



**2012 Annual Operating Budget
City of Little Rock, Arkansas**

With a daunting \$8 million dollar budget shortfall on the horizon, City leaders asked the citizens of Little Rock to support them in their effort to increase an inadequate ½-cent sales tax that had been in place for the past seventeen (17) years. On September 13, 2011, the citizens of Little Rock approved a one (1)-cent sales tax increase that would allow the City to fill critical positions that have remained vacant for many years and would provide Little Rock with the opportunity to move forward with much needed programs and projects. The tax increase, which includes a permanent 5/8-cent operations tax and a 3/8-cent ten (10)-year capital tax, will provide additional Police Officers, more Code Enforcement Officers, new Fire and Police facilities and a new emergency communications system.

On February 21, 2012, the Little Rock City Board of Directors approved Resolution No. 13,440, which appointed the Little Rock Citizen's Evaluation of New Tax (LR CENT) Committee. The Committee, which is made of two (2) Co-Chairs, individuals from each of the City's seven (7) Wards and three (3) At-Large Members, will meet on a quarterly basis to evaluate the spending of the additional revenue that will come as a result of the recently enacted one (1)-cent sales tax increase.

City of Little Rock

2012 Annual Operating Budget

Bruce T. Moore
City Manager

Prepared by:
Department of Finance

Sara Lenehan, Finance Director

LaVerne DuVall, Budget Officer

The enclosed 2012 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 2012 budget document and previous years can be found on the City of Little Rock's website located at: 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**

Special Capital Recognition
For the Fiscal Year Beginning

January 1, 2011

Linda C. Danson Jeffrey R. Egan

President

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 for the fiscal year beginning January 1, 2011.

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 continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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LITTLE ROCK AT A GLANCE

Little Rock is the Capital City of Arkansas with a population of 193,524, and a metropolitan area population of 699,757. More than one million individuals live within a 70-mile radius of Little Rock. It is centrally located – where the southeast meets the southwest, near the geographic center of Arkansas. Little Rock derives its name from a small rock formation on the south bank of the Arkansas River called la Petite Roche (French: “the little rock”). The “little rock” was used by early river traffic as a landmark and became a well-known river crossing. Major industries include: service; medicine; government; retail; technology; and manufacturing.

Little Rock remains a vital job center within the central Arkansas region. During the economic downturn experienced in 2008 and 2009, the City benefitted from the economic stability provided by its higher-than average employment share in two comparatively stable economic sectors: government and health care. The presence of these industries helps to explain the City’s lower than average unemployment of approximately 6%.

New businesses and housing opportunities are bringing people back to the City’s core to live, shop, work and play. The William Jefferson Clinton Presidential Library and Park and the headquarters for Heifer International in the River Market District, and an expanding nationally-recognized bike trail system are projects that continue to increase tourism in Little Rock.

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 3,457 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 four colleges and the Graduate School serve more than 2,800 students. The University of Arkansas at Little Rock (UALR) is a metropolitan university servicing 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.

Located on the banks of the Arkansas River, Little Rock is near the Ozark and Ouachita Mountain Ranges, and several fine lakes and streams. Outdoor recreational options are almost unlimited and include hiking, camping, boating, hunting, fishing, golf, tennis, swimming, and soccer.

Greater Little Rock 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 Dean Kumpuris
Position Eight



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 Doris Wright
Ward Six



Director B J Wyrick
Ward Seven



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 during the coming year, which runs from 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, each year, the Mayor submits a recommended budget for the fiscal year beginning January 1 to the Board of Directors. After an extensive budget study process and public hearings to receive citizen input, the Mayor and Board of Directors makes its decision on the final budget. By action of the Mayor and Board of Directors, the budget is adopted and published.

The budget must be adopted on or before December 30. A calendar of events for budget development activities for fiscal year 2012 is included in this document to more adequately describe the budget development process.

The 2012 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 used to account for revenues and expenditures for the regular day-to-day operations of the City. The primary sources of revenue for this fund are local 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
- Fire
- Police

The three major types of other funds are:

1. Special Revenue Funds - These funds are used to account for the proceeds of special revenue sources that are legally restricted to expenditures for specific purposes.
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, golf and zoo.
3. Internal Services Fund - Funds that provide services to other parts of the City organization, e.g., motor pool, vehicle maintenance and insurance.

Most payments to the Internal Services Fund are not shown as transfers, but as line items within the budgets of the departments in all operating funds.

Operating Flow of Funds

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

General Fund	Enterprise Funds
Property Taxes	Service Rates
Sales Taxes	Admission Fees
Licenses & Permits	Intergovernmental Contracts

Expenditures are made from the General Fund and Enterprise Funds to support activities related to each. 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 – Zoo, Golf, Jim Dailey Fitness & Aquatic Center, River Market, Vehicle Storage Facility, Parking Garages and Waste Disposal.
- Personnel, supplies and materials, repairs and maintenance, contractual, closure/post closure, depreciation, debt service and transfer out.

General Fund, Enterprise Funds, and other user departments all make payments into the Internal Service Fund to pay for Fleet operations and maintenance.

Capital Budget

The Capital Budget consists of major capital projects, which often require more than a year's time 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. Open project accounts channel payments for project work to individual contractors. 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, you will find each Department's organizational chart showing the services which are included in the section, Mission Statement, Personnel Summary, 2011 Priorities results, 2012 Goals, and applicable service measures.

The General Fund, Street Fund and Proprietary Funds expenditure sections of the budget provide very detailed information. Major Categories of expenditures may 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
Steve Beck
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

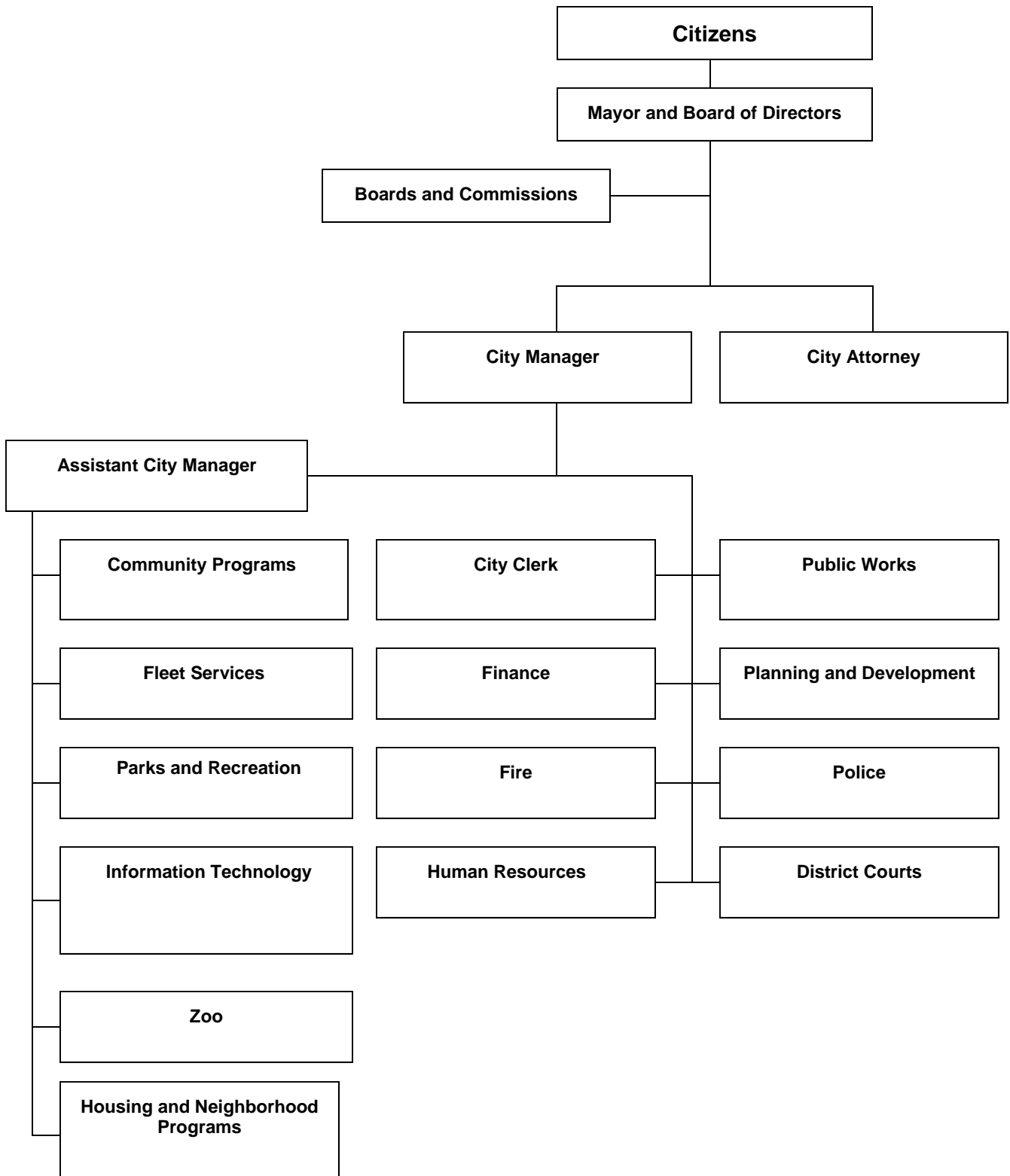
Budget Report Production, Analyst, and Graphics

LaVerne DuVall
Silas Roaf

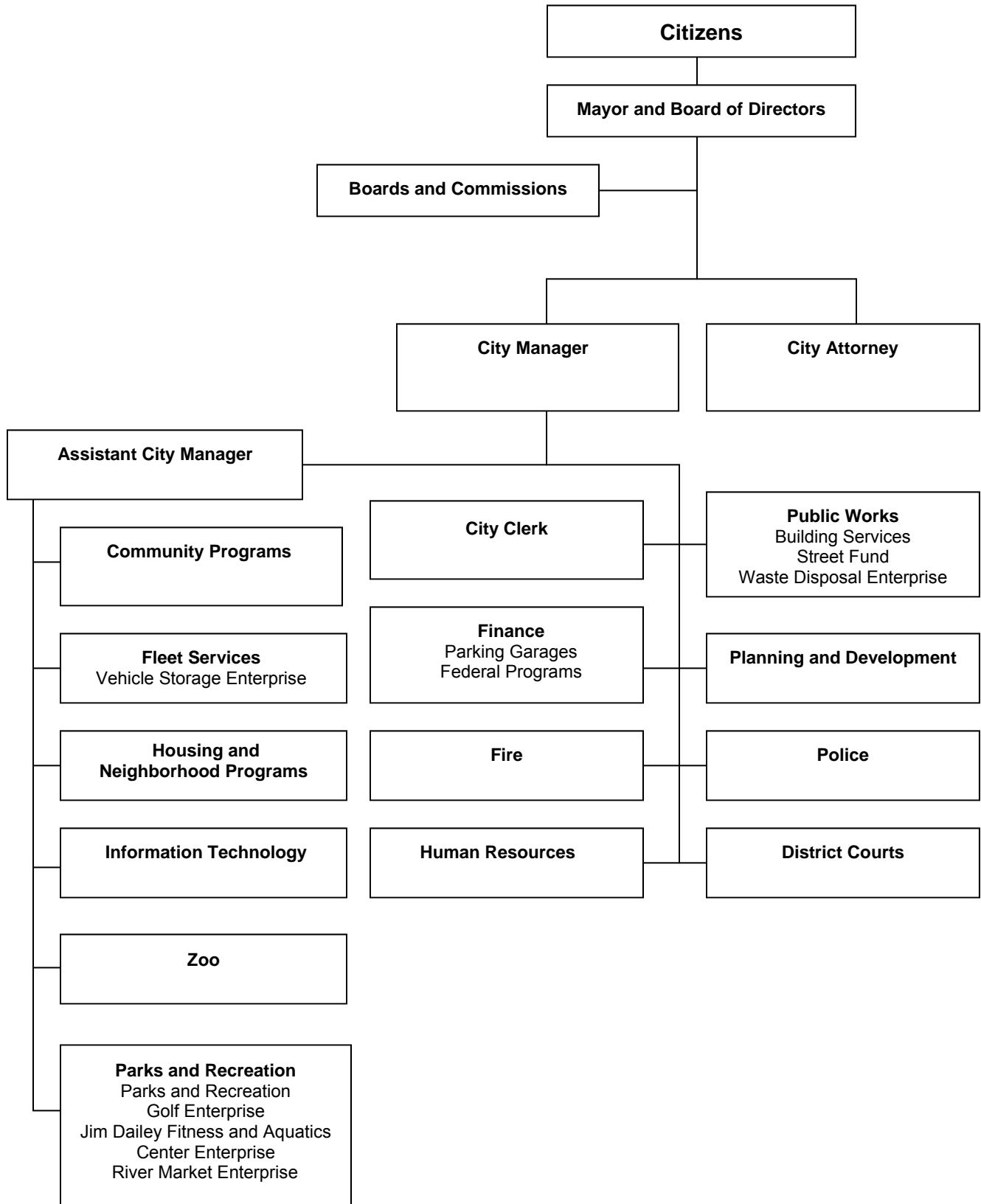
Budget Officer
Budget Management Analyst

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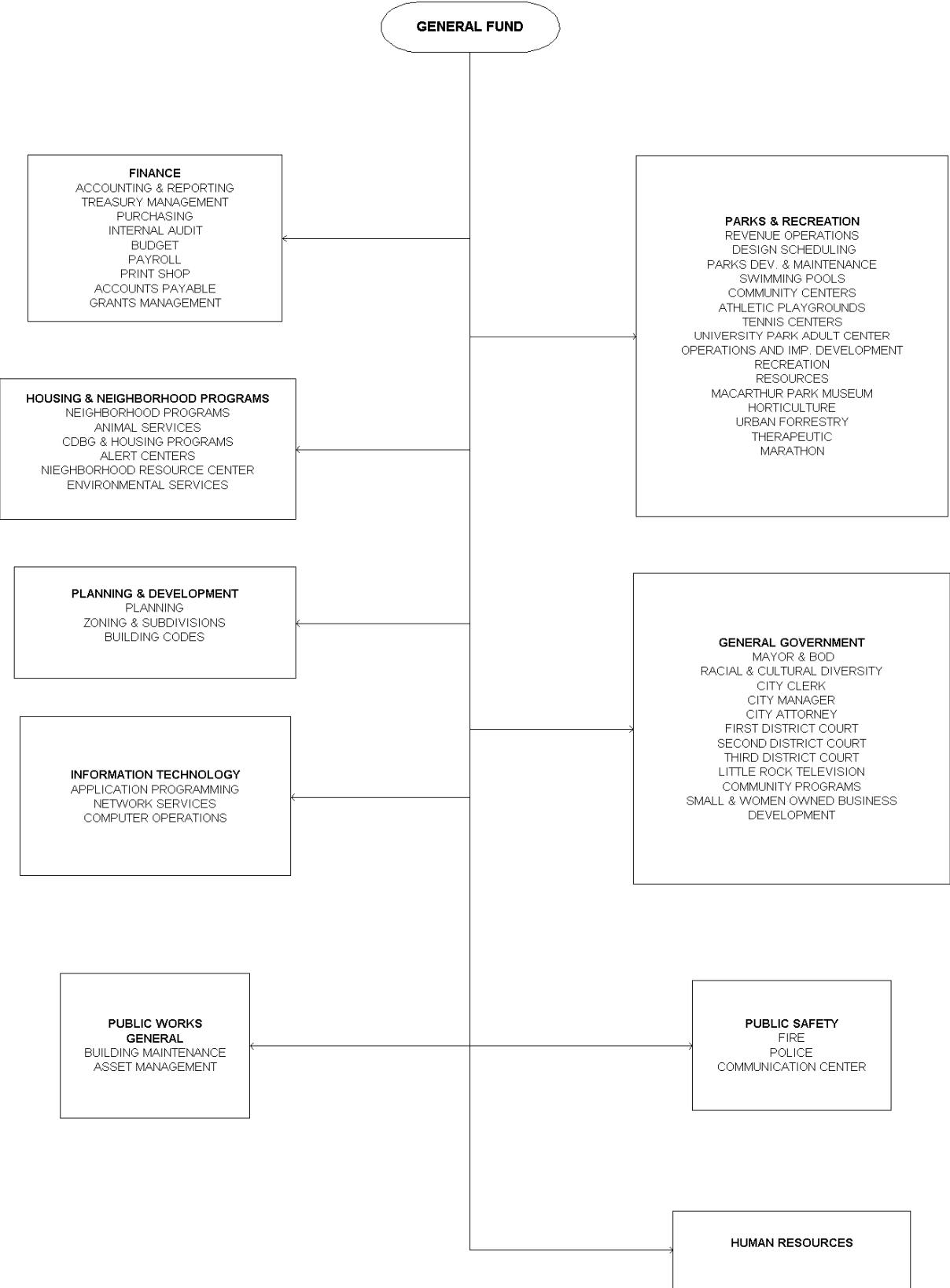
City of Little Rock Organizational Chart



City of Little Rock Organizational Chart by Fund Responsibilities

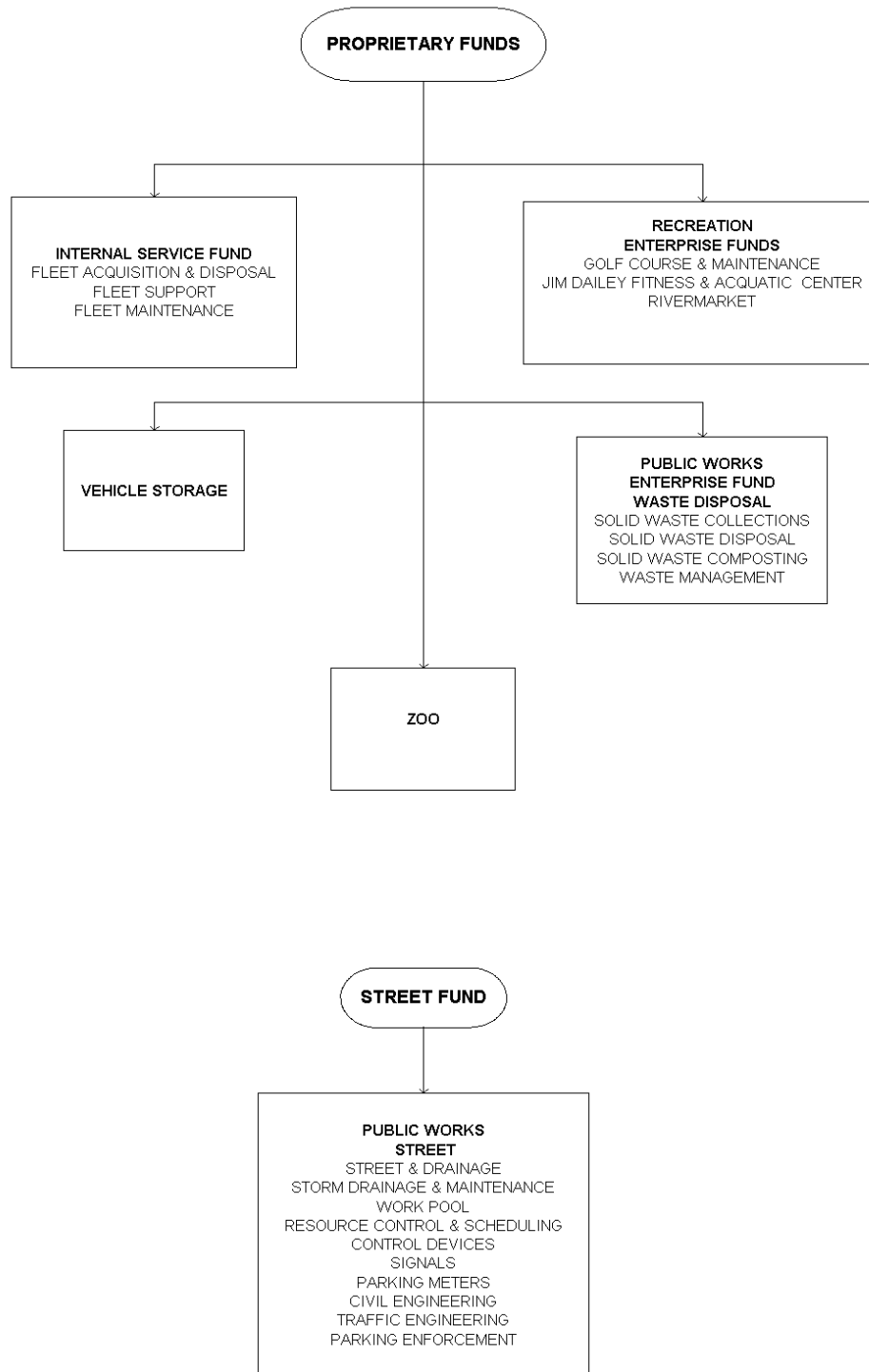


CITY OF LITTLE ROCK OPERATING FUND STRUCTURE



Note: All departments include an administration section

CITY OF LITTLE ROCK OPERATING FUND STRUCTURE





City of Little Rock

Bruce T. Moore
City Manager

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December 13, 2011

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

Respectively I submit the official Year 2012 Budget for the City of Little Rock that builds on the accomplishments and service improvement programs initiated last year. While the economic downturn 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 will enhance the operating and capital resources necessary to 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 \$219,272,074, an increase of \$28,182,842, or 14.7%, more than the 2011 Adopted Budget and \$27,405,510 more than the final 2011 Amended Budget. The Operating Budget changes for the 2012 Year are summarized below:

City of Little Rock
Comparison of Budgets - FY12 to FY11

	2012	2011	Change	% Change
General Fund	\$158,559,815	\$134,371,418	\$24,188,397	18.0%
Street Fund	16,551,612	15,164,843	1,386,769	9.1%
Fleet Services Fund	11,667,454	10,488,935	1,178,519	11.2%
Waste Disposal Fund	17,154,395	17,694,120	(539,725)	-3.1%
River Market Fund	1,164,180	916,942	247,238	27.0%
Zoo Fund	6,584,304	5,234,749	1,349,555	25.8%
Vehicle Storage Facility Fund	1,326,100	1,184,063	142,037	12.0%
Golf Fund	2,870,282	2,826,136	44,146	1.6%
Jim Dailey Fitness & Aquatic Center Fund	1,350,071	1,254,126	95,945	7.7%
Parking Garages	2,043,861	1,953,900	89,961	4.6%
Total	<u>\$219,272,074</u>	<u>\$191,089,232</u>	<u>\$28,182,842</u>	<u>14.7%</u>

The 2012 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 2012 Operating Budget includes several significant changes from the 2011 Operating Budget. Little Rock citizens passed an additional one (1)-cent local sales tax in September 2011 that goes into effect 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 ongoing operating needs and capital needs. The five-eighths (5/8)-cent permanent increase in sales tax for operations is reflected in the FY12 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.

Sales Tax continues to be the leading revenue source for the City at approximately 58% 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 new three-eighths (3/8)-cent temporary sales tax for capital projects is not reflected in the operating budget, but is reported in a separate capital projects fund. Due to the passage of the new sales tax, the 2012 adopted sales tax revenue budget includes a projected increase of 41.3% from the 2011 original budget and an increase of 44.2% from the 2011 final amended budget. The projected increase in sales tax revenue in 2012 is committed primarily to filling vacant public safety positions and adding twelve (12) new Police positions, twelve (12) new Fire positions for the West Little Rock Fire Station, maintaining grant-funded positions, the addition of Code Enforcement and Animal Services Officers, increased funding for neighborhood-based/community initiatives from \$2.5 million to \$5.5 million, increased funding for street light operations and maintenance, increased building maintenance, expanded park maintenance to include filling nine (9) vacant positions and the addition of seventeen (17) new positions, additional funding for Zoo deferred maintenance, operations and staffing, to include filling six (6) vacant positions and the addition of ten (10) new positions, and increased funding for annual fleet replacement, information technology staffing and maintenance, and new transit routes. Actual sales tax

revenues for 2011 were more than 2010 revenues by approximately 1.3%. 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.

Franchise fees from local utilities comprise approximately 17% of general fund revenues. Franchise fees from Entergy Corporation, the electric utility, were basically flat in 2011 and are expected to decrease approximately 5.7% in 2012. Several of the projected decreases are due to the unseasonably cold weather experienced in 2011 and a decline in fuel prices. Franchise fees from Centerpoint Entergy, the gas utility, declined 10% in 2011 primarily due to lower natural gas prices; however, they are expected to increase by approximately 5% in 2012 due to a rate increase that went into effect in November 2011. Franchise fees from telecommunication companies are expected to decrease approximately 15% after several years of decline due to on-going competition from wireless companies. There are no rate increases currently scheduled for Water or Waste Water.

Property Tax revenues make up approximately 11% of General Fund revenues. Little Rock recently received its Original Charge for 2011 Property Taxes to be collected in 2012. The Original Charge is approximately 3% over last year's value and represents the total amount assessed on real estate and personal property for the previous year. The 2012 budget reflects an increase in Property Tax revenues of approximately 2% from the original 2011 budget and approximately 1.4% from the final amended 2011 budget. I am pleased that overall property values in Little Rock were maintained during the recent economic downturn.

City employees have demonstrated their dedication and professionalism by providing quality service to the citizens of Little Rock during a difficult economic downturn. The General Fund budget supports 1,513 full-time equivalent (FTE) positions, a net increase of forty-four (44) FTEs compared to 2011 staffing levels. In addition, special projects and grant awards support seventy-seven (77) employees, including an award under the *American Recovery and Reinvestment Act* COPS program for twenty (20) Police Officer positions. However, approximately 152 of the budgeted General Fund positions were kept vacant during 2011. With the passage of the new sales tax, many of the vacant positions will be filled in 2012, particularly in the areas of Public Safety and Parks

and Recreation. The 2012 Operating Budget expenditures include \$108,123,085 in personnel cost, net of an anticipated \$3.5 million in vacancy savings. Police, Fire and AFSCME personnel covered by labor agreements will receive a pay increase of 3% in 2012. An allocation for non-uniform non-union employees of 3% was included in the budget as well, to be awarded based on merit. Health insurance costs will increase approximately 8.5%, the first increase in three (3) years. The increase is primarily due to some high cost claims in 2011. The City's wellness initiative has helped to mitigate cost increases. Benefit changes approved by the State Legislature increased pension costs slightly for Fire and Police uniformed personnel. Pension costs increased from 16.58% to 17.58% of payroll for uniformed Fire personnel and from 13.23% to 14.23% of payroll for uniformed Police personnel. Pension costs for Court Clerks increased from 13.47% to 14.24%. The City recently engaged a consultant to review options for improving the pension plan for non-uniform personnel. In the interim, the City is increasing its contribution to the plan from 4% of salary to 7% of salary. The employee contribution for 2012 will remain at 3.5%. 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, personnel cost will increase approximately 9% in 2012.

Fleet and fuel costs are projected to increase approximately \$830,000 in 2012. The 2012 fuel budget is based on estimated unleaded and diesel fuel per gallon prices averaging \$3.50 and \$3.75 respectively. 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 2012 allocation for outside agency contributions increased by approximately \$1,008,000 compared with the 2011 Budget. Of this increase, \$908,000 is associated with the Central Arkansas Transit Authority (CATA) Bus and River Rail operations. Two (2) new routes will be added to bus service in 2012 servicing the John Barrow Neighborhood and Pulaski Technical College.

The City issued a short-term financing note in December 2011 to fund the purchase of vehicles and equipment for the Little Rock Fire Department, Public Works and Waste Disposal. 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. At the time the budget was adopted, staff projected a decrease in the General Fund debt service budget of approximately \$100,000. The debt service requirements will actually decrease by approximately \$496,000 in 2012 due to favorable interest rates and the decision to forego short-term financing in 2009 and 2010.

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 of \$300,000 was set aside 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 Day Resource Center is expected to open in 2012 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 reentry programming in 2012 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 is beginning 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 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.

2011 Accomplishments

Little Rock Police Department: The Little Rock Police Department achieved reaccreditation with the Commission on Accreditation for Law Enforcement Agencies in March of 2010 and was again awarded flagship status for another 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. The 311 System has greatly increased service deliveries to the citizens of Little Rock. A total of 96,926 requests for City services were made utilizing the 311 System.

Little Rock Fire Department: The Little Rock Fire Department continued to provide quality services, responding to more than 25,589 fire and emergency calls during 2011. The Department initiated several new initiatives, medical screenings for all employees through partnership with the Arkansas Heart

Hospital, EMS Bicycle team, implemented the IAFF supported minimum standards for Apparatus Engineers and Captains, established a social networking policy to maintain a positive image of the LRFD and were awarded grants in fiscal year 2011 totaling approximately \$500,000. In addition, an aggressive fire prevention initiative led to a 40% reduction in fire deaths within the City. The Department will continue to seek out and initiate programs that will enhance their ability to increase fire and life safety awareness and promote the Department's commitment to customer service by providing the citizens with a greater knowledge of core job functions. In addition, the City broke ground on the \$2,017,800 federally-funded grant for construction of Fire Station #23 in West Little Rock. The Little Rock Fire Department continues to move forward with the accreditation process through the Center for Public Safety Excellence.

Public Works: In 2011, Public Works Operations Staff responded to 7,164 service requests via the 311 service request system. Staff installed 8,822 traffic signs, which improved traffic safety through increased visibility of traffic signs and markings, swept 18,661 curb miles of streets and removed 3,830 cubic yards of debris from City streets.

Fleet Services: For the third time, the Fleet Services Department applied for and was recognized as one of the 100 Best Fleets of North America. Fleet Services applied for and received a grant from the Arkansas Energy and Development Commission (AEDC) for the installation of a compressed natural gas fueling station. Fleet Services is continuing with the plan to integrate alternatively-fueled vehicles into the City's fleet. Fleet Services succeeded in reducing the required hold time of excess money collected for vehicles sold at auction; an issue that was included in the City's 2011 Legislative Packet.

Finance: The Finance Department obtained the Government Finance Officers Association (GFOA) Certification of Recognition for the 2011 Budget Presentation and the GFOA Certificate for Excellence in Financial Reporting for the 2010 Comprehensive Annual Financial Report. In addition, the Grants Division provided assistance to other Departments and component units of the City in training, writing, obtaining, monitoring, and reporting on grant awards with special emphasis on *The American Recovery and Reinvestment Act of 2009*.

Parks & Recreation: In 2011, Little Rock Parks and Recreation successfully completed the National Parks and Recreation accreditation review process and was re-accredited for another five (5)-year cycle (through 2016). Improvements to Conner Park, a small neighborhood park located in West Little Rock, were completed in 2011. Funding for improvements to this park was made possible through the refinancing of the 1998 Little Rock Parks and Recreation Revenue Bonds. In 2011, improvements to larger metropolitan parks continued. The front lawn at MacArthur Park was redesigned and improved. The Markham and Fair Park entrance way to War Memorial Park was redesigned and constructed to provide greater definition. The newly designed entrance way features an entry

plaza and pedestrian walking trail. The old west parking lots in War Memorial were demolished to create additional space for passive recreational activities. In addition, 2011 marked completion of the construction and dedication of the William E. Clark Presidential Park Wetlands along with the Clinton Presidential Park Bridge. The Step Up to Health Initiative, which inspires citizens to pursue healthier lifestyles thereby creating a more livable community, was promoted throughout the City. Volunteerism continues to play a very important role in departmental support. In 2011, the Department utilized over 54,000 volunteer hours, which totaled over \$918,000 dollars in support. Volunteers are utilized in virtually every area of Parks and Recreation from the Little Rock Marathon to community centers. The annual Volunteer Luncheon was a huge success. 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.

Information Technology: The Information Technology Department supported and maintained the City's technology systems, which include the computer and phone systems. These are comprised of 911, 311, and Lawson Human Resource and Financial applications among many others. The Department supported over 1,600 users on eighty-five (85) network locations throughout the City. In addition, the Department updated the current police records system to be compliant with the National Incident Based Reporting Standards and implemented several other supporting modules. Information Technology Staff continued to create virtual servers to allow for the support of City systems without the cost of physical ones.

Human Resources: The Human Resources Department completed implementation of the new applicant tracking system, including training for hiring managers. Pre-retirement planning workshops were offered to employees considering retirement including presentations from Social Security Administration and The Employee Assistance Program. Contract bid and renewal processes were conducted to meet expiring contracts for employee benefits and property coverage. The Department completed an audit of employee pay practices to ensure compliance with City policy, State and Federal Law.

Planning & Development: The Planning & Development Department reviewed and processed approximately 250 requests for preliminary plats, planned developments, site plans, rezoning, conditional use permits and variances. The Department completed the review of several construction related codes and continued to support the Criminal Abatement Program. The update of the Bicycle Plan was completed and approved by the Planning Commission and Board of Directors. In addition, the Planning & Development Department was instrumental in the redrawing of the City Wards based on the 2010 Census.

Little Rock Zoo: The Little Rock Zoo increased revenue in 2011 with improved attendance and by enhancing performance in special events and other amenities. The Zoo continues to provide new and exciting opportunities for guests, and as such, opened the new Laura P. Nichols Penguin Pointe exhibit and also offered the Wild Wonders Animal Show featuring free flying birds, live mammals and reptiles in a fun presentation at the Civitan Amphitheater Stage. The Zoo accomplished several capital projects in 2011, including updates and improvements to animal exhibits and pedestrian walkways. In addition, the Zoo began construction on the Laura P. Nichols Cheetah Conservation Outpost that will open in June 2012. The Zoo also went through a strategic planning process to improve and secure long-term strategies for operating and funding the Zoo and a final report was completed in June 2011.

Community Programs: The Community Programs Department sustained its Prevention Intervention and Treatment Programs by efficiently processing contracts and reimbursements. The Department continued to employ youth City-wide as an expansion of its year-round programming. In addition, the Department worked with the Children, Youth and Families Commission to develop a strategic plan.

Housing & Neighborhood Programs: The City of Little Rock was awarded \$8.6 million in Neighborhood Stabilization Funds (NSP2) to eliminate blighted, vacant, foreclosed and abandoned properties in Little Rock. The NSP2 Consortium was able to expend \$4.5 million in grant funds through the end of 2011 and over 90% of the grant funds have been obligated. Code Enforcement Staff partnered with Zoning Enforcement Staff to enforce a new No Parking in Yards ordinance. Code Enforcement Staff continued to make visible improvement in the community by removing 107 unsafe vacant structures in 2011. The City acquired thirty-four (34) properties to be included in the City of Little Rock Land Bank. Phase-One of the Little Rock Animal Village Dog Park was opened, and the City established a partnership with PetSmart and their Rescue Waggin' Program. The Animal Village had a record year of adoptions in excess of 2,000 animals. The Animal Village began opening the facility on Saturdays to allow more public access and a variety of special events.

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. With the passage of the new sales tax, the City expects to achieve the \$10,000,000 initial goal by the end of 2012 with the intent of gradually increasing the Restricted Reserve to achieve 10% of General Fund revenues in the next few years.

2012 Goals

- In coordination with the Mayor and City Board, staff will have a major focus on completion of projects funded in part with awards received under *The American Recovery and Reinvestment Act of 2009*. Staff will constantly track, monitor, and report on grant and formula awards and will maintain a detailed tracking system on the City's web site, www.littlerock.org.
- Continue the redevelopment and revitalization efforts underway for 100 properties in the Central High and Stephens Elementary School neighborhoods, utilizing the \$8.6 million awarded in Neighborhood Stabilization Funds (NSP2) to eliminate blighted, vacant, foreclosed and abandoned properties.
- Begin capital projects and implement programs and staffing funded by the new one (1)-cent sales tax resulting from priority needs commitments to citizens to sustain and improve services and promote economic development within the community.
- Implement review meetings with the new 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 development and construction of the Mid-Town Police Patrol Facility. Purchase property for a West Little Rock Police Station.
- Continue development and construction of the West Little Rock Fire Station with funding awarded under *The American Reinvestment and Recovery Act of 2009* and the new sales tax.
- Continue the City's focus on economic development and sustainability.
- Complete Park and Zoo capital improvement and construction projects funded by the 2009 Parks and Recreation bonds.
- Continue funding for the Homeless Coordination Program, and open the new permanent location for the Homeless Day Resource Center in Little Rock.
- Provide \$5.5 million in funding for Children, Youth, and Family programs, including youth employment, skills center funding, and reentry programming, to include a pilot program to train and employ disadvantaged persons for construction and maintenance of sidewalks.
- Implement a local preference policy on competitive bids for contracts funded solely with City revenues.

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.

In December 2011, national unemployment dropped to 8.5% on a seasonally adjusted basis after peaking at 10.1% in 2010, the highest U.S. unemployment rate since 1983. According to the Arkansas Institute for Economic Advancement at the University of Arkansas at Little Rock (UALR), the seasonally adjusted Little Rock metro area unemployment rate was 7% in November 2011, down from 7.5% in October. Unemployment for the City of Little Rock was 6.3% in November. Little Rock had approximately 7,300 unemployed residents during 2011, compared with about 4,700 in 2008, prior to the economic downturn. 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. Permits for single-family units decreased to 328 in 2011 from 341 in 2010, still far below the 700-plus permits that occurred annually 2003-2007. However, there was a significant increase in the number of multi-family units permitted in 2011. For example, the City of Little Rock approved permits to 514 more units during the first half of 2011 than during the full years 2008, 2009, and 2010. The growth in Little Rock's apartment market reflects the City's role as a job center during difficult economic times and the change in demographics. The 2010 Census results show that Little Rock has a higher share of young adults in the twenty (20) – thirty-four (34) age groups at 23.4% than the U.S. average at 20.3%. Young adults are delaying home purchases longer than average due to economic uncertainty, a factor which affects multi-family housing demand. This trend is expected to continue in 2012. Office construction increased in terms of square footage, but total commercial square footage permitted decreased in 2011.

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.

In March 2011, Little Rock was recognized as being one of the Top Six (6) Happiest Cities in America. The results were based on a Gallup Poll and released by *Businessinsider.com*, referencing satisfied residents at 91.8% and optimistic residents at 68.6%. Factors included the local employment level, economic growth, and other quality of life issues. In addition, in March 2011, the City of Little Rock was ranked second on the *Forbes.com* list of America's Cleanest Cities. This ranking considered the most recent Environmental Protection Agency data regarding air quality and the toxic release inventory. The

ranking is a testament to the strong environmental stewardship among citizens and businesses in the community.

In June 2011, ACCESS opened a 6,700 square-foot therapy gym in Little Rock, offering diagnostics, therapy and education to individuals' ages zero (0) – thirty-five (35) with developmental delays and disabilities. This facility will provide ACCESS students and outpatient clients who are diagnosed with autism, feeding disorders, hearing and language impairments, sensory integration disorders and more with speech-language, occupational and physical therapy.

University of Arkansas at Little Rock (UALR) William H. Bowen School of Law was named among the nation's best value law schools in 2011 in *preLaw Magazine*. Among the items the magazine rankings take into account are in-state tuition, debt and the percent of graduates employed nine months after graduation, in addition to bar passage. In addition, *U.S. News and World Report* ranked UALR Engineering among the nation's top programs. UALR's program ranks behind only Virginia Military Institute and The Citadel, small military colleges, among public universities in the south and is ranked 60th overall, up from 64th in 2010.

In September 2011, *Inman News* announced that on-line real estate valuation and search company Zillow ranked Little Rock eighth nationally among metros with the greatest gain in real estate value. Zillow calculated the U.S. metro areas that have experienced the largest gains in home values over the past five (5) years, based on the company's home-value estimates and its Zillow Home Value Index, which is generated from those value estimates. The five (5)-year gains in estimated value ranged from 0.6% to 16.9%, while the estimated gains in dollar value ranged from \$667 to \$21,444. Little Rock's gain was 1.5% and \$1,802.

Forbes named Little Rock America's Sixth Best Mid-Size City for jobs; up from an overall ranking of fifteenth in 2010.

Most recently, in December 2011, the Milken Institute ranked Little Rock America's Nineteenth Best Performing Metro, jumping from 93rd to 19th. Among the ranked categories, Little Rock ranked fifth in one (1)-year wages and salaries growth (2008 –2009), 12th in one (1)-year relative High Tech GDP growth (2009-2010) and 17th in five (5)-year relative High Tech GDP growth (2005-2010). The Best-Performing Cities Index includes measures of job, wage and technology performance to rank the nation's 200 large metropolitan areas.

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

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 2012. 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, is among the best and will continue to improve communication efforts. In addition, the City is proud of our local 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 2012 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. Our future is brighter because of you!

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 21st 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 2012 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 final product of a lengthy, public process. The budget projects all receipts and disbursements, the level of governmental services, and the method of distributing cost to the various segments of the community. It is the result of an evaluation of community needs and reflects priorities established by the Mayor and 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 City's budget process normally requires the majority of the year to complete. The budget process begins with a budget preparation package that is distributed to the Department Heads. The package include guidelines from the City Manager and budget reports that include the prior year expenditures, current year budget and year-to-date expenditures for all operating accounts, initial revenue projections, a capital improvement listing, and a budget preparation calendar. The FY12 percentage target change for expenditures by department is included in the operating budget guidelines and is applied to the total for all supplies, contractual and utilities categories. Budget staff provided training sessions on the budget process and budget monitoring. Departments submit their expenditure requests and initial revisions are made by the Finance department. The City departments' budget requests are reviewed and initial internal budget hearings are conducted with the Mayor and City Manager. Revenues and expenditures receive final adjustments prior to submission to 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 goes 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 grant funds or bond issues were considered. The total costs of each project and the sources of funding required to finance each project are estimated. The FY12 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 relationship to their performance of their 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 2012 Budget

The 2012 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 almost always 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 2012 budgets is as follows:

April-May

Mayor and City Manager provided general direction and guidance for operating and capital budgets.

June-July	Initial revenue and personnel costs budgets were developed, programs were assessed; new programs and capital budget requests were submitted.
July-September	Board of Directors, Mayor, and the City Manager held public hearings with citizens to discuss priority needs and define plans for a sales tax election to be held on September 13, 2011 to provide the operational and capital funding required to meet those needs. The one (1) cent sales tax was passed with a permanent five-eighths (5/8)-cent committed to ongoing operations and a temporary three-eighths (3/8)-cent committed to capital projects and economic development over the next ten (10) years.
September-October	City departments prepared budget requests and submitted them to the Mayor and 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 increase, and adopted the final budget.

AMENDING THE BUDGET

During the fiscal year, several adjustments are normally required to the 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.
- All new appropriations must be authorized by Board Ordinance and are normally submitted by the City Manager, but can be initiated directly by the Mayor and Board of Directors.

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 several significant budget policies that are designed to enhance the ultimately approved budgets and accomplish specific objectives. These policies include:

- The 2012 budget includes salary increases for full time non-uniform non-union, American Federation of State, County and Municipal Employees (AFSCME), the International Association of Fire Firefighters and the Fraternal Order of Police positions. Due to the deferral of 2010 contracted increases, contracts were extended one year. These positions are budgeted for the 2012 year at the 2011 contract rates. Step and grade increases were budgeted at 2011 rates. Non-uniform positions were budgeted a three (3) % merit based pay increase.
- 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 used 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 2012. 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.

- Fleet Services internal service fund expenditures for vehicle maintenance are established and then allocated to vehicle user departments. 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 personnel or vehicle maintenance budget allocations, and are instructed not to make any increase in their other operating budget accounts without specific approval from the City Manager. For 2012, most departments were authorized to fill key vacant positions and to implement priority needs supported by the new sales tax.
- Estimated costs and funding sources will be identified and verified prior to any project being submitted to the Board for approval.

These policies are designed to ensure that operating departments will have sufficient funds available to support their services, and that budget reductions during the course of the fiscal year are unlikely.

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 fund budgets are developed in accordance with their specific federal guidelines, including obtaining required citizen input, and then are presented to the Mayor and Board of Directors for final approval.

The Discrete Component Units funds all develop separate budgets for approval by their 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 their 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 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 their 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 for 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. Parking meter revenues and reimbursement for street cuts are also 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 Grants are recorded in this fund.

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

Neighborhood Housing Special Project Fund (NHSP) – Accounts for the proceeds of 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) – Accounts for HOME and other funds received from the U.S. Department of Housing and Urban Development. These monies 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.

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. There is a corresponding capital projects fund established for each bond issue.

1988 Capital Improvements Fund – Accounts for the proceeds of the 1988 Capital Improvement Bonds issued to finance improvements to streets and drainage systems, parks, the City's arts center, museum and Robinson Auditorium, as well as to construct a new police substation, a library branch and two fire stations. The remaining funds available from interest earnings on these bond funds have been allocated to the South Loop and Scott Hamilton Drive improvement project.

1995 Capital Improvements Fund – Accounts for the proceeds of the 1995 Series B Capital Improvement Bonds which were issued to finance the cost of various capital improvements for the City, including streets, parks, drainage, fire stations, police facilities, and community centers.

2002 Capital Improvement Junior Lien Revenue Bonds – The 2002 Capital Improvement Junior Lien Revenue Bonds were issued to finance the 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.

2004 Limited Tax General Obligation Refunding Bond – 2004 Limited Tax General Obligation Refunding Bonds were issued to finance capital improvements within the City of Little Rock, to fund capitalized interest and to pay the costs of issuance of the bonds. These bonds are limited tax general obligations secured by all proceeds derived from a separate 3.3 mills annual ad valorem tax on real and personal property located within the City. The remaining funds available from interest earnings on these bond funds have been allocated to a traffic signal and intersection improvements at Vimy Ridge Road and Alexander Road. Any residual balance may be allocated to retire debt on the bonds.

2004 Central Arkansas Library Capital Improvements – Accounts for the proceeds of the 2004A and 2004B Library Improvement and Refunding Bonds issued to refund the Series 1999B Library Improvement and Refunding Bonds and the Series 2002 Library Improvement Bonds, to finance the cost of acquiring, constructing and equipping capital improvements to the public city libraries operated by the City and the Central Arkansas Library System, and to pay the costs of issuance of the bonds.

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 Parks and Recreation 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 bonds are special obligations, payable solely from the revenues derived from the operation and ownership of the zoo, parks and recreation facilities.

Short Term Financing – 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.

River Market Enterprise Fund – This fund was created to account for the City's River Market and Amphitheater operations.

Golf Enterprise Fund – This fund was created to account for the operations of the City's three golf courses.

Jim Dailey Fitness and Aquatic Center Enterprise Fund – This fund was created to account for the operations of the City's Fitness Center.

Zoo Enterprise Fund – This fund was created to account for the operations of the City's and State's only Zoo.

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 garages.

Presidential Park Fund – This fund accounts for the park land and other capital improvements associated with the area surrounding the Clinton Library. It also includes Parks Revenue bonds refunded in 2009 to fund various Parks and Zoo capital projects.

FIDUCIARY FUNDS CONTROLLED BY BOARDS OF TRUSTEES

An important benefit for City employees is a retirement plan. Administering these funds is an important City responsibility. The following retirement funds are offered by the City and cover substantially all 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 property tax 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
Little Rock Ambulance Authority
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, who 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

This budget also 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 will 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 of funding.

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 few years, the City has not been able to meet their goal. The restricted reserve is currently \$9,418,000.

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 **Arkansas Repertory Theatre** attracts persons to theatrical productions and programs and to the downtown area for specific art exhibits and events. It plays a significant role in efforts to stabilize and rejuvenate Little Rock's historic central business district.

The **Arkansas Symphony Orchestra** provides a vital cultural experience to the City and to central Arkansas.

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, and 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 Sister Cities Commission promotes sister city agreements between Little Rock and other cities around the globe.

PAGIS - The Pulaski Area Geographical Information System 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.

Wildwood Theatre is one of the nation's largest land areas devoted to the performing arts with a 105-acre site. The Theatre promotes educational and cultural programs designed to enhance public appreciation of and support for the performing arts that contribute to the quality of life within the region.

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.

Faulkner County Detention facility provides the Little Rock Police Department the utilization of 30 beds for those felons and serious misdemeanants who would otherwise be released from the Pulaski County facility due to constant over crowding by more serious felons and undermines the security of the community.

Some of the above agencies are sufficiently dependent on or controlled by the City that they are included in this budget in the discrete component unit section.

APPROPRIATIONS FOR OTHER AGENCIES

	ADOPTED 2008	ADOPTED 2009	ADOPTED 2010	ADOPTED 2011	ADOPTED 2012
Central Arkansas Transit	\$6,341,288	\$6,826,697	\$5,915,270	\$6,602,836	\$7,511,153
Arkansas Arts Center	324,000	249,000	200,000	200,000	300,000
Museum of Discovery	324,000	249,000	200,000	200,000	200,000
County Bond Payment *	137,000	191,600	189,775	56,100	56,100
Chamber of Commerce	200,000	200,000	200,000	200,000	200,000
Metroplan	157,694	157,694	157,694	163,484	163,484
Downtown Partnership	149,741	149,741	125,000	125,000	125,000
PAGIS	129,500	129,500	129,500	129,500	129,500
Arkansas Symphony Orchestra **	50,000				
Arkansas Repertory Theatre **	50,000				
St. Vincent	25,381	25,381	25,381	25,381	25,381
LR. City Beautiful Commission	2,500	2,500	2,500	2,500	2,500
County Regional Detention Center	1,547,299	1,547,299	1,463,000	1,463,000	1,463,000
Wildwood Theatre *	50,000				
Faulkner County Jail ***	150,000	240,000			
Total	<u>\$9,638,403</u>	<u>\$9,968,412</u>	<u>\$8,608,120</u>	<u>\$9,167,801</u>	<u>\$10,176,118</u>

* Prior to 2011, the County Bond and support for the County Health Department were combined. The Bond was retired in 2010.

** Beginning with 2009 funding for this agency was transferred to the Little Rock Advertising and Promotion Commission.

*** Beginning in 2010, a separate fee was added to fund supplemental jail space, eliminating the need for a separate contribution.

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Budget Summaries



BUDGET SUMMARIES

The following schedules summarize the audited 2010 operating results, the 2011 unaudited operating results, and the approved 2012 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 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;
- River Market;
- Zoo;
- Golf;
- Jim Dailey Fitness and Aquatic Center;
- Parking Garages;

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

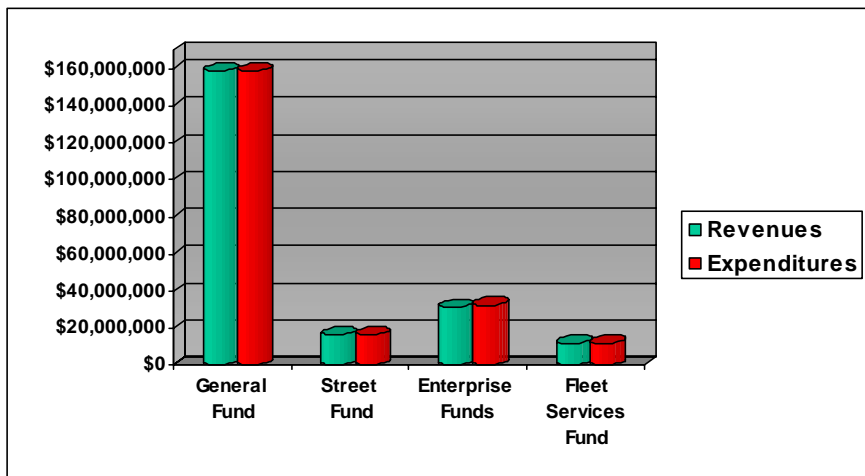
- General;
- Special Revenue;
- Capital;
- Proprietary;
- Fiduciary; and
- Debt Service.

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

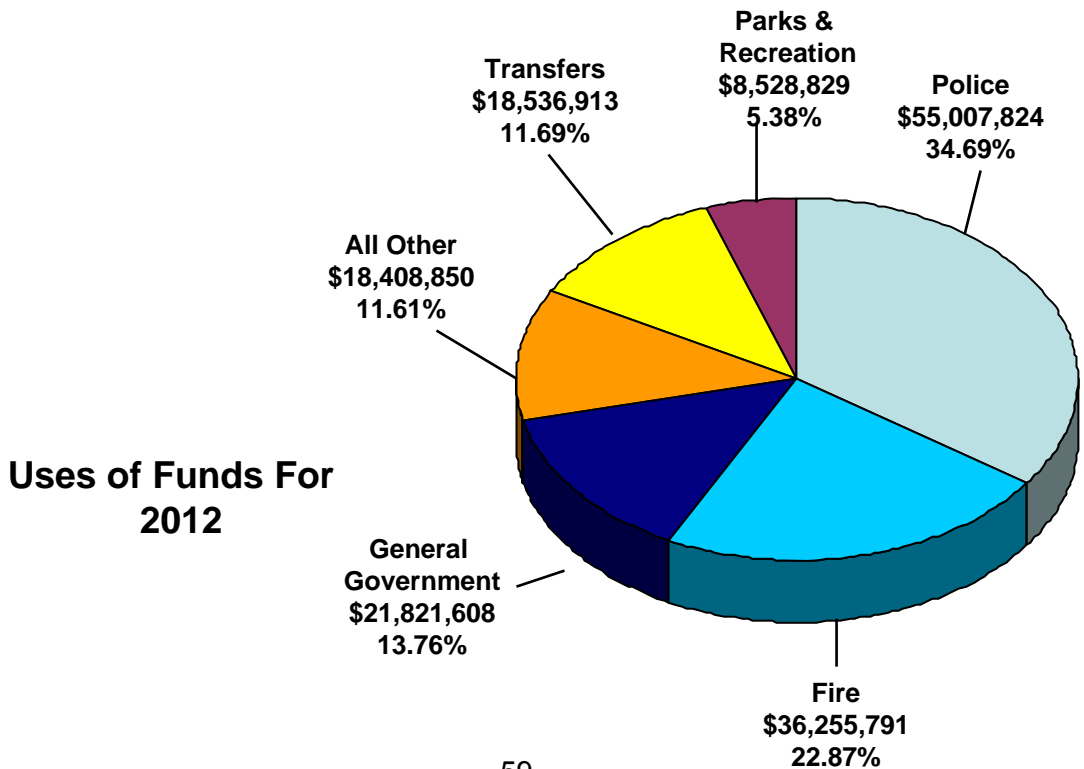
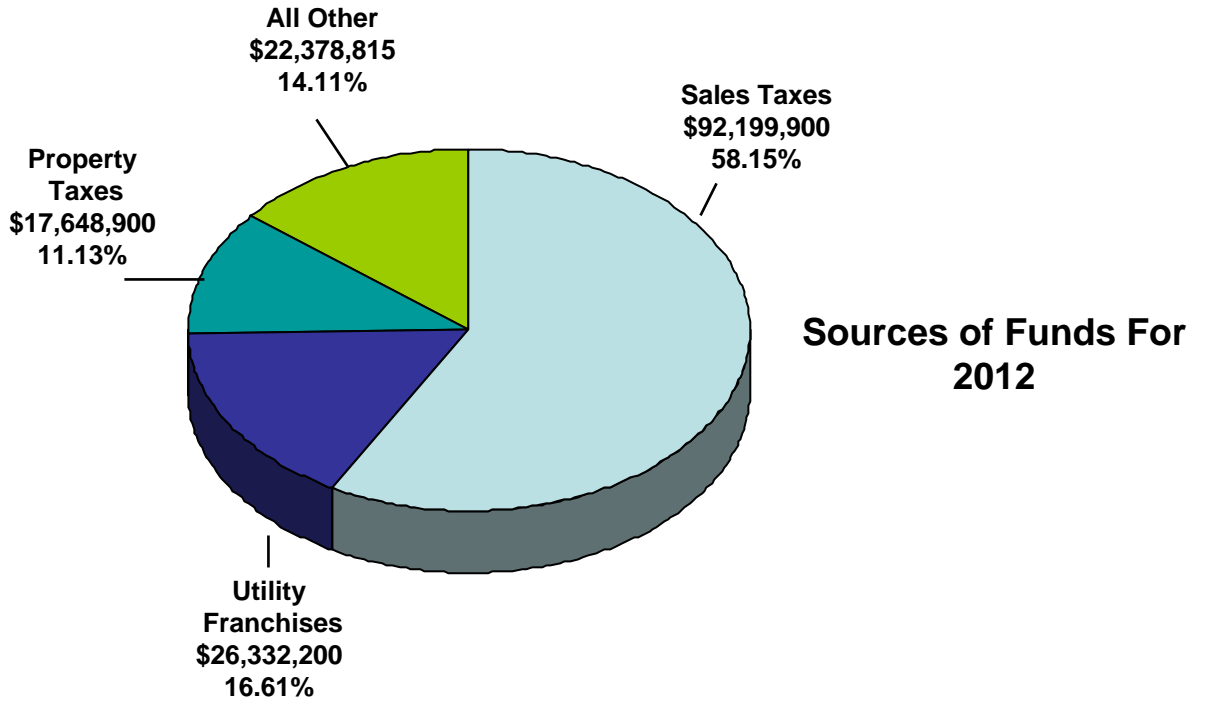
2012 Operating Funds Budget Summaries

	General	Street	Enterprise Funds	Fleet Services	Total
<u>Revenues</u>					
General Property Taxes	\$17,648,900	\$5,040,000			\$22,688,900
Sales Taxes	92,199,900				92,199,900
License and Permits	9,664,800		249,500		9,914,300
Intergovernmental	2,190,000	9,770,794			11,960,794
Charge for Service	4,901,300	9,000	25,362,600	11,667,454	41,940,354
Fines and Fees	3,409,700		82,880		3,492,580
Utility Franchise Fees	26,332,200				26,332,200
Investment Income	25,000	1,000	10,475		36,475
Miscellaneous	868,500	15,000	250,120		1,133,620
Transfers In	1,319,515	1,715,818	5,327,432		8,362,765
Total Revenues	158,559,815	16,551,612	31,283,007	11,667,454	218,061,888
<u>Expenditures</u>					
Personnel	108,123,085	9,188,772	10,418,199	3,319,520	131,049,576
Supplies and Material	4,794,089	1,275,521	2,895,327	6,145,000	15,109,937
Repairs and Maintenance	5,095,607	2,595,283	3,423,907	153,500	11,268,297
Contractual	17,413,714	3,025,819	7,213,311	1,910,859	29,563,703
Closure/Post Closure			247,945		247,945
Capital Outlay	414,062				414,062
Depreciation and Amortization			3,635,549	138,575	3,774,124
Debt Service	4,182,345		961,380		5,143,725
Transfers Out	18,536,913	466,217	3,697,575		22,700,705
Total Expenditures	158,559,815	16,551,612	32,493,193	11,667,454	219,272,074
Net Change in Fund Balance	0	0	(1,210,186)	0	(1,210,186)
Fund Balances - Beginning	22,866,080	2,666,905	20,283,038	2,521,690	\$48,337,713
Fund Balances - Ending	\$22,866,080	\$2,666,905	\$19,072,852	\$2,521,690	\$47,127,527

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



FY 2012 GENERAL FUND



**CITY OF LITTLE ROCK
BUDGET SUMMARY BY FUND TYPE
FOR YEARS 2010 - 2012**

	<u>GENERAL FUNDS</u>	<u>SPECIAL REVENUES</u>	<u>CAPITAL PROJECTS</u>	<u>ENTERPRISE FUNDS</u>	<u>INTERNAL SERVICE FUND</u>	<u>FIDUCIARY FUNDS</u>	<u>DEBT SERVICE FUNDS</u>
2010							
REVENUES:	\$ 145,726,425	\$ 38,139,287	\$ 78,234	\$ 30,784,561	\$ 9,666,219	\$ 30,707,057	\$ 20,404,299
EXPENDITURES:	141,991,974	37,191,590	14,651,574	31,007,954	9,528,597	23,968,428	19,627,507
REVENUES OVER (UNDER) EXPENDITURES	3,734,450	947,697	(14,573,340)	(223,393)	137,622	6,738,629	776,792
BEGINNING FUND BAL.	<u>22,276,670</u>	<u>6,043,916</u>	<u>35,096,989</u>	<u>26,261,009</u>	<u>2,869,071</u>	<u>176,519,415</u>	<u>16,593,060</u>
ENDING FUND BAL.	<u>\$ 26,011,120</u>	<u>\$ 6,991,614</u>	<u>\$ 20,523,648</u>	<u>\$ 26,037,616</u>	<u>\$ 3,006,693</u>	<u>\$ 183,258,043</u>	<u>\$ 17,369,852</u>
2011							
REVENUES:	\$ 137,428,781	\$ 41,933,235	\$ 4,613,365	\$ 29,190,096	\$ 10,403,932	\$ 14,911,656	\$ 21,500,022
EXPENDITURES:	139,106,100	39,486,817	9,344,946	32,882,930	10,888,935	26,307,202	19,228,106
REVENUES OVER (UNDER) EXPENDITURES	(1,677,318)	2,446,418	(4,731,581)	(3,692,834)	(485,003)	(11,395,546)	2,271,917
BEGINNING FUND BAL.	<u>26,011,120</u>	<u>6,991,614</u>	<u>20,523,648</u>	<u>26,037,616</u>	<u>3,006,693</u>	<u>183,258,043</u>	<u>17,369,852</u>
ENDING FUND BAL.	<u>\$ 24,333,802</u>	<u>\$ 9,438,032</u>	<u>\$ 15,792,067</u>	<u>\$ 22,344,782</u>	<u>\$ 2,521,690</u>	<u>\$ 171,862,496</u>	<u>\$ 19,641,769</u>
2012							
REVENUES:	\$ 158,559,815	\$ 16,551,612		\$ 31,283,007	\$ 11,667,454		
EXPENDITURES:	158,559,815	16,551,612		32,493,193	11,667,454		
REVENUES OVER (UNDER) EXPENDITURES				(1,210,186)			
BEGINNING FUND BAL.	<u>24,333,802</u>	<u>9,438,032</u>	<u>15,792,067</u>	<u>22,344,782</u>	<u>2,521,690</u>	<u>171,862,496</u>	<u>19,641,769</u>
ENDING FUND BAL.	<u>\$ 24,333,802</u>	<u>\$ 9,438,032</u>	<u>\$ 15,792,067</u>	<u>\$ 21,134,596</u>	<u>\$ 2,521,690</u>	<u>\$ 171,862,496</u>	<u>\$ 19,641,769</u>

**GENERAL GOVERNMENT SUMMARY
OPERATING BUDGET
2010-2012**

	ACTUAL 2010	AMENDED 2011	ADOPTED BUDGET 2012
<u>GENERAL FUND</u>			
REVENUES:	\$ 141,143,481	\$ 132,354,330 *	\$ 158,559,815
EXPENDITURES:	<u>137,256,329</u>	<u>134,354,330</u>	<u>158,559,815</u>
REVENUES OVER (UNDER) EXPENDITURES	3,887,152	(2,000,000) *	
BEGINNING FUND BALANCE	<u>20,978,928</u>	<u>24,866,080</u>	<u>22,866,080</u>
ENDING FUND BALANCE	<u><u>\$ 24,866,080</u></u>	<u><u>\$ 22,866,080</u></u>	<u><u>\$ 22,866,080</u></u>

*2011 Revenues have been reduced to reflect the use of \$2,000,000 in carryover funds. This planned use of available reserves results in a reduction of fund balance in 2011.

SPECIAL PROJECTS & SEIZED MONEY FUND

REVENUES:	\$ 4,582,944	\$ 5,074,451	
EXPENDITURES:	<u>4,735,645</u>	<u>4,751,770</u>	
REVENUES OVER (UNDER) EXPENDITURES	(152,702)	322,682	
BEGINNING FUND BALANCE	<u>1,297,742</u>	<u>1,145,040</u>	<u>1,467,722</u>
ENDING FUND BALANCE	<u><u>\$ 1,145,040</u></u>	<u><u>\$ 1,467,722</u></u>	<u><u>\$ 1,467,722</u></u>
TOTAL BEGINNING FUND BALANCE	\$ 22,276,670	\$ 26,011,120	\$ 24,333,802
TOTAL REVENUES	145,726,425	137,428,781 #	158,559,815
TOTAL EXPENDITURES	<u>141,991,974</u>	<u>139,106,100</u>	<u>158,559,815</u>
TOTAL ENDING FUND BALANCE	<u><u>\$ 26,011,120</u></u>	<u><u>\$ 24,333,802 #</u></u>	<u><u>\$ 24,333,802</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 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
2010-2012**

	ACTUAL 2010	AMENDED 2011	ADOPTED BUDGET 2012
<u>STREET</u>			
REVENUES:	\$ 16,113,897	\$ 15,238,843	\$ 16,551,612
EXPENDITURES:	<u>16,353,979</u>	<u>15,238,843</u>	<u>16,551,612</u>
REVENUES OVER (UNDER) EXPENDITURES	(240,082)		
BEGINNING FUND BALANCE	<u>2,906,987</u>	<u>2,666,905</u>	<u>2,666,905</u>
ENDING FUND BALANCE	<u>\$ 2,666,905</u>	<u>\$ 2,666,905</u>	<u>\$ 2,666,905</u>
<u>SPECIAL PROJECT - STREET</u>			
REVENUES:	\$ 312,795		
EXPENDITURES:	<u>278,126</u>	<u>134,213</u>	
REVENUES OVER (UNDER) EXPENDITURES	34,669	(134,213)	
BEGINNING FUND BALANCE	<u>126,079</u>	<u>160,748</u>	<u>26,535</u>
ENDING FUND BALANCE	<u>\$ 160,748</u>	<u>\$ 26,535</u>	<u>\$ 26,535</u>
<u>SPECIAL PROJECTS</u>			
REVENUES:	\$ 6,403,632	\$ 5,130,486	
EXPENDITURES:	<u>5,028,649</u>	<u>3,515,529</u>	
REVENUES OVER (UNDER) EXPENDITURES	1,374,983	1,614,958	
BEGINNING FUND BALANCE	<u>1,789,913</u>	<u>3,164,896</u>	<u>4,779,854</u>
ENDING FUND BALANCE	<u>\$ 3,164,896</u>	<u>\$ 4,779,854</u>	<u>\$ 4,779,854</u>

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2010-2012**

	ACTUAL 2010	AMENDED 2011	ADOPTED BUDGET 2012
<u>INFRASTRUCTURE</u>			
REVENUES:	\$ 221	\$ 146	
EXPENDITURES:	<u>114,771</u>	<u>1,013</u>	
REVENUES OVER (UNDER) EXPENDITURES	(114,550)	(867)	
BEGINNING FUND BALANCE	<u>173,279</u>	<u>58,729</u>	<u>57,863</u>
ENDING FUND BALANCE	<u><u>\$ 58,729</u></u>	<u><u>\$ 57,863</u></u>	<u><u>\$ 57,863</u></u>
<u>EMERGENCY 911</u>			
REVENUES:	\$ 1,532,002	\$ 1,392,864	
EXPENDITURES:	<u>1,532,002</u>	<u>1,392,864</u>	
REVENUES OVER (UNDER) EXPENDITURES			
BEGINNING FUND BALANCE	<u>2,822</u>	<u>2,822</u>	<u>2,822</u>
ENDING FUND BALANCE	<u><u>\$ 2,822</u></u>	<u><u>\$ 2,822</u></u>	<u><u>\$ 2,822</u></u>
<u>GRANTS</u>			
REVENUES:	\$ 9,361,419	\$ 12,392,538	
EXPENDITURES:	<u>9,338,238</u>	<u>12,414,537</u>	
REVENUES OVER (UNDER) EXPENDITURES	23,181	(21,999)	
BEGINNING FUND BALANCE	<u>(3,576)</u>	<u>19,605</u>	<u>(2,394)</u>
ENDING FUND BALANCE	<u><u>\$ 19,605</u></u>	<u><u>\$ (2,394)</u></u>	<u><u>\$ (2,394)</u></u>

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2010-2012**

	ACTUAL 2010	AMENDED 2011	ADOPTED BUDGET 2012
<u>CDBG/HIPP/NHSP</u>			
REVENUES:	\$ 4,415,321	\$ 7,778,358	
EXPENDITURES:	<u>4,545,825</u>	<u>6,789,818</u>	
REVENUES OVER (UNDER) EXPENDITURES	(130,504)	988,540	
BEGINNING FUND BALANCE	<u>1,048,412</u>	<u>917,908</u>	<u>1,906,448</u>
ENDING FUND BALANCE	<u>\$ 917,908</u>	<u>\$ 1,906,448</u>	<u>\$ 1,906,448</u>
TOTAL BEGINNING FUND BALANCE	\$ 6,043,916	\$ 6,991,614	\$ 9,438,032
TOTAL REVENUES	38,139,287	41,933,235	16,551,612
TOTAL EXPENDITURES	<u>37,191,590</u>	<u>39,486,817</u>	<u>16,551,612</u>
TOTAL ENDING FUND BALANCE	<u>\$ 6,991,614</u>	<u>\$ 9,438,032</u>	<u>\$ 9,438,032</u>

**CAPITAL FUNDS
OPERATING BUDGET
2010 - 2012**

	<u>ACTUAL 2010</u>	<u>AMENDED 2011</u>	<u>ADOPTED BUDGET 2012</u>
<u>1988 CAPITAL IMPROVEMENTS</u>			
REVENUES:	\$ 2,258	\$ 2,675	
EXPENDITURES:	<u>26,464</u>	<u>167,945</u>	
REVENUES OVER (UNDER) EXPENDITURES	(24,206)	(165,270)	
BEGINNING FUND BALANCE	<u>1,051,977</u>	<u>1,027,771</u>	<u>862,501</u>
ENDING FUND BALANCE	<u>\$ 1,027,771</u>	<u>\$ 862,501</u>	<u>\$ 862,501</u>
<u>1998 CAPITAL IMPROVEMENTS</u>			
REVENUES:	\$ 2,264	\$ 2,713	
EXPENDITURES:	<u>2,000</u>	<u>56,453</u>	
REVENUES OVER (UNDER) EXPENDITURES	264	(53,740)	
BEGINNING FUND BALANCE	<u>1,032,079</u>	<u>1,032,343</u>	<u>978,603</u>
ENDING FUND BALANCE	<u>\$ 1,032,343</u>	<u>\$ 978,603</u>	<u>\$ 978,603</u>
<u>2009A PARKS AND RECREATION</u>			
REVENUES:	\$ 630	\$ 200	
EXPENDITURES:	<u>3,371,440</u>	<u>1,192,785</u>	
REVENUES OVER (UNDER) EXPENDITURES	(3,370,810)	(1,192,584)	
BEGINNING FUND BALANCE	<u>5,688,793</u>	<u>2,317,983</u>	<u>1,125,399</u>
ENDING FUND BALANCE	<u>\$ 2,317,983</u>	<u>\$ 1,125,399</u>	<u>\$ 1,125,399</u>

**CAPITAL FUNDS
OPERATING BUDGET
2010 - 2012**

	<u>ACTUAL 2010</u>	<u>AMENDED 2011</u>	<u>ADOPTED BUDGET 2012</u>
<u>1995 CAPITAL IMPROVEMENTS</u>			
REVENUES:	\$ 37		
EXPENDITURES:	<u>19,781</u>	<u>9</u>	
REVENUES OVER (UNDER) EXPENDITURES	(19,744)	(9)	
BEGINNING FUND BALANCE	<u>19,752</u>	<u>9</u>	<u>0</u>
ENDING FUND BALANCE	<u>\$ 9</u>	<u>\$ 0</u>	<u>\$ 0</u>

SHORT TERM FINANCING

REVENUES:	\$ 3,877	\$ 4,605,174	
EXPENDITURES:	<u>1,322,514</u>	<u>1,322,220</u>	
REVENUES OVER (UNDER) EXPENDITURES	(1,318,637)	3,282,955	
BEGINNING FUND BALANCE	<u>2,985,128</u>	<u>1,666,491</u>	<u>4,949,446</u>
ENDING FUND BALANCE	<u>\$ 1,666,491</u>	<u>\$ 4,949,446</u>	<u>\$ 4,949,446</u>

2004 CAPITAL IMPROVEMENTS

REVENUES:	\$ 2,878	\$ 1,037	
EXPENDITURES:	<u>469,920</u>	<u>226,369</u>	
REVENUES OVER (UNDER) EXPENDITURES	(467,042)	(225,332)	
BEGINNING FUND BALANCE	<u>740,235</u>	<u>273,193</u>	<u>47,861</u>
ENDING FUND BALANCE	<u>\$ 273,193</u>	<u>\$ 47,861</u>	<u>\$ 47,861</u>

**CAPITAL FUNDS
OPERATING BUDGET
2010 - 2012**

	<u>ACTUAL 2010</u>	<u>AMENDED 2011</u>	<u>ADOPTED BUDGET 2012</u>
<u>LIBRARY IMPROVEMENT (2004)</u>			
REVENUES:	\$ 0		
EXPENDITURES:	<u>202</u>		
REVENUES OVER (UNDER) EXPENDITURES	(202)		
BEGINNING FUND BALANCE	<u>202</u>		
ENDING FUND BALANCE	<u>\$ (0)</u>		
<u>2008 LIBRARY IMPROVEMENT BOND</u>			
REVENUES:	\$ 66,289	\$ 1,566	
EXPENDITURES:	<u>9,439,254</u>	<u>6,379,166</u>	
REVENUES OVER (UNDER) EXPENDITURES	(9,372,964)	(6,377,601)	
BEGINNING FUND BALANCE	<u>23,578,823</u>	<u>14,205,859</u>	<u>7,828,258</u>
ENDING FUND BALANCE	<u>\$ 14,205,859</u>	<u>\$ 7,828,258</u>	<u>\$ 7,828,258</u>
TOTAL CAPITAL BEGINNING BALANCE	\$ 35,096,989	\$ 20,523,648	\$ 15,792,067
TOTAL REVENUES	78,234	4,613,365	
TOTAL EXPENDITURES	<u>14,651,574</u>	<u>9,344,946</u>	
TOTAL CAPITAL ENDING FUND BALANCE	<u>\$ 20,523,648</u>	<u>\$ 15,792,067</u>	<u>\$ 15,792,067</u>

**ENTERPRISE FUNDS
OPERATING BUDGET
2010-2012**

	ACTUAL 2010	AMENDED 2011	ADOPTED BUDGET 2012
<u>VEHICLE STORAGE FACILITY</u>			
REVENUES:	1,199,238	1,187,770	1,326,100
EXPENDITURES:	1,348,552	1,184,063	1,326,100
REVENUES OVER (UNDER) EXPENDITURES	(149,314)	3,707	
BEGINNING NET POSITION	(733,919)	(883,233)	(879,526)
ENDING NET POSITION	<u>\$ (883,233)</u>	<u>\$ (879,526)</u>	<u>\$ (879,526)</u>
<u>WASTE DISPOSAL</u>			
REVENUES:	\$16,199,260	\$16,348,720	\$16,804,395
EXPENDITURES:	16,489,863	17,814,540	17,154,395
REVENUES OVER (UNDER) NET INCOME (LOSS)	(290,603)	(1,465,820)	(350,000)
BEGINNING NET POSITION	14,998,316	14,707,713	13,241,893
ENDING NET POSITION	<u>\$14,707,713</u>	<u>\$13,241,893</u>	<u>\$12,891,893</u>
<u>RIVER MARKET</u>			
REVENUES:	\$ 858,709	\$ 816,670	\$ 1,063,880
EXPENDITURES:	977,074	916,942	1,164,180
REVENUES OVER (UNDER) NET INCOME (LOSS)	(118,365)	(100,272)	(100,300)
BEGINNING NET POSITION	2,537,875	2,419,510	2,319,238
ENDING NET POSITION	<u>\$ 2,419,510</u>	<u>\$ 2,319,238</u>	<u>\$ 2,218,938</u>

**ENTERPRISE FUNDS
OPERATING BUDGET
2010-2012**

	ACTUAL 2010	AMENDED 2011	ADOPTED BUDGET 2012
<u>ZOO</u>			
REVENUES:	\$ 5,176,348	\$ 4,884,579	\$ 6,344,304
EXPENDITURES:	<u>5,019,311</u>	<u>5,354,749</u>	<u>6,584,304</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	157,037	(470,170)	(240,000)
BEGINNING NET POSITION	<u>4,887,777</u>	<u>5,044,814</u>	<u>4,574,644</u>
ENDING NET POSITION	<u><u>\$ 5,044,814</u></u>	<u><u>\$ 4,574,644</u></u>	<u><u>\$ 4,334,644</u></u>
<u>ZOO SPECIAL PROJECTS</u>			
REVENUES:	\$ 1,070,267	\$ (482,909)	
EXPENDITURES:	<u>195,650</u>	<u>225,700</u>	
REVENUES OVER (UNDER) NET INCOME (LOSS)	874,617		
BEGINNING NET POSITION	<u>1,136,828</u>	<u>2,011,445</u>	<u>1,302,836</u>
ENDING NET POSITION	<u><u>\$ 2,011,445</u></u>	<u><u>\$ 1,302,836</u></u>	<u><u>\$ 1,302,836</u></u>
<u>GOLF</u>			
REVENUES:	\$ 2,538,417	\$ 2,733,821	\$ 2,776,182
EXPENDITURES:	<u>2,893,907</u>	<u>2,826,136</u>	<u>2,870,282</u>
REVENUES OVER (UNDER) EXPENDITURES	(355,490)	(92,315)	(94,100)
BEGINNING NET POSITION	<u>(1,534,833)</u>	<u>(1,890,323)</u>	<u>(1,982,638)</u>
ENDING NET POSITION	<u><u>\$ (1,890,323)</u></u>	<u><u>\$ (1,982,638)</u></u>	<u><u>\$ (2,076,738)</u></u>

**ENTERPRISE FUNDS
OPERATING BUDGET
2010-2012**

	ACTUAL 2010	AMENDED 2011	ADOPTED BUDGET 2012
<u>JIM DAILEY FITNESS & AQUATIC CENTER</u>			
REVENUES:	\$ 1,252,199	\$ 1,097,994	\$ 1,112,146
EXPENDITURES:	<u>1,384,195</u>	<u>1,334,126</u>	<u>1,350,071</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	(131,996)	(236,132)	(237,925)
BEGINNING NET POSITION	<u>3,372,823</u>	<u>3,240,827</u>	<u>3,004,695</u>
ENDING NET POSITION	<u><u>\$ 3,240,827</u></u>	<u><u>\$ 3,004,695</u></u>	<u><u>\$ 2,766,770</u></u>
<u>PARKING GARAGES</u>			
REVENUES:	\$ 1,848,228	\$ 1,800,383	\$ 1,856,000
EXPENDITURES:	<u>1,786,352</u>	<u>1,953,900</u>	<u>2,043,861</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	61,876	(153,517)	(187,861)
BEGINNING NET POSITION	<u>96,374</u>	<u>158,250</u>	<u>4,733</u>
ENDING NET POSITION	<u><u>\$ 158,250</u></u>	<u><u>\$ 4,733</u></u>	<u><u>\$ (183,128)</u></u>

**ENTERPRISE FUNDS
OPERATING BUDGET
2010-2012**

	ACTUAL 2010	AMENDED 2011	ADOPTED BUDGET 2012
<u>RECREATION SERVICES</u>			
REVENUES:	\$ 641,895	\$ 803,068	
EXPENDITURES:	913,050	1,272,774	
REVENUES OVER (UNDER) EXPENDITURES	(271,154)	(469,706)	
BEGINNING NET POSITION	1,499,768	1,228,614	758,907
ENDING NET POSITION	<u>\$ 1,228,614</u>	<u>\$ 758,907</u>	<u>\$ 758,907</u>
TOTAL ENTERPRISE BEGINNING NET POSITION	\$26,261,009	\$26,037,616	\$22,344,782
TOTAL REVENUES	30,784,561	29,190,096	31,283,007
TOTAL EXPENDITURES	31,007,954	32,882,930	32,493,193
TOTAL ENTERPRISE ENDING NET POSITION	<u>\$26,037,616</u>	<u>\$22,344,782</u>	<u>\$21,134,596</u>

**FLEET INTERNAL SERVICE FUND
OPERATING BUDGET
2010 - 2012**

	<u>ACTUAL 2010</u>	<u>AMENDED 2011</u>	<u>ADOPTED BUDGET 2012</u>
<u>FLEET INTERNAL SERVICE -</u>			
REVENUES:	\$ 9,666,219	\$10,403,932	\$ 11,667,454
EXPENDITURES:	<u>9,528,597</u>	<u>10,888,935</u>	<u>11,667,454</u>
REVENUES OVER (UNDER) EXPENDITURES	137,622	(485,003)	
BEGINNING NET POSITION	<u>2,869,071</u>	<u>3,006,693</u>	<u>2,521,690</u>
ENDING NET POSITION	<u>\$ 3,006,693</u>	<u>\$ 2,521,690</u>	<u>\$ 2,521,690</u>

**FIDUCIARY FUNDS
OPERATING BUDGET
2010 - 2012**

	<u>ACTUAL 2010</u>	<u>AMENDED 2011</u>	<u>ADOPTED BUDGET 2012</u>
<u>POLICE PENSION & RELIEF FUND</u>			
ADDITIONS:	\$ 10,114,578	\$ 5,564,747	
DEDUCTIONS:	<u>9,463,813</u>	<u>10,061,412</u>	
NET INCREASE (DECREASE)	650,765	(4,496,664)	
NET POSITION HELD IN TRUST, BEGINNING	<u>52,308,765</u>	<u>52,959,530</u>	<u>48,462,865</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 52,959,530</u></u>	<u><u>\$ 48,462,865</u></u>	<u><u>\$ 48,462,865</u></u>
<u>FIRE PENSION & RELIEF FUND</u>			
ADDITIONS:	\$ 11,446,041	\$ 3,891,092	
DEDUCTIONS:	<u>10,877,571</u>	<u>10,678,773</u>	
NET INCREASE (DECREASE)	568,470	(6,787,681)	
NET POSITION HELD IN TRUST, BEGINNING	<u>76,580,749</u>	<u>77,149,219</u>	<u>70,361,538</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 77,149,219</u></u>	<u><u>\$ 70,361,538</u></u>	<u><u>\$ 70,361,538</u></u>
<u>NON-UNIFORM DEFINED BENEFIT FUND</u>			
ADDITIONS:	\$ 2,368,275	\$ 2,342,569	
DEDUCTIONS:	<u>1,423,559</u>	<u>1,621,312</u>	
NET INCREASE (DECREASE)	944,716	721,257	
NET POSITION HELD IN TRUST, BEGINNING	<u>7,492,906</u>	<u>8,437,622</u>	<u>9,158,879</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 8,437,622</u></u>	<u><u>\$ 9,158,879</u></u>	<u><u>\$ 9,158,879</u></u>

**FIDUCIARY FUNDS
OPERATING BUDGET
2010 - 2012**

	ACTUAL 2010	AMENDED 2011	ADOPTED BUDGET 2012
<u>NON-UNIFORM DEFINED CONTRIBUTION</u>			
ADDITIONS:	\$ 5,381,091	\$ 2,626,225	
DEDUCTIONS:	2,084,574	3,922,461	
NET INCREASE (DECREASE)	3,296,517	(1,296,236)	
NET POSITION HELD IN TRUST, BEGINNING	33,309,255	36,605,771	35,309,535
NET POSITION HELD IN TRUST, ENDING	<u>\$ 36,605,771</u>	<u>\$ 35,309,535</u>	<u>\$ 35,309,535</u>
<u>401 (A) PENSION FUND</u>			
ADDITIONS:	\$ 1,292,391	\$ 445,348	
DEDUCTIONS:	105,347	7,998	
NET INCREASE (DECREASE)	1,187,044	437,350	
NET POSITION HELD IN TRUST, BEGINNING	5,409,400	6,596,444	7,033,794
NET POSITION HELD IN TRUST, ENDING	<u>\$ 6,596,444</u>	<u>\$ 7,033,794</u>	<u>\$ 7,033,794</u>
<u>HEALTH MANAGEMENT TRUST FUND</u>			
ADDITIONS:	\$ 104,681	\$ 41,674	
DEDUCTIONS:	13,564	15,247	
NET INCREASE (DECREASE)	91,117	26,428	
NET POSITION HELD IN TRUST, BEGINNING	1,418,340	1,509,457	1,535,885
NET POSITION HELD IN TRUST, ENDING	<u>\$ 1,509,457</u>	<u>\$ 1,535,885</u>	<u>\$ 1,535,885</u>
TOTAL NET POSITION BEGINNING	\$ 176,519,415	\$ 183,258,043	\$ 171,862,496
TOTAL ADDITIONS	30,707,057	14,911,656	
TOTAL DEDUCTIONS	23,968,428	26,307,202	
TOTAL NET POSITION ENDING	<u>\$ 183,258,043</u>	<u>\$ 171,862,496</u>	<u>\$ 171,862,496</u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2010 - 2012**

	ACTUAL 2010	AMENDED 2011	ADOPTED BUDGET 2012
<u>2002 CIP JUNIOR LIEN BONDS</u>			
REVENUE:	\$ 315,838	\$ 317,004	
EXPENDITURES:	<u>316,798</u>	<u>318,198</u>	<u> </u>
NET INCREASE (DECREASE)	(959)	(1,193)	
BEGINNING FUND BALANCE	22,942	21,983	20,790
ENDING FUND BALANCE	<u>\$ 21,983</u>	<u>\$ 20,790</u>	<u>\$ 20,790</u>
<u>2004 IMPROVEMENT BONDS DEBT SERVICE</u>			
REVENUE:	\$ 11,211,703	\$ 11,602,261	
EXPENDITURES:	<u>11,067,833</u>	<u>11,137,925</u>	<u> </u>
NET INCREASE (DECREASE)	143,871	464,336	
BEGINNING FUND BALANCE	11,127,196	11,271,067	11,735,403
ENDING FUND BALANCE	<u>\$ 11,271,067</u>	<u>\$ 11,735,403</u>	<u>\$ 11,735,403</u>
<u>2004 LIBRARY IMP. BONDS DEBT SERVICE</u>			
REVENUE:	\$ 3,393,839	\$ 3,511,551	
EXPENDITURES:	<u>3,411,844</u>	<u>3,347,369</u>	<u> </u>
NET INCREASE (DECREASE)	(18,005)	164,182	
BEGINNING FUND BALANCE	2,094,191	2,076,186	2,240,369
ENDING FUND BALANCE	<u>\$ 2,076,186</u>	<u>\$ 2,240,369</u>	<u>\$ 2,240,369</u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2010 - 2012**

	ACTUAL 2010	AMENDED 2011	ADOPTED BUDGET 2012
<u>2008 LIBRARY IMPROVEMENT BOND</u>			
REVENUE:	\$ 3,365,060	\$ 4,114,257	
EXPENDITURES:	<u>2,695,033</u>	<u>2,475,345</u>	
NET INCREASE (DECREASE)	670,028	1,638,912	
BEGINNING FUND BALANCE	2,598,841	3,268,869	4,907,781
ENDING FUND BALANCE	<u>\$ 3,268,869</u>	<u>\$ 4,907,781</u>	<u>\$ 4,907,781</u>
<u>2007 CAPITAL IMP. REVENUE REFUNDING BOND</u>			
REVENUE:	\$ 1,442,380	\$ 1,443,679	
EXPENDITURES:	<u>1,440,738</u>	<u>1,443,138</u>	
NET INCREASE (DECREASE)	1,643	542	
BEGINNING FUND BALANCE	17,510	19,153	19,694
ENDING FUND BALANCE	<u>\$ 19,153</u>	<u>\$ 19,694</u>	<u>\$ 19,694</u>
<u>2009 PARKS & REC CAPITAL IMPROVEMENT BOND</u>			
REVENUE:	\$ 675,477	\$ 511,270	
EXPENDITURES:	<u>695,264</u>	<u>506,132</u>	
NET INCREASE (DECREASE)	(19,786)	5,138	
BEGINNING FUND BALANCE	732,380	712,594	717,732
ENDING FUND BALANCE	<u>\$ 712,594</u>	<u>\$ 717,732</u>	<u>\$ 717,732</u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2010 - 2012**

	<u>ACTUAL 2010</u>	<u>AMENDED 2011</u>	<u>ADOPTED BUDGET 2012</u>
TOTAL BEGINNING FUND BALANCE	\$ 16,593,060	\$ 17,369,852	\$ 19,641,769
TOTAL REVENUES	20,404,299	21,500,022	
TOTAL EXPENDITURES	19,627,507	19,228,106	
TOTAL ENDING FUND BALANCE	<u>\$ 17,369,852</u>	<u>\$ 19,641,769</u>	<u>\$ 19,641,769</u>

2012 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 2012 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 2012 General Fund budget is \$1,586,000 or 1% 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.

Citizen demand for services has outpaced revenue growth in the last few years. As featured on the cover of this 2012 Budget Document, on September 13, 2011, the citizens of Little Rock approved a one (1)-cent sales tax increase 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 is effective 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 2012 – 2016. The forecast for 2012 – 2016 is a planning tool used for the projections. The Mayor and Board of Directors have only approved the 2012 budget. However, the Board is committed to providing financial stability in order to maintain critical programs.

**CITY OF LITTLE ROCK
2012-2016 FORECAST**

	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>
	<u>Adopted</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
<u>General Fund</u>					
Beginning Fund Balance	\$22,866,080	\$22,866,080	\$25,030,383	\$25,861,415	\$27,079,741
Plus: Est. Revenue	158,559,815	162,523,810	166,586,906	170,751,578	175,020,368
Less: Est. Expenses					
General Administrative	21,821,608	22,258,040	22,703,201	23,157,265	23,620,410
Board of Directors	236,721	241,455	246,285	251,210	256,234
Community Programs	375,610	383,122	390,785	398,600	406,572
City Attorney	1,620,798	1,653,214	1,686,278	1,720,004	1,754,404
District Court - First Division	1,358,190	1,385,354	1,413,061	1,441,322	1,470,149
District Court - Second Division	1,187,972	1,211,731	1,235,966	1,260,685	1,285,899
District Court - Third Division	546,736	557,671	568,824	580,201	591,805
Finance	2,753,231	2,808,296	2,864,462	2,921,751	2,980,186
Human Resources	1,494,036	1,523,917	1,554,395	1,585,483	1,617,193
Information Technology	4,140,165	4,222,968	4,307,428	4,393,576	4,481,448
Planning and Development	2,392,680	2,440,534	2,489,344	2,539,131	2,589,914
Housing & Neighborhood Programs	4,678,013	4,771,573	4,867,005	4,964,345	5,063,632
Public Works	1,124,698	1,147,192	1,170,136	1,193,539	1,217,409
Parks & Recreation	8,528,829	8,699,406	8,873,394	9,050,862	9,231,879
Fire **	36,255,791	37,246,672	39,883,510	40,840,714	41,820,891
Police	55,007,824	56,817,980	58,181,612	59,577,971	61,007,842
Vacancy Reductions	(3,500,000)	(3,500,000)	(3,500,000)	(3,500,000)	(3,500,000)
Transfers Out	<u>18,536,913</u>	<u>16,490,382</u>	<u>16,820,190</u>	<u>17,156,593</u>	<u>17,499,725</u>
	<u>158,559,815</u>	<u>160,359,507</u>	<u>165,755,874</u>	<u>169,533,252</u>	<u>173,395,592</u>
Ending Fund Balance *	<u>\$22,866,080</u>	<u>\$25,030,383</u>	<u>\$25,861,415</u>	<u>\$27,079,741</u>	<u>\$28,704,518</u>
Reserve Requirement (10% of Revenues)	<u>\$15,855,982</u>	<u>\$16,252,381</u>	<u>\$16,658,691</u>	<u>\$17,075,158</u>	<u>\$17,502,037</u>

* Ending Fund Balance includes restricted reserves of \$9,418,000 in 2012.

** Includes the addition of 24 fire fighters in 2014 with the opening of the Southwest Little Rock Fire Station

<u>Street Fund</u>					
Beginning Balance	\$2,666,905	\$2,666,905	\$2,835,731	\$3,007,934	\$3,183,581
Plus: Est. Revenue	16,551,612	16,882,644	17,220,297	17,564,703	17,915,997
Less: Est. Expenses	<u>16,551,612</u>	<u>16,713,818</u>	<u>17,048,094</u>	<u>17,389,056</u>	<u>17,736,837</u>
Ending Balance	<u>\$2,666,905</u>	<u>\$2,835,731</u>	<u>\$3,007,934</u>	<u>\$3,183,581</u>	<u>\$3,362,741</u>
Reserve Requirement (10% of revenue)	<u>\$1,655,161</u>	<u>\$1,688,264</u>	<u>\$1,722,030</u>	<u>\$1,756,470</u>	<u>\$1,791,600</u>
<u>Fleet Fund</u>					
Beginning Net Position	\$2,521,690	\$2,521,690	\$2,640,698	\$2,762,086	\$2,885,902
Plus: Est. Revenue	11,667,454	11,900,803	12,138,819	12,381,596	12,629,227
Less: Est. Expenses	<u>11,667,454</u>	<u>11,781,795</u>	<u>12,017,431</u>	<u>12,257,780</u>	<u>12,502,935</u>
Ending Net Position	<u>\$2,521,690</u>	<u>\$2,640,698</u>	<u>\$2,762,086</u>	<u>\$2,885,902</u>	<u>\$3,012,194</u>
Reserve Requirement (10% of revenues)	<u>\$1,166,745</u>	<u>\$1,190,080</u>	<u>\$1,213,882</u>	<u>\$1,238,160</u>	<u>\$1,262,923</u>

**CITY OF LITTLE ROCK
2012-2016 FORECAST**

	FY12 Adopted	FY13 Projected	FY14 Projected	FY15 Projected	FY16 Projected
<u>Vehicle Storage Facility</u>					
Beginning Net Position	(\$879,526)	(\$879,526)	(\$866,000)	(\$852,203)	(\$838,130)
Plus: Est. Revenue	1,326,100	1,352,622	1,379,674	1,407,268	1,435,413
Less: Est. Expenses	<u>1,326,100</u>	<u>1,339,096</u>	<u>1,365,878</u>	<u>1,393,195</u>	<u>1,421,059</u>
Ending Net Position	<u>(\$879,526)</u>	<u>(\$866,000)</u>	<u>(\$852,203)</u>	<u>(\$838,130)</u>	<u>(\$823,776)</u>
Reserve Requirement (10% of revenues)	<u>\$132,610</u>	<u>\$135,262</u>	<u>\$137,967</u>	<u>\$140,727</u>	<u>\$143,541</u>
<u>Waste Disposal Fund</u>					
Beginning Net Position	\$13,241,893	\$12,891,893	\$13,063,298	\$13,238,131	\$13,416,460
Plus: Est. Revenue	16,804,395	17,140,483	17,483,293	17,832,958	18,189,618
Less: Est. Expenses	<u>17,154,395</u>	<u>16,969,078</u>	<u>17,308,460</u>	<u>17,654,629</u>	<u>18,007,721</u>
Ending Net Position	<u>\$12,891,893</u>	<u>\$13,063,298</u>	<u>\$13,238,131</u>	<u>\$13,416,460</u>	<u>\$13,598,357</u>
Reserve Requirement (15% of revenues)	<u>\$2,520,659</u>	<u>\$2,571,072</u>	<u>\$2,622,494</u>	<u>\$2,674,944</u>	<u>\$2,728,443</u>
<u>River Market Fund</u>					
Beginning Net Position	\$2,319,238	\$2,218,938	\$2,229,790	\$2,240,858	\$2,252,148
Plus: Est. Revenue	1,063,880	1,085,158	1,106,861	1,128,998	1,151,578
Less: Est. Expenses	<u>1,164,180</u>	<u>1,074,306</u>	<u>1,095,792</u>	<u>1,117,708</u>	<u>1,140,062</u>
Ending Net Position	<u>\$2,218,938</u>	<u>\$2,229,790</u>	<u>\$2,240,858</u>	<u>\$2,252,148</u>	<u>\$2,263,664</u>
Reserve Requirement (10% of revenues)	<u>\$106,388</u>	<u>\$108,516</u>	<u>\$110,686</u>	<u>\$112,900</u>	<u>\$115,158</u>
<u>Zoo Fund</u>					
Beginning Net Position	\$4,574,644	\$ 4,334,644	\$ 4,399,356	\$ 4,465,362	\$ 4,532,688
Plus: Est. Revenue	6,344,304	6,471,190	6,600,614	6,732,626	6,867,279
Less: Est. Expenses	<u>6,584,304</u>	<u>6,406,478</u>	<u>6,534,608</u>	<u>6,665,300</u>	<u>6,798,606</u>
Ending Net Position	<u>\$4,334,644</u>	<u>\$4,399,356</u>	<u>\$4,465,362</u>	<u>\$4,532,688</u>	<u>\$4,601,361</u>
Reserve Requirement (10% of Revenues)	<u>\$634,430</u>	<u>\$647,119</u>	<u>\$660,061</u>	<u>\$673,263</u>	<u>\$686,728</u>
<u>Golf Fund</u>					
Beginning Net Position	(\$1,982,638)	(\$2,076,738)	(\$1,793,567)	(\$1,504,733)	(\$1,210,123)
Plus: Est. Revenue	2,776,182	2,831,706	2,888,340	2,946,107	3,005,029
Less: Est. Expenses	<u>2,870,282</u>	<u>2,548,535</u>	<u>2,599,506</u>	<u>2,651,496</u>	<u>2,704,526</u>
Ending Net Position	<u>(\$2,076,738)</u>	<u>(\$1,793,567)</u>	<u>(\$1,504,733)</u>	<u>(\$1,210,123)</u>	<u>(\$909,620)</u>
Reserve Requirement (10% of revenues)	<u>\$277,618</u>	<u>\$283,171</u>	<u>\$288,834</u>	<u>\$294,611</u>	<u>\$300,503</u>

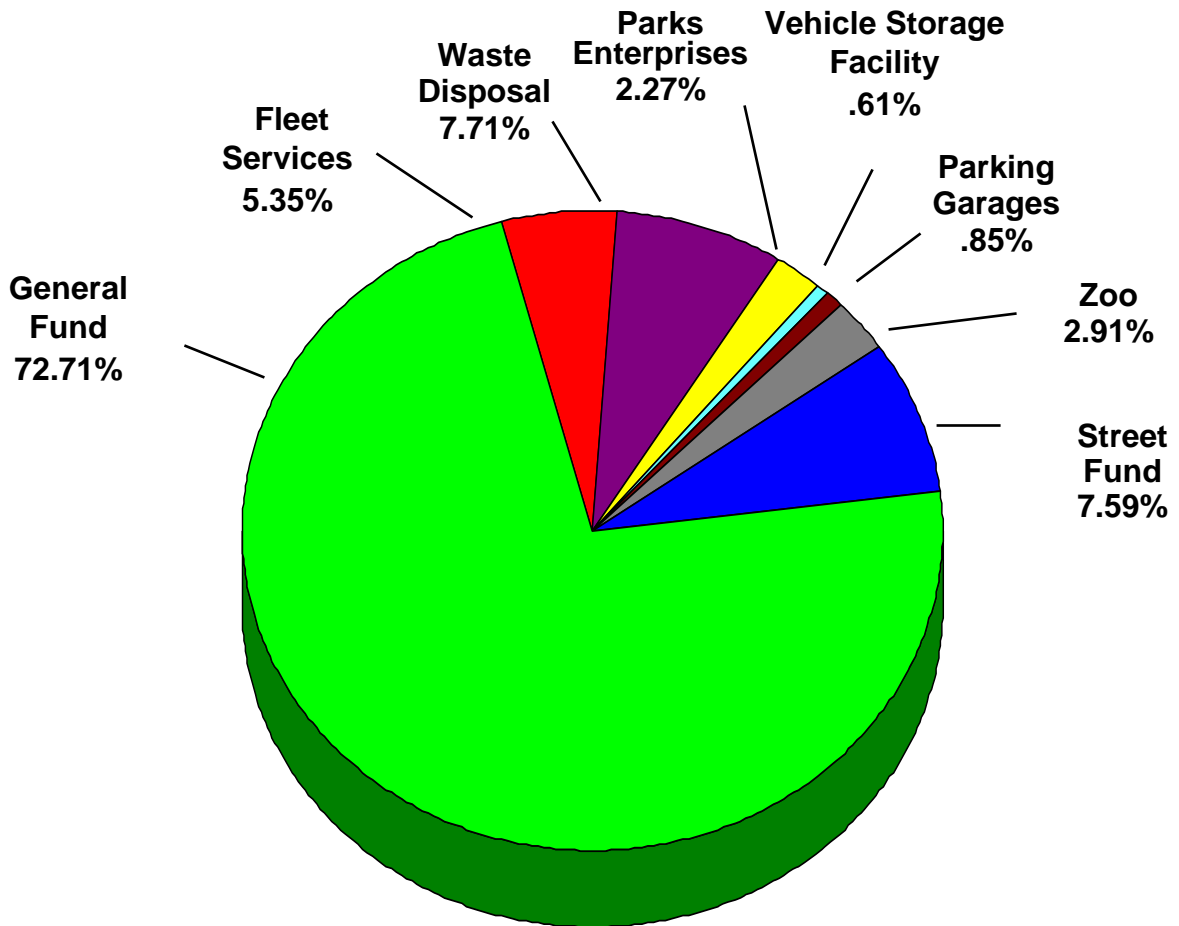
**CITY OF LITTLE ROCK
2012-2016 FORECAST**

	FY12 <u>Adopted</u>	FY13 <u>Projected</u>	FY14 <u>Projected</u>	FY15 <u>Projected</u>	FY16 <u>Projected</u>
<u>Jim Dailey Fitness & Aquatic Fund</u>					
Beginning Net Position	\$3,004,695	\$2,766,770	\$2,778,113	\$2,789,684	\$2,801,486
Plus: Est. Revenue	1,112,146	1,134,389	1,157,077	1,180,218	1,203,823
Less: Est. Expenses	<u>1,350,071</u>	<u>1,123,045</u>	<u>1,145,506</u>	<u>1,168,416</u>	<u>1,191,784</u>
Ending Net Position	<u>\$2,766,770</u>	<u>\$2,778,113</u>	<u>\$2,789,684</u>	<u>\$2,801,486</u>	<u>\$2,813,525</u>
Reserve Requirement (10% of revenues)	<u>\$111,215</u>	<u>\$113,439</u>	<u>\$115,708</u>	<u>\$118,022</u>	<u>\$120,382</u>
<u>Parking Garages</u>					
Beginning Net Position	\$4,733	(\$183,129)	\$0	\$0	\$0
Plus: Est. Revenue	1,856,000	1,893,120	1,930,982	1,969,602	2,008,994
Less: Est. Expenses	<u>2,043,861</u>	<u>1,709,992</u>	<u>1,930,982</u>	<u>1,969,602</u>	<u>2,008,994</u>
Ending Net Position	<u>(\$183,129)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Revenues



CITY OF LITTLE ROCK 2012 BUDGET SUMMARY ALL FUNDS RESOURCES



\$218,061,888

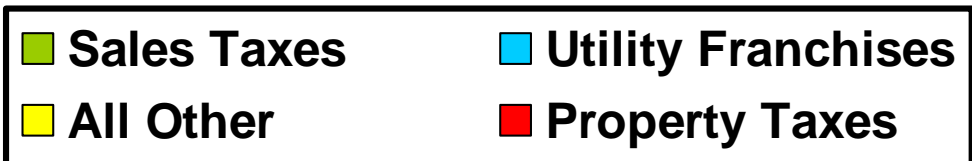
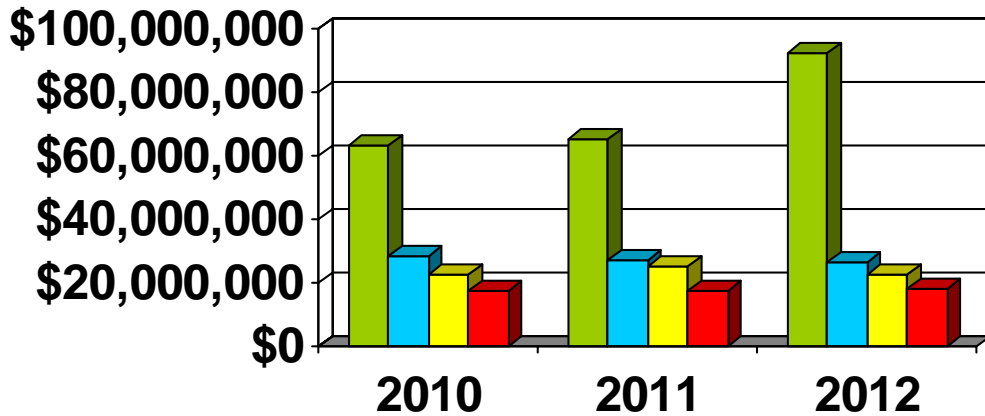
**CITY OF LITTLE ROCK
2012 OPERATING REVENUES**

REVENUES:	2010 ACTUAL	2011 ADOPTED	2011 AMENDED	2012 ADOPTED	Change from 2011 Amended	% CHANGE
Property Taxes *	\$24,034,597	\$17,245,148	\$17,395,148	\$17,648,900	\$253,752	1.46%
Sales Tax	64,137,449	65,224,701	63,920,146	92,199,900	28,279,754	44.24%
Business Licenses	5,682,104	5,732,107	5,972,107	5,974,000	1,893	0.03%
Mixed Drinks	1,850,260	1,631,188	1,856,188	1,858,000	1,812	0.10%
Building, Related Permits	1,816,865	1,687,900	1,822,900	1,832,800	9,900	0.54%
Insurance Pension Turnback*	2,686,738	1,178,000	1,673,467	2,190,000	516,533	30.87%
Park Revenue	355,102	378,520	378,520	349,600	(28,920)	-7.64%
Airport Reimbursement	2,741,508	2,778,210	2,778,210	2,957,300	179,090	6.45%
Salary Reimbursement 911	973,407	1,000,000	1,000,000	733,300	(266,700)	-26.67%
Fines and Fees	3,629,273	3,578,220	3,318,220	3,409,700	91,480	2.76%
Utility Franchises	27,594,024	26,902,357	27,104,357	26,332,200	(772,157)	-2.85%
Interest Earnings	20,234	11,300	11,300	25,000	13,700	121.24%
All Other	1,767,045	1,622,361	1,722,361	1,729,600	7,239	0.42%
Transfers In	3,854,875	3,401,406	3,401,406	1,319,515	(2,081,891)	-61.21%
Carry-over*		2,000,000 **	2,000,000 **	0	(2,000,000)	-100.00%
Total General Fund	141,143,481	134,371,418	134,354,330	158,559,815	24,205,485	18.02%
Other Budgeted Funds						
Street	16,113,897	15,164,843	15,238,843	16,551,612	1,312,769	8.6%
Fleet Services	9,666,219	10,003,932	10,403,932	11,667,454	1,263,522	12.1%
Vehicle Storage Facility	1,199,238	1,187,770	1,187,770	1,326,100	138,330	11.6%
Waste Disposal	16,199,260	16,228,300	16,348,720	16,804,395	455,675	2.8%
River Market	858,709	816,670	816,670	1,063,880	247,210	30.3%
Zoo	5,176,348	4,764,579	4,884,579	6,344,304	1,459,725	29.9%
Golf	2,538,417	2,733,821	2,733,821	2,776,182	42,361	1.5%
Jim Dailey Fitness and Aquatic Center	1,252,199	1,097,994	1,097,994	1,112,146	14,152	1.3%
Parking Garages	1,848,228	1,800,383	1,800,383	1,856,000	55,617	3.1%
Total Other Budgeted Funds	54,852,514	53,798,292	54,512,712	59,502,073	4,989,361	9.2%
Total All Budgeted Funds	\$195,995,995	\$188,169,710	\$188,867,042	\$218,061,888	\$29,194,846	15.5%

* Actual includes Property Tax and Pension Turnback funds associated with the Police and Fire Pension.

** Carry-over represents the planned use of available fund balance.

General Government Summary of Revenues 2010-2012



**CITY OF LITTLE ROCK
2012 OPERATING REVENUE**

	<u>2010 ACTUAL</u>	<u>2011 ADOPTED</u>	<u>2012 ADOPTED</u>
GENERAL FUND			
PROPERTY TAX			
Property Taxes	\$ 15,976,061	\$ 15,863,800	\$ 16,284,600
Pension Property Taxes	6,788,010		
Homestead Taxes	993,497	1,076,900	1,044,300
Act 9 Industry Payment	277,029	304,448	320,000
Total Property Taxes	<u>24,034,597</u>	<u>17,245,148</u>	<u>17,648,900</u>
SALES TAX			
County Sales & Use Tax	38,380,269	39,035,350	38,241,500
City Sales Tax	22,666,916	23,382,000	50,869,700
State Tax Turnback	3,090,264	2,807,351	3,088,700
Total Sales Taxes	<u>64,137,449</u>	<u>65,224,701</u>	<u>92,199,900</u>
BUSINESS LICENSES			
General Business Licenses	5,682,104	5,732,107	5,974,000
Mixed Drinks Licenses	1,850,260	1,631,188	1,858,000
Total Business Licenses	<u>7,532,364</u>	<u>7,363,295</u>	<u>7,832,000</u>
PERMITS			
Building & Excavation Permits	1,016,461	890,000	1,021,000
Electrical Permits	246,312	260,000	263,000
Plumbing Permits	223,582	221,000	254,000
HVAC Permits	252,514	235,600	224,000
Wrecker Franchise	74,660	72,300	68,600
Burn Permits	3,336	9,000	2,200
Total Permits	<u>1,816,865</u>	<u>1,687,900</u>	<u>1,832,800</u>
INTERGOVERNMENTAL			
Insurance Turnback	2,686,738	1,178,000	2,190,000
Total Intergovernmental	<u>2,686,738</u>	<u>1,178,000</u>	<u>2,190,000</u>
POLICE SERVICES			
Police Report	286,192	270,000	380,000
False Alarm	68,498	90,000	40,000
Airport - Security Guards	1,656,795	1,728,560	1,769,700
Total Police Services	<u>2,011,485</u>	<u>2,088,560</u>	<u>2,189,700</u>
FIRE SERVICES			
Fire Alarm Inspection	3,650	3,750	300
Airport-Fire Protection	1,084,713	1,049,650	1,187,600
Fire Training Academy			600
Total Fire Services	<u>1,088,363</u>	<u>1,053,400</u>	<u>1,188,500</u>
PARK REVENUE			
SWLR Community Complex	86,190	92,000	88,000
Athletics Fees	99,450	110,000	93,800
Pavilion Rental	45,506	50,000	45,000
Community Center & Miscellaneous Fees	88,465	89,520	86,900
Admissions Revenue	23,604	27,000	24,600
Miscellaneous Revenue	11,887	10,000	11,300
Total Park Revenue	<u>355,102</u>	<u>378,520</u>	<u>349,600</u>

**CITY OF LITTLE ROCK
2012 OPERATING REVENUE**

	2010 ACTUAL	2011 ADOPTED	2012 ADOPTED
MISCELLANEOUS SERVICES			
Crossing Guards-LRSD Reimbursement	408,774	427,420	440,200
911 Services Reimbursement	973,407	1,000,000	733,300
Total Miscellaneous Services	1,382,181	1,427,420	1,173,500
FINES			
Fines - Traffic	2,402,746	2,320,000	2,179,800
Fines - Criminal - Other	329,381	320,000	364,000
Probation Assessments	105,409	111,000	80,000
Additional Court Cost	18,523	18,500	18,500
Theft Diversion Class	900	1,500	500
Fines - Parking	251,090	260,000	260,000
Immobilization Fees	170		
Fines - Child Passenger Protection	5,227	5,700	6,100
Fines - Environmental	42,733	61,000	34,000
Fines - Animal Control	274,714	270,000	278,000
Fines - Anger Management	170	150	
Fines - Other	(8,970)		
Drunk-O-Meter	3,753	3,700	3,700
Total Fines	3,425,845	3,371,550	3,224,600
FEES			
Rezoning Fees	63,438	52,000	56,500
Act 474 Admin Fees	3,011	2,700	3,600
Act 9 Admin Fees	2,010	4,600	4,600
Incident Report Fees	407	400	300
Civil Court Fees	69,507	68,000	74,500
Booking & Admin Fee -Pulaski County Jail	240	100	
Education Training Fees	3,490	8,200	
Community Service Fees	50,950	55,000	37,500
Miscellaneous Service Fees	11,645	15,000	8,000
Animal Services	(1,270)	670	100
Total Fees	203,428	206,670	185,100
UTILITY FRANCHISE			
Entergy	12,729,113	12,404,700	11,970,000
S W Bell	1,204,019	1,166,808	819,800
Local Landline Franchise Fees	233,037	227,084	220,300
Long Dist. Franchise Fees	991,159	1,040,000	959,700
Centerpoint Energy	4,092,240	3,800,000	3,625,000
Central Ark Water	3,129,191	3,075,000	3,385,000
LR Waste Water	4,024,700	4,047,000	4,100,000
Fiber Optics	1,077,497	1,074,600	1,232,000
Cable TV	1,867,102	1,825,000	1,775,000
Franchise Fee Contra	(1,754,035)	(1,757,835)	(1,754,600)
Total Utility Franchises	27,594,024	26,902,357	26,332,200
INVESTMENT INCOME			
Interest Income	21,747	11,300	25,000
Change in Market Value	(1,513)		
Total Investment Income	20,234	11,300	25,000

**CITY OF LITTLE ROCK
2012 OPERATING REVENUE**

	2010 ACTUAL	2011 ADOPTED	2012 ADOPTED
RENTS AND ROYALTIES			
Tower Lease	274,044	237,400	270,000
Ground Leases	548	3,773	9,900
Amusement Park Leases	2,750	3,025	3,300
Total Rents and Royalties	277,343	244,198	283,200
MISCELLANEOUS INCOME			
Other Reimbursement	3,370	7,000	6,500
Commission - Vending	634	2,200	1,000
Contributions/Donations	327,793	327,793	327,800
Miscellaneous Revenue	390,790	250,000	250,000
Total Miscellaneous Revenue	722,587	586,993	585,300
Transfers In	3,854,875	3,401,406	1,319,515
General Fund Carry-over From Operating Revenues and Excess Vacancy Savings		2,000,000	
TOTAL GENERAL FUND REVENUE	141,143,481	134,371,418	158,559,815
STREET FUND			
ST Homestead Tax	288,093	288,925	298,000
1/2 County Road Tax	4,633,015	4,586,288	4,742,000
State Gas Tax Turnback	9,260,451	9,052,000	9,770,794
Miscellaneous Grants	85,192		
Street Repair Reimbursement	16,758	7,000	9,000
Insurance Reimbursement	49,893	15,000	15,000
Miscellaneous Income	924,098		
Interest On Investments	1,272	1,000	1,000
Transfer In	855,125	1,214,630	1,715,818
TOTAL STREET FUND	16,113,897	15,164,843	16,551,612
FLEET INTERNAL SERVICE FUND			
Fleet Labor	2,096,483	2,508,865	2,711,402
Fleet Management	656,246	766,791	817,027
Fuel Fees	2,168,728	2,422,878	3,516,580
Miscellaneous Sales	579,542	501,000	565,000
Motor Pool	8,000	5,800	5,585
Fleet Parts	3,001,647	2,879,750	2,998,860
Insurance Repairs	351,553	125,000	75,000
Fleet Sublets	801,402	776,378	978,000
Interest on Investments	2,618	1,500	
Gain/Loss on Sale of Fixed Assets		15,970	
TOTAL FLEET INTERNAL SERVICE FUND	9,666,219	10,003,932	11,667,454

**CITY OF LITTLE ROCK
2012 OPERATING REVENUE**

	2010 ACTUAL	2011 ADOPTED	2012 ADOPTED
VEHICLE STORAGE FACILITY			
Licenses and Permits	20,990	20,500	20,500
Storage Fees	310,576	308,000	314,600
Wrecker Fees	330,653	335,000	337,000
Vehicle Auction Sales	419,553	400,000	530,000
Impound Administration Fees	87,422	89,000	89,000
Vehicle Storage Miscellaneous	19,241	14,000	14,000
Contributions/Donations	10,538	21,000	21,000
Sales Tax	265	270	
TOTAL VEHICLE STORAGE FACILITY	1,199,238	1,187,770	1,326,100
WASTE DISPOSAL ENTERPRISE FUND			
Sanitation Fees	15,053,953	15,050,000	15,113,440
Landfill Fees	765,426	725,000	860,000
Methane Gas Revenue	156,827	225,000	200,000
Yard Waste Revenue	43,308	40,000	40,000
Compost Sale Revenue	99,193	100,000	100,000
Miscellaneous Revenue	14,575	79,100	5,000
Interest On Investments	10,461	9,200	5,715
Contributions/Donations	55,517		
Transfers In			480,240
TOTAL WASTE DISPOSAL ENTERPRISE FUND	16,199,260	16,228,300	16,804,395
RIVER MARKET ENTERPRISE FUND			
Admissions Revenue	66,205	50,670	102,500
Space Rental	283,690	260,000	379,000
Miscellaneous Fees	9,016	6,000	82,380
Contributions/Donations	250,000	250,000	250,000
Miscellaneous Revenue	(202)		
Transfers In	250,000	250,000	250,000
TOTAL RIVERMARKET ENTERPRISE FUND	858,709	816,670	1,063,880
ZOO ENTERPRISE FUND			
Membership	236,226	310,000	340,000
Zoo Admissions	1,472,308	1,566,125	1,650,000
Concessions	401,158	415,000	465,000
Token Sales	187,943	202,500	180,000
Education	32,713	35,000	55,000
Special Events	246,476	209,000	209,000
Zoo Rentals	15,862	20,000	10,000
Merchandise Sales	294,871	300,000	335,000
Miscellaneous	22,931	14,000	19,000
Contributions/Donations	585,806	12,900	
Transfers	1,680,054	1,680,054	3,081,304
TOTAL ZOO ENTERPRISE FUND	5,176,348	4,764,579	6,344,304

**CITY OF LITTLE ROCK
2012 OPERATING REVENUE**

	2010 ACTUAL	2011 ADOPTED	2012 ADOPTED
GOLF ENTERPRISE FUND			
Concessions Revenue	71,226	88,000	96,200
Green Fees	847,361	933,879	912,800
Equipment Rental	457,317	547,890	510,080
Merchandise Sales	74,187	81,000	88,500
Miscellaneous Revenue	11,574	5,800	4,000
Transfers	1,076,752	1,076,752	1,164,602
TOTAL GOLF ENTERPRISE FUND	2,538,417	2,733,321	2,776,182
JIM DAILEY FITNESS & AQUATIC CENTER ENTERPRISE FUND			
Annual Fees	53,635	52,000	49,500
Monthly Membership	278,058	280,500	285,000
Daily Fees	108,729	110,000	112,000
Corporate Fees	241,497	242,000	231,500
Special Fees	43,923	4,700	6,800
Other	18,767	56,420	73,500
Interest Income	1,354	1,088	2,560
Contributions/Donations	154,950		
Transfers	351,286	351,286	351,286
TOTAL JIM DAILEY FITNESS & AQUATIC CENTER	1,252,199	1,097,994	1,112,146
PARKING GARAGES			
Business License - Auto/Truck	274,321	229,000	229,000
Street Repair Reimbursement	138,517	110,000	110,000
Parking Meters	523,005	520,000	520,000
Surface Lot Parking	97,883	88,683	88,680
Parking Deck Monthly	620,443	606,250	650,000
Parking Deck Daily	109,043	165,000	175,000
Parking Peabody	83,046	79,750	81,000
Interest on Investments	1,970	1,200	2,200
Miscellaneous Income		500	120
TOTAL PARKING GARAGES	1,848,228	1,800,383	1,856,000
GRAND TOTAL ALL FUNDS	\$ 195,995,995	\$ 188,169,210	\$ 218,061,888

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 City's General Fund is heavily dependent on sales tax, which comprises over 58% of the 2012 budget. The 2012 Operating Budget includes an increase in sales tax of 41.92% over 2011 actual tax collections, which were 1.30% higher than the previous year. Little Rock citizens passed an additional one (1)-cent local sales tax in September 2011 that goes into effect 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 with five-eighths (5/8)-cent dedicated for ongoing operating expenses and three-eighths (3/8)-cent dedicated to capital projects over a ten (10) year period. The revenue growth reflected in the budget is entirely due to the five-eighths (5/8)-cent increase in the sales tax for operations. While consumer confidence improved over the last quarter of 2011, uncertainty continues to impact the economic recovery and make revenue forecasting very difficult. Sales tax receipts in the last two months of 2011 improved by 2.42% over the same period one year ago.

	<u>REVENUES</u>	<u>% CHANGE</u>
2008 Operating Revenues	134.1	
2009 Operating Revenues	137.4	2.46%
2010 Operating Revenues	131.1	-4.59%
2011 Operating Revenues	134.4	2.52%
2012 Operating Revenues	158.6	18.01%

Utility franchise fees and property taxes comprise approximately 16.6% of and 11.1% of 2012 General Fund budgeted revenues, respectively. Assessments of real estate and personal property are levied in the current year and collectible in the following year. An increase in used-car values and business inventories in 2011 led to an increase of 3.31% in the original charge for 2011 property taxes to be collected in 2012. Overall, utility franchise revenues are expected to be below 2011 actual revenues by 3.82%. Only CenterPoint Energy, the gas utility, has an increase in utility rates for customers living within the Little Rock city limits. The average residential customer will experience an increase of 5.7% in their bills from November 1, 2011 through March 31, 2012. Although no rate change is currently scheduled, franchise payments from Entergy, the electric utility, are expected to decline by approximately 6.5% due the return to normal weather

patterns after an extremely hot and dry summer in 2011. In addition, Entergy rates are impacted by the Federal Energy Regulatory Commission (FERC) imposed payments which are passed directly to consumers. Entergy has applied for an increase in rates beginning April 1, 2012 but no decision will be made until late in the first quarter of 2012. Weather plays a significant role in the annual franchise fee revenues from Entergy, CenterPoint, and Central Arkansas Water. Water conservation technology continues to improve and reduce the number of annual gallons used. Franchise fee revenue from Central Arkansas Water and WasteWater Utility are expected to remain flat, primarily due to the decline in gallons consumed per household. The WasteWater Utility Board has announced a desire to increase rates in 2012 and to levy impact fees to fund sewer infrastructure improvements. A decision regarding the amount and timing of rate adjustments had not been made at the time the budget was adopted. Therefore, no increase in franchise fee revenues for this utility was included in the 2012 revenue forecast. Over the last several years, long distance and local landline franchise fees have been in decline with increased competition from wireless carriers. These revenues were relatively flat for 2011 and are expected to decrease slightly in 2012. Fiber Optic revenue increased almost 19% from 2010, primarily due to an increase in subscribers for AT&T U-Verse. Both AT&T U-Verse and Comcast Cable have increased fees in response to the demand for more channel selection from viewers. Licenses and permits comprise approximately 6% of General Fund Revenues. Business licenses are expected to remain at existing levels in 2012. Building permit revenue associated with construction projects increased approximately 19% from the depressed levels in 2010. Business construction activity is projected to remain at 2011 levels in 2012.

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 70.50.
- 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), which provides that, 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 2011 property taxes to be collected in 2012 which reflects an overall increase of 3.31%. The Pulaski County Treasurer’s Office is experiencing a collection rate of approximately 97%, which includes collection of delinquent taxes from previous years.

The City tax levies the past two years have been as follows:

	<u>2010 Payable 2011</u>	<u>2011 Payable 2012</u>
General Operation	5.00	5.00
Bond Retirement	3.30	3.30
Library System	5.30	5.30
Police & Firemen’s Pension	<u>2.00</u>	<u>2.00</u>
	15.60	15.60

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 2012 Budget anticipates \$5.04 million in property tax collections from this tax.

In addition to the City millage of 15.60 and the County road millage of 2.90, a Little Rock property owner’s tax assessment for 2011 also 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 70.50 for 2011 property taxes payable in 2012.

The general operations 5.0 mill levy is the maximum rate allowable under state law for general city operations. Property taxes for 2011 increased 4.52% over 2010 receipts. The majority of the increase was associated with Act 9 revenues, which are included in this category and represent payments in lieu of property taxes paid by certain industrial companies. LM Wind Power Blades, Inc., Novus, Sage V Foods and Welspun were companies which began Act 9 payments in 2011.

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 one percent tax sales and use tax. The projected revenue for 2012 from this tax is \$38,241,500. 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 \$3,330,000 annually. In 2011, the county sales tax revenues increased only 0.54% from one year ago and were still 1.73% below the 2008 level of \$39,268,491. Due to the volatility of growth in the county sales tax experienced from month to month in 2011 in comparison to the previous year, there was no growth projected for 2012. 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.

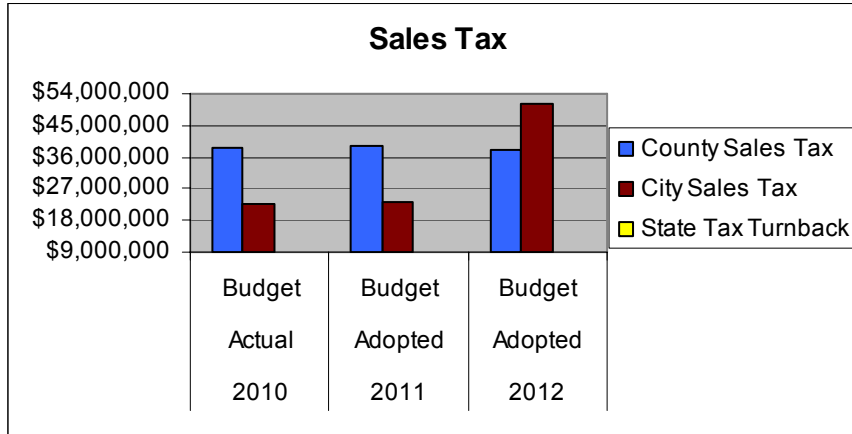
LOCAL SALES TAX

Historically, the City of Little Rock has levied one of the lowest sales tax rates in the State of Arkansas at 0.5%. The City currently receives annual revenues of approximately \$23,275,000 from the half penny local sales tax that was the result of a 1993 special election. There is a two-month delay from the time the actual sales tax revenues are collected by the businesses and remitted to the State which disburses this amount to the City, less a 3% administrative charge. City sales tax revenues were 2.69% higher in 2011 than a year ago, but still trailed 2008 levels by 1.9%. In September 2011, voters approved an overall one (1)-cent sales tax increase which was comprised of a permanent five-eighths (5/8)-cent dedicated for ongoing operating expenses and a temporary three-eighths (3/8)-cent dedicated to capital projects over a ten (10) year period. The new tax goes into effect on January 1, 2012. In addition to the existing half-cent sales tax, the new five-eighths (5/8)-cent tax dedicated to ongoing operations is projected to generate an additional \$27,594,000 in revenue in 2012. The three-eighths (3/8)-cent tax for capital projects is expected to generate approximately \$195.8 million over the ten (10) year period for capital projects. The three-eighths (3/8)-cent tax revenue is not reflected in General Fund revenues. Instead, it is reported in a new capital projects fund.

STATE TAX TURNBACK

The State General Assembly, through the Office of Budget, appropriates and then distributes an amount for turnback to municipalities. The turnback funds are not based on the state economy. An appropriation is made every July 1st by the

State's Office of the Budget and distributed based on population. There are no scheduled reductions in the turnback appropriations for 2012, remaining at \$16.00 per capita. For 2012 and 2013, the Arkansas State Legislature appropriated \$4,000,000 to be disbursed to county and local governments from the surplus of the Property Tax Relief Fund. Little Rock will receive \$411,894 in January 2012. The turnback funds should result in approximately \$3.1 million dollars a year.



Local Option Sales and Use Tax in Arkansas

Sale and Use Tax Year-to-Date 2011 with 2010 Comparison (shaded gray)

Month	Municipal Tax		County Tax		Total Tax		Interest	
January	\$ 35,123,247	\$ 34,674,109	\$ 35,666,555	\$ 35,450,558	\$ 70,789,802	\$ 70,124,667	\$ 27,640	\$ 60,271
February	42,235,810	41,006,941	42,753,266	42,937,896	84,989,076	83,944,837	34,351	59,485
March	33,606,662	33,818,100	34,174,199	34,971,579	67,780,861	68,789,679	35,321	76,714
April	35,244,719	34,427,642	35,257,864	36,042,561	70,502,583	70,470,203	23,355	78,790
May	39,976,322	38,636,249	40,107,935	38,049,255	80,084,257	76,685,474	9,286	49,923
June	37,765,150	37,512,337	37,056,613	38,602,771	74,821,763	76,115,108	25,409	63,686
July	37,831,729	36,860,261	36,634,846	37,359,158	74,466,575	74,219,419	14,470	52,871
August	40,620,093	37,616,032	40,946,986	39,562,409	81,567,079	77,178,441	22,415	58,934
September	39,596,088	36,434,296	39,895,996	38,376,562	79,492,084	74,810,859	14,702	51,022
October	39,356,921	38,103,354	40,657,852	40,272,526	80,014,773	78,375,881	24,979	66,397
November	39,576,203	36,678,265	40,429,029	39,093,545	80,005,232	75,771,810	13,218	44,867
December	39,176,568	35,853,352	38,869,097	37,083,830	78,045,665	72,937,182	25,669	73,441
Total	\$ 460,109,512	\$ 441,620,938	\$ 462,450,238	\$ 457,802,650	\$ 922,559,749	\$ 899,423,560	\$ 270,815	\$ 736,401
Averages	\$ 38,342,459	\$ 36,801,745	\$ 38,537,520	\$ 38,150,221	\$ 76,879,979	\$ 74,951,963	\$ 22,568	\$ 61,367

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 and certain bond retirement funds can legally be utilized for any municipal purpose. The Federal Funds rate has decreased from 4.25% in 2008 to a range of between 0.00% and 0.25% and has remained at historically low levels since January 1, 2009. The Discount Rate is currently 0.75%. Although the fixed-income investments held in the short-term operating fund continue to yield at historical lows, they are backed by the U.S. government and are among the

safest securities in the world. While interest rates are expected to remain at historically low levels, interest earnings are projected to increase in 2012 due to the projected increase in average fund balances associated with revenues from the new sales tax, effective January 1, 2012.

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 which pay a franchise fee 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 Arkla	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

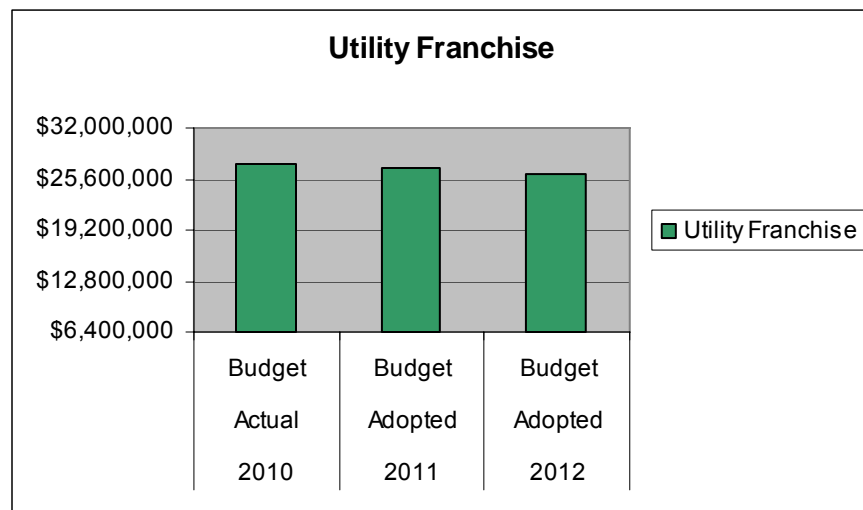
Certain franchise fee revenues, such as Entergy, CenterPoint and Central Arkansas Water are directly impacted by the weather. The summers of 2010 and 2011 have been among the hottest and driest on record, however, per capita consumption of water continues to decrease due to water saving appliances and conservation measures. Central Arkansas Water increased rates in 2011, resulting in a 6.9% increase in franchise fees over the previous year. Domestic rates increased by 5.3%, commercial rates by 3.9%, and industrial rates by 4.4%. Central Arkansas Water revenues should remain at the 2011 levels with no scheduled rate increases for 2012.

Little Rock Wastewater has not announced any rate increases for 2012 and recommended the forecast of franchise fee revenues at 2011 levels. The Wastewater Board is determining whether or not to raise rates sometime during 2012, which could include impact fees to build a reserve for future growth and for other sewer infrastructure requirements. The Wastewater Utility is considering levying fees more in accordance with usage. In November 2011, Little Rock Wastewater opened a new treatment facility.

SWBell (AT&T) franchise payments for local service have declined sharply since the 1998 peak of \$2.6 million. 2012 AT&T franchise payments declined 19.56% from the previous year. 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. This decline is anticipated in revenues from other local land line providers and from long distance services. The 2012 budget anticipates a reduction of 7.5% for telecommunications.

Entergy reported relatively flat usage and revenues for 2011 in comparison to the previous year. Electrical usage is projected to decline in 2012 resulting in a projected decrease in revenues of 6.5%. Entergy uses natural gas to fuel some of its plants. Natural gas prices are still at historical lows because of increased inventories. Factors that impact Entergy franchise fees include the Federal Energy Regulatory Commission (FERC) imposed payment, which will not be available until May before it is effective July 1st. This number is derived from actual production costs of all the Entergy operating companies. Entergy has announced through the Arkansas Public Service Commission (PSC) a request to recover \$156 million through an increased FERC rider. The utility is proposing raising rates \$1.70 on an average \$100 monthly electricity bill beginning April 1, 2012 through December 2013. Although the utility cannot provide reliable estimates of costs, the utility foresees no change in the ECR imposed rider for 2012. All FERC imposed payments will be eliminated from bills by July 1, 2014.

CenterPoint Energy Arkla payments are also directly affected by the weather. The decrease in natural gas prices since 2009 has resulted in reduced gas franchise revenues of approximately 10% from 2010



Actuals. Usage declined very slightly at 0.88% from the previous year. 2012 CenterPoint franchise fees have been conservatively projected by the Utility to decrease minimally from 2011 actual revenues based on slightly lower gas prices

and declining volume usage. CenterPoint Energy has officially increased utility franchise rates for their customers living within the Little Rock city limits. The average residential customer will experience an increase of 5.7% in their bills from November 1, 2011 through March 31, 2012. CenterPoint stores natural gas for the next heating season. The cost of natural gas makes up between 70% and 80% of the typical bill.

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 increased approximately 19% over 2010 levels and are expected to remain at that level in 2012. AT&T’s rate of growth is expected to remain steady with no scheduled rate increases announced. Comcast has projected 2012 revenues to decrease 3.3% because of reduced market share. Cell phone and Internet usage is not included in the franchise agreement.

Overall 2011 franchise fee revenues were 0.78% lower than 2010. Franchise fee revenues for fiscal year 2012 are forecast to be 3.82% below 2011 actual receipts and 2.12% below the original 2011 budget.

Utility Rate Increase	
SW Bell (AT&T)	0%
Energy	0%
Long Distance	0%
Local Land Lines	0%
CenterPoint	5.7% in residential bills from November 1, 2011 - March 31, 2012
Central AR Water	0%
Fiber Optics	0%
Waste Water Utility	0%

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. 2011 business licenses increased 5.22% due to aggressive collections of delinquent accounts and to the tremendous response to the Rental Registration Program which resulted in the addition of over 10,000 new residential units and new assessments of approximately \$200,000. 2012 revenues are expected to remain at 2011 levels. As an ongoing process, in 2012 a business license committee will review the fairness and equity of the business license fee structure and provide recommendations to the Board of Directors.

MIXED DRINK PERMITS

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. 2011 mixed drink revenue was slightly lower than record 2010 revenues, but remained strong at 12.50% above a conservative 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 2012 Budget anticipates an increase of 1.3% over 2011 revenues.

BUILDING AND RELATED PERMITS

Actual revenues from building and related permits rebounded slightly in 2011 following a steep decline the last couple of years. 2011 building permits began to increase with construction activity in the 2nd and 3rd quarters, including but not limited to Verizon Corp., Little Rock Airport expansion, Park Avenue (Mid-Town), Horace Mann School, St. Vincent Hospital and Autumn Woods Apartments. The 2012 Budget anticipates that building and related permits will remain at 2011 improved levels. Interest rates remain historically low and consumer confidence has hit a 12-month high.

FINES

Fines and related fees comprise 2.15% of the 2012 budget. Traffic fines annually contribute approximately \$2,000,000 and have historically been a consistent revenue source for the General Fund. However, 2011 traffic fine revenue was 15.32% below 2010 revenue. The number of traffic tickets issued decreased 29% from the same period a year ago. This was due in part to the extreme weather events in the early part of the year which reduced the number of available enforcement days. In addition, the vacant positions in the Police Department resulted in fewer officers available to work traffic, and there was a decrease in the number of traffic accidents reported in 2011. Traffic fine revenue is expected to increase slightly with the passage of the sales tax increase which will provide funding to fill forty (40) vacant positions and add twelve (12) new uniform positions in the Police Department. Parking fines increased approximately 3% in 2011 from 2010 totals. Parking Enforcement has recently contracted with a new vendor that is expected to reduce overhead cost and increase collection. In addition, Parking Enforcement has partnered with the Little Rock Convention Visitor Bureau to install eight (8) new solar meters at the Rivermarket that are expected to generate additional meter revenue. Overall, District Court revenues across the State of Arkansas have experienced declines, primarily related to a drop in the number of citations filed in the courts and an increase in the number of unserved warrants, due in many cases, to a decline in resources available to local law enforcement. The decline in court revenues has

significantly decreased revenues available to the Administrative Office of the Courts.

PARK REVENUE

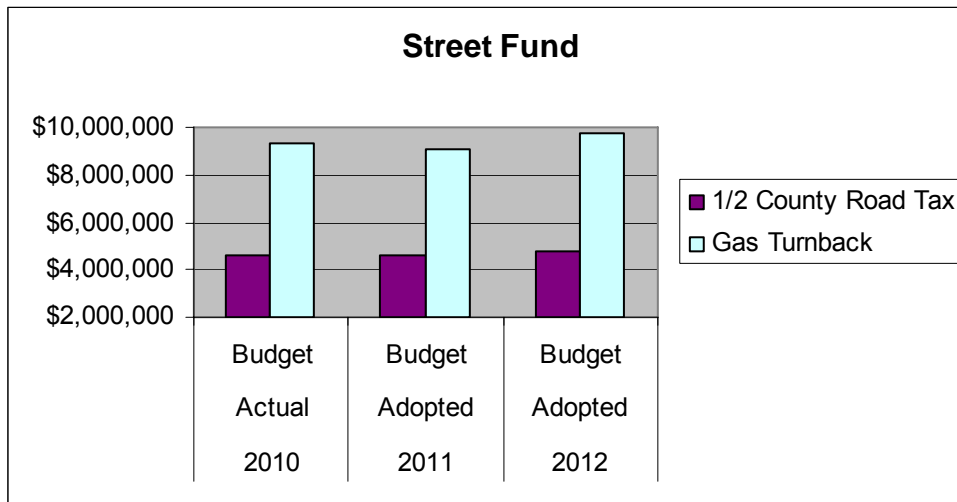
General Fund park revenues consist of tennis fees, community center fees and athletics fees. Overall general fund park revenues decreased 2.77% from one year ago, primarily due to a reduction in the revenues of the Summer Softball Program. There were more reservations for City owned park facilities in 2011 than in previous years. Weather also plays a crucial role in determining trends at the City’s park venues.

AIRPORT REIMBURSEMENT

The Little Rock National Airport reimburses the City for expenses related to police and fire protection. As a result of September 11, 2001, increased police security has been required at the airport, resulting in increased reimbursements. In 2011, both airport police and airport fire reimbursements remained steady at \$1.68 million and \$1.16 million, respectively. Staffing levels for 2012 are expected to be consistent with 2011.

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 all the tax on gasoline consumption goes to municipal aid or gas turnback. 2011 revenues were 1.61% lower than 2010 resulting from lower usage. Currently, approximately \$600,000 of the turnback is from the natural gas severance tax. The State Highway Department’s Gas Tax Turnback projection for 2012 is \$9,770,000.



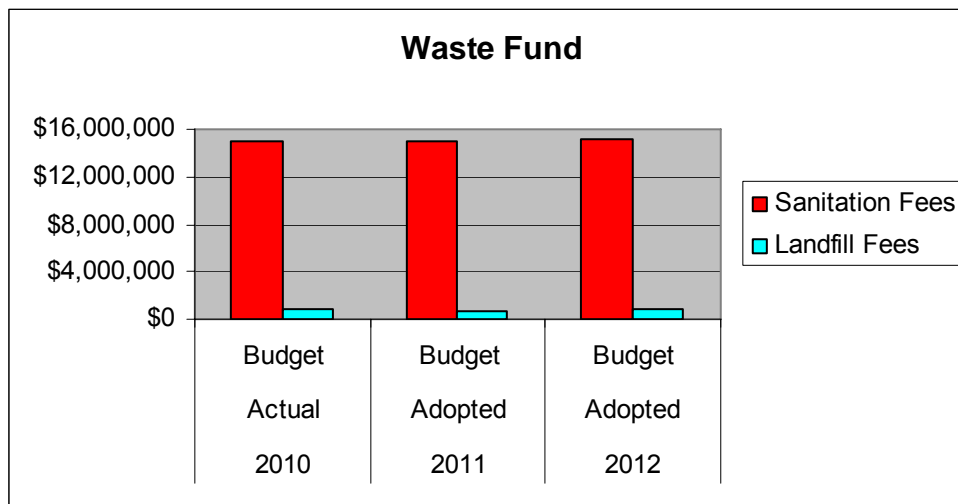
BOND & INTEREST FUND

Revenues from this fund are used 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 millage, along with the Homestead Credit, which is monies generated from a state-wide half-cent sales tax, produced approximately \$11.6 million toward 2011 debt service on the outstanding bonds. Excess tax collections in 2011 and the beginning of 2012 will be used to call an additional \$6.6 million of outstanding bonds on April 1, 2012. The bond issue is expected to be redeemed in full by April 1, 2013.

WASTE DISPOSAL

In 2011, private haulers increased overall landfill volume. Waste Disposal recently entered into disposal contracts with the City of North Little Rock and the City of Maumelle which are expected to generate additional revenues of \$147,000 in the startup year of 2012 and \$220,000 annually thereafter. The monthly residential rate for sanitation pickup remained at \$20.99. There are approximately 57,700 households currently receiving garbage collection services.

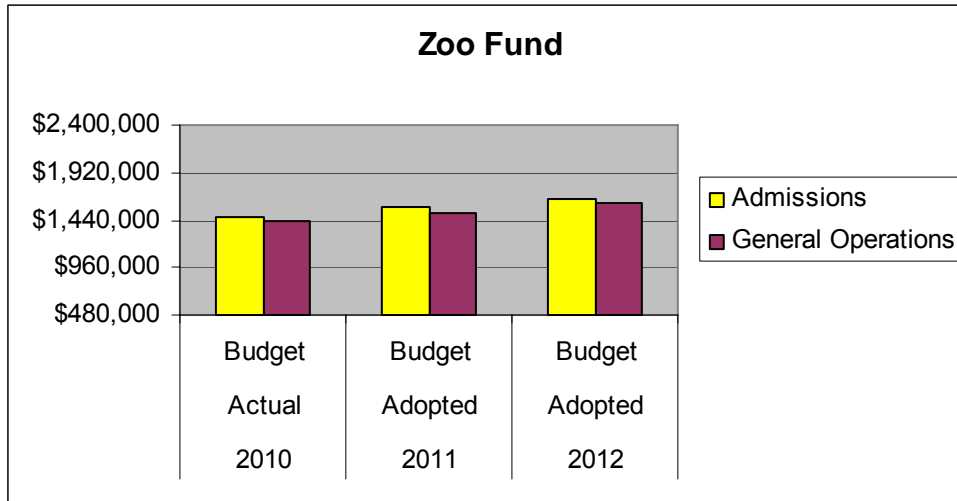
In addition, approximately 280 commercial vendors pay a rate of \$33.37 a month for Waste Disposal services. Sanitation fees are expected to generate approximately \$15.11 million dollars in 2012. Landfill fees are expected to generate approximately \$860,000. Methane gas captured by the landfill is piped to a vendor and is expected to generate \$200,000 in annual revenues.



ZOO

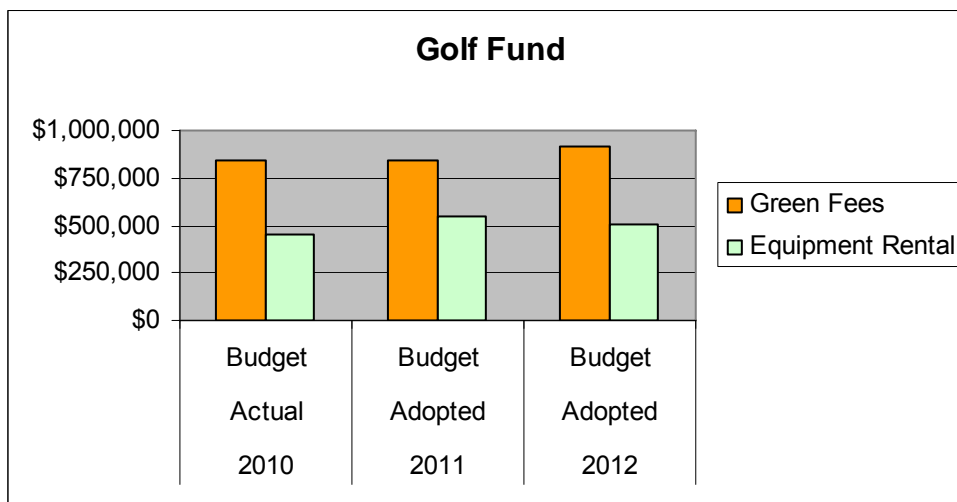
The opening of the Laura P. Nichols Penguin Pointe Exhibit on March 5, 2011 was the catalyst for increased attendance at the Zoo, which experienced a 17% increase in visitors from the previous year.

The number of visitors to the Zoo was the highest in ten (10) years and resulted in increased revenue. In addition, annual membership sales increased by 1,176 households from the previous year. The Zoo receives approximately one third of its funding from the City with the remainder coming from self-generated revenue and private donations. Excluding transfers in and contributed capital, 2011 Zoo revenues were approximately \$486,700 over 2010. Admissions and annual memberships are the largest revenue sources for the Zoo and increased over 24% or \$410,000 from one year ago. In addition, weather always plays a significant role in Zoo revenues.



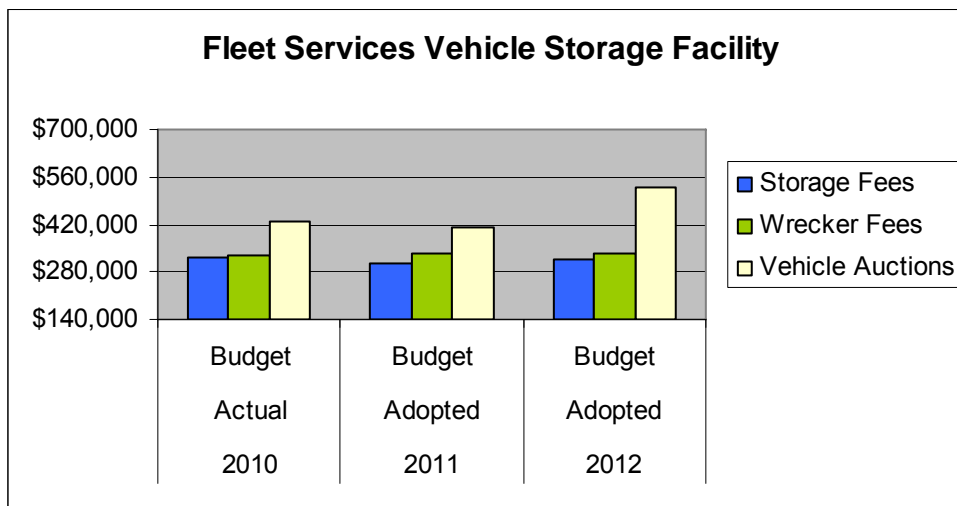
GOLF

The City operates three public golf courses and relies heavily on greens fees and concessions to operate these courses. Rebsamen and Hindman revenues remained at 2010 levels despite fee increases. War Memorial revenues increased 19% compared to 2010 primarily due to the temporary closure of the course in 2010 during park renovations. Excluding transfers in, 2011 Golf revenues increased 6.1% from 2010. There are no fee increases included in the 2012 budget.



VEHICLE STORAGE

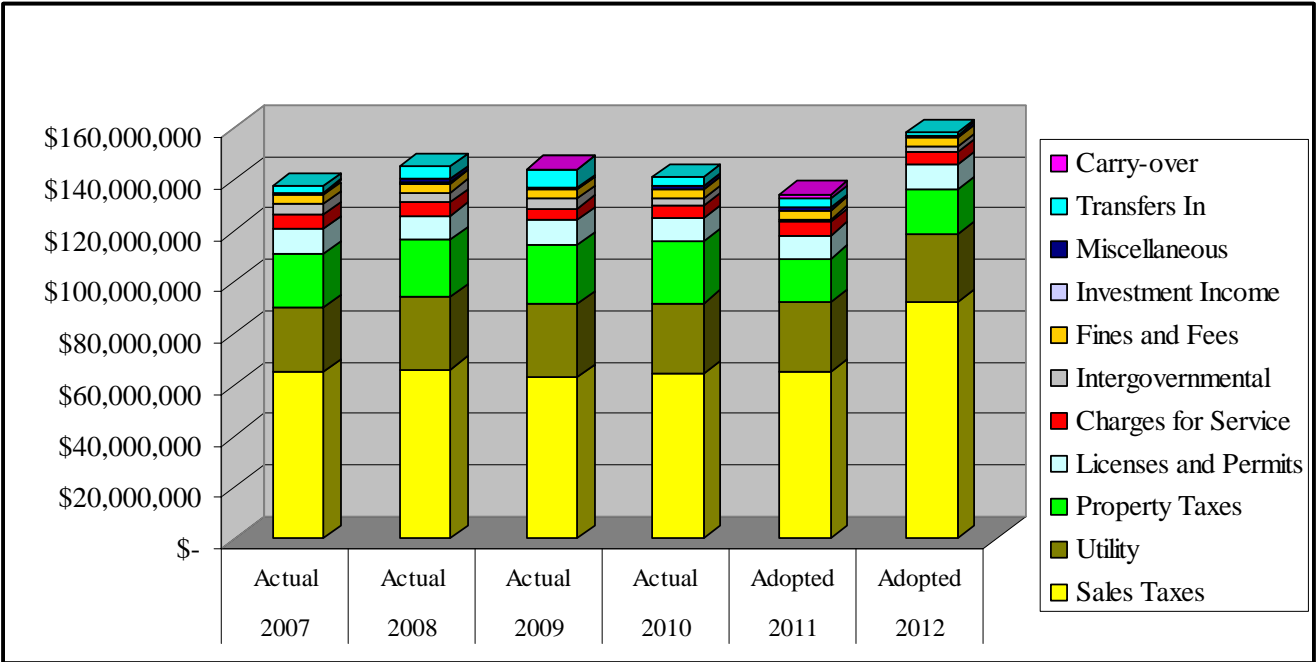
Vehicle Storage revenues are primarily from storage fees, wrecker fees, and auction sales, which generate approximately 89% of total revenues. Storage fees increased from \$35 to \$37 (5.7%) effective January 1, 2011. Recent legislation allowed Vehicle Storage to recognize revenues from auction sales that had been previously deferred. Auction sale revenue increased \$87,817 or 21% based on this legislation. There were actually 75 fewer vehicle sales in 2011 compared to 2010, though the average sales price per vehicle increased by \$151 in 2011. In addition, the demand for scrap metal increased due to higher market values. Over the past three years, the demand for used vehicle parts has increased due to the economic downturn. Total revenues for Vehicle Storage increased \$94,880 or 7.91%.



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. Monthly revenues from the Statehouse and the Rivermarket Garages were higher in 2011 than 2010 but daily parking for the Rivermarket Garage decreased. In addition, street cut revenues are declining due to changes in agreements with utility service providers. The parking garage bonds are expected to be fully redeemed in 2028. Eight (8) new solar-powered pay parking stations will be installed in 2012 on President Clinton Avenue. The installation will decrease the number of free parking spaces at the Rivermarket by 108 spaces. The new meters are expected to generate monthly revenues of approximately \$4,000 with 50% of this total committed to reimburse the installation costs of the meters in the first year.

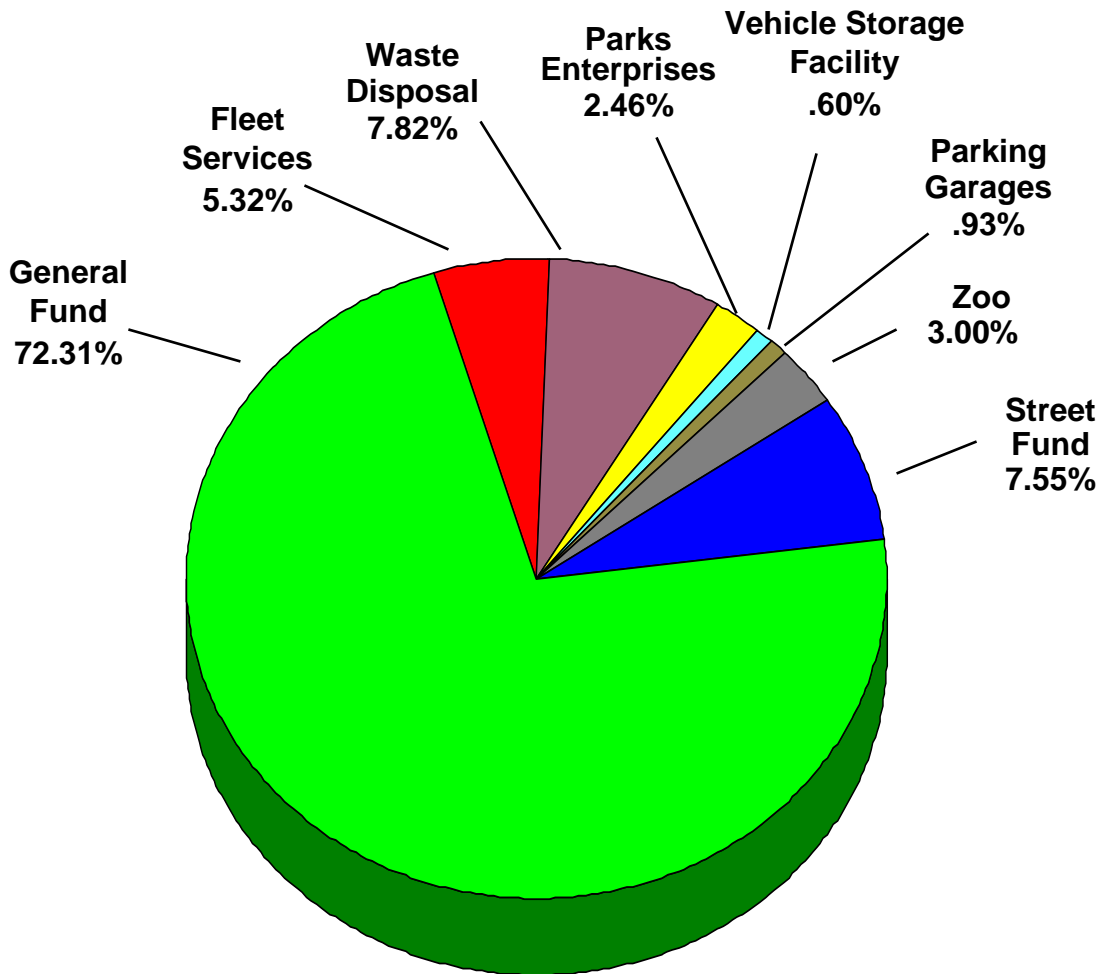
General Fund Revenues Sources and Trends 2007-2012



Expenditures



CITY OF LITTLE ROCK 2012 BUDGET SUMMARY ALL FUNDS EXPENSES



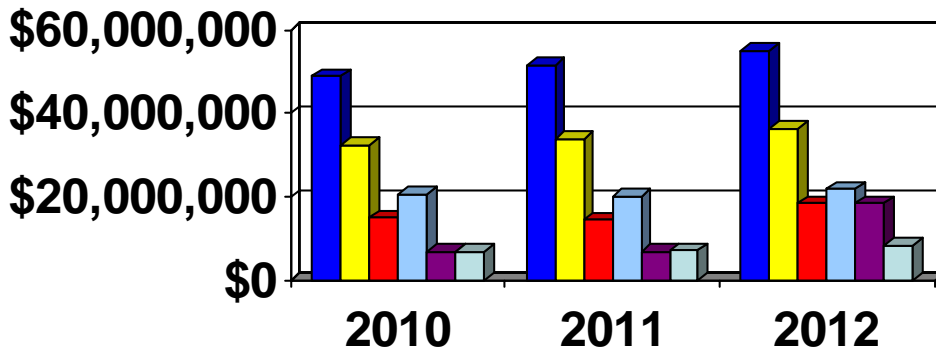
\$219,272,074

**CITY OF LITTLE ROCK
2012 OPERATING & OTHER BUDGETED EXPENDITURES**

GENERAL FUND	2010 ACTUAL	2011 ADOPTED	2011 AMENDED*	2012 ADOPTED	11/12 DIFF	% CHANGE
General Administrative	\$20,124,522	\$20,217,914	\$20,026,560	\$21,821,608	\$1,795,048	9.0%
Board of Directors	213,453	233,632	233,632	236,721	3,089	1.3%
Community Programs	272,668	324,459	273,881	375,610	101,729	37.1%
City Attorney	1,401,365	1,559,402	1,480,944	1,620,798	139,854	9.4%
District Court First Division	1,068,906	1,299,580	1,174,520	1,358,190	183,670	15.6%
District Court Second Division	1,077,451	1,141,280	1,116,304	1,187,972	71,668	6.4%
District Court Third Division	473,973	526,734	488,254	546,736	58,482	12.0%
Finance	2,420,425	2,548,393	2,535,964	2,753,231	217,267	8.6%
Human Resources	1,290,121	1,337,147	1,169,224	1,494,036	324,812	27.8%
Information Technology	2,755,289	3,391,349	3,051,459	4,140,165	1,088,706	35.7%
Planning Development	1,753,799	2,256,555	1,776,156	2,392,680	616,524	34.7%
Housing & Neighborhood Programs	3,572,517	4,304,437	3,715,039	4,678,013	962,974	25.9%
Public Works	986,122	1,183,187	1,029,076	1,124,698	95,622	9.3%
Parks & Recreation	6,506,269	7,179,034	6,507,665	8,528,829	2,021,164	31.1%
Fire	35,689,954	34,059,385	34,336,588	36,255,791	1,919,203	5.6%
Police	50,987,755	51,455,947	48,015,331	55,007,824	6,992,493	14.6%
Vacancy Reductions		(5,500,000)	361,350	(3,500,000)	(3,861,350)	-1068.6%
Sub-total General Operating	130,594,589	127,518,435	\$127,291,947	140,022,902	12,730,955	10.0%
TRANSFERS OUT/OTHER EXPENSES						
Transfer out to Street Fund	194,071	194,071	194,071	886,071	692,000	356.6%
Transfer out to Parks/Zoo	3,358,092	3,258,092	3,258,092	4,659,342	1,401,250	43.0%
Special Projects/PIT	3,109,577	3,400,820	3,610,220	9,464,729	5,854,509	162.2%
Waste Disposal (Recycling)				480,240		
Police & Fire Pension				1,460,531		
Contingency/Reserve				1,586,000	1,586,000	
Sub-total of Transfers Out	6,661,740	6,852,983	7,062,383	18,536,913	7,947,759	112.5%
TOTAL GENERAL FUND	137,256,329	134,371,418	134,354,330	158,559,815	20,678,714	15.4%
OTHER FUNDS						
Public Works - Street	16,353,979	15,164,843	15,238,843	16,551,612	1,312,769	8.6%
Fleet Services	9,528,597	10,488,935	10,888,935	11,667,454	778,519	7.1%
Vehicle Storage Facility	1,348,552	1,184,063	1,184,063	1,326,100	142,037	12.0%
Waste Disposal	16,489,863	17,694,120	17,814,540	17,154,395	(660,145)	-3.7%
River Market	977,074	916,942	916,942	1,164,180	247,238	27.0%
Zoo	5,019,311	5,234,749	5,354,749	6,584,304	1,229,555	23.0%
Golf	2,893,907	2,826,136	2,826,136	2,870,282	44,146	1.6%
Jim Dailey Fitness and Aquatic Center	1,384,195	1,254,126	1,334,126	1,350,071	15,945	1.2%
Parking Garages	1,786,352	1,953,900	1,953,900	2,043,861	89,961	4.6%
Sub-total Other Operating Funds	55,781,830	56,717,814	57,512,234	60,712,259	3,200,025	5.6%
TOTAL ALL FUNDS	\$ 193,038,160	\$ 191,089,232	\$ 191,866,564	\$ 219,272,074	\$ 23,878,739	12.5%

* The 2011 Amended Budget includes a reduction in departmental budgets for vacancy savings achieved throughout the year. A total of \$10,410,631 city-wide, including \$7,461,350 in the General Fund, was achieved by holding budgeted positions unfilled. The balance in vacancy reductions shown in the General Fund is the amount of savings from authorized but unfilled positions in excess of the amended budget target of \$7,100,000.

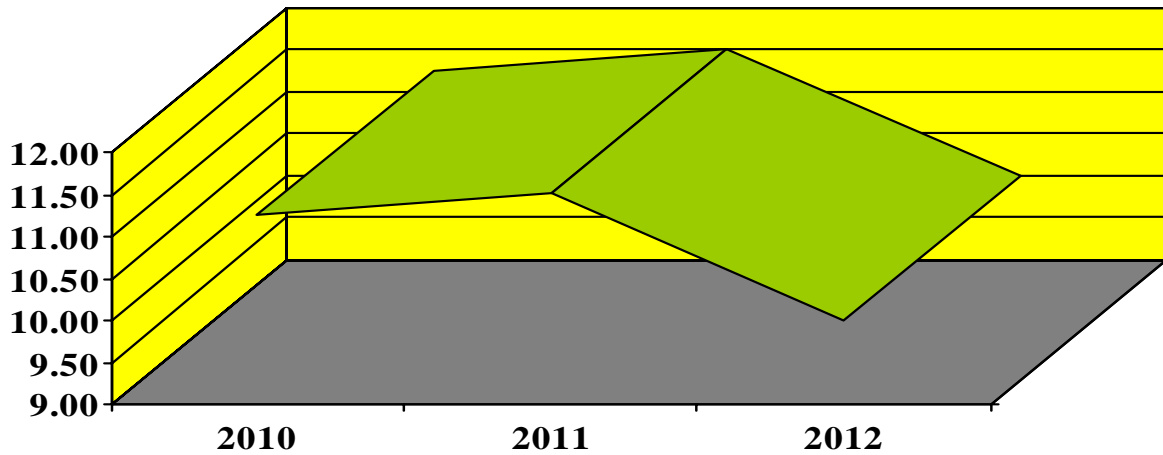
General Government Summary of Appropriations 2010-2012



GENERAL FUND SUMMARY

CATEGORY	ACTUAL 2010	ADOPTED 2011	ADOPTED 2012
Salaries Wages and Employee Benefits	\$102,280,119	\$99,071,787	\$108,123,085
Supplies and Materials	3,357,694	3,832,244	4,794,089
Repairs and Maintenance	4,388,094	4,633,176	5,095,607
Contractual	15,032,813	15,698,883	17,413,714
Capital Outlay	12,483	0	414,062
Debt Service	5,523,386	4,282,345	4,182,345
Transfers	6,661,740	6,852,983	18,536,913
Net City Expenditures	<u>\$137,256,329</u>	<u>\$134,371,418</u>	<u>\$158,559,815</u>
<i>Staffing Level</i>	1,542	1,543	1,590
<i>Ratio</i>	11.26	11.51	10.00

STAFFING LEVEL PER MILLION DOLLARS BUDGETED



**CITY OF LITTLE ROCK
2012 OPERATING EXPENSES**

	2010 Actual Expend.	2011 Adopted Budget	2012 Adopted Budget
GENERAL FUND			
GENERAL ADMINISTRATIVE			
101001 City Clerk	\$ 111,872	\$ 160,365	\$ 168,625
101002 Administrative & General	15,512,406	15,812,351	17,048,095
101003 Employee Benefits	3,173,052	2,738,104	3,030,457
101004 Racial and Cultural Diversity	126,750	177,700	188,094
101006 Mayor & City Manager Administration	912,632	1,027,138	1,050,189
101007 Emergency Management	49,767	48,544	55,171
101008 Small & Minority Women Owned Bus. Dev.	46,475	50,276	53,061
101009 Little Rock Television	191,568	203,436	227,916
Total General Administrative	20,124,522	20,217,914	21,821,608
BOARD OF DIRECTORS			
101111 Board of Directors	213,453	233,632	236,721
COMMUNITY PROGRAMS			
101501 Administration	211,573	260,935	267,128
101503 Operations	61,095	63,524	108,482
Total Community Programs	272,668	324,459	375,610
CITY ATTORNEY			
101801 City Attorney	1,401,365	1,559,402	1,620,798
LITTLE ROCK DISTRICT COURT			
102101 District Court First Division	1,068,906	1,299,580	1,358,190
LITTLE ROCK DISTRICT COURT			
102201 District Court Second Division	1,077,451	1,141,280	1,187,972
LITTLE ROCK DISTRICT COURT			
102301 District Court Third Division	473,973	526,734	546,736
FINANCE			
102501 Administration	458,248	511,848	516,933
102515 Budget	140,246	147,974	160,033
102520 Internal Audit	143,828	149,784	159,169
102530 Accounting and Reporting	408,209	431,044	481,331
102531 Accounts Payable	244,334	255,944	271,096
102535 Payroll	175,275	181,514	198,613
102540 Treasury Management	529,225	508,151	532,672
102550 Purchasing	195,026	204,890	221,017
102555 Print Shop	(15,036)		
102560 Grants Management	141,070	157,244	212,367
Total Finance	2,420,425	2,548,393	2,753,231
HUMAN RESOURCES			
102701 Human Resources	1,290,121	1,337,147	1,494,036
INFORMATION TECHNOLOGY			
103001 Administration	355,299	498,613	997,986
103010 Application Programming	875,459	997,156	1,102,846
103030 Networking	1,524,531	1,895,580	2,039,333
Total Information Technology	2,755,289	3,391,349	4,140,165

**CITY OF LITTLE ROCK
2012 OPERATING EXPENSES**

	2010 Actual Expend.	2011 Adopted Budget	2012 Adopted Budget
PLANNING AND DEVELOPMENT			
103301 Administration & Budge	222,936	228,310	262,830
103310 Planning	219,205	371,109	399,526
103320 Zoning & Subdivisior	561,606	753,889	798,317
103330 Building Codes	750,052	903,247	932,007
Total Planning and Developer	1,753,799	2,256,555	2,392,680
HOUSING AND NEIGHBORHOOD PROGRAMS			
103501 Administration	288,731	288,294	298,643
103510 Animal Services	804,397	975,209	1,089,588
103520 CDBG - Housing Programs	45,251	47,554	2,680
103530 Neighborhood Program:	1,464,067	1,963,487	2,210,400
103539 Neighborhood Alert Center:	582,502	631,991	656,380
103540 Neighborhood Resource Cente	172,974	186,841	191,899
103550 Environmental Service:	214,595	211,061	228,423
Total Housing and Neighborhood Program	3,572,517	4,304,437	4,678,013
PUBLIC WORKS			
104010 Building Services	986,122	1,123,338	1,061,472
104020 Asset Management		59,849	63,226
Total Public Works	986,122	1,183,187	1,124,698
PARKS AND RECREATION			
104501 Administration	304,431	314,780	335,039
104503 Design Scheduling	304,213	315,540	335,777
104510 Resources Administrator	282,546	373,779	394,996
104511 Cultural Museum	126,195	121,359	179,336
104512 Therapeutic	101,811	138,517	164,730
104521 Development and Maintenanc	105,967	116,016	121,394
104522 Operations and Improvement Developmei	761,404	832,695	997,549
104523 Park Maintenance	1,567,078	1,639,462	2,141,849
104524 Horticulture	509,591	565,914	828,019
104525 Urban Forestry	202,678	238,906	371,808
104530 Recreation Administrator	96,298	135,849	122,868
104531 Community Center Administrator	91,190	109,244	113,536
104532 Dunbar Community Cente	318,817	333,922	397,743
104533 East Little Rock Recreation Cente	64,535	88,895	93,785
104534 Senior Programs	60,646	61,758	61,758
104536 Southwest Community Cente	397,903	468,221	525,134
104537 Stephens Community Cente	237,494	249,009	230,183
104538 University Park Adult Cente	183,803	231,404	252,330
104550 Swimming Pools	1,283		
104556 Athletics/Playgrounds	528,862	570,750	578,745
104557 Tennis Center Operations	196,623	189,834	199,070
104558 N.W. Hill Community Comple	62,901	83,180	83,180
Total Parks and Recreation	6,506,269	7,179,034	8,528,829

**CITY OF LITTLE ROCK
2012 OPERATING EXPENSES**

	2010 Actual Expend.	2011 Adopted Budget	2012 Adopted Budget
FIRE			
105101 Administration	*	5,050,376	1,034,374
105120 Fire Suppressing and Rescue		28,272,590	30,528,274
105130 Fire Prevention - Investigatio		670,212	725,958
105140 Fire Training		680,261	754,423
105150 Crash Fire Rescue - Airpor		1,016,515	1,016,356
Total Fire		<u>35,689,954</u>	<u>34,059,385</u>
POLICE			
105201 Administration	*	6,436,288	2,221,988
105210 Internal Affairs		538,806	573,098
105215 Organized Crime - Intelligenc		4,410,345	4,439,148
105220 Training and Crime Preventio		1,427,035	1,449,559
105225 Detectives		5,928,933	6,490,664
105230 Downtown Patro		7,465,398	8,812,004
105235 Southwest Patro		6,121,299	6,909,484
105240 Special Operations		4,346,797	4,620,779
105245 WW Willams Northwest Substation		6,060,656	6,306,770
105250 Airport Police		1,577,539	1,406,312
105255 Police Records Support Servic		4,038,944	4,761,535
105260 Communication Cente		2,635,715	3,464,606
Total Police		<u>50,987,755</u>	<u>51,455,947</u>
Less Vacancy Reductior		<u>(5,500,000)</u>	<u>(3,500,000)</u>
General Fund Operating Tota		<u>130,594,589</u>	<u>127,518,435</u>
TRANSFER/OUT OTHER EXPENSES			
Transfer out to Street Fund		194,071	194,071
Grant Fund		80,117	200,000
Transfer out to Parks/Zoc		3,358,092	3,258,092
Special Projects/PIT		3,029,460	3,200,820
Waste Disposal (Recycling)			480,240
Police & Fire Pensior			1,460,531
Contingency/Reserv			1,586,000
Sub-total		<u>6,661,740</u>	<u>6,852,983</u>
GENERAL FUND TOTAL		<u>137,256,329</u>	<u>134,371,418</u>

* Actual 2010 Fire and Police Administration include pension contributions supported by a separ: tax levy and State Pension Turnback funds that are passed through and not included in the annual budg

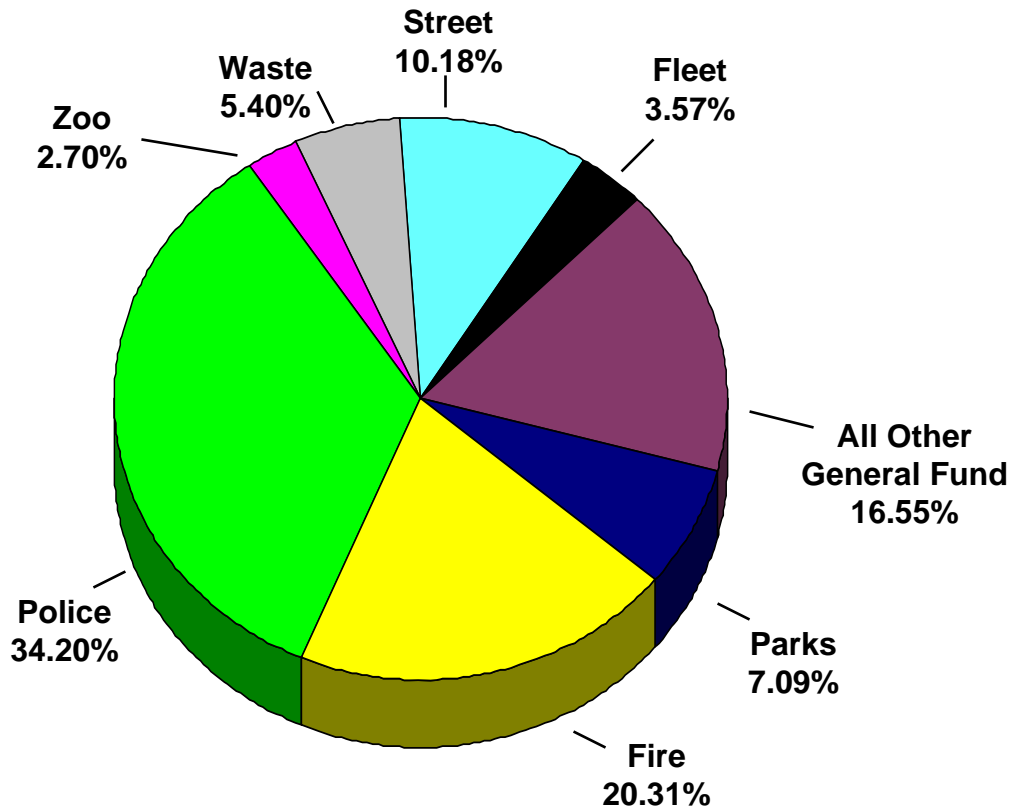
PUBLIC WORKS - STREET

204001 Administration	2,444,715	793,255	1,155,600
204002 Operations Administrator	529,277	543,436	566,400
204003 Street and Drainage Maintenanc	5,436,988	5,893,168	6,538,743
204005 Storm Drain Maintenanc	761,841	803,553	860,545
204006 Work Pool	98,055	129,485	145,182
204007 Resource Control and Scheduling	325,565	336,661	371,584
204008 Control Devices	798,748	849,215	885,856
204010 Signals	853,327	909,622	971,698
204015 Parking Meters	84,081	90,993	96,315
204020 Civil Engineering	1,233,071	1,258,970	1,338,163
204025 Traffic Engineering	3,592,881	3,303,301	3,356,216
204030 Parking Enforcement	195,430	253,184	265,310
Total Street Fund	<u>16,353,979</u>	<u>15,164,843</u>	<u>16,551,612</u>

**CITY OF LITTLE ROCK
2012 OPERATING EXPENSES**

	2010 Actual Expend.	2011 Adopted Budget	2012 Adopted Budget
FLEET SERVICES			
600001 Administration	666,204	1,250,995	509,553
600011 Acquisition & Dispos	5,540,645	5,806,667	7,086,029
600020 Financial Managemen	228,937	295,302	307,461
600031 Maintenance Administrator	3,092,811	3,135,971	3,764,411
Total Fleet Services	9,528,597	10,488,935	11,667,454
FLEET SERVICES VEHICLE STORAGE FACILITY	1,348,552	1,184,063	1,326,100
WASTE DISPOSAL			
603101 Administration	2,864,899	3,905,899	2,478,956
603110 Collection	8,961,035	9,614,463	9,929,969
603120 Disposal	3,551,791	2,528,318	3,780,477
603125 Composting	449,690	523,250	577,493
603130 Waste Managemen	662,448	1,122,190	387,500
Total Waste Disposal Fund	16,489,863	17,694,120	17,154,395
RIVERMARKET	977,074	916,942	1,164,180
ZOO			
607101 Zoo Administrator	1,168,101	1,040,556	1,165,548
607110 Zoo Concessions	219,200	275,206	302,314
607120 Zoo Educator	38,239	121,420	201,303
607130 Zoo Gift Shop	229,624	198,680	218,680
607140 Zoo Membership	12,260	55,900	57,966
607150 Zoo Special Events	80,751	79,250	79,250
607160 Zoo Marketing & Promotion:	243,975	249,110	420,939
607170 Zoo Facilities Operator	1,213,966	1,240,524	1,887,658
607180 Animal Managemen	1,416,967	1,605,122	1,835,923
607190 Visitor Service Administrator	396,228	368,981	414,723
Total Zoo Fund	5,019,311	5,234,749	6,584,304
GOLF			
609101 Administration	766,607	759,946	678,563
609110 Rebsamen Golf Prc	398,022	366,272	388,717
609111 Rebsamen Golf Maintenance	599,921	576,631	634,134
609112 Rebsamen Pro Golf Concessions	55,623	58,533	58,533
609120 War Memorial Golf Prc	254,323	243,510	256,345
609121 War Memorial Golf Maintenance	295,651	274,144	305,196
609140 Hindman Pro Golf	290,313	296,815	294,128
609141 Hindman Golf Maintenance	233,447	250,285	254,666
Total Golf Fund	2,893,907	2,826,136	2,870,282
JIM DAILEY FITNESS AND AQUATIC	1,384,195	1,254,126	1,350,071
PARKING GARAGES	1,786,352	1,953,900	2,043,861
GRAND TOTAL ALL FUNDS	\$ 193,038,160	\$ 191,089,232	\$ 219,272,074

CITY OF LITTLE ROCK 2012 ALLOCATION OF FULL TIME PERSONNEL



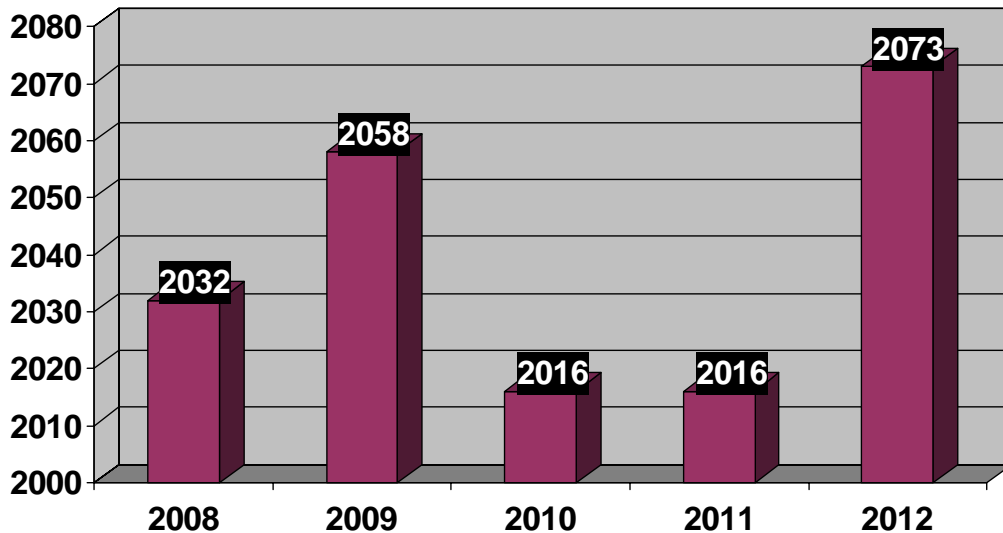
■ Police	709	■ Fire	421	■ Street	211
■ Waste	112	■ Zoo	56	■ All Other General Fund	343
■ Fleet & Storage Facility	74	■ Parks	147		

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

	2010 Adopted Budget	2011 Adopted Budget	2012 Adopted Budget
<u>General Fund</u>			
General Administrative	25	25	26
Board of Directors	1	1	1
Community Programs	6	7	8
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	7
Finance	40	40	40
Human Resources	18	18	19
Information Technology	37	38	38
Planning & Development	39	39	39
Housing & Neighborhood Programs	94	94	96
Public Works - General	13	13	13
Parks & Recreation	100	100	117
Fire	408	408	421
Police	698	697	709
Subtotal General Fund	<u>1,542</u>	<u>1,543</u>	<u>1,590</u>
<u>Other Funds</u>			
Public Works - Street	210	210	211
Fleet Services	60	60	59
Waste Disposal	112	112	112
River Market			
Zoo	45	46	56
Vehicle Storage Facility	17	15	15
Golf	21	21	21
Jim Dailey Fitness & Aquatics Center	9	9	9
Subtotal Other Funds	<u>474</u>	<u>473</u>	<u>483</u>
Total Personnel	<u>2,016</u>	<u>2,016</u>	<u>2,073</u>

CITY OF LITTLE ROCK FULL-TIME PERSONNEL AUTHORIZATIONS 2008 - 2012

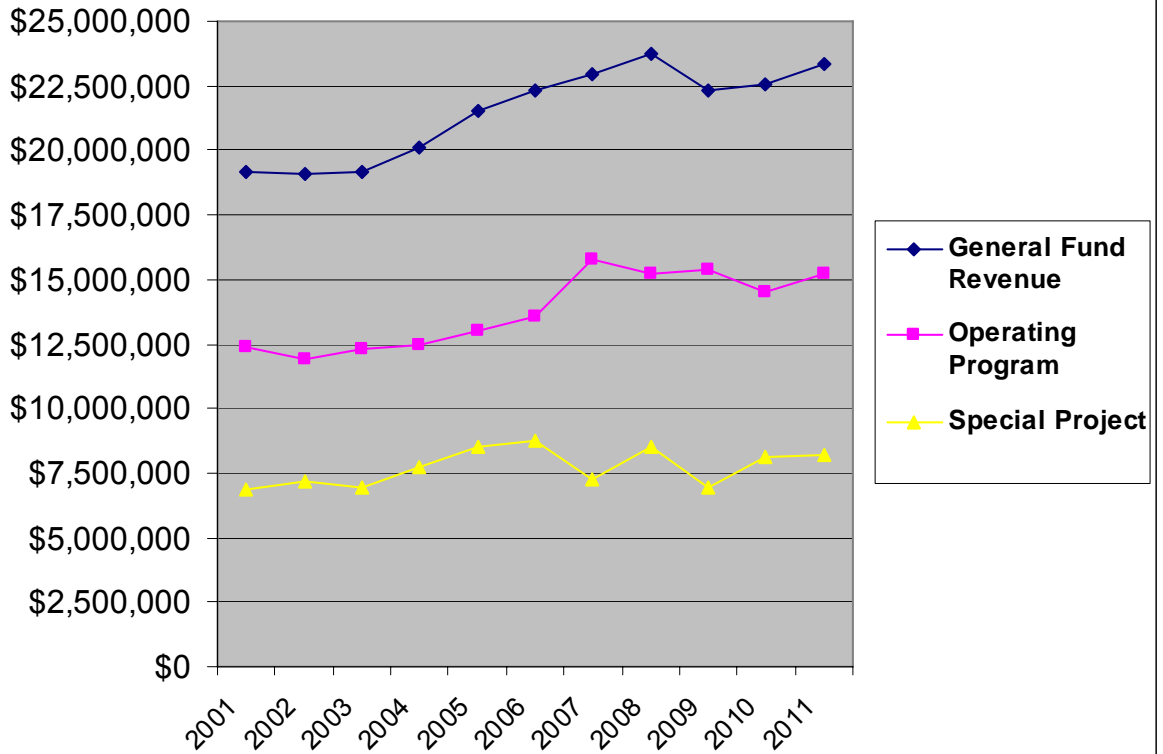
EMPLOYEES



The net change in personnel between 2011 and 2012 total positions are as indicated in the chart below.

2011 Adopted Budget	2,016
General Administration	1
Community Programs	1
Human Resources	1
Housing	2
Parks	17
Fire	13
Police	12
Street	1
Fleet	(1)
Zoo	10
2012 Adopted Budget	<u><u>2,073</u></u>

City of Little Rock 1/2% Sales Tax 2000 - 2011

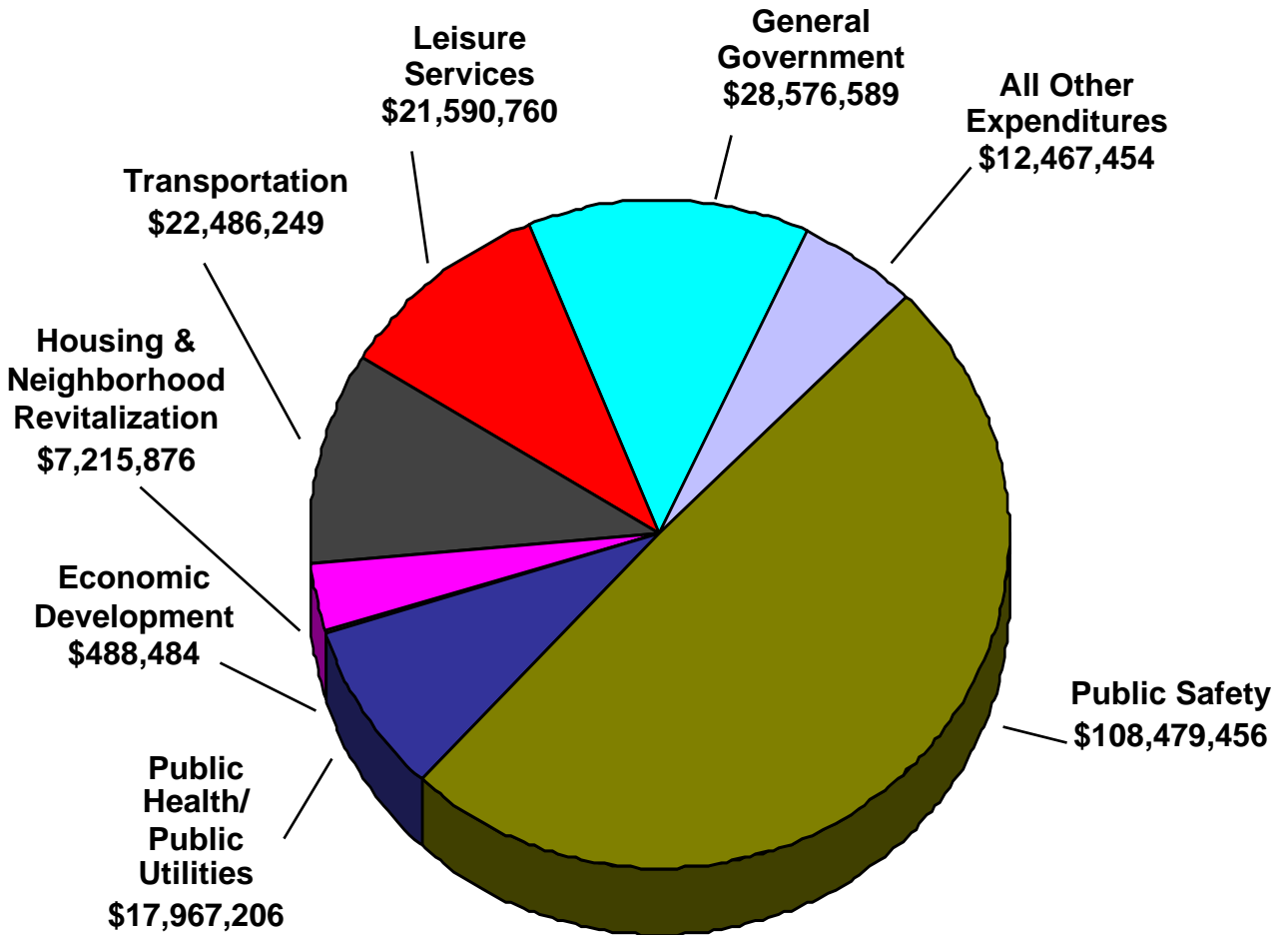


The 1/2 City Sales Tax accounts for the revenue and expenditures used for operating programs and special projects.

**CITY OF LITTLE ROCK
2012 GENERAL FUND EXPENDITURES**

	2010 Adopted Budget	2011 Revised Budget	2012 Adopted Budget
SPECIAL PROJECTS			
Children, Youth, & Families (CYF)	\$2,500,000	\$2,500,000	\$5,500,000
Facility Improvements	225,000	225,000	975,000
Annual Fleet Replacement			800,000
Supplemental Jail Funding	240,000		300,000
Homelessness Outreach	200,000	200,000	250,000
Land Bank		68,420	168,420
Demolition (Residential & Commercial)			150,000
Board & Secure			100,000
Weed Lot Maintenance			75,000
Curran Hall	50,000	50,000	35,000
Federal & State Legislative Consulting	45,000	45,000	45,000
Environmental Youth (Parks)			37,500
American Disability Act (ADA)	30,000	30,000	30,000
Work Boots	25,000	25,000	25,000
2010 Census	25,000		
Junction Bridge	15,000	25,000	25,000
Sister Cities	20,000	20,000	20,000
Neighborhood Challenge Grant			15,000
National Night Out	10,000	10,000	10,000
Worldfest			10,000
Neighborhood Connection	2,400	2,400	2,400
Total Special Projects	3,387,400	3,200,820	8,573,320
GRANT MATCH			
TIGER III Grant			500,000
Undesignated	80,000	150,000	150,000
AEDC-CNG Station Grant			114,695
Police Universal COPS Grant Match	70,000		
Fire Granr Match:	50,000		
Driving Simulator			66,714
Prevention Grant			10,000
Parks & Recreation Outdoor Grant			25,000
National Endowments of the Arts (NEA)			25,000
Central LR Promise Neighborhood		50,000	
Total Grant Match	200,000	200,000	891,409
GRAND TOTAL	\$3,587,400	\$3,400,820	\$9,464,729

CITY OF LITTLE ROCK 2012 OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY



\$219,272,074

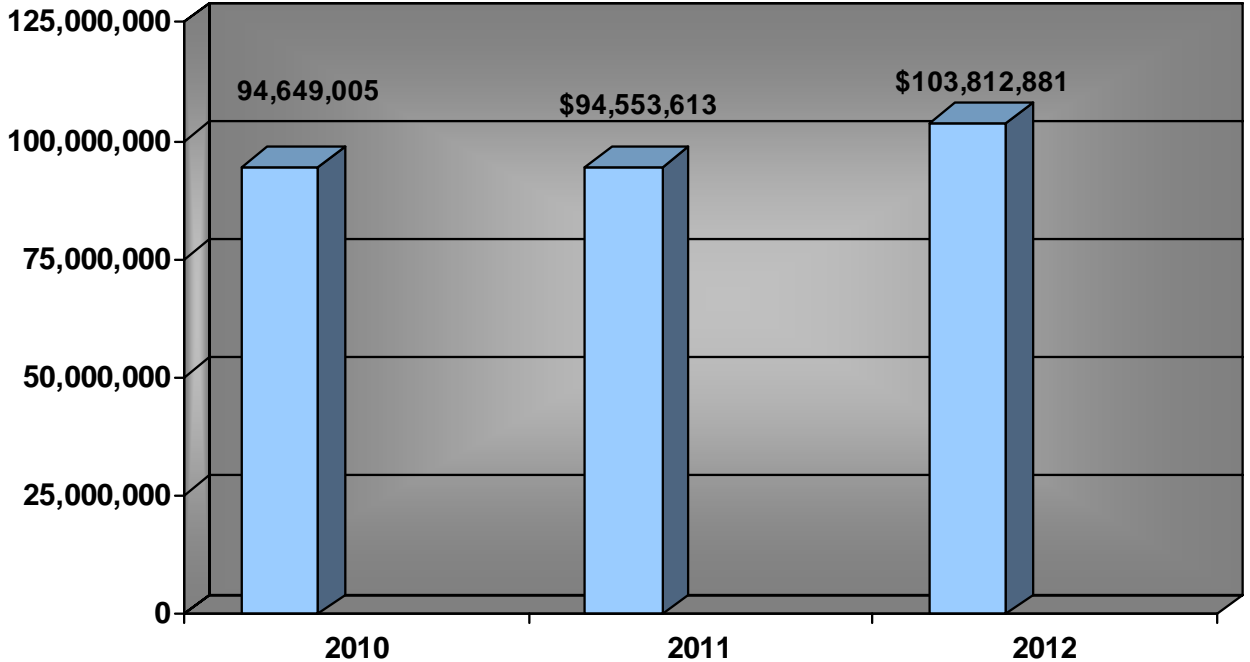
CITY OF LITTLE ROCK
ADOPTED OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY
2011 - 2012

<u>Service/Program Category</u>	<u>2011 Budget</u>	<u>% to Total</u>	<u>2012 Budget</u>	<u>% to Total</u>
<u>Public Safety</u>				
Police	\$51,455,947		\$55,968,373	
Fire	33,043,029		35,772,953	
Street Lights, Traffic Signals & Signs	5,062,138		5,213,770	
Little Rock District Court First Division	1,299,580		1,358,190	
Animal Services	975,209		1,089,588	
Little Rock District Court Second Division	1,141,280		1,187,972	
Children, Youth & Families	2,500,000		5,500,000	
Community Programs	524,459		625,610	
Pulaski County Regional Detention Facility	1,463,000		1,763,000	
Total Public Safety	97,464,642	51.0%	108,479,456	49.5%
<u>Public Health/Public Utilities</u>				
Waste Disposal	15,119,669		16,442,444	
Little Rock District Court Third Division	526,734		546,736	
Arkansas Emergency Physician Foundation	36,000		36,000	
Saint Vincent's	25,381		25,381	
Storm Drainage	803,553		860,545	
Pulaski County Health Department	56,100		56,100	
Total Public Health/Public Utilities	16,567,437	8.7%	17,967,206	8.2%
<u>Economic Development/Employment</u>				
Little Rock Chamber of Commerce	200,000		200,000	
Metroplan	163,484		163,484	
Downtown Partnership/Empowerment Zone	125,000		125,000	
Total Economic Development/Employment	488,484	0.3%	488,484	0.2%
<u>Housing and Neighborhood & Waste Disposal Revitalization, Growth & Development</u>				
Planning & Development Department	2,386,055		2,522,180	
Alert Centers	631,991		656,380	
Neighborhood Resource Center	186,841		191,899	
Housing & Neighborhood Prog. Admin.	2,510,396		2,740,146	
Demolition, Weed Lot Maintenance, Board/Secure	990,271		1,105,271	
Total Housing & Neighborhood Revitalization, Growth	6,705,554	3.5%	7,215,876	3.3%

City of Little Rock
Adopted Operating Budgets by Service Program Category
2010 - 2011

<u>Service/Program Category</u>	<u>2010 Budget</u>	<u>% to Total</u>	<u>2011 Budget</u>	<u>% to Total</u>
<u>Transportation Services</u>				
Central Arkansas Transit Authority	6,602,836		7,511,153	
Streets	9,099,975		10,260,672	
Parking	344,177		361,625	
Parking Garages	1,953,900		2,043,861	
Vehicle Storage Facility	1,184,063		1,326,100	
Airport Rescue	1,016,356		982,838	
Total Transportation Services	20,201,307	10.6%	22,486,249	10.3%
<u>Leisure Services/Cultural Support/ Conventions & Tourism</u>				
Parks & Recreation	7,432,675		8,724,493	
Golf	2,826,136		2,870,282	
Jim Dailey Fitness Aquatic Center	1,254,126		1,350,071	
River Market	916,942		1,164,180	
Zoo	5,234,749		6,584,304	
Cultural Institutes:				
Arts Center	200,000		300,000	
Museum of Discovery	200,000		200,000	
MacArthur Military Museum	121,359		179,336	
Sister Cities Commission	20,000		20,000	
Racial & Cultural Diversity Commission	177,700		198,094	
Total Leisure Services/Cultural Support/Conventions	18,383,687	9.6%	21,590,760	9.8%
<u>General Government Support</u>				
Board of Directors	233,632		236,721	
General Administrative	10,311,076		16,231,940	
Finance	2,548,393		2,753,231	
Human Resources	1,337,147		1,494,036	
City Attorney	1,559,402		1,620,798	
Information Technology	3,391,349		4,140,165	
Building Services/Asset Management	1,408,187		2,099,698	
Total General Government Support	20,789,186	10.9%	28,576,589	13.0%
<u>All Other Expenditures</u>				
Fleet Services	10,488,935		12,467,454	
Total Other Expenditures	10,488,935	5.5%	12,467,454	5.7%
Grand Total	\$191,089,232	100.0%	\$219,272,074	100.0%

CITY OF LITTLE ROCK PUBLIC SAFETY REVENUES & EXPENDITURES COMPARISONS



Revenues	\$141,143,481	\$134,371,418	\$158,559,815
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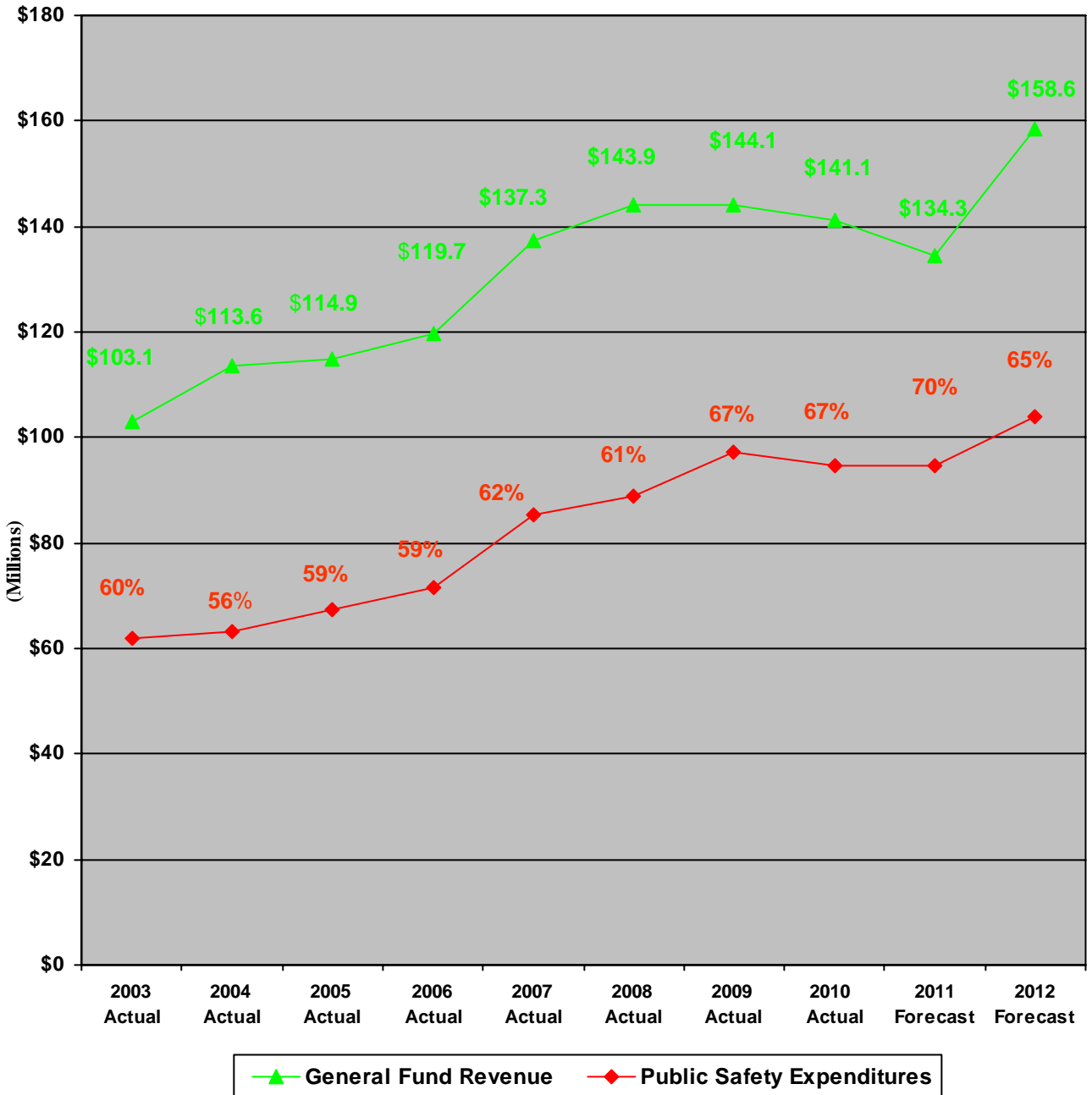
Expenditures Percentage	67%	70%	65%
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	2010	2011	2012
Fire	\$35,689,954	\$34,059,385	\$36,255,791
Police	50,987,755	51,455,947	55,007,824
District Court First Division	1,068,906	1,299,580	1,358,190
District Court Second Division	1,077,451	1,141,280	1,187,972
District Court Third Division	473,973	526,734	546,736
Alert Centers	582,502	631,991	656,380
Neighborhood Programs (Rental Inspection)	1,464,067	1,963,487	2,210,400
Animal Services	804,397	975,209	1,089,588
Prevention Intervention & Treatment	2,500,000	2,500,000	5,500,000
Public Safety Expenditures	94,649,005	94,553,613	103,812,881

General Fund Revenue	\$141,143,481	\$134,371,418	\$158,559,815
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Percentage of General Fund Expenditures Devoted to Public Safety	67%	70%	65%
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CITY OF LITTLE ROCK PUBLIC SAFETY OPERATING EXPENDITURES AS A PERCENTAGE OF GENERAL FUND REVENUE 2002-2012



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.

1988 Capital Improvements Fund – Accounts for the proceeds of the 1988 Capital Improvement Bonds issued to finance improvements to the streets and drainage systems, parks, arts center, museum and Robinson Auditorium, as well construct a new police substation, a library branch and two fire stations. 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 2010 Capital Improvements section.

1995 Capital Improvements Fund – Accounts for the proceeds of the 1995 Series B Capital Improvement Bonds issued to finance capital improvements including streets, parks, drainage, firefighting, police and community centers.

2004 Capital Improvements – 2004 Limited Tax General Obligation Refunding Bonds were issued to finance capital improvements within the City of Little Rock, to fund capitalized interest and to pay the costs of issuance of the Bonds. These bonds are limited tax general obligations secured by all proceeds derived from the 3.3 mills annual ad valorem tax located with the City. The remaining funds available from interest earnings on these bond funds have been allocated to a traffic signal and intersection improvements at Vimy Ridge Road and Alexander Road. Any residual balance may be allocated to retire debt on the bonds.

2004 Central Arkansas Library Capital Improvements – Accounts for the proceeds of the 2004A and 2004B Library Improvement and Refunding Bonds issued to refund the Series 1999B Library Improvement and Refunding Bonds and the Series 2002 Library Improvement Bonds, to finance the cost of acquiring, constructing and equipping capital improvements to the public city libraries operated by the City and the Central Arkansas Library System, and to pay the costs of issuance of the bonds. Library capital improvements are maintained by the Central Arkansas Library System.

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 obligation of the City but are 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 2010 Capital Improvements section.

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

2009A 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.

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 intends to issue a new short-term financing note in 2012 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 note from 2013 – 2017. Interest payments on the note will be appropriated from general fund revenues.

Funding will be included for the following projects:

<u>Public Safety Buildings, Equipment, and Vehicles</u>	<u>Total</u>
<u>Land and Buildings</u>	
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
	<u>9,885,000</u>
<u>Equipment and Vehicles</u>	
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
	<u>8,695,000</u>
	<u><u>\$18,580,000</u></u>

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:

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

3/8-Cent Sales Tax Capital Project Description	Project Cost Estimate
Jobs/Economic Development:	
Port Expansion: land acquisition, utilities, streets	\$10,000,000
Research Park: land acquisition, utilities, streets	22,000,000
Economic Development Infrastructure	6,000,000
Total Jobs/Economic Development	\$38,000,000
Parks and Recreation, Zoo and Tourism:	
Parks and Recreation:	
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
Zoo:	
Capital Upgrades	8,000,000
Tourism:	
State Fair Infrastructure	3,000,000
Total Parks and Recreation, Zoo and Tourism	\$28,284,000
Other Priorities:	
Fleet Replacement	\$9,250,000
Information Technology Capital	7,020,000
Total Other Priorities	\$16,270,000
Grand Total	\$195,843,000

2012 CAPITAL IMPROVEMENTS

In September 2011, citizens approved a new three-eighths (3/8)-cent sales tax dedicated to capital improvements. The sales tax, which is effective on January 1, 2012, 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 Infrastructure fund, the 2004 Capital Improvements Bond funds, 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 new 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 \$44,214,600 are planned in 2012 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
POLICE				
Thirty-Six (36) Police Cars - Dodge Chargers	36	815,842	6 - 8 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
Undesignated Funds		174,158	6 - 8 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
Motorcycles	6	98,028	4 - 6 Yrs.	5/8-cent Sales Tax - Spec. Proj.
Chevrolet Tahoes	2	49,950	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
Upfitting Charges		9,212		5/8-cent Sales Tax - Spec. Proj.
Undesignated - Police Vehicles and Equip.		717,810	6 - 8 Yrs.	3/8-cent Sales Tax.
FIRE ADMINISTRATION				
Dodge Durango	1	25,221	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
Dodge Ram 1500	3	49,779	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
HOUSING & NEIGHBORHOOD PROGRAMS				
Twenty-Five (25) Code Enforcement Trucks	25	350,000	6 - 8 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
PUBLIC WORKS - STREET OPERATIONS				
½-Ton 4x4 Crew-Cab Pickup	1	27,000	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
1-Ton Crew Cab Dump Truck 4x4	1	38,500	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
¾ Ton Pickup	1	19,000	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
½-Ton Extended Cab Pickup 4x4	2	47,000	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
½-Ton Extended Cab Pickup	1	21,000	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
Backhoe 4x4	1	76,000	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
¾ Ton 4x4 Crew-Cab Pickup	1	24,500	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
12-Ton Tilt Trailer	1	28,000	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
Snow Plow Attachment	2	39,000	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
Three (3) -- ½ ton extended cab pickup trucks	3	53,151	8 - 10 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
Sixty Foot (60') Pole Trailer	1	34,349	8 - 10 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
PARKS & RECREATION				
¾-Ton LB Crew Cab Pickups	3	60,030	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
72" Mowers	4	48,000	4 - 6 Yrs.	5/8-cent Sales Tax - Spec. Proj.
Tractor, 38HP w/Top & Loader Bucket	1	20,000	6 - 8 Yrs.	5/8-cent Sales Tax - Spec. Proj.
Bunker Rake w/Attachments	1	18,000	8 - 10 Yrs.	5/8-cent Sales Tax - Spec. Proj.
Other		3,950		5/8-cent Sales Tax - Spec. Proj.
¾-Ton Long Bed Crew Cab Pickup	1	20,010	8 - 10 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
¾-Ton Extended Bed 4-Wheel Drive Pickup w/	1	22,054	8 - 10 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
¾-Ton 4-Wheel Drive Long Bed Pickup w/winc	1	20,136	8 - 10 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
¾-Ton 4-Wheel Drive Long Bed Pickup	1	20,136	8 - 10 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
1-Ton Flatbed Crew Cab Diesel Dump Truck	1	29,755	8 - 10 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
Grasshopper Turbine Blower	1	4,500	3 - 4 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
Six (6) 72" Mowers	6	72,000	4 - 6 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
Four (4) Equipment Trailers	4	16,000	8 - 10 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
Four-Wheeler x/spray tank	1	13,000	4 - 6 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
4-Wheel Drive 2 Seat ATV w/dump bed & winc	1	15,500	4 - 6 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
4-Wheel Drive 2 Seat ATV w/dump bed	1	14,500	4 - 6 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
Combo Track Loader w/tree spade & mulch he	1	95,000	8 - 10 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
Trailer for Combo Track Loader	1	10,000	8 - 10 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
Undesignated Funds		5,909		2012 Short-term / 3/8 Cent Sales Tax
		<u>3,205,980</u>		

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
FIRE				
Aerial/ladder truck	1	744,500	15 - 20 Yrs.	2011 Short-term Financing
Engines	2	890,500	15 - 20 Yrs.	2011 Short-term Financing
WLR Fire Truck (incl. upfit)	1	514,000	15 - 20 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
WASTE DISPOSAL				
Grinder - Compost Facility	1	750,000	8 - 10 Yrs.	2011 Short-term Financing
Side-load Garbage Trucks	4	1,000,000	8 - 10 Yrs.	2011 Short-term Financing
Rear-load Garbage Trucks	2	300,000	8 - 10 Yrs.	2011 Short-term Financing
PUBLIC WORKS - STREET OPERATIONS				
Vac-con Machine	1	300,000	8 - 10 Yrs.	2011 Short-term Financing
Dump Trucks (w/salt spreaders/snow plows)	2	200,000	8 - 10 Yrs.	2011 Short-term Financing
Street Sweepers	2	400,000	5 - 7 Yrs.	2011 Short-term Financing
PARKS & RECREATION				
16-Yard Garbage Truck, Automatic Transmission	1	125,000	6 - 8 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
12-Yard Dump Truck, Automatic Transmission	1	114,000	8 - 10 Yrs.	2012 Short-term / 3/8 Cent Sales Tax
		<u>5,338,000</u>		

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 \$5.9 million was spent through 2011 on land improvements, building improvements and other smaller projects. The remaining funded projects are expected to be completed in 2012 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 start up, ongoing maintenance is estimated at \$4,000 per acre. Zoo operating costs are based on the specific exhibit and associated animal care needs.

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
- **2012 Estimated Expenditures:** \$207,000
- **Estimated Completion Date:** May 2012
- **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 play ground, 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.
- **2012 Estimated Expenditures:** \$930,000
- **Estimated Completion Date:** December 2012
- **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.

West Central Ball Complex - Little Rock Parks and Recreation recently acquired what was originally called the Rosedale Optimist Club and Ball Park. Funding will allow for acquisition of key parcels of land that will contribute to the Park's master plan which envisions a multi-field complex and community center.

- **Estimated Total Project Cost:** \$250,000
- **2012 Estimated Expenditures:** \$11,000
- **Estimated Completion Date:** May 2012
- **Estimated Increase to Operating Expenditures:** Increased operating expense of \$104,971 is projected for staffing, utilities, maintenance, and supplies based on the acreage of the ball park.

Ottenheimer Community Center – In 2010, the Ottenheimer Community Center was totally destroyed by fire. Combining these funds with insurance coverage and CDBG Funds will allow for construction of approximately 3,000 square feet of new recreation center to serve local community. This new center will be tailored to support the Recreational Therapy program, which provides leisure pursuit opportunities for mentally and physically challenged children and adults.

- **Estimated Total Project Cost:** \$682,000
- **Funding Sources:** \$150,000 2009A Capital Construction Revenue Bonds; \$228,000 insurance proceeds; \$250,000 CDBG Funds; and \$54,000 3/8-cent sales tax proceeds.
- **2012 Estimated Expenditures:** \$54,000
- **Estimated Completion Date:** May 2012
- **Estimated Increase to Operating Expenditures:** Increased operating expense of \$130,000 is projected for staffing, utilities, maintenance, and supplies.

MacArthur Park – This Park has attracted the attention of several institutions, area residents, and developers, in addition to staff, who meet regularly to see MacArthur Park improved. The MacArthur Park Group raised over \$100,000 to prepare a master plan and organized other events to attract attention and support the park. Phase 1 of the Master Park Plan calls for improvements to the front lawn of the park in order to enhance citizen's and visitor's awareness that new improvements are on the way.

- **Estimated Total Project Cost:** \$186,000
- **2012 Estimated Expenditures:** \$8,000
- **Estimated Completion Date:** May 2012
- **Estimated Increase to Operating Expenditures:** Increased operating expense of \$45,000 is projected for staffing, utilities, maintenance, and supplies.

Prospect Terrace – This Park acquired in 1938, is just over three acres of gently sloping land with half of it open for free play and the other half covered with a stand of oak trees. Three surrounding neighborhood associations have embraced it for initial improvements realized through 2009 Bond Refinancing. These improvements will include leveling the open free play area with a small trail around it, upgrading portions of the play area, enhancing entry feature and initiating some of the site amenities, such as benches, picnic tables, drinking fountain, and the like. These Phase I improvements will tie into two (2) other phases identified by the neighborhoods. .

- **Estimated Total Project Cost:** \$130,000
- **2012 Estimated Expenditures:** \$5,000
- **Estimated Completion Date:** June 2012
- **Estimated Increase to Operating Expenditures:** This is an existing park and current maintenance will not change as a result of improvements.

Cheetah Exhibit – This new Zoo exhibit will be funded with a combination of 2009A Capital Construction Bond proceeds, and private donations from the Arkansas Zoological Foundation.

- **Estimated Total Project Cost:** \$800,000
- **Funding Sources:** \$400,000 2009A Capital Construction Bonds; \$400,000 Laura P. Nichols Foundation.
- **2012 Estimated Expenditures:** \$577,000
- **Estimated Completion Date:** June 2012
- **Estimated Increase to Operating Expenditures:** Increased operating expense of \$87,300 is projected for part-time staff, utilities, feed, and medicine. Operating expenses will be funded by increased Zoo revenues.

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.

Midtown Police Center – The Midtown Police Center, also known as the 12th Street Substation, 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:** \$10,470,000
- **Funding Sources:** Short Term Financing allocations, Justice Assistance Grant funds, CDBG Disaster Grant funds, and Seized Money funds.
- **2012 Estimated Expenditures:** \$7,976,000
- **Estimated Completion Date:** 2013
- **Estimated Increase to Operating Expenditures:** Increased operating expense of \$125,000 is projected for utilities, maintenance, and supplies, which will be included in the 2013 Police Department general fund budget allocation. Existing personnel and equipment will be reassigned to the new substation.

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.

Even in the event of an emergency outside of Central Arkansas, the system will be critical to support evacuations and the coordinate relief and medical assistance. 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
- **2012 Estimated Expenditures:** \$6,109,000
- **Estimated Completion Date:** 2014
- **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 current maintenance requirements.

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
- **2012 Estimated Expenditures:** \$1,000,000
- **Estimated Completion Date:** 2012
- **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 2013 Police Department budget allocation.

Fire Station # 8 West Little Rock – The Little Rock Fire Department received a United States Department of Homeland Security, *American Recovery and Reinvestment Act* Federal Emergency Management Assistance to Fire Fighters grant for \$2,017,800 to build an 8,000 square foot Fire Station. The station will be located at the intersection of Taylor Loop and Rahling Roads in west Little Rock and will provide much needed coverage in a rapidly growing area of the city. Plans call for two bays for fire engines, a kitchen, bedrooms, bathrooms, a training room, and an exercise room. Construction will be completed by the fourth quarter of 2012. The building will be maintained by the Fire Department and the Department of Public Works.

- **Estimated Total Project Cost:** \$3,217,800
- **Funding Sources:** United States Department of Homeland Security, *American Recovery and Reinvestment Act*, FEMA Assistance to Fire Fighters grant \$2,017,800; Short Term Financing allocations of \$400,000 and \$543,000; 3/8-cent sales tax proceeds of \$257,000
- **2012 Estimated Expenditures:** \$2,799,205
- **Estimated Completion Date:** December 2012

- **Estimated Increase to Operating Expenditures:** Twelve (12) new fire fighters will be added mid-year to complete training and prepare for deployment in the fourth quarter to staff the new station at an estimated cost of approximately \$260,000. In addition, increased operating expense of \$45,000 is projected for utilities and supplies. These costs were included in the 2012 Fire Department budget allocation. State funding has been allocated for furnishings.

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 locate and purchase land for the new structure in 2012.

- **Estimated Total Project Cost:** \$4,050,000
- **Funding Sources:** Short-term financing allocation; 3/8-cent sales tax proceeds
- **2012 Estimated Expenditures:** \$366,000
- **Estimated Completion Date:** March 2014
- **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.

Adult Leisure Center – In 2009, the Adult Leisure Center was totally destroyed by fire. Insurance proceeds, supplemented with funds from the new 3/8-cent sales tax, will be used to rebuild the center which provides meeting space and facilities for adults and seniors.

- **Estimated Total Project Cost:** \$2,680,000
- **Funding Sources:** \$1,700,000 insurance proceeds; \$980,000 3/8-cent sales tax proceeds
- **2012 Estimated Expenditures:** \$2,600,000
- **Estimated Completion Date:** December 2012
- **Estimated Increase to Operating Expenditures:** The operating expenses for staffing, utilities, maintenance, and supplies will depend on the programs that are reinstated. Parks staff will determine costs in preparation for the 2013 operating budget.

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 feet 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

- **2012 Estimated Expenditures:** \$543,000
- **Estimated Completion Date:** December 2014
- **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 with a first year allocation of approximately \$1.5 million.

- **Estimated Total Project Cost:** \$7,020,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2012 Estimated Expenditures:** \$1,500,000
- **Estimated Completion Date:** December 2012
- **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.

9th 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. In 2012, construction will commence on a second phase of the project to widen and improve the remaining segment from 6th Street to Dassault Falcon Jet.

In addition, the second phase includes construction of a traffic signal at the intersection of Bond and 9th Streets. 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.
- **2012 Estimated Expenditures:** An estimated \$1,800,000 will be expended in 2012 for engineering design and construction.
- **Estimated Completion Date:** 2013

- **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 expects to receive approximately \$6.8 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 will commence in 2012. The Arkansas Highway and Transportation Department (AHTD) will handle construction for the City.

- **Estimated Total Project Cost:** \$9.48 million; Includes engineering and construction cost of \$7,530,000 and right-of-way and utility relocation cost of \$1,950,000.
- **Funding Sources:** Federal Highway Administration Grants - High Priority Project Funding \$7,580,000; 1988 Capital Improvement Bonds - \$1,300,000; Street Fund \$595,600.
- **2012 Estimated Expenditures:** \$1,595,495
- **Estimated Completion Date:** 2013
- **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.

Scott Hamilton Drive – The City of Little Rock expects to receive approximately \$4.1 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:** \$5,170,000; Includes engineering and construction cost of \$3,770,000 and right-of-way and utility relocation cost of \$1,400,000.
- **Funding Sources:** Federal Highway Administration Discretionary Allocation through Metroplan for Local Urban Projects (LUZA) - \$3,770,000; 1998 Infrastructure Bonds - \$974,000; Street Fund - \$60,000
- **2012 Estimated Expenditures:** \$990,000
- **Estimated Completion Date:** 2013
- **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.

Rebsamen River Trail Round-About - Little Rock received Energy Efficiency and Conservation Block Grant funding under the *American Recovery and Reinvestment Act* for a trail round-about at Rebsamen Park Road and River Front Drive.

- **Estimated Total Project Cost:** \$ 312,000.
- **Funding Sources:** *American Recovery and Reinvestment Act* Energy Efficiency and Conservation Block Grant \$312,000.
- **2012 Estimated Expenditures:** \$274,000
- **Estimated Completion Date:** September 2012
- **Estimated Increase to Operating Expenditures:** There is no increased operating expense associated with this project.

Homeless Resource Center – Working with the Mayors’ Commission on Homelessness, the City of North Little Rock and other nonprofit and governmental partners and service providers, the City of Little Rock has created a Day Resource Center for the homeless in central Arkansas. The Center will offer case management to assist homeless individuals and families with everything from referrals for medical, dental and other medical services as well as help with mental and substance abuse counseling services and treatment, and job referrals and training. The Center will have laundry facilities, shower facilities, areas for safe and secure storage of belongings for homeless persons during the day as they look for employment, schedule medical appointments etc. One of the most important aspects of the Center will be the Case Management Services offered to each client ranging from employment assistance, housing, intervention treatments for drugs, alcohol and referrals to all areas of service provided by the existing network of service providers.

- **Estimated Total Project Cost:** \$850,000
- **Funding Sources:** *American Recovery and Reinvestment Act* – US Department of Education, State Fiscal Stabilization Funding, Arkansas Department of Finance and Administration; US Department of Housing and Urban Development Community Development Block Grant Funds; City of North Little Rock funds
- **2012 Estimated Expenditures:** \$350,000
- **Estimated Completion Date:** December 2012
- **Estimated Increase to Operating Expenditures:** The operating expenses for staffing, utilities, maintenance, and supplies will depend on partnerships maintained to help offset the cost. Staff will determine costs in preparation for the 2013 operating budget.

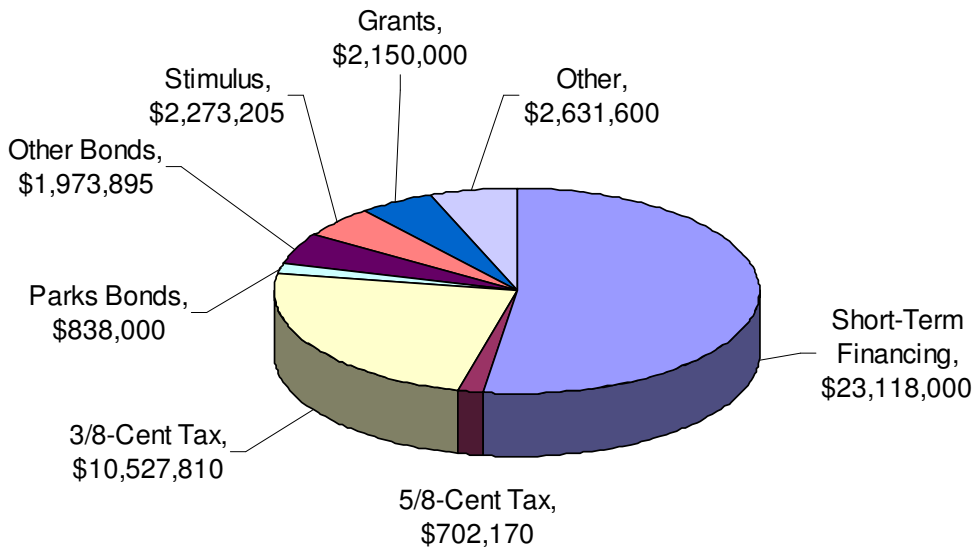
Public Works Street Resurfacing and Drainage Projects – The new 3/8-cent sales tax will provide funding for approximately \$72 million in street resurfacing and maintenance, street drainage reconstruction, traffic signals, speed humps, and sidewalks over the next ten (10) years. The following projects have been approved by the Board of Directors for 2012. Community meetings will be held to determine projects that will be completed in three (3), three (3)-year cycles from 2013–2015, 2016-2018, and 2019-2021. The temporary sales tax will sunset in 2021 unless voters elect to renew it.

- **Estimated Total Project Cost:** \$72,000,000
- **Funding Sources:** 3/8-cent sales tax

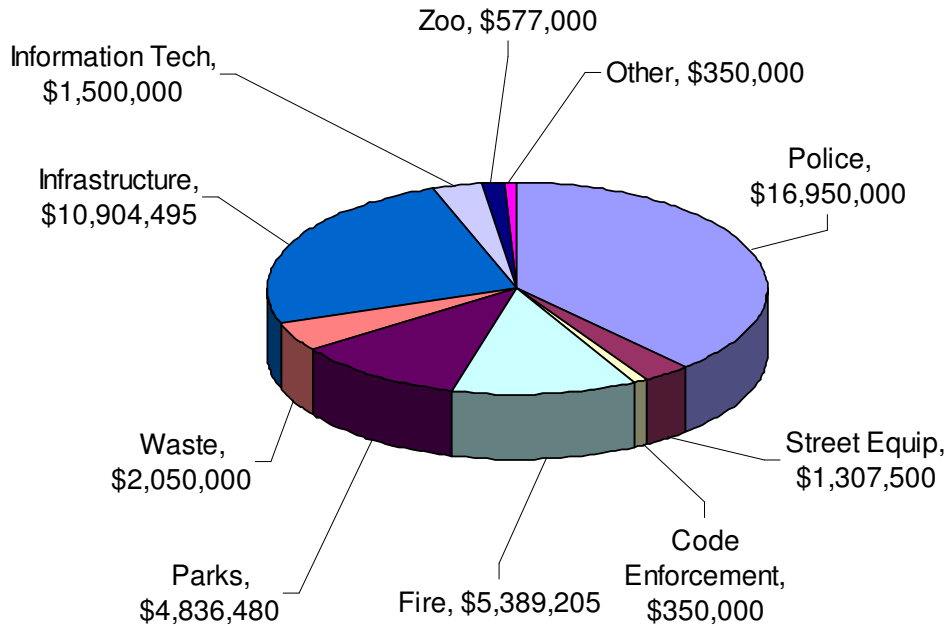
- **2012 Estimated Expenditures:** \$6,519,000 See the table below
- **Estimated Completion Date:** December 2012
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Ward	Project Name	Project Extents		General	Resurfacing	Drainage	Total
		From	To				
	Street/Intersection Improvements:						
	Striping city-wide			517,000			
	Kanis/Cooper Orbit right turn lane			30,000			
	Chenal/Chenonceau Signal			100,000			
	Bridge Repair and Grant Match Funds:						
	Gill Street bridge			130,000			
	Other:						
	Engineering Design			500,000			
	Sidewalk Program			407,000			1,684,000
	Ward Specific - Street and Drainage Projects:						
All	City-wide:						
	Traffic loops				490,000		
	Speed humps				50,000		
	Contingency				570,000		1,110,000
1	Street Resurfacing:				370,000		
	12th Street	Woodrow Street	Allis Street				
	3rd Street	Viaduct west of Bishop Street	Chester Street				
	17th Street	Broadway Street	Chester Street				
	Chester Street	La Harpe Boulevard	I-630			220,000	
	Drainage:						
	13th and Gaines						
	Allis Street						
	Wright Ave						590,000
2	Street Resurfacing:				425,000		
	Geyer Springs Road	South side of I-30	Baseline Road				
	S University Ave (east half)	Asher Avenue	W. 19th Street			130,000	
	Drainage:						
	Windamere						
	Walpole						555,000
3	Street Resurfacing:				305,000		
	"H" Street	University Avenue	Hughes Street				
	Pine Street	I-630	Capitol Avenue				
	West Markham	University Avenue	Mississippi Avenue			200,000	
	Drainage:						
	Beachwood Channel						505,000
4	Street Resurfacing:				360,000		
	Hinson Road	Rodney Parham Road	Napa Valley]				
	Rodney Parham	Treasure Hill	Nob Hill Cove			150,000	
	Drainage:						
	Summerdale						
	Hinson (@Carmel)						510,000
5	Street Resurfacing:				405,000		
	Napa Valley	440' N of Mara Lynn	360' S. of St. Charles Blvd.				
	Chenal Parkway	Margeaux Drive	West of Chenal Valley				
	Chenal Parkway	Chenal Club Boulevard	Rahling Road			110,000	
	Drainage:						
	Westchester Berm						
	Chevaux Court						515,000
6	Street Resurfacing:				405,000		
	South Shackelford	Kanis Road	180' South of Executive Center Dr.				
	University Ave (west half)	Asher Avenue	Boyle Park Road				
	Marilyn Drive	Kanis Road	Romine Road			125,000	
	Drainage:						
	Sunnymeade						
	44th & Potter						530,000
7	Street Resurfacing:				420,000		
	Vimy Ridge Road	I-30	South to City Limits				
	Otter Creek Parkway	Stagecoach Road	Quail Run Drive				
	Sardis Road	Alexander Road	South to City Limits				
	Mabelvale Pike	Mabelvale Main	I-30			100,000	
	Drainage:						
	Chicot (@ Bunch)						
	Angel Court						520,000
Total - 2012 Public Works 3/8-cent sales tax projects				1,684,000	3,800,000	1,035,000	6,519,000

2012 City of Little Rock Capital Funding Sources



2012 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 12/31/11, the amount of debt outstanding was \$62,047,090. The legal debt margin allows the City flexibility to issue up to an additional \$869,714,147.

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 \$320.62, 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

2011 Assessed/Value:

(2011 Assessment collected in 2012)

Commercial & Personal Property	\$3,727,044,948
G.O. Debt Limit (20% of assessment)	745,408,990
Short-Term Financing Debt Limit (5% of assessment)	<u>186,352,247</u>
Sub-Total Debt Limit	931,761,237
G.O. & Short-Term Bonds Outstanding @ 12/31/11	80,076,847
Less in Debt Service Fund	(18,029,757)
Outstanding Bonds, Net of Debt Service	<u>62,047,090</u>
Legal Debt Margin	\$869,714,147

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 2011, the legal debt limit is \$931,761,237 based on a total assessment of \$3,727,044,948. Each year it changes based upon the assessed value of real estate.

	Legal Debt Margin	Legal Debt Limit
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

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, 2011 is \$71,760,000. Current revenue bond level is \$30,965,000. Short-term debt level is \$8,316,847 for an overall current debt level of \$111,041,847.

Although the City may increase the general obligation and the short-term debt levels to \$931,761,237, 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 \$931 million in debt is approximately 19.06 mills. Currently, the property tax millage for the retirement of general obligation debt is 3.3 mills. The millage may be increased to provide funds up to the legal debt limit with voter approval. The voters of Little Rock continued the 3.3 mills annual ad valorem tax at a special election held on November 4, 2003. Consequently, the City of Little Rock issued the \$70,635,000 Limited Tax General Obligation Bonds Series 2004 to finance capital improvements within the City of Little Rock. 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, 2011

<u>GENERAL OBLIGATION DEBT</u>	<u>TRUSTEE</u>	<u>ORIGINAL AMOUNT</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>PRINCIPAL BALANCE 12/31/2010</u>	<u>BONDS ISSUED</u>	<u>PRINCIPAL PAID IN 2011</u>	<u>BONDS RETIRED 2011</u>	<u>PRINCIPAL BALANCE 12/31/2011</u>
2004 Limited Tax Capital Improvement	Regions Bank	\$70,635,000	4/1/2016	3.75% - 4.00%	\$24,795,000	\$0	\$4,465,000	\$5,900,000	\$14,430,000
2007 Infrastructure Refunding	Metropolitan Bank	13,350,000	10/1/2019	4.00% - 5.00%	10,440,000	0	980,000	0	9,460,000
2004 Library Refunding Bonds-Series A & B	Metropolitan Bank	25,000,000	3/1/2024	2.00% - 4.35%	12,075,000	0	145,000	2,710,000	9,220,000
2008 Library Construction and Imp. Bonds	Metropolitan Bank	4,000,000	3/1/2028		3,645,000	0	150,000	0	3,495,000
2009 Library Construction and Imp. Bonds	Metropolitan Bank	28,000,000	3/1/2028	3.00% - 5.00%	26,955,000	0	1,075,000	0	25,880,000
2002 Junior Lien Revenue Bonds	Metropolitan Bank	3,630,000	10/1/2018	3.50% - 4.65%	2,115,000	0	225,000	0	1,890,000
2009A Parks & Rec Revenue Bonds	Bank of the Ozarks	7,830,000	1/1/2039	2.00% - 5.50%	7,515,000	0	130,000	0	7,385,000
REVENUE BONDS									
2003 Capital Improvement	Metropolitan Bank	11,855,000	7/1/2028	1.50% - 5.30%	10,255,000	0	375,000	0	9,880,000
2007 Waste Disposal Revenue Bond	Citizens Bank	3,400,000	5/1/2022	5.30% - 5.87%	2,925,000	0	180,000	0	2,745,000
2009B Parks & Rec	Bank of the Ozarks	12,120,000	1/1/2039	2.00% - 5.375%	11,975,000	0	205,000	0	11,770,000
2010 Waste Disposal Revenue Bonds	BancorpSouth	6,570,000	5/1/2016	1.90% - 3.77%	6,570,000	0	0	0	6,570,000
TEMPORARY NOTE									
6th 2006 Temporary Note	Bank of America	6,550,000	4/1/2011	3.86%	1,411,059	0	1,411,059	0	0
7th 2007 Temporary Note	Suntrust	5,919,000	5/1/2012	3.79%	2,500,614	0	1,227,120	0	1,273,494
8th 2007 Temporary Note	Bank of America	1,372,000	6/28/2012	6.24%	598,999	0	290,445	0	308,554
9th 2008 Temporary Note	Bank of America	4,991,500	10/9/2013	4.69%	3,131,005	0	996,205	0	2,134,800
10th 2011 Temporary Note	Pinnacle Public Finance	4,600,000	12/22/2016	1.75%	0	4,600,000	0	0	4,600,000
Grand Total		\$209,822,500			\$126,906,677	\$4,600,000	\$11,854,829	\$8,610,000	\$111,041,848

SUMMARY OF BOND INDEBTEDNESS
For the month ended December 31, 2012

<u>GENERAL OBLIGATION DEBT</u>	<u>TRUSTEE</u>	<u>ORIGINAL AMOUNT</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>PRINCIPAL BALANCE AT 12/31/11</u>	<u>BONDS ISSUED</u>	<u>PRINCIPAL PAID IN 2012</u>	<u>BONDS RETIRED 2012</u>	<u>PRINCIPAL BALANCE AT 12/31/2012</u>
2004 Limited Tax Capital Improvement	Regions Bank	\$70,635,000	4/1/2016	3.75% - 4.00%	\$14,430,000	\$0	\$4,645,000	\$0	\$9,785,000
2007 Infrastructure Refunding	Metropolitan Bank	13,350,000	10/1/2019	4.00% - 5.00%	9,460,000	0	1,015,000	0	8,445,000
2004 Library Refunding Bonds-Series A & B	Metropolitan Bank	25,000,000	3/1/2024	2.00% - 4.35%	9,220,000	0	0	0	9,220,000
2008 Library Construction and Imp. Bonds	Metropolitan Bank	4,000,000	3/1/2028		3,495,000	0	155,000	0	3,340,000
2009 Library Construction and Imp. Bonds	Metropolitan Bank	28,000,000	3/1/2028	3.00% - 5.00%	25,880,000	0	1,110,000	0	24,770,000
2002 Junior Lien Revenue Bonds	Metropolitan Bank	3,630,000	10/1/2018	3.50% - 4.65%	1,890,000	0	235,000	0	1,655,000
2009A Parks & Rec Revenue Bonds	Bank of the Ozarks	7,830,000	1/1/2039	2.00% - 5.50%	7,385,000	0	130,000	0	7,255,000
REVENUE BONDS									
2003 Capital Imp.and Refunding Projects	Metropolitan Bank	11,855,000	7/1/2028	1.50% - 5.30%	9,880,000	0	390,000	0	9,490,000
2007 Waste Disposal Revenue Bond	Citizens Bank	3,400,000	5/1/2022	5.30% - 5.87%	2,745,000	0	185,000	0	2,560,000
2009B Parks & Rec	Bank of the Ozarks	12,120,000	1/1/2039	2.00% - 5.375%	11,770,000	0	210,000	0	11,560,000
2010 Waste Disposal Revenue Bonds	BancorpSouth	6,570,000	5/1/2016	1.90% - 3.77%	6,570,000	0	1,945,000	0	4,625,000
TEMPORARY NOTE									
7th 2007 Temporary Note	Suntrust	5,919,000	5/1/2012	3.79%	1,273,494	0	1,273,494	0	0
8th 2007 Temporary Note	Bank of America	1,372,000	6/28/2012	6.24%	308,554	0	308,554	0	0
9th 2008 Temporary Note	Bank of America	4,991,500	10/9/2013	4.69%	2,134,800	0	1,042,937	0	1,091,863
10th 2011 Temporary Note	Pinnacle Public Finance	4,600,000	12/22/2016	1.75%	4,600,000	0	888,359	0	3,711,641
Grand Total		\$203,272,500			\$111,041,848	\$0	\$13,533,344	\$0	\$97,508,504

FUTURE DEBT SERVICE

OVERALL FUTURE DEBT SERVICE

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2012	\$13,533,344.05	\$4,583,167.13	\$18,116,511.18
2013	\$12,575,766.75	\$4,101,273.86	\$16,677,040.61
2014	\$10,824,723.16	\$3,665,366.70	\$14,490,089.86
2015	\$6,835,818.32	\$3,345,818.55	\$10,181,636.87
2016	\$7,097,195.14	\$2,922,889.97	\$10,020,085.11
2017	\$5,545,000.00	\$2,812,053.81	\$8,357,053.81
2018	\$5,805,000.00	\$2,558,508.18	\$8,363,508.18
2019	\$5,710,000.00	\$2,304,287.54	\$8,014,287.54
2020	\$4,540,000.00	\$2,052,510.03	\$6,592,510.03
2021	\$3,435,000.00	\$1,877,515.65	\$5,312,515.65

GENERAL FUND FUTURE DEBT SERVICE

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2012	\$10,803,344.05	\$3,202,545.11	\$14,005,889.16
2013	\$9,560,766.75	\$2,791,563.34	\$12,352,330.09
2014	\$9,184,723.16	\$2,426,576.68	\$11,611,299.84
2015	\$5,135,818.32	\$2,170,131.53	\$7,305,949.85
2016	\$5,327,195.14	\$1,817,768.45	\$7,144,963.59
2017	\$4,570,000.00	\$1,766,807.54	\$6,336,807.54
2018	\$4,780,000.00	\$1,560,208.16	\$6,340,208.16
2019	\$4,635,000.00	\$1,355,904.40	\$5,990,904.40
2020	\$3,415,000.00	\$1,159,905.02	\$4,574,905.02
2021	\$2,255,000.00	\$1,043,632.52	\$3,298,632.52

City of Little Rock, Arkansas
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2011

<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	\$80,076,847	100%	\$80,076,847
Little Rock Public School District	<u>193,360,900</u>	100%	<u>193,360,900</u>
Total direct and overlapping debt	<u>\$273,437,747</u>		<u>\$273,437,747</u>

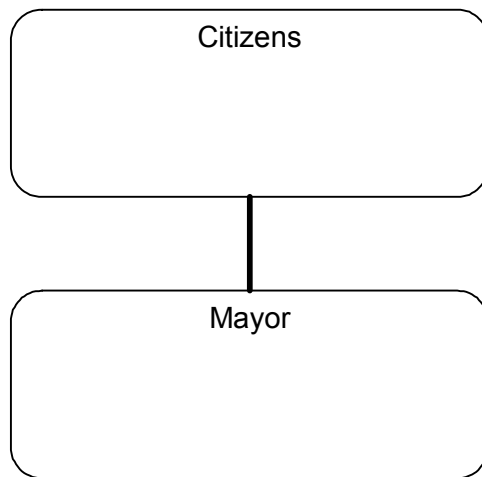
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Departmental Information



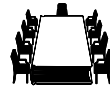


Mayor



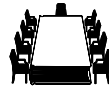
Mission Statement

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

2011 Department Priorities	Status
Continue pursuing the completion of the Arkansas River Trail.	Ongoing
Work to identify a location and fund a Homeless Day Resource Center and Operation.	Ongoing
Continue implementing the Neighborhood Stabilization Program to strengthen neighborhoods and allow for new home ownership.	Ongoing
Worked with the Little Rock School District and developed Joint Operating Agreements to expand programming opportunities.	Completed
Continue developing innovative approaches to combating and reducing crime.	Ongoing
Support the Mayor's Commission on Sustainability to promote sustainable initiatives and to host an annual summit on sustainability.	Ongoing



Mayor

2012 Department Goals

Continue working to fund and complete the Arkansas River Trail.

Work with the community and service providers to open the Homeless Day Resource Center; expanding the program offerings at the center.

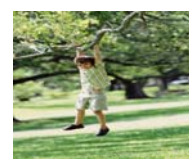
Work with the community to make improvements to Main Street using new approaches to sustainable development.

Work with the Little Rock Regional Chamber Of Commerce and other economic development organizations to attract and retain jobs for the community.

Look for innovative approaches to combating crime; implementing where possible.

Ensure the successful implementation of the City's new sales tax.

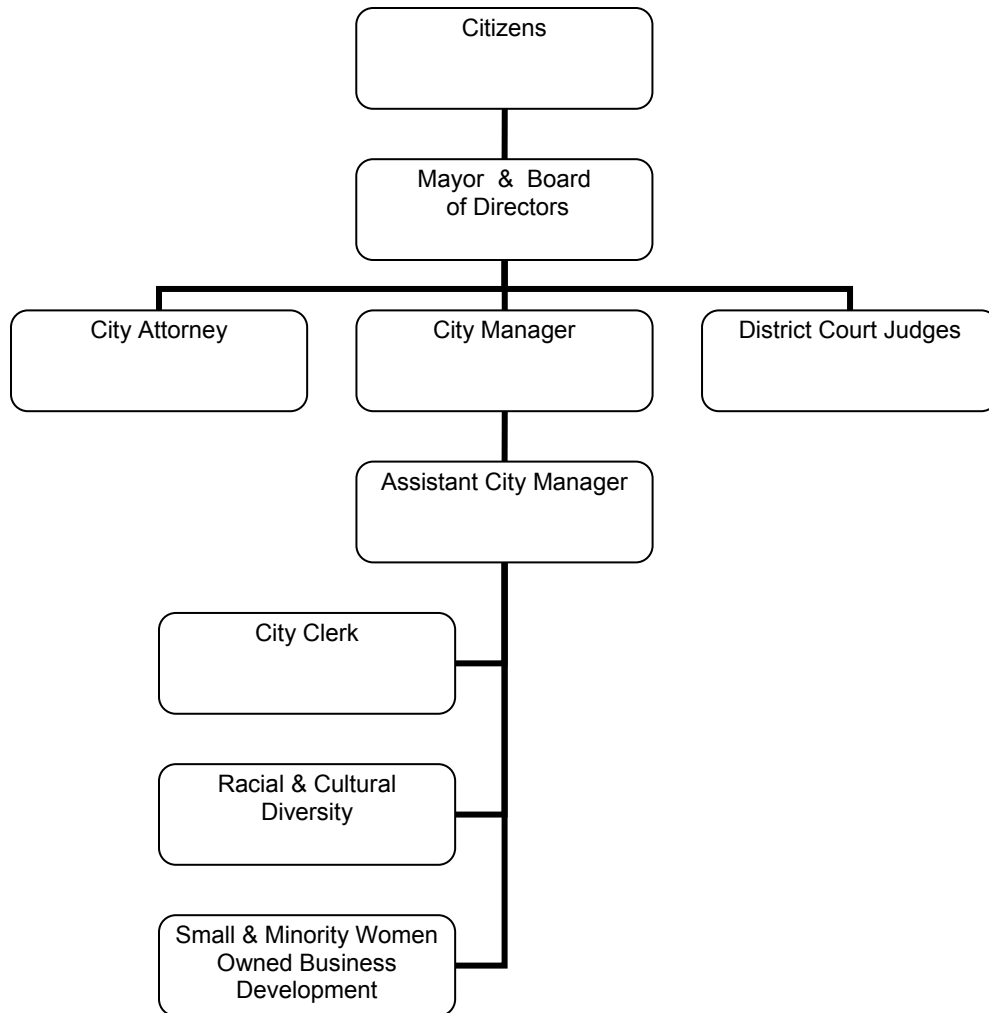
The departmental goals and objectives link with the **Overall City Goals and Objectives.**



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General Government



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

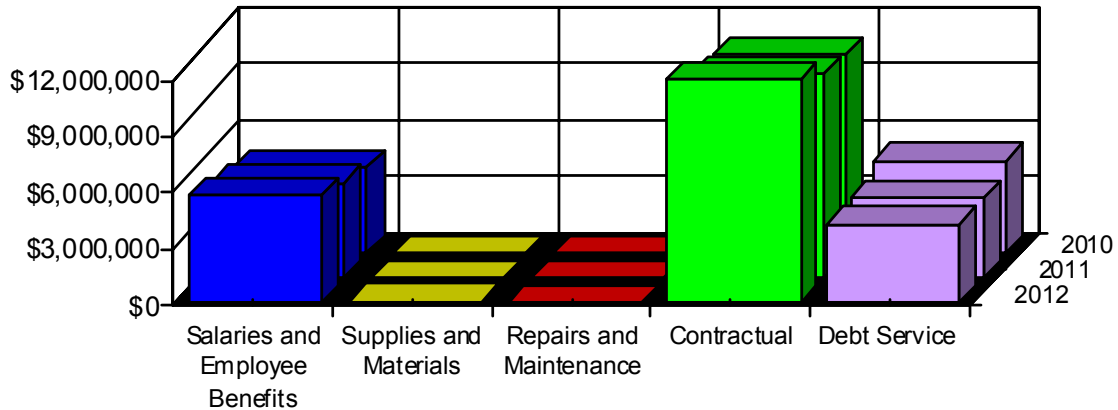
Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$4,552,003	\$5,046,870	\$5,677,132
Supplies and Materials	33,515	50,642	51,254
Repairs and Maintenance	10,862	7,506	10,540
Contractual	10,555,648	10,830,551	11,900,337
Debt Service	4,972,494	4,282,345	4,182,345
	<u>\$20,124,522</u>	<u>\$20,217,914</u>	<u>\$21,821,608</u>

Staffing	25	25	26
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General Administrative includes Employee Benefits Division, Mayor and City Manager, City Clerk, Racial and Cultural Diversity, Emergency Management, Small and Women Owned Business Development, and LRTV. The Employee Benefits Division is primarily for General Fund workers compensation, retiree benefits, and actuarially determined pension contributions. The increase in staffing is to restore the Office Assistant II position (receptionist) eliminated in prior years due to the economic downturn.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 12 Proposed Budget	% Change from Prior Year
100 General Fund	<u>\$21,821,608</u>	<u>7.93%</u>



2011 Department Priorities	Status
Improved and expanded Police Officer recruiting efforts and conducted one (1) Recruit School during 2011.	Completed
Continue working to complete the Mid-Towne Police Patrol Facility project.	Ongoing
Continue pursuing the Little Rock Fire Department accreditation, build registered agency status, assemble team, designate area assignments and monitor monthly progress.	Ongoing
Worked with the District Courts to provide 55,000 hours of community service work to City Departments and other agencies and identified new partners/agencies to take advantage of a bi-monthly Saturday work schedule.	Completed
Register 1,000 mobile homes, review the Rental Inspection Program, locate a solution to inspection challenges and address more single-family units.	Ongoing
Acquired an additional twenty (20) properties for the City's Land Bank activities, obtained marketable title on current inventory of forty-one (41) properties and started the process to redevelop five (5) properties.	Completed
Evaluated the best alternatives to expand both commercial and residential curbside recycling; developed and administered a Recycling Awareness Campaign regarding anticipated changes of the residential Curbside Recycling Program.	Completed
Initiate the construction of South Loop Bypass from Mabelvale West to Alexander Road and complete the construction of the 9th Street Extension.	Ongoing
Completed Phase Two of the Little Rock Animal Village Dog Park adopting out over 1,000 animals.	Completed



2011 Department Priorities (Continued)	Status
Staff worked to obtain both Government Finance Officers Association (GFOA) Certificate of Recognition for Budget Preparation and GFOA Certificate of Achievement for Financial reports for the FY10 Comprehensive Annual Financial Report (CAFR).	Completed
Work with the Little Rock Regional Chamber of Commerce and the Downtown Little Rock Partnership on a regular basis to promote economic development opportunities within the community.	Ongoing
Partner with the Downtown Little Rock Partnership regarding the implementation of the Main Street Plan and continue to work with the Historic District Commission regarding the implementation of the City-Wide Historic Preservation Plan.	Ongoing
Completed the 2011 departmental re-accreditation process for Little Rock Parks and Recreation; including the submission of the application.	Completed
Complete the reconstruction of the Ottenheimer Therapeutic Center; finalize plans and begin reconstruction of the Adult Leisure Center.	Ongoing
Opened the Laura P. Nichols Foundation Penguin Pointe Exhibit.	Completed

2012 Department Goals
Complete land acquisition and design of the Mid-Towne Police Substation followed by the start of construction.
Continue to emphasize the utilization of the Criminal Abatement Program and maintain coordination with the City Attorney's Office. Increase by 25% the number of cases filed by the City Attorney's Office.
Continue to improve and expand Police Officer recruiting efforts and conduct at least two (2) Recruit Schools during 2012. Develop contingency plans to hold simultaneous Recruit Schools, including a Certified Officer Accelerated Training (COAT) School, if feasible. Recruit, train and hire all authorized civilian support personnel.



2012 Department Goals (Continued)

Implement the Communications System Upgrade pursuant to a contract with Motorola and an agreement with the Arkansas Wireless Information Network.

Initiate the process for the acquisition of land for a new Southwest Little Rock Fire Station.

Hire and train ten (10) additional Code Enforcement Officers in the Housing & Neighborhood Programs Department.

Review the Business License fee structure; while working to make the existing fee structure more business friendly making any necessary changes.

Open the City's Homeless Day Resource Center; creating an interactive website for the Center with links from the City of Little Rock webpage and other sites.

Develop a plan to begin making infrastructure improvements by blending staff input and public involvement to design and construct beneficial capital projects for the betterment of the City.

Begin Pension Review with selected consultant to determine the best pension alternatives for the City's non-uniform employees; complete Pension Recommendation and initiate Request For Proposal (RFP) processes for any adopted initiatives.

Provide support and quarterly reporting 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¢ portion of the tax.

Identify entry-level positions throughout the organization and hire disadvantaged youth and adults.

Per the City Boards directive, develop and implement a plan to review City Ordinances, Resolutions and Policies to ensure that they are not discriminatory in nature.



City Manager

Department: City Manager
Funding Source: General Fund
Budget: \$21,821,608

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: Provide responses to City Board of Director requests in a timely manner.			
Demand: Number of City Board of Director requests.	205	225	250
Workload: Number of City Board of Director requests completed.	205	220	250
Efficiency: Number of City Board of Director requests completed in a timely manner.	185	200	225
Effect/Outcome: Percentage of City Board of Director requests completed in a timely manner.	90%	91%	90%

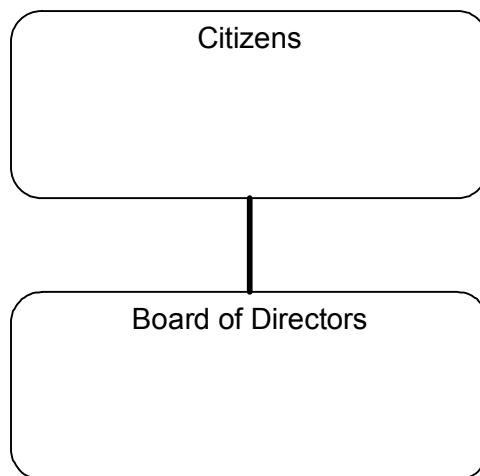
Objective: Provide responses to citizen requests within a timely manner.			
Demand: Number of citizens requests for information.	220	220	250
Workload: Number of citizen requests for information completed.	220	220	250
Efficiency: Number of citizen requests for information completed in a timely manner.	200	220	230
Effect/Outcome: Percentage of total citizen requests completed a timely manner.	91%	100%	92%

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.

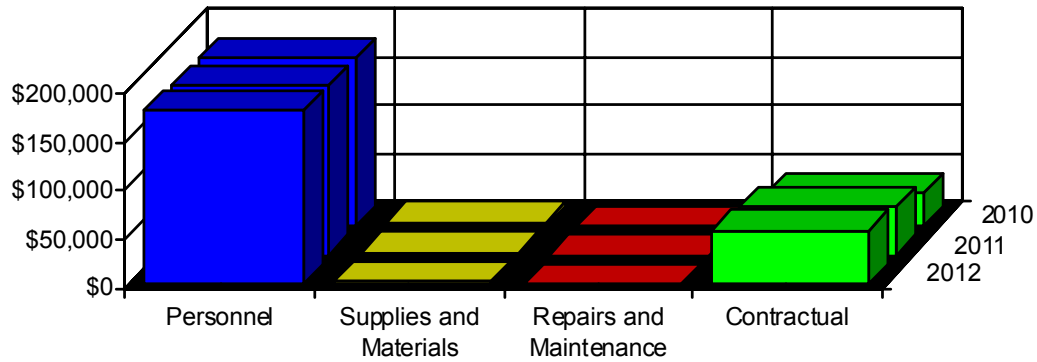
Board of Directors

Expenditure Budget

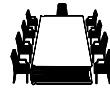
Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$174,082	\$175,545	\$178,584
Supplies and Materials	4,099	2,990	2,990
Repairs and Maintenance	0	0	50
Contractual	35,272	55,097	55,097
Total	\$213,453	\$233,632	\$236,721

Staffing	2010	2011	2012
	1	1	1

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 12 Proposed Budget	% Change from Prior Year
100 General Fund	\$236,721	1.32%



2012 Department Goals

Focus on policy areas related to public safety, economic development, infrastructure and quality of life.

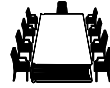
Ensure the successful implementation of the City's new sales tax initiatives.

Meet regularly with neighborhood groups to discuss and resolve issues.

Participate in professional development opportunities through the National League of Cities, the US Conference of Mayors and the Arkansas Municipal League.

Board members will continue to serve on local, state and federal committees where possible.

Support the annual Neighborhoods USA Conference.



Department: Board of Directors
Funding Source: General Fund
Budget: \$236,721

Department Description:

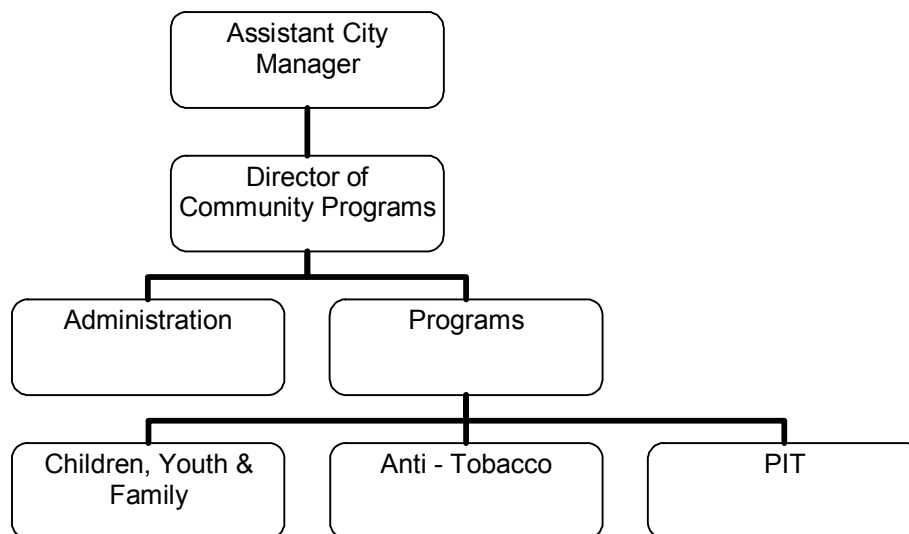
To provide executive management and administration of City affairs; provide legal advice and representation for the city; serve as official recorder and custodian of public documents.

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 outcomes and the quality of life for the children, youth, and families of Little Rock.

Community Programs

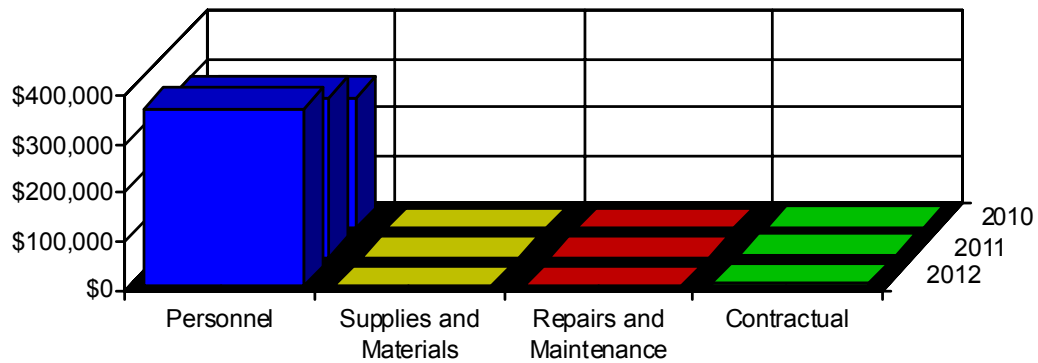
Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$270,333	\$316,585	\$367,728
Supplies and Materials	0	1,874	1,874
Repairs and Maintenance	0	0	8
Contractual	2,336	6,000	6,000
Total	\$272,668	\$324,459	\$375,610

Staffing	6	7	8
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Approximately \$51,000 of the personnel increase is attributed to salary, pension and health care contribution increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	Proposed Budget	from Prior Year
100 General Fund	<u>\$375,610</u>	<u>15.77%</u>



Community Programs

2011 Department Priorities	Status
Worked with community groups regarding programming needs.	Completed
Worked with City Attorney's Office to complete contract agreements.	Completed
Facilitated planning for Children, Youth and Families Commission.	Completed
Research funding opportunities to support various program initiatives.	Ongoing
Continue to work with Information Technology to upgrade management system.	Not Completed



2012 Department Goals

Implement Prevention Intervention & Treatment program contracts.

Reinstate Tobacco Prevention program.

Develop new model pilots for reentry training, skills development, and support centers.

Upgrade contract management and accountability system.

Research and apply for funding opportunities while exploring leveraging possibilities.

Update media materials for distribution using a redesign website.



Community Programs

Department: Community Programs
Funding Source: General Fund
Budget: \$375,610

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: To recruit youth, provide orientation, and approve youth to hire for summer employment.			
Demand: Youth available for recruitment and orientation.	700	700	750
Workload: Youth recruited and processed through orientation.	400	400	450
Efficiency: Youth processed and available for employment by June 1.	400	400	450
Effect/Outcome: Percentage of youth processed and available for work by June 1.	57%	57%	60%

Objective: To audit, approve, and process all reimbursement requests for payment within 14 days.			
Demand: Requests available for process and reimbursement.	540	648	708
Workload: Requests processed for reimbursement.	507	648	708
Efficiency: Requests processed per month.	87	89	94
Effect/Outcome: Percentage of total requests processed.	93%	100%	100%

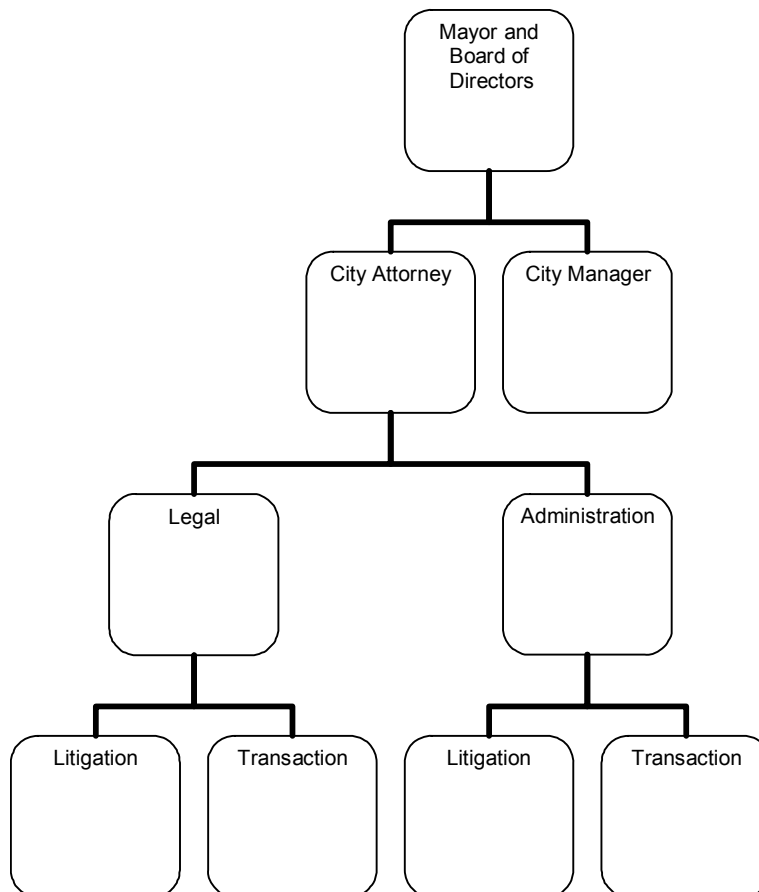
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for a
 Safe City and Quality of Life.**



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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

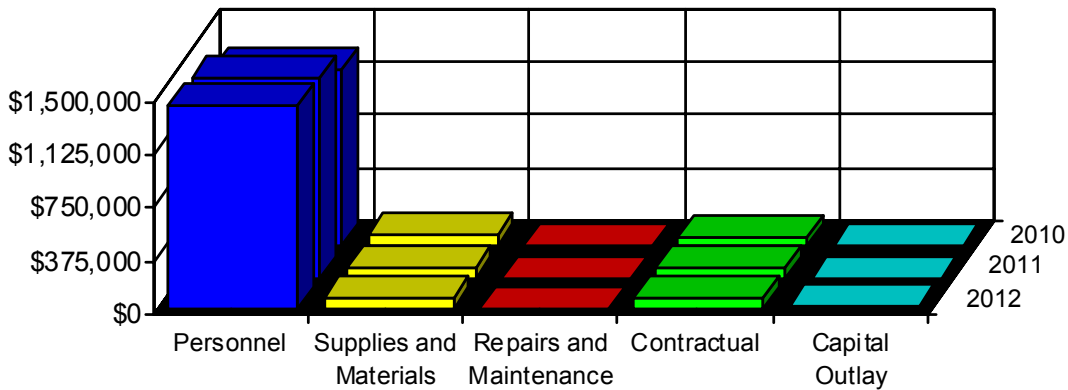
Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$1,251,178	\$1,414,684	\$1,443,872
Supplies and Materials	84,854	75,202	75,202
Repairs and Maintenance	4,092	287	495
Contractual	61,240	69,229	76,229
Capital Outlay	0	0	25,000
Total	\$1,401,365	\$1,559,402	\$1,620,798

Staffing	18	18	18
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Approximately \$29,000 of the personnel increase is attributed to salary, pension and health care contribution increases for non-uniform employees. The increase in Capital Outlay reflects a one-time allocation for a City/County Attorney System.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 12 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,620,798	3.94%



City Attorney

2011 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

2012 Department Goals

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: \$1,620,798

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: To litigate cases.			
Demand: Cases to be litigated.	50	67	82
Workload: Cases litigated.	50	67	82
Efficiency: Cases litigated per year.	50	67	82
Effect/Outcome: Percentage of litigated cases closed per year.	n/a	n/a	n/a

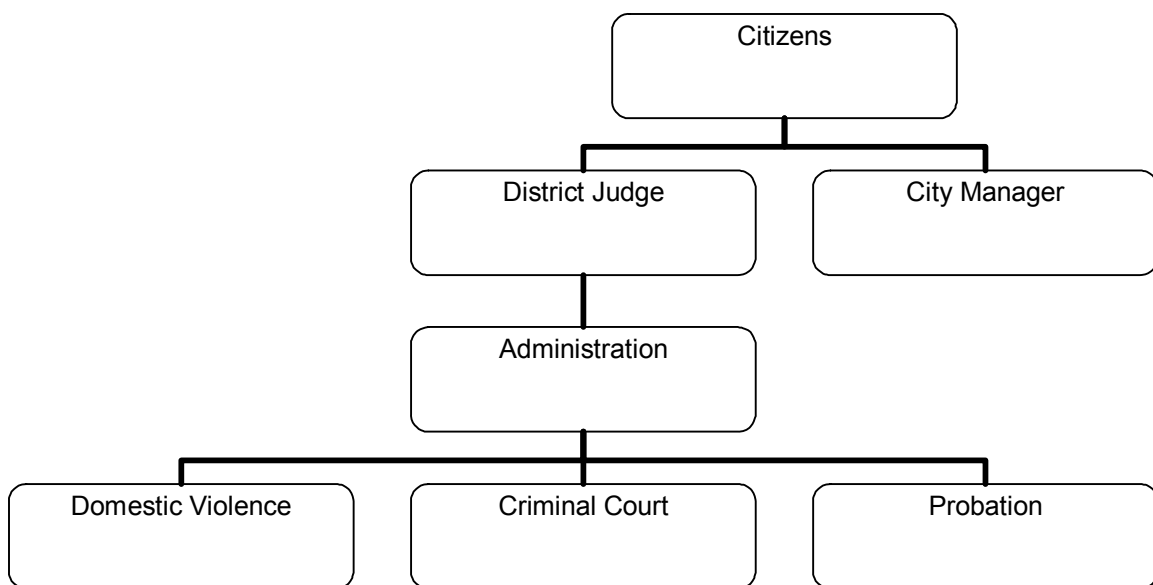
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

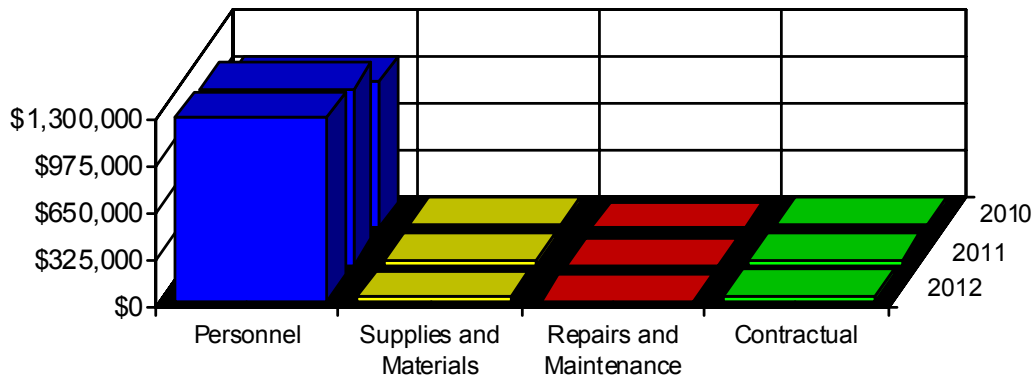
Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$1,014,905	\$1,219,530	\$1,276,037
Supplies and Materials	27,281	38,300	38,300
Repairs and Maintenance	613	1,700	1,703
Contractual	26,106	40,050	42,150
Total	\$1,068,906	\$1,299,580	\$1,358,190

Staffing	21	21	21
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Approximately \$56,500 of the personnel increase is attributed to salary, pension and health care contribution increases for non-uniform employees. The increase in Contracts reflects ammunition for firearms training in 2012.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	Proposed Budget	from Prior Year
100 General Fund	\$1,358,190	4.51%



2011 Department Priorities	Status
Provide a new court building for all three (3) District Courts, adding space for employees, and security for the Judge, public, staff, and attorneys.	Ongoing
Administer and provide justice to all in an equitable, professional manner in their courtroom and workplace.	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 management direction to staff to insure accountability, accessibility, and professional courteous customer service daily to citizens.	Ongoing



2012 Department Goals

To provide administrative support to criminal court proceedings, respond to public inquiries, maintain legal documents, court records and calendars efficiently.

To provide fair and impartial adjudications for all criminal cases heard in Little Rock First District Court.

Provide court informed sentencing recommendations, monitoring conditions and compliance of probationers; coordinate and evaluate community service programs, track probation fees, and court fines.

Continue to direct 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 professional and courteous customer service.



District Court First Division

Department: District Court Criminal
Funding Source: General Fund
Budget: \$1,358,190

Department Description:

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

	2010 Actual	2011 Budget	2012 Budget
Objective: To process Criminal Bond information on a daily basis.			
Demand: Bonds to be processed.	75	100	100
Workload: Bonds actually processed.	75	100	100
Efficiency: Bonds processed per court session.	75	100	100
Effect/Outcome: Percentage of Bonds processed daily.	100%	100%	100%

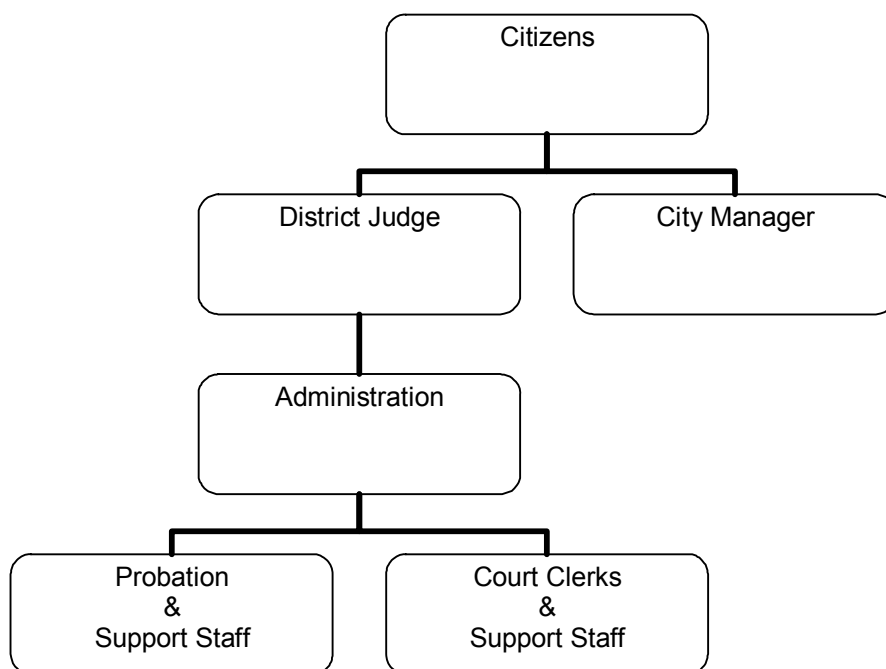
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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District Court Second Division



Mission Statement

We seek to administer justice and equity.

District Court Second Division

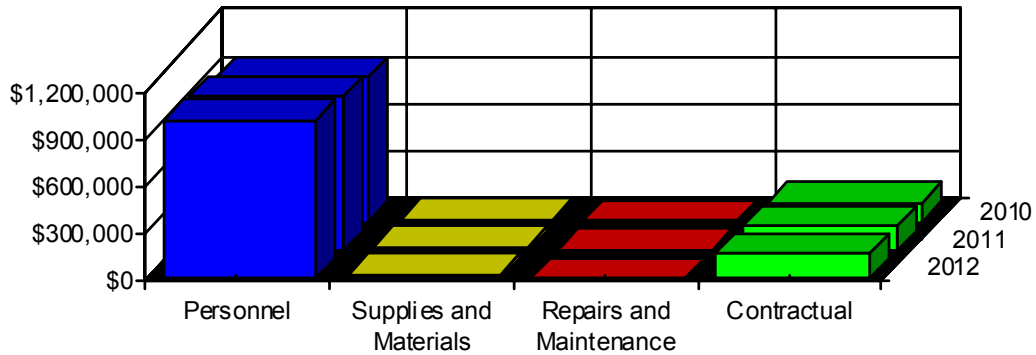
Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$916,776	\$955,031	\$1,001,712
Supplies and Materials	18,735	21,550	21,550
Repairs and Maintenance	3,665	2,050	2,061
Contractual	138,275	162,649	162,649
Total	\$1,077,451	\$1,141,280	\$1,187,972

Staffing	17	17	17
-----------------	----	----	----

Approximately \$46,700 of the personnel increase is attributed to salary, pension and health care contribution increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	Proposed Budget	from Prior Year
100 General Fund	\$1,187,972	4.09%



District Court Second Division

2011 Department Priorities	Status
Second District Court processed 33,807 new violations.	Completed
Second District Court disposed 38,307 violations.	Completed
Second District Court processed 390 "Driving While Intoxicated" (DWI) violations.	Completed



2012 Department Goals

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.

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Department: District Court Traffic
Funding Source: General Fund
Budget: \$1,187,972

Department Description:

To direct the overall operation of the traffic court within established policies and laws; to provide management direction to staff; to ensure 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.

	2010 Actual	2011 Budget	2012 Budget
Objective: To enter violations into the public safety system the same day received.			
Demand: Violations to be entered.	40,063	33,807	40,000
Workload: Violations entered and processed.	40,063	33,307	40,000
Efficiency: Violations entered and processed per month.	3,338	2,775	3,333
Effect/Outcome: Percentage of violations processed same day received.	99%	99%	99%

Objective: To update dispositions into the public safety system within 24 hours.			
Demand: Violations to be disposed.	48,324	38,307	40,000
Workload: Violations disposed	48,324	38,307	40,000
Efficiency: Violations disposed of per month.	4,027	3,192	3,333
Effect/Outcome: Percentage of dispositions processed within 24 hours.	99%	99%	99%

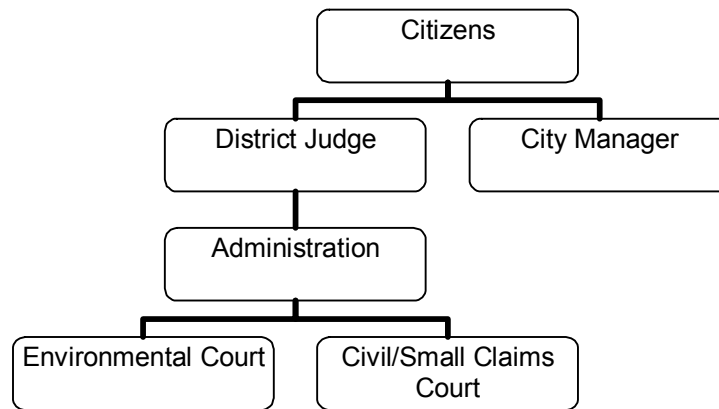
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

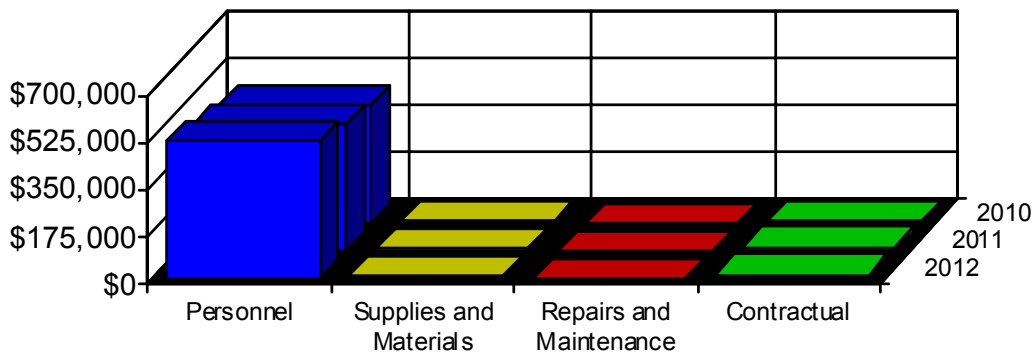
Expenditure Budget

Description	2010	2011	2012
	Actual Expenditures	Adopted Budget	Adopted Budget
Personnel	\$453,885	\$495,405	\$515,407
Supplies and Materials	6,511	11,813	11,813
Repairs and Maintenance	1,321	2,500	2,500
Contractual	12,255	17,016	17,016
Total	\$473,973	\$526,734	\$546,736

Staffing	2010	2011	2012
	7	7	7

Approximately \$20,000 of the personnel increase is attributed to salary, pension and health care contribution increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	Proposed Budget	from
100 General Fund	\$546,736	Prior Year
		3.80%



2011 Department Priorities	Status
Continue to upgrade computer systems and programs.	Ongoing
Provide training and certification for Court Clerks, Probations 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



2012 Department Goals

Hire a Probation Officer to work directly with our at-risk juvenile offenders and research programs that will address their needs.

Continue to pursue getting truancy petitions filed in our court.

Continue to provide training and certification for office staff.

Provide and administer justice and equity in a professional manner in the court room and work place.



Department: District Court Environmental
Funding Source: General Fund
Budget: \$546,736

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: To process 99% of life-threatening violations within seven (7) days of the date citation is written.			
Demand: Citations to be processed.	65	85	80
Workload: Citations processed, recorded, and entered into computer.	65	85	80
Efficiency: Citations processed per court session.	5	5	8
Effect/Outcome: Percentage of Citations processed within thirty (30) days.	99%	100%	99%

Objective: Issue Warrants within twenty-four (24) hours of failure to appear in court.			
Demand: Warrants to be processed.	55	50	60
Workload: Warrants issued, recorded and entered into computer.	55	50	60
Efficiency: Warrants issued per court session.	9	8	6
Effect/Outcome: Percentage of Warrants processed.	100%	100%	100%

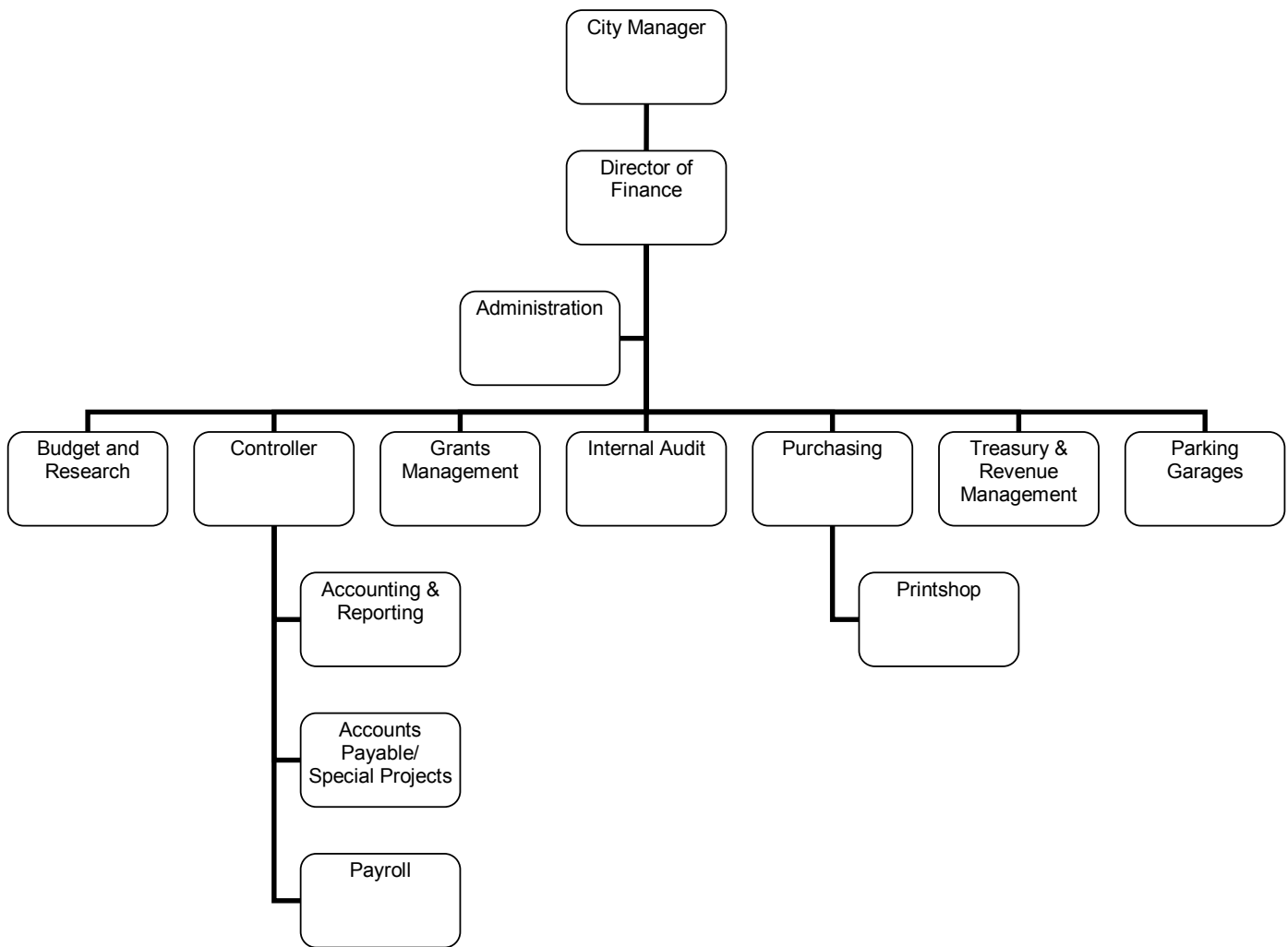
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

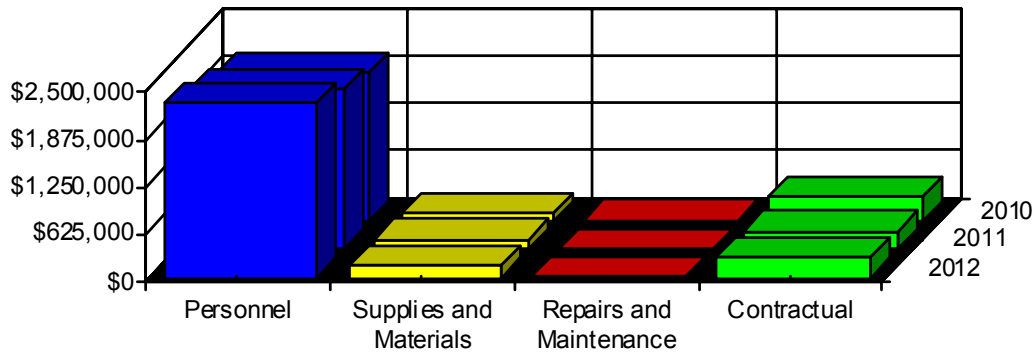
Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$1,961,643	\$2,136,237	\$2,309,241
Supplies and Materials	121,602	140,733	155,733
Repairs and Maintenance	13,437	8,871	12,705
Contractual	323,743	262,552	275,552
Total	\$2,420,425	\$2,548,393	\$2,753,231

Staffing	40	40	40
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Approximately \$143,000 of the personnel increase is attributed to salary, pension and health care contribution increases for non-uniform employees, and includes 50% of the cost of a grant accountant position previously funded by CDBG. The 2012 budget includes an additional allocation for two (2) part time positions; one (1) in grants and one (1) in Accounts Payable. Other increases include additional allocations for supplies, payroll tax service software maintenance, and professional education for Staff.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	Proposed Budget	from Prior Year
100 General Fund	\$2,753,231	8.04%



Finance

2011 Department Priorities	Status
Obtained Government Finance Officers Association (GFOA) Certificate of Recognition for 2011 Budget Preparation.	Completed
Obtained GFOA Certificate of Achievement for Financial Reporting for FY10 Comprehensive Annual Financial Report (CAFR).	Completed
Developed FY11 short-term financing plan, issued temporary note, and ensured timely purchase of items.	Completed
Continue Grant Applications and Compliance Monitoring: educate and monitor to ensure that grant awards are completed in accordance with federal, state and city laws and regulations.	Ongoing
Continue progress on converting mainframe Business License system to Lawson.	Ongoing
Performed quarterly review and maintenance of outstanding purchase orders.	Completed
Provided assistance and support for a sales tax initiative to fund the City's operating, capital, and technology needs.	Completed
Purchase and begin implementation of an integrated budget module for the City's financial system.	Ongoing
Update Purchasing Manual to include references to Lawson Purchasing Module.	Ongoing



Finance

2012 Department Goals

Obtain Government Finance Officers Association (GFOA) Certificate of Recognition for 2012 Budget Preparation.

Obtain GFOA Certificate of Achievement for Financial Reporting for FY11 Comprehensive Annual Financial Report (CAFR).

Provide support and quarterly reporting to the 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.

Develop 3/8 Cent Capital Project financing plan, issue temporary note if required, and ensure timely purchase of items.

Actively locate additional grant funding opportunities as American Recovery and Reinvestment Act (ARRA) Grants are completed.

Capture e-mail addresses and prepare to send 2013 business license assessment forms, statements and notices via e-commerce.

Send electronic Purchase Bid notifications to local businesses to improve local participation in bid opportunities.

Perform quarterly review and maintenance of outstanding purchase orders.

Purchase and begin implementation of an integrated budget module for the City's financial system.

Procure and replace printing equipment in the Print Shop to improve efficiency and reduce operating cost.

Continue on-going employee training program for all Lawson financial applications.

Complete the update of the City's Purchasing manual.

Facilitate administration of local preference policy.



Finance

Department: Finance
Funding Source: General Fund
Budget: \$2,753,231

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: To monitor compliance with the annual adopted budget.			
Demand: To prepare consolidated monthly variance reports for department variances > \$50,000 and 5% of budget.	12	12	12
Workload: Prepared consolidated monthly variance reports for department variances > \$50,000 and 5% of budget.	12	12	12
Efficiency: Consolidated variance reports prepared monthly.	1	1	1
Effect/Outcome: Percentage of consolidated monthly variance reports for department variances > \$50,000 and 5% of budget completed.	100%	100%	100%
Objective: To provide accurate and efficient accounting and reporting for all public funds received for the City and maintained by the Finance Department.			
Demand: Number of journal entries to be processed and completed.	1516	1,400	1,500
Workload: Number of journal entries processed and completed.	1516	1,400	1,500
Efficiency: Average number of journal entries processed and reviewed per month.	126	116	125
Effect/Outcome: Percentage of journal entries completed per year.	100%	100%	100%
Objective: To provide accurate and timely payment of all invoices properly submitted according to policy and procedure guidelines. Payments should be issued within 30 days.			
Demand: Number of invoices to be processed and recorded.	71,006	65,000	70,000
Workload: Number of invoices processed, recorded, and completed.	71,006	65,000	70,000
Efficiency: Number of invoices processed per hour.	31	30	33
Effect/Outcome: Percentage of invoice payments issued within 30 days.	92%	95%	95%



Finance

	2010 Actual	2011 Budget	2012 Budget
Objective: To provide and maintain a systematic method of accounting for and controlling City's assets.			
Demand: Number of departmental annual asset inventory counts scheduled.	41	41	41
Workload: Number of addition, retirement, depreciation, transfer, and adjustment transactions processed.	18,528	17,000	20,000
Efficiency: Number of departmental asset inventory counts completed.	41	41	41
Efficiency: Transactions processed per month.	1,544	1,417	1,667
Effect/Outcome: Percentage of departmental annual asset inventory counts conducted.	100%	100%	100%

Objective: To produce accurate and timely payroll service to the employees of the City.			
Demand/Workload: Number of Payroll transactions lines processed and recorded.	3,316,905	5,150,000	5,150,000
Efficiency: Payroll transaction lines processed and posted per month.	276,410	429,166	429,166
Effect/Outcome: Percentage of payroll transactions processed in the regular bi-weekly cycle.	98%	98%	98%

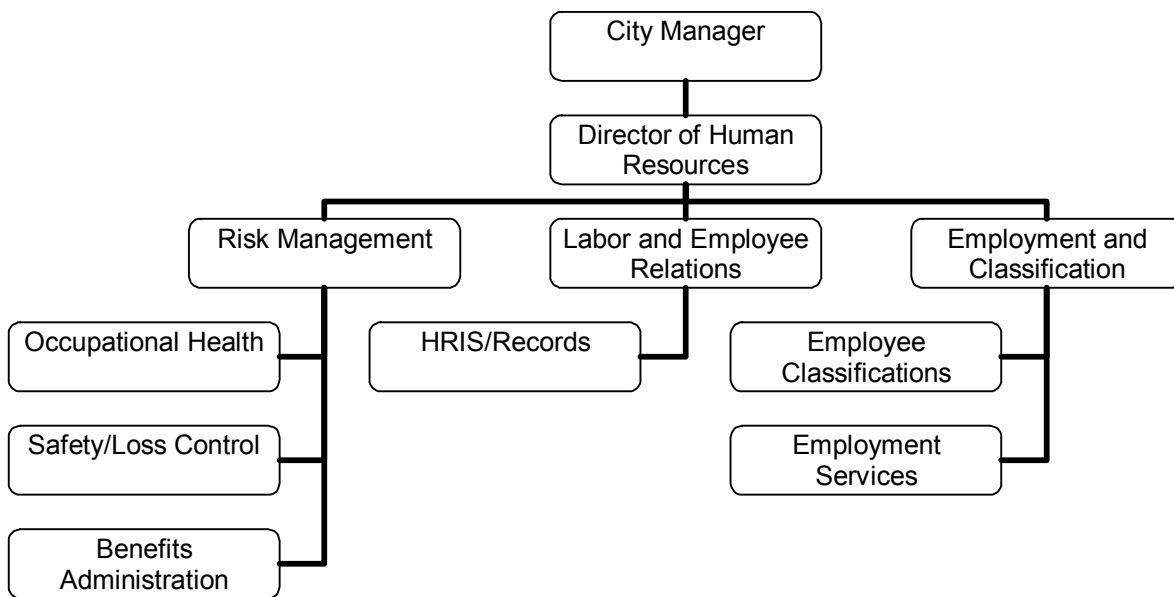
Objective: To achieve a current business license fee collection rate of 99%.			
Demand/Workload: Net amount billed annually for business licenses.	\$5,740,121	\$5,918,300	\$6,035,000
Efficiency: Revenue collected from business license fees.	\$5,682,104	\$5,800,000	\$5,974,000
Effect/Outcome: Percentage of business license fees collected.	99%	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

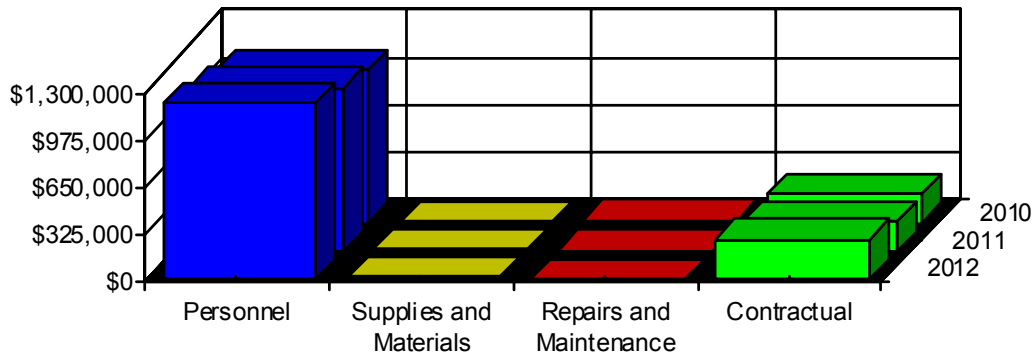
Expenditure Budget

Description	2010	2011	2012
	Actual Expenditures	Adopted Budget	Adopted Budget
Personnel	\$1,054,244	\$1,125,072	\$1,206,858
Supplies and Materials	13,849	13,200	13,200
Repairs and Maintenance	18,589	1,111	1,214
Contractual	203,438	197,764	272,764
Total	\$1,290,121	\$1,337,147	\$1,494,036

Staffing	2010	2011	2012
	18	18	19

Approximately \$45,000 of the personnel increase is attributed to salary, pension and health care contribution increases for non-uniform employees. The 2012 budget includes an additional allocation for the restoration of the Human Resources Receptionist position. The Contract allocation includes additional funds for Civil Service Hearings and costs associated with hiring such as pre-employment physicals, psychological examinations and drug testing.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	Proposed Budget	from Prior Year
100 General Fund	\$1,494,036	11.73%



Human Resources

2011 Department Priorities	Status
Reviewed and updated the pre-orientation checklist procedure to ensure document contains adequate information and is returned to the Human Resources Department for their personnel file to ward off potential claims of policy violations.	Completed
Developed a procedure to ensure post hire license requirements are being tracked and obtained by departments.	Completed
Implemented payroll audit recommendations.	Completed
Research the online portion of leadership and supervisory training.	Ongoing
Revised the classification job analysis questionnaire for more effective and efficient documentation for development of job descriptions/specifications.	Completed
Revised police and fire entry level testing process/procedures.	Completed
Revised part-time hiring procedures and Fire Department eligibility requirements.	Completed
Coordinated activities to ensure proper insurance coverage for the Junction Bridge Pedestrian Walkway before project completion.	Completed
Developed a formal walking program for City of Little Rock employees.	Completed
Reviewed optional coverage initiatives for dental plan.	Completed
Reviewed vaccination protocol for all potentially 'at risk' employees.	Completed
Human Resources collected data and analyzed Arkansas Municipal League Workers' Compensation Program compared to current program.	Completed



Human Resources

Department: Human Resources
Funding Source: General Fund
Budget: \$1,494,036

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

	2010 Actual	2011 Budget	2012 Budget
Objective: To administer benefit programs provided for city employees, including insurance coverage and to ensure that quality benefits are provided within financial and legal parameters.			
Demand: Total Enrollment meetings.	51	50	40
Workload: Number of enrollment meetings conducted.	51	50	40
Efficiency: Completed enrollment meeting materials by contract and or payroll deadlines.	100%	99%	99%
Effect/Outcome: Percentage of enrollment meeting materials processed.	100%	100%	100%

Objective: To process and maintain job descriptions and job specifications.			
Demand: Number of active job classifications.	407	403	456
Workload: Number of classifications requests or new position requests per year.	63	54	54
Efficiency: Complete research and submit completed documents for review by requesting department within 60 days.	30	23	60
Effect/Outcome: Average number of days to complete research and submit proposed job descriptions/specification.	30	23	60

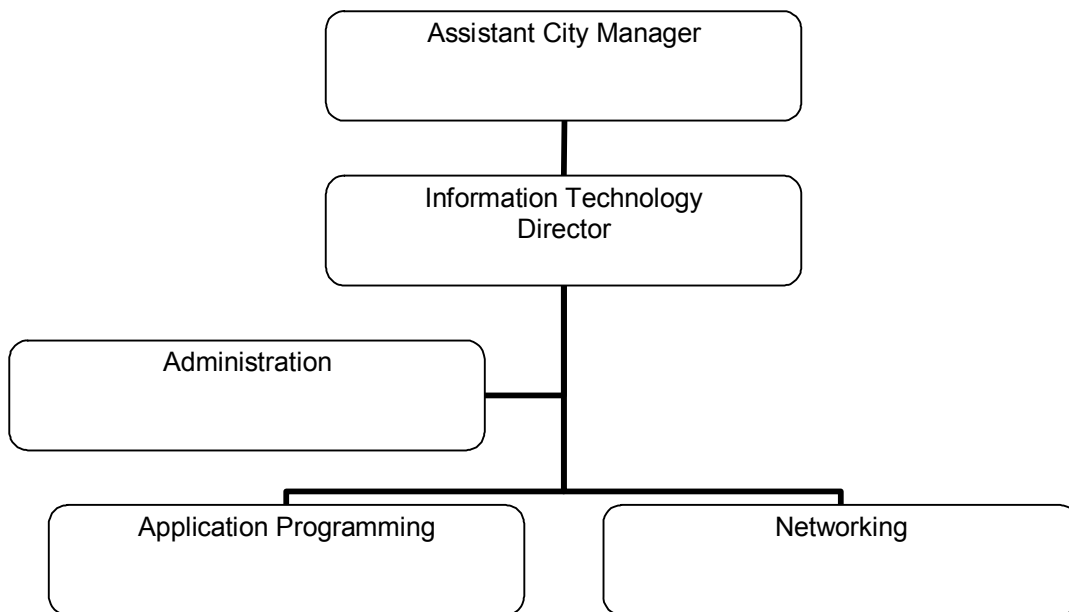
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for Basic City
 Services and Quality of Life.**



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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

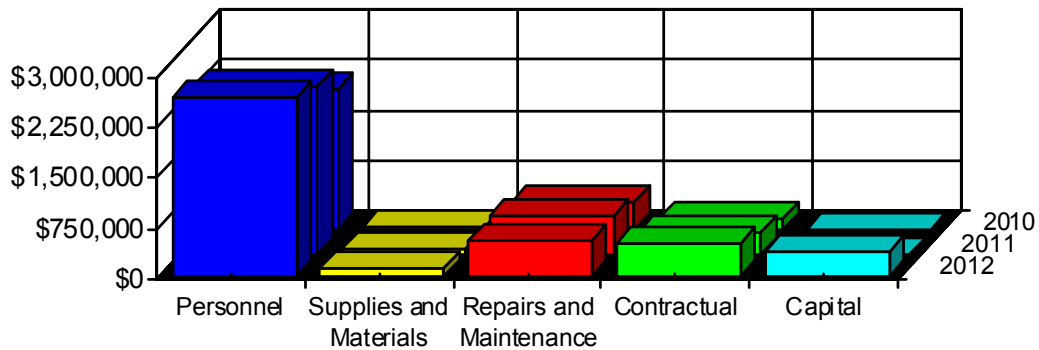
Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$2,097,093	\$2,484,767	\$2,654,706
Supplies and Materials	47,192	69,126	105,138
Repairs and Maintenance	438,159	541,142	539,745
Contractual	172,845	296,314	471,514
Capital Outlay	0	0	369,062
Total	\$2,755,289	\$3,391,349	\$4,140,165

Staffing	37	38	38
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Approximately \$170,000 of the personnel increase is attributed to salary, pension and health care contribution increases for non-uniform employees. Three (3) vacant positions will be filled in 2012 in addition to one (1) that was recently filled. The increase in Supplies represents the purchase of programmer tools. The Contract allocation includes funding for Internet Access, contractors for development and implementation of interfaces, professional development, and janitorial services. Capital projects in 2012, utilizing a portion of the IT operating allocation from the sales tax, include implementation of a budget module, financial management tools, and equipment for a portable training lab, network, and phone system.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 12 Proposed Budget	% Change from Prior Year
100 General Fund	\$4,140,165	22.08%



Information Technology

2011 Department Priorities	Status
Replaced the City's Virtual Private Network (VPN) connection equipment.	Completed
Implemented virtualization of servers/workstations Phase III which added to the 49 virtual servers currently in use.	Completed
Continue police incident reporting project conversion from the mainframe system to web based and client server. (Year one of a two year project)	Ongoing
Upgrade the email system provided funding is available.	Ongoing
Upgrade Microsoft Office for the 1600 + users provided funding is available. (no funding in 2011)	Other (please explain)
Assist Finance with purchasing and implementation of a budget module provided funding is available. (no funding in 2011)	Other (please explain)
Create a business continuity plan for the Information Technology department and assist other city departments in creating plans for their departments.	Ongoing
Continue working with various city departments to replace existing mainframe systems.	Ongoing
Work with internal city departments to create an information technology plan.	Ongoing
Continue working on disaster recovery and business continuity plans for the City of Little Rock.	Ongoing
Assist Fleet and Public Works with purchasing and implementation of a new phone system at the JE Davis suite. (no funding in 2011)	Other (please explain)
Upgrade network switches with technology that are nine (9) years old or greater. provided funding is available. (no funding in 2011)	Other (please explain)
Implement Phase II of the disaster recovery site. (no funding in 2011)	Other (please explain)
Explore a barcode system for Asset Management that will interface with Lawson. (no funding in 2011)	Other (please explain)



2011 Department Priorities (Continued)	Status
Provide encryption for all laptops and removable media.	Ongoing
Assist Fleet with purchase and implementation of an Impound software system. (no funding in 2011)	Other (please explain)
Upgrade all workstations running Windows 2000 and Windows XP operating systems. (no funding in 2011)	Other (please explain)
Upgrade switches for the telephone system. (no funding in 2011)	Other (please explain)
Move test servers and disaster recovery equipment to the disaster recovery location contingent upon fiber optic connection availability to that facility. (no funding in 2011)	Other (please explain)

2012 Department Goals
City E-Mail System Upgrade: Finish the process of moving City e-mail users over to the new Exchange 2010 server.
City Blackberry Server Upgrade: Finish the process of moving City Blackberry users over to the new Blackberry server.
Lawson Upgrade: Upgrade hardware and software, including network equipment, for City's Enterprise Resource Planning (ERP) system and install budget module.
Encryption of City Laptops and Other Mobile Devices: Continue the encryption of City owned laptops to provide more security of City data and pursue options for encrypting mobile devices as well.
Expand City's Wireless Network: Provided funding is available, work towards adding more locations to the City's wireless network.
Disaster Recovery: Move test servers and Disaster Recovery (DR) equipment to the disaster recovery location provided the fiber optic connection to the facility is in place. Explore other cloud options for DR and backup.
Mobile Device Management System (MDM): Approve and implement a MDM system in order to securely allow mobile devices on the City's network.
VPN Client: Roll out all the features on the new Juniper VPN client for City users and vendor access.



2012 Department Goals (Continued)

Server Management with Microsoft Products: Create backups for the City's virtual servers using current licenses for Microsoft Data Protection Manager (DPM) and upgrade current versions of Microsoft System Operations Manager (SCOM) for the management of servers.

Little Rock Police Department Security Module: Implementation of a Security Module that will define all security within the new Police Records Management System. This project is continued from 2011.

Little Rock Police Department Personnel Management Module: Implementation of a Personnel Management Module that would replace the mainframe software known as Personnel Management System and provide new functions and features as determined by Little Rock Police Department (LRPD) Personnel. This project is continued from 2011.

City-Wide Business Continuity Plan: Create a Business Continuity Plan for the Information Technology Department and assist other City Departments in creating a plan for their respective areas.

AOC: Working with State of Arkansas online Courts system to develop interfaces to share LRPD information with Little Rock District Courts.

Web Filter: Install web filter for use with City's wireless network and Hinton NRC lab to mitigate issues with public having access to sites they should not on the internet through City services.

Mobile Training Lab: Purchase and make available mobile training lab that will be available to all City sites for training use.

Police Incident Module Second year of a two year project: This will replace the current Incident System on the mainframe and will be written in strict accordance with the latest of both the National Incident Based Reporting System (NIBRS) and National Information Exchange Model (NIEM) standards. This project is continued from 2011.

Police Arrest-Warrant-Citations Module: Second year of a two year project- this module will replace what is currently known today on the mainframe as "Person's World". This project is continued from 2011.

Police Administrative Module Second year of a two year project: This module will handle any code table processing, supplement transfers, or Little Rock number transfers. This project is continued from 2011.



Information Technology

Department: Information Technology
Funding Source: General Fund
Budget: \$4,140,165

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: To insure that the City's local area computer network is available 99% of the available work hours.			
Demand: Hours available in the work year.	8,760	8,760	8,760
Workload: Hours available for use per year.	8,760	8,760	8,760
Efficiency: Hours available for use per month.	730	730	730
Effect/Outcome: Percentage of available work hours.	96%	98%	99%

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

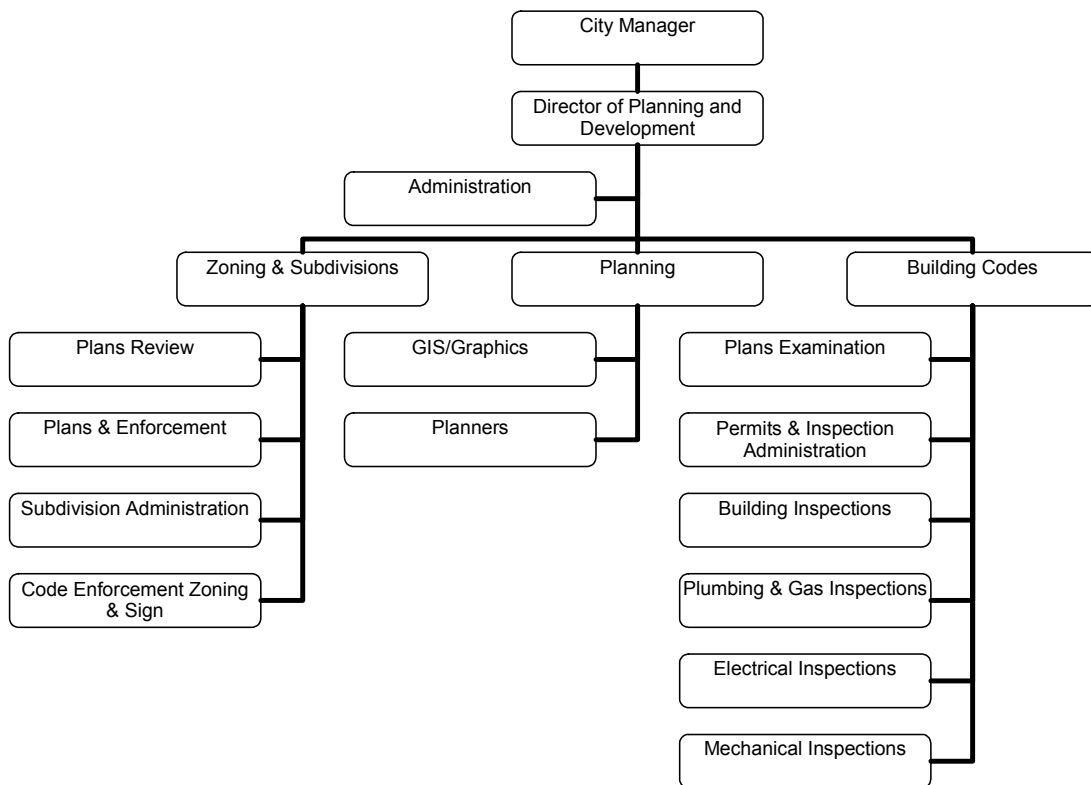
Objective: To insure that 97% of the city staff trouble tickets receive a satisfactory or better rating.			
Demand: Number of trouble ticket per year.	7,956	7,476	8,000
Workload: Number of ticket processed within the year.	7,956	7,476	8,000
Efficiency: Number of satisfactory or better tickets.	7,638	7,176	7,760
Effect/Outcome: Percent of satisfactory or better rated tickets.	96%	96%	97%

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





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

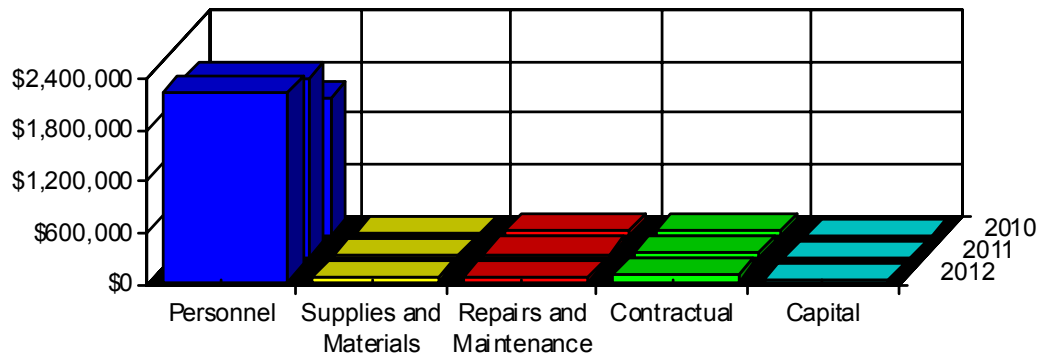
Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$1,605,759	\$2,090,984	\$2,200,328
Supplies and Materials	43,466	50,961	56,777
Repairs and Maintenance	51,764	53,632	57,397
Contractual	52,809	60,978	73,178
Capital Outlay	0	0	5,000
Total	\$1,753,799	\$2,256,555	\$2,392,680

Staffing	39	39	39
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Approximately \$109,500 of the personnel increase is attributed to salary, pension and health care contribution increases for non-uniform employees. At least two (2) vacant positions will be filled including a Graphic Technical and a Building Inspector. The increase in Contracts includes professional development. Other increases help to restore supplies and maintenance funds that were cut in previous years.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 12	% Change
100 General Fund	Proposed Budget	from
	\$2,392,680	Prior Year
		6.03%



2011 Department Priorities	Status
Continue to provide staff support for various boards, commissions and committees including Planning Commission, City Beautiful Commission and the Neighborhood Stabilization Program 2 (NSP2).	Ongoing
Worked on two (2) land use plan reviews and revision packages.	Completed
Collaborate with the Main Street Revitalization Committee on the implantation of the Main Street Plan.	Ongoing
Continue to work with the Bicycle Friendly Committee and the citywide Historic Preservation Plan Implementation Committee.	Ongoing
Develop information and complete the work needed for creating a current zoning map on the City's web page.	Ongoing
Coordinate with the Planning Commission and the Board of Directors the review and adoption of any needed Zoning and Subdivision Ordinance Amendments.	Ongoing
Staff will reviewed and processed approximately 250 applications for development proposals including rezoning, conditional uses, preliminary plats and planned developments.	Completed
Adopt the 2011 National Electrical Code.	Ongoing
Completed the review of the 2009 International Fire, Building and Residential Codes for possible adoption.	Completed
Continue to support the Criminal Abatement Program through inspections and code enforcement.	Ongoing



2012 Department Goals

Continue to provide staff support for various boards, commissions and committees including Planning Commission, City Beautiful Commission, Historic District Commissions, NSP2 Architectural review Committee and the Board of Directors.

Complete the work needed with PAGIS (Pulaski Area Geographical Information System) staff to implement placing a current zoning map on the city's web page.

Start and complete one area of review and update of the City's future land use plan.

Coordinate with Planning Commission and Board of Directors any needed review of the Zoning and Subdivision ordinances. Example - review of the Highway 10 Design Overlay District.

Staff will review and process approximately 250 requests for rezoning, conditional uses, variances, preliminary plats and planned developments.

Adopt the 2011 National Electrical Code, 2009 International Fire, Building and Residential Code (subject to State of Arkansas action) and the 2009 International Energy conservation Code.

Review of all construction related fees for possible changes.

Continue to be involved with the Main Street Revitalization Committee and Subcommittees (Downtown Little Rock Partnership) and various planning efforts such as; Green America's Capital and the National Endowment for the Arts; Our Town grant.

Continue to work with the committee on various initiatives and tasks.
Example - complete street policy.



Department: Planning and Development
Funding Source: General Fund
Budget: \$2,392,680

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

	2010 Actual	2011 Budget	2012 Budget
Objective: To process 95% of all applications within forty-five (45) days.			
Demand: Land Use, Historic District, and River Market District cases to be processed.	14	14	20
Workload: Land Use, Historic District, and River Market District cases processed.	14	24	20
Efficiency: Cases reviewed/completed per month.	1	2	2
Effect/Outcome: Completion of cases	99%	99%	99%

Objective: To process all inspection request within one (1) day.			
Demand: Building, Plumbing Mechanical, and Electrical inspection requests possible.	14,437	16,500	15,500
Workload: Building, Plumbing Mechanical, and Electrical inspection requests completed.	14,437	16,500	15,500
Efficiency: Inspection requests completed per year	14,437	16,500	15,500
Effect/Outcome: Percentage of requests completed.	100%	100%	100%

Objective: To complete zoning, subdivision, and sign code enforcement inspections, and re-inspections within policy-directed time frames.			
Demand: Zoning, subdivision and sign code inspections and re-inspections to be completed.	5,760	6,500	6,500
Workload: Zoning, subdivision and sign code inspections, and re-inspections completed.	5,760	6,500	6,500
Efficiency: Cases processed per year.	5,760	6,500	6,500
Effect/Outcome: Compliance and completion of cases.	100%	100%	100%

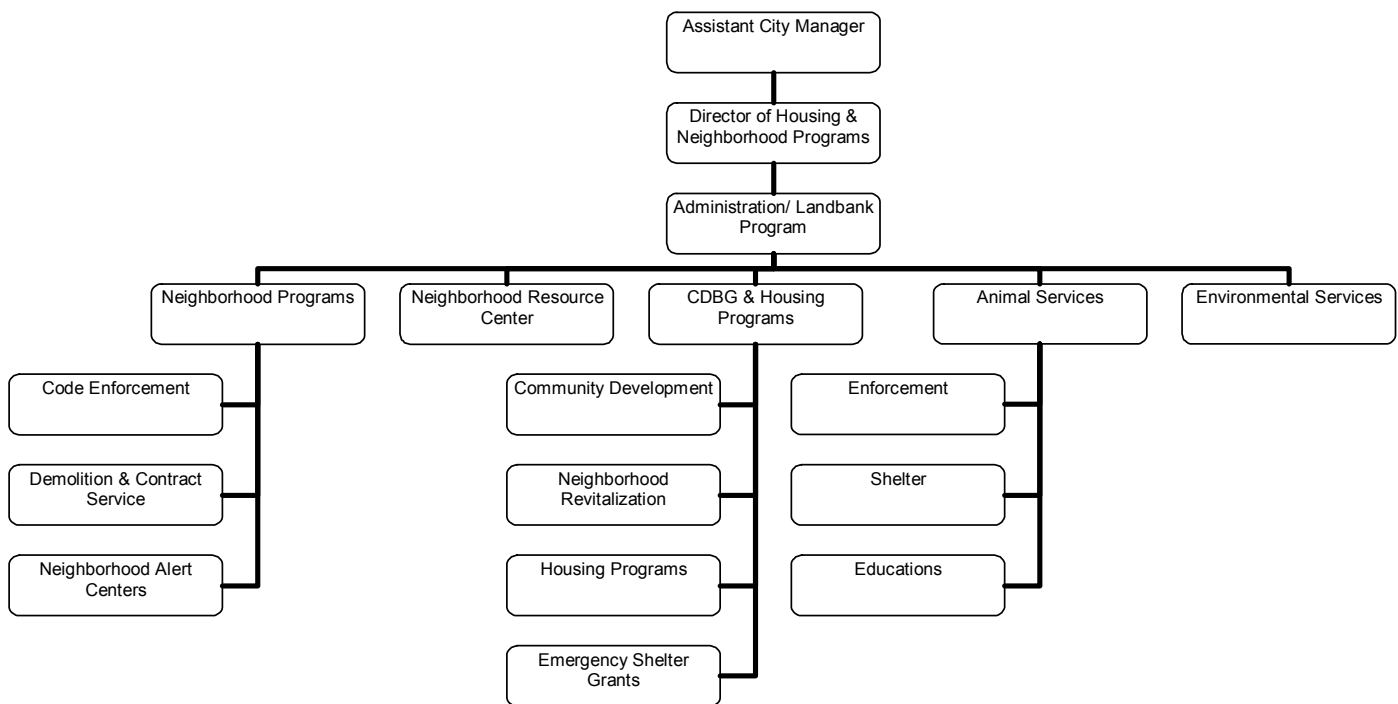
The departmental goals and objectives link with the
Board of Directors Statement of Management Policy for Basic City Services.



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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.

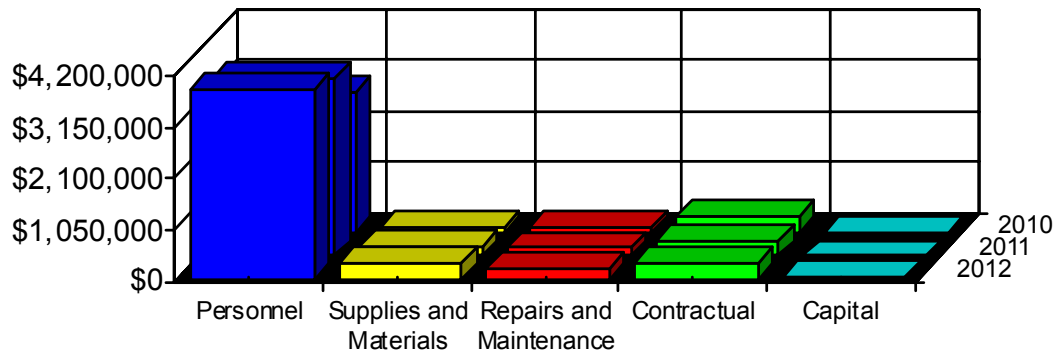
Housing and Neighborhood Programs

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$2,901,833	\$3,606,125	\$3,849,656
Supplies and Materials	143,037	202,975	313,085
Repairs and Maintenance	150,404	180,839	185,774
Contractual	377,243	314,498	314,498
Capital Outlay	0	0	15,000
Total	\$3,572,517	\$4,304,437	\$4,678,013

Staffing	2010	2011	2012
	94	94	96

Approximately \$117,500 of the personnel increase is attributed to salary, pension and health care contribution increases for non-uniform employees, and approximately \$118,000 is attributed to new positions for Code Enforcement and Animal Services. In addition, eight (8) vacant Code Enforcement and three (3) vacant Animal Services positions will be filled. Other increases reflect the additional supplies and operating equipment required for the new staffing.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 12 Proposed Budget	% Change from Prior Year
100 General Fund	\$4,678,013	8.68%



Housing and Neighborhood Programs

2011 Department Priorities	Status
Completed review and published new Resource Directory for Neighborhood Alert Centers.	Completed
Reviewed Alert Center Service Delivery Area Boundaries and made updates as needed.	Completed
Provide 55,000 hours of community service work for City departments and other agencies.	Not Completed
Develop new marketing tools to promote the Willie L. Hinton Neighborhood Resource Center.	Ongoing
Worked with the Land Bank Commission to acquire an additional twenty (20) properties.	Completed
Obtain marketable title to the current inventory of Land Bank properties.	Ongoing



Housing and Neighborhood Programs

2012 Department Goals
Review and revise departmental mission statement.
Complete an updated rehabilitation standards manual.
Complete a Policy and Procedures Manual for Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), and Housing Opportunities for Persons with AIDS (HOPWA) programs.
Implement programs that will generate program income.
Increase staff, grantees, and contractor capacity.
Complete the required units and expenditures for the Neighborhood Stabilization Program 2 (NSP2).
Improve the image of the Housing division by educating the public and city staff on program purposes.
Research opportunities to fund displaced residents.
Identify neighborhood groups that are inactive or need assistance reforming. Build capacity for neighborhood groups that need assistance.
Reduce calls for service and be more proactive through addition of Animal Control Officers.
Raise funds to build Rescue Waggin quarantine area.
Continue partnership with Rescue Waggin to send 700 animals to caring homes.
Complete the dog park at the Animal Shelter.
Work through the City Manager's Office to demolish all priority one (1) unsafe and vacant structures.
Train staff and efficiently enforce the ordinance that addresses parking in the front yard.
Train staff to efficiently enforce the new trash/waste receptacle ordinance for multifamily structures and mobile home parks.



Housing and Neighborhood Programs

Department: Housing and Neighborhood Programs
Funding Source: General Fund
Budget: \$4,678,013

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: To inspect neighborhood rental property.			
Demand: Rental property to be inspected.	1,500	1,500	1,500
Workload: Rental property inspected.	907	896	900
Efficiency: Average Rental property inspected per month.	76	75	75
Effect/Outcome: Percentage of rental inspections completed yearly.	60%	60%	60%

Objective: To enforce nuisance codes through property inspections.			
Demand: Nuisance code inspections to be performed.	20,000	20,000	20,000
Workload: Nuisance code inspections performed.	18,403	17,117	21,000
Efficiency: Average nuisance code inspections done per month.	1,543	1,426	1,750
Effect/Outcome: Percentage of nuisance code inspections completed per year.	92%	86%	95%

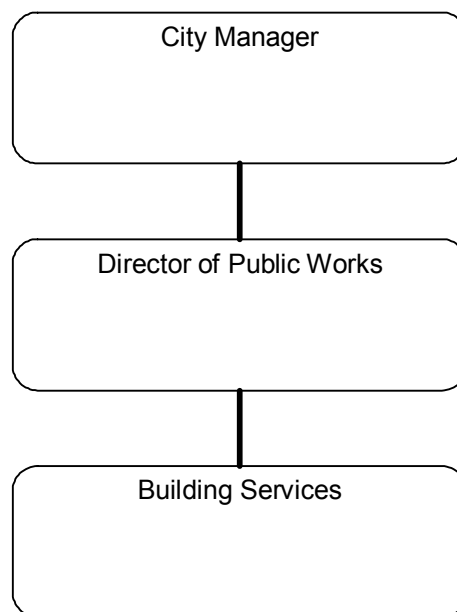
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for a
 Safe City and Basic City Services.**




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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

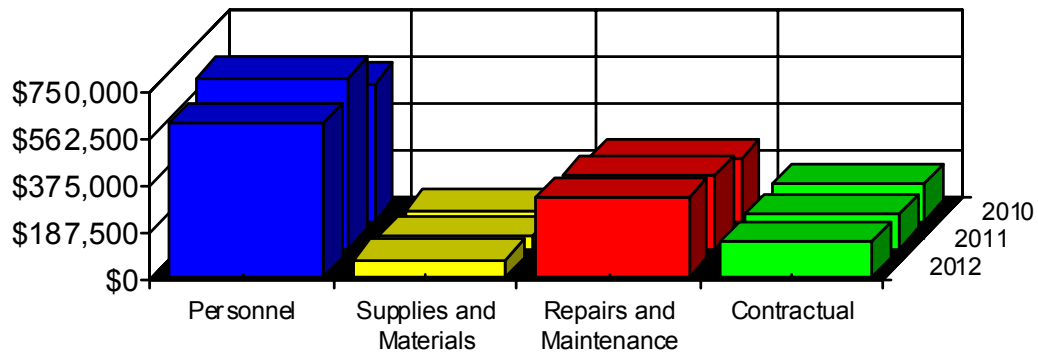
Expenditure Budget - General Fund

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$548,773	\$684,273	\$612,218
Supplies and Materials	43,120	55,256	63,187
Repairs and Maintenance	247,152	304,163	309,798
Contractual	147,077	139,495	139,495
Total	\$986,122	\$1,183,187	\$1,124,698

Staffing	13	13	13
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The decrease in personnel cost reflects the transfer of the budget for two (2) positions to the special project for Building Services. The two (2) positions are currently vacant, but will be filled in 2012 to support building repairs and maintenance funded by the new operating sales tax.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	Proposed Budget	from Prior Year
100 General Fund	\$1,124,698	-4.94%




Public Works General Fund

Department: Public Works
Funding Source: General Fund
Budget: \$1,124,698

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: To complete all building-related service work orders in a timely fashion.			
Demand: Work orders to be completed from City departments.	2,530	2,800	2,200
Workload: Work orders completed.	2,530	2,800	2,200
Efficiency: Work orders completed per month.	210.83	233.33	183.33
Effect/Outcome: Total percentage of work orders completed.	100%	100%	100%

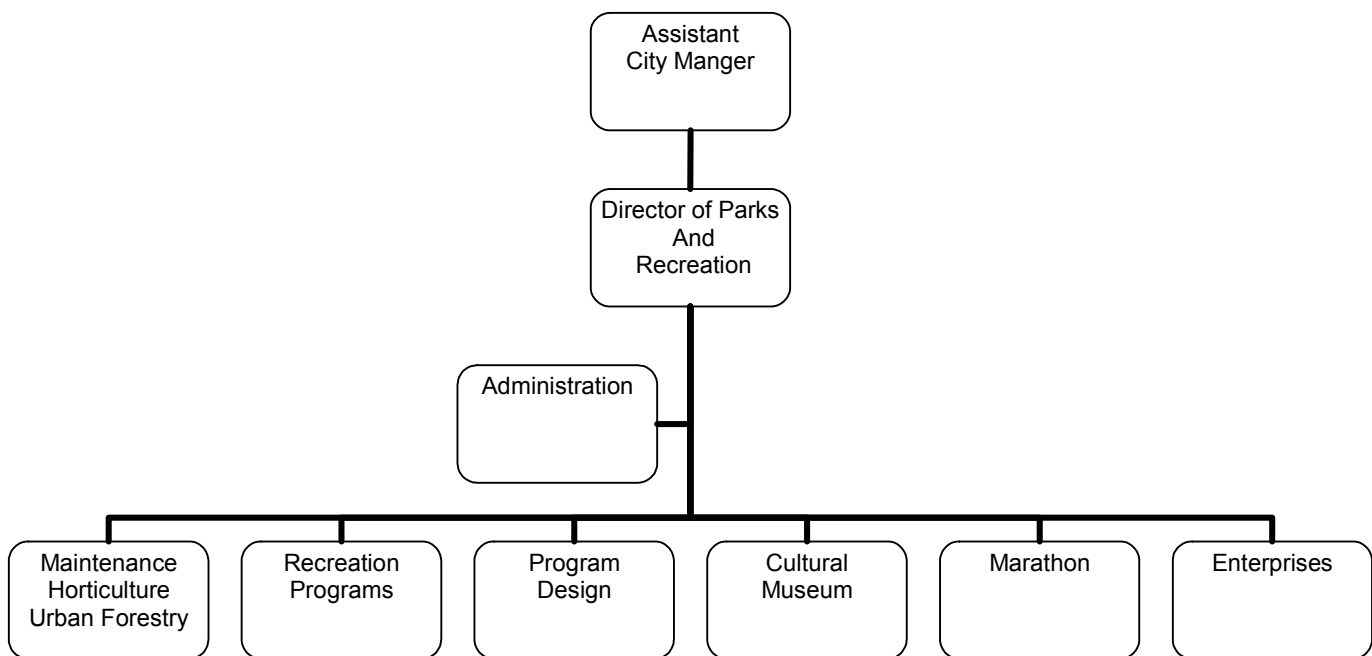
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Parks and Recreation



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

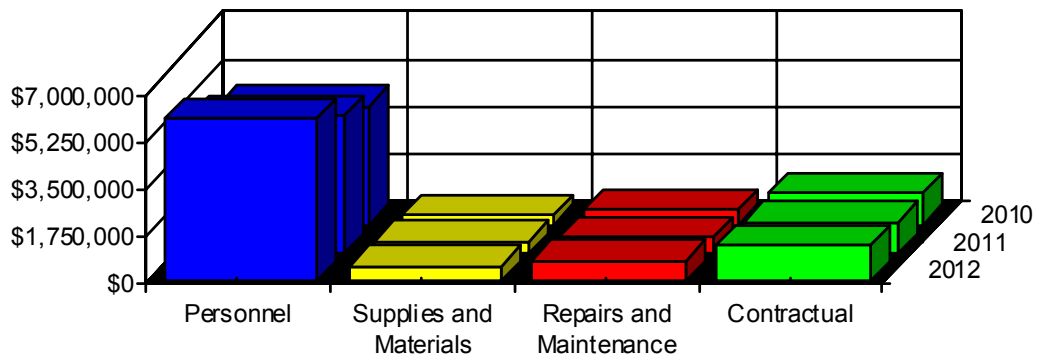
Expenditure Budget - General Fund

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$4,392,755	\$5,080,374	\$6,003,892
Supplies and Materials	326,003	412,374	494,943
Repairs and Maintenance	597,519	559,203	761,530
Contractual	1,189,992	1,127,083	1,268,464
Total	\$6,506,269	\$7,179,034	\$8,528,829

Staffing	2010	2011	2012
	100	100	117

The increases in the Parks Department reflect the new sales tax allocation to provide enhanced park maintenance, operations cost for the Senior Center in the last quarter of the year, and funding for Museum operations. Allocations include filling nine (9) vacant positions and fifteen (15) new maintenance positions in addition to a new position for the Museum and a position for the Senior Center. Part-time and over-time funding has also been increased.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	Proposed Budget	from Prior Year
100 General Fund	\$8,528,829	18.80%



Parks and Recreation

2011 Department Priorities	Status
Continue to seek solutions to complete the construction of the Arkansas River Trail.	Ongoing
Completed the preparation for the 2011 departmental re-accreditation process for Little Rock Parks and Recreation.	Completed
Complete the reconstruction of the Ottenheimer Therapeutic Center.	Ongoing
Develop plans and begin the reconstruction of the Adult Leisure Center.	Ongoing
Assisted in the development and completion of the Riverfront Park Urban Wetland Project.	Completed
Continue the refinement and implementation of the War Memorial Redevelopment Plan.	Ongoing
Continue the implementation of the MacArthur Park Master Plan.	Ongoing
Increase Little Rock Marathon participation and revenue by ten (10) percent on the tenth anniversary.	Ongoing
Staff will continue to conduct a thorough and detailed inspection of every playground within Parks and Recreation inventory.	Ongoing
Continue the "Lights on After School " initiative, which promotes the critical importance of quality after-school programs within the lives of children, their families and community.	Ongoing
Promote the "Step Up to Health" initiative, which inspires citizens to pursue healthier lifestyles, creating a more livable community.	Ongoing
Parks and Recreation operated an eight (8) week Summer Playground Program at five (5) sites around the City for youth between the ages of six (6) and fifteen (15).	Completed



2012 Department Goals

Park Maintenance Upgrade: Per the successful 2011 Sales Tax campaign, begin initiative to upgrade park maintenance from class C to class B.

Capital Projects: Begin initial implementation phase of capital projects funded via the 2011 City Sales Tax; Natural Steps, Park Upgrades and Trails.

Little Rock Parks and Recreation Master Plan: Update the 2001 Little Rock Parks and Recreation Master Plan to reflect progress and maintain accreditation.

Arkansas River Trail: Continue to seek solutions to complete the construction of the Arkansas River Trail.

Ottenheimer Therapeutic Center: Open and Dedicate the Ottenheimer Therapeutic Recreation Center.

Adult Leisure Center: Continue the planned reconstruction of the Adult Leisure Center to open in late 2012.

War Memorial Redevelopment Plan: Continue the refinement and implementation of the War Memorial Redevelopment Plan.

MacArthur Park Master Plan: Continue the implementation of the MacArthur Park Master Plan.

Little Rock Marathon Improvements: Increase Little Rock Marathon participation and revenue by 10%.

Parks & Recreation Playground Inspection Program: Continue to conduct a thorough and detailed inspection of every playground within the Parks and Recreation inventory.

Lights on After School: Continue 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.

Summer Playground Program: Operate eight (8)-week Summer Playground Program at seven (7) sites around the City for youth between the ages of six (6) and fifteen (15).

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: \$8,528,829

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: 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.			
Demand: Total recreational opportunities available.	189,965	195,775	204,225
Workload: Recreational opportunities attended.	184,743	189,975	201,225
Efficiency: Average seasonal attendance.	46,185	47,494	50,306
Effect/Outcome: Percentage of attendance versus opportunities available.	97%	97%	99%

Objective: Evaluate and upgrade existing capital projects based on need and fund availability.			
Demand: Capital projects to be managed annually.	106	76	124
Workload: Actual projects managed annually.	106	76	124
Efficiency: Projects actively managed monthly.	61	61	65
Effect/Outcome: Percentage of capital projects managed.	100%	100%	100%

Objective: Mow each park every ten (10) days during the mowing season.			
Demand: Number of desired mowing cycles.	14	14	21
Workload: Number of mowing cycles.	14	14	21
Efficiency: Number of monthly mowing cycles completed.	2	2	3
Effect/Outcome: Percentage of annual mowing cycles completed	100%	100%	100%

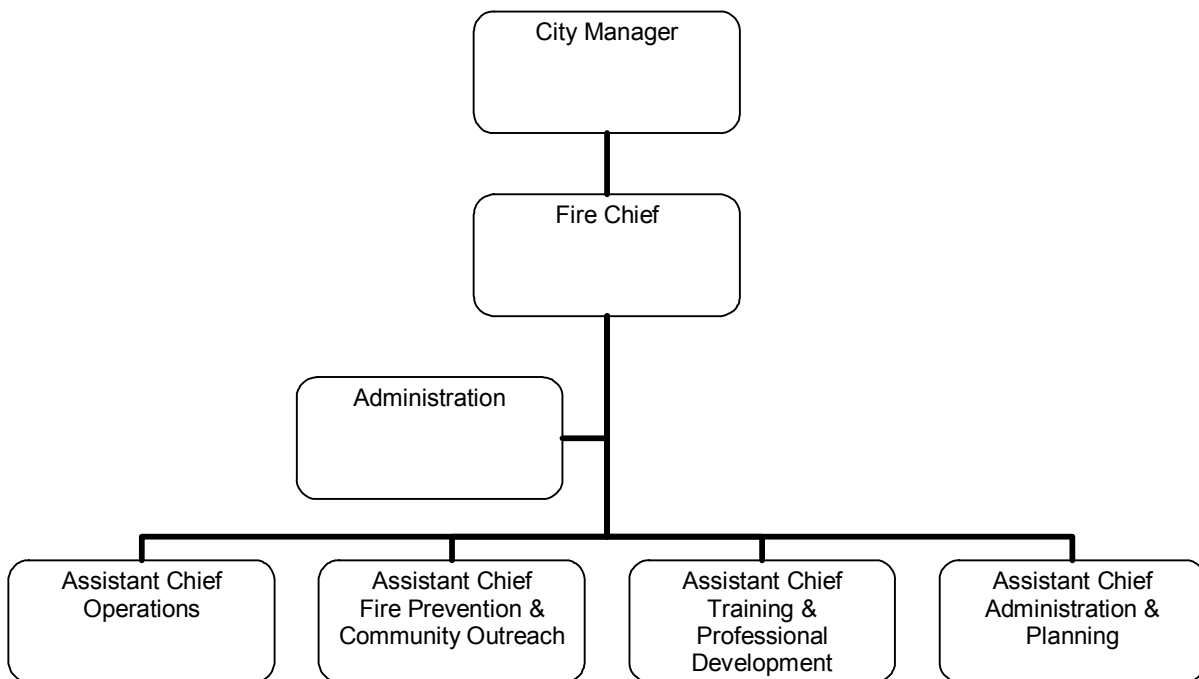
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for
 Quality of Life.**



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Fire



Mission Statement

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

Fire

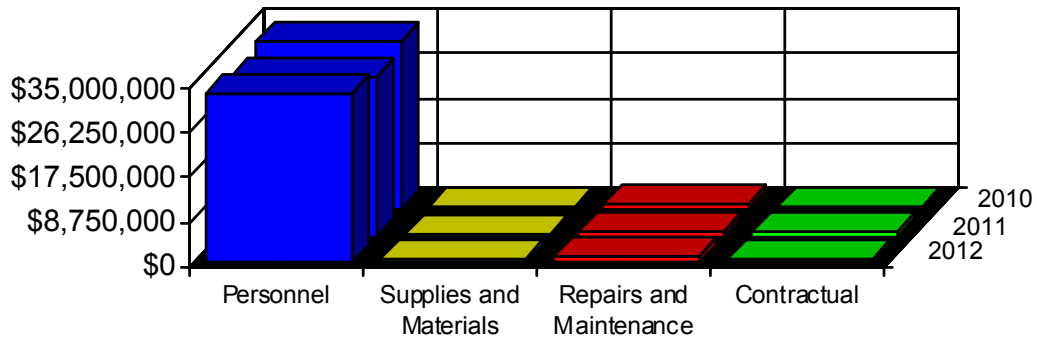
Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$32,954,053	\$31,386,994	\$33,100,172
Supplies and Materials	766,218	630,651	967,615
Repairs and Maintenance	1,257,993	1,271,256	1,417,520
Contractual	711,690	770,484	770,484
Total	\$35,689,954	\$34,059,385	\$36,255,791

Staffing	408	408	421
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The Fire Department increases reflect funding for salary increases for existing staff as well as the addition of twelve (12) new positions for the West Little Rock Fire Station.

Total Allocations By Fiscal Year And Account Category



Resources for Budget 100 General Fund	FY 12 Proposed Budget \$36,255,791	% Change from Prior Year 6.45%
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Fire

2011 Department Priorities	Status
Responded to 25,589 calls for service including fires and explosions, rescue and emergency medical care, hazardous condition and natural disaster calls.	Completed
Received Assistance to Firefighter Grant (AFG) awards of \$266,859 for the purchase of a Driving Simulator and a \$26,631 Prevention Grant.	Completed
Received \$175,000 Homeland Security Grant to replace the Little Rock Fire Department's fire boat.	Completed
Increase the social skills of Little Rock Fire Department (LRFD) personnel through the establishment of Spanish immersion classes for line personnel.	Ongoing
Partner with Arkansas Heart Hospital to establish an annual medical evaluation program.	Ongoing
Established an EMS Bicycle Team to provide quick response Emergency Medical Service (EMS) services during major events.	Completed
Created Airport Division Chief funded through Little Rock National Airport.	Completed
Implemented International Association of Firefighters supported minimum standards for Engineers and Captains.	Completed
Established a Social Networking Policy for all Little Rock Fire Department personnel.	Completed
Establish a sustainable apparatus replacement plan with Fleet Services.	Ongoing
Continued Professional Development through the establishment of awarding educational points in the promotion process.	Completed



Fire

2012 Department Goals

Improve Labor/Management relations within the Little Rock Fire Department.

Continue professional development within the LRFD.

Provide fire ground training capabilities at the Fire Training Academy.

Purchase land for a southwest Little Rock fire station.

Explore the possibilities of establishing a Fire Cadet Program.

Continue to work on arson arrest and clearance rate with Little Rock Police Department.

Implement a targeted Community Disaster Preparedness Program for the elderly.

Implement a grant funded Fire Corps Program.

Continue the accreditation process for the Little Rock Fire Department.

Host a county-wide Fire School for volunteer fire departments within Pulaski County.

Expand and develop the apparatus replacement plan.

Seek funding to implement a new staffing design within the LRFD.



Fire

Department: Fire
Funding Source: General Fund
Budget: \$36,255,791

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: Respond to calls for service including fires and explosions, rescue and emergency medical care hazardous condition and natural disaster calls.			
Demand: Total Calls requiring a response.	25,635	25,589	26,000
Workload: Calls responded.	25,635	22,537	22,880
Efficiency: Number of calls responded to within four (4) minutes.	16,096	18,871	19,219
Effect/Outcome: Percentage of calls responded to within four (4) minutes.	63%	84%	84%

Objective: Perform inspections of commercial structures including schools, daycare centers, nursing homes, high-rise buildings, and hospitals.			
Demand: Number of inspections on commercial structures required annually.	1,183	2,274	2,364
Workload: Commercial Building and Structures inspected annually.	1,680	5,597	5,877
Efficiency: Commercial Building and Structures inspected per month.	140	466	490
Effect/Outcome: Percentage of inspections completed annually.	142%	246%	249%

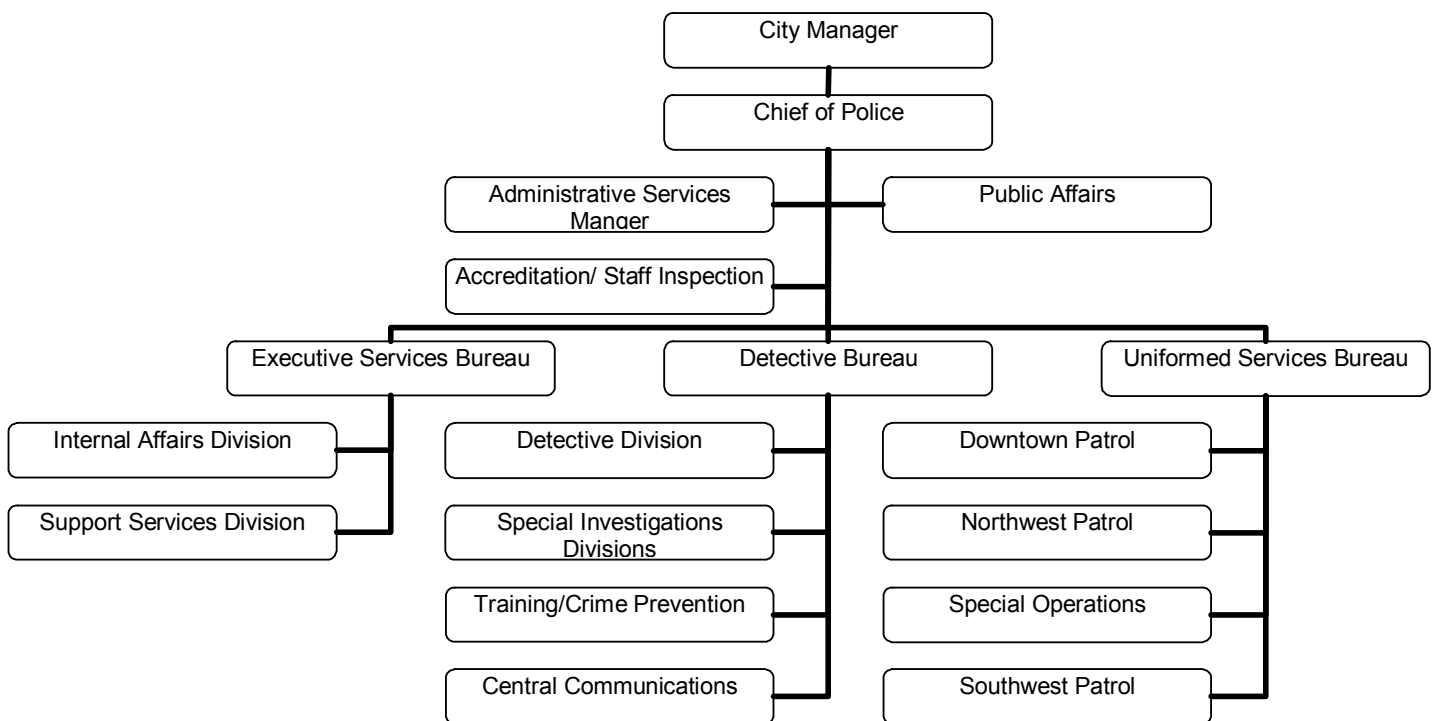
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

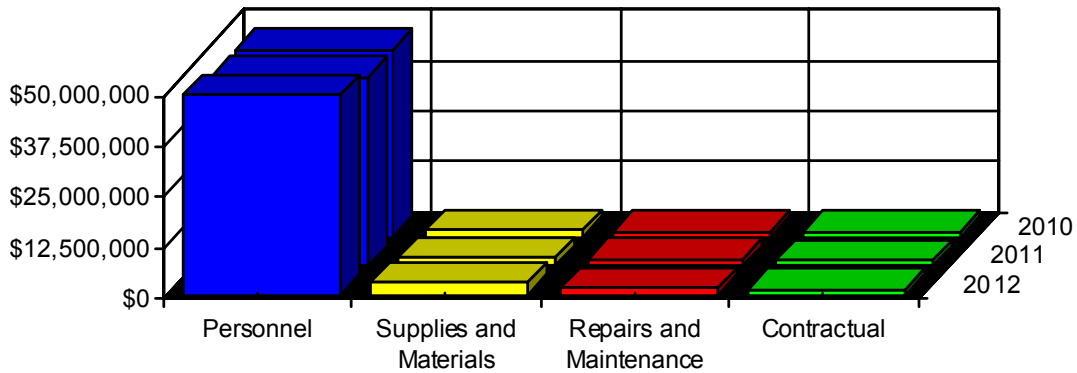
Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$46,131,537	\$46,353,311	\$49,225,542
Supplies and Materials	1,678,211	2,054,597	2,421,428
Repairs and Maintenance	1,592,522	1,698,916	1,792,567
Contractual	1,585,485	1,349,123	1,568,287
Total	\$50,987,755	\$51,455,947	\$55,007,824

Staffing	698	697	709
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Police Department increases reflect filling vacant uniform and 911/311 call taker positions as well as the addition of twelve (12) new uniform positions in the last quarter of the year. In addition, supplies, fleet cost, and other expenses have been increased to accommodate the new positions funded by the increased sales tax.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 12 Proposed Budget	% Change from Prior Year
100 General Fund	\$55,007,824	6.90%



Police

2011 Department Priorities	Status
The Police Department will continue the "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 construction preparation for Mid-Town Police Substation.	Ongoing



Police

2012 Department Goals

Complete the construction of the Mid-Town 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 2012.

Emphasize the utilization of the Criminal Abatement Program and maintain coordination with the City Attorney's Office.

Utilize crime analysis driven enforcement programs such as Compstat, Quiet Nights and Operation Phoenix and encourage command staff to develop and implement operational programs as needed.



Police

Department: Police
Funding Source: General Fund
Budget: \$55,007,824

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 and enforce state law and city ordinances, within the framework of the Constitution.

	2010 Actual	2011 Budget	2012 Budget
Objective: To respond to high priority calls			
Demand: Calls to respond	154,288	154,288	155,175
Workload: Calls responded	154,288	154,288	155,175
Efficiency: Total minutes from dispatch to arrival	9.3	9.3	8.75
Effect/Outcome: Percentage of calls with response time under 14 minutes	98%	98%	98%

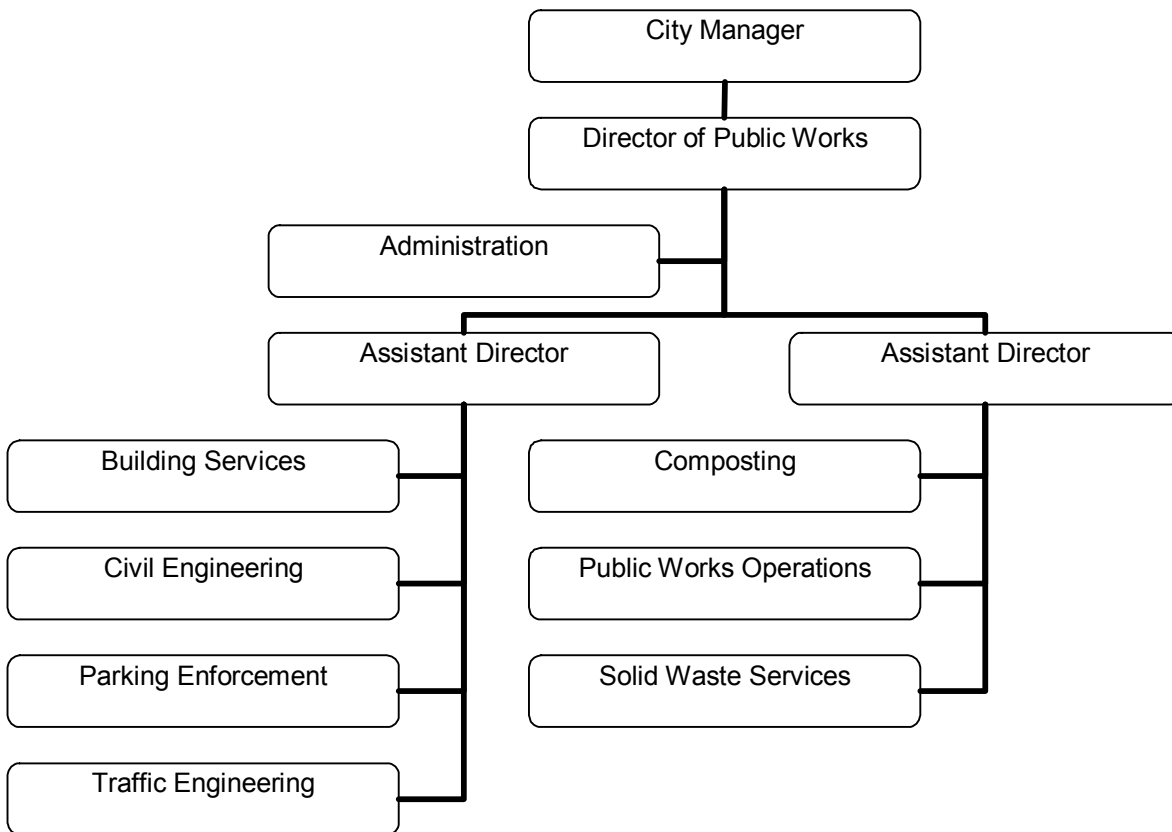
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

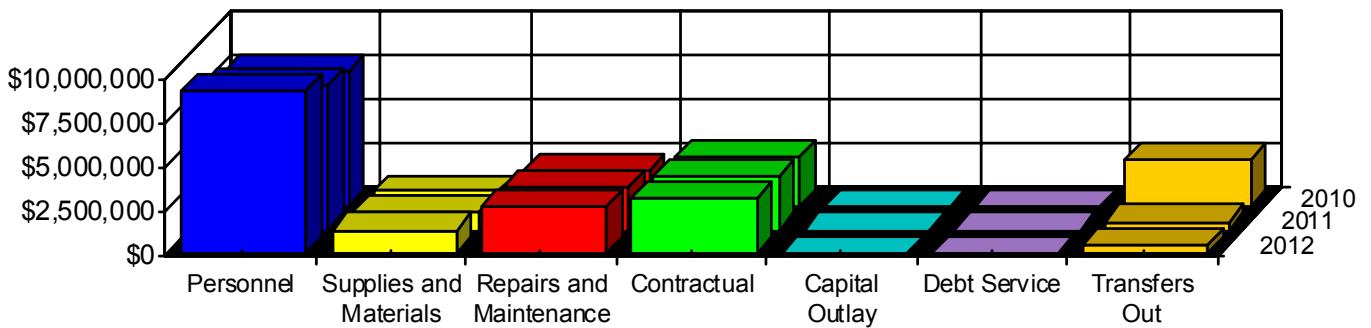
Expenditure Budget - Street Fund

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$7,632,281	\$8,229,350	\$9,188,772
Supplies and Materials	904,799	1,074,901	1,275,521
Repairs and Maintenance	2,267,894	2,368,556	2,595,283
Contractual	2,840,308	3,025,819	3,025,819
Capital Outlay	76,699	0	0
Debt Service	80	0	0
Transfers Out	2,631,917	466,217	466,217
Total	\$16,353,979	\$15,164,843	\$16,551,612

Staffing	210	210	211

The 2012 Street Fund budget is balanced. In addition to salary increases and the addition of one (1) position, expenditure changes include an increase in Fleet charges for fuel, labor, and direct parts and maintenance for aging vehicles and equipment.

Total Allocations By Fiscal Year And Account Category



Resources for Budget
200 Street Fund

Budget	Prior Year
\$16,551,612	9.14%



Public Works Street Fund

2011 Department Priorities	Status
<p>Storm Water Quality Education: Efforts to expand outreach include participation in a biannual Fourche Creek Clean-up, providing Geographic Information System support to Environmental and Spatial Technology (EAST) lab students. In addition, the program for placing storm drain markers has been expanded by adding hundreds of new locations throughout the City.</p>	<p>Ongoing</p>
<p>Storm Water Drainage System Mapping: Complete the initial process of data collection and mapping of the City's storm water drainage system.</p>	<p>Ongoing</p>
<p>Storm Water Pollution Prevention Plan: Continue the Central Maintenance Facility annual and quarterly inspections and reports in accordance with the facility's Storm Water Pollution Prevention Plan.</p>	<p>Ongoing</p>
<p>Vimy Ridge/Alexander Road Signal Project: Completed the construction of the Vimy Ridge Road and Alexander Road Signal Project.</p>	<p>Completed</p>
<p>Land Acquisition for Scott Hamilton Road Project: Complete the land acquisition process for Scott Hamilton Road, from Baseline Road to J.E. Davis Drive. All design and right-of-way plans as well as the environmental review has been completed and right-of-way acquisition will commence as soon as the Federal Highway Administration approves the environmental assessment.</p>	<p>Ongoing</p>
<p>South Loop Bypass: Initiate the construction of the South Loop Bypass from Mabelvale West to Alexander Road. Land acquisition process is substantially complete, utility relocation work is underway, the final plans are complete and the project is ready to initiate construction.</p>	<p>Ongoing</p>



Public Works Street Fund

2011 Department Priorities (Continued)	Status
<p>9th Street Extension Project: Completed the construction of the 9th Street Extension Project, including the Board Street intersection. The contract for street work is substantially completed and the new 9th Street Extension is in service.</p>	<p>Completed</p>
<p>Adopt-a-Street Program Review: Completed a review of participant status in the Adopt-A-Street Program. A review of program participants has been completed in a cooperative effort with the City Beautiful Commission and a presentation of program status is to be made at their meeting in January.</p>	<p>Completed</p>
<p>River Market Lighting Project: Improved lighting and initiated re-lamping program in order to maintain lighting levels in the River Market area. Staff performed significant upgrades to improve lighting in the River Market Area.</p>	<p>Completed</p>
<p>Riverfront Park Urban Wetland Project: Assisted in the development and completion of the Riverfront Park Urban Wetland Project. The Riverfront Park Urban Wetland Project (aka William E Clark Wetland Project) was completed and opened to the public on September 30th.</p>	<p>Completed</p>



2012 Department Goals

First Year Infrastructure Program: Develop, design and initiate construction on the first year program.

2013 to 2015 Infrastructure Program: Take public input, plan and initiate design on a three year infrastructure improvement program.

Land Acquisition for Scott Hamilton Road: Assist the Arkansas Highway and Transportation Department (AHTD) with the land acquisition process for Scott Hamilton Road project.

South Loop Bypass: Assist the AHTD to initiate the construction of the South Loop Bypass from Mabelvale West to Alexander Road.

Storm Water Quality Education: Expand programs for public outreach and education of storm water quality issues, both to city departments and the public.

National Pollutant Discharge Elimination System (NPDES) Storm Water Permit: Continue to work on the new draft NPDES Stormwater Permit with the Arkansas Department of Environmental Quality to minimize the economic impact while improving stormwater quality in the City of Little Rock.

City Stormwater Drainage System Mapping: Continue the process of data collection and updating maps of the City's storm water drainage system.

Rebsamen Road Roundabout: Complete construction of the new Roundabout at Rebsamen Park Road and Riverfront Drive.

9th Street Extension Project Phase II: Complete construction of the 9th and Bond Street Intersection and initiate the construction of Phase 2 east of the general aviation runway.

2012 Street Resurfacing Program: Coordinate street resurfacing program with revenue from the 2011 Sales Tax Plan.

2012 Sidewalk Replacement Program: Coordinate an annual sidewalk replacement program with revenue from the 2011 Sales Tax Plan.

New Traffic System Hardware/Software: Complete implementation of new traffic system hardware and software.

Chenal/Chenonceau Traffic Signal: Complete installation of traffic signal at Chenonceau and Chenal.

I430/I630 Interchange Project (with AHTD): Continue to coordinate with the Arkansas Department of Highway and Transportation to maintain traffic flow during the construction phases.



Public Works Street Fund

Department: Public Works
Funding Source: Street Fund
Budget: \$16,551,612

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: To review and approve commercial building permits for consistency with Code requirements for streets, drainage, and environmental programs.			
Demand: Permits for review	89	100	88
Workload: Permits reviewed	89	100	88
Efficiency: Permits processed per month.	16.7	18.75	13.6
Effect/Outcome: Percentage of permits completed.	100%	100%	100%

Objective: 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.			
Demand: Annual Street Sweeping Program miles.	33,000	30,000	30,000
Workload: Sweeping Program Street Lane miles.	27,974	18,481	30,000
Efficiency: Program Miles Completed per month.	2,331	1,540	2,500
Effect/Outcome: Percentage of miles completed.	86%	62%	100%

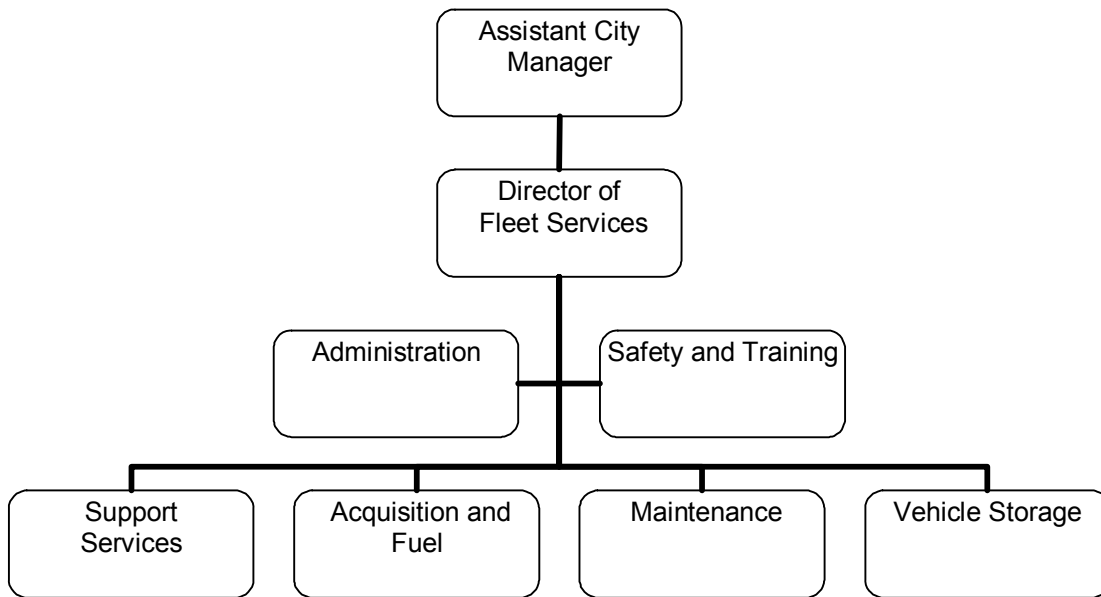
Objective: To respond to citizen requests/complaints regarding Traffic Issues affecting neighborhoods and/or other parts of the City.			
Demand: Requests for review.	390	400	353
Workload: Requests reviewed	390	400	353
Efficiency: Requests completed per month.	32.50	33.34	29
Effect/Outcome: Percentage 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.**





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

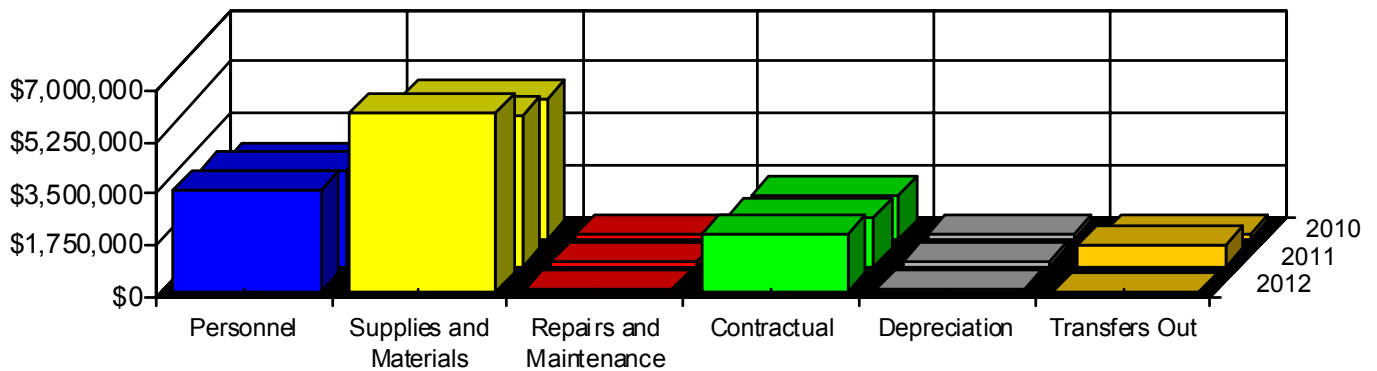
Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$2,626,717	\$2,898,248	\$3,319,520
Supplies and Materials	4,708,132	5,053,041	6,145,000
Repairs and Maintenance	217,613	128,800	153,500
Contractual	1,594,148	1,549,407	1,910,859
Depreciation	145,709	124,854	138,575
Transfers Out	236,278	734,585	0
Total	\$9,528,597	\$10,488,935	\$11,667,454

Staffing	2010	2011	2012
	60	60	59

The Fleet Services budget is balanced. The increase in personnel cost reflects salary increases and the increased pension contribution for non-uniform employees. Fuel cost is reflected at an estimated purchase price of \$3.50 per gallon for unleaded fuel and \$3.75 per gallon for diesel fuel. Usage is based on current statistics by department.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 12 Proposed Budget	% Change from Prior Year
All Operating Departments	\$11,667,454	11.24%



Fleet Services

2011 Department Priorities	Status
Applied for and received the "100 Best Fleets of North America" award.	Completed
Acquired a grant from the energy commission in the amount of \$230,000 for the purchase of the Compressed Natural Gas (CNG) fueling and maintenance station.	Completed
Continue to integrate alternatively-fueled vehicles into the City's fleet.	Ongoing
Design and institute a bar code system for tracking all vehicle/equipment stocked parts and for tracking all vehicles and equipment in the City of Little Rock fleet. Staff to be able to scan parts which will enable them to be received and issued faster.	Ongoing



Fleet Services

Department: Fleet Services
Funding Source: Fleet Services Internal Service Fund
Budget: \$11,667,454

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: To complete 90% of vehicle repairs within two (2) work days, as per American Public Works Association (APWA) standards.			
Demand: Vehicle repairs based on work orders.	15,708	11,500	16,000
Workload: Work orders opened and closed.	15,708	11,500	16,000
Efficiency: Work orders closed within two (2) work days.	10,924	9,775	13,600
Effect/Outcome: Percentage of vehicle repairs completed within two (2) work days.	66%	85%	85%

Objective: To reduce fuel consumption by 5%.			
Demand: Fuel usage goal (gallons)	823,225	871,806	866,836
Workload: Fuel consumption by City of Little Rock (CLR) fleet.	927,371	854,194	854,194
Efficiency: Reduction of fuel consumed by CLR fleet.	7,718	26,418	12,642
Effect/Outcome: Percentage of reduction in fuel consumption.	0%	3.09%	1.48%

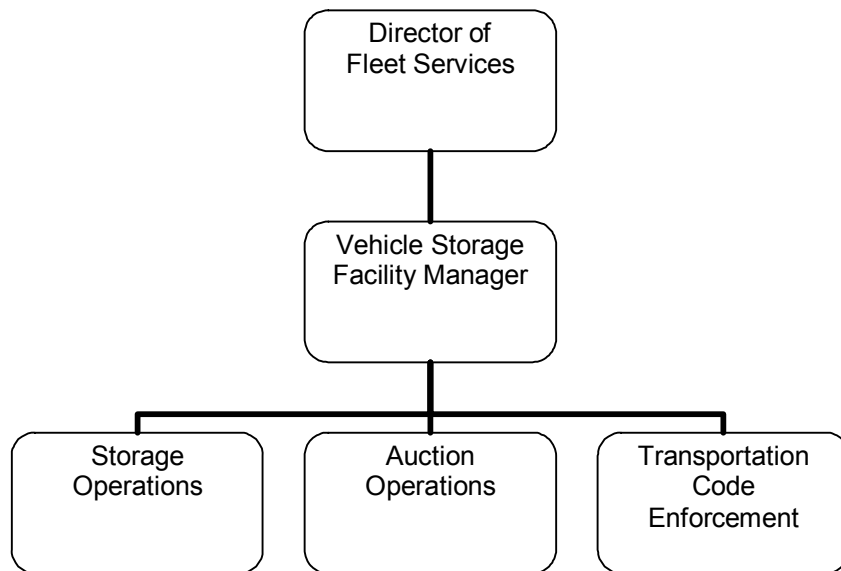
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services and Infrastructure.**



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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.

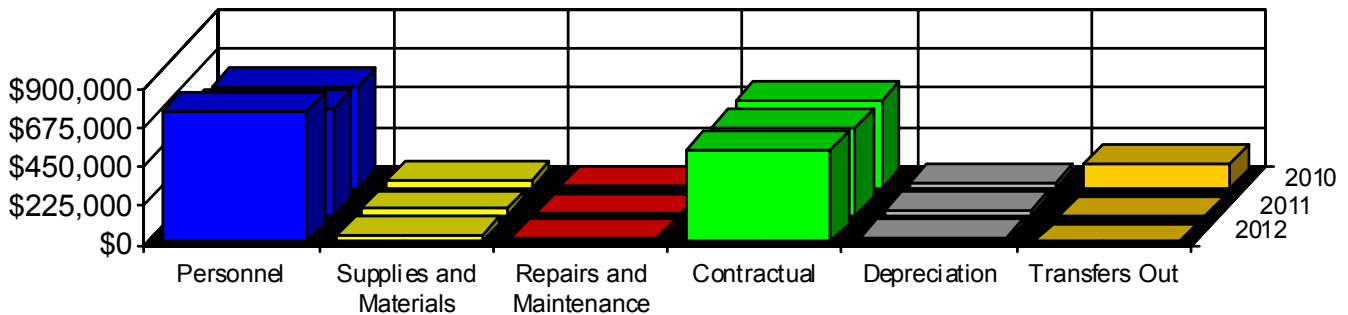
Vehicle Storage Facility

Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$590,048	\$611,003	\$707,388
Supplies and Materials	44,793	34,223	42,584
Repairs and Maintenance	15,434	12,574	19,828
Contractual	513,593	505,550	535,500
Depreciation	37,317	20,713	20,800
Transfers Out	147,368	0	0
Total	\$1,348,553	\$1,184,063	\$1,326,100

Staffing	2010	2011	2012
	17	15	15

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 12 Proposed Budget	% Change from Prior Year
601 Vehicle Storage Facility Fund	\$1,326,100	12.00%



Vehicle Storage Facility

2011 Department Priorities	Status
Reduced or eliminated the hold time on excess money collected for vehicles sold at auction; issue is included in the City's 2011 Legislative packet.	Completed
Investigated the feasibility of an on-line auction of impounded vehicles.	Completed



Vehicle Storage Facility

2012 Department Goals

Develop electronic and hard copy storage procedures for documents and file using Cabinet NG document management software.

Repair storage lot surface and resurface auction lot with gravel material.
Replace wooden fence around storage lot.

Purchase mule cart to escort customers to storage lot and assist building maintenance.



Vehicle Storage Facility

Department: Vehicle Storage Facility
Funding Source: Vehicle Storage Enterprise Fund
Budget: \$1,326,100

Department Description:

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

	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2012 Budget</u>
Objective: To release 100% of eligible vehicles within 60 days of impoundment.			
Demand: Impounded vehicles	3,300	3,100	3,300
Workload: Impounded vehicles eligible for release	3,250	2,950	3,250
Efficiency: Eligible vehicles released within 60 days.	3,250	2,950	3,250
Effect/Outcome: Percentage of eligible vehicles released within 60 days.	98.5%	98.3%	100%

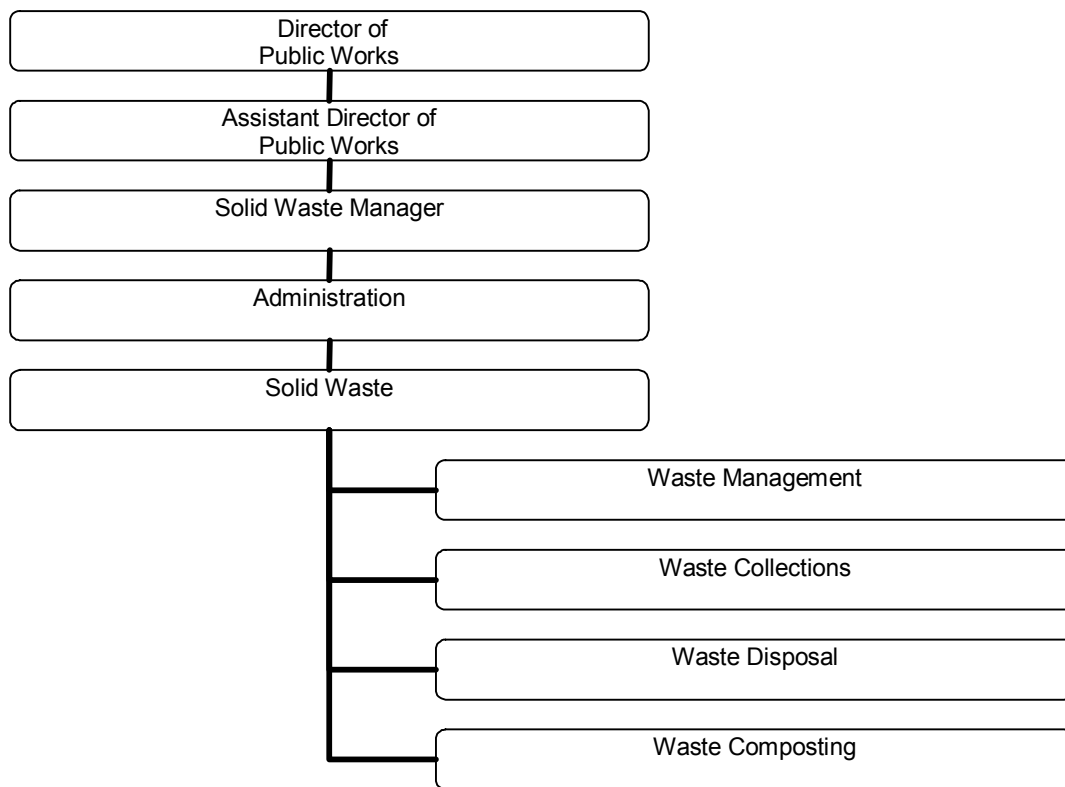
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services and Infrastructure.**



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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

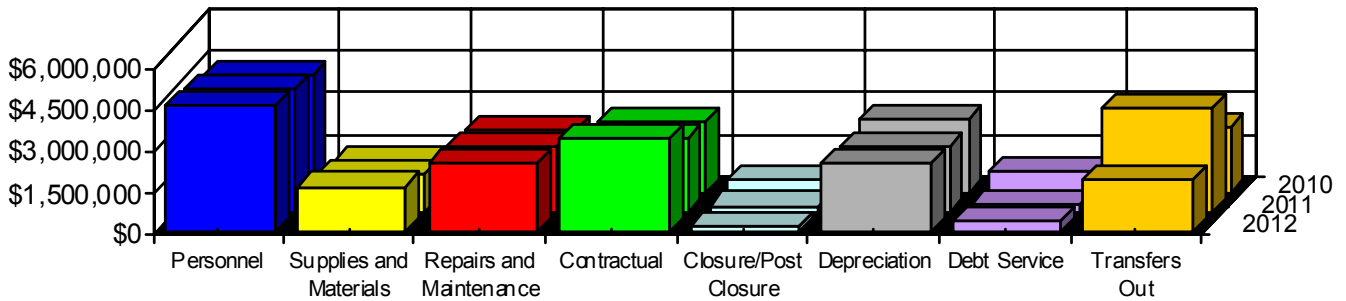
Expenditure Budget

Description	2010	2011	2012
	Actual Expenditures	Adopted Budget	Adopted Budget
Personnel	\$4,257,890	\$4,459,179	\$4,581,421
Supplies and Materials	1,131,814	1,430,400	1,666,100
Repairs and Maintenance	2,299,071	2,346,245	2,465,660
Contractual	2,609,058	2,705,950	3,383,815
Closure/Post Closure	478,914	247,945	247,945
Depreciation	2,653,172	2,425,500	2,532,249
Debt Service	728,309	326,696	387,500
Transfers Out	2,331,635	3,752,205	1,889,705
Total	\$16,489,863	\$17,694,120	\$17,154,395

Staffing	2010	2011	2012
	112	112	112

The increase in personnel cost reflects salary increases and the increase in pension contributions for non-uniform employees. The increases in Supplies and Materials and Repairs and Maintenance reflect higher fuel cost and maintenance for aging vehicles and equipment. The contract increase is primarily due to the cost of the new recycling contract. Transfers have been reduced with the elimination of one-time items.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 12 Proposed Budget	% Change from Prior Year
603 Waste Disposal Fund	\$17,154,395	-3.05%



Waste Disposal

2011 Department Priorities	Status
<p>Landfill Operations: Complete and analyze the proposals and initiate any recommend changes in operation as required. In addition to implementation of the recommended changes made by consultant, Solid Waste Services will continue bidding on outside disposal contracts to increase revenue.</p>	<p>Ongoing</p>
<p>Interlocal Agreement - Cammack Village: Pursue an interlocal agreement with Cammack Village to provide bulky item pick-ups. Still ongoing; awaiting response from Cammack Village officials.</p>	<p>Ongoing</p>
<p>Curbside Recycling Improvements: Evaluate the best alternatives to expand both commercial and residential curbside recycling. Signed multi-year residential curbside recycling contract introducing single-stream recycling to begin April 2012.</p>	<p>Ongoing</p>
<p>Recycling Awareness Campaign: Develop and administer a Recycling Awareness Campaign regarding anticipated changes of the residential Curbside Recycling Program. Launched paper recycling program on Little Rock School District campuses in partnership with Goldman Recycling. Updated Recycles website.</p>	<p>Ongoing</p>
<p>City Green Team: Continue to cultivate the City Green Team participation and ideas to further sustainability in City facilities. Members will take the lead regarding recommendations for the 2012 Sustainability Summit. Green Team led a successful Bike-to-Work event in partnership with Metroplan's Ozone Action Days awareness campaign.</p>	<p>Ongoing</p>



Waste Disposal

2012 Department Goals

Cammack Village Bulky Item Collection Contract: Continue contract negotiations with Cammack Village to begin providing bulky item collection.

Bidding on Providing Disposal Services of Additional Revenue: Continue looking for, and submit bids when possible, to provide disposal services to generate additional revenues.

Open Class 1 Landfill Cell: Design and begin construction of next Class 1 landfill cell.



Waste Disposal

Department: Waste Disposal
Funding Source: Waste Fund
Budget: \$17,154,395

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

	2010 Actual	2011 Budget	2012 Budget
Objective: To promote recycling and increase annual tonnage collected.			
Demand: Curbside recycling tonnage to be collected	5,600	5,500	8,250
Workload: Curbside recycling tonnage collected.	5,600	5,500	8,250
Efficiency: Curbside recycling tonnage collected/month.	467	458	687
Effect/Outcome: Percentage of tonnage collected annually.	100%	100%	100%

Objective: To monitor incoming tonnage to the Class I and Class IV Landfill Cells.			
Demand: Class 1 & Class 4 tonnage to be disposed.	104,550	101,500	102,500
Workload: Class 1 & Class 4 tonnage received.	104,550	101,500	102,500
Efficiency: Average monthly tonnage disposed of in Class 1 and Class 4 landfills.	8,712	8,458	8,541
Effect/Outcome: Percentage of tonnage collected annually.	100%	100%	100%

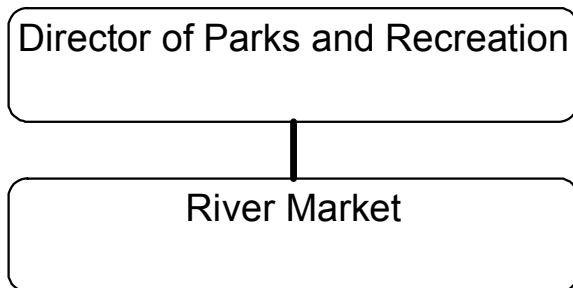
The departmental goals and objectives link with the
Board of Directors Statement of Management Policy for Basic City Services and Quality of Life.




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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

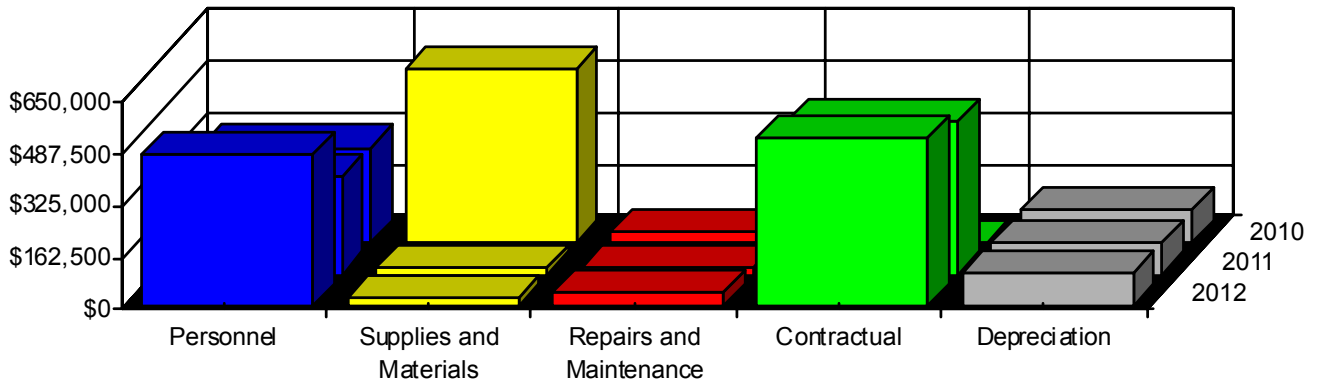
Expenditure Budget - River Market

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$298,090	\$305,000	\$469,780
Supplies and Materials	544,371	17,000	25,000
Repairs and Maintenance	33,799	19,000	43,000
Contractual	0	475,670	526,100
Depreciation	100,815	100,272	100,300
Total	\$977,074	\$916,942	\$1,164,180

Staffing	0	0	0
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Management of River Market operations was transferred to the Little Rock Convention and Visitors Bureau in 2010 on a contract basis to gain efficiency and take advantage of the marketing capacity of the Bureau. This arrangement has been very successful and will be continued in 2012.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	Proposed Budget	from Prior Year
604 River Market Fund	<u>\$1,164,180</u>	<u>26.96%</u>



River Market

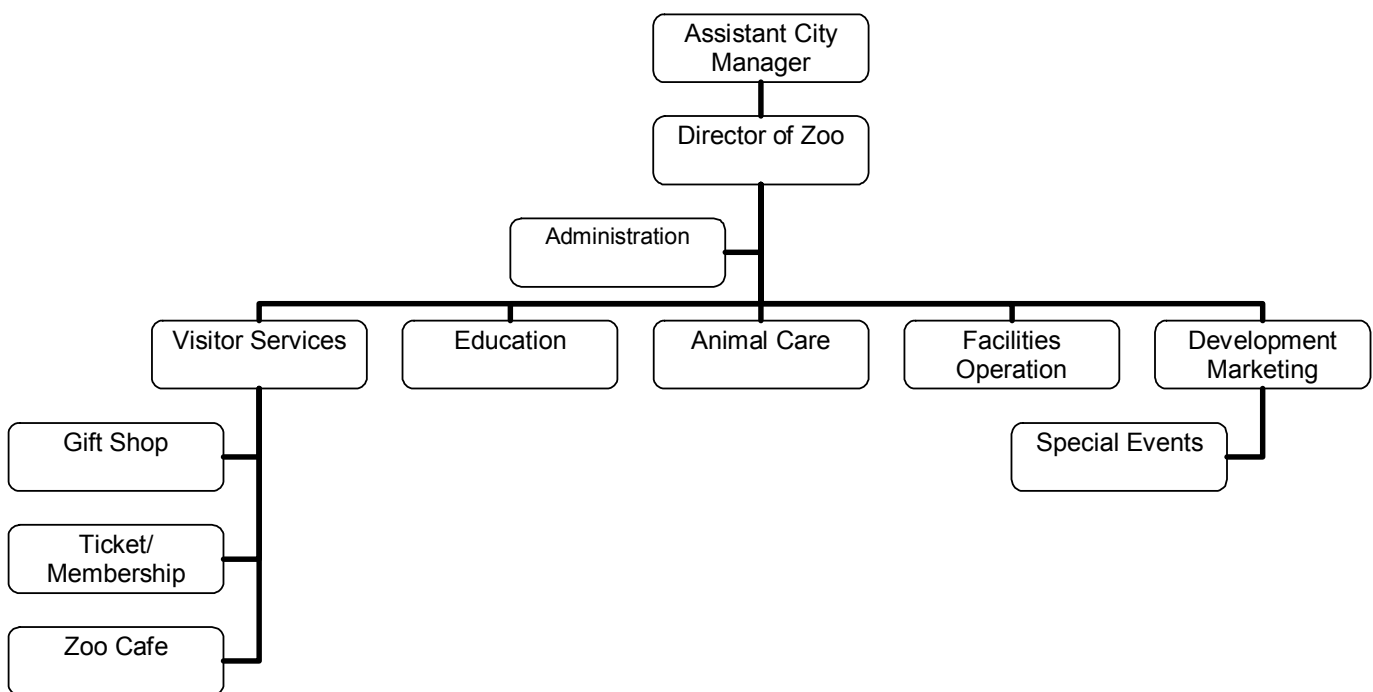
2012 Department Goals

Little Rock Convention and Visitors Bureau (LRCVB) will continue management of RiverMarket operations on behalf of the City and will contribute \$250,000 toward promotional activities. The City will continue to provide support to the RiverMarket at the level of \$250,000.

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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

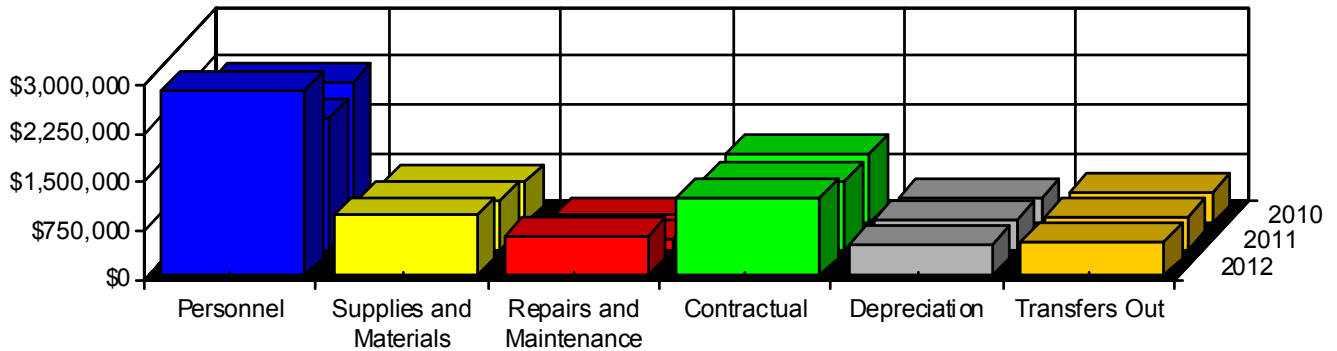
Expenditure Budget

Description	2010 Actual Expenditures	2011 Adopted Budget	2012 Adopted Budget
Personnel	\$2,199,697	\$2,234,314	\$2,864,049
Supplies and Materials	694,872	790,982	935,108
Repairs and Maintenance	150,569	175,088	613,823
Contractual	1,069,645	1,062,998	1,196,727
Depreciation	403,331	470,170	473,400
Transfers Out	501,197	501,197	501,197
Total	\$5,019,311	\$5,234,749	\$6,584,304

Staffing	2010	2011	2012
	45	46	56

Personnel expenses reflect filling six (6) vacant positions and the addition of ten (10) new positions funded by the sales tax increase. The first year sales tax allocation will focus on the positions and deferred maintenance needs to ensure re-accreditation. Excluding one half of depreciation and amortization, the Zoo budget for 2012 is balanced.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	Proposed Budget	from Prior Year
607 Zoo Fund	\$6,584,304	25.78%



Zoo

2011 Department Priorities	Status
Improve diversity within the Zoo department.	Ongoing
Provided better fiscal management of the Zoo's budget.	Completed
Gain Accreditation from the Association of Zoos & Aquariums.	Ongoing
Opened the Laura P. Nichols Penguin Pointe exhibit.	Completed
Begin work on the Cheetah exhibit.	Not Completed
Continue improving educational programs relative to the Zoo.	Ongoing
Help the Zoo Foundation achieve success in fundraising efforts.	Ongoing
Acquired two (2) additional Asian elephants.	Completed
Complete new graphic updates throughout the Zoo.	Not Completed
Completed strategic operations plan for the Zoo.	Completed
Officially acquired land for an east parking lot.	Completed
Found funding to update the Zoo Master Plan.	Completed
Opened Children's Hospital hand washing station.	Completed
Continue partnership with Central Arkansas Library System.	Ongoing
Secure funding to renovate carousel chariots.	Not Completed



Zoo

Department: Zoo
Funding Source: Zoo Fund
Budget: \$6,584,304

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: To track annual gate attendance.			
Demand: Anticipated annual attendance.	185,510	192,235	203,769
Workload: Actual annual attendance.	185,510	192,235	203,769
Efficiency: Average attendance per month.	15,560	11,534	12,226
Effect/Outcome: Percentage of annual attendance tracked.	100%	100%	100%

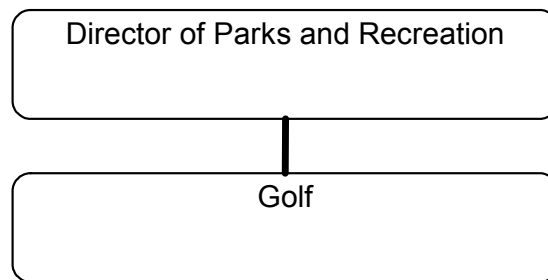
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Quality of Life.**



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Golf



Mission Statement

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

Golf

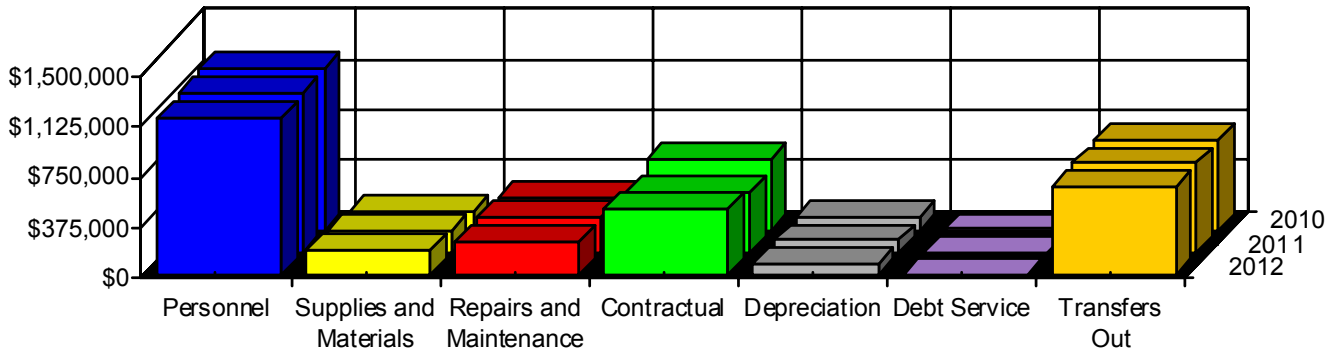
Expenditure Budget

Description	2010	2011	2012
	Actual Expenditures	Adopted Budget	Adopted Budget
Personnel	\$1,207,054	\$1,182,194	1,165,807
Supplies and Materials	158,120	176,044	180,312
Repairs and Maintenance	241,874	264,995	249,679
Contractual	524,051	444,287	504,083
Depreciation	94,146	92,315	94,100
Debt Service	2,361	0	10,000
Transfers Out	666,301	666,301	666,301
Total	\$2,893,907	\$2,826,136	\$2,870,282

Staffing	21	21	21
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Golf expenditures include a continuation in funding First Tee at a rate of \$1.50 per round. Excluding depreciation, the 2012 budget for the Golf Fund is balanced.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 12 Proposed Budget	% Change from Prior Year
609 Golf Fund	\$2,870,282	1.56%



Golf

2012 Department Goals

Generate a minimum of \$345,185 in revenue at Hindman Golf Course, while keeping expenditures within budget.

Generate a minimum of \$364,960 in revenue at War Memorial Golf Course, while keeping expenditures within budget.

Maintain Rebsamen, Hindman and War Memorial Golf Courses to established standards.

Generate a minimum of \$901,420 in revenue at Rebsamen Golf Course, while keeping expenditures within budget.



Department: Golf
Funding Source: Golf Fund
Budget: \$2,870,282

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.

	2010 Actual	2011 Budget	2012 Budget
Objective: To provide affordable golfing experiences for the citizens of Little Rock.			
Demand: Projected golf rounds.	77,000	72,000	65,000
Workload: Actual golf rounds.	62,861	61,572	65,000
Efficiency: Average rounds per month.	5,238	5,131	5,417
Effect/Outcome: Percentage of actual rounds of golf.	82%	86%	100%

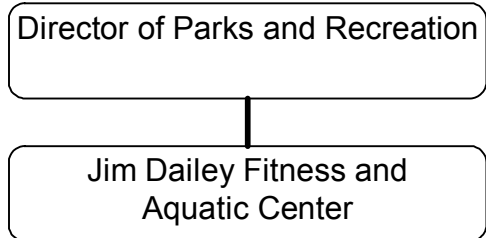
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Quality of Life.**



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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

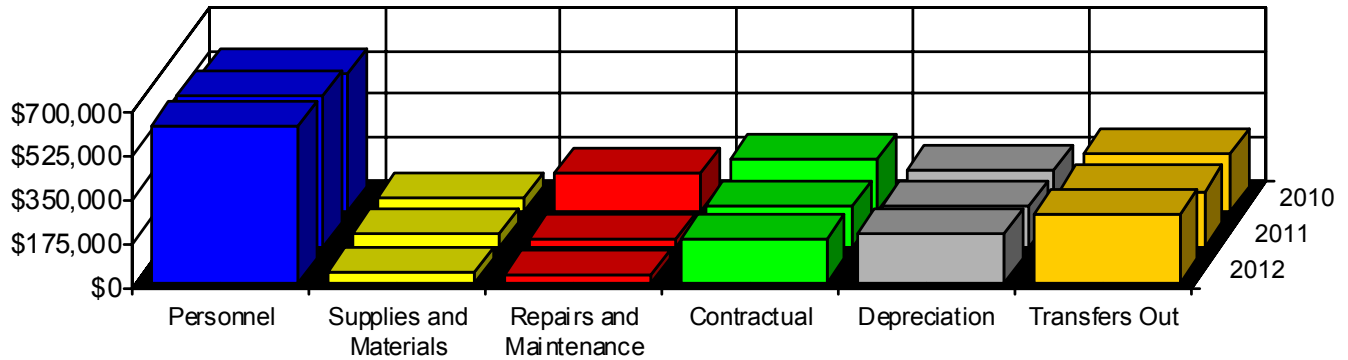
Expenditure Budget

Description	2010	2011	2012
	Actual Expenditures	Adopted Budget	Adopted Budget
Personnel	\$555,570	\$605,562	\$629,754
Supplies and Materials	57,296	57,296	46,223
Repairs and Maintenance	155,718	31,229	31,917
Contractual	208,344	168,592	177,401
Depreciation	170,416	164,596	194,000
Transfers Out	236,851	226,851	270,776
Total	\$1,384,195	\$1,254,126	\$1,350,071

Staffing	2010	2011	2012
	9	9	9

Transfers out were increased to support other park programs. Excluding depreciation, the Fitness Center budget reflects the utilization of \$43,925 in carryover funds.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 12 Proposed Budget	% Change from Prior Year
610 Jim Dailey Fitness and Aquatic Center	\$1,350,071	7.65%



2011 Department Priorities	Status
Jim Daily Fitness Center will develop and manage resource and services within approved budgetary and operational guidelines.	Ongoing
Staff will implement quality control measures to serve as a check and balance system to insure a high level of programs performance.	Ongoing
Staff will provide and increase the number of activities that relates to the department "Step up To Healthy" initiative.	Ongoing
Through a public relation initiative, staff increased membership that allowed revenue to equal or exceed expenses in 2011.	Completed
Staff continues to participate in health fairs and festivals that are being promoted throughout the Community.	Ongoing



2012 Department Goals

To create Fitness/Health Activities that relate to the department's Step Up to Health and the City's "Growing a health Community initiative.

Through a public relations initiative, staff will work to increase corporate and annual memberships by 5% in 2012.

To increase revenue by new programs and attract new members from public and corporate organizations, with an increase of 4.5% in 2012.



Jim Dailey Fitness and Aquatic Center

Department: Jim Dailey Fitness Center
Funding Source: Jim Dailey Fitness Center Fund
Budget: \$1,350,071

Department Description:

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

	2010 Actual	2011 Budget	2012 Budget
Objective: 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.			
Demand: Potential Program attendance capacity.	195,000	195,000	198,000
Workload: Actual program attendance.	157,950	160,000	170,000
Efficiency: Attendance per month.	13,162	13,650	14,166
Effect/Outcome: Percentage of actual attendance over potential attendance.	81%	81%	86%

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for 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, 2007.

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

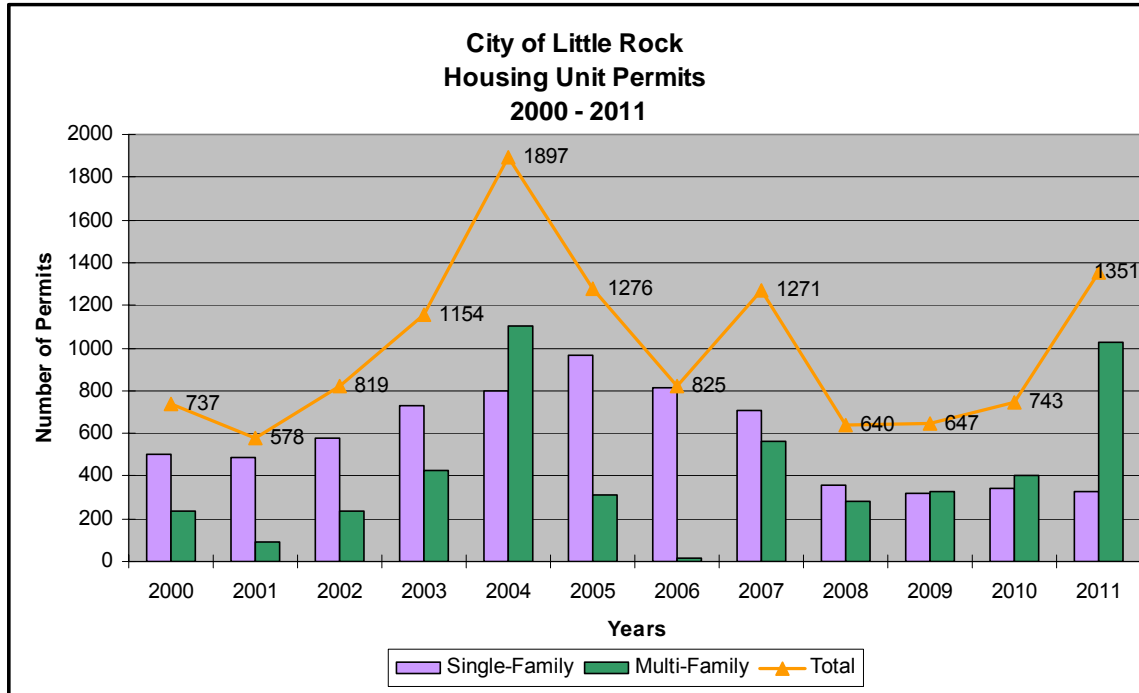
The City Manager and Director of Finance shall notify the Mayor and Board of Directors in writing at the first available opportunity if economic trends indicate that the revenues projected as a part of the annual City budget are not meeting projections and require the Board to consider reduction in force, 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	2,437.55
Streets Graded and Surface Treatment	421.92
Paved - Permanent (Concrete and Asphalt)	2,015.63
Alleys Maintained	62.96
Drainage Ditches Maintained	1,578.20
Storm Sewers Maintained	357.33
Miles of Water Lines	1,378
Sanitary Miles	1,346
Traffic Controls:	
Signals repaired	1,833
Solid Waste/Garbage Collection:	
Class I and IV tonnage	101,283
Curbside/Drop-off recycling	5,689
Yard Waste	32,585

Building Permits:

<u>Year</u>	<u>Permits Issued</u>	<u>Estimated Cost</u>
2002	4,561	489,610,493
2003	4,432	458,553,311
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	3,832	343,976,010
2011	3,304	356,450,894



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
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	
2002	\$136,686	\$192,964	\$186,106	\$167,019	\$147,195	N/A	\$62,646	
2001	\$121,653	\$154,827	\$171,713	\$161,504	\$143,764	\$302,242	\$61,940	
Chg 10-11	-\$3,599 -2.0%	\$16,737 5.8%	\$13,591 5.9%	\$6,624 3.2%	\$3,719 2.0%	-\$23,843 -5.9%	-\$9,045 -13.0%	\$10,468 7.9%
Chg 01-11	41.5%	97.6%	42.0%	30.8%	30.2%	24.9%	-1.9%	

All prices represent average sales price.

Local (increased to 1.5% effective January 1, 2012)	0.5%
County	1.0%
State	6.0%
Bond Rating:	
General Obligation Bonds	
Standard and Poors	AA
Moody's	Aa3
Fire Protection:	
Number of Stations	20
Number of Uniformed Employees	386
Number of Calls	25,589
Insurance Rating for Insurance Service Office (ISO)	
City of Little Rock	Class II
Police Protection:	
Number of Stations	7
Number of Uniformed Employees	557
Calls for Service	154,148
Recreation:	
Number of Parks, Including Park Development	59
Total Acres (developed & undeveloped)	6,312.9
Number of Playgrounds	45
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	4
Number of Swimming Pools	3
Number of Adult Centers *	0
Number of Soccer Fields	9
Number of Fitness Centers	1
River Market	1
Riverfest Amphitheatre	1
Total Recorded Park Attendance - 2011	611,722
Number of Zoos	1
Total Zoo Attendance – 2011	307,123
Total Zoo Outreach Program	37,307
*Rebuild in 2012 from fire.	

Medical Facilities Number of beds (private occupancy rooms):	
Allegiance Specialty	40
Arkansas Children's *	316
Arkansas Heart Hospital	110
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	454
Veteran Health Care System	195
Other Specialty Hospitals	<u>700</u>
Total Number of Beds	3,457

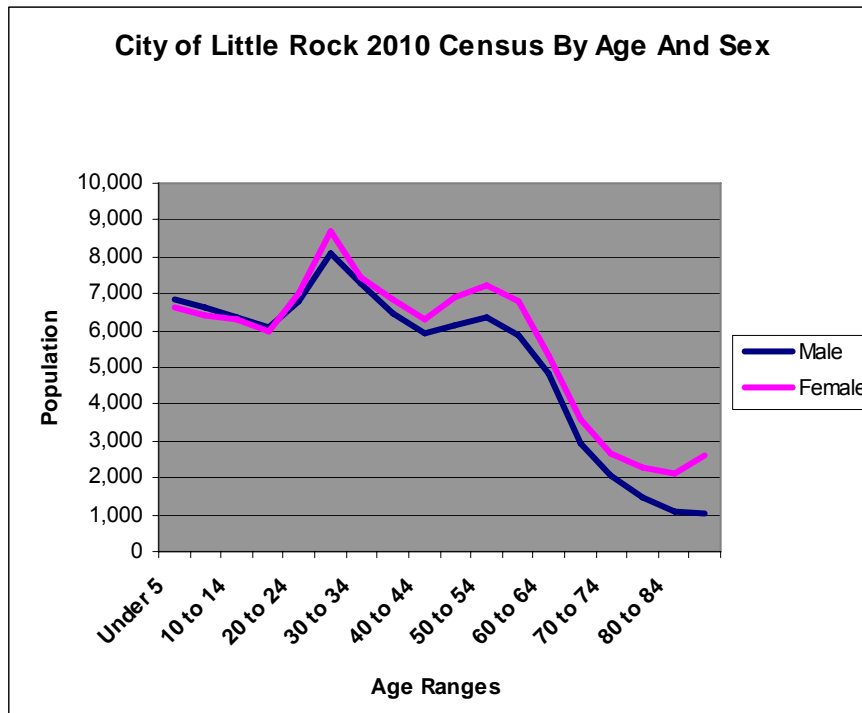
* Children's Hospital will increase their number of beds by 54 in 2012.

POPULATION

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

City of Little Rock 2010 Population By Age And Sex

Age Ranges	Male	Female
Under 5	6,844	6,618
5 to 9	6,614	6,433
10 to 14	6,369	6,319
15 to 19	6,085	5,983
20 to 24	6,804	7,034
25 to 29	8,084	8,702
30 to 34	7,266	7,419
35 to 39	6,451	6,869
40 to 44	5,939	6,304
45 to 49	6,135	6,925
50 to 54	6,383	7,229
55 to 59	5,856	6,792
60 to 64	4,822	5,329
65 to 69	2,915	3,608
70 to 74	2,051	2,665
75 to 79	1,483	2,293
80 to 84	1,090	2,141
85 +	1,054	2,616



Gender:

Male

47.7%

Female

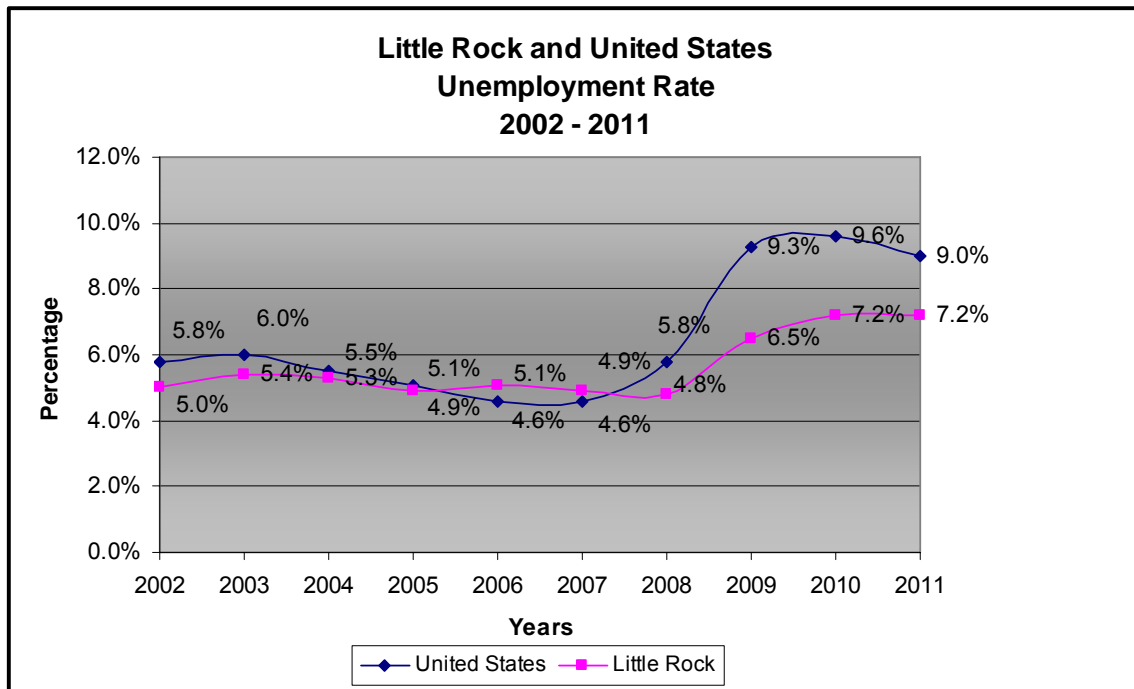
52.3%

LITTLE ROCK AND ENVIRONS

Per Capita Income (2010)	\$26,898
Median household income (2010)	\$44,415
U.S. Consumer Price Index (November 2011)	226
Percent inflation over past year	3.4%
Average unemployment percentage rate (Nov., 2010 – Nov., 2011)	7.3%
Median Age (2010 census)	35.1%

Race (2011):	
White	48.9%
Black or African American	42.3%
American Indian and Alaska Native	0.4%
Asian/Pacific	2.7%
Other*	5.7%

*Hispanic is an overlay category that includes multiples races.



Education (Little Rock School District):

Number of School Buildings	48
Number of Teachers/including Principals, Supervisors	2,187
Number of Registered Students	25,594
Number of Kindergarten Students	2,032
Average Daily Attendance - Elementary Schools	10,927
Average Daily Attendance - High/ Middle Schools	10,581
Average Daily Attendance - Special Schools	591
Average Daily Attendance - Kindergarten	1,929
Tax Rate: (Mills)	
Real	46.4
Personal	46.4

PULASKI COUNTY STATISTICS

Population 25 years and over	125,421
Percent of Population Age 25+	65%
Education level in years of formal schooling:	
High School or Equivalent	21.7%
Some college, no degree	22.3%
Bachelor's degree	25.5%
MA/Professional degree or higher	13.8%

**LITTLE ROCK INSTITUTIONS OF HIGHER EDUCATION
2000 - 2011**

Enrollment

<u>Institution</u>	<u>Fall 2000</u>	<u>Fall 2011</u>
University of Arkansas at LR	11,000	13,176
University of Arkansas for Medical Sciences	1,850	2,836
Philander-Smith College	943	696
Arkansas Baptist College	187	1,121
Webster University	200	1,094
Remington College	N/A	126
Total	14,180	19,049

EMPLOYEES AS OF DECEMBER 31, 2011

<u>City Government</u>	<u>Total</u>	<u>Full-Time</u>	<u>Part-Time</u>
AFSCME	344	344	
IAFF	386	386	
FOP	557	557	
Non-union	1,006	691	315
Sub-total City Government	2,293	1,978	315
Commissions			
Wastewater Utility	210	209	1
Little Rock National Airport	161	153	8
LR Convention & Visitors Bureau	198	117	81
Port Authority	8	8	
Ambulance Authority	305	235	70
Central Arkansas Transit Authority	184	182	2
Arkansas Museum of Discovery	17	14	3
Arkansas Arts Center	88	46	42
Central Arkansas Library	275	182	93
Sub-total Commissions	1,446	1,146	300
Total Employment	3,739	3,124	615

2011 Largest Employers

<u>Rank</u>	<u>Employer</u>	<u>Number of Employees</u>
1	State of Arkansas	56,761
2	Federal Government	20,900
3	University of Arkansas	8,500
4	Baptist Health Medical Center	6,160
5	Central Arkansas Veterans Health Care - LR	3,500
6	Stephen LaFrance Pharmacy Inc. - LR	3,400
7	Arkansas Children's Hospital - LR	3,204
8	Entergy Arkansas - LR	2,751
9	Arkansas Blue Cross/Blue Shield - LR	2,687
10	Verizon Wireless - LR	2,668
11	Wehco Media Inc. - LR	2,400
12	Dillard's Inc. - LR	2,225
13	Public School District - LR	2,187
14	Acxiom	2,171
15	Stephens Financial Holding Corporation	2,000

Note: Many of the largest employers on this list have headquarters in Little Rock, but a substantial share of employment elsewhere in the state.

**City of Little Rock, Arkansas
Principal Sales Taxpayers
December 31, 2011**

The City of Little Rock, Arkansas's largest own-source revenue is sale taxes. Sale taxes primarily come from two separate taxes; a one-half city tax based on point of sale and portion of the county's one cent tax based on population. The City of Little Rock makes up approximately 51% of the county population and receives a like proportion of the county tax. In 2011, the one-half cent city sales tax generated revenue of \$23,275,525.

According to Arkansas State Statutes, the City is required to keep the identity of individual tax payers confidential. Therefore, the City of Little Rock is not able to identify the top 10 payers. However, Little Rock enjoys a diverse economic sales tax base.

Little Rock Top Ten 1/2 Cent Sales Taxpayers Industry	Tax Collected	% of Total
General Merchandise Stores	2,335,150	10.03%
Wholesale Trade Durable Goods	2,286,820	9.82%
Food Services and Drinking Places	2,176,460	9.35%
Utilities	1,852,284	7.96%
Food and Beverage Stores	1,840,922	7.91%
Rental and Leasing Services	1,103,832	4.74%
Building Material and Garden Equipment and Supplies Dealer	1,081,947	4.65%
Electronics and Appliance Stores	1,006,544	4.32%
Clothing and Clothing Accessories Stores	996,401	4.28%
Broadcasting and Telecommunications	<u>794,661</u>	<u>3.41%</u>
Totals	15,475,021	66.49%

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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 & 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 unexpected 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.

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.

Personal Services - 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.

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.

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 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 Tax - A City tax levied upon the gross receipts of local privately owned utilities (power, gas, and telephone). Under State law, this tax 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 local union.

ARNRC – Arkansas Natural Resource Commission.

ARRA – American Recovery and Reinvestment Act of 2009 are grant awards from the federal government.

AZA – Association of Zoos and Aquariums

CAFR – Comprehensive Annual Finance Report of an entity.

CATA – Central Arkansas Transit Authority is a bus system.

CDBG – Community Development Block Grant receives 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 funded by a federal grant.

CYF – Children, Youth and Families promotes a comprehensive and holistic ways that reach 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.

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 is the Fire union.

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 Citizen's for Evaluation of Net Tax is a committee of citizens, which is made of two (2) Co-Chairs, individuals from each of the City's seven (7) Wards and three (3) At-Large Members, to meet on a quarterly basis to evaluate the spending of the additional revenue that will come as a result of the one (1)-cent sales tax increase approved by voters on September 13, 2011 that goes into effect on January 1, 2012.

LUZA – Local Urban Projects is a program of 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 & Treatment Programs actively promotes 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 – 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 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 is a local university.

WBE – Women Business Enterprise for Caucasian females provide the information, tools, networking opportunities and advice that have helped hundreds of thousands of women start their own business.