



# City of Jonesboro

900 West Monroe  
Jonesboro, AR 72401

## Meeting Minutes Finance & Administration Council Committee

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Thursday, February 19, 2009

4:00 PM

Huntington Building

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### ELECTION OF A CHAIRMAN

*Councilman Jim Hargis motioned, seconded by Councilman Darrel Dover, that Ann Williams be Chairwoman of the Finance Committee. All voted aye.*

#### 1. Call To Order

*Mayor Perrin was also in attendance.*

**Present** 5 - Ann Williams; Jim Hargis; John Street; Darrel Dover and Mikel Fears

#### 2. Approval of minutes

**MIN-09:010** Minutes for the Finance Committee meeting on January 22, 2009.

**Attachments:** [Minutes](#)

**A motion was made by Councilman Jim Hargis, seconded by Councilman John Street, that this Minutes be Passed. The motion CARRIED by a Voice Vote.**

**Aye:** 4 - Jim Hargis; John Street; Darrel Dover and Mikel Fears

#### 3. New Business

*Ordinances To Be Introduced*

**ORD-09:011** AN ORDINANCE TO AMEND THE 2009 ANNUAL BUDGET AND THE CITY PAY PLAN FOR THE CITY OF JONESBORO BY ADDING FOUR ADDITIONAL POSITIONS OF CAPTAIN TO THE FIRE DEPARTMENT, INCREASE DEMOLITIONS BUDGET IN POLICE DEPARTMENT-CODE ENFORCEMENT, AND MOVE APPROPRIATIONS FROM OUTSIDE AGENCIES TO BUILDING MAINTENANCE.

**Sponsors:** Finance

**Attachments:** [Budget amendment 2009 budget](#)

*Finance Director Jim Barksdale explained this ordinance corrects items that were left out of the 2009 budget. Mayor Perrin recommended passing this ordinance.*

**A motion was made by Councilman Darrel Dover, seconded by Councilman John Street, that this matter be Recommended to Council . The motion PASSED by an unanimous vote**

**Aye:** 4 - Jim Hargis; John Street; Darrel Dover and Mikel Fears

**4. Pending Items**

**5. Other Business**

**COM-09:022** Various reports from the Finance Department

**Sponsors:** Finance

**Attachments:** [Statement of Receipts, Disbursements and Changes in Fund Balances](#)  
[County Sales Tax Revenue](#)  
[Statement of Required Reserves](#)

*Mr. Barksdale stated they closed the City's financial books for 2008 on February 13, 2009.*

*Mr. Barksdale discussed the report of the fund balances. He added a \$1.6 million transfer from Capital Improvements to the General Fund was used to purchase equipment. He added the law allows up to 25% of the funds to be used for equipment and the City has used 16% of the funds. He also added \$24,000 was transferred from the restricted MATA fund back to the O&M fund.*

*Councilman Darrel Dover asked out of the \$11,034,933 what is the amount of sales tax dedicated to Capital Improvements. Mr. Barksdale answered approximately \$6 million, which is 1/2 of the City's portion of the sales tax.*

*Mayor Perrin explained approximately \$5 million of the \$7,599,997 was spent on Capital Improvement projects. He also added the salaries and the employee's benefits were paid by the sales tax revenue and the turnback funds received from the state in 2008.*

*He explained the Revenue Enhancement Committee found that raising the fees charged in two departments could possibly bring in an additional \$500,000. He further explained the City loses approximately \$2,000 a month in publication fees to the Jonesboro Sun. He stated he will have a report showing the fees every department charges and how the fees could be changed.*

*Police Chief Michael Yates explained the House of Representatives is reviewing a bill that, if passed, would allow the City to charge \$20.00 for jail fees. He added the City only charges 3% for the alcohol tax, but the state allows for cities to charge up to a 5% fee. He stated if the City charged the 5% fee on the alcohol tax it could bring in approximately an additional \$80,000 to \$100,000 a year. Chief Yates stated he could put together an ordinance regarding raising the alcohol tax to 5% and have it ready for the next Finance meeting.*

*Councilman Dover asked if most of the money had been put back into the program. Chief Yates answered the final version of the ordinance stated the money went in the general fund. He added it would offset the cost of the Civilian Evidence Custodian and possibly an additional DARE officer.*

**This item was Read.**

**COM-09:019** Various reports from the Finance Department

**Sponsors:** Finance

Attachments: [EOY - Stmt of Rev Exp and Changes in FB-DEC 2008](#)  
[Post-closing report by Dept-2-16-2009 dcs](#)  
[Cash Statement 2008](#)  
[Alcohol Monthly Tax](#)  
[City Sales Tax](#)  
[Turnback](#)  
[Pension Account Summary - ALL](#)  
[EOY - Budget Adjustment Summary post clean-up](#)  
[EOY - Exp vs Budget by dept. 2008 post cleanup](#)  
[Arkansas Tax Associates agreement](#)  
[Stmt of Unreserved FB after Financial reserves-2-17-09](#)

*Post-Closing report*

*Councilman Hargis questioned what the ending total of \$60,406,647 is. Mr. Barksdale answered it is the amended amount of the 2008 budget.*

*Mr. Barksdale stated all departments were under budget. He added the General Administration fund was over budget due to the pension payments being made. He noted in December, 2008, they paid the 2009 pension fund balance of \$580,000. Councilman Dover asked if the pension could be paid monthly. Mr. Barksdale answered they have not been able to look into that, but they will do that when they meet with the money manager. He added the market value is higher than the benefit index at this time.*

*Further discussion was held concerning department's budgets and expenses.*

*Chairwoman Williams asked if progress was being made on the chart of accounts. Mr. Barksdale answered yes. He added ATA Accounting firm will be here February 23, 2009, to help set up the reports and funds.*

*Councilman Dover commended all department heads on the work they did on keeping their budgets under budget.*

*Mayor Perrin asked what the amount of the City's saving account is. Mr. Barksdale answered \$27.7 million. Mayor Perrin explained the majority of the amount used from the City's savings account was due to the fire stations being built.*

*Mr. Barksdale referred to the previously discussed County Sales Tax report and added they have already received the receipts for February and the amount received was greater than projected. Councilman Dover asked if the receipts for February were for January. Mr. Barksdale answered no, the receipts are for December, 2008. He stated the amount is \$129,000 higher than February of 2008. He added the year to date amount is \$4.555 million.*

*Councilman Fears asked when the receipts for January would be available. Mr. Barksdale answered the receipts will be ready in March.*

*State Turnback*

*Mr. Barksdale stated the larger amount of the state turnback goes in the streets fund and the smaller portion goes in the general fund.*

*Mr. Barksdale stated the amount the City received from the state turnback for 2008 was \$3,426,263, down from \$3,478,482 in 2007. Councilman Dover asked why the*

*state turnback amount decreased. Mr. Barksdale answered the state turnback insurance premium increase was one of the things that caused the decrease.*

*Pension Plan*

*It was noted the non-uniform plan fared worse than the uniform plan.*

*Mayor Perrin explained he would like to review the total asset plan on a quarterly basis.*

*Councilman Hargis stated he had not received the monthly report from Principal Financial Group. He also asked what is the required amount to have in the benefit index. Mr. Barksdale answered it verifies daily, but at the time it was reviewed it was \$2.1 million.*

*Arkansas Tax Associates agreement*

*Mr. Barksdale explained Arkansas Tax Associates performs a specialized audits for municipal and state governments to look at tax rebates. He added Arkansas Tax Associates fee is a 35% commission, but it does not cost the City anything unless they review our sales tax receipts and find something.*

*Councilman Dover asked how far back Arkansas Tax Associates could legally review. Mr. Barksdale answered 3 years.*

*City Clerk Donna Jackson asked if this matter was made into a resolution. Mr. Barksdale answered Ms. Dana Simpkins should have put it in Legistar. Ms. Jackson stated it was not in resolution form. Mr. Barksdale stated he would put it in resolution form.*

*Councilman Darrel Dover motioned, seconded by Councilman Mikel Fears, that this matter be sent to Council. All voted aye.*

**This item was READ.**

Disaster Recovery Plan

*Mayor Perrin explained the City sent out a RFP for a disaster recovery plan and he has asked IT Director Bill Jenkins to rank the RFPs. He added he would try to have the reports ready by the next Finance Committee meeting. Councilman Dover questioned if the companies were based in Arkansas. Mayor Perrin answered he could not answer that because Mr. Jenkins had the RFPs. Mr. Barksdale noted Legislative Audit should be here in April or May to perform the 2008 audit.*

Changing the time of the Finance Committee meeting

*Councilman Mikel Fears requested changing the Finance Committee meeting time due to conflicts with his schedule.*

*Councilman John Street motion, seconded by Councilman Darrel Dover, to changed the Finance Committee meeting time to 5:00 p.m. starting with the March meeting. All voted aye.*

Discussion by Councilman Jim Hargis

*Councilman Hargis stated he thinks the committee should have the January monthly report by March. Mr. Barksdale explained the 2008 books were never closed in*

*Springbrook, so he is trying to do an end of year closeout program. He added he has his staff is working on this project so the March 1, 2009, deadline can be meet. He added until he can devote more time to the report, but it could be awhile before the report is ready because he hasn't had time to review the numbers. Councilman Dover asked when he thinks the Finance Department will be caught up. Mr. Barksdale answered he is hoping by the end of the year.*

*Councilman Hargis stated he received his reimbursement from the Municipal League Conference and an item was classified as travel. He added the item he believes it should not have been classified as travel. Mr. Barksdale explained travel and training is the catch all for things because some departments classify things differently.*

*Chairwoman Williams questioned when the City would be meeting with the ATA accounting firm. Mayor Perrin answered February 23rd.*

**6. Public Comments**

**7. Adjournment**

**A motion was made by Councilman Darrel Dover, seconded by Councilman Mikel Fears, that this meeting be Adjourned. The motion CARRIED by a Voice Vote.**

**Aye:** 4 - Jim Hargis;John Street;Darrel Dover and Mikel Fears