

**About the Cover:** What makes a city a great place to live? According to Kiplinger Personal Finance, good jobs, reasonably priced homes, quality schools, great health care and manageable size are all essential parts of the mix. With our scenic beauty, diverse community, cultural offerings and key employers—including the state government, major healthcare institutions, and international industries—Little Rock has the amenities of a larger city but is small enough that residents feel like a strong part of the community fabric.

All of that caught the attention of Kiplinger, which named Little Rock the #1 Great Place to Live. This honor affirmed what those of us who call Little Rock home already recognize: it is a great city for living, working and playing. It serves as a testament to visionaries who have worked to position Little Rock as a leading city.

The cover of the City's 2014 Annual Operating Budget features photographs of some of the many things that make Little Rock the #1 Great Place to Live including our city employees, diverse citizens, vibrant downtown, numerous amenities, and outstanding employers. We realize this is an incomplete depiction of why Little Rock is such a great place to live, because for each one of our citizens those reasons are different, and that is what truly makes Little Rock the greatest place to live.

*Downtown skyline photo courtesy of Paul Barrows*

# City of Little Rock

## 2014 Annual Operating Budget

Bruce T. Moore  
City Manager

Prepared by:  
Department of Finance

Sara Lenehan, Finance Director

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The enclosed 2014 Annual Budget is presented for your use and reference. The annual budget is an appropriation document that authorizes spending for the current year. Additionally, the budget document provides information concerning the City's organization structure and the City's fiscal position.

The online version of the 2014 budget document and budget documents for previous years can be found on the City of Little Rock's website located at: [www.littlerock.org](http://www.littlerock.org)

If you have any comments, suggestions for improvement, or questions concerning the City's annual budget, please contact the Budget Office at (501) 371-4559. Thank you for your interest in the City of Little Rock.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Little Rock  
Arkansas**

For the Fiscal Year Beginning

**January 1, 2013**

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of Little Rock, Arkansas for its annual budget document for the fiscal year beginning January 1, 2013.

In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operation guide, as a financial plan, and as a communications medium.

The award is valid for a period of one year only. We believe our current budget document continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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<b>INTRODUCTION</b>	<b>Page</b>
Title Page .....	1
Budget Award .....	3
Table of Contents .....	5
Little Rock at a Glance.....	9
City of Little Rock Board of Directors.....	10
How to Use the Budget Document .....	11
Management Team .....	15
City of Little Rock Organizational Chart by Fund Responsibilities .....	17
City of Little Rock Operating Fund Structure .....	18
City Manager’s Transmittal Letter.....	21
Overall City Goals and Objectives.....	33
 <b>THE BUDGET PROCESS</b>	
The General Government Budget Process .....	37
Amending the Budget .....	39
Budget Policies .....	40
Other Budget Procedures.....	41
 <b>FINANCIAL STRUCTURE</b>	
Little Rock's Financial Structure.....	43
Funds Controlled by the Governing Body.....	43
Fiscal Policies .....	48
Other Agencies .....	54
 <b>BUDGET SUMMARIES</b>	
Budget Summaries .....	57
2014 Operating Fund Budget Summaries Graph.....	58
General Fund Activity Graph .....	59
Budget Summary by Fund Type .....	60
General Government Summary.....	61
Special Revenue Funds .....	62
Capital Project Funds. ....	65

Enterprise Funds .....	69
Internal Service Fund .....	71
Fiduciary Funds .....	72
Debt Service Funds .....	74
2014 Long Term Forecast .....	77
<b>REVENUES</b>	
All Funds Operating Revenue Sources Graph .....	81
All Funds Operating Revenue Summary .....	82
General Fund Summary of Revenue.....	83
All Funds Operating Revenue Detail.....	84
Revenue Trends .....	89
General Fund Revenue Sources and Trends Graph .....	104
<b>EXPENDITURES</b>	
All Funds Expenditures by Classification Graph .....	105
All Funds Department Budgets Summary .....	106
Summary of General Government Appropriations Graph.....	107
General Fund Summary Graph .....	108
Operating Budget Detail .....	109
Staffing Summaries .....	113
Other General Fund Budget Expenditures.....	116
Service Program Graph .....	117
Service Program Category .....	118
Public Safety Revenue and Expenditure Comparisons .....	120
Public Safety Operating Expenditures as a Percentage of General Fund .....	121
<b>CAPITAL IMPROVEMENTS</b>	
Capital Funding.....	123
Capital Project Funds Provided by Bond Issues .....	123
Capital Project Funds Provided by Other Sources.....	124
2014 Capital Improvements .....	128
2014 Major Capital Projects .....	129



Significant Routine Capital Expenditures .....	129
Significant Non-Routine Capital Expenditures.....	129
Significant Non-recurring Parks and Zoo Projects Funded	
by the 2009A Capital Construction Revenue Bonds .....	130
Other Significant Non-Recurring Capital Improvements.....	131
Capital Funding Activity Graphs .....	140
<b>DEBT MANAGEMENT</b>	
Debt Management.....	141
City's Legal Debt Margin .....	141
Debt Applicable to Debt Limit 2004 – 2013 .....	142
Summary of Bond Indebtedness .....	143
Future Debt Service.....	144
<b>GENERAL FUND DEPARTMENTS</b>	
Mayor.....	147
General Administrative .....	151
Board of Directors .....	157
Community Programs.....	161
City Attorney .....	167
District Court First Division.....	173
District Court Second Division.....	179
District Court Third Division .....	185
Finance.....	191
Human Resources.....	197
Information Technology.....	203
Planning and Development.....	209
Housing and Neighborhood Programs .....	215
Public Works General .....	221
Parks and Recreation.....	227

River Market .....	233
Golf. ....	237
Jim Dailey Fitness and Aquatic Center.....	243
Zoo .....	249
Fire .....	255
Police.....	261
<b>SPECIAL REVENUE FUND DEPARTMENT</b>	
Public Works Street.....	267
<b>INTERNAL SERVICE FUND DEPARTMENT</b>	
Fleet Services.....	273
<b>ENTERPRISE FUND DEPARTMENTS</b>	
Vehicle Storage Facility.....	279
Waste Disposal .....	285
<b>APPENDIX</b>	
State and City Budget Statutes .....	291
Statistical Information .....	295
Glossary of Key Budget Terms.....	305
Glossary of Key Acronyms Terms .....	312

## LITTLE ROCK AT A GLANCE

Two hundred years ago, the first permanent settlement was established in what is now known as Little Rock. Since 1812, Little Rock has grown from one person to become the Capital City of Arkansas with a population of 193,524. The metropolitan area population is 699,757 with more than 1 million people living within 70 miles of Little Rock.

The City is named for La Petite Roche, a rock formation on the banks of the Arkansas River. It created a natural harbor which made Little Rock an early center of business and commerce. Today, that tradition continues as Little Rock is home to several large corporations. Among the City's major industries are technology, healthcare, retail, manufacturing and government. The presence of these industries helps to explain the City's lower than average unemployment rate of approximately 6.7%.

New businesses and housing opportunities are bringing people back to the City's core to live, shop, work and play. The River Market district is home to many restaurants, shops and offices as well as attractions such as the Clinton Presidential Center and Park, several other museums, and an expanding nationally-recognized bike trail system. In addition, the Main Street Creative Corridor, MacArthur Park area, SoMA (South Main) and renovation of Robinson Center Music Hall are some of the other exciting projects in the City's core. Redevelopment continues in the City's older neighborhoods and the City is experiencing new growth in areas to the west and southwest.

Medical facilities in the Little Rock area provide efficient, comprehensive service to more than two million individuals throughout the state. The twenty major area hospitals provide bed space for over 2,700 patients. There are a large number of specialty clinics, including outpatient surgery centers that are continuing to expand.

Diverse and quality educational opportunities are available in Little Rock. The University of Arkansas for Medical Sciences continues to garner international attention for ground breaking medical research and procedures. The University's five colleges, seven institutes and the Graduate School serve more than 2,800 students. The University of Arkansas at Little Rock (UALR) is a metropolitan university educating 13,000 students with a wide range of degree offerings, including the juris doctorate degree offered at the UALR Bowen School of Law. In addition, Little Rock is the home of Philander Smith College and Arkansas Baptist College, two historically black colleges that are leading exciting revitalization initiatives in their surrounding areas.

Situated along the southern bank of the Arkansas River, Little Rock is located where the Delta meets the Ouachita and Ozark mountain ranges. With lakes and streams inside the city limits and nearby, outdoor recreational options are almost unlimited. Residents and visitors alike enjoy hiking, camping, boating, hunting, fishing, golf, tennis, swimming, and soccer.

The Little Rock region offers wonderful opportunities for visitors: A City rich in history and culture; many recreational opportunities; downtown entertainment; an energetic business climate; and a major emphasis on quality of life initiatives for our citizens and visitors.



## City of Little Rock Board of Directors



**Mayor Mark Stodola**



**Vice Mayor Doris Wright  
Ward Six**



**Director Erma Hendrix  
Ward One**



**Director Ken Richardson  
Ward Two**



**Director Stacy Hurst  
Ward Three**



**Director Brad Cazort  
Ward Four**



**Director Lance Hines  
Ward Five**



**Director B.J. Wyrick  
Ward Seven**



**Director Dean Kumpuris  
Position Eight**



**Director Gene Fortson  
Position Nine**



**Director Joan Adcock  
Position Ten**

## HOW TO USE THE BUDGET DOCUMENT

This section is designed to explain and simplify the use of this document. It will acquaint you with the types of information you can expect to find such as:

- Sources of funding for City Services
- Where and how resources are utilized
- Services provided by City Departments
- Policies and objectives for the upcoming year

### **Definition - What is a Budget Document?**

The budget document explains the City's financial management plan for the coming fiscal year. The budget outlines the day-to-day functions of City departments for a one-year period and includes planned expenditures for major capital projects. The Mayor is responsible for enforcing the spending limits established in this plan.

Each year, the City establishes a budget for operations in the coming fiscal year, January 1 to December 31. The budget is based on estimates of projected revenues and other funding sources. Appropriations for City programs are recommended based on available resources and priorities set by the City Board of Directors.

As required by law, the Mayor submits a recommended budget to the Board of Directors. The Board of Directors conducts an extensive review of the recommended budget and holds several public hearings to receive citizen input. Once any necessary modifications are made, the Board of Directors adopts the Budget Ordinance. Upon completion, the Budget Document is published.

The budget must be adopted on or before December 30. A calendar of events for budget development activities for fiscal year 2014 is included in this document to more adequately describe the budget development process.

The 2014 Basic Budget is comprised of four major fund types: the General Fund, Special Revenue Funds, an Internal Service Fund and Enterprise Funds.

The General Fund is utilized to account for revenues and expenditures for the regular day-to-day operations of the City. The primary sources of revenue for the General Fund are local sales taxes, property taxes, and utility franchise fees.

Departments in the General Fund are organized into the following:

- General Administration
- Board of Directors
- Community Programs
- City Attorney
- District Court First Division
- District Court Second Division
- District Court Third Division
- Finance
- Human Resources
- Information Technology
- Planning & Development
- Housing & Neighborhood Programs
- Public Works
- Parks & Recreation
- River Market
- Golf
- Jim Dailey Fitness & Aquatics
- Zoo
- Fire
- Police

The other major fund types are described below:

1. Special Revenue Funds – These funds are utilized to account for revenues that are legally restricted to expenditures for specific purposes, e.g., street fund and grant funded programs.
2. Enterprise Funds – Proprietary funds in which the services provided are principally supported through charges to the users of the services, e.g., solid waste fund, vehicle storage facility and parking garages.
3. Internal Services Fund – Funds that provide services to other parts of the City organization, e.g., motor pool, vehicle maintenance and insurance.

Payments to the Internal Services Fund are not reflected as transfers, but are included as line items within the budgets of the departments in all operating funds.

### **Operating Flow of Funds**

Revenues are deposited into the General Fund as a result of specific activities. For example:

<b>General Fund</b>	<b>Enterprise Funds</b>
Property Taxes	Service Rates
Sales Taxes	Sanitation Fees
Licenses & Permits	Compost Sale

Expenditures are made from the General Fund to support activities. For example:

#### **General Fund**

- General Fund Departments - Police, Fire, Parks & Recreation, etc.
- Personnel, supplies and materials, repairs and maintenance, contractual, capital outlay, debt service, and transfers out.

#### **Enterprise Fund**

- Enterprise Funds – Waste Disposal, Vehicle Storage, Facility and Parking Garages.
- Personnel, supplies and materials, repairs and maintenance, contractual, closure/post closure, depreciation, debt service, and transfers out.

Departments within the General Fund, Special Revenue Funds, and Enterprise Funds make payments into the Internal Service Fund for Fleet operations and vehicle and equipment maintenance.

### **Capital Budget**

The Capital Budget consists of major capital projects, which often require more than one year to complete and place in service. Examples of capital projects include street and drainage construction, building construction, and park development. A description of the source of funding for capital projects is included in the Capital Improvements section of this document. In addition, this section includes the estimated funds required for the ongoing operation and maintenance of the assets resulting from the capital improvement projects.

The completion of certain capital projects may be delayed for a period of time if corresponding operating and maintenance funds are not available.

### **Debt Service Flow of Funds**

The City issues debt after one of the following:

- Approval by City Board to issue Temporary Notes, Certification of Obligations or Revenue Bonds.
- Successful completion of a Bond Election.

Funds generated from the sale of debt obligations are allocated to individual special projects within the capital project funds. When a project is completed and the project account closed, unused funds may be directed to retirement of the debt service obligation. The Debt Service Funds are primarily supported by property tax millages, which require voter approval, for the express purpose of debt retirement. Other revenue sources for debt retirement include franchise fees and system revenues. The Debt Service Funds initiate payments of principal and interest to the bond purchasers. A description of the source of funding for debt retirement and a discussion of the City's legal debt margin is included in the Debt Management section of this document.

### **Format for Budget Expenditures**

A summary of budgeted operating expenditures and personnel is included in the Expenditure section of this document. Following the summary information, each Department's organizational chart, mission statement, expenditure budget, staffing summary, 2013 priorities and results, 2014 goals, and applicable service measures are presented.

Major Categories of expenditures include the following:

- Personal Services (Salaries, Wages and Employee Fringe Benefits)
- Supplies and Materials
- Repairs and Maintenance
- Contractual Services
- Closure/Post Closure
- Capital Outlay
- Depreciation
- Debt Service
- Transfers Out



## MANAGEMENT TEAM

Mark Stodola  
Bruce T. Moore  
Bryan Day

Mayor  
City Manager  
Assistant City Manager

Dorothy Nayles  
Tom Carpenter  
Alice Lightle  
Victor Fleming  
Mark Leverett  
Sara Lenehan  
Don Flegal  
Randy Foshee  
Tony Bozynski  
Andre Bernard  
Jon Honeywell  
Truman Tolefree  
Gregory Summers  
Stuart Thomas  
Mike Blakely  
Wendell Jones

Director of Community Programs  
City Attorney  
District Court First Division Judge  
District Court Second Division Judge  
District Court Third Division Judge  
Director of Finance  
Director of Human Resources  
Director of Information Technology  
Director of Planning & Development  
Director of Housing & Neighborhood Programs  
Director of Public Works  
Director of Parks & Recreation  
Fire Chief  
Police Chief  
Director of Zoo  
Director of Fleet Services

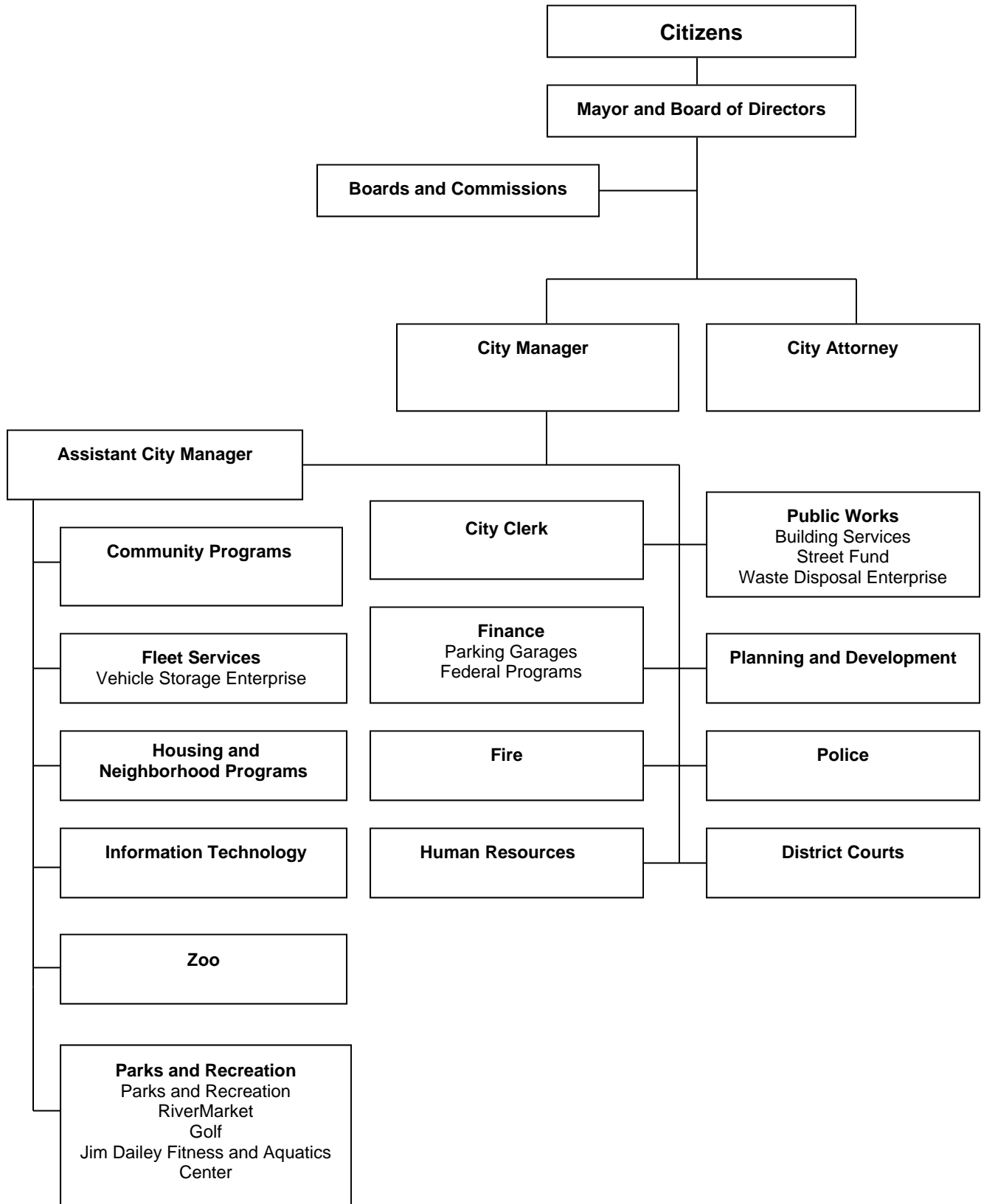
Budget Report Production, Analyst, and Graphics

LaVerne DuVall  
Silas Roaf

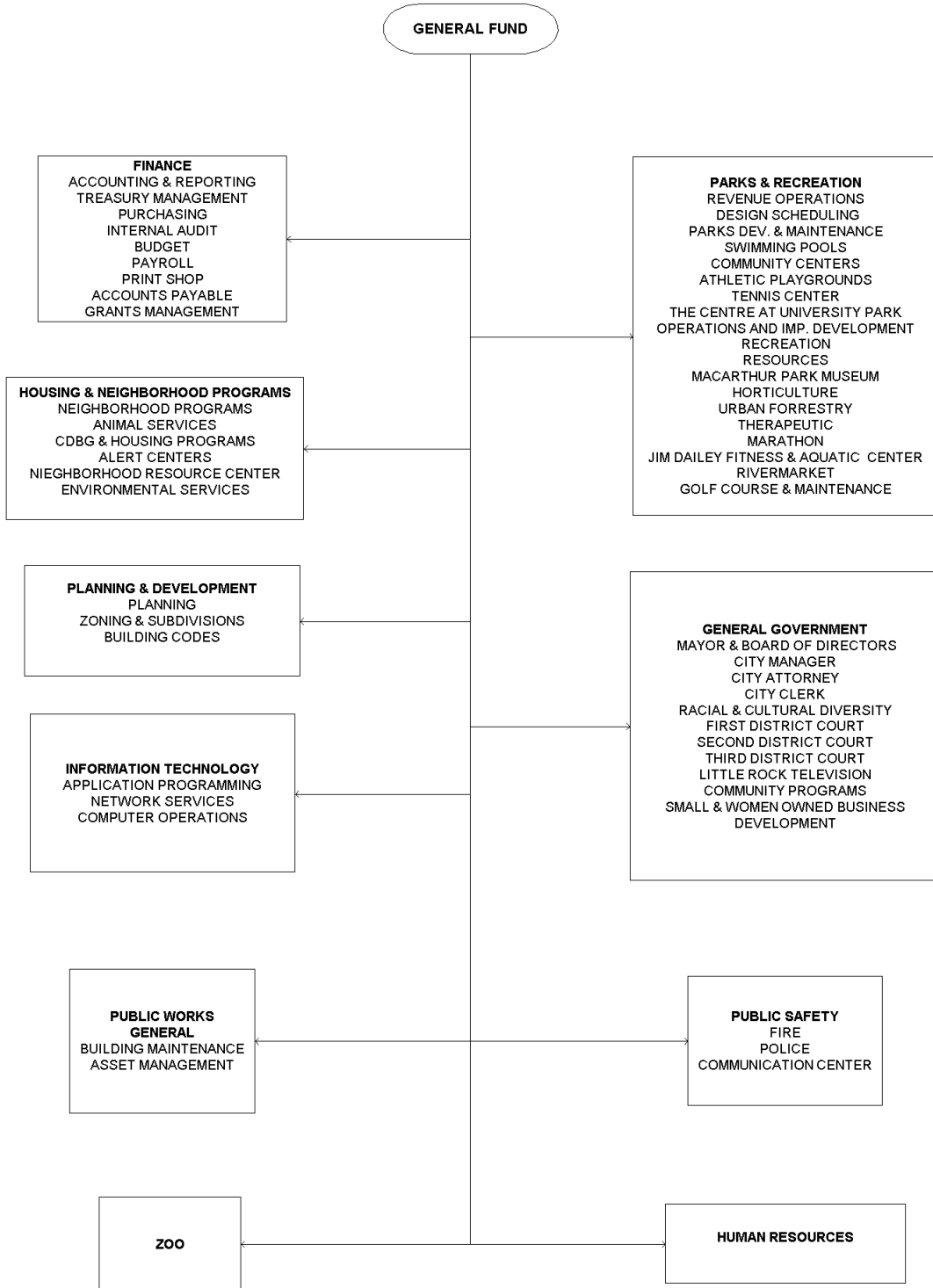
Budget Officer  
Budget Management Analyst

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# City of Little Rock Organizational Chart by Fund Responsibilities

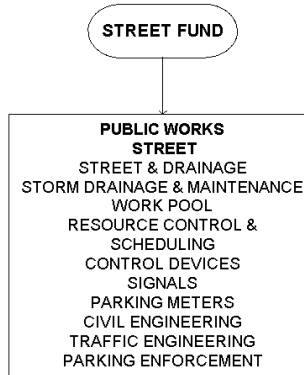
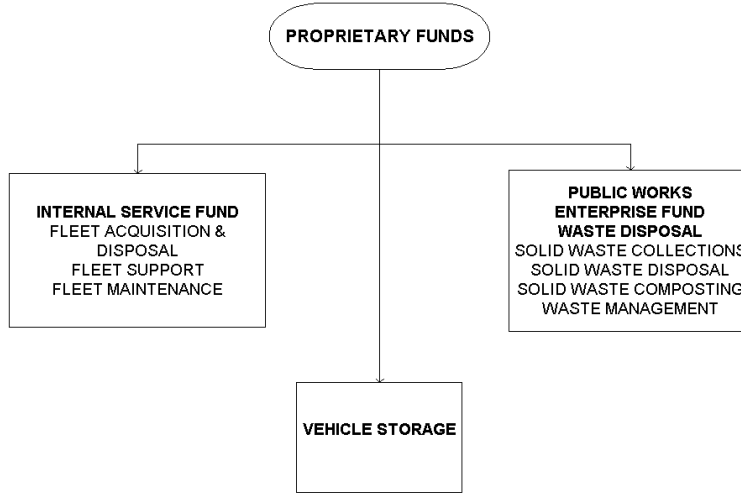


# CITY OF LITTLE ROCK OPERATING FUND STRUCTURE



Note: All departments include an administration section

# CITY OF LITTLE ROCK OPERATING FUND STRUCTURE



Note: All departments include an administration section

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## City of Little Rock

Bruce T. Moore  
City Manager

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December 17, 2013

To the Honorable Mayor Mark Stodola  
and Members of the Little Rock City Board of Directors:

I respectfully submit the official Year 2014 Budget for the City of Little Rock that builds on the accomplishments and service improvement programs initiated last year. While the economic downturn and slow recovery experienced in the past several years continues to create significant challenges for the City, the passage of the new one (1)-cent local sales tax, which became effective January 1, 2012, significantly enhances the operating and capital resources necessary to maintain and improve public safety and the City's infrastructure, stimulate economic development, and provide much needed funding for parks and programs that improve the quality of life for Little Rock citizens. Overall operating expenditures total \$237,965,157, an increase of \$15,381,599, or 6.9% more than the 2013 Adopted Budget and \$5,453,210, or 2.3% more than the final 2013 Amended Budget. The Operating Budget changes for the 2014 Year are summarized below:

	2014	2013	Change	% Change
General Fund	\$184,264,530	\$171,211,160	\$13,053,370	7.6%
Street Fund	19,363,696	17,594,796	1,768,900	10.1%
Fleet Services Fund	13,135,688	12,616,069	519,619	4.1%
Waste Disposal Fund	17,655,926	17,688,470	(32,544)	-0.2%
Vehicle Storage Facility Fund	1,321,150	1,293,257	27,893	2.2%
Parking Garages	2,224,167	2,179,806	44,361	2.0%
Total	<u>\$237,965,157</u>	<u>\$222,583,558</u>	<u>\$15,381,599</u>	<u>6.9%</u>

The 2014 Operating Budget has been developed around common themes from the Mayor and Board of Directors policy and priority areas. These strategic priority areas include: Public Safety; Economic Development; Infrastructure; Basic City Services; and Quality of Life Issues.

## **OVERVIEW**

### **General Fund:**

The General Fund 2014 Operating Budget includes several significant changes from the original 2013 Operating Budget. The 2014 Budget and the 2013 Amended Budget include separate property tax levies and State Turnback Funds dedicated to the closed Police and Fire Pension Plans. The revenues are recognized in the General Fund and then passed through to the Police and Fire Pension Plans as pension contributions reflected in the Police and Fire Departments. The impact of this adjustment is approximately \$10.9 million to the 2014 Budget and \$10.7 million to the 2013 Amended Budget. In prior years, this adjustment was reflected in the actual revenues and expenses of the General Fund at year-end; however, it was not included in the Annual Budget.

Little Rock citizens passed an additional one (1)-cent local sales tax in September 2011 that was effective on January 1, 2012. Faced with significant challenges with stagnant revenue in many areas due to the lingering effects of the economic downturn, and one of the lowest local tax rates in the State, citizens supported the new tax initiative. The City held several public hearings in each Ward to discuss priority needs associated with Public Safety, Public Works, Jobs and Economic Development, Parks and Recreation, Zoo and Tourism, and other priorities, including fleet replacement, information technology needs, pension funding, and public transportation. The priority needs were divided between on-going operating needs and capital needs. The five-eighths (5/8)-cent permanent increase in sales tax for operations is reflected in the FY14 Adopted Budget. The three-eighths (3/8)-cent temporary sales tax for capital projects, which expires in ten (10) years (2021), is discussed in detail in the capital section of the budget document. In addition, in a special election held on September 11, 2012, Little Rock citizens approved the issuance of capital improvement bonds not to exceed \$105 million for street and drainage improvements. Up to \$73.5 million of the bonds are dedicated to street improvements with the remaining \$31.5 million available for drainage improvements throughout the City. The bonds are secured by a three (3)-mill ad valorem tax on taxable property located within the City of Little Rock. The City issued \$58,105,000 in bonds on July 24, 2013. A second series of bonds will likely be issued in 2016 or 2017.

Sales Tax continues to be the leading revenue source for the City at approximately 52% of general fund revenues. The City's sales tax is composed of a one and one-eighth (1-1/8)-cent local tax on gross receipts, which includes the half (1/2)-cent sales tax in effect since 1994, combined with the new five-eighths (5/8)-cent operating sales tax effective January 1, 2012, as well as a per capita allocation of a one (1)-cent County tax and State Turnback Funds. The three-eighths (3/8)-cent temporary sales tax for capital projects is not reflected in the operating budget; however, it is reported in a separate capital projects fund. Revenue from the operating portion of the new sales tax is committed primarily to filling vacant Police Officer positions, supporting the twelve (12) new Fire positions for the West Little Rock Fire Station that opened in 2012, maintaining grant-funded positions in the Police and Fire Departments and the addition of Code Enforcement Officers. Also included is funding for neighborhood-based/community initiatives of \$5.5 million, increased funding for building



maintenance, expanded park maintenance, Zoo deferred maintenance, operations and staffing, annual fleet replacement, information technology staffing and maintenance, and new transit routes. Many of the initiatives supported by the new sales tax were implemented during 2012 and will experience the second full year of operation in 2014. Changes to the Arkansas Sales and Use Tax Law known as the "streamlined sales tax" took effect beginning January 1, 2008. Sales tax revenues are distributed based on where the purchaser takes receipt or delivery of the product or service. In addition, local tax caps on most single transactions are no longer applicable when City and County Sales and Use Taxes are collected. The local tax cap continues to apply to the first \$2,500 per item on the sale of motor vehicles, aircraft, watercraft, modular homes, manufactured homes, or mobile homes. Businesses, schools, governments and charitable organizations are able to recover the tax paid on single transactions over the previous cap amount through a rebate program. The program allows such tax payers a period of up to six (6) months from the date of the transaction in which to claim the rebate. State Statute restricts the level of tax information available to municipalities which makes forecasting sales and use tax revenues very difficult. Growth in sales tax receipts compared to the same period a year ago were volatile throughout the year. Based on growth of approximately 0.25% in the first ten (10) months of 2013, combined with a slight increase associated with the slow recovery from the economic downturn and the recent opening of a Bass Pro Shop in Southwest Little Rock, growth for 2014 was projected to be approximately 1.75%. Net of an anticipated decline in State sales turnback revenues, growth of approximately 1.5% over the Amended 2013 Budget will be required to meet the 2014 sales tax budget of \$96,123,400.

Franchise fees from local utilities comprise approximately 15% of general fund revenues. Franchise fees from Entergy Corporation, the electric utility, decreased approximately 1.7% in 2013 and are expected to decrease by 4% in 2014, due primarily to the discontinuance of a rate adjustment associated with the utility's exit from a multi-state agreement in which it had operated for decades to equalize rates among member states. Storm recovery charges passed on to customers and weather impact rates and usage. Franchise fees from Centerpoint Entergy, the gas utility, increased approximately 19% in 2013 with an increase in usage of approximately 15% after decreasing 22.8% in 2012 primarily due to lower natural gas prices and a 10% decline in usage. Revenues in 2014 from Centerpoint Entergy are expected to increase approximately 2.25% from the Amended 2013 Budget. Franchise fees from telecommunication companies are expected to decrease approximately 3.75% after several years of decline due to on-going competition from wireless companies. There are scheduled rate increases included in the budget for Central Arkansas Water and Little Rock Wastewater. Central Arkansas Water announced a rate increase of approximately 3.9% in 2013 followed by an additional 4% in 2014. In addition, Little Rock Wastewater rates increased approximately 8% in 2013, and are scheduled to increase 7% in 2014 and 4.75% in 2016 to comply with the terms of the Sierra Club lawsuit to reduce sanitary sewer overflows in Little Rock. Residential customers, on average, will experience lower rate increases of approximately 2.5% and 4.75% in 2014 and 2016 respectively.

Property Tax revenues account for approximately 14% of General Fund revenues. Little Rock recently received its Original Charge for 2013 Property Taxes to be

collected in 2014. The Original Charge is approximately 2.4% over last year's value and represents the total amount assessed on real estate and personal property for the previous year. The 2014 Budget reflects an increase in Property Tax revenues of approximately 1.7% from the final amended 2013 Budget. In addition, the 2014 Budget and the 2013 Amended Budget include the separate 1-mill property tax levies dedicated for the Police and Fire Pension Plans as discussed previously. I am pleased that overall property values in Little Rock were maintained during the recent economic downturn. The City has not experienced the decline in values that were prevalent in other parts of the country.

City employees have demonstrated their dedication and professionalism by providing quality service to the citizens of Little Rock. The General Fund Budget supports 1,669 full-time equivalent (FTE) positions, a net increase of thirty (30) FTEs compared to 2013 staffing levels. The staffing additions include twenty (20) Police positions previously funded by a grant award under the *American Recovery and Reinvestment Act* COPS Program. In addition, special projects and grant awards support forty-one (41) employees. However, approximately 100 of the budgeted General Fund positions were vacant during 2013. This represents a significant improvement over the 152 budgeted General Fund positions that were kept vacant in 2011. With the passage of the new sales tax, positions were filled and new positions were added in 2012 and 2013, particularly in the areas of Public Safety and Parks and Recreation. The 2014 Operating Budget expenditures include \$137,290,586 in personnel cost, net of an anticipated \$5 million in savings from authorized but vacant positions. Police, Fire and AFSCME personnel covered by labor agreements will receive a pay increase of 2.5%. An allocation for non-uniform non-union employees of 1.5% was included in the budget as well. Health insurance costs will increase approximately 6.4%, primarily due to taxes and fees associated with implementation of the Affordable Care Act. The City is increasing its emphasis on wellness programs again in 2014 to mitigate cost increases. Employees that do not take advantage of wellness initiatives will share in the cost of future health insurance benefit increases. Benefit changes approved by the State Legislature increased pension costs slightly for Fire and Police uniformed personnel. Pension costs increased from 18.58% to 19.58% of payroll for uniformed Fire personnel and from 15.23% to 16.23% of payroll for uniformed Police personnel. In addition, the City merged administration of the closed local Police Pension Fund with the LOPFI plan which will require an additional contribution of 9.2% of payroll for uniformed Police personnel. However, the additional contribution will not result in any additional cost to the City. The dedicated 1-mill property tax levy, annual City sales tax contribution of \$500,000, and other dedicated fines and fees are expected to fund the 9.2% contribution. Pension costs for Court Clerks decreased slightly from 14.88% to 14.74%. The City will implement a new defined benefit pension plan for non-uniform personnel on January 1, 2014. The plan resulted from a yearlong review of options to improve the retirement plan for non-uniform employees. The City will contribute 9% of salary to the plan, matched by employee contributions of 4.5%. Vacant positions are budgeted at the mid-range salary for the position's grade, providing some budget flexibility in the recruiting process. Overall, with the changes in salary, benefits and the increased number of filled positions, the 2014 Budget for personnel cost will increase approximately 3% from the Amended 2013 Budget. The adjustment to include the pension contributions to the closed Police and Fire Pension Plans funded by the separate property tax levies and State Turnback Funds is responsible for an

increase in personnel cost of approximately 10% from the Original 2013 Budget. The total increase in personnel cost from the Original 2013 Budget is approximately 13%.

Fleet and fuel costs are projected to decrease approximately \$65,000 in 2014. The 2014 Fuel Budget is based on estimated unleaded and diesel fuel per gallon prices averaging \$3.20 and \$3.25 respectively. The cost per gallon of fuel has decreased with the utilization of new fuel blends. In addition, the City is opening a new Compressed Natural Gas Station (CNG) in 2014 and is converting some vehicles to CNG. The budget for fleet parts increased due to the aging fleet. However, as the annual fleet replacement schedule is resumed with the passage of the sales tax, repair and maintenance cost will be reduced.

The City's 2014 allocation for outside agency contributions increased by approximately \$326,000 compared with the 2013 Budget. The increase is associated with the Central Arkansas Transit Authority (CATA) Bus and River Rail operations. Two (2) new routes were added to bus service in 2013 servicing the John Barrow Neighborhood and Southwest Little Rock, including Pulaski Technical College.

The City issued a \$7.7 million short-term financing note in 2013 to accelerate public safety projects associated with the three-eighths (3/8)-cent sales tax for capital projects. Short-term financing notes are authorized under Amendment No. 78 to the Arkansas Constitution for the acquisition, construction and installation of real and tangible personal property having an expected useful life of more than one (1)-year. The notes are repaid over a period of five (5) years from general revenues. The principal portion of the new note will be repaid with proceeds of the three-eighths (3/8)-cent sales tax for capital projects. The interest payments are included in the General Fund Budget. Debt service payments will actually decrease by approximately \$1,073,000 in 2014 due to the retirement of previous short-term notes in 2013.

Funding of the Pulaski County Jail was continued in order to provide space for prisoners in accordance with the City's primary focus on Public Safety. In addition, an extra allocation is available from a \$20 local jail fine to contribute toward operations for expanded Pulaski County Jail space if needed.

A Homeless Services Task Force was established in 2006 to end chronic homelessness within our community. The City of North Little Rock has partnered with Little Rock to financially fund the Day Resource Center. The services provided to homeless individuals and families are focused on finding housing, job referral, and case management services, medical, dental and psychiatric assistance. In addition, both municipalities are working with the various support groups in Central Arkansas as part of the on-going process to address the needs of homeless individuals and families. In 2011, the City acquired a building on Confederate Boulevard in Little Rock for a permanent Day Resource Center. The new Jericho Way Day Resource Center opened in 2013 with continued operating support from Little Rock and North Little Rock.

The City is appropriating approximately \$5.5 million for Children, Youth and Family Programs, including youth employment, skills center funding, and re-entry programming in 2014 as part of City's emphasis to foster and enhance youth and

community development. City Staff will continue to work with community groups, neighborhood associations, the faith-based community and other groups to ensure resources are targeted appropriately. In addition, the City implemented an in-house pilot program to train and utilize disadvantaged persons for the construction and maintenance of sidewalks in conjunction with the skills center and re-entry programming. The program was extremely successful and will be continued in 2014. In addition, Community Programs Staff is evaluating other opportunities for expansion of the program utilizing entry-level positions available in other City Departments.

The 2014 Budget includes a contingency allocation of \$1 million or .54% of General Fund revenues. The City of Little Rock's Management Team will continue to manage the City in a sound and fiscally prudent manner while striving to deliver the quality and level of service that the citizens of Little Rock expect with available resources.

### **2013 Accomplishments**

**Little Rock Police Department:** The Little Rock Police Department was awarded its sixth certificate of accreditation with the Commission on Accreditation for Law Enforcement Agencies on March 21, 2013, for an additional three (3) years. This designation is afforded to premiere agencies and has established the Little Rock Police Department as a model for other agencies seeking accreditation. Construction began on the 12<sup>th</sup> Street Station with a completion date of mid-July 2014. The 311 System has greatly increased service delivery to the citizens of Little Rock. A total of 103,581 requests for City services were made utilizing the 311 System. Recruit School #78 graduated thirty-five (35) new Officers in December 2013. Five (5) Certified Officer Accelerated Training (C.O.A.T.) Schools were held during 2013, with fourteen (14) Officers graduating. An additional seven (7) C.O.A.T. applicants are currently being processed. A Recruit School is scheduled to begin mid-July 2014, with twenty-five (25) recruits.

**Little Rock Fire Department:** The Little Rock Fire Department continued to provide quality services, responding to more than 27,042 fire and emergency calls during 2013. The Department purchased land in Southwest Little Rock for construction of Fire Station #24. Funding for the land was provided through the City of Little Rock tax initiative. Divisions of the Fire Department instituted numerous staff training and outreach programs during 2013 including a Staff Certification Program for Fire Apparatus Engineers for existing driver operators and Firefighters; instituted a "Don't Text and Drive Campaign"; implemented a mass smoke alarm distribution campaign, distributing smoke alarms to targeted demographics including the elderly and low income; and conducted service user surveys to evaluate the services of the organization through performance measures. Other programs instituted by Fire Administration include the launch of the Junior Fire Cadet Program in conjunction with the Little Rock School District; implementation of mandatory Post Incident Analysis of all large loss incidents; and established a Fire Department Chaplaincy Program with two (2) civilian volunteers to assist the organization when needed. The Department continues to move forward with the accreditation process through the Center for Public Safety Excellence.

**Public Works:** In 2013, Public Works Operations Staff responded to 7,528 service requests via the 311 service request system and swept 20,773 curb-miles of streets. Additionally, staff administered a successful Sidewalk Program, utilizing disadvantaged citizens re-entering the workforce. Civil Engineering oversaw the commencement of the first year in a three (3)-year cycle of Capital Sales Tax and 2013 Capital Bond Issuance projects.

**Fleet Services:** The City of Little Rock Fleet Services Department once again achieved national recognition as being among the 100 Best Fleets of North America. Additionally, Fleet Services has continued to work towards opening a publicly accessible compressed natural gas fueling station, with an anticipated opening of March 2014.

**Finance:** The Finance Department obtained the Government Finance Officers Association (GFOA) Certification of Recognition for the 2013 Budget Presentation and the GFOA Certificate for Excellence in Financial Reporting for the 2012 Comprehensive Annual Financial Report. The Grants Division provided assistance to other Departments, component units, non-profit organizations, and neighborhood organizations of the City in training, writing, obtaining, monitoring and reporting on grant awards. In addition, the Department provided quarterly reporting to the Little Rock Citizens Evaluation of New Tax (LRCent) Committee on the status of the new local sales tax and on progress toward completion of capital projects authorized under the three-eighths (3/8)-cent portion of the tax. In July 2013, the Finance Department facilitated the issuance of \$58,105,000 in Limited Tax General Obligation Capital Improvement Bonds for street and drainage improvements. The City's purchasing manual was updated and the Finance Department web page was updated to include helpful documents and detailed tax and revenue information for residents.

**Information Technology:** The Information Technology Department completed a Business Continuity Plan for the Department; developed and implemented a web-based system for the City Impound; assisted the Police Department with the 911 phone system upgrade; and replaced 220 of the oldest PCs on the City network which benefited all City Departments.

**Human Resources:** The Human Resources Department implemented a new Defined Pension Plan for non-uniform employees. Pension enrollment meetings were held for all impacted employees where employees were notified of their election options. A new Fair Labor Standards Act questionnaire was developed for employees to complete as part of their annual performance evaluation. A salary and benefits survey was conducted. Safety programs were presented. The Department continues to monitor the Patient Protection and Affordable Care Act (PPACA) to ensure compliance for the City's health insurance program that is offered to full-time employees.

**Parks & Recreation:** The Centre at University Park was opened and dedicated on September 28, 2013. The new facility is a 15,000 square-foot state of the art building that includes a webinar room, art and crafts room, ceramics and kiln area, game room, classrooms, aerobics and dance room with hardwood floor, conference room, kitchenette, office space, and banquet hall with audio/visual teleconferencing access. The opening of this facility returned to the community a valuable resource that was

lost when it burned in October of 2009. In addition, the Hindman Golf Course greens were reconstructed and reseeded in 2013. The clubhouse was renovated and the course was reopened to the public on September 12, 2013. The Department launched its first “on-line” registration opportunity for summer playground participants at all seven (7) of its playground sites. This program was very successful with over 97% of the 1,200 program participants enrolling via on-line registration. Little Rock Parks and Recreation improved its website to make it more user friendly and descriptive of programs and activities. The Little Rock Marathon increased its participation by 10%. Parks were maintained at a Class “B” level (mowed one (1) time every ten (10) work days). In 2013, the Department’s “Lights on After School” initiative was again successful in that it continues to promote the critical importance of quality afterschool programs in the lives of children, their families and community. In addition, a detailed inspection of every playground within the parks system was conducted.

**Planning & Development:** The Planning & Development Department coordinated with the City Beautiful Commission and the Board of Directors on the adoption of an important amendment to the Landscape and Tree Protection Ordinance related to the Tree Restoration for Environmental Enhancement Fund. In addition, a package of changes to the Future Land Use Plan for the area south of Interstate 30 was approved. Nominations of the Dunbar Neighborhood and several structures around the City were made and listed on the National Register of Historic Places. The 2012 International Existing Building Code was adopted by the Board of Directors.

**Little Rock Zoo:** The Little Rock Zoo enjoyed a successful year in 2013. A baby penguin and four (4) new tiger cubs were born. These births contributed to the survival of critically endangered species. In addition, the Zoo had strong guest attendance numbers. The Zoo continued implementation of the 2011 tax referendum by hiring new staff and completing important new capital projects including an upgrade to the tiger exhibit, upgrades to Zoo horticulture, a new shade structure for the great ape exhibit, and other general improvements. The Zoo also acquired two (2) new residents – elephants Sophie and Babe – from the Niabi Zoo.

**Housing & Neighborhood Programs:** During 2013, the Housing and Neighborhood Programs Department hired one (1) Senior Code Enforcement Officer and twelve (12) new Code Officers. In addition, a training program was implemented for new and existing Code Officers. Little Rock Animal Village adoptions totaled 1,618 animals during the year, which is an increase of eighty-nine (89) animals from the previous year. The Animal Village opened the City’s third dog park during 2013.

**Community Programs:** The Community Programs Department initiated planning for Departmental allocation of new revenues in collaboration with community partners. The Department implemented a summer jobs training component for returning youth to learn money management skills. In addition, the Department provided staff support for the Children, Youth, and Families Commission in strategic planning and recognized all area National Merit Scholars with a reception, program, and certificates.

**Vehicle Storage Facility:** The City of Little Rock Vehicle Storage Facility amended the Little Rock Transportation Code, addressing taxicab driver permit applicants with a felony conviction in their background. Additionally, staff from the Vehicle Storage

Facility attended the International Association for Transportation Regulators (IATR) conference.

**Budget Polices and the Budget Process:** The General Fund goal was to set aside the greater of \$10,000,000, or 10%, of General Fund revenues in the Restricted Reserve on or before December 31, 2005; however, due to economic conditions in the past few years, the City has been unable to meet this goal. The restricted reserve is currently \$9,418,000. The 2014 Budget includes a contingency allocation of an additional \$1 million. Following the completion of the 2013 audit, the City's management team will determine the amount of funds available to increase the reserve, with the intent of gradually increasing the Restricted Reserve to achieve 10% of General Fund revenues in the next few years.

### **2014 Goals**

- In coordination with the Mayor and City Board, staff will have a major focus on completion of projects funded by the new sales tax. Staff will constantly track, monitor, and report on capital projects funded by the sales tax and will maintain a detailed tracking system on the City's web site, [www.littlerock.org](http://www.littlerock.org).
- Continue quarterly review meetings with the Little Rock Citizen Evaluation of New Tax (LRCent) Committee to review expenditures and progress toward initiatives supported by the new one (1)-cent sales tax. These meetings will provide an additional layer of accountability and transparency to tax payers.
- Continue to implement the street and drainage sales tax plan for the 2013 - 2015 infrastructure improvement cycle established per the Ward community meetings.
- Complete construction and open the 12<sup>th</sup> Street Police Station.
- Execute an agreement to lease or purchase property for the West Little Rock Police Substation.
- Complete the land acquisition for the Southwest Little Rock Fire Station.
- Continue the development of the West Central Community Center.
- Continue the City's focus on economic development and sustainability.
- Provide \$5.5 million in funding for Children, Youth, and Family Programs, including youth employment, skills center funding, and reentry programming, to continue the program to train and employ disadvantaged persons for construction and maintenance of sidewalks, and to explore opportunities for expanding the program to include other entry level positions.
- Continue progress on street and drainage improvement projects funded by the 2013 Capital Improvement Bonds.
- Implement the new non-uniform defined benefit pension plan.

## **Economic Outlook**

The primary challenge facing the City of Little Rock remains providing a full complement of services that satisfy the needs of citizens in the midst of an uncertain, but stabilizing, economic climate. While the economic recovery continues, it remains slow and fragile.

The latest comparative figures for the City of Little Rock show unemployment at 6.7%, compared with a U.S. average of 7.4%, according to data from the United States Department of Labor, seasonally adjusted for local figures by Metroplan. The United States economy gained jobs in 2012 and 2013. Per Metroplan, the region's 2.5% employment growth from 2012 to 2013 was its strongest showing in over a decade, bringing total employment to 346,800 - still below its prerecession total of 347,900 in 2008. Little Rock remains a vital employment center, accounting for approximately 53% of all jobs, by place of work, in the Little Rock-North Little Rock metropolitan areas. A large component of the City's workforce is in the areas of health care, education and public administration. These sectors are less vulnerable to national employment trends.

Little Rock's housing markets have felt the boom-bust cycle of recent years; however, they have been less severely affected than the U.S. average. Single-family housing permits began to rebound during 2012, moving to an average of thirty (30) monthly; the highest level since 2008. Permits for single-family units were 353 in 2013 after increasing to 395 in 2012 from 328 in 2011; still far below the 700-plus permits that occurred annually 2003-2007. Multi-family housing construction slowed in 2013 to 265 units, compared with 1,022 units in 2011. However; on August 1, 2013, Moses Tucker Real Estate announced plans to redevelop the old Arkla Gas Building in Downtown Little Rock, converting it into upscale apartments by spring 2015. The \$13 million project will be called MacArthur Commons and will include eight-four (84) units at the corner of East Capitol and River Market Avenues.

Commercial property construction continues to show strong growth. One of the most exciting developments is the new Bass Pro Shop that opened in Little Rock on November 13, 2013. The 120,000 square-foot location is at Little Rock's Gateway Town Center, a 169-acre project at the northwest corner of Interstates 30 and 430 in Southwest Little Rock. In addition, plans have been announced to open an outlet mall at the same location with approximately eighty (80) retail stores, bringing approximately 1,400 jobs to the area. Construction is expected to begin in the summer of 2014 with an opening in 2015.

The Central Arkansas Library System opened the Hillary Rodham Clinton Children's Library and Learning Center on 10<sup>th</sup> Street in Midtown Little Rock in March 2013. The 30,000 square-foot facility includes a computer lab, greenhouse, teaching kitchen and theater along with a collection of more than 21,000 books, DVDs and CDs. The library was funded by a bond issue approved by voters in 2007.

Construction began on a new 72,000 square-foot, \$18 million medical office building in Midtown Little Rock in May 2013. The Midtown Medical Office Building is expected



to be completed in May 2014. The state-of-the-art medical office will be located on South University Avenue; an area that has been an anchor for the medical community.

In August 2013, the Little Rock City Board authorized \$60 million in bonds for Dassault Falcon Jet's expansion at the Bill and Hillary Clinton National Airport. The French private jet company plans to invest \$60 million over the next three (3) years in refurbishment and new construction at its finishing plant operations at Adams Field.

The new Arcade Building in the River Market opened in the fourth quarter of 2013. The \$17 million project is a joint venture between the Central Arkansas Library System and Moses Tucker Real Estate and contains retail space, a 325-seat theater, a restaurant and office space. The building is located at the corner of Clinton and River Market Avenues. Dr. Bobby Roberts, Central Arkansas Library System Executive Director, announced an agreement with the Little Rock Film Festival and its institute to be the host facility for the nationally-acclaimed Little Rock Film Festival.

In October 2013, LM Wind Power, the Danish blade manufacturer for wind turbines, announced that it would be adding more than 850 jobs to its U.S. manufacturing operations, which will bring employment at its Little Rock plant to approximately 400. "The company continues to expand significantly into next year, expecting to employ around 1,200 people in the US in 2014," it said. Staff is being added at factories in Grand Forks, North Dakota and in Little Rock after Congress extended the Production Tax Credit late last year.

Finally, in December 2013, CARTI held a ground-breaking ceremony for a new \$90 million treatment facility adjacent to the Woodland Heights Retirement Community on Riley Drive in Little Rock. The 170,000 square-foot non-profit Cancer Care Center will offer medical, surgical and radiation oncology, diagnostic radiology, and hematology services.

The City's long-term outlook remains bright; most indicators continue showing competitive advantages in the local metropolitan area. Job losses in some sectors have been balanced, even in recession, by gains in areas with future potential. As indicated above, economic projects are in development in all areas of the City – from Downtown, to Midtown, Southwest Little Rock and West Little Rock.

Little Rock's strong business environment and quality of life have been recognized by several national publications. In July 2013, Little Rock was named "#1 of America's 10 Great Places to Live" by *Kiplinger's Personal Finance*. The rankings place an emphasis on small and mid-size cities, considering metro areas with a population of one million or less that have good jobs, reasonably priced homes, decent schools and access to great health care. Little Rock is very proud of this ranking and features some of the reasons Little Rock is a great place to live, work, and play on the cover of this budget document.

In August, *Forbes Magazine* ranked Central Arkansas #32 on its list of "Best Places for Business and Careers." Central Arkansas is recognized for a diverse economy and being home to companies like Stephens Inc., Windstream Corporation, Acxiom

Corporation, and Dassault Falcon Jet, as well as non-profit developments such as the Clinton Presidential Center, Winrock International and Heifer International.

In addition, Little Rock was listed among "Best Towns 2013" by *Outside Magazine*. *Outside Magazine* has included Little Rock as an "editor's choice" stating that "in recent years, Little Rock has become a runner's paradise." The article cites the Arkansas River Trail System and the thirty-eight (38) parks it connects. It also notes that the Little Rock economy is "one of the most stable in the South."

The City, in partnership with the Little Rock Regional Chamber of Commerce, will continue to identify economic development opportunities that result in the expansion, retention or start-up of businesses that create jobs and generate sales tax, property tax or other forms of revenue for the City. \$38,000,000, or 19.4%, of the revenue anticipated from the three-eighths (3/8)-cent temporary sales tax for capital projects is dedicated to jobs and economic development over the next ten (10) years. The funds will be utilized for port expansion, development of a research park, and job recruitment and economic development infrastructure.

**Closing:** This budget is the financial and operating plan for the City of Little Rock for 2014. The appropriations included provide for quality municipal services.

I want to recognize the many members of our City Staff that are actively serving in our nation's military and acknowledge the additional hours and duties the Department Staff may be undertaking in their absence. To all of you, thank you for your service.

The City of Little Rock has made great strides in the utilization of technology to communicate with local citizens and businesses. The City's website, [www.littlerock.org](http://www.littlerock.org), is among the best and will continue to improve communication efforts. In addition, the City is proud of our local government access channel LRTV, which broadcasts information regarding the activities of the Little Rock City Board of Directors through live and taped coverage of City Board Meetings and other official proceedings; and produces programming regarding municipal affairs.

The City has seen great progress over the past years with more to come in 2014 and beyond as the Mayor, City Board of Directors and City Staff continue to offer vital services to the citizens of Little Rock. And finally, a very special "Thank You" to the citizens of Little Rock. We strive every day to serve you to the best of our collective abilities.

Respectively submitted,



Bruce T. Moore  
City Manager

## OVERALL CITY GOALS AND OBJECTIVES

On February 28, 2003, and March 1, 2003, the Mayor and Board of Directors met in two retreat sessions to develop a strategic policy plan structured around the goals and objectives of each Board member. After a brainstorming session to determine the needs of the community the Board of Directors divided their priorities into two categories: What *Must* we do? And What *should* we do? The Board assigned city staff the task of developing a mission statement, for their approval, that would bring together the themes of each policy area. The mission statement and the Board of Director's policy statements for each strategic policy area have remained consistent since that time and are outlined below:

### Mission Statement

Little Rock's vision is to be a leading city of the 21<sup>st</sup> Century by providing a safe and supportive environment that empowers its citizens, neighbors and businesses to develop and prosper.

### Must Do Policy Statement for a Safe City



It is the policy of the City of Little Rock to protect the rights of the people, ensure public order, and provide public safety through efficient delivery of services in addition to requiring the highest level of professional standards.

This shall be accomplished by:

- Providing protection through the enforcement of municipal laws
- Providing protection from loss or damage of property
- Safeguarding individual liberties and implementing community partnerships to foster cooperation and shared resources from other public and private agencies
- Maintaining and improving community livability through partnerships with diverse communities by proactively addressing public safety concerns, which enhance the quality of life for all
- Supporting programs that address the issues of children, youth and families
- Striving to ensure the availability and access of adequate, safe and affordable housing
- Striving to improve vehicular and pedestrian safety
- Providing disaster assistance in natural and man-made emergencies

- Providing optimum service levels to the public as cost effectively as possible to maintain a safe, healthy community



Must Do  
**Policy Statement for Economic Development**

It is the policy of the City of Little Rock to support the local/regional economy and to provide opportunities to retain, form and attract new business.

To accomplish this policy, the City shall:

- Support and promote industry and leverage key resources and assets to attract business interests that offer high-skill/high-wage opportunities for citizens
- Build on the momentum created by public and private investment and recognize that these efforts promote economic growth for all of Central Arkansas
- Actively develop programs to support small, minority-owned and women-owned businesses in recognition of the important role of these enterprises in the creation of jobs and economic opportunities



Must Do  
**Policy Statement for Basic City Services**

It is the policy of the City of Little Rock to ensure citizens receive quality basic services, and to provide a viable system that enables its employees to give the most efficient and effective support possible.

The services provided to the citizenry will include:

- A comprehensive operational and administrative support system
- The collection of solid waste
- An efficient drainage and wastewater system
- The provision of a clean, healthy water supply
- A coordinated and efficient public transit system

Must Do  
**Policy Statement for Infrastructure**



It is the policy of the City of Little Rock to maintain and improve a comprehensive infrastructure system that meets the changing needs of the community while protecting the integrity of the environment.

A comprehensive infrastructure system includes:

- Drainage systems
- Information technology systems
- Public buildings
- Solid waste facilities
- Streetlights
- Streets
- Traffic signals
- Wastewater facilities
- Water systems

Should Do  
**Policy Statement for Quality of Life**



It is the policy of the City of Little Rock to join with community partners to ensure access to vital and varied recreational, creative and educational experiences.

This will be accomplished to:

- Strengthen the fabric of daily living experiences for residents and visitors alike
- Capitalize on Little Rock's rich natural and cultural resources
- Take advantage of the diversity of Little Rock's citizenry

## Statement of Management Policy

Each year the City Manager develops a Statement of Management Policy to provide guidance and establish specific parameters for departments to follow when developing their annual budgets. The Statement of Management Policy is comprised of common themes from the Board of Directors overall goals and objectives. It is the City Manager's responsibility, working in conjunction with Department Directors, to develop the annual budget around these policy areas in order to promote efficiency and effectiveness in the delivery of services to the public.

The 2014 Statement of Management Policy includes these key principles:

### **Public Safety**

Strive to improve public safety through the use of information, education and community based enforcement strategies to encourage cooperation with and participation in City safety services. Utilize technology and innovative methods and techniques in order to produce a safe environment for the Citizens of Little Rock.

### **Economic Development**

Continue partnerships with private and public agencies in the recruitment of new business. Pursue innovative approaches to retain existing businesses and promote the creation of small businesses in the City of Little Rock.

### **Infrastructure**

Focus on the installation and maintenance of streets, drainage, sidewalks, traffic signals and other capital needs in the City of Little Rock.

### **Quality of Life**

Focus on improving active, passive and leisure activities for citizens and visitors.

### **Financial Reporting**

Continue to provide accurate and timely information on the status of the City's financial picture to the Board of Directors and the public. Continue to pursue innovative techniques to gather and report financial data.

# The Budget Process



## THE BUDGET PROCESS

The City's annual budget is the result of a thorough, public process. The budget projects all receipts and disbursements, the level of governmental services to be provided, and the method of distributing cost and services to the various segments of the community. The budget process includes an evaluation of community needs and reflects priorities established by the Mayor, the Board of Directors, and the City Manager. This document serves to inform citizens and other interested parties of the City's service plans and overall financial condition.

The Management Team had financial planning work sessions to facilitate budget and capital project planning. The work sessions focused on revenue outlook, trends, revenue issues, priority expenditures, expenditure issues, capital projects and debt for capital projects.

The financial guidelines and policies that serve as the framework for the financial operation of City government and the basis for budget development are contained in the financial section of the budget document.

The budget process begins with the City Manager's assessment of the goals and initiatives of the Mayor and the Board of Directors. A budget package prepared by the Finance Department is then distributed to the Department Heads. The package includes general guidelines from the City Manager with budget reports that include initial revenue projections, prior year expenditures, current year budgeted and actual year-to-date expenditures for all operating accounts, a listing of capital projects, and a budget preparation calendar. The Internal Services Fund provides projected vehicle maintenance, labor and fuel charges to each user Department. Budget staff provides training sessions on the budget process and budget monitoring throughout the year as needed. Departments submit their expenditure requests to the Finance Department for an initial review. The City Manager conducts internal budget hearings with each Department to review goals, projected revenues and expenditures, desired program initiatives, and capital needs. Budget requests are modified based on the results of the internal hearings. The Finance Department compiles all of the requests and recommends any additional modifications necessary in order for the City Manager to present a balanced budget recommendation to the Mayor for review. The City Manager reviews program funding recommendations with the Mayor and discusses associated revenue and expenditure assumptions in detail. The Mayor and City Manager make modifications to reflect any additional priorities. The Mayor and City Manager then conduct a budget workshop with the Board of Directors.

The Capital Budget is usually prepared to present the capital expenditures planned for each of the next five (5) fiscal years. In 2011, citizens passed a three-eighths (3/8)-cent sales tax for capital projects that went into effect on January 1, 2012. The sales tax is a temporary tax with a ten (10) year sunset, 2021. Planned capital expenditures from the sales tax are discussed in detail in the capital section of the budget document. In addition, capital needs funded by



grants or bond issues were considered. The total costs of each project and the sources of funding required to finance each project are estimated. The FY14 capital requests are considered separately by fund.

The Mayor and City Manager conduct public hearings to obtain input from citizens. The City utilizes a program-based budget approach for the funds under the direction of the City Manager.

Approved departmental expenditures are categorized by organizational service delivery unit, and then presented as costs associated with specific service programs. This approach allows citizens and their elected representatives to evaluate the costs of various services, to relate those costs to units of service delivered, and to set service priorities.

The adopted budget ordinance provides for budgetary control at an organizational level. Budgets cannot be exceeded without the approval of the Mayor and Board of Directors.

City Management monitors achievement of program service objectives as follows:

- In regular meetings with department directors by the City Manager and his staff;
- In quarterly reports to the City Manager by department directors;
- Through management information system reporting;
- Through regular public presentations to the Mayor and Board of Directors; and
- Through meetings with neighborhood organizations and other citizen groups.

Employees are evaluated annually in relation to the performance of designated services.

Following adoption of the budget, revenue and expenditure budget accounts are established based on the organizational structure of the City's financial system. Monthly and quarterly reports of revenues, expenses and remaining balances are prepared for the Mayor, Board of Directors and City management. The availability of budgeted funds is verified before a purchase order is issued, which then encumbers the budget account.

- The 2014 Budget

The 2014 Basic Budget reflects estimated costs for those programs which were approved or received funding.

- Goals

Goals are clear statements of a department's mission, or purpose. Goals pinpoint the reasons for the department's existence and establish

department's direction and responsibility(s). Each department's objectives are linked to the dollar figure budget needed to achieve the goal.

- Objectives

Objectives are the specific functions, which must be performed in order for a program to satisfy or fulfill a particular goal.

Objectives are typically expressed in measurable terms so that a program's level of accomplishment or performance can be evaluated at the end of the fiscal year.

The calendar for developing the 2014 budget follows:

June-July	Mayor and City Manager provided general direction and guidance for operating and capital budgets.
August	Initial revenue and personnel costs budgets were developed, programs were assessed; new programs and capital budget requests were submitted.
September	Initial health insurance rates and Waste Disposal rates were assessed.
September-October	Department Heads prepared and submitted budget requests to the City Manager.
October-November	City Manager evaluated budget requests. Board adopted property tax levies.
November-December	Budget request was revised. Board held budget workshop. Board held public hearings.
December	Board adopted utility franchise fee rates with no change from prior year. The Board adopted the 2014 budget ordinance.

### **AMENDING THE BUDGET**

During the fiscal year, adjustments may be required to refine the original adopted budget. The approved budget may be amended as required in accordance with the following protocol:

- Revenues are reviewed monthly and quarterly and the projections are adjusted if warranted.
- Adjustments to transfer approved expenditure budgets from one organization to another may be approved by the City Manager if less than \$50,000.

Transfers in excess of \$50,000 must be submitted to the Mayor and Board of Directors for approval.

- Requests for new appropriations may be submitted by the City Manager or at the direction of the Mayor or Board of Directors and require authorization by Board Ordinance.

#### Funds Controlled by the City Governing Body

The Funds controlled are:

- General;
- Special Revenue;
- Capital;
- Proprietary;
- Fiduciary; and
- Debt Service.

The City's financial policies are included in the Financial Structure section.

### **BUDGET POLICIES**

The City has developed and utilized budget policies that are designed to accomplish specific objectives and enhance the budget process. These policies include:

- The 2014 budget includes 2.5% salary increases for members of the American Federation of State, County and Municipal Employees (AFSCME), the International Association of Fire Firefighters and the Fraternal Order of Police positions, based on agreements in effect under current multi-year contracts. In addition, step and grade increases are budgeted in accordance with union agreements. All three (3) union agreements will open for negotiation in 2014. Salary increases for non-uniform non-union employees were budgeted at 1.5%.
- Vacant positions at the time the budget is adopted are budgeted at the mid-range salary for the positions' grade, providing some budget flexibility in the recruiting process. In addition, an estimated annual savings generated from vacant positions is included in the budget as a reduction to personnel cost. As vacancies occur, the savings is utilized to reduce personnel budget allocations by department.

- The City utilized the in-house payroll system to aid in the development of the budget for salary and benefit costs for 2014. Salary changes are budgeted for each employee group to occur at the required time, such as on the employee's anniversary date or at the first of the year.
- The Fleet Services Internal Service Fund develops an expenditure budget for vehicle maintenance and fuel which is allocated to departments based on the number of assigned vehicles, service history, and prior fuel utilization. These allocations are not subject to change by the user departments.
- Departments are given specific budget parameters by the Mayor and City Manager. Departments are not allowed to alter calculated personnel cost or Internal Service Fund budget allocations, and are instructed not to make funding requests for new programs without the approval of the City Manager. For 2014, departments were authorized to implement priority needs and specific new positions supported by the new sales tax, which became effective in 2012, and to fill key vacant positions.

These policies are designed to ensure that operating departments have sufficient funds available to support programs and services, and to mitigate the need for budget reductions during the course of the fiscal year.

### **OTHER BUDGET PROCEDURES**

The preceding budget procedures apply to the development of the budget for the General Government operating funds, and the Proprietary, Special Projects and Capital funds. These funds are under the direct guidance of the City Manager. Special Revenue funds' budgets are developed internally by staff. The Community Development Block Grant and Home Investment Partnership Program budgets are developed in accordance with specific federal guidelines, including obtaining required citizen input, and are then presented to the Mayor and Board of Directors for final approval.

Component Units develop separate budgets for approval by their respective governing board or commission. These budgets do not require submission to the Mayor and Board of Directors for approval. The Fiduciary retirement funds do not prepare formal budgets, but the associated boards of trustees regularly monitor the income and expenditures of the funds.

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

The basis of budgeting and the basis of accounting used in the City's audited financial statements are the same. Appropriations lapse at the end of the each year. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of net assets presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of general long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The City considers revenues reported in the governmental funds to be available if they are collectible within sixty days after year-end. Principal revenue sources considered susceptible to accrual include taxes, federal funds, local funds and investment earnings. Other revenues are considered to be measurable and available only when cash is received by the City. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences and obligations for workers' compensation, which are recognized as expenditures when payment is due. Pension expenditures are recognized when amounts are due to a plan.

Operating revenues and expenditures are distinguished from non-operating items. Operating revenues and expenses generally result from providing services in connection with the principal ongoing operation of the fund. All revenues and expenses not meeting this definition are reported as non-operating items.

Appropriations for special projects are budgeted as transfers to a special project fund by the Mayor and Board of Directors. These allocations are used to finance specific initiatives or capital projects. Special projects are generally multi-year activities that are monitored until they are fully expended or repealed by the Mayor and Board of Directors. At the conclusion of the special initiative or capital project, remaining allocations are returned to the fund that originally sponsored the project. Examples of such projects are allocations for homeless prevention, weed lot maintenance, demolition, and the Mayor's Youth Council.

# Financial Structure



## LITTLE ROCK'S FINANCIAL STRUCTURE

Cities in Arkansas derive the authority to levy taxes and provide municipal services from state statutes. Little Rock's financial structure utilizes fund accounting, which separates the transactions related to various City functions and is designed to demonstrate compliance with legal requirements. Certain funds are controlled directly by the City's governing body, and other funds are controlled by agencies whose assets are owned by the City but are operated by independent boards and commissions.

### FUNDS CONTROLLED BY THE CITY GOVERNING BODY

#### GENERAL FUND OPERATIONS

**General Fund** - This fund is the primary operating fund of the City and receives all revenues not required to be accounted for separately. In addition to funding traditional government services, annual appropriations are made from this fund for various outside agencies that perform services on behalf of the City, for special projects, and for limited capital improvements.

#### SPECIAL REVENUE FUNDS

**Street Fund** – This is a special revenue fund that includes income restricted for street and traffic maintenance, such as the state gasoline tax turnback and one-half of a County road property tax. In addition, parking meter revenues and reimbursement for street cuts are reported in this fund.

**Special Projects Fund** – This fund receives certain revenues and appropriations for special purposes or for capital projects that generally have a multi-year life.

**Infrastructure Fund** – This fund was established to commit resources for the improvement and maintenance of the City's infrastructure.

**Emergency 9-1-1 Fund** – This fund contains fees derived from telephone charges, which are restricted to uses related to operating and equipping the City's 9-1-1 Emergency Operations Center.

**Grant Fund** – Various Federal and State Grant awards are reported in this fund.

**Community Development Block Grant Fund** – This fund receives Federal block grants utilized primarily for street improvements, community services and community center operations.

**Neighborhood Housing Special Project Fund (NHSP)** – This fund accounts for the proceeds of the Community Development Block Grant – Section 108 Guaranteed Loan Program and other City funds that are

utilized to provide housing and housing assistance to qualifying citizens and to improve neighborhood infrastructure.

**Home Investment Partnership Fund (HIPP)** – This fund accounts for funding received from the U.S. Department of Housing and Urban Development to provide housing or housing assistance to qualifying citizens, to improve neighborhood streets and drainage, and to operate community health and recreation facilities.

## **CAPITAL PROJECT AND RELATED DEBT SERVICE FUNDS**

**Capital Projects Funds** – These funds are derived from the proceeds of general obligation bonds issued to finance major capital improvement projects.

**Debt Service Funds** – The City's general obligation bonds are primarily supported by separate property tax levies approved by taxpayers for the sole purpose of retirement of debt issued to fund capital improvement and construction projects. The proceeds of the special levies are accounted for in debt service funds to be utilized for this purpose. There is a corresponding capital projects fund established for each bond issue.

**2002 Capital Improvement Junior Lien Revenue Bonds** – The 2002 Capital Improvement Junior Lien Revenue Bonds were issued to finance infrastructure improvements, the costs of issuance, and to fund the debt service reserve. These bonds are special obligation bonds of the City, payable solely from the franchise fees collected from public utilities for the privilege of utilizing the streets, highways and other public places within the City.

**2007 Capital Improvements** – The 2007 Capital Improvements were issued to finance the advance refunding of the City's Capital Improvement Revenue Bonds 1998A and to pay the cost associated with the issuance of the Series 2007 Bonds. The Series 2007 bonds are not general obligations of the City but are special obligations payable solely from the revenue received by the City from all franchise fees charged to public utilities for the privilege of utilizing the City's streets and right-of-way.

The remaining funds available from interest earnings on these bond funds have been allocated to the South Loop and Scott Hamilton Drive improvements.

**2008 and 2009 Central Library and Improvement Fund** – 2008 and 2009 Library Improvement and Refunding Bonds are limited obligations payable through 2028. The Library Bonds were issued to finance the cost of acquiring, constructing, and equipping capital improvements to the public City libraries operated by the Central Arkansas Library System. The bonds are limited tax obligations payable solely from a 1.0 mill annual ad valorem tax.



**2009A Capital Improvement Construction Revenue Bonds and 2009B Parks and Recreation Capital Improvement Refunding Bonds**

– The 2009A Parks and Recreation Bonds were issued for the purposes of acquiring, constructing, equipping, renovating, expanding, and refurbishing certain zoo, parks, and recreation facilities of the City. The 2009B Bonds were issued for the purpose of refunding the City's outstanding Capital Improvement Revenue Bonds (Parks and Recreation Projects) Series 1998A. The 2009A and 2009B bonds are special obligations, payable solely from the revenues derived from the operation and ownership of the zoo, parks and recreation facilities.

**2012 Library Construction and Refunding Bonds** – 2012 Library Construction and Refunding Bonds are limited obligations payable through 2032. The Library Bonds were issued to finance the cost of acquiring, constructing, and equipping capital improvements to the public City libraries operated by the Central Arkansas Library System, to refund the City's outstanding Library Construction Bonds, Series 2004A, and to pay the cost of issuance of the bonds. The bonds are limited tax obligations payable solely from a 0.9 mill annual ad valorem tax.

**2012 – 2021 Capital Project Fund** – This fund is utilized to account for the proceeds of a 3/8 cent ten (10) year capital tax to fund new Fire and Police facilities, a new emergency communications system, economic development infrastructure, including improvements at the port and funding for a technology park, capital improvements for Park and Zoo facilities, information technology projects and vehicles and equipment. The tax went into effect on January 1, 2012 and expires on December 31, 2021.

**2013 Limited Tax General Obligation Capital Improvement Bonds** – On September 11, 2012, citizens of Little Rock approved the issuance of \$105 million in Capital Improvement Bonds for the purpose of Street and Drainage infrastructure improvements. The 2013 Limited Tax General Obligation Capital Improvement Bonds in the amount of \$58,105,000 issued July 24, 2013 were the first series of bonds issued for this purpose. These bonds are secured by all proceeds derived from a separate 3-mills annual ad valorem tax on all taxable real and personal property located within the City.

**Short Term Financing** – This fund accounts for proceeds of Short Term Financing notes issued to acquire capital equipment, building improvements and vehicles for the City.

**PROPRIETARY FUNDS**

**Waste Disposal Enterprise Fund** – This fund was created to account for the City's solid waste system.

**Vehicle Storage Facility Enterprise Fund** – This fund was created to account for vehicle storage services.

**Fleet Internal Services Fund** – This fund utilizes a flexible budget and derives its revenues primarily from charges to the organizations in the General, Street and Waste Disposal Funds that utilize City vehicles.

**Parking Garage Fund** – This fund was created to account for the operations of the City's two parking garage facilities.

### **FIDUCIARY FUNDS CONTROLLED BY BOARDS OF TRUSTEES**

An important benefit for City employees is a retirement plan. The City participates in the state Local Police and Fire Retirement System (LOPFI) for all uniformed employees hired after January 1, 1983. In addition, the following retirement funds are administered by the City and cover substantially all other employees:

- Firemen's Relief and Pension Fund
- Policemen's Pension and Relief Fund
- Non Uniform Defined Contribution Pension Fund
- Non Uniform Defined Benefit
- Pension Health Management Trust Fund

All pension funds receive contributions from both employees and the City. The Firemen and Policemen's funds also receive a dedicated property tax levy and insurance turn back revenues. Each fund has a Board of Trustees that directs its activities.

### **DISCRETE COMPONENT UNITS CONTROLLED BY INDEPENDENT BOARDS & COMMISSIONS**

Certain City services are similar to activities found in the private sector. They have independent Boards and Commissions. They are budgeted and accounted for as separate entities and are expected to maintain revenues sufficient to meet their operating costs, debt service requirements, and system replacement and maintenance needs. These funds are listed below but are not included in this document:

- Little Rock Wastewater Utility
- Little Rock National Airport
- Little Rock Advertising & Promotion Commission
- Little Rock Port Authority
- Metropolitan Emergency Medical Services (MEMS)
- Central Arkansas Transit Authority
- Arkansas Museum of Discovery
- Arkansas Arts Center
- Central Arkansas Library System

Oakland Fraternal Cemetery  
Mt. Holly Cemetery

These funds receive income from service charges that are used to operate their respective facilities and to retire revenue bonds. In addition, a 2% Hotel, Motel, and Restaurant Sales Tax provides the main source of income to operate the Advertising and Promotion Commission and retire its bonds. Boards and Commissions, which derive their authority from specific statutes, operate all of these funds. However, the City's governing body must authorize rate changes, approve all bond issues, and approve appointments to the Boards and Commissions. Therefore, these funds are required to be reported as discrete component units of this entity by GASB Statement Number 39.

**OTHER FUNDS NOT INCLUDED**

This budget does not include the Little Rock School District, which is governed by its own elected board, is a separate taxing authority, issues its own debt and receives no City subsidy. Certain other funds are not included, because they operate under independent Boards, have other sources of revenue, and are in no way dependent upon the Mayor and Board of Directors. These are as follows:

Little Rock Housing Authority  
Little Rock Residential Housing and Facilities Board  
Central Arkansas Water

In addition, this budget does not include certain multiple-employer, defined benefit pension funds administered and trusted by independent fiduciary agents and in which certain employees participate.

## FISCAL POLICIES

### **A. OPERATING MANAGEMENT**

1. All City departments share in the responsibility of meeting policy goals and ensuring long-term financial health. Future service plans and program initiatives will be developed to reflect current policy directives, projected resources, and future service requirements. When appropriate, sunset provisions will be incorporated into service plans.
2. The budget process is intended to weigh all competing requests for City resources. Requests for new, on-going programs made outside the budget process are discouraged.
3. Addition of personnel will only be requested to meet program initiatives and policy directives; after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenue or enhanced operating efficiencies. To the extent feasible, personnel cost reductions will be achieved through attrition.
4. Current expenditures will be funded by current revenues. A diversified and stable revenue system will be developed to protect programs from short-term fluctuations in any single revenue source.
5. No revenues will be dedicated for specific purposes, unless required by law or generally accepted accounting practices (GAAP). All non-restricted revenues will be deposited in the General Fund and appropriated by the budget process.
6. User fees and charges will be examined annually to ensure that all direct and indirect costs of provided the service are recovered. If the user fees and charges required to meet full cost recovery would be excessively burdensome on citizens receiving service, the Board of Directors may approve a lower user fee or charge. The City will consider market rates and charges levied by other public and private organizations for similar services in establishing rate and fee structures. Rate adjustments for Waste Disposal will be based on five-year financial plans.
7. Grant funding should be considered to leverage City funds. Inconsistent and /or fluctuating grants and trusts should not be utilized to fund on-going programs. Programs financed with grant moneys will be budgeted in separate cost centers, and the service program will be adjusted to reflect the level of available funding. In the event of reduced grant funding, City resources will be substituted only after all program priorities and alternatives are considered during the budget process.

8. All grants and other Federal and State funds shall be managed to comply with the laws, regulations, and guidance of the grantor, and all gifts and donations shall be managed and expended according to the wishes and instructions of the donor.
9. Fleet replacement will be accomplished through the use of a “rental” rate structure. The rates will be revised annually to ensure that charges to operating departments are sufficient for operation and replacement of vehicles.
10. Balanced revenue and expenditure forecasts will be prepared to examine the City’s ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will encompass five years and will be updated annually.
11. Comparison of service delivery will be made to ensure that quality services are provided to our citizens at the most competitive and economical cost. Departments will identify all activities that can be provided by another source and review alternatives to current service delivery. The review of service delivery alternatives will be performed continually. During the annual budget process, funding for outside Agencies, FUTURE-Little Rock, and special projects will be evaluated.
12. To attract and retain employees necessary for providing high quality services, the City shall establish and maintain a very competitive compensation and benefit package with that of the public and private sectors.
13. The City will follow an aggressive and professional policy of collecting revenues.
14. In each annual budget, the City may authorize a transfer from one fund to another for one or more special projects. Expenditures from the special project shall be consistent with the purpose of the special project. Unspent appropriations for special projects shall carry forward into the next fiscal year. Unspent special project appropriations remaining on June 30 in the next fiscal year shall be returned to the fund of origin unless the City Manager authorizes continuation of the special project.
15. The City will strive to maintain fair and equitable relationships with contractors and suppliers.

**B. CAPITAL MANAGEMENT**

1. A five-year Capital Improvement Plan will be developed biannually and updated annually, including anticipated funding sources. Capital improvement projects are defined as infrastructure or equipment purchases or construction that results in a capitalized asset costing more than \$5,000 and having a useful life (depreciable life) of two years or more.
2. The capital improvement plan will include, in addition to current operating maintenance expenditures, an adequate level of funding for maintenance and replacement to ensure that all capital facilities and equipment are properly maintained.
3. Proposed capital projects will be reviewed by a cross-departmental team for accurate costing (design, capital, and operating), congruence with City objectives and prioritized by a set of deterministic criteria. Financing sources will be sought for the highest-ranking projects.
4. Capital improvement operating budget impacts will be coordinated with the development of the annual operating budget. Future operating, maintenance, and replacements costs will be forecast as part of the City's five-year financial forecast.
5. The City will provide for a minimum of 5% of internal, pay-as-you-go financing for its Capital Improvement Program. Funding may come from fund balance reserves or any other acceptable means.

**C. DEBT MANAGEMENT**

1. The City will seek to maintain and, if possible, improve its current bond rating in order to minimize borrowing costs and preserve access to credit. The City will encourage and maintain good relations with financial bond rating agencies and will follow a policy of full and open disclosure.
2. Future bond issue proposals will be accompanied by an analysis showing how the new issue combined with current debt impacts the City's debt capacity and conformance with City debt policies.
3. The City will attempt to develop a coordinated communication process with all other overlapping jurisdictions with which it shares a common tax base concerning collective plans for future debt issues.
4. Financing shall not exceed the useful life of the asset being acquired.
5. The City will not use long-term debt to finance current operations.

6. The general policy of the City is to establish debt repayment schedules that utilize level annual principal and interest payments.
7. The general policy of the City is to fund capital projects (infrastructure) with new, dedicated streams of revenue or voter approved debt. Nonvoter approved debt may be utilized when a dedicated revenue source other than general revenue can be identified to pay debt service expenses.
8. Interest earnings on bond proceeds will be limited to 1) funding the improvements specified in the authorizing bond ordinance, or 2) payment of debt service on the bonds.
9. Utility rates will be set to ensure debt service coverage exceeds the bond indenture requirement of 125%.
10. The City shall comply with the Internal Revenue Code Section 148 – Arbitrage Regulation for all tax-exempt debt issued. An annual estimate of arbitrage liabilities shall be obtained by the City and recorded on the financial statements.
11. The City shall use a competitive bidding process in the sale of debt unless the use of a negotiated process is warranted due to market timing requirements (refunding), or a unique pledge or debt structure. The City will award competitively issued debt on a true interest cost (TIC) basis.
12. Proceeds from debt will be utilized in accordance with the purpose of the debt issue. Funds remaining after the project is completed will be used in accordance with the provisions stated in the bond ordinance that authorized the issuance of the debt.

#### **D. RESERVES**

1. All fund designations and reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the City's five-year financial plan.
2. The General Fund goal is to set aside \$10,000,000 or 10% of General Fund revenues; whichever is greater, into a restricted reserve fund on or before December 31, 2005; however, due to economic conditions in the past several years, the City has not been able to meet their goal. The restricted reserve is currently \$9,418,000. The Board will consider increasing the restricted reserve based on the net operating results for 2013.

3. Each annual operating budget will include a contingency appropriation in the General Fund sufficient to provide for unforeseen needs of an emergency nature for that year. The desired level of the contingency appropriation each year shall be based on the average of the three prior years' experience levels but no less than .5% of General Fund revenue for the current fiscal year.
4. The Waste Disposal Fund will maintain an unrestricted retained earnings reserve of no less than 15% of current year revenues.
5. Fleet Management reserves will be maintained based upon lifecycle replacement plans to ensure adequate fund balance required for systematic replacement of fleet vehicles. Operating departments will be charged for fleet operating costs per vehicle class and replacement costs spread over the useful life of the vehicles.
6. Self-insurance reserves will be maintained at a level that, together with purchased insurance policies, will adequately indemnify the City's property and liability risk. A qualified actuarial firm shall be retained on an annual basis in order to recommend appropriate funding levels.
7. A Facility Maintenance Reserve will be maintained based upon lifecycle replacement plans to ensure adequate funding for infrastructure repair and operating equipment replacement (HVAC, roofing, etc.).

#### **E. CASH MANAGEMENT AND INVESTMENTS**

1. Cash and investment programs will be maintained in accordance with the City Charter and the adopted investment policy and will ensure that proper controls and safeguards are maintained. City funds will be managed in a prudent and diligent manner with an emphasis on safety of principal, liquidity, and financial return on principal, in that order.
2. The City will maintain written guidelines on cash handling, accounting, segregation of duties, and other financial matters.
3. The City will conduct periodic reviews of its internal controls and cash handling procedures.
4. The City will annually identify and develop an Internal Audit Work plan.



**F. ACCOUNTING, AUDITING AND FINANCIAL REPORTING**

1. The City's accounting and financial reporting systems will be maintained in conformance with generally accepted accounting principles (GAAP) and the standards set by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).
2. An independent public accounting firm will perform an annual audit. The auditor's opinion will be included with the City's published Comprehensive Annual Financial Report (CAFR).
3. The City's CAFR will be submitted to the GFOA Certification of Achievement for Excellence in Financial Reporting Program. The financial report should be in conformity with GAAP, demonstrate compliance with finance related legal and contractual provisions provide full disclosure of all financial activities and related matters, and minimize ambiguities and potentials for misleading inference.
4. The City's budget document will be submitted to the GFOA Distinguished Budget Presentation Program. The budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units and as a communications device for all significant budgetary issues, trends and resources.
5. Financial systems will be maintained to monitor revenues, expenditures, and program performance on an ongoing basis.
6. Monthly and quarterly reports shall be prepared and presented to the Board of Directors on a timely basis.

## OTHER AGENCIES

One of the budget policies of the Mayor and Board of Directors is to support other agencies that provide services that are important to the City's quality of life. The agencies that have had City support are described below:

The **Arkansas Arts Center**, located in a City park, serves the metropolitan area and provides a wide array of cultural opportunities to citizens of all ages and interests.

The **Arkansas Museum of Discovery** enhances the cultural opportunities in the metropolitan area and has opened a new and larger museum located in the River Market District. This project was funded through the FUTURE-Little Rock initiatives and is now funded from the General Fund.

The **Central Arkansas Transit Authority** provides vital public transportation services to much of the metropolitan area.

The **Chamber of Commerce** promotes economic growth in the area, and is another example of a public and private partnership.

The **County Health Department** provides health care services to residents of both the City and Pulaski County. The State Health Department directs its operations. It receives operating support from both the City and the County.

The **Downtown Partnership** promotes economic development for downtown and is an example of public and private partnerships to promote growth and development of the City.

**Metroplan** is a council of local governments that provides area-wide transportation and other planning and support services to its members.

**County Regional Detention Center** serves the residents of both the city and Pulaski County. The County directs its operations and it receives operating support from the City and all jurisdictions in the County.

**The Pulaski Area Geographical Information System (PAGIS)** is a consortium of local government agencies formed by inter-local agreement to develop, maintain and distribute spatial based information and graphics. Current members are Little Rock, North Little Rock, Pulaski County, Central Arkansas Water and Wastewater commissions of Little Rock and North Little Rock.

**Jack Stephens Youth Golf Academy/First Tee of Central Arkansas** has a nine (9) hole regulation golf course, nine (9) hole par three (3) golf course, full-service driving range, practice putting green, full-service pro shop and indoor teaching facilities. The purpose of this facility is to impact the lives of the young people of Central Arkansas by providing educational programs that build character, instill life-enhancing values and promote healthy choices through the game of golf. The facility provides an opportunity for Central Arkansas' young people to learn the game of golf regardless of their socio-economic status.

**The Metro Little Rock Alliance (MLRA)** is a twelve-county economic development organization representing a population of a million people including Little Rock. It was created to cultivate regional growth and prosperity throughout the area. The MLRA markets Little Rock and the region's strengths and advantages to prospective companies and the site location consultants for the purpose of attracting investment and creating jobs.

**Little Rock City Beautiful Commission** promotes public interest in the general improvement of the appearance of the City of Little Rock; and establishes, subject to the Little Rock City Board of Directors approval, regulations of aesthetic quality for public and private lands and improvements.

### APPROPRIATIONS FOR OTHER AGENCIES

	2012 Budget	2013 Budget	2014 Budget
Central Arkansas Transit	\$7,511,153	\$8,208,468	\$8,534,663 (1)
County Regional Detention Center	1,463,000	1,050,000	1,050,000 (2)
Arkansas Arts Center	300,000	400,000	400,000
Museum of Discovery	200,000	200,000	200,000
Chamber of Commerce	200,000	200,000	200,000
Metroplan	163,484	178,042	178,042
Downtown Partnership	125,000	160,000	160,000
PAGIS	129,500	136,300	135,800
Metro Little Rock Alliance		100,000	100,000
First Tee	99,750	91,500	91,500 (3)
County Bond Payment	56,100	56,100	56,100
St. Vincent	25,381	25,381	25,381
LR City Beautiful Commission	2,500	2,500	2,500
Total	<u>\$10,275,868</u>	<u>\$10,808,291</u>	<u>\$11,133,986</u>

(1) The 2013 CATA increase is primarily associated with two new routes.

(2) The allocation for the jail was reduced by \$413,000 to the amount required by the interlocal agreement. The difference in jail funding is made up by the allocation of funds available from a \$20 local jail fine available for supplemental jail funding.

(3) Adjusted to reflect the consolidation of the Park and Zoo Enterprise Funds with the General Fund and includes the Golf contribution to First Tee.

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# Budget Summaries



## BUDGET SUMMARIES

The following schedules summarize the audited 2012 operating results, the 2013 unaudited operating results, and the approved 2014 operating budget. The summaries are organized by fund type in a manner that is consistent with the fund organization in the City' audited Comprehensive Annual Financial Report.

The first summary is a recap of the entire six (6) fund types included in this section. Each of the fund types is summarized and individual fund budget schedules follow the summaries. The amounts reflected in this section are accumulated as follows: individual fund totals are included in the fund type summary; then the fund type summary totals are included in the recap of all fund types.

The City is required by state statute to budget for the administration, operation, maintenance and improvements of various City operations. The budget is designed to demonstrate compliance with legal requirements. Other funds submitted are for informational purposes only.

The Cities operating budget includes the following funds:

- General;
- Street;
- Fleet Services;
- Vehicle Storage Facility;
- Waste Disposal;
- Parking Garages;

The six types of funds included in the budget summaries are:

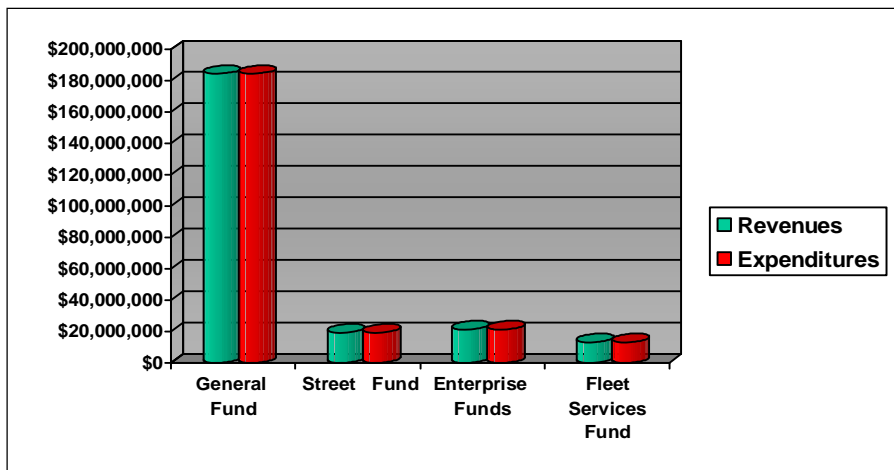
- General;
- Special Revenue;
- Capital;
- Proprietary;
- Fiduciary; and
- Debt Service.

For more information regarding these funds, see the section entitled FINANCIAL STRUCTURE.

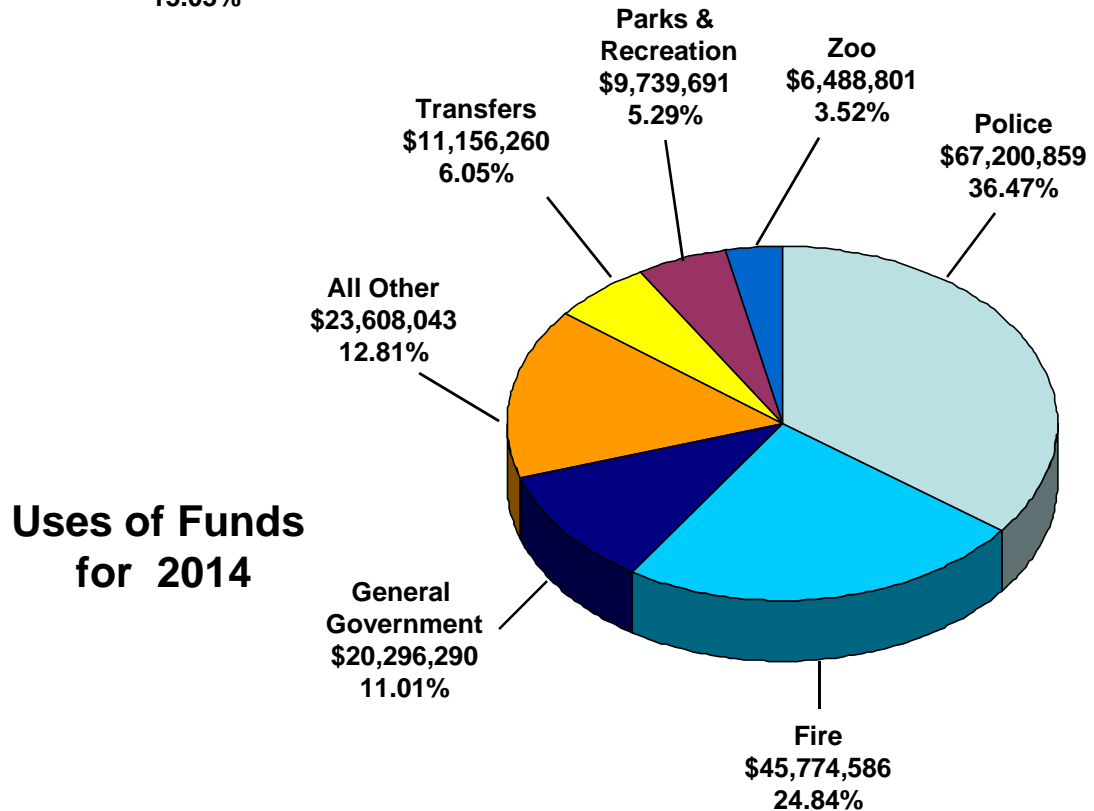
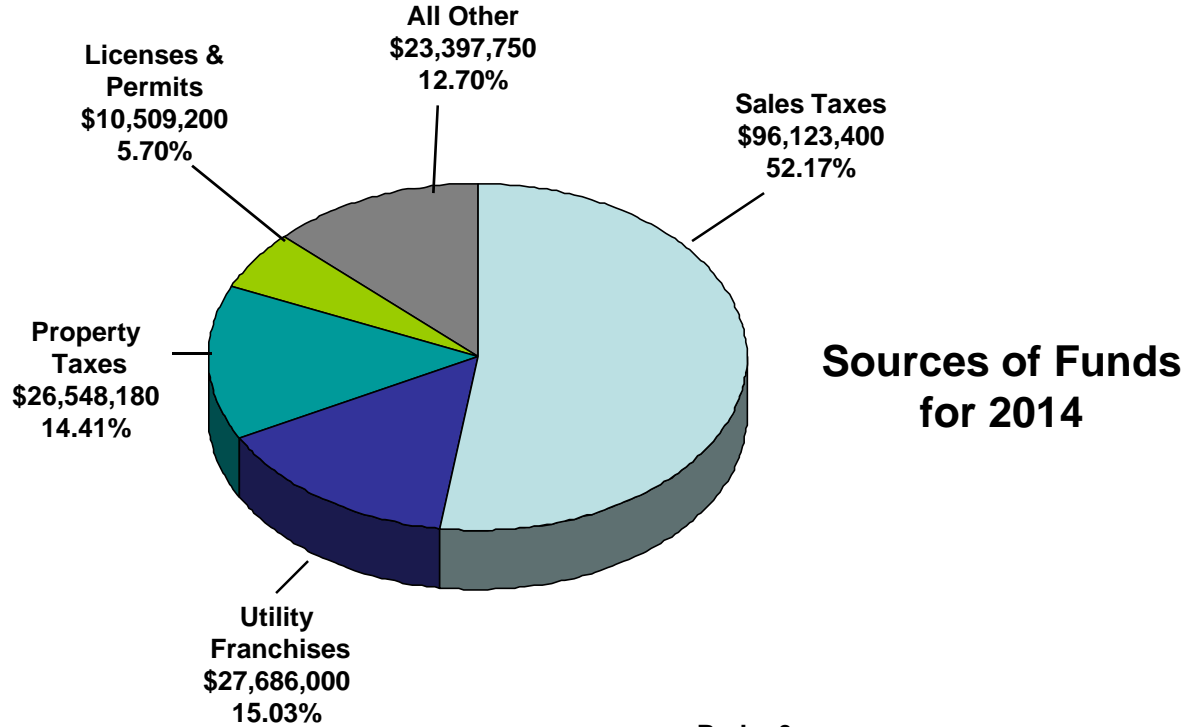
## 2014 Operating Funds Budget Summaries

	General	Street	Enterprise Funds	Fleet Services	Total
<b>Revenues</b>					
General Property Taxes	\$26,548,180	\$5,473,400			\$32,021,580
Sales Taxes	96,123,400				96,123,400
License and Permits	10,509,200		291,240		10,800,440
Intergovernmental	6,353,442	12,100,000			18,453,442
Charge for Service	11,245,641	10,000	20,834,217	13,144,531	45,234,389
Fines and Fees	3,199,875				3,199,875
Utility Franchise Fees	27,686,000				27,686,000
Investment Income	50,000	5,000	10,100		65,100
Miscellaneous	767,900	50,000	450		818,350
Transfers In	1,780,892	1,725,296			3,506,188
<b>Total Revenues</b>	<b>184,264,530</b>	<b>19,363,696</b>	<b>21,136,007</b>	<b>13,144,531</b>	<b>237,908,764</b>
<b>Expenditures</b>					
Personnel	137,290,586	9,983,570	5,994,339	3,686,321	156,954,816
Supplies and Material	6,403,155	1,176,055	1,713,850	6,694,650	15,987,710
Repairs and Maintenance	6,796,658	2,784,328	3,165,484	249,875	12,996,345
Contractual	20,914,528	2,890,856	5,101,066	2,399,642	31,306,092
Closure/Post Closure			247,945		247,945
Capital Outlay	380,000	1,680,000			2,060,000
Depreciation and Amortization			2,306,200	105,200	2,411,400
Debt Service	1,323,343		737,900		2,061,243
Transfers Out	11,156,260	848,887	1,934,459		13,939,606
<b>Total Expenditures</b>	<b>184,264,530</b>	<b>19,363,696</b>	<b>21,201,243</b>	<b>13,135,688</b>	<b>237,965,157</b>
<b>Net Change in Fund Balance</b>			<b>(65,236)</b>	<b>8,843</b>	<b>(56,393)</b>
<b>Fund Balances - Beginning</b>	<b>18,374,206</b>	<b>3,600,174</b>	<b>15,984,256</b>	<b>2,332,682</b>	<b>\$40,291,318</b>
<b>Fund Balances - Ending</b>	<b>\$18,374,206</b>	<b>\$3,600,174</b>	<b>\$15,919,020</b>	<b>\$2,341,525</b>	<b>\$40,234,925</b>

This presentation includes restricted reserves of \$9,418,000 in the General Fund.



# FY 2014 GENERAL FUND





**CITY OF LITTLE ROCK  
BUDGET SUMMARY BY FUND TYPE  
FOR YEARS 2012 - 2014**

	<b>GENERAL FUNDS</b>	<b>SPECIAL REVENUES</b>	<b>CAPITAL PROJECTS</b>	<b>ENTERPRISE FUNDS</b>	<b>INTERNAL SERVICE FUND</b>	<b>FIDUCIARY FUNDS</b>	<b>DEBT SERVICE FUNDS</b>
<b>2012</b>							
REVENUES:	\$ 196,082,270	\$ 39,633,877	\$ 61,899,058	\$ 24,319,986	\$ 11,732,606	\$ 34,019,862	\$ 31,150,221
EXPENDITURES:	195,599,930	40,410,520	31,347,931	21,295,584	11,622,523	28,389,047	30,210,264
REVENUES OVER (UNDER) EXPENDITURES	482,340	(776,643)	30,551,127	3,024,402	110,083	5,630,814	939,957
BEGINNING FUND BAL.	26,008,156	10,594,449	16,495,598	13,535,123	2,472,599	172,189,782	19,641,764
ENDING FUND BAL.	<u>\$ 26,490,496</u>	<u>\$ 9,817,806</u>	<u>\$ 47,046,724</u>	<u>\$ 16,559,523</u>	<u>\$ 2,582,682</u>	<u>\$ 177,820,596</u>	<u>\$ 20,581,722</u>
<b>2013</b>							
REVENUES:	\$ 200,733,159	\$ 33,238,619	\$ 85,931,375	\$ 20,586,264	\$ 12,616,069	\$ 37,190,403	\$ 21,073,296
EXPENDITURES:	192,844,806	34,834,404	34,135,027	21,161,533	12,866,069	72,973,792	21,470,896
REVENUES OVER (UNDER) EXPENDITURES	7,888,353	(1,595,786)	51,796,348	(575,269)		(35,783,389)	(397,600)
BEGINNING FUND BAL.	26,490,496	9,817,807	47,046,724	16,559,525	2,582,682	177,820,596	20,581,721
ENDING FUND BAL.	<u>\$ 34,378,849</u>	<u>\$ 8,222,021</u>	<u>\$ 98,843,072</u>	<u>\$ 15,984,256</u>	<u>\$ 2,332,682</u>	<u>\$ 142,037,207</u>	<u>\$ 20,184,121</u>
<b>2014</b>							
REVENUES:	\$ 184,264,530	\$ 19,363,696		\$ 21,136,007	\$ 13,144,531		
EXPENDITURES:	184,264,530	19,363,696		21,201,243	13,135,688		
REVENUES OVER (UNDER) EXPENDITURES	-	-		(65,236)	8,843		
BEGINNING FUND BAL.	34,378,849	8,222,021	98,843,072	15,984,256	2,332,682	142,037,207	20,184,121
ENDING FUND BAL.	<u>\$ 34,378,849</u>	<u>\$ 8,222,021</u>	<u>\$ 98,843,072</u>	<u>\$ 15,919,020</u>	<u>\$ 2,341,525</u>	<u>\$ 142,037,207</u>	<u>\$ 20,184,121</u>

**GENERAL GOVERNMENT SUMMARY  
OPERATING BUDGET  
2012 - 2014**

	ACTUAL 2012 (1)	AMENDED 2013 (1)	ADOPTED BUDGET 2014
<b><u>GENERAL FUND</u></b>			
REVENUES:	\$ 180,242,907	\$ 180,889,549	\$ 184,264,530
EXPENDITURES:	<u>186,408,597</u>	<u>180,889,549</u>	<u>184,264,530</u>
REVENUES OVER (UNDER) EXPENDITURES	(6,165,690)		
BEGINNING FUND BALANCE	<u>24,539,896</u>	<u>18,374,206</u>	<u>18,374,206</u>
ENDING FUND BALANCE	<u><u>\$ 18,374,206</u></u>	<u><u>\$ 18,374,206</u></u>	<u><u>\$ 18,374,206</u></u>
 (1) Numbers have been adjusted to reflect the consolidation of the River Market, Golf, Fitness and Aquatics Center, and Zoo Enterprise Funds with the General Fund.			
<b><u>SPECIAL PROJECTS &amp; SEIZED MONEY FUND</u></b>			
REVENUES:	\$ 15,839,363	\$ 19,843,610	
EXPENDITURES:	<u>9,191,332</u>	<u>11,955,257</u>	
REVENUES OVER (UNDER) EXPENDITURES	6,648,031	7,888,353	
BEGINNING FUND BALANCE	<u>1,468,260</u>	<u>8,116,291</u>	<u>16,004,644</u>
ENDING FUND BALANCE	<u><u>\$ 8,116,291</u></u>	<u><u>\$ 16,004,644</u></u>	<u><u>\$ 16,004,644</u></u>
<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 26,008,156</b>	<b>\$ 26,490,496</b>	<b>\$ 34,378,849</b>
<b>TOTAL REVENUES</b>	<b>196,082,270</b>	<b>200,733,159</b>	<b>184,264,530</b>
<b>TOTAL EXPENDITURES</b>	<u><b>195,599,930</b></u>	<u><b>192,844,806</b></u>	<u><b>184,264,530</b></u>
<b>TOTAL ENDING FUND BALANCE</b>	<u><u><b>\$ 26,490,496</b></u></u>	<u><u><b>\$ 34,378,849</b></u></u>	<u><u><b>\$ 34,378,849</b></u></u>

The sources of operating revenue and the trends affecting them are discussed in the section of the budget titled REVENUES. The details of the operating budget by department and by service program are contained in the section of the budget titled EXPENDITURES. The transfers out primarily consist of appropriations for special projects and appropriations for the FUTURE – Little Rock and new sales tax initiatives.

The City of Little Rock utilizes a program budget for public information purposes and for Mayor & Board consideration. Line item information is principally used for budgetary management and control purposes.

**SPECIAL REVENUE FUNDS  
OPERATING BUDGET  
2012 - 2014**

	ACTUAL 2012	AMENDED 2013	ADOPTED BUDGET 2014
<b><u>STREET</u></b>			
REVENUES:	\$ 15,473,721	\$ 17,594,796	\$ 19,363,696
EXPENDITURES:	<u>15,696,875</u>	<u>17,594,796</u>	<u>19,363,696</u>
REVENUES OVER (UNDER) EXPENDITURES	(223,154)		
BEGINNING FUND BALANCE	<u>3,823,328</u>	<u>3,600,174</u>	<u>3,600,174</u>
ENDING FUND BALANCE	<u><u>\$ 3,600,174</u></u>	<u><u>\$ 3,600,174</u></u>	<u><u>\$ 3,600,174</u></u>
<b><u>SPECIAL PROJECT - STREET</u></b>			
REVENUES:	\$ 891,445	\$ 608	
EXPENDITURES:	<u>744,997</u>	<u>31,955</u>	
REVENUES OVER (UNDER) EXPENDITURES	146,448	(31,347)	
BEGINNING FUND BALANCE	<u>26,535</u>	<u>172,984</u>	<u>141,636</u>
ENDING FUND BALANCE	<u><u>\$ 172,984</u></u>	<u><u>\$ 141,636</u></u>	<u><u>\$ 141,636</u></u>
<b><u>SPECIAL PROJECTS</u></b>			
REVENUES:	\$ 3,827,393	\$ 5,203,925	
EXPENDITURES:	<u>4,100,939</u>	<u>7,193,819</u>	
REVENUES OVER (UNDER) EXPENDITURES	(273,546)	(1,989,895)	
BEGINNING FUND BALANCE	<u>4,779,850</u>	<u>4,506,304</u>	<u>2,516,410</u>
ENDING FUND BALANCE	<u><u>\$ 4,506,304</u></u>	<u><u>\$ 2,516,410</u></u>	<u><u>\$ 2,516,410</u></u>

**SPECIAL REVENUE FUNDS  
OPERATING BUDGET  
2012 - 2014**

	ACTUAL 2012	AMENDED 2013	ADOPTED BUDGET 2014
<b><u>INFRASTRUCTURE</u></b>			
REVENUES:	\$ 98	\$ 48	
EXPENDITURES:	<u>15,098</u>	<u>43,177</u>	
REVENUES OVER (UNDER) EXPENDITURES	(15,000)	(43,129)	
BEGINNING FUND BALANCE	<u>57,862</u>	<u>42,862</u>	<u>(267)</u>
ENDING FUND BALANCE	<u><u>\$ 42,862</u></u>	<u><u>\$ (267)</u></u>	<u><u>\$ (267)</u></u>
<b><u>EMERGENCY 911</u></b>			
REVENUES:	\$ 1,304,933	\$ 1,346,603	
EXPENDITURES:	<u>1,304,932</u>	<u>1,249,162</u>	
REVENUES OVER (UNDER) EXPENDITURES	1	97,441	
BEGINNING FUND BALANCE	<u>2,822</u>	<u>2,823</u>	<u>100,264</u>
ENDING FUND BALANCE	<u><u>\$ 2,823</u></u>	<u><u>\$ 100,264</u></u>	<u><u>\$ 100,264</u></u>
<b><u>GRANTS</u></b>			
REVENUES:	\$ 11,282,752	\$ 6,476,251	
EXPENDITURES:	<u>11,282,753</u>	<u>6,160,628</u>	
REVENUES OVER (UNDER) EXPENDITURES	(1)	315,623	
BEGINNING FUND BALANCE	<u>(2,396)</u>	<u>(2,397)</u>	<u>313,226</u>
ENDING FUND BALANCE	<u><u>\$ (2,397)</u></u>	<u><u>\$ 313,226</u></u>	<u><u>\$ 313,226</u></u>

**SPECIAL REVENUE FUNDS  
OPERATING BUDGET  
2012 - 2014**

	ACTUAL 2012	AMENDED 2013	ADOPTED BUDGET 2014
<b><u>CDBG/HIPP/NHSP</u></b>			
REVENUES:	\$ 6,853,535	\$ 2,616,388	
EXPENDITURES:	<u>7,264,926</u>	<u>2,560,867</u>	
REVENUES OVER (UNDER) EXPENDITURES	(411,391)	55,521	
BEGINNING FUND BALANCE	<u>1,906,448</u>	<u>1,495,057</u>	<u>1,550,578</u>
ENDING FUND BALANCE	<u>\$ 1,495,057</u>	<u>\$ 1,550,578</u>	<u>\$ 1,550,578</u>
<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 10,594,449</b>	<b>\$ 9,817,807</b>	<b>\$ 8,222,021</b>
<b>TOTAL REVENUES</b>	<b>39,633,877</b>	<b>33,238,619</b>	<b>19,363,696</b>
<b>TOTAL EXPENDITURES</b>	<b><u>40,410,520</u></b>	<b><u>34,834,404</u></b>	<b><u>19,363,696</u></b>
<b>TOTAL ENDING FUND BALANCE</b>	<b><u>\$ 9,817,806</u></b>	<b><u>\$ 8,222,021</u></b>	<b><u>\$ 8,222,021</u></b>

**CAPITAL FUNDS  
OPERATING BUDGET  
2012 - 2014**

	ACTUAL 2012	AMENDED 2013	ADOPTED BUDGET 2014
<b><u>1988 CAPITAL IMPROVEMENTS</u></b>			
REVENUES:	\$ 42	\$ 285	
EXPENDITURES:	<u>862,827</u>		
REVENUES OVER (UNDER) EXPENDITURES	(862,785)	285	
BEGINNING FUND BALANCE	<u>862,500</u>	<u>(285)</u>	
ENDING FUND BALANCE	<u>\$ (285)</u>	<u>\$</u>	

**1998 CAPITAL IMPROVEMENTS**

REVENUES:	\$ 1,515	\$ 2,261	
EXPENDITURES:	<u>251,300</u>	<u>344,667</u>	
REVENUES OVER (UNDER) EXPENDITURES	(249,785)	(342,406)	
BEGINNING FUND BALANCE	<u>978,603</u>	<u>728,818</u>	<u>386,411</u>
ENDING FUND BALANCE	<u>\$ 728,818</u>	<u>\$ 386,411</u>	<u>\$ 386,411</u>

**2009A PARKS AND RECREATION**

REVENUES:	\$ 84	\$ 54	
EXPENDITURES:	<u>574,472</u>	<u>71,431</u>	
REVENUES OVER (UNDER) EXPENDITURES	(574,388)	(71,377)	
BEGINNING FUND BALANCE	<u>1,125,399</u>	<u>551,011</u>	<u>479,634</u>
ENDING FUND BALANCE	<u>\$ 551,011</u>	<u>\$ 479,634</u>	<u>\$ 479,634</u>

**CAPITAL FUNDS  
OPERATING BUDGET  
2012 - 2014**

	<u>ACTUAL 2012</u>	<u>AMENDED 2013</u>	<u>ADOPTED BUDGET 2014</u>
<b><u>1995 CAPITAL IMPROVEMENTS</u></b>			
REVENUES:			
EXPENDITURES:	<u>9</u>	<u>          </u>	<u>          </u>
REVENUES OVER (UNDER) EXPENDITURES	(9)		
BEGINNING FUND BALANCE	<u>9</u>	<u>          </u>	<u>          </u>
ENDING FUND BALANCE	<u>\$          </u>	<u>          </u>	<u>          </u>
<b><u>SHORT TERM FINANCING</u></b>			
REVENUES:	\$ 4,824	\$ 238	
EXPENDITURES:	<u>5,369,573</u>	<u>468,051</u>	<u>          </u>
REVENUES OVER (UNDER) EXPENDITURES	(5,364,749)	(467,812)	
BEGINNING FUND BALANCE	<u>5,652,966</u>	<u>288,217</u>	<u>(179,595)</u>
ENDING FUND BALANCE	<u>\$ 288,217</u>	<u>\$ (179,595)</u>	<u>\$ (179,595)</u>
<b><u>2004 CAPITAL IMPROVEMENTS</u></b>			
REVENUES:	\$ 72	\$ 35	
EXPENDITURES:	<u>37,611</u>	<u>3,636</u>	<u>          </u>
REVENUES OVER (UNDER) EXPENDITURES	(37,539)	(3,601)	
BEGINNING FUND BALANCE	<u>47,863</u>	<u>10,324</u>	<u>6,723</u>
ENDING FUND BALANCE	<u>\$ 10,324</u>	<u>\$ 6,723</u>	<u>\$ 6,723</u>

**CAPITAL FUNDS  
OPERATING BUDGET  
2012 - 2014**

	<u>ACTUAL 2012</u>	<u>AMENDED 2013</u>	<u>ADOPTED BUDGET 2014</u>
<b><u>2008 &amp; 2009 LIBRARY IMPROVEMENT BOND</u></b>			
REVENUES:	\$ 739	\$ 12	
EXPENDITURES:	<u>7,825,671</u>	<u>3,137</u>	
REVENUES OVER (UNDER) EXPENDITURES	(7,824,932)	(3,125)	
BEGINNING FUND BALANCE	<u>7,828,258</u>	<u>3,326</u>	<u>201</u>
ENDING FUND BALANCE	<u>\$ 3,326</u>	<u>\$ 201</u>	<u>\$ 201</u>
 <b><u>2012 LIBRARY IMPROVEMENT BOND</u></b>			
REVENUES:	\$25,825,092	\$ 14,913	
EXPENDITURES:	<u>2,805,176</u>	<u>11,357,071</u>	
REVENUES OVER (UNDER) EXPENDITURES	23,019,916	(11,342,158)	
BEGINNING FUND BALANCE		<u>23,019,916</u>	<u>11,677,758</u>
ENDING FUND BALANCE	<u>\$23,019,916</u>	<u>\$11,677,758</u>	<u>\$ 11,677,758</u>
 <b><u>2012-2021 CAPITAL IMPROVEMENTS FUND (3/8 CENT SALES TAX)</u></b>			
REVENUES:	\$36,066,689	\$25,355,130	
EXPENDITURES:	<u>13,621,292</u>	<u>17,673,303</u>	
REVENUES OVER (UNDER) EXPENDITURES	22,445,398	7,681,827	
BEGINNING FUND BALANCE		<u>22,445,398</u>	<u>30,127,225</u>
ENDING FUND BALANCE	<u>\$22,445,398</u>	<u>\$30,127,225</u>	<u>\$ 30,127,225</u>



**CAPITAL FUNDS  
OPERATING BUDGET  
2012 - 2014**

	<u>ACTUAL 2012</u>	<u>AMENDED 2013</u>	<u>ADOPTED BUDGET 2014</u>
<b><u>2013 CAPITAL IMPROVEMENT FUND (STREETS AND DRAINAGE)</u></b>			
REVENUES:		\$60,558,445	
EXPENDITURES:	<u>                    </u>	<u>4,213,731</u>	<u>                    </u>
REVENUES OVER (UNDER) EXPENDITURES		56,344,715	
BEGINNING FUND BALANCE	<u>                    </u>	<u>                    </u>	<u>56,344,715</u>
ENDING FUND BALANCE	<u>\$                    </u>	<u>\$56,344,715</u>	<u>\$ 56,344,715</u>
<b>TOTAL CAPITAL BEGINNING BALANCE</b>	<b>\$16,495,598</b>	<b>\$47,046,724</b>	<b>\$ 98,843,072</b>
<b>TOTAL REVENUES</b>	<b>61,899,058</b>	<b>85,931,375</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<u><b>31,347,931</b></u>	<u><b>34,135,027</b></u>	<u><b>-</b></u>
<b>TOTAL CAPITAL ENDING FUND BALANCE</b>	<u><b>\$47,046,724</b></u>	<u><b>\$98,843,072</b></u>	<u><b>\$ 98,843,072</b></u>

**ENTERPRISE FUNDS  
OPERATING BUDGET  
2012 - 2014**

	ACTUAL 2012	AMENDED 2013	ADOPTED BUDGET 2014
<b><u>VEHICLE STORAGE FACILITY</u></b>			
REVENUES:	\$ 1,359,763	\$ 1,346,960	\$ 1,348,840
EXPENDITURES:	\$ 1,284,946	1,293,257	1,321,150
REVENUES OVER (UNDER) EXPENDITURES	\$ 74,817	53,703	27,690
BEGINNING NET POSITION	\$ (789,269)	(714,452)	(660,749)
ENDING NET POSITION	<u>\$ (714,452)</u>	<u>\$ (660,749)</u>	<u>\$ (633,059)</u>
<b><u>WASTE DISPOSAL</u></b>			
REVENUES:	\$20,004,167	\$17,194,521	\$17,563,000
EXPENDITURES:	<u>\$16,574,747</u>	<u>17,688,470</u>	<u>17,655,926</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	\$ 3,429,420	(493,949)	(92,926)
BEGINNING NET POSITION	<u>\$13,406,998</u>	<u>16,836,418</u>	<u>16,342,469</u>
ENDING NET POSITION	<u>\$16,836,418</u>	<u>\$16,342,469</u>	<u>\$16,249,543</u>
<b><u>PARKING GARAGES</u></b>			
REVENUES:	\$ 2,140,903	\$ 2,044,783	\$ 2,224,167
EXPENDITURES:	<u>\$ 1,861,831</u>	<u>2,179,806</u>	<u>2,224,167</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	\$ 279,072	(135,023)	
BEGINNING NET POSITION	<u>\$ 158,487</u>	<u>437,559</u>	<u>302,536</u>
ENDING NET POSITION	<u>\$ 437,559</u>	<u>\$ 302,536</u>	<u>\$ 302,536</u>

**ENTERPRISE FUNDS  
OPERATING BUDGET  
2012 - 2014**

	ACTUAL 2012	AMENDED 2013	ADOPTED BUDGET 2014
<b><u>RECREATION SERVICES</u></b>			
REVENUES:	\$ 815,153		
EXPENDITURES:	<u>1,574,060</u>		
REVENUES OVER (UNDER) EXPENDITURES	\$ (758,907)		
BEGINNING NET POSITION	<u>758,907</u>		
ENDING NET POSITION	<u>                    </u>		
<b>TOTAL ENTERPRISE BEGINNING NET POSITION</b>	<b>\$13,535,123</b>	<b>\$16,559,525</b>	<b>\$15,984,256</b>
<b>TOTAL REVENUES</b>	<b>24,319,986</b>	<b>20,586,264</b>	<b>21,136,007</b>
<b>TOTAL EXPENDITURES</b>	<b><u>21,295,584</u></b>	<b><u>21,161,533</u></b>	<b><u>21,201,243</u></b>
<b>TOTAL ENTERPRISE ENDING NET POSITION</b>	<b><u>\$16,559,525</u></b>	<b><u>\$15,984,256</u></b>	<b><u>\$15,919,020</u></b>

**FLEET INTERNAL SERVICE FUND  
OPERATING BUDGET  
2012 - 2014**

	ACTUAL 2012	AMENDED 2013	ADOPTED BUDGET 2014
<b><u>FLEET INTERNAL SERVICE FUND</u></b>			
REVENUES:	\$11,732,606	\$12,616,069	\$ 13,144,531
EXPENDITURES:	<u>11,622,523</u>	<u>12,866,069</u>	<u>13,135,688</u>
REVENUES OVER (UNDER) EXPENDITURES	110,083	(250,000)	8,843
BEGINNING NET POSITION	<u>2,472,599</u>	<u>2,582,682</u>	<u>2,332,682</u>
ENDING NET POSITION	<u><u>\$ 2,582,682</u></u>	<u><u>\$ 2,332,682</u></u>	<u><u>\$ 2,341,525</u></u>

**FIDUCIARY FUNDS  
OPERATING BUDGET  
2012 - 2014**

	<u>ACTUAL 2012</u>	<u>AMENDED 2013</u>	<u>ADOPTED BUDGET 2014</u>
<b><u>POLICE PENSION &amp; RELIEF FUND</u></b>			
ADDITIONS:	\$ 11,064,477	\$ 7,693,973	
DEDUCTIONS:	<u>12,085,958</u>	<u>55,278,866</u>	
NET INCREASE (DECREASE)	(1,021,481)	(47,584,893)	
NET POSITION HELD IN TRUST, BEGINNING	<u>48,606,374</u>	<u>47,584,893</u>	<u>(0)</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 47,584,893</u></u>	<u><u>\$ (0)</u></u>	<u><u>\$ (0)</u></u>
<b><u>FIRE PENSION &amp; RELIEF FUND</u></b>			
ADDITIONS:	\$ 12,099,167	\$ 13,964,243	
DEDUCTIONS:	<u>11,569,002</u>	<u>11,176,236</u>	
NET INCREASE (DECREASE)	530,165	2,788,007	
NET POSITION HELD IN TRUST, BEGINNING	<u>70,545,313</u>	<u>71,075,478</u>	<u>73,863,484</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 71,075,478</u></u>	<u><u>\$ 73,863,484</u></u>	<u><u>\$ 73,863,484</u></u>
<b><u>NON-UNIFORM DEFINED BENEFIT FUND</u></b>			
ADDITIONS:	\$ 2,524,224	\$ 3,633,030	
DEDUCTIONS:	<u>1,692,940</u>	<u>1,769,238</u>	
NET INCREASE (DECREASE)	831,284	1,863,792	
NET POSITION HELD IN TRUST, BEGINNING	<u>9,158,879</u>	<u>9,990,163</u>	<u>11,853,955</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 9,990,163</u></u>	<u><u>\$ 11,853,955</u></u>	<u><u>\$ 11,853,955</u></u>

**FIDUCIARY FUNDS  
OPERATING BUDGET  
2012 - 2014**

	ACTUAL 2012	AMENDED 2013	ADOPTED BUDGET 2014
<b><u>NON-UNIFORM DEFINED CONTRIBUTION</u></b>			
ADDITIONS:	\$ 6,291,537	\$ 8,746,491	
DEDUCTIONS:	2,944,365	3,720,032	
NET INCREASE (DECREASE)	3,347,172	5,026,460	
NET POSITION HELD IN TRUST, BEGINNING	35,309,536	38,656,708	43,683,168
NET POSITION HELD IN TRUST, ENDING	<u>\$ 38,656,708</u>	<u>\$ 43,683,168</u>	<u>\$ 43,683,168</u>
<b><u>401 (A) PENSION FUND</u></b>			
ADDITIONS:	\$ 1,804,612	\$ 2,791,794	
DEDUCTIONS:	80,176	1,010,136	
NET INCREASE (DECREASE)	1,724,436	1,781,659	
NET POSITION HELD IN TRUST, BEGINNING	7,033,794	8,758,230	10,539,889
NET POSITION HELD IN TRUST, ENDING	<u>\$ 8,758,230</u>	<u>\$ 10,539,889</u>	<u>\$ 10,539,889</u>
<b><u>HEALTH MANAGEMENT TRUST FUND</u></b>			
ADDITIONS:	\$ 235,845	\$ 360,871	
DEDUCTIONS:	16,606	19,284	
NET INCREASE (DECREASE)	219,239	341,587	
NET POSITION HELD IN TRUST, BEGINNING	1,535,886	1,755,125	2,096,712
NET POSITION HELD IN TRUST, ENDING	<u>\$ 1,755,125</u>	<u>\$ 2,096,712</u>	<u>\$ 2,096,712</u>
<b>TOTAL NET POSITION BEGINNING</b>	<b>\$ 172,189,782</b>	<b>\$ 177,820,596</b>	<b>\$ 142,037,207</b>
<b>TOTAL ADDITIONS</b>	<b>34,019,862</b>	<b>37,190,403</b>	
<b>TOTAL DEDUCTIONS</b>	<b>28,389,047</b>	<b>72,973,792</b>	
<b>TOTAL NET POSITION ENDING</b>	<b><u>\$ 177,820,596</u></b>	<b><u>\$ 142,037,207</u></b>	<b><u>\$ 142,037,207</u></b>

**DEBT SERVICE FUNDS  
OPERATING BUDGET  
2012 - 2014**

	ACTUAL 2012	AMENDED 2013	ADOPTED BUDGET 2014
<b><u>2002 CIP JUNIOR LIEN BONDS</u></b>			
REVENUE:	\$ 317,741	\$ 318,643	
EXPENDITURES:	<u>318,699</u>	<u>320,298</u>	<u>                    </u>
NET INCREASE (DECREASE)	(958)	(1,655)	
BEGINNING FUND BALANCE	20,788	19,830	18,176
ENDING FUND BALANCE	<u>\$ 19,830</u>	<u>\$ 18,176</u>	<u>\$ 18,176</u>
<b><u>2004 IMPROVEMENT BONDS DEBT SERVICE</u></b>			
REVENUE:	\$ 11,991,543	\$ 1,665	
EXPENDITURES:	<u>11,587,780</u>	<u>12,140,829</u>	<u>                    </u>
NET INCREASE (DECREASE)	403,763	(12,139,164)	
BEGINNING FUND BALANCE	11,735,401	12,139,164	
ENDING FUND BALANCE	<u>\$ 12,139,164</u>	<u>\$</u>	<u>\$</u>
<b><u>2004 LIBRARY IMP. BONDS DEBT SERVICE</u></b>			
REVENUE:	\$ 9,619,017		
EXPENDITURES:	<u>11,859,386</u>	<u>                    </u>	<u>                    </u>
NET INCREASE (DECREASE)	(2,240,369)		
BEGINNING FUND BALANCE	2,240,369		
ENDING FUND BALANCE	<u>\$</u>	<u>                    </u>	<u>                    </u>

**DEBT SERVICE FUNDS  
OPERATING BUDGET  
2012 - 2014**

	ACTUAL 2012	AMENDED 2013	ADOPTED BUDGET 2014
<b><u>2007 CAPITAL IMP. REVENUE REFUNDING BOND</u></b>			
REVENUE:	\$ 1,438,391	\$ 1,436,485	
EXPENDITURES:	<u>1,438,438</u>	<u>1,436,300</u>	<u>                    </u>
NET INCREASE (DECREASE)	(47)	185	
BEGINNING FUND BALANCE	19,693	19,646	19,831
ENDING FUND BALANCE	<u>\$ 19,646</u>	<u>\$ 19,831</u>	<u>\$ 19,831</u>
<b><u>2008 LIBRARY IMPROVEMENT BOND</u></b>			
REVENUE:	\$ 3,787,764	\$ 3,610,548	
EXPENDITURES:	<u>4,502,966</u>	<u>3,912,055</u>	<u>                    </u>
NET INCREASE (DECREASE)	(715,202)	(301,507)	
BEGINNING FUND BALANCE	4,907,781	4,192,579	3,891,072
ENDING FUND BALANCE	<u>\$ 4,192,579</u>	<u>\$ 3,891,072</u>	<u>\$ 3,891,072</u>
<b><u>2009 PARKS &amp; REC CAPITAL IMPROVEMENT BOND</u></b>			
REVENUE:	\$ 1,906,934	\$ 1,308,844	
EXPENDITURES:	<u>502,995</u>	<u>1,307,778</u>	<u>                    </u>
NET INCREASE (DECREASE)	1,403,939	1,066	
BEGINNING FUND BALANCE	717,732	2,121,671	2,122,737
ENDING FUND BALANCE	<u>\$ 2,121,671</u>	<u>\$ 2,122,737</u>	<u>\$ 2,122,737</u>



**DEBT SERVICE FUNDS  
OPERATING BUDGET  
2012 - 2014**

	ACTUAL 2012	AMENDED 2013	ADOPTED BUDGET 2014
<b><u>2012 LIBRARY IMPROVEMENT BONDS</u></b>			
REVENUE:	\$ 2,088,831	\$ 3,498,679	
EXPENDITURES:		2,042,898	
NET INCREASE (DECREASE)	2,088,831	1,455,781	
BEGINNING FUND BALANCE		2,088,831	3,544,612
ENDING FUND BALANCE	<u>\$ 2,088,831</u>	<u>\$ 3,544,612</u>	<u>\$ 3,544,612</u>
<b><u>2013 CAPITAL IMPROVEMENT BONDS</u></b>			
REVENUE:		\$ 10,898,431	
EXPENDITURES:		310,738	
NET INCREASE (DECREASE)		10,587,694	
BEGINNING FUND BALANCE			10,587,694
ENDING FUND BALANCE	<u>\$</u>	<u>\$ 10,587,694</u>	<u>\$ 10,587,694</u>
<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 19,641,764</b>	<b>\$ 20,581,721</b>	<b>\$ 20,184,121</b>
<b>TOTAL REVENUES</b>	<b>31,150,221</b>	<b>21,073,296</b>	
<b>TOTAL EXPENDITURES</b>	<b>30,210,264</b>	<b>21,470,896</b>	
<b>TOTAL ENDING FUND BALANCE</b>	<b><u>\$ 20,581,721</u></b>	<b><u>\$ 20,184,121</u></b>	<b><u>\$ 20,184,121</u></b>

## 2014 Five Year Forecast

Little Rock Code Section 2-214 requires the Board of Directors to adopt an annual budget on or before December 30 of each year. A budget is balanced when appropriated expenses do not exceed the sum of estimated net revenues and available fund balances. The proposed 2014 budgets are balanced and fiscally responsible.

All fund designations and reserves are evaluated annually for long-term adequacy and use requirements in conjunction with development of the City's five-year financial plan. A 10% reserve requirement is utilized for planning purposes for all funds with the exception of the Solid Waste Fund, which has a 15% unrestricted retained earnings reserve requirement. In addition, each annual operating budget will include a contingency appropriation in the general fund sufficient to provide for unforeseen needs of an emergency nature for that year. The desired level of the contingency appropriation each year shall be based on the average of the three prior years' experience levels but no less than 0.5% of General Fund revenue for the current fiscal year. The contingency appropriation in the 2014 General Fund budget is \$1,000,000 or approximately 0.54% of estimated revenue.

Per the City's financial policy, the goal was to set aside \$10,000,000 or 10% of General Fund revenues, whichever is greater, into a restricted reserve fund on or before December 31, 2005. However, due to economic conditions in the past several years, the City has not met this goal. The restricted reserve is currently \$9,418,000. Contingency appropriations, which are not utilized during the fiscal year to meet unforeseen needs, will be added to the restricted reserve until the desired level is achieved. While, the City has not been able to increase the reserve to the desired level, the City has not drawn from the restricted reserve to balance the budget. The City anticipates an addition to the restricted reserve in 2014. The City Board of Directors will evaluate funds available following completion of the 2013 annual audit to determine the amount of the addition.

Citizen demand for services has outpaced revenue growth in the last few years. The citizens of Little Rock approved a one (1)-cent sales tax on September 13, 2011 to allow the City to fill critical positions that have remained vacant for many years and to provide the City the opportunity to move forward with much needed programs and capital projects. All of the services and projects funded by the tax increase support the City goals and objectives centered on public safety, economic development, basic City services, infrastructure, and quality of life.

The tax increase, which went into effect January 1, 2012, includes a permanent 5/8-cent operations tax and a 3/8-cent ten (10)-year capital tax, that will provide additional Police Officers, more Code Enforcement Officers, new Fire and Police facilities and a new emergency communications system. The capital projects supported by the new 3/8-cent tax are highlighted in the Capital Improvements section of the Budget Document. The ongoing operating expenses associated with the capital projects are supported by the 5/8-cent portion of the new sales

tax. These expenses are phased into the five year forecast based on the anticipated completion schedule of the capital projects. Consistent with the first “must do” goal of the Mayor and Board of Directors, the City plans to complete all of the public safety projects funded by the 3/8-cent ten (10)-year capital tax in the first five (5) years. In addition, emphasis is placed on completing infrastructure projects in each of the City’s seven (7) Wards, utilizing citizen input through community meetings to determine projects that will be completed in three (3)-year cycles.

The City has taken steps to plan for the future with the five-year forecast based on the estimated revenues and operating expenditures for 2014 – 2018. The forecast for 2014 – 2018 is a planning tool used for the projections. The Mayor and Board of Directors have only approved the 2014 budget. However, the Board is committed to providing financial stability in order to maintain critical programs.

**CITY OF LITTLE ROCK  
2014 - 2018 FORECAST**

	FY14 <u>Adopted</u>	FY15 <u>Projected</u>	FY16 <u>Projected</u>	FY17 <u>Projected</u>	FY18 <u>Projected</u>
<b><u>General Fund</u></b>					
Beginning Fund Balance	\$18,374,206	\$19,374,206	\$20,374,206	\$21,374,207	\$22,374,207
Plus: Est. Revenue	184,264,530	188,871,143	193,592,922	197,851,966	202,303,635
Less: Est. Expenses					
General Administrative	20,296,290	20,958,661	21,411,591	20,327,009	20,732,208
Board of Directors	338,527	345,298	352,203	359,248	366,433
Community Programs	388,081	395,843	403,759	411,835	420,071
City Attorney	1,769,774	1,805,169	1,841,273	1,878,098	1,915,660
District Court - First Division	1,392,505	1,420,355	1,448,762	1,477,737	1,507,292
District Court - Second Division	1,247,286	1,272,232	1,297,676	1,323,630	1,350,102
District Court - Third Division	627,185	639,729	652,523	665,574	678,885
Finance	3,136,992	3,199,732	3,263,726	3,329,001	3,395,581
Human Resources	1,632,677	1,665,331	1,698,637	1,732,610	1,767,262
Information Technology	4,358,322	4,445,488	4,534,398	4,625,086	4,717,588
Planning and Development	2,583,968	2,635,647	2,688,360	2,742,128	2,796,970
Housing & Neighborhood Programs	5,673,839	5,787,316	5,903,062	6,021,123	6,141,546
Public Works	1,166,482	1,189,812	1,213,608	1,237,880	1,262,638
Parks & Recreation	9,739,691	9,934,485	10,133,175	10,335,838	10,542,555
River Market	1,208,675	1,232,849	1,257,505	1,282,656	1,308,309
Golf	2,187,165	2,230,908	2,275,526	2,321,037	2,367,458
Jim Dailey Fitness & Aquatics	896,565	914,496	932,786	951,442	970,471
Zoo	6,488,801	6,618,577	6,750,949	6,885,968	7,023,687
Fire **	45,774,586	46,918,951	48,185,762	50,949,478	52,121,316
Police	67,200,859	68,880,880	70,740,664	72,155,478	73,887,209
Vacancy Reductions	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Transfers Out (including contingency)	11,156,260	11,379,385	11,606,973	11,839,112	12,030,396
	184,264,530	188,871,143	193,592,921	197,851,966	202,303,636
Anticipated contingency/reserve	1,000,000	1,000,000	1,000,000	1,000,000	1,020,000
Ending Fund Balance *	<u>\$19,374,206</u>	<u>\$20,374,206</u>	<u>\$21,374,207</u>	<u>\$22,374,207</u>	<u>\$23,394,207</u>
Reserve Requirement (10% of Revenues)	<u>\$18,426,453</u>	<u>\$18,887,114</u>	<u>\$19,359,292</u>	<u>\$19,785,197</u>	<u>\$20,230,364</u>

\* 2014 Ending Fund Balance includes an estimated restricted reserve of \$10,500,000.

\*\* Includes the addition of 24 fire fighters in 2017 with the opening of the Southwest Little Rock Fire Station which is scheduled for completion in 2016.

<b><u>Street Fund</u></b>					
Beginning Balance	\$3,600,174	\$3,600,174	\$3,797,684	\$3,999,144	\$4,204,633
Plus: Est. Revenue	19,363,696	19,750,970	20,145,989	20,548,909	20,959,887
Less: Est. Expenses	19,363,696	19,553,460	19,944,529	20,343,420	20,750,288
Ending Balance	<u>\$3,600,174</u>	<u>\$3,797,684</u>	<u>\$3,999,144</u>	<u>\$4,204,633</u>	<u>\$4,414,232</u>
Reserve Requirement (10% of revenue)	<u>\$1,936,370</u>	<u>\$1,975,097</u>	<u>\$2,014,599</u>	<u>\$2,054,891</u>	<u>\$2,095,989</u>

**CITY OF LITTLE ROCK  
2014 - 2018 FORECAST**

	FY14 <u>Adopted</u>	FY15 <u>Projected</u>	FY16 <u>Projected</u>	FY17 <u>Projected</u>	FY18 <u>Projected</u>
<b><u>Fleet Fund</u></b>					
Beginning Net Position	\$2,332,682	\$2,341,525	\$2,350,545	\$2,359,745	\$2,369,129
Plus: Est. Revenue	13,144,531	13,407,422	13,675,570	13,949,081	14,228,063
Less: Est. Expenses	13,135,688	13,398,402	13,666,370	13,939,697	14,218,491
Ending Net Position	\$2,341,525	\$2,350,545	\$2,359,745	\$2,369,129	\$2,378,701
Reserve Requirement (10% of revenues)	\$1,314,453	\$1,340,742	\$1,367,557	\$1,394,908	\$1,422,806

<b><u>Vehicle Storage Facility</u></b>					
Beginning Net Position	(\$660,749)	(\$633,059)	(\$591,604)	(\$535,976)	(\$465,758)
Plus: Est. Revenue	1,348,840	1,375,817	1,403,333	1,431,400	1,460,028
Less: Est. Expenses	1,321,150	1,334,362	1,347,705	1,361,182	1,374,794
Ending Net Position	(\$633,059)	(\$591,604)	(\$535,976)	(\$465,758)	(\$380,524)
Reserve Requirement (10% of revenues)	\$134,884	\$137,582	\$140,333	\$143,140	\$146,003

<b><u>Waste Disposal Fund</u></b>					
Beginning Net Position	\$16,342,469	\$16,249,543	\$16,221,531	\$15,871,963	\$16,041,501
Plus: Est. Revenue	17,563,000	17,762,719	17,834,099	17,906,181	17,978,980
Less: Est. Expenses	17,655,926	17,790,731	18,183,667	17,736,643	18,156,684
Ending Net Position	\$16,249,543	\$16,221,531	\$15,871,963	\$16,041,501	\$15,863,797
Reserve Requirement (15% of revenues)	\$2,634,450	\$2,664,408	\$2,675,115	\$2,685,927	\$2,696,847

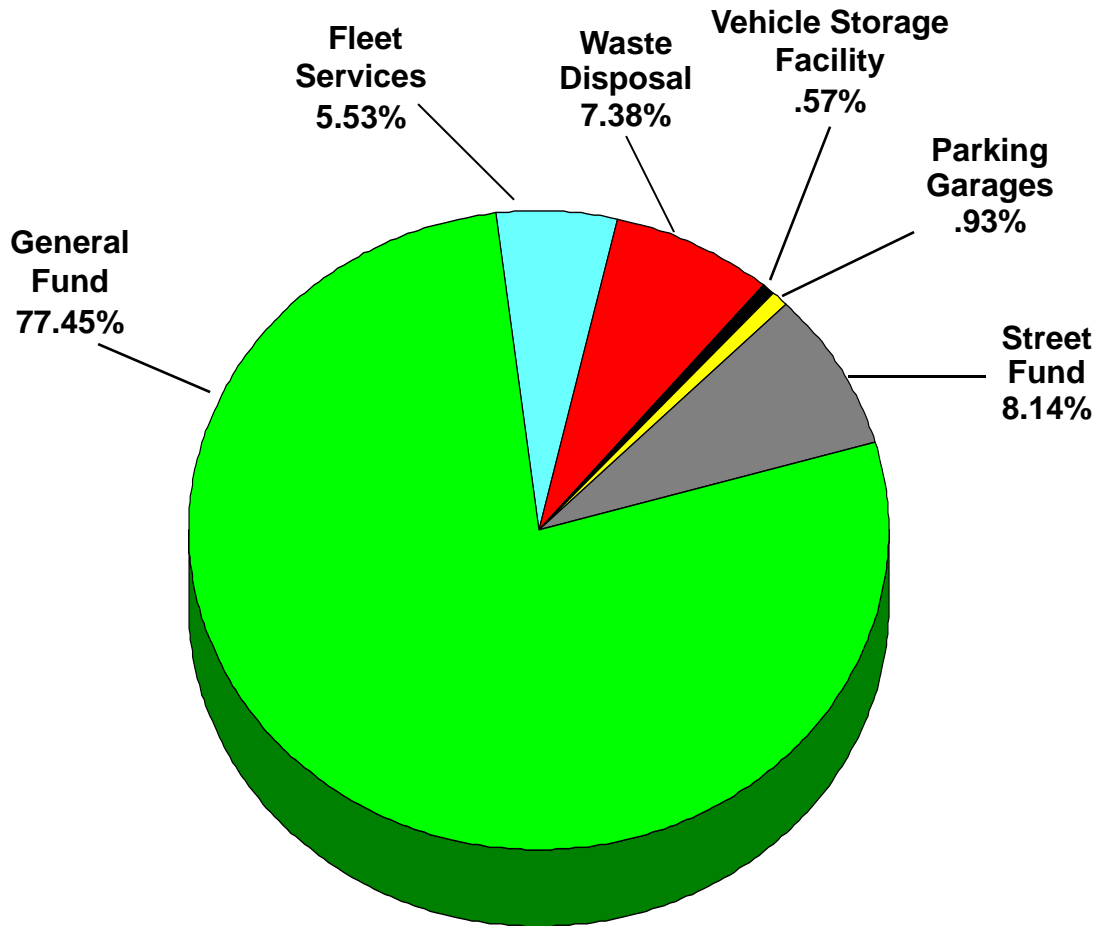
A rate increase of \$1.03 associated with recycling was implemented in 2013. No other rate increases are anticipated during the five year forecast. Expenses reflect the reduction of debt service as bonds are retired and the capital replacement needs including the development of a class 4 landfill cell in 2014 and regular replacement of collection vehicles.

<b><u>Parking Garages</u></b>					
Beginning Net Position	\$302,536	\$302,536	\$302,536	\$302,536	\$302,536
Plus: Est. Revenue	2,224,167	2,268,650	2,314,023	2,360,304	2,407,510
Less: Est. Expenses	2,224,167	2,268,650	2,314,023	2,360,304	2,407,510
Ending Net Position	\$302,536	\$302,536	\$302,536	\$302,536	\$302,536

# Revenues



# CITY OF LITTLE ROCK 2014 BUDGET SUMMARY ALL FUNDS RESOURCES



**\$237,908,764**

**CITY OF LITTLE ROCK  
2014 OPERATING REVENUES**

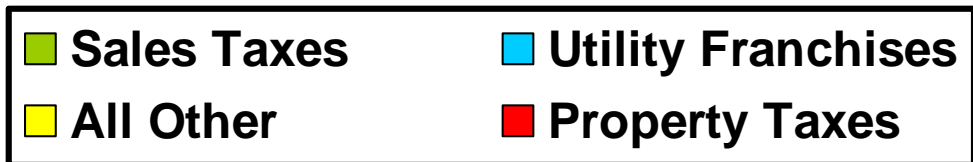
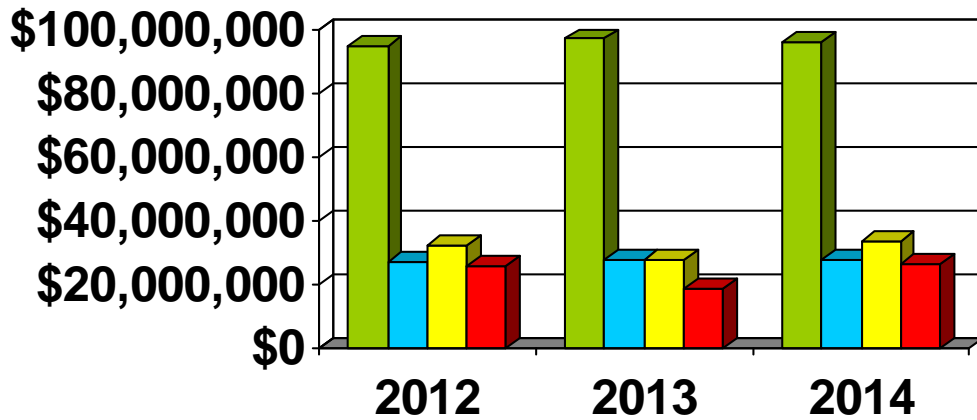
<b>REVENUES:</b>	<b>2012 ACTUAL (1)</b>	<b>2013 ADOPTED</b>	<b>2013 AMENDED</b>	<b>2014 ADOPTED</b>	<b>13/14 DIFF</b>	<b>% CHANGE</b>
Property Taxes *	\$25,821,661	\$18,522,800	\$26,085,500	\$26,548,180	\$462,680	1.77%
Sales Tax	94,537,360	96,930,800	94,734,000	96,123,400	1,389,400	1.47%
Business Licenses	6,068,956	6,013,600	6,300,000	6,363,000	63,000	1.00%
Mixed Drinks	1,902,650	1,991,000	2,100,000	2,205,000	105,000	5.00%
Building, Related Permits	2,145,351	1,832,000	1,946,800	1,941,200	(5,600)	-0.29%
Insurance Pension Turnback*	5,936,255	2,424,700	6,302,545	6,353,442	50,897	0.81%
Park Revenue	341,306	354,400	354,400	425,500	71,100	20.06%
River Market	542,459	592,000	548,000	607,000	59,000	10.77%
Golf	1,121,306	1,104,300	889,700	1,128,700	239,000	26.86%
Jim Dailey Fitness and Aquatic Center	529,454	539,169	464,479	540,300	75,821	16.32%
Zoo	2,978,789	3,010,000	3,010,000	3,557,041	547,041	18.17%
Airport Reimbursement	2,978,282	3,108,600	3,148,000	3,194,900	46,900	1.49%
Salary Reimbursement 911	547,117	750,000	750,000	750,000	0	0.00%
Fines and Fees	3,001,015	3,308,400	3,166,400	3,199,875	33,475	1.06%
Utility Franchises	27,421,687	27,650,100	27,486,900	27,686,000	199,100	0.72%
Interest Earnings	25,613	25,950	50,950	50,000	(950)	-1.86%
All Other	2,966,225	1,770,070	1,755,865	1,810,100	54,235	3.09%
Transfers In	1,377,421	1,283,271	1,796,010	1,780,892	(15,118)	-0.84%
<b>Total General Fund</b>	<b>180,242,907</b>	<b>171,211,160</b>	<b>180,889,549</b>	<b>184,264,530</b>	<b>3,374,981</b>	<b>1.87%</b>
<b>Other Budgeted Funds</b>						
Street	15,473,721	17,594,796	17,594,796	19,363,696	1,768,900	10.05%
Fleet Services	11,732,606	12,616,069	12,616,069	13,144,531	528,462	4.19%
Vehicle Storage Facility	1,359,762	1,346,960	1,346,960	1,348,840	1,880	0.14%
Waste Disposal	20,004,167	17,194,521	17,194,521	17,563,000	368,479	2.14%
Parking Garages	2,140,903	2,044,783	2,044,783	2,224,167	179,384	8.77%
<b>Total Other Budgeted Funds</b>	<b>50,711,159</b>	<b>50,797,129</b>	<b>50,797,129</b>	<b>53,644,234</b>	<b>2,847,105</b>	<b>5.60%</b>
<b>Total All Budgeted Funds</b>	<b>\$230,954,066</b>	<b>\$222,008,289</b>	<b>\$231,686,678</b>	<b>\$237,908,764</b>	<b>\$6,222,086</b>	<b>2.80%</b>

\* Includes Property Tax and Pension Turnback funds associated with the Police and Fire Pension.

(1) Numbers have been adjusted to reflect the consolidation of the RiverMarket, Golf, Fitness and Aquatics Center, and Zoo Enterprise Funds with the General Fund.



# General Government Summary of Revenues 2012-2014



**CITY OF LITTLE ROCK  
2014 OPERATING REVENUE**

	<u>2012 ACTUAL (1)</u>	<u>2013 ADOPTED</u>	<u>2014 ADOPTED</u>
<b>GENERAL FUND</b>			
<b>PROPERTY TAX</b>			
Property Taxes	\$ 17,097,580	\$ 17,100,000	\$ 17,567,560
Pension Property Taxes	7,261,136		7,510,200
Homestead Taxes	1,031,193	1,062,400	1,082,600
Act 9 Industry Payment	328,538	350,400	377,820
Property Taxes LR Port Authority	103,214	10,000	10,000
Total Property Taxes	<u>25,821,661</u>	<u>18,522,800</u>	<u>26,548,180</u>
<b>SALES TAX</b>			
County Sales & Use Tax	39,214,134	40,332,300	39,999,500
City Sales Tax	52,186,423	53,488,300	53,177,100
State Tax Turnback	3,136,803	3,110,200	2,946,800
Total Sales Taxes	<u>94,537,360</u>	<u>96,930,800</u>	<u>96,123,400</u>
<b>BUSINESS LICENSES</b>			
General Business Licenses	6,068,956	6,013,600	6,363,000
Mixed Drinks Licenses	1,902,650	1,991,000	2,205,000
Total Business Licenses	<u>7,971,606</u>	<u>8,004,600</u>	<u>8,568,000</u>
<b>PERMITS</b>			
Building & Excavation Permits	1,146,944	1,021,000	1,080,000
Electrical Permits	352,546	263,000	285,000
Plumbing Permits	301,450	254,000	255,000
HVAC Permits	269,504	224,000	244,000
Wrecker Franchise	73,663	68,600	75,000
Burn Permits	1,244	1,400	2,200
Total Permits	<u>2,145,351</u>	<u>1,832,000</u>	<u>1,941,200</u>
<b>INTERGOVERNMENTAL</b>			
Insurance Turnback	2,424,675	2,424,700	2,961,500
Police and Fire Pension Insurance Turnback	3,511,580		3,391,942
Total Intergovernmental	<u>5,936,255</u>	<u>2,424,700</u>	<u>6,353,442</u>
<b>POLICE SERVICES</b>			
Police Report	400,879	400,000	450,000
False Alarm	19,990	15,000	20,000
Airport - Security Guards	1,770,614	1,859,100	1,907,400
Total Police Services	<u>2,191,482</u>	<u>2,274,100</u>	<u>2,377,400</u>
<b>FIRE SERVICES</b>			
Fire Alarm Inspection	10		
Airport-Fire Protection	1,207,668	1,249,500	1,287,500
Fire Training Academy	447	400	
Total Fire Services	<u>1,208,126</u>	<u>1,249,900</u>	<u>1,287,500</u>
<b>PARK REVENUE</b>			
SWLR Community Complex	91,108	88,000	100,000
Athletics Fees	96,771	102,500	97,800
Pavilion Rental	43,309	45,500	47,000
Community Center & Miscellaneous Fees	76,582	73,700	124,100
Admissions Revenue	33,246	30,000	35,000
Miscellaneous Revenue	291	14,700	21,600
Total Park Revenue	<u>341,306</u>	<u>354,400</u>	<u>425,500</u>

**CITY OF LITTLE ROCK  
2014 OPERATING REVENUE**

	<u>2012 ACTUAL (1)</u>	<u>2013 ADOPTED</u>	<u>2014 ADOPTED</u>
<b>RIVER MARKET</b>			
Admissions Revenue	187,633	190,000	220,000
Space Rental	354,826	402,000	387,000
Total River Market Revenue	<u>542,459</u>	<u>592,000</u>	<u>607,000</u>
<b>GOLF</b>			
Concessions Revenue	130,014	140,820	136,500
Green Fees	979,431	965,900	949,000
Equipment Rental	565,626	567,440	585,400
Merchandise Sales	86,293	89,520	94,400
Miscellaneous Revenue	20,780	17,000	24,200
Parks Contra Revenue (Debt Service)	(660,838)	(676,380)	(660,800)
Total Golf Revenue	<u>1,121,306</u>	<u>1,104,300</u>	<u>1,128,700</u>
<b>JIM DAILEY FITNESS &amp; AQUATIC CENTER</b>			
Annual Fees	44,998	44,890	50,000
Monthly Membership	227,560	233,500	227,500
Daily Fees	106,176	108,600	106,000
Corporate Fees	229,487	240,800	229,000
Special Fees	9,555	7,600	6,100
Other	65,369	65,610	69,600
Miscellaneous	485	500	6,300
Parks Contra Revenue (Debt Svc)	(154,176)	(162,331)	(154,200)
Total Jim Dailey Fitness & Aquatic Center	<u>529,454</u>	<u>539,169</u>	<u>540,300</u>
<b>ZOO</b>			
Membership	374,193	386,000	440,000
Zoo Admissions	1,774,192	1,800,000	2,147,191
Concessions	495,366	480,300	580,000
Token Sales	179,588	210,000	146,150
Education	42,472	55,000	61,500
Special Events	174,551	164,750	200,000
Zoo Rentals	29,771	18,000	70,000
Merchandise Sales	367,601	370,000	370,000
Miscellaneous	34,146	40,000	35,300
Parks Contra Revenue (Debt Svc)	(493,091)	(514,050)	(493,100)
Total Zoo Revenue	<u>2,978,789</u>	<u>3,010,000</u>	<u>3,557,041</u>
<b>FINES</b>			
Fines - Traffic	1,820,910	2,092,500	1,870,000
Fines - Criminal - Other	314,178	320,400	350,000
Probation Assessments	60,931	60,000	40,000
Additional Court Cost	18,992	19,000	19,500
Theft Diversion Class	100	100	
Fines - Parking	241,107	244,000	335,000
Fines - Child Passenger Protection	5,225	4,000	4,300
Fines - Environmental	32,179	37,000	16,000
Fines - Animal	262,908	252,000	290,000
Fines - Other	(8,063)		4,200
Drunk-O-Meter	3,848	2,500	4,000
Total Fines	<u>2,752,315</u>	<u>3,031,500</u>	<u>2,933,000</u>

**CITY OF LITTLE ROCK  
2014 OPERATING REVENUE**

	<u>2012 ACTUAL (1)</u>	<u>2013 ADOPTED</u>	<u>2014 ADOPTED</u>
<b>FEES</b>			
Rezoning Fees	42,695	43,000	50,000
Act 474 Admin Fees	362		
Act 9 Admin Fees	25	4,000	4,000
Incident Report Fees	40		
Civil Court Fees	74,436	74,500	70,000
Booking & Admin Fee -Pulaski County Jail	110		
Education Training Fees	6,675	600	
Community Service Fees	24,900	33,000	26,200
Miscellaneous Service Fees	89,457	105,800	101,675
Mobile Home Registration Fees	10,150	10,000	15,000
Animal Services	(150)	6,000	
Total Fees	<u>248,700</u>	<u>276,900</u>	<u>266,875</u>
<b>UTILITY FRANCHISE</b>			
Entergy	13,374,422	12,977,800	12,482,000
S W Bell	863,272	737,700	710,000
Local Landline Franchise Fees	231,803	216,800	222,500
Long Dist. Franchise Fees	857,255	917,500	917,500
Centerpoint Energy	2,843,386	2,700,000	3,323,000
Central Ark Water	3,484,189	3,647,100	3,460,000
LR Waste Water	4,220,897	4,900,000	5,043,300
Fiber Optics	1,437,936	1,438,300	1,400,000
Cable TV	1,863,162	1,867,000	1,884,800
Franchise Fee Contra	(1,754,635)	(1,752,100)	(1,757,100)
Total Utility Franchises	<u>27,421,687</u>	<u>27,650,100</u>	<u>27,686,000</u>
<b>MISCELLANEOUS SERVICES</b>			
Crossing Guards-LRSD Reimbursement	493,271	455,500	572,200
911 Services Reimbursement	547,117	750,000	750,000
Total Miscellaneous Services	<u>1,040,389</u>	<u>1,205,500</u>	<u>1,322,200</u>
<b>INVESTMENT INCOME</b>			
Interest Income	25,613	25,950	50,000
Total Investment Income	<u>25,613</u>	<u>25,950</u>	<u>50,000</u>
<b>RENTS AND ROYALTIES</b>			
Tower Lease	280,171	317,600	258,000
Ground Leases	3,025	12,300	6,600
Amusement Park Leases	6,579	3,100	3,300
Total Rents and Royalties	<u>289,775</u>	<u>333,000</u>	<u>267,900</u>
<b>MISCELLANEOUS INCOME</b>			
Security Deposit Rental Reimbursement			
Other Reimbursement	33,559	15,300	
Commission - Vending	269	300	
Contributions/Donations	1,201,644	250,000	250,000
Miscellaneous Revenue	526,381	300,570	250,000
Total Miscellaneous Revenue	<u>1,761,853</u>	<u>566,170</u>	<u>500,000</u>
Transfers In	1,377,421	1,283,271	1,780,892
<b>TOTAL GENERAL FUND REVENUE</b>	<b><u>180,242,907</u></b>	<b><u>171,211,160</u></b>	<b><u>184,264,530</u></b>

**CITY OF LITTLE ROCK  
2014 OPERATING REVENUE**

	<u>2012 ACTUAL (1)</u>	<u>2013 ADOPTED</u>	<u>2014 ADOPTED</u>
<b>STREET FUND</b>			
ST Homestead Tax	299,029	307,000	302,000
1/2 County Road Tax	4,958,256	4,930,000	5,171,400
State Gas Tax Turnback	8,748,042	10,568,500	12,100,000
Street Repair Reimbursement	10,645	10,000	10,000
Insurance Reimbursement	135,878	50,000	50,000
Interest On Investments	3,598	4,000	5,000
Transfer In	1,318,273	1,725,296	1,725,296
<b>TOTAL STREET FUND</b>	<b><u>15,473,721</u></b>	<b><u>17,594,796</u></b>	<b><u>19,363,696</u></b>
<b>FLEET INTERNAL SERVICE FUND</b>			
Fleet Labor	2,475,551	2,612,235	2,843,569
Fuel Fees	3,206,878	3,898,944	3,671,802
Miscellaneous Sales	786,407	736,000	768,998
Motor Pool	6,688	5,585	8,932
Fleet Parts	3,173,565	3,183,926	3,372,450
Insurance Totaled	201,158	50,000	30,000
Fleet Management	664,238	974,377	1,138,780
Fleet Sublets	1,223,177	1,155,000	1,310,000
Interest on Investments	1,126		
Gain/Loss on Sale of Fixed Assets	(6,182)	2	
<b>TOTAL FLEET INTERNAL SERVICE FUND</b>	<b><u>11,732,606</u></b>	<b><u>12,616,069</u></b>	<b><u>13,144,531</u></b>
<b>VEHICLE STORAGE FACILITY</b>			
Licenses and Permits	20,045	20,960	21,240
Storage Fees	331,867	330,000	330,000
Wrecker Fees	364,767	506,610	420,000
Vehicle Auction Sale	508,209	360,390	440,000
Impound Administration	90,870	91,000	100,000
Vehicle Storage Miscellaneous	20,997	14,000	37,600
Contributions/Donations	23,007	24,000	
<b>TOTAL VEHICLE STORAGE FACILITY</b>	<b><u>1,359,762</u></b>	<b><u>1,346,960</u></b>	<b><u>1,348,840</u></b>
<b>WASTE DISPOSAL ENTERPRISE FUND</b>			
Sanitation Fees	15,241,606	16,019,921	15,910,000
Landfill Fees	953,621	910,000	1,300,000
Methane Gas Revenue	120,272	96,000	135,000
Yard Waste	69,115	60,000	100,000
Compost Sale	119,196	85,000	100,000
Interest On Investments	8,682	8,000	8,000
Miscellaneous Revenue	(22,718)	15,600	10,000
Contributions/Donations	2,039,153		
Transfers	1,475,240		
<b>TOTAL WASTE DISPOSAL ENTERPRISE FUND</b>	<b><u>20,004,167</u></b>	<b><u>17,194,521</u></b>	<b><u>17,563,000</u></b>

**CITY OF LITTLE ROCK  
2014 OPERATING REVENUE**

	<u>2012 ACTUAL (1)</u>	<u>2013 ADOPTED</u>	<u>2014 ADOPTED</u>
<b>PARKING GARAGES</b>			
Business License - Auto/Truck	210,193	270,000	270,000
Street Repair Reimbursement	299,775	130,000	180,000
Parking Meters	489,047	470,000	500,000
Surface Lot Parking	88,683	88,683	93,117
Parking Deck Monthly	798,874	823,000	870,000
Parking Deck Daily	173,262	177,200	248,500
Parking Peabody	79,123	83,000	60,000
Interest on Investments	1,946	2,100	2,100
Miscellaneous Income		800	450
<b>TOTAL PARKING GARAGES</b>	<u><b>2,140,903</b></u>	<u><b>2,044,783</b></u>	<u><b>2,224,167</b></u>
<b>GRAND TOTAL ALL FUNDS</b>	<u><u><b>\$ 230,954,066</b></u></u>	<u><u><b>\$ 222,008,289</b></u></u>	<u><u><b>\$ 237,908,764</b></u></u>

- (1) The 2012 Actual numbers have been adjusted to reflect the consolidation of the River Market, Golf, Jim Daily Fitness and Aquatics Center, and Zoo Funds with the General Fund.

## REVENUE TRENDS

### OVERALL

The City's General Fund revenues are primarily comprised of sales taxes, property taxes, utility franchise fees, fines and fees and revenues from various licenses. The largest source of revenue in the City's General Fund is sales tax, which contributes approximately 52% to the 2014 budget. The 2014 operating budget includes an increase in sales tax of 1% over 2013 actual tax collections. In September 2011, voters approved an overall one (1)-cent sales tax increase, with 5/8 cent dedicated for ongoing operating expenses and 3/8 cent dedicated to capital projects over a ten (10) year period. The 2013 sales tax grew at a rate of 0.68% over 2012 actuals. Growth in monthly sales tax receipts compared to the same period a year ago continued to be volatile throughout the year without any definitive trends. 2013 sales tax revenue for January, July, and November sales grew at a rate of over 4.5% in comparison to the same periods a year ago, while revenues for March sales were more than 5% below the same period a year ago. Consumer confidence appears to be on the rise, but sales taxes generated by retail sales have remained relatively flat. The impact of increasing internet sales and rebates for local sales tax on business, governmental, and non-profit purchases in excess of \$2,500 have stifled local tax growth. State statute restricts the level of tax information available to municipalities which makes revenue forecasting very difficult.

The 2014 budget includes the revenue and expense associated with separate property tax millages and state turnback funds for the closed Police and Fire Pension and Relief Funds. The revenue is passed through the General Fund and contributed directly to the Police and Fire Pension Funds. In prior years, this revenue has been reflected as a year-end adjustment and has not been included in the annual budget. In 2014, the dedicated revenue of approximately \$10.9 million is included in the General Fund budget. Excluding the dedicated pension revenue, the projected change in operating revenues is approximately 2.5% over the original 2013 operating budget.

	<u>REVENUES</u>	<u>CHANGE</u>
2010 Operating Revenues	131.1	
2011 Operating Revenues	134.4	2.52%
2012 Operating Revenues	163.8	21.88%
2013 Operating Revenues	171.2	4.52%
2014 Operating Revenues	184.3	7.62%

Property taxes comprise approximately 14.4% of 2014 General Fund budgeted revenues. Assessments of real estate and personal property are levied in the current year and collectible in the following year. Little Rock is in Pulaski County which completed a real estate reappraisal in 2012. Historically, the reappraisal is on a three (3) year cycle, however the Arkansas State Assessment Coordination Department altered the reappraisal to a five (5) year cycle with the next appraisal in 2017. Personal property is reappraised annually by May 31. The original charge for 2013 property taxes to be collected in 2014 reflects a 2.4% increase over 2013.

Utility franchise fees comprise approximately 15% of 2014 General Fund budgeted revenues. 2013 utility franchise revenues were approximately 2% above 2012. Overall, there is a slight increase over the 2013 budget and a 1% reduction from 2013 actual revenues forecast for 2014. Weather plays a significant role in the majority of the annual franchise fee revenues. The largest percentage changes experienced in 2013 were associated with CenterPoint Energy, the gas utility, Wastewater, and Comcast Cable. The price of natural gas increased substantially over the past twelve months. The increase in natural gas prices, coupled with a 14.6% increase in usage, resulted in an increase in franchise fee revenues from CenterPoint Energy of approximately 19%. Wastewater Utility implemented an average 8% increase in rates in 2013. Central Arkansas Water and the Wastewater utility have experienced significant reductions in water usage due to efficiencies in technology, conservation efforts, and significant rainfall in the spring and summer. There are a number of franchise rate adjustments announced for 2014. Entergy Arkansas, the electric utility, has announced a 4% reduction in rates with the expiration of the Federal Energy Regulatory Commission (FERC) rider associated with its exit from a multi-state agreement in which it had operated for decades to equalize rates among member states. Central Arkansas Water announced a scheduled rate increase of 4%. CenterPoint Energy announced a 5.24% increase in rates for the first quarter of 2014. Wastewater will implement scheduled rate increases of an average of 7% in 2014 and 4.75% in 2016. The downward revenue trend continues for local landline franchise fees. The trend towards households with only wireless phones gains in popularity. Telecommunication revenues are expected to further decrease as wireless continues to increase market share. Long distance and fiber optic revenues continue to remain consistent with prior year revenues.

Licenses and permits comprise approximately 5.7% of 2014 General Fund revenues. 2013 revenues increased 4.4% over 2012 and are expected to increase approximately 1% over the amended 2013 budget in 2014. The 2013 growth consisted of a 3.9% increase in business licenses and a 13.4% increase in mixed drink supplemental payments. Building and related permit revenue declined 2.5% from 2012 levels. Fines and fee revenues increased approximately 9.8% compared to one year ago but were below 2013 budget levels. Traffic and parking fines increased slightly from one year ago along with animal control operating revenues and fines.



**PROPERTY TAXES**

In general, all real and personal property situated in the City is subjected to ad valorem taxation with some exceptions such as school property and libraries. Residents, utilities, and businesses in Little Rock are assessed and levied property taxes as follows:

- Assessed value is an amount equal to twenty (20) percent of market value, and the levied millage is applied against the assessed value to determine the tax owed. With the passage of Amendment 79, the most that a residential property appraisal can be increased annually is 5%, regardless of the increase in market value of the property. A non-residential property or an investment property is limited to an annual increase of 10%.
- Any annual increase in the value of utility and carrier real property is limited to 10% of the assessed value for the previous year.
- Tax levies, expressed in terms of millage (one mill equals \$1 in tax per \$1,000 in assessed value), are passed by local governments and certified to the County Tax Collector, who bills and collects the tax.
- A Little Rock resident living in the Little Rock School District is charged a millage rate of 70.10.
- Taxes are remitted to the City monthly by the Pulaski County Treasurer as payments are received throughout the year.

The General Assembly exercised its homestead exemption authority with the passage of Act 1598 of 2001 (Amendment 79). Effective with the assessment year 2000 and thereafter, the amount of real property taxes assessed on the homestead of each property owner is reduced by \$350. A homestead is a property which is an owner’s principal place of residence.

The City recently received notice of the original charge for 2013 property taxes to be collected in 2014 which reflects an overall increase of 2.43%. The Pulaski County Treasurer’s Office is experiencing a collection rate of approximately 96%, which includes collection of delinquent taxes from previous years.

The City tax levies the past two years were as follows:

	<u>2012 Payable 2013</u>	<u>2013 Payable 2014</u>
General Operation	5.00	5.00
Bond Retirement	3.00	3.00
Library System	5.20	5.20
Police & Firemen’s Pension	<u>2.00</u>	<u>2.00</u>
	15.20	15.20

The dedicated one mill property tax levies for the Police and Fire Pension plans are included in the General Fund budget in 2014. The revenue is reflected in the General Fund and is contributed directly to the Police and Fire Pension Funds. In prior years, this “pass-through” revenue was not included in the annual budget, but was included in actual revenues as a year-end adjustment. The dedicated pension property tax millage is expected to generate approximately \$7,510,200 in revenues.

In addition, the City receives approximately one-half of the collections from a 2.90 mill road tax levied by the County and restricted to use for street repair and maintenance. The 2014 budget anticipates \$5.47 million in property tax collections from this tax.

In addition to the City millage of 15.20 and the County road millage of 2.90, a Little Rock property owner’s tax assessment for 2013 includes 5.60 mills levied by the County and 46.40 mills levied by the Little Rock School District. The total millage for a Little Rock property owner is 70.10 for 2013 property taxes payable in 2014.

The general operations 5.0 mill levy is the maximum rate allowable under state law for general city operations. Property taxes for 2013 increased slightly over 2012 receipts. Property taxes include Act 9 Payments which represent payments in lieu of property taxes paid by certain industrial companies. Dillards, LM Wind Power Blades, Inc., Novus, Ringwood Container, Sage V Foods, Welspun Pipes, Inc. and Windstream are companies which are scheduled to make Act 9 payments in 2014.

### **COUNTY SALES TAX**

The City receives a pro-rata share of a one (1) cent countywide sales tax. Distribution is based on the Little Rock population as a percentage of Pulaski County’s total population. According to the 2010 Census, Little Rock experienced a 5.0% growth in population from the 2000 Census. The City comprises approximately 50.56% of the County population and therefore receives this percentage of the County sales and use tax. The projected revenue for 2014 from this tax is \$39,999,500, which represents a 1.75% increase over the anticipated 2013 year-end results at the time the budget was adopted and a 1.47% increase over 2013 actual sales tax receipts.

Use taxes, paid mostly by businesses, resemble sales taxes. They apply to goods purchased from out-of-state merchants such as catalog vendors. Use taxes included in the projection are approximately \$3,625,000 annually. The local city sales tax of 1.5% grew at a slightly higher rate of 0.78% than the county’s sales tax growth rate of 0.52%. On January 1, 2008, changes to Arkansas’s state and local sales tax laws were implemented for purposes of compliance with the Streamlined Sales Tax Agreement. Including Arkansas, the sales tax laws of twenty-four (24) states have been amended to conform to the agreement.

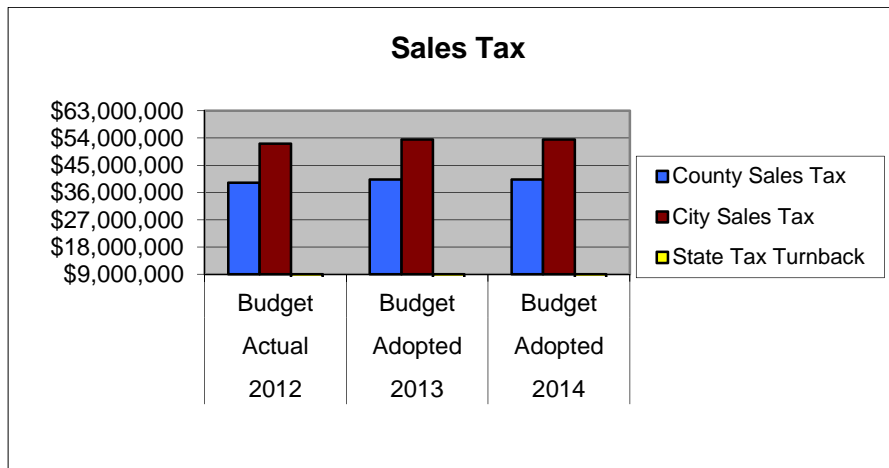
### **LOCAL SALES TAX**

Prior to 2012, the City of Little Rock levied one of the lowest sales tax rates in the State of Arkansas at 0.5%. In September 2011, voters approved an overall one (1) cent sales tax increase which is comprised of a permanent 5/8 cent dedicated

for ongoing operations and a temporary 3/8 cent dedicated to capital projects over a ten (10) year period. The new tax went into effect on January 1, 2012. The existing 1/2 cent sales tax generated \$23,376,013. The new 5/8 cent tax dedicated to ongoing operations generated an additional \$29,220,016 in revenue in 2013.

The 3/8 cent tax for capital projects generated \$17,568,444 in 2013 and is expected to generate \$195.8 million over the ten (10) year period for capital projects. The 3/8 cent tax revenue is not reflected in General Fund revenues. Instead, it is reported in a separate capital projects fund.

There is a two-month delay from the time the actual sales tax revenues are collected by businesses and the time they are received by the City. Sales tax is remitted by businesses to the State, which disburses this amount to the City, less a 3% administrative charge. Prior to January 2014, local governments had limited information regarding sales tax receipts which made forecasting these revenues difficult. As a result of concerted efforts by the Municipal League and sponsoring cities, the Arkansas Department of Finance and Administration now issues a statistical report which classifies and summarizes tax collection and adjustment information for businesses, reporting activity for the specific city or county by NAICS code. Over time, the reports are expected to better assist in sales tax forecasting. The report will include components that comprise negative adjustments, such as refunds, rebates and corrections. The projected revenue for 2014 from the local city tax is approximately \$53,177,100 which represents a 1.75% increase from anticipated 2013 year-end results at the time the budget was adopted and 1.10% over actual 2013 receipts.



**STATE TAX TURNBACK**

The State General Assembly, through the Office of Budget, appropriates and then distributes an amount for turnback to municipalities each July 1<sup>st</sup>, based on population. The General Fund turnback for 2014 was reduced from \$16.30 to \$15.20 per capita, or a 6.75% decrease. The Arkansas State Legislature

appropriated monies to be disbursed to county and local governments from the surplus of the Property Tax Relief Fund. Historically, Little Rock has received approximately \$411,000 from this appropriation. A reduced surplus in the fund will result in a reduced appropriation to Little Rock of \$205,925. State turnback funds should generate approximately \$2.95 million dollars in General Fund revenue in 2014.

### State Turnback

State Turnback Year-to-Date 2013 with 2012 Comparison (shaded blue)

Month	Street		Severance		General	
	2012	2013	2012	2013	2012	2013
January	\$6,537,582	\$6,083,989	\$537,347	\$567,572	*\$5,889,623	\$5,890,046
February	7,103,104	6,402,534	485,628	728,037	1,889,245	1,897,309
March	6,111,823	5,816,498	809,524	742,998	1,889,603	1,889,913
April	6,508,820	6,019,069	508,320	646,154	1,882,530	1,890,084
May	6,925,015	6,643,763	375,733	589,734	1,889,362	1,884,772
June	7,148,253	6,880,560	395,418	671,509	1,889,865	1,889,911
July	7,043,887	6,750,810	375,174	803,621	** 5,842,460	5,424,973
August	6,643,716	7,684,016	294,504	865,190	1,889,165	2,586,804
September	6,846,853	9,473,120	356,918	817,319	1,890,041	1,889,910
October	6,528,082	9,422,856	498,818	742,984	1,890,041	1,889,910
November	6,440,630	8,234,597	545,492	686,467	1,889,559	1,889,429
December	6,450,883	8,433,441	470,060	685,869	1,703,307	1,889,910
<b>Total</b>	<b>\$80,288,648</b>	<b>\$87,845,255</b>	<b>\$5,652,935</b>	<b>\$8,547,455</b>	<b>\$30,434,803</b>	<b>\$30,912,971</b>

\* Includes \$4 million appropriation from the Property Tax Relief Fund

\*\* Includes \$3,516,786.65 supplemental in July 2012 and \$3,516,799.83 in July 2013

### Local Option Sales and Use Tax in Arkansas

Sale and Use Tax Year-to-Date 2013 with 2012 Comparison (shaded blue)

Month	Municipal Tax		County Tax		Total Tax		Interest	
	2013	2012	2013	2012	2013	2012	2013	2012
January	\$43,764,256	\$37,846,866	\$39,379,372	\$37,289,267	\$83,143,628	\$75,136,134	\$12,329	\$12,533
February	51,585,273	46,523,853	44,215,215	44,592,756	95,800,488	91,116,609	26,338	22,619
March	42,875,487	40,360,002	38,040,827	36,819,087	80,916,314	77,179,089	8,508	13,222
April	44,204,032	41,324,697	39,707,294	37,882,489	83,911,326	79,207,186	24,953	27,247
May	47,315,206	46,157,943	42,055,467	41,661,276	89,370,673	87,819,219	5,611	8,489
June	46,455,658	43,883,127	41,846,373	40,430,123	88,302,031	84,313,250	27,062	30,892
July	47,227,642	44,736,261	42,580,665	40,688,525	89,808,307	85,424,786	7,773	11,606
August	47,615,222	45,618,216	43,352,547	41,616,180	90,967,768	87,234,396	25,210	27,685
September	45,850,267	44,215,998	43,479,764	40,815,883	89,330,031	85,031,881	9,433	14,110
October	46,540,715	45,686,669	44,208,889	42,353,132	90,749,603	88,039,801	26,911	28,246
November	45,245,392	45,434,409	42,367,542	41,142,702	87,612,934	86,577,110	8,718	14,114
December	45,359,946	44,662,489	41,645,364	40,506,136	87,005,310	85,168,625	29,399	26,648
<b>Total</b>	<b>\$554,039,096</b>	<b>\$526,450,530</b>	<b>\$502,879,319</b>	<b>\$485,797,556</b>	<b>\$1,056,918,413</b>	<b>\$1,012,248,086</b>	<b>\$212,245</b>	<b>\$237,411</b>
Averages	\$46,169,925	\$43,870,878	\$41,906,610	\$40,483,130	\$88,076,534	\$84,354,007	\$17,687	\$19,784

Municipal Sales and Use Tax has an effect on local sales tax revenues and is one of the factors that affect local sales tax based on where the purchaser takes receipt or delivery of the product or service.

Source: Debbie Rogers, Office of State Treasurer

**INTEREST EARNINGS**

Interest earned on the investments and bank deposits of the General Fund, certain bond retirement funds, special projects and capital funds can legally be utilized for any municipal purpose. The Federal Funds rate has decreased to a target range of between 0.00% and 0.25% and has remained at historically low levels since January 1, 2009. The Discount Rate currently remains at 0.75%. During the second half of 2013, the yield on fixed-income investments held in the short-term operating fund have increased slightly.

These securities are short in duration, backed by the U.S. government and are among the safest securities in the world. Short term interest rates are scheduled to remain in the exceptionally low range in 2014 with rates expected to rise only modestly by the end of 2015. Slightly higher interest rates coupled with larger fund balances should increase investment earnings in 2014. The City's bank deposits continue to yield a favorable 0.45% in 2014.

**UTILITY FRANCHISES**

Utility franchise fees are charged to public utilities for the privilege of using the City's streets and rights-of-way. The public utilities paying franchise fees are listed below with the annual rate, which is typically based on the gross revenues of the utility:

Entergy	5.20% of gross revenue collection for the current calendar year or \$8.8 million, which-ever is greater
CenterPoint Energy	5.20% of gross revenue for the current calendar year or \$2.1 million, whichever is greater
AT&T (Local Land Lines)	7.32% of local exchange access line charges for the previous calendar year
All Other Local Land Lines	7.32% of local exchange access line charges for the previous calendar year
Comcast Cable	5.00% of gross revenues
Central Arkansas Water	10.00% of gross revenues from water sales to customers within the City plus 0.1545 times 20% of the book value of the Water Works system inside the City limits
WasteWater Utility	10.00% of gross revenues
Fiber Optics	5.00% of gross revenues
Long Distance Franchise	\$0.004 per minute of toll calls

Overall franchise fee revenues in 2013 were 1.91% higher than 2012 levels. CenterPoint Energy, the gas utility, experienced significant revenue increases (19%) due to an increase in the price of natural gas and an almost 15% increase in usage, the result of an unusually cold winter.

CenterPoint reports its natural gas costs to the Arkansas Public Service Commission at the end of every October and those rates are passed along to customers with no profit going to the utility. CenterPoint announced a 5.24% rate increase for the first quarter of 2014. Certain franchise fee revenues, such as Entergy, CenterPoint, and Central Arkansas Water are directly impacted by the weather. An on-going national trend is that water consumption continues to decrease due to water saving appliances and conservation measures.

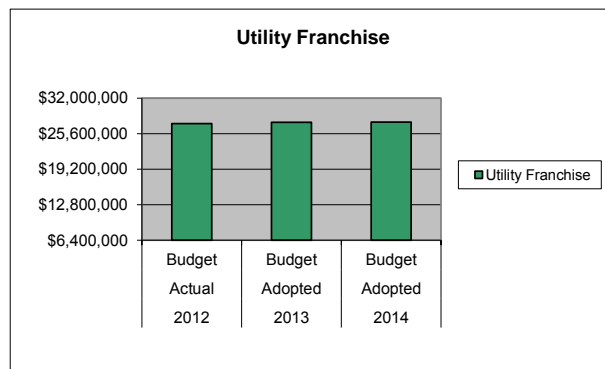
A relatively mild 2013 summer resulted in a decrease in Entergy franchise revenues of 1.67% while usage declined by almost 3%. Entergy Corp. announced a 4% reduction in rates with the expiration of the Federal Energy Regulatory (FERC) rider. The elimination of the FERC rider begins on January 1, 2014 upon Entergy Arkansas, Inc. exiting its parent company (Entergy Corporation System) and joining the Midwest Independent Transmission System Operation, Inc. The Energy Cost Rate (ECR) is also expected to decrease slightly. The loss and reduction in riders are projected to reduce revenues by 5% from 2013 totals.

Central Arkansas Water (CAW) announced a rate increase of 4% for 2014. The rate increase was necessary to pay debt service on bonds issued to bring the utility’s two treatment plants to EPA standards as required by the Clean Water Act. The rate increase is expected to raise an average homeowner’s water bill by 48 cents in 2014. The average increase for a commercial user is expected to be approximately 3.5%. In 2013, franchise fees received from Central Arkansas Water were 7.81% lower than in 2012. According to CAW, 2012 was a record year for total water usage while 2013 was a record low. The majority of the 2013 summer had ample precipitation and mild temperatures.

Little Rock Wastewater revenues increased 10.68% over the previous year. The majority of the increase was attributed to an 8% increase in the sewer rate.

Wastewater Utility has announced an overall rate increase of 7% for 2014 with 2.5% of the increase for residential users. There is no announced rate increase for 2015. However, Little Rock’s sewer rate is scheduled to increase 4.75% in 2016. The announced rate increases were implemented to comply with the terms of the Sierra Club lawsuit to reduce sanitary sewer overflows in Little Rock.

Franchise fee revenues from local land line companies continue to decline from a peak in 1998. This trend is expected to continue in the foreseeable future, with more customers migrating from utilization of a home phone (land line)



and a mobile phone to only a mobile phone. Revenue from local land line providers declined 2.99% in 2013 and are expected to further decrease in 2014.

The downward trend in traditional franchise fee revenues from long distance providers is a result of an increase in wireless or mobile phone usage for long distance calls. The franchise fee revenue from long distance actually increased 7.2% in 2013 after an 11% decrease in 2012. The increase in 2013 was attributed to capturing the smaller long distance providers operating in Little Rock through the Arkansas Public Service Commission. Long distance revenue is projected to remain steady in 2014.

Franchise revenue from CenterPoint Energy, the gas utility, significantly improved (19%) due to an increase in the price of natural gas and an almost 15% increase in usage associated with the unusually cold winter. CenterPoint accumulates and stores natural gas for the next heating season. The cost of natural gas makes up between 70% and 80% of the typical bill. Natural gas prices have increased approximately 5.6% in the prior twelve (12) months. CenterPoint reports its natural gas costs to the Arkansas Public Service Commission at the end of every October and those rates are passed along to customers with no profit to the utility. CenterPoint announced a 5.24% rate increase for the first quarter of 2014, however; the increase should be offset by lower consumption, resulting in a relatively flat growth rate for 2014.

Fiber optic companies, such as AT&T U-Verse and Windstream, are now in direct competition with Comcast Cable, which has historically been one of the City's leading growth franchise customers. Fiber optics franchise revenues remained steady in 2013. A one-time refund of \$46,000 to an exempt non-profit resulted in an overall decrease in revenues from Windstream. Going forward, the exemption of sales to the non-profit will result in an \$18,000 decrease in franchise revenue per quarter. Fiber optic companies rarely announce anticipated rate increases in advance of the actual rate change. Cell phone and Internet usage is not included in the franchise agreement.

Franchise fee revenues for fiscal year 2014 are forecast to be less than one percent above 2013 receipts and relatively flat compared to the amended 2013 budget. Utilities may adjust rates during the course of the year which affects revenues. In addition, severe weather or unusual weather patterns may impact franchise revenues.

<b>Announced Utility Rate Adjustments for 2014</b>	
Entergy	-4.00%
CenterPoint	5.24%
Waste Water Utility	7.00%
Central Arkansas Water (CAW)	4.00%
SW Bell (AT&T)	0.00%
Local Land Lines	0.00%
Long Distance	0.00%
Fiber Optics	0.00%

**BUSINESS LICENSES**

Business licenses are required annually for every business operating within the City limits. License fees are billed, collected, and administered by the City's Treasury Management Division. Business licenses continue to be a stable revenue source with 2013 license fees increasing 3.88% to over \$6.3 million. The increase of over \$235,000 for 2013 is attributed to an improved local economy and aggressive collection of delinquent accounts. 2014 revenues are expected to remain at 2013 levels with no scheduled rate increases. A business license committee will review the fairness and equity of the business license fee structure periodically and provide recommendations to the Board of Directors.

**MIXED DRINK PERMITS AND SUPPLEMENTAL TAX**

Hotels, restaurants, and bars are required to have a permit in order to sell alcoholic beverages for on-premises consumption. In addition, a 10% supplemental tax is levied on public liquor sales and a 5% tax is levied on sales by private clubs within the City. 2013 mixed drink revenue was 13.43% above 2012 and 8.40% above the 2013 original budget. The City enjoys a strong working relationship with the State of Arkansas Alcohol Beverage Control Agency to ensure that every business in Little Rock with a state alcohol permit is also registered with the Treasury Management Office. The 2014 budget anticipates an increase of approximately 2.2% over 2013 actual revenues.

**BUILDING AND RELATED PERMITS**

Building and related permits, which include electrical permits, plumbing permits, and heating ventilation and air conditioning (hvac) permits, were 8.3% above the 2013 amended budget but almost 2.5% below 2012 actuals. The 2013 budget was reduced significantly because 2012 included the permitting of several large apartment complexes, a hospital expansion and a new downtown hotel.

The City's Planning & Development Department projects construction to remain stagnant for residential permits, but commercial activity is expected to be above 2013 levels. Commercial projects planned in early 2014 include the new CARTI campus (\$50.7 million), the Residence at Brodie Creek Phase II, and the 72,000 square-foot Little Rock Medical Associates building in midtown. In addition, three (3) downtown projects are expected to have a significant economic impact in 2014, including Homewood Suites, MacArthur Commons and Hilton Garden Inn. Construction of the 325,000 square-foot Gateway Town Center, which will be home to an upscale outlet mall next to the Bass Pro Shop is planned to begin in southwest Little Rock in the spring of 2014. Continued favorable interest rates should continue to spur construction activity in Little Rock.

**FINES**

Fines and related fees comprise 1.74% of the 2014 budget. 2013 fines and fees were approximately \$260,500 or 9% above the previous year. Over \$100,000 of the increase is attributed to the inclusion of various RiverMarket fees such as equipment rental, security, etc. in 2013 General Fund revenues. Previously,



RiverMarket revenues were included in a separate enterprise fund. Traffic fine revenues were flat in 2013 but are expected to increase approximately 2.50% from prior year as additional Police officers funded by the new 5/8 cent sales tax are deployed. Parking fines increased approximately 25% in 2013 from 2012 totals. Parking Enforcement attributes the increase in tickets issued to an additional motor scooter and more operational meters than the previous year. 2013 parking fine revenues did not experience a significant increase from the installation of the eight (8) new pay and display solar meters servicing approximately 108 spaces in the RiverMarket since they were installed in late October. The new meters should contribute noticeable parking fine revenue in 2014. 2014 parking fines are projected to be 11% higher than 2013 with the increase in operational meters.

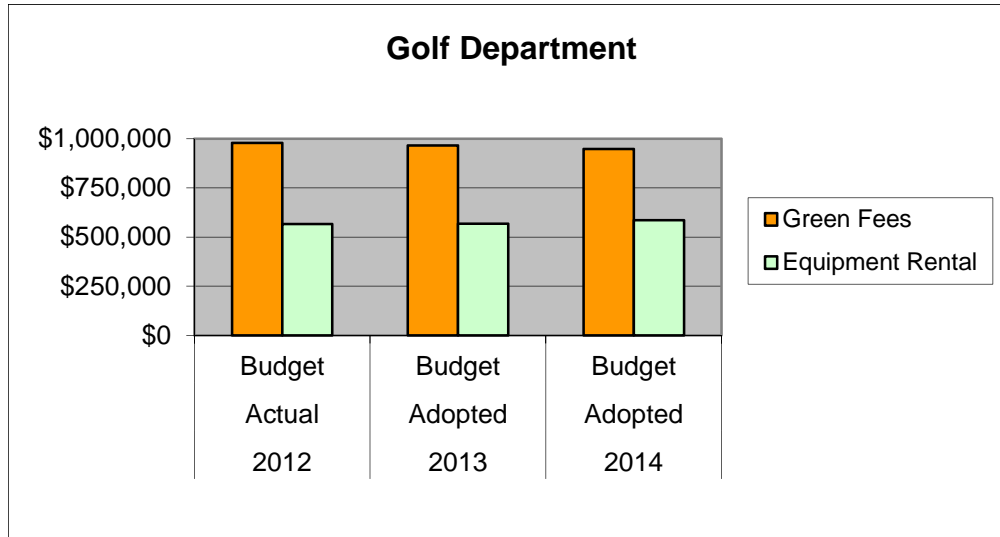
### **PARK & ZOO REVENUE**

General Fund park revenues are generated by three (3) golf courses, tennis fees, community center fees, athletics fees, summer programs and pavilion rentals. Prior to 2013, the Zoo, Jim Dailey Fitness & Aquatic Center, and the municipal golf courses (Rebsamen, Hindman and War Memorial) were operated as separate enterprise funds. At the end of 2012, these activities were consolidated into the General Fund. General fund park and zoo revenues are expected to increase 11.60% or \$1,169,000 from one year ago, primarily due to increased Zoo admission charges and the reopening of Hindman Golf Course which was renovated in 2013.

Excluding Transfers In and Donations, Zoo revenues decreased approximately 9% or \$312,040 from one year ago. Similar to park revenues, Zoo revenues are heavily dependent on weather conditions. The spring of 2013 was unseasonably cold followed by a very wet summer. Additionally, the popular train at the Zoo was taken off-line for renovation. Overall, 2014 Zoo revenues are projected to be approximately 14% higher than 2013 actual revenues. Zoo Admissions account for approximately \$420,000 of the increase to Park and Zoo revenue. Following a 2013 independent study of Zoo rates and services across the country, 2014 Adult Zoo Admission fees will increase from \$10.00 to \$12.00, and rates for children, ages 1-12 will increase to \$9.00 from \$8.00. Group Admission fees for fifteen (15) people or more will increase \$1.00 to \$6.00 per person. The Zoo is in the process of purchasing a train and renovating the train tracks with plans to make it available for guests by the start of the spring busy season.

The City operates three (3) public golf courses and relies heavily on greens fees and concessions to operate these courses. Historically, March is the start of the busy season for golf courses. Similar to Zoo revenues, the cold spring months coupled with the wet summer months reduced the number of patrons on each course in 2013. Overall golf revenues were 16.92% below 2012 levels. 2013 Rebsamen Golf revenues decreased almost 13%. War Memorial revenues decreased 4.79% from one year ago and Hindman Golf Course decreased 44.20%. The sharp decline in Hindman revenues were the result of a temporary closure for the purpose of resurfacing all eighteen holes, including the practice putting greens and for renovations to the pro shop. The improvements and new renovations at Hindman are expected to increase 2014 revenues 8.54% over the

last full year of revenues. The 2014 Rebsamen golf revenues are projected to be 10.6% over last year, and War Memorial revenues are projected to increase approximately 3%.

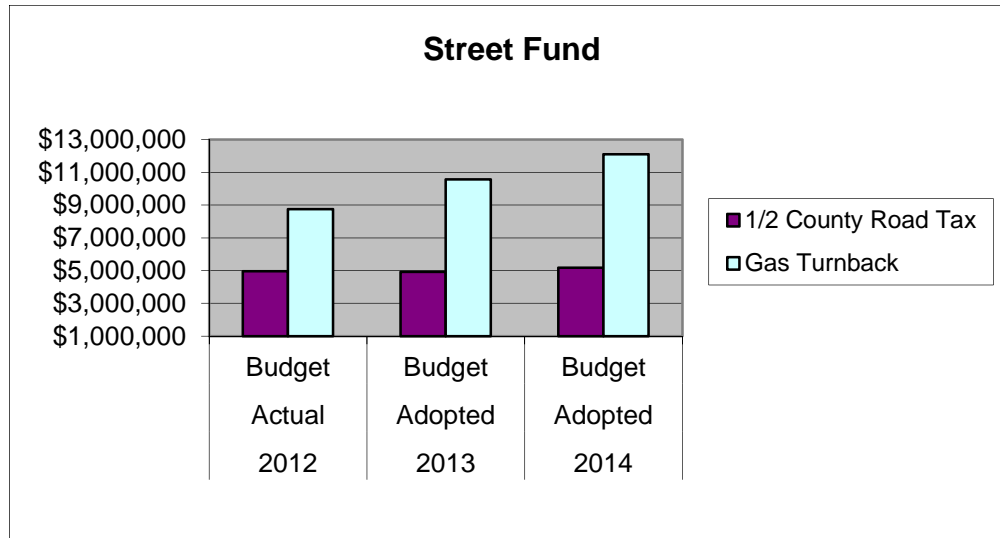


**AIRPORT REIMBURSEMENT**

The Little Rock National Airport reimburses the City for expenses related to police and fire protection. In 2013, airport police reimbursements increased 7.77% to \$1.91 million and airport fire reimbursements increased 2.49% to \$1.24 million. Staffing levels and 2014 airport reimbursements should be consistent with 2013 levels. The increases in salaries and healthcare cost will offset the negotiated \$79,000 reduction in police overtime at the airport.

**STREET GAS TAX TURNBACK**

The City receives state turnback funds directed to the Street Department. The gas tax turnback is allocated based on the latest census and gallons of fuel consumed. Basically, 15% of the tax on gasoline consumption goes toward municipal aid or gas turnback. 2013 revenues were 21.65% higher than 2012, the result of the passage of Constitutional Amendment No. 1 in the general election of 2012. The initiative provided additional funding for State, County and City streets and bridges with a temporary one-half percent (0.5%) sales and use tax for road construction and maintenance. The ten (10)-year sales tax is effective from July 1, 2013 through December 2022. The measure increased the per capita funding for city streets from \$52 to \$62. Gas turnback funds have been trending downward as a result of lower gas consumption associated with more fuel efficient automobiles. The State Highway Department’s turnback projection for 2014, including gas tax, severance tax and sales tax is \$12.1 million. The 2014 Street Turnback estimate includes proceeds from the new highway 1/2-cent sales tax and severance tax on natural-gas. Currently, approximately 7% of the turnback is attributed to the natural gas severance tax. The 2014 budgeted increase of 13.7% is attributed to the first full year of the new sales tax.



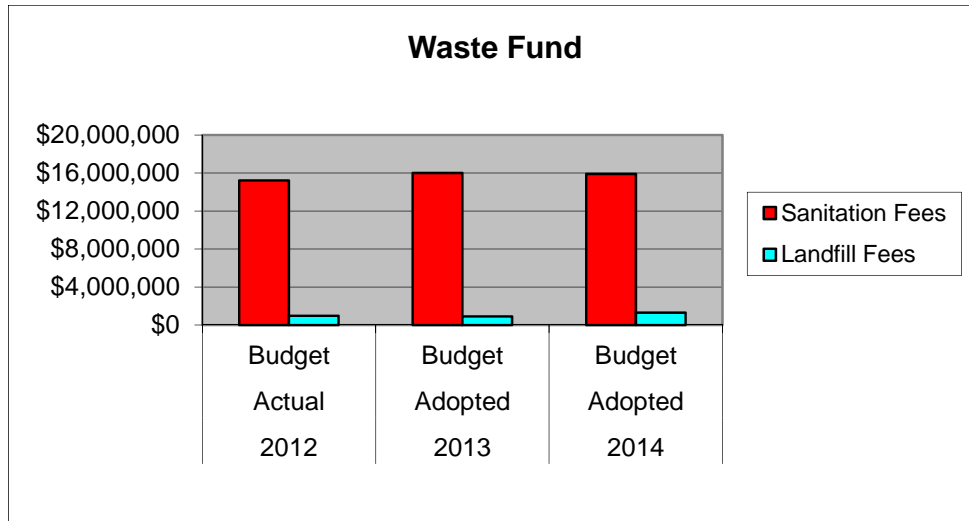
**BOND & INTEREST FUND**

Revenues from this fund were utilized to finance the debt service on the \$70,635,000 Limited Tax Bond Issue, Series 2004. In November 2003, voters approved the continuance of a 3.3 annual property tax millage for debt service on the bonds. The bonds were fully redeemed on April 1, 2013. The voters of Little Rock approved a new annual ad valorem tax at a lesser rate of 3.0 mills at a special election on September 11, 2012. The reduced millage replaces the previous 3.3 mill tax and is pledged for the financing of \$105 million in street and drainage improvements. On July 15, 2013, the City issued \$58,105,000 of general obligation debt (\$42,000,000 for street improvements and \$18,000,000 for drainage improvements). The millage, along with the Homestead Credit, which is monies generated from a state-wide half-cent sales tax, produced approximately \$11 million toward 2013 debt service on the outstanding bonds.

**WASTE DISPOSAL**

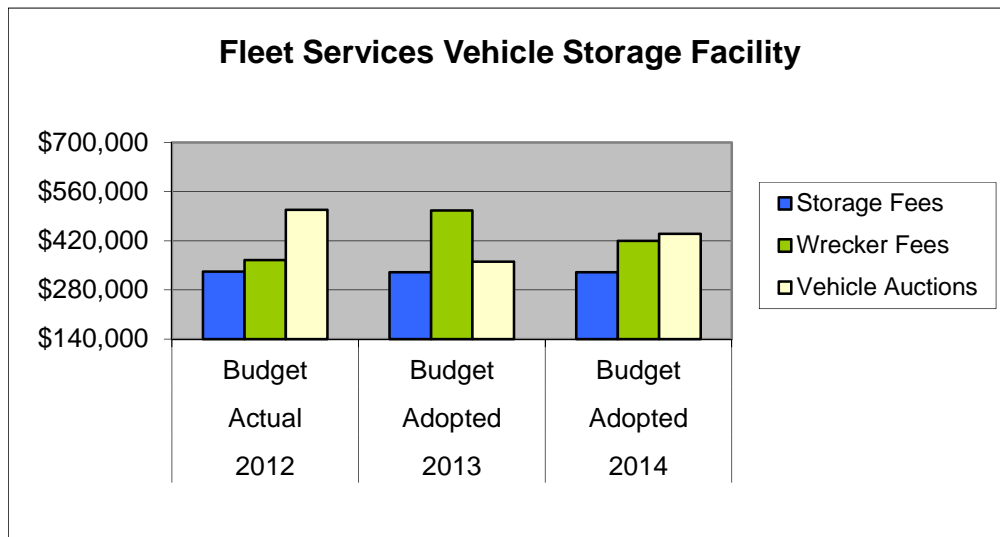
The 2013 Waste Disposal charges for services revenues increased 8.87% over 2012 levels. Sanitation fees revenue increased 5.53% primarily attributable to delinquent collections. Landfill fees increased almost 57%, the result of a full year agreement with Waste Management and Waste Corporation for dumping fees. Revenues from methane gas increased almost 45% as a result of the exclusive vendor maintaining equipment online for the majority of the year. The monthly residential rate for sanitation pickup remained at \$22.02. There are approximately 58,000 households currently receiving garbage collection services.

In addition, approximately 280 commercial vendors pay an average rate of \$33.37 a month for waste disposal services. The 2014 budget for sanitation fees of almost \$16 million is lower than 2013 actuals because it contains no anticipated delinquent collections. Landfill fees are projected to drop 13% from one year ago because of a decline from private haulers. In addition, 2013 revenues included a significant amount of 2012 winter storm debris. Landfill fees are expected to generate approximately \$1,300,000 in 2014. Methane gas captured by the landfill is piped to a vendor and is expected to generate \$135,000 in annual revenues.



**VEHICLE STORAGE**

Vehicle Storage revenues are generated from storage fees, wrecker fees, and auction sales. These revenue sources contributed approximately 80% of total 2013 revenues which was a decrease of 10.3% from one year ago. The largest decrease was associated with vehicle auctions which declined almost \$168,000 from one year ago. 2012 Vehicle Auction revenue was overstated with some wrecker fees included in the total. The 2014 revenue budget remains flat compared to 2013 actuals. There were 3,257 tows to the Little Rock Vehicle Storage facility in 2013 compared to 3,132 in 2012. The average sales price per vehicle auctioned in 2013 was \$601.



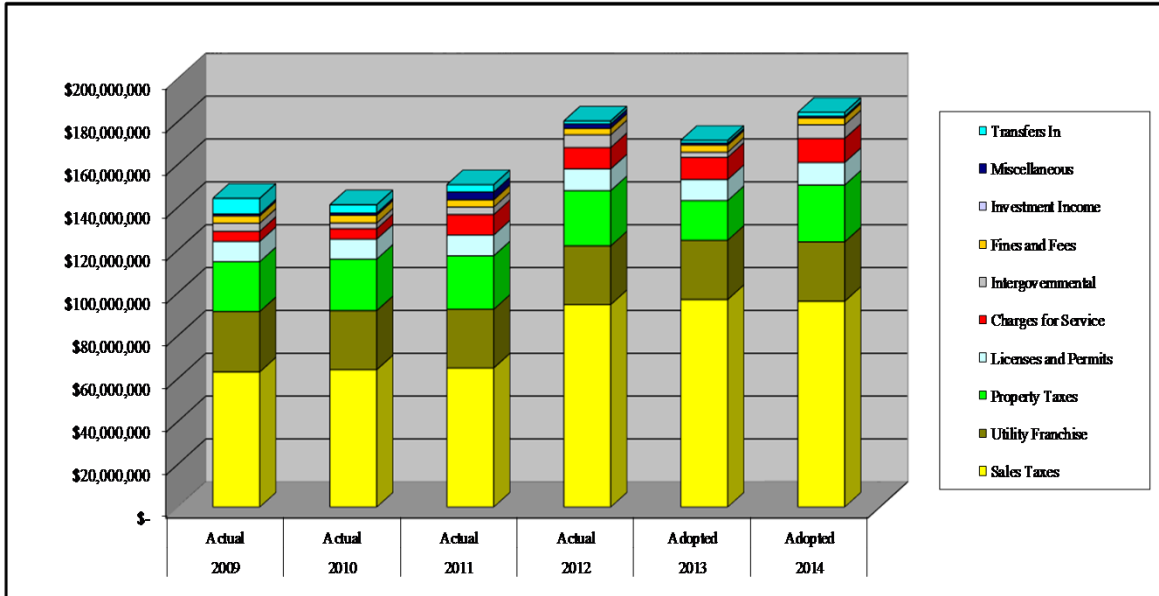
**PARKING GARAGE FUND**

The City of Little Rock operates two downtown parking garages. Garage revenues are generated by daily and monthly parking fees at the Second and Main Street Parking Facility and the River Market Parking Garage. In addition to garage fees, annual business license fees received from the rental and/or leasing of

automobiles and trucks, parking meter revenues, and street repair fees collected from utility companies are pledged to debt service on the bonds issued to construct the parking garages. Overall Parking Garage revenues were 1.30% lower in 2013 than 2012 but 3.3% higher than budget. Monthly revenues from the Statehouse and the RiverMarket Garages were 10.14% higher in 2013 and 6.91% over budget. Daily revenues from both garages remained consistent with 2012. In 2014, daily RiverMarket parking is expected to increase with the reduction in available parking spaces downtown.

Street cut revenues decreased over 51% from one year ago when with one fiber optic company significantly increased the number of street cuts in order to replace and install new fiber optic lines within the city. Street cut revenue has returned to more normal levels and is expected to decrease slightly for 2014. Eight (8) new solar-powered pay parking stations were installed in 2013 on President Clinton Avenue and will be online for a full year in 2014. The installation decreased the number of free parking spaces at the RiverMarket by 108 spaces. Monthly revenues from the new meters are expected to generate \$4,000 with 50% of this total committed to reimburse the installation costs of the meters in the first full year.

# General Fund Revenues Sources and Trends 2009-2014



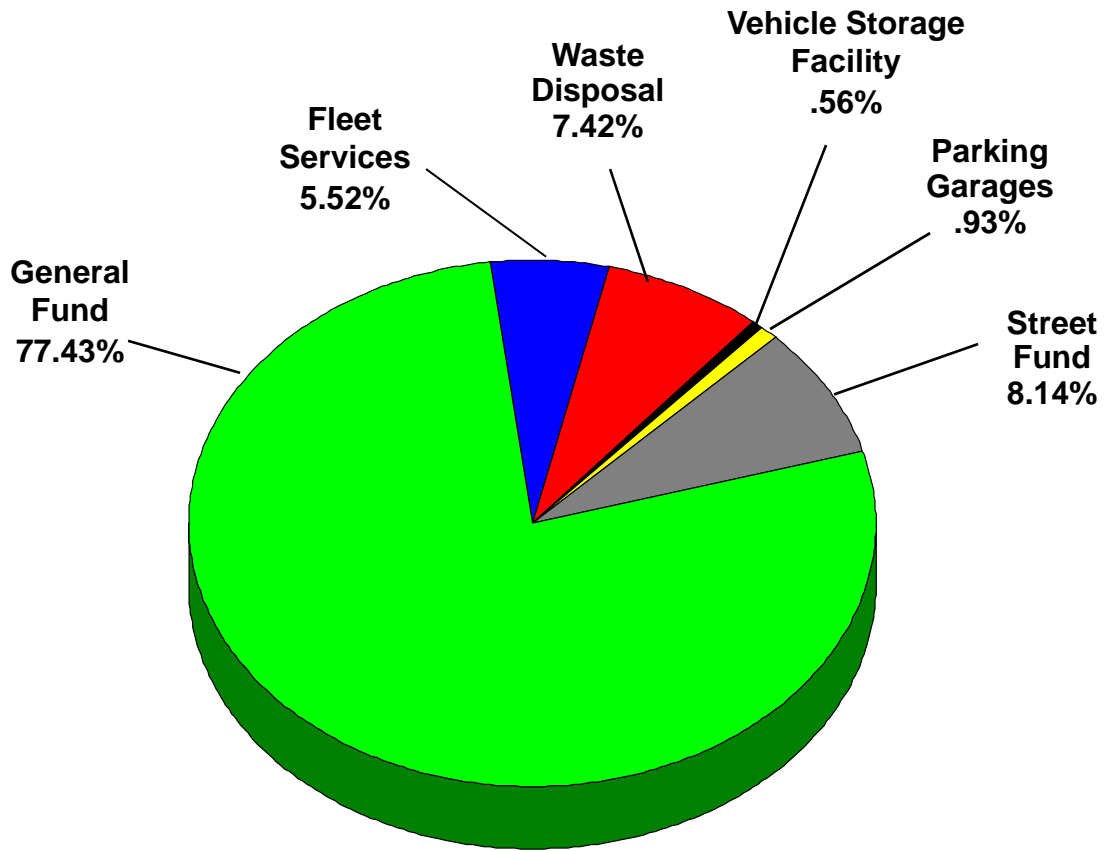
Revenues increased significantly with the implementation of a new sales tax in 2012. The 5/8-cent portion of the tax for on-going operations increased the existing 1/2-cent tax to a total of 1.125%.

Note: 2011 and 2012 Actual revenues have been adjusted to reflect the consolidation of the River Market, Golf, Jim Dailey Fitness & Aquatic Center, and Zoo Funds with the General Fund.

# Expenditures



# CITY OF LITTLE ROCK 2014 BUDGET SUMMARY ALL FUNDS EXPENSES



**\$237,965,157**



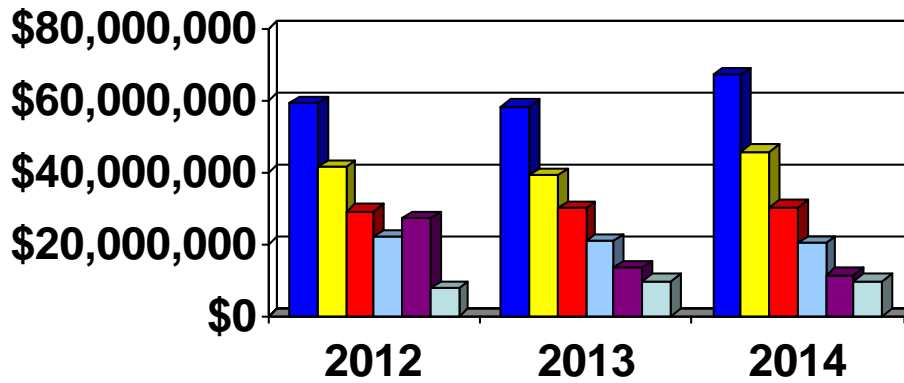
**CITY OF LITTLE ROCK**  
**2014 OPERATING & OTHER BUDGETED EXPENDITURES**

<b>GENERAL FUND</b>	<b>2012 ACTUAL (1)</b>	<b>2013 ADOPTED</b>	<b>2013 AMENDED*</b>	<b>2014 ADOPTED</b>	<b>13/14 DIFF</b>	<b>% CHANGE</b>
General Administrative	\$22,014,866	\$20,771,516	\$20,400,162	\$20,296,290	(\$103,872)	-0.51%
Board of Directors	217,312	234,774	282,447	338,527	56,080	19.86%
Community Programs	354,736	358,428	362,235	388,081	25,846	7.14%
City Attorney	1,497,920	1,706,756	1,584,169	1,769,774	185,605	11.72%
District Court First Division	1,149,358	1,381,441	1,278,561	1,392,505	113,944	8.91%
District Court Second Division	1,127,676	1,222,308	1,211,957	1,247,286	35,329	2.92%
District Court Third Division	550,961	565,562	561,888	627,185	65,297	11.62%
Finance	2,772,119	3,006,838	2,986,382	3,136,992	150,610	5.04%
Human Resources	1,334,084	1,549,857	1,548,499	1,632,677	84,178	5.44%
Information Technology	3,583,744	4,478,965	3,930,001	4,358,322	428,321	10.90%
Planning Development	1,837,969	2,499,148	2,129,139	2,583,968	454,829	21.36%
Housing & Neighborhood Programs	4,073,655	5,534,697	4,944,864	5,673,839	728,975	14.74%
Public Works	962,161	1,138,346	1,025,434	1,166,482	141,048	13.75%
Parks & Recreation	7,475,977	9,534,163	8,785,775	9,739,691	953,916	10.86%
River Market	1,185,528	1,197,800	1,197,800	1,208,675	10,875	0.91%
Golf	2,354,974	2,081,552	2,274,838	2,187,165	(87,673)	-3.85%
Jim Dailey Fitness and Aquatic Center	864,202	891,475	803,405	896,565	93,160	11.60%
Zoo	5,315,033	6,091,304	5,896,684	6,488,801	592,117	10.04%
Fire	41,413,487	39,167,052	44,364,845	45,774,586	1,409,741	3.18%
Police	59,187,490	58,401,831	64,209,117	67,200,859	2,991,742	4.66%
Vacancy Savings		(3,900,000)		(5,000,000)	(5,000,000)	
<b>Sub-total General Operating</b>	<b>159,273,252</b>	<b>157,913,813</b>	<b>169,778,202</b>	<b>173,108,270</b>	<b>3,330,068</b>	<b>1.96%</b>
<b>TRANSFERS OUT/OTHER EXPENSES</b>						
Transfer out to Street Fund	886,071	1,082,000	1,282,000	1,082,000	(200,000)	-15.60%
Special Projects/PIT	12,946,749	9,505,347	9,829,347	9,074,260	(755,087)	-7.68%
Waste Disposal	1,475,240					
Police & Fire Pension		1,000,000			-	
Contingency/Reserve		1,710,000		1,000,000	1,000,000	
Zoo, Golf, Fitness - Consol. with Gen. Fund	11,827,285					
Sub-total of Transfers Out	<b>27,135,345</b>	<b>13,297,347</b>	<b>11,111,347</b>	<b>11,156,260</b>	<b>44,913</b>	<b>0.40%</b>
<b>TOTAL GENERAL FUND</b>	<b>186,408,597</b>	<b>171,211,160</b>	<b>180,889,549</b>	<b>184,264,530</b>	<b>3,374,981</b>	<b>1.87%</b>
<b>OTHER FUNDS</b>						
		2,186,000				
Public Works - Street	15,696,875	17,594,796	17,594,796	19,363,696	1,768,900	10.05%
Fleet Services	11,622,523	12,616,069	12,866,069	13,135,688	269,619	2.10%
Vehicle Storage Facility	1,284,946	1,293,257	1,293,257	1,321,150	27,893	2.16%
Waste Disposal	16,574,747	17,688,470	17,688,470	17,655,926	(32,544)	-0.18%
Parking Garages	1,861,831	2,179,806	2,179,806	2,224,167		2.04%
Sub-total Other Operating Funds	<b>47,040,922</b>	<b>51,372,398</b>	<b>51,622,398</b>	<b>53,700,627</b>	<b>2,078,229</b>	<b>4.03%</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 233,449,519</b>	<b>\$ 222,583,558</b>	<b>\$ 232,511,947</b>	<b>\$ 237,965,157</b>	<b>\$ 5,453,210</b>	<b>2.35%</b>

\* The 2013 Amended Budget includes a reduction in departmental budgets for vacancy savings achieved throughout the year. Vacancy savings represents savings from authorized but unfilled positions. The 2013 vacancy savings goal was fully realized.

(1) Numbers have been adjusted to reflect the consolidation of the River Market, Golf, Fitness and Aquatics Center, and Zoo Enterprise Funds with the General Fund.

# General Government Summary of Appropriations 2012-2014

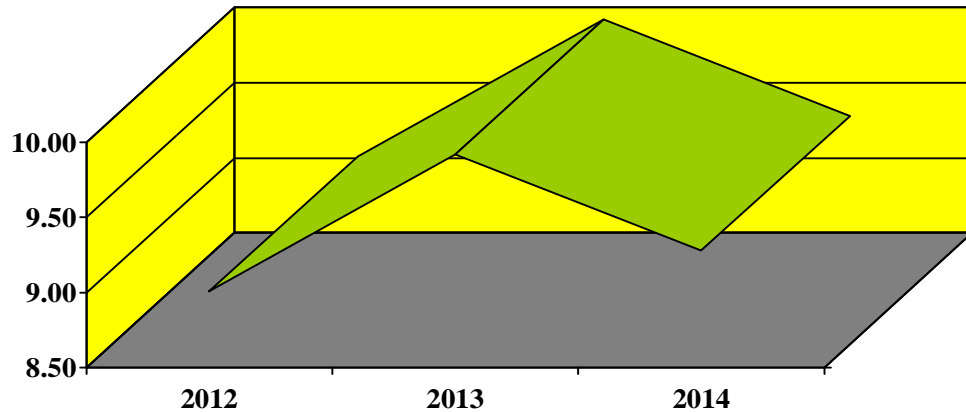


**GENERAL FUND SUMMARY  
EXPENDITURES BY CATEGORY**

<b>CATEGORY</b>	<b>2012 Actual (1)</b>	<b>2013 Budget (1)</b>	<b>2014 Budget</b>
Salaries Wages and Employee Benefits	\$122,039,259	\$121,361,267	\$137,290,586
Supplies and Materials	5,898,410	6,697,932	6,403,155
Repairs and Maintenance	5,997,377	6,500,607	6,796,658
Contractual	20,759,135	20,557,903	20,914,528
Capital Outlay	167,650	400,062	380,000
Debt Service	4,411,421	2,396,042	1,323,343
Transfers	<u>27,135,345</u>	<u>13,297,347</u>	<u>11,156,260</u>
Net City Expenditures	<u>\$186,408,597</u>	<u>\$171,211,160</u>	<u>\$184,264,530</u>
<i>Staffing Level</i>	<i>1,676</i>	<i>1,696</i>	<i>1,708</i>
<i>Ratio</i>	<i>9.01</i>	<i>9.92</i>	<i>9.28</i>

(1) 2012 Actual expenditures were adjusted to reflect the consolidation of the River Market, Golf, Fitness and Aquatics, and Zoo Enterprise Funds with the General Fund.

**STAFFING LEVEL PER MILLION DOLLARS BUDGETED**



**CITY OF LITTLE ROCK  
2014 OPERATING EXPENSES**

	<b>2012 Actual Expend. (1)</b>	<b>2013 Adopted Budget</b>	<b>2014 Adopted Budget</b>
<b>GENERAL FUND</b>			
<b>GENERAL ADMINISTRATIVE</b>			
101001 City Clerk	\$ 181,167	\$ 173,253	\$ 189,276
101002 Administrative & General	16,973,940	15,805,839	14,763,384
101003 Employee Benefits	3,262,791	3,226,212	3,468,472
101004 Racial and Cultural Diversity	142,112	199,255	150,368
101006 Mayor & City Manager Administration	1,093,163	1,021,011	1,374,533
101007 Emergency Management	64,035	56,533	59,668
101008 Small & Minority Women Owned Bus. Dev.	53,906	55,117	55,061
101009 Little Rock Television	243,752	234,296	235,528
Total General Administrative	<u>22,014,866</u>	<u>20,771,516</u>	<u>20,296,290</u>
<b>BOARD OF DIRECTORS</b>			
101111 Board of Directors	217,312	234,774	338,527
<b>COMMUNITY PROGRAMS</b>			
101501 Administration	278,517	285,167	299,358
101503 Operations	76,219	73,261	88,723
Total Community Programs	<u>354,736</u>	<u>358,428</u>	<u>388,081</u>
<b>CITY ATTORNEY</b>			
101801 City Attorney	1,497,920	1,706,756	1,769,774
<b>LITTLE ROCK DISTRICT COURT</b>			
102101 District Court First Division	1,149,358	1,381,441	1,392,505
<b>LITTLE ROCK DISTRICT COURT</b>			
102201 District Court Second Division	1,127,676	1,222,308	1,247,286
<b>LITTLE ROCK DISTRICT COURT</b>			
102301 District Court Third Division	550,961	565,562	627,185
<b>FINANCE</b>			
102501 Administration	494,260	538,939	576,786
102515 Budget	161,518	168,746	173,999
102520 Internal Audit	157,361	164,529	169,346
102530 Accounting and Reporting	459,417	484,392	499,843
102531 Accounts Payable	259,955	310,154	331,036
102535 Payroll	192,075	206,675	212,873
102540 Treasury Management	511,963	556,924	573,309
102550 Purchasing	221,168	219,536	262,640
102555 Print Shop	118,412	96,629	68,673
102560 Grants Management	195,989	260,314	268,487
Total Finance	<u>2,772,119</u>	<u>3,006,838</u>	<u>3,136,992</u>
<b>HUMAN RESOURCES</b>			
102701 Human Resources	1,334,084	1,549,857	1,632,677
<b>INFORMATION TECHNOLOGY</b>			
103001 Administration	733,711	1,004,591	1,011,402
103010 Application Programming	983,621	1,381,555	1,205,301
103030 Networking	1,866,412	2,092,819	2,141,619
Total Information Technology	<u>3,583,744</u>	<u>4,478,965</u>	<u>4,358,322</u>

**CITY OF LITTLE ROCK  
2014 OPERATING EXPENSES**

	<b>2012 Actual Expend. (1)</b>	<b>2013 Adopted Budget</b>	<b>2014 Adopted Budget</b>
<b>PLANNING AND DEVELOPMENT</b>			
103301 Administration & Budget	243,023	279,360	309,532
103310 Planning	232,306	427,316	430,229
103320 Zoning & Subdivision	632,257	840,113	856,908
103330 Building Codes	730,384	952,359	987,299
Total Planning and Development	1,837,969	2,499,148	2,583,968
<b>HOUSING AND NEIGHBORHOOD PROGRAMS</b>			
103501 Administration	270,993	337,598	356,306
103510 Animal Services	887,001	1,175,865	1,162,608
103520 CDBG - Housing Programs	4,022	55,490	5,157
103530 Neighborhood Programs	1,848,730	2,793,911	2,936,213
103539 Neighborhood Alert Centers	629,604	680,602	744,129
103540 Neighborhood Resource Center	208,126	229,045	230,755
103550 Environmental Services	225,179	262,186	238,671
Total Housing and Neighborhood Programs	4,073,655	5,534,697	5,673,839
<b>PUBLIC WORKS</b>			
104010 Building Services	962,161	1,070,935	1,095,023
104020 Asset Management		67,411	71,459
Total Public Works	962,161	1,138,346	1,166,482
<b>PARKS AND RECREATION</b>			
104501 Administration	381,088	392,583	448,055
104503 Design Scheduling	338,478	351,456	308,473
104510 Resources Administration	339,091	450,586	464,904
104511 Cultural Museum	144,100	199,004	198,913
104512 Therapeutic	110,111	131,639	173,329
104521 Development and Maintenance	116,231	142,297	126,258
104522 Operations and Improvement Development	824,174	1,140,318	1,148,078
104523 Park Maintenance	1,930,630	2,261,195	2,407,313
104524 Horticulture	657,198	948,506	929,517
104525 Urban Forestry	241,549	399,162	449,953
104530 Recreation Administration	26,288	157,245	160,733
104531 Community Center Administration	147,451	121,066	113,169
104532 Dunbar Community Center	378,886	416,281	441,096
104533 East Little Rock Recreation Center	68,018	96,118	79,241
104534 Senior Programs	58,597	103,354	102,900
104536 Southwest Community Center	463,754	626,416	640,472
104537 Stephens Community Center	216,865	244,195	252,724
104538 The Centre at University Park	143,738	307,258	327,231
104556 Athletics/Playgrounds	576,894	591,601	596,296
104557 Tennis Center Operations	263,565	370,703	287,969
104558 N.W. Hill Community Complex	49,272	83,180	83,067
Total Parks and Recreation	7,475,977	9,534,163	9,739,691
RiverMarket	1,185,528	1,197,800	1,208,675
<b>Golf</b>			
104701 Administration	10,568	12,262	94,495
104710 Rebsamen Golf Pro	439,853	387,961	391,941
104711 Rebsamen Golf Maintenance	660,911	520,526	521,777
104712 Rebsamen Pro Golf Concessions	88,935	58,533	58,533
104720 War Memorial Golf Pro	273,807	253,693	257,262
104721 War Memorial Golf Maintenance	297,578	302,582	314,459
104740 Hindman Pro Golf	323,388	288,692	292,934
104741 Hindman Golf Maintenance	259,933	257,303	255,764
Total Golf Fund	2,354,974	2,081,552	2,187,165

**CITY OF LITTLE ROCK  
2014 OPERATING EXPENSES**

	<b>2012 Actual Expend. (1)</b>	<b>2013 Adopted Budget</b>	<b>2014 Adopted Budget</b>
Jim Dailey Fitness and Aquatic Center	864,202	891,475	896,565
<b>ZOO</b>			
106501 Zoo Administration	368,596	319,973	322,369
106510 Zoo Concessions	313,345	305,474	306,769
106520 Zoo Education	170,919	243,526	350,311
106530 Zoo Gift Shop	186,329	243,680	243,680
106540 Zoo Membership	54,672	57,966	57,966
106550 Zoo Special Events	106,171	103,430	103,430
106560 Zoo Marketing & Promotions	409,808	462,934	498,097
106570 Zoo Facilities Operation	1,479,190	1,869,698	1,989,065
106580 Animal Management	1,772,210	2,075,473	2,206,573
106590 Visitor Service Administration	453,792	409,150	410,541
Total Zoo Fund	<u>5,315,033</u>	<u>6,091,304</u>	<u>6,488,801</u>
<b>FIRE</b>			
105101 Administration	910,806	1,123,694	1,082,358
105102 Fire Pension	*	5,396,500	5,556,595
105120 Fire Suppressing and Rescue	33,074,203	35,846,158	37,144,014
105130 Fire Prevention - Investigation	469,598	501,570	512,823
105140 Fire Training	585,464	656,902	579,130
105150 Crash Fire Rescue - Airport	976,916	1,038,728	899,666
Total Fire	<u>41,413,487</u>	<u>39,167,052</u>	<u>45,774,586</u>
<b>POLICE</b>			
105201 Administration	2,682,329	2,671,797	3,184,485
105202 Police Pension	*	6,376,216	6,345,547
105210 Internal Affairs	79	28,871	
105215 Organized Crime - Intelligence	5,190,690	4,993,388	5,744,576
105220 Training and Crime Prevention	3,097,373	4,209,794	2,233,737
105225 Detectives	5,472,849	5,642,434	5,666,861
105230 Downtown Patrol	9,565,331	9,628,175	11,291,529
105235 Southwest Patrol	7,662,053	8,732,863	8,354,085
105240 Special Operations	156,383		
105245 WW Williams Northwest Substation	7,868,464	9,373,102	9,979,196
105250 Airport Police	1,992,419	2,037,813	1,929,214
105255 Police Records Support Service	5,966,901	7,162,320	8,360,054
105260 Communication Center	3,156,403	3,921,274	4,111,575
Total Police	<u>59,187,490</u>	<u>58,401,831</u>	<u>67,200,859</u>
Less Vacancy Reduction		(3,900,000)	(5,000,000)
General Fund Operating Total	<u>159,273,252</u>	<u>157,913,813</u>	<u>173,108,270</u>
<b>TRANSFER/OUT OTHER EXPENSES</b>			
Transfer out to Street Fund	886,071	1,082,000	1,082,000
Grant Fund		912,027	
Special Projects/PIT	12,946,749	8,593,320	9,074,260
Waste Disposal (Recycling)	1,475,240		
Police & Fire Pension		1,000,000	
Contingency/Reserve		1,710,000	1,000,000
Zoo, Golf, Fitness - Consol. with General Fund	11,827,285		
Sub-total	<u>27,135,345</u>	<u>13,297,347</u>	<u>11,156,260</u>
<b>GENERAL FUND TOTAL</b>	<u><b>186,408,597</b></u>	<u><b>171,211,160</b></u>	<u><b>184,264,530</b></u>

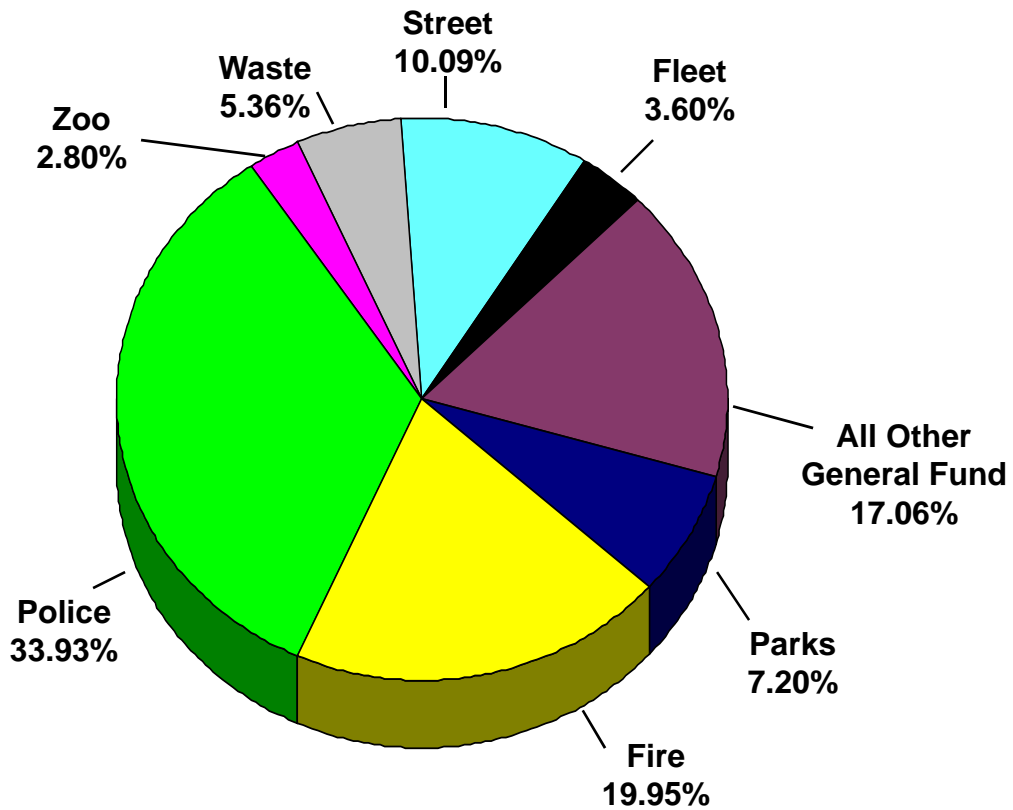
\* Actual 2012 Fire and Police Pension include pension contributions supported by a separate property tax levy and State Pension Turnback funds. The 2014 budget includes an allocation for this purpose.

**CITY OF LITTLE ROCK  
2014 OPERATING EXPENSES**

	<b>2012 Actual Expend. (1)</b>	<b>2013 Adopted Budget</b>	<b>2014 Adopted Budget</b>
<b>PUBLIC WORKS - STREET</b>			
204001 Administration	1,711,248	1,091,376	1,058,292
204002 Operations Administration	541,941	594,215	1,229,701
204003 Street and Drainage Maintenance	5,636,174	7,447,804	8,586,915
204005 Storm Drain Maintenance	791,093	972,911	925,032
204006 Work Pool	141,985	152,861	170,122
204007 Resource Control and Scheduling	357,774	388,487	406,340
204008 Control Devices	800,778	916,892	912,809
204010 Signals	836,908	915,973	917,220
204015 Parking Meters	95,647	101,924	106,689
204020 Civil Engineering	1,289,866	1,356,413	1,486,133
204025 Traffic Engineering	3,291,519	3,379,204	3,277,281
204030 Parking Enforcement	201,942	276,736	287,162
<b>Total Street Fund</b>	<b>15,696,875</b>	<b>17,594,796</b>	<b>19,363,696</b>
<b>FLEET SERVICES</b>			
600001 Administration	675,071	556,740	825,640
600011 Acquisition & Disposal	7,144,118	7,773,805	7,823,780
600020 Financial Management	224,782	417,637	308,520
600031 Maintenance Administration	3,578,552	3,867,887	4,177,748
<b>Total Fleet Services</b>	<b>11,622,523</b>	<b>12,616,069</b>	<b>13,135,688</b>
<b>VEHICLE STORAGE FACILITY</b>	<b>1,284,946</b>	<b>1,293,257</b>	<b>1,321,150</b>
<b>WASTE DISPOSAL</b>			
603101 Administration	2,480,922	2,001,270	1,907,192
603110 Collection	9,905,367	10,874,270	11,357,804
603120 Disposal	3,323,256	3,880,762	3,608,284
603125 Composting	482,165	597,568	563,746
603130 Waste Management	383,037	334,600	218,900
<b>Total Waste Disposal Fund</b>	<b>16,574,747</b>	<b>17,688,470</b>	<b>17,655,926</b>
<b>PARKING GARAGES</b>	<b>1,861,831</b>	<b>2,179,806</b>	<b>2,224,167</b>
<b>GRAND TOTAL ALL FUNDS</b>	<b>\$ 233,449,519</b>	<b>\$ 222,583,558</b>	<b>\$ 237,965,157</b>

(1) 2012 Actual numbers have been adjusted to reflect the consolidation of the River Market, Golf, Fitness and Aquatics Center, and Zoo Enterprise Funds with the General Fund.

# CITY OF LITTLE ROCK 2014 ALLOCATION OF FULL TIME PERSONNEL



<span style="color: green;">■</span> Police	716	<span style="color: yellow;">■</span> Fire	421	<span style="color: cyan;">■</span> Street	213
<span style="color: gray;">■</span> Waste	113	<span style="color: magenta;">■</span> Zoo	59	<span style="color: purple;">■</span> All Other General Fund	360
<span style="color: black;">■</span> Fleet & Vehicle Storage Facility	76	<span style="color: blue;">■</span> Parks	152		

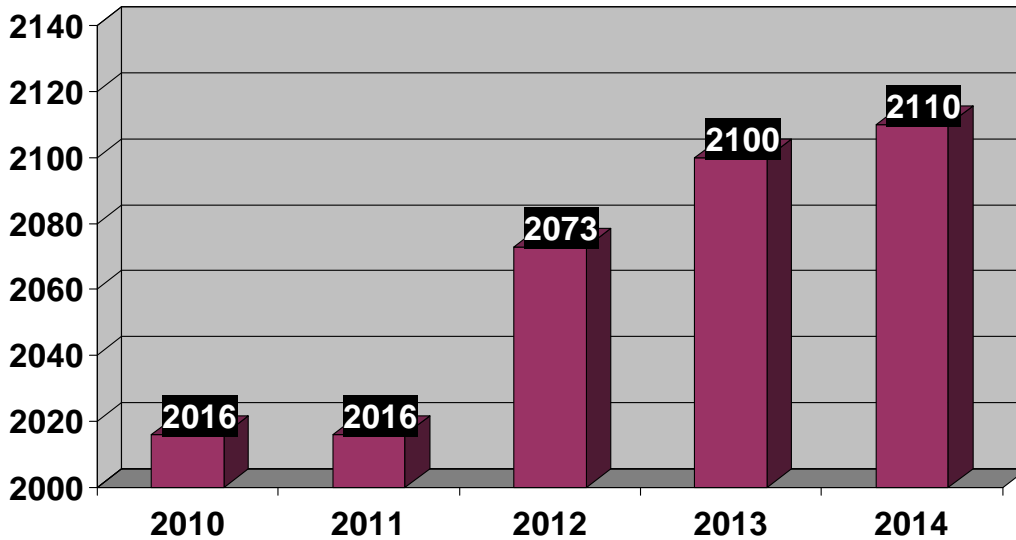


**CITY OF LITTLE ROCK  
FULL TIME PERSONNEL BUDGET SUMMARY**

	<b>2012 Adopted Budget</b>	<b>2013 Adopted Budget</b>	<b>2014 Adopted Budget</b>
<b><u>General Fund</u></b>			
General Administrative	26	26	31
Board of Directors	1	1	1
Community Programs	8	10	10
City Attorney	18	18	18
District Court First Division	21	21	21
District Court Second Division	17	17	17
District Court Third Division	7	7	8
Finance	40	41	41
Human Resources	19	19	19
Information Technology	38	39	39
Planning & Development	39	39	39
Housing & Neighborhood Programs	96	103	103
Public Works - General	13	13	13
Parks & Recreation	117	119	122
Golf	21	21	21
Jim Dailey Fitness Center	9	9	9
Zoo	56	57	59
Fire	421	421	421
Police	709	715	716
Subtotal General Fund	<u>1,676</u>	<u>1,696</u>	<u>1,708</u>
<b><u>Other Funds</u></b>			
Public Works - Street	211	215	213
Fleet Services	59	61	61
Vehicle Storage Facility	15	15	15
Waste Disposal	112	113	113
Subtotal Other Funds	<u>397</u>	<u>404</u>	<u>402</u>
<b>Total Personnel</b>	<b><u>2,073</u></b>	<b><u>2,100</u></b>	<b><u>2,110</u></b>

# CITY OF LITTLE ROCK FULL-TIME PERSONNEL AUTHORIZATIONS 2010 - 2014

EMPLOYEES



The net change in personnel between 2013 and 2014 total positions are as indicated in the chart below.

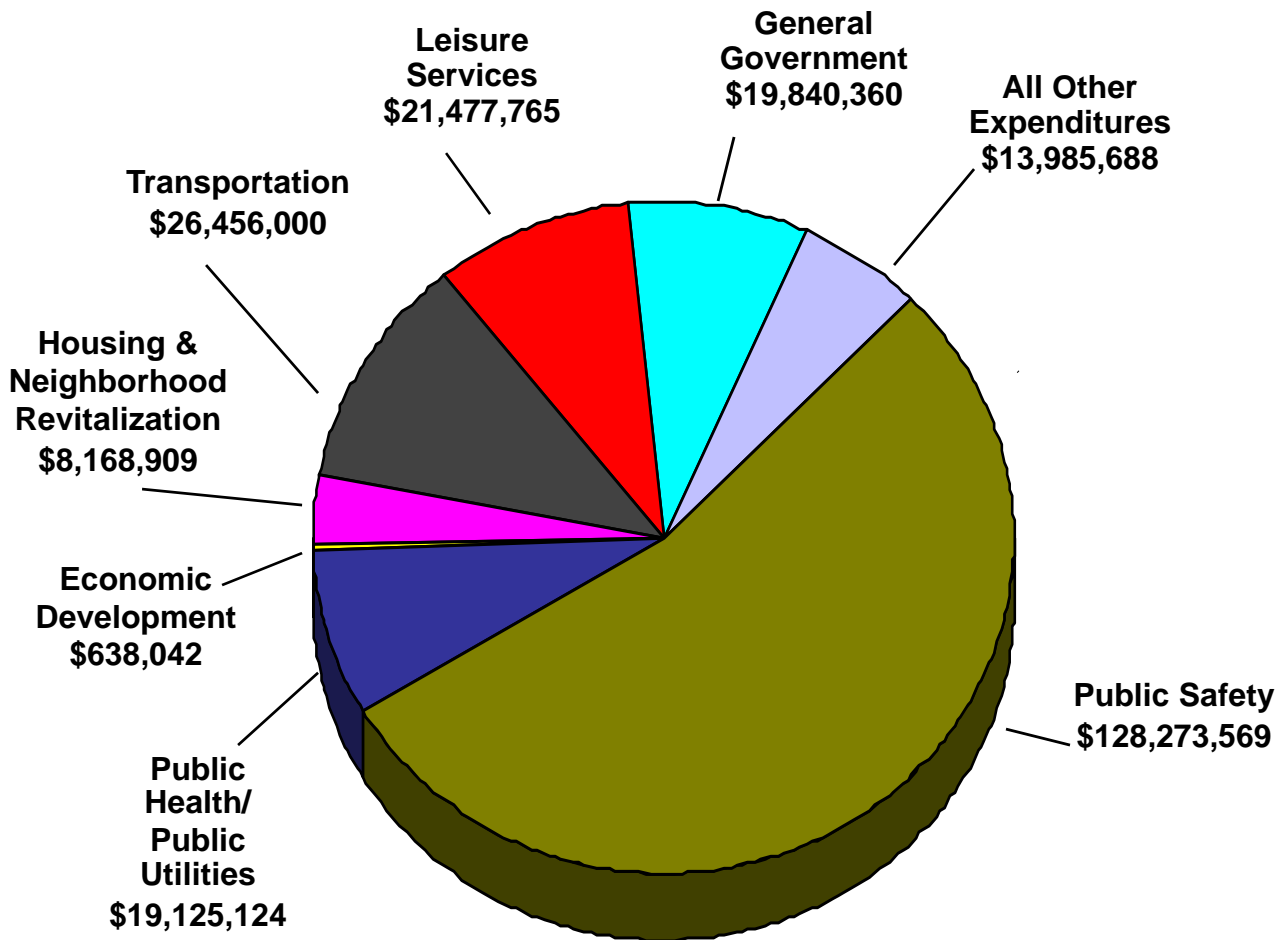
2013 Adopted Budget	2,100
General Administrative	5
District Court Third Division	1
Parks and Recreation	3
Zoo	2
Police	1
Street	(2)
2014 Adopted Budget	<u><u>2,110</u></u>

**CITY OF LITTLE ROCK  
2014 GENERAL FUND EXPENDITURES**

	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>Increase (Decrease)</u>
<b>SPECIAL PROJECTS</b>				
Children, Youth, & Families (CYF)	\$5,500,000	\$5,500,000	\$5,500,000	
Facility Improvements	975,000	975,000	975,000	
Annual Fleet Replacement	800,000	850,000	850,000	
Supplemental Jail Funding (1)	300,000			
Homelessness Outreach	250,000	250,000	350,000	100,000
Land Bank	168,420	168,420	84,210	(84,210)
Demolition (Residential & Commercial) (2)	150,000	300,000		(300,000)
Demolition (Residential) (2)			250,000	250,000
Demolition (Commercial) (2)			100,000	100,000
Board & Secure	100,000	100,000	50,000	(50,000)
Weed Lot Maintenance (2)	75,000	150,000	150,000	
Curran Hall	35,000	35,000	35,000	
Federal & State Legislative Consulting	45,000	45,000	45,000	
Environmental Youth (Parks)	37,500	37,500	37,500	
American Disability Act (ADA)	30,000	30,000	30,000	
Work Boots	25,000	25,000	25,000	
Junction Bridge	25,000	25,000	25,000	
Sister Cities	20,000	30,000	30,000	
Sustainability Summit		20,000	20,000	
Neighborhood Challenge Grant	15,000	30,000	30,000	
National Night Out	10,000	10,000	10,000	
Worldfest	10,000	10,000	10,000	
Neighborhood Connection	2,400	2,400	2,400	
Total General Fund Projects	<u>8,573,320</u>	<u>8,593,320</u>	<u>8,609,110</u>	<u>15,790</u>
<b>GRANT MATCH</b>				
Undesignated	150,000	150,000	150,000	
AEDC-CNG Station Grant	114,695	400,000		(400,000)
EPA Main Street Water		165,150	160,150	(5,000)
Cities of Service		140,601	20,000	(120,601)
JARC DOT Van/Drivers for Homeless Center		56,276		(56,276)
Fire Grant Match:				
Rescue Truck (20%)	66,714		75,000	75,000
Expanded Fire Program (20%)	10,000		10,000	10,000
Jumpstart (Metroplan)	25,000		50,000	50,000
Total Grant Match Requirement	<u>366,409</u>	<u>912,027</u>	<u>465,150</u>	<u>(446,877)</u>
<b>GRAND TOTAL</b>	<u><u>\$8,939,729</u></u>	<u><u>\$9,505,347</u></u>	<u><u>\$9,074,260</u></u>	<u><u>(\$431,087)</u></u>

- (1) Increased Jail funding is available in a special project funded by a \$20 local fine dedicated to supplemental jail funding.
- (2) The General Fund increased funding for demolition and weed lot maintenance to accommodate the reduction in funding from Waste Disposal. In addition, the demolition budget was separated.

# CITY OF LITTLE ROCK 2014 OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY



**\$237,965,157**

**CITY OF LITTLE ROCK**  
**ADOPTED OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY**  
**2013 - 2014**

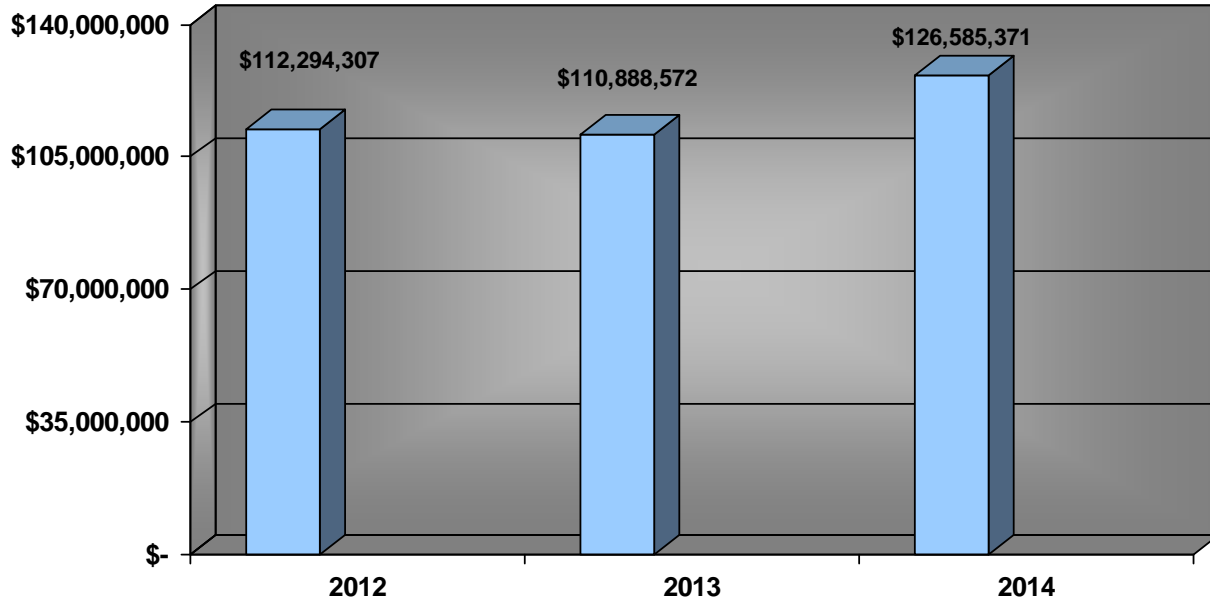
<u>Service/Program Category</u>	<u>2013 Budget</u>	<u>% to Total</u>	<u>2014 Budget</u>	<u>% to Total</u>
<b><u>Public Safety</u></b>				
Police	\$58,401,831		\$67,200,859	
Fire	38,128,324		44,874,920	
Street Lights, Traffic Signals & Signs	5,212,069		5,107,310	
Little Rock District Court First Division	1,381,441		1,392,505	
Animal Services	1,175,865		1,162,608	
Little Rock District Court Second Division	1,222,308		1,247,286	
Children, Youth & Families	5,500,000		5,500,000	
Community Programs	608,428		738,081	
Pulaski County Regional Detention Facility (1)	1,050,000		1,050,000	
<b>Total Public Safety</b>	<b>112,680,266</b>	<b>50.62%</b>	<b>128,273,569</b>	<b>53.90%</b>
<b><u>Public Health/Public Utilities</u></b>				
Waste Disposal	17,487,970		17,455,426	
Little Rock District Court Third Division	565,562		627,185	
Arkansas Emergency Physician Foundation	36,000		36,000	
Saint Vincent's	25,381		25,381	
Storm Drainage	972,911		925,032	
Pulaski County Health Department	56,100		56,100	
<b>Total Public Health/Public Utilities</b>	<b>19,143,924</b>	<b>8.60%</b>	<b>19,125,124</b>	<b>8.04%</b>
<b><u>Economic Development/Employment</u></b>				
Little Rock Chamber of Commerce	200,000		200,000	
Metroplan	178,042		178,042	
Downtown Partnership/Empowerment Zone	160,000		160,000	
Metro Little Rock Alliance	100,000		100,000	
<b>Total Economic Development/Employment</b>	<b>638,042</b>	<b>0.29%</b>	<b>638,042</b>	<b>0.27%</b>
<b><u>Housing and Neighborhood &amp; Waste Disposal Revitalization, Growth &amp; Development</u></b>				
Planning & Development Department	2,635,448		2,719,768	
Alert Centers	680,602		744,129	
Neighborhood Resource Center	229,045		230,755	
Demolition, Weed Lot Maintenance, Board/Secure	1,021,820		937,610	
Housing & Neighborhood Prog. Admin.	3,449,185		3,536,347	
<b>Total Housing &amp; Neighborhood Revitalization, Growth</b>	<b>8,016,100</b>	<b>3.60%</b>	<b>8,168,609</b>	<b>3.43%</b>

(1) Supplemental jail funding is provided by a \$20 local jail fine.

**City of Little Rock**  
**Adopted Operating Budgets by Service Program Category**  
**2013 - 2014**

<u>Service/Program Category</u>	<u>2013 Budget</u>	<u>% to Total</u>	<u>2013 Budget</u>	<u>% to Total</u>
<b><u>Transportation Services</u></b>				
Central Arkansas Transit Authority	8,208,468		8,922,333	
Streets	11,176,156		12,694,833	
Parking	378,660		393,851	
Parking Garages	2,179,806		2,224,167	
Vehicle Storage Facility	1,293,257		1,321,150	
Airport Rescue	1,038,728		899,666	
<b>Total Transportation Services</b>	<b>24,275,075</b>	<b>10.91%</b>	<b>26,456,000</b>	<b>11.12%</b>
<b><u>Leisure Services/Cultural Support/ Conventions &amp; Tourism</u></b>				
Parks & Recreation	9,410,159		9,615,778	
Golf	2,173,052		2,278,665	
Jim Dailey Fitness Aquatic Center	891,475		896,565	
River Market	1,197,800		1,208,675	
Zoo	6,091,304		6,488,801	
Cultural Institutes:				
Arts Center	400,000		400,000	
Museum of Discovery	200,000		200,000	
MacArthur Military Museum	199,004		198,913	
Sister Cities Commission	30,000		30,000	
Racial & Cultural Diversity Commission	209,255		160,368	
<b>Total Leisure Services/Cultural Support/Conventions</b>	<b>20,802,049</b>	<b>9.35%</b>	<b>21,477,765</b>	<b>9.03%</b>
<b><u>General Government Support</u></b>				
Board of Directors	234,774		338,527	
General Administrative	10,446,497		6,437,586	
Finance	3,006,838		3,136,992	
Human Resources	1,574,857		1,657,677	
City Attorney	1,706,756		1,769,774	
Information Technology	4,478,965		4,358,322	
Building Services/Asset Management	2,113,346		2,141,482	
<b>Total General Government Support</b>	<b>23,562,033</b>	<b>10.59%</b>	<b>19,840,360</b>	<b>8.34%</b>
<b><u>All Other Expenditures</u></b>				
Fleet Services	13,466,069		13,985,688	
<b>Total Other Expenditures</b>	<b>13,466,069</b>	<b>6.05%</b>	<b>13,985,688</b>	<b>5.88%</b>
<b>Grand Total</b>	<b>\$222,583,558</b>	<b>100%</b>	<b>\$237,965,157</b>	<b>100%</b>

# CITY OF LITTLE ROCK PUBLIC SAFETY REVENUES & EXPENDITURES COMPARISONS



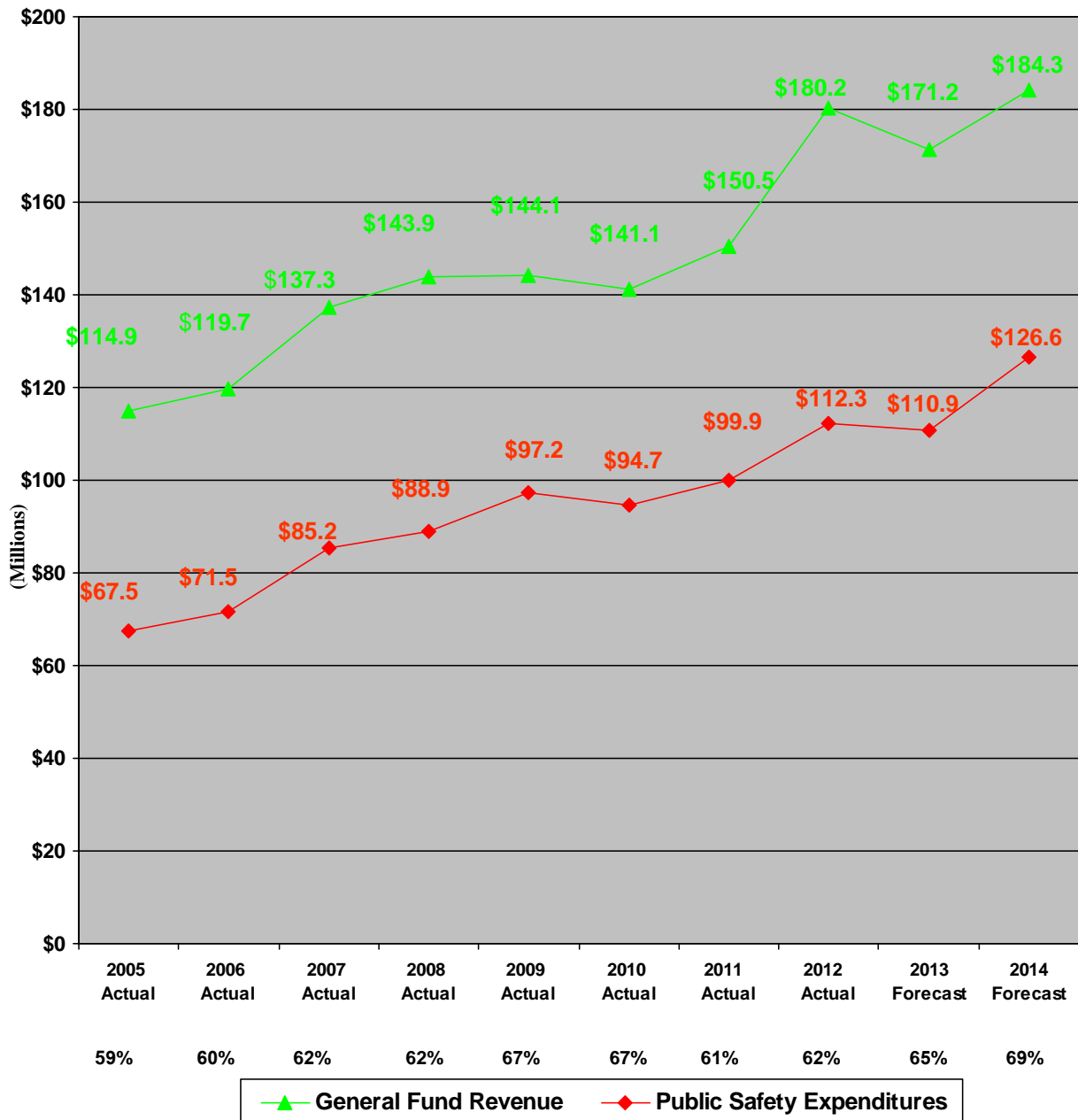
	<u>2012</u>	<u>2013</u>	<u>2014</u>
Fire	\$41,413,487	\$39,167,052	\$45,774,586
Police	59,187,490	58,401,831	67,200,859
District Court First Division	1,149,358	1,381,441	1,392,505
District Court Second Division	1,127,676	1,222,308	1,247,286
District Court Third Division	550,961	565,562	627,185
Alert Centers	629,604	680,602	744,129
Neighborhood Programs (Rental Inspection)	1,848,730	2,793,911	2,936,213
Animal Services	887,001	1,175,865	1,162,608
Prevention Intervention & Treatment	5,500,000	5,500,000	5,500,000
<b>Public Safety Expenditures</b>	<b>\$112,294,307</b>	<b>\$110,888,572</b>	<b>\$126,585,371</b>

**General Fund Revenue** **\$180,242,907**   **\$171,211,160**   **\$184,264,530**

Percentage of General Fund Expenditures Devoted to Public Safety 62%   65%   69%

(1) Actual includes contributions to the Police and Fire pension funds in the amount of \$11,710,547 supported by a separate Property Tax levy and State Turnback funds. The 2014 budget includes an allocation for this purpose.

# CITY OF LITTLE ROCK PUBLIC SAFETY OPERATING EXPENDITURES AS A PERCENTAGE OF GENERAL FUND REVENUE 2005-2014





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# Capital Improvements



## CAPITAL FUNDING

State laws limit the use of borrowing for municipal purposes. General obligation bonds, when approved by voters and secured by property tax levies, may be issued for long-term capital improvements. Revenue bonds are not general obligations of the City but are secured by specific revenues associated with a project. They may be issued for certain specified municipal purposes.

The Capital Improvement Program (CIP) is a multi-year plan for capital expenditures to replace and expand the City's infrastructure, vehicles and equipment. The program is updated annually to reflect the latest priorities, updated cost estimates and available revenue sources.

The purpose of the CIP is to fund capital projects and capital acquisitions that will be of a long-term benefit to the citizens of Little Rock. The CIP is financed over a period of time due to the long-term benefit of the projects. For program purposes, the City defines a capital improvement as a major improvement or acquisition that results in a capital asset costing more than \$5,000 and having a useful life (depreciable life) of two years or more. Exceptions are for infrastructure assets which are defined as having a constructed cost greater than \$250,000.

Capital assets are depreciated using the straight-line method over their estimated useful lives ranging from 15 – 50 years for infrastructure, 10 – 75 years for buildings and 3 - 25 years for land improvements, vehicles and equipment. Depreciation expense is charged directly to the department/function based on the department that utilizes the related asset.

In addition, appropriations for special projects are made each year by the Mayor and Board of Directors to finance specific events and capital outlays. These projects are carried forward from year to year until they are fully expended or repealed by the Mayor and Board of Directors by ordinance.

### CAPITAL PROJECT FUNDS PROVIDED BY BOND ISSUES

These funds are derived from the proceeds of selling City general obligation bonds and are used for major capital improvements.

**2007 Capital Improvements** – The 2007 Capital Improvements were issued to finance the advance refunding of the City's Capital Improvement Revenue Bonds 1998A and to pay the cost associated with the issuance of the Series 2007 Bonds. The Series 2007 bonds are not a general obligation of the City but are a special obligation payable solely from the revenue received by the City from all franchise fees charged to public utilities for the privilege of using the City's streets and right-of-way. The remaining funds available from interest earnings on these bond funds have been allocated to the South Loop and Scott Hamilton Drive improvements described in the Other Significant Non-recurring Capital Improvements section.

**2009A and 2009B Parks and Recreation Capital Improvements** – The 2009A Capital Construction Revenue Bonds were issued for the purpose of acquiring, constructing, equipping renovating, expanding and refurbishing certain zoo, parks and recreation facilities of the City. The 2009A bonds provided approximately \$6.8 million for Parks and Zoo projects. The Series 2009B Bonds were issued for the purpose of currently refunding the outstanding Capital Improvement Revenue Bonds (Parks and Recreation Projects), Series 1998A; to fund a debt service reserve, funding an operating reserve, and to pay the cost associated with the issuance of the Series 2009B Bonds.

**2012 Library Construction and Refunding Bonds** – The 2012 Library Construction and Refunding Bonds are limited obligations payable through 2032. The Library Bonds were issued to finance the cost of acquiring, constructing, and equipping capital improvements to the City's public libraries operated by the Central Library System, to refund the City's outstanding Library Construction Bonds, Series 2004A, and to pay the cost of issuance of the bonds. The bonds are limited tax obligations payable solely from a 0.9 mill annual ad valorem tax.

**2013 Capital Improvement Bonds** – On September 11, 2012, citizens of Little Rock approved the issuance of \$105 million in Capital Improvement Bonds for the purpose of Street and Drainage infrastructure improvements. The bonds are limited tax general obligations secured by all proceeds derived from a separate 3.0 mills annual ad valorem tax on real and personal property located within the City. The first series of bonds were issued in July 2013 in the amount of \$58,105,000. A second series will likely be issued around 2016. Overall, a maximum of \$73,500,000 will be issued to finance street improvements and a maximum of \$31,500,000 will be issued to finance drainage projects throughout the City.

### **CAPITAL PROJECT FUNDS PROVIDED BY OTHER SOURCES**

**Short-term Financing** – Accounts for proceeds of Short-term Financing, five year notes, issued for the purpose of acquiring, constructing, installing, or renting real property or tangible personal property having an expected useful life of more than one year under and pursuant to and in full compliance with the Constitution and laws of the State of Arkansas, including particularly Section 2 of Amendment 78 to the Constitution of the State of Arkansas, and pursuant to an ordinance of the Board of Directors of the City.

The City issued two short-term financing notes in 2012 and in 2013 in the amount of \$18,850,000 and \$7.7 million to accelerate the completion of public safety projects that will ultimately be funded by the ten (10) year three-eighths (3/8)-cent sales tax. Proceeds of the three-eighths (3/8)-cent sales tax will be utilized to make principal payments on the notes. Interest payments on the notes will be appropriated from general fund revenues. In addition, the City may consider issuance of a new short-term financing note in 2014 to further completion of the public safety projects and fund additional information technology needs.

The 2012 note included funding for the following projects:

<b><u>Public Safety Buildings, Equipment, and Vehicles</u></b>	<b><u>Total</u></b>
<b><u>Land and Buildings</u></b>	
12th Street Mid-town Police Station	\$7,976,000
West Little Rock Police Station	1,000,000
West Little Rock Fire Station	543,000
Southwest Fire Station - Land Acquisition	366,000
	<b><u>9,885,000</u></b>
<b><u>Equipment and Vehicles</u></b>	
Public Safety Radio Communication System Upgrade	6,109,000
Fleet - Police vehicles for new officers and Fire Truck for West Little Rock Station	2,189,000
Code Enforcement Vehicles and Equipment	397,000
	<b><u>8,695,000</u></b>
	<b><u>\$18,580,000</u></b>

The 2013 note included funding for the following projects:

<b><u>Land and Buildings</u></b>	
Southwest Fire Station	\$459,000
	<b><u>459,000</u></b>
<b><u>Equipment and Vehicles</u></b>	
Public Safety Radio System Upgrade	2,891,000
311/911 Communications Software	2,350,000
Information Technology Capital	2,000,000
	<b><u>7,241,000</u></b>
	<b><u>\$7,700,000</u></b>

Potential Projects for the 2014 Short-term Note:

<b><u>Land and Buildings</u></b>	
12th Street Police Station - Final Phase	\$1,994,000
	<b><u>1,994,000</u></b>
<b><u>Equipment and Vehicles</u></b>	
Information Technology Capital	1,000,000
	<b><u>1,000,000</u></b>
	<b><u>\$2,994,000</u></b>

**2012 – 2021 Capital Project Fund** – Accounts for the proceeds of a three eighths (3/8)-cent local sales tax, implemented on January 1, 2012 for the purpose of funding capital projects over a ten (10) year period. The temporary sales tax will sunset in 2021 and is expected to raise approximately \$196 million over the ten (10) year period for the following projects:

<b>3/8-Cent Sales Tax Capital Project Description</b>		<b>Project Cost Estimate</b>
<b>Public Safety:</b>		
<b>Police:</b>		
	Police Equipment	\$303,000
	Public Safety Radio System Upgrade	9,000,000
	911 / 311 Communications Software	2,600,000
	12 <sup>th</sup> Street Mid-Town Police Station	9,970,000
	Main Police Headquarters & Courts Building	9,000,000
	West Little Rock Police Station	1,000,000
<b>Fire:</b>		
	West Little Rock Fire Station	800,000
	Southwest Fire Station	4,050,000
<b>Housing and Neighborhood Programs:</b>		
	Code Enforcement Vehicles and Equipment	397,000
	Animal Village Expansion	602,000
<b>Fleet for New Public Safety Initiatives:</b>		
	Fleet for new Police Staffing and Fire Stations	3,567,000
	<b>Total Public Safety</b>	<b>\$41,289,000</b>
<b>Public Works:</b>		
	Street Resurfacing and Maintenance, and Street and Drainage Reconstruction and Traffic Signals	\$67,500,000
	Sidewalks	4,500,000
	<b>Total Public Works</b>	<b>\$72,000,000</b>

<b>3/8-Cent Sales Tax Capital Project Description</b>	<b>Project Cost Estimate</b>
<b>Jobs/Economic Development:</b>	
Port Expansion: land acquisition, utilities, streets	\$10,000,000
Research Park: land acquisition, utilities, streets	22,000,000
Economic Development Infrastructure	6,000,000
<b>Total Jobs/Economic Development</b>	<b>\$38,000,000</b>
<b>Parks and Recreation, Zoo and Tourism:</b>	
<b>Parks and Recreation:</b>	
Equipment for Expanded Maintenance	\$250,000
Park Upgrades	4,500,000
West Central Community Center	6,000,000
Senior Center	980,000
Ottenheimer Center	54,000
War Memorial Park	500,000
MacAuthur Park & Museum	500,000
Otter Creek Park	500,000
Crump Park	1,000,000
Natural Steps Ball Complex	500,000
Western Hills Park	1,000,000
Trails	1,500,000
<b>Zoo:</b>	
Capital Upgrades	8,000,000
<b>Tourism:</b>	
State Fair Infrastructure	3,000,000
<b>Total Parks and Recreation, Zoo and Tourism</b>	<b>\$28,284,000</b>
<b>Other Priorities:</b>	
Fleet Replacement	\$9,250,000
Information Technology Capital	7,020,000
<b>Total Other Priorities</b>	<b>\$16,270,000</b>
<b>Grand Total</b>	<b>\$195,843,000</b>

## 2014 CAPITAL IMPROVEMENTS

In September 2012, citizens authorized the issuance of up to \$105 million in limited tax general obligation bonds for street and drainage improvements. The City issued the first series of bonds for this purpose in the amount of \$58,105,000 in July 2013.

In September 2011, citizens approved a new three-eighths (3/8)-cent sales tax dedicated to capital improvements. The sales tax became effective on January 1, 2012. The tax is temporary, with a ten (10) year sunset.

In 2009 the City refunded the 1998 Parks and Recreation Bonds and issued new bonds to fund approximately \$6.8 million in Parks and Zoo improvements. In addition, the City placed an emphasis on obtaining grants under the *American Recovery and Reinvestment Act*.

Limited funding for capital improvements has also been available from capital grant awards or from the remaining unspent proceeds and interest in the 2007 Capital Improvements Bond fund, and Short Term Financing. The remaining balances are authorized primarily for street and drainage improvements, waste collection and disposal vehicles and equipment, and fire and police buildings and equipment.

The injection of new capital provided by the three-eighths (3/8)-cent sales tax, bond issues, grant funds, and short-term financing, and the future impact of completed projects on ongoing operations is considered in preparation of annual departmental operating budgets.

Projects in the CIP can include:

- Obligations for labor and materials and contractors involved in completing a project
- Acquisition of land or structures
- Engineering or architectural services, professional studies, or other administrative costs
- Expenses for City vehicles and equipment
- Renovating or expanding City facilities, grounds, or equipment

When both restricted and unrestricted resources are available for use, it is generally the City's policy to utilize restricted resources first. For projects funded by tax-exempt debt proceeds and other sources, the debt proceeds are utilized first.

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation.



**MAJOR CAPITAL PROJECTS**

Capital expenditures in the amount of approximately \$48,250,000 are planned in 2014 and are funded by a variety of sources as described in detail below.

**CIP – Significant Routine Capital Expenditures:**

These expenditures are recurring in nature, replace existing assets on a rotating schedule and do not have additional operating expense requirements.

Department	Quantity	Estimated Cost	Estimated Useful Life	Funding Source
<b>Housing &amp; Neighborhood Programs</b>				
CNG F250 Pickup	3	\$100,000	6 - 8yrs	5/8-cent Sales Tax - Special Project
<b>Public Works/Street Operations</b>				
Bucket Truck	1	98,500	8-10yrs	3/8-cent Sales Tax - Capital Project
Brush Chipper	1	29,000	6-8yrs	5/8-cent Sales Tax - Special Project
Light Duty Truck	1	22,500	6-8yrs	3/8-cent Sales Tax - Capital Project
<b>Public Works/Building Maintenance</b>				
CNG VAN	1	35,000	8-10yrs	5/8-cent Sales Tax - Special Project
<b>Parks &amp; Recreation</b>				
Various Pieces of Golf Equipment (3 yr lease)	TBD	211,000	6-8yrs	3/8-cent Sales Tax - Capital Project
<b>Police Patrol</b>				
Various Patrol & Detective Cars	TBD	600,000	6yrs	5/8-cent Sales Tax - Special Project
<b>Zoo</b>				
Carts	3	30,000	6 yrs	5/8-cent Sales Tax - Special Project
<b>Fleet</b>				
Conversion of CNG vehicles	4	43,000	8-10yrs	5/8-cent Sales Tax - Special Project
		<u>\$1,169,000</u>		
CNG=Compressed Natural Gas				

**CIP – Significant Non-Routine Capital Expenditures and Projects:**

These expenditures occur less frequently and are more material. However; they also replace existing assets and do not have additional operating expense requirements.

Department	Quantity	Estimated Cost	Estimated Useful Life	Funding Source
<b>Fire</b>				
Pumper Truck	1	\$475,000	15-20yrs	3/8-cent Sales Tax - Capital Project
Fire Trucks (Lease Program)	TBD	500,000	15-20yrs	3/8-cent Sales Tax - Capital Project
		<u>\$975,000</u>		
TBD=To be determined				

**CIP - Significant Non-recurring Parks and Zoo Projects Funded by the 2009A Parks and Recreation Capital Improvement Bonds:**

These projects are unusual, non-recurring projects that were all funded wholly or in a significant part by the issuance of Capital Construction Revenue Bonds.

The 2009A Parks and Recreation Capital Improvement Bonds were issued for the purpose of acquiring, constructing, equipping renovating, expanding and refurbishing certain zoo, parks and recreation facilities. The 2009A bonds provided approximately \$6.8 million for Parks and Zoo capital projects. Approximately \$6.4 million was spent through 2013 on land improvements, building improvements and other smaller projects. The remaining funded projects are expected to be completed in 2014 as indicated below. The estimated operating cost per new acre of park land with level-two (2) maintenance, including staffing, maintenance and start up equipment, is approximately \$4,500 per acre. After initial startup, ongoing maintenance is estimated at \$4,000 per acre.

**War Memorial Park Improvements** – War Memorial Park is undergoing a transformation to create it as a premier park. Improvements are proposed to increase participation from a large cross section of the community and to become a destination park from early morning to late at night. Utilizing spaces focused on Coleman Creek, park upgrades will entail better access and enhancements to the pond area and along the entire stretch of Coleman Creek; restoration of Coleman Creek; entry enhancements; approximately one mile of trail; playground; water feature; new parking areas and supporting amenities.

- **Estimated Total Project Cost:** \$1,225,000
- **2014 Estimated Expenditures:** \$50,000
- **Estimated Completion Date:** September 2014
- **Estimated Increase to Operating Expenditures:** Increased operating expense of \$162,690 is projected for staffing, utilities, maintenance, and supplies based on the acreage of the Park.

**Natural Steps Athletic Fields** – Located just below Lake Maumelle Dam on Highway 300, this large flat area is ideal for development of game fields. Land was donated to the City of Little Rock by Central Arkansas Water and a partnership will be established to allow development and utilization of several soccer fields, a playground, restrooms and parking areas.

- **Estimated Total Project Cost:** \$1,125,000
- **Funding Sources:** \$625,000 2009A Capital Construction Revenue Bonds; \$500,000 3/8-cent sales tax proceeds.
- **2014 Estimated Expenditures:** \$900,000
- **Estimated Completion Date:** June 2014
- **Estimated Increase to Operating Expenditures:** Increased operating expense of \$31,500 is projected for staffing, utilities, maintenance, and supplies based on care for undeveloped acreage.

**CIP - Other Significant Non-recurring Capital Improvements:**

These projects are unusual, non-recurring capital improvement projects funded by the new 3/8-cent sales tax, grant awards, short term financing, private donations and other sources.

**12<sup>th</sup> Street Police Station** – The 12th Street Police Station will be a police facility capable of eventually supporting a police patrol division similar to those currently in service on Kanis Road in Northwest Little Rock and on Baseline Road in Southwest Little Rock. The building is anticipated to be approximately 11,000 square feet and will provide office and equipment space for patrol officers and detectives assigned to the general area surrounding the facility.

- **Estimated Total Project Cost:** \$12,500,000
- **Funding Sources:** Short Term Financing allocations, Justice Assistance Grant funds, CDBG Disaster Grant funds, Seized Money funds, and 3/8 cent sales tax
- **2014 Estimated Expenditures:** \$8,331,000
- **Estimated Completion Date:** August, 2014
- **Estimated Increase to Operating Expenditures:** Increased operating expense of \$125,000 is projected for utilities, maintenance, and supplies, which will be included in the 2014 Police Department general fund budget allocation. Existing personnel and equipment will be reassigned to the new station.

**Public Safety Radio System Upgrade** – The City's public safety radio system is a twenty year old analog 800MHz trunked radio communications network consisting of three primary tower sites and supporting approximately 5,000 subscribers in Central Arkansas. The system is utilized by most public safety and local government administrative services in Pulaski County including the City of Little Rock, North Little Rock, Pulaski County (including 20 volunteer fire departments), Metropolitan EMS, Maumelle, Central Arkansas Transit, Cammack Village, Sherwood, and fifteen (15) area hospitals in Pulaski, Saline and Faulkner counties, comprising over one-third of all hospital beds in the state. The upgrade will transition the existing analog radio system to digital Association of Public Communications Officials P25 standards and integrate system infrastructure with the statewide Arkansas Wireless Information Network (AWIN) system.

- **Estimated Total Project Cost:** \$9,000,000
- **Funding Sources:** Short Term Financing allocation, 3/8-cent sales tax
- **2014 Estimated Expenditures:** \$420,000
- **Estimated Completion Date:** July, 2014
- **Estimated Increase to Operating Expenditures:** There should not be any additional operating expense associated with this upgrade; the renewed maintenance agreement for 2014 was approximately \$170,000 less than in 2013.

**West Little Rock Police Station Renovation** – The City plans to acquire and renovate an existing structure in West Little Rock along the Highway 10 corridor. The station will provide an additional fueling location and mini-substation for officers assigned to the far west area of Little Rock.

- **Estimated Total Project Cost:** \$1,000,000
- **Funding Sources:** Short Term Financing allocation, 3/8-cent sales tax
- **2014 Estimated Expenditures:** \$1,000,000
- **Estimated Completion Date:** December 2014
- **Estimated Increase to Operating Expenditures:** Increased operating expense of approximately \$150,000 is projected for fuel, utilities, and supplies, which will be included in the 2015 Police Department budget allocation.

**911/311 Communications Software** – Upgrade of the existing telephone and recording systems in the Communications Center; upgrade of the 9-1-1 Computer Assisted Dispatch (CAD) software; upgrade of the existing 3-1-1 Customer Service Request (CSR) software; upgrade of consoles, furnishing and hardware support environment in the Communications Center to accommodate new systems.

- **Estimated Total Project Cost:** \$2,600,000
- **Funding Sources:** Short Term Financing allocation, 3/8-cent sales tax
- **2014 Estimated Expenditures:** \$800,000 (encryption, recording and facilities improvements; telephone system upgrades already completed.)
- **Estimated Completion Date:** December 2015
- **Estimated Increase to Operating Expenditures:** There should not be any additional operating expense associated with this upgrade, as the anticipated maintenance expense is expected to be comparable to or less than current maintenance requirements.

**Southwest Little Rock Fire Station** – The Little Rock Fire Department is beginning plans for a new fire station in Southwest Little Rock, which will be funded with proceeds of the 3/8-cent sales tax. The City plans to complete the purchase of land for the new station in 2014 and begin architectural plans. Construction of the station has been delayed until 2016.

- **Estimated Total Project Cost:** \$4,050,000
- **Funding Sources:** Short-term financing allocation; 3/8-cent sales tax proceeds
- **2014 Estimated Expenditures:** \$800,000
- **Estimated Completion Date:** December 2016
- **Estimated Increase to Operating Expenditures:** Twenty-four (24) new fire fighters will be added to staff the new station at an estimated first year cost of approximately \$1.6 million. In addition, increased operating expense of \$50,000 is projected for utilities and supplies, which will be included in the Fire Department budget allocation upon completion of the new facility.

**West Central Community Center** – The West Central Community Center and Pool will be constructed over the next few years with proceeds from the new 3/8-cent sales tax. The community center will be an approximately 24,000 square foot facility to provide life style leisure and educational choices for family members as well as a unique pool feature for outdoor water experiences.

- **Estimated Total Project Cost:** \$6,000,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2014 Estimated Expenditures:** \$1,300,000
- **Estimated Completion Date:** July 2015
- **Estimated Increase to Operating Expenditures:** The operating expense for staffing, utilities, maintenance, and supplies is expected to be approximately \$565,000 in the first full year of operation. Parks staff will determine costs in preparation for the 2015 operating budget.

**Information Technology** – The City will be upgrading various technology infrastructure, hardware and software over the next ten (10) years with proceeds from the temporary 3/8-cent sales tax. The total estimated allocation of proceeds for technology expenditures from 2012 – 2021 is \$7,020,000. The 2013 and 2014 funding will primarily be utilized for an active/active data center.

- **Estimated Total Project Cost:** \$7,020,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2013 Estimated Expenditures:** \$1,295,000
- **Estimated Completion Date:** December 2014
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures will be phased in with the completion of various projects and will be included in the repairs and maintenance budget for the Information Technology Department operations each year.

**Scott Hamilton Drive** – The City of Little Rock expects to receive approximately \$2.25 million from federal highway grants and the Arkansas State Highway Department's Transportation Improvement Program for improvement to the street from Baseline Road to JE Davis Drive. The AHTD will handle the land acquisition process and construction for the City.

- **Estimated Total Project Cost:** \$2,885,000; Includes engineering and construction cost of \$2,249,000 and right-of-way and utility relocation cost of \$636,000.
- **Funding Sources:** Federal Highway Administration Discretionary Allocation through Metroplan for Local Urban Projects (LUZA) - \$2,250,000; 1998 Infrastructure Bonds - \$635,000;
- **2014 Estimated Expenditures:** \$100,000
- **Estimated Completion Date:** 2014
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

**9<sup>th</sup> Street Extension** – The City of Little Rock received a \$1,900,000 grant from the U.S. Department of Commerce, Economic Development Administration to expand east 9th Street from its current termination point at Bond Street to the Dassault Falcon Jet facility at the west side of the Little Rock National Airport. The construction of a new four lane street will enhance productivity and entrepreneurship by providing adequate modes of transportation for larger, commercial vehicles and Dassault's workforce of two-thousand employees. At the end of 2011, construction was nearly complete on Phase 1 of the project for the segment of roadway from Bond Street to 6th Street. Construction commenced on a second phase of the project in 2012 to widen and improve the remaining segment of the extension from 6<sup>th</sup> Street to Dassault Falcon Jet. In addition, the second phase includes construction of a traffic signal at the intersection of Bond and 9th Streets which is complete. The street will be maintained in the future by the Department of Public Works.

- **Estimated Total Project Cost:** \$4,630,000
- **Funding Sources:** *American Recovery and Reinvestment Act* – Economic Development Administration Grant \$1,900,000; Arkansas Economic Development Commission \$1,800,000; City match funds from the Airport Enhancement Fund \$930,000.
- **2014 Estimated Expenditures:** An estimated \$200,000 will be expended in 2014.
- **Estimated Completion Date:** The project was placed in service in 2013 and is now pending final inspection and payment in 2014.
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

**South Loop Grade Separation** – The City of Little Rock received approximately \$6.82 million from federal highway administration grants and the Arkansas State Highway Department's Transportation Improvement Program for construction of a new street and railroad overpass connecting Mabelvale West Road to Alexander Road. The initial right-of-way acquisition process was completed in 2011 and construction was substantially completed in 2013.

- **Estimated Total Project Cost:** \$8.53 million; Includes engineering and construction cost of \$6.88 million and right-of-way and utility relocation cost of \$1.65 million.
- **Funding Sources:** Federal Highway Administration Grants - High Priority Project Funding \$6,822,000; 1988 Capital Improvement Bonds - \$1,147,000; Street Fund \$469,700.
- **2014 Estimated Expenditures:** \$100,000
- **Estimated Completion Date:** The project was placed in service in 2013 and is now pending final inspection and payment by the AHTD in 2014.
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

**Arkansas River Trail Western Termini of the River Bluffs Section** – Little Rock received funding from the Department of Transportation, Transportation Alternative Program (TAP) to complete another section of the trail. The new construction will start from the eastern end of the North Cantrell Road at the Gill Street Bridge and run along the river of the Dillard Department Store Headquarters' western property line. The City of Little Rock funded an eight foot connector trail that will tie trail to the sidewalk on the north side of Cantrell Road.

- **Estimated Total Project Cost:** \$626,119
- **Funding Sources:** TAP Grant \$390,258; match amount of \$97,565 from the General fund; and capital improvement funds of \$138,296
- **2014 Estimated Expenditures:** \$626,119
- **Estimated Completion Date:** 2014
- **Estimated Increase to Operating Expenditures:** Not Applicable. Trail maintenance will be performed with the current allocation included in the Parks & Recreation budget.

**North Central at Gill Street Bridge Replacement** – Little Rock expects to receive a State Aid Bridge Replacement grant from the Arkansas Highway and Transportation Department. The project will replace an obsolete and deteriorating bridge over Rose Bayou (Capitol Drain) with a new two lane bridge that will include dedicated bike lanes for the River Trail.

- **Estimated Total Project Cost:** \$650,000
- **Funding Sources:** Metroplan (Federal Highway Administration) \$520,000; and City matching funds \$130,000.
- **2014 Estimated Expenditures:** \$350,000
- **Estimated Completion Date** 2015
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual allocations for street maintenance in the Street Fund budget and from the Parks and Recreation maintenance budget.

**Arkansas River Trail Union Pacific Bridge** – Little Rock received General Improvement funds from Act 1210 of 2005 and the State of Arkansas to build a pedestrian/bike bridge over the Union Pacific Rail Road Bridge as part of the Arkansas River Trail. Construction will begin in the spring of 2014.

- **Estimated Total Project Cost:** \$1,033,000
- **Funding Sources:** State of Arkansas General Improvement Fund in the amount of \$1,033,000.
- **2014 Estimated Expenditures:** \$1,033,000
- **Estimated Completion Date:** August 2014
- **Estimated Increase to Operating Expenditures:** The operating expenses are included in the Parks & Recreation budget.

**University Avenue Signal System Optimization** – Little Rock received notice from Metroplan that funding would be available to construct an adaptive traffic signal control system in the University Avenue corridor from Cantrell Road (State Highway 10) to Interstate 30. This system would reduce delay at signalized intersection and improve traffic flow through the corridor.

- **Estimated Total Project Cost:** \$1,152,000
- **Funding Sources:** Transportation Improvement Project Funds \$921,600; Street Fund \$230,400
- **2014 Estimated Expenditures:** \$200,000
- **Estimated Completion Date:** 2015
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

**Geyer Spring Railroad Overpass** – Little Rock received notice from Metroplan and the Arkansas Highway and Transportation Department that funding would be available to construct a long-planned street railroad on Geyer Springs just north of 65<sup>th</sup>.

- **Estimated Total Project Cost:** \$10 million
- **Funding Sources:** Transportation Improvement Project Funds \$8 million; 2013 Bond Funds \$2 million
- **2014 Estimated Expenditures:** \$1,000,000
- **Estimated Completion Date:** 2016
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

**Main Street Water Quality Grant** – Little Rock has received a grant from the Arkansas Natural Resources Commission (ANRC) and the Environmental Protection Agency to construct low impact development improvements on Main Street from Markham to Capitol Avenue. The project includes a partnership with the E-Stem School for water quality education.

- **Estimated Total Project Cost:** \$2.42 million
- **Funding Sources:** ANRC Grant \$900,000 million; Designated Grant Match \$478,000; 3/8-cent Sales Tax Funds \$555,000; and 2013 Bond Funds \$487,000.
- **2014 Estimated Expenditures:** \$2 million
- **Estimated Completion Date:** 2015
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.



**Public Works 3/8-Cent Sales Tax Street Resurfacing and Drainage Projects –**

The new 3/8-cent sales tax will provide funding for approximately \$72 million in street resurfacing and maintenance, street drainage reconstruction, traffic signals, traffic calming, and sidewalks over the next ten (10) years. The Board specified projects for the 2012 improvement program and all those projects are substantially complete. Following a series of community meetings, the Board has specified projects for the 2013 - 2015 improvement program. Additional community meetings will be held beginning in 2015 to determine the 2016-2018 program and in 2018 for the 2019-2021 program.

- **Estimated Total Project Cost:** \$72,000,000
- **Funding Sources:** 3/8-cent sales tax
- **2014 Estimated Expenditures:** \$5.6 million
- **Estimated Completion Date:** December 2016 (2012-2015 projects)
- **Estimated Increase to Operating Expenditures:** Not applicable. applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

<b>Public Works 3/8-Cent Sales Tax</b>		
<b>Street and Drainage Projects (2012-2015 Projects)</b>		
<b>Project</b>	<b>Location</b>	<b>Project Cost</b>
26th Street	Fair Park to Harrison	\$525,000
36th St & Schackleford	Shackleford to Dartmoth w/sidewalk on Shackford	515,000
8th & Brown St	Drainage improvements	500,000
Abigail St	8th to 10th	370,000
Adams St	12th St north to I-630.	1,000,000
Bradberry Dr	Drainage improvements Bradberry to Sawgrass	60,000
Breckenridge Drive	Drainage improvements 2600 block	95,000
Broadmoor Subdivision	Repair curb and gutter at multiple locations	20,000
Butler Rd	Butler Road at Allyson Circle	15,000
Clarkson St	C Street to H Street	300,000
Dartmoor at Mann Rd	Drainage improvements	20,000
Dorado Beach Dr	Replace culvert 1600 block	120,000
Dorado Beach Dr	Drainage improvements 1400 block	40,000
23rd Street Drainage	Drainage Pettaway Park to 23rd St.	80,000
Echo Valley Ct	Drainage improvements 9900 block	100,000
Elm Street	West 26th south to West 27th.	150,000
Florida Street	L Street to M Street	280,000
Gamble Rd	Arthur north to mid 200 block	960,000
Gristmill Rd	Drainage improvements	190,000
Hawthorne / Tyler	Drainage improvements at Tyler Street	170,000
Heatherbrae/Glenn Valley	Culvert crossing Glenn Valley at Stone Creek	60,000
LaMarche Drive	New roadway LaMarche Dr north to Taylor Loop	900,000
Lancaster Drainage	5900 block Lancaster Rd and Lyndell Dr.	150,000
Ledgelawn Dr	Replace culvert at #7	80,000
Longlea Ct	Drainage improvements at #63	105,000

<b>Public Works 3/8-Cent Sales Tax</b>		
<b>Street and Drainage Projects (2012-2015 Projects)</b>		
<b>Project</b>	<b>Location</b>	<b>Project Cost</b>
Malloy St	42nd St to Col. Glenn	1,100,000
Marlborough St	Young Road to Halifax	600,000
Maywood Subdivision	Drainage improvements Aberdeen to Cantrell	200,000
MLK Blvd	Drainage improvements 28th to 30th.	100,000
N Gaines	Connect north end of Gaines to River Trail	25,000
N Pine St	Lee to Kavanaugh	375,000
Northbrook Circle	Drainage improvemetns Northbrook to Brookhaven	100,000
Overlook Drive	Drainage Rebsamen to Greathouse	120,000
P St	Peirce to Taylor	430,000
Pleasant Valley	Drainage improvements near Fulbright School	120,000
Pleasant Valley	Roundabout at Pleasant Valley and Arkansas Valley	600,000
Potter St	Colonel Glenn to 40th St.	800,000
River Mtn Rd	Corrugated metal pipe rehabilitation	175,000
Rodney Parham	Bike lanes markings Valley Club north to Cantrell	470,000
Rodney Parham at Buff	Drainage improvements at Buff Lane	175,000
Russ St	Cantrell to Pankey Park	250,000
South Tyler	West 30th to West 32nd.	370,000
Sandy Lane / Shady Brook	Drainage improvements	150,000
Schiller St	Drainage improvements 23rd to Roosevelt	100,000
Shelia Lane & Meyer Rd	Drainage improvemetns Shelia Lane at Meyer	220,000
Sherrill Road	Rebsamen Park to N Sherrill	650,000
Meadowcliff Sidewalk	Meadowcliff School on Sheraton Dr. and Edgemont	330,000
Tamela Dr	Drainage improvements Valley to Ramona Dr.	45,000
Taylor Loop	Drainage Improvements on Taylor at Gooch	150,000
Thompson Rd	Drainage improvements	85,000
Valmar	Repair drainage at 2209 Valmar.	110,000
Victoria / Woodford	Install underground drainage system.	250,000
Daisy L Gatson Bates	Drainage improvements 2400 block	100,000
W Street	Grant to University	275,000
Ward 1 Sidewalk	Miscellaneous Sidewalk	140,000
Ward 4 Sidewalk	Miscellaneous Sidewalk	100,000
Ward 5 Sidewalk	Miscellaneous Sidewalk	30,000
Ward 6 Sidewalk	Miscellaneous Sidewalk	165,000
Ward 7 Sidewalk	Miscellaneous Sidewalk	50,000
Westminister Dr	Street and drainage improvements at #45	20,000
White Willow Ct	Drainage improvements	120,000
Windamere Phase 2	Continuation of drainage work Windamere to Carlyle	100,000
Woodlane St	Drainage improvemetns Victory to Capitol Drain	400,000
Woodson Rd	Young Road to Hallifax	900,000
Yarberry Lane	Chicot to Deer Meadow	895,000
		<b>\$18,200,000</b>
	Estimated 2014 Expenditure	\$5.6 million

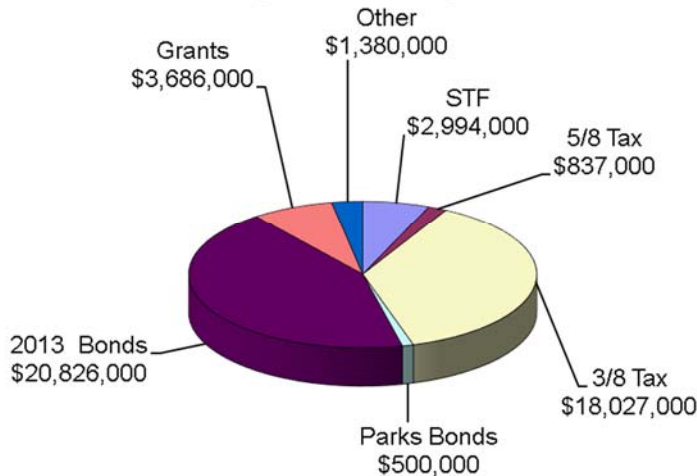
**Public Works 2013 Capital Improvement Bond Street Resurfacing, Street and Drainage Projects** – Following a series of community meetings, the Board approved \$60 million in projects to be completed for street resurfacing, street and drainage reconstruction projects, traffic signals, traffic calming, and sidewalks.

- **Estimated Total Project Cost:** \$60,000,000
- **Funding Sources:** 2013 Capital Improvement Bond Issue
- **2014 Estimated Expenditures:** \$20 million
- **Estimated Completion Date:** December 2016
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

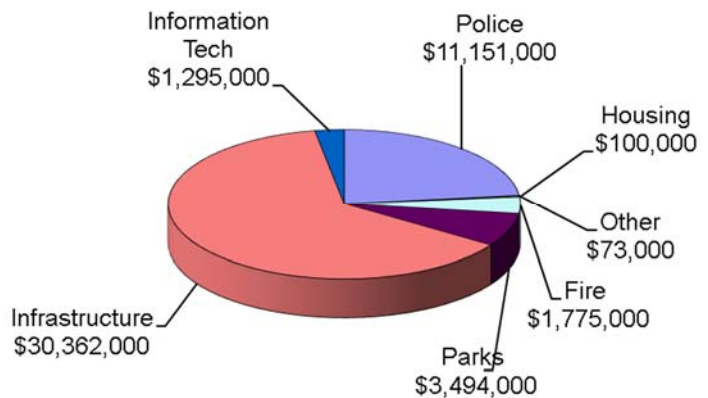
<b>Public Works 2013 Capital Improvement Bonds</b>		
<b>Street and Drainage Projects (2014-2016)</b>		
<b>Project</b>	<b>Location</b>	<b>Total</b>
17th St.	Woodrow St to Brown St	\$1,000,000
36th Street Roundabout	36th Street and Romine Rd	300,000
44th St	44th Street West of Potter	700,000
Asher Ave	Oak to Woodrow	3,000,000
Barrow Road Streetscape	Kanis to 36th St.	2,000,000
Cecil Drive Drainage	Cecil Drive and Shephards Drive	500,000
Cedar Hill Bridge Repair	Riverdale	600,000
Chicot Rd & Mabelvale Pike	Mabelvale Pike south to Chicot to Shetland	2,000,000
Coleman Creek	Buchanon to H St.	50,000
Dailey Drive Sidewalk	Baseline south to the Health Clinic	50,000
El Dorado / Hinson Drainage	Hinson Rd at Eldorado Dr	500,000
Ellis / Steven Drainage	Intersection of Ellis and Steven Dr	500,000
Elm St and Maryland St	8th to Maryland to Lewis	500,000
Fair Park Traffic Calming	12th to Asher	400,000
Geyer Springs Railroad Overpass	58th St to 65th St Grant Match	500,000
Hinson / Pebble Beach Intersection	Hinson Rd at Pebble Beach Dr	500,000
Kanis Road	Bowman to Point West	1,850,000
Kanis Road	Shackleford to Embassy Suites Dr.	1,000,000
Kingsrow Drive	200 Block of Kingsrow	510,000
Mabelvale Cutoff	Shiloh to Sardis	2,800,000
McAdoo Drainage	Markham to Amherst, Pinnacle to H	1,050,000
Pine Manor Drainage	Ranch Valley	500,000
Pine Valley Roundabout	Pine Valley at Mckinley	400,000
Pinnacle Valley	Cantrell to City Limits	3,000,000
Plantation Pickett	Plantation Dr at Pickett Dr	200,000
Polk Street Improvements	Lee Ave. to A St.	690,000
Ranch Blvd Signal	Ranch Blvd at Cantrell Rd	250,000
Rodney Parham / 430 Interchange	Rodney Parham	700,000
Scenic Drive Drainage	Grant St. to N. Taylor St.	500,000

Public Works 2013 Capital Improvement Bonds		
Street and Drainage Projects (2014-2016)		
Project	Location	Total
Scott Hamilton	I-30 to 65th St	3,800,000
Taylor Loop Road	Rahling to LaMarche Dr.	1,300,000
West 10th St	Abigail St to Washington St	550,000
Wright Avenue Viaduct	Grant match, bridge at the railroad	500,000
Zoo Dr. Roundabout	Zoo Dr at Fairpark	400,000
Asphalt Overlay Program	Asphalt Overlay in all Wards	21,000,000
City-wide Projects	Projects of city-wide significance	5,900,000
		<b>\$60,000,000</b>
	Estimated 2014 Expenditures:	\$20,000,000

**2014 City of Little Rock Capital Funding Sources**



**2014 City of Little Rock Capital Funding Uses**



# Debt Management



## DEBT MANAGEMENT

The City of Little Rock is authorized to issue General Obligation Bonds payable from ad valorem taxes to finance capital improvements. These bonds require majority voter approval prior to issuance. The Arkansas State constitution provides that the amount payable out of property taxes shall not exceed 20% of the City's assessed valuation. The City of Little Rock falls well below this statutory requirement. As of 12/31/13, the net amount of debt outstanding was \$119,963,867. The legal debt margin allows the City flexibility to issue up to an additional \$845,829,289.

Generally, the City has experienced a stable financial condition as well as sound debt administration. For example, the City's net general obligation long-term debt per capita is \$619.89 well below \$1,200 per capita which would be a warning trend. This has allowed the City to enjoy favorable bond ratings on its General Obligation Bonds. The City has received an AA bond rating from Standard & Poor's and an Aa3 rating from Moody's Investor Services. An AA rating from Standard & Poor's indicates that the bonds are high quality with a very strong capacity to pay principal and interest.

### CITY'S LEGAL DEBT MARGIN

	Amount
2013 Assessed Value (2013 Assessment Collected in 2014)	
Real Property	\$2,840,238,586
Personal Property	765,722,146
Utility:	
Personal Property	257,211,894
 Total Assessment	 3,863,172,626
 Debt Limit (20% of assessment)	 772,634,525
Short-Term Financing Debt Limit (5% of assessment)	193,158,631
 Sub-Total Debt Limit	 965,793,157
 G.O. & Short Term Bonds Outstanding - 12/31/13	 136,887,445
Less:	
Amount available for Debt Service - 12/31/13	16,923,578
Outstanding Bonds, Net of Debt Service	119,963,867
 <b>Legal Debt Margin</b>	 <b>\$845,829,289</b>

The legal debt limit is the maximum issuance of general obligation bonds. The debt limit is determined by combining the twenty percent (20%) of the assessed value of real estate in the Little Rock city limits for General Obligation Bonds with five percent (5%) of the assessed value of real estate in the Little Rock city limits for Short-Term Financing. For 2013, the legal debt limit is \$965,793,157 based on a total assessment of \$3,863,172,626. Each year it changes based upon the assessed value of real estate.

<b>Debt Applicable to Debt Limit 2004 - 2013</b>		
	<u>Legal Debt Margin</u>	<u>Legal Debt Limit</u>
2004	556,368,641	664,883,347
2005	611,096,546	713,061,578
2006	659,726,412	761,730,525
2007	725,407,499	820,379,036
2008	800,758,307	887,078,087
2009	807,405,018	899,996,683
2010	824,122,887	902,775,323
2011	869,712,492	931,761,237
2012	876,979,992	942,877,678
2013	845,829,289	965,793,157

The City of Little Rock has three areas of current debt levels, which combined, equal the total debt level of the city. Current general obligation level as of December 31, 2013 is \$111,415,000. The current revenue bond level is \$41,140,000. The short-term debt level is \$25,472,446 for an overall current debt level of \$178,027,446.

Although the City may increase the general obligation and the short-term debt levels to \$965,793,157, resources to repay the bonds would require an increase in the value of existing and new property and/or an increase in millage. For the City of Little Rock, the millage required to fund over \$965 million in debt is approximately 17.15 mills. Currently, the property tax millage for the retirement of general obligation debt is 4.9 mills. The millage may be increased to provide funds up to the legal debt limit with voter approval. The City of Little Rock issued the \$70,635,000 Limited Tax General Obligation Bonds Series in 2004, secured with a property tax millage of 3.3 mills, to finance capital improvements within the City of Little Rock. In April 2013, the \$70,635,000 bonds were redeemed in full and the bonds were defeased. The citizens of Little Rock approved a new annual ad valorem tax at a lesser rate of 3.0 mills at a special election held on September 11, 2012. As a result of the new millage, the City’s master plan is to

issue up to \$105,000,000 in general obligation debt to fund \$73,500,000 in street improvements and \$31,500,000 in drainage Improvements. In July 2013, the City of Little Rock issued the first series of Limited Tax General Obligation Bonds for streets and drainage in the amount of \$58,105,000. The City does not plan to issue a second series of bonds until the 2016 – 2017 timeframe.

To issue additional general obligation debt without a dedicated revenue stream would negatively impact the General Fund. The City will not issue such debt without a voter approved millage increase to fund the retirement. By law, five (5) mills is the maximum allowed to fund General Fund operations. The City’s current operating millage is the maximum.

**SUMMARY OF BOND INDEBTEDNESS**  
For the month ended December 31, 2013

GENERAL OBLIGATION DEBT	TRUSTEE	ORIGINAL AMOUNT	MATURITY DATE	INTEREST RATE	PRINCIPAL BALANCE AT 12/31/12	BONDS ISSUED	PRINCIPAL PAID IN 2013	BONDS RETIRED 2013	PRINCIPAL BALANCE AT 12/31/2013	INTEREST PAID IN 2013
2004 Limited Tax Capital Improvement	Regions Bank	\$70,635,000	4/1/2013	3.75% - 4.00%	\$3,185,000	\$0	\$3,185,000	\$0	\$0	\$59,719
2008 Library Construction and Imp. Bonds	Regions Bank	4,000,000	3/1/2028	3.00% - 4.75%	3,095,000	0	160,000	160,000	2,775,000	127,146
2009 Library Construction and Imp. Bonds	Regions Bank	28,000,000	3/1/2028	3.00% - 5.00%	22,940,000	0	1,140,000	1,210,000	20,590,000	911,328
2012 Library Construction and Imp. Bonds	Regions Bank	31,015,000	3/1/2032	2.00% - 4.00%	31,015,000	0	0	1,070,000	29,945,000	971,225
2013 Limited Tax Capital Improvement	First Security Bank	58,105,000	4/1/2033	1.00% - 5.00%	0	58,105,000	0	0	58,105,000	352,479
<b>REVENUE BONDS</b>										
2007 Capital Improvement Revenue & Refunding Bonds	U.S. Bank	13,350,000	10/1/2019	4.00% - 5.00%	8,445,000	0	1,055,000	0	7,390,000	379,050
2002 Junior Lien Revenue Bonds	U.S. Bank	3,630,000	10/1/2018	3.50% - 4.65%	1,655,000	0	245,000	0	1,410,000	73,048
2009A Parks & Rec Revenue Bonds	Bank of the Ozarks	7,830,000	1/1/2039	2.00% - 5.50%	7,255,000	0	135,000	0	7,120,000	365,208
2009B Parks & Rec Revenue Refunding Bonds	Bank of the Ozarks	12,120,000	1/1/2039	2.00% - 5.375%	11,560,000	0	215,000	0	11,345,000	581,703
2003 Capital Imp.and Refunding Projects	U.S. Bank	11,855,000	7/1/2028	1.50% - 5.30%	9,490,000	0	410,000	0	9,080,000	482,165
2007 Waste Disposal Revenue Bond	Citizens Bank	3,400,000	5/1/2022	5.30% - 5.87%	2,560,000	0	200,000	0	2,360,000	140,048
2010 Waste Disposal Revenue Bonds	BancorpSouth	6,570,000	5/1/2016	1.90% - 3.77%	4,625,000	0	2,190,000	0	2,435,000	105,796
<b>TEMPORARY NOTE</b>										
2008 Temporary Note	Capital One Public Funding	4,991,500	9/25/2013	4.69%	1,091,863	0	1,091,863	0	0	51,220
2011 Temporary Note	Pinnacle Public Finance	4,600,000	12/22/2016	1.75%	3,711,641	0	903,905	0	2,807,736	64,954
2012 Temporary Note	Banc of America Public Capital Corp.	18,580,000	3/28/2017	1.38%	18,580,000	0	3,615,291	0	14,964,709	255,869
2013 Temporary Note	U.S. Bank	7,700,000	7/30/2018	1.61%	0	7,700,000	0	0	7,700,000	0
<b>Grand Total</b>		<b>\$286,381,500</b>			<b>\$129,208,504</b>	<b>\$68,805,000</b>	<b>\$14,546,059</b>	<b>\$2,440,000</b>	<b>\$178,027,445</b>	<b>\$4,920,957</b>

**SUMMARY OF BOND INDEBTEDNESS**  
For the month ended December 31, 2014

GENERAL OBLIGATION DEBT	TRUSTEE	ORIGINAL AMOUNT	MATURITY DATE	INTEREST RATE	PRINCIPAL BALANCE AT 12/31/13	BONDS ISSUED	PRINCIPAL PAID IN 2014	BONDS RETIRED 2014	PRINCIPAL BALANCE AT 12/31/2014	INTEREST PAID IN 2014
2008 Library Construction and Imp. Bonds	Regions Bank	\$4,000,000	3/1/2028	3.00% - 4.75%	\$2,775,000	\$0	\$165,000	\$0	\$2,610,000	\$117,008
2009 Library Construction and Imp. Bonds	Regions Bank	28,000,000	3/1/2028	3.00% - 5.00%	20,590,000	0	1,175,000	0	19,415,000	841,978
2012 Library Construction and Imp. Bonds	Regions Bank	31,015,000	3/1/2032	2.00% - 4.00%	29,945,000	0	1,185,000	0	28,760,000	978,728
2013 Limited Tax Capital Improvement	First Security Bank	58,105,000	4/1/2033	1.00% - 5.00%	58,105,000	0	5,230,000	0	52,875,000	1,643,486
<b>REVENUE BONDS</b>										
2007 Infrastructure Refunding	U.S. Bank	13,350,000	10/1/2019	4.00% - 5.00%	7,390,000	0	1,105,000	0	6,285,000	334,213
2002 Junior Lien Revenue Bonds	U.S. Bank	3,630,000	10/1/2018	3.50% - 4.65%	1,410,000	0	255,000	0	1,155,000	62,880
2009A Parks & Rec Revenue Bonds	Bank of the Ozarks	7,830,000	1/1/2039	2.00% - 5.50%	7,120,000	0	140,000	0	6,980,000	361,063
2009B Parks & Rec Revenue Refunding Bonds	Bank of the Ozarks	12,120,000	1/1/2039	2.00% - 5.375%	11,345,000	0	220,000	0	11,125,000	575,148
2003 Capital Imp.and Refunding Projects	U.S. Bank	11,855,000	7/1/2028	1.50% - 5.30%	9,080,000	0	425,000	0	8,655,000	464,535
2007 Waste Disposal Revenue Bond	Citizens Bank	3,400,000	5/1/2022	5.30% - 5.87%	2,360,000	0	210,000	0	2,150,000	128,770
2010 Waste Disposal Revenue Bonds	BancorpSouth	6,570,000	5/1/2016	1.90% - 3.77%	2,435,000	0	785,000	0	1,650,000	70,338
<b>TEMPORARY NOTE</b>										
2011 Temporary Note	Pinnacle Public Finance	4,600,000	12/22/2016	1.75%	2,807,737	0	919,723	0	1,888,014	49,135
2012 Temporary Note	Banc of America Public Capital Corp.	18,580,000	3/28/2017	1.38%	14,964,709	0	3,664,647	0	11,300,062	206,513
2013 Temporary Note	U.S. Bank	7,700,000	7/30/2018	1.61%	7,700,000	0	1,491,204	0	6,208,796	123,970
<b>Grand Total</b>		<b>\$210,755,000</b>			<b>\$178,027,446</b>	<b>\$0</b>	<b>\$16,970,574</b>	<b>\$0</b>	<b>\$161,056,872</b>	<b>\$5,957,763</b>



**FUTURE DEBT SERVICE****OVERALL FUTURE DEBT SERVICE**

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2014	\$16,970,573.71	\$5,957,762.69	\$22,928,336.40
2015	\$16,226,249.37	\$5,580,247.29	\$21,806,496.66
2016	\$15,948,072.53	\$5,148,052.87	\$21,096,125.40
2017	\$12,742,968.25	\$4,727,832.85	\$17,470,801.10
2018	\$9,269,581.66	\$4,332,956.70	\$13,602,538.36
2019	\$7,675,000.00	\$3,967,163.80	\$11,642,163.80
2020	\$6,605,000.00	\$3,615,323.79	\$10,220,323.79
2021	\$6,910,000.00	\$3,308,454.41	\$10,218,454.41
2022	\$7,235,000.00	\$2,984,270.03	\$10,219,270.03
2023	\$7,240,000.00	\$2,650,377.53	\$9,890,377.53

**GENERAL OBLIGATION FUTURE DEBT SERVICE**

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2014	\$13,830,573.71	\$3,960,817.65	\$17,791,391.36
2015	\$12,966,249.37	\$3,708,702.75	\$16,674,952.12
2016	\$12,548,072.53	\$3,412,628.83	\$15,960,701.36
2017	\$10,062,968.25	\$3,130,181.56	\$13,193,149.81
2018	\$6,454,581.66	\$2,864,586.66	\$9,319,168.32
2019	\$5,085,000.00	\$2,625,941.27	\$7,710,941.27
2020	\$5,310,000.00	\$2,396,042.52	\$7,706,042.52
2021	\$5,550,000.00	\$2,155,530.02	\$7,705,530.02
2022	\$5,805,000.00	\$1,901,760.02	\$7,706,760.02
2023	\$6,075,000.00	\$1,633,028.77	\$7,708,028.77

**REVENUE BOND FUTURE DEBT SERVICE**

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2014	\$3,140,000.00	\$1,996,945.04	\$5,136,945.04
2015	\$3,260,000.00	\$1,871,544.54	\$5,131,544.54
2016	\$3,400,000.00	\$1,735,424.04	\$5,135,424.04
2017	\$2,680,000.00	\$1,597,651.29	\$4,277,651.29
2018	\$2,815,000.00	\$1,468,370.04	\$4,283,370.04
2019	\$2,590,000.00	\$1,341,222.53	\$3,931,222.53
2020	\$1,295,000.00	\$1,219,281.27	\$2,514,281.27
2021	\$1,360,000.00	\$1,152,924.39	\$2,512,924.39
2022	\$1,430,000.00	\$1,082,510.01	\$2,512,510.01
2023	\$1,165,000.00	\$1,017,348.76	\$2,182,348.76

**City of Little Rock, Arkansas**  
**Direct and Overlapping Governmental Activities Debt**  
**As of December 31, 2013**

<u>Governmental Unit</u>	<u>Debt Available for Retirement</u>	<u>Percentage Applicable</u>	<u>Little Rock's Share of Overlapping Debt</u>
City of Little Rock, Arkansas	\$136,887,445	100%	\$136,887,445
Little Rock Public School District	<u>196,693,140</u>	100%	<u>196,693,140</u>
Total direct and overlapping debt	<u>\$333,580,585</u>		<u>\$333,580,585</u>

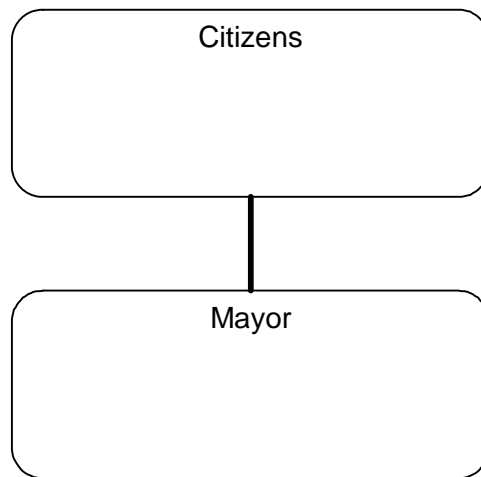
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# Departmental Information



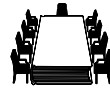


# Mayor



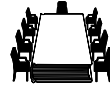
## **Mission Statement**

To make policies and provide representation for the citizens of Little Rock; provide executive management and administration of City affairs; provide legal advice and representation for the City; serve as official recorder and custodian of public documents; and to conduct municipal judicial proceedings for criminal and traffic offences.



Mayor

2013 Department Priorities	Status
Work with various economic development organizations to attract and retain jobs for the community.	Ongoing
Implement innovative approaches to combating crime, adding new police officers to the force and reducing the City's crime rate.	Ongoing
Work with community to make improvements to Main street using new approaches to sustainable development while implementing strategies to create the "Creative Corridor".	Ongoing
Ensure the new local sales tax is spent responsibly and according to the plan laid out to the voters before the election.	Ongoing
Working with the Greater Little Rock Community and service providers, the City of Little Rock opened the Homeless Day Resource Center and expanded the offerings at the Center.	Completed
The City of Little Rock implemented the Neighborhood Stabilization Program to strengthen neighborhoods, rebuild residential neighborhoods, and allow for new home ownership.	Completed
Collaborated with the Little Rock School District to develop a joint operating agreement to expand programming opportunities for the City's youth.	Completed
Continue with the City's "Love Your School" initiative focused on the childhood obesity epidemic by promoting healthy living, eating, and exercising while reducing the City's food deserts.	Ongoing
Continue to fund and complete the Arkansas River Trail.	Ongoing
Support the Mayor's Commission on Sustainability to promote sustainable initiatives and to host an annual summit on sustainability.	Ongoing
Tourism: Continue to envision and create new attractions, events, and festivals for the City.	Ongoing



Mayor

2014 Department Goals
Open both the 12 <sup>th</sup> Street Station and the West Little Rock (WLR) Police Substation on Highway 10 for the LRPD.
Implement an apartment safety/crime free diagram.
Continue the Neighborhood Stabilization Program for the redevelopment of neighborhoods in the Midtown Neighborhoods south of I-630.
Finalize the 12 <sup>th</sup> Street Corridor plan through the Metroplan Jump Start Grant; work with partners to identify development opportunities along the corridor.
Continue to develop, with private sector investment, the Creative Corridor. Concentrate on art, culture, science and technology.
Complete the “low impact development” project along Main Street; work with the development community to further invest along the Main Street Corridor.
Develop and implement an ordinance to provide recycling at the City’s various multi-family housing complexes.
Improve programming and operations of the Homeless Day Resource Center.
Begin the analysis on the revitalization of residential areas east of I-30.
Begin implementation of a master plan for Western Hills, Hindman Park, and First Tee recreational areas.

The departmental goals and objectives link with the **Overall City Goals and Objectives.**

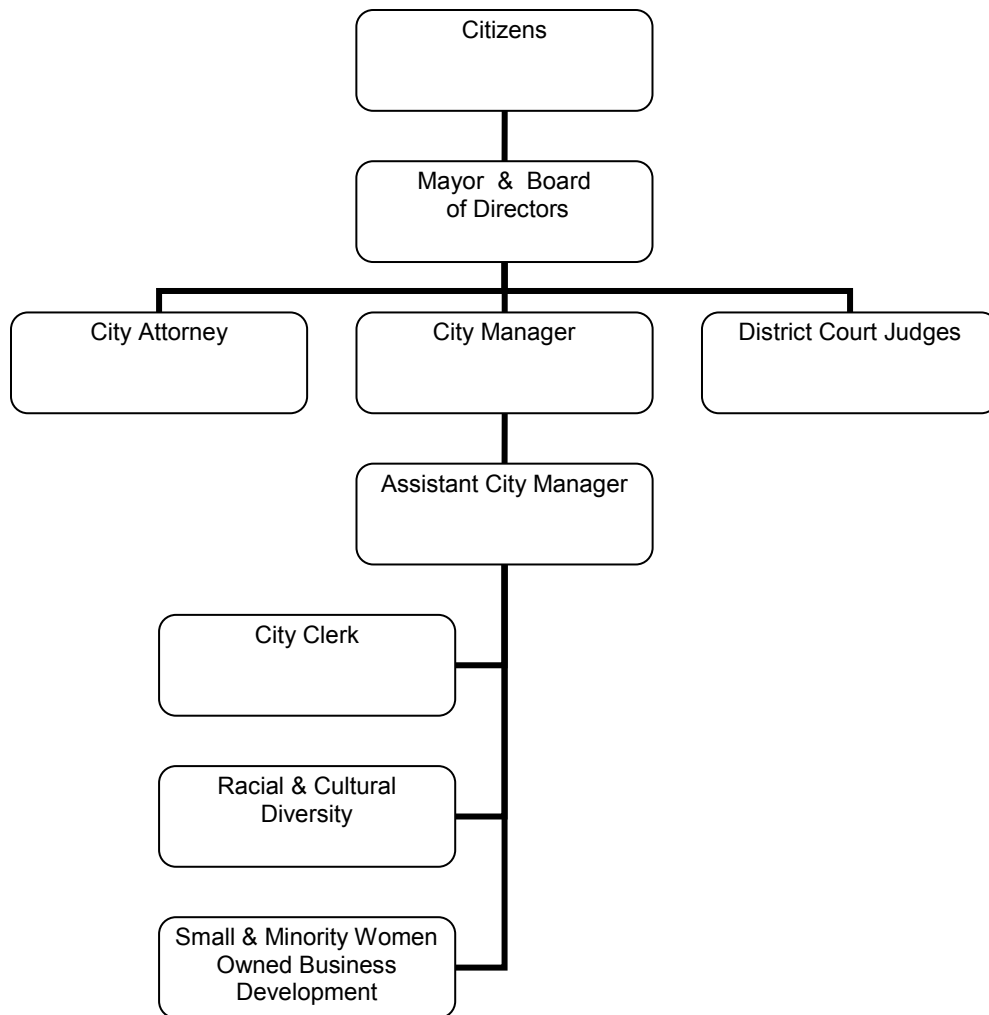


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# General Administrative



**Mission Statement**

To deliver the highest level of quality information on policies, services, and activities of Little Rock City Government to the citizen and facilitate the delivery of emergency response information to the general public and make available, through electronic media, information about city and community events.

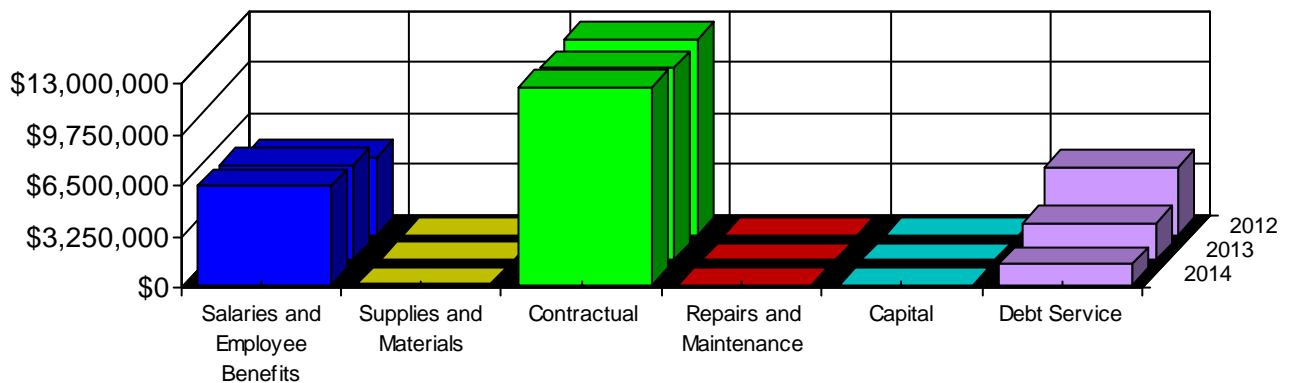
**General Administrative**

**Expenditure Budget**

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$4,982,347	\$6,080,081	\$6,274,458
Supplies and Materials	79,112	61,294	60,665
Contractual	12,524,282	12,221,744	12,620,896
Repairs and Maintenance	16,063	12,355	16,928
Capital	1,641		
Debt Service	4,411,421	2,396,042	1,323,343
	<u>\$22,014,866</u>	<u>\$20,771,516</u>	<u>\$20,296,290</u>

<b>Staffing</b>	26	26	31
<p>General Government includes Mayor and City Manager, City Clerk, Racial and Cultural Diversity, Emergency Management, Small and Women Owned Business Development, and LRTV. Approximately \$194,000 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees. The personnel increase also includes the addition of one (1) LRTV position, three (3) Homeless Center positions and one (1) Cities of Service position. The decrease in debt service is associated with the retirement of a short-term note.</p>			

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$20,296,290	-2.29%



2013 Department Priorities	Status
Implement the priority needs infrastructure projects funded by the 3/8 cent capital sales tax; provide regular reports to the Little Rock Citizens Evaluation of New Tax (LR CENT) Committee.	Ongoing
Implement the operational elements of the 5/8 cent operating sales tax; including the filling of identified positions, purchase of equipment, implementation of programs, and provide regular reports to the LR CENT Committee.	Ongoing
Conduct additional Police and Fire Fighter recruit classes to fill departmental vacancies as identified through the new sales tax.	Ongoing
Opened the Homeless Day resource Center. Recruited service partners to help provide service to the homeless and moved independent service providers to the Center.	Completed
Opened the Centre at University Park (formerly the Adult Leisure Center) and developed new programming to meet the needs of the participants.	Completed
Installed the Information Technology Disaster Recovery system focused on implementing an active operating system.	Completed
Make significant progress on the construction of the 12th Street Police Station and begin planning for staffing and operational elements of the station.	Ongoing
Implemented a new pension plan for non-union employees as identified by the consultants. Held information sessions to educate employees on the plan.	Completed
Acquire the land and begin the design phase of the new Southwest Little Rock Fire Station.	Ongoing
Complete design work on the West Central Community Center and prepare the bidding documents for the construction.	Ongoing



<b>2014 Department Goals</b>
Complete construction of the 12 <sup>th</sup> Street Police Substation facility and develop schedule for occupancy.
Continue to improve and expand Police Officer and Fire Fighter recruiting efforts and conduct at least one (1) Recruit School for Police and Fire in 2014.
Acquire a suitable facility for additional Northwest Patrol facility along Cantrell Road corridor and begin rehabilitation of the structure.
Complete construction of Cell 5 of the Class 1 landfill and continue construction of Cell 3 of the Class 4 landfill.
Develop web applications for staff to better utilize Geographical Information System (GIS) and move the current City of Little Rock web page zoning and land use applications from Pulaski Area Geographical Information System (PAGIS) maintenance and storage to the Department.
Continue the development of a Re-Entry Employment Readiness Training Program throughout all City Departments and fully implement the pre-release process and programming for returning Little Rock residents.
In collaboration with the Little Rock School District, implement a Skills Training Pilot Project for eighteen (18) twenty-four (24) year old youth who are out of school.
Open the City's new Compressed Natural Gas Fueling Station at 501 Ferry Street. Work to add electric charging stations by the end of 2014.
Initiate an eighteen (18) month plan to convert 20% of the City's current late model pick-up trucks to Compressed Natural Gas (CNG) and convert small engine lawn equipment to propane power; continue to acquire alternative fueled vehicles, including factory ready electric and CNG vehicles.
Initiate Quiet Title Actions on sixteen (16) Land Bank properties to spur redevelopment in targeted neighborhoods; utilize Federal funds to outsource and provide a more efficient turn-around for obtaining those actions.
Complete the first phase construction of Natural Steps Athletic Complex to include four (4) athletic fields, an entrance road and parking.
Begin construction on a new Arkansas Farm exhibit set for a grand opening in 2015.



**2014 Department Goals (Continued)**

Continue making improvements to the Animal Village Dog Park to include addition of water fountains for individuals and the installation of a water play area for dogs.

Continue providing support and making regular reports to the LR Cent Committee and the Board of Directors regarding the status of the new one (1) cent local sales tax revenues and the progress toward completion of capital projects authorized under the 3/8 cent portion of the tax.

Increase the City's utilization of social media to market City programs and services. Inform and educate the public regarding activities and issues within the community to broaden the constituency base.

Develop a Request for Proposal (RFP) to seek a firm to conduct a Disparity Study for the City of Little Rock; contingent upon funding.




City Manager

**Department:** City Manager  
**Funding Source:** General Fund  
**Budget:** \$20,296,290

**Department Description:**

To ensure the effective implementation, administration and evaluation of City programs established through the policy directives of the Board of Directors; to provide administrative support to the City Manager and Board of Directors and to serve as a resource for citizens and neighborhood groups.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> Provide responses to City Board of Director requests in a timely manner.			
<b>Demand:</b> Number of City Board of Director requests.	225	250	250
<b>Workload:</b> Number of City Board of Director requests completed.	220	225	225
<b>Efficiency:</b> Number of City Board of Director requests completed in a timely manner.	200	225	225
<b>Effect/Outcome:</b> Percentage of City Board of Director requests completed in a timely manner.	91%	100%	100%

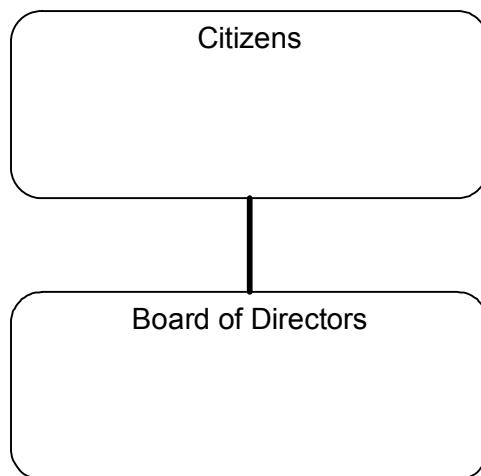
<b>Objective:</b> Provide responses to citizen requests within a timely manner.			
<b>Demand:</b> Number of citizens requests for information.	200	200	200
<b>Workload:</b> Number of citizen requests for information completed.	190	200	200
<b>Efficiency:</b> Number of citizen requests for information completed in a timely manner.	185	180	180
<b>Effect/Outcome:</b> Percentage of total citizen requests completed a timely manner.	97%	90%	90%

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services.**





# Board of Directors



## **Mission Statement**

To make policies and provide representation for the citizens of Little Rock; provide executive management and administration of City affairs; provide legal advice and representation for the city; serve as official recorder and custodian of public documents; and to conduct municipal judicial proceedings for criminal and traffic offences.

**Board of Directors**

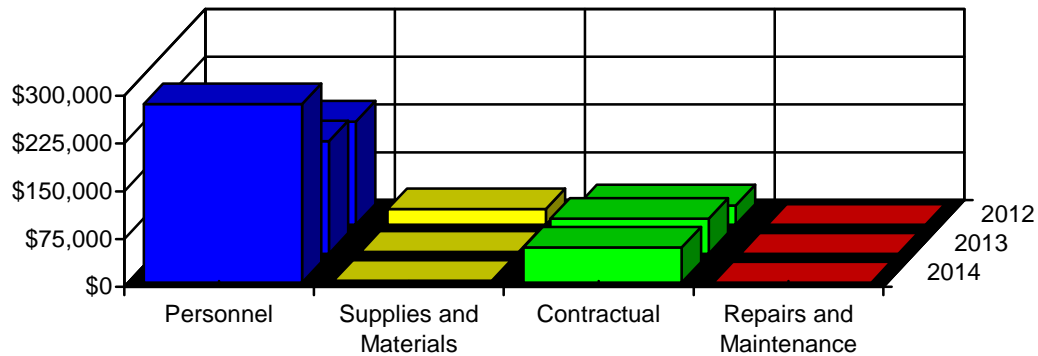
**Expenditure Budget**

Description	2012 Actual Expenditures	2013 Adopted Budget	2014 Adopted Budget
Salaries and Employee Benefits	\$162,239	\$176,630	\$280,348
Supplies and Materials	24,598	2,990	2,990
Contractual	30,475	55,097	55,097
Repairs and Maintenance		57	92
<b>Total</b>	<b>\$217,312</b>	<b>\$234,774</b>	<b>\$338,527</b>

<b>Staffing</b>	1	1	1
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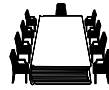
Board staffing reflects the one (1) full time assistant dedicated to the Board of Directors. The Board consists of ten (10) part-time elected officials representing the City’s seven (7) Wards with three (3) at large positions. The increase in expenditures is associated with an increase in the annual salary of each Board Member from \$12,000 to \$18,000. In addition, the increase reflects an annual \$3,000 expenditure stipend for each Board Member.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$338,527	44.19%





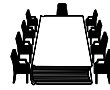
**2014 Department Goals**

Participate in professional development opportunities offered by the U.S. Conference of Mayors, the National League of Cities, the Arkansas Municipal League and other professional organizations.

Develop policies and programs to improve the City of Little Rock; focus on the priority areas of public safety, economic development, infrastructure, basic city services and quality of life.

Meet with neighborhoods and community groups to discuss and resolve issues of concern.

Ensure the successful implementation of the City's 3/8 cent capital projects and the 5/8 cent operating sales tax funds.

**Department:** Board of Directors  
**Funding Source:** General Fund  
**Budget:** \$338,527

**Department Description:**

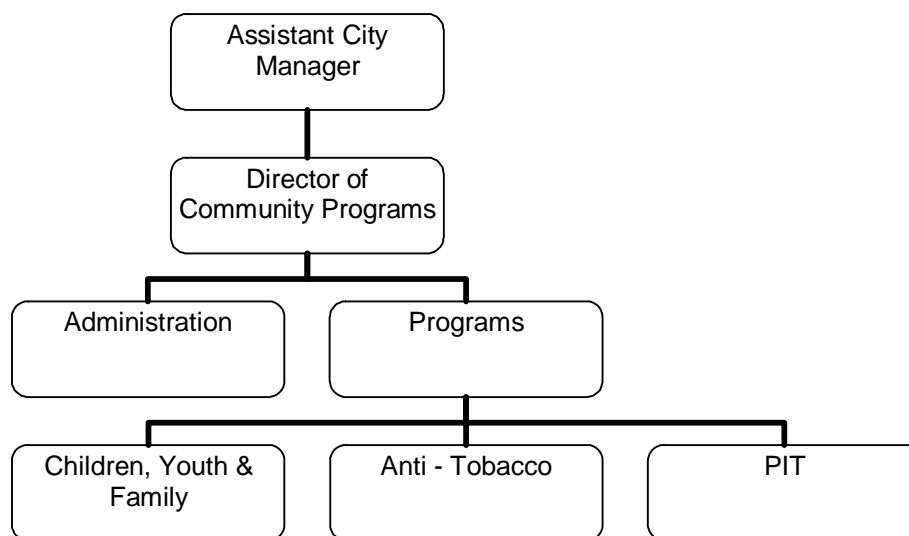
To provide executive management and administration of City affairs; provide legal advice and representation for the city; serve as official recorder and custodian of public documents.

The departmental goals and objectives link with the  
**Overall City Goals and Objectives.**





# Community Programs



## Mission Statement

To effectively administer and maximize the Future Little Rock PIT/CYF funds authorized under Ordinance 16,496 (and other funds) in order to provide the community with quality programs that utilize citizen involvement, proven practices, and standardized process with the goal of improving positive outcomes and the quality of life for the children, youth, and families of Little Rock.

**Community Programs**

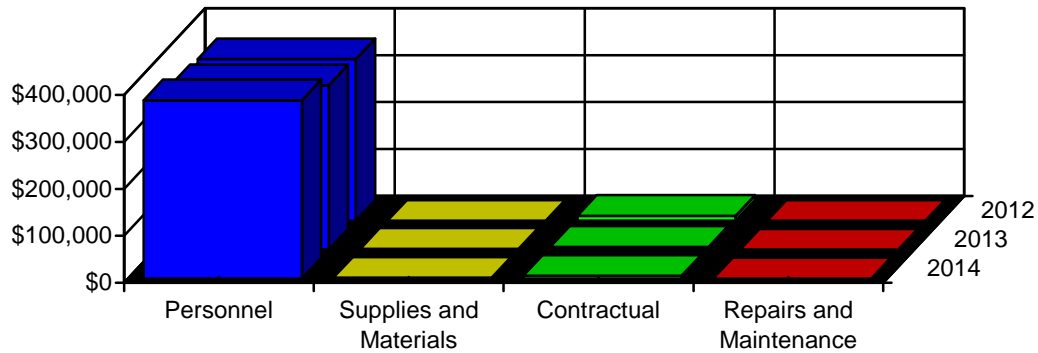
**Expenditure Budget**

Description	2012 Actual Expenditures	2013 Adopted Budget	2014 Adopted Budget
Salaries and Employee Benefits	\$344,235	\$350,461	\$380,059
Supplies and Materials	0	1,874	1,874
Contractual	10,501	6,000	6,000
Repairs and Maintenance		93	148
<b>Total</b>	<b>\$354,736</b>	<b>\$358,428</b>	<b>\$388,081</b>

<b>Staffing</b>	8	10	10
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The majority of changes to the Community Programs budget is included in General Fund Transfers Out which reflects the \$5.5 million contribution to Children Youth and Family prevention, intervention and treatment, and re-entry programs.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$388,081	8.27%



Community Programs

<b>2013 Department Priorities</b>	<b>Status</b>
Implemented all program related contracts within first quarter of the fiscal year.	Completed
Initiated hiring process to satisfy staffing needs.	Completed
Worked with Finance and City Attorney to amend the Tobacco ordinance.	Completed
Provided updated monitoring guides for programs.	Completed
Provided support for Children, Youth, & Families Commission.	Completed



Community Programs

<b>2014 Department Goals</b>
Continue development of the Reentry Employment Readiness Training Program throughout the City of Little Rock departments; fully implementing the pre-release process and programming for returning Little Rock residents.
Develop specifications for an evidence based mentoring component for the Reentry program.
Implement software to monitor program performance and participation in all funded programs.
Revise the contracting process so that all contracts are fully executed within six weeks following board action.
Work with a community youth council to address Tobacco ordinance revisions.
Implement a skills training pilot project in collaboration with the Little Rock School District for 18-24 year old youth who are out of school.



Community Programs

**Department:** Community Programs  
**Funding Source:** General Fund  
**Budget:** \$388,081

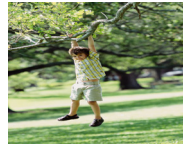
**Department Description:**

To ensure the effective implementation, administration and evaluation of City social services and human services programs assigned to the department and to serve as a resource for citizens, resident groups, neighborhood associations and other community based organizations providing these services.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To recruit youth, provide orientation, and approve youth to hire for summer employment.			
<b>Demand:</b> Youth available for recruitment and orientation.	750	750	750
<b>Workload:</b> Youth recruited and processed through orientation.	483	500	550
<b>Efficiency:</b> Youth processed and available for employment in June.	483	500	500
<b>Effect/Outcome:</b> Percentage of youth processed and available for work in June.	64%	66%	73%

<b>Objective:</b> To audit, approve, and process all reimbursement requests for payment within 14 days.			
<b>Demand:</b> Requests available for process and reimbursement.	530	570	570
<b>Workload:</b> Requests processed for reimbursement.	530	570	570
<b>Efficiency:</b> Requests processed per month.	44	47	47
<b>Effect/Outcome:</b> Percentage of total requests processed.	100%	100%	100%

The departmental goals and objectives link with the  
**Board of Directors Statement of Management Policy for a  
 Safe City and Quality of Life.**

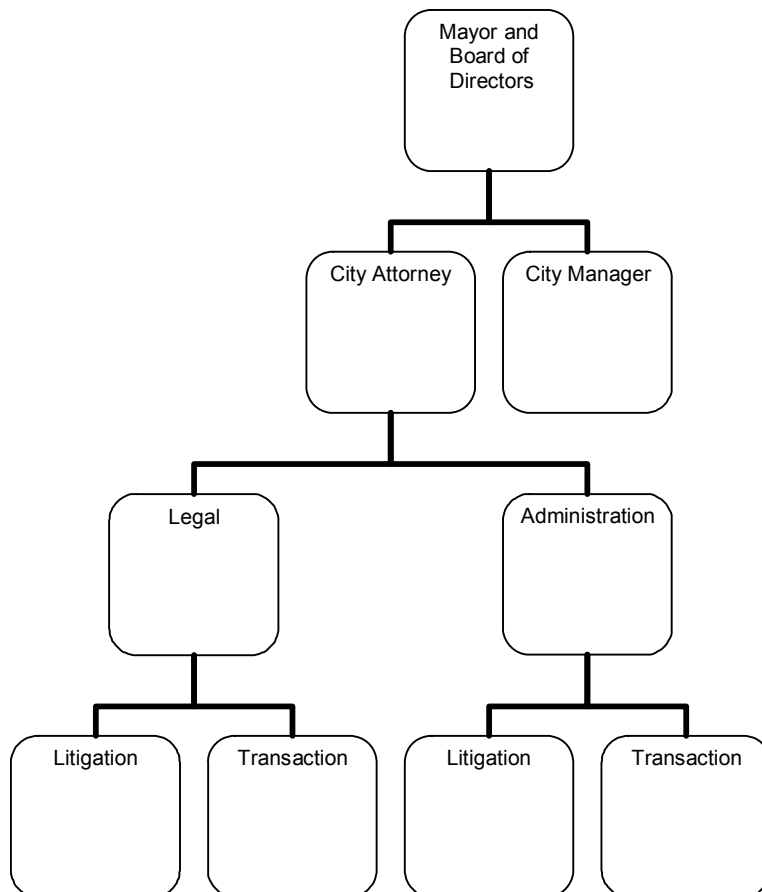


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# City Attorney



## Mission Statement

To provide legal assistance and representation for the City of Little Rock and its Boards and Commissions.

**City Attorney**

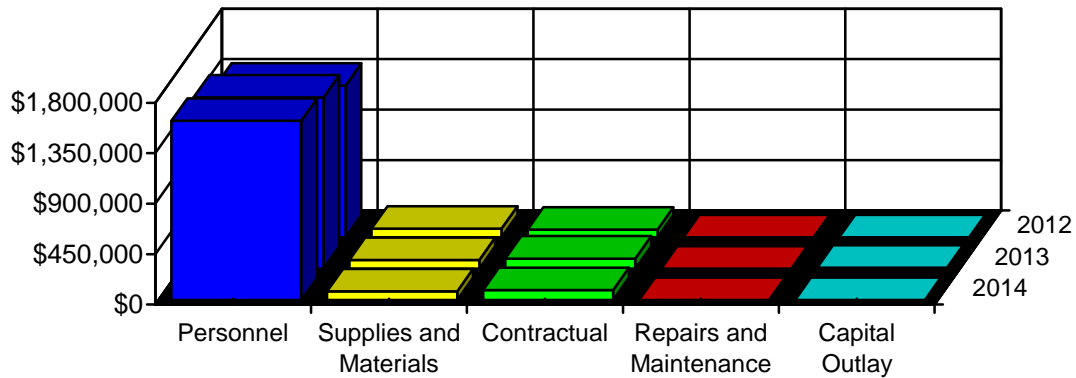
**Expenditure Budget**

Description	2012 Actual Expenditures	2013 Adopted Budget	2014 Adopted Budget
Salaries and Employee Benefits	\$1,352,995	\$1,526,934	\$1,600,553
Supplies and Materials	76,718	77,202	77,202
Contractual	68,206	90,953	90,953
Repairs and Maintenance		667	1,066
Capital		11,000	
<b>Total</b>	<b>\$1,497,920</b>	<b>\$1,706,756</b>	<b>\$1,769,774</b>

<b>Staffing</b>	18	18	18
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Approximately \$73,600 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees. The decrease in Capital Outlay was a one-time allocation for a City/County Attorney System in 2013.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,769,774	3.69%



City Attorney

2013 Department Priorities	Status
Continue transparent communication methods through reports, alerts and various updates.	Ongoing
Continue providing legal advice on the Criminal Abatement Program.	Ongoing
Continue support staff cross-training and professional development.	Ongoing
Provide legal representation for the Land Bank.	Ongoing
Maintain awareness of recent changes in federal law and regulations.	Ongoing
Continue to teach deadly force, civil liability and search and seizure to Little Rock Police Department.	Ongoing
Continue to prosecute litigation cases: traffic, truancy and code violations.	Ongoing
Continue to provide excellence to all those we serve.	Ongoing



City Attorney

<b>2014 Department Goals</b>
Continue timely updates to Board and City management through reports, alerts and memoranda.
Address legal issues for the Criminal Abatement Program.
Continue support staff cross-training and professional development.
Maintain awareness of recent changes in state and federal law.
Continue to teach deadly force, civil liability and search and seizure to Little Rock Police Department.
Provide instruction for other programs as requested by City departments.
Continue to prosecute litigations cases; traffic, truancy, code violations and represent City Board and Commissions.
Continue as need the drafting of contracts, ordinances and resolutions.
Encourage attorneys to participate in professional development organizations such as the Arkansas City Attorneys Association, Arkansas Bar Association and International Municipal Lawyers Association.



City Attorney

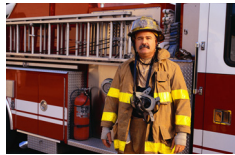
**Department:** City Attorney  
**Funding Source:** General Fund  
**Budget:** \$1,769,774

**Department Description:**

To provide adequate administrative controls to ensure the delivery of effective legal review of all City programs established by the Board of Directors and the administration of the City; to ensure that effective legal representation is provided for all lawsuits brought by or against the City; and to ensure that legal counsel is provided for all City boards, commissions, and departments.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To litigate cases.			
<b>Demand:</b> Cases to be litigated.	50	67	82
<b>Workload:</b> Cases litigated.	50	67	82
<b>Efficiency:</b> Cases litigated per year.	50	67	82
<b>Effect/Outcome:</b> Percentage of litigated cases closed per year.	n/a	n/a	n/a

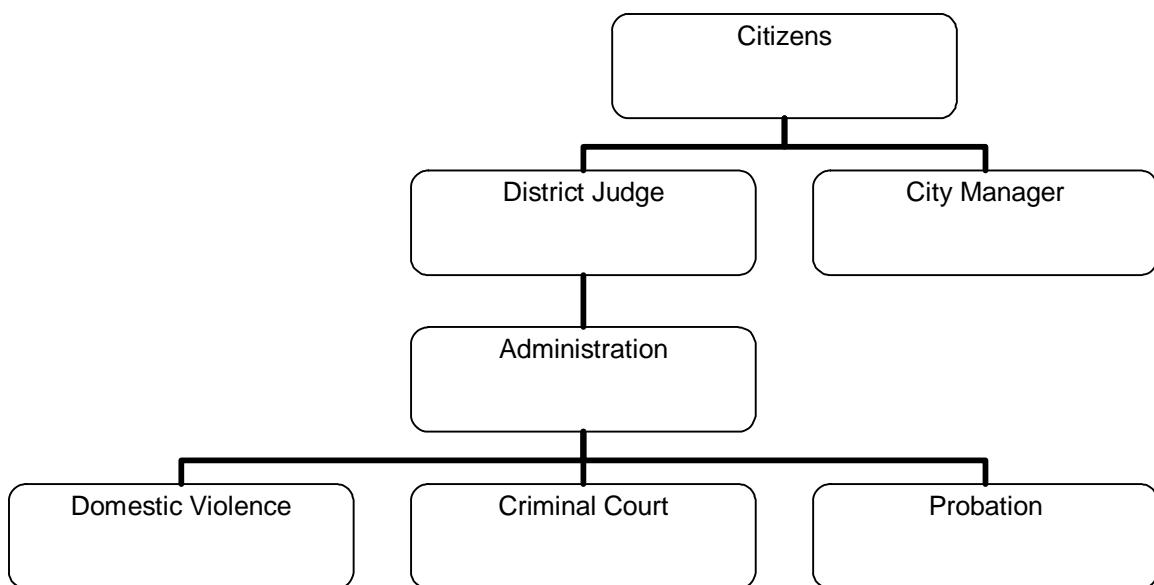
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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# District Court First Division



## Mission Statement

To provide the public with impartial and timely adjudication of criminal offenses; to divert offenders from criminal activity and increase public accountability through probation, drug testing, victim restitution and community service programs.

District Court First Division

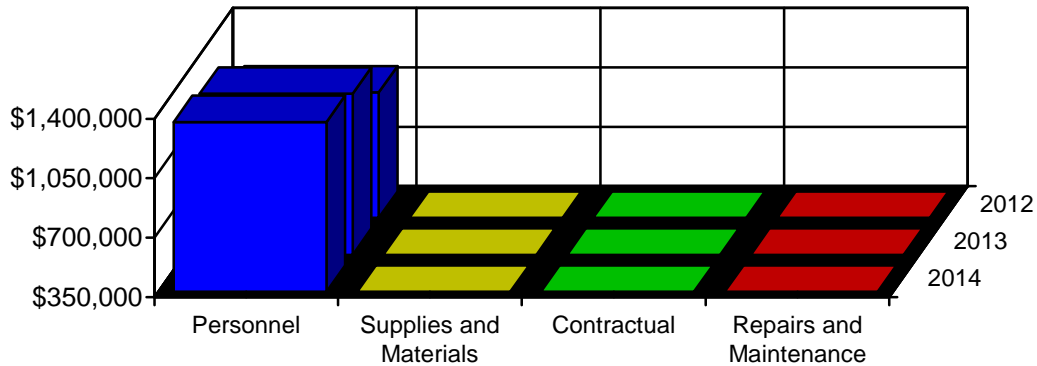
**Expenditure Budget**

Description	2012 Actual Expenditures	2013 Adopted Budget	2014 Adopted Budget
Salaries and Employee Benefits	\$1,089,206	\$1,299,277	\$1,310,333
Supplies and Materials	35,779	38,300	42,100
Contractual	23,458	42,150	38,350
Repairs and Maintenance	915	1,714	1,722
<b>Total</b>	<b>\$1,149,358</b>	<b>\$1,381,441</b>	<b>\$1,392,505</b>

<b>Staffing</b>	21	21	21
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Approximately \$11,056 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,392,505	0.80%





District Court First Division

2013 Department Priorities	Status
Acquire a new court building for all three (3) District Courts, providing adequate space and a healthier environment for employees and better security for the Judge, public, staff and attorneys.	Ongoing
Administer and provide justice to all in an equitable, professional, manner.	Ongoing
Continue to direct overall operations of the Criminal Court within the guidelines of the Arkansas State Statutes and the City of Little Rock ordinances and policies.	Ongoing
Provide better management and direction to staff insuring accountability, accessibility and courteous customer service to citizens.	Ongoing



**2014 Department Goals**

Provide better administrative support to criminal court proceedings, respond to public inquiries, maintain legal documents, court records and calendars efficiently and in compliance with state statutes.

Provide fair and impartial adjudications for all criminal cases heard.

Continue community outreach to middle schools with educational information about the criminal justice system and to reach out to the public in an effort to resolve more outstanding cases with fines to be collected by scheduling special sessions geared to those specific cases.

First District Court will provide court informed sentencing recommendations, monitoring conditions and compliance with probationers. Additionally First District Court will coordinate and evaluate community service programs, track probation fees, and court fines while staying informed on all changing legislation regarding fees and new statute requirements regarding the sealing of records.

Continue to direct the overall operation of Criminal Court within the guidelines of Arkansas State Statutes and the City of Little Rock ordinances and policies; providing management direction to staff and ensuring accountability and accessibility to citizens, while providing courteous customer service.

Continue to make this a better department that promotes teamwork and a happier work environment.




District Court First Division

**Department:** District Court Criminal  
**Funding Source:** General Fund  
**Budget:** \$1,392,505

**Department Description:**

To direct overall operations of Criminal proceedings ensuring legal compliance, efficiency, and public accountability.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To process Criminal Bond information on a daily basis.			
<b>Demand:</b> Bonds to be processed.	100	100	100
<b>Workload:</b> Bonds actually processed.	100	100	100
<b>Efficiency:</b> Bonds processed per court session.	100	100	100
<b>Effect/Outcome:</b> Percentage of Bonds processed daily.	100%	100%	100%

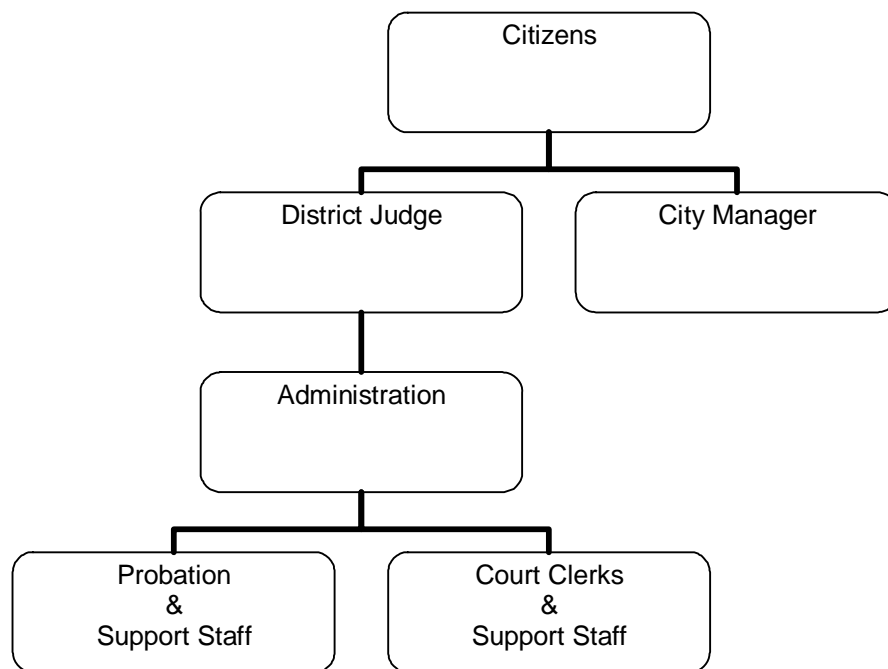
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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# District Court Second Division



## Mission Statement

We seek to administer justice and equity.

District Court Second Division

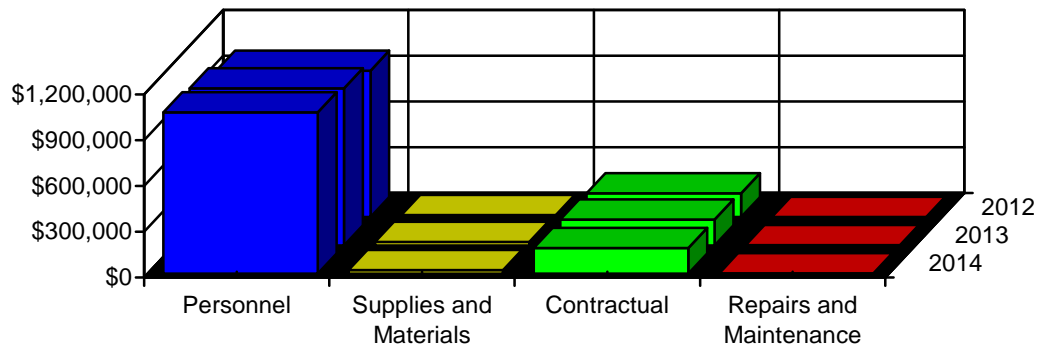
Expenditure Budget

Description	2012 Actual Expenditures	2013 Adopted Budget	2014 Adopted Budget
Salaries and Employee Benefits	\$958,675	\$1,029,365	\$1,055,621
Supplies and Materials	12,877	22,200	22,200
Contractual	155,480	168,664	167,369
Repairs and Maintenance	644	2,079	2,096
<b>Total</b>	<b>\$1,127,676</b>	<b>\$1,222,308</b>	<b>\$1,247,286</b>

<b>Staffing</b>	17	17	17
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Approximately \$26,000 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,247,286	2.04%



District Court Second Division

2013 Department Priorities	Status
Second District Court processed 31,029 traffic violations.	Completed
Second District Court disposed 34,455 traffic violations.	Completed
Second District Court processed 325 "Driving While Intoxicated" (DWI) violations.	Completed



<b>2014 Department Goals</b>
Second District Court will continue to find innovative ways to improve overall operations and provide the best customer service possible.
Implement a new case management and e-filing system offered through the Arkansas Administrative Office of the Courts.
Second District Court will provide the best customer service possible.





**Department:** District Court Traffic  
**Funding Source:** General Fund  
**Budget:** \$1,247,286

**Department Description:**

To direct the overall operation of the traffic court within established policies and laws; to provide management direction to staff; to insure accountability and accessibility to the public; and to make sure that the best customer service possible is provided. Management also seeks to provide the necessary needs to staff members enabling them to perform their jobs to the best of their ability and to provide the opportunity to obtain any additional training needed or requested.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To enter violations into the public safety system the same day received.			
<b>Demand:</b> Violations to be entered.	29,983	31,019	31,200
<b>Workload:</b> Violations entered and processed.	29,983	31,019	31,200
<b>Efficiency:</b> Violations entered and processed per month.	2,498	2,584	2,600
<b>Effect/Outcome:</b> Percentage of violations processed same day received.	99%	99%	99%

<b>Objective:</b> To update dispositions into the public safety system within 24 hours.			
<b>Demand:</b> Violations to be disposed.	33,740	34,455	34,500
<b>Workload:</b> Violations disposed.	33,740	34,455	34,500
<b>Efficiency:</b> Violations disposed of per month.	2,811	2,871	2,875
<b>Effect/Outcome:</b> Percentage of dispositions processed within 24 hours.	99%	99%	99%

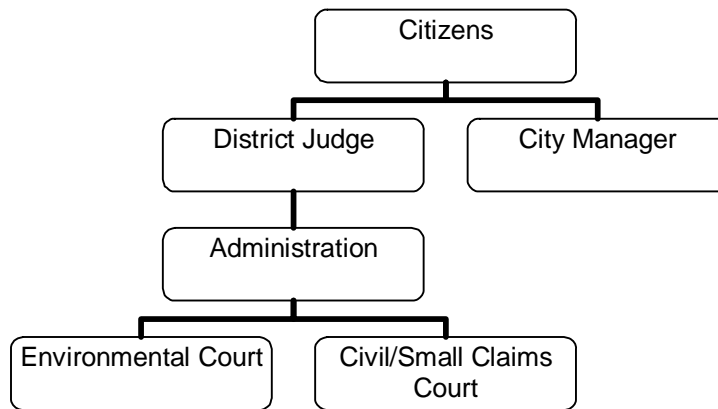
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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# District Court Third Division



## Mission Statement

To provide impartial and timely adjudication and impose sanctions for code violations to insure that neighborhood conditions are improved to comply with accepted health and safety standards. To provide the public with timely and impartial adjudication of civil and small claim matters.

District Court Third Division

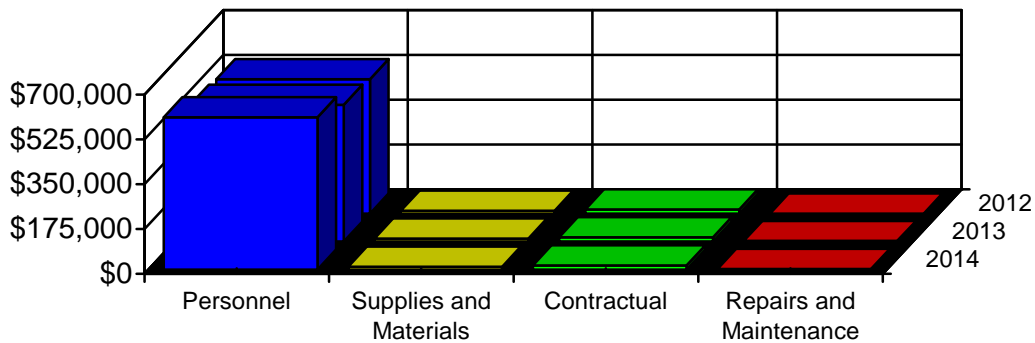
**Expenditure Budget**

Description	2012 Actual Expenditures	2013 Adopted Budget	2014 Adopted Budget
Salaries and Employee Benefits	\$524,605	\$534,233	\$595,856
Supplies and Materials	10,836	11,813	11,813
Contractual	15,520	17,016	17,016
Repairs and Maintenance	0	2,500	2,500
<b>Total</b>	<b>\$550,961</b>	<b>\$565,562</b>	<b>\$627,185</b>

<b>Staffing</b>	7	7	8
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Approximately \$61,500 of the personnel increase is attributed to salary, health care, pension contribution increases for non-uniform employees and the addition of a Deputy Court Clerk.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$627,185	10.90%



District Court Third Division

2013 Department Priorities	Status
Third District Court continues to upgrade information technology systems and programs.	Ongoing
Provide training and certification for Court Clerks, Probation officers and the Judge.	Ongoing
Continue to find ways to improve neighborhood conditions to comply with the city code standards.	Ongoing
Continue to find substantive programming for youth who are under our jurisdiction for day and night time curfew violations.	Ongoing
Continue to look for ways to provide a safe environment for the public, staff and judge during all court sessions.	Ongoing
Third District Court seeks to provide substantive training to all court staff.	Ongoing



<b>2014 Department Goals</b>
Implement prevention, intervention and treatment programs for juveniles.
Continue to pursue getting truancy petitions filed in our court.
Continue to provide training and certification for office staff.
Continue to plan for implementation of Administrative Office of the Courts' (AOC) computer program that will link all participating district courts.
Provide and administer justice and equity in a professional manner in the courtroom and work place.
Convert court forms and documents to Spanish.
Update the City's website to accommodate civil/small claims and office forms.



**Department:** District Court Environmental  
**Funding Source:** General Fund  
**Budget:** \$627,185

**Department Description:**

To direct the overall operation of the Court to ensure legal compliance, provide management direction, public accountability, impartial and timely adjudication and the imposition of sanctions for code violations ensuring that neighborhood conditions are improved to comply with accepted health and safety standards.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To process 99% of life-threatening violations within seven (7) days of the date citation is written.			
<b>Demand:</b> Citations to be processed.	80	85	90
<b>Workload:</b> Citations processed, recorded, and entered into computer.	80	85	90
<b>Efficiency:</b> Citations processed per court session.	75	80	85
<b>Effect/Outcome:</b> Percentage of Citations processed within thirty (30) days.	100%	100%	100%

<b>Objective:</b> Issue Warrants within twenty-four (24) hours of failure to appear in court.			
<b>Demand:</b> Warrants to be processed.	60	65	65
<b>Workload:</b> Warrants issued, recorded and entered into computer.	60	65	65
<b>Efficiency:</b> Warrants issued per court session.	6	10	12
<b>Effect/Outcome:</b> Percentage of Warrants processed.	100%	100%	100%

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**

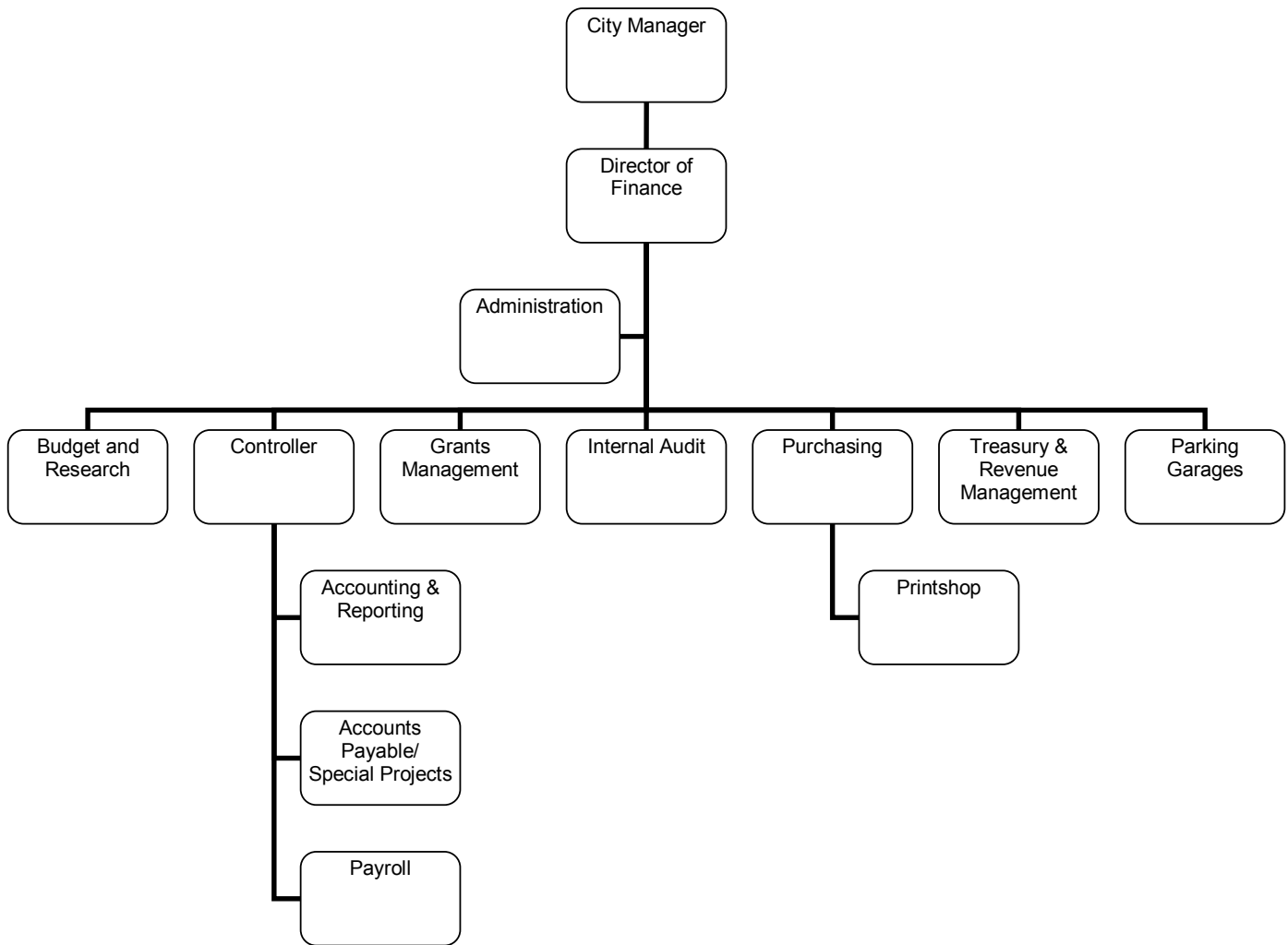


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# Finance



## Mission Statement

To manage the financial affairs of the City in accordance with all legal requirements in the highest standards of ethical and professional conduct; and to advise the City Manager and other City departments on any financial issues.

**Finance**

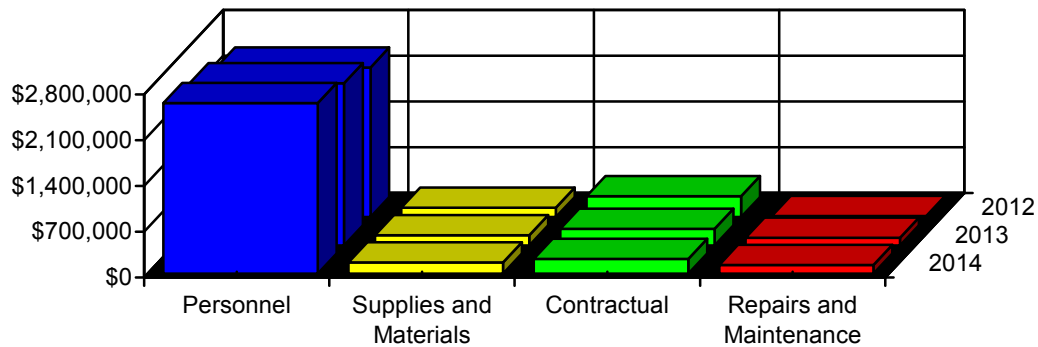
**Expenditure Budget**

Description	2012 Actual Expenditures	2013 Adopted Budget	2014 Adopted Budget
Salaries and Employee Benefits	\$2,288,007	\$2,476,958	\$2,607,924
Supplies and Materials	145,290	157,063	169,713
Contractual	318,400	254,877	225,677
Repairs and Maintenance	14,997	117,940	133,678
Capital	5,425	0	0
<b>Total</b>	<b>\$2,772,119</b>	<b>\$3,006,838</b>	<b>\$3,136,992</b>

<b>Staffing</b>	40	41	41
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Approximately \$32,000 of the personnel increase is attributed to a six month overlap in the Purchasing Manager position. The Purchasing Manager will retire in June. A replacement has been hired to begin in January to work alongside the Purchasing Manager to gain experience in this critical position. In addition, approximately \$98,000 of the increase is associated with salary, health care, and pension contribution increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$3,136,992	4.33%



Finance

2013 Department Priorities	Status
Obtained Government Finance Officers Association (GFOA) Certificate of Recognition for 2013 Budget Preparation.	Completed
Obtained GFOA Certificate of Achievement for Financial Reporting for FY12 Comprehensive Annual Financial Report (CAFR).	Completed
Provided support and quarterly reporting to the Little Rock Citizens Evaluation of New Tax (LRCent) Committee and the Board of Directors on the status of the new one (1) cent local sales tax revenues and on progress toward completion of capital projects authorized under the 3/8 cent portion of the tax.	Ongoing
Develop 3/8 Cent Capital Project financing plan, issue temporary note, and ensure timely purchase of items.	Ongoing
Continued on-going employee training for all Lawson financial applications.	Ongoing
Located additional grant funding opportunities as American Recovery and Reinvestment Act (ARRA) Grants are completed.	Completed
Create a Grants Compliance Manual for City Staff.	Ongoing
Redesigned the business license assessment forms, statements and licenses to simplify them and make them more user friendly.	Completed
The Treasury page of the City's web site was updated to include local tax rates and information on the City's key revenue sources.	Completed
Continue efforts to implement an integrated budget module for the City's Financial system.	Ongoing
Finalized the update of the City's Purchasing Manual and posted it to the City web site.	Completed
Monitored and provided support for the City and Municipal League's 2013 legislative package with a focus on obtaining improved sales tax reporting from the state.	Completed
Facilitated the issuance of the 2013 Capital Improvement Bonds.	Completed



Finance

<b>2014 Department Goals</b>
Obtain Government Finance Officers (GFOA) Certificate of Recognition for Budget Preparation.
Obtain GFOA Certificate of Achievement for Excellence in Financial Reporting for FY13 Comprehensive Annual Financial Report (CAFR).
Provide support and quarterly reporting to the LRCent Committee and the Board of Directors on the status of the one (1) cent local sales tax revenues and on progress toward completion of capital projects authorized under the 3/8 cent portion of the tax.
Develop 3/8-Cent Capital Project financing plan, issue short-term financing note if required, and ensure timely purchase of items.
Staff will monitor and report on infrastructure projects funded by the issuance of the 2013 Capital Improvement Bonds for Street and Drainage Projects.
Continue on-going employee training program for all Lawson financial applications.
Continue efforts to implement an integrated budget module for the City's Financial system.
Continue the aggressive pursuit of Federal, State, Local and private grant opportunities.
Update the Grant Compliance Manual to include requirements of new OMB circulars as they are released.
Review the current bid process and explore the possibility of alternatives for implementation of a process that allows acceptance of electronic bids.
Perform quarterly review and maintenance of outstanding purchase orders.
Staff will work with Information Technology to replace the current mainframe false alarm system and implement a web-based application to process false alarm payments.
Continue to capture e-mail addresses for business license holders and continue efforts to improve and promote the utilization of e-commerce for assessment forms, statements and license applications.



Finance

**Department:** Finance  
**Funding Source:** General Fund  
**Budget:** \$3,136,992

**Department Description:**

The Finance Department provides accounting and reporting, budgeting, internal audit, pension administration, accounts payable, payroll, purchasing, treasury management, grants management, and print shop services. In addition, Finance advises the City Manager and other departments on financial issues. Monthly financial reports are presented to the Board of Directors and posted to the City's web site for transparency to citizens and other interested parties.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To monitor compliance with the annual adopted budget.			
<b>Demand:</b> To prepare consolidated monthly variance reports for department variances > \$50,000 and 5% of budget.	12	12	12
<b>Workload:</b> Prepared consolidated monthly variance reports for department variances > \$50,000 and 5% of budget.	12	12	12
<b>Efficiency:</b> Consolidated variance reports prepared monthly.	1	1	1
<b>Effect/Outcome:</b> Percentage of consolidated monthly variance reports for department variances > \$50,000 and 5% of budget completed.	100%	100%	100%
<b>Objective:</b> To provide accurate and efficient accounting and reporting for all public funds received for the City and maintained by the Finance Department.			
<b>Demand:</b> Number of journal entries to be processed and completed.	1,558	1,500	1,500
<b>Workload:</b> Number of journal entries processed and completed.	1,558	1,500	1,500
<b>Efficiency:</b> Average number of journal entries processed and reviewed per month.	130	125	125
<b>Effect/Outcome:</b> Percentage of journal entries completed per year.	100%	100%	100%
<b>Objective:</b> To provide accurate and timely payment of all invoices properly submitted according to policy and procedure guidelines. Payments should be issued within 30 days.			
<b>Demand:</b> Number of invoices to be processed and recorded.	79,416	70,000	75,000
<b>Workload:</b> Number of invoices processed, recorded, and completed.	79,416	70,000	70,000
<b>Efficiency:</b> Number of invoices processed per hour.	38	33	36
<b>Effect/Outcome:</b> Percentage of invoice payments issued within 30 days.	98%	95%	95%



**Finance**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To provide and maintain a systematic method of accounting for and controlling City's assets.			
<b>Demand:</b> Number of departmental annual asset inventory counts scheduled.	41	41	41
<b>Workload:</b> Number of addition, retirement, depreciation, transfer, and adjustment transactions processed.	32,046	30,000	30,000
<b>Efficiency:</b> Number of departmental asset inventory counts completed.	41	41	41
<b>Efficiency:</b> Transactions processed per month.	2,675	2,500	2,500
<b>Effect/Outcome:</b> Percentage of departmental annual asset inventory counts conducted.	100%	100%	100%

<b>Objective:</b> To produce accurate and timely payroll service to the employees of the City.			
<b>Demand/Workload:</b> Number of Payroll transactions lines processed and recorded.	2,269,200	5,150,000	2,500,000
<b>Efficiency:</b> Payroll transaction lines processed and posted per month.	189,100	429,166	208,333
<b>Effect/Outcome:</b> Percentage of payroll transactions processed in the regular bi-weekly cycle.	98%	98%	98%

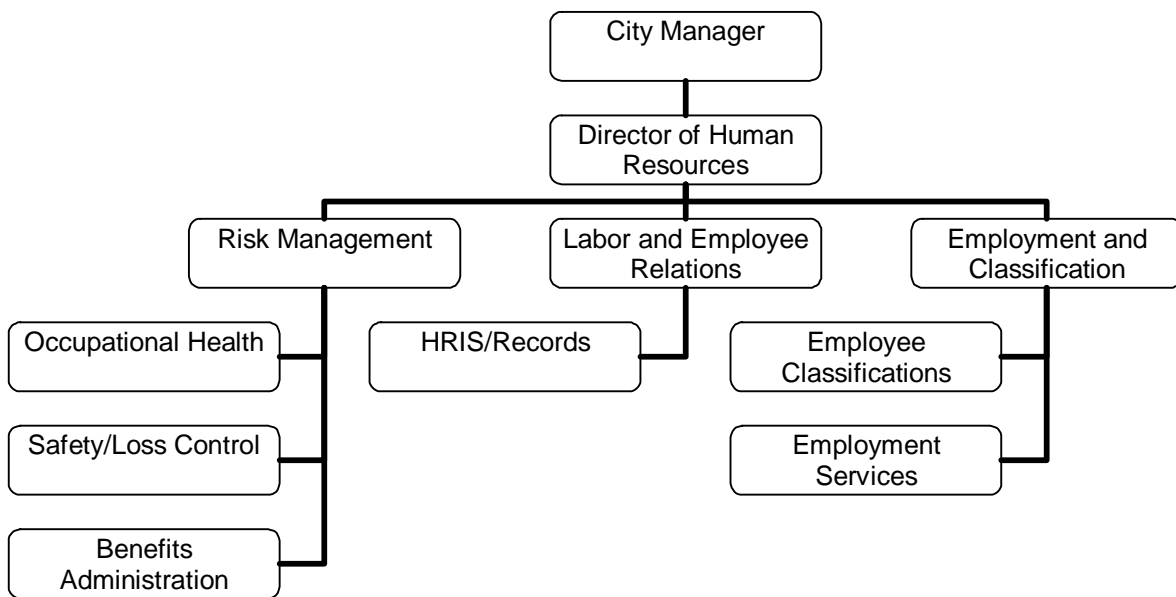
<b>Objective:</b> To achieve a current business license fee collection rate of 99%.			
<b>Demand/Workload:</b> Net amount billed annually for business licenses.	\$6,191,622	\$6,417,874	\$6,490,260
<b>Efficiency:</b> Revenue collected from business license fees.	\$6,070,952	\$6,304,395	\$6,363,000
<b>Effect/Outcome:</b> Percentage of business license fees collected.	98%	98%	98%

The departmental goals and objectives link with the  
**Statement of Management Policy for Financial Reporting.**





# Human Resources



## Mission Statement

To provide managers, administrators, and other employees with services consistent with sound human resource principles, that contributes to an effective and efficient work force supportive of Little Rock Municipal Government operations.

**Human Resources**

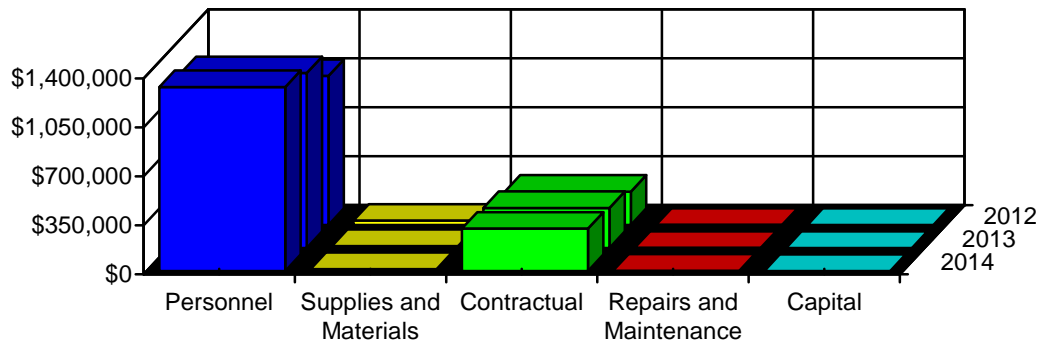
**Expenditure Budget**

Description	2012 Actual Expenditures	2013 Adopted Budget	2014 Adopted Budget
Salaries and Employee Benefits	\$1,064,468	\$1,249,772	\$1,315,171
Supplies and Materials	30,998	13,200	13,200
Contractual	237,911	285,764	302,514
Repairs and Maintenance	707	1,121	1,792
<b>Total</b>	<b>\$1,334,084</b>	<b>\$1,549,857</b>	<b>\$1,632,677</b>

<b>Staffing</b>	19	19	19
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Approximately \$65,300 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees. The Contract allocation includes additional funds for various employee events.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,632,677	5.34%





Human Resources

2013 Department Priorities	Status
Completed a review and updated the Administrative Policies and Procedures Manual.	Completed
Conducted Fair Labor Standards Act (FLSA) follow-up meetings with Departments.	Completed
Implemented a "New" Non-Uniform Pension plan; including plan document, qualification filing and employee enrollment meetings.	Completed
Implemented safety initiatives with key departments.	Completed
Reviewed Health Care renewal proposal including additional requirements related to Patient Protection and Affordable Care Act (PPACA).	Completed
Revise the physical ability test for the firefighter position.	Ongoing
Conducted additional hiring process training and expanded the interviewing and background investigation phases.	Completed
Developed a notification system for "status of job description" updates on employment requisitions.	Completed



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Human Resources

<b>2014 Department Goals</b>
Review onboarding procedures and implement changes to enhance City processes.
Conduct an audit and review all current department independent contractors to ensure compliance with Internal Revenue Service (IRS) regulations.
Conduct a self-audit of all overtime exempt classifications to ensure compliance with Fair Labor Standards Act (FLSA) regulations.
Review the health care insurance renewal proposal and additional impacts from the Patient Protection and Affordable Health Care Act (PPACA).
Provide training on the Employment Section of the Administrative Policies and Procedures Manual.



Human Resources

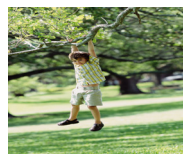
**Department:** Human Resources  
**Funding Source:** General Fund  
**Budget:** \$1,632,677

**Department Description:**  
 To provide administrative human resource management support to all departments; to establish, implement, review, and modify policies and procedures.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To administer benefit programs provided for city employees, including insurance coverage and to ensure that quality benefits are provided within financial and legal parameters.			
<b>Demand:</b> Total Enrollment meetings.	50	44	46
<b>Workload:</b> Number of enrollment meetings conducted.	50	44	46
<b>Efficiency:</b> Completed enrollment meeting materials by contract and or payroll deadlines.	100%	100%	99%
<b>Effect/Outcome:</b> Percentage of enrollment meeting materials completed by payroll and Contract targets.	100%	100%	100%

<b>Objective:</b> To process and maintain job descriptions and job specifications.			
<b>Demand:</b> Number of active job classifications.	425	417	438
<b>Workload:</b> Number of classifications requests or new position requests per year.(includes LRCVB)	79	155	95
<b>Efficiency:</b> Complete research and submit completed documents for review by requesting department within 60 days.	38	26	60
<b>Effect/Outcome:</b> Average number of days to complete research and submit proposed job descriptions/specification.	38	26	60

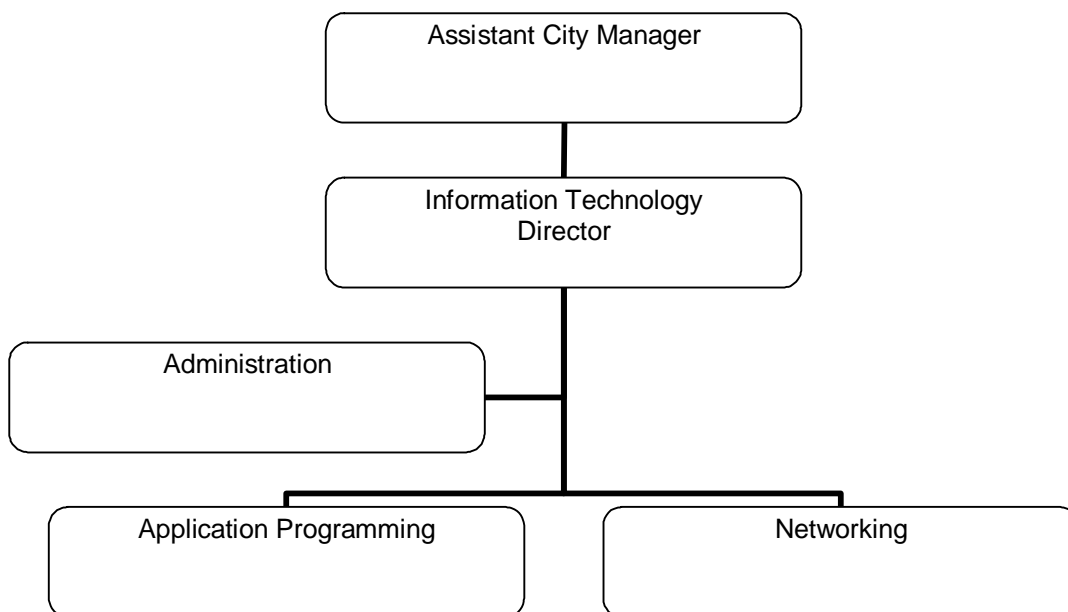
The departmental goals and objectives link with the  
**Board of Directors Statement of Management Policy for Basic City  
 Services and Quality of Life.**



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# Information Technology



## Mission Statement

To provide systems management, administration, review and development of IT policies and standards, technical support, training, technology design and selection, technology acquisition, and strategic planning services for all city departments.

Information Technology

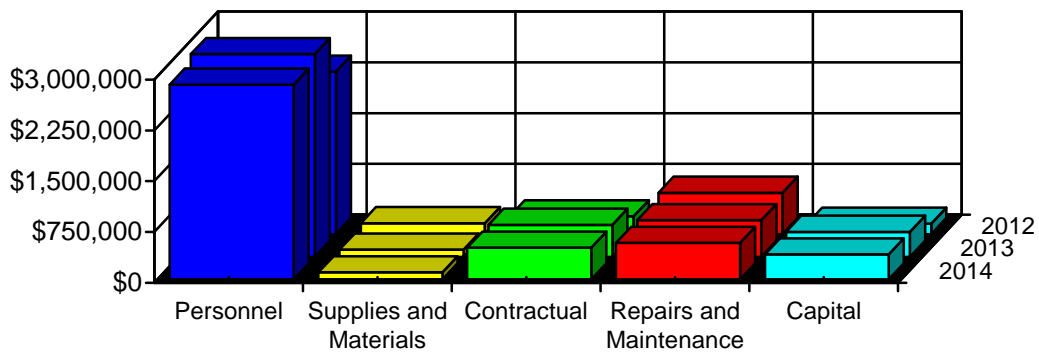
Expenditure Budget

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$2,398,187	\$2,993,210	\$2,876,466
Supplies and Materials	161,602	105,119	105,375
Contractual	262,044	471,514	468,119
Repairs and Maintenance	608,625	540,060	539,362
Capital	153,285	369,062	369,000
<b>Total</b>	<b>\$3,583,744</b>	<b>\$4,478,965</b>	<b>\$4,358,322</b>

Staffing	2012	2013	2014
	38	39	39

The 2014 Personnel Budget for IT is less than the original 2013 Personnel Budget. Funding for two (2) vacant positions has been eliminated. If the positions are filled, the cost will be covered by special projects or grants.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$4,358,322	-2.69%



Information Technology

2013 Department Priorities	Status
Created a Business Continuity Plan for the Information Technology Department and assisted other City Departments in creating plans for their respective areas.	Completed
Developed a web-based impound system to upgrade and replace the existing mainframe system.	Completed
Assist the Little Rock District Courts with conversion to the State of Arkansas Administrative Office of the Courts (AOC) system by developing interfaces to the Little Rock Police Department information required by the Little District Courts.	Ongoing
Assist Finance with the upgrade of the False Alarm billing system.	Ongoing
Assist Little Rock Police Department with the upgrade of the 311 System's hardware and software.	Ongoing
Assisted the Little Rock Police Department in upgrading the 911 phone system.	Completed
Upgrade and replace the current Little Rock Police Department Incident System on the mainframe.	Ongoing
Purchase 1400 Office 2013 licenses for all of the City's workstations and update all the devices with the latest possible version.	Ongoing
Replaced the oldest 200 of the 1400 workstations in the City's network.	Completed
Assist the Community Programs Department in selecting and implementing a contract management and service tracking system.	Ongoing
Upgrade and replace what is currently known today on the mainframe as Little Rock Police Department "Person's World System".	Ongoing
Upgrade and replace the current Little Rock Police Department Property Inventory System on the mainframe.	Ongoing
Create an Administrative module to process code tables, supplement transfers, or Little Rock number transfers.	Ongoing



<b>2014 Department Goals</b>
Assist the Little Rock District Courts with conversion to the State of Arkansas Administrative Office of the Courts (AOC) system by develop interfaces to Little Rock Police Department information required by the Little Rock District Courts.
Assist Finance with the upgrade of the False Alarm billing system.
Assist Little Rock Police Department with the upgrade of the 311 System, both hardware and software.
Assist Little Rock Police Department with the upgrading of the Computer Aided Dispatch (CAD) system.
Upgrade and replace the current Little Rock Police Department Incident System on the mainframe.
Continue to move users to the latest version of Microsoft Office that their respective machine can handle. Continue to provide user training on Office 2013.
Continue to work with departments to identify workstations that need to be replaced.
Upgrade and replace portions of the City's existing phone system to a Voice over Internet Protocol (VOIP) phone system.
Assist Parks Department with technical requirements for the John Barrow – West Central Community Center facility.
Assist the Community Programs Department in implementing a contract management and service tracking system.
Upgrade and replace what is currently known today on the mainframe as Little Rock Police Department "Person's World System".
Upgrade and replace the current Little Rock Police Department Property Inventory System on the mainframe.
Create an Administrative module to process code tables, supplement transfers, or Little Rock number transfers.
Create an Apartment Complex Billings to track the police responses, billing, and payments.
Develop a Graphic Information System (GIS) utilizing open source software to provide better graphical information for the Police and Fire departments.
Implement an Open Data System that can publish data sets for the citizens of Little Rock; utilizing standard views, mapping tools, and file formats.
Assist the Little Rock Police Department in implementing a crime prediction and analysis system.





Information Technology

**Department:** Information Technology  
**Funding Source:** General Fund  
**Budget:** \$4,358,322

**Department Description:**

To provide systems management, administration, review and development of Information Technology policies and standards, technical support, training, technology design and selection, technology acquisition, and strategic planning services for all city departments.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To insure that the City's local area computer network is available 99% of the available work hours.			
<b>Demand:</b> Hours available in the work year.	8,760	8,760	8,760
<b>Workload:</b> Hours available for use per year.	8,760	8,760	8,760
<b>Efficiency:</b> Hours available for use per month.	730	730	730
<b>Effect/Outcome:</b> Percentage network is available during work hours.	99%	99%	99%

<b>Objective:</b> To insure that the City's Mainframe is available 99% of the available work hours.			
<b>Demand:</b> Hours available in the work year.	8,760	8,760	8,760
<b>Workload:</b> Hours available for use per year.	8,760	8,760	8,760
<b>Efficiency:</b> Hours available for use per month.	730	730	730
<b>Effect/Outcome:</b> Percentage of available work hours.	99%	99%	99%

<b>Objective:</b> To insure that 97% of the city staff trouble tickets receive a satisfactory or better rating.			
<b>Demand:</b> Number of trouble ticket per year.	8,311	8,333	8,500
<b>Workload:</b> Number of ticket processed within the year.	8,311	8,333	8,500
<b>Efficiency:</b> Number of satisfactory or better tickets.	8,062	8,166	8,330
<b>Effect/Outcome:</b> Percent of satisfactory or better rated tickets.	97%	98%	98%

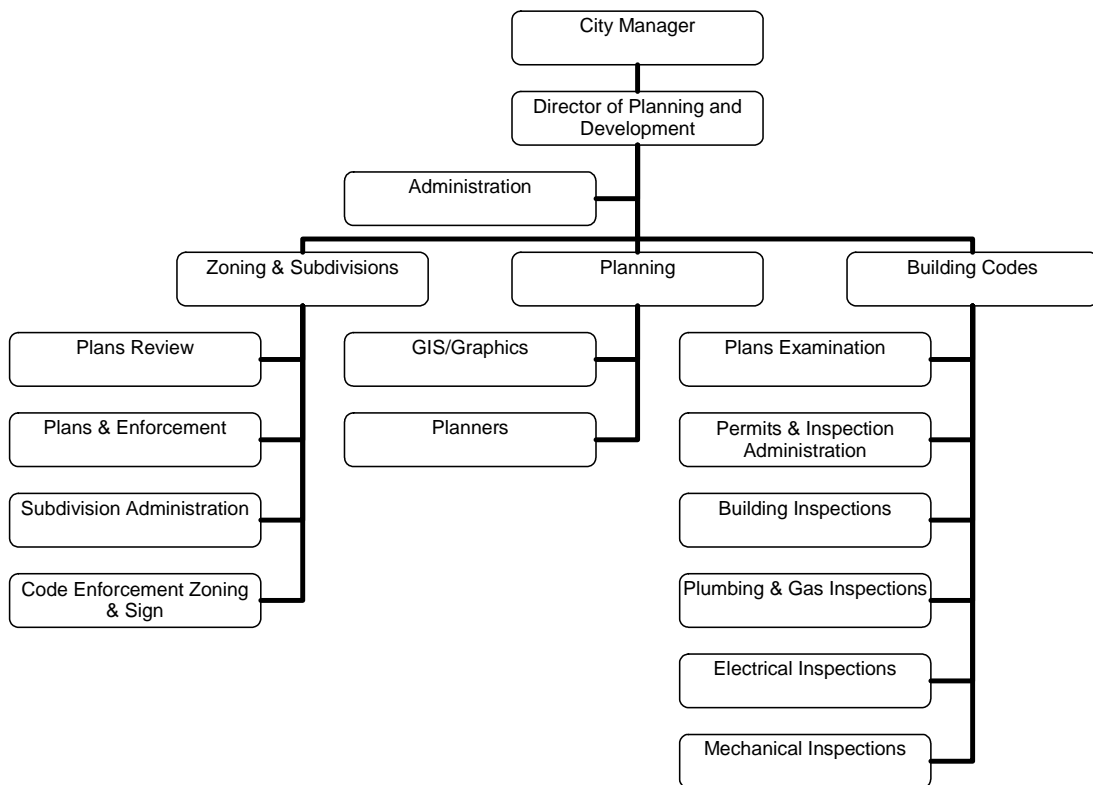
The departmental goals and objectives link with the  
**Board of Directors Statement of Management Policy for Basic City Services.**



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# Planning & Development



## Mission Statement

To enhance the quality of life for the citizens of Little Rock by providing a department, which encourages quality growth, development and redevelopment and stabilization of neighborhoods through a concentrated effort of planning, land use controls, permitting, and enforcement.

Planning and Development

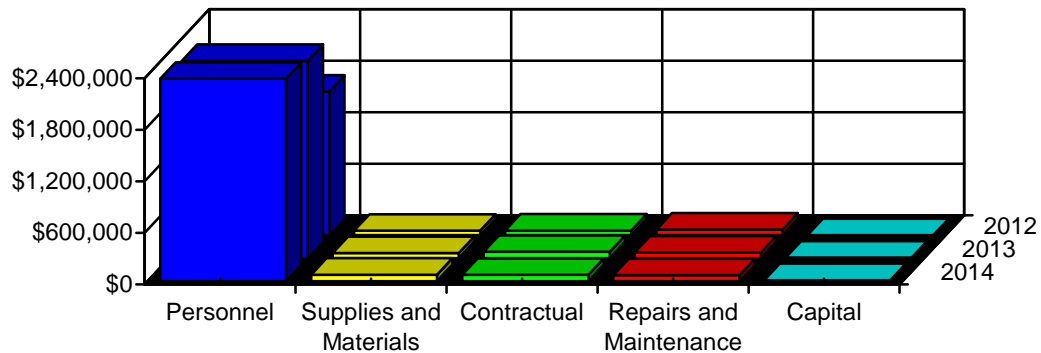
Expenditure Budget

Description	2012 Actual Expenditures	2013 Adopted Budget	2014 Adopted Budget
Salaries and Employee Benefits	\$1,670,312	\$2,295,429	\$2,356,928
Supplies and Materials	50,334	58,678	75,132
Contractual	53,105	73,178	72,357
Repairs and Maintenance	64,218	66,863	68,551
Capital		5,000	11,000
<b>Total</b>	<b>\$1,837,969</b>	<b>\$2,499,148</b>	<b>\$2,583,968</b>

Staffing	39	39	39
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Approximately \$61,500 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees. In addition, there are slight increases in supplies and utilities in the 2014 budget.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$2,583,968	3.39%



2013 Department Priorities	Status
Continue to provide staff support for various boards, commissions and committees including Planning Commission, City Beautiful Commission, Historic District Commission, and the Board of Directors.	Ongoing
Continue to work on the implementation of the Historic Preservation plan and add an "Institutional" category to the MacArthur Park Design Guidelines.	Ongoing
Completed one area of review and updated the City's future land use plan and started the process for one area west of I-430.	Completed
Coordinated with Planning Commission and Board of Directors a needed review of the Zoning and Subdivision ordinance.	Completed
Staff reviewed and processed approximately 150 requests for rezoning, conditional uses, variances, preliminary plats and planned developments.	Completed
Continue effort to address the issue of unsafe structures.	Ongoing
Continue to be involved with the Main Street Revitalization Committee and Subcommittees (Downtown Little Rock Partnership) and various planning efforts, Green America's Capital and the National Endowment for the Arts (NEA) Our Town grant.	Ongoing
Begin the process to undertake a review/analysis of the zoning/subdivision ordinance if funding is identified. (Process was not funded.)	Other (Please Explain)



**2014 Department Goals**

Continue to provide staff support for various boards, commissions and committees including Planning Commission, City Beautiful Commission, Historic District Commission, River Market Design Review Committee and the Board of Directors.
Continue to work on the implementation of the Historic Preservation plan.
Complete one area of review and update the City's future land use plan and begin the process for the northwest part of the City.
Coordinate with Planning Commission and Board of Directors any needed review of the ordinance.
Staff will review and process approximately 150 requests for rezoning, conditional uses, variances, preliminary plats and planned developments.
Continue effort to address the issue of unsafe structures.
Continue to be involved with the Main Street Revitalization Committee and Subcommittees (Downtown Little Rock Partnership).
Continue to work with various planning efforts or groups, including Main Street, a design overlay district for John Barrow Road and the Bicycle Friendly Community Committee.



Planning and Development

**Department:** Planning and Development  
**Funding Source:** General Fund  
**Budget:** \$2,583,968

**Department Description:**  
 To administer and enforce the City's development ordinances and construction codes.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To process 95% of all applications within forty-five (45) days.			
<b>Demand:</b> Land Use, Historic District, and River Market District cases to be processed.	27	24	26
<b>Workload:</b> Land Use, Historic District, and River Market District cases processed.	27	24	26
<b>Efficiency:</b> Cases reviewed/completed per month.	2	2	2
<b>Effect/Outcome:</b> Completion of cases	100%	100%	100%
<b>Objective:</b> To process all inspection request within one (1) day.			
<b>Demand:</b> Building, Plumbing Mechanical, and Electrical inspection requests possible.	14,000	14,000	14,500
<b>Workload:</b> Building, Plumbing Mechanical, and Electrical inspection requests completed.	14,000	14,000	14,500
<b>Efficiency:</b> Inspection requests completed per year	14,000	14,000	14,500
<b>Effect/Outcome:</b> Percentage of requests completed.	100%	100%	100%
<b>Objective:</b> To complete zoning, subdivision, and sign code enforcement inspections, and re-inspections within policy-directed time frames.			
<b>Demand:</b> Zoning, subdivision and sign code inspections and re-inspections to be completed.	4,703	6,500	6,000
<b>Workload:</b> Zoning, subdivision and sign code inspections, and re-inspections completed.	4,703	6,500	6,000
<b>Efficiency:</b> Cases processed per year.	4,703	6,500	6,000
<b>Effect/Outcome:</b> Compliance and completion of cases.	100%	100%	100%
<b>Objective:</b> To process 85% of all applications within forty-five (45) days of fling for Board of Adjustment and Planning Commission and within ninety (90) days of filing for final Board action.			
<b>Demand:</b> Processing of Conditional Use, Tower Use, Special Use, Variances, Preliminary or Final Plats, Planned Developments and Site Plan Reviews.	249	295	275
<b>Workload:</b> Total Cases available per year.	249	295	275
<b>Efficiency:</b> Cases processed per year.	249	295	275
<b>Effect/Outcome:</b> Compliance and completion of cases.	100%	100%	100%



**Planning and Development**

<b>Objective:</b> To review assess and respond to all Landscape Plan submittals within ordinance and policy established time frames.			
<b>Demand:</b> Landscape and Building Plan submittals.	283	250	250
<b>Workload:</b> Review of plans, research of case files, meetings with applicants, site inspections and re-inspections, documenting files.	283	250	250
<b>Efficiency:</b> Cases processed per year.	283	250	250
<b>Effect/Outcome:</b> Compliance and completion of cases.	100%	100%	100%

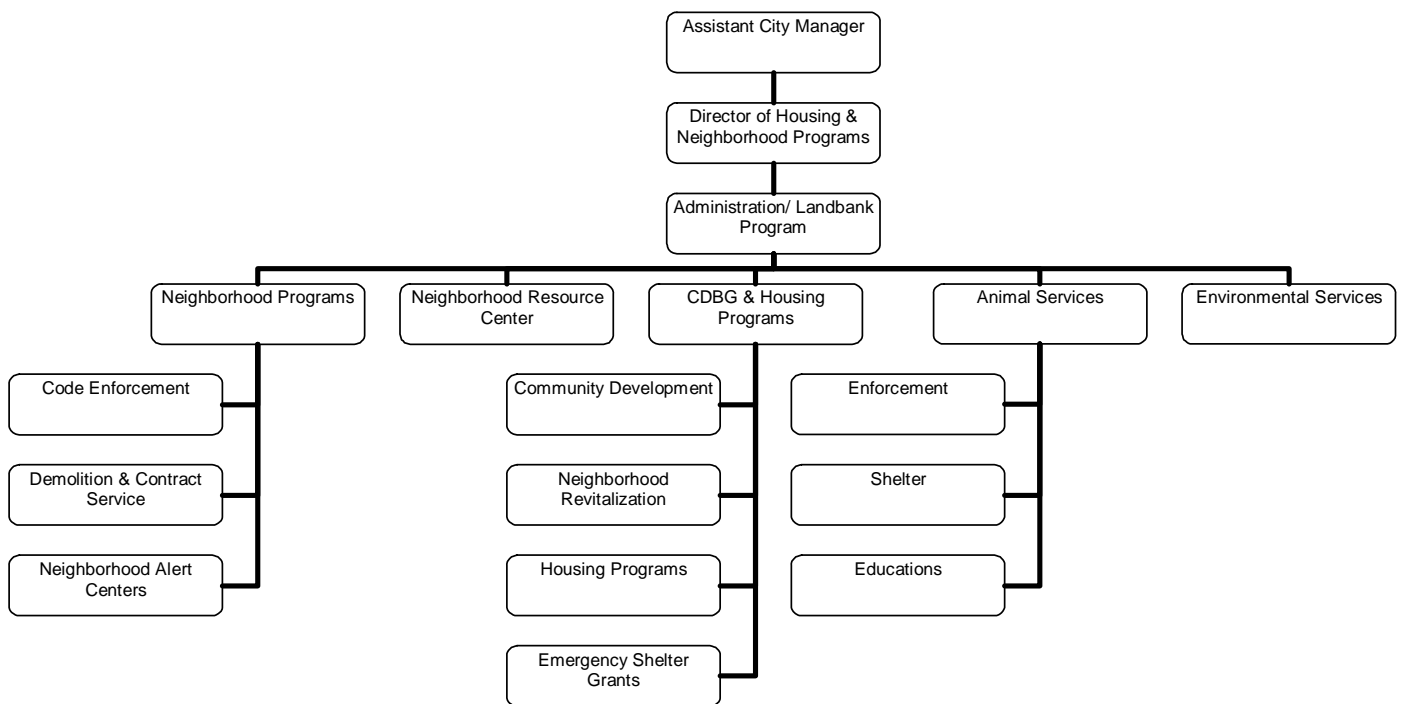
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services.**







# Housing & Neighborhood Programs



## Mission Statement

To enhance the quality of life for the citizens of Little Rock by encouraging quality, affordable development and redevelopment while working closely with neighborhood organizations to identify resources needed to strengthen and make improvements in their areas; and to protect the health and safety of the citizenry through the efficient implementation and enforcement of environmental and animal services codes.

**Housing and Neighborhood Programs**

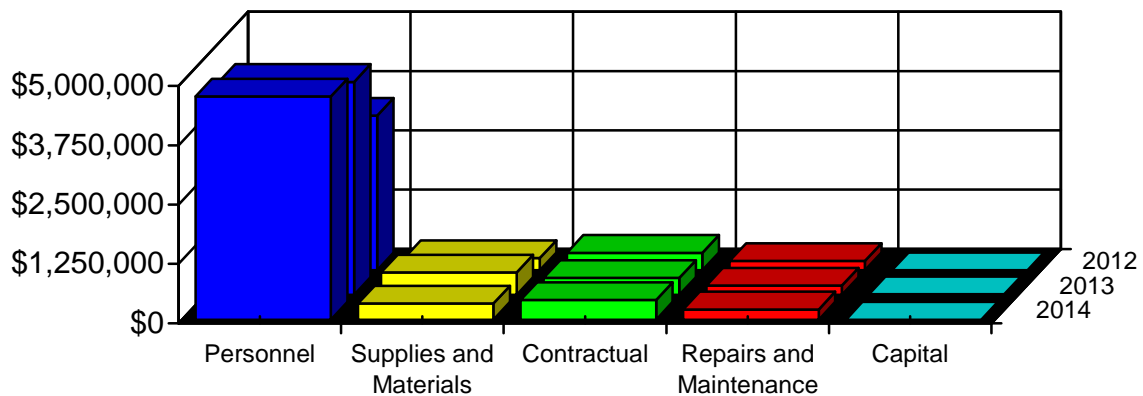
**Expenditure Budget**

Description	2012 Actual Expenditures	2013 Adopted Budget	2014 Adopted Budget
Salaries and Employee Benefits	\$3,256,350	\$4,490,114	\$4,702,178
Supplies and Materials	257,188	472,911	339,930
Contractual	365,647	359,233	414,866
Repairs and Maintenance	194,470	197,439	216,865
Capital		15,000	0
<b>Total</b>	<b>\$4,073,655</b>	<b>\$5,534,697</b>	<b>\$5,673,839</b>

<b>Staffing</b>	96	103	103
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Approximately \$212,000 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees. Other changes reflect the additional supplies and operating funds required for the operation of the Wright Avenue, Oak Forest, and Baseline Alert Centers. The Fleet budget has been reduced based on changing fuel cost and experience.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	<u>\$5,673,839</u>	<u>2.51%</u>



**Housing and Neighborhood Programs**

2013 Department Priorities	Status
Housing developed a quarterly news letter.	Completed
Housing will implement a "Neighborhood of the Year" program.	Ongoing
Developed divisional brochures for the entire department.	Completed
To increase public awareness, Housing will develop Public Service Announcements for each division.	Ongoing
Provide ongoing Code Officer training.	Ongoing
Continue to acquire Land Bank properties through donations, lien foreclosures and purchases for future development.	Ongoing
Expand the capacity at the dog park and animal village.	Ongoing
Increased the number of animal adoptions exceeding 1,500 annually.	Completed



**Housing and Neighborhood Programs**

**2014 Department Goals**

- Housing will continue publishing a department quarterly newsletter.
- Implement a "Neighborhood of the Year Program".
- Develop Public Service Announcements (PSA) to highlight each division.
- Increase staffing levels of Code Enforcement Officers while providing training opportunities for both new and existing employees.
- Continue city-wide adoption events to aid in the increase of adoptions and sales of pet licenses.
- Develop single family units within the Land Bank and the Neighborhood Stabilization Program 2 (NSP2) boundaries.
- Develop and implement a comprehensive marketing strategy that will promote the housing availability within Rolling Pines subdivision.
- Expand the Dog Park to include water fountains for people and a water play area for dogs.




**Housing and Neighborhood Programs**

**Department:** Housing and Neighborhood Programs  
**Funding Source:** General Fund  
**Budget:** \$5,673,839

**Department Description:**  
 To provide administrative and managerial support to the Department of Housing and Neighborhood Program's divisions and program activities; Community Development Block Grant, Neighborhood Programs, Neighborhood Services/Alert Centers, Willie L. Hinton Neighborhood Resource Center, and Environment Services.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To inspect neighborhood rental property.			
<b>Demand:</b> Rental property to be inspected.	1,500	1,500	1,500
<b>Workload:</b> Rental property inspected.	840	944	1,500
<b>Efficiency:</b> Average Rental property inspected per month.	70	79	125
<b>Effect/Outcome:</b> Percentage of rental inspections completed yearly.	56%	63%	100%

<b>Objective:</b> To enforce nuisance codes through property inspections.			
<b>Demand:</b> Nuisance code inspections to be performed.	20,000	24,000	22,000
<b>Workload:</b> Nuisance code inspections performed.	15,188	16,358	22,000
<b>Efficiency:</b> Average nuisance code inspections done per month.	1,266	1,363	1,833
<b>Effect/Outcome:</b> Percentage of nuisance code inspections completed per year.	76%	68%	100%

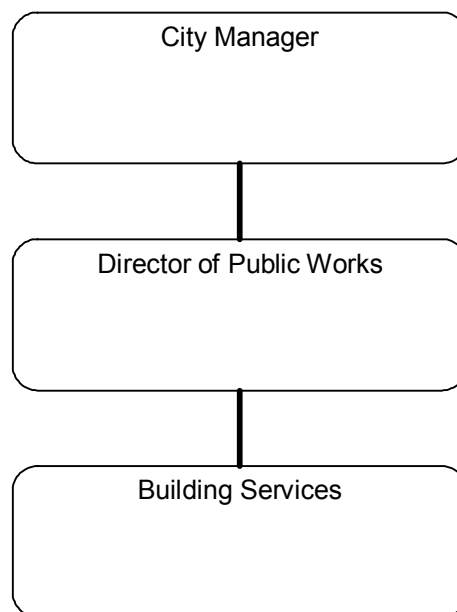
The departmental goals and objectives link with the  
**Board of Directors Statement of Management Policy for a  
 Safe City and Basic City Services.**




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# Public Works General Fund



## **Mission Statement**

To ensure all construction, remodeling and repairs of City owned buildings are construction according to plans and specifications in the most economical, environmentally friendly manner.

**Public Works General Fund**

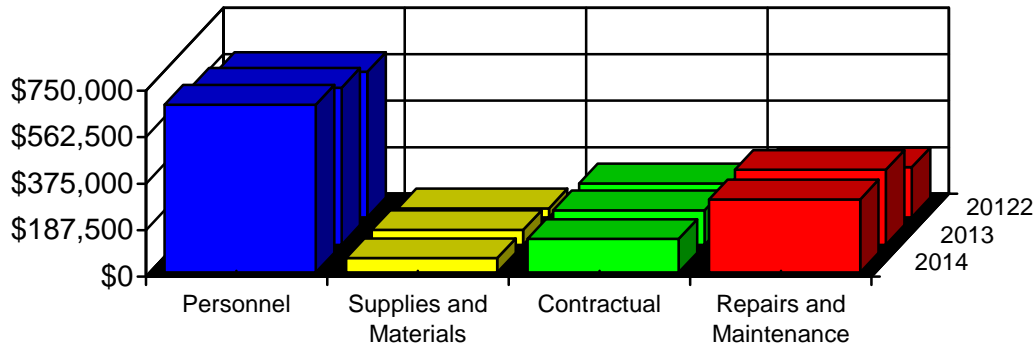
**Expenditure Budget - General Fund**

Description	2012 Actual Expenditures	2013 Adopted Budget	2014 Adopted Budget
Salaries and Employee Benefits	\$587,103	\$634,737	\$677,498
Supplies and Materials	35,888	60,635	58,248
Contractual	136,885	139,495	135,690
Repairs and Maintenance	202,285	303,479	295,046
<b>Total</b>	<b>\$962,161</b>	<b>\$1,138,346</b>	<b>\$1,166,482</b>

<b>Staffing</b>	13	13	13
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Approximately \$42,760 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,166,482	2.47%





Public Works General Fund

2013 Department Priorities	Status
Energy Efficient Building Maintenance: Continue to support maintenance and construction that will make buildings more energy efficient, less expensive to maintain and environmentally friendly.	Ongoing
Installation of Motion Sensors: Continue to install motion sensors on lighting to conserve energy as funds become available.	Ongoing



**2014 Department Goals**

Energy Efficient Building Maintenance: Continue to support maintenance and construction that will make buildings more energy efficient, less expensive to maintain and environmentally friendly.

Installation of Motion Sensors: Continue to install motion sensors on lighting to conserve energy as funds become available.

Empty lined area for additional goals.



Public Works General Fund

**Department:** Public Works  
**Funding Source:** General Fund  
**Budget:** \$1,166,482

**Department Description:**

To ensure all construction, remodeling and repairs of City owned buildings are constructed according to plans and specifications in the most economical, environmentally friendly manner.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To complete all building-related service work orders in a timely fashion.			
<b>Demand:</b> Work orders to be completed from City departments.	2,200	1,400	1,350
<b>Workload:</b> Work orders completed.	2,200	1,400	1,350
<b>Efficiency:</b> Work orders completed per month.	183.33	116.67	112.50
<b>Effect/Outcome:</b> Total percentage of work orders completed.	100%	100%	100%

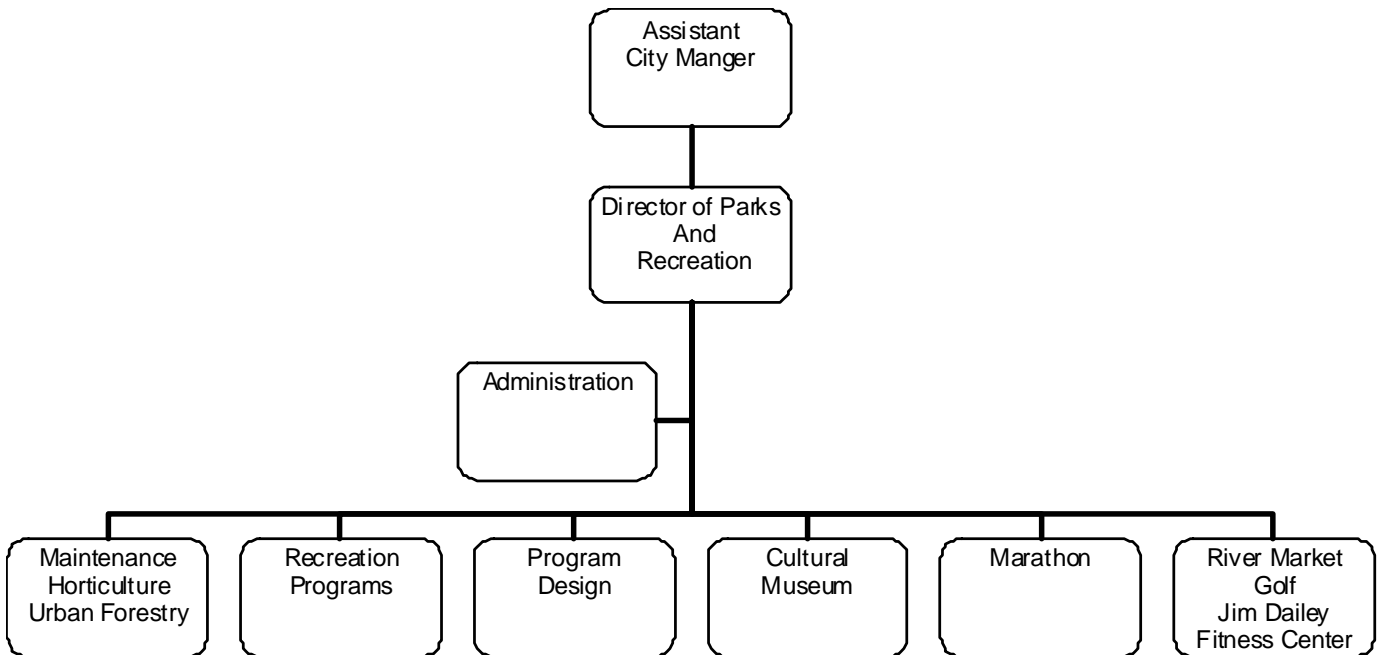
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services.**



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# Parks and Recreation



## Mission Statement

To create a meaningful parks and recreation system that provides quality leisure services, promotes the natural environment, local economy and health of the community and strengthens the diversity of a democratic society.

**Parks and Recreation**

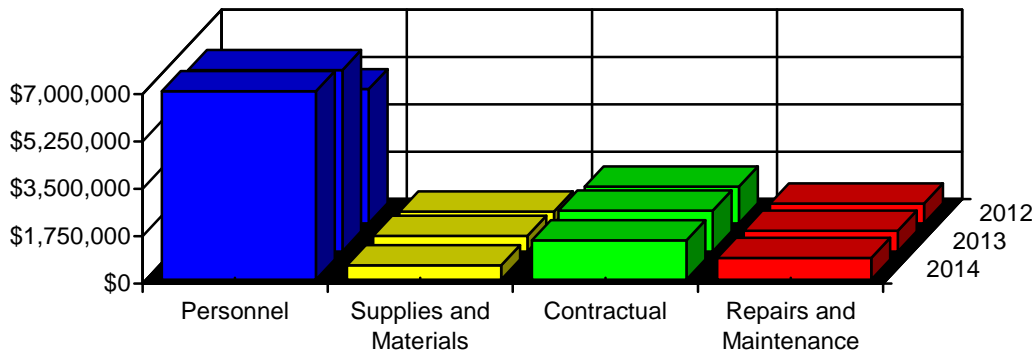
**Expenditure Budget - General Fund**

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$4,952,469	\$6,692,755	\$6,957,661
Supplies and Materials	436,183	573,941	529,592
Contractual	1,350,890	1,504,077	1,451,465
Repairs and Maintenance	729,136	763,390	800,973
Capital	7,299	0	0
<b>Total</b>	<b>\$7,475,977</b>	<b>\$9,534,163</b>	<b>\$9,739,691</b>

<b>Staffing</b>	117	119	122
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The increases in the Parks Department reflect the continuation of the new sales tax allocation to provide enhanced park maintenance and support for the operating cost of the Centre at University Park for a full year. In addition, several contract positions were reclassified as part-time employees during the year. The budget is now reflected in personnel cost. The increases in the Parks Department personnel are attributed to salary, health care, and pension contribution increases for non-uniform employees and the addition of a Therapeutic programming position, a Parks maintenance position, and a Recreation programmer.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$9,739,691	2.16%



**Parks and Recreation**

2013 Department Priorities	Status
Arkansas River Trail: Continue to seek solutions to complete the construction of the Arkansas River Trail.	Ongoing
The Centre at University Park: The Centre at University Park opened in the fall of 2013.	Completed
Park Maintenance Upgrade: Park maintenance was upgraded from Class C to Class B.	Completed
Parks Revenue Bond Projects: War Memorial, Prospect Terrace and Natural Steps revenue bond projects were completed.	Completed
Capital Projects: Continue the implementation of capital projects funded via the 2012 City Sales Tax increase, such as Natural Steps, Parks Upgrade, Trails, West Central Community Center and Pool.	Ongoing
Little Rock Parks and Recreation Master Plan: Update the 2001 Little Rock Parks and Recreation Master Plan.	Ongoing
MacArthur Park Master Plan: Continue the implementation of the MacArthur Park Master Plan.	Ongoing
War Memorial Redevelopment Plan: Continue refinement and implementation of the War Memorial Redevelopment Plan.	Ongoing
Little Rock Marathon Improvements: Increased Little Rock Marathon participation and revenue by ten (10%) in 2013.	Completed
Parks and Recreation Playground Inspection Program: Staff conducted a thorough and detailed annual inspection of every playground within Parks and Recreation Inventory.	Completed
Lights on After School: Continuation of the "Lights on After School" Initiative, which will continue to promote the critical importance of quality after-school programs.	Ongoing
Step Up to Health Initiative: Continue promotion of the Step Up to Health Initiative, which will inspire citizens to pursue healthier lifestyles, creating a more livable community.	Ongoing
Summer Playground Program: Operated an eight (8) week Summer Playground Program at seven (7) sites around the City.	Completed



**Parks and Recreation**

<b>2014 Department Goals</b>
Arkansas River Trail: Continue to seek solutions to complete the construction of the Arkansas River Trail.
Parks Maintenance Upgrade: Continue to maintain our park system at a Class B level which has as its goal to mow parks one (1) time every ten (10) days.
West Central Sports Complex: Begin construction of West Central Community Center and Pool.
Parks Revenue Bond Projects: Complete the Coleman Creek Restoration within War Memorial Park.
Natural Steps Complex: Complete first phase construction of Natural Steps athletic complex to include 4 athletic fields, entrance road and parking.
Little Rock Parks and Recreation Master Plan: Update the 2001 Little Rock Parks and Recreation Master Plan.
MacArthur Park Master Plan: Continue the implementation of the MacArthur Park Master Plan.
War Memorial Redevelopment Plan: Continue the refinement and implementation of the War Memorial Redevelopment Plan.
Little Rock Marathon Improvements: Increase Little Rock Marathon participation and revenue by 10% in 2014.
Parks & Recreation Playground Inspection Program: Continue to conduct a thorough and detailed annual inspection of every playground within Parks and Recreation inventory.
Lights on After School: Continuation of the "Lights on After School" Initiative, which will continue to promote the critical importance of quality after-school programs within the lives of children, their families and community.
Step Up to Health Initiative: Continue promotion of the Step Up to Health Initiative, which will inspire citizens to pursue healthier lifestyles; creating a more livable community.
Golf Courses: Continue to seek creative solutions to make all golf courses self-sustaining.
Jim Dailey Fitness and Aquatic Center: Continue to seek creative ways in which to market the Jim Dailey Fitness and Aquatic Center.
Parks Sustainable Margins: Continue researching the feasibility of developing sustainable margins adjacent to woodlands in order to reduce mowing time and enhance wildlife habitats.





Parks and Recreation

**Department:** Parks and Recreation  
**Funding Source:** General Fund  
**Budget:** \$9,739,691

**Department Description:**

To ensure that all programs and facilities successfully promotes the natural environment, local economy and health of the community such as; horticulture, urban forestry, recreation programs, socialization, self-esteem, growth and achievement. program design, cultural museum, the Little Rock Marathon, and various parks enterprises.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> Provide the citizens and visitors of Little Rock accessible recreational program opportunities, experiences and activities which promote active living, health and wellness, socialization, self-esteem, growth and achievement.			
<b>Demand:</b> Total recreational opportunities available.	204,225	337,687	344,441
<b>Workload:</b> Recreational opportunities attended.	201,225	309,058	315,239
<b>Efficiency:</b> Average seasonal attendance.	50,306	77,264	78,933
<b>Effect/Outcome:</b> Percentage of attendance versus opportunities available.	99%	92%	92%
<b>Objective:</b> Evaluate and upgrade existing capital projects based on need and fund availability.			
<b>Demand:</b> Capital projects to be managed annually.	79	97	95
<b>Workload:</b> Actual projects managed annually.	48	92	90
<b>Efficiency:</b> Projects actively managed monthly.	24	66	70
<b>Effect/Outcome:</b> Percentage of capital projects managed.	61%	95%	95%
<b>Objective:</b> Mow each park every ten (10) days during the mowing season.			
<b>Demand:</b> Number of desired mowing cycles.	21	21	22
<b>Workload:</b> Number of mowing cycles.	14	21	22
<b>Efficiency:</b> Number of monthly mowing cycles completed.	2	3	3
<b>Effect/Outcome:</b> Percentage of annual mowing cycles completed	67%	100%	100%

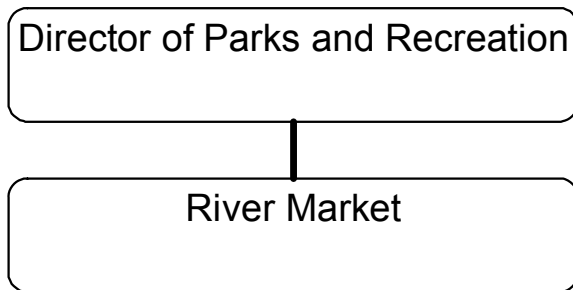
The departmental goals and objectives link with the  
**Board of Directors Statement of Management Policy for  
 Quality of Life.**



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# River Market



## **Mission Statement**

The River Market strives to be a carefully crafted, intentional, and diverse medley of owner-operated shops, stalls, and/or day tables existing to fill a public purpose and reflecting that which is distinctive about a community while meeting its everyday shopping needs.

River Market

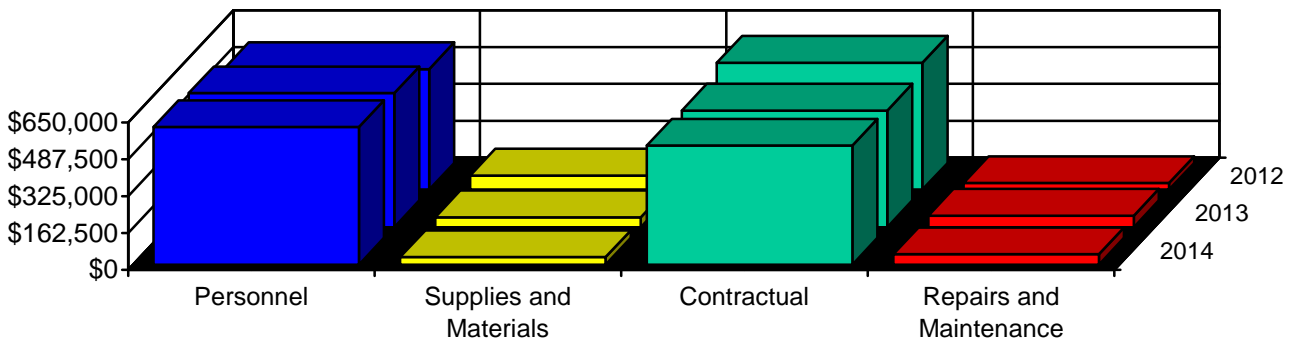
Expenditure Budget - River Market

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$532,282	\$590,434	\$605,930
Supplies and Materials	62,938	43,766	33,000
Contractual	560,376	513,600	524,300
Repairs and Maintenance	29,932	50,000	45,445
<b>Total</b>	<b>\$1,185,528</b>	<b>\$1,197,800</b>	<b>\$1,208,675</b>

<b>Staffing</b>	0	0	0
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The Little Rock Convention and Visitor's Bureau will continue to operate the River Market on behalf of the City in 2014.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,208,675	0.91%



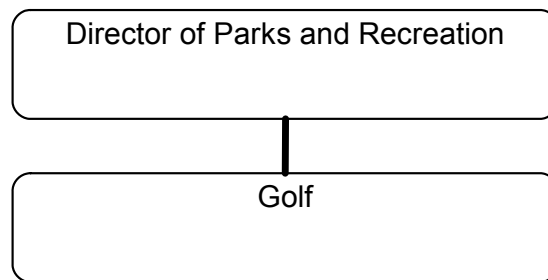
River Market

2014 Department Goals
Little Rock Convention and Visitors Bureau (LRCVB) will continue management of River Market operations on behalf of the City for 2014.
The City will continue to provide support to the River Market at the level of \$250,000.

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# Golf



## **Mission Statement**

To provide the best golfing experience possible at an affordable price, featuring quality facilities and friendly service to all golfers.

**Golf**

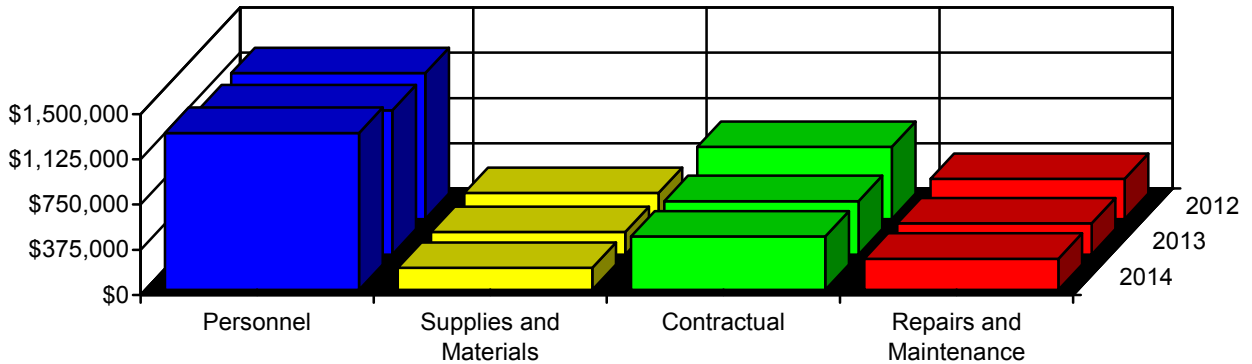
**Expenditure Budget**

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$1,207,761	\$1,193,686	1,301,109
Supplies and Materials	216,865	187,575	183,091
Contractual	597,888	442,577	443,384
Repairs and Maintenance	332,460	257,714	259,581
<b>Total</b>	<b>\$2,354,974</b>	<b>\$2,081,552</b>	<b>\$2,187,165</b>

<b>Staffing</b>	21	21	21
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The increases in the Golf Department personnel are attributed to salary, health care, and pension contribution increases for non-uniform employees. In addition there were increases in fleet and utility expenses.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$2,187,165	5.07%





Golf

2013 Department Priorities	Status
Maintained Rebsamen, Hindman and War Memorial Golf Courses to established standards.	Completed
Generate a minimum of \$345,185 in revenue at Hindman Golf Course, while keeping expenditures within budget.	Not Completed
Generate a minimum of \$364,960 in revenue at War Memorial Golf Course, while keeping expenditures within budget.	Not Completed
Generate a minimum of \$901,420 in revenue at Rebsamen Golf Course, while keeping expenditures within budget.	Not Completed



Golf

2014 Department Goals
Generate a minimum of \$992,800 in revenue at Rebsamen Golf Course, while keeping expenditures within budget.
Generate a minimum of \$389,850 in revenue at War Memorial Golf Course, while keeping expenditures within budget.
Generate a minimum of \$390,000 in revenue at Hindman Golf Course, while keeping expenditures within budget.
Maintain Rebsamen, Hindman and War Memorial Golf Courses to established maintenance standards.
Redo drainage in a minimum of three (3) sand bunkers at Rebsamen's eighteen hole Championship Golf Course.



**Department:** Golf  
**Funding Source:** General Fund  
**Budget:** \$2,187,165

**Department Description:**

Provide and maintain quality, affordable public golf facilities, and programs for citizens of Little Rock as well as visitors to the City, while generating revenue to maintain courses at a high standard and make improvements to existing facilities.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To provide affordable golfing experiences for the citizens of Little Rock.			
<b>Demand:</b> Projected golf rounds.	65,000	67,500	70,000
<b>Workload:</b> Actual golf rounds.	69,120	55,963	70,000
<b>Efficiency:</b> Average rounds per month.	5,760	4,664	5,833
<b>Effect/Outcome:</b> Percentage of actual rounds of golf.	106%	83%	100%

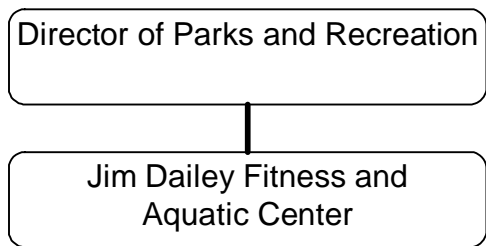
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Quality of Life.**



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# Jim Dailey Fitness and Aquatic Center



## Mission Statement

Our goal is to increase quality customer service and to offer a variety of health and fitness programs to the citizens of Little Rock.

**Jim Dailey Fitness and Aquatic Center**

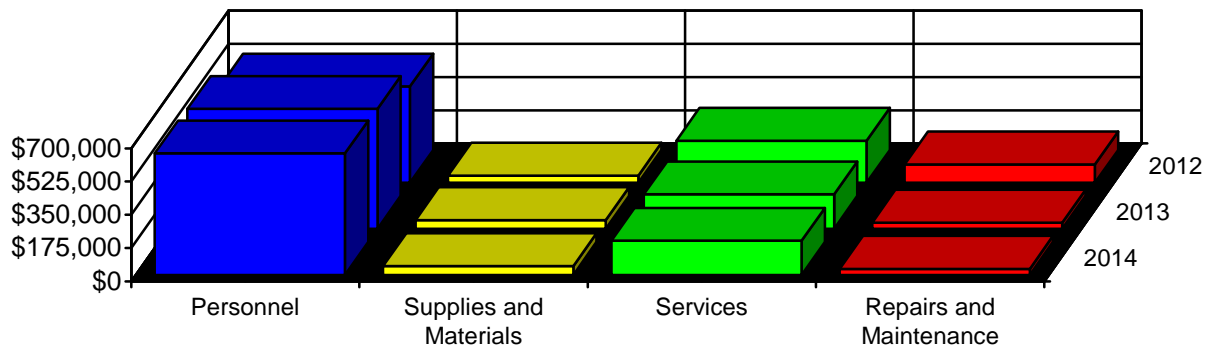
**Expenditure Budget**

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$507,201	\$631,654	\$639,032
Supplies and Materials	38,542	46,214	46,293
Contractual	221,560	181,529	179,307
Repairs and Maintenance	96,899	32,078	31,933
<b>Total</b>	<b>\$864,202</b>	<b>\$891,475</b>	<b>\$896,565</b>

<b>Staffing</b>	2012	2013	2014
	9	9	9

Approximately \$7,300 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$896,565	0.57%



2013 Department Priorities	Status
Examine all health and wellness programs to ensure they encourage a healthy lifestyle.	Ongoing
Create productive partnerships with community organizations and corporations, which foster health, wellness, and fitness.	Ongoing







**Jim Dailey Fitness and Aquatic Center**

**Department:** Jim Dailey Fitness Center  
**Funding Source:** General Fund  
**Budget:** \$896,565

**Department Description:**

To provide a Fitness Center which provide citizens an opportunity to participate in a variety of health and fitness activities.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To provide a safe, healthy, and clean environment that offers a variety of aquatic, fitness and sport activities that will improve the health and fitness of the citizens of Little Rock at the Jim Dailey Aquatic and Fitness Center.			
<b>Demand:</b> Potential Program attendance capacity.	198,000	154,524	159,160
<b>Workload:</b> Actual program attendance.	170,000	99,253	101,238
<b>Efficiency:</b> Attendance per month.	13,650	14,166	15,666
<b>Effect/Outcome:</b> Percentage of actual attendance over potential attendance.	86%	64%	64%

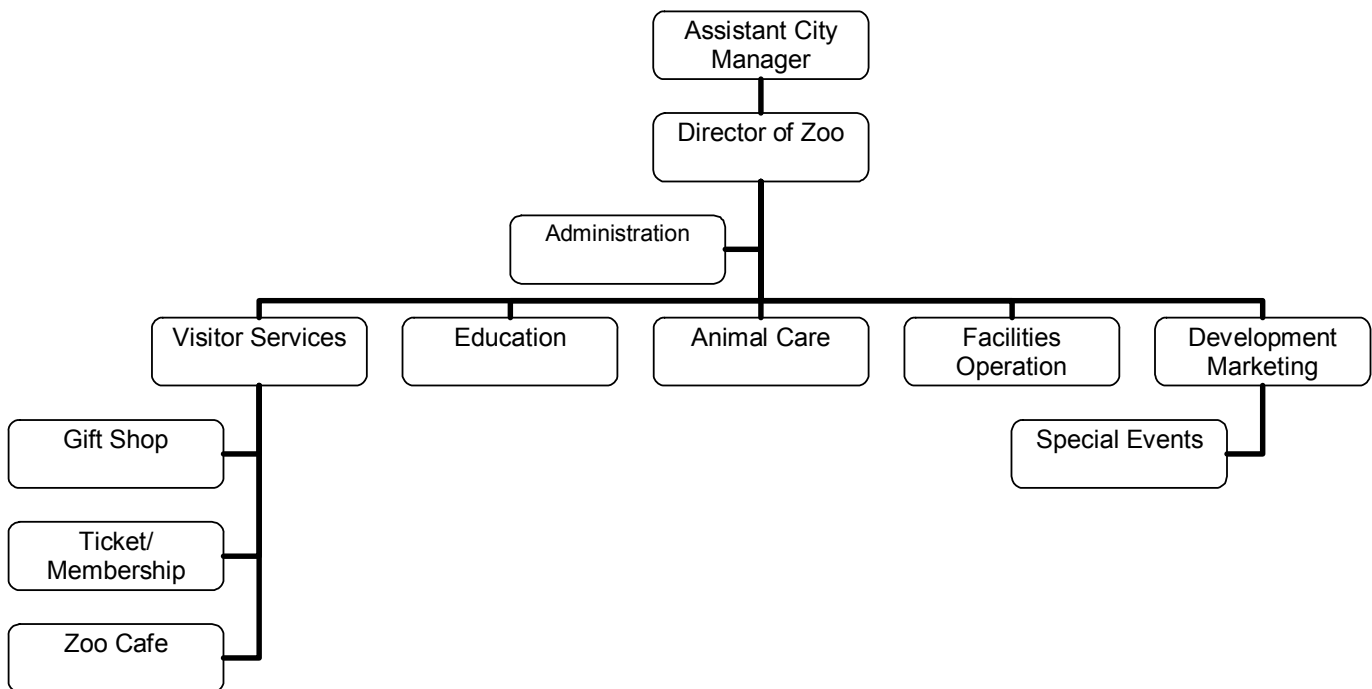
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Quality of Life.**



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# Zoo



### Mission Statement

To create and maintain an outstanding zoological institution, which serves as a model for others in education, animal care and response to community needs; providing our visitors with recreation, educational and cultural experience and operating on a sound financial basis.

Zoo

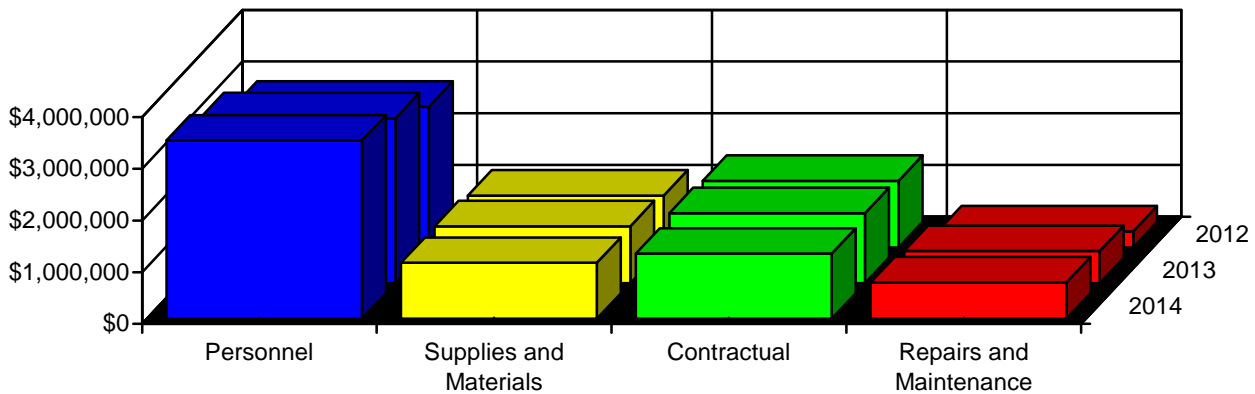
Expenditure Budget

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$2,716,220	\$3,185,466	\$3,447,038
Supplies and Materials	1,000,738	1,044,494	1,081,353
Contractual	1,287,231	1,249,008	1,260,648
Repairs and Maintenance	310,844	612,336	699,762
<b>Total</b>	<b>\$5,315,033</b>	<b>\$6,091,304</b>	<b>\$6,488,801</b>

Staffing	56	57	59
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The increase in personnel cost is attributed to salary, health care, and pension contribution increases for non-uniform employees and reflects the addition of one (1) Zoo Animal Registrar position and one (1) Administration Office Assistant.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$6,488,801	6.53%



Zoo

2013 Department Priorities	Status
Update and replace all graphical representations and logos relating to the Zoo.	Ongoing
Reinstated the Zoo's Education Division.	Completed
Zoo updated the Zoo's Master Plan.	Completed
Upgraded the horticulture throughout the zoological garden.	Completed
Improve and promote diversity within the Zoo department.	Ongoing



Zoo

2014 Department Goals
Zoo will implement the completed Master Plan.
Zoo will continue to implement the recommendations of the Strategic Plan.
Update walkways, pathways, and the graphics associated to enhance Americans with Disability Act (ADA) accessibility.
Replace & Update Zoo graphics on all operations media and advertising material.
Reinstate the Zoo Education division to further promote and stimulate interest within the Zoo.
Upgrade the horticulture throughout the entire zoological gardens and exhibits.
Install new train tracks for a train owned and operated by the Zoo.
Zoo will break ground on the new Arkansas Farm Exhibit and upgrade the chimpanzee, elephant, bear and otter existing exhibits.



Zoo

**Department:** Zoo  
**Funding Source:** General Fund  
**Budget:** \$6,488,801

**Department Description:**

The Little Rock Zoo provides educational and recreational opportunities in a fun environment that inspires people to conserve the natural world. The Zoo is accredited by the Association of Zoos and Aquariums (AZA) and displays more than 700 animals on 33 acres of beautifully landscaped parkland. The Zoo offers educational programming, special events, and other activities to entertain and educate the public and is a leading cultural attraction in central Arkansas.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To track annual gate attendance.			
<b>Demand:</b> Anticipated annual attendance.	214,468	180,000	222,487
<b>Workload:</b> Actual annual attendance.	211,766	172,728	222,487
<b>Efficiency:</b> Average attendance per month.	17,647	14,394	18,541
<b>Effect/Outcome:</b> Percentage of workload over demand.	99%	96%	100%

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Quality of Life.**

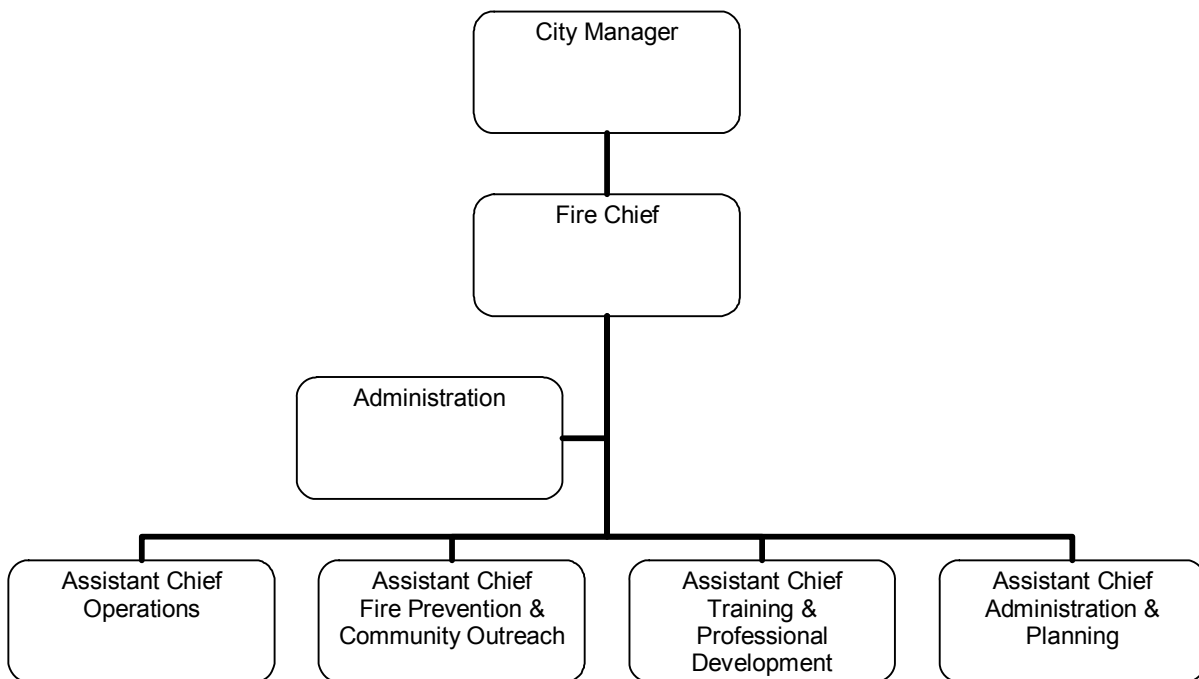


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# Fire



## Mission Statement

Protecting life and property through service and education.  
LRFD 24/7

**Fire**

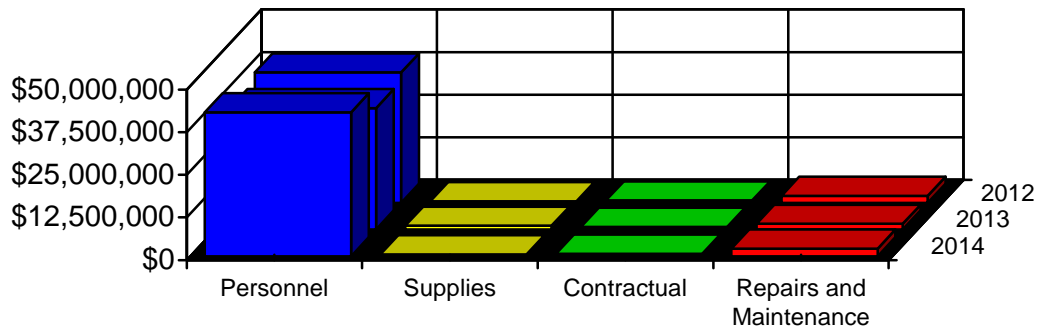
**Expenditure Budget**

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$38,246,771	\$35,625,874	\$42,231,299
Supplies and Materials	889,499	1,103,779	1,035,644
Contractual	678,124	776,634	743,250
Repairs and Maintenance	1,599,093	1,660,765	1,764,393
<b>Total</b>	<b>\$41,413,487</b>	<b>\$39,167,052</b>	<b>\$45,774,586</b>

<b>Staffing</b>	2012	2013	2014
	421	421	421

The Fire Department budget reflects increased funding for salaries, health care, and pension contributions for existing staff and includes all SAFER positions previously funded by a grant.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	Proposed Budget	from Prior Year
100 General Fund	\$45,774,586	16.87%



Fire

2013 Department Priorities	Status
Purchased land for the Southwest Little Rock Fire Station.	Completed
Institute Fire Apparatus Engineer certification programs for all existing driver operators and firefighters.	Ongoing
Successfully implemented mandatory Post Incident Analysis of all large loss incidents.	Completed
Implement a "Mass Smoke Alarm Distribution Campaign"; distributing smoke alarms to targeted demographics.	Ongoing
Launch the Jr. Fire Cadet Program administered by the Little Rock School District with direct assistance from the Little Rock Fire Department.	Ongoing
Instituted "Don't Text and Drive Campaign"; department video distributed to local networks and Little Rock Television (LRTV).	Completed



Fire

2014 Department Goals
Continue the process of Accreditation as the department embarks on Step II of the accreditation process.
Continue to work on implementing a web-based training curriculum.
Transition Little Rock School District/Little Rock Fire Department Fire Cadet Program to the Senior Fire Cadet Program.
Collaborate with Fire Service agencies within Central Arkansas to create and support a comprehensive Crisis Intervention Team to better serve first responders.
Develop a Battalion Chief's Academy and complete a correlation developmental task book.
Establish a partnership with Central Arkansas Transit to develop strategies to equip each CATA bus with an Automatic Electronic Defibrillator (AED).
Upgrade and utilize technology to better communicate and deploy resources.
Enhance public awareness of departmental activities.
Collaborate with Emergency Management to ensure department knowledge of, The Hazard Mitigation Plan, Little Rock's Emergency Response Plan and emergency support functions.



Fire

**Department:** Fire  
**Funding Source:** General Fund  
**Budget:** \$45,774,586

**Department Description:**

To protect the safety, health and general welfare of the public through fire prevention and community outreach, fire suppression, Emergency Medical Service, and special operations response; and to ensure a competent workforce through training and education.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> Train certified personnel to meet the individual training hours required by Insurance Services Organization (ISO) and improve the competence level of the workforce.			
<b>Demand:</b> Total number of hours of training completed.	91,440	91,440	90,228
<b>Workload:</b> Total number of hours of individual training required per year.	106,739	138,383	90,288
<b>Efficiency:</b> Average number of training hours per person.	280	349	228
<b>Effect/Outcome:</b> Percentage of training hours vs. required hours.	117%	151%	100%

<b>Objective:</b> Perform inspections of commercial structures including schools, daycare centers, nursing homes, high-rise buildings, and hospitals.			
<b>Demand:</b> Number of inspections on commercial structures required annually.	2,424	2,430	2,454
<b>Workload:</b> Commercial Building and Structures inspected annually.	6,208	6,304	6,367
<b>Efficiency:</b> Commercial Building and Structures inspected per month.	517	525	531
<b>Effect/Outcome:</b> Percentage of inspections completed annually.	256%	259%	259%

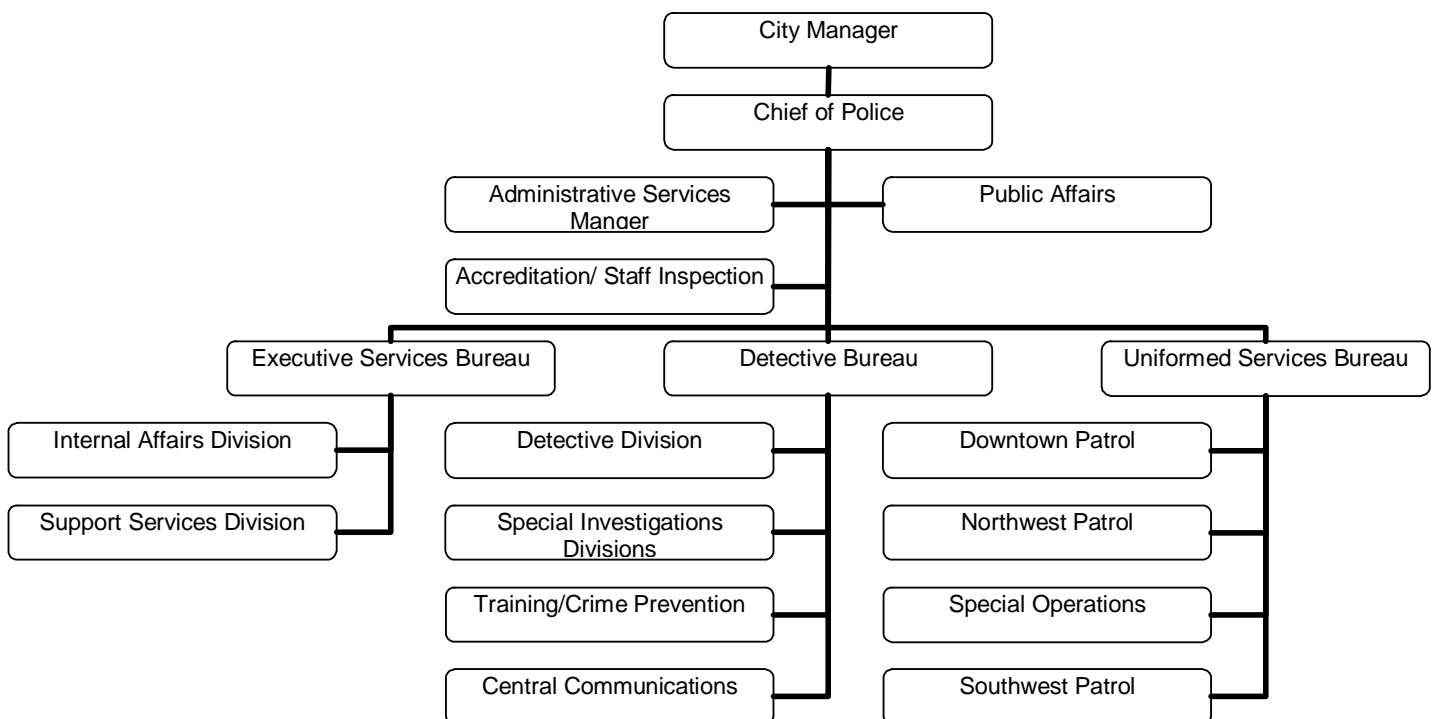
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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# Police



## Mission Statement

To provide essential law enforcement service to the residents of Little Rock by performing those tasks necessary to protect life and property and to preserve the peace.

**Police**

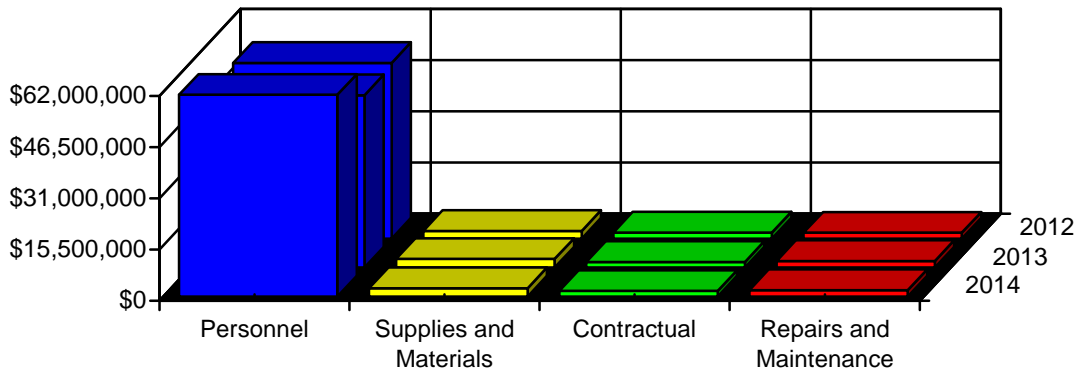
**Expenditure Budget**

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$53,197,826	\$52,204,197	\$61,075,124
Supplies and Materials	2,332,423	2,614,884	2,513,740
Contractual	1,861,151	1,704,793	1,697,270
Repairs and Maintenance	1,796,090	1,877,957	1,914,725
<b>Total</b>	<b>\$59,187,490</b>	<b>\$58,401,831</b>	<b>\$67,200,859</b>

<b>Staffing</b>	709	715	716
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Police Department increases reflect the continued effort to fill vacant uniform and 911/311 call taker positions. In addition, the full cost of twenty (20) officer positions previously funded by the American Recovery and Reinvestment Act are included in the budget in 2014. Approximately \$2.6 million of the increase in personnel cost is associated with salary, health care and pension cost. In addition, the Police Department added a Communications Dispatch and a Property Technician position.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
100 General Fund	\$67,200,859	15.07%





Police

2013 Department Priorities	Status
The Police Department will continue "Click It or Ticket" seatbelt usage campaign.	Ongoing
Little Rock Police Department (LRPD) endeavors to reduce the number of crimes against persons and property.	Ongoing
Partner with the State of Arkansas Highway Safety Project to administer the Driving While Intoxicated (DWI)/Driving Under Influence (DUI) enforcement campaigns.	Ongoing
LRPD will administer the Command Staff development program.	Ongoing
LRPD conducted at least one (1) Recruit school for new officers.	Completed
The department will continue to monitor the construction of the 12th Street Police Substation.	Ongoing



Police

2014 Department Goals
Complete the construction of the 12th Street Police Station.
Implement a new National Incident Based Recording System (NIBRS) compliant Records Management System.
Improve and expand Police Officer recruiting efforts and conduct at least one (1) Recruit School during 2014.
Emphasize the utilization of the Criminal Abatement Program in coordination with the City Attorney's Office.



Police

**Department:** Police  
**Funding Source:** General Fund  
**Budget:** \$67,200,859

**Department Description:**

The Police Department is to provide the citizens of Little Rock with a law enforcement system that effectively integrates and utilizes departmental, civic and community resources, to protect life and property, preserve law and order, enforce state law and city ordinances, within the framework of the Constitution.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To respond to high priority calls			
<b>Demand:</b> Calls to respond	155,175	155,525	155,687
<b>Workload:</b> Calls responded	155,175	155,525	155,687
<b>Efficiency:</b> Total minutes from dispatch to arrival	9.3	9.3	9.1
<b>Effect/Outcome:</b> Percentage of calls with response time under 14 minutes	98%	98%	98%

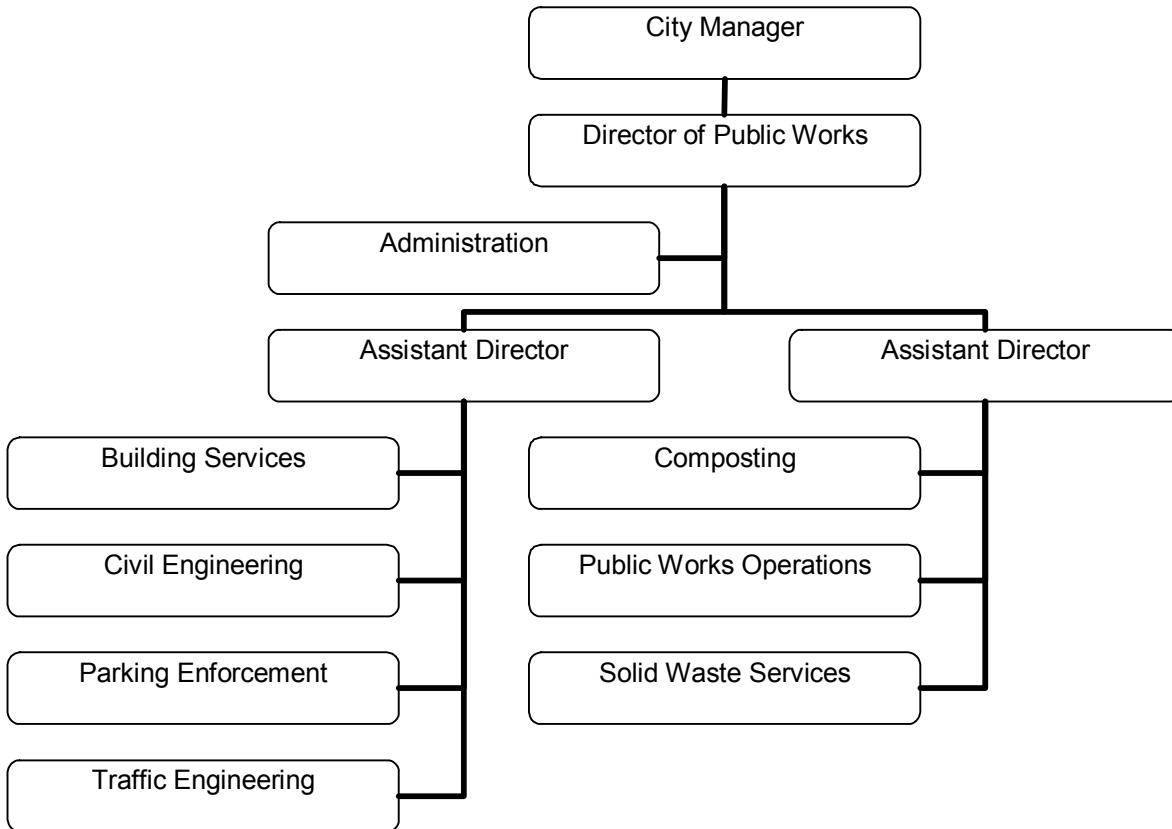
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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# Public Works Street Fund



## Mission Statement

To provide an efficient and economical infrastructure for the City of Little Rock, provide quality management in all activities of the Public Works Department, and to provide professional service to our customers.

**Public Works Street Fund**

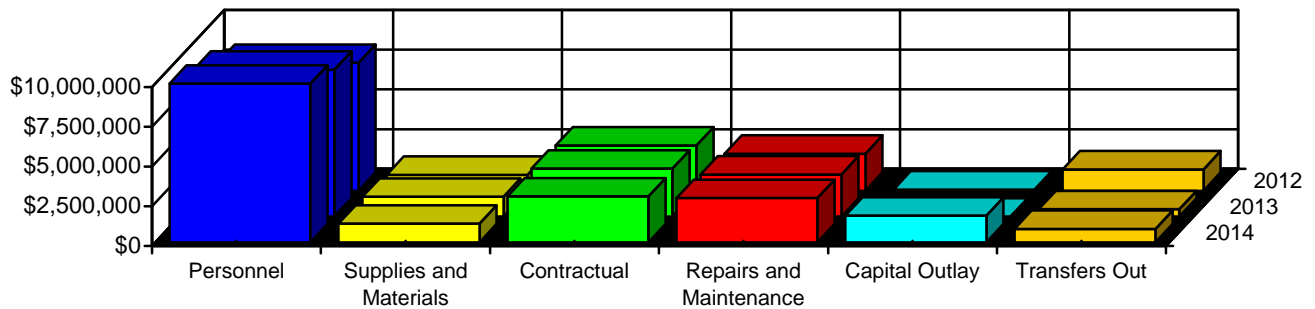
**Expenditure Budget - Street Fund**

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$8,055,375	\$9,243,209	\$9,983,570
Supplies and Materials	1,006,131	1,248,662	1,176,055
Contractual	2,856,680	3,016,319	2,890,856
Repairs and Maintenance	2,341,297	2,646,889	2,784,328
Capital Outlay	85,575		1,680,000
Transfers Out	1,351,817	466,217	848,887
<b>Total</b>	<b>\$15,696,875</b>	<b>\$17,594,796</b>	<b>\$19,363,696</b>

<b>Staffing</b>	2012	2013	2014
	211	215	213

In addition to salary and benefit cost increases, expenditure changes include an additional allocation for capital equipment and infrastructure from the ½-cent sales tax. Two (2) sidewalk and six (6) access ramp positions were transferred back from special projects. Overall personnel headcount was reduced by two (2) positions.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
200 Street Fund	\$19,363,696	10.05%



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Public Works Street Fund

2013 Department Priorities	Status
Storm Water Pollution Prevention Plan: Continue the Central Maintenance Facility annual and quarterly inspection and reports in accordance with the facility's Storm Water Pollution Prevention Plan.	Ongoing
2013 to 2015 Infrastructure Program: Take public input plan and initiate design on a three year infrastructure improvement program.	Ongoing
Second Year Infrastructure Program: Complete design and begin moving 2013 projects to construction.	Ongoing
First Year Infrastructure Program: Completed construction of the first year (2012) infrastructure program.	Completed



Public Works Street Fund

<b>2014 Department Goals</b>
2013 Street Resurfacing Program: Complete the 2013 Street Resurfacing Program.
2014 Street Resurfacing Program: Complete the annual street resurfacing program.
2014 Sidewalk Program: Complete the annual sidewalk program with revenue from the 2011 Sales tax.
Expand street light patrol area for downtown to ensure lighting levels are maintained.
Continue the street overlay program where it impacts the traffic control systems.
Continue preventive maintenance program and update Central Traffic Control software.
Design and complete traffic signal installation at Cantrell Road and Ranch Boulevard.
Scott Hamilton (Baseline Road to J.E. Davis Drive): Assist the Arkansas Highway and Transportation Department in contract award and construction with a goal of construction completion in 2014.
Design bicycle lanes for Wright Avenue, Dr. Martin Luther King, Jr. Drive, and Chester Street.
Design bicycle lanes for 9th Street from Interstate 30 to Commerce Street.





Public Works Street Fund

**Department:** Public Works  
**Funding Source:** Street Fund  
**Budget:** \$19,363,696

**Department Description:**

To maintain and improve a comprehensive infrastructure system that meets the changing needs of the community while protecting the integrity of the environment.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To review and approve commercial building permits for consistency with Code requirements for streets, drainage, and environmental programs.			
<b>Demand:</b> Permits for review	88	89	90
<b>Workload:</b> Permits reviewed	88	89	90
<b>Efficiency:</b> Permits processed per month.	7.3	7.4	7.5
<b>Effect/Outcome:</b> Percentage of permits completed.	100%	100%	100%

<b>Objective:</b> Administer Street Sweeping Program to clean the streets, remove debris, and prevent interference with the City's drainage system and providing a clean and aesthetically pleasing environment.			
<b>Demand:</b> Annual Street Sweeping Program miles.	30,000	30,000	30,000
<b>Workload:</b> Sweeping Program Street Lane miles.	24,389	20,773	30,000
<b>Efficiency:</b> Program Miles Completed per month.	2,032	1,731	2,500
<b>Effect/Outcome:</b> Percentage of miles completed.	81%	69%	100%

<b>Objective:</b> To respond to citizen requests/complaints regarding Traffic Issues affecting neighborhoods and/or other parts of the City.			
<b>Demand:</b> Requests for review.	353	350	350
<b>Workload:</b> Requests reviewed	353	350	350
<b>Efficiency:</b> Requests completed per month.	29	29	29
<b>Effect/Outcome:</b> Percentage of requests submitted/completed.	100%	100%	100%

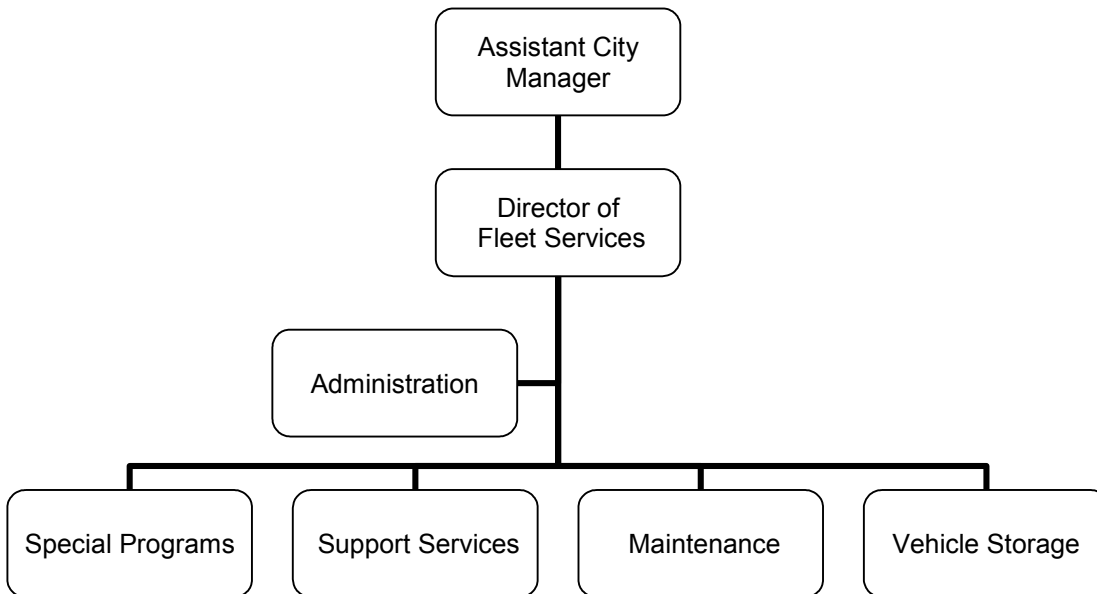
The departmental goals and objectives link with the  
**Board of Directors Statement of Management Policy for  
 Infrastructure and Quality of Life.**



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# Fleet Services



## Mission Statement

It is the mission of the City of Little Rock Fleet Services Department to provide quality and cost efficient vehicles and work equipment, fuel, vehicle storage and other fleet support services to our customers in a timely, environmentally friendly atmosphere. We seek to maintain a safe and wholesome work environment and opportunity for all employees while being frugal with the tax dollars of the citizens of Little Rock.

**Fleet Services**

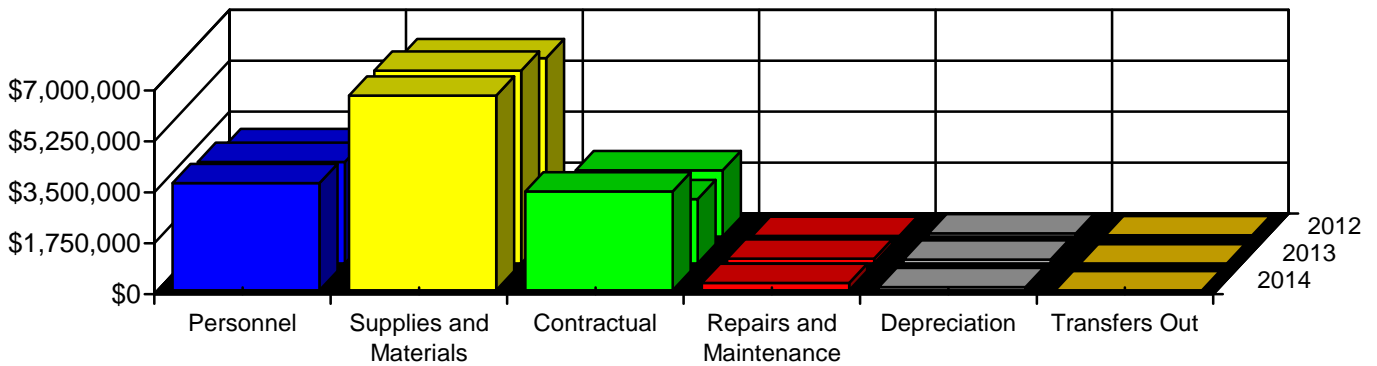
**Expenditure Budget**

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$3,041,298	\$3,490,205	\$3,686,321
Supplies and Materials	6,135,116	6,625,630	6,694,650
Contractual	2,275,706	2,209,134	2,399,642
Repairs and Maintenance	15,769	161,600	249,875
Depreciation	109,634	129,500	105,200
Transfers Out	45,000		
<b>Total</b>	<b>\$11,622,523</b>	<b>\$12,616,069</b>	<b>\$13,135,688</b>

<b>Staffing</b>	59	61	61
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The Fleet Services budget is balanced with projected net income of approximately \$8,800. Fuel cost is reflected at an estimated purchase price of \$3.35 per gallon for unleaded fuel and \$3.40 per gallon for diesel fuel.

Total Allocations By Fiscal Year And Account Category



Resources for Budget All Operating Departments	FY 14 Proposed Budget \$13,135,688	% Change from Prior Year 4.12%
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Fleet Services

2013 Department Priorities	Status
Establish and maintain a Fleet Replacement fund.	Ongoing
Locate, acquire or have written a database for vehicle and equipment insurance files; research and implement plans to reduce the City's expenses for vehicle and equipment insurance coverage.	Ongoing
Open a new fueling station at 501 Ferry Street, with diesel, unleaded, compressed natural gas (CNG) and electric charging capabilities; close the fueling site at the Central Fire station.	Ongoing
Fleet will find "Clean Air" grants for purchasing alternative fuel vehicles, and vehicle retrofitting.	Ongoing
Continue the development of a comprehensive Fleet Services emergency preparedness plan that can be incorporated into the City's emergency plan under the auspices of the Emergency Management Office.	Ongoing
Convert current late model pickup trucks to compressed natural gas (CNG), and small engine lawn equipment to propane power. Fleet will continue to acquire alternate fueled vehicles, including factory ready electric and compressed natural gas (CNG) vehicles while adding electric charging stations on City owned properties.	Ongoing
Provide continuing educational and testing opportunities for all staff members to achieve Automotive Service Excellence (ASE), Blue Seal, and Emergency Vehicle Technician (EVT) shop certification status.	Ongoing
Continue efforts to become industry certified through Fleet Consulting Services (FCS, aka Fleet Sentinel) and Government Fleet Management Alliance (GFMA).	Ongoing
Fleet applied for and received recognition as a "100 Best Fleet of North America" through that program.	Completed
Apply for and receive recognition as a "Government Green Fleet" through that program.	Ongoing
Increase City wide vehicle/equipment utilization and equipment reassignment to become more productive.	Ongoing
Fleet finished the 2013 replacement and capital projects.	Completed
Initiated a process for filing labor claims against vendors who supplied defective parts to recapture lost productivity time; charging the source vendor to compensate the City of Little Rock for time that was duplicated due to their defective part supplied.	Completed



Fleet Services

<b>2014 Department Goals</b>
Open a new fueling station at 501 Ferry Street, with diesel, unleaded, compressed natural gas (CNG) and electric charging capabilities; close the fueling site at the Central Fire station.
Develop and implement a fleet unit pool program.
Continue efforts to establish and maintain a Fleet Replacement fund and investigate creative financing options.
Convert 20% of late model pick-up trucks to compressed natural gas (CNG) and convert small engine lawn equipment to propane power.
Continue to acquire alternatively fueled vehicles, including factory ready electric and compressed natural gas (CNG) vehicles.
Continue efforts to become industry certified through Fleet Consulting Services (FCS, aka Fleet Sentinel) and Government Fleet Management Alliance (GFMA).
Begin using an automated scanning system to receive, issue and/or transfer parts in FASTER fleet management software.
Assist in locating and applying for Clean Air grants for purchasing alternatively fueled vehicles, vehicle retrofitting, etc.
Investigate the feasibility of upgrading to a web-based fleet management software system, which would enable Automotive Technicians to order parts without leaving the work station.
Conduct, execute and complete the annual Nation Fire Protection Association (NFPA) inspections of all Fire Department apparatus.
Provide staff the opportunity to attend Emergency Vehicle Technician (EVT), Automotive Service Excellence (ASE) and Compressed Natural Gas (CNG) training classes; to achieve Automotive Service Excellence (ASE) and Blue Seal shop certification status.



Fleet Services

**Department:** Fleet Services  
**Funding Source:** Fleet Services Internal Service Fund  
**Budget:** \$13,135,688

**Department Description:**

To provide quality and cost efficient vehicles and work equipment, fuel and other fleet support services to our customers in a timely, environmentally friendly atmosphere.

	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2014 Budget</u>
<b>Objective:</b> To complete 95% of fleet unit preventative maintenance before or on the due date, as per Fleet Sentinel standards.			
<b>Demand:</b> Preventative work orders scheduled.	1,774	2,045	2,048
<b>Workload:</b> Preventative work orders opened and closed.	1,442	1,676	1,950
<b>Efficiency:</b> Preventative work orders closed on or before due date.	1,154	1,341	1,560
<b>Effect/Outcome:</b> Percentage of work orders closed on or before due date vs. total scheduled work orders.	65%	66%	76%
<b>Objective:</b> To increase the number of direct shop hours to 85% of total shop hours.			
<b>Demand:</b> Total number of shop hours.	69,071.30	73,089.63	75,000
<b>Workload:</b> Shop hours categorized as direct shop hours.	54,313.77	57,879.73	63,750
<b>Efficiency:</b> Average direct shop hours per month.	4,526.1	4,823.3	5,312.5
<b>Effect/Outcome:</b> Percentage of direct shop hours /total available shop hours.	79%	79%	85%

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services and Infrastructure.**

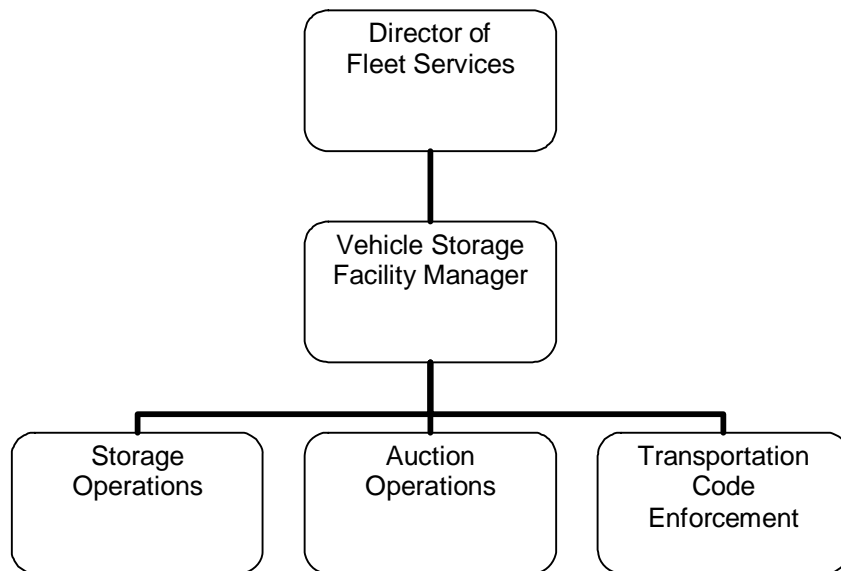


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# Vehicle Storage Facility



## Mission Statement

To provide support to City law enforcement entities by providing safe storage for vehicles until they are reclaimed by the registered owner(s) and disposal of unclaimed and abandoned vehicles through public auction as required by law.

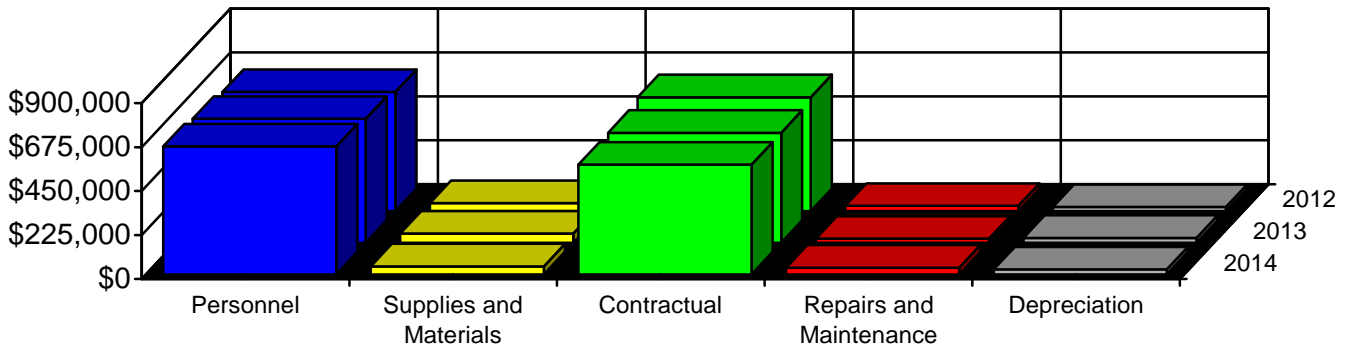
**Vehicle Storage Facility**

**Expenditure Budget**

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$610,454	\$635,000	\$656,232
Supplies and Materials	48,207	47,691	47,750
Contractual	583,190	563,610	562,980
Repairs and Maintenance	21,586	21,476	28,188
Depreciation	21,509	25,480	26,000
<b>Total</b>	<b>\$1,284,946</b>	<b>\$1,293,257</b>	<b>\$1,321,150</b>

<b>Staffing</b>	15	15	15
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Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
601 Vehicle Storage Facility Fund	\$1,321,150	2.16%



Vehicle Storage Facility

2013 Department Priorities	Status
Amended the Transportation Code for taxicab driver permit applicants with a felony conviction background.	Completed
Conduct taxi driver training in partnership with Little Rock Convention and Visitors Bureau (LRCVB).	Not Completed
Staff attended the International Association for Transportation Regulators (IATR) conference.	Completed
Provide leadership and management training to supervisors.	Ongoing
Provide customer service training to staff.	Ongoing
Collaborate with the Little Rock Police Department (LRPD) to build a new crime scene bay and use existing space to open a store for selling miscellaneous items.	Ongoing



Vehicle Storage Facility

<b>2014 Department Goals</b>
Collaborate with Little Rock Convention and Visitors Bureau to provide customer service training to taxi-cab drivers.
Install a generator for the facility; in the event of a power outage.
Collaborate with Little Rock Police Department in relocating the crime scene bay from it's current location to an area located on the Vehicle Storage lot where vehicles are stored.



**Vehicle Storage Facility**

**Department:** Vehicle Storage Facility  
**Funding Source:** Vehicle Storage Enterprise Fund  
**Budget:** \$1,321,150

**Department Description:**

Provide entities safe storage for vehicles until they are reclaimed by the registered owner(s) and disposal of unclaimed and abandoned vehicles.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To release 100% of eligible vehicles within 60 days of impoundment.			
<b>Demand:</b> Impounded vehicles	2,329	3,100	2,400
<b>Workload:</b> Impounded vehicles eligible for release	2,279	3,050	2,350
<b>Efficiency:</b> Eligible vehicles released within 60 days.	2,279	3,050	2,350
<b>Effect/Outcome:</b> Percentage of eligible vehicles released within 60 days.	98%	98%	98%

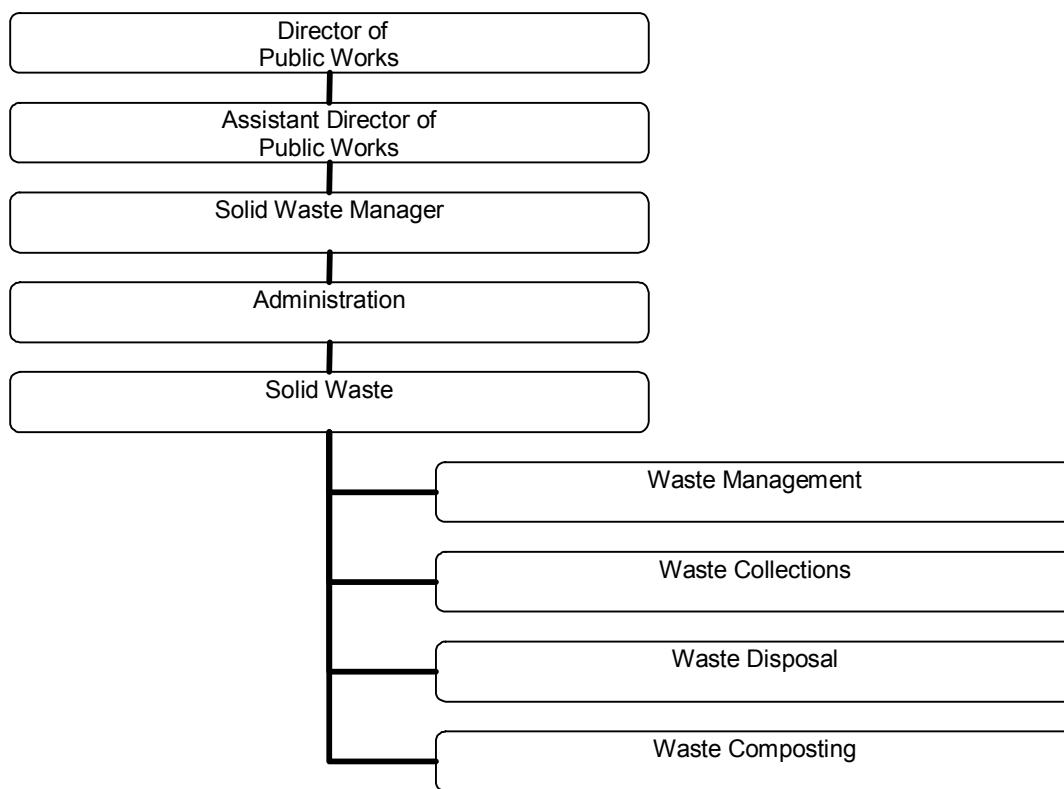
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services and Infrastructure.**



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# Waste Disposal



## Mission Statement

To enhance citywide aesthetics and improve the quality of life of our citizens by providing solid waste collection, recycling, composting, and disposal.

**Waste Disposal**

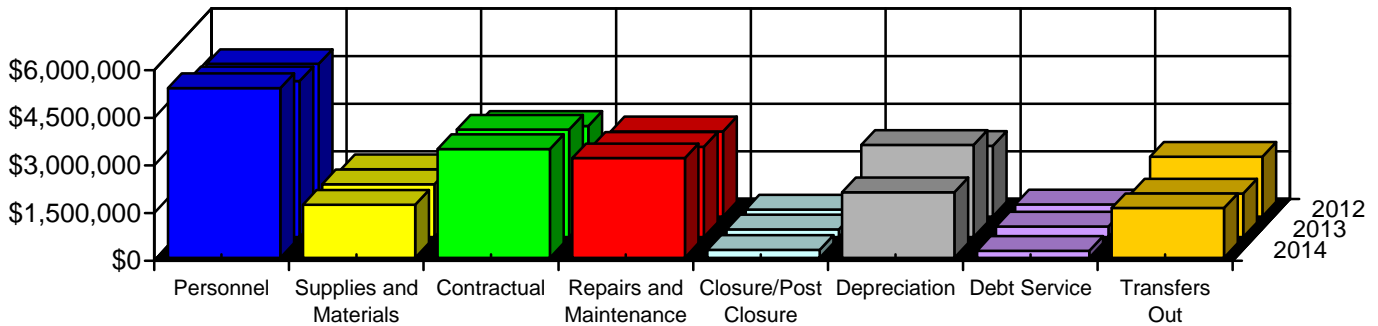
**Expenditure Budget**

Description	2012	2013	2014
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$4,808,225	\$4,910,913	\$5,338,107
Supplies and Materials	1,498,199	1,666,100	1,666,100
Contractual	2,854,307	3,389,223	3,422,715
Repairs and Maintenance	2,682,231	2,848,080	3,137,296
Closure/Post Closure	227,072	247,945	247,945
Depreciation	2,231,970	2,913,355	2,060,000
Debt Service	383,037	334,600	218,900
Transfers Out	1,889,705	1,378,254	1,564,863
<b>Total</b>	<b>\$16,574,746</b>	<b>\$17,688,470</b>	<b>\$17,655,926</b>

<b>Staffing</b>	112	113	113
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The increase in personnel cost reflects salary and benefit cost increases for non-uniform employees. The increase in repairs and maintenance expenses reflects maintenance for aging vehicles and equipment. The decrease in depreciation is associated with utilization of equipment that has been fully depreciated.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 14 Proposed Budget	% Change from Prior Year
603 Waste Disposal Fund	\$17,655,926	-0.18%





**Waste Disposal**

<b>2013 Department Priorities</b>	<b>Status</b>
Implement a bulky item collection program with the town of Cammack Village. Explanation - City of Little Rock Board of Directors elected to not enter into an agreement.	Other (Please Explain)
Design and construct the next cell in the Class 1 Landfill.	Ongoing
Design and construct the next cell in the Class 4 Landfill.	Ongoing



Waste Disposal

2014 Department Goals
Increase permitted tonnage on compost facility.
Receive additional tonnage from North Little Rock through their bulky item collection program.
Finish construction and begin utilizing the new cell in Class 1 Landfill.
Finish construction and begin utilizing the new cell in Class 4 Landfill.



**Waste Disposal**

**Department:** Waste Disposal  
**Funding Source:** Waste Fund  
**Budget:** \$17,655,926

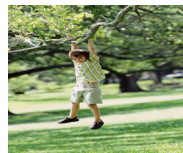
**Department Description:**

To provide all elements of effective efficient solid waste management in a manner that meets Environmental Protection Agency (EPA) and state regulations, protects health, improves the environment, and provides cleaner neighborhoods to support a high quality of life for all citizens.

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>
<b>Objective:</b> To promote recycling and increase annual tonnage collected.			
<b>Demand:</b> Curbside recycling tonnage to be collected	8,250	10,800	10,000
<b>Workload:</b> Curbside recycling tonnage collected.	8,250	10,800	10,000
<b>Efficiency:</b> Curbside recycling tonnage collected/month.	687	900	834
<b>Effect/Outcome:</b> Percentage of tonnage collected annually.	100%	100%	100%

<b>Objective:</b> To monitor incoming tonnage to the Class I and Class IV Landfill Cells.			
<b>Demand:</b> Class 1 & Class 4 tonnage to be disposed.	102,500	104,000	130,000
<b>Workload:</b> Class 1 & Class 4 tonnage received.	102,500	104,000	130,000
<b>Efficiency:</b> Average monthly tonnage disposed of in Class 1 and Class 4 landfills.	8,541	8,666	10,833
<b>Effect/Outcome:</b> Percentage of tonnage collected annually.	100%	100%	100%

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services and Quality of Life.**



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# Appendix



## State and City Budget Statutes

### State Statutes

Arkansas statutory law grants the City of Little Rock the authority to operate under the City Manager form of government pursuant to the City's form of government.

1. The Mayor and City Manager shall prepare the municipal budget annually and submit it to the Board for its approval or disapproval. The City Manager is responsible for its administration after adoption.
2. The City Manager shall prepare and submit to the Board, within sixty (60) days after the end of each fiscal year, a complete report on the finances and administrative activities of the City during the fiscal year.
3. The City Manager shall keep the Mayor and Board advised of the financial condition and future needs of the City and make such recommendations as to him may seem desirable.

The City complies with item 1 above in its budget process. It complies with items 2 and 3 by submitting monthly, quarterly, and annual financial reports to the Board.

### City Ordinances

Sections 2-211 through 2-218, of the Code of Ordinances establish budget requirements for preparation, administration and financial reporting. Sections 2-222 and 2-226 also pertain to the budget.

#### **Sec. 2-211. Nature and Scope.**

The budget for the city shall set forth all proposed expenditures for the administration, operation, maintenance and improvement of all offices and departments and expenditures for capital projects to be undertaken and/or executed during the year. In addition thereto, the budget shall set forth the anticipated revenues and other means of financing proposed expenditures for the fiscal year. The budget shall be adopted for the ensuing fiscal year period, while information for subsequent fiscal periods shall be considered a fiscal plan.

#### **Sec. 2-212. Preparation.**

The City Manager shall submit to the Board of Directors a budget and an explanatory budget message for the ensuing year. The City Manager shall compile the budget with the assistance of the Finance Department and other

departments or agencies, estimating all revenues and expenditures detailed by organization unit, service program, or object or expenditure, as appropriate.

**Sec. 2-213. Public records; distributing copies.**

The budget and budget message and all supporting schedules shall be a public record in the office of the City Clerk open to public inspection by anyone. The City Manager shall cause sufficient copies of the budget and budget message to be prepared for distribution to interested persons.

**Sec. 2-214. Adoption. \***

On or before December 30 of each year the Mayor and Board of Directors shall adopt a budget for the ensuing year.

**Sec. 2-214. Budget document – Generally.**

The budget document, setting forth the financial plan of the city for the ensuing fiscal period, shall include the following:

- (1) Any explanatory budget message;
- (2) A summary of the budget by fiscal year;
- (3) A detail of the revenue projections upon which the budget is based; and
- (4) The detailed budget plan.

**Sec. 2-216. Budget message.**

- (a) The budget message submitted by the City Manager to the Mayor and Board of Directors shall be explanatory of the budget, shall contain an outline of the proposed financial policies of the city for the budget year and shall describe in connection therewith the important features of the budget plan. It shall set forth the reasons for salient changes from the previous year in cost and revenue items and shall explain any major changes in financial policy.
- (b) Attached to the budget message shall be such supporting schedules, exhibits and other explanatory material in respect to both current operations and capital improvements, as the City Manager shall believe useful to the Mayor and Board of Directors.

\* Little Rock, Arkansas, Code of Ordinances

**Sec. 2-217. Summary.**

At the head of the budget, there shall appear a summary of the budget, which need not be itemized further than by principal sources of anticipated revenue and total proposed expenditures of each department, in such a manner as to present to taxpayers a simple and clear summary of the estimates of the budget.

**Sec. 2-218. Complete budget plan.**

The budget shall provide a complete plan for the operation of all City Departments and offices for the ensuing budget year. It shall contain in tabular form:

Detailed estimates of all anticipated revenues.

All proposed expenditures.

**Sec. 2-222. Emergency appropriations.**

At any time in any budget year, the Mayor and Board of Directors may make emergency appropriations to meet a pressing public need.

**Sec. 2-248 – 2-251. Financial reporting.**

Fund balance reports shall be prepared and submitted to the Mayor and Board of Directors by the City Manager and Director of Finance within 20 business days after month end close. A quarterly fund report will also be prepared and widely distributed. Semi annual reports will be prepared published in the newspaper and made available to the public within 30 calendar days after the month end close for June and December of each fiscal year.

**Sec. 2-258 – 260.1. Restricted reserve fund.**

Restricted reserve fund means a portion of the governmental fund type's net assets that are accounted for in a restricted fund balance that is not available for appropriation without special actions of the Mayor and Board of Directors. This fund shall be considered to be fully funded as a part of the annual City budget when the restricted fund balance shows an amount equal to \$10,000,000, or 10% of the annual General Fund revenues for a budgeted year, whichever is greater. Revenues shall be deposited in this fund in such amounts determined by the Mayor and Board of Directors to assure that the fund shall be fully funded by December 31, 2005.



**Sec. 2-260.2. Notice of downward economic trends.**

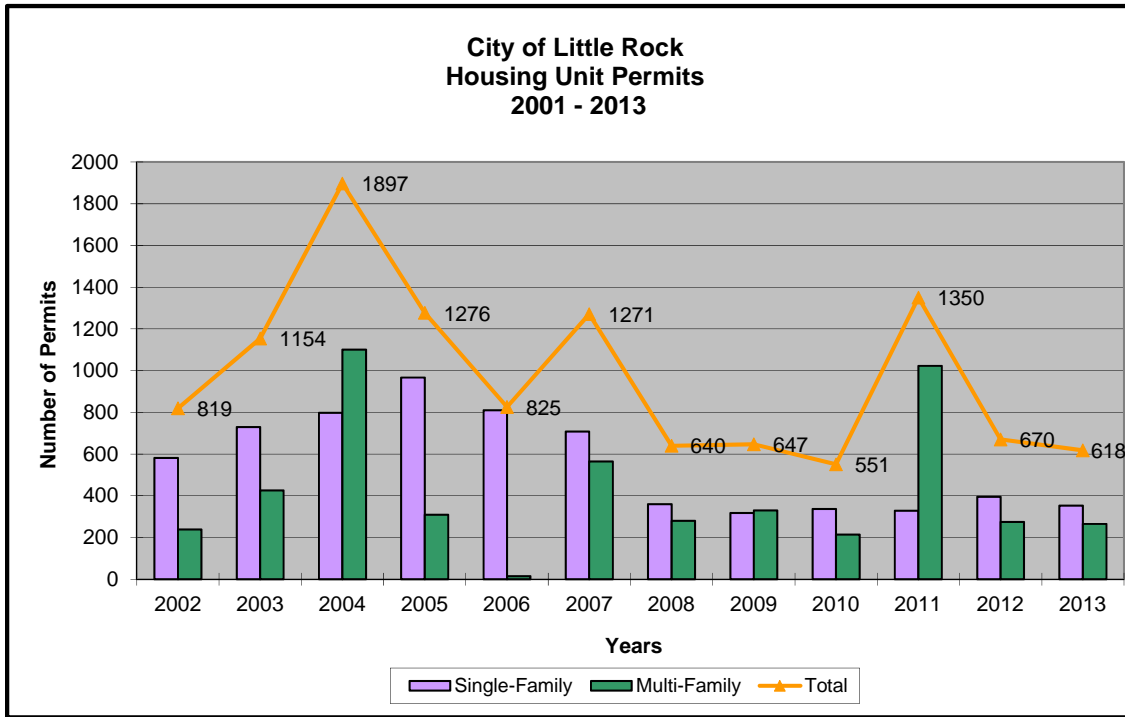
The City Manager and Director of Finance shall notify the Mayor and Board of Directors in writing at the first available opportunity if economic trends indicate that the revenues projected as a part of the annual City budget are not meeting projections and require the Board to consider reduction in force, city services or the use of restricted reserve fund monies to meet the City's obligations funded in the annual City budget.

### STATISTICAL INFORMATION

Date of Incorporation	November 7, 1831
Date of Adoption of Charter	November 2, 1835
Form of Government	City Manager
Date of City Manager Government	July 27, 1993
Area - Square Miles	122.36
Miles of Streets and Alley:	
Total Streets	2,461.12
Streets Graded and Surface Treatment	421.92
Paved - Permanent (Concrete and Asphalt)	2,039.20
Alleys Maintained	62.96
Drainage Ditches Maintained	1,578.55
Storm Sewers Maintained	360.69
Miles of Water Lines	1,389.5
Sanitary Miles	1,365
Traffic Controls:	
Signals Malfunctions	2,568
Solid Waste/Garbage Collection:	
Class I and IV tonnage	131,773
Curbside/Drop-off recycling	41,427
Yard Waste	47,881
On-call Service	26,649

Building Permits:

<u>Year</u>	<u>Permits Issued</u>	<u>Estimated Cost</u>
2004	5,032	\$ 475,269,768
2005	5,330	\$ 620,819,782
2006	4,694	\$ 531,752,025
2007	2,734	\$ 614,588,257
2008	1,957	\$ 433,788,975
2009	3,690	\$ 394,776,760
2010	2,832	\$ 343,976,010
2011	3,304	\$ 356,450,894
2012	2,011	\$ 391,789,405
2013	2,000	\$ 385,865,486



#### Central Arkansas Real Estate Values

	Pulaski Overall	Heights/Hillcrest	Northwest Little Rock	Maumelle	West LR North	W. Pulaski/Far W LR	SW LR South	Little Rock Downtown
2013	\$191,423	\$303,664	\$239,918	\$224,313	\$184,669	\$390,111	\$53,600	\$171,802
2012	\$187,078	\$282,953	\$245,866	\$217,908	\$189,924	\$379,035	\$67,868	\$161,603
2011	\$172,195	\$305,893	\$243,774	\$211,311	\$187,157	\$377,467	\$60,771	\$142,711
2010	\$175,794	\$289,156	\$230,183	\$204,687	\$183,438	\$401,310	\$69,816	\$132,243
2009	\$172,051	\$259,219	\$231,557	\$206,126	\$174,101	\$372,225	\$72,202	\$163,358
2008	\$174,018	\$274,978	\$236,749	\$211,212	\$189,401	\$443,600	\$83,413	\$108,183
2007	\$174,742	\$283,178	\$243,150	\$208,178	\$184,178	\$403,413	\$89,522	\$236,286
2006	\$172,907	\$256,815	\$240,033	\$212,078	\$176,725	\$398,395	\$82,000	\$114,990
2005	\$169,000	\$288,489	\$225,499	\$209,970	\$175,104	\$397,294	\$72,396	
2004	\$154,805	\$223,637	\$211,786	\$190,552	\$162,870	\$370,972	\$67,065	
2003	\$142,278	\$196,602	\$189,760	\$180,773	\$151,508	\$317,548	\$66,669	
Chg 12-13	\$4,345 2.5%	\$20,711 7.2%	-\$5,948 -2.6%	\$6,405 3.1%	-\$5,255 -2.9%	\$11,076 2.8%	-\$14,268 -20.4%	\$10,199 7.7%
Chg 03-13	34.5%	54.5%	26.4%	24.1%	21.9%	22.9%	-19.6%	

All prices represent average sales price.

Compiled by  
Metroplan

Sales Tax Rate:	
Local	1.5%
County	1.0%
State	6.0%
Bond Rating:	
General Obligation Bonds	
Standard and Poor's	AA
Moody's	Aa2
Fire Protection:	
Number of Stations	21
Number of Uniformed Employees	415
Number of Calls	27,042
Insurance Rating for Insurance Service Office (ISO)	
City of Little Rock	Class II
Police Protection:	
Number of Stations	7
Number of Uniformed Employees	574
Calls for Service	158,635
Recreation:	
Number of Parks, Including Park Development	59
Total Acres (developed & undeveloped)	6,319
Number of Playgrounds	46
Number of Tennis Courts	48
Number of Basketball Courts	37
Number of Museums	1
Number of Golf Courses	3
Number of Ball Fields	25
Number of Play Fields	20
Number of Community Centers	5
Number of Swimming Pools	3
Number of Adult Centers	1
Number of Soccer Fields	9
Number of Fitness Centers	1
River Market	1
Riverfest Amphitheatre	1
Total Recorded Park Attendance - 2013	617,537
Number of Zoos	1
Total Zoo Attendance – 2013	313,762
Total Zoo Outreach Program	37,018

Medical Facilities Number of beds (private occupancy rooms):	
Arkansas Children's	370
Arkansas Heart Hospital	112
Baptist – Little Rock	827
Baptist Rehabilitation Institute	120
Baptist Health Extended Care	37
Select Specialty Hospital	43
St. Vincent Infirmiry Medical Center	615
University of Arkansas Medical Center	436
Veteran Health Care System	195
Total Number of Beds	<u>2,755</u>

### POPULATION

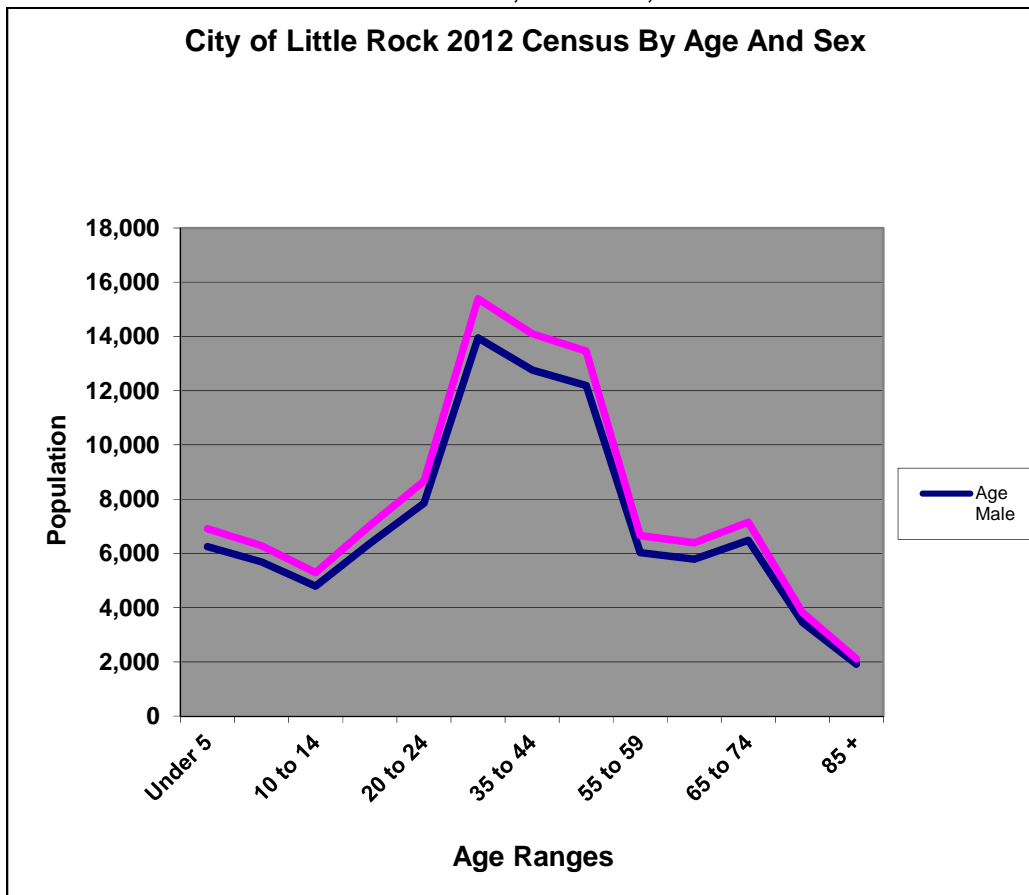
<u>Year</u>		<u>Number</u>
1910		45,941
1920		65,142
1930		81,657
1940		88,039
1950		102,310
1960		107,813
1962	Special Census	125,671
1964	Special Census	128,929
1970	Census	144,824
1974	Special Census	139,703
1978	Special Census	144,824
1980	Census	159,024
1985	Special Census	178,134
1990	Census	175,795
1992	U.S. Census Bureau Estimate	176,870
2000	Census	183,133
2010	Census	193,524
2011	Special Census*	195,310
2012	Special Census**	194,439
2013	Special Census**	196,814

\* Source: American Community Survey

\*\* Source: Metroplan

City of Little Rock 2012 Population By Age and Sex

Age Ranges	Male	Female
Under 5	6,254	6,906
5 to 9	5,688	6,281
10 to 14	4,795	5,295
15 to 19	6,370	7,033
20 to 24	7,845	8,662
25 to 34	13,941	15,393
35 to 44	12,771	14,101
45 to 54	12,191	13,462
55 to 59	6,031	6,660
60 to 64	5,785	6,387
65 to 74	6,483	7,158
75 to 84	3,461	3,822
85 +	1,920	2,119



Gender:

Male

47.5%

Female

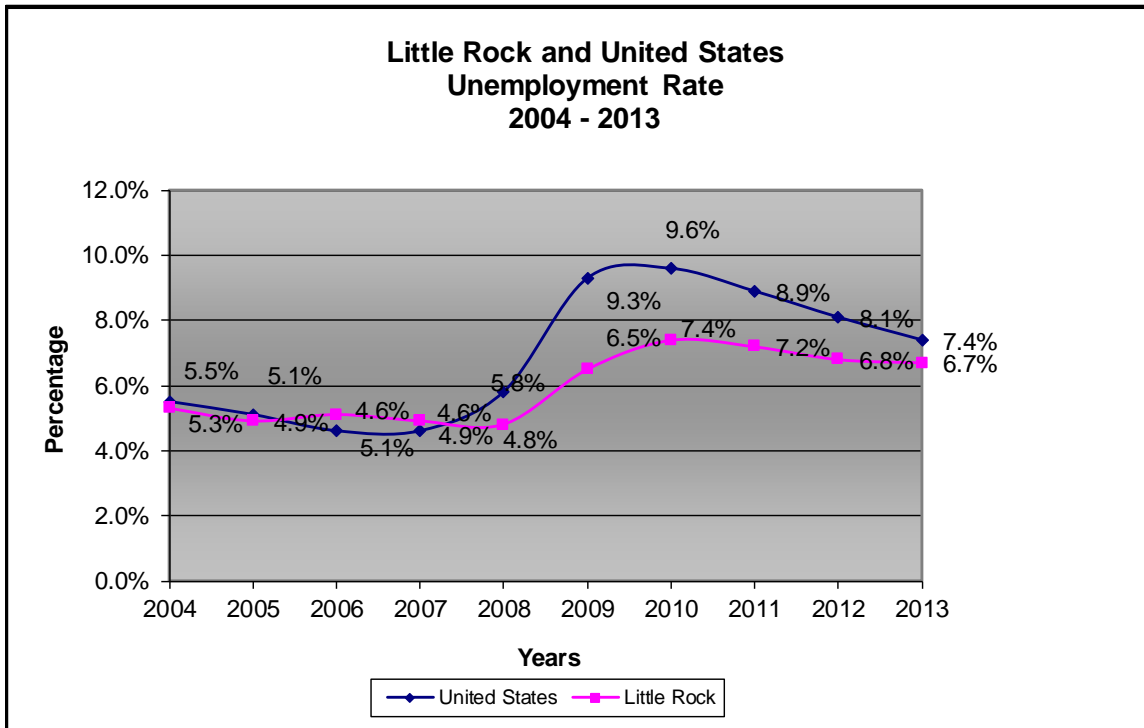
52.5%

**LITTLE ROCK AND ENVIRONS**

Per Capita Income (2012)	\$28,152
Median household income (2012)	\$45,951
U.S. Consumer Price Index (November 2012)	235
Percent inflation over past year (December 2012)	1.5%
Average unemployment percentage rate (Nov. 2010 – Nov. 2011)	6.7%
Median Age (2012 special census)	36.6%

Race (2012):	
White	49.4%
Black or African American	44.1%
American Indian and Alaska Native	0.1%
Asian/Pacific	3.1%
Other*	3.3%

\*Hispanic is an overlay category that includes multiples races.



Source: Metroplan

Education (Little Rock School District):

Number of School Buildings	48
Number of Teachers/including Principals, Supervisors	2,206
Number of Registered Students	25,149
Number of Kindergarten Students	2,220
Average Daily Attendance - Elementary Schools	10,074
Average Daily Attendance - High/ Middle Schools	10,498
Average Daily Attendance - Special Schools	321
Average Daily Attendance - Kindergarten	2,029
Tax Rate: (Mills)	
Real	46.4
Personal	46.4

**PULASKI COUNTY STATISTICS**

Population 25 years and over	131,125
Percent of Population Age 25+	67%
Education level in years of formal schooling:	
High School or Equivalent	24.4%
Some college, no degree	21.3%
Bachelor's degree	23.3%
MA/Professional degree or higher	15.8%

**LITTLE ROCK INSTITUTIONS OF HIGER EDUCATION**

2010-2012

Enrollment

<u>Institution</u>	<u>Fall 2010</u>	<u>Fall 2012</u>
University of Arkansas at Little Rock	13,176	12,872
University of Arkansas for Medical Sciences	2,836	2,809
Philander-Smith College	696	667
Arkansas Baptist College	1,121	1,082
Webster University	435	311
Totals	18,264	17,741

\* Sources: Arkansas Business Book of Lists 2013, 20th Edition



**EMPLOYEES AS OF DECEMBER 31, 2013**

<u>City Government</u>	<u>Total</u>	<u>Full-Time</u>	<u>Part-Time</u>
AFSCME	392	392	
IAFF	415	415	
FOP	577	577	
Non-union	<u>1,186</u>	<u>726</u>	<u>460</u>
	2,570	2,110	460
 <u>Commissions</u>			
Wastewater Utility	206	205	1
Bill & Hillary Clinton National Airport	160	154	6
LR Convention & Visitors Bureau	205	121	84
Port Authority	8	8	
Metropolitan Emergency Medical Services	348	285	63
Central Arkansas Transit Authority	201	200	1
Arkansas Museum of Discovery	36	24	12
Arkansas Arts Center	86	43	43
Central Arkansas Library	<u>254</u>	<u>203</u>	<u>51</u>
	1,504	1,243	261
Total Employment	<u>4,074</u>	<u>3,353</u>	<u>721</u>

**Little Rock Area Major Employers  
2013**

<u>Rank</u>	<u>Employer</u>	<u>Product/Service</u>	<u>Employees</u>
1	State Government (MSA)	Government	32,200
2	Local Government (MSA)	Government	28,800
3	Federal Government (MSA)	Government	9,200
4	University of Arkansas for Medical Sciences	Education/Medical Services	8,500
5	Baptist Health	Medical Services	7,000
6	Little Rock Air Force Base	Government	4,500
7	Acxiom	Data Processing	4,388
8	Little Rock School District	Schools/Colleges/Education	3,511
9	Central Arkansas Veterans HealthCare System	Medical Services	3,500
10	Entergy Arkansas	Utility (Electric)	2,738
11	Pulaski County Special School District	Schools/Colleges/Education	2,700
12	AT&T	Utility (Telephone)	2,613
13	St. Vincent Health System	Medical Services	2,600
14	Arkansas Children's Hospital	Medical Services	2,470
15	Dillard's	Department Store	2,400

Source: Greater Little Rock Chamber of Commerce,  
site accessed 2/10/2014

Compiled by  
Metroplan  
2/10/2014

**City of Little Rock, Arkansas  
Principal Sales Tax Payers  
December 31, 2013**

The City of Little Rock, Arkansas's largest own-source revenue is sales tax. Sales tax revenues consist of a local 1.5% tax, with 1.125% dedicated to ongoing operations and the remaining 0.375% dedicated to capital projects. The capital portion of the tax is a temporary tax that will sunset on December 31, 2021. In 2013, the combined 1.5% local sales tax generated revenue of \$70,164,473. In addition, the City receives a share of the county's 1% tax based on population.

The State is required to keep the identity of individual taxpayers confidential pursuant to Arkansas State Statutes. Therefore, the City of Little Rock is unable to identify the top ten (10) taxpayers. However; Little Rock enjoys a diverse economic sales tax base.

<b>Little Rock Top Ten 1 1/2 Cent Sales Taxpayers</b>	<b>Tax</b>	
<b>Industry</b>	<b>Collected</b>	<b>% of Total</b>
All Other General Merchandise	6,658,608	9.49%
Full Service Restaurants	5,486,862	7.82%
Grocery Stores	4,273,016	6.09%
Electric Power Generation, Transmission and Distribution	3,515,240	5.01%
Building Materials and Supplies Dealers	2,722,382	3.88%
Electronics and Appliance Stores	2,708,349	3.86%
Clothing Stores	2,645,201	3.77%
Sporting Goods, Hobby, and Musical Instrument Stores	2,575,036	3.67%
Electrical Goods Wholesalers	2,168,082	3.09%
Department Stores	2,083,885	2.97%
Totals	32,752,776	49.65%

<b>Little Rock Top Ten 1 Cent County Sales Taxpayers</b>	<b>Tax</b>	
<b>Industry</b>	<b>Collected</b>	<b>% of Total</b>
All Other General Merchandise	4,569,995	11.60%
Full Service Restaurants	3,011,254	7.65%
Grocery Stores	2,286,041	5.80%
Electric Power Generation, Transmission and Distribution	1,987,795	5.05%
Building Materials and Supplies Dealers	1,726,889	4.38%
Electronics and Appliance Stores	1,435,615	3.64%
Sporting Goods, Hobby, and Musical Instrument Stores	1,357,587	3.45%
Telecommunications	1,330,370	3.38%
Clothing Stores	1,227,252	3.12%
Department Stores	1,129,570	2.87%
Totals	20,062,368	50.94%

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# Glossary



## **GLOSSARY OF KEY BUDGET TERMS**

**Accrual Basis of Accounting** - A basis of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flow.

**Agency** - A division of City government commonly referred to as a City department. Examples are Police, Fire, Parks and Recreation, and Public Works departments. The term "other agencies" is used to identify entities outside of but related to City operations. These include the County Health Department, Library, Arts Center, Museum, and others.

**Amusement Park Lease** - Share of revenue from train rides at Civitan House at the Little Rock Zoo.

**Appropriation** - An amount of money authorized by the Board of Directors to incur obligations and to make expenditures/expenses of resources.

**Assessed Valuation of Property** - The taxable value of real and personal property in Little Rock, established at 20 percent of market value by the Pulaski County Assessor.

**Board of Directors** - The eleven elected Board members who form the City's governing body.

**Bonds** - Certificates of indebtedness issued by an entity which guarantee payment of principal and interest at a future date.

**Basic Budget** - An annual financial plan that identifies revenue sources and amounts, services to be provided, and amounts of money appropriated to fund these services.

**Budget Amendment** – Legal means by which an adopted estimated revenue or expenditure authorization limit is increased or decreased.

**Budget: Operating** - A financial document designed to provide funding for operating or "ongoing" annual programs of service.

**Budget: Capital** - A financial plan for the purchase or construction of major assets such as buildings, land, streets, sewers, and recreation facilities.

**Capital Assets** – Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment. Capital assets may also be referred to as fixed assets.

**Capital Equipment** - Generally, equipment with a value greater than \$5,000 and an expected life of more than one year.

**Capital Outlay** - The portion of the annual operating budget that appropriates funds for the purchase of long-lived items often separated from regular operating items such as personal, supplies and maintenance and contractual. The capital budget includes funds for purchases such as furniture, vehicles, machinery, building improvements, data processing equipment and special tools, which are usually distinguished from operating items according to their value and projected useful life.

**Commission** - A unit of city government authorized under State statutes to provide a municipal service without control by the City elected governing body. For example, the Housing Commission.

**Contingency Reserve** - A budgetary reserve set-aside for emergencies or unforeseen expenditures, not otherwise included in the basic budget.

**Contractual Services** - Goods and services acquired under contract that the city receives from an outside company. Professional services, utilities, rentals, and insurance are examples of contractual services.

**Debt Service** - Expenditures for principal and interest on outstanding bond issues.

**Depreciation** - An accounting allocation of a portion of the cost of an asset to the operating expenditures of the current fiscal period, that is designed to indicate the funds that will be required to replace the asset when it is no longer serviceable.

**Discrete Component Unit** - A separate fund that is ultimately dependent upon the City Board of Directors for oversight or approval of its operations.

**Encumbrance** - An amount of money committed for payment of a specific good or service not yet received. Funds so committed cannot be used for another purpose.

**Enterprise Fund** - A self-contained fund operated to account for services supported by user charges and fees. Examples are the Golf, Zoo and Waste Disposal funds.

**Expenditures** - Decreases in net financial resources under the current financial resources measurement focus, and pertains to payment of normal operating costs and encumbrances. Expenditures are measured according to governmental accounting rules.

**Expenses** - The cost of doing business in a proprietary organization, and can be either direct outflows or the using up of an asset such as the depreciation of capital assets.

**Fiduciary Fund** - A separate fund utilized to account for the pension obligations to a specific group of City employees. A Board of Trustees that exercises a fiduciary responsibility for the fund governs each fund.

**Fiscal Year** - A period of twelve (12) consecutive months designated as the budget year. Little Rock's fiscal year is the calendar year.

**Fleet Services** - A management organization accounted for as an internal service fund and responsible for acquiring and maintaining the City's vehicle fleet.

**FUTURE-Little Rock** - A community goal setting process utilized to assess the City's problems and needs and deliver recommended solutions to the Board of Directors. The process which involved hundreds of citizens over an eighteen-month period resulted in the City's half cent local sales tax.

**Fund** - A fiscal entity composed of a group of revenue and expenditure accounts maintained to account for a specific purpose. See the section "Little Rock's Financial Structure" for a description of the funds controlled by the Board of Directors, various Commissions, and by Pension Trustees.

**Fund Balance** - The balance in a fund remaining from all revenues, expenditures and carryover funds that is subject to future appropriation.

**Gain/Loss Sale of Fixed Assets** – The amount of proceeds from the sale or disposal of an asset after deduction of the cost of the asset net of depreciation.

**General and Administrative Cost** - Cost associated with the administration of general City Services.

**General Obligation Bonds** - Bonds secured by the full faith and credit of the City.

**Generally Accepted Accounting Principles (GAAP)** – A widely accepted set of rules, conventions, standards, and procedures for reporting financial information, as established by the Financial Accounting Standards Board.

**Government Fund Type** - Funds generally used to account for tax-supported activities. There are five different types of government funds: The General Fund; Special Revenue Funds; Debt Service Funds; Capital Project Funds; and Trust Funds.

**Grant** - Contribution by one government unit or funding source to another unit. The contribution is usually made to aid in a part of a specified function, but is sometimes available for general purposes.

**Grant Match** - City funds, private funds, or in-kind services required to be contributed or raised by the receiving entity for the purpose of matching funds obtained from Federal and State grant programs.

**Industrial Development Revenue Bonds** - Bonds issued by the City to finance construction or expansion of an industrial facility. The City is in no way obligated to repay these bonds; rather they are the sole obligation of the industry that benefits from the financing.

**Infrastructure** – Infrastructure includes the basic public works of a city, such as roads, bridges, sewer and water systems, drainage systems, and essential public utilities.

**Internal Service Fund** - This fund operates like an Enterprise Fund to account for citywide vehicle and maintenance costs and the revenue from charge-backs to user departments. It provides a mechanism for identifying vehicle costs and charging them to the property budget program.

**Investment** - Securities purchased and held for the production of revenues in the form of interest.

**Lapsing Appropriation** – An appropriation made for a certain period of time, generally for the budget year. At the end of the specified period, any unexpended or unencumbered balance lapses or ends, unless otherwise provided by law. Most operating funds are lapsing funds.

**Maintenance** - Maintenance encompasses a variety of materials and services for land and equipment of a permanent or semi-permanent nature or for software for the renewal, replacement, repair, minor renovation, and other cost associated with keeping an asset in proper condition or working order.

**Millage** - The tax rate(s) levied on real and personal property. One mill equals \$1 per \$1,000 of assessed property value.

**Modified Accrual Basis of Accounting** - A basis of Accounting according to which (1) revenues are recognized in the accounting period in which they become available and measurable and (2) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

**Net Position** – The residual of all other elements presented in a statement of financial position. The term incorporates deferred outflows of resources and deferred inflows of resources as defined by GASB Statement No. 63 into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

**Non-Lapsing Funds** – A fund whose unencumbered appropriation balance remains available for expenditure after the end of the fiscal year. A non-lapsing fund remains open and available for use until all appropriations are expended,



transferred, or closed by budgetary action. Grants and Capital Funds normally operate as non-lapsing funds.

**Non-Operating Fund** - A fund established to account for revenue and expenditures that are not recurring and, therefore, not part of the annual operating budget. Examples of these revenues are sales taxes set aside for special items, and one-time revenue collections such as litigation settlements. Examples of expenditures are those for special programs and projects, and for capital projects.

**Non-Operating Income or Expense** - A non-recurring, unusual type of revenue or expense that would distort financial results if presented as an operating item. These items are reflected below the operating income line on statements of income and expense.

**Operating Revenues** – Regular and recurring sources of income for an entity.

**Operating Expenses** – Recurring costs required to provide a service or maintain an operation.

**Other Reimbursements** – Usually nonrecurring funds received from another entity. Amounts refunded for costs incurred or expenses paid.

**Outside or Other Agency** - These are local organizations that are not a part of City government, but that receive appropriations from the City in exchange for services provided to citizens. Examples are the Central Arkansas Transit Authority, the County Health Department, and the Pulaski County Jail.

**Program** - A division or sub-unit of an agency budget, which identifies a specific service activity to be performed. For example, a snow and ice removal program is funded in the Public Works Street Maintenance Budget.

**Proprietary Fund Type** - Funds that focus on the determination of operating income, changes in net assets – or cost recovery – financial position, and cash flows. There are two different types of proprietary funds: Enterprise Funds and Internal Service Funds.

**Rating** - Ratings are issued by several institutions as an indication of the likelihood that an obligation will be repaid. The highest rating is triple A, which is awarded to debt securities of the U. S. Government. Little Rock's general obligation bonds are rated AA by two rating agencies, which indicate a high level of confidence in the City's ability to repay its obligations.

**Recycling** - Share of proceeds from the sale of newspaper, metal, and glass collected by a private company from sanitation routes.

**Redemption** - The repayment of a bonded indebtedness. Redemption can occur at a specified date, or can be subject to early retirement, should funds be available to do so.

**Reserve** - The Board of Directors may set aside moneys into an account called a reserve to provide for future needs or to meet unknown obligations. For example, the City self-insures for workers' compensation claims and maintains a reserve to meet any unforeseen future claims. The City also maintains a general working capital reserve to meet unknown emergency needs.

**Restricted Reserve** - A specific amount of cash set aside by action of the Board of Directors for funding unforeseen contingencies such as destruction from a tornado, flooding, or litigation.

**Retained Earnings** - The excess of revenue or expenditures that has accumulated since the inception of a Proprietary Fund.

**Revenue(s)** - Increases in the net current assets of a Governmental Fund Type from other than expenditure refunds, general long-term debt proceeds and operating transfers in.

**Risk Management** - A program to effectively deal with the varied risks faced by the City. This includes protecting the public and City employees by providing commercial or self-insurance coverage for fire, vehicle, and public official and other liabilities, developing and maintaining safe driving programs, and maintaining a safe working environment.

**Salaries Wages and Employee Benefits** - All costs associated with providing personnel for an agency or program including salaries, wages, social security and Medicare tax payments, retirement contributions, health, dental, life, disability, unemployment insurance and Workers' Compensation coverage.

**Special Project** - Generally, a project funded for a specific purpose. Special projects may be for capital improvements or other non-operating items, or for specific programs such as Children, Youth, and Family initiatives.

**State Tax Turnback** - The State of Arkansas returns a portion of its tax receipts to incorporated cities within the state. Certain turnback revenues may be used for general purposes, while other turnback funds are restricted to street improvements.

**Sundries** - Revenue received from miscellaneous sources.

**Supplies** - Supplies are articles that when consumed or used, show a material change in their physical condition. These items generally last less than one year. Examples of supplies are office supplies, clothing, cleaning and janitorial supplies, petroleum products and chemicals, medical & laboratory expenses.

**Transfers In** - Reimbursements or allocations from other funds.

**User Charges** - The direct payment by the public for a specific service provided. For example, a monthly charge for garbage pickup.

**Undesignated Fund Balance** - The amount of money remaining in a fund that has not been appropriated or committed for any purpose.

**Utility Franchise Fee** - A City fee levied upon the gross receipts of local privately owned utilities (power, gas, and telephone). Under State law, this fee may be passed on to the utility user.

**Vehicle Storage Fees** - Charges for release from the impound lot of vehicles that have been abandoned on the street, towed from illegal parking zones, or seized after violation of vehicular laws.

## **GLOSSARY OF KEY ACRONYMS**

**ADA** – American Disability Act prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation. It also mandates the establishment of TDD/telephone relay services.

**AFSCME** – American Federation of State, County and Municipal Employees Union

**ARNRC** – Arkansas Natural Resource Commission.

**ARRA** – American Recovery and Reinvestment Act of 2009

**AZA** – Association of Zoos and Aquariums

**CAFR** – Comprehensive Annual Finance Report

**CATA** – Central Arkansas Transit Authority

**CDBG** – Community Development Block Grant representing federal block grants used primarily for street improvements, community services and community center operations.

**CIP** – Capital Improvement Program is a multi-year plan for capital expenditures to replace and expand the City's infrastructure, vehicles and equipment.

**COBRA/Retiree** – Omnibus Budget Reconciliation Act of 1985 is an insurance premium reduction plan for retired employees.

**COPS** – Community Oriented Policing Services funded by a federal grant.

**CYF** – Children, Youth and Families promotes a comprehensive and holistic approach that reaches out to families and children that are most at risk of losing a safe, nurturing, self-determining, drug-free and violence-free environment. The Program requires the full partnership of City and government agencies, local educational agencies, public and private business community, and dedicated organizations working directly in the neighborhoods.

**DWI/DUI** – Driving while intoxicated/Driving under the influence.

**FEMA** – Federal Emergency Management Administration

**FCC** – Federal Communications Commission is an independent United States government agency. The FCC was established by the Communications Act of 1934 and is charged with regulating interstate and international communications by radio, television, wire, satellite and cable. The FCC's jurisdiction covers the 50 states, the District of Columbia, and U.S. possessions.

**FULR** – Future Little Rock initiatives paid from a half cent sales tax initiated in 1994.

**FOP** – Fraternal Order of Police Union

**GAAP** – Generally Accepted Accounting Principles are accounting rules used to prepare, present, and report financial statements for a wide variety of entities, including publicly traded and privately-held companies, non-profit organizations and governments.

**GASB** – Government Accounting Standards Board is currently the source of generally accepted accounting principles used by State and Local governments in the United States of America. It was established to improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

**GFOA** – Government Finance Officers Association promotes the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

**IAFF** – International Association of Fire Fighters

**HIPP** – Home Investment Partnership Funds are expended to provide housing or housing assistance to qualifying citizens, to improve neighborhood streets and drainage and to operate community health and recreation facilities.

**LR Cent Committee** – Little Rock Citizens for Evaluation of New Tax is a committee of citizens, which is made up of two (2) Co-Chairs, individuals from each of the City's seven (7) Wards, and three (3) At-Large Members. The LR Cent Committee meets on a quarterly basis to evaluate the spending of the additional revenue generated by the one (1)-cent sales tax increase approved by voters in September 2011 that went into effect on January 1, 2012.

**LUZA** – Local Urban Projects is a program for land redevelopment in areas of moderate to high density urban land use. Urban renewal may involve relocation of businesses, the demolition of historic structures, the relocation of people, and the use of eminent domain (government purchase of property for public use) as a legal instrument to take private property for city-initiated development projects.

**MBE** – Minority Business Enterprise is an American term which is defined as a business which is at least 51% owned (male and female), operated and controlled on a daily basis by one or more (in combination) American citizens of the following ethnic minority classifications: African American, Asian American (includes West Asian Americans (India etc.) and East Asian Americans (Japan Korea etc.), Hispanic American – not of the Iberian peninsula and Native American including Aleuts.

**NHSP** – Neighborhood Housing Special Project Fund - Section 108 Guaranteed Loan Program to provide housing and housing assistance to qualifying citizens and to improve neighborhood infrastructure.

**NUSA** – Neighborhoods, USA is a national non-profit organization committed to building and strengthening neighborhood organizations. Created in 1975 to share information and experiences toward building stronger communities, NUSA now continues to encourage networking and information sharing to facilitate the development of partnerships between neighborhood organizations, government and the private sector.

**PIT** – Prevention, Intervention and Treatment Programs actively promote collaborations between public and private organizations, citizen groups, and other community-based organizations with its youth-oriented programming. Through a multi-faceted approach, PIT programs seek to reduce crime levels over time while encouraging the potential of local youth. The wide range of PIT programming encompasses services for education, health, safety, and employment for young people.

**RFP/RFQ** – Request for Proposal is a method of bidding used when there are subjective qualifications which must be met before you consider pricing. A RFP gives the buyer a chance to evaluate subjective offerings such as the sellers approach to a project, references, personnel assigned to the task and history with similar projects. The City typically uses the Two-Step RFP Method in which qualifications are submitted in one envelope and evaluated and pricing is included in another envelope for comparison with those qualified. A RFQ – Request for Qualifications is a bid where qualifications are all that is submitted and price is determined by negotiation with the selected vendor.

**STF** – Short Term Financing accounts for proceeds issued to acquire capital equipment, building improvements and vehicles for the City.

**UALR** – University of Arkansas at Little Rock

**WBE** – Women Business Enterprise – a classification of business enterprises wherein at least 51% of the business is women owned.