

1 State of Arkansas  
2 88th General Assembly  
3 Regular Session, 2011  
4

# A Bill

HOUSE BILL 1581

5 By: Representatives Summers, T. Bradford, English, Vines  
6 By: Senators B. Sample, E. Williams  
7

## For An Act To Be Entitled

9 AN ACT TO AMEND LAWS CONCERNING COUNTY MONETARY  
10 MATTERS; AND FOR OTHER PURPOSES.  
11

## Subtitle

14 TO AMEND LAWS CONCERNING COUNTY MONETARY  
15 MATTERS.  
16  
17

18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
19

20 SECTION 1. Arkansas Code § 14-14-1203 is amended to read as follows:

21 14-14-1203. Compensation and expense reimbursements generally.

22 (a) Appropriation Required. All compensation, including salary, hourly  
23 compensation, expense allowances, training expenses, and other remunerations,  
24 allowed to any county or ~~township~~ district officer, or employee thereof,  
25 shall be made only on specific appropriation by the quorum court of the  
26 county.

27 (b) Payments on Claims Approved by the County Judge. All compensation,  
28 including salary, hourly compensation, expense allowances, training expenses,  
29 and other remuneration, allowed to any county or ~~township~~ district officer,  
30 or employee thereof, shall be made only upon claim or voucher presented to  
31 the county judge and approved by him or her in the manner prescribed by law  
32 for disbursement of county funds.

33 (c) Expense Reimbursement.

34 (1) Except as provided under subdivision (c)(2) of this section,  
35 ~~All~~ all expense allowances, training expenses, and remunerations other than  
36 salary provided in this subchapter shall be made only upon voucher or claim



1 itemizing ~~such~~ the allowances or expenses, prepared in the manner prescribed  
 2 by law, and presented to and approved by the county judge in the manner  
 3 prescribed by law for the disbursement of county funds.

4 (2) County officials may make cash advances for travel-related  
 5 expenses to employees, subject to rules adopted by the Legislative Joint  
 6 Auditing Committee.

7 (d) Decreases in Salary. Any decrease in the annual salary or  
 8 compensation of a county officer shall not become effective until January 1  
 9 following a general election held after ~~such decrease shall have~~ the decrease  
 10 has been fixed by the quorum court of the county.

11 (e) Enterprise Accounts Prohibited. ~~No~~ An elected county or ~~township~~  
 12 district officer, ~~or employee thereof, or employee of the county or district~~  
 13 shall not individually maintain or operate an account for financing self-  
 14 supporting activities which render services on a user charge basis to the  
 15 general public.

16  
 17 SECTION 2. Arkansas Code § 14-14-1207(c)(2), concerning reimbursement  
 18 of allowable expenses, is amended to read as follows:

19 (2) PRIVATELY OWNED AIRPLANES.

20 ~~(A)~~ Reimbursement for travel expense using privately owned  
 21 airplanes shall be based upon the most direct route in air miles and at the  
 22 same rate as established for privately owned motor vehicles.

23 ~~(B) However, reimbursement mileage shall be determined by~~  
 24 ~~the shortest highway route to and from the official destination.~~

25  
 26 SECTION 3. Arkansas Code § 14-16-105(e) and (f), concerning the sale of  
 27 county property, are amended to read as follows:

28 (e)(1)(A)(i) If the appraised value of the property to be sold exceeds  
 29 the sum of two thousand dollars (\$2,000), the county judge may sell the  
 30 property to the highest and best bidder, upon sealed bids received by the  
 31 judge.

32 (ii) The sheriff, the treasurer, and the circuit  
 33 clerk of the county in which the property is to be sold shall constitute a  
 34 board of approval for the sales, and the judge shall be the ex officio chair  
 35 of the board without a vote.

36 (B) ~~Such~~ The property, when it exceeds the appraised value

1 of two thousand dollars (\$2,000), shall not be sold for less than three-  
 2 fourths (3/4) of its appraised value as determined by the certificate of the  
 3 assessor.

4 (2)(A) Notice of the sale shall be published for two (2)  
 5 consecutive weekly insertions in some newspaper published and having a  
 6 general circulation in the county.

7 (B) The notice shall specify:

8 (i) The description of the property to be sold;

9 (ii) The time and place for submitting written bids,  
 10 including that the sale may be conducted on the Internet; and

11 (iii) The appraised value of the property to be sold.

12 (C) The notice shall be dated and signed by the judge.

13 (D) If the sale is conducted on the Internet, the invoice  
 14 from the Internet vendor or publisher shall be accompanied by a statement  
 15 from the Internet vendor or publisher that the sale was published and  
 16 conducted on the Internet.

17 (3) The judge shall have the right to reject any ~~and all~~ bids  
 18 received by him or her ~~pursuant to~~ under the notice.

19 (4)(A) When the judge has accepted a bid for the property, and he  
 20 ~~or she, as chair of the approval board, shall immediately call a meeting of~~  
 21 ~~the board, and the proposals to sell at the acceptable bid shall be submitted~~  
 22 ~~to the board for its approval.~~

23 ~~(B)(i) If~~ if a majority of the board approves the sale,  
 24 ~~then~~ the judge may sell and convey the property to the highest bidder.

25 ~~(ii)(B)~~ (B) When the sale has been approved and  
 26 completed, the county court shall enter an order approving the sale, which  
 27 shall set forth the details of the sale as provided in subdivision (d)(2)(B)  
 28 of this section.

29 (f)(1)(A) Any sale or conveyance of real or personal property belonging  
 30 to any county not made ~~pursuant to~~ under the terms of this section shall be  
 31 null and void.

32 (B) The county fixed asset listing shall be amended to  
 33 reflect all sales or conveyances made by the county under this section.

34 ~~(B)(C)(i)~~ Any taxpayer of the county may bring an action to  
 35 cancel the sale and to recover possession of the property sold within two (2)  
 36 years from the date a sale is consummated.

1 (ii) This action for the use and benefit of the  
 2 county is to be taken in the circuit court of the county in which the sale is  
 3 made or in any county where personal property so sold may be found.

4 (iii) In the event the property is recovered for the  
 5 county in the action, the purchaser shall not be entitled to a refund of the  
 6 consideration paid by him or her for the sale.

7 (2) The procedures for sale and conveyance of county property set  
 8 forth in this section shall not apply in these instances:

9 (A) When personal property of the county is traded in on  
 10 new or used equipment and credit approximating the fair market price of the  
 11 personal property is given the county toward the purchase price of new  
 12 equipment;

13 (B) When the sale of the personal property of the county  
 14 involves the sale by the county of any materials separated, collected,  
 15 recovered, or created by a recycling program authorized and operated by the  
 16 county;

17 (C) When the county is conveying an easement, including,  
 18 but not limited to, easements granted upon county lands for water  
 19 improvements, sewer improvements, gas lines, electric lines, phone lines,  
 20 utilities, railways, public roads, highways, and conservation easements as  
 21 described in § 15-20-401 et seq. for any of the purposes enumerated in § 15-  
 22 20-401 et seq., as the same may be amended from time to time; or

23 (D) When the county is leasing county property, including,  
 24 but not limited to, leasing county lands or property under ~~§ 14-16-108, § 14-~~  
 25 ~~16-109, § 14-16-110, §§ 14-16-108 -- 14-16-110,~~ or the Municipalities and  
 26 Counties Industrial Development Revenue Bond Law, § 14-164-201 et seq.

27  
 28 SECTION 4. Arkansas Code § 14-16-106 is amended to read as follows:

29 14-16-106. Sale or disposal of surplus property.

30 (a) If it is determined by the county judge to be surplus, any personal  
 31 or real property owned by a county may be sold at public auction or by  
 32 Internet sale to the highest bidder.

33 (b)(1) Notice of the public auction or Internet sale shall be published  
 34 at least one (1) time a week for two (2) consecutive weeks in a newspaper  
 35 having general circulation in the county.

36 (2) The notice shall specify the description of the property to

1 be sold and the time and place of the public auction or Internet sale.

2 (c)(1) If it is determined by the county judge and the county assessor  
 3 that any personal property owned by a county is junk, scrap, discarded, or  
 4 otherwise of no value to the county, then the property may be disposed of in  
 5 any manner deemed appropriate by the county judge.

6 (2) However, the county judge shall report monthly to the quorum  
 7 court any property that has been disposed of under subdivision (c)(1) of this  
 8 section.

9 (d) The county fixed asset listing shall be amended to reflect all  
 10 sales or disposal of county property made by the county under this section.

11  
 12 SECTION 5. Arkansas Code § 14-21-102 is amended to read as follows:  
 13 14-21-102. Annual financial report.

14 (a)(1) The clerk of the county court and the county treasurer shall  
 15 make out or cause to be made out a full and complete annual financial report  
 16 of the county, using the financial records of the county clerk and county  
 17 treasurer, giving:

18 (A) ~~A beginning cash balance~~ The treasurer's report of the  
 19 beginning cash balance;

20 (B) ~~The amount of revenue from each source classification~~  
 21 The treasurer's report as to the amount of revenue from each source  
 22 classification;

23 (C) ~~The amount expended during the fiscal year for all~~  
 24 ~~purposes~~ The treasurer's report as to the ending cash balance; and

25 (D) ~~An ending cash balance~~ The county clerk's report as to  
 26 the amount expended during the fiscal year for all purposes; and

27 (E) A statement of the bonded indebtedness and short-term  
 28 indebtedness of the county.

29 (2) The annual county financial report shall include all  
 30 operating accounts of the county for which the quorum court has appropriating  
 31 control.

32 (3) ~~The annual county financial report shall include a statement~~  
 33 ~~of the bonded indebtedness and short-term indebtedness of the county.~~ The  
 34 treasurer shall submit all reports required under this section to the clerk  
 35 of the county court by March 1.

36 (b)(1)(A) The clerk of the county court shall cause to be published one

1 (1) time in one (1) newspaper published in the county the annual financial  
 2 report of the county. ~~The report shall be published between January 15 and~~  
 3 ~~February 15 of each year for the previous fiscal year of the county.~~

4 (B) If no newspaper is published in the county, then the  
 5 clerk of the county court shall cause the annual financial report of the  
 6 county to be published one (1) time in the newspaper having the largest  
 7 circulation in the county.

8 ~~(2) If no newspaper is published in such county, then the~~  
 9 ~~financial report is to be published in a newspaper having the largest~~  
 10 ~~circulation in the county. The annual financial report shall be published by~~  
 11 ~~March 15 of each year for the previous fiscal year of the county.~~

12 (c) All costs associated with the publication of the annual financial  
 13 report of the county may be prorated equally between the clerk of the county  
 14 court and the county treasurer.

15  
 16 SECTION 6. Arkansas Code §§ 14-23-203 through 14-23-207 are amended to  
 17 read as follows:

18 14-23-203. Claims filed with county clerk.

19 (a) Any person, firm, partnership, corporation, or association having a  
 20 claim against any county of this state for commodities, services, labor,  
 21 goods and supplies, except sundry supplies used in the administration of the  
 22 county offices, and materials, equipment, machinery, or any other item of  
 23 tangible personal property payable from ~~the county general fund or the county~~  
 24 ~~road fund~~ any county fund shall present a claim for payment to the county  
 25 clerk of the county in the manner and form as is required by law.

26 (b) The clerk shall keep and maintain ~~two (2) dockets,~~ journals on  
 27 which the claims and transfers shall be recorded, as provided in § 14-23-204,  
 28 ~~as follows:~~ to include a

29 ~~(1) A "county court claims docket"~~ journal" for each fund on  
 30 which ~~shall be recorded~~ all claims payable from the ~~county general fund;~~ and  
 31 appropriate fund shall be recorded

32 ~~(2) A "county road claims docket" on which shall be recorded all~~  
 33 ~~claims payable from the county road fund.~~

34  
 35 14-23-204. Information recorded ~~on dockets~~ in journals.

36 The ~~dockets~~ journals required ~~in~~ under § 14-23-203 shall include

1 ~~columns for recording~~ the following information with respect to each claim  
 2 filed:

- 3 (1) The claim number;
- 4 (2) The date the claim is filed;
- 5 (3) The name and address of the person or firm presenting the  
 6 claim;
- 7 (4) The amount of the claim;
- 8 (5) The date presented to the county court;
- 9 (6) The action of the county court regarding the claim and the  
 10 date thereof; and
- 11 (7) The warrant or check number, and the date of issuance  
 12 thereof, for payment of the claim, if any.

13  
 14 14-23-205. Recording ~~on~~ in proper ~~docket~~ journal.

15 (a)(1) Upon receipt of any claim against the county, the county clerk  
 16 shall examine the claim and determine ~~whether, if allowed, it would be~~  
 17 ~~payable from the county general fund or county road fund~~ the appropriate fund  
 18 from which it would be payable and if the claim is supported by an  
 19 appropriation.

20 (2) ~~Upon making this determination, he~~ The clerk shall record the  
 21 claim ~~on~~ in the appropriate ~~docket~~ journal as provided ~~in~~ under § 14-23-203.

22 (b)~~(1)~~ All claims shall be recorded on the date of receipt, and at the  
 23 time of recording them the clerk shall stamp or write on the statement or  
 24 bill representing the claim the date of receipt and the number of the claim.

25 ~~(2) All claims shall be numbered consecutively on the respective~~  
 26 ~~dockets.~~

27  
 28 14-23-206. Approval or disapproval by county court.

29 (a)(1) ~~No later than fifteen (15) days, holidays excepted, from the~~  
 30 ~~date on which any claim is received and recorded, the county clerk shall~~  
 31 ~~present it to the county court.~~ The county clerk shall not present a claim  
 32 later than fifteen (15) days, holidays excepted, from the date on which the  
 33 claim is received and recorded. Within thirty (30) days from the date on  
 34 which the claim is presented to the court, the court shall enter an order  
 35 approving or disapproving the claim.

36 (2) The action of the court and the date thereof shall be entered

1 in the appropriate ~~docket~~ journal on which the claim is recorded.

2 (b) The court shall consider each claim covered by this subchapter in  
3 the order in which it appears ~~on~~ in the ~~docket~~ journal being considered ~~and~~.  
4 The county court shall not proceed to consider any claim bearing a subsequent  
5 number ~~on~~ in the ~~docket~~ journal until an order of approval or disapproval of  
6 all preceding numbered claims has been entered.

7 (c) Any person aggrieved by the order of the court concerning any claim  
8 may appeal from the order in the manner provided by law for appeals from  
9 orders of the county court.

10  
11 14-23-207. Payment of claims generally.

12 (a) All warrants or checks issued by the county clerk of any county in  
13 this state on order of the county court for the payment of any claim ~~on~~  
14 ~~either of the dockets~~ in any journal provided ~~in~~ under § 14-23-203 shall be  
15 issued in the order in which the claim ~~therefor~~ appears ~~on~~ in the appropriate  
16 ~~docket~~ journal.

17 (b) The clerk shall be liable on his or her official bond for any loss  
18 suffered by any person due to any violation of the provisions of this  
19 subchapter by the clerk.

20  
21 SECTION 7. Arkansas Code § 14-24-101(a), concerning issuance of a  
22 warrant or check by the county clerk, is amended to read as follows:

23 (a) Whenever any allowance has been ~~made~~ approved by any county court,  
24 in accordance with §§ 14-23-104 and 14-23-105, when requested by the person  
25 in whose favor allowance has been ~~made~~, approved or any person authorized to  
26 receive it, the county clerk shall issue ~~his a~~ warrant or check on the  
27 treasurer of ~~his~~ the county for the amount of the allowance. The treasurer  
28 shall pay it out of cash available in the fund on which the warrant or check  
29 is drawn.

30  
31 SECTION 8. Arkansas Code § 14-24-204 is amended to read as follows:

32 14-24-204. Payment generally.

33 (a)(1) It is the intent of this subchapter that, after a claim has been  
34 properly presented to a county court with a proper certification and  
35 itemization thereof, as provided by law, then upon approval the county clerk  
36 may cause a check to be prepared in payment of the claim. This check must be



1 accompanied by an attached certification from the clerk stating that the  
 2 check is for payment of a valid claim against the county, properly presented  
 3 and allowed, as provided by law, the check being presented to the county  
 4 treasurer for his or her signature, such check being in duplicate form,  
 5 allowing for the following information and distribution:

6 (A) An original check, after being transmitted to the  
 7 treasurer for his or her signature, will be delivered to the party presenting  
 8 the claim to the treasurer; and

9 (B)(i) A duplicate copy of the check, which will provide  
 10 the printed certification thereon by the clerk to the treasurer and provide  
 11 for the original signature of the clerk on the certification, will be  
 12 maintained by the treasurer.

13 (ii) A duplicate copy of the check may be retained in  
 14 electronic form rather than paper.

15 (2) The checks shall be prenumbered and designed in such form  
 16 that the particular fund affected out of which the check is to be paid is  
 17 noted thereon.

18 (b) In lieu of the provisions of this section pertaining to the  
 19 issuance of a check in duplicate form, if a county so chooses, the following  
 20 provisions may apply:

21 (1) Once the aforementioned claim procedures have been completed,  
 22 the treasurer may cause a check to be prepared in payment of claims filed  
 23 with the county court;

24 (2) Each claim properly ~~doctored~~ recorded and approved for  
 25 payment by the county court shall be proper certification from the clerk to  
 26 the treasurer that a valid claim exists; and

27 (3) The checks shall be prenumbered and so designed that the  
 28 particular fund affected shall be noted thereon.

29  
 30 SECTION 9. Arkansas Code § 14-25-105(b), concerning petty cash funds,  
 31 is amended to read as follows:

32 (b)(1) The establishment of ~~such~~ a petty cash fund must be approved by  
 33 the county quorum court.

34 (2)(A) In establishing ~~such~~ a petty cash fund, a check is to be  
 35 drawn payable to "~~petty cash.~~" "petty cash".

36 (B) That amount may be maintained in the county offices for

1 the handling of small operating expenditures ~~for items such as light bulbs,~~  
2 ~~delivery fees, etc.~~

3  
4 SECTION 10. Arkansas Code § 14-25-114(a), concerning certain duties of  
5 county treasurers, is amended to read as follows:

6 (a)(1) The county treasurer shall receive and receipt for all moneys  
7 payable to the county treasury and pay and disburse them on warrants or  
8 checks drawn by order of the county court.

9 (2) The treasurer shall keep a true and accurate account of all  
10 moneys received and disbursed and a true and accurate record of all warrants  
11 or checks paid by him or her.

12 (3) The treasurer shall maintain and issue prenumbered receipts  
13 for all moneys paid into the treasury in accordance with § 14-25-108.