

Firemen's Relief and Pension Fund Board Meeting  
March 27, 2013  
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: Bernard Sherwood; Johnny Reep; Johnny Chiaro; Havis Jacks; Tommy Hoffman; and Bruce Moore

Members Absent: Susan Langley

City Personnel Present: City Director Joan Adcock; Sara Lenehan; Debbie Pharr; Kathy Lindsey; and Kim Chavis.

Other's Present: Alex Jordan, Bo Brister and Larry Middleton from the Stephens Group; Bill Lundy, Pension Review Board; and Lee Harrod, Police Pension Board

2. Approval of Minutes from the February 27, 2013, Meeting: Mr. Sherwood made the motion, seconded by Mr. Reep, to approve the minutes of the February meeting. By unanimous voice vote of the Board Members present, the February minutes were approved.
3. Stephens, Inc., Report (Copy of Financial Report filed in the City Clerk's Office): Mr. Alex Jordan, Mr. Larry Middleton and Mr. Bo Brister presented the report and reported that the Total Fund Balance as of February 28, 2013, was \$67,150,649.51, with a total DROP balance of \$10,378,920.00. The Fund was up .85% for the month of February and up 3.64% year-to-date.
4. February Financial Report (Copy of Reports are on file in the Fire Pension Office): Ms. Lenehan presented the February Financial Report. Mr. Reep made the motion, seconded by Mr. Hoffman, to approve the February Financial Report. By unanimous voice vote of the Board Members present, the February Financial Report was approved.
5. Addition to the Pension Rolls: Mr. Reep asked if there had been any follow-up regarding the passing of Clifford Whitehorn and the addition of his widow, Bernice Whitehorn, to the Pension Rolls. Ms. Lindsey stated that to date, Mrs. Whitehorn had not returned her paperwork. Ms. Pharr stated that Mrs. Whitehorn was in a nursing home and that staff had visited with her son regarding the fact that before she could be added to the Pension Rolls, the paperwork would need to be received.

Addition of Colin W. Collie, effective March 28, 2013, with the benefit amount of \$3,788.32. Mr. Reep made the motion, seconded by Mr. Sherwood, to add Colin W. Collie to the Pension Rolls. By unanimous voice vote of the Board Members present, Mr. Collie was added to the Pension Rolls.

6. Other Business:

A. Consolidating with LOPFI: Mr. Moore stated that at the last meeting of the Police Pension Board, a motion was passed to order a LOPFI consolidation merger study utilizing a 0%, 2.5% and 5% cost of living adjustment (COLA) based on a fifteen (15)-year and twenty-five (25)-year amortization period. Ms. Lenehan stated that according to the Pension Review Board (PRB), the cost to order the study was \$7,800.00. Ms. Lenehan stated that the Police Pension Board wanted to consider multiple levels of percentages of COLAs due to the impact of the City and the affordability of the proposed merger. Mr. Lundy stated that if the consolidation took place, the Fire Pension Board would no longer exist and that the assets would be managed by LOPFI utilizing their rules.

Ms. Lenehan stated that she would be submitting the end-of the year report to the PRB later that afternoon, and that the PRB actuarial study would have to be completed based on the 2012 year-end results before a consolidation could be considered.

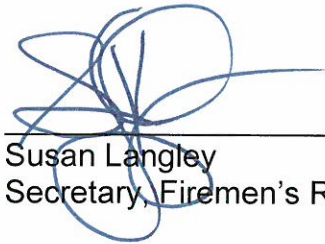
Mr. Lundy stated that he had visited with David Clark and Jody Carreiro regarding the proposed consolidation and was aware of the report that Mr. Carreiro had completed for the Police Pension Board. Mr. Lundy stated that the \$7,880.00 study fee would be paid to the actuary of LOPFI. Mr. Lundy stated that merger would be a contract between the City and the LOPFI Board. Mr. Lundy reported that one (1) advantage to consolidation would be that the twenty-five (25)-year amortization period could be utilized for unfunded liability, where currently only a five (5)-year amortization period could be utilized. In addition, the computations would be completed on 8% assumed rate of return; whereas the old plan utilized an assumed rate of 5%.

Mr. Moore stated that Police Pension Fund and the Fire Pension Fund were two (2) separate, distinct funds and that any consolidation needed to be considered separately. Ms. Lenehan stated that currently there were separate rates of payroll that are paid into LOPFI for Fire and Police. Ms. Lenehan stated that if the Board merged with LOPFI, the DROP would be treated differently. Currently with the City, the DROP is treated more like a savings account where members can ask for withdrawals whenever needed and at any level; however, with LOPFI the rules would be administered differently.

Mr. Reep stated that he wanted to obtain more information before he made a decision regarding consolidation. Mr. Moore suggested that the Board invite Mr. Carreiro to the next meeting to discuss the proposed consolidation.

- B. Other Items: Ms. Lenehan stated that after the last meeting, she had contacted Senator Johnny Key in regards to the addition of retired Little Rock Firefighter Jim Thalmueller's wife Amy as his beneficiary. Ms. Lenehan stated that she had relayed the information to Senator Key that the Board had opted against extending the pension benefits to Mrs. Thalmueller based on the fact that they were married after her husband had retired. Ms. Reep stated that Mr. Thalmueller had contacted him and threatened to file a lawsuit against the Fire Pension Board. Ms. Lenehan stated that she had not received any additional correspondence from Senator Key.

Mr. Reep made the motion, seconded by Mr. Sherwood, to adjourn the meeting. By unanimous voice vote of the Board Members present, the meeting was adjourned at 10:06 AM.



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Susan Langley  
Secretary, Firemen's Relief and Pension Fund