

ORDINANCE

**AN ORDINANCE TO ESTABLISH PARAMETERS FOR
THE RETIREMENT BENEFITS FOR THE MAYOR OF
THE CITY OF LITTLE ROCK, ARKANSAS; TO PROVIDE
FOR SPOUSAL BENEFITS FOR THE WIDOW OF A
LITTLE ROCK MAYOR; TO DECLARE AN
EMERGENCY; AND FOR OTHER PURPOSES.**

WHEREAS, with the authority granted by Act 729 of the 2007 General Assembly, the Board of Directors passed Little Rock, Ark., Ordinance No. 19,761 (June 12, 2007) which called for a referendum to decide whether to grant additional authority to the office of the Mayor; and,

WHEREAS, the Act requires that a Mayor granted such additional authority “shall be compensated with a salary and benefit package comparable to the highest-ranking municipal official; and,

WHEREAS, at an election held August 14, 2007, the electors of the City of Little Rock, Arkansas (“the City”) voted to grant the Mayor such additional authority and to make the position a full-time position with the City; and,

WHEREAS, one comparable benefit required to be made available to the Mayor, as is done for the City Manager, is a retirement program; and,

WHEREAS, pursuant to Ark. Code Ann. § 24-12-123 (West. Supp. 2018), in a municipality of the first class whose mayor has served at least 10 years, the mayor is entitled to an annual retirement benefit during the remainder of the mayor’s life which is payable at a rate one-half (1/2) the salary payable to the mayor at the time of retirement; and,

WHEREAS, the salary of the Mayor on the date of this ordinance is \$160,000.00 per year, and the provisions of this ordinance should also apply to all future City mayors entitled to compensation pursuant to Ark. Code Ann. § 24-12-123 (West Supp. 2018), as may be amended; and,

WHEREAS, the City is also required to allow for certain cost-of-living increases, and is permitted to provide for spousal survivor benefits but the current City retirement plan provides such benefits; and,

1 **WHEREAS**, it is also the desire of the Board of Directors of the City to provide the same
2 comparable retirement benefits to all future mayors;

3 **NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF**
4 **THE CITY OF LITTLE ROCK, ARKANSAS:**

5 **Section 1.** The annual retirement benefit for any mayor of the City of Little Rock shall be
6 determined in accordance with the 2014 Defined Benefit Plan (“2014 DB Plan”) for City employees, and
7 is declared by the Board of Directors to be a comparable retirement benefit as that provided to the
8 highest-paid City official.

9 **Section 2.** Because the City has provided the current Mayor with a different retirement plan to date,
10 the documents for the 2014 DB Plan shall be amended to make the mayor immediately eligible for this
11 plan in accordance with the following provisions:

12 (a) Any mayor who serves 10 years or more in the office shall be entitled, upon reaching the age
13 of 60, to retire with an annual retirement benefit during the remainder of that person’s
14 natural life payable at the rate of one-half (1/2) of the salary payable to the mayor at the time
15 of retirement;

16 (b) Any mayor who serves 20 years or more as mayor of the City shall be entitled to retire with
17 an annual retirement benefit during the remainder of that person’s natural life payable at the
18 rate of one-half (1/2) of the salary payable to the mayor at the time of retirement.

19 (c) Any mayor who has served as an elected official or employee of the City prior to, or after,
20 the person’s service as mayor shall count such service as an elected official or employee
21 towards the mayor’s retirement benefit as follows:

22 (i) One year of mayor’s retirement for each two (2) years of service as an elected official or
23 employee of the City up to a maximum of an additional two (2) years of credit towards a
24 mayor’s retirement benefit; or,

25 (ii) one (1) year of a mayor’s retirement benefit for each two (2) years served as an elected
26 official or an employee of the City for a maximum of three (3) years credit towards a
27 mayor’s retirement benefit if the person has not less than twenty (20) years of mayor’s
28 credit and has reached the age of at least 52; or,

29 (iii) one (1) year of a mayor’s retirement benefit for each two (2) years served as an elected
30 official or an employee of the City for a maximum of four (4) years credit towards a mayor’s
31 retirement benefit if the person has not less than twenty (20) years of mayor’s credit and has
32 reached the age of at least 54;

1 (iv) provided, that no period of elected or employment experience with the City referred to
2 in this subsection (b) (i), (ii), or (iii), shall apply towards a mayor's retirement benefit if such
3 serve is also covered by another retirement plan.

4 **Section 3.** On January 1 of each year, if a retired mayor has been retired for at least twelve (12)
5 months, a retired mayor shall be entitled to a cost-of-living increase added to the annual retirement benefit
6 if, and only if:

7 (a) The retired mayor participates in the 2014 DB Plan; and,

8 (b) The retired mayor agrees to any cost-of-living increase that may occur pursuant to the
9 provisions of the 2014 DB Plan that apply to all other members of the Plan; and,

10 (c) The retired mayor formally executes a legal waiver of any entitlement to any particular
11 percentage of annual cost-of-living increase that otherwise would be available pursuant to
12 Ark. Code Ann. § 24-12-123, as may be amended.

13 **Section 4.** On the death of any mayor retired pursuant to the provisions of this ordinance who has
14 elected to pay any cost of a spousal benefit, or any mayor who dies in office after becoming eligible to
15 retire under Section 2 of this ordinance, or of any acts of the General Assembly, a spousal benefit in the
16 form provided for in Ark. Code Ann. § 24-12-123 (b), or any other option provided through the 2014 DB
17 Plan, provided the cost of the spousal benefit may be paid by direct reimbursement to the Plan or through
18 actuarial equivalence factors provided in the Plan.

19 **Section 5.** Any mayor not a part of the 2014 DB Plan on the effective date of this ordinance shall pay
20 into the 2014 DB Plan any accredited benefits received from contributions of the City to another
21 retirement plan.

22 **Section 6. Repealer.** All laws, ordinances, resolutions, or parts of the same that are inconsistent with
23 the provisions of this ordinance are hereby repealed to the extent of such inconsistency.

24 **Section 7. Severability.** In the event any title, section, paragraph, item, sentence, clause, phrase, or
25 word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or
26 adjudication shall not affect the remaining portions of this ordinance, which shall remain in full force and
27 effect as if the portion so declared or adjudged invalid or unconstitutional were not originally a part of this
28 ordinance.

29 **Section 8. Emergency Clause.** *Because of statutory requirements to assure that a full-time mayor*
30 *serving pursuant to the management form of government plan set forth in Little Rock, Ark., Ordinance*
31 *No. 19,761 (June 12, 2007), and approved by the electors of the City at a referendum, receives a salary*
32 *and benefits comparable to the highest paid City official, and the additional statutory requirements to*
33 *assure an annual retirement benefit during life at the rate of one-half (1/2) of the salary payable to the*
34 *mayor at the time of retirement; and, because it is important to assure that such retirement benefits are*

1 *equally applied to all eligible persons who have served as mayor under the current configuration of the*
2 *government; and, because it is important to provide a definite formula for any cost-of-living increases, or*
3 *for spousal benefits of a deceased mayor; and, because the ability to assure such statutory compliance*
4 *and not be involved in future litigation is essential to assure the proper functioning of government and*
5 *that parties on the governing body are not involved in individual challenges to benefits packages or*
6 *retirement benefits; and, for all of these reasons, such resolution is essential to the public health, safety,*
7 *and welfare; an emergency is, therefore, declared to exist so this ordinance can take effect, and be in full*
8 *force and effect, from and after the date of its passage.*

9 **ADOPTED: December 11, 2018**

10 **ATTEST:**

APPROVED:

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Susan Langley, City Clerk

Mark Stodola, Mayor

14 **APPROVED AS TO LEGAL FORM:**

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Thomas M. Carpenter, City Attorney

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