



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Tuesday, August 30, 2016

4:00 PM

Municipal Center

1. Call To Order

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2. Roll Call by City Clerk Donna Jackson

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Mayor Perrin was also in attendance.

Present 6 - Ann Williams; John Street; Darrel Dover; Charles Coleman; Todd Burton and Rennell Woods

3. Approval of minutes

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MIN-16:104

Finance & Administration Committee Meeting Minutes for August 9, 2016

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A motion was made by Councilman John Street, seconded by Councilman Charles Coleman, that this matter be Passed . The motion PASSED with the following vote.

Aye: 5 - Ann Williams; John Street; Charles Coleman; Todd Burton and Rennell Woods

4. New Business

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COM-16:068

Proposed Police Pay Plan

[play video](#)

Police Chief Rick Elliott explained the Public Safety Committee formed a subcommittee to look at the plan. The plan was then approved by the Public Safety Committee and was forwarded to the Finance Committee tonight. He explained they used the numbers Johanson had in place as a starting point. He noted they are not reinventing what Johanson put together; rather, they are just enhancing it. There are increases to the plan itself as well as a step raise system. The Johanson plan has a starting point, midpoint and maximum with no clear path defined as to how to get to

the midpoint and maximum. With a step plan in place, that will give a path for the salaries. The first part of the plan would be to approve the step plan towards the salary plan.

The second part of the adjustment to the plan addresses market value. Johnson indicated Jonesboro is 3% behind market value. Bringing the salaries up 3% is a start. But, Jonesboro also has a problem with recruiting and retention. The city needs to make the market more appealing to interested parties. So, they added 3% more to the plan above Johanson's market. It will be the buffer for recruitment and retention.

The work they did will help with lingering compression problems once everyone is placed in the scale. Police Chief Elliott explained the city had a step plan in the salary plan, but it was removed in the mid-90's, which started the beginning of the problem. If the steps had been left in place, then the city wouldn't be where it is now. The step plan will be costly, but they are at the point where they need to get things lined out. They think the plan is fair across the board and will sustain the Police Department for many years. But, he cautioned the plan will only be good if the city re-evaluates the salary plan periodically, every three or four years as was also agreed to by the Salary Committee. This will help keep the cost of catching up down in years to come. He also noted cost of living adjustments also have to be kept up with in years to come.

He reiterated they did not scrap any work that had been previously done. They just enhanced the pay scale and aligned the salaries, including the starting salary for a patrolman which was bumped up. They also created a difference between patrolmen and the rank structure.

He discussed the proposed plan (see attached handout). He noted they bumped up the starting salary of a patrolman to \$34,500. The midpoint for Johanson is at the 10-year mark. Typically they lose a lot of officers at the one-year to seven-year mark, so they included extra steps in that area to help retain what they have. The ranks have salaries that are also spread out, but they do not go out to 20-years like the patrolman salary scale. The theory behind that once you make rank, typically you won't be at that rank quite as long. He noted there may be cases where a sergeant could be at that rank their whole career.

Chairman Dover asked for a breakdown of attrition by rank. He asked what ranks the city is losing officers at over the last five years. Police Chief Elliott answered 77 patrolmen have left the city in the last five years, but some were from terminations. He wasn't sure of the numbers for sergeant or lieutenant. He noted the city has not lost any captain or assistant police chiefs and only one police chief over the past five years. Chairman Dover stated the attrition is at the patrolman level. Police Chief Elliott agreed.

Chairman Dover then questioned how they got the minimum salary levels. He noted Chief Elliott had indicated they increased the salaries by 6%, but he is seeing increases at 20.95%, 23.24%, 19.84%, 18.845, and 12.61%. Chief Financial Officer Suzanne Allen explained that during the committee meetings they discussed starting at 6% with the police officers, but then there was discussion about not overlapping the salaries between ranks. The Johanson plan includes overlap, but the Police and Fire Department do not feel like there should be overlap between the ranks. So, the beginning salaries of each rank were set to be a little higher than the maximum of the immediately lower rank. There was no scientific method for figuring out the salaries and no formulas used. They used the 6% on the starting salary on the police officers and moved on from there. Police Chief Elliott added they also used comparisons from other cities. Chairman Dover asked what cities they compared Jonesboro to. Police

Chief Elliott answered they used the cities that Johanson used in their comparisons. He explained they didn't want the overlapping of salaries because there was nothing to entice officers to take the sergeants test since there was such a small percentage increase to make sergeant.

Chairman Dover expressed concern about raising some of the ranking officer's salaries by more than 6% when the attrition problem is at the patrolman level, not the ranking officer levels. Police Chief Elliott stated if the scale isn't changed completely, then another compression problem is made as well as creating a scale that won't work down the road. There must be separation. Chairman Dover noted the maximum of the ranks could also be lowered. He stated, for instance, Johanson recommended a patrol officer max out at \$48,644 but the proposed plan is recommending maxing officers out at \$51,600. Police Chief Elliott stated that was based on the 6% increase. He further explained there are some anomalies in the plan whereby officers or ranking officers will not benefit much from the increases because they have already maxed out according to the salary points.

Chairman Dover questioned what will happen in three years when the plan is re-surveyed as they have indicated they will do for the other employees. He asked how that re-evaluation will be translated into this proposed plan. Police Chief Elliott explained part of the process is the committee finalizing the proposal and then they'll put it in ordinance form. If any percentage is added to the plan in the future, the plan will adjust itself.

Chairman Dover asked what the starting salaries would be if 6% was added to the current Johanson figures. Ms. Allen stated sergeant would be \$45,573, which would still lead to an overlapping issue since the maximum salary for a police officer is \$51,600. She added the importance of the overlapping will have to be decided by the City Council. She noted if they just add 6% to the starting salary of lieutenant it would be \$52,464. Chairman Dover questioned how long it takes for someone to go from sergeant to lieutenant. Police Chief Elliott explained it varies. They have had some officers who become lieutenant early on, but then have been there for many years. It also depends on who is testing. He has senior patrol officers who have been in their position for 15, 20 years who haven't taken the sergeant's test because there's not enough incentive to take the test. The 5% pay raise they would be getting isn't worth it to them to lose preference on shift and days off. There must be an incentive to get the officers take the test and make rank. That's why they tried to cut out the overlap and bump up the salaries.

Chairman Dover then asked how the incentive plan will play into these figures. Police Chief Elliott stated these figures are just base figures. Any incentive, including education, would be on top of the base salary. He stated it would also depend on the cap because there has been some talk of a \$4,000 cap, but the committee hasn't decided that yet.

Councilman Burton asked how the steps in the plan were obtained at years 1, 3, 5, 7, etc. He asked if those are just percentage based. Police Chief Elliott explained they set the starting, midpoint and maximum and just worked on the numbers in between those points.

Councilman Burton then noted incentives would help get employees from the starting to the midpoint faster. Police Chief Elliott stated they are just dealing with base salary, not incentives. Yes, if someone had more educational incentive their base pay would be the same, but the incentives would make their salary more. He added there have been questions about whether incentive should be rolled into base salary. But, in this proposal they are trying to keep base as a true base salary.

Chairman Dover asked if the comparisons collected by Johanson included incentives in the salary surveys. Ms. Allen explained she received an email from Bruce Johanson that indicated the Police Department salaries with their incentives rolled in were compared to other Police Departments with their incentives rolled in, with the exception of the City of Rogers. The amounts would not have changed the overall percentages.

Councilman Burton questioned why the city went away from the step plan in the past. City Clerk Donna Jackson stated it was the Modified Plan B, where the city went from Condrey to Johanson, but then the Johanson plan was modified. Chairman Dover agreed, adding the city had three choices of plans at that time. City Clerk Jackson noted there was a recommendation and the city didn't take that recommendation. Police Chief Elliott explained there have been numerous groups make proposals and the city adopted them, but then didn't follow through years with re-evaluations years down the road. The city is now on its third group.

Chairman Dover noted the Johanson plan sets out a midpoint at 10-years of service and max at 20-years of service. He asked how they arrived at the maximum years for the ranking officers. Police Chief Elliott stated the theory is there won't be a 20-year or 25-year captain. There won't be someone who jumps up to captain in 5 years, then spends 20 years there.

Chairman Dover then asked about the long-term costs of the plan. He noted the long-terms costs aren't sure due to other factors such as re-evaluating the plan every few years and the incentive plan. Police Chief Elliott explained the starting, midpoint and max are set out as proposed today. By adding the 3% as they have proposed the plan will be more doable and sustain itself for a longer period of time. Ms. Allen added each employee was looked at, so they know that at this time the numbers are correct except for the attrition factor. Chairman Dover stated that new police officers will be starting at a lower salary than those retiring at sergeant, lieutenant, captain, etc. Ms. Allen further explained that they also have some people who are retiring and getting \$25,000 for accumulated time, so that also needs to be considered since the pay out for accumulated time is larger than the savings in hiring an officer at a lower salary.

Mayor Perrin asked Ms. Allen to discuss the recent events concerning LOPFI. Ms. Allen explained the 2017 costs to the city for retirement benefits will be 40% for the Fire Department and 23.8% for the Police Department. Mayor Perrin added that doesn't include other benefits such as health insurance. Councilman Street noted that the State requires the LOPFI amounts, so the city has to pay it. He explained the legislature is even looking at allowing cities to charge 1 mill in taxes as opposed to the current .5 mill because a lot of cities in the State are delinquent in their LOPFI payments. Discussion was held concerning LOPFI. Ms. Allen stated she would email the Council tomorrow to let them know how much of an increase that would be.

Councilman Street questioned incentives. Police Chief Elliott explained every officer should be afforded the opportunity to receive education and incentives. Everyone has the opportunity for basic incentives. There has been talk of offering incentives for specialized classes, but that opportunity has to be offered to everyone or it will create a problem. Councilman Street asked if incentives would be removed if they aren't equal opportunity. Police Chief Elliott stated they don't have anything like that right now. Before this year, the incentives were based on a percentage of pay which caused a problem since as your salary increased the incentive pay also increased. This is why the Salary Committee decided to go to flat fees for incentives instead of percentages.

Chairman Dover asked about the salary spread for each of the ranks. He noted the midpoint for a sergeant is only \$3,000 more than the starting salary. He explained it looks like the money is being spent on the front end and not on the back end. Police Chief Elliott explained the sergeant position maxes out at 10 years, not at 20. The 5 year mark is about halfway between the starting salary and the maximum. He said that goes back to an officer moving up to sergeant already has some years of service as a patrolman and could already be halfway through their career.

Chairman Dover stated he thinks the money should be concentrated on patrolmen because that is where the city is losing personnel. He added when the incentive plan was proposed to them in 2008 it was supposed to be a way to keep patrolmen, yet the majority of the money went to the ranking officers. He thinks the same thing is happening here. Police Chief Elliott explained it is up to each individual whether or not they want to participate in the incentive plan. Some ranking officers may have more education or other incentives than others.

Chairman Dover explained he doesn't have a problem with a step plan; he thinks it's great. His concern is where the money is allocated. He thinks it needs to be looked at and should go to fix the problem, which is keeping patrolmen. Councilman Street disagreed, stating he thinks it does. He stated there's only one chief and assistant chief, six or seven lieutenants, quite a few sergeants. But, there are 117 patrolmen. Chairman Dover noted the greater raises are going to the ranking officers. He reiterated he is all for a step plan, but would like more study done on the numbers.

Councilman Mitch Johnson, also a member of the Police Compensation Committee, explained the Police Compensation Committee was charged with finding a solution to the problem they are facing. He said it's a sad situation that the city has lost 70-something officers in five years considering Jonesboro's size and growth. They can discuss the numbers if needed, but the committee was charged with coming up with a plan. They came up with a plan that can be used to bring in officers and show them what their salaries will be in the future. Right now, there's nothing to entice an officer to come to Jonesboro. This will help bring in people that are ready to go to work. The department is over-extended and needs help. He stated if the proposal is killed, then the morale will be worse and who knows what the city will lose from there. He further added the city can pave the streets in gold and put an aquatics center on every corner, but if there's no one to protect the citizens then they won't stay here and they won't come here. He then questioned what that will do to tax revenue when the city needs every dollar it can get. Councilman Johnson encouraged the committee to implement the plan in order to keep the city from regressing any further.

Councilman Coleman motioned, seconded by Councilman Street, to recommend the plan to the full Council.

Aye: 5 - Ann Williams; John Street; Charles Coleman; Todd Burton and Rennell Woods

Ordinances To Be Introduced

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[ORD-16:060](#)

AN ORDINANCE APPROVING THE PURCHASE OF A JOHN DEERE EXCAVATOR FOR THE STREET DEPARTMENT, APPROPRIATING FUNDS, AND DECLARING AN EMERGENCY

[play video](#)

Mayor Perrin explained the Council had asked him to look into purchasing another

excavator. They received bids and this purchase is with the lowest bidder meeting specifications. Councilman Street asked if this was another one that will go into ditches. Mayor Perrin answered yes.

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

Aye: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods

Resolutions To Be Introduced

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RES-16:105

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AN AGREEMENT WITH THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR THE EXECUTION OF THE FY2016 CDBG ACTION PLAN

[play video](#)

Mayor Perrin stated this is the annual CDBG plan.

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

Aye: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods

RES-16:106

A RESOLUTION APPROVING THE IMPLEMENTATION OF THE 2016 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PUBLIC SERVICE PROGRAM AGREEMENT WITH HISPANIC COMMUNITY SERVICES, INC.

[play video](#)

Mayor Perrin explained RES-16:106 through RES-16:111 are all contracts that go along with the CDBG plan the committee just approved, RES-16:105. Each agency is broken down as to how much funding they will get.

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: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods

RES-16:107

A RESOLUTION APPROVING THE IMPLEMENTATION OF THE 2016 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PUBLIC SERVICE PROGRAM AGREEMENT WITH NEW LIFE EMPOWERMENT DEVELOPMENT CENTERS, INC.

[play video](#)

Councilman Burton asked what the Empowerment Development Center is. Grants Administrator Kimberly Marshall explained that is actually a computer program in north Jonesboro for the underprivileged that don't have WiFi access. The program will set up a mobile truck to go around and help students and will assist with resumes as well as homework.

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: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods

RES-16:108

A RESOLUTION APPROVING THE IMPLEMENTATION OF THE 2016 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PUBLIC SERVICE PROGRAM AGREEMENT WITH NEA COMMUNITY ATHLETICS

[play video](#)

Chairman Dover asked if this was an athletic program. Ms. Marshall stated this is a community athletic organization that is largely in north Jonesboro. It will fund uniforms, equipment and will help the kids get to games across the state.

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

Aye: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods

RES-16:109

A RESOLUTION APPROVING THE IMPLEMENTATION OF THE 2016 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PUBLIC SERVICE PROGRAM AGREEMENT WITH THE LEARNING CENTER OF NORTHEAST ARKANSAS, INC.

[play video](#)

Ms. Marshall explained the funding will be used to purchase playground equipment for The Learning Center. Their current equipment is not in good shape and needs to be replaced. The Learning Center is for individuals with physical and learning disabilities.

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

Aye: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods

RES-16:110

A RESOLUTION APPROVING THE IMPLEMENTATION OF THE 2016 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PUBLIC SERVICE PROGRAM AGREEMENT WITH WEST END NEIGHBORHOOD ASSOCIATION

[play video](#)

Councilman Street asked if this is for lights at the park. Ms. Marshall stated the funding is for lights in the West End area. They hope that by lighting up the streets they will see a reduction in crime.

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: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods

RES-16:111

A RESOLUTION APPROVING THE IMPLEMENTATION OF THE 2016 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PUBLIC SERVICE

PROGRAM AGREEMENT WITH CITY YOUTH MINISTRIES

[play video](#)

Ms. Marshall stated City Youth is doing a program for individuals with learning disabilities such as dyslexia. The programs will be for those with reading disabilities.

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: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods

RES-16:116

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH SG360 JANITORIAL SERVICES

[play video](#)

Mayor Perrin explained this is the city's cleaning service. This is an annual agreement.

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: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods

RES-16:117

A RESOLUTION TO ENTER INTO A MEMORANDUM OF UNDERSTANDING AGREEMENT WITH HABITAT OF HUMANITY OF GREATER JONESBORO TO COLLABORATE IN REHABILITATION AND DEMOLITION ACTIVITIES OF CERTAIN PROPERTIES FOR THE 2016 CDBG ACTION PLAN

[play video](#)

Ms. Marshall explained they have to have a memorandum of understanding when they are doing projects as opposed to public services. They will be helping to rehab houses for individuals to purchase through Habitat for Humanity. It is for two projects.

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: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods

5. Pending Items

[play video](#)

6. Other Business

[play video](#)

Councilman Street explained they were asked by the Mayor to walk RES-16:121 and RES-16:119 on to the agenda for today. RES-16:119 is to allow the city to enter into an agreement with State Police for the 2017 Step Grant. It is an annual grant the city receives every year to enforce off-duty officers to come in and work overtime. Police Chief Elliott indicated to him this resolution needed to be walked on to the committee

agenda so it can be taken to Council. They have to have it back to the State Police within the next two weeks.

Councilman Street motioned, seconded by Councilwoman Williams, to suspend the rules and place RES-16:119 and RES-16:121 on the agenda. No vote was taken.

RES-16:119

A RESOLUTION AUTHORIZING THE CITY OF JONESBORO TO ENTER INTO AGREEMENT WITH THE ARKANSAS STATE POLICE AND ACCEPT THE 2017 STEP GRANT

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

Aye: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods

Councilman Street motioned, seconded by Councilwoman Williams, to suspend the rules and place RES-16:121 on the agenda. No vote was taken.

RES-16:121

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH INTERIORS BY DESIGN, LLC TO WORK WITH LEADERSHIP JONESBORO TO RENOVATE WINTER WONDERLAND

Mayor Perrin explained the Leadership Jonesboro class, through the Chamber of Commerce, picks a project each year. This year they chose to renovate Winter Wonderland. The city will use \$10,000 of its own money to help with the rehab, but Leadership Jonesboro is also raising money for the project. MG Meyering is going to design the redesign.

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: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods

COM-16:066

Federal Grants Independent Auditor's Report and Financial Statements for the City of Jonesboro ending as of December 31, 2015.

[play video](#)

Mayor Perrin explained this year's grant audit was completely clean with no write-ups. The city has \$18 million to \$22 million in grants every year to keep up with. He commended the Finance Department and Grants Department for their work.

This item was Filed.

7. Public Comments

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8. Adjournment

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

Aye: 5 - Ann Williams;John Street;Charles Coleman;Todd Burton and Rennell Woods