



Finance Committee Meeting

October 12, 2010

- A. Firemen's Pension and Relief Fund
 - 1) Memorandum to Mayor dated September 21, 2010
 - 2) Calculation of Millage Levy
 - 3) Resolution
- B. Jonesboro Police Pension Fund
 - 1) Memorandum to Mayor dated September 21, 2010
 - 2) Calculation of Millage Levy
 - 3) Resolution
- C. Library Millage Resolution
- D. August 2010 Financial Reports
- E. September 2010 Cash Management Reports
 - 1) Daily Ending Cash Balances
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 - 2) Non-Uniform Pension Actuarial Valuation

Firemen's Pension
&
Relief Fund

2011 Millage Levy



Finance Department Memorandum

Date: September 21, 2010
To: Mayor Perrin
From: Jim Eagan, Assistant Finance Director
Subject: a) 2009 Actuarial Valuation of Jonesboro Paid Fire Combined Plans
 b) Levy of Millage during 2011 to fund Local Firemen's Relief and Pension Fund

The actuarial valuation of the Jonesboro Paid Fire Combined Plans was received from Gabriel, Roeder, Smith & Company. The valuation contains important information regarding the City's funding of the Local Firemen's Relief and Pension Fund and the Arkansas Local Police and Fire Retirement System (LOPFI). The following is a discussion of this report. The funding requirements shown in the report also serve as the basis for determining the amount of millage tax to be levied to support the Local Firemen's Fund, referred to as the "Closed Fund". A discussion of the millage tax levy for 2011 is also included.

Background

In 1947, an election was held for the passage of a millage tax to fund a local pension and relief fund for firemen. This vote was carried out in accordance with laws which have been re-codified under A.C.A. 24-11-812. The measure passed and the City has continued to levy millage taxes since that time, per an annual resolution of the City Council (as provided in Section (a)(2) of 24-11-812).

In 1997, the City Council approved Ordinance 97:1731 providing for future administration of the Closed Fund to be carried out by LOPFI. Since that time, all funds received from the millage tax have been forwarded to LOPFI as invoices are received (24-11-8112(f)).

Fire department employees hired after December 31, 1982 are provided pension benefits solely by LOPFI.

Valuation Results

The valuation determines a contribution rate percentage for the combination of the LOPFI and Closed Fund. A contribution rate percentage for the LOPFI only plan is also provided, so the contribution rate for the Closed Fund can also be determined. The contribution rate percentages (which are applied to the total payroll of the active Fire Department to convert to dollar amounts) are as follows:

Combined Rate	32.69%	(\$1,642,273)
LOPFI Paid Fire Rate	<u>17.49%</u>	<u>(878,659)</u>
Closed Fund Rate	15.20%	(\$ 763,614)

While the percentage contribution for the Closed Fund is lower than the 15.38% rate for the previous year, the dollar amount increased \$94,349 due to an increase in the payroll base (see attached chart). Also impacting the total contribution was a change in actuarial assumptions in 2008 and legislated benefit increases.

Combined actuarial accrued liabilities totaled \$20,452,446. Total reported assets are \$14,157,685, leaving a total of \$6,294,761 as unfunded accrued liabilities. The unfunded liabilities are amortized over a period of 30 years, with the exception of those associated with the Closed Fund. The financing period for Closed Fund liabilities is 27 years (from December 31, 2009).

Calculation of Millage Rate

Along with the increase in the required contribution, the other factor that must be considered prior to calculation of the annual millage levy is the amount of insurance premium turnback that will be provided by LOPFI. Last year, the Fund received \$272,940 in insurance turnback. However, it is likely that insurance turnback will be subject to legislative changes, and future receipt of insurance turnback will be limited. One idea being considered is a leveling of pension costs among all cities, requiring a levy of 1 mill of taxes being contributed to local pensions before receipt of assistance from LOPFI in any form, including insurance turnback. Due to the likelihood that insurance turnback will be limited or non-existent in the future, we have excluded it in the calculations.

Without insurance turnback, the contribution for the local fund remains at a minimum of \$763,614. Based on previous year's collections (at .5 mills) and the projected tax base, it is recommended that the millage levy be increased to the maximum allowed by law of 1 mill.



Calculation of Contribution for Local Firemen's Pension and Relief Fund

Determination of Closed Fund Contribution

Actuarial Valuation Date	Year of Rate Application	Combined Rate	Paid Fire Computed Contribution Rate	Contribution Rate for Closed Fund	Payroll Amount Used in Computation	Contribution Required for Closed Fund
12/31/1997	1999	24.55%	10.03%	14.52%	\$ 1,976,806	\$ 287,032
12/31/1998	2000	22.76%	11.46%	11.30%	1,829,455	206,728
12/31/1999	2001	16.45%	11.35%	5.10%	2,062,641	105,195
12/31/2000	2002	17.61%	11.40%	6.21%	2,343,189	145,512
12/31/2001	2003	9.98%	6.00%	3.98%	2,554,281	101,660
12/31/2002	2004	14.80%	9.56%	5.24%	2,808,209	147,150
12/31/2003	2005	20.50%	10.56%	9.94%	2,982,798	296,490
12/31/2004	2006	25.61%	15.08%	10.53%	3,173,030	334,120
12/31/2005	2007	25.58%	15.54%	10.04%	3,417,216	343,088
12/31/2006	2008	26.42%	15.47%	10.95%	3,675,505	402,468
12/31/2007	2009	26.07%	16.48%	9.59%	4,358,433	417,974
12/31/2008	2010	31.87%	16.49%	15.38%	4,351,531	669,265
12/31/2009	2011	32.69%	17.49%	15.20%	5,023,778	763,614



**Local Firemen's Pension and Relief Fund
2011 Tax Levy**

Calculation of Millage Collections Needed for Funding Year 2011

A. Necessary Employer Contribution	\$	763,614
C. Monies from Insurance Turnback		-
D. Remainder to be Funded by Millage	\$	<u>763,614</u>

Calculation of Millage Rate

Prior Year's Collections Method

A. Previous Year's Millage Rate		0.5
B. Taxes Received in Prior Year	\$	431,047
C. Amount of Millage Required to Fund Contributions	\$	763,614
D. Upcoming Contribution as a Multiple of Previous Year Collections (C/B)		1.7715
E. Millage Rate Required (D*A)		0.89

Projected Tax Base Method

A. Total City Wide Tax Base		
1. Real Property Assessed Value	\$	770,535,692
2. Personal Property Assessed Value		229,229,580
Total Assessed Value	\$	<u>999,765,272</u>
B. Anticipated Percentage of Collections		89.50%
C. Tax Base Included in Calculation	\$	894,789,918
D. Amount of Millage Required to Fund Contributions	\$	763,614
E. Millage Rate Required (D/C)		0.853401



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Text File

File Number: RES-10:133

Introduced: 10/6/2010

Current Status: ATS Review

Version: 1

Matter Type: Resolution

Title

A RESOLUTION APPROVING THE RECOMMENDATION OF THE LOCAL FIREMENS PENSION BOARD AND TO LEVY A ONE (1) MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE LOCAL FIREMENS PENSION AND RELIEF FUND

Body

WHEREAS, a duly qualified election was held in accordance with A.C.A. 24-11-812, to provide for a tax levy not to exceed one (1) mill on the dollar upon the assessed value of the real and personal property contained in the city, for the purpose of funding a local pension and relief fund for fire department personnel and their survivors; and, WHEREAS, a majority of those voting approved the levy to fund the local pension fund; and,

WHEREAS, the above law requires an annual levy be made by the City Council, and certified to the county clerk; and,

WHEREAS, the duly qualified and acting Board of the Fire Pension Fund has enacted and certified to the City Clerk a resolution finding that a regulated sum is necessary to discharge the functions of said Board in the year of 2011; and,

WHEREAS, the City Council finds that in order to raise said sum, it is necessary to levy a tax of one (1) mill on the dollar on all real property and one (1) mill on the dollar on all personal property, excepting household goods;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

Section 1: The City Council approves the resolution of the Fire Pension Fund board.

Section 2: The County Clerk is hereby authorized and directed to extend said tax upon the tax book, and that the same be collected in the same manner as other property taxes are collected.

Jonesboro Police Pension Fund

2011 Millage Levy



Finance Department Memorandum

Date: September 21, 2010
To: Mayor Perrin
From: Jim Eagan, Assistant Finance Director
Subject: a) 2009 Actuarial Valuation of the Jonesboro Police Pension Fund
b) Levy of Millage during 2011 to fund Jonesboro Police Pension Fund

The actuarial valuation of the Jonesboro Police Pension Fund was received from Osborn, Carreiro & Associates, Inc. The valuation contains important information regarding the City's funding of the pension fund for uniformed officers hired prior to 1983. The following is a discussion of this report. The funding requirements shown in the report also serve as the basis for determining the amount of millage tax to be levied to support the Fund. A discussion of the millage tax levy for 2011 is also included.

Background

In 1947, an election was held for the passage of a millage tax to fund a local pension and relief fund for policemen. This vote was carried out in accordance with laws which have been re-codified under A.C.A. 24-11-404. The measure passed and the City has continued to levy millage taxes since that time, per an annual resolution of the City Council (as provided in Section (a)(2) of 24-11-404).

Police Department employees hired after December 31, 1982 are provided pension benefits solely by LOPFI.

Valuation Results

The results of the valuation show a contribution of \$929,963 will be required for 2011, versus the contribution of \$872,577 for 2009. It was noted that a required change in actuarial assumptions increased the unfunded actuarial accrued liability by \$3,036,656, thus increasing the required contribution by \$660,926 (since the unfunded liability must be paid over a five-year period).

It should also be noted that the increase in unfunded liability reduced the funded percentage below 97%, resulting in the plan being considered actuarially unsound and failing to meet the minimum asset management standards defined in A.C.A. 24-11-216.

Insurance Turnback

Fire and police pensions receive funding from a tax on insurance premiums levied by the State. These monies are forwarded to LOPFI and distributed according to regulations to cities having local pension funds. Last year, the local police pension fund received \$272,940 in insurance turnback. However, it is likely that insurance turnback will be subject to legislative changes, and future receipt of insurance turnback will be limited. One idea being considered is a leveling of pension costs among all cities, requiring a levy of 1mill of taxes being contributed to local pensions before receipt of assistance from LOPFI in any form, including insurance turnback. Due to the likelihood that insurance turnback will be limited or non-existent in the future, we have excluded it in the calculations.

District Court Fines

In addition to insurance premium turnback, the local police pension receives 10% of District Court fines for funding. A schedule is attached which shows the total budgeted amount of District Court fines for 2011, and the anticipated amount of \$124,000 to be provided to the local police pension fund.

Finance Department Memorandum
September 21, 2010
Re: Jonesboro Police Pension Fund

Calculation of Millage Levy

After consideration of the other funding sources, a total of \$805,963 in millage collections is needed to provide the required contribution. Based on previous years' collections and the local tax base, the minimum levy was calculated at .93 mills. Due to the fact that additional collections are needed to reduce the actuarial unfunded liability in a timely manner it is recommended that the millage levy be increased to the maximum allowed by law of 1 mill.



Calculation of Contribution for Jonesboro Police Pension Fund
 Projection of Contribution from Ten-Percent of District Court Fines

2011 Budget Projection

Month	Fines Received During Past Years ²	2011 Budgeted Fines by Month	Contribution to Pension Fund
January	\$ 101,865.85	\$ 102,231.34	\$ 10,223.13
February	107,329.28	107,714.38	10,771.44
March	106,345.29	106,726.85	10,672.69
April	104,730.48	105,106.25	10,510.63
May	108,413.52	108,802.51	10,880.25
June	105,329.53	105,707.45	10,570.75
July	109,273.26	109,665.33	10,966.53
August	98,642.35	98,996.28	9,899.63
September ¹	102,847.77	103,216.79	10,321.68
October ¹	100,198.38	100,557.89	10,055.79
November ¹	93,716.50	94,052.75	9,405.28
December ¹	96,874.60	97,222.18	9,722.22
TOTALS	\$ 1,235,566.81	\$ 1,240,000.00	\$ 124,000.00

¹These amounts are for fiscal year 2009.

²Adjusted for variations in collections.



Jonesboro Police Pension Fund

Calculation of Millage Collections Needed for Funding Year 2011

A. Necessary Employer Contribution	\$	929,963.00
B. Projected Monies from Fines		(124,000.00)
C. Monies from Insurance Turnback		-
D. Remainder to be Funded by Millage	\$	<u>805,963</u>

Calculation of Millage Rate

Prior Year's Collections Method

A. Previous Year's Millage Rate		0.5
B. Taxes Received in Prior Year	\$	431,047
C. Amount of Millage Required to Fund Contributions	\$	805,963
D. Upcoming Contribution as a Multiple of Previous Year Collections (C/B)		1.8698
E. Millage Rate Required (D*A)		0.93

Projected Tax Base Method

A. Total City Wide Tax Base		
1. Real Property Assessed Value	\$	770,535,692
2. Personal Property Assessed Value		229,229,580
Total Assessed Value	\$	<u>999,765,272</u>
B. Anticipated Percentage of Collections		89.50%
C. Tax Base Included in Calculation	\$	894,789,918
D. Amount of Millage Required to Fund Contributions	\$	805,963
E. Millage Rate Required (D/C)		0.90



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Text File

File Number: RES-10:132

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Title

A RESOLUTION APPROVING THE RECOMMENDATION OF THE JONESBORO POLICE PENSION BOARD AND TO LEVY A ONE (1) MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE JONESBORO POLICE PENSION FUND

Body

WHEREAS, a duly qualified election was held in accordance with A.C.A. 24-11-404, to provide for a tax levy not to exceed one (1) mill on the dollar upon the assessed value of the real and personal property contained in the city, for the purpose of funding a local pension and relief fund for police officers and their survivors; and,

WHEREAS, a majority of those voting approved the levy to fund the local pension fund; and,

WHEREAS, the above law requires an annual levy be made by the City Council, and certified to the county clerk; and,

WHEREAS, the duly qualified and acting Board of the Jonesboro Police Pension Fund has enacted and certified to the City Clerk a resolution finding that the regulated sum is necessary to discharge the functions of said Board in the year of 2011; and,

WHEREAS, the City Council finds that in order to raise said sum, it is necessary to levy a tax of one (1) mill on the dollar on all real property and one (1) mill on the dollar on all personal property, excepting household goods;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

Section 1: The City Council approves the resolution of the Jonesboro Police Pension Fund board.

Section 2: The County Clerk is hereby authorized and directed to extend said tax upon the tax book, and that the same be collected in the same manner as other property taxes are collected.



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Text File

Introduced: 10/12/2010

Current Status: ATS Review

Version: 1

Matter Type: Resolution

Title

A RESOLUTION TO LEVY A 2 MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE PUBLIC LIBRARY TAX

Body

WHEREAS, pursuant to the terms of Amendment 30 of the Constitution of the State of Arkansas, a duly qualified election was held upon presentation of a petition by voters; and,

WHEREAS, a majority of the electors voted in favor of the establishment of a public library, and further approved an annual levy on all real and personal property within the City for the support, operation and maintenance of the public library, specifying a rate of taxation of 2 mills on the dollar; and,

WHEREAS, these questions being answered by a majority of the qualified voters the Mayor proclaimed it adopted by law;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

Section 1: Pursuant to the millage rollback computation - Arkansas Statute 84-493.2; Section 3, Act 848, the taxation will be as follows: On all real property the taxes are at the rate of 2 mills on the dollar and on all personal property, excepting household goods, the rate is 2 mills on the dollar.



Finance Department Memorandum

Date: September 17, 2010
To: Mayor Harold Perrin
From: Jim Eagan, Assistant Finance Director
Subject: August Financial Reports

The financial reports for August 2010 have been completed and are attached for your review. There are several items that should be noted as discussed in the following paragraphs.

Revenues

Major sources of revenue:

Privilege license income was \$687,044, which is only \$10,956 below YTD budget.

Building and planning permits are \$169,798 below YTD budget; this shortfall is primarily in building permits.

HVAC permit fees continue to exceed budgeted amounts.

City sales tax receipts in General Fund exceed budget by \$653,815 due to reallocation of taxes from Federal Funds and E-911.

County sales taxes received through August are \$214,841 above YTD budget.

State Turnback monies allocated to General and Street Funds for YTD 2010 are below budget, but are offset by higher than expected receipts of Natural Gas Severance Tax.

Franchise tax revenue is \$389,271 below YTD budget. Franchise taxes received in August are \$199,092 above the budgeted revenues for the month due to timing of receipt of taxes paid by Suddenlink.

Monies from District Court for 2010 YTD are \$157,142 above budget.

Non-recurring revenue:

Monies from insurance claims totaling \$131,514 were received during the month of August.

Overall revenue:

O&M revenues totaled \$2,853,279 for the month of August, which is \$676,210 above monthly budget. This was due to higher than expected receipts for sales taxes, sale of City property of \$100,000, timing of franchise taxes received as noted above, and receipt of insurance monies which were not budgeted. YTD O&M revenues are \$605,956 above budget.

City-wide revenues are \$826,967 below YTD budget. Federal Funds Fund shows a YTD budget variance of \$1,551,606 due to timing differences in expected grants progress.

Expenses

O&M expenses for August were \$184,506 below budget for the month, with YTD expenses of \$21,204,462 for all O&M departments, or \$1,757,787 below budget.

Overall expenses YTD are \$7,588,388 below budget due to decreases in O&M spending, reduced Capital Improvements spending, and reductions in budgeted spending in Federal Funds (again due to timing issues).

Personnel expenses for all City departments were \$427,603 below YTD budget through August 2010.

It was also noted that August saw the second lowest level of accounts payable checks processed this year.

Changes in Fund Balances

Net results of increased revenues and reduced spending are reflected in the Statement of Revenues, Expenditures and Changes in Fund Balances. There has been a YTD decrease in O&M Funds balances of \$2,115,345 versus a budgeted deficit of \$4,479,087.

Overall fund balances stood at \$23,872,115, a YTD decrease of \$128,871. This is due to an increase in the Capital Improvements and CDBG Funds YTD balances of \$1,627,084 and \$317,671, respectively, offsetting minor decreases in other non-O&M funds.

Other Items

Pension Funds:

The Non-Uniform Pension plan experienced an unrealized loss of \$135,267 during August, reducing the YTD unrealized gain to \$5,061. Total investments as of August 31, 2010 were \$5,745,765. YTD investments returns are 0.27%.

Cash Balances:

Total deposit account balances exceeded \$25 million on August 25, 2010, with the receipt of sales taxes. This is the first time this year that balances have reached this level. Balances subsequently decreased with payment of expenses and payroll.

September 2010

**Cash Management
Reports**

Daily Ending Cash Balances
September 2010

Accounts	Ending Cash Balance			
	Tue 08/31	Wed 09/01	Thu 09/02	Fri 09/03
BanCorp South				
Consolidated	\$ -	\$ -	\$ -	\$ -
Capital Improvement	-	-	-	-
Federal Forfeiture	13,162.20	13,162.20	13,162.20	13,162.20
Operating	38,897.92	38,897.92	3,897.92	3,897.92
Street	-	-	-	-
Total BanCorp	\$ -	\$ 52,060.12	\$ 17,060.12	\$ 17,060.12

Liberty Bank				
General Fund	\$ 9,521,308.45	\$ 9,503,703.43	\$ 9,506,254.53	\$ 9,507,857.67
Street Fund	3,435,990.35	3,435,990.35	3,436,018.35	3,436,183.35
E-911 Fund	575,365.41	575,365.41	575,365.41	575,365.41
Capital Improvement Fund	7,233,388.21	7,248,301.72	7,248,301.72	7,248,301.72
Ad & Promotion Fund	487,827.75	487,827.75	487,827.75	487,827.75
Cemetery Fund	1,327,135.08	1,327,135.08	1,327,135.08	1,327,135.08
MPO Fund	31,076.80	31,076.80	31,076.80	31,076.80
Federal Grants Funds	909,523.19	909,523.19	909,523.19	917,405.43
C.D.B.G. Funds	365,298.15	365,298.15	365,298.15	365,298.15
JETS Funds	22,909.33	47,925.33	47,875.33	47,875.33
2009 Cafeteria Plan	133,478.64	133,478.64	128,408.30	128,408.30
Operating Account	316,901.55	293,907.77	289,520.96	207,599.72
2008 Cafeteria Plan	-	-	-	-
New Payroll	111,921.58	111,921.58	111,921.58	111,921.58
Old Payroll	74,738.95	74,738.95	74,738.95	74,738.95
Insurance	130.67	130.67	130.67	130.67
Total Liberty	\$ -	\$ 24,546,994.11	\$ 24,539,396.77	\$ 24,467,125.91

First Security Bank				
Credit Card	\$ -	\$ -	\$ -	\$ -
New Credit Card	20,050.35	20,113.13	17,327.46	17,327.46
Economic Development	100.00	100.00	100.00	100.00
State Forfeiture	17,046.84	17,046.84	17,046.84	17,046.84
Total FSB	\$ -	\$ 37,197.19	\$ 34,474.30	\$ 34,474.30

TOTAL CASH BALANCES	\$ -	\$ 24,636,251.42	\$ 24,635,644.91	\$ 24,590,931.19	\$ 24,518,660.33
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Accounts	Ending Cash Balance				
	Mon 09/06	Tue 09/07	Wed 09/08	Thu 09/09	Fri 09/10
BanCorp South					
Consolidated	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvement	-	-	-	-	-
Federal Forfeiture	13,162.20	13,162.20	13,162.20	13,162.20	13,162.20
Operating	3,897.92	3,897.92	3,897.92	3,897.92	3,897.92
Street	-	-	-	-	-
Total BanCorp	\$ 17,060.12	\$ 17,060.12	\$ 17,060.12	\$ 17,060.12	\$ 17,060.12

Liberty Bank					
General Fund	\$ 9,507,857.67	\$ 9,518,616.31	\$ 9,527,551.25	\$ 9,533,815.33	\$ 9,202,060.07
Street Fund	3,436,183.35	3,436,183.35	3,444,211.69	3,445,215.41	3,359,814.93
E-911 Fund	575,365.41	575,365.41	575,365.41	575,365.41	560,909.93
Capital Improvement Fund	7,248,301.72	7,248,301.72	7,248,301.72	7,248,301.72	7,084,043.57
Ad & Promotion Fund	487,827.75	487,827.75	487,827.75	491,182.46	487,243.46
Cemetery Fund	1,327,135.08	1,327,297.58	1,327,297.58	1,327,297.58	1,327,277.58
MPO Fund	31,076.80	31,076.80	31,076.80	31,076.80	30,449.19
Federal Grants Funds	917,405.43	917,405.43	925,531.76	925,531.76	707,004.59
C.D.B.G. Funds	365,298.15	365,298.15	365,298.15	365,298.15	364,489.60
JETS Funds	47,875.33	48,697.34	48,697.34	48,774.34	33,824.55
2009 Cafeteria Plan	128,408.30	128,408.30	128,408.30	128,408.30	125,547.31
Operating Account	207,599.72	203,769.96	203,259.25	194,840.87	1,355,158.72
2008 Cafeteria Plan	-	-	-	-	-
New Payroll	111,921.58	111,921.58	111,921.58	111,921.58	111,921.58
Old Payroll	74,738.95	74,738.95	74,738.95	74,738.95	11,733.11
Insurance	130.67	6,202.11	6,202.11	6,202.11	6,202.11
Total Liberty	\$ 24,467,125.91	\$ 24,481,110.74	\$ 24,505,689.54	\$ 24,507,970.77	\$ 24,767,680.30

First Security Bank					
Credit Card	\$ -	\$ -	\$ -	\$ -	\$ -
New Credit Card	17,327.46	20,421.30	20,421.30	20,891.90	20,818.90
Economic Development	100.00	100.00	100.00	100.00	100.00
State Forfeiture	17,046.84	17,046.84	17,046.84	17,046.84	17,046.84
Total FSB	\$ 34,474.30	\$ 37,568.14	\$ 37,568.14	\$ 37,838.74	\$ 37,965.74

TOTAL CASH BALANCES	\$ 24,518,660.33	\$ 24,535,739.00	\$ 24,560,317.80	\$ 24,562,869.63	\$ 24,822,706.16
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**Daily Ending Cash Balances
September 2010**

Accounts	Ending Cash Balance				
	Mon 09/13	Tue 09/14	Wed 09/15	Thu 09/16	Fri 09/17
BanCorp South					
Consolidated	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvement	-	-	-	-	-
Federal Forfeiture	13,162.20	13,162.20	13,162.20	13,162.20	13,162.20
Operating	3,897.92	3,897.92	3,897.92	3,897.92	3,897.92
Street	-	-	-	-	-
Total BanCorp	\$ 17,060.12	\$ 17,060.12	\$ 17,060.12	\$ 17,060.12	\$ 17,060.12

Liberty Bank					
General Fund	\$ 8,724,600.18	\$ 8,748,705.39	\$ 8,750,129.79	\$ 8,788,205.56	\$ 8,920,430.23
Street Fund	3,262,569.60	3,298,037.06	3,298,037.06	3,298,404.06	3,298,404.06
E-911 Fund	555,648.77	555,648.77	555,648.77	555,648.77	555,648.77
Capital Improvement Fund	7,084,043.57	7,084,043.57	7,084,043.57	7,084,043.57	7,084,043.57
Ad & Promotion Fund	490,075.46	490,075.46	490,075.46	491,800.58	493,547.85
Cemetery Fund	1,328,015.08	1,328,015.08	1,328,015.08	1,328,015.08	1,328,015.08
MPO Fund	26,248.44	26,248.44	26,248.44	26,248.44	26,248.44
Federal Grants Funds	693,961.88	696,140.84	804,657.31	804,657.31	804,657.31
C.D.B.G. Funds	358,622.24	358,622.24	358,622.24	358,622.24	453,838.04
JETS Funds	12,114.62	108,459.62	45,076.62	45,076.62	45,101.62
2009 Cafeteria Plan	130,617.65	130,617.65	130,617.65	130,617.65	125,547.31
Operating Account	1,341,402.34	801,198.96	671,028.31	359,263.35	352,404.48
2008 Cafeteria Plan	-	-	-	-	-
New Payroll	656,864.34	656,864.34	111,921.58	111,921.58	111,921.58
Old Payroll	164,498.99	164,498.99	42,908.35	42,908.35	42,908.35
Insurance	6,202.11	6,202.11	6,202.11	130.67	130.67
Total Liberty	\$ 24,835,485.27	\$ 24,453,378.52	\$ 23,703,232.34	\$ 23,425,563.83	\$ 23,642,847.36

First Security Bank					
Credit Card	\$ -	\$ -	\$ -	\$ -	\$ -
New Credit Card	17,090.24	17,090.24	17,609.95	18,061.45	18,266.50
Economic Development	100.00	100.00	100.00	100.00	100.00
State Forfeiture	17,046.84	17,046.84	17,046.84	17,046.84	17,046.84
Total FSB	\$ 34,237.08	\$ 34,237.08	\$ 34,756.79	\$ 35,208.29	\$ 35,413.34

TOTAL CASH BALANCES \$ 24,866,782.47 \$ 24,504,675.72 \$ 23,755,049.25 \$ 23,477,832.24 \$ 23,695,320.82

Accounts	Ending Cash Balance				
	Mon 09/20	Tue 09/21	Wed 09/22	Thu 09/23	Fri 09/24
BanCorp South					
Consolidated		\$ -	\$ -	\$ -	
Capital Improvement		-	-	-	
Federal Forfeiture	13,162.20	13,162.20	13,162.20	13,162.20	12,403.68
Operating	3,897.92	3,897.92	3,897.92	3,897.92	3,897.92
Street	-	-	-	-	-
Total BanCorp	\$ 17,060.12	\$ 17,060.12	\$ 17,060.12	\$ 17,060.12	\$ 16,301.60

Liberty Bank					
General Fund	\$ 8,931,372.60	\$ 8,937,099.70	\$ 8,939,729.28	\$ 10,240,805.41	\$ 10,254,568.89
Street Fund	3,298,422.06	3,298,422.06	3,298,422.06	3,286,908.27	3,287,187.27
E-911 Fund	555,648.77	555,756.57	555,756.57	563,741.10	563,741.10
Capital Improvement Fund	7,084,043.57	7,084,043.57	7,084,043.57	7,582,597.22	7,582,597.22
Ad & Promotion Fund	510,180.91	510,254.91	520,551.91	512,401.91	513,261.91
Cemetery Fund	1,328,015.08	1,328,015.08	1,328,035.08	1,328,035.08	1,328,035.08
MPO Fund	26,248.44	26,248.44	26,761.45	26,512.17	26,512.17
Federal Grants Funds	804,657.31	903,347.31	903,662.81	729,341.99	699,759.55
C.D.B.G. Funds	453,838.04	453,838.04	453,838.04	365,602.50	365,602.60
JETS Funds	123,922.19	46,046.19	46,046.19	41,859.96	64,772.96
2009 Cafeteria Plan	125,547.31	125,547.31	125,547.31	125,547.31	125,547.31
Operating Account	200,089.46	248,007.79	243,250.60	781,589.84	731,648.64
2008 Cafeteria Plan	-	-	-	-	-
New Payroll	111,921.58	111,921.58	111,921.58	111,921.58	111,921.58
Old Payroll	42,908.35	42,908.35	42,908.35	42,908.35	42,908.35
Insurance	130.67	130.67	130.67	130.67	130.67
Total Liberty	\$ 23,596,946.34	\$ 23,671,587.57	\$ 23,680,605.47	\$ 25,739,903.36	\$ 25,698,195.30

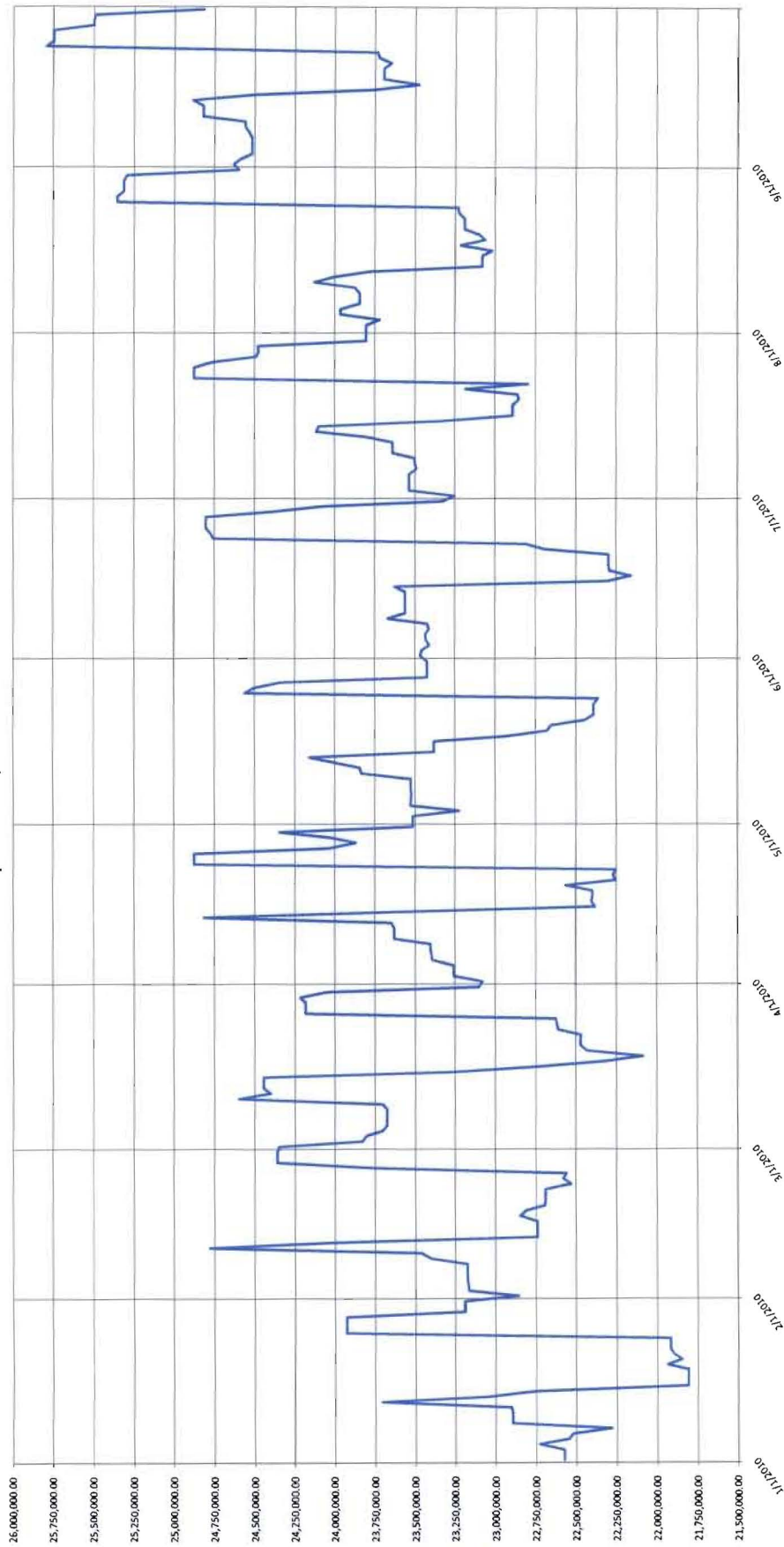
First Security Bank					
Credit Card		\$ -	\$ -	\$ -	
New Credit Card	17,279.04	17,279.04	20,504.04	20,991.13	21,191.13
Economic Development	100.00	100.00	100.00	100.00	100.00
State Forfeiture	17,046.84	17,046.84	17,046.84	17,046.84	17,046.84
Total FSB	\$ 34,425.88	\$ 34,425.88	\$ 37,650.88	\$ 38,137.97	\$ 38,337.97

TOTAL CASH BALANCES \$ 23,648,432.34 \$ 23,723,073.57 \$ 23,735,316.47 \$ 25,795,101.45 \$ 25,752,834.87

Daily Ending Cash Balances
September 2010

Accounts	Ending Cash Balance			
	Mon 09/27	Tue 09/28	Wed 09/29	Thu 09/30
BanCorp South				
Consolidated				\$ -
Capital Improvement				-
Federal Forfeiture	12,403.68	12,133.70	12,133.70	12,136.36
Operating	3,897.92	-	-	-
Street				-
Total BanCorp	\$ 16,301.60	\$ 12,133.70	\$ 12,133.70	\$ 12,136.36
Liberty Bank				
General Fund	\$ 10,269,393.55	\$ 9,611,702.18	\$ 9,587,928.41	\$ 9,600,962.34
Street Fund	3,287,187.27	3,189,514.41	2,931,342.89	2,935,210.42
E-911 Fund	563,741.10	536,494.29	640,372.93	641,022.10
Capital Improvement Fund	7,582,597.22	7,582,597.22	7,897,979.30	7,706,437.86
Ad & Promotion Fund	513,261.91	513,261.91	498,433.87	499,008.61
Cemetery Fund	1,328,035.08	1,328,035.08	1,328,820.08	1,330,954.29
MPO Fund	49,729.90	45,529.15	45,529.15	45,564.77
Federal Grants Funds	699,759.55	712,759.57	704,848.22	705,779.11
C.D.B.G. Funds	365,602.60	360,265.80	244,303.16	244,303.16
JETS Funds	65,601.86	44,159.56	51,368.70	52,123.53
2009 Cafeteria Plan	125,547.31	130,602.65	130,602.65	130,750.45
Operating Account	445,145.74	444,930.00	710,453.91	696,065.43
2008 Cafeteria Plan	-	-	-	-
New Payroll	111,921.58	672,917.99	672,917.99	112,051.75
Old Payroll	42,908.35	199,659.54	199,659.54	74,563.07
Insurance	130.67	130.67	130.67	132.94
Total Liberty	\$ 25,450,563.49	\$ 25,372,560.02	\$ 25,444,691.47	\$ 24,774,929.83
First Security Bank				
Credit Card				\$ -
New Credit Card	17,279.04	17,489.04	17,981.53	18,242.54
Economic Development	100.00	100.00	100.00	100.00
State Forfeiture	17,046.84	17,046.84	17,046.84	17,053.85
Total FSB	\$ 34,425.88	\$ 34,635.88	\$ 35,128.37	\$ 35,396.39
TOTAL CASH BALANCES	\$ 25,501,290.97	\$ 25,419,329.60	\$ 25,491,953.54	\$ 24,822,462.58

Daily Ending Cash Balances for 2010
as of September 30, 2010





Review of Interest Earnings - Deposit Accounts September 2010

Account Title	Bank	Beginning Balance	Ending Balance	Average Daily Balance	Interest Earned	Rate of Return
General Fund	Liberty Bank	\$ 9,521,308.45	\$ 9,600,962.34	\$ 9,396,106.12	\$ 10,874.04	1.39%
Street Fund	Liberty Bank	3,435,990.35	2,935,210.42	3,315,368.28	3,852.53	1.39%
E-911	Liberty Bank	575,365.41	641,022.10	568,477.22	649.17	1.37%
Capital Improvements	Liberty Bank	7,233,388.21	7,706,437.86	7,274,242.75	8,458.56	1.40%
Advertising & Promotion	Liberty Bank	487,827.75	499,008.61	497,178.23	574.74	1.39%
Cemetery Fund	Liberty Bank	1,327,135.08	1,330,954.29	1,327,823.05	1,544.21	1.40%
Federal Funds	Liberty Bank	909,523.19	705,779.11	801,832.49	930.89	1.39%
C.D.B.G.	Liberty Bank	365,298.15	244,303.16	373,851.81	N/A	N/A
J.E.T.S.	Liberty Bank	22,909.33	52,123.53	51,547.46	59.83	1.39%
M.P.O.	Liberty Bank	31,076.80	45,564.77	30,881.26	35.62	1.38%
Operating	Liberty Bank	316,901.55	696,065.43	542,525.30	308.14	0.68%
Cafeteria Plan 2008	Liberty Bank	0.00	0.00	0.00	N/A	N/A
Cafeteria Plan 2009	Liberty Bank	133,478.64	130,750.45	127,761.12	147.80	1.39%
Payroll	Liberty Bank	74,738.95	74,563.07	68,951.29	56.20	0.98%
Payroll SB	Liberty Bank	111,921.58	112,051.75	185,655.20	130.17	0.84%
Insurance	Liberty Bank	130.67	132.94	1,952.18	2.27	1.40%
Operating	BanCorp South	38,897.92	0.00	4,674.79	0.72	0.18%
Consolidated Fund	BanCorp South	0.00	0.00	0.00	N/A	N/A
Federal Forfeiture	BanCorp South	13,162.20	12,136.36	12,958.30	2.66	0.25%
Credit Card Account	First Security Bank	0.00	0.00	0.00	N/A	N/A
New Credit Card Account	First Security Bank	20,050.35	18,242.54	18,867.06	7.76	0.49%
Economic Development	First Security Bank	100.00	100.00	0.00	N/A	N/A
State Asset Forfeiture	First Security Bank	17,046.84	17,053.85	17,047.07	7.01	0.49%
TOTALS		\$ 24,636,251.42	\$ 24,822,462.58	\$ 24,617,700.99	\$ 27,642.32	1.37%

* Per our depository contract with Liberty Bank, the interest rate paid changed to 1.415% on July 1, 2010.



Deposit Collateralization Report
September 30, 2010

Bank	Account Description	Account No.	Balance	
Liberty Bank	General	****589	\$ 9,600,962.34	
	Street	****643	2,935,210.42	
	E-911	****619	641,022.10	
	Capital Improvements	****627	7,706,437.86	
	Advertising & Promotion	****600	499,008.61	
	Cemetery Fund	****678	1,330,954.29	
	Federal Funds	****190	705,779.11	
	C.D.B.G.	****791	244,303.16	
	J.E.T.S.	****349	52,123.53	
	MPO	****597	45,564.77	
	Operating Account	****189	696,065.43	
	Cafeteria Plan 2009	****825	130,750.45	
	Payroll	****165	74,563.07	
	Payroll SB	****432	112,051.75	
	Insurance	****790	132.94	
		TOTAL BALANCES		\$ 24,774,929.83
		Less: FDIC Insurance		250,000.00
	Market Value of Pledged Securities		24,892,244.34	
	TOTAL UNCOLLATERALIZED & UNINSURED BALANCES		\$ -	
Bancorp South	Federal Forfeiture	****603	\$ 12,136.36	
	Accounts Payable	****226	0.00	
	Consolidated	****242	0.00	
	TOTAL BALANCES		\$ 12,136.36	
	Less: FDIC Insurance		unlimited	
	Market Value of Pledged Securities		-	
	TOTAL UNCOLLATERALIZED & UNINSURED BALANCES		\$ -	
First Security Bank	New Credit Card Account	*****917	\$ 18,242.54	
	Economic Development	*****414	100.00	
	State Asset Forfeiture	***559	17,053.85	
	TOTAL BALANCES		\$ 35,396.39	
	Less: FDIC Insurance		250,000.00	
	Market Value of Pledged Securities		-	
	TOTAL UNCOLLATERALIZED & UNINSURED BALANCES		\$ -	

¹ Pursuant to the Temporary Liquidity Guarantee Program, all accounts with an interest rate which does not exceed 0.5 percent are protected by FDIC insurance in full (no maximums).



2010 RFP for Banking Depository Services Analysis of Bids

Bid Item	Liberty Bank	Iberia Bank	First Security Bank
A. Completeness of proposal			
Did the submitted proposal meet all specifications listed in the RFP?	Yes	Yes	Yes
B. Financial Strength/Capacity			
Capital Ratio for the past three years (2009/2008/2007)	10.23%/7.82%/8.38%	10.35%/8.78%/7.68%	7.14%/7.23%/7.56%
Risk Based Capital Ratio for the past three years (2009/2008/2007)	15.56%/11.94%/11.56%	13.69%/13.74%/11.41%	10.62%/10.55%/10.87%
Does the institution's Call Report reveal any concerns?	No.	No.	No.
Have there been significant changes in management or ownership during the past five years?	No.	Yes; predecessor banks were purchased by Iberia Bank Corporation subsidiaries in 2007.	No.
Are the institution's deposits insured by the FDIC?	Yes.	Yes.	Yes.
Will the institution fully collateralize all deposits?	Yes.	Yes.	Yes.
C. Services			
Does the institution have adequate facilities for the City's needs?	Yes.	Yes.	Yes.
How will interest earnings be calculated?	All interest bearing accounts will earn a rate equal to the 26-week T-bill plus 120 basis points. The floor rate will be 1.25%, and a ceiling of 3.50% applies.	Interest bearing accounts will earn a variable rate based on the Fed Funds Target Rate minus 25 basis points, with a floor of 1.0% and a ceiling rate of 2.50%.	Accounts earning interest will be paid the Fed Funds rate plus 20 basis points with a floor of 1.10% and a ceiling of 2.13%.
Are there costs for services provided?	No.	Yes; depending on the level of services requested.	Yes, for specific items.