



# City of Jonesboro

Municipal Center  
300 S. Church Street  
Jonesboro, AR 72401

## Meeting Minutes Finance & Administration Council Committee

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Tuesday, September 26, 2017

4:00 PM

Municipal Center

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### 1. Call To Order

### 2. Roll Call by City Clerk Donna Jackson

*Mayor Harold Perrin was in attendance.*

**Present** 5 - Ann Williams; John Street; Joe Hafner; David McClain and LJ Bryant

**Absent** 1 - Charles Coleman

### 3. Approval of minutes

#### MIN-17:105

Minutes for the Finance Committee meeting on September 12, 2017

**Attachments:** [Minutes](#)

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

**Aye:** 4 - Ann Williams; John Street; David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

### 4. New Business

#### *RESOLUTIONS TO BE INTRODUCED*

*Chairman Joe Hafner reminded everyone if they have a conflict of interest with any of these organizations to please take the appropriate action on them because we do not want problems to arise down the road.*

#### RES-17:147

A RESOLUTION FOR THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH THE LEARNING CENTER (TLC) FOR THE CDBG PUBLIC SERVICES PROGRAM.

**Attachments:** [TLC Agreement](#)

*Chairman Joe Hafner said this was for a playground project for \$20,000. He asked Grants Administrator Kimberly Marshall to give them some background information on it. Ms. Marshall said The Learning Center came to us. They have two of their playgrounds that are not compliant. This is for children from the ages of 3 to about the*

ages of 7 or 8. The Health Department is trying to shut down their playground. It is for their school. We feel like this is a worthy endeavor to make sure that their playground is safe.

Chairman Hafner said he knows from firsthand experience that The Learning Center does great work with kids that go there. He said his son went there and they helped him out a lot.

**A motion was made by Councilman John Street, seconded by Councilman David McClain, that this matter be Recommended to Council . The motion PASSED with the following vote.**

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

**RES-17:148**

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

**Attachments:** [HCSI Agreement](#)

Chairman Joe Hafner said that this is for the Hispanic Community Services after school project for \$20,000. Grants Administrator Kimberly Marshall said that they are doing an after school program where they combine English and Spanish. They are helping these students. They are also providing them speech therapy from A-State. There are different programs that are involved in their after school program. It is to enhance the community and to bring those two cultures together so they can work better and can have better opportunities.

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

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

**RES-17:150**

A RESOLUTION FOR THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH FAMILIE TIEZ MENTORING AND OUTREACH COMPANY FOR THE CDBG PUBLIC SERVICES PROGRAM.

**Attachments:** [FT Agreement](#)

Chairman Joe Hafner said that this is called "Project Access." It is for students to improve their educational and social outcomes and it is for \$12,300. Grants Administrator Kimberly Marshall said Ms. Wakonda Cox is over Familie Tiez. It is more of a tutoring and mentoring program. Primarily the students that go to this after school program are from North Jonesboro and are from extremely low-income families that utilize that service.

Councilmember David McClain asked if Familie Tiez has an after school program right now. Ms. Marshall said yes. Most of these programs are running at this time because our funding. We are getting our agreement in and everything for CDBG because of the delay of funding for 2017. That is why this is so late coming in. These programs have already started and they will get reimbursed for this.

*Chairman Hafner asked where Familie Tiez is located. Ms. Marshall said they are located off of Southwest Drive, but they have buses and vans where they go pick up the students from school and they also drive them home.*

**A motion was made by Councilman John Street, seconded by Councilman David McClain, that this matter be Recommended to Council . The motion PASSED with the following vote.**

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

**RES-17:151**

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

**Attachments:** [WENA Agreement](#)

*Chairman Joe Hafner said that this is for 93 safety lights or lighting for \$7,500. Grants Administrator Kimberly Marshall said that they are putting up streetlights and they are paying the utilities. They have made an agreement with most of the neighborhood that once this program ends that each resident would pick up the payment of the outside light. They feel like if there is more lighting, it will reduce the crime activities in their neighborhood.*

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

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

**RES-17:153**

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS ESTABLISHING FEES FOR PRIVATE CLUB ALCOHOL PERMITS

*City Attorney Carol Duncan said that this was just something to open up for discussion. There is nothing in state law that gives us the authority to charge a fee for doing these applications. So, the goal in my office was to make sure that it was reasonable for the amount of work that will actually be involved. I don't think it is unreasonable to charge a fee considering that someone is going to have to look at them and process them. I was trying to keep it as reasonable as possible. We are not approving the applications, we just put the applications on there so you would have them. The transfer location for the private club permit is very simple. The Planning Department is going to look at it to make sure it meets the guidelines of the state. Beyond that, I don't think there would even be a background check because it has already been done unless they are changing the business. The other one is just changing the type of business operation and these are the two things that the state really hasn't told us we are going to have to do, but the ABC Commission has it proposed in their regulations that are going to be voted on. They said they were going to be voted on a couple of weeks ago. I have not been able to establish whether or not they were voted on. They are not on their website. When you contact them, they tell us it hasn't been voted on yet, but when people contact them to try to move their location, they tell them they are too late, they are going to have to have a city ordinance. So, I don't really know the status of the ABC regulations in Little Rock, but I think they will pass. I see no point in us adopting something without the transfer location and the change in business type because I feel like they are going to require us to. Chairman*

*Hafner said he agree with that.*

*Councilmember David McClain asked if Ms. Duncan thought the \$250 was adequate. I think if you go too high, it is going to get challenged because there is nothing in the state law giving you the authority to set a price. But, I do think it is reasonable to charge something. I think what you are really logistically looking at the way the ordinance is proposed now with whomever the primary applicant is, they are going to be required to get a background check, but that is through State Police. We are not doing that. The only thing that the Chief of Police would be doing is a local background check on the Board of Directors for the non-profit. Your Planning Director is going to look at the location to make sure it meets the guidelines for where it is located. That is really all we are looking at under that application process. Chairman Hafner said once it comes before the City Council, there will be a lot more discussion on it. That is time the City is not having to spend now. I think that makes the \$250 more reasonable too.*

*Councilmember John Street said they will still be paying fees to the ABC. Ms. Duncan said they will still have their application fee to pay at Little Rock which is \$1,500 or something like that. Also, if they are approved, they have a licensing fee for the City of Jonesboro for their license that we have already had setup. That has been going on all along. So, this is in addition to those two fees they already have. This is just for the application process. Chairman Hafner asked if the Council was part of that application process. Ms. Duncan said yes. Councilmember Ann Williams asked what the fee was for the ABC. Ms. Duncan said she thought it was \$1,500. She said she thinks it is less for the transfers. Mayor Perrin said that it is. Councilmember Street said he was reading the legislation and he thinks that is right. Chairman Hafner said he thinks the fees are reasonable.*

*Ms. Duncan said that this is just a jumping off point. You all can change them if you want to. Mayor Perrin said the only one that would be low is the \$250 might be worth \$500. He said he does concur with the City Attorney. They have a lot to do on that and a lot of paperwork. The Council is going to have to hear that. That is where a lot of discussion and research is going to come in. He asked what happens if the Council turns one down. Ms. Duncan said they appeal that to the court. Mayor Perrin said that you can always go up.*

*Councilmember McClain asked if they were denied, do we have to give them their fee back? Ms. Duncan said no. It is an application fee. Councilmember McClain asked if they have to pay it whether they are approved or denied. Mayor Perrin said they would pay that on the front end before you start to work. Ms. Duncan said that was correct. Councilmember Williams said that is also the case with the ABC. Ms. Duncan said she didn't know whether you can get a portion of that back, but she doesn't think so.*

*Mayor Perrin said that the legislature has put that back on the local municipalities. If you turn it down, it does not go to ABC. It goes directly to court. Ms. Duncan said that is correct.*

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

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman

**5. Pending Items**

**6. Other Business**

*Chairman Joe Hafner said he would like an update from Mayor Perrin on a couple of things. I know there has been a lot of work done on the budget. Can you give us a brief update on that?*

*Mayor Perrin said we are working on the budget and we are going to meet again tomorrow night. We have our preliminary first draft ready to go over with you Mr. Chairman. Right now as it stands, it looks like \$5.2 million in expenses more than revenue. Actually, it is about \$9 million but you have the \$4.1 on your STIP which you all have already encumbered and moved it on down. Net effect is that \$5.2 million will be pulled out of reserves next year. There are a lot of projects that we pulled out of here that we are still thinking about and could put back in there. The Capital Improvements could easily bring that \$5.2 million up to where we are right now this year at about \$10 million. An example of that is a \$1 million turf on the fields. Parks Director Wixson Huffstetler has discussed this with the Baseball Boosters. They have agreed if we put it in, they have voted to give the City \$50,000 a year for five years for a total of \$250,000. Then they wanted to go to the A&P Commission to see what they would give them over a five-year period to offset that \$1 million if we decide to put the turfs in.*

*Also, the road on Hwy. 141 all the way to Parker is a \$2 million project that I pulled out of there because it was getting to be tight all the way across. There are some of these projects when we get through tomorrow night that we may want to put back in there and that \$5.2 million will go up. When we do this, I am going to spread it out further and show you the reserves not only for 2018, but for 2019 and 2020. I think everyone needs to see that. If this is what happens when we approve it in 2018, then where does that leave us at the beginning of 2019 and 2020? I think you should look at other sources of revenue and whether that may be a sales tax or whatever. You should seriously start looking at 2018 based on how tight this budget is already.*

*Chairman Hafner said he had a few comments on that too, but last week there was an article in the newspaper about the shooting range. Can you give us an update on that? Mayor Perrin said the Shooting Range was approved last week by the Commissioners in Little Rock. It is called an MOA and a subgrant for \$2 million that has been sent to us to be presented to you all so I can sign that and send it back. The article in the paper said that we were going to build somewhere around a \$12 million facility. That would be nice if we could build a \$12 million facility, but in the MOA, you have to have certain things open by a certain date so these kids can start shooting trap and skeet or you lose your \$2 million grant. We will be coming to you all on closing with this property and pulling down an additional \$1.3 million for the land to purchase this year and that will be coming out of reserves. For 2018, we probably won't have to put anything in there for the Shooting Range because then we will have the \$2 million from the Game and Fish that we can go ahead and start doing the dirt work. It is going to take every bit of that on that dirt work and leveling it out and all that stuff. In 2019, you are going to have to start spending more money depending on how much you have spent of that \$2 million because then you have to start putting in those skeet and trap stations which means you have to have electricity out there. In 2018, I would say we probably wouldn't put anything into the budget, but in 2019, you will be putting some money in there. We have no idea of the total project cost. We have*

*Brackett-Krennerich hired to do the project and they have sketches of what the building and things that they want to be placed on the property, but we have no idea when we go to bid, how much that will cost. We do want to make it nice and we do want to make the front look more rustic when you come into it. Jacksonville is strictly a cinderblock building. They have state tournaments there. We think we are going to pull from Mississippi, Tennessee, and Missouri easily on this project. The rest of that money is going to have to come from grants and also from public and private partnerships. The Chief has already talked to a few people who have agreed to pay for the skeet trap. Each station runs around \$35,000. Several people want to go ahead and do that and put their name or company name on the deal. We will be prepared and ready, but we will have a time schedule for you all on every one of those expenses, when it has to occur, how much it is going to be to occur, and how we are going to pay for it.*

*Chairman Hafner said one thing you mentioned earlier and we talked about before is about looking a few years out on our reserves. It concerns me when start hearing about having to cut projects because we don't have the revenue. We have mentioned this before in meetings and I have gotten emails about it. We always talk about how Jonesboro has a low cost of living and we win all these awards. That is not always a good thing. If you are not offering people the amenities to stay here or come here, then we are not doing our job. I really think sooner rather than later we are going to have to look at other funding. We have to stay relevant. There have been a lot of cities not too far from here that were great cities at one time and you stop investing and you are no longer relevant. We need to start researching that. Mayor Perrin said he got that same email about being the low cost deal. I think what they are talking about there and we don't do that is that third party people come in and evaluate certain things in your city. One of the things that does more than anything on that is the factor of our utilities with CWL which is the lowest in the state. I don't know about the nation, but the lowest in the state. Councilmember John Street said it is within the top 2% of the cheapest utilities in the United States. Chairman Hafner said we are very lucky there. Mayor Perrin said they look at and they look at the cost of living which ties back to utilities, houses, rent, etc. You are right in that you don't want to just be tagged that way. You want to brand your city. The thing about it is that the City of Jonesboro is in the business of providing a service. That is what we always have to remember that we do that. You are absolutely right. I don't like to take out that street for \$2 million when I have no connectivity, very little connectivity on east and west on Hwy. 141 to Patrick. We need it for the Police Department. We need it for Fire. That will be your front door for a major expansion on your park. The park over in North Jonesboro that is not being utilized right now. It was gotten by federal grant money. It is so old that I don't think we can find the records on it. You can sell it, but then you have to pay the federal government back. I don't have any idea where the agreement is of when that was established. We don't want to sell it. We want to enlarge that park. If you all remember, we had a family that gave us 13 acres right next to it. Now, you could do a whole lot of things with that park. But, that front door would be an excellent deal. The front door would be on the street that we build.*

*These are just things that I wanted to bring up to your attention and I'll bring those to you. It would be nice if he did get a deal sort of like Rotary Park. We, the City, paid for every bit of Fort Rotary, but in that we had an agreement with them and the Rotary Club signed an agreement with us and they paid it on an annual basis. They really paid for the park over a five or six year period. I can't remember how long it was. If we get \$250,000 from the baseball boosters, if we could get \$500,000 or \$100,000 a year from A&P, and not affect anything they are giving them now, so you are now looking at \$750,000 and we can get it done for \$1 million or less on these fields. Now, the City is*

only out \$250,000. This is what we are going to start having to narrow down on and look at each one of these projects.

Councilmember L.J. Bryant said that the Mayor is right. Entities that are willing to step forward and put some money on the table, we need to try to match where we can, but not in the disproportionate fact that maybe there is lower income entities that need help too. Much like the State's philosophy if other entities are willing to put money forward, we need to try to allocate our dollars wherever we can. Mayor Perrin said that was right. That is why he wanted to try to meet with the Chairman. This is round one so don't hold me to these figures. There is a tremendous amount of work that was done on this project. It always is every year. So far it is good, but it is extremely tight. Even on salaries, it was 2%, but we went ahead and put 2.25% and that 0.25% of your total salaries is for what we call payout. We have a lot of payout during the year. People have retired and they walk out with a large sum that they have built up on vacation and all of that stuff. You have to look at that. You have a payroll of \$20 million, that still gives you over \$500,000 for payout. We look at something, plug the numbers, go back and analyze it again to make sure it is there and work those. Chairman Hafner said he has been there and done that a few times. Mayor Perrin said there are a lot of hours involved in it. We even called some of these Department Heads where we may have pulled some things out. We talked to Steve Tippitt last night. Some of the things we took out, we had to put back in because it would slow him down on doing the services for the citizens that he needs to be doing. We will let you look at it and see where we go from there.

Councilmember David McClain asked if the Mayor and Chairman Hafner would be the only two who look at it in Finance before it goes to Council. Mayor Perrin said no. He said he tries to give out the budget in November before Thanksgiving so they have a couple of weeks to look over it, analyze it, and call him or Joe or any of us. We don't have to pass it until the 1st of February, but every city tries to have it done by the end of December. If we read it three times with the first in November and the other two in December, then you will be done. You will have plenty of time to look at this budget.

Chairman Hafner said he wanted to thank Kimberly Marshall for her service to the City. We appreciate it and good luck with your future endeavors.

## **7. Public Comments**

Harold Carter, 902 Tony, said the Mayor and you all will have to manage the expenditures to fit the budget. The scope of it sounds pretty good. In terms of the fees for alcoholic beverage processing, I am not against alcoholic beverage serving. I see no reason to go from a \$1,600 fee at Little Rock to a \$250 fee here. I can't make any sense out of that. City Attorney Carol Duncan stated that Little Rock will still be charging the \$1,600. Little Rock will still be charging the fee they are now. Our fee is in addition to that. It is not going down from \$1,600 to \$250. Mr. Carter asked what they are charging for. Ms. Duncan said they will also be reviewing the application after the City Council reviews it. Mr. Carter said he can see that will make a difference. I was going to make a difference too. I was going to suggest that you go down to \$800. I'm talking about a new facility. I don't care anything about transferring them. That is not going to produce any more or less. You can refuse to transfer them if you don't like the way they have been doing business for any number of reasons. I see no reason to invest a lot of money into there to encourage new purveyors of alcoholic beverage in town. Let them be new, but let them pay for it. I don't care if the alcohol beverage people want you to do it. There is no need to agree to do it cheaply. Ms. Duncan said that the state law does not give us the authority to collect anything at this point so we

*feel we need to be reasonable. Mr. Carter said you can charge \$800 just as easily as you can \$250. Ms. Duncan said you will get sued a whole lot quicker over \$800. Mr. Carter said that neither sum will be legal. Ms. Duncan said right, but you will get sued a whole lot quicker over \$800 than you will over \$250. Mr. Carter said there is no reason to show an overwhelming interest in doing it cheap and setting a precedent. I don't think it's going to be that easy. Logging in paperwork in itself is fairly time consuming. I don't care where you put them. You will put them wherever you want to. I put up with them wherever else that they are at. They are usually always near someone who doesn't want them there. That is nothing new. I recommend that you not do it cheaply.*

## **8. Adjournment**

**A motion was made by Councilwoman Ann Williams, seconded by Councilman LJ Bryant, that this meeting be Adjourned . The motion PASSED with the following vote.**

**Aye:** 4 - Ann Williams;John Street;David McClain and LJ Bryant

**Absent:** 1 - Charles Coleman