

NORTH LITTLE ROCK WASTE WATER TREATMENT COMMITTEE

MINUTES OF A MEETING HELD TUESDAY, NOVEMBER 18, 2014

A meeting of the North Little Rock Waste Water Treatment Committee was held on Tuesday, November 18, 2014 at the administrative offices located at the Faulkner Lake Treatment Plant.

The meeting was called to order by Chairman Matthews at approximately 12:15 p.m. Those in attendance at the meeting were: Mr. K.W. Matthews, Mr. Sylvester Smith, Mr. Ed Nelson, Mr. Clark McGlothlin and Ms. Karen Bryant. Also in attendance were Mr. Marc Wilkins, Director, Ms. Gina Briley, Mr. Charles Frost, Mr. Ronnie Thompson, Mr. Lyle Leubner, Mr. Michael Clayton, Mr. Jody Carreiro with Osborn, Carreiro & Associates, Inc., Mr. Mark Halter with Hilburn, Calhoun, Harper, Pruniski & Calhoun, Ltd. and Dawn Harmon.

First, the Committee reviewed the minutes of its October 14, meeting. After review, a motion was made by Mr. Nelson, seconded by Ms. Bryant, to approve the minutes of the October 14, 2014 meeting as submitted. The motion carried unanimously.

Mr. Wilkins then informed the Committee that the Retirement Committee met at 12:00 p.m. on Tuesday, November 4, 2014. Mr. Wilkins then introduced to the Committee Mr. Jody Carreiro with Osborn, Carreiro & Associated, Inc. who presented the actuarial valuation as of July 1, 2014. Mr. Carreiro explained that his company was recommending two changes in the contribution calculations, one a method change and the second an assumption change. The previous administrator used an aggregate funding method which took all future liability and divided it over the remaining work life of the participants. The accepted funding method to accomplish this is called the entry age normal funding method. This is also the method used by the new GASB requirements. The assumption change was to assure a 7% return rather than a 7.5% return. It was noted that last year's contribution to the retirement fund was \$500,000.00, but this year the recommendation of the Retirement Committee is \$642,000.00. After further discussion and explanation of the new methodology for calculation and the new assumption, a motion was made by Mr. Nelson, seconded by Mr. McGlothlin, to authorize the contribution amount of \$642,000.00 to the North Little Rock Wastewater Retirement Fund by January 1, 2015.

The Committee then reviewed the voucher disbursements for October 2014. There being no questions or comments, a motion was made by Mr. Smith, seconded by Ms. Bryant, to approve the voucher disbursements for October 2014 reflecting total cash disbursements of \$2,024,860.88 and transfers between accounts of \$1,282,921.03. The motion carried unanimously.

Upon motion made by Mr. Nelson, seconded by Ms. Bryant, the Committee

unanimously approved the Financial Statement for October 2014.

Mr. Wilkins then distributed to the Committee members a copy of a preliminary draft of the 2015 Budget. Mr. Wilkins presented the highlights of the draft Budget which are attached hereto and incorporated into the Minutes. Mr. Wilkins also explained that one item not included in the draft Budget is the possible purchase of 7.7 acres located to the east side of the Smith property recently purchased by the Utility. Mr. Wilkins just became aware that this property was for sale and that the Utility could utilize the property for possible future expansion of its facilities. The Committee members asked for additional time to review the proposed Budget before voting on same.

There being no further action to come before the Committee, a motion was made by Mr. Smith to adjourn the meeting. The motion carried unanimously and the meeting was adjourned at approximately 12:49 p.m.

APPROVED AS TO FORM:



K. W. MATTHEWS, CHAIRMAN

RESPECTFULLY SUBMITTED,



SYLVESTER SMITH,
VICE-CHAIRMAN/SECRETARY