



**2017 Annual Operating Budget  
City of Little Rock, Arkansas**

First opened in February 1940 as the Joseph Taylor Robinson Memorial Auditorium, the Robinson Center Performance Hall and Conference Center reopened in November 2016. This followed a 28 month renovation and expansion of the facility. This \$70.5 million project was financed by bonded funds provided by the existing 2% Little Rock Advertising & Promotion tax. The project was approved by Little Rock voters by special election on December 10, 2013.

The design team was led by Polk Stanley Wilcox Architects of Little Rock and Ennead Architects of New York. CDI/Hunt Joint Venture served as the General Contractor and Construction Manager. The building was originally designed by the firm of Wittenberg & Delony working with Eugene Stern.

The building was named for longtime Arkansas Senator Joseph T. Robinson, who died in July 1937, prior to the start of the construction in December 1937. The project was originally funded by the New Deal's Public Works Administration.

The building's exterior and historic lobby were restored and the essential character of the landmark building enhanced. All of the interior spaces were rethought and reconfigured to provide enhanced acoustics, updated interior finishes, new media technology, dressing room upgrades, expanded loading dock and storage areas, expanded public lobbies and restrooms, onsite box office, a new centrally-located grand stair to link multiple lobby levels, new public drop-offs and parking garage vestibules and much more.

A brand new conference center provides a flexible event space accommodating 530 people and four new meeting rooms above with direct access to a 5,477-square-foot terrace. The spaces in the conference center were named after deceased Little Rock residents who have made major contributions to the performing arts: actress Gail Davis, singer Lawrence Hamilton, actor Ben Piazza, musician Art Porter Sr., musician Art Porter Jr., composer Florence Price, philanthropist Stella Boyle Smith, and composer William Grant Still.

# City of Little Rock

## 2017 Annual Operating Budget

Bruce T. Moore  
City Manager

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The enclosed 2017 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 2017 budget document and budget documents for previous years can be found on the City of Little Rock's website located at: [www.littlerock.gov](http://www.littlerock.gov)

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, 2016**

A handwritten signature in black ink, appearing to read 'Jeffrey R. Egan'.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of Little Rock, Arkansas for its annual budget document for the fiscal year beginning January 1, 2016.

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

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

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## LITTLE ROCK AT A GLANCE

On April 9, 1722, French explorer Benard de La Harpe noticed an outcropping of rock on the southern bank of the Arkansas River and dubbed it “La Petite Roche.” Eighty years later, the first residence was built for a fur trapper and trader. Since 1812, Little Rock has grown from that one person to become the Capital City of Arkansas with a population of 197,992. The metropolitan area population is 729,135 with more than 1.033 million people living within 70 miles of Little Rock.

The La Petite Roche rock formation created a natural harbor which made Little Rock an early center of commerce for the region. 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 4.8%.

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 major area hospitals provide bed space for approximately 2,800 patients. Included are a large number of specialty clinics and 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 of Arkansas at Little Rock is a metropolitan university educating 12,000 students in undergraduate and graduate programs, including the William H. Bowen School of Law. In addition, Little Rock is the home of the University of Arkansas Clinton School of Public Service as well as 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 City offers over sixty parks featuring a variety of landscapes and recreational opportunities. The Little Rock Zoo welcomes over 300,000 visitors each year and features the Arkansas Carousel, which is the only functioning over-the-jumps style of carousel in operation in the world.

In September 1957, the eyes of the world were on Little Rock as nine African American children tried to integrate Little Rock Central High. Governor Orval Faubus attempted to delay the start, first through the courts and then by the National Guard. Eventually, President Dwight Eisenhower federalized the National Guard and replaced them with members of the 101st Airborne Division of the Army. On September 25, the nine African American students entered the school and began their school year. Today, Central High School continues to educate over 2,000 students of all races. The school is the only functioning high school that is also part of the National Park Service.

Throughout the 1950s and 1960s, Little Rock undertook efforts to attract more businesses to the area. During this period, the Little Rock Air Force Base and Little Rock Port Authority were established. Both continue to be major contributors to Little Rock's economic vitality to this day.

In the 1990s, the City of Little Rock engaged community-wide goal-setting programs. Future Little Rock led to the creation of many initiatives including the establishment of innovative Prevention, Intervention & Treatment programs; neighborhood resource centers; and the River Market district. The city also worked to expand citizen engagement through enhanced participation in neighborhood associations.

As the 2000s dawned, Little Rock welcomed thousands of visitors for the opening of the William Jefferson Clinton Presidential Center and Park. In 2013, Little Rock was named #1 on the Kiplinger's list of Best Places to Live. It has also received recognition by *Forbes* as a great place to do business and to retire.

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



**Board of Directors**



**Mayor Mark Stodola**



**Vice Mayor Kathy Webb**  
Ward Three



**Director Erma Hendrix**  
Ward One



**Director Ken Richardson**  
Ward Two



**Director Capi Peck**  
Ward Four



**Director Lance Hines**  
Ward Five



**Director Doris Wright**  
Ward Six



**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 presents 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 2017 is included in this document to more adequately describe the budget development process.

The 2017 Basic Budget is comprised of four major fund types: the General Fund, Special Revenue Funds, an Internal Service Fund and Enterprise Funds.

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

Departments in the General Fund are organized as follows:

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

The other major fund types are described below:

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

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

**Operating Flow of Funds**

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

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

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, 2016 priorities and results, 2017 goals, and applicable service measures are presented.

Major Categories of expenditures include the following:

- Personnel (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**

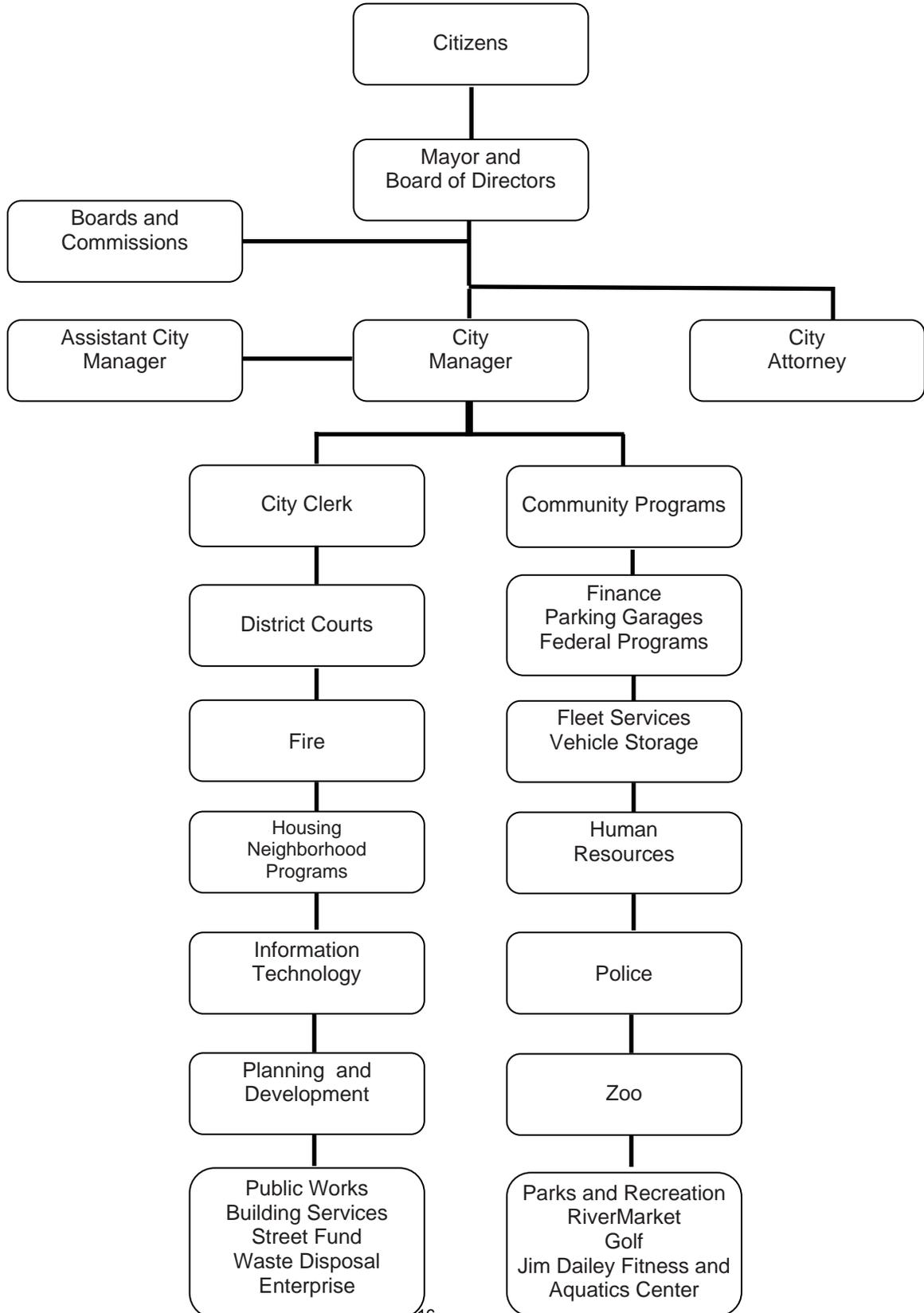
Mark Stodola	Mayor
Bruce T. Moore	City Manager
James E. Jones	Assistant City Manager
Dana Dossett	Director of Community Programs
Tom Carpenter	City Attorney
Sara Lenehan	Director of Finance
Stacey Witherell	Director of Human Resources
Randy Foshee	Director of Information Technology
Tony Bozynski	Director of Planning & Development
Victor Turner	Director of Housing & Neighborhood Programs
Jon Honeywell	Director of Public Works
Truman Tolefree	Director of Parks & Recreation
Gregory Summers	Fire Chief
Kenton Buckner	Police Chief
Susan Altrui	Director of Zoo
Willie Hinton	Director of Fleet Services

**Budget Report Production, Analyst, and Graphics**

Ember Strange	Assistant Director of Finance
LaVerne DuVall	Budget Officer
Silas Roaf	Budget Management Analyst



# City of Little Rock



# CITY OF LITTLE ROCK

## OPERATING FUND STRUCTURE

General FUND

**FINANCE**  
 ACCOUNTING AND REPORTING  
 TREASURY MANAGEMENT  
 PURCHASING  
 INTERNAL AUDIT  
 BUDGET  
 PAYROLL  
 PRINTSHOP  
 ACCOUNTS PAYABLE  
 GRANTS MANAGEMENT

**HOUSING AND NEIGHBORHOOD PROGRAMS**  
 NEIGHBORHOOD PROGRAMS  
 ANIMAL SERVICES  
 CDBG & HOUSING PROGRAMS  
 NEIGHBORHOOD RESOURCE CENTERS  
 ENVIRONMENTAL SERVICES

**PLANNING & DEVELOPMENT**  
 PLANNING  
 ZONING AND SUBDIVISIONS  
 BUILDING CODES

**INFORMATION TECHNOLOGY**  
 APPLICATION PROGRAMMING  
 NETWORK SERVICES  
 COMPUTER OPERATIONS

**PUBLIC WORKS GENERAL**  
 BUILDING MAINTENANCE

**HUMAN RESOURCES**

**ZOO**

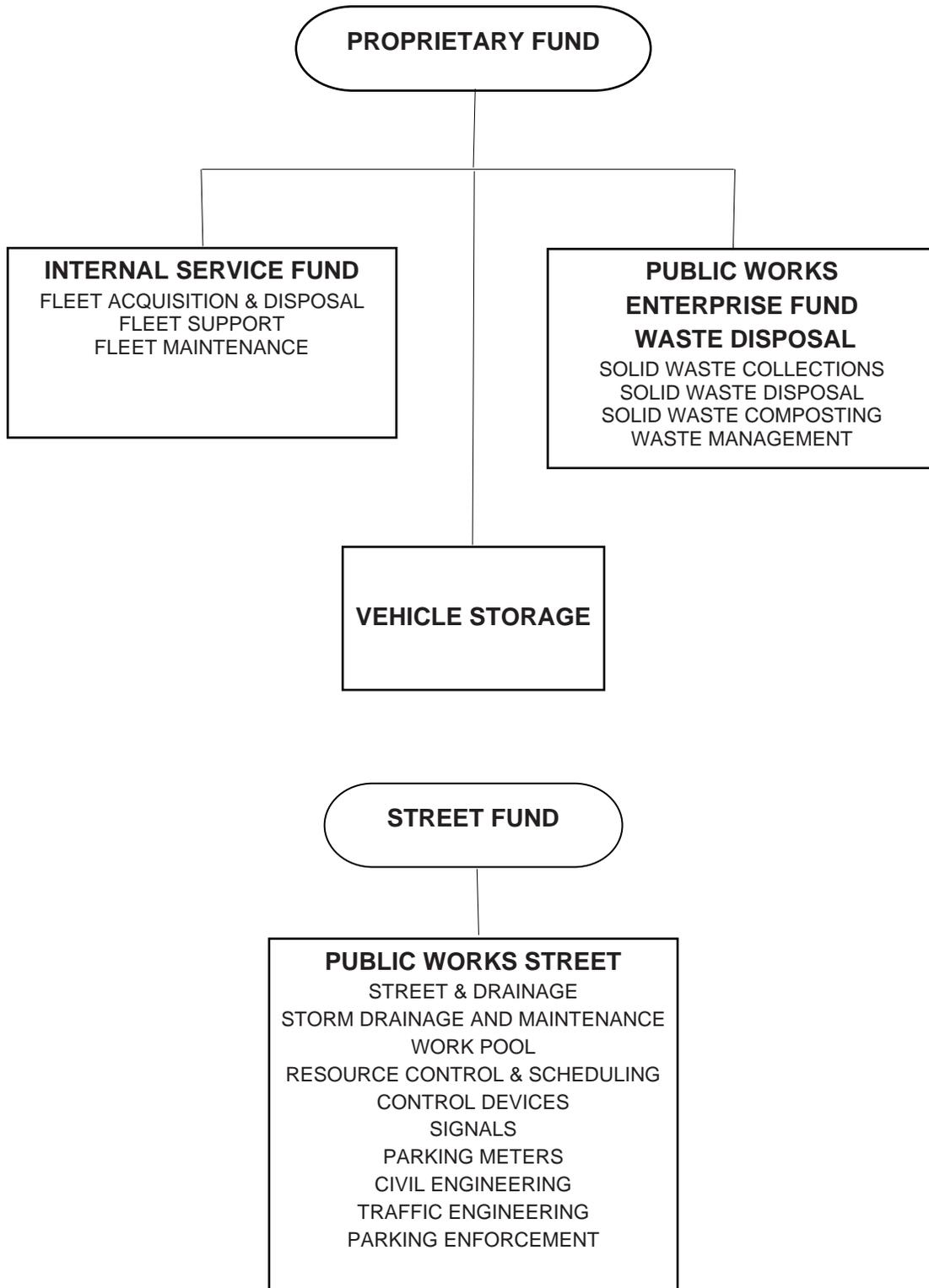
**PARKS AND RECREATION**  
 REVENUE OPERATIONS  
 DESIGN SCHEDULING  
 PARKS DEV. & MAINTENANCE  
 SWIMMING POOLS  
 COMMUNITY CENTERS  
 ATHLETIC PAYGROUNDS  
 TENNIS CENTER  
 THE CENTRE AT UNIVERSITY PARK  
 OPERATIONS AND IMP. DEVELOPMENT  
 RECREATION  
 RESOURCES  
 MACARTHUR PARK MUSEUM  
 HORTICULTURE  
 URBAN FORRESTRY  
 THERAPEUTIC  
 MARATHON  
 JIM DAILEY FITNESS AND AQUATIC CENTER  
 RIVERMARKET  
 GOLF COURSE AND MAINTENANCE

**GENERAL GOVERNMENT**  
 MAYOR AND BOARD OF DIRECTORS  
 CITY MANAGER  
 CITY ATTORNEY  
 CITY CLERK  
 FIRST DISTRICT COURT  
 SECOND DISTRICT COURT  
 THIRD DISTRICT COURT  
 LITTLE ROCK TELEVISION  
 COMMUNITY PROGRAMS  
 RACIAL AND CULTURAL DIVERSITY  
 SMALL AND WOMEN OWNED BUSINESS  
 DEVELOPMENT  
 311 SERVICES CENTER

**PUBLIC SAFETY**  
 FIRE  
 POLICE  
 911 COMMUNICATION CENTER

# CITY OF LITTLE ROCK

## OPERATING FUND STRUCTURE





December 13, 2016

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

I respectfully submit the official Year 2017 Budget for the City of Little Rock that builds on the accomplishments and Service Improvement Programs initiated during the last several years. While the economic downturn and slow recovery experienced recently continue to create significant challenges for the City, the passage of the One (1)-Cent Local Sales Tax, which became effective January 1, 2012, significantly enhances the operating and capital resources necessary to maintain and improve public safety and the City's infrastructure, stimulate economic development and provide much-needed funding for parks and programs that enhance the quality of life for Little Rock citizens. Overall operating expenditures total \$258,478,114, an increase of \$3,021,533, or 1.2% more than the 2016 Adopted Budget and \$4,984,087, or 2% more than the final 2016 Amended Budget. The Operating Budget changes for the 2017 Year are summarized below:

	<u>2017</u>	<u>2016</u>	<u>Change</u>	<u>% Change</u>
General Fund	\$204,522,270	\$201,644,229	\$2,878,041	1.4%
Street Fund	20,172,832	20,557,426	(384,594)	-1.9%
Fleet Services Fund	12,232,552	12,714,282	(481,730)	-3.8%
Waste Disposal Fund	17,833,261	16,928,866	904,395	5.3%
Vehicle Storage Facility Fund	1,376,010	1,359,792	16,218	1.2%
Parking Garages	2,341,189	2,251,986	89,203	4.0%
Total	<u>\$258,478,114</u>	<u>\$255,456,581</u>	<u>\$3,021,533</u>	<u>1.2%</u>

The 2017 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:

Little Rock citizens passed an additional One (1)-Cent Local Sales Tax in September 2011, which became effective on January 1, 2012. Faced with significant challenges with stagnant revenue in many areas due to the lingering effects of the economic downturn, and one of the lowest local tax rates in the State, citizens supported the new tax initiative. The City held several public hearings in each Ward to discuss priority needs associated with Public Safety, Public Works, Jobs and Economic Development, Parks and Recreation, Zoo and Tourism, and other priorities, including fleet replacement, information technology needs, pension funding and public transportation. The priority needs were divided between on-going operating needs and capital needs. The 5/8-Cent permanent increase in sales tax for operations is reflected in the FY17 Adopted Budget. The 3/8-Cent 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. On July 24, 2016, the City issued \$58,105,000 in bonds, and a second series of bonds will likely be issued in 2018.

The General Fund 2017 Operating Budget includes several significant changes from the original 2016 Operating Budget. The 2017 Budget includes transfers in from the 2012-2021 Capital Improvements Fund (3/8-Cent Sales Tax) to fund the principal portion of debt service due on short-term notes that were issued to accelerate key capital projects funded by the sales tax. The debt service transfer represents \$8.3 million of the transfer in revenue and related debt service expense in the 2017 operating budget. Debt service of \$10,519,181 is included in the General Administrative Department of the General Fund. The increase in debt service of \$1,557,575 reflects the issuance of 2016 Short-Term Notes to fund completion of the Southwest Little Rock Fire Station, Fire Self-Contained Breathing Apparatus, vehicles and equipment, Planning and Permitting software and field devices, Information Technology fiber infrastructure, an Information Technology Fire Suppression System, and the purchase of a building for use by the Little Rock Advertising and Promotion Commission.

Sales Tax continues to be the leading revenue source for the City at approximately 50% of general fund revenues. The City's sales tax is composed of a 1-1/8-Cent Local Sales Tax on gross receipts, which includes the 1/2-Cent Sales Tax in effect since 1994, combined with the 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 3/8-Cent 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 Fighter 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 are funds 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 sales tax were implemented during 2012 and are maintained in 2017.

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 twelve (12) months from the date of the transaction in which to claim the rebate. State Statute restricts the level of tax information available to municipalities which makes forecasting sales and use tax revenues very difficult. Growth in sales tax receipts compared to the same period a year ago continued to be volatile in 2016, with seven (7) of the twelve (12) months of 2016 demonstrating a negative or unfavorable comparison to the previous year and five (5) months demonstrating a favorable comparison to the previous year. Overall results for 2016 were 0.14% lower than 2015 results and trailed the Amended Budget by 0.16%, or \$154,884. Based on the growth experienced in the first nine (9) months of 2016 and economic development within the City, the projected growth in the 2017 Budget includes 1.5% for the City’s portion of County sales tax revenue and for the City’s local sales tax. Based on the final actual sales tax revenue for 2016, the City will need to experience growth of 1.67% to achieve the 2017 Budget of \$101,416,870. Growth estimates are conservative due to the impact of the rebate program and increased Internet sales, which frequently exclude sales tax collections. Amazon recently announced that it will begin collecting and remitting Sales and Use Tax on Arkansas sales beginning on March 1, 2017. The Arkansas General Assembly considered two (2) Remote Seller Sales and Use Tax Bills which would have allowed municipalities and the State to capture revenues which once would have been remitted to them prior to Internet Sales. Unfortunately, neither of those bills were approved by the General Assembly. As a major source of Internet sales, the announcement of Amazon should restore a portion of the revenues which have been eroded due to the increase in Internet sales over the last several years.

Franchise fees from local utilities comprise approximately 14% of general fund revenues. Franchise fees from Entergy Corporation, the electric utility, decreased approximately 5% in 2016 with a decline in usage of approximately 1.6%. Electricity Franchise Fees are expected to decline again in 2017 by an estimated 6.4%. Although Entergy Arkansas filed a rate increase request of 3.8% for 2017, two (2) temporary charges previously paid by residential customers will soon expire, effectively reducing residential bills by approximately 0.5%. Franchise fees from CenterPoint Entergy, the gas utility, decreased approximately 22% in 2016 with a decrease in usage of approximately 17%. The decline in usage was primarily associated with low natural gas prices and the very mild winter. 2017 Gas revenues are expected to be approximately 26% higher than actual 2016 levels and 2.1% lower than 2015 levels. The increased revenue estimates are a result of higher natural gas cost passed on to customers and an 11% increase in the base rate. Franchise fees from telecommunication companies and long-distance carriers are expected to decrease approximately 10% after several years of decline due to ongoing competition from wireless companies. Little Rock Wastewater Utility (LRWU) will increase rates by approximately 4.75% effective January 1, 2017. LRWU has scheduled rate increases from 2018 - 2021 to fund an expansion of storage facilities and a pump station upgrade. Scheduled rate increases were implemented to comply with the terms of the Sierra Club lawsuit to reduce sanitary sewer overflows in Little Rock. In addition, Central Arkansas Water (CAW) has announced a rate increase in 2017 and 2018. The 2017 rate increase is expected to increase an average residential customer's rate by 8.9%, with increases of 4.3% and 2.6% for commercial and industrial customers, respectively. Combined, an increase of approximately 7.3% is anticipated for CAW franchise fees in 2017. Overall, 2017 franchise fee revenue is expected to be \$27,994,177 which is slightly greater than the Amended 2016 Budget of approximately \$27.8 million.

Property Tax revenues account for approximately 14% of General Fund revenues. Little Rock recently received its Original Charge for 2016 Property Taxes to be collected in 2017. The Original Charge is approximately 4.5% over last year's value and represents the total amount assessed on real estate and personal property for the previous year. The Original Charge for the previous year increased 1.1%. The 2017 Budget reflects an increase in Property Tax revenues of approximately 3% from the 2016 Budget, offset by the one-time inclusion of excess commissions in 2016 attributed to prior year revenues. In addition, the Budget includes separate 1-mill property tax levies dedicated for the Police and Fire Pension Plans. Overall property values in Little Rock continue to experience reasonable growth and maintain consistent levels through previous periods of 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 1,708 full-time equivalent (FTE) positions, a net increase of ten (10) FTEs

compared to 2016 staffing levels. Staffing includes twenty-seven (27) Police positions previously funded by a grant award under the *American Recovery and Reinvestment Act* COPS Program and eighteen (18) Firefighters previously funded by a SAFER Grant. In addition, special projects and grant awards support forty-three (43) employees, including fifteen (15) COPS positions. However, approximately 143 of the budgeted General Fund positions were vacant at the end of 2016. The City plans to create a Little Rock Brand and social media presence for Police recruitment and to implement recommendations resulting from an independent review of Police Officer recruitment and selection processes to facilitate filling vacant positions. Two (2) recruit classes are planned for both Fire and Police in 2017. With the passage of the sales tax in 2011, positions were filled and new positions have been added, particularly in the areas of Public Safety and Parks & Recreation. The 2017 Operating Budget expenditures include \$145,172,849 in personnel cost, net of an anticipated \$7 million in savings from authorized but vacant positions. The 2016 Budget includes salary increases of 1.5% for uniform and union positions in addition to the Police and Fire step and grade progression. In addition, the City implemented a new Step and Grade System for the American Federation of State, County and Municipal Employees (AFSCME) union-eligible positions. The twenty (20)-step system provides annual adjustments of approximately 1.8% in addition to any across the board salary increases awarded. The new system is intended to promote retention and advancement within the salary ranges for AFSCME employees. The City will continue to provide basic comprehensive health insurance in 2017 with 100% City paid premiums for "employee only" coverage and City contributions of 55% of premiums for "employee/family" coverage. Employees were offered an opportunity to buy-up to enhanced coverage with two (2) options that included lower deductibles and co-pays. In addition, the budget includes health insurance coverage for designated part-time employees in accordance with requirements of the Affordable Care Act. Benefit changes approved by the State Legislature increased pension costs for Fire and Police uniformed personnel. Pension costs increased from 21.58% to 22.58% of payroll for uniformed Fire personnel and from 18.23% to 19.23% of payroll for uniformed Police personnel. In addition, the City merged administration of the closed local Police Pension Fund with the LOPFI Plan which will require an additional contribution of 10.1% of payroll for uniformed Police personnel; however, the additional contribution will not result in any additional cost to the City. The dedicated one (1)-mill property tax levy, annual City sales tax contribution of \$500,000, and other dedicated fines and fees are expected to fully fund the 10.1% contribution. On January 1, 2014, the City implemented a new Defined Benefit Pension Plan for non-uniform personnel. The plan resulted from a yearlong review of options to improve the retirement plan for non-uniform employees. There will be no change in 2017 to the City contribution rate of 9% of salary to the plan, matched by employee contributions of 4.5%. Pension costs for Court Clerks is increasing to 14.75% from 14.5%. 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 and benefits and the increased number of filled positions,

the 2017 Budget for personnel cost will increase approximately 1% from the 2016 Budget.

Fleet services and fuel costs are projected to decrease slightly in 2017 in comparison to the 2016 Adopted Budget. The 2017 Fuel Budget is based on estimated unleaded and diesel fuel per gallon prices averaging \$2.06 and \$2.21, respectively. In 2014, the City opened a Compressed Natural Gas Station (CNG) and has been converting vehicles to CNG when practical. CNG fuel cost for 2017 is forecast at \$0.69 per gallon. While the fuel cost per gallon has decreased, the number of deployed vehicles has increased with additional staffing in Police and Code Enforcement. The budget for fleet maintenance increased slightly due to the aging fleet; however, as the annual fleet replacement schedule progresses with funding from the passage of the sales tax, repair and maintenance cost will be reduced. In 2017, the City plans to implement a Five (5)-Year Replacement Plan for the Police Fleet, with the initial year of the plan including the replacement of approximately sixty (60) Patrol Vehicles.

In 2016, the City issued three (3) short-term financing notes for \$4,525,000, \$2,850,000, and \$4,603,000. The notes included replacement of Self-Contained Breathing Apparatus for the Fire Department, Fleet vehicle and equipment replacement, fiber infrastructure and a Fire Suppression System for the Information Technology Department, new planning and permitting software, the acquisition of a building for the Little Rock Convention and Visitors Bureau, and completion of construction and the equipment and vehicles associated with the Southwest Fire Station #24. 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 from general revenues over a period of five (5) years. The principal portion of the note associated with Southwest Fire Station #24 will be funded by a transfer to the General Fund from the proceeds of the 3/8-Cent Sales Tax for capital projects. Principal and interest payments are included in the General Fund Budget. Debt service payments will increase by approximately \$1.56 million in 2017 due to the addition of the 2016 notes.

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. Combined, the funding for the jail is budgeted at approximately \$1.9 million.

A Homeless Services Task Force was established in 2006 to end chronic homelessness within our community. The City has partnered with North Little Rock to financially fund the Jericho Way 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.

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 2017 as part of City's emphasis to foster and enhance youth and community development. In addition, Community Programs Staff completed the development of a Youth Master Plan following a series of community forums with Little Rock citizens. City Staff will continue to work with community groups, neighborhood associations, the faith-based community and other groups to ensure resources are targeted appropriately. In addition, the City implemented an in-house pilot program to train and utilize disadvantaged persons for the construction and maintenance of sidewalks in conjunction with the skills center and re-entry programming. The program was extremely successful and will be continued in 2017. In addition, the City has expanded the program to include additional entry-level positions available in other City Departments.

Other new programs receiving funding in the 2017 Budget include a Municipal ID and Hispanic Outreach Pilot Program, a Little Rock Residency Incentive Program for new employees, a Public Service Announcement and Police Recruitment Program, and a full year of operating expenses for the West Central Community Center and the new Pankey Police Substation in West Little Rock.

The 2017 Budget includes a contingency allocation of \$1 million or approximately 0.5% of General Fund revenues. The City of Little Rock's Management Team will continue to manage the City in a sound and fiscally prudent manner while striving to deliver the quality and level of service that the citizens of Little Rock expect with available resources.

## **2016 Accomplishments**

**Little Rock Police Department:** The Little Rock Police Department (LRPD) completed the remodeling of the Josephine Pankey Community Center to include a Police Substation which opened in October 2016 providing additional presence in West Little Rock. The upgrade to the 311 Customer Service Response System that began in 2014 continued with Phase II, which allowed citizens to request City services utilizing mobile technology, greatly increasing service delivery to Little Rock citizens. In 2016, a total of 162,832 requests for City services were made utilizing the enhanced 311 System. In March 2016, LRPD obtained reaccreditation and was recognized as a Meritorious Agency for achieving and maintaining accreditation for fifteen (15) or more continuous years through the Commission on Accreditation for Law Enforcement Agencies (CALEA). Recruit School #84 began in February 2016 and graduated a class of twenty-eight (28) in July. Recruit School #85 began on August 22, 2016, on February 3, 2017, graduated nine (9) Officers. At least two (2) additional recruit schools will be held in 2017 with the possibility of a third Certified

Officer Advanced Training (COAT) Class. The COAT Class is for Officers recruited from other agencies that have already met minimum certification requirements, but need training on Little Rock policies and procedures.

**Little Rock Fire Department:** In 2016, the Little Rock Fire Department continued to provide quality services to the Little Rock community, responding to more than 30,440 fire and emergency calls. During the year, the Department completed the upgrade of its Self-Contained Breathing Apparatus with the purchase of 230 packs at a cost of approximately \$1.9 million and initiated the purchase of a Records Management System to replace the in-house program that is currently in use. Accreditation was a top priority as the Department continued to move forward with the accreditation process through the Center for Public Safety Excellence. The Operations Division placed a new Decontamination Unit in service and re-purposed the old unit into a Bush Truck and purchased three (3) staff vehicles. The Administrative Division completed the expansion of Fire Station 13 with the addition of four (4) bedrooms and an additional bathroom along with completing the evaluation and modification of payroll to implement the change from a twenty-seven (27) day to a fourteen (14) day Fair Labor Standards Act (FSLA) cycle. Other significant goals were attained, including increasing productivity in the Fire Marshals Division through technology. The Division received iPads, enabling personnel to conduct and record inspections in the field. In addition, during 2016, two (2) Fire Marshals attended the Little Rock Police Academy becoming Certified Police Officers, continuing a process begun in 2015. The Training Division graduated two (2) recruit classes for a total of twenty-two (22) new recruits during the year and logged 109,528 hours of training, equating to 283 hours of training per person during the year. Additionally, the Aircraft Rescue and Fire Fighting (ARFF) Division completed a twelve (12)-week schedule for ARFF initial training and completed its Federal Aviation Administration (FAA) Safety Inspection with no discrepancies.

**Community Programs:** In 2016, the Community Programs Department finalized work on a comprehensive Master Plan for Children, Youth and Families that is focused on updating and improving the programs and services that Little Rock's citizens need to thrive. The Department continued to hold Community Forums with Little Rock citizens to communicate the results of the Plan, as well as how the Department would work to meet the identified needs. In addition, staff continued working closely with funded program providers on the Youth Program Quality Initiative with the goal to better determine the level of effectiveness of their programs and find ways to improve program services. All contracts for PIT-Funded Programs ended December 31, 2016, and all new contracts beginning in 2017 must meet the guidelines and recommendations as set forth in the Master Plan. Staff continues its work to increase collaboration efforts with the School Resource Officers of the Little Rock Police Department, the Little Rock School District, the Arkansas Department of Youth Services, Pulaski County Youth Services, local colleges and universities, and other local and State partners. This work is primarily managed by the new staff position, Community Resources Manager, which was created to address the identified priority community needs through various City-funded programs and/or

City partnerships developed specifically to meet them. The Department continues to expand full-time job training opportunities to citizens returning from a correctional facility as well as summer job training opportunities to students aged sixteen (16) – twenty-one (21) so they may develop employability and life skills that will lead to full-time, permanent employment.

**Human Resources:** In 2016, the Human Resources Department worked to ensure that the City would be compliant with the proposed changes to the Fair Labor Standards Act. This included having individual meetings with incumbents who would be affected and their supervisors. Staff worked with the Departments to address potential staffing issues resulting from employees being changed to overtime eligible. Because of these changes, the Classification Division conducted a City-wide audit of the overtime exemption status of employees resulting in several classifications being changed. Additionally, the Benefits Division implemented electronic enrollment for the City's open enrollment process. This transformed a 100% manual, paper intensive process into a paperless, employee centered process. By eliminating manual data entry of benefit changes, and instead utilizing electronic data feeds to the insurance carriers, this significantly reduced the number of errors.

**Finance:** The Finance Department obtained the Government Finance Officers Association (GFOA) Certification of Recognition for the 2016 Budget Presentation and the GFOA Certificate for Excellence in Financial Reporting for the 2015 Comprehensive Annual Financial Report. In addition, staff coordinated with other City Departments to conduct a program inventory process review of the 2016 Budget for the Board of Directors, and provided quarterly reporting to the Little Rock Citizens Evaluation of New Tax (LRCent) Committee regarding the status of the new local sales tax and on progress toward completion of capital projects authorized under the 3/8-Cent portion of the tax. In 2016, Finance facilitated the issuance of three (3) short-term financing notes in the amounts of \$4,525,000, \$2,850,000, and \$4,603,000 respectively. The uses of the funds were discussed in detail above. Other significant accomplishments include completion of the Result-Driven Contracting project with Harvard's Government Performance Lab; the implementation of recommendations resulting from the project will be completed during 2017. In addition, the Treasury Management Division expanded online services to include Alcohol and Mixed-Drink Permit renewals and the collection of monthly supplemental payments from mixed-drink license account holders.

**Information Technology:** The Information Technology Department led the upgrade to the City's website to a platform responsive version. Phase-One of the Voice over Internet Protocol (VoIP) Phone System was completed. In addition, the Department coordinated the efforts in the What Works Cities Initiative, installed and connected fiber to Southwest Police Station and Southwest Community Center, and provided guidance and installation for the needed technology in the new West Central Community Center and West Little Rock Pankey Police Substation.

**Planning & Development:** The Planning and Development Department coordinated with the Planning Commission and the Board of Directors the review and adoption of an amendment to the Zoning Ordinance. The MacArthur Park Design Guidelines were adopted by the Little Rock Historic District Commission and work on the Woodruff House Stabilization Project was started. Review of the City's future Land Use Plan for one area was completed and amendments were approved by the Planning Commission and Board of Directors. Staff reviewed and processed over 200 development-related applications, such as re-zonings, Conditional Use Permits and planned developments. The Jump Start 12<sup>th</sup> Street Core Zoning Overlay Plan was adopted, and the Board of Directors and Planning Commission approved resolutions in support of the Wright Avenue Neighborhood Action Plan.

**Housing & Neighborhood Programs:** The Housing & Neighborhood Programs Department implemented a Mobile Home Inspection Team of Code Enforcement Officers dedicated to the inspection of mobile home parks, resulting in the inspection of 100 mobile home parks totaling 1,146 mobile home inspections. In addition, the Code Enforcement Division held three (3) training academies that were successfully completed by eighteen (18) newly hired Code Enforcement Officers. The Department continued to diversify staff with a total of four (4) Latino Code Enforcement Officers. The Community Development Division assisted 111 homeowners through various rehabilitation programs, including wheel chair ramps, Emergency Assistance Grants, limited home repairs, elderly home repairs and World Changers. In addition, 7,150 citizens were provided healthcare services through the Department's partnership with St. Vincent Medical Center – East. The Department's partnership with CareLink to provide Meals on Wheels assisted 200 clients. As an enhancement to the Love Your Block Program, a recognition program was implemented to highlight innovative projects. The Animal Village reached an all-time record with 1,830 adoptions. The Land Bank continues to market available properties for development including creation of new marketing strategies. In addition, the Land Bank entered into an agreement for the sale of the Rolling Pines Subdivision consisting of eighty (80) lots for housing development.

**Public Works:** In 2016, Public Works Operations Staff responded to 8,314 service requests via the 311 Service Request System and swept 21,632 curb-miles of streets. In addition, staff continued to administer a successful Sidewalk Replacement Program, using disadvantaged citizens re-entering the workforce and some contract work. This program constructed 54,346 square-feet (10,869 linear-feet) of sidewalks in Little Rock. During 2016, staff coordinated the resurfacing of the remaining street segments in the 2014 and 2015 Resurfacing Programs and nine (9) of the sixteen (16) street segments for the 2016 program. In addition, staff continued to work toward completing design and construction on all remaining 2013-2015 Bond and Sales Tax projects, with 100 of the 106 projects complete or under construction, or 94%, of the total. Remaining projects are designed and moving toward construction in 2017.

**Parks & Recreation:** 2016 was another successful year for the Little Rock Parks and Recreation Department. Construction of the 23,000 square-foot state-the-art West Central Community Center was completed, and the facility was dedicated on November 12, 2016. The facility serves as a major focus and community resource for this area of the City. The Department received its third re-accreditation, valid for a five (5)-year period, and complied with all 151 established national standards for accreditation, a significant milestone. Little Rock Parks and Recreation is the only Accredited Parks and Recreation Agency in the State of Arkansas. In 2015, the Department received a major \$150,000 grant from the Coca-Cola Company, in collaboration with the National Recreation and Parks Association, for improvements to the skate park facility at Kanis Park. The Skate Park addition was completed and dedicated September 10, 2016. The Department continues to seek grants to supplement its operating and capital budgets. The update of the 2001 Little Rock Parks and Recreation Master Plan is underway and should be completed by the third quarter of 2017. Staff continued their efforts to improve the City's trail system, and new playground structures were implemented at Brodie Creek and Boyle Park. In addition, volunteerism was major focus in 2016, as the Department continued to promote its Adopt-A-Park Program and other volunteer opportunities. As a result of this focus, the Department received the 2016 Ivy Award for their committed Service in Environmental Ownership for the volunteerism program. The Little Rock Marathon had another successful race that saw an increase in both registration and revenue. Parks were maintained at a Class "B" level (mowed one (1) time every ten (10) work days) and detailed inspections of parks were conducted. The Junior Volunteer Park Ranger Program continues to grow, and the Department's "Lights on After School" Initiative was again successful in promoting the critical importance of quality afterschool programs in the lives of children, their families and the community.

**Little Rock Zoo:** The Zoo received multiple awards and recognition for leadership in conservation and sustainability in 2016. The Little Rock Zoo Green Team was honored with the Sustain the Rock Award at the 2016 Sustainability Summit. In addition, the Arkansas Recycling Coalition awarded the Little Rock Zoo as the Government Recycler of the Year. The Arkansas Department of Environmental Quality recognized the Little Rock Zoo's Green Team with the Watershed Visionary Innovator Award at the 2016 Arkansas Watershed Conference. The Zoo continues to provide the best care to the animals in its collection, working with the Association of Zoos and Aquariums (AZA) Conservation Programs, the Species Survival Plan (SSP) and Saving Animals from Extinction (SAFE). The Zoo received a SSP breeding recommendation for Maned Wolves and received national coverage when photos of Maned Wolf Pups were featured on media outlets nationwide. In addition, the Zoo announced the birth of another SAFE species, the African Penguin. "Winston", the penguin chick, was featured in *People Magazine* online. The Arkansas Heritage Farm opened in 2016, and the Zoo partnered with Heifer International to highlight the importance of sustainable agriculture and gifting to communities around the world. Improvements to animal exhibits include new fencing, updates to the Bear and Otter Exhibits, and renovations to convert existing

exhibits. These improvements have allowed the Zoo to add Somali Wild Asses, Ostriches, Yellow-Backed Duiker, and Alpacas. The Zoo is also an engine that promotes economic growth in Central Arkansas. To keep up with the growing number of guests at the Outdoor Nature Center, grants have been awarded to complete many upgrades. The Arkansas Historic Preservation Project provided funding for renovations of the "Over the Jumps" Carousel, the Arkansas State Parks Outdoor Grant supported the construction of a new Safari Relief Station (restrooms) and the Arkansas Highway & Transportation Department supported the installation of new pathways throughout the Zoo. In addition, the Zoo continues to partner with many area agencies. The Arkansas Children's Nutrition Center and the Zoo are partnering to bring awareness to how humans and animal health intersect with the program "Wild About Nutrition." The Zoo works with Regional Recycling and the Arkansas Department of Environmental Quality to endorse sustainable practices. In addition, the Zoo continues to work with Heifer International. The newest conservation partnership is with Arkansas Natural Heritage Commission where the Zoo provides service hours and the Commission provides Zoo employees with conservation field and lab work.

**Fleet Services:** The City of Little Rock Fleet Services Department achieved national recognition, ranked number six (6) among the 100 Best Fleets of North America. In addition, Fleet Services is in the process of opening a Quick Lube Shop to perform preventative maintenance. Fleet Services upgraded the fueling system at several fueling sites and purchased a secondary CNG Compressor to increase CNG fast-filled capacity at the City's CNG Station. The Department, in coordination with the Finance Department and LRPD, is in the final stages of compiling a five (5)-Year Police Vehicle Replacement Program, with the first phase of the plan focusing on replacement of front-line patrol vehicles.

**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. The restricted reserve is currently \$10,000,000. The 2017 Budget includes a contingency allocation of an additional \$1 million. Following the completion of the 2016 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.

### **2017 Goals**

- In coordination with the Mayor and City Board, staff will have a major focus on completion of projects funded by the 2012 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.gov](http://www.littlerock.gov).
- Continue quarterly review meetings with the Little Rock Citizen Evaluation of New Tax (LRCent) Committee to review expenditures and progress toward initiatives supported by the One (1)-Cent Sales Tax. These meetings will provide an additional layer of accountability and transparency to tax payers.

- Implement the sales tax plan for the second three (3)-year cycle of Street and Drainage Projects (2016 – 2018) established per the Ward community meetings.
- Continue progress on Street and Drainage Improvement Projects funded by the 2013 Capital Improvement Bonds and prepare for the issuance of the second series of bonds.
- Implement the 21<sup>st</sup> Century Policing Principles by utilizing the following six (6) pillars:
  - Pillar One – Building Trust and Legitimacy
  - Pillar Two – Policy and Oversight
  - Pillar Three – Technology and Social Media
  - Pillar Four – Community Policing and Crime Reduction
  - Pillar Five – Training and Education
  - Pillar Six – Officer Wellness and Safety
- Create a Little Rock Brand and Police Officer Recruitment Action Plan.
- Continue toward achieving accreditation of the Little Rock Fire Department.
- Begin construction of the Southwest Fire Station #24.
- Implement the Youth Master Plan for Children, Youth and Families.
- Develop and pilot a Re-Entry Mentoring Employment Readiness Training Program.
- Develop a Five (5)-Year Fleet Replacement Strategy.

### **Economic Outlook**

The primary challenge facing the City of Little Rock remains providing a full complement of services that satisfy the needs of citizens, balanced with the resources available to the City, in an efficient, cost-effective, and transparent manner.

The comparative figures for the City of Little Rock as of December 31, 2016, show unemployment at 3.5%, compared with a U.S. average of 4.9%, according to data from the United States Department of Labor, seasonally adjusted for local figures by Metroplan. According to data from Arkansas Department of Workforce Services, Metroplan stated that regional economic growth remains slow but steady in its December 2016 issue of the *Metrotrends Economic Review and Outlook*. “Job growth has picked up compared with a nearly flat trend 2013 – 2014, and from July 2015 to July 2016 matched the U.S. average of 1.7%. Over the past year, growth in the local business and professional services sector handily outpaced the U.S. average. Other areas of local strength have included retail trade, transportation, utilities, education and health services.”

The December 2016 *Metrotrends Economic Review and Outlook* refers to areas of promise in the local economy. “First among these is cyber-security, where new data shows the region holds an outsized presence. This issue emphasizes entrepreneurship, exemplified by the Venture Center and a sampling of successful

local firms in cyber-security, retailing, and manufacturing. The Central Arkansas Region has customarily depended on its stable base in government, education and health care. Economic demands are changing, though, and traditional “eds and meds” sectors will probably generate less growth going forward. Greater entrepreneurship in private and non-profit sectors can raise local living standards and quality of life in a time of continuing economic transformations.” Little Rock-North Little Rock-Conway, AR ranked 9<sup>th</sup> in Information Security Analyst Jobs with 1,850 jobs or 8.53% according to the U.S. Bureau of Labor Statistics, occupation data for sector 15-1122.

U.S. Internet sales continued rapid growth accounting for approximately 8% of total sales. Internet sales have more than doubled in a decade, from less than 3% in 2006, and could easily reach 12% of total retail sales by 2025. From 2010 – 2014, Electronic shopping and mail-order sales have grown nearly 35%. Internet sales have an advantage over local retailers in Arkansas and other states that are unable to collect Sales and Use Tax on online sales. The City is supportive of the Remote Transactions Parity Act before Congress, which would enable municipalities to collect sales tax from retailers that do not have a physical presence in the State. With sales tax as the primary revenue source for the City of Little Rock, this legislation is critical to retaining the resources required to sustain local services. While State Law requires that citizens prepare use tax returns for such purchases, this method of tax collection is very ineffective. As mentioned in the overview above, Amazon recently announced that it will begin collecting and remitting sales and use tax on Arkansas sales beginning on March 1, 2017.

The regional housing market has experienced slow growth. Single-Family Housing Permits were slightly higher during the first half of 2016 in comparison to the same period a year ago. Multi-family housing experienced relatively few new starts in 2016 after large increases in 2014 and 2015. During the second quarter of 2015, over 400 new units opened in Little Rock including 262 units at LIV Riverhouse, located at 1200 Brookwood Drive, and 144 units at The Pointe Brodie Creek, Phase II, located at 3400 South Bowman Road. An additional 217 units opened at Bowman Pointe in 2016. Plans for more multi-family units along Bowman Road in West Little Rock were put on hold during 2016 while the City studies the impact on surrounding neighborhoods and traffic. In September, Little Rock approved forty-eight (48) units along Scott Street in the downtown area and 191 units along Rushmore Avenue near Cooper Orbit Road in West Little Rock. The region’s low unemployment rate and steady job growth are factors boosting demand for multi-family housing. The occupancy rate in newly built complexes, those opened since 2010, is approximately 95%. Several new multi-family projects may be announced in Little Rock during 2017. A forty-eight (48)-unit project in the Aldersgate area of Little Rock was announced recently, and a new multi-family projects near Chenal Valley in the western area of the City are expected in 2017. Multi-family projects east of the Clinton Library near the river front are considered possible as well.

In July 2014, the Robinson Center Music Hall in Downtown Little Rock was temporarily closed for a \$70.5 million renovation project. The building increased from 133,500 square-feet to 138,000 square-feet. The overhaul included restoring the exterior, re-working audience entrances, improving performance hall acoustics and seating, upgrading the loading area and building a new conference center and grand hall on the north side of the performance hall. The upgrades were completed and the Robinson Center Performance Hall and Conference Center reopened in November 2016. The Robinson Center is featured on the cover of this year's Budget Document.

In February 2015, FedEx held a groundbreaking ceremony with company officials, as well as government leaders including U.S. Sen. Tom Cotton and U.S. Rep. French Hill. The 303,000 square-foot FedEx Corporation Distribution Center opened in Southwest Little Rock in September 2016. The \$24.9 million project employs 175 people and can process approximately 15,000 packages per hour.

In June 2015, the American Taekwondo Association International (ATAI) broke ground on its new \$13 million, 45,300 square-foot headquarters in Little Rock along Riverfront Drive, complete with a museum, video production studio and international martial arts training. The ATAI's annual World Expo, held in Little Rock's Statehouse Convention Center, brings in tens of thousands of visitors and competitors each year. The facility opened on November 30, 2016.

In December 2015, *Arkansas Business* reported that Fidelity Information Services (FIS) would sponsor a start-up accelerator in Little Rock devoted to financial technology. FIS, based in Jacksonville, Florida, is a global banking technology services provider whose origins trace back to Systematics of Little Rock. It maintains a large campus in West Little Rock that employs approximately 1,300 workers with a focus on product development. The FinTec Accelerator is housed out of the Venture Center, which shares space with the Little Rock Technology Park in Downtown Little Rock. Launched in 2014, the Venture Center has grown to more than 200 members, seventy-six (76) active start-ups and thirty-seven (37) trained mentors who have led more than 340 mentor sessions. The Center has produced forty-four (44) of its Pre-Accelerator Program start-ups. Six (6) of its member start-ups have raised more than \$2.25 million in venture capital. On August 3, 2016, Governor Asa Hutchinson and FIS Officials announced that the FinTec Accelerator will return to Little Rock in 2017 and 2018.

Downtown Little Rock has attracted three (3) hotel developers who have invested more than \$7.3 million to secure locations to join a hotel market thriving with conventions, commerce and tourism. The 140-room Hilton Garden Inn Project is scheduled to be the first to open in spring of 2017.

In April 2016, LM Wind Power broke ground on a new 44,000 square-foot facility at the Little Rock Port. The company, which employs 450 people across two (2) sites

in Little Rock, said the expansion will allow it to store materials at its port operation, cutting transportation costs and increasing efficiencies.

In May 2016, Ronald McDonald House Charities of Arkansas announced a \$1.2 million donation from the J.E. and L.E. Mabee Foundation to help fund a new 32,000 square-foot facility under construction at the corner of 10<sup>th</sup> Street and Dr. Martin Luther King, Jr., Boulevard in Little Rock. The facility opened in November 2016.

In August 2016, *Arkansas Business* announced that Welspun Tubular, LLC, of Little Rock had obtained an order for more than \$47 million in coated twenty (20)-inch pipe for the Diamond Pipeline, a 440-mile project to move crude oil from the Plains Terminal in Cushing, Oklahoma, to the Valero refinery in Memphis, Tennessee. Included in the report was this quote from Rusty Fisher, Senior Vice President for Sales and Marketing at Welspun. "On behalf of our more than 500 employees in the Little Rock area, we're proud to contribute to bringing the benefits of this important piece of energy infrastructure to our community. Through this prestigious pipeline order, Welspun Tubular continues to fulfill its commitment of supporting jobs to the State of Arkansas."

In November 2016, *Arkansas Business* announced that Lowe's Home Center purchased seventeen (17) acres of land at the northwest corner of Kanis and Bowman Roads in Little Rock. Plans include a \$5.8 million project, including an 113,941 square-foot building. The location has great visibility and is convenient to a large residential population. It is expected to be a great addition to Little Rock's retail environment.

In addition, *Arkansas Business* announced the Little Rock Port purchase of 157 acres of land for \$1.35 million in November 2016 to be utilized for economic development. Executive Director Bryan Day said, "This additional land will allow the port to attract new businesses that will employ even more Arkansans in the port. The Port is the proud home of forty-one (41) companies employing more than 3,000 people, and we look forward to seeing that number grow soon." During 2016, the Port competed for and was awarded a \$6.2 million Federal TIGER Grant to enable the construction of a new rail-to-barge dock on its slackwater harbor and to add 5,400 feet of storage track on the port's railroad to alleviate congestion of out-bound shipments. Most recently, *Arkansas Business* reported that Suzhou Tianyuan Garments Company, a Chinese company that makes clothing for Adidas and other brands, has agreed to put a garment plant in Little Rock, investing \$20 million and employing 400 people. The investment marks the first by a Chinese-owned garment manufacturer in the United States.

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

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

In addition, Little Rock was recently listed as No. 3 Best State Capital by *USA Today Readers' Choice: 10 Best*. The article had this to say about Little Rock, "A downtown renaissance has transformed Little Rock into a city with culture, cuisine and abundant outdoor activities. Visitors can rent a bike and pedal the sixteen (16)-mile loop along the Arkansas River Trail, visit the Clinton Presidential Center and the Little Rock Central National Historic Site, a National Park Service unit that interprets the crucial role played by the school in the civil rights struggle." The article may be found at (<http://www.10best.com/awards/travel/best-travel-worthy-state-capital/>).

*Bicycling.com/2016* recently named the Big Dam Bridge in Little Rock as one of the "Coolest Bike and Pedestrian Bridges in the US." The Big Dam Bridge across the Arkansas River in Little Rock is the longest pedestrian/cycling bridge that wasn't formerly a motorist or train bridge.

In May 2016, *Arkansas Business* reported that Arkansas moved up ten spots in *Chief Executive Magazine's* latest Best & Worst States for Business annual survey found at (<http://chiefexecutive.net/why-do-some-areas-of-the-country-thrive-while-others-see-businesses-atrophy-and-people-flee-at-alarming-rates/>). Arkansas was also ranked No. 1 in "Best Communication of Business Incentives." Arkansas was second only to Ohio in biggest gains. Per Mike Preston, Executive Director of the Arkansas Economic Development Commission, "What this tells us is that we are building momentum, we are capitalizing on our strengths, and we are working to improve our critical areas."

The City will continue to identify economic development opportunities that result in the expansion, retention, or launching 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 3/8-Cent Sales Tax for capital projects is dedicated to jobs and economic development through 2021. The funds are being 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 2017. The appropriations included provide for quality municipal services.

I want to recognize the many members of our City Staff who 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.gov](http://www.littlerock.gov), 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 Board Meetings and other official proceedings; and produces programming regarding municipal affairs. The City launched a LR 311 Mobile App to enable citizens to access City services. It is available for download through the App Store or Google Play Store. In March 2016, City Officials announced that Little Rock is one of only twenty-seven (27) municipalities around the U.S. participating in the What Works Cities initiative through Bloomberg Philanthropies, part of an effort to embrace open data, create a framework for its usage, and make it readily available to citizens. The City unveiled new data portals that include several data sets covering such topics as budget information, public safety statistics, and 311 requests. The data sets are live on the new main data portal at <https://data.littlerockar.gov/>.

The City has seen great progress over the past years with more to come in 2017 and beyond as the Mayor, Board of Directors and City Staff continue to offer vital services to the citizens of Little Rock. And finally, a very special "Thank You" to the citizens of Little Rock. We strive every day to serve you to the best of our collective abilities.

Respectively submitted,



Bruce T. Moore  
City Manager

## OVERALL CITY GOALS AND OBJECTIVES

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

### Mission Statement

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

### Must Do Policy Statement for a Safe City



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

This shall be accomplished by:

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

Must Do  
**Policy Statement for Economic Development**



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

To accomplish this policy, the City shall:

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

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



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

The services provided to the citizenry will include:

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

Must Do  
**Policy Statement for Infrastructure**



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

A comprehensive infrastructure system includes:

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

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



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

This will be accomplished to:

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

## Statement of Management Policy

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

The 2017 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 City's management team conducted financial planning work sessions to facilitate budget and capital project planning. The work sessions focused on revenue outlook, trends, revenue issues, priority expenditures, expenditure issues, capital projects and debt for capital projects.

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

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

The Capital Budget is usually prepared to present the capital expenditures planned for each of the next four (4) 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 in 2021. Planned capital expenditures from the sales tax are discussed in detail in the capital section of the budget document. In addition, capital needs funded by grants or bond issues were considered. The total costs of each project and the sources of funding

required to finance each project are estimated. The FY17 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 2017 Budget

The 2017 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 the 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 2017 budget follows:

August	Finance sends letters to Outside Agencies for 2017 funding requests. (Response deadline September)
August	Affordable Care Act look back period ends. Finance reviews final part-time report to determine which employees will have an additional health care benefit in 2017.
August	Departments submit revenue estimates, proposed rate adjustments and new fee recommendations and dedicated grant match requests to Finance.
August	Departments review special project balances.
September	Finance Department sends out Personnel Model for verification.
September/October	Departments prepare program inventory worksheets for review and discussion with the Board of Directors in a preliminary budget workshop.
October	Departments complete review of 2017 Personnel Model with necessary changes reported to HR and Budget Office.
October	City Manager reviews Outside Agency Requests. HR provides 2017 new benefit rates to Finance.
October	2017 Budget instructions, departmental budgets and Personnel Model distributed. Finance assists departments with budget process.
October	Fleet Services submits 2017 budget to Finance and departments.
October/November	Departments submit 2017 operating and capital budget requests to Finance. Community Programs submits CYF/PIT recommendation to City Manager.
October/November	Finance verifies budget requests. Finance updates financial trends, revenue forecast, and reviews new revenue options.

October	Board adopts 2017 mill levy Ordinance.
October/November	City Manager reviews departmental budget requests and CYF/PIT recommendation. Budget meetings held with departments.
November	Board of Directors considers policy issues and revenue projections.
November	Budget preparation continues. Meetings held with Mayor to discuss preliminary budget.
Nov. – Dec.	Union Negotiations
November	Draft Budget distributed to Board of Directors. Board Budget Workshop held.
December	Public Budget Information Meetings held.
December	Board of Directors adopts 2017 Budget Ordinance, utility franchise Ordinances, and revenue rate adjustments if applicable.
December	Finance submits 2017 Budget Document data requests to departments.

### **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 2017 budget includes salary increases of 1.5% for uniform and union positions in addition to the Police and Fire step and grade progression. In addition, the City implemented a new Step and Grade System for the American Federation of State, County and Municipal Employees (AFSCME) union-eligible positions. The twenty (20)-step system provides annual adjustments of approximately 1.8% in addition to any across the board salary increases awarded.
- Positions that are vacant at the time the budget is adopted are budgeted at the mid-range salary based on 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 2017. 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 without prior approval by the Fleet Services Department Head and the City Manager.
- 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 2017, 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 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 reimbursements 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.

**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 and revenue 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.

**1998 Street and Drainage Fund** – The Series 1998A Bonds are issued for the purpose of acquiring, constructing, equipping, renovating, expanding and refurbishing certain street, sidewalk, curb, gutter, drainage and other related infrastructure improvements, including payment of a portion of the interest on the Series 1998A Bonds during the construction period. These bonds were advance refunded in July 2007 by the 2007 Capital Improvement Bonds.

**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 the 3.3 mills annual ad valorem tax located with the City. These bonds were redeemed 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. The bonds were refunded with the issuance of the 2015 Library Construction and Refunding Bonds.

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

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

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

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

ad valorem tax on all taxable real and personal property located within the City.

**Tax Incremental Financing 2014 Capital Improvement Bonds** – Tax Incremental Financing Capital Improvement Bonds in the amount of \$2,615,000 were issued in April 2014. The bonds are special obligations of the City secured by and payable solely by a pledge of the incremental ad valorem tax receipts derived with respect to the real property within the City's Redevelopment District No. 1. The bond proceeds were used to finance the cost of acquisition, construction and equipping of a major street system within Development District No. 1.

**Tax Increment Financing Port** – The Tax Incremental Financing Development District established within the Port of the City of Little Rock was set up in order to levy taxes on property located within the redevelopment district and to the school board of any school district which includes property located within the redevelopment district. Funds from this levy are to be used for public infrastructure projects within the redevelopment district.

**2015 Library Construction and Refunding Bonds** – The Library Construction and Refunding Bonds, Series 2015 are limited obligations of the City of Little Rock payable solely from the collections of the Library tax, payable through 2030. The Library bonds were issued to (i) finance the cost of acquiring, constructing and equipping the land and additional capital improvements to the public City libraries owned and operated by Central AR Library Systems; (ii) refund the City's outstanding Library Construction and Improvement Bonds, Series 2008 and Series 2009, and the City of Little Rock Residential Housing and Public Facilities Board Capital Improvement Revenue Bonds, Series 2007; and (iii) pay the costs of issuing the Bonds. The bonds are limited tax obligations payable solely from a 0.9 mill annual ad valorem tax.

**Short Term Financing** – This fund accounts for proceeds of Short Term Financing notes issued to acquire capital equipment, buildings, building and land 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, LOPFI administers the Policemen's Pension and Relief Fund. The following retirement funds are administered by the City and cover substantially all other employees:

- Firemen's Relief and Pension Fund
- Non Uniform Defined Contribution Pension Fund
- Non Uniform Defined Benefit
- New 2014 Non Uniform Defined Benefit Fund
- 401(A) Pension Fund
- 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 Advertising & Promotion Commission
- Little Rock Port Authority
- Metropolitan Emergency Medical Services (MEMS)
- Rock Region Metro
- Arkansas Museum of Discovery
- Arkansas Arts Center
- Bill and Hillary Clinton National Airport
- Central Arkansas Library System
- Oakland Fraternal Cemetery
- Mt. Holly Cemetery
- Workforce Investment Board

These funds receive income from service charges that are used to operate their respective facilities and to retire revenue bonds. In addition, a Hotel, Motel, and Restaurant Sales Tax provides the main source of income to operate the Advertising and Promotion Commission and retire its bonds. The tax is 4% for lodging and 2% for restaurants. 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 providing 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, 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.
1. 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. CONTINUING DISCLOSURE COMPLIANCE PROCEDURE**

1. In December 2015, the City Board of Directors adopted Resolution No. 14,250 adopting policies and procedures related to the issuance of municipal bonds and to adopt and implement the policies and procedures contained in the Continuing Disclosure Compliance Procedure Policy attached to the resolution.
2. The purpose of the compliance procedure includes:
  - a. Disclosure Responsibilities. The Issuer recognizes that the issuance of Bonds often involves accessing the public capital markets and involves certain obligations arising out of the federal securities laws, including entering into a Continuing Disclosure Undertaking and properly communicating with investors.
  - b. Issuer Commitment. The Issuer is committed to full compliance with applicable securities law requirements for all of its outstanding and

future financings that must comply with such requirements. This Compliance Procedure is adopted by the Governing Body to improve and promote securities law compliance and documentation.

3. The contents of the Compliance Procedure include:
  - a. Definitions
  - b. Purpose and Scope
  - c. Disclosure Compliance Officer; Training
    - i. Disclosure Compliance Officer Duties
    - ii. Assistance and Cooperation from Other Officials and Employees
    - iii. Training
  - d. Continuing Disclosure Compliance File
    - i. Compilation and Maintenance of Continuing Disclosure Compliance File
    - ii. Annual Continuing Disclosure Compliance Checklist
    - iii. Remediating Non-compliance
  - e. Issuance of New Bonds
    - i. Review Primary Offering Documents
    - ii. Review Continuing Disclosure Undertakings
    - iii. Update Continuing Disclosure Compliance File
    - iv. Update List of Bonds
  - f. Annual Report and Event Notice Filing
    - i. Annual Report Preparation and Submission
    - ii. Event Notice Submissions

## **E. 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 this goal. The restricted reserve is currently \$10,000,000. The Board will consider increasing the restricted reserve based on the annual audited financial results.
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.).

#### **F. 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.

#### **G. 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.

**Rock Region Metro**, formerly the **Central Arkansas Transit Authority** provides vital public transportation services to much of the metropolitan area.

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

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

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

**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.

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

**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

	<u>2015 Budget</u>	<u>2016 Budget</u>	<u>2017 Budget</u>
Rock Region Metro	\$8,686,869	\$8,576,529	\$8,862,975
County Regional Detention Center	1,063,313	1,450,000 (1)	1,500,000
Arkansas Arts Center	550,000	700,000 (2)	700,000
Museum of Discovery	200,000	230,000	230,000
Chamber of Commerce	200,000	- (3)	-
Metroplan	178,042	178,042	178,042
Downtown Partnership	175,000	195,000	195,000
PAGIS	135,800	135,800	134,850
Metro Little Rock Alliance	100,000	- (3)	-
First Tee	191,500	191,500	246,500 (4)
County Bond Payment	56,100	56,100	56,100
St. Vincent	25,381	25,381	25,381
LR City Beautiful Commission	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>
Total	<u>\$11,564,505</u>	<u>\$11,740,852</u>	<u>\$12,131,348</u>

(1) The increase for the Pulaski County Jail support in combination with funds available from the local jail fine special project in the amount of \$386,687 will bring total Pulaski County Jail support to \$1,854,576. (consistent with the 2015 funding level)

(2) The increase is primarily for building maintenance.

(3) Funding was discontinued at the beginning of 2015 due to a law suit.

(4) The City increased the contribution to sustain the operation of First Tee.

# Budget Summaries



## BUDGET SUMMARIES

The following schedules summarize the audited 2015 operating results, the 2016 unaudited operating results, and the approved 2017 operating budget. The summaries are organized by fund type in a manner that is consistent with the fund organization in the City's audited Comprehensive Annual Financial Report.

The Budget Summary by Fund Type is a recap of the seven (7) fund types included in this section. This recap is followed by a budget summary for each of the individual funds included in each fund type. 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 City's operating budget includes the following funds:

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

The seven (7) types of funds included in the budget summaries are:

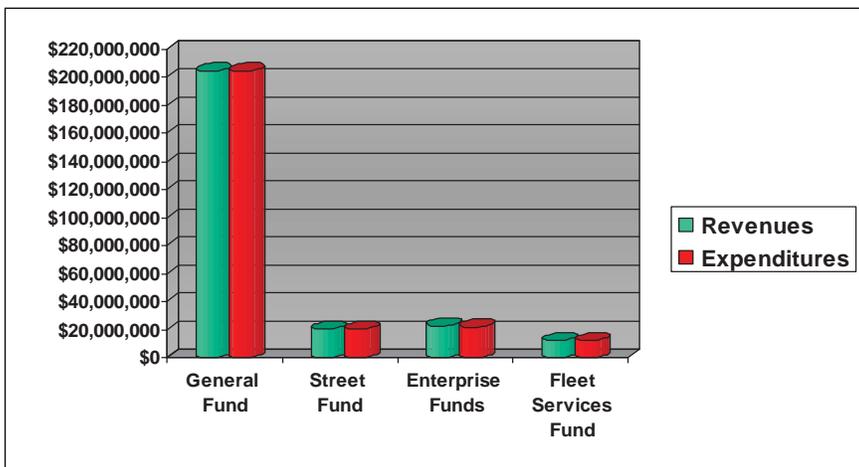
- General;
- Special Revenue;
- Capital;
- Enterprise;
- Internal Service;
- Fiduciary; and
- Debt Service.

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

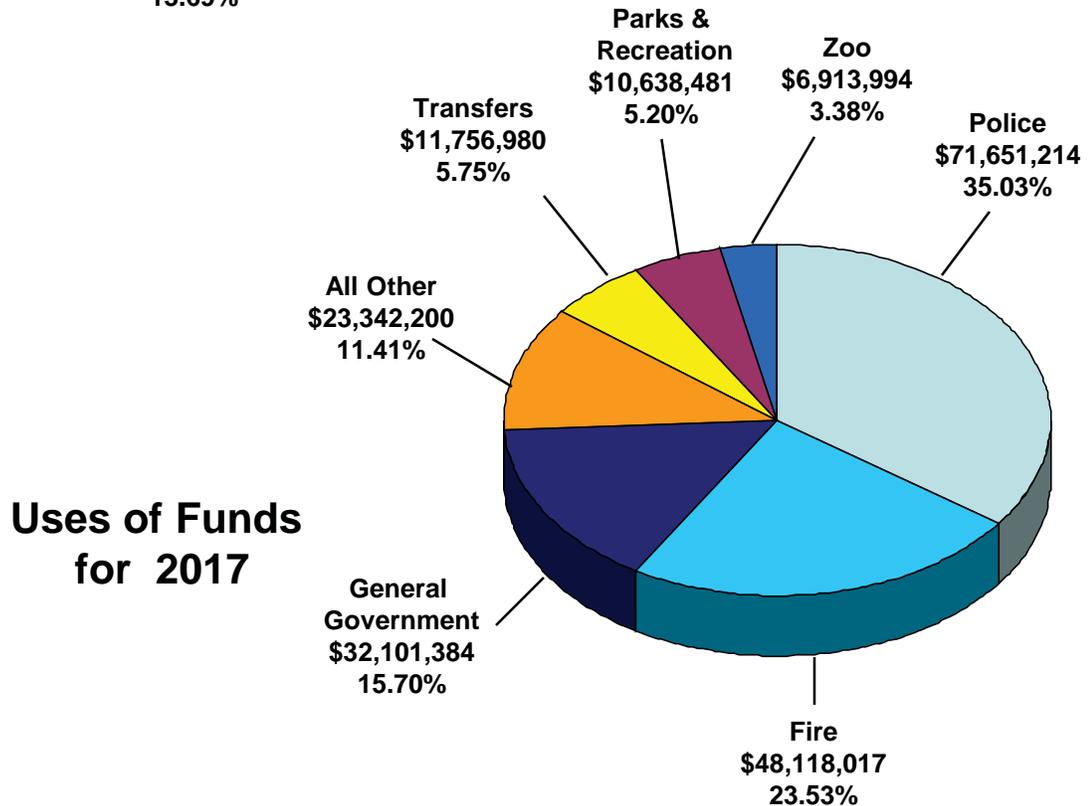
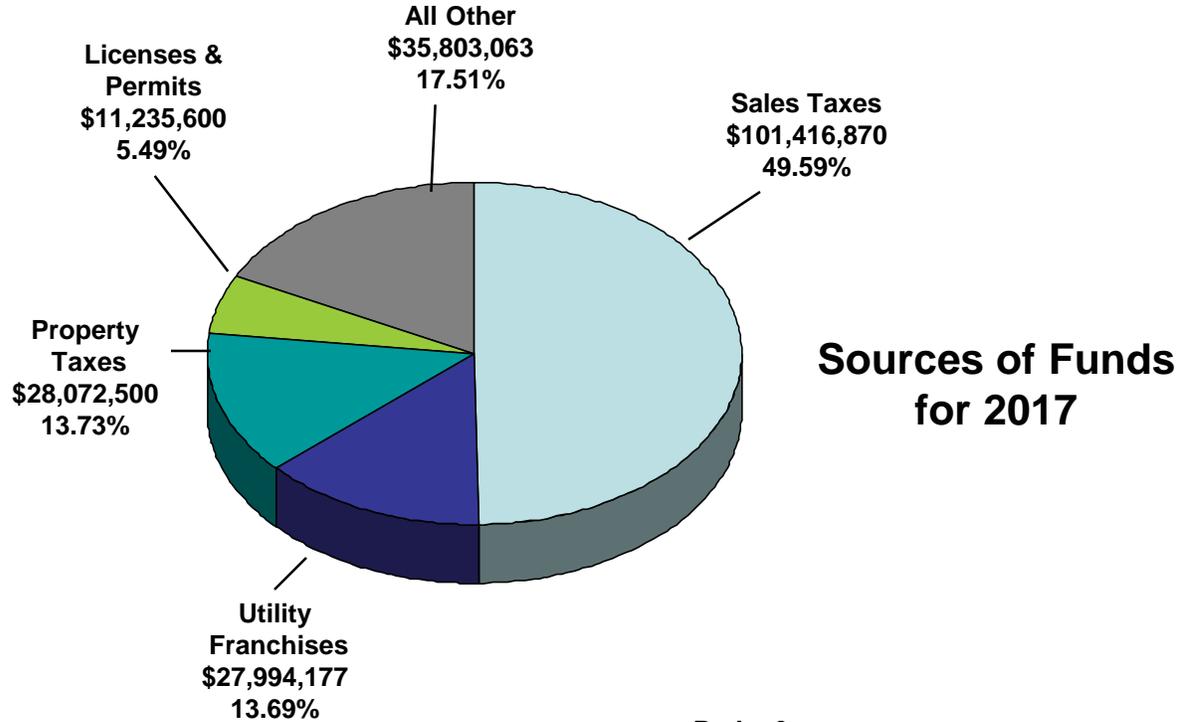
## 2017 Operating Funds Budget Summaries

	General	Street	Enterprise Funds	Fleet Services	Total
<u>Revenues</u>					
General Property Taxes	\$ 28,072,500	\$ 5,865,100	\$ -	\$ -	\$ 33,937,600
Sales Taxes	101,416,870	-	-	-	101,416,870
License and Permits	8,905,660	-	275,600	-	9,181,260
Intergovernmental	8,625,400	12,430,546	-	-	21,055,946
Charge for Service	10,120,020	35,560	21,983,630	12,241,727	44,380,937
Fines and Fees	2,483,840	-	-	-	2,483,840
Utility Franchise Fees	27,994,177	-	-	-	27,994,177
Investment Income	306,000	93,400	113,550	-	512,950
Miscellaneous	6,302,417	221,500	75,500	-	6,599,417
Transfers In	10,295,386	1,526,726	-	-	11,822,112
<b>Total Revenues</b>	<b>204,522,270</b>	<b>20,172,832</b>	<b>22,448,280</b>	<b>12,241,727</b>	<b>259,385,109</b>
<u>Expenditures</u>					
Personnel	145,172,849	10,657,454	6,025,548	3,707,793	165,563,644
Supplies and Material	5,702,540	983,911	1,714,066	5,227,640	13,628,157
Repairs and Maintenance	7,790,157	2,676,043	3,436,030	529,965	14,432,195
Contractual	23,328,563	3,483,056	5,422,730	2,529,201	34,763,550
Closure/Post Closure	-	-	247,945	-	247,945
Capital Outlay	252,000	528,651	-	237,953	1,018,604
Depreciation and Amortization	-	-	2,272,349	-	2,272,349
Debt Service	10,519,181	-	551,186	-	11,070,367
Transfers Out	11,756,980	1,843,717	1,880,606	-	15,481,303
<b>Total Expenditures</b>	<b>204,522,270</b>	<b>20,172,832</b>	<b>21,550,460</b>	<b>12,232,552</b>	<b>258,478,114</b>
Net Change in Fund Balance	-	-	897,820	9,175	906,995
Fund Balances - Beginning	22,158,829	11,329,698	23,777,564	3,893,153	61,159,244
Fund Balances - Ending	<u>\$ 22,158,829</u>	<u>\$ 11,329,698</u>	<u>\$ 24,675,384</u>	<u>\$ 3,902,328</u>	<u>\$ 62,066,239</u>

This presentation includes restricted reserves of \$10,000,000 in the General Fund.



# FY 2017 GENERAL FUND



**CITY OF LITTLE ROCK  
BUDGET SUMMARY BY FUND TYPE  
FOR YEARS 2015 - 2017**

	<u>GENERAL FUNDS</u>	<u>SPECIAL REVENUES</u>	<u>CAPITAL PROJECTS</u>	<u>DEBT SERVICE FUNDS</u>	<u>ENTERPRISE FUNDS</u>	<u>INTERNAL SERVICE FUND</u>	<u>FIDUCIARY FUNDS</u>
<b>2015</b>							
REVENUES:	\$ 212,031,107	\$ 33,301,677	\$ 46,678,451	\$ 37,123,675	\$ 21,672,918	\$ 11,924,784	\$ 11,513,422
EXPENDITURES:	<u>207,122,484</u>	<u>29,453,102</u>	<u>40,548,792</u>	<u>40,713,251</u>	<u>19,657,985</u>	<u>11,829,952</u>	<u>18,848,528</u>
REVENUES OVER (UNDER) EXPENDITURES	4,908,623	3,848,575	6,129,659	(3,589,576)	2,014,933	94,832	(7,335,106)
BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	34,310,622	14,623,448	80,249,214	21,381,267	20,884,192	4,105,740	148,409,600
CHANGE IN ACCOUNTING PRINCIPLE	-	-	-	-	(462,772)	(307,419)	-
BEGINNING NET POSITION, AS RESTATED	<u>34,310,622</u>	<u>14,623,448</u>	<u>80,249,214</u>	<u>21,381,267</u>	<u>20,421,420</u>	<u>3,798,321</u>	<u>148,409,600</u>
ENDING FUND BALANCE	<u>\$ 39,219,245</u>	<u>\$ 18,472,023</u>	<u>\$ 86,378,873</u>	<u>\$ 17,791,691</u>	<u>\$ 22,436,353</u>	<u>\$ 3,893,153</u>	<u>\$ 141,074,494</u>
<b>2016</b>							
REVENUES:	\$ 213,498,492	\$ 33,147,295	\$ 30,968,126	\$ 22,266,372	\$ 21,881,855	\$ 12,714,282	\$ 21,664,533
EXPENDITURES:	<u>213,463,453</u>	<u>32,351,509</u>	<u>48,584,989</u>	<u>18,869,453</u>	<u>20,540,644</u>	<u>12,714,282</u>	<u>18,237,469</u>
REVENUES OVER (UNDER) EXPENDITURES	35,039	795,786	(17,616,863)	3,396,919	1,341,211	-	3,427,064
BEGINNING FUND BALANCE	<u>39,219,245</u>	<u>18,472,023</u>	<u>86,378,873</u>	<u>17,791,691</u>	<u>22,436,353</u>	<u>3,893,153</u>	<u>141,074,494</u>
ENDING FUND BALANCE	<u>\$ 39,254,284</u>	<u>\$ 19,267,809</u>	<u>\$ 68,762,010</u>	<u>\$ 21,188,610</u>	<u>\$ 23,777,564</u>	<u>\$ 3,893,153</u>	<u>\$ 144,501,558</u>
<b>2017</b>							
REVENUES:	\$ 204,522,270	\$ 20,172,832	\$ -	\$ -	\$ 22,448,280	\$ 12,241,727	\$ -
EXPENDITURES:	<u>204,522,270</u>	<u>20,172,832</u>	<u>-</u>	<u>-</u>	<u>21,550,460</u>	<u>12,232,552</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	897,820	9,175	-
BEGINNING FUND BALANCE	<u>39,254,284</u>	<u>19,267,809</u>	<u>68,762,010</u>	<u>21,188,610</u>	<u>23,777,564</u>	<u>3,893,153</u>	<u>144,501,558</u>
ENDING FUND BALANCE	<u>\$ 39,254,284</u>	<u>\$ 19,267,809</u>	<u>\$ 68,762,010</u>	<u>\$ 21,188,610</u>	<u>\$ 24,675,384</u>	<u>\$ 3,902,328</u>	<u>\$ 144,501,558</u>

**GENERAL GOVERNMENT SUMMARY  
OPERATING BUDGET  
2015-2017**

	ACTUAL 2015	AMENDED 2016	ADOPTED BUDGET 2017
<b><u>GENERAL FUND</u></b>			
REVENUES:	\$ 196,877,077	\$ 199,840,650	\$ 204,522,270
EXPENDITURES:	<u>195,178,883</u>	<u>199,840,650</u>	<u>204,522,270</u>
REVENUES OVER (UNDER) EXPENDITURES	1,698,194	-	-
BEGINNING FUND BALANCE	<u>20,460,635</u>	<u>22,158,829</u>	<u>22,158,829</u>
ENDING FUND BALANCE	<u>\$ 22,158,829</u>	<u>\$ 22,158,829</u>	<u>\$ 22,158,829</u>
<b><u>SPECIAL PROJECTS FUND</u></b>			
REVENUES:	\$ 14,981,510	\$ 13,504,400	\$ -
EXPENDITURES:	<u>11,781,605</u>	<u>13,460,185</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	3,199,905	44,215	-
BEGINNING FUND BALANCE	<u>13,849,987</u>	<u>17,049,892</u>	<u>17,094,107</u>
ENDING FUND BALANCE	<u>\$ 17,049,892</u>	<u>\$ 17,094,107</u>	<u>\$ 17,094,107</u>
<b><u>SEIZED MONEY FUND</u></b>			
REVENUES:	\$ 172,520	\$ 153,442	\$ -
EXPENDITURES:	<u>161,996</u>	<u>162,618</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	10,524	(9,176)	-
BEGINNING FUND BALANCE	<u>-</u>	<u>10,524</u>	<u>1,348</u>
ENDING FUND BALANCE	<u>\$ 10,524</u>	<u>\$ 1,348</u>	<u>\$ 1,348</u>
<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 34,310,622</b>	<b>\$ 39,219,245</b>	<b>\$ 39,254,284</b>
<b>TOTAL REVENUES</b>	<b>212,031,107</b>	<b>213,498,492</b>	<b>204,522,270</b>
<b>TOTAL EXPENDITURES</b>	<b><u>207,122,484</u></b>	<b><u>213,463,453</u></b>	<b><u>204,522,270</u></b>
<b>TOTAL ENDING FUND BALANCE</b>	<b><u>\$ 39,219,245</u></b>	<b><u>\$ 39,254,284</u></b>	<b><u>\$ 39,254,284</u></b>

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  
2015-2017**

	ACTUAL 2015	AMENDED 2016	ADOPTED BUDGET 2017
<b><u>STREET</u></b>			
REVENUES:	\$ 20,305,032	\$ 20,557,426	\$ 20,172,832
EXPENDITURES:	<u>18,047,493</u>	<u>20,398,451</u>	<u>20,172,832</u>
REVENUES OVER (UNDER) EXPENDITURES	2,257,539	158,975	-
BEGINNING FUND BALANCE	<u>8,913,184</u>	<u>11,170,723</u>	<u>11,329,698</u>
ENDING FUND BALANCE	<u><u>\$ 11,170,723</u></u>	<u><u>\$ 11,329,698</u></u>	<u><u>\$ 11,329,698</u></u>
<b><u>SPECIAL PROJECT - STREET</u></b>			
REVENUES:	\$ 1,460,000	\$ 1,591,410	\$ -
EXPENDITURES:	<u>337,787</u>	<u>1,395,555</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	1,122,213	195,855	-
BEGINNING FUND BALANCE	<u>384,148</u>	<u>1,506,361</u>	<u>1,702,216</u>
ENDING FUND BALANCE	<u><u>\$ 1,506,361</u></u>	<u><u>\$ 1,702,216</u></u>	<u><u>\$ 1,702,216</u></u>
<b><u>SPECIAL PROJECTS</u></b>			
REVENUES:	\$ 3,634,330	\$ 3,613,021	\$ -
EXPENDITURES:	<u>3,533,883</u>	<u>2,762,935</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	100,447	850,086	-
BEGINNING FUND BALANCE	<u>2,667,459</u>	<u>2,767,906</u>	<u>3,617,992</u>
ENDING FUND BALANCE	<u><u>2,767,906</u></u>	<u><u>\$ 3,617,992</u></u>	<u><u>\$ 3,617,992</u></u>

**SPECIAL REVENUE FUNDS  
OPERATING BUDGET  
2015-2017**

	<u>ACTUAL 2015</u>	<u>AMENDED 2016</u>	<u>ADOPTED BUDGET 2017</u>
<b><u>EMERGENCY 911</u></b>			
REVENUES:	\$ 1,269,036	\$ 1,370,283	\$ -
EXPENDITURES:	<u>1,257,228</u>	<u>1,366,183</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	11,808	4,100	-
BEGINNING FUND BALANCE	<u>84,633</u>	<u>96,441</u>	<u>100,541</u>
ENDING FUND BALANCE	<u>\$ 96,441</u>	<u>\$ 100,541</u>	<u>\$ 100,541</u>
<b><u>GRANTS</u></b>			
REVENUES:	2,096,524	\$ 3,436,289	\$ -
EXPENDITURES:	<u>2,128,569</u>	<u>3,830,931</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(32,045)	(394,642)	-
BEGINNING FUND BALANCE	<u>998,576</u>	<u>966,531</u>	<u>571,889</u>
ENDING FUND BALANCE	<u>\$ 966,531</u>	<u>\$ 571,889</u>	<u>\$ 571,889</u>
<b><u>CDBG</u></b>			
REVENUES:	\$ 1,844,846	\$ 1,731,325	\$ -
EXPENDITURES:	<u>1,917,977</u>	<u>1,904,700</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(73,131)	(173,375)	-
BEGINNING FUND BALANCE	<u>1,132,298</u>	<u>1,059,167</u>	<u>885,792</u>
ENDING FUND BALANCE	<u>\$ 1,059,167</u>	<u>\$ 885,792</u>	<u>\$ 885,792</u>

**SPECIAL REVENUE FUNDS  
OPERATING BUDGET  
2015-2017**

	ACTUAL 2015	AMENDED 2016	ADOPTED BUDGET 2017
<b><u>HIPP</u></b>			
REVENUES:	\$ 2,568,714	\$ 847,395	\$ -
EXPENDITURES:	<u>2,099,527</u>	<u>685,728</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	469,187	161,667	-
BEGINNING FUND BALANCE	<u>403,139</u>	<u>872,326</u>	<u>1,033,993</u>
ENDING FUND BALANCE	<u><u>\$ 872,326</u></u>	<u><u>\$ 1,033,993</u></u>	<u><u>\$ 1,033,993</u></u>
<b><u>NHSP</u></b>			
REVENUES:	\$ 123,195	\$ 146	\$ -
EXPENDITURES:	<u>130,638</u>	<u>7,026</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(7,443)	(6,880)	-
BEGINNING FUND BALANCE	<u>40,011</u>	<u>32,568</u>	<u>25,688</u>
ENDING FUND BALANCE	<u><u>\$ 32,568</u></u>	<u><u>\$ 25,688</u></u>	<u><u>\$ 25,688</u></u>
<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 14,623,448</b>	<b>\$ 18,472,023</b>	<b>\$ 19,267,809</b>
<b>TOTAL REVENUES</b>	<b>33,301,677</b>	<b>33,147,295</b>	<b>20,172,832</b>
<b>TOTAL EXPENDITURES</b>	<b><u>29,453,102</u></b>	<b><u>32,351,509</u></b>	<b><u>20,172,832</u></b>
<b>TOTAL ENDING FUND BALANCE</b>	<b><u><u>\$ 18,472,023</u></u></b>	<b><u><u>\$ 19,267,809</u></u></b>	<b><u><u>\$ 19,267,809</u></u></b>

**CAPITAL FUNDS  
OPERATING BUDGET  
2015-2017**

	ACTUAL 2015	AMENDED 2016	ADOPTED BUDGET 2017
<b><u>2008 &amp; 2009 LIBRARY IMPROVEMENT BOND</u></b>			
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:	201	-	-
REVENUES OVER (UNDER) EXPENDITURES	(201)	-	-
BEGINNING FUND BALANCE	201	-	-
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>2012 LIBRARY IMPROVEMENT BOND</u></b>			
REVENUES:	\$ 2,364	\$ 13,330	\$ -
EXPENDITURES:	2,928,566	2,256,560	-
REVENUES OVER (UNDER) EXPENDITURES	(2,926,202)	(2,243,230)	-
BEGINNING FUND BALANCE	5,196,972	2,270,770	27,540
ENDING FUND BALANCE	<u>\$ 2,270,770</u>	<u>\$ 27,540</u>	<u>\$ 27,540</u>
<b><u>2015 LIBRARY IMPROVEMENT BOND</u></b>			
REVENUES:	\$ 21,416,802	\$ 126,332	\$ -
EXPENDITURES:	3,206,838	6,268,534	-
REVENUES OVER (UNDER) EXPENDITURES	18,209,964	(6,142,202)	-
BEGINNING FUND BALANCE	-	18,209,964	12,067,762
ENDING FUND BALANCE	<u>\$ 18,209,964</u>	<u>\$ 12,067,762</u>	<u>\$ 12,067,762</u>

**CAPITAL FUNDS  
OPERATING BUDGET  
2015-2017**

	ACTUAL 2015	AMENDED 2016	ADOPTED BUDGET 2017
<b><u>1998 CAPITAL IMPROVEMENTS</u></b>			
REVENUES:	\$ 2,595	\$ 1,339	\$ -
EXPENDITURES:	<u>156,624</u>	<u>161,378</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(154,029)	(160,039)	-
BEGINNING FUND BALANCE	<u>314,068</u>	<u>160,039</u>	<u>-</u>
ENDING FUND BALANCE	<u><u>\$ 160,039</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b><u>2009A PARKS AND RECREATION</u></b>			
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:	<u>1,457</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(1,457)	-	-
BEGINNING FUND BALANCE	<u>1,457</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b><u>2004 CAPITAL IMPROVEMENTS</u></b>			
REVENUES:	\$ 68	\$ 74	\$ -
EXPENDITURES:	<u>1,018</u>	<u>4,018</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(950)	(3,944)	-
BEGINNING FUND BALANCE	<u>6,786</u>	<u>5,836</u>	<u>1,892</u>
ENDING FUND BALANCE	<u><u>\$ 5,836</u></u>	<u><u>\$ 1,892</u></u>	<u><u>\$ 1,892</u></u>

**CAPITAL FUNDS  
OPERATING BUDGET  
2015-2017**

	ACTUAL 2015	AMENDED 2016	ADOPTED BUDGET 2017
<b><u>2013 CAPITAL IMPROVEMENT FUND (STREETS AND DRAINAGE)</u></b>			
REVENUES:	\$ 30,321	\$ 164,388	
EXPENDITURES:	<u>11,351,947</u>	<u>21,771,588</u>	-
REVENUES OVER (UNDER) EXPENDITURES	(11,321,626)	(21,607,200)	-
BEGINNING FUND BALANCE	<u>46,530,285</u>	<u>35,208,659</u>	<u>13,601,459</u>
ENDING FUND BALANCE	<u><u>\$ 35,208,659</u></u>	<u><u>\$ 13,601,459</u></u>	<u><u>\$ 13,601,459</u></u>
<b><u>TIF #1 2014 CAPITAL IMPROVEMENT BOND</u></b>			
REVENUES:	\$ 6	\$ 5	\$ -
EXPENDITURES:	<u>211,535</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(211,529)	5	-
BEGINNING FUND BALANCE	<u>211,529</u>	<u>-</u>	<u>5</u>
ENDING FUND BALANCE	<u><u>\$ -</u></u>	<u><u>\$ 5</u></u>	<u><u>\$ 5</u></u>
<b><u>PORT TIF</u></b>			
REVENUES:	\$ 562,882	\$ 137,988	\$ -
EXPENDITURES:	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	562,882	137,988	-
BEGINNING FUND BALANCE	<u>-</u>	<u>562,882</u>	<u>700,870</u>
ENDING FUND BALANCE	<u><u>\$ 562,882</u></u>	<u><u>\$ 700,870</u></u>	<u><u>\$ 700,870</u></u>

**CAPITAL FUNDS  
OPERATING BUDGET  
2015-2017**

	ACTUAL 2015	AMENDED 2016	ADOPTED BUDGET 2017
<b><u>SHORT TERM FINANCING</u></b>			
REVENUES:	\$ 1,540,242	\$ 7,400,945	\$ -
EXPENDITURES:	<u>1,420,281</u>	<u>6,166,648</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	119,961	1,234,297	-
BEGINNING FUND BALANCE	<u>27,246</u>	<u>147,207</u>	<u>1,381,504</u>
ENDING FUND BALANCE	<u><u>\$ 147,207</u></u>	<u><u>\$ 1,381,504</u></u>	<u><u>\$ 1,381,504</u></u>
<b><u>2012-2021 CAPITAL IMPROVEMENTS FUND (3/8 CENT SALES TAX)</u></b>			
REVENUES:	\$ 23,123,171	\$ 23,123,725	
EXPENDITURES:	<u>21,270,325</u>	<u>11,956,263</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	1,852,846	11,167,462	-
BEGINNING FUND BALANCE	<u>27,960,670</u>	<u>29,813,516</u>	<u>40,980,978</u>
ENDING FUND BALANCE	<u><u>\$ 29,813,516</u></u>	<u><u>40,980,978</u></u>	<u><u>\$ 40,980,978</u></u>
<b>TOTAL CAPITAL BEGINNING BALANCE</b>	<b>\$ 80,249,214</b>	<b>\$ 86,378,873</b>	<b>\$ 68,762,010</b>
<b>TOTAL REVENUES</b>	<b>46,678,451</b>	<b>30,968,126</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<u><b>40,548,792</b></u>	<u><b>48,584,989</b></u>	<u><b>-</b></u>
<b>TOTAL CAPITAL ENDING FUND BALANCE</b>	<u><u><b>\$ 86,378,873</b></u></u>	<u><u><b>\$ 68,762,010</b></u></u>	<u><u><b>\$ 68,762,010</b></u></u>

**DEBT SERVICE FUNDS  
OPERATING BUDGET  
2015-2017**

	ACTUAL 2015	AMENDED 2016	ADOPTED BUDGET 2017
<b><u>2002 CIP JUNIOR LIEN BONDS</u></b>			
REVENUE:	\$ 324,124	\$ 323,372	\$ -
EXPENDITURES:	<u>323,918</u>	<u>322,173</u>	<u>-</u>
NET INCREASE (DECREASE)	206	1,199	-
BEGINNING FUND BALANCE	18,290	18,496	19,695
ENDING FUND BALANCE	<u>\$ 18,496</u>	<u>\$ 19,695</u>	<u>\$ 19,695</u>
<b><u>2007 CAPITAL IMPROVEMENT REVENUE REFUNDING BOND</u></b>			
REVENUE:	\$ 1,445,848	\$ 1,451,387	\$ -
EXPENDITURES:	<u>1,439,125</u>	<u>1,440,250</u>	<u>-</u>
NET INCREASE (DECREASE)	6,723	11,137	-
BEGINNING FUND BALANCE	26,305	33,028	44,165
ENDING FUND BALANCE	<u>\$ 33,028</u>	<u>\$ 44,165</u>	<u>\$ 44,165</u>
<b><u>2009 PARKS &amp; REC CAPITAL IMPROVEMENT BOND</u></b>			
REVENUE:	\$ 1,364,938	\$ 1,315,754	\$ -
EXPENDITURES:	<u>1,304,985</u>	<u>1,306,951</u>	<u>-</u>
NET INCREASE (DECREASE)	59,953	8,803	-
BEGINNING FUND BALANCE	2,177,231	2,237,184	2,245,987
ENDING FUND BALANCE	<u>\$ 2,237,184</u>	<u>\$ 2,245,987</u>	<u>\$ 2,245,987</u>

**DEBT SERVICE FUNDS  
OPERATING BUDGET  
2015-2017**

	<u>ACTUAL 2015</u>	<u>AMENDED 2016</u>	<u>ADOPTED BUDGET 2017</u>
<b><u>2008 LIBRARY IMPROVEMENT BOND</u></b>			
REVENUE:	\$ 19,167,465	\$ 331	\$ -
EXPENDITURES:	<u>22,953,566</u>	<u>100,551</u>	<u>-</u>
NET INCREASE (DECREASE)	(3,786,101)	(100,220)	-
BEGINNING FUND BALANCE	3,886,417	100,316	96
ENDING FUND BALANCE	<u>\$ 100,316</u>	<u>\$ 96</u>	<u>\$ 96</u>
<b><u>2012 LIBRARY IMPROVEMENT BONDS</u></b>			
REVENUE:	\$ 3,405,277	\$ 3,578,693	\$ -
EXPENDITURES:	<u>3,306,408</u>	<u>3,444,445</u>	<u>-</u>
NET INCREASE (DECREASE)	98,869	134,248	-
BEGINNING FUND BALANCE	3,522,131	3,621,000	3,755,248
ENDING FUND BALANCE	<u>\$ 3,621,000</u>	<u>\$ 3,755,248</u>	<u>\$ 3,755,248</u>
<b><u>2015 LIBRARY IMPROVEMENT BONDS</u></b>			
REVENUE:	\$ 136,121	\$ 3,668,974	\$ -
EXPENDITURES:	<u>-</u>	<u>866,827</u>	<u>-</u>
NET INCREASE (DECREASE)	136,121	2,802,147	-
BEGINNING FUND BALANCE	-	136,121	2,938,268
ENDING FUND BALANCE	<u>\$ 136,121</u>	<u>\$ 2,938,268</u>	<u>\$ 2,938,268</u>

**DEBT SERVICE FUNDS  
OPERATING BUDGET  
2015-2017**

	<u>ACTUAL 2015</u>	<u>AMENDED 2016</u>	<u>ADOPTED BUDGET 2017</u>
<b><u>2013 CAPITAL IMPROVEMENT BONDS</u></b>			
REVENUE:	\$ 11,245,771	\$ 11,873,635	\$ -
EXPENDITURES:	<u>11,226,736</u>	<u>11,229,743</u>	<u>-</u>
NET INCREASE (DECREASE)	19,035	643,892	-
BEGINNING FUND BALANCE	11,276,295	11,295,330	11,939,222
ENDING FUND BALANCE	<u>\$ 11,295,330</u>	<u>\$ 11,939,222</u>	<u>\$ 11,939,222</u>
<b><u>TIF #1 2014 CAPITAL IMPROVEMENT</u></b>			
REVENUE:	\$ 34,131	\$ 54,226	\$ -
EXPENDITURES:	<u>158,513</u>	<u>158,513</u>	<u>-</u>
NET INCREASE (DECREASE)	(124,382)	(104,287)	-
BEGINNING FUND BALANCE	474,598	350,216	245,929
ENDING FUND BALANCE	<u>\$ 350,216</u>	<u>\$ 245,929</u>	<u>\$ 245,929</u>
<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 21,381,267</b>	<b>\$ 17,791,691</b>	<b>\$ 21,188,610</b>
<b>TOTAL REVENUES</b>	<b>37,123,675</b>	<b>22,266,372</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b><u>40,713,251</u></b>	<b><u>18,869,453</u></b>	<b>-</b>
<b>TOTAL ENDING FUND BALANCE</b>	<b><u>\$ 17,791,691</u></b>	<b><u>\$ 21,188,610</u></b>	<b><u>\$ 21,188,610</u></b>

**ENTERPRISE FUNDS  
OPERATING BUDGET  
2015-2017**

	<u>ACTUAL 2015</u>	<u>AMENDED 2016</u>	<u>ADOPTED BUDGET 2017</u>
<b><u>VEHICLE STORAGE FACILITY</u></b>			
REVENUES:	\$ 1,196,723	\$ 1,370,305	\$ 1,376,010
EXPENDITURES:	<u>1,350,527</u>	<u>1,359,792</u>	<u>1,376,010</u>
REVENUES OVER (UNDER) EXPENDITURES	(153,804)	10,513	-
BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	(641,604)	(846,828)	(836,315)
CHANGE IN ACCOUNTING PRINCIPLE	<u>(51,420)</u>	<u>-</u>	<u>-</u>
BEGINNING NET POSITION, AS RESTATED	<u>(693,024)</u>	<u>(846,828)</u>	<u>(836,315)</u>
ENDING NET POSITION	<u>\$ (846,828)</u>	<u>\$ (836,315)</u>	<u>\$ (836,315)</u>
<b><u>WASTE DISPOSAL</u></b>			
REVENUES:	\$17,967,571	\$17,941,300	\$18,260,800
EXPENDITURES:	<u>15,962,660</u>	<u>16,928,866</u>	<u>17,833,261</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	2,004,911	1,012,434	427,539
BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	21,076,674	22,670,233	23,682,667
CHANGE IN ACCOUNTING PRINCIPLE	<u>(411,352)</u>	<u>-</u>	<u>-</u>
BEGINNING NET POSITION, AS RESTATED	<u>20,665,322</u>	<u>22,670,233</u>	<u>23,682,667</u>
ENDING NET POSITION	<u>\$22,670,233</u>	<u>\$23,682,667</u>	<u>\$24,110,206</u>
<b><u>PARKING GARAGES</u></b>			
REVENUES:	\$ 2,508,624	\$ 2,570,250	\$ 2,811,470
EXPENDITURES:	<u>2,344,798</u>	<u>2,251,986</u>	<u>2,341,189</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	163,826	318,264	470,281
BEGINNING NET POSITION	<u>449,122</u>	<u>612,948</u>	<u>931,212</u>
ENDING NET POSITION	<u>\$ 612,948</u>	<u>\$ 931,212</u>	<u>\$ 1,401,493</u>
<b>TOTAL ENTERPRISE BEGINNING NET POSITION</b>	<b>\$20,884,192</b>	<b>\$22,436,353</b>	<b>\$23,777,564</b>
<b>TOTAL REVENUES</b>	<b>21,672,918</b>	<b>21,881,855</b>	<b>22,448,280</b>
<b>TOTAL EXPENDITURES</b>	<b>19,657,985</b>	<b>20,540,644</b>	<b>21,550,460</b>
<b>TOTAL CHANGE IN ACCOUNTING PRINCIPLE</b>	<b><u>(462,772)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>TOTAL ENTERPRISE ENDING NET POSITION</b>	<b><u>\$22,436,353</u></b>	<b><u>\$23,777,564</u></b>	<b><u>\$24,675,384</u></b>

**FLEET INTERNAL SERVICE FUND  
OPERATING BUDGET  
2015-2017**

	ACTUAL 2015	AMENDED 2016	ADOPTED BUDGET 2017
<b><u>FLEET INTERNAL SERVICE FUND</u></b>			
REVENUES:	\$11,924,784	\$12,714,282	\$ 12,241,727
EXPENDITURES:	<u>11,829,952</u>	<u>12,714,282</u>	<u>12,232,552</u>
REVENUES OVER (UNDER) EXPENDITURES	94,832	-	9,175
BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	4,105,740	3,893,153	3,893,153
CHANGE IN ACCOUNTING PRINCIPLE	<u>(307,419)</u>	-	-
BEGINNING NET POSITION, AS RESTATED	<u>3,798,321</u>	<u>3,893,153</u>	<u>3,893,153</u>
ENDING NET POSITION	<u><u>\$ 3,893,153</u></u>	<u><u>\$ 3,893,153</u></u>	<u><u>\$ 3,902,328</u></u>

**FIDUCIARY FUNDS  
OPERATING BUDGET  
2015-2017**

	ACTUAL 2015	AMENDED 2016	ADOPTED BUDGET 2017
<b><u>POLICE PENSION &amp; RELIEF FUND</u></b>			
ADDITIONS:	\$ -	\$ -	\$ -
DEDUCTIONS:	411,496	-	-
NET INCREASE (DECREASE)	(411,496)	-	-
NET POSITION HELD IN TRUST, BEGINNING	2,617,111	2,205,615	2,205,615
NET POSITION HELD IN TRUST, ENDING	<u>\$ 2,205,615</u>	<u>\$ 2,205,615</u>	<u>\$ 2,205,615</u>
<b><u>FIRE PENSION &amp; RELIEF FUND</u></b>			
ADDITIONS:	\$ 3,619,497	\$ 8,254,347	\$ -
DEDUCTIONS:	11,520,855	12,093,307	-
NET INCREASE (DECREASE)	(7,901,358)	(3,838,960)	-
NET POSITION HELD IN TRUST, BEGINNING	70,777,747	62,876,389	59,037,429
NET POSITION HELD IN TRUST, ENDING	<u>\$ 62,876,389</u>	<u>\$ 59,037,429</u>	<u>\$ 59,037,429</u>
<b><u>NON-UNIFORM DEFINED BENEFIT FUND</u></b>			
ADDITIONS:	\$ 1,387,699	\$ 2,187,412	\$ -
DEDUCTIONS:	1,843,669	1,822,903	-
NET INCREASE (DECREASE)	(455,970)	364,509	-
NET POSITION HELD IN TRUST, BEGINNING	12,212,060	11,756,090	12,120,599
NET POSITION HELD IN TRUST, ENDING	<u>\$ 11,756,090</u>	<u>\$ 12,120,599</u>	<u>\$ 12,120,599</u>

**FIDUCIARY FUNDS  
OPERATING BUDGET  
2015-2017**

	ACTUAL 2015	AMENDED 2016	ADOPTED BUDGET 2017
<b><u>NON-UNIFORM DEFINED CONTRIBUTION</u></b>			
ADDITIONS:	\$ 162,512	\$ 1,291,648	\$ -
DEDUCTIONS:	<u>3,273,244</u>	<u>1,936,112</u>	<u>-</u>
NET INCREASE (DECREASE)	(3,110,732)	(644,464)	-
NET POSITION HELD IN TRUST, BEGINNING	<u>21,571,649</u>	<u>18,460,917</u>	<u>17,816,453</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 18,460,917</u></u>	<u><u>\$ 17,816,453</u></u>	<u><u>\$ 17,816,453</u></u>

The City implemented a new defined benefit plan for non-uniform employees in 2014. Participants were allowed to utilize funds from the defined contribution plan to purchase years of service in the new defined benefit plan.

**2014 NON-UNIFORM DEFINED BENEFIT FUND**

ADDITIONS:	\$ 5,385,589	\$ 7,957,721	\$ -
DEDUCTIONS:	<u>685,406</u>	<u>991,109</u>	<u>-</u>
NET INCREASE (DECREASE)	4,700,183	6,966,612	-
NET POSITION HELD IN TRUST, BEGINNING	<u>30,808,927</u>	<u>35,509,110</u>	<u>42,475,722</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 35,509,110</u></u>	<u><u>\$ 42,475,722</u></u>	<u><u>\$ 42,475,722</u></u>

**401 (A) PENSION FUND**

ADDITIONS:	\$ 539,903	\$ 1,145,753	\$ -
DEDUCTIONS:	<u>1,086,925</u>	<u>1,361,003</u>	<u>-</u>
NET INCREASE (DECREASE)	(547,022)	(215,250)	-
NET POSITION HELD IN TRUST, BEGINNING	<u>8,032,666</u>	<u>7,485,644</u>	<u>7,270,394</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 7,485,644</u></u>	<u><u>\$ 7,270,394</u></u>	<u><u>\$ 7,270,394</u></u>

**FIDUCIARY FUNDS  
OPERATING BUDGET  
2015-2017**

	ACTUAL 2015	AMENDED 2016	ADOPTED BUDGET 2017
<b><u>HEALTH MANAGEMENT TRUST FUND</u></b>			
ADDITIONS:	\$ 418,222	\$ 827,652	\$ -
DEDUCTIONS:	26,933	33,035	-
NET INCREASE (DECREASE)	391,289	794,617	-
NET POSITION HELD IN TRUST, BEGINNING	2,389,440	2,780,729	3,575,346
NET POSITION HELD IN TRUST, ENDING	<u>\$ 2,780,729</u>	<u>\$ 3,575,346</u>	<u>\$ 3,575,346</u>
<b>TOTAL NET POSITION BEGINNING</b>	<b>\$ 148,409,600</b>	<b>\$ 141,074,494</b>	<b>\$ 144,501,558</b>
<b>TOTAL ADDITIONS</b>	<b>11,513,422</b>	<b>21,664,533</b>	<b>-</b>
<b>TOTAL DEDUCTIONS</b>	<b>18,848,528</b>	<b>18,237,469</b>	<b>-</b>
<b>TOTAL NET POSITION ENDING</b>	<b><u>\$ 141,074,494</u></b>	<b><u>\$ 144,501,558</u></b>	<b><u>\$ 144,501,558</u></b>

## 2017 Five Year Forecast

Little Rock Code §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 2017 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 2017 General Fund budget is \$1,000,000 or approximately 0.5% of estimated revenue, including transfers in.

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. The restricted reserve is currently \$10,000,000. 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 2017 based on 2016 financial results. The City Board of Directors will evaluate funds available following completion of the 2016 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 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 sales tax. These expenses are phased into the five year forecast based on the anticipated completion schedule of the capital projects.

The 2017 General Fund forecast includes a full year of operating expenses for the West Central Community Center in the Parks Department and the Pankey Police Station in the Police Department, placed in service during 2016. The 2018 forecast includes the addition of fire fighters and operating expenses in the Fire Department for the Southwest Fire Station that will be constructed during the 2017-2018 period. General Administration expenditures have been adjusted to include the timing of short-term note debt service payments for various capital projects. In addition, Transfers In has been adjusted to reflect contributions of revenue from the 3/8-cent tax receipts collected in the 2012-2021 Capital Improvements Fund to fund the principal payment of short-term notes issued to advance capital improvement projects.

Consistent with the first “must do” goal of the Mayor and Board of Directors, the City plans to complete the majority of the public safety projects funded by the 3/8-cent ten (10)-year capital tax by the end of 2017. The projects for the Main Police Headquarters and Courts Building and the Animal Village Expansion are the only two (2) public safety projects that have not been accelerated. 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 2017 – 2021. The forecast for 2017 – 2021 is a planning tool used for the projections. The Mayor and Board of Directors have only approved the 2017 budget. However, the Board is committed to providing financial stability in order to maintain critical programs.

**CITY OF LITTLE ROCK  
2017 - 2021 FORECAST**

	FY17 <u>Adopted</u>	FY18 <u>Projected</u>	FY19 <u>Projected</u>	FY20 <u>Projected</u>	FY21 <u>Projected</u>
<b><u>General Fund</u></b>					
Beginning Fund Balance	\$22,158,829	\$20,958,829	\$21,988,829	\$23,038,829	\$24,108,829
Plus: Est. Revenue	204,522,270	205,683,387	209,171,905	213,140,852	217,534,627
Less: Est. Expenses					
General Administrative*	32,101,384	28,663,080	27,488,113	26,702,220	25,913,994
Board of Directors	343,902	350,780	357,796	364,952	374,075
Community Programs	610,085	622,287	634,732	647,427	663,613
City Attorney	1,961,177	2,000,401	2,040,409	2,081,217	2,133,247
District Court - First Division	1,293,690	1,319,564	1,345,955	1,372,874	1,407,196
District Court - Second Division	1,226,045	1,250,566	1,275,577	1,301,089	1,333,616
District Court - Third Division	576,831	588,368	600,135	612,138	627,441
Finance	3,503,246	3,573,311	3,644,777	3,717,673	3,810,614
Human Resources	1,817,542	1,853,893	1,890,971	1,928,790	1,977,010
Information Technology	5,063,637	5,164,910	5,268,208	5,373,572	5,507,911
Planning and Development	2,573,533	2,625,004	2,677,504	2,731,054	2,799,330
Housing & Neighborhood Programs	5,844,164	5,971,047	6,090,468	6,212,278	6,367,585
Public Works	1,108,710	1,130,884	1,153,502	1,176,572	1,205,986
Parks & Recreation***	10,638,481	10,851,251	11,068,276	11,289,641	11,571,882
River Market	1,151,840	1,174,877	1,198,374	1,222,342	1,252,900
Golf	2,346,138	2,393,061	2,440,922	2,489,740	2,551,984
Jim Dailey Fitness & Aquatics	921,660	940,093	958,895	978,073	1,002,525
Zoo	6,913,994	7,052,274	7,193,319	7,337,186	7,520,615
Fire **	48,118,017	49,286,520	51,491,069	52,790,919	54,193,417
Police	71,651,214	73,084,238	74,545,923	76,484,117	78,472,704
Vacancy Reductions	(7,000,000)	(6,000,000)	(6,000,000)	(5,500,000)	(5,000,000)
Transfers Out (including contingency)	11,756,980	11,786,980	11,806,980	11,826,980	11,846,980
	<u>204,522,270</u>	<u>205,683,387</u>	<u>209,171,905</u>	<u>213,140,852</u>	<u>217,534,627</u>
Less utilization of prior-year carryover included in revenue	(2,200,000)				
Anticipated contingency/reserve	1,000,000	1,030,000	1,050,000	1,070,000	1,090,000
Ending Fund Balance ****	<u>\$20,958,829</u>	<u>\$21,988,829</u>	<u>\$23,038,829</u>	<u>\$24,108,829</u>	<u>\$25,198,828</u>
Reserve Requirement (10% of Revenues)	<u>\$20,452,227</u>	<u>\$20,568,339</u>	<u>\$20,917,190</u>	<u>\$21,314,085</u>	<u>\$21,753,463</u>

\* Reflects annual changes in estimated short-term financing debt service requirements

\*\* Includes the addition of 12 fire fighters in 2018 with the opening of the Southwest Little Rock Fire Station which is scheduled for construction in 2017 and 2018.

\*\*\* Includes the addition of the West Central Community Center personnel and operations for a full year in 2017.

\*\*\*\* Ending 2017 Fund Balance includes an estimated restricted reserve of \$10,000,000.

<b><u>Street Fund</u></b>					
Beginning Balance	\$11,329,698	\$11,329,698	\$11,329,698	\$11,329,698	\$11,329,698
Plus: Est. Revenue	20,172,832	20,576,289	20,987,814	21,407,571	21,835,722
Less: Est. Expenses	<u>20,172,832</u>	<u>20,576,289</u>	<u>20,987,814</u>	<u>21,407,571</u>	<u>21,835,722</u>
Ending Balance	<u>\$11,329,698</u>	<u>\$11,329,698</u>	<u>\$11,329,698</u>	<u>\$11,329,698</u>	<u>\$11,329,698</u>
Reserve Requirement (10% of revenue)	<u>\$2,017,283</u>	<u>\$2,057,629</u>	<u>\$2,098,781</u>	<u>\$2,140,757</u>	<u>\$2,183,572</u>

**CITY OF LITTLE ROCK  
2017 - 2021 FORECAST**

	<u>FY17</u> <u>Adopted</u>	<u>FY18</u> <u>Projected</u>	<u>FY19</u> <u>Projected</u>	<u>FY20</u> <u>Projected</u>	<u>FY21</u> <u>Projected</u>
<b><u>Fleet Fund</u></b>					
Beginning Net Position	\$3,893,153	\$3,902,328	\$3,911,687	\$3,921,232	\$3,930,969
Plus: Est. Revenue	12,241,727	12,486,562	12,736,293	12,991,019	13,250,839
Less: Est. Expenses	12,232,552	12,477,203	12,726,747	12,981,282	13,240,908
Ending Net Position	\$3,902,328	\$3,911,687	\$3,921,232	\$3,930,969	\$3,940,900
Reserve Requirement (10% of revenues)	\$1,224,173	\$1,248,656	\$1,273,629	\$1,299,102	\$1,325,084

<b><u>Vehicle Storage Facility</u></b>					
Beginning Net Position	(\$836,315)	(\$836,315)	(\$736,315)	(\$584,315)	(\$429,275)
Plus: Est. Revenue	1,376,010	1,403,530	1,481,601	1,511,233	1,541,457
Less: Est. Expenses	1,376,010	1,303,530	1,329,601	1,356,193	1,383,317
Ending Net Position	(\$836,315)	(\$736,315)	(\$584,315)	(\$429,275)	(\$271,134)
Reserve Requirement (10% of revenues)	\$137,601	\$140,353	\$148,160	\$151,123	\$154,146

<b><u>Waste Disposal Fund</u></b>					
Beginning Net Position	\$23,682,667	\$24,110,206	\$24,375,631	\$24,375,631	\$24,375,631
Plus: Est. Revenue	18,260,800	18,097,581	18,173,881	18,250,988	18,328,917
Less: Est. Expenses	17,833,261	17,832,156	18,173,881	18,250,988	18,328,917
Ending Net Position	\$24,110,206	\$24,375,631	\$24,375,631	\$24,375,631	\$24,375,631
Reserve Requirement (15% of revenues)	\$2,739,120	\$2,714,637	\$2,726,082	\$2,737,648	\$2,749,338

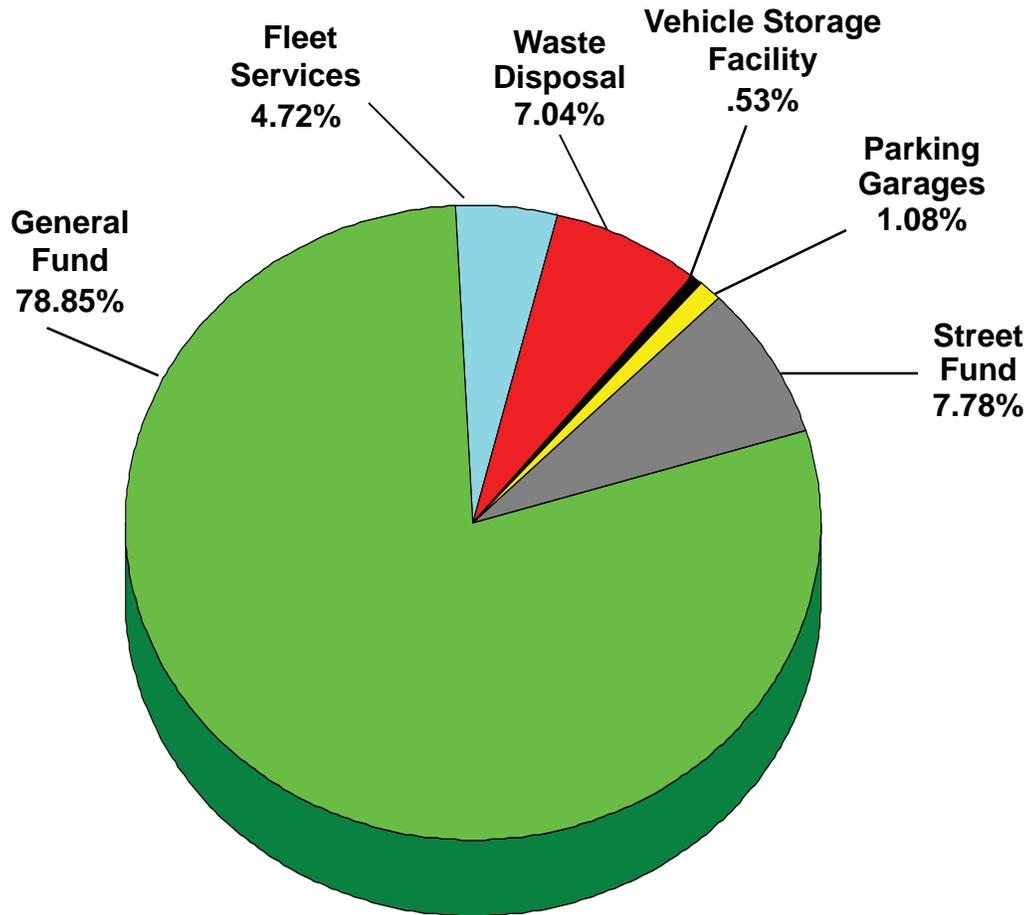
A rate increase of \$1.03 associated with recycling was implemented in 2013. No other rate increases are anticipated during the five year forecast. Expenses reflect the reduction of debt service as bonds are retired and the capital replacement needs.

<b><u>Parking Garages</u></b>					
Beginning Net Position	\$931,212	\$1,401,493	\$1,401,493	\$1,401,493	\$1,401,493
Plus: Est. Revenue	2,811,470	2,867,699	2,925,053	2,983,554	3,043,226
Less: Est. Expenses	2,341,189	2,867,699	2,925,053	2,983,554	3,043,226
Ending Net Position	\$1,401,493	\$1,401,493	\$1,401,493	\$1,401,493	\$1,401,493

# Revenues



# CITY OF LITTLE ROCK 2017 BUDGET SUMMARY ALL FUNDS RESOURCES



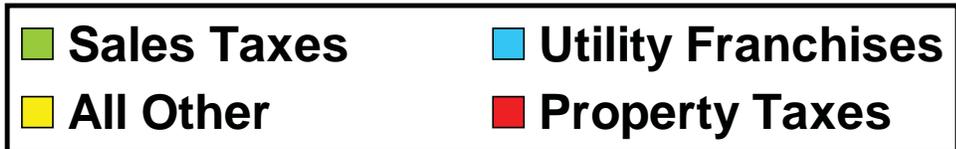
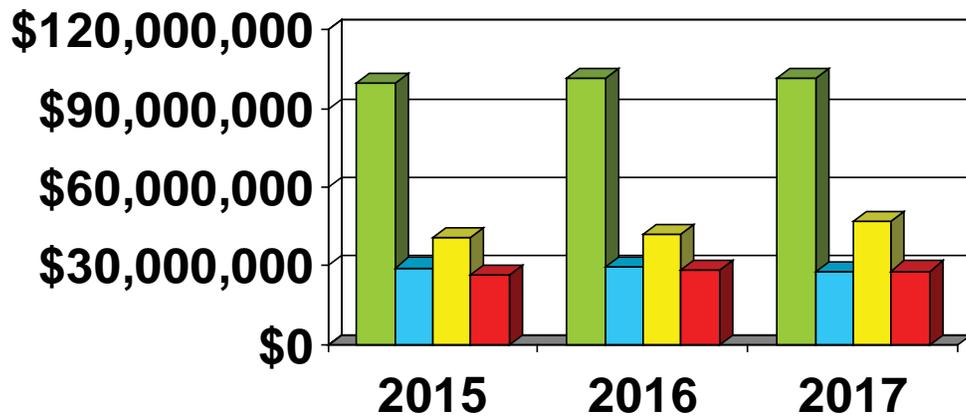
**\$259,385,109**

**CITY OF LITTLE ROCK  
2017 OPERATING REVENUES**

<b>REVENUES:</b>	<b>2015 ACTUAL</b>	<b>2016 ADOPTED</b>	<b>2016 AMENDED</b>	<b>2017 ADOPTED</b>	<b>16/17 DIFF</b>	<b>% CHANGE</b>
Property Taxes *	\$26,685,192	\$28,249,736	\$28,138,577	\$28,072,500	(\$66,077)	-0.23%
Sales Tax	99,881,725	101,575,420	99,901,420	101,416,870	1,515,450	1.52%
Business Licenses	6,442,071	6,413,500	6,597,500	6,670,000	72,500	1.10%
Mixed Drinks	2,397,222	2,313,000	2,313,000	2,330,000	17,000	0.73%
Building, Related Permits	2,231,611	2,060,100	2,288,600	2,235,660	(52,940)	-2.31%
Intergovernmental*	7,871,832	7,686,800	8,625,272	8,625,400	128	0.00%
Park Revenue	404,271	421,800	421,800	493,720	71,920	17.05%
River Market	538,257	600,077	525,077	578,000	52,923	10.08%
Golf	814,767	805,900	680,500	863,800	183,300	26.94%
Jim Dailey Fitness and Aquatic Center	341,530	346,600	283,100	308,700	25,600	9.04%
Zoo	3,044,533	2,983,600	3,331,800	3,173,900	(157,900)	-4.74%
Airport Reimbursement	3,119,212	3,222,200	3,222,200	2,992,800	(229,400)	-7.12%
Salary Reimbursement 911	338,935	500,000	500,000	500,000	-	0.00%
Fines and Fees	2,790,684	2,812,371	2,442,771	2,483,840	41,069	1.68%
Utility Franchises	29,306,202	29,686,027	27,835,277	27,994,177	158,900	0.57%
Police Pension	351,529	330,000	330,000	311,900	(18,100)	n/a
Investment Income	217,266	225,000	291,400	306,000	14,600	5.01%
All Other	2,655,567	2,060,128	2,073,628	2,669,617	595,989	28.74%
Transfers In	7,444,671	9,351,970	10,038,728	10,295,386	256,658	2.56%
Carryover				2,200,000	2,200,000	n/a
<b>Total General Fund</b>	<b>196,877,077</b>	<b>201,644,229</b>	<b>199,840,650</b>	<b>204,522,270</b>	<b>4,681,620</b>	<b>2.34%</b>
<b>Other Budgeted Funds</b>						
Street	20,305,032	20,557,426	20,557,426	20,172,832	(384,594)	-1.87%
Fleet Services	11,924,784	12,714,282	12,714,282	12,241,727	(472,555)	-3.72%
Vehicle Storage Facility	1,196,723	1,370,305	1,370,305	1,376,010	5,705	0.42%
Waste Disposal	17,967,571	17,941,300	17,941,300	18,260,800	319,500	1.78%
Parking Garages	2,508,624	2,570,250	2,570,250	2,811,470	241,220	9.39%
<b>Total Other Budgeted Funds</b>	<b>53,902,734</b>	<b>55,153,563</b>	<b>55,153,563</b>	<b>54,862,839</b>	<b>(290,724)</b>	<b>-0.53%</b>
<b>Total All Budgeted Funds</b>	<b>\$250,779,811</b>	<b>\$256,797,792</b>	<b>\$254,994,213</b>	<b>\$259,385,109</b>	<b>\$4,390,896</b>	<b>1.71%</b>

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

# General Government Summary of Revenues 2015-2017



**CITY OF LITTLE ROCK  
2017 OPERATING REVENUE**

	<u>2015 ACTUAL</u>	<u>2016 ADOPTED</u>	<u>2017 ADOPTED</u>
<b>GENERAL FUND</b>			
<b>PROPERTY TAX</b>			
Property Taxes	\$ 17,636,231	\$ 18,863,700	\$ 19,025,000
Pension Property Taxes	7,492,523	7,782,200	7,803,000
Homestead Taxes	1,059,510	1,124,000	1,118,000
Property Taxes LR Port Authority	127,768	58,700	-
Act 9 Industry Payment	369,160	421,136	126,500
Total Property Taxes	<u>26,685,192</u>	<u>28,249,736</u>	<u>28,072,500</u>
<b>SALES TAX</b>			
County Sales & Use Tax	41,424,222	42,291,520	41,938,900
City Sales Tax	55,391,600	56,279,000	56,411,670
State Tax Turnback	3,065,903	3,004,900	3,066,300
Total Sales Taxes	<u>99,881,725</u>	<u>101,575,420</u>	<u>101,416,870</u>
<b>BUSINESS LICENSES</b>			
General Business Licenses	6,442,071	6,413,500	6,670,000
Mixed Drinks Licenses	2,397,222	2,313,000	2,330,000
Total Business Licenses	<u>8,839,293</u>	<u>8,726,500</u>	<u>9,000,000</u>
<b>PERMITS</b>			
Building & Excavation Permits	1,258,471	1,081,800	1,310,000
Electrical Permits	318,538	329,400	305,000
Plumbing Permits	290,306	295,400	265,000
HVAC Permits	302,792	284,900	300,000
Wrecker Franchise	54,235	59,800	55,300
Burn Permits	7,269	8,800	360
Total Permits	<u>2,231,611</u>	<u>2,060,100</u>	<u>2,235,660</u>
<b>INTERGOVERNMENTAL</b>			
Insurance Turnback	4,514,563	4,514,600	4,907,500
Police and Fire Pension Insurance Turnback	2,444,479	2,259,400	2,646,100
Police Supplement	173,400	173,400	169,200
Future Supplement (ACT 1373)	739,390	739,400	902,600
Total Intergovernmental	<u>7,871,832</u>	<u>7,686,800</u>	<u>8,625,400</u>
<b>POLICE SERVICES</b>			
Police Report	370,109	373,300	345,000
False Alarm	24,480	90,000	137,000
Airport - Security Guards	1,841,036	1,918,400	1,676,100
Total Police Services	<u>2,235,625</u>	<u>2,381,700</u>	<u>2,158,100</u>
<b>FIRE SERVICES</b>			
Airport-Fire Protection	1,278,176	1,303,800	1,316,700
Total Fire Services	<u>1,278,176</u>	<u>1,303,800</u>	<u>1,316,700</u>
<b>PARK REVENUE</b>			
SWLR Community Complex	91,702	97,300	89,000
Dunbar Community Center	55,001	-	60,000
The Centre at University Park	68,379	-	55,000
Stephens Community Center	21,730	-	22,000
West Central Community Center	-	-	80,000
Athletics Fees	72,580	73,800	94,600
Pavilion Rental	49,158	51,000	46,000
Community Center & Miscellaneous Fees	2,715	149,800	2,920
Admissions Revenue	25,975	30,000	24,500
Miscellaneous Revenue	17,031	19,900	19,700
Total Park Revenue	<u>404,271</u>	<u>421,800</u>	<u>493,720</u>

**CITY OF LITTLE ROCK  
2017 OPERATING REVENUE**

	<u>2015 ACTUAL</u>	<u>2016 ADOPTED</u>	<u>2017 ADOPTED</u>
<b>RIVER MARKET</b>			
Admissions Revenue	199,966	210,077	170,000
Space Rental	338,291	390,000	408,000
Total River Market Revenue	<u>538,257</u>	<u>600,077</u>	<u>578,000</u>
<b>GOLF</b>			
Concessions Revenue	108,293	113,600	120,600
Green Fees	796,890	767,100	800,400
Equipment Rental	481,779	479,300	501,900
Merchandise Sales	79,264	88,000	86,600
Miscellaneous Revenue	9,344	18,700	15,100
Parks Contra Revenue (Debt Service)	(660,803)	(660,800)	(660,800)
Total Golf Revenue	<u>814,767</u>	<u>805,900</u>	<u>863,800</u>
<b>JIM DAILEY FITNESS &amp; AQUATIC CENTER</b>			
Annual Membership	38,287	30,000	35,200
Monthly Membership	151,782	144,300	119,300
Daily Fees	76,674	73,100	76,800
Corporate Fees	180,754	205,000	169,300
Special Fees	5,007	5,800	2,800
Instructional Fees and Special Events	37,574	42,300	46,800
Miscellaneous	5,608	300	12,700
Parks Contra Revenue (Debt Svc)	(154,156)	(154,200)	(154,200)
Total Jim Dailey Fitness & Aquatic Center	<u>341,530</u>	<u>346,600</u>	<u>308,700</u>
<b>ZOO</b>			
Membership	504,148	474,000	500,000
Zoo Admissions	1,688,910	1,702,700	1,800,000
Concessions	472,153	470,000	490,000
Token Sales	198,686	198,200	198,000
Education	48,613	43,000	50,000
Special Events	233,389	205,000	210,000
Zoo Rentals	59,201	54,800	90,000
Merchandise Sales	308,742	306,000	301,600
Miscellaneous	23,782	23,000	27,400
Parks Contra Revenue (Debt Svc)	(493,091)	(493,100)	(493,100)
Total Zoo Revenue	<u>3,044,533</u>	<u>2,983,600</u>	<u>3,173,900</u>
<b>MISCELLANEOUS CHARGES FOR SERVICES</b>			
Crossing Guards-LRSD Reimbursement	735,196	710,800	718,700
911 Services Reimbursement	338,935	500,000	500,000
Total Miscellaneous Services	<u>1,074,131</u>	<u>1,210,800</u>	<u>1,218,700</u>
<b>FINES</b>			
General Fines	1,514,027	1,816,303	1,520,000
Fines - Traffic	249,514	-	-
Fines - Criminal - Other	16,564	-	-
Probation Assessments	3,379	-	-
Additional Court Cost	3,272	-	-
Theft Diversion Class	-	-	-
Fines - Parking	251,788	299,000	250,000
Fines - Child Passenger Protection	176	-	-
Fines - Environmental	122	-	100
Fines - Animal	1,880	-	300
Fines - Other	12,100	4,800	8,100
Drunk-O-Meter	663	700	-
Total Fines	<u>2,053,485</u>	<u>2,120,803</u>	<u>1,778,500</u>

**CITY OF LITTLE ROCK  
2017 OPERATING REVENUE**

	<u>2015 ACTUAL</u>	<u>2016 ADOPTED</u>	<u>2017 ADOPTED</u>
<b>FEES</b>			
Uniform Filing Fees/Court Costs	165,872	165,600	160,000
Rezoning Fees	58,166	61,400	55,200
Act 9 Admin Fees	4,500	4,600	4,500
Incident Report Fees	740	1,200	2,300
Civil Court Fees	12,058	-	-
Booking & Admin Fee - Pulaski County Jail	4,851	2,600	8,900
Warrant Service Police	53,074	38,800	52,000
Writ Garnishment Fees	2,510	1,700	2,600
Community Service Fees	85,083	60,500	70,000
Miscellaneous Service Fees	69,611	70,968	70,140
Mobile Home Registration Fees	32,150	34,200	39,700
Animal Services	248,584	250,000	240,000
Total Fees	<u>737,199</u>	<u>691,568</u>	<u>705,340</u>
<b>UTILITY FRANCHISE</b>			
Entergy	14,252,897	14,632,600	12,670,390
S W Bell	651,755	600,000	546,900
Local Landline Franchise Fees	220,729	209,600	181,000
Long Dist. Franchise Fees	784,773	797,500	713,600
Centerpoint Energy	3,246,476	3,007,500	3,178,000
Central Ark Water	3,322,916	3,445,000	3,547,900
LR Waste Water	4,977,632	5,192,800	5,423,300
Fiber Optics	1,855,687	1,886,600	1,781,200
Cable TV	1,752,630	1,673,100	1,713,100
Franchise Fee Contra	(1,759,293)	(1,758,673)	(1,761,213)
Total Utility Franchises	<u>29,306,202</u>	<u>29,686,027</u>	<u>27,994,177</u>
<b>POLICE PENSION</b>			
Suspended Employee Contributions	27,876	-	-
Police 10% Parking	28,250	30,000	28,500
LRPD Retirement	198,395	215,000	197,700
Income-Police Clearing	64,993	50,000	55,100
Pension Miscellaneous	32,015	35,000	30,600
Total Police Pension	<u>351,529</u>	<u>330,000</u>	<u>311,900</u>
<b>INVESTMENT INCOME</b>			
Interest Income	222,260	225,000	306,000
Change in Fair Market Value	(4,994)	-	-
Total Investment Income	<u>217,266</u>	<u>225,000</u>	<u>306,000</u>
<b>RENTS AND ROYALTIES</b>			
Tower Lease	251,345	222,149	236,100
Ground Leases	9,295	6,579	10,200
Amusement Park Leases	3,575	3,600	600
Total Rents and Royalties	<u>264,215</u>	<u>232,328</u>	<u>246,900</u>
<b>MISCELLANEOUS INCOME</b>			
Contributions/Donations	291,644	250,000	852,722
Other Reimbursements	1,608	-	-
Insurance Reimbursement	820	-	-
Miscellaneous Revenue	417,495	403,700	369,295
Total Miscellaneous Revenue	<u>711,567</u>	<u>653,700</u>	<u>1,222,017</u>
Transfers In	7,994,671	9,351,970	10,295,386
Carryover from Prior Year	-	-	2,200,000
<b>TOTAL GENERAL FUND REVENUE</b>	<b><u>196,877,077</u></b>	<b><u>201,644,229</u></b>	<b><u>204,522,270</u></b>

**CITY OF LITTLE ROCK  
2017 OPERATING REVENUE**

	<b>2015 ACTUAL</b>	<b>2016 ADOPTED</b>	<b>2017 ADOPTED</b>
<b>STREET FUND</b>			
ST Homestead Tax	307,293	326,800	330,100
1/2 County Road Tax	5,114,441	5,473,300	5,535,000
State Gas Tax Turnback	12,779,918	12,792,400	12,430,546
Street Repair Reimbursement	15,293	18,600	18,500
Loading Zone Permits	-	-	17,060
Insurance and Other Reimbursement	286,714	174,100	221,500
Interest and Change in Fair Market Value on Investments	86,647	57,500	93,400
Transfer In	1,714,726	1,714,726	1,526,726
<b>TOTAL STREET FUND</b>	<b>20,305,032</b>	<b>20,557,426</b>	<b>20,172,832</b>
<b>FLEET INTERNAL SERVICE FUND</b>			
Fleet Labor	2,847,996	2,959,713	3,222,085
Fuel Fees	2,029,281	2,856,500	2,030,400
Compressed Natural Gas	143,475	180,400	234,500
Miscellaneous Sales	30,497	-	-
Motor Pool	15,653	12,000	7,000
Fleet Parts	3,302,007	3,366,325	3,383,850
Insurance	909,605	550,000	550,000
Fleet Management	868,638	1,264,544	1,258,392
Fleet Sublets	1,686,019	1,524,800	1,555,500
Interest and Change in Fair Market Value on Investments	6,182	-	-
Capital Contribution	89,058	-	-
Gain/(Loss) on Sale of Assets	(3,627)	-	-
<b>TOTAL FLEET INTERNAL SERVICE FUND</b>	<b>11,924,784</b>	<b>12,714,282</b>	<b>12,241,727</b>
<b>VEHICLE STORAGE FACILITY</b>			
Licenses and Permits	17,215	19,010	22,300
Storage Fees	303,203	348,685	374,255
Wrecker Fees	358,751	426,610	412,455
Vehicle Auction Sale	400,117	446,400	433,000
Impound Administration	83,812	100,000	95,000
Vehicle Storage Miscellaneous	33,625	29,600	39,000
<b>TOTAL VEHICLE STORAGE FACILITY</b>	<b>1,196,723</b>	<b>1,370,305</b>	<b>1,376,010</b>
<b>WASTE DISPOSAL ENTERPRISE FUND</b>			
Sanitation Fees	16,141,200	16,148,700	16,231,000
Landfill Fees	1,417,637	1,500,000	1,715,000
Methane Gas Revenue	77,236	50,000	-
Yard Waste	61,128	60,000	70,000
Compost Sale	58,006	69,400	60,000
Interest and Change in Fair Market Value on Investments	102,910	83,700	105,000
Miscellaneous Revenue	109,454	29,500	79,800
Capital Contribution	-	-	-
Gain/(Loss) on Sale of Assets	-	-	-
<b>TOTAL WASTE DISPOSAL ENTERPRISE FUND</b>	<b>17,967,571</b>	<b>17,941,300</b>	<b>18,260,800</b>

**CITY OF LITTLE ROCK  
2017 OPERATING REVENUE**

	<b>2015 ACTUAL</b>	<b>2016 ADOPTED</b>	<b>2017 ADOPTED</b>
<b>PARKING GARAGES</b>			
Business License - Auto/Truck	291,834	292,400	275,600
Street Repair Reimbursement	294,598	245,300	345,300
Parking Meters	443,133	445,200	460,000
Surface Lot Parking	93,117	95,000	93,120
Parking Deck Monthly	1,051,956	996,000	1,016,400
Parking Deck Daily	241,909	491,650	612,000
Parking Peabody	83,463	-	-
Interest and Change in Fair Market Value on Investments	8,614	4,700	8,550
Miscellaneous Income	-	-	500
<b>TOTAL PARKING GARAGES</b>	<b>2,508,624</b>	<b>2,570,250</b>	<b>2,811,470</b>
<b>GRAND TOTAL ALL FUNDS</b>	<b>\$ 250,779,811</b>	<b>\$ 256,797,792</b>	<b>\$ 259,385,109</b>

## REVENUE TRENDS

### OVERALL

The City of Little Rock has a comparatively strong economy with slow but steady economic growth. Little Rock's economy is diverse, buoyed by the presence of large government, health and educational institutions. Since mid-decade, population growth in Little Rock has slowed. Areas of strength include growth in the local business and professional services sector, which outpaced the U.S. average. Other areas of local strength include retail trade, transportation, utilities, education and health services. While job growth has been modest, unemployment has fallen to historic lows. At year-end, the unemployment rate in Little Rock is 3.5% with job growth at 2.93%. Retail jobs grew, pushed by the completion of the Outlets of Little Rock near the 1-430/1-30 junction; however, Internet sales appear to be absorbing most of the growth in retail sales. Internet sales account for over 8% of total U.S. retail sales and are likely to pass 10% by 2020 and 12% by 2025. The impact of increasing Internet sales and rebates of local sales tax on business, governmental, and non-profit purchases in excess of \$2,500 stifle local tax growth in comparison to that of the State. In addition, state statute restricts the level of tax information available to municipalities which makes revenue forecasting very difficult.

The City's General Fund revenues are primarily comprised of sales and use taxes, property taxes, utility franchise fees, fines and fees and revenues from various licenses and permits. The largest source of revenue in the City's General Fund is sales and use tax, which contributes approximately 50% to the 2017 budget. The 2017 operating budget includes an increase in sales tax of 1.5% over the final amended 2016 budget and 1.67% over 2016 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 2016 sales tax declined slightly by approximately \$135,000 from 2015 actuals with disappointing December sales. The change in monthly sales and use tax revenues in 2016 were very volatile in comparison to the same period a year ago. For example, results fluctuated from a high growth rate of 10.85% for February sales to a decline of 8.93% for March sales. 2016 sales and use tax revenues grew in only five (5) of twelve (12) months in comparison to the same period a year ago. Throughout 2016, the City never experienced revenue growth from sales and use tax in two consecutive months. Amazon recently announced that it will begin collecting and remitting sales and use tax on Arkansas sales beginning on March 1, 2017. The Arkansas General Assembly considered two (2) Remote Seller Sales and Use Tax Bills which would have allowed municipalities and the State to capture revenues which once would have been remitted to them prior to Internet Sales. Unfortunately, neither of those bills were approved by the General Assembly. As a major source of Internet sales, the announcement of Amazon should restore a portion of the revenues which have been eroded due to the increase in Internet sales over the last several years.

	REVENUES IN MILLIONS	% CHANGE
2013 Actual Revenues	\$185.5	
2014 Actual Revenues	\$191.7	3.31%
2015 Actual Revenues	\$196.9	2.71%
2016 Amended Budget	\$199.8	1.51%
2017 Adopted Budget	\$204.5	2.34%

The projected change in operating revenues is approximately 1.4% over the original 2016 operating budget and 2.3% above the final amended 2016 budget. Property taxes comprise approximately 14% of 2017 General Fund budgeted revenues. Assessments of real estate and personal property are levied in the current year and collectible in the following year. Little Rock is in Pulaski County which completed a real estate reappraisal in 2012. Historically, the reappraisal is on a three (3) year cycle, however; the Arkansas State Assessment Coordination Department altered the reappraisal to a five (5) year cycle with the next appraisal scheduled to occur in 2017. The increase in property taxes from the new appraisal will be reflected in the property tax collections made in 2018. Personal property is reappraised annually by May 31. The original charge for 2016 property taxes to be collected in 2017 reflects a 4.5% increase prior year, which is the largest growth rate in the last several years. The 2017 budget includes the revenue and expense associated with separate property tax levies, state turnback funds, and other dedicated revenues for the closed Police and Fire Pension and Relief Funds. The revenue is passed through the General Fund and contributed directly to the Police and Fire Pension Funds. In 2017, dedicated revenue of approximately \$12.8 million for these pension plans is included in the General Fund budget.

Utility franchise fees comprise approximately 14% of 2017 General Fund budgeted revenues. Overall, 2017 utility franchise fees are projected to only be 0.55% higher than 2016 actual revenues and the final amended 2016 budget. 2016 utility franchise revenues were 5.00% below 2015. The largest factor in the decline was weather, which plays a significant role in the majority of the annual franchise fee revenues. The very mild winter weather resulted in a reduction in natural gas usage of over 17%. Relatively mild summer weather reduced electricity usage by 1.6%. The largest percentage declines in franchise fees experienced in 2016 were associated with CenterPoint Energy (gas utility), Entergy Arkansas (electric utility), and telephone related fees. The trend towards households with only wireless phone service continues to gain in popularity. Although the rate of decline compared to that of previous years has slowed, local landline and long distance franchise fee revenues continue to experience large single digit percentage reductions. In addition, the trend towards streaming digital television programs could result in a reduction of fees received from fiber optics and cable providers. The largest dollar decreases experienced in 2016 were associated with CenterPoint Energy and Entergy Arkansas which were approximately \$719,500 and \$711,000 below last year, respectively. The only increase in franchise fee revenues in 2016 was associated with Little Rock Wastewater Utility which had instituted a 4.75% rate increase. Another 4.75% rate increase will take effect in

2017 with subsequent base rate increases over the next several years through 2021. Water consumption decreased in 2016 with revenues slightly below 2015 levels. Central Arkansas Water and the Wastewater utility continue to experience reductions in water usage due to efficiencies in technology and conservation efforts. Central Arkansas Water announced rate increases for 2017 impacting residential, commercial and industrial customer accounts. An average Central Arkansas Water residential customer will experience an 8.90% increase, a commercial customer will see a 4.30% increase and all industrial customers will experience average increases of 2.60%. In addition, Entergy Arkansas has announced one rate increase and two interim changes which will have a net effect of a 0.51% decrease in rates. CenterPoint Energy announced rate increases in the first quarter of 2017 by a combined total of 19%; 8 percentage points of the increase is driven by the change in the price of natural gas and 11 percentage points of the increase is attributed to a change in base rates and other changes.

Licenses and permits comprise approximately 5.5% of 2017 General Fund revenues. 2016 revenues from licenses and permits increased 2% compared to 2015 and are expected to decrease slightly in 2017. Business licenses and mixed drink supplemental fees continue to be a steady source of revenue, generating approximately \$9 million in revenue with growth of 1.4% over 2015. Building and related permits generated approximately \$2.3 million in revenues in 2016. 2017 revenue from building and related permits are expected to drop by approximately \$98,200 in 2017, but is still relatively strong due to continued commercial development near the I-30/I-430 interchange.

Fines and fee revenues continue to decline with revenues decreasing approximately 14% compared to one year ago. A number of factors have negatively impacted district court revenues, such as a reduction in the minimum fee due on installment plans and increased utilization of community service in lieu of fines. 2017 Fines and Fees are projected to increase 3.6% from 2016 levels, partly from an increase in projected parking fines which were lower in 2016 due to downtown construction.

### **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 appraised value of residential property is limited to a maximum increase of 5% annually, 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 are passed by local governments and certified to the County Tax Collector, who bills and collects the tax. One mill equals \$1 in tax per \$1,000 in assessed value.
- A Little Rock resident living in the Little Rock School District is charged a millage rate of 70.00.
- Taxes are remitted to the City monthly by the Pulaski County Treasurer as payments are received throughout the year.

The City tax levies the past two (2) years were as follows:

	<u>2015 Payable 2016</u>	<u>2016 Payable 2017</u>
General Operation	5.00	5.00
Bond Retirement	3.00	3.00
Library System	5.10	5.10
Police & Firemen’s Pension	<u>2.00</u>	<u>2.00</u>
	15.10	15.10

The General Assembly exercised its homestead exemption authority with the passage of Act 1598 of 2001 (Amendment 79). A homestead is a property which is an owner’s principal place of residence. 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.

As mentioned above, the City recently received notice of the original charge for 2016 property taxes to be collected in 2017 which reflects an overall increase of 4.5%. The original charge for the previous year increased only 1.1%. The Pulaski County Treasurer’s Office is experiencing a collection rate of approximately 96%, which includes collection of delinquent taxes from previous years.

The dedicated one mill property tax levies for the Police and Fire Pension plans are included in the General Fund budget. The revenue is collected in the General Fund and is contributed directly to the Police and Fire Pension Funds. Prior to 2013, this “pass-through” revenue was not included in the annual budget, but was included in actual revenues as a year-end adjustment. The dedicated pension property tax millage is expected to generate approximately \$7.8 million in revenues.

In addition, the City receives approximately one-half of the collections from a 2.90 mill road tax levied by the County and restricted to use for street repair and maintenance. The 2017 budget anticipates \$5.865 million in property tax collections from this tax.

In addition to the City millage of 15.1 and the County road millage of 2.9, a Little Rock property owner’s tax assessment includes 5.60 mills levied by the County and 46.40 mills levied for the Little Rock School District. The total millage for a Little Rock property owner is 70.00 for 2016 property taxes payable in 2017.

The general operations 5.0 mill levy is the maximum rate allowable under state law for general city operations. Property tax revenues include Act 9 Payments which are payments in lieu of property taxes paid by certain industrial companies. Carmeron Valve, Dillards, LM Wind Power Blades, Inc., Novus, Ringwood Containers, Sage V Foods, Welspun Pipes, Inc., Jacuzzi and Windstream are companies which are scheduled to make Act 9 payments in 2017. Beginning in 2016, Act 9 distributions are allocated to each applicable governmental entity that comprises the 16.55 mills allocated to the City of Little Rock.

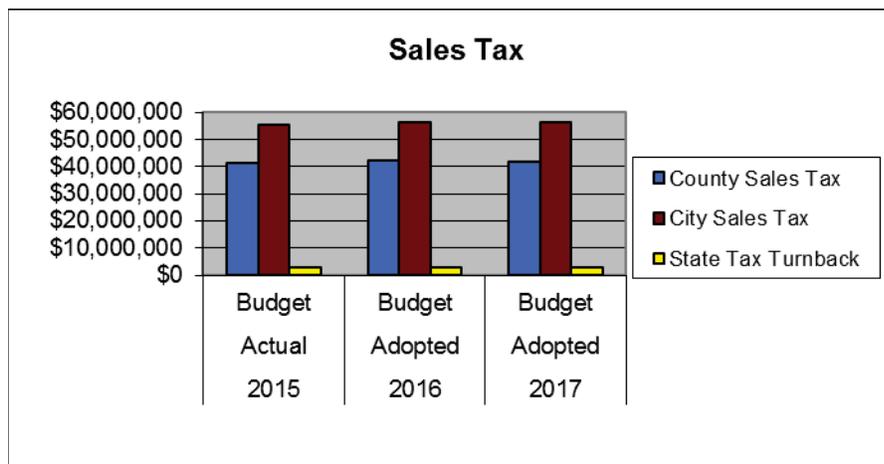
**COUNTY SALES TAX**

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 2017 from this tax is approximately \$41.9 million, which represents a 1.7% increase over the 2016 year-end results. The County tax collected in 2016 was 0.47% below the previous year.

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 county sales tax projection are approximately \$5 million, or 12% of the total annually. 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-cent sales tax increase which is comprised of a permanent 5/8-cent tax dedicated for ongoing operations and a temporary 3/8-cent tax dedicated to capital projects over a ten (10) year period. The tax went into effect on January 1, 2012. The combined operating sales tax of 1.125% generated approximately \$55.42 million



in 2016 which was 0.1% than the previous year. The projected revenue for 2017 from the local tax for the General Fund is approximately \$56.4 million which represents a 1.79% increase from 2016 year-end results. The 3/8-cent tax for capital projects generated \$18.47 million in 2016 and is expected to generate \$195.8 million over the ten (10) year period for capital projects. The capital tax increased 0.2% over 2015 levels. The 3/8-cent sales tax for capital projects is not reflected in the operating budget; however, it is reported in a separate Capital Projects Fund.

There is a two-month delay from the time the actual sales tax revenues are collected by businesses and the time they are received by the City. Sales tax is remitted by businesses to the State, which disburses this amount to the City, less a 3% administrative charge. Prior to January 2014, local governments had limited information regarding sales tax receipts which made forecasting these revenues very difficult. As a result of concerted efforts by the Municipal League and sponsoring cities, the Arkansas Department of Finance and Administration now issues a statistical report which classifies and summarizes tax collection and adjustment information for businesses, reporting activity for the specific city or county by NAICS code. Over time, the reports are expected to better assist in sales tax forecasting. The report includes components that comprise negative adjustments, such as refunds, rebates, audits and corrections. The local sales tax rebate to businesses on purchases in excess of \$2,500 was \$4,129,624. Audits performed by the State of Arkansas Department of Finance and Administration reduced sales tax collections by \$661,165 in 2016, which was more than double the amount of reimbursements from audits in 2015.

For 2016, the industries with the largest dollar increases in sales taxes were commercial and industrial machinery, electric power generation, food services and drinking places and office supplies. The largest dollar decreases were associated with specialty food stores, machinery and supplies wholesalers, electrical goods wholesalers and telecommunications. According to the NAICS report, the largest Little Rock sales tax payers are general merchandise stores, full-service restaurants, grocery stores and electric power generation.

### **STATE TAX TURNBACK**

The State General Assembly, through the Office of Budget, appropriates and then distributes an amount for turnback to municipalities each July 1<sup>st</sup>, based on population. The General Fund turnback for 2017 was reduced from a revised \$15.60 to \$15.50 per capita, or a 0.64% decrease. The Arkansas State Legislature appropriated monies to be disbursed to county and local governments from the surplus of the Property Tax Relief Fund. Prior to 2014, Little Rock has received approximately \$411,000 from this appropriation. A reduced surplus in the fund will result in a reduced appropriation to Little Rock of \$204,862. The appropriation is determined each legislative session and can increase or decrease dependent upon surpluses in state funds. State turnback funds are expected to generate approximately \$3 million dollars in General Fund revenue in 2017.

## State Turnback

State Turnback Year-to-Date 2016 with 2015 Comparison (shaded blue)

Month	Street		Severance		General	
	2015	2016	2015	2016	2015	2016
January	\$9,159,751	\$9,482,577	\$1,078,254	\$433,180	\$3,951,881 *	\$4,032,277 *
February	9,140,973	9,804,689	865,620	287,481	2,055,766	2,031,997
March	9,768,891	8,722,770	440,228	312,011	2,053,376	2,032,597
April	8,905,034	10,436,026	1,199,955	441,662	2,149,095	2,032,298
May	9,840,348	10,294,481	479,664	140,537	2,056,092	2,031,496
June	9,870,152	9,950,874	515,640	182,494	2,056,559	2,032,598
July	9,996,770	10,698,830	1,242,957	186,206	5,602,259 **	5,431,590 ***
August	9,465,188	9,492,433	482,196	243,594	1,815,712	2,264,157
September	10,122,119	10,068,068	495,609	279,548	2,032,276	2,056,681
October	9,866,819	10,421,889	521,754	483,530	2,019,156	2,056,531
November	9,604,610	10,087,659	527,387	435,693	2,031,292	2,055,823
December	9,198,070	9,292,327	471,203	392,523	2,032,218	2,056,318
<b>Total</b>	<b>\$114,938,724</b>	<b>\$118,752,623</b>	<b>\$8,320,466</b>	<b>\$3,818,458</b>	<b>\$29,855,681</b>	<b>\$30,114,363</b>

\* Includes \$2 million appropriation from the Property Tax Relief Fund

\*\* Includes \$3,516,801.29 supplemental for July 2015

\*\*\*Includes \$3,517,035.84 supplemental for July 2016

Source: City and Town Magazine published by the Arkansas Municipal League

## Local Option Sales and Use Tax in Arkansas

Sale and Use Tax Year-to-Date 2016 with 2015 Comparison (shaded blue)

Month	Municipal Tax		County Tax		Total Tax		Interest	
	2016	2015	2016	2015	2016	2015	2016	2015
January	\$49,037,009	\$48,260,965	\$43,720,229	\$42,805,543	\$92,757,238	\$91,066,508	\$15,812	\$12,222
February	59,477,239	57,956,453	51,693,904	50,071,410	\$111,171,143	\$108,027,863	20,455	12,659
March	45,484,389	46,032,300	41,503,958	41,404,634	\$86,988,347	\$87,436,934	17,357	19,161
April	51,278,433	46,694,339	46,543,122	42,176,819	\$97,821,555	\$88,871,158	19,032	15,459
May	51,716,750	52,104,723	46,509,945	46,560,371	\$98,226,695	\$98,665,094	16,799	4,827
June	48,045,270	49,711,589	42,836,823	44,369,398	\$90,882,093	\$94,080,987	17,947	25,867
July	52,527,961	50,358,675	47,321,806	44,565,666	\$99,849,767	\$94,924,341	17,750	18,804
August	52,254,925	51,846,227	47,594,177	47,174,793	\$99,849,102	\$99,021,020	17,169	16,649
September	53,746,167	50,366,202	49,430,573	48,072,222	\$103,176,740	\$98,438,424	18,913	17,771
October	52,105,594	50,569,467	47,384,899	46,609,011	\$99,490,493	\$97,178,478	17,666	18,511
November	53,632,182	49,449,818	48,831,434	46,067,600	\$102,463,616	\$95,517,418	17,523	17,009
December	51,969,068	53,013,791	46,917,820	47,830,901	\$98,886,888	\$100,844,692	17,198	18,591
<b>Total</b>	<b>\$621,274,987</b>	<b>\$606,364,549</b>	<b>\$560,288,690</b>	<b>\$547,708,368</b>	<b>\$1,181,563,677</b>	<b>\$1,154,072,917</b>	<b>\$213,621</b>	<b>\$197,530</b>
Averages	\$51,772,916	\$50,530,379	\$45,443,406	\$45,642,364	\$95,748,020	\$96,172,743	\$17,802	\$16,461

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. Averages are based on 12 months.

Source: Rachel Garrett, Office of State Treasurer

## INTEREST EARNINGS

Interest earned on the investments and bank deposits of the General Fund, certain bond retirement funds, special projects and capital funds can legally be utilized for any municipal purpose. The current federal funds rate is 0.75%. The Federal Open Market Committee expects to raise the rate to its goal of 2% in 2017. That assumes unemployment remains low and inflation approaches its 2% goal. The current discount rate is 1.25%. Investment income for the General Fund before year-end fair market value adjustments is approximately \$304,220 which is a 35% increase over 2015 levels. A slight rise in short term interest rates and staying fully invested have increased investment income significantly.

Securities held are short in duration, backed by the U.S. government and are among the safest securities in the world. Short term rates increased slightly in 2016 and are expected to increase significantly on a relative basis in 2017. Steady interest rates coupled with steady fund balances should increase investment earnings in 2017. The City's bank deposits are expected to yield a favorable 0.53% in 2017 which is competitive with the current three-month Treasury bill.

### **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

Franchise fee revenues in 2016 were 5.00% lower than 2015 levels. The largest factor affecting franchise fees continues to be the weather. CenterPoint Energy, the gas utility, experienced significant revenue decreases totaling \$719,449 (22.2%) due to the very mild winter of 2015/2016 and historically low natural gas prices. The mild and short winter decreased usage levels by over 17%. The winter of 2016/2017 has thus far accurately been forecasted to be affected by a strong La Niña weather pattern, with more precipitation than usual in the south, and temperatures remaining higher than normal, which has led to reduced revenues from heating bills.

CenterPoint Energy accumulates and stores natural gas for the next heating season. The cost of natural gas makes up between 70% and 80% of the typical bill. CenterPoint Energy reports its natural gas costs to the Arkansas Public

Service Commission at the end of October each year. Those rates are passed along to customers with no profit going to the utility. 2017 gas revenues are expected to be approximately 26% higher than actual 2016 levels but 2.1% lower than 2015 levels. The increased revenue estimates are a result of higher estimated natural gas cost. In addition, there will be an increase in the base rate charged to customers. It had been nine years since CenterPoint had requested a rate increase from the Arkansas Public Service Commission.

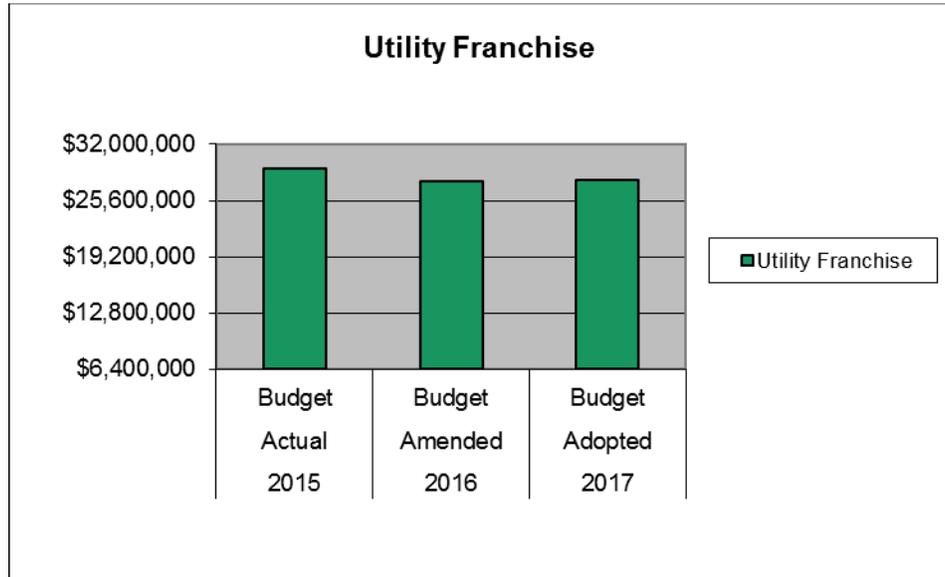
Entergy Arkansas franchise fees decreased approximately 5% from one year ago while usage declined 1.6%. Entergy franchise revenues were \$711,027 below the same period one year ago. Entergy fees are expected to decline another 6.4% in 2017. Although Entergy Arkansas filed a rate increase request of \$54.4 million or a 3.8% increase in 2017, two temporary charges previously paid by residential customers will soon expire, effectively reducing residential bills 0.51%. This rate adjustment coupled with another expected mild summer and decreased fuel costs will have a negative impact on Entergy Arkansas franchise fees.

Central Arkansas Water (CAW) Board of Commissioners has announced that they plan to raise rates in 2017 and 2018. Officials said that the increases will raise an average residential customer's rate by 8.9% both years, a commercial customer will see a 4.3% increase and the average industrial customer should see an increase of 2.6% in 2017. An average customer is considered to be one that uses about 650 cubic feet of water per month and pays a monthly water bill of \$13.10. No rate adjustments were instituted for 2016. A relatively mild and wet summer of 2016 reduced revenues slightly by approximately \$15,000. An on-going national trend is that water consumption continues to decrease due to water saving appliances and conservation measures, but weather is still the most significant factor. Central Arkansas Water has forecasted an increase of approximately 7.3% in 2017 revenue.

Little Rock Wastewater revenues increased 4.3%, a result of increasing base rates an average of 4.75% in 2016 which increased revenues by approximately \$213,800. Little Rock Wastewater issued debt in 2015 in the amount of \$160,070,000 to refund six (6) outstanding bond issues. The scheduled rate increase for 2017 is 4.75%. In addition, there are scheduled rate increases of 4.75% for 2018 through 2021 to pay for the expansion of storage facilities and a pump station upgrade. Scheduled rate increases were implemented to comply with the terms of the Sierra Club lawsuit to reduce sanitary sewer overflows in Little Rock. The additional revenue will be used to secure a \$61 million loan from the Arkansas Natural Resources Commission. As a result of the rate increase in 2017, revenues are projected to increase by approximately \$232,000 or 4.5%.

Franchise fee revenues from local land line companies continue to decline from a peak in 1998. For example, AT&T franchise fees were \$2.6 million in 1996 and less than \$600,000 in 2016 which represents an 8.3% reduction from just one year ago. This trend is expected to continue in the foreseeable future, with more customers migrating from utilization of a home phone (land line) and a mobile phone to only a mobile phone. Revenue from local land line providers declined 7.2% in 2016 and are expected to further decrease 10% in 2017. The decline

could be sharper but many alarm users still maintain a land line to operate their security systems.



The downward trend in traditional franchise fee revenues from long distance providers is a result of an increase in wireless or mobile phone usage for long distance calls. The franchise fee revenue from long distance decreased almost 11% in 2016. Long distance revenue is projected to level off in 2017 as a result of effective collection efforts towards the numerous smaller telecommunication companies.

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. Overall, fiber optics and cable franchise revenues decreased 2.4% in 2016. Windstream revenues for 2016 decreased 10.8% while AT&T U-Verse franchise fees decreased by 8.7% and Comcast Cable declined 2.12%. There was a one-time settlement payment of \$120,505 from MCI Metro Access Transmission Services in 2016 that prevented a further decrease in fiber optic revenue. Fiber optic companies rarely announce anticipated rate increases in advance of the actual rate change. Cell phone, alarm system revenues and Internet usage are not included in the franchise agreement. Annual increases in fiber optic service fees are expected to be offset by customers foregoing the cable companies and receiving all of their communications including television via wireless or broadband connections using digital technology. Fiber optic forecasted revenues are projected to decline approximately 1.0% for 2017.

Franchise fee revenues for fiscal year 2017 are forecasted to be 0.55% above 2016 receipts and relatively flat from the amended 2016 budget. Utilities may adjust rates during the course of the year which affects revenues. In addition, severe weather or unusual weather patterns may impact franchise revenues. In 2017, a request for proposals will be issued to provide a franchise utility fee audit. The audit will review all ordinances, regulations and agreements governing each franchise utility provider and identify any revenue adjustments or errors in the franchise fee calculations.

Announced Utility Rate Changes for 2017	
SW Bell (AT&T)	0.00%
Entergy (net adjustment to rates)	-0.51%
Long Distance	0.00%
Local Land Lines	0.00%
CenterPoint (base rate adjustment)	11.00%
Central AR Water	
Residential	8.90%
Commercial	4.30%
Industrial	2.60%
Fiber Optics	0.00%
Waste Water Utility	4.75%

**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 2016 license fees increasing 2.34% to almost \$6.6 million. The increase of over \$150,000 for 2016 is attributed to a steady local economy and aggressive collection of delinquent accounts which includes programs to locate businesses operating without a license. In 2015, the Treasury Management Division implemented an electronic notification system that reminds business owners of upcoming deadlines such as assessments, due dates, etc. via email notifications. These email reminders actually helped in collecting on delinquent accounts. A business license committee reviews the fairness and equity of the business license fee structure periodically and provides recommendations to the Board of Directors. 2017 business license revenue expectations are set at a 1% growth rate.

**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. 2016 mixed drink revenue was slightly below 2015 at approximately \$2.4 million. 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 2017 budget anticipates an increase of approximately 1.0% over the 2016 amended budget.

**BUILDING AND RELATED PERMITS**

Building and related permits, which include electrical permits, plumbing permits, and heating ventilation and air conditioning (hvac) permits, were approximately 5% above 2015 and 2.6% above the 2016 amended budget. 2016 commercial

building permits were expected to decline roughly 8% but continued interest around the Gateway Mall with the addition of Dave & Buster's pushed permit revenue higher than expected. The City's Planning and Development Department forecasts smaller commercial construction projects such as hotels and apartments but no large retail centers anticipated in 2017. Residential construction is projected to remain stagnant. Rising long term interest rates could curtail commercial construction activity in Little Rock. 2017 building and related permits are expected to decline 4.3% from the very strong building activity of 2016.

### **FINES AND FEES**

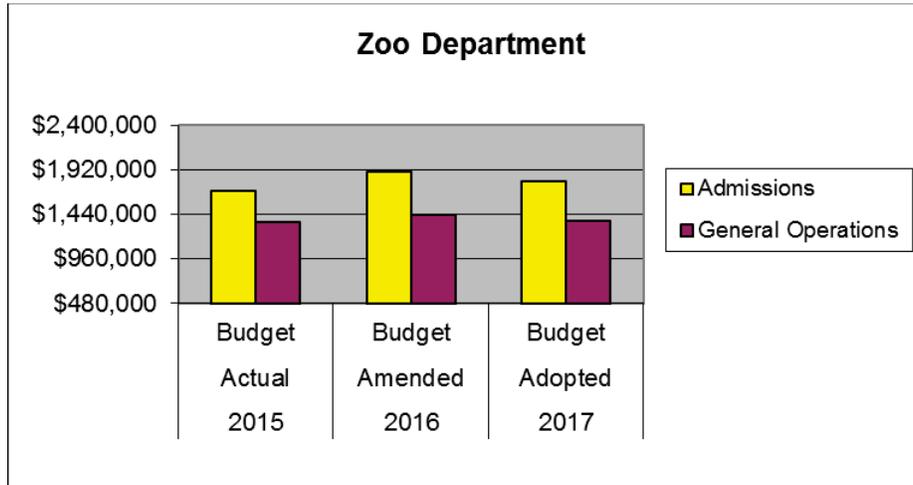
Fines and related fees comprise 1.4% of the 2017 budget. 2016 fines and fees were approximately \$392,350 or 14% below the previous year. Traffic and parking fine revenues continued to be the main contributors to the decrease. Parking fine revenues decreased 3.6% from one year ago, primarily associated with downtown construction projects. In 2017, Parking Enforcement will issue a request for proposal for a new Parking Management System that is intended to increase on-street occupancy throughout the downtown core and in the business district. Fines from parking citations is expected to increase approximately 3%. District courts will soon be state district courts and expected to hear more cases, which could potentially increase court revenues. District court revenues have experienced a decline over the past five years. The district courts experienced a major system conversion in February 2015. The conversion led to new methods of processing which impacted district court revenues such as a reduction in the minimum fee due on installment plans, and an increase in community service hours which reduced fine revenue. 2017 Fines and Fees revenues are expected to increase 3.6% from 2016.

### **PARK AND ZOO REVENUE**

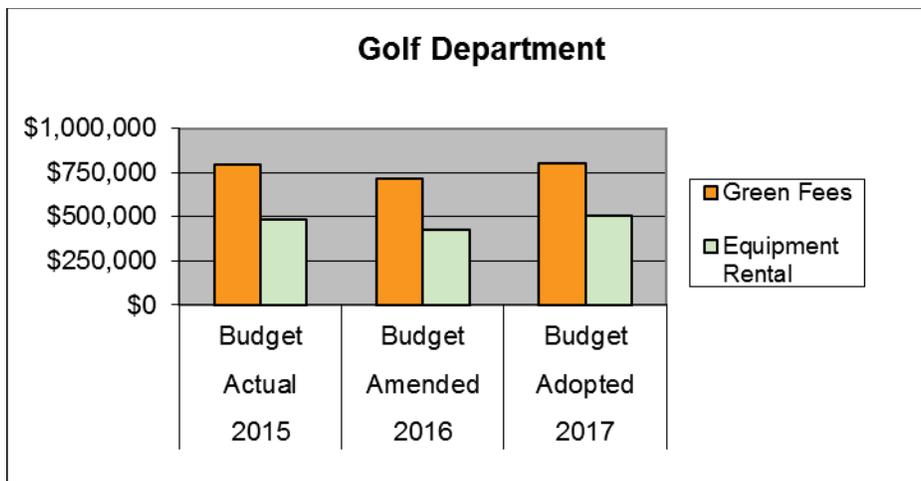
General Fund park revenues are generated by three (3) golf courses, tennis fees, community center fees, athletics fees, summer programs and pavilion rentals. The 2017 General Fund Parks and Zoo budget includes a slight net increase from 2016 actuals. With no schedule fee increases for the golf courses, tennis centers, community centers or the Zoo, 2017 revenues were forecasted from 2016 actuals with no significant revenue changes in park related revenues.

Excluding transfers in and donations, Zoo revenues increased approximately 10.5% or \$371,447 from one year ago. Actual revenues were 12.4% above the original 2016 budget and 6.60% above the amended budget. Similar to park revenues, Zoo revenues are heavily dependent on weather conditions. The early spring months of April, May and June are the peak months for the Zoo because of the mild temperatures. Zoo revenues increased in every category except merchandise sales which were only slightly below last year. Zoo admissions increased 11.6% compared to the same period a year ago. Annual Zoo memberships are less dependent on weather and increased 7.7%. Zoo concessions increased 15.7%. Although 2016 saw revenues increase across the board, overall, 2017 Zoo revenues are conservatively projected to be consistent with historical trends and more normal spring weather. 2017 Zoo revenues are projected to be 6.2% lower than 2016 actuals. There were no fee increases

scheduled for 2017. The forecast is conservative due to the dependency on weather conditions.



The City operates three (3) public golf courses and relies heavily on greens fees and concession revenues to operate these courses. Historically, March is the start of the busy season for golf courses. In 2016, the War Memorial Golf Course underwent the implementation of new greens which reduced revenues in the most productive months of May, June, July and August and reduced the overall revenues for golf. Excluding the debt service contribution, overall golf revenues were 11.5% below 2015 levels. 2016 Rebsamen Golf revenues decreased approximately 4.6%. As a result of the reconstructed greens, War Memorial revenues decreased 36.5% while Hindman Golf Course decreased 2.8%. With War Memorial revenues back to normal levels, the combined golf courses are projected to increase 17% and be near 2014 levels.

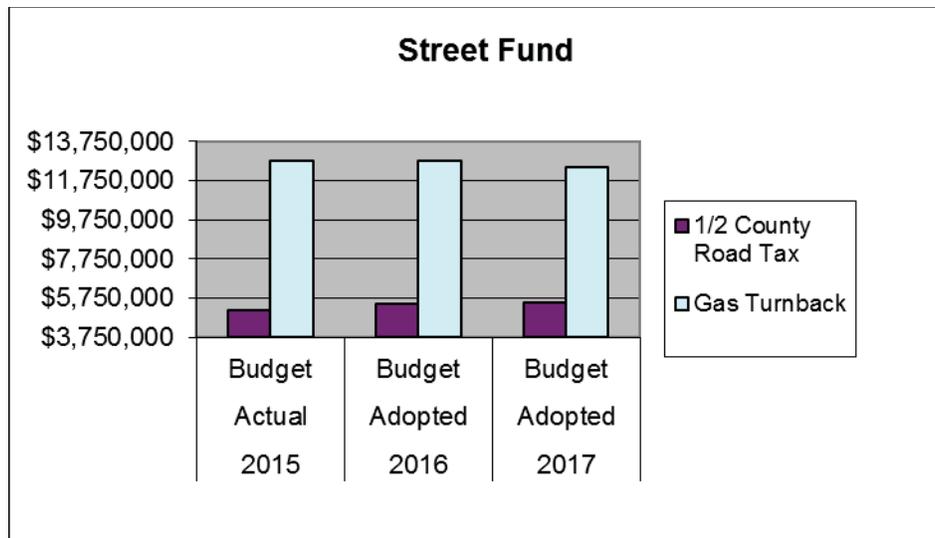


**AIRPORT REIMBURSEMENT**

The Little Rock National Airport reimburses the City for expenses related to police and fire protection. In 2016, airport police reimbursements decreased 5.5% to \$1.74 million and airport fire reimbursements increased 2% to \$1.30 million. Staffing levels should be consistent with 2016, adjusted only for salary increases. Annually, fluctuations can be attributed to changes in negotiated minimum staffing.

**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. The passage of Constitutional Amendment No. 1 in the general election of 2012 provided additional funding for State, County and City streets and bridges with a temporary 1/2-cent sales and use tax for road construction and maintenance. The ten (10)-year sales tax is effective from July 1, 2013 through December 2022. 2016 revenues were 1.2% higher than 2015, which is attributed to a slight increase in the number of gasoline gallons consumed. Gas turnback funds had been trending downward as a result of lower gas consumption associated with more fuel efficient automobiles. The State Highway Department’s turnback projection for 2017, including gas tax, severance tax and sales tax is \$12.43 million which is 1.9% below their projection for 2016. The 2017 Street Fund turnback appropriation increased from a revised \$65.00 to \$65.50 per capita, a 0.77% increase. The 2017 street turnback estimate includes proceeds from the state 1/2-cent sales tax and severance tax on natural gas. Currently, approximately 4% of the turnback is attributed to the natural gas severance tax.



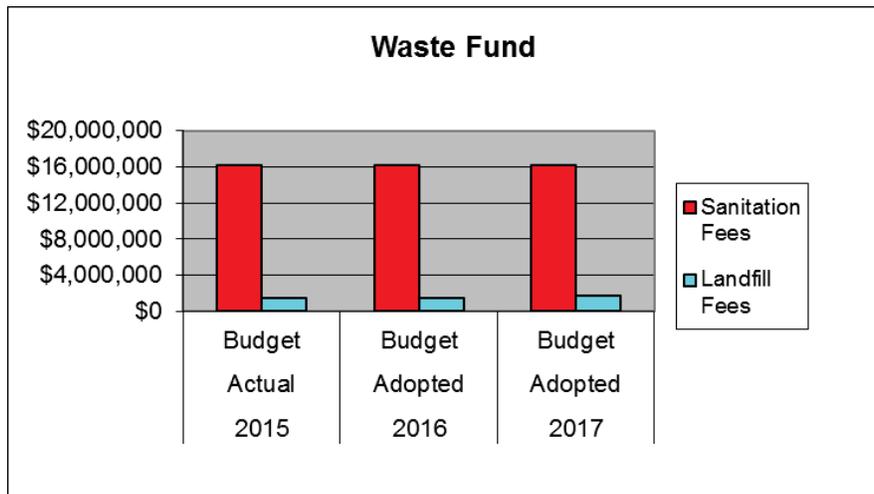
**BOND & INTEREST FUND**

Revenues from this fund are utilized to finance the debt service on the Capital Improvement Bonds issued in 2013. The voters of Little Rock approved an annual ad valorem tax at a rate of 3.0 mills at a special election on September 11, 2012. The millage is pledged for the financing of \$105 million in street and drainage improvements. On July 15, 2013, the City issued \$58,105,000 of general obligation debt (\$42,000,000 for street improvements and \$18,000,000 for drainage improvements). The millage, along with the Homestead Credit, which is monies generated from a state-wide half-cent sales tax, produced approximately \$11.6 million (excluding Excess Commissions) toward 2016 debt service on the outstanding bonds. A second series of bonds will likely be issued in 2018.

**WASTE DISPOSAL**

The 2016 Waste Disposal charges for services revenues increased 1.2% compared to 2015. Although there were no rate increases, sanitation fees were over budget by approximately \$75,000 and almost \$77,000 above last year. This is a result of a bordering city utilizing the landfill. Landfill fees continue to see substantial increases of almost 15% from 2015 levels. The landfill increase is attributed to two large customers that are receiving volume discounts if they bring in a minimum of 1,200 tons each month. In addition, the opening of a new Class 4 cell at the City’s landfill and an increase in gate fees at competing landfills contributed to the increased revenue. Revenues from methane gas production has steadily decreased as the exclusive vendor had equipment issues and closed the facility and does not plan to be operational for another two years. Yard waste revenue increased significantly due to new customers. Compost revenues continue to decline as more residents are composting in their backyards.

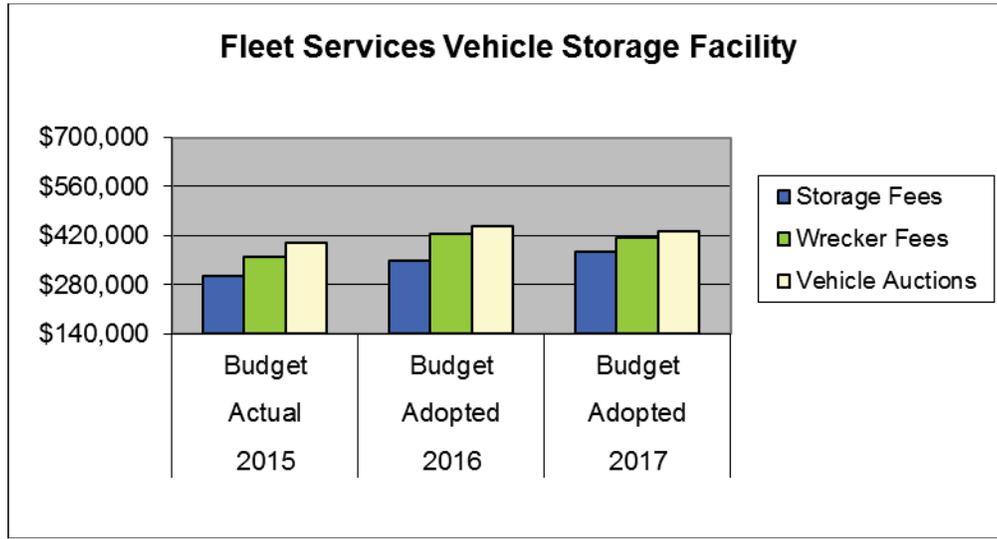
The monthly residential rate for sanitation pickup remained at \$22.02. There are approximately 58,350 households currently receiving garbage collection services. No rate increases are scheduled for 2017. In addition, approximately 280 commercial vendors pay an average rate of \$33.37 a month for waste disposal services. The 2017 budget for sanitation fees of approximately \$16.23 million is in line with 2016 actual results. Landfill fees are expected to generate approximately \$1.7 million in 2017 which is an increase of 5.62%.



**VEHICLE STORAGE**

Vehicle Storage revenues are generated from storage fees, wrecker fees, and auction sales. These revenue sources increased 10.3% from one year ago and contributed approximately 88% of total 2016 revenues. Both storage fees and wrecker fees increased significantly from one year ago and the auction sales were only slightly lower. The number of wrecker tows in 2016 was 121 more than the same period one year ago. Increased vehicles towed results in higher storage fees and wrecker fees and has an impact on the number of vehicles available for

auction. The 2017 overall revenue budget is 4.3% higher than 2016 actuals. The average sales price per vehicle auctioned in 2016 was \$723.40.

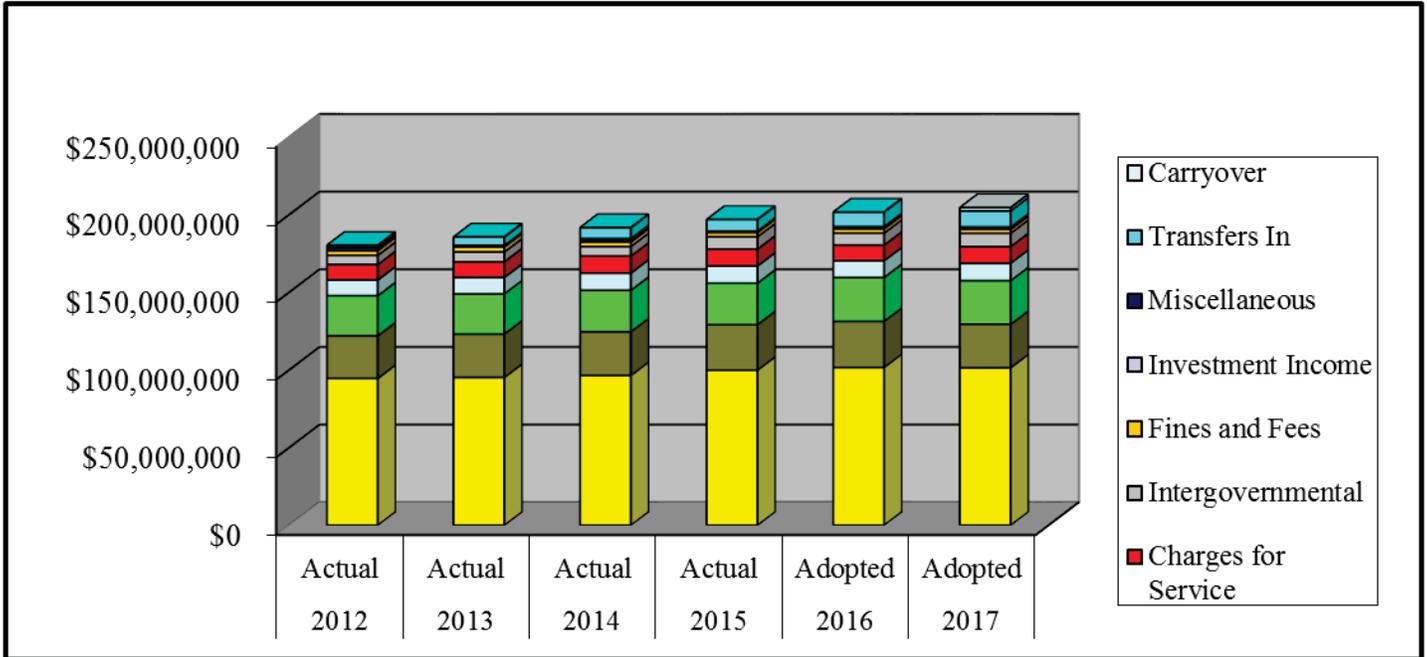


**PARKING GARAGE FUND**

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 RiverMarket Parking Garage. In addition to garage fees, annual business license fees received from the rental and/or leasing of automobiles and trucks, parking meter revenues, and street repair fees collected from utility companies are pledged to debt service on the bonds issued to construct the parking garages. Overall parking garage revenues were 14.4% higher in 2016 than 2015. The increase demonstrates the popularity of the RiverMarket district and an overall reduction in available parking spaces downtown.

Street cut revenues increased approximately \$174,000 with the majority of cuts coming from CenterPoint Energy. A large receipt was reported earlier in the year from JCL Communications in settlement for street cuts performed in prior years. Other utilities such as Little Rock Wastewater and Central Arkansas Water perform street repairs and maintenance in the City’s right-of-way. Overall, Parking Garage Fund revenues are expected to decrease approximately 2% compared to one year ago, the result of lowered street cut repairs to more normal levels.

# General Fund Revenues Sources and Trends 2012-2017

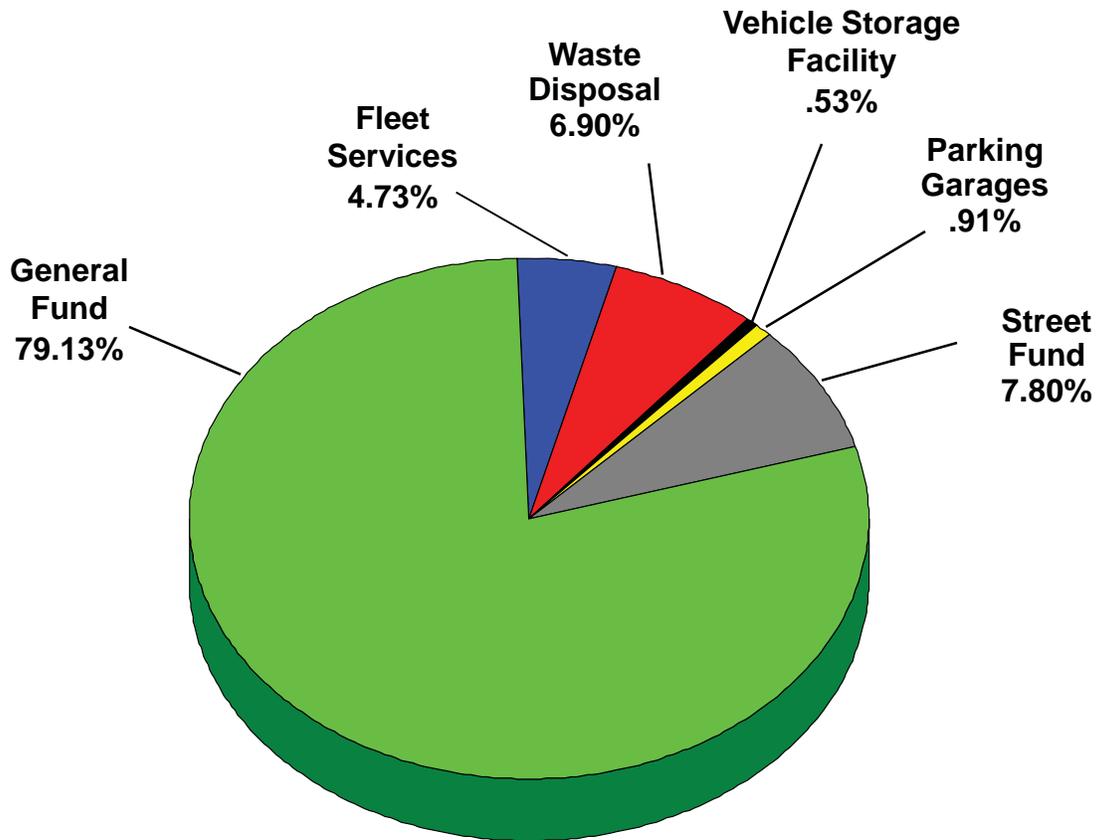


Revenues increased significantly with the implementation of a new sales tax in 2012. The 5/8-cent portion of the tax for on-going operations increased the existing 1/2-cent tax to a total of 1.125%.

# Expenditures



# CITY OF LITTLE ROCK 2017 BUDGET SUMMARY ALL FUNDS EXPENSES



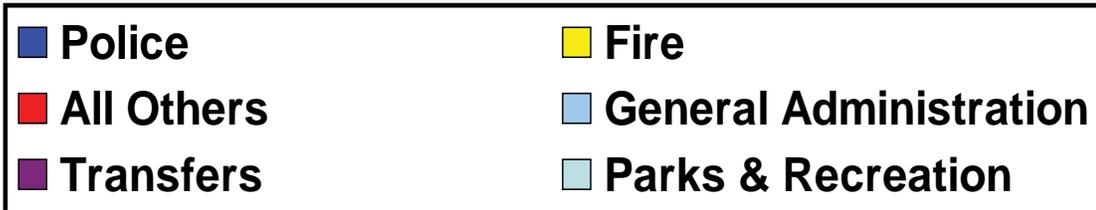
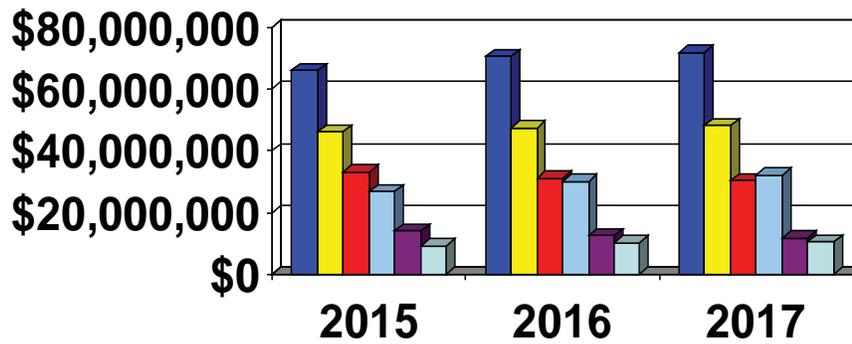
**\$258,478,114**

**CITY OF LITTLE ROCK**  
**2017 OPERATING & OTHER BUDGETED EXPENDITURES**

<b>GENERAL FUND</b>	<b>2015 ACTUAL</b>	<b>2016 ADOPTED</b>	<b>2016 AMENDED*</b>	<b>2017 ADOPTED</b>	<b>16/17 DIFF</b>	<b>% CHANGE</b>
General Administrative	\$26,879,166	\$29,977,808	\$28,493,540	\$32,101,384	\$3,607,844	12.66%
Board of Directors	341,352	342,818	354,368	343,902	(10,466)	-2.95%
Community Programs	403,567	427,559	534,719	610,085	75,366	14.09%
City Attorney	1,726,730	1,939,007	1,801,521	1,961,177	159,656	8.86%
District Court First Division	1,281,039	1,410,338	1,412,194	1,293,690	(118,504)	-8.39%
District Court Second Division	1,277,213	1,365,334	1,327,802	1,226,045	(101,757)	-7.66%
District Court Third Division	630,353	627,195	666,117	576,831	(89,286)	-13.40%
Finance	2,999,330	3,407,407	3,395,520	3,503,246	107,726	3.17%
Human Resources	1,738,483	1,810,554	1,701,690	1,817,542	115,852	6.81%
Information Technology	4,254,829	4,843,151	4,622,266	5,063,637	441,371	9.55%
Planning Development	2,126,965	2,566,299	2,372,743	2,573,533	200,790	8.46%
Housing & Neighborhood Programs	4,751,888	5,866,198	5,163,884	5,844,164	680,280	13.17%
Public Works	941,985	1,191,100	1,053,588	1,108,710	55,122	5.23%
Parks & Recreation	9,174,600	10,207,910	9,624,281	10,638,481	1,014,200	10.54%
River Market	1,188,494	1,174,745	1,174,745	1,151,840	(22,905)	-1.95%
Golf	2,390,263	2,288,313	2,395,379	2,346,138	(49,241)	-2.06%
Jim Dailey Fitness and Aquatic Center	855,518	909,546	896,482	921,660	25,178	2.81%
Zoo	6,107,305	6,810,041	6,834,225	6,913,994	79,769	1.17%
Fire	45,985,109	47,365,844	47,592,548	48,118,017	525,469	1.10%
Police	66,028,952	70,548,138	66,490,774	71,651,214	5,160,440	7.76%
Vacancy Savings		(6,000,000)		(7,000,000)	(7,000,000)	N/A
<b>Sub-total General Operating</b>	<b>181,083,141</b>	<b>189,079,305</b>	<b>187,908,386</b>	<b>192,765,290</b>	<b>4,856,904</b>	<b>2.58%</b>
<b>TRANSFERS OUT/OTHER EXPENSES</b>						
Transfer out to Street Fund	1,082,000	1,082,000	1,082,000	894,000	(188,000)	-17.38%
Special Projects/PIT	11,463,742	10,482,924	9,850,264	9,862,980	12,716	0.13%
Contingency/Reserve	1,550,000	1,000,000	1,000,000	1,000,000	-	0.00%
Sub-total of Transfers Out	<b>14,095,742</b>	<b>12,564,924</b>	<b>11,932,264</b>	<b>11,756,980</b>	<b>(175,284)</b>	<b>-1.47%</b>
<b>TOTAL GENERAL FUND</b>	<b>195,178,883</b>	<b>201,644,229</b>	<b>199,840,650</b>	<b>204,522,270</b>	<b>4,681,620</b>	<b>2.34%</b>
<b>OTHER FUNDS</b>						
Public Works - Street	18,047,493	20,557,426	20,398,451	20,172,832	(225,619)	-1.11%
Fleet Services	11,829,952	12,714,282	12,714,282	12,232,552	(481,730)	-3.79%
Vehicle Storage Facility	1,350,527	1,359,792	1,359,792	1,376,010	16,218	1.19%
Waste Disposal	15,962,660	16,928,866	16,928,866	17,833,261	904,395	5.34%
Parking Garages	2,344,798	2,251,986	2,251,986	2,341,189	89,203	3.96%
Sub-total Other Operating Funds	<b>49,535,430</b>	<b>53,812,352</b>	<b>53,653,377</b>	<b>53,955,844</b>	<b>302,467</b>	<b>0.56%</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 244,714,313</b>	<b>\$ 255,456,581</b>	<b>\$ 253,494,027</b>	<b>\$ 258,478,114</b>	<b>\$ 4,984,087</b>	<b>1.97%</b>

\* The 2016 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 2016 vacancy savings goal was fully realized.

# General Government Summary of Appropriations 2015-2017



**GENERAL FUND SUMMARY  
EXPENDITURES BY CATEGORY**

<b>CATEGORY</b>	<b>2015 Actual</b>	<b>2016 Amended Budget</b>	<b>2017 Adopted Budget</b>
Salaries Wages and Employee Benefits	\$138,781,951	\$143,834,450	\$145,172,849
Supplies and Materials	5,452,847	6,235,034	5,702,540
Repairs and Maintenance	6,751,463	7,510,296	7,975,001
Contractual	21,361,458	22,284,919	23,143,719
Capital Outlay	53,788	253,000	252,000
Debt Service	7,702,130	8,961,606	10,519,181
Transfers	<u>15,075,246</u>	<u>12,564,924</u>	<u>11,756,980</u>
Total Expenditures	<u>\$195,178,883</u>	<u>\$201,644,229</u>	<u>\$204,522,270</u>
<i>Staffing Level</i>	<i>1,722</i>	<i>1,737</i>	<i>1,749</i>
<i>Ratio</i>	<i>8.82</i>	<i>8.61</i>	<i>8.55</i>

**STAFFING LEVEL PER MILLION DOLLARS BUDGETED**



**CITY OF LITTLE ROCK  
2017 OPERATING EXPENSES**

	<b>2015 Actual</b>	<b>2016 Adopted Budget</b>	<b>2017 Adopted Budget</b>
<b>GENERAL FUND</b>			
<b>GENERAL ADMINISTRATIVE</b>			
101001 City Clerk	\$ 201,290	\$ 206,270	\$ 252,566
101002 Administrative & General	20,575,406	23,209,560	25,068,483
101003 Employee Benefits	4,237,181	4,341,500	4,207,600
101004 Racial and Cultural Diversity	155,015	156,970	-
101005 Mayor	348,266	512,902	589,997
101006 City Manager Administration	964,373	1,106,268	1,262,913
101007 Emergency Management	62,806	56,282	55,458
101008 Small & Minority Women Owned Bus. Dev.	53,514	98,598	107,635
101009 Little Rock Television	281,314	289,458	299,671
101010 311 Service Center *	-	-	257,061
Total General Administrative	<u>26,879,166</u>	<u>29,977,808</u>	<u>32,101,384</u>
<b>BOARD OF DIRECTORS</b>			
101100 Board of Directors	341,352	342,818	343,902
<b>COMMUNITY PROGRAMS</b>			
101501 Administration	314,243	337,100	353,623
101503 Operations	89,324	90,459	97,549
101504 Racial and Cultural Diversity *	-	-	158,913
Total Community Programs	<u>403,567</u>	<u>427,559</u>	<u>610,085</u>
<b>CITY ATTORNEY</b>			
101801 City Attorney	1,726,730	1,939,007	1,961,177
<b>LITTLE ROCK DISTRICT COURT</b>			
102101 District Court First Division	1,281,039	1,410,338	1,293,690
<b>LITTLE ROCK DISTRICT COURT</b>			
102201 District Court Second Division	1,277,213	1,365,334	1,226,045
<b>LITTLE ROCK DISTRICT COURT</b>			
102301 District Court Third Division	630,353	627,195	576,831
<b>FINANCE</b>			
102501 Administration	563,595	609,245	615,218
102515 Budget	167,686	178,156	179,430
102520 Internal Audit	236,166	247,715	249,644
102530 Accounting and Reporting	525,431	586,458	601,312
102531 Accounts Payable	299,330	336,100	333,734
102535 Payroll	199,298	213,557	217,087
102540 Treasury Management	580,353	619,110	651,875
102550 Purchasing	239,643	311,442	344,681
102555 Print Shop	(45,831)	35,159	37,412
102560 Grants Management	233,658	270,465	272,853
Total Finance	<u>2,999,330</u>	<u>3,407,407</u>	<u>3,503,246</u>
<b>HUMAN RESOURCES</b>			
102701 Human Resources	1,738,483	1,810,554	1,817,542
<b>INFORMATION TECHNOLOGY</b>			
103001 Administration	1,261,880	935,373	940,804
103010 Application Programming	1,188,556	1,409,061	1,428,858
103030 Networking	1,804,393	2,498,717	2,693,975
Total Information Technology	<u>4,254,829</u>	<u>4,843,151</u>	<u>5,063,637</u>

\* In 2015 and 2016 the 311 Service Center was included in Public Works and the Racial and Cultural Diversity division was included in General Administrative.

**CITY OF LITTLE ROCK  
2017 OPERATING EXPENSES**

	<b>2015 Actual</b>	<b>2016 Adopted Budget</b>	<b>2017 Adopted Budget</b>
<b>PLANNING AND DEVELOPMENT</b>			
103301 Administration & Budget	266,427	312,278	311,077
103310 Planning	397,206	461,908	457,187
103320 Zoning & Subdivision	719,112	853,160	857,916
103330 Building Codes	744,221	938,953	947,353
Total Planning and Development	<u>2,126,965</u>	<u>2,566,299</u>	<u>2,573,533</u>
<b>HOUSING AND NEIGHBORHOOD PROGRAMS</b>			
103501 Administration	342,210	367,920	361,648
103510 Animal Services	975,897	1,287,459	1,327,894
103520 CDBG - Housing Programs	2,200	9,873	8,421
103530 Neighborhood Programs	2,138,607	2,951,115	2,896,152
103539 Neighborhood Alert Centers	871,206	782,304	790,538
103540 Neighborhood Resource Center	180,733	235,757	235,755
103550 Environmental Services	241,035	231,770	223,756
Total Housing and Neighborhood Programs	<u>4,751,888</u>	<u>5,866,198</u>	<u>5,844,164</u>
<b>PUBLIC WORKS</b>			
104010 Building Services	941,985	1,118,163	1,108,710
104020 Asset Management	-	72,937	-
Total Public Works	<u>941,985</u>	<u>1,191,100</u>	<u>1,108,710</u>
<b>PARKS AND RECREATION</b>			
104501 Administration	490,285	465,054	460,213
104503 Design Scheduling	327,577	316,480	316,955
104510 Resources Administration	376,482	462,513	462,787
104511 Cultural Museum	187,468	201,338	200,549
104512 Therapeutic	152,102	175,350	176,191
104521 Development and Maintenance	138,487	139,349	142,211
104522 Operations and Improvement Development	942,990	1,113,805	1,099,460
104523 Park Maintenance	2,317,890	2,312,303	2,345,592
104524 Horticulture	847,045	1,073,327	1,039,298
104525 Urban Forestry	400,101	514,621	560,814
104530 Recreation Administration	136,721	159,427	161,446
104531 Community Center Administration	102,914	105,545	100,195
104532 Dunbar Community Center	468,993	448,680	453,490
104533 East Little Rock Recreation Center	68,444	85,135	84,564
104534 Senior Programs	60,697	103,335	103,850
104536 Southwest Community Center	525,214	611,856	576,752
104537 Stephens Community Center	259,807	245,332	290,088
104538 The Centre at University Park	328,521	337,166	382,305
104539 West Central Community Center	136,926	350,273	683,618
104550 Swimming Pools	36		
104556 Athletics/Playgrounds	559,987	608,403	610,534
104557 Tennis Center Operations	286,721	293,526	302,477
104558 N.W. Hill Community Complex	59,191	85,092	85,092
Total Parks and Recreation	<u>9,174,600</u>	<u>10,207,910</u>	<u>10,638,481</u>
<b>RIVER MARKET</b>	<b>1,188,494</b>	<b>1,174,745</b>	<b>1,151,840</b>
<b>GOLF</b>			
104701 Administration	105,736	96,990	98,555
104710 Rebsamen Golf Pro	477,580	435,081	477,839
104711 Rebsamen Golf Maintenance	479,472	496,782	474,375
104712 Rebsamen Pro Golf Concessions	85,536	88,787	95,182
104720 War Memorial Golf Pro	308,246	286,452	305,142
104721 War Memorial Golf Maintenance	315,141	303,827	294,227
104740 Hindman Pro Golf	341,910	326,691	342,065
104741 Hindman Golf Maintenance	276,643	253,703	258,753
Total Golf Fund	<u>2,390,263</u>	<u>2,288,313</u>	<u>2,346,138</u>

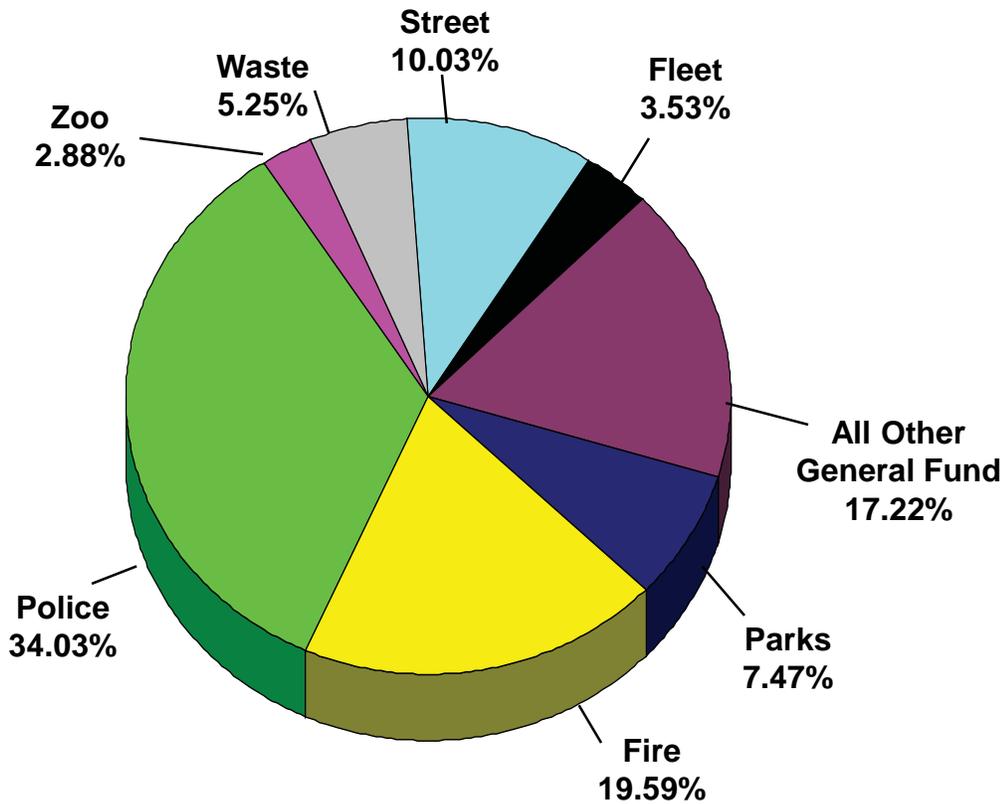
**CITY OF LITTLE ROCK  
2017 OPERATING EXPENSES**

	<b>2015 Actual</b>	<b>2016 Adopted Budget</b>	<b>2017 Adopted Budget</b>
JIM DAILEY FITNESS AND AQUATIC CENTER	855,518	909,546	921,660
ZOO			
106501 Zoo Administration	458,097	563,822	542,912
106510 Zoo Concessions	362,896	382,783	383,907
106520 Zoo Education	309,035	381,787	439,539
106530 Zoo Gift Shop	256,949	288,119	274,990
106540 Zoo Membership	82,997	68,234	69,659
106550 Zoo Special Events	138,533	103,430	123,430
106560 Zoo Marketing & Promotions	338,237	349,485	426,322
106570 Zoo Facilities Operation	1,686,579	1,976,590	1,940,493
106580 Animal Management	2,156,204	2,354,969	2,367,862
106590 Visitor Service Administration	317,779	340,822	344,880
Total Zoo Fund	<u>6,107,305</u>	<u>6,810,041</u>	<u>6,913,994</u>
FIRE			
105101 Administration	1,096,322	1,380,344	1,387,057
105102 Fire Pension	5,609,413	5,754,200	5,873,700
105120 Fire Suppressing and Rescue	37,070,152	37,417,710	38,144,962
105130 Fire Prevention - Investigation	635,821	931,087	941,649
105140 Fire Training	519,934	603,071	654,734
105150 Crash Fire Rescue - Airport	1,053,467	1,279,432	1,115,915
Total Fire	<u>45,985,109</u>	<u>47,365,844</u>	<u>48,118,017</u>
POLICE			
105201 Administration	2,764,283	2,754,963	3,000,847
105202 Police Pension	6,591,910	6,530,200	6,959,100
105210 Internal Affairs		4,684	-
105215 Organized Crime - Intelligence	4,659,936	4,748,533	4,762,176
105220 Training and Crime Prevention	3,151,363	4,661,074	5,532,608
105225 Detectives	5,812,828	6,159,198	5,896,316
105230 Downtown Patrol	10,149,907	12,094,134	11,023,261
105235 Southwest Patrol	7,701,804	7,520,596	8,663,447
105240 Special Operations	3,350,229	4,097,855	4,435,325
105245 WW Willams Northwest Substation	9,861,537	9,659,611	9,652,809
105250 Airport Police	2,053,555	1,829,448	1,680,957
105255 Police Records Support Service	6,650,788	6,399,446	6,013,577
105260 Communication Center	3,280,813	4,088,396	4,030,791
Total Police	<u>66,028,952</u>	<u>70,548,138</u>	<u>71,651,214</u>
Less Vacancy Reduction	-	(6,000,000)	(7,000,000)
General Fund Operating Total	<u>181,083,141</u>	<u>189,079,305</u>	<u>192,765,290</u>
TRANSFER/OUT OTHER EXPENSES			
Transfer out to Street Fund	1,082,000	1,082,000	894,000
Special Projects/PIT	11,463,742	10,482,924	9,862,980
Contingency/Reserve	1,550,000	1,000,000	1,000,000
Sub-total	<u>14,095,742</u>	<u>12,564,924</u>	<u>11,756,980</u>
<b>GENERAL FUND TOTAL</b>	<b><u>\$ 195,178,883</u></b>	<b><u>\$ 201,644,229</u></b>	<b><u>\$ 204,522,270</u></b>

**CITY OF LITTLE ROCK  
2017 OPERATING EXPENSES**

	<b>2015 Actual</b>	<b>2016 Adopted Budget</b>	<b>2017 Adopted Budget</b>
<b>PUBLIC WORKS - STREET</b>			
204001 Administration	\$ 1,362,332	\$ 919,475	\$ 1,014,776
204002 Operations Administration	659,460	871,866	1,103,455
204003 Street and Drainage Maintenance	7,523,148	9,759,212	9,060,054
204005 Storm Drain Maintenance	864,992	966,449	860,736
204006 Work Pool	116,899	159,943	156,431
204007 Resource Control and Scheduling	384,078	390,524	337,742
204008 Control Devices	853,618	913,549	900,339
204010 Signals	1,188,662	1,131,065	1,178,131
204015 Parking Meters	107,176	108,463	111,102
204020 Civil Engineering	1,345,921	1,753,945	1,858,582
204025 Traffic Engineering	3,415,422	3,300,304	3,304,499
204030 Parking Enforcement	225,786	282,631	286,985
<b>Total Street Fund</b>	<b>18,047,493</b>	<b>20,557,426</b>	<b>20,172,832</b>
<b>FLEET SERVICES</b>			
600001 Administration	889,905	763,367	771,009
600011 Acquisition & Disposal	6,283,791	6,607,236	5,891,321
600020 Financial Management	240,696	726,891	693,142
600031 Maintenance Administration	4,415,560	4,616,788	4,877,080
<b>Total Fleet Services</b>	<b>11,829,952</b>	<b>12,714,282</b>	<b>12,232,552</b>
<b>VEHICLE STORAGE FACILITY</b>	<b>1,350,527</b>	<b>1,359,792</b>	<b>1,376,010</b>
<b>WASTE DISPOSAL</b>			
603101 Administration	1,916,503	1,589,447	1,641,121
603110 Collection	9,879,728	10,819,221	11,320,598
603120 Disposal	3,445,344	3,749,903	4,156,589
603125 Composting	532,326	628,906	622,928
603130 Waste Management	188,759	141,389	92,025
<b>Total Waste Disposal Fund</b>	<b>15,962,660</b>	<b>16,928,866</b>	<b>17,833,261</b>
<b>PARKING GARAGES</b>	<b>2,344,798</b>	<b>2,251,986</b>	<b>2,341,189</b>
<b>GRAND TOTAL ALL FUNDS</b>	<b>\$ 244,714,313</b>	<b>\$ 255,456,581</b>	<b>\$ 258,478,114</b>

# CITY OF LITTLE ROCK 2017 ALLOCATION OF FULL TIME PERSONNEL



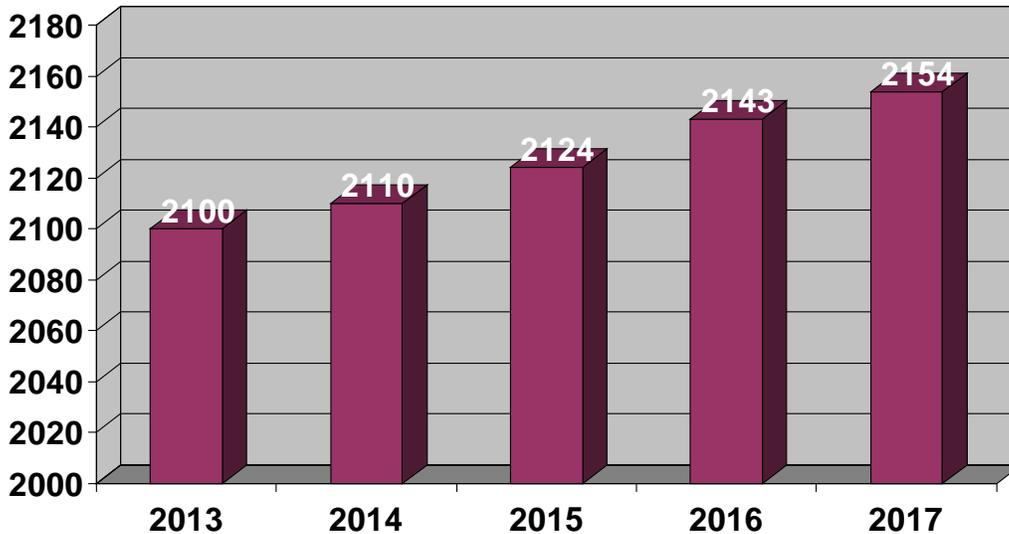
<span style="color: green;">■</span> Police	733	<span style="color: yellow;">■</span> Fire	422	<span style="color: lightblue;">■</span> Street	216
<span style="color: gray;">■</span> Waste	113	<span style="color: magenta;">■</span> Zoo	62	<span style="color: purple;">■</span> All Other General Fund	371
<span style="color: black;">■</span> Fleet & Vehicle Storage Facility	76	<span style="color: blue;">■</span> Parks	161		

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

	<b>2015 Adopted Budget</b>	<b>2016 Adopted Budget</b>	<b>2017 Adopted Budget</b>
<b><u>General Fund</u></b>			
General Administrative	31	26	33
Board of Directors	1	1	1
Community Programs	11	11	13
City Attorney	19	20	20
District Court First Division	21	21	20
District Court Second Division	17	19	18
District Court Third Division	8	8	8
Finance	42	43	43
Human Resources	20	20	20
Information Technology	39	39	39
Planning & Development	39	39	39
Housing & Neighborhood Programs	104	105	105
Public Works - General	13	13	12
Parks & Recreation	127	127	130
Golf	22	22	22
Jim Dailey Fitness Center	9	9	9
Zoo	61	61	62
Fire	421	421	422
Police	717	732	733
Subtotal General Fund	<u>1,722</u>	<u>1,737</u>	<u>1,749</u>
<b><u>Other Funds</u></b>			
Public Works - Street	213	214	216
Fleet Services	61	63	63
Vehicle Storage Facility	15	13	13
Waste Disposal	113	116	113
Subtotal Other Funds	<u>402</u>	<u>406</u>	<u>405</u>
<b>Total Personnel</b>	<b><u>2,124</u></b>	<b><u>2,143</u></b>	<b><u>2,154</u></b>

# CITY OF LITTLE ROCK FULL-TIME PERSONNEL AUTHORIZATIONS 2013 - 2017

**EMPLOYEES**



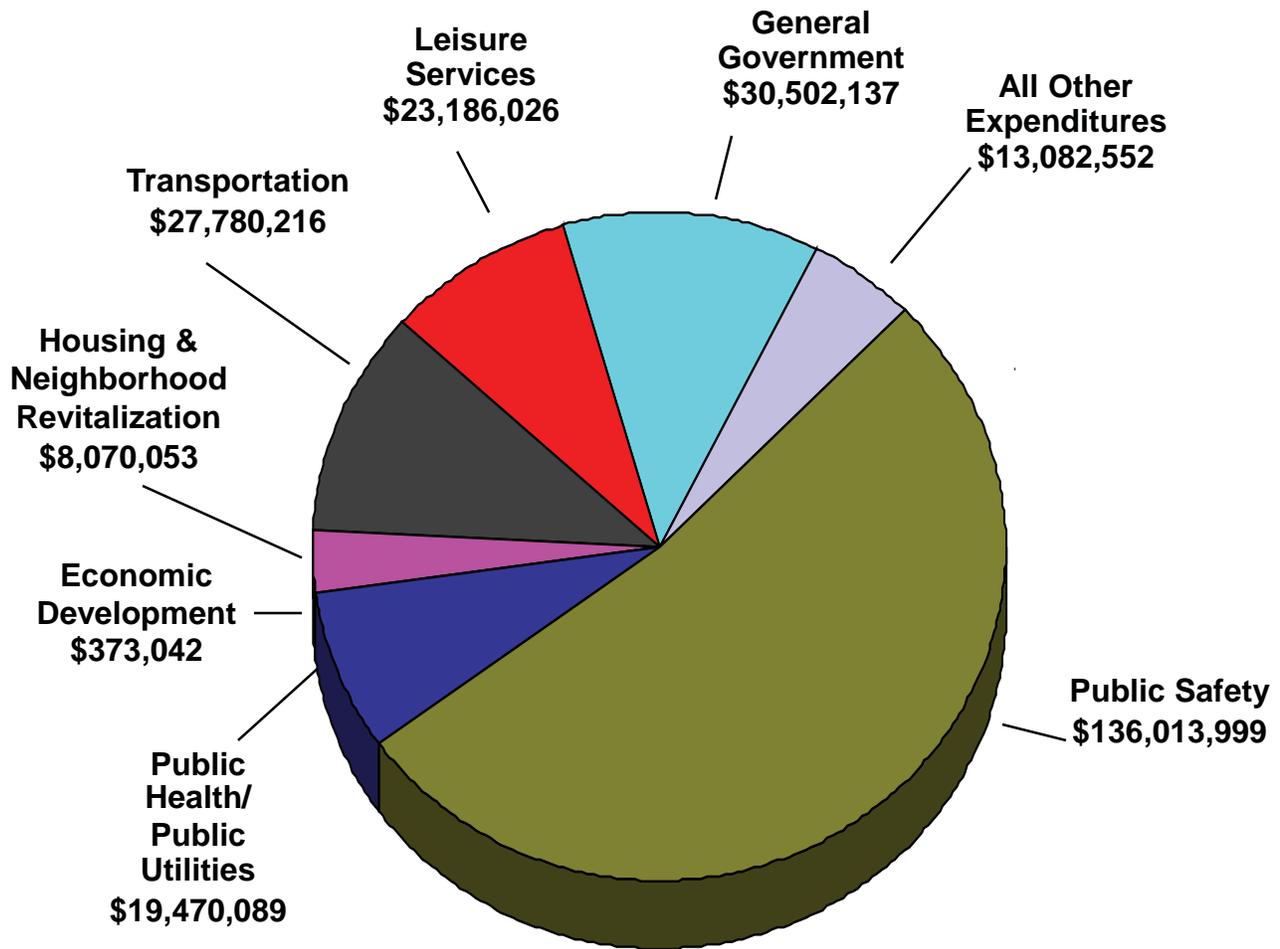
The net change in personnel between 2016 and 2017 total positions are as indicated in the chart below.

2016 Adopted Budget	2,143
General Administrative	7
Community Programs	2
District Court First Division	(1)
District Court Second Division	(1)
Public Works - General	(1)
Parks & Recreation	3
Zoo	1
Fire	1
Police	1
Public Works - Street	2
Waste Disposal	(3)
2017 Adopted Budget	<u>2,154</u>

**CITY OF LITTLE ROCK**  
**2017 OTHER GENERAL FUND EXPENDITURES**

	<u>2015 Budget</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Increase (Decrease)</u>
<b>SPECIAL PROJECTS</b>				
Children, Youth, & Families (CYF)	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ -
Facility Improvements	975,000	975,000	975,000	-
Annual Fleet Replacement	850,000	850,000	850,000	-
Homelessness Outreach	350,000	350,000	350,000	-
Land Bank	168,420	168,420	100,000	(68,420)
Municipal ID Program/Hispanic Outreach	-	-	180,000	180,000
Critical Infrastructure Pilot Program	-	150,000	-	(150,000)
Public Service Announcement (PSA) Program	-	100,000	100,000	-
Demolition (Residential)	250,000	250,000	250,000	-
Demolition (Commercial)	100,000	100,000	-	(100,000)
Parks Master Plan	150,000	-	-	-
Little Rock Residency Incentive Program	-	-	100,000	100,000
Board & Secure	50,000	50,000	50,000	-
Weed Lot Maintenance	200,000	300,000	330,000	30,000
Curran Hall	35,000	40,000	40,000	-
State Legislative Consulting	45,000	45,000	45,000	-
Environmental Youth (Parks)	37,500	37,500	37,500	-
American Disability Act (ADA)	30,000	30,000	30,000	-
Work Boots	25,000	31,000	33,000	2,000
Junction Bridge	25,000	35,000	35,000	-
Bill Clark (Wetlands Maintenance)	-	23,780	23,780	-
Sister Cities	40,000	40,000	40,000	-
Sustainability Summit	20,000	20,000	20,000	-
Neighborhood Challenge Grant	30,000	30,000	30,000	-
National Night Out	10,000	10,000	10,000	-
Worldfest	10,000	10,000	10,000	-
Neighborhood Connection	2,400	2,400	2,400	-
<b>Total General Fund Projects</b>	<u>8,903,320</u>	<u>9,148,100</u>	<u>9,141,680</u>	<u>(6,420)</u>
<b>GRANT MATCH</b>				
Undesignated	150,000	150,000	200,000	50,000
Pilot Housing Rehabilitation Program	-	500,000	-	(500,000)
Cities of Service	137,695	206,324	238,500	32,176
Arkansas State Parks Grant (Zoo Bathroom)	-	192,500	-	(192,500)
Arkansas Recreational Trails Grant (Zoo)	-	96,000	-	(96,000)
AmeriCorps Housing Program	75,000	80,000	-	(80,000)
Fire Grant Match:	-	-	-	-
Assistance to Firefighters	-	60,000	60,000	-
AFG Prevention Grant (Fire)	-	10,000	10,000	-
Shelters Emergency Management	-	-	31,500	31,500
Tourism Commission	-	-	6,300	6,300
AHPP Carousel Grant (Zoo)	-	25,000	-	(25,000)
Planning Grant	-	15,000	-	(15,000)
Outdoor Grant - Parks	60,000	-	-	-
Rockefeller Foundation	45,000	-	-	-
Museum of Discovery	35,706	-	-	-
Juvenile Accountability Block Grant (JABG)	5,358	-	-	-
Two Rivers Restrooms Outdoor Recreation Grant	-	-	175,000	175,000
<b>Total Grant Match Requirement</b>	<u>508,759</u>	<u>1,334,824</u>	<u>721,300</u>	<u>(613,524)</u>
<b>GRAND TOTAL</b>	<u>\$9,412,079</u>	<u>\$10,482,924</u>	<u>\$9,862,980</u>	<u>(\$619,944)</u>

# CITY OF LITTLE ROCK 2017 OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY



**\$258,478,114**

**CITY OF LITTLE ROCK**  
**ADOPTED OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY**  
**2016 - 2017**

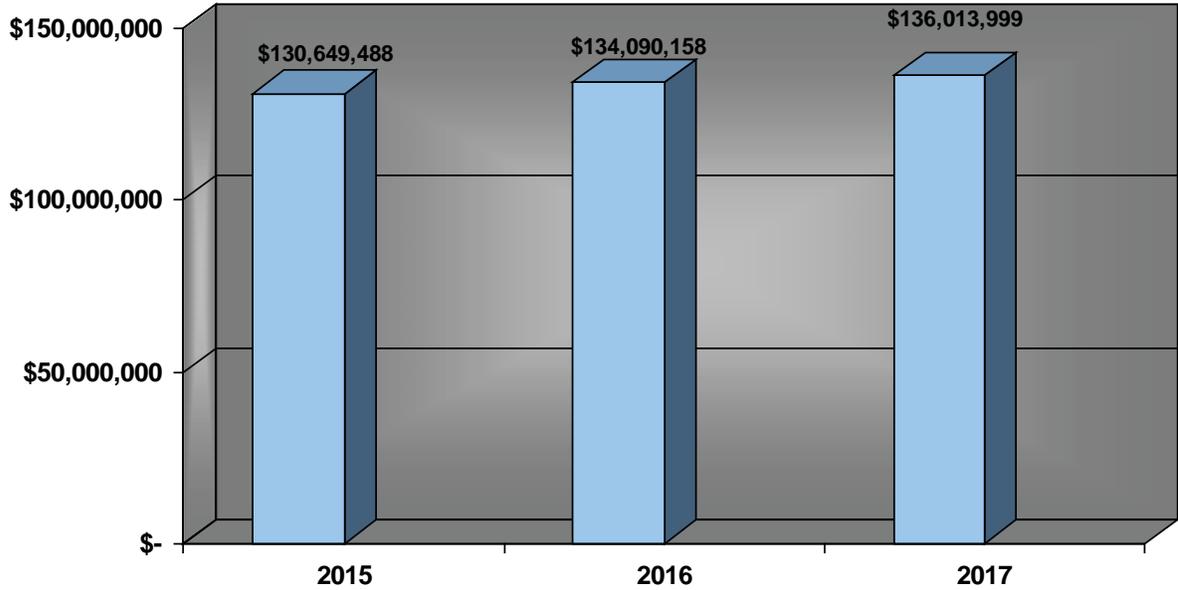
<u>Service/Program Category</u>	<u>2016 Budget</u>	<u>% to Total</u>	<u>2017 Budget</u>	<u>% to Total</u>
<b><u>Public Safety</u></b>				
Police	\$70,548,138		\$71,651,214	
Fire	46,156,412		47,072,102	
Children, Youth & Families	5,500,000		5,500,000	
Street Lights, Traffic Signals & Signs	5,344,918		5,382,969	
Pulaski County Regional Detention Facility (1)	1,450,000		1,500,000	
Little Rock District Court First Division	1,410,338		1,293,690	
Little Rock District Court Second Division	1,365,334		1,226,045	
Animal Services	1,287,459		1,327,894	
Community Programs	777,559		960,085	
Critical Infrastructure Pilot Program	150,000			
Public Service Announcement Program	100,000		100,000	
<b>Total Public Safety</b>	<b>134,090,158</b>	<b>52.49%</b>	<b>136,013,999</b>	<b>52.62%</b>
<b><u>Public Health/Public Utilities</u></b>				
Waste Disposal	16,728,366		17,632,761	
Storm Drainage	966,449		860,736	
Little Rock District Court Third Division	627,195		576,831	
Cities of Service - Love Your School Program	206,324		238,500	
Pulaski County Health Department	56,100		56,100	
Wetlands Maintenance and Sustainability Summit	43,780		43,780	
Arkansas Emergency Physician Foundation	36,000		36,000	
Saint Vincent's	25,381		25,381	
<b>Total Public Health/Public Utilities</b>	<b>18,689,595</b>	<b>7.32%</b>	<b>19,470,089</b>	<b>7.53%</b>
<b><u>Economic Development/Employment</u></b>				
Downtown Partnership/Empowerment Zone	195,000		195,000	
Metroplan	178,042		178,042	
<b>Total Economic Development/Employment</b>	<b>373,042</b>	<b>0.15%</b>	<b>373,042</b>	<b>0.14%</b>
<b><u>Housing and Neighborhood Revitalization, Growth, and Development</u></b>				
Housing and Neighborhood Programs Admin.	3,560,678		3,489,977	
Planning & Development, PAGIS, and Grants	2,717,099		2,708,383	
Demolition, Weed Lot Maintenance, Board/Secure	1,171,820		845,400	
Alert Centers	782,304		790,538	
Pilot Housing Rehabilitation Program	500,000			
Neighborhood Resource Center	235,757		235,755	
AmeriCorps Housing	80,000			
<b>Total Housing &amp; Neighborhood Revitalization, Growth</b>	<b>9,047,658</b>	<b>3.54%</b>	<b>8,070,053</b>	<b>3.12%</b>

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

**City of Little Rock**  
**Adopted Operating Budgets by Service Program Category**  
**2016 - 2017**

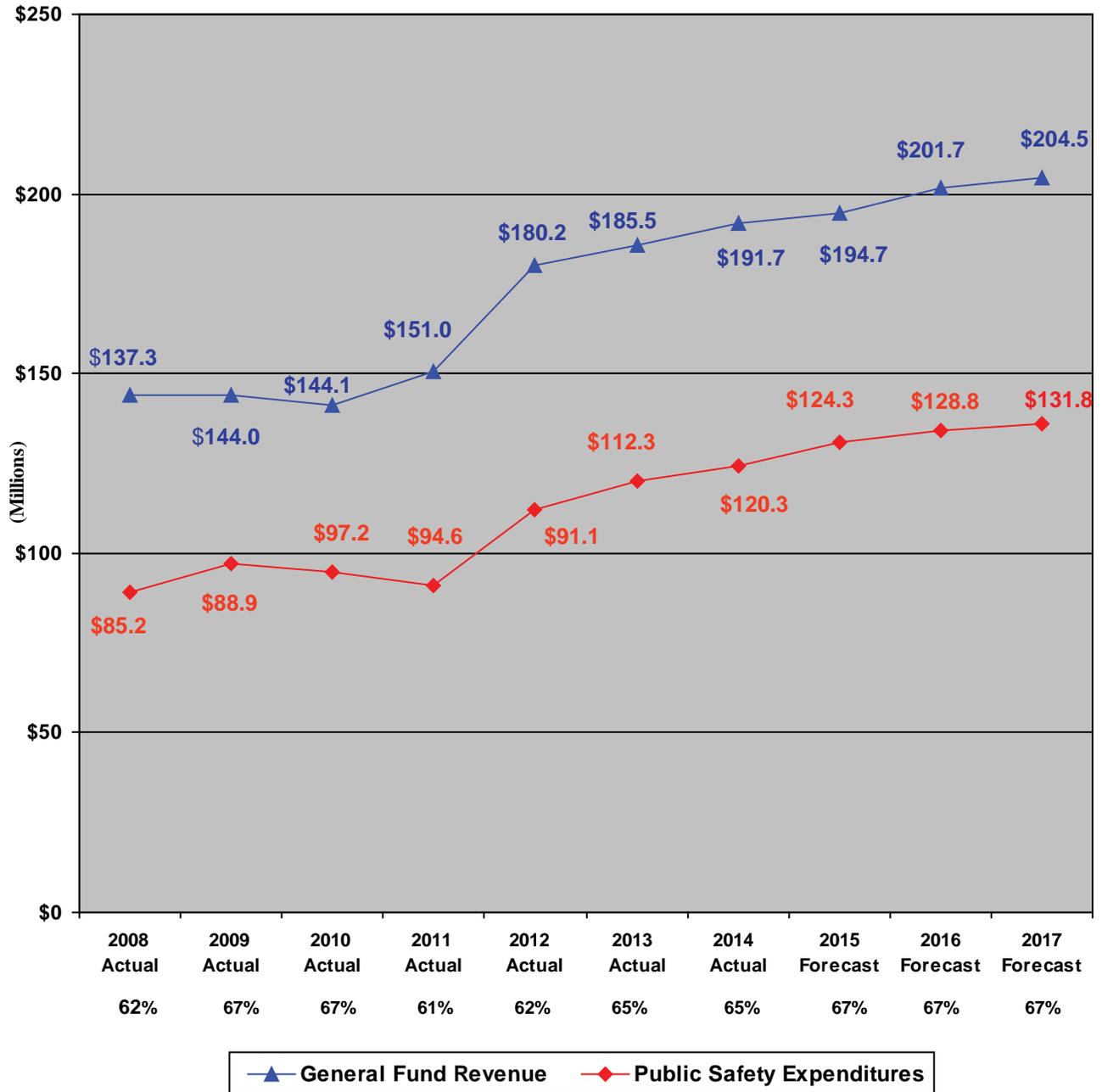
<u>Service/Program Category</u>	<b>2016 Budget</b>	<b>% to Total</b>	<b>2017 Budget</b>	<b>% to Total</b>
<b><u>Transportation Services</u></b>				
Streets	14,009,965		13,686,040	
Rock Region Metro (Central Arkansas Transit Authority)	8,576,529		8,862,975	
Parking Garages	2,251,986		2,341,189	
Vehicle Storage Facility	1,359,792		1,376,010	
Airport Rescue	1,279,432		1,115,915	
Parking Meters and Enforcement	391,094		398,087	
<b>Total Transportation Services</b>	<b>27,868,798</b>	<b>10.91%</b>	<b>27,780,216</b>	<b>10.75%</b>
<b><u>Leisure Services/Cultural Support/Conventions &amp; Tourism</u></b>				
Parks & Recreation	10,081,572		10,512,932	
Zoo	7,123,541		6,913,994	
Golf	2,288,313		2,346,138	
River Market	1,174,745		1,151,840	
Jim Dailey Fitness Aquatic Center	909,546		921,660	
Cultural Institutes and Commissions:				
Arts Center	700,000		700,000	
Museum of Discovery	230,000		230,000	
MacArthur Military Museum	201,338		200,549	
Racial & Cultural Diversity Commission	166,970		168,913	
Sister Cities Commission	40,000		40,000	
<b>Total Leisure Services/Cultural Support/Conventions</b>	<b>22,916,025</b>	<b>8.97%</b>	<b>23,186,026</b>	<b>8.97%</b>
<b><u>General Government Support</u></b>				
Debt Service - Short Term Notes	8,961,606		10,038,016	
General Administrative	5,405,380		5,657,907	
Information Technology	4,843,151		5,063,637	
Finance	3,407,407		3,503,246	
Building Services/Asset Management	2,166,100		2,083,710	
City Attorney	1,939,007		1,961,177	
Human Resources	1,841,554		1,850,542	
Board of Directors	342,818		343,902	
<b>Total General Government Support</b>	<b>28,907,023</b>	<b>11.32%</b>	<b>30,502,137</b>	<b>11.80%</b>
<b><u>All Other Expenditures</u></b>				
Fleet Services (Internal Service Fund)	13,564,282		13,082,552	
<b>Total Other Expenditures</b>	<b>13,564,282</b>	<b>5.31%</b>	<b>13,082,552</b>	<b>5.06%</b>
<b>Grand Total</b>	<b>\$255,456,581</b>	<b>100%</b>	<b>\$258,478,114</b>	<b>100%</b>

# CITY OF LITTLE ROCK PUBLIC SAFETY REVENUES & EXPENDITURES COMPARISONS



	<u>2015</u>	<u>2016</u>	<u>2017</u>
Fire	\$45,322,804	\$46,156,412	\$47,072,102
Police	68,885,072	70,548,138	71,651,214
District Court First Division	1,405,790	1,410,338	1,293,690
District Court Second Division	1,248,245	1,365,334	1,226,045
Children, Youth & Families	5,500,000	5,500,000	5,500,000
Community Programs	773,578	777,559	960,085
Animal Services	1,209,089	1,287,459	1,327,894
Street Lights, Traffic Signals & Signs	5,241,597	5,344,918	5,382,969
Pulaski County Regional Detention Facility	1,063,313	1,450,000	1,500,000
Critical Infrastructure Pilot Program		150,000	
Public Service Announcement Program		100,000	100,000
<b>Public Safety Expenditures</b>	<b>\$130,649,488</b>	<b>\$134,090,158</b>	<b>\$136,013,999</b>
<b>General Fund Revenue</b>	<b>\$194,740,211</b>	<b>\$201,644,229</b>	<b>\$204,522,270</b>
Percentage of General Fund Expenditures Devoted to Public Safety	67%	66%	67%

# CITY OF LITTLE ROCK PUBLIC SAFETY OPERATING EXPENDITURES AS A PERCENTAGE OF GENERAL FUND REVENUE 2008-2017



# 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 greater. 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 or revenue bonds and are used for major capital improvements.

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

**2013 Capital Improvement Bonds** – On September 11, 2012, citizens of Little Rock approved the issuance of \$105 million in Capital Improvement Bonds for the purpose of Street and Drainage infrastructure improvements. The bonds are limited tax general obligations secured by all proceeds derived from a separate 3.0 mills annual ad valorem tax on real and personal property located within the City. The first series of bonds were issued in July 2013 in the amount of \$58,105,000. A second series will likely be issued in 2017 or 2018. Overall, a maximum of \$73,500,000 will be issued to finance street improvements and a maximum of \$31,500,000 will be issued to finance drainage projects throughout the City.

**2014 Tax Incremental Financing Capital Improvement Bonds** – Tax Incremental Financing Capital Improvement Bonds in the amount of \$2,615,000 were issued in April 2014. The bonds are special obligations of the City secured by and payable solely by a pledge of the incremental ad valorem tax receipts derived with respect to the real property within the City's Redevelopment District No. 1. The bond proceeds were used to finance the cost of acquisition, construction and equipping of a major street system within Development District No. 1.

**2015 Library Construction and Improvement Bonds** – The Library Construction and Refunding Bonds, Series 2015 are limited obligations of the City of Little Rock payable solely from the collections of the Library tax, payable through 2030. The Library bonds were issued to (i) finance the cost of acquiring, constructing and equipping the land and additional capital improvements to the public city libraries owned and operated by Central AR Library Systems; (ii) refund the City's outstanding Library Construction and Improvement Bonds, Series 2008 and Series 2009, and the City of Little Rock Residential Housing and Public Facilities Board Capital Improvement Revenue Bonds, Series 2007; and (iii) pay the costs of issuing the Bonds. The bonds are limited tax obligations payable solely from a 0.9 mill annual ad valorem tax.

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

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

<b>3/8-Cent Sales Tax Capital Project Description</b>		<b>Project Cost Estimate</b>
<b>Public Safety:</b>		
	<b>Police:</b>	
	Police Equipment	\$303,000
	Public Safety Radio System Upgrade	9,000,000
	911 / 311 Communications Software	2,600,000
	12 <sup>th</sup> Street Mid-Town Police Station	9,970,000
	Main Police Headquarters & Courts Building	9,000,000
	West Little Rock Police Station	1,000,000
	<b>Fire:</b>	
	West Little Rock Fire Station	800,000
	Southwest Fire Station	4,050,000
	<b>Housing and Neighborhood Programs:</b>	
	Code Enforcement Vehicles and Equipment	397,000
	Animal Village Expansion	602,000
	<b>Fleet for New Public Safety Initiatives:</b>	
	Fleet for new Police Staffing and Fire Stations	3,567,000
	<b>Total Public Safety</b>	<b>\$41,289,000</b>
<b>Public Works:</b>		
	Street Resurfacing and Maintenance, and Street and Drainage Reconstruction and Traffic Signals	\$67,500,000
	Sidewalks	4,500,000
	<b>Total Public Works</b>	<b>\$72,000,000</b>
<b>Jobs/Economic Development:</b>		
	Port Expansion: land acquisition, utilities, streets	\$10,000,000
	Research Park: land acquisition, utilities, streets	22,000,000
	Economic Development Infrastructure	6,000,000
	<b>Total Jobs/Economic Development</b>	<b>\$38,000,000</b>
<b>Parks and Recreation, Zoo and Tourism:</b>		
	<b>Parks and Recreation:</b>	
	Equipment for Expanded Maintenance	\$250,000

	Park Upgrades	4,500,000
	West Central Community Center	6,000,000
	Senior Center	980,000
	Ottenheimer Center	54,000
	War Memorial Park	500,000
	MacArthur Park & Museum	500,000
	Otter Creek Park	500,000
	Crump Park	1,000,000
	Natural Steps Ball Complex	500,000
	Western Hills Park	1,000,000
	Trails	1,500,000
	<b>Zoo:</b>	
	Capital Upgrades	8,000,000
	<b>Tourism:</b>	
	State Fair Infrastructure	3,000,000
	<b>Total Parks and Recreation, Zoo and Tourism</b>	<b>\$28,284,000</b>
	<b>Other Priorities:</b>	
	Fleet Replacement	\$9,250,000
	Information Technology Capital	7,020,000
	<b>Total Other Priorities</b>	<b>\$16,270,000</b>
	<b>Grand Total</b>	<b>\$195,843,000</b>

**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 short-term financing notes in 2012, 2013, 2014, 2015 and 2016 in the amounts of \$18,850,000, \$7,700,000, \$5,916,000, \$5,910,000, and \$4,603,000 respectively, to accelerate the completion of projects that will ultimately be funded by the 2012 – 2021 Capital Project Fund (3/8)-cent sales tax. Proceeds of the three-eighths (3/8)-cent sales tax will be utilized to fund principal payments on the notes, with transfers to the General Fund. Principal and interest payments on the notes will

be appropriated from General Fund revenues. In addition, in 2016 the City issued short-term financing notes in the amount of \$7,375,000. These notes were not used to accelerate projects funded by the 2012 – 2021 Capital Project Fund (3/8)-cent sales tax. These notes are to be repaid solely from general fund revenues.

**The 2012 note included funding for the following projects:**

**Land and Buildings**

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>

**Equipment and Vehicles**

Public Safety Radio Communication System Upgrade	6,109,000
Fleet - Police vehicles for new officers and Fire Truck for West Little Rock Station	2,189,000
Code Enforcement Vehicles and Equipment	397,000
	<u>8,695,000</u>
	<u><u>\$18,580,000</u></u>

**The 2013 note included funding for the following projects:**

**Land and Buildings**

Southwest Fire Station	\$459,000
	<u>459,000</u>

**Equipment and Vehicles**

Public Safety Radio System Upgrade	2,891,000
311/911 Communications Software	2,350,000
Information Technology Capital	2,000,000
	<u>7,241,000</u>
	<u><u>\$7,700,000</u></u>

**The 2014 note included funding for the following projects:****Land and Buildings**

12th Street Police Station - Final Phase	\$1,994,000
	<u>1,994,000</u>

**Equipment and Vehicles**

Information Technology Capital	1,000,000
Fire Vehicles and Equipment	2,922,000
	<u>3,922,000</u>
	<u><u>\$5,916,000</u></u>

**The 2015 note included funding for the following projects:****Land and Buildings**

West Central Community Center	\$4,372,000
	<u>4,372,000</u>

**Equipment and Vehicles**

Thirty (30) Police Vehicles and four (4) motorcycles	1,338,000
One hundred (100) Police Tasers	200,000
	<u>1,538,000</u>
	<u><u>\$5,910,000</u></u>

**The 2016 notes included funding for the following projects:****Land and Buildings**

Southwest Fire Station Construction	\$3,225,000
Cromwell Building	2,850,000
	<u>6,075,000</u>

**Equipment and Vehicles**

Self-Contained Breathing Apparatus - Fire Dept.	1,955,000
Planning Permitting Software	400,000
Information Technology	670,000
Fire - Vehicles and Equipment	1,378,000
Fleet - Vehicles and Equipment	1,500,000
	<u>5,903,000</u>
	<u><u>\$11,978,000</u></u>

In addition, the City intends to issue additional short-term notes.

**2017 notes are anticipated to fund the following projects:**

**Equipment and Vehicles**

Phase I CAD System Upgrade	\$1,300,000
Sixty Police Vehicles	3,000,000
Lawson ERP System Application Add-Ons	800,000
Socrata Performance Measurement Dashboard	150,000
	<u><b>\$5,250,000</b></u>

## 2017 CAPITAL IMPROVEMENTS

As mentioned above, citizens approved a new three-eighths (3/8)-cent sales tax dedicated to capital improvements in September 2011. The sales tax became effective on January 1, 2012. The tax is temporary, with a ten (10) year sunset. Several short-term notes have been issued to advance key capital projects funded by the tax.

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

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 \$36,897,000 are planned in 2017 and are funded by a variety of sources as described in detail below.

**CIP – Significant Routine Capital Expenditures:**

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

Department	Quantity	Estimated Cost	Estimated Useful Life	Funding Source
<b>City Manager</b>				
Vehicles	3	\$ 71,000	6 - 8yrs	3/8-cent Sales Tax - Capital Project
<b>Housing &amp; Neighborhood Programs</b>				
Lawn Equipment and Vehicles	4	63,000	6 - 8yrs	3/8-cent Sales Tax - Capital Project
<b>Parks &amp; Recreation</b>				
Mowers and Equipment	6	134,000	8 - 10yrs	5/8-cent Sales Tax - Capital Project
<b>Public Works</b>				
Street Sweeper	1	285,000	6 - 8yrs	5/8-cent Sales Tax - Capital Project
Vehicles	2	52,000	6 - 8yrs	5/8-cent Sales Tax - Capital Project
<b>Zoning/Planning</b>				
Vehicles	5	111,000	6 - 8yrs	5/8-cent Sales Tax - Capital Project
<b>Zoo</b>				
Trencher	1	26,500	6 - 8yrs	3/8-cent Sales Tax - Capital Project
Scooter with dump bed	1	22,000	6 - 8yrs	3/8-cent Sales Tax - Capital Project
<b>Fleet</b>				
Vehicles	2	98,000	6 - 8yrs	3/8-cent Sales Tax - Capital Project
<b>Fire</b>				
Refurbished Engine	1	225,000	6 - 8yrs	5/8-cent Sales Tax - Capital Project
<b>Police</b>				
Vehicles	9	410,000	6 - 8yrs	5/8-cent Sales Tax - Capital Project
Golf Cart	2	18,000	6 - 8yrs	3/8-cent Sales Tax - Capital Project
		<u>\$ 1,515,500</u>		

**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.

**Property Room Construction** – the City plans to acquire a location and construct a modern property and evidence storage facility. The actual site for this facility has not yet been determined.

- **Estimated Total Project Cost:** To be determined
- **Funding Sources:** To be determined
- **2017 Estimated Expenditures:** \$38,500 for Construction Consultant
- **Estimated Completion Date:** 2017
- **Estimated Increase to Operating Expenditures:** Increased operating expense will be included in the 2018 Police Department budget allocation.

**Southwest Little Rock Fire Station #24** – 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 completed the purchase of land for the new station in 2014 and begin architectural plans. Construction of the station will begin in 2017.

- **Estimated Total Project Cost:** \$4,050,000
- **Funding Sources:** Short-term financing allocation; 3/8-cent sales tax proceeds
- **2017 Estimated Expenditures:** \$1,350,000
- **Estimated Completion Date:** September 2018
- **Estimated Increase to Operating Expenditures:** Twenty-four (24) new firefighters will be added to staff the new station. The firefighters will be phased in with an initial staffing of twelve (12) at an estimated first year cost of approximately \$800,000. In addition, increased operating expenses 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.

**Fire Apparatus:** The new fire station in Southwest Little Rock will require the purchase of additional fire apparatus. It is anticipated that the new station will be completed during the third quarter of 2018. The Fire Department will order two (2) fire engines at a cost of \$1,000,000 during the fall of 2017 with an expected delivery date of summer 2018.

- **Estimated Total Project Cost:** \$1,000,000
- **Funding Source:** Short-term financing allocation; 3/8-cent sales tax proceeds
- **2017 Estimated Expenditures:** \$1,000,000
- **Estimated Completion Date:** May 2018
- **Estimated Increase to Operating Expenditures:** There will be no additional operating cost associated with the purchase of apparatus during 2017. The additional cost for fuel will be included in the department budget in 2018 with the opening of the new Southwest Little Rock Fire Station.

**Fire Station #13 Renovations:** Fire Station 13 expansion includes the addition of four (4) bedrooms and an additional bathroom. Renovations to the station will be completed during the first quarter of 2017.

- **Estimated Total Project Cost:** \$197,700
- **Funding Source:** Funds remaining from the construction of the West Little Rock Fire Station 23 and a short-term financing interest allocation associated with the 3/8-cent sales tax proceeds
- **2017 Estimated Expenditures:** \$82,000
- **Estimated Completion Date:** March 2017
- **Estimated Increase to Operating Expenditures:** There will be a yearly increase in operating cost for utilities of approximately \$1,000.

**Animal Village Expansions** – Animal Village expansion includes an animal intake area that will allow staff to assess, treat and clean animals. In addition, a cat communal display area for citizens to view and interact with adoptable cats is planned, along with a volunteer prep area, animal control officer quarters, and a vehicle bay.

- **Estimated Total Project Cost:** \$602,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2017 Estimated Expenditures:** \$160,000
- **Estimated Completion Date:** April 2017 (crematorium); 2021 for other phases of the project.
- **Estimated Increase to Operating Expenditures:** An increase in operating expenses of \$10,000 is anticipated for utilities to be included in the Housing and Neighborhood Programs – Animal Village budget.

**Safari Relief Station Project** – Little Rock Zoo received State Parks Grant funding to replace the dilapidated restrooms located in the front plaza. The construction will include new restrooms, shade structure and landscaping. This project will be ADA accessible for all guests.

- **Estimated Total Project Cost:** \$385,000
- **Funding Sources:** State Parks Grant \$192,500 and City Grant Match \$192,500.
- **2017 Estimated Expenditures:** \$354,000
- **Estimated Completion Date:** June 2017
- **Estimated Increase to Operating Expenditures:** There should not be any additional operating expenses associated with this project other than routine maintenance covered by the Zoo operating budget.

**West Primate Renovations** – To meet AZA accreditation requirements, the Zoo will close the existing monkey exhibits by building walls and removing the existing walls until funding is available to add appropriate wire netting to accommodate a new aviary and carnivore exhibit.

- **Estimated Total Project Cost:** \$100,000
- **Funding Sources:** 3/8-cent sales tax
- **2017 Estimated Expenditures:** \$65,000
- **Estimated Completion Date:** Early 2018
- **Estimated Increase to Operating Expenditures:** There should not be any additional operating expenses associated with this exhibit other than routine maintenance covered by the Zoo operating budget.

**Lion Exhibit Upgrades** – An upgrade to the exhibit is planned to meet current AZA, USDA requirements for animal holding and allow for service to the yard. It will also allow for visitor viewing of operant conditioning (training) that will help engage visitors.

- **Estimated Total Project Cost:** \$200,000
- **Funding Sources:** 3/8-cent sales tax
- **2017 Estimated Expenditures:** \$198,000
- **Estimated Completion Date:** June 2017
- **Estimated Increase to Operating Expenditures:** There should not be any additional operating expenses associated with this exhibit other than routine maintenance covered by the Zoo operating budget.

**Point of Sale (POS)** – The Zoo is buying a new POS system to replace the current system that is no longer supported by Microsoft Retail and is not completely PCI compliant. The Golf courses, Parks community centers and Jim Dailey Fitness Center also have need of a new POS system and therefore have joined in the search with the Zoo in order to have the various City locations on one POS system.

- **Estimated Total Project Cost:** To Be Determined
- **Funding Sources:** 3/8-cent sales tax
- **2017 Estimated Expenditures:** To Be Determined
- **Estimated Completion Date:** Early 2018
- **Estimated Increase to Operating Expenditures:** Funds will be included in the operating budget for annual maintenance of the new POS system in 2018.

**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:** \$1,725,000
- **Funding Sources:** 2009 Parks and Recreation bonds funded the first \$1,225,000 of the project. Additional improvements including the stream restoration will be funded by the 3/8-cent sales tax.
- **2017 Estimated Expenditures:** \$50,000
- **Estimated Completion Date:** December 2021
- **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.

**Information Technology** – The City will be upgrading various technology infrastructure, hardware and software over the next ten (10) years with proceeds from the temporary 3/8-cent sales tax. The total estimated allocation of proceeds for technology expenditures from 2012 – 2021 is \$7,020,000. The primary expenditure for 2017 will be a Fiber connection to support Public Safety access to State and Federal systems through the Department of Information Systems.

- **Estimated Total Project Cost:** \$7,020,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2017 Estimated Expenditures:** \$350,000
- **Estimated Completion Date:** December 2017
- **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.

**Phone System Voice over Internet Protocol (VoIP) upgrade** – This project will upgrade the City's Phone System to VoIP and replace the 19 year old phone system with a more reliable system. This project will be completed utilizing Information Technology special project funds.

- **Estimated Total Project Cost:** \$1,500,000
- **Funding Sources:** Information Technology Special Project Funds
- **2017 Estimated Expenditures:** \$500,000
- **Estimated Completion Date:** 2017
- **Estimated Increase to Operating Expenditures:** Ongoing repairs and maintenance expenditures for the VoIP phone system will be cost allocated across all City departments based on the number of phones in use by each department.

**Information Technology Fire Suppression System** – This project will replace the failing Halon Fire Suppression System in the City's primary datacenter with a new system and the construction required to create the most effective system.

- **Estimated Total Project Cost:** \$310,000
- **Funding Sources:** Information Technology Short Term Financing Funds
- **2017 Estimated Expenditures:** \$160,000
- **Estimated Completion Date:** August 2017
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures will be included in the repairs and maintenance budget for the Information Technology Department operations each year.

**Fiber for Northwest Patrol and Special Investigation Division for the Police Department** – This project will connect the Northwest Patrol Division and Special Investigation Division to the City’s fiber ring.

- **Estimated Total Project Cost:** \$360,000
- **Funding Sources:** Information Technology Short Term Financing Funds
- **2017 Estimated Expenditures:** \$360,000
- **Estimated Completion Date:** June 2017
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures will be included in the repairs and maintenance budget for the Information Technology Department operations each year.

**Computer Aided Dispatch System (CAD) Upgrade Phase I** - This project will upgrade the CAD system (software, interfaces, components, etc.). The CAD system is used to dispatch Police and Fire to protect citizens and visitors in the City of Little Rock. Phase I of the project will complete the intergration of the new Computer Aided Dispatch and Fire Station Alerting System as well as the Automated Security Alarm Program.

- **Estimated Total Project Cost:** \$1,300,000
- **Funding Sources:** Short Term Financing Funds
- **2017 Estimated Expenditures:** \$1,000,000
- **Estimated Completion Date:** Early 2018
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures to be determined.

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

- **Estimated Total Project Cost:** \$8,000,000
- **Funding Sources:** Arkansas Highway and Transportation Department Grant
- **2017 Estimated Expenditures:** \$7,500,000
- **Estimated Completion Date:** Spring 2018
- **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 State of Arkansas General Improvement funds from Act 1210 of 2005 to build a pedestrian/bike bridge over the Union Pacific Rail Road Bridge as part of the Arkansas River Trail.

- **Estimated Total Project Cost:** \$1,033,000
- **Funding Sources:** State of Arkansas General Improvement Fund in the amount of \$1,033,000.
- **2017 Estimated Expenditures:** \$950,000
- **Estimated Completion Date:** December 2017
- **Estimated Increase to Operating Expenditures:** The operating expenses are included in the Parks & Recreation budget.

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

- **Estimated Total Project Cost:** \$1,152,000
- **Funding Sources:** Transportation Improvement Project Funds \$921,600; Street Fund \$230,400
- **2017 Estimated Expenditures:** \$800,000
- **Estimated Completion Date:** September 2018
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

**Geyer Springs Railroad Overpass** – The City of Little Rock received a grant from Metroplan and the Arkansas Highway and Transportation Department for funding to construct a long-planned street railroad on Geyer Springs just north of 65<sup>th</sup> Street.

- **Estimated Total Project Cost:** \$10 million
- **Funding Sources:** Transportation Improvement Project Funds \$8 million; 2013 Bond Funds \$2 million
- **2017 Estimated Expenditures:** \$7,000,000
- **Estimated Completion Date:** June 2018
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

**Main Street Water Quality Grant Phase II** – Little Rock has received another grant from the Arkansas Natural Resources Commission (ANRC) and the Environmental Protection Agency to construct low impact development improvements on the 600 and 700 blocks of Main Street. The project includes a partnership with the E-Stem School for water quality education.

- **Estimated Total Project Cost:** \$1,072,000
- **Funding Sources:** ANRC Grant \$536,000 and 3/8-cent Sales Tax Funds \$536,000.
- **2017 Estimated Expenditures:** \$1,072,000
- **Estimated Completion Date:** September 2017
- **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.

**Sturgis Bridge** – The City of Little Rock has received a grant from the Sturgis Foundation to construct a bridge over the Arkansas River to property near the Clinton Foundation.

- **Estimated Total Project Cost:** \$942,000
- **Funding Sources:** Sturgis Foundation \$450,000, 1998 Infrastructure Bonds and 3/8-cent Sales Tax Funds \$492,000
- **2017 Estimated Expenditures:** \$492,000
- **Estimated Completion Date:** 2017
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

**Public Works 3/8-Cent Sales Tax Street Resurfacing and Drainage Projects** – The new 3/8-cent sales tax will provide funding for approximately \$72 million in street resurfacing and maintenance, street drainage reconstruction, traffic signals, traffic calming, and sidewalks over the next ten (10) years. The Board specified projects for the 2013-2015 improvement program and all those projects are substantially complete. Following a series of community meetings, the Board has specified projects for the 2016 - 2018 improvement program. There will be a third and final improvement program developed in 2018 for the 2019-2021 program.

- **Estimated Total Project Cost:** \$72,000,000
- **Funding Sources:** 3/8-cent sales tax
- **2017 Estimated Expenditures:** \$2.0 million
- **Estimated Completion Date:** 2018 (2016-2018 projects)
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Public Works 3/8 Cent Sales Tax  
Street and Drainage Projects (2016-2018 Projects)

Ward	Project/Location	Total
	1 Valentine St./25th to Asher	\$ 300,000
	1 Whitmore Cir./34th thru loop to end	1,260,000
	1 9th at College Street	115,000
	1 Brown St./23rd St. to 24th/Asher	150,000
	1 18th St./Peyton to Washington	275,000
	1 Overlay	500,000
<b>1 Total</b>		<u>2,600,000</u>
	2 Abigail, 8th to 11th	195,000
	2 Woodson Road	900,000
	2 Hutsell Rd./East of Geyer Springs Drain Area	450,000
	2 Wakefield Community NA Sidewalks	450,000
	2 Overlay	605,000
<b>2 Total</b>		<u>2,600,000</u>
	3 Intersection of Kavanaugh and Jackson St.	500,000
	3 Foxcroft Road	200,000
	3 7008 Briarwood	900,000
	3 Overlay	1,000,000
<b>3 Total</b>		<u>2,600,000</u>
	4 Gunpowder Road	150,000
	4 Brookside From Markham to Rodney Parham	110,000
	4 Biscayne and Illinois St.	250,000
	4 Overlay	2,090,000
<b>4 Total</b>		<u>2,600,000</u>
	5 Gamble Road	800,000
	5 Fox Chapel Yard Flooding	150,000
	5 Kings Pointe Cove	150,000
	5 Sidewalk North Side of Markham	50,000
	5 Bowman Rd at Markham	250,000
	5 Overlay	1,200,000
<b>5 Total</b>		<u>2,600,000</u>
	6 24th St./Cloie to Walker	480,000
	6 Pennbrook Cloverhill Neighborhood Flooding & Drain Rehab	150,000
	6 Spring Valley Manor Various Drain Issues	250,000
	6 8924 42nd St.	20,000
	6 Peachtree	100,000
	6 Lakeshore/Broadmoor	20,000
	6 Overlay	1,580,000
<b>6 Total</b>		<u>2,600,000</u>
	7 Otter Creek Road	250,000
	7 West Baseline Street Improvements	400,000
	7 Chicot Road	75,000
	7 Colonel Gleen Road	100,000
	7 Mann Road	100,000
	7 Pecan Lake Property Owners Area	250,000
	7 Westwood Avenue	50,000
	7 Woodbridge Drive	150,000
	7 Lassie Lane	75,000
	7 Chateaus Lane	200,000
	7 Oxford Valley	200,000
	7 Overlay	750,000
<b>7 Total</b>		<u>2,600,000</u>
<b>Grand Total</b>		<u>\$ 18,200,000</u>

2016-2018 SALES TAX RESURFACING				
WARD	STREET NAME	STREET		Length
		FROM	TO	
1	N. Cross Street	W. Markham Street	LaHarpe Boulevard	723
1	Wolfe Street	Roosevelt Road	Wright Avenue	2580
1	Park Street	Wright Avenue	24th Street	2160
1	W. 22nd Street	Wolfe Street	Park Street	1300
1	W. 29th Street	Asher Avenue	Fair Park Boulevard	4487
1	South Schiller Street	Wright Avenue	Roosevelt Road	2600
1	Main Street	W. 29th Street	south to end	1210
2	W. 57th Street	Geyer Springs Road	Lancaster Road	2760
2	Malabri Drive	Lara Lane	Reck Road	1320
2	Stratton Avenue	Doyle Springs Road	west to end	640
2/7	Geyer Springs Road	Mabelvale Cutoff	S. to Pulaski County Maintenance sign	3400
2	Sunflower Drive	W. Baseline Road	Azalea Drive	475
2	Westmar Lane	Wycliffe Drive	Halifax Drive	630
2	Glen Oaks Drive	Woodson Road	Browning Road	1460
2	Browning Road	Geyer Springs Road	Woodson Road	1350
2	S. Buchanan Street	W. 14th Street	W. 19th Street	1575
2	W. 65th Street	Lancaster Road	Patterson Road	2910
2	Pine Cone Drive	Reck Road	Arapaho Trail, east intersection	1710
2	McClellan Drive	gate just west of Southboro Drive	Loetscher Lane	1460
2	W. 11th Street	S. Pine Street	Lewis Street	920
3	Normandy Road	Cantrell Road	Cantrell Road	1400
3	Normandy Lane	Shannon Drive	Normandy Road	550
3	Pine Manor Drive	Ranch Valley Road	Ranch Valley Road	2405
3	W. Capitol Avenue	Woodrow Street	Jack Stephens Dr	3800
3	Van Buren Street	Markham Street	Kavanaugh Street	2720
3	N. University Avenue	Cantrell Road	E. Palisades Drive	4745
3	N. Palm Street	Kavanaugh Boulevard	end north of Kenyon Street	1880
3	Evergreen Drive	Kavanaugh Boulevard	N. University Avenue	2834
3	Foxcroft Road	Cantrell Road	Huntington Road	1490
3	N. McKinley Street	Cantrell Road	Kavanaugh Boulevard	700
3	Scenic Boulevard	N. Grandview Street	#51 Scenic Boulevard	1670
3	Crestwood Drive	Kavanaugh Boulevard	Beechwood Street	1600
3	N. Hughes Street	Evergreen Drive	Florida Avenue	2218
3	N. Cedar Street	Lee Avenue	W. Markham Street	1385
4	St. Andrews Drive	Iverness Circle	Valley Club Circle	2130
4	Iverness Drive	Fairway Drive	Valley Club Circle	2812
4	Fairway Drive	Rodney Parham Road	Valley Club Circle	2840
4	Crownpoint Road	Breckenridge Drive	Lantern Hill Road	1670
4	Colony Road	Breckenridge Drive	Lantern Hill Road	2340
4	Kingspark Road	Breckenridge Drive	Lantern Hill Road	3915
4/5	Green Mountain Drive	Rainwood Road	south to 1209 Green Mtn Road	1890
4	Linda Lane	Biscayne Drive	Evergreen Drive	2540
4	Gillette Drive	Louwanda Drive	Linda Lane	1845
4	Leatrice Drive	Biscayne Drive	Boulder Lane	4240
4	Alvin Lane	Biscayne Drive	Reymere Drive	1310
4	Chatham Drive	Biscayne Drive	Alberta Drive	855
4	Chatham Court	Chatham Drive	N to end of cul-de-sac	100
4	Arrow Ridge Court	Gillette Drive	end including cul-de-sac	450
4	Lyric Lane	Louwanda Drive	Gillette Drive	1180
4	Sonata Trail	Lyric Lane	Leawood Boulevard	600
4/6	Markham Street	Mississippi Street	Markwood Road	2170
4	Teton Forest Drive	Shawnee Forest Drive	Shawnee Forest Drive	1430
4	Golden Oak Cove	Pleasant Forest Drive	north to end	385
4	Red Birch Cove	White Aspen Court	east then north to end	540
4	Flourite Cove	Flourite Court	west then south to end	700
4	Brooks Lane	Steven Drive	east to end	1150
4	Millbrook Road	Cantrell Road	south leg of Charter Oak Drive	3210
4	Reymere Drive	Biscayne Drive	Reservoir Park	1015
4/5	Hinson Road	Pebble Beach Drive	Taylor Loop Road	5900
4	Pleasant Forest Drive	N. Rodney Parham Road	Sam Peck Road	5760
4	Pleasant Forest Drive	Sam Peck Road	Hinson Road	3150
4	N. Rodney Parham Road	Green Mountain Drive	I-430	3368
4	Chimney Sweep Lane	Valley View Drive	around loop to #48 Chimney Sweep Ln	1875
4	Biscayne Drive	Cantrell Road	Illinois Street	3100
4	Biscayne Drive	Illinois Street	Leawood Boulevard	2700

**2016-2018 SALES TAX RESURFACING**

5	Saint Michael Drive	Loyola Drive	Loyola Drive	1460
5/4	Green Mountain Drive	Rainwood Road	south to 1209 Green Mtn Road	1890
5	Chenal Parkway	Technology Drive	east leg of Kanis Road	3055
5	Belle Pointe Drive (concrete)	Pleasant Heights Drive	east and west to end	2330
5	St. Charles Boulevard	12821 St. Charles Boulevard	Pompano Drive	1450
5/4	Hinson Road	Pebble Beach Drive	Taylor Loop Road	5900
5	Ranch Boulevard	Cantrell Road	north to end	4175
5	W. Markham Street	Chenal Parkway	Bowman Road	2080
5/6	Kanis Road	Gamble Road	Kirby Road	4920
6	Cherokee Cir	Apache Rd	N. to end (Inc Cul-De-Sac)	617
6	Manor Circle	Manor Drive	west to end	330
6	Manor Drive	Cooper Orbit Rd	north to end	445
6	Rodney Parham Road	Mississippi Street	Markham Street	3815
6	Corporate Hill Drive (concrete)	Markham Street	to end including cul-de-sac	1470
6	Gorgeous View Trail	Cooper Orbit Rd	southeast to end	2230
6/4	Markham Street	Mississippi Street	Markwood Road	2170
6	Holt Street	36th Street	Rutgers Drive	2570
6	Cooper Orbit Road	Vista Drive	Gorgeous View Trail	2335
6	Apache Road	S. Mississippi Street	Rodney Parham Road	1260
6	Baptist Health Drive	Medical Center Drive	Lile Drive	2130
6	Cobb Street	W. 39th Street	W. 44th Street	1655
6	Regent Circle	Dartmouth Drive	Dorset Drive	830
6	W. 18th Street	Jr. Deputy Road	Aldersgate Road	1065
6/5	Kanis Road	Gamble Road	Kirby Road	4920
6	W. 36th Street	Colonel Glenn Road	John Barrow Road	6640
6	Boyle Park (low water bridge section)	W. 28th Street	Boyle Park Road	1120
6	Bay Street	Walker Street	W. 28th Street	960
6	Bowers Street	W. 44th Street	Col Glenn Road	1320
6	Inlet Street	Walker Street	Bay Street	530
6	Ludwig Street	W. 36th Street	N. to end north of 30th	2200
6	Stannus Street	W. 40th Street	W. 38th Street	670
6	Tatum Street	W. 43rd Street	end north of 40th Street	1280
6	Whitfield Street	end south of 41st Street	end north of 38th Street	1320
6	Boyle Park Road	Archwood Drive	Cleveland Street	5300
6	Boyle Park Road	Cleveland Street	University Avenue	1330
6	Wynne Street	W. 40th Street	North to end north of W. 38th	800
6	Walker Street	Gol Glenn Road	W. 44th Street	650
7	Laver Circle	Wimbledon Loop	Wimbledon Loop	3890
7	Comstock Road	Preston Drive	Bumelle Drive	1610
7	Preston Drive	Chicot Road	Stardust Trail	1810
7	Woodford Drive	Dartmoor Drive	end including cul-de-sac	2480
7	Colonel Miller Road	W. Baseline Road	City Limits	3960
7	Sandy Lane	Shady Brook Drive	Shady Brook Drive	1035
7	Shady Brook Drive	David O Dodd Road	north to end	1300
7	Alley (Camolot to Mabelvale Cutoff)	Warren Drive	Valiant Drive	1230
7/2	Geyer Springs Road	Mabelvale Cutoff	S. to Pulaski County Maintenance sign	3400
7	Morgan Drive / Colt Avenue	Grace Drive	Shetland Drive	1300
7	Duncan Drive	Tedburn Circle	west to end	490
7	Crofton Drive	Tedburn Drive	Woodford Drive	710
7	Crofton Circle	Crofton Drive	east to end	100
7	Yorkton Drive	Tedburn Circle	Duncan Drive	745
7	Tedburn Circle	W. Baseline Road	Tedburn Drive	1615
7	Hindman Park Road	W. 65th Street	Windsor Drive	3500

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

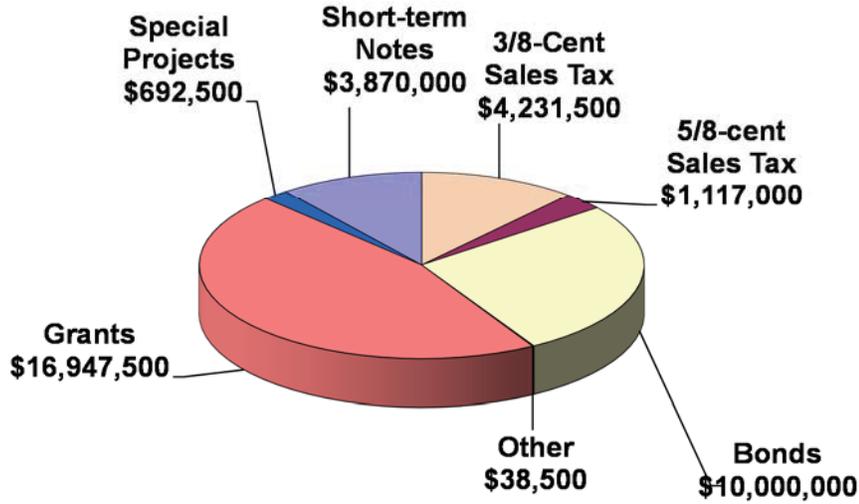
- **Estimated Total Project Cost:** \$60,000,000
- **Funding Sources:** 2013 Capital Improvement Bond Issue
- **2017 Estimated Expenditures:** \$10 million
- **Estimated Completion Date:** December 2017
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

<b>Public Works 2013 Capital Improvement Bonds Street and Drainage Projects (2014-2016)</b>			
<b>Ward</b>	<b>Project</b>	<b>Location</b>	<b>Total</b>
1	17th St.	Woodrow St to Brown St	\$1,000,000
1	Asher Ave	Oak to Woodrow	3,000,000
1	Asphalt Overlay Program	Asphalt Overlay Ward 1	3,000,000
1	Plantation Pickett	Plantation Dr at Pickett Dr	200,000
1	Wright Avenue Viaduct	Wright Ave at Union Pacific Railroad	500,000
<b>1 Total</b>			<b>7,700,000</b>
2	Asphalt Overlay Program	Asphalt Overlay Ward 2	3,000,000
2	Dailey Drive Sidewalk	Dailey Drive	50,000
2	Elm St and Maryland St	Elm St and Maryland St	500,000
2	Fair Park Traffic Calming	Fair Park Blvd	400,000
2	Geyer Springs Railroad Overpass	58th St to 65th St	500,000
2	Scott Hamilton	I-30 to 65th St including new traffic signal	3,800,000
2	West 10th St	Abigail St to Washington St	550,000
<b>2 Total</b>			<b>8,800,000</b>
3	Asphalt Overlay Program	Asphalt Overlay Ward 3	3,000,000
3	Cedar Hill Bridge Repair	Riverdale	600,000
3	Coleman Creek	Buchanon to H St.	50,000
3	Kingsrow Drive	200 Block of Kingsrow	510,000
3	Markham Shared Use Trail	Woodrow to Boone bike and pedestrian trail	150,000
3	McAdoo Drainage	Markham to H St.	1,050,000
3	Pine Manor Drainage	Ranch Valley	500,000
3	Pine Valley Roundabout	Pine Valley at Mckinley	400,000
3	Polk Street Improvements	Lee Ave. to A St.	690,000
3	Sandpiper Drive Sidewalks	New sidewalk McKinley to Hughes Street	75,000
3	Scenic Drive Drainage	Grant St. to N. Taylor St.	500,000
3	Zoo Dr. Roundabout	Zoo Dr at Fairpark	175,000
<b>3 Total</b>			<b>7,700,000</b>
4	Asphalt Overlay Program	Asphalt Overlay Ward 4	3,000,000
4	Cecil Drive Drainage	Cecil Drive and Shephards Drive	500,000
4	El Dorado / Hinson Drainage	Hinson Rd at Eldorado Dr	250,000
4	Ellis / Steven Drainage	Intersection of Ellis and Steven Dr	500,000
4	Hinson / Pebble Beach Intersection	Hinson Rd at Pebble Beach Dr	200,000
4	Pinnacle Valley	Cantrell to City Limits	1,500,000
4	Rodney Parham / 430 Interchange	Rodney Parham	750,000
<b>4 Total</b>			<b>6,700,000</b>

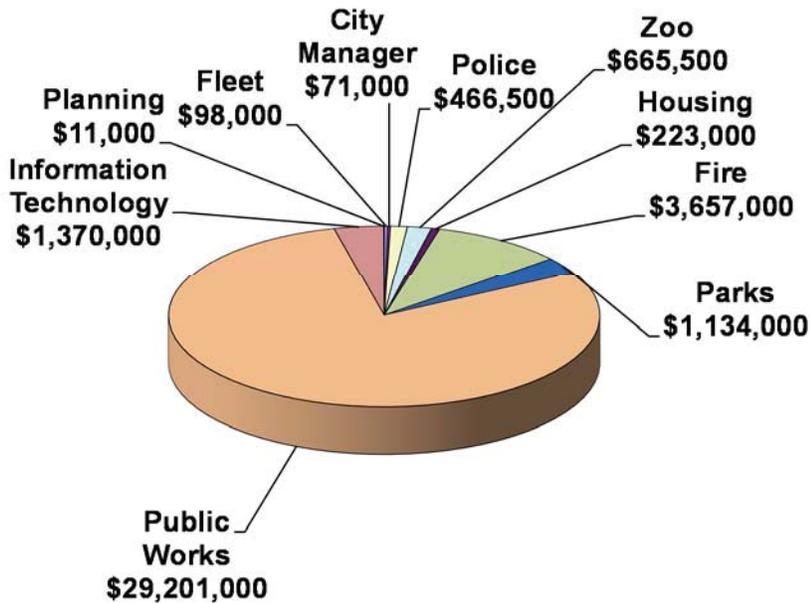
**Public Works 2013 Capital Improvement Bonds  
Street and Drainage Projects (2014-2016)**

<b>Ward</b>	<b>Project</b>	<b>Location</b>	<b>Total</b>
5	Asphalt Overlay Program	Asphalt Overlay Ward 5	3,000,000
5	El Dorado / Hinson Drainage	Hinson Rd at Eldorado Dr	250,000
5	Hinson / Pebble Beach	Hinson Rd at Pebble Beach Dr	25,000
5	Kanis Road	Bowman to Point West	1,975,000
5	Pinnacle Valley	Cantrell to City Limits	1,500,000
5	Ranch Blvd Signal	Ranch Blvd at Cantrell Rd	250,000
5	Taylor Loop Road	Rahling to LaMarche Dr.	1,300,000
<b>5 Total</b>			<b><u>8,300,000</u></b>
6	36th Street Roundabout	36th Street and Romine Rd	300,000
6	44th St	44th Street West of Potter	700,000
6	Asphalt Overlay Program	Asphalt Overlay Ward 6	3,000,000
6	Barrow Road Streetscape	Kanis to 36th St.	2,000,000
6	Kanis Road	Shackleford to Bowman	1,000,000
<b>6 Total</b>			<b><u>7,000,000</u></b>
7	Asphalt Overlay Program	Asphalt Overlay Ward 7	3,000,000
7	Chicot Rd & Mabelvale Pike	Chicot Rd to Mabelvale Pike to Shetland	2,000,000
7	Mabelvale Cutoff	Shiloh to Sardis	2,800,000
<b>7 Total</b>			<b><u>7,800,000</u></b>
City-Wide	Cantrell Road Widening	Mississippi to Perryville Road (AHTD Match)	1,200,000
City-Wide	Main Street Water Quality	Low Impact Development 100, 200, 500 Blocks	487,100
City-Wide	Geyer Springs RR Overpass	RR Overpass matching funds to AHTD	1,200,000
City-Wide	Kanis Road	Kanis from Shackleford to Bowman (1)	2,612,900
City-Wide	Wright Avenue Viaduct	Bridge Rehabilitation	500,000
<b>City-Wide Total</b>			<b><u>6,000,000</u></b>
<b>Grand Total</b>			<b><u>\$ 60,000,000</u></b>

### 2017 City of Little Rock Capital Funding Sources



### 2017 City of Little Rock Capital Funding Uses



# Debt Management



## DEBT MANAGEMENT

The City of Little Rock is authorized to issue General Obligation Bonds payable from ad valorem taxes to finance capital improvements. These bonds require majority voter approval prior to issuance. The Arkansas State constitution provides that the amount payable out of property taxes shall not exceed 20% of the City's assessed valuation. The City of Little Rock falls well below this statutory requirement. As of 12/31/16, the net amount of debt outstanding was \$120,550,928. The legal debt margin allows the City flexibility to issue up to an additional \$955,327,242.

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 \$528.37 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. On February 17, 2017, Moody's Investors Service upgraded the City's general obligation limited tax bonds to Aa1 from Aa2. An AA rating from Standard & Poor's and an Aa1 rating from Moody's indicates that the bonds are high quality with a very strong capacity to pay principal and interest.

### City of Little Rock, Arkansas Computation of Legal Debt Margin December 31, 2016

	Amount
2016 Assessed Value (2016 Assessment Collected in 2017)	
Real Property	\$3,097,166,275
TIF - Real Estate	20,213,606
Personal Property	858,956,525
Utility:	
Personal Property	253,978,240
 Total Assessment	 4,230,314,646
 Debt Limit (20% of assessment)	 846,062,929
Short-Term Financing Debt Limit (5% of assessment)	211,515,732
 Sub-Total Debt Limit	 1,057,578,662
 G.O. & Short Term Bonds Outstanding @ 12/31/16	 120,550,928
Less:	
Amt avail. In Debt Service (at 12/31/16)	18,299,509
Outstanding Bonds, Net of Debt Service	102,251,419
 <b>Legal Debt Margin</b>	 <b><u>955,327,243</u></b>

The legal debt limit is the maximum issuance of general obligation bonds. The debt limit is determined by combining the twenty percent (20%) of the assessed value of real estate in the Little Rock city limits for General Obligation Bonds with five percent (5%) of the assessed value of real estate in the Little Rock city limits for Short-Term Financing. For 2016, the legal debt limit is \$1,057,578,661 based on a total assessment of \$4,230,314,646.

### **Debt Applicable to Debt Limit 2006 - 2016**

	<b>Legal Debt Margin</b>	<b>Legal Debt Limit</b>
2006	659,726,412	761,730,525
2007	725,407,499	820,379,036
2008	800,758,307	887,078,087
2009	807,405,018	899,996,683
2010	824,122,887	902,775,323
2011	869,712,492	931,761,237
2012	876,979,992	942,877,678
2013	845,829,289	965,793,157
2014	897,304,020	998,961,026
2015	899,382,917	1,012,232,287
2016	955,327,243	1,057,578,662

The City of Little Rock has three areas of current debt levels, which combined, equal the total debt level of the City. The current general obligation level as of December 31, 2016 is \$91,110,000. The current revenue bond level is \$31,340,000. The short-term debt level is \$27,321,300 for an overall current debt level of \$149,771,300.

Although the City may increase the general obligation and the short-term debt levels to \$1,057,578,661, 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 \$1 billion in debt is approximately 16.33 mills. Currently, the property tax millage for the retirement of general obligation debt is 4.8 mills. The millage may be increased to provide funds up to the legal debt limit with voter approval.

The citizens of Little Rock approved a new annual ad valorem tax of 3.0 mills at a special election held on September 11, 2012 for the issuance of up to

\$105,000,000 in general obligation debt to fund \$73,500,000 in street improvements and \$31,500,000 in drainage Improvements. In July 2013, the City of Little Rock issued the first series of Limited Tax General Obligation Bonds for streets and drainage in the amount of \$58,105,000. The City does not plan to issue a second series of bonds until 2018.

In addition, on July 14, 2015, voters approved a reduced millage of .9 mills (down from 1 mill) to fund the issuance of \$37 million in bonds to (i) finance the cost of acquiring, constructing and equipping the land and additional capital improvements to the public City libraries owned and operated by Central Arkansas Library Systems; (ii) refund the City's outstanding Library Construction and Improvement Bonds, Series 2008 and Series 2009, and the City of Little Rock Residential Housing and Public Facilities Board Capital Improvement Revenue Bonds, Series 2007; and (iii) pay the costs of issuing the Bonds. This brought the total mills to fund capital improvements for the Central Arkansas Library to 1.8 mills, which includes the .9 mills dedicated to the 2012 Library Construction and Refunding Bonds.

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 at the maximum.

**SUMMARY OF BOND INDEBTEDNESS**  
For the month ended December 31, 2016

GENERAL OBLIGATION DEBT	TRUSTEE	ORIGINAL AMOUNT	MATURITY DATE	INTEREST RATE	PRINCIPAL BALANCE AT 12/31/15	BONDS ISSUED	PRINCIPAL PAID IN 2016	BONDS RETIRED 2016	PRINCIPAL BALANCE AT 12/31/2016	INTEREST PAID IN 2016
2012 Library Construction and Imp. Bonds	Regions Bank	31,015,000	3/1/2032	2.00% - 4.00%	25,050,000	-	1,255,000	1,375,000	22,420,000	812,945
2015 Library Construction and Refunding Bonds	Regions Bank	36,620,000	3/1/2028	2.05% - 4.00%	36,620,000	-	-	-	36,620,000	865,327
2013 Limited Tax Capital Improvement	First Security Bank	58,105,000	4/1/2033	1.00% - 5.00%	39,420,000	-	3,600,000	6,365,000	29,455,000	1,264,743
2014 Tax Increment Improvement Bonds	Regions Bank	2,615,000	3/1/2036	6.00%	2,615,000	-	-	-	2,615,000	156,900
<b>REVENUE BONDS</b>										
2007 Infrastructure Refunding	U.S. Bank	13,350,000	10/1/2019	4.00% - 5.00%	5,135,000	-	1,200,000	-	3,935,000	238,375
2002 Junior Lien Revenue Bonds	U.S. Bank	3,630,000	10/1/2018	3.50% - 4.65%	885,000	-	280,000	-	605,000	40,298
2009A Parks & Rec Revenue Bonds	Bank of the Ozarks	7,830,000	1/1/2039	2.00% - 5.50%	6,840,000	-	150,000	-	6,690,000	351,630
2003 Capital Imp.and Refunding Projects	U.S. Bank	11,855,000	7/1/2028	1.50% - 5.30%	8,215,000	-	465,000	-	7,750,000	425,155
2007 Waste Disposal Revenue Bond	Citizens Bank	3,400,000	5/1/2022	5.30% - 5.87%	1,930,000	-	230,000	-	1,700,000	104,125
2009B Parks & Rec	Bank of the Ozarks	12,120,000	1/1/2039	2.00% - 5.375%	10,895,000	-	235,000	-	10,660,000	560,008
2010 Waste Disposal Revenue Bonds	BancorpSouth	6,570,000	5/1/2016	1.90% - 3.77%	840,000	-	840,000	-	-	15,834
<b>TEMPORARY NOTE</b>										
2011 Temporary Note	Pinnacle Public Finance	4,600,000	12/22/2016	1.75%	952,195	-	952,195	-	-	16,663
2012 Temporary Note	Banc of America Public Capital Corp.	18,580,000	3/28/2017	1.38%	7,584,843	-	3,766,270	-	3,818,573	104,889
2013 Temporary Note	U.S. Bank	7,700,000	7/30/2018	1.61%	4,693,584	-	1,539,675	-	3,153,909	75,499
2014 Temporary Note	SunTrust Finance & Leasing Corp.	5,916,000	6/27/2019	1.46%	4,766,810	-	1,165,777	-	3,601,033	69,796
2015 Temporary Note	First Security Bank	5,910,000	6/24/2020	1.81%	5,910,000	-	1,140,215	-	4,769,785	106,674
2016 1st Temporary Note	Banc of America Public Capital Corp.	4,525,000	6/10/2021	1.54%	-	4,525,000	-	-	4,525,000	-
2016 A&P Temporary Note	Simmons First National Bank	2,850,000	10/25/2021	1.89%	-	2,850,000	-	-	2,850,000	-
2016 2nd Temporary Note	Relyance Bank	4,603,000	12/22/2021	1.85%	-	4,603,000	-	-	4,603,000	-
<b>Grand Total</b>		<b>\$241,794,000</b>			<b>\$162,352,432</b>	<b>\$11,978,000</b>	<b>\$16,819,132</b>	<b>\$7,740,000</b>	<b>\$149,771,300</b>	<b>\$5,208,851</b>

**SUMMARY OF BOND INDEBTEDNESS**  
For the month ended December 31, 2017

GENERAL OBLIGATION DEBT	TRUSTEE	ORIGINAL AMOUNT	MATURITY DATE	INTEREST RATE	PRINCIPAL BALANCE AT 12/31/16	BONDS ISSUED	PRINCIPAL PAID IN 2017	BONDS RETIRED 2017	PRINCIPAL BALANCE AT 12/31/2017	INTEREST PAID IN 2017
2012 Library Construction and Imp. Bonds	Regions Bank	31,015,000	3/1/2032	2.00% - 4.00%	22,420,000	-	1,290,000	-	21,130,000	753,458
2015 Library Construction and Refunding Bonds	Regions Bank	36,620,000	3/1/2028	2.05% - 4.00%	36,620,000	-	1,135,000	-	35,485,000	1,101,913
2013 Limited Tax Capital Improvement	First Security Bank	58,105,000	4/1/2033	1.00% - 5.00%	29,455,000	-	1,895,000	-	27,560,000	1,115,938
2014 Tax Increment Improvement Bonds	Regions Bank	2,615,000	3/1/2036	6.00%	2,615,000	-	-	-	2,615,000	156,900
<b>REVENUE BONDS</b>										
2007 Infrastructure Refunding	U.S. Bank	13,350,000	10/1/2019	4.00% - 5.00%	3,935,000	-	1,260,000	-	2,675,000	178,375
2002 Junior Lien Revenue Bonds	U.S. Bank	3,630,000	10/1/2018	3.50% - 4.65%	605,000	-	295,000	-	310,000	27,838
2009A Parks & Rec Revenue Bonds	Bank of the Ozarks	7,830,000	1/1/2039	2.00% - 5.50%	6,690,000	-	150,000	-	6,540,000	346,193
2003 Capital Imp.and Refunding Projects	U.S. Bank	11,855,000	7/1/2028	1.50% - 5.30%	7,750,000	-	485,000	-	7,265,000	403,300
2007 Waste Disposal Revenue Bond	Citizens Bank	3,400,000	5/1/2022	5.30% - 5.87%	1,700,000	-	245,000	-	1,455,000	90,645
2009B Parks & Rec	Bank of the Ozarks	12,120,000	1/1/2039	2.00% - 5.375%	10,660,000	-	245,000	-	10,415,000	551,301
<b>TEMPORARY NOTE</b>										
2012 Temporary Note	Banc of America Public Capital Corp.	18,580,000	3/28/2017	1.38%	3,818,573	-	3,818,573	-	-	52,586
2013 Temporary Note	U.S. Bank	7,700,000	7/30/2018	1.61%	3,153,909	-	1,563,691	-	1,590,218	51,483
2014 Temporary Note	SunTrust Finance & Leasing Corp.	5,916,000	6/27/2019	1.46%	3,601,033	-	1,182,989	-	2,418,044	52,575
2015 Temporary Note	First Security Bank	5,910,000	6/24/2020	1.81%	4,769,785	-	1,160,555	-	3,609,230	86,333
2016 1st Temporary Note	Banc of America Public Capital Corp.	4,525,000	6/10/2021	1.54%	4,525,000	-	878,141	-	3,646,859	68,966
2016 A&P Temporary Note	Simmons First National Bank	2,850,000	10/25/2021	1.89%	2,850,000	-	548,857	-	2,301,143	53,865
2016 2nd Temporary Note	Relyance Bank	4,603,000	12/22/2021	1.85%	4,603,000	-	887,167	-	3,715,833	85,149
<b>Grand Total</b>		<b>\$230,624,000</b>			<b>\$149,771,300</b>	<b>\$0</b>	<b>\$17,039,973</b>	<b>\$0</b>	<b>\$132,731,327</b>	<b>\$5,176,816</b>

**FUTURE DEBT SERVICE  
OVERALL FUTURE DEBT SERVICE**

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2017	\$17,039,974	\$5,179,817	\$22,219,790
2018	\$13,635,753	\$4,718,203	\$18,353,956
2019	\$12,100,459	\$4,288,054	\$16,388,513
2020	\$9,866,181	\$3,871,292	\$13,737,473
2021	\$8,968,933	\$3,517,045	\$12,485,978
2022	\$6,795,000	\$3,169,918	\$9,964,918
2023	\$6,770,000	\$2,867,731	\$9,637,731
2024	\$7,040,000	\$2,591,194	\$9,631,194
2025	\$7,290,000	\$2,339,333	\$9,629,333
2026	\$7,535,000	\$2,089,209	\$9,624,209

**GENERAL OBLIGATION FUTURE DEBT SERVICE**

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2017	\$14,359,974	\$3,579,165	\$17,939,139
2018	\$10,820,753	\$3,249,833	\$14,070,586
2019	\$9,510,459	\$2,946,831	\$12,457,291
2020	\$8,571,181	\$2,652,011	\$11,223,192
2021	\$7,608,933	\$2,364,121	\$9,973,053
2022	\$5,365,000	\$2,087,408	\$7,452,408
2023	\$5,605,000	\$1,850,383	\$7,455,383
2024	\$5,820,000	\$1,633,720	\$7,453,720
2025	\$6,005,000	\$1,445,539	\$7,450,539
2026	\$6,185,000	\$1,262,886	\$7,447,886

**REVENUE BOND FUTURE DEBT SERVICE**

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2017	\$2,680,000	\$1,600,651	\$4,280,651
2018	\$2,815,000	\$1,468,370	\$4,283,370
2019	\$2,590,000	\$1,341,223	\$3,931,223
2020	\$1,295,000	\$1,219,281	\$2,514,281
2021	\$1,360,000	\$1,152,924	\$2,512,924
2022	\$1,430,000	\$1,082,510	\$2,512,510
2023	\$1,165,000	\$1,017,349	\$2,182,349
2024	\$1,220,000	\$957,474	\$2,177,474
2025	\$1,285,000	\$893,794	\$2,178,794
2026	\$1,350,000	\$826,324	\$2,176,324

**City of Little Rock, Arkansas**  
**Direct and Overlapping Governmental Activities Debt**  
**As of December 31, 2016**

<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	\$142,440,928	100%	\$142,440,928
Little Rock Public School District	<u>186,213,198</u>	100%	<u>186,213,198</u>
Total direct and overlapping debt	<u><u>\$328,654,126</u></u>		<u><u>\$328,654,126</u></u>

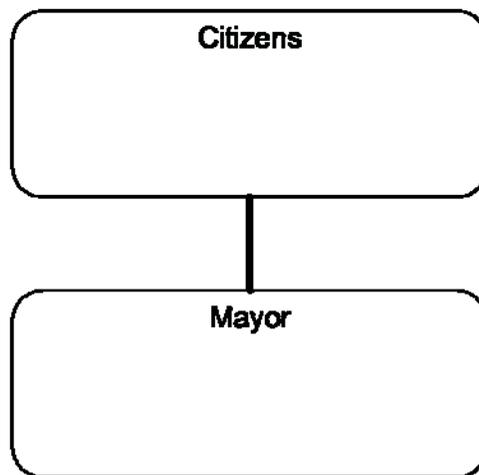
Obtained from Jean Ring  
Finance Director at Little Rock School District

# Departmental Information





# Mayor



## Mission Statement

To provide vision and leadership that connects city government, citizens, the business community, and non-profit organizations together in a way that empowers all of Little Rock's stakeholders to continue on the path toward being the next great American city in the South.



Mayor

2016 Department Priorities	Status
Explore the deployment of broadband hot spots in downtown Little Rock.	Ongoing
Establish broadband access in Housing and Urban Development (HUD) housing.	Ongoing
Work with the Arkansas Highway and Transportation Department on '30-Crossing' conflicts.	Ongoing
Initiate Phase II of the Creative Corridor Low-Impact Development Plan.	Complete
Develop a transitional housing program for the Jericho Way Homeless Day Resource Center.	Ongoing
Create a mentoring program for Hamilton Learning Academy.	Ongoing
Implement juvenile justice reform measures.	Complete
Continue work on Cities United and My Brother's Keeper.	Ongoing
Develop a plan for a soccer complex with Little Rock Parks and Recreation Commission.	Ongoing
Complete a recommendation report for Capital City Crime Prevention Task Force.	Ongoing
Organize and implement a U.S.S. Little Rock commissioning committee.	Ongoing



Mayor

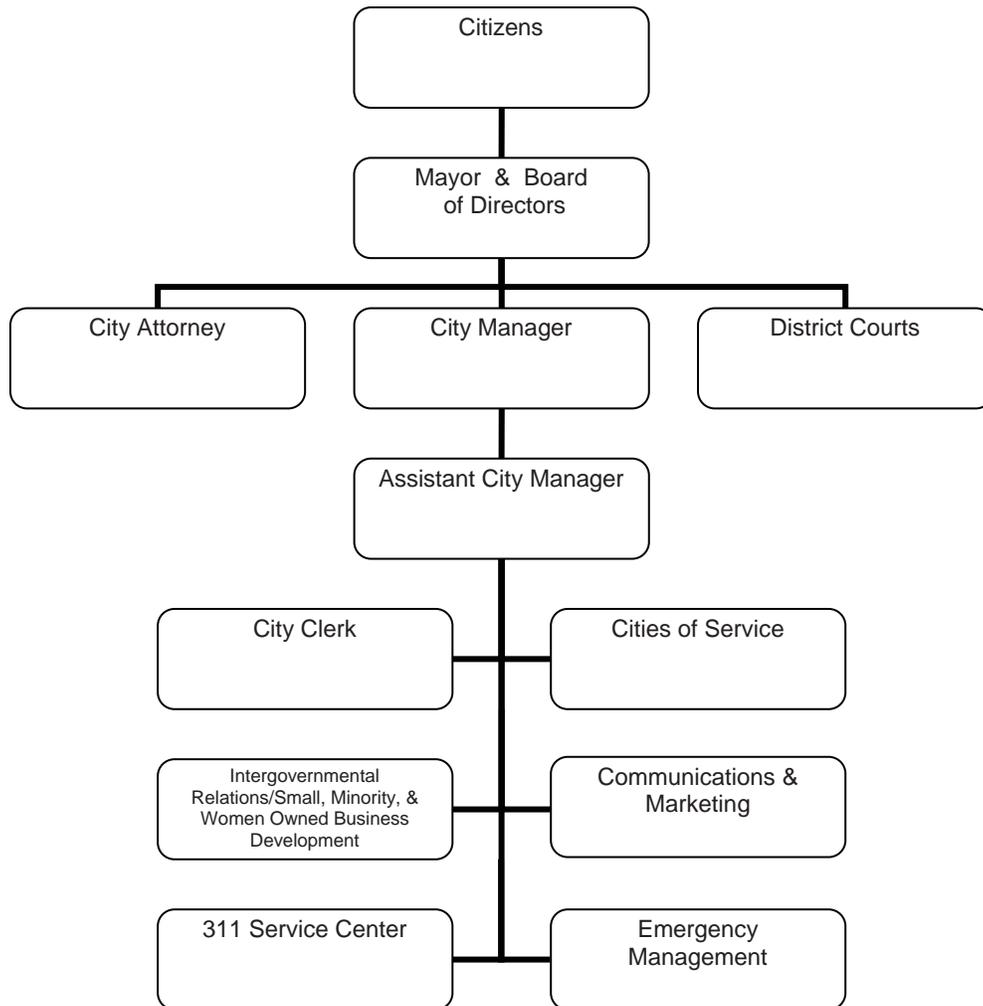
<b>2017 Department Goals</b>
Initiate the deployment of broadband hot spots in downtown Little Rock.
Complete Phase II of establishing broadband access in Housing & Urban (HUD) housing.
Continue work with the Arkansas Highway & Transportation Department on the '30 Crossing' conflicts.
Develop a transitional housing program for the Jericho Way Homeless Day Resource Center.
Create a mentoring program for Hamilton Learning Academy.
Continue work on Cities United and My Brother's Keeper.
Develop a plan for a soccer complex with Little Rock Parks & Recreation Commission.
Implement recommendations for a Capital City Crime Prevention Task Force.
Organize and implement a U.S.S. Little Rock Commissioning Committee.
Complete Phase II of the Creative Corridor Low-Impact Development Plan.
Implement juvenile justice reform measures.
Continue work on transitional and permanent housing for veteran's.
Develop a plan to extend the bike trail.
Continue AmeriCorp rehab housing program for targeted areas.
Continue work on marketing plan for the city.
Finalize Arkansas River Trail Design.
Implement the Little Rock Citizen ID Card Program.
Acquire land for Little Rock Port.
Implement increased violence reduction measures in cooperation with federal agencies.
Initiate downtown master plan.
Update parking commission ordinance.

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





# 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**

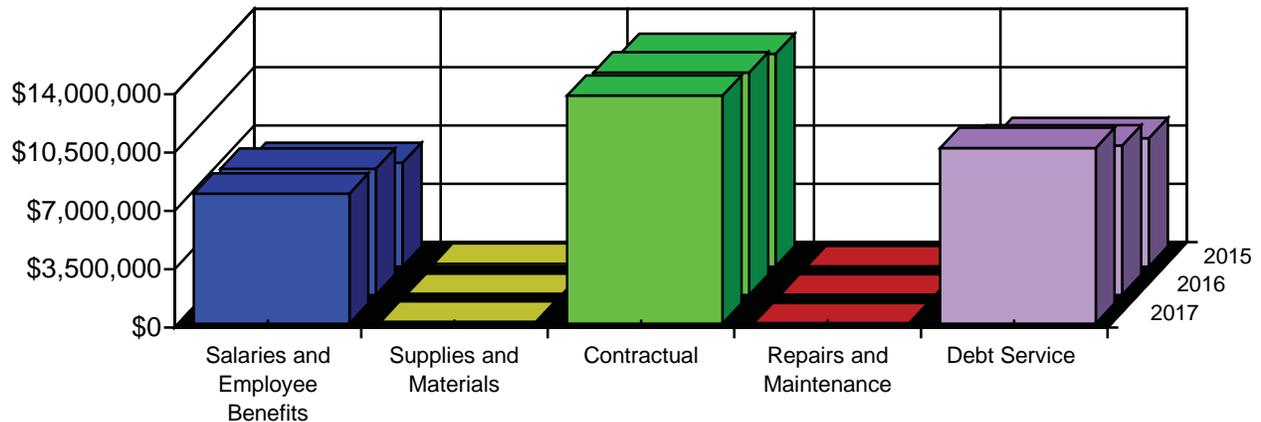
**Expenditure Budget**

Description	2015	2016	2017
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$6,218,612	\$7,575,403	\$7,783,571
Supplies and Materials	166,471	71,624	107,549
Contractual	12,756,963	13,351,311	13,670,886
Repairs and Maintenance	20,856	17,864	20,197
Capital	14,137	-	-
Debt Service	7,702,131	8,961,606	10,519,181
	<u>\$26,879,170</u>	<u>\$29,977,808</u>	<u>\$32,101,384</u>

<b>Staffing</b>	31	26	33
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General Government includes Mayor and City Manager, City Clerk, 311 Service Center, Emergency Management, Small and Women Owned Business Development, and LRTV. The personnel cost in the Employee Benefits Division is primarily for General Fund workers compensation, retiree benefits, and actuarially determined pension contributions. Debt service will increase by approximately \$1.6 million in 2017 due to the addition of the 2016 short-term notes, less the debt service on the 2011 note which was paid in full in 2016. Approximately \$8.3 million will be transferred in from the 3/8-cent sales tax fund to fund principal payments on debt issued from 2012 - 2016 to accelerate 3/8-cent capital projects.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$32,101,384	7.08%



2016 Department Priorities	Status
Complete the renovation of the Pankey Substation with a tentative opening during the second quarter of the year.	Complete
Continue progress working on achieving Accreditation through the Center for Public Safety Excellence.	Ongoing
Complete a comprehensive, sustainable, long-term Youth Master Plan that will serve as a Comprehensive Action Plan to directly improve and enhance the overall quality of life for the children, youth and families of Little Rock, while building and strengthening the entire community.	Complete
Address Juvenile Justice Reform by providing support services to juveniles and young adults through increased collaboration with Juvenile Accountability Block Grant Partners, especially State organizations and the Little Rock School District.	Ongoing
Coordinate an annual Sidewalk Replacement Program with revenue from the 2011 Sales Tax Plan.	Ongoing
Complete the review of the MacArthur Park Design Guidelines and approval by the Historic District Commission (HDC). Continue the development of an online historic database of sites utilizing the Story Map application.	Ongoing
Transfer Fuel Master Data from operating on a separate database to the City's Structured Query Language server.	Complete
Work with the vendor to upgrade the City's website to a more mobile-friendly version.	Complete
Staff will obtain additional training and continue to update the Grant Compliance Manual to include the new requirements of the Office of the Management and Budget circulars as the requirements are refined.	Ongoing
Establish a Community Resource Housing Fair, which will bring together various service providers in the City, as well as highlight the City of Little Rock's Housing Programs.	Ongoing
Continue to partner with DePaul, USA, in delivering services to the current and future clients that utilize the Jericho Way facility.	Ongoing
Complete the restoration of Coleman Creek within War Memorial Park.	Ongoing
Complete the Western Hills Park Master Plan.	Ongoing
Operate an eight (8) - week Summer Playground Program at seven (7) sites around the city for youth between the age of six (6) and fifteen (15).	Ongoing
Develop and begin implementation of a Five (5)-Year Plan that incorporates the Zoo Master and Strategic Plan.	Ongoing
Complete fifteen (15) homes under the World Changers activity.	Complete
Funding has been donated for a human/canine water fountain at the Little Rock Animal Village Dog Park and the target date for installation is late spring. Staff continues to seek a funding source to develop the water play area within the Dog Park.	Ongoing



<b>2017 Department Goals</b>
Implement the 21st Century Policing Principles by utilizing the following six (6) pillars: Building Trust and Legitimacy; Policy and Oversight; Technology and Social Media; Community Policing and Crime Reduction; Training and Education; and Officer Wellness and Safety.
Begin the design and construction of Little Rock Fire Station #24.
Strengthen partnerships with the Little Rock School District, as well as with the institutions of higher learning located in Little Rock, in an effort to expand service delivery for the Prevention, Intervention and Treatment Programs to Little Rock citizens.
Coordinate an annual Street Resurfacing Program with revenue from the 2012 Bond Issue and the 2011 Sales Tax Plan.
Continue to monitor street light outages and repair, or replace, as needed.
Review and process approximately 230 requests for rezoning, conditional uses, variances, preliminary plats, Tower Use Permits, street name changes and planned developments.
Create a Little Rock Brand and social media presence for recruiting efforts.
Participate in Emergency Vehicle Technician (EVT), Automotive Service Excellence (ASE) and selected manufacturer training programs for technical staff's professional developmental needs. Achieve an ASE Blue Seal Shop Certification Status, in addition to all Maintenance Technicians achieving at least one (1) ASE Certification.
Coordinate the City's effort to move forward with the What Works Cities Initiative for Open Data, Results Driven Contracting and Performance Measurement.
Request proposals from qualified firms to conduct an audit of franchise fee collections and compliance with franchise agreements.
Completion of the update of the 2001 Little Rock Parks and Recreation Master Plan.
Operation of an eight (8)-week Summer Playground Program at eight (8) sites around the City for youth between the ages of six (6) and fifteen (15).
Work with the Arkansas Zoological Foundation to determine the next capital campaign at the Little Rock Zoo for a major new animal exhibit. Break ground on the new Colobus/Serval Exhibit and continue with AZA Breeding Programs to acquire new animals.
Provide support and quarterly reporting to the LR Cent Committee and the Board 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.
Provide on-going Code Enforcement Staff training to improve accuracy of notices, citations, affidavits and condemnation files. Continue regular sessions to provide updates and strategies, and strive to improve the quality of documentation.
Continue with the community-oriented process to determine the needs/interest of the 12th Street area for approximately 8,000 square-feet of unoccupied space in the 12th Street Station.



City Manager

**Department:** City Manager  
**Funding Source:** General Fund  
**Budget:** \$32,101,384

**Department Description:**

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

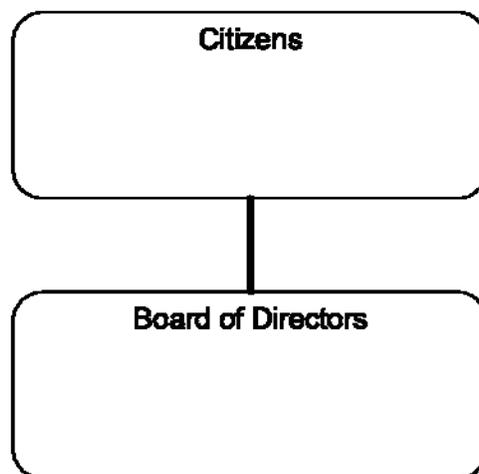
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> Provide responses to City Board of Director requests in a timely manner.			
<b>Demand:</b> Number of City Board of Director requests.	275	286	290
<b>Workload:</b> Number of City Board of Director requests completed.	273	205	283
<b>Efficiency:</b> Number of City Board of Director requests completed in a timely manner.	273	205	283
<b>Effect/Outcome:</b> Percentage of City Board of Director requests completed in a timely manner.	100%	100%	100%
<b>Objective:</b> Provide responses to citizen requests within a timely manner.			
<b>Demand:</b> Number of citizens requests for information.	225	215	208
<b>Workload:</b> Number of citizen requests for information completed.	225	215	208
<b>Efficiency:</b> Number of citizen requests for information completed in a timely manner.	210	209	207
<b>Effect/Outcome:</b> Percentage of total citizen requests completed a timely manner.	93%	97%	100%

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**

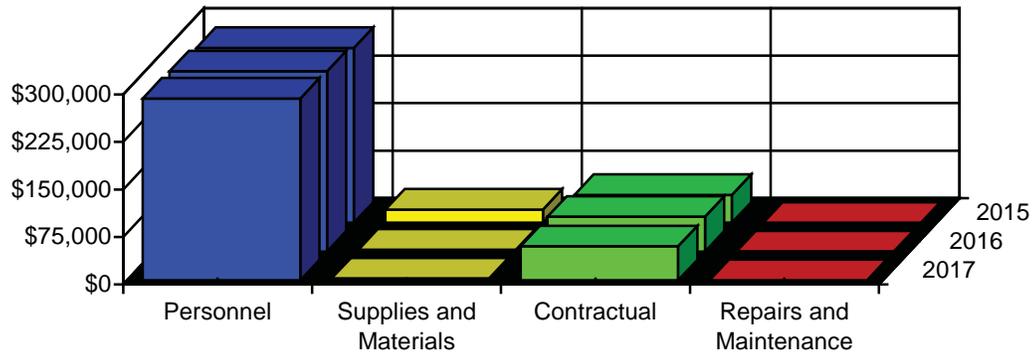
**Expenditure Budget**

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$276,337	\$284,614	\$287,118
Supplies and Materials	20,911	2,990	2,990
Contractual	44,104	55,097	53,747
Repairs and Maintenance	-	117	47
<b>Total</b>	<b>\$341,352</b>	<b>\$342,818</b>	<b>\$343,902</b>

<b>Staffing</b>	1	1	1
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Board staffing reflects the one (1) full time assistant dedicated to the Board of Directors. The Board consists of ten (10) part-time elected officials representing the City’s seven (7) Wards with three (3) at large positions. The increase in expenditures is attributed to salary, health care, and benefit cost changes for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$343,902	0.32%



2016 Department Priorities	Status
Participate in professional development opportunities offered by the U.S. Conference of Mayors, the National League of Cities, the Arkansas Municipal League and other professional organizations.	Ongoing
Develop policies and programs to improve the City of Little Rock; focus on the priority areas of public safety, economic development, infrastructure, basic City services and quality of life.	Ongoing
Meet with neighborhoods and community groups to discuss and resolve issues of concern.	Ongoing
Ensure the successful implementation of the City's 3/8-Cent Capital Projects and the 5/8-Cent Operating Sales Tax Fund.	Ongoing

2017 Department Goals
Participate in professional development opportunities offered by the U.S. Conference of Mayors, the National League of Cities, the Arkansas Municipal League and other professional organizations.
Develop policies and programs to improve the City of Little Rock; focus on the priority areas of public safety, economic development, infrastructure, basic City services and quality of life.
Meet with neighborhoods and community groups to discuss and resolve issues of concern.
Ensure the successful implementation of the City's 3/8-Cent Capital Projects and the 5/8-Cent Operating Sales Tax Fund.



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Board of Directors

**Department:** Board of Directors  
**Funding Source:** General Fund  
**Budget:** \$343,902

**Department Description:**

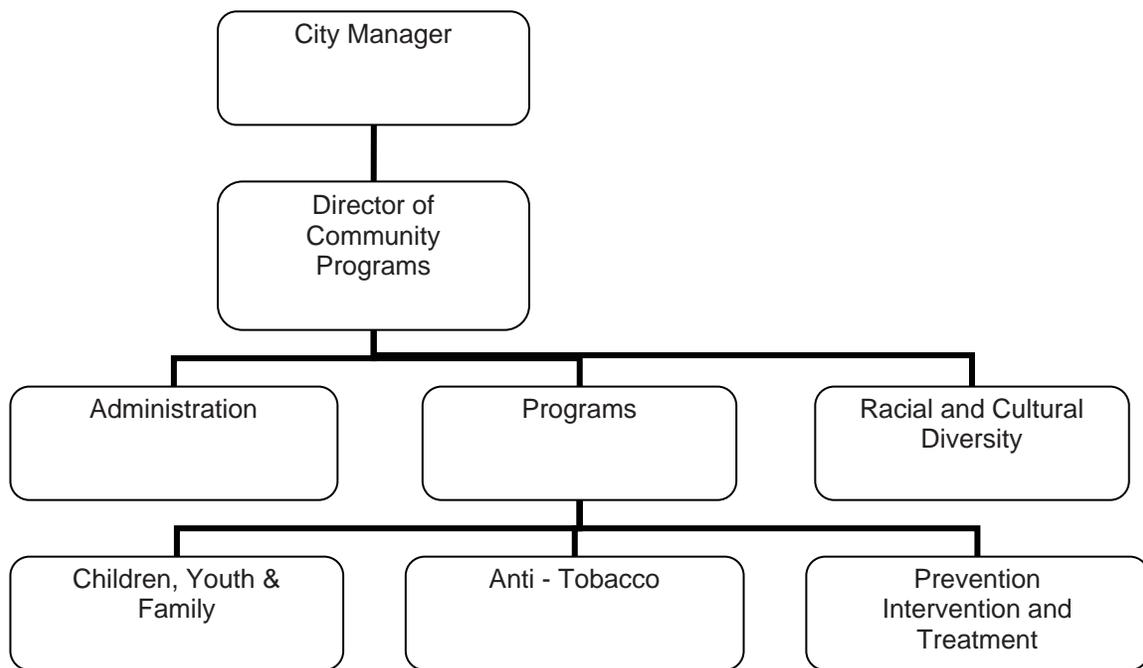
To provide executive management and administration of City affairs; provide legal advice and representation for the city; serve as official recorder and custodian of public documents.

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





# Community Programs



## Mission Statement

The mission of the Department of Community Programs is to effectively administer and maximize Prevention, Intervention, and Treatment (PIT) funds authorized annually in order to provide the community with quality programs that utilize proven practices with the goal of improving positive outcomes and the overall quality of life for the children, youth, and families of Little Rock.

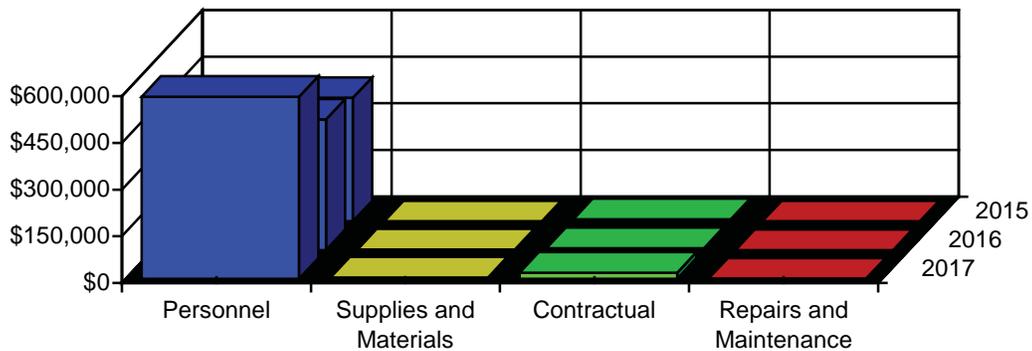
**Community Programs**

**Expenditure Budget**

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$397,004	\$419,592	\$585,434
Supplies and Materials	-	1,874	4,530
Contractual	6,563	6,000	19,488
Repairs and Maintenance	-	93	633
<b>Total</b>	<b>\$403,567</b>	<b>\$427,559</b>	<b>\$610,085</b>

<b>Staffing</b>	11	11	13
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The majority of 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 included in General Fund – Transfers Out. The increase in personnel cost over the 2016 Adopted Budget is primarily due to the transfer of the Racial and Cultural Diversity Division to Community Programs.



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$610,085	42.69%



Community Programs

2016 Department Priorities	Status
Master Plan for Children, Youth & Families: Complete a comprehensive, sustainable, long-term Master Plan that served as a Comprehensive Action Plan to directly improve and enhance the overall quality of life for the children, youth and families of Little Rock, while building and strengthening the entire community.	Complete
PIT Programs: Complete the Youth Program Quality Initiative Assessments with funded programs, which will include assistance with the development of targeted improvement plans based on their assessment findings.	Ongoing
PIT Programs: Plan and execute relevant professional development and training to prepare current and potential program partners for upcoming system and process changes resulting from Youth Master Plan recommendations.	Ongoing
PIT Programs: Staff will conduct unannounced quarterly program oversight visits to PIT Programs for the purpose of increasing Department visibility and support, and to address any contracting concerns.	Ongoing
PIT Programs: Develop new partnerships for the Summer Youth Employment Program by increasing the number of worksites.	Ongoing
Re-Entry Employment Readiness Training Program: Develop and pilot a comprehensive Re-Entry Mentoring Program for City of Little Rock residents. The process will include conducting a survey of Re-Entry Program participants to determine the level of interest and targeted need of a mentoring program in order to develop specifications for an evidence-based mentoring component for the Re-Entry Program. In addition, staff will work to secure partnerships with State and community-based organizations to provide mentoring services to City of Little Rock residents returning to the community.	Ongoing
Juvenile Justice Reform: Address Juvenile Justice Reform by providing support services to juveniles and young adults through increased collaboration with Juvenile Accountability Block Grant (JABG) Partners, especially State organizations and the Little Rock School District. The process will include enhancing the Targeted Referral Program at Hamilton Learning Academy by adding an additional program and/or set of services by February 2016 utilizing JABG Funds and the launch of a school-based Juvenile Diversion Program to pilot in August 2016.	Ongoing
Career Skills Center: Develop and launch a comprehensive Career Skills Center to address barriers to successful employment and reintegration, e.g. Legal documentation (Driver's License, ID Card, Birth Certificate, etc); Successful Interviews; Proper Job Conduct; Proper Attire; Time Management and Goal-setting; Money Management; Housing; Transportation; Child Care and/or Child Support Issue; GED; Mental Health/Substance; etc.	Ongoing



**Community Programs**

<b>2017 Department Goals</b>
Complete the Youth Program Quality Initiative Assessments with funded programs, which will include assistance with the development of targeted improvement plans based on their assessment findings.
Plan and execute relevant professional development and training to prepare current and potential program partners for upcoming system and process changes resulting from Youth Master Plan recommendations.
Staff will conduct unannounced quarterly program oversight visits to PIT Programs for the purpose of increasing Department visibility and support, and to address any contracting concerns.
Develop new partnerships for the Summer Youth Employment Program by increasing the number of worksites.
Develop and pilot a comprehensive Re-Entry Mentoring Program for City of Little Rock residents. The process will include conducting a survey of Re-Entry Program participants to determine the level of interest and targeted need of a mentoring program in order to develop specifications for an evidence-based mentoring component for the Re-Entry Program. In addition, staff will work to secure partnerships with State and community-based organizations to provide mentoring services to City of Little Rock residents returning to the community.
Address Juvenile Justice Reform by providing support services to juveniles and young adults through increased collaboration with Juvenile Accountability Block Grant (JABG) Partners, especially State organizations and the Little Rock School District. The process will include enhancing the Targeted Referral Program at Hamilton Learning Academy by adding an additional program and/or set of services by February 2016 utilizing JABG Funds and the launch of a school-based Juvenile Diversion Program to pilot in August 2016.
Develop and launch a comprehensive Career Skills Center to address barriers to successful employment and reintegration, e.g. Legal documentation (Driver's License, ID Card, Birth Certificate, etc); Successful Interviews; Proper Job Conduct; Proper Attire; Time Management and Goal-setting; Money Management; Housing; Transportation; Child Care and/or Child Support Issue; GED; Mental Health/Substance; etc.
Strengthen partnerships with the Little Rock School District as well as with the institutions of higher learning located in Little Rock in an effort to expand service delivery to Little Rock citizens.
Implement a new system to reflect the MIS requirements resulting from YMP recommendations.
Develop and pilot a Re-Entry Mentoring Program for program participants working within City of Little Rock departments.
Racial Cultural Diversity Commission (RCDC) – Host at least 3 new events, such as: Spirit of Love Event (partnership); Immigrant Stories Documentary; Taste of the World Program; Cultural Moments programming for KWCP Radio Station; Doing Business with the City (pulling in City Departments).
Plan and execute relevant professional development and training to assist funded programs to achieve positive outcomes as it relates to Master Plan for Children, Youth & Families (YMP) recommendations.
Explore creating an initiative to the Little Rock business community for an Economic Development/Job Creation response to stem increased levels of violence in poor neighborhoods resulting from a lack of opportunities.
Explore developing an Employment Referral Program with local public and private entities for Re-Entry participants who have successfully completed training in City of Little Rock departments.
Increase Tobacco Program delivery to all Prevention, Intervention and Treatment (PIT)-funded programs.



Community Programs

**Department:** Community Programs  
**Funding Source:** General Fund  
**Budget:** \$610,085

**Department Description:**

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

	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To recruit youth, provide orientation, and approve youth to hire for summer employment.			
<b>Demand:</b> Youth available for recruitment and orientation.	1,300	1,300	1,000
<b>Workload:</b> Youth recruited and processed through orientation.	850	835	850
<b>Efficiency:</b> Youth processed and available for employment in June.	720	720	850
<b>Effect/Outcome:</b> Percentage of youth processed and available for work in June.	55%	55%	85%

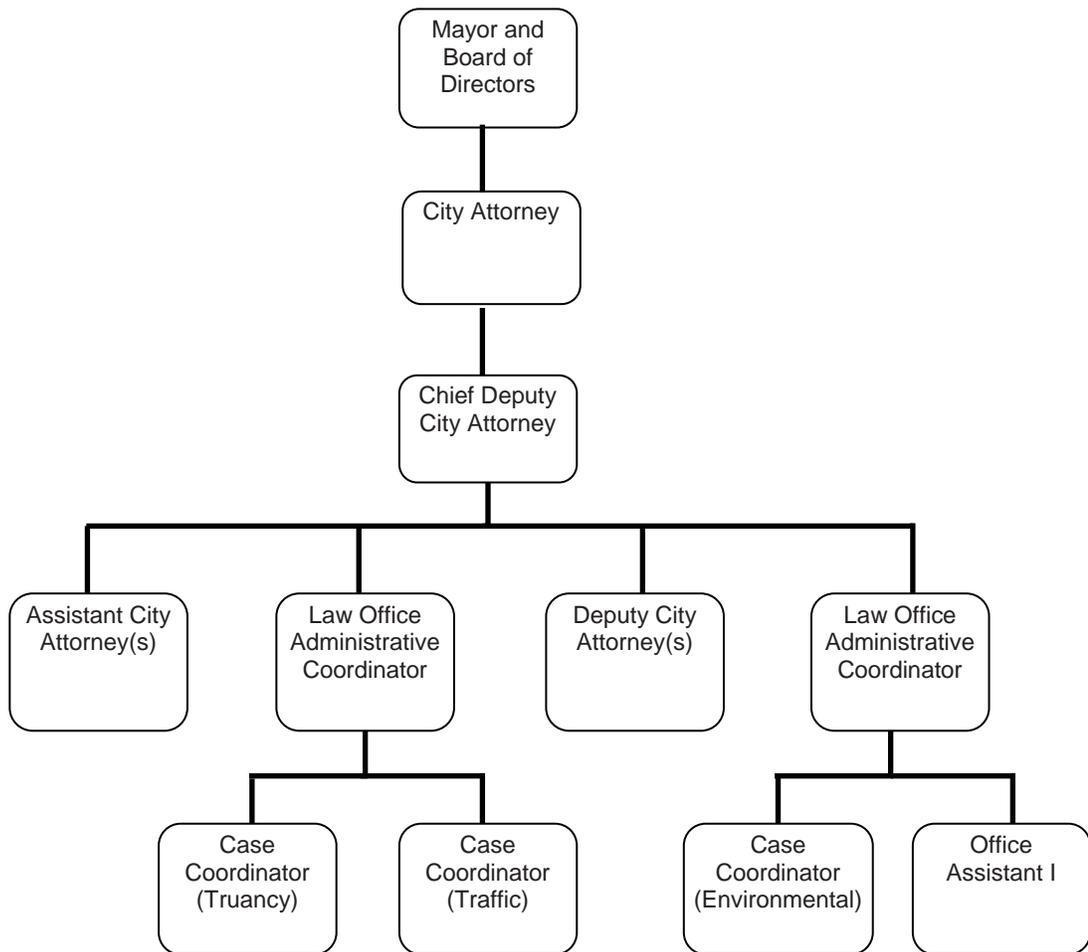
<b>Objective:</b> To audit, approve, and process all reimbursement requests for payment within 14 days.			
<b>Demand:</b> Requests available for process and reimbursement.	750	773	750
<b>Workload:</b> Requests processed for reimbursement.	550	740	715
<b>Efficiency:</b> Requests processed per month.	46	62	60
<b>Effect/Outcome:</b> Percentage of total requests processed.	73%	96%	95%

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





# City Attorney



## Mission Statement

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

City Attorney

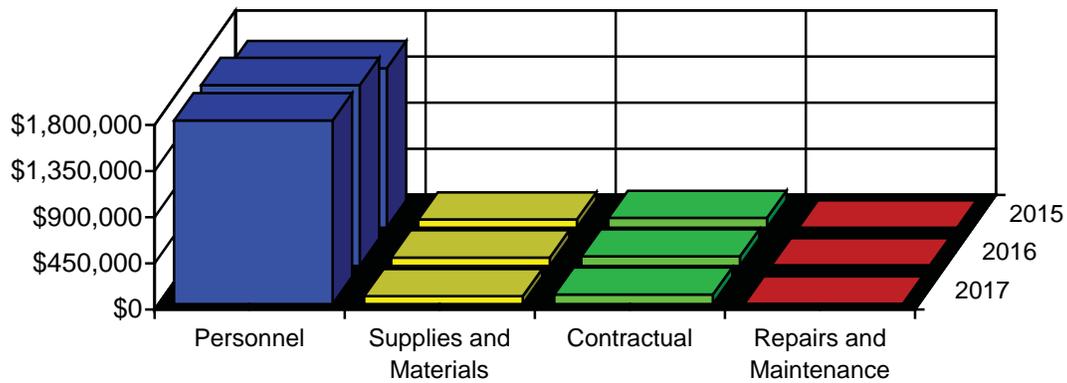
**Expenditure Budget**

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$1,555,083	\$1,764,424	\$1,790,988
Supplies and Materials	77,912	79,542	75,496
Contractual	93,735	90,953	90,953
Repairs and Maintenance	-	4,088	3,740
<b>Total</b>	<b>\$1,726,730</b>	<b>\$1,939,007</b>	<b>\$1,961,177</b>

Staffing	19	20	20
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Approximately \$26,600 of the personnel increase is attributed to salary and benefit cost changes for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,961,177	1.14%



2016 Department Priorities	Status
Continue transparent communication methods through reports, alerts and various updates.	Ongoing
Continue to provide legal advice on the Criminal Abatement Program.	Ongoing
Continue to prepare legal research memoranda in a timely manner.	Ongoing
Maintain awareness of recent changes in State and Federal law and regulations that may impact Little Rock government.	Ongoing
Assist City departments with the drafting of proposed ordinances and resolutions.	Ongoing
Continue to review, research and draft contracts for City departments and commissions.	Ongoing
Continue to represent the City in litigation cases for or against the City.	Ongoing
Continue to prosecute traffic, truancy and code violations.	Ongoing

2017 Department Goals
Continue transparent communication methods through reports, alerts and various updates.
Continue to provide legal advice on the Criminal Abatement Program.
Continue to prepare legal research memoranda in a timely manner.
Maintain awareness of recent changes in State and Federal law and regulations that may impact Little Rock government.
Assist City departments with the drafting of proposed ordinances and resolutions.
Continue to review, research and draft contracts for City departments and commissions.
Continue to represent the City in litigation cases for or against the City.
Continue to prosecute traffic, truancy and code violations.



City Attorney

**Department:** City Attorney  
**Funding Source:** General Fund  
**Budget:** \$1,961,177

**Department Description:**

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

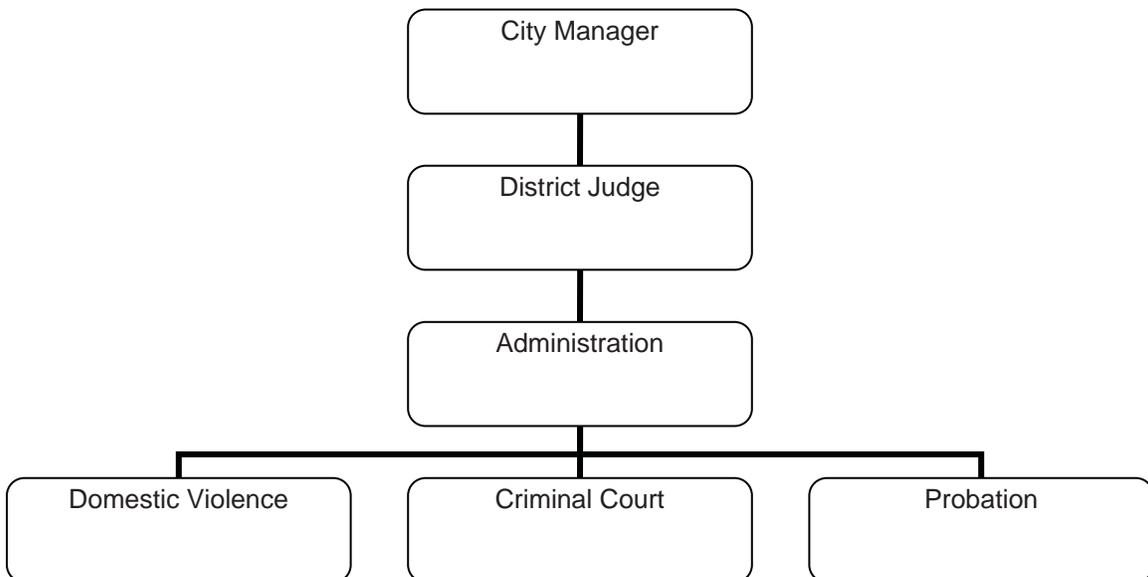
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To litigate cases.			
<b>Demand:</b> Cases to be litigated.	68	70	70
<b>Workload:</b> Cases litigated.	68	70	70
<b>Efficiency:</b> Cases litigated per year.	68	70	70
<b>Effect/Outcome:</b> Percentage of litigated cases closed per year.	n/a	n/a	n/a
<b>Objective:</b> To prosecute health and safety code Violations.			
<b>Demand:</b> Violations presented for final judgment.	2,472	2,500	2,500
<b>Workload:</b> Violations prosecuted for final judgment.	2,472	2,500	2,500
<b>Efficiency:</b> Violations convictions.	840	1,000	1,250
<b>Effect/Outcome:</b> Conviction rate.	34%	40%	50%
<b>Objective:</b> To prosecute DUI/DWI violations.			
<b>Demand:</b> DUI/DWI pleas and trials.	338	340	350
<b>Workload:</b> Court appearances for DUI/DWI pleas and trials.	338	340	350
<b>Efficiency:</b> Guilty DUI/DWI pleas and convictions	122	221	235
<b>Effect/Outcome:</b> Percentage guilty.	36%	65%	67%
<b>Objective:</b> Prepare contract and legal memoranda in a timely manner.			
<b>Demand:</b> Request for contracts and legal research.	246	200	230
<b>Workload:</b> Contracts and research memoranda prepared.	246	200	230
<b>Efficiency:</b> Contracts and memoranda prepared in a timely manner.	246	200	230
<b>Effect/Outcome:</b> Percentage of contracts and memoranda prepared in a timely manner.	100%	100%	100%

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





# 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

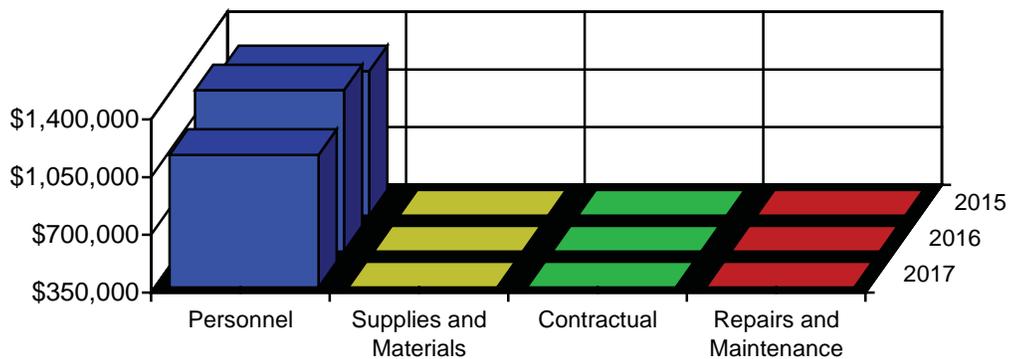
**Expenditure Budget**

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$1,226,136	\$1,328,238	\$1,152,940
Supplies and Materials	34,351	42,100	42,100
Contractual	20,551	38,300	96,950
Repairs and Maintenance	-	1,700	1,700
<b>Total</b>	<b>\$1,281,039</b>	<b>\$1,410,338</b>	<b>\$1,293,690</b>

<b>Staffing</b>	21	21	20
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The decrease in the personnel budget is primarily due to the transfer of District Judges to the State in 2017. Beginning January 1, 2017, the City of Little Rock will be responsible for paying to the State 50% of the 2009 State District Court Judge salary, which was \$117,300, for a City obligation of \$58,650 per District Court Judge per year. This cost is reflected in contract expense in 2017.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,293,690	-8.27%



2016 Department Priorities	Status
Begin construction plans on the new District Courts and Police Building; Little Rock Justice Building.	Ongoing
First District Court will direct the overall operations of Criminal Court within the guidelines of the State of Arkansas and the City of Little Rock ordinances, statutes, and policies.	Ongoing
Provide better access to the courts through a new web based computer system that allows limited public access for information purposes and access to other courts.	Completed
Provide fair and impartial adjudications for all cases heard.	Ongoing
Continue community outreach with educational information.	Ongoing
Provide court informed sentencing recommendations, monitoring, and compliance with court orders. Stay informed on all changing legislation regarding fees and new statute requirements.	Ongoing
Provide management direction to staff and ensure accountability and accessibility to citizens, while providing courteous customer service.	Ongoing
Endeavor to provide an enhanced department that promote teamwork and a better work environment.	Completed

2017 Department Goals
Begin construction plans on the new District Courts and Police Building; Little Rock Justice Building.
Direct the overall operations of Criminal Court within the guidelines of the State of Arkansas and the City of Little Rock ordinances, statutes, and policies.
Provide fair and impartial adjudications for all cases heard.
Continue community outreach with educational information.
Provide court informed sentencing recommendations, monitoring, and compliance with court orders. Stay informed on all changing legislation regarding fees and new statute requirements.
Provide management direction to staff and ensure accountability and accessibility to citizens, while providing courteous customer service.



District Court First Division

**Department:** District Court Criminal  
**Funding Source:** General Fund  
**Budget:** \$1,293,690

**Department Description:**

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

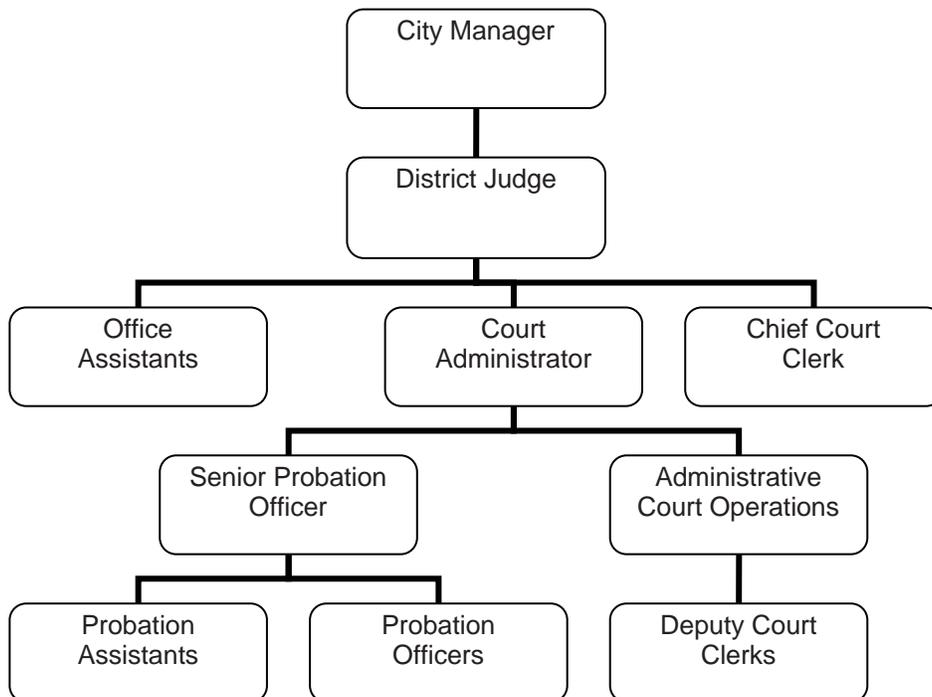
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To process Criminal Bond information on a daily basis.			
<b>Demand:</b> Bonds to be processed.	100	100	100
<b>Workload:</b> Bonds actually processed.	100	100	100
<b>Efficiency:</b> Bonds processed per court session.	100	100	100
<b>Effect/Outcome:</b> Percentage of Bonds processed daily.	100%	100%	100%

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





# District Court Second Division



## Mission Statement

We seek to administer justice and equity.

District Court Second Division

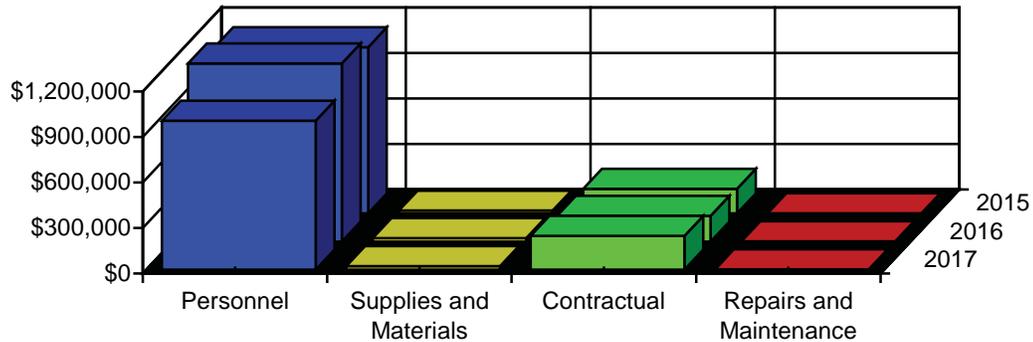
Expenditure Budget

Description	2015	2016	2017
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$1,095,436	\$1,172,663	\$980,586
Supplies and Materials	18,867	22,200	22,200
Contractual	162,338	168,378	221,192
Repairs and Maintenance	572	2,093	2,067
<b>Total</b>	<b>\$1,277,213</b>	<b>\$1,365,334</b>	<b>\$1,226,045</b>

Staffing	17	19	18
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The decrease in the personnel budget is primarily due to the transfer of District Judges to the State in 2017. Beginning January 1, 2017, the City of Little Rock will be responsible for paying to the State 50% of the 2009 State District Court Judge salary, which was \$117,300, for a City obligation of \$58,650 per District Court Judge per year. This cost is reflected in contract expense in 2017.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,226,045	-10.20%



2016 Department Priorities	Status
Second District Court processed 34,201 new violations.	Completed
Second District Court disposed of 33,893 violations.	Completed
Second District Court processed 368 Driving While Intoxicated (DWI's) violations.	Completed
Second District Court disposed of 351 DWI's.	Completed
Continue to find innovative ways to improve overall operations.	Ongoing
Provide the best customer service possible to all citizens.	Ongoing
Implement a new case management system in February 2015 with the assistance of the Arkansas Administrative Office of the Courts.	Completed
In early 2016, have an e-filing system implemented through the Administrative Office of the Courts.	Ongoing

2017 Department Goals
Continue to find innovative ways to improve overall operations while providing the best customer service possible.
Implement an e-filing system through the Administrative Office of the Courts.



**Department:** District Court Traffic  
**Funding Source:** General Fund  
**Budget:** \$1,226,045

**Department Description:**

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

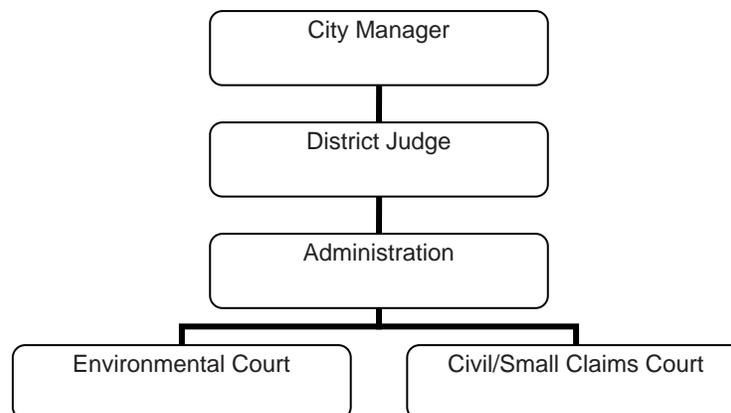
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To enter violations into Contexte Court System the same day received.			
<b>Demand:</b> Violations to be entered.	37,572	37,000	33,200
<b>Workload:</b> Violations entered and processed.	37,572	37,000	33,200
<b>Efficiency:</b> Violations entered and processed per month.	3,131	3,083	2,766
<b>Effect/Outcome:</b> Percentage of violations processed same day received.	99%	99%	99%
<b>Objective:</b> To update dispositions in Contexte within 24 hours.			
<b>Demand:</b> Violations to be disposed.	35,529	35,000	33,800
<b>Workload:</b> Violations disposed.	35,529	35,000	33,800
<b>Efficiency:</b> Violations disposed of per month.	2,960	2,916	2,816
<b>Effect/Outcome:</b> Percentage of dispositions processed within 24 hours.	99%	99%	99%

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





# 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

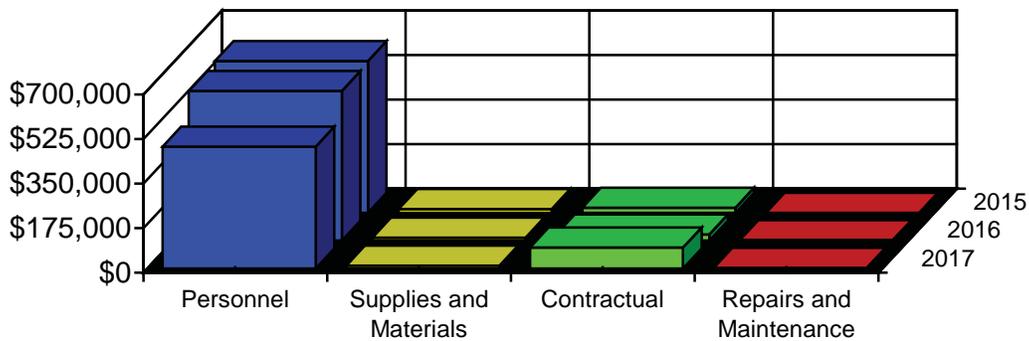
**Expenditure Budget**

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$596,031	\$588,397	\$479,383
Supplies and Materials	14,646	11,813	11,813
Contractual	19,676	24,485	83,135
Repairs and Maintenance	-	2,500	2,500
<b>Total</b>	<b>\$630,353</b>	<b>\$627,195</b>	<b>\$576,831</b>

<b>Staffing</b>	8	8	8
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The decrease in the personnel budget is primarily due to the transfer of District Judges to the State in 2017. Beginning January 1, 2017, the City of Little Rock will be responsible for paying to the State 50% of the 2009 State District Court Judge salary, which was \$117,300, for a City obligation of \$58,650 per District Court Judge per year. This cost is reflected in contract expense in 2017.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$576,831	-8.03%



2016 Department Priorities	Status
Continue efforts to make forms "language friendly" for Spanish speaking defendants and civil litigants.	Complete
Convert to the new Contexte system for code and civil cases.	Complete
Pursue grant funds in order to implement a 12 month probation program aimed specifically at assisting youth charged with curfew violations. Specifically, the program would provide career readiness training (resume preparation interviewing skills, professional etiquette, etc.) intensive, subject specific tutoring, etc.	Ongoing
Continue education in emergency awareness training for bailiff's and staff (active shooter, sovereign citizens, overt disruption resolution, etc.).	Ongoing
Prepare for the transition to becoming a State District Court. The new designation included the responsibility of assuming two new courts (Wrightsville and Cammack Village), an increase in small claims limits (from \$5,000 to \$25,000) and an increase in subject matter jurisdiction (i.e. child support cases, preliminary felony matters, uncontested divorces, etc.).	Complete

2017 Department Goals
Pursue grant funds in order to implement a 12 month probation program aimed specifically at assisting youth charged with curfew violations. Specifically, the program would provide career readiness training (resume preparation interviewing skills, professional etiquette, etc.) intensive, subject specific tutoring, etc.
Continue education in emergency awareness training for bailiff's and staff (active shooter, sovereign citizens, overt disruption resolution, etc.).
Increase the court's presence in the local school system through speaking engagements and probation officers making school visits.
Cross train job responsibilities for our deputy clerks.
Assist with securing funding for the Little Rock Youth Diversion Program and identify and refer youth to the program.
Further refine our probation department service for youth and code enforcement cases.



**Department:** District Court Environmental  
**Funding Source:** General Fund  
**Budget:** \$576,831

**Department Description:**

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

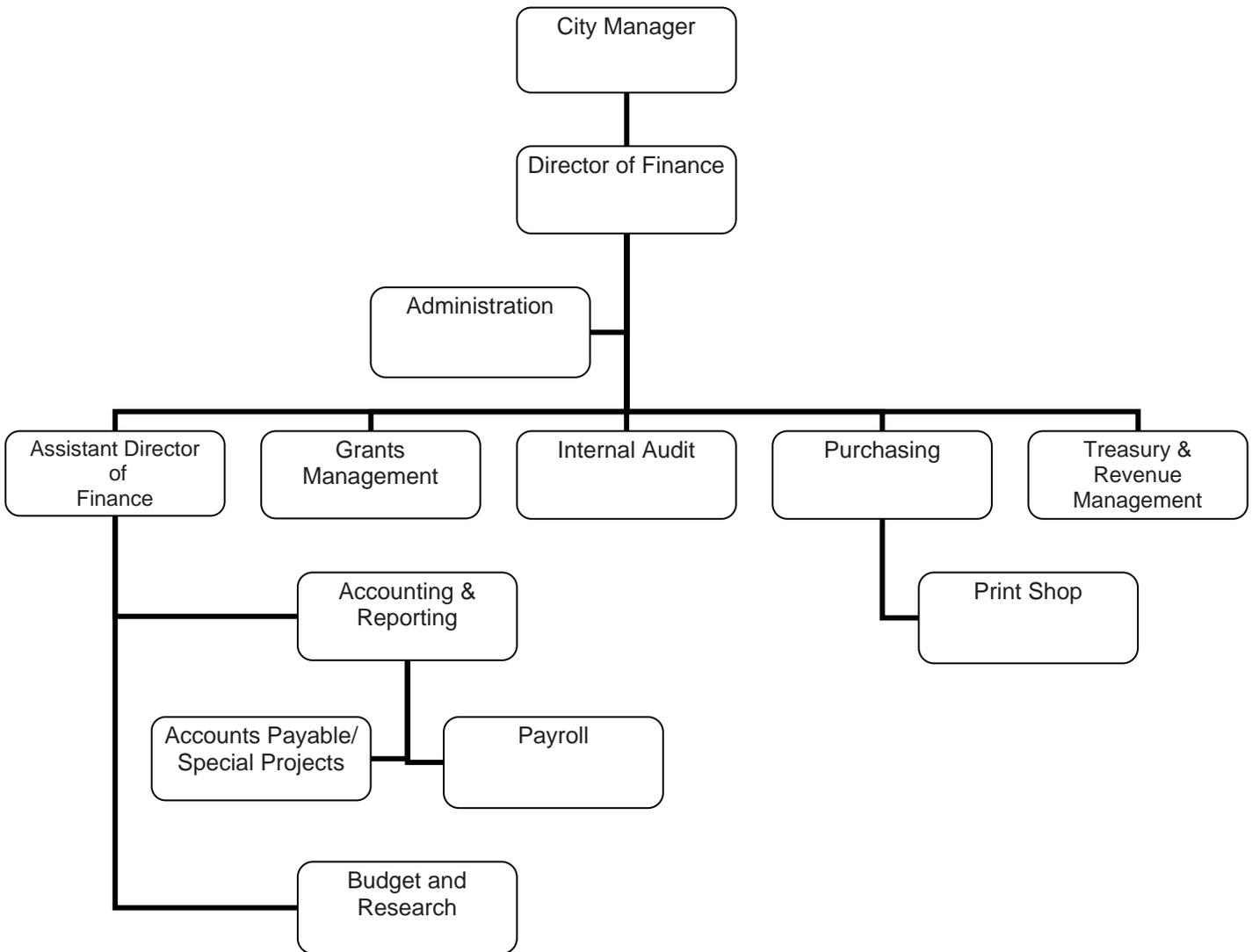
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To process 100% of life-threatening violations within seven (7) days of the date citation is written.			
<b>Demand:</b> Citations to be processed.	100	100	100
<b>Workload:</b> Citations processed, recorded, and entered into computer.	100	100	100
<b>Efficiency:</b> Citations processed.	100	100	100
<b>Effect/Outcome:</b> Percentage of Citations processed within thirty (30) days.	100%	100%	100%

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





# 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

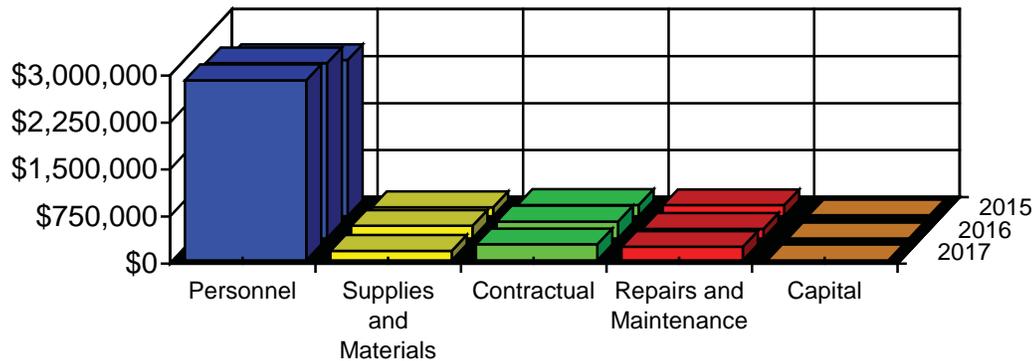
Expenditure Budget

Description	2015	2016	2017
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$2,488,807	\$2,790,427	\$2,874,284
Supplies and Materials	144,222	198,123	155,169
Contractual	178,070	268,630	257,130
Repairs and Maintenance	175,231	150,227	216,663
Capital	13,000		
<b>Total</b>	<b>\$2,999,330</b>	<b>\$3,407,407</b>	<b>\$3,503,246</b>

<b>Staffing</b>	42	43	43
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Approximately \$84,000 of the personnel cost increase is attributed to salary and benefit cost changes and position reclassifications. The variance in contracts and repairs and maintenance is associated with the reclassification of software maintenance contracts.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$3,503,246	2.81%



Finance

2016 Department Priorities	Status
Staff will work to obtain the Government Finance Officers Association (GFOA) Certificate of Recognition for the 2016 Budget Preparation and the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 2015 Comprehensive Annual Financial Report (CAFR).	Completed
Finance will coordinate with other City Departments to update program inventories based on the 2016 Budget for review sessions in the fall. This program will be continued on an annual basis.	Completed
Finance and Fleet will coordinate an RFQ to obtain a consultant to perform a specialty audit/review of Fleet operations and to assist Staff with development of a five (5) year vehicle replacement plan, development of Fleet service agreements addressing the specific needs of City Departments, and evaluating opportunities for process improvements.	On Hold
Continue efforts to implement an Integrated Budget Module for the City's financial system.	Ongoing
Internal Audit will draft a 2016 audit plan that results in a shift from a reactive to a proactive approach that promotes impartial reviews and risk based analysis of processes and internal controls, and will continue to provide other audit services that result in objective recommendations and useful information for City Departments.	Ongoing
The Finance department will work closely with the Information Technology Department and system users across the City to upgrade and test the Lawson/Infor upgrade to the version 10 platform.	In Progress
The City periodically issues debt that is subject to arbitrage laws, rules and regulations. In 2016, Finance will prepare an RFQ to retain professional audit services to assist with arbitrage compliance responsibilities for debt issued over the next five year period and for any subsequent calculations related to debt issued during that period until final redemption. The successful provider shall prepare any needed forms for filing with the IRS and will advise the City on changes in law that could have an impact on the calculations and related arbitrage reporting requirements.	Completed
Currently, only business and tobacco licenses can be renewed online. Treasury Management will work with the City's online provider, INA, to expand online services to include alcohol and mixed drink permit renewals and for collection of monthly supplemental payments from mixed drink account holders.	Completed
Treasury Management and Traffic Engineering will be working together to ensure that current and new loading zone account holders are paying the appropriate annual amount for designated loading zone parking spaces. The loading zone process currently resides with Traffic Engineering. Treasury will work with Traffic Engineering to determine if the current collection process is adequate.	Ongoing



**Finance**

2016 Department Priorities (Continued)	Status
Development of a 2016 short-term financing plan and issuance of a temporary note for capital needs including: replacement of self-contained breathing apparatus for the Fire Department; Planning permitting software; Information Technology fire suppression system; fiber connectivity for the Northwest Police Station and SID; and other capital items deemed necessary.	Completed
Purchasing will create and maintain a repository of procurement related contracts and will develop contract templates by type to facilitate annual purchase orders, construction contracts, copier leases, and special contracts. In addition, Staff will conduct City-wide buyer and vendor training, conduct spend and trend analysis, and work to aggregate spending and contracts where opportunities exist to improve cost and efficiency. Staff will be coordinating the procurement project with Harvard through the What Works Cities initiative.	Ongoing
Evaluate and potentially expand the range of services offered, replace aging equipment, and quantify and reduce outsourced printing services to reduce operating costs and potentially improve the value of the print shop.	Ongoing
Continue the aggressive pursuit of Federal, State, Local and private grant opportunities.	Ongoing
Develop and conduct training on grant management and writing for Community Programs and other City Departments.	Ongoing
Staff will obtain additional training and continue to update the Grant Compliance Manual to include requirements of new Office of Management and Budget circulars as the requirements are refined.	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
Staff will monitor and report on infrastructure projects funded by the issuance of the 2013 Capital Improvement Bonds for Street and Drainage Projects.	Ongoing
At a special election held September 11, 2012, voters approved up to \$105,000,000 in bonds for street and drainage improvements. On July 15, 2013, the City issued the 2013 City of Little Rock Limited Tax General Obligation Capital Improvement Bonds – Series 2013 in the amount of \$58,105,000. At the time of issuance, the City estimated that additional parity bonds would be issued in 2016 in the aggregate amount of \$44,000,000 with scheduled principal due from 2017 through 2033. In order to prepare for the issuance of a second series of bonds, Treasury Management will work with financial underwriters to ensure that the collection rate of the dedicated 3.0 mill tax levy is adequate to meet annual debt service requirements. In addition, Finance will work with Public Works to determine the appropriate timing of a second series of bonds to ensure funds would be expended in a timely manner in conjunction with completion of projects funded by the 2013 bond issue and 3/8-cent sales tax.	Ongoing
Development of a 3/8-Cent Capital Project Financing Plan, issue short-term financing note for completion of the Southwest Fire Station and related vehicles and equipment, and ensure timely purchase of items.	Completed
Continue the outreach initiative to increase minority and women-owned business procurement opportunities within the City. Staff will continue networking with the local and regional minority certification bodies, conduct minority vendor training, and re-evaluate the City's definition of "minority" to promote inclusion.	Ongoing



Finance

**2017 Department Goals**

Initiate possible leasing plans for creative financing that will lessen the strain on the Fleet Budget while increasing purchasing opportunities for the City's fleet. In addition, Fleet Services, Finance and Little Rock Police Department (LRPD) will develop a proposal for a Strategic Vehicle Replacement Plan that will address the replacement of older patrol units in the Police Department. The goal is to annually retire and replace 20% of the older patrol units over the next five (5) years. Finance and Fleet will coordinate an RFQ to obtain a Consultant to perform a specialty audit/review of Fleet operations and to assist staff with development of a Five (5)-Year Vehicle Replacement Plan, development of Fleet Service Agreements addressing the specific needs of City Departments, and evaluating opportunities for process improvements.

Staff will work to obtain the Government Finance Officers Association (GFOA) Certificate of Recognition for the 2017 Budget Preparation and the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 2016 Comprehensive Annual Financial Reports (CAFR).

Staff will coordinate with other City Departments to update program inventories based on the 2017 Budget for review sessions in the fall. This program will be continued on an annual basis.

Continue efforts to implement an Integrated Budget Module for the City's financial system.

Internal Audit will prepare a 2017 Audit Plan, continuing the shift to a proactive approach promoting impartial reviews and risk-based analysis of processes and internal controls, and will continue to provide other audit services that result in objective recommendations and useful information for City Departments. The updated 2017 Audit Plan combined with analytical review of relevant data will provide a foundation for the future development of a continuous financial and compliance monitoring process.

Staff will continue to work closely with Information Technology and system users across the City to complete the upgrade of the Lawson/Infor system to the Version 10 platform.

In July 2013, the City issued the 2013 City of Little Rock Limited Tax General Obligation Capital Improvement Bonds – Series 2013 in the amount of \$58,105,000. At the time of issuance, the City estimated that additional Parity Bonds would be issued in the aggregate amount of \$44,000,000 with scheduled principal due from 2017 through 2033. In order to prepare for the issuance of a second series of bonds, Treasury Management will work with financial underwriters to ensure that the collection rate of the dedicated 3.0 mill tax levy is adequate to meet annual debt service requirements. In addition, Finance will work with Public Works to determine the appropriate timing of a second series of bonds to ensure funds would be expended in a timely manner in conjunction with completion of projects funded by the 2013 Bond Issue and 2012 3/8-Cent Sales Tax.

Update the City's investment policy to include GAAP requirements. This policy applies to the investments of all monies held in City accounts and under control of the City's Board of Directors, that are not needed for the near term payment of obligations.

Request proposals from qualified firms to conduct an audit of franchise fee collections and compliance with franchise agreements. The selected firm will conduct an audit of the City's various franchise utility providers collecting taxes and/or fees on the City's behalf. The audit will review all ordinances, regulations and agreements governing each franchise utility provider; review any compliance issues and any boundary changes, annexations or rate changes that might impact compliance; and identify any revenues excluded from the franchise fee calculations.



Finance

**2017 Department Goals (Continued)**

Purchasing will continue to create and maintain a repository of procurement-related contracts and will advance implementation of recommendations resulting from the project with Harvard's Government Performance Lab, including further modifications to the procurement policy and development of contract templates by type to facilitate annual purchase orders, construction contracts, copier leases, and special contracts. In addition, staff will conduct City-wide buyer and vendor training, conduct spend and trend analysis, and work to aggregate spending and contracts where opportunities exist to improve cost and efficiency.

Collaborate with the City Attorney's Office to amend the current false alarm agreement, to reduce the compensation rate paid to the third party service provider on accounts delinquent 90-days or more. Staff recommends that the third party service provider forward all 90-day delinquent account information to the City for further debt collection efforts to generate additional cost savings for the City.

Continue the aggressive pursuit of Federal, State, Local and private grant opportunities.

Continue the grant training program on grant management and writing for all City Departments.

Coordinate with Human Resources, Purchasing and Internal Audit to implement a Conflict of Interest reporting form and annual Ethics Statement for mid-managers and above, to comply with Internal Audit best practices and the Uniform Grant Guidance general procurement standards for employees and vendors required for Federal Awards. Continue to update the Grant Compliance Manual to include requirements of new Office of Management and Budget circulars as the requirements are refined.

Continue to perform periodic reviews and testing of the City's internal controls, perform random cash counts, and provide regular reports regarding the status of the City's internal control system, with recommendations for improvements as needed.

Continue to pursue options for upgrade of the City's print services, including review of a web-based managed print solution that would encompass all of the City's printing needs.

Continue the outreach initiative to increase minority and women-owned business procurement opportunities within the City. Staff will continue networking with the local and regional minority certification bodies and conduct minority vendor training in collaboration with the City's Small Business Incubator Program.

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.

Conduct a Board of Directors Pre-Budget Planning/Priority Session in the fall to review Departmental Program Budgets.



City of Little Rock, Arkansas

Finance

**Department:** Finance  
**Funding Source:** General Fund  
**Budget:** \$3,503,246

**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.

	<u>2015 Actual</u>	<u>2016 Budget</u>	<u>2017 Budget</u>
<b>Objective:</b> To monitor compliance with the annual adopted budget.			
<b>Demand:</b> To prepare consolidated monthly variance reports for department variances > \$50,000 and 5% of budget.	12	12	12
<b>Workload:</b> Prepared consolidated monthly variance reports for department variances > \$50,000 and 5% of budget.	12	12	12
<b>Efficiency:</b> Consolidated variance reports prepared monthly.	1	1	1
<b>Effect/Outcome:</b> Percentage of consolidated monthly variance reports for department variances > \$50,000 and 5% of budget completed.	100%	100%	100%
<b>Objective:</b> To provide accurate and efficient accounting and reporting for all public funds received for the City and maintained by the Finance Department.			
<b>Demand:</b> Number of journal entries to be processed and completed.	1,539	1,500	1,500
<b>Workload:</b> Number of journal entries processed and completed.	1,539	1,500	1,500
<b>Efficiency:</b> Average number of journal entries processed and reviewed per month.	129	125	125
<b>Effect/Outcome:</b> Percentage of journal entries completed per year.	100%	100%	100%
<b>Objective:</b> To provide accurate and timely payment of all invoices properly submitted according to policy and procedure guidelines. Payments should be issued within 30 days.			
<b>Demand:</b> Number of invoices to be processed and recorded.	106,600	100,000	100,000
<b>Workload:</b> Number of invoices processed, recorded, and completed.	106,600	100,000	100,000
<b>Efficiency:</b> Number of invoices processed per hour.	51	49	49
<b>Effect/Outcome:</b> Percentage of invoice payments issued within 30 days.	95%	95%	95%



City of Little Rock, Arkansas

Finance

	<u>2014 Actual</u>	<u>2015 Budget</u>	<u>2016 Budget</u>
<b>Objective:</b> To provide and maintain a systematic method of accounting for and controlling City's assets.			
<b>Demand:</b> Number of departmental annual asset inventory counts scheduled.	41	41	41
<b>Workload:</b> Number of addition, retirement, and depreciation, transfer, and adjustment transactions processed.	34,011	30,000	30,000
<b>Efficiency:</b> Number of departmental asset inventory counts completed.	41	41	41
<b>Efficiency:</b> Average number of transactions processed per month.	2,834	2,500	2,500
<b>Effect/Outcome:</b> Percentage of departmental annual asset inventory counts conducted.	100%	100%	100%

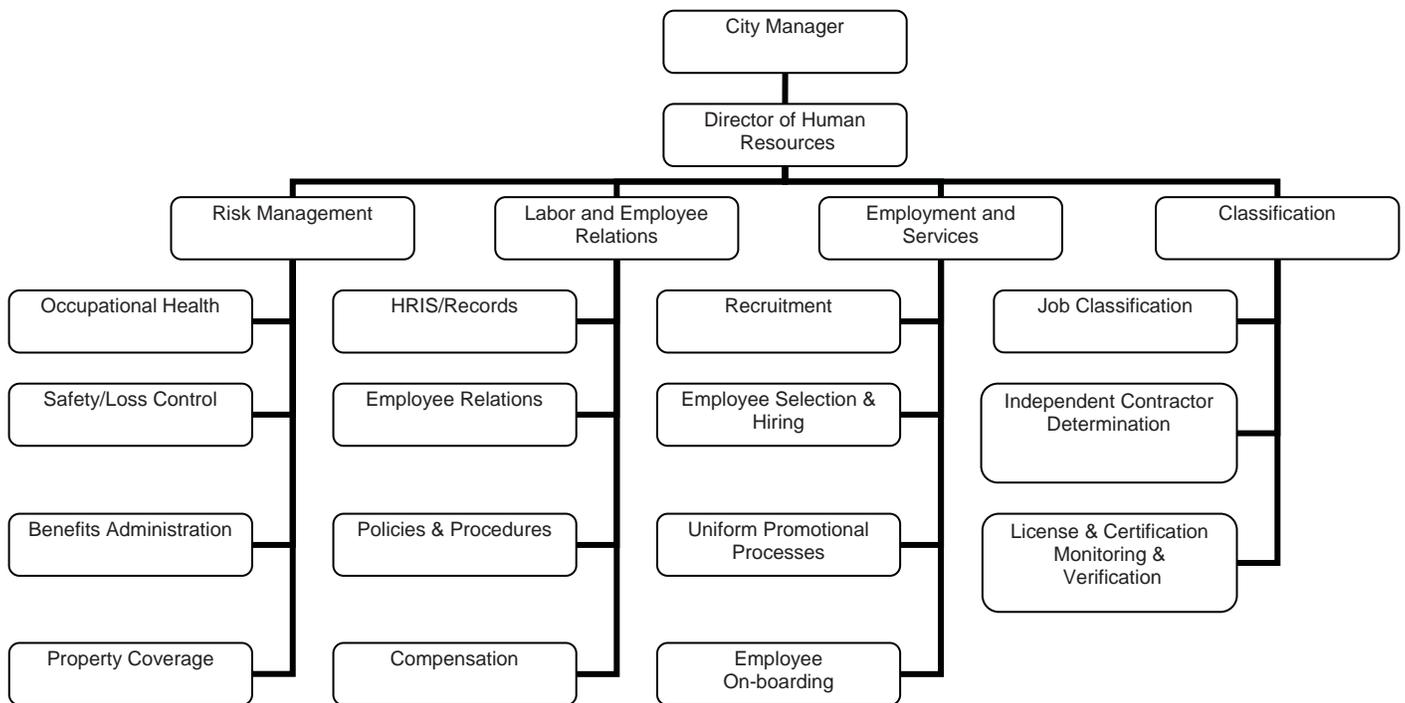
<b>Objective:</b> To produce accurate and timely payroll service to the employees of the City.			
<b>Demand:</b> Number of regular payroll cycles per year.	26	26	26
<b>Workload:</b> Number of payroll transaction lines process and recorded.	2,315,731	2,500,000	2,500,000
<b>Efficiency:</b> Payroll transaction lines processed and posted per month.	192,978	208,333	208,333
<b>Effect/Outcome:</b> Percentage of payroll transactions processed in the regular bi-weekly cycle.	98%	98%	98%

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





# Human Resources



## Mission Statement

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

**Human Resources**

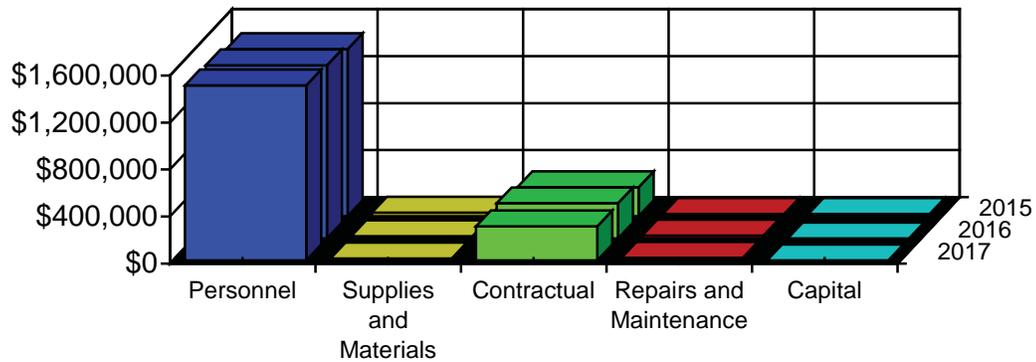
**Expenditure Budget**

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$1,421,506	\$1,471,307	\$1,488,159
Supplies and Materials	30,335	17,200	17,200
Contractual	246,885	298,523	290,692
Repairs and Maintenance	19,821	23,524	21,491
Capital	19,936	-	-
<b>Total</b>	<b>\$1,738,483</b>	<b>\$1,810,554</b>	<b>\$1,817,542</b>

<b>Staffing</b>	20	20	20
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The increase in personnel cost of approximately \$17,000 is attributed to salary and benefit cost changes for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,817,542	0.39%



2016 Department Priorities	Status
Research and coordinate a citywide job fair.	Completed
Conduct succession planning for City Departments.	Completed
Prepare Request for Qualifications (RFQ) for a recruitment and testing consultant to review Police Officer recruitment and selection process to improve the number of qualified applicants.	Completed
Update uniform Fire Department job descriptions.	Not Completed

2017 Department Goals
Expand training opportunities to employees with an emphasis on supervisors.
Provide quarterly reports to the Board of Directors on Health Care data and cost containment
Research findings from Police Officer Selection Audit for possible implementation.
Update uniform Fire Department job descriptions.



Human Resources

**Department:** Human Resources  
**Funding Source:** General Fund  
**Budget:** \$1,817,542

**Department Description:**

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

	<u>2015 Actual</u>	<u>2016 Budget</u>	<u>2017 Budget</u>
<p><b>Objective:</b> To administer benefit programs provided for city employees, including insurance coverage and to ensure that quality benefits are provided within financial and legal constraints. "Update" City went to an electronic enrollment where employees met With an individual benefits counselor.</p> <p><b>Demand:</b> Total Enrollment meetings.</p> <p><b>Workload:</b> Number of enrollment meetings conducted.</p> <p><b>Efficiency:</b> Completed enrollment meeting materials by contract/payroll deadlines.</p> <p><b>Effect/Outcome:</b> Percentage of enrollment materials completed by payroll and Contract targets.</p>	45	20	20
	45	20	20
	100%	100%	100%
	100%	100%	100%
<p><b>Objective:</b> To receive process and maintain job descriptions and job specifications for City classifications.</p> <p><b>Demand:</b> Number of active job classifications.</p> <p><b>Workload:</b> Number of classifications requests or new position requests per year (includes LRCVB).</p> <p><b>Efficiency:</b> Complete research and submit completed documents for review by requesting department within 60 days.</p> <p><b>Effect/Outcome:</b> Average number of days to complete research and submit proposed job descriptions/specification.</p>	442	455	455
	173	190	210
	26	60	60
	26	60	60
<p><b>Objective:</b> To receive, process and maintain applications and related documents for all City Positions; to recruit applicants for all City positions needed (including Civil Service, non-Civil Service, and Part-time positions).</p> <p><b>Demand:</b> The average number of days required to announce, screen/test and refer applicants.</p> <p><b>Workload:</b> The number of actual positions which were processed (i.e. posted, screened/tested, and referred).</p> <p><b>Efficiency:</b> Number of all applicants for posted full-time positions.</p> <p><b>Effect/Outcome:</b> Average number of days to submit/refer a list (from the receipt of a requisition to the referral of a list).</p>	20	23	20.97
	360	350	375
	22,073	20,000	19,910
	11.69	15	12.53



Human Resources

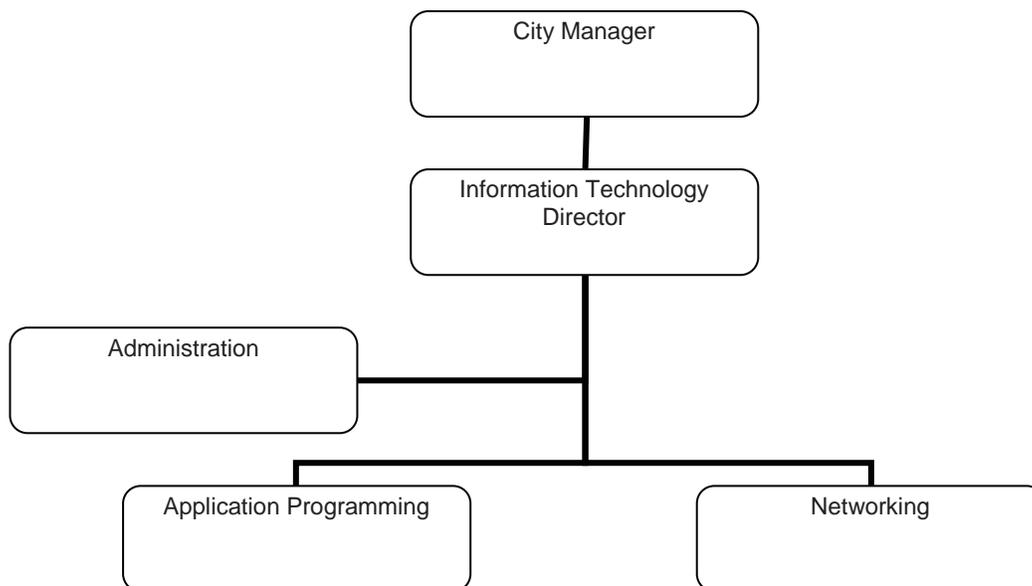
<p><b>Objective:</b> Provide a cost-effective self-funded Workers' Compensation program which meets legal requirements and to reduce the City's risk of loss due to accidents.</p>			
<b>Demand:</b> Year to date cost per claim.	\$3,331	\$2,604	\$3,604
<b>Workload:</b> Number of claims.	337	341	341
<b>Efficiency:</b> Percentage of claims properly reported to the Workers' Compensation Commission within the ten (10) day requirement.	100%	100%	100%
<b>Effect/Outcome:</b> Proper claim management driven by on time reporting percentages.	100%	100%	100%
<p><b>Objective:</b> Ensure that City property is protected and restored in the event of casualty, vandalism, theft or other destructive acts and to minimize the impact of loss of property on the operating department responsible for the property.</p>			
<b>Demand:</b> Approximate building valuation (in millions).	465	470	495
<b>Workload:</b> Actual Value.	465	470	495
<b>Efficiency:</b> Maintain or improve coverage without Unnecessary increase in premium rates.	3%	5%	5%
<b>Effect/Outcome:</b> Percent increase in premium rates.	3%	5%	5%

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





# 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 technical strategic planning services for all City departments.

Information Technology

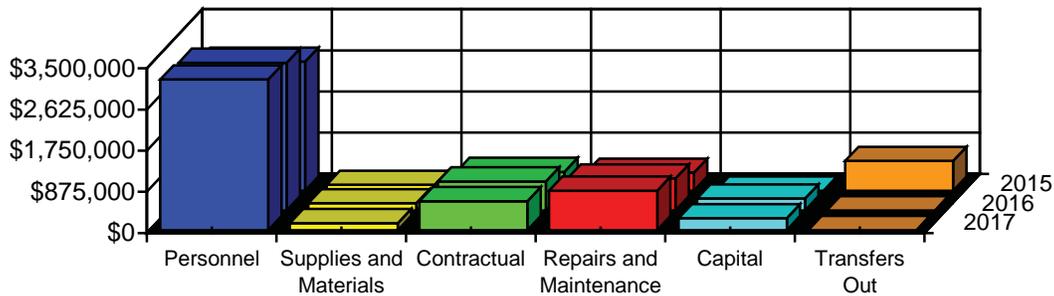
Expenditure Budget

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$2,747,198	\$3,140,346	\$3,206,334
Supplies and Materials	125,176	153,048	149,374
Contractual	399,332	616,346	616,346
Repairs and Maintenance	383,497	681,411	839,583
Capital	(35,503)	252,000	252,000
<b>Total</b>	<b>\$4,254,829</b>	<b>\$4,843,151</b>	<b>\$5,063,637</b>

<b>Staffing</b>	39	39	39
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Approximately \$66,000 of the personnel cost increase is attributed to salary and benefit cost changes. The increases in repairs and maintenance reflects Microsoft Maintenance renewals.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$5,063,637	4.55%



Information Technology

2016 Department Priorities	Status
Community Programs Management Information System (Cloud Based) 2nd Phase: Implement the Grants Management module provided by nFocus.	Ongoing
Little Rock Fire Department (LRFD) Records Management System Update: Work with LRFD to update their Records Management System. This process will take multiple years to complete.	Ongoing
City-Wide Website Upgrade: Worked with the vendor and upgraded the City's website to a mobile-friendly version.	Complete
Implementation of New Phone System: Upgrade and replace portions of the City's existing phone system to a Voice over Internet Protocol (VoIP) phone system.	Ongoing
John Barrow - West Central Community Center: Assessed the technical requirements for the new West Central Community Center.	Complete
Pankey Police Substation: Assessed the technical requirements for the new facility.	Complete
What Works Cities Initiative: Coordinate the City's effort to move forward with the What Works Cities Initiative for performance measurement and open data.	Ongoing
Northwest Police Station (NWPS) & Special Investigation Division (SID) Fiber: Work with vendor to execute franchise fiber to connect NWPS & SID to the City's network.	Ongoing
Southwest Police Station (SWPS), Southwest Community Center and LRIT(Little Rock Information Technology) 2 Fiber: Worked with vendor to install franchise fiber to connect SWPS and Southwest Community Center to the City's network.	Complete
Connection to State Data Center West: Work with State and vendors to get a data connection into the State's Data Center West for redundant connection to Internet, Arkansas Crime Information Center, FBI and State Driver Control.	Ongoing
Little Rock Police Department (LRPD) 33 New Vehicles: Coordinated with LRPD on the deployment of the technology in the new police vehicles.	Complete
Computer Aided Dispatch System Upgrade: LRPD, LRFD, and LRIT will collaborate to search, outline and implement a CAD System (software, Interfaces, components, etc.) that best serves the City and its citizens and visitors.	Ongoing
Zoo Point of Sales (POS) System: Continue to work with Zoo to implement their new POS system.	Ongoing
Planning Software: Assist Planning Department with technical specifications for a new software system for their department.	Ongoing
Lawson Upgrade: Work with Finance Department and vendor to move the Lawson system to the latest version of the software.	Ongoing
System Wide Electronic HR Announcement Board: Work with HR Department to identify a vendor to supply a citywide digital announcement system.	Other (Please Explain)
Outside Agency Module for Police Record Management System (RMS): Developed a module of the Police RMS for use by Prosecuting Attorney's Office and other outside agencies that need access to that data.	Complete
Fire Suppression System for LRIT Building: Replace approximately 30 year old system which is currently in the facility.	Ongoing
Housing and Neighborhood Programs (HNP) Code Enforcement Module Integration into 311: LRIT will coordinate with HNP to integrate desired Code Enforcement functionality into the City's hosted 311 environment.	Ongoing



<b>2017 Department Goals</b>
Create a Strategic Plan for the Information Technology department that uses industry standards and best practices.
Create performance measurement goals for the Information Technology department.
Work with City Manager's office to purchase and implement performance measurement system; contingent upon funding.
Work with Finance department to purchase and implement contract management; contingent upon funding.
Work with Fleet department to purchase and implement asset management system. If possible, add bar code tracking of computer equipment for all departments; contingent upon funding.
Design and implement changes necessary in the Time Management System and Helpdesk for Information Technology Performance Measurement data analysis.
Redesign and integrate the Parks, Zoo and Building Services Work Order systems to allow for mobile access and ease of maintenance.
Design and implement a ground transportation tracking system to replace various Excel spreadsheets to enable better reporting capabilities.
Ability to retrieve Police personnel information on mobile/web application in the field.
Work with Arkansas Office of Courts with new web interface to provide retrieval of adjudication information for updates back to Police Record Management System from Courts.
LRPD, LRFD, and LRIT will collaborate to research, outline, and implement a CAD (Computer Aided Dispatch) System (software, interfaces, components, etc.) that best serves the City of Little Rock and its citizens and visitors.
Continue to work with Little Rock Zoo and Parks staff to implement their new Point-of-Sale system. Assist Planning & Development with technical specifications for a new software system for their Department. Work with Finance and vendor to move the Lawson System to the latest version of the software. Replace approximately thirty (30) year old system which is currently in the facility.
Work with LRFD to update their Records Management System.
Assist the Community Programs Department with securing a Management Information System.
Upgrade and replace portions of the City's existing phone system to a Voice-Over Internet Protocol (VoIP) Phone System. Implement new phone contracts.
Work with vendor to execute franchise fiber to connect Northwest Police Station, Special Investigation Division and State Data Center West to City's network.



Information Technology

**Department:** Information Technology  
**Funding Source:** General Fund  
**Budget:** \$5,063,637

**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.

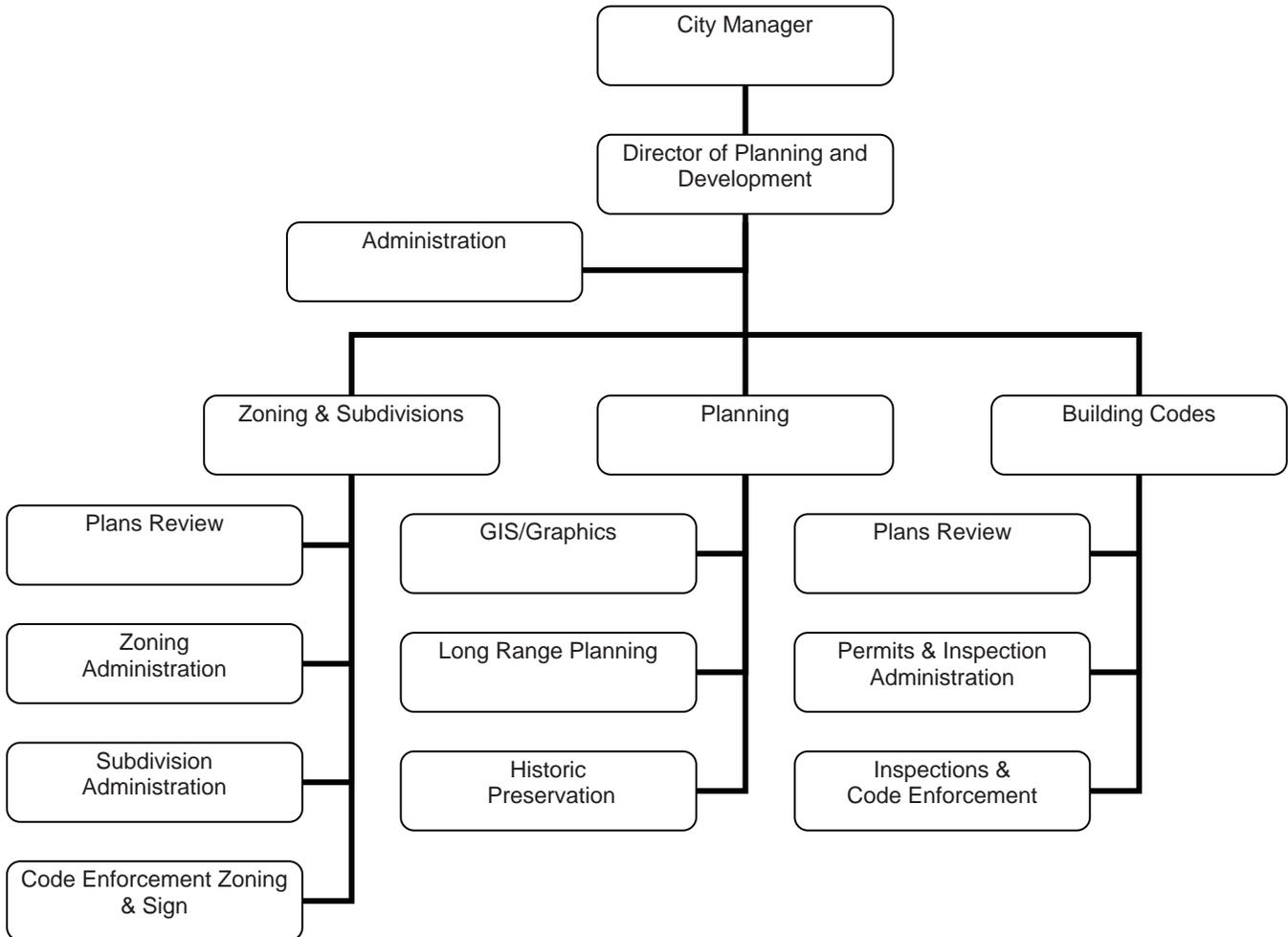
	<u>2015 Actual</u>	<u>2016 Budget</u>	<u>2017 Budget</u>
<b>Objective:</b> To insure that the City's local area computer network is available 99% of the available work hours.			
<b>Demand:</b> Hours available in the work year.	8,760	8,760	8,760
<b>Workload:</b> Hours available for use per year.	8,760	8,760	8,760
<b>Efficiency:</b> Actual hours available for use per year.	8,745	8,710	8,672
<b>Effect/Outcome:</b> Percentage network is available during work hours.	99%	99%	99%
<b>Objective:</b> To insure that 97% of the city staff trouble tickets receive a satisfactory or better rating.			
<b>Demand:</b> Number of trouble ticket per year.	7,066	7,748	8,300
<b>Workload:</b> Number of ticket processed within the year.	5,986	7,498	8,300
<b>Efficiency:</b> Number of satisfactory or better tickets.	6,042	7,360	8,247
<b>Effect/Outcome:</b> Percent of satisfactory or better rated tickets.	99%	95%	99%

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





# Planning & Development



## Mission Statement

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

Planning and Development

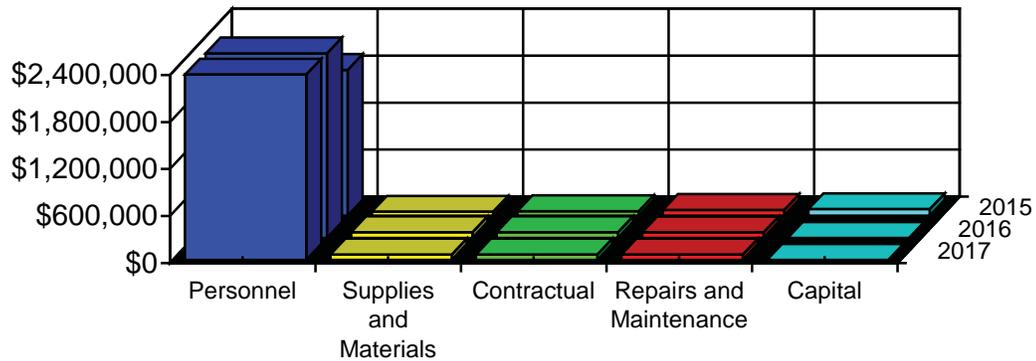
Expenditure Budget

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$1,859,433	\$2,352,041	\$2,365,453
Supplies and Materials	51,046	73,122	70,326
Contractual	57,409	71,236	68,792
Repairs and Maintenance	74,907	69,900	68,962
Capital	84,170		
<b>Total</b>	<b>\$2,126,965</b>	<b>\$2,566,299</b>	<b>\$2,573,533</b>

<b>Staffing</b>	39	39	39
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Approximately \$13,400 of the personnel cost increase is attributed to salary and benefit cost changes.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	<u>\$2,573,533</u>	<u>0.28%</u>



2016 Department Priorities	Status
Continue to provide staff support for various boards, commissions and committees including Planning Commission, Board of Adjustment, City Beautiful Commission, Historic District Commission, and the Board of Directors.	Ongoing
Complete the review of the MacArthur Park Design Guidelines and approved by the Historic District Commission.	Complete
Continue the development of an on-line historic database of sites-Story Map application.	Ongoing
Begin and complete the Woodruff House demolition and stabilization project.	Ongoing
Land Use Plan Review: Start and complete the review of the area between I-630/I-30/I-430 and start a second Land Use Plan review for Southwest Little Rock, South of I-30.	Complete
Coordinate with the Planning Commission, City Beautiful Commission and Board of Directors any needed review of the ordinances.	Complete
Staff will review and process approximately 230 requests for rezoning, conditional uses, variances, preliminary plats, tower use permits, street name changes and planned developments.	Complete
Adopt the 2015 International Property Maintenance Code, with possible amendments, the Arkansas Mechanical Code and Arkansas Plumbing and Gas Codes. (The Arkansas Codes are subject to State adoption)	Ongoing
Complete the work on a neighborhood action plan for the Wright Avenue area.	Complete
Complete the zoning overlay (reclassification) process for the Pine/Cedar core area as proposed by the Jump Start Action Plan.	Complete
Staff will apply for a matching grant through Arkansas Historic Preservation Program to fund a plaque for the Union Park.	Complete
Complete work on the proposed Kanis Road Design Overlay District.	Complete
Develop specifications for new permitting software for bidding and possible implementation.	Ongoing



<b>2017 Department Goals</b>
Continue to provide staff support for various boards, commissions and committees including Planning Commission, Board of Adjustment, City Beautiful Commission, Historic District Commission, Bicycle Friendly Community Committee and the Board of Directors.
Continue the development of the second phase of the historic site web application, Story Map. Begin work with the Little Rock Historic Commission on a possible demolition by neglect ordinance. Continue to work with the Preservation Implementation Committee of the Historic District Commission.
Begin work with the Little Rock Historic Commission on a possible demolition by neglect ordinance. Continue to work with the Preservation Implementation Committee of the Historic District Commission.
Land Use Plan Review: Start and complete the review of the area west of I-430 and south of the Chenal Parkway. Begin the initial work for the review of the area west of I-430 and north of the Chenal Parkway.
Coordinate with Planning Commission, City Beautiful Commission and Board of Directors any needed zoning, subdivision and landscape ordinance amendments.
Staff will review and process approximately 230 requests for rezoning, conditional uses, variances, preliminary plats, tower use permits, street name changes and planned developments.
Adopt the 2017 National Electrical Code, the Arkansas Mechanical Code and Arkansas Plumbing and Gas Codes. (The Arkansas Codes are subject to State adoption.) Review the Arkansas 2014 Energy Code for possible amendments.
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).
Complete the applications for Housing and Neighborhood Programs and Phase II of the historic sites application, Story Map. The standardization of graphic output for GIS will be completed.
Begin work on the implementation phase of the Jump Start Plan, including the on-going data collection and reporting. Start work on the review of Downtown focusing on transportation and development issues in response to the 30 crossing project. The review could result in possible amendments to various (long-range) plans, including the Master Street Plan. Wright Avenue Neighborhood Plan - possible assistance related to the plan's implementation efforts.
Continue to stay engaged with the on-going planning process and coordinate assistance from the Nelson/Nygaard team when needed.
Complete the process for a new permitting software vendor and the implementation of the new software.



**Department:** Planning and Development  
**Funding Source:** General Fund  
**Budget:** \$2,573,533

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

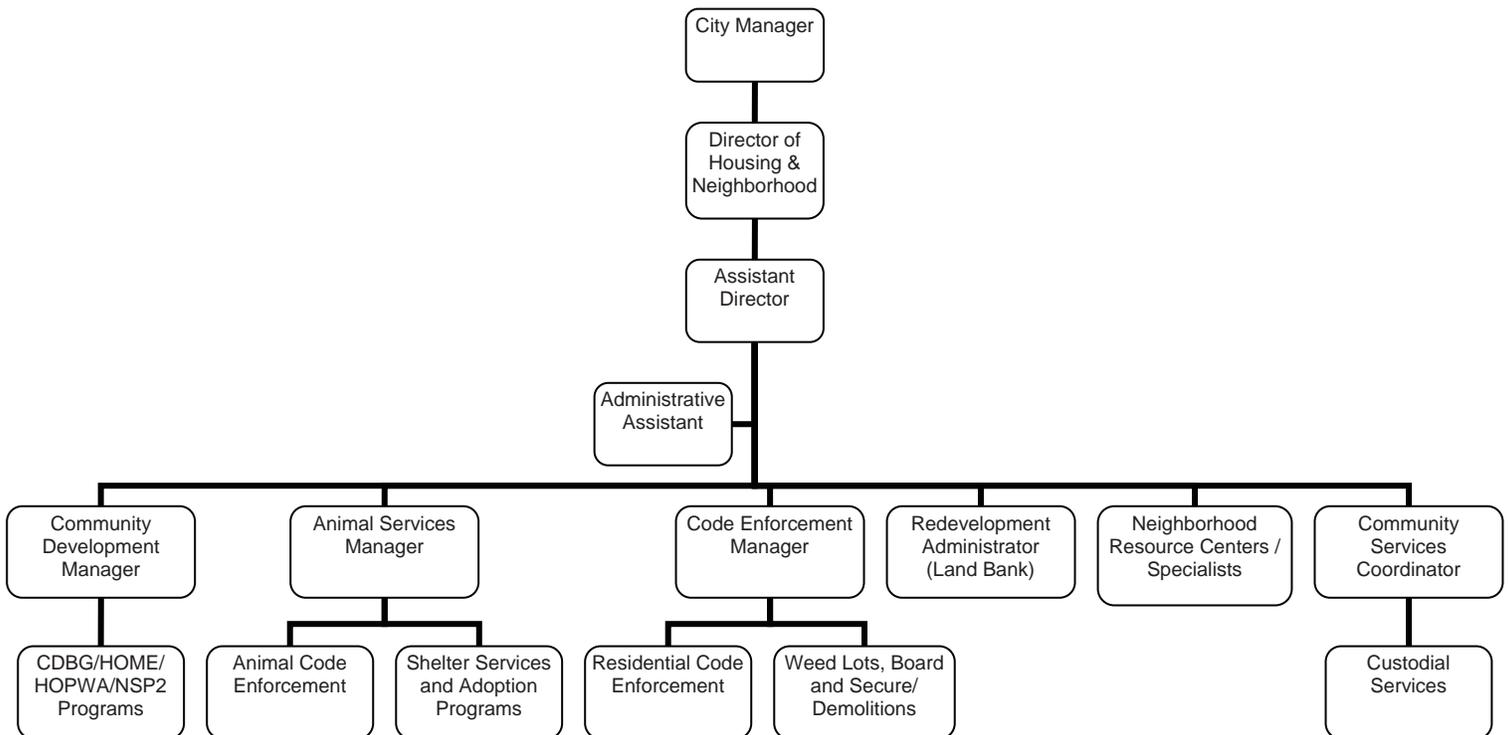
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To process 95% of all applications within forty-five (45) days.			
<b>Demand:</b> Land Use, Historic District, and River Market District cases to be processed.	33	30	30
<b>Workload:</b> Land Use, Historic District, and River Market District cases processed.	33	30	30
<b>Efficiency:</b> Cases reviewed/completed per month.	3	2.5	2.5
<b>Effect/Outcome:</b> Completion of cases	100%	100%	100%
<b>Objective:</b> To process all inspection request within one (1) day.			
<b>Demand:</b> Building, Plumbing Mechanical, and Electrical inspection requests possible.	14,817	14,000	14,000
<b>Workload:</b> Building, Plumbing Mechanical, and Electrical inspection requests completed.	14,817	14,000	14,817
<b>Efficiency:</b> Inspection requests completed per year.	13,817	14,000	14,817
<b>Effect/Outcome:</b> Percentage of requests completed.	100%	100%	100%
<b>Objective:</b> To complete zoning, subdivision, and sign code enforcement inspections, and re-inspections within policy-directed time frames.			
<b>Demand:</b> Zoning, subdivision and sign code inspections and re-inspections to be completed.	4,500	5,000	5,200
<b>Workload:</b> Zoning, subdivision and sign code inspections, and re-inspections completed.	4,500	5,000	5,200
<b>Efficiency:</b> Cases processed per year.	4,500	5,000	5,200
<b>Effect/Outcome:</b> Compliance and completion of cases.	100%	100%	100%
<b>Objective:</b> To process 95% of all applications within forty-five (45) days of fling for Board of Adjustment and Planning Commission and within ninety (90) days of filing for final Board action.			
<b>Demand:</b> Processing of Conditional Use, Tower Use, Special Use, Variances, Preliminary or Final Plats, Planned Developments and Site Plan Reviews.	230	230	230
<b>Workload:</b> Total Cases available per year.	230	230	230
<b>Efficiency:</b> Cases processed per year.	230	230	230
<b>Effect/Outcome:</b> Compliance and completion of cases.	100%	100%	100%

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





# Housing & Neighborhood Programs



## Mission Statement

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

**Housing and Neighborhood Programs**

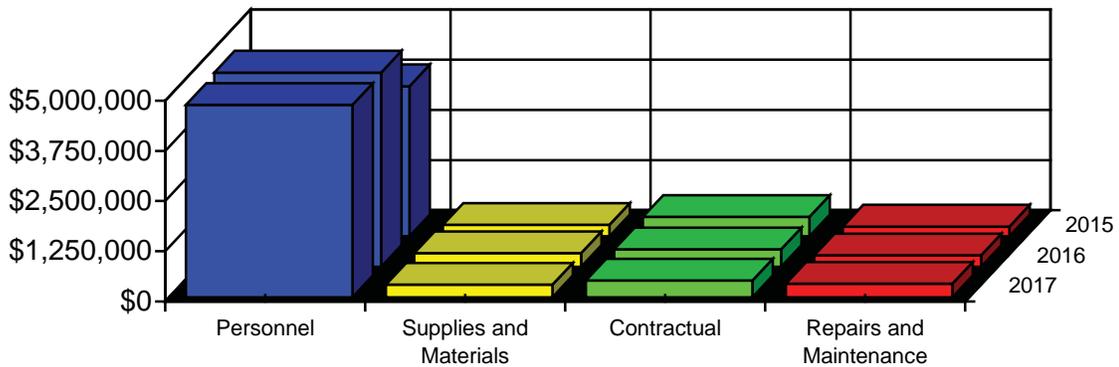
**Expenditure Budget**

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$3,733,628	\$4,830,653	\$4,783,515
Supplies and Materials	288,401	337,134	311,988
Contractual	486,050	434,686	414,968
Repairs and Maintenance	243,809	263,725	333,693
<b>Total</b>	<b>\$4,751,888</b>	<b>\$5,866,198</b>	<b>\$5,844,164</b>

<b>Staffing</b>	104	105	105
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Changes reflect the increase in software maintenance associated with the Motorola Code Enforcement application.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$5,844,164	-0.38%



**Housing and Neighborhood Programs**

2016 Department Priorities	Status
Publish Departmental newsletter to disseminate to neighborhood associations and post on City's website.	Complete
Developed a recognition program to highlight projects funded by the Love Your Block Grant Program.	Complete
Develop a series of Public Service Announcements to highlight the various divisions and departmental programs while focusing on seasonal topics of common issues.	Complete
Complete staffing of Mobile Home Inspection Program with a dedicated team including Spanish speaking staff.	Complete
Complete 22 rehabilitation projects through the City's Elderly Housing Program utilizing HOME, Community Development Block Grant (CDBG) and Arkansas Housing Trust Fund dollars.	Ongoing
Complete 55 homes through the City's Limited Home Repair, Emergency Assistance Grant and World Changers rehab programs.	Complete
Complete 20 Wheel Chair Ramp assistance projects.	Ongoing
Complete rehab and new construction on Land Bank lots with Community Development Division.	Complete
Work with Land Bank Commission and staff to develop Public Service Announcements highlighting Land Bank properties.	Ongoing
Animal Village will targeted 1,600 adoptions of cats and dogs. Continued to work with volunteers to enhance photos of available adoptable animals.	Complete
Continued Rescue Waggin partnership with PetSmart to send over 600 dogs to other states for adoption.	Complete
Install power generator at Animal Village to care for animals in time of power outages.	Complete

2017 Department Goals
Publish Departmental newsletter to disseminate to neighborhood associations and post on City's website.
Complete 22 rehabilitation projects through the City's Elderly Housing Program utilizing HOME, Community Development Block Grant (CDBG) and Arkansas Housing Trust Fund dollars.
Complete 20 Wheel Chair Ramp assistance projects.
Work with Land Bank Commission and staff to develop Public Service Announcements highlighting Land Bank properties.
Establish/conduct a Community Resource Housing Fair.
Establish an Environmental Court Inspection Team.
Complete fifty (50) units through Energy Conservation Rehabilitation Program.
Complete ten (10) new single-family structures utilizing Home Investment Partnership
Complete construction of quarantine area at Animal Village.
Implement a Foreclosure Registry Program.
Create a video marketing land bank properties.
Complete an ordinance to regulate poultry within the city limits.
Complete thirty (30) homes under Limited Home Repair.
Complete twenty (20) homes under the Emergency Assistance Grant.



**Housing and Neighborhood Programs**

**Department:** Housing and Neighborhood Programs  
**Funding Source:** General Fund  
**Budget:** \$5,844,164

**Department Description:**

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

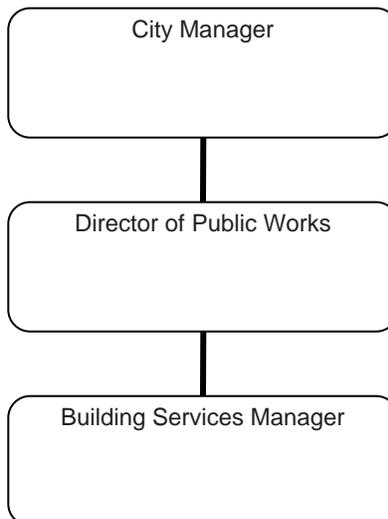
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To inspect neighborhood rental property.			
<b>Demand:</b> Rental property to be inspected.	1,500	1,500	3,000
<b>Workload:</b> Rental property inspected.	1,334	1,256	3,000
<b>Efficiency:</b> Average Rental property inspected per month.	111	104	250
<b>Effect/Outcome:</b> Percentage of rental inspections completed yearly.	89%	84%	100%
<b>Objective:</b> To enforce nuisance codes through property inspections.			
<b>Demand:</b> Nuisance code inspections to be performed.	20,000	24,000	24,000
<b>Workload:</b> Nuisance code inspections performed.	15,188	19,485	24,000
<b>Efficiency:</b> Average nuisance code inspections done per month.	1,266	1,624	2,000
<b>Effect/Outcome:</b> Percentage of nuisance code inspections completed annually.	75%	81%	100%

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





# 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**

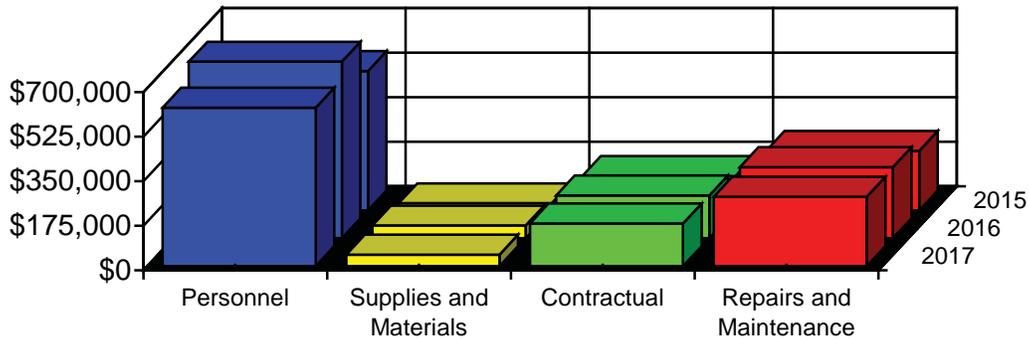
**Expenditure Budget - General Fund**

Description	2015	2016	2017
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$546,833	\$693,838	\$622,662
Supplies and Materials	27,577	49,843	45,020
Contractual	134,657	167,924	167,924
Repairs and Maintenance	232,918	279,495	273,104
<b>Total</b>	<b>\$941,985</b>	<b>\$1,191,100</b>	<b>\$1,108,710</b>

<b>Staffing</b>	2015	2016	2017
	13	13	12

There is a decrease of approximately \$72,000 in personnel cost from the Original 2016 Budget attributed to the transfer of the Asset Management position to the Street Fund.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,108,710	-6.92%



2016 Department Priorities	Status
Continue to support maintenance and construction that will make buildings more energy efficient, less expensive to maintain and environmentally friendly.	Ongoing
Continue to install motion sensors on lighting to conserve energy as funds become available.	Ongoing

2017 Department Goals
Continue to support maintenance and construction that will make buildings more energy efficient, less expensive to maintain and environmentally friendly.
Continue to install motion sensors on lighting to conserve energy as funds become available.



**Public Works General Fund**

**Department:** Public Works  
**Funding Source:** General Fund  
**Budget:** \$1,108,710

**Department Description:**

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

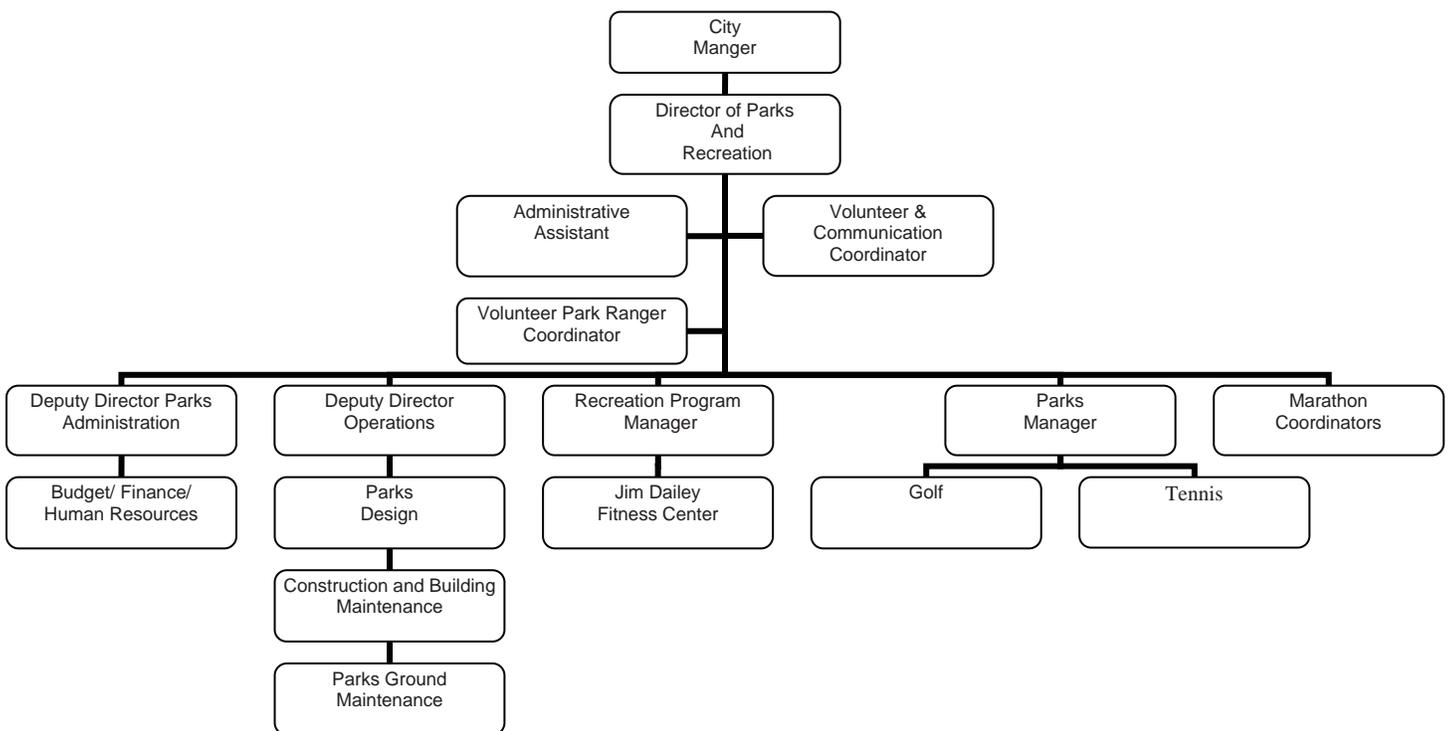
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To complete all building-related service work orders in a timely fashion.			
<b>Demand:</b> Work orders to be completed from City departments.	1,600	1,500	1,600
<b>Workload:</b> Work orders completed.	1,650	1,500	1,600
<b>Efficiency:</b> Work orders completed per month.	133.33	125.00	133.33
<b>Effect/Outcome:</b> Total percentage of work orders completed.	100%	100%	100%

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





# Parks and Recreation Department



## 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.

**Parks and Recreation**

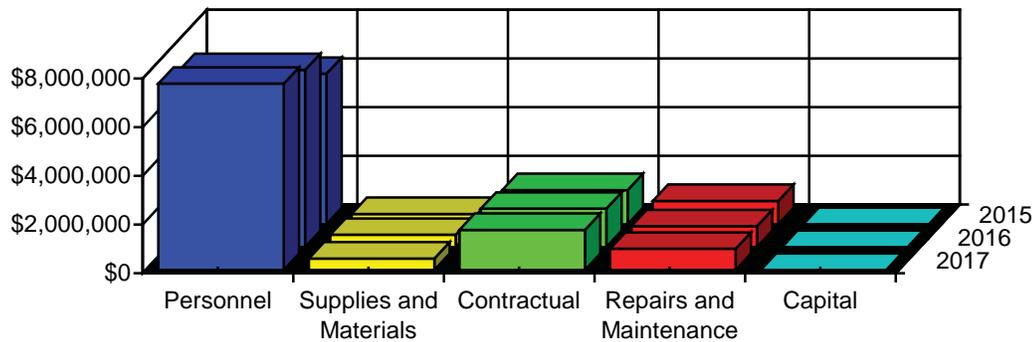
**Expenditure Budget**

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$6,177,769	\$7,273,199	\$7,654,119
Supplies and Materials	417,972	502,998	469,003
Contractual	1,399,353	1,573,921	1,647,150
Repairs and Maintenance	952,237	856,792	868,209
Capital	-	1,000	-
Transfers	227,268	-	-
<b>Total</b>	<b>\$9,174,600</b>	<b>\$10,207,910</b>	<b>\$10,638,481</b>

<b>Staffing</b>	2015	2016	2017
	127	127	130

The increases in the Parks Department reflect the continuation of the new sales tax allocation to provide enhanced park maintenance, an increase in minimum wage for part-time employees and support for the operating cost of the new West Central Community Center for the full year.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$10,638,481	4.22%



2016 Department Priorities	Status
Little Rock Parks and Recreation Master Plan: Update the 2001 Little Rock Parks and Recreation Master Plan and obtain City Manager and Little Rock Board of Director approval.	Ongoing
Park Maintenance Upgrade: Continue to maintain the City parks system at a Class "B" level, which has, as its goal, to mow parks one (1) time every ten (10) days.	Ongoing
Arkansas River Trail: Continue to seek solutions to complete the construction of the Arkansas River Trail. Staff will continue to work with City management and Bicycle Friendly Community Committee to design and develop a trail where there are gaps.	Completed
West Central Sports Complex: Completed construction of the West Central Community Center in 2016.	Completed
Little Rock Parks and Recreation Accreditation: Achieve departmental re-accreditation.	Ongoing
MacArthur Park Master Plan: Continue the implementation of the MacArthur Park Master Plan. Continue working with the Mac Park Group to design and implement a barrier-free playground and other park amenities.	Ongoing
Western Hills Park Master Plan: Complete the Western Hills Park Master Plan.	Ongoing
Little Rock Marathon Improvements: Increase 2016 Little Rock Marathon participation and revenue by 10%.	Completed
Summer Playground Program: Operate 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).	Completed
Parks and Recreation Playground Inspection Program: Continue to conduct a thorough and detailed inspection of every playground within the Parks and Recreation inventory.	Ongoing
Lights on After School: Continue the "Lights on After School" Initiative promoting the critical importance of quality after-school programs within the lives of children, their families and community.	Completed
Coleman Creek Restoration: Complete Coleman Creek restoration within War Memorial Park.	Ongoing
War Memorial Redevelopment Plan: Continue the refinement and implementation of the War Memorial Redevelopment Plan; specifically, the redesign and construction of the 12th street entrance way into the park.	Ongoing
Increase volunteerism support/hours to the Parks and Recreation Department by ten (10%) and host the Annual Volunteer Appreciation Luncheon.	Completed



<b>2017 Department Goals</b>
Little Rock Parks and Recreation Master Plan: Update the 2001 Little Rock Parks and Recreation Master Plan and obtain City Manager and Little Rock Board of Director approval.
Park Maintenance Upgrade: Continue to maintain the City parks system at a Class "B" level, which has, as its goal, to mow parks one (1) time every ten (10) days.
MacArthur Park Master Plan: Continue the implementation of the MacArthur Park Master Plan. Continue working with the Mac Park Group to design and implement a barrier-free playground and other park amenities.
Western Hills Park Master Plan: Complete the Western Hills Park Master Plan.
Little Rock Marathon Improvements: Increase 2017 Little Rock Marathon participation and revenue by 10%.
Operate an eight (8) week Summer Playground Program at eight (8) sites around the City for youth between the ages of six (6) and fifteen (15).
Parks and Recreation Playground Inspection Program: Continue to conduct a thorough and detailed inspection of every playground within the Parks and Recreation inventory.
Lights on After School: Continue the "Lights on After School" Initiative promoting the critical importance of quality after-school programs within the lives of children, their families and community.
War Memorial Redevelopment Plan: Continue the refinement and implementation of the War Memorial Redevelopment Plan.
Increased volunteerism support/hours to the Parks and Recreation Department by ten (10%) and host the Annual Volunteer Appreciation Luncheon.
Provide more team building, training and professional development opportunities for staff by encouraging and promoting more involvement in the Arkansas Recreation and Parks Association (ARPA) and National Recreation and Parks Association (NRPA) Conferences.
Riverfront Park West End Improvement: Continue to work with StudioMain in developing concept plans for areas around and in west end of Riverfront Park in order to accommodate Broadway Bridge Trails and improve access into this end of the park.



Parks and Recreation

**Department:** Parks and Recreation  
**Funding Source:** General Fund  
**Budget:** \$10,638,481

**Department Description:**

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

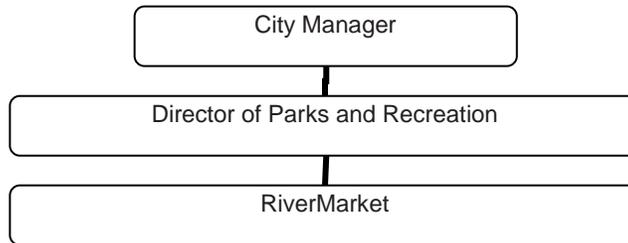
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> Provide the citizens and visitors of Little Rock accessible recreational program opportunities, experiences and activities which promote active living, health and wellness, socialization, self-esteem, growth and achievement.			
<b>Demand:</b> Total recreational opportunities available.	347,817	344,441	368,531
<b>Workload:</b> Recreational opportunities attended.	319,329	315,239	337,306
<b>Efficiency:</b> Average seasonal attendance.	79,941	70,933	75,898
<b>Effect/Outcome:</b> Percentage of attendance versus opportunities available.	92%	92%	92%
<b>Objective:</b> Evaluate and upgrade existing capital projects based on need and fund availability.			
<b>Demand:</b> Capital projects to be managed annually.	53	49	44
<b>Workload:</b> Actual projects managed annually.	3	3	3
<b>Efficiency:</b> Projects actively managed monthly.	3	3	3
<b>Effect/Outcome:</b> Percentage of capital projects managed.	6%	6%	7%
<b>Objective:</b> Mow each park every ten (10) days during the mowing season.			
<b>Demand:</b> Number of desired mowing cycles.	21	22	22
<b>Workload:</b> Number of mowing cycles.	21	22	22
<b>Efficiency:</b> Number of monthly mowing cycles completed.	3	3	3
<b>Effect/Outcome:</b> 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.**





# 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

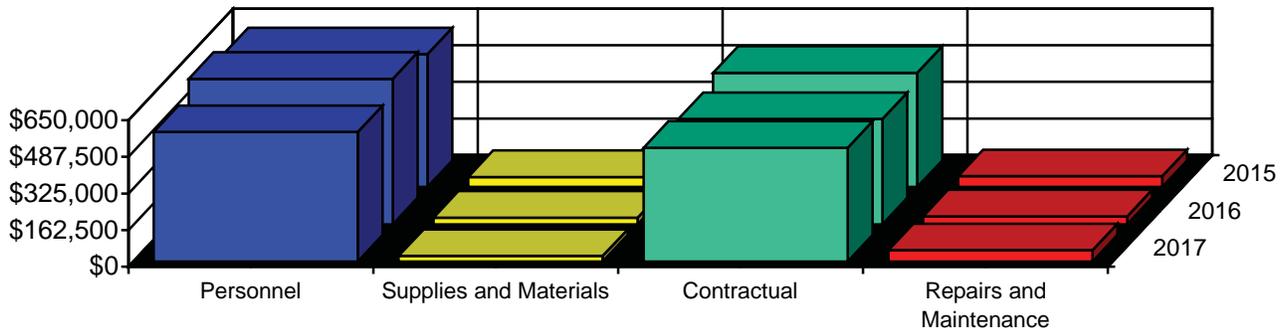
Expenditure Budget

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$588,788	\$644,331	\$573,660
Supplies and Materials	44,825	28,900	24,500
Contractual	506,899	466,514	503,680
Repairs and Maintenance	47,982	35,000	50,000
<b>Total</b>	<b>\$1,188,494</b>	<b>\$1,174,745</b>	<b>\$1,151,840</b>

<b>Staffing</b>	0	0	0
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Little Rock Convention and Visitor's Bureau (LRCVB) will continue to operate the RiverMarket in 2017. The City's committed funding level remains at \$250,000.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,151,840	-1.95%



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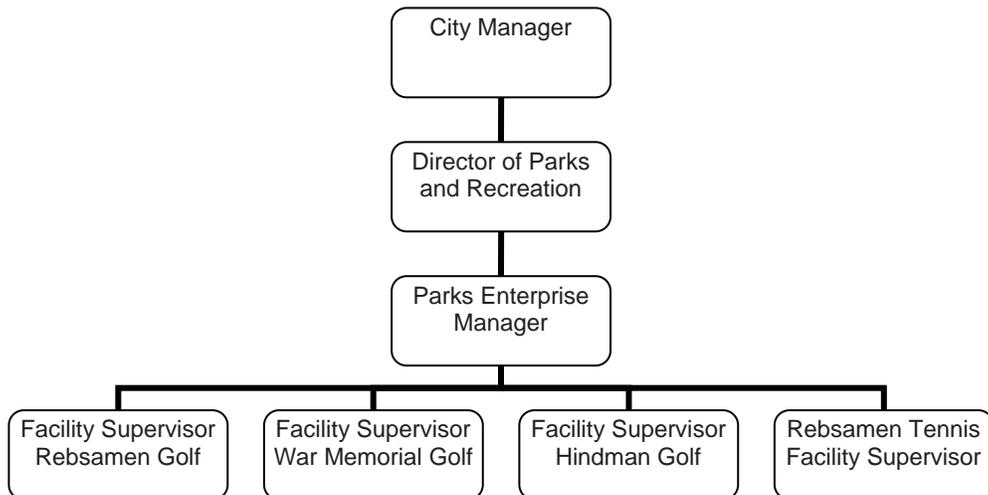
River Market

<b>2016 Department Priorities</b>	<b>Status</b>
Little Rock Convention and Visitors Bureau (LRCVB) will continue management of River Market operations on behalf of the City for 2016.	Complete
The City will continue to provide support to the River Market at the level of \$250,000.	Complete

<b>2017 Department Goals</b>
Little Rock Convention and Visitors Bureau (LRCVB) will continue management of River Market operations on behalf of the City for 2017.
The City will continue to provide support to the River Market at the level of \$250,000.



# Golf



## Mission Statement

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

**Golf**

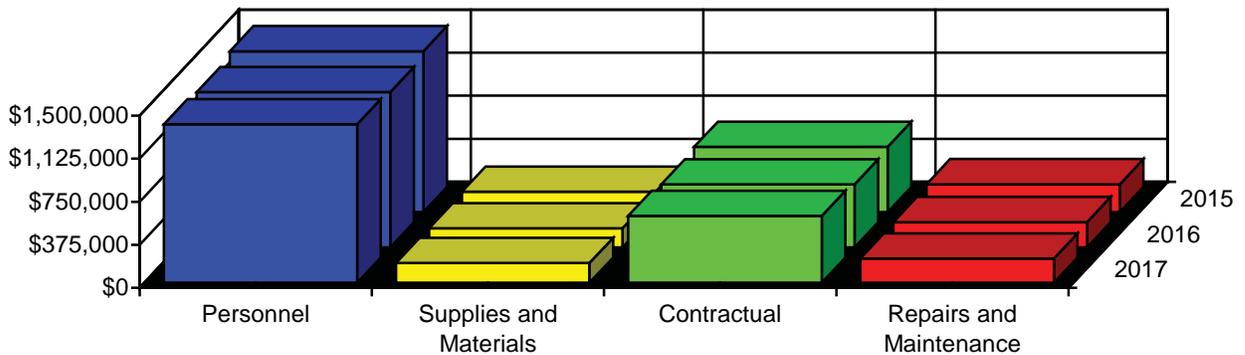
**Expenditure Budget**

Description	2015	2016	2017
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$1,402,349	\$1,353,540	\$1,381,437
Supplies and Materials	177,214	165,869	172,207
Contractual	568,871	548,832	581,432
Repairs and Maintenance	241,829	220,072	211,062
<b>Total</b>	<b>\$2,390,263</b>	<b>\$2,288,313</b>	<b>\$2,346,138</b>

<b>Staffing</b>	22	22	22
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Approximately \$28,000 of the 2017 personnel cost increase is attributed to salary and benefit cost changes for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$2,346,138	2.53%



**Golf**

2016 Department Priorities	Status
Generate a minimum of \$316,700 in revenue at Hindman Golf Course, while keeping expenditures within budget.	Complete
Generate a minimum of \$332,100 in revenue at War Memorial Golf Course, while keeping expenditures within budget.	Complete
Generate a minimum of \$817,900 in revenue at Rebsamen Golf Course, while keeping expenditures within budget.	Complete
Maintain Rebsamen, Hindman and War Memorial Golf Course to established standards.	Ongoing

2017 Department Goals
Maintain Rebsamen, Hindman and War Memorial Golf Courses to established standards.
Continue to explore creative solutions to make golf courses self-sustaining. Staff will continue to seek ways in which to improve revenue and reduce costs at the City's three (3) golf courses.



**Department:** Golf  
**Funding Source:** General Fund  
**Budget:** \$2,346,138

**Department Description:**

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

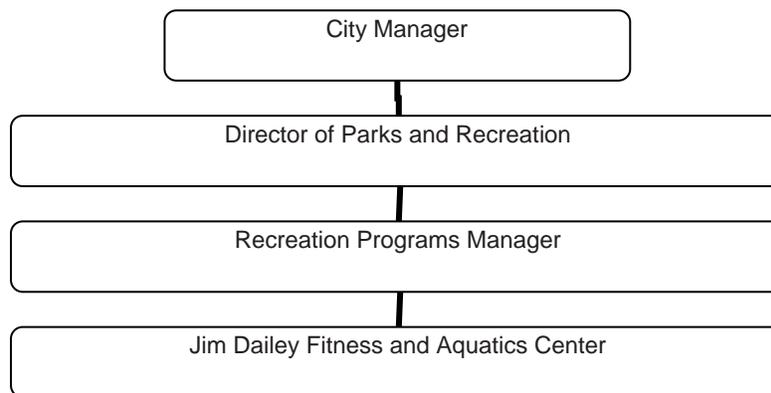
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To provide affordable golfing experiences for the citizens of Little Rock.			
<b>Demand:</b> Projected golf rounds.	63,000	55,000	54,000
<b>Workload:</b> Actual golf rounds.	53,704	55,000	54,000
<b>Efficiency:</b> Average rounds per month.	4,475	4,583	4,500
<b>Effect/Outcome:</b> Percentage of actual rounds of golf.	85%	100%	100%

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





# 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**

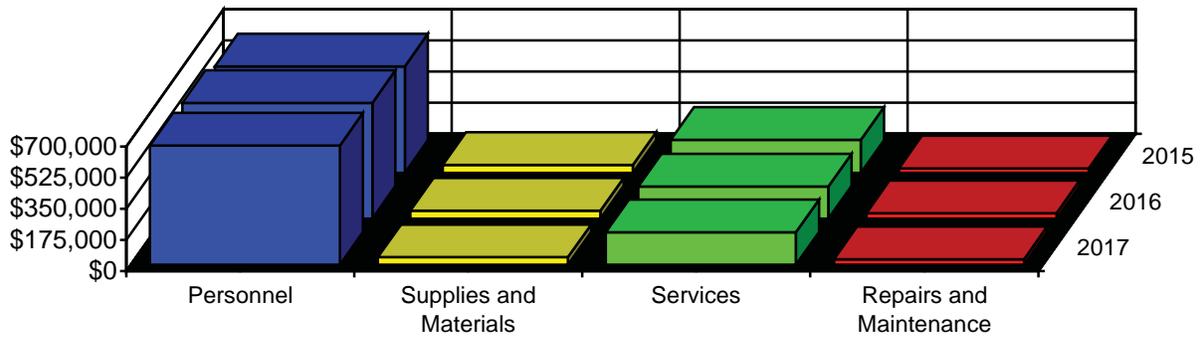
**Expenditure Budget**

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$599,076	\$651,416	\$668,965
Supplies and Materials	44,932	44,825	41,117
Contractual	186,452	181,491	181,491
Repairs and Maintenance	25,059	31,814	30,087
<b>Total</b>	<b>\$855,518</b>	<b>\$909,546</b>	<b>\$921,660</b>

<b>Staffing</b>	9	9	9
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Approximately \$17,500 of the increase in personnel cost is attributed to salary and benefit cost changes for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	<u>\$921,660</u>	<u>1.33%</u>



2016 Department Priorities	Status
Increase membership through a variety of outreach programs and partnerships.	Ongoing
Continue the partnership with state and federal agencies to create outdoor programming opportunities for members and their guests.	Ongoing
Develop strategies for marketing and communication with the public to draw more patrons and increase memberships.	Ongoing

2017 Department Goals
Increase membership through a variety of outreach programs and partnerships.
Continue the partnership with state and federal agencies to create outdoor programming opportunities for members and their guests.
Develop strategies for marketing and communication with the public to draw more patrons and increase memberships.
Continue to seek creative ways in which to market the Jim Dailey Fitness and Aquatic Center work with news media outlets, the City's public relations and marketing personnel to do special marketing and promotions to both remain competitive with the market and generate revenue. Also use all social media outlets to increase revenues.
Increase corporate membership to include more organizations in the Little Rock Area.
Encourage more organizations to use Jim Dailey for their tournaments such as the Tennis Association, Badminton, Real Deal in the Rock and the Karate Tournament.



**Jim Dailey Fitness and Aquatic Center**

**Department:** Jim Dailey Fitness Center  
**Funding Source:** General Fund  
**Budget:** \$921,660

**Department Description:**

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

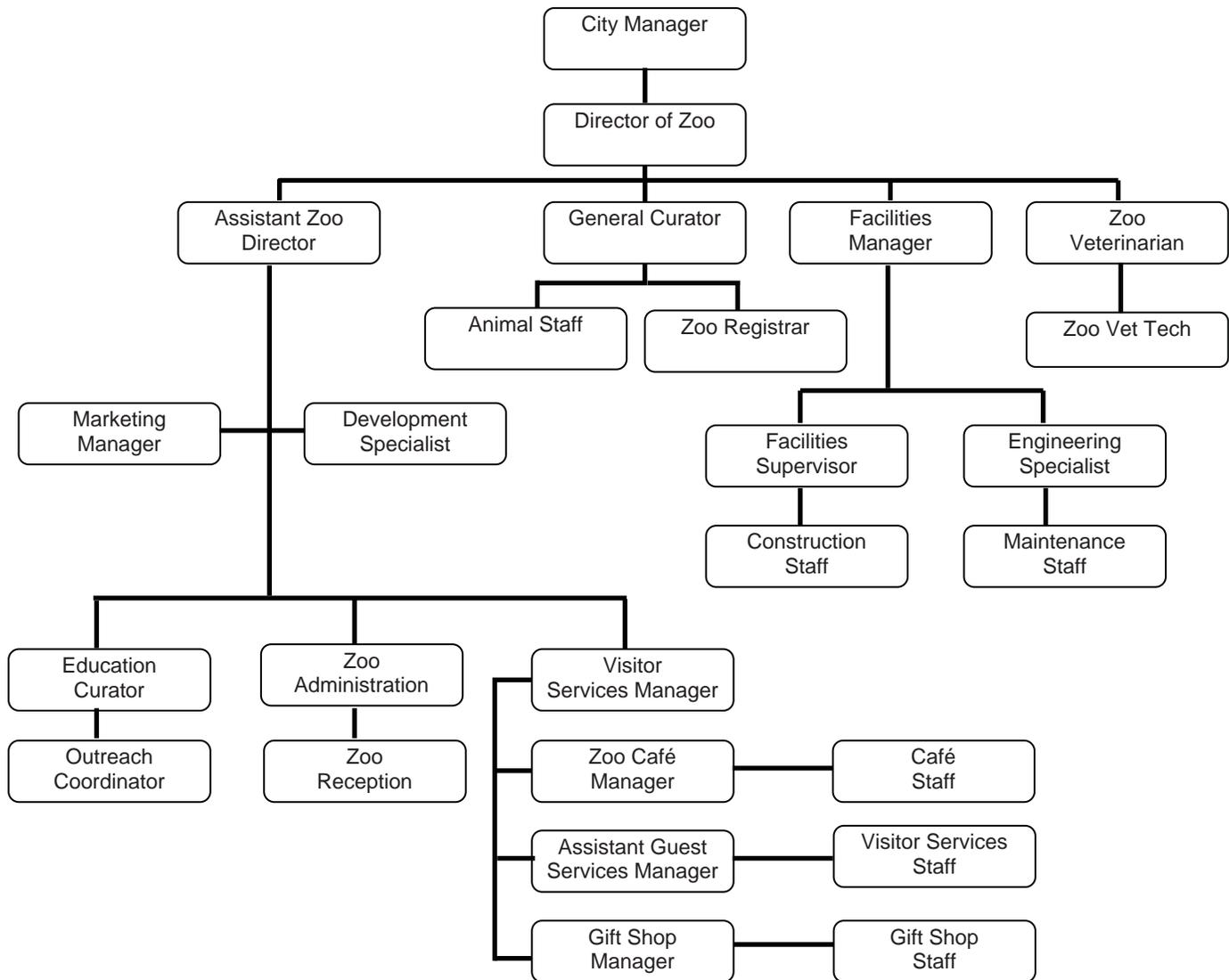
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To provide a safe, healthy, and clean environment that offers a variety of aquatic, fitness and sport activities that will improve the health and fitness of the citizens of Little Rock at the Jim Dailey Aquatic and Fitness Center.			
<b>Demand:</b> Potential program attendance capacity.	113,668	163,933	163,933
<b>Workload:</b> Actual program attendance.	81,000	105,296	110,000
<b>Efficiency:</b> Attendance per month.	10,367	11,381	11,381
<b>Effect/Outcome:</b> Percentage of actual attendance over potential attendance.	71%	64%	67%

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





# Zoo



## Mission Statement

The Little Rock Zoo creates engaging experiences that inspire people to value and conserve our natural world.

Zoo

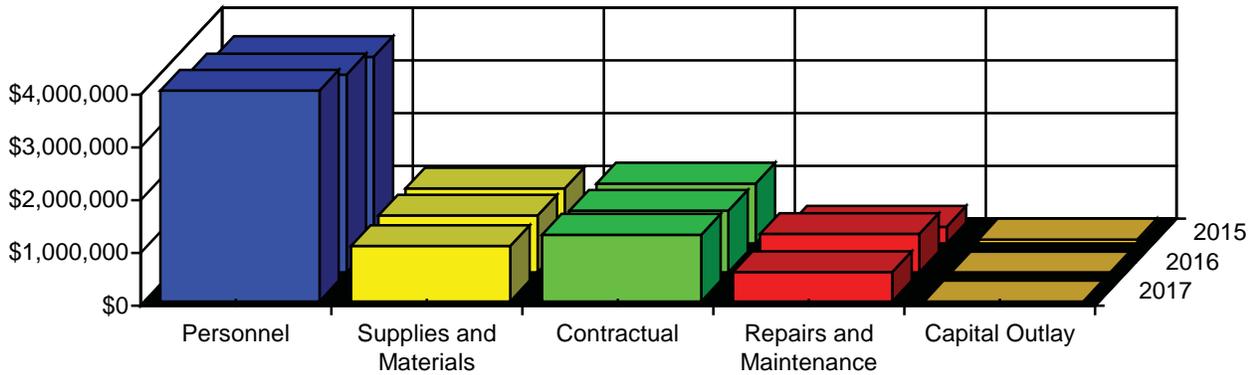
Expenditure Budget

Description	2015	2016	2017
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$3,538,297	\$3,889,437	\$4,038,274
Supplies and Materials	1,043,562	1,087,025	1,052,262
Contractual	1,135,039	1,223,389	1,266,389
Repairs and Maintenance	315,937	610,190	557,069
Capital Outlay	74,470	0	0
<b>Total</b>	<b>\$6,107,305</b>	<b>\$6,810,041</b>	<b>\$6,913,994</b>

Staffing	2015	2016	2017
	61	61	62

Approximately \$148,800 of the increased personnel cost is associated with salary and benefit changes for non-uniform and the addition of a Safety Manager position. The increase in contracts is associated with conservation support. Funding for new positions and deferred maintenance supported by the 5/8-cent sales tax have been continued in 2017.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$6,913,994	1.53%



Zoo

2016 Department Priorities	Status
Continue implementation of the Zoo's Master and Strategic Plan.	Ongoing
Perform maintenance and construction updates to the north tunnel area, west primates, and walls at otter/bush dog areas.	Ongoing
Construct a new restroom facility in the entry plaza.	Ongoing
Hire a Marketing Coordinator, Development Specialist, Safety Manager, and Marketing Development Assistant.	Ongoing
Complete the Associations of Zoos and Aquariums (AZA) accreditation process.	Ongoing
Complete construction of the Arkansas Heritage Farm and plan a grand opening.	Complete
Install new directional and area signs throughout the Zoo.	Other
Complete construction of gray water treatment plant to assist with water conservation.	Ongoing
Celebrated the Zoo's 90th Anniversary.	Complete
Install a new updated Point of Sale (POS) system for gate admission, gift shop, café, amusement rides, and special events.	Other

2017 Department Goals
Continue implementation of the Zoo's Master and Strategic Plan.
Perform maintenance and construction updates to the north tunnel area, west primates, and walls at otter/bush dog areas.
Construct a new restroom facility in the entry plaza.
Hire a Zoo Marketing Coordinator, Development Specialist and Marketing Development Assistant.
Complete the Associations of Zoos and Aquariums (AZA) accreditation process.
Hire a Marketing Coordinator, Development Specialist, Safety Manager, and Marketing Development Assistant.
Maintain AZA accreditation.
Complete construction of gray water treatment plant to assist with water conservation.
Install a new Point of Sale (POS) system.
The Little Rock Zoo will develop a Conservation action plan.
The Little Rock Zoo will create an Education master plan.
Complete restoration of "Over the Jumps" carousel sleighs (grant project).
Complete construction of "Safari Relief Station" public restrooms (grant project).
Complete a feasibility study in joint venture with AZF to prepare for a capital campaign.
The Zoo endeavors to upgrade the lion exhibit enclosure.
Begin construction of a colobus/sevral exhibit.
Begin installation of new pathways throughout the Zoo (grant project).



Zoo

**Department:** Zoo  
**Funding Source:** General Fund  
**Budget:** \$6,913,994

**Department Description:**

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

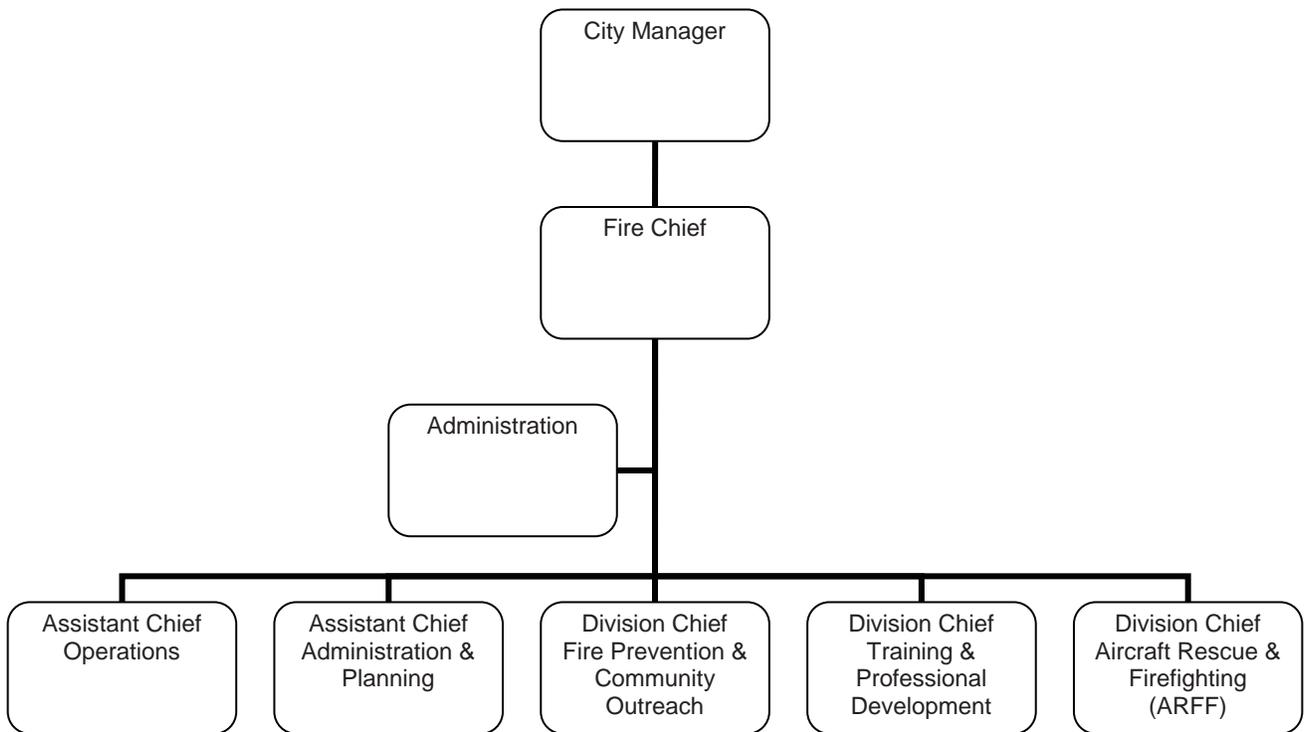
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To track annual admission revenue.			
<b>Demand:</b> Anticipated annual admission revenue.	\$2,289,600	\$1,702,700	\$1,800,000
<b>Workload:</b> Actual annual admission revenue.	\$1,689,910	\$1,702,700	\$1,800,000
<b>Efficiency:</b> Average revenue per month.	\$140,743	\$141,892	\$150,000
<b>Effect/Outcome:</b> Percentage actual admissions revenue over anticipated admissions revenue.	74%	100%	100%
<b>Objective:</b> To track annual membership sales.			
<b>Demand:</b> Anticipated annual membership sales.	\$510,000	\$474,000	\$500,000
<b>Workload:</b> Actual membership sales.	\$504,148	\$515,000	\$500,000
<b>Efficiency:</b> Average sales per month.	\$42,013	\$42,916	\$41,667
<b>Effect/Outcome:</b> Percentage actual membership sales over anticipated membership sales.	99%	108%	100%

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





# Fire



## Mission Statement

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

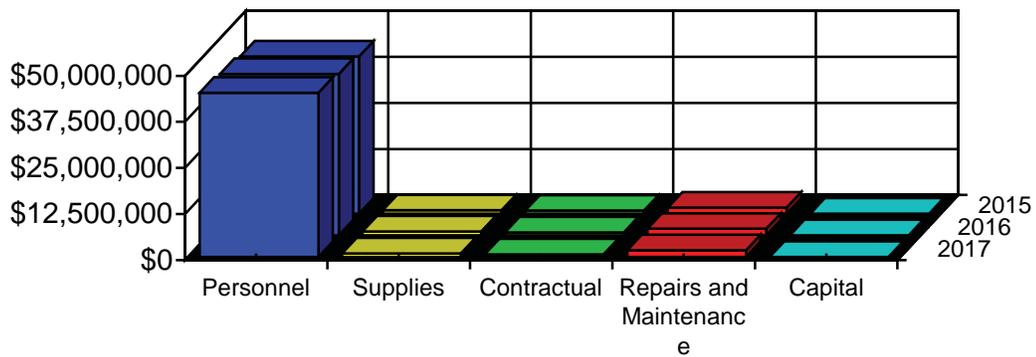
**Fire**

<b>Expenditure Budget</b>			
	2015	2016	2017
Description	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$42,613,013	\$43,752,478	\$44,575,529
Supplies and Materials	914,635	1,073,802	971,760
Contractual	804,602	771,010	723,781
Repairs and Maintenance	1,652,176	1,768,554	1,846,947
Capital	683		
<b>Total</b>	<b>\$45,985,109</b>	<b>\$47,365,844</b>	<b>\$48,118,017</b>

<b>Staffing</b>	421	421	422
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Approximately \$823 thousand of the increase in personnel cost is attributed to salary and benefit costs changes for uniform employees. This includes an increase in the LOPFI contribution rate of 1% and an increase in funding for the closed local Fire Pension fund of approximately \$119,500, the addition of an Accreditations Administrator position, and an increase in overtime associated with the FLSA change from a 27 day cycle to a 14 day cycle.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$48,118,017	1.59%



Fire

2016 Department Priorities	Status
Creative Use of Information Technology (IT): Use technology to ensure the effective delivery of emergency response services. Worked with our IT department to purchase I-pads for fire inspectors enabling more efficient inspection reporting and issuing violation notices. Collect data on-site and uploading information in real-time.	Complete
Annual Employee Recognition Program: Appreciation of employees is a fundamental human need. Firefighters responded to appreciation expressed through recognition of their good work because it confirms their work is valued. It is important that the LRFD establish their own independent employee recognition program. We believe that when our firefighters and their work are valued, their satisfaction and productivity rises, and they are motivated to maintain or improve their good work.	Complete
Service Delivery: Little Rock covers 121 square miles and is protected by twenty-one (21) fire stations strategically located throughout the city. Our minimum response time goal is to reach an emergency within four minutes of dispatch 90 percent of the time. A multi-faceted approach will be utilized to address the challenges presented by dispatch and deployment in our service area. For example, the department would like to explore the possibilities of real-time deployment of the closest and most appropriate resources by upgrading our existing computer aided dispatch system to include Automatic Vehicle Locator (AVL) to accomplish this. (If feasible).	Not Complete
Self-Contained Breathing Apparatus: We currently use the 2002 version of the air-pack with the ability to upgrade to the 2007 version, which wouldn't address our critical need of replacing the unit with the most current version. Therefore we are scheduled to continue phase in of the 2013 version of the SCBA for all existing inventory.	Ongoing
Fire Extinguisher Training for Target Occupancies: With the acquisition of our Bull Ex fire extinguisher simulator we will be able to provide training to a multitude of business occupancies and their staff. Our initial target will be high-rise occupancies.	Ongoing
Accreditation: This is a proven method that measure's our community risk and accurately evaluates the organization's performance. We will continue toward achieving accreditation through the Center for Public Safety Excellence.	Ongoing



<b>2017 Department Goals</b>
Self-Contained Breathing Apparatus: LRFD upgraded to the 2007 version of the self-contained breathing apparatus (SCBA) however it does not fully address the critical needs of the department. Continue phase in of the 2013 version of the SCBA for all existing inventory.
Fire Extinguisher Training for Target Occupancies: With the acquisition of Bull Ex fire extinguisher simulator LRFD will be able to provide training to a multitude of business occupancies and their staff. The initial target will be high-rise occupancies.
Accreditation: This is a proven method that measure's our community risk and accurately evaluates the organization's performance. We will continue toward achieving accreditation through the Center for Public Safety Excellence.
Homeless Awareness Campaign: Personnel will be equipped with literature that provides information on assistance to homeless individuals. This initiative will train Fire Department personnel on homeless awareness and response training and develop a resource brochure.
Replace Records Management System: LRFD will upgrade from an in-house Records Management System to a system that will provide the department with the ability to easily collect and organize all of its data and report NFIRS data to state and federal stakeholders. This new system will enable LRFD to track and measure department goals and create custom response time benchmarks to monitor performance against the NFPA 1710 standards of cover.
Fire Station #24 Request for Qualifications (RFQ) Architectural Drawing: As LRFD moves forward with the construction of the Southwest Fire Station, this is the first step in accomplishing this feat. Construction is slated for the 4th quarter of 2017 with completion estimated to be late fall of 2018.
Fire Station #24 Apparatus Purchase: The fire apparatus build process takes an estimated eleven (11) months. With the approval and funding of the 2016 short-term financing note this process will begin this year.
Implement a Company Officer Development/Mentorship Program: Implementation of this program will enable the organization to invest in personnel by harvesting individuals' knowledge, skills, and abilities and providing them with the tools necessary to do their job, giving them the ability to gauge their personal levels of competence as they seek elevated ranks within the organization.
Succession Planning: The Little Rock Fire Department will continue to hire the most capable and qualified candidates as firefighters. In addition, LRFD will use the experience and knowledge of senior membership to develop our workforce through a myriad of professional development and job-shadowing opportunities.



Fire

**Department:** Fire  
**Funding Source:** General Fund  
**Budget:** \$48,118,017

**Department Description:**

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

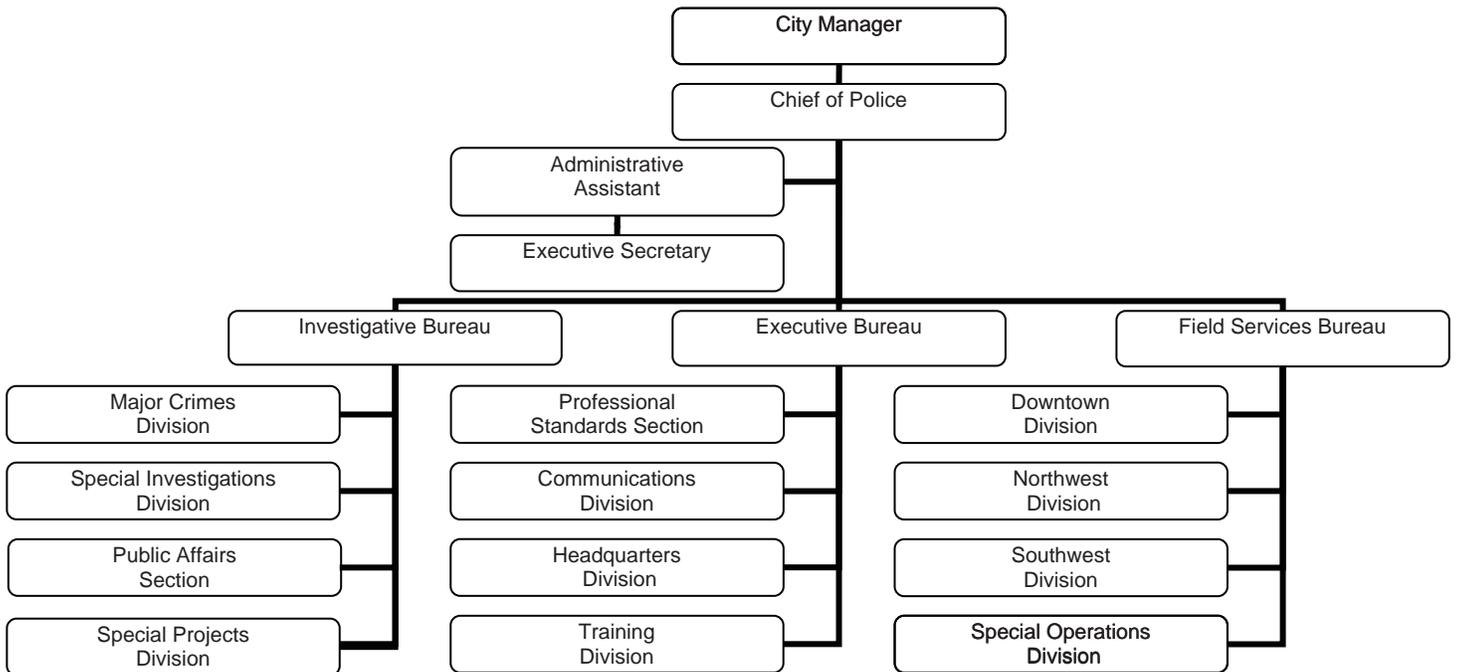
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> Train certified personnel to meet the individual training hours required by Insurance Services Organization (ISO) and improve the competence level of the workforce.			
<b>Demand:</b> Total number of hours of training completed.	88,356	109,528	115,004
<b>Workload:</b> Total number of hours of individual training required per year.	144,878	125,388	125,388
<b>Efficiency:</b> Average number of training hours per person.	364	283	297
<b>Effect/Outcome:</b> Percentage of training hours vs. required hours.	61%	87%	92%
<b>Objective:</b> Fire Marshals Division perform inspections of commercial structures including schools, daycare centers, nursing homes, high-rise buildings, and hospitals.			
<b>Demand:</b> Number of inspections on commercial structures required annually.	2,718	2,652	2,652
<b>Workload:</b> Commercial Building and Structures inspected annually.	638	569	626
<b>Efficiency:</b> Commercial Building and Structures inspected per month.	53	47	52
<b>Effect/Outcome:</b> Percentage of inspections completed annually.	23%	21%	24%

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





# 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**

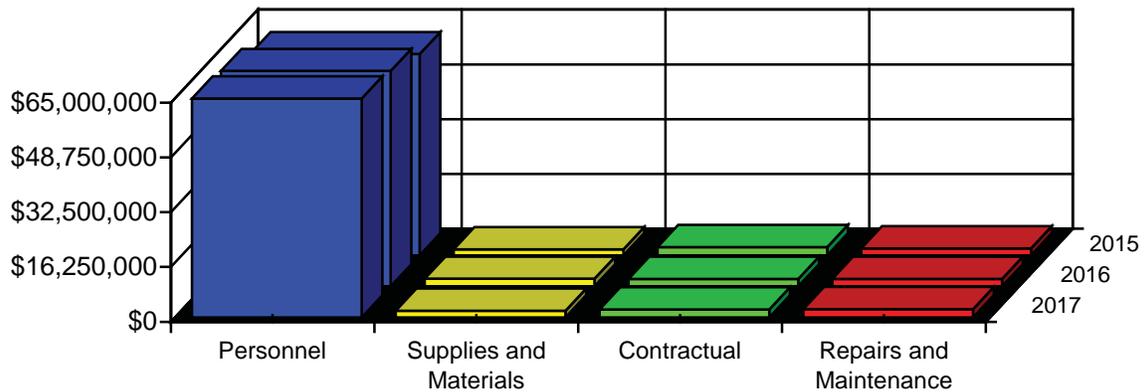
**Expenditure Budget**

Description	2015	2016	2017
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$59,700,619	\$63,858,106	\$64,880,438
Supplies and Materials	1,809,792	2,271,002	1,955,936
Contractual	2,426,240	2,183,403	2,372,437
Repairs and Maintenance	2,092,301	2,235,627	2,442,403
<b>Total</b>	<b>\$66,028,952</b>	<b>\$70,548,138</b>	<b>\$71,651,214</b>

<b>Staffing</b>	717	732	733
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Police Department increases reflect the continued effort to fill vacant uniform and 911 call taker positions. In addition, approximately \$1 million of the increase in personnel cost is attributed to salary and benefit cost changes, including an increase in the LOPFI contribution rate of 1% and match funding for fifteen (15) COPS officers added in 2016. Other cost increases include increased allocations for rent and maintenance contracts, and funding for operating expenses for the Pankey Police Substation.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
100 General Fund	\$71,651,214	1.56%



Police

2016 Department Priorities	Status
Continue to improve and expand Police Officer recruiting efforts and conduct at least two Recruit Schools during 2016.	Ongoing
Continue to emphasize the utilization of the Criminal Abatement Program and maintain coordination with the City Attorney's Office.	Ongoing
Reduce the overall incidents of violent and property crime by 3.0%.	Ongoing
Enhance the supervisory skills and abilities of mid-level and Command Staff by increased attendance at management schools and training seminars.	Ongoing
Maintain CALEA (Commission on Accreditation for Law Enforcement Agencies) standards/best practices, on-line policies, and Civil Service review involving deadly force investigations, de-escalation documentation; initiating an annual review of policies and procedures.	Ongoing

2017 Department Goals
Continue to improve and expand Police Officer recruiting ongoing efforts and conduct three Recruit Schools during 2017.
Continue to emphasize the utilization of the Criminal Abatement Program and maintain coordination with the City Attorney's Office.
Reduce the overall incidents of violent and property crime.
Enhance the supervisory skills and abilities of mid-level and Command staff by increased attendance at management schools and training seminars.
Maintain Commission on Accreditation for Law Enforcement Agencies (CALEA) standards/establish best practices, policies on-line, Civil Service review involving deadly force investigations, document de-escalation and initiate annual review of policies and procedures.
Implement the 21st Century Policing Principles by utilizing the following six (6) pillars: Building Trust and Legitimacy; Polciy and Oversight; Technology and Social Media; Community Policing and Crime Reduction; Training and Education; and Officer Wellness and Safety.
Fleet Services, Finance and Little Rock Police Department (LRPD) will develop a proposal for a Strategic Vehicle Replacement Plan that will address the replacement of older patrol units in the Police Department. The goal is to annually retire and replace 20% of the older patrol units over the next five (5) years and then keep vehicles on a replacement schedule.
LRPD, LRFD, and LRIT will collaborate to research, outline and implement a Computer Aided Dispatch (CAD) System (software, interfaces, components, etc.) that best serves the City and its citizens and visitors.



Police

**Department:** Police  
**Funding Source:** General Fund  
**Budget:** \$71,651,214

**Department Description:**

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

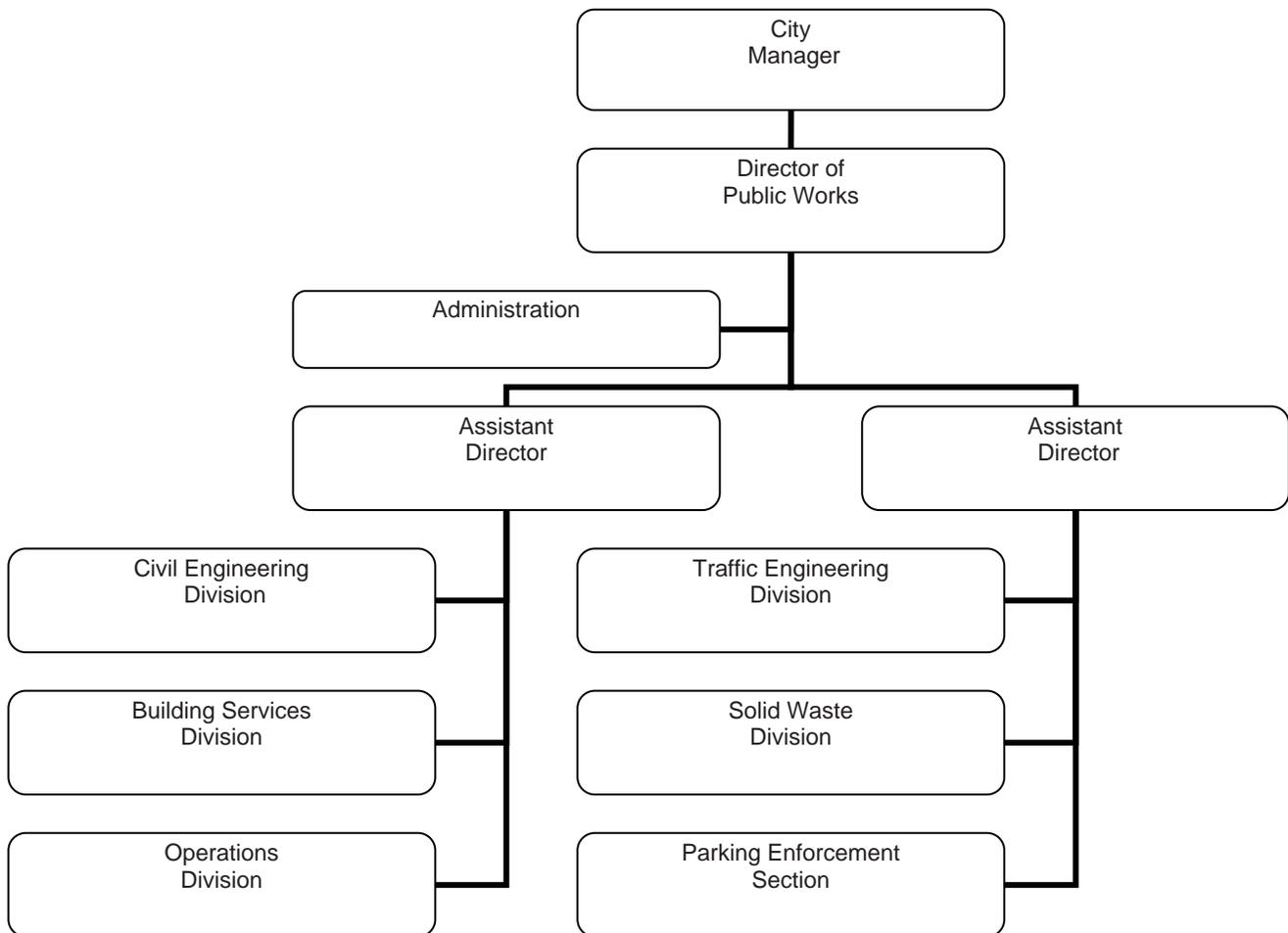
	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To respond to high priority calls – minutes from Dispatch to arrival.			
<b>Demand:</b> Calls for service.	610,888	620,500	623,500
<b>Workload:</b> Calls for service.	610,888	620,500	623,500
<b>Efficiency:</b> Total response time in minutes.	6.64	6.99	7.00
<b>Effect/Outcome:</b> Percentage of calls with response time under 14 minutes.	100%	100%	100%

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





# Public Works Department



**Public Works Street Fund**

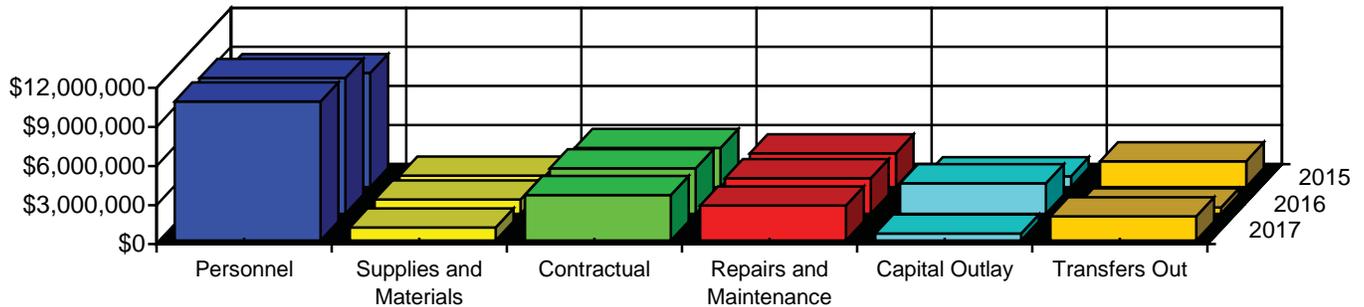
**Expenditure Budget - Street Fund**

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$8,750,777	\$10,410,678	\$10,657,454
Supplies and Materials	884,942	1,101,263	983,911
Contractual	3,002,735	3,493,056	3,483,056
Repairs and Maintenance	2,595,913	2,732,712	2,676,043
Capital Outlay	838,911	2,342,000	528,651
Transfers Out	1,974,217	477,717	1,843,717
<b>Total</b>	<b>\$18,047,493</b>	<b>\$20,557,426</b>	<b>\$20,172,832</b>

<b>Staffing</b>	213	214	216
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The 2017 Street Fund Budget is balanced. Expenditure changes include an allocation for infrastructure and equipment from the ½-Cent Sales Tax. In addition, Fleet fuel cost has been reduced due to a decrease in prices. Personnel cost includes the transfer of an Asset Manager from Building Services to the Street Fund.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
200 Street Fund	\$20,172,832	-1.87%



2016 Department Priorities	Status
2014 Street Resurfacing Program: Complete the 2014 Street Resurfacing Program.	Complete
2015 Street Resurfacing Program: Complete the 2015 Street Resurfacing Program.	Complete
2016 Sidewalk Program: Coordinate the annual sidewalk program with revenue from the 2011 Sales Tax Plan.	Complete
Complete the design and move all 2013 to 2015 Bond and Sales Tax projects to construction.	Complete
Upon adoption of the 2016 to 2018 Sales Tax project list, initiate the design of all projects and move the first projects to construction.	Ongoing
Complete the construction of the western portion of the River Trail Bike Connector. Initiate construction of the pedestrian bridge over the Union Pacific Railroad.	Ongoing
Continue to identify intersections affected by street resurfacing and replace vehicle detection systems with camera or loops.	Ongoing
Provide design assistance for Bond Projects; (especially those involving bike lanes, complete streets, roundabouts, etc.).	Ongoing
Monitor street light outages and repair or replace non-working lights.; Installing light emitting diode (LED) lights where possible.	Ongoing
Provide design assistance for the University Avenue Adaptive System for Traffic Signal Control.	Ongoing
Implement new traffic signal timing and arterial coordination plans for Chenal Parkway and the West Grid (Bowman-Chenal-Markham-Shackleford).	Complete
Work with Human Resources to hire and retain qualified Signal Technicians for long-term employment with City.	Ongoing



<b>2017 Department Goals</b>
Upon adoption of the 2016 to 2018 Sales Tax project list, initiate the design of all projects and move the first projects to construction.
Complete the construction of the western portion of the River Trail Bike Connector. Initiate construction of the pedestrian bridge over the Union Pacific Railroad.
Continue to identify intersections affected by street resurfacing and replace vehicle detection systems with camera or loops.
Monitor street light outages and repair or replace non-working lights.; Installing light emitting diode (LED) lights where possible.
Provide design assistance for Bond Projects; (especially those involving bike lanes, complete streets, roundabouts, etc.).
Work with Human Resources to hire and retain qualified Signal Technicians for long-term employment with City.
2016 Street Resurfacing Program - Complete the 2016 Street Resurfacing Program.
2017 Street Resurfacing Program - Coordinate the annual street resurfacing program.
2017 Sidewalk Program - Coordinate the annual sidewalk program with revenue from the 2011 Sales Tax Plan.
Provide design assistance for the University Avenue adaptive signal control system.
Continue to provide design assistance for bicycle facilities.
Continue to provide design assistance for Bond Overlay projects.
Install light emitting diode (LED) streetlights as and when repairs are needed for existing fixtures.
Obtain new traffic counts and Update Signal timing plans for major corridors as needed.



**Public Works Street Fund**

**Department:** Public Works  
**Funding Source:** Street Fund  
**Budget:** \$20,172,832

**Department Description:**

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

	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To review and approve commercial building permits for consistency with Code requirements for streets, drainage, and environmental programs.			
<b>Demand:</b> Permits for review	90	117	120
<b>Workload:</b> Permits reviewed	90	117	120
<b>Efficiency:</b> Permits processed per month.	7.5	7.6	10
<b>Effect/Outcome:</b> Percentage of permits completed.	100%	100%	100%
<b>Objective:</b> Administer Street Sweeping Program to clean the streets, remove debris, and prevent interference with the City's drainage system and providing a clean and aesthetically pleasing environment.			
<b>Demand:</b> Annual Street Sweeping Program miles.	21,209	30,000	25,000
<b>Workload:</b> Sweeping Program Street Lane miles.	21,209	30,000	25,000
<b>Efficiency:</b> Program Miles Completed per month.	1,767	1,767	2,083
<b>Effect/Outcome:</b> Percentage of miles completed.	100%	71%	100%
<b>Objective:</b> To respond to citizen requests/complaints regarding Traffic Issues affecting neighborhoods and/or other parts of the City.			
<b>Demand:</b> Requests for review.	321	360	375
<b>Workload:</b> Requests reviewed	321	360	375
<b>Efficiency:</b> Requests completed per month.	26.75	30	31.25
<b>Effect/Outcome:</b> Percentage of requests submitted/completed.	100%	100%	100%

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





# Fleet Services



## Mission Statement

It is the mission of the Fleet Services Department to provide the City of Little Rock's internal and external customers with safe and dependable vehicles, equipment and service facilities. Our goal is to work in partnership with our customers and employees to provide high quality products and services in a cost-effective manner.

***Keeping Little Rock Rolling***

**Fleet Services**

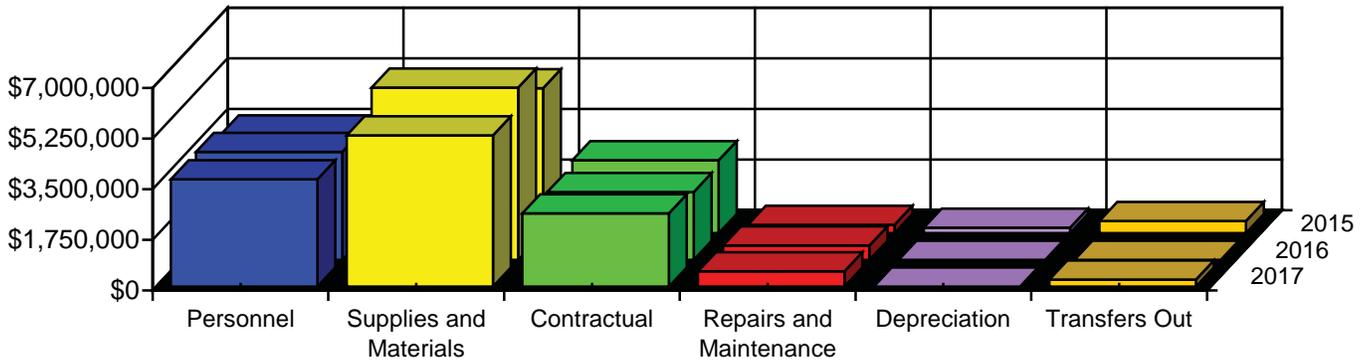
**Expenditure Budget**

Description	2015	2016	2017
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$3,412,735	\$3,732,290	\$3,707,793
Supplies and Materials	5,005,413	5,960,365	5,227,640
Contractual	2,524,694	2,339,877	2,529,201
Repairs and Maintenance	285,373	497,350	529,965
Depreciation	186,993	184,400	237,953
Transfers Out	414,744		
<b>Total</b>	<b>\$11,829,952</b>	<b>\$12,714,282</b>	<b>\$12,232,552</b>

<b>Staffing</b>	2015	2016	2017
	61	63	63

The Fleet Services Budget anticipates net income of \$9,175. A decrease in fuel expenses is offset by a decline in anticipated fuel revenue associated with reduced prices.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
All Operating Departments	\$12,232,552	-3.79%



Fleet Services

2016 Department Priorities	Status
Participate in Emergency Vehicle Technician, Automotive Service Excellence (ASE) and Pulaski Tech Compressed Natural Gas (CNG) Training Classes for Technical staff professional developmental needs. Achieve an ASE Blue Shop Certification Status in addition to all maintenance technicians achieving a least one (1) ASE Certification.	Ongoing
Purchase and install an additional CNG Compressor for increased capacity and reliability. The estimate cost for this project is \$250,000.	Complete
To become Industry Certified through Fleet Consulting Services and Government Fleet Management Alliance. Fleet will continue to strengthen the areas that must improve in order to achieve this Certification, which includes establishing a Citywide Service Level Agreement, enforcing the Vehicle Utilization Policy, building a more efficient supply-chain management system and enforcing the Preventive Maintenance Policy.	Not Completed
Conduct a City-Wide Fleet Inventory. A hands-on inventory is scheduled every two (2) years to maintain the integrity of the fleet count. Acquisitions will complete the vehicle inventory that was started in 2015.	Complete
Initiate possible leasing plans for creative financing that will lessen the strain on the Fleet Budget while increasing purchasing opportunities for the City's Fleet. In addition, Fleet Services, Finance and Little Rock Police Department (LRPD) will develop a proposal for a Strategic Vehicle Replacement Plan that will address the replacement of older patrol units in the Police Department.	Ongoing
Acquire an Electronic Ordering System for Parts and Maintenance. Staff to perform a pilot program that will streamline the parts and maintenance interface. The goal of the program is to establish a system that will allow Maintenance Technicians to order parts remotely through tablets and scanners without leaving their stations.	Other (No system or components available to support this goal)
Setup a Fleet Quick Lube Station by converting one (1) side of the car wash building at the J.E. Davis facility into a Quick Lube Station with the recommended oil changes based on industry standard on new-model vehicles. This area will be staffed with two (2) additional employees.	Ongoing
Fleet Acquisition will work to identify and pursue additional vehicle funding from the federal and state government that will assist in the purchase of alternative fueled vehicles.	Ongoing
Supply Chain Management Program: Fleet operates three (3) part facilities that service the City's fleet. Fleet will review various private vendor-operated systems to determine the type of program that will best serve the City's fleet parts requirement. A pilot program will be enacted utilizing a Parts Consignment Program, which will eliminate the need for Fleet personnel to monitor and stock inventory and will allow the current inventory to be removed from the books. Fleet will be billed for parts as the are utilized.	Other (Project on hold)



<b>2017 Department Goals</b>
Participate in Emergency Vehicle Technician (EVT), Automotive Service Excellence (ASE) and selected manufacturer training programs for technical staff's professional developmental needs. Achieve an ASE Blue Seal Shop Certification Status, in addition to all maintenance technicians achieving at least one (1) ASE Certification.
To become Industry Certified through Fleet Consulting Services and Government Fleet Management Alliance. Fleet will continue to strengthen the areas that must improve in order to achieve this Certification, which includes establishing a Citywide Service Level Agreement, enforcing the Vehicle Utilization Policy, building a more efficient supply-chain management system and enforcing the Preventive Maintenance Policy.
Develop a 5-Year Fleet replacement strategy for the City. An emphasis is placed on current development of the Police Department's plan that does include an assigned vs unassigned vehicle analysis. The plan for the rest of the departments will follow.
Setup a Fleet Quick Lube Station by converting one (1) side of the car wash building at the J.E. Davis facility into a Quick Lube Station with the recommended oil changes based on industry standard on new-model vehicles. This area will be staffed with two (2) additional employees.
Fleet Acquisition will work to identify and pursue additional vehicle funding from the federal and state government that will assist in the purchase of alternative fueled vehicles.
Increase individual technicians' and overall shop's productivity and efficiency levels to exceed industry standards and obtain national certifications and recognitions.
Continue to be recognized as one of the top fleets in the country.
Upgrade current fleet management system to either FASTER web or INFOR's Asset Management module (EAM). An EAM demo was presented in 2016. A FASTER web version demo will be set-up in February 2017.
Convert one (1) side of the car wash building at the J.E. Davis facility into a Quick Lube Station. With the recommended oil changes based on industry-standard on new-model vehicles, there is a need to have a maintenance area specifically for quick lubes. This area will be staffed with two (2) additional employees. This station will be fully operational in the second quarter.
Fleet Acquisitions will work with Purchasing and Finance to streamline or shorten the approval process for Annual Purchase Orders and reconfigure the requisitioning, Purchase Order assignment, inventory receipt and invoice approval elements by implementing a controlled Item master to aid the generally accepted accounting 3-way matching protocol.
Rollout a robust super-user training initiative for Fleet's system administrator and managers to familiarize them with an integrated ERP (Enterprise Resource Planning) module that interacts directly with Purchasing and Finance. Understanding how the asset management software interacts with these two (2) departments is extremely critical.
Develop and implement a single departmental attendance database for all of Fleet Services inclusive of Vehicle Storage. Use a single system for data storage and reporting regardless of collection device. The database is 75% complete and will be rolled out in the second quarter.



**Fleet Services**

**Department:** Fleet Services  
**Funding Source:** Fleet Services Internal Service Fund  
**Budget:** \$12,232,552

**Department Description:**

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

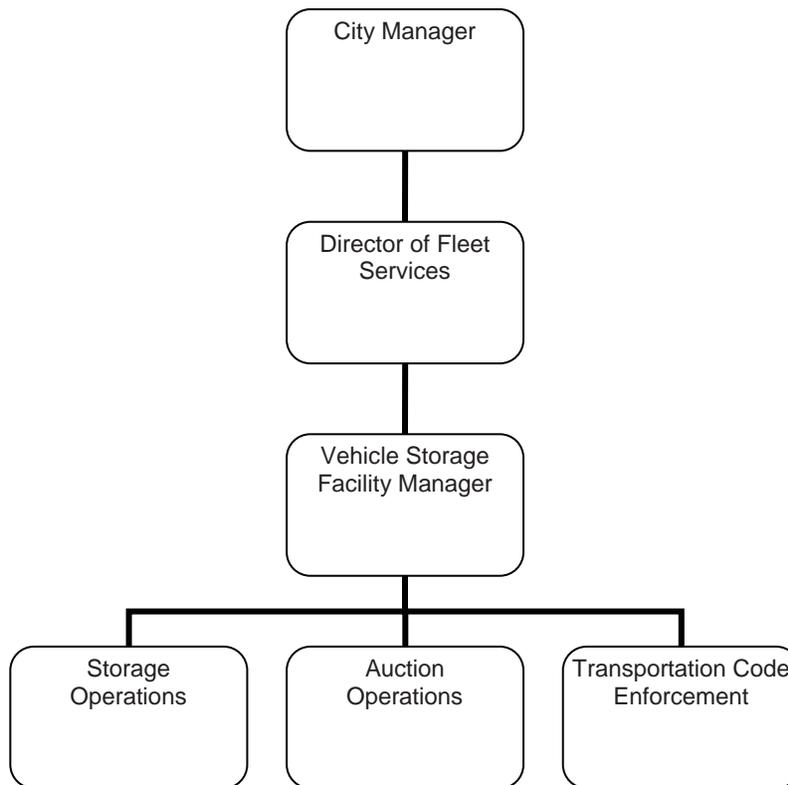
	<u>2015 Actual</u>	<u>2016 Budget</u>	<u>2017 Budget</u>
<b>Objective:</b> To complete 95% of fleet unit preventative maintenance before or on the due date, as per Fleet Sentinel standards.			
<b>Demand:</b> Preventative work orders scheduled.	2,685	3,162	3,636
<b>Workload:</b> Preventative work orders opened and closed.	2,605	2,750	3,838
<b>Efficiency:</b> Preventative work orders closed on or before due date.	2.171	2,400	3,111
<b>Effect/Outcome:</b> Percentage of work orders closed on or before due date vs. total scheduled work orders.	81%	76%	86%
<b>Objective:</b> To increase the number of direct shop hours to 85% of total shop hours.			
<b>Demand:</b> Total number of shop hours.	65,802	76,800	84,480
<b>Workload:</b> Shop hours categorized as direct shop hours.	52,237	64,000	67,584
<b>Efficiency:</b> Average direct shop hours per month.	4,353	5,333	5,3632
<b>Effect/Outcome:</b> Percentage of direct shop hours /total available shop hours.	79%	83%	80%

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





# Vehicle Storage Facility



## Mission Statement

It is the mission of the Vehicle Storage Facility to provide support to City law enforcement entities by providing safe storage for vehicles until the registered owner reclaims the vehicle, to dispose of unclaimed and abandoned vehicles through public auction as required by law and to regulate for-hire transportation services.

**Vehicle Storage Facility**

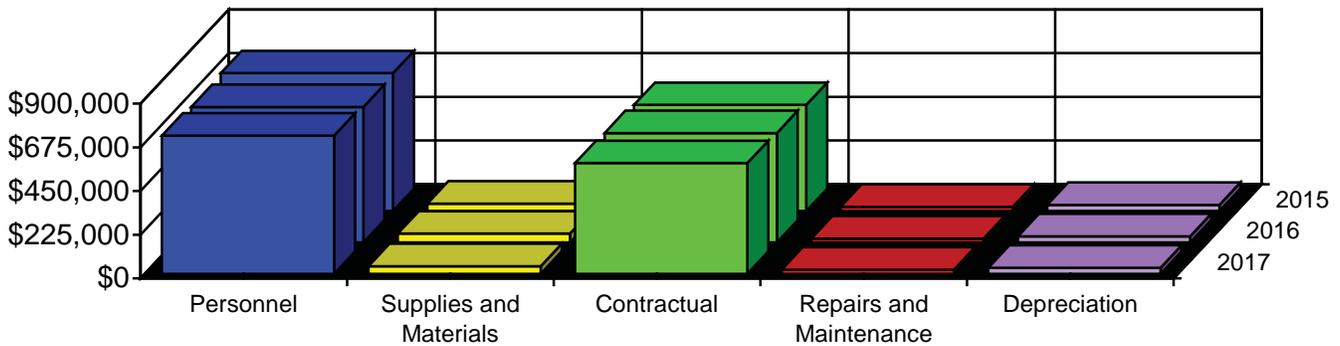
**Expenditure Budget**

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$710,672	\$697,984	\$712,530
Supplies and Materials	39,049	45,817	39,270
Contractual	546,937	563,430	570,850
Repairs and Maintenance	21,964	20,661	21,460
Depreciation	31,903	31,900	31,900
<b>Total</b>	<b>\$1,350,525</b>	<b>\$1,359,792</b>	<b>\$1,376,010</b>

<b>Staffing</b>	15	13	13
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The Vehicle Storage Fund Budget is balanced.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
601 Vehicle Storage Facility Fund	\$1,376,010	1.19%



**Vehicle Storage Facility**

2016 Department Priorities	Status
Collaborate with Little Rock Police Department in relocating the crime scene bay from it's current location to an area located on the Vehicle Storage lot where vehicles are stored.	Ongoing
Pave the auction parking lot with new asphalt.	Ongoing

2017 Department Goals
Collaborate with Little Rock Police Department in relocating the crime scene bay from it's current location to an area located on the Vehicle Storage lot where vehicles are stored.
Pave the auction parking lot with new asphalt.
Bring Vehicle Storage into the same business management system with the other Fleet divisions. A cash or point-of-sale component must be considered similar to the Zoo's system.



**Vehicle Storage Facility**

**Department:** Vehicle Storage Facility  
**Funding Source:** Vehicle Storage Enterprise Fund  
**Budget:** \$1,376,010

**Department Description:**

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

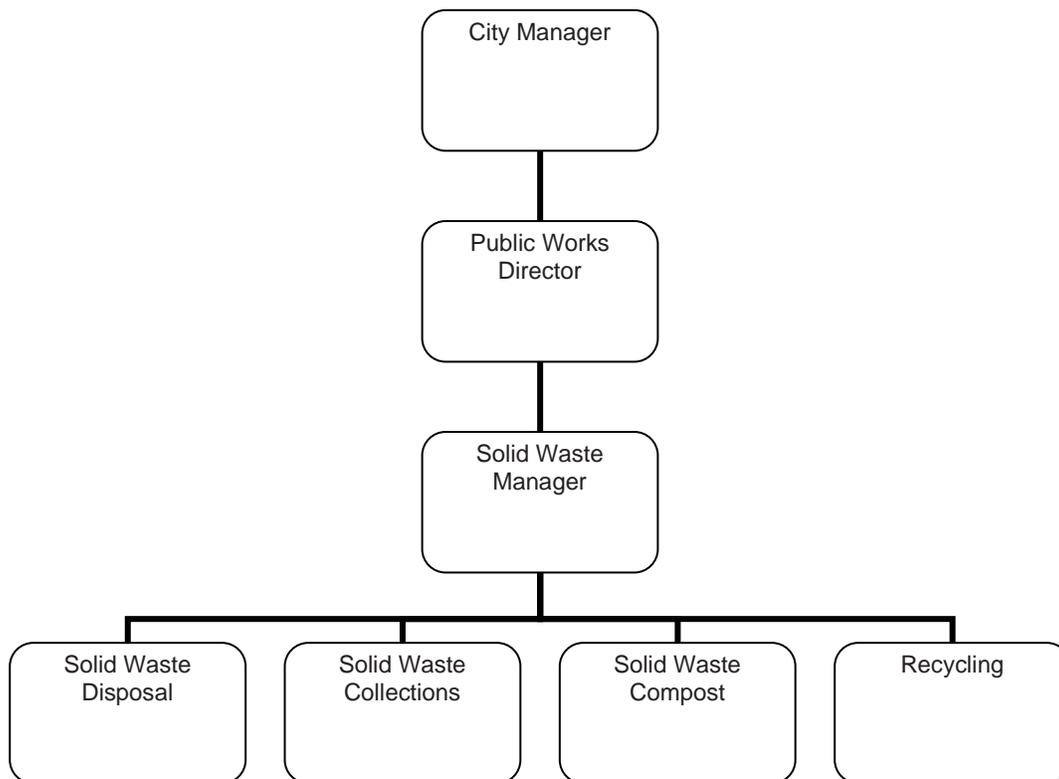
	<u>2015 Actual</u>	<u>2016 Budget</u>	<u>2017 Budget</u>
<b>Objective:</b> To release 100% of eligible vehicles within 60 days of impoundment.			
<b>Demand:</b> Impounded vehicles.	2,806	3,000	3,300
<b>Workload:</b> Impounded vehicles eligible for release.	2,138	2,940	2,400
<b>Efficiency:</b> Eligible vehicles released within 60 days.	2,138	2,940	2,400
<b>Effect/Outcome:</b> Percentage of eligible vehicles released within 60 days.	76%	98%	73%

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





# 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**

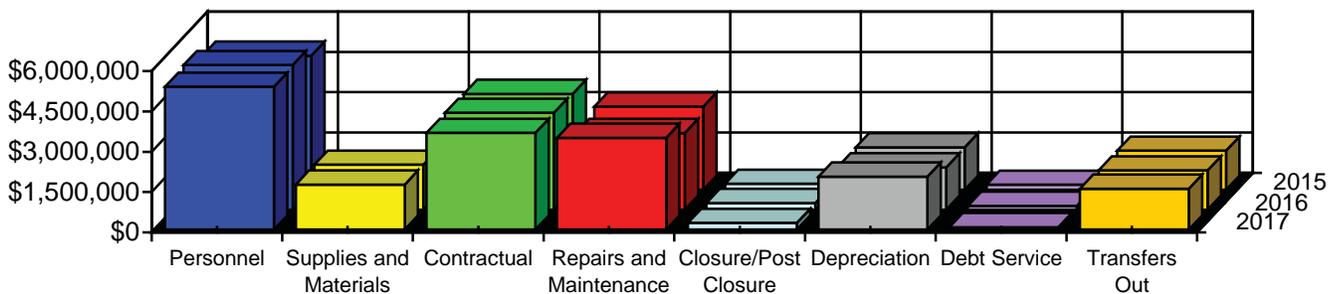
**Expenditure Budget**

Description	2015 Actual Expenditures	2016 Adopted Budget	2017 Adopted Budget
Salaries and Employee Benefits	\$4,985,513	\$5,377,307	\$5,313,018
Supplies and Materials	870,055	1,675,250	1,674,796
Contractual	3,565,086	3,603,100	3,597,975
Repairs and Maintenance	3,092,738	2,848,466	3,414,570
Closure/Post Closure	223,537	247,945	247,945
Depreciation	1,579,900	1,575,550	1,971,352
Debt Service	188,759	141,389	92,025
Transfers Out	1,457,072	1,459,859	1,521,580
<b>Total</b>	<b>\$15,962,660</b>	<b>\$16,928,866</b>	<b>\$17,833,261</b>

<b>Staffing</b>	113	116	113
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The Waste Disposal Fund is budgeted in accordance with Generally Accepted Accounting Principles 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. In addition to the operating expenses presented above, capital expenditures for continuation of a Garbage Truck Replacement Program are planned.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 17 Proposed Budget	% Change from Prior Year
603 Waste Disposal Fund	\$17,833,261	5.34%



**Waste Disposal**

2016 Department Priorities	Status
Complete a geographic study of cell 6 to establish a time frame for engineering design and construction of western half of cell 5 in the Class 1 landfill.	Not Completed

2017 Department Goals
Complete a geographic study of cell 6 to establish a time frame for engineering design and construction of western half of cell 5 in the Class 1 landfill.
Continue to contact nearby Solid Waste Districts to be on bidders list for future disposal bids.
Include on-board cameras and monitoring functions in the purchase of 8 side loader garbage trucks to expand technology usage in solid waste collections.



**Waste Disposal**

**Department:** Waste Disposal  
**Funding Source:** Waste Fund  
**Budget:** \$17,833,261

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

	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>2017 Budget</b>
<b>Objective:</b> To promote recycling and increase annual tonnage collected.			
<b>Demand:</b> Curbside recycling tonnage to be collected	10,000	10,000	10,000
<b>Workload:</b> Curbside recycling tonnage collected.	10,000	10,000	10,000
<b>Efficiency:</b> Curbside recycling tonnage collected/month.	809	833	833
<b>Effect/Outcome:</b> Percentage of tonnage collected annually.	100%	100%	100%
<b>Objective:</b> To monitor incoming tonnage to the Class I and Class IV Landfill Cells.			
<b>Demand:</b> Class 1 & Class 4 tonnage to be disposed.	125,000	125,000	125,000
<b>Workload:</b> Class 1 & Class 4 tonnage received.	125,000	125,000	125,000
<b>Efficiency:</b> Average monthly tonnage disposed of in Class 1 and Class 4 landfills.	10,385	10,417	10,417
<b>Effect/Outcome:</b> Percentage of tonnage collected annually.	100%	100%	100%

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




# 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 ninety (90) 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.

**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.

\* Little Rock, Arkansas, Code of Ordinances

### 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	2,476.56
Streets Graded and Surface Treatment	419.12
Paved - Permanent (Concrete and Asphalt)	2,057.44
Alleys Maintained	62.82
Drainage Ditches Maintained	1,571.12
Storm Sewers Maintained	366.82
Miles of Water Lines	1,392.40
Sanitary Miles	1,384.00

Traffic Controls:

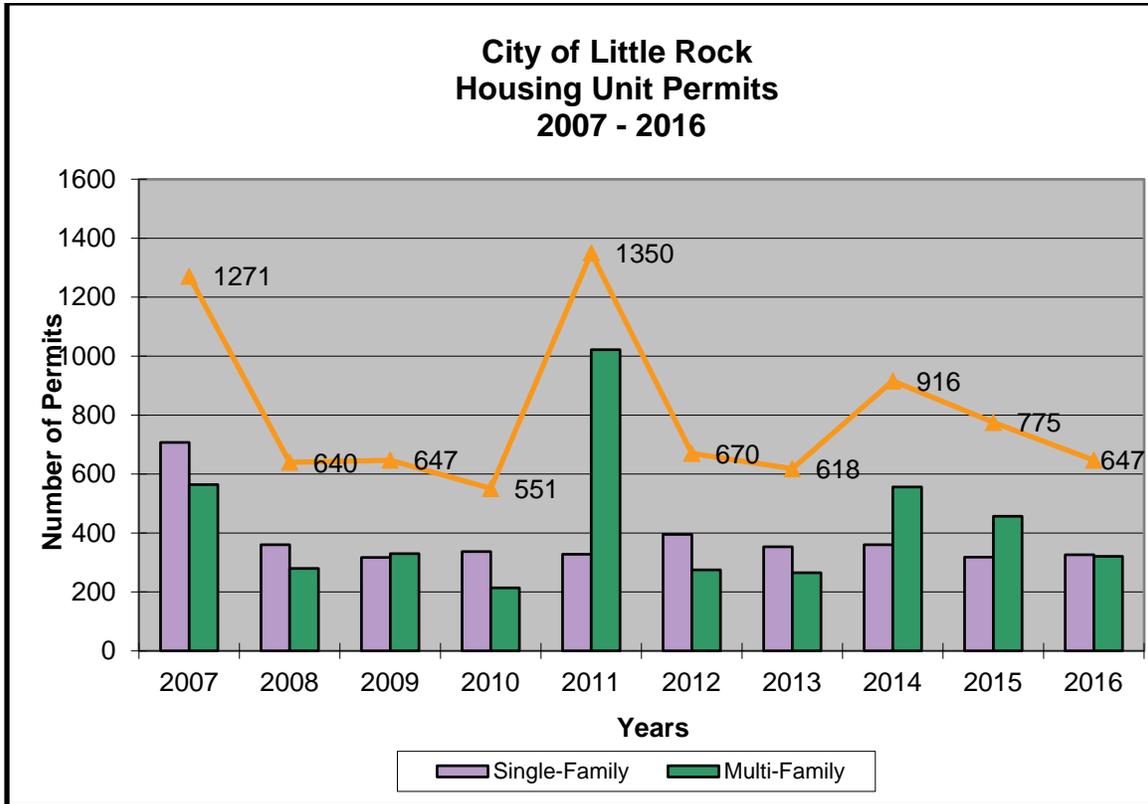
Signals Malfunctions	2,096
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Solid Waste/Garbage Collection:

Class I and IV tonnage	135,104
Yard Waste	28,978
On-call Service	28,098
Knuckleboom truck pick-ups	9,014
Number of Residential Users	58,747
Number of Commercial Users	416

Building Permits:

<u>Year</u>	<u>Permits Issued</u>	<u>Estimated Cost</u>
2007	2,734	\$ 614,588,257
2008	1,957	\$ 433,788,975
2009	3,690	\$ 394,776,760
2010	2,832	\$ 343,976,010
2011	3,304	\$ 356,450,894
2012	2,011	\$ 391,789,405
2013	2,000	\$ 385,865,486
2014	2,024	\$ 593,559,207
2015	2,059	\$ 414,586,125
2016	2,276	\$ 448,913,149



Sales Tax Rate:

Local	1.5%
County	1.0%
State	6.5%

Bond Rating:

General Obligation Bonds	
Standard and Poor's	AA
Moody's	Aa1

Fire Protection:

Number of Stations	21
Number of Uniformed Employees	416
Number of Calls	28,635

Insurance Rating for Insurance Service Office (ISO)

City of Little Rock	Class I
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Police Protection:

Number of Stations	10
Number of Uniformed Employees	523
Calls for Service Police	620,500
Other 3-1-1 calls	152,281

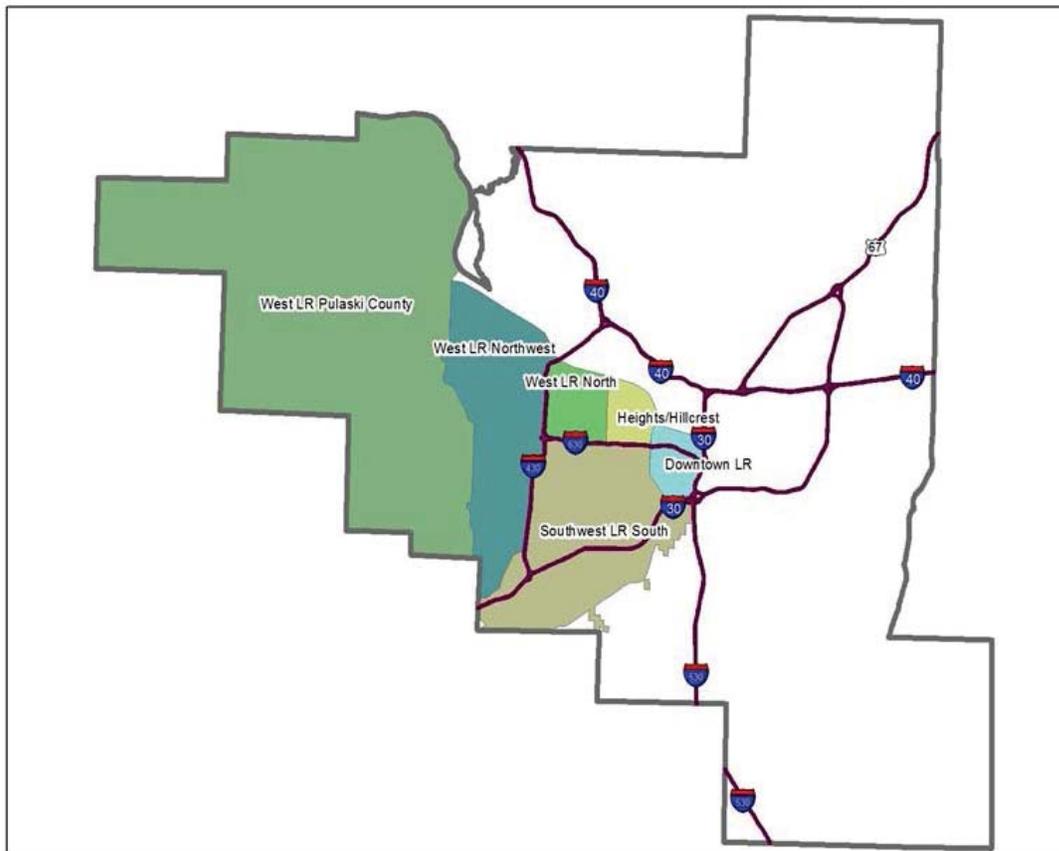
**Central Arkansas Real Estate Values**

<u>Location</u>	<u>Assessed Date</u>	<u>Average Total Parcel Value*</u>	<u>Residential Parcels with dwelling</u>
Little Rock - Downtown	12/31/2016	\$75,014	5,324
Little Rock - Hillcrest/Heights	12/31/2016	\$307,761	5,118
Little Rock - Southwest/South	12/31/2016	\$71,188	22,286
Little Rock West - North	12/31/2016	\$194,461	9,163
Little Rock West - Northwest	12/31/2016	\$238,325	16,490
Little Rock West - Pulaski County	12/31/2016	\$289,539	5,724

\*Average Total Parcel Value is based on Parcels with residential dwellings as indicated by the Pulaski County Assessor

Source: Pulaski County GIS and Pulaski County Assessor Parcels March 2017

Compiled by Metroplan 03/06/2017



## Recreation:

Number of Parks, Including Park Development	63
Total Acres (developed & undeveloped)	6,467
Number of Playgrounds	42
Number of Tennis Courts	43
Number of Basketball Courts	35
Number of Museums	1
Number of Golf Courses	3
Number of Ball Fields	26
Number of Play Fields	22
Number of Community Centers	6
Number of Swimming Pools	3
Number of Adult Centers	1
Number of Soccer Fields	13
Number of Fitness Centers	1
River Market	1
Riverfest Amphitheatre	1
Number of Pavilions	31
Number of Volleyball Courts	18
Total Recorded Park Attendance - 2016	612,066
Number of Zoos	1
Total Zoo Attendance – 2016	280,279
Total Zoo Outreach Program	22,626

Medical Facilities Number of beds  
(private occupancy rooms):

Arkansas Children's	369
Arkansas Heart Hospital	112
Arkansas State Hospital	321
Baptist – Little Rock	843
Baptist Rehabilitation Institute	120
Baptist Health Extended Care	55
Cornerstone Hospital Little Rock	40
Pinnacle Pointe Behavioral Healthcare System	124
St. Vincent Infirmary Medical Center	615
University of Arkansas Medical Center	450
Veteran Health Care System	195
Total Number of Beds	<u>3,244</u>
Estimated Total Beds per 1,000 Population:	16.3

## POPULATION

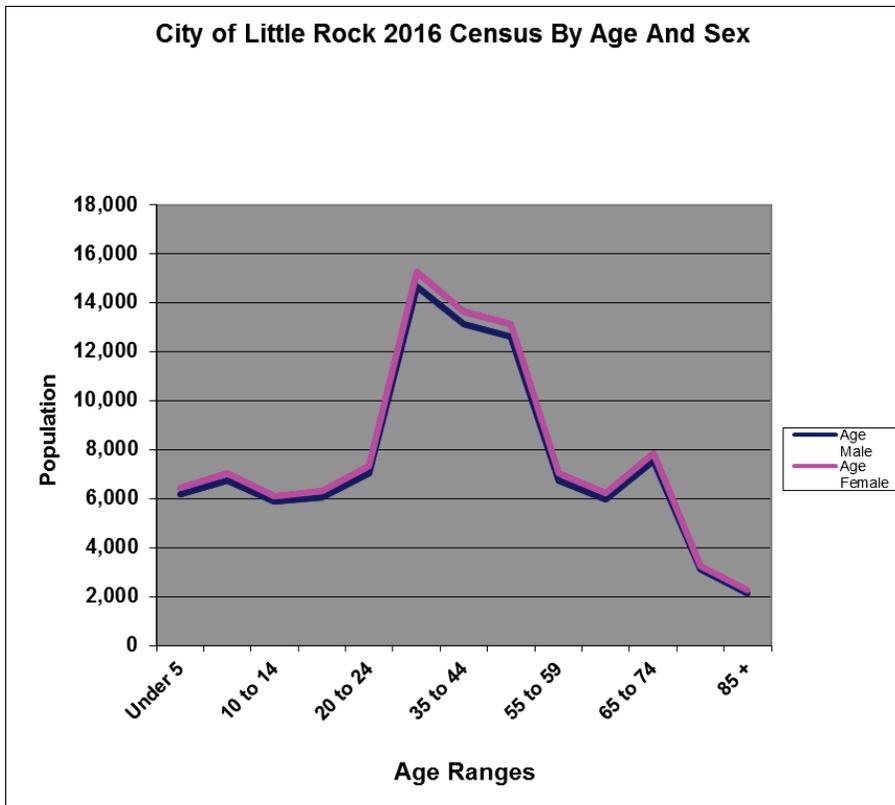
<u>Year</u>		<u>Number</u>
1910		45,941
1920		65,142
1930		81,657
1940		88,039
1950		102,310
1960		107,813
1962	Special Census	125,671
1964	Special Census	128,929
1970	Census	144,824
1974	Special Census	139,703
1978	Special Census	144,824
1980	Census	159,024
1985	Special Census	178,134
1990	Census	175,795
1992	U.S. Census Bureau Estimate	176,870
2000	Census	183,133
2010	Census	193,524
2011	Special Census*	195,310
2012	Special Census**	194,439
2013	Special Census**	196,814
2014	Estimate	198,704
2015	Estimate **	202,081
2016	Estimate **	199,597

\* Source: Arkansas Business 2016 Book of Lists

\*\* Source: Metroplan

**City of Little Rock 2016 Population By Age and Sex**

Age Ranges	Male	Female
Under 5	6,160	6,414
5 to 9	6,747	7,025
10 to 14	5,867	6,109
15 to 19	6,063	6,312
20 to 24	7,040	7,331
25 to 34	14,667	15,272
35 to 44	13,103	13,643
45 to 54	12,614	13,134
55 to 59	6,747	7,025
60 to 64	5,965	6,211
65 to 74	7,529	7,840
75 to 84	3,129	3,258
85 +	2,151	2,240



Gender:

Male

48.99%

Female

51.01%

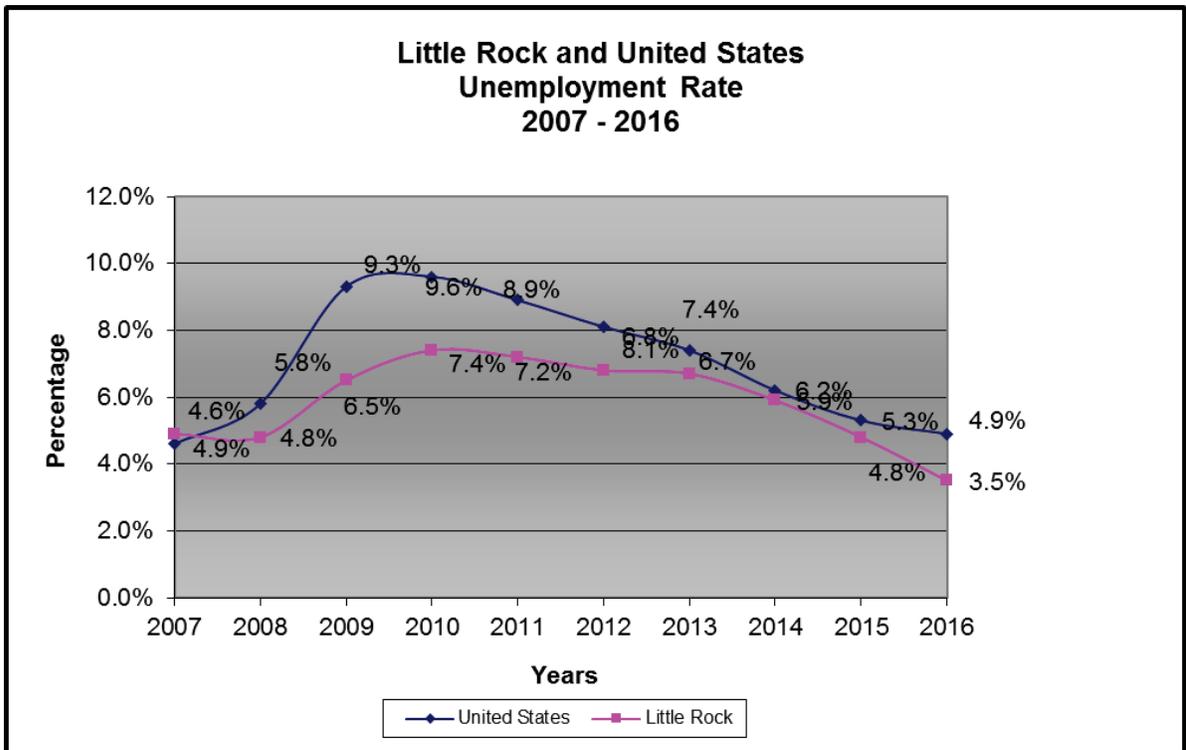
**LITTLE ROCK AND ENVIRONS**

Per Capita Income (2015)	\$31,883
Median household income (2015)	\$44,251
U.S. Consumer Price Index (November 2015)	244.16
Percent inflation over past year	2.5%
Average unemployment percentage rate	3.5%
Median Age (2015 special census)	36.6

Race (2015):

White	44.5%
Black or African American	42.0%
Hispanic or Latino *	7.8%
Asian	3.7%
Other	1.9%

\*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	2,097
Number of Registered Students	24,283
Number of Kindergarten Students	1,956
Average Daily Attendance - Elementary Schools	9,741
Average Daily Attendance - High/ Middle Schools	11,007
Average Daily Attendance - Kindergarten	1,951
Tax Rate: (Mills)	
Real	46.4
Personal	46.4

**PULASKI COUNTY STATISTICS**

Population 25 years and over	134,528
Percent of Population Age 25+	67%
Education level in years of formal schooling:	
High School or Equivalent	24.7%
Some college, no degree	23.3%
Bachelor's degree	21.4%
MA/Professional degree or higher	12.5%

**LITTLE ROCK INSTITUTIONS OF HIGER EDUCATION**

2015 - 2016

Enrollment

<u>Institution</u>	<u>2015</u>	<u>2016</u>
University of Arkansas at Little Rock	11,645	13,000
University of Arkansas for Medical Sciences	2,890	2,500
Arkansas Baptist College	855	1,100
Philander-Smith College	567	600
Webster University	159	159
Totals	16,116	17,359

Sources: Arkansas Department of Higher Education

**EMPLOYEES AS OF DECEMBER 31, 2016**

<u>City Government</u>	<u>Total</u>	<u>Full-Time</u>	<u>Part-Time</u>
AFSCME	385	385	
IAFF	398	398	
FOP	480	480	
Non-union	<u>1,212</u>	<u>667</u>	<u>545</u>
	2,475	1,930	545
 <u>Commissions</u>			
Wastewater Utility	212	212	
Bill & Hillary Clinton National Airport	160	158	2
LR Convention & Visitors Bureau	185	117	68
Little Rock Port Authority	8	8	
Metropolitan Emergency Medical Services	327	300	27
Rock Region Metro	198	194	4
Arkansas Museum of Discovery	41	25	16
Arkansas Arts Center	109	58	51
Central Arkansas Library	<u>295</u>	<u>207</u>	<u>88 *</u>
	1,535	1,279	256
Total Employment	<u>4,010</u>	<u>3,209</u>	<u>801</u>

\* Includes 46 temporary

**Little Rock Area Major Employers  
2016**

<u>Company</u>	<u>Industry</u>	<u>Employees</u>
1 State Government – within the MSA	Government	35,200
2 Local Government – within the MSA	Government	26,500
3 Federal Government – within the MSA	Government	10,200
4 University of Arkansas for Medical Sciences	Education/Medical Services	9,100
5 Baptist Health	Medical Services	6,590
6 Little Rock Air Force Base	Government	4,500
7 Arkansas Children's Hospital	Medical Services	4,000
8 Little Rock School District	Schools/Colleges/Education	3,500
9 Central Arkansas Veterans HealthCare	Medical Services	2,800
10 Entergy Arkansas	Utility (Electric)	2,740
11 Pulaski County Special School District	Schools/Colleges/Education	2,700
12 CHI St. Vincent Health System	Medical Services	2,600
13 AT&T	Utility (Telephone)	2,600
14 Arkansas Blue Cross Blue Shield	Insurance	2,590
15 Verizon Wireless	Communications/Telecommunications	2,500
16 Dillard's Inc.	Department Store	2,400
17 Union Pacific Railroad	Transportation (Railroad)	2,000
18 Dassault Falcon Jet Corp.	Falcon Aircraft Models	2,000
19 CenterPoint Energy	Utility (Natural Gas)	1,600

Source: Greater Little Rock Chamber of Commerce - 03/13/2017

The City of Little Rock, Arkansas’s largest own-source revenue is sales tax. Sales taxes primarily come from two separate taxes: a one and one-half cent city tax based on point of sale and a portion of the county’s one cent tax based on population. The City of Little Rock makes up approximately 51% of the county population and receives a like proportion of the county tax. In 2016, the 1 ½ cent city sales tax generated revenue of \$74,220,987.

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

<b>Little Rock Top Ten 1 1/2 Cent Sales Taxpayers</b>	<b>Tax</b>	
<b>Industry</b>	<b>Collected</b>	<b>% of Total</b>
All Other General Merchandise	6,354,269	8.56%
Full Service Restaurants	5,663,744	7.63%
Grocery Stores	5,091,672	6.86%
Electric Power Generation, Transmission and Distribution	3,330,803	4.49%
Building Materials and Supplies Dealers	3,119,789	4.20%
Clothing Stores	2,884,817	3.89%
Traveler Accommodation	2,783,314	3.75%
Sporting Goods; Hobby; and Musical Instrument Stores	2,131,740	2.87%
Professional and Commercial Equipment and Supplies Wholesalers	1,965,831	2.65%
Electronics and Appliance Stores	1,827,870	2.46%
	Totals	35,153,848 47.36%

<b>Little Rock Top Ten 1 Cent County Sales Taxpayers</b>	<b>Tax</b>	
<b>Industry</b>	<b>Collected</b>	<b>% of Total</b>
All Other General Merchandise	4,351,514	10.55%
Full Service Restaurants	3,109,118	7.54%
Grocery Stores	2,724,397	6.61%
Building Materials and Supplies Dealers	2,119,942	5.14%
Electric Power Generation, Transmission and Distribution	2,054,419	4.98%
Electronics and Appliance Stores	1,465,957	3.56%
Clothing Stores	1,278,125	3.10%
Sporting Goods; Hobby; and Musical Instrument Stores	999,578	2.42%
Telecommunications	974,256	2.36%
Traveler Accommodation	965,077	2.34%
	Totals	20,042,383 48.61%

# Glossary



## **GLOSSARY OF KEY BUDGET TERMS**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Lapsing Appropriation** – An appropriation made for a certain period of time, generally for the budget year. At the end of the specified period, any unexpended or unencumbered balance lapses or ends, unless otherwise provided by law. Most operating funds are lapsing funds.

**Maintenance** - Maintenance encompasses a variety of materials and services for land and equipment of a permanent or semi-permanent nature or for software for the renewal, replacement, repair, minor renovation, and other cost associated with keeping an asset in proper condition or working order.

**Millage** - The tax rate(s) levied on real and personal property. One mill equals \$1 per \$1,000 of assessed property value.

**Modified Accrual Basis of Accounting** - A basis of Accounting according to which (1) revenues are recognized in the accounting period in which they become available and measurable and (2) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

**Net Position** – The residual of all other elements presented in a statement of financial position. The term incorporates deferred outflows of resources and deferred inflows of resources as defined by GASB Statement No. 63 into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

**Non-Lapsing Funds** – A fund whose unencumbered appropriation balance remains available for expenditure after the end of the fiscal year. A non-lapsing fund remains open and available for use until all appropriations are expended,

transferred, or closed by budgetary action. Grants and Capital Funds normally operate as non-lapsing funds.

**Non-Operating Fund** - A fund established to account for revenue and expenditures that are not recurring and, therefore, not part of the annual operating budget. Examples of these revenues are sales taxes set aside for special items, and one-time revenue collections such as litigation settlements. Examples of expenditures are those for special programs and projects, and for capital projects.

**Non-Operating Income or Expense** - A non-recurring, unusual type of revenue or expense that would distort financial results if presented as an operating item. These items are reflected below the operating income line on statements of income and expense.

**Operating Revenues** – Regular and recurring sources of income for an entity.

**Operating Expenses** – Recurring costs required to provide a service or maintain an operation.

**Other Reimbursements** – Usually nonrecurring funds received from another entity. Amounts refunded for costs incurred or expenses paid.

**Outside or Other Agency** - These are local organizations that are not a part of City government, but that receive appropriations from the City in exchange for services provided to citizens. Examples are the Central Arkansas Transit Authority, the County Health Department, and the Pulaski County Jail.

**Program** - A division or sub-unit of an agency budget, which identifies a specific service activity to be performed. For example, a snow and ice removal program is funded in the Public Works Street Maintenance Budget.

**Proprietary Fund Type** - Funds that focus on the determination of operating income, changes in net assets – or cost recovery – financial position, and cash flows. There are two different types of proprietary funds: Enterprise Funds and Internal Service Funds.

**Rating** - Ratings are issued by several institutions as an indication of the likelihood that an obligation will be repaid. The highest rating is triple A, which is awarded to debt securities of the U. S. Government. Little Rock's general obligation bonds are rated AA by two rating agencies, which indicate a high level of confidence in the City's ability to repay its obligations.

**Recycling** - Share of proceeds from the sale of newspaper, metal, and glass collected by a private company from sanitation routes.

**Redemption** - The repayment of a bonded indebtedness. Redemption can occur at a specified date, or can be subject to early retirement, should funds be available to do so.

**Reserve** - The Board of Directors may set aside moneys into an account called a reserve to provide for future needs or to meet unknown obligations. For example, the City self-insures for workers' compensation claims and maintains a reserve to meet any unforeseen future claims. The City also maintains a general working capital reserve to meet unknown emergency needs.

**Restricted Reserve** - A specific amount of cash set aside by action of the Board of Directors for funding unforeseen contingencies such as destruction from a tornado, flooding, or litigation.

**Retained Earnings** - The excess of revenue or expenditures that has accumulated since the inception of a Proprietary Fund.

**Revenue(s)** - Increases in the net current assets of a Governmental Fund Type from other than expenditure refunds, general long-term debt proceeds and operating transfers in.

**Risk Management** - A program to effectively deal with the varied risks faced by the City. This includes protecting the public and City employees by providing commercial or self-insurance coverage for fire, vehicle, and public official and other liabilities, developing and maintaining safe driving programs, and maintaining a safe working environment.

**Salaries Wages and Employee Benefits** - All costs associated with providing personnel for an agency or program including salaries, wages, social security and Medicare tax payments, retirement contributions, health, dental, life, disability, unemployment insurance and Workers' Compensation coverage.

**Special Project** - Generally, a project funded for a specific purpose. Special projects may be for capital improvements or other non-operating items, or for specific programs such as Children, Youth, and Family initiatives.

**State Tax Turnback** - The State of Arkansas returns a portion of its tax receipts to incorporated cities within the state. Certain turnback revenues may be used for general purposes, while other turnback funds are restricted to street improvements.

**Sundries** - Revenue received from miscellaneous sources.

**Supplies** - Supplies are articles that when consumed or used, show a material change in their physical condition. These items generally last less than one year. Examples of supplies are office supplies, clothing, cleaning and janitorial supplies, petroleum products and chemicals, medical & laboratory expenses.

**Transfers In** - Reimbursements or allocations from other funds.

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

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

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

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

## **GLOSSARY OF KEY ACRONYMS**

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

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

**ARNRC** – Arkansas Natural Resource Commission.

**ARRA** – American Recovery and Reinvestment Act of 2009

**AZA** – Association of Zoos and Aquariums

**CAFR** – Comprehensive Annual Finance Report

**CATA** – Central Arkansas Transit Authority

**CDBG** – Community Development Block Grant representing federal block grants used primarily for street improvements, community services and community center operations.

**CIP** – Capital Improvement Program is a multi-year plan for capital expenditures to replace and expand the City’s infrastructure, vehicles and equipment.

**COBRA/Retiree** – Omnibus Budget Reconciliation Act of 1985 is an insurance premium reduction plan for retired employees.

**COPS** – Community Oriented Policing Services funded by a federal grant.

**CYF** – Children, Youth and Families promotes a comprehensive and holistic approach that reaches out to families and children that are most at risk of losing a safe, nurturing, self-determining, drug-free and violence-free environment. The Program requires the full partnership of City and government agencies, local educational agencies, public and private business community, and dedicated organizations working directly in the neighborhoods.

**DWI/DUI** – Driving while intoxicated/Driving under the influence.

**FEMA** – Federal Emergency Management Administration

**FCC** – Federal Communications Commission is an independent United States government agency. The FCC was established by the Communications Act of

1934 and is charged with regulating interstate and international communications by radio, television, wire, satellite and cable. The FCC's jurisdiction covers the 50 states, the District of Columbia, and U.S. possessions.

**FULR** – Future Little Rock initiatives paid from a half cent sales tax initiated in 1994.

**FOP** – Fraternal Order of Police Union

**GAAP** – Generally Accepted Accounting Principles are accounting rules used to prepare, present, and report financial statements for a wide variety of entities, including publicly traded and privately-held companies, non-profit organizations and governments.

**GASB** – Government Accounting Standards Board is currently the source of generally accepted accounting principles used by State and Local governments in the United States of America. It was established to improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

**GFOA** – Government Finance Officers Association promotes the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

**IAFF** – International Association of Fire Fighters

**HIPP** – Home Investment Partnership Funds are expended to provide housing or housing assistance to qualifying citizens, to improve neighborhood streets and drainage and to operate community health and recreation facilities.

**LR Cent Committee** – Little Rock Citizens for Evaluation of New Tax is a committee of citizens, which is made up of two (2) Co-Chairs, individuals from each of the City's seven (7) Wards, and three (3) At-Large Members. The LR Cent Committee meets on a quarterly basis to evaluate the spending of the additional revenue generated by the one (1)-cent sales tax increase approved by voters in September 2011 that went into effect on January 1, 2012.

**LUZA** – Local Urban Projects is a program for land redevelopment in areas of moderate to high density urban land use. Urban renewal may involve relocation of businesses, the demolition of historic structures, the relocation of people, and the use of eminent domain (government purchase of property for public use) as a legal instrument to take private property for city-initiated development projects.

**MBE** – Minority Business Enterprise is an American term which is defined as a business which is at least 51% owned (male and female), operated and controlled on a daily basis by one or more (in combination) American citizens of the following ethnic minority classifications: African American, Asian American (includes West Asian Americans (India etc.) and East Asian Americans (Japan Korea etc.), Hispanic American – not of the Iberian peninsula and Native American including Aleuts.

**NHSP** – Neighborhood Housing Special Project Fund - Section 108 Guaranteed Loan Program to provide housing and housing assistance to qualifying citizens and to improve neighborhood infrastructure.

**NUSA** – Neighborhoods, USA is a national non-profit organization committed to building and strengthening neighborhood organizations. Created in 1975 to share information and experiences toward building stronger communities, NUSA now continues to encourage networking and information sharing to facilitate the development of partnerships between neighborhood organizations, government and the private sector.

**PIT** – Prevention, Intervention and Treatment Programs actively promote collaborations between public and private organizations, citizen groups, and other community-based organizations with its youth-oriented programming. Through a multi-faceted approach, PIT programs seek to reduce crime levels over time while encouraging the potential of local youth. The wide range of PIT programming encompasses services for education, health, safety, and employment for young people.

**RFP/RFQ** – Request for Proposal (RFP) is a method of bidding used when there are subjective qualifications which must be met before you consider pricing. The RFP gives the buyer a chance to evaluate subjective offerings such as the seller's approach to a project, references, personnel assigned to the task, and the seller's 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 Request for Qualifications (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

**WBE** – Women Business Enterprise – a classification of business enterprises wherein at least 51% of the business is women owned.