

Minutes of
Local Police and Fire Retirement System
and
The Arkansas Fire and Police Pension Review Board
Administrative Services Committee Meeting

Members of the Administrative Services Committee (ASC) of the Local Police and Fire Retirement System (LOPFI) and the Arkansas Fire and Police Pension Review Board (PRB), met by video conference on Thursday, November 3, 2022 with the meeting originating from the LOPFI office located at 620 W. 3rd, Suite 200, Little Rock, Arkansas.

Members Present: John Neal, Retired Fire Employee Trustee, LOPFI Chairman
J. Scott Baxter, Police Employee Trustee, LOPFI Vice-Chairman
Mayor Gary Baxter, Employer Trustee
Bill Lundy*, Fire Employee Member, PRB Chairman
**Attended in-person at the LOPFI office*

Excused Member: Rusty Watson, Police Employee Member

Staff Present: David Clark, Executive Director
Laura Nixon, Assistant Director
Lesley Weaver, Secretary to the Committee

Chairman Neal called the meeting to order at 10:05 a.m. and recognized a quorum and notification of news media. Mr. Lundy made a motion, seconded by Mr. G. Baxter, to excuse Mr. Watson. The motion passed unanimously.

Approval of Minutes

Mr. J. S. Baxter made a motion, seconded by Mr. G. Baxter, to approve the June 9, 2022 ASC minutes. The motion passed unanimously.

Review of 2023 Budget Items

Mr. Clark stated the 2023 proposed budget consists of two (2) items:

Item 1. Review of staff salaries for compliance with ACA 24-10-204: Mr. Clark stated a function of the ASC is to conduct an annual review of staff salaries. The meeting packet included a Compensation Study of LOPFI staff salaries with comparative salaries used in the state pay scale. The limited number of agency staff (currently seven filled positions) has more responsibility incorporated into each position than those of similarly titled positions in the state pay plan. Our business model insists that continual cross-training occurs to ensure the base of knowledge, skills, and abilities is spread across multiple staff members. This method of operation is useful for succession planning and ensures staff delivers accurate, timely, detailed, and friendly service. Mr. Clark noted the 2023 Legislative Session may see an update to the state pay plan, which could lead to amendments to the Agency salary ranges with the 2024 budgets. If the state pay plan implements the potential changes currently being proposed, it will result in a 20% increase for the Agency's current salary ranges.

Item 2. COLA for 2023: Mr. Clark stated the September 2021 to September 2022 measurement period reflected an 8.2% increase in the Consumer Price Index. Chairman Neal noted all items less food and energy index rose 6.6% over the last 12 months and was comfortable with either a

6.6% or an 8.2% increase. If a COLA is approved, it would be added to the existing salary ranges, except for the executive director and assistant director positions, to hold the ranges consistent with market conditions. This would ensure consistent recognition of the change in the CPI measurement period. A onetime lumpsum COLA payment would be awarded to the executive director and assistant director positions because the current range structure for both positions does not allow for any movement upward. All ASC members commended staff for their efficient delivery of service, how well each person performs, and stated positive feedback about staff interactions with members is received often. Mr. G. Baxter made a motion, seconded by Mr. J. S. Baxter, to approve an 8.2% COLA for the chief financial officer, accountant II, and all membership services positions and an 8.2% onetime lumpsum COLA payment for the executive director and assistant director positions effective January 1, 2023. The motion passed unanimously. Mr. Clark thanked the ASC and advised he would share this feedback with staff.

Confirm timing of June 2023 ASC meeting

Mr. Clark asked if the ASC wanted to continue the practice of holding the June ASC meeting on the same day as the June LOPFI meeting at 9:30 a.m. When the June 2023 LOPFI meeting date is set it will be provided to the ASC. The ASC agreed to continue with this schedule.

With no other business, the ASC adjourned at 10:35 a.m.

Respectfully submitted,

Approved 6/1/2023

Lesley Weaver
Recording Secretary to the Committee