



City of Jonesboro
Meeting Minutes
Finance & Administration Council
Committee

900 West Monroe
Jonesboro, AR 72401

Thursday, February 21, 2008

4:00 PM

Huntington Building

1. Call To Order

Mayor Formon and Ms. Misty Micenhamer from the Mayor's Office were also in attendance.

Present 4 - Darrel Dover; John Street; Ann Williams and Jim Hargis

Absent 2 - Harold Perrin and Judy Furr

2. Approval of minutes

MIN-08:019 Minutes for the January 17, 2008, Finance Committee meeting.

Attachments: [011708](#)

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

Aye: 3 - Darrel Dover; John Street and Jim Hargis

Absent: 2 - Harold Perrin and Judy Furr

MIN-08:020 Minutes for the January 24, 2008, special called Finance Committee meeting.

Attachments: [012408](#)

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

Aye: 3 - Darrel Dover; John Street and Jim Hargis

Absent: 2 - Harold Perrin and Judy Furr

3. New Business

Resolutions To Be Introduced

RES-08:016 A RESOLUTION TO REQUIRE CERTAIN INFORMATION TO ACCOMPANY PROPOSED CONTRACTS FOR PROFESSIONAL SERVICES AND GENERAL CONTRACTS WHICH ARE SUBMITTED TO COUNCIL COMMITTEES AND THE FULL COUNCIL

Sponsors: Mayor's Office

Mayor Formon provided the committee was an updated copy of the ordinance. He explained the whole ordinance was not copied into Legistar. He further explained they are open to how the committee wants things to be handled. He added the ordinance does not

state anything regarding a committee process. Councilman Street stated if the item is under \$20,000 then they shouldn't have to wait until a committee meeting. Mayor Formon explained some committees do it that way, but other committees such as Public Services don't do it the same way. He noted the contract for the greenway more than exceeded \$20,000. Councilman Street stated the is fine as long as the committee is okay to defer the responsibility of interviews to the administration. It was noted the Council should have the option to make the selection.

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

Aye: 3 - Darrel Dover;John Street and Jim Hargis

Absent: 2 - Harold Perrin and Judy Furr

RES-08:018 A RESOLUTION TO AMEND THE CITY OF JONESBORO 2008 ANNUAL BUDGET BY INCREASING THE STEP/SALARY FOR THE OPERATIONS DIRECTOR, PUBLIC WORKS DIRECTOR, CDBG DIRECTOR,PARKS DIRECTOR, CHIEF BUILDING OFFICIAL, HUMAN RESOURCE DIRECTOR, MPO DIRECTOR, INFORMATION SYSTEMS DIRECTOR, DIRECTOR OF MAINTENANCE AND TRANSIT COORDINATOR

Sponsors: Mayor's Office and Human Resources

Attachments: [Comparison Dec 2007](#)
[December Salary Survey](#)
[912_M_Finance_Administration_Council_Committee_07-08-23_Meeting_Minut](#)

Chairwoman Williams informed the committee that Councilman Perrin, head of the Personnel Committee, asked for the resolution to be tabled so it can be further reviewed. Mayor Formon explained the same process that was used last year to survey for raises for some department heads was used in this survey. Chairwoman Williams noted the scope of the Public Works Director may not be the same in Jonesboro as it is in other cities. Councilman Street added the Public Works Director is not a certified engineer, while other Public Works Directors in other cities may be an engineer. Chairwoman Williams explained it would be helpful if they could get job descriptions and use those as meaningful comparisons. She also noted one Parks Director they used as a comparison had been in his job for 25 years. Human Resources Director Gloria Roark stated she used the major job descriptions as comparisons, but did not include job qualifications. She explained she took the job description for Public Works Director and sent it to the other cities to ask them what position they had that was similar to that job description. Councilman Hargis expressed concern over the City operating in a budget deficit and being brought the resolution from nowhere. Mayor Formon stated the committee asked for the information. Councilman Hargis noted the information was asked for a long time ago. Ms. Roark explained there was some confusion because she wasn't sure whether she should perform the survey or if the committee wanted former Human Resources Director Suzanne Hackney to perform the survey. She further explained she stated working on the survey in October and has had the information for a while, but then the committee got into the budget process. Councilman Hargis stated the item should've been in the budget, not brought up weeks after the budget has been passed.

A motion was made by Councilman John Street, seconded by Councilman Jim Hargis, that this matter be Tabled . The motion PASSED by an unanimous vote.

Aye: 3 - Darrel Dover;John Street and Jim Hargis

Absent: 2 - Harold Perrin and Judy Furr

4. Pending Items

5. Other Business

City's retirement plan

Councilman Hargis stated he would like Principal Financial Group to make a presentation and give a report. He noted the reports they have been receiving from Principal have been reflecting poor performance with the City's \$6 million poor performance. He explained they also have no way of knowing how much was paid out of the account and how much was paid into the account.

FEMA

Councilman Street informed the committee that FEMA has asked for the \$200,000 the City used for the CTP Project to be refunded since the City ended the contract. He asked for something to be done before the Public Works meeting as to where the City stands. Mayor Formon stated he will be taking another trip to Denton, Texas to speak with FEMA. Councilman Street asked for them to stay on top of the matter. Mayor Formon stated Mr. Michael Brown initially indicated the City still fell under the grant requirements. Councilman Hargis noted if Mayor Formon met with FEMA over the phone then the meeting could be more easily documented. Councilman Street encouraged the City keeping an open line of communication. Councilman Hargis stated the information should be given to the whole Council, not just the Public Works Committee. Chairwoman Williams questioned whether City Engineer Craig Light should come to the March Finance meeting to discuss the potential financial aspects of paying back the grant. Councilman Street noted if the City has to pay back the grant, then they'll have to come to Finance anyways to ask for an appropriation of funds.

Employee Representative Committee report

Mr. Larry Jackson, chair of the Employee Representative Committee, explained Councilman Perrin attended their recent meeting and they came up with three issues. He explained they wanted someone to come in and help employees with financial planning, balancing checkbooks, using credit cards, etc. He added someone in the committee knew of a group that will come in at no cost to the City and give counseling at the three centers to groups and will give individual counseling if needed. He stated another issue is the helicopter service. He explained they will give the City 50 employees or more to sign up for the service at roughly \$45 to \$50 per family membership. He stated his last issue is the credit union. Ms. Jackson explained Councilman Perrin was impressed with what the credit union offered to pay particularly for the Christmas Club. He added he has received a lot of positive input and they are ready to sign up on that. He further stated another issue that they would like to have looked at is for employees to receive another week of vacation after 15 years of service.

APERS

Mr. Jackson then discussed APERS. He noted the City lost \$200,000 in January off the retirement fund through Principal. Mayor Formon explained they have had some problems with receiving information from Principal. He stated they have finally received all the information and should have a presentation for the next meeting. Mr. Jackson noted APERS would also be a good tool to retain current employees. Councilman Street explained the issue would be the change between the current plan and another plan. Mayor Formon added there is an issue with no disability with the retirement. He explained

what the City has now is a horrible retirement plan, but Principal only gave the City what the City asked for. He added there would be an increase in cost to go to APERS. Councilman Hargis explained he would like Principal to have some accountability as to what they are doing for the City. Mayor Formon stated any other company would have a hard time beating APERS. Councilman Dover reiterated that the big issue would be converting from the current defined plan to another plan. Mr. Jackson stated they have the support from the majority of the employees, as well as the Fire and Police Departments for the City to change to APERS. City Clerk Donna Jackson questioned whether there is a number that can be called to ask questions concerning APERS. Mayor Formon stated he has the representative's number and will give it to Ms. Jackson. Further discussion concerning APERS was held. Mr. Jackson explained Ms. Patsy Bishop indicated to him that Batesville went through the same situation recently, converting from one retirement plan to APERS. Councilman Hargis stated they also need to weigh in what the City can financially do with the funds the City currently has. Councilman Dover suggested hiring a lawyer with expertise in retirement accounts to help them figure out what the best thing to do is. Mayor Formon stated the change will not be easy but they need to do something. Chairwoman Williams noted a retirement expert would be more likely to give an unbiased opinion as to which plan would benefit the City the most. Mayor Formon agreed with hiring a retirement expert and noted APERS indicated they would help any way they can if the City decides to transfer.

Insurance for employees

Councilman Street asked for an update concerning insurance for employees who had to buy COBRA, as Ms. Roark discussed at the previous meeting. Ms. Roark explained she met with City Attorney Phillip Crego and he wants to research the legalities before asking the committee to make the choices. She added she should have something at the next meeting.

Money for ASU overpass

Mayor Formon informed the committee the \$500,000 that was to be given to ASU for the overpass project was not invoiced for by ASU. He added the money rolled over to this year so the City owes ASU the full \$1 million. He noted ASU still has not invoiced the City for the money.

6. Public Comments

7. Adjournment

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

Aye: 4 - Darrel Dover; John Street; Ann Williams and Jim Hargis

Absent: 2 - Harold Perrin and Judy Furr