

FINANCE COMMITTEE REPORT

April 03, 2012

A Finance Committee meeting was held Tuesday, April 3, 2012 at 5:30 p.m. in the County Administration Building, Quorum Court Meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: Allen, J. Harrison, Moore, Jones, Douglas, Winscott, Curry

Others Present: County Judge Bob Clinard, JPs Sandlin, King, Sheriff Keith Ferguson, County Attorney George Spence, Comptroller Richard McComas, Accounting Manager Sarah Daniels, Administrator of General Service Elizabeth Bowen, Director of Construction, Facilities, & Maintenance John Sudduth, Jail Captain Chris Sparks

Tom Sissom – Benton County Daily Record

Chair JP Allen called the meeting to order.

1. Grants Administrator Report

Administrator of General Service Elizabeth Bowen reported that; 1) they were in the process of applying for a grant with the Arkansas Department of Parks & Tourism's Outdoor Recreation General Improvement Fund for baseball equipment for the Sheriff's Department's juvenile crime prevention program called P.A.L. (Police Athletic League); 2) the Arkansas Administrative Office of the Courts Security and Emergency Preparedness Grant for \$10,000 had been submitted for additional courthouse security cameras with no county match required; 3) the Arkansas Department of Human Services Juvenile Accountability Block grant (JAGB) had been awarded; 4) the Northwest Arkansas Economic Development District – General Improvement Funds Grant had been submitted, for Project Life Saver, that assists with costs for dementia patients.

2. Sheriff's Office-Discussion of Inmate Pay for Stay and Commissary Programs

Sheriff Keith Ferguson stated that he had signed an agreement with a company to do the jail's food service. He stated that the program will allow inmates to buy food and other items not now available at the jail, and that this is an agreement, not a contract and it can be cancelled with 90 days notice by either party so that the county's next sheriff won't be bound by his decision. He stated that the county would receive 34% of the profit from the program, and that he did not know if an ordinance would be needed for the money that is received. Richard McComas stated that the Sheriff could include the money received in his monthly report and that the money would go back to General Fund.

JP Allen asked if the pay for stay would require any documentation.

County Attorney George Spence stated that the fees included in the pay for stay plan \$40 per day plus the \$5 transportation charge for each county inmate would be implemented by order of a circuit judge when a defendant is sentenced. He stated that the additional fees would be collected in the same manner as the existing court costs, fines, and fees that are imposed by the judges and anyone refusing to pay, could be subject to arrest and imprisonment.

Lengthy discussion was held on the pay for stay ordinance, fee charges and how the charges would be enforced and collected by the court system.

County Attorney George Spence explained that once the fine is ordered by the judge, it is like a civil judgment, or a criminal case judgment for money, and that either one can act as a lien against real-estate. He stated that the Sheriff has said that when these people are released they have an order to pay a certain amount and that they are usually set up on payments and that if they don't keep making those payments then the court serves a warrant and then they are asked why they haven't been paying. George stated if they do not have the ability to pay then they are not held in contempt of court and they do not go back to jail, but if they are just not paying because they are using the money for cigarettes and booze then the judge can send them back to jail.

Further discussion was held on the benefits of the pay for stay ordinance, and which account to receipt the funds.

JP Douglas made motion to approve in principal and forward the pay to stay ordinance contingent upon the County Attorney George Spence's review and forward to the April 10, 2012 Committee of Thirteen agenda, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

Sheriff Ferguson stated that he had signed an agreement with Keefe Supply Company a company out of St. Louis, Missouri to operate the commissary program, and that the county would receive 34% of the profit. He stated that Keefe Supply Company will furnish a man to be there five days a week, with no cost to the county. Sheriff Ferguson stated that they were seeking approval for a plan to charge the inmate's commissary accounts a co-pay to cover some of their medical costs.

JP Jones stated that he liked the idea of the commissary; if the inmates are doing what they need to do, acting right and not causing trouble. He stated there are going to be people who can afford to use the commissary; then there will be those that can't, and asked if it might cause more problems among the inmates.

Sheriff Ferguson stated yes, you are going to have problems, it happens in penitentiaries and it happens in jails all over the world.

Captain Sparks stated the jail has policies in place to prohibit the trading of food and that the commissary items will be restricted to the inmates' cells. He added that there will be no mingling of inmates with and without commissary privileges and that should minimize fights or arguments over the items.

JP Douglas made motion to forward the inmate healthcare ordinance to the April 10, 2012 Committee of Thirteen agenda contingent upon County Attorney George Spence's review of the ordinance, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Sheriff Ferguson presented a sample of a product to repair the shower stalls in the jail, and reported that the best bid came from TUFco of Siloam Springs, to install the product in 34 shower stalls for \$102,000.

JP Douglas stated this is a tremendous product and that it will last as long as the jail. He added that the product is expensive, but well worth it.

Sheriff Ferguson stated that an appropriation ordinance request will be needed at some time to pay for the work.

JP Jones made motion to approve and authorize Sheriff Ferguson to go forward with the refinishing work in the county jail, seconded by JP Douglas.

Motion passed by unanimous show of hands vote.

3. Discussion of Easement Acquisition-Windmill Road

a) 2011 - Ordinance Request – Appropriation

Comptroller Richard McComas stated this is for easement acquisitions on Windmill Road, and is a cooperative agreement between the Bentonville School District, the City of Bentonville, and Benton County.

County Judge Bob Clinard stated that Windmill Road between Morning Star and Highway 112 is 1.2 miles long and that half of Windmill Road is in the county and half in the city. He stated that the county had reached an understanding with the city and the school district that they would pay for the costs of the materials and that the county would provide the equipment and manpower to improve the road. That they agreed to obtain each of their own rights-of-way, and that to obtain the rights-of-way would cost the county \$104,980. He added that the county has rarely, if ever, paid for rights-of-way, and if the county gets the rights-of-way for no cost and the city pays for their rights-of-way that there are going to be some upset people. He stated we share the roads and that we have to work with the cities to figure out what we are going to do; we don't want to set a precedent for paying for rights-of-way.

JP Allen stated that we are going to be funding \$104,980 knowing that it is not going to be a county road and that we will not be responsible for it in the near future.

Lengthy discussion was held on the county paying for rights-of-way, cost for materials, and the maintenance cost for the county to do Windmill Road.

JP Douglas stated that he would rather not set a precedent, and he would rather the county furnish the manpower and equipment and maybe pay a portion of the materials.

JP Moore asked what the legalities are with Bentonville purchasing rights-of-way on property outside their city limits. He added that he thinks they do not have a legal way to purchase the rights-of-way.

Further discussion was held on the legality of cities purchasing rights-of-way on property outside their city limits.

JP Winscott made motion to table the discussion of easement acquisition on Windmill Road until the May 1, 2012 Finance Committee meeting, seconded by JP Douglas.

Motion passed by unanimous show of hands vote.

County Judge Bob Clinard asked if the bidding process for the work to be done at the jail has gone through the proper procedures, and to be sure that before we go forward with this that it is done according to state law.

JP Winscott made motion that the Sheriff's Office goes through the formal bid process for the flooring of the showers, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

4. Ordinance Requests

a) 2011 - Budget Amendments Maintenance Dept. - Cleanup Appropriation

Richard McComas stated this is a clean up ordinance to the 2011 budget for the Maintenance Department and doesn't require additional money. He added that the 2011 year has been closed out, and that approximately \$1.5 million was returned in appropriations to the General Fund and \$400,000 in the Road Fund.

JP Winscott made motion to approve and forward the appropriation ordinance request to the April 10, 2012 Committee of Thirteen agenda, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

b) 2012 – Budget Amendments • Fund 010, Dept. 23 – Maintenance

Richard McComas stated this increase is for three different areas of the Maintenance Department budget and will require a \$35,000 appropriation; \$15,000 for insurance on the new Juvenile Justice Center; \$6,000 additional rent expenditures, and \$14,000 for other miscellaneous services, which would include mowing and other items around all county buildings.

JP Jones made motion to approve and forward the appropriation ordinance request to the April 10, 2012 Committee of Thirteen agenda, seconded by JP Winscott.

County Judge Bob Clinard stated that the Road Department did most of the mowing, but they have decided that it would be better use of time and money, to have the Road Department working on the roads instead of doing yard work. He stated that they have updated the look around the courthouse with flower beds and trees and that the county needs to have a better presence in the downtown area. He stated that bids had been taken for the mowing for all of the

facilities, but they will have to re-bid because everything was not included in the first bid. He added that this appropriation will cover what they think the rebid will be.

Richard McComas stated that there are other areas in this budget that they will have to watch closely and that the Maintenance Department could have adjustments throughout the year.

Richard McComas recognized Director of Construction, Facilities, and Maintenance John Sudduth. John Sudduth reported that the Maintenance Department will be moved from their leased space by the end of April.

County Judge Bob Clinard stated that the Coroner and Prosecuting Attorney offices will also be moved from their leased space by the end of April.

Discussion was held on the additional janitorial costs to the budget to maintain the new facilities.

County Judge Bob Clinard stated that the previous administration cut the maintenance and janitorial budget, and that several positions had been cut. He stated that the facilities have to be maintained and that they need more janitorial and maintenance staff.

John Sudduth stated that the Road Department does do some mowing, around the Road Department office and the Public Service Building, but that it would be too much to do other facilities in the county. He stated that they are bidding each individual location separate so they could have a break down of each facility.

JP Douglas stated that he has concerns of spending \$14,000 contracting out lawn maintenance.

Further discussion was held on the lawn care and facility maintenance.

Motion passed by unanimous show of hands vote.

- **Fund 473, Dept. 20 - Juvenile Accountability Block Grant**

Richard McComas stated this is appropriating the funds for the Juvenile Accountability Block Grant for the Juvenile Probation mediation.

JP J. Harrison made motion to approve and forward the appropriation ordinance request to the April 10, 2012 Committee of Thirteen agenda, seconded by JP Jones

Motion passed by unanimous show of hands vote.

- **Fund 483, Dept. 01 - Rocky Branch Grant**

Richard McComas stated this is grant proceeds received by Rocky Branch Fire Department for a generator.

JP Douglas made motion to approve and forward the appropriation ordinance request to the April 10, 2012 Committee of Thirteen agenda, seconded by JP Curry.

- **Fund 487, Dept. 01 – NEBCO Grant**

Richard McComas stated this is to appropriate grant revenues received for the NEBCO Fire Department to purchase a fire truck.

JP J. Harrison made motion to approve and forward to the appropriation ordinance request to the April 10, 2012 Committee of Thirteen agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

5. Sales Tax Numbers

Richard McComas reported that the sales tax receipts are up 12% over the first quarter of 2011. He added that the March sales tax receipts for 2012 were more than 25% higher than the same month in 2011, and the county is \$189,180 ahead of 2011.

6. Jail Collections

Richard McComas stated that there is \$86,158 that has been collected this month that has not been turned over, and another \$55,000 in receivables that have not been paid, and the whole month of March, which has not been billed. He added that \$227,696 had been collected for the year.

7. Fuel Analysis

Accounting Manager Sarah Daniels reported that the Sheriff was at 20% of their budget, and the Road Department at 33% of their budget. She added that average unleaded fuel costs have increased 8% to \$3.40 per gallon and that diesel has increased 4% to \$3.38 per gallon.

8. Monthly Fund Summary

Sarah Daniels reported on the Monthly Fund Summary report, stating that the General Fund is at 22.98% and the overall budget is at 21.54%.

9. Other Business

JP Douglas announced that a Transportation Committee meeting will be held April 5, 2012 at 6:00 p.m.

JP Allen announced that the next Committee of Thirteen meeting will be held April 10, 2012 at 5:30 p.m.

Upon motion and second the meeting adjourned at 7:43 p.m.