



City of Jonesboro

900 West Monroe
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Thursday, May 21, 2009

5:00 PM

Huntington Building

1. Call To Order

Mayor Perrin was unable to attend.

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

Absent 1 - Mikel Fears

2. Approval of minutes

MIN-09:043 Minutes for the Finance Committee meeting on April 23, 2009.

Attachments: [Minutes](#)

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

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

Absent: 1 - Mikel Fears

MIN-09:050 Minutes for the special called Finance Committee meeting on May 11, 2009.

Attachments: [Minutes](#)

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

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

Absent: 1 - Mikel Fears

3. New Business

Resolutions To Be Introduced

RES-09:084 A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS TO APPROVE A CONTRACT WITH DD&F CONSULTING GROUP TO DEVELOP A COMPREHENSIVE CONTINUITY PLAN.

Sponsors: Mayor's Office

Attachments: [2009 Business Continuity Plan Retainer revised 5-7-09](#)

Finance Director Jim Barksdale explained the contract has been revised. He added the contract was renegotiated to a lower amount due to the City's IT Department doing some of the work.

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

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

Absent: 1 - Mikel Fears

4. Pending Items

5. Other Business

COM-09:056 Jonesboro Airport Commission financial statements for the four months ended April 30, 2009, and 2008

Sponsors: Municipal Airport Commission

Attachments: [Airport Finance Statements](#)

This item was Read.

COM-09:066 Various Financial Reports

Attachments: [Four Bad Bear Market graph](#)
[Budget Summary/Year-to-date](#)
[Budget Transaction Summary](#)

Mr. Barksdale explained the total amount of revenue brought in for the first 3 months of 2009 was \$16.8 million. He further explained the year-to-date expenditures amount is \$22.8 million, which leaves 58% of the budget.

He stated revenue is down \$1.3 million in 2009 from the same time in 2008. He added the expenditures are higher in 2009 from the same time in 2008 due to the pension and the one-time costs paid out in the first quarter of 2009. He stated there are indications the City should slow down their rate of spending. He noted the sales tax and turnback revenue are increasing at a decreasing rate. He added the turnback rate for May is 3.5%, down from 4.5% in April.

This item was Read.

COM-09:067 Discussion concerning Principal Group and APERS

Attachments: [Non-Uniform Pension Plan](#)

Councilman Hargis explained he requested Principal Group provide the date and fund amount when the account was moved from Simmons Bank to Principal Group.

He added he also requested the dates and amounts the City has made contributions to the retirement plan and all benefit payments made since the move. He suggested leaving Principal Group if the stipulation of purchasing annuities is not removed from the contract.

Chairwoman Ann Williams stated a final decision on the retirement plan should be made at the next Finance meeting.

Councilman Darrel Dover questioned if purchasing annuities is federal law. Mr. Barksdale stated that purchasing annuities was a part of the contract with Principal Group, which requires in the event the benefit index goes below the minimum the City would pay in immediately or Principal would sell part of the City's investments and buy annuities.

Mr. Barksdale stated the City will have a conference call next week with Ms. Rae Willis to discuss how to handle the issues concerning the retirement plan.

Councilman Dover asked how long the contract with Principal Group is for. Mr. Barksdale stated he believes it is something that can be looked at once a year, but is a rollover contract.

Discussion was held concerning the options the City has concerning the retirement plan.

Chairwoman Williams suggested having the people responsible for advising the City on the retirement plan be at the next meeting. Councilman Dover recommended having Mayor Perrin and Mr. Barksdale set a time to review and make a decision on the retirement plan.

Mr. Barksdale stated an additional Finance meeting may be required to discuss the City's contribution amount. He added the contribution amount the City will have to pay next year is \$850,000 up from \$604,000.

Mr. Barksdale explained some of the investments were removed from the watch list. He added some of the investments are doing better than others.

Chairwoman Williams requested this item be placed on the next Finance agenda unless a special called Finance meeting is called.

This item was Read.

6. Public Comments

7. Adjournment

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

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

Absent: 1 - Mikel Fears