

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

Thursday, October 8, 2015
5:30 p.m.
Washington County Quorum Court Room

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CERRY LEGAL LLP
CO & PROSTATE CLERK
WASHINGTON CO, AR

FILED

- 580.1 The Washington County Quorum Court met in special session on Thursday, October 8, 2015. The meeting was called to order by County Judge Marilyn Edwards. She stated that the purpose of this meeting was to discuss the Washington County financial matters.
- 580.2 R. Cochran led the Quorum Court in prayer and in the Pledge of Allegiance.
- 580.3 MEMBERS PRESENT: Daniel Balls, Harvey Bowman, Rick Cochran, Robert Dennis, Lisa Ecke, Ann Harbison, Sharon Lloyd, Tom Lundstrum, Eva Madison, Sue Madison, Gary McHenry, Joe Patterson, Butch Pond, and Bill Ussery.
- 580.4 MEMBER ABSENT: Joel Maxwell.
- 580.5 OTHERS PRESENT: County Judge Marilyn Edwards, Chief of Staff George Butler, County Comptroller Cheryl Bolinger; Interested Citizens; and Members of the Press.
- 580.6 ADOPTION OF THE AGENDA: Judge Edwards asked if there were any additions or deletions to the agenda.
- 580.7 Judge Edwards announced that there were several appropriation ordinances (#15.2 through #15.7) that needed to be added to the agenda following appropriation ordinance #15.1.
- 580.8 R. Cochran requested that Ordinance #12.1 addressing the Drug Court Grant Fund be the next item on the agenda as Judge Beaumont has other obligations this evening.
- 580.9 **A motion was made and seconded to adopt the agenda as amended. The motion passed unanimously by those present by voice vote. The agenda as amended was adopted.**
- 580.10 AN ORDINANCE ANTICIPATING ADDITIONAL REVENUES OF \$200,000 IN THE DRUG COURT GRANT FUND; SUSPENDING BUDGET CONTROLS TO CREATE AN ADDITIONAL PERSONNEL POSITION IN THE OJP DRUG COURT ENHANCEMENT GRANT BUDGET; AND APPROPRIATING THE AMOUNT OF \$200,000 FROM THE DRUG COURT GRANT FUND TO THE OJP DRUG COURT ENHANCEMENT GRANT BUDGET FOR 2015: R. Cochran introduced **An Ordinance Anticipating Additional Revenues Of \$200,000 In The Drug Court Grant Fund; Suspending Budget Controls to Create An Additional**

Personnel Position In The OJP Drug Court Enhancement Grant Budget; And Appropriating The Amount Of \$200,000 From The Drug Court Grant Fund To The OJP Drug Court Enhancement Grant Budget For 2015, and County Attorney Steve Zega read the ordinance.

- 581.1 R. Cochran explained that this ordinance is related to their Drug Court activities and announced that Judge Beaumont was present to speak on this ordinance.
- 581.2 Judge Cristi Beaumont addressed the Quorum Court and introduced Tracey Risley, who is the Grant Project Director. She explained that this grant used to be called the Bureau of Justice Assistance (BJA) grant and is now the Office of Justice Programs (OJP) Drug Court Enhancement Grant Budget, which her office has been awarded for two years for \$100,000 a year. This will enable her office to continue doing a lot of the treatment and mental health services that have been done in the past with the prior grant, which is now ending. She stated based on the significant increase in participants that are in the Drug Court Program, from 223 participants one year ago to over 300 participants currently, she decided that the Social Work position was a necessity for new individuals coming into the program. Judge Beaumont explained that a risk and needs assessment is done on every individual that comes into the program, which is considered one of the best practices to determine which individual is high-risk, high-need or low-risk, low need. She stated that the high-risk, high-need individuals are those who will continue to recidivate and go to jail and prison. Those are the individuals that she wants to spend a vast amount of her office's resources on in order to make the biggest impact by keeping them from recidivating and costing Washington County citizens by sending them to jail and prison.
- 581.3 Judge Beaumont stated that the plan is for the Social Worker to obtain the risk and need assessment, which would identify a lot of the high-risk and high-need of that individual, such as being homeless or addicted to opiates. She stated that she has already developed a list of different things that she wants the Social Worker to discuss with the new participant, such as where those individuals are living so probation can check to see if it is a good environment; if homeless, those individuals can begin to look for a place for the participant to live; if unemployed, those individuals can be put into a job class that teaches how to write a resume and interviewing skills. By identifying those needs and addressing them, she is hopeful that these participants will become productive citizens in the future.
- 581.4 Tracey Risley, Grant Project Director, addressed the Quorum Court stating that as her department progresses through sustainability for the Drug Court

Program, the Governor has appropriated monies to help offset some of the costs that have been received through grants in the past and with this OJP Grant, it will help his department to take care of these needs for two years. She stated that the hope and anticipated goal is to be sustainable at the end of this two year grant period with straight funding and no cost to the County. He stated that he cannot express enough the high needs that go on with all participants in the program, as well as their family and children who are affected by their parents' environment, and the invaluable assistance provided by their social worker with food, clothes, insurance, medical care, and housing.

- 582.1 E. Madison asked about this grant history; to which Judge Beaumont responded that the three-year \$900,000 grant period has officially ended, and since the grant period started a number of months late for her, she had approximately \$60,000 left over from the first and second years that was not used so she was given what is called a no-cost extension so that she can still use the \$60,000. She further explained that the previous name of the BJA grant that stood for Bureau of Justice Assistance Grant was switched to OJP Grant that stands for Office of Justice Programs and this grant is a two-year grant for \$200,000 each year. She stated that she will be continuing some of the services that were started with the BJA Grant that have shown to be successful such as the treatment services. BJA is aware that she had the SAMHSA Grant and wants to make sure that those services continue, so she is expanding services to new and different things.
- 582.2 E. Madison stated that one of the Quorum Court's Budget Controls says that the Court will create personnel positions with grant funds, but once the grant is up the position is at issue as it may then be abolished. Given that the Court is creating a position, she wanted to make sure everyone was aware of this budget control.
- 582.3 Judge Beaumont stated if the court agrees to the hiring of this person, she will be advised that it is a grant position and for two years; however, the hope is that the State will continue to provide the money, but there are no guarantees.
- 582.4 T. Risley added initially a County employee will be totally reimbursed by these grant funds and the hope is at the end of this 2-year grant cycle, that that person would become a State employee, but assigned to Judge Beaumont's program.
- 582.5 **E. Madison made a motion to adopt the ordinance. R. Cochran seconded.**

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- 583.1 A. Harbison stated that these programs are the way to go and part of the future; with 50% of those coming out of prison are going right back, the County cannot afford it monetarily; and are the people that become a burden on society because of drug and mental health issues. She stated she would support this ordinance.
- 583.2 Citizen Comments: There were no citizen comments made.
- 583.3 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**
- 583.4 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis. **The motion passed unanimously by those present. The ordinance was adopted.**
- ORDINANCE NO. 2015-71, BOOK NO. 10, PAGE NO. 257**
- 583.5 PRESENTATION OF THE NORTHWEST ARKANSAS OPEN SPACE MASTER PLAN: Judge Edwards reported that Elizabeth Bowen, Project Manager of the NWA Regional Planning Commission would present a power point with regard to the Northwest Arkansas Open Space Master Plan.
- 583.6 Elizabeth Bowen, Project Manager and Regional Planner with the Northwest Arkansas Regional Planning Commission out of Springdale stated that this membership includes a representative from Benton and Washington County and 32 cities and she will be presenting this regional plan for Benton and Washington Counties and everywhere in between.
- 583.7 E. Bowen stated that when one thinks about "open space" it can mean a lot of different things to a lot of different people; the park, trail, hunting locations, etc. She stated that the NWA Planning Commission is creating an open space plan to create a blueprint for the region's green space and the purpose is to create a coordinated voluntary program to protect and promote the regions most valued natural landscapes and open spaces. She stated that by preserving all of these assets, the Planning Commission will be maintaining the high quality of life in Northwest Arkansas. She pointed out that there will be no eminent domain on property as this is a voluntary program.
- 583.8 E. Bowen pointed out that open space is critical to our water quality. She mentioned that Beaver Lake services hundreds of thousands of people in Northwest Arkansas and the open space can help with that water quality;

reduce storm water management cost; and protect our water source, property, and life along our flood plains. It supports clean water, native habitats, the waterways, agricultural and industrial uses, provides scenic beauty, recreational opportunities, and wildlife habitat. The NWA Planning Commission plans to reserve the large contiguous open space areas that are essential for protecting the integrity of our natural ecosystems and protecting our farming, forestry, and recreational activities that the citizens of Washington County have. By preserving open space, the character of Northwest Arkansas is being helped to maintain. Open space promotes physical and mental health of all ages as the natural wildlife and habitat are important to all of us. Proximity to open space helps the value of property so open space can have economic benefit to all of us. Parks attract non-resident visitors as well as new residents to move to the area and helps obtain high quality workforce.

- 584.1 E. Bowen stated that she has lived here all her life and has seen all the farmland turned into subdivisions and pointed out all that was lost in that development. She displayed maps from 1960 to maps of 2011, pointing out what was lost as population grew and urban space was developed. She noted in 1997, the region had 181,000 acres of pasture land compared to 13,000 acres in 2012. Protecting the land and water resources takes a tremendous amount of effort on all our parts including the landowners, residents, and government officials in the regulations that are passed for development. She stated the NWA Planning Commission's vision is to preserve some country as the region grows. She stated in 2014, the local and state conservation measures that were passed totaled \$13 billion, which is almost double what has been had in any other year.
- 584.2 E. Bowen stated that the Northwest Arkansas Regional Planning Commission has worked regionally for the last 50 years to assist both counties in regional planning with the first open space plan developed in 1970 and it has not been updated since. She stated that the commission received a grant from the Walton Family Foundation to create the plan for Northwest Arkansas. The commission put together a Statement of Qualifications and has hired a consultant to assist in creating this plan. A steering committee of people has been created who assist and guide how this open plan space should be and what Northwest Arkansas needs for an open space plan. She stated that the commission has also had a stakeholder group that provides guidance in reviewing documents, etc.
- 584.3 E. Bowen stated there is a need for a coordinated effort to raise millions of dollars, and when money is pooled together, more effort can be received. She reported that the NWA Planning Commission had the kick-off meeting last November, along with two public meetings in January, stakeholder

interviews, several resource group meetings, and are now to the point that there is a draft plan that she will review with the court.

585.1 E. Bowen addressed Needs and Goals, some of which she has discussed already, stating that the plan starts out with a trend and a goal. She noted the trend is that Northwest Arkansas is the fastest growing region in the Central U.S. and from 2010 to 2030 it is estimated that the region will grow 58% with 800,000 people and the regional planning projections are 802,000 by 2040. The plan covers the natural resources and what impact this growth will have on that. She noted that the Watershed Partnership reports that the urban planning area covers 22% of the watershed now and by 2050, it will cover 58%. The Beaver Watershed Authority reports are suggesting a 14% increase in nutrient pollutants and a 21% in sediments. The trend of recreation is to support outdoor recreation, health and well-being and 10.8% of deaths in the U.S. are attributable to physical inactivity. She referred to the Razorback Greenway that has significantly improved some of the activities going on in Northwest Arkansas and providing places to exercise is helping with this particular goal. She addressed Northwest Arkansas heritage, noting that the region has a lot of unique historical locations like Cane Hill, Heritage Trail, Rodeo of the Ozarks, Butterfield Stagecoach, War Eagle Mill, Trail of Tears, and Civil War activity trails that need to be identified, protected and preserved for the future. She stated that the long term viability of agriculture in Northwest Arkansas needs to be protected, noting that over the past few decades farmland has become much less diversified and gone from crops to just livestock. She noted that there were hundreds of acres stripped for residential development and then not built on and many are still just sitting there.

585.2 E. Bowen addressed the Public Process, noting that Regional Planning has the contract; the Steering Committee, Stakeholder Committee, and then the general public. Regional Planning has 25 Steering Committee members and has held several open houses with 312 participants. She referred to a survey that she distributed, stating that over 800 people responded to it and when those people were asked what they felt was important in terms of open space in Northwest Arkansas, 80% said that natural areas that support walking, hiking, biking, and exploring with golfing was the most important. When those same people were asked if they would support the communities working together, the overwhelming response was that everyone should work together as a region to preserve open space. She noted that NWA Regional Planning Commission has held public workshops in the center of the two counties, but wanted to make sure that people were heard from every region. The workshops were held in Fayetteville, Bentonville, Garfield, Springdale, Prairie Grove, Gentry and Siloam

Springs, during which the commission took the Steering Committee out to visit recently preserved open spaces including Mt. Kesler that is a very large conservation area in Washington County. Many Resource Group meetings were held, where groups were invited for a particular area to discuss specific projects, i.e. The Built Environment where planners and developers were in the same room to discuss the need of looking at open space.

- 586.1 E. Bowen stated that Inventory and Mapping is a key piece to how the priority map was created by taking built, natural, recreation, cultural and working land environments and created a map from each with the natural environment map, for example, that shows the flood plain, wetlands, and sensitive habitats from information collected from the Arkansas Natural Heritage Commission. The cultural environment map shows all old Post Offices, buildings, cemeteries and mill sites. The outdoor recreation environment map details the new Razorback Greenway, all federal, state and local parks, school properties. She stated that all of this data was prioritized and scored by the Steering Committee and the reason this is important is in the end, the commission wants people to know how the priority areas were developed and whether or not those areas need to be preserved or not is up to the citizens and landowners. She noted that this presentation as well as the maps and plan are available to download.
- 586.2 E. Bowen explained that there are forested areas, aquatic cores, wetland cores, and any areas that had at least 20 acres plus a 100 meter buffer. The larger the core, the more diversity of the habitat and the more important it is for open space.
- 586.3 E. Bowen stated that everything cannot be protected because the region is going to grow, but the intent of this map is to be a tool to help understand what areas might need to be protected. She stated that the first priority when using the map is a willing landowner to preserve or sell the landowner's own property. There will be different objectives for different organizations. The Illinois Watershed Partnership may have a different reason for wanting to preserve a particular area and this being a high priority may not be the specific need for that particular area. Not all aspects of this plan can be addressed by protecting the priority areas. The priority mapping will need to be updated at least annually, taking into consideration any development that has occurred or open space purchased.
- 586.4 E. Bowen stated that the Recommendations and Implementation being made by the ALTA Planning first looked at who would manage an open space plan with the recommendation that the Northwest Arkansas Regional

Planning Commission be utilized for this as it has gained public trust, has a proven record of success as well as regional representation, has GIS mapping capability, and understands the open space concepts. The method for selecting projects will be a call for projects by communities; how well the project aligns with the priority map. She stated that the community driven evaluation will involve only willing landowners, the degree of partnership among multiple entities, level of local community support, letters of support, alignment with public values, public support for existing plans, and availability of matching funds will all be important in selecting projects.

587.1 E. Bowen stated the big key to any open space plan being successful is funding and she wanted to advise the Quorum Court that having a local, dedicated funding source is necessary. She reported that the plan that ALTA Planning put together is recommending a sales tax to be considered; that the trust for public land conservation finance be looked at; poll citizens regarding funding strategies and NWA Planning Commission is recommending that a ballot measure be considered in the Fall of 2016. She noted one of the reasons that a sales tax is recommended is because of tourism in Northwest Arkansas, reporting in 2010, tourism revenue was about \$690 million for Northwest Arkansas. She stated that an 1/8th cent sales tax for Benton County would be \$4.4 million and for Washington County, \$4.2 million. She pointed out that the open space plan does not have a dollar value on what would be necessary to conserve as it is all up to the residents of these two counties on what they want to preserve and how much it will cost.

587.2 E. Bowen pointed out in the plan Appendix that there was a conservation tool box that talks about ways people can conserve property from selling or donating the property, to putting a conservation easement on the property. The Appendix also contains a list of best practices with given what the citizens of Washington County have today, how they can protect open spaces and protect water quality. She urged the court to review this plan and send her comments by October 31st. She reported that the NWA Planning Commission will hold another public meeting on December 1st to present the final plan once all comments have been collected at the Fayetteville Town Center and on December 2nd at the Bentonville Public Library, at 4:00 pm. Thereafter, the plan will be presented to the Regional Planning Commission and recommended for adopting in January or February of 2016.

587.3 In response to a question from A. Harbison regarding the sales tax, E. Bowen stated that a sales tax can be used in many different ways, but most of the time it would be used for matching funds from federal or state grants

or local partnerships. To conserve these open space areas, NWA Planning Commission is looking at donations or the possibility of buying properties and she reported that several people have already come forward and the commission is working on conservation easements of several pieces of property.

- 588.1 S. Madison stated that the state has a 1/8th of a cent sales tax that funds Heritage Parks & Tourism, Game & Fish and asked if any of that money flows to NWA Planning Commission because its purposes seem to match well with the state's purposes. E. Bowen responded stating that the state is spending money in Northwest Arkansas, but not necessarily a dedicated funding source or part of this plan. Funds are available and she noted that the Arkansas Game & Fish has recently purchased the Devil's Eyebrow; Arkansas Natural Heritage has purchased property as well, but those funds are not meeting the needs with our fast growing population.
- 588.2 H. Bowman stated that he is a hunter and there are thousands and thousands of acres of timberland and wooded places that are hard to access and questioned whether those areas will be included in the consideration for open spaces; to which E. Bowen responded that those areas absolutely will be considered. H. Bowman noted that he is leasing 900 acres that is all owned by out-of-state people and he does not know how that would fit in with what the commission is trying to do. E. Bowen stated that it would depend on whether the landowner was willing to put a conservation easement on the property, which would be a good way to preserve that property to make sure that the use of hunting be the use from now on because once the easement is placed, it is no longer available for development.
- 588.3 L. Ecke stated that she enjoyed the presentation until E. Bowen mentioned sales tax. She stated that those that benefit the most from our local tourism should be the ones that pay the extra sales tax and not have the general Washington County resident pay an additional sales tax because it hurts hourly wage owners and local businesses.
- 588.4 T. Lundstrum stated it seems like when the Court talks about funding these things, it only costs 75 cents, but it actually costs \$9 million a year out of people's pockets. He asked how the recent 300 acres were purchased, to which E. Bowen responded that the property was purchased by the Walton Family and donated which T. Lundstrum stated he is in favor of that type of thing. He stated that people in Arkansas are just about taxed and sales taxed to death and even this Quorum Court has been talking about increasing taxes and he is big opponent to more sales tax because there should be another way to fund this.

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- 589.1 H. Bowman stated that out of all the tourism in Northwest Arkansas, it would appear to him that the Razorback basketball, football, baseball, and track as well as Bikes, Blues & Barbeque bring in a tremendous number of tourists and he questioned how much will the open spaces bring in, in comparison with the bike trails, scenic areas, lakes, etc. E. Bowen stated that the Commission knows that the open spaces will definitely make an economic impact on our quality of life and on the economy, but exactly what that impact would be is hard to determine. He asked if the Commission had a specific goal as far as total acreage in the two counties that it hopes to obtain for this type of application; to which E. Bowen stated the Commission has not designated that at this time and have just determined what open space currently exists. She stated some of those questions have been asked of the Resource Groups and they hope will be part of the final plan.
- 589.2 H. Bowman stated that Washington County has been dealing with a budget crunch over the past couple of years and he knows that there are sediment concerns with the region's water streams. This is a major issue and how to minimize that run-off is still trying to be figured out because a lot of it comes from the county roads. He stated that this would be a huge opportunity to help minimize that sediment and improve the quality of roads as well, which all takes tax money. He stated that he hopes that the NWA Regional Planning Commission is successful with this open space plan as he believes it will be a great addition to Washington County.
- 589.3 S. Madison stated not only does she have serious problems with the sales tax because it is so regressive and hurts low income people the most, she was also in the General Assembly long enough for Charlie Stewart, the longest serving member of the House of Representatives to deeply ingrain in her the philosophy that you do not earmark tax money. He would say people think that sounds like a good idea, but pretty soon you do not have any money to run general government, and she believes many in the state learned that, specifically over the 1/8th of a cent sales tax. She stated when the state faced those lean years sometime back the Game and Fish Commission and Department of Parks and Tourism got its money no matter what services were at stake; government had to be cut. S. Madison stated since this is integral to tourism in Northwest Arkansas, some of our cities have Advertising and Promotions (A&P) money or the Hotel/Motel tax that comes from tourists and there is a commission that awards taxpayer money. She suggested that E. Bowen might consider speaking to some of the cities regarding its A&P money.
- 589.4 R. Dennis stated that the Court learned about voluntary tax the other night and he might suggest a voluntary tax shown on tax statements where people voluntarily give donations. He would further suggest that the NWA

Planning Commission go out farther while land prices are still less expensive, far west towards Oklahoma. He referred to the statistics that E. Bowen had given on the reduction of pasture land from 181,000 in 1997 to 13,000 in 2012, and asked if she had the breakdown for Washington County; which E. Bowen stated she did not have it with her, but could get that and send it to him. He stated that this would be interesting for the Court to know in discussing adding people to the Extension Service to cover the farms.

- 590.1 TREASURER'S REPORT: Bobby Hill, County Treasurer, addressed the Quorum Court and the monthly financial summary stating that in County General the County began September with \$11,700,000; expenditures outpaced revenue by \$700,000; and the County ended the month slightly over \$11 million in the bank. County Road continues to do well with \$2 million in the bank; and the County Jail ended the month with \$1,100,000. He addressed the negative \$622,000 in payroll, stating payroll is a two-day process and the end of the month came on the first day, so the Comptroller's office had to process it one day and then pay everybody back the next day. He noted that County ended the month at \$31,309,000 in the bank.
- 590.2 B. Hill reported that Grant Administrator Renee Biby advised him a couple of months ago that a little bit of funding might be available through the state for the sale of certain license plates. He stated he applied for this and got the first quarterly payment of \$361, so this will be \$1,400 a year to the Animal Shelter.
- 590.3 B. Hill addressed sales tax with September coming in at \$559,000, which is a 6.7% increase and the second time in the last three months that it has increased over the 2010 numbers; they are at 5.58% for the year and way over projection. On the ¼ cent jail tax, this came in at \$760,000 which is the best September showing since the tax began in 2002 and for the year the County is up \$458,000. With regard to the jail sales tax, the County received notice from the state regarding a little bit of sales tax that had been received from the Springdale and Fayetteville Airports on aviation fuel, but due to changes in the federal aviation codes any tax passed after 1987, whether designated or not, goes to the Airports, so the jail will lose about \$7,000 a year. The Road ½ cent tax, like the others, is doing very well coming in at \$119,000 or 7% over projections.
- 590.4 B. Hill referred to the notice from the Association of Arkansas Counties about roads and the state proposal to hand over a lot of state highway miles to the counties is being discussed, but surely will not pass.

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- 591.1 B. Hill stated that the report on the beginning and ending balances in the Insurance Fund are almost the same at \$1.7 million.
- 591.2 H. Bowman asked if B. Hill had any numbers on how the County is doing this year on expenditures vs. revenue; to which he responded that County General ended the year at \$14.3 million and currently has a little over \$11 million, so the County is behind \$3 million so far, but will catch up in November because of property tax when the largest settlement comes in.
- 591.3 COMPTROLLER'S REPORT: Cheryl Bolinger, County Comptroller, addressed the Quorum Court stating that the only adjustment in September was the Quorum Court's appropriation ordinance for the \$2,410 making unappropriated reserves at \$3.8 million, plus the \$2.5 million that is being held for Jail which we may not be needed noting that \$800,000 had all that has been transferred this year. She referred to actual revenues and expenditures with County General at 73% spent and through September would be at 75% and the percentage used of the County General budget is 78%, which includes the encumbrances or liabilities that they are aware of that are already in the statement of operations. She noted that the Flex Spending Fund is at 97% and explained that this is the money taken out of police checks that they volunteer for various things through payroll, so it is held out of their checks and then it is sent to the companies for whatever they have elected to sign up for and there is an ordinance tonight to approve that. She stated the good news about that being short is that during budget season last year before open enrollment, they had a lot more employees use the services provided through the county. She stated that this is not a cost to the county and is totally funded by money coming out of employees checks and totally volunteer.
- 591.4 REVIEW OF WASHINGTON COUNTY'S LEGISLATIVE AUDIT FOR THE YEAR 2013: Comptroller Cheryl Bolinger stated that everyone should have already received the audit report and Judge Edwards noted that this report is supposed to be delivered to each JP at its home, and the JPs are required by law to acknowledge receipt of this audit.
- 591.5 **A. Harbison made a motion to accept the audit report. J. Patterson seconded. The motion passed unanimously by those present by voice vote. The audit report was accepted.**
- 591.6 C. Bolinger noted that the auditors just finished the 2013 audit the first of this year and the County is currently being audited for 2014. She is hoping that will be done soon because the auditors started in May or June.

- 592.1 R. Cochran noted during his years on the court, these audits have come through very clean and the departments reacted very favorably during the audits and were very forthcoming.
- 592.2 AN ORDINANCE REDUCING THE AMOUNT OF \$51,069 FROM FULL-TIME SALARY LINE ITEMS IN VARIOUS COUNTY BUDGETS AND RESTORING THOSE FUNDS TO UNAPPROPRIATED RESERVES; AND, APPROPRIATING THE AMOUNT OF \$107,227 FROM UNAPPROPRIATED RESERVES IN VARIOUS BUDGETS FOR 2015:
R. Cochran introduced **An Ordinance Reducing The Amount Of \$51,069 From Full-Time Salary Line Items In Various County Budgets And Restoring Those Funds To Unappropriated Reserves; And, Appropriating The Amount Of \$107,227 From Unappropriated Reserves In Various Budgets For 2015**, and County Attorney Steve Zega read the ordinance. Budget Controls state, "Surplus personnel appropriations shall be de-appropriated from Full-Time Salaries on a quarterly basis (April/July/October). These surplus funds shall be restored to unappropriated reserves.
- 592.3 R. Cochran explained that this was quarterly housekeeping for salary line items.
- 592.4 **R. Cochran made a motion to adopt the ordinance. A. Harbison seconded.**
- 592.5 Citizen Comments: There were no citizen comments made.
- 592.6 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**
- 592.7 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis,. **The motion passed unanimously by those present. The ordinance was adopted.**
- ORDINANCE NO. 2015-72, BOOK NO. 10, PAGE NO. 258**
- 592.8 A. Harbison stated on the Budget Controls, the Court took this out and she questions whether this is really what everyone wants to do because this is money that is not used and has to be put back in line items or unappropriated reserves and this is the quarterly report.
- 592.9 C. Bolinger verified that this was the quarterly sweep and there is a \$3,000 difference in what the Court reduced and what ended up being

appropriated, so if this was yearly, it would be about \$12,000 if that is what it was every quarter.

593.1 R. Cochran stated that the next Ordinance #10.1 is another quarterly housekeeping ordinance that is for various funds and goes on for two pages.

593.2 **R. Cochran made a motion to suspend the rules and read Ordinance #10.1 by title only. A. Harbison seconded. The motion passed unanimously by those present by voice vote.**

593.3 AN ORDINANCE RECOGNIZING ADDITIONAL REVENUES OF \$6,305 IN THE GENERAL FUND; APPROPRIATING THE AMOUNT OF \$29,707 FROM THE GENERAL FUND TO GENERAL FUND BUDGETS; RECOGNIZING AND APPROPRIATING REVENUES IN THE DRUG ENFORCEMENT-STATE AND DRUG ENFORCEMENT-FEDERAL FUNDS; AND APPROPRIATING THE AMOUNT OF \$1,658 FROM THE BOATING SAFETY FUND TO THE BOATING SAFETY BUDGET FOR 2015: R. Cochran introduced **An Ordinance Recognizing Additional Revenues Of \$6,305 In The General Fund; Appropriating The Amount Of \$29,707 From The General Fund To General Fund Budgets; Recognizing And Appropriating Revenues In The Drug Enforcement-State And Drug Enforcement-Federal Funds; And Appropriating The Amount Of \$1,658 From The Boating Safety Fund To The Boating Safety Budget For 2015**, and County Attorney Steve Zega read the ordinance by title only.

593.4 **R. Cochran made a motion to adopt the ordinance. T. Lundstrum seconded.**

593.5 Citizen Comments: There were no citizen comments made.

593.6 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**

593.7 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis. **The motion passed unanimously by those present. The ordinance was adopted.**

ORDINANCE NO. 2015-73, BOOK NO. 10, PAGE NO. 261

593.8 AN ORDINANCE ANTICIPATING REVENUE OF \$368,000 IN THE DEM GRANT FUND; AND APPROPRIATING \$368,000 FROM THE DEM

GRANT FUND TO VARIOUS HOMELAND SECURITY BUDGETS FOR 2015: R. Cochran introduced **An Ordinance Anticipating Revenue Of \$368,000 In The DEM Grant Fund; And Appropriating \$368,000 From The DEM Grant Fund To Various Homeland Security Budgets For 2015**, and County Attorney Steve Zega read the ordinance.

- 594.1 R. Cochran explained that this is an ordinance anticipating revenue for the DEM Grant Fund.
- 594.2 **R. Cochran made a motion to adopt the ordinance. A. Harbison seconded.**
- 594.3 Citizen Comments: There were no citizen comments made.
- 594.4 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**
- 594.5 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis. **The motion passed unanimously by those present. The ordinance was adopted.**

ORDINANCE NO. 2015-74, BOOK NO. 10, PAGE NO. 263

- 594.6 AN ORDINANCE RECOGNIZING ADDITIONAL REVENUES OF \$51,972 IN THE LAW ENFORCEMENT GRANT FUND; AND APPROPRIATING THE AMOUNT OF \$51,972 FROM THE LAW ENFORCEMENT GRANT FUND TO THE SCAAP 2015 BUDGET FOR 2015: R. Cochran introduced **An Ordinance Recognizing Additional Revenues Of \$51,972 In The Law Enforcement Grant Fund; And Appropriating The Amount Of \$51,972 From The Law Enforcement Grant Fund To The SCAAP 2015 Budget For 2015**, and County Attorney Steve Zega read the ordinance.
- 594.7 R. Cochran explained that this is an ordinance recognizing additional revenue in the Law Enforcement Grant Fund.
- 594.8 **R. Cochran made a motion to adopt the ordinance. T. Lundstrum seconded.**
- 594.9 Citizen Comments: There were no citizen comments made.
- 594.10 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**

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595.1 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis. **The motion passed unanimously by those present. The ordinance was adopted.**

ORDINANCE NO. 2015-75, BOOK NO. 10, PAGE NO. 264

595.2 AN ORDINANCE ANTICIPATING REVENUE IN THE AMOUNT OF \$7,000 IN THE DEM GRANT FUND; AND APPROPRIATING THE AMOUNT OF \$7,000 FROM THE DEM GRANT FUND TO THE USAR-GIF 2015 BUDGET: R. Cochran introduced **An Ordinance Anticipating Revenue In The Amount Of \$7,000 In The DEM Grant Fund; And Appropriating The Amount Of \$7,000 From The DEM Grant Fund To The USAR-GIF 2015 Budget**, and County Attorney Steve Zega read the ordinance.

595.3 R. Cochran explained that this is an ordinance anticipating revenue for the DEM Grant Fund.

595.4 **R. Cochran made a motion to adopt the ordinance. R. Dennis seconded.**

595.5 County Grant Administrator Renee Biby addressed the Quorum Court and thanked Representative Micah Neal for supporting this for County USAR, which stands for "Urban Search and Rescue".

595.6 Citizen Comments: Robert Rodweller, citizen of Washington County, addressed the Quorum Court and asked if the DEM Grant Fund was a State fund; to which S. Zega responded that the monies can come from a variety of sources, but it was the Department of Emergency Management that is administered by the County.

595.7 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**

595.8 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis. **The motion passed unanimously by those present. The ordinance was adopted.**

ORDINANCE NO. 2015-76, BOOK NO. 10, PAGE NO. 265

595.9 AN ORDINANCE RECOGNIZING ADDITIONAL REVENUES OF \$8,989 IN THE TYSON PROJECT FUND; AND APPROPRIATING THE AMOUNT OF \$8,989 FROM THE TYSON PROJECT FUND TO THE TYSON PROJECT

BUDGET FOR 2015: R. Cochran introduced **An Ordinance Recognizing Additional Revenue Of \$8,989 In The Tyson Project Fund; And Appropriating The Amount of \$8,989 From The Tyson Project Fund To The Tyson Project Budget For 2015**, and County Attorney Steve Zega read the ordinance.

- 596.1 R. Cochran explained that this ordinance recognizes additional revenues in the Tyson Project Fund.
- 596.2 **R. Cochran made a motion to adopt the ordinance. G. McHenry seconded.**
- 596.3 The question was asked about what the Tyson Project Fund was and what the other professional services were; to which Grant Administrator Renee Biby explained that this grant came from the Arkansas Economic Development Commission in Little Rock as an economic development grant. She stated that Tyson created 100+ jobs that have to be maintained for five years. The total project was \$834,570 and Tyson put in way over \$1 million on that. She explained that the "professional services" is for the Grant Administrator who administers this grant is also paid out of that fund. She noted that this is the last draw on this grant and that no county funds are expended. R. Biby stated that this grant actually came from the federal government for economic development to the state and passes through the county to Tyson as an economic incentive to create jobs in this area.
- 596.4 H. Bowman stated that he heard that Tyson announced that is going to build a several thousand square foot building in Springdale, south of Emma, which would employ 350 or more people and asked if the County would qualify for grants of this type for this expansion. R. Biby responded that she does not know if these types of grants would be available for that type of expansion, but there is always the other type of rebate where the County expends on the construction costs that the Quorum Court approves and then the County will get a rebate on taxes expended. This would go through the Economic Development Commission in Little Rock. He noted with the recent loss of Walmart jobs, he was excited to hear about this Tyson expansion.
- 596.5 A. Harbison stated that she thinks this is a continuation of the grant that started with the fence that was put in south of town around a parking area for which Tyson created so many new jobs and R. Biby concurred that this was the final draw on that grant.
- 596.6 Citizen Comments: There were no citizen comments made.

597.1 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**

597.2 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis. **The motion passed unanimously by those present. The ordinance was adopted.**

ORDINANCE NO. 2015-77, BOOK NO. 10, PAGE NO. 266

597.3 S. Madison stated that now that the Court has finished these housekeeping ordinances, in Ordinance #9.1 on page 21 the Court reduced appropriations by \$22,000, but authorized new appropriations of \$6,000 for Sheriff and Law Enforcement on Page 22; to which C. Bolinger responded that the overtime line item was more because there are a lot of empty job positions that department heads have not been able to fill.

597.4 S. Madison asked if these expenditures came from each of these original, individual budgets, questioning why the totals did not match; to which C. Bolinger responded that the one that she is looking at is completely Jail and the reason the totals do not match is because what the Court reduces is individual positions and the County has positions that have not been filled, which is causing overtime to go way up, so the overtime has to be covered. She further noted that the health insurance part was a miscalculation on her part when she did the budgets originally.

597.5 S. Madison stated her concern was that the Court was whizzing through these ordinances as housekeeping when actually money is being appropriated out of the General Fund; to which C. Bolinger responded that it is the Jail Fund for overtime that has to be paid.

597.6 E. Madison stated this is one more good reason why eliminating the Budget Control about housekeeping ordinances was a good idea because the Court members all assume it is very innocuous and yet they just appropriated many thousands of dollars without really knowing what was being done. She stated she thinks this money is being spent and then the Court is being asked to pay for it somehow because most folks with an overtime budget, when they get to that point, do not work overtime, though she realizes this is the Sheriff's Office where more urgent needs are being covered and that does not always work.

597.7 A RESOLUTION AUTHORIZING THE SUBMITTAL OF AN APPLICATION FOR AN INTERNET CRIMES AGAINST CHILDREN GRANT: R. Cochran introduced **A Resolution Authorizing The Submittal Of An**

Application For An Internet Crimes Against Children Grant, and County Attorney Steve Zega read the resolution.

- 598.1 R. Cochran explained that this is a resolution authorizing submittal of an application for an internet Crimes Against Children grant.
- 598.2 S. Zega noted an omission in the second "Whereas" paragraph that should read, ". . . submit an application for a grant to be used for **the prevention of internet crimes against children. . .**"
- 598.3 **R. Cochran made a motion to adopt the resolution as amended by County Attorney Steve Zega. S. Lloyd seconded.**
- 598.4 L. Ecke asked for further explanation of what the \$15,000 is exactly to be used for; to which Grant Administrator Renee Biby responded that she has not received the budget yet, but this state grant that her office has applied for and received for three years is used for programs for training and software and there is a Deputy at the Sheriff's Office who works on the internet looking for predators. R. Biby stated that she could not speak to the success of this program.
- 598.5 Citizen Comments: There were no citizen comments made.
- 598.6 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the resolution.**
- 598.7 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis. **The motion passed unanimously by those present. The resolution was adopted.**

RESOLUTION NO. 2015-25, BOOK NO. 3, PAGE NO. 121

- 598.8 A RESOLUTION AUTHORIZING THE SUBMITTAL OF AN APPLICATION FOR AN ACCOUNTABILITY COURT FUNDING GRANT: R. Cochran introduced **A Resolution Authorizing The Submittal Of An Application For An Accountability Court Funding Grant, and County Attorney Steve Zega read the resolution.**
- 598.9 R. Cochran explained that this is another resolution authorizing submittal of an application for an Accountability Court Funding grant.
- 598.10 **R. Cochran made a motion to adopt the resolution. A. Harbison seconded.**

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- 599.1 L. Ecke asked what the 'Specialty Courts' were; to which County Attorney Steve Zega responded that there are three in Washington County including the Drug Court, Veteran's Treatment Court, and Work Court.
- 599.2 E. Madison stated that those "specialty courts" are all technically Drug Court because she thinks Veterans and Work Court are part of it and have not been separately legislatively authorized.
- 599.3 R. Biby stated that this grant will be administered by Judge Beaumont. She disagreed with E. Madison's statement noting that Act 895 of 2015 set out Specialty Courts and she thinks that disseminated Veteran's Treatment Court away from Drug Court.
- 599.4 E. Madison responded that these courts were in existence before that Act and there is an Attorney General's Opinion saying the County could not have all these separate courts without legislative authorization.
- 599.5 R. Biby stated that the funding from this grant is actually separate for each type of court.
- 599.6 In response to a question from L. Ecke, R. Biby stated that Judge Beaumont presides over Veteran's Treatment Court and she does not believe that there is a Work Court anymore. She further noted that \$10,000 of the grant is specified for Veteran's Treatment Court and \$203,000 would be used for treatment and take the place of the SAMHSA Grant that was previously utilized for treatment, professional services, assisted living, educational services, job training, etc.
- 599.7 L. Ecke asked if any part of this grant was to be used to hire an Administrator or Clerk; to which R. Biby responded that a budget has not yet been set as this is a resolution to apply by December 1st and will be awarded around January 1st. She explained that she has to have a budget by the December 1st date and after the award, she would be bringing that budget forward to the Quorum Court for approval.
- 599.8 Citizen Comments: Robert Rodweller, citizen of Washington County, stated that if the County is getting grant funds, it would be very helpful if there were statistics and numbers so the court will know exactly what the grant funds were used for and how successful it was.
- 599.9 R. Biby noted that she has those figures at her office, but did not think to bring them tonight.

- 600.1 L. Ecke stated that she is new to the Quorum Court this year, but it is obvious to her that the Grant Administration office does an excellent job at aggressively applying and receiving all grant monies available to the county.
- 600.2 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the resolution.**
- 600.3 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis,. **The motion passed unanimously by those present. The resolution was adopted.**
- RESOLUTION NO. 2015-26, BOOK NO. 3, PAGE NO. 122**
- 600.4 AN ORDINANCE ANTICIPATING ADDITIONAL REVENUES OF \$59,512 IN THE DRUG COURT GRANT FUND; AND APPROPRIATING THE AMOUNT OF \$59,512 FROM THE DRUG COURT GRANT FUND TO THE SAMHSA BUDGET FOR 2015; R. Cochran introduced **An Ordinance Anticipating Additional Revenue Of \$59,512 In The Drug Court Grant Fund; And Appropriating The Amount Of \$59,512 From The Drug Court Grant Fund To The SAMHSA Budget For 2015**, and County Attorney Steve Zega read the ordinance.
- 600.5 R. Cochran explained that this is an ordinance anticipating additional revenue for the Drug Court Grant Fund.
- 600.6 **R. Cochran made a motion to adopt the ordinance. A. Harbison seconded.**
- 600.7 E. Madison asked and it was verified that this was the \$60,000 mentioned by Judge Beaumont earlier.
- 600.8 Citizen Comments: There were no citizen comments made.
- 600.9 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**
- 600.10 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis. **The motion passed unanimously by those present. The ordinance was adopted.**

- 601.1 AN ORDINANCE AMENDING ORDINANCE NO. 2015-20 TO COMPLETE THE REPAYMENT OF ACT 663 MONIES OWED TO THE ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION: R. Cochran introduced **An Ordinance Amending Ordinance No. 2015-20 To Complete The Repayment Of Act 663 Monies Owed To The Arkansas Department Of Finance And Administration**, and County Attorney Steve Zega read the ordinance.
- 601.2 R. Cochran explained that this ordinance was to amend a previous ordinance with regard to repayment of the County's Act 663 monies as he is asking to go ahead and get this completely paid off, which makes it a little cleaner for the County's budget process instead of extending two payments into 2016.
- 601.3 **R. Cochran made a motion to adopt the ordinance. J. Patterson seconded.**
- 601.4 T. Lundstrum stated he assumes the \$331,000 is laying around here somewhere and wonders what it is doing to the overall 2015 budget; to which Cheryl Bolinger responded it will not change the 2015 budget although it was set up on 12 payments and the full amount was appropriated for this year so it will not change anything on the unappropriated reserves. She stated that only thing it would do is if the Court does not pass this ordinance and instead does the four payments, is that this amount would need to be budgeted for January and February of 2016 and then move this money over as carryover and do another ordinance.
- 601.5 Citizen Comments: There were no citizen comments made.
- 601.6 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**
- 601.7 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis,. **The motion passed unanimously by those present. The ordinance was adopted.**
- ORDINANCE NO. 2015-79, BOOK NO. 10, PAGE NO. 268**
- 601.8 AN ORDINANCE RECOGNIZING ADDITIONAL REVENUE OF \$561 IN THE DRUG COURT GRANT FUND AND APPROPRIATING SUCH TO THE SAMHSA-3 BUDGET FOR 2015: R. Cochran introduced **An Ordinance Recognizing Additional Revenue Of \$561 In The Drug**

Court Grant Fund And Appropriating Such To The SAMHSA-3 Budget For 2015, and County Attorney Steve Zega read the ordinance.

- 602.1 R. Cochran explained that this ordinance is recognizing additional revenue for the Drug Court Grant Fund.
- 602.2 **R. Cochran made a motion to adopt the ordinance. A. Harbison seconded.**
- 602.3 S. Madison asked where R. Biby came up with additional revenue from trips and conferences of \$561; to which R. Biby explained the day after the SAMHSA Grant closed on September 30th, on October 1st she received a refund check for hotel expense from Washington D.C. She stated that she has to deposit the check into the County's account and then write a check to SAMHSA to reimburse for the payment. R. Biby stated she is unaware of why the hotel refunded this money because the lady stayed the whole week, but the Marriott Hotel wanted to refund it and could not tell her why.
- 602.4 Citizen Comments: There were no citizen comments made.
- 602.5 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**
- 602.6 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis,. **The motion passed unanimously by those present. The ordinance was adopted.**
- ORDINANCE NO. 2015-80, BOOK NO. 10, PAGE NO. 269**
- 602.7 AN ORDINANCE RECOGNIZING ADDITIONAL REVENUE OF \$49,877 IN THE FLEXIBLE SPENDING FUND AND APPROPRIATING SUCH TO THE FLEXIBLE SPENDING BUDGET FOR 2015: R. Cochran introduced **An Ordinance Recognizing Additional Revenue Of \$49,877 In The Flexible Spending Fund And Appropriating Such To The Flexible Spending Budget For 2015**, and County Attorney Steve Zega read the ordinance.
- 602.8 R. Cochran explained that this ordinance was to recognize additional revenue for the Flexible Spending Fund.
- 602.9 **R. Cochran made a motion to adopt the ordinance. R. Dennis seconded.**
- 602.10 Citizen Comments: There were no citizen comments made.

603.1 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**

603.2 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis,. **The motion passed unanimously by those present. The ordinance was adopted.**

ORDINANCE NO. 2015-81, BOOK NO. 10, PAGE NO. 270

603.3 REVIEW OF THE LINE ITEM TRANSFER SECTION OF THE 2016 BUDGET CONTROLS: Judge Edwards noted that the Quorum Court voted on September 29 to table further review of this section and she would like to open it up for discussion at this time.

603.4 S. Zega stated that he hopes the JPs have had the opportunity to review the two Attorney General Opinions that he discovered plus Washington County Code Section 2-222, noting that they essentially tabled this particular item to have a chance to read and digest that material. His opinion is that the two AG opinions are in conflict and although they can undo any ordinance, if they intend to do something different with the line items, they need to probably amend or strike that ordinance as is appropriate.

603.5 E. Madison stated that this was T. Lundstrum's idea and they began crafting the language for the new budget control. She believes based on the newspaper's editorial, she thinks that it was misunderstood because his idea was not if they knew about it and approved it that departments could not switch money. For example, like the Circuit Clerk offering to assist the Animal Shelter with their budget crunch because we had endorsed that. She thinks T. Lundstrum's notion was that they want to know what the Animal Shelter costs and they know it because they know how much money came from the Circuit Clerk's Office and went to the Animal Shelter. She thinks the goal was to avoid what had happened in the past with the Buildings & Grounds Budget covering expenditures for the Animal Shelter without the Quorum Court knowing about it. She stated that their ordinance actually refers to line item transfers and what was accomplished with Buildings & Grounds paying for the Animal Shelter's cleaning expenses was not a line item transfer. She believes this Budget Control is appropriate and consistent with their ordinance and outside the parameters of the AG opinion.

603.6 **E. Madison made a motion to approve the Line Item Transfer Section of the 2016 Budget Controls as presented in #16.1. T. Lundstrum seconded.**

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- 604.1 L. Ecke stated that the Quorum Court does not know how interdependent or connected some of the departments are and looking at their line item budgets, it does not know, for example, if IT is paying for everyone's internet connection. As has been pointed out previously by Planning Director Juliet Richey, their office uses a lot of things with other departments, work together, and share some costs. Once this Budget Control is approved she would like to know how they can obtain this information so they have a clearer picture of how the county is working well together.
- 604.2 S. Zega noted that the County Attorney's Budget falls under the County Judge because she is his boss, but as every elected official will tell you, they each use him to some greater or lesser extent, some offices more than others. In concept, he believes that it would be difficult to figure out how they could allocate his salary amongst each of the departments and elected officials. Similarly, the County's Grant Administrator administers all grants that come in for the different Elected Officials and Circuit Courts, so they may never get an actual true picture of exactly how those things are interconnected.
- 604.3 L. Ecke questioned if they can know whether they share expenses such as for a copier or software programs with other departments, not so much human resources and salaries. She noted on each line item, they have cell phones and radios, so does one department pay for all of them or do they all have to pay. If IT is going to pay for internet services for the entire county and it is in their budget, then should the other departments have internet service line item in their budget?
- 604.4 S. Zega gave the example of dedicated taxes and earmarking taxes, stating one of the things he has learned in his experience with County government is it is not just taxes, but there are all kinds of dedicated streams of revenue that belong to different departments that can only be legally spent on certain things. After 10 years on the Quorum Court and a year in his current job, he is still discovering some of those funds and revenue streams personally. He noted sometimes the County will get a grant or other revenue that specifies how it must be spent, and it may not be enough to cover it or it may be in excess of what they need. They have worked ways out budgetarily to balance the books legally with those items. He stated that he is not able to tell them tonight definitively the kinds of questions they are asking about copiers, copy paper, etc.
- 604.5 L. Ecke stated that she is talking about \$44,000 that Buildings & Grounds Department had that they were using to fund the Animal Shelter and then all of a sudden it is gone; and this was a case where they did not know that they were covering those kinds of services for that department.

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- 605.1 T. Lundstrum stated that his position was to some extent a generalization; he does not care what S. Zega answering a question for him costs because all of that goes on throughout the Court. His concern is when the Sheriff spends \$200,000 a year picking up animals and taking them to the Animal Shelter because that should be a cost of the shelter and is a major fund. Buildings & Grounds paying \$40,000 a year for cleaning supplies is a major expenditure that has to be added to what it costs to run the Shelter. He could care less is Buildings & Grounds goes to the Animal Shelter to change a light bulb because his budget covers general maintenance work; but when they are paying these major bills from one department to another, that is a different issue and he would like to know specifically what those are.
- 605.2 T. Lundstrum stated the public is not getting accurate information when they are told that the Animal Shelter costs \$600,000 a year to run when it is actually costing them over \$800,000. He stated he would like to see the Animal Shelter hire their own civilian Animal Control Officers and that way we know it belongs in her budget; but as long as it in the Sheriff's Department is handling Animal Control he wants to at least recognize that is a major part of the cost (one-third) of what is spent running that Animal Shelter so people have a much better understanding of what the Shelter is costing. T. Lundstrum stated this was basically his idea and the way this is worded will serve that purpose.
- 605.3 A. Harbison referred to Budget Control #1 that says transfers and personnel services categories or transfers between departments may only be made by ordinance, noting that this seems to be in conflict; to which S. Zega responded that he reads the following - Transfers and Personnel Services categories are transferred between departments - that if they were to take part of his salary and move it to someone else's salary, the Quorum Court would have to approve it.
- 605.4 S. Madison referred to the first line on item 2 that they are considering in 16.1 that states, "Line item transfers within a departmental budget may be made within and into all categories." She stated that she has a problem with the Court going through budgets with a fine tooth comb and decide how much is going to be spent in each line item and then it winds up being meaningless because they can transfer willy-nilly. If someone is over budget in office supplies just because they spent more last year and they used that as a gauge when developing their budget, they can then transfer it to another line item like travel; the Quorum Court may not have thought that department really needed that much travel. She stated it makes the decisions they make at budget time in a sense meaningless and believes there should be some categorization on that in the way there is in capital outlay.

- 606.1 B. Ussery stated he is trying to figure out how in the world they would be able to administer this; to which S. Zega stated he does not have a good answer. Some of these things they have already been doing by practice and allowed by ordinance; however, for S. Madison's suggestion to take effect, they will have to repeal Washington County Code Section 2-222 because it provides that the transfers can be made without coming back to the Quorum Court in these certain categories. He added that would depend on how many line item transfers are asked for in capital and personal services, how often, and what the circumstances are. There would have to be an ordinance or at the very least the entire Quorum Court convening in some kind of meeting to grant or deny each of these line item transfers.
- 606.2 B. Ussery further questioned how in the world they could do county business then because he can see things turning into a ball of snakes real quick without any sort of controls or methodology to go by. For example, if there is a machine broken down and they need to have a line item transfer, they would have to wait until the Quorum Court could convene for them to continue county business. He can just see this really tying the hands of the administrators trying to serve the people of the County.
- 606.3 B. Pond stated that he is wondering if this could carry over into things other than money and gave the example of the Sheriff upgrading his fleet and they have hopes that there is enough money to do that. As the Sheriff upgrades maybe he has a vehicle that he is no longer going to be using and it is a better vehicle than the one that they are using at JDC. Would they have to come to the Quorum Court for approval to swap vehicles around?
- 606.4 S. Zega responded stating if it is strictly putting one vehicle into another department and no money changed hands, he does not see that as something that would have to come back to the Quorum Court because it would not be an expenditure of money and the County Judge is technically the custodian of all county property already, even if it is a Sheriff's car.
- 606.5 E. Madison stated that she is not sure from her reading of Section 2-222 that what happened with Buildings & Grounds paying for expenses of the Animal Shelter was even authorized and she thinks maybe perhaps they are trying to address a problem that was already covered by ordinance. She noted that it states that certain transfers are okay within a particular department, so she questions how Buildings & Grounds paid for the Animal Shelter cleaning supplies when the Animal Shelter had its own budget, its own cleaning line item that was zeroed out.

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- 607.1 S. Zega responded to E. Madison stating that if she is only talking about part two of #16.1, there is a lot of merit to what she just said. He does not have an answer to the somewhat rhetorical question about how that happened last year with the Buildings & Grounds. He certainly thinks you need to have the first part. As far as the second part, he thinks that is basically what the policy will be going forward is the discussion point. He stated that it is not so much legal advice and he does not think it is appropriate for him to weigh in on that aspect right now. He stated that 95% of this is covered by Section 2-222.
- 607.2 E. Madison stated since they have an ordinance on this and budget controls are hardly written like ordinances, she wonders if they need to make this a permanent ordinance, remove it from budget controls, and make it all entirely comprised within Section 2-222 and then it would have to be amended as an ordinance. She stated then this Court can address the bigger issue that they are going to have to address because they have been talking a long time about line item transfers and what to do about them. During most of her time on the Quorum Court, they have done line item reviews of the budget. She stated that they are at a cross-road and though line item reviews have been time intensive, it has been productive and they need to not be afraid to try it because they are in a very difficult financial situation. Of course, it is easier for department heads to be able to move money around in their budget. Of course, it is easier on accounting and the Comptroller's Office to be able to not have to come back to the Quorum Court. The General Assembly does it for a budget that far exceeds Washington County's and she does not understand why we cannot do it too. We are in a difficult financial situation right now and we keep doing the same thing and expect different results. Money is not going to fall from the sky and we have to change the mix. This is one of those things that we could try, even if the departments disagree with it.
- 607.3 E. Madison continued by stating that if the Court is not going to address the issue of line item transfers then it no longer needs to review the budgets by line item because it is meaningless and a giant waste of time. We need to either lock down line item transfers in some way, possibly give it some limited flexibility like there is for capital items, or we need to change the way it does the budget. Given the fiscal responsibilities that the Quorum Court has as the legislative branch, being and the single most important task that we do as we do not legislate very much, are we going to cede that power to another branch of government or are we going to actually embrace it?
- 607.4 **E. Madison withdrew her motion to pass #16.1. T. Lundstrum withdrew his second.**

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- 608.1 S. Zega explained that if she withdraws her motion and nobody else moves it onto consideration tonight, it does not die. It will have to affirmatively be brought it back on another agenda at some point in time.
- 608.2 E. Madison stated if they do not bring it back, then they can address it through amending Code Section 2-222; to which S. Zega responded they could do either, or, or both.
- 608.3 B. Pond stated he appreciates the notion of tabling this at this time. If they had a \$5,000 limit on transfers, it will cost the County a lot more money because they will wind up having to hold unexpected extra meetings. He stated he just cannot see them sitting side-by-side with the elected officials and telling them how they need to spend their money or whether they can transfer or not.
- 608.4 A. Harbison stated that they keep talking about what a bad job they did this last year when they have done an excellent job on the budget. They wanted \$6 million as carryover and they will probably have it; they had a \$1 million one-time payment to the State; the carryover was misjudged by about \$700,000; and they had a \$99,000 ambulance increase. She noted the department heads have done an excellent job this year staying within their budgets and unless something catastrophic happens between now and the first of the year, they have met their goal. She stated that she thinks they are going to overkill if they have a \$5,000 limit on transfers.
- 608.5 E. Madison stated that she has withdrawn her motion and there is nothing on the floor for consideration anymore so she does not know why they are still discussing it.
- 608.6 Judge Edwards stated that she would allow some more discussion on this item at this time.
- 608.7 S. Zega stated that it is his opinion with the motion being withdrawn that there is nothing to debate or discuss about unless someone moves the item back on the floor for discussion and it is seconded.
- 608.8 A. Harbison stated that #16.1 says that transfers going into and out of capital outlay category shall not exceed the \$5,000 per year in the General Fund; and then it says this excludes County Judge emergency budget; and any transfers exceeding this amount require approval of the Quorum Court and asked if that means that no transfers over \$5,000 can be made; to which S. Zega responded it does mean that no transfers over \$5,000 can be made into or out of the capital outlay category.

- 609.1 **A short recess was taken at this time.**
- 609.2 DISCUSSION ON THE TARGET AMOUNT FOR UNAPPROPRIATED RESERVES IN THE GENERAL FUND: Judge Edwards stated on September 10, 2015, she asked the Quorum Court to think about the target amount for the inappropriate reserves and she will now open up the floor regarding this matter.
- 609.3 A. Harbison stated she believed that \$6.0 million is realistic to meet any emergency.
- 609.4 R. Cochran stated that their ultimate goal ought to be well above \$10.0 million, but that is not feasible to do this year. He pointed out that A. Harbison mentioned some extraordinary expenses that they had this year that they had not budgeted for, and added one that she left out which was \$500,000 infusion for the Employee Health Insurance Fund. He noted that on the Unappropriated Reserves handout, unencumbered reserves are at \$3.8 million. If you add \$1.0 million for Act 663 payback and \$500,000 for the Insurance Fund, then they are at \$5.3 million so they are close to their \$6.0 million goal. R. Cochran stated that they have some things holding out there that they do not know when or where they will come up, so this reserve is required for that purpose. He would hope that they could shoot for an \$8-9.0 million range for this year with a goal that they keep moving that way. He stated he is not close minded to changing their millage, though that is the last thing that he would want to do.
- 609.5 E. Madison stated that since the question was raised a couple of meetings ago, she has thought about it and believes that the Court will always struggle with what is the perfect amount and she has a hard time doing this. She stated that it occurred to her that in her tenure as County Judge, Judge Edwards has seen the reserves fluctuate between many different ranges and she is curious as to what she thinks.
- 609.6 Judge Edwards responded that she believed anywhere between \$5-6.0 million is a reasonable amount. While it would be nice if they could go further, she does not think they should set it too terribly high until they get the budgets established. She stated her main concern is that they will sit and hear all these budgets, all of these people talk, spending hour after hour, and then when they get all the way through, they will not have the money. She stated they already know where they stand on the money. She stated she does not want the office holders and the JPs to sit here and spend our taxpayers' money at the rate of \$3,000 per meeting after meeting after meeting.

- 610.1 E. Madison asked where would that put them in terms of the budget numbers if they use \$6.0 million as a target reserve; to which C. Bolinger responded that the budgets as they have been submitted, including holding out \$1.9 million for the Jail's budget which they may not need, they have \$4.2 million in unappropriated reserves. A \$6.0 million reserve would essentially put the General Fund in the hole by \$1.8 million overall. She pointed out that this number will change when they look at the active carryover, but they will not know that until next year.
- 610.2 H. Bowman stated that he put a lot of stock in what their previous County Treasurer told them after many years of experience and doing a phenomenal job in projecting revenues. He started thinking about where the County would be today if they had not accumulated a very large reserve all those years ago. They do not know where this economy is going to go. They know there is a lot of growth in the county and their revenues are going up some which is encouraging. However, he thinks they need to keep their eye on the ball and noted that their previous Treasurer Roger Haney said they need to have \$15.0 million for long-term protection against catastrophic kinds of things and he thinks that is what brought them to this point; that they had to cut as deep as they did last year to keep themselves in reasonable shape. He stated that they need to try to move back toward that goal of \$15.0 million in reserves so they can deal with issues that come along without a great deal of pain. He suggested that they go ahead and target a \$2.0 million improvement in the carryover so their reserves will be increased by a similar amount. If we do \$6.0 million this year, then move it up to \$8.0 million next, etc.
- 610.3 T. Lundstrum stated he remembers how everybody loved Treasurer Roger Haney who was always right and he never disagreed with him because his estimates were very accurate. Mr. Haney told him that the County needed 3 months of operating expenses in reserves which is \$15.0 million with the monthly expense being \$5.0 million. When the Quorum Court cut the millage, they had over \$19.0 million in reserves. He stated that he does not know whether \$15.0 million in reserves is necessary or not, but he knows they would not have the Courthouse parking deck, the Terminella Building, etc. if they had not had that big reserve. He would agree with the \$6.0 million for this year, but would like to see this amount slowly grow.
- 610.4 A. Harbison stated that she has found some money for a 2% raise and also found some money to build a Courtroom for Juvenile Court if they ever find out how much it will cost. She is hopeful to be able to confirm the money for raises by their next meeting.

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- 611.1 Judge Edwards stated that when she took office as County Judge, there was a little over \$15.0 million in reserves, but almost \$11.0 million of that was already obligated. She stated right now according to the reports, she has spent with this County in her seven years is less than \$5.0 million.
- 611.2 **A. Harbison made a motion to strive for \$6-7.0 million in unappropriated reserves. J. Patterson seconded.**
- 611.3 E. Madison stated that she is not sure they all know what A. Harbison's motion means because she had said something puzzling; that if the goal was \$8.0 million, which they would have to figure out how to cut \$2.0 million from the budget. She believes, based on the discussion with Comptroller Bolinger and the October 6 summary, if they set the goal at \$6.0 million, they are \$1.8 million in the hole already, so she is not sure they are on the same page as to what \$6.0 million in reserves means. Does it mean they are not accounting for what they are setting aside to balance the Jail's Budget because that money will be pledged for the Jail's expenses and is not unappropriated reserves? She stated she would support the motion, but is not sure that is what everyone thinks it is.
- 611.4 T. Lundstrum stated it boils down to is their unappropriated reserves for this year should be what is left over and not designated for something after they pass a budget that will run this County. He stated that they are going to have to pass a budget that will fund these departments and whatever is left over he hopes is around \$5-6.0 million. They need to continue with a conservative attitude and see those reserves grow back up to \$6.0-10.0 million.
- 611.5 Comptroller C. Bolinger explained that this month has been a pretty typical month and expenditures in County General were \$1.9 million. She stated that the current reserve is \$4.2 million and this includes what they have already looked at, turned down or tentatively approved. She stated that there are no 2% raises included in the budget and she budgets it off of the current salaries.
- 611.6 In response to a question from S. Madison, S. Zega reiterated that this motion is not binding in anyway.
- 611.7 T. Lundstrum stated that he does not want to see them have to force this budget to produce a particular reserve this year so he would like to make a friendly amendment to accept what is left over.
- 611.8 **A. Harbison and J. Patterson accepted this as a friendly amendment to the motion.**

- 612.1 S. Madison stated that her reasons for voting against this motion are that there is no incentive for them to be cautious and carefully scrutinize the budget.
- 612.2 **With no further discussion, Judge Edwards called for a vote A. Harbison's motion to strive for \$6-7.0 million in unappropriated reserves but acceptable of what amount is left over.**
- 612.3 VOTING FOR: A. Harbison, T. Lundstrum, J. Patterson, B. Pond, B. Ussery, D. Balls, and R. Dennis. VOTING AGAINST: S. Lloyd, E. Madison, S. Madison, G. McHenry, and H. Bowman. ABSTENTIONS: L. Ecke and R. Cochran. **The motion failed with seven members voting in favor, five members voting against, and two abstaining.**
- 612.4 **A. Harbison made a motion that they strive for a minimum of \$6.0 million in reserves. H. Bowman seconded.**
- 612.5 E. Madison stated if the motion is that they are shooting for \$6.0 million, she is not sure how that is different from A. Harbison's earlier motion.
- 612.6 **With no further discussion, Judge Edwards called for a vote on A. Harbison's motion to strive for a minimum of \$6.0 million in reserves.**
- 612.7 VOTING FOR: A. Harbison, J. Patterson and H. Bowman. VOTING AGAINST: S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, B. Pond, B. Ussery, D. Balls, R. Cochran, and R. Dennis. ABSTENTION: L. Ecke. **The motion failed with three members voting in favor, ten members voting against the motion, and one abstention.**
- 612.8 **T. Lundstrum made a motion to adjourn, and then withdrew his motion.**
- 612.9 S. Zega cautioned the JPs about making a motion to adjourn when they have public comment on the agenda.
- 612.10 2015 MILAGE RATE LEVY DISCUSSION: E. Madison stated in anticipation of this discussion, she compiled some information that she wanted to share with the Quorum Court, including the 1981 Resolution when the Court anticipated the election on the 1% countywide sales tax. She stated that the resolution says to go on record as to how those funds would be approximately divided, and her assumption is based on the fact that the Campaign Committee that then advocated for the one-cent sales tax used these numbers as a pledge to the people if you pass the tax then this is how the money will be used. She stated at the time the estimated

revenue from the one-cent sales tax was roughly \$1.2 to \$1.3 million and she noted by her handout how that would be divided; and then using an inflation calculator, estimated what those funds would be in terms of present dollars. She then stated based off of their Treasurer's projected revenue from the one-cent sales tax for next year, she divided what those percentage breakdowns would look like and it was very interesting how those percentages translate to today. She gave the example of the emergency medical services pledge was 25% of the sales tax revenue which next year would be in excess of \$1.6 million, but they all know that the County is funding the ambulance service for roughly \$900,000. The solid waste and rural fire components in the budget was hard to figure out, but to give a frame of reference, if we were funding this at 10% then this would amount would be \$660,000 compared to \$849,000 for fire protection. Law enforcement was only pledged 5% which would be \$330,000 next year and the Sheriff's Enforcement Budget dwarfs that number.

613.1 E. Madison stated that she did this because some of them have been hung up by these percentages and some were surprised to learn about them, so she did the research to find out where they came from. She does not know that they are translating into anything today other than how they are dividing up the Road Department. If they were observing these percentages, they would not be giving any money to IT or Animal Shelter or the other things that the General Fund supports because the 1% sales tax would be fully pledged.

613.2 E. Madison stated her final handout is about the population change and the shift in Washington County's population. In 1980, total population was 99,735 with the unincorporated parts of the county comprising 31,096. The 2010 census showed a total population of 203,065; however she was advised that periodically municipalities go in between censuses and request an update in their census numbers because they think they have grown and want more of their share of the pie and there were adjustments made as of October 2, 2015. She noted that they can see tremendous growth in the cities and the unincorporated part of the County today is \$37,350 or roughly a 6,000 person or 20% increase, and the unincorporated part of the County is 17% of the County's population. She noted that her district is entirely comprised within the City of Fayetteville and she sometimes struggle to tell them what county services they get because they do not get fire protection, ambulance service, law enforcement protection, animal shelter services, or a library. The County does not take care of their roads and the City of Fayetteville pays the County separately for its use of the jail. She stated the services her constituents get are from those offices that provide services county-wide such as the Tax Collector, Assessor, Circuit Clerk, court system, etc. It is a bit of a stretch for her to

be proud to say to the people of Fayetteville that what the County does for them is assess their property, collect their taxes, and is there for them if they have to go to court or to jail, or get a marriage license if they pay \$65.

- 614.1 E. Madison stated she is mindful what a tax increase will not translate into much for her constituents in the way of county services. She noted that many of the offices that do provide them services are commissioned offices that obtain their revenue sources from somewhere other than taxes. She then referred to the population numbers stating that if they change the property tax, the cities pay for that for the most part yet it does not translate much to them in the way of services if at all.
- 614.2 Judge Edwards questioned E. Madison as to where she was going with all of this. The Quorum Court has up to 5 mills that they can levy and can either raise it or do away with it. She reminded everyone that they are a County Quorum Court and serve all the people of Washington County.
- 614.3 E. Madison stated that she is giving important facts that are important background to what the millage rate is and this information will be helpful to her in how she will evaluate what the millage is. She stated if you look at these numbers given that their districts are broken up based on population, most of their constituents are in cities and she wants to be mindful as they set the millage about who bears that tax burden and who gets the benefit.
- 614.4 B. Pond noted on the 1% sales tax layout distributed by E. Madison, emergency medical services there is no mention of the Central EMS having a mutual assist agreement with the volunteer fire departments, and the people of the County do get services from the voluntary fire departments that are not included in the ambulance service. He stated that the handouts on sales tax do not have anything to do with the millage which is why he is confused as to the discussion at hand. B. Pond stated as far as millages go, they voted to appropriate some money to the Extension Service and everyone in the cities has access to the Extension Offices and using their services. He stated that those in support of the Extension Service were saying that they did not mind paying that extra \$30 a year that they might have to pay if the Quorum Court reinstated the ½ mill in General that it decreased. He stated that input he receives from his constituents, who are not all rural, is that it would be ridiculous to cut services such as from road and bridge improvements as opposed to putting back the ½ mill.
- 614.5 T. Lundstrum stated that he thought they were going to be talking about the millages that they have to approve once a year. He would be opposed to raising the county millage.

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- 615.1 S. Madison stated she thinks it is clear what E. Madison has been showing them that the original 1-cent sales tax passed in 1981 has been continually thrown in their face as a promise to the people of what the County would spend percentage wise from this tax. She stated that they have failed to do that and the only winner has been the Road Department, and while they presumably serve the entire County, many people in Fayetteville do not use those roads very often. The Road Department for the most part serves our rural residents and has continued to receive a large share of that sales tax while none of the others have kept their original percentage, so there is a bit of inequity of distribution of that original one-cent sales tax. She said for them to have any remote idea to raise the millage when it will hit city residents the hardest is unthinkable when they have such an archaic erratic distribution of the original one-cent sales tax.
- 615.2 L. Ecke stated she thinks they need to look at the distribution of that one-cent sales tax and perhaps revisit it and come up with an equitable solution as to how they are appropriating that revenue. She stated she is in favor of raising the county millage somewhat because the impact that it has on city people is maybe \$18 to \$20 a year depending on the size of their household. She is opposed to raising any kind of sales tax because that hurts people every single day when they go grocery shopping, out-to-eat, etc., and has a negative impact on businesses.
- 615.3 A. Harbison stated that the County gets 18% of the one-cent sales tax and Fayetteville and Springdale get 80% as of the last census. They made off like bank robbers getting all of the money that they lost from the County which is one of the reasons that they are having the budget problems that they have now because they went from 22% to 18%. She stated that their small towns also get money off of the one-cent sales tax and they depend on that money to improve their streets.
- 615.4 E. Madison stated that she does not think you can talk about the millage without talking about all the taxes they collect and where they are going, especially when you are talking about potentially raising taxes. None of the information she collected was talking about taxes going to other entities and only talking about the county's take. She stated of course the cities get their portion of the sales tax because that is the way it was legislatively enacted allowing the counties to ask for the levy of the one percent sales tax and that is the way it passed. She stated the reason that the County's share of the tax keeps decreasing is because of what can be seen on the population spreadsheet that she provided. She stated the County's population in terms of its proportion to the overall county's population has declined and as the population shifts to the cities, the money has followed it and they are getting their proportional share. She stated overall, she

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would say that at some point, if they look at the population shift, the County's obligation should get smaller because the unincorporated parts of the County are shrinking. She stated you cannot expect the population to shift to the cities, the County's population to decline in proportion to the cities, and the County to keep growing. She stated she cannot support any increase in millage on the backs of the city residents that she looks at as primarily benefiting those in the unincorporated parts of the County. She stated they are going to have to divvy up the sales tax differently and it is high time that they look at the 40% they are giving to the Road Department because from 1981 to today, they are not responsible for as much of the County as it once was. She further noted that the Road Department also had the windfall benefit of getting the county's share of the ½-cent sales tax which over ten years is projected to be in excess of \$12.0 million additional dollars.

- 616.1 T. Lundstrum stated that he could be wrong, but he would just about bet that they draw more property tax today than they did before they cut property tax because they have had reassessments on property that has gone up considerably. He stated that this all makes a difference and they do not take it into consideration. He stated he does not know how they can be down all that much money because of that ½-mill property tax. He further stated when L. Ecke talked about \$20, this is \$20 per \$100,000 valuation. People who have rental properties would be talking about hundreds of thousands of dollars.
- 616.2 B. Pond stated that the millage they are talking about goes to the General Fund where they cut it ½ mill and the statement he made at that time was cutting the mill was not a difficult thing to do and would make it less difficult for him to put it back if they had a time when they needed to. He stated the roads are not the only thing that they have to have that money for because they have infusions into the Jail. Paying to operate the Animal Shelter, government that the Quorum Court grew at the same time it reduced the millage. As far as the unincorporated areas getting smaller, it is because the cities keep annexing and more people keep moving out and building in the rural areas, so they need better road services for the people who are used to the amenities that they were used to getting in the city.
- 616.3 B. Pond further pointed out that the majority of road maintenance by the County is done closer to the cities where the roads are more traveled. He stated the County Road Department is not robbing the city taxpayers; it just happens that new construction is much more expensive than some maintenance that the cities wind up doing. He noted that a lot of things in government today do not seem to be working out because when it was set

up, people had a different set of values and trusted each other. One rule used to be to do unto others as you would have them do unto you.

- 617.1 R. Dennis stated that he feels like he represents others as well as his own constituents and considered himself a leader for the whole County. He stated the mistake was made when they decreased the millage and he believes that it should be taken it back up.
- 617.2 **R. Dennis made a motion to increase the general millage by .5 mills. R. Cochran seconded.**
- 617.3 J. Patterson stated that former County Judge Hunton stated that they had 1,480 miles of county roads and Assistant Road Superintendent Shawn Shrum recently reported they had 997 miles. The County is improving the roads close to the cities and then they are getting annexed. He noted that rural people have to go to the cities to shop and pay sales tax, but there are no car dealers in his district, no plumbing companies, or a Wal-mart. Sonora and Nob Hill are the two largest communities in his District, and there are there are five schools within 1.5 miles of his house. J. Patterson noted that when he came on the Quorum Court, the County's portion of the sales tax was 23.5% and now it 18%. It is going to continue to go down and questioned where the County will be down to nothing and it still has all these services to provide for everyone in the County.
- 617.4 **H. Bowman called for the question. R. Cochran seconded.**
- 617.5 **Judge Edwards called for a vote on the call for the question.**
- 617.6 VOTING FOR: L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Ussery, D. Balls, H. Bowman, R. Cochran, and R. Dennis. VOTING AGAINST: B. Pond. **The motion calling for the question passed with thirteen members voting in favor and one member voting against the motion. The debate was ended.**
- 617.7 **With no further discussion, Judge Edwards called for a vote on R. Dennis' motion to increase the County millage by 5/10th.**
- 617.8 VOTING FOR: L. Ecke, A. Harbison, B. Pond, D. Balls, R. Cochran, and R. Dennis. VOTING AGAINST: S. Lloyd, T. Lundstrum, E. Madison, S. Madison, G. McHenry, J. Patterson, B. Ussery, and H. Bowman. **The motion failed with six members voting in favor and eight members voting against the motion.**

- 618.1 DISCUSSION ON IMPLEMENTING A VOLUNTARY TAX FOR THE ANIMAL SHELTER: Judge Edwards noted that the possibility of a voluntary tax for the Animal Shelter was brought up at a previous meeting.
- 618.2 County Attorney S. Zega reported the auditors do not want them to use the word "tax" unless they levy a set voluntary amount so JP Ecke suggested to him and, as long as the Collector is okay with it, the words on the tax bill could be "Donate Co. Animal Shelter" followed by a blank.
- 618.3 L. Ecke stated that they are limited to 25 characters on the tax bills and if they were to put "Donations Animal Shelter" they would have to split whatever is received with the other shelters and this was specifically to help out the County Animal Shelter. She stated that it is a voluntary tax with a blank amount. L. Ecke stated that the inspiration for this comes from E. Madison, B. Pond and H. Bowman when they were trying to make donations to the Animal Shelter, and through the discussion as to how they can best go about that, the Tax Collector's Office reached out with this idea.
- 618.4 A. Harbison stated that she would like to see an amount of \$5.00 inserted.
- 618.5 T. Lundstrum stated that he was told that in Springdale, they took in \$185,000 last year on a \$5 donation and people can exceed that amount if they choose to do so.
- 618.6 **T. Lundstrum made a motion to use the wording "Donate Co. Animal Shelter" with \$5. R. Cochran seconded.**
- 618.7 S. Madison stated that she is opposed to this and thinks this is a slippery slope that they need to be very careful about this. It seems like a Santa Claus solution to a problem, but they have already had someone suggest that they do the same thing for the Extension Service. She stated if government wants to provide services for the citizens, they have the obligation to take care of that and she does not believe that relying on voluntary donations is appropriate. She further stated that it is also earmarking money and questions what they would do if somebody decides to give the Animal Shelter \$5.0 million in a voluntary tax and they cannot fund their Jail adequately. She stated that there is nothing stopping people from donating money to the Animal Shelter at this time. She thinks this is bad government and she will be voting against it.
- 618.8 B. Pond stated that he likes the idea of including the suggested amount of \$5 and that this will work out the best. He further does not think that with this being a volunteer donation, that it will take money away from anything else.

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- 619.1 E. Madison stated one concern she has about this is that they are the tax collector for everyone in the County, not just county functions; they collect for the schools and cities millages, and they are using that general purpose duty that they have to ask for a handout for one County function. She stated there are four animal shelters that are government service providers in this County and people will not know what shelter they are talking about giving their money to; so, they will be asking the citizens of Fayetteville, Springdale, and Prairie Grove to give money to the County's Animal Shelter that they cannot use. She stated the only way to do this is to do it like the fire dues where you only get it if you are in unincorporated parts of the county.
- 619.2 S. Lloyd stated she had three constituents call and ask her to vote against this so she will be following what they want.
- 619.3 A. Harbison stated that E. Madison makes a good point noting that the Tax Collector who came up with this idea said if they collected it within the city, then it would have to go to the Fayetteville Animal Shelter. She thinks they need to be specific in that it has to be in the County unless they want to collect donations for the city shelters as well. She asked if T. Lundstrum would accept a friendly amendment to his motion.
- 619.4 S. Zega noted that he counts 27 characters according to motion, and they are limited to 25.
- 619.5 L. Ecke stated in the example that the Collector gave them from Saline County, there is only one animal shelter in that county.
- 619.6 Judge Edwards questioned whether they could go ahead and pass this and then let the Collector get it properly on the tax bills.
- 619.7 It was pointed out that they needed an Ordinance to do this and S. Zega stated that it would take an ordinance to collect and allocate the money. He suggested that they go back and talk to the Collector about the wording before they continue this discussion.
- 619.8 **T. Lundstrum withdrew his motion. R. Cochran withdrew his second.**
- 619.9 **T. Lundstrum made a motion that they table the discussion on implementing a voluntary tax for the Animal Shelter until they talk to the Collector. E. Madison seconded. The motion to table passed unanimously by those present by voice vote.**

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- 620.1 CITIZEN COMMENTS: Robert Rodweller, citizen of Washington County, addressed the Quorum Court stating from someone sitting in the audience it sounds very complicated and they need to make it clear where voluntary animal shelter donations would be going.
- 620.2 ADJOURNMENT: The meeting adjourned at 9:30 pm.

Respectfully submitted,


Gary Sandidge
Quorum Court Coordinator/Reporter