

Firemen's Relief and Pension Fund Board Meeting
January 25, 2018
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 Chair, Bernard Sherwood called the meeting to order.

1. Roll Call:
 - Members Present: Jeff Cary; Johnny Chiaro; Bernard Sherwood; Jimmy Taylor; Joel Woolf; and Susan Langley
 - Members Absent: Bruce Moore
 - City Personnel Present: Sara Lenehan; Kathy Lindsey; Debbie Pharr; and Kim Chavis
 - Others Present: Bo Brister, Alex Jordan, and Larry Middleton from the Stephens Group
2. Approval of Minutes from the December 14, 2017, Meeting: Mr. Sherwood stated that the approval of the minutes from the December 14, 2017, meeting would be tabled until the February meeting.
3. Stephens, Inc., Report (Copy of Financial Report filed in the City Clerk's Office): Mr. Jordan, Mr. Brister, and Mr. Middleton presented the report for December. The Total Fund Balance as of December 31, 2017, was \$52,971,679, and the total Drop Balance was \$7,328,949.20. The Fund was up .78% for the month, up 3.25% for the 4th Quarter and up 9.86% year-to-date.
4. Consolidation Discussion:
 - A. Sample Qualified Domestic Relations Orders (QDRO): Ms. Lenehan stated that QDRO and paperwork on file did not meet LOPFI's standards. A Model QDRO was distributed with instructions stating that any QDRO submitted to LOPFI must follow the exact language provide with no alteration or qualifications whatsoever. In addition, failure to comply with the Model QDRO would result in a QDRO that LOPFI would reject.
 - B. Letter to Retirees: A draft letter was presented to the Board that would be mailed to the Members requesting updated information to align with State requirement. The letter will be mailed in February with a March 31, 2018, deadline to return the paperwork.
 - C. Actuarial Proposal: A letter was distributed from Jody Carreiro as a follow-up to his discussion with the Board on November 16, 2017,

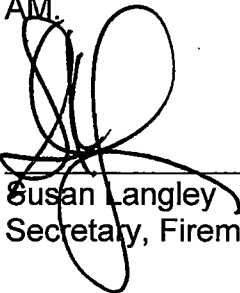
regarding the possibility of consolidation with LOPFI and the use of their services to facilitate the process. According to Mr. Carreiro, this firm, Osborn, Carreiro & Associates, Inc., would be asked to provide calculations that went beyond those in the required consolidation report provided by the LOPFI actuary before the consolidation could take place. The additional calculations that would be provided would include a projection of revenues available to the City to pay for the plan. In addition, they would review various levels of benefit increases to be considered by the Board and the City as potential inclusions in the consolidation process. Mr. Carreiro recommended reviewing levels of increases that were similar to what the Police Plan reviewed in 2017, which would include two (2) levels of flat, dollar per month increases (suggested \$100.00 and \$200.00) that could be used as benchmarks to find an agreeable amount. In addition, Mr. Carreiro stated that they would analyze various permanent compound COLA levels (suggested 1.0%, 1.5%, 2.0%, 2.5% and 3.0%). Mr. Carreiro stated that work could begin as soon as the Annual Valuation Report was completed around April 30, 2018, with information being provided to the Board with sufficient time for the relevant information to be communicated with the Members and still meet LOPFI timelines required for consolidation. Ms. Lenehan stated that there would be a charge of \$6,500.00, which was applicable to other Local Plans were charged for reports reflecting consolidation options. Mr. Woolf made the motion, seconded by Mr. Chiaro, to include the flat amount of \$300.00, along with the \$100.00 and \$200.00 options, as potential increases to review, and to approve the fee of \$6,500.00. By unanimous voice vote of the Board Members present, the motion was approved.

5. Financial Reports for December 2017 (Copy of Financial Report filed in the City Clerk's Office): Mr. Wolfe made the motion, seconded by Mr. Taylor, to approve the December 2017 Financial Report. By unanimous voice vote of the Board Members present, the December 2017 Financial Report was approved.
6. Removal from the Pension Rolls: Removal of Betty Brindley, effective December 18, 2017, with the benefit amount of \$1,175.47. Removal of Larry Coney, effective January 7, 2018, with the benefit amount of \$2,770.56. Removal of Jerry Pinkerton, effective January 23, 2018, with a benefit amount of \$4,038.13. Mr. Chiaro made the motion, seconded by Mr. Taylor, to remove Betty Brindley, Larry Coney, and Jerry Pinkerton from the Pension Rolls. By unanimous voice vote of the Board Members present, Betty Brindley, Larry Coney, and Jerry Pinkerton were removed from the Pension Rolls.

7. Addition to the Pension Rolls: Addition of Diane Coney, effective February 1, 2018, with the benefit amount of \$2,670.56. Mr. Chiaro made the motion, seconded by Mr. Taylor, to add Diane Coney to the Pension Rolls, pending the completion of her paperwork. Mr. Chiaro made the motion, seconded by Mr. Taylor, to add Willa Pinkerton to the Pension Rolls, pending the completion of her paperwork. By unanimous voice vote of the Board Members present, Diane Coney and Willa Pinkerton were added to the Pension Rolls, pending completion of their paperwork.
8. Legal Issues:
 - A. Morrow QDRO: Mr. Chiaro stated that he had received a call from Mrs. Bonnie Kelley asking that if a QDRO were in place and the Member passed, would she still be entitled to her share of his pension. Mrs. Chavis reported that the QDRO stated that the alternate payee's share of the benefit was payable through the life of the participating Member, or as long as the payee was entitled to said benefits according to the Fund; therefore, Mrs. Kelley would not be entitled.
9. Other Business:
 - A. Staffing Changes: Ms. Lenehan reported Ms. Lindsey had transferred to the City Clerk's Office and would continue to assist the Pension Office on a limited basis during the transition.
 - B. Submission of Pension Review Board Report: Ms. Lenehan stated that the Pension Review Board (PRB) Report had been completed and needed to be submitted to the PRB by February 15, 2018. Mr. Chiaro made the motion, seconded by Mr. Taylor, to submit the Pension Review Board Report. By unanimous voice vote of the Board Members present, the motion was approved.

Mr. Chiaro made the motion, seconded by Mr. Taylor, to adjourn the meeting. By unanimous voice vote of the Board Members, the meeting was adjourned at 9:53

AM.



Susan Langley
Secretary, Firemen's Relief and Pension Fund