

Minutes of
The Arkansas Local Police and Fire Retirement System
and
The Arkansas Fire and Police Pension Review Board
Administrative Services Committee Meeting

Members of the Administrative Services Committee (ASC) of the Arkansas Local Police and Fire Retirement System (LOPFI) and the Arkansas Fire and Police Pension Review Board (PRB), met on Thursday, November 12, 2015 in the LOPFI office located at 620 W. 3rd, Suite 200, Little Rock, Arkansas.

Members Present: Mayor Mike Gaskill, Employer Trustee, LOPFI Chairman
Terry Henson, Fire Employee Trustee, LOPFI Vice-Chairman
John Neal, Fire Employee Trustee, LOPFI (teleconference)
Rusty Watson, Police Employee Member, PRB
Bill Lundy, Fire Employee Member, PRB

Staff Present: David Clark, Executive Director
Tracy Warfe, Assistant Director
Tiffiney Lewis, Secretary to the Committee

Chairman Gaskill called the meeting to order at 10:01 a.m. and recognized a quorum and notification of news media.

Approval of Minutes

Mr. Lundy made a motion, seconded by Mr. Henson to approve the June 4, 2015 ASC minutes. The motion passed unanimously.

Review of 2016 Budget Items

Mr. Clark stated that the 2016 proposed budget consisted of three (3) items:

Item 1. Review of staff salaries for compliance with ACA 24-10-204: Mr. Clark stated a function of the ASC is to conduct an annual review of staff salaries. The meeting packets include a Compensation Study of LOPFI staff salaries with comparative retirement system salaries used in the state pay scale. Mr. Clark stated staff salaries do fall within their comparative pay scale. Mr. Lundy asked that Mr. Clark mention the recent movement of staff given the retirement of the now former CFO. Mr. Clark stated that an internal chain reaction occurred with the promotion of the Administrative Assistant to a Membership Services position, a Membership Services person promoted to the Accountant II position and the Accountant II promoted to the CFO position. That stair-stepping created a new member of staff to the Administrative Assistant position. An internal staff goal is to have ample cross training, so if we were to have employees leave we would be able to function in an uninterrupted fashion. Mr. Lundy asked how much periodic training staff receives. Mr. Clark stated that there is a staff development day scheduled in December. And a formal goal which is part of the annual performance review is staff must attend at least two (2) skill set development training courses annually, which helps round out each person's abilities.

Item 2. Cost of Living Adjustment (COLA) for 2016: Mr. Clark stated the September 2014 to September 2015 period reflected no change in the Consumer Price Index (CPI). However, the state implemented a 1% COLA for state employees effective July 1, 2015. Mr. Lundy made a

motion, seconded by Mr. Henson, to approve a 1% COLA increase for 2016. The motion passed unanimously.

Item 3. Proposed recognition program: Mr. Clark stated the remaining item is to revisit a proposed recognition program for the career oriented members of staff. The purpose is to provide further incentive to retain solid performing staff. After hearing the recognition program that would be centered on unused sick leave, Mr. Henson suggested a longevity pay program be developed as this would reward employees who stay longer. The program would provide a one-time annual payment equal to one day for each year of accrued employment above ten years and have a cap of 12 days. In other words, one day of longevity pay for years 11 through 22 of employment. The eligibility criteria would also require that the staff member have achieved a favorable performance review in the same calendar year i.e. awarded a merit or career service award. This type of payment would be paid each December and also reported to LOPFI since longevity pay meets the definition of reportable pay under LOPFI requirements. (Mr. Neal joined the meeting at 10:49 a.m.) Mr. Lundy made a motion, seconded by Mr. Watson to have Mr. Clark provide the ASC the cost for this plan and, assuming it is approved by the ASC and the Boards of LOPFI and PRB, would be implemented with the 2016 budget. The motion passed unanimously. Mr. Clark thanked the ASC for this plan and advised he would provide the cost information to the ASC by Monday and ensure it was a part of the December meeting packets.

Confirm timing of June 2016 ASC meeting

Mr. Clark confirmed with the ASC to continue the current practice of holding the June 2016 ASC meeting at 9:00 a.m. on the same day as the June 2016 LOPFI meeting. When the June 2016 LOPFI meeting date is set it will be provided to the ASC. The ASC agreed with this schedule.

With no other business, Mr. Henson made a motion, seconded by Mr. Neal to adjourn. The motion passed unanimously. The ASC adjourned at 10:58 a.m.

Respectfully submitted,

Approved 06/02/16

Tiffiney Lewis
Recording Secretary to the Committee