

Firemen's Relief and Pension Fund Board Meeting  
August 25, 2016  
9:00 AM

The Board of Trustees of the Firemen's Relief and Pension Fund of the City of Little Rock, Arkansas, met at 9:00 AM in the Sister Cities Conference Room located at 500 West Markham Street, City Hall. Chair Bruce Moore called the meeting to order.

1. Roll Call:  
Members Present: Bill Ellington; Johnny Chiaro; Bernard Sherwood; Jimmy Taylor; Joel Woolf; Bruce Moore; and Susan Langley  
City Personnel Present: Sara Lenehan; Kathy Lindsey; Debbie Pharr; and Kim Chavis.  
Other's Present: Bob Brister; Alex Jordan; and Larry Middleton from the Stephens Group.
2. Approval of Minutes from the July 28, 2016, Meeting: Mr. Woolf made the motion, seconded by Mr. Chiaro, to approve the minutes of the July 28, 2016, meeting. By unanimous voice vote of the Board Members present, the minutes of the July 28, 2016, meeting were approved.
3. Stephens, Inc., Report (Copy of Financial Report filed in the City Clerk's Office): Mr. Brister, Mr. Jordan and Mr. Middleton presented the report for July. The Total Fund Balance as of July 31, 2016, was \$55,916,939.00, and the total Drop Balance was \$9,853,659.27. The Fund was up 2.09% for the month and up 4.01% year-to-date.
4. Financial Reports for April 2016, May 2016, June 2016 and July 2016 (Copy of Financial Reports filed in the City Clerk's Office): Ms. Lenehan presented the Financial Reports for April 2016, May 2016, June 2016 and July 2016. Mr. Taylor made the motion, seconded by Mr. Woolf, to approve the April 2016, May 2016, June 2016 and July 2016 Financial Reports. By unanimous voice vote of the Board Members present, April 2016, May 2016, June 2016 and July 2016 Financial Reports were approved.

Ms. Lenehan presented the 2015 Annual Actuarial Valuation which was received from the Arkansas Fire & Police Pension Review Board. Ms. Lenehan reported that because the Plan was closed and managed locally, they amortized the whole liability over just five (5) years, which means that the Plan never meets or exceeds the Necessary Employer Contribution as that would indicate that the Plan would be fully-funded in five (5) years. Ms. Lenehan stated that because the income did not meet or exceed the Necessary Employer Contribution and the funded percentage was 48.4%, and did not meet the requirement that the Plan be at least 97% funded, were the factors utilized to make the determination that the Local Plan was not actuarially sound.

Ms. Lenehan stated that the Plan's assets covered 48.4% of the projected payments through the life of the Plan and that to be well-funded, the percentage needed to be above 80%. Ms. Lenehan reported that new accounting standards had introduced the idea of a 'Crossover Point;', which was the number of years that the current assets and income streams were project to be able to pay promised benefits. Ms. Lenehan reported that currently, the Plan did not have Crossover.

5. Removal from the Pension Rolls: Removal of Robert T. Allen, effective August 23, 2016, with the benefit amount of \$3,682.99. Mr. Sherwood made the motion, seconded by Mr. Ellington, to remove Robert T. Allen from the Pension Rolls. By unanimous voice vote of the Board Members present, Robert T. Allen was removed from the Pension Rolls.
6. Legal Issues:  
Over Twenty (20)-Year Bonus for Widows: Ms. Chavis reported that she had researched whether the widows were eligible for the Twenty (20)-Year Bonus and the Statue was not clear regarding their eligibility. Ms. Chavis stated that any payment of benefits above the minimum amounts shall not be made except upon determination that the Fund would remain actuarially sound. Ms. Chavis stated that she additional needed time to look at the issue closer and that contact should be made with David Clark at the Pension Review Board to determine if a portion of Arkansas Code §24-11-820 applied to the Fire Pension Fund.

Mr. Woolf made the motion, seconded by Mr. Sherwood, to adjourn the meeting. By unanimous voice vote of the Board Members, the meeting was adjourned at 9:56 AM.

---

Susan Langley  
Secretary, Firemen's Relief and Pension Fund