

FINANCE COMMITTEE REPORT

February 05, 2013

A Finance Committee meeting was held Tuesday, February 05, 2013 at 6:00 p.m. in the County Administration Building, Quorum Court Meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: Allen, J. Harrison, Jones, Blaty, Curry, Moore, Moehring

Others Present: JPs Adams, Meyers, and Anglin, County Judge Bob Clinard, Sheriff Kelly Craddock, Major Rob Holly, Comptroller Sarah Daniels, Accounting Manager Mike Crandall, Administrator of Public Services Scott Stober, Grants Administrator Kati Rose, Administrator of General Services John Sudduth, Administrator of Public Safety Marshal Watson, Human Resources Manager Barbara Ludwig, Emergency Management Director Robert McGowen

Tom Sissom – Benton County Daily Record

Chair JP Allen called the meeting to order.

Grants Administrator

Grants Administrator Kati Rose reported that: 1) the DHS – Division of Youth Services – Title II Juvenile Justice and Delinquency Prevention Programs Grant for \$42,280 with no match has been awarded; 2) the Department of Homeland Security Emergency Management Performance Grant (EMPG) for \$68,679 has been awarded with no match, and is to help defray salary expenses in the Emergency Management Department; 3) the Arkansas Department of Rural Services – Rural Community Grant of NEBCO VFD has been awarded for \$4,150 to purchase rescue stabilization equipment, and that NEBCO will provide the 50% match.

1. Resolution Request to apply for the County Voting System Grant

Grants Administrator Kati Rose stated that she is requesting approval to apply for the State of Arkansas County Voting System Grant for \$10,732 with no county match and that the application deadline in March 31, 2013. She stated the grant can be used to purchase voting machines, tabulating devices, and to pay for the maintenance of voting system components, equipment and programming.

JP Jones made motion to approve and forward the resolution request to the February 12, 2013 Committee of the Whole agenda, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

Sponsored by JP Joel Jones.

2. Appropriation Ordinance Request: Emergency Services, Dept. 30, Fund 315 -Transfer of Funds, SHSGP FY 11 Grant

Comptroller Sarah Daniels explained that this request is for a redistribution of budgeted funds from the State Homeland Security SHSGP FY11 Grant. Emergency Management Director Robert McGowen stated this appropriation ordinance allows the transfer of funds within the department and will pay for education and training expenses, satellite phone service, and service contracts for the machinery and equipment.

JP J. Harrison made motion to approve and forward the appropriation ordinance request to the February 12, 2013 Committee of the Whole agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Sponsored by JP Jay Harrison.

3. Appropriation Ordinance Request: Emergency Services, Dept. 30, Fund 316 - Transfer of Funds, LETPP FY11 Grant

Robert McGowen stated that this appropriation ordinance request is for grant monies that were received from the Law Enforcement Terrorism Prevention Activity Grant, and is for law enforcement equipment.

JP Jones made motion to approve and forward the appropriation ordinance request to the February 12, 2013 Committee of the Whole agenda, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

Sponsored by JP Joel Jones.

4. Appropriation Ordinance Request: Sheriff's Office, Dept. 05, Fund 325; Sponsor: JP J. Harrison

Sarah Daniels stated that this appropriation ordinance request is to appropriate revenues and associated expenditures for the BC Internet Crimes Against Children Grant and that this will close out this grant.

JP J. Harrison made motion to approve and forward the appropriation ordinance request to the February 12, 2013 Committee of the Whole agenda, seconded by JP Blaty.

Motion passed by unanimous show of hands vote.

Sponsored by JP Jay Harrison.

5. Appropriation Ordinance Request; Juvenile Probation, Dept 20, Fund 477

Sarah Daniels stated this appropriation ordinance request is to appropriate \$42,280 in grant proceeds for the Department of Human Sources Division of Youth Services – Title II Juvenile Justice and Delinquency Prevention Programs Grant.

JP Moehring made motion to approve and forward the appropriation ordinance request to the February 12, 2013 Committee of the Whole agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Sponsored by JP Barry Moehring.

6. Appropriation Ordinance Request: Environmental Services, Dept. 38, Fund 317

Sarah Daniels stated this appropriation ordinance request is to appropriate grant revenues received for the Arkansas Department of Environmental Quality E-Waste Grant, and will pay for the associated expenditures of the County Clean-up.

Kati Rose stated that the \$10,900 grant revenues received will be used to purchase food and bottled water for the volunteers who help with the county clean-up.

JP Moore made motion to approve and forward the appropriation ordinance request to the February 12, 2013 Committee of the Whole agenda, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

Sponsored by JP Michelle Blaty.

7. Appropriation Ordinance Request: Maintenance Dept. 23, Fund 010

Sarah Daniels stated that this appropriation ordinance request is to amend the 2013 Budget and to request an additional \$10,000 for the Maintenance Department budget due to an increase in the county's property insurance.

Discussion was held on property values and the rate increase for the county's property insurance.

JP Curry made motion to approve and forward the appropriation ordinance request to the February 12, 2013 Committee of the Whole agenda, seconded by JP Moore.

Motion passed by unanimous show of hands vote.

Sponsored by JP Steve Curry.

6 Appropriation Ordinance Request: County Road, Dept. 44, Fund 020

Sarah Daniels stated that this appropriation ordinance request for \$475,000 to purchase capital equipment for the Road Department.

Administrator of Public Services Scott Stober stated that this appropriation ordinance request is to allow the Road Department to purchase two 2013 model Kenworth dump trucks, a 2008 model Fuel and Lube Service Truck with 15,000 miles, and a new Mini Excavator.

Fleet Manager Drew McConnell gave a power point presentation on the Road Department Fleet Management report. He stated that the department currently has a 1990 International Fuel and Lube Service truck with 266,000 miles, and that they spend a lot of time repairing it. He stated they are looking to replace the 1990 International Fuel and Lube Service truck with a 2008 used Kenworth Fuel and Lube Service truck with 15,000 miles for \$97,500 plus the delivery fee. He stated that the two 2013 model Kenworth Dump Trucks would allow them to haul another 3 tons per load, and that over a 5-day period it would allow another 150 tons to be hauled. He said they are requesting a new Mini Excavator for the Road Department, which operates like a backhoe and can be hauled to job locations.

JP Allen requested that the spec sheet be presented at the next Committee of the Whole meeting, if the appropriation ordinance request gets approved to move forward.

Lengthy discussion was held on how long the department keeps its current fleet, and the warranties on the vehicles and equipment. Scott Stober stated that he is working on a five-year road plan.

Sarah Daniels stated that \$1 million was cut from the Road Department's original 2013 budget, with \$350,000 of that in capital items.

Sarah Daniels stated that of the \$2 million anticipated in returned appropriations from the 2012 Budget, approximately half of that has been spent on the Sheriff's Department's new vehicles. She added that of the \$2 million, \$500,000 was returned by the Road Department.

JP Allen stated that he is concerned about the rate that the \$2 million is being spent. He stated that the county has in past years set aside \$625,000 every year to build up a capital projects reserve fund.

Further discussion was held on the Road Department's appropriation ordinance request to purchase the trucks and other equipment.

JP Moehring made motion to approve and forward the appropriation ordinance request to the February 12, 2013 Committee of the Whole agenda, seconded by JP Jones

Motion passed by unanimous show of hands vote.

Sponsored by JP Joel Jones.

7. Appropriation Ordinance Request: Jail, Dept.67, Fund 931

Sarah Daniels stated that this appropriation ordinance request is to purchase I-Phones, uniforms, and an upgrade for the laundry equipment.

JP Allen asked if there is reason that they are purchasing I-Phones. Major Holly stated that they had recently switched to Verizon, and that the entire office is going to use I-Phones.

JP Jones asked what is considered phone time use. Sheriff Craddock stated the deputies use the phones for text, phone calls, and that he does not anticipate that using the I-Phones will be an issue.

JP Jones made motion to approve and forward the appropriation ordinance request to the February 12, 2013 Committee of the Whole agenda, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

Sponsored by JP Joel Jones.

8. Appropriation Ordinance Request: Circuit Court, Div. III, Dept. 64, Fund 460

Sarah Daniels explained that this request is to appropriate \$400 in revenues received for reimbursement for confirmation drug tests in the Adult Drug Court.

JP J. Harrison made motion to approve and forward the appropriation ordinance request to the February 12, 2013 Committee of the Whole agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

Sponsored by JP J. Harrison.

Items forwarded from the Personnel Committee.

Sarah Daniels stated this is to approve the changes to Schedule 4 for items that were recently approved by the Personnel Committee.

Barbara Ludwig explained that positions are graded by the JESAP Committee, and then forwarded to the Personnel Committee for approval. She stated that some of these changes will require a wavier in policy and others an appropriation ordinance when approved.

Department 19 - Accounting

Sarah explained that this request is to delete the County Properties Coordinator position, change the job title of the “Grants Administrator” to “Grants and Property Accounting Administrator”, and for a wage adjustment. Sarah stated that this position will take on the duties that were performed by the former County Properties Coordinator/Road Researcher and will save the county \$35,000 for the department. Sarah stated this does not require an additional appropriation, just a change to Schedule 4.

JP Jones made motion to forward the Department 19 appropriation ordinance request and forward to the February 12, Committee of the Whole agenda, seconded by JP J. Harrison.

JP Moore requested that all of the department’s requests be discussed before voting.

JP Jones withdrew his motion; JP J. Harrison withdrew his second.

Department 01 – County Judge

County Judge Bob Clinard stated that this reorganization is due to the termination of a county employee, and that John Sudduth has been appointed as the Administrator of General Services, Scott Stober as the Administrator of Public Services, and that the net effect is and increase of

\$47.95. He stated that John Sudduth will be responsible for the Environmental and Planning Departments and Scott Stober will be responsible for the county clean-ups.

Department 23 – Building Maintenance and Janitorial Services

Administrator of General Services John Sudduth stated that this reorganization request is to delete (1) Director of Maintenance and Building Construction (Grade 22) and add (1) Staff Assistant (Grade 6). He stated this will result in a budget reduction of \$32,628.72.

Department 44 – Road Department

Administrator of Public Services Scott Stober stated that this reorganization request is to delete one Foreman position and add one Assistant Road Superintendent position. Scott Stober stated that this person will not only be responsible for the bridge crew and bridges, but will also be taking over more responsibility in working with the dirt crew.

Department 05 - Sheriff's Office

Delete Chief Deputy (Grade 24)

Add two (2) Major (Grade 23)

Add one (1) Captain (Grade 20)

Add one (1) Crime Analyst (Grade 18)

Delete one (1) Lieutenant – CID (Grade 16)

Delete twelve (12) Investigator II's (Grade 14)

Add fourteen (14) Detective II's (Grade 14)

Delete three (3) Investigator I's (Grade 13)

Add eight (8) Detective I's (Grade 13)

Change position title of Corporal to Deputy III

Change position title of Deputy First Class to Deputy II

Add twenty-seven (27) Deputy I's (Grade 11)

Change Crime Property Technician grade from (Grade 11) to (Grade 13)

Change grade of Executive Secretary from (Grade 10) to Grade 12)

Department 67- County Jail – Fund 010

Add three (3) Lieutenants' (Grade 16)

Delete three (3) Sergeants' and change from (Grade 13 to Grade 15)

Delete two (2) Sergeants – Operations, (Grade 14)

Add four (4) Booking Supervisors, (Grade 14)

Delete nine (9) Jailer III's (Grade 13)

Add sixteen (16) Jailer II's (Grade 12)

Add one (1) Executive Secretary, (Grade 12)

Delete eighty-four (84) Jail Deputies, (Grade 11)

Add fifty-seven (57) Jailer I's (Grade 11)

Delete one (1) Jail Clerk (Grade 3)

Department 67 – County Jail – Fund 930

Add three (3) Jailer – Transport (Not to exceed Grade 14)

Department 67 – County Jail – Fund 931

Add one (1) Jail Clerk (Receptionist Grade 5)

JP Allen stated that these positions were discussed and debated in the Personnel Committee so there is no need to go into depth for this request.

Sheriff Cradduck explained the reorganization changes to the Sheriff’s Office and reported that this reorganization and the salary adjustments in the Sheriff’s Office and the Jail will result in a savings of approximately \$24,000 in the budget. He stated that they will be able to operate in a more efficient manner by going from 10-hour shifts to 12-hour shifts.

Discussion was held on adding positions and grade changes in the reorganization.

Sarah Daniels stated that there would be an overall increase to the Sheriff’s and Jail budgets of \$33,000.

Discussion was held on changing the 10-hour shifts to 12- hour shifts.

JP Jones made motion to approve and forward all reorganization request items that were approved and forwarded from the Personnel Committee to the February 12, 2013, Committee of the Whole agenda, seconded by JP Blaty.

JP Jones requested that Sarah Daniels provide to the Committee of the Whole the total impact to the budget for these positions.

Motion passed by a show of unanimous show of hands vote.

11. Sales Tax Numbers

Sarah Daniels reported that November sales tax receipts were up 9.11% for the month, totaling \$540, 832, which is a net gain of \$45,152.

12. Jail Collections

Sarah Daniels reported that \$68,332 was collected in the month of December, and that \$750,000 has been projected in the budget.

13. Fuel Analysis

Accounting Manager Mike Crandall reported a 2% decrease in unleaded fuel costs and stated that diesel has increased by 4%. He reported that year-to-date \$6,573 has been transferred back to the Road Department.

Discussion was held on the Road Department’s fuel budget for the year.

14. Fund Summary

Mike Crandall reported on the Monthly Fund Summary, stating that the General Fund is at 9.85% and 8.3% overall.

Other Business

County Judge Clinard spoke regarding the Fisher Ford Bridge and the Colonel Meyers Bridge. He stated that in 2011, engineers estimated \$1.6 million to repair the Fisher Ford Bridge, and the court appropriated \$1.2 million, which did not include the engineering fees. He stated that a Federal Grant, Service Transportation Program-Attributable (STP-A) has been approved for \$1,120,000 or 80% of the actual cost. He stated that since they are receiving Federal funds additional engineering is required at an additional cost of \$137,000.

County Judge Bob Clinard stated that the Colonel Meyers Bridge is a State Aid bridge with an estimated cost of \$1 million and that the Federal government will pay 80%, State Aid 18%, and the County 2%. He stated that the county's costs are estimated at \$20,000. He stated that an additional \$5,000 is needed to go forward.

Judge Clinard stated that the State Historical Preservation office can override the county judge, and that they have to advertise the two bridges for reuse or sale for two months, and that they are advertising these two bridges for someone who wants to take over the bridges and remove them or maintain them. He stated that he is requesting an additional \$281,106 for additional engineering of the two bridges.

JP Jones made motion to approve and forward an appropriation ordinance request to the February 12, Committee of the Whole agenda, seconded by JP Blaty.

Motion passed by unanimous show of hands vote.

JP Allen stated that this money will come out of Capital Reserves. He stated that they have not addressed transferring \$625,000 out of reserves into Capital Fund.

Some discussion was held on moving money from reserves to Capital Projects

JP Allen stated that we cannot always project what is going to be needed.

JP Moehring requested that an update on the balance of the Capital Projects Fund and the rest of the reserves be brought to the next Finance Committee meeting. Sarah Daniels stated that she can get the breakdowns of the unrestricted reserves. JP Allen stated that he would like to set an amount of \$625,000 out of returned appropriations to be transferred into Capital Projects, and to discuss it at the March 05, 2013 Finance Committee meeting.

JP Curry made motion to forward for discussion an appropriation ordinance transferring \$625,000 out of returned appropriations into the Capital Projects fund to the March 05, 2013 Finance Committee agenda, seconded by JP J. Harrison.

County Judge Bob Clinard reported that all of the Elected Officials have agreed to ask the court to look at a one time non-reoccurring salary adjustment for the county employees at midyear. Judge Clinard stated that a graduated payment was discussed at the Elected Officials meeting.

JP Allen commented that it requires a two-thirds vote to get into the Capitol Reserves.

JP Moore reminded the court that the ambulance service issue will come up next year.

Motion passed by a unanimous show of hands vote.

JP Curry announced a Transportation/Safety meeting for Thursday, February 7, 2013 at 6:00 p.m.

JP Moore announced a Legislative Committee meeting for Monday, February 11, 2013 at 6:00 p.m.

JP Allen announced a Committee of the Whole meeting for Tuesday, February 12, 2013 at 6:00 p.m.

Meeting adjourned at 8: 39 p.m.