

FINANCE COMMITTEE REPORT

October 09, 2014

A Finance Committee meeting was held Thursday, October 09, 2014, 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, Chiocco, Curry, Moore, Moehring

Others Present: JPs Sandlin, Meyers, K. Harrison, Prosecutor Elect Nathan Smith, Assessor Glen “Bear” Chaney, Administrator of General Services John Sudduth, Administrator of Public Services Jeff Clark, Fire Marshall Marc Trollinger, CENCOM Director Mike DeRose, Director of Information Technologies Eddie Maher, Accounting Manager Mike Crandall, Walton Family Foundation spokesman Jay Allen, Hight-Jackson Associates PA Director Gary Jackson AIA

Media: Tom Sissom

Chair JP Allen called the meeting to order.

Public Comment

None

Grants Administrator Report

Accounting Manager Mike Crandall reported that the Northwest Arkansas Economic Development District, Inc.- Veterans Drug Court grant, the Department of Justice - SCAAP Program grant, the Department of Health & Human Services – SAMHSA grant, and the Arkansas Department of Human Services – Juvenile Accountability Block Grant (JABG) have all been awarded. He reported that the 2014 Joint Adult Court Solicitation to Enhance Services, Coordination and Treatment Part 1 (BJA) and the 2014 Joint Adult Court Solicitation to Enhance Services, Coordination and Treatment Part 2 (SAMSHA) were not awarded.

Sales Tax Numbers

Mike Crandall reported that July sales tax receipts were down 3.18% for a year-to-date increase of 1.01%. He added that overall, we are up \$51,162 for the same period last year.

Jail Collections

Mike Crandall reported that Jail Collections were \$134,152 for September and \$1,398,775 for the year. He stated that \$1.5 million was budgeted for 2014.

Fuel Analysis

Mike Crandall reported that the Road Department is at 67% of their fuel budget, while the Sheriff’s Department is at 84% of their budget. He stated that average unleaded fuel costs have decreased 12% to \$2.86 per gallon and diesel decreased 18% to \$2.84 per gallon. He added that \$77,508 has been transferred back to the Road Department.

Fund Summary

Mike Crandall reported on the Monthly Fund Summary, stating that 66.67% is the target and that the General Fund is at 71.78%, all other funds are at 65.32%, and the overall budget is at 68.31%.

Overtime Analysis

Mike Crandall reported that through nineteen pay periods out of twenty-six, overtime usage is at 44.20%.

Personnel Services Available

Mike Crandall reported that the county has saved approximately \$392,360 in personnel costs this year.

Resolution Request: Accepting the Legislative Audit Report for Benton County Year 2012

Mike Crandall stated that this resolution request is to accept the 2012 Audit Report considered by the Legislative Joint Auditing Committee on September 11, 2014 for Benton County for the period ending December 31, 2012.

JP Jones made motion to approve and forward the resolution request to the October 14, 2014 Committee of the Whole agenda, seconded by JP Harrison.

Motion passed by unanimous show of hands vote.

Resolution Request – Authorizing a Property Tax Levy for Benton County for the Year 2014 to be Collected in 2015

Mike Crandall stated that this resolution request is to authorize a property tax levy for Benton County General Fund and Benton County Road Fund for the year 2014 to be collected in 2015.

JP J. Harrison made motion to approve and forward the resolution request to the October 14, 2014 Committee of the Whole agenda, seconded by JP Chiocco.

Motion passed by unanimous show of hands vote.

Appropriation Ordinance Request – Dept. 0418, Jail, Fund 1000 & 3014

Mike Crandall stated that this appropriation request is to transfer funds from the “Personnel Services Category” to “Other Services Category” to pay for the new Medical Services Contract.

JP Jones made motion to approve and forward the appropriation request to the October 14, 2014 Committee of the Whole agenda, seconded by JP Chiocco.

Motion passed by unanimous show of hands vote.

Appropriation Ordinance Request – Dept. 0000, Revenue, County Detention Facility Fund 3018

Mike Crandall stated that this appropriation request is to appropriate \$5,117 in grant money received for the SCAAP FY 2014 grant. He added this grant will reimburse some of the costs of incarcerating undocumented criminal aliens who have committed serious crimes in the United States.

JP Moore made motion to approve and forward the appropriation request to the October 14, 2014 Committee of the Whole agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

Appropriation Ordinance Request – Dept. 0100, County Judge, Fund 3751

Mike Crandall stated that this appropriation request is to appropriate \$69,249 in grant revenue received for the associated expenditures for the Substance Abuse and Mental Health Services (SAMSHA) Grant.

JP J. Harrison made motion to approve and forward the appropriation request to the October 14, 2014 Committee of the Whole agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Appropriation Ordinance Request – Dept. 0480, Juvenile Probation, Fund 3702

Mike Crandall stated that this appropriation request is to appropriate \$2,693 in grant revenue for the associated expenditures for the Juvenile Accountability Block Grant (JABG).

JP Moehring made motion to approve and forward the appropriation request to the October 14, 2014 Committee of the Whole agenda, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

Appropriation Ordinance Request – Dept. 0418, Jail Operations & Maintenance, Fund 3017

Mike Crandall stated that this appropriation ordinance request is to replace an A/C Unit at the Jail that is beyond economic repair.

Some discussion was held on the costs for replacing the A/C Unit.

JP Moehring made motion to approve and forward the appropriation request to the October 14, 2014 Committee of the Whole agenda, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

Appropriation Ordinance Request – Dept. 0501, CENCOM, Fund 1000

Mike Crandall stated that this appropriation ordinance request is to replace a 2004 Ford Expedition that was totaled in an accident. He added that the insurance proceeds plus funds in the CENCOM budget will be used to replace this vehicle.

JP Jones made motion to approve and forward the appropriation request to the October 14, 2014 Committee of the Whole agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

Appropriation Ordinance Request – Dept. 0200, Road, Fund 2000

Mike Crandall stated that this appropriation ordinance request is to appropriate \$531,996 for the Windmill Road Improvement Project and that this amount is being reimbursed by the City of Bentonville for their portion of the project.

JP J. Harrison made motion to approve and forward the appropriation request to the October 14, 2014 Committee of the Whole agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

Appropriation Ordinance Request – Dept. 0400, Sheriff's Office, Fund 1000

Mike Crandall stated that this appropriation ordinance request is to replace two 2010 Dodge Chargers totaled in accidents. He stated that the insurance proceeds when received will be used toward the purchase of one replacement vehicle.

JP J. Harrison made motion to approve and forward the appropriation request to the October 14, 2014 Committee of the Whole agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Appropriation Ordinance Request – Dept. 0115, IT, Fund 1000

Mike Crandall stated this appropriation ordinance request is to appropriate \$281,200 to replace the Data Domain which is currently outdated and will not allow full backup cycles for physical and virtual servers, data bases, data files and other related information.

Director of Information Technologies Eddie Maher presented a power point presentation on Information Technology Disaster Recovery (DR). Eddie Maher reported that the Disaster Recovery (DR) has been neglected for several years along with the hardware and software that is required to support this critical business continuity process. He stated that the IT Data Center has failing storage that has been out of warranty and service for several years, and that this is placing the IT Department in a position of not being able to secure data for business continuity.

Lengthy discussion was held to replace the current IT Data Center hardware and software to provide the capacity required for all data to be backed up.

JP Moehring stated that he felt that they should get more creative with finding a funding solution so that they would not have to take the funds from reserves.

JP Allen stated that he would like to see the IT Department visit with everyone that this affects, and ask them if they could contribute toward the expense of the new Data Domain.

Further discussion was held to ask the Elected Officials look for funds from their commissioned accounts to help fund this service.

JP Jones made motion to approve and forward the appropriation request to the October 14, 2014 Committee of the Whole agenda, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

Appropriation Ordinance Request – Dept. 0104, Collector GIF Grant, Fund 3652

Mike Crandall stated that this appropriation ordinance request is to appropriate \$5,000 in grant revenue and the associated expenditures for the Collector GIF Grant to be used to purchase computer equipment.

JP J. Harrison made motion to approve and forward the appropriation request to the October 14, 2014 Committee of the Whole agenda, seconded by JP Moehring.

Motion passed by unanimous show of hands vote.

Appropriation Ordinance Request – Dept. 0100, Pleasure Heights GIF Grant, Fund 0100

Mike Crandall stated that this is appropriation ordinance request is to appropriate \$30,000 in grant revenue and the associated expenditures for the Pleasure Heights GIF Grant to be applied for the purchase of a quick attack fire apparatus, and that this is a pass through grant.

JP Moore made motion to approve and forward the appropriation request to the October 14, 2014 Committee of the Whole agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Other Business

County Judge Bob Clinard stated that the Walton Family Foundation has made an offer of a \$2.8 million grant to the county to help renovate the exterior and first floor of the old courthouse where the Prosecuting Attorney is located at this time. He stated that the Walton Family Foundation has offered the top two floors of the Massey Building to house the offices of the Prosecuting Attorney during the remodeling. He stated that the offices would be available rent free from May 1, 2015 through August 1, 2016. He then introduced Jay Allen spokesman of the Walton Family Foundation.

Walton Family Foundation spokesman Jay Allen briefed the justices of the peace on the offer. He stated that this is a \$2.8 million grant offer specifically to restore the old courthouse. He stated that there are “three strings attached to the offer.” He said that the foundations offer

mandates that the county complete repair to the roof by March 1, 2015, and that the Hight-Jackson Associates, PA architectural firm oversee the work, and that the county agrees in writing on or before November 30, 2014 to accept the offer. He stated that the Walton family and the Walton Family Foundation are very committed to improving the quality of life in Benton County and Northwest Arkansas, and that the historic courthouse is very much a part of their concern.

JP Allen stated that we are so blessed to have the Walton Family in Northwest Arkansas, and that the court recognizes and appreciates all that they do. He stated no matter what happens to the courthouse, this has to be done, and that as we have discussed, we have a shortage of funds, and that this is a godsend.

Prosecutor Elect Nathan Smith stated that he was very much in favor of the generosity, and the offer of the space in the Massey Building to accommodate his offices in such a project. He stated that his one concern is that he wants to make sure that the prosecutor's office can maintain the footprint in the building that they have now.

County Judge Bob Clinard stated that he estimates that the expenses for moving into one floor of the Massy Building would come to about \$120,000, and moving onto another floor would increase those costs by \$50,000. He stated that when the offices move back to the courthouse that there would be another \$50,000 in moving expenses.

Discussion was held on meeting the deadline to accept the Walton Family Foundation grant.

JP Jones made motion to accept the Walton Family Foundation Grant and forward to the October 14, 2014 Committee of the Whole agenda for accepting into the 2015 Budget, seconded by JP J. Harrison.

Further discussion was held on the offer from the Walton Family Foundation Grant.

Motion passed by unanimous show of hands.

Meeting adjourned at 7:48 p.m.