

December 2, 2008

FINANCE COMMITTEE REPORT

A Finance Committee meeting was held Tuesday, December 2, 2008 at 2:30 p.m. in the County Administration Building, Quorum Court meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: Harrison, Hobbs, Stephenson, Summers, Williams, Wolf, Wozniak

Others Present: JP Hill, County Judge Gary Black, Treasurer Deanna Ratcliffe, County Attorney Robin Green, Mike McGinnis, Richard McComas, Michele Anderson

Media: Scarlett Sims – Morning News; Tabatha Hunter – Benton County Daily Record

PUBLIC COMMENTS:

None

1. Grants Administrator Report

Grants Administrator Kathy Bannister stated that she is working with the Sheriff's Department and Juvenile Probation on an application for a G.R.E.A.T. Grant, which is due on January 22 and will require a 10% match. She said that two of the Sheriff's Deputies have received training in this program, and she believes they may be able to use salaries for the match. She said it provides a gang resistance educational program for middle schools.

The committee discussed the Courthouse restoration project. Kathy Bannister stated that the technical advisor from the Arkansas Historical Society has recommended that they use the \$26,000 for an electrical study to locate the old wiring. She said that once the study is complete, they can phase in the rest of the project. Maintenance Director Mike McGinnis described the problems they have encountered with the old wiring buried in plaster.

2. Budget Adjustment: Various Departments

Comptroller Richard McComas stated that there are several departments that need adjustments. He said the Equalization Board will need an additional \$27,000 due to the large volume of appeals this year, but they will increase the Transfer From Assessor, so no County General funds will be needed. He said that the County Clerk's office will need an adjustment to cover personnel costs due to the election, and to make up a small amount left out of the calculations for the 27th payroll. He said that there will also be an adjustment in CenCom, due to the 27th payroll, and the additional position which was added mid-year.

Richard McComas stated that Rural Fire Services will need an adjustment for Workman's Comp, which was \$640 short when they figured it, and a transfer of \$60,000 from the "Buildings" line item to "Fire Substation Services", at the request of the auditors. He added that the \$3,500 adjustment in Search & Rescue is FEMA money that has been reimbursed and needs to be appropriated.

JP Wolf made motion to forward to the December 9, 2008 Committee of Thirteen agenda, seconded by JP Stephenson.

Motion passed by unanimous show of hands vote.

Richard McComas stated that the ceiling in Judge Keith's courtroom is deteriorating, causing the need for extra cleanings and since the benches have to be removed in order to repair it, they would like to go ahead and re-carpet the floor. He said the carpet will cost approximately \$5,200 and the cost of sealing and painting the ceiling will be about \$20,000.

JP Stephenson made motion to forward to the December 9, 2008 Committee of Thirteen agenda, seconded by JP Williams.

JP Wolf stated that there is no doubt that this work needs to be done, but would the electrical study mentioned by the Grants Administrator need to be done first. Mike McGinnis stated that he did not think it would. County Attorney Robin Green pointed out that the courtroom will be empty for about two weeks at the end of December and beginning of January, so it would be an ideal time to do the work. Motion passed by unanimous show of hands vote.

3. Sales Tax Numbers

Richard McComas stated that sales tax receipts were up almost 16% last month.

4. Jail Collections

Richard McComas stated that he expects to receive some of November's collections later in December, because they have been coming in at the end of the month, but they are still \$400,000 ahead of 2008 projections.

5. Monthly Expenditure Report

Michele Anderson stated that accounts should be at 91% at this point in the year and the departments that are higher are being addressed with the budget adjustment ordinance.

6. Fuel Analysis

Michele Anderson stated that there is good news in the Fuel Analysis report; the Sheriff and Jail are at 81% and County Road is at 86%, and noted that the October 2007 average fuel cost per gallon was higher than October 2008.

10. Other Business

The committee discussed the War Eagle Bridge project. Richard McComas stated that the project will cost approximately \$900,000; \$600,000 of which will come from Federal and State grants. He said that they have already spent about \$120,000 on engineering work this year.

JP Summers reminded the committee that \$1,020,000 earmarked for the Sheriff's building has been returned to Capital Reserves. Richard McComas noted that at the end of 2008, there will be \$4.6 million in the Capital Reserves account, and by the end of 2009, it should have \$5.3 million.

JP Summers stated that the 2010 census will result in a decrease in the percentage of the county population from 27% to 20%. Richard McComas stated that will result in a loss of \$2.3 to \$2.6 million in sales tax revenue.

JP Summers urged returning Quorum Court members to try to maintain the good working relationship that they have with the accounting staff, and noted that Richard McComas and Michele Anderson have developed a lot of credibility over the years with the various elected officials and department heads, and to remember that new buildings not only entail construction costs, but also recurring costs for the personnel necessary to operate them.

JP Summers stated that the county is in good financial shape because this committee has shown restraint over the years, so there is money in the bank.

Richard McComas stated that there are some Road Department projects that were budgeted for 2008 but will not be completed this year, so the money will have to be carried over to the 2009 budget, and they have received all of their reimbursements from FEMA. He said that there are also some vehicles on order that may be held up due to the problems that the manufacturers are having.

JP Summers stated that he has worked with five different County Judges, and Judge Black has done a tremendous job in getting the county to the level it should be as far as equipment is concerned.

Richard McComas noted that in looking around the room, there are more JPs leaving than will be returning, and he appreciates the work that the committee has done and has enjoyed working with all of them.

JP Williams announced that the 1,000th pound of pharmaceuticals will be destroyed next week, and they have been contacted by the City of Mena, and they are interested in beginning a program there.

JP Summers stated that the next Committee of Thirteen will be Tuesday, December 9, 2008 at 6:00 p.m.

After motion and second the meeting adjourned at 3:05 p.m.