



R CENT

STREET RESURFACING IMPROVEMENTS

YOUR SALES TAX DOLLARS AT WORK



**2013 Annual Operating Budget
City of Little Rock, Arkansas**

About the Cover: In September 2011, Little Rock voters overwhelmingly approved a new one-cent sales tax with 5/8 dedicated to operations and 3/8 to capital projects.

In 2012, the City of Little Rock began receiving the revenues from this sales tax. The Citizens Evaluation of New Tax (LR CENT) Committee works with the City Board of Directors and City Staff to ensure that 100% of the revenues received by the City from the sales tax are expended as promised.

The cover features photos of several of the projects and programs which have received funding from the new sales tax, including police vehicles, as well as new Police Officers. Other projects include the new 12th Street Station, Little Rock Fire Station 23 in West Little Rock which opened in December 2012, new sidewalks throughout the City, street resurfacing and drainage projects in each of the City's seven Wards, renovations to the tiger and primate exhibits at the Little Rock Zoo, new Code Enforcement equipment and personnel, new playgrounds and park upgrades, increased funding for Prevention, Intervention and Treatment programs and the Little Rock Parks and Recreation's new Centre at University Park.

City of Little Rock

2013 Annual Operating Budget

Bruce T. Moore
City Manager

Prepared by:
Department of Finance

Sara Lenehan, Finance Director

LaVerne DuVall, Budget Officer

The enclosed 2013 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 2013 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**

For the Fiscal Year Beginning

January 1, 2012

Christopher P. Morrell

President

Jeffrey R. Swan

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, 2012.

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

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

The City is named for La Petite Roche, a rock formation on the banks of the Arkansas River. It created a natural harbor which made Little Rock an early center of business and commerce. Today, that tradition continues as Little Rock is home to several large corporations. Among the City's major industries are technology, healthcare, retail, manufacturing and government. The presence of these industries helps to explain the City's lower than average unemployment rate of approximately 6%.

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

Medical facilities in the Little Rock area provide efficient, comprehensive service to more than two million individuals throughout the state. The twenty major area hospitals provide bed space for over 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 five colleges, seven institutes and the Graduate School serve more than 2,800 students. The University of Arkansas at Little Rock (UALR) is a metropolitan university educating 13,000 students with a wide range of degree offerings, including the juris doctorate degree offered at the UALR Bowen School of Law. In addition, Little Rock is the home of Philander Smith College and Arkansas Baptist College, two historically black colleges that are leading exciting revitalization initiatives in their surrounding areas.

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

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



City of Little Rock Board of Directors



Mayor Mark Stodola



**Vice Mayor Doris Wright
Ward Six**



**Director Erma Hendrix
Ward One**



**Director Ken Richardson
Ward Two**



**Director Stacy Hurst
Ward Three**



**Director Brad Cazort
Ward Four**



**Director Lance Hines
Ward Five**



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



**Director Dean Kumpuris
Position Eight**



**Director Gene Fortson
Position Nine**



**Director Joan Adcock
Position Ten**

HOW TO USE THE BUDGET DOCUMENT

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

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

Definition - What is a Budget Document?

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

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

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

The budget must be adopted on or before December 30. A calendar of events for budget development activities for fiscal year 2013 is included in this document to more adequately describe the budget development process.

The 2013 Basic Budget is comprised of four major fund types: the General Fund, Special Revenue Funds, an Internal Service Fund and Enterprise Funds.

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

Departments in the General Fund are organized into the following:

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

The other major fund types are described below:

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

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

Operating Flow of Funds

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

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

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

General Fund

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

Enterprise Fund

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

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

Capital Budget

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

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

Debt Service Flow of Funds

The City issues debt after one of the following:

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

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

Format for Budget Expenditures

A summary of budgeted operating expenditures and personnel is included in the Expenditure section of this document. Following the summary information, each Department's organizational chart, mission statement, expenditure budget, staffing summary, 2012 priorities and results, 2013 goals, and applicable service measures are presented.

Major Categories of expenditures include the following:

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

MANAGEMENT TEAM

Mark Stodola
Bruce T. Moore
Bryan Day

Mayor
City Manager
Assistant City Manager

Dorothy Nayles
Tom Carpenter
Alice Lightle
Victor Fleming
Mark Leverett
Sara Lenehan
Don Flegal
Randy Foshee
Tony Bozynski
Andre Bernard
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

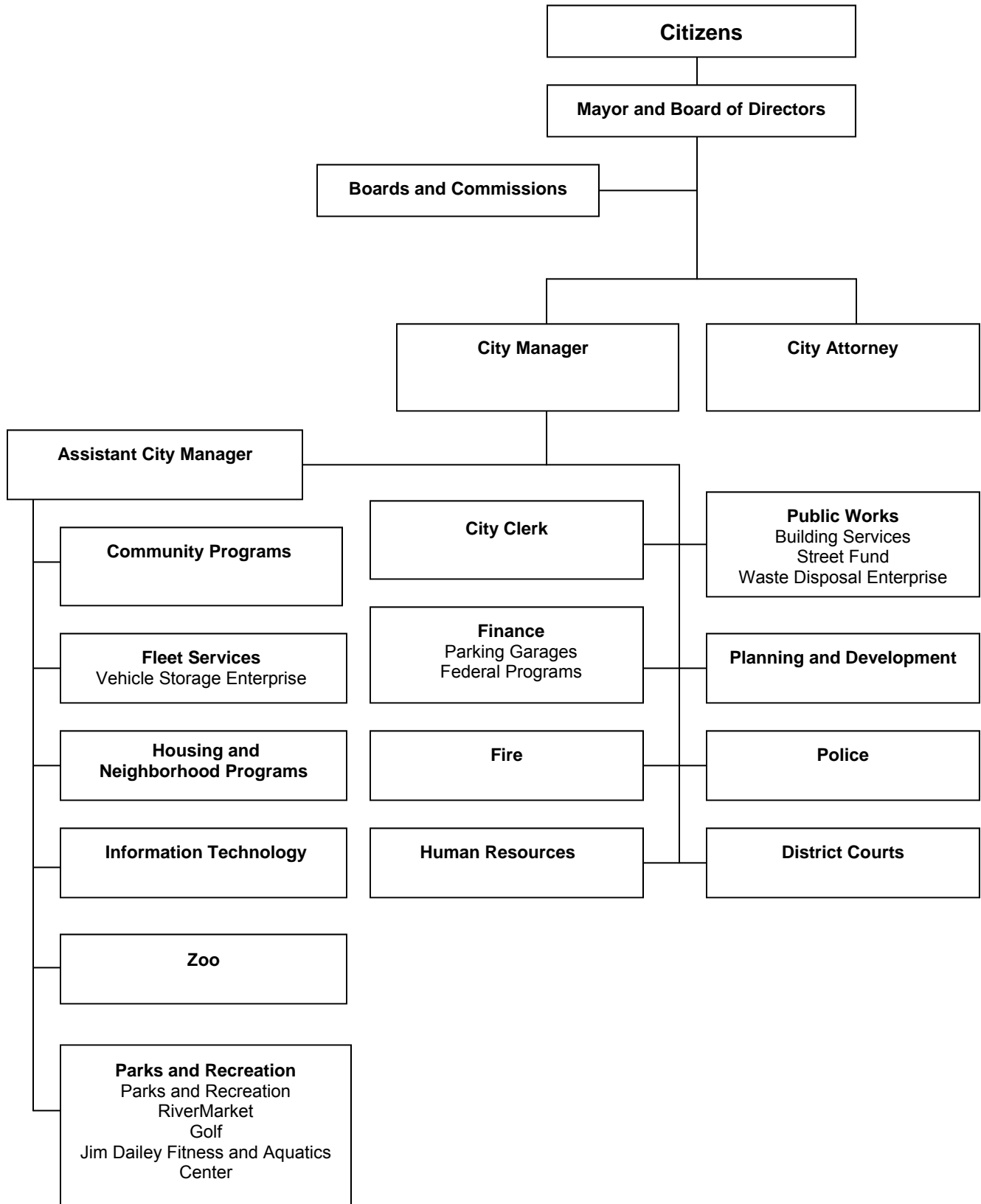
Budget Report Production, Analyst, and Graphics

LaVerne DuVall
Silas Roaf

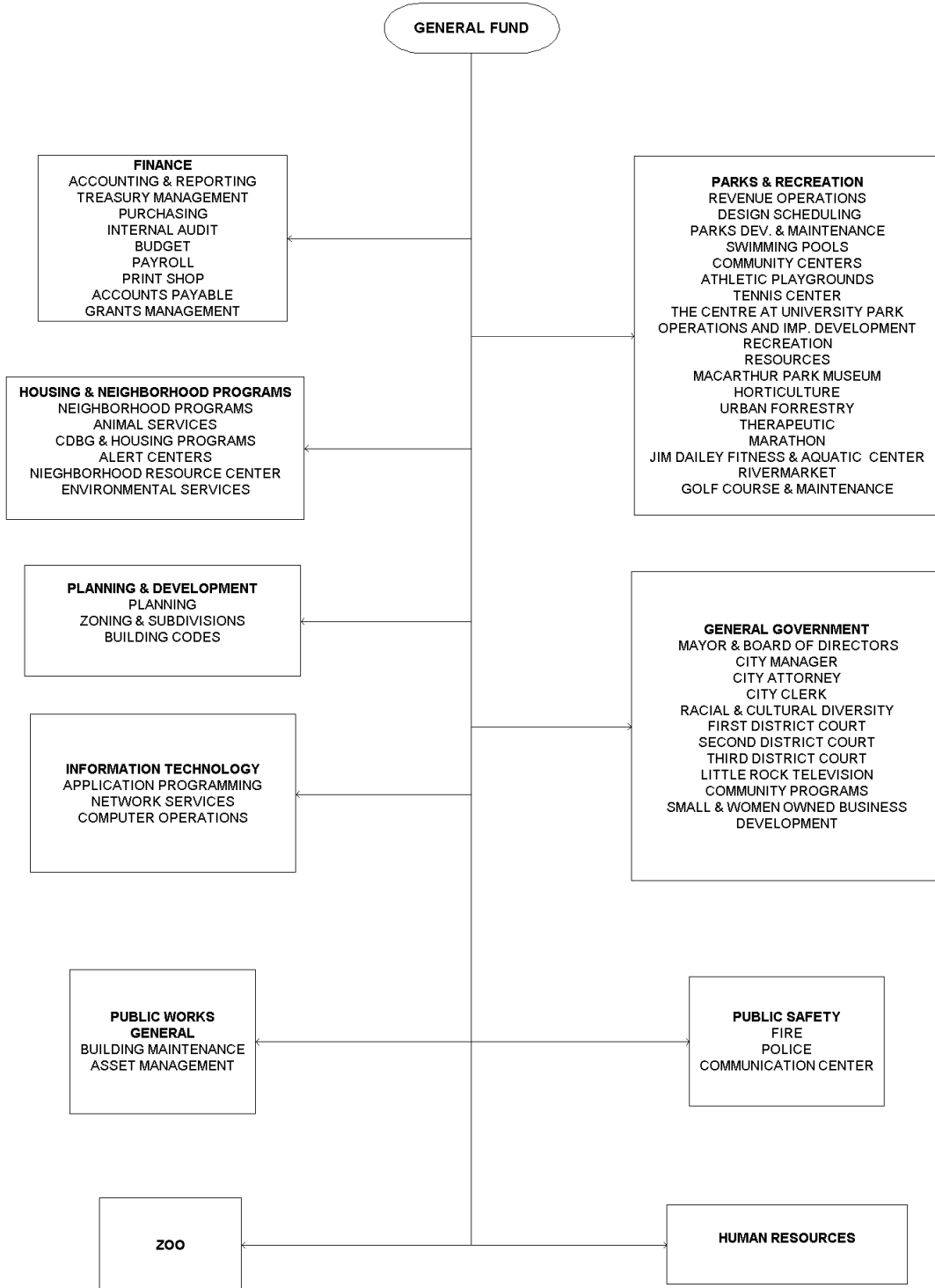
Budget Officer
Budget Management Analyst

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City of Little Rock Organizational Chart by Fund Responsibilities

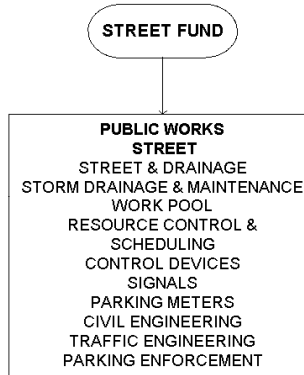
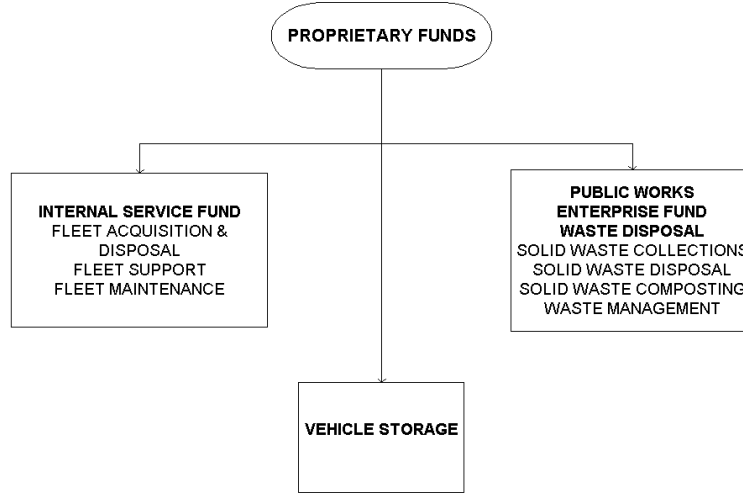


CITY OF LITTLE ROCK OPERATING FUND STRUCTURE



Note: All departments include an administration section

CITY OF LITTLE ROCK OPERATING FUND STRUCTURE



Note: All departments include an administration section

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City of Little Rock

Bruce T. Moore
City Manager

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December 18, 2012

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

I respectfully submit the official Year 2013 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, which became effective January 1, 2012, significantly enhances 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 \$222,583,558, an increase of \$10,270,900, or 4.8% more than the 2012 Adopted Budget and \$4,927,150, or 2.3% more than the final 2012 Amended Budget. The Operating Budget changes for the 2013 Year are summarized below:

City of Little Rock
Comparison of Budgets - FY13 to FY12

	<u>2013</u>	<u>2012 (1)</u>	<u>Change</u>	<u>% Change</u>
General Fund	\$171,211,160	\$163,569,236	\$7,641,924	4.7%
Street Fund	17,594,796	16,551,612	1,043,184	6.3%
Fleet Services Fund	12,616,069	11,667,454	948,615	8.1%
Waste Disposal Fund	17,688,470	17,154,395	534,075	3.1%
Vehicle Storage Facility Fund	1,293,257	1,326,100	(32,843)	-2.5%
Parking Garages	2,179,806	2,043,861	135,945	6.7%
Total	<u>\$222,583,558</u>	<u>\$212,312,658</u>	<u>\$10,270,900</u>	<u>4.8%</u>

(1) The 2012 Budget has been adjusted to reflect the consolidation of the River Market, Golf, Jim Dailey Fitness & Aquatic Center, and Zoo Enterprise Funds with the General Fund.

The 2013 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 2013 Operating Budget includes several significant changes from the 2012 Operating Budget. Little Rock citizens passed an additional one (1)-cent local sales tax in September 2011 that was effective on January 1, 2012. Faced with significant challenges with stagnant revenue in many areas due to the lingering effects of the economic downturn, and one of the lowest local tax rates in the State, citizens supported the new tax initiative. The City held several public hearings in each Ward to discuss priority needs associated with Public Safety, Public Works, Jobs and Economic Development, Parks and Recreation, Zoo and Tourism, and other priorities, including fleet replacement, information technology needs, pension funding, and public transportation. The priority needs were divided between ongoing operating needs and capital needs. The five-eighths (5/8)-cent permanent increase in sales tax for operations is reflected in the FY13 Adopted Budget. The three-eighths (3/8)-cent temporary sales tax for capital projects, which expires in ten (10) years (2021), is discussed in detail in the capital section of the budget document. In addition, in a special election held on September 11, 2012, Little Rock citizens approved the issuance of capital improvement bonds not to exceed \$105 million for street and drainage improvements. Up to \$73.5 million of the bonds are dedicated to street improvements with the remaining \$31.5 million available for drainage improvements throughout the City. The bonds are secured by a three (3)-mill ad valorem tax on taxable property located within the City of Little Rock. The City expects to issue the bonds in the first half of 2013.

Sales Tax continues to be the leading revenue source for the City at approximately 57% of General Fund revenues. The City's sales tax is composed of a one and one-eighth (1-1/8)-cent local tax on gross receipts, which includes the half (1/2)-cent sales tax in effect since 1994, combined with the new five-eighths (5/8)-cent operating sales tax effective January 1, 2012, as well as a per capita allocation of a one (1)-cent County tax and State Turnback funds. The three-eighths (3/8)-cent temporary sales tax for capital projects is not reflected in the operating budget; however, it is reported in a separate capital projects fund. Revenue from the operating portion of the new sales tax is committed primarily to filling vacant Police Officer positions, supporting the twelve (12) new Fire positions for the West Little Rock Fire Station that opened in 2012, maintaining grant-funded positions in the Police and Fire Departments and the addition of Code Enforcement Officers. Also included is funding for neighborhood-based/community initiatives of \$5.5 million, increased funding for building maintenance, expanded park maintenance, Zoo deferred maintenance, operations and staffing, annual fleet replacement, information technology staffing and maintenance, and new transit routes. Many of the initiatives supported by the new sales tax were implemented during 2012 and will experience the first full year of operation in 2013. Actual sales tax revenues for 2012 were more than 2011 revenues by approximately 45.5%. Changes to the Arkansas Sales and Use Tax Law known as the "streamlined sales tax" took effect beginning January 1, 2008. Sales tax revenues are distributed based on where the purchaser takes receipt or delivery of the product or service. In addition, local tax caps on most single transactions are no longer applicable when City and County Sales and Use Taxes are collected. The local tax cap continues to apply to the first \$2,500 per item

on the sale of motor vehicles, aircraft, watercraft, modular homes, manufactured homes, or mobile homes. Businesses, schools, governments and charitable organizations are able to recover the tax paid on single transactions over the previous cap amount through a rebate program. The program allows such tax payers a period of up to six (6) months from the date of the transaction in which to claim the rebate. State Statute restricts the level of tax information available to municipalities which makes forecasting sales and use tax revenues very difficult. Excluding the impact of the new tax rate, growth in sales tax receipts compared to the same period a year ago were volatile throughout the year. Based on growth of approximately 2% in the first eight (8) months of 2012, growth for 2013 was projected to be approximately 1.5%. The normalized growth rate declined in the last two (2) months of the year by 1.87%. Therefore, the City will need to achieve growth of approximately 2.5% over actual 2012 year-end results to meet the 2013 sales tax budget of \$96,930,800.

Franchise fees from local utilities comprise approximately 16% of general fund revenues. Franchise fees from Entergy Corporation, the electric utility, increased approximately 4.9% in 2012 and are expected to decrease by 2.9% in 2013. Storm recovery charges passed on to customers and weather impact rates and usage. Franchise fees from Centerpoint Entergy, the gas utility, declined 22.8% in 2012 primarily due to lower natural gas prices and a 10% decline in usage. Revenues in 2013 from Centerpoint Entergy are expected to be consistent with 2012 levels. Franchise fees from telecommunication companies are expected to decrease approximately 4% after several years of decline due to on-going competition from wireless companies. There are scheduled rate increases included in the budget for Central Arkansas Water and Little Rock Wastewater. Central Arkansas Water announced a rate increase of approximately 3.9% in 2013 followed by an additional 4% in 2014. In addition, Little Rock Wastewater rates will increase approximately 8% in 2013, 7% in 2014 and 4.75% in 2016 to comply with the terms of the Sierra Club lawsuit to reduce sanitary sewer overflows in Little Rock. Residential customers, on average, will experience lower rate increases of approximately 4.5%, 2.5% and 4.75% in 2013, 2014 and 2016 respectively.

Property Tax revenues make up approximately 11% of General Fund revenues. Little Rock recently received its Original Charge for 2012 Property Taxes to be collected in 2013. The Original Charge is approximately 1.19% over last year's value and represents the total amount assessed on real estate and personal property for the previous year. The 2013 Budget reflects an increase in Property Tax revenues of approximately 4.9% from the original 2012 Budget and approximately 3.6% from the final amended 2012 Budget. However, actual 2012 year-end revenues were stronger than expected and slightly over the 2013 projected budget amount. I am pleased that overall property values in Little Rock were maintained during the recent economic downturn. The City has not experienced the decline in values that were prevalent in other parts of the country.

City employees have demonstrated their dedication and professionalism by providing quality service to the citizens of Little Rock. The General Fund Budget supports 1,639 full-time equivalent (FTE) positions, a net increase of forty-two (42) FTEs compared to 2012 staffing levels. The staffing additions include eighteen (18)

Fire positions previously funded by grants. In addition, special projects and grant awards support sixty-seven (67) employees, including an award under the *American Recovery and Reinvestment Act* COPS Program for twenty (20) Police Officer positions. However, approximately seventy-five (75) of the budgeted General Fund positions were kept vacant during 2012. This represents a significant improvement over the 152 budgeted General Fund positions that were kept vacant in 2011. With the passage of the new sales tax, approximately seventy-seven (77) vacant positions were filled in 2012, particularly in the areas of Public Safety and Parks and Recreation. The 2013 Operating Budget expenditures include \$121,361,267 in personnel cost, net of an anticipated \$3.9 million in savings from authorized but vacant positions. Police, Fire and AFSCME personnel covered by labor agreements will receive a pay increase of 3%. AFSCME personnel will receive a minimum increase of \$1,000 in 2013. 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 15.2%. The City is increasing its emphasis on wellness programs in 2013 to mitigate cost increases. Employees that do not take advantage of wellness initiatives will share in the cost of future health insurance benefit increases. Benefit changes approved by the State Legislature increased pension costs slightly for Fire and Police uniformed personnel. Pension costs increased from 17.58% to 18.58% of payroll for uniformed Fire personnel and from 14.23% to 15.23% of payroll for uniformed Police personnel. Pension costs for Court Clerks increased from 14.24% to 14.88%. 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 2013 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 7% in 2013.

Fleet and fuel costs are projected to increase approximately \$455,000 in 2013. The 2013 Fuel Budget is based on estimated unleaded and diesel fuel per gallon prices averaging \$3.50 and \$3.75 respectively. The cost per gallon of fuel has not increased, but the consumption is expected to increase associated with the new Fire, Police, and Code Enforcement staffing. 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 2013 allocation for outside agency contributions increased by approximately \$532,000 compared with the 2012 Budget. The majority of this increase 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 2013 servicing the John Barrow Neighborhood and Pulaski Technical College.

The City issued an \$18,580,000 short-term financing note in March 2012 to accelerate public safety projects associated with the three-eighths (3/8)-cent sales tax for capital projects. Short-term financing notes are authorized under Amendment No. 78 to the Arkansas Constitution for the acquisition, construction and installation

of real and tangible personal property having an expected useful life of more than one (1)-year. The notes are repaid over a period of five (5) years from general revenues. The principal portion of the new note will be repaid with proceeds of the three-eighths (3/8)-cent sales tax for capital projects. The interest payments are included in the General Fund Budget. Debt service payments will actually decrease by approximately \$1,796,000 in 2013 due to the retirement of previous short-term notes in 2012.

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

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

The City is appropriating approximately \$5.5 million for Children, Youth and Family Programs, including youth employment, skills center funding, and re-entry programming in 2013 as part of City's emphasis to foster and enhance youth and community development. City Staff will continue to work with community groups, neighborhood associations, the faith-based community and other groups to ensure resources are targeted appropriately. In addition, the City implemented an in-house pilot program to train and utilize disadvantaged persons for the construction and maintenance of sidewalks in conjunction with the skills center and re-entry programming. The program was extremely successful in 2012 and will be continued in 2013. In addition, Community Programs Staff is evaluating other opportunities for expansion of the program utilizing entry-level positions available in other City Departments.

The 2013 Budget includes a contingency allocation of 1% of General Fund revenues, \$1,710,000. 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.

2012 Accomplishments

Little Rock Police Department: The Little Rock Police Department completed the process for reaccreditation with the Commission on Accreditation for Law Enforcement Agencies in November 2012 and will again be awarded Accreditation

status for an additional three (3) years. This designation is afforded to premiere agencies and has established the Little Rock Police Department as a model for other agencies seeking accreditation. The 311 System has greatly increased service delivery to the citizens of Little Rock. A total of 96,654 requests for City services were made utilizing the 311 System. Recruit School #72 graduated thirty-one (31) new Officers in December 2012. Two (2) Certified Officer Accelerated Training (C.O.A.T.) Schools were held during 2012 with four (4) Officers graduating and an additional twelve (12) C.O.A.T applicants are currently being processed. Recruit School #75 is currently in session with twenty (20) recruits.

Little Rock Fire Department: The Little Rock Fire Department continued to provide quality services, responding to more than 26,793 fire and emergency calls during 2012. The Department completed construction and held the grand opening for a new fire station in West Little Rock. The funding was provided through an American Recovery and Reinvestment Act Grant and the City of Little Rock sales tax initiative. In addition, the Fire Department received a grant to fund the purchase of a driving simulator and the establishment of a simulator training course. A third grant allowed the Community Outreach Division to establish a Volunteer Corps Program where citizen volunteers are utilized to install free smoke alarms and carbon monoxide detectors in homes in Little Rock. All grants were awarded by the Federal Emergency Management Agency. In addition, in 2012 the authority and safety of the Fire Marshals Division was upgraded through the training of five (5) Fire Marshals to become certified Law Enforcement Officers. This allowed for a greatly increased arson arrest rate. Fire Department vehicles were upgraded with the purchase of one (1) aerial truck and three (3) engines. The Department continues to move forward with the accreditation process through the Center for Public Safety Excellence.

Public Works: In 2012, Public Works Operations Staff responded to 6,005 service requests via the 311 service request system and swept 24,389 curb miles of streets. In addition, staff administered a successful Sidewalk Program, utilizing disadvantaged citizens re-entering the workforce. Civil Engineering oversaw the collection and compilation of citizen requests for infrastructure improvements and developed cost estimates and feasibility studies pertaining to those requests. The information will be presented to citizens during community meetings in each of the City's Wards, to determine which projects will be completed with the capital sales tax allocation and 2013 Capital Bond Issuance over the three (3)-year cycle that begins in 2013.

Fleet Services: For the fourth time, the Fleet Services Department was recognized as one of the 100 Best Fleets of North America. The purchase of property for the new Compressed Natural Gas (CNG) Station was completed. The Fleet Acquisitions unit purchased 126 vehicles including fire apparatuses, police cars and motorcycles, code enforcement vehicles, refuse trucks, and dump trucks. In addition, nineteen (19) pieces of equipment, such as trailers, dump beds, a grinder for the Landfill and mowers were purchased. The associated dollars for all fleet purchases totaled \$7,243,041 funded primarily with proceeds from the new sales tax.

Finance: The Finance Department obtained the Government Finance Officers Association (GFOA) Certification of Recognition for the 2012 Budget Presentation

and the GFOA Certificate for Excellence in Financial Reporting for the 2011 Comprehensive Annual Financial Report. The Grants Division provided assistance to other Departments, component units, non-profit organizations, and neighborhood organizations of the City in training, writing, obtaining, monitoring and reporting on grant awards. In addition, the Department provided quarterly reporting to the Little Rock Citizens Evaluation of New Tax (LRCent) committee on the status of the new local sales tax and on progress toward completion of capital projects authorized under the three-eighths (3/8)-cent portion of the tax.

Information Technology: The Information Technology Department completed a major upgrade of the LAWSON Enterprise Resource Planning System. The system supports the City's Financial and Human Resource requirements for managing revenue, budget, payroll, and procurement. In addition, the Department upgraded the security firewalls for the City's network which protects the City's network systems.

Human Resources: The Human Resources Department implemented new wellness and fit-for-life sessions. New training sessions were offered in the area of basic personal finance and budgeting activities, along with supervisor training for disciplinary appeal hearings. All job descriptions were scanned into the imaging system for electronic storage and uploaded into the applicant tracking system. Staff issued a request for qualifications for a pension consultant to assist in the research and development of a new pension plan for non-uniform employees. The Department began a required health appraisal for all benefits eligible employees for 2014.

Parks & Recreation: In 2012, Ottenheimer Therapeutic Recreation Center was opened and dedicated. The Center is designed to provide positive emotional, social, physical or cognitive changes in individuals with special needs to improve their quality of life. Little Rock's Parks and Recreation conducted a thorough and detailed inspection of every playground within the Parks and Recreation inventory. Little Rock Marathon increased participation by 10% for the 10th Anniversary. Park maintenance schedules were upgraded from Class C to Class B status with funding provided by the new sales tax. The Centre at University Park construction and development plans were implemented, and the new facility is expected to open in July 2013. The Department's "Lights on After School" initiative was again successful in that it continues to promote the critical importance of quality afterschool programs in the lives of children, their families and community.

Planning & Development: The Planning and Development Department coordinated with the Planning Commission and the Board of Directors for the review and adoption of several Zoning and Subdivision Ordinance Amendments. The Future Land Use Plan and existing zoning were made available on-line via the City's web page. The National Endowment of the Arts (NEA) Our Town Grant final plan, *The Creative Corridor: A Main Street Revitalization for Little Rock* was presented to the community. The 2011 National Electrical Code and 2012 International Property Maintenance Code were adopted. A draft of a Complete Streets Resolution was reviewed by the Bicycle Friendly Community Committee.

Little Rock Zoo: The Little Rock Zoo had a strong year for attendance and revenue in 2012 as the Zoo continues to provide engaging experiences that inspire people to conserve and value our natural world. The Zoo completed a significant capital project this year with the grand opening of the new Laura P. Nichols Cheetah Outpost. In addition, the Zoo utilized new sales tax revenues to begin implementation of a strategic business plan for the long-term growth and development of the Zoo. The Zoo added a new Education Department with an Education Curator and assistants and added key staff in guest services, marketing and development, facilities operations, and animal management. As a result, the Zoo was able to add additional education programs and on-site animal demonstrations, new landscaping and horticulture design, improve existing animal exhibits and facilities, and offer unique special events that improved the overall guest experience. The Zoo was granted accreditation from the Association of Zoos and Aquariums and continues to participate in Species Survival Plans (SSP) for endangered animals.

Housing & Neighborhood Programs: Housing and Neighborhood Programs was able to move toward more effective code enforcement. This was accomplished with the addition of ten (10) new Code Enforcement Officers funded by the sales tax initiative. The Little Rock Animal Village adoptions totaled 1,466 animals in 2012, an increase of 246 animals over the previous year.

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

Budget Polices and the Budget Process: The General Fund goal was to set aside the greater of \$10,000,000, or 10%, of General Fund revenues in the Restricted Reserve on or before December 31, 2005; however, due to economic conditions in the past few years, the City has been unable to meet this goal. The restricted reserve is currently \$9,418,000. The 2013 Budget includes a contingency allocation of an additional \$1.7 million. Following the completion of the 2012 audit, the City's management team will determine the amount of funds available to increase the reserve, with the intent of gradually increasing the Restricted Reserve to achieve 10% of General Fund revenues in the next few years.

2013 Goals

- In coordination with the Mayor and City Board, staff will have a major focus on completion of projects funded by the new sales tax. Staff will constantly track, monitor, and report on capital projects funded by the sales tax and will maintain a detailed tracking system on the City's web site, www.littlerock.org.

- Continue 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.
- Conduct community meetings in each Ward to establish the street and drainage plan for the 2013 – 2015 cycle of the sales tax infrastructure improvements.
- Continue development and construction of the 12th Street Station. Purchase property for a West Little Rock Police Station.
- Complete the land acquisition and begin construction of a new Fire Station in Southwest Little Rock.
- Continue the development of the West Central Community Center.
- Continue the City's focus on economic development and sustainability.
- 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 continue the program to train and employ disadvantaged persons for construction and maintenance of sidewalks, and to explore opportunities for expanding the program to include other entry level positions.
- Complete the issuance of \$105 million in Capital Improvement Bonds for street and drainage improvements throughout the City.
- Implement a new pension plan for non-uniform employees based on consultant recommendations.

Economic Outlook

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

The latest comparative figures for the City of Little Rock show unemployment at 6.4%, compared with a U.S. average of 7.8%, according to data from the United States Department of Labor, seasonally adjusted for local figures by Metroplan. The United States economy gained jobs in 2011 and 2012; however, the local region has not seen significant job growth since 2008. The seasonally adjusted regional labor force has declined from a peak of around 350,000 workers in March – April 2012 to just 341,000 in December 2012. Little Rock remains a vital employment center, accounting for approximately 53% of all jobs, by place of work, in the Little Rock-North Little Rock metropolitan areas. A large component of the City's workforce is in the areas of health care, education and public administration. These sectors are less vulnerable to national employment trends.

Little Rock's housing markets have felt the boom-bust cycle of recent years; however, they have been less severely affected than the U.S. average. Single-family housing permits began to rebound during 2012, moving to an average of thirty (30) monthly; the highest level since 2008. Permits for single-family units increased to 395 in 2012 from 328 in 2011, still far below the 700-plus permits that occurred annually 2003-2007. Multi-family housing construction slowed in 2012 to 273 units, compared with 1,022 units in 2011. Commercial property construction continues to show strong growth. Two (2) of the major construction projects that were permitted in 2012 include the \$2 million St. Vincent Cardiac Hospital expansion and the new \$9.7 million Residence Inn by Marriott at 219 River Market Avenue in Downtown Little Rock. Park Avenue, the mixed-use development in Mid-Town is nearing full occupancy with the October opening of Jared's Galleria of Jewelry.

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 October 2012, Little Rock was named a "Top Ten (10) Downtown" by *Livability.com*, a national website that highlights more than 500 of America's best places to live and visit. The listing includes communities with downtowns that are walkable, well thought out, and that have a wealth of dining and entertainment options. Little Rock was chosen for its downtown revitalization projects and economic development efforts and for the wealth of quality-of-place amenities – arts and cultural attractions, restaurants, nightlife, shops and boutiques – the downtown area offers residents and visitors. Revitalization of Main Street continues with a plan funded by the National Endowment for the Arts for a creative corridor. There are approximately \$1.6 million in Federal grants currently focused on Main Street projects.

In June 2012, Bass Pro Shop announced that it will open a store in Little Rock, creating 250 jobs. The outdoor store will be part of a new outlet mall, the Gateway Town Center development, located near Interstate 30 and Interstate 430 in Southwest Little Rock. The store is expected to open by Christmas 2013.

Arkansas Children's Hospital unveiled its largest construction project in its 100 year history in June 2012. The project is a 258,000 square-foot, \$121 million South Wing. The four (4)-story addition connects to the existing hospital and offers a nearly 30,000 square-foot Emergency Department, an outpatient clinic for patients with cancer and blood diseases and an expanded Neonatal Intensive Care Unit.

In July 2012, Southwest Power Pool marked the grand opening of its twenty (20)-acre, \$62 million headquarters campus in West Little Rock. The campus is intended to improve efficiency both from technical and personnel angles. The campus contains a 34,000 square-foot control center, a 150,000 square-foot administration building and a two (2)-story parking deck. Southwest Power Pool, a non-profit regional transmission organization, provides power supplies, transmission infrastructure and other services to sixty-five (65) members in the electricity utility industry in nine (9) states. The organization is seeking LEED Certification for the new headquarters.

Developers broke ground on a new arcade building in the River Market in October 2012. The \$17 million project is a joint venture between the Central Arkansas Library System and Moses Tucker Real Estate and will contain retail space, a 325-seat theater, a restaurant and office space. The building will be located at the corner of Clinton and River Market Avenues and is scheduled to open in November 2013. Dr. Bobby Roberts, Central Arkansas Library System Executive Director, announced an agreement with the Little Rock Film Festival and its institute to be the host facility for the nationally acclaimed Little Rock Film Festival.

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

Closing: This budget is the financial and operating plan for the City of Little Rock for 2013. 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 government access channel LRTV, which broadcasts information regarding the activities of the Little Rock City Board of Directors through live and taped coverage of City Board Meetings and other official proceedings; and produces programming regarding municipal affairs.

The City has seen great progress over the past years with more to come in 2013 and beyond as the Mayor, City Board of Directors and City Staff continue to offer vital services to the citizens of Little Rock. And finally, a very special "Thank You" to the citizens of Little Rock. We strive every day to serve you to the best of our collective abilities.

Respectively submitted,



Bruce T. Moore
City Manager

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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 2013 Statement of Management Policy includes these key principles:

Public Safety

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

Economic Development

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

Infrastructure

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

Quality of Life

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

Financial Reporting

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

The Budget Process



THE BUDGET PROCESS

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

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

The Capital Budget is usually prepared to present the capital expenditures planned for each of the next five (5) fiscal years. In 2011, citizens passed a three-eighths (3/8)-cent sales tax for capital projects that went into effect on January 1, 2012. The sales tax is a temporary tax with a ten (10) year sunset, 2021. Planned capital expenditures from the sales tax are discussed in detail in the capital section of the budget document. In addition, capital needs funded by 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 FY13 capital requests are considered separately by fund.

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

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

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

City Management monitors achievement of program service objectives as follows:

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

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

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

- The 2013 Budget

The 2013 Basic Budget reflects estimated costs for those programs, which were approved or received funding.

- Goals

Goals are clear statements of a department's mission, or purpose. Goals pinpoint the reasons for the department's existence and establish department's direction and responsibility(s). Each department's objectives are linked to the dollar figure budget needed to achieve the goal.

- Objectives

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

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

The calendar for developing the 2013 budget 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	The Board of Directors, Mayor, and the City Manager recommended a special election to renew the Property Tax millage to support the issuance of capital improvement bonds. Citizens approved a reduced millage rate of 3 mills (from 3.3 mills) at a special election held September 11, 2012 for the purpose of issuing capital improvement bonds in the amount of \$105 million for street and drainage projects. Initial health insurance rates and Waste Disposal rates were assessed.
September-October	Department Heads prepared and submitted budget requests to the City Manager.
October-November	City Manager evaluated budget requests. Board adopted property tax levies.
November-December	Budget request was revised. Board held budget workshop. Board held public hearings.
December	Board adopted utility franchise fee rates with no change from prior year. The Board adopted the 2013 budget ordinance.

AMENDING THE BUDGET

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

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

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

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

Funds Controlled by the City Governing Body

The Funds controlled are:

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

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

BUDGET POLICIES

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

- The 2013 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. All three (3) of the union contracts were in negotiation at the end of 2012. Positions are budgeted for the 2013 year at 3% above the 2012 contract rates. In addition, step and grade increases are budgeted at 3% above 2012 rates and non-uniform, non-union positions are budgeted with 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 utilized to reduce personnel budget allocations by department.

- The City utilized the in-house payroll system to aid in the development of the budget for salary and benefit costs for 2013. Salary changes are budgeted for each employee group to occur at the required time, such as on the employee's anniversary date or at the first of the year.
- The Fleet Services Internal Service Fund develops an expenditure budget for vehicle maintenance and fuel which is allocated to departments based on the number of assigned vehicles, service history, and prior fuel utilization. These allocations are not subject to change by the user departments.
- Departments are given specific budget parameters by the Mayor and City Manager. Departments are not allowed to alter calculated personnel cost or Internal Service Fund budget allocations, and are instructed not to make funding requests for new programs without the approval of the City Manager. For 2013, departments were authorized to implement priority needs and specific new positions supported by the new sales tax, which became effective in 2012, and to fill key vacant positions.

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

OTHER BUDGET PROCEDURES

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

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

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

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

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

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

Financial Structure



LITTLE ROCK'S FINANCIAL STRUCTURE

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

FUNDS CONTROLLED BY THE CITY GOVERNING BODY

GENERAL FUND OPERATIONS

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

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

CAPITAL PROJECT AND RELATED DEBT SERVICE FUNDS

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

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

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

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. These bonds will be retired in April 2013.

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.

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

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

2013 Capital Improvement Bonds – On September 11, 2012, citizens of Little Rock approved the issuance of \$105 million in Capital Improvement Bonds for the purpose of Street and Drainage infrastructure improvements. When issued, the bonds will be limited tax general obligations secured by all proceeds derived from a separate 3.0 mills annual ad valorem tax on real and personal property located within the City.

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

PROPRIETARY FUNDS

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

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

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

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

FIDUCIARY FUNDS CONTROLLED BY BOARDS OF TRUSTEES

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

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

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

DISCRETE COMPONENT UNITS CONTROLLED BY INDEPENDENT BOARDS & COMMISSIONS

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

- Little Rock Wastewater Utility
- Little Rock National Airport
- Little Rock Advertising & Promotion Commission
- Little Rock Port Authority
- 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, which derive their authority from specific statutes, operate all of these funds. However, the City's governing body must authorize rate changes, approve all bond issues, and approve appointments to the Boards and Commissions. Therefore, these funds are required to be reported as discrete component units of this entity by GASB Statement Number 39.

OTHER FUNDS NOT INCLUDED

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

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

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

FISCAL POLICIES

A. OPERATING MANAGEMENT

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

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

B. CAPITAL MANAGEMENT

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

C. DEBT MANAGEMENT

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

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

D. RESERVES

1. All fund designations and reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the City's five-year financial plan.
2. The General Fund goal is to set aside \$10,000,000 or 10% of General Fund revenues; whichever is greater, into a restricted reserve fund on or before December 31, 2005; however, due to economic conditions in the past several years, the City has not been able to meet their goal. The restricted reserve is currently \$9,418,000. The Board will consider increasing the restricted reserve based on the net operating results for 2012.

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

E. CASH MANAGEMENT AND INVESTMENTS

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

F. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

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

OTHER AGENCIES

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

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

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

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

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

The **County Health Department** provides health care services to residents of both the City and Pulaski County. The State Health Department directs its operations, 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 Pulaski Area Geographical Information System (PAGIS) is a consortium of local government agencies formed by inter-local agreement to develop, maintain and distribute spatial based information and graphics. Current members are Little Rock, North Little Rock, Pulaski County, Central Arkansas Water and Wastewater commissions of Little Rock and North Little Rock.

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

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

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

APPROPRIATIONS FOR OTHER AGENCIES

	ADOPTED <u>2011</u>	ADOPTED <u>2012</u>	ADOPTED <u>2013</u>
Central Arkansas Transit	\$6,602,836	\$7,511,153	\$8,208,468 (1)
County Regional Detention Center	1,463,000	1,463,000	1,050,000 (2)
Arkansas Arts Center	200,000	300,000	400,000
Museum of Discovery	200,000	200,000	200,000
Chamber of Commerce	200,000	200,000	200,000
Metroplan	163,484	163,484	178,042
Downtown Partnership	125,000	125,000	160,000
PAGIS	129,500	129,500	136,300
Metro Little Rock Alliance			100,000
First Tee	99,750	99,750	91,500 (3)
County Bond Payment	56,100	56,100	56,100
St. Vincent	25,381	25,381	25,381
LR. City Beautiful Commission	2,500	2,500	2,500
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$9,267,551</u>	<u>\$10,275,868</u>	<u>\$10,808,291</u>

(1) The funding increase for transit includes two new routes.

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

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

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Budget Summaries



BUDGET SUMMARIES

The following schedules summarize the audited 2011 operating results, the 2012 unaudited operating results, and the approved 2013 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;
- Parking Garages;

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

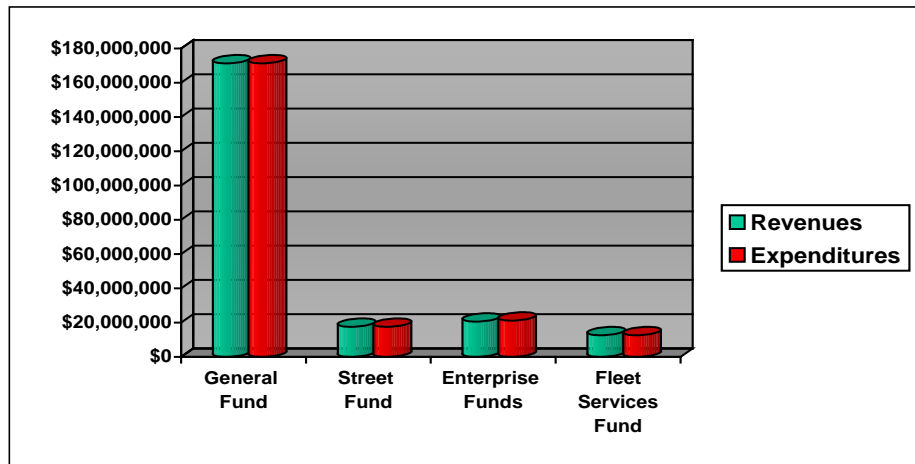
- General;
- Special Revenue;
- Capital;
- Proprietary;
- Fiduciary; and
- Debt Service.

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

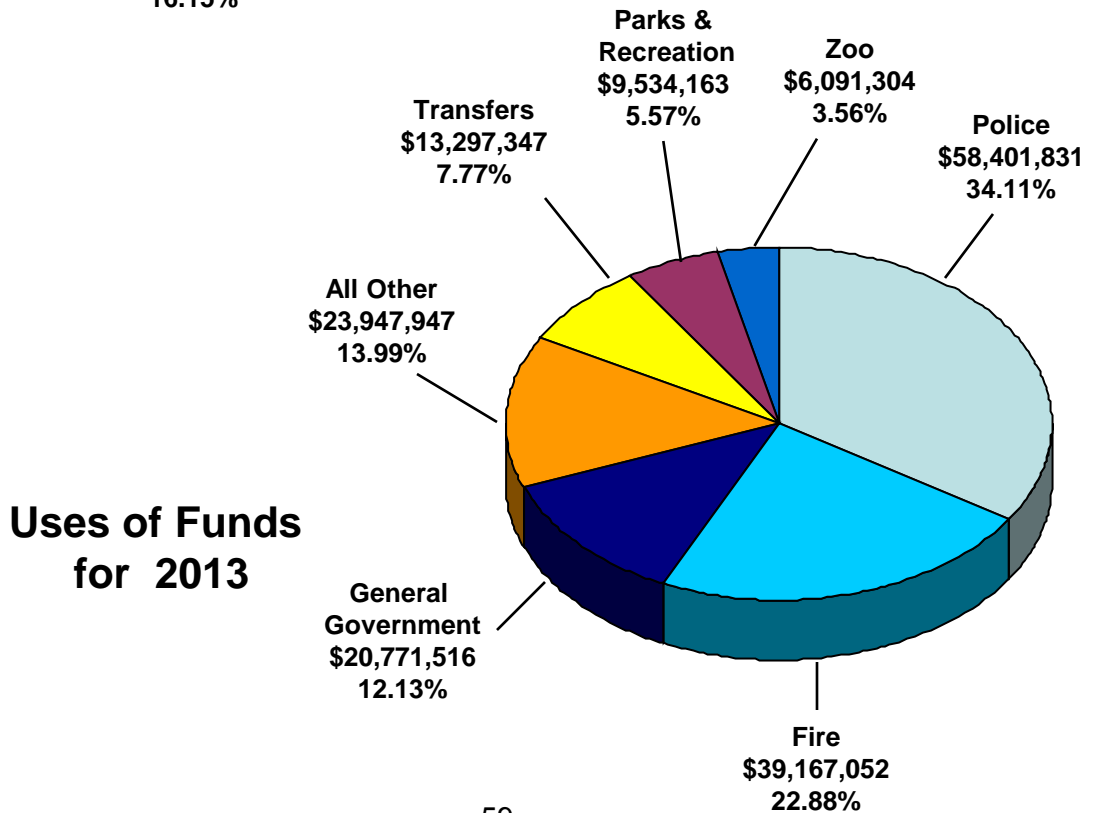
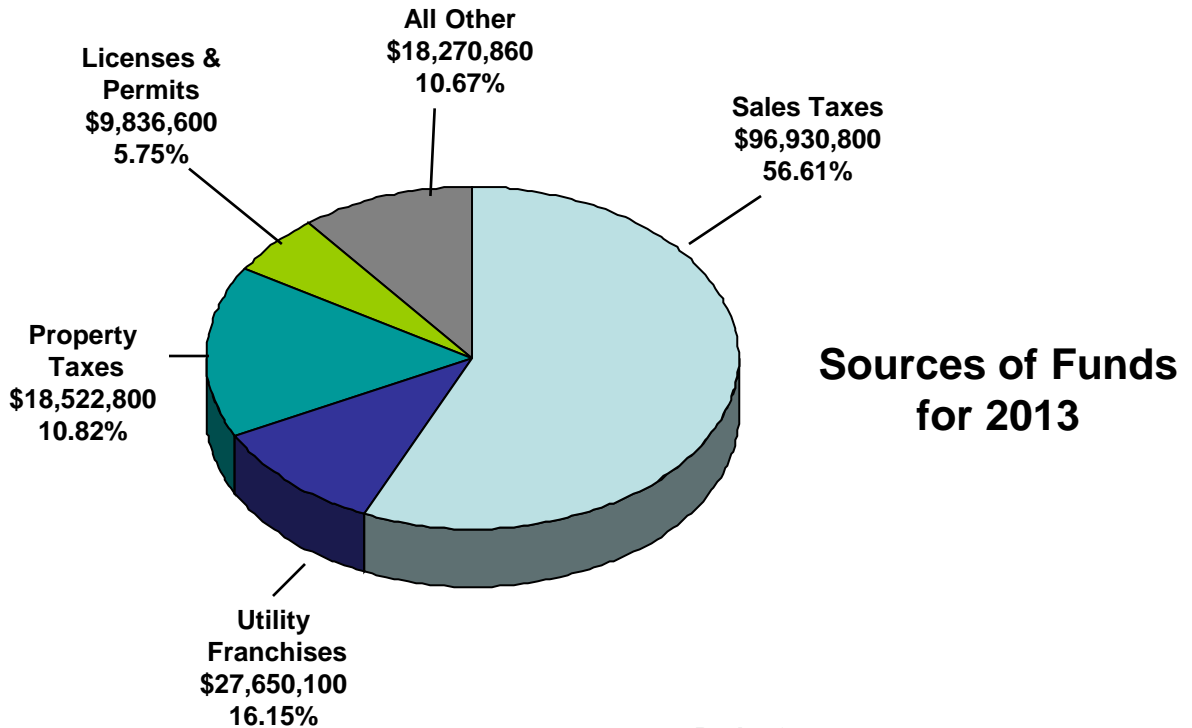
2013 Operating Funds Budget Summaries

	General	Street	Enterprise Funds	Fleet Services	Total
<u>Revenues</u>					
General Property Taxes	\$18,522,800	\$5,237,000			\$23,759,800
Sales Taxes	96,930,800				96,930,800
License and Permits	9,836,600		290,960		10,127,560
Intergovernmental	2,424,700	10,568,500			12,993,200
Charge for Service	10,329,369	10,000	20,284,404	12,616,069	43,239,842
Fines and Fees	3,308,400		0		3,308,400
Utility Franchise Fees	27,650,100				27,650,100
Investment Income	25,950	4,000	10,100		40,050
Miscellaneous	899,170	50,000	800		949,970
Transfers In	1,283,271	1,725,296	0		3,008,567
Total Revenues	171,211,160	17,594,796	20,586,264	12,616,069	222,008,289
<u>Expenditures</u>					
Personnel	121,361,267	9,243,209	5,545,913	3,490,205	139,640,594
Supplies and Material	6,697,932	1,248,662	1,713,791	6,625,630	16,286,015
Repairs and Maintenance	6,500,607	2,646,889	2,869,556	161,600	12,178,652
Contractual	20,557,903	3,016,319	4,986,653	2,209,134	30,770,009
Closure/Post Closure			247,945		247,945
Capital Outlay	400,062	973,500			1,373,562
Depreciation and Amortization			3,159,535	129,500	3,289,035
Debt Service	2,396,042		890,290		3,286,332
Transfers Out	13,297,347	466,217	1,747,850		15,511,414
Total Expenditures	171,211,160	17,594,796	21,161,533	12,616,069	222,583,558
Net Change in Fund Balance	0	0	(575,269)	0	(575,269)
Fund Balances - Beginning	15,837,906	2,087,726	12,238,356	2,472,600	32,636,588
Fund Balances - Ending	<u>\$15,837,906</u>	<u>\$2,087,726</u>	<u>\$11,663,087</u>	<u>\$2,472,600</u>	<u>\$32,061,319</u>

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



FY 2013 GENERAL FUND



**CITY OF LITTLE ROCK
BUDGET SUMMARY BY FUND TYPE
FOR YEARS 2011 - 2013**

	GENERAL FUNDS	SPECIAL REVENUES	CAPITAL PROJECTS	ENTERPRISE FUNDS	INTERNAL SERVICE FUND	FIDUCIARY FUNDS	DEBT SERVICE FUNDS
2011							
REVENUES:	\$ 155,637,097	\$ 42,167,886	\$ 4,613,364	\$ 19,571,497	\$ 10,583,764	\$ 16,030,909	\$ 21,500,023
EXPENDITURES:	<u>153,569,129</u>	<u>38,565,045</u>	<u>8,641,415</u>	<u>20,778,007</u>	<u>11,117,857</u>	<u>27,099,171</u>	<u>19,228,106</u>
REVENUES OVER (UNDER) EXPENDITURES	2,067,968	3,602,841	(4,028,051)	(1,206,510)	(534,093)	(11,068,262)	2,271,917
BEGINNING FUND BAL.	<u>16,307,253</u>	<u>6,991,611</u>	<u>20,523,642</u>	<u>13,982,727</u>	<u>3,006,693</u>	<u>183,258,041</u>	<u>17,369,851</u>
ENDING FUND BAL.	<u>\$ 18,375,221</u>	<u>\$ 10,594,453</u>	<u>\$ 16,495,591</u>	<u>\$ 12,776,215</u>	<u>\$ 2,472,600</u>	<u>\$ 172,189,779</u>	<u>\$ 19,641,769</u>
2012							
REVENUES:	\$ 183,070,481	\$ 39,982,087	\$ 67,817,667	\$ 19,986,495	\$ 11,667,454	\$ 33,496,443	\$ 23,759,091
EXPENDITURES:	<u>177,388,984</u>	<u>41,986,403</u>	<u>37,802,603</u>	<u>20,524,356</u>	<u>11,667,454</u>	<u>28,254,956</u>	<u>23,836,118</u>
REVENUES OVER (UNDER) EXPENDITURES	5,681,497	(2,004,316)	30,015,064	(537,861)		5,241,487	(77,027)
BEGINNING FUND BAL.	<u>18,375,221</u>	<u>10,594,453</u>	<u>16,495,591</u>	<u>12,776,217</u>	<u>2,472,600</u>	<u>172,189,779</u>	<u>19,641,769</u>
ENDING FUND BAL.	<u>\$ 24,056,719</u>	<u>\$ 8,590,137</u>	<u>\$ 46,510,655</u>	<u>\$ 12,238,356</u>	<u>\$ 2,472,600</u>	<u>\$ 177,431,266</u>	<u>\$ 19,564,742</u>
2013							
REVENUES:	\$ 171,211,160	\$ 17,594,796		\$ 20,586,264	\$ 12,616,069		
EXPENDITURES:	<u>171,211,160</u>	<u>17,594,796</u>	-	<u>21,161,533</u>	<u>12,616,069</u>	-	-
REVENUES OVER (UNDER) EXPENDITURES				(575,269)			
BEGINNING FUND BAL.	<u>24,056,719</u>	<u>8,590,137</u>	<u>46,510,655</u>	<u>12,238,356</u>	<u>2,472,600</u>	<u>177,431,266</u>	<u>19,564,742</u>
ENDING FUND BAL.	<u>\$ 24,056,719</u>	<u>\$ 8,590,137</u>	<u>\$ 46,510,655</u>	<u>\$ 11,663,087</u>	<u>\$ 2,472,600</u>	<u>\$ 177,431,266</u>	<u>\$ 19,564,742</u>

**GENERAL GOVERNMENT SUMMARY
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011 (1)	AMENDED 2012 (1)	ADOPTED BUDGET 2013
<u>GENERAL FUND</u>			
REVENUES:	\$ 150,513,118	\$ 168,027,386	\$ 171,211,160
EXPENDITURES:	<u>148,591,659</u>	<u>168,027,386</u>	<u>171,211,160</u>
REVENUES OVER (UNDER) EXPENDITURES	1,921,459		
BEGINNING FUND BALANCE	<u>13,916,447</u>	<u>15,837,906</u>	<u>15,837,906</u>
ENDING FUND BALANCE	<u><u>\$ 15,837,906</u></u>	<u><u>\$ 15,837,906</u></u>	<u><u>\$ 15,837,906</u></u>
 (1) Numbers have been adjusted to reflect the consolidation of the River Market, Golf, Fitness and Aquatics Center, and Zoo Enterprise Funds with the General Fund.			
<u>SPECIAL PROJECTS & SEIZED MONEY FUND</u>			
REVENUES:	\$ 5,123,979	\$ 15,043,095	
EXPENDITURES:	<u>4,977,470</u>	<u>9,361,598</u>	
REVENUES OVER (UNDER) EXPENDITURES	146,509	5,681,497	
BEGINNING FUND BALANCE	<u>2,390,806</u>	<u>2,537,315</u>	<u>8,218,812</u>
ENDING FUND BALANCE	<u><u>\$ 2,537,315</u></u>	<u><u>\$ 8,218,812</u></u>	<u><u>\$ 8,218,812</u></u>
TOTAL BEGINNING FUND BALANCE	\$ 16,307,253	\$ 18,375,221	\$ 24,056,719
TOTAL REVENUES	155,637,097	183,070,481	171,211,160
TOTAL EXPENDITURES	<u>153,569,129</u>	<u>177,388,984</u>	<u>171,211,160</u>
TOTAL ENDING FUND BALANCE	<u><u>\$ 18,375,221</u></u>	<u><u>\$ 24,056,719</u></u>	<u><u>\$ 24,056,719</u></u>

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

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

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
<u>STREET</u>			
REVENUES:	\$ 15,473,493	\$ 15,701,612	\$ 17,594,796
EXPENDITURES:	<u>14,317,071</u>	<u>17,437,212</u>	<u>17,594,796</u>
REVENUES OVER (UNDER) EXPENDITURES	1,156,422	(1,735,600)	
BEGINNING FUND BALANCE	<u>2,666,904</u>	<u>3,823,326</u>	<u>2,087,726</u>
ENDING FUND BALANCE	<u><u>\$ 3,823,326</u></u>	<u><u>\$ 2,087,726</u></u>	<u><u>\$ 2,087,726</u></u>
<u>SPECIAL PROJECT - STREET</u>			
REVENUES:	\$ -	\$ 891,445	
EXPENDITURES:	<u>134,213</u>	<u>744,997</u>	
REVENUES OVER (UNDER) EXPENDITURES	(134,213)	146,448	
BEGINNING FUND BALANCE	<u>160,748</u>	<u>26,535</u>	<u>172,983</u>
ENDING FUND BALANCE	<u><u>\$ 26,535</u></u>	<u><u>\$ 172,983</u></u>	<u><u>\$ 172,983</u></u>
<u>SPECIAL PROJECTS</u>			
REVENUES:	\$ 5,130,486	\$ 3,828,534	
EXPENDITURES:	<u>3,515,529</u>	<u>4,062,181</u>	
REVENUES OVER (UNDER) EXPENDITURES	1,614,958	(233,646)	
BEGINNING FUND BALANCE	<u>3,164,895</u>	<u>4,779,854</u>	<u>4,546,208</u>
ENDING FUND BALANCE	<u><u>\$ 4,779,854</u></u>	<u><u>\$ 4,546,208</u></u>	<u><u>\$ 4,546,208</u></u>

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
<u>INFRASTRUCTURE</u>			
REVENUES:	\$ 146	\$ 115	
EXPENDITURES:	<u>1,013</u>	<u>15,097</u>	
REVENUES OVER (UNDER) EXPENDITURES	(866)	(14,982)	
BEGINNING FUND BALANCE	<u>58,729</u>	<u>57,863</u>	<u>42,881</u>
ENDING FUND BALANCE	<u><u>\$ 57,863</u></u>	<u><u>\$ 42,881</u></u>	<u><u>\$ 42,881</u></u>
<u>EMERGENCY 911</u>			
REVENUES:	\$ 1,392,864	\$ 1,304,933	
EXPENDITURES:	<u>1,392,864</u>	<u>1,305,016</u>	
REVENUES OVER (UNDER) EXPENDITURES		(83)	
BEGINNING FUND BALANCE	<u>2,822</u>	<u>2,822</u>	<u>2,739</u>
ENDING FUND BALANCE	<u><u>\$ 2,822</u></u>	<u><u>\$ 2,739</u></u>	<u><u>\$ 2,739</u></u>
<u>GRANTS</u>			
REVENUES:	\$ 12,392,538	\$ 11,482,811	
EXPENDITURES:	<u>12,414,537</u>	<u>11,237,889</u>	
REVENUES OVER (UNDER) EXPENDITURES	(21,999)	244,923	
BEGINNING FUND BALANCE	<u>19,603</u>	<u>(2,396)</u>	<u>242,526</u>
ENDING FUND BALANCE	<u><u>\$ (2,396)</u></u>	<u><u>\$ 242,526</u></u>	<u><u>\$ 242,526</u></u>

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
<u>CDBG/HIPP/NHSP</u>			
REVENUES:	\$ 7,778,358	\$ 6,772,637	
EXPENDITURES:	6,789,818	7,184,012	
REVENUES OVER (UNDER) EXPENDITURES	988,540	(411,375)	
BEGINNING FUND BALANCE	917,910	1,906,450	1,495,074
ENDING FUND BALANCE	<u>\$ 1,906,450</u>	<u>\$ 1,495,074</u>	<u>\$ 1,495,074</u>
TOTAL BEGINNING FUND BALANCE	\$ 6,991,611	\$ 10,594,453	\$ 8,590,137
TOTAL REVENUES	42,167,886	39,982,087	17,594,796
TOTAL EXPENDITURES	38,565,045	41,986,403	17,594,796
TOTAL ENDING FUND BALANCE	<u>\$ 10,594,453</u>	<u>\$ 8,590,137</u>	<u>\$ 8,590,137</u>

**CAPITAL FUNDS
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
<u>1988 CAPITAL IMPROVEMENTS</u>			
REVENUES:	\$ 2,675	\$ 327	
EXPENDITURES:	<u>167,945</u>	<u>862,827</u>	
REVENUES OVER (UNDER) EXPENDITURES	(165,270)	(862,500)	
BEGINNING FUND BALANCE	<u>1,027,770</u>	<u>862,500</u>	
ENDING FUND BALANCE	<u><u>\$ 862,500</u></u>	<u><u>\$ 0</u></u>	

1998 CAPITAL IMPROVEMENTS

REVENUES:	\$ 2,712	\$ 1,736	
EXPENDITURES:	<u>56,453</u>	<u>251,300</u>	
REVENUES OVER (UNDER) EXPENDITURES	(53,741)	(249,564)	
BEGINNING FUND BALANCE	<u>1,032,344</u>	<u>978,603</u>	<u>729,039</u>
ENDING FUND BALANCE	<u><u>\$ 978,603</u></u>	<u><u>\$ 729,039</u></u>	<u><u>\$ 729,039</u></u>

2009A PARKS AND RECREATION

REVENUES:	\$ 200	\$ 83	
EXPENDITURES:	<u>1,192,785</u>	<u>581,769</u>	
REVENUES OVER (UNDER) EXPENDITURES	(1,192,584)	(581,686)	
BEGINNING FUND BALANCE	<u>2,317,983</u>	<u>1,125,399</u>	<u>543,713</u>
ENDING FUND BALANCE	<u><u>\$ 1,125,399</u></u>	<u><u>\$ 543,713</u></u>	<u><u>\$ 543,713</u></u>

**CAPITAL FUNDS
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
<u>SHORT TERM FINANCING</u>			
REVENUES:	\$ 4,605,174	\$ 6,614	
EXPENDITURES:	<u>618,698</u>	<u>5,363,423</u>	
REVENUES OVER (UNDER) EXPENDITURES	3,986,477	(5,356,809)	
BEGINNING FUND BALANCE	<u>1,666,491</u>	<u>5,652,968</u>	<u>296,159</u>
ENDING FUND BALANCE	<u>\$ 5,652,968</u>	<u>\$ 296,159</u>	<u>\$ 296,159</u>
<u>2004 CAPITAL IMPROVEMENTS</u>			
REVENUES:	\$ 1,037	\$ 86	
EXPENDITURES:	<u>226,369</u>	<u>37,611</u>	
REVENUES OVER (UNDER) EXPENDITURES	(225,332)	(37,525)	
BEGINNING FUND BALANCE	<u>273,195</u>	<u>47,863</u>	<u>10,338</u>
ENDING FUND BALANCE	<u>\$ 47,863</u>	<u>\$ 10,338</u>	<u>\$ 10,338</u>
<u>2008 LIBRARY IMPROVEMENT BOND</u>			
REVENUES:	\$ 1,566	\$ 740	
EXPENDITURES:	<u>6,379,166</u>	<u>7,825,672</u>	
REVENUES OVER (UNDER) EXPENDITURES	(6,377,601)	(7,824,932)	
BEGINNING FUND BALANCE	<u>14,205,859</u>	<u>7,828,258</u>	<u>3,326</u>
ENDING FUND BALANCE	<u>\$ 7,828,258</u>	<u>\$ 3,326</u>	<u>\$ 3,326</u>

**CAPITAL FUNDS
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
<u>2012 LIBRARY IMPROVEMENT BOND</u>			
REVENUES:		\$32,002,471	
EXPENDITURES:		9,360,035	
REVENUES OVER (UNDER) EXPENDITURES		22,642,436	-
BEGINNING FUND BALANCE		-	22,642,436
ENDING FUND BALANCE		<u>\$22,642,436</u>	<u>\$ 22,642,436</u>
<u>2012-2021 CAPITAL PROJECTS FUND</u>			
REVENUES:		\$35,805,609	
EXPENDITURES:		13,519,965	
REVENUES OVER (UNDER) EXPENDITURES		22,285,644	-
BEGINNING FUND BALANCE		-	22,285,644
ENDING FUND BALANCE		<u>\$22,285,644</u>	<u>\$ 22,285,644</u>
TOTAL CAPITAL BEGINNING BALANCE	\$20,523,642	\$16,495,591	\$ 46,510,655
TOTAL REVENUES	4,613,364	67,817,667	-
TOTAL EXPENDITURES	8,641,415	37,802,603	-
TOTAL CAPITAL ENDING FUND BALANCE	<u>\$16,495,591</u>	<u>\$46,510,655</u>	<u>\$ 46,510,655</u>

**ENTERPRISE FUNDS
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
<u>VEHICLE STORAGE FACILITY</u>			
REVENUES:	\$ 1,294,117	\$ 1,326,100	\$ 1,346,960
EXPENDITURES:	\$ 1,200,152	1,326,100	1,293,257
REVENUES OVER (UNDER) EXPENDITURES	\$ 93,965	-	53,703
BEGINNING NET POSITION	\$ (883,234)	(789,269)	(789,269)
ENDING NET POSITION	<u>\$ (789,269)</u>	<u>\$ (789,269)</u>	<u>\$ (735,566)</u>
<u>WASTE DISPOSAL</u>			
REVENUES:	\$16,418,534	\$16,804,395	\$17,194,521
EXPENDITURES:	<u>\$17,719,244</u>	<u>17,154,395</u>	<u>17,688,470</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	\$ (1,300,710)	(350,000)	(493,949)
BEGINNING NET POSITION	<u>\$14,707,712</u>	<u>13,407,002</u>	<u>13,057,002</u>
ENDING NET POSITION	<u>\$13,407,002</u>	<u>\$13,057,002</u>	<u>\$12,563,053</u>
<u>PARKING GARAGES</u>			
REVENUES:	\$ 1,858,846	\$ 1,856,000	\$ 2,044,783
EXPENDITURES:	<u>\$ 1,858,611</u>	<u>2,043,861</u>	<u>2,179,806</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	\$ 235	(187,861)	(135,023)
BEGINNING NET POSITION	<u>\$ 158,249</u>	<u>158,484</u>	<u>(29,377)</u>
ENDING NET POSITION	<u>\$ 158,484</u>	<u>\$ (29,377)</u>	<u>\$ (164,400)</u>

**ENTERPRISE FUNDS
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
TOTAL ENTERPRISE BEGINNING NET POSITION	\$13,982,727	\$12,776,217	\$12,238,356
TOTAL REVENUES	19,571,497	19,986,495	20,586,264
TOTAL EXPENDITURES	<u>20,778,007</u>	<u>20,524,356</u>	<u>21,161,533</u>
TOTAL ENTERPRISE ENDING NET POSITION	<u><u>\$12,776,217</u></u>	<u><u>\$12,238,356</u></u>	<u><u>\$11,663,087</u></u>

**FLEET INTERNAL SERVICE FUND
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
<u>FLEET INTERNAL SERVICE FUND</u>			
REVENUES:	\$10,583,764	\$11,667,454	\$ 12,616,069
EXPENDITURES:	<u>11,117,857</u>	<u>11,667,454</u>	<u>12,616,069</u>
REVENUES OVER (UNDER) EXPENDITURES	(534,093)		
BEGINNING NET POSITION	<u>3,006,693</u>	<u>2,472,600</u>	<u>2,472,600</u>
ENDING NET POSITION	<u>\$ 2,472,600</u>	<u>\$ 2,472,600</u>	<u>\$ 2,472,600</u>

**FIDUCIARY FUNDS
OPERATING BUDGET
2011 - 2013**

	<u>ACTUAL 2011</u>	<u>AMENDED 2012</u>	<u>ADOPTED BUDGET 2013</u>
<u>POLICE PENSION & RELIEF FUND</u>			
ADDITIONS:	\$ 5,931,291	\$ 10,866,505	
DEDUCTIONS:	<u>10,284,446</u>	<u>12,085,958</u>	
NET INCREASE (DECREASE)	(4,353,155)	(1,219,453)	
NET POSITION HELD IN TRUST, BEGINNING	<u>52,959,530</u>	<u>48,606,375</u>	<u>47,386,923</u>
NET POSITION HELD IN TRUST, ENDING	<u>\$ 48,606,375</u>	<u>\$ 47,386,923</u>	<u>\$ 47,386,923</u>
<u>FIRE PENSION & RELIEF FUND</u>			
ADDITIONS:	\$ 4,416,751	\$ 11,909,390	
DEDUCTIONS:	<u>11,020,657</u>	<u>11,570,584</u>	
NET INCREASE (DECREASE)	(6,603,906)	338,806	
NET POSITION HELD IN TRUST, BEGINNING	<u>77,149,217</u>	<u>70,545,311</u>	<u>70,884,117</u>
NET POSITION HELD IN TRUST, ENDING	<u>\$ 70,545,311</u>	<u>\$ 70,884,117</u>	<u>\$ 70,884,117</u>
<u>NON-UNIFORM DEFINED BENEFIT FUND</u>			
ADDITIONS:	\$ 2,388,985	\$ 2,595,733	
DEDUCTIONS:	<u>1,667,728</u>	<u>1,764,449</u>	
NET INCREASE (DECREASE)	721,257	831,284	
NET POSITION HELD IN TRUST, BEGINNING	<u>8,437,622</u>	<u>9,158,879</u>	<u>9,990,163</u>
NET POSITION HELD IN TRUST, ENDING	<u>\$ 9,158,879</u>	<u>\$ 9,990,163</u>	<u>\$ 9,990,163</u>

**FIDUCIARY FUNDS
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
<u>NON-UNIFORM DEFINED CONTRIBUTION</u>			
ADDITIONS:	\$ 2,806,859	\$ 6,291,538	
DEDUCTIONS:	4,103,095	2,944,365	
NET INCREASE (DECREASE)	(1,296,236)	3,347,173	
NET POSITION HELD IN TRUST, BEGINNING	36,605,771	35,309,535	38,656,708
NET POSITION HELD IN TRUST, ENDING	<u>\$ 35,309,535</u>	<u>\$ 38,656,708</u>	<u>\$ 38,656,708</u>
<u>401 (A) PENSION FUND</u>			
ADDITIONS:	\$ 445,348	\$ 1,597,432	
DEDUCTIONS:	7,998	(127,004)	
NET INCREASE (DECREASE)	437,350	1,724,436	
NET POSITION HELD IN TRUST, BEGINNING	6,596,444	7,033,794	8,758,230
NET POSITION HELD IN TRUST, ENDING	<u>\$ 7,033,794</u>	<u>\$ 8,758,230</u>	<u>\$ 8,758,230</u>
<u>HEALTH MANAGEMENT TRUST FUND</u>			
ADDITIONS:	\$ 41,674	\$ 235,845	
DEDUCTIONS:	15,247	16,604	
NET INCREASE (DECREASE)	26,428	219,241	
NET POSITION HELD IN TRUST, BEGINNING	1,509,457	1,535,885	1,755,126
NET POSITION HELD IN TRUST, ENDING	<u>\$ 1,535,885</u>	<u>\$ 1,755,126</u>	<u>\$ 1,755,126</u>
TOTAL NET POSITION BEGINNING	\$ 183,258,041	\$ 172,189,779	\$ 177,431,266
TOTAL ADDITIONS	16,030,909	33,496,443	
TOTAL DEDUCTIONS	27,099,171	28,254,956	
TOTAL NET POSITION ENDING	<u>\$ 172,189,779</u>	<u>\$ 177,431,266</u>	<u>\$ 177,431,266</u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
<u>2002 CIP JUNIOR LIEN BONDS</u>			
REVENUE:	\$ 317,004	\$ 317,743	
EXPENDITURES:	<u>318,198</u>	<u>318,698</u>	
NET INCREASE (DECREASE)	(1,193)	(954)	
BEGINNING FUND BALANCE	21,982	20,790	19,836
ENDING FUND BALANCE	<u>\$ 20,790</u>	<u>\$ 19,836</u>	<u>\$ 19,836</u>
<u>2004 IMPROVEMENT BONDS DEBT SERVICE</u>			
REVENUE:	\$ 11,602,261	\$ 11,993,577	
EXPENDITURES:	<u>11,137,925</u>	<u>11,587,781</u>	
NET INCREASE (DECREASE)	464,336	405,796	
BEGINNING FUND BALANCE	11,271,067	11,735,403	12,141,199
ENDING FUND BALANCE	<u>\$ 11,735,403</u>	<u>\$ 12,141,199</u>	<u>\$ 12,141,199</u>
<u>2004 LIBRARY IMP. BONDS DEBT SERVICE</u>			
REVENUE:	\$ 3,511,551	\$ 724	
EXPENDITURES:	<u>3,347,369</u>	<u>2,240,369</u>	
NET INCREASE (DECREASE)	164,182	(2,239,645)	
BEGINNING FUND BALANCE	2,076,186	2,240,369	724
ENDING FUND BALANCE	<u>\$ 2,240,369</u>	<u>\$ 724</u>	<u>\$ 724</u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
<u>2007 CAPITAL IMP. REVENUE REFUNDING BOND</u>			
REVENUE:	\$ 1,443,679	\$ 1,438,393	
EXPENDITURES:	<u>1,443,138</u>	<u>1,438,438</u>	
NET INCREASE (DECREASE)	542	(44)	
BEGINNING FUND BALANCE	19,153	19,694	19,650
ENDING FUND BALANCE	<u><u>\$ 19,694</u></u>	<u><u>\$ 19,650</u></u>	<u><u>\$ 19,650</u></u>
<u>2008 LIBRARY IMPROVEMENT BOND</u>			
REVENUE:	\$ 4,114,257	\$ 3,592,512	
EXPENDITURES:	<u>2,475,345</u>	<u>4,502,966</u>	
NET INCREASE (DECREASE)	1,638,912	(910,455)	
BEGINNING FUND BALANCE	3,268,868	4,907,780	3,997,326
ENDING FUND BALANCE	<u><u>\$ 4,907,780</u></u>	<u><u>\$ 3,997,326</u></u>	<u><u>\$ 3,997,326</u></u>
<u>2009 PARKS & REC CAPITAL IMPROVEMENT BOND</u>			
REVENUE:	\$ 511,270	\$ 509,820	
EXPENDITURES:	<u>506,132</u>	<u>502,996</u>	
NET INCREASE (DECREASE)	5,138	6,825	
BEGINNING FUND BALANCE	712,594	717,732	724,557
ENDING FUND BALANCE	<u><u>\$ 717,732</u></u>	<u><u>\$ 724,557</u></u>	<u><u>\$ 724,557</u></u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2011 - 2013**

	ACTUAL 2011	AMENDED 2012	ADOPTED BUDGET 2013
2012 LIBRARY IMPROVEMENT BONDS			
REVENUE:	\$ -	\$ 5,906,321	
EXPENDITURES:	-	3,244,871	
NET INCREASE (DECREASE)	-	2,661,450	
BEGINNING FUND BALANCE	-	-	2,661,450
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 2,661,450</u>	<u>\$ 2,661,450</u>
TOTAL BEGINNING FUND BALANCE	\$ 17,369,851	\$ 19,641,769	\$ 19,564,742
TOTAL REVENUES	21,500,023	23,759,091	-
TOTAL EXPENDITURES	19,228,106	23,836,118	-
TOTAL ENDING FUND BALANCE	<u>\$ 19,641,769</u>	<u>\$ 19,564,742</u>	<u>\$ 19,564,742</u>

2013 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 2013 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 2013 General Fund budget is \$1,710,000 or approximately 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. The City anticipates an addition to the restricted reserve in 2013. The City Board of Directors will evaluate funds available following completion of the 2012 annual audit to determine the amount of the addition.

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

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

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

The City has taken steps to plan for the future with the five-year forecast based on the estimated revenues and operating expenditures for 2013 – 2017. The forecast for 2013 – 2017 is a planning tool used for the projections. The Mayor and Board of Directors have only approved the 2013 budget. However, the Board is committed to providing financial stability in order to maintain critical programs.

**CITY OF LITTLE ROCK
2013 - 2017 FORECAST**

	FY13 <u>Adopted</u>	FY14 <u>Projected</u>	FY15 <u>Projected</u>	FY16 <u>Projected</u>	FY17 <u>Projected</u>
<u>General Fund</u>					
Beginning Fund Balance	\$15,837,906	\$17,547,906	\$19,302,820	\$21,101,607	\$22,939,968
Plus: Est. Revenue	171,211,160	175,491,439	179,878,725	183,836,057	187,972,368
Less: Est. Expenses					
General Administrative	20,771,516	20,043,865	20,444,743	20,853,637	21,270,710
Board of Directors	234,774	239,469	244,259	249,144	254,127
Community Programs	358,428	365,597	372,908	380,367	387,974
City Attorney	1,706,756	1,740,891	1,775,709	1,811,223	1,847,448
District Court - First Division	1,381,441	1,409,070	1,437,251	1,465,996	1,495,316
District Court - Second Division	1,222,308	1,246,754	1,271,689	1,297,123	1,323,065
District Court - Third Division	565,562	576,873	588,411	600,179	612,182
Finance	3,006,838	3,066,975	3,128,314	3,190,881	3,254,698
Human Resources	1,549,857	1,580,854	1,612,471	1,644,721	1,677,615
Information Technology	4,478,965	4,568,544	4,659,915	4,753,113	4,848,176
Planning and Development	2,499,148	2,549,131	2,600,114	2,652,116	2,705,158
Housing & Neighborhood Programs	5,534,697	5,645,391	5,758,299	5,873,465	5,990,934
Public Works	1,138,346	1,161,113	1,184,335	1,208,022	1,232,182
Parks & Recreation	9,534,163	9,724,846	9,919,343	10,117,730	10,320,085
River Market	1,197,800	1,221,756	1,246,191	1,271,115	1,296,537
Golf	2,081,552	2,123,183	2,165,647	2,208,960	2,253,139
Jim Dailey Fitness & Aquatics	891,475	909,305	927,491	946,040	964,961
Zoo	6,091,304	6,213,130	6,337,393	6,464,141	6,593,423
Fire **	39,167,052	40,871,530	42,488,418	43,508,140	44,552,335
Police***	58,401,831	60,569,868	61,781,265	63,264,015	64,782,352
Vacancy Reductions	(3,900,000)	(3,900,000)	(3,900,000)	(3,900,000)	(3,900,000)
Transfers Out (including contingency)	13,297,347	13,563,294	13,834,560	13,975,930	14,209,950
	171,211,160	175,491,439	179,878,725	183,836,057	187,972,368
Anticipated contingency/reserve	1,710,000	1,754,914	1,798,787	1,838,361	1,879,724
Ending Fund Balance *	\$17,547,906	\$19,302,820	\$21,101,607	\$22,939,968	\$24,819,692
Reserve Requirement (10% of Revenues)	\$17,121,116	\$17,549,144	\$17,987,872	\$18,383,606	\$18,797,237

* 2013 Ending Fund Balance includes an estimated restricted reserve of \$11,000,000.

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

*** Includes the retention of 20 uniformed police positions in 2014 that were previously funded by grants.

<u>Street Fund</u>					
Beginning Balance	\$2,087,726	\$2,087,726	\$2,267,193	\$2,450,249	\$2,636,967
Plus: Est. Revenue	17,594,796	17,946,692	18,305,626	18,671,738	19,045,173
Less: Est. Expenses	17,594,796	17,767,225	18,122,570	18,485,021	18,854,721
Ending Balance	\$2,087,726	\$2,267,193	\$2,450,249	\$2,636,967	\$2,827,418
Reserve Requirement (10% of revenue)	\$1,759,480	\$1,794,669	\$1,830,563	\$1,867,174	\$1,904,517

**CITY OF LITTLE ROCK
2013 - 2017 FORECAST**

	FY13 <u>Adopted</u>	FY14 <u>Projected</u>	FY15 <u>Projected</u>	FY16 <u>Projected</u>	FY17 <u>Projected</u>
<u>Fleet Fund</u>					
Beginning Net Position	\$2,472,600	\$2,472,600	\$2,472,600	\$2,472,600	\$2,472,600
Plus: Est. Revenue	12,616,069	12,868,390	13,125,758	13,388,273	13,656,039
Less: Est. Expenses	12,616,069	12,868,390	13,125,758	13,388,273	13,656,039
Ending Net Position	<u>\$2,472,600</u>	<u>\$2,472,600</u>	<u>\$2,472,600</u>	<u>\$2,472,600</u>	<u>\$2,472,600</u>
Reserve Requirement (10% of revenues)	<u>\$1,261,607</u>	<u>\$1,286,839</u>	<u>\$1,312,576</u>	<u>\$1,338,827</u>	<u>\$1,365,604</u>

<u>Vehicle Storage Facility</u>					
Beginning Net Position	(\$789,269)	(\$735,566)	(\$667,856)	(\$585,731)	(\$488,770)
Plus: Est. Revenue	1,346,960	1,373,899	1,401,377	1,429,405	1,457,993
Less: Est. Expenses	1,293,257	1,306,190	1,319,251	1,332,444	1,345,768
Ending Net Position	<u>(\$735,566)</u>	<u>(\$667,856)</u>	<u>(\$585,731)</u>	<u>(\$488,770)</u>	<u>(\$376,546)</u>
Reserve Requirement (10% of revenues)	<u>\$134,696</u>	<u>\$137,390</u>	<u>\$140,138</u>	<u>\$142,940</u>	<u>\$145,799</u>

<u>Waste Disposal Fund</u>					
Beginning Net Position	\$13,057,002	\$12,563,053	\$12,958,996	\$13,048,364	\$12,819,974
Plus: Est. Revenue	17,194,521	17,228,821	17,290,628	17,352,949	17,415,796
Less: Est. Expenses	17,688,470	16,832,878	17,201,260	17,581,339	17,121,009
Ending Net Position	<u>\$12,563,053</u>	<u>\$12,958,996</u>	<u>\$13,048,364</u>	<u>\$12,819,974</u>	<u>\$13,114,761</u>
Reserve Requirement (15% of revenues)	<u>\$2,579,178</u>	<u>\$2,584,323</u>	<u>\$2,593,594</u>	<u>\$2,602,942</u>	<u>\$2,612,369</u>

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

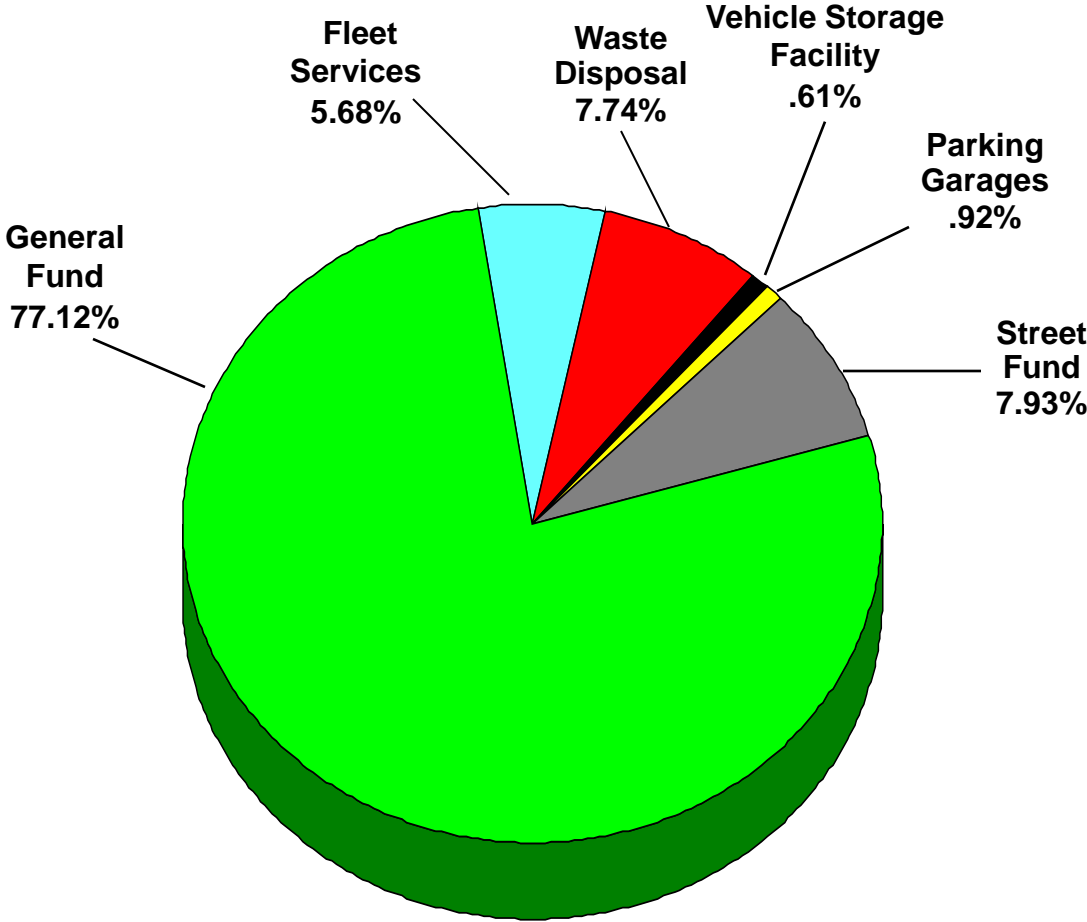
<u>Parking Garages</u>					
Beginning Net Position	(\$29,377)	(\$164,400)	\$0	\$0	\$0
Plus: Est. Revenue	2,044,783	2,085,679	2,127,392	2,169,940	2,213,339
Less: Est. Expenses	2,179,806	1,921,279	2,127,392	2,169,940	2,213,339
Ending Net Position	<u>(\$164,400)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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Revenues



CITY OF LITTLE ROCK 2013 BUDGET SUMMARY ALL FUNDS RESOURCES



\$222,008,289

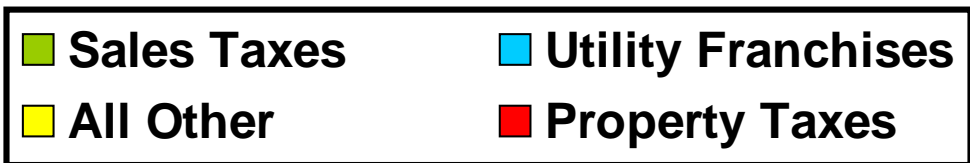
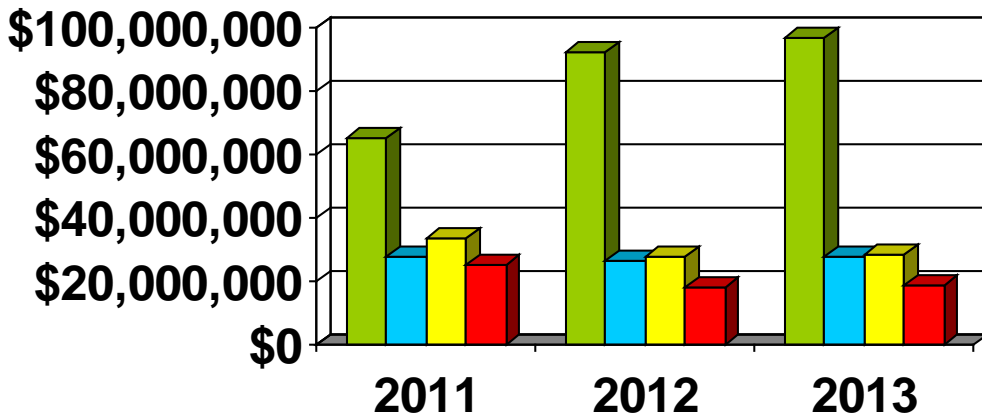
**CITY OF LITTLE ROCK
2013 OPERATING REVENUES**

REVENUES:	2011 ACTUAL (1)	2012 ADOPTED (1)	2012 AMENDED	2013 ADOPTED	12/13 DIFF	% CHANGE
Property Taxes *	\$24,973,554	\$17,648,900	\$17,872,900	\$18,522,800	\$649,900	3.64%
Sales Tax	64,964,351	92,199,900	95,499,900	96,930,800	1,430,900	1.50%
Business Licenses	5,987,836	5,974,000	5,974,000	6,013,600	39,600	0.66%
Mixed Drinks	1,835,117	1,858,000	1,858,000	1,991,000	133,000	7.16%
Building, Related Permits	1,857,142	1,832,800	1,832,800	1,832,000	(800)	-0.04%
Insurance Pension Turnback*	3,539,464	2,190,000	2,424,675	2,424,700	25	0.00%
Park Revenue	345,424	349,600	349,600	354,400	4,800	1.37%
River Market	418,607	481,500	481,500	592,000	110,500	22.95%
Golf	891,091	950,242	950,242	1,104,300	154,058	16.21%
Jim Dailey Fitness and Aquatic Center	601,580	604,124	604,124	539,169	(64,955)	-10.75%
Zoo	2,904,097	2,769,909	2,769,909	3,010,000	240,091	8.67%
Airport Reimbursement	2,777,277	2,957,300	2,957,300	3,108,600	151,300	5.12%
Salary Reimbursement 911	783,875	733,300	733,300	750,000	16,700	2.28%
Fines and Fees	3,369,527	3,492,580	3,342,580	3,308,400	(34,180)	-1.02%
Utility Franchises	27,380,050	26,332,200	26,992,200	27,650,100	657,900	2.44%
Interest Earnings	18,321	27,560	27,560	25,950	(1,610)	-5.84%
All Other	4,484,543	1,979,600	1,979,600	1,770,070	(209,530)	-10.58%
Transfers In	3,381,262	1,377,196	1,377,196	1,283,271	(93,925)	-6.82%
Total General Fund	150,513,118	163,758,711	168,027,386	171,211,160	3,183,774	1.89%
Other Budgeted Funds						
Street	15,473,493	16,551,612	15,701,612	17,594,796	1,893,184	12.06%
Fleet Services	10,583,764	11,667,454	11,667,454	12,616,069	948,615	8.13%
Vehicle Storage Facility	1,294,117	1,326,100	1,326,100	1,346,960	20,860	1.57%
Waste Disposal	16,418,534	16,804,395	16,804,395	17,194,521	390,126	2.32%
Parking Garages	1,858,846	1,856,000	1,856,000	2,044,783	188,783	10.17%
Total Other Budgeted Funds	45,628,755	48,205,561	47,355,561	50,797,129	3,441,568	7.27%
Total All Budgeted Funds	\$196,141,873	\$211,964,272	\$215,382,947	\$222,008,289	\$6,625,342	3.13%

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

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

General Government Summary of Revenues 2011-2013



**CITY OF LITTLE ROCK
2013 OPERATING REVENUE**

	2011 ACTUAL (1)	2012 ADOPTED (1)	2013 ADOPTED
GENERAL FUND			
PROPERTY TAX			
Property Taxes	\$ 16,514,957	\$ 16,281,600	\$ 17,100,000
Pension Property Taxes	7,020,316		
Homestead Taxes	1,012,134	1,044,300	1,062,400
Act 9 Industry Payment	327,484	320,000	350,400
Property Taxes LR Port Authority	98,663	3,000	10,000
Total Property Taxes	<u>24,973,554</u>	<u>17,648,900</u>	<u>18,522,800</u>
SALES TAX			
County Sales & Use Tax	38,588,900	38,241,500	40,332,300
City Sales Tax	23,275,525	50,869,700	53,488,300
State Tax Turnback	3,099,926	3,088,700	3,110,200
Total Sales Taxes	<u>64,964,351</u>	<u>92,199,900</u>	<u>96,930,800</u>
BUSINESS LICENSES			
General Business Licenses	5,987,836	5,974,000	6,013,600
Mixed Drinks Licenses	1,835,117	1,858,000	1,991,000
Total Business Licenses	<u>7,822,953</u>	<u>7,832,000</u>	<u>8,004,600</u>
PERMITS			
Building & Excavation Permits	1,022,987	1,021,000	1,021,000
Electrical Permits	278,459	263,000	263,000
Plumbing Permits	269,049	254,000	254,000
HVAC Permits	214,812	224,000	224,000
Wrecker Franchise	69,690	68,600	68,600
Burn Permits	2,145	2,200	1,400
Total Permits	<u>1,857,142</u>	<u>1,832,800</u>	<u>1,832,000</u>
INTERGOVERNMENTAL			
Insurance Turnback	1,673,467	2,190,000	2,424,700
Police and Fire Pension Insurance Turnback	1,865,997		
Total Intergovernmental	<u>3,539,464</u>	<u>2,190,000</u>	<u>2,424,700</u>
POLICE SERVICES			
Police Report	396,487	380,000	400,000
False Alarm	11,860	40,000	15,000
Airport - Security Guards	1,683,486	1,769,700	1,859,100
Total Police Services	<u>2,091,832</u>	<u>2,189,700</u>	<u>2,274,100</u>
FIRE SERVICES			
Fire Alarm Inspection	250	300	
Airport-Fire Protection	1,093,791	1,187,600	1,249,500
Fire Training Academy	970	600	400
Total Fire Services	<u>1,095,011</u>	<u>1,188,500</u>	<u>1,249,900</u>
PARK REVENUE			
SWLR Community Complex	88,835	88,000	88,000
Athletics Fees	93,445	93,800	102,500
Pavilion Rental	45,583	45,000	45,500
Community Center & Miscellaneous Fees	82,923	86,900	73,700
Admissions Revenue	22,917	24,600	30,000
Miscellaneous Revenue	11,720	11,300	14,700
Total Park Revenue	<u>345,424</u>	<u>349,600</u>	<u>354,400</u>

**CITY OF LITTLE ROCK
2013 OPERATING REVENUE**

	2011 ACTUAL (1)	2012 ADOPTED (1)	2013 ADOPTED
RIVER MARKET			
Admissions Revenue	91,451	102,500	190,000
Space Rental	327,156	379,000	402,000
Total River Market Revenue	418,607	481,500	592,000
GOLF			
Concessions Revenue	85,431	96,200	140,820
Green Fees	877,321	912,800	965,900
Equipment Rental	490,520	510,080	567,440
Merchandise Sales	85,669	88,500	89,520
Miscellaneous Revenue	12,987	3,500	17,000
Parks Contra Revenue (Debt Service)	(660,838)	(660,838)	(676,380)
Total Golf Revenue	891,091	950,242	1,104,300
JIM DAILEY FITNESS & AQUATIC CENTER			
Annual Fees	45,860	49,500	44,890
Monthly Membership	275,863	285,000	233,500
Daily Fees	108,740	112,000	108,600
Corporate Fees	246,582	231,500	240,800
Special Fees	8,194	6,800	7,600
Other	69,886	72,700	65,610
Miscellaneous	631	800	500
Parks Contra Revenue (Debt Svc)	(154,176)	(154,176)	(162,331)
Total Jim Dailey Fitness & Aquatic Center	601,580	604,124	539,169
ZOO			
Membership	325,088	340,000	386,000
Zoo Admissions	1,793,667	1,650,000	1,800,000
Concessions	459,765	465,000	480,300
Token Sales	178,118	180,000	210,000
Education	37,684	55,000	55,000
Special Events	167,536	209,000	164,750
Zoo Rentals	22,941	10,000	18,000
Merchandise Sales	381,712	335,000	370,000
Miscellaneous	30,678	19,000	40,000
Parks Contra Revenue (Debt Svc)	(493,091)	(493,091)	(514,050)
Total Zoo Revenue	2,904,097	2,769,909	3,010,000
FINES			
Fines - Traffic	2,098,786	2,179,800	2,092,500
Fines - Criminal - Other	345,848	364,000	320,400
Probation Assessments	73,535	80,000	60,000
Additional Court Cost	18,862	18,500	19,000
Theft Diversion Class	700	500	100
Fines - Parking	260,650	260,000	244,000
Fines - Child Passenger Protection	5,551	6,100	4,000
Fines - Environmental	36,041	34,000	37,000
Fines - Animal	267,778	278,000	252,000
Fines - Other	347		
Drunk-O-Meter	3,821	3,700	2,500
Total Fines	3,111,919	3,224,600	3,031,500

**CITY OF LITTLE ROCK
2013 OPERATING REVENUE**

	2011 ACTUAL (1)	2012 ADOPTED (1)	2013 ADOPTED
FEES			
Rezoning Fees	55,406	56,500	43,000
Act 474 Admin Fees	3,887	3,600	
Act 9 Admin Fees	4,510	4,600	4,000
Incident Report Fees	240	300	
Civil Court Fees	73,022	74,500	74,500
Booking & Admin Fee -Pulaski County Jail	140	100	
Education Training Fees			600
Community Service Fees	40,840	37,500	33,000
Miscellaneous Service Fees	135	8,000	105,800
Other Fees	75,299	82,880	
Mobile Home Registration Fees	3,975		10,000
Animal Services	155		6,000
Total Fees	257,609	267,980	276,900
UTILITY FRANCHISE			
Entergy	12,751,773	11,970,000	12,977,800
S W Bell	969,629	819,800	737,700
Local Landline Franchise Fees	228,111	220,300	216,800
Long Dist. Franchise Fees	964,816	959,700	917,500
Centerpoint Energy	3,682,410	3,625,000	2,700,000
Central Ark Water	3,345,179	3,385,000	3,647,100
LR Waste Water	4,081,206	4,100,000	4,900,000
Fiber Optics	1,279,686	1,232,000	1,438,300
Cable TV	1,835,075	1,775,000	1,867,000
Franchise Fee Contra	(1,757,835)	(1,754,600)	(1,752,100)
Total Utility Franchises	27,380,050	26,332,200	27,650,100
MISCELLANEOUS SERVICES			
Crossing Guards-LRSD Reimbursement	434,330	440,200	455,500
911 Services Reimbursement	783,875	733,300	750,000
Total Miscellaneous Services	1,218,206	1,173,500	1,205,500
INVESTMENT INCOME			
Interest Income	18,063	27,560	25,950
Change in Market Value	258		
Total Investment Income	18,321	27,560	25,950
RENTS AND ROYALTIES			
Tower Lease	293,489	270,000	317,600
Ground Leases	12,062	9,900	12,300
Amusement Park Leases	3,025	3,300	3,100
Total Rents and Royalties	308,575	283,200	333,000
MISCELLANEOUS INCOME			
Security Deposit Rental Reimbursement			
Other Reimbursement	23,463	6,500	15,300
Commission - Vending	352	1,000	300
Contributions/Donations	3,007,022	577,800	250,000
Miscellaneous Revenue	301,235	250,000	300,570
Total Miscellaneous Revenue	3,332,071	835,300	566,170
Transfers In	3,381,262	1,377,196	1,283,271
TOTAL GENERAL FUND REVENUE	150,513,118	163,758,711	171,211,160

**CITY OF LITTLE ROCK
2013 OPERATING REVENUE**

	2011 ACTUAL (1)	2012 ADOPTED (1)	2013 ADOPTED
STREET FUND			
ST Homestead Tax	293,499	298,000	307,000
1/2 County Road Tax	4,789,292	4,742,000	4,930,000
State Gas Tax Turnback	9,111,335	9,770,794	10,568,500
Street Repair Reimbursement	14,362	9,000	10,000
Insurance Reimbursement	217,046	15,000	50,000
Interest On Investments	2,660	1,000	4,000
Transfer In	1,045,300	1,715,818	1,725,296
TOTAL STREET FUND	15,473,493	16,551,612	17,594,796
FLEET INTERNAL SERVICE FUND			
Fleet Labor	2,167,269	2,711,402	2,612,235
Fuel Fees	2,998,337	3,516,580	3,898,944
Miscellaneous Sales	546,837	565,000	736,000
Motor Pool	8,184	5,585	5,585
Fleet Parts	3,077,296	2,998,860	3,183,926
Insurance Totaled	164,561	75,000	50,000
Fleet Management	620,353	817,027	974,377
Fleet Sublets	991,447	978,000	1,155,000
Interest on Investments	2,189		
Gain/Loss on Sale of Fixed Assets	7,290		2
TOTAL FLEET INTERNAL SERVICE FUND	10,583,764	11,667,454	12,616,069
VEHICLE STORAGE FACILITY			
Licenses and Permits	21,060	20,500	20,960
Storage Fees	314,499	314,600	330,000
Wrecker Fees	329,519	337,000	506,610
Vehicle Auction Sale	515,420	530,000	360,390
Impound Administration	87,006	89,000	91,000
Vehicle Storage Miscellaneous	5,956	14,000	14,000
Contributions/Donations	16,652	21,000	24,000
Gain/Loss on Sale of Fixed Assets	4,005		
TOTAL VEHICLE STORAGE FACILITY	1,294,117	1,326,100	1,346,960
WASTE DISPOSAL ENTERPRISE FUND			
Sanitation Fees	15,142,984	15,113,440	16,019,921
Landfill Fees	877,033	860,000	910,000
Methane Gas Revenue	212,807	200,000	96,000
Yard Waste	60,555	40,000	60,000
Compost Sale	75,794	100,000	85,000
Interest On Investments	13,076	5,715	8,000
Miscellaneous Revenue	36,285	5,000	15,600
Transfers		480,240	
TOTAL WASTE DISPOSAL ENTERPRISE FUND	16,418,534	16,804,395	17,194,521

**CITY OF LITTLE ROCK
2013 OPERATING REVENUE**

	<u>2011 ACTUAL (1)</u>	<u>2012 ADOPTED (1)</u>	<u>2013 ADOPTED</u>
PARKING GARAGES			
Business License - Auto/Truck	262,943	229,000	270,000
Street Repair Reimbursement	131,556	110,000	130,000
Parking Meters	486,103	520,000	470,000
Surface Lot Parking	88,331	88,680	88,683
Parking Deck Monthly	703,293	650,000	823,000
Parking Deck Daily	99,582	175,000	177,200
Parking Peabody	84,181	81,000	83,000
Interest on Investments	2,857	2,200	2,100
Miscellaneous Income		120	800
TOTAL PARKING GARAGES	<u>1,858,846</u>	<u>1,856,000</u>	<u>2,044,783</u>
GRAND TOTAL ALL FUNDS	<u>\$ 196,141,873</u>	<u>\$ 211,964,272</u>	<u>\$ 222,008,289</u>

- (1) The 2011 Actual and 2012 Budget numbers have been adjusted to reflect the consolidation of the River Market, Golf, Jim Daily Fitness and Aquatics Center, and Zoo Funds with the General Fund.

REVENUE TRENDS

OVERALL

The City's General Fund revenues are primarily comprised of sales taxes, property taxes, utility franchise fees, fines and fees and revenues from various licenses. The largest source of revenue in the City's General Fund is sales tax, which contributes approximately 56.61% to the 2013 budget. The 2013 Operating Budget includes an increase in sales tax of 2.5% over 2012 actual tax collections. In September 2011, voters approved an overall one (1)-cent sales tax increase, with 5/8 cent dedicated for ongoing operating expenses and 3/8 cent dedicated to capital projects over a ten (10) year period. The revenue growth reflected in the 2012 actual collections is primarily due to the 5/8 cent increase in the sales tax for operations. Although consumer confidence rose to a four (4) year high in November 2012, sales taxes generated by retail sales continue to decline as a result of increasing internet sales. State statute restricts the level of tax information available to Municipalities which makes revenue forecasting very difficult. Excluding the impact of the increased tax rates, growth in sales tax receipts compared to the same period a year ago were volatile throughout the year. After increasing by approximately 2% in the first eight (8) months of 2012, the normalized growth rate declined in the last two months of the year by 1.87%. In addition, 2012 operating revenues include the consolidation of the River Market, Golf, Jim Dailey Fitness and Aquatics Center, and Zoo with the General Fund.

	<u>REVENUES</u>	<u>% CHANGE</u>
2009 Operating Revenues	137.4	
2010 Operating Revenues	131.1	-4.59%
2011 Operating Revenues	134.4	2.52%
2012 Operating Revenues	163.8	21.88%
2013 Operating Revenues	171.2	4.52%

Utility franchise fees and property taxes comprise approximately 16.15% of and 10.82% of 2013 General Fund budgeted revenues, respectively. Assessments of real estate and personal property are levied in the current year and collectible in the following year. Little Rock is in Pulaski County which completed a reappraisal in 2012. Initial growth county-wide was double-digit but substantial audits in late 2012 led to an increase of only 1.19% in the original charge for 2012 property taxes to be collected in 2013. Little Rock has historically utilized a three year appraisal cycle but will likely convert to a five year cycle.

Overall, utility franchise revenues are expected to be slightly above 2012 actual revenues by less than one percent. Revenues from Entergy, the electric utility, increased 4.8% from 2011. The price of natural gas has decreased substantially over the past three years, resulting in a 22.8% decrease in franchise fee payments from CenterPoint Energy from 2011 to 2012. In addition, weather plays a significant role in the annual franchise fee revenues from Entergy, CenterPoint, and the water and waste water utilities. Central Arkansas Water and WasteWater revenues increased slightly from 2011 to 2012. On October 6, 2012, Central Arkansas Water announced a proposed rate increase for 2013 and 2014. Wastewater plans a rate increase of 8% in 2013, 7% in 2014, and 4.75% in 2016. Over the last several years, long distance and local landline franchise fees have been in decline with increased competition from wireless carriers. Telecommunication revenues were down 9.6% for 2012 and are expected to further decrease for 2013. Fiber Optic revenue increased almost 6% from 2011, primarily due to an increase in subscribers for AT&T U-Verse. Comcast revenues should remain flat with no announced rate increases.

Licenses and permits comprise approximately 5.5% of General Fund Revenues and increased 4.35% over 2011 with slight increases in business licenses and mixed drink supplemental payments and an increase of approximately 15.5% in building and related permits. Fines and fee revenues declined approximately 11.5% compared to one year ago and were below 2012 budget levels. Rezoning fees, criminal court fees, parking fines and probation assessments were below 2012 budget.

PROPERTY TAXES

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

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

- Taxes are remitted to the City monthly by the Pulaski County Treasurer as payments are received throughout the year.

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

The City recently received notice of the original charge for 2012 property taxes to be collected in 2013 which reflects an overall increase of 1.19%. The Pulaski County Treasurer’s Office is experiencing a collection rate of approximately 96%, which includes collection of delinquent taxes from previous years.

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

	<u>2011 Payable 2012</u>	<u>2012 Payable 2013</u>
General Operation	5.00	5.00
Bond Retirement	3.30	3.00
Library System	5.30	5.20
Police & Firemen’s Pension	<u>2.00</u>	<u>2.00</u>
	15.60	15.20

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 2013 Budget anticipates \$5.24 million in property tax collections from this tax.

In addition to the City millage of 15.20 and the County road millage of 2.90, a Little Rock property owner’s tax assessment for 2012 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 70.10 for 2012 property taxes payable in 2013.

The general operations 5.0 mill levy is the maximum rate allowable under state law for general city operations. Property taxes for 2012 increased 3.4% over 2011 receipts. The majority of the increase was associated with increased real estate valuations after a three year appraisal. Property taxes include Act 9 Payments which represent payments in lieu of property taxes paid by certain industrial companies. Dillards, LM Wind Power Blades, Inc., Novus, Ring Container, Raytheon, Sage V Foods, and Welspun were companies which made Act 9 payments in 2012.

COUNTY SALES TAX

The City receives a pro-rata share of a one (1) cent countywide sales tax. Distribution is based on the Little Rock population as a percentage of Pulaski County's total population. According to the 2010 Census, Little Rock experienced a 5.0% growth in population from the 2000 Census. The City comprises approximately 50.56% of the County population and therefore receives this percentage of the County sales and use tax. The projected revenue for 2013 from this tax is \$40,332,300, which represents a 2% increase over the anticipated 2012 year-end results at the time the budget was adopted and a 2.85% increase over 2012 actuals.

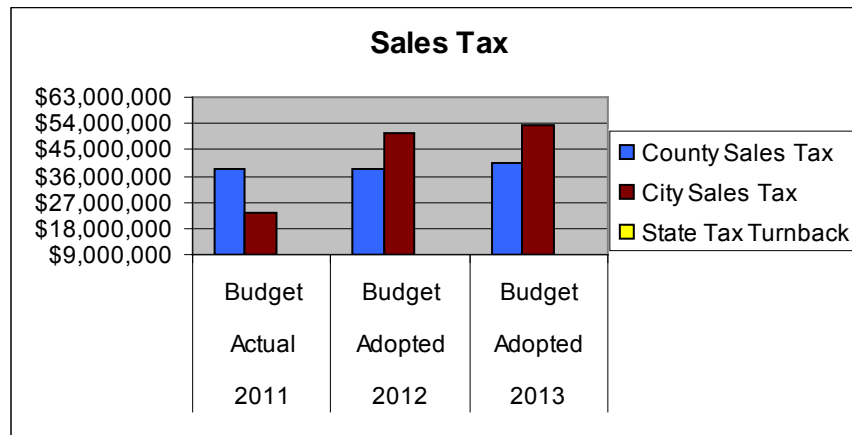
Use taxes, paid mostly by businesses, resemble sales taxes. They apply to goods purchased from out-of-state merchants such as catalog vendors. Use taxes included in the projection are approximately \$3,400,000 annually. In 2012, the county sales tax revenues increased only 1.62% from one year ago with declining sales tax revenues during the last quarter of the year. Historically, the county sales tax grows at a slightly higher rate than the city's local 1.5% rate. On January 1, 2008, changes to Arkansas's state and local sales tax laws were implemented for purposes of compliance with the Streamlined Sales Tax Agreement. Including Arkansas, the sales tax laws of twenty-four (24) states have been amended to conform to the agreement.

LOCAL SALES TAX

Prior to 2012, the City of Little Rock levied one of the lowest sales tax rates in the State of Arkansas at 0.5%. In September 2011, voters approved an overall one (1) cent sales tax increase which is comprised of a permanent 5/8 cent dedicated for ongoing operations and a temporary 3/8 cent dedicated to capital projects over a ten (10) year period. The new tax went into effect on January 1, 2012. The existing 1/2 cent sales tax generated \$23,193,966. The new 5/8 cent tax dedicated to ongoing operations generated an additional \$28,992,457 in revenue in 2012. The 3/8 cent tax for capital projects generated \$17,449,866 and is expected to generate \$195.8 million over the ten (10) year period for capital projects. The 3/8 cent tax revenue is not reflected in General Fund revenues. Instead, it is reported in a separate capital projects fund. There is a two-month delay from the time the actual sales tax revenues are collected by businesses and remitted to the State which disburses this amount to the City, less a 3% administrative charge. There is proposed legislation that would enable the State of Arkansas to disclose more information to local governments regarding their sales tax data with reports that include the components that comprise negative adjustments such as refunds, rebates, and corrections. Local tax receipts, excluding the impact of the new tax rate, declined by 0.35% in 2012. Including the new operating portion of the tax, local sales tax revenues in the General Fund increased 124% compared to 2011. The projected revenue for 2013 from this tax is approximately \$53,488,000 which represents a 1.17% increase from anticipated 2012 year-end results at the time the budget was adopted and 2.5% over actual 2012 results.

STATE TAX TURNBACK

The State General Assembly, through the Office of Budget, appropriates and then distributes an amount for turnback to municipalities each July 1st, based on population. The 2013 budget assumed a \$0.15 increase from \$16.00 per capita to \$16.15 for the second half of the year, dependent upon the next legislative session. The Arkansas State Legislature appropriated \$4,000,000 to be disbursed to county and local governments in 2012 and in 2013 from the surplus of the Property Tax Relief Fund. Little Rock will receive \$411,851 in January 2013. Anticipated turnback funds should generate approximately \$3.11 million dollars in revenue in 2013.



Local Option Sales and Use Tax in Arkansas

Sale and Use Tax Year-to-Date 2012 with 2011 Comparison (shaded gray)

Month	Municipal Tax		County Tax		Total Tax		Interest	
January	\$ 37,846,866	\$ 35,123,247	\$ 37,289,267	\$ 35,666,555	\$ 75,136,134	\$ 70,789,802	\$ 12,533	\$ 27,640
February	46,523,853	42,235,810	44,592,756	42,753,266	91,116,609	84,989,076	22,619	34,351
March	40,360,002	33,606,662	36,819,087	34,174,199	77,179,089	67,780,861	13,222	35,321
April	41,324,697	35,244,719	37,882,489	35,257,864	79,207,186	70,502,583	27,247	23,355
May	46,157,943	39,976,322	41,661,276	40,107,935	87,819,219	80,084,257	8,489	9,286
June	43,883,127	37,765,150	40,430,123	37,056,613	84,313,250	74,821,762	30,892	25,409
July	44,736,261	37,831,729	40,688,525	36,634,846	85,424,786	74,466,575	11,606	14,470
August	45,618,216	40,620,093	41,616,180	40,946,986	87,234,396	81,567,078	27,685	22,415
September	44,215,998	39,596,088	40,815,883	39,895,996	85,031,881	79,492,083	14,110	14,702
October	45,686,669	39,356,921	42,353,132	40,657,852	88,039,801	80,014,774	28,246	24,979
November	45,434,409	39,576,203	41,142,702	40,429,029	86,577,110	80,005,232	14,114	13,218
December	44,662,489	39,176,568	40,506,136	38,869,097	85,168,625	78,045,666	26,648	25,669
Total	\$ 526,450,530	\$ 460,109,512	\$ 485,797,556	\$ 462,450,238	\$ 1,012,248,086	\$ 922,559,749	\$ 237,411	\$ 270,815
Averages	\$ 43,870,878	\$ 38,342,459	\$ 40,483,130	\$ 38,537,520	\$ 84,354,007	\$ 76,879,979	\$ 19,784	\$ 22,568

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 currently remains at 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. Interest rates are scheduled to remain in the exceptionally low range in 2013. The City's bank deposits yielded a favorable 0.45% in 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 paying franchise fees are listed below with the annual rate, which is typically based on the gross revenues of the utility:

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

Overall franchise fee revenues in 2012 were only slightly higher than 2011 levels, with growth of less than 1%. CenterPoint Energy, the gas utility, experienced revenue declines due to reduced natural gas prices, coupled with a reduction in

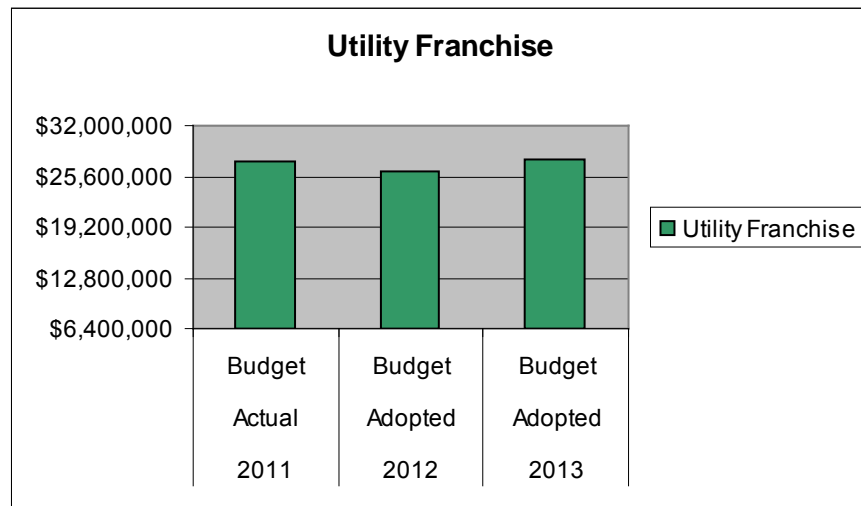
usage. Certain franchise fee revenues, such as Entergy, CenterPoint, and Central Arkansas Water are directly impacted by the weather. An on-going national trend is that water consumption continues to decrease due to water saving appliances and conservation measures.

Entergy Corp. announced that two riders or two components of its utility bill will effectively increase rates 3% for 2013. The expiration of a considerable rider occurs in January 2014, when Entergy Arkansas exits the system of their parent company. In 2012, Entergy franchise revenues increased 4.88% while usage was relatively flat.

On October 6, 2012, Central Arkansas Water announced a proposed rate increase for 2013 and 2014. The utility plans to raise a homeowner’s water bill by approximately 3.9% in 2013 and an additional 4% in 2014. The average increase for a commercial user is expected to be approximately 3.5% each year. In 2012, franchise fees received from Central Arkansas Water were 4.16% higher than in 2011.

Little Rock Wastewater revenues increased 3.4% over the previous year. On June 5, 2012, the City of Little Rock Board of Directors voted to add a \$1 charge to each residential wastewater bill to implement a home sewer line replacement program. In addition, Little Rock’s sewer rate will increase by 8% in 2013, 7% in 2014 and 4.75% in 2016 in order to comply with the terms of the Sierra Club lawsuit to reduce sanitary sewer overflows in Little Rock. For residential customers, the increase will be approximately 4.5% in 2013, 2.5% in 2014, and 4.75% in 2016.

Franchise fee revenues from local land line and long distance telecommunication companies have declined from a peak in 1998. This trend is expected to continue in the foreseeable future, with more customers migrating from utilization of a home phone (land line) and a mobile phone to only a mobile phone. This decline is anticipated in revenues from other local land



line providers and from long distance services. Overall, local land line and long distance revenues declined 9.6% in 2012, and are expected to further decrease between 4% and 6% in 2013.

On October 31, 2012, CenterPoint Energy announced that the average bill would decrease 8.6% compared to the winter of 2011. Natural gas usage in Little Rock declined 10.58% from the previous year with franchise revenues decreasing 22.78% over the same period. The decrease in revenues is attributed to the significant lower natural gas prices over the past three years. No rate increases from CenterPoint Energy have been announced and natural gas prices are expected to remain at current 2012 levels. Usage is projected to decline resulting in a 4% reduction in franchise revenues for 2013. CenterPoint Energy payments are also directly affected by the weather. 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 almost 6% over 2011 levels and are expected to remain flat through 2013 unless rate changes occur during the year. Fiber Optic companies rarely announce anticipated rate increases in advance of the actual rate change. Cell phone and Internet usage is not included in the franchise agreement.

Franchise fee revenues for fiscal year 2013 are forecast to be less than one percent above 2012 actual receipts and relatively flat compared to the amended 2012 budget.

Utility Rate Increase	
SW Bell (AT&T)	0.0%
Energy	3.0%
Long Distance	0.0%
Local Land Lines	0.0%
CenterPoint	0.0%
Central AR Water	3.9%
Fiber Optics	0.0%
Comcast Cable	0.0%
Waste Water Utility	8.0%

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. Business licenses continue to be a stable revenue source with 2012 license fees increasing 1.38% due to aggressive collections of delinquent accounts. Total collections for 2012 exceed \$6 million. 2013 revenues are expected to remain at 2012 levels with no scheduled rate increases. A business license committee will review the fairness and equity of the business license fee structure and provide recommendations to the Board of Directors on an annual basis.

MIXED DRINK PERMITS AND SUPPLEMENTAL TAX

Hotels, restaurants, and bars are required to have a permit in order to sell alcoholic beverages for on-premises consumption. In addition, a 10% supplemental tax is levied on public liquor sales and a 5% tax is levied on sales by private clubs within the City.

2012 mixed drink revenue was 3.39% above 2011 and 2.12% above 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 2013 Budget anticipates an increase of approximately 4.9% over 2012 actual revenues.

BUILDING AND RELATED PERMITS

Building and related permits, which include electrical permits, plumbing permits, and heating ventilation and air conditioning (hvac) permits, were 17.42% above the 2012 budget and almost 16% over 2011 actuals. The City's Planning & Development Department projects construction activity in 2013 will be closer to 2011 levels. Business construction activity in 2012 included several apartment complexes in West Little Rock that are not projected in 2013. In addition, single family permits have not rebounded significantly from the past few years and are projected to remain slow but steady in the foreseeable future. Commercial construction increased in the last quarter of 2012 but no significant permits are scheduled to be pulled in the first quarter of 2013. Park Avenue, the mixed use development in mid-town Little Rock is nearing full occupancy with the remaining stores and restaurants scheduled to open by the 1st quarter of 2013. Interest rates continue to remain at historic lows and consumer confidence is increasing.

FINES

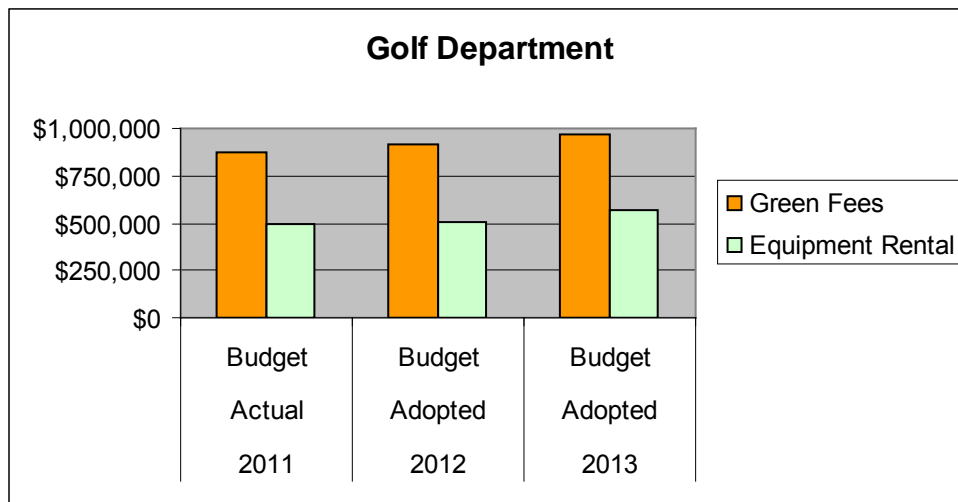
Fines and related fees comprise 1.9% of the 2013 budget. 2012 fines and fees were approximately \$417,000 or 13% below the amended budget. The number of traffic tickets issued continues to decrease from the same period a year ago. This is due in part to the number of vacant positions in the Police Department which resulted in fewer officers available to work traffic and to the decline in the number of traffic accidents reported in 2012. Recruit schools funded by the passage of the 5/8 cent sales tax should increase the number of Police Officers available for traffic enforcement. Parking fines decreased approximately 7% in 2012 from 2011 totals. Parking Enforcement attributes the decrease in tickets issued to the loss of their motorized scooters and to construction in the downtown area that has temporarily reduced the number of meters available for parking. The department has plans to replace a scooter in 2013. 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.

PARK REVENUE

General Fund park revenues consist of tennis fees, community center fees, athletics fees, and pavilion rentals. General fund park revenues increased 1.39% from one year ago, primarily due to an increase in park facility reservations and pavilion rentals. In addition, weather plays a crucial role in determining trends at the City’s park venues.

GOLF

The City operates three public golf courses and relies heavily on greens fees and concessions to operate these courses. Excluding transfers in, overall golf revenues were 15.58% over 2011 levels. 2012 Rebsamen Golf Course revenues increased almost 25% due to new greens, coupled with warm and dry weather. War Memorial Golf Course revenues increased 8% while Hindman revenues were basically flat from one year ago. There are no fee increases included in the 2013 budget. Golf operations were consolidated with the General fund at the end of 2012.

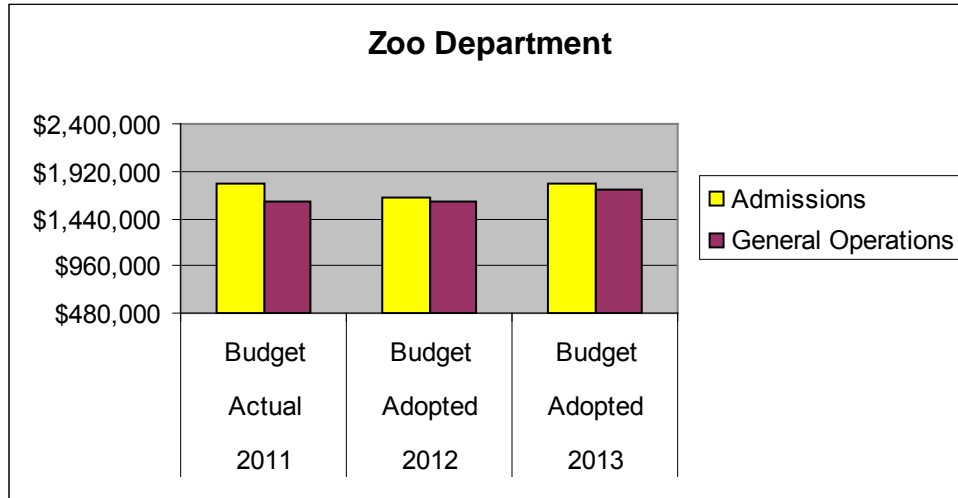


ZOO

The opening of the Laura P. Nichols Cheetah Outpost on July 7, 2012 initiated an increase in Zoo Membership but Zoo admissions were slightly down from one year ago. The new cheetah exhibit will undergo its first spring in 2013 which is expected to drive increased visits from schools. In 2011, the Zoo experienced the highest attendance in ten (10) years due to the opening of the Laura P. Nichols Penguin Pointe Exhibit.

Excluding transfers in and one time donations, Zoo revenues increased 2.14% or \$72,800 from one year ago. The Zoo has significant changes ahead in 2013 that should positively affect revenues. The Zoo plans to conduct a direct mail campaign at the end of 2012 and the beginning of 2013 that is expected to generate additional revenue from lapsed members. The Zoo also plans on

enhancing its popular Wild Animal Show in 2013. Projects supported by the new 3/8 cent capital tax in 2013 include the expansion of the Tiger Exhibit and shade structures for the Great Ape exhibit. Weather always plays a significant role in Zoo revenues.

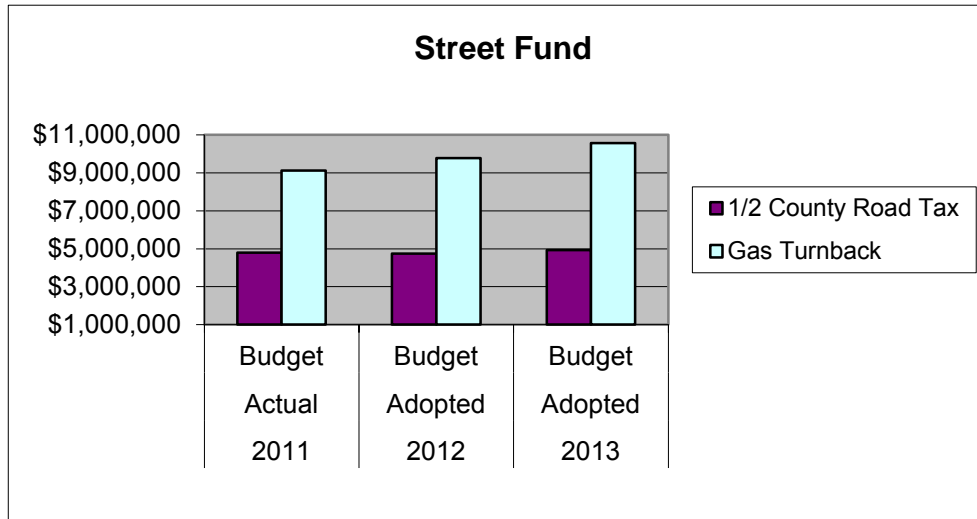


AIRPORT REIMBURSEMENT

The Little Rock National Airport reimburses the City for expenses related to police and fire protection. In 2012, both airport police and airport fire reimbursements remained steady at \$1.77 million and \$1.19 million respectively. Staffing levels for 2013 are expected to be consistent with 2012 but the increase in salaries and healthcare cost will generate a corresponding increase in the 2013 budget for reimbursements of approximately 5%.

STREET GAS TAX TURNBACK

The City receives state turnback funds directed to the Street Department. The gas tax turnback is allocated based on the latest census and gallons of fuel consumed. Basically, 15% of the tax on gasoline consumption goes toward municipal aid or gas turnback. 2012 revenues were approximately 4% lower than 2011, resulting from lower gas consumption associated with more fuel efficient automobiles. Currently, approximately \$600,000 of the turnback is attributed to the natural gas severance tax. Passage of Constitutional Amendment No. 1 in the general election of 2012 provided additional funding for State, County and City streets and bridges. The successful initiative resulted in a temporary one-half percent (0.5%) sales and use tax for road construction and maintenance. The measure increased the per capita funding for city streets from \$44.85 per capita to \$50.00 per capita. The State Highway Department’s turnback projection for 2013, including gas tax, severance tax and sales tax is \$10,568,500.



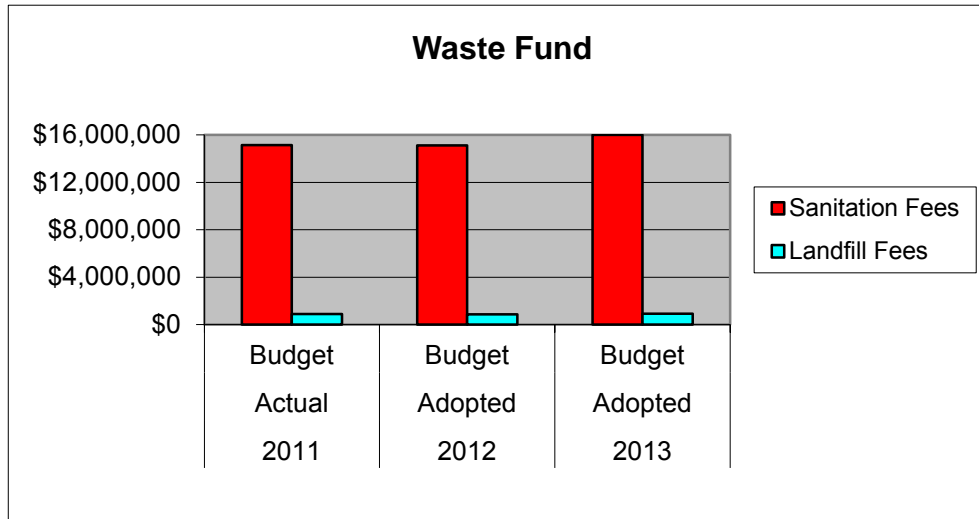
BOND & INTEREST FUND

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 almost \$12 million toward 2012 debt service on the outstanding bonds. The bonds are scheduled to be fully redeemed on April 1, 2013. The voters of Little Rock approved a new annual ad valorem tax at a lesser rate of 3.0 mills at a special election on September 11, 2012. The reduced millage replaces the previous 3.3 mill tax. The City plans to issue general obligation debt up to \$105 million in the 1st half of 2013 exclusively for street and drainage improvements.

WASTE DISPOSAL

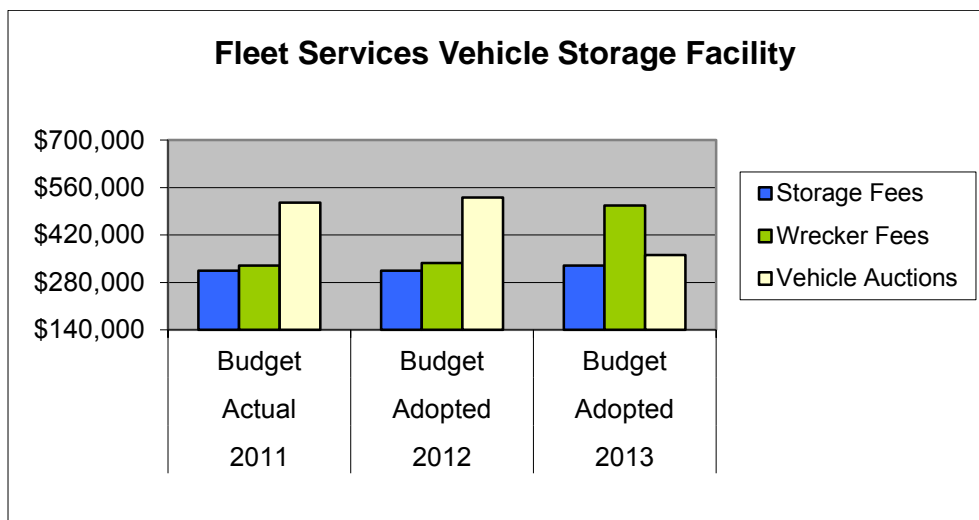
The 2012 Waste Disposal revenues increased 13.69% over 2011 levels. The majority of the increase was attributed to a gain on the disposal of outdated equipment that was removed from service and a capital asset contribution that was purchased from short term financing, funded by General Fund revenues, and contributed to the Waste Disposal Fund. The monthly residential rate for sanitation pickup increased on January 1, 2013 from \$20.99 to \$22.02 to cover the increase in recycling cost. There are approximately 58,000 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 increase over 5% and generate over \$16 million dollars in 2013. Landfill fees are expected to generate approximately \$910,000. Methane gas captured by the landfill is piped to a vendor and is expected to generate \$96,000 in annual revenues.



VEHICLE STORAGE

Vehicle Storage revenues are primarily from storage fees, wrecker fees, and auction sales. These three revenue sources generated approximately 89% of total 2012 revenues which was an increase of 4.64% from one year ago. The 2013 budget reflects less than a 1% decrease in total revenues. There were 3,132 tows to the Little Rock Vehicle Storage facility in 2012 compared to 3,030 in 2011. The average sale price per vehicle auctioned in 2012 was \$585. The demand for scrap metal continues to be high resulting in higher prices. Total revenues for Vehicle Storage increased \$64,645 or 5%.

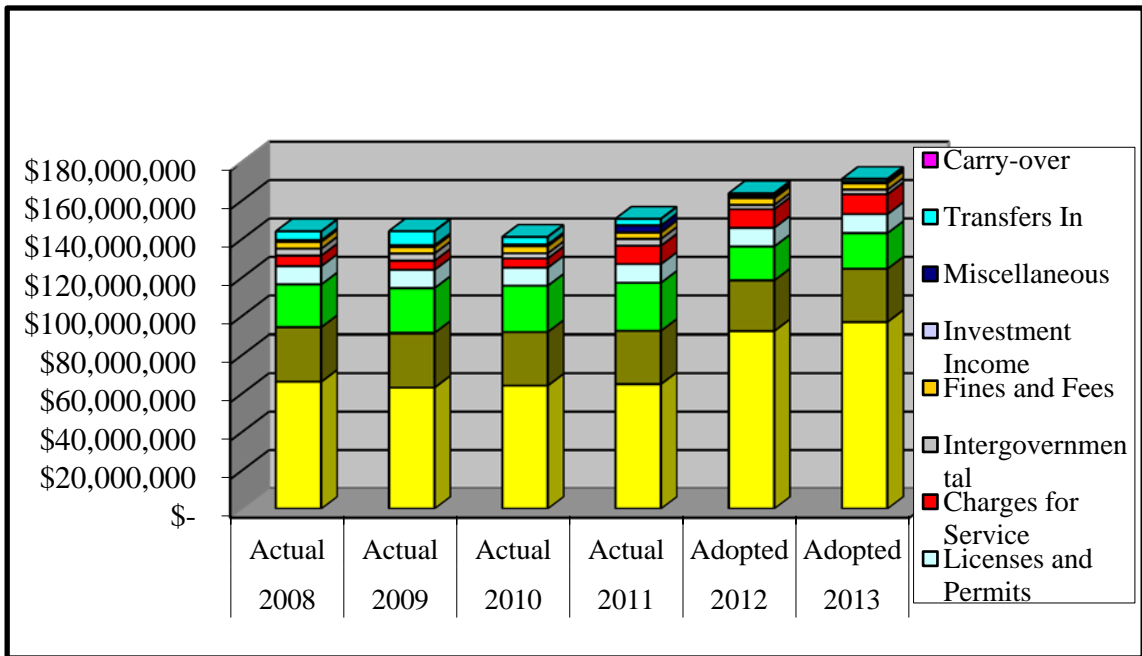


PARKING GARAGE FUND

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 14% higher in 2012 than 2011. Daily revenues from both garages were up almost 74%. Construction for The Residence Inn in downtown Little Rock began in March 2012. The construction site was formerly a downtown parking lot. Utilization of the RiverMarket Garage has increased with the reduction in available parking spaces downtown.

Street cut revenues increased significantly from one year ago with one fiber optic company significantly increasing the number of street cuts in order to replace and install new fiber optic lines within the city. Street Cut revenue increased \$168,219 over one year ago. Eight (8) new solar-powered pay parking stations will be installed in 2013 on President Clinton Avenue. The installation will decrease the number of free parking spaces at the RiverMarket by 108 spaces. Monthly revenues from the new meters are expected to generate \$4,000 with 50% of this total committed to reimburse the installation costs of the meters in the first year.

General Fund Revenues Sources and Trends 2008-2013



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

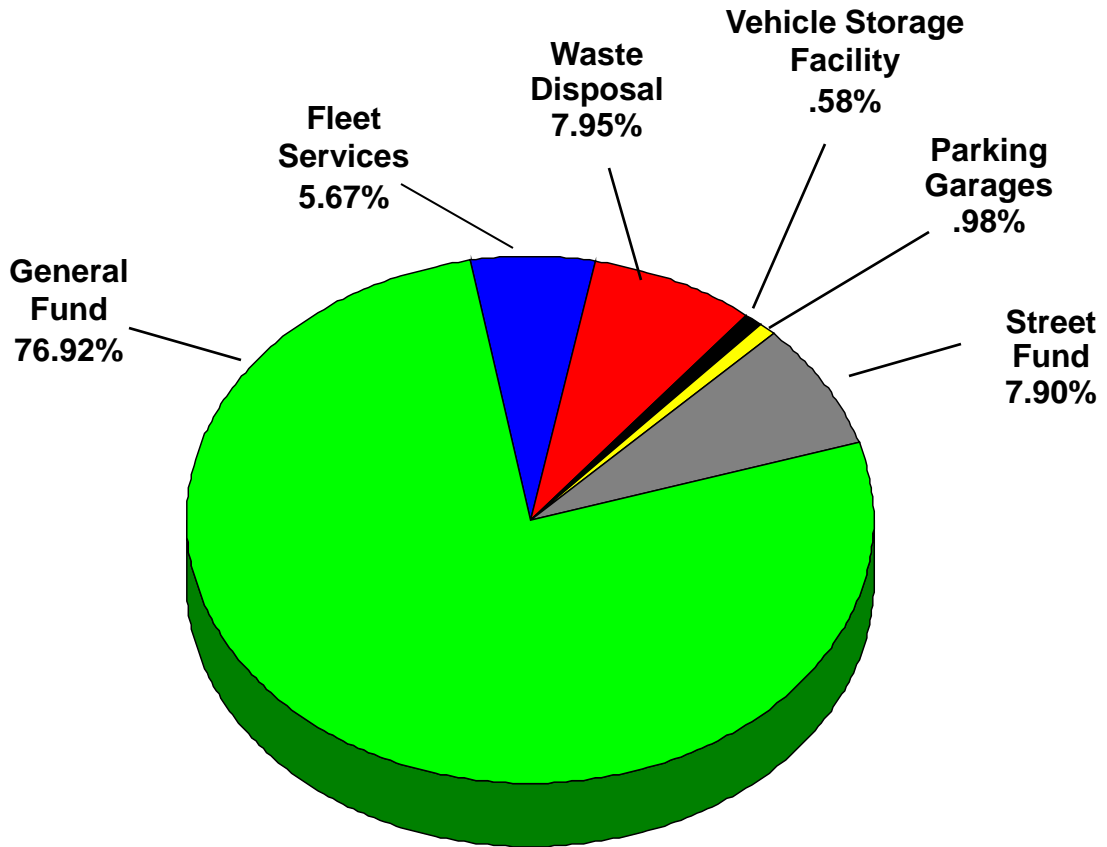
Note: 2011 Actual, 2012 Budget and 2013 revenues have been adjusted to reflect the consolidation of the River Market, Golf, Jim Dailey Fitness & Aquatic Center, and Zoo Funds with the General Fund.

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Expenditures



CITY OF LITTLE ROCK 2013 BUDGET SUMMARY ALL FUNDS EXPENSES



\$222,583,558

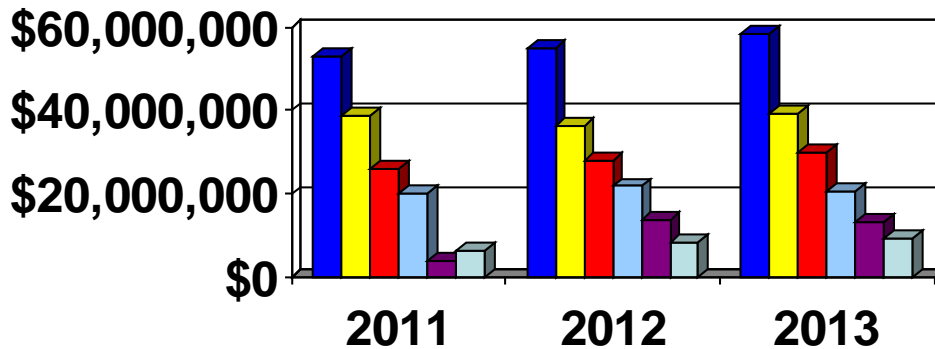
CITY OF LITTLE ROCK
2013 OPERATING & OTHER BUDGETED EXPENDITURES

GENERAL FUND	2011 ACTUAL (1)	2012 ADOPTED (1)	2012 AMENDED*	2013 ADOPTED	12/13 DIFF	% CHANGE
General Administrative	\$20,245,268	\$21,821,608	\$21,689,384	\$20,771,516	(\$917,868)	-4.23%
Board of Directors	208,545	236,721	236,721	234,774	(1,947)	-0.82%
Community Programs	301,717	375,610	350,800	358,428	7,628	2.17%
City Attorney	1,398,087	1,620,798	1,544,786	1,706,756	161,970	10.48%
District Court First Division	1,130,266	1,358,190	1,235,628	1,381,441	145,813	11.80%
District Court Second Division	1,103,151	1,187,972	1,175,072	1,222,308	47,236	4.02%
District Court Third Division	490,599	546,736	539,090	565,562	26,472	4.91%
Finance	2,489,417	2,753,231	2,840,211	3,006,838	166,627	5.87%
Human Resources	1,174,617	1,494,036	1,332,191	1,549,857	217,666	16.34%
Information Technology	2,981,416	4,140,165	3,934,777	4,478,965	544,188	13.83%
Planning Development	1,749,465	2,392,680	1,883,190	2,499,148	615,958	32.71%
Housing & Neighborhood Programs	3,627,751	4,678,013	4,174,664	5,534,697	1,360,033	32.58%
Public Works	918,643	1,124,698	1,006,042	1,138,346	132,304	13.15%
Parks & Recreation	6,572,694	8,528,829	7,887,321	9,534,163	1,646,842	20.88%
River Market	985,360	1,063,880	1,063,880	1,197,800	133,920	12.59%
Golf	2,248,620	2,109,881	2,109,881	2,081,552	(28,329)	-1.34%
Jim Dailey Fitness and Aquatic Center	843,866	885,295	885,295	891,475	6,180	0.70%
Zoo	4,428,932	5,609,707	5,609,707	6,091,304	481,597	8.59%
Fire	38,850,893	36,255,791	36,376,026	39,167,052	2,791,026	7.67%
Police	52,946,561	55,007,824	53,588,593	58,401,831	4,813,238	8.98%
Vacancy Savings		(3,500,000)	0	(3,900,000)	(3,900,000)	
Sub-total General Operating	144,695,868	149,691,665	149,463,259	157,913,813	8,450,554	5.65%
TRANSFERS OUT/OTHER EXPENSES						
Transfer out to Street Fund	194,071	886,071	886,071	1,082,000	195,929	22.11%
Special Projects/PIT	3,701,720	9,464,729	12,760,285	9,505,347	(3,254,938)	-25.51%
Waste Disposal (Recycling)		480,240	480,240		(480,240)	-100.00%
Police & Fire Pension		1,460,531	1,460,531	1,000,000	(460,531)	-31.53%
Contingency/Reserve		1,586,000	2,977,000	1,710,000	(1,267,000)	-42.56%
Sub-total of Transfers Out	3,895,791	13,877,571	18,564,127	13,297,347	(5,266,780)	-28.37%
TOTAL GENERAL FUND	148,591,659	163,569,236	168,027,386	171,211,160	3,183,774	1.89%
OTHER FUNDS						
Public Works - Street	14,317,071	16,551,612	17,437,212	17,594,796	157,584	0.90%
Fleet Services	11,117,857	11,667,454	11,667,454	12,616,069	948,615	8.13%
Vehicle Storage Facility	1,200,152	1,326,100	1,326,100	1,293,257	(32,843)	-2.48%
Waste Disposal	17,719,244	17,154,395	17,154,395	17,688,470	534,075	3.11%
Parking Garages	1,858,611	2,043,861	2,043,861	2,179,806	135,945	6.65%
Sub-total Other Operating Funds	46,212,935	48,743,422	49,629,022	51,372,398	1,743,376	3.51%
TOTAL ALL FUNDS	\$ 194,804,594	\$ 212,312,658	\$ 217,656,408	\$ 222,583,558	\$ 4,927,150	2.32%

* The 2012 Amended Budget includes a reduction in departmental budgets for vacancy savings achieved throughout the year. Vacancy savings represents savings from authorized but unfilled positions. The 2012 vacancy savings goal was fully realized.

(1) Numbers have been adjusted to reflect the consolidation of the River Market, Golf, Fitness and Aquatics Center, and Zoo Enterprise Funds with the General Fund. In addition, 2011 Actual Fire and Police expenditures include pension contributions that are supported by a separate property tax levy and State Pension Turnback funds that are passed through and not included in the annual budget.

General Government Summary of Appropriations 2011-2013

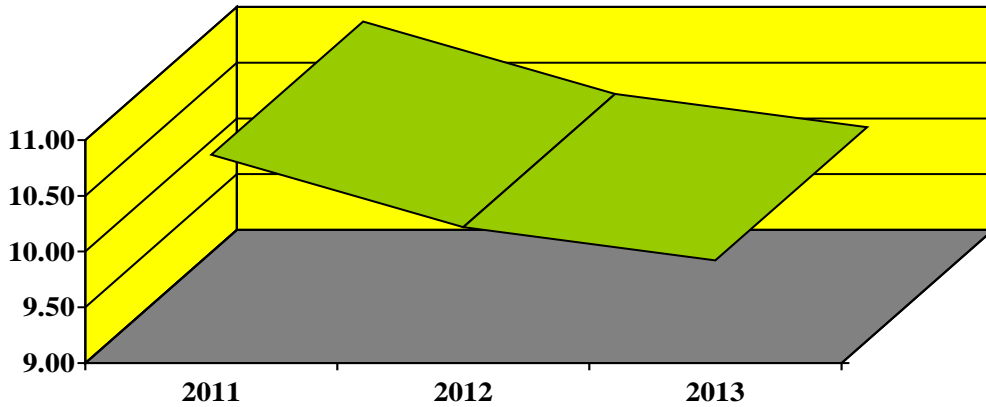


**GENERAL FUND SUMMARY
EXPENDITURES BY CATEGORY**

CATEGORY	2011 Actual (1)	2012 Budget (1)	2013 Budget
Salaries Wages and Employee Benefits	\$112,338,979	\$113,252,475	\$121,361,267
Supplies and Materials	4,868,383	5,980,732	6,697,932
Repairs and Maintenance	4,917,715	6,034,026	6,500,607
Contractual	18,245,538	19,818,025	20,557,903
Capital Outlay	43,266	414,062	400,062
Debt Service	4,281,987	4,192,345	2,396,042
Transfers	3,895,791	13,877,571	13,297,347
Net City Expenditures	\$148,591,659	\$163,569,236	\$171,211,160
<i>Staffing Level</i>	<i>1,619</i>	<i>1,676</i>	<i>1,696</i>
<i>Ratio</i>	<i>10.87</i>	<i>10.22</i>	<i>9.92</i>

(1) 2011 Actual and 2012 Budget have been adjusted to reflect the consolidation of the River Market, Golf, Fitness and Aquatics, and Zoo Enterprise Funds with the General Fund.

STAFFING LEVEL PER MILLION DOLLARS BUDGETED



**CITY OF LITTLE ROCK
2013 OPERATING EXPENSES**

	2011 Actual Expend. (1)	2012 Adopted Budget (1)	2013 Adopted Budget
GENERAL FUND			
GENERAL ADMINISTRATIVE			
101001 City Clerk	\$ 181,453	\$ 168,625	\$ 173,253
101002 Administrative & General	15,331,634	17,048,095	15,805,839
101003 Employee Benefits	3,359,352	3,030,457	3,226,212
101004 Racial and Cultural Diversity	130,398	188,094	199,255
101006 Mayor & City Manager Administration	932,692	1,050,189	1,021,011
101007 Emergency Management	47,549	55,171	56,533
101008 Small & Minority Women Owned Bus. Dev.	49,760	53,061	55,117
101009 Little Rock Television	212,430	227,916	234,296
Total General Administrative	20,245,268	21,821,608	20,771,516
BOARD OF DIRECTORS			
101111 Board of Directors	208,545	236,721	234,774
COMMUNITY PROGRAMS			
101501 Administration	238,270	267,128	285,167
101503 Operations	63,447	108,482	73,261
Total Community Programs	301,717	375,610	358,428
CITY ATTORNEY			
101801 City Attorney	1,398,087	1,620,798	1,706,756
LITTLE ROCK DISTRICT COURT			
102101 District Court First Division	1,130,266	1,358,190	1,381,441
LITTLE ROCK DISTRICT COURT			
102201 District Court Second Division	1,103,151	1,187,972	1,222,308
LITTLE ROCK DISTRICT COURT			
102301 District Court Third Division	490,599	546,736	565,562
FINANCE			
102501 Administration	454,016	516,933	538,939
102515 Budget	146,142	160,033	168,746
102520 Internal Audit	148,737	159,169	164,529
102530 Accounting and Reporting	440,706	481,331	484,392
102531 Accounts Payable	250,652	271,096	310,154
102535 Payroll	181,038	198,613	206,675
102540 Treasury Management	490,019	532,672	556,924
102550 Purchasing	202,700	221,017	219,536
102555 Print Shop	57,566		96,629
102560 Grants Management	117,841	212,367	260,314
Total Finance	2,489,417	2,753,231	3,006,838
HUMAN RESOURCES			
102701 Human Resources	1,174,617	1,494,036	1,549,857
INFORMATION TECHNOLOGY			
103001 Administration	437,413	997,986	1,004,591
103010 Application Programming	912,956	1,102,846	1,381,555
103030 Networking	1,631,047	2,039,333	2,092,819
Total Information Technology	2,981,416	4,140,165	4,478,965

**CITY OF LITTLE ROCK
2013 OPERATING EXPENSES**

	2011 Actual Expend. (1)	2012 Adopted Budget (1)	2013 Adopted Budget
PLANNING AND DEVELOPMENT			
103301 Administration & Budget	222,325	262,830	279,360
103310 Planning	216,050	399,526	427,316
103320 Zoning & Subdivision	572,710	798,317	840,113
103330 Building Codes	738,380	932,007	952,359
Total Planning and Development	1,749,465	2,392,680	2,499,148
HOUSING AND NEIGHBORHOOD PROGRAMS			
103501 Administration	262,629	298,643	337,598
103510 Animal Services	805,782	1,089,588	1,175,865
103520 CDBG - Housing Programs	48,629	2,680	55,490
103530 Neighborhood Programs	1,539,757	2,210,400	2,793,911
103539 Neighborhood Alert Centers	575,171	656,380	680,602
103540 Neighborhood Resource Center	173,113	191,899	229,045
103550 Environmental Services	222,670	228,423	262,186
Total Housing and Neighborhood Programs	3,627,751	4,678,013	5,534,697
PUBLIC WORKS			
104010 Building Services	918,643	1,061,472	1,070,935
104020 Asset Management		63,226	67,411
Total Public Works	918,643	1,124,698	1,138,346
PARKS AND RECREATION			
104501 Administration	289,421	335,039	392,583
104503 Design Scheduling	316,444	335,777	351,456
104510 Resources Administration	300,561	394,996	450,586
104511 Cultural Museum	119,521	179,336	199,004
104512 Therapeutic	55,290	164,730	131,639
104521 Development and Maintenance	110,493	121,394	142,297
104522 Operations and Improvement Development	751,724	997,549	1,140,318
104523 Park Maintenance	1,639,661	2,141,849	2,261,195
104524 Horticulture	513,344	828,019	948,506
104525 Urban Forestry	186,833	371,808	399,162
104530 Recreation Administration	56,674	122,868	157,245
104531 Community Center Administration	100,348	113,536	121,066
104532 Dunbar Community Center	321,693	397,743	416,281
104533 East Little Rock Recreation Center	64,955	93,785	96,118
104534 Senior Programs	61,679	61,758	103,354
104536 Southwest Community Center	412,365	525,134	626,416
104537 Stephens Community Center	232,056	230,183	244,195
104538 The Centre at University Park	174,588	252,330	307,258
104556 Athletics/Playgrounds	548,162	578,745	591,601
104557 Tennis Center Operations	257,009	199,070	370,703
104558 N.W. Hill Community Complex	59,874	83,180	83,180
Total Parks and Recreation	6,572,694	8,528,829	9,534,163
RiverMarket	985,360	1,063,880	1,197,800
Golf			
104701 Administration	86,372	12,262	12,262
104710 Rebsamen Golf Pro	426,254	377,317	387,961
104711 Rebsamen Golf Maintenance	592,699	572,234	520,526
104712 Rebsamen Pro Golf Concessions	61,322	58,533	58,533
104720 War Memorial Golf Pro	260,001	254,745	253,693
104721 War Memorial Golf Maintenance	288,393	297,096	302,582
104740 Hindman Pro Golf	291,812	283,628	288,692
104741 Hindman Golf Maintenance	241,767	254,066	257,303
Total Golf Fund	2,248,620	2,109,881	2,081,552

**CITY OF LITTLE ROCK
2013 OPERATING EXPENSES**

	2011 Actual Expend. (1)	2012 Adopted Budget (1)	2013 Adopted Budget
Jim Dailey Fitness and Aquatic Center	843,866	885,295	891,475
ZOO			
106501 Zoo Administration	331,099	705,248	319,973
106510 Zoo Concessions	249,451	302,314	305,474
106520 Zoo Education	77,332	201,303	243,526
106530 Zoo Gift Shop	204,459	218,680	243,680
106540 Zoo Membership	30,473	57,966	57,966
106550 Zoo Special Events	80,331	79,250	103,430
106560 Zoo Marketing & Promotions	276,816	420,939	462,934
106570 Zoo Facilities Operation	1,249,096	1,373,361	1,869,698
106580 Animal Management	1,543,105	1,835,923	2,075,473
106590 Visitor Service Administration	386,770	414,723	409,150
Total Zoo Fund	<u>4,428,932</u>	<u>5,609,707</u>	<u>6,091,304</u>
FIRE			
105101 Administration	*	5,542,098	1,086,706
105120 Fire Suppressing and Rescue	31,026,924	33,115,022	35,846,158
105130 Fire Prevention - Investigation	562,615	471,981	501,570
105140 Fire Training	671,028	599,244	656,902
105150 Crash Fire Rescue - Airport	1,048,227	982,838	1,038,728
Total Fire	<u>38,850,893</u>	<u>36,255,791</u>	<u>39,167,052</u>
POLICE			
105201 Administration	*	6,617,272	2,979,783
105210 Internal Affairs	488,948		28,871
105215 Organized Crime - Intelligence	4,801,347	5,396,541	4,993,388
105220 Training and Crime Prevention	1,491,865	1,872,807	4,209,794
105225 Detectives	6,330,108	7,039,465	5,642,434
105230 Downtown Patrol	8,077,165	9,206,330	9,628,175
105235 Southwest Patrol	6,638,907	7,089,711	8,732,863
105240 Special Operations	3,957,741	4,723,744	
105245 WW Willams Northwest Substation	6,211,267	7,029,103	9,373,102
105250 Airport Police	1,961,920	1,887,252	2,037,813
105255 Police Records Support Service	3,493,570	4,118,935	7,162,320
105260 Communication Center	2,876,451	3,664,153	3,921,274
Total Police	<u>52,946,561</u>	<u>55,007,824</u>	<u>58,401,831</u>
Less Vacancy Reduction		<u>(3,500,000)</u>	<u>(3,900,000)</u>
General Fund Operating Total	<u>144,695,868</u>	<u>149,691,665</u>	<u>157,913,813</u>
TRANSFER/OUT OTHER EXPENSES			
Transfer out to Street Fund	194,071	886,071	1,082,000
Grant Fund		891,409	912,027
Transfer out to Parks/Zoo			
Special Projects/PIT	3,701,720	8,573,320	8,593,320
Waste Disposal (Recycling)		480,240	
Police & Fire Pension		1,460,531	1,000,000
Contingency/Reserve		1,586,000	1,710,000
Sub-total	<u>3,895,791</u>	<u>13,877,571</u>	<u>13,297,347</u>
GENERAL FUND TOTAL	<u>148,591,659</u>	<u>163,569,236</u>	<u>171,211,160</u>

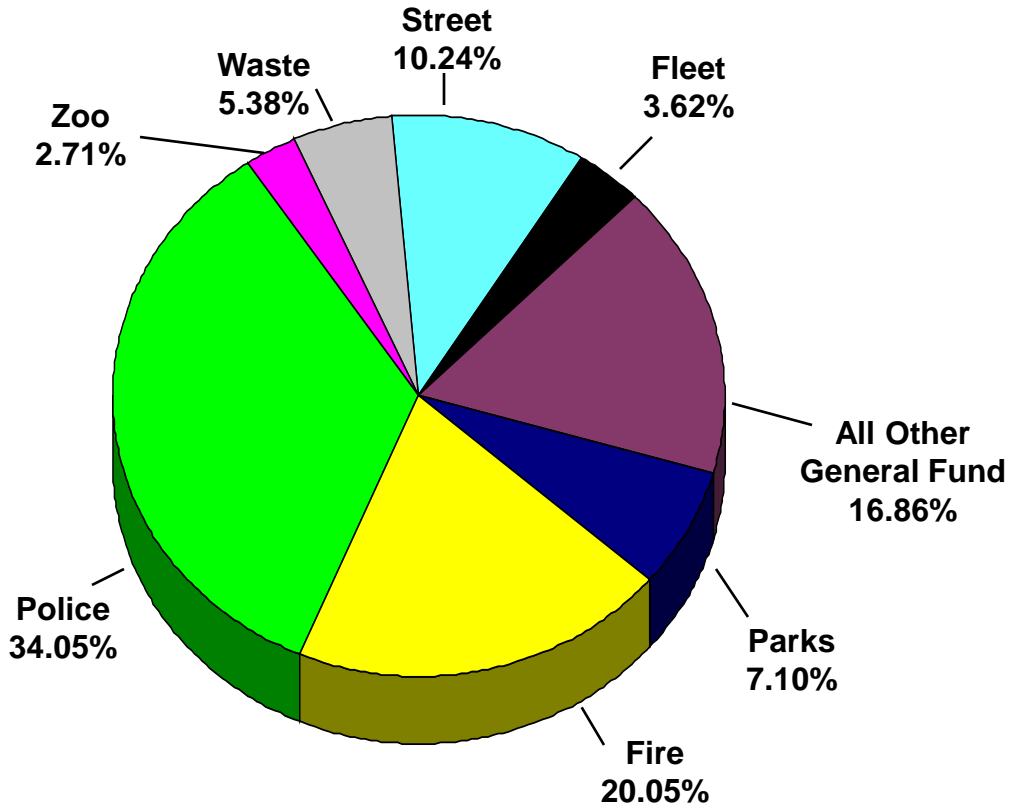
* Actual 2011 Fire and Police Administration include pension contributions supported by a separate property tax levy and State Pension Turnback funds that are passed through and not included in the annual budget.

**CITY OF LITTLE ROCK
2013 OPERATING EXPENSES**

	2011 Actual Expend. (1)	2012 Adopted Budget (1)	2013 Adopted Budget
PUBLIC WORKS - STREET			
204001 Administration	1,052,786	1,155,600	1,091,376
204002 Operations Administration	502,650	566,400	594,215
204003 Street and Drainage Maintenance	5,382,734	6,538,743	7,447,804
204005 Storm Drain Maintenance	743,132	860,545	972,911
204006 Work Pool	127,631	145,182	152,861
204007 Resource Control and Scheduling	344,527	371,584	388,487
204008 Control Devices	724,963	885,856	916,892
204010 Signals	794,062	971,698	915,973
204015 Parking Meters	88,186	96,315	101,924
204020 Civil Engineering	1,243,729	1,338,163	1,356,413
204025 Traffic Engineering	3,115,382	3,356,216	3,379,204
204030 Parking Enforcement	197,289	265,310	276,736
Total Street Fund	14,317,071	16,551,612	17,594,796
FLEET SERVICES			
600001 Administration	1,183,286	509,553	556,740
600011 Acquisition & Disposal	6,524,593	7,086,029	7,773,805
600020 Financial Management	225,629	307,461	417,637
600031 Maintenance Administration	3,184,349	3,764,411	3,867,887
Total Fleet Services	11,117,857	11,667,454	12,616,069
FLEET SERVICES VEHICLE STOR. FACILITY	1,200,152	1,326,100	1,293,257
WASTE DISPOSAL			
603101 Administration	2,621,118	2,478,956	2,001,270
603110 Collection	10,901,275	9,929,969	10,874,270
603120 Disposal	3,254,922	3,780,477	3,880,762
603125 Composting	520,165	577,493	597,568
603130 Waste Management	421,764	387,500	334,600
Total Waste Disposal Fund	17,719,245	17,154,395	17,688,470
PARKING GARAGES	1,858,611	2,043,861	2,179,806
GRAND TOTAL ALL FUNDS	\$ 194,804,594	\$ 212,312,658	\$ 222,583,558

(1) 2011 Actual and 2012 Budget numbers have been adjusted to reflect the consolidation of the River Market, Golf, Fitness and Aquatics Center, and Zoo Enterprise Funds with the General Fund.

CITY OF LITTLE ROCK 2013 ALLOCATION OF FULL TIME PERSONNEL



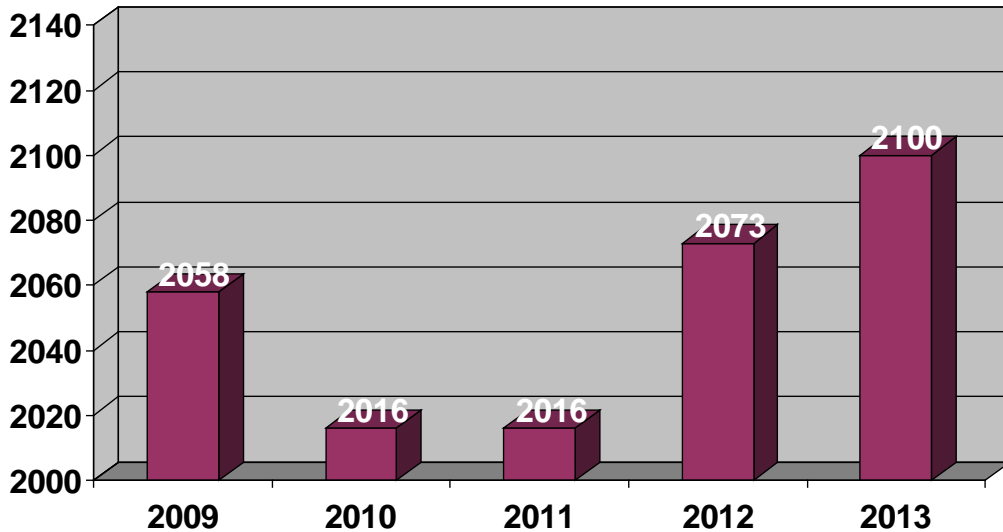
■ Police	715	■ Fire	421	■ Street	215
■ Waste	113	■ Zoo	57	■ All Other General Fund	354
■ Fleet & Vehicle Storage Facility	76	■ Parks	149		

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

	2011 Adopted Budget	2012 Adopted Budget	2013 Adopted Budget
<u>General Fund</u>			
General Administrative	25	26	26
Board of Directors	1	1	1
Community Programs	7	8	10
City Attorney	18	18	18
District Court First Division	21	21	21
District Court Second Division	17	17	17
District Court Third Division	7	7	7
Finance	40	40	41
Human Resources	18	19	19
Information Technology	38	38	39
Planning & Development	39	39	39
Housing & Neighborhood Programs	94	96	103
Public Works - General	13	13	13
Parks & Recreation	100	117	119
Golf	21	21	21
Jim Dailey Fitness Center	9	9	9
Zoo	46	56	57
Fire	408	421	421
Police	697	709	715
Subtotal General Fund	<u>1,619</u>	<u>1,676</u>	<u>1,696</u>
<u>Other Funds</u>			
Public Works - Street	210	211	215
Fleet Services	60	59	61
Vehicle Storage Facility	15	15	15
Waste Disposal	112	112	113
Subtotal Other Funds	<u>397</u>	<u>397</u>	<u>404</u>
Total Personnel	<u><u>2,016</u></u>	<u><u>2,073</u></u>	<u><u>2,100</u></u>

CITY OF LITTLE ROCK FULL-TIME PERSONNEL AUTHORIZATIONS 2009 - 2013

EMPLOYEES



The net change in personnel between 2012 and 2013 total positions are as indicated in the chart below.

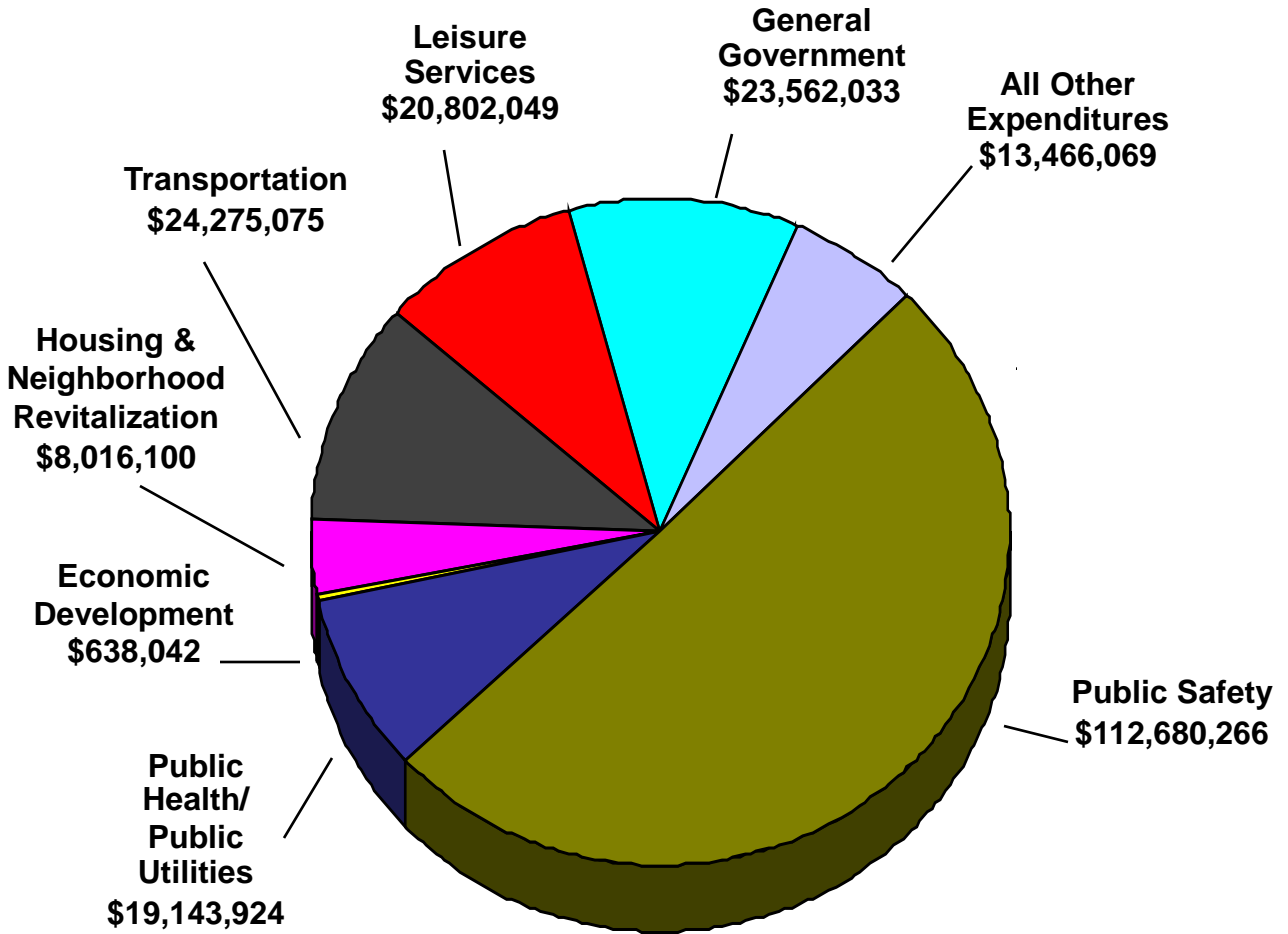
2012 Adopted Budget	2,073
Community Programs	2
Finance	1
Information Technology	1
Housing	7
Parks and Recreation	2
Zoo	1
Police	6
Street	4
Fleet	2
Waste Disposal	1
2013 Adopted Budget	<u><u>2,100</u></u>

**CITY OF LITTLE ROCK
2013 GENERAL FUND EXPENDITURES**

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>Increase (Decrease)</u>
SPECIAL PROJECTS				
Children, Youth, & Families (CYF)	\$2,500,000	\$5,500,000	\$5,500,000	
Facility Improvements	225,000	975,000	975,000	
Annual Fleet Replacement		800,000	850,000	50,000
Supplemental Jail Funding		300,000		(300,000)
Homelessness Outreach	200,000	250,000	250,000	
Land Bank	68,420	168,420	168,420	
Demolition (Residential & Commercial)		150,000	300,000	150,000
Board & Secure		100,000	100,000	
Weed Lot Maintenance		75,000	150,000	75,000
Curran Hall	50,000	35,000	35,000	
Federal & State Legislative Consulting	45,000	45,000	45,000	
Environmental Youth (Parks)		37,500	37,500	
American Disability Act (ADA)	30,000	30,000	30,000	
Work Boots	25,000	25,000	25,000	
Junction Bridge	25,000	25,000	25,000	
Sister Cities	20,000	20,000	30,000	10,000
Sustainability Summit			20,000	20,000
Neighborhood Challenge Grant		15,000	30,000	15,000
National Night Out	10,000	10,000	10,000	
Worldfest		10,000	10,000	
Neighborhood Connection	2,400	2,400	2,400	
Total General Fund Projects	<u>3,200,820</u>	<u>8,573,320</u>	<u>8,593,320</u>	<u>20,000</u>
GRANT MATCH				
TIGER III Grant		500,000		(500,000)
Undesignated	150,000	150,000	150,000	
AEDC-CNG Station Grant		114,695	400,000	285,305
EPA Main Street Water			165,150	165,150
Cities of Service			140,601	140,601
JARC DOT Van/Drivers for Homeless Center			56,276	56,276
Central LR Promise Neighborhood	50,000			
Fire Grant Match:				
Driving Simulator		66,714		(66,714)
Prevention Grant		10,000		(10,000)
Parks & Recreation Outdoor Grant		25,000		(25,000)
National Endowments of the Arts (NEA)		25,000		(25,000)
Total Grant Match Requirement	<u>200,000</u>	<u>891,409</u>	<u>912,027</u>	<u>20,618</u>
GRAND TOTAL	<u><u>\$3,400,820</u></u>	<u><u>\$9,464,729</u></u>	<u><u>\$9,505,347</u></u>	<u><u>\$40,618</u></u>

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

CITY OF LITTLE ROCK 2013 OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY



\$222,583,558

CITY OF LITTLE ROCK
ADOPTED OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY
2012 - 2013

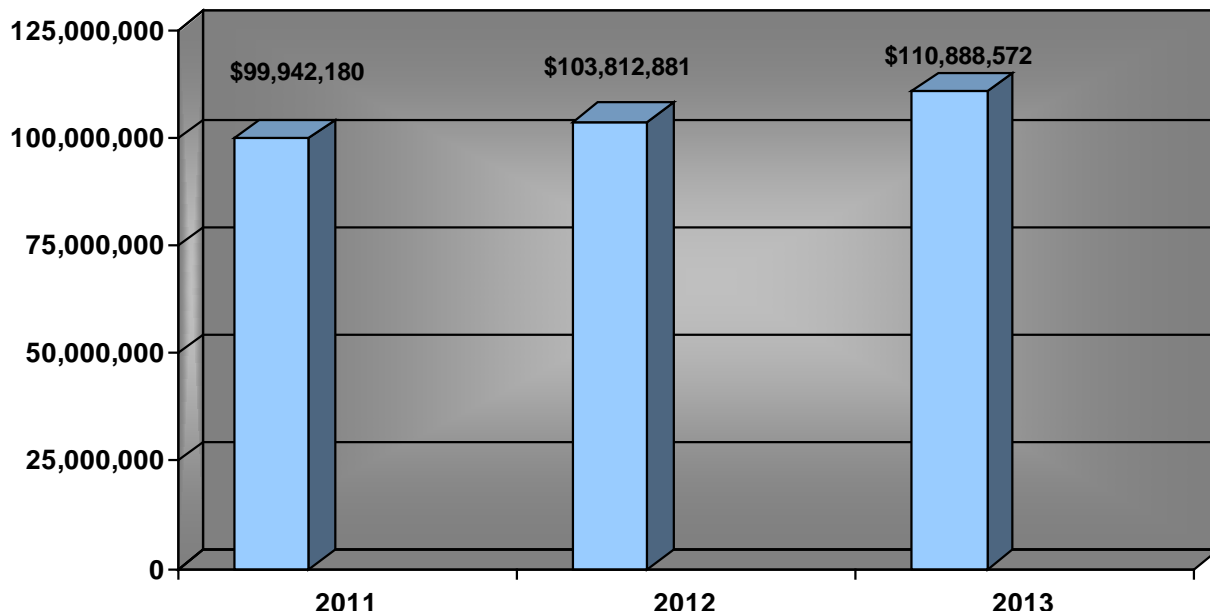
<u>Service/Program Category</u>	<u>2012 Budget</u>	<u>% to Total</u>	<u>2013 Budget</u>	<u>% to Total</u>
<u>Public Safety</u>				
Police	\$55,007,842		\$58,401,831	
Fire	35,272,953		38,128,324	
Street Lights, Traffic Signals & Signs	5,213,770		5,212,069	
Little Rock District Court First Division	1,358,190		1,381,441	
Animal Services	1,089,588		1,175,865	
Little Rock District Court Second Division	1,187,972		1,222,308	
Children, Youth & Families	5,500,000		5,500,000	
Community Programs	625,610		608,428	
Pulaski County Regional Detention Facility	1,763,000		1,050,000 *	
Total Public Safety	107,018,925	50.41%	112,680,266	50.62%
<u>Public Health/Public Utilities</u>				
Waste Disposal	16,442,444		17,487,970	
Little Rock District Court Third Division	546,736		565,562	
Arkansas Emergency Physician Foundation	36,000		36,000	
Saint Vincent's	25,381		25,381	
Storm Drainage	860,545		972,911	
Pulaski County Health Department	56,100		56,100	
Total Public Health/Public Utilities	17,967,206	8.46%	19,143,924	8.60%
<u>Economic Development/Employment</u>				
Little Rock Chamber of Commerce	200,000		200,000	
Metroplan	163,484		178,042	
Downtown Partnership/Empowerment Zone	125,000		160,000	
Metro Little Rock Alliance			100,000	
Total Economic Development/Employment	488,484	0.23%	638,042	0.29%
<u>Housing and Neighborhood & Waste Disposal Revitalization, Growth & Development</u>				
Planning & Development Department	2,522,180		2,635,448	
Alert Centers	656,380		680,602	
Neighborhood Resource Center	191,899		229,045	
Demolition, Weed Lot Maintenance, Board/Secure	1,105,271		1,021,820	
Housing & Neighborhood Prog. Admin.	2,740,146		3,449,185	
Total Housing & Neighborhood Revitalization, Growth	7,215,876	3.40%	8,016,100	3.60%

* Supplemental jail funding is provided by a \$20 local jail fine.

City of Little Rock
Adopted Operating Budgets by Service Program Category
2012 - 2013

<u>Service/Program Category</u>	<u>2012 Budget</u>	<u>% to Total</u>	<u>2013 Budget</u>	<u>% to Total</u>
<u>Transportation Services</u>				
Central Arkansas Transit Authority	7,511,153		8,208,468	
Streets	10,260,672		11,176,156	
Parking	361,625		378,660	
Parking Garages	2,043,861		2,179,806	
Vehicle Storage Facility	1,326,100		1,293,257	
Airport Rescue	982,838		1,038,728	
Total Transportation Services	22,486,249	10.59%	24,275,075	10.91%
<u>Leisure Services/Cultural Support/ Conventions & Tourism</u>				
Parks & Recreation	8,724,493		9,410,159	
Golf	2,209,631		2,173,052	
Jim Dailey Fitness Aquatic Center	885,295		891,475	
River Market	1,063,880		1,197,800	
Zoo	5,609,707		6,091,304	
Cultural Institutes:				
Arts Center	300,000		400,000	
Museum of Discovery	200,000		200,000	
MacArthur Military Museum	179,336		199,004	
Sister Cities Commission	20,000		30,000	
Racial & Cultural Diversity Commission	198,094		209,255	
Total Leisure Services/Cultural Support/Conventions	19,390,436	9.13%	20,802,049	9.35%
<u>General Government Support</u>				
Board of Directors	236,721		234,774	
General Administrative	12,908,379		10,446,497	
Finance	2,753,231		3,006,838	
Human Resources	1,519,036		1,574,857	
City Attorney	1,620,798		1,706,756	
Information Technology	4,140,165		4,478,965	
Building Services/Asset Management	2,099,698		2,113,346	
Total General Government Support	25,278,028	11.91%	23,562,033	10.59%
<u>All Other Expenditures</u>				
Fleet Services	12,467,454		13,466,069	
Total Other Expenditures	12,467,454	5.87%	13,466,069	6.05%
Grand Total	\$212,312,658	100%	\$222,583,558	100%

CITY OF LITTLE ROCK PUBLIC SAFETY REVENUES & EXPENDITURES COMPARISONS

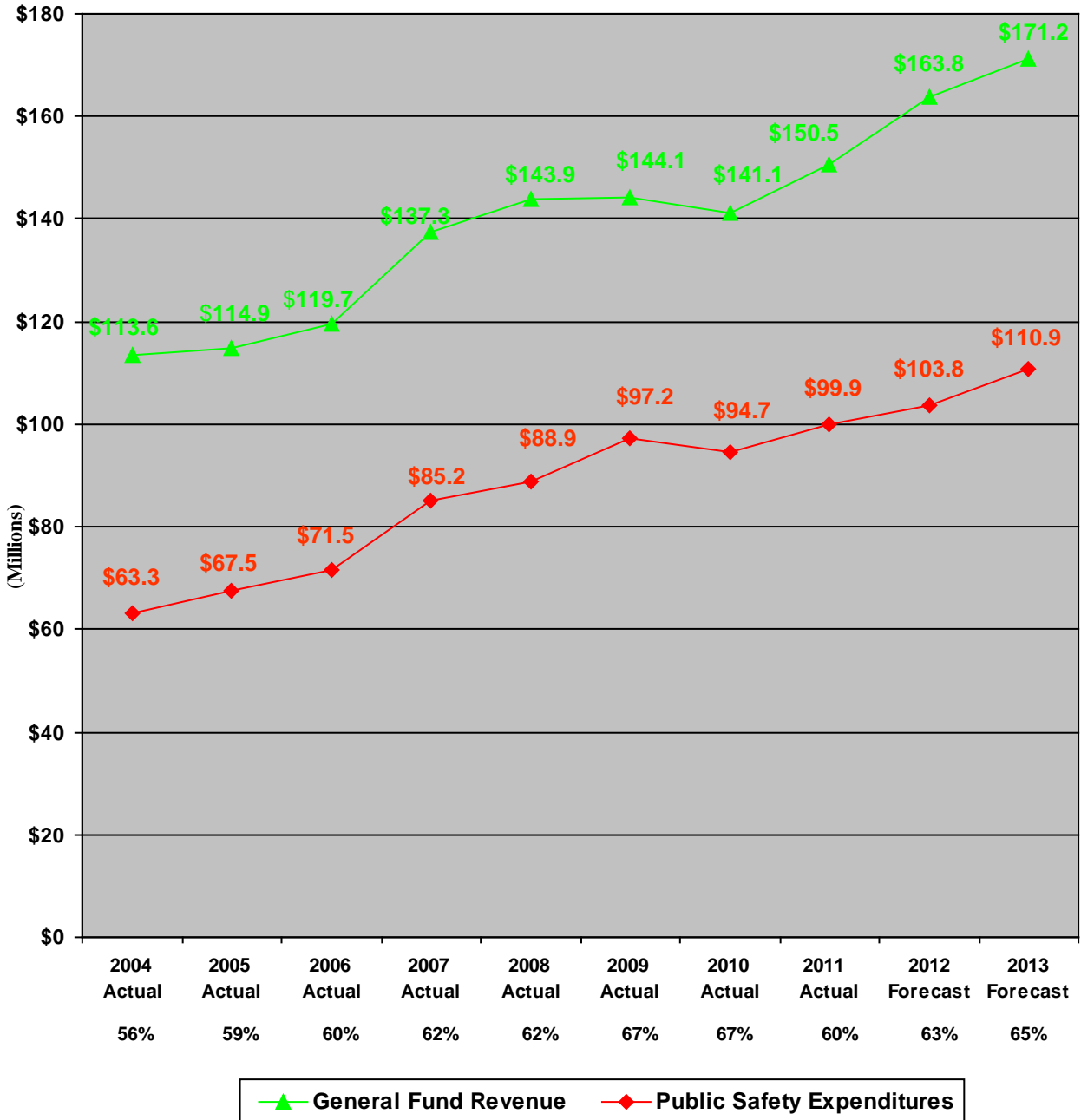


	2011 (1)	2012	2013
Police	\$52,946,561	\$55,007,824	\$58,401,831
Fire	38,850,893	36,255,791	39,167,052
District Court First Division	1,130,266	1,358,190	1,381,441
District Court Second Division	1,103,151	1,187,972	1,222,308
District Court Third Division	490,599	546,736	565,562
Alert Centers	575,171	656,380	680,602
Neighborhood Programs (Rental Inspection)	1,539,757	2,210,400	2,793,911
Animal Services	805,782	1,089,588	1,175,865
Prevention Intervention & Treatment	2,500,000	5,500,000	5,500,000
Public Safety Expenditures	\$99,942,180	\$103,812,881	\$110,888,572
General Fund Revenue	\$150,513,118	\$163,758,711	\$171,211,160

Percentage of General Fund Expenditures			
Devoted to Public Safety	66%	63%	65%

(1) 2011 Actual includes contributions to the Police and Fire pension funds in the amount of \$8,886,313 supported by a separate Property Tax levy and State Turnback funds. These expenditures are pass through and are not included in the annual budget.

CITY OF LITTLE ROCK PUBLIC SAFETY OPERATING EXPENDITURES AS A PERCENTAGE OF GENERAL FUND REVENUE 2004-2013



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Capital Improvements



CAPITAL FUNDING

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

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

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

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

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

CAPITAL PROJECT FUNDS PROVIDED BY BOND ISSUES

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

2004 Limited Tax General Obligation Refunding Bond – The 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 the Zoo carousel. Any residual balance may be allocated to retire debt on 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 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 Other Significant Non-recurring Capital Improvements section.

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.

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

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

CAPITAL PROJECT FUNDS PROVIDED BY OTHER SOURCES

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

The City issued a short-term financing note in 2012 in the amount of \$18,850,000 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. In addition, the City may consider issuance of a new short-term financing note in 2013 to further completion of the public safety projects and to begin work on the West Central Community Center.

The 2012 note included funding 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>\$18,580,000</u>

Potential 2013 short-term financing projects include the following:

<u>Land and Buildings</u>	
12th Street Police Station	\$1,994,000
Southwest Fire Station	372,000
West Central Community Center	554,000
	<u>2,920,000</u>
<u>Equipment and Vehicles</u>	
Public Safety Radio System Upgrade	1,745,000
	<u>1,745,000</u>
	<u>\$4,665,000</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

2013 CAPITAL IMPROVEMENTS

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

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

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

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

Projects in the CIP can include:

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

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

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

MAJOR CAPITAL PROJECTS

Capital expenditures in the amount of approximately \$31,583,085 are planned in 2013 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
PUBLIC WORKS/PARKING ENFORCEMENT				
Electric Scooter	1	\$27,000	6 - 8 Yrs.	5/8-cent Saltes Tax - Special Project
PUBLIC WORKS/STREET OPERATIONS				
Patch Truck	1	150,000	8 - 10 Yrs.	3/8-cent Sales Tax (capital project)
PARKS & RECREATION				
(Detailed vehicles and equipment to be determined)		170,000	8 -10 Yrs.	5/8-cent Saltes Tax - Special Project
POLICE				
Various Patrol & Detective Cars	TBD	700,000	6 - 8 Yrs.	3/8-cent Sales Tax (capital project)
FLEET				
CNG Passenger Behicle	1	28,000	6 - 8 Yrs.	5/8-cent Saltes Tax - Special Project
		<u>\$1,075,000</u>		

TBD - To be determined

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
HOUSING & NEIGHBORHOOD PROGRAMS				
Knuckleboom Truck	1	\$134,000	15 - 20 Yrs.	5/8-cent Saltes Tax - Special Project
FIRE				
Pumper Truck	1	480,000	15 - 20 Yrs.	5/8-cent Saltes Tax - Special Project
		<u>\$614,000</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 2013 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.

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
- **2013 Estimated Expenditures:** \$115,000
- **Estimated Completion Date:** September 2013
- **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.
- **2013 Estimated Expenditures:** \$390,000
- **Estimated Completion Date:** December 2013
- **Estimated Increase to Operating Expenditures:** Increased operating expense of \$31,500 is projected for staffing, utilities, maintenance, and supplies based on care for undeveloped acreage.

CIP - Other Significant Non-recurring Capital Improvements:

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

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

- **Estimated Total Project Cost:** \$12,150,000
- **Funding Sources:** Short Term Financing allocations, Justice Assistance Grant funds, CDBG Disaster Grant funds, Seized Money funds, and 3/8 cent sales tax
- **2013 Estimated Expenditures:** \$7,976,000
- **Estimated Completion Date:** March 2014
- **Estimated Increase to Operating Expenditures:** Increased operating expense of \$125,000 is projected for utilities, maintenance, and supplies, which will be included in the 2014 Police Department general fund budget allocation. Existing personnel and equipment will be reassigned to the new station.

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

- **Estimated Total Project Cost:** \$9,000,000
- **Funding Sources:** Short Term Financing allocation, 3/8-cent sales tax
- **2013 Estimated Expenditures:** \$1,745,000
- **Estimated Completion Date:** August 2013
- **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
- **2013 Estimated Expenditures:** \$600,000
- **Estimated Completion Date:** December 2014
- **Estimated Increase to Operating Expenditures:** Increased operating expense of approximately \$150,000 is projected for fuel, utilities, and supplies, which will be included in the 2015 Police Department budget allocation.

Southwest Little Rock Fire Station – The Little Rock Fire Department is beginning plans for a new fire station in Southwest Little Rock, which will be funded with proceeds of the 3/8-cent sales tax. The City plans to complete the purchase of land for the new station and incur approximately 25% of the architectural and construction cost in 2013.

Estimated Total Project Cost: \$4,050,000

- **Funding Sources:** Short-term financing allocation; 3/8-cent sales tax proceeds
- **2013 Estimated Expenditures:** \$979,800
- **Estimated Completion Date:** June 2015
- **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.

The Centre at University Park – 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, now known as The Centre at University Park, 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
- **2013 Estimated Expenditures:** \$1,345,000
- **Estimated Completion Date:** July 2013
- **Estimated Increase to Operating Expenditures:** The operating expenses for staffing, utilities, maintenance, and supplies will depend on the programs that are reinstated. A half year of operating cost was included in the 2013 Parks and Recreation Department 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
- **2013 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 second year allocation of approximately \$1.5 million. The 2013 funding will primarily be utilized for an active/active data center.

Estimated Total Project Cost: \$7,020,000

- **Funding Sources:** 3/8-cent sales tax proceeds
- **2013 Estimated Expenditures:** \$1,500,000
- **Estimated Completion Date:** December 2013
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures will be phased in with the completion of various projects and will be included in the repairs and maintenance budget for the Information Technology Department operations each year.

Scott Hamilton Drive – The City of Little Rock expects to receive approximately \$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
- **2013 Estimated Expenditures:** \$2,400,000
- **Estimated Completion Date:** 2014
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

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. Construction commenced on a second phase of the project in 2012 to widen and improve the remaining segment of the extension 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 which is complete. The street will be maintained in the future by the Department of Public Works.

- **Estimated Total Project Cost:** \$4,630,000
- **Funding Sources:** *American Recovery and Reinvestment Act* – Economic Development Administration Grant \$1,900,000; Arkansas Economic Development Commission \$1,800,000; City match funds from the Airport Enhancement Fund \$930,000.
- **2013 Estimated Expenditures:** An estimated \$1,120,000 will be expended in 2013 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 commenced in 2012. The Arkansas Highway and Transportation Department (AHTD) will handle construction for the City. The City paid its share of the construction in 2012.

- **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.
- **2013 Estimated Expenditures:** \$0
- **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.

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

- **Estimated Total Project Cost:** \$626,122
- **Funding Sources:** TAP Grant \$390,258; match amount of \$97,565 from the General fund; and capital improvement funds of \$138,296
- **2013 Estimated Expenditures:** \$25,000
- **Estimated Completion Date** March 2014
- **Estimated Increase to Operating Expenditures:** Not Applicable. Trail maintenance will be performed with the current allocation included in the Parks & Recreation budget.

North Central at Gill Street Bridge Replacement – Little Rock expects to receive a State Aid Bridge Replacement grant from the Arkansas Highway and Transportation Department. The project will replace an obsolete and deteriorating bridge over Rose Bayou (Capitol Drain) with a new two lane bridge that will include dedicated bike lanes for the River Trail. Construction will begin in the fall of 2013.

- **Estimated Total Project Cost:** \$650,000
- **Funding Sources:** Metroplan (Federal Highway Administration) \$520,000; and City matching funds \$130,000.
- **2013 Estimated Expenditures:** \$650,000
- **Estimated Completion Date** March 2014
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual allocations for street maintenance in the Street Fund budget and from the Parks and Recreation maintenance budget.

Arkansas River Trail Union Pacific Bridge – Little Rock received General Improvement funds from Act 1210 of 2005 and the State of Arkansas to build a pedestrian/bike bridge over the Union Pacific Rail Road Bridge as part of the Arkansas River Trail. Construction will begin in fall 2013.

- **Estimated Total Project Cost:** \$1,033,000
- **Funding Sources:** State of Arkansas General Improvement Fund in the amount of \$1,033,000.
- **2013 Estimated Expenditures:** \$500,000
- **Estimated Completion Date** March 2014
- **Estimated Increase to Operating Expenditures:** The operating expenses are included in the Parks & Recreation budget.

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, and intervention treatments for drugs, alcohol and referrals to all areas of service provided by the existing network of service providers.

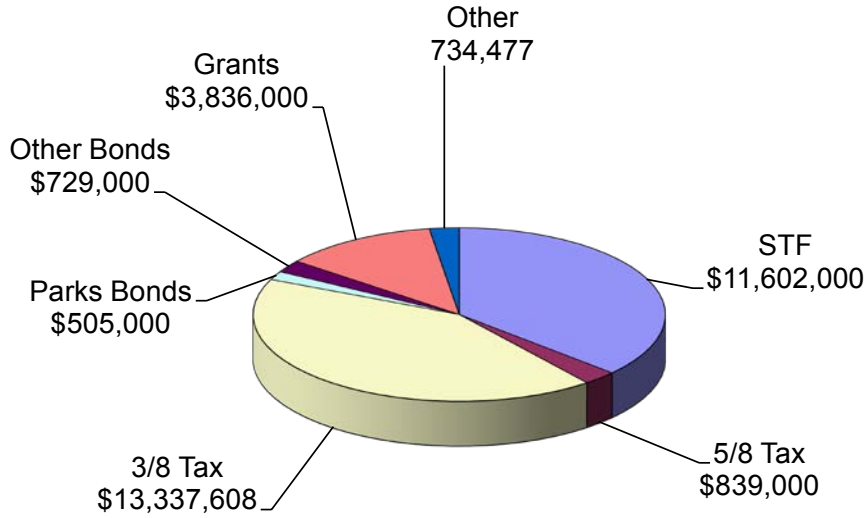
- **Estimated Total Project Cost:** \$850,000
- **Funding Sources:** *American Recovery and Reinvestment Act* – US Department of Education, State Fiscal Stabilization Funding, Arkansas Department of Finance and Administration; US Department of Housing and Urban Development Community Development Block Grant Funds; City of North Little Rock funds
- **2013 Estimated Expenditures:** \$10,000
- **Estimated Completion Date** March 2013
- **Estimated Increase to Operating Expenditures:** The operating expenses for staffing, utilities, maintenance, and supplies will depend on partnerships. An operating allocation of \$250,000 is included in the 2013 budget (General Fund – Special Project).

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 Board specified projects for completion in 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.

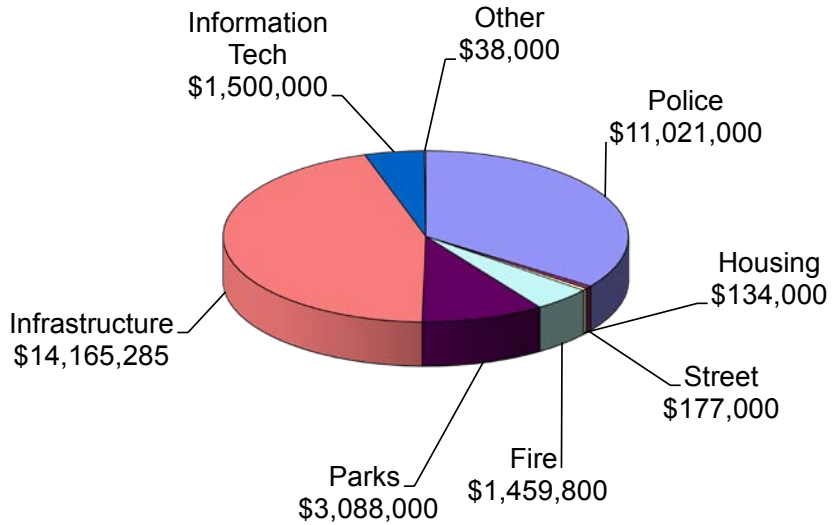
Estimated Total Project Cost: \$72,000,000

- **Funding Sources:** 3/8-cent sales tax
- **2013 Estimated Expenditures:** \$3,345,285 carried over from 2012 with an additional \$6,650,000 estimated allocation for the first year of the 2013-2015 three (3)-year cycle. The 2013 allocation will provide \$855,000 to each Ward and \$665,000 for City-wide projects. Projects will be determined based on the results of Community meetings.
- **Estimated Completion Date:** December 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.

2013 City of Little Rock Capital Funding Sources



2013 City of Little Rock Capital Funding Uses



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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 12/31/12, the net amount of debt outstanding was \$65,897,686. The legal debt margin allows the City flexibility to issue up to an additional \$876,979,992.

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 \$340.51 well below \$1,200 per capita which would be a warning trend. This has allowed the City to enjoy favorable bond ratings on its General Obligation Bonds. The City has received an AA bond rating from Standard & Poor's and an Aa3 rating from Moody's Investor Services. An AA rating from Standard & Poor's indicates that the bonds are high quality with a very strong capacity to pay principal and interest.

CITY'S LEGAL DEBT MARGIN

	Amount
2012 Assessed Value:	
(2012 Assessment to be Collected in 2013)	
Real Property	\$2,732,143,368
Personal Property	800,186,894
Utility:	
Personal Property	239,180,450
 Total Assessment	 3,771,510,712
 Debt Limit (20% of assessment)	 754,302,142
Short-Term Financing Debt Limit (5% of assessment)	188,575,536
 Sub-Total Debt Limit	 942,877,678
 G.O. & Short Term Bonds Outstanding @ 12/31/12	 83,618,504
Less:	
Amt avail. In Debt Service (at 12/31/12)	17,720,818
Outstanding Bonds, Net of Debt Service	65,897,686
 Legal Debt Margin	 \$876,979,992

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 2012, the legal debt limit is \$942,877,678 based on a total assessment of \$3,771,510,712. Each year it changes based upon the assessed value of real estate.

Debt Applicable to Debt Limit 2003 - 2012		
	<u>Legal Debt Margin</u>	<u>Legal Debt Limit</u>
2003	516,319,265	630,946,137
2004	556,368,641	664,883,347
2005	611,096,546	713,061,578
2006	659,726,412	761,730,525
2007	725,407,499	820,379,036
2008	800,758,307	887,078,087
2009	807,405,018	899,996,683
2010	824,122,887	902,775,323
2011	869,712,492	931,761,237
2012	876,979,992	942,877,678

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, 2012 is \$60,235,000. Current revenue bond level is \$45,590,000. Short-term debt level is \$23,383,504 for an overall current debt level of \$129,208,504.

Although the City may increase the general obligation and the short-term debt levels to \$942,877,678, 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 \$942 million in debt is approximately 16.26 mills. Currently, the property tax millage for the retirement of general obligation debt is 4.9 mills. The millage may be increased to provide funds up to the legal debt limit with voter approval. The City of Little Rock issued the \$70,635,000 Limited Tax General Obligation Bonds Series in 2004, secured by a property tax millage of 3.3 mills, to finance capital improvements within the City of Little Rock. In April 2013, the \$70,635,000 bonds will be redeemed in full and the bonds will be defeased. The citizens of Little Rock approved a new annual ad valorem tax at a lesser rate of 3.0 mills at a special election held on September 11, 2012. The City plans to issue up to \$105,000,000 in general obligation debt in the first half of 2013. The proceeds will be utilized to fund \$73,500,000 in street improvements and \$31,500,000 in drainage Improvements.

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, 2012

GENERAL OBLIGATION DEBT	TRUSTEE	ORIGINAL AMOUNT	MATURITY DATE	INTEREST RATE	PRINCIPAL BALANCE AT 12/31/11	PRINCIPAL PAID IN 2012	BONDS RETIRED 2012	PRINCIPAL BALANCE AT 12/31/2012	INTEREST PAID IN 2012
2004 Limited Tax Capital Improvement	Regions Bank	\$70,635,000	4/1/2013	3.75% - 4.00%	\$14,430,000	\$4,645,000	\$6,600,000	\$3,185,000	\$342,281
2004 Library Refunding Bonds-Series A & E	Regions Bank	25,000,000	3/1/2020	2.00% - 4.35%	9,220,000	0	9220000	0	387,621
2008 Library Construction and Imp. Bonds	Regions Bank	4,000,000	3/1/2027	2.00% - 4.75%	3,495,000	155,000	245000	3,095,000	141,764
2009 Library Construction and Imp. Bonds	Regions Bank	28,000,000	3/1/2028	3.00% - 5.00%	25,880,000	1,110,000	1,830,000	22,940,000	1,016,703
2012 Library Construction and Imp. Bonds	Regions Bank	31,015,000	3/1/2032	2.00% - 4.00%	0	0	0	31,015,000	0
REVENUE BONDS									
2007 Capital Imp. Rev. & Ref. Bonds	U.S. Bank	13,350,000	10/1/2019	4.00% - 5.00%	9,460,000	1,015,000	0	8,445,000	422,188
2002 Junior Lien Revenue Bonds	Regions Bank	3,630,000	10/1/2018	3.50% - 4.65%	1,890,000	235,000	0	1,655,000	82,448
2009A Parks & Rec Revenue Bonds	Bank of the Ozarks	7,830,000	1/1/2039	2.00% - 5.50%	7,385,000	130,000	0	7,255,000	368,855
2003 Capital Imp. and Refunding Projects	U.S. Bank	11,855,000	7/1/2028	1.50% - 5.30%	9,880,000	390,000	0	9,490,000	498,545
2007 Waste Disposal Revenue Bond	Citizens Bank	3,400,000	5/1/2022	5.30% - 5.87%	2,745,000	185,000	0	2,560,000	150,493
2009B Parks & Recreation	Bank of the Ozarks	12,120,000	1/1/2039	2.00% - 5.38%	11,770,000	210,000	0	11,560,000	587,550
2010 Waste Disposal Revenue Bonds	BancorpSouth	6,570,000	5/1/2016	1.90% - 3.77%	6,570,000	1,945,000	0	4,625,000	148,035
TEMPORARY NOTE									
7th 2007 Temporary Note	Suntrust	5,919,000	5/1/2012	3.79%	1,273,494	1,273,494	0	0	48,400
8th 2007 Temporary Note	Bank of America	1,372,000	6/28/2012	6.24%	308,554	308,554	0	0	19,264
9th 2008 Temporary Note	Capital One	4,991,500	9/25/2013	4.89%	2,134,800	1,042,937	0	1,091,863	100,144
10th 2011 Temporary Note	Pinnacle Public Finance	4,600,000	12/22/2016	1.75%	4,600,000	888,359	0	3,711,641	80,500
11th 2012 Temporary Note	Bank of America	18,580,000	3/28/2017	1.38%	0	0	0	18,580,000	0
Grand Total		\$252,867,500			\$111,041,848	\$13,533,344	\$17,895,000	\$129,208,504	\$4,394,791

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

GENERAL OBLIGATION DEBT	TRUSTEE	ORIGINAL AMOUNT	MATURITY DATE	INTEREST RATE	PRINCIPAL BALANCE AT 12/31/12	PRINCIPAL PAID IN 2013	BONDS RETIRED 2013	PRINCIPAL BALANCE AT 12/31/2013	INTEREST PAID IN 2013
2004 Limited Tax Capital Improvement	Regions Bank	\$70,635,000	4/1/2016	3.75% - 4.00%	\$3,185,000	\$3,185,000	\$0	\$0	\$59,719
2008 Library Construction and Imp. Bonds	Regions Bank	4,000,000	3/1/2027	3.00% - 4.75%	3,095,000	160,000	0	2,935,000	130,470
2009 Library Construction and Imp. Bonds	Regions Bank	28,000,000	3/1/2028	3.00% - 5.00%	22,940,000	1,140,000	0	21,800,000	937,203
2012 Library Construction and Imp. Bonds	Regions Bank	31,015,000	3/1/2032	2.00% - 4.00%	31,015,000	0	0	31,015,000	983,935
REVENUE BONDS									
2007 Infrastructure Refunding	U.S. Bank	13,350,000	10/1/2019	4.00% - 5.00%	8,445,000	1,055,000	0	7,390,000	379,050
2002 Junior Lien Revenue Bonds	Regions Bank	3,630,000	10/1/2018	3.50% - 4.65%	1,655,000	245,000	0	1,410,000	73,048
2009A Parks & Rec Revenue Bonds	Bank of the Ozarks	7,830,000	1/1/2039	2.00% - 5.50%	7,255,000	135,000	0	7,120,000	365,208
2003 Capital Imp. and Refunding Projects	U.S. Bank	11,855,000	7/1/2028	1.50% - 5.30%	9,490,000	410,000	0	9,080,000	482,165
2007 Waste Disposal Revenue Bond	Citizens Bank	3,400,000	5/1/2022	5.30% - 5.87%	2,560,000	200,000	0	2,360,000	140,048
2009B Parks & Recreation	Bank of the Ozarks	12,120,000	1/1/2039	2.00% - 5.38%	11,560,000	215,000	0	11,345,000	581,703
2010 Waste Disposal Revenue Bonds	BancorpSouth	6,570,000	5/1/2016	1.90% - 3.77%	4,625,000	2,190,000	0	2,435,000	105,796
TEMPORARY NOTE									
9th 2008 Temporary Note	Capital One	4,991,500	9/25/2013	4.89%	1,091,863	1,091,863	0	0	51,220
10th 2011 Temporary Note	Pinnacle Public Finance	4,600,000	12/22/2016	1.75%	3,711,641	903,905	0	2,807,736	64,954
11th 2012 Temporary Note	Bank of America	18,580,000	3/28/2017	1.38%	18,580,000	3,615,291	0	14,964,709	255,869
Grand Total		\$220,576,500			\$129,208,504	\$14,546,059	\$0	\$114,662,445	\$4,610,384

The Bond Indebtedness schedules above and the following Future Debt Service schedules do not reflect the \$105,000,000 in capital improvement bonds for street and drainage projects that will be issued during 2013.

FUTURE DEBT SERVICE**OVERALL FUTURE DEBT SERVICE**

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2013	\$14,546,057.85	\$4,610,383.70	\$19,156,441.55
2014	\$10,249,369.79	\$4,291,545.91	\$14,540,915.70
2015	\$10,511,037.07	\$4,027,206.89	\$14,538,243.96
2016	\$10,808,465.31	\$3,736,389.39	\$14,544,854.70
2017	\$9,283,573.35	\$3,432,875.05	\$12,716,448.40
2018	\$5,700,000.00	\$3,150,585.67	\$8,850,585.67
2019	\$5,590,000.00	\$2,912,010.04	\$8,502,010.04
2020	\$4,415,000.00	\$2,667,045.03	\$7,082,045.03
2021	\$4,610,000.00	\$2,472,425.65	\$7,082,425.65
2022	\$4,815,000.00	\$2,266,241.27	\$7,081,241.27

GENERAL OBLIGATION FUTURE DEBT SERVICE

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2013	\$10,096,057.85	\$2,483,368.16	\$12,579,426.01
2014	\$7,109,369.79	\$2,294,600.87	\$9,403,970.66
2015	\$7,251,037.07	\$2,155,662.35	\$9,406,699.42
2016	\$7,408,465.31	\$2,000,965.35	\$9,409,430.66
2017	\$6,603,573.35	\$1,835,223.76	\$8,438,797.11
2018	\$2,885,000.00	\$1,682,215.63	\$4,567,215.63
2019	\$3,000,000.00	\$1,570,787.51	\$4,570,787.51
2020	\$3,120,000.00	\$1,447,763.76	\$4,567,763.76
2021	\$3,250,000.00	\$1,319,501.26	\$4,569,501.26
2022	\$3,385,000.00	\$1,183,731.26	\$4,568,731.26

REVENUE BOND FUTURE DEBT SERVICE

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2013	\$4,450,000.00	\$2,127,015.54	\$6,577,015.54
2014	\$3,140,000.00	\$1,996,945.04	\$5,136,945.04
2015	\$3,260,000.00	\$1,871,544.54	\$5,131,544.54
2016	\$3,400,000.00	\$1,735,424.04	\$5,135,424.04
2017	\$2,680,000.00	\$1,597,651.29	\$4,277,651.29
2018	\$2,815,000.00	\$1,468,370.04	\$4,283,370.04
2019	\$2,590,000.00	\$1,341,222.53	\$3,931,222.53
2020	\$1,295,000.00	\$1,219,281.27	\$2,514,281.27
2021	\$1,360,000.00	\$1,152,924.39	\$2,512,924.39
2022	\$1,430,000.00	\$1,082,510.01	\$2,512,510.01

City of Little Rock, Arkansas
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2012

<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	\$83,618,504	100%	\$83,618,504
Little Rock Public School District	<u>193,002,375</u>	100%	<u>193,002,375</u>
Total direct and overlapping debt	<u><u>\$276,620,879</u></u>		<u><u>\$276,620,879</u></u>

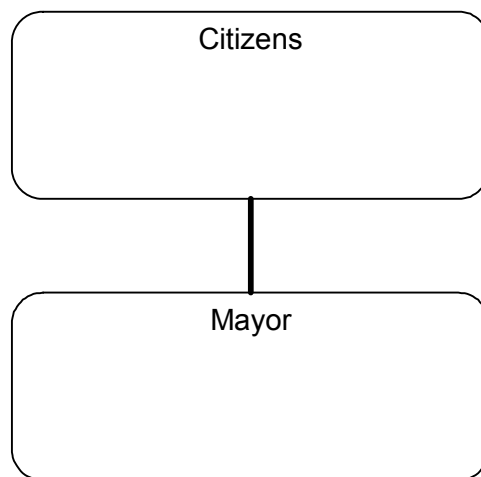
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Departmental Information



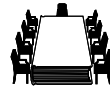


Mayor



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

2012 Department Priorities	Status
Continue working to fund and complete the Arkansas River Trail.	Ongoing
Work with the community and service providers to open the Homeless Day Resource Center and expand the program offerings at the center.	Ongoing
Work with the community to make improvements to Main Street, using new approaches to sustainable development.	Ongoing
Work with the Little Rock Regional Chamber of Commerce and other economic development organizations to attract and retain jobs for the community.	Ongoing
Look for innovative approaches to combating crime; implementing where possible.	Ongoing
Ensure the successful implementation of the new City sales tax.	Ongoing



2013 Department Goals

Work with various economic development organizations to attract and retain jobs for the community.

Implement innovative approaches to combating crime, add new police officers to the force, and reduce the City's crime rate.

Work with the community to make improvements to Main Street using new approaches to sustainable development and implement strategies to create the Creative Corridor.

Ensure the new local sales tax is spent responsibly and according to the plan laid out to the voters before the election.

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

Continue implementing the Neighborhood Stabilization Program to strengthen neighborhoods, rebuild residential neighborhoods, and allow for new home ownership.

Work with the Little Rock School District to develop Joint Operating Agreements to expand programming opportunities.

Continue with the City's "Love Your School" initiative focused on the childhood obesity epidemic by promoting healthy living, eating, and exercise and reducing the City's food deserts.

Continue to fund and complete the Arkansas River Trail.

Support the Mayor's Commission on Sustainability to promote sustainable initiatives and to host an annual summit on sustainability.

Tourism: Continue to envision and create new attractions, events, and festivals for the city.

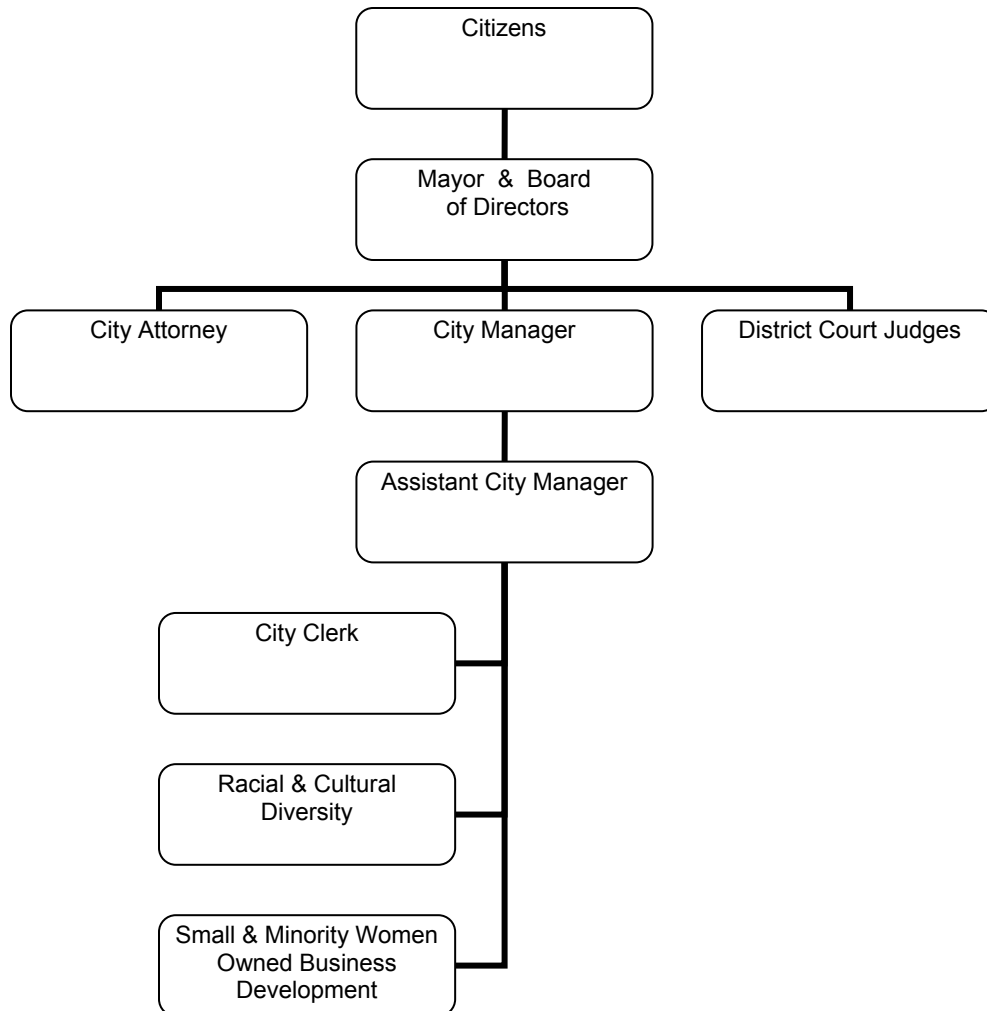
The departmental goals and objectives link with the **Overall City Goals and Objectives.**



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General Administrative



Mission Statement

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

General Administrative

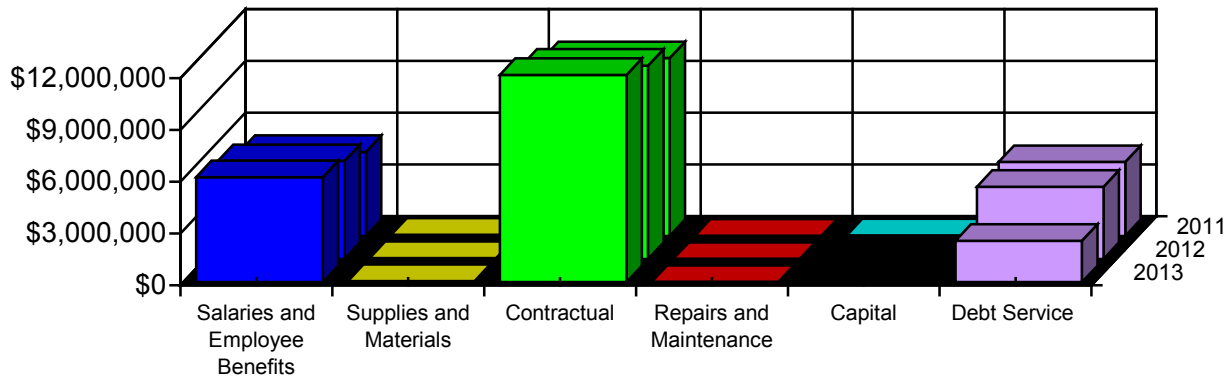
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$4,867,503	\$5,677,132	\$6,080,081
Supplies and Materials	69,746	51,254	61,294
Contractual	10,987,431	11,900,337	12,221,744
Repairs and Maintenance	9,478	10,540	12,355
Capital Outlay	29,123		
Debt Service	4,281,987	4,182,345	2,396,042
Total	\$20,245,268	\$21,821,608	\$20,771,516

Staffing	25	26	26
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General Government includes Mayor and City Manager, City Clerk, Racial and Cultural Diversity, Emergency Management, Small and Women Owned Business Development, and LRTV. Approximately \$275,000 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees. The personnel increase also includes the retention of one employee previously funded by grant proceeds.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$20,771,516	-4.81%



2012 Department Priorities	Status
Completed land acquisition and design of the Mid-Town Police Substation followed by the start of construction.	Completed
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.	Ongoing
Improved and expanded Police Officer recruiting efforts and conducted (2) Recruit Schools during 2012. Developed contingency plans to hold simultaneous Recruit Schools, including a Certified Officer Accelerated Training (COAT) School, if feasible. Recruited, trained and hired all authorized civilian support personnel.	Completed
Implement the Communications System Upgrade pursuant to a contract with Motorola and an agreement with the Arkansas Wireless Information Network.	Ongoing
Initiate the process for the acquisition of land for a new Southwest Little Rock Fire Station.	Ongoing
Hired and trained ten (10) additional Code Enforcement Officers in the Housing & Neighborhood Programs Department.	Completed
Reviewed the Business License fee structure; and worked to make existing fee structure more business friendly.	Completed
Open the Homeless Day Resource Center; creating an interactive website for the Center with links from the City of Little Rock webpage and other sites.	Ongoing



2012 Department Priorities (Continued)	Status
Developed a plan and began making infrastructure improvements by blending staff input and public involvement to design and construct beneficial capital projects for the betterment of the City.	Completed
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.	Ongoing
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 cent portion of the tax.	Ongoing
Identified entry level positions throughout the organization and hired disadvantaged youth and adults.	Completed
Per the City Board's directive, develop and implement a plan to review City Ordinances, Resolutions and Policies to ensure they are not discriminatory in nature.	

2013 Department Goals
Implement the 2013 Priority Needs Infrastructure Projects funded by the 3/8 cent capital sales tax; provide regular reports of the progress to the LR Cent Committee.
Continue implementing the operational elements of the new sales tax; including the filling of identified positions, purchase of equipment and implementation of programs; provide regular reports of the progress to the LR Cent Committee.
Conduct additional Police Recruit and Fire Fighter classes as identified through the new sales tax; work to fill vacancies in both departments.



2013 Department Goals (Continued)

Open the Homeless Day resource Center; recruit service partners to help provide services to the homeless; work to move independent service providers to the center.

Open the Centre at University Park (formerly the Adult Leisure Center); develop new programming to meet the needs of the participants.

Complete the installation of the Information Technology Disaster Recovery System; focus on implementing an active-active operating system.

Make significant progress on the construction of the 12th Street Police Station; begin planning for staffing and operation elements of the station.

Implement a new pension plan for non-uniform employees as identified by the consultants; educate employees on the new plan.

Acquire the land and begin the design phase of the new Southwest Little Rock Fire Station.

Complete design work on the West Central Community Center; prepare bid documents for construction of the facility.



City Manager

Department: City Manager
Funding Source: General Fund
Budget: \$20,771,516

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.

	2011 Actual	2012 Budget	2013 Budget
Objective: Provide responses to City Board of Director requests in a timely manner.			
Demand: Number of City Board of Director requests.	225	250	250
Workload: Number of City Board of Director requests completed.	225	250	250
Efficiency: Number of City Board of Director requests completed in a timely manner.	200	225	225
Effect/Outcome: Percentage of City Board of Director requests completed in a timely manner.	89%	90%	90%

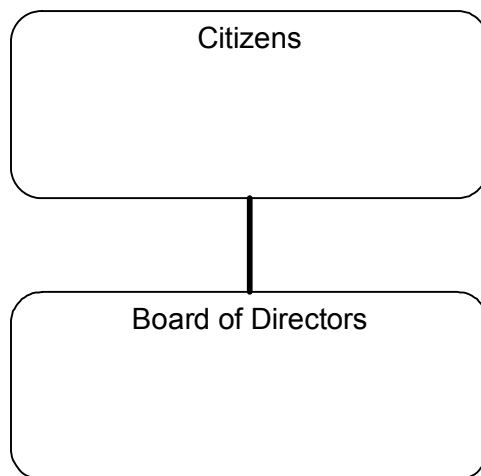
Objective: Provide responses to citizen requests within a timely manner.			
Demand: Number of citizens requests for information.	220	250	250
Workload: Number of citizen requests for information completed.	220	250	250
Efficiency: Number of citizen requests for information completed in a timely manner.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

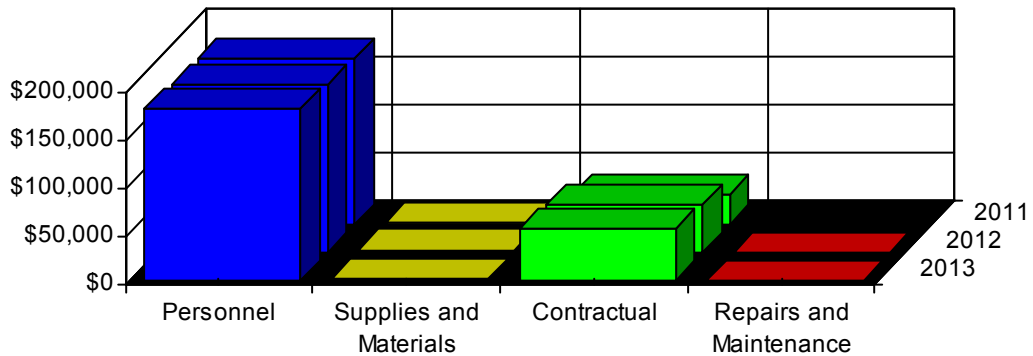
Board of Directors

Expenditure Budget

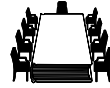
Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$175,754	\$178,584	\$176,630
Supplies and Materials	2,179	2,990	2,990
Contractual	30,612	55,097	55,097
Repairs and Maintenance		50	57
Total	\$208,545	\$236,721	\$234,774

Staffing	2011	2012	2013
	1	1	1

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$234,774	-0.82%



2013 Department Goals

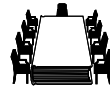
Focus on the defined policy areas related to public safety, economic development, infrastructure and quality of life.

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

Continue you meet with neighborhoods and citizens to discuss and resolve issues of concerns.

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

Ensure the successful implementation and expenditure of funds for the new Capital Improvement Bonds.



Board of Directors

Department: Board of Directors
Funding Source: General Fund
Budget: \$234,774

Department Description:

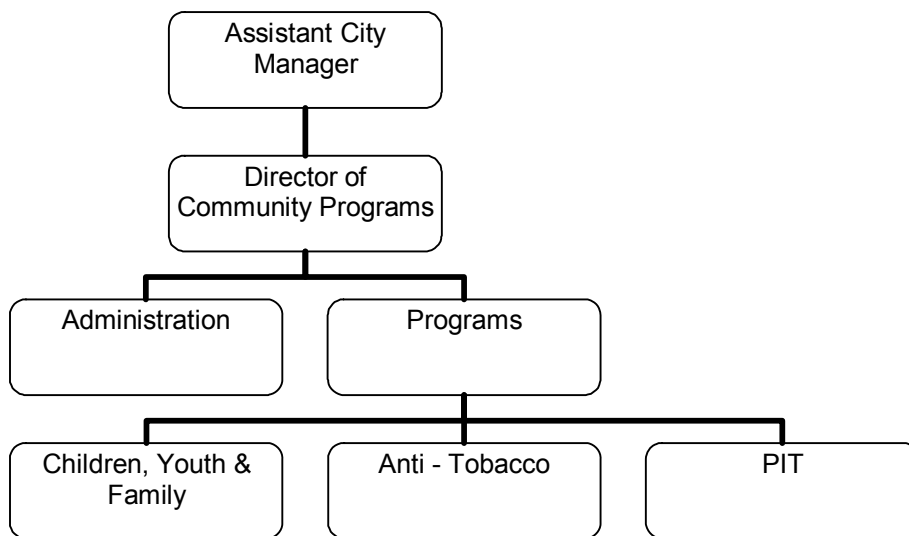
To provide executive management and administration of City affairs; provide legal advice and representation for the city; serve as official recorder and custodian of public documents.

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





Community Programs



Mission Statement

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

Community Programs

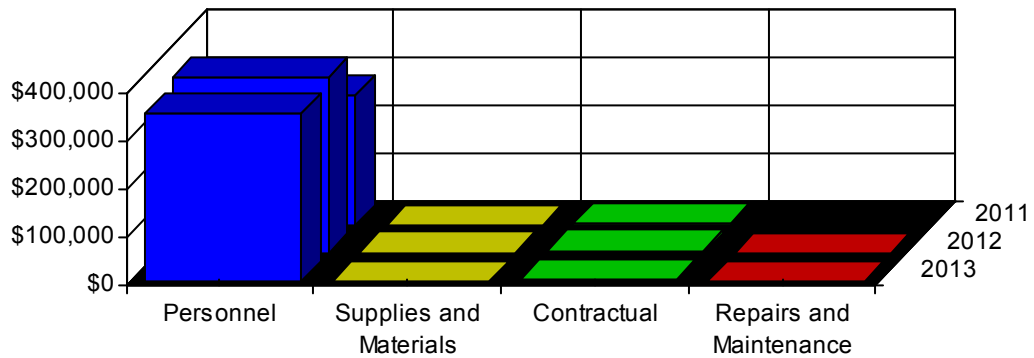
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$288,324	\$367,728	\$350,461
Supplies and Materials	91	1,874	1,874
Contractual	13,302	6,000	6,000
Repairs and Maintenance		8	93
Total	\$301,717	\$375,610	\$358,428

Staffing	7	8	10
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The majority of changes to the Community Programs budget is included in programs funded by the \$5.5 million contribution to Children Youth and Family prevention, intervention and treatment, and re-entry programs.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$358,428	-4.57%



Community Programs

2012 Department Priorities	Status
Community Programs implemented Prevention Intervention & Treatment contracts and reinstated the "KICK" (Keeping Illegal Cigarettes from Kids) program.	Completed
Developed new model pilots for Re-entry training, skills development, and support centers.	Completed
Upgraded the contract management and accountability system.	Completed
Research and apply for funding opportunities while exploring leveraging possibilities.	Ongoing
Update media materials for distribution using a redesigned website.	Ongoing



2013 Department Goals
Implement all programming contracts within the first quarter of the year.
Initiate the hiring process for approved staffing needs.
Work with Finance and City Attorney to explore amending tobacco ordinance to align with State penalties for sales to minors.
Provide updated monitoring guide for programs.
Provide specific support for Children, Youth, and Families Commission to better focus on public policy that addresses community issues and concerns.



Community Programs

Department: Community Programs
Funding Source: General Fund
Budget: \$358,428

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.

	2011 Actual	2012 Budget	2013 Budget
Objective: To recruit youth, provide orientation, and approve youth to hire for summer employment.			
Demand: Youth available for recruitment and orientation.	700	750	750
Workload: Youth recruited and processed through orientation.	420	483	500
Efficiency: Youth processed and available for employment by June 11.	420	483	500
Effect/Outcome: Percentage of youth processed and available for work by June 11.	60%	64%	66%

Objective: To audit, approve, and process all reimbursement requests for payment within 14 days.			
Demand: Requests available for process and reimbursement.	520	530	570
Workload: Requests processed for reimbursement.	520	530	570
Efficiency: Requests processed per month.	43	44	47
Effect/Outcome: Percentage of total requests processed.	100%	100%	100%

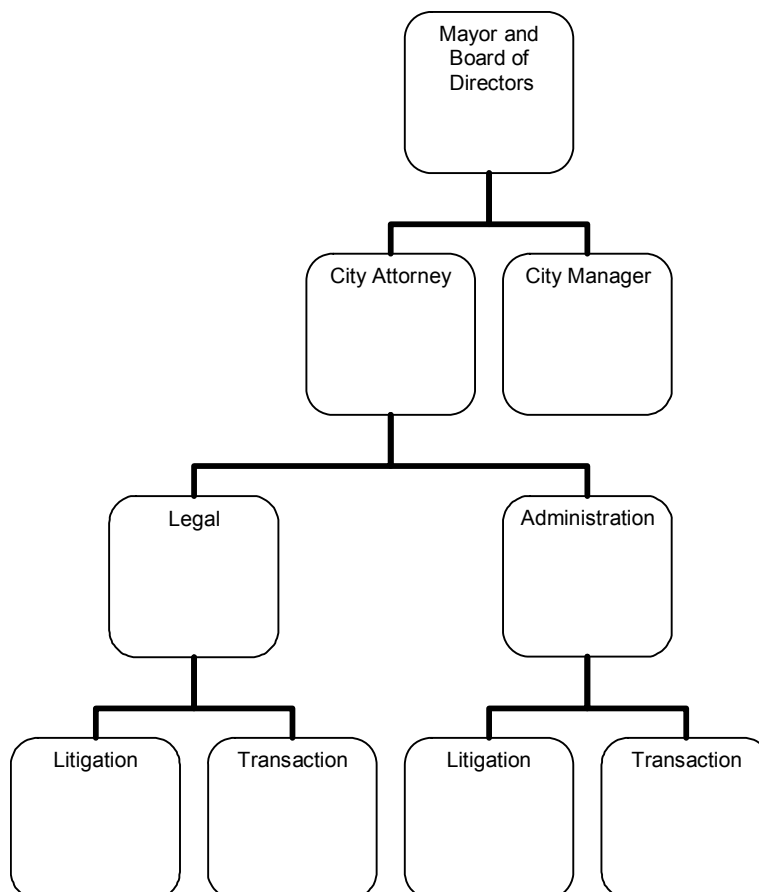
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for a
 Safe City and Quality of Life.**



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City Attorney



Mission Statement

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

City Attorney

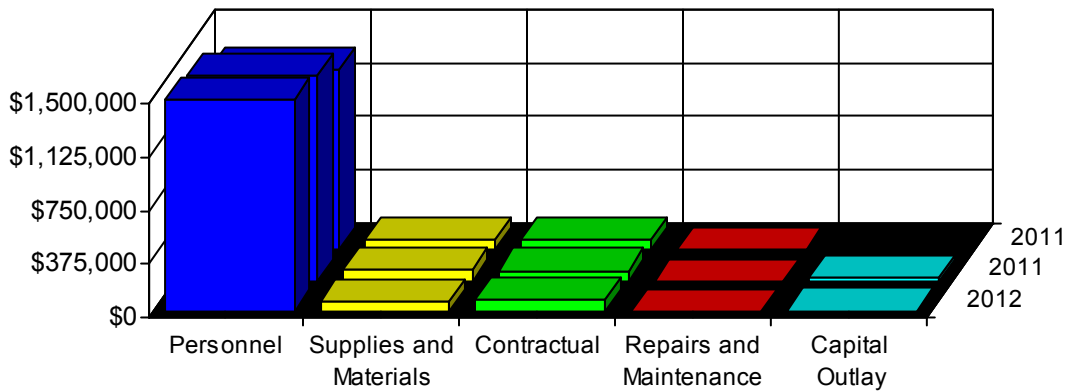
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$1,264,821	\$1,443,872	\$1,526,934
Supplies and Materials	67,654	75,202	77,202
Contractual	65,292	76,229	90,953
Repairs and Maintenance	320	495	667
Capital		25,000	11,000
Total	\$1,398,087	\$1,620,798	\$1,706,756

Staffing	18	18	18
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Approximately \$75,000 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees. The decrease in Capital Outlay reflects a one-time allocation for a City/County Attorney System in 2012.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,706,756	5.30%



City Attorney

2012 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

2013 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: \$1,706,756

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.

	2011 Actual	2012 Budget	2013 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

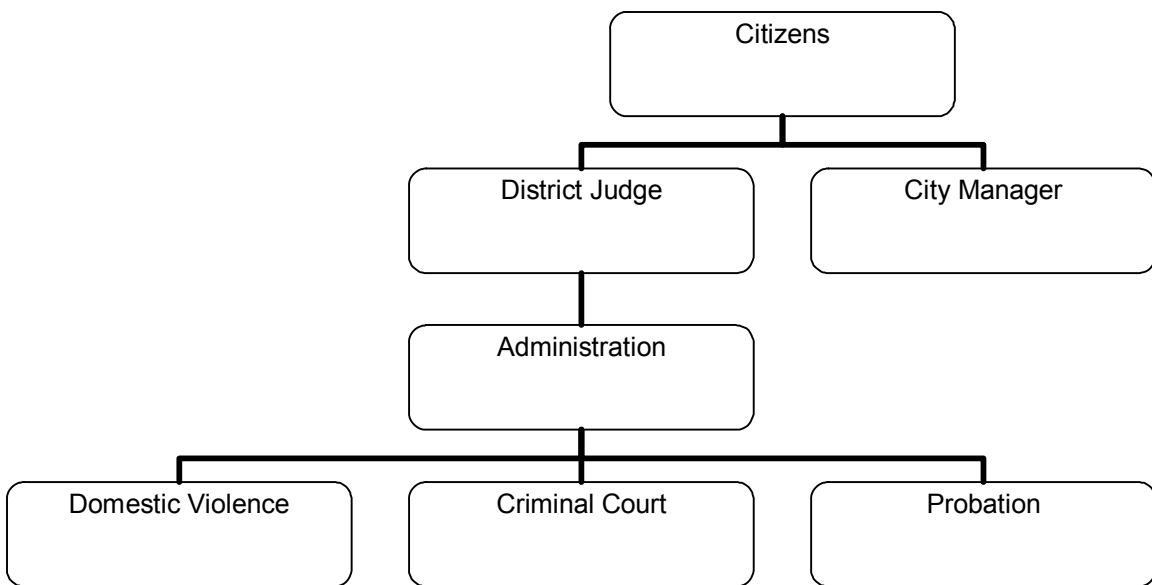
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

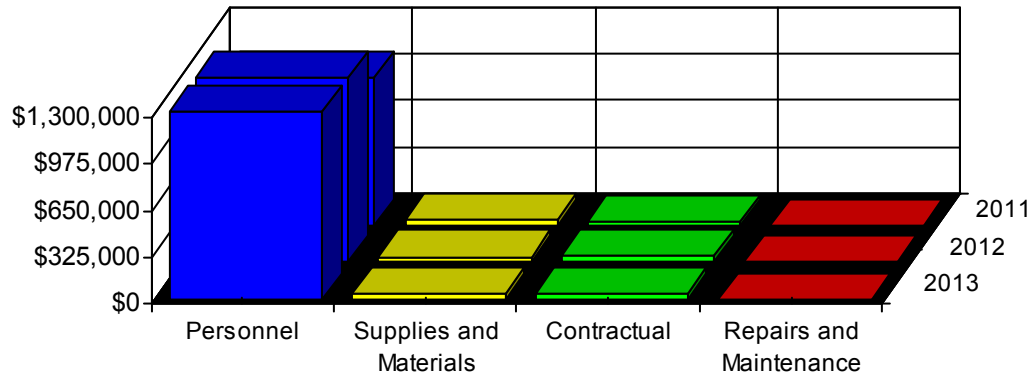
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$1,059,901	\$1,276,037	\$1,299,277
Supplies and Materials	38,534	38,300	38,300
Contractual	31,697	42,150	42,150
Repairs and Maintenance	134	1,703	1,714
Total	\$1,130,266	\$1,358,190	\$1,381,441

Staffing	21	21	21
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Approximately \$23,800 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,381,441	1.71%



2012 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 to citizens.	Ongoing



2013 Department Goals

First District Court will provide administrative support to criminal court proceedings, respond to public inquiries, maintain legal documents, court records and calendars efficiently.

First District Court will provide fair and impartial adjudications for all criminal cases heard.

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: \$1,381,441

Department Description:

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

	2011 Actual	2012 Budget	2013 Budget
Objective: To process Criminal Bond information on a daily basis.			
Demand: Bonds to be processed.	100	100	100
Workload: Bonds actually processed.	100	100	100
Efficiency: Bonds processed per court session.	100	100	100
Effect/Outcome: Percentage of Bonds processed daily.	100%	100%	100%

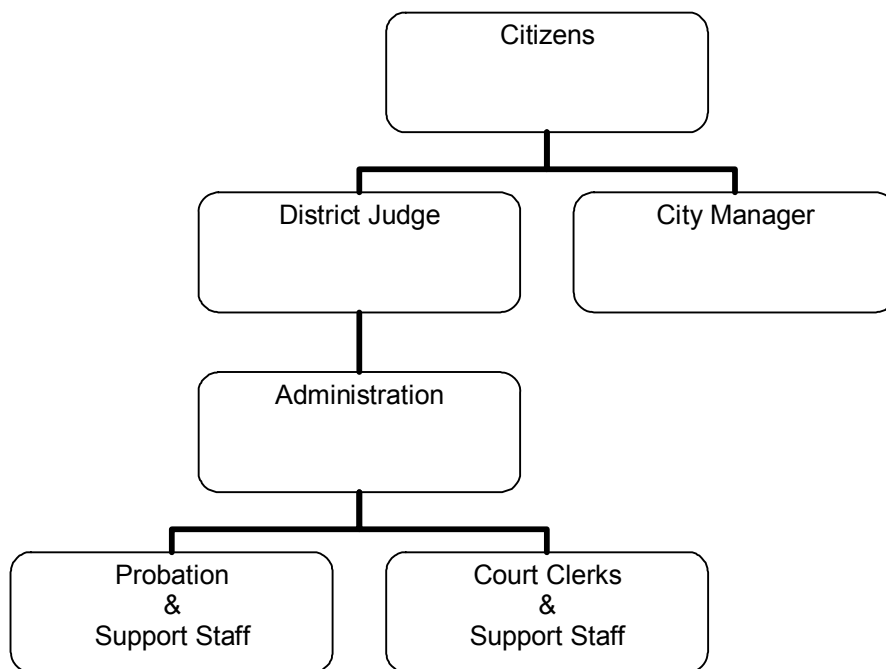
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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District Court Second Division



Mission Statement

We seek to administer justice and equity.

District Court Second Division

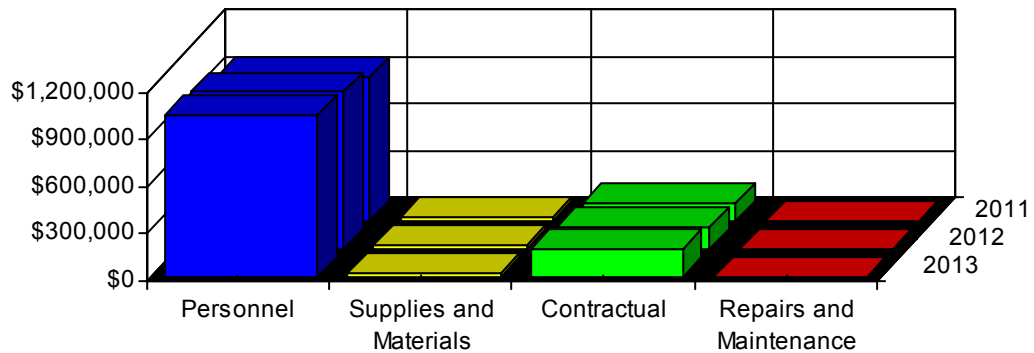
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$921,602	\$1,001,712	\$1,029,365
Supplies and Materials	14,291	21,550	22,200
Contractual	166,591	162,649	168,664
Repairs and Maintenance	667	2,061	2,079
Total	\$1,103,151	\$1,187,972	\$1,222,308

Staffing	2011	2012	2013
	17	17	17

Approximately \$22,600 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,222,308	2.89%



2012 Department Priorities	Status
Second District Court processed 29,983 traffic violations.	Completed
Second District Court disposed 33,740 traffic violations.	Completed
Second District Court processed 431 "Driving While Intoxicated" (DWI) violations.	Completed



Department: District Court Traffic
Funding Source: General Fund
Budget: \$1,222,308

Department Description:

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

	2011 Actual	2012 Budget	2013 Budget
Objective: To enter violations into the public safety system the same day received.			
Demand: Violations to be entered.	33,807	29,983	30,000
Workload: Violations entered and processed.	33,807	29,983	30,000
Efficiency: Violations entered and processed per month.	2,817	2,498	2,500
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.	38,307	33,740	34,000
Workload: Violations disposed.	38,307	33,740	34,000
Efficiency: Violations disposed of per month.	3,192	2,811	2,833
Effect/Outcome: Percentage of dispositions processed within 24 hours.	99%	99%	99%

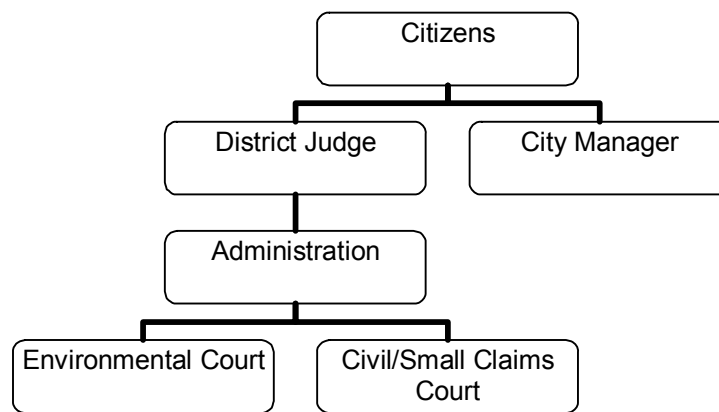
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

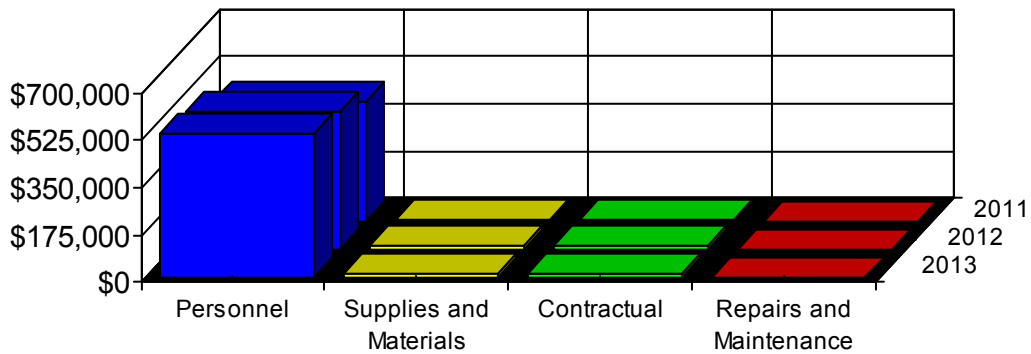
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$466,568	\$515,407	\$534,233
Supplies and Materials	7,985	11,813	11,813
Contractual	15,349	17,016	17,016
Repairs and Maintenance	697	2,500	2,500
Total	\$490,599	\$546,736	\$565,562

Staffing	7	7	7
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Approximately \$18,800 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$565,562	3.44%



District Court Third Division

2012 Department Priorities	Status
Third District Court continues to upgrade computer systems and programs.	Ongoing
Provide training and certification for Court Clerks, Probation officers and the Judge.	Ongoing
Continue to find ways to improve neighborhood conditions to comply with the city code standards.	Ongoing
Continue to find substantive programming for youth who are under our jurisdiction for day and night time curfew violations.	Ongoing
Continue to look for ways to provide a safe environment for the public, staff and judge during all court sessions.	Ongoing



2013 Department Goals

Implement prevention, intervention and treatment programs for juveniles.

Continue to pursue getting truancy petitions filed in our court.

Continue to provide training and certification for office staff.

Continue to plan for implementation of Administrative Office of the Courts' (AOC) computer program that will link all participating district courts.

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

Convert court forms and documents to Spanish.



Department: District Court Environmental
Funding Source: General Fund
Budget: \$565,562

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.

	2011 Actual	2012 Budget	2013 Budget
Objective: To process 99% of life-threatening violations within seven (7) days of the date citation is written.			
Demand: Citations to be processed.	85	80	85
Workload: Citations processed, recorded, and entered into computer.	85	80	85
Efficiency: Citations processed per court session.	80	75	80
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.	50	60	65
Workload: Warrants issued, recorded and entered into computer.	50	60	65
Efficiency: Warrants issued per court session.	8	6	10
Effect/Outcome: Percentage of Warrants processed.	100%	100%	100%

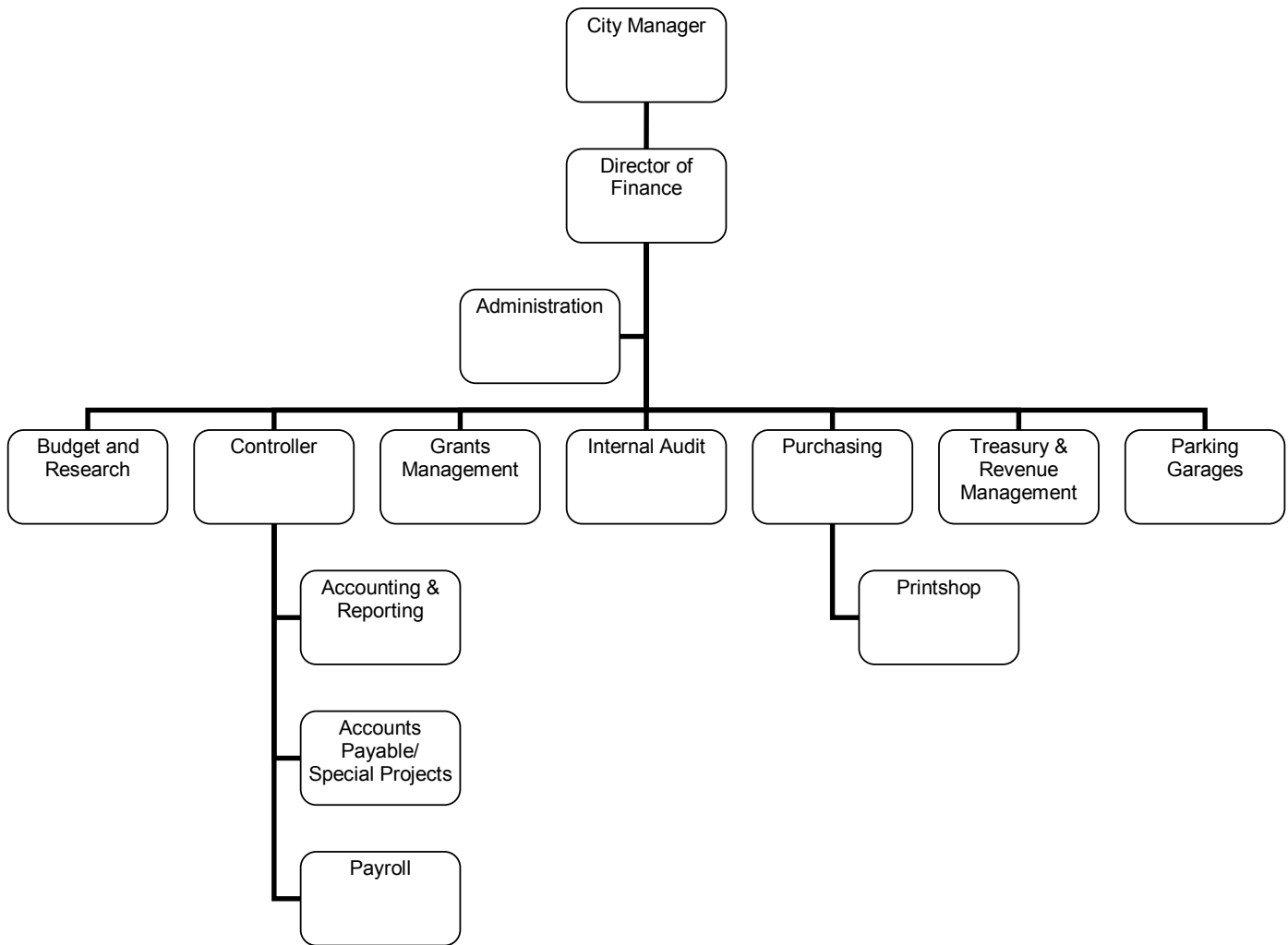
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

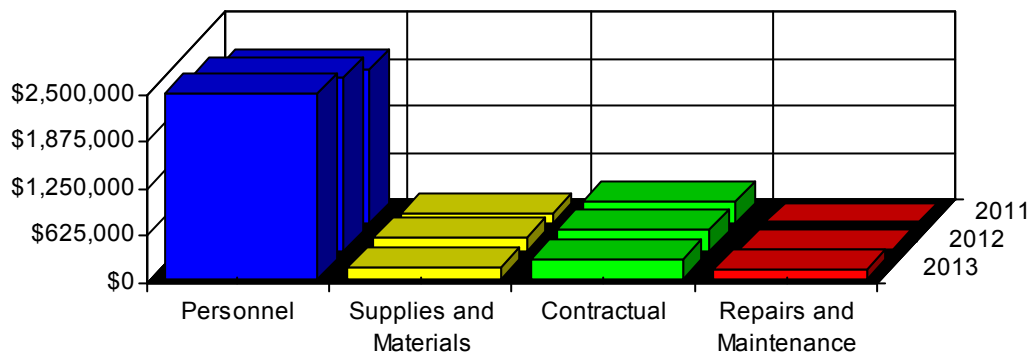
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$2,041,598	\$2,309,241	\$2,476,958
Supplies and Materials	136,900	155,733	157,063
Contractual	300,895	275,552	254,877
Repairs and Maintenance	10,024	12,705	117,940
Total	\$2,489,417	\$2,753,231	\$3,006,838

Staffing	40	40	41
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Approximately \$114,500 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees, and includes 100% of the cost of a grant accountant position previously funded by CDBG and the addition of one (1) Accounts Payable position. The annual cost of Lawson Software Maintenance has been reclassified from Contracts to Repairs and Maintenance. In addition, the allocation of Print Shop charges to other Departments has been reduced by approximately \$100,000.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$3,006,838	9.21%



Finance

2012 Department Priorities	Status
Obtained Government Finance Officers Association (GFOA) Certificate of Recognition for 2012 Budget Preparation.	Completed
Obtain GFOA Certificate of Achievement for Financial Reporting for FY11 Comprehensive Annual Financial Report (CAFR).	Completed
Provided 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.	Ongoing
Developed 3/8 Cent Capital Project financing plan, issued temporary note, and ensuring timely purchase of items.	Ongoing
Actively located additional grant funding opportunities as American Recovery and Reinvestment Act (ARRA) Grants are completed.	Completed
Captured e-mail addresses and prepared to send 2013 business license assessment forms, statements and notices via e-commerce.	Completed
Send electronic Purchase Bid notifications to local businesses to improve local participation in bid opportunities.	Ongoing
Performed quarterly review and maintenance of outstanding purchase orders.	Completed
Purchased and begin implementation of an integrated budget module for the City's financial system.	Ongoing
Procured and replaced printing equipment in the Print Shop to improve efficiency and reduce operating cost.	Completed
Continued on-going employee training program for all Lawson financial applications.	Completed
Completed the update of the City's Purchasing manual.	Completed



Finance

2013 Department Goals
Obtain Government Finance Officers (GFOA) Certificate of Recognition for Budget Preparation.
Obtain GFOA Certificate of Achievement for Excellence in Financial Reporting for FY12 Comprehensive Annual Financial Report (CAFR).
Facilitate the issuance of the 2013 Capital Improvement Bonds.
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 short-term financing note if required, and ensure timely purchase of items.
Continue on-going employee training program for all Lawson financial applications.
Actively locate additional grant funding opportunities as American Recovery and Reinvestment Act (ARRA) Grants are completed.
Create a Grants Compliance Manual for City Staff.
Internal Audit Staff will complete training on the newest version of Excel and offer training to interested City employees. This is a significant upgrade which may present a challenge to users of older versions of the software.
Perform quarterly review and maintenance of outstanding purchase orders.
Continue efforts to implement an integrated budget module for the City's Financial system.
Finalize the update of the City's Purchasing Manual and post it to the City web site.
Update the Treasury page of the City's web site to include local tax rates and information on the City's key revenue sources.
Monitor and provide support for the City and Municipal League's 2013 legislative package with a focus on obtaining improved sales tax reporting from the state.
Redesign the business license assessment forms, statements and licenses to simplify them and make them more user friendly.



Finance

Department: Finance
Funding Source: General Fund
Budget: \$3,006,838

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.

	2011 Actual	2012 Budget	2013 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.	1,494	1,500	1,500
Workload: Number of journal entries processed and completed.	1,494	1,500	1,500
Efficiency: Average number of journal entries processed and reviewed per month.	125	125	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.	71,445	70,000	70,000
Workload: Number of invoices processed, recorded, and completed.	71,445	70,000	70,000
Efficiency: Number of invoices processed per hour.	34	33	33
Effect/Outcome: Percentage of invoice payments issued within 30 days.	70%	95%	95%



Finance

	2011 Actual	2012 Budget	2013 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.	35,148	20,000	30,000
Efficiency: Number of departmental asset inventory counts completed.	41	41	41
Efficiency: Transactions processed per month.	2,929	1,667	2,500
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.	3,705,000	5,150,000	5,150,000
Efficiency: Payroll transaction lines processed and posted per month.	308,750	429,166	429,166
Effect/Outcome: Percentage of payroll transactions processed in the regular bi-weekly cycle.	99%	98%	98%

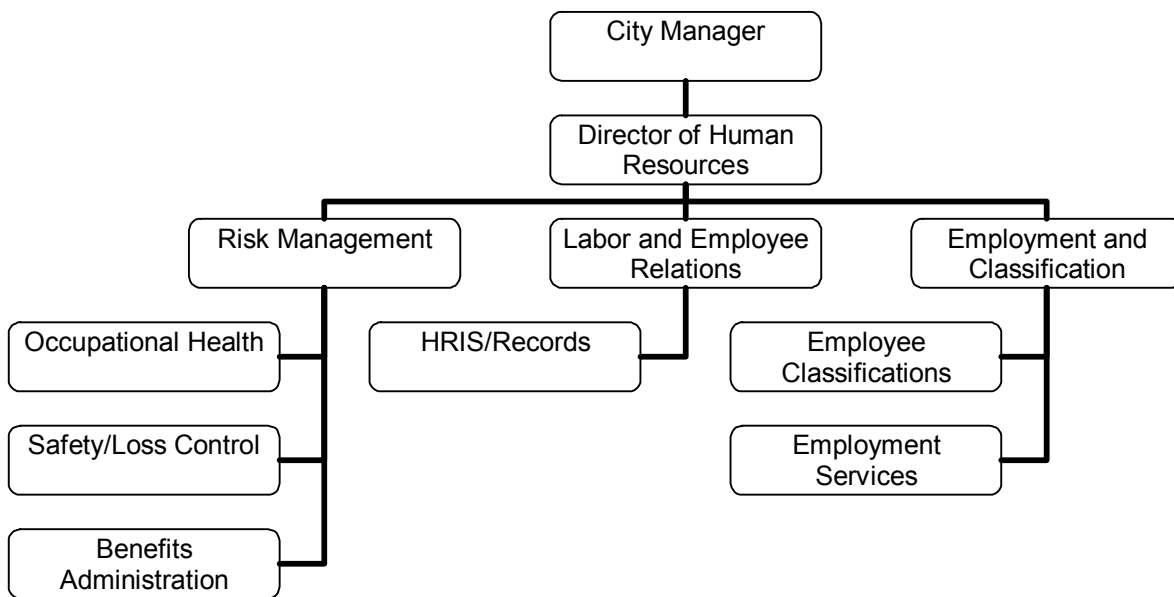
Objective: To achieve a current business license fee collection rate of 99%.			
Demand/Workload: Net amount billed annually for business licenses.	\$6,048,320	\$6,191,622	\$6,136,330
Efficiency: Revenue collected from business license fees.	\$5,987,836	\$6,067,790	\$6,013,600
Effect/Outcome: Percentage 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

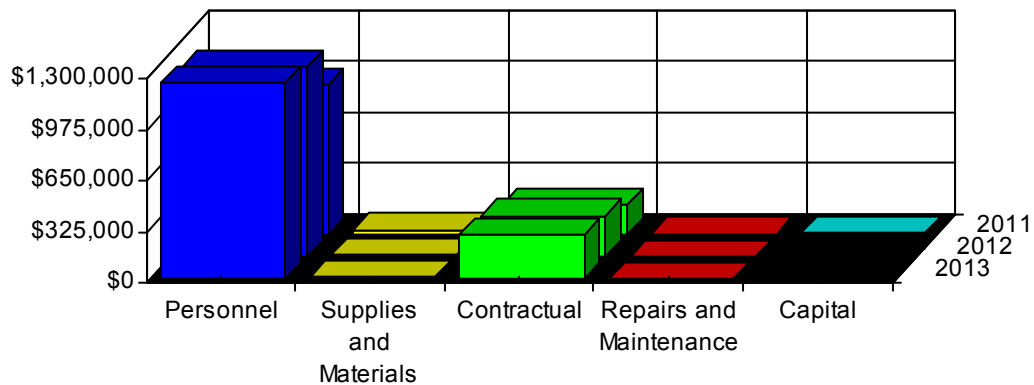
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$954,169	\$1,206,858	\$1,249,772
Supplies and Materials	26,656	13,200	13,200
Contractual	184,356	272,764	285,764
Repairs and Maintenance	293	1,214	1,121
Capital	9,143		
Total	\$1,174,617	\$1,494,036	\$1,549,857

Staffing	18	19	19
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Approximately \$34,000 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees. The Contract allocation includes additional funds for various employee events.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,549,857	3.74%



Human Resources

2012 Department Priorities	Status
Completed Pension review with selected consultant for non-uniform pension plan.	Completed
Implemented new wellness & "Fit for Life" sessions included additional training with information sessions for employees.	Completed
Reviewed initial data mining findings to determine other wellness components for health care initiatives.	Completed
Initiated more routine safety audits of city facilities and coordinated corrective actions with departments.	Completed
Implement changes to non-uniform pension plan, if determined appropriate after pension review.	Ongoing
Revised entry level and promotional processes for various ranks and positions in the Police and Fire Departments.	Completed



2013 Department Goals

Complete a review Administrative Policies and Procedures Manual with updates to applicable sections .

Conduct Fair Labor Standards Act (FLSA) follow-up meetings with Departments.

Implement a 'New' Non-Uniform Pension plan including Plan Document.

Implement safety initiatives with key departments (e.g. Seat Belt awareness; and Personal Protection Equipment (PPE) utilization).

Review Health Care renewal proposal including additional requirements related to Patient Protection and Affordable Care Act (PPACA).

Revise the physical ability test for Firefighter position.

Conduct additional hiring process training, expanding the interviewing and background investigation phases.

Re-implement the regular scheduling of maintenance reviews on a three (3) year cycle.

Develop an acknowledgment system for receipt of all classification-related documents/requests received.



Human Resources

Department: Human Resources
Funding Source: General Fund
Budget: \$1,549,857

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

	2011 Actual	2012 Budget	2013 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.	50	52	50
Workload: Number of enrollment meetings conducted.	50	40	50
Efficiency: Completed enrollment meeting materials by contract and or payroll deadlines.	100%	99%	99%
Effect/Outcome: Percentage of enrollment meeting materials completed by payroll and Contract targets.	100%	100%	100%

Objective: To process and maintain job descriptions and job specifications.			
Demand: Number of active job classifications.	412	425	445
Workload: Number of classifications requests or new position requests per year.(includes LRCVB)	97	79	85
Efficiency: Complete research and submit completed documents for review by requesting department within 60 days.	25	38	60
Effect/Outcome: Average number of days to complete research and submit proposed job descriptions/specification.	25	38	60

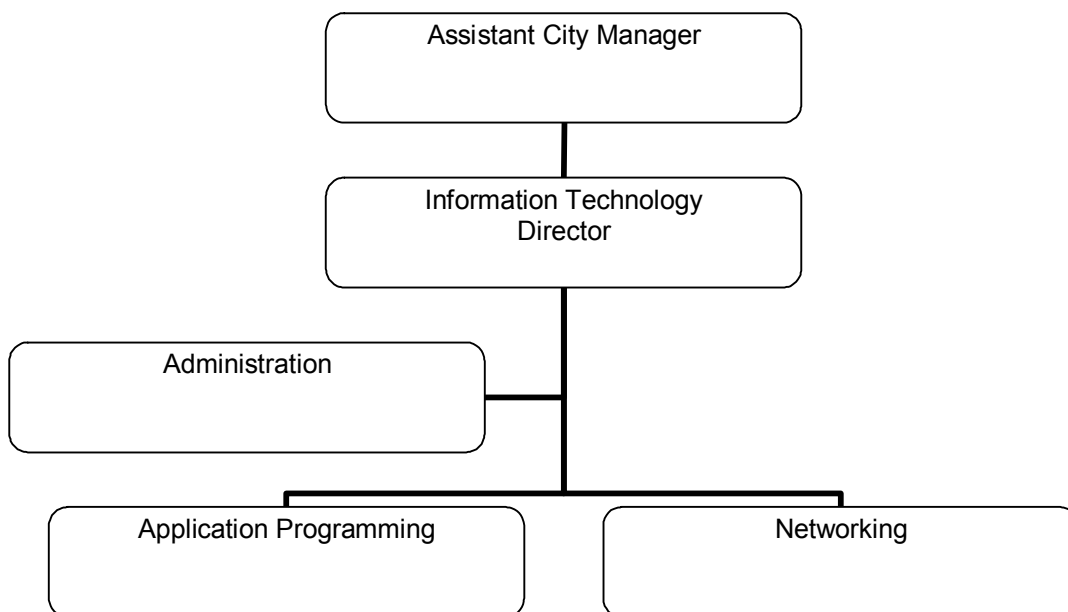
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for Basic City
 Services and Quality of Life.**



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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

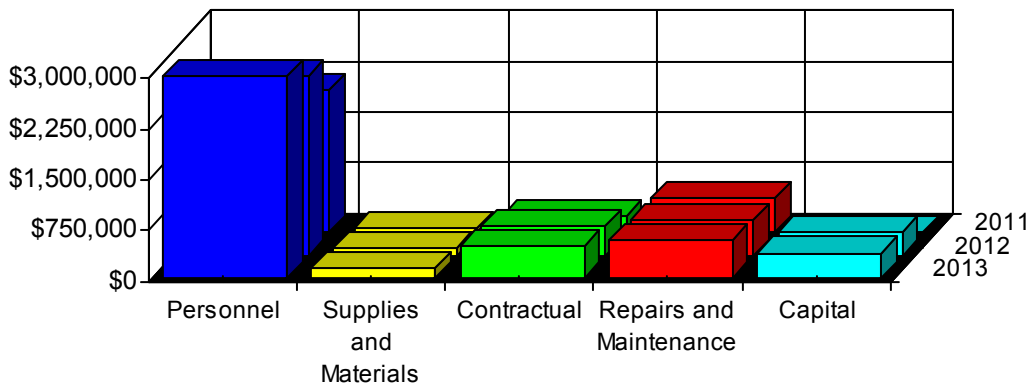
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$2,125,185	\$2,654,706	\$2,993,210
Supplies and Materials	68,638	105,138	105,119
Contractual	240,442	471,514	471,514
Repairs and Maintenance	542,151	539,745	540,060
Capital	5,000	369,062	369,062
Total	\$2,981,416	\$4,140,165	\$4,478,965

Staffing	38	38	39
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Approximately \$335,000 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees. Included in this amount is the addition of one (1) new position for Web management and the retention of two (2) network programmer positions previously funded by grants.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$4,478,965	8.18%



Information Technology

2012 Department Priorities	Status
Upgrade the City email system, moving users to Microsoft Exchange 2010.	Completed
Implemented a fiber ring including the Zoo, Fleet, Street Operations, Fire Training, Disaster Recovery, Emergency Operations Center, Central Fire, and Information Technology.	Completed
Upgraded the Lawson system hardware and software, including network equipment, for City's Enterprise Resource Planning (ERP) system.	Completed
Implement The Arkansas online courts system for the Little Rock District Courts.	Ongoing
Upgrade the Police Incident System to allow it to run in a virtualized environment with the latest national reporting standards.	Ongoing
The department moved test servers and disaster recovery equipment to the disaster recovery location and provided the fiber connection to the facility in place.	Completed
Implemented the mobile device management system to securely allow mobile devices access on the City's network.	Completed
Upgraded the City's firewall infrastructure.	Completed
Create the Department of Information Technology City wide Business Continuity Plan.	Ongoing
Expanded the City's wireless network creating a model for acquiring equipment and installation.	Completed



2013 Department Goals

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

Develop a web-based system to upgrade and replace existing mainframe system.

Assist the Little Rock District Courts with conversion to the State of Arkansas (AOC) system by developing interfaces to the Little Rock Police Department information required by the Little Rock District Courts.

Assist Finance with the upgrade of the False Alarm billing system.

Assist Little Rock Police Department with the upgrade of the 311 System's hardware and software.

Assist Little Rock Police Department to upgrade 911 phone system.

Upgrade and replace the current Little Rock Police Department Incident System on the mainframe. The module will be written in strict accordance with the latest of both the National Incident Based Reporting System (NIBRS) and the National Information Exchange Model (NIEM) standards.

Install and implement KACE management system features which include patch management, software distribution, and software and hardware inventory.

Purchase 1400 Office 2013 licenses for all of the City's workstations and update all the devices with the latest possible version.

Assist the Community Programs Department in selecting and implementing a contract management and service tracking system.

Upgrade and replace the current Little Rock Police Department Property Inventory System on the mainframe.

Create an administrative module to process code tables, supplement transfers, or Little Rock number transfers.



Information Technology

Department: Information Technology
Funding Source: General Fund
Budget: \$4,478,965

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.

	2011 Actual	2012 Budget	2013 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 network is available during work hours.	98%	99%	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.	7,476	8,311	9,000
Workload: Number of ticket processed within the year.	7,476	8,311	9,000
Efficiency: Number of satisfactory or better tickets.	7,176	8,062	8,730
Effect/Outcome: Percent of satisfactory or better rated tickets.	96%	97%	97%

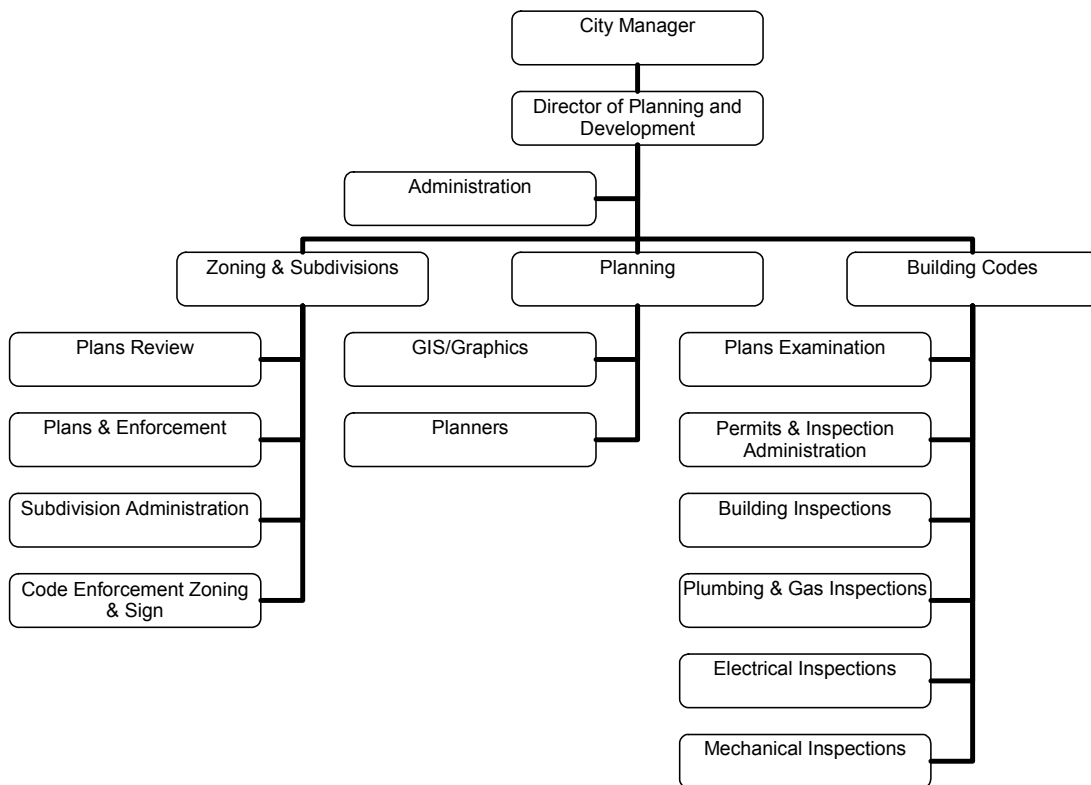
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services.**



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Planning & Development



Mission Statement

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

Planning and Development

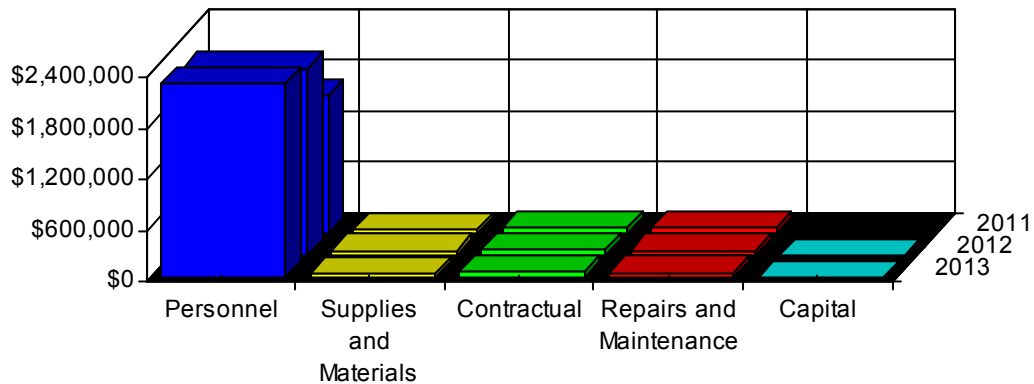
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$1,611,681	\$2,200,328	\$2,295,429
Supplies and Materials	43,168	56,777	58,678
Contractual	47,695	73,178	73,178
Repairs and Maintenance	46,921	57,397	66,863
Capital		5,000	5,000
Total	\$1,749,465	\$2,392,680	\$2,499,148

Staffing	39	39	39
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Approximately \$82,000 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees. Increased Fleet cost is associated with previously vacant positions that were filled during the year. In addition, there are slight increases in supplies and building maintenance included in the 2013 budget.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$2,499,148	4.45%



2012 Department Priorities	Status
Continue to provide staff support for various boards, commissions and committees including Planning Commission, City Beautiful Commission, Historic District Commissions, Neighborhood Stabilization Program 2 (NSP2) Architectural Review Committee and the Board of Directors.	Ongoing
Developed information and completed the work needed for creating a current zoning map on the City's web page.	Completed
Started and completed one area of review and update of the City's future land use plan.	Completed
Coordinate with the Planning Commission and the Board of Directors the review and adoption of any needed Zoning and Subdivision Ordinance Amendments.	Ongoing
Staff reviewed and processed approximately 250 applications for development proposals including rezonings, conditional uses, preliminary plats and planned developments.	Completed
Adopted 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.	Completed
Reviewed all construction related fees for possible changes.	Completed
Committee and Subcommittees (Downtown Little Rock Partnership) and various planning efforts, Green America's Capital and the National Endowment for the Arts (NEA) Our Town grant.	Ongoing
Created a line item in the 2013 budget for a development code.	Completed
Continue to work with the Bicycle Friendly Community committee on various initiatives and tasks. Example- complete street policy.	Ongoing
Develop list of unsafe structures that need to be addressed by bringing up to code or razing and removing from site.	Ongoing



2013 Department Goals

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

Continue to work on the implementation of the MacArthur Park Design guidelines which also includes adding an "Institutional" category.

Complete one area of review and update of the City's future land use plan and begin the process for one area west of I-430.

Coordinate with Planning Commission and Board of Directors any needed review of any Planning related ordinance.

Staff will review and process approximately 150 requests for rezoning, conditional uses, variances, preliminary plats and planned developments.

Adopt the 2012 International Fire, Building and Residential Code, (subject to State of Arkansas action) the 2009 International Energy Conservation Code and 2012 International Existing Building Code.

Continue effort to address the issue of unsafe structures.

Continue to be involved with the Main Street Revitalization Committee and Subcommittees (Downtown Little Rock Partnership) and various planning efforts, Green America's Capital and the NEA Our Town grant.

Begin the process to undertake a review/analysis of the zoning/subdivision ordinance if funding is identified.



Department: Planning and Development
Funding Source: General Fund
Budget: \$2,499,148

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

	2011 Actual	2012 Budget	2013 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.	24	26	20
Workload: Land Use, Historic District, and River Market District cases processed.	24	26	20
Efficiency: Cases reviewed/completed per month.	2	2	2
Effect/Outcome: Completion of cases	100%	100%	100%

Objective: To process all inspection request within one (1) day.			
Demand: Building, Plumbing Mechanical, and Electrical inspection requests possible.	14,086	14,000	14,000
Workload: Building, Plumbing Mechanical, and Electrical inspection requests completed.	14,086	14,000	14,000
Efficiency: Inspection requests completed per year	14,086	14,000	14,000
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.	6,376	6,500	6,500
Workload: Zoning, subdivision and sign code inspections, and re-inspections completed.	6,376	6,500	6,500
Efficiency: Cases processed per year.	6,376	6,500	6,500
Effect/Outcome: Compliance and completion of cases.	100%	100%	100%

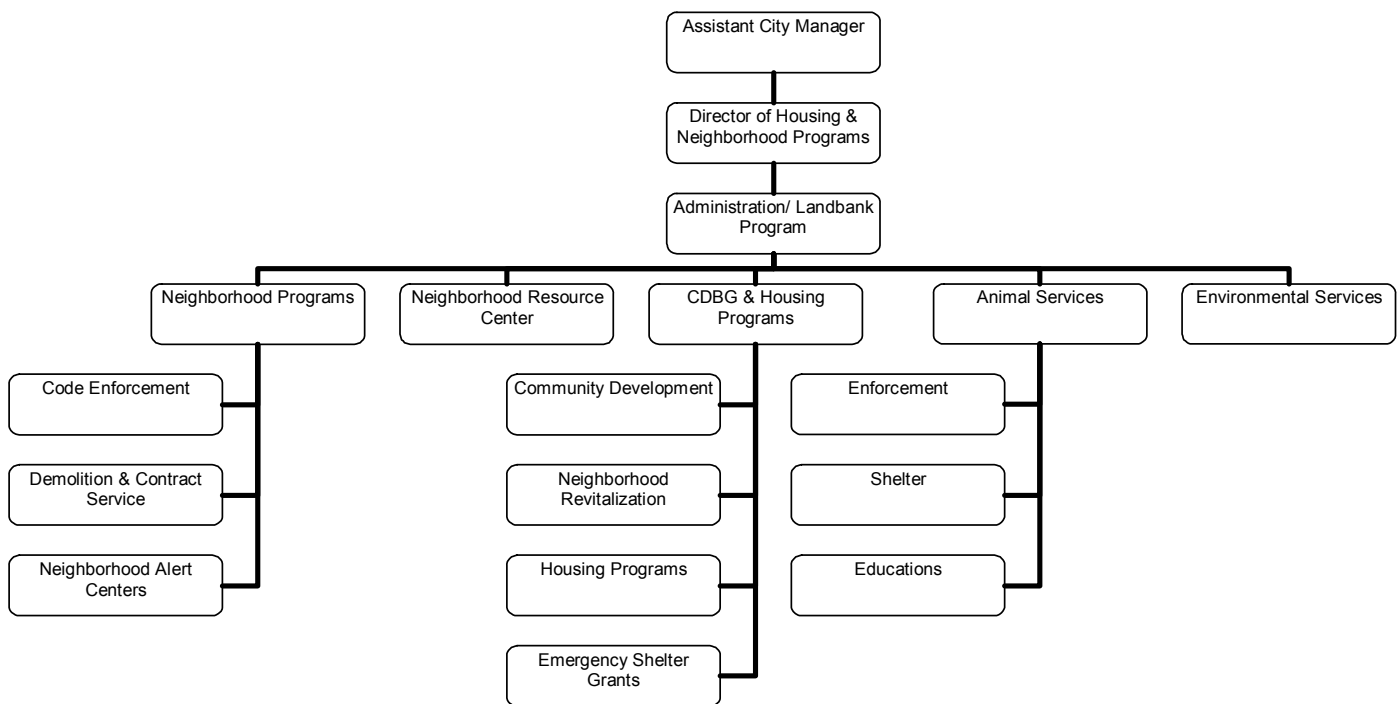
The departmental goals and objectives link with the
Board of Directors Statement of Management Policy for Basic City Services.



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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

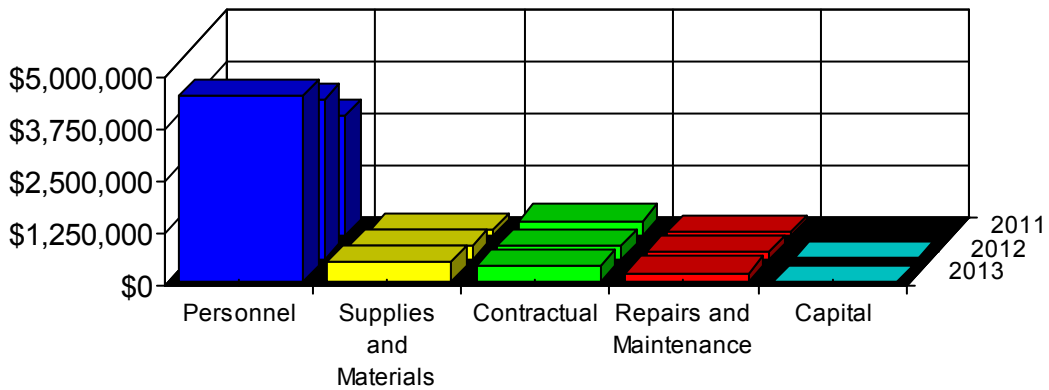
Expenditure Budget

Description	2011	2012	2013
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$2,917,935	\$3,849,656	\$4,490,114
Supplies and Materials	234,342	313,085	472,911
Contractual	333,471	314,498	359,233
Repairs and Maintenance	142,003	185,774	197,439
Capital		15,000	15,000
Total	\$3,627,751	\$4,678,013	\$5,534,697

Staffing	94	96	103
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Approximately \$551,000 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees, and includes funding for the addition of eight (8) code enforcement officers in 2013. Other increases reflect the additional supplies, Fleet cost, and operating equipment required for the staffing added in 2012 and 2013.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$5,534,697	18.31%



Housing and Neighborhood Programs

2012 Department Priorities	Status
Reviewed and revised Housing department's mission statement.	Completed
Complete an updated rehabilitation standards manual.	Ongoing
Complete a Policy and Procedure Manual for Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Housing Opportunities for Persons with AIDS (HOPWA) programs.	Ongoing
Implement programs that will generate program income.	Ongoing
Increase staff, grantee and contractor capacity.	Ongoing
Completed the required units and expenditures for the Neighborhood Stabilization Program 2 (NSP 2).	Completed
Improve the image of the Housing division by educating the public and city staff on program purposes.	Ongoing
Research opportunities to fund displaced residents.	Ongoing
Identify neighborhood groups that are inactive or need assistance reforming. Build capacity for neighborhood groups that need assistance.	Ongoing
Reduced call for service and became more proactive through addition of Animal Control Officers.	Completed
Raise funds to build Rescue Waggin quarantine area.	Ongoing
Continued partnership with Rescue Waggin to send 700 animals to caring homes.	Completed
Completed the dog park and the Animal Village.	Completed
Worked through the City Manager's Office to demolish priority one (1) unsafe/vacant structures.	Completed
Trained staff and vigorously enforced the ordinance that addresses parking in the yard.	Completed
Trained staff and effectively enforce the new trash/waste receptacle ordinance for multi-family complexes and mobile home parks.	Completed



2013 Department Goals
Develop a quarterly news letter for the department.
Implement the "Neighborhood of the Year" program.
Develop divisional brochures and public service announcements for each division within the department.
Provide ongoing Code Officer training.
Improve Code Division complaint response time.
Develop single-family housing units with Land Bank and NSP 2 programs.
Increase number of contractors participating in housing development programs.
Continue to acquire Land Bank properties through donations, lien foreclosures and purchases for future development.
Expand the capacity at the dog park and animal village.
Increase number of animal adoptions to exceed 1,500 annually.



Housing and Neighborhood Programs

Department: Housing and Neighborhood Programs
Funding Source: General Fund
Budget: \$5,534,697

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.

	2011 Actual	2012 Budget	2013 Budget
Objective: To inspect neighborhood rental property.			
Demand: Rental property to be inspected.	1,500	1,500	1,500
Workload: Rental property inspected.	896	840	1,500
Efficiency: Average Rental property inspected per month.	75	70	125
Effect/Outcome: Percentage of rental inspections completed yearly.	60%	56%	100%

Objective: To enforce nuisance codes through property inspections.			
Demand: Nuisance code inspections to be performed.	20,000	20,000	24,000
Workload: Nuisance code inspections performed.	17,711	15,188	24,000
Efficiency: Average nuisance code inspections done per month.	1,426	1,266	2,000
Effect/Outcome: Percentage of nuisance code inspections completed per year.	86%	76%	100%

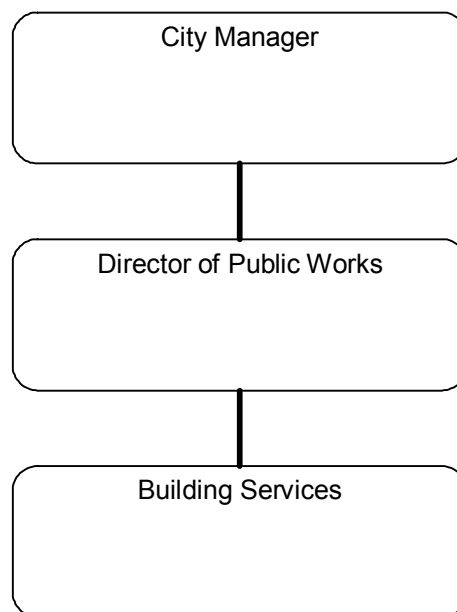
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for a
 Safe City and Basic City Services.**




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Public Works General Fund



Mission Statement

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

Public Works General Fund

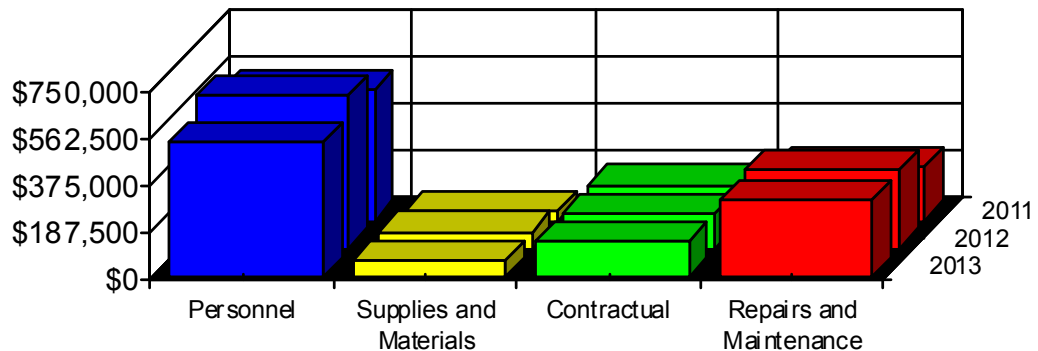
Expenditure Budget - General Fund

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$523,993	\$612,218	\$634,737
Supplies and Materials	37,050	63,187	60,635
Contractual	140,685	139,495	139,495
Repairs and Maintenance	216,915	309,798	303,479
Total	\$918,643	\$1,124,698	\$1,138,346

Staffing	2011	2012	2013
	13	13	13

Approximately \$22,000 of the personnel increase is attributed to salary, health care, and pension contribution increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget 100 General Fund	FY 13 Proposed Budget \$1,138,346	% Change from Prior Year 1.21%
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Public Works General Fund

2012 Department Priorities	Status
Energy Efficient Building Maintenance: Continue to support maintenance and construction that will make buildings more energy efficient, less expensive to maintain and environmentally friendly.	Ongoing
Installation of Motion Sensors: Continue to install motion sensors on lighting to conserve energy as funds become available.	Ongoing
Install Additional HVAC Units: Purchased and installed additional replacement HVAC units as part of the Stimulus Funding.	Completed



2013 Department Goals

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

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

Below the text are 18 horizontal lines, alternating between white and light gray, providing a template for additional department goals.



Public Works General Fund

Department: Public Works
Funding Source: General Fund
Budget: \$1,138,346

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.

	2011 Actual	2012 Budget	2013 Budget
Objective: To complete all building-related service work orders in a timely fashion.			
Demand: Work orders to be completed from City departments.	2,800	2,200	1,400
Workload: Work orders completed.	2,800	2,200	1,400
Efficiency: Work orders completed per month.	233.33	183.33	116.67
Effect/Outcome: Total percentage of work orders completed.	100%	100%	100%

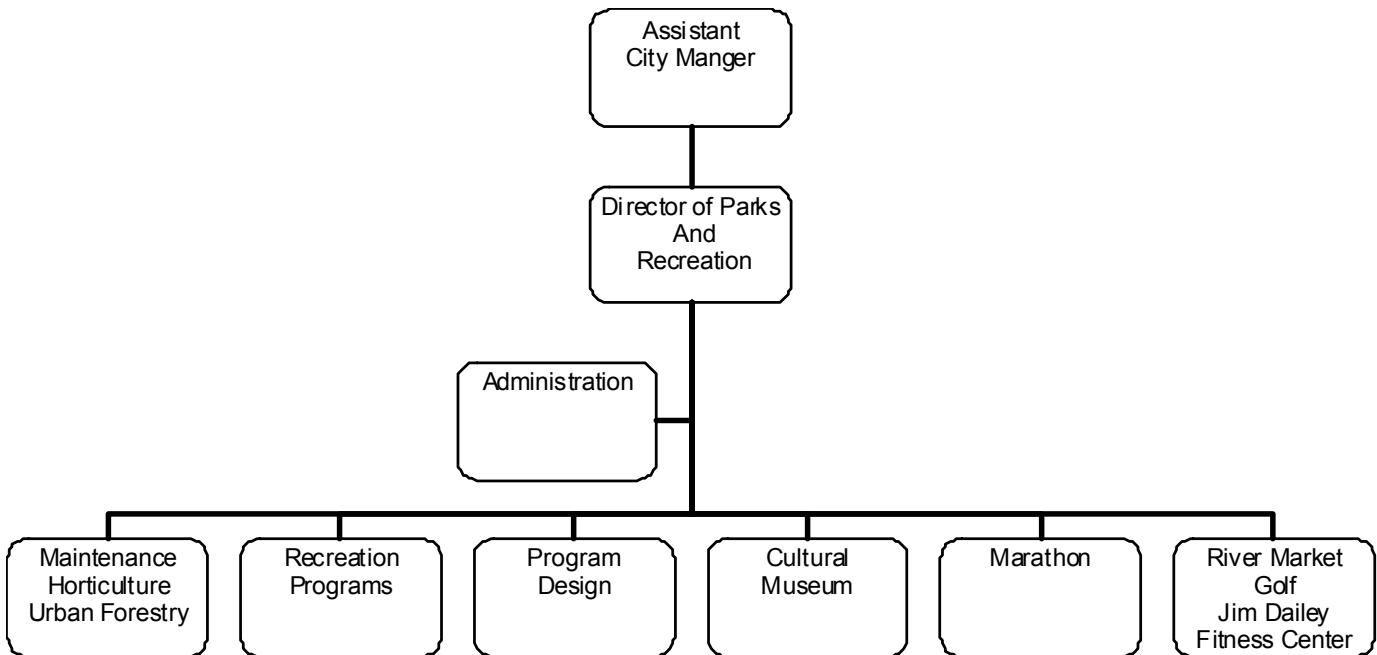
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services.**



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Parks and Recreation



Mission Statement

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

Parks and Recreation

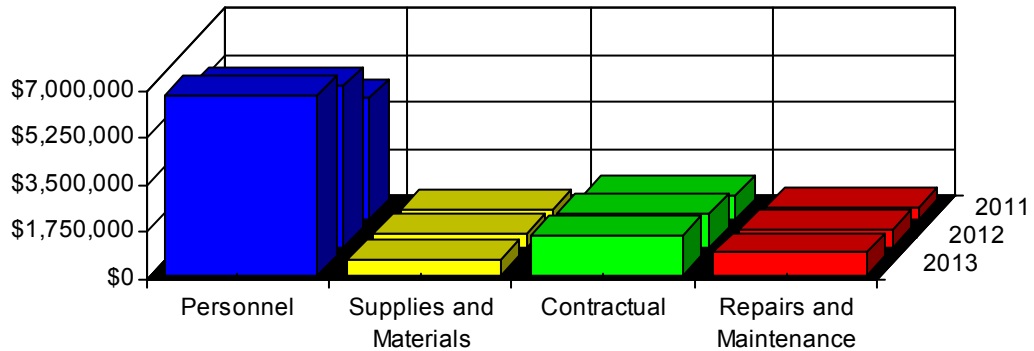
Expenditure Budget - General Fund

Description	2011	2012	2013
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$4,515,054	\$6,003,892	\$6,692,755
Supplies and Materials	353,512	494,943	573,941
Contractual	1,149,360	1,268,464	1,504,077
Repairs and Maintenance	554,768	761,530	763,390
Total	\$6,572,694	\$8,528,829	\$9,534,163

Staffing	100	117	119
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The increases in the Parks Department reflect the continuation of the new sales tax allocation to provide enhanced park maintenance and support for the operating cost of The Centre at University Park for a full year. Tennis operations were restored to a full schedule. Part-time and over-time funding has also been increased. In addition, increased allocations for water and electricity associated with splash pads and other park improvements are reflected in the 2013 budget.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$9,534,163	11.79%



Parks and Recreation

2012 Department Priorities	Status
Arkansas River Trail: Continue to seek solutions to complete the construction of the Arkansas River Trail.	Ongoing
Ottenheimer Therapeutic Center: Opened and dedicated the Ottenheimer Therapeutic Recreation Center.	Completed
Centre at University Park: Continue the development and construction plans of the Centre at University Park; to open in late 2012.	Ongoing
Park Maintenance Upgrade: As a result of the successful 2011 Sales Tax campaign, begin initiative to upgrade park maintenance from Class C to Class B.	Ongoing
Step Up to Health Initiative: Continue promotion of the Step Up to Health Initiative, which will inspire citizens to pursue healthier lifestyles, creating a more livable community.	Ongoing
Capital Projects: Begin initial implementation phase of capital projects funded via the 2011 City Sales Tax: Natural Steps, Park Upgrades and Trails.	Ongoing
Little Rock Parks and Recreation Master Plan: Update the 2001 Little Rock Parks and Recreation Master Plan.	Ongoing
Summer Playground Program: Operation of an eight (8) week Summer Playground Program at seven (7) sites around the City for youth between the ages of six (6) and fifteen (15).	Ongoing
MacArthur Park Master Plan: Continue the implementation of the MacArthur Park Master Plan.	Ongoing
Little Rock Marathon Improvements: Increased the Little Rock Marathon participation and revenue by ten percent for the tenth anniversary.	Completed
Parks and Recreation Playground Inspection Program: Conducted a thorough and detailed inspection of every playground within Parks and Recreation inventory.	Completed
Lights on After School: Continuation of the "Lights on After School" Initiative, which will continue to promote the critical importance of quality after-school programs within the lives of children, their families and community.	Ongoing



2013 Department Goals

Parks Maintenance Upgrade: As a result of the successful 2011 Sales Tax campaign, begin initiative to upgrade park maintenance from Class C to Class B.

Continue construction of the Centre at University Park to open in late spring or early summer 2013.

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

Lights on After School: Continue to promote the critical importance of quality after-school programs within the lives of children, families and the community.

Little Rock Parks and Recreation Master Plan: Update the 2001 Little Rock Parks and Recreation Master Plan.

Parks Revenue Bond Projects: Complete the following projects related to the bond: War Memorial Park, Prospect Terrace and Natural Steps.

Capital Projects: Continue the implementation of capital projects funded via the 2011 City Sales Tax: Natural Steps, Park Upgrades, Trails, West Central Community Center and Pool.

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 ten percent (10%) in 2013.

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

Step Up to Health Initiative: Continue promotion of the Step Up to Health Initiative, which will inspire citizens to pursue healthier lifestyles, creating a more livable community.

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

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



Parks and Recreation

Department: Parks and Recreation
Funding Source: General Fund
Budget: \$9,534,163

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.

	2011 Actual	2012 Budget	2013 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.	195,775	204,225	204,225
Workload: Recreational opportunities attended.	189,975	201,225	201,225
Efficiency: Average seasonal attendance.	47,494	50,306	50,306
Effect/Outcome: Percentage of attendance versus opportunities available.	97%	98%	98%

Objective: Evaluate and upgrade existing capital projects based on need and fund availability.			
Demand: Capital projects to be managed annually.	72	79	82
Workload: Actual projects managed annually.	36	48	72
Efficiency: Projects actively managed monthly.	60	24	48
Effect/Outcome: Percentage of capital projects managed.	50%	61%	87%

Objective: Mow each park every ten (10) days during the mowing season.			
Demand: Number of desired mowing cycles.	14	21	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%

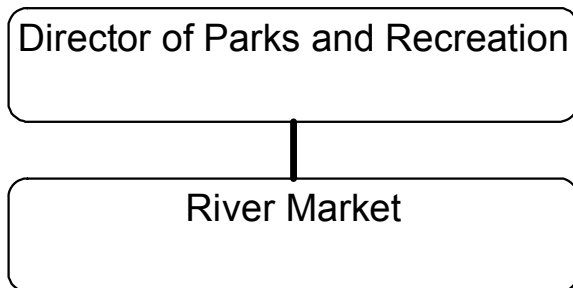
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for
 Quality of Life.**



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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

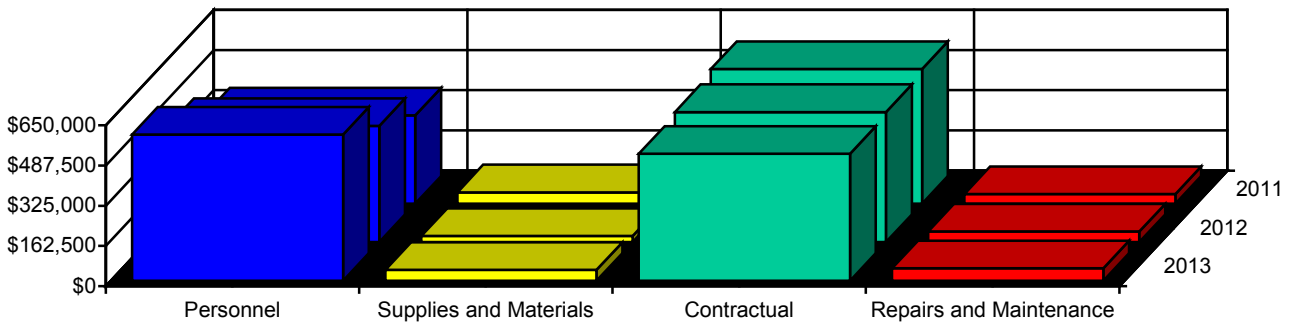
Expenditure Budget - River Market

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$356,570	\$469,780	\$590,434
Supplies and Materials	45,780	25,000	43,766
Contractual	544,122	526,100	513,600
Repairs and Maintenance	38,888	43,000	50,000
Total	\$985,360	\$1,063,880	\$1,197,800

Staffing	2011	2012	2013
	0	0	0

The River Market fund was consolidated with the General Fund at the end of 2012. The Little Rock Convention and Visitor’s Bureau will continue to operate the River Market on behalf of the City in 2013.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,197,800	12.59%



River Market

2013 Department Goals

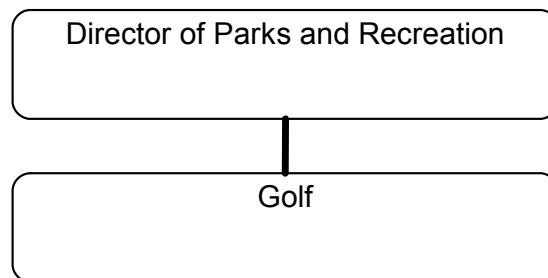
Little Rock Convention and Visitors Bureau (LRCVB) will continue management of River Market operations on behalf of the City for 2013.

The City will continue to provide support to the River Market at the level of \$250,000.

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Golf



Mission Statement

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

Golf

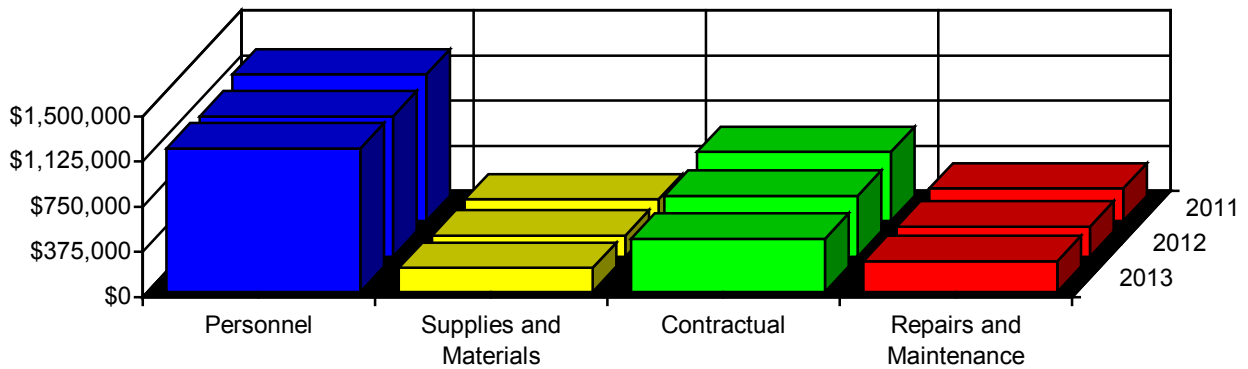
Expenditure Budget

Description	2011	2012	2013
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$1,220,151	\$1,165,807	\$1,193,686
Supplies and Materials	181,836	180,312	187,575
Contractual	575,641	504,083	442,577
Repairs and Maintenance	270,992	249,679	257,714
Debt Service		10,000	
Total	\$2,248,620	\$2,109,881	\$2,081,552

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. The Golf fund will be consolidated with the General Fund. Depreciation expense is not applicable to the General Fund and has been eliminated.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$2,081,552	-1.34%



Golf

2012 Department Priorities	Status
Generate a minimum of \$345,185 in revenue at Hindman Golf Course, while keeping expenditures within budget.	Not Completed
Generate a minimum of \$364,960 in revenue at War Memorial Golf Course, while keeping expenditures within budget.	Not Completed
Generate a minimum of \$901,420 in revenue at Rebsamen Golf Course, while keeping expenditures within budget.	Not Completed
Maintained Rebsamen, Hindman and War Memorial Golf Courses to established standards.	Completed



Golf

2013 Department Goals

Generate a minimum of \$1,068,800 in revenue at Rebsamen Golf Course, while keeping expenditures within budget.

Generate a minimum of \$389,210 in revenue at War Memorial Golf Course, while keeping expenditures within budget.

Generate a minimum of \$323,170 in revenue at Hindman Golf Course, while keeping expenditures within budget.

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



Department: Golf
Funding Source: General Fund
Budget: \$2,081,552

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.

	2011 Actual	2012 Budget	2013 Budget
Objective: To provide affordable golfing experiences for the citizens of Little Rock.			
Demand: Projected golf rounds.	72,000	65,000	67,500
Workload: Actual golf rounds.	61,572	69,120	67,500
Efficiency: Average rounds per month.	5,131	5,760	5,625
Effect/Outcome: Percentage of actual rounds of golf.	85%	106%	100%

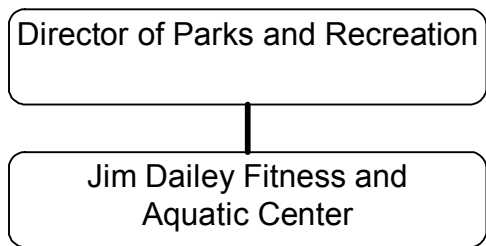
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Quality of Life.**



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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

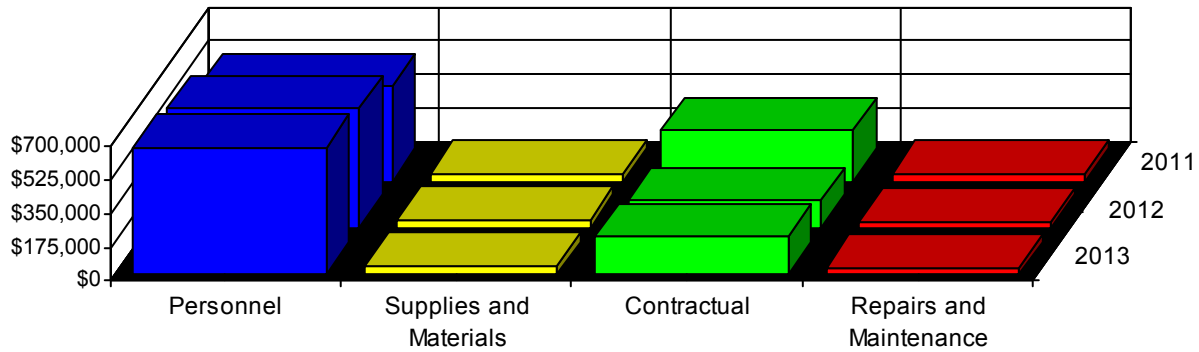
Expenditure Budget

Description	2011	2012	2013
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$492,734	\$629,754	\$631,654
Supplies and Materials	43,160	46,223	46,214
Contractual	266,450	177,401	181,529
Repairs and Maintenance	41,522	31,917	32,078
Total	\$843,866	\$885,295	\$891,475

Staffing	2011	2012	2013
	9	9	9

The Jim Dailey Fitness and Aquatics Fund will be consolidated with the General Fund. Depreciation expense is not applicable to the General Fund and has been eliminated. The transfer to Golf operations has been discontinued.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$891,475	0.70%



2012 Department Priorities	Status
Create Fitness/Health Activities that relate to the department's Step Up Health and the city's "Growing Health Community Initiative."	Ongoing
Increased revenue by offering new programs and attracted new members from the public and corporate organization, with an increase of 4.5% in 2012.	Completed
Through a public relations initiative, staff will work to increase corporate and annual memberships by 5.0%.	Ongoing



2013 Department Goals

Examine all health and wellness programs to ensure they encourage healthy bodies and minds.

Create partnerships with community organizations and corporations, which foster Health/Wellness and fitness, increasing participation in our established programs.

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Jim Dailey Fitness and Aquatic Center

Department: Jim Dailey Fitness Center
Funding Source: General Fund
Budget: \$891,475

Department Description:

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

	<u>2011 Actual</u>	<u>2012 Budget</u>	<u>2013 Budget</u>
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	198,000	201,000
Workload: Actual program attendance.	160,900	170,000	180,000
Efficiency: Attendance per month.	13,650	14,166	15,666
Effect/Outcome: Percentage of actual attendance over potential attendance.	84%	86%	90%

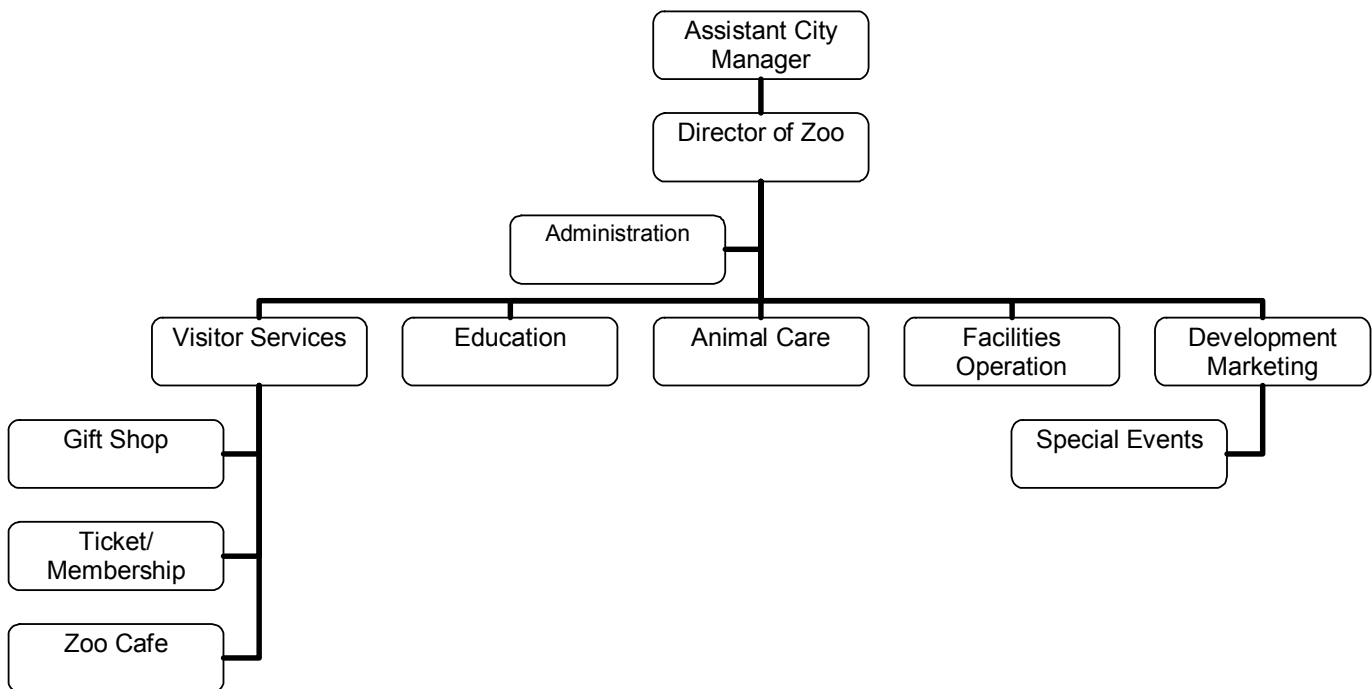
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Quality of Life.**



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Zoo



Mission Statement

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

Zoo

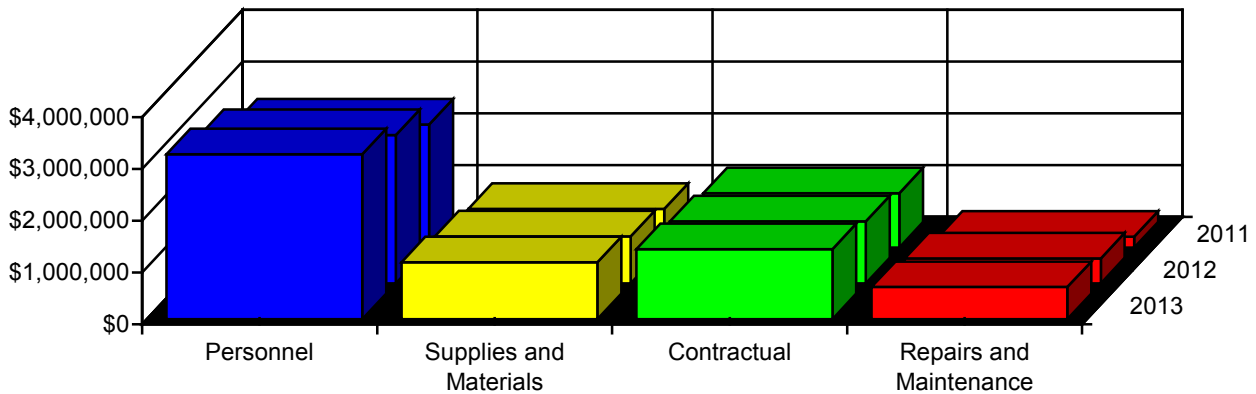
Expenditure Budget

Description	2011	2012	2013
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$2,379,914	\$2,864,049	\$3,185,466
Supplies and Materials	794,939	935,108	1,044,494
Contractual	1,050,721	1,196,727	1,249,008
Repairs and Maintenance	203,358	613,823	612,336
Total	\$4,428,932	\$5,609,707	\$6,091,304

Staffing	46	56	57
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The increase in personnel cost is attributed to salary, health care, and pension contribution increases for non-uniform employees and reflects the addition of one (1) Zoo Maintenance Technician position. The Zoo Fund was consolidated with the General Fund at the end of 2012. The 2011 Actual Expenditures and the 2012 Adopted Budget have been adjusted to reflect this change.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$6,091,304	8.59%



Zoo

2012 Department Priorities	Status
Zoo opened the new cheetah exhibit in Spring of 2012.	Completed
Implement staffing recommendations of Strategic Plan.	Ongoing
Zoo is updating the Zoo Master Plan.	Ongoing
Zoo hired a full-time Education Curator.	Completed
Zoo is in the process of acquiring an additional Asian Elephant.	Ongoing
Improve and promote diversity within the Zoo department.	Ongoing
Assist Arkansas Zoological Foundation in fundraising projects.	Ongoing
Implement a plan to bring in new tax revenue.	Ongoing
Develop and implement a deferred maintenance plan for all facilities.	Ongoing



Zoo

2013 Department Goals
Update the Zoo Master Plan.
Improve and promote diversity within the Zoo.
Continue implementation of the Zoo Strategic Plan.
Replace & Update Zoo Graphics on all operations media and advertising material.
Reinstate the Zoo Education Division to further promote and stimulate interest within the Zoo.
Upgrade the horticulture throughout the entire zoological gardens and exhibits.



Zoo

Department: Zoo
Funding Source: General Fund
Budget: \$6,091,304

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.

	2011 Actual	2012 Budget	2013 Budget
Objective: To track annual gate attendance.			
Demand: Anticipated annual attendance.	185,510	192,235	229,573
Workload: Actual annual attendance.	307,123	323,044	229,573
Efficiency: Average attendance per month.	25,594	11,534	19,131
Effect/Outcome: Percentage of attendance over anticipated levels.	166%	168%	100%

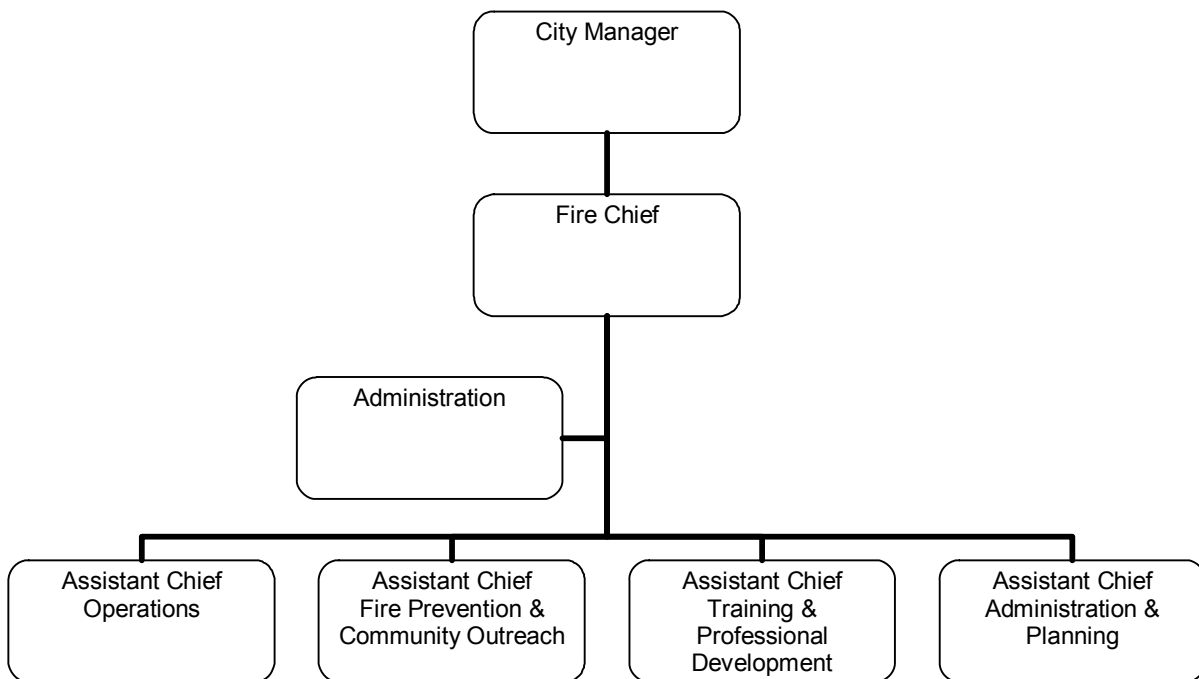
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Quality of Life.**



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Fire



Mission Statement

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

Fire

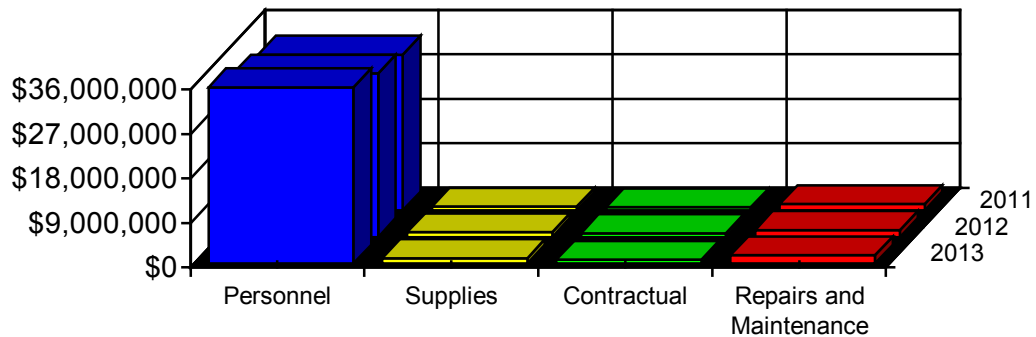
Expenditure Budget

Description	2011	2012	2013
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$36,060,479	\$33,100,172	\$35,625,874
Supplies and Materials	795,573	967,615	1,103,779
Contractual	672,067	770,484	776,634
Repairs and Maintenance	1,322,774	1,417,520	1,660,765
Total	\$38,850,893	\$36,255,791	\$39,167,052

Staffing	408	421	421
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The Fire Department budget reflects increased funding for salaries, health care, and pension contributions for existing staff and includes a full year of funding for the twelve (12) new positions for the West Little Rock Fire Station added during 2012.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$39,167,052	8.03%



Fire

2012 Department Priorities	Status
Responded to 26,793 calls for service including fires and explosions, rescue and emergency medical care, hazardous condition and natural disaster calls.	Completed
Completed construction and opening of a new fire station in west Little Rock; funded through an American Recovery and Reinvestment Act Grant and City of Little Rock tax initiative.	Completed
Upgrade the authority and safety of the Fire Marshals Division through training of five (5) Fire Marshals to become certified law enforcement officers to increase arson arrest rate by 300%.	Ongoing
Continue with steps to obtain national accreditation and become recognized as a first class fire department.	Ongoing
Upgrade Fire Department vehicles to include the purchase of four (4) staff vehicles, one (1) aerial truck and three (3) engines.	Ongoing
Enhance firefighter safety and training through the purchase of a driving simulator and the establishment of a simulator training course.	Ongoing



Fire

2013 Department Goals

- Improve Labor/Management Relations within the Little Rock Fire Department.
- Prepare for Insurance Services Organization (ISO) review in 2014.
- Require mandatory Post Incident analysis after each large fire loss.
- Implement a Fire apparatus engineer certification program.
- Implement a Fire Captain/company officer certification program.
- Initiate Little Rock Fire Department “Don’t text and Drive” campaign.
- Implement sixteen (16) Firefighter safety and health initiatives as budget permits.
- Increase public awareness of department activities.
- Implement public relations mass smoke alarm installation days; six (6) per year targeting high risk demographics.
- Create an organizational environment that will promote member commitment and loyalty.
- Establish Little Rock Fire Department volunteer Chaplaincy program.
- Implement web based training to enhance in-service training capabilities.



Fire

Department: Fire
Funding Source: General Fund
Budget: \$39,167,052

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.

	2011 Actual	2012 Budget	2013 Budget
Objective: Train certified personnel to meet the individual training hours required by Insurance Services Organization (ISO) and improve the competence level of the workforce.			
Demand: Total number of hours of training completed.	91,440	91,440	91,440
Workload: Total number of hours of individual training required per year.	62,987	106,739	91,440
Efficiency: Average number of training hours per person.	165	280	140
Effect/Outcome: Percentage of training hours vs. required hours.	69%	117%	100%

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.	2,274	2,424	2,524
Workload: Commercial Building and Structures inspected annually.	5,597	6,208	6,508
Efficiency: Commercial Building and Structures inspected per month.	466	517	542
Effect/Outcome: Percentage of inspections completed annually.	246%	256%	258%

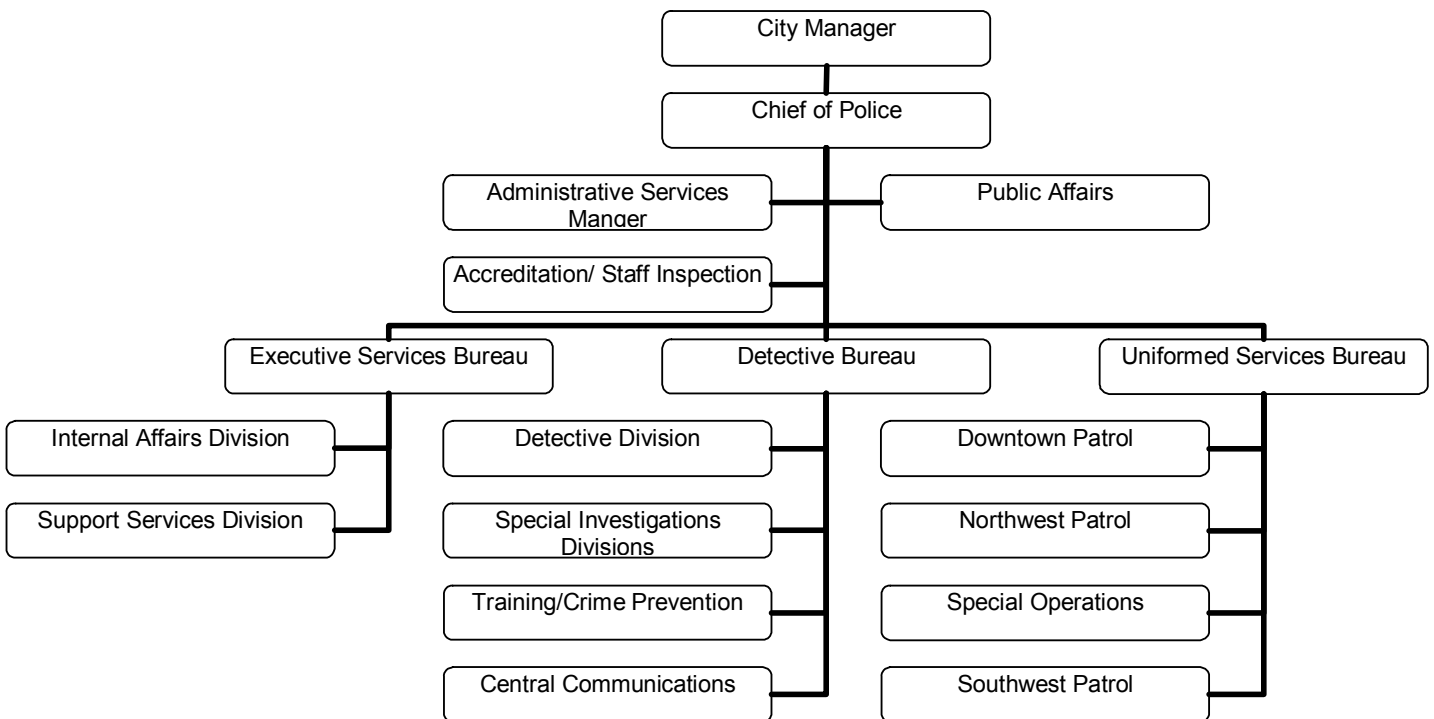
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

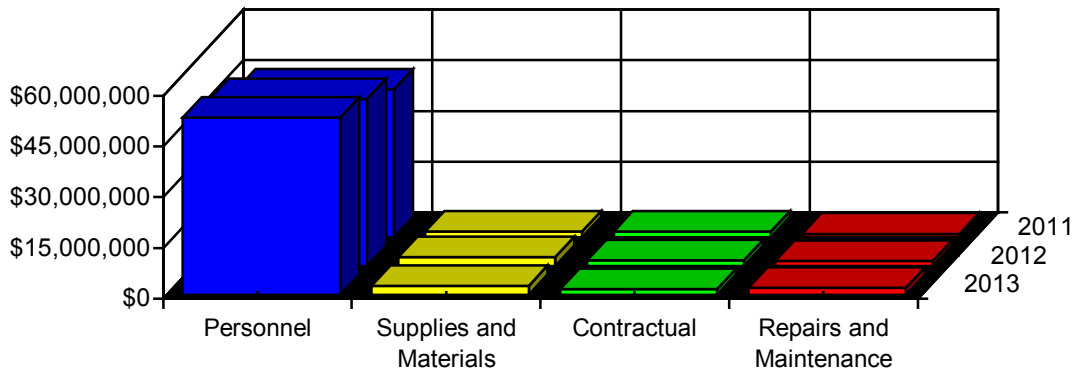
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$48,095,043	\$49,225,542	\$52,204,197
Supplies and Materials	1,906,351	2,421,428	2,614,884
Contractual	1,429,356	1,568,287	1,704,793
Repairs and Maintenance	1,515,811	1,792,567	1,877,957
Total	\$52,946,561	\$55,007,824	\$58,401,831

Staffing	697	709	715
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Police Department increases reflect the continued effort to fill vacant uniform and 911/311 call taker positions and include funding for the twelve (12) new uniform positions added during 2012. There are six (6) new positions in the Police Department in 2013. The new positions are additional COPP officers that will be supported by the Children, Youth, and Family Special Project funding. 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 13 Proposed Budget	% Change from Prior Year
100 General Fund	\$58,401,831	6.17%



Police

2012 Department Priorities	Status
The Police Department will continue "Click It or Ticket" seatbelt usage campaign.	Ongoing
Little Rock Police Department (LRPD) endeavors to reduce the number of crimes against persons and property.	Ongoing
Partner with the State of Arkansas Highway Safety Project to administer the Driving While Intoxicated (DWI)/Driving Under Influence (DUI) enforcement campaigns.	Ongoing
LRPD will administer the Command Staff development program.	Ongoing
LRPD conducted at least one (1) Recruit school for new officers.	Completed
The department will continue construction preparation for the 12th Street Police Substation.	Ongoing



Police

Department: Police
Funding Source: General Fund
Budget: \$58,401,831

Department Description:

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

	2011 Actual	2012 Budget	2013 Budget
Objective: To respond to high priority calls			
Demand: Calls to respond	154,288	155,175	155,525
Workload: Calls responded	154,288	155,175	155,525
Efficiency: Total minutes from dispatch to arrival	11.5	11.5	11.3
Effect/Outcome: Percentage of calls with response time under 14 minutes	98%	98%	98%

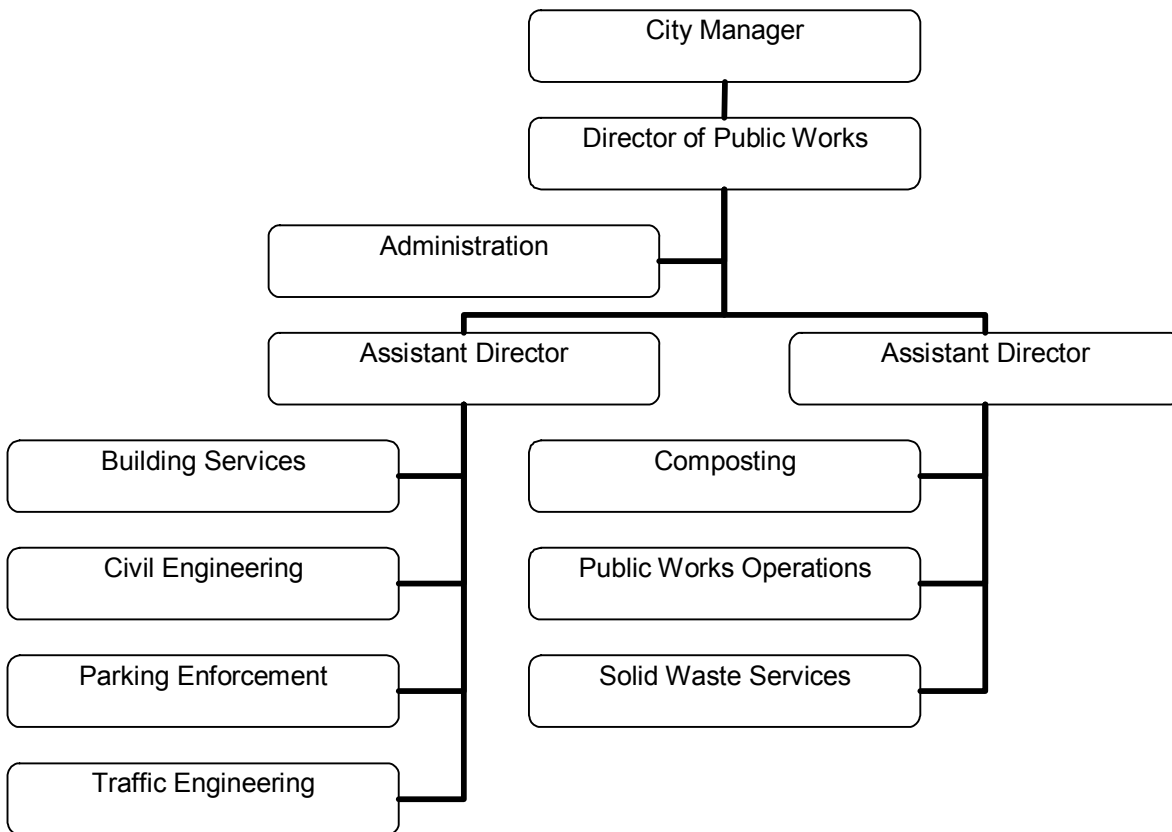
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

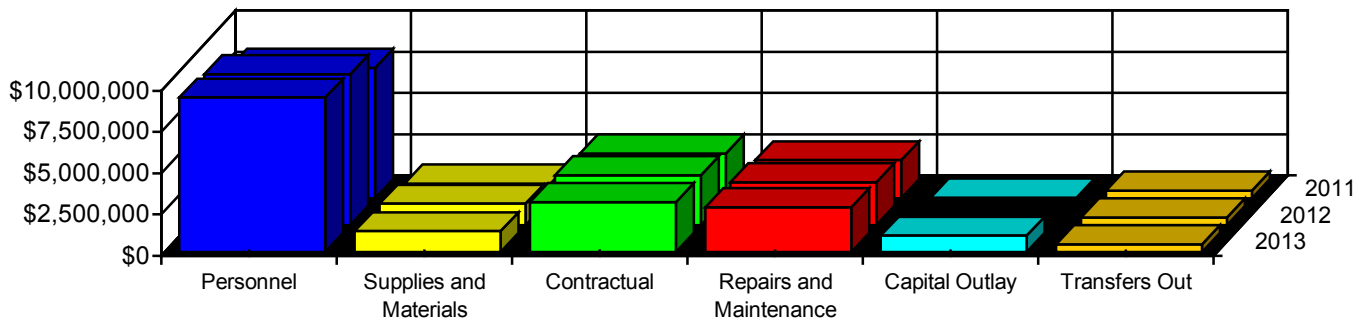
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$7,926,582	\$9,188,772	\$9,243,209
Supplies and Materials	887,558	1,275,521	1,248,662
Contractual	2,735,195	3,025,819	3,016,319
Repairs and Maintenance	2,314,569	2,595,283	2,646,889
Capital Outlay	40,950		973,500
Transfers Out	466,217	466,217	466,217
Total	\$14,371,071	\$16,551,612	\$17,594,796

Staffing	210	211	215
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The 2013 Street Fund budget will receive additional funding from a new state ½ cent sales tax for roads that is effective July 1, 2013. The budget includes a capital allocation of \$973,500 associated with the new tax. The personnel cost increase is attributed to salary, health care, and pension contribution increases for non-uniform employees. There are four (4) new full time positions in the Street Department associated with a re-entry program utilized for side-walk construction.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
200 Street Fund	\$17,594,796	6.30%



Public Works Street Fund

2012 Department Priorities	Status
<p>Storm Water Pollution Prevention Plan: Continue the Central Maintenance Facility annual and quarterly inspection and reports in accordance with the facility's Storm Water Pollution Prevention Plan. The annual and quarterly inspections and reports for the Central Maintenance Facility were performed during 2012 in accordance with the facilities Storm Water Pollution Prevention Plan.</p>	<p>Ongoing</p>
<p>Land Acquisition for Scott Hamilton Road: Assisted the Arkansas Highway and Transportation Department (AHTD) with the land acquisition process for Scott Hamilton Road project.</p>	<p>Completed</p>
<p>South Loop Bypass: Assist the AHTD with the planning and construction of the South Loop Bypass from Mabelvale West to Alexander Road. Scheduled for February 2012 bid opening.</p>	<p>Ongoing</p>
<p>National Pollutant Discharge Elimination System (NPDES) Storm Water Permit: Finished work on the new draft NPDES Storm water Permit with the Arkansas Department of Environmental Quality; to minimize the economic impact while improving storm water quality in the City of Little Rock.</p>	<p>Completed</p>
<p>City Storm water Drainage System Mapping: Continue the process of data collection and updating maps of the City's storm water drainage system.</p>	<p>Ongoing</p>
<p>9th Street Extension Project Phase II: Completed construction of the 9th and Bond Street Intersection and initiated the construction of Phase 2 east of the general aviation runway.</p>	<p>Completed</p>
<p>Chenal/Chenonceau Traffic Signal: Completed the installation of traffic signal at Chenonceau and Chenal.</p>	<p>Completed</p>



2013 Department Goals

2013 Street Resurfacing Program: Coordinate the annual street resurfacing program.

2013 Sidewalk Program: Coordinate an annual sidewalk program with revenue from the 2011 Sales Tax Plan.

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

Second Year Infrastructure Program: Design and initiate construction on the second year program.

First Year Infrastructure Program: Complete construction of the first year infrastructure program.

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

9th Street Extension Program Phase 2: Complete construction of Phase 2 east of the general aviation runway.



Public Works Street Fund

Department: Public Works
Funding Source: Street Fund
Budget: \$17,594,796

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.

	2011 Actual	2012 Budget	2013 Budget
Objective: To review and approve commercial building permits for consistency with Code requirements for streets, drainage, and environmental programs.			
Demand: Permits for review	100	88	89
Workload: Permits reviewed	100	88	89
Efficiency: Permits processed per month.	8.3	7.3	7.42
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.	18,661	24,389	30,000
Efficiency: Program Miles Completed per month.	1,555	2,032	2,500
Effect/Outcome: Percentage of miles completed.	57%	81%	100%

Objective: To respond to citizen requests/complaints regarding Traffic Issues affecting neighborhoods and/or other parts of the City.			
Demand: Requests for review.	324	353	350
Workload: Requests reviewed	324	353	350
Efficiency: Requests completed per month.	27	29	29
Effect/Outcome: Percentage of requests submitted/completed.	100%	100%	100%

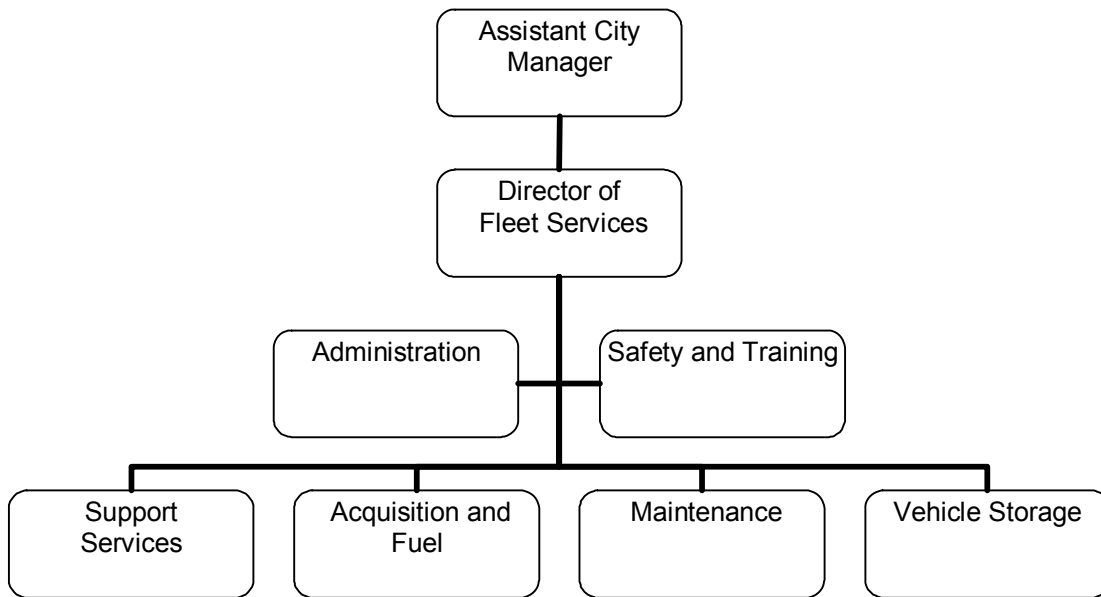
The departmental goals and objectives link with the
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 Infrastructure and Quality of Life.**



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Fleet Services



Mission Statement

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

Fleet Services

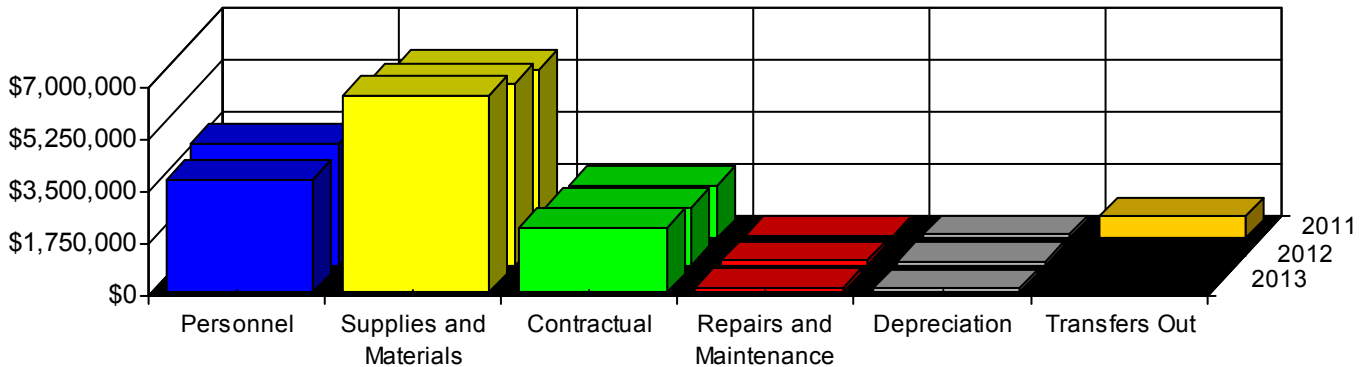
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$2,673,454	\$3,319,520	\$3,490,205
Supplies and Materials	5,699,713	6,145,000	6,625,630
Contractual	1,800,283	1,910,859	2,209,134
Repairs and Maintenance	86,468	153,500	161,600
Depreciation	123,354	138,575	129,500
Transfers Out	734,585		
Total	\$11,117,857	\$11,667,454	\$12,616,069

Staffing	60	59	61
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The Fleet Services budget is balanced. The increase in personnel cost reflects salary and benefit cost increases and the addition of two (2) new positions, a Parts Clerk and a Custodian. 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.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
All Operating Departments	\$12,616,069	8.13%



Fleet Services

2012 Department Priorities	Status
Develop an effective departmental utilization and replacement program, unique to the needs of the City of Little Rock fleet operation.	Ongoing
Purchase new or convert current fleet units to compressed natural gas (CNG) fuel, increasing the City's fleet to 18% alternatively fueled units.	Ongoing
Fleet Services will endeavor to become industry certified through Fleet Consulting Services (FCS, aka Fleet Sentinel) and Government Fleet Management Alliance (GFMA) by being recognized for having met or exceeding all twenty (20) mission critical factors of fleet management, verifying that the City of Little Rock Fleet Services is industry competitive and cost efficient.	Ongoing
Fleet Services will annually apply for "100 Best Fleets in North America" award.	Ongoing



2013 Department Goals
Establish and maintain a Fleet Replacement fund.
Locate, acquire or have written a database for vehicle and equipment insurance files; research and implement plans to reduce the City's expenses for vehicle and equipment insurance coverage.
Open a new fueling station at 501 Ferry Street, with diesel, unleaded, compressed natural gas (CNG) and electric charging capabilities; close the fueling site at the Central Fire station.
Assist in locating and applying for 'Clean Air' grants for purchasing alternative fuel vehicles, while retrofitting, current vehicles.
Continue the development of a comprehensive Fleet Services emergency preparedness plan that can be incorporated into the City's emergency plan under the auspices of the Emergency Management Office.
Convert current late model pickup trucks to compressed natural gas (CNG), and convert small engine lawn equipment to propane power while continuing to acquire alternate fueled vehicles, including factory ready electric and compressed natural gas (CNG) vehicles. Add electric charging stations on City owned properties.
Provide continuing educational and testing opportunities for all staff members to achieve Automotive Service Excellence (ASE) Blue Seal and Emergency Vehicle Technician (EVT) shop certification status.
Continue efforts to become industry certified through Fleet Consulting Services (FCS, aka Fleet Sentinel) and Government Fleet Management Alliance (GFMA) by being recognized for having met or exceeding all twenty (20) mission critical factors of fleet management, verifying that the City of Little Rock Fleet Services is industry competitive and cost efficient.
Continue to apply for and receive recognition as a 100 Best Fleet of North America through that program.
Apply for and receive recognition as a Government Green Fleet through that program.
Increase City wide vehicle/equipment utilization and equipment reassignment to become more productive.
Initiate a process for filing labor claims against vendors who supply defective parts to recapture lost productivity time; charging the source vendor to compensate the City of Little Rock for a flat rate time that was duplicated due to their defective part supplied.



Fleet Services

Department: Fleet Services
Funding Source: Fleet Services Internal Service Fund
Budget: \$12,616,069

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.

	2011 Actual	2012 Budget	2013 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.	10,481	16,000	15,000
Workload: Work orders opened and closed.	10,481	16,000	15,000
Efficiency: Work orders closed within two (2) work days.	4,771	16,600	12,000
Effect/Outcome: Percentage of vehicle repairs completed within two (2) work days.	46%	85%	80%

Objective: To reduce fuel consumption by 5%.			
Demand: Fuel usage goal (gallons)	881,002	945,000	897,750
Workload: Fuel consumption by City of Little Rock (CLR) fleet.	934,844	888,102	888,102
Efficiency: Reduction of fuel consumed by CLR fleet.	7,718	56,898	9,648
Effect/Outcome: Percentage of reduction in fuel consumption.	0%	6.02%	1.08%

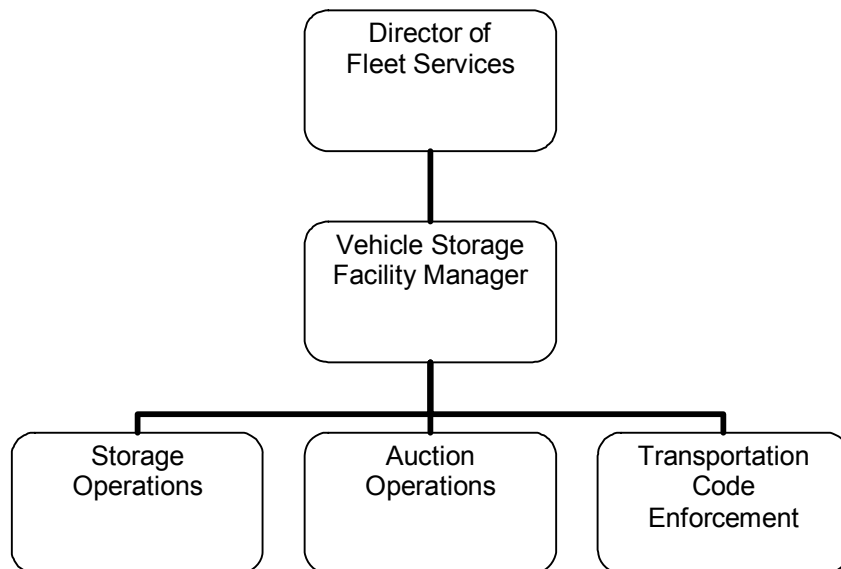
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services and Infrastructure.**



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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.

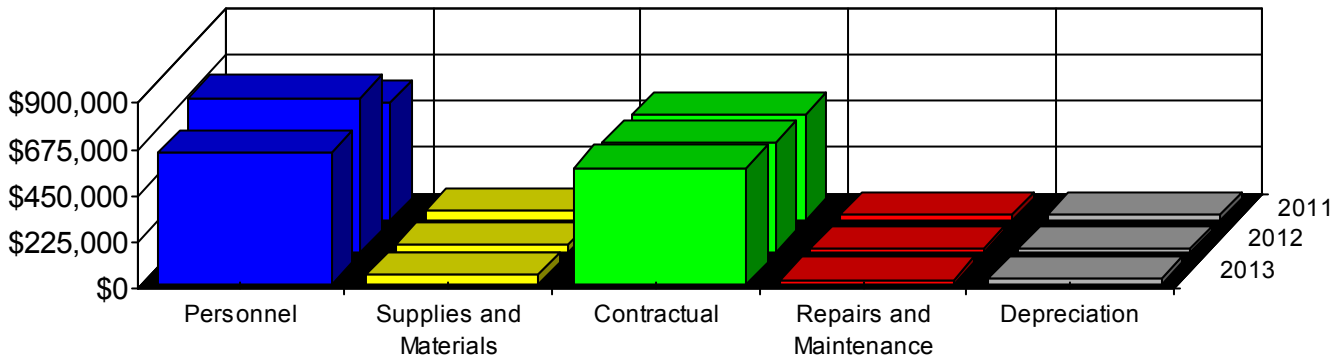
Vehicle Storage Facility

Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$575,440	\$707,388	\$635,000
Supplies and Materials	52,487	42,584	47,691
Contractual	514,974	535,500	563,610
Repairs and Maintenance	29,550	19,828	21,476
Depreciation	27,701	20,800	25,480
Total	\$1,200,152	\$1,326,100	\$1,293,257

Staffing	15	15	15
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Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
601 Vehicle Storage Facility Fund	\$1,293,257	-2.48%



Vehicle Storage Facility

2012 Department Priorities	Status
Developed electronic and hard copy storage procedures for documents and files using Cabinet NG document management software.	Completed
Repair storage lot surface and resurface auction lot with gravel material. Replace wooden fence around storage lot.	Not Completed
Purchase a mule cart to escort customers to storage lot and assist in building maintenance.	Ongoing



2013 Department Goals

Amend the Transportation Code for taxicab driver permit applicants with a felony conviction background.

Conduct taxi driver training in partnership with Little Rock Convention and Visitors Bureau (LRCVB).

Attend International Association for Transportation Regulators (IATR) conference.

Provide leadership and management training for supervisors while providing customer service training to all staff.

Collaborate with the Little Rock Police Department (LRPD) to build a new crime scene bay and use existing space to open a store for selling miscellaneous items.

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

Install a backup generator for the storage lot building.



Vehicle Storage Facility

Department: Vehicle Storage Facility
Funding Source: Vehicle Storage Enterprise Fund
Budget: \$1,293,257

Department Description:

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

	2011 Actual	2012 Budget	2013 Budget
Objective: To release 100% of eligible vehicles within 60 days of impoundment.			
Demand: Impounded vehicles	3,030	3,133	3,300
Workload: Impounded vehicles eligible for release	2,980	3,083	3,250
Efficiency: Eligible vehicles released within 60 days.	2,980	3,083	3,250
Effect/Outcome: Percentage of eligible vehicles released within 60 days.	98.3%	98.4%	98.5%

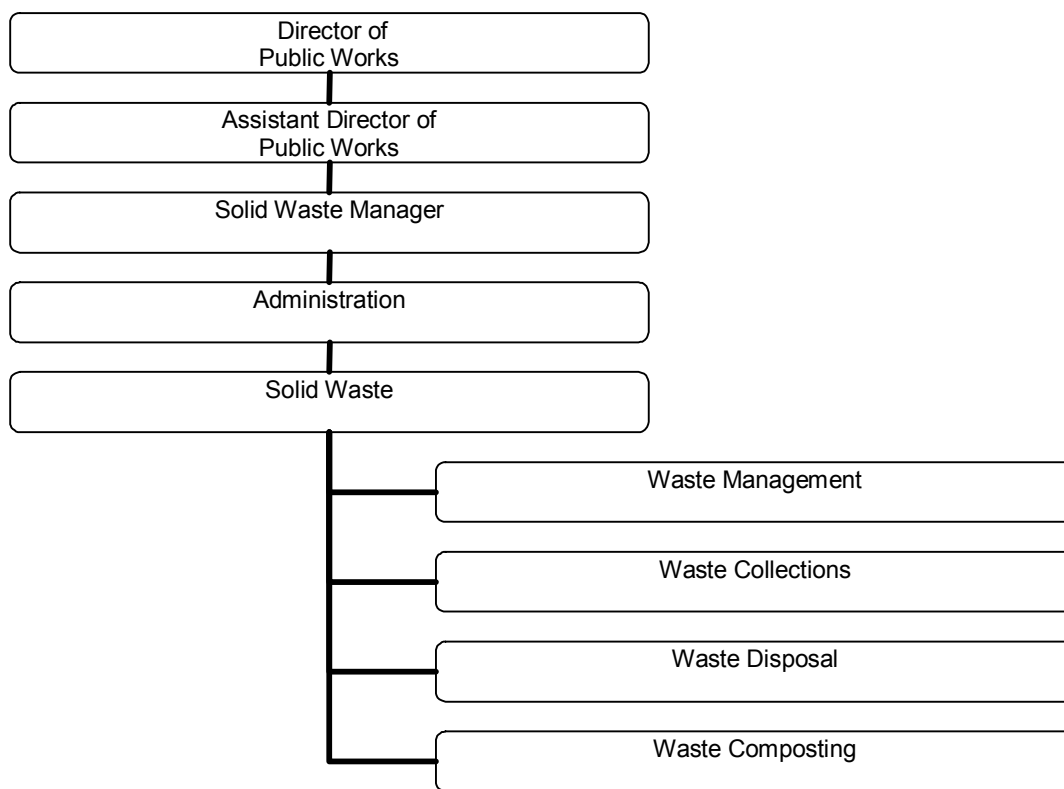
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services and Infrastructure.**



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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

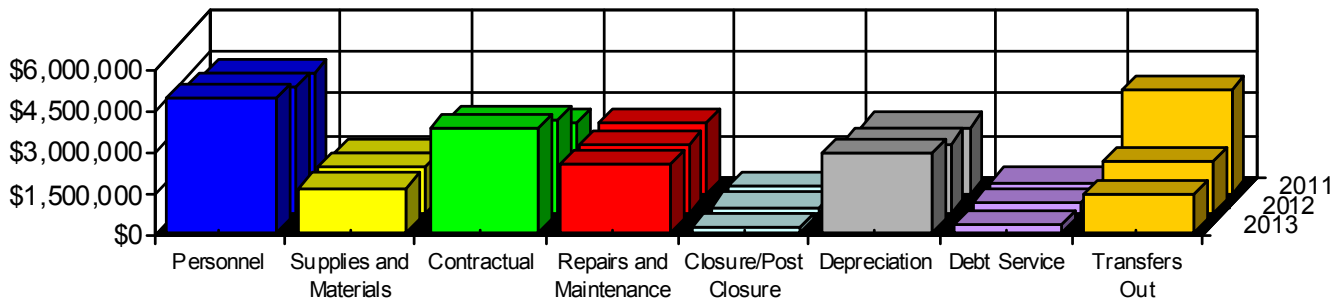
Expenditure Budget

Description	2011 Actual Expenditures	2012 Adopted Budget	2013 Adopted Budget
Salaries and Employee Benefits	\$4,331,443	\$4,581,421	\$4,910,913
Supplies and Materials	1,447,585	1,666,100	1,666,100
Contractual	2,550,984	3,383,815	3,389,223
Repairs and Maintenance	2,546,500	2,465,660	2,848,080
Closure/Post Closure	256,679	247,945	247,945
Depreciation	2,412,085	2,532,249	2,913,355
Debt Service	421,764	387,500	334,600
Transfers Out	3,752,205	1,889,705	1,378,254
Total	\$17,719,245	\$17,154,395	\$17,688,470

Staffing	112	112	113
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The Waste Disposal fund is budgeted in accordance with Generally Accepted Accounting Principals on an accrual basis, which includes depreciation and amortization. Some cash needs, such as the principal portion of note payments and capital expenditures, are not presented on the income statement as expenses.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 13 Proposed Budget	% Change from Prior Year
603 Waste Disposal Fund	\$17,688,470	3.11%



Waste Disposal

2012 Department Priorities	Status
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.	Ongoing
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.	Ongoing
Curbside Recycling Improvements: Evaluate the best alternatives to expand both commercial and residential curbside recycling.	Ongoing
Recycling Awareness Campaign: Develop and administer a Recycling Awareness Campaign regarding anticipated changes of the residential Curbside Recycling Program.	Ongoing
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 2013 Sustainability Summit.	Ongoing



Waste Disposal

2013 Department Goals
Implement bulky item collection program with Cammack Village.
Design and construct next cell of Class 1 Landfill.
Construct next cell of Class 4 Landfill.



Waste Disposal

Department: Waste Disposal
Funding Source: Waste Fund
Budget: \$17,688,470

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

	2011 Actual	2012 Budget	2013 Budget
Objective: To promote recycling and increase annual tonnage collected.			
Demand: Curbside recycling tonnage to be collected	5,500	8,250	10,800
Workload: Curbside recycling tonnage collected.	5,500	8,250	10,800
Efficiency: Curbside recycling tonnage collected/month.	458	688	900
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.	101,500	102,500	104,000
Workload: Class 1 & Class 4 tonnage received.	101,500	102,500	104,000
Efficiency: Average monthly tonnage disposed of in Class 1 and Class 4 landfills.	8,458	8,541	8,666
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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Appendix



State and City Budget Statutes

State Statutes

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

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

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

City Ordinances

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

Sec. 2-211. Nature and Scope.

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

Sec. 2-212. Preparation.

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

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

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

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

Sec. 2-214. Adoption. *

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

Sec. 2-214. Budget document – Generally.

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

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

Sec. 2-216. Budget message.

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

* Little Rock, Arkansas, Code of Ordinances

Sec. 2-217. Summary.

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

Sec. 2-218. Complete budget plan.

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

Detailed estimates of all anticipated revenues.

All proposed expenditures.

Sec. 2-222. Emergency appropriations.

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

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

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

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

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

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

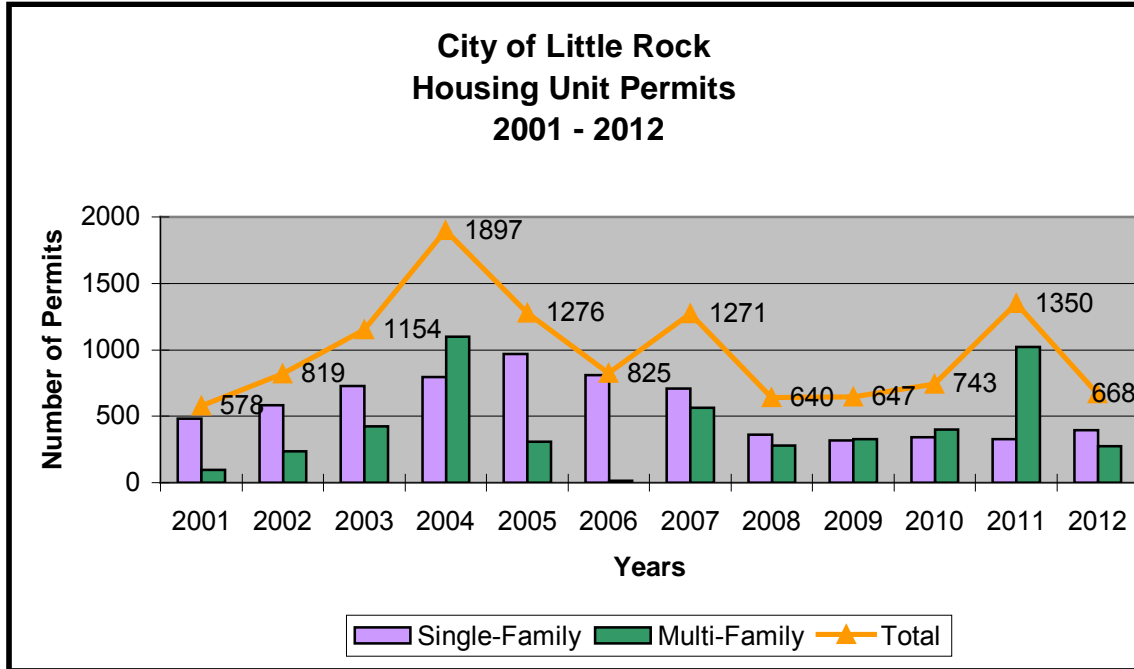
The City Manager and Director of Finance shall notify the Mayor and Board of Directors in writing at the first available opportunity if economic trends indicate that the revenues projected as a part of the annual City budget are not meeting projections and require the Board to consider reduction in force,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

STATISTICAL INFORMATION

Date of Incorporation	November 7, 1831
Date of Adoption of Charter	November 2, 1835
Form of Government	City Manager
Date of City Manager Government	July 27, 1993
Area - Square Miles	122.36
Miles of Streets and Alley:	
Total Streets	2,448.32
Streets Graded and Surface Treatment	421.92
Paved - Permanent (Concrete and Asphalt)	2,026.40
Alleys Maintained	62.96
Drainage Ditches Maintained	1,578.20
Storm Sewers Maintained	358.65
Miles of Water Lines	1,385
Sanitary Miles	1,400
Traffic Controls:	
Signals Malfunctions	293
Solid Waste/Garbage Collection:	
Class I and IV tonnage	104,226
Curbside/Drop-off recycling	9,307
Yard Waste	30,690

Building Permits:

<u>Year</u>	<u>Permits Issued</u>	<u>Estimated Cost</u>
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
2012	2,011	391,789,405



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
2012	\$187,078	\$282,953	\$245,866	\$217,908	\$189,924	\$379,035	\$67,868	\$161,603
2011	\$172,195	\$305,893	\$243,774	\$211,311	\$187,157	\$377,467	\$60,771	\$142,711
2010	\$175,794	\$289,156	\$230,183	\$204,687	\$183,438	\$401,310	\$69,816	\$132,243
2009	\$172,051	\$259,219	\$231,557	\$206,126	\$174,101	\$372,225	\$72,202	\$163,358
2008	\$174,018	\$274,978	\$236,749	\$211,212	\$189,401	\$443,600	\$83,413	\$108,183
2007	\$174,742	\$283,178	\$243,150	\$208,178	\$184,178	\$403,413	\$89,522	\$236,286
2006	\$172,907	\$256,815	\$240,033	\$212,078	\$176,725	\$398,395	\$82,000	\$114,990
2005	\$169,000	\$288,489	\$225,499	\$209,970	\$175,104	\$397,294	\$72,396	
2004	\$154,805	\$223,637	\$211,786	\$190,552	\$162,870	\$370,972	\$67,065	
2003	\$142,278	\$196,602	\$189,760	\$180,773	\$151,508	\$317,548	\$66,669	
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 11-12	\$14,883 8.6%	-\$22,940 -7.5%	\$2,092 0.9%	\$6,597 3.1%	\$2,767 1.5%	\$1,568 0.4%	\$7,097 11.7%	\$18,892 13.2%
Chg 01-12	53.8%	82.8%	43.2%	34.9%	32.1%	25.4%	9.6%	

All prices represent average sales price.

Sales Tax Rate:	
Local	1.5%
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	403
Number of Calls	26,793
Insurance Rating for Insurance Service Office (ISO)	
City of Little Rock	Class II
Police Protection:	
Number of Stations	7
Number of Uniformed Employees	577
Calls for Service	157,093
Recreation:	
Number of Parks, Including Park Development	59
Total Acres (developed & undeveloped)	6,315
Number of Playgrounds	46
Number of Tennis Courts	48
Number of Basketball Courts	37
Number of Museums	1
Number of Golf Courses	3
Number of Ball Fields	25
Number of Play Fields	20
Number of Community Centers	4
Number of Swimming Pools	3
Number of Adult Centers	1
Number of Soccer Fields	9
Number of Fitness Centers	1
River Market	1
Riverfest Amphitheatre	1
Total Recorded Park Attendance - 2012	604,702
Number of Zoos	1
Total Zoo Attendance – 2012	323,040
Total Zoo Outreach Program	21,584

Medical Facilities Number of beds (private occupancy rooms):	
Cornerstone Specialty *	40
Arkansas Children's	370
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	424
Veteran Health Care System	195
Other Specialty Hospitals	<u>700</u>
Total Number of Beds	3,481

* Formerly Allegiance Specialty Hospital was acquired by Cornerstone Health Care Group 10/2012

POPULATION

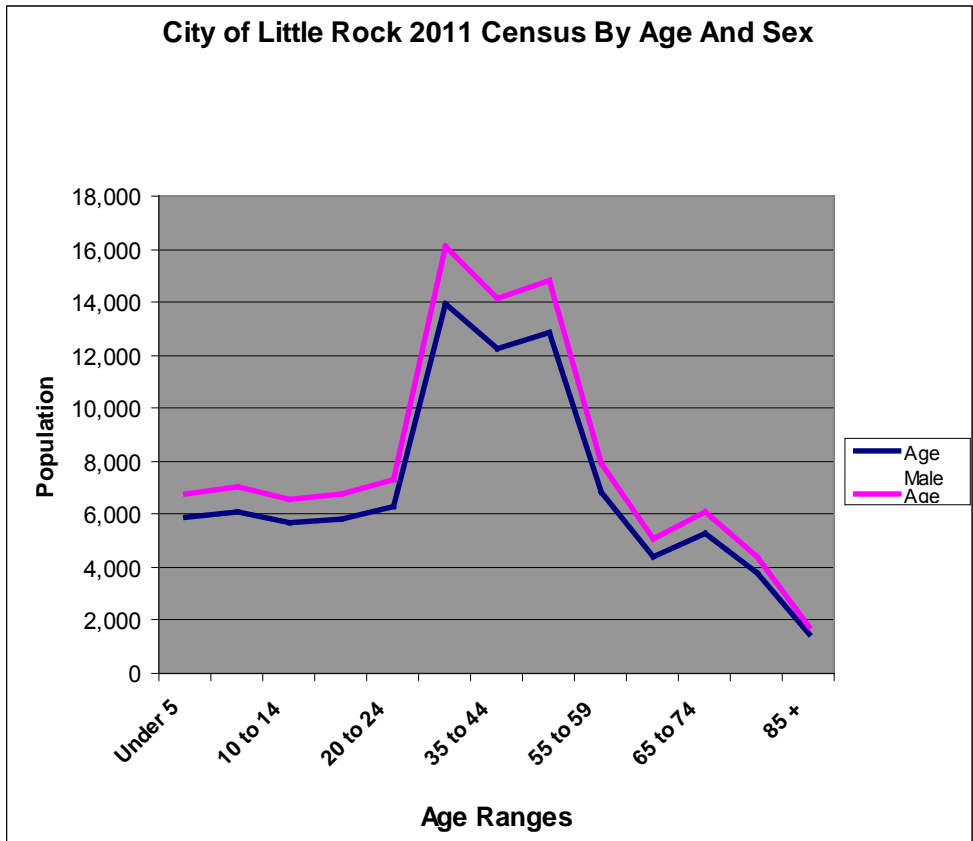
1910	45,941
1920	65,142
1930	81,657
1940	88,039
1950	102,310
1960	107,813
1962 Special Census	125,671
1964 Special Census	128,929
1970 Census	144,824
1974 Special Census	139,703
1978 Special Census	144,824
1980 Census	159,024
1985 Special Census	178,134
1990 Census	175,795
1992 U. S. Census Bureau Estimate	176,870
2000 Census	183,133
2010 Census	193,524
2011 Special Census *	195,310
2012 Special Census **	194,439

* Source: American Community Survey

** Source: Metroplan

City of Little Rock Population By Age and Sex

Age Ranges	Male	Female
Under 5	5,869	6,780
5 to 9	6,073	7,016
10 to 14	5,664	6,542
15 to 19	5,853	6,761
20 to 24	6,323	7,304
25 to 34	14,013	16,006
35 to 44	12,242	14,142
45 to 54	12,850	14,843
55 to 59	6,858	7,922
60 to 64	4,412	5,097
65 to 74	5,257	6,073
75 to 84	3,783	4,371
85 +	1,511	1,745



Gender:

Male

46.4%

Female

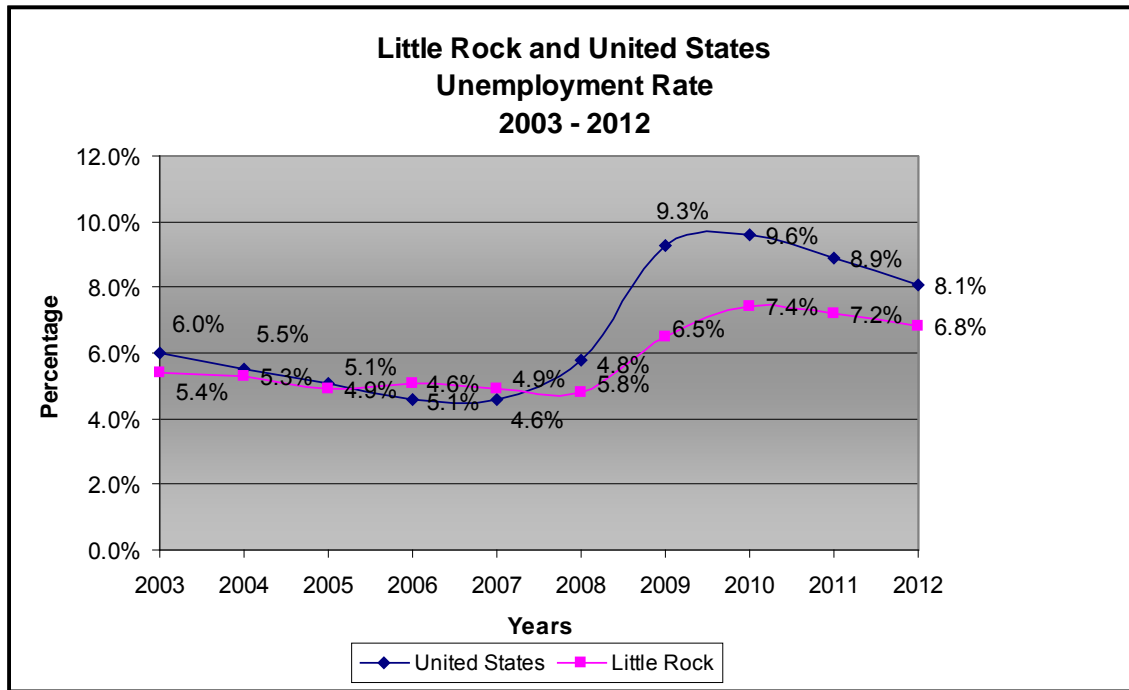
53.6%

LITTLE ROCK AND ENVIRONS

Per Capita Income (2011)	\$27,646
Median household income (2011)	\$40,976
U.S. Consumer Price Index (November 2012)	231
Percent inflation over past year	1.7%
Average unemployment percentage rate (Nov. 2010 – Nov. 2011)	6.8%
Median Age (2011 special census)	36.8%

Race (2011):	
White	49.4%
Black or African American	44.1%
American Indian and Alaska Native	0.1%
Asian/Pacific	3.1%
Other*	3.3%

*Hispanic is an overlay category that includes multiples races.



Education (Little Rock School District):

Number of School Buildings	48
Number of Teachers/including Principals, Supervisors	2,194
Number of Registered Students	25,140
Number of Kindergarten Students	2,204
Average Daily Attendance - Elementary Schools	10,240
Average Daily Attendance - High/ Middle Schools	10,823
Average Daily Attendance - Special Schools	483
Average Daily Attendance - Kindergarten	1,912
Tax Rate: (Mills)	
Real	46.4
Personal	46.4

PULASKI COUNTY STATISTICS

Population 25 years and over	131,125
Percent of Population Age 25+	67%
Education level in years of formal schooling:	
High School or Equivalent	24.4%
Some college, no degree	21.3%
Bachelor's degree	23.3%
MA/Professional degree or higher	15.8%

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

Enrollment

<u>Institution</u>	<u>Fall 2000</u>	<u>Fall 2011</u>
University of Arkansas at LR	11,000	13,068
University of Arkansas for Medical Sciences	1,850	2,819
Philander-Smith College	943	732
Arkansas Baptist College	187	1,193
Webster University	200	381
Remington College	N/A	126
Total	14,180	18,319

* Sources: Fall 2011 latest data shown in AR Business Book of Lists.

EMPLOYEES AS OF DECEMBER 31, 2012

<u>City Government</u>	<u>Total</u>	<u>Full-Time</u>	<u>Part-Time</u>
AFSCME	178	178	
IAFF	403	403	
FOP	577	577	
Non-union	<u>1,265</u>	<u>922</u>	<u>343</u>
	<u>2,423</u>	<u>2,080</u>	<u>343</u>
<u>Commissions</u>			
Wastewater Utility	191	189	2
Bill & Hillary Clinton National Airport	178	166	12
LR Convention & Visitors Bureau	213	124	89
Port Authority	8	8	
Ambulance Authority	325	258	67
Central Arkansas Transit Authority	187	186	1
Arkansas Museum of Discovery	35	21	14
Arkansas Arts Center	86	42	44
Central Arkansas Library	<u>273</u>	<u>182</u>	<u>91</u>
	<u>1,496</u>	<u>1,176</u>	<u>320</u>
Total Employment	<u><u>3,919</u></u>	<u><u>3,256</u></u>	<u><u>663</u></u>

2012 Largest Employers

<u>Rank</u>	<u>Employer</u>	<u>Product/Service</u>	<u>Employees</u>
1	State Government (MSA)	Government	32,200
2	Local Government (MSA)	Government	28,800
3	Federal Government (MSA)	Government	9,200
4	University of Arkansas for Medical Sciences	Education/Medical Services	8,500
5	Baptist Health	Medical Services	7,000
6	Little Rock Air Force Base	Government	4,500
7	Acxiom	Data Processing	4,388
8	Little Rock School District	Schools/Colleges/Education	3,511
9	Central Arkansas Veterans HealthCare System	Medical Services	3,500
10	Entergy Arkansas	Utility (Electric)	2,738
11	Pulaski County Special School District	Schools/Colleges/Education	2,700
12	AT&T	Utility (Telephone)	2,613
13	St. Vincent Health System	Medical Services	2,600
14	Arkansas Children's Hospital	Medical Services	2,470
15	Dillard's	Department Store	2,400

Source: Greater Little Rock Chamber of Commerce

City of Little Rock, Arkansas
Principal Sales Tax Payers
December 31, 2012

The City of Little Rock, Arkansas's largest own-source revenue is sales tax. Sales tax revenues consist of a local 1.5% tax, with 1.125% dedicated to ongoing operations and the remaining 0.375% dedicated to capital projects. The capital portion of the tax is a temporary tax that will sunset on December 31, 2021. In 2012, the combined 1.5% local sales tax generated revenue of \$69,636,290. In addition, the City receives a share of the county's 1% tax based on population. The City of Little Rock comprises approximately 51% of the county population.

The State is required to keep the identity of individual taxpayers confidential pursuant to Arkansas State Statutes. Therefore, the City of Little Rock is unable to identify the top ten (10) tax payers. However, Little Rock enjoys a diverse economic sales tax base.

Little Rock Top Ten 1 1/2 Cent Local Sales Taxpayers	Tax	
Industry	Collected	% of Total
All Other General Merchandise	6,413,502	9.21%
Full Service Restaurants	5,055,595	7.26%
Grocery Stores	4,937,213	7.09%
Electronics and Appliance Stores	3,398,251	4.88%
Electric Power Generation, Transmission and Distribution	2,959,542	4.25%
Clothing Stores	2,729,743	3.92%
Building Materials and Supplies Dealers	2,548,688	3.66%
Professional and Commercial Equipment Wholesalers	2,263,179	3.25%
Department Stores	2,200,507	3.16%
Sporting Goods, Hobby, and Musical Instrument Stores	1,845,362	2.65%
Totals	32,506,220	49.33%

Little Rock Top Ten 1 Cent County Sales Taxpayers	Tax	
Industry	Collected	% of Total
Full Service Restaurants	2,565,363	6.53%
All Other General Merchandise	2,350,416	5.99%
Supermarkets and Other Grocery	2,047,520	5.21%
Electric Power Generation	1,776,848	4.52%
Warehouse Clubs or Superstores	1,225,945	3.12%
Home Centers	1,149,470	2.93%
Wire Telecommunication Carriers	1,027,224	2.62%
Department Stores	1,027,086	2.62%
Hotels	775,141	1.97%
Natural Gas Distribution	708,258	1.80%
Totals	14,653,271	37.31%

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Glossary



GLOSSARY OF KEY BUDGET TERMS

Accrual Basis of Accounting - A basis of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flow.

Agency - A division of City government commonly referred to as a City department. Examples are Police, Fire, Parks and Recreation, and Public Works departments. The term "other agencies" is used to identify entities outside of but related to City operations. These include the County Health Department, Library, Arts Center, Museum, and others.

Amusement Park Lease - Share of revenue from train rides at Civitan House at the Little Rock Zoo.

Appropriation - An amount of money authorized by the Board of Directors to incur obligations and to make expenditures/expenses of resources.

Assessed Valuation of Property - The taxable value of real and personal property in Little Rock, established at 20 percent of market value by the Pulaski County Assessor.

Board of Directors - The eleven elected Board members who form the City's governing body.

Bonds - Certificates of indebtedness issued by an entity which guarantee payment of principal and interest at a future date.

Basic Budget - An annual financial plan that identifies revenue sources and amounts, services to be provided, and amounts of money appropriated to fund these services.

Budget Amendment - Legal means by which an adopted estimated revenue or expenditure authorization limit is increased or decreased.

Budget: Operating - A financial document designed to provide funding for operating or "ongoing" annual programs of service.

Budget: Capital - A financial plan for the purchase or construction of major assets such as buildings, land, streets, sewers, and recreation facilities.

Capital Assets - Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment. Capital assets may also be referred to as fixed assets.

Capital Equipment - Generally, equipment with a value greater than \$5,000 and an expected life of more than one year.

Capital Outlay - The portion of the annual operating budget that appropriates funds for the purchase of long-lived items often separated from regular operating items such as personal, supplies and maintenance and contractual. The capital budget includes funds for purchases such as furniture, vehicles, machinery, building improvements, data processing equipment and special tools, which are usually distinguished from operating items according to their value and projected useful life.

Commission - A unit of city government authorized under State statutes to provide a municipal service without control by the City elected governing body. For example, the Housing Commission.

Contingency Reserve - A budgetary reserve set-aside for emergencies or unforeseen expenditures, not otherwise included in the basic budget.

Contractual Services - Goods and services acquired under contract that the city receives from an outside company. Professional services, utilities, rentals, and insurance are examples of contractual services.

Debt Service - Expenditures for principal and interest on outstanding bond issues.

Depreciation - An accounting allocation of a portion of the cost of an asset to the operating expenditures of the current fiscal period, that is designed to indicate the funds that will be required to replace the asset when it is no longer serviceable.

Discrete Component Unit - A separate fund that is ultimately dependent upon the City Board of Directors for oversight or approval of its operations.

Encumbrance - An amount of money committed for payment of a specific good or service not yet received. Funds so committed cannot be used for another purpose.

Enterprise Fund - A self-contained fund operated to account for services supported by user charges and fees. Examples are the Golf, Zoo and Waste Disposal funds.

Expenditures - Decreases in net financial resources under the current financial resources measurement focus, and pertains to payment of normal operating costs and encumbrances. Expenditures are measured according to governmental accounting rules.

Expenses - The cost of doing business in a proprietary organization, and can be either direct outflows or the using up of an asset such as the depreciation of capital assets.

Fiduciary Fund - A separate fund utilized to account for the pension obligations to a specific group of City employees. A Board of Trustees that exercises a fiduciary responsibility for the fund governs each fund.

Fiscal Year - A period of twelve (12) consecutive months designated as the budget year. Little Rock's fiscal year is the calendar year.

Fleet Services - A management organization accounted for as an internal service fund and responsible for acquiring and maintaining the City's vehicle fleet.

FUTURE-Little Rock - A community goal setting process utilized to assess the City's problems and needs and deliver recommended solutions to the Board of Directors. The process which involved hundreds of citizens over an eighteen-month period resulted in the City's half cent local sales tax.

Fund - A fiscal entity composed of a group of revenue and expenditure accounts maintained to account for a specific purpose. See the section "Little Rock's Financial Structure" for a description of the funds controlled by the Board of Directors, various Commissions, and by Pension Trustees.

Fund Balance - The balance in a fund remaining from all revenues, expenditures and carryover funds that is subject to future appropriation.

Gain/Loss Sale of Fixed Assets – The amount of proceeds from the sale or disposal of an asset after deduction of the cost of the asset net of depreciation.

General and Administrative Cost - Cost associated with the administration of general City Services.

General Obligation Bonds - Bonds secured by the full faith and credit of the City.

Generally Accepted Accounting Principles (GAAP) – A widely accepted set of rules, conventions, standards, and procedures for reporting financial information, as established by the Financial Accounting Standards Board.

Government Fund Type - Funds generally used to account for tax-supported activities. There are five different types of government funds: The General Fund; Special Revenue Funds; Debt Service Funds; Capital Project Funds; and Trust Funds.

Grant - Contribution by one government unit or funding source to another unit. The contribution is usually made to aid in a part of a specified function, but is sometimes available for general purposes.

Grant Match - City funds, private funds, or in-kind services required to be contributed or raised by the receiving entity for the purpose of matching funds obtained from Federal and State grant programs.

Industrial Development Revenue Bonds - Bonds issued by the City to finance construction or expansion of an industrial facility. The City is in no way obligated to repay these bonds; rather they are the sole obligation of the industry that benefits from the financing.

Infrastructure – Infrastructure includes the basic public works of a city, such as roads, bridges, sewer and water systems, drainage systems, and essential public utilities.

Internal Service Fund - This fund operates like an Enterprise Fund to account for citywide vehicle and maintenance costs and the revenue from charge-backs to user departments. It provides a mechanism for identifying vehicle costs and charging them to the property budget program.

Investment - Securities purchased and held for the production of revenues in the form of interest.

Lapsing Appropriation – An appropriation made for a certain period of time, generally for the budget year. At the end of the specified period, any 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 or allocations from other funds.

User Charges - The direct payment by the public for a specific service provided. For example, a monthly charge for garbage pickup.

Undesignated Fund Balance - The amount of money remaining in a fund that has not been appropriated or committed for any purpose.

Utility Franchise Fee - A City fee levied upon the gross receipts of local privately owned utilities (power, gas, and telephone). Under State law, this fee may be passed on to the utility user.

Vehicle Storage Fees - Charges for release from the impound lot of vehicles that have been abandoned on the street, towed from illegal parking zones, or seized after violation of vehicular laws.

GLOSSARY OF KEY ACRONYMS

ADA – American Disability Act prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation. It also mandates the establishment of TDD/telephone relay services.

AFSCME – American Federation of State, County and Municipal Employees Union 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.