



City of Jonesboro

Municipal Center
300 S. Church Street
Jonesboro, AR 72401

Meeting Minutes Finance & Administration Council Committee

Monday, December 17, 2018

4:00 PM

Municipal Center

SPECIAL CALLED MEETING

1. Call To Order

2. Roll Call by City Clerk Donna Jackson

Mayor Harold Perrin was in attendance.

3. New Business

ORDINANCES TO BE INTRODUCED

[ORD-18:090](#)

AN ORDINANCE AUTHORIZING 2% RAISE FOR ALDERMEN

Councilmember David McClain said I would like for us to look at postponing these indefinitely. I don't know when we would bring them back or even have the conversation again. I know there was a committee that studied pay raises for elected officials. I don't know if we need to re-establish that committee, but I would ask that we postpone indefinitely ORD-18:090, ORD-18:091, ORD-18:092 and ORD-18:093. Chairmember Joe Hafner asked if postpone indefinitely was the correct motion. City Attorney Carol Duncan said yes.

A motion was made by Councilperson David McClain, seconded by Councilperson Ann Williams, that this matter be Postponed Indefinitely. The motion PASSED with the following vote.

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

[ORD-18:091](#)

AN ORDINANCE AUTHORIZING 2% RAISE FOR THE CITY ATTORNEY

A motion was made by Councilperson David McClain, seconded by Councilperson Ann Williams, that this matter be Postponed Indefinitely. The motion PASSED with the following vote.

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

[ORD-18:092](#)

AN ORDINANCE AUTHORIZING 2% RAISE FOR THE CITY CLERK

A motion was made by Councilperson David McClain, seconded by Councilperson Ann Williams, that this matter be Postponed Indefinitely. The motion PASSED with the following vote.

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

[ORD-18:093](#)

AN ORDINANCE AUTHORIZING 2% RAISE FOR THE MAYOR

A motion was made by Councilperson David McClain, seconded by Councilperson Ann Williams, that this matter be Postponed Indefinitely. The motion PASSED with the following vote.

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

RESOLUTIONS TO BE INTRODUCED

[RES-18:200](#)

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS TO AMEND THE CITY SALARY AND ADMINISTRATION POLICY BY INCLUDING UPDATED JOB TITLES AND GRADES

Attachments: [Job Titles and Grades - Revised January 2019](#)
 [Pay Grades and Steps - Revised January 2019](#)
 [Salary Administration Plan - Revised January 2019](#)

Councilmember David McClain said I would ask that Chief of Staff Mr. Bill Reznicek explain and outline the different needs that we have and the new positions in this plan. Mr. Reznicek said I will touch on the change for the plan and RES-18:200 versus what we saw before the Finance Committee last Tuesday. Then Human Resources Director Dewayne Douglas will walk us through the highlights of the salary plan and explain the various avenues within the plan for effectuating changes to salaries, new hires, promotions, pay regrades and things of that nature. Once Mr. Douglas is finished, then, if there are any specific questions you have on the economic impact of the plan, I will ask Director of Finance Trever Harvey to explain the nuances of how there are some savings inherent in the plan, as well as some additional costs with position creations. The pay plan has changed to the extent that we have pulled back dividing the assistant park director position into two separate positions. Mr. Harvey will discuss that information. That is about a \$20,000 difference in the budget between the assistant parks director grade and returning to having a softball coordinator position as we had before. The balance of the resolution is the same where we are looking at some additional headcount. Some of that is just strictly based upon vital business and some of it is the firefighters and the grant we received. We have three regraded positions. We have an organizational structure change in the Finance Department, and then, we have a change in moving laterally the individual who is currently running the Code Enforcement Department to the police department to fill a position there and then promoting an individual within that department, but not backfilling that individual's position. I think that is important to point out, as well. Mr. Harvey will point out the specific economic amounts and values in savings and costs involved with that. So, I'm going to turn it over to Mr. Douglas and let him go through the specifics of the salary plan and the mechanism of how the plan works.

Councilmember Dr. Charles Coleman said before you do that, I would like to know what the total savings is with this plan. Mr. Reznicek said the total change in the salary plan the way we are submitting it, because it includes the additional positions that we feel like we need in Animal Control and 9-1-1, the net total is about an increase of \$40,000. So, there are savings within a couple of the position changes and some of those savings offset the costs of the additional positions that we are looking for. It's not budget neutral and overall it's not saving money in the budget. If you look at taking

the pay plan changes on their own, it's actually an increase, but we think, relative to a \$70 million budget, the changes are relatively minor and there are specific needs within two departments for increased headcount. If you pulled back those two headcount items in 9-1-1 and Animal Control, then, yes, you would see an overall savings. We looked at this very carefully. We didn't just give people headcounts based upon them coming in and saying they would like to have more people. We studied what they were doing, what the need was and the current staffing in their department. I went out to Animal Control a couple of times and looked at what they are doing and got a real handle on their need for that additional position, and the same thing with 9-1-1. Their call volume has increased and they are also taking on additional responsibility with warrants and the way the county has changed its system. There is definitely a need with the growth of this city to have an additional person in 9-1-1 to answer those calls when they come in, along with other duties they have to make sure that when a police officer pulls someone over on the side of the road that they have someone in 9-1-1 pulling up warrants and checking to see if that is someone who could potentially cause harm to our officer.

Chairmember Hafner said on top of the two positions that you mentioned, aren't the three firefighters also a \$25,000 cost to the city. Mr. Reznicek said I'm glad you mentioned that and Mr. Harvey was going to mention that, as well. We kind of look at that as a bit of a different issue because that was funded under a grant with 75% the first two years and 35% the third year. Those positions were, basically, already approved at the time that the grant was awarded and accepted. So, those numbers are in the budget at about \$8,000 and some change per position per year based upon our share of the match of the grant, but we did not calculate that into this plan revision as a total cost because, again, those positions were already accounted for not only in the budget, but also in the awarding and accepting of the grant. Mr. Hafner said okay. Thanks.

Mr. Reznicek said I'll let Mr. Douglas come up and talk about the specific mechanism within the plan on how changes occur. Mr. Douglas said I have a PowerPoint and I have highlighted areas that I would like to address today. Make note that this salary plan has been around since 2009. Johanson Consultant Group helped us design the salary plan that we operate under today. About this time each year is when we kind of look at changes. You will see that it was last revised in 2017. Each year, at budget time is typically when we look at it. In the first part, it mentions that, basically, to get the salary plan Johanson looked at different surveys. It's not just a municipal league survey where they just look at other cities. They look at total market to see that we're competitive in our jobs and our salaries. Our administration looks at this plan and tries to come up with and make the decision on how to interpret it and what changes we want to make, and that's what we have done. We have sat down with Mayor Harold Perrin and leadership to come up with our recommended changes. The first change I want to address is pay grades. Pay grades are attached to the plan as Exhibit A and B. Part of our plan has the steps and salaries attached, as well. This is a 20-year plan that was adopted in 2016, which means that an entry-level person coming in at year one will make step one and then for 20 years of service will get approximately a 2% increase each year, until they top out. There are uniform and non-uniform steps. Also, Exhibit B will give you a list of job titles that are acceptable. For example, we are requesting to add the Chief of Staff, but we will also keep in there the Chief Operating Officer and the Chief Financial Officer because if the Chief of Staff resigns or leaves, then the Mayor has the option to go back and choose one of the existing titles. That's how the pay grade and steps work.

Chairmember Hafner said just for clarification, the positions stay in the plan, but not all

of these positions are filled. Mr. Douglas said that is correct. There is not a body or a person in each one of those titles. Those are just titles we have used in the past and could use in the future if needed. The Human Resources Director may periodically evaluate the pay grades to ensure that all employees are in their proper pay grades and steps. Department heads may request for a position to be regraded if there are significant duty changes. If the review results in an upgrade, the employee would be eligible for an increase equal to no less than the minimum of the new pay grade. So, usually around budget time, a director may come to me and we will sit down and evaluate the job under the Johanson plan. The plan includes a very-lengthy position analysis questionnaire. We plug those numbers in, based on our discussion, and the plan scores them and places them within the model. We do this on, basically, every position. If it passes the test, then the director and I would then take it to the department head, which in this case would be the Chief of Staff. If he agrees, then we take it to the Mayor and get his approval. We will then recommend that these changes take place. If the review results in a downgrade in job class, the employee will be placed in the appropriate step within the new pay grade. So, it is possible that an employee could be graded down. If that takes place, then they would be positioned where they would belong in that lower grade. Any time you discuss a regrade, it could go either up or down. It would go through the same process in leadership to decide what needs to be done. Each request can only be submitted once within a 12-month period. The Mayor must approve the final changes. If the employee being regraded is an employee of an elected official, such as City Clerk or City Attorney, and the Mayor and the elected official disagree on the regrade, then the elected official has the option to go before the City Council.

We are on a 20-year step plan. When an employee reaches that 21st year, he or she is eligible for longevity pay. So, in year 21-25 they would receive a lump sum check for \$1,000. They are no longer eligible to get the 2% annual increase each year. Years 26-30, they receive \$1,500 and for 31 years or more, they receive \$2,000. On the new hire process, no employee will be hired below the minimum of the pay grade for that position, which means when we get ready to make an offer, that employee is going to make at least step one. Directors have the discretion to request a new hire salary up to step five based on the employee's qualifications and years of experience with approval of the department head, the Human Resources Director and the Mayor. If one of our directors was trying to hire somebody and felt like they had enough experience to justify coming in at a higher step than one, they would go to the Human Resources Director and then take the process to the Mayor for the approval. The highest we can go is step five. There have been times when we brought a director in at step 10 or 11 and that took the City Council's approval. Planning Director Derrel Smith came in from the City of Rogers with 20 years of experience so he came in at step 10 or 11, but that took approval from the City Council, and it was approved. A promotion occurs when a regular, full-time employee moves to a position with a higher grade. If you are in a grade 110 and you've been promoted and go to a 112, you're going to go at a minimum to step one of that position or 5%, whichever is greater. If we calculate the 5% and that puts them just over a step two then we will round up to a step three. So, you'll get 5% or step one, whichever is greater. Uniform is a similar method because they use the greatest of 5,000 of the base pay or the minimum of the position grade. There are times when somebody may potentially be demoted and whatever grade they are demoted to, that's where they would go to in that step. Let's say someone is a 110 and they are promoted to a 122, such as a supervisory type position, and maybe they're not doing well in that position.

Councilmember Dr. Coleman said let me ask you a question. Regarding the statement "inadequate performance", how would we know? Is there any paperwork to look at for

promotions or those with inadequate performance? How would we know about the performance? Mr. Douglas said not necessarily. If you have a question, you could call my office, I guess, and we could provide that if it's appropriate. Later on, there is a statement in the salary increases section about an employee being on a final warning. Councilmember Dr. Coleman said I understand that. Mr. Douglas asked is that not what you're talking about. Councilmember Dr. Coleman said that's what I'm talking about, but what I'm not hearing is if there is a rubric or something that talks about why that person was demoted or promoted? Mr. Douglas said that would be in the disciplinary process. They would probably have multiple write-ups. It could be in their evaluation. There would be written documentation on file stating why they were being demoted. All disciplinary action has to come through my office before it can be administered. So, I would evaluate that and compare it to our handbook, which gives us our process. Councilmember Dr. Coleman asked if that would come from the job title itself. Mr. Douglas it could. Councilmember Dr. Coleman said okay.

Mr. Douglas said I'll go ahead and go into the salary increases and address what I thought Councilmember Dr. Coleman was leading into. You could possibly have an employee who is a great performer and maybe right at the end of the year they had an accident at a work and wrecked a vehicle, and, whatever the scenario is around that, maybe they get some type of warning, even a final warning, but because they have technically still been a good performer, that might not cause them not to get their step increase. If they're not performing in the job or able to do the job and the manager has shown that, the manager can ask to deny that employee a step increase until they are in good standing. The Mayor and City Council can consider increasing salaries within all pay grades. Market adjustments or cost of living adjustments (COLA) will change the salary ranges for each pay grade. Each year when there has been a COLA, we would evaluate the pay plan to decide whether we want to move the whole scale or not. This would be in addition to the annual 2% step increase. For example, if there has been a 2% cost of living adjustment each year and we don't move our scale in three years, then we're going to be 6% behind the plan.

Step increases take place on the anniversary date of when the person was hired to their current position. An employee gets a promotion and their normal anniversary date was in June, but their promotion date will be January 1. That employee's step increase would take place January 1 of each year. Basically, the seniority date has changed because the employee is in a new position. Councilmember Dr. Coleman said I don't have a problem with the 2%. What I have a problem with is that there is no information that any of us can look at as councilmembers. Is that part of my job or not part of my job? At Arkansas State University, I had a directive of what I should and should not do. Chairmember Hafner said I would say that was not part of our job unless it's appealed to us for some reason. Councilmember Dr. Coleman said it's amazing how I've been on this council eight years and I'm just now figuring out what my job is and what my job is not. Mr. Douglas said we do have job descriptions on all of our jobs. Everyone is going to get his or her 2%, but if an employee is not performing the job, it's the manager's job to bring that out and address that issue. If it's not being addressed, that's an issue with the supervisor.

Chairmember Hafner said back to what Councilmember Dr. Coleman was asking about regarding documentation. I think it is very important that each time something is done, whether it be a promotion or demotion, that the paperwork is done and put in the file because there might come a day down the road where that documentation is needed for legal reasons, to appeal to the council, unemployment or other reasons. Councilmember Dr. Coleman said the reason I asked the question is because I have community people asking me questions and I think it's my job as a councilmember to

answer their questions the best way I can. I guess I'm not used to not being able to identify issues along the way that says this person needs promoted or demoted and then we come and make that decision from the council standpoint. What if the supervisor doesn't like the employee? What do you do? Mr. Douglas said in our handbook, we have an open door policy and employees can bring those situations to my office or any member of management, but in the salary plan, it says the interpretation is up to the leadership. It's the leadership's place to make those decisions. There are things in place where employees can bring to our attention and we can research them and try to address their concerns. Councilmember Dr. Coleman said I understand that, but I've had employees actually come to me and say they would like to do that, but they're afraid to do that because they might be demoted. I don't really have an answer for them, so I guess maybe I need to call you. Mr. Douglas said call me or send them to me. We have the Employee Rep Committee that looks into those things, as well. There are avenues to do that.

City Clerk Donna Jackson said I have a question. What Councilmember Dr. Coleman is expressing is exactly what I was trying to say at the last meeting. I understand what you said and I do follow that. What confuses me is why is it that this process wasn't introduced with the budget. These title changes are new positions. The City Council had not seen the new job title, the job description or been told what the justification was for the new title. As another elected official, I didn't know at budget time that this option was there. In fact, that was part of the problem, but I wasn't going to ask anyway. I'm truly trying to understand the process and not just for my employees, but for myself as an elected official. I don't know if I'll ask for a raise or not. Mr. Douglas said the budget is not my area, but I do know that in our weekly director's meeting that the budget process and how to handle that was discussed with everyone and how the process was going to work. So, I guess if you're not in those meetings, then you would not have that information. Ms. Jackson said well, I don't attend the department head meetings because I'm not a department head. I just think that the whole handling of this was confusing. Mr. Douglas said the salary plans that I'm addressing today are online. They are there for anyone to review. Our process is there. Ms. Jackson asked what the process was for a new job title. Walk me through that. Mr. Douglas said that would be on the regrading process. That is where we would enter the job description and plug in the numbers, as we did with the Chief of Staff and other new positions. We would go through the grading process and, if we agree, then we take it up to the Mayor. Ms. Jackson asked who comes up with the new titles because we've gone from department head to director. Mr. Douglas said that was defined through the municipal league. Directors are, basically, hired into positions and the Mayor appoints the department heads. So, when we changed the handbook maybe last year or the year before, we addressed those and tried to bring that out about who was a director and who was a department head. Ms. Jackson said for example, like Jessica, who is the assistant city attorney, is now director assistant city attorney. City Attorney Carol Duncan said no. She is still just assistant city attorney. Ms. Jackson said so her title didn't change. Ms. Duncan said her title didn't change, but some of her job duties are going to change at the first of the year based upon us going with the Arkansas Municipal League versus staying with APERMA. There's going to be a significant change in my office in the amount of city court cases that we will be handling in house, along with the foreclosures for the Land Bank if there are any or any legal work for the Land Bank. So, her job duties, as far as city business, changed significantly and so we added that into her job description. I asked for her to be regraded because she is advising department directors and I felt she should at least make as much money as the people she is essentially helping every day with their jobs. Mr. Douglas said we sit down and make sure that those changes can be validated and we agree on those. There have been those who have made requests and the Mayor has denied. Ms.

Duncan said we have disagreed before. We agreed on this one, but the Mayor and I have disagreed before about pay raises.

Councilmember Dr. Coleman said I want to make sure you understand that I'm not questioning, but, at the same time, I don't mind calling names. It doesn't bother me at all. I'll pick on Facilities Maintenance Director Ronnie Shaver. I think he's doing a great job and 2% may not be enough money. So, how do you do that? Mr. Douglas said the only other option under the salary plan is to get with the Mayor, or like the next sentence in the plan states, for employee retention purposes, the Mayor has the discretion to increase an employee's salary up to a step five. A salary recommendation above step five has to go to the City Council. Councilmember Dr. Coleman said so if Mr. Shaver is at a step three, can I, as a councilmember, go to the Mayor and say, I think Mr. Shaver needs to go to step four. Mr. Douglas said I think you can ask, but the process, basically, would be for Mr. Shaver to go through his supervisor. Councilmember Dr. Coleman said I'm not trying to embarrass Mr. Shaver, but I just think he does a great job, as well as 9-1-1- and some other people. When Johanson was here, I was here and they explained some things. I personally don't think they did a good job of explaining to be honest with you, but we paid them a lot of money to do it and now we're going to their plan. I don't think that's really the issue for me. It may be the issue for some other councilmembers. The issue is that I've been on jobs and retired twice from two different jobs and at each one of them there was a job description that I had, and if I didn't fulfill that job description, then I received a demotion. I think it's somewhat foolish for us to pay \$20,000 for something and not abide by it. I think the issue of the explanation just bothers me sometimes. Mr. Douglas said the only other option there would be is to try to get that position regraded. We've done a few this go around to make sure employees are in the right grade for the job they are doing. Councilmember Dr. Coleman said okay.

Chairmember Hafner said I have a couple of questions. If this is typically done in conjunction with the budget process, would it make sense to set some sort of deadline such as October 1 of each year to have the positions you want looked at submitted so the department heads and everybody have the whole month of October to look at it. Otherwise, it's just kind of like they don't know when to approach you. Right? Mr. Douglas said we make those announcements in the director's meetings. Chairmember Hafner said so if they are not in the director's meetings then they probably don't know. Mr. Douglas said there is not a formal process. We just typically look at that. I have other guidelines that I have put on our city web site. It's a file that has step-by-step guidelines for how we hire and how we promote. Chairmember Hafner said for employee retention purposes, it says the Mayor will have the discretion to increase the employee's salary up to step five. Any salary recommendation in excess of step five will require the approval of the Mayor and City Council. So, to keep on picking on Mr. Shaver, let's say he is at step six, and someone comes and says I'm going to offer you more, but the Mayor can't do anything about it because Mr. Shaver is already at step six. So, the way this is currently written, your long-term employees are harder to retain than your new employees. That's just something that may need to be looked at. Mr. Douglas said we can definitely look at the wording, but in a situation like that that is where the Chief of Staff would have to take it to City Council to get more money because it's above the step five. The Mayor might even agree with that. We've regraded it and feel like the position needs to be changed and that it's in the right grade, but maybe it needs to be a higher step. Chairmember Hafner said I'm just saying that that might be something you all might want to have more discussion on because obviously sometimes your long-term employees are more important to keep than your brand new employees, at least in the business world.

Mr. Douglas said I find Johanson to be very helpful. I go to them often. When we looked at the regrades for Chief of Staff and things of that nature, I didn't just pull that number out. They helped me place that number. Councilmember Dr. Coleman said I understand that, but not everybody is a personnel person and not everybody has the background that you have. When they were here, I asked them a couple of questions and never got my answers, but at the same time, I'm just as guilty as anybody because I voted for it. I think if we vote for something then we need to deal with it and move on.

Councilmember McClain said I'm sitting here trying to understand and I want to make sure I'm understanding correctly. After step five, an employee has to come to the City Council and the Mayor and the City Council have to decide whether or not someone gets an increase above a step five. So, as Councilmember Dr. Coleman has touched on, how do we get access to the information to help us make a decision? Mr. Douglas said I think during the regrade process that we would provide you with that information. We would give you a copy of the job description, how it's scored, why we think it should be a certain score, and you would have the information to make that decision. Councilmember McClain said so, at what time would we do this? When would we look at the information? Would it be like Chairmember Hafner said during October, or would our department heads get that information because this year we didn't do that? So, the question for me is when do we get to look at the information to make an educated decision. I don't want to just shoot in the dark and not know what I'm talking about. Mr. Douglas said that's a good question. Typically, I get it when the budget has been approved and then I would update the salary plan and job titles after I know the budget has been approved, but we've long had those discussions prior to the budget being put in place. Councilmember McClain said just for me, I'll ask that, hopefully, in the future that if we're going to ask for positions to be increased and titles to be changed that the information would be brought to us before completion of the budget process. To me, that would make more sense. Chairmember Hafner said that would avoid a situation like this. Mayor Perrin said I think it needs to be presented at the same time you're presenting the budget so you're backing up the budget. That would give councilmembers plenty of time to review everything.

Mayor Perrin said I want to make a comment on the committee for elected official salaries. We were to have that done last August and we didn't get it done. I would like to appoint a committee to get on this and get it done by March, and get some staff in here and get this worked up so we'll know exactly how you're going to handle elected official salaries. Chairmember Hafner said since it was tabled I was probably going to talk about it tomorrow night. The committee that was established was a very small committee with myself, Mr. Douglas and Mr. Reznicek, and with everything else going on I, and it was mostly me, just didn't think it should be at the top of our list of urgent matters. If a committee is the best way to do it, then I think it needs to be a little more expanded committee with some human resources people on it and see how other cities are doing it. Elected official compensation doesn't need to be a touchy situation every year. I think there needs to be some guidelines to make it more objective and keep it fair and reasonable. Back on the subject, I don't see where the salary plan says anything about demotions and below a step five. Ms. Duncan said it talks about promotions above a step five. If you're bringing somebody in at either retention or hiring above a step five it requires City Council approval. Chairmember Hafner said I thought he said demotions.

Ms. Duncan said I will say that it's sort of a which comes first the chicken or the egg kind of situation. You can't change a job title and regrade it if the money is not in the budget. I think there needs to be a procedure where it kind of comes through closer to

the same time as the budget, but it's kind of hard to know what you're asking for until you know what's there. Ms. Jackson said I know that previously the job title was presented to the council beforehand. Ms. Duncan said before you knew if you had the money.

Councilmember Ann Williams said I have a question, too, about the personnel changes and descriptions in the restructuring in the Parks and Recreation Department. Chairmember Hafner said hold on one second Councilmember Williams. I don't mean to cut you off and don't want us going off on too many rabbit hunts. Is your question for Mr. Douglas? Councilmember Williams said I would assume, yes. Chairmember Hafner said you were looking over here like at Parks Director Danny Kapales. Councilmember Williams said I was looking over there because it has to do with the Parks and Recreation Department. Mr. Douglas said are you referring to trying to add the new assistant parks director. Councilmember Williams said yes. Mr. Douglas said during the hiring process, the search committee that Mayor Perrin selected to choose our new parks director made that recommendation. With Mr. Kapales being chosen as the director, that was one of his ideas and the search committee agreed and thought it was beneficial, and therefore, that's how that got put in the plan to add that position. Parks and Recreation is getting so big that they wanted someone over the programs and then one to, basically, oversee the facilities. Councilmember Williams said okay. Mr. Douglas said it is my understanding that that has now been pulled.

Mayor Perrin said I went back and read the minutes of the last Finance meeting several times and some of the questions that were asked were absolutely confusing to me. The salary plan is on the web site. It changes every year if we decide to change it. All those questions that were asked are on the web site. Anybody who has a computer can go look at the salary plan, read it and understand it. If they don't understand it, then they can go to Mr. Douglas or someone else in administration and we would be glad to explain that to them. Then we got into public comment with Mr. Harold Carter asking who does this and who does that. Mr. Carter, we run the city. You don't. They key to it is that if you would read the salary plan, Mr. Carter, you would understand who makes those decisions and who doesn't. We just got through discussing the salary plan, again, and I've heard the question three times on the five percent and where does it apply? It can apply at the new hire and it can apply to try to save someone. So, you need to read your plan and understand it, and that goes for all of us. I had to go back and read it myself. The key to this is that we haven't changed this plan. The big change was in 2016. The big change was putting in a step plan. Prior to that, every employee was evaluated and then, again, the director or the department head decided whether or not they wanted to give that employee an increase in pay, and we budgeted that dollar amount. Mr. Douglas said that was the merit system. Mayor Perrin said exactly. Some cities will say I'm going to take \$50,000, \$100,000 or \$200,000, set it aside, and let the directors take that and put that out to the employees who are performing the best. Those who are not performing or who are mediocre, obviously, would not get a raise. When this plan was changed in 2016, it doesn't make a difference if you are holding the shovel or leaning on the shovel, you're going to get a 2% raise. That was a cost of a little over \$3 million. Now, you take that 2% each year and put it on there then your compounding factor is going to be well the 2% over \$1 million very quickly. The reason I wanted you to read this plan is because it may be time to look at this total plan to see if this is what is good for the City of Jonesboro. If you evaluate me and put it in a file, what difference does that make? As far as financial is concerned, it makes no difference. As far as maybe something on down the road, there's no question. There are so many things involved in this plan and that's why the administration has to run the city. All I'm saying is if someone has a question on the outside or the inside, please come to the administration and we will sit with you

if it takes all day and go over anything that you have a question about. If anybody would pick up the minutes from the last Finance meeting and read them, they would think we had never been around the rodeo one time, but it was not my committee meeting. I'm the Mayor and ex-officio of this committee. I was sitting here and I was listening. Then, when I asked the City Clerk to give me the minutes for the committee meeting, quite frankly, I was somewhat ashamed of some of the things that we should already know, and if you don't know it, then go back, pull the policy and read it and understand it.

City Clerk Donna Jackson said I have something to say on that. I went to the shared drive and we had four versions of the plan out there. Mayor Perrin said I don't know about the shared drive. I just pulled the current one off our shared drive. Mr. Douglas asked if it was on the web site or the shared drive. Ms. Jackson said it was the shared drive. Mayor Perrin said that's all I'm going to say on this because the point I'm trying to make is that this administration doesn't do it by on a whim. We don't do it by quick emotions. We don't knee-jerk and try to run this city. I think we should rebound, reload and replay. If you don't know the question and you don't know the answers, then go to the book. You have an employee handbook and a salary plan. You have all those things tied together and if you don't know those, then you need to understand them. Particularly, if you're a director or department head, then you really should know them because I can't be out there looking at 580 employees. That's why I have directors and that's why I have department heads. I can't tell you if one of your employees needs to be regraded and that's why Johanson put in this salary plan that it starts with the department head. He or she is the one who is looking at those employees every day, not me. If they think it, then they can come in and get it regraded. When it's regraded, Mr. Douglas can take his 15 sheets and regrade it. There have been cases to where we had to go down. So, you're going to run that risk when you grade the position that it may go down. I can tell you that any regrades in the future will go at the same time as the budget next year because I can just see so much confusion in the minutes from the last Finance meeting. If you have a problem, come see me. Don't second-guess me. Don't try to go around me, and don't call the public. If you have a problem, come to me because we don't hide anything in this city.

Finance Director Trevor Harvey said I wanted to talk today about the plan in front of you and the budget that this committee has already forwarded to the City Council. If you read the plan and look through the job titles and grades, you will see that the changes are in red. Those are the new job titles that we had planned for in the budget, and the money is already there. One of those processes we looked at was a reorganization in the Mayor's Department and the Finance Department. We are looking at removing the Chief Operations Officer from the Mayor's Department and adding a Chief of Staff and Mr. Reznicek will be moved into that position, which left the Chief Financial Officer position open. That position was not budgeted for, but in its place, we will be creating a Finance Director position. In that entire reorganization, the city should see a savings of about \$11,000 in the budget. That is due to the salary of the COO being eliminated, the salary of the CFO being eliminated and the addition of the new salaries for the Chief of Staff and the Finance Director.

The other process we were looking at was the Code Enforcement office. Lt. Scott Baxter has been heading up Code Enforcement and his salary was coming out of the police department. We had planned on moving Lt. Baxter laterally over to the police department where there is a need for him there, and, at the same time, we will create a new job title of Director of Code Enforcement, which is a grade 122. We will move Senior Code Enforcement Officer Michael Tyner into that position. Mr. Tyner is currently at a grade 114. You will see the elimination in the budget of the Senior Code

Enforcement position. It is being replaced with the Director of Code Enforcement and we are not going to backfill that department. Mr. Tyner is just simply going to have more responsibilities placed on him. That change is about \$19,000 in savings if you consider that we are not going to backfill the Senior Code Enforcement position. The next item we are going to look at is the creation of a couple of new positions. We will be adding a 9-1-1 dispatcher, which is a grade 109, and starts at about \$29,000. We are also going to add a new kennel master at Animal Control, which is a grade 106, and starts at about \$24,000. So, actually, you will see an increase of about \$55,000 in the budget from bringing in those new positions. Those titles are already in the pay plan because they have already been approved. They are just additions to the budget that we wanted to speak to because they are important in the calculations. During the budget process, we met, starting in August, with every department and the department heads or directors had the opportunity to bring to us any changes they might want to make. These two positions we considered, reconsidered and considered again. We went to Animal Control and 9-1-1 and spoke with these departments and we feel there is a need for these two positions. Especially, in the 9-1-1 department to help serve the new process of the warrants. We are looking at adding a bit of a process to the 9-1-1 department. We certainly don't want our 9-1-1 department to be understaffed. The addition of the kennel master will make three in Animal Control, which will allow for rotating positions. So, at any point, I believe there will be two kennel masters at one time. Right now, they are having to juggle and play with two positions and now one can be off. This is something that has been asked for in the budget for a few years in a row. So, to me, if someone keeps asking for it then we think there is a need.

You will also see some regrades. There was a regrade in the building maintenance department. The Administrative Secretary was changed to Facilities Maintenance Coordinator. When we looked at the administrative secretary position, we looked at the job duties and put it through the Johanson software and it came out to a grade 113. We have also regraded the assistant city attorney position. There was no change in the job title, but the grade is changing based on the new duties and responsibilities of the position. The last regrade is in the grants administration department. We have a new job title of Director of Community Development. We put the duties through the Johanson software and came up with a grade of 124. Those regrades are going to add about \$10,000 to the budget.

Mr. Harvey said when you take everything I have talked about today, the savings from Finance and Mayor's departments, savings from code enforcement, increases from adding the new positions in 9-1-1 and Animal Control, and the regrades, you will actually see an increase of only about \$35,000 represented in the budget. There are three new positions in the fire department. You have already approved the grant for those, but they are in there. We didn't include them in the calculations because they are not included in the discussion at this point. I would be happy to answer any questions.

Ms. Patti Lack, 4108 Forest Hill Road, said I want to say thank you for explaining some of these things because after seeing that the meeting was on and then it was off and then it was on again, I think it kind of took a lot of people by surprise about why. Just listening to some of these things here, then I don't know why we're having this meeting because there's really just one thing that has changed in this proposal and that's keeping the softball coordinator position and taking away the assistant parks director position. I think what I'm concerned about is looking at some of these positions and I'd like to know how we justify someone getting a raise of \$14,000 or \$18,000 because it's in the Johanson description. Mayor Perrin asked which one are you referring to for \$18,000. Is it code enforcement? Ms. Lack said I think it was code

enforcement. Mayor Perrin said let me explain how that will work. Lt. Baxter is going back to the police department. I would have to advertise that position. We had to regrade this because we've never had a director's position. So, regardless of whether Mr. Tyner gets the position and goes into it, which is quite obvious that he should get the position because he's been here four or five years, he knows the job and he's been supervising a lot of the employees anyway. If you go out in the public and bring someone in then, that's what you are going to pay them. So, again, if he got the job as director then his salary goes up. If he doesn't and John Doe comes in here and gets it, then Mr. Tyner will still stay the same. We're creating a position because Lt. Baxter's salary was with the police department. Starting in January 2019, he will be in administration at the police department. Ms. Lack said so, what I'm understanding from that is that the Senior Code Enforcement position will be eliminated. Correct? Chairmember Hafner said it will not be backfilled. Mayor Perrin said we will not add a replacement for him. That is correct. The other question I have is if there is going to be a Finance Manager that will take the place of Mr. Harvey when he takes over the Finance Director position. Chairmember Hafner said yes, and that's included in that \$11,000 savings. They are not hiring a COO at \$73,000 or \$76,000. If they don't do the reorganization and the Mayor has to go out and hire a COO, that person would come in at least at \$73,139 because that is the pay grade. The Director of Community Development was a grants administrator. Is that position going to be eliminated or is someone going to be hired in that position? Mayor Perrin said no.

Ms. Lack said at the last meeting, Mayor Perrin, you said that you agreed with me. I agree with you. After reading the paper, I think the meeting last week was just not done correctly. I think the thing with this meeting is that it was explained a little bit more and I think that is what the public needs to see. Mayor Perrin said that is why we had this meeting. Ms. Lack said I wish it was last week. Mayor Perrin said I think last week's meeting was a fiasco. Ms. Lack said I do, too. I think that is just an extension of all the other meetings that we have at the City Council is that there definitely needs to be more discussion because the people want to know. They want to hear about these things. They don't want it to just be voted on and wonder what happened. I think that is why when you say we're not hiding anything that leaves the people to believe that there is something being hidden. That's the downfall of that. As far as the 2% raises, I think that's really great to hear whether you get promoted or not promoted, but if you don't have the money in the budget then you can't give those raises. I think you have to put a clause in the Johanson study, if that is the process that you're going to keep, that if the city doesn't have the money then we can't give the raises to you and really focus on that next year. I think this has been helpful, but I think we have to look at the process that the people see and how everything is ran in the city. If it was like this, then it would be wonderful because people would know exactly what's going on.

Mayor Perrin said let me give an example. You heard earlier that any and all parts of this salary plan could be amended. I could have come to the City Council and asked them to pull the 2% for next year back totally based upon the declining revenue, and I could have saved this city \$500,000. I want to meet with our Chief of Staff, Human Resources, Finance Committee chair and some others and start looking at this and projecting and getting it done way before June. I could have done that very easily, but would the City Council have gone along with it? I don't know because what you're telling all 580 employees is that you're not going to get your 2% this year. There are times when you have to stand up and run and lead, but I did not want to do that this year because even with the projected budget you have, you will still have \$13 million to \$14 million excess reserves above and beyond what we do this year. Had it been closer, I can assure you, as a banker, that I would have approached City Council and said I'm going to make an ordinance to amend the salary plan that we will not receive the 2% in

the fiscal year 2019 until such time the revenue gets to the point of which we think is necessary and we feel comfortable.

Ms. Lack said that's where I think we both agree. Mayor Perrin said I'm getting a little irritated, too, with these people thinking that we're trying to hide things when these doors are open all day long. If you have a problem or a question, come see me. Ms. Lack said hopefully, you won't have to keep having your running shoes and it will be much better next year. Mayor Perrin said there are a lot of things we have to do next year and we will be limited on capital improvements and I'd like to do more, but based on the revenue we're not going to be able to do it. We're going to get by and we're going to be fine. It's just hard to make these decisions and sometimes people second-guess you. Come sit in my chair for a day. When I look back, I don't have anybody to look at but me. Ms. Lack said the last thing I would like for you to leave with is that when there is a change or the budget is amended that the public is aware soon enough. Mayor Perrin said I'll make a comment on that. A college professor came in here and said you could not do it and he couldn't find the state information, but it is as clear as a bell that you can pass a budget by resolution and by ordinance. If he has a PhD, I don't know why he couldn't find the state statutes. Had he come to me, I would have taken the book out from behind my desk and said Dr. Wang, right there it is. That's the problem. Anybody can criticize, point fingers and talk about it, but you're never going to get anywhere until you sit down and work together as a team. Ms. Lack said I agree and I just think the City Council meeting is a good way of letting the people know. Thank you very much.

Councilmember L.J. Bryant said I was just going to make a quick point to Ms. Lack's point as to why Councilmember John Street and I called this meeting. We ended last week in some confusion. Everybody could have done better at communicating. I think in the last week we've worked hard with the administration and we've had great conversations. I think we've learned a lot going into the future about how to communicate well together. In summary, Mr. Harvey did a great job outlining all that information. Honestly, I think it's crystal clear now kind of where we are. When you look at all the reorganizations that were done and a lot of high quality people we have in some of these positions, and then the adding of the additional positions, I think if you went out and toured these facilities, you would probably find that they need these additions. I'm pretty happy at where we've gotten in the last week.

Councilmember Street said I am, too. I think that the citizens of Jonesboro hold us accountable to study these things and make the best decisions. When we make these decisions, it's 12 of us not just what I want to do or what Councilmember Bryant wants to do, it's all 12. It's not our job to run the day-to-day operations of the city, and that's by law, but we do make an effort to make the best decisions. The citizens expect us to make decisions and we are accountable for those decisions. I put my time in and I don't take this stuff lightly, but some people may not understand all the aspects of what goes into this, but as the Mayor says, it is public information and there are people here who can answer those questions.

Chairmember Hafner said the only comment I have because I know we don't have anything else after this is thanks to Mr. Keith Inman for his article in the Jonesboro Sun on Friday. I thought it was very well done and I think it answered a lot of people's questions.

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

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

4. Adjournment

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

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