

1 serving in the position, the Acting City Clerk, or designated representative.

2 (C) *City Manager*, means the City Manager, or designated representative, of the City, or if no one is
3 officially serving in the position, the Acting City Manager, or designated representative, which may
4 include an Acting Assistant City Manager.

5 (D) *Director of Finance* means the Director of Finance and Treasurer, or designated representative, for
6 the City, or if no one is serving in the position, the Acting Director of Finance and Treasurer.

7 (E) *Expenditures* means decreases in net financial resources under the current financial resources
8 measurement focus, and pertains to payment of normal operating payments and encumbrances.

9 (F) *Expenses* mean the cost of doing business in a proprietary organization, and can be either outflows
10 or the using up of assets – cost expiration – such as the depreciation of fixed assets. Within the
11 context of this budget ordinance, “proprietary organization,” or “proprietary fund” refers only to a
12 method of accounting and is not used as any reference to whether the enterprise is conducted in a
13 governmental or proprietary manner, as that term is understood in Arkansas law. All enterprises
14 referred to in this ordinance shall be operated by the City in its governmental capacity.

15 (G) *Fund Balance* means the difference between assets and liabilities reported in the governmental fund
16 and represents the excess of revenues or expenditures that has accumulated since the inception of
17 the fund.

18 (H) *Revenue(s)* means:

19 (i) Increases in the net current assets of a Governmental Fund Type from other than expenditure
20 refunds and residual equity transfers, but does not include any general long-term debt proceeds
21 and operating transfers in – which are classified as “other financing sources,” unless these
22 constitute a reservation of fund balances for encumbrances carried forward from a prior year
23 and the expenditure for which the fund balance was created has also been carried forward; or,

24 (ii) Increases in the net total assets of a Proprietary Fund Type from other than expense refunds,
25 capital contributions and residual equity transfers, but does not include operating transfer in
26 which are classified separately from revenues, unless these constitute a reservation of fund
27 balances for encumbrances carried forward from a prior year and the expense for which the
28 fund balance was created has also been carried forward.

29 **Section 4. Compliance with Existing Laws, Statutes and Ordinances.** This ordinance has been
30 prepared in accordance with various Arkansas statutes that deal with municipal fiscal reporting
31 requirements, the *Financial Reporting Standards for the City of Little Rock, Arkansas*, as approved in Little
32 Rock, Ark., Rev. Code §§ 2-245 to 260.8 (1988), and the standards of the Government Finance Officers
33 Association.

1 **Section 5. Fiscal Year 2015 Budget.** The following respective amount for every resource and
2 appropriate use is herein set forth as follows:

3 **(A) APPROPRIATE OPERATING RESOURCES:**

4	General Fund (i)	\$194,740,211
5	Street	20,050,226
6	Waste Disposal	17,577,000
7	Parking Garages	2,196,750
8	Fleet Services	13,345,076
9	Vehicle Storage Facility	1,382,410
10	<u>TOTAL RESOURCES</u>	<u>\$249,291,673</u>

11 (i) General Fund operating resources include the carry-over of \$550,000 generated from the unused
12 portion of the 2014 contingency allocation.

13 **(B) APPROPRIATE OPERATING USES:**

14 **General Fund Departments**

15	General Administration	\$28,062,042
16	Board of Directors	342,027
17	Community Programs	423,578
18	City Attorney	1,836,901
19	Municipal Court – Criminal	1,405,790
20	Municipal Court – Environmental	626,782
21	Municipal Court – Traffic	1,248,245
22	Finance	3,204,124
23	Human Resources	1,673,177
24	Office of Information Technology	4,679,784
25	Planning & Development	2,564,192
26	Housing & Neighborhood Programs	5,790,389
27	Public Works	1,159,922
28	Parks and Recreation	9,958,932
29	RiverMarket	1,209,164
30	Golf	2,308,904
31	Fitness and Aquatics	901,127
32	Zoo	6,733,727
33	Fire	46,232,253
34	Police	68,885,072

1	Transfer to Street Fund	1,082,000
2	Future Little Rock, Special Projects, PIT, Grant Match	9,412,079
3	Contingency	1,000,000
4	<u>Vacancy Allocation (Authorized Unfilled Positions)</u>	<u>(6,000,000)</u>
5	TOTAL GENERAL FUND	\$194,740,211
6	Street Fund	20,050,226
7	Solid Waste	17,127,479
8	Parking Garages	2,196,750
9	Fleet Services	13,294,275
10	<u>Vehicle Storage Facility</u>	<u>1,359,144</u>
11	<u>TOTAL USES</u>	<u>\$248,768,085</u>

12 **Section 6. *Outside Agency Contributions.*** The appropriation for General Administration operating
13 uses in Section 4 above includes the following amounts for various entities with which the City contracts
14 for public services, or in which the City has an ownership interest:

15	Central Arkansas Transit Authority	\$8,686,869
16	Pulaski County Regional Detention Center	1,063,313
17	Arkansas Arts Center	550,000
18	Museum of Discovery	200,000
19	Chamber of Commerce	200,000
20	Metroplan	178,042
21	Downtown Partnership	175,000
22	PAGIS	135,800
23	First Tee	191,500
24	Metro Little Rock Alliance	100,000
25	Pulaski County Health Unit	56,100
26	Saint Vincent's	25,381
27	<u>City Beautiful</u>	<u>2,500</u>
28	<u>TOTAL OUTSIDE AGENCY CONTRIBUTIONS</u>	<u>\$11,564,505</u>

29 **Section 7. *PILOT Payments.*** In accordance with Act 497 of 1981, Act 713 of 1991, and Act 1629
30 of 2001, of the Arkansas General Assembly, the Director of Finance shall make appropriate payments to
31 the Little Rock School District, the Pulaski County Special School District, and Pulaski County from any
32 affected payment-in-lieu of taxes (PILOT) made to the City by a company for which an Act 9 Industrial
33 Development Bonds was issued; it is estimated that the gross amount of these resources for FY2015 is One
34 Million, Six Hundred Eighteen Thousand, Six Hundred Sixty-Five Dollars (\$1,618,665.00).

1 **Section 8. *Appropriation for the Compensation of Elected Officials.*** This budget contains a personnel
2 appropriation for the Mayor and the Members of the Board of Directors as follows:

3 (A) Annual compensation of the Mayor is One Hundred Sixty Thousand Dollars (\$160,000.00), and
4 such other amounts as may from time to time be approved during the time this ordinance is
5 effective;

6 (B) Annual compensation for each member of the Board of Directors is Eighteen Thousand Dollars
7 (\$18,000.00) plus an annual stipend of Three Thousand Dollars (\$3,000.00);

8 (C) In addition to these amounts, there are expenditures noted within this ordinance which document
9 the amounts paid for Mayor and Board member expenses and benefits.

10 **Section 9. *2015 Employee Bonuses.*** This budget contains an appropriation for a one (1)-time bonus
11 for full-time employees. Employees hired prior to January 1, 2014, are immediately eligible to receive the
12 bonus. Non-uniform employees with less than one (1)-year of service are eligible to receive the bonus upon
13 successful completion of the probationary period. Uniform employees with less than one (1)-year of service
14 are eligible to receive the bonus upon successful completion of the recruit academy. The bonuses will be
15 given at three (3) levels depending upon the salary of the employee, as depicted below:

16 (A) A One Thousand Dollar (\$1,000.00) bonus for employees with a salary of Forty Thousand Dollars
17 (\$40,000.00) or below;

18 (B) A Seven Hundred Fifty Dollar (\$750.00) bonus for employees with a salary between Forty
19 Thousand, One Dollars (\$40,001.00) and Sixty Thousand Dollars (\$60,000.00); and

20 (C) A Five Hundred Dollar (\$500.00) bonus for employees with a salary of Sixty Thousand, One
21 Dollars (\$60,001.00) and above.

22 Employees excluded from the bonus program are the City Manager, Assistant City Manager, Department
23 Directors and Assistant Department Directors.

24 **Section 10. *Definition of Significant Variance.***

25 (A) In order to prepare this budget it has been necessary to estimate the amount of revenue or other
26 resources that the City will have available to it in fiscal year 2015, and the cost of the various
27 expenditures and expenses that the City will incur during this period.

28 (B) To assure the efficient and responsible operation of the City, and the maintenance of its various
29 programs and facilities, it is important for the Board of Directors to be timely advised of a
30 significant variance in revenues, or expenditures, during the course of the fiscal year. Further, it is
31 important for the Board of Directors, the City Manager and the Director of Finance, to agree as to
32 what constitutes a “significant variance” of these items.

33 (C) It is further necessary to have a definition of “significant variance” that can be reviewed on an
34 annual basis as a part of the City budget process, and which can best reflect the point at which the

1 Board of Directors believes it should be notified that such a change of circumstances has occurred
2 in relation to any expenditure, expense, fund balance, revenue, or resource.

3 (D) For Fiscal Year 2015, a “significant variance” shall be deemed to have occurred if, during any
4 reporting period, there has been an increase or decrease from the budgeted amount for the period
5 covered by a Monthly Financial Report, or a Quarterly Fund Balance Report that is:

6 (i) Greater than 5% of the amount anticipated for that item for the period of time covered;
7 and,

8 (ii) More than Fifty Thousand Dollars (\$50,000.00) from the amount anticipated for that
9 item for the period of time covered.

10 **Section 11. *Timeline for Department of Finance.*** The timeline for events related to the timely
11 preparation of reports and statements to the Board of Directors for Fiscal Year 2015 is attached as Exhibit
12 A to this ordinance.

13 **Section 12. *Severability.*** In the event any title, subtitle, section, subsection, subdivision, paragraph,
14 subparagraph, item, sentence, clause, phrase, or work of this ordinance is declared or adjudged to be invalid
15 or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance
16 which shall remain in full force and effect as if the portion so declared or adjudged invalid or
17 unconstitutional was not originally a part of this ordinance.

18 **Section 13. *Repealer.*** All ordinances and resolutions, including but not limited to Little Rock, Ark.,
19 Ordinance No. 20,829 (December 17, 2013) (“the 2014 Budget Ordinance”), and any other ordinances or
20 resolutions that relate to financial reporting within the City, are hereby repealed to the extent of such
21 inconsistency.

22 **Section 14. *Emergency Clause.*** *It is imperative that a budget ordinance for the ensuing fiscal year*
23 *and calendar year be passed prior to the end of the current calendar year in order to assure the continued*
24 *provision of City services, operations, and facilities; such continuation is essential to the public health,*
25 *safety and welfare, an emergency is, therefore, declared to exist and this ordinance, with the exception of*
26 *Section 8 which deals with the compensation of the Mayor and Members of the Board of Directors, shall*
27 *be in full force and effect on January 1, 2015, and the various City departments shall operate immediately*
28 *upon its passage, and for purposes of record keeping and otherwise, as if it were in full force and effect*
29 *from and after the date of its passage.*

30 **PASSED: December 16, 2014**

31 **ATTEST:**

APPROVED:

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33 _____
34 Susan Langley, City Clerk

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33 _____
34 Mark Stodola, Mayor

1 **APPROVED AS TO LEGAL FORM:**

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4 **Thomas M. Carpenter, City Attorney**

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EXHIBIT A: FY 2015 BUDGET ORDINANCE FOR THE CITY OF LITTLE ROCK, ARKANSAS

[NOTE: The Board of Directors enacted financial reporting standards for the City. Little Rock, Ark., Rev. Code §§ 2-245 to 260.8 (1988) Section 2-260 this ordinance requires that as a part of the annual budget process the Board of Directors set a timeline for action by the Department of Finance to assure the timely preparation of financial reports. This timeline is to be adopted upon recommendation of the City Manager after consultation with the Director of Finance and the various financial institutions the City uses. This timeline is to be reviewed each year to assure that it sets reasonable expectations for City Staff, but at the same time, assures the preparation and publication of reports to the Board of Directors as quickly as possible. Reports to the Board of Directors are based upon certain events after the month-end close. The month-end close is defined as the fifteenth (15th) business day after the end of the previous calendar month. For FY 2015 the calendar of events is as follows:

CALENDAR OF EVENTS RELATED TO TIMELY PREPARATION OF CITY FINANCIAL REPORTS

EVENT	WORKING DAY (after the end of the calendar month)
Department notification of deposits submitted to accounting	3
City obtains monthly bank statement	1
Department processes bank files to produce combined and payroll outstanding check lists	5
City obtains monthly investment statement	7
Department reconciles book balance and bank statements for all bank accounts	9
Department reconciles book balance and investment balances	11
Department finalizes and enters all remaining journal entries	14
Department reviews and corrects work to date	15
Department conducts final review of information for reports	16
Department processes computer system reports (month-end close)	17
Department completes preparation of monthly reports	22
City Manager and Finance Director present monthly report to Board of Directors	
City Manager has monthly report posted in City website following Board presentation	