

FINANCE COMMITTEE REPORT

October 6, 2009

A Finance Committee meeting was held Tuesday, October 6, 2009 at 5:30 p.m. in the County Administration Building, Quorum Court meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: Moore, Wozniak, Wolf, Brown, Allen, Douglas, Stephenson

Others Present: JP Frank Winscott, County Judge David Bisbee, Sheriff Keith Ferguson, Kathy Bannister, Public Safety Director Greg Hines, Comptroller Richard McComas, Accounting Manager Michele Anderson

Media: Ryan McGeeney – Morning News; Tabatha Hunter – Benton County Daily Record

PUBLIC COMMENTS:

None

Grants Administrator Report

Kathy Bannister explained some changes that have been made in the format of the Grants Administrator report.

JP Moore asked what the likelihood is of being awarded the grant for the Springtown low water bridge. Kathy Bannister explained the scoring system and said it has a good chance. JP Stephenson asked for notation on the report that indicates which grants the county is providing assistance with.

JP Douglas asked what the PAL grant funds are used for. Kathy Bannister stated that this particular grant will fund a Juvenile Probation counselor along with another character-building program.

Substance Abuse Treatment Drug Court Grant Ordinance Request

Kathy Bannister stated that this is to appropriate the balance of \$72,679 in 2009 grant funds for Substance Abuse Treatment Grant for the Adult Drug Court.

JP Stephenson made motion to forward the appropriation ordinance request to the October 13, 2009 Committee of Thirteen agenda, seconded by JP Wolf. Richard McComas stated that they will appropriate the remaining amount in 2010.

Motion passed by unanimous show of hands vote.

Supervised Visitation Exchange Program Grant Ordinance Request

Kathy Bannister stated that this is to appropriate \$10,386.41 in 2009 expenditures for the Safe Haven Supervised Visitation Exchange Program. Richard McComas stated that the remaining amount will be carried over into the 2010 budget.

JP Stephenson made motion to forward the appropriation ordinance to the October 13, 2009 Committee of Thirteen agenda, seconded by JP Wolf.

Motion passed by unanimous show of hands vote.

ACEDP Septic System Project Grant Ordinance Request

Kathy Bannister stated that they are just appropriating a portion of the funds for 2009, and the remainder will be appropriated in 2010.

JP Wolf made motion to forward the appropriation ordinance request to the October 13, 2009 Committee of Thirteen agenda, seconded by JP Douglas.

Motion passed by unanimous show of hands vote.

Resolution Request: Application for GIF Rural Fire Services Grant – Beaver Lake VFD

Kathy Bannister stated that the Beaver Lake Volunteer Fire Department is applying for General Improvement Funds through Rural Fire Services to help build a training center. She said that only counties can apply, so this will be a pass through grant with no county matching funds.

JP Stephenson made motion to forward the resolution request to the October 13, 2009 Committee of Thirteen agenda, seconded by JP Wozniak.

Motion passed by unanimous show of hands vote.

Resolution Request: Accepting Legislative Audit Report

Richard McComas stated that they should all have received a copy of the legislative audit report in the mail, and this is a resolution that they are required to pass every year acknowledging that the report has been received.

JP Stephenson made motion to forward the resolution request to the October 13, 2009 Committee of Thirteen agenda, seconded by JP Douglas.

Motion passed by unanimous show of hands vote.

Emergency Medical Services (VAS) Appropriation

Richard McComas explained that the Volunteer Ambulance Service dues are collected by the county, and in turn appropriated to cover whatever they spend, She said this year collections were more than anticipated, so they need to appropriate the additional money.

JP Stephenson made motion to forward to the October 13, 2009 Committee of Thirteen agenda, seconded by JP Wozniak

Motion passed by unanimous show of hands vote.

Sales Tax Numbers

Richard McComas stated that last months' sales tax receipts were down 14.22% from the same time last year, and is the largest decrease so far this year. He noted that in July of 2008, the LPGA Tournament was held in Rogers, so that could account for part of the disparity. He said he does not know how much of an impact that will make, but the tournament was held in September this year. He said they are still very close to the 2009 projections.

Jail Collections

Richard McComas stated that the state has caught up on payment for state prisoners, and they are currently \$308,624 ahead of projections. JP Stephenson stated that he cannot understand why the state expects us to keep prisoners at less than half the cost of keeping them, because we are losing more money than we are making. Richard McComas stated that most of the prisoners are from Benton County, and have been sentenced to state facilities which do not have room for

them. JP Moore stated that it is cheaper for the state to leave them in the county than it is to build more prisons.

County Judge David Bisbee stated that counties have in the past tried to request increases that would cover the total cost, and what they need to do is request a \$5 increase one year, and another \$5 request the following session. He said the state is not going to grant a 100% increase all at once. He said it is much like the situation where Benton County is paying \$2.5 million per year for prosecuting attorneys and public defenders, and the state law says that the state should pay for them.

JP Winscott asked if this is typical of other counties in the state. County Judge David Bisbee stated that it is probably the biggest issue between the state and counties—the overcrowding of county jails due to the backlog of state prisoners.

Fuel Summary

Accounting Manager Michele Anderson stated that the Sheriff’s Department has spent \$272,700 to date, and County Road has spent \$440,817, for 51% and 52% respectively, and the budget could be at 75% at this point of the year.

JP Douglas stated that he can see that the dollars are down, but asked if there is a way they could see comparisons by gallons used between this year and last year. Richard McComas explained that not all of the fuel costs come from the county’s fuel supplies; some of it is charged during travel. He said if you divide the average fuel cost per gallon into the total, that should give them a rough estimate of the gallons used.

Monthly Expenditure Report

Michele Anderson stated that at this point in the year, they could be at 75%, but the General Fund is only at 69%, and noted several grant funds that are fully expended.

JP Allen asked why the Election Commission is so low. Richard McComas stated that they always budget for poll worker pay, but they have not spent as much this year as in years past..

JP Stephenson asked why Veteran’s Services has personnel costs of \$101,000. Richard McComas stated that there are two full-time employees, plus benefits, and they had to pay approximately \$9,000 in unemployment when the previous Veteran’s Services officer was let go.

JP Allen asked how many more elections are expected this year. Richard McComas stated that they expect to turn back a large portion of the poll worker pay, as they do each year. He said based on the anticipated number of elections, the Election Commission budget varies from between \$300,000 and \$700,000 per year.

JP Winscott asked why Fund 615 is at such a low percentage. Richard McComas explained that that is the Circuit Clerk’s Cost fund, and she only spends it as she needs it, but those funds have to stay in that account and cannot be used for anything else.

JP Moore asked if they have an estimate yet of returned appropriations. Richard McComas stated that he hoped they got most of the returned appropriations out of the budget when they did the big adjustment a few months ago. He said they may still get some return from fuel if prices continue to stay down, and perhaps some from personnel if empty positions remain unfilled.

Budget Process Calendar Update

Richard McComas stated that he and Treasurer Deanna Ratcliffe will be getting numbers together on expected revenues for 2009 and 2010, and they expect the meetings with Elected Officials and Department Heads to be completed this week. He said they will be ready to present the budget to the Finance Committee next week.

JP Moore announced that the next Finance Committee meeting will be Tuesday, October 13, 2009 at **5:00** p.m., and the remaining two Finance Committee meetings will be tentatively scheduled for Tuesday, October 20, 2009 at 5:30 p.m. and Tuesday, October 27, 2009 at 5:30 p.m. He said that they can schedule additional meetings as needed.

Richard McComas stated that they are working with the same budget numbers for personnel as they had last year, so they are not figuring any salary increase at this time. He also added that unemployment is not budgeted, and is at \$90,000 for the first 2 quarters. JP Moore asked if the Health Insurance fund is in good shape. Richard McComas stated that it is at 79%, and they hope they will not have to dip into the reserves to finish out the year.

JP Allen asked why they do not budget for unemployment. Richard McComas explained that they have no way of anticipating which department it will come out of or how much it will be. JP Stephenson stated he did not think there would be anything wrong with setting aside some money to cover unemployment claims. Richard McComas stated that historically, emergency repairs like air conditioners, etc. and unemployment claims have been taken out of reserves as needed, but they are aware that that the costs are there.

JP Stephenson stated that some action was taken last year regarding setting the salaries of Elected Officials at a certain level, and he would like to see how that is going to impact the budget, because he is not in favor of increasing salaries at this time. Richard McComas stated that he thinks the Elected Officials are aware of that, and are not expecting raises if employees are not getting an increase. He added that the Elected Officials' salaries are set out in Schedule 4, so they will have an opportunity to address it during the budget cycle.

JP Moore asked JP Wolf if the Personnel Committee will be forwarding any requests for additional personnel to the Finance Committee. JP Wolf explained that several title changes, reorganizations, and two small wage adjustments were forwarded to the Budget process, but the only request for a new position was from the Election Commission and it was forwarded to the Committee of Thirteen without recommendation to allow more discussion.

Adjournment

After motion and second the meeting adjourned at 6:25 p.m.