

FINANCE COMMITTEE REPORT

February 04, 2016

A Finance Committee meeting was held Thursday, February 04, 2016 at 6:00 p.m. in the Quorum Court Meeting Room, Benton County Administration Building, Third Floor, 215 East Central, Bentonville, Arkansas.

Committee Members Present: JPs Allen, Easley, Jones, Chiocco, Slinkard,* Moore, Moehring

Others Present: JPs J. Harrison,* Adams, Anglin, Leadabrand, Meyers, County Judge Bob Clinard, Comptroller Brenda Guenther, Circuit Judge Doug Schrantz, Perkowitz+Ruth Project Manager James Damron, Cromwell Principal-in-Charge Dan Fowler

Media: Tom Sissom – Northwest Arkansas Democrat-Gazette

Finance Committee chair JP Allen called the meeting to order at 6:02 p.m.

Public Comments:

None.

Discussion:

Justice Center – Design Team Update

County Judge Bob Clinard stated that he sent out a report from the Perkowitz+Ruth/Cromwell/Dewberry team regarding the scope of the design project for the justice center. He stated that, by mutual agreement, Phase II of that proposal has been removed until a future time. He feels that it would be better to wait until they get through Phase I of the project and then decide what to do about Phase II. He stated that he has negotiated a lower price for Phase I of \$199,500 instead of the originally quoted amount of \$235,000. He recommends that they go forward with the Phase I study to discuss location, site, function, parking, and traffic in a much deeper way than was done in the previous NCSC study.

JP Adams stated that negotiating down to the lower price is a good deal but questioned if this proposal is looking at both sites and if there is a breakout of cost from one site to another.

Perkowitz+Ruth Project Manager James Damron stated that there is not because the site has not been determined yet.

JP Adams asked if the number would change if there was a predetermined site.

County Judge Clinard said that part of their scope is to create a budget on alternate sites.

JP Adams stated that, for budgeting purposes, he would like to see the downtown site considered first because the Quorum Court voted to keep the project downtown. He questioned why they should spend money on both areas up front. He stated that he does not believe they will be able to get it on the ballot in November 2016. He said that he would like to see the money spent on the downtown site only.

JP Jones said that, if Perkowitz+Ruth/Crowell concentrated only on downtown, there would be a savings from the quoted \$199,500 amount.

Cromwell Principal-in-Charge Dan Fowler stated that this is correct; there should be a savings if they just looked at one site.

Lengthy discussion was held on potential locations for the new justice facility, if there is a need to do site assessments on both sites, and the roles of the County Judge and the Quorum Court in the process.

*JP Slinkard entered the meeting

JP Jones recommended that they only look at one site - downtown. He said that he remembers from the Public Safety Committee how long it took to reach a consensus on location. He stated that he has reviewed the old minutes and, when they voted on a downtown location at Committee of the Whole, there were three JPs against it. He reported that, when the same topic was voted on at Quorum Court, there was only one JP against it (with three absent, two of whom had voted for a downtown location at the previous Committee of the Whole meeting and the other was JP Curry who had stepped down by that point). He said that at Quorum Court they said they wanted to focus on a downtown location. He does not think they will meet the deadline for the November 2016 election if they come back with more than one option for the location. He suggested allocating some money to get started until the design team can come back to the Committee of the Whole with a firm number.

JP Allen stated that, as chairman of the Finance Committee, he would not like to see anything forwarded to the Committee of the Whole that does not have a dollar figure attached to it.

Further discussion was held about whether or not to consider two potential locations for the proposed justice facility.

JP Allen stated that the \$199,500 is going to be funded out of the capital reserve fund as they have \$2.8 million in that; there is no urgency to do it tonight. He said they can either appropriate the whole amount of \$199,500 or they could appropriate \$50,000 out of capital reserves to get started and forward this to the Committee of the Whole. If it passes in the Quorum Court later in the month, then the design team could get started.

JP Jones made a motion to appropriate \$50,000 to get started and send this to the February 09, 2016 Committee of the Whole agenda, seconded by JP Chiocco.

Circuit Judge Doug Schrantz spoke to the necessity of a thorough needs analysis to determine what they need in a courthouse. He said that, by limiting it to a single site, it will take away the point of having an expert do a needs analysis. He urged the JPs to not limit the scope of the project to only one location.

Further discussion was held about the scope of the work, site due diligence, the payment process for the design team, and whether to appropriate a partial payment of \$50,000 or the entire amount of \$199,500.

Comptroller Brenda Guenther said that right now there is nothing in the budget for the justice facility so she will need an appropriation specific to this project.

JP Jones amended his original motion to include 'to appropriate additional expenditures out of the capital projects fund,' seconded by JP Chiocco.

JP Meyers said that he understood the original motion to be only allowing them to look at the downtown site and asked for clarification from JP Jones.

JP Jones said that this was true but it was just to get them started. He said that this will be discussed again at the Committee of the Whole.

JP Allen asked JP Jones to repeat his motion.

JP Jones said that the motion was to appropriate \$50,000 to get started at looking at the downtown option only.

JP Chiocco withdrew her second of this motion.

Judge Clinard suggested limiting the first part of Phase I to just the needs assessment. He said they do not even have to consider the site for the first month or two. He said there will be plenty of time to discuss it. He said he agrees with getting started and the needs assessment must be done before they can even begin to discuss a site location. He said that he is not and has never been against a downtown location; he simply wants to choose the location that will best align with the county's needs now and in the future.

JP Meyers asked what the needs assessment would cost.

Dan Fowler stated that it would be \$80,000.

JP Jones made a motion to appropriate \$80,000 to start the needs assessment and forward this to the February 09, 2016 Committee of the Whole agenda, seconded by JP Chiocco.

A short discussion was held about the motion and the necessity of conducting a needs assessment.

JP Allen called for the vote.

6 in favor: Easley, Allen, Jones, Chiocco, Moore, Moehring
1 against: Slinkard

Motion passed.

JP Slinkard stated that she voted against the motion only because she felt that the whole amount should have been appropriated.

JP Adams said that he would like to go on record stating that Judge Clinard selected the best firm for the project and he has no doubts that Perkowitz+Ruth/Cromwell/Dewberry will serve the county well.

*JP J. Harrison left the meeting.

War Eagle Bridge – Update

County Judge Bob Clinard stated that the Transportation Committee met and discussed the fee structure from Great River Engineering for the design of the rehabilitation of War Eagle Bridge. He agrees that they need to go forward with the rehabilitation of the bridge so that it can be repaired and is able to carry the proper loads. He decided a few days before the meeting that he would ask Great River Engineering to accelerate their schedule and find out if there would be an additional cost to do so. He said that, at the Transportation Committee, they settled on a time schedule of seven months. He said he is fine with getting the design work done in seven months to get it out for bids so they can then bring the numbers to the Finance Committee and move it forward.

JP Adams said that Phase II initially was a cost of \$77,300 in the proposal which would encompass the engineering and getting it ready for bid in twelve months. In order to get it ready more quickly, Great River Engineering agreed that they could do it in seven months for \$90,000. He reported that this was approved unanimously at the Transportation Committee meeting. He informed the committee that the numbers will change some because they are going to include painting.

JP Moore stated that War Eagle's large public events are also a concern and they are trying to keep disruption to those events to a minimum and this was part of the reason they wanted to get it done faster.

JP Adams reminded the committee that, even with the accelerated timeframe, there is still no guarantee that the work will be done before the War Eagle fair event in May 2016.

JP Moehring made a motion to appropriate \$90,000 and move it to the February 09, 2016 Committee of the Whole agenda, seconded by JP Jones.

Discussion was held about what would be included in Great River Engineering's proposal and the maintenance schedule for the bridge in the future. The feasibility of doing a seven month time schedule at a cost of \$90,000 versus a five month time schedule at a cost of \$99,500 was also discussed. It was determined that they need to find out with absolute certainty if it is possible for Great River Engineering to get it done in only five months.

JP Moehring asked, if they pass the seven month plan tonight, if it could be amended at Committee of the Whole to be five months if necessary.

Further discussion was held about changing to the five month proposal at a cost of \$99,500.

Mary Slinkard suggested waiving the rule and forwarding this issue directly to the February 25, 2016 Quorum Court agenda but no action was taken to do so.

Comptroller Brenda Guenther said that \$300,000 is already in the budget for the project so an appropriation is not needed unless it is going to go over \$300,000.

JP Moehring stated that, if the issue is just a nod to move forward, he could amend his motion to make it a resolution, seconded by JP Jones.

JP Jones stated that they can discuss the time frame at Committee of the Whole. He said that they can approve the resolution at Committee of the Whole and it does not even have to go to Quorum Court.

Judge Clinard said that he will call Great River Engineering tomorrow and find out for sure if they can do it in five months and bring that information to the February 09, 2016 Committee of the Whole meeting. He said he would also ask them to be at the meeting.

JP Allen said that, if it is an actual resolution, it has to go to the Quorum Court.

JP Moehring said he wants to do whatever is required to move it forward; he feels that a resolution is appropriate.

JP Allen restated the motion to change it from an appropriation ordinance to a resolution and that they will report to the Committee of the Whole as to whether they can speed that up to five months and, if they can, they will get \$9,500 more dollars and if they cannot, then they will stick with the original amount and for this to be forwarded to the February 09, 2016 Committee of the Whole agenda.

Motion passed by unanimous show of hands vote.

Fund Summary:

2015 through 12/31/15

Comptroller Brenda Guenther reported that they have \$4.3 million in turnback at the moment - \$2 million from the Road department and \$2.3 million from all the other general funds. For Other Funds, they have a remaining balance in the health insurance fund of \$122,000 versus what was budgeted. She said she could have a report on bank balances next time. She said the remaining balance there is \$10.3 million overall and \$7.9 million on the other funds (including the Road Department).

2015 vs. 2014 Comparison through 12/31/15

Comptroller Brenda Guenther reported they are \$3.4 million higher in expenditures this year versus last year. Of that, \$1.7 million is in the capital expenditures and \$1.4 million is in supplies over and above the prior year.

2016 through 01/31/16

Comptroller Brenda Guenther reported that, when looking at the General and Road funds, they are a little over overall because of capital expenditures that were purchased at the beginning of the year. They are at 34% of the year so far in capital expenditures versus a target of 8.3%. Salaries are under the target of 6.73%. She reported that they did a payroll implementation. She informed the JPs that they will no longer receive a separate mileage check; it will now be included in the payroll starting with the next check. Returning to the report, she stated that they have only gone over in salaries in Search/Rescue. They have paid a quarter of the workman's comp in the first month and everything looks great. For Other Funds, she reported that they are just a tiny bit over but, again, this is due to capital expenditures early on.

Monthly Reports:

Overtime & Premium Pay Analysis

Comptroller Brenda Guenther reported that the overtime and premium pay is higher for the first month versus the target because of holiday pay that is paid in January.

Grants Administrator Report

Comptroller Brenda Guenther reported that they are looking into a grant for work on the historical courtroom to restore it to its original condition. She stated that they are talking to the Arkansas Historic Preservation Society to replace some of the horsehair walls and ceilings that have been separating as well as restoring some of the woodwork. She said they got approved for a \$15,000 grant for GPS equipment for the Assessor's office. She stated that they closed out several grants this last quarter.

Fuel Analysis

Comptroller Brenda Guenther reported that right now they have \$290,000 versus \$525,000 in the Sheriff/Jail budget comparative year-to-year and \$950,000 versus \$1,200,000 in Road. She said that they didn't buy any bulk fuel this first month and that is how they show the amount expended. She stated that they will see a lot lower pricing from now on.

Sales Tax Numbers

Comptroller Brenda Guenther reported that sales tax collected had a slight dip of about \$7,000 versus the year before but next month it will be for the December merchant sales so she is optimistic it will be better.

Jail Collections

Comptroller Brenda Guenther reported that for January 2015 they had 856 prisoners jailed. For January 2016 it was 1,147, however, the number of days served was lower. For jail fees collected, there was only \$43,000 this month versus \$282,000 a year ago for this same month. She has also been told that the state is approximately five months behind on paying fees for state prisoners.

Ordinance Requests:

FY 2015 – County Clerk Budget Clean-Up Appropriation

Comptroller Brenda Guenther stated that the County Clerk is just barely over on one of the areas and this request is for \$1,500 to be transferred out of the salaries section to postage which is in other services.

JP Slinkard made a motion to waive the rule and send this appropriation ordinance request directly to the February 25, 2016 Quorum Court agenda, seconded by JP Moore.

JP Jones stated that it does not make it any quicker to go straight to Quorum Court and bypass Committee of the Whole.

JP Moore said that it is a viable alternative if the Committee of the Whole already has a full agenda; it could go directly to the Quorum Court agenda.

JP Allen called for the vote.

6 in favor: Allen, Jones, Chiocco, Slinkard, Moore, Moehring

1 against: Easley

Motion passed.

JP Easley stated that he opposed it only because he does not see how it makes any difference to bypass the rule.

FY 2016 – Juvenile Accountability Block Grant Appropriation

Brenda Guenther said that, at the time of the budget, she put this into salaries but it is third party other professional services that will be doing the work so it will not be an employee. This is to pay for a contract employee and is being paid for by the grant.

JP Jones made a motion to send this appropriation ordinance request to the February 09, 2016 Committee of the Whole agenda, seconded by JP Chiocco.

Motion passed by unanimous show of hands vote.

Other Business:

JP Meyers stated that he would like to appropriate \$100 to purchase an award to present to the family of former Justice of the Peace Steve Curry, who has passed away.

JP Slinkard made a motion to purchase a plaque in recognition of Justice Curry's service on the Quorum Court, seconded by JP Chiocco.

Motion passed by unanimous show of hands vote.

Announcements:

None.

JP Allen declared the meeting adjourned at 8:07 p.m.