



City of Benton Finance Committee

Monday, January 13, 2025

Council Chambers

begins at 5:00 p.m.

Chair – Steve Brown

Vice-Chair – Jeff Morrow

Staff Liaison – Mandy Spicer

Frank Baptist

Ann Spencer-Cole

Evelyn Reed

Abtin Mehdizadegan

Mayor Tom Farmer

Judd Hart

Trevor Villines

Steve Lee

I. Quorum / Approval of Minutes

Council Member Brown called the meeting to order, recognized attendees, and established a quorum. Council Member Baptist asked for December of 2024 meeting's minutes to be approved. Council Member Hart made the motion to approve. Council Member Morrow seconded it. A vote was taken. All those present were in favor and the motion carried.

II. Benton Utilities

CFO Jimmy Garrett presented November 2024 financials. Expenses over Revenue were \$295,000 for the month. This is typical for the end of the year. Year to date, Revenue over Expenses were \$6.4 million which is up \$3.1 million from 2023. The reason for the increase was that some funds were not spent on capital projects in 2024. These monies have been rolled over to 2025. The inventory change for November was \$15,000.

GM Todd Pederson passed out a document showing the changes to be presented to the Benton Utilities Commission on January 21 regarding changes to electric rates. He went over in detail the proposed changes. He fielded several questions from council members. If the proposed changes are accepted by the Commission and City Council, an ordinance will be required to make the changes, and rates will go into effect June 1.

III. Revision of Bid Procurement Amounts

The Department of Finance and Administration (DFA) sets the purchase threshold level for cities and counties and each year adjusts it based on the Consumer Price Index for All Urban Consumers as published by the US DOL. The City of Benton (COB) has chosen in the past to be more stringent than the state rate. Currently the COB threshold is \$20k, the DFA recommendation is \$42,921.

After discussing what the dollar amount should be and why the change was needed, Council Member Donner made a motion to change the ordinance to \$30,000. Council Member Hart seconded it. More discussion then took place. The motion made was then voted on. All those present were in favor and the motion carried.

IV. Franchise Bond Early Principal Payment

The 2025 budget appropriated \$1M early principal payment for the 2015 Capital Improvement bonds that were secured using franchise fees. These were the bonds used to assist with the build of the River Center.

CFO Spicer explained the bond, payment schedule, and why it would be in the City's best interest to make the principal payment. She fielded questions from council members.

After discussion Council Member Hart made a motion to accept the resolution. Council Member Morrow seconded it. A vote was taken. All those present were in favor and the motion carried.

V. PD Requests to Trade Guns

Chief Hodges requests approval to trade eight (8) Glock 43X to Teeco Safety for \$230 each. The credit will then be used to purchase six (6) Glock 48MOS.

After a brief discussion, Council Member Morrow made a motion to accept the resolution. Council Member Reed seconded it. A vote was taken. All those present were in favor and the motion carried.

Chief Hodges requests approval to trade twelve (12) Beretta 1301 12 gauge shotguns to Wildman Arms for \$9,100. The credit will then be used to purchase twelve (12) Black Rain Ordnance AR-15s, see attached list.

After a brief discussion, Council Member Lee made a motion to accept the resolution. Council Member Villines seconded it. A vote was taken. All those present were in favor and the motion carried.

VI. Parks 50 Grant Acceptance & 2025 Budget Amendment

The Parks Department has received notification of two grant awards since the approval of the 2025 budget: Saline River Greenway Phase 1 – TAP grant for \$400,000 and Cherry Demuth Campsite - Outdoor Recreation Grant for \$774,662.38 – The 2025 revenue budget for Parks needs to be amended, they are not asked for the expenditures to be amended at this time.

There was no discussion on this topic. Council Member Lee made a motion to accept the resolution. Council Member Baptist seconded it. A vote was taken. All those present were in favor and the motion carried.

VII. Other Business

Council Member Brown explained a final amendment to the 2024 budget was necessary True Up all the funds. This is simply to move monies from 1 line to another with end each fund so that no fund showed being over budget at the end of the year. No discussion took place. Council Member Baptist made a motion to accept the resolution. Council Member Morrow seconded it. A vote was taken. All those present were in favor and the motion carried.

CFO Spicer presented December 2024 financials. She reported for the month of December the General Fund was in the negative \$54,617.28. However, for the year the General Fund was in the black \$1,169,302.58. As of December 31, 2024, the current balance for the General Fund is \$6,639,431.96. She explained that these monies are not simply cash on hand. They have been assigned for things such as the future animal shelter and future salaries account. All the funds ended in the positive for the year. She asked the members to look over the financials and she would be available for any questions.

VIII. Adjournment

Council Member Brown made some final comments. With no other business to discuss, he adjourned the meeting at 5:48 p.m.