



City of Jonesboro

900 West Monroe
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Thursday, April 23, 2009

5:00 PM

Huntington Building

1. Call To Order

Mayor Perrin was also in attendance.

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

Absent 1 - John Street

2. Approval of minutes

[MIN-09:032](#)

Minutes for the special called Finance Committee meeting on March 16, 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-09:033](#)

Minutes for the Finance Committee meeting on March 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

[MIN-09:035](#)

Minutes for the special called Finance Committee meeting on April 7, 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

Ordinances To Be Introduced

ORD-09:022

AN ORDINANCE TO APPROPRIATE MONEY FROM THE GENERAL FUND TO COVER THE COST OF LEGISTAR'S ANNUAL MAINTENANCE CONTRACT

Sponsors: City Clerk

Finance Director Jim Barksdale stated this item was left out of the budget.

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

Resolutions To Be Introduced

RES-09:058

RESOLUTION RESCINDING RES-09:024, A NEW CONTRACT WITH ATA (ALEXANDER THOMPSON ARNOLD, PLLC) AND THE CITY OF JONESBORO, ARKANSAS FOR PROFESSIONAL SERVICES;

Sponsors: Finance

Attachments: [Engagement Letter for Consulting Services to City of Jonesboro](#)

Mr. Barksdale explained the original contract was limited to \$14,000, but more funds will be required. He added they wanted a more open-end contract, which would allow the City to end the contract if the City is not happy with the work.

Mayor Perrin stated Mr. Barksdale can allow for further work to be done on an hourly basis if needed. He added once he receives the weekly progress reports he will email them to all of the committee members.

Mr. Barksdale explained ATA is done with the work for 2007 and 2008. He added the City will need to fix some of the adjusted journal entries that were found by ATA.

Mr. Barksdale noted ATA has not been paid due to the ordinance not having been passed yet.

Mayor Perrin stated ATA has already done the work. He added the City will keep a running record of what the City is paying ATA.

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-09:049

Memo to Mayor Harold Perrin and Finance Committee concerning the City's finances year-to-date as of 3/31/09

Attachments: [Memo](#)

Mr. Barksdale stated the year-to-date revenue amount is \$13.4 million. He added the year-to-date revenue for 2009 is down \$693,000 from the same time in 2008. He noted the expenditures are up \$6 million from 2008.

He explained privilege licenses had an amount of \$59,000 that was past due, but is now down under \$30,000. He added they have promises from some companies to pay the fees. He stated the current invoice for debris cleanup is \$1.2 million and the landfill bill is \$62,000 for the burning of the debris at the landfill.

Mr. Barksdale explained the non-uniform pension plan amount is back down in the warning area of the benefit index. He added he will meet with Mr. Russell Andover and Ms. Rae Willis from Principal Group next week concerning the pension plans.

Councilman Jim Hargis stated he believes the City should get rid of the annuity option.

Mr. Barksdale stated he questions how objective the advisor can be due to Principal Group being the administrator and the advisor.

Mayor Perrin explained the Finance Committee recommended allowing Principal Group to invest the City's funds. He added he recommends the Finance Committee review the investments quarterly. He also added purchasing of annuities will be discussed during the meeting with Principal Group. He noted there are several items that need to be looked at with the pension plan.

Mr. Barksdale stated the police pension funds were changed to Metropolitan Bank because LOPFI changed the discount rate.

Discussion was held on the uniform pension plan.

Councilman Darrel Dover asked if the contract is negotiable. Mayor Perrin answered the City will review the contract to see if it is negotiable and that will be addressed in the meeting with Principal Group. Councilman Dover recommended making monthly payments instead of yearly payments. Mr. Barksdale explained the City has the option to determine how future funds will be invested.

Chairwoman Williams asked if representatives from Principal Group will meet with Council. Mr. Barksdale answered yes. Councilman Dover stated Principal has already held two meetings with the City and he feels the City will be told they have the same 3 options as before.

Further discussion was held concerning the pension plans.

Chairwoman Williams requested clarification concerning whether the individuals on

the committee are responsible for the decision if they want to change a pension plan. Mayor Perrin stated he would get an answer for her.

Chairwoman Williams requested this item be on the next Finance Agenda.

This item was Read.

COM-09:050

Non-Uniform Pension Plan with Principal Group

Attachments: [Mar09NonUniformPENSIONPrincipalGroup](#)

This item was Read.

COM-09:051

Explanation of Budget Variance from Benchmark

Attachments: [Budget variance from Benchmark](#)
[Budget variance from Benchmark \(2\)](#)

Discussion was held concerning the Benchmark rating system.

Councilman Dover explained the City has not been specific with the company concerning what the 40% equity should be invested in. Mr. Barksdale stated he recommends the City have some sort of investment policy.

Mr. Barksdale stated the March reports are online and are being generated by Springbrook.

Discussion was held concerning the reports handed out.

Mayor Perrin commended Mr. Barksdale on the work he has done on the reports.

He explained some privilege license fees are 120 days past due at an amount of \$30,810. He added City Collector Becky Sharp has collected over \$6,000 in the last week in past due privilege license fees. He stated the City will publish past due privilege fees in the Jonesboro Sun after May 15th. He noted the fees past due May 15 will have a 40% penalty fee attached to them.

Councilman Hargis explained the interest income is down \$275,000 in the first quarter of 2009 from this time year.

This item was Read.

COM-09:052

Accounts Payable Checks Processed as year-to-date 3/31/09

Attachments: [Accounts Payable checks processed](#)

Mr. Barksdale stated Ms. Sharp is making calls every day concerning hotel overdue taxes and outstanding privilege taxes.

Discussion was held concerning the reports

This item was Read.

COM-09:043

Various financial reports

Sponsors: Finance

Attachments: [Mar-09 Revenues](#)
[Mar-09 Revenues YTD08 v YTD09](#)
[Mar-09 Expenditures](#)
[MAR-09 Expenditure Explanations](#)
[Mar-09- Exp 08 vs. 09](#)

This item was Read.

COM-09:044

DD&F CONSULTING GROUP, INCQ HAS SUBMITTED A COMPREHENSIVE BUSINESS CONTINUITY PLAN. THE PROJECT PLAN, DEVELOPMENT, IMPLEMENTATION, PROPOSED FEES AND THE RESPONSIBILITIES OF THE FIRM AND THE CITY OF JONESBORO ARE OUTLINED FOR REVIEW.

Sponsors: Mayor's Office and Finance

Attachments: [Business Continuity Planning - PDF](#)
[Business Continuity Planning](#)

Mayor Perrin explained the City is recommending DD & F from Little Rock. He added the cost is approximately \$30,000 for the plan.

Councilman Dover questioned if this plan will address the short comings in the legislative audit. Mayor Perrin answered yes, but Legislative Audit will be here before this plan will be in place.

Councilman Jim Hargis motioned, seconded by Councilman Darrel Dover, that the Business Continuity Plan by DD & F be recommended to Council. All voted aye.

This item was Read.

Discussion of possible reimbursement of certification fees to lifeguards

Councilman Mikel Fears explained the Parks Department lifeguards pay for their own training. He added the certification fee is \$187. He recommended discussing this matter at the next meeting.

He suggested possible reimbursement of the certification fee if the lifeguard stays with the City during the whole summer.

Chairwoman Williams questioned if the Finance meeting in May would be in enough time to take care of this matter. Councilman Fears answered no, because one of the classes start May 9.

She also asked if Councilman Fears had spoken with Parks Director Jason Wilkie. Councilman Fears stated yes.

Councilman Dover asked how many lifeguards this would affect. Councilman Fears answered approximately 4 to 5 lifeguards.

Mayor Perrin stated he would like to meet with Mr. Wilkie on this matter first.

Councilman Fears stated he would abstain from further discussion due to his step-daughter possibly being one of the lifeguards.

6. Public Comments

7. Adjournment

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

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

Absent: 1 - John Street