

# City of Little Rock

## 2005 Annual Operating Budget

Bruce T. Moore  
City Manager

Prepared by:  
Department of Finance

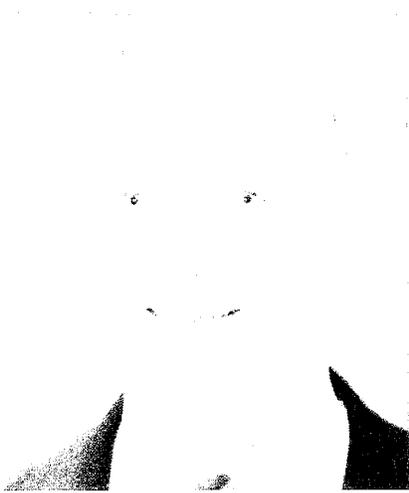
Robert K. Biles, Director

LaVerne DuVall, Budget Officer

# City Of Little Rock



## Board Of Directors



**Jim Dailey**  
Mayor



**Barbara Graves**  
Vice-Mayor



**Johnnie Pugh**  
Ward 1



**Willie Hinton**  
Ward 2



**Stacy Hurst**  
Ward 3



**Brad Cazort**  
Ward 4



**Michael Keck**  
Ward 5



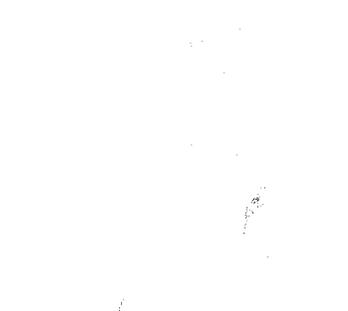
**Genevieve Stewart**  
Ward 6



**B. J. Wyrick**  
Ward 7



**Dr. Dean Kumpuris**  
Position 8



**Joan Adcock**  
Position 10

## MANAGEMENT TEAM

Bruce T. Moore  
Bob Turner

City Manager  
Assistant City Manager

Dorothy Nayles  
Tom Carpenter  
Lee Munson  
Victor Fleming  
David Stewart  
Robert K. Biles  
Don Flegal  
Bob Hambuchen  
Tony Bozynski  
Andre Bernard  
Guy Lowes  
Bryan Day  
Rhoda Mae Kerr  
Carlos Corbin  
Mike Blakely  
Wendell Jones

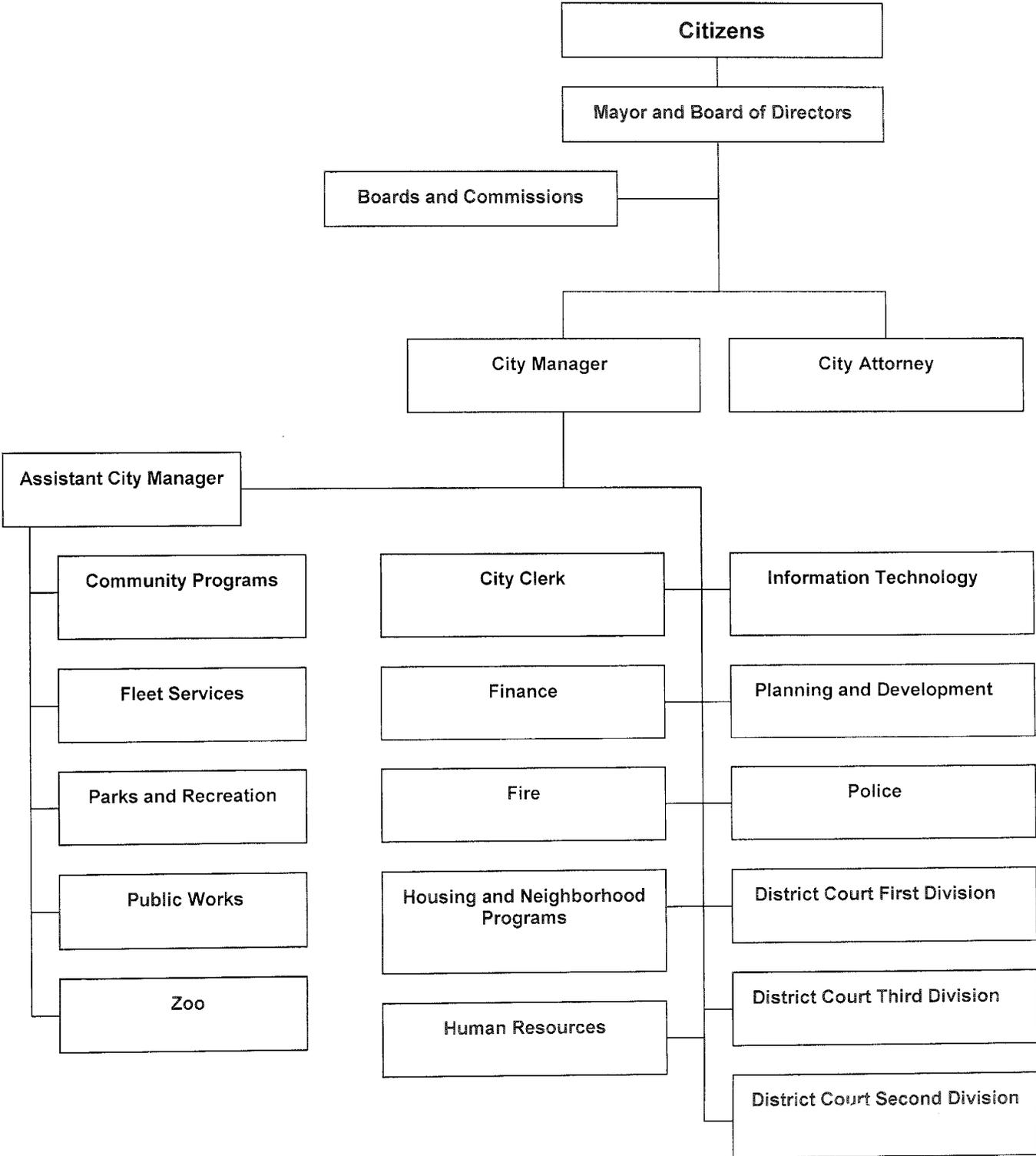
Director of Community Programs  
City Attorney  
District Court First Division Judge  
District Court Second Division Judge  
District Court Third Division Judge  
Director of Finance  
Director of Human Resources  
Director of Information Technology  
Director of Planning & Development  
Director of Housing & Neighbor Programs  
Director of Public Works  
Director of Parks & Recreation  
Fire Chief  
Interim Police Chief  
Director of Zoo  
Director of Fleet Services

### Budget Report Production, Analyst and Graphics

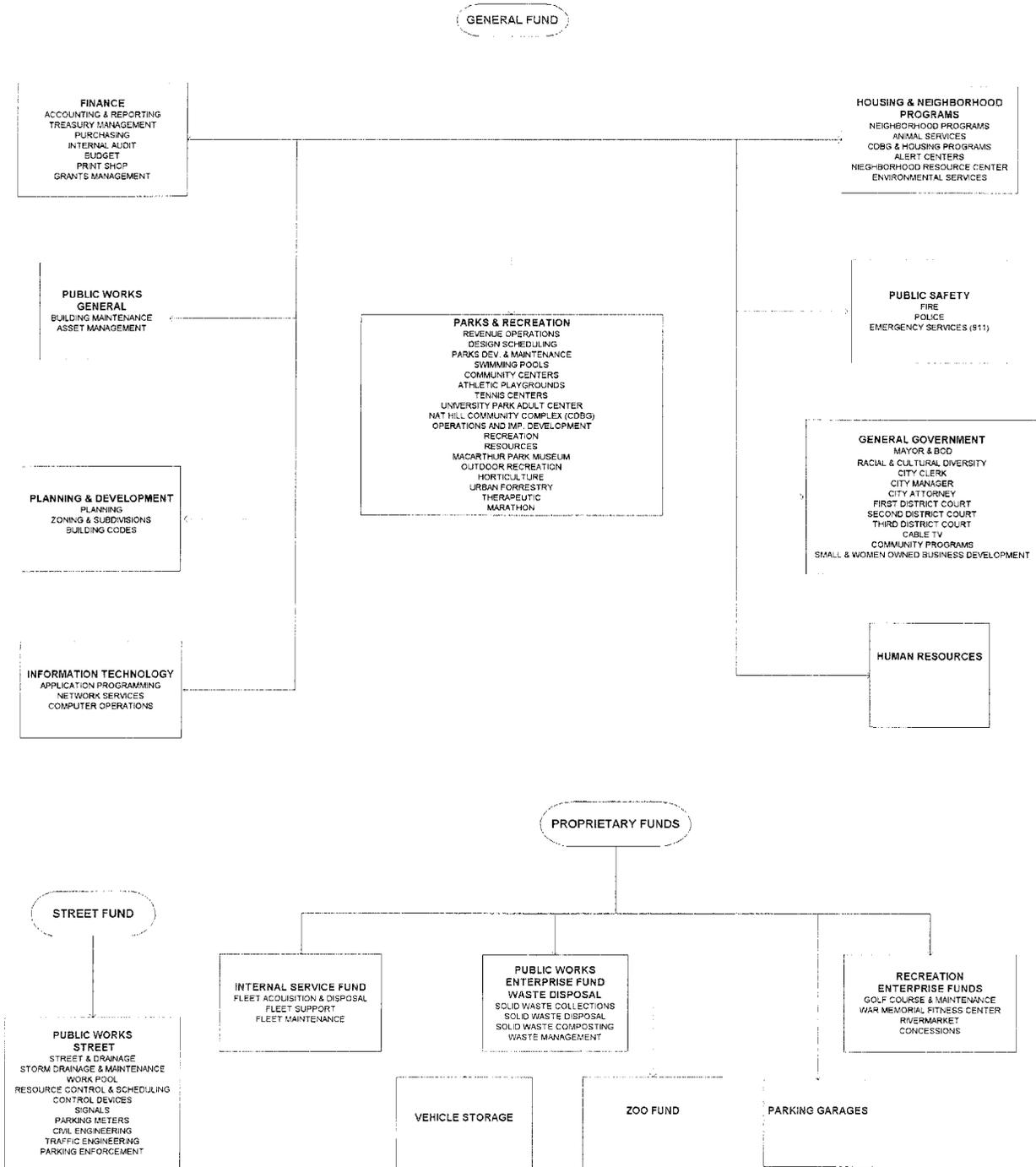
LaVerne DuVall  
Silas Roaf

Budget Officer  
Budget Management Analyst

# City of Little Rock Organizational Chart



# CITY OF LITTLE ROCK OPERATING FUND STRUCTURE



Note: All departments include an administration section

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December 15, 2004

To the Honorable Mayor Jim Dailey  
and the Little Rock City Board of Directors

I respectfully submit the official 2005 Budget for the City of Little Rock, which will 'Continue the Progress' of this past year. The overall expenditures total \$159,640,572, an increase of \$4,724,709 or 3.05% more than the adopted 2004 budget. The budget changes from Year 2004 are summarized below:

	<u>2005</u>	<u>2004</u>	<u>Change</u>	<u>% Change</u>
General Fund	\$113,394,453	\$110,407,056	\$2,987,397	2.71 %
Street Fund	14,522,925	13,634,950	887,975	6.51 %
Waste Disposal Fund	14,052,970	14,821,280	(768,310)	(5.18) %
Fleet Services Fund	7,136,203	6,643,557	492,646	7.42 %
Impound Fund	1,755,850	1,464,687	291,163	19.88 %
Zoo Fund	3,941,218	3,375,695	565,523	16.75 %
Golf Fund	2,752,221	2,478,096	274,125	11.06 %
War Memorial Fitness Center Fund	1,058,678	1,063,249	(4,571)	(0.43) %
Concessions Fund	122,090	119,780	2,310	1.93 %
River Market Fund	903,964	907,513	(3,549)	(0.39) %
Parking Garage Fund	1,749,696		1,749,696	
Total	<u>\$159,640,572</u>	<u>\$154,915,863</u>	<u>\$4,724,709</u>	<u>3.05 %</u>

The 2005 Operating Budget has been developed around common themes from the Mayor and Board of Directors Policy and Priority Areas, which include: Public Safety; Economic Development; Infrastructure; and Quality of Life issues.

### **General Fund**

The 2005 Operating Budget includes several significant increases from the 2004 Operating Budget for the General Fund. The Operating Budget includes \$81,303,904 for Personal Service cost, which is a 3.5% increase over the revised 2004 Budget. Materials and Supplies increased by 13.0% while contractual expenses increased by 2.7%. Transfers out decreased by 30.1%, mainly due to a lower budgeted amount for transfer to the City's restricted reserve.

Sales tax continues to be the leading revenue source for the City. The adopted budget for 2005 contains a 4.24% increase over 2004, due to the fact that sales tax revenues for 2004 were 4.73% higher than those collected in 2003. Sales taxes are comprised of two local taxes - a half-cent city tax and a one-cent county tax. Property tax revenues are expected to increase by approximately 4.5% due to assessed valuation growth, including new properties added to the tax rolls.

Franchise fee payments will be lower in 2005 due to an expected reduction in payments from Southwestern Bell. Although the 7.32% franchise fee was retained, the new local access provider ordinance eliminated the \$2,000,000 minimum payment. Small increases have been projected for business licenses, building permits, park fees and insurance premium turnback revenues.

As in past City Budgets, personnel costs continue to represent the largest expenditure category. The Police and Fire Personnel covered by labor agreements will receive a pay increase of approximately 4% and 4.25%, respectively, with non-union employees receiving a 4% pay increase at the first of the year. Hospital insurance was increased by approximately 7%, and pension costs for police and fire decreased from 8.64% and 8.92%, respectively, to 8.37% and 9.92%. To hold overall personnel costs to a 3.15% increase, thirty-two (32) current vacant positions have been placed on a 'Do Not Fill List.' Required vacancy savings for 2005 increased by \$15,294 to \$4,332,794.

Fuel and Fleet increases account for the majority of the increase in supplies. Fuel budgets were increased by 70.45% due to rising crude oil and energy prices. The fleet variable increases are the result of larger maintenance costs for a slightly older age of the overall fleet and a change in allocation of costs.

A 6.20% increase for Outside Agency Support, mainly for Central Arkansas Transit Agency (CATA), contributed to an overall 2.70% contractual increase. The City increased its budget to support cost increases from CATA. The increased transportation funding will maintain the current bus routes for Day, Night and Sunday Service. In addition, River Rail operations began in late 2004 and a full year of funding will occur in 2005. The budget includes \$100,000 for the City's share of the acquisition for two (2) additional River Rail Trolleys to join the other three (3) trolleys. Current plans are to extend the River Rail to the William Jefferson Clinton Presidential Library and Park and Heifer International's new headquarters.

The City of Little Rock will continue to manage the City in a sound and fiscally prudent manner while still delivering the quality and level of service that the Citizens of Little Rock expect.

### **Street Fund**

Street Fund expenditures increased due to the non-union salary increase, the addition of five (5) positions, increased fuel costs, a combination of utility rate increases, added streetlights and new traffic signals. Revenue growth has not kept pace with the growth in expenditures and 2005 expenditures are expected to exceed 2005 revenues. A long-term approach for adequate funding will be determined prior to the adoption of the 2006 Budget.

### **Waste Disposal Fund**

The 2005 Budget maintains the monthly residential rate at \$20.99, which provides sufficient revenue regarding all costs of the sanitation and landfill operations, including increased fuel cost, debt service and capital improvements for collection.

### **Fleet Services**

Fleet's 2005 Operating Budget increased due to salary increases and increased fuel costs. Fleet has undertaken several programs to reduce operating costs for tires and vehicle repair and those savings are reflected in the anticipated decrease in contractual expenditures.

### **Vehicle Storage Facility Fund**

Wrecker services are provided through contracts with wrecker companies. In 2004, the City implemented a new service arrangement with wrecker firms, which increased revenues for the City and increased payments to the wrecker companies. 2005 revenues, expenses, and transfers to the General Fund have been increased based upon 2004's results. The transfer to the General Fund was increased by approximately \$110,000.

### **Zoo, Golf, War Memorial Fitness Center and River Market Funds**

According to the bond covenants, fees generated for these activities are to be placed directly into a debt service fund and semi-annual payments of principal and interest are made from that fund.

Golf Course Fund revenues and expenditures have been increased by approximately \$130,000 to reflect a new merchandising agreement with a third party. Transfers from the General Fund have been increased by \$116,000 to provide for additional personnel expenses.

Zoo expenditures have been increased for personnel costs and anticipated depreciation expense. Revenue increases reflect anticipated growth in admissions and memberships, food sales, outside support and General Fund support for personnel cost increases.

### **Concessions**

Expenditures for 2005 have been reduced as summer food program costs will be recorded in a grant reimbursement fund. Transfers in from the General Fund have been increased by \$26,000.

### **Parking Garages**

The RiverMarket Parking Garage was opened in August 2004, and the 2005 Budget reflects the first full year of operation for the RiverMarket and the Second & Main Garages.

### **Budget Polices and the Budget Process**

The standards set for monthly and quarterly reporting and establishing a General Fund Restricted Reserve were a positive impact on the 2005 budget. The requirement is to have \$10,000,000 or 10% of General Fund Revenues in the Restricted Reserve on or before December 31, 2007. After the 2004 Audit is completed, it is anticipated that approximately \$4,000,000 will be added to the Restricted Reserve bringing the total Restricted Reserve as of December 31, 2004, to approximately \$6,000,000. The 2005 contribution to the Restricted Reserve has been budgeted at \$500,000.

### **Recent Challenges and Accomplishments**

On November 4, 2003, Little Rock Citizens agreed to 'Continue the Progress' by approving \$70,635,000 of Limited Tax General Obligation Capital Improvement Bonds, Series 2004 to address needed capital improvements for the Fire, Police, Emergency Communications, Streets, Parks, Drainage, School Pedestrian Safety, Animal Services, and the Robinson and Statehouse Convention Centers. The capital improvements will be completed over the next three (3) years and will address many of the City's critical infrastructure needs. Voters approved continuing the 3.3 mill levy for capital improvements to pay the annual debt service on the bonds. As the capital improvements are constructed and placed into operation, operating costs in the General Fund are expected to increase by approximately \$500,000.

Long-term funding of operational needs of the City of Little Rock is a key issue that must be addressed in the very near future. General Fund revenues for 2001 through 2003 did not increase appreciably and overall growth for 2004 was 4.89%. Accordingly, expenditure reductions, including staff reductions, were made in 2002, 2003 and 2004, to stay within available resources. Although 2005's revenue growth is estimated at 3.02%, some expenditure reductions were required to match expenditures to revenues.

The Mayor and City Board of Directors elevated Public Safety to the number one priority for the City of Little Rock. The Cornerstone of the 'Safe Neighborhoods Initiative' will be a re-designed Criminal Abatement Program. The Little Rock Police Department, the Housing and Neighborhood Programs Department, the Little Rock Fire Marshall's Office and the City Attorney's Office have worked in

concert to identify and abate structures deemed a nuisance and eliminate the criminal element from our neighborhoods.

In 2003, the Parks and Recreation Department organized and hosted the 1<sup>st</sup> Annual Little Rock Marathon, with over 2,000 participants from around the world. If early indicators hold true, the 2005 Marathon will have approximately 5,000 participants.

I am pleased to report that while achieving quality service, the City has continued to manage our finances conservatively, maintained a double AA-bond rating and our outlook has been upgraded by Standard & Poors.

### **Economic Development**

2004 proved to be one of the most significant and exciting years for economic development in the history of Little Rock. On November 18, 2004, the William Jefferson Clinton Presidential Library and Park opened with over 27,000 people in attendance. Attendance in the first three (3) months of operation has exceeded all expectations, with tourists from around the country and the world finding their way to Little Rock to visit this historic and beautiful structure. The on-going tourism impact to Little Rock will be significant.

Adjacent to the William Jefferson Clinton Presidential Library and Park, Heifer International began construction of their international headquarters in 2004 with completion expected in 2005. Winrock International opened their headquarters during 2004, and First Security completed a fourteen (14)-story, \$23 million mixed use property in downtown, which includes a 120-room hotel, office space and twenty-four (24) luxury condominiums. Plans for a seventeen (17)-story mixed used property two (2) blocks from First Security were announced in November 2004. The new \$35 million State Office Building Urban Campus houses state employees in the heart of downtown.

While exciting economic development is happening downtown, Little Rock is expanding westward and in the midtown and southwest areas in the form of restaurants, hotels and shops and new residential units.

This budget is the financial and operating plan for the City of Little Rock for 2005, and the appropriations contained will provide for quality municipal services. The City of Little Rock has made great strides in the use of technology to communicate to local citizen and businesses. Our current Web site, [www.accesslittlerock.org](http://www.accesslittlerock.org), is undergoing a major re-design and will continue to improve our communication efforts. In addition, the City is also proud of our local access channel LRNN, which broadcasts information regarding the activities of the Little Rock City Board of Directors through live and taped coverage of City Board Meetings and other official proceedings and produces programming regarding municipal affairs.

We have made remarkable progress in the City over the past year and I anticipate continued progress in the future as the City Board of Directors and City Staff work for the good of all our citizens. May 2005 be our best year ever as we 'Continue the Progress.'

Respectfully 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 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 2005 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 City's annual budget is the final product of a lengthy, public process. The budget projects all receipts and disbursements, the level of governmental services, and the method of distributing cost to the various segments of the community. It is the result of an evaluation of community needs and reflects priorities established by the Mayor and 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 budget process normally requires the majority of the year to complete. The budget process begins with a budget preparation package that is distributed to the Department Heads. The package include guidelines from the City Manager and budget reports that include the prior year expenditures, current year budget and year-to-date expenditures for all operating accounts, initial revenue projections, a capital improvement listing, and a budget preparation calendar. The FY05 percentage growth allowance for expenditures is included in the operating budget guidelines and is applied to the total for all supplies, contractual and utilities categories. Budget staff provides training sessions on budget data entry. Departments enter their expenditure request and initial revisions are made by the Finance department in the Finance approved column. Revenues and expenditures receive final adjustments are done prior to submission to the Mayor & Board of Directors.

The City department budgets request are prepared and initial internal budget hearings are conducted. The annual operating and capital budgets are submitted to the Mayor and Board of Directors 60 days prior to the end of the fiscal year in December.

The Capital Budget is prepared to present the capital expenditures planned for each of the next five fiscal years. The total costs of each project and the sources of funding required to finance each project are estimated. The Capital Improvement Program authorizes capital expenditures to be made or incurred in the next five years. The FY04 capital requests are considered separately by fund.

The Mayor & Board conducted 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 & 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 relationship to their performance of their 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 and 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 2005 Budget

The 2005 Basic Budget reflects estimated costs for those programs, which were approved or received funding.

- Goals

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

- Objectives

Objectives are the specific functions, which must be performed in order for a program to satisfy or fulfill a particular goal. Objectives are almost always 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 2005 budgets is as follows:

April-May	City Manager provided general direction and guidance for operating and capital budgets. Board held budget workshop.
May-June	Statement of Management Policy was revised.
June-July	Initial revenue and personnel costs budgets were developed, programs were assessed; new programs and capital budget requests were submitted.
August-September	City departments prepared budget requests and submitted them to the City Manager.
October	City Manager evaluated budget requests. Board adopted property tax levies.
October-December	Board held public hearings. Budget request was revised.
December	Board adopted utility franchise fee rates with no increase, and adopted the final budget.

## AMENDING THE BUDGET

During the fiscal year, several adjustments are normally required to the 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.
- All new appropriations must be authorized by Board Ordinance and are normally submitted by the City Manager, but can be initiated directly by the Mayor and Board of Directors.

### 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 several significant budget policies that are designed to enhance the ultimately approved budgets and accomplish specific objectives. These policies include:

- The 2005 budget includes a 4% salary increase for all full-time staff positions except for the International Association of Fire Firefighters and Fraternal Order Police who are under contract. These positions are budgeted for the entire year.
- Vacant positions at the time that the budget is adopted are budgeted at the mid-range salary for the positions' grade, providing some budget flexibility in the recruiting process.

- The City utilized the in-house payroll system to aid in the development of the budget for salary and benefit costs for 2005. 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.
- Fleet Services internal service fund expenditures for vehicle maintenance are established and then allocated to vehicle user departments. These allocations are not subject to change by the user departments.
- Departments are given specific budget parameters by the City Manager. Departments are not allowed to alter personnel or vehicle maintenance included in their budgets, and is usually instructed not to make any increase in their other operating budget accounts without specific approval from the City Manager.
- Estimated costs and funding sources will be identified and verified prior to any project being submitted to the Board for approval.

These policies are designed to ensure that operating departments will have sufficient funds available to support their services, and that budget reductions during the course of the fiscal year are unlikely.

### **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 CDBG, and HIPP funds' budgets are developed in accordance with their specific federal guidelines, including obtaining required citizen input, and then are presented to the Mayor and Board of Directors for final approval.

The Discrete Component Units funds all develop separate budgets for approval by their 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 their boards of trustees regularly monitor the income and expenditures of the funds.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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. The basis of budgeting is the same as the basis of accounting used in the audited financial statements.

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## LITTLE ROCK'S FINANCIAL STRUCTURE

Cities in Arkansas derive their 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 several agencies and for capital improvements.

#### SPECIAL REVENUE

**Street Fund** - This is a special revenue fund that receives income dedicated to street and traffic maintenance, such as state gasoline tax turnback, one-half of a County road property tax, and parking meter receipts

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

**Economic Development Fund** - This fund was created to provide resources to develop public facilities that can promote job creation in the City.

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

**Emergency 9-1-1 Fund** - This fund contains fees derived from telephone charges, which are restricted uses related to operating and equipping our 9-1-1 Emergency Operations Center.

**Grant Fund** - Various Federal and State Grant are recorded in this fund.

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

#### CAPITAL

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

**PROPRIETARY FUNDS**

**Waste Disposal Enterprise Fund** - This fund was created to account for all of the City's solid waste system.

**River Market Enterprise Fund** – This fund was created to account for the City's River Market and Amphitheater operations.

**Concessions Enterprise Fund** – This fund was created to account for operations of the City's concessions.

**Golf Enterprise Fund** – This fund was created to account for the operations of the City's golf courses.

**War Memorial Fitness Center Enterprise Fund** – This fund was created to account for the operations of the City's Fitness Center.

**Zoo Enterprise Fund** – This fund was created to account for the operations of the City's and State's only Zoo.

**Impound Operations 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 and Street Funds that use vehicles.

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

**FIDUCIARY FUNDS CONTROLLED BY BOARDS OF TRUSTEES**

An important benefit for City employees is a retirement plan. Administering these funds is an important City responsibility. The following retirement funds are offered by the City and cover substantially all employees:

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

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

**DEBT SERVICE FUNDS** - These funds receive dedicated property tax levies to retire general obligation bonds, both principal and interest.

**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 accounted for as separate funds, and

expected to maintain revenues sufficient to meet their operating costs, debt service and system replacement and maintenance needs. These funds are not included in this document and are as follows:

- Little Rock Wastewater Utility Fund
- Little Rock National Airport Fund
- Little Rock Advertising & Promotion Commission Fund
- Little Rock Port Authority Fund
- Little Rock Ambulance Authority Fund
- Central Arkansas Transit Authority
- Arkansas Museum of Discovery
- Arkansas Arts Center
- Central Arkansas Library System

These funds receive income from service charges that are used to operate their respective facilities and to retire revenue bonds. Also, a 2% Hotel, Motel, and Restaurant Sales Tax provides the main source of income to operate the Advertising and Promotion Commission and retire its bonds. Boards and Commissions, who 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

This budget also 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 will 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 will be 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 they recover all direct and indirect costs of service. 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 & Trusts should not be used to fund on-going programs. Programs financed with grant moneys will be budgeted in separate cost centers, and the service program will be adjusted to reflect the level of available funding. In the event of reduced grant funding, City resources will be substituted only after all program priorities and alternatives are considered during the budget process.

8. All grants and other Federal and State funds shall be managed to comply with the laws, regulations, and guidance of the grantor, and all gifts and donations shall be managed and expended according to the wishes and instructions of the donor.
9. Fleet replacement will be accomplished through the use of a “rental” rate structure. The rates will be revised annually to ensure that charges to operating departments are sufficient for operation and replacement of vehicles.
10. Balanced revenue and expenditure forecasts will be prepared to examine the City’s ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will encompass five years and will be updated annually.
11. Comparison of service delivery will be made to ensure that quality services are provided to our citizens at the most competitive and economical cost. Departments will identify all activities that can be provided by another source and review alternatives to current service delivery. The review of service delivery alternatives will be performed continually. During the annual budget process, funding for Outside Agencies, FUTURE-Little Rock, and special projects will be evaluated.
12. To attract and retain employees necessary for providing high quality services, the City shall establish and maintain a very competitive compensation and benefit package with 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 a special project to continue.
15. The City will strive to maintain fair and equitable relationships with its 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 of funding.

**C. DEBT MANAGEMENT**

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

5. The City will not use long-term debt to finance current operations.
6. The general policy of the City is to establish debt repayment schedules that use 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 used in accordance with the purpose of the debt issue. Funds remaining after the project is completed will be used in accordance with the provisions stated in the bond ordinance that authorized the issuance of the debt.

#### **D. RESERVES**

1. All fund designations and reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the City's five-year financial plan.
2. The General Fund goal is to set aside \$10,000,000 or 10% of General Fund revenues; whichever is greater, into a restricted reserve fund on or before December 31, 2007. Thereafter, the restricted reserve shall be maintained at the greater of \$10,000,000 or 10% of General Fund revenues.
3. Each annual operating budget will include a contingency appropriation in the General Fund sufficient to provide for unforeseen needs of an emergency nature

for that year. The desired level of the contingency appropriation each year shall be based on the average of the three prior years' experience levels but no less than .5% of General Fund revenue for the current fiscal year.

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

#### **E. CASH MANAGEMENT AND INVESTMENTS**

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

#### **F. ACCOUNTING, AUDITING AND FINANCIAL REPORTING**

1. The City's accounting and financial reporting systems will be maintained in conformance with generally accepted accounting principles (GAAP) and the standards set by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

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

## OTHER AGENCIES

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

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

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

The **Arkansas Repertory Theatre** attracts persons to theatrical productions and programs, and to the downtown area each year for specific art exhibits and events. It plays a significant role in efforts to stabilize and rejuvenate Little Rock's historic central business district.

The **Arkansas Symphony Orchestra** provides a vital cultural experience to the City and to central Arkansas.

**Ballet Arkansas** provides free public performances.

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

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

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

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

The **Little Rock Port Authority** provides opportunities for major development of heavy industry requiring low cost transportation facilities.

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

**County Regional Detention Center** serves the residents of both the city and Pulaski County. The County directs its operations and it receives operating support from the City and all jurisdictions in the County.

The **Sister Cities Commission** promotes sister city agreements between Little Rock and other cities around the globe.

**Light Rail System** is being designed to provide a transportation link among all the major activity centers to Central Arkansas Transit.

**Neighborhood Resources Center** is a problem solving urban laboratory that facilitates partnerships between local government, businesses, universities, and community residents.

**PAGIS** - The Pulaski Area Geographical Information System 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 and the Water Works and Wastewater commissions of Little Rock and North Little Rock.

**Wildwood Theatre** is one of the nation's largest land areas devoted to the performing arts with a 105-acre site. The Theatre promotes educational and cultural programs designed to enhance public appreciation of and support for the performing arts that contribute to the quality of life within the region.

Some of the above agencies are sufficiently dependent on or controlled by the City that they are included in this budget in the discrete component unit section.

- Most of the above appropriations are made from the City's General Fund. Some are reflected as a separate expenditure in special projects.

## APPROPRIATIONS FOR OTHER AGENCIES

	2001	2002	2003	2004	2005
Central Arkansas Transit	\$4,818.900	\$4,683.691	\$4,095.309	\$4,764.624	\$5,163.387
Arkansas Arts Center	480.000	432.000	324.000	324.000	324.000
Museum of Discovery	410.000	369.000	276.750	344.250	344.250
County Health Department	238.500	238.500	190.800	191.600	191.600
Chamber of Commerce	250.000	225.000	180.000	180.000	200.000
Children's Museum	100.000	90.000	67.500		
Metroplan	175.093	157.694	157.694	157.694	157.694
Downtown Partnership	207.975	187.177	149.742	149.741	149.741
PAGIS	198.555	102.739	82.191	97.191	123.000
Sister Cities Commission	25.000	22.500	16.875	16.875	25.000
Arkansas Symphony Orchestra	50.000	45.000	67.500	67.500	67.500
Arkansas Repertory Theatre	100.000	90.000	67.500	67.500	67.500
St. Vincent		2.780	2.780	2.780	2.780
Central High 50th Anniversary					2.500
Little Rock City Beautiful Commission					2,500
Ballet Arkansas	50.000	24.620			
County Regional Detention Center	1,227,299	1,172,864	1,172,864	1,197,864	1,227,299
Little Rock Port Authority	500.000	385.000			
Wildwood Theatre	100.000	90.000	67.500	67.500	67,500
MacArthur Park Military Museum	100.000	90.000			
TOTAL	<u>\$9,031,322</u>	<u>\$8,408,565</u>	<u>\$6,919,005</u>	<u>\$7,629,119</u>	<u>\$8,116,251</u>

## CAPITAL FUNDING

State laws limit the use of borrowing for municipal purposes. 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. General obligation bonds, when approved by voters and secured by property tax levies, may be issued for long-term capital improvements.

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. Present and future users of the projects pay for the projects. For program purposes the City defines a capital improvement as a major improvement or acquisition that results in a capital asset costing more than \$5,000 and having a useful life (depreciable life) of two years or more.

### 2005 CAPITAL IMPROVEMENTS

The City capital budget in recent years has been reduced and projects have had to compete for scarce funding. Capital improvements are listed in two sections. The first section includes funding from the Infrastructure fund, 1988 Capital Bond Project fund, 1995 Capital Bond Project fund and 1998 Infrastructure Bond fund. These projects are multi-year projects. The remaining balances are authorized for street and drainage improvements, park improvements, Zoo improvements and fire equipment. Impact on operating costs is expected to be minimal.

The second section represents the capital improvements approved by Little Rock voters on November 4, 2003. These capital improvements are scheduled to be completed by 2007. On-going operating costs were considered in determining the capital items to be included in the bond election. Estimated increased operating costs are:

<u>Project</u>	<u>Fund</u>	Estimated	
		<u>Operating Costs</u>	<u>Budget Year</u>
Fire Training Academy	General	\$155,700	2007
3-1-1 System	General	\$200,000	2006
Police Kiosk	General	\$ 14,000	2007
Neighborhood Video Cameras	General	\$ 5,000	2005
Animal Service Facility	General	\$ 20,000	2007
Park Improvements	General	<u>\$ 80,000</u>	2006
Total General Fund		\$454,700	
Traffic Signals	Street	<u>\$ 54,000</u>	2005-06
Total Operating Costs		<u>\$508,700</u>	

The Fire and Police Radio Upgrade, Early Warning Siren System, and Fire Station Renovations, once completed, are expected to result in some reduction in operating costs. Any savings will be reprogrammed to other operating needs in the respective department budgets. Increases in admissions are expected to exceed the increased operating cost the Zoo will experience from their improvements.

### Short-Term Financing

Each year the City issues short-term Financing (maximum maturity of five years) to acquire vehicles, equipment, technology, and land as well as improve land and buildings. Plans for 2005 include the following:

#### Vehicles (tentative allocation):

Public Works	\$ 616,000
Police	680,000
Fire	715,000
Parks	177,000
Fleet	85,000
Planning	42,000
Housing	35,000
Total Vehicles	<u>\$ 2,330,000</u>

Facilities and Land:	
Fleet Roof	\$ 150,000
Fleet Paint Shop	200,000
Zoo Penguin Exhibit	600,000
River Market Tower Renovations	200,000
Alert Center Reconstruction	205,000
State and LaHarpe property	150,000
Bike & Running Trail Land	500,000
City Hall Renovation	350,000
Southwest Police HVAC	85,000
Street Operations Roof	50,000
Central Fire Station Windows	15,000
Total Facilities and Land	<u>\$ 2,505,000</u>
Technology and Equipment:	
Network Tape Drive Backup System	\$ 39,000
Servers (2)	12,000
Computers, scanners, printers	264,000
Radios (6)	14,000
Defibrillators (12)	15,000
Print Shop Equipment	15,000
Total Technology and Equipment	<u>\$ 359,000</u>
Total Projects	\$ 5,194,000
Issuance Costs	11,000
Estimated Note Issue	<u>\$ 5,205,000</u>

Most of these items represent major replacement or repairs to existing facilities and are expected to have minimal impact upon operating costs. Fleet's Paint Shop is expected to save approximately \$20,000 per year and will be spread to departments using the Paint Shop. The Alert Center construction projects funds the replacement of two Alert Centers with ones that meet the highest energy efficiency standards. It is anticipated operating costs will decrease and that these savings will be reprogrammed into other Housing and Neighborhood Department programs. Although Zoo operating costs will increase with the addition of the Penguin exhibit, increased admissions are expected to exceed these costs.

Principal and interest on the temporary notes are paid from the General Fund. The estimated annual principal and interest payments that will be added to the 2006-2010 General Fund is \$1,150,000.

## CAPITAL PROJECT FUNDS

The Capital Projects Funds account for the acquisition or construction of major capital facilities from proceeds of general obligation bond issues.

1988 Capital Improvements Fund - Accounts for the proceeds of the 1988 Capital Improvements Bonds issued to finance improvements to the streets and drainage systems, parks, arts center, museum, and Robinson Auditorium, as well as to construct a new police substation, a library branch and two fire stations.

1995 Capital Improvements Fund – Accounts for the proceeds of the 1995 Series B Capital Improvement Bonds issued to finance the costs of various capital improvements for the City, including streets, parks, drainage, firefighting, police and community centers.

1998 Capital Improvement 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.

2004 Capital Bond Projects – Accounts for proceeds of 2004 Capital Bond Projects to finance the costs of various capital improvements for the City, including infrastructure, police and fire equipment, emergency services systems, parks, recreation and Zoo, animal services and Robinson & Statehouse Centers.

## CAPITAL IMPROVEMENTS

	<u>Original Appropriation</u>	<u>Remaining Balance at 12/31/04</u>
Appropriations by fund for multi-year projects:		
<b>Infrastructure Fund:</b>		
Fairpark/630 to 12th	\$60,547	\$1,087
University/29th to Asher	1,289,126	1,121,620
Napa Valley	630,694	503,152
Downtown Signal	209,893	49,406
Barrow Signal	253,742	11,609
Cantrell & Chenal Signal	150,001	36,597
Fund 215 Contingences	33,948	33,948
Administration Expenses	5,000	3,267
Total	<u>2,632,951</u>	<u>1,694,736</u>
<b>1988 Capital Bond Projects Fund:</b>		
Mabelvale Pike/Geyer Spgs-Univeristy	1,078,221	659,064
Local Streets	10,125,337	38,605
Fairpark/Mabelvale Pike	519,066	176,603
South Loop Phase I	780,715	657,841
Fund 301 Contingencies	136,675	125,675
Fourche Dam Pike Drainage	501,848	467,617
Mabelvale Pike/Geyer Spgs-Univeristy	51,534	0
Riverfront East	703,272	0
Mablevale Cut-off	51,535	8,548
South Loop	59,532	50,767
Total	<u>13,956,200</u>	<u>2,367,743</u>
<b>1995 Capital Bond Projects Fund:</b>		
Fund 303 Contingencies	185,822	127
Street Resurfacing	1,347,669	1
Presidential Park Street #1 (Tentative)	295,000	295,000
Geyer Springs RR Separation	41,916	18,435
Children's Zoo	1,000,000	245
Hindman Park Bridge Match	175,000	140,000
Firefighting Improvements	806,840	74,919
Total	<u>5,375,263</u>	<u>557,394</u>

## CAPITAL IMPROVEMENTS

	<u>Original Appropriation</u>	<u>Remaining Balance at 12/31/04</u>
<b>1998 Infrastructure Bond Fund:</b>		
Univeristy-12th to 19th	719,853	559,638
Fund 304 Contingencies	586,404	179,375
3rd, 11th & 31st Street Improvements	68,013	57,264
3rd & Commerce Streetscape	538,000	30,733
Geyer Springs RR Overpass	126,951	126,951
Mabelvale Pike	611,704	566,643
Mabelvale Cutoff	2,387,999	2,232,380
Presidential Park Street #2 (Tentative)	240,221	55,815
Scott Hamilton SW Construction	28,787	2,719
Downtown Traffic Signals	448,605	129,063
Asher Ave	70,000	53,880
Scott Hamilton	519,353	518,353
Collins Street Improvements	225,000	212,643
3rd Street Collins to Shall	53,473	53,473
Total	<u>7,629,182</u>	<u>5,057,547</u>
<b>1998 Parks &amp; Recreation Bond Fund:</b>		
Fund 305 Contingencies	267,397	229,280
Presidential Library Site	12,395,491	575,438
Arkansas Farms	345,000	129,091
Total	<u>13,124,684</u>	<u>931,213</u>
Total Capital Improvements for multi-year Projects	<u>\$42,718,280</u>	<u>\$10,608,632</u>

## CAPITAL IMPROVEMENTS

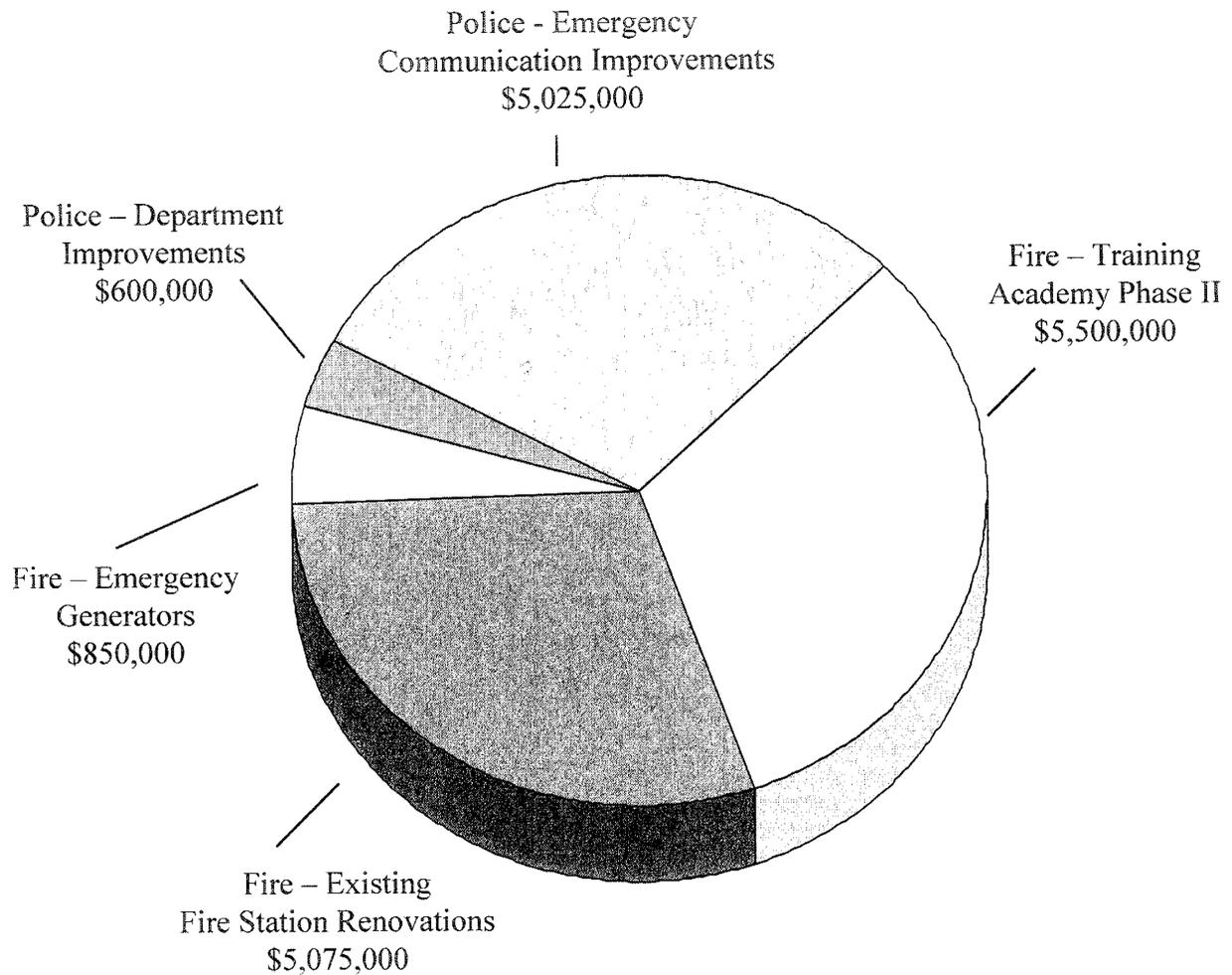
Appropriations for multi-year projects to be completed in the next three years are as follows:

	2004	2005	2006	Total
<b>2004 Capital Bond Fund:</b>				
Fire Training Academy - Phase II	\$5,500,000			\$5,500,000
Renovations to existing Fire Stations	5,075,000			5,075,000
Emergency Generators	850,000			850,000
Police Department Improvements	600,000			600,000
Emergency Communication Improvements:				
Upgrade Police & Fire Radio Systems	3,275,000	5,000,000		8,275,000
Early Warning Siren System Upgrades	1,650,000			1,650,000
3-1-1 General Information Telephone System	100,000	900,000		1,000,000
Total Emergency Communication Improvements	<u>5,025,000</u>	<u>5,900,000</u>		<u>10,925,000</u>
Street Improvements	3,800,000	2,300,000	2,070,000 #	8,170,000
Street Reconstruction	2,896,250	6,951,000	1,737,750	11,585,000
Traffic Signals	1,930,000	615,000	470,000	3,015,000
Intersection Improvements	495,000	1,000,000	600,000	2,095,000
Drainage Improvements	824,000	2,472,000	824,000	4,120,000
Parks & Recreational Improvements:				
Parks Capital Upgrades	1,000,000	1,000,000	80,000	2,080,000
Southwest Community Center Expansion	250,000	1,000,000		1,250,000
Park Improvements & Soccer Fields	320,000	880,000		1,200,000
Trail Development	1,350,000	585,000		1,935,000
War Memorial Fitness Center Expansion	275,000	475,000		750,000
Dunbar Community Center Expansion	750,000	1,235,000		1,985,000
Total Parks & Recreation Improvements	<u>3,945,000</u>	<u>5,175,000</u>	<u>80,000</u>	<u>9,200,000</u>

## CAPITAL IMPROVEMENTS

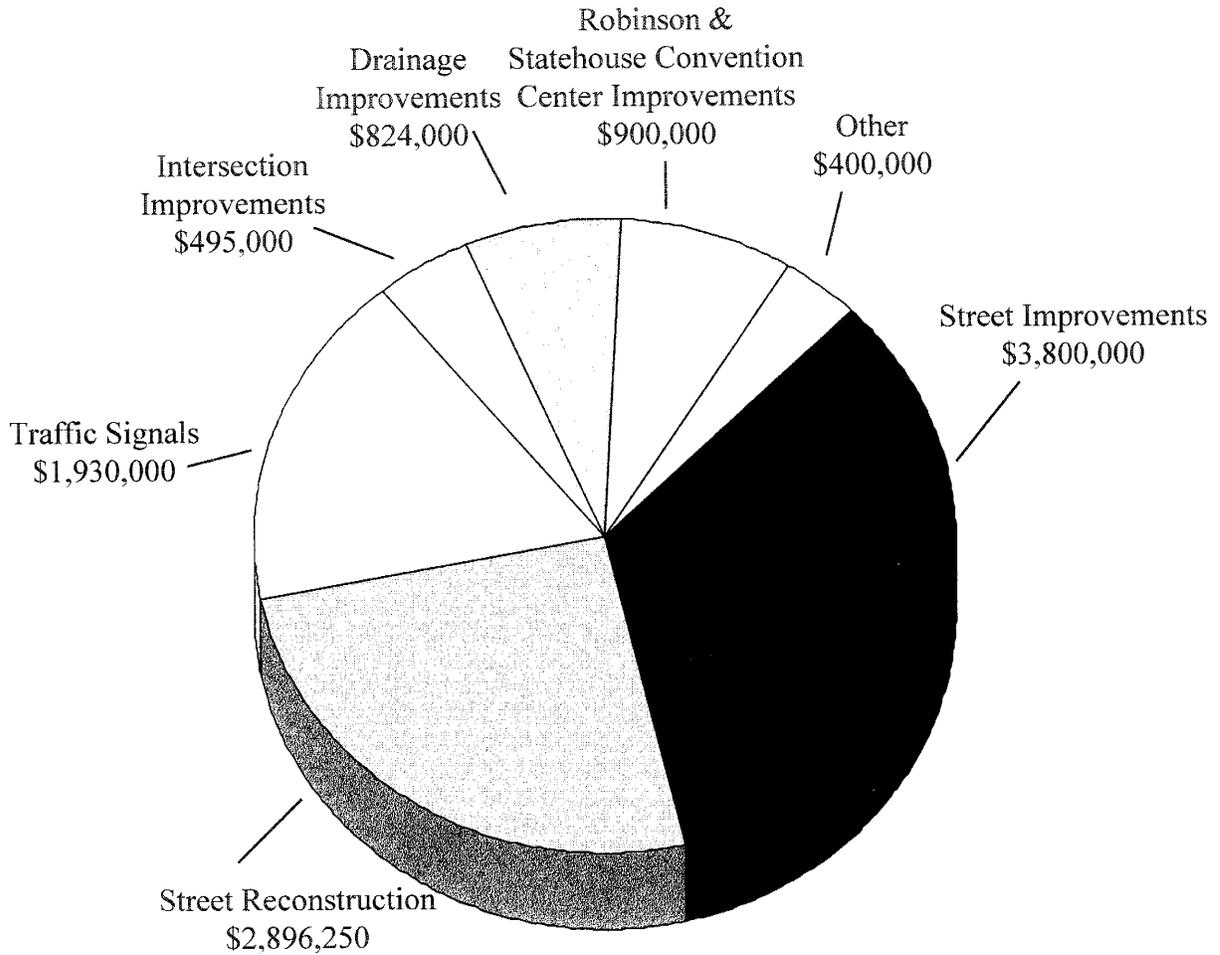
Zoo Improvements:				
Zoo Upgrades	1,099,550	624,125	76,325	1,800,000
Entry Plaza Phase I	965,000	235,000	200,000	1,400,000
Restaurant - Lion House Conversion	1,400,000			1,400,000
<b>Total Zoo Improvements</b>	<u>3,464,550</u>	<u>859,125</u>	<u>276,325 0</u>	<u>4,600,000</u>
 School Area Pedestrian Safety Improvements	 200,000	 865,000		 1,065,000
 Animal Services Improvements	 200,000	 500,000	 500,000	 1,200,000
 Robinson & Statehouse Convention Center Improv.:				
Robinson Center	440,000	50,000		490,000
Statehouse Convention Center	460,000	50,000		510,000
<b>Total</b>	<u>900,000</u>	<u>100,000</u>		<u>1,000,000</u>
 <b>Grand Total 2004 Capital Bond</b>	 <u><u>\$35,704,800</u></u>	 <u><u>\$26,737,125</u></u>	 <u><u>\$6,558,075</u></u>	 <u><u>\$69,000,000</u></u>

# CITY OF LITTLE ROCK 2005 CAPITAL IMPROVEMENTS FIRE AND POLICE



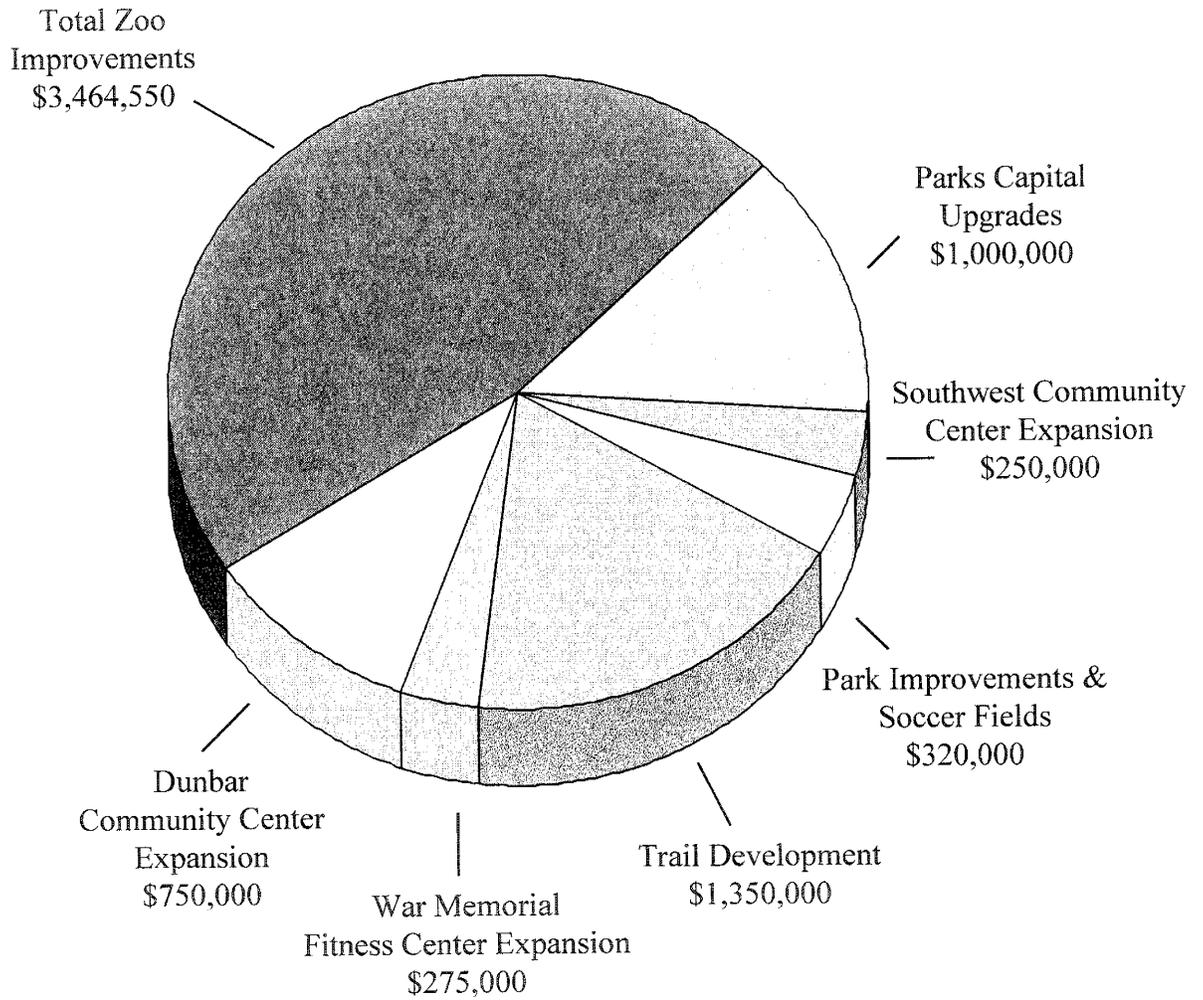
**\$17,050,000**

# CITY OF LITTLE ROCK 2005 CAPITAL IMPROVEMENTS PUBLIC WORKS AND OTHER



**\$11,245,250**

# CITY OF LITTLE ROCK 2005 CAPITAL IMPROVEMENTS PARKS & RECREATION AND ZOO



**\$7,409,550**

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