



City of Jonesboro

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Minutes for the Depository Board meeting on April 29, 2008.

body

Board members Mayor Formon, City Clerk Donna Jackson and City Collector Becky Sharp were in attendance. Also in attendance were Operations Director Misty Micenhamer and Finance Director Jim Barksdale.

Ms. Sharp provided the committee with a report showing the cash balances for the City accounts at Liberty Bank, Bancorp South and Regions Bank. Mr. Barksdale briefly discussed the accounts and their balances. Discussion was held concerning CD rates. Ms. Micenhamer noted the rates were currently 2.78%, which is less than the accounts earn in interest at the banks.

Mayor Formon questioned the accounts named Old Payroll and New Payroll. Ms. Sharp explained the New Payroll account is where money is deposited for the payroll checks. She added the Old Payroll account is where money is deposited for taxes.

Ms. Sharp explained there are three different accounts for the cafeteria plan. She further explained one of the accounts is located at Regions Bank with a balance of approximately \$15,000 and another account in Liberty Bank with a balance of approximately \$5,700. She stated the money has to be given back to the employees in some fashion, such as through insurance or pension. Discussion was held concerning where the money should be spent. Ms. Sharp noted the money cannot be given directly back to the employees who put the money into the account. Mayor Formon expressed concern over using the money to pay for the City's portion of pension or insurance when the City has already committed to pay that money. He asked for the accounts, such as Old Payroll and New Payroll, to be named differently to more accurately reflect their use. Mr. Barksdale suggested naming one Payroll and the other Taxes. Mayor Formon then suggested holding a city-wide employee appreciation event during the summer at Craighead Forest. Ms. Sharp also suggested keeping the rest of the money in the account in order to possibly hold an event for the employees on a yearly basis. Ms. Jackson suggested the City could hold an event during the summer or during Christmastime. Ms. Sharp motioned, seconded by Mayor Formon, to discuss what to do with the money with the Employee Representative Committee. All voted aye. Ms. Sharp stated she would attend an Employee Representative meeting and discuss it with the committee.

Ms. Sharp stated the MATA account has a balance of approximately \$118,000. She explained the auditors informed her the money should go back into the Street Fund to be used for streets projects. Ms. Sharp motioned, seconded by Mayor Formon, to move the money into the Street Fund. All voted aye.

Ms. Sharp then noted she recently learned of another bankroll account currently open at Bancorp South that has a balance of \$110,000. Ms. Micenhamer explained that account was probably used as a clearing account when the accounts were moved from Bancorp to Liberty. Ms. Sharp suggested the money could be put back into the General Fund. Mayor Formon stated the account at Bancorp is earning a higher interest rate than the account at Liberty. It was asked for Ms. Sharp to look into whether the account should stay at Bancorp or switch to Liberty.

With no further business, Mayor Formon motioned, seconded by Ms. Sharp, to adjourn. All voted aye.