



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Tuesday, February 6, 2018

4:45 PM

Municipal Center

Special Called Meeting

1. Call To Order

2. Roll Call by City Clerk Donna Jackson

3. New Business

ORDINANCES TO BE INTRODUCED

[ORD-18:011](#)

AN ORDINANCE AUTHORIZING THE MODIFICATION OF A GENERAL REVENUE PROMISSORY NOTE (MIRACLE LEAGUE PARK PROJECT REFUNDING), SERIES 2016; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTE; DECLARING AN EMERGENCY; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

Attachments: [2018-2-2 Note Modification](#)

Chairmember Joe Hafner asked Chief Financial Officer Bill Reznicek if he had any comments on this ordinance. Councilmember David McClain said do you mind. Mr. Reznicek said by way of history, and as you heard from the reading, this relates originally to a note in 2014 for the construction of Miracle League with BancorpSouth for \$500,000. We retired that note and subsequently entered into a note with First Security Bank for \$400,000. We rolled that note over last year. We want to roll it over again. The interest rate on that loan is 1.55% and the underlying collateral is a certificate of deposit at .55%. So, effectively, the rate on this loan is 1%, which even by today's standards is fairly inexpensive. We just feel like for liquidity it is a good thing to do and we have a good relationship with First Security Bank. They also do our NestEgg 457(b) 401(a) plan. So, for a couple of reasons we would just like to roll this note over again until next year. Councilmember McClain said I guess they don't have a problem doing this. It sounds like. Mr. Reznicek said no, they're more than happy. I think they also enjoy the idea of having, basically, financing the Miracle League funding. I think that is some bragging rights and talking points for them, as well. Chairmember Hafner said I think he mentioned we are trying to find corporate sponsors or some individuals. Mr. Reznicek said correct, and that's part of it, too. We are in the process of talking to people about taking the sponsorship of the park and the field. I think there's also some opportunity in those conversations of letting them know we currently have this financed, and that's part of the talking point or selling point for coming in and finding a sponsor to take over the funding for the Miracle League.

Chairmember Hafner said I guess my only comment, and this is more procedural. I hope that next year, if this is still around, we can have this during the course of a regular finance meeting and not have to do a special called meeting just for this. Mr. Reznicek said sure, and I apologize for that. The note matured this past Monday and we, actually, began discussing this last week, and there were a couple delays between the City and the bank. Well noted. Chairmember Hafner said alright, thank you.

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

Aye: 4 - Joe Hafner;Ann Williams;John Street and David McClain

Absent: 2 - Charles Coleman and LJ Bryant

4. Adjournment

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

Aye: 4 - Joe Hafner;Ann Williams;John Street and David McClain

Absent: 2 - Charles Coleman and LJ Bryant