

MINUTES OF ARKANSAS STATE POLICE COMMISSION MEETING
July 11, 2019

The Arkansas State Police Commission met on Thursday, July 11, 2019 at the Arkansas State Police Headquarters, Little Rock, Arkansas.

Commission Vice Chairman Christenson called the meeting to order at 10:00 a.m.

MEMBERS PRESENT:

Commissioner Jane Christenson, Vice-Chairperson
Commissioner Neff Basore, Secretary
Commissioner Bill Benton
Commissioner Steve Edwards
Commissioner Jeffery Teague
Commissioner John Allison

MEMBER ABSENT:

Commissioner Bob Burns, Chairman

STATE POLICE PERSONNEL ATTENDING:

Colonel Bill Bryant	Lt. Colonel Shawn Garner
Major Charles Hubbard	Major Mike Foster
Major Lindsey Williams	Major Jeff Drew
Major Forrest Marks	Captain Randall Dias
Captain David Lafferty	Lieutenant Brad Lann
Corporal Liz Chapman	Sherry Woods
Emma French	Jenna Castleberry
Bill Sadler	Jonathan Nettles
Elaine Lee	Mary Claire McLaurin
Donna Humphries	

OTHERS PRESENT:

Jackie Baker, DPS	John A. Smith, DPS
Amy Dick, DFA - Budget	

PLEDGE OF ALLEGIANCE:

Commissioner Benton led the pledge of allegiance.

NOTIFICATION OF MEDIA:

The media was notified of this meeting on July 05, 2019.

MINUTES:

Commissioner Edwards made a motion to approve the minutes of the June 27, 2019 regular monthly commission meeting. Commissioner Allison seconded and the motion passed.

DIVISION REPORTS:

Fiscal Section – Emma French

Ms. French gave an overview of the reports which were distributed to the Commission. Ms. French stated we ended the year in a really good position, we left \$95,198.00. As many of you know, at the start of a new year you have to leave some money and appropriation to show that you could have paid the bills that come in dated in June. But then you have to use this year's money and this year's appropriation to pay them, so we did leave some for that. I know you are going to be talking about the health plan in just a little bit, so I am going to go ahead and tell you that we did increase our contribution for this year. Last year we contributed \$862.00 per budgeted position and this year we are going to contribute \$905.00 per budgeted position, so that is an increase of \$367,000.00 more that we will be putting into the health plan this year.

Commissioner Allison asked will that be enough. Ms. French stated she did not know, we hope so.

Administrative Services – Major Charles Hubbard

Major Hubbard presented an oral summary of the written report distributed to the Commission. He began by reporting the Human Resources/Personnel transactions for the month. The civilian transactions include twelve new hires, three promotions, two transfers, one retirement and three voluntary resignations. The commissioned transactions include two lateral transfers, one reinstatement, two voluntary resignations, two demotions, and seven retirements. We currently have six military deployments.

Regarding the ASP Health Plan, June paid claims were \$932,031 a decrease of \$58,902 from last month and the fund balance is \$660,705 lower than last month for a total fund balance of \$6,480,477. The average discount savings for the month was 79%.

Also regarding the ASP Health Plan, as I stated the current balance as of June 30, 2019 was \$6.4 million and this includes the \$3.5 million in CD's. From 2014 to 2018, the plan has lost a total of \$3.8 million. National trends are expected to increase in the medical market by at least 6% in the next year. Since the ASP Health Plan is a smaller self-funded plan catastrophic claims have a significant impact. In the last three years claims have exceeded \$1 million 50 percent of the time or 18 of the 36 months.

The ASP Health Plan Oversight Committee met on July 8, 2019 at ASP Headquarters in Little Rock. Colonel Bryant reviewed a proposal for the committee. The proposal was a result of ASP working closely with Department of Finance and Administration to determine if any possible cost saving measures were available to make the Health Plan more efficient. The proposal for consideration was for the ASP Health Plan to use an extension of the current state contracts that are in place for health insurance and drug vendors. ASP will continue to manage the ASP Health Plan and Director Chris Howlett with the Employee Benefits Division has offered to give advice as needed eliminating the need for a health plan consultant. The health plan will experience lower expenses by utilizing state contracts already in place and potentially eliminating additional contracts. The effective date of the proposal would be January 1, 2020. Additionally, the proposal was for no plan benefit changes for the year 2020. Some examples of reduced costs are 1095 reporting for IRS, Health Plan Consultant and Reinsurance. Preliminary cost savings is estimated to be approximately \$1 million. This is the first logical step to be more cost effective and help stabilize the ASP Health Plan.

A motion was made and approved by the Committee to bring the proposal before the ASP Commission for the signing of the Health Plan Resolution and approve the signing of the MOUs between Arkansas State Police, Health Advantage and Med Impact.

Director Chris Howlett, with the Employees benefits Division, has been working closely with the ASP in an effort to stabilize our health plan for the future. We certainly want to thank him for his service and he is here today to answer any questions regarding this proposal.

Commissioner Allison stated I have a question, did you say that our health plan is down \$660,000; that our claims were \$932,000 and we are down \$660,000. Yes sir, since last month. Commissioner Allison asked if that is the right calculation. Major Hubbard stated that our claims were \$660,000 lower than last month for our claims and some of that is due to the refunds that we perceive and some of that has not come through.

Director Chris Howlett introduced himself and stated he is the Director for Employee Benefits Division. I was asked to come along side of the Arkansas State Police to provide some advisory council to their health plan as they were reviewing some of the contracts that were available to them through State Procurement and the means there. My involvement there was based on we procured your original contract. So we have a bundle service methodology that we have adopted from previous years, it was implemented 1/1 of this year and, we have, in doing so, it has reduced our costs by about 30% overall. For our economy of scale we see that, that should be some significant savings for your plan. Around \$1 million or \$1.5 million just initially from administrative cost savings is what you would see with a different pair. Currently you use QualChoice as your carrier that processes your claims. Under Health Advantage, you would see a reduction of about 15% and overall reimbursement costs and bottom line that would affect your fund balance and should in a positive light. So a 15% reduction overall, without boring you, I can stand for some additional questions or provide some incite.

Commissioner Allison stated for you Commissioners who didn't hear, I think it's great, I think Chris has brought a lot to the table for the state police program. I think his expertise in that field far exceeded anything that we had and I believe he is gonna really provide us with savings. We will still have our State Police program as we had in the past, nothing changes, just some administrative changes. It appears to be the right move, I did not know Chris but I heard him present the other day and was extremely impressed with what he had done and how he had done this plan. I think if this is going to help save our program, I think this is no doubt the next move for us to make.

Commission Vice Chairman Christenson asked if Commissioner Allison was making a motion on the proposal. Commissioner Allison stated that would be a motion to approve the resolution. Commissioner Basore seconded.

Commissioner Edwards asked if we are voting on this resolution and memorandum of understanding on this motion. Commissioner Basore stated correct.

Commissioner Teague stated I am assuming there is a committee among the commissioners that are very intimate with this process, because I am ignorant. The first time I have ever seen anything about this is when I sat down here. So, I am going to be voting on something I really have no idea what I am voting on. Commission Vice Chairman Christenson stated Johnny and them served on that committee.

So, I am depending on those others if I vote affirmative, the other commissioners here. Which I don't have a problem with that. But I am really voting on something that I have no idea what I am voting on. That is my only comment.

Commission Vice Chairman Christenson stated you do not have to vote, you can abstain.

Commissioner Allison stated I have been here about 14-15 years and it has been a topic of discussion for 15 years. I have had the privilege of serving and being involved on this committee trying to figure out ways to make it, to save it, to save it for our Troopers. We have really struggled, we have had money from the Governor, we have done everything that we knew to do and then Chris' expertise has come in and provided much needed leadership. Because as he said he bundled these things, he has the buying power and the muscle and it just helps us. We are not switching to another insurance basically, just muscles us up and gives us the buying power. I mean, he is the big dog in there, we are getting to ride along with the big dog. Commissioner Teague stated I have no problem with that, even in my small businesses health care is a major annual topic. In any small business health care it's a tough deal, a really tough deal to try to provide the benefits and yet balance the costs of the program. I have no problem with that, I am just saying the details with this situation, and I don't know any details until I sit down here. But anyway I depend on Commissioner Allison, you and others that have been here for a while that have jumped into this and you are intimate with it. Commissioner Allison stated we have a retirement program for our officers and a health care program for our officers and those are to me to be protected. Whatever it takes to protect them because these guys what we pay them compared to what they do, even though we have gotten them a little raise, we have been very protective of those programs. This insures continued viability for a period of time. Commissioner Teague stated just to be sure, my statements are not contrary to providing benefits to our troopers. I am in total agreement with that, okay. I want to be sure there is no ambiguity there. Commissioner Allison stated I don't think anybody took it that way.

Commissioner Benton stated Major Hubbard sent us a report and the prescription drug savings were big in this situation, so I want to repeat that also, very good job. I will provide you, Commissioner Teague, with a copy of the minutes of the Insurance Oversight Committee meeting and I also want to say I support what Commissioner Allison said this is a good report and a good job.

Commission Vice Chairman Christenson stated and we are still self-funded which is one thing that we wanted to keep. Commission Vice Chairman Christenson asked if anyone had any questions. Commission Vice Chairman Christenson stated there has been a motion and a second, all those in favor, and all commissioners voted I. Commission Vice Chairman Christenson asked for those opposed and no one voted, so the motion passed.

Major Hubbard stated just one more item of business for you. He stated, during the ASP Health Plan Oversight Committee Meeting which took place on July 8th the committee nominated Sergeant Coty Williams, Highway Patrol Division, Troop A, as a new member of the oversight committee replacing member Corporal Kevin Webb. I would like to submit to the Commission the Committee's recommendation of Sergeant Coty Williams as a new member of the oversight committee. Commissioner Neff Basore motioned to approve Sergeant Coty Williams as a new member of the ASP Health Plan Oversight Committee. Commissioners Teague and Allison seconded and the motion passed.

Major Hubbard stated now to change the pace just a little bit here. I am going to brag on our Arkansas State Police Driving Track and Training Facility. We have made some significant progress with that recently. For several years the ASP has discussed the need for a driving track and Emergency Vehicle Operations Course (EVOC) training facility that can be used to insure the driving proficiency of ASP troopers and all law enforcement agencies in the state. With the help of the ASP Foundation, significant progress has been made and what first started out as discussions has now become reality. Arkansas State Police and the ASP Foundation made a joint decision to make the driving track available to all law enforcement agencies. The ASP Foundation continues to raise money for the construction of the driving track. The construction of a freeway area to be used for Precision Immobilization Technique training (PIT) was recently completed. During the ASP Awards Banquet in May, Governor Hutchinson announced the release of \$4 million of state funds to further the progress of the construction. I am just going to show you some pictures of the driving track. I direct your attention to the screen. This is actually a picture of the property very early on in the process facing north from Camp Robinson back toward Remount Road in North Little Rock. The next picture is our skills pad, the two different colors you can see there, the concrete pad was initially what we started with and the grey colored area was gravel and that has been closed in as well with concrete. We use this for driving skills. The next picture is another shot of the property. The next picture is where we are at today, it shows the PIT area we use for training and off to the right you see the blue building and that is our training facility that we use to give the PT test and also several other trainings events take place there. This is just some different views of what the property looks like with the completed PIT lanes there. We are extremely excited about the progress that has been made out there.

Commissioner Allison asked if the \$4 million will finish it. Major Hubbard stated he was not sure and asked the Colonel if he would like to talk about that. Colonel Bryant stated I think with the latest update from the ASP Foundation that it will finish hopefully the track itself, but we have the goals of a classroom, a garage, a tower and different things. They are still pursuing that too. Colonel Bryant stated you see the freeway there, this has been a dream of the state police and the foundation for a long time. Mr. Allison, I want to thank you. You started it with your contribution, so that's your freeway up there. It is just going to be great and at this time Madam Chairman I would like to make a little statement about the driving track.

Colonel Bryant stated by statue, the Arkansas State Police assists other law enforcement agencies in the state. This is another great example of teamwork by the Arkansas State Police and the Arkansas State Police Foundation by opening this driving track to all law enforcement agencies in the state of Arkansas. This Emergency Vehicle Operations Course (EVOC) will be utilized by other state, county, and local law enforcement agencies to better train their officers in the area of Emergency Vehicle Operations. This driving track will enable law enforcement officers to hone their driving skills which is very important because patrol officers spend the majority of their shift operating a vehicle.

The more you train in any area, the more proficient you will be. The more proficient you are, the safer you will be!! As the premier law enforcement agency in the state, ASP strives at every opportunity to improve and expand our training to improve the safety of our officers and the public. It is just a great joint effort between the Arkansas State Police and the Arkansas State Police Foundation but every law enforcement officer in the state will benefit because of this track.

Commissioner Edwards asked if they plan to put an x on it to keep them from getting confused with the airport over there. Colonel Bryant stated he talked to General Berry about that and there is a lot of activity because you have the North Little Rock airport and the National Guard airport. They will put an x on each end of the straight away. The latest

update that I have received is they have done a lot of clearing, there is construction going on every day. A dream has finally come true, we are getting there, and progress is being made.

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Commissioner Allison stated he asked them at the not this years but last year's awards ceremony how much they needed to finish, I was going to help them finish and they told me \$9 million.

Major Hubbard stated he just wants to take a moment to brag on our social media. As you'll are aware we have started our application campaign for the 2020 Troop School and in our efforts to increase our application pool for the 2020 Troop School, we have added two new videos. Our intention is to bring more Trooper applicants into the agency and to highlight the importance of a trooper's role in society outside the uniform. ASP Troopers come from all walks of life such as teachers, coaches, soldiers, mothers, fathers, sons and daughters. The Arkansas State Police Trooper is not just a job or a career, it's a legacy. And I would like to direct you to a couple of videos.

Major Hubbard stated I can't take credit for these videos, Corporal Liz Chapman and Mr. Jonathan Nettles are the ones that worked extremely hard on them. They have done an excellent job and I wanted to share that with you today.

Commission Vice Chairman Christenson asked Major Hubbard to tell about Troop School Graduation. Major Hubbard stated Troop School Graduation will be held at the Maumelle High School Auditorium at 6:00 p.m. on Thursday, July 18. We have 36 recruits graduating that evening and we would certainly love to have everyone attend that event. It is an exciting event for them and they are ready. Commission Vice Chairman Christenson stated thank you and I hope most of the commissioners will be able to attend that ceremony.

Colonel Bryant stated he wanted to echo Major Hubbard's comments on Corporal Liz Chapman, Jonathan Nettles and Bill Sadler. They worked very hard on this and they met with some of the recruits from the last school and a lot of them came to the state police because of social media, so that is why we're focusing on social media this time. We have done some advertising and I think it is gonna pay benefits. We have some bright minds in this agency, young minds. I don't even know how to sign on Facebook, I will be the first to admit but that is why we have young leaders in our agency and they have done a great job.

Colonel Bryant stated before we leave I want to thank Chris Howlett for spending countless hours working with Administrative Services and our goal is we want to manage our own plan but yet we want to be cost effective and do what we can. So, thank you for the great team work Chris, I appreciate it.

EXECUTIVE SESSION:

Commission Vice Chairman Christenson asked Colonel Bryant if there were any personnel issues to discuss. Colonel Bryant stated he had no personnel matters to bring before the Commission.

NEXT MEETING:

Commission Vice Chairman Christenson stated the next regularly scheduled meeting will be held on Thursday, August 08, 2019 at 10:00 a.m.

With no more business, Commission Vice Chairman Christenson asked for a motion to adjourn. Commissioner Basore made a motion to adjourn the meeting, Commissioner Allison seconded and the motion passed. Commission Vice Chairman Christenson adjourned the meeting at 10:29 a.m.

Commission Chairman

Commission Secretary