

**MINUTES OF THE
SPECIAL MEETING OF THE
WASHINGTON COUNTY QUORUM COURT**

Monday, November 14, 2016
5:30 p.m.
Washington County Quorum Court Room

2016 DEC 21 PM 1:28
BECKY LEWALLEN
CO. & PROBATE CLERK
WASHINGTON CO. AR

FILED

- 457.1 The Washington County Quorum Court met in special session on Monday, November 14, 2016. The meeting was called to order by County Judge Marilyn Edwards. She stated the purpose of this meeting was to work on items pertaining to the 2017 budget.
- 457.2 A. Harbison led the Quorum Court in prayer and in the Pledge of Allegiance.
- 457.3 MEMBERS PRESENT: Daniel Balls, Harvey Bowman, Rick Cochran, Robert Dennis, Lisa Ecke, Ann Harbison, Sharon Lloyd, Tom Lundstrum, Eva Madison, Sue Madison, Joel Maxwell, Gary McHenry, Joe Patterson, Butch Pond, and Bill Ussery.
- 457.4 OTHERS PRESENT: Chief of Staff George Butler, County Attorney Steve Zega, Treasurer Bobby Hill, Comptroller Ashley Farber; Interested Citizens; and Members of the Press.
- 457.5 ADOPTION OF THE AGENDA: Judge Edwards asked if there were any additions or deletions to the agenda.
- 457.6 **A motion was made and seconded to adopt the agenda as presented. The motion passed unanimously by voice vote. The agenda was adopted as presented.**
- 457.7 CITIZENS COMMENTS: Judge Edwards announced they were going to have their 15-minute citizen comments period with a three-minute limit for each individual at this time.
- 457.8 Carl Holm, member of Washington County 4-H, addressed the Quorum Court stating in 2013 he was awarded the Presidential Silver Medal of Volunteering for his over 100 hours of volunteering. He stated he believes 4-H is very important as unlike FFA, they do a lot of volunteering which is important for them to learn respect for their community and keep Arkansas clean so they can have a better future. He read from the 4-H website, "It is highly regarded as the first ever research project of its kind, the 4-H Study of Positive Youth Development defined the measure of positive youth development compared to their peers. The report shows that youth involved in 4-H Programs excelled in several areas."
- 457.9 Zoe Armstrong, 15-year-old freshman of Fayetteville High School, addressed the Quorum Court stating that her cousin, Lauren Chivers, has

inspired her throughout her years in 4-H. She reported that Lauren began 4-H at age 5 and is now completing her three years at the University of Arkansas and will be graduating with a degree in Agriculture Communications. She reported on Lauren's years in 4-H when she held several offices in the local and county clubs, and how she was able to use her experiences with her 4-H career and other activities to write her resumes to go into college and with 4-H and other scholarships, she received over \$80,000 for her college. She further stated at this time they do not have a full-time 4-H agent that would help them attain many achievements like her cousin Lauren.

- 458.1 Ken Knies, President of the Washington County 4-H Foundation Board, addressed the Quorum Court stating he has been affiliated with 4-H one way or another for over 30 years. He stated this group of young people represent the County and will represent Washington County for a long time to come. He further stated that what the Extension Office is asking for is an investment in all of Washington County and these young 4-Hers will grow into the kind of citizens they all want with a work ethic and leadership. He is asking for the Quorum Court's support in helping them gain back a staff member that is sorely needed.
- 458.2 Sara Gardner, 16-year-old Junior at Fayetteville High School, Vice-President of the Washington County Council for 4-H, and a 9 year member of Washington County 4-H. She reported her projects include citizenship, public speaking and leadership. She noted because of 4-H, she has developed her own community service project entitled "Flag Etiquette and the Jesters of Patriotism" to which she has over 1,000 hours volunteering for veterans and over 1,500 years volunteering in general. She reported she has educated over 10,000 Arkansans about flag etiquette, patriotism, and honoring our veterans. She reported volunteering for veterans has shown her a window into the hearts and souls of our America's greatest heroes who were willing to sacrifice their lives for love of something greater than themselves. S. Gardner stated because of 4-H, she has been given countless public speaking opportunities, including the 2016 Arkansas State Republican Conventions, the Fayetteville National Cemetery Memorial Day Ceremonies and many ceremonies at the Fayetteville Veterans Hospital. She reported 4-H has shown her a career path in Political Science and she plans to major in Political Science with a minor in Spanish, and then attend Law School. She ranks first in her High School class of over 700 and is Vice President of her class. She reported she is a member of the Fayetteville Chamber of Commerce Teen Leadership Experience and President-Elect of the Arkansas State Children of the American Revolution; and last week, she

submitted her entry for the Veterans of Foreign Wars Voice of Democracy competition. She stated she is a 4-time winner at State and National Youth Public Speaking contests and a member of the High School Debate Team. S. Gardner stated funding this addition position is vital for youth development in Washington County, the great State of Arkansas, and the United States of America.

- 459.1 Sky Jennings, 7-year-old student at Washington Elementary, and member of 4-H for three years where she has learned a lot about safety, etc. She asked the Quorum Court for their support of this 4-H position.
- 459.2 Kent Stout, President of the Winslow Community Development Council, a private group of Winslow citizens who try to improve the life and citizenry. He stated they have given small amounts to 4-H from benefits of their Winslow Run each year. He addressed the Master Gardeners Program that has such a ripple effect on the community. He noted with funding not available for this 4-H person through the Extension Service, it takes away many opportunities they have through Master Gardeners. He urged the Court to consider this ripple effect and how it is bigger than the position.
- 459.3 Lily Davis, 11-year-old member of Hogeye 4-H, addressed the Quorum Court stating she lives on a dairy farm and 4-H has taught her responsibilities and to interact in her community. She urged the Court to help them fund a 4-H agent.
- 459.4 Kaylee White, 11-year-old member of the Western 4-H Club for the past three years, addressed the Quorum Court stating that 4-H has changed her life with community service and recycling being her favorite activities. She reported competing in County-O-Ramas and received first place for Environmental Stewardship and second place at Districts.
- 459.5 Lily Mosley, 9-year-old member of the Greenland 4-H Club, addressed the Quorum Court stating that because of 4-H she has been able to give speeches at the County-O-Ramas about home safety and pet care and has learned to be a good speaker with her increased confidence. She stated she is thankful to be able to be a 4-H member and wants to continue in 4-H for many years to come.
- 459.6 David Mosley, employee for the University of Arkansas as well as a PhD student, addressed the Quorum Court, noting in 2007, he was hired as a full-time Logan County 4-H Agent. He stated he had some help from another agent, but there is not enough time for a full time agent. He was able to start a garden club at each elementary school. He pointed out a

previous comment by one of the speakers that 4-H was as much fun as Six Flags, so he is learning and having fun. He reported he was able to start a Shooting Sports Club with some of these kids entering into the Junior Olympics for Shooting Sports. He noted without this 4-H Leader, they can only get by with the clubs they currently have and cannot start new clubs.

- 460.1 Kelly Biswell, President of the West Fork 4-H Club and member of the Ambassadors Club and County Council. She reported being in 4-H since she was age 5 with this being her last year, stating it has changed her life and she wants to see the 4-H Program continue to grow. She stated her main project is Gardening/Horticulture and she was just accepted at the U of A and knows what she wants to do because of 4-H. She stated she started out with a Participation Ribbon at County level and knows she wants to impact people in the same way their County Extension Agent Anna has who has inspired her. She urged the Court to consider funding this 4-H agent.
- 460.2 SALARY INCREASES FOR UNGRADED POSITIONS IN 2017: This item was tabled at the October 18 special Quorum Court meeting. County Comptroller Ashley Farber addressed the Quorum Court noting that the Court had requested Salary Consultant Blair Johanson review the salaries of their ungraded employees for consideration of a raise increase. She addressed agenda item #6.1 that sets out the increases he recommends based on the market value and that she had already included these amounts in the updated budget figures.
- 460.3 A. Harbison stated this has been reviewed by their Salary Consultant and is at market value, with those who were a little over market value given the 5%. She believes this is fair as it is what they did for the other county employees.
- 460.4 **A. Harbison made a motion to pass salary increases as set out on agenda item #6.1. B. Pond seconded.**
- 460.5 R. Dennis stated he knows Information Technology is important, but that salary seems high when compared to the County Attorney.
- 460.6 In response to a question from E. Madison, A. Farber stated besides the recommended salaries she added options like they did last time. She noted that Blair Johanson's recommendation is the column titled 2017 recommended percentage raise per market and time in position; the next

column is what their salary would be; and the outlined column within the box is the additional appropriation made to the 2017 budget.

- 461.1 E. Madison stated she shares R. Dennis' concerns because they now will have a county employee making more than the incoming Tax Collector and incoming County Judge.
- 461.2 **E. Madison made a motion to amend A. Harbison's motion to cap any County employee's salary at the lowest paid County Elected Official salary. S. Madison seconded.**
- 461.3 A. Harbison stated this is market value and does not have anything to do with the individual and they went with market value with everyone else. She stated this is what IT people are earning in the community and she believes they need to stay at market value which is what the community has set.
- 461.4 Ashley Farber noted that some of the employees were over market value and some a little under, but they treated them the same as all of the other employee raises. If they did not meet up to the 5%, they went ahead and gave the base 5%.
- 461.5 E. Madison stated that they need to know which ones were not reflective of the market, because she is concerned that the Legislature established what the County's market is to some extent. She thinks for as hard as people work to get elected to positions in Washington County, for them to have people working for them that are paid more is counter intuitive.
- 461.6 A. Farber responded to E. Madison stating in the base salary adjustment per market column, that is what the market is recommending for the position and then the raise is the flat bottom amount raise recommended for County employees. She gave the example of the Technology Director who was underpaid by 1%, so they went ahead and gave him the 5% base as they treated all employees as recommended by the Quorum Court. She further noted that the Veterinarian and Law Clerk were already being paid above market.
- 461.7 A. Harbison stated they need to be fair and treat everybody alike. She stated if they work out a system to use and because someone does a little bit better with that, they have already voted on the other county employees' raises and did not make any adjustments there.

- 462.1 R. Cochran verified that the base salary adjusted per market is salary with benefits included and the additional appropriation per market time and position also includes benefits. He further verified when they did the calculations for the other employees as a group, for those that were behind the scale, they included factors of time in position, the same calculations were used and they were treated in the same fashion.
- 462.2 B. Ussery asked what the base salaries were for the incoming elected positions; to which A. Farber responded using 80% of the max for 2017, the base salaries were \$97,825 for the County Judge and \$92,146 for the Collector. B. Ussery stated realistically he does not know why they would have a problem with capping that at a certain amount.
- 462.3 B. Pond stated that Salary Consultant Blair Johanson did a study on this and made recommendations. He asked if they have any idea on average how many hours a week the County Attorney has been working during the past year.
- 462.4 A. Farber responded to B. Pond that she did not have that information, and added that all of these employees are exempt and are paid on a base of an 80-hour week to give them an exempt status based on their salary, so they would actually have to keep up with a log themselves to determine how many hours they were working. B. Pond questioned whether previous County Attorney George Butler would have an idea on this.
- 462.5 Chief of Staff George Butler responded to B. Pond that he found the County Attorney job to be extremely time consuming with him spending a lot of late hours during the week and worked many weekends, and he knows Steve Zega has had to do the same thing. He stated as County Attorney you just have to work as many hours as it takes to get the job done.
- 462.6 B. Pond recalled contacting George Butler during the holidays as well.
- 462.7 **With no further discussion, Judge Edwards requested that E. Madison restate her motion and called for a vote on the motion.**
- 462.8 E. Madison stated her motion was to impose a cap on the salary increases to the lowest level paid Elected Official (\$92,146).
- 462.9 VOTING FOR: E. Madison, S. Madison, J. Maxwell, G. McHenry, J. Patterson, B. Ussery, H. Bowman, R. Dennis, L. Ecke, S. Lloyd, and T. Lundstrum. VOTING AGAINST: B. Pond, D. Balls, R. Cochran, and A.

Harbison. The motion to amend placing a cap on the salaries passed with eleven members voting for and four members voting against the motion.

- 463.1 L. Ecke stated she is not comfortable with lumping everyone together and passing this all together. She does not want to single out any particular group or diminish their skills or position in the County, but inquired of a USDA Veterinarian with a PhD as to what the State pays a USDA agent. She further advised what the Animal Shelter Veterinarian was paid which was shocking to him as he stated other than giving vaccinations and a couple other minor things, their job is easy. She stated she would like them to separate the IT, County Attorney and Veterinarian positions and evaluate them individually and the job they perform and not lump them all together to vote on an increase. She stated she appreciates the information given to them by Blair Johanson, but it is up to them to filter it and do what is best for the County.
- 463.2 Judge Edwards stated L. Ecke's comment that their Shelter Veterinarian only gives vaccinations was incorrect.
- 463.3 L. Ecke clarified her comments, stating she is not diminishing what the Veterinarian does, including vaccinations, spay and neuter, and microchipping, but when they put this all together on their areas of responsibilities and they are not the Director of the Animal Shelter who has administrative responsibilities as well. She stated her intent is not to embarrass or berate the veterinarian but simply for discussion purpose to determine what is good for the County.
- 463.4 H. Bowman stated he has heard the comment made that even if people are paid above grade and market that they have been given a 5% raise in addition, and believes this is exaggerating an already exaggerated situation to put another 5% on when they are already paid above the market value, moving them farther away from market means. He stated something he has struggled with since being on the Quorum Court is that he has always contended that their county employees have a benefit package that is superior to the market. He has heard it stated in state meetings that county employees do not make fabulous salaries but have a fantastic benefit package. He has not heard this mentioned in the Quorum Court meetings and stated that if they are going to give this kind of raise, that they be sure they are not above market, considering the fact that the benefit package is excellent.

- 464.1 A. Harbison stated because they do not know what the cap will be on these salaries, she believes that they should table this until a later date so they can see the actual figures and not be guessing.
- 464.2 **A. Harbison made a motion to table this issue. H. Bowman seconded.**
- 464.3 E. Madison stated that they called this special meeting for the purpose of deciding this issue and it should not be tabled. She stated they have all of the information in front of them and it will not change. A. Farber has given them the exact figure that will serve as the cap, so they need to finish the budget and fulfill the purpose for which this meeting was set.
- 464.4 A. Farber stated the cap that was set for the motion only affects the IT position, and everyone else falls below that. She stated the cap of the lowest paid elected official is \$92,146; so for the IT Director, he is paid \$94,722 and he would fall to the cap of \$92,146.
- 464.5 A. Harbison stated these figures were not presented, but were figured, so that is why she made the motion.
- 464.6 In response to a question from R. Dennis, they just voted and passed the amendment, but the main motion was not yet voted on.
- 464.7 **With no further discussion, Judge Edwards called for a vote on the motion to table.**
- 464.8 **VOTING FOR: H. Bowman and A. Harbison. VOTING AGAINST: E. Madison, S. Madison, J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, R. Cochran, R. Dennis, L. Ecke, S. Lloyd, and T. Lundstrum. **The motion to table failed with two members voting for and thirteen members voting against the motion.****
- 464.9 In response to a question from A. Harbison, A. Farber stated that there was only one cap for the IT person that passed.
- 464.10 J. Patterson stated he would like to make a motion to take the \$3,000 they spent on this meeting and make that the figure they are going to raise it and be done with it.
- 464.11 A. Farber stated the figures presented are what was recommended by Blair Johanson as requested by the Court. She stated they can always take those who are currently over the market value as they are currently

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paid and give the raises to the other employees. She noted the two that fall above that are the ones marked in yellow.

- 465.1 County Attorney Steve Zega stated in response to B. Pond's previous question about how many hours he works, he kept a log in the Spring for about two months when it was his thought that he would come to them in the Fall and ask for a Deputy County Attorney, but based on the hours between 45 and 50 hours for those two months, he could not justify it. He noted last Fall when they met 3-4 nights a week on the budget for a couple of months, he figured his hours would be more like 65 to 70 some weeks. He stated he would say his average week is 45 to 50 hours.
- 465.2 Secondly, S. Zega stated with respect to this County Attorney salary in particular and if he is fortunate enough to remain in the position, he would like his raise, if they give one, to be the same as everyone else's. He noted the recommended raise for him is 9% which is very generous and too much, voicing concerns that someone getting almost double the percentage raises everyone else got has the potential to create resentment, which he does not want.
- 465.3 E. Madison stated that she believes they have already set the precedent for doing what S. Zega talked about, but they gave employees raises that were all over the map. She stated if they are going to establish a pattern of following Blair Johanson's recommendations, then they need to do that. She had just felt like there was a fairness issue with their Elected Officials and their pay rates that was worthy of discussion and those people who are off the market need to be rectified. She stated that is why they have spent so much time focusing on their employee pay during this budget cycle. If S. Zega is not to get more than somebody else, that would mean they need to adjust the Deputy Prosecuting Attorney and call into question all of the other raises they passed because 5% was the lowest that they gave anyone. She hopes that everyone realizes what they were trying to do was not to be inequitable, but in fact to be equitable and based on market, and believes they need to stick with this and vote on the motion as it stands.
- 465.4 L. Ecke inquired whether they could leave it at what the 2016 budget includes is they are already above at \$78,795 and the Law Clerk is already at \$57,000 and questioned if they could take those two out since they are already above market value. With regard to S. Zega's comments, she does not believe there are other employees working 50-60 hours a week that would be resentful because those elected officials who do work

a lot understand and can have empathy on what his pay raise should be and those who want to resent it will resent it regardless.

- 466.1 R. Cochran stated that Steve Zega was hired in below market with their original amount budgeted at \$65,000 and he needed a little bit more which they approved. He stated that the outgoing County Attorney made considerably more and not even at the adjustment amount. He understands S. Zega not wanting to cause dissention because he gets a different amount than they did, but the job is what the job is worth. He stated S. Zega has been very valuable to the County and he feels what is proposed by Blair Johanson is the proper thing to do and right in line with what they have done for everyone else who works for the County. He further stated with the cap that they have, the numbers are acceptable to him and he would call for the question.
- 466.2 **R. Cochran called for the question. A. Harbison seconded.**
- 466.3 **A. Harbison withdrew her second so that debate could continue. The motion failed for lack of a second.**
- 466.4 J. Maxwell asked for some context as to why these two positions are already above market value; to which A. Farber responded that she would have to look into that. He stated in his mind if there is valid context for why they are already paying these people above market value, then he sees a case for the raise; otherwise, he sees logic in what L. Ecke mentioned that anyone who is not at market value should get a commensurate raise, but if there is no great explanation, than they should allow everyone else to come up to market value or get the 5% raise and hold these that are already paid above market value.
- 466.5 E. Madison stated she does recall the debate they had when they set the Law Clerk salary in that they did not actually base that salary on the Law Clerk market, but rather based it on Staff Attorney market because the individual was a licensed attorney with experience. She stated it may be the way the position is titled misleads B. Johanson into doing a slightly different market analysis and she believes someone who is a licensed attorney in that role would probably be more reflective of where they are now. She pointed out a Law Clerk is typically still in law school, is not licensed and does not have years of practice experience, and she noted Ms. Darling came into that position with several years of experience.
- 466.6 **With no further discussion, Judge Edwards called for a vote on the motion to approve the salary increases as stated in #6.1 as amended.**

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- 467.1 VOTING FOR: E. Madison, S. Madison, J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, R. Cochran, R. Dennis, A. Harbison, and T. Lundstrum. VOTING AGAINST: H. Bowman, L. Ecke, and S. Lloyd. **The motion to approve the salary increases as stated in #6.1 as amended passed with twelve members voting for and three members voting against the motion.**
- 467.2 ADDITIONAL 2017 BUDGET REQUEST - CIRCUIT COURT JUVENILE DIVERSION: Circuit Judge Stacy Zimmerman addressed the Quorum Court stating that they are not asking for additional money, rather to move some money and Norma Frisby, their Court Services Director would further explain.
- 467.3 Norma Frisby, Juvenile Court Services Director, addressed the Quorum Court stating they recently introduced a new Evening Reporting Center and are asking to appropriate for the 2017 budget, money from the Circuit Court Juvenile Division Fund. She noted this fund currently holds \$43,339 and they wish to use these funds to purchase a 7-8 passenger van so their officers who are stationed at the Evening Reporting Center will be able to deliver to and pick up youth from school or drop them off at their homes for safety purposes and for those who cannot walk to school and have no other transportation. N. Frisby referred to the Arkansas Code §16-13-326 that details how they are able to use this fund, including after school and community based programs which is their Evening Reporting Center.
- 467.4 Judge Zimmerman further explained the way this money gets into the Circuit Court - Juvenile Division Fund is from the probation fees that they collect that can only be used on services for their juveniles.
- 467.5 R. Cochran asked if they had plans for fuel, tires, repairs and insurance; to which Judge Zimmerman responded that they have enough money in the Juvenile Court Budget to cover the insurance for the extra vehicle and to cover fuel.
- 467.6 **S. Madison made a motion to approve this request. G. McHenry seconded.**
- 467.7 **With no further discussion, Judge Edwards called for a vote on the motion to approve the request.**
- 467.8 VOTING FOR: E. Madison, S. Madison, J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, R.

Dennis, L. Ecke, A. Harbison, S. Lloyd, and T. Lundstrum. **The motion to approve the request passed unanimously.**

- 468.1 **FINALIZATION OF 2017 BUDGET:** Judge Edwards stated that the Quorum Court has completed review of the requests for the 2017 Budget and is ready to consider finalization for adoption.
- 468.2 R. Cochran stated when they went through the General Fund for the Extension Office, they did not have a full group in attendance and Mr. Kurz's request failed as a stalemate with a 7-7 vote. He requested that Mr. Kurz be allowed to present a short summary on this failure to grant funds for the additional 4-H personnel and allow them to bring it to a vote again.
- 468.3 Judge Edwards noted that since R. Cochran voted against this before, he has a right to bring it forward to bring it forward at this time.
- 468.4 County Attorney Steve Zega stated that they would need to make a motion to renew this budget request to bring it forward for discussion.
- 468.5 **R. Cochran made a motion to bring back to the table the Extension Service Budget. A. Harbison seconded.**
- 468.6 **With no further discussion, Judge Edwards called for a vote on the motion to bring the Extension Service Budget back to the table for discussion.**
- 468.7 **VOTING FOR:** E. Madison, J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, R. Dennis, L. Ecke, A. Harbison, S. Lloyd, and T. Lundstrum. **VOTING AGAINST:** S. Madison. **The motion passed with fourteen members voting in favor and one member voting against the motion. The Extension Service budget would return to the table for discussion.**
- 468.8 Bernie Kurz, representing the Washington County Extension Service, addressed the Quorum Court and read a statement. He noted he was there to plead with the Court to consider a fifth County Agent in the 2017 Extension Service Budget. He stated the Court had agreed to fund the County Extension Office at the 2015 level which puts them short one County agent, their 4-H agent and this level of support is not sustainable for the remaining agents. He stated without an increase in funding, he would be cutting services currently being provided.

- 469.1 B. Kurz explained the need for five agents at the County Extension Office. First need is agriculture. According to the 2012 agricultural census, Washington County has 2,502 farmers producing gate receipts that exceed \$443,000,000. He stated this does not account for the value added products and income to families who work in the food processing industry. He reported that they have two Extension Agents who work with these agricultural producers, one specializing in animal and pasture management and the other in commercial vegetable and fruit production. He stated that home gardening and landscaping affects every homeowner and according to the 2014 census, County population currently had over 90,000 homeowners who expect some services from the Extension Office in regards to home horticulture. In regards to agriculture water quality, since 1990 the Extension Water Quality Education Program reached out to the urban and rural residents in Washington County and have been supported through \$4.2 million in federal grants and other local funding. He stated that pollution prevention programs engage youth, farmers, homeowners, municipal office officials, landscape and design professionals, the construction community, and city as well as county employees. He stated in doing so, they are able to improve and protect local water resources. He noted over the last ten years, for every dollar the Quorum Court has invested into the agriculture agent working water quality, that agent has garnered \$13 additional dollars which has translated into over \$2.5 million of added valuable educational programs.
- 469.2 B. Kurz reported that Washington County has the second highest number of individuals in Arkansas at or below poverty level which is almost 21% of the county residents, and nearly half of those are youth under age 18. He noted that the Family Consumer Science Agent focuses on skills to help our residents to eat better so they can live better. He stated the nutrition education to that audience focuses on developing healthy food choices to become habits, safe food handling, developing a spending plan for food dollars to last throughout the month, and becoming more physically active. Regarding their youth program and statements made that 4-H is a duplication of services and that FFA is a school-funded program, he would argue that neither program is a duplication of another. Also, the success of their 4-H Program has resulted in FFA teams winning state, regional and national competitions. He stated they start engaging with kids starting at 5 years of age.
- 469.3 B. Kurz stated their budget was cut in 2014 to cut the existing 4-H County Extension Agent's position, and because of this loss their total 4-H impact is down this year approximately 18,000 Washington County students. He

stated that Washington County families deserve the opportunity to grow and learn by hands on activities which 4-H provides.

470.1 **R. Cochran made a motion to reconsider approval of the original 2017 budget for the Extension Service. L. Ecke seconded.**

470.2 In response to a question from S. Zega, R. Cochran explained that his motion was asking to go back to the original 2017 budget request which would include both agents, whereas they only funded one in their last vote.

470.3 S. Madison stated that the recent election sent a resounding message that people do not want to see government continue to grow and this is an example of growing. She stated there was funding from the Division of Agriculture that was cut at the Extension Office and they are being asked to pick up the slack, and if the Division of Agriculture at the University of Arkansas did not have this as a priority, she is not sure why they are. She noted there are many programs in their community that are beneficial for their youth at churches, in scouting programs, and none of them turn to the government to pay for it. She realizes this program has passionate support from the youth it has benefited and she is confident that they have reaped enormous benefits, but she questions the need for the taxpayers of the County to pay for that.

470.4 J. Maxwell asked B. Kurz to clarify where this gap in funding originates from; to which he responded two years ago, the funding plan from the Division of Agriculture was to fund them with 5 agents and 1 program assistant that worked in the 4-H Program as well. He stated a new funding program was developed in cooperation with several County Judges starting two years ago and the new funding plan asked for an increase which is what they are seeing today and this funding request is being asked of all Quorum Courts at the same level. B. Kurz further stated that this would be a permanent funding from the County until a new plan is negotiated.

470.5 E. Madison stated she has heard from Master Gardeners and 4-Hers on this issue and has found it remarkable how much support 4-H already has and wishes all entities that help young people had that much support. She stated that is what is giving her pause as she does not know how they got to the point where the Quorum Court was the bad guy on this issue. She noted the County already funds an office that is not a county office, but a state office and the \$220,000 that they already give is just to help with salaries and does not include what they spend on facilities that appears in

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other budgets. She stated they spend quite a bit of money annually already on funding for the County Extension Office and it is frustrating to her that they have become the ones that are the lynchpin to hold 4-H together because they do not decide what positions they fund, only that they will fund x number of positions and the Extension Office decided which ones to fund. She stated that it now has fallen back on them like they are going to kill the 4-H Program which she regrets because that is not really their call. She reiterated S. Madison's comment that they have great programs out there that support kids that do not do it with a dollar of government funding, but completely supported by the school system or purely volunteers. She stated if it is government's role to fund extracurricular activities for their students, she does not know where they stop. She stated her priority this year was to give their county employees a much deserved raise and that is where she has to fall on this issue.

- 471.1 A. Harbison stated this is an agricultural program and Washington County is number two in the State in agriculture and they should look at the ripple effect of the money being created in this county from funding this 4-H position. She noted that Christy Weavers spoke at their last meeting and said overall the County Extension Office is being supported 1/3 by federal money, 1/3 by state money and 1/3 with county money across the country. She stated this is a situation in which government is pushing things back to the local level because it can be done more efficiently at the local level than it can at the national or state level. She stated that 4-H is not only a youth program, but an agricultural youth program and not like girl scouts and boy scouts or like church groups, but is a base to the economic development in this county. She stated when they pull the rug out from under the economic base by not supporting 4-H, which is unrealistic and sends a message that they really do not understand what agriculture means to this state. A. Harbison stated that she put a lot of work into 4-H over the years when she taught school and it is one of the most beneficial programs there is to help these students in school, to get scholarships. She stated they have the money to fund this position and it is their responsibility to do this.
- 471.2 L. Ecke thanked everyone in attendance to voice their support for this much needed program funding. She stated they collect taxes to provide services to their community and she appealed to her fellow JPs to consider the generation that will be their future leaders and support their Extension Service. She stated this is a much needed service to the youth and to the economic development of this county.

- 472.1 R. Dennis stated he remembers when it was called the County 4-H. He stated he respects statements about not expanding on government, but he has not spoken to anyone who is not in favor of supporting 4-H. He stated there are 250,000 people in Washington County and funding this service would cost each of them 30 cents and he believes supporting these young people is worth that.
- 472.2 B. Pond stated he likes the idea that they are able on a local level to decide where their property tax money is going to go and he appreciates the activities that 4-H provides their children and they will use these skills learned all of their life. He will be supporting this motion.
- 472.3 B. Ussery stated he is grateful to have the opportunity to vote for something that is positive and something that invests in the future. He stated he would much rather invest in training someone to act properly than he would to have to pay to keep them in jail. He stated this is a real opportunity for them to be proactive instead of reactive.
- 472.4 L. Ecke stated she did not intend to be disrespectful to JP Madison. She noted that Judge Zimmerman was there appealing to them about the program they are starting at the Jones Center and Jeane Mack from JDC stated that Extension Agents volunteer at the JDC, teaching them how to sew, etc. She further pointed out that 4-H volunteers with their senior citizens community as well.
- 472.5 **With no further discussion, Judge Edwards called for a vote on the motion to approve the original 2017 Extension Service budget as presented.**
- 472.6 **VOTING FOR: J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, R. Dennis, L. Ecke, and A. Harbison. VOTING AGAINST: E. Madison, S. Madison, S. Lloyd, and T. Lundstrum. The motion passed with eleven members voting in favor and four members voting against the motion. The Extension Service budget for 2017 was approved as originally presented.**
- 472.7 **FINALIZATION OF 2017 BUDGET: Judge Edwards stated that the Quorum Court has completed reviews of the requests for the 2017 Budget and the ordinance to adopt the budget is on the agenda for Thursday's regular meeting. She asked whether the budget was complete at this time and whether there are any other items that they still needed to address.**

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- 473.1 R. Cochran inquired whether they had passed the Budget Controls and was advised that they had. He stated that he wanted to amend the Budget Controls, adding item #8 prohibiting transfers out of Line Item 2007 which is Fuel/Oil/Lubricants from any account on any budget. He noted that various budgets have considerable amount for fuel because they fear that the price of fuel may increase which they are good to plan for, but he would hate for that to be padding in their budgets.
- 473.2 **R. Cochran made a motion to add an item to the Budget Controls prohibiting transfers out of Line Item 2007, Fuel/Oil/Lubricants. S. Lloyd seconded.**
- 473.3 County Attorney Steve Zega asked and R. Cochran verified that this Budget Control would not prevent a department from coming back to make an additional request if fuel costs go through the roof. R. Cochran states his intent is also if they do not spend it all, that it not go to another line item. S. Zega noted that it would take an ordinance to allow money to be moved out of line item 2007 to something else.
- 473.4 J. Maxwell reported doing some research into the fuel costs and they do anticipate an increase in fuel futures, not near what it has been in the past, but does show a steady incline over the next 1 to 1½ years. He sees some wisdom in what R. Cochran is doing and he will support his motion.
- 473.5 **With no further discussion, Judge Edwards called for a vote on the motion to add an item to the Budget Controls prohibiting transfers out of Line Item 2007, Fuel/Oil/Lubricants.**
- 473.6 VOTING FOR: E. Madison, S. Madison, J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, R. Dennis, L. Ecke, A. Harbison, S. Lloyd, and T. Lundstrum. **The motion passed unanimously. The Budget Control addition was approved.**
- 473.7 E. Madison stated since they are reconsidering and adding things back to the budget, she would like to reconsider the \$4,100 that they struck from the Health Department Budget to allow for an educational television channel in the waiting rooms at the Health Department.
- 473.8 **E. Madison made a motion to reconsider the original Health Department budget for approval. S. Madison seconded.**

- 474.1 **With no further discussion, Judge Edwards called for a vote on the motion to reconsider the original Health Department budget for approval. S. Madison seconded.**
- 474.2 VOTING FOR: E. Madison, S. Madison, D. Balls, R. Dennis, and A. Harbison. VOTING AGAINST: J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, H. Bowman, R. Cochran, L. Ecke, S. Lloyd, and T. Lundstrum. **The motion failed with five members voting in favor and ten members voting against the motion.**
- 474.3 R. Cochran stated one thing he struggles with is their Ozark Transit funding for their rural route 620 that runs 16 hours a day from the West Fork area out to Lincoln and back and forth. He noted the passenger count for September was 16.3 average passengers per day, noting that each boarding is considered a passenger. He stated so they have had on average 8 people per day that ride this route and for 20 rider days per month that would be 240 rider days in a year. He stated they have appropriated \$100,000 for this a couple years ago to see how it would go, and 240 rider days into \$100,000 is \$416.67 per day and the average of 8 riders per day equals \$52.08 per rider or \$12,500 per year, stating he could buy them a car for that. He stated this comes out of the Road's ½-Cent Sales Tax revenues and will not help the General Fund, but they have given this route a chance and it has proven to be only marginally successful and so this money is not well spent.
- 474.4 **R. Cochran made a motion that they strike \$100,000 from the ORT appropriation in Line Item 3090, Dues and Memberships in the Road ½-Cent Sales Tax Budget. S. Lloyd seconded.**
- 474.5 A. Harbison stated she does not believe they should be going back and changing things in their budget that they have already passed. Further, she noted that ORT is not present to defend the program; and they have to support regional transit which will not happen overnight. She stated this is for low income people and believes it is something that can work, will catch on and be a very viable transportation system, so she will vote against R. Cochran's motion.
- 474.6 E. Madison stated she has to ask herself how they got to this point in their priorities because they cannot fund \$4,000 for the Health Department and people who have no transportation are trying to actually better themselves. She stated those 8 riders will grow and you cannot have any sense of a reliable public transportation system until they have consistency and the people from ORT have told them that time after time.

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She stated if they pull their funding year after year and the route goes, no one will ever ride on it because it will not be reliable and they will never have mass transit in what is becoming a very large metropolitan area unless they start somewhere. E. Madison stated she applauds the 4-H people who campaigned very hard and won, but there is nobody there to speak for the people who ride ORT because they cannot get there and the people in their community who need it the most are being turned down which is a sad testament to the way government funding is working. She stated that ORT did not have notice that this would be on the agenda and were not there to defend themselves.

- 475.1 S. Madison stated first of all, they are guessing on how many actual riders the numbers are reflecting, but more importantly, these people do not have another method of transportation. She stated that ORT is being fairly creative in starting to run a bus back and forth to Walmart headquarters, hoping to get some cars off the road and save people some money. She stated this is not only about transporting people who need it, but is also about doing it cheaper. She noted the elderly are in this category because they still want to go to Walmart or to the Mall after they are deemed unable to drive. S. Madison stated that ORT is taking cars off the road, they are taking care of low income people, elderly, and maybe people who are just environmentally sensitive and know that it makes sense to ride public transportation. She urged the Court not to take this funding from ORT.
- 475.2 T. Lundstrum stated the night that ORT was before the Quorum Court to defend themselves, he did some calculations and came up with essentially the same numbers that R. Cochran did. He stated that route basically connects several small cities so he would prefer to see the cities pay for the route the way that Springdale and Fayetteville and everybody else does. He noted that Elm Springs pays \$800 a year for ORT and there is one bus a week that goes through there. He also reiterated that he is yet to see a bus with more than a couple people riding. He stated he would like to see this money go back into the Road Department where they can help take care of their rural roads. He pointed out that churches will help people by providing transportation.
- 475.3 R. Cochran pointed out that if they strike this \$100,000 that still leaves \$23,000 which will support their para-transit for folks in the county who need a ride to the doctor or hospital.
- 475.4 A. Harbison stated that the sales tax for roads was voted in by the people and there was a clause that it was to be used for public transportation.

She stated if they do not have public transportation, they will never develop public transportation. She stated disagreement with the number of people riding the bus from West Fork to Fayetteville. She stated they were hoping to have a route that went to the Industrial Park and a lot of these people need jobs and do not have reliable transportation. She further reiterated that it is detrimental to their relationship with ORT to cut one of their routes without giving them the opportunity to defend it.

- 476.1 **With no further discussion, Judge Edwards called for a vote on the motion to strike \$100,000 f from the ORT appropriation in Line Item 3090, Dues and Memberships in the Road ½-Cent Sales Tax Budget.**
- 476.2 **VOTING FOR:** J. Maxwell, G. McHenry, J. Patterson, B. Pond, B. Ussery, H. Bowman, R. Cochran, R. Dennis, L. Ecke, S. Lloyd, and T. Lundstrum. **VOTING AGAINST:** E. Madison, S. Madison, D. Balls, and A. Harbison. **The motion passed with eleven members voting in favor and four members voting against the motion. The amount of \$100,000 would be stricken from ORT in the budget.**
- 476.3 E. Madison asked if Treasurer Bobby Hill could tell them what the shortfall is of new revenue compared to what has been approved as budgeted, to which he responded that new revenue is \$61 million and \$65 million has been budgeted, for a \$4 million shortfall. She further verified that a ½ mill increase would raise \$1.5 million a year for the General Fund, so it would take more than 1 mill to pay for what they are talking about. She further noted that passing a millage increase will not affect next year's revenue, but the following year, so whatever they do, they are \$4 million in the hole.
- 476.4 A. Harbison stated that was incorrect.
- 476.5 **E. Madison called for a point of order that she had the floor and Judge Edwards concurred.**
- 476.6 B. Hill stated that the revenue would come in next year if they pass the millage increase; to which E. Madison stated she thought that it was collected in arrears.
- 476.7 Chief of Staff George Butler explained the taxes that the Quorum Court levies in 2016 are collected in 2017.
- 476.8 County Attorney Steve Zega reminded the Court that they are required by statute to pass their millage at the regular Quorum Court meeting in

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November, so if they were going to change the millage, he strongly recommended that they do it now.

- 477.1 A. Harbison stated right now they have over \$6 million because of the increases they have had this year and what the elected officials and department heads have saved is to be projected, so they have more than enough to cover the 2017 budget without increasing the millage. She stated if they do a millage increase, she would suggest a very small increase. She stated to say that they have to do a millage increase and that they are \$4 millage short is incorrect because of the carryover, and suggested that they use correct numbers when talking about how much money they have.
- 477.2 T. Lundstrum concurred with A. Harbison, stating that a few weeks ago he could have sworn that the Comptroller or someone said that there was plenty of money coming in to cover this budget and have a surplus. He stated he has been voting for a lot of things he would normally vote against based on that premise. He stated he needs to know before the next Quorum Court meeting the incoming revenue, what the reserves will be, and final numbers on their 2017 budget.
- 477.3 Treasurer Bobby Hill responded that what they were just talking about was the new revenue and the carryover, which is a revenue line item and is counted. He stated that total revenue they are going to have is \$84 million and requested budgets are \$65 million, putting them about \$19 to \$20 million over the requested budgets.
- 477.4 T. Lundstrum stated they were going to hold back 10%; and B. Hill stated that makes \$77 million available to budget with requested budgets of \$65 million.
- 477.5 T. Lundstrum stated that what Mr. Hill is saying is that there will be plenty of money next year to cover the 2017 Budget and still have reserves without a millage increase; to which B. Hill responded that on the budget summary, General will have \$6.8 million left over if everything came true on the budget; and overall, there will be \$11.8 million in reserves for all funds.
- 477.6 T. Lundstrum pointed out that they have approximately 15 new families a week moving into this part of the country according to the newspapers and they are all moving into homes that the County will start collecting taxes on and their property tax continue to go up in spite of the fact that they

reduced the millage and their sales tax has done very nicely this past year where now they are getting 4% or 5% increases.

- 478.1 B. Hill verified that based on his numbers at this time, this would be a sound budget without a tax increase.
- 478.2 R. Cochran stated one thing that one thing in adjusting their insurance have not considered is a potential infusion that they would have to do in 2017 and he questioned whether they should appropriate an amount now for a potential infusion. He noted what they have changed has not really prevented them from having a shortfall and he would propose budgeting at least \$500,000 for that knowing that it is most likely going to happen. He noted that last year they knew that they would probably have an \$800,000 infusion into the Insurance Fund this year, but failed to budget for it, and he thinks it would be wise to appropriate that to set aside in the unappropriated reserves.
- 478.3 **R. Cochran made a motion to appropriate \$500,000 for the Employee Insurance Fund. J. Maxwell seconded.**
- 478.4 A. Harbison stated that her notes indicate Insurance Consultant Nelson Driver advised that their shortfall was going to be somewhere between \$20,000 and \$32,000. She stated she does not have a problem with setting \$500,000 aside as long as they still have a \$6 million carryover.
- 478.5 J. Maxwell stated that this is kind of like semantics, as they can budget this and the money does not go away and they can always move it back if they do not need it. He stated this would just show some foresight and planning that they anticipate there is potential that the Insurance Fund, as it has in the past, needed an infusion and their help to keep it solvent so he does not see it as a major monumental move, but just some good proactive bookkeeping. He stated they are not spending the money until the money has to be spent, in which case they really do not have a choice.
- 478.6 Comptroller Ashley Farber responded to J. Maxwell that they would treat this exactly like they do the Jail Fund infusion.
- 478.7 J. Patterson stated he thinks it would be a good move to set this money aside for the Employee Insurance Fund because it has really jumped around over the last 10-15 years and there were times that they had to come up with a lot of money in a short period of time.

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- 479.1 E. Madison stated that she has more questions for Bobby Hill because this just seems like fuzzy math to her. She stated everyone is looking for some way to not have to increase the millage and she is in agreement with that, but she does not know how millions of dollars are falling from the sky given the condition the County has been in. She stated they have \$61 million in General Fund new revenue and they have budgeted \$65 million and those numbers should match in her opinion and she questioned where they are coming up with \$19 million additional.
- 479.2 Bobby Hill responded that this is coming from the carryover and the \$61 and \$65 million are total numbers and the \$85 million is total revenues for all funds and the General Fund has \$38.6 million. The projected carryover for the General Fund is \$12,300,000 and the source of this for his part is the unspent budgets and additional revenue that has come in and what he has in the bank on December 31. He stated if everything comes true on this budget, at the end of the year he would have \$6.8 million left in the bank in the General Fund.
- 479.3 E. Madison stated that currently in General unencumbered reserves, they are not showing nearly that much money; to which Bobby Hill responded today they have \$12.8 million in the General Fund. E. Madison stated that is cash in the bank and she is talking about what is in reserves. She stated if they are having that much money roll over that is not being spent in budgets, it tells her that their budget is totally wrong.
- 479.4 Comptroller Ashley Farber responded to E. Madison that currently as of October, their total unappropriated reserves for the General Fund is \$6,547,619 which includes the projected carryover and new revenue minus the budgets approved for 2016.
- 479.5 Bobby Hill stated last year they had \$1.6 million not spent out of the entire budget.
- 479.6 After a short break, Ashley Farber replied to a question from E. Madison that currently with what has been approved at this meeting, the General Fund budgets total \$27,400,723; with a Jail infusion of \$616,198, which brings unappropriated reserves to \$6.7 million. Compared to the 2016 Budget, the General Fund is actually under budget from the approved 2016 budget at \$755,778 and for all total budgets, they are over the 2016 approved budget by \$1,876,000 which includes all funds, and this includes new revenue and carryover.

- 480.1 In further response to E. Madison, Bobby Hill stated that the projected increase in revenue next year is \$61.1 million and 2016 new revenue was \$58.8 million for a difference of a little over \$2 million.
- 480.2 E. Madison stated their 2016 approved budget is \$1.8 million more and there is an additional \$2.1 million in additional revenue projected, but new revenue and budget did not meet last year either and they just decided to use reserves. She stated they have been told they can do this in the short term, but cannot do it in the long term because it will eventually catch up with them.
- 480.3 Bobby Hill stated that they are good in 2017 and probably the year after and if sales and property tax continues to increase, that will help kick the can down the road another year or two. He stated that carryover is unspent budgets, plus holdback, plus or minus revenues coming in is what he has left at the end of the year.
- 480.4 In response to a request from E. Madison, Ashley Farber stated that she does not have the reports on her currently that show what is not being spent out of the budgets; however, they will be given that information at the next regular meeting.
- 480.5 E. Madison stated that this is a short term solution only and if they continue to go at the same rate, they will be broke and it will not work. She stated this is not a balanced budget which in her view is matching new revenue with expenses and they are going to have to have cushion in savings to pay for unanticipated repairs and capital expenses. She stated that a budget of \$65 million with \$61 million in new revenue coming in is not responsible financial management.
- 480.6 J. Maxwell asked if the bulk of this additional unspent budgeted revenue was from this year's projected budget for fuel costs that they did not spend; to which Ashley Farber responded that would be included in their carryover and Bobby Hill does the overall total percentage of what the budgets are spending and calculates the carryover from that.
- 480.7 J. Maxwell stated it looks to him that because they budgeted lines at 2013 and 2014 expenditure years back when fuel costs were a lot higher than they are now, that would be his guess that there are several unbudgeted dollars there that in fact may not be spent for fuel and maybe softens this year's budget a little more than what it looks like if those funds are not spent on fuel.

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- 481.1 J. Maxwell stated he would like to know how much they have budgeted for fuel this year total to which A. Farber responded she did not have ready access to that information at that time.
- 481.2 A. Harbison stated that they did not do their quarterly sweeps this year and therefore all of that money is ending up at the end of the year in excess money. She stated that they are never at 100% employment, but they budget for 100%, so that money is there, plus they have had an increase in sales tax every month since last November that they have not had previously. She stated they have enough carryover plus the sales tax increase that they should not need to go for a millage increase and if they do, it should be .25 but nothing larger. She stated as the revenue increases as economic development in Northwest Arkansas grows, they are going to be at a point where they may have to do a millage decrease.
- 481.3 Judge Edwards stated that she will not be there, but it has always been a worry for her since day one of cutting the millage because that is when their money started to decrease. She stated if they get their millage reinstated and put that millage back in, then their revenue starts multiplying so they have money in reserves and do not have to fight this battle every year. She stated that it hurt Washington County when they reduced the millage and they need to do something to raise the millage back.
- 481.4 Bobby Hill stated that he is encouraged that the budgets do leave money at the end of the year because if they do have \$61 million in new revenue and the budgets do not spend all of their money and have \$61 in expenses, then they are balanced. He stated that their budget is closer to being balanced than the numbers show.
- 481.5 R. Cochran referred to his spreadsheet he distributed on the effect of what they are going to have in 2021 when they have a new census, cities expand and county contracts, noting that they only had 400 to 600 people difference. Therefore, proportionately they are getting less and less and their split becomes less and less. He stated out in 2021, their revenue changes down \$1.2 million and as they go forward they would have just about a \$500,000 buildup in reserves each year. He stated if everything goes smooth and they do not have any surprises such as tax money they did not pay or insurance money they need to build the reserve, they will have to do something to bring it back up. He does not like the idea of having to raise taxes, but when they reduced their millage which was his first year on the Quorum Court, they were sitting on a large reserve and he felt it was appropriate. R. Cochran stated since then they have started

their own Animal Shelter, taking \$2 million taken out of their reserves and built a fine facility, and then spend about \$800,000 a year to operate the Shelter as opposed to about \$200,000 that they were paying the City of Fayetteville. He stated he is not opposed to this because when they got right down to it, it was a safety issue for their citizens in the County not letting these animals pack up. He stated in addition they have had a couple other hits that were not budgeted for and they really do have to look to the future and he would hope that they try to build up the reserve about \$500,000 a year just to make it easy. He noted it looks like their projections are not moving them anywhere off of where they are at, so a small millage increase makes sense and is wise stewardship so they do not have to do a larger increase down the road.

- 482.1 R. Cochran addressed Bobby Hill stating that his cash number is different than their budget number, but their cash number is really critical from the standpoint that they have major cash inflows in the Spring and Fall with property tax revenue with sales tax, so even though they budget a full amount, those departments can spend it at any time, so he has to have that cash. He pointed out and Bobby Hill concurred that once he hits the \$10 million level in the General Fund, it gives him pause. R. Cochran stated that is the Court's duty to make sure that Bobby Hill has the cash and he believes increasing the millage by a small amount is probably a wise thing to do.
- 482.2 B. Pond stated he believes at this day and time, 1/10th of a mill brings them in \$359,909.53 a year and when they reduced their millage by ½ mill or 5/10, that calculates to \$1,650,000 a year. He pointed out that directly after that, they spent \$3.1 million for an Animal Shelter that costs \$660,000 a year to operate. He noted the reason they reduced the mill was that many of the JPs thought that they had too much money in reserves and were taking too much money away from the people. However, he stated since then they have had complaints that they are spending too much because their reserve is shrinking, but they ignored the fact that they are the ones that created the shrinkage. B. Pond stated there is a 5 mill cap on their general millage which is a way for the State Legislature giving them a small way to tweak their revenue flow by increasing or decreasing it a little and if they refuse to use that, then all they can do is sit there and complain.
- 482.3 A. Harbison stated that she concurs with R. Cochran on this issue, but there is another issue that she wishes this Court would address and that is the percentage of the sales tax that they get needs to be frozen because they provide a lot of services to all citizens of the County. She believes

they need to approach their State Legislators with a concrete plan for a cap on the sales tax at possibly 18% or 20% and if they approach this correctly, as revenues increase, that percentage will be even more for the cities, but give the county enough to carry on their functions without having to come back to increasing the millage all the time.

- 483.1 In response to a question from Ashley Farber, R. Cochran would like the \$500,000 budgeted so that it more accurately reflects what their reserves are.
- 483.2 Ashley Farber explained how they currently do the Jail infusion is that the Jail is budgeted more than what they have in unappropriated reserves, so they give them \$616,000 to their fund to make them a zero balance. She stated for General, they take out of what is budgeted the \$616,000 which drops their unappropriated reserves and this is also reflected in her monthly reports. She suggested that they handle this \$500,000 the same way so they can see it reported and then when the money is needed, they would do it by court order.
- 483.3 R. Cochran noted if they needed more, they will have to come back and ask for more, but this more accurately reflects what their unappropriated reserves are for them down the road.
- 483.4 Ashley Farber stated so in that system, they would be doing an infusion from the General Fund into the Insurance Fund as needed when there is a short fall.
- 483.5 R. Cochran stated another thing that has brought their unappropriated reserves down is the infusion into the Jail after the Jail bond money ran out, they started having to supplement the jail operations which is a lot of money each year and that is what has taken them from \$19 million down to where they are at now at \$6 million.
- 483.6 **With no further discussion, Judge Edwards called for a vote on the motion to appropriate \$500,000 for the Employee Insurance Fund.**
- 483.7 **VOTING FOR: J. Maxwell, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, R. Dennis, L. Ecke, A. Harbison, and S. Lloyd. VOTING AGAINST: E. Madison. ABSENT: S. Madison, G. McHenry, and T. Lundstrum. The motion passed with eleven members voting in favor and one member voting against the motion. The amount of \$500,000 would be appropriated for the Employee Insurance Fund.**

- 484.1 Ashley Farber reported that the \$27.4 million for the 2017 requested budgets includes the changes made at this meeting and is their updated changes for the General Fund which brings their unappropriated reserves to \$6.2 million, including the Insurance Fund infusion.
- 484.2 Regarding the millage increase, following debate on this issue, it was decided to wait until the regular meeting later this week to set their millage instead of voting on it at this time.
- 484.3 ADJOURNMENT: The meeting adjourned at 8:00 p.m.

Respectfully submitted,



Cary Sandidge
Quorum Court Coordinator/Reporter