

ORDINANCE NO. 2022-03

AN ORDINANCE TRANSFERRING ADMINISTRATION OF RETIREMENT COVERAGE FOR ELIGIBLE MEMBERS OF THE GASSVILLE FIRE RELIEF AND PENSION FUND TO THE ARKANSAS LOCAL POLICE AND FIRE RETIREMENT SYSTEM (LOPFI) AND AUTHORIZING THE CHIEF ADMINISTRATIVE OFFICER TO ENTER INTO AN IRREVOCABLE AGREEMENT WITH LOPFI.

WHEREAS, the Board of Trustees of the GASSVILLE Fire Relief and Pension Fund (Local Plan) has elected to have its Local Plan administered by LOPFI as stated by Resolution dated July 13, 2022, and that

WHEREAS, the Board of Trustees has requested by Resolution that the City of GASSVILLE, Arkansas to act as its agent henceforth.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GASSVILLE, ARKANSAS:

SECTION 1. If accepted by LOPFI, the administration of the GASSVILLE Fire Relief and Pension Fund (Local Plan) shall be transferred to LOPFI under authority of Arkansas Code Annotated 24-10-101 et. seq., as amended. Such transfer shall mean the administration of the Local Plan only and not a change in the Local Plan's benefit program unless a benefit increase is formally approved by the City of GASSVILLE, Arkansas, by Ordinance. With the passage of this Ordinance, a three percent (3%) compound Cost of Living Adjustment (COLA) shall be added to the benefit program of the Local Plan. This COLA will be awarded each July 1st according to LOPFI guidelines.

SECTION 2. The Chief Administrative Officer is hereby authorized to enter into an irrevocable agreement, using a fifteen (15) year amortization schedule, with LOPFI to administer the Local Plan as stated in Section 1 hereof.

SECTION 3. It is the intent of the City Council and it is hereby ordained that the provisions of this Ordinance shall be codified into the Code of Ordinances of GASSVILLE, Arkansas and the sections thereof may be re-numbered and re-lettered as necessary to accomplish such intention.

SECTION 4. Due to the need to consolidate administration of the Local Plan with LOPFI, an emergency is hereby declared to exist and this Ordinance shall be in full force from and after the date of its passage and approval.

PASSED: August 16, 2022
Date

APPROVED: Jeff Brain
Chief Administrative Officer

ATTEST: Jeffrey W. Lewis
Witness
Recorder - Treasurer

ADMINISTRATIVE SERVICES AGREEMENT

This Administrative Services Agreement (Agreement) is entered into by and between the ARKANSAS LOCAL POLICE AND FIRE RETIREMENT SYSTEM (LOPFI) and the CITY OF GASSVILLE for the benefit of its FIRE Relief and Pension Fund (Local Plan).

PARTIES

The City of GASSVILLE, a political subdivision, currently has and administers a Local Plan.

LOPFI is an agency created by statute (Arkansas Code Annotated 24-10-101, et. seq., as amended) for the purpose of providing a statewide retirement system with pooled administration.

The Mayor and City Council of GASSVILLE desire to enter into an irrevocable Agreement with LOPFI to administer its Local Plan and in consideration of the mutual obligations hereinafter enumerated the parties agree to all of the following:

1. This Agreement is made pursuant to the authority of A.C.A. 24-10-101, et. seq., as amended.
2. This Agreement shall be effective and permanent upon the executed date entered on page two of this Agreement.
3. This Agreement is for the administration of the Local Plan and its benefit structure shall not change unless a benefit increase is formally approved by the City of GASSVILLE by Ordinance.
4. The actuaries for LOPFI have computed the initial employer contribution rate(s) to be paid by the City of GASSVILLE to support the benefits paid by the Local Plan. The City of GASSVILLE agrees to always remit payment at the level established by the actuaries for LOPFI and in the monthly timeframe set by LOPFI.
5. Benefits and any member refunds shall be paid effective the first business day of each month and in accordance with LOPFI procedures and guidelines.
6. LOPFI covenants and agrees to provide the following services:
 - a. investment of Local Plan assets and the award of annual interest to the employer reserve account at the end of each fiscal year consistent with the interest awarded to other LOPFI employer accounts;
 - b. process retirement applications including determination of eligibility, calculation of service credit and benefit payment amounts, payment of benefits to eligible benefit recipients, and satisfaction of state and federal tax withholding requirements, all in accordance with LOPFI procedures and guidelines; and

7. The City of GASSVILLE covenants and agrees as follows:
- upon execution of this Agreement all Local Plan assets and records shall be promptly transferred to LOPFI. In the sole discretion of LOPFI certain investments may be allowed to mature to avoid penalties;
 - all employer and applicable employee contributions shall be remitted to LOPFI in time to be recorded by the tenth (10th) day of each month for each reporting period. Remittance shall be made in the manner and amounts prescribed by LOPFI, which shall include the use of LOPFI's electronic reporting and LOPFI's e-Payment;
 - the City of GASSVILLE shall execute all documents required by LOPFI to aid in the administrative process;
 - all members and beneficiaries of the Local Plan have been deemed eligible pursuant to the standards prevailing at the time of the determination of eligibility. The parties agree that LOPFI is bound by any determination of eligibility or ineligibility made by the board of trustees of the Local Plan as long as such determination(s) conform to state law. The Local Plan and the City of GASSVILLE indemnify and hold LOPFI harmless for any eligibility decisions made by the Local Plan.
 - the City of GASSVILLE has disclosed to LOPFI all pending claims, actions, suits, and threatened liabilities to the Local Plan.
8. GASSVILLE Fire Relief and Pension Fund board of trustees' Resolution dated July 13, 2022, and Ordinance No. 2022-03, dated July 16, 2022, of the City of GASSVILLE, are incorporated by reference herein as though set forth word for word.

This irrevocable Agreement is executed this 16th day of July, 2022.

CITY OF GASSVILLE, ARKANSAS

BY: Jeff Brum
Chief Administrative Officer

ATTEST: Jeffrey Brum
Recorder - Treasurer

LOPFI BOARD OF TRUSTEES

BY: John Neal
LOPFI Board Chairman

ATTEST: John Neal

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CITY OF GASSVILLE, ARKANSAS

BY: Jeff Brann
Chief Administrative Officer

ATTEST: Jeffrey Lewis
Recorder - Treasurer

LOPFI BOARD OF TRUSTEES

BY: _____
LOPFI Board Chairman

ATTEST: _____