

Jerry Morgan Emails with Harold Copenhaver

Jerry Morgan

To: hcopenhaver@jonesboro.org, Cc: brichardson@jonesboro.org, Bcc: me · Wed, Nov 19, 2025 at 10:05 AM

Message Body

Mayor Copenhaver,

I hope this email finds you well. The Jonesboro A&P Commission has our annual allocations meeting scheduled for December 3rd. We have a current request from Jonesboro City Stars Booster Club in the amount of \$50,000.

I wanted to follow up with you regarding our previous meeting we had on 4-2-25 where we discussed the scheduling conflicts between Jonesboro City Stars, The City of Jonesboro Parks & Recreation Department, and the Revolution Soccer Club. Our goal in that meeting was to secure Fall-2025 dates to allow Rev Soccer the ability to host large weekend tournaments. This would generate significant tourism revenues with several out-of-town teams attending. It was my understanding from our conversations that the city would work hard to find a balance between recreational soccer leagues and a schedule would be worked out to provide dates for Revolution Soccer. Unfortunately, that did not transpire.

A couple of years prior to the 4-2-25 meeting, the City of Jonesboro and the A&P Commission partnered together to provide artificial turf for the main soccer fields at Joe Mack Park. The estimated cost was \$2,500,000 and was split equally. In the Jonesboro A&P Commission meeting on 4-3-2023, City Parks Director Danny Kapales and Rev Soccer volunteer Matt Modelevsky presented the turf plan, and it was approved. The primary goal was to provide an artificial surface with additional water drainage to allow large tournaments to be held as an economic boom for tourism AND provide for recreation league soccer.

After the 4-2-25 meeting and due to the lack of scheduling availability, the unfortunate collapse of the Revolution Soccer Club occurred, and significant concerns arose in the community regarding a potential conflict of interest between the Jonesboro City Stars Booster Club and the City of Jonesboro Parks and Recreation department.

While watching the debate from the sidelines and voicing my concerns to several on the Council and the City Finance Committee, I continued to keep track of the progression of the issue.

After the resignation of the ENTIRE Revolution Soccer Board due to the scheduling conflicts and other accusations, a letter was issued by you to the "City Star and Revolution Parents". In that letter, it was stated that "I have requested that City Stars have an independent audit of their 501c3 financial records". (copy attached) I did receive a copy of that "independent audit report" and watched the presentation by the audit firm to the City Council Finance meeting on 7-8-25.

While I understand that Jonesboro City Stars Booster Club is a separate 501c3 entity, I do feel that an

additional review by the city itself was warranted. I was completely surprised that the Executive Director of the City Stars organization was allowed to order his own audit, especially due to some of the accusations that were made involving city property and reconciliation of funds. I feel any other city or organization would have recommended an additional full and complete review by a 3rd party agency like the State of Arkansas Legislative Audit department. From the discussions and questions at the City Finance Committee meeting, I feel many others on the council and public felt that additional reviews were warranted.

In addition, this working relationship between the City of Jonesboro and City Stars Booster Club has all been made with no formal agreement in place. My understanding is the previous agreement expired in 2014. To my knowledge, no current agreement has been presented or approved.

I feel that this arrangement between the City of Jonesboro and the City Stars Booster Club continues to present a conflict of interest for the following reasons:

- 1) Jonesboro City Stars (a separate 501c3 entity) has full control and use of all City owned parks and recreational facilities.
- 2) Jonesboro City Stars Primary Director is also the head of the City of Jonesboro Parks and Recreation Department where he has almost full control of all city park fields.
- 3) ALL the funds collected at our city fields and facilities are controlled by City Stars Booster Club (not the city of Jonesboro's finance department). Under this arrangement, very few controls are in place for full reconciliation and accountability of funds being collected. To my knowledge, this includes gate revenues, parking fees, and concessions. Overall, this is a significant amount of money that is estimated to exceed \$500,000+ a year with most being accepted as CASH.
- 4) In my opinion, the City Parks Director has shown preferential treatment to the City Stars Booster Club (where he is also the Executive Director) over outside tournament organizations that could have brought in significant hotel room nights and restaurant sales to our city.
- 5) I have reviewed the various financial reports that have been provided either in the audit report presented to the City Finance Committee and to the A&P Commission in the form of applications and follow-up reports. I find many concerns and discrepancies in those reports that would warrant an additional review.

It is important to note that our hotel revenues for 2025 are down year-over-year. We had the opportunity to host up to four Revolution Soccer tournaments that would have booked most of our hotel rooms for those weekends. That would have been a significant economic boost to our hotels, restaurants, and overall tourism industry, estimated in millions of dollars. As a representative for Hotel and Restaurant Industry in Jonesboro, this is extremely troublesome. (Hotel Trend Chart attached) Based on my concerns and the information listed above, I feel it is necessary to request additional information be obtained, and steps put in place prior to approval of additional funding by the Jonesboro A&P Commission to the Jonesboro City Stars Booster Club.

I would recommend that one of the following avenues be followed to achieve the mutual goals of

providing recreational league programming and promoting sports tourism in Jonesboro:

1. Restructure of the City Stars Booster Club that includes:

- a. Removal of all City Employees from the City Stars Organization.
 - i. City employees could be used in an advisory capacity.
- b. A new and revised agreement to be completed, reviewed, and approved by the City Council between the City of Jonesboro and Jonesboro City Stars Booster Club
- c. Additional financial accounting to be provided on a regular basis to the City of Jonesboro completed by a 3rd party
- d. Require a “Cashless” payment system for all revenue functions

2. Remove City Stars Booster Club and align all functions under the City of Jonesboro:

- a. Move all functions under the City of Jonesboro. This includes all planning, programming, event management, and recreational league functions.
- b. While this would require additional personnel investment from the City of Jonesboro, it would provide significant improvements to the accountability of the financial functions.
- c. As you are aware, the City of Jonesboro’s Finance Department has an agreement with the Jonesboro A&P Commission. This agreement works extremely well with strong dual controls and oversight of the financial functions. The City’s finance department continues to do an excellent job for the A&P Commission.
- d. Again, a “Cashless” system of payment should be used at all city functions.

3. Hire a 3rd party operator to manage all City recreational sports functions.

- a. This would be similar to the agreement that the Jonesboro A&P Commission has drawn up with the management of the new Sports Complex with *Sports Facilities Company*.
- b. This arrangement is being used in many other cities with strong success.
- c. The companies can provide strong expertise in sports management and a strong balance between recreational needs and tourism growth.

In conclusion, I feel that the current arrangement presents a significant conflict of interest that needs to be addressed immediately with one of the solutions outlined above. I would also request that an additional review be made by the State of Arkansas Legislative Audit department. Again, I understand that City Stars is a stand-alone entity; but with its intertwined relationship with the City of Jonesboro, an outside review is warranted. I would be glad to visit with the legislative audit firm if needed to address my concerns and financial “red flags”.

I do not feel comfortable approving additional funds to Jonesboro City Stars in the upcoming allocations meeting unless these items are addressed.

Please note, these are my personal opinions and not those of the Jonesboro A&P Commission, but I do plan to express my concerns in the upcoming meeting.

I would request that these items be addressed as soon as possible and I would be glad to discuss

them at your convenience.

Best Regards,

Jerry Morgan

A&P Chairman

From: Harold Copenhaver

Sent: Wednesday, November 19, 2025 2:58 PM

To: 'Jerry Morgan'

Cc: Brian Richardson BRichardson@jonesboro.org

Subject: RE: Jonesboro City Stars Booster Club

Chairmen Morgan, I appreciate your thought into this matter. We have been in the process of reviewing our total youth sports programming. I am sure that you understand that any decisions made will affect ALL youth not just one program. Please provide me some dates next week that you might be available to discuss.

On the Audit question, Thomas, Speight, and Noble is a highly respected firm and the Audit was completed by one of their principals. I am pleased with a complete Audit that was presented and I am sure you are aware they do A&P's audit as well. If you would like the contact information to discuss with them, I will be happy to provide you with it, also is my understanding that Legislative Audit was contacted first. Their response was that it isn't in their purview.

Mayor Copenhaver