

RECOMMENDATION

Approval of the ordinance.

BACKGROUND

The Review Committee appointed to study the various benefit increase amounts for members of the closed Police Pension and Relief Fund and their survivors met to evaluate the latest actuarial evaluation prepared by Osborne, Carreiro and Associates as authorized in Ordinance No. 22,155 (July 19, 2022). The Committee included: City Manager Bruce T. Moore (chair); City Director Joan Adcock; and five (5) retired members of the Pension Fund. The Committee evaluated multiple Cost of Living Adjustment (COLA) options and monthly benefit increases and concluded that a monthly benefit increase amount of \$250.00 retroactive to January 1, 2022, should be requested for all paid recipients and survivors, excluding alternate payees under a Qualified Domestic Relations Order. The proposed increase amount was submitted to the Arkansas Local Police and Fire Retirement System (LOPFI) System Actuarial Firm, Gabriel, Roeder, Smith & Company to determine the increase in funding required from the City to implement the benefit increase. The Little Rock Board of Directors must approve any benefit increase.

Ordinance No. 20,805 (October 15, 2013), transferred administration of retirement coverage for eligible members of the Little Rock Police Pension and Relief Fund to LOPFI and authorized the City Manager to enter into an irrevocable agreement, using a twenty-five (25)-year closed amortization schedule. Included in the ordinance is a commitment to review and reconsider a COLA on a reoccurring three (3)-year basis until the conclusion of the closed twenty-five (25)-year amortization period (now seventeen (17)-years). The recommendation presented is the result of the third three (3)-year review.