



ARKANSAS FIRE & POLICE PENSION REVIEW BOARD

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August 12, 2010

Bruce Moore, Chairman
Stephen R. Young, Board Member
Lee Harrod, Board Member
Little Rock Police Pension Board
500 West Markham, Room 208
Little Rock AR 72201-1413

RE: Application for Guarantee Fund Assistance and Petition for Rulemaking

Gentlemen:

I write in response to the Little Rock Police Pension Board's August 6, 2010 application to the Arkansas Fire and Police Pension Review Board ("PRB") for financial assistance from the Arkansas Fire and Police Pension Guarantee Fund ("Guarantee Fund"). The PRB is charged by statute with the duty to establish eligibility for Guarantee Fund assistance. As you know, the PRB has interpreted the requirements set forth by Ark. Code Ann. § 24-11-209(b)(2)(B)(iv) to eliminate any fund with benefit increases from eligibility for Guarantee Fund assistance.

You have indicated that the Little Rock Police Fund has enacted approved benefit increases for its membership. I must conclude that it is therefore ineligible for Guarantee Fund assistance under Ark. Code Ann. § 24-11-209(b)(2)(B)(iv). My decision can be appealed by scheduling a hearing before the PRB, which will give you the opportunity to present your application and arguments for an alternative interpretation of the eligibility statute. A hearing on the application can be scheduled as soon as the next PRB meeting on September 1st or it can be taken up at the December 2010 board meeting. If you wish to schedule the appeal hearing, please contact me as soon as possible with your preference for a hearing date.

The August 6, 2010 application also included the Little Rock Police Pension Board's petition for rulemaking by the PRB with regard to eligibility for Guarantee Fund assistance. This request and the underlying arguments raised by Mr. Young and Mr. Harrod in their August 6, 2010 letter have been placed on the agenda for the September 1, 2010 Board meeting for a decision by the PRB.

Please feel free to contact me if you have any questions.

Respectfully,

David B. Clark
Executive Director

Cc: Erika Gee, Assistant Attorney General