



# City of Jonesboro

900 West Monroe  
Jonesboro, AR 72401

## Meeting Minutes Finance & Administration Council Committee

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Thursday, March 19, 2009

5:00 PM

Huntington Building

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### 1. Call To Order

*Mayor Perrin and Mr. Tony Thomas from the Mayor's Office were also in attendance.  
Mayor Perrin and Councilman Darrel Dover left the meeting at 5:55 p.m.*

**Present** 4 - Ann Williams; Jim Hargis; Darrel Dover and Mikel Fears

**Absent** 1 - John Street

### 2. Approval of minutes

#### MIN-09:018

Minutes for the special called Finance Committee meeting on February 17, 2009.

**Attachments:** [Minutes](#)

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

**Aye:** 3 - Jim Hargis; Darrel Dover and Mikel Fears

**Absent:** 1 - John Street

#### MIN-09:019

Minutes for the Finance Committee meeting on February 19, 2009.

**Attachments:** [Minutes](#)

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

**Aye:** 3 - Jim Hargis; Darrel Dover and Mikel Fears

**Absent:** 1 - John Street

### 3. New Business

#### COM-09:031

Presentation on the Job Evaluation and Salary Administration Program Study by Mr. Blair Johanson of the Johanson Consulting Group.

**Sponsors:** Finance

**Attachments:** [Johanson Group Salary Study](#)  
[Market Benefits Study](#)

*Mr. Blair Johanson explained JESAP involves reviewing the internal equity and the*

*external market to make sure the City's compensation and pay structure are competitive. He stated after working with Mayor Perrin, Human Resource Director Gloria Roark and the department heads they were able to come up with 121 job titles and descriptions using the electronic format. He added they used a team of department heads to rate the first 20 job descriptions and then his company rated the last 100 plus job descriptions, which were evaluated and rated against 15 factors in the JESAP rating system.*

*Mr. Johanson explained his company requests information concerning like type pay for comparable positions from other municipalities, the private sector and other public entities. He noted the Johanson Group also included a benefits study in the overall study. He added once the data is collected, it is reviewed internally and externally and then entered into the database system and stored on the City's server. He stated the job descriptions are very comprehensive, which includes the physical demands and the work environment so they are compliant with ADA.*

*Discussion was held concerning the 15 factors of the JESAP rating system.*

*Mr. Johanson explained his company also looks at employee's benefits. He added the family medical coverage and the dental insurance coverage is very competitive. He added the City is doing well in providing coverage to its employees versus other entities.*

*Councilman Darrel Dover asked if the pay range is based on the number of years of experience. Mr. Johanson explained the range is based on tenure and how the structure is set up. Councilman Dover questioned if the number of years of experience would top out at the maximum pay range. Mr. Johanson stated yes. He explained this pay range had been adjusted 4.4% to create this pay structure. He added this pay range is competitive through the end of the year.*

*Mr. Johanson stated 23 employees are below the salary range minimum and 17 employees are over the salary range maximum. He stated the amount to bring the 23 positions into the new pay structure will be \$28,718.*

*Mr. Johanson discussed the recommendations from his company. He added historically a salary increase of 3.5% is the normal, but due the economic conditions 3% is a good average for salary increase. He stated his company will work with Ms. Roark on revising the salary administration policy so the City stays within the policy. He added this salary data should be updated at the minimum of every 2 years.*

*Councilman Dover asked if this proposal would include this year. Mayor Perrin explained the under paid employees' pay would be retroactive to January, 2009.*

*Councilman Darrel Dover motioned, seconded by Councilman Mikel Fears, that Mayor Perrin and Human Resource Director Gloria Roark bring a proposal concerning the salary plan back to the Finance Committee and then the City Council. All voted aye.*

**This item was Read.**

#### *Ordinances To Be Introduced*

**ORD-09:018**

AN ORDINANCE AUTHORIZING ACCEPTANCE OF THE ARKANSAS RECREATIONAL TRAILS PROGRAM GRANT FROM THE ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT; AND AMENDING THE 2009

BUDGET APPROPRIATING FUNDS NECESSARY TO THE PROCUREMENT THEREOF

**Sponsors:** Parks & Recreation and Mayor's Office

**Attachments:** [2008 REC TRAILS RESOLUTION](#)  
[Rec Trails Agreement of Understanding](#)

*Mr. Tony Thomas explained this grant will allow the City to continue work on the Greenway at Turtle Creek Mall. He added he has provided the committee with a map showing the area that will be impacted. He stated the City applied for \$200,000 in grant funds and received \$34,800, which includes the 20% match from the City and \$29,000 is coming from federal sources.*

**A motion was made by Councilman Darrel Dover, seconded by Councilman Jim Hargis, that this matter be Recommended to Council . The motion PASSED by an unanimous vote**

**Aye:** 3 - Jim Hargis;Darrel Dover and Mikel Fears

**Absent:** 1 - John Street

*Resolutions To Be Introduced*

**RES-09:038**

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS TO APPROVE A CONTRACT WITH ARKANSAS TAX ASSOCIATES, INC. FOR THE AUDIT AND EVALUATION OF PRIOR TAX PAYMENTS.

**Sponsors:** Finance

**Attachments:** [AR Tax Associates agreement](#)

*Finance Director Jim Barksdale explained this resolution will allow ATA to look at invoices to see if the City could receive sale tax rebate funds. He added there is no upfront fee required and ATA's commission is 35% of the total rebate funds received from the City.*

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

**Aye:** 3 - Jim Hargis;Darrel Dover and Mikel Fears

**Absent:** 1 - John Street

**RES-09:048**

A RESOLUTION OF THE CITY OF JONESBORO TO APPROVE TEMPORARY TRANSFER OF FUNDS FROM THE GENERAL FUND TO THE JETS FUND AS NEEDED TO SUSTAIN A POSITIVE CASH FLOW.

**Sponsors:** JETS and Finance

*Councilman Darrel Dover motioned, seconded by Councilman Mikel Fears, to suspend the rules and place this resolution on the Finance Committee agenda. All voted aye.*

*Mr. Barksdale explained since JETS is fairly new they haven't had the time to build up a fund balance or unreserved funds to finance day to day operations. He added the amount to be transferred is \$50,000. He stated the City has transferred funds to JETS before to cover shortfalls in the checking balance.*

*Discussion was held concerning other sources of revenues for JETS.*

*Mr. Barksdale stated at some time discussion will need to be held concerning the funding needs of JETS. He added due to the inconsistencies in past accounting, they are trying to correct certain items in this year's budget.*

*Mr. Barksdale stated once JETS is reimbursed from FTA the \$50,000 will be transferred back into the general fund. Councilman Hargis questioned when JETS would be reimbursed from FTA. Mr. Barksdale stated approximately 30 days. He explained he spoke with the state auditors and they stated the transfers should not have to be approved by Council, but the Finance Committee's approval should be sufficient enough for compliance reporting.*

*He added the City should receive \$27,000 draw down next week.*

*Chairwoman Ann Williams stated this resolution was approved by the Public Services Committee on March 16, 2009.*

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

**Aye:** 3 - Jim Hargis; Darrel Dover and Mikel Fears

**Absent:** 1 - John Street

#### **4. Pending Items**

#### **5. Other Business**

##### **COM-09:028**

Eric Stuart with CONFIDUS Group, LLC and Michel Bryan with DD&F Consulting Group will present a business continuation plan in regards to the disaster recovery plan for IT.

**Sponsors:** Mayor's Office and Information Systems

**Attachments:** [D&F presentation](#)  
[Confidus Group presentation](#)  
[Allied Technology Group](#)

*Mayor Perrin explained he received approximately 18 proposals and narrowed the proposals down to two Arkansas companies.*

*Mr. Eric Stuart, Director of Sales and Marketing for CONFIDUS Group, explained his office is an IT consulting and application firm founded in 1996. He added one of CONFIDUS Group's core services is business continuity and disaster recovery. He stated the continuity plans is web based software that is in compliance with ISO and the British standards.*

*Discussion was held concerning the software and their proposal for the City.*

*Ms. Rachel Rummel with DD&F discussed their proposal for the disaster recovery plan*

*Mayor Perrin asked what the cost would be. Ms. Rummel explained the cost does not*

include the implementation and hardware. She added the IT operation would be approximately \$10,000 and \$25,000 to do the whole organization. She noted the time frame would be at least 4 months, but the average time frame is 8 months. She added the testing cost depends on what type of testing done, which would cost approximately \$1,500. She stated the more comprehensive study would cost more.

**This item was Read**

**COM-09:035**

Various Financial Reports

**Attachments:**

[Feb09BudgetAdjustmentSummary](#)

[Feb09BudgetReportDetail](#)

[Feb09RevenueAnalysis](#)

[FEB-09budgetreportssummary](#)

[Letter to Mayor and Finance Committee concerning year-to-date finances](#)

*Budget adjustments*

Mr. Barksdale explained the department heads have the ability to adjust different line items as long as it is under their overall budget and in compliance within the code and the rules. He added he is required to publish the changes made to the line items.

*Budget Summary*

He explained he would like to have approximately 83% of the budget left at this time of the year. He stated they are switching to a modified accrual accounting, which is where the actual expenditures and revenues are being accounted for. He added this would produce a more realistic number.

*Revenue Analysis*

Mr. Barksdale explained the total revenue amount for year to date is \$8.39 million. He added that amount is down from \$9.39 for the same time period in 2008. He discussed various reports listed in the letter to Mayor Perrin and the Finance Committee.

He explained he spoke with various banks concerning a program that would extend the maturity on cash investments to increase the yield. He stated he would like to use a portion of the \$13 million in emergency reserves to develop a higher yield.

Mr. Barksdale stated the Finance Department is still not able to produce an accurate balance sheet on a monthly basis. He added there are approximately 2000 general ledger accounts which could be reduced by 10% to 15% according to Mr. Hewitt with ATA.

**This item was Read.**

**COM-09:030**

Reports on Revenue Explanation and Budget Overages

**Sponsors:**

Finance

**Attachments:**

[Revenue Explanation](#)

[Budget overages](#)

**This item was Read.**

**6. Public Comments**

**7. Adjournment**

With no further business, this meeting was Adjourned.