



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Tuesday, January 2, 2018

4:30 PM

Municipal Center

Special Called Meeting

1. Call To Order

[play video](#)

2. Roll Call by City Clerk Donna Jackson

[play video](#)

3. New Business

[play video](#)

ORDINANCES TO BE INTRODUCED

[play video](#)

ORD-18:001

AN ORDINANCE AUTHORIZING 2% RAISE FOR THE CITY ATTORNEY

[play video](#)

Councilmember David McClain said I have a few questions for us, as well as Chief Finance Officer Bill Reznicek. Mr. Reznicek, if you don't mind please come to the front. I have a couple questions. The main idea of what I'm about to say is not saying that someone is not worthy of a raise. I am throwing it on all elected officials, as well as attorney, mayor, clerk. We have a budget where we asked for pay cuts from department heads, correct? Chairmember Joe Hafner said pay cuts? Councilmember McClain asked did we have cuts in the budget? Mr. Reznicek said we had cuts in the budget. They weren't pay cuts. Councilmember McClain said well, not pay cuts. Mr. Reznicek said we ask concessions in their budgets from what they originally submitted. Correct. Chairmember Hafner said but that's a regular part of the budgeting process. People submit budgets and their revised according to what the top line is. At least that's been my experience in the business world. Mr. Reznicek said there's an amount of discretionary spending that's asked for by each department head. When we go through the budget process we look at that and we try to determine what's absolutely necessary and the things we can afford to do during the current year. As far as the compensation and the benefits, there were none. Councilmember McClain said I didn't mean pay. I meant cuts, period. I have an issue just with us looking at pay raises because we have done that. We are pulling out of reserves and then we're

probably going to turn around and look at alternative sources of revenue is the phrase that's been thrown out. So, we've talked about it before. We said no to it before, and to bring it back, I really have an issue with that just because we have already said no. So, I'm having an issue with why we continue to bring this up. Not saying anyone doesn't deserve a raise. However, when we're doing all the things I just listed, I can't see how we're in a position to pass these out. I just don't. Maybe I'm seeing it wrong. Maybe somebody else has a different opinion.

Chairmember Hafner said I understand your point to a degree, but, I'm just dealing with this from a controller perspective in the business world, when people turn in their preliminary budgets they're going to have a lot of needs in there and they're going to have a lot of wants. If we start letting department heads turn in budgets that we say "okay that looks great," we're going to have \$90,000,000 worth of expenses with only \$70,000,000 worth of income if we just don't cut stuff. Part of having Mayor Harold Perrin, Mr. Reznicek and other department heads is you take those preliminary budgets and you do a review. You say let's cut this. Let's keep this, and some stuff you increase. That's just the budgeting process. Councilmember McClain said right. Chairmember Hafner said so I don't think you can sit here and say just because someone's preliminary budget got cut then "x" or "y" shouldn't happen. Last year we voted down elected official raises, but I think part of that was it was the percent. It was 6% and everything was lumped together. The way I look at it, this is more of a stop gap until we come back, like we said at the time we voted down the raises, we're going to put together a more thorough plan by position for city officials. The 2% is basically a cost of living adjustment. Mr. Reznicek said that was a COLA. Chairmember Hafner said I had an issue with a 6% raise. I don't necessarily have an issue with a 2%, even though we voted them down last year because it's been since 2015 when they got a raise, and we can't keep not doing an increase.

Councilmember McClain said I get what you're saying. Councilmember Charles Coleman said I'd just like to make a motion to send it to full Council and go from there. Councilmember McClain said I get what you're saying, but at the same time I just feel like we've looked at it, we've discussed it and we voted 11 to 1 against. Councilmember Ann Williams said but I think, at that time, we also indicated we would come back and look at it to the extent of doing this or something like this, so I think we had already laid the groundwork for coming back with a proposal like this. Councilmember McClain said I just take issue with it when we're looking at all the things we have going on. You say it's not a cut, but, however you want to phrase it. Chairmember Hafner said phrase which part? Councilmember McClain said the cuts to budgets. Chairmember Hafner said I guess my question is, when you throw "cuts" out, is there specific areas where you think more funding should have been given that wasn't? Because when you say a "budget was cut," I have dealt with a bunch of budgets where the preliminary budget was cut. I mean if there's an area that should have been funded that wasn't, that's one issue. Just because a preliminary budget was cut doesn't mean something was done wrong.

Councilmember Coleman said I think we are having some moot discussion and let me explain why I say that. I really understand what Councilmember McClain is saying, but I think right now we're not talking about budgets for items, we are talking about raises, which is a different ball game, as far as I'm concerned. So, I agree with his statement that we need to look at a whole lot of issues going on, but I think the essence on the table right now has nothing to do with equipment, has nothing to do with budgets, and has nothing to do with streets. It has to do with people. If we forward it to full Council and let the full Council speak on this because initially all they talked about was the budget and what needed to be cut and what didn't need to be cut. I already voiced my

opinion about the budget anyway because it wasn't done with Patrick, but at the same time, I can't lump Patrick with this. That's my point. This just needs to be forwarded to full council and let the full council talk about it. If we need to talk about budgets for our streets and other things and I think that's a different issue. That's not putting Councilmember McClain down. Chairmember Hafner said I'm not trying to put him down either. Councilmember McClain said I was just trying to make the point that we've cut money here, as you say preliminary, however you phrase it, but then we're going to turn around and maybe ask for additional money, and then go ahead and give our raises. I just take issue with that. If you guys feel this is needed, then by all means vote for it. For me, this is where I am at. It just doesn't make sense to me right now.

Mayor Harold Perrin said Councilmember McClain I can just tell you that there were no cuts that I know of that any department was cut that they needed it. When a department head sends a list in it's obviously a want and a need list. We look at the need list and then we come down to the want list and see if the revenue will be enough to justify that. I don't know of any department head that has had a cut that we took something away that they could not function, and in 2018 they'll get more than they had in 2017. Mr. Reznicek said we sent copies of the budgets to each of the department heads after it was approved and we have not had any significant pushback where people said I can't function in my department because I didn't get a certain line item. Councilmember McClain said I don't imagine they would. For instance, looking at IT, there was a cut there and IT Director Jason Ratliff and I talked about there was some product he didn't need. I understand that, but it was still a large number. It was \$250,000. If you look at that, in the world we live in, did he need that money? Are we going to have a breach? We discussed all that, and Jason made it clear that he did not need all that equipment and things like that that he had, but at the same time it was still funds that were removed.

Councilmember L.J. Bryant said Chairmember Hafner, I would say this, with elected officials, particularly as it relates to, the Council, city attorney, mayor and city clerk, it's difficult because it's hard to ever find the right time. It's a minimal impact in a \$60,000,000 budget and, for now, when we are particularly looking, back to what Councilmember McClain said, to the outside for potential other sources of revenue, if you do it after that fact, it seems bad. If you do it before the fact, it seems bad. I think to what Councilmember Coleman was saying that you just have to kind of consider it on the merit and it's difficult to put all the chips into place. What is the total impact of the three raises among the three people that we're talking about Mr. Reznicek? Mr. Reznicek said the total impact is about \$5,500 per year. Councilmember Bryant said out of our total budget? Mr. Reznicek said \$61,000,000. Chairmember Hafner said we would not be able to walk this on tonight because it has to be unanimous is my understanding. Mayor Perrin said that is correct. It will be on the next Council meeting.

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

Aye: 4 - John Street;LJ Bryant;Ann Williams and Charles Coleman

Nay: 1 - David McClain

[ORD-18:002](#)

AN ORDINANCE AUTHORIZING 2% RAISE FOR THE MAYOR

[play video](#)

Councilmember Charles Coleman asked if these can't be lumped into one and

forwarded to full Council? Chairmember Joe Hafner said I think it's better to have them separated. That was one of the things we talked about last year when we voted down the 6% because everything was lumped together. We said moving forward it would probably be better to have them separated. Councilmember Coleman said but in our last council meeting we also lumped some things together. We need to be careful about one time we do one thing and then one time we do another thing. I'm going to either apply for the county license or attorney license, either one, because we do things one week and the next week we do another. Can we get a chalkboard or something, a checkoff list of what we didn't do or don't do because it's beginning to irritate me pretty much to say one thing one time and do another thing the next time. So, which is it the egg or the bacon? Which one?

Councilmember Street said I think he just wanted to highlight these because there was an issue before. That's probably why he's breaking them out like that. Mayor Harold Perrin said I think Mr. Reznicek called Legislative Audit because we always want to be totally clear and transparent on anything we do, and I think the Legislative Audit told him that it would be better to do it individually on each one of them, elected official, rather than lump them in together, and I think that's why it was that way. I agree with you Councilmember Coleman. A lot of issues are put together on that. Let me explain something to the new aldermen here. The Mayor sends out the proposed budget to the Council. The Council has 2 ½ to 3 weeks to look at everything in there and ask anybody anything they want to do. The budget was passed. If you have an issue with the budget, it's the Mayor's budget to present to the Council. The Council has to approve the budget, not the Mayor. So, if you have any questions about the budget or anything it would be at that time to come up and bring up any issue that you have. Somebody mentioned about IT. If you talk to a department head and the department head has told you they need this or they don't need that, let them come see me. I'm the CEO. Then you come with them if you want to and that's fine. I don't have any problem with that. Councilmember McClain said I get that and I would have discussed it. Mayor Perrin said I'm just saying to you that you have had 2 ½ weeks to look at the budget. Councilmember McClain said correct, but I can bring it up when I feel it's necessary. Mayor Perrin said sure you can. I'm just explaining the process Mr. Coleman just said. That's all I'm saying. Councilmember McClain said okay. Mayor Perrin said that we do it one way one time and one way another. We've done the budget the same way that we've always done it. That's what I was getting at.

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

Aye: 4 - John Street;LJ Bryant;Ann Williams and Charles Coleman

Nay: 1 - David McClain

[ORD-18:003](#)

AN ORDINANCE AUTHORIZING 2% RAISE FOR THE CITY CLERK

[play video](#)

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

Aye: 4 - John Street;LJ Bryant;Ann Williams and Charles Coleman

Nay: 1 - David McClain

4. Adjournment

[play video](#)

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

Aye: 5 - John Street;LJ Bryant;David McClain;Ann Williams and Charles Coleman