POSITION PAPER

ORGANIZATIONAL CAPACITY, POSITION CLASSIFICATION, AND COMPENSATION REVIEW IN THE CITY OF TONTITOWN

Supplemental Discussion to the 2026 Compensation Benchmark Study
Prepared in Advance of 2027 Budget Deliberations

Executive Summary

At the July 7, 2026 Committee of the Whole meeting, the Council is expected to consider a proposal to expend approximately $9,500 for a human resources consulting firm from Nashville, Tennessee to conduct a compensation study. This memorandum is intended to demonstrate that a substantial amount of compensation benchmarking and organizational review can be accomplished internally using Arkansas Municipal League data, payroll records, Legislative Audit findings, organizational charts, job descriptions, and existing ordinances.

This memorandum does not oppose the use of consultants. Rather, it asks whether the Council should first evaluate the information already available before authorizing additional expenditures.

Preamble

The compensation spreadsheet previously prepared comparing Tontitown positions with similarly situated Arkansas municipalities illustrates that meaningful benchmarking can be performed at little direct cost to taxpayers. The AML survey provides salary data, classification information, and position descriptions that permit meaningful comparison of Tontitown's current staffing structure.

The examples discussed herein are intended to demonstrate the type of analysis that can be completed internally as the Council prepares the 2027 budget.

Purpose

This memorandum is not intended as criticism of Mr. Patrick Pianalto, the elected Clerk-Treasurer, the Administrative Assistant, or any other employee. Institutional knowledge, longevity, dedication, and practical experience remain valuable municipal assets.

Rather, the purpose of this memorandum is to encourage discussion regarding organizational capacity, staffing priorities, qualifications, compensation philosophy, and deployment of taxpayer funded positions.

Example One – Financial Administration

Tontitown presently operates through a hybrid financial administration structure consisting of a part-time elected Clerk-Treasurer, internal accounting personnel, and outside accounting assistance through Landmark CPAs.

Legislative Audit findings illustrate the increasing complexity of municipal accounting and support the Council's decision to retain Landmark CPAs. That decision should be viewed as prudent governance intended to strengthen internal controls, improve financial reporting, and reduce future audit risk.

The discussion concerning Finance Director classifications is not intended as criticism of existing personnel. Instead, it raises the question of whether Tontitown's current structure aligns with AML classifications and modern municipal practices.

Finance Director Classification

Tontitown does not presently appear to maintain a codified Finance Director position. The AML Finance Director classification generally contemplates formal education in accounting or finance, budgeting expertise, supervisory responsibilities, audit coordination, internal controls, and comprehensive financial reporting.

The comparison undertaken in the AML benchmark study suggests that the City's current structure more closely resembles a hybrid arrangement involving accounting personnel, outside professional assistance, and an elected Clerk-Treasurer rather than a traditional finance department.

Example Two – Administrative Assistant Position

A second example concerns the Administrative Assistant position assigned to the Mayor's office.

This discussion is not intended to criticize the employee occupying the position. Instead, it raises a broader policy issue: whether existing personnel resources are allocated in a manner that provides the greatest value to taxpayers.

As the City grows, Planning, Utility Billing, and Water Administration continue to expand. The Council may wish to consider whether administrative resources could be aligned differently to better support operational departments.

Potential Reallocation of Resources

One possible alternative organizational structure would involve an administrative support position reporting directly to the Planning Director while simultaneously serving as a shared resource for utility billing, permit processing, records administration, customer service, and development activities.

Potential benefits include:

- Additional support for understaffed departments;
- Improved permit processing timelines;
- Enhanced utility customer responsiveness;
- Cross-training opportunities;
- Greater flexibility in staffing;
- Better utilization of taxpayer-funded positions.

Again, this is not a recommendation to eliminate existing positions, but rather an invitation to consider whether staffing resources continue to represent the best value for the public.

Position Classification Review

Numerous job descriptions appear to have been developed internally over time without assistance from professional human resources personnel.

That circumstance is understandable in smaller municipalities. However, as organizations mature, periodic review can help ensure consistency regarding educational requirements, compensation levels, reporting relationships, supervisory responsibilities, and advancement opportunities.

Role of City Attorney

City Attorney Tyler Farrar possesses substantial experience in municipal employment matters, organizational documents, personnel policies, and governance procedures.

His participation in a review of classifications, policies, and personnel structures could help ensure future job descriptions are legally defensible, internally consistent, and reflective of Tontitown's evolving operational needs.

Discussion of Proposed $9,500 HR Study

The question before the Council on July 7, 2026 is not whether outside consultants provide value.

Rather, the question is whether the proposed expenditure will provide information materially beyond what can already be assembled through AML benchmarking, payroll records, Legislative Audit findings, and internally generated analysis.

These examples demonstrate that meaningful policy analysis can be completed internally before determining whether additional expenditures are warranted.

Recommendations

1. Continue utilizing Landmark CPAs to strengthen financial administration.

2. Review all position descriptions before preparation of the 2027 budget.

3. Compare classifications to AML position descriptions and compensation ranges.

4. Evaluate opportunities for shared administrative resources.

5. Request review of personnel classifications by City Attorney Tyler Farrar.

6. Determine whether the proposed compensation study provides sufficient incremental value to justify the anticipated expenditure.

Conclusion

The examples contained in this memorandum are intended to illustrate broader concerns regarding organizational capacity, compensation philosophy, staffing priorities, and efficient use of taxpayer resources.

The Landmark CPAs example and the Administrative Assistant example merely illustrate the importance of periodically reviewing classifications, staffing allocations, qualifications, and compensation practices.

As Tontitown prepares for the 2027 budget cycle, these discussions may provide a useful framework for evaluating staffing needs, qualifications, compensation practices, and long-term municipal planning.

EXHIBIT A – TONTITOWN VS. AML COMPENSATION BENCHMARK

Attach previously prepared Excel benchmark comparing Tontitown positions to AML median salaries for municipalities with populations between 2,500 and 9,999.

EXHIBIT B – AML POSITION CLASSIFICATION EXCERPTS

Attach excerpts for Finance Director, Accounting Clerk I, Accounting Clerk II, Administrative Assistant, Planning Director, Information Support Specialist, Water Manager, and Public Works Director.

EXHIBIT C – LEGISLATIVE AUDIT FINDINGS

Attach relevant excerpts from the 2023–2024 Legislative Audit report identifying findings related to financial administration, accounting practices, and internal controls.

EXHIBIT D – ORGANIZATIONAL ALTERNATIVES

Illustrate current structure and an alternative structure utilizing shared administrative support between Planning and Utility Billing.

EXHIBIT E – FINANCIAL ADMINISTRATION MODEL

Current Hybrid Model:

- Elected Clerk-Treasurer
- Accounting Staff
- Landmark CPAs

Comparison:

- Traditional Finance Director Model
- Finance Director plus Accounting Clerk
- Hybrid Professional Support Model

FOIA PRECAUTIONARY STATEMENT

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