

MINUTES OF ARKANSAS STATE POLICE COMMISSION MEETING
May 14, 2015

The Arkansas State Police Commission met on Thursday, May 14, 2015 at the Arkansas State Police Headquarters, Little Rock, Arkansas.

Commission Vice Chairman Guinn called the meeting to order at 9:05 a.m.

MEMBERS PRESENT:

Commissioner Frank Guinn, Vice Chairman
Commissioner Dr. Lewis Shepherd, Secretary
Commissioner John Allison
Commissioner Bob Burns
Commissioner Jane Christenson
Commissioner Neff Basore
Commissioner Bill Benton

STATE POLICE PERSONNEL ATTENDING:

Colonel Bill Bryant	Donna Humphries
Captain Lindsey Williams	Captain Ron Stayton
Major Shawn Garner	Major Stan Witt
Lieutenant David Sims	Captain Steve Coppinger
Sergeant Stuart Woodward	Emma French
Jenna Castleberry	Harmony Daniels
Sherry Woods	Lieutenant David Lafferty
Lieutenant Scott Woodward	Lieutenant Stacie Rhoads
Major Mike Foster	Lieutenant Charles Hubbard
Lieutenant Brady Gore	Corporal Kevin Richmond
Lieutenant Paulette Ward	Lieutenant Darran Austin
Corporal Jeff Whitlock	Sergeant Clayton Richardson
Lieutenant John Carter	Lieutenant Brant Tosh
Janet Chappelle	Captain Alex Finger
Sergeant Kim Warren	Lieutenant Mike Kennedy
Captain Jackie Clark	Sergeant David Williams
Bridget White	Sergeant Mike Moyer
Captain Wesley Smithee	Lieutenant Jeff Sheeler

OTHERS PRESENT:

Sara Farris, - AG Office	Aaron Burkes - ADFA
Ro Arrington - ADFA	Brad Henry - ADFA
Michael Krenn – DFA Budget	Abbi Bruno - OPM

PLEDGE OF ALLEGIANCE:

Commissioner Allison led the pledge of allegiance.

NOTIFICATION OF MEDIA:

The media was notified of this meeting on May 04, 2015.

MINUTES:

Commissioner Allison made a motion to approve the minutes of the April 09, 2015 monthly Commission Meeting, the April 24, 2015 Conference Call Meeting and the April 25, 2015 Conference Call Meeting. Commissioner Basore seconded and the motion passed.

MINUTES OF ARKANSAS STATE POLICE COMMISSION MEETING

May 14, 2015 – Page 2

DIVISION REPORTS:

Fiscal Report – Emma French

Ms. French gave an overview of the reports which were distributed to the Commission. She stated we are at 83% which is about where we should be. We are working on closing out the year. We have been approved to pay certificate pay, which will cost us about \$500,000. The Governor has approved for the agencies to pay merit pay which will cost us about \$1.2 million. We are building our budget for FY16 which is due next week. ADFA is here to discuss the possibility of us doing a bond issue.

Commissioner Allison asked what we are doing with all the gas savings, is it going to help pay merit pay? Ms. French stated that the fuel savings will be used to help pay the merit pay.

Administrative Services – Lieutenant Mike Kennedy

Lieutenant Kennedy presented an oral summary of the written report distributed to the Commission. He began by reporting the Human Resources/Personnel transactions for the month; we had two civilian new hires, two promotions, three voluntary resignations, and five new hire extra help personnel. The commissioned transactions included one promotion, Sergeant Scott Russell, three lateral transfers and one reinstatement, Jason Baethke. At this time we currently have three military deployments.

From the recruiting side, we had recruit orientation this past Friday, May 8. This Sunday we will start Recruit School with thirty-five applicants and we have three on our alternate list. If we lose anybody the first week, we will back fill off of the alternate list to try to keep our numbers as high as we can. Graduation is scheduled for October 1 for this Recruit School.

Regarding the ASP Health Plan, April paid claims were \$932,417 that is a decrease of \$176,324 from last month. The overall fund balance was lower this month by \$407,726. The average discount savings for the month of April was 55% through QualChoice. We have been working diligently with QualChoice Insurance, LBI our prescription underwriter, and Hatcher Insurance to come up with some suggested changes to the ASP Health Plan to help stabilize our funding and to help cut costs. We have a meeting scheduled with Colonel Bryant next week to discuss those possible changes. After that we plan on meeting with the Insurance Oversight Committee and hope to present you with some changes in the near future.

Commissioner Allison stated we are still at \$932,417 and that is down \$176,325, are there still some major claims out there that are hitting us? Lt. Kennedy stated part of it is the stabilization on the way the claims come in, last month the fund balance was up by \$159,000 and a lot of those claims we incurred this month probably should have been billed last month, but due to the way they were billed it skewed this month's. But to answer your questions, yes we have about ten large ticket claims over \$100,000 and that is what is contributing to our overall costs.

NEW BUSINESS:

Arkansas Development Finance Authority (ADFA) Bond Presentation – Brad Henry

Mr. Henry introduced himself, the Vice President of Development Finance of ADFA, Aaron Burkes, President of ADFA, and Ro Arrington, loan officer ADFA.

Mr. Henry stated the reason they were here today was to discuss two projects the Arkansas State Police is considering financing. One is the construction of troop headquarters throughout the state and the other is upgrading the AWIN Network.

MINUTES OF ARKANSAS STATE POLICE COMMISSION MEETING

May 14, 2015 – Page 3

The reason the state police approached us on these projects, is because ADFA is the financier for state police that is one of their roles. The first step would be to release a request for proposals (RFP) that would be a competitive request for proposals from bond professionals. We would finance these by issuing revenue bonds that would be backed by the revenue stream from license plate revenue. The RFP would be to hire underwriter bond counsel and trustee to help ADFA and Arkansas State Police structure a financing proposal that would be the most efficient to finance these projects. Also, I want to make clear this RFP does not require Arkansas State Police to do anything; it only allows state police and ADFA to engage with bond professionals to look at the potential for these projects. Through our conversations with staff at state police, it was the desire to discuss this with the ASP Commission as well as the Governor's Office. I have actually discussed this with the Governor's Office and they are fully on board with this RFP to get this going to select these professionals.

Mr. Henry asked Colonel Bryant if he had any comments. Colonel Bryant stated the only thing he would like to add is on the AWIN upgrade it would be \$25 million and up to \$27 million for state police for the upgrade and construction of facilities. We would have to restructure the current bonds, the bonds we have now would be fully paid in 2018. This allows us the opportunity to restructure these bonds, it would not cost us any more money, we would use the exiting revenue source, and it would benefit law enforcement across the state with the AWIN project and greatly benefit the Arkansas State Police in upgrading our facilities, some of which are almost 60 years old.

Commissioner Basore asked how long it will take for the RFPs to be completed. Mr. Henry stated if the RFPs are released today, we give the professionals 2-3 weeks to respond, then we would receive those proposals and staff would review them and make recommendations to our board who meets monthly. Given the timeframe, we should be able to take this up in front of our board at the June meeting. So the professionals would be engaged in June and then the timeline for actually issuing the bonds is up in the air at this point, the AWIN project is a little more on a faster track than the headquarters projects. We would make sure before we move forward with issuing bonds that everybody from the Arkansas State Police, the Commission, and the Governor's Office is on board with us actually releasing and filling the bond offer. A typical issue takes anywhere from 6 to 12 weeks from start to completion.

Commissioner Allison stated you are not asking us for authority to issue bonds today, you are asking for authority to issue a proposal. Commissioner Allison stated the Commission reserves the right to decide when they issue those bonds. Mr. Henry stated that is correct, this is merely to get advice from professionals for now. Once there is a plan in place we would come back to propose the plan to the Arkansas State Police Commission and the Governor's Office.

Commissioner Allison made a motion to approve ADFA releasing a request for proposals on the bond issue, Commissioner Burns seconded and the motion passed.

Commission Vice Chairman Guinn stated they are going to take a break and then go into Executive Session to discuss personnel matters. The Commission went into Executive Session at 9:17 a.m. and the open meeting resumed at 9:42 a.m.

Commission Vice Chairman Guinn asked Colonel Bryant if he had any recommendations. Colonel Bryant recommended the Commission consider the reinstatement request of Jason Glisson. Commissioner Christenson made a motion to approve of the reinstatement of Jason Glisson to the Arkansas State Police, Commissioner Allison seconded and the motion passed.

MINUTES OF ARKANSAS STATE POLICE COMMISSION MEETING
May 14, 2015 – Page 4

NEXT MEETING:

The next monthly meeting of the Commission will be held Thursday, June 11, 2015 at 10:00 a.m. The ASP Commission scheduled the July Commission Meeting for Thursday, July 9, 2015 at 9:00 a.m. with the Jassen Travis appeal hearing to follow adjournment at approximately 10:00 a.m.

Commissioner Benton made a motion to adjourn the meeting, Commissioner Basore seconded and the motion passed. Commission Vice Chairman Guinn adjourned the meeting at 9:45 a.m.

Commission Vice Chairman

Commission Secretary