

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

Thursday, September 10, 2015
5:30 p.m.
Washington County Quorum Court Room

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CLERK OF SUPERIOR COURT
WASHINGTON COUNTY, OREGON

- 448.1 The Washington County Quorum Court met for a special meeting on Thursday, September 10, 2015. The meeting was called to order by County Judge Marilyn Edwards who stated the purpose of this meeting was to discuss Washington County financial matters.
- 448.2 H. Bowman led the Quorum Court in a prayer and in the Pledge of Allegiance.
- 448.3 Judge Edwards announced that County Attorney Steve Zega was sick and unable to be at the meeting.
- 448.4 MEMBERS PRESENT: Daniel Balls, Harvey Bowman, Rick Cochran, Robert Dennis, Lisa Ecke, Ann Harbison, Sharon Lloyd, Tom Lundstrum, Eva Madison, Sue Madison, Joel Maxwell, Joe Patterson, Butch Pond, and Bill Ussery.
- 448.5 OTHERS PRESENT: County Judge Marilyn Edwards, County Chief of Staff George Butler, County Comptroller Cheryl Bolinger; Interested Citizens; and Members of the Press.
- 448.6 ADOPTION OF THE AGENDA: Judge Edwards asked if there were any additions or deletions to the agenda.
- 448.7 **A motion was made and seconded to adopt the agenda as presented. The motion passed unanimously by voice vote.**
- 448.8 TREASURER'S REPORT: County Treasurer Bobby Hill reported from the Treasurer's Financial Summary that County General had \$2.5 million in expenditures over revenues of \$1.1 million with \$500,000 of the expenditures going towards the employee Insurance Fund. He stated that the Road Fund is still maintaining revenues over expenditures and ended the month with \$1.9 million in the bank. He noted that the Jail Fund had revenues of \$1.4 million including another payment from the state for prisoner housing of \$500,000 and ended the month at \$1.2 million.
- 448.9 Mr. Hill reported that \$561,000 was collected in 1-cent sales tax, \$20,000 over this time last year or 3.59% higher. He stated that the County collected \$763,000 in 1/4-cent jail sales tax, which is up \$33,000 over this time last

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year and puts them at \$400,000 over 2014 for the year. With respect to the road 1/2-cent sales tax, the County collected \$116,000 in collections which was up 6.78%. He reported that the Employee Insurance Fund began the month at \$1.2 million and ended at \$1.7 million which includes the \$500,000 transfer from the General Fund with a current balance of \$1.588 million.

- 449.1 E. Madison asked about the sources of the Road Fund revenue; to which Bobby Hill responded that the main portion is the 40% of the 1-cent state sales tax that the County receives, as well as state sales tax, general revenue turn back, and the County receives about 38% of the 1.1 road millage.
- 449.2 COMPTROLLER'S REPORT: Comptroller Cheryl Bolinger reported on General Fund Unappropriated Reserves, stating that the only change was the \$31,880 appropriation in the Planning Budget that the Quorum Court approved last month. With respect to the Summary of Revenues and Expenditures, she noted the percentage expended/realized and unappropriated balance for each fund as well as the Summary Statement of Operations-Expenses by Fund and Department that shows encumbrances and percent used for each department. She pointed out on Summary of Revenues and Expenditures shows percent expended for County General at 66%, and on the Summary Statement of Operations-Expenses shows 72% used due to encumbrances.
- 449.3 AN ORDINANCE APPROPRIATING \$5,208 FROM THE LAW LIBRARY FUND TO THE LAW LIBRARY BUDGET FOR 2015: R. Cochran introduced and read **An Ordinance Appropriating \$5,208 From The Law Library Fund To The Law Library Budget For 2015.**
- 449.4 Roger Northam, County Law Librarian, addressed the Quorum Court stating that the Washington County Public Law Library is partnering with Legal Aid of Arkansas to add additional staff hours to the Legal Help Desk to be held every Friday instead of every other Friday for individuals who cannot afford legal advice and need help with matters such as uncontested divorces.
- 449.5 E. Madison stated that Legal Aid came to her earlier about this and she advised that it was probably limited with what could done from County General for this purpose so she is glad to see that some library funds can be used as this is a very worthwhile service. She stated that it cuts down on the questions that the elected officials and offices get from people who are desperately in need of help, are very, very poor and need the most basic of services.

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- 450.1 Mr. Northam stated that the Law Library is proud to partner with Legal Aid in this effort.
- 450.2 **R. Cochran made a motion to adopt the ordinance. E. Madison seconded.**
- 450.3 S. Madison noted that their County Attorney had decided even appropriation ordinances needed public comment; to which Judge Edwards agreed and she believes it is a good idea to give public the opportunity to speak on these ordinances as well.
- 450.4 Citizen Comments: There were no citizen comments made.
- 450.5 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**
- 450.6 VOTING FOR: B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, R. Dennis, L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S. Madison, J. Maxwell, and J. Patterson. **The motion passed unanimously. The ordinance was adopted.**
- ORDINANCE NO. 2015-66, BOOK NO. 10, PAGE NO. 244**
- 450.7 AN ORDINANCE RECOGNIZING AND APPROPRIATING REVENUES OF \$550 IN THE ANIMAL SHELTER GRANT FUND FOR 2015: R. Cochran introduced and read **An Ordinance Recognizing And Appropriating Revenues Of \$550 In The Animal Shelter Grant Fund For 2015.**
- 450.8 Renee Biby, County Grant Administrator, addressed the Quorum Court explaining that this is a grant that Shelter Administrator Angela Ledgerwood applied for through the Humane Society of the Ozarks for the purchase of two additional spay packs.
- 450.9 **R. Cochran made a motion to adopt the ordinance. A. Harbison seconded.**
- 450.10 Citizen Comments: There were no citizen comments made.
- 450.11 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**
- 450.12 VOTING FOR: B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, R. Dennis, L. Ecke, A. Harbison, S. Lloyd, T. Lundstrum, E. Madison, S.

Madison, J. Maxwell, and J. Patterson. **The motion passed unanimously. The ordinance was adopted.**

ORDINANCE NO. 2015-67, BOOK NO. 10, PAGE NO. 245

- 451.1 AN ORDINANCE APPROPRIATING \$2,410 FROM THE GENERAL FUND TO THE QUORUM COURT BUDGET FOR 2015: R. Cochran introduced and read **An Ordinance Appropriating \$2,410 From The General Fund To The Quorum Court Budget For 2015.**
- 451.2 R. Cochran stated that this appropriation is for the videotaping of their meetings for the rest of the year.
- 451.3 **R. Cochran made a motion to adopt the ordinance. E. Madison seconded.**
- 451.4 In response to a question from H. Bowman, Executive Assistant Karen Beeks stated that the cost per month for videotaping all of the Quorum Court meetings held each month is \$750 per month or \$9,000 for an entire year. This appropriation request of \$2,410 is to cover the remainder of 2015.
- 451.5 S. Lloyd asked if by passing this ordinance the Quorum Court is approving this appropriation from here on out for \$750 per month; to which Karen Beeks responded that this appropriation was for the rest of 2015. The Quorum Court would look at it for 2016 during the budget process and can cancel the service at any time.
- 451.6 T. Lundstrum stated that he was neither for nor against this when this was initially brought up, but he voted against the extra money for the Animal Shelter because of their lean budget and diminishing reserves, and will be voting against this appropriation for the same reason. T. Lundstrum stated that he believes that Court Secretary Carly Sandidge can take appropriate minutes to know what happened in these meetings without the need for them to all be videotaped. He reported speaking to County Treasurer Bobby Hill who indicated that the County's revenue was probably not going to be as good next year as it was this year. Although this is a small appropriation, all of these expenses keep adding up and keeps increasing the size of government and this continual increased spending will lead to increased taxes for Washington County citizens.
- 451.7 E. Madison stated that she will support this ordinance as this is a minor expenditure in the grand scheme of things for what translates to access to their processes and transparency of government. She believes that

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through the recent issues with the Animal Shelter, many citizens were surprised that there was a Quorum Court and this is not good. She stated that the Court members do so much work in their committees that are not viewed by the public like the full Quorum Court meetings. She stated that citizens need to be engaged in the process noting that there are important financial issues that citizens need to be aware of but will not know about them unless given access to the Quorum Court's meetings. She further stated her appreciation for the work done by Executive Assistant Karen Beeks to get it going with the City of Fayetteville.

- 452.1 S. Lloyd stated that she too voted against the appropriation to the Animal Shelter which was a minimal amount and if citizens did not watch them before, she does not believe that they will take time to watch now, so will be voting against this ordinance.
- 452.2 H. Bowman stated that he has been very ardent in his commitment to keeping the budget under control; however, he supports this ordinance. He stated that the Quorum Court has discussed how the minutes are represented and whether they are accurate or not. If the Court had a digital record of everything said and done, then it would eliminate the issues of accuracy, about what actually happened with a permanent record that people could go back to. H. Bowman noted that the newspaper and television reporters report on the Court's meetings based on what they observe. Further, he noted that Executive Assistant Karen Beeks has reported on the hours the County Judge's Office puts in in trying to sort through everything said as well as printing costs to generate voluminous minutes. H. Bowman stated while he hates to spend the money, he believes that this is something very important for the accuracy of what is going on in their meetings.
- 452.3 S. Madison concurred with H. Bowman stating that this is a service to the public and there are citizens who do not find it easy to travel to the courthouse and listen to them in a meeting that would listen to the meetings at home. She noted that she first became interested in local government from watching Fayetteville City Council meetings on television where she learned a lot. She believes that people do care about what is going on in the county and this is a service to those citizens who do care and for those who will come to care as the Quorum Court does the county's work. She noted that the audio from the meetings is recorded, but to be able to actually see what people are saying does add more meaning to the conversation. She stated that the Court needs to contain the minutes and this will be a much better record and truly reflect what happens.

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- 453.1 J. Maxwell stated that when he does the math, there were about ten meetings that the Court had scheduled for last month which equals \$75 a meeting. He further noted speaking to Executive Assistant Karen Beeks about how many hours it takes to do the minutes for each meeting. He stated even though he believes the Quorum Court members need to be very aware of where they are spending money, on this issue he does not believe they are saving a lot of money by not passing this ordinance because they are already spending this money in man hours that could be put to something else productive.
- 453.2 A. Harbison stated she is unsure how she will vote on this. Rather than replacing the minutes, she believes that it will just be adding another layer of records to the county history. She is unsure how she will vote on this ordinance as she does not believe that many people are involved in listening to the regular Quorum Court meetings, let alone listen to the committee meetings. She did point out that their committee meetings are much more detailed and involved in hashing out problems than the regular Quorum Court meetings.
- 453.3 R. Dennis stated that he hears from more constituents about the way the meetings went than he does about what they read in the newspaper. R. Dennis stated since his constituents have made these comments to him, he will vote in favor of this ordinance because he is supposed to represent them.
- 453.4 A. Harbison stated if you live within the city limits of Farmington and Fayetteville, you will get this broadcast, but she bets 90% of her district cannot even view it and do not have computers, so does not believe this is cost effective for her district.
- 453.5 B. Pond stated that he will support this ordinance because of the transparency issue and believes that the JPs should be as transparent as they can. He is not on cable and has never been able to watch their meetings and a lot of his district is rural, but he still receives comments from people who have watched meetings. B. Pond further stated that he does not believe that by televising their committee meetings, the Court can just have outlines of the minutes as this is another transparency issue in itself and he still wants the minutes written.
- 453.6 T. Lundstrum stated that the County spent all this money for the IT Department to put microphones with speakers in the Quorum Court Room along with recording equipment that is recording every word said in both committee and Quorum Court meetings, so it is not like anything is being lost. Unlike JP Dennis, he has never had a single constituent tell him that

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he or she has watched the Court's meetings and he has never been able to find the channel that the meetings are televised.

- 454.1 T. Lundstrum stated that this will become another service that they just have to have and just costs a little bit more money here and there. The first thing you know you are talking about big dollars and how the County is running out of dollars. He further believes anyone who wants to see the meetings can request a CD from the County Judge's Office. He does not know why that could not be used instead of minutes, and he also does not know how necessary this ordinance really is.
- 454.2 L. Ecke stated she did not realize when she first joined the Quorum Court that the meetings were being televised until she had a constituent call and tell her, nor the value to her constituents that are shut in and cannot get out. She personally finds the government meetings quite interesting and she is a lot more informed after watching them.
- 454.3 R. Cochran stated for as long as he has been on the Quorum Court, he has hoped for the day to come where the Court has a chance to vote to publicize its committee meetings. He believes that the Quorum Court's meetings are generally pretty dull; however, the heavy lifting gets done in the committee meetings. If constituents had the opportunity to see what the Court was doing in committee, then those constituents may show up for the Quorum Court meetings to speak on various issues. R. Cochran concurs with JP Lundstrum that money is running low, but about 50 meetings a year does not figure out very expensive per meeting and he believes this is great for their constituents. He stated that he will support this ordinance and urged Quorum Court members to ask their constituents over the next year if these broadcasts are valuable or not to them.
- 454.4 H. Bowman stated that he watches sports on TV from time-to-time and always knows there are some questionable calls being made. He stated he sees this as a replay situation where the JPs can go back to hear and see exactly what was going on in the meetings, as there are times when he cannot recall what was said about a situation. H. Bowman believes that this is important not only for the other Court members, but for the media who can get online and see for themselves what each of the JPs think about a situation.
- 454.5 In response to a question from A. Harbison whether all of their meetings are online; to which Executive Assistant Karen Beeks stated that about a month ago the audio recordings of the committee meetings were being put online. Only the videos for the regular and special Quorum Court meetings are online through the Fayetteville Government Channel.

- 455.1 Citizen Comments: There were no citizen comments made.
- 455.2 **With no further discussion, Judge Edwards called for a vote on the motion to adopt the ordinance.**
- 455.3 VOTING FOR: B. Pond, B. Ussery, D. Balls, H. Bowman, R. Cochran, R. Dennis, L. Ecke, A. Harbison, E. Madison, S. Madison, and J. Maxwell. VOTING AGAINST: S. Lloyd and T. Lundstrum. ABSTENSION: J. Patterson. **The motion passed with eleven members voting in favor, two members voting against, and one abstention. The ordinance was adopted.**
- ORDINANCE NO. 2015-68, BOOK NO. 10, PAGE NO. 246**
- 455.4 **A five-minute recess was taken at this time.**
- 455.5 DISTRIBUTION & REVIEW OF FINANCIAL DATA FOR BUDGET FOR 2016: County Treasurer Bobby Hill and Comptroller Cheryl Bolinger distributed 2016 financial data to the Quorum Court.
- 455.6 Judge Edwards stated the following question for JPs to consider with respect to the 2016 budget process: What is the target reserve amount that the Quorum Court would like to see in the General Fund; why that amount; and how does the Quorum Court propose to achieve that target?
- 455.7 In response to a question from L. Ecke, Judge Edwards stated that the County by law is required to hold back 10% of projected revenues. County Treasurer Bobby Hill further explained that this is mainly 10% of property tax revenue. He stated that the Quorum Court is allowed to appropriate 100% of the sales tax, and take 10% off the top of whatever revenues are expected to come in. He further stated that property taxes go into a fund called "Collector's Unapportioned" and stays there growing to over \$10 million at the end of the year and then it is distributed in December with the county's portion going back into the General, Road and Library Funds.
- 455.8 H. Bowman stated that Bobby Hill's predecessor, Roger Haney, told the Quorum Court that a reserve of about \$15 million was needed; and Mr. Hill is telling the JPs that the County is still spending in excess of what is being received in income. He stated his first choice would be to be sure that the Court controls spending so that the County does not exceed annual income and begins to try to accumulate and build back toward that target of \$15 million. He realizes under the current circumstances that will not be easy to do, but believes that the Court should use \$15 million as a base number

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to work with to balance the County' expenditures and income instead of continuing to deplete what reserves the County does have.

- 456.1 Judge Edwards stated that with the county's millage being reduced as low as it is, it will be extremely difficult to get the revenue built back up. She reported that Washington County is 19th from the lowest millage of all counties in Arkansas. She stated if the millage had not been reduced, but instead was left where it was for the past five years, there would probably be another \$9 million in reserves.
- 456.2 E. Madison asked B. Hill what the county's average month expenditures were which can be a good budget gauge for how much there should be in savings for the General, Road and Jail Funds. B. Hill addressed his financial summary that shows expenditures for the month of August which shows General Fund expenditures at \$2.6 million; Road Fund expenditures at \$500,000; and Jail Fund expenditures at \$1 million for an approximate amount of \$5 million which would be a good gauge. She noted that Jefferson County is currently on the verge of bankruptcy, talking about closing offices and laying people off because it cannot afford to keep going. E. Madison stated if Washington County got in a pinch for one or two months, the County would not currently have enough money to sustain itself through a month.
- 456.3 E. Madison noted she was on the Quorum Court when T. Lundstrum proposed a reduction in the millage rate for which she did a lot of research. Historically over years, there are always millage reductions to adjust for growth in the county and increases in property taxes. She stated if the millage rate stayed flat, as the county grows and value of property increases, they would take in more money than they needed so she knew based on her research that it was time for a check. She reported that she suggested a 1/4 mill reduction which did not pass, and the 1/2 mill reduction unanimously passed this Quorum Court and no one spoke in opposition, so it is frustrating for people to now start criticizing this Court's unanimous action. She does not believe that a millage increase currently has a chance of getting passed by this Quorum Court.
- 456.4 E. Madison pointed out that 40% of every month's sales tax goes into the Road Fund and this past month that was \$224,000 of the \$560,000 that they collected in sales tax. She stated that the Road Fund currently has almost \$2 million sitting in the account and at this point in the year the Road Department is 55% of the way through its budget. This was after members from the Road Department complained about their budget being cut last year. She further noted that the Road Department has had additional expenditures to bear this year which it was able to absorb into its

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budget without any issue. She has a big problem with the fact that a sales tax passed in the 1980's, when revenue was very different from what it is now, is still being considering with that same revenue stream to be dedicated to a Road Department that in the 1980's covered a lot more area in the county than it does now. She noted that the county is dwindling which is one of the issues with the road millage because the cities are now taking their share of it. She stated that she believes an ideal number would be somewhere around \$10 million.

- 457.1 Judge Edwards continued posing questions for the Quorum Court to consider as it goes through the Budget Process. The Court did not approve any capital expenditures in 2015. What does the Court want to do in 2016; and how is the Court going to replace everything when capital has not been addressed in 2-3 years and everything is broken at the same time? With respect to increasing the revenue stream, there is no place else left to cut other than personal services and benefits. The county budget is only going to get more complicated as time goes by without revenue being generated.
- 457.2 Judge Edwards addressed employee salaries and benefits, noting that the County is losing good personnel due to low salaries. Washington County is becoming a training ground for other law enforcement within the state. At this time, there is no increase included in the preliminary 2016 budget figures.
- 457.3 Judge Edwards questioned whether the Quorum Court was going to recommend that operating budgets remain flat for 2016 or will any increases or decreases be proposed. She noted that Elected Officials would like the Quorum Court to give them a budgeted amount and let them run their offices as they have been elected to do. The Quorum Court will need to decide if they want to schedule meetings to review each individual budget or if they want to request only certain ones to review.
- 457.4 Judge Edwards noted that a lot of time and effort has gone into putting the budget books together and the books should be kept and referred to throughout the budget process.
- 457.5 S. Lloyd requested a copy of Judge Edwards' questions; and a copy was distributed to everyone.
- 457.6 In response to a question from L. Ecke about the millage and if they were to increase it back to what it was, how would it be dispersed; County Treasurer Bobby Hill stated that 1 mill equals about \$3 million per year that would

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come to the County General first and then it would be up to the Quorum Court whether it were to go into reserves.

- 458.1 L. Ecke addressed the distribution percentages of the 1-cent sales tax passed in 1981 and whether the Court decides what those percentages are going to be; to which Chief of Staff George Butler responded that the percentages were passed by resolution back then and are not really legally binding. He stated that the resolution provides a laundry list of where the money will go to. He further stated that by appropriation ordinance the Court can adjust the percentages of distribution from the sales tax.
- 458.2 J. Maxwell stated that they sent out new assessments for property taxes and the average assessment increased by 2% across the board and asked what that is expected to generate in additional revenue for the county that they can expect next year; to which Bobby Hill responded that the total taxable value last year was \$3.3 billion and, if 100% of people paid their taxes, that equated to \$13,127,000 for the General Fund at 3.9 mills. He stated this year the taxable value went up to \$3.4 billion, which next year when collected will equate to \$13,464,000 for the General Fund at the 3.9 mill rate for an increase of \$300,000 to the General Fund.
- 458.3 Judge Edwards announced that the following Special Quorum Court meetings have been scheduled: September 22 - Salary Consultant Blair Johanson will make his recommendations for 2016, and they will review budget controls; September 29 – review personnel and capital requests for 2016 with each department; and, October 6 – regular finance items for the current year budget, discuss the millage rates that have to be levied in November, and the target amount for unappropriated reserves in 2016.
- 458.4 A. Harbison inquired about the revenue projections for 2016; to which Bobby Hill responded that the projections are included in the budget book distributed. She stated that they will need to use those revenue projections to determine the budget, which have taken into account the 2% increase in property taxes.
- 458.5 Comptroller Cheryl Bolinger suggested that she and Mr. Hill briefly review the budget book that was distributed to let the Quorum Court know what it contains, which may answer many of the Quorum Court's questions; to which Judge Edwards responded that this was her intention.
- 458.6 S. Madison stated she objects as the Quorum Court had not resolved the first question; to which Judge Edwards reiterated that these questions were not for discussion or answers at this meeting but for them to address during the process.

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- 459.1 S. Madison stated at some point she would like to know the greatest amount of reserves that the county has had in the past 20 years and how it dissipated; to which C. Bolinger responded that some of that will be answered as the budget book is reviewed.
- 459.2 Judge Edwards also responded to S. Madison stating that every dime was spent, or dissipated, through the county was appropriated by the Quorum Court.
- 459.3 County Comptroller Cheryl Bolinger addressed the Quorum Court stating that she and B. Hill would go through the budget book to let the Quorum Court know what it contained. The binder cover included a copy of the scheduled meetings mentioned by Judge Edwards, the description of all line items with expenditure codes, followed by the table of contents showing what is in each section along with the page numbers. There is also a table of contents behind that turned in the opposite direction that is alphabetical for the expenditure budgets.
- 459.4 County Treasurer Bobby Hill stated that the next page shows the cash balances. The only criteria used for this is the cash balances at the beginning and end of the year back to 2008, which shows a decline year after year.
- 459.5 C. Bolinger noted the way the carryover is considered is by taking the cash balance at the end of the year and any invoices paid at the beginning of the year that apply back to last year's budget are subtracted. The number remaining is the true carryover figure that is adjusted by the Quorum Court usually in the month of March.
- 459.6 C. Bolinger stated the next page may answer S. Madison's previous question about where the reserves have gone. The cost of projects approved by Quorum Court since January of 2009 amount to \$15 million, of which \$10.5 million was committed during the previous administration. During Judge Edwards' administration, the Quorum Court has approved \$4.6 for projects. All of these projects are listed in the information by departments, dates and invoices paid as well as the operational costs for the Animal Shelter.
- 459.7 C. Bolinger stated that the Financial Overview, page 5, shows the year-end unappropriated reserves for various years; infusion to other funds from County General, which is grouped by the different funds with the years

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and amounts; the millage rates and when that was changed with actual loss due to millage reduction in 2011, 2012 and 2013.

- 460.1 B. Hill stated that pages 7 through 15 are a rehash from the presentation that a few elected officials provided the Quorum Court back in May that goes over the percentage of distributions and the millage examples. Page 15 is the 1.1 mill for roads and shows how it is split up with the cities. Page 17 shows all counties in the state in order by population and their millage rates and sales tax. He pointed out that Washington County is third from the bottom. B. Hill stated that the next pages deal with sales tax, the 2000 and 2010 census, and how the County's portion decreased by down 5%. Page 23 shows the county officials whose main budgets are in the general fund, but also have automation funds and the Arkansas Code setting those up.
- 460.2 C. Bolinger stated that the next section relates to budget controls that was updated on July 16, but was not completed as there were things still unknown. These will be discussed by the Quorum Court in a future meeting.
- 460.3 Bobby Hill stated that Page 31 is probably the most important sheet in the book, the 2016 Budget Summary, and for 2016 County General he is projecting the carryover to be \$11.7 million, noting that last year at this time the former Treasurer was projecting \$15 million. Thereafter, projected new revenue for 2016 is shown and 2016 projected total revenues at \$37 million, 10% taken from that for an available to budget of \$33.5 million. He noted that 2016 requested budgets are shown at \$28.3 million and, when taken from new revenue, that is where the problem is going to be. He stated that new revenue and the budgets should be much closer in order to save the carryover reserves. B. Hill noted that the \$3.2 million shown in unappropriated reserves does not indicate that this will be the balance in County General at the end of 2016. He explained at the end of the year the County will have unappropriated reserves, the holdback, and any amounts turned in from budgets, with plus or minus revenue projections. B. Hill stated if he did this well, it will be a plus and if not, a negative, so if perfect there would be \$8 million in the bank at the end of the year.
- 460.4 C. Bolinger referred to page 33 which shows requests for new personnel or changes in personnel that made changes in budgets and some unique changes as with the ambulance and Election Commission. She noted that at the bottom of the page, it shows departments being combined such as Comptroller and General Services under Financial Management and overall those budgets combined ended up being \$7,000 less. She pointed out that in the general presidential election; there will be an increase of

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\$857,000 for personnel and equipment which is under capital due to the \$5,000 limit and although they are asking for \$5,004 extra, it is still not capital because it is individual pieces. She noted the increased cost for the ambulance service is \$133,000. She stated that the capital request total is currently \$1.4 million. She reported that there are 12 new personnel requests in several different departments and the bids are out for the increase in health and property insurance and will be reported by Nelson Driver in October. C. Bolinger stated that there is talk about expanding the Juvenile Court and looking at the cost of the JDC expansion of \$680,000 was the starting point used for what that might cost. She noted that the Stonewall and Harvey Dowell Bridge costs have been taken care of for the current year in the 2015 budget because the Road Department is not doing any other new projects that were originally scheduled.

- 461.1 B. Hill stated that page 39 through 41 is the Summary of Revenue Projections and gives every projected amount for each line item in each fund. He noted that the carryover in County General is projected at \$11.7 million; property and sales taxes are being increased by 4.5% over last year's projections. For the 2000 Road Fund, the 1/2-cent state tax is projected at a 2% increase and the regular sales tax at a 60/40 split at a 4.5% increase. For the Jail Fund, he projects the sales tax revenue to have a 4.5% increase. B. Hill stated that the state prisoner care increased, but federal prison care is currently trending down. He noted a new line item 7850 of prisoner commissary which is not new money, but a new line item as it was lumped together last year with sale of materials.
- 461.2 B. Hill stated that page 43 shows the new revenue compared to 2015 with increases across the board due to growth, increased sales and property taxes, but currently this is not enough to cover expenses. He stated that pages 45 through 72 is the same as the summary page only with more detail showing where the County is at for 2015 and the 2016 projections.
- 461.3 C. Bolinger stated that Expenditure Section is next and contains the working budgets for each department in the various funds, each broken out in categories. It shows each departments 2015 approved budget, the amount requested for 2016, and the difference between the two, noting that the negative amounts mean that they are asking for that much less. It also includes actual expenditures for Years 2012, 2013 and 2014, with the 2015 actual expenditures being at six months (through June); however, some departments have had larger expenditures in the last part of the year and that will be updated as the Quorum Court goes through the budgets.
- 461.4 C. Bolinger pointed out that the County Library budget requests are included in this information as the Library Director needs to present it first to

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the County Library Board. She also noted that a new Fund, 0502 Fire Protection, which is the money from Act 833 that used to go directly to the fire departments through the county. Due to changes by the Legislature, this will now go through the County's warrant system.

- 462.1 C. Bolinger reported that Page 211 contains information on the number of personnel positions from the Year 2003 through the requested positions in 2016 with the populations and number of positions by department. She pointed out the color coding that show what areas have increased, i.e., General Government has increased by 39 positions; Highways and Streets by 3 positions, Health by 2 positions, Law Enforcement by 157 positions, Public Safety by 2 positions, Recreation & Culture lost 2 positions, Sanitation by 3 positions, and Social Services by 2 positions. The information in this section also includes a list of all the job descriptions by grade level and the pay ranges. Page 225, the Association of Arkansas Counties provides the Compensation for Elected Officials which changes every year and shows classification by population, with Washington County being Class 7 for a population of over 200,000. Page 235 is information that Salary Consultant Blair Johanson provided the Quorum Court earlier in the year on elected officials' salaries.
- 462.2 C. Bolinger stated the last section contains a breakdown of all the county services provided by the different offices, and includes contact information for elected officials, circuit courts, departments under the County Judge, and other miscellaneous departments.
- 462.3 C. Bolinger stated that Executive Assistant Karen Beeks had reviewed her notes of things that were asked during meetings and they both tried to include all of that information in this budget book. She further pointed out that this book is all just working papers for the Quorum Court to use during the process.
- 462.4 S. Lloyd stated her appreciation for this impressive budget book.
- 462.5 E. Madison addressed B. Hill regarding the projections, stating that in prior sessions that she has been involved in, the Court received preliminary projections in August that changed in October. She stated last year she felt like the Court was at a disadvantage because the members had done so much work before the second set of projections came in to which they were surprised. She asked if this was the final set or if it would change.
- 462.6 Bobby Hill responded that he will review the projects again in October, but does not anticipate there to be any major changes.

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- 463.1 E. Madison addressed the resolution passed in the 1980's on the breakout of the 1% sales tax and asked what the breakdown was for the remaining 60% after the Road Department receives 40%; to which B. Hill responded that the 60% of this revenue goes into the General Fund.
- 463.2 E. Madison stated she would like to see the revenue projections with 100% of this sales tax going into the General Fund; to which B. Hill responded that this is included in the information provided on Page 39, Road Fund, Revenue Line Item 7301 represents the 40% of the sales tax projected in 2016, which amounts to \$2.6 million.
- 463.3 In response to a question from E. Madison about changes in what the County is required to take a hold back from; to which B. Hill responded that there were some changes with the commission funds, but none of those could be projected 100%, like the Treasurer, Collector or Assessor within the General Fund.
- 463.4 NEXT MEETING: Judge Edwards reminded the Quorum Court that the next Special Quorum Court was scheduled for September 22, beginning at 5:30 p.m. to discuss the 2016 budget.
- 463.5 E. Madison stated with the elimination of the Finance Committee, the Quorum Court should not have another Quorum Court meeting just to deal with routine finance issues that ordinarily would have been on the Quorum Court agenda anyway, so she is hopeful that the Court can make use of the additional meetings for efficiency sake by only discussing budget items.
- 463.6 CITIZENS COMMENTS: There were no citizen comments made.
- 463.7 ADJOURNMENT: The meeting adjourned at 7:00 p.m.

Respectfully submitted,


Carly Sandidge
Quorum Court Coordinator/Reporter