

FINANCE COMMITTEE REPORT

October 02, 2012

A Finance Committee meeting was held Tuesday, October 02, 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, Winscott, Curry
Absent: Moore

Others Present: County Judge Bob Clinard, Scott, County Assessor Glen "Bear" Chaney, Coroner Daniel Oxford, JPs Sandlin and Hawkins, Comptroller Sarah Daniels, Director Road Department Scott Stober, Director of Construction, Facilities & Maintenance John Sudduth, County Grants Administrator Kati Rose, Juvenile Detention Director Dennis Cottrell, JDC Assistant Director Denyse Collins, Administrator of Public Safety Marshall Watson, Department of Emergency Management Robert McGowen, CENCOM Director Josh Billis, Administrator of General Services Elizabeth Bowen, Information Systems Director Sidney Reynolds, 9-1-1 Director Mary Kay Sullivan, Fire Marshal Marc Trollinger, Sheriff-Elect Kelly Craddock.

Tom Sissom – Benton County Daily Record

Chair JP Allen called the meeting to order.

JP Allen stated that the agenda will be changed to move the 2013 Capital requests at the end of the agenda to the second item on the agenda.

Comptroller Sarah Daniels introduced and welcomed Mike Crandall the new Accounting Manager for Benton County.

Grants Administrator Report

Grants Administrator Kati Rose reported that she was applying for; 1) the Arkansas Administrative Offices of the Courts – Alternative Dispute Resolution Grant to implement an alternative dispute resolution program for domestic relations and probate court. She stated this is a grant for \$25,000 and that there is no match; 2) the Region 6 Environmental Education Grant to translate environmental brochures, advertisements and paperwork to Spanish in an effort to connect with the Hispanic population. She stated this is a \$1,500 grant with a 25% county match that is already in the budget.

Kati Rose stated that she was requesting approval to apply for the Arkansas Rural Community Development Grant to assist Maysville's Home Makers Club to install a new roof on the Maysville Community Center with a 50% match of \$7,000 that they have.

JP J. Harrison made motion to approve the resolution request to allow Kati Rose to apply for the Arkansas Rural community Development Grant for the Maysville's Home Makers Club seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Discussion was held on the Region 6 Environmental Education Grant to translate environment brochures, advertisement and paperwork to Spanish.

Capital Requests

Sarah Daniels reported that there are no capital requests in the County Judge's department. She stated that there are additions to the Maintenance Department and that the cost for the Coroners copier was previously \$15,000, but is now \$7,500. She added there is an additional request from the Juvenile Detention Center, and that the appropriation for the Windmill Road Easement in the Road Department will not be spent this year and will be turned back, it will need to be in the Road Department's budget for next year.

County Judge Bob Clinard reported that two roofing companies have looked at the existing roof of the County Administration Building and they are suggesting that a new roof be installed. He added that the existing roof is the original roof, and that this budget request is to repair the roof with an overlay.

Judge Clinard reported that the roof on the County Health Department Building in Siloam Springs leaks, and that the attached building is caving in and that will affect the Health Building. He stated \$9,000 has been requested to repair the Health Department Building roof. He suggested that they fix the roof on the County Health Department Building, put it up for sell, and find something to meet the county's need. He stated this is a problem a big problem.

Lengthy discussion was held on the Health Department Building in Siloam Springs, and the damage that the attached building would cause to the County Health Department Building if the attached building was to cave in.

JP Allen recommended that County Attorney George Spence look at the legal side as to what responsibilities lay with the two property owners involved, the county and neighbor. He added that the Planning Department needs to talk with the Siloam Springs Planning Department to see what avenues we have. He stated he would like to see all of that take place, and that the members of the court go look at the building, and that more information is needed before they go forward with this particular capital request on the budget.

JP Allen asked Sarah to separate the costs for the roof repairs on County Administration Building and the Health Department Building repairs before the next capital request sheet comes out.

Further discussion was held on the repairs County Health Building in Siloam Springs.

Judge Clinard stated he would get information from City of Siloam Springs, pictures of the building and find out what the ramifications are if the building adjacent to the County Health Department building was to fall down.

**2013
Capital Requests**

DEPT NAME	FUND	DEPT	ACCT	DESCRIPTION	2013 GENERAL FUND REQUEST	2013 OTHER FUNDS REQUEST	DESCRIPTION OF CAPITAL REQUESTS
COUNTY JUDGE	010	1	5930	Machinery & Equip	0.00		1-Copier/Printer
COUNTY CLERK	010	2	5930	Machinery & Equip	12,000		2-Copier/Printer
SHERIFF	010	5	5930	Machinery & Equip	8,000		High Speed Scanner-Warrants Dept.
			5941	Automobiles	286,000		10 Patrol Units and 2 CID Units
			5942	Trucks	22,000		Dodge Ram
JUDGE GREEN	010	9	5930	Machinery & Equip	7,500		1-Copier/Printer
JUDGE DUNCAN	010	10	5930	Machinery & Equip	5,000		1-Copier/Printer (was not purchased in 2012)
MAINTENANCE	010	23	5910	Buildings	42,000		Roof Repairs on Admin Bldg, Health Dept Bldg Repairs
	010	23	5920	Improvements Other	60,000		HVAC Intelligence Controls Courthouse, Sprinkler Sys JJC
	010	23	5930	Machinery & Equip	10,000		Lift and Trailer
CORONER/GRANT	310	27	5930	Machinery & Equip		7,500	1-Copier/Printer
PLANNING	010	31	5942	Trucks	49,000		2 Chevrolet Silverados
JUVENILE DETENTION	010	35	5941	Automobile	21,500		1-Chevrolet Impala
	010	35	5930	Machinery & Equip	10,000		Duress Alarm Sys for JJC (Panic Buttons)
ROAD DEPARTMENT	020	44	5930	Machinery & Equip		78,200	2 Salt Spreaders, Trailer, Surplus Property
	020	44	5935	Heavy Equip/Mach		218,000	Backhoe, 2 Grid Rollers, Paver
	020	44	5942	Trucks		403,000	Fuel truck, 2 Dump trucks, Chassis truck, 1.5 ton truck, Bucket truck
	020	44	5900	Land		104,980	Windmill Rd. Easement
FIRE SERVICES	010	47	5943	Fire Trucks	450,000		2 Fire Trucks
	010	47	5930	Machinery & Equip	7,900		Thermal Imaging Camera
JUDGE COMSTOCK	010	48	5930	Machinery & Equip	5,500		1-Copier/Printer
INFO SYSTEMS	010	49	5930	Machinery & Equip	92,000		5 Servers, Backup Storage System, Battery Backup
911 ADMIN	130	63	5930	Machinery & Equip		13,000	1-Copier/Printer
JAIL	010	67	5930	Machinery & Equip	23,000		Laundry Equipment
	010	67	5941	Automobiles	107,000		1 Chevy Van, 4 Dodge Chargers
CENCOM	010	68	5930	Machinery & Equip	11,600		Time Sync System
	010	68	5941	Automobiles	31,000		1-Chevy Tahoe
B.C. DIVE TEAM	010	69	5930	Machinery & Equip	27,100		Surfaced Air Supply System
BRIDGE PROJECTS	440	45	5813	Contract Road Work		1,800,000	Fisher Ford, Wildcat, and Col. Meyers
TOTAL REQUESTED			ALL FUNDS		3,913,780		
TOTAL REQUESTED			GENERAL FUND		1,289,100		
TOTAL REQUESTED			ROAD DEPARTMENT		804,180	2,093,280	
TOTAL REQUESTED			OTHER FUNDS		1,820,500		

JP Allen stated he would like for Grants Administrator Kati Rose to look for a possible grant through State or Federal funding that would provide the Thermal Imaging Camera for the Fire Services Department.

Lengthy discussion was held on the 2013 Capital Requests with the Department Heads and Finance Committee members, with no further action taken.

A 5 minute recess was called at 7:25 p.m.

Meeting reconvened.

Appropriation Ordinance Request - Information Systems, Dept. 49

Sarah Daniels stated this appropriation ordinance request is not additional funds but a transfer of funds between categories to purchase a wireless bridge for the Administration Building to the Courthouse Building.

JP J. Harrison made motion to approve and forward the appropriation ordinance request to the October 9, 2012 Committee of Thirteen agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

JP Allen asked Deputy Janet Reaves to please note that JP Kurt Moore was not available for the vote.

Appropriation Ordinance Request - Road Dept. 44

Sarah Daniels stated this appropriation ordinance request is a transfer of funds between categories, and that previously they reorganized some of the funding for the Road Department out of Capital into Maintenance and missed a piece of equipment that the Road Department needs to purchase, and that this is moving the funds back into Capital, and that no additional monies are being questioned.

JP J. Harrison made motion to approve and forward the appropriation ordinance request to the October 9, 2012 Committee of Thirteen agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Appropriation Ordinance Request - Non-Dept. & Maintenance, Dept. 23

Sarah Daniels stated this appropriation ordinance request is for an additional \$30,000 for the purchase of four HVAC replacements on the Courthouse Tower.

Director of Construction, Facilities, and Maintenance John Sudduth stated that there are five units heating units on the Courthouse Tower Building that must be replaced. He stated that one is under warranty and will be replaced at no cost while the other four self contained units will have to be purchased. Sudduth stated that the units have cracked heat exchanges and cannot operate safely, and they should not be turned on.

County Judge Bob Clinard stated the four units on the Courthouse Tower Building need to be replaced, and that he did not agree with the County Attorney that the four units have to be bid because it is a project. He stated that he sees this as maintenance and that they are not subject to the bidding requirements. He stated that he would have to declare this an emergency, and wipe any discussion that this had to be bid.

JP Winscott stated that the judge should declare this an emergency and put into written form so that the judge would have a hard copy record.

JP Moore made motion to approve and forward the appropriation ordinance request to the October 9, 2012 Committee of Thirteen agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Judge Clinard stated that County Attorney George Spence has recommended that according to county ordinance and law that we can declare this an emergency and go forward, and that's what we will do assuming it is done according to State law.

JP Moore stated that the court did not have to declare this an emergency; it is up to the County Attorney George Spence to declare an emergency.

Sales Tax Numbers

Sarah Daniels reported that September sales tax receipts were up 0.64% for the month, showing an increase of 6.75% for the year, with a net gain of \$316,284 for the year. She added that they remain on target to collect about \$6.6 million for the year.

Jail Collections

Sarah Daniels reported that \$89,840 was collected in the month of September, and that \$698,484 has been collected for the year, and that the budget had been adjusted down to \$750,000.

County Judge Bob Clinard announced stated that the NWA's Community Forum on Mental Health and Criminal Justice seminar will be held October 10, 2012 at the Mercy Medical Center. He stated this is to deal with the mental health patients that are the jail. He stated that he is looking at this as a possible revenue source for the county, if we could provide mental health facilities.

3rd Quarter Revenue Analysis

Sarah Daniels reported on the 2012 Budget Recapitulation as of September 30, 2012. She stated the ending balance \$15,542,248 is with out any returns to appropriations.

Fuel Analysis

Sarah Daniels reported that the Road Department is at 103% of their budget, but has the money in other line items in this section of the budget to cover this and the Sheriff's Department is at 75% of their budget. She stated that average unleaded fuel costs have increased 7% to \$3.44 per gallon and that diesel has increased 7% to \$3.44 per gallon. She stated that year-to-date; \$63,191 has been transferred back to the Road Department.

Discussion was held on the extra fuel usage in the Road Department and how the Westside Road Facility affected the budget.

County Judge Bob Clinard stated that Thursday, October 5, 2012 there will be a Compressed Natural Gas (CNG) seminar at the NWAC Shumaker Center to talk about CNG fuel.

Fund Summary

Sarah Daniels reported on the Monthly Fund Summary should be at 75% and that the General Fund is at 68.60%, and the overall budget is at 66.61%.

Other Business

JP Allen stated there was a lot of discussion last year of proposed raises for elected officials and that Richard McComas put together a budget with raises in it and that there was a lot of give and take and we finally asked him to prepare a budget without the raises. He stated that the Quorum Court passed a resolution to put a 6 percent raise into the 2013 budget. He stated this is not a slam dunk, it has not passed yet. He stated that at the time, it was the Finance Committee's

recommendation pending financial conditions of the county. He stated does the committee want to see the budget with the 6 percent raise or without the raises.

JP Jones stated that he would like to see the budget with nothing additional added and that he would like to see what the officials are asking for at budget time.

JP Allen stated without the raises in the budget would be a better way of analyzing the budget.

Sarah Daniels stated that currently the raises are figured in the budget and the raises would add about \$45,000 to the budget, and that she would prepare a draft of the budget without the raises.

JP J. Harrison asked Sarah to provide information on what each one percent increase in pay would cost the county.

Sarah stated that she would bring the budget without the Elected Officials pay raises included, and then go over how much each one percent would affect the budget.

JP Moore stated that at the beginning of the budget process it is not going to be that big of deal, that the resolution said that at some point the 6 percent would be included in the budget.

JP Jones stated that the resolution sets the intent of the Quorum Court to establish this pay scale for elected officials beginning January 1, 2013, but these amounts shall not take effect until approved by the Quorum Court through the budget process and the resulting budget ordinance later this year.

JP Sandlin stated that because of the statue in regards of the percent increase that Benton County changed from a Class 6 to a Class 7 was a major big bump, it was broke apart in percentages so there wouldn't be a mass amount, and would only be considered every other year.

JP Jones stated that he still takes the whole thing as a resolution of the Quorum Court saying that the court wants to do this, and that in the initial budget process is not when it is going to be final.

He stated that when we present something as the Finance Budget Committee, we can still meet all of those requirements, but that we don't have to look at it immediately.

JP Allen stated if somebody asks why they didn't do what that resolution said, then we can point to the minutes of this meeting where we all voted to keep the budget with the salaries in line.

JP Sandlin stated that salaries are never discussed until the end of the Budget process.

JP Jones made a motion that they review the initial budget presented to the Finance Budget Committee with salaries inline with what they are currently are as a base line, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

12. Announcements

County Judge Bob Clinard stated that on October 9, 2013 that he and Justice of the Peace Dan Douglas are going to Little Rock to attend the Arkansas Public Service Commission (APSC) Docket 12-008-U hearing addressing the question of whether or not the co-owners of the Flint Creek Power Plant at Gentry will be allowed to retrofit the plant with new environmental control equipment. He stated Flint Creek Facility needs to be saved; it would be a very big loss to the City of Gentry and the County.

JP Sandlin stated that the Personnel Committee will meet, Tuesday, October 16, 2012 at 6:00 p.m.

JP Allen announced that a Budget Finance Committee meeting will be held Monday, October 22, 2012 at 6:00 p.m.

Upon motion and second the meeting adjourned at 8:25 p.m.