

**OFFICE OF THE CITY MANAGER
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION
December 11, 2018 RECESSED MEETING AGENDA**

Subject:	Action Required:	Approved By
<p>Ordinance to establish the City Defined Benefit retirement plan as the comparable retirement benefit for a person who holds the office of Mayor; To declare an emergency; And, for other purposes..</p> <p>Submitted by:</p> <p>Bruce T. Moore City Manager</p>	<p>X Ordinance Resolution Approval Information Report</p>	<p style="text-align: center;">Bruce T. Moore City Manager</p>
<p>SYNOPSIS</p> <p>FISCAL IMPACT</p> <p>RECOMMENDATION</p> <p>CITIZEN PARTICIPATION</p>	<p>To establish that the retirement program for the mayor will be the 2014 DB Plan.</p> <p>Costs involved with the 2014 DB Plan including contributions for the Mayor; administrative costs that may be a part of the annual expense of the plan.</p> <p>Pass the Ordinance.</p> <p>The requirement to provide a retirement plan for the mayor position was approved at the 2007 election which modified the authority of the mayor. Otherwise, there has been no citizen participation.</p>	

BACKGROUND

In 2007, the Board referred an ordinance to the electorate that would increase the authority of the mayor in a city manager form of government. The statutory basis for this proposed ordinance included a provision that a mayor would receive a salary and benefits comparable to the highest paid municipal official. The City has used the City Manager as the highest paid municipal official.

Initially, a private retirement plan was established and has received contributions from Mayor Stodola and the City. In 2014, however, the City adopted a new defined benefits retirement plan for the City. After consultations with actuaries and pension attorneys, it has been determined that a comparable retirement plan for the mayor would be more easily administered if it was a part of the 2014 plan. This ordinance declares that will be the situation in the future, and also permits the current mayor to participate.

There is a state statute which mandates that a mayor with a certain period of service as mayor receives a ½-salary benefit as an annual retirement benefit. This statute also allows for a COLA, and spousal benefits. This ordinance includes these provisions so any mayor would be treated the same as other City employees.