

October 10, 2016
Five o'clock P.M.
North Little Rock City Hall Council Chambers
300 Main Street
North Little Rock, Arkansas

A Special Call meeting of the North Little Rock City Council scheduled for Monday, October 10, 2016, was called to order at 5:10 p.m. by the honorable Mayor JOE A. SMITH.

The roll having been called and the following Aldermen answered to their names: BETH WHITE, BRUCE FOUTCH, CHARLIE HIGHT, and MURRY WITCHER (4/0). The following members were not present: DEBI ROSS, MAURICE TAYLOR, LINDA ROBINSON, and STEVE BAXTER. City Clerk Diane Whitbey and City Attorney C. Jason Carter were also present.

Mayor Smith announced a Special Call meeting.

October 6, 2016

Special Meeting of the North Little Rock City Council

Honorable Members of the North Little Rock City Council:

The purpose of this e-mail is to advise you that Mayor Smith has called a special meeting of the North Little Rock City Council at **5:00 p.m.** on Monday, October 10, 2016, at City Hall Council Chambers, North Little Rock, Arkansas. The purpose of the meeting is:

1. To discuss the current actuarial valuation of the non-Uniform Pension Plan. A copy of the most recent valuation report is attached for your review.
2. To proceed with such business scheduled for the regular 6:00 p.m. meeting as may be desirable to the Council. However, any matter scheduled for public hearing may only be heard after 6:00 p.m. in accordance with previous notice.

Pursuant to Sec. 2-48(2) of the North Little Rock Municipal Code, you are entitled to 72 hours' *electronic* notice of this meeting. Please acknowledge receipt of this e-mail as soon as possible by replying to the same. A copy of your reply will automatically be sent to City Clerk Diane Whitbey.

Respectfully,
C. Jason Carter
City Attorney

Mayor Smith advised a quorum was present.

Mayor Smith said the condition of the Non-Uniformed Pension Plan has been a concern for several years. Investments have not provided returns as hoped. Also, a lot of employees are retiring which has affected the value of the fund. Alderman Witcher is on the Non-Uniformed Employees' Pension Board. At his request, staff began reviewing the situation. Mr. Jody Carreiro is the Actuary on the Defined Benefit Retirement Plan which covers non-uniformed employees, including Electric, Utilities Accounting (UAD), and the Library. Uniformed employees are covered by LOPFI. District Court Clerks are covered by APERS. As of January 1, 2016, there were 468 active employees participating in the plan. There were 177 retired (or families of) employees drawing monthly benefits. Current liabilities are around \$60 million (\$40 million active/\$20 million retired). Assets as of January 1, 2016, were 41.7 million and Unfunded Accrued Liability was at 18.6 million. Over the past eight years, expected benefits were less than contributions. However, in the past two years, that has changed. Benefits are now exceeding contributions. A chart illustrating recommended contributions was shown. The current contribution from the city and employees is 10%. A spreadsheet with valuation results was discussed. It is desirable that a public plan be funded at 80% or more. Mr. Carreiro compared the Non-Uniformed Plan to the Uniformed Plan (LOPFI), and APERS. Currently, non-uniformed employees pay 4% and the city pays 6%. Everyone in this plan is eligible for Social Security (6.2%). Uniformed employees (Police and Fire) do not participate in Social Security. The 2016 contribution of 6% equals approximately \$1.2 million. The current plan is mature and there is a need for additional contributions. GASB (Governmental Standards Accounting Board) 67 and 68 include the rules the city must follow. It was recommended that the city implement percentage increases over a period of time (up to 17%). For 2017, a 3% increase was recommended. Alderman Witcher briefly discussed the presentation and recommendations and advised the Non-Uniformed Employees' Pension Board has been considering options. He recommended the city increase its portion by 3% for 2017 and 1% for each consecutive year. Mayor Smith said this could be 1% per year beginning in 2018, up to the 17%. Mrs. Karen Scott, Finance Director said a 1% increase would equal about \$200,000.00. Total with other funds will be about \$600,000.00. On the motion of Alderman Witcher, an informal vote (show of hands) was taken on his previous recommendation (see above). All members present raised their hands (7/0). Alderman Foutch asked if lump sum payments were being made to non-vested employees when they leave the city. Mrs. Scott advised an employee receives only their contributions if they have not vested. Vested employees receive the entire amount of contribution (employee and city). Non-Uniformed Employees are vested after 10 years of service, with the exception of Department Heads who are vested after two years of service. Note: Alderwoman ROSS entered the council chambers at 5:32 p.m. Alderwoman ROBINSON entered the council chambers at 5:41 p.m. Alderman BAXTER entered the council chambers at 5:46 p.m. Mayor Smith then recessed the meeting at 5:51 p.m. Note: Alderman TAYLOR entered the council chambers at 5:51 p.m.

Mayor Smith reconvened the City Council meeting at 5:57 p.m.

The regular meeting of the North Little Rock City Council scheduled for Monday, September 26, 2016, was called to order at 5:57 p.m. by the Honorable Mayor Joe A. Smith.

Alderwoman White introduced her friend, Mrs. Sarah Thomas who led the prayer and pledge of allegiance.

On the motion of Alderman Witcher and seconded by Alderman Hight, and by consent of all members present, the minutes from the North Little Rock City Council meeting and Special Call meeting held on Monday, September 26, 2016, were approved, accepted and filed as prepared by the City Clerk (8/0).

On the motion of Alderman Taylor and seconded by Alderman Foutch, and by consent of all members present, communication #1 was accepted and filed (8/0).

1. Karen Scott, Finance Director – Chair Energy Risk Management Committee memorandum re: Energy Cost Recovery Rider (ECR) Adjustment Factor – October, 2016 – (\$.0045).

No one signed in to speak on legislation.

UNFINISHED BUSINESS

None.

CONSENT AGENDA

None filed.

NEW BUSINESS

R-16-158 (RESOLUTION NO. 9071 – ALDERMEN TAYLOR AND ROBINSON)

A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO AN AGREEMENT WITH MARLAR ENGINEERING CO., INC. TO PROVIDE ENGINEERING SERVICES FOR THE CONSTRUCTION OBSERVATION PHASE OF THE POE STREET DRAINAGE AND STREET IMPROVEMENT PROJECT FROM ALMA STREET TO GLENVIEW LANE, 42ND YEAR (2016) CDBG PROGRAM, IN THE LUMP SUM AMOUNT NOT TO EXCEED \$12,500.00; AND FOR OTHER PURPOSES, was read. On the motion of Alderman Taylor and seconded by Alderwoman Robinson, and by consent of all members present, the resolution was unanimously adopted (8/0).

R-16-159 (RESOLUTION NO. 9072 – ALDERMEN TAYLOR AND ROBINSON)

A RESOLUTION ACCEPTING THE BID OF AND AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO A CONTRACT WITH TOWNSHIP BUILDERS, INC. FOR POE STREET FROM ALMA TO MOSLEY STREET DRAINAGE IMPROVEMENT PROJECT, IN THE AMOUNT OF \$226,260.50; APPROPRIATING FROM 40TH YEAR (2014), 41ST YEAR (2015) AND

42ND YEAR (2016) CDBG PROGRAM FUNDS IN THE AMOUNT OF \$187,260.50 AND \$39,000.00 FROM WARD II DRAINAGE FUNDS; AND FOR OTHER PURPOSES, was read. On the motion of Alderwoman Robinson and seconded by Alderman Taylor, and by consent of all members present, the resolution was unanimously adopted (8/0).

R-16-160 (RESOLUTION NO. 9073 – MAYOR SMITH)

A RESOLUTION AUTHORIZING PARTICIPATION IN THE MUNICIPAL HEALTH BENEFIT FUND AND EXTENDING THE AGREEMENT WITH STEPHENS INSURANCE, LLC AS INSURANCE CONSULTANT; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES,

was read. A motion to adopt was made by Alderman Witcher and seconded by Alderman Hight. Alderwoman Ross was concerned with the 30 limit day for hospitalization and referenced new born and premature babies. To remove the limit would only be a difference of \$124,000.00. Mayor Smith said in the example given, the employee can go to the Board of Trustees and request a waiver. He said that in two years, there were only two instances of a person being in the hospital in excess of 30 days. The Municipal Health Benefit Fund covers 17,000 individuals. Mayor Smith said Ms. Tracey Pew, Arkansas Municipal League Fund Coordinator is a former HR (Human Resources) Director for the city of Russellville. Ms. Pew said a request for a waiver would go before the Municipal League's Health Benefits Board for consideration. A request could be made by the individual or the city on their behalf. Some voluntary activities and whether or not they were covered were discussed (skate boarding, sky diving, etc.). Alderman Hight asked about council coverage/benefits and Medicare. On the previous motion, and by consent of all members present, the resolution was unanimously adopted (8/0).

R-16-161 (RESOLUTION NO. 9074 – MAYOR SMITH)

A RESOLUTION CERTIFYING THE AMOUNT OF A CLEAN UP LIEN TO BE FILED WITH THE PULASKI COUNTY TAX COLLECTOR AGAINST CERTAIN REAL PROPERTY LOCATED AT 323 WEST 20TH STREET IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS; AND FOR OTHER PURPOSES,

was read. A motion to adopt was made by Alderman Witcher and seconded by Alderman Foutch. Mayor Smith convened a public hearing. There being no one present wishing to be heard, the public hearing was adjourned. On the previous motion, and by consent of all members present, the resolution was unanimously adopted (8/0). (*amount - \$3,277.80*)

R-16-162 (RESOLUTION NO. 9075 – MAYOR SMITH)

A RESOLUTION CERTIFYING THE AMOUNT OF A CLEAN UP LIEN TO BE FILED WITH THE PULASKI COUNTY TAX COLLECTOR AGAINST CERTAIN REAL PROPERTY LOCATED AT 119 EAST 14TH STREET IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS; AND FOR OTHER PURPOSES,

was read. A motion to adopt was made by Alderman Baxter and seconded by Alderman Taylor. Mayor Smith convened a public hearing. There being no one present wishing to be heard, the public hearing was adjourned. On the previous motion, and by consent of all members present, the resolution was unanimously adopted (8/0). (*amount - \$5,874.48*)

R-16-163 (RESOLUTION NO. 9076 – MAYOR SMITH)

A RESOLUTION CERTIFYING THE AMOUNT OF A CLEAN UP LIEN TO BE FILED WITH THE PULASKI COUNTY TAX COLLECTOR AGAINST CERTAIN REAL PROPERTY LOCATED AT 6501 HOLT ROAD IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS; AND FOR OTHER PURPOSES, was read. A motion to adopt was made by Alderman Witcher and seconded by Alderman Taylor. Mayor Smith convened a public hearing. There being no one present wishing to be heard, the public hearing was adjourned. On the previous motion, and by consent of all members present, the resolution was unanimously adopted (8/0). (\$3,471.08)

R-16-164 (RESOLUTION NO. 9077 – MAYOR SMITH)

A RESOLUTION APPROVING AND CERTIFYING AMOUNTS OF LIENS TO BE FILED WITH THE PULASKI COUNTY TAX COLLECTOR AGAINST CERTAIN REAL PROPERTIES IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS AS A RESULT OF GRASS CUTTING EXPENSES AND ABATEMENT OF OTHER NUISANCES; AND FOR OTHER PURPOSES, was read. A motion to adopt was made by Alderman Taylor and seconded by Alderman Foutch. Mayor Smith convened a public hearing. There being no one present wishing to be heard, the public hearing was adjourned. Alderwoman Ross asked about liens against the former Gloryland Church properties since those (may be) city properties now. Alderwoman White asked why the amount on the first lien was different from the rest. On the previous motion, and by consent of all members present, the resolution was unanimously adopted (8/0).

O-16-67 (ORDINANCE NO. 8847 – MAYOR SMITH)

AN ORDINANCE LEVYING A TAX ON ALL REAL AND PERSONAL PROPERTY WITHIN THE CITY OF NORTH LITTLE ROCK FOR THE POLICE PENSION AND RELIEF FUND, THE FIRE PENSION AND RELIEF FUND, THE MUNICIPAL LIBRARY FUND, AND THE NORTH LITTLE ROCK GENERAL FUND; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read. On the motion of Alderman Baxter and seconded by Alderman Foutch, and by consent of all members present, the readings were suspended (8/0). On the motion of Alderman Witcher and seconded by Alderman Foutch, and the roll having been called, and all members present, having voted in the affirmative, the ordinance was unanimously adopted (8/0). Emergency clause unanimously adopted (8/0). (*total - 10 mills*)

PUBLIC COMMENT

Mr. Ard said former city employee Jim Briley called him. He (Mr. Ard) had complained that his phone call was not returned. Mr. Ard said he (Mr. Briley) used profanity. Mr. John Owens, President/CEO North Little Rock Chamber of Commerce asked for support of Issue No. 3 aka Jobs For Arkansas. This would allow for economic development initiatives and put the city and state on an equal playing field with others in the region and United States. Mayor Smith and Little Rock Mayor Mark Stodola have endorsed the issue. Alderwoman White said Friends of the Old Mill will host an Open House, Tuesday, October 25, 2016, 2:00 – 6:00 p.m. Fire Chief Jim Murphy said Fire Fest will

be tomorrow (Tuesday, October 11, 2016), in the parking lot at Kroger on McCain. There will be fire trucks, activities for children and hot dogs.

There being no further business to come before the Council, and on the motion of Alderwoman Ross and seconded by Alderman Foutch, and by consent of all members present, the meeting was adjourned at 6:29 p.m. (8/0), until the next regularly scheduled meeting which will be held on Monday, October 24, 2016, at six o'clock p.m. in the City Council Chambers in City Hall, located at 300 Main Street, North Little Rock, Arkansas.

APPROVED: _____
MAYOR JOE A. SMITH

ATTEST: _____
DIANE WHITBEY, CITY CLERK