



**Regular Rescheduled Meeting of the Board of
Directors**

City of Texarkana, Arkansas
216 Walnut Street

Agenda - Monday, August 03, 2020 - 1:00 PM

**THIS WILL BE A VIRTUAL MEETING HOSTED BY ZOOM AND WILL BE
STREAMED LIVE ON THE CITY'S YOUTUBE PAGE.**

<https://www.youtube.com/channel/UC2zU02o8zTodtzQ8IuiWL2Q>

Call to Order

Roll Call

CONSENT

1. Approval of the minutes of the regular rescheduled meeting July 20, 2020. (CCD)

REGULAR

2. Adopt a Resolution accepting the year end 2019 audit report. (FIN) Finance Director TyRhonda Henderson and Cynthia Burns, BKD, LLP

CITIZEN COMMUNICATION - TO HAVE PUBLIC COMMENTS READ DURING THE MEETING, PLEASE SUBMIT THEM BY 10:00 AM, MONDAY, AUGUST 3, 2020, TO HEATHER SOYARS, CITY CLERK AT heather.soyars@txkusa.org

NEXT MEETING DATE: Monday, August 17, 2020

ADJOURN

2020 City Calendar

Gateway Farmer's Market – Every Tuesday, Thursday and Saturday

Jaqualyn's Light Prevail Relay - Monday, August 24, 2020

1894 Gallery Street Dance - Saturday, October 24, 2020



CITY OF TEXARKANA, AR BOARD OF DIRECTORS

AGENDA TITLE:	Approval of the minutes of the regular rescheduled meeting July 20, 2020. (CCD)
AGENDA DATE:	August 3, 2020
ITEM TYPE:	Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Other <input checked="" type="checkbox"/> : Minutes
DEPARTMENT:	City Clerk Department
PREPARED BY:	Heather Soyars, City Clerk
REQUEST:	Approval of meeting minutes.
EMERGENCY CLAUSE:	N/A
SUMMARY:	Approval of meeting minutes
EXPENSE REQUIRED:	N/A
AMOUNT BUDGETED:	N/A
APPROPRIATION REQUIRED:	N/a
RECOMMENDED ACTION:	The City Clerk recommends Board approval.
EXHIBITS:	Meeting minutes.



Regular Rescheduled Meeting of the Board of Directors

City of Texarkana, Arkansas
216 Walnut Street

Minutes - Monday, July 20, 2020 - 1:00 PM

THIS WAS A VIRTUAL MEETING HOSTED BY ZOOM AND WAS STREAMED LIVE ON THE CITY'S YOUTUBE PAGE.

<https://www.youtube.com/channel/UC2zU02o8zTodtzQ8IuiWL2Q>

Mayor Allen Brown called the meeting to order at 1:00 PM.

PRESENT: Mayor Allen Brown, Assistant Mayor Ward 1 Linda Teeters, Ward 2 Director Laney J. Harris, Ward 3 Director Steven Hollibush, Ward 4 Director Ulysses Brewer, *Ward 5 Director Barbara S. Miner, and Ward 6 Director Terri Peavy.

ALSO PRESENT: City Manager Kenny Haskin, City Attorney George Matteson, and City Clerk Heather Soyars.

ABSENT: Deputy City Clerk Jenny Narens.

*Ward 5 Director Barbara S. Miner was present during Roll Call, the Consent Agenda and the approval of the July 6, 2020 Minutes.

CONSENT

Director Harris requested item 1. Approval of the minutes of the regular rescheduled meeting July 6, 2020, be removed from the Consent Agenda for discussion.

Director Harris made the motion to adopt the Consent agenda, Seconded by Assistant Mayor Teeters. The motion carried unanimously.

The items approved were:

2. Resolution No. 2020-19 - appointing Planning Secretary Jamie Finley to the Public Facilities Board to fill the unexpired term 11/30/2019-2022, of former Planning Secretary Kay Smart. (CCD)
3. Resolution No. 2020-20 - authorizing the City Manager to enter into a contract for the purchase of chemicals for water and wastewater treatment. (TWU)

REGULAR

1. Approval of the minutes of the regular rescheduled meeting July 6, 2020. (CCD)

Director Harris asked why the full statement of Harvey Woods regarding the 4th of July Freedom Fest was not included in the minutes.

Mayor Brown said the full statement was not included because it was given during Citizen Communication.

Motion to approve the minutes made by Director Hollibush, Seconded by Director Brewer. The motion carried 6-1 with Director Harris voting No.

4. Resolution No. 2020-21 - certifying UPS to participate in the tax back program. (ADMIN)

City Manager Dr. Kenny Haskin said the tax back initiative was a onetime tax credit for building materials, taxable machinery, furniture, fixtures, and equipment. He said the credit was used for the recruitment, retention of industrial development and distribution. City Manager Dr. Kenny Haskin said he was glad to see the state was involved in this credit as well as REDI. He said this was to help keep UPS on the Arkansas-side.

Motion to adopt the resolution made by Director Peavy, Seconded by Director Brewer.

Voting Yea: Mayor Brown, Assistant Mayor Teeters, Director Harris, Director Hollibush, Director Brewer, Director Peavy.

*Director Miner became absent.

The motion carried 6-0. The Mayor declared the resolution adopted.

5. Consider the following action concerning six (6) substandard structures:

Conduct a Public Hearing to receive comments regarding certification of certain delinquent taxes.

Mayor Brown opened the Public Hearing.

Public Works Director Tyler Richards said these liens were for the demolition of substandard structures.

Director Harris said in the future he would like the liens for demolitions that were paid with Community Development Block Grant (CDBG) funds, and the demolitions that were paid with City funds to be listed as separate agenda items.

Mayor Brown closed the Public Hearing.

Resolution No. 2020-22 - certifying the amount to be put on tax books as delinquent and collected accordingly. (1305 Laurel, 1301 Booker, 1122 Mary, 307 Charles, 309 Charles, and 925 County) (PWD)

Motion to adopt the resolution made by Director Hollibush, Seconded by Director Peavy.

Voting Yea: Mayor Brown, Assistant Mayor Teeters, Director Hollibush, Director Brewer, Director Peavy.

Voting Nay: Director Harris.

The motion carried 5-1. The Mayor declared the resolution adopted.

6. Consider the following action concerning substandard structures:

Conduct a Public Hearing regarding the demolition of seven (7) substandard structures.

Mayor Brown opened the Public Hearing.

Public Works Director Tyler Richards gave a brief PowerPoint presentation regarding the structures.

Director Harris asked how the structures were chosen for demolition.

Public Works Director Tyler Richards said demolitions were not chosen by area or ward. Burned structures were considered first then listed by chronological order and complaints.

Mayor Brown closed the Public Hearing.

Resolution No. 2020-23 - condemning seven (7) substandard structures for demolition. (1209 Ash, 2625 Delaware, 926 Grand, 1502 Hilltop, 5542 Old Blackman Ferry, 306 Prince, and 402 Prince) (PWD)

Motion to adopt the resolution made by Director Harris, Seconded by Assistant Mayor Teeters.

Voting Yea: Mayor Brown, Assistant Mayor Teeters, Director Harris, Director Hollibush, Director Brewer, Director Peavy.

The motion carried 6-0. The Mayor declared the resolution adopted.

CITIZEN COMMUNICATION

Director Harris requested Mr. Hall to adopt a dog for no cost from the Animal Care and Adoption Center.

Director Peavy said her comment was concerning the statement the Police Department put in the newspaper regarding the governor's mask mandate. She said she had been asked by several citizens if the Texarkana Arkansas Police Department had the authority to pick and choose which laws to enforce. She requested to discuss this matter in Executive Session at the next in person meeting.

NEXT MEETING DATE: Monday, August 3, 2020, at 1:00 PM via Zoom.

ADJOURN

Motion to adjourn made by Director Brewer, Seconded by Director Hollibush.

Voting Yea: Mayor Brown, Assistant Mayor Teeters, Director Harris, Director Hollibush, Director Brewer, Director Peavy.

The motion carried 6-0. The meeting adjourned at 1:33 PM

APPROVED this the 3rd day of August, 2020.

Allen L. Brown, Mayor

Heather Soyars, City Clerk



CITY OF TEXARKANA, AR BOARD OF DIRECTORS

AGENDA TITLE:	Adopt a resolution accepting the year end 2019 audit report. (FIN) Finance Director TyRhonda Henderson and Cynthia Burns, BKD, LLP
AGENDA DATE:	August 3, 2020
ITEM TYPE:	Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Other <input type="checkbox"/> : _____
DEPARTMENT:	Finance
PREPARED BY:	TyRhonda Henderson, Finance Director

REQUEST:	Accept the year end 2019 audit report.
EMERGENCY CLAUSE:	N/A

SUMMARY:	The year end 2019 Audit is presented for acceptance by the Board of Directors. All audit recommendations will be seriously reviewed considering the costs and benefits of implementation. Copies of the audit report and auditor's management letter have been made available for Directors prior to the meeting.
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EXPENSE REQUIRED:	\$0
AMOUNT BUDGETED:	\$0
APPROPRIATION REQUIRED:	\$0

RECOMMENDED ACTION:	The City Manager and staff recommend that the City Board of Directors approve the attached resolution
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EXHIBITS:	Year End 2019 Audit Report
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RESOLUTION NO. _____

WHEREAS, the 2019 Audit has been prepared; and

WHEREAS, the audit has been reviewed by the Board of Directors; and

WHEREAS, the City Manager and staff recommend approval.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the City of Texarkana, Arkansas, the 2019 Audit is accepted.

PASSED AND APPROVED this 3rd day of August, 2020.

Allen L. Brown, Mayor

ATTEST:

Heather Soyars, City Clerk

APPROVED:

George Matteson, City Attorney



experience **BKD**
CPAs & ADVISORS



CPAs & ADVISORS

experience **perspective** //

City of Texarkana, Arkansas

December 31, 2019 Audit Presentation

Agenda

Objectives of Audit

Auditor Communications

2019 Financial Highlights

Single Audit and State
Compliance



Objectives of the Audit

To provide opinion on whether financial statements are fairly stated, in all *material* respects

Reporting on compliance with certain laws & regulations (*Government Auditing Standards*)

Issuing report on internal controls over financial reporting and compliance requirements (no opinion) (*Government Auditing Standards*)

Issuing report on compliance for the major federal program and internal controls over compliance

Issuing report on compliance with certain state laws



Management vs. Auditor's Responsibility

Financial statements are
the responsibility of
management



BKD's responsibility is to
express opinions on the
financial statements
based on our audit



Required Communication to the Board



Award For Excellence in Financial Reporting

Certificate of Achievement for Excellence in Financial Reporting

- Awarded by Government Finance Officers Association (GFOA)
- CAFR* must be easily readable, efficiently organized, in accordance with GAAP and meet legal requirements

City received 2018 award and applied for 2019 (results pending)

* Comprehensive Annual Financial Report



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Texarkana
Arkansas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO



Comprehensive Annual Financial Report (CAFR)

Introductory Section

- Table of Contents
- Letter of Transmittal
- GFOA certificate
- Organizational Chart
- List of Elected or Appointed Officials

Financial Section

- Independent Auditor's Report
- Management Discussion & Analysis
- Basic Financial Statements & Notes
- Required Supplementary Information
- Other Supplementary Information

Statistical Section

- Financial Trends
- Revenue Capacity
- Debt capacity
- Demographic and Economic information
- Operating Information

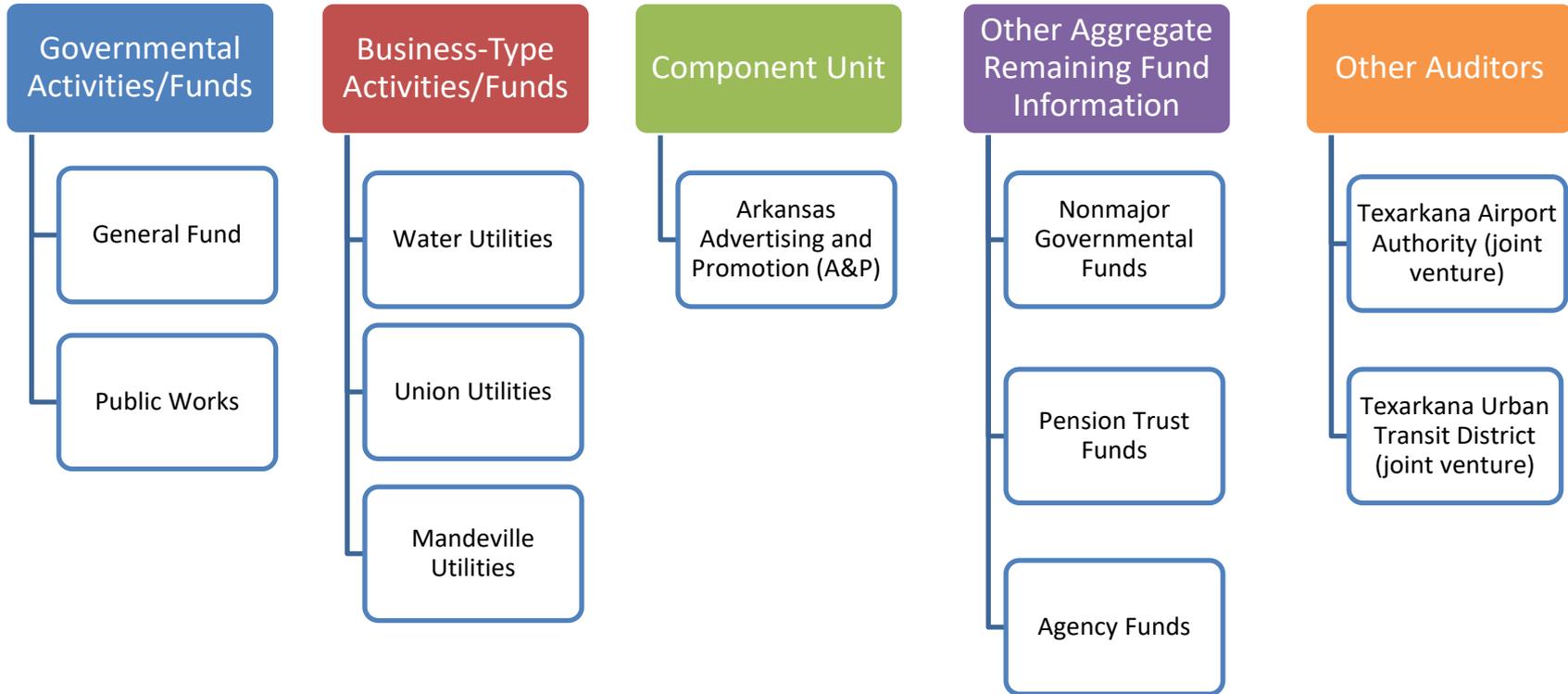
Single Audit

- Schedule of Expenditures of Federal Awards
- Report on Internal Control over Financial Reporting and on Compliance and on other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
- Report on Compliance for Major Federal Program and Report on Internal Control over Compliance
- Schedule of Findings and Questioned Costs





Financial Statements Audit



Financial Highlights

Net Position – Governmental Activities

Over time, increases or decreases may be a useful indicator of whether financial position is improving or deteriorating

Governmental activities' net position decreased 6% from 2018 to 2019

*The cumulative effect of applying GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* resulted in beginning net position for 2018 being restated.

	2019	2018
Current and other assets	\$ 32,640,970	\$ 30,952,940
Capital assets	34,100,317	34,594,721
Other assets	-	-
Total assets	66,741,287	65,547,661
Deferred outflows of resources	8,929,435	8,221,383
Long-term liabilities	62,358,064	57,837,936
Other liabilities	2,136,004	2,179,476
Total liabilities	64,494,068	60,017,412
Deferred inflows of resources	340,366	2,212,191
Net position*:		
Net investment in capital assets	11,887,149	12,149,281
Restricted	3,778,615	3,575,927
Unrestricted	(4,829,476)	(4,185,767)
Total net position	\$ 10,836,288	\$ 11,539,441

Financial Highlights

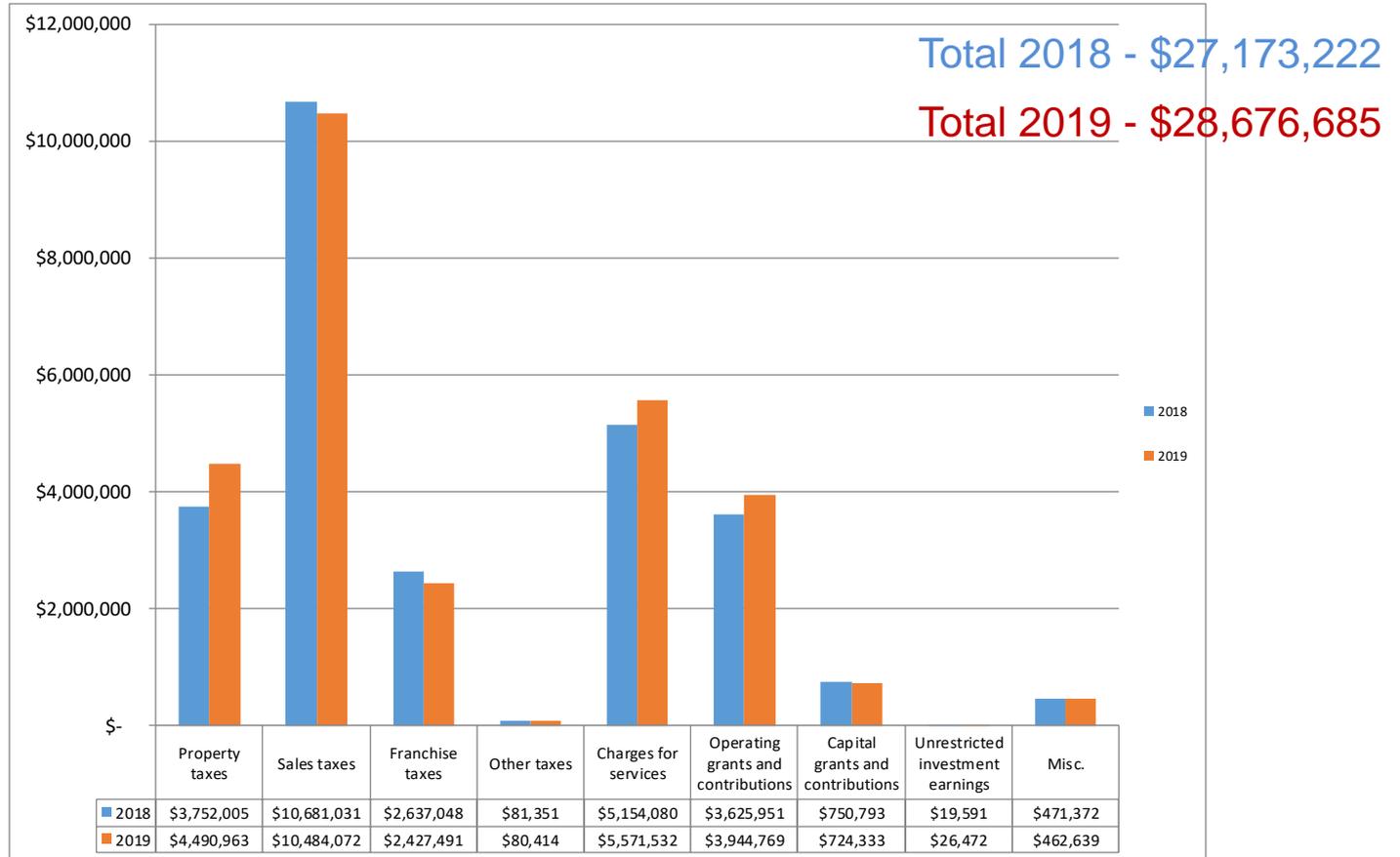
Changes in Net Position – Governmental Activities

This table summarizes the operations of the City's governmental activities by fiscal year

From 2018 to 2019, revenues increased by \$1,503,463 and expenses increased by \$1,333,237.

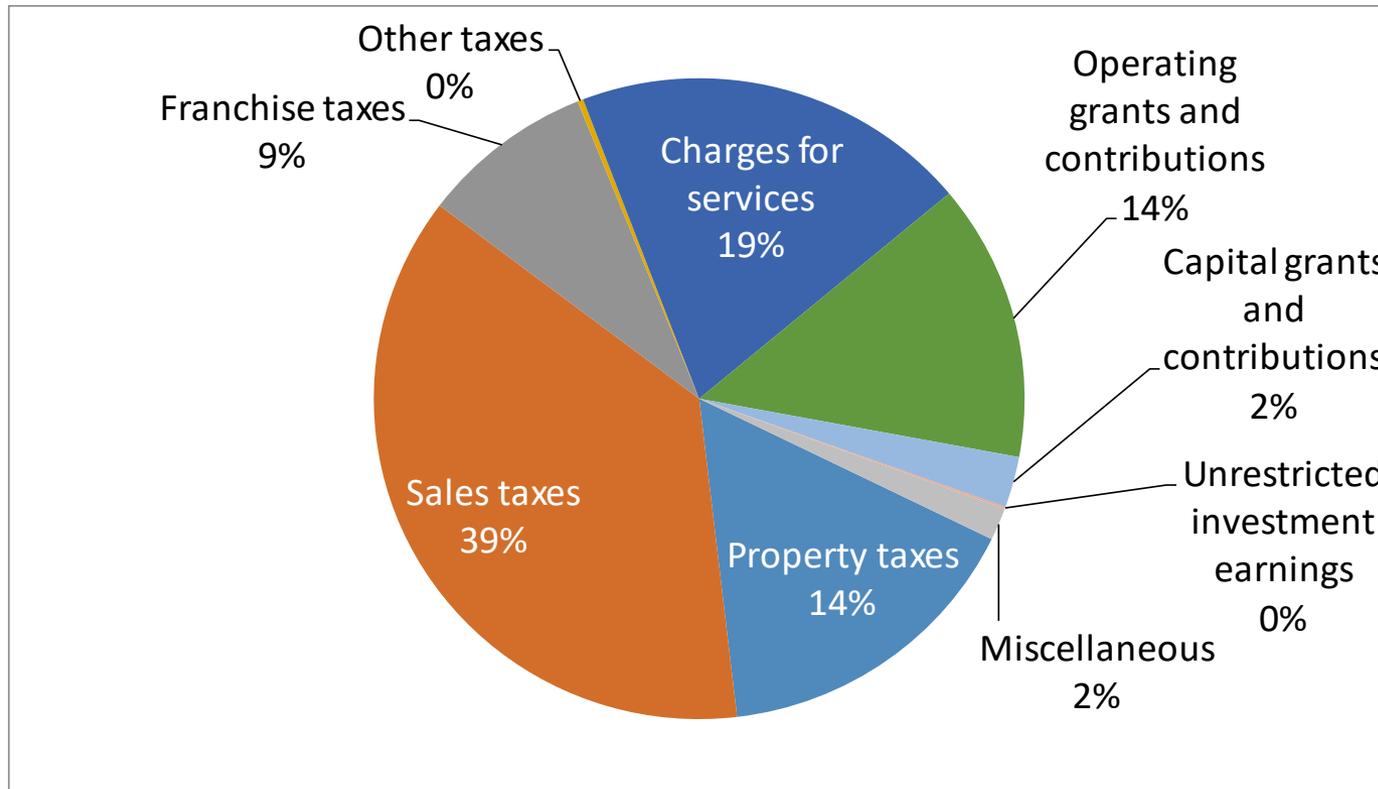
	2019	2018
Revenues:		
Program revenues:		
Charges for services	\$ 5,571,532	\$ 5,154,080
Operating grants and contributions	3,944,769	3,625,951
Capital grants and contributions	724,333	750,793
General revenues:		
Property taxes	4,490,963	3,752,005
Other taxes	13,275,563	13,399,430
Other revenue	669,525	490,963
Total revenues	28,676,685	27,173,222
Expenses:		
General administration	2,431,094	2,128,025
Police department	9,147,662	9,082,042
Fire department	6,424,089	6,369,763
Other public safety	1,807,769	1,909,304
Protective inspection	542,856	433,700
Public works	6,931,855	6,284,490
Public services	61,695	32,746
Health and welfare	609,728	386,403
Cultural and recreation	1,214,342	1,119,164
Interest on long-term debt	769,576	861,792
Water and sewer	-	-
Total expenses	29,940,666	28,607,429
Increase (decrease) in net position before transfers	(1,263,981)	(1,434,207)
Transfers	560,828	1,036,864
Decrease in net position	(703,153)	(397,343)

Revenue – Governmental Activities

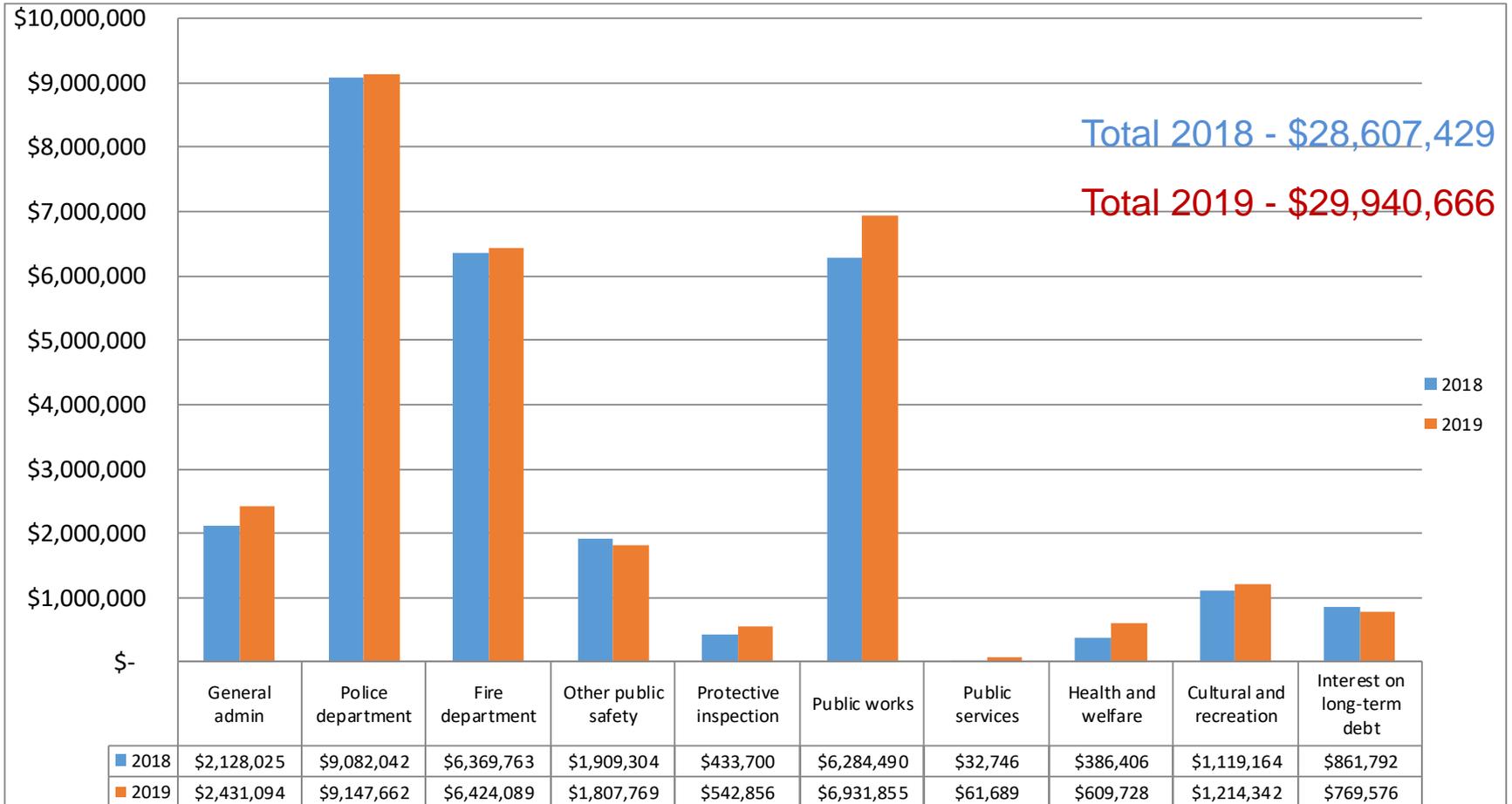




2019 Governmental Activities Revenue by Source

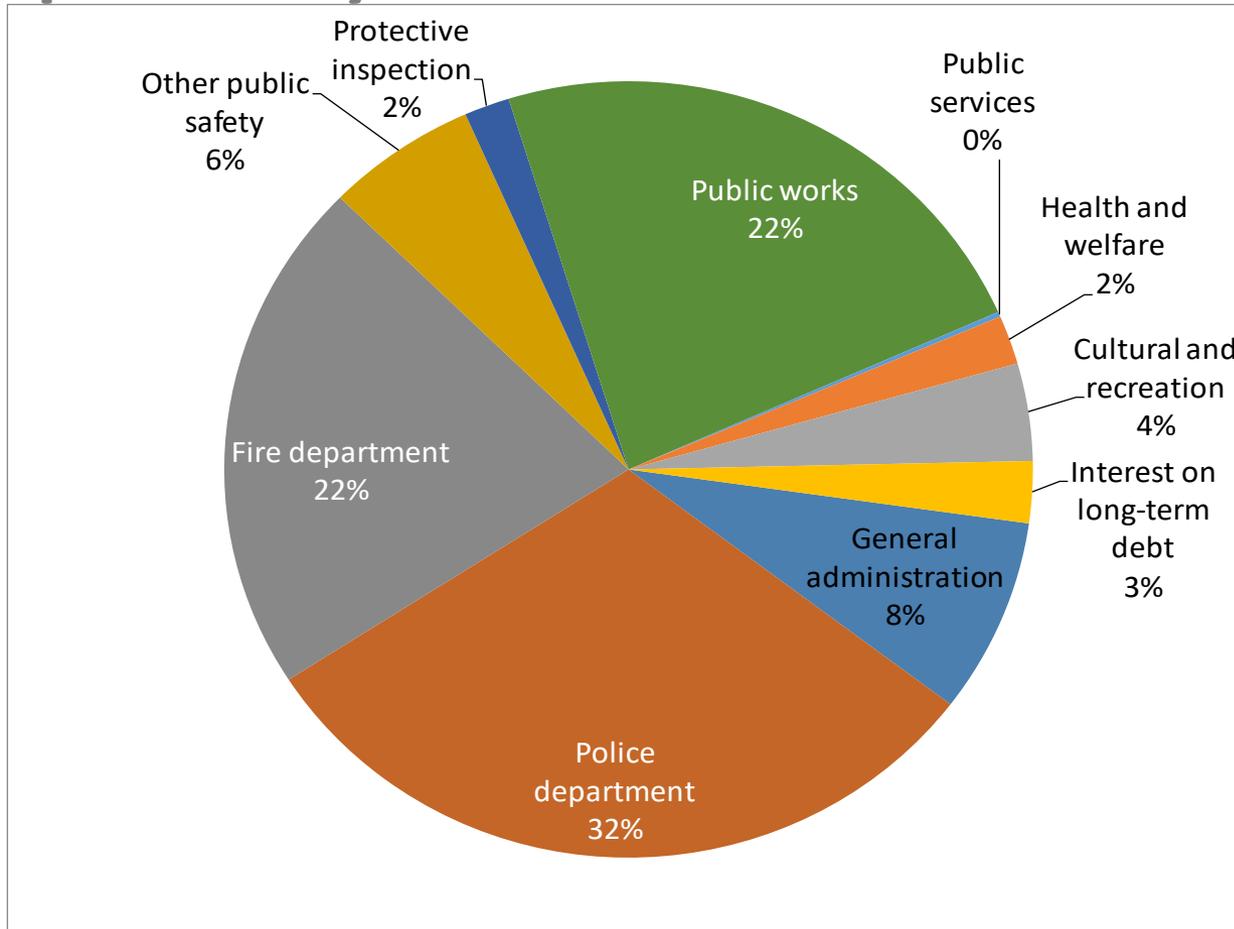


Expenses – Governmental Activities





2019 Expenses by Source Governmental Activities





Financial Highlights

Number of Days Expenditures in General Fund Unrestricted Fund Balance

The adequacy of unassigned fund balance in the general fund should be assessed based upon a government's own specific circumstances.

Nevertheless, GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unassigned fund balance in their general fund of no less than two months (or 60 days) of regular general fund operating revenues or regular general fund operating expenditures

	<u>2019</u>	<u>2018</u>
Total expenditures	\$17,972,476	17,379,349
Average expenditures per day	\$49,240	\$47,615
Unassigned general fund balance	\$6,652,827	\$5,309,483
Number of days expenditures in unassigned general fund balance	135	112

Single Audit Reports

Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*

- No material weaknesses or significant deficiencies noted

Compliance for the Major Federal Program and Report on Internal Control over Compliance

- No material weaknesses or significant deficiencies noted



Other Auditor's Reports

Examination
of City's
Compliance
With Certain
Arkansas
State Acts

- Unmodified opinion on City's compliance with specific state requirements





experience **BKD**
CPAs & Advisors



CPAs & ADVISORS

experience **perspective** //

Questions?