



City of Farmington
354 W. Main Street
P.O. Box 150
Farmington, AR 72730
479-267-3865
479-267-3805 (fax)

**CITY COUNCIL AGENDA -
June 8, 2026**

A regular meeting of the Farmington City Council will be held on
Monday, June 8, 2026, at 6:00 p.m.
City Hall
354 W. Main Street, Farmington, Arkansas.

1. Call to Order – Mayor Ernie Penn
2. Roll Call – City Clerk Kelly Penn
3. Pledge of Allegiance
4. Comments from Citizens – the Council will hear brief comments at this time from citizens. No action will be taken. All comments will be taken under advisement.
5. Approval of the minutes –May 11, 2026, City Council Meeting.
6. Financial Reports
7. Entertain a motion to read all ordinances and resolutions by title only.
8. Proclamations, special announcements, committee/commission appointments.
9. Committee Reports
10. Items to be removed from City of Farmington Inventory –

NEW BUSINESS

11. Ordinance No. 2026-11 an ordinance to amend Ordinance No. 2026-02 to update personnel policy for the city of Farmington, Arkansas.

MINUTES



Mayor Ernie Penn

City Attorney Jay Moore

City Clerk Kelly Penn

City Council Member Sherry Mathews
Ward 1 Position 1

Council Member Keith Lipford
Ward 2 Position 1

Council Member Brenda Cunningham
Ward 3 Position 1

Council Member Diane Bryant
Ward 4 Position 1

Council Member Hunter Carnahan
Ward 1 Position 2

Council Member Bobby Morgan
Ward 2 Position 2

Council Member Linda Bell
Ward 3 Position 2

Council Member Kara Gardenhire
Ward 4 Position 2

A meeting of the Farmington City Council was held on May 11, 2026, at 6:00 p.m. in the Council Chambers at Farmington City Hall, located at 354 West Main Street, Farmington Arkansas. Vice Mayor Bobby Morgan called the meeting to order.

PRESENT: Council Members Diane Bryant, Keith Lipford, Brenda Cunningham, Sherry Mathews, Hunter Carnahan, Linda Bell, Bobby Morgan, Kara Gardenhire, City Attorney Jay Moore, City Business Manager Melissa McCarville, Administrative Assistant LeAnn Tolleson, Press and Audience Members. Mayor Ernie Penn and City Clerk Kelly Penn were absent.

Pledge of Allegiance

Comments from Citizens – Troy Stufflebeam, 65 Giles Road spoke to the council regarding the Old Farmington Road subdivision.

Approval of the April 13th, 2026, City Council Meeting Minutes

On the motion of Council Member Cunningham and a second by Council Member Bryant and by the consent of all Council Members present after a roll call vote, the minutes were approved as presented by a vote of 7-0.

Financial Reports

Vice Mayor Morgan presented the financial reports to the City Council. Monthly city sales tax increased 19.63% compared to 2025. Monthly state/county sales tax increased 4.47% compared to 2025.

Entertain a motion to read all Ordinances and Resolutions by title only.

On the motion of Council Member Bryant and a second by Council Member Carnahan, and by the consent of all Council Members present after a roll call vote, the motion to read all Ordinances and Resolutions by title only was approved 7-0.

Proclamations, Special Announcements, Committee/Commission Appointments –

Appointment of Tim Yopp and Marianne Choy to the Library Board - On the motion of Council Member Carnahan and a second by Council Member Bryant, and by the consent of all Council Members present after a roll call vote, the motion to appoint Tim Yopp and Marianne Choy to the Library Board was approved 7-0.

Committee Reports – No committee reports were submitted.

Items to be removed from the City of Farmington – None

Old Business – None

New Business

Ordinance No. 2026-10 An ordinance rezoning property at 46 East Wilson Street from R-2 to MF-2, Multifamily, as requested by Jason Appel, P.E.

A motion was made by Council Member Carnahan and seconded by Council Member Gardenhire to suspend the rules requiring the motion to be read in full on three separate dates to be suspended and that Ordinance 2026-10 be read one time by title only. After a roll call vote, the motion was approved 7-0. City Attorney Moore read the ordinance by title only. Vice Mayor Morgan asked Shall the Ordinance pass? After a roll call vote, Ordinance 2026-10 was approved by a vote of 4-3 with Council Members Lipford, Cunningham, Carnahan and Bell voting yes. Council Members Bryant, Mathews and Gardenhire voted no. A motion was made to pass Ordinance 2026-10 with an emergency clause by Council Member Carnahan and seconded by Council Member Bryant, after a roll call vote, the motion was approved 5-2, with Council Members Mathews and Gardenhire voting no.

Resolution 2026-08 A Resolution authorizing the grant of a water/sewer easement to the City of Fayetteville, Arkansas on a parcel of land owned by the City of Farmington, Arkansas for the purpose of installing a sewer line.

On the motion of Council Member Carnahan and a second by Council Member Bryant and by the consent of all Council Members present after a roll call vote, the motion to approve Resolution 2026-08 was approved 7-0.

Resolution 2026-09 A Resolution to authorize the city attorney to seek condemnation and possession of certain lands owned by Jon-Zoe Properties, LLC and J-Z Farmington, LLC needed for the Farmington Sewer Project.

On the motion of Council Member Carnahan and a second by Council Member Mathews and by the consent of all Council Members present after a roll call vote, the motion to approve Resolution 2026-09 was approved 7-0.

Request approval to remove from inventory with new purchase of a new backhoe.

On the motion of Council Member Carnahan and a second by Council Member Bell and by the consent of all Council Members present after a roll call vote, the motion to remove the New Holland b95c Backhoe, serial number NDHH02465 and purchase a 420 Caterpillar Backhoe in the amount of \$101,574.99 was approved 7-0.

Award Bid for Lossing Street Repairs

On the motion of Council Member Bell and a second by Council Member Bryant and by the consent of all Council Members present after a roll call vote, the motion to award the Lossing Street Repair bid to NEC Incorporated of Rogers Arkansas for \$56,454.50 was approved 7-0.

Motion to Adjourn

There being no further business coming before the council, the meeting adjourned at 6:42 pm by a motion from Council Member Carnahan and a second by Council Member Bell until the next regularly scheduled meeting to be held Monday, June 8th, 2026, in the City Council Chambers at City Hall, located at 354 West Main Street, Farmington, Arkansas.

Approved: Ernie Penn, Mayor _____

Attest: Kelly Penn, City Clerk _____

Financial



354 W. Main Street
P.O. Box 150
Farmington, AR 72730
479-267-3865

TO: Farmington City Council
Kelly Penn, City Clerk

FROM: Mayor Ernie Penn

RE: Summary of City Financial Report May 2026

- 2026 City Sales Tax – **Increased by 11.86% in May**, compared to May of 2025.
- 2026 State/County Sales Tax – **May Sales Tax was (98.69) less** compared to May 2025.
- 2026 City Sales Tax - **Year to date has increased by 10.45%**, compared to 2025.
- 2026 State/County Sales Tax—**Year to date has increased by 1.01%** compared to 2025.
- 2007 Sewer Bond (\$4,500,000), Loan Balance \$856,521, Bond Payoff Date 10/15/2029.
- 2017 Sales and Use Bonds (5,090,000), Loan Balance \$3,435,000, Bond payoff date 10/1/2037.
- **Deposits:** We have deposits on file totaling \$15,074,637 based on statement balances as of 05/31/2026

MONTH	CITY SALES TAX		STATE SALES TAX		STATE SALES TAX	
	2025	2026	2025	2026	2025	2026
JANUARY	\$ 276,136.00	\$ 289,178.84	\$ 181,694.58	\$ 177,587.65	\$ 181,694.58	\$ 177,587.65
FEBRUARY	\$ 331,826.36	\$ 334,407.27	\$ 197,766.35	\$ 200,496.57	\$ 197,766.35	\$ 200,496.57
MARCH	\$ 235,802.15	\$ 281,612.63	\$ 159,540.12	\$ 162,894.19	\$ 159,540.12	\$ 162,894.19
APRIL	\$ 246,672.24	\$ 295,091.24	\$ 160,925.89	\$ 168,112.09	\$ 160,925.89	\$ 168,112.09
MAY	\$ 289,298.42	\$ 323,600.49	\$ 185,588.64	\$ 185,489.95	\$ 185,588.64	\$ 185,489.95
JUNE	\$ 278,455.84		\$ 177,107.39		\$ 177,107.39	
JULY	\$ 292,689.84		\$ 178,708.20		\$ 178,708.20	
AUGUST	\$ 294,858.77		\$ 183,563.88		\$ 183,563.88	
SEPTEMBER	\$ 299,221.18		\$ 182,963.04		\$ 182,963.04	
OCTOBER	\$ 305,045.26		\$ 187,271.81		\$ 187,271.81	
NOVEMBER	\$ 319,190.89		\$ 179,302.35		\$ 179,302.35	
DECEMBER	\$ 280,381.95		\$ 181,362.88		\$ 181,362.88	
		City Sales Tax			State Sales Tax	
Monthly Comparison -May 2025/May 2026		\$ 34,302.07		\$ (98.69)		
YTD comparison	Increase/Decrease for 2026 over 2025 YTD - City Sales Tax	\$ 144,155.30		Increase for 2025 over 2024 YTD - State Sales Tax	\$ 9,064.87	
Total Actual 2026 Income vs 2026 Budgeted Income	County Wide Sales Tax	City Sales Tax		Total Sales Tax Increase/(Decrease) YTD 2025	\$ 153,220.17	
Total Budget 2026	\$ 2,000,000.00	\$ 3,100,000.00				
Actual 2026 (thru May)	\$ 894,580.45	\$ 1,523,890.47				

GENERAL FUND
Statement of Revenue and Expenditures

	Year-To-Date	Annual Budget	Jan 2026
	Jan 2026	Jan 2026	Dec 2026
	May 2026	Dec 2026	Percent of
	Actual		Budget
Revenue & Expenditures			
GENERAL REVENUES			
Revenue			
ACCIDENT REPORT REVENUES	710.30	1,500.00	47.35%
ACT 833	0.00	30,000.00	0.00%
ALCOHOL SALES TAX	4,264.03	8,000.00	53.30%
ANIMAL CONTROL REVENUES	604.50	2,000.00	30.23%
BUILDING INSPECTION FEES	149,827.02	300,000.00	49.94%
BUSINESS LICENSES	6,121.75	6,000.00	102.03%
CITY COURT FINES	70,971.25	120,000.00	59.14%
CITY SALES TAX REVENUES	1,523,890.47	3,100,000.00	49.16%
COUNTY TURNBACK	615,834.33	800,000.00	76.98%
DEVELOPMENT FEES	13,219.00	30,000.00	44.06%
FRANCHISE FEES	329,695.03	500,000.00	65.94%
GARAGE SALE PERMITS	677.00	1,500.00	45.13%
INTEREST REVENUES	83,932.25	260,000.00	32.28%
MISCELLANEOUS REVENUES	204,237.03	0.00	0.00%
Off Duty Police Reimbursement	4,517.53	25,000.00	18.07%
PARK RENTAL	3,558.00	7,000.00	50.83%
PAYMENT IN LIEU OF IMPROVEMENT	0.00	10,000.00	0.00%
SALES TAX - OTHER	894,580.45	2,000,000.00	44.73%
SPORTS COMPLEX FEES	35,474.12	50,000.00	70.95%
SRO REIMBURSEMENT REVENUES	41,669.89	100,000.00	41.67%
STATE TURNBACK	46,355.24	105,000.00	44.15%
TRANS FROM GENERAL FUND	0.00	346,608.86	0.00%
Revenue	\$4,030,139.19	\$7,802,608.86	

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GENERAL FUND
Statement of Revenue and Expenditures

	Year-To-Date	Annual Budget	Jan 2026
	Jan 2026	Jan 2026	Dec 2026
	May 2026	Dec 2026	Percent of
	Actual		Budget
ADMINISTRATIVE DEPT			
Expenses			
ADDITIONAL SERVICES EXPENSE	137,545.82	190,000.00	72.39%
ADVERTISING EXPENSE	7,672.31	7,200.00	106.56%
Bank Charges	3,638.33	8,000.00	45.48%
BUILDING MAINT & CLEANING	35,410.23	60,000.00	59.02%
CAPITAL IMPROVEMENT	12,975.56	0.00	0.00%
ELECTION EXPENSES	0.00	5,000.00	0.00%
ENGINEERING FEES	53,867.85	140,000.00	38.48%
INSURANCES EXPENSE	1,994.46	130,000.00	1.53%
LEGAL FEES	3,000.00	10,000.00	30.00%
MATERIALS & SUPPLIES EXPENSE	7,264.36	30,000.00	24.21%
MISCELLANEOUS EXPENSE	0.00	2,000.00	0.00%
NEW EQUIPMENT PURCHASE	2,549.54	10,000.00	25.50%
PAYROLL EXP - CITY ATTRNY	35,372.11	87,019.00	40.65%
PAYROLL EXP - ELECTED OFFICIAL	61,974.79	132,000.00	46.95%
PAYROLL EXP - REGULAR	150,510.97	342,077.68	44.00%
PLANNING COMMISSION	6,229.50	22,000.00	28.32%
POSTAGE EXPENSE	500.00	2,200.00	22.73%
PROFESSIONAL SERVICES	205,971.50	50,000.00	411.94%
REPAIR & MAINT - BUILDING	9,626.00	0.00	0.00%
REPAIR & MAINT - EQUIPMENT	2,142.71	2,000.00	107.14%
REPAIR & MAINT - OFFICE EQUIP	3,029.24	6,500.00	46.60%
TECHNICAL SUPPORT	46,957.64	100,000.00	46.96%
TELECOMMUNICATION EXPENSES	0.00	2,000.00	0.00%
TRAVEL, TRAINING & MEETINGS	12,781.12	20,000.00	63.91%
UTILITIES EXPENSES	53,960.90	100,000.00	53.96%
Expenses	\$854,974.94	\$1,457,996.68	

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GENERAL FUND
Statement of Revenue and Expenditures

	Year-To-Date	Annual Budget	Jan 2026
	Jan 2026	Jan 2026	Dec 2026
	May 2026	Dec 2026	Percent of
	Actual		Budget
ANIMAL CONTROL DEPT			
Expenses			
FUEL EXPENSES -	557.76	2,000.00	27.89%
MATERIALS & SUPPLIES EXPENSE	115.30	500.00	23.06%
PAYROLL EXP - REGULAR	37,784.78	91,277.79	41.40%
PROFESSIONAL SERVICES	2,740.00	12,000.00	22.83%
REPAIR & MAINT - AUTOMOBILES	40.36	1,500.00	2.69%
REPAIR & MAINT - EQUIPMENT	0.00	500.00	0.00%
TRAVEL, TRAINING & MEETINGS	0.00	500.00	0.00%
UNIFORMS/GEAR EXPENSE	49.95	500.00	9.99%
Expenses	\$41,288.15	\$108,777.79	

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GENERAL FUND
Statement of Revenue and Expenditures

	Year-To-Date	Annual Budget	Jan 2026
	Jan 2026	Jan 2026	Dec 2026
	May 2026	Dec 2026	Percent of
	Actual		Budget
BUILDING PERMIT DEPT			
Expenses			
FUEL EXPENSES	1,323.94	5,000.00	26.48%
PAYROLL EXP - REGULAR	82,676.25	212,202.50	38.96%
REPAIR & MAINT - AUTOMOBILES	226.48	2,000.00	11.32%
TRAVEL, TRAINING & MEETINGS	2,846.30	5,000.00	56.93%
UNIFORMS/GEAR EXPENSE	0.00	1,000.00	0.00%
Expenses	\$87,072.97	\$225,202.50	

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GENERAL FUND
Statement of Revenue and Expenditures

	Year-To-Date	Annual Budget	Jan 2026
	Jan 2026 May 2026 Actual	Jan 2026 Dec 2026	Dec 2026 Percent of Budget
FIRE DEPT			
Expenses			
ADVERTISING EXPENSE	0.00	2,000.00	0.00%
FUEL EXPENSES	7,914.31	25,000.00	31.66%
HAZMAT EXPENSES	2,881.92	4,000.00	72.05%
MATERIALS & SUPPLIES EXPENSE	15,897.35	50,000.00	31.79%
MISCELLANEOUS EXPENSE	0.00	500.00	0.00%
NEW EQUIPMENT PURCHASE	72,475.81	73,600.00	98.47%
PAYROLL EXP - REGULAR	720,397.47	1,626,180.11	44.30%
PROFESSIONAL SERVICES	0.00	10,000.00	0.00%
REPAIR & MAINT - BUILDING	11,439.61	50,000.00	22.88%
REPAIR & MAINT - EQUIPMENT	6,465.20	12,150.00	53.21%
REPAIR & MAINT - TRUCK	8,311.67	30,000.00	27.71%
TRAVEL, TRAINING & MEETINGS	10,682.06	25,000.00	42.73%
UNIFORMS/GEAR EXPENSE	9,330.26	35,000.00	26.66%
Expenses	\$865,795.66	\$1,943,430.11	

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GENERAL FUND
Statement of Revenue and Expenditures

	Year-To-Date	Annual Budget	Jan 2026
	Jan 2026	Jan 2026	Dec 2026
	May 2026	Dec 2026	Percent of
	Actual		Budget
LAW ENFORCE - COURT			
Expenses			
MATERIALS & SUPPLIES EXPENSE	2,270.57	3,000.00	75.69%
MISCELLANEOUS EXPENSE	0.00	400.00	0.00%
NEW EQUIPMENT PURCHASE	0.00	9,600.00	0.00%
PAYROLL EXP - REGULAR	71,512.92	195,671.05	36.55%
POSTAGE EXPENSE	10.48	500.00	2.10%
SPECIAL COURT COSTS	0.00	11,000.00	0.00%
TRAVEL, TRAINING & MEETINGS	150.00	5,000.00	3.00%
Expenses	\$73,943.97	\$225,171.05	

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GENERAL FUND

Statement of Revenue and Expenditures

	Year-To-Date	Annual Budget	Jan 2026
	Jan 2026	Jan 2026	Dec 2026
	May 2026	Dec 2026	Percent of
	Actual		Budget
LAW ENFORCE - POLICE			
Expenses			
ADVERTISING EXPENSE	0.00	100.00	0.00%
DRUG TASK FORCE	1,500.00	2,000.00	75.00%
FUEL EXPENSES	21,695.35	81,000.00	26.78%
MATERIALS & SUPPLIES EXPENSE	57,712.99	150,000.00	38.48%
MISCELLANEOUS EXPENSE	0.00	500.00	0.00%
NEW EQUIPMENT PURCHASE	107,334.00	240,000.00	44.72%
Off Duty Police Pay	10,977.64	20,000.00	54.89%
PAYROLL EXP - REGULAR	942,590.86	2,175,113.42	43.34%
PAYROLL EXP - SRO	97,102.55	219,606.77	44.22%
REPAIR & MAINT - AUTOMOBILES	22,129.04	35,000.00	63.23%
REPAIR & MAINT - EQUIPMENT	2,156.00	3,000.00	71.87%
TRAVEL, TRAINING & MEETINGS	8,087.60	15,000.00	53.92%
UNIFORMS/GEAR EXPENSE	11,463.77	25,000.00	45.86%
Expenses	\$1,282,749.80	\$2,966,320.19	

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GENERAL FUND
Statement of Revenue and Expenditures

	Year-To-Date	Annual Budget	Jan 2026
	Jan 2026 May 2026 Actual	Jan 2026 Dec 2026	Dec 2026 Percent of Budget
PARKS DEPT			
Expenses			
CAPITAL IMPROVEMENT	0.00	250,000.00	0.00%
ENGINEERING FEES	10,000.00	30,000.00	33.33%
MATERIALS & SUPPLIES EXPENSE	2,284.14	15,000.00	15.23%
NEW EQUIPMENT PURCHASE	4,430.00	15,000.00	29.53%
PAYROLL EXP - REGULAR	142,730.89	340,310.54	41.94%
PAYROLL EXP - SPORTS COMPLEX	1,180.91	0.00	0.00%
PROFESSIONAL SERVICES	6,000.00	30,000.00	20.00%
REPAIR & MAINT - BUILDING	149.00	0.00	0.00%
REPAIR & MAINT - EQUIPMENT	5,125.08	10,000.00	51.25%
SPORTS PARK MATERIALS	13,853.52	25,000.00	55.41%
SPORTS PARK NEW EQUIP	0.00	10,000.00	0.00%
SPORTS PARK PROF SERV	40,687.43	45,000.00	90.42%
SPORTS PARK REPAIR/MAINT	3,436.43	5,000.00	68.73%
SPORTS PARK UTILITIES	8,273.18	20,000.00	41.37%
TRAVEL, TRAINING & MEETINGS	405.00	1,000.00	40.50%
UNIFORMS/GEAR EXPENSE	119.87	1,400.00	8.56%
UTILITIES EXPENSES	7,611.43	8,000.00	95.14%
Expenses	\$246,286.88	\$805,710.54	

STREET FUND
Statement of Revenue and Expenditures

	Year-To-Date Jan 2026 May 2026 Actual	Annual Budget Jan 2026 Dec 2026	Jan 2026 Dec 2026 Percent of Budget
Revenue & Expenditures			
Revenue			
COUNTY TURNBACK	68,410.81	75,000.00	91.21%
GRANTS	56,602.23	0.00	0.00%
INTEREST REVENUES	1,290.93	5,500.00	23.47%
MISCELLANEOUS REVENUES	20,757.64	0.00	0.00%
STREET STATE TURNBACK	257,749.86	550,000.00	46.86%
TRANS FROM GENERAL FUND	461,348.41	461,348.41	100.00%
Revenue	\$866,159.88	\$1,091,848.41	
Expenses			
ADDITIONAL SERVICES EXPENSE	50,710.00	0.00	0.00%
ADVERTISING EXPENSE	0.00	1,000.00	0.00%
ENGINEERING FEES	62,704.78	30,000.00	209.02%
FUEL EXPENSES	2,788.10	12,500.00	22.30%
MATERIALS & SUPPLIES EXPENSE	14,599.74	20,000.00	73.00%
MISCELLANEOUS EXPENSE	0.00	500.00	0.00%
NEW EQUIPMENT PURCHASE	104,007.46	100,000.00	104.01%
PAYROLL EXP - REGULAR	107,398.21	223,148.41	48.13%
PROFESSIONAL SERVICES	8,257.03	20,000.00	41.29%
REPAIR & MAINT - BUILDING	6,962.21	2,000.00	348.11%
REPAIR & MAINT - EQUIPMENT	2,801.64	10,000.00	28.02%
STREET LIGHTS	67,636.85	150,000.00	45.09%
STREET/ROAD REPAIRS	13,389.60	500,000.00	2.68%
TRAVEL, TRAINING & MEETINGS	0.00	500.00	0.00%
UNIFORMS/GEAR EXPENSE	233.67	2,200.00	10.62%
UTILITIES EXPENSES	8,770.60	20,000.00	43.85%
Expenses	\$450,259.89	\$1,091,848.41	

LIBRARY FUND
Statement of Revenue and Expenditures

	Current Period	Annual Budget	Jan 2026
	Jan 2026	Jan 2026	Dec 2026
	May 2026	Dec 2026	Percent of
	Actual		Budget
Revenue & Expenditures			
Revenue			
Donations	280.00	4,000.00	7.00%
FINES/LOST ITEMS	2,251.93	4,000.00	56.30%
INTEREST REVENUES	1,199.88	0.00	0.00%
MISCELLANEOUS REVENUES	10,603.86	0.00	0.00%
TRANS FROM GENERAL FUND		70,000.00	0.00%
WASHINGTON CO LIBRARY REVENUES	169,670.00	316,879.00	53.54%
Revenue	\$184,005.67	\$394,879.00	
Expenses			
ADVERTISING EXPENSE	1,230.30	1,500.00	82.02%
BOOKS AND MEDIA	23,181.23	40,500.00	57.24%
BUILDING MAINT & CLEANING	1,579.34	6,375.00	24.77%
GRANT EXPENSE	60,275.17	0.00	0.00%
MATERIALS & SUPPLIES EXPENSE	9,296.58	16,370.00	56.79%
MISCELLANEOUS EXPENSE		500.00	0.00%
NEW EQUIPMENT PURCHASE		2,000.00	0.00%
PAYROLL EXP - REGULAR	121,946.38	296,992.00	41.06%
POSTAGE EXPENSE	78.00	300.00	26.00%
PROGRAMS EXPENSE	890.00	6,000.00	14.83%
TECHNICAL SUPPORT	8,208.78	13,842.00	59.30%
TRAVEL, TRAINING & MEETINGS	688.98	1,500.00	45.93%
UTILITIES EXPENSES	2,248.77	5,000.00	44.98%
Expenses	\$229,623.53	\$390,879.00	

Agenda Item 10

NO ITEMS

Agenda Item 11



City of Farmington
354 W. Main Street
P.O. Box 150
Farmington, AR 72730
479-267-3865
479-267-3805 (fax)

MEMO

To: Farmington City Council
Ernie Penn, Mayor
Kelly Penn, City Clerk

From: Ashley Duncan
Re: Employment Policy Manual Updates - Benefits
Date: 6/3/2026

Recommendation

It is the recommendation that the city Employment Policy Manual be amended to reflect Ordinance 2025-06 that was passed in July of 2025 updating benefits cost to retirees and organization.

- 20 years of service – City pays 45%, retiree pays 55%
- 25 years of service – City pays 50%, retiree pays 50%

Background

Current Employee Policy Manual does not reflect Ordinance 2025-06.

Discussion

Questions or clarification to the above listed items and descriptive verbiage listed in updated manual to be discussed.

Budget Impact

Minimal budget impact including city's 45%-50% contribution to retiree's benefits
(Per retiree)

ORDINANCE NO. 2026-11

**AN ORDINANCE TO AMEND ORDINANCE NO. 2026-02 TO
UPDATE PERSONNEL POLICY FOR THE CITY OF FARMINGTON,
ARKANSAS**

WHEREAS, the Farmington City Council has the exclusive right to change, alter, delete, add or modify any provision of the personnel policy at any time; and

WHEREAS, revisions to the present personnel policy as presented should be and is hereby approved.

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMINGTON, ARKANSAS:

Section 1: The city council hereby authorizes revisions to the personnel policy for the Employees of the City of Farmington. A copy of the revised personnel policy is attached hereto as Exhibit "A" and incorporated in its entirety as if set forth herein word for word in this section. The adoption of the revised personnel policy, which shall become effective June 8, 2026, supersedes the personnel policy adopted by the City of Farmington on June 12, 2023, and all amendments prior to and after that date.

REPLEALING CLAUSE. All other ordinances and parts of ordinances in conflict herewith are hereby repealed.

SEVERABILITY CLAUSE. In the event any portion of this Ordinance is declared to be inoperative or invalid as a result of a statute or judicial decision, then only that portion expressly so declared to be inoperative or invalid shall be affected thereby and all other provisions hereof shall remain in full force and effect.

EMERGENCY CLAUSE: That the city council of the city of Farmington, Arkansas further determines that it is the utmost urgency that the city have an up-to-date personnel policy to protect the employer and employees of the city of Farmington; therefore, an emergency is hereby declared to exist and this ordinance being necessary for the immediate protection of the employer and employees shall take effect immediately on its passage and approval.

PASSED AND APPROVED this 8th day of June 2026.

APPROVED:

BY: _____
Ernie Penn, Mayor

ATTEST:

BY: _____
Kelly Penn, City Clerk

EXHIBIT A

If a disagreement occurs over the medical opinion provided by your physician, the City may require a second medical opinion, from a qualified health care provider chosen by the City. The City will pay for a second or, if necessary, a third medical opinion. In the event a third opinion is deemed necessary, the City and the employee will jointly select the third qualified health care provider. The third opinion will be considered final. Additional information and forms may be obtained from the City Business Manager.

As stated elsewhere in this manual, all city employees are employed on an at-will basis. Therefore, even if *FMLA* is granted, should the city be hindered by the employee's absence, it may terminate the employee during the medical leave if conditions demand replacement of an employee to fill the position. Conversely, the employee may also terminate employment at any time during the leave of absence.

HEALTH BENEFITS

The City of Farmington provides a group health plan for all of its full-time employees. The plan provides major medical coverage including, health, dental, vision, and life insurance. The city pays the premium for the employee, while dependent (family) coverage is available through a payroll deduction with the employee paying fixed cost of the dependent coverage. Insurance coverage will take effect on the first day of the month following completion of a 30-day waiting period. Enrollment information and further details may be obtained in the Human Resources Manager's office.

A retired employee or official age fifty-five(55) or over who has completed twenty (20) years of service to the city and their families are eligible for retiree coverage under the city's health plan if they are otherwise qualified under Act 1279.

Pursuant to Act 1279 of 2009 (Ark. Code Ann. §24-12-132), a retired employee or official age fifty-five (55) or over who has completed twenty (20) years of service to the municipality may participate in the municipal health care plan if he or she:

1. Is eligible to receive retirement benefits from the Arkansas Local Police and Fire Retirement System, Arkansas Public Employees Retirement System or a local pension fund;
2. Pays 55% of the employee cost to their healthcare plan with the employer paying the remaining 45%.
3. ~~Pays both the employer and the employee contributions to the health care plan;~~
4. Is not covered at any time during retirement by another health care plan; and
5. Notifies the city within thirty (30) days after the official date of retirement of his or her intent to participate in the city's health care plan.

Pursuant to Act 1279 of 2009 (Ark. Code Ann. §24-12-132), a retired employee or official age fifty-five (55) or over who has completed (25) years of service to the municipality may participate in the municipal health care plan if he or she:

1. Is eligible to receive retirement benefits from the Arkansas Local Police and Fire Retirement System, Arkansas Public Employees Retirement System or a local pension fund;
2. Pays 50% of the employee cost to their healthcare plan with the employer paying the remaining 50%.
3. Is not covered at any time during retirement by another health care plan; and
4. Notifies the city within thirty (30) days after the official date of retirement of his or her intent to participate in the city's healthcare plan.

Years of Service	City's Share	Retiree's Share
At least twenty (20) to less than twenty-five (25)	45%	55%
Twenty-five (25) or more	50%	50%