



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Wednesday, August 26, 2015

4:00 PM

Municipal Center

Special Called Meeting

1. Call To Order

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2. Roll Call by City Clerk Donna Jackson

[play video](#)

Mayor Perrin was also in attendance.

Present 5 - Ann Williams; John Street; Darrel Dover; Todd Burton and Rennell Woods

Absent 1 - Charles Coleman

3. New Business

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Resolutions To Be Introduced

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RES-15:133

RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AGREEMENT WITH THE DEPARTMENT OF PARKS AND TOURISM FOR THE FY 2015 OUTDOOR RECREATION GRANT PROGRAM

[play video](#)

Sponsors: Parks & Recreation

Attachments: [Parks and Toursim Grant2015.pdf](#)

Parks Director Wixson Huffstetler explained this is a grant that was applied for last year, but is in the budget for this year. It is a 50/50 matching grant for the new trail at Craighead Forest Park.

Chairman Dover questioned whether the project would be completed this year. Mr. Huffstetler answered yes.

A motion was made by Councilwoman Ann Williams, seconded by Councilman Rennell Woods, that this matter be Recommended to Council . The motion

PASSED with the following vote.

Aye: 4 - Ann Williams; John Street; Todd Burton and Rennell Woods

Absent: 1 - Charles Coleman

RES-15:135

A RESOLUTION AMENDING RESOLUTION 09:201 AND CREATING THE POSITION OF FINANCE OFFICE MANAGER AND ELIMINATING THE POSITION OF BUDGET SPECIALIST AND SETTING SALARY

[play video](#)

Sponsors: Mayor's Office

Attachments: [Finance Office Manager](#)

Mayor Perrin explained former Chief Financial Officer Ben Barylske put the position in the budget for this year, but never made the title change. It is for Christy Wall in the Finance Department. He further explained the Council already approved the position in the budget, but they are just now acting on it and giving her the position.

Chairman Dover clarified the position of budget specialist will no longer exist in the salary schedule. Mayor Perrin stated that is correct.

Chairman Dover then asked if Ms. Wall is currently being compensated with the office manager salary. Mayor Perrin answered no, she won't get the raise until after the resolution is passed by City Council. The mid-range for the office manager position is \$40,000 with a maximum of \$50,681. Ms. Wall's salary will be \$46,512, a 5% increase from her current salary. He noted the money for her salary is already in the budget.

Councilman Burton further clarified that the budget specialist position will no longer be filled after this is approved. Mayor Perrin answered that is correct.

A motion was made by Councilman John Street, seconded by Councilwoman Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Ann Williams; John Street; Todd Burton and Rennell Woods

Absent: 1 - Charles Coleman

RES-15:139

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH THE UNITED WAY OF GREATER JONESBORO TO LEASE SPACE AT 407 UNION AVENUE

[play video](#)

Sponsors: Mayor's Office

Attachments: [UNITED WAY LEASE AGREEMENT](#)

Mayor Perrin explained the city entered into a lease with the United Way for the Union Street property in 1990, but it was never taken to the City Council. They are just cleaning up the lease agreement so there is an executed lease between the city and United Way. He noted the United Way also sublets the property for \$1 per year to the Downtown Jonesboro Association and the Craighead County Community Foundation. But, the lease will only be between the city and United Way, with the city

approving the subletting.

Councilman Street asked how long the lease will be for. Mayor Perrin answered five years.

A motion was made by Councilman John Street, seconded by Councilman Todd Burton, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Ann Williams;John Street;Todd Burton and Rennell Woods

Absent: 1 - Charles Coleman

RES-15:140

RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AGREEMENT WITH THE ARKANSAS STATE POLICE AND ACCEPT THE 2016 STEP GRANT

[play video](#)

Sponsors: Grants

Attachments: [2016 STEP Subgrant Agreement.pdf](#)
[e-CFR 49.pdf](#)

Grants Administrator Kimberly Marshall explained the city received the grant on Monday. It's due September 8th to the State Police. They will be using the funding to pay for additional overtime as well as setting aside \$12,000 for safety seats for children, two tasers and four breathalyzers. The grant starts October 1, 2015, and ends September 30, 2016.

A motion was made by Councilman John Street, seconded by Councilwoman Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Ann Williams;John Street;Todd Burton and Rennell Woods

Absent: 1 - Charles Coleman

RES-15:141

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH SG360 JANITORIAL SERVICES

[play video](#)

Sponsors: Mayor's Office

Attachments: [SG 360 Contract](#)

Mayor Perrin explained the city currently uses a company out of Little Rock for the janitorial services, but they've been having problems with staffing and being able to keep the buildings clean. The city would like to contract with SG360 to perform janitorial services. SG360 is a local company that will be paid about \$80 more per month than what the city is currently paying.

Chairman Dover asked if the city is out of the contract with the current company. Mayor Perrin answered no, the current contract won't end until September 2nd. But, the new company can start the next day if this resolution is passed by Council on September 1st. They have already notified the existing company that the contract will not be renewed. The cleaning services do not include the second floor occupied by CUSI.

Councilman Woods then questioned if this is for just one year. Mayor Perrin stated yes, it's just for one year with a 60-day out clause. But, the company came highly recommended.

A motion was made by Councilman John Street, seconded by Councilman Rennell Woods, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Ann Williams; John Street; Todd Burton and Rennell Woods

Absent: 1 - Charles Coleman

4. Other Business

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COM-15:051

Presentation by Mike Smith from Iberia Bank

[play video](#)

Sponsors: Mayor's Office

Attachments: [Presentation](#)

Mayor Perrin explained the city sometimes has funds they could invest in things other than the checking account the city currently has. Cities can now invest in things with banks other than just a checking account. He and former Chief Financial Officer Ben Barylske have been visiting with Iberia Bank to discuss the city's options.

Mr. Mike Smith discussed the presentation with the committee (see information attached to communications file). He explained the cash management solution is a customized solution in order to make the city run better and be an enhancement to cash. He discussed what they've done with other clients to help them in during this economy knowing the Fed may increase interest rates in the future. He stated they would like to customize a portfolio to meet the needs of the City of Jonesboro. This is a very viable way to increase the yield on the portfolio as long as people don't look at this as operating cash. There is no credit risk, is within state guidelines and the city will be able to increase the yield on the city's portfolio.

Chairman Dover asked what monetary increments are needed to invest in the portfolio that was discussed. Mr. Smith answered, generally speaking, they like to have a minimum of \$5 million because it works better.

Councilman Woods asked if the investment term of 3 to 5 years would be the Council's choice. Mr. Smith answered yes, the term length would be whatever the Council is comfortable with. They like to ladder the investments so they mature at different times in consecutive years, such as a portion maturing in 2016, another portion maturing in 2017, etc. This allows the city to re-invest part of the money quickly if the Fed decides to increase the interest rates. If the city didn't go out 5 years, then they would be sacrificing yield.

Mr. Smith explained most of their clients are thinking the Fed will raise the interest rates at some point, but will probably be at a slow pace of increase. They're proposal is for a long-term solution showing if the Fed does raise rates then the city will do better with this type of portfolio investment.

Chairman Dover then questioned who picks how the money will be invested. Mr. Smith stated Iberia will pick the investments with the Council stating what their comfort level is with duration and maturity.

Mayor Perrin stated he just wanted the committee to hear the presentation with a decision being made after a chief financial officer is hired. At this time, he just wanted to see how the committee felt about the option. Chairman Dover stated he thinks it's an interesting concept as a way to invest some money the city isn't currently doing anything with.

This item was Read.

5. Adjournment

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A motion was made by Councilman John Street, seconded by Councilman Rennell Woods, that this meeting be Adjourned . The motion PASSED with the following vote:

Aye: 4 - Ann Williams;John Street;Todd Burton and Rennell Woods

Absent: 1 - Charles Coleman