

**OFFICE OF THE CITY MANAGER
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION
MAY 20, 2014 AGENDA**

| Subject: | Action Required: | Approved By: |
|--|---|--|
| <p>An ordinance authorizing the issuance of a promissory note to provide short-term financing under Amendment No. 78 to the Arkansas Constitution.</p> <p>Submitted By:</p> <p>Finance Department</p> | <p>√ Ordinance Resolution Approval Information Report</p> | <p>Bruce T. Moore City Manager</p> |
| <p style="text-align: center;">SYNOPSIS</p> | <p>The City has a need to fund the final phase of the 12th Street Station, purchase vehicles and equipment for the Little Rock Fire Department, and fund information technology projects included in the priority needs capital projects listing for the 3/8-Cent Sales Tax.</p> | |
| <p style="text-align: center;">FISCAL IMPACT</p> | <p>The 2014 Temporary Note would be issued in the amount of \$5,916,000 to provide funding for the following projects:</p> <ol style="list-style-type: none"> 1. Completion of 12th Street Station – \$1,994,000 2. Fire vehicles and equipment (Fleet allocation) – \$2,922,000 3. Information Technology Capital – \$1,000,000 <p>The General Fund will be reimbursed for general revenues utilized to retire the principal payments on the note from 2015-2019 with proceeds of the 3/8-Cent Sales Tax. Interest payments on the note will be appropriated from General Fund revenues.</p> | |
| <p style="text-align: center;">RECOMMENDATION</p> | <p>Approval of the ordinance</p> | |

**CITIZEN
PARTICIPATION**

On September 13, 2011, citizens passed a 3/8-Cent Sales Tax for capital projects including those itemized above. The proceeds of the tax will generate revenues over a ten year period beginning in 2012. Short-term financing will advance completion of initiatives supported by the sales tax.