

MINUTES  
Policemen's Pension and Trust Relief Fund  
Thursday, January 8, 2009  
9:00 a.m.

On Thursday, January 8, 2009, at 9:00 a.m. a meeting of the Board of Trustees of the Policemen's Pension and Relief Fund of the City of Little Rock, Arkansas was held in the Sister Cities Conference Room at City Hall.

PRESENT:	Bruce Moore	-Chairman
	Sara Lenehan	-Treasurer
	Farris Hensley	-Secretary
	Mike Lowery	-Member
	Lee Harrod	-Member
	Brad Furlow	-Member
	Albert Miller	-Member

ABSENT: None

Also present were Alex Jordan and Bo Brister of Stephens Capital Management (Financial Consultants for the Fund), Erin Behring of Dover Dixon Horne Law Firm (Legal Consultants for the Fund), and Kathy Lindsey, Pension Fund Administrative Technician.

Bruce Moore called the meeting to order at approximately 9:07 a.m., certifying that a quorum of the Board was present, and that the Media had been properly notified in a letter of January 5, 2009 to the Arkansas Democrat-Gazette.

Copies of the November amended minutes and December minutes had previously been distributed to Board members. Following their review, Lee Harrod made a motion to approve them as submitted. Al Miller seconded the motion and it passed unanimously.

The DROP Interest Analysis from Jody Carreiro was tabled until February due to Mr. Carreiro being unable to attend the January meeting.

Alex Jordan gave a December 2008 financial report, and said that on December 31, the market value of the total Fund was \$49,114,895. This represents an increase in the account balance of \$903,347.48 since November 30, 2008. The component of this change was income of \$350,102.74. There were net contributions/withdrawals of \$1,221.82. Additionally, \$1,204,791.05 was held in the Metropolitan Bank Checking Account. The Funds overall market rate of return for the month of December 2008 was a positive 2.81%, and was a negative (17.30%) year-to-date through December 31, 2008. As of December 31, 2008, \$24,937,504.73 was allocated to DROP.

Alex Jordan also reported that the total loss for the calendar year of 2008 had decreased during the month of December. However, due to a short time frame between the November 2008 and December 2008 meetings, PRISA and Capital Point Partners performance reports had not been received. He said that although the residential housing market has started to improve, in-part because the United States Government has begun to purchase mortgage backed securities, that will ultimately cause mortgage rates to decrease, commercial real estate remains negative. He also said that he does not anticipate a deep recession, however does expect an inflationary period in the future.

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Report of legislative issues from Roger Smith was tabled until February due to him being unable to attend the January meeting.

Erin Behring reported, concerning the lawsuit regarding past benefit increases, and said that a motion will soon be prepared for submission to the Court. It is expected that the judge will then make a final decision regarding the lawsuit. She said that currently Dean Overstreet is reviewing various documents in preparation for the motion.

Erin Behring also reported concerning a disabled child of Mrs. Janet Wilson who is the surviving spouse of Mr. James Wilson. Although the child is over the age of eighteen (18) years, she (Mrs. Behring) said that by State Statute the Pension Board may continue a benefit of \$125.00 for the life of a physically or mentally disabled child. Following discussion, the matter was tabled until February to allow time for formal application to be made, and for legal counsel to further research the matter.

Sara Lenehan reported that 10% of the probation fees for the month of November had been deposited into the Police Pension checking account, and that the amount of \$5800 for the months of August 08, September 08, and October 08, is also to be transferred into the checking account. Also, in the future, 10% of all probation fees will be deposited into the Police Pension account. In addition, members of the Board asked Mrs. Lenehan to calculate 10% of all probation fees for the past three (3) years, representing the State Statute of Limitation, and report to the Board at the February meeting. The matter was tabled until February.

At approximately 9:45 a.m., Mr. Moore excused himself from the meeting and relinquished the Chair to Mrs. Lenehan.

Financial reports from Mrs. Lenehan were tabled until the February meeting pending information from Stephens, in regards to Capital Point Partners.

Mrs. Lenehan submitted copies of the December 2008 Financial Statement and Expense Report. Total expenditures excluding benefit related expenses, were \$11,062.61 for the month of December, and \$69,767.82 calendar year through December 31, 2008. Legal fee expenditures paid during the month of December 2008 totaled \$2,571.00, and totaled \$42,954.19 year to date through December 31, 2008.

Farris Hensley made a motion to approve the retirement application of Mr. Charles Vint, effective January 15, 2009 in the monthly amount of \$2,133.53. The motion was seconded by Mike Lowery, and passed unanimously.

Upon conclusion of Pension Board business, Mr. Miller made a motion to adjourn the meeting. The motion received a second by Mike Lowery, and meeting adjourned at approximately 9:59 a.m.

Respectfully submitted,

Farris Hensley