

FINANCE COMMITTEE REPORT

March 1, 2011

A Finance Committee meeting was held Tuesday, March 1, 2011 at 5:30 p.m. in the County Administration Building, Quorum Court meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: Allen, Moore, Jones, Harrison, Douglas, Winscott

Others Present: County Judge Bob Clinard, JP's Hawkins and Sandlin, Comptroller Richard McComas, Accounting Manager Michele Anderson, Grants Administrator Richard Redfearn, Administrator of Public Service Gary Black, Administrator of Public Safety Marshal Watson, Administrator of General Services Elizabeth Bowen, Chief Deputy Don Townsend

Tom Sissom – Benton County Daily Record

JP Allen called the meeting to order

PUBLIC COMMENTS:

None

1. Grants Administrator Report

Grants Administrator Richard Redfearn reported that because the county receives more than one half million dollars in grant funds, that the Federal Grant A-133 audit contract is in place and that Frost PLLC will start the audit the in May. He stated that the Department of Energy Efficiency & Conservation Block Grant (EECBG) has approved the site change for the Road Yard and that 100% of all the grant funds to be obligated deadline, has been extended to 8/30/2012. Richard Redfearn noted that he has grouped all of the grants on the spreadsheet report by department.

JP Jones questioned why the US Geological Survey –NSDI Coop. Agreement Program grant had been denied. Administrator of General Service Elizabeth Bowen stated that a line item for software had been entered that was not listed as an item that could be applied for. She stated that prior approval from the Finance Committee had been given, to have the item in the budget and that it would be a direct cost share. She added that Benton County had received the EECBG grant in 2004.

2. SAMSHA Grant Ordinance

Comptroller Richard McComas stated that this ordinance is to appropriate monies left over from the Substance Abuse and Mental Health Services Grant (SAMSHA).

JP Douglas made motion to approve the proposed ordinance and forward with a do pass recommendation to the March 8, 2011 Committee of Thirteen agenda, seconded by JP Winscott.

Motion passed by unanimous show of hands.

3. NEBCO Grant Ordinance

Richard McComas stated this ordinance is for appropriation of Rural Community Service Grant that the NEBCO Fire Department received in the amount of \$15,000.00 to help purchase a Tanker.

JP Moore made motion to approve the proposed ordinance and forward to the March 8, 2011 Committee of Thirteen agenda, seconded by JP Douglas

Motion passed by unanimous show of hands.

4. Criminal Warrant Reduction Grant Ordinance

Richard McComas stated this ordinance is to appropriate \$10,000.00 from the Criminal Warrant Reduction Grant to help reimburse overtime of serving warrants.

JP Jones made motion to approve the proposed ordinance and forward to the March 8, 2011 Committee of Thirteen agenda, seconded by JP Harrison

Motion passed by unanimous show of hands.

5. Environmental Services Ordinance

Richard McComas stated this ordinance request is to appropriate additional monies for a county wide spring clean up. He stated that in the budget, there was money appropriated for waste disposal for the convenience centers, that this money will be for the waste disposal of the spring clean up. Administrator of Public Services Gary Black stated that the spring clean up will be held April 9, 2011.

JP Kurt Moore asked if the spring clean up would be similar to others that the county has held. Gary Black stated that it would be. JP Kurt Moore stated that some of the costs could be mitigated by the sale of some of the valuable metals and materials that are collected at the clean up. Gary Black stated that the cost for disposing of the chemicals collected is about \$20,000.

JP Winscott asked if the clean up would be done both in the spring and fall. Gary Black replied that the clean up is just for the spring clean up and that they would see how it goes and then come back to the committee if one is to be held in the fall.

Richard McComas reported on the costs involved with previous years clean up.

JP Winscott made motion to approve and forward to the March 8, 2011 Committee of Thirteen agenda, seconded by JP Jones

Motion passed by unanimous show of hands

6. Capital Projects – Juvenile Justice Center Ordinance

Richard McComas stated this is to appropriate \$165,718.35 for the Juvenile Justice Center that was not spent last year.

JP Harrison made motion to adopt and forward to the March 8, 2011 Committee of Thirteen agenda, seconded by JP Winscott

Motion passed by unanimous show of hands

7. Sales Tax Numbers

Richard McComas reported that the county's share of sales tax revenue equals 20.061% of the total sales tax revenue received. He stated based on the new census numbers the county received \$583,961. He added that we received \$8.5 million last year and projected \$6.3 million this year, with a \$2.2 million difference. He added that the \$6.3 million that was projected, we will meet that projection based on the percentage of receiving 20% instead of the 19%. He stated that this makes the seventh straight month in increase of sales tax collection and as long as that trend continues, the county will make up for the \$400,000 to \$450,000 that the county was going to lose. He added that the overall revenue from the countywide sales tax has grown at a greater rate than had been budgeted.

JP Winscott asked of the total budget, where the greatest vulnerability is. Richard McComas stated that our greatest degree of vulnerability would be in sales tax and property taxes. JP Winscott stated as opposed to fuel costs. Richard McComas stated that fuel costs are definitely unknown at this point. JP Winscott asked if fuel costs stays about the same as they are now, are we good. Richard McComas stated that we may go over, and there is a possibility that we will exceed our fuel costs in both the Sheriff's Office and the Road Department.

JP Allen asked if the increase in volume is due to heavy patrolling in the Sheriff's Office. Chief Deputy Don Townsend stated that there is an increase in patrolling and also an increase in calls for service.

8. Jail Collections

Richard McComas stated that the state is still behind in payments and once the state pays, the numbers that are under budget will go over budget. He added monthly collections were \$106,796 this month, compared to \$15,312 last month. He stated that the State paid every quarter last year.

9. Fuel Summary

Accounting Manager Michele Anderson stated that average fuel costs have increased 21%, with a 26% increase for diesel fuel. She stated that year-to-date the Sheriff's Department and Jail had a 57% increase over last year, and that the Road Department had a 54% increase, and most of that is due to the snow storms.

Richard McComas stated that they have budgeted \$3.20 per gallon for 2011 and are now paying \$2.65 for unleaded and \$2.68 for diesel fuel costs. He added that fuel costs have been staying above \$2.80 for the last two months.

10. Monthly Expenditure Report

Michele Anderson reported on the Monthly Expenditure Report and stated that expenditures in the General Fund were at 16.66% of the budget, and that the departments that are over, have to do with insurance, supplies, or service contracts.

11. Other Business

Richard McComas stated that the Sheriff's Office had to replace the servers that do the video recording at the jail. He added that the Sheriff's Office had money left over from the 2010 budget and that they can purchase the servers, and still be within the budget without appropriating additional money. He stated that the servers being replaced will allow the video recordings to be saved, and that those being replaced have gone from a 30 day saving period down to a five day saving period.

JP Allen stated that they have the money it is just in a line item somewhere else.

JP Jones questioned if a number of camera's that went down or problems with equipment?

Richard McComas stated that it was the equipment that went out.

Richard McComas asked that it would be noted in the minutes that he had brought this to the attention of the committee and that the committee was okay with it. JP Allen stated that he was okay with it; other members responded that they were also okay with the appropriation

Richard McComas stated that we are closing out 2010 and that the only place that will need an appropriation is in the County Health Insurance fund in the amount of \$59,000. He added that we still spent less than budgeted for Health Insurance, but we didn't appropriate enough for the amount of claims that we had. He added that the other items on the request are washes against one account or the other. He reported that we keep a two million dollar reserve in the Health Insurance fund.

JP Harrison made motion to adopt the proposed appropriation ordinance and forward to the March 8, 2011 Committee of Thirteen agenda, seconded by JP Douglas

Motion passed by unanimous show of hands

JP Allen announced that the next Finance Committee meeting will be Tuesday, April 5, 2011 at 5:30 p.m.

Upon motion and second the meeting adjourned at 6:06 p.m.