

CITY OF JONESBORO, ARKANSAS
POLICEMEN'S RELIEF AND PENSION FUND
ACCOUNTANTS' COMPILATION REPORT
AND FINANCIAL STATEMENTS

December 31, 2011

CITY OF JONESBORO, ARKANSAS
POLICEMEN'S RELIEF AND PENSION FUND

December 31, 2011

CONTENTS

	<u>Page</u>
ACCOUNTANTS' COMPILATION REPORT	3
FINANCIAL STATEMENTS	
Statement of Revenue and Expenditures	4-5
Statements of Book Value and Market Value Balance	6
Statement of Plan Reserve Assets	7
SUPPLEMENTARY INFORMATION	
Other Required Information	9
Certification Statements	10
Active Members	11
D.R.O.P. Listing	12
Benefit Recipients	13-14
Benefit Recipients Base Benefits	15-17

FREEMAN & COMPANY, INC.

CERTIFIED PUBLIC ACCOUNTANTS

3712 E. Highland Drive, Jonesboro, Arkansas 72401 Phone: 870-932-4514

To the Honorable Mayor and
Members of the City Council
City of Jonesboro, Arkansas

We have compiled the statement of plan reserve assets-cash basis of the City of Jonesboro, Arkansas, Policemen's Relief and Pension Fund as of December 31, 2011, and the related statement of revenues and expenditures-cash basis, statements of book value and market value balance, for the year then ended included in the accompanying prescribed form. We have also compiled the supplementary information in the other required information, unrealized gain worksheet, schedule of active members, D.R.O.P. listing, benefit recipients, and benefit recipients base benefits. We have not audited or reviewed the accompanying financial statements and schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and schedules are in accordance with the form prescribed by the Arkansas Pension Review Board and Act 700 of 1979 as amended.

Management is responsible for the preparation and fair presentation of the financial statements and schedules in accordance with requirements prescribed by the Arkansas Pension Review Board and Act 700 of 1979 as amended and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and schedules.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

These financial statements and the related supplementary information are presented in accordance with the requirements of the Arkansas Pension Review Board and Act 700 of 1979 as amended, which differ from the cash basis of accounting. This report is intended solely for the information and use of the Arkansas Pension Review Board and is not intended to be and should not be used by anyone other than this specified party.

FREEMAN & COMPANY, INC.



March 22, 2012

ARKANSAS FIRE & POLICE PENSION REVIEW BOARD
620 W. 3rd, SUITE 200
LITTLE ROCK, ARKANSAS 72201

Jonesboro
Policemen's Pension and Relief Fund

STATEMENT OF REVENUES AND EXPENDITURES
for the year ending December 31, 2011

I. Revenues

A. Employee Contributions:		\$ <u>2,301</u>
B. Employer Contributions:		
1 from Local Millage Tax	\$ <u>475,872</u>	
2 6% match or \$12 per volunteer	<u>2,301</u>	
3 10% city fines & forfeitures	<u>120,719</u>	
4 Sale of Confiscated Goods	<u> </u>	
5 Other General City Contributions (describe below):	<u> </u>	
6 Total Employer Contributions (1 + 2 + 3 + 4 + 5)		\$ <u>598,892</u>
<i>(Note: B6 will be used to determine eligibility for the Additional Allocation of Act 979 of 2011.)</i>		
C. State Contributions:		
from State Insurance Premium Tax		\$ <u>211,337</u>
(local plan share only)		
D. Investment Income (Gross Book Value ONLY Totals)		
1 Interest and Dividends	\$ <u>398,815</u>	
2 Gain or (Loss) on sales	<u>(123,946)</u>	
3 Other Investment income (describe below):	<u> </u>	
4 Total Gross Investment Income (1 + 2 + 3)		\$ <u>274,869</u>
E. Other Revenue		
1 Guarantee Fund	\$ <u> </u>	
2 Police Supplement (ACT 1452 of 1999)	<u>22,800</u>	
3 Future Supplement (ACT 1373 of 2003)	<u>30,780</u>	
4 Other one time revenue or adjustments (describe below):	<u>5,856</u>	
Trailer Fee		
5 Total Other Revenue (1 + 2 + 3 + 4)		\$ <u>59,436</u>
F. Total Revenues (A + B6 + C + D4 + E5)		\$ <u>1,146,835</u>

II. EXPENDITURES

A. Refunds of Employee Contributions		\$ <u> </u>
B. Benefits Paid		
1 Regular Monthly Benefits	\$ <u> 969,430</u>	
2 Police Supplement (ACT 1452 of 1999)	\$ <u> 21,600</u>	
3 Future Supplement (ACT 1373 of 2003) (should equal I.E.3)	\$ <u> 28,350</u>	
4 DROP Balances Paid Out	\$ <u> </u>	
5 Previous Year Benefits Paid in Current Year (e.g. Act 1370 of 2003)	\$ <u> </u>	
6 Total Benefits Paid (1 + 2 + 3 + 4 + 5)		\$ <u> 1,019,380</u>
C. Administrative Expenses (Accounting and legal fees)		\$ <u> </u>
D. Investment Expenses		
1 Investment Manager Fees	\$ <u> </u>	
2 Brokerage Fees	\$ <u> </u>	
3 Custodial Fees	\$ <u> 62,083</u>	
4 Other Investment Fees (describe below): <u> </u>	\$ <u> </u>	
5 Total Investment Expenses (1 + 2 + 3 + 4)		\$ <u> 62,083</u>
E. Other (describe below): Fiduciary Liability Insurance		\$ <u> 4,382</u>
F. Total Expenditures (A + B6 + C + D5 + E)		\$ <u> 1,085,845</u>

III. STATEMENT OF BOOK VALUE BALANCE

A. Addition (Reduction) in Pension Fund Assets For The Year (Total Revenues I.E. minus Total Expenditures II.F.)	\$ 60,990
B. Beginning of the Year (12/31/2010) Book Value Balance (This must match total book value reserve assets from 12/31/2010 report Last year's reported value: \$10223579)	\$ 10,223,579
C. Adjustment (Only if necessary. Explanation required below.) Explanation:	
D. End of the Year (12/31/2011) Book Value Balance (A + B) *	\$ 10,284,569

* Note: If End of the Year Balance III.D. does not match Total Reserve Assets V.L. (Book Value) or if III.B. does not match Total Reserve Assets (Book Value) at 12/31/2010, please attach a note of explanation. A report that is not balanced or properly noted is an incomplete report, and will be rejected. If the report is rejected, your plan would be ineligible to receive state

IV. STATEMENT OF MARKET VALUE BALANCE

A. Beginning of the Year Market Value Balance Last year's reported value: \$10825348	\$ 10,825,348
B. Additions(Reductions) for the Year (same as III. A. above)	\$ 60,990
C. Change in Unrealized Appreciation (See Unrealized Gain Worksheet on page 4)	\$ (220,551)
D. Adjustment (Only if necessary. Explanation required below.) Explanation:	
E. End of the Year Market Value Balance (A + B + C) **	\$ 10,665,787

** Note: If End of the Year Balance IV.E. does not match Total Reserve Assets V.L. (Market Value) or if IV.A. does not match Total Reserve Assets (Market Value) at 12/31/2010, please attach a note of explanation. A report that is not balanced or properly noted is an incomplete report, and will be rejected. If the report is rejected, your plan would be ineligible to receive state turnback funds.

STATEMENT OF PLAN RESERVE ASSETS
for the year ending December 31, 2011

V. RESERVE ASSETS

	Book Value (Cost)	Market Value
A. Cash and Bank checking account (non-interest earning)	\$ <u>213</u>	\$ <u>213</u>
B. Bank Deposits (interest Earning)	\$ <u>690,776</u>	\$ <u>690,776</u>
C. Savings and loan deposits (interest earning)	\$ _____	\$ _____
D. Other cash equivalents (maturing in one year or less)	\$ _____	\$ _____
E. U.S. Government securities	\$ <u>801,092</u>	<u>811,956</u>
F. Non-U.S. Government securities	\$ _____	_____
G. Mortgages	\$ _____	_____
H. Corporate Bonds	\$ <u>299,249</u>	<u>303,537</u>
I. Corporate common stock and convertibles (Includes mutual funds)	\$ <u>8,493,239</u>	<u>8,859,305</u>
J. Other (specify)	\$ _____	_____
K. Payables (specify)	\$ _____	_____
L. Total Reserve Assets (A thru K)	\$ <u>10,284,569</u>	\$ <u>10,665,787</u>

Note: In Item V.L. above, the left column (Book Value) must equal item III.D. and the right column (Market Value) must equal item IV.E.

Note: Those funds which are allowed by law to hire investment advisors and buy stocks and bonds should attach a listing of all securities by type and amount.

VI. RESERVE ACCOUNTS

A. Member Reserves at December 31 (Total, Cumulative Active Employee Contributions Only)	\$ <u>25,483</u>	\$ <u>25,483</u>
B. Member DROP Balances at December 31	\$ <u>-</u>	\$ <u>-</u>
C. Employer Reserves at December 31 (Total, Cumulative State Insurance Tax, Millage, Interest & Dividends, Retired Member Contributions, Other)	\$ <u>10,259,086</u>	\$ <u>10,640,304</u>
D. Total Reserve Balances (A + B + C) (VI.D. Must equal V.L.)	\$ <u>10,284,569</u>	\$ <u>10,665,787</u>

SUPPLEMENTARY INFORMATION

OTHER REQUIRED INFORMATION

The first two questions apply only to plans with DROP.

What rate of return was certified by the Pension Review Board for 2010?
 (2011 Certified DROP Rate) 4.88
2.30%

What rate of return did the Pension Fund award to DROP accounts for 2010?
 (2011 Certified DROP Rate)** N/A

Did the pension fund receive a full mill during the reporting year?

PLEASE CHECK WITH YOUR COUNTY CLERK BEFORE RESPONDING TO THIS QUESTION.

Yes/No NO

If no, what fraction of a mill was received? 1/2

UNREALIZED GAIN WORKSHEET

	12/31/2010		12/31/2011 (from item V.L.)
Market Value	<u>10,825,348</u>	Market Value	<u>10,665,787</u>
- Book Value	<u>10,223,579</u>	- Book Value	<u>10,284,569</u>
Gain(loss)	<u><u>601,769</u></u>	Gain(loss)	<u><u>381,218</u></u>

	2011 Gain(loss)	<u>381,218</u>
	-2010 Gain (loss)	<u>601,769</u>
Change in Unrealized Appreciation		<u><u>(220,551)</u></u>
		(This amount goes in line IV. C.)

ARKANSAS FIRE & POLICE PENSION REVIEW BOARD
620 W. 3rd, SUITE 200
LITTLE ROCK, ARKANSAS 72201

Please provide the PRB with the following information in the highlighted area below.

Name of Pension Fund City of Jonesboro Policemen's Relief and Pension Fund

Main Contact Person : Ben Barylske

Main Contact Title : Finance Director

Address for Agency: City of Jonesboro
P.O. Box 1845
Jonesboro, AR 72403

Main Contact Telephone: 870-932-0820
Alternate Day Contact Telephone: 870-932-1052

Main Contact Fax : 870-933-4619

Main Contact E-Mail : Bbarylske@jonesboro.org

Mayor: Harold Perrin
Phone: 870-932-1052

By entering a name and title in the space below, I hereby certify that:

1. I am authorized by the local pension board to prepare and submit this annual financial report, and I understand that I may be held liable for errors or omissions;
2. The financial gifts or compensation statements for all board members have been properly collected and filed;
3. The plan meets the minimum asset management standards through retention of professional investment management and having a written investment policy;
4. The plan has filed a copy of the investment policy with the Board and it has not been amended in the last year;
5. The Chair of the local pension board has reviewed the report and has authorized me to certify the report on his/her behalf;
6. The base benefits listed in this report were verified as correct, unless explained otherwise in the Comments section located on the Base Benefits page
7. All information provided in this report is complete and accurate.

Name: _____

Title: _____

Date Completed: _____

Jonesboro
Paid Police
Active Members as of 12/31/2011

Accumulated Contributions is the total amount contributed while an employee.

	Name	Sex	Date of Birth		Date of Hire		Gross Annual Salary	12/31/2010 Accum. Contributions	12/31/2011 Accum. Contributions	Comments
			Mo	Year	Mo	Year				
1	MacDonald	D	02	1952	10	1995	34132.32	23,436.75		
2									25,737.75	
3										
4										
5										
6										
7										
8										
9										
10										

See Accountants' Compilation Report.

Jonesboro
Paid Police
DROP Listing as of 12/31/2011

Benefit Option: 1-Service Retirement, 2-Disability, 3-Survivor Benefit,
4-Surviving Children, 5-QDRO Alt. Payee, 7-Age 60 Bonus, 8-DROP

Name	Sex	Date of Birth			Date of DROP			DROPS			Current Salary	DROPS Balance	Comments
		Mo	Year	Mo	Year	Mo	Year	Benefit Option	Monthly Amount	Act 1452 Supplement			
1 NONE													
2													
3													
4													
Sum:											0.00	0.00	0.00

See Accountants' Compilation Report.

Jonesboro
Paid Police
Retiree Listing as of 12/31/2011

Name	Sex	Date of Birth		Date of Hire		Date of Retirement		Benefit Option	Spousal		Regular Monthly Benefit	Act 1452 Supplement Paid during 2011	Total Regular Benefits Paid during 2011	Total Future Supplement	Comments			
		Mo	Year	Mo	Year	Mo	Year		Mo	Year								
1 BAILEY	D	M	08	1932	0	0	12	0	1980	0	2	01	1937	1564.32	600.00	18,771.84	810.00	
2 BARNETT	D	M	06	1948	11	1970	11	1990	1	06	1950	1600.49	600.00	19,205.88	810.00			
3 BARNETT	K	F	11	1953	0	0	11	1990	5			519.75		6,237.00				
4 BARNHILL	L	M	11	1950	07	1994	04	1999	2	10	1952	1812.64	600.00	10,875.84			6 payments	
5 BRADLEY	D	M	09	1939	04	1969	09	1989	1	01	1939	2477.68	600.00	29,732.16	810.00			
6 BURCHAM	L	M	01	1949	01	1981	01	2006	1	11	1960	2296.21	600.00	27,554.52	810.00			
7 COOK	M	M	11	1929	01	1965	1	0	1987	1	10	1939	2135.56	600.00	25,626.72	810.00		
8 DOWDY	L	F	09	1942	04	1966	0	0	3			1921.74	600.00	23,060.88	810.00			
9 EIDSON	J	M	05	1945	06	1977	08	2001	1	07	1963	2353.38	600.00	28,240.56	810.00			
10 EMISON	D	M	04	1946	07	1973	08	1989	2	11	1950	2344.93	600.00	28,139.16	810.00			
11 ETTER	G	M	08	1949	05	1971	01	1997	1	12	1951	1974.2	600.00	23,690.40	810.00			
12 GRIGSBY	R	M	03	1959	09	1981	06	2005	1	09	1959	3371.4	600.00	40,456.80	810.00			
13 HANKS	J	M	10	1946	12	1977	06	2001	1			1676.63	600.00	20,119.56	810.00			
14 HANKS	P	F	10	1946	0	0	06	2001	5			500		6,000.00				
15 HANLEY	A	F	09	1927	0	0	0	0	3			1568.62	600.00	18,823.44	810.00			
16 HENDERSON	M	M	11	1926	0	0	11	0	1967	2	02	1934	1295		9,065.00	810.00		
17 IRVIN	R	M	07	1951	08	1976	08	2001	1			2055.78	600.00	24,669.36	810.00			
18 LASSITER	E	F	06	1952	0	0	01	2008	3			2462.98		29,555.76				
19 JACKSON	P	F	05	1949	10	1980			3			1756.27	600.00	21,075.24				
20 JONES	R	M	09	1950	0	0	01	1995	2			2061.56	600.00	24,738.72	810.00			
21 LINDLEY	V	F	05	1931	0	0	0	0	3			1435.38	600.00	17,224.56	810.00			
22 MARSHALL	C	F	07	1944	08	1981	09	2001	3			3299.44	600.00	39,593.28	810.00			
23 MASHBURN	M	M	10	1952	06	1975	06	1996	1	05	1954	2504.17	600.00	30,050.04	810.00			
24 MCCANN	J	M	09	1949	08	1973	12	1996	1	08	1947	2561.1	600.00	30,733.20	810.00			
25 MCDANIEL	C	F	10	1949	01	1977	11	1999	5			271.62		3,259.44				
26 MCDANIEL	R	M	12	1942	01	1977	11	1999	1			2252.99	600.00	27,035.88	810.00			

Benefit Option:

1-Service Retirement, 2-Disability, 3-Survivor Benefit,
4-Surviving Children, 5-QDRO Alt. Payee, 7-Age 60 Bonus

Jonesboro
Paid Police
Retiree Listing as of 12/31/2011

Name	Sex	Date of Birth			Date of Hire			Date of Retirement			Benefit Option	Spousal			Regular Monthly Benefit	Act 1452 Supplement Paid during 2011	Total Regular Benefits Paid during 2011	Total Future Supplement Paid during 2011	Comments
		Mo	Year	Mo	Year	Mo	Year	Mo	Year	Mo		Year	Mo	Year					
27 MEADOWS	E	F	10	1923	09	1966				3				1974.09	600.00	23,689.08	810.00		
28 MEDLOCK	J	M	07	1932	0	0	8	1979	1	11	1936		1774.6	600.00	21,295.20	810.00			
29 PARNELL	G	M	05	1949	08	1975	04	1989	2				1945.64	600.00	23,347.68	810.00			
30 PERONIA	B	F	09	1933	0	0			3				1764.87	600.00	21,178.32	810.00			
31 POLEY	L	M	02	1943	03	1972	07	1988	2				1814.2	600.00	21,770.40	810.00			
32 RAINEY	E	M	11	1937	10	1979	10	1999	1	07	1939		2743.73	600.00	32,924.76	810.00			
33 RICE	H	M	02	1930	0	0	3	1972	2	04	1931		1245	600.00	14,940.00	810.00			
34 ROLLY, JR	T	M	11	1944	10	1969	11	1991	1	09	1943		2075.24	600.00	24,902.88	810.00			
35 SANFORD	T	M	01	1940	03	1976	03	2001	1	05	1942		2007.87	600.00	24,094.44	810.00			
36 SMITH	R	M	11	1938	06	1966	06	1988	1	09	1942		2008.04	600.00	24,096.48	810.00			
37 THOMAS	J	M	01	1952	12	1974	12	1998	1	05	1965		2251.02	600.00	27,012.24	810.00			
38 VAUGHN	J	F	10	1931	0	0			3				1756.08	600.00	21,072.96	810.00			
39 WARD	W	M	12	1942	06	1968	06	1988	1	05	1958		1968.04	600.00	23,616.48	810.00			
40 WATKINS	N	M	04	1945	06	1970	06	1990	1	11	1948		1975.48	600.00	23,705.76	810.00			
41 WHITLEY	A	M	11	1953	06	1975	07	1997	1	10	1954		2274.75	600.00	27,297.00	810.00			
42 BARNHILL	L	F	10	1952	0	0			3	0	0		1912.64		17,975.84		6 payments-6500.00 death benefit		
43 HENDERSON	P	F	2	1934	0	0			3	0	0		1295		12,975.00		5 Payments-6500.00 death benefit		
															Sum:	21600.00	969,429.76	28,350.00	

Jonesboro
Paid Police

Retiree Listing as of 12/31/2011

The Base Benefits are the monthly benefits without any benefit increases included. These will be used in the premium tax (Act 979 of 2011) calculation. Only update this sheet if the Base Benefit is not correct. Please provide explanation for any changes.

Benefit Option: 1-Service Retirement, 2-Disability, 3-Survivor Benefit,
4-Surviving Children, 5-QDRO Alt. Payee, 7-Age 60 Bonus, 8-DROP

Name	Sex	Date of Birth		Benefit Option	Base Monthly Benefit		Comments
		Mo	Year		Monthly	Benefit	
BAILEY	D	M	08	1932	2	1134.32	
BARNETT	D	M	06	1948	1	1170.49	
BARNETT	K	F	11	1953	5	519.75	
BARNHILL	L	M	11	1950	2	1432.64	
BRADLEY	D	M	09	1939	1	2047.68	
BURCHAM	L	M	01	1949	1	1866.21	
COOK	M	M	11	1929	1	1705.56	
DOWDY	L	F	09	1942	3	1491.74	
EIDSON	J	M	05	1945	1	1923.38	
EMISON	D	M	04	1946	2	1914.93	
ETTER	G	M	08	1949	1	1544.2	
GRIGSBY	R	M	03	1959	1	2941.4	
HANKS	J	M	10	1946	1	1246.63	
HANKS	P	F	10	1946	5	500	

Jonesboro
Paid Police

Retiree Listing as of 12/31/2011

The Base Benefits are the monthly benefits without any benefit increases included. These will be used in the premium tax (Act 979 of 2011) calculation. Only update this sheet if the Base Benefit is not correct. Please provide explanation for any changes.

Benefit Option:
1-Service Retirement, 2-Disability, 3-Survivor Benefit,
4-Surviving Children, 5-QDRO Alt. Payee, 7-Age 60 Bonus, 8-DROP

Name	Sex	Date of Birth		Benefit Option	Base Monthly Benefit		Comments
		Mo	Year		Monthly	Benefit	
HANLEY	A	F	09	1927	3	1138.62	
HENDERSON	M	M	11	1926	2	815	
IRVIN	R	M	07	1951	1	1625.78	
LASSITER	E	F	06	1952	3	2032.98	
JACKSON	P	F	05	1949	3	1326.27	
JONES	R	M	09	1950	2	1631.56	
LINDLEY	V	F	05	1931	3	1005.38	
MARSHALL	C	F	07	1944	3	2869.44	
MASHBURN	M	M	10	1952	1	2074.17	
MCCANN	J	M	09	1949	1	2131.1	
MCDANIEL	C	F	10	1949	5	271.62	
MCDANIEL	R	M	12	1942	1	1822.99	
MEADOWS	E	F	10	1923	3	1544.09	
MEDLOCK	J	M	07	1932	1	1344.6	

See Accountants' Compilation Report.

Jonesboro
Paid Police

Retiree Listing as of 12/31/2011

The Base Benefits are the monthly benefits without any benefit increases included. These will be used in the premium tax (Act 979 of 2011) calculation. Only update this sheet if the Base Benefit is not correct. Please provide explanation for any changes.

Benefit Option:
1-Service Retirement, 2-Disability, 3-Survivor Benefit,
4-Surviving Children, 5-QDRO Alt. Payee, 7-Age 60 Bonus, 8-DROP

Name	Sex	Date of Birth		Benefit Option	Base Monthly Benefit		Comments
		Mo	Year		Benefit	Benefit	
PARNELL	M	05	1949	2	1515.64		
PERONIA	F	09	1933	3	1334.87		
POLEY	M	02	1943	2	1384.2		
RAINEY	M	11	1937	1	2313.73		
RICE	M	02	1930	2	815		
ROLLY, JR	M	11	1944	1	1645.24		
SANFORD	M	01	1940	1	1577.87		
SMITH	M	11	1938	1	1578.04		
THOMAS	M	01	1952	1	1821.02		
VAUGHN	F	10	1931	3	1326.09		
WARD	M	12	1942	1	1538.04		
WATKINS	M	04	1945	1	1545.48		
WHITLEY	M	11	1953	1	1844.75		

See Accountants' Compilation Report.