1	ORDINANCE NO
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3	AN ORDINANCE TO DECLARE IT IMPRACTICAL AND UNFEASIBLE
4	TO BID; TO AUTHORIZE OSBORN, CARREIRO & ASSOCIATES, INC.,
5	TO PERFORM AN ACTUARIAL EVALUATION AND STRESS TESTING,
6	AT A COST NOT TO EXCEED SIX THOUSAND, SEVEN HUNDRED
7	FIFTY DOLLARS (\$6,750.00), FOR THE PURPOSE OF EVALUATING
8	THE FEASIBILITY OF VARIOUS BENEFIT INCREASE AMOUNTS FOR
9	MEMBERS OF THE LITTLE ROCK POLICE PENSION AND RELIEF
10	FUND, NOW ADMINISTERED BY THE ARKANSAS LOCAL POLICE
11	AND FIRE RETIREMENT SYSTEM; TO DECLARE AN EMERGENCY;
12	AND FOR OTHER PURPOSES.
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14	WHEREAS, in Little Rock, Ark., Ordinance No. 20,805 (October 15, 2013) ("LRO No. 20,805"), the
15	Board of Directors of the City of Little Rock, upon request by the Board of Trustees of the Little Rock
16	Police Pension and Relief Fund, transferred the administration of the Little Rock Police Pension and Relief
17	Fund, which applies to eligible Police Officers who were hired by the Little Rock Police Department prior
18	to January 1, 1983, to the Arkansas Local Police and Fire Retirement System ("LOPFI"); and,
19	WHEREAS, Section 4 of LRO No. 20,805, made an initial monthly increase in benefits and permitted
20	a review every three (3) years regarding a possible additional increase or Cost of Living Adjustment; and,
21	WHEREAS, while State Statute requires that benefit increases follow State Law, this is no longer
22	completely possible due to the fact that the Board of Trustees of the Little Rock Police Pension and Relief
23	Fund was disbanded, so based upon the representations of LOPFI and Section 5 of LRO No. 20,805,
24	substitutes an ordinance from the Board of Directors of the City of Little Rock to authorize such an increase;
25	and,
26	WHEREAS, an Actuarial Evaluation must be performed to assure that the proposed benefit increase
27	amount can be amortized over the remaining nineteen (19)-year period as set forth in Section 5 of LRO No.
28	20,705, before the proposed benefit increase will be brought to the Board of Directors for consideration;
29	and,
30	WHEREAS, the Actuarial Evaluation and Stress Testing required to formulate a recommendation,
31	builds on prior analysis performed by the firm of Osborn, Carreiro & Associates, Inc., as the Arkansas State
32	Police and Fire Pension Review Board ("PRB") Actuary, prior to the transfer of the administration of the
33	Little Rock Police Pension and Relief Fund to the Arkansas Local Police and Fire Retirement System
34	("LOPFI"); and,

- WHEREAS, the firm of Osborn, Carreiro & Associates, Inc., performed the Actuarial Evaluation and
- 2 Stress Testing for the first three (3)-year review conducted in 2017, which resulted in an additional One
- 3 Hundred Fifty Dollars (\$150.00) per month benefit increase to all retiree and survivor accounts beginning
- 4 January 1, 2018, authorized by LRO No. 21,473 (September 7, 2017); and,
- 5 WHEREAS, the Actuarial Evaluation and Stress Testing requires specialized knowledge of the
- 6 dedicated pension funding streams, member population, and current benefits, and gaining an understanding
- 7 of this knowledge would result in additional time and cost.
- 8 NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF
- 9 LITTLE ROCK, ARKANSAS:
- Section 1. The Board of Directors declares it to be impractical and unfeasible to competitively select
- actuarial services for the purpose of evaluating and stress testing the feasibility of various benefit increase
- amounts for members of the Little Rock Police Pension and Relief fund, now administered by LOPFI.
- Section 2. The Mayor or City Manager is authorized to enter into a Sole-Source Contract with Osborn,
- 14 Carreiro & Associates, Inc., for an amount not to exceed Six Thousand, Seven Hundred Fifty Dollars
- 15 (\$6,750.00).
- Section 3. Severability. In the event any title, subtitle, section, subsection, subdivision, paragraph,
- subparagraph, item, sentence, clause, phrase, or work of this ordinance is declared or adjudged to be invalid
- or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance
- which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitu-
- 20 tional was not originally a part of this ordinance.
- 21 **Section 4.** Repealer. All ordinances, resolutions, or parts of the same that are inconsistent with the
- 22 provisions of this ordinance are hereby repealed to the extent of such inconsistency including, but not
- 23 limited to, Little Rock, Ark., Ordinance No. 20,805 (October 15, 2013), and Little Rock, Ark, Ordinance
- 24 No. 21,473 (September 7, 2017).
- Section 5. *Emergency Clause.* The ability to adequately provide retirement benefits for retired Little
- 26 Rock Police Officers and eligible survivors who, among other things, are not a part of the Federal Social
- 27 Security System for their work as police officers is essential to the public health safety and welfare and this
- 28 fact is exacerbated when certain deadlines set by LOPFI require this action regarding an increase by the
- 29 month of September before a benefit increase can occur the following January; further, the necessity to
- 30 complete the evaluation and stress testing prior to a recommendation for consideration by the Little Rock
- 31 City Board of Directors, and the need to clarify the period of amortization as nineteen (19) years, instead
- 32 of twenty-two (22) years, for the irrevocable agreement between the City and LOPF is also essential; an
- 33 emergency is declared to exist and this ordinance shall be in full force and effect from and after the date of
- 34 its passage.
- 35 **PASSED:** February 18, 2020

1	ATTEST:	APPROVED:	
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4	Susan Langley, City Clerk	Frank Scott, Jr., Mayor	
5	APPROVED AS TO LEGAL FORM:		
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7 8	Thomas M. Carpenter, City Attorney		
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