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), the Board of Directors
15	of the City of Little Rock, Arkansas, upon request by the Board of Trustees of the Little Rock Police Pension
16	and Relief Fund, transferred the administration of the Little Rock Police Pension and Relief Fund, which
17	applies to eligible Officers who were hired by the Little Rock Police Department prior to January 1, 1983,
18	to the Arkansas Local Police and Fire Retirement System ("LOPFI"); and,
19	WHEREAS, Section 4 of Ordinance No. 20,805, made an initial monthly increase in benefits and
20	permitted a review every three (3) years regarding a possible additional increase or Cost of Living
21	Adjustment; and,
22	WHEREAS, while Arkansas State Statute requires that benefit increases follow Arkansas State Law,
23	this is no longer completely possible because the Board of Trustees of the Little Rock Police Pension and
24	Relief Fund was disbanded, so based upon the representations of LOPFI and Section 5 of Ordinance No.
25	20,805, substitutes an ordinance from the Board of Directors of the City of Little Rock to authorize such an
26	increase; and,
27	WHEREAS, an Actuarial Evaluation must be performed to assure the proposed benefit increase
28	amount can be amortized over the remaining seventeen (17)-year period as set forth in Section 5 of
29	Ordinance No. 21,805, before the proposed benefit increase will be brought to the Board of Directors for
30	consideration; and,
31	WHEREAS, the Actuarial Evaluation and Stress Testing required to formulate a recommendation,
32	builds on prior analysis performed by the firm of Osborn, Carreiro & Associates, Inc., as the Arkansas State
33	Police and Fire Pension Review Board, prior to the transfer of the administration of the Little Rock Police
34	Pension and Relief Fund to 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, as authorized by Ordinance No. 21,473 (September 7, 2017); and,
- 5 **WHEREAS**, the second three (3)-year review conducted in 2020 based on the Actuarial Valuation by
- 6 the LOPFI System Actuarial Firm of GRS Consulting did not result in a benefit increase due to the funding
- status of the plan as of December 31, 2019, and the uncertainty cause by the COVID-19 Pandemic; and,
- 8 WHEREAS, the Actuarial Evaluation and Stress Testing requires specialized knowledge of the
- 9 dedicated pension funding streams, member population, and current benefits, and gaining an understanding
- of this knowledge would result in additional time and cost.
- 11 NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF
- 12 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 City Manager is authorized to enter into a Sole-Source Contract with Osborn, Carreiro
- 47 & Associates, Inc., for an amount not to exceed Six Thousand, Seven Hundred Fifty Dollars (\$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
- 20 or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance
- 21 which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitu-
- 22 tional was not originally a part of this ordinance.
- 23 **Section 4.** Repealer. All ordinances, resolutions, or parts of the same that are inconsistent with the
- 24 provisions of this ordinance are hereby repealed to the extent of such inconsistency including, but not
- limited to, Little Rock, Ark., Ordinance No. 20,805, and Ordinance No. 21,473 (September 7, 2017).
- Section 5. *Emergency Clause*. The ability to adequately provide retirement benefits for retired Little
- 27 Rock Police Officers and eligible survivors who, among other things, are not a part of the Federal Social
- 28 Security System for their work as Officers is essential to the public health safety and welfare and this fact
- 29 is exacerbated when certain deadlines set by LOPFI require this action regarding an increase by the month
- 30 of September before a benefit increase can occur; further, the necessity to complete the evaluation and
- 31 stress testing prior to a recommendation for consideration by the Little Rock City Board of Directors, and
- 32 the need to clarify the period of amortization as seventeen (17) years, instead of twenty-five (25) years, for
- 33 the irrevocable agreement between the City and LOPFI is also essential; an emergency is declared to exist
- 34 and this ordinance shall be in full force and effect from and after the date of its passage.
- 35 **PASSED:** July 19, 2022

ATTEST:	APPROVED:
Susan Langley, City Clerk	Frank Scott, Jr., Mayor
APPROVED AS TO LEGAL FORM:	
Thomas M. Carpenter, City Attorney	-
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