

Firemen's Relief and Pension Fund Board Meeting
October 26, 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. In the absence of the Chair, Johnny Reep called the meeting to order.

1. Roll Call:

Members Present: Havis Jacks; Johnny Reep; Bernard Sherwood; Sam Snowden; and Johnny Chiaro.

Members Absent: Bruce Moore and Susan Langley

Other Personnel Present: Sara Lenehan; Kathy Lindsey; Debbie Pharr, Kim Chavis; Toya Robinson; and Alex Jordan & Larry Middleton from The Stephens Group.

2. Approval of Minutes from the September 28, 2011, Meeting: Mr. Sherwood made the motion, seconded by Mr. Snowden, to approve the minutes from the September 28, 2011, meeting. By unanimous voice vote of the Board Members present, the September 28, 2011, minutes were approved.

3. Stephens, Inc. Report (Copy of Financial Report filed in the City Clerk's Office): Mr. Alex Jordan and Mr. Larry Middleton presented the report and reported that the Total Fund Balance as of September 30, 2011, was \$63,122,333 with a total DROP balance of \$11,306,003.93. The Fund was down 5.06% for the month of September, down 9.36% for the 3rd Quarter and down 6.25% year-to-date.

4. Financial Report (Copy of report is on file in the Fire Pension Office): Ms. Sara Lenehan presented the September Financial Report. Mr. Sherwood made the motion, seconded by Mr. Chiaro, to approve the September Report. By unanimous voice vote of the Board Members present, the September Financial Report was approved.

5. Act 979: Ms. Lenehan distributed a copy of a letter from Jodie Carreiro stating the estimation of the base benefit calculations needed for the new Premium Tax Allocation formula which was created by Act 979 of 2011 and PRB Board Rule 12. The new premium tax formula allocates monies based on an Actuarial Cost derived from a fund's Base Benefits (which is 50% of Final Salary, minimum \$350 per month for paid members and \$100 per month for volunteer members). Each fund now receives 30% of this calculated Actuarial Cost as Premium Tax. In addition, each fund is eligible for an Additional Allocation equal to 10% of this Actuarial Cost, provided that the Employer Contributions other than Premium Tax made by the location are equal to at least 80% of the Actuarial Cost. According to the estimation, the shortfall based on 2010 contributions was \$219,569.

Ms. Lenehan stated that the Little Rock City Board of Directors would be voting on a Budget Amendment at an upcoming meeting, which would include an additional distribution to the Fire Pension Fund to meet the level required to obtain the additional \$471,000 in contributions.

6. Proposed Benefit Increase Cost Study: Mr. Chiaro made the motion, seconded by Mr. Sherwood, to table the resolution for the Proposed Benefit Increase Cost Study until the December meeting. By unanimous voice vote of the Board Members present, the resolution for the Proposed Benefit Increase Cost Study was tabled until the December meeting.

Mr. Sherwood made the motion, seconded by Mr. Chiaro, to adjourn the meeting. By unanimous voice vote of the Board Members present, the meeting was adjourned at 9:40 AM.

Toya Robinson
Acting Secretary, Firemen's Relief and Pension Fund