



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Tuesday, March 14, 2017

4:00 PM

Municipal Center

Special Called Meeting

1. Call To Order

[play video](#)

2. Roll Call by City Clerk Donna Jackson

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Present 5 - Ann Williams; Darrel Dover; Charles Coleman; Joe Hafner and David McClain

Absent 1 - John Street

3. New Business

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Ordinances To Be Introduced

[play video](#)

ORD-17:011

AN ORDINANCE AUTHORIZING THE CITY OF JONESBORO TO AMEND THE 2017 STREET FUND BUDGET TO ADD \$566,000 FOR STREET OVERLAYS

[play video](#)

Attachments: [Street Overlays.pdf](#)
[Reserves.pdf](#)

Mayor Perrin stated they budgeted somewhere around \$500,000 for overlays and have done that each year. The Engineering Department grades our roads annually. We have 300+ miles of roads in Jonesboro. Actually, we have more than that, but a lot of that is state highways.

City Engineer Craig Light said they have 485 miles of road they maintain. We do rank them 1-10 on their condition about every other year. We try to pick roads in the 4-5 range. Once they get below a four, it is a rebuild and an overlay is not going to help you with that. We do some 6's, but it's mainly in the 4-5 range.

Chairman Hafner asked what the main thing is that triggered wanting to add \$566,000 to the budget for overlays. Mayor Perrin said declining existence of the

road conditions are in and when you put \$500,000 towards that, you are not going to get very far. We are trying to catch up a little bit on things that we are behind on and some of these really need to be done. Just look at some of the areas like Johnson to the ASU campus, North Patrick, and Aggie. We will be redoing Patrick and widening it. Mayor Perrin stated he thought the water line had been moved. Mr. Light said that the storm drain had been relocated. Mayor Perrin said they could now let the contractor come in and get that work done on Patrick Street and widen it. Mayor Perrin said if you look at these areas, they are very much utilized on traffic. You look at volume and condition. We felt like we needed to go ahead and add them to this year and because of the weather, we have been playing catch up. The ones in yellow have been completed.

Chairman Hafner asked if the streets marked in yellow on the handout were the ones that you have been able to complete early because of the weather. Mayor Perrin said those were completed and we got those on last year's contract, which was less in cost. This year's contract went up about \$75,000 from last year due to the price increase of asphalt. We try to get as many as we can on the contract so we can save money.

Councilman Dover asked if the \$1,000,000 listed on the sheet minus the yellow is the \$566,000. Mayor Perrin said no. He said we budgeted \$500,000, but to do the additional \$566,000 under the ordinance will make your total \$1,065,980.76. Mr. Light stated that we would only be able to do through item #11 with the current funding.

Councilman McClain asked how many of those listed are new. Mr. Light said that from item #12 down were the new ones. Councilman McClain asked if they had done items #5 thru #10. Chairman Hafner said items #1-#11 were already in the original budget. Councilman McClain asked if they were completed. Mayor Perrin said no because they have not gotten to those yet. Chairman Hafner stated items #1-#11 were in the original 2017 budget with #1, #2, #3, #4, and #11 completed and #5-#10 still needing to be worked on. Items #12-#23 would be additional that would be paid for if this additional \$566,000 was approved. Mayor Perrin said that was correct and he said if you look at it, they are scattered throughout Jonesboro. We will take this from reserves and try to get this done this year. Chairman Hafner asked Mayor Perrin if he was comfortable taking the money out of reserves. Mayor Perrin said that he had no problem with it.

Councilman McClain asked how they prevent from having to take out of reserves. He said it seems like it is becoming common. Mayor Perrin said that was a good question. He said what they have been doing is \$500,000 a year and that doesn't get very many miles of road in a year. We are going to have to be careful. Right now, we are getting a ½ cent sales tax that generates about \$100,000 per month that comes in from the Garvey bonds, that was a state deal for 10 years, and that will stop. Somewhere down the line and we are about the 4th year in that, we are going to be losing that \$1 million that we have been using for Street Department overlays and things like that.

Councilman Dover said it goes back to when the council was talking about the salaries. He said this council has to come up with what our comfortable reserve is and set that aside and then consider the rest of that our checking account. Those two get intermingled together. Councilman McClain asked what they decided. Councilman Dover said that they talked about it, but never came up with that figure. He said the council needs to come up with that figure and put it into cd's. That way it is not considered a checking account. We get away from the idea of drawing down reserves. Mayor Perrin said that it was currently around 15% and that is around \$6-\$7 million in required reserves. He would love to see six months of operating

reserves. He said they had to pay for the 2009 ice storm clean up immediately and wasn't reimbursed from FEMA and ADAM for 18 months. Mayor Perrin said that is something that we need to address in how much we want to do on reserves.

Chairman Hafner said CFO Suzanne Allen put together some information on the reserves. The top section where it says required reserves is based on the 15% of budgeted expenses, which we currently set as what we are required to keep. The 15% was set by the Council. Once we study this more, we can always change that. After the two ordinances today with the sidewalks and the streets, it still shows that we would have somewhere around \$22.2 million of excess reserves. The bottom section, as the Mayor was saying, is that he would like to have six months of operating expenses on hand. Chairman Hafner applied the six months to both the general and the street fund, but at that, we still have almost \$6 million above and beyond the six months budgeted expenses. Mayor Perrin said the desired reserves would be the \$23 million. On the right hand side of the handout, it shows that if you did do that, then you would still have an excess of \$5,877,624.50.

Councilman McClain asked if that included all of the salary raises. Would this be how much we have after all of that? Mayor Perrin said that was correct. Councilman McClain asked how soon they would spend that amount down. Chairman Hafner stated that reserve is if we want 6 months of budgeted expenses and all of the raises are in the budgeted expenses. He said we are only required to have \$7 million. The Mayor's intent is to have \$23 million in reserves. Mayor Perrin said that is not to say that we can't use some of that \$23 million. Some cities have 3 months of operating expenses in their reserves and some have more.

Chairman Hafner stated he thinks that Finance is starting to do more studying on the reserve issue and getting some more input. He said he will talk with Ms. Allen about that and they can have more discussion on that. Mayor Perrin said we need a dialogue on cash reserves. If we have a grant that is 50/50, I will come to you and ask if you want to pull it out of here to go for that and get that other half for a grant that we really need.

Chairman Hafner said what they are talking about is part of a bigger puzzle. We have to look at our reserves, but we also have to look at things that we have on the horizon and how they will be funded. It is a huge question that we definitely have to look at as a city and as a council. We want to do a lot of things in Jonesboro to make it better, but we have to find a way to pay for it.

Councilman McClain said his biggest thing was that he didn't want them to get into a habit of creating a budget, setting a budget, and then always having to come back to amend it. He said he understands that things happen, but it is a more common thing than it should be.

Mayor Perrin said that one year they did more on Parks and Rec because we knew we needed to do that so we amended the budget like we are doing here to spend more money on Parks and Rec because we had Cal Ripken and had more revenue coming in. Sometimes you are going to change, but not always.

Councilman Dover asked if the \$8 million we had to set aside for the Highway Department is reflected in this. CFO Suzanne Allen said that it was not included in that because it is incumbent. Mayor Perrin said that we already have that tied up. What we look at every day is cash flow. That is for another day and we can study that. When Councilman Dover was Chairman of Finance, he asked us to come up with how much we thought was needed for required reserves. We decided six months. From here, you can take it and decide what to do.

Councilman McClain asked City Engineer Craig Light how bad of shape are the roads that are listed. Mr. Light said a road has a life expectancy of about 20 years. He said a road in 20 years will go from a 10 to a 1 in life expectancy in the condition of the road. We should be doing around 24 miles per year and we are doing maybe a quarter of that. The amount of funding for asphalt maintenance even at \$1 million is about a quarter of what we would like to see for road maintenance. Councilman Dover asked when we refurbish one of these roads, does that get us back to the 20? Mr. Light said it buys us years. It gets the road back to a 10. Councilman Dover asked if we need to refurbish a road every 15 years. Mr. Light said that once they get down to about a five, it's not a limited fall. It will last in the 10 to 5 range, but once it gets to 5 it falls pretty quickly to 1. In 15 years, you are going to be spending a lot more money in overlay and fixing it.

Councilman McClain asked if the list was the roads that they have identified as the top priorities. Mr. Light stated they made a list of all the roads so they could categorize them to which ones they need to do this year and that was the list they began with and presented to the Mayor. The Mayor said he would like to fund all of them and get them done. It was our preliminary list and we ranked them in order of how we would like to do them with the monies that were available. Upon doing that, the Mayor offered that if we could get the additional funding, we would go ahead and do them all this year. We would like to put another list together and do those as well.

Councilman Dover asked if they anticipated that these would be done this summer and spring. Mr. Light stated that it would take most of the year to get them done. When the Highway Department starts letting their contractors work, the asphalt companies will get a little scarce. Mayor Perrin stated that Atlas will go off to the big jobs and not worry about the small ones. The quicker we can get an answer, the quicker we can get this going. Mr. Light stated that they laid asphalt the day after Christmas last year. Councilman Dover commented that the weather decides it.

Councilman McClain asked if the contractor would be the same one that did the first eleven. Mr. Light said they ended up being the same low bidder for the next calendar year. Mayor Perrin said there are certain things like concrete, gravel, sand, riprap and things that we buy all of the time. We submit and do bids on that every year. Atlas got the low bid and so they will be the contractor for all of this besides what they have already done. Councilman McClain inquired about the bid. Mayor Perrin said the bids go out once a year and we stock pile it and estimate what we are going to use. We bid those things out on an annual basis rather than a per job basis. Chairman Hafner said part of the reason you do that is because the price is lower with a higher volume.

A motion was made by Councilman Darrel Dover, seconded by Councilman Charles Coleman, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Ann Williams;Darrel Dover;Charles Coleman and David McClain

Absent: 1 - John Street

[ORD-17:012](#)

AN ORDINANCE AUTHORIZING THE CITY OF JONESBORO TO AMEND THE 2017 CAPITAL IMPROVEMENT BUDGET TO ADD \$344,000 FOR SIDEWALKS

[play video](#)

Attachments: [Sidewalks.pdf](#)

Mayor Perrin stated we budgeted \$251,000 for the top of the list. You will see from #5

thru #13, is what we would like to add to that which will total \$324,000. If you will look at the top of the list, some of those are rehab. Five of them are rehab and four of them are new sidewalks in the city. Chief Engineer Craig Light said on the Cherry and Cobb Streets, half of the block is new and the last section of it is in pretty bad shape. We have had calls from people trying to walk their kids to school and we would like to get that section finished.

Chairman Hafner stated that they did a good job of scattering the work all across town. Mr. Light said that at the bottom of the list is \$19,000 for the library. Councilman McClain asked about the roundabout sidewalk and if it would go to the schools. Mr. Light explained that it would go from the roundabout to the schools on the north side of Aggie and the south side. It will go to the first subdivision on the northeast side and then it will go to the subdivision on the southwest side along Aggie. It basically will be four locations we are proposing to tie into two subdivisions and both the schools.

Councilman Dover asked how the sidewalks were prioritized. He said that schools should be the number one priority. Mr. Light said they were, but all of them are around the schools. The only one that is not really around a school is the Brazos project, but we have gotten requests from that area. There are sidewalks in the neighborhood, but there is no way to get out of the neighborhood to a sidewalk system and Highland Drive has a sidewalk that runs it's whole length. It goes from the Fire Station, which has a city park behind it so we are connecting a public facility. When someone got hit on Red Wolf, we really starting looking at the sidewalks in that area and saw that missing piece.

Councilman Dover asked if this was compatible with the sidewalk committee as being recommended for these areas as high priorities. Mayor Perrin stated that the sidewalk committee was strictly looking at new residential and whether you can require sidewalks in a subdivision. Councilwoman Williams stated they are just looking at sidewalks in new residential developments.

Councilman Coleman stated that he has received complaints that there were drainage issues with the sidewalks on Flint and Word streets. Mr. Light said that they would go look at that.

Mayor Perrin said that they would probably have to put in some inlets when they widen Patrick Street to keep drainage problems at bay.

Mayor Perrin said that this ordinance is asking for \$324,000 in additional money. One of those is even on CDBG. Item #12 on N. Bridge to Fisher and that is a new one. The library is at the bottom and is \$19,000. The county has agreed to share the cost of that sidewalk project. It is a 50/50 match. The library sidewalk is eat up all the way around. The county judge agreed to pay half to get that done. We are paying \$19,000 and they are paying \$19,000. We are just asking for \$324,000 for the amendment.

A motion was made by Councilman Darrel Dover, seconded by Councilwoman Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Ann Williams;Darrel Dover;Charles Coleman and David McClain

Absent: 1 - John Street

ORD-17:013

AN ORDINANCE AUTHORIZING THE CITY OF JONESBORO TO AMEND THE 2017 GENERAL FUND TO MOVE \$15,000 FROM PART-TIME SALARIES TO REGULAR SALARIES AND ADD \$13,451 TO THE MAYOR'S BUDGET FOR THE ADDITION OF A SOCIAL MEDIA COORDINATOR TO THE COMMUNICATIONS

DEPARTMENT

[play video](#)

Mayor Perrin said this position reports directly to Bill Campbell, the City's Communication Director. Mayor Perrin said we have done a major increase in Social Media, which we are trying to get the word out to everyone in town about what we are doing, when we are doing it, and how we are doing it.

City Communication Director Bill Campbell stated that our outreach to the community has grown exponentially and the future of connectivity and the government and their constituents lies in online interaction. As we were told at the Winter Municipal League meetings this year, it is no longer a question of whether you do social media, but how well you do it. We hired Rachel Luster almost a year ago in a part-time position with the hopes that it would become full-time as we grew. We are here today because we have seen that growth.

Meanwhile, Rachel has been a positive and productive force in our department creating and contributing to online growth that has seen our Facebook followership grow from roughly 3,000 to almost 10,000 or 1 in every 6 adults in the city. They interact daily. She and Lorenzo Baldaras manage the bulk of that correspondence. There is a connection between residents and government that previously did not exist. Rachel and Lorenzo created numerous video productions, have achieved local fame including a local Christmas Goodwill video that also helped grow our Facebook presence and a geocaching video that was movie quality if you saw it and it created a game that brought hundreds of Jonesboro residents to the park to play the geocaching game. It flooded Craighead Forest Park. It was a version of Pokémon Go essentially. Her presence is felt in other ways.

Lorenzo, our digital media specialist who manages Chanel 24 and the City website, had to previously work every meeting in Council Chambers. Rachel now shares those duties allowing Lorenzo time to work on video productions. Rachel has produced videos, flyers and graphics that have served our Parks, Police, and Fire Departments and others. We have also expanded our production as Rachel has produced three episodes of our newest show "Serving Jonesboro" which features the various departments of the city and how they serve the taxpayers. It is shown on all of our video platforms that includes Chanel 24, our Facebook page, and YouTube. While we are in the midst of expanding our "Let's Talk" Jonesboro shows, Rachel and Lorenzo have produced the city's first podcast all in the name of reaching out to our citizenry.

By building our video and online production, the opportunity for other media outlet's to pick up on our great work that our employee's do grows exponentially. We hope you have noticed the good work and good publicity that the city has received. While the credit goes to the people doing the work and yourselves, the City Council, it is Rachel and Lorenzo who do a fabulous and often unquantifiable job of getting the word out. Mr. Campbell respectfully asks for the committee's endorsement to make her a full-time employee of the City of Jonesboro. She is already giving full-time commitment of that he can attest.

Councilman Dover asked if this money was in addition to what she is already making. What will this position pay as a full-time salary? CFO Suzanne Allen stated that City Clerk Donna Jackson had emailed her earlier and she brought up a good point that she will need to check with City Attorney Carol Duncan on. We are asking to put her at a Grade 109, Step 1 with this job title, Social Media Coordinator at \$29,852. Ms. Allen stated that City Clerk Donna Jackson had mentioned that we might need to do a resolution to add that title to the Johansen Pay Plan. Ms. Allen said that in her mind, she thought that if they add that title to our budget and we are within our pay

structure, and we say the grade and range, that would be ok, but she will need to check with the City Attorney, Carol Duncan. If Carol feels we need to do a resolution to add that job title, then I will have to prepare one.

Councilman Dover asked if the amount of money in this ordinance would bring us to that total. Ms. Allen said yes. It is adding the \$13,451. We had her in part-time as \$26,000, maybe it was \$24,000, but \$24,000-\$26,000 and we are needing to add the \$13,451 and move the \$15,000 to get up to the correct amount of money. Chairman Hafner asked if that would cover benefits and everything. Ms. Allen said yes and the benefits are outlined specifically in the ordinance itself of how much each of the benefits are.

Councilman Dover said he thought there was no doubt that is the future of being the way to communicate with citizens.

Chairman Hafner asked if it was ok to forward the ordinance to full council without the City Attorney's opinion. Councilman Dover said that she can give her opinion at the council meeting. City Clerk Donna Jackson stated that the ordinance appropriates the funds, but the position does not exist until the resolution is approved. Councilman McClain asked if we had to advertise the position. Chairman Hafner said no. Councilman Dover stated they have to write the resolution to approve the position. Mayor Perrin said that they would get that done before the council meeting. Mayor Perrin said that Ms. Jackson is correct in that we are just funding it with this ordinance.

Councilman Dover stated that this is a product of the EAST Labs that we have in our city schools. Mayor Perrin said that the EAST Labs and the kids are incredible. He said they are going to get them to do some ads and some other things like that for the City. Mayor Perrin said that we are out on Saturday's with the drone shooting footage and all these things to have to be able to put on social media.

A motion was made by Councilman Darrel Dover, seconded by Councilwoman Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Ann Williams;Darrel Dover;Charles Coleman and David McClain

Absent: 1 - John Street

Resolutions To Be Introduced

[play video](#)

RES-17:029

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO ENTER INTO A CONTRACT WITH BRACKETT KRENNERICH & ASSOCIATE, P.A. TO PROVIDE ARCHITECTURAL/ENGINEERING SERVICES FOR THE JOE MACK CAMPBELL PARK SHOP BUILDING

[play video](#)

Attachments: [Brackett&Krennerich for Joe Mack](#)

Councilman Dover asked if they had previously talked about building this building. Mayor Perrin said yes. Chairman Hafner said that we have talked about building it, but this is just the contract for the architect.

Parks Director Wixson Huffstetler said both of these resolutions are budgeted. These are just contracts for the architects to do drawings.

Councilman McClain asked about the bidding process. Mr. Huffstetler said this is not a bid process because it is a professional service. He said you have architects that submit their resume's for the whole year and you go through them, decide, and rate them on which one you think would do the best job on the project.

Mayor Perrin said the Purchasing Agent each year sends out a request or puts an advertisement in the paper that says if you want to do business with the City of Jonesboro in these following areas, to submit their resume'. If they don't submit it, then we ask them to submit it before we do anything. Mayor Perrin stated they have done a lot of jobs for us. We don't know what it is going to cost yet because we have to wait on their drawings. Their fee is 6% and it is normally 7.5-8%. Mayor Perrin said he got it down to 6% from 8%. Councilman McClain asked if they ever got it lower than 6%. Mayor Perrin said they got it down once before on a Dan Avenue project. City Engineer Craig Light said they did get the fee down once and the work was reflected in that because the main architects were not used. Councilman Coleman said architecture fees are going up and that is a good price. Mayor Perrin agreed.

Mr. Huffstetler stated they are going to build a new building because the current building floods. Every time it rains, the shop floods 2-4 inches. He said they are losing material and this has to be done. The new building will be built on the Lacy property the city just bought that is next to the Tennis courts in Joe Mack. Councilman Dover asked what they were going to do with the existing shop. Mr. Huffstetler said they might make it into an indoor batting cage or a soccer practice facility to rent out to baseball teams or soccer teams.

Councilman McClain asked if this was for them to strictly do the drawings of the building that we have already budgeted for. Mayor Perrin said they would do the bidding process for us. Mr. Huffstetler said they would do the oversight of the construction. Councilman Dover said we have the right of refusal.

A motion was made by Councilman Darrel Dover, seconded by Councilwoman Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Ann Williams;Darrel Dover;Charles Coleman and David McClain

Absent: 1 - John Street

[RES-17:030](#)

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO ENTER INTO A CONTRACT WITH BRACKETT KRENNERICH & ASSOCIATE, P.A. TO PROVIDE ARCHITECTURAL/ENGINEERING SERVICES FOR THE CEMETERY MAINTENANCE BUILDING

[play video](#)

Attachments: [Brackett&Krennerich for Cemetery Mtc Bldg](#)

Councilman Dover asked if this was the same situation as the previous ordinance. Parks Director Wixson Huffstetler said that it was a little different situation. The cemetery operates out of the shop building right beside his office, but they are also in with urban Parks too. He has two major components of Parks sharing one shop building. We have grown exponentially in the last 6 years with staff and equipment. They are on top of each other. He said it is just not good to have that much in one shop building.

Councilman Dover asked if this building was budgeted for. Mr. Huffstetler said that yes, it was budgeted for.

Councilman McClain asked if we knew for sure if it was going to cost \$275,000. Mayor Perrin said no we don't. It could be more or it could be less. Mr. Huffstetler said this an estimate.

Councilman McClain asked how this building would be different than the current setup. Mr. Huffstetler said he has two departments under one roof right now. The new building will be for cemetery only. Most of the equipment sits outside and is deteriorating. Councilman McClain asked if the building would just be a frame. Mr. Huffstetler said the new building would be a fully enclosed shop.

A motion was made by Councilman Darrel Dover, seconded by Councilwoman Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 4 - Ann Williams;Darrel Dover;Charles Coleman and David McClain

Absent: 1 - John Street

4. Adjournment

[play video](#)

A motion was made by Councilman Darrel Dover, seconded by Councilman Charles Coleman, that this meeting be Adjourned . The motion PASSED with the following vote.

Aye: 4 - Ann Williams;Darrel Dover;Charles Coleman and David McClain

Absent: 1 - John Street