



City of Jonesboro

900 West Monroe
Jonesboro, AR 72401

Meeting Minutes

Finance & Administration Council Committee

Monday, December 3, 2007

4:00 PM

Huntington Building

Special Called Meeting

1. Call To Order

Mayor Formon was also in attendance.

Present 5 - Darrel Dover; Judy Furr; Jim Hargis; John Street and Ann Williams

Absent 1 - Harold Perrin

2. New Business

Discussion concerning the proposed 2008 budget

Chairman Dover questioned whether there were any additional changes made to the proposed budget since the last budget meeting. Finance Director Don Ray provided the committee with an updated proposed budget. Mayor Formon noted the updated budget did not have the CWL property purchase and renovations taken out, so those need to be taken out of Capital Improvements which total \$712,000. He then listed the changes made to the budget: addition of revenue from the buy back program for Sanitation trucks (\$720,000); deletion of three pieces of Street equipment from Fixed Assets (\$468,500); addition of three trucks for Engineering for the new Engineering positions (\$45,000); deletion of the 911 vehicle; deletion of two motorcycles from the Police Department; addition of one car for the Police Department. Mayor Formon also noted they lowered the City's contribution for the Police Department. Mr. Ray explained the City only pays a portion, but the previous budget reflected the City paying it in full. Mayor Formon stated they also had some items from Parks they found several items were double-listed and they also cut some projects because it was indicated the projects wouldn't be started in 2008.

Mr. Ray also provided the committee with updated financial statements to reflect the changes to the budget. He explained the O&M budget is at a surplus, but once the lease payments are added the budget goes into a deficit of \$1.57 million. He further explained they will pull some of the sales tax money out of the projected revenue in the general fund in order to cover the projected deficit in the Sanitation fund.

Discussion was then held regarding the proposed incentive plan. Mayor Formon explained the incentive plan would help deter misused sick time. He further explained in 2006 \$586,000 was paid out in sick pay. He added the proposed incentive plan will cost an estimated \$217,000 over the current holiday pay plan due to the addition of the Fire and Police Departments, which do not currently participate in the holiday pay plan. He noted if the Fire and Police Departments were taken out of the incentive plan, then the cost would actually be cheaper than the current holiday pay plan. Chairman Dover questioned how much will be spent in 2007 for the holiday pay plan. Mr. Ray stated \$125,000 will be spent for the holiday pay plan. He added the incentive plan will cost an estimated \$400,000.

Police Officer David MacDonald added an employee has to work a full year in order to be eligible to benefit from the incentive plan. He also noted the plan would help reduce workman's comp claims because workman's comp claims would also be counted as an occurrence. Chairman Dover noted the incentive plan did not go through the proper committee. Councilwoman Furr expressed concern about the incentive plan and stated the supervisors should be the ones to determine whether sick time is being misused. She suggested bringing back the incentive plan as a full plan and in writing before a decision is made. Councilwoman Furr motioned, seconded by Councilman Hargis, to further discuss the incentive plan at the December 20th regular Finance meeting. All voted aye. Councilwoman Furr asked for the plan to be provided in writing. Chairman Dover noted it would be good if the plan could be provided prior to the meeting. Human Resources Director Gloria Roark also noted the incentive plan came from the Employee Representative Committee.

With no other general budget questions, the committee started meeting with department heads.

Chairman Dover questioned how many new firefighters were in the budget for 2008. Fire Chief Aaron Keller stated no new firefighters were included. Councilwoman Furr questioned whether promotions went through the Civil Service Commission. Chief Keller answered no, it's the choice of the department as to who gets promoted. Discussion was then held regarding the Capital Improvement requests for Fire Stations 3 and 7. Chief Keller explained they have found another place to get desks from, so the training instructor desks and the captain's desks can be decreased to \$1,400 each. He then noted the staff vehicles listed in Fixed Assets should be two instead of three, but the amount stays the same.

Human Resources Director Gloria Roark discussed the HR budget. She noted they are not predicting the nationwide advertising similar to what took place this year, so the Advertising line was cut. She also noted the Salaries line decreased because a position was taken out.

Police Chief Michael Yates explained the Police Department's budget increased due to Code Enforcement being included, the addition of officers and due to the Police Department incentive plan. He noted the amount they budgeted for the incentive plan is probably going to be higher than what will actually be spent. Mr. Ray stated the lease purchase figure in the Fixed Assets should be taken out because it is included elsewhere in the budget. Chairman Dover questioned how the take home program is doing. Chief Yates explained they have seen a significant reduction in repair costs but the preventative maintenance cost increased due to oil filters, etc., being purchased. He further explained they had a savings of \$50,000 to \$70,000 in repair costs.

Chief Yates discussed the Animal Control Department budget. Mayor Formon explained the former director did not allow the workers to work overtime; rather, they were taking comp time which resulted in an increase in Overtime. Chief Yates added the Professional Services line increased due to the veterinarian contract services and the Supplies line increased because of the increased price in euthanization drugs and parvo vaccines.

Mayor Formon explained they were unsure as to additional personnel for the 911 Department, but that it could be revisited in 2008 if needed. Chief Yates noted the \$300 shredder in Fixed Assets can be taken out. It was also decided to increase the amount for the laptop computer to \$2,000 (a \$1,000 increase) because the laptop will need to be GIS capable.

Chief Yates then discussed the Parking budget. Chairman Dover questioned how many hours a week the parking employee will be working. Chief Yates explained the employee will be working about 25 to 30 hours a week.

Sanitation Director Royce Leonard discussed the Sanitation budget. Councilman Street questioned whether there was a breakdown of commercial versus residential costs. Mr. Leonard noted the information was provided in the packet of information given out at the November 20th City Council meeting. Councilman Street then questioned whether there is a need for commercial sanitation services. Mr. Leonard answered yes, he believes there is a need for it. He noted the City is not as high in roll-offs but the fees are competitive with private haulers. He also noted some private haulers have even lowered their rates. Discussion was then held regarding charging apartments. Councilwoman Williams stated it would be crucial to obtain a legal opinion as to whether the City can charge apartments and where the City can legally draw the line. Councilman Hargis then discussed additional roll-offs used solely for recycling and possibly using the revenue to offset the cost. Mr. Leonard noted the recycling revenue goes to the Solid Waste Authority but to change what the City is doing currently the agreement with Legacy Landfill would have to be changed. He also noted Public Works Director Erick Woodruff has asked him to work out routes to separate commercial from residential sanitation service.

City Clerk Donna Jackson discussed her budget. She explained Salaries increased due to her raise earlier this year, as well as a request for a raise for an employee and a request to move a part-time position to full-time. She stated \$2,000 should be put back into the Office Expense/Postage account. She explained it had been left out but did not change from last year. City Clerk Jackson then discussed purchasing a large format scanner in order to scan at the request of an alderman. She explained it would be used to scan in large plats as well as include newspaper articles with the files in Legistar. Chairman Dover questioned the status of the property deeds. Operations Director Misty Micenhamer stated she has a list of all the property the City owns but has not had time to meet with City Clerk Jackson in order to compare the list to what is in the City Clerk's files.

There were no questions concerning the Inspections Department budget.

Public Works Director Erick Woodruff discussed the Street Department budget. It was decided to decrease the Auto Expense line to \$265,000. Discussion was held concerning purchasing leaf equipment. Mr. Woodruff explained they are going to look into whether any grants can be obtained to help with the cost of the equipment.

There were no questions concerning the Planning Department budget.

Grants Coordinator Gayle Vickers discussed the CDBG budget. She noted CDBG is budget neutral because HUD pays 100% of the costs. She noted a change from part-time to full-time and a change in rent. She also explained they are currently on schedule with the projects and anticipate receiving the same amount of funding in 2008. Discussion was held regarding the amount on page 35 that reflects CDBG only receiving \$112,799. Ms. Vickers stated it appears that only the portion for the administrative costs was included in the budget as opposed to the total grant amount. She explained the total budget for CDBG and administration are the same as they were in the previous year.

MPO Coordinator Amin Ulkarim discussed the MPO budget. He explained the City's portion of the budget will cost \$20,476. It was decided to take out the computer as well as the furniture in Fixed Assets because of the deletion of an additional employee. It was also decided to leave \$2,500 for a laptop computer for Mr. Ulkarim.

JETS Director Joel Gardner discussed the JETS budget. He noted the only cost to the City is the \$130,000 payment.

Maintenance Director Keith Sanders questioned including the Forum in the Building Maintenance budget. Mr. Ray noted funds for the Forum were not included in the Maintenance budget. Mayor Formon decided to leave the Maintenance account as it is.

Parks Director Jason Wilkie discussed the Parks budget. He explained the Professional Services increased due to extending the greenway. He further explained they would like to get plans drawn up so they can apply for grants. He noted he is also looking into receiving grant money to purchase the defibrillators listed in Fixed Assets. Councilman Street motioned, seconded by Councilwoman Williams, to recommend to full Council a raise for the Youth Sports Coordinator as proposed by Mr. Wilkie. All voted aye.

Information Systems Director Alan Young discussed the I.S. budget. He explained Professional Services increased because they are hoping to hire someone to add to the functionality of the GIS website. Discussion was held regarding Supplies. Mr. Young stated computers are now purchased through the Supplies line item, but are still given a City tag. Discussion was then held regarding the Computer Software line. Mr. Young explained they want to purchase a third party piece of software for Inspections that will work with Springbrook. He further explained the software will allow contractors to call in and receive updates on their permit status. He noted the software will cost \$87,000. Chairman Dover expressed concern over purchasing the software without having contacted anyone who is using the software in conjunction with Springbrook. Mr. Young noted the software was budgeted for in 2007, but he held off on the purchase due to issues with Springbrook. It was decided to decrease the Computer Software account by \$87,000 and to not purchase the software until the committee can make sure it works in conjunction with Springbrook and for the committee to see a sample of it working in another city. Discussion was then held regarding the Fixed Assets. Mr. Ray questioned whether the laptop would still be needed for the auditor position previously held by Ms. Micenhamer. Chairman Dover answered no because the position will not be filled. It was decided to take out the auditor laptop, as well as the interactive whiteboard for the Fire Department. It was also noted the laptop for 911 was listed in the 911 budget as well as the I.S. budget. It was decided to take the laptop out of the 911 budget and leave it in I.S. budget with the amount set at \$2,000.

City Engineer Kelly Panneck discussed the Engineering Department budget. He noted the Professional Services increased due to the on-call surveyor services. It was decided to take the tornado sirens out of the Engineering budget and put them in the Street Department budget. Councilman Hargis suggested adding another drafting table to the Fixed Assets in order for citizens to come in and look at documents. It was decided to add another drafting table to Fixed Assets at the cost of \$640. Discussion was then held regarding what projects would be taking place in 2008 as listed in Capital Improvements. Mr. Panneck explained they can take out the Sharp Street project because he is unsure whether they will get to it in 2008.

Mr. Ray discussed the Finance Department budget. He noted Professional Services increased due to the cost of the grant audit.

Mr. Ray then discussed the City Council's budget. It was decided to take out the auditor position. It was also decided to not include an amount for the upcoming audit because they are unsure how much it will cost.

City Attorney Crego discussed his budget. He requested a paralegal position be added to his office in order to help with preparing ordinances, resolutions and contracts. It was asked for Mr. Crego to work with Human Resources to make a job description and come up with a pay scale to fit the City's pay plan for the paralegal. Mr. Crego also asked for a raise for the Assistant City Attorney. Chairman Dover suggested Mr. Crego put it on the December 20th regular Finance meeting for further discussion.

Mayor Formon discussed his budget. He explained he was unsure why the Part-Time Salaries line decreased because it needed to be around \$14,000. He further explained their part-time position works 30 to 32 hours per week at \$8.50 an hour. Discussion was held regarding part-time employees versus full-time employees. Ms. Roark noted anyone who works over 24 hours per week should be offered health insurance. Chairman Dover explained it was the committee's wish to not work people more than part-time hours without offering benefits. It was asked for Mayor Formon to look into the position further.

It was decided for Mr. Ray to make the changes to the budget and then to meet in order to discuss further issues, such as the incentive pay plan. Councilwoman Furr noted the incentive plan has already been included in the proposed 2008 budget. She then clarified that she would like the information concerning the incentive in writing from Ms. Roark. Mr. Ray noted the committee asked for the information at the next regular meeting, which isn't until December 20. Chairman Dover questioned whether the committee wanted the budget with the incentive pay in or out until a decision is made. Councilman Hargis suggested taking the incentive pay out and starting from scratch. Mr. Ray questioned whether the current holiday plan will be put back in since the proposed incentive plan is being taken out. Chairman Dover stated he is assuming that's what will be done until a decision is made to change.

3. Adjournment

A motion was made by Councilperson Judy Furr, seconded by Councilperson John Street, that this meeting be Adjourned. The motion CARRIED by a Voice Vote.

Aye: 4 - Judy Furr; Jim Hargis; John Street and Ann Williams

Absent: 1 - Harold Perrin