State of the City Report
March 11, 2019
This report is presented pursuant to A.C.A. 14-58-302

To the City Council, City Clerk, City Attorney, City Employees, and of course, our citizens, I offer my initial State of the City Report.

I would like to open my remarks by saying the state of our city is sound. Former Mayor Art Brooke left the city financially solid and heading in the right direction. Attached you will find the 2018 Financial Statements for our General Fund, Street Fund, and Water/Wastewater Fund. These are presented in accordance with A.C.A. 14-59-116 and 14-237-113.

As I prepared this report, I was inspired by the words of John F. Kennedy:

"Change is the law of life.
And those who look only to the past or present are certain to miss the future."

A City should always be looking forward to the future. It should never be content with where it is but looking forward to where it is going. That’s what I want to focus on...our future. It is my intent to continue moving Ward in a positive direction that will stimulate job growth and economic development.

Before we talk about the future, let’s look over some of our accomplishments over the past year. As we all know, Ward continues to grow. Metroplan estimates our 2018 population to be approximately 5,300, which is a 30% increase from the 2010 census of 4,067. New construction remains fairly level, having 101 permits this year compared to 96 last year. The total value of new construction also remains level at $6.9 million.

Speaking of growth, there will be a US Census in 2020. More information will be provided in the coming weeks and months, but the bottom line is that we (collectively, all of us) need to ensure that we get an extremely accurate count next April. The city is doing its part by ensuring all annexed land and subdivisions are properly accounted with the County, State, and US Census Bureau. We need you to do your part by properly completing and returning the census in a timely manner. Furthermore, we will be forming a Complete Count Committee (at the request of the US Census Bureau) to ensure information of the census and its importance is spread to everyone. This committee will also be
dedicated to making sure everyone is properly counted, thus ensuring we get the correct amount of state turn-back funds.

Over the next several pages, I've summarized each major department in the city and highlighted their accomplishments.

**Department Summaries**

- **Animal Shelter:** Kelly Zoller continues to do great things at the Animal Shelter. Shortly after I took office, we moved her physical office from City Hall to the Shelter. This will make her more accessible to the public and aid her in management of the Shelter. I also moved her position under the Police Chief since she issues violation citations.

![Animal Shelter 2016-2018](image)

- **Code Enforcement:** Jason McKee has his hands full enforcing code violations around the city. Jason does a great job for the city, and as a one-man department, he gets a lot done with his never-ending to-do list. Jason is now a part of a state-wide association for Code Enforcement Officers and will be attending training periodically to ensure he (and, subsequently, the city) is up to date on the latest techniques and trends. I moved his position under the Police Chief since he also issues violation citations. My administration is going to work hard on cleaning up the city with all the legal tools available to us. To that end, April 27th is our next City Clean-Up Day. This is a great opportunity to really clean up your property. There will be a flyer in March’s water bill about the particulars.
- **District Court Office**: Chief Court Clerk Beth Glover continues to provide excellent service to the court. The customer service area of the Court Office was recently renovated to provide better security. The Court Office is currently undergoing a process that will move the database from a commercial program to the state’s Context Court Management System (at no cost to the city). Once completed, and once all the data from our local system is moved over, using the state’s system will reduce the court’s overhead cost by over $6,000 per year.
Fire Department: Chief Randy Staley retired December 31st, 2018 and left a legacy for the next Chief to fill. After reviewing several applicants, I chose Tony Reaves to be our next Chief. Chief Reaves served as a Captain on the Volunteer Fire Department while working full-time as the City’s Wastewater Foreman. I am confident in Chief Reaves’ ability to lead the Fire Department and look forward to seeing what he brings.
Our Fire Department also responds to almost every call for an Ambulance within our Fire District. As you can tell by the chart below, Medical Calls far exceed those calls that are traditional fire-related.

- **Parks and Recreation**: Under Karen Dawson’s leadership, the city’s Parks & Rec programs continue to flourish. With the purchase of additional acres next to the existing park, we will continue to grow our Parks and Rec program. Furthermore, our annual Youth Fishing Derby continues to grow in popularity. Last year we had 112 kids participating. This year’s Derby will be May 18th, and we anticipate even more kids participating.
• **Police Department:** Chief Benton continues to lead a small but dedicated force that works diligently to protect all of us. Shortly after I took office, I authorized Chief Benton to buy a laptop for each patrol car. Once installed, this upgrade in technology will allow the officers to complete their report in their vehicle as opposed to reporting back to City Hall for computer access. Although City Hall has WIFI, we are looking at upgrading and expanding the foot-print. This will allow officers to simply drive near City Hall for their report(s) to automatically upload into the reporting system. This will save countless hours of administrative time and ensure our officers are on the street more.

![Police Dept. 2016-2018](image)

In addition to normal police work, our officers also provide house/business watch and extra patrol, when requested.

![Police Dept. 2016-2018](image)
- **Probation:** Officer McNair was hired as the Probation Officer in August 2017 and has done an outstanding job helping those assigned to her by the court to work off their fines. She is firm but understanding in her management of the Community Service Workers (CSW), ensuring each know the rules and what is expected of them.

In January 2017, Judge McCue was sworn in as the District Judge for Northern Lonoke County, which includes Cabot, Austin and Ward. Since taking the bench, the number of individuals afforded the opportunity to work off their fines under Probation has grown, and so has the number of hours worked.

Community Service Workers have to pay a $20 Probation Fee each month they are on probation.
• **Street**: Led by former Fire Chief, Randy Staley, the Street Department works very proactively to ensure drainage ditches and other waterways are free of debris and flowing well. Cleaning drainage lines and culverts is a continuous job, and our staff works as hard as they can to stay on top of it. Unfortunately, we are unable to predict when large items will be dumped and inevitably clog our system. For example, we have experienced abandoned mattresses clogging the lines. Even a sudden influx of leaves and twigs can clog culverts. Again, the department is working tirelessly to clear these issues, but we also ask for your help. Please do what you can to keep the drainage ditches and culverts in your yard clean and clear of debris. This is an opportunity for you, the community, to help your city.

Our Street Department, of course, is also in charge of keeping our streets in good repair, which includes patching pot holes on city streets. This, too, is a never-ending process and is exacerbated by all the rain we have experienced recently. Streets like Peyton (Hwy 319) and 2nd (Hwy 367) belong to the state and must be repaired by them. We cannot repair them.

In 2017, then Mayor Brooke, closed Hickory Street at Hwy 367. This closure is part of the long-awaited (over 12 years) intersection project that will bring turning lanes and traffic lights to the intersection. This project is being re-engineered and “may” break ground late this year. In the meantime, Hickory Street will remain closed.

• **Water and Wastewater**: Late last year, the new $5.8 million Wastewater Treatment Plant went online. The effluent that is discharged is by far clearer and cleaner, and our initial chemical tests have proven what we can see. We expect the Arkansas Department of Environmental Quality (ADEQ) to remove the Consent Order, which ordered us to construct the new plant, soon.

After I took office, and after interviewing several people, I hired Bruce Jones as our new Water/Wastewater Superintendent, replacing Mike Sipe who had retired in May 2018. Bruce brings a great deal of experience from another Wastewater Treatment Plant and is a welcome asset to the team.

Our Wastewater Team fights a constant battle to keep waste flowing to the Treatment Plant. Again, we ask for your help. Please, NEVER pour grease down you drain, and NEVER flush sanitary items and/or wipes...even those labeled “Disposable Wipes”.

Our Water Team works hard every day to ensure your water stays on. As you may or may not know, we get our water from Greer’s Ferry via Lonoke White Public Water Authority (LWPWA). We do not treat the water. That is done by LWPWA following very strict guidelines.

The following graphs show how many gallons of water we purchased, sold, and lost (leaks, inefficient meters, etc.); how many new customers and new meters were added; how many late notices were sent and payments processed; and the amount of bad debt collected over the last three years. It should be noted that in the 2019 budget, we estimate we will “write-off” over $35,000 for non-payment. Some is collected later, some is not.
What does the Future Hold?

In the near term, I am going to continue to polish and/or implement new policies and procedures to ensure that our Department Heads and staff are at the same understanding and everyone is adhering to the same rules. Internally, we are going to update our technology by upgrading PCs, installing more robust WiFi components, and upgrading to Office 365 to take advantage of keeping our software current and to get better use of cloud-based applications. These updates and upgrades will take place over time.

In terms of personnel, one of my promises was to hire and keep the best of the best. I believe I have started this with the hiring of Bruce Jones, Wastewater Superintendent, and Tony Reaves, Fire Chief. I have also talked to my Department Heads about training for their subordinates. Processes and programs change frequently, and we need to ensure our people are properly trained and kept up-to-date in their respective fields. I have also talked to almost every employee about two major desires of mine - I want them to succeed both personally and professionally. For personal success, I want them to take care of themselves at home and in planning for their future. Far too many people do not bother planning for their retirement until it sneaks up on them. I have also talked with many about their possible higher education or additional vocational training goals. Professionally, I want to ensure we get our people the training they need. Like I said before, processes, programs, and procedures change, so we must keep up with them.

Externally, we are going to work harder at getting and keeping the city cleaner. Beginning with this year’s City-Wide Cleanup (April 27th), we will be asking volunteers with trucks and trailers to go around and help pick up from those who otherwise have no way to get their larger items to the waste site. Our goal is to have a list of volunteers to match up with people who have asked for help in getting their stuff picked up. This is our first year to attempt this. If it is successful, we’ll make it a permanent part of our annual cleanup.

We have contracted with a company that will conduct an in-depth survey of each city street, evaluating each and providing us with a scorecard. When complete, this survey will provide us a roadmap to develop our Master Pavement Management Plan. This will help us to decide where to best utilize Street Turn Back Funds, and other funds, to repair and/or replace streets.

We are also working hard to get rid of the vacuum part of our wastewater system. Installed in the late 80s, keeping this portion of the system is an ongoing battle and very manpower intensive. We have applied for a $227,000 Community Development Block Grant through the Central Arkansas Planning and Development District. If approved, we will use these funds to take 17 houses off the vacuum system. I have asked a local engineering firm to develop a plan to completely do away with the vacuum portion of our system. This will most likely be a long-term project.

I held my first Town Hall meeting February 19th, and although the weather was terrible, 26 people braved the elements to come and discuss what was/is on their minds. A summary of the questions and answers can be found on the city’s website. I’ll be holding my Town Hall meetings quarterly and hope you plan to attend.
Where we are and where we are going as a community is something I promised to work on. We are looking into developing a Strategic Plan for the city that will map out our plans for future growth in terms of population, business, and economic growth. This process will include community leaders as well as everyday citizens and will take several months or years to finalize.

Ward is a GREAT place to live, but your city cannot do it alone. We partner with several organizations that help make Ward a better place to live, work, and play. Below are a few examples:

- Arkansas Municipal League
- Ward Chamber of Commerce
- Central Arkansas Planning Development District
- Mid-Ark Water Alliance
- Metroplan
- Local Churches
- Boy and Girl Scouts

I campaigned on the promise to move Ward forward, and with the help of our employees, community leaders, citizens and partners, WE can do just that... Move Ward ForWard!

I am proud to be your Mayor. As always, if you have any questions or concerns you would like me to know about, call City Hall at 501-843-7686, or the appropriate Department Head. You can also call me at 501-743-2501 (C) or email me at mayor@cityofward.com.

Charles “Charlie” Gastineau
Mayor, City of Ward

Attachments:

1. 2018 General Fund Financial Statement
2. 2018 Street Fund Financial Statement
3. 2018 Water/Wastewater Financial Statement
City of Ward, Arkansas General Fund
Financial Statement January 1, 2018 to December 31, 2018

Balance January 1, 2018
County Sales Tax $ 490,429
City Sales Tax $ 517,497
State Turnbacks $ 78,445
Property Tax $ 220,732
Franchise Tax $ 190,637
Rent income $ 7,617
Building Permits & Inspection Fees $ 23,379
Privilege Tax $ 1,895
Fund Raisers and Donations $ 135
Court Fines $ 189,774
Grants Received $ 750
Special Events $ 8,714
Alcoholic Beverage Tax $ 9,360
Screeton Act $ 59,189
Act 833 Turnbacks $ 16,045
Fire Membership Fees $ 9,450
Parks and Recreation $ 16,059
Other Income $ 111,372
Total General Fund Available $ 2,758,187

Expenditures

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<tr>
<th>Description</th>
<th>Admin</th>
<th>Police</th>
<th>Fire</th>
<th>Courts</th>
<th>Codes</th>
<th>Parks</th>
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<td>Salaries Wages and Benefits</td>
<td>$ 165,364</td>
<td>$ 514,887</td>
<td>$ 72,207</td>
<td>$ 192,430</td>
<td>$ 91,630</td>
<td>$ 38,748</td>
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<td>48,242</td>
<td>29,248</td>
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<td>5,996</td>
<td>6,897</td>
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<td>General and Administrative</td>
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<td>13,390</td>
<td>5,984</td>
<td>14,434</td>
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<td>Other Expenditures</td>
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<td>65,241</td>
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<td>13,573</td>
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<td>23,217</td>
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<td>5,000</td>
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<td>90,219</td>
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<td>Ambulance Services</td>
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<td>Transfers Out to Street Fund</td>
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<td>Total Expenditures</td>
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<td>$ 624,255</td>
<td>$ 203,308</td>
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Balance General Fund December 31, 2018

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<tr>
<th>Bonded Indebtedness</th>
<th>Amount</th>
<th>Date of Last Payment</th>
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<tbody>
<tr>
<td>None</td>
<td>$</td>
<td>N/A</td>
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** All financial records of the City of Ward, Arkansas are public records and are open for inspection during regular business hours in the Ward City Hall, Ward, Arkansas. If the record is active use or in storage and, therefore, not available at the time a citizen asks to examine it, the custodian shall certify this fact in writing to the applicant and set a date and hour within three (3) days at which time the record will be available for inspection and copying.

Honorable Charles Gastineau, Mayor
City of Ward, Arkansas Water and Sewer System
Financial Statement January 1, 2018 to December 31, 2018

Income
Water Revenue $ 2,120,155
Sewer Revenue 840,493
Meter Installation 25,642
Connection Fees 106,248
Delinquent Fees 77,084
Lonoke White Fees collected 233,140
Write offs and Adjustments (35,501)
Interest income 10,579
Other Income 37,622
Total Income $ 3,415,462

Expenses
Salaries Wages and Benefits $ 823,991
Repairs Maintenance & Supplies 321,069
Utilities and Telephone 171,407
Other Operating Expense 322,246
Purchased Water 303,758
Franchise Fees 80,002
Lonoke White Fees 264,840
Depreciation 350,135
Interest Expense 279,324
Total Expenses $ 2,916,772
Net Income $ 498,690

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<th>Bonded Indebtedness</th>
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<td>City of Ward, Arkansas Water and Sewer System Water and Sewer Revenue Bonds $12,019,384</td>
<td>12/28/2056</td>
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Honorable Charles Gastineau, Mayor
City of Ward, Arkansas Street Fund  
Financial Statement January 1, 2018 to December 31, 2018

<table>
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<th>Description</th>
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<td>Balance January 1, 2018</td>
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<td>State Aid</td>
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<td>Road Tax</td>
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<td>Vehicle Maintenance &amp; Service</td>
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<td>Transfer from General Fund</td>
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<td>Other Income</td>
<td>963</td>
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<td><strong>Total General Fund Available</strong></td>
<td><strong>$583,231</strong></td>
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<td>Repairs Maintenance &amp; Supplies</td>
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<td>General and Administrative</td>
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<td>Street Work</td>
<td>46,861</td>
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<td>Street Lights</td>
<td>1,128</td>
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<td>Capital Outlay</td>
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<td><strong>Total Expenditures</strong></td>
<td><strong>$369,172</strong></td>
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<tr>
<td>Balance Street Fund December 31, 2018</td>
<td><strong>$214,059</strong></td>
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Honorable Charles Gastic (au), Mayor