



City of Jonesboro

900 West Monroe
Jonesboro, AR 72401

Council Agenda City Council

Tuesday, October 19, 2010

6:30 PM

Huntington Building

PUBLIC SAFETY COMMITTEE MEETING AT 5:30 P.M.

City Council Chambers, Huntington Building

NOMINATING AND RULES COMMITTEE MEETING AT 6:15 P.M.

City Council Chambers, Huntington Building

1. CALL TO ORDER BY MAYOR PERRIN AT 6:30 P.M.

2. PLEDGE OF ALLEGIANCE AND INVOCATION

3. ROLL CALL BY CITY CLERK DONNA JACKSON

4. SPECIAL PRESENTATIONS

COM-10:104 Presentation by Ms. Joan Cash

COM-10:105 Presentation by Dr. Jerry Farris concerning the vegetative management study.

COM-10:112 Proclamation for the Arkansas State University Black Out Game.

Sponsors: Mayor's Office

COM-10:115 Proclamation to Jonesboro High School Golf Team for winning State Championship for their class.

Sponsors: Mayor's Office

COM-10:116 Proclamation to Valley View High School Golf Team for winning their State Tournament Class

Sponsors: Mayor's Office

COM-10:117 Proclamation for Ridgefield Christian School winning Golf Class title and Cam McKinney for winning State Championship for this class.

Sponsors: Mayor's Office

5. CONSENT AGENDA

All items listed below will be voted on in one motion unless a council member requests

a separate action on one or more items.

MIN-10:093 Minutes for the City Council meeting on October 5, 2010.

Attachments: [Minutes](#)

6. NEW BUSINESS

RESOLUTIONS TO BE INTRODUCED

RES-10:104 A RESOLUTION TO condemn property at 614 W Jefferson

Sponsors: Code Enforcement

Attachments: [CONDEMNATION CHECKLIST.doc](#)
[CONDEMNATION CHECKLIST - PDF VERSION](#)
[100_2500.JPG](#)
[100_2501.JPG](#)
[100_2502.JPG](#)
[100_2504.JPG](#)
[100_2503.JPG](#)
[Inspection Report001.jpg](#)

Legislative History

9/21/10	Public Safety Council Committee	Recommended Under New Business
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RES-10:105 A RESOLUTION TO Condemn property at 1205 W Washington

Sponsors: Code Enforcement

Attachments: [CONDEMNATION CHECKLIST.doc](#)
[CONDEMNATION CHECKLIST - PDF VERSION](#)
[Inspection Report001.jpg](#)
[100_2406.JPG](#)
[100_2409.JPG](#)
[100_2410.JPG](#)
[100_2411.JPG](#)
[100_2413.JPG](#)

Legislative History

9/21/10	Public Safety Council Committee	Recommended Under New Business
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RES-10:132 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

Sponsors: Finance

Attachments: [Jonesboro Police Pension Fund Board resolution](#)
[09212010 Memorandum re Police Pension Fund Millage](#)
[2009 EOY Actuarial Valuation](#)

Legislative History

10/12/10 Finance & Administration Recommended Under New Business
Council Committee

RES-10:133 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

Sponsors: Finance

Attachments: [Fire Pension Fund Board resolution](#)
[2009 Actuarial Valuation Paid Fire Combined Plans](#)
[09212010 Memorandum re Fire Pension Fund Millage](#)

Legislative History

10/12/10 Finance & Administration Recommended Under New Business
Council Committee

RES-10:139 A RESOLUTION TO LEVY A 2 MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE PUBLIC LIBRARY TAX

Sponsors: Finance and Mayor's Office

Legislative History

10/12/10 Finance & Administration Recommended Under New Business
Council Committee

7. UNFINISHED BUSINESS

8. MAYOR'S REPORTS

COM-10:107 Jonesboro Airport Commission financial statements for the nine months ended September 30, 2010, and 2009

Sponsors: Mayor's Office

Attachments: [Airport Commission financial statements](#)

9. CITY COUNCIL REPORTS

10. PUBLIC COMMENTS

Public Comments are limited to 5 minutes per person for a total of 15 minutes.

11. ADJOURNMENT



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Legislation Details (With Text)

File #: COM-10:104 **Version:** 1 **Name:**
Type: Other Communications **Status:** To Be Introduced
File created: 9/29/2010 **In control:** City Council
On agenda: 10/14/2010 **Final action:**
Title: Presentation by Ms. Joan Cash
Sponsors:
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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title
Presentation by Ms. Joan Cash



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Legislation Details (With Text)

File #: COM-10:105 **Version:** 1 **Name:**
Type: Other Communications **Status:** To Be Introduced
File created: 10/6/2010 **In control:** City Council
On agenda: **Final action:**
Title: Presentation by Dr. Jerry Farris concerning the vegetative management study.
Sponsors:
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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title

Presentation by Dr. Jerry Farris concerning the vegetative management study.



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Legislation Details (With Text)

File #: COM-10:112 **Version:** 1 **Name:**
Type: Other Communications **Status:** To Be Introduced
File created: 10/8/2010 **In control:** City Council
On agenda: **Final action:**
Title: Proclamation for the Arkansas State University Black Out Game.
Sponsors: Mayor's Office
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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Title

Proclamation for the Arkansas State University Black Out Game.



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Legislation Details (With Text)

File #: COM-10:115 **Version:** 1 **Name:**
Type: Other Communications **Status:** To Be Introduced
File created: 10/13/2010 **In control:** City Council
On agenda: **Final action:**
Title: Proclamation to Jonesboro High School Golf Team for winning State Championship for their class.
Sponsors: Mayor's Office
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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Title

Proclamation to Jonesboro High School Golf Team for winning State Championship for their class.



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Legislation Details (With Text)

File #: COM-10:116 **Version:** 1 **Name:**
Type: Other Communications **Status:** To Be Introduced
File created: 10/13/2010 **In control:** City Council
On agenda: **Final action:**
Title: Proclamation to Valley View High School Golf Team for winning their State Tournament Class
Sponsors: Mayor's Office
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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Title

Proclamation to Valley View High School Golf Team for winning their State Tournament Class



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Legislation Details (With Text)

File #: COM-10:117 **Version:** 1 **Name:**
Type: Other Communications **Status:** To Be Introduced
File created: 10/13/2010 **In control:** City Council
On agenda: **Final action:**
Title: Proclamation for Ridgefield Christian School winning Golf Class title and Cam McKinney for winning State Championship for this class.
Sponsors: Mayor's Office
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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Title

Proclamation for Ridgefield Christian School winning Golf Class title and Cam McKinney for winning State Championship for this class.



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Legislation Details (With Text)

File #: MIN-10:093 **Version:** 1 **Name:**
Type: Minutes **Status:** To Be Introduced
File created: 10/6/2010 **In control:** City Council
On agenda: **Final action:**
Title: Minutes for the City Council meeting on October 5, 2010.
Sponsors:
Indexes:
Code sections:
Attachments: [Minutes](#)

Date	Ver.	Action By	Action	Result
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title

Minutes for the City Council meeting on October 5, 2010.



City of Jonesboro

900 West Monroe
Jonesboro, AR 72401

Meeting Minutes City Council

Tuesday, October 5, 2010

6:30 PM

Huntington Building

PUBLIC WORKS COMMITTEE MEETING AT 5:30 P.M.

1. CALL TO ORDER BY MAYOR PERRIN AT 6:30 P.M.

2. PLEDGE OF ALLEGIANCE AND INVOCATION

3. ROLL CALL BY CITY CLERK DONNA JACKSON

Present 12 - Darrel Dover; Ann Williams; Charles Frierson; Jim Hargis; Chris Moore; John Street; Mitch Johnson; Tim McCall; Gene Vance; Chris Gibson; Rennell Woods and Mikel Fears

4. SPECIAL PRESENTATIONS

COM-10:094 Special Presentation recognizing local citizens for their effort in solving crime.

Sponsors: Police Department

Police Chief Michael Yates presented Crystal Creecy and her daughter, Kayla, with the Chief's Award. Chief Yates explained Ms. Creecy had her credit cards stolen at her workplace in August. The detective handling the case was able to find video showing the credit cards being used at stores in the City. Ms. Creecy was unable to identify the suspects, but the video also showed the vehicle that the suspects used. A few weeks later, Kayla saw the suspect's vehicle at Wal-Mart. They followed the vehicle and Ms. Creecy contacted the Police Department. The suspects were caught and several cards that had been reported stolen and used across the state were recovered. Chief Yates noted the department has given out the Chief's Award only one time before. He thanked Ms. Creecy and Kayla for their work.

5. CONSENT AGENDA

Approval of the Consent Agenda

A motion was made by Councilman Chris Moore, seconded by Councilman Gene Vance, to Approve the Consent Agenda. A motion was made that these files be approved by consent voice vote

Aye: 12 - Darrel Dover; Ann Williams; Charles Frierson; Jim Hargis; Chris Moore; John Street; Mitch Johnson; Tim McCall; Gene Vance; Chris Gibson; Rennell Woods and Mikel Fears

MIN-10:089 Minutes for the City Council meeting on September 21, 2010.

This item was **PASSED** on the consent agenda.

MIN-10:090 Minutes for the special called City Council meeting on September 27, 2010.

This item was **PASSED** on the consent agenda.

6. NEW BUSINESS

7. UNFINISHED BUSINESS

ORDINANCES ON THIRD READING

ORD-10:077 AN ORDINANCE TO AMEND TITLE 14, KNOWN AS THE ZONING ORDINANCE PROVIDING FOR CHANGES IN ZONING BOUNDARIES FROM R-2 TO CR-1 LUO FOR PROPERTY LOCATED AT 401 EAST OAK AS REQUESTED BY GLEN AND NANCY MORING

A motion was made by Councilman Chris Moore, seconded by Councilman Chris Gibson, that this matter be Passed . The motion PASSED by a unanimous vote

Aye: 12 - Darrel Dover;Ann Williams;Charles Frierson;Jim Hargis;Chris Moore;John Street;Mitch Johnson;Tim McCall;Gene Vance;Chris Gibson;Rennell Woods and Mikel Fears

Enactment No: O-EN-055-2010

8. MAYOR'S REPORTS

Mayor Perrin reported on the following items:

Sales results in advertising for the Parks Department have been good. As of last week, the Assistant to the Parks Director has sold \$30,000 already and has \$45,000 pending.

E-911 had a meeting on September 22nd to discuss the upcoming contract with the county and the utilization of the system. They met with mayors from all over Craighead County to discuss the utilization to see if they can find a fair way to charge the cities in order to offset some of the cost of E-911 operations. E-911 Director Jeff Pressley is coming up with a solution and will hold another meeting in the latter part of October.

The take-home vehicle policy will be changing. Employees on call will be able to utilize the vehicles. The policy will also be updated to reflect IRS policies concerning take-home vehicles and will be an amendment to the Employee Handbook.

A cell phone analysis is being done and will continue during the budget process. They have met with Sprint concerning possible overcharges, but have not heard anything back. They will be looking at alternatives to the cell phones.

O&M expenditures are \$1.577 million below what was budgeted. Revenues are \$940,000 over what was budgeted. They will be sending the Council the financial reports.

The budget process is still continuing. The budget will be delivered to the Council before Thanksgiving.

They are still waiting on Legislative Audit. They are hoping to have the exit interview within the next two weeks. Finance Committee Chair Ann Williams will be attending the exit interview.

They received a letter from the Highway Department concerning bidding out the construction of a right-hand turn lane on Highways 226 & 49. The location is near the cloverleaf by the Wal-Mart on Parker Road. They are hoping to have that done by the end of the year.

He, City Engineer Craig Light and Engineer Brent Watkins will be meeting with the Highway Department concerning traffic counts on the four overpasses on 63. They will be looking at how to revamp those areas.

Dr. Farris will be making a presentation concerning the vegetative management study at the next Council meeting.

The City has applied for and is managing more grants than ever before. He noted that is thanks to Mr. Tony Thomas and other department heads for getting information regarding grants out.

Condemnations have been busy. Several have been torn down and others will be coming to Council for approval.

The Highway Department sent a letter approving the fixing of the stoplight at Stadium & Phillips and Highland & Brazos.

They received a letter from Attorney Wick Nesbitt concerning the non-uniform pension plan. He sent the letter to the City Council. They will be going to Little Rock to speak with Mr. Nesbitt and in the meantime will be looking for information Mr. Nesbitt has requested. The actuarial evaluation for 2009 was \$853,000, which was budgeted but has not been sent yet. He noted there is still a lot of work to be done. City Attorney Phillip Crego noted Mr. Nesbitt was sent the original contract and either one or two of the amendments.

COM-10:106 Flyer concerning clean-up from Main Street to Culberhouse and Woodrow to Forrest Street as presented by Mayor Perrin.

9. CITY COUNCIL REPORTS

Councilman Street discussed the incinerator ribbon cutting. He recommended everyone take a look at it if they haven't been able to do so yet. Councilman Vance added the contract for the maintenance shop has been approved and the building is being staked out.

Councilman Fears motioned, seconded by Councilman Gibson, to add RES-10:122 to the City Council agenda. All voted aye.

RES-10:122 A RESOLUTION TO MAKE A REAPPOINTMENT TO THE ARKANSAS RESIDENTIAL HOUSING & HEALTHCARE FACILITIES BOARD BY MAYOR HAROLD PERRIN

Sponsors: Mayor's Office

A motion was made by Councilman John Street, seconded by Councilman Mitch Johnson, that this matter be Passed . The motion PASSED by a unanimous vote

Aye: 12 - Darrel Dover;Ann Williams;Charles Frierson;Jim Hargis;Chris Moore;John Street;Mitch Johnson;Tim McCall;Gene Vance;Chris Gibson;Rennell Woods and Mikel Fears

Enactment No: R-EN-097-2010

Councilman Vance further added the architects have started on the warehouse building and bids should start after the first of the year. They have also started collecting information for the design work of the office building for Streets and Sanitation. Hopefully by early spring they will have contracts in effect for all of the original buildings, including the fuel depot. If the budget allows, they may be asking for more storage buildings onsite.

10. PUBLIC COMMENTS

11. ADJOURNMENT

A motion was made by Councilman Mikel Fears, seconded by Councilman Chris Gibson, that this meeting be Adjourned. The motion CARRIED by a Voice Vote.

Aye: 12 - Darrel Dover;Ann Williams;Charles Frierson;Jim Hargis;Chris Moore;John Street;Mitch Johnson;Tim McCall;Gene Vance;Chris Gibson;Rennell Woods and Mikel Fears

_____ **Date:** _____
Harold Perrin, Mayor

Attest:

_____ **Date:** _____
Donna Jackson, City Clerk



Legislation Details (With Text)

File #: RES-10:104 **Version:** 1 **Name:**
Type: Resolution **Status:** Recommended Under New Business
File created: 8/25/2010 **In control:** Public Safety Council Committee
On agenda: 10/19/2010 **Final action:**
Title: A RESOLUTION TO condemn property at 614 W Jefferson
Sponsors: Code Enforcement
Indexes:
Code sections:
Attachments: [CONDEMNATION CHECKLIST.doc](#)
[CONDEMNATION CHECKLIST - PDF VERSION](#)
[100_2500.JPG](#)
[100_2501.JPG](#)
[100_2502.JPG](#)
[100_2504.JPG](#)
[100_2503.JPG](#)
[Inspection Report001.jpg](#)

Date	Ver.	Action By	Action	Result
9/21/2010	1	Public Safety Council Committee		

Title

A RESOLUTION TO condemn property at 614 W Jefferson

Body

WHEREAS, the above property has been inspected and has been determined unsuited for human habitation.

WHEREAS: all the stipulations have been met in the condemnation process to proceed with condemnation of this property.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT: the City should proceed with the condemnation of the property at: 614 W Jefferson.

CONDEMNATION CHECKLIST

Property Address: 614 W Jefferson Phone: _____

Property Owner: Eugene & Joann Gilliam / Walter McGee Phone: _____

Owner's Address: 639 W Oak Fax: _____
Jonesboro, Ar 72401

	BEGINNING DATE	ENDING DATE	ACTION
<input checked="" type="checkbox"/>	<u>6/22/10</u>	<u>6/22/10</u>	1. Identify structure unfit for human habitation.
<input checked="" type="checkbox"/>	<u>6/22/10</u>	<u>6/22/10</u>	2. Inspect Property. (Condemnation Officer & Building Inspector) <input checked="" type="checkbox"/> a. Prepare inspection report. <input checked="" type="checkbox"/> b. Photograph property.
<input checked="" type="checkbox"/>	<u>6/22/10</u>	<u>6/22/10</u>	3. Determine ownership from county assessment & tax collection record.
<input checked="" type="checkbox"/>	<u>6/22/10</u>	<u>6/22/10</u>	4. Obtain legal description.
<input checked="" type="checkbox"/>	<u>6/24/10</u>	<u>6/28/10</u>	5. Send Notice of Violation & copy of inspection report to property owner(s) of record. Request written response from owner with 10 days from Notice of Violation indicating action the owner intends to take within the next 30 days to correct substandard conditions.
<input checked="" type="checkbox"/>	<u>6/1/10</u>	<u>6/1/10</u>	6. Obtain or complete title report to verify ownership & other vested interests, such as mortgage holders, trustees, etc.
<input type="checkbox"/>	_____	_____	7. If response is not received or is not adequate, proceed as follows:
<input type="checkbox"/>	_____	_____	8. Send 20-day pre-notification letter owner(s) & others with vested interest in property advising the date the property will be presented to City Council for consideration of condemnation.
<input type="checkbox"/>	_____	_____	<input type="checkbox"/> a. Owner unknown or whereabouts not known or such owner is a nonresident of Arkansas. 1) Post affidavit in newspaper once a week for two consecutive weeks
<input type="checkbox"/>	_____	_____	2) Attorney ad litem appointed to notify defendant.
<input type="checkbox"/>	_____	_____	9. Post sign on the property advising date the City Council will consider condemnation of the structure.
<input type="checkbox"/>	_____	_____	10. Photograph posted sign.
<input type="checkbox"/>	_____	_____	11. Prepare information packet for each City Council member, plus one each for Mayor & City Attorney consisting of: <input type="checkbox"/> a. Location map <input type="checkbox"/> b. Photographs of the structure <input type="checkbox"/> c. Inspection report <input type="checkbox"/> d. Pre-condemnation notice <input type="checkbox"/> e. Condemnation resolution

BEGINNING DATE	ENDING DATE	ACTION
<input type="checkbox"/> _____	_____	12. Place condemnation action resolution & supporting documentation for placement on the City Council agenda.
<input type="checkbox"/> _____	_____	13. City Council adopts condemnation resolution.
<input type="checkbox"/> _____	_____	File certified copy of Condemnation Resolution with Circuit Clerk. 14. Clerk.
<input type="checkbox"/> _____	_____	15. Send owner(s) & other vested interests the following: <input type="checkbox"/> a. Copy of the City Council resolution. <input type="checkbox"/> b. 30-day notice to cure through repair, demolition or with inspector's approval, board & secure for stated period of time.
<input type="checkbox"/> _____	_____	16. Post 30-day notice to cure on structure.
<input type="checkbox"/> _____	_____	17. Photograph posted notice.
<input type="checkbox"/> _____	_____	18. Evaluate status of owner's action on 31 st day after Notice to Cure was issued. If no action taken by owner, proceed with demolition.
<input type="checkbox"/> _____	_____	19. Determine presence of asbestos & dangerous mold. If present, prepare a removal plan.
<input type="checkbox"/> _____	_____	20. Obtain three demolition bids.
<input type="checkbox"/> _____	_____	21. Notice of Intent with ADEQ
<input type="checkbox"/> _____	_____	22. Notify utility companies to disconnect & remove service from structure for safe demolition.
<input type="checkbox"/> _____	_____	23. Issue Notice to Proceed to demolition contractor.
<input type="checkbox"/> _____	_____	24. Prepare demolition cost statement consisting of: <input type="checkbox"/> a. Mailing fees <input type="checkbox"/> b. Publication fees <input type="checkbox"/> c. Demolition costs <input type="checkbox"/> d. Asbestos and/or dangerous mold testing fee <input type="checkbox"/> e. Asbestos and/or dangerous mold removal fee <input type="checkbox"/> f. Title search fee <input type="checkbox"/> g. Landfill tipping fees(if not included with demolition contract) <input type="checkbox"/> h. Photograph costs <input type="checkbox"/> i. Attorney fees <input type="checkbox"/> j. Filing fees for Circuit Clerk <input type="checkbox"/> k. Any documentation miscellaneous costs <input type="checkbox"/> l. Send Total to City Collector for billing to owners
TOTALS=	_____	
<input type="checkbox"/> _____	_____	25. Send a letter & cost statement to the City Attorney requesting a tax lien be placed on the property.



614

06/22/2010





06/22/2010



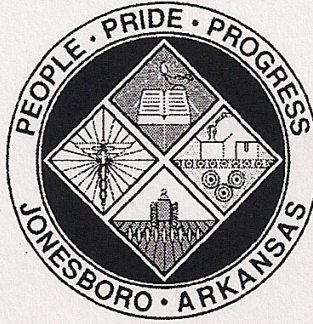
06/22/2010



06/22/2010



06/22/2010



DEPARTMENT OF PLANNING, INSPECTION AND CODE ENFORCEMENT

RESIDENTIAL / COMMERCIAL BUILDING INSPECTION REPORT

DATE OF INSPECTION: 6-22-10
 PROPERTY ADDRESS: 614 W. Jefferson
 PROPERTY OWNER: Eugene Pilliam
 OCCUPIED: YES NO

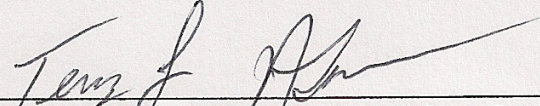
BUILDING ELEMENT	CONDITION					NOTES & COMMENTS
	VERY POOR				VERY GOOD	
Foundation	①	2	3	4	5	Brick Falling
Front Porch	②	2	3	4	5	Rotten Falling in
Exterior Doors and Windows	1	②	3	4	5	Fair but bad
Roof Underlay	①	2	3	4	5	Rotten
Roof Surface	①	2	3	4	5	Rotten
Chimney	1	2	3	4	5	W
Siding	①	2	3	4	5	wood Rotten
Facia and Trim	1	2	3	4	5	
Interior Doors	①	2	3	4	5	non-existing

Interior Walls	1	②	3	4	5	Paneling Holes & deteriorated
Ceilings	①	2	3	4	5	Falling in
Flooring Underlay	1	②	3	4	5	deteriorated bad condition
Flooring Surfaces	1	②	3	4	5	" " "
Electrical	①	2	3	4	5	complete out of code
Heating	1	2	3	4	5	" " " "
Plumbing	1	2	3	4	5	" " " "

- In my opinion, this structure is is not suitable for human habitation.
- In my opinion this structure is is not physically feasible for rehabilitation.
- In my opinion, this structure is is not economically feasible for rehabilitation.
- In my opinion, this structure is is not a public safety hazard and should be condemned.

EMERGENCY CONDEMNATION IS WARRANTED: YES NO

In my opinion, this structure is is not a public safety hazard and should be condemned immediately.


 Terry Adams, Certified Building Inspector

 Craig Davenport, Fire Marshal

 Other Signature



Legislation Details (With Text)

File #: RES-10:105 **Version:** 1 **Name:**
Type: Resolution **Status:** Recommended Under New Business
File created: 8/25/2010 **In control:** Public Safety Council Committee
On agenda: 10/19/2010 **Final action:**
Title: A RESOLUTION TO Condemn property at 1205 W Washington
Sponsors: Code Enforcement
Indexes:
Code sections:
Attachments: [CONDEMNATION CHECKLIST.doc](#)
[CONDEMNATION CHECKLIST - PDF VERSION](#)
[Inspection Report001.jpg](#)
[100_2406.JPG](#)
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[100_2410.JPG](#)
[100_2411.JPG](#)
[100_2413.JPG](#)

Date	Ver.	Action By	Action	Result
9/21/2010	1	Public Safety Council Committee		

Title

A RESOLUTION TO Condemn property at 1205 W Washington

Body

WHEREAS, the above property has been inspected and has been determined unsuited for human habitation.

WHEREAS, all the stipulations have been met in the condemnation process to proceed with condemnation of this property

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT: the City should proceed with the condemnation of the property at 1205 W Washington

CONDEMNATION CHECKLIST

Property Address: 1205 W Washington Phone: _____
 Property Owner: Steven & Deena Gordon Phone: _____
 Owner's Address: 1204 Kirkwood Fax: _____
Paragould, AR 72450

	BEGINNING DATE	ENDING DATE	ACTION
<input checked="" type="checkbox"/>	<u>5/26/10</u>	<u>5/26/10</u>	1. Identify structure unfit for human habitation.
<input checked="" type="checkbox"/>	<u>6/10/10</u>	<u>6/10/10</u>	2. Inspect Property. (Condemnation Officer & Building Inspector)
			<input checked="" type="checkbox"/> a. Prepare inspection report.
			<input checked="" type="checkbox"/> b. Photograph property.
<input checked="" type="checkbox"/>	<u>6/10/10</u>	<u>6/10/10</u>	3. Determine ownership from county assessment & tax collection record.
<input checked="" type="checkbox"/>	<u>6/10/10</u>	<u>6/10/10</u>	4. Obtain legal description.
<input checked="" type="checkbox"/>	<u>6/10/10</u>	<u>6/10/10</u>	5. Send Notice of Violation & copy of inspection report to property owner(s) of record. Request written response from owner with 10 days from Notice of Violation indicating action the owner intends to take within the next 30 days to correct substandard conditions.
<input checked="" type="checkbox"/>	<u>8/18/10</u>	<u>8/18/10</u>	6. Obtain or complete title report to verify ownership & other vested interests, such as mortgage holders, trustees, etc.
<input checked="" type="checkbox"/>	<u>6/13/10</u>	<u>6/13/10</u>	7. If response is not received or is not adequate, proceed as follows:
<input type="checkbox"/>	_____	_____	8. Send 20-day pre-notification letter owner(s) & others with vested interest in property advising the date the property will be presented to City Council for consideration of condemnation.
<input type="checkbox"/>	_____	_____	<input type="checkbox"/> a. Owner unknown or whereabouts not known or such owner is a nonresident of Arkansas.
			1) Post affidavit in newspaper once a week for two consecutive weeks
<input type="checkbox"/>	_____	_____	2) Attorney ad litem appointed to notify defendant.
<input type="checkbox"/>	_____	_____	9. Post sign on the property advising date the City Council will consider condemnation of the structure.
<input type="checkbox"/>	_____	_____	10. Photograph posted sign.
<input type="checkbox"/>	_____	_____	11. Prepare information packet for each City Council member, plus one each for Mayor & City Attorney consisting of:
			<input type="checkbox"/> a. Location map
			<input type="checkbox"/> b. Photographs of the structure
			<input type="checkbox"/> c. Inspection report
			<input type="checkbox"/> d. Pre-condemnation notice
			<input type="checkbox"/> e. Condemnation resolution

BEGINNING DATE	ENDING DATE	ACTION
<input type="checkbox"/> _____	_____	12. Place condemnation action resolution & supporting documentation for placement on the City Council agenda.
<input type="checkbox"/> _____	_____	13. City Council adopts condemnation resolution.
<input type="checkbox"/> _____	_____	File certified copy of Condemnation Resolution with Circuit Clerk. 14. Clerk.
<input type="checkbox"/> _____	_____	15. Send owner(s) & other vested interests the following: <input type="checkbox"/> a. Copy of the City Council resolution. <input type="checkbox"/> b. 30-day notice to cure through repair, demolition or with inspector's approval, board & secure for stated period of time.
<input type="checkbox"/> _____	_____	16. Post 30-day notice to cure on structure.
<input type="checkbox"/> _____	_____	17. Photograph posted notice.
<input type="checkbox"/> _____	_____	18. Evaluate status of owner's action on 31 st day after Notice to Cure was issued. If no action taken by owner, proceed with demolition.
<input type="checkbox"/> _____	_____	19. Determine presence of asbestos & dangerous mold. If present, prepare a removal plan.
<input type="checkbox"/> _____	_____	20. Obtain three demolition bids.
<input type="checkbox"/> _____	_____	21. Notice of Intent with ADEQ
<input type="checkbox"/> _____	_____	22. Notify utility companies to disconnect & remove service from structure for safe demolition.
<input type="checkbox"/> _____	_____	23. Issue Notice to Proceed to demolition contractor.
<input type="checkbox"/> _____	_____	24. Prepare demolition cost statement consisting of: <input type="checkbox"/> a. Mailing fees <input type="checkbox"/> b. Publication fees <input type="checkbox"/> c. Demolition costs <input type="checkbox"/> d. Asbestos and/or dangerous mold testing fee <input type="checkbox"/> e. Asbestos and/or dangerous mold removal fee <input type="checkbox"/> f. Title search fee <input type="checkbox"/> g. Landfill tipping fees(if not included with demolition contract) <input type="checkbox"/> h. Photograph costs <input type="checkbox"/> i. Attorney fees <input type="checkbox"/> j. Filing fees for Circuit Clerk <input type="checkbox"/> k. Any documentation miscellaneous costs <input type="checkbox"/> l. Send Total to City Collector for billing to owners
TOTALS=	_____	
<input type="checkbox"/> _____	_____	25. Send a letter & cost statement to the City Attorney requesting a tax lien be placed on the property.



DEPARTMENT OF PLANNING, INSPECTION AND CODE ENFORCEMENT

RESIDENTIAL / COMMERCIAL BUILDING INSPECTION REPORT

DATE OF INSPECTION: 6-10-10
 PROPERTY ADDRESS: 1205 Washington
 PROPERTY OWNER: Deena & Steven Gordon

OCCUPIED: YES NO

BUILDING ELEMENT	CONDITION					NOTES & COMMENTS
	VERY POOR				VERY GOOD	
Foundation	1	(2)	3	4	5	Brick falling out
Front Porch	(1)	2	3	4	5	Rotten falling in
Exterior Doors and Windows	1	2	3	(4)	5	Fair
Roof Underlay	1	2	(3)	4	5	Fair
Roof Surface	1	2	(3)	4	5	Weathered
Chimney	1	2	3	4	5	W/A
Siding	1	(2)	3	4	5	Wood Rotten in places
Facia and Trim	1	2	(3)	4	5	Rotten places
Interior Doors	1	(2)	3	4	5	no existing
Interior Walls	1	(2)	3	4	5	needs work

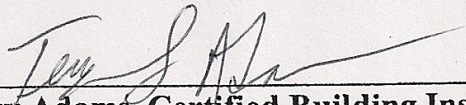
STRUCTURE VIEWS

Ceilings	1	2	3	4	5	11	11
Flooring Underlay	1	2	3	4	5	11	11
Flooring Surfaces	1	2	3	4	5	11	11
Electrical	1	2	3	4	5	not to code	
Heating	1	2	3	4	5	11	11
Plumbing	1	2	3	4	5	11	11

- In my opinion, this structure is is not suitable for human habitation.
- In my opinion this structure is is not physically feasible for rehabilitation.
- In my opinion, this structure is is not economically feasible for rehabilitation.
- In my opinion, this structure is is not a public safety hazard and should be condemned.

EMERGENCY CONDEMNATION IS WARRANTED: YES NO

In my opinion, this structure is is not a public safety hazard and should be condemned immediately.


 Terry Adams, Certified Building Inspector

 Craig Davenport, Fire Marshal

 Other Signature

CITY HALL • 307 Vine • JONESBORO, AR 72401 • TEL 870-933-4602 • FAX 870-933-4636



05/26/2010



05/26/2010



05/26/2010



05/26/2010



05/26/2010



Legislation Details (With Text)

File #: RES-10:132 **Version:** 1 **Name:**

Type: Resolution **Status:** Recommended Under New Business

File created: 10/6/2010 **In control:** Finance & Administration Council Committee

On agenda: **Final action:**

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

Sponsors: Finance

Indexes:

Code sections:

Attachments: [Jonesboro Police Pension Fund Board resolution](#)
[09212010 Memorandum re Police Pension Fund Millage](#)
[2009 EOY Actuarial Valuation](#)

Date	Ver.	Action By	Action	Result
10/12/2010	1	Finance & Administration Council	Committee	

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.

RESOLUTION

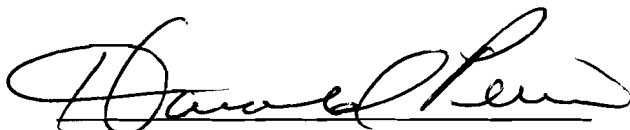
A RESOLUTION CERTIFYING THE REGULATED SUM NECESSARY TO DISCHARGE THE FUNCTIONS OF THE BOARD OF THE JONESBORO POLICE PENSION FUND FOR THE YEAR 2011

WHEREAS, the Board of the Jonesboro Police Pension Fund (Fund) has reviewed and accepted the annual actuarial valuation of the Jonesboro Police Pension Fund dated December 31, 2009, as prepared by Osborn, Carreiro & Associates, Inc. for the benefit of the Fund, its Board, and the Pension Review Board of the Arkansas Local Police and Fire Retirement System (LOPFI); and,

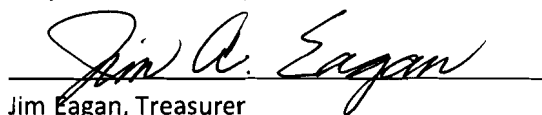
WHEREAS, the valuation provides that a minimum sum of \$805,963 is required to be contributed during 2011 to discharge the obligations of the Fund; now, therefore,

BE IT RESOLVED, by the Board of the Jonesboro Police Pension Fund, that we certify to the City Clerk of the City of Jonesboro, that the above sum is the minimum amount necessary discharge the functions of the Board, and the obligations of the Fund for the year 2011.

PASSED AND ADOPTED this 11th day of October, 2010.



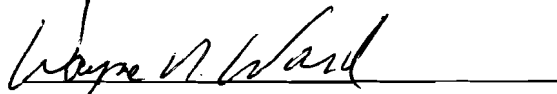
Mayor Harold Perrin, Chairman



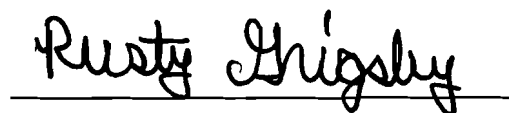
Jim Eagan, Treasurer



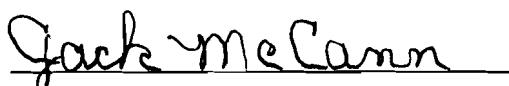
Rick Thomas



Wayne Ward



Rusty Grigsby, Treasurer



Jack McCann



David MacDonald

JONESBORO POLICE PENSION FUND

ACTUARIAL VALUATION

AS OF DECEMBER 31, 2009

Osborn, Carreiro & Associates, Inc.
Actuaries Consultants Analysts
Little Rock, Arkansas

Osborn, Carreiro & Associates, Inc.

ACTUARIES • CONSULTANTS • ANALYSTS

One Union National Plaza, Suite 1690
124 West Capitol Avenue
Little Rock, Arkansas 72201
(501) 376-8043
FAX (501) 376-7847

August 31, 2010

Board of Trustees
Jonesboro Police Pension Fund

Gentlemen:

This report presents the results of our actuarial valuation of the assets and liabilities of the Jonesboro Police Pension Fund as of December 31, 2009.

This valuation is required by Arkansas Code Annotated 24-11-205. The purpose of this report is to (1) evaluate the actuarial status of the Fund, (2) determine the level contribution requirement needed, (3) review the development of the Fund over the past several years, and (4) present certain actuarial items on page 9 for disclosure under Governmental Accounting Standards. This report is not intended for any other purpose.

The member and financial information used in this report was supplied by the Arkansas Fire & Police Pension Review Board. We did not audit this information, although we did review it for reasonableness and consistency.

I certify that this report has been prepared in accordance with generally accepted actuarial principles and practices. In my opinion, the actuarial methods used are appropriate and the actuarial assumptions produce results which, in the aggregate, are reasonable.

Sincerely,



Jody Carreiro, A.S.A., M.A.A.A.
Actuary

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EXHIBIT 6	EMPLOYEE AND RETIREE PROFILES
EXHIBIT 7	PRINCIPLE PROVISIONS OF THE PLAN
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EXHIBIT 1
CONTRIBUTIONS

The following contribution level reflects the payment of the current year Normal Cost for benefits attributable to said year (see Exhibit 2) plus an amount sufficient to pay off the Unfunded Actuarial Liability over a 5-year period. These costs DO NOT include the contributions due to the Local Police and Firefighters Retirement System ("LOPFI") for persons hired after 1982.

2010 Necessary Annual Contribution to pay:

1 Normal Cost, plus	\$	23,292
2 Pay off the Unfunded Actuarial Accrued Liability		<u>908,719</u>
3 Total necessary	\$	932,011
Less		
4 Expected Employee Contribution ERR	-	<u>2,048</u>
Necessary Employer Contribution (This is the amount needed in addition to investment income)	\$	<u>929,963</u>
Covered Payroll	\$	34,132
Necessary Employer Rate		<u>2724.58%</u>

These contributions assume that the dollar contribution grows at a rate of 4% per year. The contributions are assumed to be made continuously throughout the year.

The actual 2009 contribution was \$872,577 from the employer.

EXHIBIT 2

COSTS AND LIABILITIES

		December 31, 2009	
		Dollar	Percent
A	<u>Normal Cost</u> (Cost to fund current active members)	<u>Amount</u>	<u>of pay</u>
	1 Regular Retirement Benefits	\$ 17,398	50.97%
	2 Voluntary Termination Benefits	579	1.70%
	3 Survivors' Benefits	1,976	5.79%
	4 Disability Benefits	3,339	9.78%
	TOTAL	\$ 23,292	68.24%
B	<u>Actuarial Accrued Liability</u>		
	1 <u>Active Lives</u>		
	Regular Retirement Benefits	\$ 241,654	
	Voluntary Termination Benefits	3,523	
	Survivors' Benefits	5,038	
	Disability Benefits	13,546	
	TOTAL ACTIVE LIVES	\$ 263,761	
	2 <u>Deferred Retirement Option</u>		
	DROP Accounts	\$ 0	
	Future DROP Payments & Pensions	0	
	TOTAL DROP	\$ 0	
	3 <u>Inactive Lives</u>		
	Retirees	\$ 11,311,394	
	Disability Retirees	2,260,468	
	Widows & Children	1,754,998	
	TOTAL INACTIVE LIVES	\$ 15,326,860	
	4 <u>Total Liability</u>	\$ 15,590,621	
C	<u>Assets</u>	\$ 11,367,448	
D	<u>Unfunded Actuarial Accrued Liability</u>	\$ 4,223,173	
E	<u>Effect of Change in Assumptions (if applicable)</u>		
	1 Change in Unfunded Accrued Liability	\$ 3,036,656	
	2 Change in Necessary Employer Contribution	\$ 660,926	

EXHIBIT 3

SUMMARY OF FINANCIAL INFORMATION

(Items D-E, and G determined by Osborn, Carreiro and Associates, Inc.)

A. <u>INCOME</u>	Year Ended 12/31/2007	Year Ended 12/31/2008	Year Ended 12/31/2009
1 <u>Employee Contributions</u>	\$ 5,075	\$ 2,376	\$ 2,199
2 <u>Employer Contributions</u>			
Employer/Court Fines/Other	125,330	118,958	132,623
Insurance Tax	0	0	272,940
Local Millage	386,456	395,094	467,014
3 <u>Other Income</u>			
Guarantee Fund	0	0	0
LOPFI Subsidy	0	0	0
Police Supplement (Act 1452 of 1999)	24,000	24,000	23,400
Future Supplement (Act 1373 of 2003)	68,832	33,096	29,913
Other Income/Donations	0	0	0
Adjustment to prior year asset value	0	0	0
4 <u>Net Investment Income</u>	717,339	43,053	(422,520)
TOTAL INCOME	\$ 1,327,032	\$ 616,577	\$ 505,569
B. <u>EXPENSES</u>			
1 <u>Administrative</u>	\$ 900	\$ 4,450	\$ 6,032
2 <u>Benefits Paid</u>			
Monthly Benefits	896,175	969,332	951,710
Police Supplements	24,000	24,000	23,400
Future Supplements	68,832	33,096	29,913
DROP Payouts	0	162,342	0
3 <u>Refunds</u>	0	733	0
TOTAL EXPENSES	\$ 989,907	\$ 1,193,953	\$ 1,011,055

EXHIBIT 3 (Continued)

C	<u>ASSETS (at book value)</u>	<u>12/31/2007</u>	12/31/2008	<u>12/31/2009</u>
1	Cash & Checking Accounts	\$ 0	\$ 575	\$ 7,303
2	Bank Deposits	823,703	2,009,120	1,531,519
3	Savings and Loan Deposits	0	0	0
4	Other Cash Equivalents	0	0	0
5	US Govt. Securities	2,895,230	2,279,325	1,601,803
6	Non-US Govt Securities	0	0	0
7	Mortgages	1,650,596	996,918	0
8	Corporate Bonds	2,870,241	2,079,187	1,587,873
9	Common Stocks	3,064,580	3,362,058	5,493,199
10	Other	209	0	0
11	Payables	0	0	0
	TOTAL ASSETS	\$ 11,304,559	\$ 10,727,183	\$ 10,221,697
D.	<u>RATIO OF ASSETS TO ANNUAL EXPENSES:</u>	11.4	9.0	10.1
E.	<u>NET INVESTMENT RETURN:</u> (Book Value Basis)	6.7%	0.4%	-4.0%

Exhibit 3 (Continued)

	<u>12/31/2005</u>	<u>12/31/2006</u>	<u>12/31/2007</u>	<u>12/31/2008</u>	<u>12/31/2009</u>
F. <u>TOTAL MARKET VALUE</u>					
1. Market Value, end of year (Used for GASB calculations, page 9)	11,101,821	11,316,430	11,512,584	9,853,752	10,346,360
2. Market Value, beginning of year	11,150,670	11,101,821	11,316,430	11,512,584	9,853,752
G. <u>DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS</u>					
1. Actuarial Value of Assets, beginning of year	11,380,169	11,571,546	11,690,728	11,809,331	11,298,182
2. Non Investment Net Cash Flow	(422,875)	(468,364)	(380,214)	(620,429)	(82,966)
3. Development of Investment Income					
(a) Total Market Investment Income (F1-F2-G2)	374,026	682,973	576,368	(1,038,403)	575,574
(b) Assumed Rate for Immediate Recognition	6%	6%	6%	5%	5%
(c) Amount for Immediate Recognition (6% G1)	682,810	694,293	701,444	590,467	564,909
(d) Amount for Phased In Recognition (a-c)	(308,784)	(11,320)	(125,076)	(1,628,870)	10,665
(e) Phased In Recognition					
Current year : 20% of 3(c)	(61,757)	(2,264)	(25,015)	(325,774)	2,133
First Prior Year	(66,377)	(61,757)	(2,264)	(25,015)	(325,774)
Second Prior Year	(47,214)	(66,377)	(61,757)	(2,264)	(25,015)
Third Prior Year	70,865	(47,214)	(66,377)	(61,757)	(2,264)
Fourth Prior Year	35,925	70,865	(47,214)	(66,377)	(61,757)
Total Phased In Recognition	(68,558)	(106,747)	(202,627)	(481,187)	(412,677)
(f) Actuarial Value Investment Income (3(c) + 3(e))	614,252	587,546	498,817	109,280	152,232
4. Actuarial Value of Assets, End of year (1 + 2 + 3(f))	11,571,546	11,690,728	11,809,331	11,298,182	11,367,448
5. Net Investment Return on the Actuarial Value of Assets	5.5%	5.2%	4.3%	1.0%	1.4%

Note: The Pension Review Board's Board Rule #11 first applies this methodology to determine the Actuarial Value of Assets for the 12/31/99 actuarial valuation report. Different methods were used to determine the Actuarial Value of Assets for the 12/31/98 and earlier reports.

EXHIBIT 3 (Continued)

ACCOUNTING INFORMATION

This page is included to provide the information required by the Governmental Accounting Standards Board Statement No. 25 and 27. The values below are based on the assumptions contained in Exhibit 8.

The Annual Pension Cost disclosed in this exhibit will almost always differ from the actual cash contribution to the fund. We must emphasize that these disclosures are shown in the city's financial statements; Sound actuarial projections should be used to determine the actual cash contribution requirements.

RECONCILIATION OF NET PENSION OBLIGATION (NPO)

	2008	2009	2010
1. Actuarially Required Contribution	479,614	713,876	1,149,676
2. Interest on NPO	(226,533)	(159,262)	(83,550)
3. Adjustment to (1)	(851,295)	(718,192)	(599,262)
4. Annual Pension Cost (1)+(2)-(3)	1,104,376	1,272,806	1,665,388
5. Actual Contribution Made	514,052	872,577	
6. Increase in NPO (4)-(5)	590,324	400,229	
7. NPO Beginning of Year	(3,775,558)	(3,185,234)	(2,785,005)
8. NPO End of Year	(3,185,234)	(2,785,005)	

REQUIRED SUPPLEMENTARY INFORMATION

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Actuarial Valuation Date	Market Value of Plan Assets	Entry Age Actuarial Accrued Liability	Unfunded Accrued Liability (UAL) (c)-(b)	Funded Ratio (b)/(c)	Annual Covered Payroll	UAL as a % of Covered Payroll (d)/(f)
12/31/2003	10,930,059	10,061,669	(868,390)	108.6%	28,818	-3013.4%
12/31/2005	11,101,821	10,628,327	(473,494)	104.5%	36,132	-1310.5%
12/31/2007 a	11,512,584	13,580,714	2,068,130	84.8%	36,132	5723.8%
12/31/2008	9,853,752	12,959,753	3,106,001	76.0%	36,132	8596.3%
12/31/2009 b	10,346,360	12,553,965	2,207,605	82.4%	33,398	6610.0%
12/31/2009 c	10,346,360	15,590,621	5,244,261	66.4%	33,398	15702.4%

a Includes change in assumptions to 5% discount rate and 83GAM mortality.

b Before change in discount assumption for 12/31/2009, if applicable.

c Includes change in assumptions to 3% discount rate and 83GAM mortality.

EXHIBIT 4

COMPARISON WITH PRIOR YEARS

This exhibit compares current valuation results with those of prior years.

Valuation Date	Full Paid Active Members		Actuarial Computed Employer Contribution		Assets	Total Plan		
	No.	Annual Payroll	Percent of Pay	Dollar Amount		Unfunded Actuarial Liability	Normal Cost Percent	Funded Percent
12/31/1984	32	522,841	34.9%	182,461	1,801,321	1,265,684	25.8%	58.7%
12/31/1986	29	526,003	32.9%	173,172	2,570,869	933,702	25.7%	73.4%
12/31/1987	25	474,230	32.9%	156,196	2,973,174	815,336	25.6%	78.5%
12/31/1989	19	398,687	32.0%	127,520	3,864,423	744,999	28.7%	83.8%
12/31/1991	16	373,176	25.3%	94,510	4,869,981	139,565	29.2%	97.2%
12/31/1993 *	16	416,348	24.1%	100,261	5,783,567	(22,881)	30.5%	100.4%
12/31/1995 *	12	335,858	47.0%	157,934	6,711,760	666,466	36.6%	91.0%
12/31/1997 *	7	219,187	55.2%	121,046	7,690,226	488,984	36.2%	94.0%
12/31/1999 *	4	141,674	41.2%	58,349	8,712,701	75,995	39.8%	99.1%
12/31/2001 *	2	85,109	0.0%	0	9,676,146	(527,701)	40.4%	105.8%
12/31/2003 *	1	28,818	0.0%	0	10,778,065	(716,396)	36.0%	107.1%
12/31/2005 *	1	36,132	0.0%	0	11,571,543	(943,216)	36.0%	108.9%
12/31/2007 *	1	33,398	1235.7%	412,705	11,809,330	1,771,384	0.0%	87.0%
12/31/2008	1	33,985	1235.7%	388,193	11,298,181	1,661,572	45.9%	87.2%
12/31/2009 *	1	34,132	1235.7%	929,963	11,367,448	4,223,173	68.2%	72.9%

*Benefits or assumptions changed

Note: Normal cost prior to 12/31/89 is net of 6% employee contributions.

EXHIBIT 5

SHORT CONDITION TEST

The Arkansas General Assembly has stated that the funding objective for these plans is to pay for benefits with contributions that remain level as a percentage of employee payroll. Thus, the long-term condition test is met when the actual contributions are fairly level and are paid when due.

A short condition test can be used to measure a plan's progress. Under the short condition test, the fund's assets are compared with:

- 1) Active member contributions;
- 2) The liabilities for future benefits to the present retirees and inactive members;
- 3) The liabilities for service already rendered by active members.

If the plan has been following level cost funding, liability (1) and liability (2) above will almost always be fully covered by the rest of the present assets. In addition, liability (3) above will at least partially funded.

The larger the funded portion of liability (3), the stronger the condition of the fund. For a closed fund i.e., one like yours, where no new members are admitted, the funded portion of liability (3) should be steadily increasing.

The following table illustrates the history of the short condition test for this plan:

Valuation Date	<u>Computed Actuarial Liabilities</u>			Valuation Assets	<u>Portion of Liabilities covered by Assets</u>		
	(1) Active Members Contributions	(2) Retirees, Inactives, and DROPS	(3) Actives-Employer Financed		(1)	(2)	(3)
12/31/1984	179,545	1,321,728	1,565,732	1,801,321	100%	100%	19%
12/31/1986	222,557	1,441,356	1,840,658	2,570,869	100%	100%	49%
12/31/1987	213,597	1,761,756	1,813,157	2,973,174	100%	100%	55%
12/31/1989	195,864	2,925,980	1,487,578	3,864,423	100%	100%	50%
12/31/1991	199,054	3,354,921	1,455,571	4,869,981	100%	100%	90%
12/31/1993	247,239	3,561,538	1,951,909	5,783,567	100%	100%	101%
12/31/1995	202,967	5,281,895	1,893,364	6,711,760	100%	100%	65%
12/31/1997	132,387	6,863,159	1,183,664	7,690,226	100%	100%	59%
12/31/1999	96,139	7,720,195	972,362	8,712,701	100%	100%	92%
12/31/2001	55,981	8,403,773	688,691	9,676,146	100%	100%	177%
12/31/2003	4,630	9,985,686	71,353	10,778,065	100%	100%	1104%
12/31/2005	8,586	10,508,665	111,076	11,571,543	100%	100%	949%
12/31/2007	12,583	13,414,468	153,663	11,809,330	100%	88%	0%
12/31/2008	14,574	12,776,203	168,976	11,298,181	100%	88%	0%
12/31/2009	18,972	15,326,860	244,789	11,367,448	100%	74%	0%

Exhibit 6

Employee Profile

Employee data needed for the valuation was obtained from the records furnished by the Arkansas Fire and Police Pension Review Board. The following table shows a detailed breakdown of the present participants by the number of participants and total salary.

Actives

Age		<i>Years of Service</i>							Total
		0-5	5-10	10-15	15-20	20-25	25-30	30 and Over	
Under 25	Count	0	0	0	0	0	0	0	0
	Salary	0	0	0	0	0	0	0	0
25-29	Count	0	0	0	0	0	0	0	0
	Salary	0	0	0	0	0	0	0	0
30-34	Count	0	0	0	0	0	0	0	0
	Salary	0	0	0	0	0	0	0	0
35-39	Count	0	0	0	0	0	0	0	0
	Salary	0	0	0	0	0	0	0	0
40-44	Count	0	0	0	0	0	0	0	0
	Salary	0	0	0	0	0	0	0	0
45-49	Count	0	0	0	0	0	0	0	0
	Salary	0	0	0	0	0	0	0	0
50-54	Count	0	0	0	0	0	0	0	0
	Salary	0	0	0	0	0	0	0	0
55-59	Count	0	0	1	0	0	0	0	1
	Salary	0	0	34,132	0	0	0	0	34,132
60-64	Count	0	0	0	0	0	0	0	0
	Salary	0	0	0	0	0	0	0	0
65 & Over	Count	0	0	0	0	0	0	0	0
	Salary	0	0	0	0	0	0	0	0
Unknown Age	Count	0	0	0	0	0	0	0	0
	Salary	0	0	0	0	0	0	0	0
Total	Count	0	0	1	0	0	0	0	1
	Salary	0	0	34,132	0	0	0	0	34,132

Exhibit 6

Inactive Profile

Employee data needed for the valuation was obtained from the records furnished by the Arkansas Fire and Police Pension Review Board. The following table shows a detailed breakdown of the present payees by the number of payees and total annual benefit.

Retirees and Survivors

Age		Years Since Retirement							Total
		0-1	1-2	2-3	3-4	4-5	5-10	10 and Over	
Under 40	Count	0	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0	0
40-44	Count	0	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0	0
45-49	Count	0	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0	0
50-54	Count	0	0	0	0	0	1	0	1
	Benefit	0	0	0	0	0	40,457	0	40,457
55-59	Count	0	0	1	0	0	1	6	8
	Benefit	0	0	28,952	0	0	24,669	137,687	191,308
60-64	Count	0	0	0	0	1	3	5	9
	Benefit	0	0	0	0	27,555	29,379	125,116	182,050
65-69	Count	0	0	0	0	0	3	5	8
	Benefit	0	0	0	0	0	94,870	117,056	211,926
70-74	Count	0	0	0	0	0	2	2	4
	Benefit	0	0	0	0	0	57,019	53,828	110,847
75-79	Count	0	0	0	0	0	0	5	5
	Benefit	0	0	0	0	0	0	99,543	99,543
80-84	Count	0	0	0	0	0	0	4	4
	Benefit	0	0	0	0	0	0	74,330	74,330
85 & Over	Count	0	0	0	0	0	0	2	2
	Benefit	0	0	0	0	0	0	44,764	44,764
Unknown Age	Count	0	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0	0
Total	Count	0	0	1	0	1	10	29	41
	Benefit	0	0	28,952	0	27,555	246,394	652,324	955,225

This includes 26 retirees with annual benefit of \$621,583
 This includes 8 disableds with annual benefit of \$169,000
 This includes 7 survivors with annual benefit of \$164,642

Exhibit 6

Deferred Retirement Option Plan Profile

Employee data needed for the valuation was obtained from the records furnished by the Arkansas Fire and Police Pension Review Board. The following table shows a detailed breakdown of the current participants on DROP by the number of participants and total annual DROP benefit.

DROP Participants

		<i>Years Since Electing DROP</i>						Total
		0-1	1-2	2-3	3-4	4-5	5-10	
Under 40	Count	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0
40-44	Count	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0
45-49	Count	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0
50-54	Count	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0
55-59	Count	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0
60-64	Count	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0
65-69	Count	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0
70-74	Count	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0
75 & Over	Count	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0
Unknown Age	Count	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0
Total	Count	0	0	0	0	0	0	0
	Benefit	0	0	0	0	0	0	0

EXHIBIT 7

PRINCIPLE PROVISIONS OF THE PLAN

<u>EMPLOYEE</u>	Member of Police Department
<u>EMPLOYER</u>	Jonesboro Police Department
<u>MEMBERSHIP</u>	Condition of Employment. Police officers hired after 1982 must join the statewide Local Police and Firefighters Retirement System
<u>CREDITABLE SERVICE</u>	Determined on basis of service since employment
<u>CONTRIBUTIONS</u>	
<u>Employee</u>	6% of salary. Refundable if member terminates before retirement eligibility.
<u>Employer</u>	<ol style="list-style-type: none">1. Matching contribution equal to employee contribution2. State Insurance Premium Tax turnback3. Local Millage4. 10% of all fines & forfeitures collected by the Police Department.
<u>FINAL SALARY</u>	Highest salary for any continuous twelve-month period of time worked prior to retirement.
<u>DEFERRED RETIREMENT OPTION PLAN</u>	This plan has elected to participate in the Deferred Retirement Option Plan effective 01/10/1994. Members who elect to participate have a DROP account that is increased by the monthly amount of their retirement as if they had retired as of the date DROP was elected. Has not elected coverage under Act 1457 of 1999.
<u>RETIREMENT BENEFITS</u>	
<u>Eligibility</u>	20 Years of Service regardless of age.
<u>Benefit</u>	65% of Final Salary, but not less than \$9,360. If service exceeds 20 years, the annual benefit is increased by \$240 for each year over 20, up to \$1,200/year extra. If service is more than 25 years, member receives an extra 1.25% (for each year over 25) of Final Salary, payable once the retiree reaches age 60. The benefit cannot exceed 100% of Final Salary.

EXHIBIT 7 (Continued)

DEATH BENEFITS

Eligibility

Death of an active member or member receiving benefits.

Benefit

1. Widow receives same amount as member is receiving or eligible for, excluding the 1.25% additional formula for service over 25 years.
2. Each child under age 18 (23 if still in school) receives \$1,500/year. If no surviving spouse, child receives spouse's benefit to age 18.
3. If no widow or children, widowed mother receives \$1,500/year.

DISABILITY BENEFITS

Eligibility

Permanent physical or mental disability. Five year service requirement unless disability is incurred in the line of duty.

Benefit

Non-duty disability

Retirement benefit but not less than \$9,360/year.

Duty related disability

Retirement benefit but not less than 65% of Final Salary and not less than \$9,360/year.

EXHIBIT 8

ACTUARIAL METHODS AND ASSUMPTIONS

The assumptions for this valuation have been selected in accordance with Actuarial Standards of Practice No. 27. The asset valuation method is prescribed in Arkansas Code Annotated 24-11-207. This prescribed asset valuation method directly impacts the investment return assumption. The assumed salary growth is restricted by A.C.A. 24-11-205 in relation to the investment return assumption.

ACTUARIAL COST METHOD

The "entry age normal" cost method has been used.

PRE-RETIREMENT MORTALITY

Deaths have been projected on the basis of the 1983 Group Annuity Table for Males, set back five years for females. Mortality rates at a few sample ages are:

<u>Age</u>	<u>Mortality rate per 1,000</u>
25	0.464
35	0.860
45	2.183
55	6.131

The 1971 Group Annuity Table for Males, set back five years for females was used before the 12/31/2007 Valuation.

POST RETIREMENT MORTALITY

The 1983 Group Annuity Mortality Table was used. For females, the male table was used with a five-year setback. The life expectancy according to this table is as follows:

<u>Age</u>	<u>Males</u>	<u>Females</u>
55	24.87	29.23
65	16.74	20.68

The 1971 Group Annuity Table for Males, set back five years for females was used before the 12/31/2007 Valuation.

VOLUNTARY TERMINATIONS

Annual termination rates at a few sample ages are:

<u>Age</u>	<u>Termination rate per 1,000</u>
20	50
25	45
30	39
35	23
40	9
45	5
50	5
55	5

EXHIBIT 8 (continued)

When a person had less than 4 years of service, we assumed that his chances of voluntary termination were a multiple of thereafter rates, with the following multiples being used:

1st year	2.85
2nd year	2.00
3rd year	1.50
4th year	1.15

ASSUMED INVESTMENT RETURN

3.0% (was 5.0% for the December 31, 2008 valuation)

DISABILITIES

We continued the disability rates used in prior reports. Disability rates at a few sample ages are:

<u>Age</u>	<u>Disability rate per 1,000</u>
20	0.8
25	0.8
30	0.8
35	0.8
40	2.0
45	2.6
50	4.9
55	8.9
60	14.1

One third of the disabilities were assumed to be service related.

For mortality after disability, we assumed rates based on the Eleventh Actuarial Valuation of the Railroad Retirement System, for occupational disabilities

ASSET VALUATION

See Exhibit 3, Part G

EXHIBIT 8 (continued)

SALARY GROWTH

We have used the salary scale used in prior reports. Annual assumed growth at a few sample ages is:

<u>Age</u>	<u>ANNUAL SALARY INCREASE</u>		
	<u>Base</u>	<u>Merit</u>	<u>Total</u>
20	4.0%	4.0%	8.0%
25	4.0%	3.2%	7.2%
30	4.0%	2.8%	6.8%
35	4.0%	2.5%	6.5%
40	4.0%	2.2%	6.2%
45	4.0%	1.7%	5.7%
50	4.0%	1.2%	5.2%
55	4.0%	0.7%	4.7%
60	4.0%	0.2%	4.2%

EXPECTED RETIREMENT AND DROP PATTERN

Since the plan allows full benefits at ages younger than the traditional "65", an assumption that will have an important impact is what percentage of people who are eligible for this early retirement will actually take advantage of it.

This will depend on intangible things such as the economy, health, financial ability to retire, Social Security eligibility, and work patterns. Based on recent experience, we are using the following assumed rates:

<u>Age</u>	<u>Retirement rate per 1,000</u>	
	<u>Retirement</u>	<u>DROP</u>
40-59	133	267
60+	1,000	0

Note: A member was assumed to be eligible for retirement or DROP after attaining age 40 with 20 years of service. It is also assumed that twice the normal number will retire or elect DROP in the first year of eligibility.

EXHIBIT 8 (continued)

RETIREMENT PATTERN AFTER
ELECTION OF DROP

Once a person is on DROP (Deferred Retirement Option Program), they were assumed to retiree from the department as follows:

<u>Years on DROP</u>	<u>Retirement rate per 1,000</u>
1	100
2	200
3	200
4	300
5 or more	1,000

Osborn, Carreiro & Associates, Inc.

ACTUARIES · CONSULTANTS · ANALYSTS

One Union National Plaza, Suite 1690
124 West Capitol Avenue
Little Rock, Arkansas 72201
(501) 376-8043
FAX (501) 376-7847

September 1, 2010

Mr. David Clark, Executive Director
Arkansas Fire and Police Pension Review Board
620 West Third, Suite 200
Little Rock, AR 72201

Re: 2009 DROP Interest Rate Certification
Jonesboro Police

Dear David:

The Deferred Retirement Option Plan (DROP) was established by Act 757 and Act 1004 of 1993. These acts state that the interest rate credited to the DROP accounts would be certified by the actuary for the pension funds. This letter will certify the interest rate as described in the law to be credited for the year 2009.

Pension Fund	Jonesboro Police	
	First 5 years	Second 5 years (if applicable)
1. Net Market Rate of Return	5.87%	5.87%
2. Less 2.0%	- 2.00%	- 2.00%
3. Preliminary DROP Rate	3.87%	3.87%
4. Minimum Rate (2009 valuation rate or 0% for second column)	5.00%	0.00%
5. Certified Drop Rate Greater of (3) or (4)	5.00%	3.87%

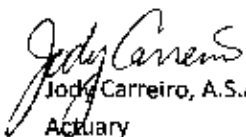
The above rate is certified to be the rate to be credited to DROP accounts in 2009. The Market Value Rate of Return was based on the financial reports provided by the Arkansas Fire and Police Pension Review Board. These reports were not audited, but were reviewed for reasonableness and completeness.

The Pension Review Board in its meeting March 10, 2009 voted to reiterate to plans that the interest rate certified in this letter is the rate to be applied on the DROP accounts for 2009. The PRB understands that this is being given to you 6 months after the end of the year and may cause you to have to adjust distributions that were made during 2009. They also interpreted the rate of return shown here to mean the market value based rate of return.

Please note that for a plan to remain qualified it cannot pay benefits above the IRS 415 limits.

If you have any questions or comments, please let me know.

Sincerely,


Jody Carreiro, A.S.A., M.A.A.A.
Actuary



ARKANSAS FIRE & POLICE PENSION REVIEW BOARD

620 W. 3rd, Suite 200
Little Rock, Arkansas 72201-2223
Telephone: (501) 682-1745
Toll-Free: (866) 859-1745
Fax: (501) 682-1751
email: info@lopfi-prb.com
website: www.lopfi-prb.com

To: Board of Trustees
JONESBORO Police Pension and Relief Fund

From: PRB Staff

Re: 2009 Actuarial Valuation

Date: August 31, 2010

Under state law the actuary for the PRB tests each local fire and police pension fund for actuarial soundness. Effective with this report, the PRB has implemented an annual valuation cycle to assist each fund in monitoring the funding progress of their pension fund. The enclosed valuation for December 31, 2009, answers the following questions about your fund:

- | | <u>YES</u> | <u>NO</u> |
|---|------------|-------------------------------------|
| 1. Does income meet or exceed the Necessary Employer Contribution (see page 4)? | _____ | <input checked="" type="checkbox"/> |
| 2. Is the funded percentage at least 97% (see page 10), OR are there enough assets to cover: all active member contributions; all payments to current beneficiaries; and 100% of all future payments earned by active members (see page 11)? | _____ | <input checked="" type="checkbox"/> |
| 3. Is the pension fund actuarially sound? (YES response to item 1 <u>and</u> 2) | _____ | <input checked="" type="checkbox"/> |



ARKANSAS FIRE & POLICE PENSION REVIEW BOARD

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email: info@lopfi-prb.com
website: www.lopfi-prb.com

To: Local Pension Fund Board of Trustees
From: Arkansas Fire and Police Pension Review Board (PRB)
Re: 2009 Certified DROP Interest Rate-**AMENDED**
Date: September 1, 2010

This memo and attached letter replace the July 8, 2010 versions. The July 8th information used an incorrect method to calculate the DROP interest rate. Please replace and use this corrected letter. Again, do not use the information communicated in the July 8th letter.

The enclosed letter from the PRB's actuary provides the certified rate to award interest to the DROP accounts for your local fire and/or police pension fund. The rate is located in item 5 and used for the 2009 year.

For pension funds with enhancements to DROP i.e. extended the DROP period beyond 5 years; DROP accounts left on deposit; and/or continued employment after DROP, the rate used for these cases, also for the 2009 year, is located in item 5, but in the column on the right.

Should you have questions, please contact Denise Reed at one of the above phone numbers. Thank you.



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Legislation Details (With Text)

File #: RES-10:133 **Version:** 1 **Name:**

Type: Resolution **Status:** Recommended Under New Business

File created: 10/6/2010 **In control:** Finance & Administration Council Committee

On agenda: **Final action:**

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

Sponsors: Finance

Indexes:

Code sections:

Attachments: [Fire Pension Fund Board resolution](#)
[2009 Actuarial Valuation Paid Fire Combined Plans](#)
[09212010 Memorandum re Fire Pension Fund Millage](#)

Date	Ver.	Action By	Action	Result
10/12/2010	1	Finance & Administration Council Committee		

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.

RESOLUTION

A RESOLUTION CERTIFYING THE REGULATED SUM NECESSARY TO DISCHARGE THE FUNCTIONS OF THE JONESBORO LOCAL FIRE PENSION AND RELIEF FUND FOR THE YEAR 2011

WHEREAS, the Board of the Local Fire Pension and Relief Fund (Fund) has reviewed and accepted the annual actuarial valuation of the Jonesboro Paid Fire Combined Plans dated December 31, 2009, as prepared for the Arkansas Local Police and Fire Retirement System (LOPFI); and,

WHEREAS, the valuation provides that a minimum sum of \$763,614 is required to be contributed during 2011 to discharge the obligations of the Fund; now, therefore,

BE IT RESOLVED, by the Board of the Local Fire Pension and Relief Fund, that we certify to the City Clerk of the City of Jonesboro, that the above sum is the minimum amount necessary to fund the obligations of the Fund for the year 2011.

PASSED AND ADOPTED this 8th day of October, 2010.

<u>Larry R. Dulaney</u> 10-8-10	<u>Kon Bellensley</u>
<u>Leon Sharp</u> 10-8-10	_____
<u>Dan P. Melton</u> 10/8/10	_____
<u>William M. Owens</u> 10-11-10	_____

**ARKANSAS LOCAL POLICE AND FIRE RETIREMENT SYSTEM
JONESBORO PAID FIRE COMBINED PLANS
AN ANNUAL ACTUARIAL VALUATION
DECEMBER 31, 2009**

GABRIEL ROEDER SMITH & COMPANY

OUTLINE OF CONTENTS
Report of LOPFI Actuarial Valuations Covering
LOPFI Members, Paid Service
and
Relief and Pension Fund Members (Closed Plan), Paid Service

LOPFI	Closed Plan	All	Item
		2	Cover letter
		3	Relationship between LOPFI & Closed Plan
			<i>Benefit Provisions and Data Furnished</i>
8-12	4		Benefit summary
13			Summary of covered person data
14			Reported assets
			<i>Valuation results</i>
14			Actuarial accrued liabilities
15		5	Computed employer contributions
16		6	Comparative schedules
			<i>Appendix</i>
17-22			Summary of financial assumptions used in actuarial valuations
23	7		Certain disclosures required by statements No. 25 and No. 27 of the Governmental Accounting Standards Board

June 14, 2010

Jonesboro Paid Fire
Jonesboro, Arkansas

RE: PAID SERVICE FIREMEN NOT COVERED BY SOCIAL SECURITY
Coverage by Two Plans

Ladies and Gentlemen:

Submitted in this report are the results of *the actuarial valuations* which determine the employer contribution rates required to support, for your employees, the benefits provided by:

- The Arkansas Local Police and Fire Retirement System ("LOPFI")
LOPFI Plan Coverage (For Employees Hired After December 31, 1982)
and
- Closed Plan" Coverage (The Relief and Pension Fund For Employees
Hired Before January 1, 1983).

The date of the valuations was December 31, 2009. The valuations were based on data furnished by your LOPFI administrative staff.

The new combined employer contribution rate is shown on page 5.

The financial assumptions used to determine contributions are described in the Appendices of this report. In our opinion, they produce results which are reasonable.

The actuaries submitting this statement are Members of the American Academy of Actuaries (M.A.A.A.) as indicated, and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

If you have any questions concerning this report or LOPFI in general, please contact the LOPFI office in Little Rock.

Respectfully submitted,

Mita D. Drazilov, A.S.A., M.A.A.A.

David L. Hoffman

**Relationships Between
LOPFI Plan Coverage (For Employees Hired After December 31, 1982)
"Closed Plan" Coverage (The Relief and Pension Fund For
Employees Hired Before January 1, 1983)**

LOPFI Plan. The valuation results contained within the LOPFI material on pages 8-23 are the same as they would have been if LOPFI had not begun to administer the Closed Plan.

Closed Plan administration may cause one modification of future LOPFI financial activity: if the length of the financing period for unfunded liabilities causes Closed Plan assets to temporarily dip below zero, LOPFI would loan the shortages until the financing period is completed. When the Closed Plan financing period is completed, LOPFI will have been fully repaid (including investment credits) and the Closed Plan will be fully funded.

Closed Plan. The financing period for Closed Plan unfunded liabilities is 27 years, from December 31, 2009. This period is longer than the previous financing periods, and is reasonable only because of the ability to borrow from LOPFI should Closed Plan assets temporarily dip below zero.

The longer the financing period for unfunded liabilities, the lower the employer contribution rate during the financing period.

Employer Contribution Rate. Each year the actuarial valuation determines a single employer contribution rate percent which covers the combination of LOPFI and the Closed Plan. The single, combined contribution rate percent is converted to dollars by multiplying the percent by the active member total payroll dollars (LOPFI and Closed Plan payrolls combined). This procedure is described on page 5.

The LOPFI account is credited with dollars in the manner described on page 15, which is the basic LOPFI-only procedure.

The Closed Plan account is credited with the difference between (i) the total, combined contribution dollars and (ii) the LOPFI-only contribution dollars.

**Jonesboro Paid Fire
Arkansas Firemen's Relief and Pension Fund
Benefit Provisions Valued and/or Considered
(Includes Act 397)
December 31, 2009**

Voluntary Retirement

Eligibility - 20 years of service regardless of age.

Amount - Annual benefit equal to 75% of highest year's pay plus an additional \$8,400. If acquired more than 20 years of service credit, benefit is increased by \$240 annually for each additional year of service credit. (Maximum: \$1,200 annual addition). If acquired more than 25 years of service credit, retirant's benefit is increased at age 60 by 1.25% of highest year's pay for service over 25 years. (Maximum benefit is 100% of final salary).

Disability Retirement

Eligibility - Permanent physical or mental disability.

Amount - (Non-Duty Disability) Computed as voluntary retirement benefit.
(Duty Disability) Annual benefit is equal to the greater of voluntary retirement benefit or 65% of final salary. Temporary hospital, nursing and weekly sick benefits may also be available.

Death Benefits

Eligibility - Death before 20 years of service not occurring while performing work in gainful employment outside the fire department or death after 20 years of service. Also applicable to retired members.

Amount - Widow receives the benefit the member was receiving or, in the case of an active employee, the amount the member would have received had the member retired the date of death. (Excluding the additional amount payable at member's age 60 for service over 25 years). Minimum widow benefit is \$6,000 annually. Each minor child receives \$1,500 annually to age 19.

Member Contributions

Paid employees contribute 6% of salary.

Member contributions are refundable without interest if termination of employment occurs before monthly benefits are payable.

**Jonesboro Paid Fire
PAID SERVICE FIREMEN
NOT COVERED BY SOCIAL SECURITY**

**COMBINED EMPLOYER CONTRIBUTIONS TO PROVIDE LOPFI MEMBER BENEFITS
& CLOSED PLAN BENEFITS
Employer Portion is State and Local Combined**

Computed December 31, 2009

<u>Contributions</u>	<u>% of Active Combined Payroll</u>
Employer Normal Cost For LOPFI Benefits	12.89%
Unfunded accrued liabilities (27 years remaining)	<u>19.80%</u>
COMPUTED EMPLOYER RATE FOR COMBINED BENEFITS	32.69%

Determining Employer Dollar Contributions

For each month, the percent-of-payroll combined contribution rate is converted to dollars --- and then promptly contributed to LOPFI.

Based upon the combined annual payroll submitted for this valuation, \$5,023,778, the annual employer contribution dollars would be \$1,642,273.

However, in budgeting combined dollars for a fiscal period, be sure you use the payroll dollars you are budgeting for that same fiscal period (which will probably be different than the payroll dollars reported here).

.....

When combined contribution dollars are received by LOPFI, they are allocated between the two Plans as described on page 3.

**Jonesboro Paid Fire
Historical Schedule**

Actuarial Valuation Date	Number	Payroll	Average Age (years)	Average Service (years)	Assets	Actuarial Accrued Liability	Final Employer Rate
12-31-97	73	1,976,806	34.4	9.2	2,698,436	4,301,238	24.55%
12-31-98	68	1,829,455	33.5	8.2	(263,563)	3,199,180	22.76%
12-31-99	77	2,062,641	33.3	7.2	2,762,973	4,033,090	16.45%
12-31-00	79	2,343,189	34.1	8.7	4,051,253	5,979,518	17.61%
12-31-01	83	2,554,281	34.3	8.5	4,869,801	5,158,507	9.98%
12-31-02	85	2,808,209	35.3	9.6	5,300,414	6,961,763	14.80%
12-31-03	87	2,982,798	36.0	10.3	3,986,097	8,020,146	20.50%
12-31-04	87	3,173,030	36.6	11.0	3,946,973	10,148,493	25.61%
12-31-05	91	3,417,216	37.0	11.3	3,619,845	10,304,897	25.58%
12-31-06	95	3,675,505	37.1	11.7	6,022,577	13,706,459	26.42%
12-31-07	112	4,358,433	36.4	10.8	7,854,469	16,552,990	26.07%
12-31-08	105	4,351,531	36.9	12.1	4,251,879	19,010,693	31.87%
12-31-09	111	5,023,778	37.7	13.2	3,368,723	20,841,220	32.69%

Jonesboro Paid Fire

Certain Disclosures Required by Statements No. 25 and No. 27 of the Governmental Accounting Standards Board January 1, 2010

Required Supplementary Information:

For 2009, the political subdivision's annual pension cost of \$1,444,130 was equal to the required and actual contributions. The required contribution was determined as part of the December 31, 2007 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions effective for the 2009 valuation included (a) a rate of return on the investment of present and future assets of 8.0% per year, (b) projected salary increases of 4.0% per year, compounded annually, attributable to wage inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age, attributable to seniority/merit, (d) the assumption that benefits will increase 3% per year after retirement (LOPFI members only), and (e) pre- and post-retirement mortality based on the RP-2000 Combined Projected to 2007 Table, set forward two years for men. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of valuation payroll. The amortization period for Closed Group unfunded liabilities at December 31, 2009 was 27 years.

COMBINED EMPLOYER CONTRIBUTIONS TO PROVIDE LOPFI MEMBER BENEFITS & CLOSED PLAN BENEFITS

Employer Portion is State and Local Combined REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry-Age Actuarial Accrued Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
12-31-97	2,698,436	4,301,238	1,602,802	63%	1,976,806	81%
12-31-98	(263,563)	3,199,180	3,462,743	0%	1,829,455	189%
12-31-99	2,762,973	4,033,090	1,270,117	69%	2,062,641	62%
12-31-00	4,051,253	5,979,518	1,928,265	68%	2,343,189	82%
12-31-01*	4,869,801	5,158,507	288,706	94%	2,554,281	11%
12-31-02*	5,300,414	6,961,763	1,661,349	76%	2,808,209	59%
12-31-03*	3,986,097	8,020,146	4,034,049	50%	2,982,798	135%
12-31-04*	3,946,973	10,148,493	6,201,520	39%	3,173,030	195%
12-31-05	3,619,845	10,304,897	6,685,052	35%	3,417,216	196%
12-31-06	6,022,577	13,706,459	7,683,882	44%	3,675,505	209%
12-31-07	7,854,469	16,552,990	8,698,521	47%	4,358,433	200%
12-31-08*	4,251,879	19,010,693	14,758,814	29%	4,351,531	339%
12-31-09	3,368,723	20,841,220	17,472,497	16%	5,023,778	348%

* After changes in actuarial assumptions and/or benefit changes.

Brief Summary As of December 31, 2009
LOPFI Coverage for Paid Service
Benefits and Conditions Evaluated and/or Considered
(Section references are to Arkansas Code, including
amendments from the 2009 General Assembly Session)

Voluntary Retirement. Section 24-10-604. A member may retire with an age & service annuity after both (i) completing 5 years of credited service, and (ii) attaining his normal retirement age.

The normal retirement age is age 60 for a member with less than 20 years credited service, and age 55 for a member with at least 20 years credited service, or any age for a member with 28 or more years of credited service.

Compulsory Retirement. Section 24-10-605. Established by each employer.

Paid Service. Section 24-10-102(13). Covered employment which is half-time employment or more, and for which a minimum dollar amount is paid.

For each calendar month in 1981, the minimum is \$500 for the month. For each later calendar year, the \$500 is indexed for inflation (Consumer Price Index). Accordingly, the monthly minimum during 2009 is \$1,244.

Volunteer Service. Section 24-10-102(14). Covered employment which cannot be classified as Paid Service.

Final Average Pay. Section 24-10-102(16)(A). The average of a member's monthly pay during the period of 36 consecutive months of credited Paid Service producing the highest monthly average, which period is contained within the 120 consecutive months of credited Paid Service immediately preceding retirement. Not applicable to Volunteer Service.

Age and Service Annuity. Section 24-10-602. The annuity, payable monthly for life, equals a specified amount multiplied by the member's number of years of credited service. The amount depends upon the conditions related to covered employment:

- A. **Paid Service Not Covered by Social Security.** For each year of such service, 2.94% of the member's final average pay.
- B. **Paid Service Also Covered by Social Security.** For each year of such service, 1.94% of the member's final average pay. In addition, there is a temporary annuity equal to 1.0% of the member's final average pay for each year of service, payable to normal social security retirement age.
- C. At time of retirement, the total of A plus B cannot exceed 100% of final average pay.

Early Annuity. Section 24-10-606. A member may retire with an early annuity after both: (i) completing 20 years of credited service, and (ii) attaining age 50 or (iii) after completing 25 years of credited paid service.

The early annuity amount, payable monthly for life, is computed in the same manner as an age & service annuity, based upon his service and pay record to time of early retirement, but reduced to reflect the fact that his age when payments begin is younger than his normal retirement age. The amount of the reduction is 1/2 of 1% (.005) for each month his age at early retirement is younger than his normal retirement age (age 55 for members with 25 years of credited paid service).

Vested Termination Annuity. Section 24-10-611. If a member leaves LOPFI-covered employment (i) before attaining his early retirement age, and (ii) after completing 5 years of credited service, he becomes eligible for a vested termination annuity; provided he lives to his normal retirement age and does not withdraw his accumulated contributions.

The vested annuity amount, payable monthly for life from his normal retirement age, is computed in the same manner as an age & service annuity, based upon his service record to time of leaving LOPFI coverage. However, final average pay is increased by one-half of any increase in the inflation index for the period from termination of employment to beginning of annuity payments.

Non-Duty Disability Annuity. Section 24-10-607(a)(1)(A). A member with 5 or more years of credited service who becomes totally and permanently disabled from other than duty-connected causes receives a non-duty disability annuity computed in the same manner as an age & service annuity, based upon his service record to time of disability.

Duty Disability Annuity. Section 24-10-607(c)(1)(A). A member who becomes totally and permanently disabled from duty-connected causes receives a duty disability annuity computed in the same manner as an age & service annuity, based upon his covered employment record to time of disability. The minimum annuity payable is 65% of the member's final average pay.

Non-Duty Death-in-Service. Section 24-10-608(a)(1). Upon the death, from other than duty-connected causes, of a Paid Service member who had completed 5 years of paid service, his eligible surviving dependents receive the following benefits:

- (a) The surviving spouse receives an annuity equal to the Option B50 annuity (joint and 50% survivor benefit) computed based upon the deceased member's service (and pay) record to time of death. Minimum of 20% of member's final average pay, or \$125 monthly if greater.
- (b) While a spouse benefit is payable, each dependent child under age 18 (age 23 if full time student) receives 10% of member's final average pay, or \$25 monthly if greater. The total for 4 or more children cannot exceed 30% of final average pay, or \$125 monthly if greater.
- (c) While no spouse benefit is payable, each dependent child under age 18 (age 23 if full time student) receives 20% of member's final average pay, or \$25 monthly if greater. The total for 3 or more children cannot exceed 50% of final average pay, or \$125 monthly if greater.
- (d) If there is neither spouse nor child at time of member's death, each dependent parent receives 20% of final average pay.

Duty Death-in-Service. Section 24-10-608(b)(1). Upon the death of a Paid Service member from duty-connected causes, regardless of length of service, his eligible surviving dependents receive the same benefits as for Non-Duty Death, except that if credited service at the time of death is less than 25 years, credited service is increased to 25 years.

Benefit Changes After Retirement. Section 24-10-612. There is an annual redetermination of monthly benefit amount, beginning the July first following 12 months of retirement. The redetermined amount is 3.0% of the monthly benefit from the preceding July.

Member Contributions. Sections 24-10-404 and 24-10-613. Each member contributes 8.5% of his covered pay if his covered employment is resulting in Paid Service credit and is not covered by Social Security. For other covered employment conditions, each member contributes 2.5% of his covered pay.

If a member leaves LOPFI-covered employment before an annuity is payable on his behalf, his accumulated contributions are refunded to him. If he dies, his accumulated contributions are refunded to his designated beneficiary.

Employer Contributions. Section 24-10-405. Each employer contributes the remainder amounts necessary to finance its employees' participation in LOPFI. Contributions to LOPFI are determined based upon level-rate principles, so that contribution rates do not have to increase over decades of time.

DROP (Deferred Retirement Option Plan). Sections 24-10-701 through 24-10-708. Paid service members who have attained age 55 with at least 20 years of service or members with at least 28 years of service may participate. Participants with 28 years of service will receive 75% of accrued benefit at time of DROP election while in DROP, payable into the participant's DROP account (which will be credited with 6% interest annually). Participants with less than 28 years of service will receive 72% of accrued benefit at time of DROP election while in DROP, payable into the participant's DROP account (which will be credited with 6% interest annually). Employer and employee contributions continue. For additional details please refer to Arkansas Code, Title 24, Chapter 10, Subchapter 7.

LOPFI
Illustrations of Normal Benefit Amounts

FOR PAID SERVICE WHICH IS NOT COVERED BY SOCIAL SECURITY
(The applicable Benefit Program is Years of Paid Service times 2.94% of FAP)

Final Average Pay (FAP)	LOPFI Benefit	
	Monthly	% of FAP
32 Years of Service		
\$1,800	\$ 1,693	94%
2,200	2,070	94
2,600	2,446	94
3,000	2,822	94
3,400	3,199	94
28 Years of Service		
\$1,800	\$ 1,482	82%
2,200	1,811	82
2,600	2,140	82
3,000	2,470	82
3,400	2,799	82
20 Years of Service		
\$1,800	\$ 1,058	59%
2,200	1,294	59
2,600	1,529	59
3,000	1,764	59
3,400	1,999	59

“Final Average Pay” means the monthly average of an employee’s pays during the period of 36 consecutive months when they were highest, contained within his last 120 months of paid service.

Amounts are shown to nearest dollar, for simplicity; actual amounts are to nearest cent.

With 28 or more years of service the employee is eligible for normal retirement at any age. With 20 or more years of service the employee is eligible for normal retirement at age 55. With fewer than 20 years, the eligibility age is 60.

Jonesboro Paid Fire

The active members covered at December 31, 2009 were reported to total 110, with an annual payroll totaling \$4,969,728.

Active Members in the Valuation Comparative Schedule

Valuation Date Dec. 31	Number	Annual Payroll	Average		
			Annual Pay	Age (years)	Service (years)
1993	48	\$1,044,922	\$21,769	30.0	4.2
1994	49	\$1,150,476	\$23,479	30.9	5.1
1995	50	\$1,228,425	\$24,569	31.5	5.9
1996	52	\$1,316,277	\$25,313	32.1	6.6
1997	60	\$1,524,805	\$25,413	32.3	6.7
1998	63	\$1,648,930	\$26,173	33.0	7.4
1999	73	\$1,907,994	\$26,137	32.9	7.3
2000	75	\$2,176,652	\$29,022	33.7	8.1
2001	80	\$2,432,941	\$30,412	34.0	8.1
2002	82	\$2,674,063	\$32,611	35.0	9.2
2003	84	\$2,841,598	\$33,829	35.7	9.9
2004	84	\$3,010,144	\$35,835	36.2	10.6
2005	89	\$3,308,630	\$37,176	36.7	11.0
2006	93	\$3,560,813	\$38,288	36.9	11.4
2007	110	\$4,230,616	\$38,460	36.1	10.5
2008	104	\$4,299,537	\$41,342	36.8	11.9
2009	110	\$4,969,728	\$45,179	37.6	13.1

Jonesboro Paid Fire

MEANING OF ACTUARIAL ACCRUED LIABILITIES

Almost every pension plan (public or private) has "actuarial accrued liabilities," so whatever they are, they aren't rare. Since the term is not part of everyday conversation, it needs some definition.

"Accrued liabilities" are the present value \$ of plan promises to pay benefits in the future allocated to service already rendered - a liability has been established ("accrued") because the service has been rendered, but the resulting monthly cash benefit may not be payable until years in the future. Accrued liabilities \$ are the result of complex mathematical calculations, which are made by the plan's actuary (which is the name given to the specialist who makes such calculations).

The assets of your group were reported as of December 31, 2009 to be:

Member Deposit Account	\$	3,107,238
Employer Accumulation Account		<u>11,050,447</u>
Total Reported Assets	\$	14,157,685

One of the results of the annual actuarial valuation is actuarial accrued liabilities. The computed and unfunded actuarial accrued liabilities are listed below:

ACTUARIAL ACCRUED LIABILITIES: COMPUTED AND UNFUNDED

Computed Accrued Liabilities	\$	20,452,446
Reported Assets		<u>14,157,685</u>
Unfunded Accrued Liabilities	\$	6,294,761

Unfunded accrued liabilities were amortized over a period of 30 years.

Jonesboro Paid Fire
Not Covered By Social Security
EMPLOYER CONTRIBUTIONS TO PROVIDE LOPFI BENEFITS
Employer Portion is State and Local Combined

Computed December 31, 2009

Contributions	% of Active Payroll
Normal cost of benefits:	
Age and service	19.50%
Casualty	1.53%
Refunds	<u>0.36%</u>
Total	21.39%
Unfunded accrued liabilities	<u>4.60%</u>
Total Contribution Requirement	25.99%
Member portion	8.50%
Employer portion	17.49%

Determining Employer Dollar Contributions

For each month, the percent-of-payroll contribution rate is converted to dollars -- and then promptly contributed to your account with LOPFI.

Based upon the annual payroll submitted for this valuation, \$4,969,728, the annual employer contribution dollars would be \$869,205.

However, in budgeting LOPFI dollars for a fiscal period be sure you use the payroll dollars you are budgeting for that same fiscal period (which will probably be different than the payroll dollars reported here).

**Jonesboro Paid Fire
Accrued Liabilities and Computed Contributions
Comparative Schedule**

Valuation Date Dec. 31	Accrued Liabilities	Valuation Assets	Funded Percent	Unfunded Accrued Liabilities		Computed Contribution Rate
				Dollar Amount	Percent of Annual Payroll	
1993	800,764	1,056,336	132%	(255,572)	(24%)	11.27%
1994	1,059,168	1,277,021	121%	(217,853)	(19%)	11.83%
1995	1,296,593	1,645,959	127%	(349,366)	(28%)	11.45%
1996	1,595,994	2,072,723	130%	(476,729)	(36%)	10.52%
1997	1,928,108	2,651,744	138%	(723,636)	(47%)	10.03%
1998	2,490,921	3,284,737	132%	(793,816)	(48%)	11.46%
1999	3,275,765	4,190,683	128%	(914,918)	(48%)	11.35%
2000	4,114,249	5,305,669	129%	(1,191,420)	(55%)	11.40%
2001	3,734,680	6,230,658	167%	(2,495,978)	(103%)	6.00%
2002	5,497,790	6,973,894	127%	(1,476,104)	(55%)	9.56%
2003	7,012,168	7,881,085	112%	(868,917)	(31%)	10.56%
2004	8,982,359	7,947,739	88%	1,034,620	34%	15.08%
2005	9,927,654	9,541,699	96%	385,955	12%	15.54%
2006	12,406,992	12,104,944	98%	302,048	8%	15.47%
2007	15,665,735	13,845,938	88%	1,819,797	43%	16.48%
2008	18,641,060	15,682,028	84%	2,959,032	69%	16.49%
2009	20,452,446	14,157,685	69%	6,294,761	127%	17.49%

Summary of Historical Plan Amendments

Beginning with the December 31, 1993 actuarial valuation, valuation assets are equal to reported book value, adjusted to partially recognize the difference between book value and market value.

The December 31, 1996 valuation includes legislated benefit increases. These increases included retirement at any age with 30 or more years of service, vesting after 5 years of service, and higher post-retirement cost of living adjustments.

Two retirement board policy changes are reflected in the December 31, 1996 valuation, the use of a 30 year period for amortization of unfunded actuarial accrued liabilities and the elimination of a direct charge for expenses in the computed employer contribution rate.

The December 31, 1998 valuation includes both new actuarial assumptions and legislated benefit increases. These increases included retirement at any age with 28 or more years of service and an increase in the paid service multiplier to 2.1% of final average pay (1.1% for paid service members also covered by social security).

The December 31, 2000 valuation includes legislated benefit increases. Specifically, the increases were the following: extending the payment of the temporary annuity to full social security retirement age, raising the minimum duty disability benefit to 65% of final average pay and an increasing the benefit multiplier to 2.2% of final average pay (1.2% for paid service members also covered by social security).

The December 31, 2001 valuation includes new actuarial assumptions.

The December 31, 2002 valuation includes legislated benefit increases. The major increases were a move from simple to compound escalation of the post-retirement benefit increase and an increase in the benefit multiplier to 2.5% of final average pay (1.5% for paid service members also covered by social security).

The December 31, 2003 valuation includes new actuarial assumptions adopted by the Board of Trustees.

The December 31, 2004 valuation includes legislated benefit increases. The major increases were an increase in the benefit multiplier to 2.7% of final average pay (1.7% for paid service members also covered by social security) and DROP eligibility at age 55 with 20 years of service.

The December 31, 2007 valuation includes legislated benefit increases. The major increase was an increase in the maximum benefit to 85% of final average pay.

The December 31, 2008 valuation includes both new actuarial assumptions and legislated benefit increases. These increases included early retirement at any age with 25 or more years of paid service, an increase in the paid service multiplier to 2.94% of final average pay (1.94% for paid service members also covered by social security), and an increase in the maximum benefit to 100% of final average pay.

**Summary of
FINANCIAL ASSUMPTIONS USED FOR LOPFI ACTUARIAL VALUATIONS
Assumptions Adopted by Board of Trustees After Consulting With Actuary**

The actuarial assumptions used in making the valuations are shown in this section of the report.

ECONOMIC ASSUMPTIONS

The investment return rate used in making the valuation was 8.0% per year, compounded annually (net after administrative expenses). This rate of return is not the assumed real rate of return. The real rate of return is the portion of investment return which is more than the wage inflation rate. With a 4.0% recognition of wage inflation, the 8.0% investment return rate translates to an assumed real rate of return of 4.0%.

Pay increase assumptions for individual active members are summarized in Schedule A-5. Part of the assumption for each age is for a merit and/or seniority increase, and the other 4.0% recognizes wage inflation.

Total active member payroll is assumed to increase 4.0% a year, which is the portion of the individual pay increase assumptions attributable to wage inflation.

The number of active members is assumed to continue at the present number.

NON-ECONOMIC ASSUMPTIONS

The mortality table used to measure retired life mortality was the RP-2000 Combined Projected to 2007 Table, set forward two years for men. Related values are shown in Schedule A-1. Disability post-retirement mortality was assumed to be the same as standard post-retirement mortality set forward an additional 10 years. For death-in-service mortality, fifty percent of the post-retirement mortality tables were used. Fifty percent of deaths-in-service were assumed to be duty related.

The probabilities of retirement for members eligible to retire are shown in Schedule A-3.

The probabilities of withdrawal from service and death-in-service are summarized in Schedule A-4, and the probabilities of disability are summarized in Schedule A-2.

An individual entry age actuarial cost method of valuation was used in determining age & service allowance normal costs and the allocation of actuarial present values between service rendered before and after the valuation date. The entry-age actuarial cost method has the following characteristics:

the annual normal costs for each individual active member, payable from the member's actual date of employment to the member's projected date of retirement are sufficient to accumulate the actuarial present value of the member's benefit at the time of retirement; each annual normal cost is: (a) a constant percentage of the member's year by year projected covered pay for paid service plans, or (b) a constant dollar amount for volunteer service plans.

Differences in the past between assumed experience and actual experience ("actuarial gains and losses") are inevitable and become part of accrued liabilities. In LOPFI, cumulative actuarial losses and gains are the same as unfunded (or overfunded) accrued liabilities.

Unfunded accrued liabilities are amortized to produce contribution amounts (principal and interest) which are (a) level percent of payroll contributions over a period of future years for paid service plans, or (b) level dollar amounts for volunteer service plans.

OTHER TECHNICAL ASSUMPTIONS

Decrements are assumed to occur at the middle of the valuation year.

The probability of being married, for death-in-service benefits, is assumed to be 90%.

Members who are eligible to participate in the DROP are assumed to enter the DROP with high probability as members would reach the maximum benefit (as a percent of final average pay) shortly after first eligibility to enter the DROP.

Future service credit is always assumed to accrue at the rate of 1 year of credit every 12 calendar months. Lower service accrual rates (service breaks or less-than-full-time employment) or higher service accrual rates (addition of military credit or reinstatement of prior service) are reflected as they are reported. Any lower or higher accrual rates may result in small financial gains or losses when reported.

The form of benefit payment assumed in the valuation for paid service and volunteer service plans is the Five Year Certain and Life Option. For local plans under LOPFI administration, the assumed form of benefit payment is 100% joint and survivor for police plans and the Life Option for fire plans. For local fire plans under LOPFI administration who have adopted Act 397, the assumed form of benefit payment is 100% joint and survivor.

Employer contribution dollars were assumed to be paid in equal installments throughout the employer fiscal year.

Present assets (cash & investments) were used based on a smoothed market value.

The data about persons now covered and about present assets were furnished by the System's administrative staff. Although examined for general reasonableness, the data was not audited by the Actuary.

The actuarial valuation computations were made by or under the supervision of a Member of the American Academy of Actuaries (M.A.A.A.).

Schedule A-1

Single Life Retirement Values

Based on the RP-2000 Combined Projected to 2007 Table and 8.0% Interest

Sample Ages	Value at Retirement: \$1.00 Monthly for Life		Future Life Expectancy (Years)	
	Men	Women	Men	Women
45	\$140.07	\$143.93	34.35	38.75
50	134.09	139.28	29.63	33.96
55	126.07	132.94	25.03	29.25
60	115.95	124.73	20.64	24.71
65	103.99	114.73	16.60	20.44
70	90.27	103.12	12.94	16.52
75	74.95	89.98	9.69	13.00
80	59.25	75.48	6.97	9.87

Sample Attained Ages	Benefit Increasing 3% Yearly	Portion of Age 55 Lives Still Alive Men	Sample Attained Ages
55	\$100	100%	55
60	116	97	60
65	134	91	65
70	156	83	70
75	181	69	75
80	209	50	80

Schedule A-2

Probabilities of Disability Retirement

Sample Ages	% of Volunteer Members Becoming Disabled Within Next Year
20	0.15%
25	0.15
30	0.19
35	0.26
40	0.40
45	0.62
50	1.04
55	1.82
60	2.72

Schedule A-3

Probabilities of Retirement for Paid Service Members Eligible to Retire

Retirement Ages	LOBEI Fire			Percent of Eligible Active Members Retiring Within Next Year	Retirement Ages	LOBEI Local Fire	
	Percent of Eligible Active Members Retiring Within Next Year		Service			Percent of Eligible Active Members Retiring Within Next Year	Percent of Eligible Active Members Retiring Within Next Year
	Early	Normal					
45-47	2%				45-47	40%	
48	2				48	40	
49	2				49	40	
50	2				50	40	
51	2				51	35	
52	2				52	20	
53	2				53	15	
54	2				54	15	
55		25%	28	25%	55	15	
56		25	29	25	56	15	
57		25	30	25	57	15	
58		20	31	25	58	15	
59		20	32	35	59	25	
60		60	33	40	60	100	
61		15	34	100	61	100	
62		30			62	100	
63		15			63	100	
64		15			64	100	
65		100			65	100	

A member was assumed eligible for retirement after attaining age 55 with 20 years of service or age 60 with 5 years of service or any age with 28 or more years of service. A member was assumed to retire with 100% probability at 34 or more years of service credit.

A member was assumed eligible for a reduced benefit after attaining age 50 with 20 or more years of service or any age with 25 or more years of paid service.

The probabilities of retirement shown above represent ultimate termination of employment (whether or not the member participates in the DROP).

Schedule A-4

Rates of Separation (excluding deaths and disability)

From Active Employment Before Retirement

Sample Ages	Years of Service	% of Active Paid Service Members Separating Within Next Year	
		Police	Fire
ALL	0	20.00%	10.00%
	1	18.00	9.00
	2	15.00	8.00
	3	13.00	7.00
	4	11.00	6.00
25	5 & Over	9.63	4.40
30		8.10	3.80
35		6.21	3.10
40		4.95	1.80
45		3.96	1.00
50		3.15	0.50
55		0.90	0.00
60		0.00	0.00

Schedule A-5

Pay Increase Assumptions For an Individual Member

Sample Ages	Present Pay Resulting in Pay of \$1,000 at Age 60	Pay Increase Assumptions For an Individual Member		
		Merit and Seniority	Base (Economic)	Increase Next Year
20	\$ 93	6.0%	4.0%	10.0%
25	149	5.1	4.0	9.1
30	224	3.2	4.0	7.2
35	307	1.9	4.0	5.9
40	402	1.2	4.0	5.2
45	514	0.9	4.0	4.9
50	649	0.6	4.0	4.6
55	809	0.4	4.0	4.4
60	1,000	0.3	4.0	4.3

Service related salary increases are assumed to occur during the first five years of employment. The first increase is 3.0% in addition to the age related pay increases shown above. In the following years the increases are 2.5%, 2.0%, 1.5% and 1.0%.

Jonesboro Paid Fire
Certain Disclosures Required by Statements No. 25 and No. 27 of the
Governmental Accounting Standards Board
January 1, 2010

Required Supplementary Information:

For 2009, the political subdivision's annual pension cost of \$852,609 was equal to the required and actual contributions. The required contribution was determined as part of the December 31, 2007 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions effective for the 2009 valuation included (a) a rate of return on present and future assets of 8.0% per year, compounded annually, (b) projected salary increase of 4.0% per year, compounded annually, attributable to wage inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, attributable to seniority/merit, (d) pre- and post-retirement mortality based on the RP-2000 Combined Projected to 2007 Table, set forward two years for men, and (e) annual compounded post-retirement increases of 3.0% per year. The actuarial value of assets was determined using techniques that smooth the short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability (and assets in excess of actuarial accrued liability) is being amortized as a level percentage of projected payroll on an open basis. The amortization period as of December 31, 2007 was 30 years.

Schedule of Funding Progress:

Actuarial Valuation Date Dec. 31	(a) Entry Age Actuarial Accrued Liability	(b) Actuarial Value of Assets	(a-b) Unfunded Accrued Liability (UAL)	(b/a) Funded Ratio	(c) Annual Covered Payroll	[(a-b)/(c)] UAL as a Percentage of Covered Payroll
1995	1,296,593	1,645,959	(349,366)	127%	1,228,425	(28%)
1996	1,595,994	2,072,723	(476,729)	130%	1,316,277	(36%)
1997	1,928,108	2,651,744	(723,636)	138%	1,524,805	(47%)
1998	2,490,921	3,284,737	(793,816)	132%	1,648,930	(48%)
1999	3,275,765	4,190,683	(914,918)	128%	1,907,994	(48%)
2000	4,114,249	5,305,669	(1,191,420)	129%	2,176,652	(55%)
2001	3,734,680	6,230,658	(2,495,978)	167%	2,432,941	(103%)
2002	5,497,790	6,973,894	(1,476,104)	127%	2,674,063	(55%)
2003	7,012,168	7,881,085	(868,917)	112%	2,841,598	(31%)
2004	8,982,359	7,947,739	1,034,620	88%	3,010,144	34%
2005	9,927,654	9,541,699	385,955	96%	3,308,630	12%
2006	12,406,992	12,104,944	302,048	98%	3,560,813	8%
2007	15,665,735	13,845,938	1,819,797	88%	4,230,616	43%
2008	18,641,060	15,682,028	2,959,032	84%	4,299,537	69%
2009	20,452,446	14,157,655	6,294,761	69%	4,969,728	127%

Note: The above assets and actuarial accrued liabilities do not include the assets and actuarial accrued liabilities associated with the Retirement Reserve Account. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LOPI office in Little Rock.



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Legislation Details (With Text)

File #: RES-10:139 **Version:** 1 **Name:**
Type: Resolution **Status:** Recommended Under New Business
File created: 10/12/2010 **In control:** Finance & Administration Council Committee
On agenda: **Final action:**
Title: A RESOLUTION TO LEVY A 2 MILL TAX ON ALL REAL AND PERSONAL PROPERTY FOR THE PUBLIC LIBRARY TAX
Sponsors: Finance, Mayor's Office
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
10/12/2010	1	Finance & Administration Council Committee		

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.



City of Jonesboro

515 West Washington
Jonesboro, AR 72401

Legislation Details (With Text)

File #: COM-10:107 **Version:** 1 **Name:**
Type: Other Communications **Status:** To Be Introduced
File created: 10/6/2010 **In control:** City Council
On agenda: **Final action:**
Title: Jonesboro Airport Commission financial statements for the nine months ended September 30, 2010, and 2009
Sponsors: Mayor's Office
Indexes:
Code sections:
Attachments: [Airport Commission financial statements](#)

Date	Ver.	Action By	Action	Result
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title
Jonesboro Airport Commission financial statements for the nine months ended September 30, 2010, and 2009

**Jonesboro Airport Commission
Financial Statements
For the Nine Months Ended September 30, 2010 and 2009**

Orr, Lamb & Fegtly, PLC
PO Box 1796
Jonesboro, AR 72403

October 4, 2010

Jonesboro Airport Commission
Jonesboro, Arkansas

We have compiled the accompanying statement of assets, liabilities, and equity-modified cash basis of Jonesboro Airport Commission as of September 30, 2010, and the related statement of revenues and expenses-modified cash basis for the one month ended September 30, 2010 and 2009, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Commission's assets, liabilities, equity, revenue and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Orr, Lamb & Fegtly, PLC
Certified Public Accountants

**Jonesboro Airport Commission
Statement of Assets, Liabilities, and Equity
Modified Cash Basis
September 30, 2010**

ASSETS

CURRENT ASSETS

Cash - Liberty Bank	\$ 274,360.14	
Cash-Liberty Bank-Project Acct	<u>37,414.94</u>	
Total Current Assets		\$ 311,775.08

PROPERTY AND EQUIPMENT

Plant Investments	<u>\$ 374.10</u>	
Net Property and Equipment		374.10

OTHER ASSETS

Rice Growers Stock	<u>\$ 928.25</u>	
Total Other Assets		<u>928.25</u>

TOTAL ASSETS **\$ 313,077.43**

See accountants' compilation report.

**Jonesboro Airport Commission
Statement of Assets, Liabilities, and Equity
Modified Cash Basis
September 30, 2010**

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Fica Taxes Payable	\$	906.68
FWH Taxes Payable		922.65
SWH Taxes Payable		196.30
OCSE		443.08
State Unemployment Payable		<u>58.28</u>

Total Current Liabilities \$ 2,526.99

EQUITY

Beg Retained Earnings	\$	269,875.49
YTD Net Income(Loss)		<u>40,674.95</u>

Total Equity 310,550.44

TOTAL LIABILITIES & EQUITY \$ 313,077.43

See accountants' compilation report.

Jonesboro Airport Commission
Statement of Revenues & Expenses-Modified Cash Basis
For the 1 Month and 9 Months Ended September 30, 2010 and 2009

	<u>1 Month Ended</u> <u>September 30,</u> <u>2010</u>		<u>1 Month Ended</u> <u>September 30,</u> <u>2009</u>		<u>9 Months Ended</u> <u>September 30,</u> <u>2010</u>		<u>9 Months Ended</u> <u>September 30,</u> <u>2009</u>	
		%		%		%		%
Revenues								
Grant Revenue-City of Jonesboro	\$ 0.00	0.00	\$ 0.00	0.00	\$ 70,002.00	8.65	\$ 70,000.00	8.29
Grant Revenue-Federal & State	87,847.16	82.10	276,692.00	94.82	579,063.52	71.58	634,550.01	75.14
T-Hanger Lease #2	1,200.00	1.12	0.00	0.00	3,251.10	0.40	0.00	0.00
Hanger Revenue - FBO	6,332.68	5.92	6,332.68	2.17	56,994.12	7.05	56,993.44	6.75
Revenue-Sharp Aviation	2,000.00	1.87	2,000.00	0.69	18,000.00	2.23	18,000.00	2.13
Revenue-Gate Card Fees	0.00	0.00	0.00	0.00	840.00	0.10	1,240.00	0.15
Revenue-Picture Display Fees	0.00	0.00	0.00	0.00	1,800.00	0.22	2,196.00	0.26
T Hanger Leases	2,000.00	1.87	2,000.00	0.69	18,000.00	2.23	18,000.00	2.13
Fuel Flowage	2,468.80	2.31	2,174.24	0.75	17,307.78	2.14	19,342.08	2.29
Terminal Building Leases-TSA	0.00	0.00	0.00	0.00	0.00	0.00	4,400.00	0.52
Farm Rents	1,600.00	1.50	0.00	0.00	12,800.00	1.58	0.00	0.00
ASU Lease	0.00	0.00	1,250.00	0.43	0.00	0.00	11,000.00	1.30
Other Income	3,550.78	3.32	1,358.78	0.47	30,897.02	3.82	8,727.68	1.03
Total Revenues	<u>106,999.42</u>	<u>100.00</u>	<u>291,807.70</u>	<u>100.00</u>	<u>808,955.54</u>	<u>100.00</u>	<u>844,449.21</u>	<u>100.00</u>
Cost of Revenues								
Grant Project Expenditures	103,228.72	96.48	276,787.72	94.85	598,148.96	73.94	602,750.78	71.38
Grounds	6,964.27	6.51	2,696.72	0.92	30,306.33	3.75	24,397.56	2.89
Hanger Expense-FBO	280.00	0.26	29.84	0.01	6,122.80	0.76	6,603.56	0.78
T-Hanger Expense	0.00	0.00	0.00	0.00	0.00	0.00	1,841.02	0.22
Terminal Building Expense-Mesa/TSA	705.85	0.66	0.00	0.00	9,602.80	1.19	3,830.03	0.45
Terminal Building Expense-ASU	0.00	0.00	0.00	0.00	683.74	0.08	344.74	0.04
Fire Rescue Building Expense	6,220.47	5.81	128.56	0.04	9,854.92	1.22	1,314.70	0.16
Sharp Aviation Expense	0.00	0.00	0.00	0.00	569.36	0.07	1,547.07	0.18
Old Terminal Bldg - CAP	0.00	0.00	0.00	0.00	0.00	0.00	145.03	0.02
Beacon & Field Lights	715.73	0.67	3,176.41	1.09	7,655.24	0.95	3,481.83	0.41
Total Cost of Revenues	<u>118,115.04</u>	<u>110.39</u>	<u>282,819.25</u>	<u>96.92</u>	<u>662,944.15</u>	<u>81.95</u>	<u>646,256.32</u>	<u>76.53</u>
Gross Profit	<u>(11,115.62)</u>	<u>(10.39)</u>	<u>8,988.45</u>	<u>3.08</u>	<u>146,011.39</u>	<u>18.05</u>	<u>198,192.89</u>	<u>23.47</u>
General & Administrative Exp.								
Advertising	0.00	0.00	0.00	0.00	0.00	0.00	400.20	0.05
Dues/Subscriptions	0.00	0.00	0.00	0.00	55.00	0.01	125.00	0.01
Insurance	6.00	0.01	(1,816.00)	(0.62)	35,585.00	4.40	31,344.90	3.71
Insurance - Medical	424.58	0.40	445.61	0.15	4,669.62	0.58	4,010.49	0.47
Janitorial	0.00	0.00	237.60	0.08	0.00	0.00	237.60	0.03
Office Expense	76.06	0.07	0.00	0.00	656.58	0.08	1,279.11	0.15
Outside Services	0.00	0.00	2,500.00	0.86	725.00	0.09	2,852.78	0.34
Payroll Taxes	466.17	0.44	546.52	0.19	4,144.05	0.51	4,237.88	0.50
Postage	0.00	0.00	112.00	0.04	256.65	0.03	329.80	0.04
Repairs/Maintenance	0.00	0.00	0.00	0.00	52.37	0.01	339.64	0.04
Salaries - Philip Steed	4,024.75	3.76	3,691.42	1.27	36,222.75	4.48	33,222.78	3.93
Salaries - Other	2,115.50	1.98	3,558.75	1.22	16,093.38	1.99	20,728.00	2.45
Salaries-Fireman	0.00	0.00	0.00	0.00	0.00	0.00	169.00	0.02
Supplies	0.00	0.00	195.85	0.07	647.81	0.08	195.85	0.02
Telephone	344.02	0.32	342.49	0.12	3,206.25	0.40	3,215.67	0.38
Meetings/Travel	0.00	0.00	0.00	0.00	0.00	0.00	282.59	0.03
Meals/Entertainment	0.00	0.00	0.00	0.00	397.07	0.05	119.88	0.01
Utilities	139.86	0.13	135.45	0.05	839.17	0.10	1,216.81	0.14

See accountants' compilation report.

Jonesboro Airport Commission
Statement of Revenues & Expenses-Modified Cash Basis
For the 1 Month and 9 Months Ended September 30, 2010 and 2009

	<u>1 Month Ended</u> <u>September 30,</u> <u>2010</u>		<u>1 Month Ended</u> <u>September 30,</u> <u>2009</u>		<u>9 Months Ended</u> <u>September 30,</u> <u>2010</u>		<u>9 Months Ended</u> <u>September 30,</u> <u>2009</u>	
		<u>%</u>		<u>%</u>		<u>%</u>		<u>%</u>
Misc Expense	0.00	0.00	0.00	0.00	64.80	0.01	0.00	0.00
Legal & Accounting	428.00	0.40	823.00	0.28	4,876.00	0.60	5,533.00	0.66
Total G & A Expenses	<u>8,024.94</u>	<u>7.50</u>	<u>10,772.69</u>	<u>3.69</u>	<u>108,491.50</u>	<u>13.41</u>	<u>109,840.98</u>	<u>13.01</u>
Revenues from Operations	<u>(19,140.56)</u>	<u>(17.89)</u>	<u>(1,784.24)</u>	<u>(0.61)</u>	<u>37,519.89</u>	<u>4.64</u>	<u>88,351.91</u>	<u>10.46</u>
Other Revenue (Expenses)								
Interest Income	325.15	0.30	401.71	0.14	3,155.06	0.39	3,467.07	0.41
Total Other Revenue (Exp.)	<u>325.15</u>	<u>0.30</u>	<u>401.71</u>	<u>0.14</u>	<u>3,155.06</u>	<u>0.39</u>	<u>3,467.07</u>	<u>0.41</u>
Net Earnings	<u>\$ (18,815.41)</u>	<u>(17.58)</u>	<u>\$ (1,382.53)</u>	<u>(0.47)</u>	<u>\$ 40,674.95</u>	<u>5.03</u>	<u>\$ 91,818.98</u>	<u>10.87</u>

See accountants' compilation report.