

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

**BOARD OF DIRECTORS COMMUNICATION  
MAY 7, 2019 AGENDA**

<p><b>Subject:</b></p> <p>An ordinance amending the Defined Benefit 2014 Plan</p> <p><b>Submitted By:</b></p> <p>Human Resources Department</p>	<p><b>Action Required:</b></p> <p style="text-align: center;">√ <b>Ordinance</b> Resolution</p>	<p><b>Approved By:</b></p> <p style="text-align: center;">Bruce T. Moore City Manager</p>
<p style="text-align: center;"><b>SYNOPSIS</b></p> <p style="text-align: center;"><b>FISCAL IMPACT</b></p> <p style="text-align: center;"><b>RECOMMENDATION</b></p> <p style="text-align: center;"><b>BACKGROUND</b></p>	<p>On December 18, 2018, the Board of Directors passed Ordinance No. 21,684 outlying the benefits approved for the Mayor and directed that the Defined Benefit 2014 Pension Plan be amended accordingly.</p> <p>Funding will have to be appropriated in the City’s general fund for the incremental cost of the Mayor’s benefits. The employer contributions (and earnings) paid to the Mayor’s 401a Retirement Plan are being transferred the Defined Benefit 2014 Plan in the amount of \$411,350.35.</p> <p>Approval of the ordinance</p> <p>The changes in the amended Defined Benefit 2014 Plan document reflect Ordinance No. 21,684 as to Pension Benefits for the previous Mayor and future Mayors, and therefore it is recommended that the Board approve the amended plan document effective January 1, 2019. In addition, the plan document reflects changes to the benefits with respect to the position of Department Director, or other person(s) expressly designated by the governing body because that person performs duties similar to a Department Director, who has attained Retirement Age and who has a combined age and number of years of service of seventy (70) or more, such person may retire without any reduction provided they are fully vested.</p>	

**BACKGROUND**  
**CONTINUED**

It is estimated to cost only 0.10% of payroll for the Director benefit.