



City of Jonesboro

900 West Monroe
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Thursday, October 16, 2008

4:00 PM

Huntington Building

1. Call To Order

Mr. Tony Thomas from the Mayor's Office was also in attendance.

Present 6 - Darrel Dover; John Street; Harold Perrin; Ann Williams; Jim Hargis and Judy Furr

2. Approval of minutes

MIN-08:189 Minutes for the Finance Committee meeting on September 18, 2008.

Attachments: [Minutes](#)

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

Aye: 5 - Darrel Dover; John Street; Harold Perrin; Jim Hargis and Judy Furr

3. New Business

Ordinances To Be Introduced

ORD-08:084 AN ORDINANCE TO CONTRACT WITH THE ROTARY CLUBS OF JONESBORO TO CONSTRUCT A PLAYGROUND AT CRAIGHEAD FOREST PARK AND TO APPROPRIATE FUNDS FOR CONSTRUCTION OF THE PLAYGROUND

Sponsors: Parks & Recreation

Attachments: [Aerial Photograph of Fort Rotary Location](#)
[Final Signed Contract for Fort Rotary Funding and Construction 10-2-2008](#)

Park Director Jason Wilkie explained the playground would be located in Craighead Forest at Access #6.

Mr. Wilkie explained after consulting with playground manufacturers the new playground will cost around \$352,000 and the Rotary Club agreed to pay \$240,000. He stated the City has \$112,105 available to pay for the playground equipment. He explained the Rotary Club will reimburse the City the full \$240,000. He added this year the Rotary Club will reimburse the City \$80,000 by December 31, 2008, and \$160,000 by December 31, 2009. He explained they would like to get the appropriation done this year so the City can get the 2008 steel prices. He further explained the steel prices are expected to go up 20% at the first of the year.

Councilwoman Judy Furr asked if City Attorney Phillip Crego had seen this ordinance

and if there were any issues with advancing the money. Mr. Wilkie answered Mr. Crego had no issues. He added he spoke with Finance Director Jim Barksdale and he is okay with the ordinance as long as the appropriations are done.

Councilman Harold Perrin asked how far the money goes back and if the money can still be used. Mr. Tony Thomas answered the money can still be used. He added the grants are still active grants. He added the Department of Tourism grant will be the only grant that requires reimbursement.

Discussion was held concerning the funding of this ordinance.

Mr. Robert Sapiro asked who negotiates the prices for the playground equipment. Mr. Wilkie explained the City uses the Request for Proposal (RFP) process.

Councilwoman Furr asked if the ordinance should reflect an appropriation of \$282,306 as opposed to \$240,000. Mr. Thomas stated Mr. Wilkie is only asking for an additional \$240,000 because he has already appropriated \$42,000.

A motion was made by Councilman Darrel Dover, seconded by Councilman Harold Perrin, that this matter be Recommend to Council. The motion PASSED by an unanimous vote.

Aye: 5 - Darrel Dover;John Street;Harold Perrin;Jim Hargis and Judy Furr

4. Pending Items

Update on the Turtle Creek Greenway

Mr. Wilkie explained City Engineer Craig Light is still looking into how to change the angle of the bridge at Turtle Creek. He stated Mr. Light is looking into re-aligning the ditch to reduce the angle and distance. He added if the ditch can be re-aligned then he will re-bid the project.

Mr. Wilkie further explained he should have the master plan for the project going from ASU to downtown by the end of November. He added they are working with ASU on trying to possibly get a scenic by-way grant to help with the project.

5. Other Business

COM-08:136 Proposed Budget Ordinance Amendment

Sponsors: Finance

Attachments: [Proposed Budget Ordinance Amendment](#)

Mr. Barksdale explained he has not spoken with Human Resources Director Gloria Roark concerning the specifics of the Accounting Technician position, which is replacing the position in Collections that was held by Ms. Dana Simpkins. He stated the position will start at a Step 1 in pay grade. He added he would like for the position to be classified as an Accounting Specialist.

Mr. Barksdale explained he is also requesting certain employees receive raises because they have added duties to their current position. He added he will have Ms. Roark determine the salary increase and classification of the positions. He stated he is allowing \$10,330 to be used for the salary increases. Councilman Perrin asked if

the positions will be moved up a step in pay grade. Mr. Barksdale explained yes, but not to go over a 10% increase in pay. Councilman Perrin asked how many people are included in the raise. Mr. Barksdale explained 4 will be immediately impacted and 2 will be impacted in the 2009 budget. Councilman Perrin questioned if the \$10,330 will be used for the 4 employees. Mr. Barksdale explained the raise amount could go up to \$10,330 but the amount will not go over that.

Mr. Barksdale discussed the audit findings and suggested ways the problems could be fixed. Councilman Perrin suggested before taking the new position to the City Council, Mr. Barksdale should identify the positions needed, change the job descriptions, and include the cost of hiring the positions. Mr. Barksdale explained he has already proposed a new structure plan to his current staff, which includes job titles. He added he does not have anything in writing.

Councilman Hargis explained the Council voted no on new positions thru end of the year. He added it is the wrong time to modify the budget due to the current budget issues. Mr. Barksdale stated he understood, but he is understaffed. He explained the significant findings in the 2006 and 2007 audits were tied to not having enough staff to complete the work.

Discussion was then held concerning the additional position.

Chairwoman Ann Williams explained at the special called meeting on October 14, 2008, the Finance Committee moved to send this matter to full Council. She explained she asked Mr. Barksdale to recommend what should be looked at by an accounting firm regarding agreed upon procedures. Mr. Barksdale explained he is uncomfortable recommending what a firm should look at since it is his work they will be reviewing. He discussed the problems in the audits. He stated he needs to get a handle on the financial statements for the Grant Department and on the pass-through funds. He added Springbrook is working on the chart of accounts. He stated City Accountant Kortney White has reconciled the consolidated fund through April.

Mr. Barksdale stated he has information from the Municipal League regarding entities to help municipalities with accounting and technical issues.

A motion was made by Councilman Harold Perrin, seconded by Councilman Darrel Dover, that it be Recommended to Council to hire a firm to research the agreed upon procedures for the City. The motion CARRIED by a Voice Vote.

Aye: 5 - Darrel Dover; John Street; Harold Perrin; Jim Hargis and Judy Furr

COM-08:140

Request for 2008 Budget Amendment Ordinance

Sponsors: Finance

Attachments: [Appropriation adjustment sheets](#)
[Proposed 2008 budget amendment ordinance](#)

Mr. Barksdale stated this is a new ordinance.

Councilman Dover asked what is new in the ordinance. Mr. Barksdale explained the City is suppose to retain 10% of a project's cost until the project is completed and the City has not been doing that. He added after the project is complete then the 10% can be released. He explained the 10% was not included in the 2008 budget for Fire Stations #3 and #7.

Councilman Furr asked if the bids for the tornado sirens had been resolved. Mr. Tony

Thomas answered the issue had not been resolved. He further explained he is meeting with the winning vendor to see what the lowest bid included. He added he has spoke with other parties interested but has not moved forward with the contract.

Assistant Fire Chief Kevin Miller stated Fire Stations #3 and #7 are open. Councilman Hargis questioned if the cleanup was anticipation of spending or approval for spending. Councilman Dover explained the money was not carried over from 2007 for Fire Stations 3# and #7. Councilman Perrin stated some of the money has been paid and some hasn't been paid. Mr. Barksdale explained what is left for the remaining budget is in the negative but because the projects are completed 80% to 90% they are not going to stop those projects.

Councilman Perrin asked what the Master Street Plan figures were. Public Works Director Erick Woodruff stated it was not budgeted for 2008. He added \$42,000 is the cost for the plan but the contract was for \$45,250. Discussion was held concerning the Master Street Plan.

Councilwoman Furr questioned which department has the highest Workmen's Comp claims. Human Resource Director Gloria Roark explained the City is under Rule 32 because the City is above average in claims. She added she spoke with the Workmen's Comp Commission and they are releasing the City from Rule 32 because the City has an action plan in place to look at safety. She also added the Police Department has the highest claims.

Councilman Darrel Dover motioned, seconded by Councilman Harold Perrin, that the 2008 clean-up ordinance be Recommended to Council. The motion CARRIED by voice vote.

Aye: 5 - Darrel Dover;John Street;Harold Perrin;Jim Hargis and Judy Furr

COM-08:141 Request for Appropriation for Fuel

Sponsors: Finance

Attachments: [2008 requested appropriation for fuel](#)
[Comparision of fuel budget and projected fuel consumption](#)

Mr. Barksdale explained not all departments will need appropriations but there are a few that do. He added \$75,526 is the amount remaining for the year. He explained he is requesting appropriations of \$423,000 to cover the negative amount in some departments and the estimated cost of fuel needed to finish the year out. He added he inflated the amount by 25% because he is not sure how much he may need.

Councilman Darrel Dover motioned, seconded Councilman John Street, that the appropriations for fuel be Recommended to Council. The motion CARRIED by voice vote.

Aye: 5 - Darrel Dover;John Street;Harold Perrin;Jim Hargis and Judy Furr

COM-08:142 Statement of Revenues, Expenditures and Changes in Fund Balances

Sponsors: Finance

Attachments: [Statement of Revenues, Expenditures and Changes in Fund Balances](#)

Mr. Barksdale discussed the report.

Councilman Dover asked if there is an outstanding balance for the Sanitation Department. City Collector Becky Sharp explained there are a few minor accounts still to collect from. She added she is almost done collecting the money.

Councilman Dover asked if the cleanup ordinance will affect the figures in the report. Mr. Barksdale answered no.

Mr. Barksdale explained the revenues thru August are \$29.4 million. He added the expenditures amount is \$33.5 million resulting in a negative \$4 million.

This item was READ.

COM-08:143 Notes to the Financial Statement

Sponsors: Finance

Attachments: [Notes to the Financial Statement](#)

Mr. Barksdale noted there are long-term liabilities of \$4.9 million a year from the Banc of America lease and Legacy Landfill.

Discussion was held concerning the report.

This item was READ.

COM-08:144 Budget Summary for 2008

Sponsors: Finance

Attachments: [Budget summary for 2008 by Department](#)

Mr. Barksdale explained there is 24% left in the General Fund. He added the General Admissions Fund has \$166,000 left. Councilman Dover asked if the General Admission Fund is where the health insurance is paid from. Mr. Barksdale answered yes. He added the City does not allocate health insurance or workmen's comp out per department.

Discussion was held concerning the report.

Mr. Barksdale explained O&M has a remaining balance of \$8,466,757, which is 23% left for the remainder of the year.

Mr. Barksdale explained Advertising & Promotions has only 1% left for the remainder of the year. Mr. Thomas explained they budgeted \$200,000 not knowing how much would need to be disbursed due to the late application process. He added they disbursed \$274,000 and will need an appropriation. He explained the application process for next year is on schedule and they should start reviewing the applications within the next two weeks. He added they will have the correct amount budgeted for 2009 and should not need an appropriation.

Councilman Perrin asked if outside agencies had been notified. Mr. Thomas answered yes.

This item was Read.

Discussion of the 2009 Budget

Councilman Dover asked how the committee will proceed with the 2009 budget. Mr. Barksdale answered he would like to set time aside in a Finance meeting to discuss the 2009 budget. He added he has received all of the departments budgets with the exception of one. He stated he will start looking at the budget next week.

Chairwoman Williams stated the committee should start at the base and add on so the budget does not have to be trimmed.

Councilman Perrin stated it is the Mayor's job to make the budget, not the Council's.

Projected revenues

Mr. Barksdale estimated the City will have \$29 million in the bank at the end of the year. He added the reserves are \$13 million, so when the reserves are subtracted the City has \$15 million to spend.

Councilman Dover asked if an audit trial could be run on the Capital Improvements. Mr. Barksdale answered yes. Councilman Dover noted he would like to know the total cost of the projects.

Councilman Perrin asked how many roads were paved this year. Mr. Woodruff answered 8.

COM-08:145 Projects for 2008

Sponsors: Finance

Attachments: [Projects for 2008](#)

This item was READ.

COM-08:146 Bank Reconciliation Summary of Cash Balances

Attachments: [Bank Reconciliation Summary](#)
[Cash Statements](#)
[Schedule of Interest](#)

This item was READ.

COM-08:147 Fuel Consumption and Cost

Sponsors: Finance

Attachments: [Fuel Consumption Report](#)
[Fuel Cost and Gallons from January to September](#)

This item was READ.

COM-08:148 General Ledger Budget Transaction Summary

Sponsors: Finance

Attachments: [General Ledger](#)

This item was READ.

COM-08:126 Financial reports

Sponsors: Finance

Attachments: [Budget Report by Dept-HJ-9-26-08](#)
[Reconciliation of Springbrook to Official Budget 2008 -HJ-9-26-08](#)
[ORD-08-008 http](#)

This item was READ.

COM-08:127 2007 federal audit report

Sponsors: Finance

Attachments: [Federal Audit 2007](#)

This item was READ.

COM-08:128 Police pension and non-uniform pension reports

Sponsors: Finance

Attachments: [Police Pension 8-2008](#)
[Non-Uniform Pension 8-2008](#)
[Non-Uniform Pension Plan Investment Returns](#)

This item was READ.

COM-08:129 2007 Legislative Audit findings

Sponsors: Finance

Attachments: [2007LegisFindings](#)
[General Ledger](#)
[Reconciliation of cash fund for September 2008 \(general ledger\)](#)
[Reconciliation of cash fund for September 2008 \(street fund\)](#)

This item was READ.

COM-08:133 City sales tax and state turnback reports

Sponsors: Finance

Attachments: [City Sales Tax \(9\)](#)
[State Turnback \(9\)](#)

This item was READ.

6. Public Comments

7. Adjournment

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

Aye: 5 - Darrel Dover; John Street; Harold Perrin; Jim Hargis and Judy Furr