OFFICE OF THE CITY MANAGER
LITTLE ROCK, ARKANSAS

BOARD OF DIRECTORS COMMUNICATION
MAY 14, 2019 AGENDA

Subject:	**Action Required:**	**Approved By:**
Authorization to adjust the Fiscal Year 2019 Budget for changes to the General and Street Funds	√ **Ordinance** Resolution	
Submitted By:		
Finance Department		Bruce T. Moore City Manager

SYNOPSIS

Five (5) adjustments need to be made to the 2019 Budget to adjust for changes in anticipated revenues and expenditures.

FISCAL IMPACT

Adjustment	Revenues	Expenditures	Net
Revenue Adjustments	$184,950		$184,950
Outside Agency		(384,000)	384,000
Department Expenditures		(1,306,645)	1,306,645
Transfers Out		(423,500)	423,500
General Fund Balance	$184,950	($2,114,145)	$2,299,095
Street Fund Expenses		$500,000	($500,000)

The adjustments to the General Fund increase revenues by $184,950, and decrease expenditures by $2,114,145, resulting in a net increase to fund balance of $2,299,095. The adjustment to the Street Fund increases expenditures and decreases fund balance by $500,000. Details for the above adjustments are included in the background below.

RECOMMENDATION

Approval of the ordinance.

BACKGROUND | Each year, the Board considers adjustments to the Adopted Budget. Five (5) adjustments should be made to the 2019 Budget Ordinance No. 21,683, which was adopted on December 18, 2018, to align expenditures with recurring revenue sources available in the General Fund, and to transfer an additional portion of the Rock Region Metro annual allocation for transit services to the Street Fund.

1. Adjust General Fund Revenues: General Fund revenues will be adjusted for the anticipated impact of Act 822 of the 2019 Legislative Session, the anticipated increase in revenues at Jim Dailey Fitness and Aquatics Center, and a net reduction in Golf revenues associated with the closure and repurposing of two (2) golf courses.

Revenues:

Sales Taxes (Act 822)	$360,000
Charges for Services	
Jim Dailey Fitness & Aquatics	59,000
Golf Revenues	(234,050)
Net increase to General Fund Revenues	**$184,950**

2. Adjust General Fund Expenditures for changes in Outside Agency Contributions: An adjustment to reflect the reallocation of a portion of the Rock Region Metro funding to the Street Fund, to reduce funding of the Museum of Discovery and the Downtown Partnership, and to reflect additional allocations for the First Tee approved by the Board for April - July.

Expense:

Rock Region Metro	($500,000)
Museum of Discovery	(19,000)
Downtown Partnership	(25,000)
First Tee (April, - July)	160,000
Net Decrease to General Fund Expenditures	**($384,000)**

3. Adjust General Fund Expenditures for reductions to Department expenditure allocations:

Expense:

General Administration	($79,074)
Community Programs	(34,210)
City Attorney	(116,283)
Finance	(39,550)
Human Resources	(27,799)
Planning & Development	(23,115)

Housing & Neighborhood Programs	(173,787)
Parks & Recreation	(361,635)
Golf	(294,370)
Zoo	(46,000)
Fire	(53,644)
Police	(57,178)
Reduction to General Fund Expenditures	**($1,306,645)**

*The General Administration reduction includes a reduction of $50,000 to the Contract with the Chamber of Commerce.

4. Adjust the General Fund for decreases in Transfers Out for Special Projects.

Expense:
Transfers Out:

Children, Youth, and Family PIT	($375,000)
Cities of Service	(48,500)
Net Decrease to General Fund Expenditures	**($423,500)**

5. Adjust the Street Fund reflect the reallocation of a portion of the Rock Region Metro funding from the General Fund.

Street Fund Expenditures – Outside Agency	$500,000
Net Increase to Street Fund Expenditures	**$500,000**