O-22- 14

**ORDINANCE NO. _____**

**AN ORDINANCE AMENDING THE NON-UNIFORMED EMPLOYEES' POLICY AND PROCEDURE MANUAL TO UPDATE POLICIES REGARDING THE NON-UNIFORMED EMPLOYEES RETIREMENT PLAN AND INCLEMENT WEATHER; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES.**

WHEREAS, Ordinance No. 7690 adopted by the City Council on February 28, 2005, codified by reference as §2-151 of the North Little Rock Municipal Code, established policies and procedures for non-uniformed employees ("Personnel Manual"), which has subsequently been amended by Ordinance Nos. 8115, 8249, 8258, 8393. 8516, 8525, 8584, 8710, 8713, 8732, 8767, 8770, 8777, 8783, 8789, 8819, 8880, 8883, 8975, 8976, 9072, and 9322; and

WHEREAS, there is a need to clarify language from Policy No. 5-012 of the Personnel Manual regarding inclement weather; and

WHEREAS, there is a need to update Policy No. 6-004 of the Personnel Manual to reflect the correct City and employee percentage contributions to the North Little Rock non-uniformed retirement plan.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the Policies and Procedure Manual for Non-Uniformed Employees of the City of North Little Rock adopted pursuant to Ordinance No. 7690 (codified by reference as § 2-151 of the North Little Rock Municipal Code), and amended pursuant to Ordinance Nos. 8115, 8249, 8258, 8393, 8516, 8525, 8584, 8710, 8713, 8732, 8767, 8770, 8777, 8783, 8789, 8819, 8880, 8883, 8975, 8976, 9072, and 9322 is hereby amended as follows:

Policy No. 5-012: Inclement Weather is hereby revised as shown in Exhibit "A" attached hereto and incorporated herein by reference.

Policy No. 6-004: Non-Uniformed Employees Retirement Plan is hereby revised as shown in Exhibit "B" attached hereto and incorporated herein by reference.

***Editor's Note: Edited text in exhibit is denoted as follows: Deleted text by ~~strikethrough~~; added text by underline.***

SECTION 2: That all ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 3: That the City Council has determined that the interests of the City and City employees can best be served by the adoption of the above amendment to the Policies and Procedure Manual for Non-Uniformed Employees of the City of North Little Rock; THEREFORE,

an emergency is hereby declared to exist, and this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Terry C. Hartwick

SPONSOR:

Terry C Hartwick

Mayor Terry C. Hartwick By: AF

ATTEST:

Diane Whitbey, City Clerk

APPROVED AS TO FORM:

Amy Beckman Fields, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/kt

FILED 10:40 A.M. _____ P.M.

By Amy Fields

DATE 2-22-22

**Diane Whitbey, City Clerk and Collector**
**North Little Rock, Arkansas**

RECEIVED BY

EXHIBIT
A



## INCLEMENT WEATHER

It is imperative that City services be maintained to the fullest extent possible during periods of inclement weather. Inclement weather includes, but is not limited to, storms, snow, ice, sleet, freezing rain, or flood. Employees should make every effort to report to work and/or to remain at work in the event inclement weather occurs during their work schedule. All employees are expected to arrive at the work place at their normal time unless conditions prevent them from doing so safely.

Employees necessary in providing essential services to the public during periods of inclement weather (such as sanding streets, barricading streets, providing customer service, manning telephones, restoring electric power, repairing traffic lights, providing 9-1-1/ rescue services, and other essential duties) shall report to work as scheduled. Employees likely to be called to work in cases of emergency are required to reside within a reasonable commuting distance of their places of work. "Reasonable community distance" is defined as the ability to commute to work from home in thirty (30) minutes or less.

Commuting distance or routine traffic congestion encountered on roads an employee must regularly travel to work will not be considered an excuse for tardiness, irregular attendance, or failure to report in a timely manner including during periods of inclement weather or emergencies when required.

When the Inclement Weather Policy is in effect, all employees classified as non-essential should arrive at their designated work stations at their designated regular start time or as soon as possible thereafter.

Tardiness may be excused early, up to, but not to exceed two (2) hours without charge to leave. Excused tardiness applies to personnel who have made an effort to arrive at work on time but have been hindered by inclement weather conditions. **This is not a blanket approval for an employee to be two (2) hours late.**

Employees arriving more than two (2) hours after their scheduled start time will be charged either annual leave, compensatory time or leave without pay calculated between their arrival time and their regularly scheduled start time. Employees not coming to work at all will be charged a full day's absence. In this event the employee will be charged either annual leave, compensatory time or leave without pay. Employees unable to report to work due to inclement **weather must notify their supervisor, or designated point of contact, prior to the beginning of their scheduled workday or as soon thereafter as possible.**

**Non-essential personnel maybe excused early, up to, but not exceed, two (2) hours at the end of the day without charge to leave; provided, however, they are at their duty station when the inclement weather policy is put into effect.**

In the event the Mayor closes city offices, ~~the entire day or portion of the day affected will be treated the same as for a holiday~~ employees scheduled to work on that day shall be paid for the entire day or portion of the day affected. However, the employee must be available for call back at the contact phone number provided by them to their department. Employees on approved leave when the office is closed will be charged for the leave as it was approved.

The inclement weather policy may be put into effect only by the Mayor or his/her designee. In the event of an early morning severe inclement weather condition, a determination will be made before 6:30 a.m., if possible. Once the Mayor or his/her designee has declared the inclement weather policy to be in effect, he/she will notify the North Little Rock Communications Department. The Communications Department will immediately notify by email all department heads and print, television, radio and Internet media outlets. Notification will also be posted on the front page of the city's website, Facebook and Twitter."

Department Heads will designate essential personnel within their department and give notice of the designation to all personnel. Even if the inclement weather policy is in effect or city offices have been closed, any or all employees may be called to report to work if their services are needed.

EXHIBIT B



## NON-UNIFORMED EMPLOYEES RETIREMENT PLAN

The following paragraphs are provided to give a brief summary of the major provisions of the City of North Little Rock Non-Uniformed Employees' Pension Plan. The complete Plan and Trust document, as restated in Ordinance No. O-21-05 passed by the City Council on January 25, 2021, may be reviewed in the City Clerk's Office, the Finance Department, or the Human Resources Department. In the event of a conflict between the information provided herein and the provisions contained in the complete Plan and Trust document, the complete Plan and Trust Document will be the ruling authority.

**Definitions**

"Final Average Compensation" - For a member other than an elected official of the City, the average annual Compensation of his five (5) highest calendar years regardless of whether those five (5) years are consecutive and regardless of whether those five (5) years are included in whole or in part in the Employee's Credited Service; provided that, if the member's entire period of service is less than the specified period, the member's Final Average Compensation shall be determined by averaging (on an annual basis) the Compensation received by the member during the member's entire period of service for the City. With regard to a member who is an elected official of the City, Final Average Compensation shall mean the annual Compensation received during his or her final twelve (12) months of City Service.

"Joint and Survivor Annuity" - An immediate annuity for the life of the member with a survivor annuity for the life of the spouse which is not less than fifty percent (50%) and not more than one hundred percent (100%) of the amount of the annuity which is payable during the joint lives of the member and the spouse and which is the amount of benefit that is the actuarial equivalent of the normal form of benefit, or, if greater, any optional form of benefit.

"Member" - Any employee included in the membership of the Retirement System.

"Normal Retirement Age" - The earlier of the member's attainment of age sixty-two (62) and ten (10) years of Credited Service or his attainment of age sixty-five (65), unless otherwise provided herein.

"Normal Retirement Benefit" - The benefit of a member payable upon attainment of his Normal Retirement Date as set forth herein.

"Normal Retirement Date" - The first day of the month coincident with or next following the date the Normal Retirement Age is attained.

"Past Service" - For each Employee, the total of the number of years for which he is entitled to service credit under the plan prior to January 1, 1977.

"Plan Administrator" - The City of North Little Rock Retirement Board, which shall be appointed and operate in accordance with the provisions of Article III herein.

"Prior Service" - City Service rendered by an employee before January 1, 1977.

"Prior Plan" - shall mean the plan which existed prior to January 1, 1977, and/or prior to January 1, 1988.

"Retirement System" or "Plan" - The Retirement System of the City of North Little Rock provided for in this Agreement, together with any amendments or supplements thereto.

"Spouse" - A person who was lawfully married to a Member at the time of his death and who survives the Member.

"Straight Life Annuity" - An annuity payable in equal installments over the life of the Member that terminates upon the Member's death.

"Vested Interest" - The Employee's non-forfeitable interest in benefits of the Plan attributable to City Contributions.

"Year(s) of Credited Service" - The total of the following:

(a) Years of Service prior to January 1, 1977, for which the Employee is entitled to service credit as the result of his participation in the Plan prior to its amendment and restatement.

(b) Years of Service on and after January 1, 1977, for which the Employee has made Contributions required for participation in the Plan.

"Year of Service": Twelve (12) consecutive completed calendar months during which a Member has City Service. A Member who is employed for less than twelve (12) completed calendar months since last completing a full calendar year of City Service shall be given credit for a partial Year of Service, based on the number of completed calendar months of employment prior to the date of the Member's termination of employment.

**Eligibility Requirements**
All employees shall be Members and be included in the Retirement System as a condition of continuing in or obtaining employment with the City.

**Commencement of Participation**
Participation in the Retirement System shall commence on the employee's Entry Date. Each employee becoming a member of the Retirement System shall be subject to all of the provisions of the Plan and all amendments thereto and to all rules and regulations adopted from time to time by the Retirement Board.

**Termination of Participation**
A member shall remain a member until the entire amount of his Benefit is distributed to him or his Beneficiary in the event of his death under the terms of this Plan.

**Amount of Contributions**
Member Contributions. At the current time, the rate of contributions for members is ~~five percent~~ five point two five percent (~~5%~~ 5.25%) of each member's compensation from the city. Contributions are accomplished through payroll withholdings, which percentage may be changed by the City Council.

**City Contributions**
At the current time, the City's aggregate monthly payment shall be ~~eleven point eight five percent~~ twelve point three five percent (~~11.85%~~ 12.35%) of the total compensation of each member, which percentage may be changed by the City Council.

**Payment of Retirement Allowances**
All Retirement Allowances granted shall be paid in monthly installments.

**Benefit**
The amount of any form of benefit under the terms of the plan will be the actuarial equivalent of the member's accrued benefit in the normal form commencing at normal retirement age.

**Normal Retirement**
Qualification for full service benefits under normal retirement for a member, other than for an elected official, occurs when he reaches his normal retirement date. Any member reaching his normal retirement date may retire thereafter by submitting written application to the retirement board at least thirty (30) days prior to his actual retirement date.

**Normal Retirement Allowance**
Upon reaching his normal retirement date, a member other than an elected official shall be entitled to receive a lifetime normal retirement allowance equal to the monthly benefit determined under the following formula:

> 1.8% of the member's Final Average Compensation (as defined in the "Definitions" section) multiplied by the member's number of Years of Credited Service.

The retirement allowance of a currently-employed member who retires after having attained the age of 65 with a minimum of twenty (20) years of credited service or who retires after having attained the age of 62 with a minimum of thirty (30) years of

credited service will be calculated using the following formula:

2.0% of the member's Final Average Compensation(as defined in the "Definitions" section) multiplied by the member's number of Years of Credited Service/

**Early Retirement**

Any member, other than an elected official, shall be eligible for Early Retirement at such time that the member has completed at least ten (10) Years of Credited Service, provided that no Early Retirement shall commence more than eighty-four (84) months prior to the Member's attainment of the earliest Normal Retirement Age.

**Early Retirement Allowance**

Any member who has satisfied the requirements for Early Retirement shall receive, beginning as of his Early Retirement Date, an Early Retirement Allowance determined as set forth in section above, which is unreduced when the Early Retirement Date occurs on or after the member's sixtieth (60th) birthday. The Early Retirement Allowance for retirements commencing prior to attainment of age sixty (60) shall be reduced by 1/3 of 1 percent per month times the number of months or partial months by which the Early Retirement Date precedes the member's attainment of age 60.

**Disability Retirement**

Any member, other than an elected official, shall be eligible to exercise the Disability Retirement Allowance option described below if he becomes totally and permanently disabled after having attained the age of fifty (50) and having ten (10) Years of Credited Service. A member who is an elected official of the City shall be eligible to exercise the Disability Retirement Allowance option if he becomes totally and permanently disabled after serving at least four (4) Years of Credited Service as an elected official.

A member shall be considered to be totally and permanently disabled for the purpose of payment of a Disability Retirement Allowance upon the determination of the examination of two disinterested physicians appointed by the Retirement Board whose reports reflect the date that disability commenced and that such member is mentally or physically incapacitated so as to be wholly unable to properly further perform his duties in City Service. Provided, however, that any member found to be totally and permanently disabled for purposes of Social Security benefits shall be eligible for a Disability Retirement Allowance. All determinations in connection with the permanence and degree of such disability shall be made by the Retirement Board in a uniform, nondiscriminatory manner on the basis of medical evidence

**Disability Retirement Allowance**

Any member who becomes totally and permanently disabled after having ten (10) Years of Credited Service shall have the option to either:

(i) Take a lump sum payment at the time of his commencement of disability equal to the sum of Contributions made by the member and by the City for that Member prior to that Member's commencement of disability; or

(ii) Upon reaching the age of fifty (50) and having ten (10) Years of Credited Service receive a Normal Retirement Allowance as provided for above.

The Joint Survivor Option is not available to employees under the disability option.

**Joint and Survivor Option (*not available to members under the disability retirement option*)**

By filing an application with the Retirement Board at least ninety (90) days in advance of his scheduled Retirement Date, a member may designate his Spouse to receive a pension payable in the form of a joint and survivor annuity, in lieu of a pension to which he may otherwise have been entitled upon Normal or Early Retirement. In such event, the member shall receive an actuarially reduced pension payable for his life, which, after such member's death, a percentage of the pension payable to the member shall be payable to the contingent pensioner during the contingent pensioner's lifetime, based upon prior election by the member. The aggregate of the pension payments expected to be made to a member and his contingent pensioner under the joint and survivor option shall be the actuarial equivalent of the pension which the member would have otherwise been entitled to receive upon his Normal or Early Retirement. Provisions applicable to the joint and survivor annuity are set forth hereafter in the section entitled, "Distributions."

**Termination of Option**

Any optional retirement benefit election made shall become inoperative in the event that the member's death occurred prior to the date of his retirement, or the member's spouse is not surviving (in the event that a joint and survivor option is elected on the member's retirement date), or the member's retirement occurs as a result of disability.

**Rollover Option in Lieu of Retirement Allowance**
By filing application with the Retirement Board at least thirty (30) days in advance of his or her scheduled retirement date, an employee may elect the option of having his or her Vested Interest rolled over into another qualified pension fund or Individual Retirement Account. Provisions applicable to this option are set forth hereafter in the Section entitled, "Portability. "

**Death While In City Service**
If a member shall die while in City Service, an annuity of fifty percent (50%) of such member's Accrued Retirement Benefits, computed using his Credited Service and Compensation to the date of death, shall be payable to his spouse, provided that such deceased member shall have then attained age fifty (50), shall have been married to said spouse for one (1) year, and shall have completed ten (10) Years of Credited Service. If the employee's death occurs after his having reached age fifty-five (55), the annuity benefit shall not be less than 100% joint survivor benefit computed as of the date of the employee's death, payable for the life of the spouse provided that the employee shall have been married to said spouse for one (1) year, and shall have completed ten (10) Years of Credited Service.

**Death After Retirement**
If a Member shall die following his Normal Retirement or Early Retirement from City Service, his beneficiaries will receive the excess, if any, of the Member's Accumulated Contributions with Interest, over the retirement benefits previously received by such Member.

**Death After Disability Retirement**
If a member has been retired from City Service due to total and permanent disability and thereafter dies, and if that member had previously taken a lump sum payment at the commencement of disability upon becoming disabled, then the member's Beneficiary is entitled to no annuity or other benefits under this Plan upon the Member's death.

If, however, a member has been retired from City Service due to total and permanent disability and thereafter dies, and if that member had previously received a pension allowance upon becoming disabled, then the member's Beneficiary shall receive the excess, if any, of the Member's Accumulated Contributions with Interest, over the retirement benefits previously received by such Member.

**Separation Benefits**
(a) Any member terminating his City Service without being eligible for Normal Retirement, Early Retirement or Disability Retirement, all as defined herein, shall in such event receive his Accumulated Contributions with Interest to the date of his termination of employment. Provided however, that any such terminating member who has a one hundred percent (100%) vested and nonforfeitable interest in his City Contributions account shall have the option to select one (1) of the following forms of Separation Benefits:

1) The member may receive his Accumulated Contributions with Interest as set out above in a lump sum payment; or
2) Upon reaching Normal Retirement Age, the member may receive a Normal Retirement Allowance or,

(b) The member must exercise one of the options listed in Paragraph (a) within thirty (30) days of his separation from City Service.

**Employee Contributions**
Anything contained herein to the contrary notwithstanding, upon the separation from City Service or upon the death of an employee who is not eligible for Death Benefits, an employee or his beneficiary or his estate may withdraw all of his Employee Contributions plus interest at the rate of four percent (4%) per annum to the date of separation from City Service or the date of death.

***NOTE: Employees considering lump sum distributions should discuss all options with their tax advisor prior to making a decision because of potentially costly IRS withholding requirements.***

**Discharge for Cause**
In the event a member is discharged from City Service because of his proven or admitted embezzlement or fraud connected with his employment, or his proven or admitted conversion or misappropriation of City property, neither he nor his spouse nor other beneficiaries shall be entitled to receive any benefits, except as provided in the following, from the Retirement System regardless of his age and service on the date of his discharge. In applying this provision, any indebtedness owed to the City by a dismissed member due to his proven or admitted embezzlement, fraud, conversion or misappropriation, shall constitute a lien upon such member's accrued benefits in the Retirement System and such lien shall be discharged by payment, on behalf of the dismissed member, from such accrued benefits. From any remaining accrued benefits, a dismissed member shall be paid his own respective

Contributions to the Retirement System, without interest, with any balance being forfeited and applied to reduce the cost of the Retirement System to the City.

**Vesting**

Employee Contributions.

Each member shall at all times be one hundred percent (100%) vested and have a nonforfeitable interest in his Employee Contributions Account.

Employer Contributions.

(a) Subject to Section 2.4.2 of the Plan, if the employment of a member terminates by reason of resignation or discharge prior to his Normal Retirement Date, he shall be vested and have a nonforfeitable interest in a percentage of his Vested Retirement Benefit, determined, unless otherwise specified under the Plan, by taking into account all of his Years of Service as of such termination date in accordance with the following vesting schedule:

| Years of Credited Service | Percent Vested |
|---|---|
| Less than 10 | 0% |
| 10 or more | 100% |

(b) Employees who are appointed and do not have a right to appeal a discharge from employment shall be 100% vested in the Employer Contribution Account immediately following the completion of two (2) full Years of Credited Service.

**Spousal Consent Required for Waiver of Joint and Survivor Annuity**

An election to waive any annuity form of benefit shall not take effect unless:

- the spouse of the member consents in writing to the election;
- the election designates a beneficiary or a form of benefits which may not be changed without spousal consent (or the consent of the spouse expressly permits designations by the member without any requirement of further consent by the spouse);
- the spouse's consent acknowledges the effect of such election and is witnessed by a Plan representative or a notary public; or
- it is established to the satisfaction of the Plan Administrator that such consent cannot be obtained because there is no spouse, because the spouse cannot be located, or because of other circumstances permitted by applicable regulations.

A spouse may not revoke the consent without the approval of the member. The designation of a beneficiary other than the spouse of the member with the consent of such spouse and any consent must acknowledge the specific non-spouse beneficiary, including any class of beneficiaries or any contingent beneficiaries.

**Loans Prohibited**

No loans of any assets of the Plan shall be made to any members or beneficiaries.