

Firemen's Relief and Pension Fund Board Meeting
June 22, 2011
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: Havis Jacks; Johnny Reep; Johnny Charo; Bernard Sherwood; Sam Snowden; Bruce Moore; and Susan Langley
Other Personnel Present: Sara Lenehan; Kathy Lindsey; Kim Chavez; Leslie Golden; Taylor Luckadue and Bo Brister, from The Stephens Group.
2. Approval of Minutes from the April 27, 2011 and May 25, 2011: Mr. Jacks made the motion, seconded by Mr. Sherwood, to approve the April 27, 2011, and May 25, 2011, minutes. By unanimous voice vote of the Board Members present, the April 27, 2011, and May 25, 2011, minutes were approved.
3. Stephens, Inc. Report (Copy of Financial Report filed in the Office of the City Clerk): Mr. Bo Brister presented the report and reported that the Total Fund Balance as of May 31, 2011, was \$72,046,040 with a total DROP balance of \$10,762,486.41. The Fund was down 0.83% for the month of May, and up 4.31% year-to-date.
4. Financial Report (Copy of report is on file in the Fire Pension Office):
 - A. Ms. Sara Lenehan presented the May Financial Report. Mr. Sherwood made the motion, seconded by Mr. Jacks, to approve the May Financial Report. By unanimous voice vote of the Board Members present, the May Financial Report was approved.
 - B. Drop Interest: Ms. Lenehan reported that a letter had been received from the Pension Review Board (PRB) regarding the Drop Interest Earnings for the year. Ms. Lenehan stated that the fund earned a net market value rate of return of 9.81% for the year. Ms. Lenehan stated that several years ago, the PRB clarified the way that the average annual balance needed to be calculated and the interest earnings needed to be applied on the DROP. Ms. Lenehan stated that at that time, the decision was made to change from a daily balance interest calculation to an average annual balance calculation. Ms. Lenehan stated that it was fairer to participants and a better representation of actual earnings to calculate the earnings on a monthly basis. Ms. Lenehan stated that the recommendation was to utilize an average annual balance that focused on the end balance of each month. In addition, Ms. Lenehan recommended that DROP distributions be limited to one (1) time per month. Ms. Jacks made the motion, seconded by Mr. Sherwood, to limit the DROP distributions to once a month. By unanimous voice vote of the Board Members present, the motion passed.

5. Removal from Pension Rolls: Removal of William Owens, effective May 31, 2011, with the benefit amount of \$1,125.47. Removal of Elva Whitehorn, effective June 30, 2011, with the benefit amount of \$1,381.01. Mr. Reep made the motion, seconded by Mr. Sherwood, to remove William Owens and Elva Whitehorn from the Pension Rolls. By unanimous voice vote of the Board Members present, Mr. Owens and Ms. Whitehorn were removed from the Pension Rolls.
6. Addition to the Pension Rolls: Addition of Harry Noble, effective July 1, 2011, with a benefit amount of \$3,222.02. Mr. Reep made the motion, seconded by Mr. Charo, to add Harry Noble to the Pension Rolls. By unanimous voice vote of the Board Members present, Mr. Noble was added to the Pension Rolls.
7. Legal Update - Implementing Raises at the First of the Year: Ms. Chavez reported that the issue had been raised regarding everyone receiving an increase at the same time, or did the increases have to be implemented on the anniversary date of their retirement. Ms. Chavez reported that there was not an issue with implementing all increases on the same date; however, the language needed to be stated in resolution form.
8. Other Business: Mr. Reep made the motion, seconded by Mr. Sherwood, to approve the results of the Position 1 election. By unanimous voice vote of the Board Members present, the Position 1 results were approved.

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 9:45 AM.

Susan Langley
Secretary, Firemen's Relief and Pension Fund