



City of Jonesboro

900 West Monroe
Jonesboro, AR 72401

Meeting Minutes - Draft Finance & Administration Council Committee

Tuesday, February 8, 2011

4:00 PM

Huntington Building

1. Call To Order

Mayor Perrin was in attendance.

Present 5 - Ann Williams; John Street; Darrel Dover; Mikel Fears and Charles Coleman

2. Approval of minutes

MIN-11:009 Minutes for the Finance Committee meeting on January 25, 2011.

Attachments: [Minutes](#)

A motion was made by Councilman Mikel Fears, seconded by Councilman Charles Coleman, that this matter be Passed . The motion PASSED by a unanimous vote

Aye: 4 - John Street; Darrel Dover; Mikel Fears and Charles Coleman

3. New Business

Ordinances To Be Introduced

ORD-11:017 AN ORDINANCE AUTHORIZING CONTINUATION OF BENEFITS OF SURVIVORS FOR SPOUSES WHO REMARRY

Sponsors: Finance and Human Resources

Councilman Charles Coleman motioned, seconded by Councilman Darrel Dover, to amend the title of the ordinance to read "An ordinance authorizing continuation of benefits of survivors for spouses who remarry." All voted aye.

Mayor Perrin explained the State Legislature changed Act 2411 to allow the City to make the decision if they wanted the benefits to continue. Chairman Williams noted a lot of other cities have done that.

A motion was made by Councilman Darrel Dover, seconded by Councilman Mikel Fears, that this matter be Recommended to Council . The motion PASSED by a unanimous vote

Aye: 4 - John Street; Darrel Dover; Mikel Fears and Charles Coleman

Resolutions To Be Introduced

RES-11:009 A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS TO ACCEPT THE LOW BID AND ENTER INTO A CONTRACT WITH PILGREEN ELECTRIC INC. FOR THE CDBG ALLEN PARK LIGHTING PROJECT - BID. 2010-31

Sponsors: Community Development

Attachments: [Allen Park Lighting Bid Summary](#)
[Contract to Install Lighting Bid 2010 31](#)
[Legistar - Bid Proposal](#)

Mayor Perrin stated this project will be funded by Community Development Block Grant funds. He noted the bid was the lowest bid that meets specs.

A motion was made by Councilman Darrel Dover, seconded by Councilman Charles Coleman, that this matter be Recommended to Council . The motion PASSED by a unanimous vote

Aye: 4 - John Street;Darrel Dover;Mikel Fears and Charles Coleman

4. Pending Items

5. Other Business

Discussion concerning acquiring a bond or a bank loan for various projects

Mayor Perrin discussed various projects he would like for the City to take care of now. He stated if the City used a bond they could go beyond 5 years, but if the City uses a bank loan to finance the projects they would be limited to a 5 year loan.

Councilman Dover inquired what the time frame would be for acquiring a bond versus a bank loan. Mayor Perrin answered it would take between 3 to 4 months to acquire the bond after the bond council signs off on it and a bank loan would require the City to take bids then to pick the best rate and move on.

Chief Financial Officer Ben Barylske explained the ordinance states the funds can be used for finance and capital improvements of a public nature. He added he took that to mean the City can fund larger projects including a bond issue because the sales tax has to be voted on if it is to be used for a bond issue. He further explained the best option for the City at the moment would be to acquire a bond especially if the City could stretch it out over 18 years. He noted he has spoke with numerous people and they all think the City should be able to acquire a bond, but the bond attorneys will not say if the City can or can't because the sale tax for each project has to be voted on by the people.

Discussion was held concerning loan interest rates.

Chairwoman Williams asked if the City would get a high rating. Mr. Barylske answered the City should get a high rating from the bond council. He noted the bond council will have to give an opinion on the bond for the City to get it.

Mayor Perrin noted he does not want to have to ask the citizens to vote because it will cost approximately \$18,000 for the election.

Mr. Barylske noted for the City to have a balanced budget he removed the fuel depot

and administrative offices from the budget.

Discussion was held concerning fuel cost. Mayor Perrin stated he met with Murray Benton and Al Heringer who are in the fuel business. He added he is also meeting with a broker tomorrow to discuss purchasing fuel in bulk.

Councilman Fears asked when the Mayor expects an opinion from the Attorney General. Mayor Perrin answered he spoke with the Attorney General yesterday concerning his opinion for obtaining the bond and it could be approximately 3 to 4 months before he can give his opinion on the bond issue. He added if the City went ahead with the loan they could always pay it off and then obtain a bond.

Chairwoman Williams asked if the City would have to get Council's approval to secure the loan. City Clerk Donna Jackson answered yes.

Update on the City's retirement plan

Councilman Dover asked what the status is for the City's retirement plan. Mayor Perrin answered he received an email that stated Principal Financial Group has received the service agreement, but they have not signed off on it. He noted the City will not be sending Principal any money because it will all be paid to Stephens, Inc.

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 - John Street; Darrel Dover; Mikel Fears and Charles Coleman