

FINANCE COMMITTEE REPORT

September 04, 2012

A Finance Committee meeting was held Tuesday, September 04, 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, Jones, Douglas, Winscott, Curry, Moore

Others Present: County Judge Bob Clinard, Circuit Judge John Scott, County Assessor Bear Chaney, Coroner Daniel Oxford, JPs Sandlin and Hawkins, Comptroller Sarah Daniels, Administrator of Public Safety Marshal Watson, Administrator of General Services Elizabeth Bowen, County Grants Administrator Kati Rose, Information Systems Director Sidney Reynolds

Tom Sissom – Benton County Daily Record

Chair JP Allen called the meeting to order.

1. Grants Administrator Report

Grants Administrator Kati Rose stated that the 2011 Federal Grant audit is complete and everything looked good. She reported that: 1) the Department of Justice – Coverdell Forensic Science Improvement Grant for \$68,207 has been awarded and will be used for additional equipment and training to improve efficiency in the Coroner's Office; 2) Department of Health and Human Services – SAMHSA grant in the amount of \$232,576 has been awarded with no match, which will extend the grant from October 1, 2012 to September 30, 2013; 3) an application for an Arkansas Department of Environmental Quality-E-waste Grant in the amount of \$10,900 has been submitted to help defray the cost of the Spring & Fall Clean-ups that are budgeted annually. She stated that the grant will cover the cost for advertising, electronic waste disposal, the cost of boxes, and food and water for the volunteers.

2. Appropriation Ordinance Request – Forensic Science Grant

Comptroller Sarah Daniels stated this appropriation ordinance request from the Forensic Science Grant is for the purchase of a DNA drying cabinet, and has been approved by the funding source, adding that this is a transfer, not additional funds. Coroner Daniel Oxford stated this appropriation request is to transfer money saved from a grant that was awarded last year, and that the DNA drying cabinet is used for drying DNA evidence.

JP Douglas made motion to forward the appropriation ordinance request to the September 11, 2012 Committee of Thirteen agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

3. Sales Tax Numbers

Sarah Daniels reported that August sales tax receipts were down 4.23% for the month, but are showing an increase of 7.56% for the year, with a net gain of \$312,749 for the year.

4. Jail Collections

Sarah Daniels reported that \$112,364 was collected in the month of August, \$608,644 has been collected for the year, and that the budget had been adjusted down to \$750,000.

5. Fuel Analysis

Sarah Daniels reported that the Sheriff's Department is at 67% of their budget, and the Road Department at 90% of their budget. She stated that average unleaded fuel costs have increased 3% to \$3.27 per gallon and that diesel has increased 4.7% to \$3.31 per gallon. She stated that year-to-date, \$58,569 has been transferred back to the Road Department.

6. Fund Summary

Sarah Daniels stated that the Monthly Fund Summary report should be at 67.7%, the General Fund is at 62.09%, and the overall budget is at 59.72%.

7. Presentation - Arkansas Visitation and Exchange Center (AVEC)

JP Allen stated that AVEC originally had a federal grant, but there were stipulations attached that prevented them from running the center as they felt it should be run, and as time went by everyone agreed to drop the grant, so that the organization could be run as a not-for-profit business the way it was intended to operate. He added that Circuit Judge John Scott is in the audience to show his support for AVEC.

JP Allen recognized Pat Carroll from the Arkansas Visitation and Exchange Center (AVEC), who distributed a handout about the Arkansas Visitation and Exchange Center (AVEC) program. He stated the AVEC provides a safe haven for children and parents, and protects victims of domestic violence and their children. He stated that AVEC supervised visitation involves providing on-site, one-on-one monitoring and observation of parenting time by trained professionals. He added that the monitored exchanges provide families an opportunity to have a safe location to exchange children without the parents having contact with each other. He stated most often the exchange of the children follows a routine schedule that families have in a court order or written agreement.

He stated that it is a 501-C (3) non-profit organization, and that the board made the decision to stop the federal grant in April, and since that time, no funds have been generated to get the center back open. He stated that they are requesting seed money to get the center back opened, and that they have been told by private grant foundations that once the center is opened, they will be donating to AVEC to help with operation costs. He added that a majority of their clients are referred by a court order.

Circuit Judge John Scott stated this facility is absolutely wonderful; it provides an opportunity for children to see a parent without having to go through legal procedures. He stated this facility's mere existence reduces domestic difficulty in the lives of these children. He stated that he would strongly encourage the court to provide AVEC with some of their funding so that this facility can reopen.

JP Moore asked how much they are requesting.

Pat Carroll stated that they were open for anything, but they would love to have at least \$60,000 to get them started and open for a year, and by that time they would have their grant writing in place and other donations would be coming in. He stated that in 2011, there were 1,534.2 hours used for direct services of supervised visits or exchanges, and from January 1, 2012 until the center closed in April, there was a total of 558 hours used during the time it was open.

Judge Scott stated that the more the center was opened, and the more people were aware of it, the more it was used.

JP Sandlin asked what the reasoning was in walking away from the grant before they found new money.

Pat Carroll stated that it was a combination of items that was considered when they made the decision. He stated that some of the stipulations from the Office on Violence Against Women (OVW) did not match up with what the center's mission statement was.

Lengthy discussion was held regarding the service that Arkansas Visitation and Exchange Center (AVEC) program provided to the community and some of the stipulations that the Office on Violence Against Women (OVW) required.

Judge Scott stated that the grant placed unacceptable restrictions on the center, including one requiring the center to allow visitation by parents who had consumed alcohol, and that he would have discontinued using the center had AVEC not rejected that funding.

JP Hawkins asked if there were any other private funding sources. Pat Carroll stated that there are some private foundations in the area that are willing to donate and make contributions on an equal basis once the center is opened. He stated that they could not see fit to make contributions to a center that was not operating.

JP Hawkins stated one of the big questions that you will always hear from this body, is whether or not AVEC anticipates coming back asking for more money, or is this truly seed money that will get the center going and then get enough money from private funding in the future to sustain itself.

JP Jones stated that they are asking for \$60,000 to get them started for a year, but asked what they would do for the rest of this year. Pat Carroll stated that they would prefer to have the money sooner than later.

JP Sandlin asked if they have the staff or the people available to bring back by the first of October. Pat Carroll stated that they have commitments from people to come back once they have the funding.

JP Allen asked if they could approach some of the cities to help out with this. Judge Scott stated that there is no way to allocate use based on residency in a feasible fashion.

Pat Carroll stated that 93% of the cases are from Benton and Washington County courts and that there is not a similar center in the state.

JP Jones asked if it be reasonable to say that \$20,000 would work for the rest of the year, and give them enough time to open and find private funding for next year.

County Judge Bob Clinard stated that he has seen the requirements that were requested by the Office on Violence Against Women (OVW) for the AVEC center, and that they were absurd requirements and way over the top. He added if they had done all of the requirements there would not have been any money to operate the center, and that the whole purpose of the center is

to give children the opportunity to visit their parents in a safe environment. He stated what they are trying to do is good, and that the facility they have now will work.

Further discussion was held on AVEC program and the number of clients sent to AVEC from the court system for safe exchanges and supervised visitations.

JP Jones stated that he did not want to get in the habit of funding a lot of these projects because they could come up with good projects all over the place. He stated what makes this distinct and unique, is that it is an off shoot from the courts, and that it is helping those with this type of visitation, and that he would like to see AVEC available this year.

JP Jones made motion to allocate \$20,000 for AVEC program for this year and forward to the Committee of Thirteen for approval, seconded by JP Winscott.

Pat Carroll stated that he would feel more comfortable with \$30,000.

JP Moore stated that he still wondered about obtaining additional funding from other entities, and asked if AVEC would be approaching other entities. He asked if the \$30,000 would get the AVEC through the end of the year. Pat Carroll stated that they have not met with the other counties or foundations.

JP Douglas made motion to amend the previous motion to change the appropriation amount from \$20,000 to \$30,000 to get AVEC through the end of the year, seconded by JP Curry.

Motion to amend passed by unanimous show of hands.

JP Allen stated that the motion now is to appropriate \$30,000 to AVEC and forward for discussion to the September 11, 2012 Committee of Thirteen agenda, seconded by JP Winscott.

Motion passed by unanimous show of hands vote.

Other Business

a. 2013 Budget Capital Requests

Sarah Daniels stated these are the Capital request that have been turned in by the departments and that the operating budgets are due September 17. She said that at the next regular Finance Committee meeting there will be summary of the each actual department's budget.

Discussion was held on the number of copier/printer to be requested in the 2013 Capital Budget. Sarah Daniels stated that these copier/printer requests are for different types of copier/printers, and that the amount is just an estimate.

JP Douglas noted that there is several hundred thousand dollars for equipment in the budget requests for the Sheriff's Department, and asked if these requests are coming from the Sherriff - elect or the current Sheriff. Sarah Daniels stated that these Capital requests are from the current Sheriff.

JP Douglas stated that his only question with this whole budget process is that we still have an EMS system that we have no idea what we are going to do with, or what the cost to the county is going to be. He added that right now he would have a very, very hard time voting for any type of request for any department until they get to the bottom of the EMS situation, and figure out how much it is going to cost and how they are going to provide for it. He stated right now, having ambulance service to the people in the rural areas of the county is the most important priority that he can see.

JP Moore stated that since we are buying these copiers/printers outright, how much would be saved in lease payments. Sarah Daniels stated that most of the copier/printer leases are for 60 months, and some of the nicer color copiers lease for \$225 a month over 60 months, and that price does not include any service. She stated that leasing for 60 months at those prices when one can be purchased for \$12,000-\$15,000, there is a significant savings in purchasing instead of leasing. JP Moore stated the prices on those would be offset on the money not spent on leases.

Sarah stated that service is not an option; it is still a separate cost, and is generally cheaper on newer machines.

JP Allen asked Sarah Daniels to bring information on how much money the county will save by purchasing copier/printers rather than leasing them.

JP Jones questioned the need for 55 copiers in county offices and the cost of leasing them individually. He stated that they are trying to get rid of leases and we would end up saving more if we could consolidate these resources.

County Judge Bob Clinard stated that we are working to phase out copier/printer leases by December 31, 2015, and will consolidate by buying and replacing the leased copier/printers for the whole county. He stated the elected officials and the judges all have different ideas of who they want to do business with, what bells and whistles they want, but that he was for the best price for the county. He stated this is a process to get everyone to agree, and what you have asked is what we are aiming for, and we are going in the right direction.

JP Douglas stated that he did not care if they agree or not, just get the best deal they can get.

JP Allen stated that the request for copier/printers for 2013 comes to about \$60,000.

Sarah Daniels stated these will all go out for informal bids, which will drive the price down, and that these figures are just ballpark figures from a vendor.

Further discussion was held on the advantages of leasing or purchasing copier/printers.

JP Hawkins stated that the 800-pound gorilla is the \$300,000 appropriation request for Emergency Medical Services (EMS), and they need a firm number before other capital requests are approved.

JP Douglas stated that he felt that Emergency Medical Services (EMS) is still the most important issue that they need to address this upcoming year.

JP Allen stated that the County Judge is going to have to do the negotiating with all the different mayors and city councils, and we want to give the judge some latitude to do some negotiating outside of the newspaper. He added that he agrees that \$300,000 does not guarantee that they are going to get through the whole year; it may just get us through a part of a year, but it is more than what we have been doing.

JP Jones stated that regarding any new vehicle requests , he would like to see why we are buying new, why we are replacing them, and the need for new vehicles. He added that regarding all of the requests for the Road Department, what is this going to be used for, why is it being replaced, and that also applies to the items being requested by the Sheriff's Department.

JP Allen stated these capital requests will be discussed at the Finance/Budget Committee meeting.

Further discussion was held on the Public Safety Committee recommendation to the Finance Committee that the EMS subsidy be increased to \$300,000 in the 2013 budget with possible increases of \$150,000 per year up to \$600,000, or until the amount reaches the cost agreed upon by the county and the service providers.

County Judge Bob Clinard stated that doubling what we did last year is a reasonable gesture going forward; there is no guarantee. He stated there is no contract in the state law, it only says a mutually acceptable agreement, and that he can and will negotiate. He stated he cannot guarantee something that he does not know, and that he cannot speak for entities over which they have no control. He stated that doubling the amount of funding over last year's is a great step, and then to take that forward with another \$150,000 per year until we get there is good. He added that the City of Rogers is okay with serving the outside area, and that the only entity so far that has said that they would prefer to be suspended from serving is Springdale, and that the City of Lowell has indicated that they want to have their own ambulance service in two years, which would take over that area, so one entity would replace the other.

JP Allen asked why they would go outside the city limits knowing that we are in the middle of this discussion.

County Judge Bob Clinard stated that there is no requirement that they cannot go outside the city limits; the law just says we can have that understanding. He added that if they decide to go outside the city limits, like Rogers, Bentonville, or anybody else, and service an area, by law they can do that. He added that they do not get paid anymore than what they receive in Medicare or insurance, unless the county agrees to supplement their costs. He added that the City of Bentonville can service anything outside their city limits if they are willing to take what they will receive in Medicare and insurance reimbursements. He added that what they are saying is that they want the county to supplement their costs.

Administrator of Public Safety Marshall Watson stated that Springdale is the only city that has a long term interest in removing itself from the unincorporated Benton County EMS picture.

JP Allen asked the committee if it was in favor of the Public Safety recommendation for \$300,000 to go into the 2013 budget process for Emergency Medical Services (EMS).

Support was shown by unanimous show of hands vote.

12. Announcements

JP Allen announced that a Special Finance Committee meeting will be held at 5:30 p.m. on Tuesday, September 11, 2012, prior to the regularly scheduled Committee of Thirteen meeting at 6:00 p.m.

Upon motion and second the meeting adjourned at 7:09 p.m.