

February 5, 2008

FINANCE COMMITTEE REPORT

A Finance Committee meeting was held Tuesday, February 5, 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, Moore, Wozniak

Others Present: JP Hill, JP Winscott, County Judge Gary Black, Treasurer Deanna Ratcliff, Richard McComas, Michele Anderson

Media: Scarlett Simms – Morning News; Evie Bland – Benton County Daily Record

JP Tim Summers called the meeting to order at 2:30 p.m.

PUBLIC COMMENTS:

None

1. Keep Benton County Beautiful

A request for funding for a part-time Executive Director for the Keep Benton County Beautiful organization was made by Bob Mudie. He listed several projects that the group has been involved with, and said that the grant which funded the Executive Director position has expired, and she is currently working on a volunteer basis. JP Wozniak suggested contacting Grants Administrator Kathy Bannister for assistance in securing another grant, and stated that perhaps all of the cities in the county could contribute toward the cost. JP Stephenson stated that he did not believe it was the role of the county to assume funding for a 501C-3 organization. County Attorney Robin Green stated that she did not believe they could legally use tax payer funds to subsidize a 501C-3 non-profit organization.

2. County Attorney Report

County Attorney Robin Green stated that the Attorney General has issued an opinion on the question of Bella Vista receiving Road Tax Funds in 2007, and while she agrees with some of the points expressed in the opinion, she does not agree with the conclusion that Bella Vista is entitled to the tax funds. She said that she has studied the method by which the county levies taxes for the cities, and she does not believe Bella Vista should receive funds for 2007. She said that if they release the funds without case law to support the decision, the county could be vulnerable to a lawsuit from other taxpayers who believe the money should not have gone to Bella Vista. She said that while no one likes litigation, she thinks this case may have to be decided by the courts.

3. Grants Administrator Report

Grants Administrator Kathy Bannister stated that they are looking at two grants for which they will need Resolutions from the Quorum Court on February 28th. She said the first is a Department of Justice Safe Havens: Supervised Visitation and Safe Exchange Grant for an

amount of up to \$400,000. JP Stephenson made motion to forward a Resolution request to the February 12, 2008 Committee of Thirteen agenda, seconded by JP Wozniak. Motion passed by unanimous show of hands vote.

Kathy Bannister stated that the second application they are working on is for a Rural Services GIF grant for the Veteran's Council to construct a handicapped access trail at the Veteran's Wall of Honor in Bella Vista, and it would be a pass-through grant. JP Hobbs made motion to forward a Resolution request to the February 12, 2008 Committee of Thirteen agenda, seconded by JP Stephenson. Motion passed by unanimous show of hands vote.

Kathy Bannister stated that they will also need to forward an ordinance to appropriate the grant funds received from the Administrative Office of the Courts for the courthouse safety committee to purchase equipment which will be located in the courthouse. JP Hobbs made motion to forward an Ordinance request to the February 12, 2008 Committee of Thirteen agenda, seconded by JP Stephenson. Motion passed by unanimous show of hands vote.

4. Prosecuting Attorney Software

Comptroller Richard McComas stated that the software program in the Prosecuting Attorney's office has an annual maintenance cost that was inadvertently left out of the 2008 Budget requests, and needs to be appropriated. JP Stephenson made motion to forward an Ordinance request to the February 12, 2008 Committee of Thirteen agenda, seconded by JP Hobbs. Motion passed by unanimous show of hands vote.

5. Sales Tax

Comptroller Richard McComas stated that when the sales tax received by Bella Vista is added into the total, there was actually a 3% increase in revenue. He said that next months receipts will be the last month that they will compare numbers that include Bella Vista; beginning in March they will be compared to last years' numbers without Bella Vista.

The committee discussed actual expenses in the County Jail. Richard McComas stated that the total budget of the Jail in 2007 was \$6,243,000, covering 180,085 prisoner days, which averages out to \$34.67 per prisoner per day. He said they are currently charging cities \$31 per prisoner per day, and the State \$28. He said that the Sheriff is hoping that the legislature will increase that amount at their next session, at which time he would like to also increase the cities' charges. He said that he did not know how the number of days was divided between state prisoners and federal prisoners, but the Sheriff would have that information.

8. Fuel Analysis

Michele Anderson stated that the Sheriff's Department exceeded the 2007 fuel budget by about \$40,000, the Jail was right on target, and the Road Department was over by about \$220,000. Richard McComas stated that they may see a shortfall if fuel prices continue to increase. JP Summers stated that they may have to consider some ways to limit fuel usage. JP Hobbs stated that they should challenge all of the department heads to find ways to keep their fuel costs down, and that even she personally thinks twice before making random trips so she thinks that county employees should be asked to do the same. She said that if they continue to justify the budget shortfalls by saying that fuel cost have increased, they will continue to exceed the budget. JP Summers suggested having some of the department heads report on the ways they are conserving fuel. JP Stephenson stated that they should review

the usage quarterly and consider a cap if the shortfall gets out of hand. The committee discussed the amount budgeted for 2008. JP Summers asked Richard McComas to increase the 2008 fuel budget by 25% and bring those revisions to the next Finance Committee meeting. JP Stephenson stated that he would like to see a list of who is assigned vehicles and why.

9. Monthly Fund Summaries

Michele Anderson stated that they will close out the year in March, and will be bringing the final 2007 Budget Adjustment ordinance forward at that time. Richard McComas reminded the committee that they will need to appropriate an additional \$150,000 to \$200,000 in the Sheriff and Jail Departments, and will have returned appropriations of approximately \$500,000.

JP Moore asked if the Sheriff's Department budget for 2008 had been increased to avoid the shortfall which occurred in 2007. Richard McComas stated that they increased the amount budgeted for overtime, but the new program dealing with illegal immigration is requiring a lot of overtime from the deputies.

9. Other Business

Richard McComas stated that they have received the paperwork for the Road Department equipment note, and are ready to go forward with it. Richard McComas stated that they cannot obtain the financing until 30 days after the ordinance is adopted, so they hope by that time they will be able to get an even lower interest rate.

JP Summers announced that the next Finance Committee meeting will be February 5, 2008 at 2:30 p.m.

After motion and second the meeting adjourned at 3:10 p.m.