



WASHINGTON COUNTY, ARKANSAS
County Courthouse

July 9, 2015

MEETING OF THE
WASHINGTON COUNTY QUORUM COURT
FINANCE AND BUDGET COMMITTEE

Monday, July 13, 2015
5:30 P.M.
Washington County Quorum Court Room

Vice-Chair Bill Ussery
Lisa Ecke
Ann Harbison

Chair Rick Cochran

Robert Dennis
John Firmin
Butch Pond

AGENDA

1. Call to Order.
2. Prayer and Pledge of Allegiance.
3. Adoption of Agenda.
4. 2016 Budget Process. (4.1)
5. Other Business: Any other business to be discussed by the Committee will be brought up at this time.
6. Public Comments.
7. Adjournment.

/cs

MARILYN EDWARDS
County Judge



280 North College, Suite 500
Fayetteville, AR 72701

WASHINGTON COUNTY, ARKANSAS
County Courthouse

July 9, 2015

MEMORANDUM

TO: Washington County Quorum Court
FROM: Carly Sandidge
RE: 2016 Budget Process Suggestions

Ladies and Gentlemen:

Please see the attached email from JP Rick Cochran regarding his 2016 Budget Request Suggestions.

In response to my request for the Quorum Court to provide me with suggestions regarding the 2016 Budget Process, I have received the attached emails from the following JPs:

- Joel Maxwell
- Bill Ussery
- Daniel Balls
- Butch Pond
- Harvey Bowman

Let me know if you have any questions.

/cs

Karen Beeks

From: Ricky Cochran <ricky_cochran@yahoo.com>
Sent: Monday, July 06, 2015 9:22 PM
To: Karen Beeks
Subject: Please share this email with the JP's and also print with the packet for tomorrow night's meeting.

2016 Budget Request Suggestions

The goal, this year, is to reduce the number of meeting nights to complete the 2016 budget as compared to the process we employed last year. By providing the Quorum Court a departmental budget plan, each JP can review at his/her convenience and formulate any questions they have about the plan.

Department budget meetings will start at 4:30PM and end no later than 8:00PM. Department budget meetings may also be added prior to or after the regular Finance and Budget committee meeting. The goal is to keep these meetings short and sweet by having advance information – going both ways – so that there is a good line of communication between departments and the Quorum Court.

Each departmental budget plan is to be completed and delivered two weeks prior to the meeting for JP review. JP's will forward any questions about that budget plan a week prior to the meeting date to provide the department with knowledge of what will be asked during the meeting.

- Budget narrative for departmental budget (business objective of the department)
 - Describe the functions carried out by the department
 - this will be more beneficial to the newer JP's, but will always be helpful in reminding what the functions of the department are
 - Describe any cost saving plans for the next year
 - Describe any planned changes in department operation from year to year
- Spending plan for next year
 - Total expenditures need to be justified, not just a percentage bump over last year.
 - Every year is different, so show how and where the money will be spent and for what.
 - Not necessarily by line item, but to show the Quorum Court and taxpayers what we are getting for the money.
 - The spending plan should total to the department budget request amount.
 - When estimates are done, reveal what unit value you estimated with.
 - Ex: Fuel at \$2.80/gal, Diesel at \$3.20/gal, etc.
 - If fuel prices rise, the Quorum Court can easily see that a request for more money may be needed
 - Ex: Repairs can't always be forecast, so a reasonable estimate based on previous experience is in order.
 - Hailstorm damage, ice/snow removal, and equipment breakdowns can't be predicted, but are expected.
- Organizational chart of employees

- List every budgeted position showing
 - Job title
 - Is position filled?
 - General duties
 - Vehicle home with the employee at the end of shift?
- Vehicle Inventory
 - List all on-road vehicles
 - Make
 - Model
 - Odometer
 - Annual expected mileage
 - Estimated year of replacement
 - Taken home by employee at end of shift?
 - Business purpose
- Training/travel
 - Who will be training/traveling
 - What is the purpose
 - Where is the destination
 - What are the expenses for training course, room, food, etc.
- Capital Equipment
 - What are you buying?
 - What is it for?
 - Is it a replacement?
 - Is there trade in value and what is that estimated to be?
 - How much will be spent?
- Fixed expenses (AKA encumbrances)
 - Dues, subscriptions, maintenance contracts fall into this area as well as others
 - Itemize these expenses
- Budget Comparison format
 - Retain the look we have had for the past few budget cycles showing 2012, 2013, 2014, and YTD 2015 by line item along side of the 2016 budget request.
- Revenue Projection
 - At the department level, estimate the amount of revenue expected to be received in the normal course of business. This will give us a better picture of what the true cost of the department really is.
 - This is money projected to come into General Fund and is part of the revenue projection, but is shown to the Quorum Court at the departmental level.
 - Examples, not all inclusive:
 - Environmental affairs - \$\$ for recycling
 - Animal Shelter - \$\$ for adoptions
 - Election Commission - \$\$ reimbursed by municipalities and state
 - Sheriff - \$\$ reimbursed for Arkansas Razorback events
 - Clerks and Assessor - \$\$ for licenses and fees

-you get the picture
- In 2016, we can have these amounts given to us as part of the monthly report to see how well the forecast is.

If at the end of the departmental review, if the revenue forecast is sufficient to provide for reserves, pay increases, and budget requests (after any revisions made during the budget meetings) we should be able to vote the budget in for 2016. If there is not enough projected revenue, each department needs to have an idea of where they would reduce their budget. To reach our budget goal, the Quorum Court does not plan to adjust by line item. The Quorum Court will decide on a reduction amount, and the department shall decide where to make the needed reductions.

Carly Sandidge

From: Joel Maxwell <maxwellwashcojp@yahoo.com>
Sent: Wednesday, July 01, 2015 1:12 PM
To: Carly Sandidge
Subject: Re: Upcoming Discussion on Budgets

Carly,

Hope your week is going well!

Would you mind to pass along my thoughts on the 2016 Budget Controls Changes?

Have a great Fourth of July weekend!!

As I see it, there are two "gaps" in our current budget controls.

Gap Number One: "What we budget and what we spend aren't the same!"

Once department budgets are approved by the Quorum Court, monies can be moved from one line item to another with limited accountability, oversight and/or control. This "gap" or limitation results in real/actual expenditures that can vary greatly from the proposed/approved budgets, both in quantity and quality.

Proposed Solution:

Place a cap (percentage or dollar amount) on the individual and cumulative amounts that a department head can move between line items annually, without Quorum Court approval.

Outcome:

Actual expenditures would more closely resemble approved budgets. (Resulting in more Accurate Budgets and Improved Fiscal Integrity)

Time, resources and energy spent by the Quorum Court during the budgeting process would not be rendered inefficient/wasted as we would be producing/approving real budgets that would reflect actual expenditures.

Note: The cap would obviously need to be high enough to avoid "micro-managing" of departments.

Gap Number Two: "We spend a lot more than we meant to!"

The Quorum Court is asked multiple times throughout the year to appropriate additional monies from the General Reserves to various departments. These additional appropriations, while sometimes necessary due to unforeseeable circumstances, **are often items that could have been anticipated and budgeted for** the previous year. These appropriations result in substantial increases to the approved budgets.

Proposed Solution:

Place a cap (percentage of departmental budget?) on the total annual amount of additional appropriations that any department could request from the General Reserves/Quorum Court.

Outcome:

Departments would be encouraged to be more proactive during the budgeting process. Actual expenditures would more closely resemble approved budgets.(Resulting in more Accurate Budgets and Improved Fiscal Integrity)
Time, resources and energy spent by the Quorum Court during the budgeting process would not be rendered inefficient/wasted as we would be producing/approving real budgets that would reflect actual expenditures.

Note:

While this may or may not reduce our total expenditures.....***at least we would know about them ahead of time!***

Joel Maxwell
Justice of the Peace
District 13
Washington County, AR

On Monday, June 29, 2015 5:10 PM, Carly Sandidge <csandidge@co.washington.ar.us> wrote:

JPs

At the last Finance & Budget Committee meeting, Chairman Rick Cochran asked for everyone to be thinking of questions/information that they would like Elected Officials/Department Heads to provide in their 2016 budget presentations. In addition, Rick also wanted to know of any specific changes that would like to be proposed in the 2016 Budget Controls.

If you have not already done so, please email me this information at your earliest convenience as I am compiling this information for the upcoming Finance & Budget Committee meeting.

Thank you!

Carly Sandidge
Quorum Court Coordinator/Reporter
County Judge's Office
csandidge@co.washington.ar.us
Phone: (479) 444-1702
Fax: (479) 575-0385

Washington County 2016 Budget Process

Prepared by Bill Ussery

July 6, 2015

1. We will need to establish a target or range of where we want to be as far as the amount of reserve we want to keep. Based on current trends it looks like a 5% increase in revenue might be a good start.
2. Each department should establish a list of anticipated major projects for the upcoming year. These need to be specific enough to have the best guess on the additional funds necessary to make these happen.
3. Each department should also present what their goals and objectives finically are for the upcoming year. This would include any projects or training they might do that would result in a more efficient department.
4. The larger departments – Road, Law Enforcement, IT and Building and Grounds will need to detail out the anticipated capitol expenses for the upcoming year. These should be is some sort of priority order as we will most likely not be able to do them all.
5. The responsibility for the budgets should be determined by the individual department heads using the same guidelines as last year with the Quorum Court only getting involved with the details after they are submitted
6. We need to know what departments are seeing or anticipating growth due to changing demographics. We also need to know which departments are seeing less business due to technology or other changes
7. How much will the reduced gas prices and removing the fax lines save us this year and next?
8. What additional expenses do we see coming beside the additional EMS charges?
9. Is the Election Commission going the get new voting machines for next year?
10. It would be helpful to at least look at all of the Road Departments income sources and what expenditures come from what source. Would it be possible to move things around to make better use of these funds?
- 11.

Carly Sandidge

From: Daniel Balls <danielballswashcojp@gmail.com>
Sent: Tuesday, June 30, 2015 1:22 PM
To: Carly Sandidge
Subject: Re: Upcoming Discussion on Budgets

Hi Carly
Here are my questions and stuff. Thank you

Do you have any big projects coming up or see where a large amount of money might need to be spend unexpectedly?

What is something your department needs done/bought but the budget has held you back?

Where do you think you can combine responsibilities?

Do you see any opportunities were we could automate? If so what would it cost up front and potential savings in the future.

Are there things you would like to change to make for a more efficient office but budget restraints have held you back?

Do you see any opportunities that would require money upfront but would save money going forward.

Daniel William Balls
Sent from my iPhone

On Jun 29, 2015, at 5:10 PM, Carly Sandidge <csandidge@co.washington.ar.us> wrote:

JPs

At the last Finance & Budget Committee meeting, Chairman Rick Cochran asked for everyone to be thinking of questions/information that they would like Elected Officials/Department Heads to provide in their 2016 budget presentations. In addition, Rick also wanted to know of any specific changes that would like to be proposed in the 2016 Budget Controls.

If you have not already done so, please email me this information at your earliest convenience as I am compiling this information for the upcoming Finance & Budget Committee meeting.

Thank you!

Carly Sandidge
Quorum Court Coordinator/Reporter
County Judge's Office
csandidge@co.washington.ar.us
Phone: (479) 444-1702
Fax: (479) 575-0385

Carly Sandidge

From: Carly Sandidge
Sent: Tuesday, July 07, 2015 12:07 PM
To: Carly Sandidge
Subject: JP Butch Pond Budget Suggestion

Via a phone conversation with JP Butch Pond last week, he explained that if for some reason the Road Department cannot get an increase in their budget for 2016, then the Quorum Court would increase the general millage and give the road department the excess funds.

Carly Sandidge

Quorum Court Coordinator/Reporter
County Judge's Office
csandidge@co.washington.ar.us
Phone: (479) 444-1702
Fax: (479) 575-0385

2016 Budget Considerations - General / Road Millage

There was no money to budget for equipment replacement last year. Equipment Breakdowns cost tax dollars in parts and man hours

Our Road Department employees are paid hourly. They're on the time clock when they're hauling gravel, brush hogging, or working on broken down equipment along the road.

It's too early in the process to talk about millage increase but if it comes to that we need to look at increasing the general, even if the money is needed for roads.

The county gets 100% of the money from general millage. This is why the road department can't survive on road millage by itself.

Butch Pond

Carly Sandidge

From: harveydbowman <harveydbowman@yahoo.com>
Sent: Wednesday, July 08, 2015 11:29 AM
To: Carly Sandidge; Ann Harbison; Bill Ussery; Butch Pond; Daniel Balls; Eva Madison; Joe Patterson; Joel Maxwell; John Firmin; Lisa Ecke; Rick Cochran; Robert Dennis; Sharon Lloyd; Sue Madison; Tom Lundstrum
Cc: Karen Beeks; Marilyn Edwards; George Butler; Steve Zega; Lanie Miller
Subject: RE: Finance & Budget Agenda - July 13, 2015

Carley,

The proposed considerations look good and I would like to make one additional.

A tremendous amount of the county budget is personnel. I would like every department to look at and propose possible changes that could make more efficient use of every employees time.

The salaries and benefits are an enormous part of our cost and efficient of these resources could dramatically improve our financial situation.

Thanks.

Harvey Bowman

Sent via the Samsung Galaxy Note® 3, an AT&T 4G LTE smartphone

----- Original message -----

From: Carly Sandidge <csandidge@co.washington.ar.us>
Date: 07/08/2015 10:52 AM (GMT-06:00)
To: Ann Harbison <annharbison28@gmail.com>, Bill Ussery <bilussery@hotmail.com>, Butch Pond <bpond31053@gmail.com>, Daniel Balls <danielballswashcojp@gmail.com>, Eva Madison <eva.dave@cox.net>, Harvey Bowman <harveydbowman@yahoo.com>, Joe Patterson <jpatt37@yahoo.com>, Joel Maxwell <maxwellwashcojp@yahoo.com>, John Firmin <firmin101@cox.net>, Lisa Ecke <lisa.ecke@icloud.com>, Rick Cochran <ricky_cochran@yahoo.com>, Robert Dennis <Robert.dennis1969@yahoo.com>, Sharon Lloyd <sjlloyd1@cox.net>, Sue Madison <smadison@sbcglobal.net>, Tom Lundstrum <tdlundstrum@cox.net>
Cc: Karen Beeks <KBeeks@co.washington.ar.us>, Marilyn Edwards <MEdwards@co.washington.ar.us>, George Butler <GButler@co.washington.ar.us>, Steve Zega <szega@co.washington.ar.us>, Lanie Miller <lmiller@co.washington.ar.us>
Subject: Finance & Budget Agenda - July 13, 2015

JPs

We will be having a Finance & Budget meeting on Monday, July 13th at 5:30 p.m. to discuss the 2016 Budget Process.

You may view the agenda packets on the Quorum Court webpage. A printed copy will be provided for you.

Let me know if you have any questions.

Carly Sandidge

Quorum Court Coordinator/Reporter

County Judge's Office

csandidge@co.washington.ar.us

Phone: (479) 444-1702

Fax: (479) 575-0385