

**MEETING DATE:** 5/7/2024**DEPARTMENT:** Administration**AGENDA ITEM:** Resolution 1351, approving changes under the Missouri Local Government Employees Retirement System

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**REQUESTED BOARD ACTION:**

Motion to approve Resolution 1351, approving changes under the Missouri Local Government Employees' Retirement System.

**SUMMARY:**

At the March 5 Work Session, staff presented the 3-month FY2024 Budget performance for the General Fund. As discussed during the FY2024 Budget development, staff proposed revisiting the city's LAGERS defined benefit retirement plan. Information regarding this change was included in the City Administrator's report on March 19. Currently the City is enrolled in the L-7 (1.5% benefit multiplier) program. Based on Board of Aldermen direction, staff is recommending adjusting the program level to L-12 (1.75% benefit multiplier).

Changes to the retirement plan are outlined by statute and require a supplemental actuarial valuation. This study has been requested and received. Statute further requires that the valuation be made available for public inspection for at least 45 calendar days before the Board may take action to approve a resolution adopting proposed changes. The document was available on the City's website beginning Wednesday, March 20. This resolution formally adopts these changes. If approved, the change to the retirement program level will be effective July 1.

**PREVIOUS ACTION:**

Board discussion during FY2024 budget discussions and revisited at the FY2024 Q1 Budget Update.

**POLICY ISSUE:**

Employee recruitment and retention.

**FINANCIAL CONSIDERATIONS:**

Funds to cover changes to the retirement program would require a budget amendment of \$36,000.75 to the General Fund, and \$12,078.81 CWWS Fund.

**ATTACHMENTS:**

- |   |                                   |
|---|-----------------------------------|
| <input type="checkbox"/> Ordinance  | <input type="checkbox"/> Contract |
| <input checked="" type="checkbox"/> Resolution  | <input type="checkbox"/> Plans    |
| <input type="checkbox"/> Staff Report   | <input type="checkbox"/> Minutes  |
| <input checked="" type="checkbox"/> Other: <a href="#">Supplemental actuarial valuation</a> |                                   |

## RESOLUTION 1351

### A RESOLUTION APPROVING CHANGES UNDER THE MISSOURI LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM

**WHEREAS**, the Board of Aldermen of the City of Smithville has complied with the notice and filing requirements of Section 105.675 RSMo; and

**WHEREAS**, the City Council of the City of Smithville understands that, by adopting this benefit change, the City Council of the City of Smithville is accepting the legal obligation to fund the elected benefits now and in the future and that it will be financially able to do so; and

**WHEREAS**, the fiscal officer of the City of Smithville is authorized to deduct from the wages or salaries of each employee member, the employee contributions, if any, required by Section 70.705, RSMo, and to promptly remit such contributions to LAGERS, along with the employer contributions required by Sections 70.705, 70.730, and 70.735 RSMo.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Smithville, an employer under the Missouri Local Government Employees Retirement System (LAGERS), hereby elects the following:

- To adopt a change in the Benefit Program of covered employees, changing to Benefit Program L-12 in accordance with 70.655 RSMo.

The City Clerk shall certify this election to the Missouri Local Government Employees Retirement System within ten days hereof. Such election shall be effective the first day of July 2024.

**PASSED AND ADOPTED** by the Board of Aldermen and **APPROVED** by the Mayor of the City of Smithville, Missouri, the 7<sup>th</sup> day of May 2024.

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Damien Boley, Mayor

ATTEST:

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Linda Drummond, City Clerk