



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Tuesday, August 11, 2020

4:00 PM

Municipal Center

1. Call To Order

2. Roll Call by City Clerk Donna Jackson

Present 6 - Charles Coleman; Ann Williams; John Street; David McClain; LJ Bryant and Joe Hafner

3. Approval of minutes

[MIN-20:072](#)

MINUTES FOR THE FINANCE & ADMINISTRATION MEETING ON JULY 28, 2020

Attachments: [Finance minutes 07282020](#)

A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Passed . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman; Ann Williams; John Street; David McClain and LJ Bryant

4. New Business

ORDINANCES TO BE INTRODUCED

[ORD-20:032](#)

AN ORDINANCE DECLARING AN EXCEPTIONAL SITUATION AND WAIVING THE REQUIREMENTS OF COMPETITIVE BIDDING FOR EMERGENCY STORM WORK TO REPAIR TRAFFIC SIGNALS AFTER THE MARCH 28, 2020 TORNADO.

A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman; Ann Williams; John Street; David McClain and LJ Bryant

RESOLUTIONS TO BE INTRODUCED

[RES-20:115](#)

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO AMEND THE 2020 ANNUAL BUDGET FOR ADDITIONAL CAPITAL IMPROVEMENT PROJECTS AND FIXED ASSET PURCHASES

Attachments: [Mid-Year 2020 Budget Appropriations Request](#)
[Letters of Support for Shooting Sports Complex_08102020](#)
[Cap Imp and Fixed Asset Requests, 8-11-20 Finance Com. Brief](#)

Chairman Joe Hafner stated that before we go into council questions or comments, Chief of Staff Mike Downing, and Finance Director Steve Purtee will be doing a presentation.

Chief of Staff Mike Downing explained that on the power point you will see a list of items that is being considered. The Department Heads will also be available to explain the items that you see as well. Almost all of the items were discussed internally back when we were preparing the budget last fall. As Mayor Harold Perrin indicated in his budget report earlier in the year, we had considered doing this in May or June. But, because of the COVID Pandemic it was pushed back. Finance Director Steve Purtee is going to talk about the revenue situation that led us to believe that we have the funds to go ahead and make these requests. Some, or most of these will require bidding, and so you will see some of the same things come up in future request when the bidding process takes place.

Finance Director Steve Purtee explained that what we wanted to present this evening is basically an overview of the July financials, and we did send out that report it was consistent with previous months. We look at ten different ratios that we monitor, seven of those compare to budget, and three of those compared to the previous year. There are seven of those that are favorable, and the three that compared to the previous year are unfavorable. This lends you to believe that we still have pressure on a couple of revenue areas, and that is on A&P, and Alcohol tax revenue. Mr. Purtee explained that it was projected that we would experience about a \$50,000.00 decrease in those. That is roughly 50% of our previous year revenues. Ironically we are right at that same number at about 40% decline in those two categories. Fortunately we do make that up in considerably in our sales tax revenues. Revenues for sales activities were up a combined \$788,000, compared to budget. If you look at previous years this is a 3.7% increase. If you recall some adjusted modeling for COVID impact indicated that our revenues might be off 10 to 20%. Looking at this level currently we are only down about 1% for the COVID period from March through July.

Finance Director Steve Purtee, went on to explain some key areas where we are controlling expenses, one is in fuel purchases, which continues to outperform expectation. But, unfortunately franchise fees are declining, and we continue to see pressure there. The key measure on the financial report that we provided is the surplus position. As of July, the first seven months, we are \$3.7 million better than budget. Mr. Purtee explained that is adjusted for a one million dollar net insurance claim from our insurance carrier relating to tornado damage. Basically our revenues are outpacing our budget by \$1.6 million adjusted, and our expenses are favorable by \$2.1 million through July. This brings us to our current report. You can see that we began the year projecting a \$3.9 million dollar deficit, and considering this \$3.7 million positive variance we project our ending surplus to be a deficit of \$200,000.

Steve Purtee, Finance Director explained we started looking at our required reserves. Our reserve picture is made up of \$22.6 million in total funds. Our uncommitted reserves are \$14.8 million, and our required reserves are \$7.8 million. Over numerous years we enacted a required reserve of 15% of O&M budgeted expenditures, and this accounts for \$7.8 million dollars. Of that \$22.6 million we are projecting that we will end this year with a \$200,000 deficit position. This will remain a reserve posture of \$22.4 million dollars at year end 2020. That brings us to the current proposal of appropriating

an additional \$3.4 million dollars in expenditures relating to capitol, and fixed asset programs that were already in place, and requested in our 2020 budgeting sessions.

Chief of Staff, Mike Downing asked if the committee had any questions so far. Councilmember LJ Bryant said I know that we have got several what I call bigger grant funded projects that we are participating in, do we feel pretty good that there is not going to be some big unforeseen variables that could pop up that will require us to jump in, so that we do not get in trouble with our grant partners? Mr. Downing said, none that we are aware of.

Mike Downing, Chief of Staff continued to explain the reserves. The Arkansas Municipal League recommends one month, and the Government Finance Officers Association recommends two months for reserves. The \$19 million we are projecting here, if the \$3.4 million is approved would be 4.4 months of the budgeted \$52 million in O&M. So, even with the \$3.4 million spending we would have 4.4 months of remaining reserves which is more than what is recommended. Just in the last couple of days there has been a change in one of the expenditure items, and we thought that it was important enough to recommend an adjustment in the resolution. You can see originally the Parks was at \$961,000. We have one item that we are reducing by \$180,000 bringing that number to \$781,000. There has also been some adjustments in the Planning department. So, instead of \$3,442,300 it would be \$3,371,050. Chairman Joe Hafner asked Mr. Downing if the \$180,000 was replacing the softball field in Parks. Mr. Downing said yes, and Danny Kapales would explain that when he came up to talk.

Chief of Police Rick Elliott explained the biggest items on the Police Department list was Portable Radios, and Mobile Radios. We have been talking about these for the last six years. We have aged out of these systems, and are at a point where they are not making repairs on these radios as they go down. There is a tower site upgrade that will need to be looked at some time in the near future. That upgrade will involve all of the AWIN users. Which will include the city, county, and City Water and Light. I think that it will be important for all of these partners to bear the expense for that one site. The rest of the AWIN upgrade system is now going to be taken over by the State for the rest of our towers. Our original proposal from Motorola showed us taking full responsibility of the cost for all tower site upgrades. Once we get this new tower it is going simulcast which will give us better reception throughout the city. Chief Elliott went on to explain other items on the list. Chairman Joe Hafner asked Chief Rick Elliott when the tower upgrade would take place. Chief Elliott said that is something we would look at in this upcoming year's budget.

We will need to set down with the other partners regarding AWIN and discuss it. As we move forward in the upcoming years it is our desire to get the City Shop vehicles moved over to the AWIN System as well because the tower sites will already be in place. Councilmember David McClain asked if this would give every Police Officer a new radio system. Chief Elliott said, yes, and it this also includes radios for Animal Control Officers, and Code Enforcement Officers too. Councilmember John Street asked Chief Elliott if they would immediately start implementing the new radio systems. Chief Elliott said that Motorola could possibly stock us with radios within thirty days, and then the local vendor would have to program them. The portables would be the first ones we would get out to the officers. Councilmember John Street said that would be good because we can no longer get parts or have these radios serviced. This is a critical piece of equipment for Officers. Chief Elliott said you are absolutely correct, if it was not for the purchase of the 20 radios we got this year we would be having to share them.

Parks Director Danny Kapales gave an overview regarding the project list for parks. The majority of the items that are on this list were items that was cut from the budget last year. Mr. Kapales explained that the pump house out at the Joe Mac Sporting Complex needs to be replaced and moved to higher ground do to continual flooding from heavy rains. The fuel tanks that are housed in the complex need to be moved from the area between the old shop building and the parking lot for security and safety reasons. The tennis courts at the Allen Park Community Center and the Joe Mac Sporting Complex are in need of resurfacing. The same company that resurfaced the tennis courts at the Earl Bell Community Center gave insight on the cost of that project. The other project would be to update the Southside Softball Complex adult entrance, we would like for that entrance to mirror the one that is at the youth end of the complex.

Councilmember David McClain asked about the cost of the sign for the Miracle League Entrance, Councilmember McClain said it seemed high for a sign. Mr. Kapales explained the sign entrance would be fashioned with brick pillars with black rod iron fencing in between them for a more cohesive look in the entire complex facility.

Councilmember John Street asked Danny Kapales about the Fishing Pond located at Craighead Forest Park. Councilmember Street understood that that would have to be dug out, and if that happened then the Arkansas Game and Fish would not restock that. Mr. Kapales said that is correct. Mr. Kapales has been in contact with the Game and Fish and they will stock it if special events are held there. I continue to stay in contact with the Game and Fish in regards to that particular project. One of the other things that is needed at that site is a well, and I am talking with City Water and Light about that project. One of the delays in that is not having a three phase electrical system on that side of the Park. Now that the Game and Fish has built there facility out there we are in hopes of being able to put the well site near there facility and run a pipe to the pond for fresh water. Councilmember Street said that is an area that gets utilized a lot and that would be an asset to the community.

Councilmember Charles Coleman wanted to know what the status was at the Lions Park, behind the Success School. Mr. Kapales explained that we had applied for a matching grant but did not receive that grant. We have done a clean-up where the ball fields are located out there. We took a lot of the old fencing out and filled in holes. We put some soccer goals out there and made the ground more useable for multi sports practices and events.

Building Maintenance Supervisor Ronnie Shaver explained the need in his Department. The current Facility we are in now is too small to house all of our equipment and facility needs. When we place orders that are delivered by semi-trucks, we have to go to the corner of the street and unload it there, then load the items in our pickup trucks to take back to the shop. We are unable to be connected to the City's Information Systems services such as the inter department phone system. We have one direct phone line to our facility which means only one person at a time can be on that phone. I rely on my cell phone for all other incoming or outgoing calls. We also have no WI-FI connections in our current facility. Ronnie explained that the Facility he is currently looking into would be a net property swap. The new location is almost twice the size of the current shop, and would have the adequate office space needed for his staff as well as the needed security and Information System needs. The location of the Facility is off of Washington, and on Congress. The location is another item we looked at. This Facility is in a safe and secure location. We would never have to cross any railway systems, making it much easier to respond to our service calls in a timely manner.

Steve Tippit, Director of the Street Department indicated the need in his department is for Equipment. One for a Gradall with a bucket and a mower, the other is a Backhoe. The Gradall was used when we purchased in 2016 and each time that we have mechanical issues with it we have to take it to Little Rock to get serviced. Our two current backhoes are ten and fifteen years old, Councilmember David McClain asked if the two current backhoes would be kept or traded for the new one. Mr. Tippitt said that they would be traded in on the new one.

Information Technology Director Jason Ratliff explained the need for a new phone system. The current phone system is approximately fifteen years old. The Altigen system has gone to a cloud based only system. We have three physical systems on our network that runs this phone system which consist of about 265 phones. They do not make the servers for this phone system anymore, leaving us unable to upgrade or replace them. They no longer support the software that is on the physical servers. So, there are no feature updates or security updates within the software itself, which was actually stopped two years ago. Since they do not support the software we cannot rely on their support. They no longer make the desk phones for the system which means we cannot replace them. Mr. Ratliff yielded the floor to Deputy Clerk April Leggett regarding the City Clerks Legistar Software.

Deputy City Clerk April Leggett explained that she sent out an e-mail to the Council Members regarding a voting system software. In the e-mail were two quotes. One from Legistar, the current software. The other was from a Software System that was out of Canada. There appeared to be security concerns involving that software system. The City Clerk's Office is waiting on more information from the Legistar Software Company. Deputy Clerk April Leggett also stated that there was CARES Grant money available to help with the cost of the software, and would submit more information regarding the cost when it was received from Legistar.

Chief of Staff Mike Downing said that the amount shown on here is just a place holder on here and we will demo this at a future meeting to see if you want to do this and see how much you want to spend. There are options, I will just leave it open. Councilmember LJ Bryant addressed Chairman Joe Hafner regarding the voting system, certainly I read the e-mail that Deputy Clerk April Leggett sent out. But, are you comfortable that this \$8,000.00 will be enough? Chief of Staff Mike Downing said the way that I would describe that is there is software that has a variety of features and cost. I think that you all need to see various options, and look at it with long term goals in mind. I will defer the answer on that at this time.

Fire Chief Kevin Miller explained the need for a new Parking Lot at Fire Station 3 located on Brazos. There are sever issues where it is actually caving in and falling apart. We want to rip the asphalt out and put down concrete. The asphalt just does not hold up under the weight of the Fire Trucks. We are also in need of radios. The radios we are needing to replace are like the ones in the Police Department they are at the end of their life cycle.

Chief of Staff Mike Downing spoke on behalf of the Chief Engineer, Craig Light. Mr. Downing explained the ADA request is related to the mitigation for ADA compliance. The Trimble Data Collector is a GIS monitor for ditch elevation purposes.

Planning Director Derrel Smith explained that they have been looking at trying to update their plan review, and land development software. We really wanted the ACCELA program but it was just too far out of reach for our budget. We are looking at

two software's. One is the EVOLVE software, that would be for the plan review, and the other is IWORKS, and it would do the land management which would give us the ability to track the history of the property. We would also be able to do work orders, and inspections with that software. The two software's are compatible with each other. The cost of the software package is \$108,750 up front, and each year we would have to invest \$45,500 for upgrades. We currently use MOBILE 311 for the land management. The cost of that is \$22,000 a year. So, we would get the addition for \$23,000.00 a year, and with the EVOLVE software it would allow us to go paperless in thirty days.

Councilmember John Street motioned, seconded by Councilmember Ann Williams, to amend RES-20:115 to reflect the change in a new total of \$3,371,050. All voted aye.

Phillip Glover, 420 Shadow Cove, Jonesboro. Just for my own knowledge who is responsible for setting these committee meetings? Chairman Joe Hafner stated that the Council sets the rules every year. Mr. Glover said just to clarify it was one new tower correct? Police Chief Rick Elliott said yes. Mr. Glover then asked if the cost of radios also included the programing as well? Chief Elliott said yes. Mr. Glover continued to ask Chief Elliott about the radio programming company, if it was a local vendor and had it already been chosen. The answer was yes. Mr. Glover asked Chairman Joe Hafner how many items on the Agenda have received bids already.

Chairman Hafner said, I am not aware of any of them that have received bids. They may have received quotes and estimates. Mr. Glover said that he would be interested in how many local vendors would be used on the projects. Chairman Joe Hafner stated that sometimes outside vendors are necessary because of their expertise on a certain project. Mr. Glover explained that the main thing is that if we are going to a meeting at 4:00 in the afternoon, when most everybody as it work to spend \$3.5 million dollars of tax payer money, I was just curious to see how much we were going to try to reinvest back into our own community. In regards to the Shooting Range, how much has the city contributed into the project? Chairman Hafner said roughly \$2.5 million. Mr. Glover stated that between the Game and Fish contribution we are over \$4.5 million into that project and we still need \$500,000 for bathrooms, it just seems like a lot for bathrooms. Lastly the Miracle League Sign, in the renaming of the Park wouldn't that be just replacing the existing sign? Director of Parks Danny Kapales answered Mr. Glover in saying, currently if you go out to the Miracle League right now, we still have the original wooden sign. That is a project that has been talked about over the last couple of years. We have wanted to put up a nice sign with landscaping. Since we are going to rename the Park it was decided to ask for it again. Mr. Glover said, thank you, I'm just trying to have a better understanding of where we are going with the funds. Are we on target for the Shooting Range project, is it up to date as far as the progress? Chairman Hafner said that it is his understanding that they are on target.

Patti Lack, 4108 Forrest Hill Road, Jonesboro. First of all, I just want to tell Chairman Joe Hafner, "thanks" for being in the chambers for the meeting. I think it is wonderful that our taxes and our revenues are coming in at a better pace than what was expected. We still have four more months left in this year. We never expected the tornado, or the virus hitting us. I am leery of us spending this money because of the time period that we still have to go. Looking at some of the items, I think some are really necessary, like the matching entrances at the Southside Softball Complex that seems to be a want verses a need. Regarding the Shooting Range Complex. I know it was said in a previous meeting by Chief Rick Elliott that he needed the Finance Committee Chairman, Joe Hafner to try and find the money for the restroom project, and now suddenly it appears. We amended the budget for two-million dollars to get the Shooting Range up to par so that we could meet the deadline for the grant. Why was

that \$500,000 dollars not included?

Police Chief Rick Elliott answered. The bottom line when you open a facility to the public you have got to have restrooms. The initial process was to have portable restrooms put out there until the project was done. We decided it was better to advance the construction and have permanent facilities built, because we will be bringing in visitors from tristate regions and thought that it would look better than having portable toilets out there. Patti said, I agree, it is much better to have a permanent restroom facility. Patti said, I am still just wondering why the restrooms were not considered when the budget was amended. Chief Elliott said the key parts to this phase was pistol, rifle, trap-shooting fields, and the shot curtain. The money that was allocated was just for those projects. Patti asked Chief Elliott what is the completion date for the grant? Chief Elliott explained that there was an extension on that Federal Grant, and our time line is next year. We are on track to have pistol and rifle ranges open this fall to the public. Again, we are waiting on the shot curtain to be manufactured and installed, we are at the mercy of that vendor.

A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

[RES-20:116](#)

A RESOLUTION FOR THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH THE HISPANIC COMMUNITY SERVICES, INC. FOR THE CDBG PUBLIC SERVICES PROGRAM.

Attachments: [HCSI Subrecipient Agreement](#)

A motion was made by Councilperson John Street, seconded by Councilperson LJ Bryant, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

[RES-20:117](#)

A RESOLUTION FOR THE CITY OF JONESBORO TO ENTER INTO A MEMORANDUM OF UNDERSTANDING AGREEMENT WITH RECOVERY INCORPORATED TO PROVIDE FUNDING FOR A PARKING LOT AND ENTRANCE ACCORDING TO THE 2020 ANNUAL ACTION PLAN

Attachments: [MOU for Recovery, Inc.](#)

A motion was made by Councilperson John Street, seconded by Councilperson Ann Williams, that this matter be Recommended to Council . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

[RES-20:118](#)

A RESOLUTION FOR THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH THE WEST END NEIGHBORHOOD ASSOCIATION FOR THE CDBG PUBLIC SERVICES PROGRAM

Attachments: [WENA Subrecipient Agreement](#)

A motion was made by Councilperson John Street, seconded by Councilperson Charles Coleman, that this matter be Recommended to Council . The motion

PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant

5. Pending Items

6. Other Business

7. Public Comments

8. Adjournment

A motion was made by Councilperson David McClain, seconded by Councilperson LJ Bryant, that this meeting be Adjourned . The motion PASSED with the following vote.

Aye: 5 - Charles Coleman;Ann Williams;John Street;David McClain and LJ Bryant