

RECOMMENDATION

Approval of the ordinance.

BACKGROUND

The Review Committee appointed to study the various benefit increase amounts for members of the closed Firemen’s Relief and Pension Fund and their survivors met to evaluate the latest actuarial evaluation prepared by Osborne, Carreiro and Associates as authorized in Ordinance No. 22,099 (March 8, 2022). The Committee included: City Manager Bruce T. Moore (chair); City Director Joan Adcock; and three (3) 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. 21,639 (October 16, 2018), transferred administration of retirement coverage for eligible members of the Little Rock Firemen’s Relief and Pension 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 twenty-two (22)-years). The recommendation presented is the result of the first three (3)-year review.