



2016 Annual Operating Budget
City of Little Rock, Arkansas

On the Cover:

In September 2015, the Main Street Creative Corridor's Low Impact Development (LID) streetscape was dedicated. The pedestrian and environmentally friendly streetscapes along four blocks of Main Street contain LID features such as bioswales, porous pavers, rain gardens, and biodiverse vegetation.

The Creative Corridor is a mixed-use development project which is restoring the vitality of Main Street by creating an arts district. Recent public art installations and the clustering of creative organizations are transforming the Creative Corridor into a downtown hub. The cover features the Creative Corridor logo as well as Lorri Acott's *Peace* sculpture.

Initial planning and design for the Creative Corridor was funded by a 2011 Our Town grant from the National Endowment for the Arts. The plan, created by the University of Arkansas Community Design Center and Marlon Blackwell Architects, has received over ten international, national, regional and local awards.

A variety of public and private entities have been partners in the Creative Corridor including the Arkansas Natural Resources Commission, the Downtown Little Rock Partnership, ArtPlace America, the Educational Foundation of America, the National Endowment for the Arts, and the Environmental Protection Agency.

(Photo of the banner by Scott Whiteley Carter; photo of the sculpture by Kelly Quinn)

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City of Little Rock

2016 Annual Operating Budget

Bruce T. Moore
City Manager

Prepared by:
Department of Finance

Sara Lenehan, Finance Director

LaVerne DuVall, Budget Officer

The enclosed 2016 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 2016 budget document and budget documents for previous years can be found on the City of Little Rock's website located at: www.littlerock.org.

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, 2015

A handwritten signature in cursive script, reading "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, 2015.

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 193,524. 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 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 Lance Hines
Ward Five



Director Erma Hendrix
Ward One



Director Ken Richardson
Ward Two



Director Kathy Webb
Ward Three



Director Brad Cazort
Ward Four



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

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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 2016 is included in this document to more adequately describe the budget development process.

The 2016 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:

General Fund	Enterprise Funds
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, 2015 priorities and results, 2016 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
Bruce T. Moore
James E. Jones

Mayor
City Manager
Assistant City Manager

Dana Dossett
Tom Carpenter
Alice Lightle
Victor Fleming
Mark Leverett
Sara Lenehan
Stacey Witherell
Randy Foshee
Tony Bozynski
Andre Bernard
Jon Honeywell
Truman Tolefree
Gregory Summers
Kenton Buckner
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 & Neighborhood Programs
Director of Public Works
Director of Parks & Recreation
Fire Chief
Police Chief
Director of Zoo
Director of Fleet Services

Budget Report Production, Analyst, and Graphics

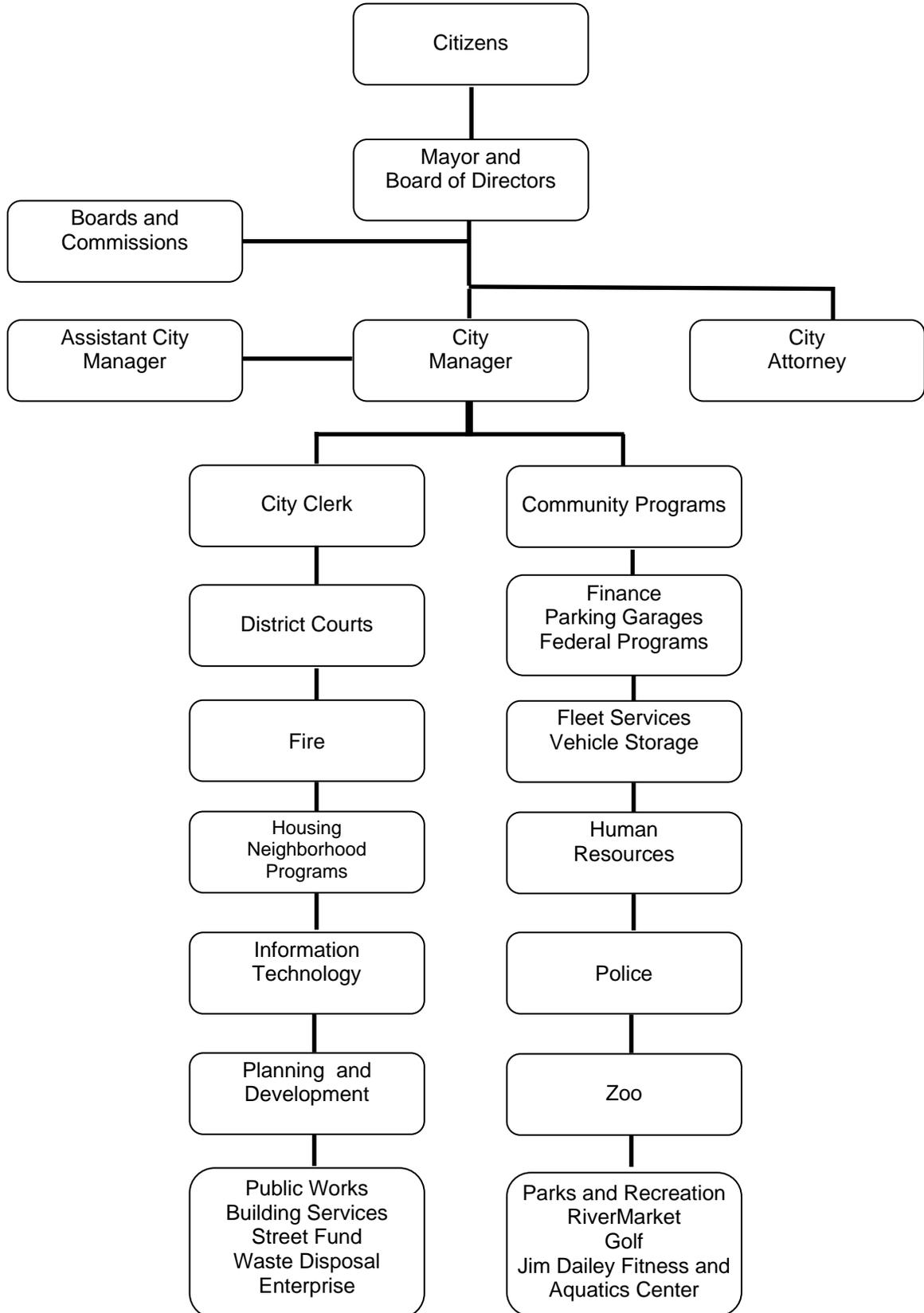
LaVerne DuVall
Silas Roaf

Budget Officer
Budget Management Analyst

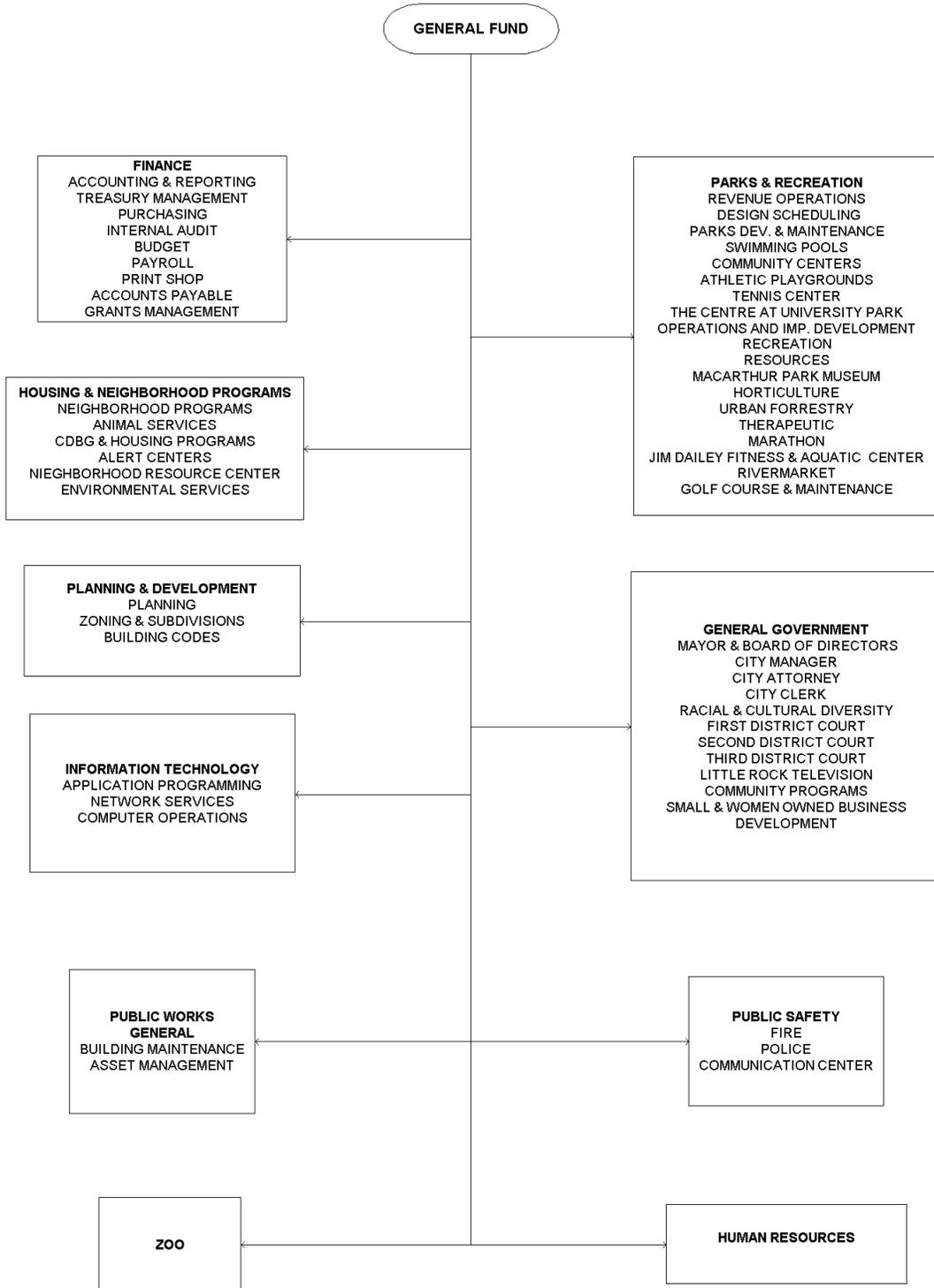
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City of Little Rock

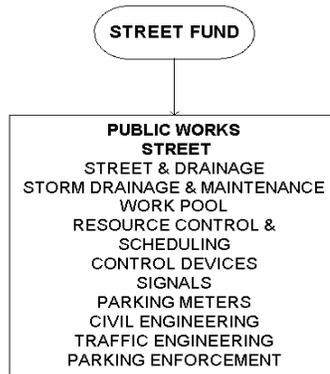
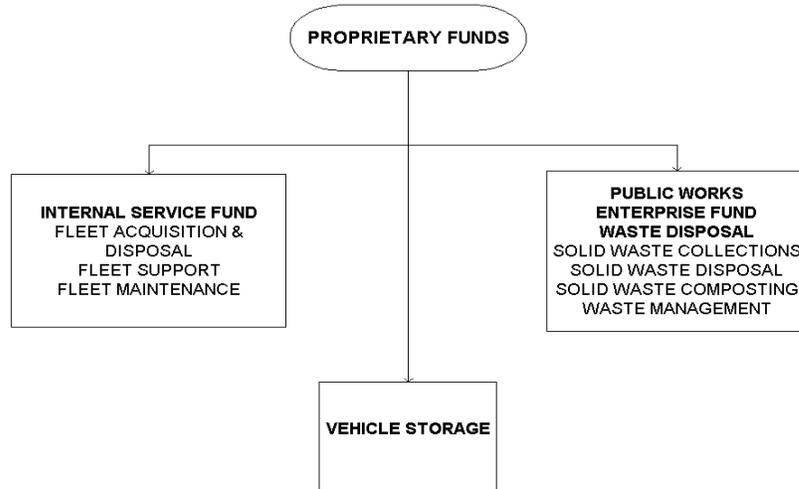


CITY OF LITTLE ROCK OPERATING FUND STRUCTURE



Note: All departments include an administration section

CITY OF LITTLE ROCK OPERATING FUND STRUCTURE



Note: All departments include an administration section

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City of Little Rock

Bruce T. Moore
City Manager

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December 15, 2015

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

I respectfully submit the official Year 2016 Budget for the City of Little Rock that builds on the accomplishments and service improvement programs initiated during the last few years. While the economic downturn and slow recovery experienced in the past several years continues to create significant challenges for the City, the passage of the new 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 \$255,456,581, an increase of \$6,688,496, or 2.7% more than the 2015 Adopted Budget and \$3,813,365, or 1.5% more than the final 2015 Amended Budget. The Operating Budget changes for the 2016 Year are summarized below:

	<u>2016</u>	<u>2015</u>	<u>Change</u>	<u>% Change</u>
General Fund	\$201,644,229	\$194,740,211	\$6,904,018	3.5%
Street Fund	20,557,426	20,050,226	507,200	2.5%
Fleet Services Fund	12,714,282	13,294,275	(579,993)	-4.4%
Waste Disposal Fund	16,928,866	17,127,479	(198,613)	-1.2%
Vehicle Storage Facility Fund	1,359,792	1,359,144	648	0.0%
Parking Garages	2,251,986	2,196,750	55,236	2.5%
Total	<u>\$255,456,581</u>	<u>\$248,768,085</u>	<u>\$6,688,496</u>	<u>2.7%</u>

The 2016 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 that was 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 FY16 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. The City issued \$58,105,000 in bonds on July 24, 2013. A second series of bonds will likely be issued in 2017 or 2018.

The General Fund 2016 Operating Budget includes several significant changes from the original 2015 Operating Budget. The 2016 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 \$7,315,303 of the transfer in revenue and related debt service expense in the 2016 operating budget. Debt service on the notes is included in the General Administrative Department of the General Fund. The increase in debt service reflects the issuance of a 2015 Short-Term Note to fund completion of the West Central Community Center.

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 tax on gross receipts, which includes the 1/2-cent sales tax in effect since 1994, combined with the new 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 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 is funding 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 new sales tax were implemented during 2012 and are maintained in 2016.

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 were less volatile than experienced in 2014, with ten (10) of the twelve (12) months of 2015 demonstrating a favorable comparison to the previous year. Overall results for 2015 were 3.56% better than 2014 results and exceeded the Amended Budget by 0.49%, or \$491,851. Based on the growth experienced in the first nine (9) months of 2015, combined with an anticipated reduction in the State sales turnback, the projected growth in the 2016 Budget includes 2.25% for the City’s portion of County sales tax revenue and for the City’s local sales tax, and a slight reduction in State turnback revenue, for a blended growth rate of 2.2%. Based on the final actual sales tax revenue for 2015, including strong results for fourth quarter sales, the City will need to experience growth of 1.7% to achieve the 2016 Budget of \$101,575,420. Growth estimates are conservative due to impact of the rebate program and increased Internet sales, which frequently exclude sales tax collections.

Franchise fees from local utilities comprise approximately 15% of general fund revenues. Franchise fees from Entergy Corporation, the electric utility, increased approximately 12.2% in 2015 due to an announced rate increase of 3.4%. Storm recovery charges were passed on to customers and weather impact rates and usage. Franchise fees from Centerpoint Entergy, the gas utility, decreased approximately 13% in 2015 with a decrease in usage of approximately 11.2%. The decline in usage was primarily associated with low natural gas prices and the very mild winter. 2016 Gas revenues are expected to be 7.4% lower than actual 2015 levels and 19.6% lower than 2014 levels. The reduced revenue estimates are a result of lower natural gas cost. Entergy Arkansas and CenterPoint Energy have

announced that they are requesting rate increases from the Arkansas Public Safety Commission (PSC) later in 2016; however, these requests are usually modified and reduced by the Commission. Franchise fees from telecommunication companies and long-distance carriers are expected to decrease approximately 4%-5% after several years of decline due to on-going competition from wireless companies. Of the City's utility providers, only Little Rock Wastewater Utility (LRWU) is anticipated to have a rate increase in 2016. LRWU has scheduled rate increases in 2016, 2018 and 2019 to comply with the terms of the Sierra Club lawsuit to reduce sanitary sewer overflows in Little Rock. The 2016 rate increase is approximately 4.75%. Overall, 2016 franchise fee revenue is expected to be consistent with the Amended 2015 Budget.

Property Tax revenues account for approximately 14% of General Fund revenues. Little Rock recently received its Original Charge for 2015 Property Taxes to be collected in 2016. The Original Charge is approximately 1.6% 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 3.43%. The 2016 Budget reflects an increase in Property Tax revenues of approximately 3.5% from the 2015 Budget. In addition, the Budget includes separate 1-mill property tax levies dedicated for the Police and Fire Pension Plans. I am pleased that overall property values in Little Rock were maintained during the recent economic downturn and continue to experience reasonable growth. 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 1,697 full-time equivalent (FTE) positions, a net increase of eight (8) FTEs compared to 2015 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-two (42) employees, including fifteen (15) new COPS positions. However, approximately 133 of the budgeted General Fund positions were vacant at the end of 2015. A Police Recruit school of twenty-nine (29) Officers graduated on December 11, 2015. Two recruit classes are planned for Fire and Police in 2016. With the passage of the new sales tax, positions were filled and new positions have been added, particularly in the areas of Public Safety and Parks & Recreation. The 2016 Operating Budget expenditures include \$143,834,450 in personnel cost, net of an anticipated \$6 million in savings from authorized but vacant positions. The 2016 Budget includes salary increases of 2.5% for uniform and union positions in addition to the Police and Fire step and grade progression. The 2.5% increases for the American Federation of State, County and Municipal Employees (AFSCME) union-eligible positions included a minimum annual increase threshold of \$850. In addition, funding for merit-based increases of an average of 2.5% for non-union, non-uniform positions is provided. The City will join a new Comprehensive Health Plan in 2016 at rates slightly lower than 2015 with an opportunity for employees to

buy up to coverage with a lower deductible and co-pay. Premiums for employee only coverage will continue to be provided by the City with no cost to the employee. 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 20.58% to 21.58% of payroll for uniformed Fire personnel and from 17.23% to 18.23% 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 9.58% 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 9.58% contribution. The City implemented a new Defined Benefit Pension Plan for non-uniform personnel on January 1, 2014. The plan resulted from a yearlong review of options to improve the retirement plan for non-uniform employees. There will be no change in 2016 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 unchanged at 14.5%, and the Judges' Pension rate increased from 25.49% to 25.55%. 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 2016 Budget for personnel cost will increase approximately 2.8% from the 2015 Budget.

Fleet services and fuel costs are projected to decrease approximately \$467,000 in 2016 in comparison to the 2015 Adopted Budget. The 2015 Fuel Budget was based on estimated unleaded and diesel fuel per gallon prices averaging \$3.25. The cost per gallon of fuel decreased substantially during 2015. In addition, the City opened a new Compressed Natural Gas Station (CNG) in 2014 and has been converting vehicles to CNG when practical. Fuel cost for 2016 is forecast at \$2.50 per gallon for unleaded and \$2.75 per gallon for diesel. 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.

The City issued a \$5.9 million Short-Term Financing Note in 2015 to accelerate completion of the West Central Community Center associated with the 3/8-cent sales tax for capital projects and to purchase police vehicles and equipment. 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 new note that is related to the West Central Community Center 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 \$1,247,000 in 2016 due to the addition of the 2015 note.

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 \$1,854,576.

A Homeless Services Task Force was established in 2006 to end chronic homelessness within our community. The City of North Little Rock has partnered with 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 2016 as part of City's emphasis to foster and enhance youth and community development. In addition, Community Programs Staff is completing 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 2016. 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 2016 Budget include a pilot neighborhood housing rehabilitation program, a public service announcement program, operating expenses for the West Central Community Center beginning in the 3rd Quarter of 2016 and operating expenses for the new Pankey Police Substation in West Little Rock.

The 2016 Budget includes a contingency allocation of \$1 million or .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.

2015 Accomplishments

Little Rock Police Department: The Little Rock Police Department (LRPD) began remodeling of the Josephine Pankey Community Center to include a Police Substation. An upgrade to the 311 Customer Service Response System started in late 2014 continues with Phase II, which will allow citizens to access City services utilizing mobile technology which will greatly increase service delivery to the citizens of Little Rock. A total of 130,420 requests for City services were made utilizing the enhanced 311 System. In 2015, the LRPD graduated two (2) Basic Recruit Schools and one (1) Certified Officer Accelerated Training (C.O.A.T.) Course that placed forty four (44) recruits within the Departmental ranks. In addition, five (5) Little Rock Fire Department personnel graduated from the Basic Recruit School. LRPD is planning to start two (2) recruit classes in 2016, with a goal to hire eighty (80) additional recruits. Staff continues to work closely with the Human Resources Department to increase the number of viable candidates for both Police and the 911 Call Taker positions. Through these efforts, the LRPD saw the highest number ever for both pass and show rates during the structured interview process.

Little Rock Fire Department: In 2015 the Little Rock Fire Department (LRFD) attained a Class I status through the Insurance Services Organization (ISO), one of only 147 departments in the United States to achieve this distinction. LRFD continued to provide quality services, responding to more than 29,778 fire and emergency calls in 2015. During the year, the Department completed an extensive annual report for distribution to constituents and partnered with Rock Region METRO to initiate a program to place the first AED (Automatic External Defibrillator) on a City bus. The Prevention and Community Outreach Division expanded the smoke alarm installation program to include persons with physical disabilities and non-English speaking groups, and established a Hispanic Fire Safety Day in conjunction with "Cinco De Mayo". During 2015, the Operations Division acquired five (5) new Engines, one (1) Aerial Platform Truck and one (1) Heavy Rescue Unit. In addition, this Division added a Water Rescue Unit, initiated a program to provide Fire Officer I training to all Fire Department personnel successfully completing the promotional process to Captain, and established an internal peer support group for Firefighters. The Training Division provided 1,364 training instructor hours equating to 15,004 hours of student participation in training classes. Classes offered included EMT refresher classes for 415 Firefighters, driver training, inflatable boat and swift-water technical training. In addition, the Training Division conducted a twenty (20)-week Recruit School. The Department continues to move forward with the accreditation process through the Center for Public Safety Excellence.

Public Works: In 2015, Public Works Operations staff responded to 7,760 service requests via the 311 Service Request System and swept 24,996 curb-miles of streets. In addition, staff administered a successful Sidewalk Replacement Program, using disadvantaged citizens re-entering the workforce. This program constructed 22,857 square-feet (4,571 linear-feet) of sidewalks in Little Rock. During 2015, staff coordinated the resurfacing of thirty-six (36) street segments

totaling 83,014 feet (15.7 miles) of streets listed on the 2014 Resurfacing Program and fifty-eight (58) street segments totaling 75,667 feet (14.3 miles) of streets listed on the 2015 Resurfacing Program. A total of thirty (30) miles of City streets were asphalt resurfaced during 2015. In addition, Staff continued to work toward the goal of completing design work on all remaining Bond and Sales Tax projects and construction contracts with design work completed on ninety (90) construction contracts, or 82%, of the total. Bids were opened on twenty-seven (27) Bond and Sales Tax projects in 2015. To date, 64% of all project contracts in the current 2013 – 2015 Street and Drainage Improvement Program have moved to construction.

Fleet Services: The City of Little Rock Fleet Services Department once again achieved national recognition as being among the 100 Best Fleets of North America. In addition, Fleet Services was recognized in the Government Fleet Magazine as one of the 50 Leading Fleets, which recognizes operations that are performing at a high level, particularly in fleet leadership, competitiveness and efficiency, planning for the future, and overcoming challenges. Fleet Services opened a new Maintenance Satellite Shop at the CNG Station at 6th and Ferry Street to serve downtown customers more efficiently.

Finance: The Finance Department obtained the Government Finance Officers Association (GFOA) Certification of Recognition for the 2015 Budget Presentation and the GFOA Certificate for Excellence in Financial Reporting for the 2014 Comprehensive Annual Financial Report. In addition, staff coordinated with other City Departments to conduct a program inventory process review of the 2015 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 2015, Finance facilitated the issuance of \$36.7 million in Library construction and refunding bonds and a \$5.9 million short-term note to fund Police vehicles and equipment and to complete the acquisition, construction and equipping of the West Central Community Center. Other significant accomplishments include recognition of the City's Creative Corridor, funded by multiple grants written by the Grant Division, featured at a variety of Main Street, Downtown, Health Initiative, and Storm Water conferences; the implementation of an electronic bid solution for the Purchasing Division; the implementation of a new court management system; and the upgrade of the City's False Alarm System from a mainframe system to a web-based solution for billing and processing of false alarm payments.

Information Technology: The Information Technology Department assisted the City with an upgrade to the City's 311 system that included a fully integrated mobile app. Staff wrote and deployed a new Records Management System for LRPD, and assisted the Little Rock District Courts with the migration from the in-house system to the Arkansas Office of the Courts System. Staff upgraded the Broadband network connections for Fire, Parks, and Housing & Neighborhood Programs departments.

Human Resources: The Human Resources Department developed a new training program titled “SET”, which stands for supervisory experience training, to provide employees the opportunity to obtain equivalent supervisory experience in order to apply for City jobs that have this requirement. The Department kicked off a succession planning program to assist Departments in developing their employees in order to prepare them for possible promotional opportunities.

Parks & Recreation: Construction of the 22,000 square-foot state-of-the-art West Central Community Center was initiated and is targeted to be completed by the third quarter of 2016. When completed, this facility will serve as a major focus and community resource for this area of the City. The Department applied for and received several grants, including 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. A Request for Qualifications was advertised and a consultant was selected to update the 2001 Little Rock Parks and Recreation Master Plan. In addition, the Department continued its efforts to improve its trail system and completed a major link that connected the Southwest Community Center, the Southwest Unit of the Arkansas Department of Health, and the Department of Human Services Pulaski County (Southwest Unit) to the surrounding neighborhood. The Little Rock Marathon had another successful race that saw an increase in both registration and revenue. In addition, the Department kicked off its Junior Volunteer Park Ranger Program.

Planning & Development: The Planning & Development Department coordinated with the Planning Commission and the Board of Directors the review and adoption of several Zoning and Subdivision Ordinance Amendments. Review of the City’s future Land Use Plan for two (2) areas was completed and amendments were approved by the Planning Commission and Board of Directors. The Complete Streets and Low Impact Development Ordinances were adopted. Staff reviewed and processed over 200 development related applications such as rezoning, conditional use permits and planned developments. The Jump Start 12th Street Core Plan was approved by the Planning Commission and Board of Directors.

Little Rock Zoo: In 2015, the Little Rock Zoo partnered with San Diego Zoo Global Academy and Arkansas Children’s Hospital (ACH) to develop educational videos for both ACH and the Ronald McDonald House. The Zoo joined with the Arkansas Governor’s Committee on People with Disabilities and the Arkansas Spinal Cord Commission to host 2,121 people for the annual People with Disabilities Day at the Zoo, which assists the Governor in meeting his mission to enhance the quality of life for those individuals. Staff worked with seventeen (17) members of the University of Arkansas at Little Rock (UALR) Master’s Program lead by Dr. Debra Baldwin, PhD to develop a comprehensive study of the History of the Zoo. A written report titled *Thriving in the Wild* was produced and identified the major programs that have shaped Arkansas’s only AZA-accredited Zoo. The Zoo was happy to announce the birth of three (3) Penguin Chicks to contribute to the conservation of the SAFE Animal Program. The Zoo closed out the year with upgrades to the Elephant Facility

to ensure protected contact, and the Zoo purchased new x-ray equipment for the hospital.

Housing & Neighborhood Programs: The Housing & Neighborhood Programs Department continued to fill Code Enforcement Officer positions authorized through the LRCent Initiative. Adding Spanish-speaking Code Enforcement Officers continues to be a goal to better communicate with the Spanish-speaking community. A Mobile Home Inspection Team was implemented to address the safe housing needs of mobile home parks. Staff began using SecureView, which is a clear material to board and secure vacant structures. The Little Rock Animal Village received a donation of \$70,000 which is being used to purchase a generator to power the facility when outages occur. The Animal Village adopted a record 1,647 animals and saved a record 2,677 animals through adoption, relocation to other states for adoption, and reuniting with owners. The Community Development Division was able to sell nine (9) new construction/rehab properties internally and with partnerships with local Community Housing Development Organizations (CHDO). New construction began on a vacant Land Bank property in the Stephens Community. In addition, construction began on four (4) new units that should be completed in early 2016.

Community Programs: In 2015, the Community Programs Department began work on a comprehensive Master Plan for Children, Youth & Families that is focused on updating and improving the programs and services that Little Rock's citizens need to thrive. The Department held a series of Community Forums with Little Rock citizens to identify priority needs and established a Master Plan Advisory Committee to assist with making a list of recommendations to meet those needs. Staff started working closely with funded program providers to develop and implement a Youth Program Quality Initiative to better determine the level of effectiveness of their programs and find ways to improve program services. In addition, staff began working with LRPD School Resource Officers, the Little Rock School District and other State partners to increase collaboration for Juvenile Justice Reform in the creation of a school-based Juvenile Diversion Program. Staff continued a Youth Intervention Program (YIP) at Hamilton Learning Academy with targeted referrals to City-funded programs. A new staff position, Community Resources Manager, was created to address the identified priority community needs through various City-funded programs and/or City partnerships developed specifically to meet them. In addition, a new Re-Entry Coordinator was hired to further expand services and opportunities to assist those returning from a correctional facility to develop employability and life skills that will lead to full-time, permanent employment. A "Young Lungs at Play" Marketing Campaign was created to increase awareness of the negative effects of smoking around children.

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; however, due to economic conditions in the past several years, the City has been unable to meet this goal. The

restricted reserve is currently \$9,418,000. The 2016 Budget includes a contingency allocation of an additional \$1 million. Following the completion of the 2015 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 in the next few years.

2016 Goals

- In coordination with the Mayor and City Board, staff will have a major focus on completion of projects funded by the new 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.org.
- 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 new one (1)-cent sales tax. These meetings will provide an additional layer of accountability and transparency to tax payers.
- Complete the remaining street and drainage sales tax projects for the 2013 – 2015 three (3)-year infrastructure improvement cycle and begin implementation of 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 ensure 85% of bond proceeds are expended by July 23, 2016.
- Complete construction and open the West Central Community Center.
- Update the Parks Master Plan.
- Complete and open the Pankey Police Substation in West Little Rock.
- Hire fifteen (15) new Police Officers with COPS Grant funding.
- Complete the development of the Youth Master Plan
- Begin a Neighborhood Housing Rehabilitation Pilot Program
- Provide Public Service Announcements to citizens
- Provide \$5.5 million in funding for Children, Youth, and Family Programs, including youth employment, skills center funding, and reentry programming, to continue the program to train and employ disadvantaged persons for construction and maintenance of sidewalks, and to expand the program to include other entry level positions in other City Departments.
- Continue the City's focus on economic development and sustainability.

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 latest comparative figures for the City of Little Rock show unemployment at 4.2%, compared with a U.S. average of 5%, according to data from the United States Department of Labor, seasonally adjusted for local figures by Metroplan. According to Metroplan, the City of Little Rock had approximately 6,300 unemployed residents as of December 2012. This number had decreased to approximately 3,800 unemployed residents by December 2015, representing just 4% of the labor force and a decline of 32% in two (2) years. Little Rock remains a vital employment center, accounting for approximately 53% of all jobs, by place of work, in the Little Rock-North Little Rock metropolitan area. A large component of the City's workforce is in the areas of health care, education and public administration. These sectors are less vulnerable to national employment trends.

The Metroplan economic report for early 2016 states that Little Rock retail sales had a good year in 2015. The year saw completion of the Gateway Town Center near the intersection of Interstate 430 and Interstate 30 in Southwest Little Rock. The total inflation-adjusted boost to retail sales over the previous year of 3.6% matches closely with the 3.9% total gain in retail square-footage due to the new Center's construction, as reported in the *2015 Office/Retail Industrial Lease Guide* from *Arkansas Business*. Per Metroplan, the City rarely sees retail additions of this size. The general trend in recent years has been for retail sales to grow very slowly, actually declining after the inflation adjustment; therefore, it is likely that the jump in sales experienced during 2015 was a one-time event, and that 2016 will see a resumption of inflation-adjusted decline in retail sales, fueled by the rise in Internet sales. U.S. Internet sales continued rapid growth accounting for 7.4% of all retail sales. Internet sales have more than doubled in a decade, from less than 3% in 2006, and could easily reach 10% of total retail sales by 2020. 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.

The regional housing market has seen less growth than the U.S. average over the last several years. Single-Family Housing Permits began to rebound during 2012, moving to an average of thirty (30) monthly; the highest level since 2008, and were nearing an average of forty (40) units per month by the end of 2014; however, the average dropped to 26.5 during 2015. The Metroplan report on Little Rock's Economy in early 2016, describes the Little Rock housing market as follows: Multi-family housing construction has increased in relation to Single-Family Permits, growing to nearly 60% of all new housing units from 2011 – 2015 compared with 36%-38% in the two (2) preceding five (5)-year intervals. There are several multi-family projects proposed for 2016. Such projects often raise controversy concerning

adjoining land uses; however, affordable housing can be an important component of economic development. On August 1, 2013, Moses Tucker Real Estate announced plans to redevelop the old Arkla Gas Building in Downtown Little Rock, converting it into upscale apartments that opened in September 2015. The project, called MacArthur Commons, includes fifty-nine (59) units at the corner of East Capitol and River Market Avenues. The development has been a great success, designed to provide upscale, yet affordable housing for residents looking to live downtown. By November, the complex was 97% occupied. In addition, Moses Tucker expects to complete another development in May 2016, a thirty-six (36)-unit mixed-use project across the street, called Legion Village. 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, at 3400 South Bowman Road in Little Rock. Another 500 units are approved for Bowman Pointe, and a planned development of 250 units has been approved farther south on Bowman. The occupancy rate in newly built complexes, those opened since 2010, is 95%. The central market in Little Rock is the most popular in the county. In addition, nine (9) apartment complexes were sold in Pulaski County in the second quarter. The highest price paid was \$36 million for Park Avenue Lofts, a luxury apartment complex in Little Rock with 258 units. The price per unit was approximately \$139,000 and the price per square-foot was almost \$150. The buyer's CEO, Jack Fiorella of Equity Resources LLC, of Birmingham, Alabama, said, "Equity Resources has great confidence in the Little Rock market. We expect that our strategy to own high-end luxury communities will be well received by the community."

Commercial property construction continues to show strong growth. One of the most exciting developments is the new Bass Pro Shop that opened in Little Rock on November 13, 2013. The 120,000 square-foot location is at Little Rock's Gateway Town Center, a 169-acre project at the northwest corner of Interstates 30 and 430 in Southwest Little Rock. In addition, Outlets at Little Rock opened in October 2015 at the same location with approximately sixty-nine (69) retail stores, bringing approximately 1,000 jobs to the area. The center is anticipated to have approximately seventy-five (75) stores when it is complete. Outlet shopping centers are unique and traditionally become destinations and magnets for retail activity. The Outlets of Little Rock is the only outlet center in the state. The shopping center's location guarantees visibility. More than 40% of Arkansas' population lives within sixty (60) miles of the Outlets. In addition, outlet malls are less impacted by Internet sales because many of the discounts offered are not available online. Developer Tommy Hodges estimated that the Outlets will collect nearly \$2.3 million per year in City sales taxes and around \$1.5 million per year in County sales taxes. The Gateway's Grove Project is on the northeast quadrant of the Gateway Town Center. It is envisioned to become an entertainment district with hotels, restaurants and other attractions. A pedestrian promenade would link The Grove's restaurants, shops and venues to the Outlets and Bass Pro Shop. Construction is underway at The Grove on Arkansas' first Dave and Buster's Restaurant and Video Arcade. Plans call for 10,000 square-feet of retail and restaurant space to be completed later

in 2016 followed by additional space for entertainment destinations, hotels and other retailers. Most recently, developers announced that Movie Tavern, a dine-in movie theater chain, is planning a new theater at the shopping center.

In July 2014, the Robinson Center Music Hall in Downtown Little Rock was temporarily closed for a \$68 million renovation project. The building will increase from 133,500 square-feet to 138,000 square-feet. The overhaul includes 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 are expected to be completed by 2016.

In December 2014, *Arkansas Business* reported a 311,684 square-foot FedEx Corporation Distribution Center to be located in Southwest Little Rock. The \$24.9 million project is forecast to take a year and will involve a new street, Industry Parkway, which will link with Alexander Road.

In June 2015, the American Taekwondo Association International (ATAI) broke ground on its new \$13 million, 25,300 square-foot headquarters in Little Rock along Riverfront Drive, complete with a museum, video production studio and international martial arts training. ATAI's annual World Expo, held in Little Rock's Statehouse convention Center, brings in tens of thousands of visitors and competitors each year.

In December 2015, *Arkansas Business* reported that FIS will 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 will live out of the Venture Center, which shares space with the Little Rock Technology Park at 107 East Markham Street 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.

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 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.

The City will continue to identify economic development opportunities that result in the expansion, retention or start-up 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 over the next seven (7) years. The funds will be 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 2016. The appropriations included provide for quality municipal services.

I want to recognize the many members of our City Staff that 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.org, 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 recently launched a new LR 311 mobile app to enable citizens to access City services. It is available for download through the App Store or Google Play Store.

The City has seen great progress over the past years with more to come in 2016 and beyond as the Mayor, City 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 21st 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 2016 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 FY16 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 2016 Budget

The 2016 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 2016 budget follows:

August	Finance sends letters to Outside Agencies for 2016 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 2016.
August	Departments review special project balances. Finance Department sends out Personnel Model for verification.
August	Departments submit revenue estimates, proposed rate adjustments and new fee recommendations and dedicated grant match requests to Finance,
September	Departments prepare program inventory worksheets for review and discussion with the Board of Directors in a preliminary budget workshop.
September	Departments complete review of 2016 Personnel Model with necessary changes reported to HR and Budget Office.
September	City Manager reviews Outside Agency Requests. HR provides 2016 new benefit rates to Finance.
September	2016 Budget instructions, departmental budgets and Personnel Model distributed. Finance assists departments with budget process.
September	Fleet Services submits 2016 budget to Finance and departments.
October	Departments submit 2016 operating and capital budget requests to Finance. Community Programs submits CYF/PIT recommendation to City Manager.
October	Finance verifies budget requests. Finance updates financial trends, revenue forecast, and reviews new revenue options.

October	City Manager reviews departmental budget requests and CYF/PIT recommendation. Budget meetings held with departments.
October	Board of Directors considers policy issues and revenue projections.
October	Board adopts 2016 mill levy Ordinance.
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 2016 Budget Ordinance, utility franchise Ordinances, and revenue rate adjustments if applicable.
December	Finance submits 2016 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 2016 budget includes salary increases of 2.5% for uniform and union positions in addition to the Police and Fire step and grade progression. The 2.5% increases for the American Federation of State, County and Municipal Employees (AFSCME) union eligible positions included a minimum annual increase threshold of \$850. Other union benefit modifications included the addition of vision insurance for the Fraternal Order of Police (FOP) and the International Association of Firefighters (IAFF), an increase in the carry-over of vacation from 35 days to 40 days for FOP members, and an increase in the formula for holiday premium pay for IAFF members. In addition, funding for merit based increases of an average of 2.5% for non-union, non-uniform positions is provided.
- 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 2016. 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 2016, 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 the 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.

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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.

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 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.

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 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, 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 provided 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, 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 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 \$9,418,000. The Board will consider increasing the restricted reserve based on 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

	2014 Budget	2015 Budget	2016 Budget
Rock Region Metro	\$8,534,663	\$8,686,869	\$8,576,529
County Regional Detention Center	1,050,000	1,063,313	1,450,000 (1)
Arkansas Arts Center	400,000	550,000	700,000 (2)
Museum of Discovery	200,000	200,000	230,000
Chamber of Commerce	200,000	200,000	(3)
Metroplan	178,042	178,042	178,042
Downtown Partnership	160,000	175,000	195,000
PAGIS	135,800	135,800	135,800
Metro Little Rock Alliance	100,000	100,000	(3)
First Tee	91,500	191,500	191,500
County Bond Payment	56,100	56,100	56,100
St. Vincent	25,381	25,381	25,381
LR City Beautiful Commission	2,500	2,500	2,500
Total	<u>\$11,133,986</u>	<u>\$11,564,505</u>	<u>\$11,740,852</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.

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Budget Summaries



BUDGET SUMMARIES

The following schedules summarize the audited 2014 operating results, the 2015 unaudited operating results, and the approved 2016 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:

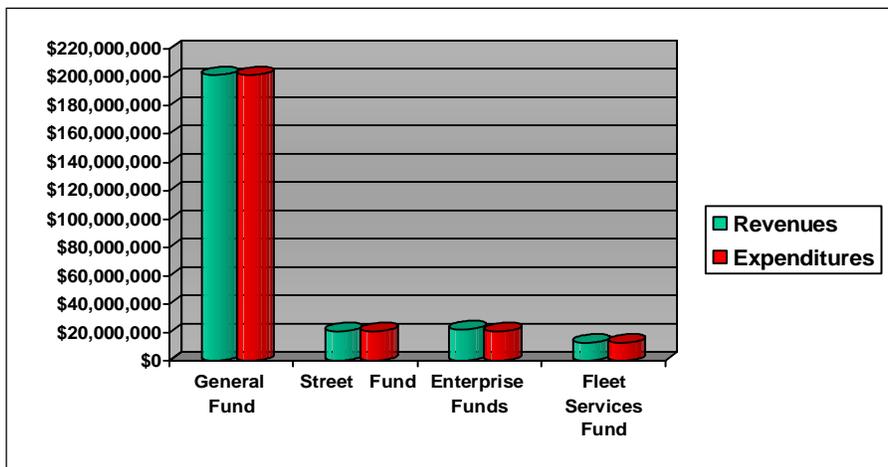
- General;
- Special Revenue;
- Capital;
- Enterprise;
- Internal Service;
- Fiduciary; and
- Debt Service.

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

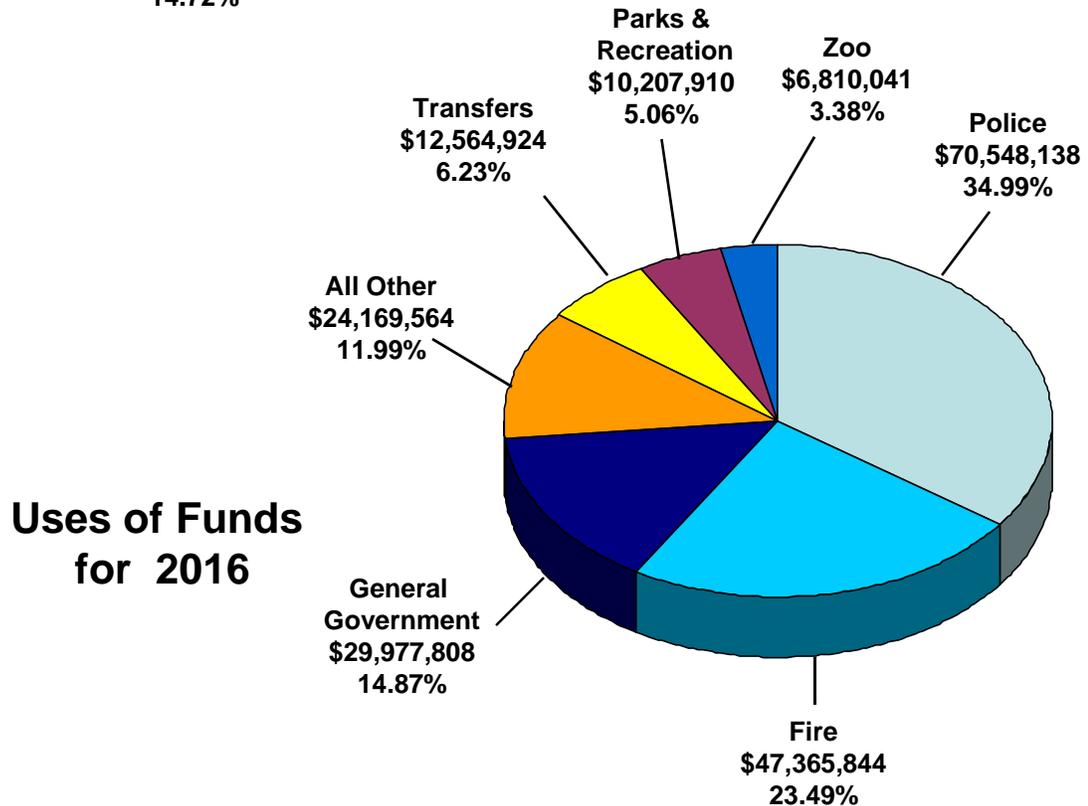
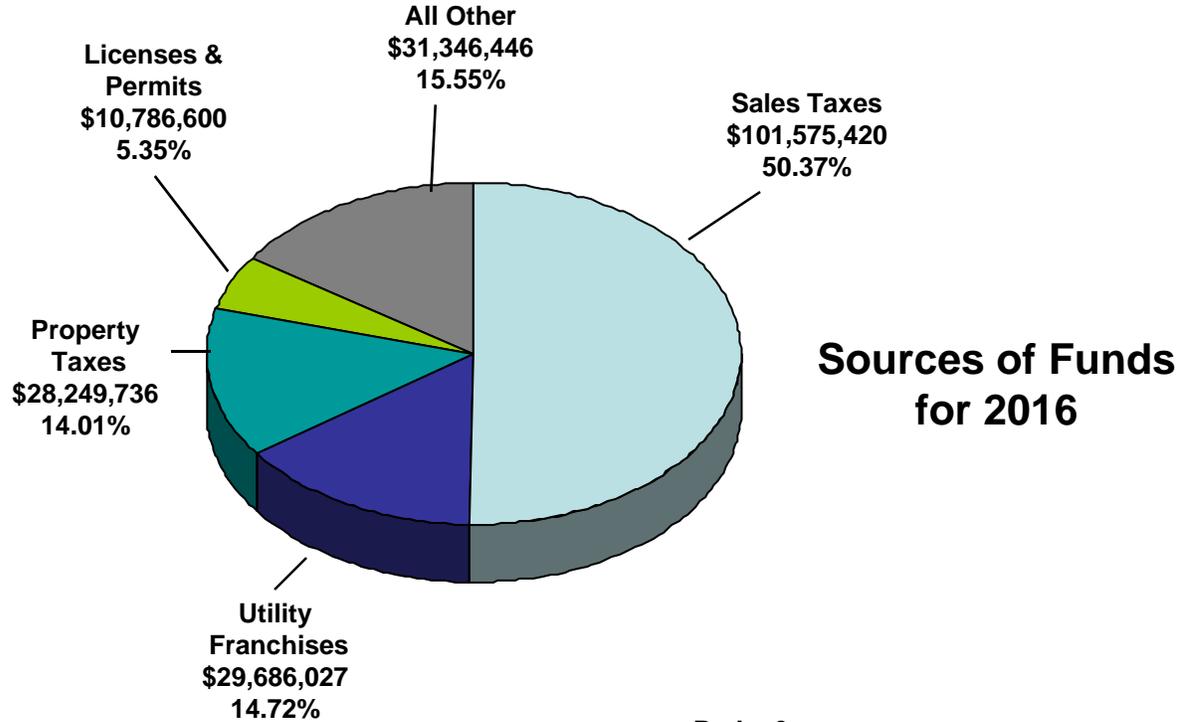
2016 Operating Funds Budget Summaries

	General	Street	Enterprise Funds	Fleet Services	Total
<u>Revenues</u>					
General Property Taxes	\$28,249,736	\$5,800,100			\$34,049,836
Sales Taxes	101,575,420				101,575,420
License and Permits	10,786,600		311,410		11,098,010
Intergovernmental	7,686,800	12,792,400			20,479,200
Charge for Service	10,054,277	18,600	21,458,445	12,714,282	44,245,604
Fines and Fees	2,812,371				2,812,371
Utility Franchise Fees	29,686,027				29,686,027
Investment Income	225,000	57,500	88,400		370,900
Miscellaneous	1,216,028	174,100	23,600		1,413,728
Transfers In	9,351,970	1,714,726			11,066,696
Total Revenues	201,644,229	20,557,426	21,881,855	12,714,282	256,797,792
<u>Expenditures</u>					
Personnel	143,834,450	10,410,678	6,075,291	3,732,290	164,052,709
Supplies and Material	6,235,034	1,101,263	1,721,067	5,960,365	15,017,729
Repairs and Maintenance	7,254,786	2,732,712	2,869,127	497,350	13,353,975
Contractual	22,540,429	3,493,056	5,336,454	2,339,877	33,709,816
Closure/Post Closure			247,945		247,945
Capital Outlay	253,000	2,342,000		184,400	2,779,400
Depreciation and Amortization			1,849,000		1,849,000
Debt Service	8,961,606		622,875		9,584,481
Transfers Out	12,564,924	477,717	1,818,885		14,861,526
Total Expenditures	201,644,229	20,557,426	20,540,644	12,714,282	255,456,581
Net Change in Fund Balance			1,341,211		1,341,211
Fund Balances - Beginning	20,460,635	8,913,184	21,356,979	4,004,442	54,735,240
Fund Balances - Ending	\$20,460,635	\$8,913,184	\$22,698,190	\$4,004,442	\$56,076,451

This presentation includes restricted reserves of \$9,418,000 in the General Fund.



FY 2016 GENERAL FUND



**CITY OF LITTLE ROCK
BUDGET SUMMARY BY FUND TYPE
FOR YEARS 2014 - 2016**

	GENERAL FUNDS	SPECIAL REVENUES	CAPITAL PROJECTS	ENTERPRISE FUNDS	INTERNAL SERVICE FUND	FIDUCIARY FUNDS	DEBT SERVICE FUNDS
2014							
REVENUES:	\$ 202,406,544	\$ 33,641,416	\$ 26,957,773	\$ 21,250,281	\$ 14,192,443	\$ 40,840,491	\$ 22,080,948
EXPENDITURES:	203,620,631	30,370,281	45,753,956	18,930,083	12,688,818	36,889,277	20,866,821
REVENUES OVER (UNDER) EXPENDITURES	(1,214,087)	3,271,135	(18,796,182)	2,320,198	1,503,625	3,951,215	1,214,127
BEGINNING FUND BAL.	35,524,709	11,352,312	99,045,396	18,563,994	2,603,208	141,841,274	20,167,140
ENDING FUND BAL.	<u>\$ 34,310,621</u>	<u>\$ 14,623,448</u>	<u>\$ 80,249,214</u>	<u>\$ 20,884,192</u>	<u>\$ 4,106,833</u>	<u>\$ 145,792,489</u>	<u>\$ 21,381,268</u>
2015							
REVENUES:	\$ 210,811,984	\$ 32,977,993	\$ 44,129,188	\$ 21,156,160	\$ 13,345,076	\$ 11,069,061	\$ 37,557,457
EXPENDITURES:	209,374,723	31,374,682	37,176,276	20,683,373	13,447,467	18,564,177	40,713,249
REVENUES OVER (UNDER) EXPENDITURES	1,437,261	1,603,312	6,952,912	472,787		(7,495,116)	(3,155,791)
BEGINNING FUND BAL.	34,310,621	14,623,448	80,249,214	20,884,192	4,106,833	145,792,489	21,381,267
ENDING FUND BAL.	<u>\$ 35,747,882</u>	<u>\$ 16,226,759</u>	<u>\$ 87,202,126</u>	<u>\$ 21,356,979</u>	<u>\$ 4,004,442</u>	<u>\$ 138,297,373</u>	<u>\$ 18,225,476</u>
2016							
REVENUES:	\$ 201,644,229	\$ 20,557,426		\$ 21,881,855	\$ 12,714,282		
EXPENDITURES:	201,644,229	20,557,426		20,540,644	12,714,282		
REVENUES OVER (UNDER) EXPENDITURES	-	-	-	1,341,211	-	-	-
BEGINNING FUND BAL.	35,747,882	16,226,759	87,202,126	21,356,979	4,004,442	138,297,373	18,225,476
ENDING FUND BAL.	<u>\$ 35,747,882</u>	<u>\$ 16,226,759</u>	<u>\$ 87,202,126</u>	<u>\$ 22,698,190</u>	<u>\$ 4,004,442</u>	<u>\$ 138,297,373</u>	<u>\$ 18,225,476</u>

**GENERAL GOVERNMENT SUMMARY
OPERATING BUDGET
2014 - 2016**

	ACTUAL 2014	AMENDED 2015	ADOPTED BUDGET 2016
<u>GENERAL FUND</u>			
REVENUES:	\$ 191,675,088	\$ 197,462,150	\$ 201,644,229
EXPENDITURES:	<u>190,812,636</u>	<u>197,462,150</u>	<u>201,644,229</u>
REVENUES OVER (UNDER) EXPENDITURES	862,452	-	-
BEGINNING FUND BALANCE	<u>19,598,183</u>	<u>20,460,635</u>	<u>20,460,635</u>
ENDING FUND BALANCE	<u><u>\$ 20,460,635</u></u>	<u><u>\$ 20,460,635</u></u>	<u><u>\$ 20,460,635</u></u>
<u>SPECIAL PROJECTS & SEIZED MONEY FUND</u>			
REVENUES:	\$ 10,731,456	\$ 13,349,834	
EXPENDITURES:	<u>12,807,995</u>	<u>11,912,573</u>	
REVENUES OVER (UNDER) EXPENDITURES	(2,076,539)	1,437,261	
BEGINNING FUND BALANCE	<u>15,926,525</u>	<u>13,849,987</u>	<u>15,287,248</u>
ENDING FUND BALANCE	<u><u>\$ 13,849,987</u></u>	<u><u>\$ 15,287,248</u></u>	<u><u>\$ 15,287,248</u></u>
TOTAL BEGINNING FUND BALANCE	\$ 35,524,709	\$ 34,310,621	\$ 35,747,882
TOTAL REVENUES	202,406,544	210,811,984	201,644,229
TOTAL EXPENDITURES	<u>203,620,631</u>	<u>209,374,723</u>	<u>201,644,229</u>
TOTAL ENDING FUND BALANCE	<u><u>\$ 34,310,621</u></u>	<u><u>\$ 35,747,882</u></u>	<u><u>\$ 35,747,882</u></u>

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
2014 - 2016**

	ACTUAL 2014	AMENDED 2015	ADOPTED BUDGET 2016
<u>STREET</u>			
REVENUES:	\$ 20,232,610	\$ 20,050,226	\$ 20,557,426
EXPENDITURES:	<u>17,166,207</u>	<u>20,050,226</u>	<u>20,557,426</u>
REVENUES OVER (UNDER) EXPENDITURES	3,066,402	-	
BEGINNING FUND BALANCE	<u>5,846,782</u>	<u>8,913,184</u>	<u>8,913,184</u>
ENDING FUND BALANCE	<u>\$ 8,913,184</u>	<u>\$ 8,913,184</u>	<u>\$ 8,913,184</u>
<u>SPECIAL PROJECT - STREET</u>			
REVENUES:	\$ 914,044	\$ 1,460,000	
EXPENDITURES:	<u>671,532</u>	<u>337,787</u>	
REVENUES OVER (UNDER) EXPENDITURES	242,512	1,122,213	
BEGINNING FUND BALANCE	<u>141,636</u>	<u>384,148</u>	<u>1,506,361</u>
ENDING FUND BALANCE	<u>\$ 384,148</u>	<u>\$ 1,506,361</u>	<u>\$ 1,506,361</u>
<u>SPECIAL PROJECTS</u>			
REVENUES:	\$ 4,440,797	\$ 3,636,265	
EXPENDITURES:	<u>4,290,404</u>	<u>3,528,642</u>	
REVENUES OVER (UNDER) EXPENDITURES	150,393	107,623	
BEGINNING FUND BALANCE	<u>2,517,066</u>	<u>2,667,459</u>	<u>2,775,082</u>
ENDING FUND BALANCE	<u>2,667,459</u>	<u>\$ 2,775,082</u>	<u>\$ 2,775,082</u>

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2014 - 2016**

	ACTUAL 2014	AMENDED 2015	ADOPTED BUDGET 2016
<u>INFRASTRUCTURE</u>			
REVENUES:	\$ 1,002	\$ -	
EXPENDITURES:	<u>1,002</u>	<u>-</u>	
REVENUES OVER (UNDER) EXPENDITURES	-	-	
BEGINNING FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<u>EMERGENCY 911</u>			
REVENUES:	\$ 1,306,870	\$ 1,257,228	
EXPENDITURES:	<u>1,306,871</u>	<u>1,257,228</u>	
REVENUES OVER (UNDER) EXPENDITURES	(1)	-	
BEGINNING FUND BALANCE	<u>84,634</u>	<u>84,633</u>	<u>84,633</u>
ENDING FUND BALANCE	<u><u>\$ 84,633</u></u>	<u><u>\$ 84,633</u></u>	<u><u>\$ 84,633</u></u>
<u>GRANTS</u>			
REVENUES:	3,881,778	\$ 1,966,101	
EXPENDITURES:	<u>3,912,075</u>	<u>2,079,775</u>	
REVENUES OVER (UNDER) EXPENDITURES	(30,297)	(113,674)	
BEGINNING FUND BALANCE	<u>1,028,873</u>	<u>998,576</u>	<u>884,902</u>
ENDING FUND BALANCE	<u><u>\$ 998,576</u></u>	<u><u>\$ 884,902</u></u>	<u><u>\$ 884,902</u></u>

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2014 - 2016**

	ACTUAL 2014	AMENDED 2015	ADOPTED BUDGET 2016
<u>CDBG/HIPP/NHSP</u>			
REVENUES:	\$ 2,864,317	\$ 4,608,173	
EXPENDITURES:	<u>3,022,191</u>	<u>4,121,023</u>	
REVENUES OVER (UNDER) EXPENDITURES	(157,874)	487,150	
BEGINNING FUND BALANCE	<u>1,733,322</u>	<u>1,575,448</u>	<u>2,062,598</u>
ENDING FUND BALANCE	<u>\$ 1,575,448</u>	<u>\$ 2,062,598</u>	<u>\$ 2,062,598</u>
TOTAL BEGINNING FUND BALANCE	\$ 11,352,312	\$ 14,623,448	\$ 16,226,759
TOTAL REVENUES	33,641,416	32,977,993	20,557,426
TOTAL EXPENDITURES	<u>30,370,281</u>	<u>31,374,682</u>	<u>20,557,426</u>
TOTAL ENDING FUND BALANCE	<u>\$ 14,623,448</u>	<u>\$ 16,226,759</u>	<u>\$ 16,226,759</u>

**CAPITAL FUNDS
OPERATING BUDGET
2014 - 2016**

	ACTUAL 2014	AMENDED 2015	ADOPTED BUDGET 2016
<u>1998 CAPITAL IMPROVEMENTS</u>			
REVENUES:	\$ 5,123	\$ 2,675	
EXPENDITURES:	<u>75,632</u>	<u>156,623</u>	
REVENUES OVER (UNDER) EXPENDITURES	(70,510)	(153,948)	
BEGINNING FUND BALANCE	<u>384,578</u>	<u>314,068</u>	<u>160,119</u>
ENDING FUND BALANCE	<u><u>\$ 314,068</u></u>	<u><u>\$ 160,119</u></u>	<u><u>\$ 160,119</u></u>
<u>2009A PARKS AND RECREATION</u>			
REVENUES:	\$ 30	\$ -	
EXPENDITURES:	<u>478,207</u>	<u>1,457</u>	
REVENUES OVER (UNDER) EXPENDITURES	(478,177)	(1,457)	
BEGINNING FUND BALANCE	<u>479,634</u>	<u>1,457</u>	<u>-</u>
ENDING FUND BALANCE	<u><u>\$ 1,457</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<u>SHORT TERM FINANCING</u>			
REVENUES:	\$ 1,538	\$ 1,540,320	
EXPENDITURES:	<u>96,267</u>	<u>1,420,278</u>	
REVENUES OVER (UNDER) EXPENDITURES	(94,729)	120,042	
BEGINNING FUND BALANCE	<u>121,975</u>	<u>27,246</u>	<u>147,287</u>
ENDING FUND BALANCE	<u><u>\$ 27,246</u></u>	<u><u>\$ 147,287</u></u>	<u><u>\$ 147,287</u></u>

**CAPITAL FUNDS
OPERATING BUDGET
2014 - 2016**

	ACTUAL 2014	AMENDED 2015	ADOPTED BUDGET 2016
<u>2004 CAPITAL IMPROVEMENTS</u>			
REVENUES:	\$ 97	\$ 71	
EXPENDITURES:	-	1,019	
REVENUES OVER (UNDER) EXPENDITURES	97	(948)	
BEGINNING FUND BALANCE	6,689	6,786	5,838
ENDING FUND BALANCE	<u>\$ 6,786</u>	<u>\$ 5,838</u>	<u>\$ 5,838</u>
<u>2008 & 2009 LIBRARY IMPROVEMENT BOND</u>			
REVENUES:	\$ -	\$ -	
EXPENDITURES:	-	201	
REVENUES OVER (UNDER) EXPENDITURES	-	(201)	
BEGINNING FUND BALANCE	201	201	-
ENDING FUND BALANCE	<u>\$ 201</u>	<u>\$ -</u>	<u>\$ -</u>
<u>2012 LIBRARY IMPROVEMENT BOND</u>			
REVENUES:	\$ 19,637	\$ 2,364	
EXPENDITURES:	6,500,416	2,477,794	
REVENUES OVER (UNDER) EXPENDITURES	(6,480,779)	(2,475,430)	
BEGINNING FUND BALANCE	11,677,751	5,196,972	2,721,542
ENDING FUND BALANCE	<u>\$ 5,196,972</u>	<u>\$ 2,721,542</u>	<u>\$ 2,721,542</u>

**CAPITAL FUNDS
OPERATING BUDGET
2014 - 2016**

	ACTUAL 2014	AMENDED 2015	ADOPTED BUDGET 2016
<u>2015 LIBRARY IMPROVEMENT BOND</u>			
REVENUES:	\$ -	\$ 19,416,890	
EXPENDITURES:	-	1,063,565	
REVENUES OVER (UNDER) EXPENDITURES	-	18,353,324	
BEGINNING FUND BALANCE	-	-	18,353,324
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 18,353,324</u>	<u>\$ 18,353,324</u>
<u>TIF #1 2014 CAPITAL IMPROVEMENT BOND</u>			
REVENUES:	\$ 2,615,074	\$ 8	
EXPENDITURES:	2,403,545	211,535	
REVENUES OVER (UNDER) EXPENDITURES	211,529	(211,527)	
BEGINNING FUND BALANCE	-	211,529	
ENDING FUND BALANCE	<u>\$ 211,529</u>	<u>\$ 2</u>	
<u>2012-2021 CAPITAL IMPROVEMENTS FUND (3/8 CENT SALES TAX)</u>			
REVENUES:	\$ 24,119,764	\$ 23,136,539	
EXPENDITURES:	26,212,934	20,499,165	
REVENUES OVER (UNDER) EXPENDITURES	(2,093,170)	2,637,375	
BEGINNING FUND BALANCE	30,053,840	27,960,670	30,598,045
ENDING FUND BALANCE	<u>\$ 27,960,670</u>	<u>30,598,045</u>	<u>\$ 30,598,045</u>

**CAPITAL FUNDS
OPERATING BUDGET
2014 - 2016**

	<u>ACTUAL 2014</u>	<u>AMENDED 2015</u>	<u>ADOPTED BUDGET 2016</u>
<u>2013 CAPITAL IMPROVEMENT FUND (STREETS AND DRAINAGE)</u>			
REVENUES:	\$ 196,510	\$ 30,320	
EXPENDITURES:	<u>9,986,952</u>	<u>11,344,638</u>	
REVENUES OVER (UNDER) EXPENDITURES	(9,790,442)	(11,314,318)	
BEGINNING FUND BALANCE	<u>56,320,727</u>	<u>46,530,285</u>	<u>35,215,968</u>
ENDING FUND BALANCE	<u>\$ 46,530,285</u>	<u>\$ 35,215,968</u>	<u>\$ 35,215,968</u>
TOTAL CAPITAL BEGINNING BALANCE	\$ 99,045,396	\$ 80,249,214	\$ 87,202,126
TOTAL REVENUES	26,957,773	44,129,188	-
TOTAL EXPENDITURES	<u>45,753,956</u>	<u>37,176,276</u>	-
TOTAL CAPITAL ENDING FUND BALANCE	<u>\$ 80,249,214</u>	<u>\$ 87,202,126</u>	<u>\$ 87,202,126</u>

**ENTERPRISE FUNDS
OPERATING BUDGET
2014 - 2016**

	ACTUAL 2014	AMENDED 2015	ADOPTED BUDGET 2016
<u>VEHICLE STORAGE FACILITY</u>			
REVENUES:	\$ 1,376,663	\$ 1,382,410	\$ 1,370,305
EXPENDITURES:	<u>1,332,818</u>	<u>1,359,144</u>	<u>1,359,792</u>
REVENUES OVER (UNDER) EXPENDITURES	43,846	23,266	10,513
BEGINNING NET POSITION	<u>(685,450)</u>	<u>(641,604)</u>	<u>(618,338)</u>
ENDING NET POSITION	<u><u>\$ (641,604)</u></u>	<u><u>\$ (618,338)</u></u>	<u><u>\$ (607,825)</u></u>
<u>WASTE DISPOSAL</u>			
REVENUES:	\$17,715,969	\$17,577,000	\$17,941,300
EXPENDITURES:	<u>15,419,241</u>	<u>17,127,479</u>	<u>16,928,866</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	2,296,728	449,521	1,012,434
BEGINNING NET POSITION	<u>18,779,941</u>	<u>21,076,669</u>	<u>21,526,190</u>
ENDING NET POSITION	<u><u>\$21,076,669</u></u>	<u><u>\$21,526,190</u></u>	<u><u>\$22,538,624</u></u>
<u>PARKING GARAGES</u>			
REVENUES:	\$ 2,157,648	\$ 2,196,750	\$ 2,570,250
EXPENDITURES:	<u>2,178,024</u>	<u>2,196,750</u>	<u>2,251,986</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	(20,376)	-	318,264
BEGINNING NET POSITION	<u>469,502</u>	<u>449,126</u>	<u>449,126</u>
ENDING NET POSITION	<u><u>\$ 449,126</u></u>	<u><u>\$ 449,126</u></u>	<u><u>\$ 767,390</u></u>

**ENTERPRISE FUNDS
OPERATING BUDGET
2014 - 2016**

	ACTUAL 2014	AMENDED 2015	ADOPTED BUDGET 2016
TOTAL ENTERPRISE BEGINNING NET POSITION	\$18,563,994	\$20,884,192	\$21,356,979
TOTAL REVENUES	21,250,281	21,156,160	21,881,855
TOTAL EXPENDITURES	18,930,083	20,683,373	20,540,644
TOTAL ENTERPRISE ENDING NET POSITION	<u>\$20,884,192</u>	<u>\$21,356,979</u>	<u>\$22,698,190</u>

**FLEET INTERNAL SERVICE FUND
OPERATING BUDGET
2014 - 2016**

	ACTUAL 2014	AMENDED 2015	ADOPTED BUDGET 2016
<u>FLEET INTERNAL SERVICE FUND</u>			
REVENUES:	\$14,192,443	\$13,345,076	\$ 12,714,282
EXPENDITURES:	<u>12,688,818</u>	<u>13,447,467</u>	<u>12,714,282</u>
REVENUES OVER (UNDER) EXPENDITURES	1,503,625	(102,391)	-
BEGINNING NET POSITION	<u>2,603,208</u>	<u>4,106,833</u>	<u>4,004,442</u>
ENDING NET POSITION	<u>\$ 4,106,833</u>	<u>\$ 4,004,442</u>	<u>\$ 4,004,442</u>

**FIDUCIARY FUNDS
OPERATING BUDGET
2014 - 2016**

	<u>ACTUAL 2014</u>	<u>AMENDED 2015</u>	<u>ADOPTED BUDGET 2016</u>
<u>FIRE PENSION & RELIEF FUND</u>			
ADDITIONS:	\$ 8,529,477	\$ 3,311,844	
DEDUCTIONS:	<u>11,419,280</u>	<u>11,520,855</u>	
NET INCREASE (DECREASE)	(2,889,802)	(8,209,011)	
NET POSITION HELD IN TRUST, BEGINNING	<u>73,667,549</u>	<u>70,777,747</u>	<u>62,568,736</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>70,777,747</u></u>	<u><u>\$ 62,568,736</u></u>	<u><u>\$ 62,568,736</u></u>
<u>NON-UNIFORM DEFINED BENEFIT FUND</u>			
ADDITIONS:	\$ 2,310,897	\$ 1,387,698	
DEDUCTIONS:	<u>1,952,792</u>	<u>1,843,669</u>	
NET INCREASE (DECREASE)	358,105	(455,971)	
NET POSITION HELD IN TRUST, BEGINNING	<u>11,853,955</u>	<u>12,212,060</u>	<u>11,756,089</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>12,212,060</u></u>	<u><u>\$ 11,756,089</u></u>	<u><u>\$ 11,756,089</u></u>
<u>NON-UNIFORM DEFINED CONTRIBUTION</u>			
ADDITIONS:	\$ (2,475,931)	\$ 162,512	
DEDUCTIONS:	<u>19,635,588</u>	<u>3,273,244</u>	
NET INCREASE (DECREASE)	(22,111,519)	(3,110,732)	
NET POSITION HELD IN TRUST, BEGINNING	<u>43,683,168</u>	<u>21,571,649</u>	<u>18,460,917</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 21,571,649</u></u>	<u><u>\$ 18,460,917</u></u>	<u><u>\$ 18,460,917</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.

**FIDUCIARY FUNDS
OPERATING BUDGET
2014 - 2016**

	<u>ACTUAL 2014</u>	<u>AMENDED 2015</u>	<u>ADOPTED BUDGET 2016</u>
<u>2014 NON-UNIFORM DEFINED BENEFIT FUND</u>			
ADDITIONS:	\$ 31,103,085	\$ 5,248,885	
DEDUCTIONS:	<u>294,158</u>	<u>812,552</u>	
NET INCREASE (DECREASE)	30,808,927	4,436,332	
NET POSITION HELD IN TRUST, BEGINNING	<u>-</u>	<u>30,808,927</u>	<u>35,245,259</u>
NET POSITION HELD IN TRUST, ENDING	<u>\$ 30,808,927</u>	<u>\$ 35,245,259</u>	<u>\$ 35,245,259</u>
<u>401 (A) PENSION FUND</u>			
ADDITIONS:	\$ 1,059,145	\$ 539,903	
DEDUCTIONS:	<u>3,566,368</u>	<u>1,086,925</u>	
NET INCREASE (DECREASE)	(2,507,223)	(547,022)	
NET POSITION HELD IN TRUST, BEGINNING	<u>10,539,889</u>	<u>8,032,666</u>	<u>7,485,644</u>
NET POSITION HELD IN TRUST, ENDING	<u>\$ 8,032,666</u>	<u>\$ 7,485,644</u>	<u>\$ 7,485,644</u>
<u>HEALTH MANAGEMENT TRUST FUND</u>			
ADDITIONS:	\$ 313,818	\$ 418,220	
DEDUCTIONS:	<u>21,091</u>	<u>26,933</u>	
NET INCREASE (DECREASE)	292,728	391,288	
NET POSITION HELD IN TRUST, BEGINNING	<u>2,096,713</u>	<u>2,389,440</u>	<u>2,780,728</u>
NET POSITION HELD IN TRUST, ENDING	<u>\$ 2,389,440</u>	<u>\$ 2,780,728</u>	<u>\$ 2,780,728</u>
TOTAL NET POSITION BEGINNING	\$ 141,841,274	\$ 145,792,489	\$ 138,297,373
TOTAL ADDITIONS	40,840,491	11,069,061	
TOTAL DEDUCTIONS	<u>36,889,277</u>	<u>18,564,177</u>	
TOTAL NET POSITION ENDING	<u>\$ 145,792,489</u>	<u>\$ 138,297,373</u>	<u>\$ 138,297,373</u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2014 - 2016**

	<u>ACTUAL 2014</u>	<u>AMENDED 2015</u>	<u>ADOPTED BUDGET 2016</u>
<u>2002 CIP JUNIOR LIEN BONDS</u>			
REVENUE:	\$ 319,956	\$ 324,133	
EXPENDITURES:	<u>319,755</u>	<u>323,918</u>	<u> </u>
NET INCREASE (DECREASE)	201	215	
BEGINNING FUND BALANCE	18,089	18,290	18,506
ENDING FUND BALANCE	<u>\$ 18,290</u>	<u>\$ 18,506</u>	<u>\$ 18,506</u>
<u>2007 CAPITAL IMP. REVENUE REFUNDING BOND</u>			
REVENUE:	\$ 1,447,657	\$ 1,445,863	
EXPENDITURES:	<u>1,441,088</u>	<u>1,439,125</u>	<u> </u>
NET INCREASE (DECREASE)	6,569	6,738	
BEGINNING FUND BALANCE	19,736	26,305	33,043
ENDING FUND BALANCE	<u>\$ 26,305</u>	<u>\$ 33,043</u>	<u>\$ 33,043</u>
<u>2008 LIBRARY IMPROVEMENT BOND</u>			
REVENUE:	\$ 3,745,595	\$ 19,167,516	
EXPENDITURES:	<u>3,735,180</u>	<u>22,953,565</u>	<u> </u>
NET INCREASE (DECREASE)	10,415	(3,786,050)	
BEGINNING FUND BALANCE	3,876,002	3,886,417	100,367
ENDING FUND BALANCE	<u>\$ 3,886,417</u>	<u>\$ 100,367</u>	<u>\$ 100,367</u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2014 - 2016**

	ACTUAL 2014	AMENDED 2015	ADOPTED BUDGET 2016
<u>2009 PARKS & REC CAPITAL IMPROVEMENT BOND</u>			
REVENUE:	\$ 1,363,122	\$ 1,364,938	
EXPENDITURES:	1,306,911	1,304,985	
NET INCREASE (DECREASE)	56,211	59,953	
BEGINNING FUND BALANCE	2,121,020	2,177,231	2,237,184
ENDING FUND BALANCE	<u>\$ 2,177,231</u>	<u>\$ 2,237,184</u>	<u>\$ 2,237,184</u>
<u>2012 LIBRARY IMPROVEMENT BONDS</u>			
REVENUE:	\$ 3,418,724	\$ 3,517,391	
EXPENDITURES:	3,441,205	3,306,408	
NET INCREASE (DECREASE)	(22,481)	210,984	
BEGINNING FUND BALANCE	3,544,612	3,522,131	3,733,115
ENDING FUND BALANCE	<u>\$ 3,522,131</u>	<u>\$ 3,733,115</u>	<u>\$ 3,733,115</u>
<u>2015 LIBRARY IMPROVEMENT BONDS</u>			
REVENUE:	\$ -	\$ 106,431	
EXPENDITURES:			
NET INCREASE (DECREASE)	-	106,431	
BEGINNING FUND BALANCE			106,431
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 106,431</u>	<u>\$ 106,431</u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2014 - 2016**

	<u>ACTUAL 2014</u>	<u>AMENDED 2015</u>	<u>ADOPTED BUDGET 2016</u>
<u>TIF #1 2014 CAPITAL IMPROVEMENT</u>			
REVENUE:	\$ 536,050	\$ 10,178	
EXPENDITURES:	<u>61,453</u>	<u>158,513</u>	<u> </u>
NET INCREASE (DECREASE)	474,598	(148,334)	
BEGINNING FUND BALANCE	-	474,598	326,264
ENDING FUND BALANCE	<u>\$ 474,598</u>	<u>\$ 326,264</u>	<u>\$ 326,264</u>
<u>2013 CAPITAL IMPROVEMENT BONDS</u>			
REVENUE:	\$ 11,249,845	\$ 11,621,008	
EXPENDITURES:	<u>10,561,230</u>	<u>11,226,736</u>	<u> </u>
NET INCREASE (DECREASE)	688,615	394,272	
BEGINNING FUND BALANCE	10,587,680	11,276,295	11,670,567
ENDING FUND BALANCE	<u>\$ 11,276,295</u>	<u>\$ 11,670,567</u>	<u>\$ 11,670,567</u>
TOTAL BEGINNING FUND BALANCE	\$ 20,167,140	\$ 21,381,267	\$ 18,225,476
TOTAL REVENUES	22,080,948	37,557,457	-
TOTAL EXPENDITURES	<u>20,866,821</u>	<u>40,713,249</u>	-
TOTAL ENDING FUND BALANCE	<u>\$ 21,381,267</u>	<u>\$ 18,225,476</u>	<u>\$ 18,225,476</u>

2016 Five Year Forecast

Little Rock Code Section 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 2016 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 2016 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. However, due to economic conditions in the past several years, the City has not met this goal. The restricted reserve is currently \$9,418,000. 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 2016 based on 2015 financial results. The City Board of Directors will evaluate funds available following completion of the 2015 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 new 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 new sales tax. These expenses are phased into the five year forecast based on the anticipated completion schedule of the capital 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 in the first five (5) years. 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 2016 – 2020. The forecast for 2016 – 2020 is a planning tool used for the projections. The Mayor and Board of Directors have only approved the 2016 budget. However, the Board is committed to providing financial stability in order to maintain critical programs.

**CITY OF LITTLE ROCK
2016 - 2020 FORECAST**

	FY16 <u>Adopted</u>	FY17 <u>Projected</u>	FY18 <u>Projected</u>	FY19 <u>Projected</u>	FY20 <u>Projected</u>
<u>General Fund</u>					
Beginning Fund Balance	\$20,460,635	\$21,460,635	\$22,490,635	\$23,530,635	\$24,590,635
Plus: Est. Revenue	201,644,229	205,493,036	206,559,982	210,006,367	213,958,901
Less: Est. Expenses					
General Administrative	29,977,808	29,534,954	26,202,948	25,140,407	24,471,292
Board of Directors	342,818	349,674	356,668	363,801	372,896
Community Programs	427,559	436,110	444,832	453,729	465,072
City Attorney	1,939,007	1,977,787	2,017,343	2,057,690	2,109,132
District Court - First Division	1,410,338	1,438,545	1,467,316	1,496,662	1,534,079
District Court - Second Division	1,365,334	1,392,641	1,420,493	1,448,903	1,485,126
District Court - Third Division	627,195	639,739	652,534	665,584	682,224
Finance	3,407,407	3,475,555	3,545,066	3,615,968	3,706,367
Human Resources	1,810,554	1,846,765	1,883,700	1,921,374	1,969,409
Information Technology	4,843,151	4,940,014	5,038,814	5,139,591	5,268,080
Planning and Development	2,566,299	2,617,625	2,669,977	2,723,377	2,791,461
Housing & Neighborhood Programs	5,866,198	5,993,522	6,113,392	6,235,660	6,391,552
Public Works	1,191,100	1,214,922	1,239,220	1,264,005	1,295,605
Parks & Recreation***	10,207,910	10,661,795	10,875,031	11,092,532	11,369,845
River Market	1,174,745	1,198,240	1,222,205	1,246,649	1,277,815
Golf	2,288,313	2,334,079	2,380,761	2,428,376	2,489,085
Jim Dailey Fitness & Aquatics	909,546	927,737	946,292	965,217	989,348
Zoo	6,810,041	6,946,242	7,085,167	7,226,870	7,407,542
Fire **	47,365,844	48,549,990	50,280,780	51,537,799	52,826,244
Police	70,548,138	72,200,877	73,644,894	75,648,174	77,501,547
Vacancy Reductions	(6,000,000)	(6,000,000)	(6,000,000)	(6,000,000)	(6,000,000)
Transfers Out (including contingency)	12,564,924	12,816,222	13,072,547	13,333,998	13,555,179
	201,644,229	205,493,036	206,559,982	210,006,367	213,958,901
Anticipated contingency/reserve	1,000,000	1,030,000	1,040,000	1,060,000	1,070,000
Ending Fund Balance *	\$21,460,635	\$22,490,635	\$23,530,635	\$24,590,635	\$25,660,635
Reserve Requirement (10% of Revenues)	\$20,164,423	\$20,549,304	\$20,655,998	\$21,000,637	\$21,395,890

* 2016 Ending Fund Balance includes an estimated restricted reserve of \$10,500,000.

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

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

<u>Street Fund</u>					
Beginning Balance	\$8,913,184	\$8,913,184	\$8,913,184	\$8,913,184	\$8,913,184
Plus: Est. Revenue	20,557,426	20,968,575	21,387,946	21,815,705	22,361,098
Less: Est. Expenses	20,557,426	20,968,575	21,387,946	21,815,705	22,361,098
Ending Balance	\$8,913,184	\$8,913,184	\$8,913,184	\$8,913,184	\$8,913,184
Reserve Requirement (10% of revenue)	\$2,055,743	\$2,096,857	\$2,138,795	\$2,181,570	\$2,236,110

**CITY OF LITTLE ROCK
2016 - 2020 FORECAST**

	FY16 <u>Adopted</u>	FY17 <u>Projected</u>	FY18 <u>Projected</u>	FY19 <u>Projected</u>	FY20 <u>Projected</u>
<u>Fleet Fund</u>					
Beginning Net Position	\$4,004,442	\$4,004,442	\$4,004,442	\$4,004,442	\$4,004,442
Plus: Est. Revenue	12,714,282	12,968,568	13,227,939	13,492,498	13,829,810
Less: Est. Expenses	<u>12,714,282</u>	<u>12,968,568</u>	<u>13,227,939</u>	<u>13,492,498</u>	<u>13,829,810</u>
Ending Net Position	<u>\$4,004,442</u>	<u>\$4,004,442</u>	<u>\$4,004,442</u>	<u>\$4,004,442</u>	<u>\$4,004,442</u>
Reserve Requirement (10% of revenues)	<u>\$1,271,428</u>	<u>\$1,296,857</u>	<u>\$1,322,794</u>	<u>\$1,349,250</u>	<u>\$1,382,981</u>

<u>Vehicle Storage Facility</u>					
Beginning Net Position	(\$618,338)	(\$607,825)	(\$597,102)	(\$586,164)	(\$575,007)
Plus: Est. Revenue	1,370,305	1,397,711	1,425,665	1,454,179	1,490,533
Less: Est. Expenses	<u>1,359,792</u>	<u>1,386,988</u>	<u>1,414,728</u>	<u>1,443,022</u>	<u>1,479,098</u>
Ending Net Position	<u>(\$607,825)</u>	<u>(\$597,102)</u>	<u>(\$586,164)</u>	<u>(\$575,007)</u>	<u>(\$563,572)</u>
Reserve Requirement (10% of revenues)	<u>\$137,031</u>	<u>\$139,771</u>	<u>\$142,567</u>	<u>\$145,418</u>	<u>\$149,053</u>

<u>Waste Disposal Fund</u>					
Beginning Net Position	\$21,526,190	\$22,538,624	\$23,123,582	\$23,389,507	\$23,660,751
Plus: Est. Revenue	17,941,300	18,022,073	18,097,581	18,459,533	18,828,723
Less: Est. Expenses	<u>16,928,866</u>	<u>17,437,115</u>	<u>17,831,656</u>	<u>18,188,289</u>	<u>18,552,055</u>
Ending Net Position	<u>\$22,538,624</u>	<u>\$23,123,582</u>	<u>\$23,389,507</u>	<u>\$23,660,751</u>	<u>\$23,937,419</u>
Reserve Requirement (15% of revenues)	<u>\$2,691,195</u>	<u>\$2,703,311</u>	<u>\$2,714,637</u>	<u>\$2,768,930</u>	<u>\$2,824,308</u>

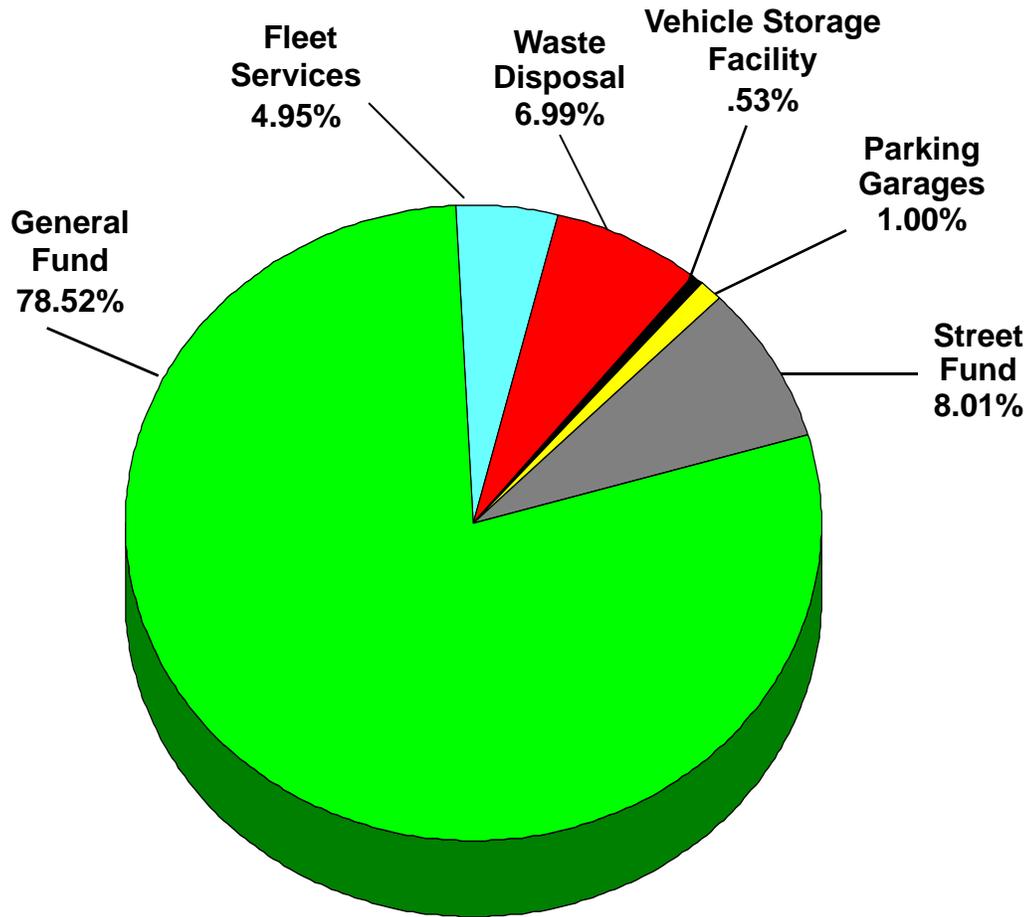
A rate increase of \$1.03 associated with recycling was implemented in 2013. No other rate increases are anticipated during the five year forecast. Expenses reflect the reduction of debt service as bonds are retired and the capital replacement needs.

<u>Parking Garages</u>					
Beginning Net Position	\$449,126	\$767,390	\$767,390	\$767,390	\$767,390
Plus: Est. Revenue	2,570,250	2,621,655	2,674,088	2,727,570	2,782,121
Less: Est. Expenses	<u>2,251,986</u>	<u>2,621,655</u>	<u>2,674,088</u>	<u>2,727,570</u>	<u>2,782,121</u>
Ending Net Position	<u>\$767,390</u>	<u>\$767,390</u>	<u>\$767,390</u>	<u>\$767,390</u>	<u>\$767,390</u>

Revenues



CITY OF LITTLE ROCK 2016 BUDGET SUMMARY ALL FUNDS RESOURCES



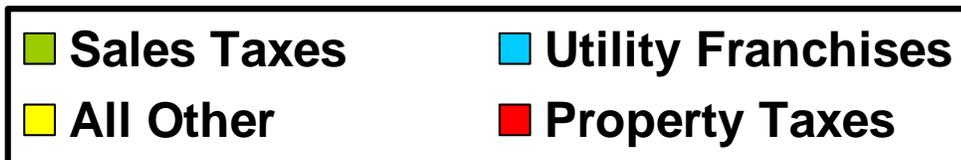
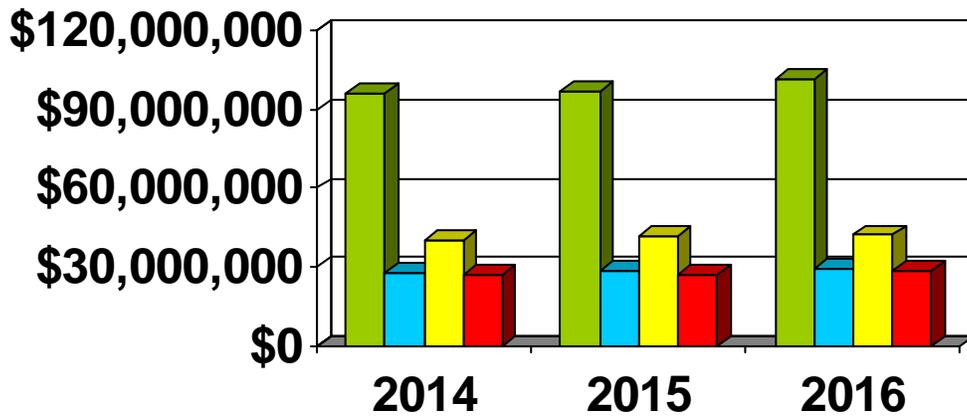
\$256,797,792

**CITY OF LITTLE ROCK
2016 OPERATING REVENUES**

REVENUES:	2014 ACTUAL	2015 ADOPTED	2015 AMENDED	2016 ADOPTED	15/16 DIFF	% CHANGE
Property Taxes *	\$26,685,437	\$27,276,348	\$27,276,348	\$28,249,736	\$973,388	3.57%
Sales Tax	96,445,300	96,684,815	99,389,815	101,575,420	2,185,605	2.20%
Business Licenses	6,369,630	6,451,900	6,451,900	6,413,500	(38,400)	-0.60%
Mixed Drinks	2,197,458	2,285,600	2,285,600	2,313,000	27,400	1.20%
Building, Related Permits	2,514,811	2,289,050	2,047,050	2,060,100	13,050	0.64%
Intergovernmental*	7,002,433	7,002,433	7,686,788	7,686,800	12	0.00%
Park Revenue	446,045	429,300	402,300	421,800	19,500	4.85%
River Market	535,139	607,000	507,000	600,077	93,077	18.36%
Golf	920,545	977,297	800,147	805,900	5,753	0.72%
Jim Dailey Fitness and Aquatic Center	316,806	428,844	378,844	346,600	(32,244)	-8.51%
Zoo	3,353,482	3,763,409	2,963,409	2,983,600	20,191	0.68%
Airport Reimbursement	3,152,211	3,183,700	3,159,100	3,222,200	63,100	2.00%
Salary Reimbursement 911	553,322	750,000	475,000	500,000	25,000	5.26%
Fines and Fees	2,984,703	3,161,210	2,769,844	2,812,371	42,527	1.54%
Utility Franchises	28,141,320	28,744,707	29,744,707	29,686,027	(58,680)	-0.20%
Police Pension	427,902	-	320,000	330,000	10,000	n/a
Investment Income	345,454	200,000	200,000	225,000	25,000	12.50%
All Other	2,243,987	1,959,926	2,059,626	2,060,128	502	0.02%
Transfers In	7,039,103	7,994,672	7,994,672	9,351,970	1,357,298	16.98%
Carryover		550,000	550,000		(550,000)	n/a
Total General Fund	191,675,088	194,740,211	197,462,150	201,644,229	4,182,079	2.12%
Other Budgeted Funds						
Street	20,232,609	20,050,226	20,050,226	20,557,426	507,200	2.53%
Fleet Services	14,192,443	13,345,076	13,345,076	12,714,282	(630,794)	-4.73%
Vehicle Storage Facility	1,376,663	1,382,410	1,382,410	1,370,305	(12,105)	-0.88%
Waste Disposal	17,715,969	17,577,000	17,577,000	17,941,300	364,300	2.07%
Parking Garages	2,157,648	2,196,750	2,196,750	2,570,250	373,500	17.00%
Total Other Budgeted Funds	55,675,332	54,551,462	54,551,462	55,153,563	602,101	1.10%
Total All Budgeted Funds	\$247,350,421	\$249,291,673	\$252,013,612	\$256,797,792	\$4,784,180	1.92%

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

General Government Summary of Revenues 2014-2016



**CITY OF LITTLE ROCK
2016 OPERATING REVENUE**

	<u>2014 ACTUAL</u>	<u>2015 ADOPTED</u>	<u>2016 ADOPTED</u>
GENERAL FUND			
PROPERTY TAX			
Property Taxes	\$ 17,620,851	\$ 18,270,300	\$ 18,863,700
Pension Property Taxes	7,489,299	7,484,100	7,782,200
Homestead Taxes	1,071,877	1,125,900	1,124,000
Property Taxes LR Port Authority	131,045	20,000	58,700
Act 9 Industry Payment	372,364	376,048	421,136
Total Property Taxes	<u>26,685,437</u>	<u>27,276,348</u>	<u>28,249,736</u>
SALES TAX			
County Sales & Use Tax	39,929,600	40,045,900	42,291,520
City Sales Tax	53,295,912	53,896,600	56,279,000
State Tax Turnback	3,219,788	2,742,315	3,004,900
Total Sales Taxes	<u>96,445,300</u>	<u>96,684,815</u>	<u>101,575,420</u>
BUSINESS LICENSES			
General Business Licenses	6,369,630	6,451,900	6,413,500
Mixed Drinks Licenses	2,197,458	2,285,600	2,313,000
Total Business Licenses	<u>8,567,088</u>	<u>8,737,500</u>	<u>8,726,500</u>
PERMITS			
Building & Excavation Permits	1,491,444	1,287,500	1,081,800
Electrical Permits	351,278	318,300	329,400
Plumbing Permits	299,542	317,250	295,400
HVAC Permits	294,134	267,800	284,900
Wrecker Franchise	73,180	96,000	59,800
Burn Permits	5,233	2,200	8,800
Total Permits	<u>2,514,811</u>	<u>2,289,050</u>	<u>2,060,100</u>
INTERGOVERNMENTAL			
Insurance Turnback	3,701,684	3,701,684	4,514,600
Police and Fire Pension Insurance Turnback	2,455,699	2,455,699	2,259,400
Police Supplement	168,600	168,600	173,400
Future Supplement (ACT 1373)	676,450	676,450	739,400
Total Intergovernmental	<u>7,002,433</u>	<u>7,002,433</u>	<u>7,686,800</u>
POLICE SERVICES			
Police Report	393,831	394,000	373,300
False Alarm	61,090	100,000	90,000
Airport - Security Guards	1,876,333	1,926,500	1,918,400
Total Police Services	<u>2,331,254</u>	<u>2,420,500</u>	<u>2,381,700</u>
FIRE SERVICES			
Airport-Fire Protection	1,275,878	1,257,200	1,303,800
Total Fire Services	<u>1,275,878</u>	<u>1,257,200</u>	<u>1,303,800</u>
PARK REVENUE			
SWLR Community Complex	98,625	95,000	97,300
Athletics Fees	107,894	108,400	73,800
Pavilion Rental	54,292	56,400	51,000
Community Center & Miscellaneous Fees	139,615	119,700	149,800
Admissions Revenue	32,250	35,000	30,000
Miscellaneous Revenue	13,369	14,800	19,900
Total Park Revenue	<u>446,045</u>	<u>429,300</u>	<u>421,800</u>

**CITY OF LITTLE ROCK
2016 OPERATING REVENUE**

	<u>2014 ACTUAL</u>	<u>2015 ADOPTED</u>	<u>2016 ADOPTED</u>
RIVER MARKET			
Admissions Revenue	204,412	220,000	210,077
Space Rental	330,727	387,000	390,000
Total River Market Revenue	<u>535,139</u>	<u>607,000</u>	<u>600,077</u>
GOLF			
Concessions Revenue	123,185	138,100	113,600
Green Fees	857,291	887,900	767,100
Equipment Rental	509,607	512,200	479,300
Merchandise Sales	81,149	95,000	88,000
Miscellaneous Revenue	10,113	4,900	18,700
Parks Contra Revenue (Debt Service)	(660,800)	(660,803)	(660,800)
Total Golf Revenue	<u>920,545</u>	<u>977,297</u>	<u>805,900</u>
JIM DAILEY FITNESS & AQUATIC CENTER			
Annual Membership	34,806	50,000	30,000
Monthly Membership	121,591	189,000	144,300
Daily Fees	65,030	82,100	73,100
Corporate Fees	190,443	190,400	205,000
Special Fees	5,146	4,800	5,800
Instructional Fees and Special Events	52,556	52,600	42,300
Miscellaneous	1,435	14,100	300
Parks Contra Revenue (Debt Svc)	(154,200)	(154,156)	(154,200)
Total Jim Dailey Fitness & Aquatic Center	<u>316,806</u>	<u>428,844</u>	<u>346,600</u>
ZOO			
Membership	495,215	510,000	474,000
Zoo Admissions	1,925,941	2,289,600	1,702,700
Concessions	557,870	564,600	470,000
Token Sales	180,732	213,200	198,200
Education	35,116	31,000	43,000
Special Events	209,082	195,700	205,000
Zoo Rentals	56,705	58,500	54,800
Merchandise Sales	358,882	368,200	306,000
Miscellaneous	27,040	25,700	23,000
Parks Contra Revenue (Debt Svc)	(493,100)	(493,091)	(493,100)
Total Zoo Revenue	<u>3,353,482</u>	<u>3,763,409</u>	<u>2,983,600</u>
MISCELLANEOUS CHARGES FOR SERVICES			
Crossing Guards-LRSD Reimbursement	708,537	699,100	710,800
911 Services Reimbursement	553,322	750,000	500,000
Total Miscellaneous Services	<u>1,261,859</u>	<u>1,449,100</u>	<u>1,210,800</u>
FINES			
General Fines			1,816,303
Fines - Traffic	1,746,291	1,870,000	
Fines - Criminal - Other	310,522	334,400	
Probation Assessments	58,061	54,000	
Additional Court Cost	19,458	19,500	
Theft Diversion Class			
Fines - Parking	283,982	300,000	299,000
Fines - Child Passenger Protection	2,587	4,300	
Fines - Environmental	18,376	16,000	
Fines - Animal	16,715	20,000	
Fines - Other	4,150	3,800	4,800
Drunk-O-Meter	3,942	4,000	700
Total Fines	<u>2,464,083</u>	<u>2,626,000</u>	<u>2,120,803</u>

**CITY OF LITTLE ROCK
2016 OPERATING REVENUE**

	<u>2014 ACTUAL</u>	<u>2015 ADOPTED</u>	<u>2016 ADOPTED</u>
FEES			
Uniform Filing Fees/Court Costs			165,600
Rezoning Fees	53,974	50,000	61,400
Act 9 Admin Fees	4,510	4,510	4,600
Incident Report Fees	1,500		1,200
Civil Court Fees	72,131	74,000	
Booking & Admin Fee - Pulaski County Jail			2,600
Warrant Service Police			38,800
Writ Garnishment Fees			1,700
Community Service Fees	21,455	25,000	60,500
Miscellaneous Service Fees	82,218	101,700	70,968
Mobile Home Registration Fees	29,300	30,000	34,200
Animal Services	255,532	250,000	250,000
Total Fees	<u>520,620</u>	<u>535,210</u>	<u>691,568</u>
UTILITY FRANCHISE			
Entergy	12,699,659	13,194,900	14,632,600
S W Bell	732,206	683,200	600,000
Local Landline Franchise Fees	229,921	240,700	209,600
Long Dist. Franchise Fees	792,030	730,000	797,500
Centerpoint Energy	3,739,870	3,800,000	3,007,500
Central Ark Water	3,167,049	3,345,300	3,445,000
LR Waste Water	4,975,993	4,992,500	5,192,800
Fiber Optics	1,691,019	1,591,800	1,886,600
Cable TV	1,870,664	1,925,600	1,673,100
Franchise Fee Contra	(1,757,093)	(1,759,293)	(1,758,673)
Total Utility Franchises	<u>28,141,320</u>	<u>28,744,707</u>	<u>29,686,027</u>
POLICE PENSION			
Suspended Employee Contributions	96,868		
Police 10% Parking	28,825		30,000
LRPD Retirement	211,546		215,000
Income-Police Clearing	81,354		50,000
Pension Miscellaneous	9,309		35,000
Total Police Pension	<u>427,902</u>	<u>-</u>	<u>330,000</u>
INVESTMENT INCOME			
Interest Income	218,352	200,000	225,000
Change in Fair Market Value	127,103		
Total Investment Income	<u>345,454</u>	<u>200,000</u>	<u>225,000</u>
RENTS AND ROYALTIES			
Tower Lease	267,739	257,196	222,149
Ground Leases	7,127	6,030	6,579
Amusement Park Leases	3,025	3,300	3,600
Total Rents and Royalties	<u>277,891</u>	<u>266,526</u>	<u>232,328</u>
MISCELLANEOUS INCOME			
Contributions/Donations	308,867	250,000	250,000
Other Reimbursements	4,236		
Insurance Reimbursement	104,464	300	
Miscellaneous Revenue	385,070	250,000	403,700
Total Miscellaneous Revenue	<u>802,636</u>	<u>500,300</u>	<u>653,700</u>
Transfers In	7,039,103	7,994,672	9,351,970
Carryover from 2014		550,000	
TOTAL GENERAL FUND REVENUE	<u>191,675,088</u>	<u>194,740,211</u>	<u>201,644,229</u>

**CITY OF LITTLE ROCK
2016 OPERATING REVENUE**

	2014 ACTUAL	2015 ADOPTED	2016 ADOPTED
STREET FUND			
ST Homestead Tax	310,875	319,100	326,800
1/2 County Road Tax	5,109,983	5,170,200	5,473,300
State Gas Tax Turnback	12,824,949	12,672,900	12,792,400
Street Repair Reimbursement	13,615	14,700	18,600
Insurance and Other Reimbursement	313,805	120,000	174,100
Interest and Change in Fair Market Value on Investments	64,416	38,600	57,500
Transfer In	1,594,968	1,714,726	1,714,726
TOTAL STREET FUND	20,232,610	20,050,226	20,557,426
FLEET INTERNAL SERVICE FUND			
Fleet Labor	2,493,325	2,845,262	2,959,713
Fuel Fees	3,188,831	3,550,170	2,856,500
Compressed Natural Gas	81,712	168,920	180,400
Miscellaneous Sales	94,534	32,998	
Motor Pool	11,292	8,932	12,000
Fleet Parts	3,121,798	3,378,090	3,366,325
Insurance	881,506	766,000	550,000
Fleet Management	920,784	1,153,623	1,264,544
Fleet Sublets	1,707,845	1,441,081	1,524,800
Interest and Change in Fair Market Value on Investments	11,607		
Capital Contribution	1,693,493		
Gain/(Loss) on Sale of Assets	(14,284)		
TOTAL FLEET INTERNAL SERVICE FUND	14,192,443	13,345,076	12,714,282
VEHICLE STORAGE FACILITY			
Licenses and Permits	18,459	16,300	19,010
Storage Fees	376,880	363,500	348,685
Wrecker Fees	368,354	426,610	426,610
Vehicle Auction Sale	452,129	446,400	446,400
Impound Administration	95,375	100,000	100,000
Vehicle Storage Miscellaneous	65,466	29,600	29,600
TOTAL VEHICLE STORAGE FACILITY	1,376,663	1,382,410	1,370,305
WASTE DISPOSAL ENTERPRISE FUND			
Sanitation Fees	16,017,402	16,016,000	16,148,700
Landfill Fees	1,219,818	1,250,000	1,500,000
Methane Gas Revenue	128,888	95,000	50,000
Yard Waste	83,681	75,000	60,000
Compost Sale	63,566	80,000	69,400
Interest and Change in Fair Market Value on Investments	122,249	50,000	83,700
Miscellaneous Revenue	76,062	11,000	29,500
Capital Contribution	140,946		
Gain/(Loss) on Sale of Assets	(136,643)		
TOTAL WASTE DISPOSAL ENTERPRISE FUND	17,715,969	17,577,000	17,941,300

**CITY OF LITTLE ROCK
2016 OPERATING REVENUE**

	<u>2014 ACTUAL</u>	<u>2015 ADOPTED</u>	<u>2016 ADOPTED</u>
PARKING GARAGES			
Business License - Auto/Truck	273,596	273,600	292,400
Street Repair Reimbursement	201,605	244,500	245,300
Parking Meters	385,380	394,400	445,200
Surface Lot Parking	93,117	93,000	95,000
Parking Deck Monthly	878,518	881,000	996,000
Parking Deck Daily	222,249	253,800	491,650
Parking Peabody	90,419	48,200	
Interest and Change in Fair Market Value on Investments	12,765	7,800	4,700
Miscellaneous Income		450	
TOTAL PARKING GARAGES	<u>2,157,648</u>	<u>2,196,750</u>	<u>2,570,250</u>
GRAND TOTAL ALL FUNDS	<u>\$ 247,350,421</u>	<u>\$ 249,291,673</u>	<u>\$ 256,797,792</u>

REVENUE TRENDS

OVERALL

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 2016 budget. The 2016 operating budget includes an increase in sales tax of 2.2% over the final amended 2015 budget and 1.7% over 2015 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 2015 sales tax grew at a rate of 3.56% over 2014 actuals. Change in monthly sales tax receipts compared to the same period a year ago fluctuated from a high, with growth of 10% for April revenues to a low, with a decline of 6.6% for May revenues. While growth continued to be somewhat volatile from month to month, 2015 sales tax revenues grew in ten (10) of twelve (12) months in comparison to the same month a year ago. Consumer and business confidence has increased amid evidence of a decrease in unemployment and an increase in spending and new investment. Low inflation and lower consumer energy costs are anticipated to support sustained growth in the local economy. The moderate increase in sales taxes revenues in 2015 are partly attributed to a significant increase in retail development in Southwest Little Rock. 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.

	<u>REVENUES</u>	<u>% CHANGE</u>
2012 Operating Revenues	180.2	
2013 Operating Revenues	185.5	2.94%
2014 Operating Revenues	184.3	-0.65%
2015 Operating Revenues	194.7	5.64%
2016 Operating Revenues	201.6	3.54%

The 2016 budget includes the revenue and expense associated with separate property tax millages and state turnback funds 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. Prior to 2015, this revenue was reflected as a year-end adjustment and was not included in the

annual operating budget. In 2016, the dedicated revenue of approximately \$12.3 million is included in the General Fund budget. The projected change in operating revenues is approximately 3.5% over the original 2015 operating budget and 2.1% above the final amended 2015 budget.

Property taxes comprise approximately 14% of 2016 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. Personal property is reappraised annually by May 31. The original charge for 2015 property taxes to be collected in 2016 reflects a 1.6% increase over 2015.

Utility franchise fees comprise approximately 14.7% of 2016 General Fund budgeted revenues. 2015 utility franchise revenues were 4.14% above 2014. Overall, 2016 utility franchise fees are projected to be 1.3% higher than 2015 actual revenues but relatively flat from the final amended 2015 budget. The largest factor in the decline was related to a very mild start to the 2015/2016 winter. Weather plays a significant role in the majority of the annual franchise fee revenues. The largest percentage changes experienced in 2015 were associated with CenterPoint, Entergy, AT&T landline and Long Distance. The trend towards households with only wireless phones continues to gain in popularity. Although the rate of decline compared to previous years has slowed, local landline and long distance franchise fee revenues continue to experience high single digit drops, respectively. Telecommunication revenues are expected to further decrease as wireless communication continues to increase market share. The largest dollar changes experienced in 2015 were associated with Entergy (electric utility), CenterPoint Energy (gas utility), Comcast, and Central Arkansas Water. Although the summer of 2015 was warmer than the previous year, Entergy usage increased only 1.39% with revenues increasing significantly at 12.2% or approximately \$1,553,240 from 2014. A portion of the increase in revenue was associated with a 3.4% rate increase approved by the Arkansas Public Service Commission on January 15, 2015. The mild winter of 2014/2015 and a slight decrease in gas rates resulted in a significant decrease in natural gas franchise fee revenues from 2014 levels. CenterPoint usage levels decreased 11.2% with a corresponding decrease in revenues of 13.2% or approximately \$493,300. Wastewater revenues were flat with no increase in rates in 2015. Wastewater Utility announced a 4.75% increase in rates for 2016 and subsequent base rate increases for the next several years through 2021. A warmer and dryer summer of 2015 increased water consumption. Central Arkansas Water and the Wastewater utility historically have experienced significant reductions in water usage due to efficiencies in technology and conservation efforts also. Of the City's utility providers, only the Wastewater utility is anticipated to have a rate increase in 2016. Entergy Arkansas and CenterPoint Energy have announced that they were requesting rate increases from the Arkansas Public Safety Commission (PSC) later in 2016, but these requests are usually modified and reduced by the Commission.

Licenses and permits comprise approximately 5.4% of 2016 General Fund revenues. 2015 revenues from licenses and permits were flat compared to 2014 and are expected to decrease 2.5% in 2016, primarily from a reduction in building and related permits. Business licenses and mixed drink supplemental fees grew 3.2%. Building and related permits were expected to drop to 2013 levels but performed better because of continued commercial development near the I-30/I-430 interchange. Building and related permits decreased 11.1% from 2014 but increased approximately 2.63% from the amended budget. Fines and fee revenues decreased approximately 11.2% compared to one year ago. The district courts experienced a major system conversion in February 2015. There were concerns about the transfer of historical data, which delayed the issuance of tickets and warrants. Fines and Fees are projected to increase 6.1% from 2015 levels. Parking fine revenue is expected to increase with five full-time parking technicians.

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>2014 Payable 2015</u>	<u>2015 Payable 2016</u>
General Operation	5.00	5.00
Bond Retirement	3.00	3.00
Library System	5.20	5.10
Police & Firemen’s Pension	<u>2.00</u>	<u>2.00</u>
	15.20	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.

The City recently received notice of the original charge for 2015 property taxes to be collected in 2016 which reflects an overall increase of 1.6%. The original charge for the previous year increased 3.43%. 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 \$7,782,200 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 2016 budget anticipates \$5.8 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 for 2015 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 2015 property taxes payable in 2016.

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 Container, Sage V Foods, AR Aerospace, Welspun Pipes, Inc., Jacuzzi and Windstream are companies which are scheduled to make Act 9 payments in 2016.

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 2016 from this tax is \$42,291,520, which represents a 2.25% increase over the anticipated 2016 year-end results at the time the budget was adopted and a 2.09% increase over 2015 actual sales tax receipts.

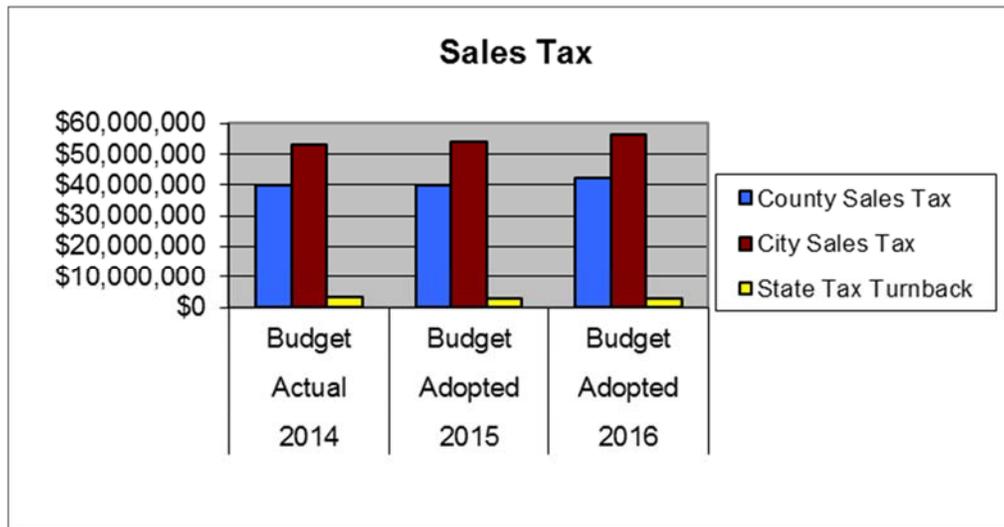
Use taxes, paid mostly by businesses, resemble sales taxes. They apply to goods purchased from out-of-state merchants such as catalog vendors. Use taxes

included in the county sales tax projection are approximately \$5,075,000, or 12% 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 (1) cent sales tax increase which is comprised of a permanent 5/8-cent dedicated for ongoing operations and a temporary 3/8-cent dedicated to capital projects over a ten (10) year period. The new tax went into effect on January 1, 2012. The existing 1/2-cent sales tax generated \$24,618,489 in 2015. The new 5/8-cent tax dedicated to ongoing operations generated an additional \$30,773,111 in revenue in 2015 for a combined \$55,391,600 in local sales tax for operations.

The 3/8-cent tax for capital projects generated \$18,430,387 in 2015 and is expected to generate \$195.8 million over the ten (10) year period for capital projects. The capital tax increased 3.26% over 2015 levels. The 3/8-cent tax revenue is not reflected in General Fund revenues. Instead, 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 and corrections.

For 2015, the industries with the largest dollar increases in sales taxes were specialty food stores, restaurants and bars, general merchandise stores and grocery stores. The largest dollar decreases were associated with direct selling establishments, natural gas distributions, and non-residential building construction.

The local sales tax of 1.5% grew at a slightly higher rate of 3.93% than the county’s sales tax growth rate of 3.74%. The projected revenue for 2016 from the local tax for the General Fund is approximately \$56,279,000 which represents a 2.25% increase from anticipated 2015 year-end results at the time the budget was adopted, and 1.60% over actual 2015 receipts.

STATE TAX TURNBACK

The State General Assembly, through the Office of Budget, appropriates and then distributes an amount for turnback to municipalities each July 1st, based on population. The General Fund turnback for 2016 was reduced from a revised \$15.25 to \$15.00 per capita, or a 1.64% 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 \$205,244. Each legislative session can increase or decrease the appropriation dependent upon surpluses in state funds. State turnback funds are expected to generate approximately \$3 million dollars in General Fund revenue in 2016.

State Turnback

State Turnback Year-to-Date 2015 with 2014 Comparison (shaded blue)

Month	Street		Severance		General	
	2014	2015	2014	2015	2014	2015
January	\$9,666,249	\$9,159,751	\$594,574	\$1,078,254	\$3,671,283 *	\$3,951,881
February	8,610,433	9,140,973	908,314	865,620	1,889,235	2,055,766
March	8,864,931	9,768,891	838,838	440,228	1,889,914	2,053,376
April	9,090,103	8,905,034	1,005,050	1,199,955	1,889,914	2,149,095
May	9,684,676	9,840,348	1,108,430	479,664	1,889,593	2,056,092
June	9,380,094	9,870,152	1,151,947	515,640	1,889,914	2,056,559
July	10,386,237	9,996,770	1,049,503	1,242,957	7,436,193 **	5,602,259 ***
August	9,310,017	9,465,188	1,153,167	482,196	2,056,571	1,815,712
September	9,483,760	10,122,119	1,084,170	495,609	2,052,581	2,032,276
October	9,763,094	9,866,819	1,042,826	521,754	2,056,449	2,019,156
November	9,282,963	9,604,610	923,264	527,387	2,056,540	2,031,292
December	9,054,076	9,198,070	755,209	471,203	2,054,946	2,032,218
Total	\$112,576,632	\$114,938,724	\$11,615,292	\$8,320,466	\$30,434,803	\$29,855,681

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

** Includes \$3,516,800.29 supplemental and \$2 million appropriation from Category B of Budget Stabilization for July 2014

***Includes \$3,516,801.52 supplemental for July 2015

Local Option Sales and Use Tax in Arkansas

Sale and Use Tax Year-to-Date 2015 with 2014 Comparison (shaded blue)

Month	Municipal Tax		County Tax		Total Tax		Interest	
	2015	2014	2015	2014	2015	2014	2015	2014
January	\$48,260,965	\$44,899,051	\$42,805,543	\$41,135,484	\$91,066,508	\$86,034,535	\$12,222	\$4,805
February	57,956,453	51,556,660	50,071,410	46,326,186	108,027,863	97,882,846	12,659	5,765
March	46,032,300	41,142,676	41,404,634	37,596,230	87,436,935	78,738,906	19,161	5,571
April	46,694,339	44,819,678	42,176,819	41,824,879	88,871,158	86,644,557	15,459	6,185
May	52,104,723	48,373,032	46,560,371	43,431,803	98,665,094	91,804,835	4,827	6,011
June	49,711,589	45,121,494	44,369,398	40,770,568	94,080,987	85,892,061	25,867	7,080
July	50,358,675	50,985,699	44,565,666	45,660,838	94,924,341	96,646,537	18,804	7,291
August	51,846,227	48,591,520	47,174,793	44,364,160	99,021,020	92,955,680	16,649	7,038
September	50,366,202	48,279,490	48,072,222	43,224,258	98,438,424	91,503,748	17,771	9,120
October	50,569,467	50,649,942	46,609,011	45,482,360	97,178,477	96,132,302	18,511	8,604
November	49,449,818	48,903,456	46,067,600	44,043,654	95,517,418	92,947,110	17,009	19,648
December		49,348,276		44,623,076		93,971,352		14,221
Total	\$553,350,758	\$572,670,974	\$499,877,467	\$518,483,496	\$1,053,228,225	\$1,091,154,469	\$178,939	\$101,339
Averages	\$50,304,614	\$47,722,581	\$45,443,406	\$43,206,958	\$95,748,020	\$90,929,539	\$1,667	\$8,445

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: Debbie Rogers, 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 Federal Funds rate recently increased to a target range of between 0.25% and 0.50%. Prior to December 2015, the rate has remained at historically low levels since January 1, 2009. The Discount Rate currently is 1%. Investment income for the General Fund increased only slightly in 2015. Investment income before year-end fair market value adjustments was approximately \$222,260.

Securities held are short in duration, backed by the U.S. government and are among the safest securities in the world. Short term rates remained steady throughout 2015 but spiked in September and reminded slightly higher at the end of 2015. Steady interest rates coupled with steady fund balances should increase investment earnings only slightly in 2016. The City’s bank deposits are expected to yield a favorable 0.53% in 2016 which is competitive with the current six-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:

- Energy 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

Overall franchise fee revenues in 2015 were 4.14% higher than 2014 levels. CenterPoint Energy, the gas utility, experienced significant revenue decreases totaling over \$493,000 (13.2%) due to the mild winter of 2014/2015 and the corresponding harsh winter of 2013/2014. The mild and short winter decreased usage levels by 11.2%. The winter of 2015/2016 is forecasted to be affected by a strong El Nino weather pattern with more precipitation than usual in the south although temperatures could remain higher than normal which could lead to reduced revenues from heating bills.

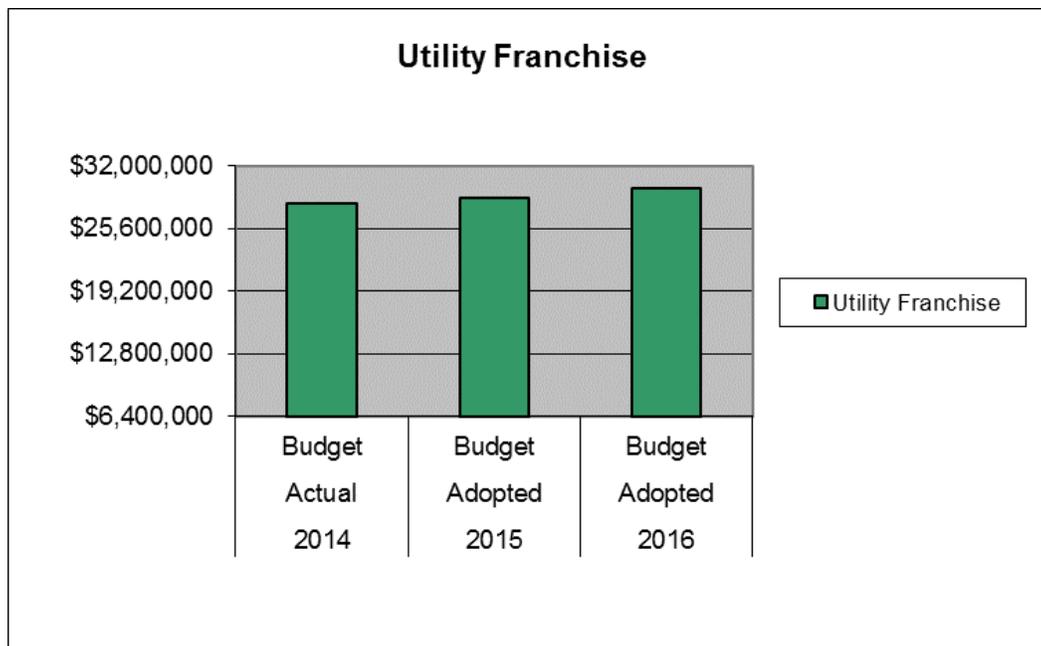
CenterPoint accumulates and stores natural gas for the next heating season. The cost of natural gas makes up between 70% and 80% of the typical bill. CenterPoint reports its natural gas costs to the Arkansas Public Service Commission at the end of October each year. Those rates are passed along to customers with no profit going to the utility. Gas revenues are expected to be 7.4% lower than actual 2015 levels and 19.6% lower than 2014 levels. The significant lowered estimates are a result of lowered estimated gas cost prices. Increased natural gas reserves have hit a record high level for the second year in a row. Sustained low prices for oil and natural gas are anticipated to reduce the reserves in 2016. Certain franchise fee revenues, such as Entergy, CenterPoint, and Central Arkansas Water are directly impacted by the weather.

On January 13, 2015, the Arkansas Public Service Commission approved a 3.4% rate increase for Entergy resulting from a recalculation in rates to address an earlier \$67.8 million shortfall. Although the 2015 summer was warmer than the previous year with usage levels up 1.4%, the recalculated adjustment along with an increase in other riders toward the end of the year, increased revenues 12.2% or \$1,553,240 more than 2014. The 2016 budgeted amount for Entergy is 2.66% higher than 2015 levels due to an expected increase in the PCA rider. In 2015, Entergy requested a rate increase from the Arkansas Public Service Commission for improvements to its infrastructure and the purchase of one-fourth of a natural gas plant. The Commission will be considering a rate increase of 8.4% in April 2016. However, Entergy says it is decreasing fuel costs that will most likely offset the impact of the rate increase it is seeking. The decreased fuel costs should result

in a 7.1% decrease on bills. The net rate increase should be \$1.30 on a \$100 monthly bill.

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 customer’s rate by 8.9% both years. 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. Other than wholesale customers, no rate adjustments are planned for 2016. A warmer and dryer summer in 2015 increased water consumption. These factors led to an increase in water revenues of approximately \$156,000 or 4.92% from 2014 levels. 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 3% in 2016 revenues, anticipating a more typical Arkansas summer with high temperatures and dry conditions.

Little Rock Wastewater revenues were consistent from the previous year with no significant changes. There was no announced rate increase for 2015, however, 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 2016 is 4.75%. In addition, there are scheduled rate increases of 4.0% for 2018 and 6.0% for 2019 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 2016, revenues are projected to increase by approximately \$215,000 in 2016.



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 only \$652,000 in 2015. 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 9.32% in 2015 and are expected to further decrease 7.2% in 2016. The decline could be sharper but many alarm users still maintain a land line to operate their security system.

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 0.92% in 2015. Long distance revenue is projected to remain steady in 2016 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 1.31% in 2015. Windstream revenues for 2015 increased 5.63% while AT&T U-Verse franchise fees increased by 11.01% and Comcast Cable declined 6.31%. 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. Fiber optic forecasted revenues are projected to decline 1.35% for 2016.

Franchise fee revenues for fiscal year 2016 are forecasted to be 1.3% above 2015 receipts and relatively flat from the amended 2015 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.

Announced Utility Rate Increases for 2016	
SW Bel (AT&T)	0.00%
Entergy	0.00%
Long Distance	0.00%
Local Land Lines	0.00%
CenterPoint	0.00%
Central AR Water	0.00%
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 2015 license fees increasing 1.14% to over \$6.44 million. The increase of approximately \$72,400 for 2015 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 should reduce the amount of penalty fees associated with delinquent business licenses. A business license committee will review the fairness and equity of the business license fee structure periodically and provide recommendations to the Board of Directors. 2016 business license revenue should be flat or experience a slight decrease as a result of the new notification system.

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. 2015 mixed drink revenue was significantly above 2015 by 9.1%. 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 2016 budget anticipates an increase of approximately 1.2% over the 2015 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 11.1% below 2014 but 9.1% over the 2015 amended budget. Lower building and related permits revenues were expected from the record construction that occurred in 2014. A large portion of the increase in 2015 was related to large one-time commercial construction projects such as the Gateway Mall, next to the Bass Pro Shop in Southwest Little Rock and the FedEx Distribution Center. Commercial permits pulled for tenants of the Gateway Mall continued in 2015. 2016 building permits are expected to decline approximately 8%. The City's Planning and Development Department forecasts smaller commercial construction projects with no large retail centers anticipated. The Department expects more hotels and multi-family complexes to be built in 2016. Residential construction is projected to remain stagnant. Continued favorable interest rates should continue to spur commercial construction activity in Little Rock.

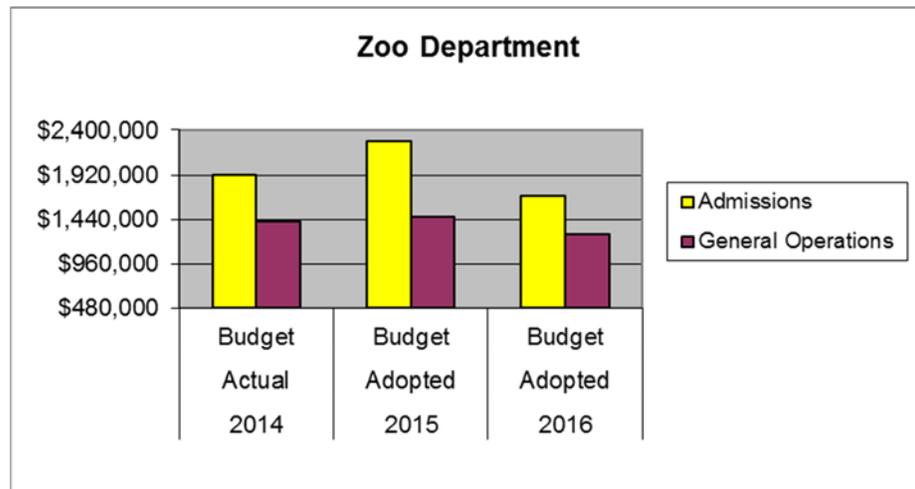
FINES

Fines and related fees comprise 1.4% of the 2016 budget. 2015 fines and fees were approximately \$335,000 or 11.2% below the previous year. Traffic and parking fine revenues continued to be the main contributors to the decrease. Parking fine revenues decreased 11.3% from one year ago. For the first time in five years, Parking Enforcement will be operating with five full-time parking technicians which is expected to increase parking fine revenues to 2013 levels. The net result of a full staff is projected to increase revenues approximately 19% in 2016. The district courts experienced a major system conversion in February 2015. There were concerns about the transfer of historical data, which delayed the issuance of tickets and warrants. A deficiency of the new court management system is the division of revenue between the three district courts. Staff is working with the Administrative Office of the Courts to segregate the revenues of the three courts for future analysis. 2016 Fines and Fees revenues are expected to increase 6.1% from 2015.

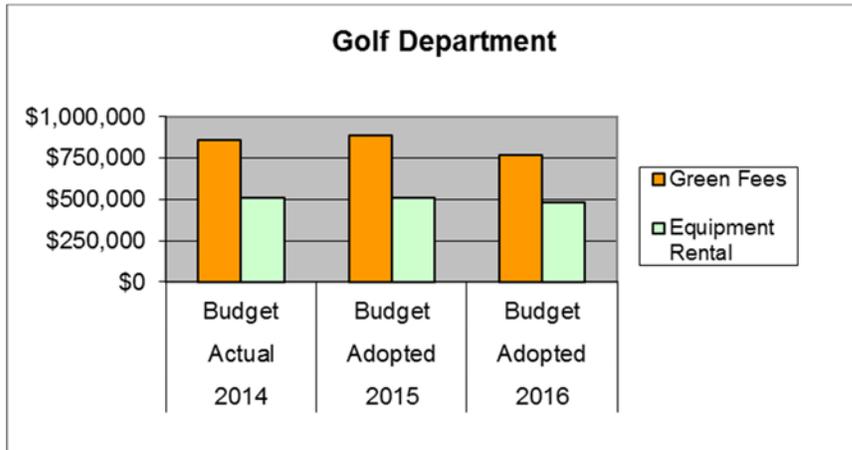
PARK & ZOO REVENUE

General Fund park revenues are generated by three (3) golf courses, tennis fees, community center fees, athletics fees, summer programs and pavilion rentals. Prior to 2013, the Zoo, Jim Dailey Fitness & Aquatic Center, and the municipal golf courses (Rebsamen, Hindman and War Memorial) were operated as separate enterprise funds. At the end of 2012, these activities were consolidated into the General Fund. The 2016 General Fund parks and Zoo budget includes an increase of approximately 1% or \$40,000 from 2015 actuals. With no schedule fee increases for the golf courses, tennis centers, community centers or the Zoo, 2016 revenues were forecasted from 2015 actuals with no significant revenue increase in park related revenues.

Excluding transfers in and donations, Zoo revenues decreased approximately 8.9% or \$343,862 from one year ago. Actual revenues were 15.9% below the original 2015 budget but 3.74% 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 admissions in April, May and June were down 12.8% compared to the same period a year ago. The drop is attributed to significant rainfall and flooding that extended into June. Annual Zoo memberships are less dependent on



weather and increased 1.8%. Zoo admissions decreased 12.3% and Zoo concessions decreased 15.4%. Overall, 2016 Zoo revenues are projected to be consistent with the 2015 Amended Budget and approximately 1.7% lower than 2015 actual revenues. There were no fee increases scheduled for 2016. The forecast is conservative due to the dependency on weather conditions. However, the opening of a new Arkansas Farms exhibit could stimulate a growth in attendance.



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.

Similar to Zoo revenues, significant rainfall during the busiest months reduced revenues in 2015. Excluding the debt service contribution, overall golf revenues were 4.3% below 2014 levels. 2015 Rebsamen Golf revenues decreased approximately 9%. War Memorial revenues actually increased 2.81% from one year ago and Hindman Golf Course decreased 4.3%. With no announced rate increases, the golf courses are projected to maintain consistent revenues for 2016.

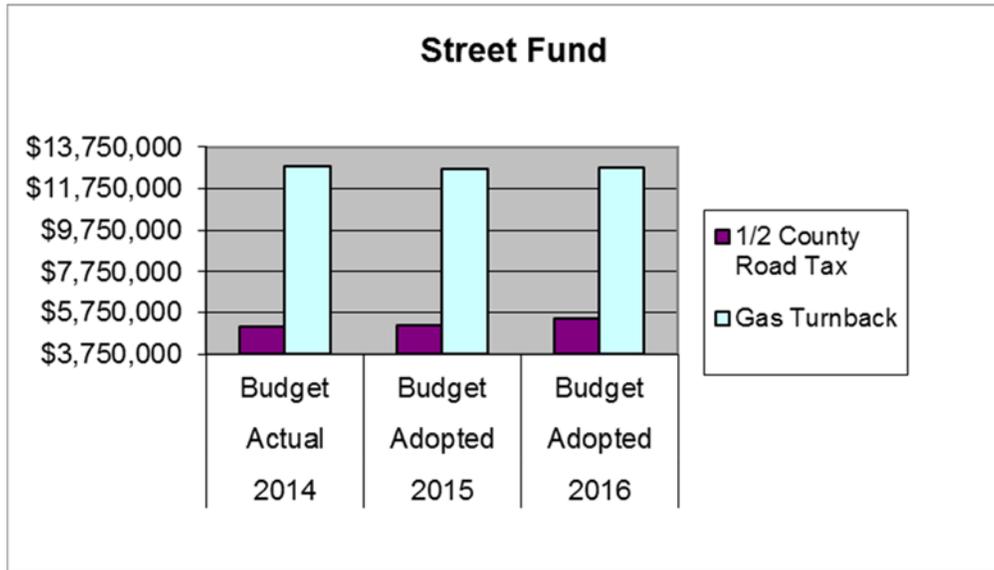
AIRPORT REIMBURSEMENT

The Little Rock National Airport reimburses the City for expenses related to police and fire protection. In 2015, airport police reimbursements decreased 1.9% to \$1.84 million and airport fire reimbursements increased 1.8% to \$1.28 million. Staffing levels should be consistent with 2015 but airport police overtime is expected to increase approximately \$185,000.

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 one-half percent (0.5%) sales and use tax for road construction and maintenance. The ten (10)-year sales tax is effective from July 1, 2013 through December 2022. 2015 revenues were 0.43% lower than 2014, which is attributed a reduction in number of gasoline gallons consumed. Gas turnback funds have been trending downward as a result of lower gas consumption

associated with more fuel efficient automobiles. The State Highway Department’s turnback projection for 2016, including gas tax, severance tax and sales tax is \$12.79 million. The 2016 Street Fund turnback appropriation increased from a revised \$64.75 to \$65.00 per capita, a 0.39% increase. The 2016 street turnback estimate includes proceeds from the new highway 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

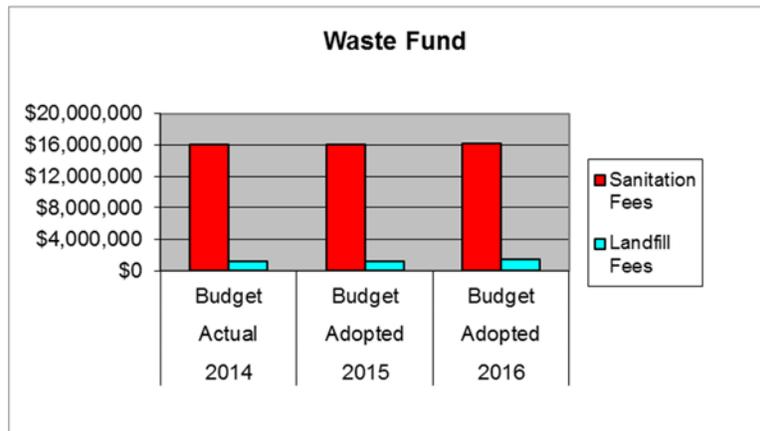
Revenues from this fund were utilized to finance the debt service on the \$70,635,000 Limited Tax Bond Issue, Series 2004. In November 2003, voters approved the continuance of a 3.3 annual property tax millage for debt service on the bonds. The bonds were fully redeemed on April 1, 2013. The voters of Little Rock approved a new annual ad valorem tax at a lesser rate of 3.0 mills at a special election on September 11, 2012. The reduced millage replaces the previous 3.3 mill tax and 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 \$11.2 million (excluding Excess Commissions) toward 2015 debt service on the outstanding bonds.

WASTE DISPOSAL

The 2015 Waste Disposal charges for services revenues increased 1.41% compared to 2014. Landfill fees increased over 16% from 2014 levels. The landfill increase is attributed to two large customers that are receiving volume discounts. In addition, an increase in gate fees at competing landfills and the opening of a new Class 4 cell contributed to the increased revenue. Revenues from methane gas production has steadily decreased as the exclusive vendor continues to have

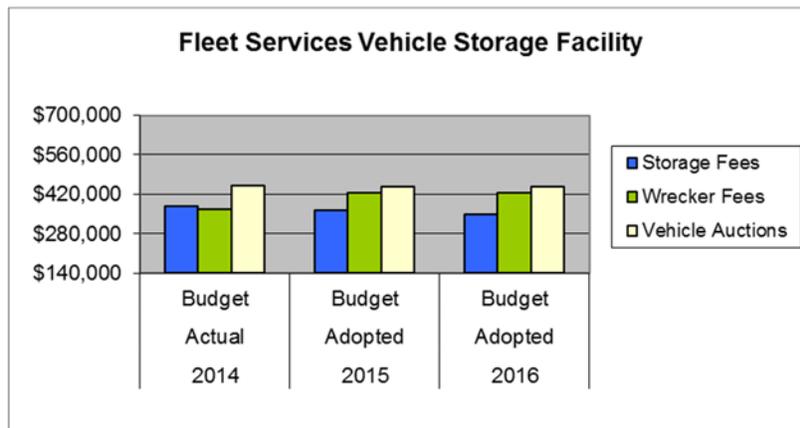
equipment issues. Compost revenues are also declining as more residents are composting in their backyards.

The monthly residential rate for sanitation pickup remained at \$22.02. There are approximately 58,200 households currently receiving garbage collection services. No rate increases are scheduled for 2016. In addition, approximately 280 commercial vendors pay an average rate of \$33.37 a month for waste disposal services. The 2016 budget for sanitation fees of approximately \$16.15 million is in line with 2015 actual results. Landfill fees are expected to generate approximately \$1,500,000 in 2016 which is an increase of 5.81%. Methane gas captured by the landfill is piped to a single vendor and is expected to generate \$50,000 in annual revenues.



VEHICLE STORAGE

Vehicle Storage revenues are generated from storage fees, wrecker fees, and auction sales. These revenue sources contributed approximately 88% of total 2015 revenues, but declined 11.3% from one year ago. Overall Vehicle Storage revenues decreased 13%. The number of wrecker tows in 2015 was 238 less than the same period one year ago. Fewer vehicles towed results in lower storage fees and wrecker fees and reduced the number of vehicles available for auction. The 2016 overall revenue budget is 14.5% higher than 2015 actuals. The daily storage fees were increased from \$37 to \$40 a day with an increase in projected revenue of \$45,400. The average sales price per vehicle auctioned in 2015 was \$569.60.

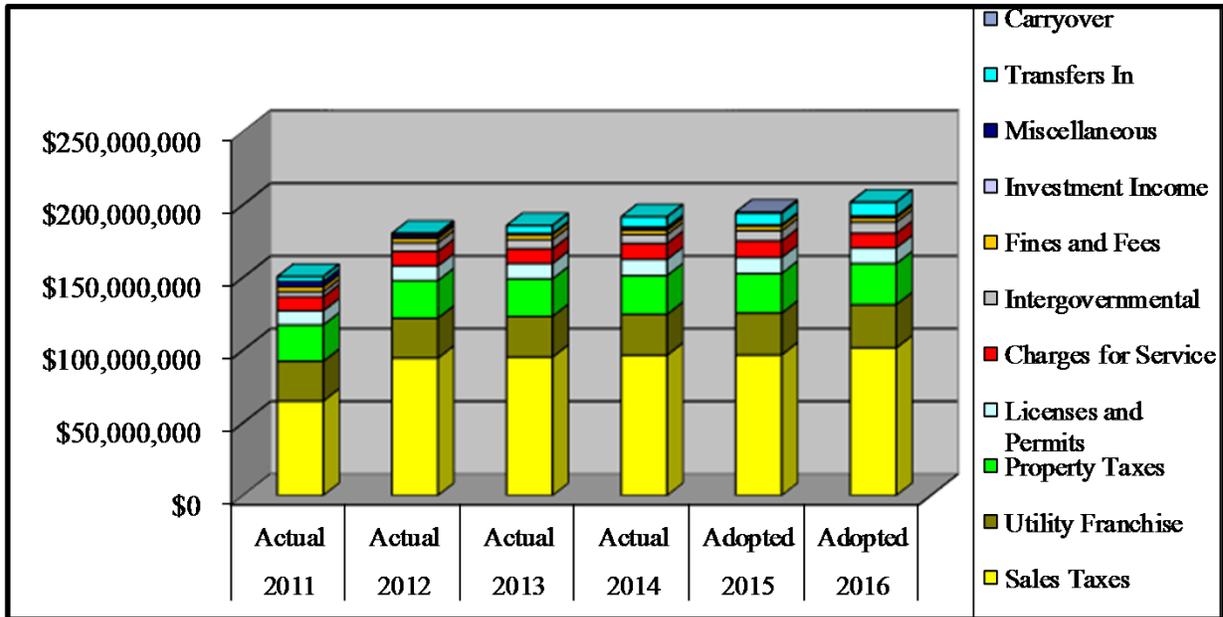


PARKING GARAGE FUND

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 16.3% higher in 2016 than 2015. . Monthly revenues from the Statehouse and the RiverMarket Garages were 19.7% higher in 2015. The majority of this increase is attributed to the RiverMarket Garage which was up over 26% from last year. The parking garage added two new monthly customers in 2015. Daily revenues from both garages increased 8.9% with the majority of that increase attributed to the Second and Main Garage which has experienced increased parking due to the growing popularity of the RiverMarket district and an overall reduction in available parking spaces downtown.

Street cut revenues increased approximately \$93,000 with the majority of this increase coming from Little Rock Wastewater, JLC Communications and Central Arkansas Water street repairs and maintenance in the City's right-of-way. Overall parking Garage Fund revenues are expected to increase approximately 2.5% compared to one year ago.

General Fund Revenues Sources and Trends 2011-2016



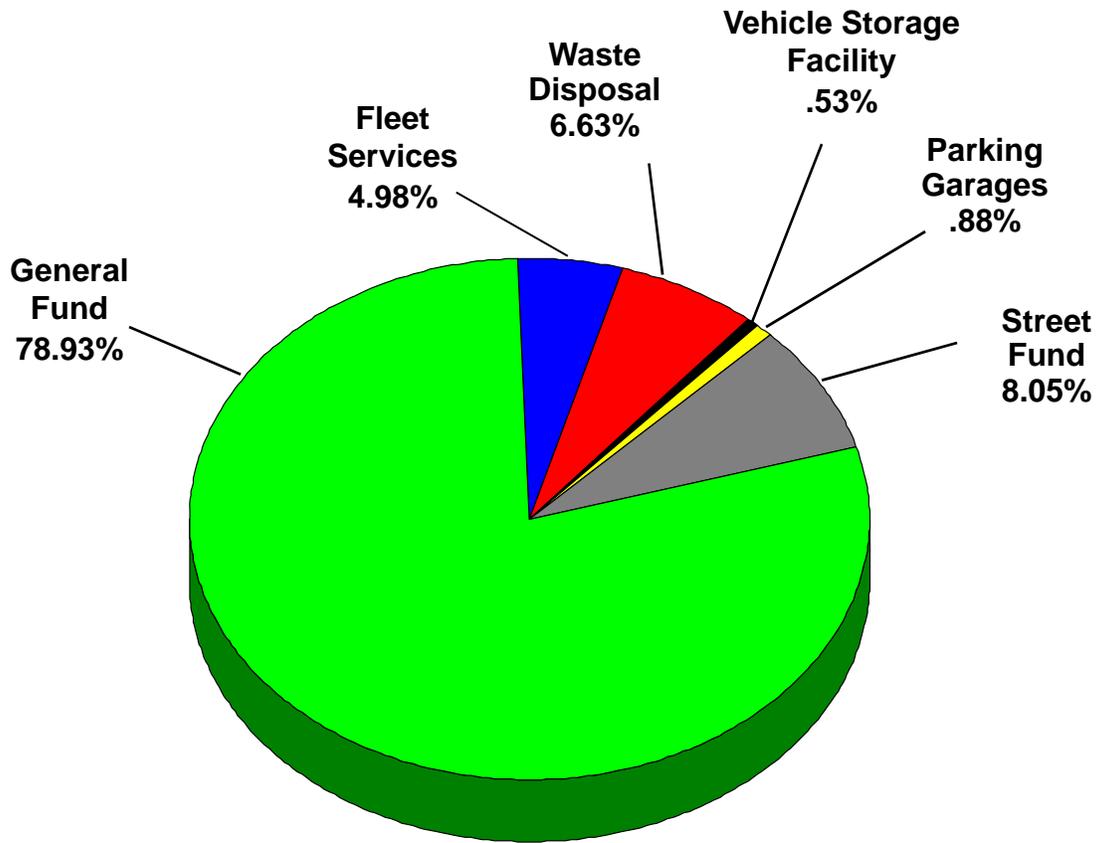
Revenues increased significantly with the implementation of a new sales tax in 2012. The 5/8-cent portion of the tax for on-going operations increased the existing 1/2-cent tax to a total of 1.125%.

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Expenditures



CITY OF LITTLE ROCK 2016 BUDGET SUMMARY ALL FUNDS EXPENSES



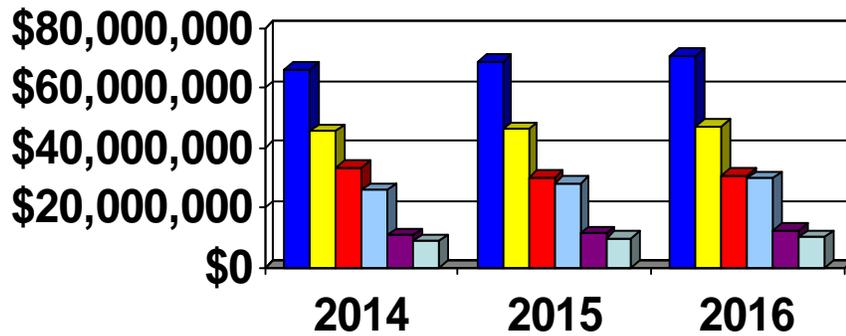
\$255,456,581

CITY OF LITTLE ROCK
2016 OPERATING & OTHER BUDGETED EXPENDITURES

GENERAL FUND	2014 ACTUAL	2015 ADOPTED	2015 AMENDED*	2016 ADOPTED	15/16 DIFF	% CHANGE
General Administrative	\$25,830,908	\$28,062,042	\$27,439,556	\$29,977,808	\$2,538,252	9.25%
Board of Directors	322,119	342,027	342,064	342,818	754	0.22%
Community Programs	461,520	423,578	402,143	427,559	25,416	6.32%
City Attorney	1,671,152	1,836,901	1,737,560	1,939,007	201,447	11.59%
District Court First Division	1,291,042	1,405,790	1,396,226	1,410,338	14,112	1.01%
District Court Second Division	1,232,380	1,248,245	1,281,588	1,365,334	83,746	6.53%
District Court Third Division	607,294	626,782	639,286	627,195	(12,091)	-1.89%
Finance	3,070,989	3,204,124	3,142,989	3,407,407	264,418	8.41%
Human Resources	1,653,539	1,673,177	1,771,481	1,810,554	39,073	2.21%
Information Technology	4,096,076	4,679,784	3,898,233	4,843,151	944,918	24.24%
Planning Development	2,134,460	2,564,192	2,174,153	2,566,299	392,146	18.04%
Housing & Neighborhood Programs	4,726,526	5,790,389	4,950,893	5,866,198	915,305	18.49%
Public Works	1,050,059	1,159,922	1,049,223	1,191,100	141,877	13.52%
Parks & Recreation	9,051,022	9,958,932	9,170,196	10,207,910	1,037,714	11.32%
River Market	1,227,229	1,209,164	1,209,164	1,174,745	(34,419)	-2.85%
Golf	2,376,312	2,308,904	2,397,757	2,288,313	(109,444)	-4.56%
Jim Dailey Fitness and Aquatic Center	874,928	901,127	876,776	909,546	32,770	3.74%
Zoo	6,546,205	6,733,727	6,109,593	6,810,041	700,448	11.46%
Fire	45,464,926	46,232,253	46,475,323	47,365,844	890,521	1.92%
Police	66,191,838	68,885,072	66,673,664	70,548,138	3,874,474	5.81%
Vacancy Savings		(6,000,000)		(6,000,000)	(6,000,000)	N/A
Sub-total General Operating	179,880,525	183,246,132	183,137,868	189,079,305	5,941,437	3.24%
TRANSFERS OUT/OTHER EXPENSES						
Transfer out to Street Fund	1,082,000	1,082,000	1,082,000	1,082,000		0.00%
Special Projects/PIT	9,300,111	9,412,079	12,242,282	10,482,924	(1,759,358)	-14.37%
Contingency/Reserve	550,000	1,000,000	1,000,000	1,000,000		0.00%
Sub-total of Transfers Out	10,932,111	11,494,079	14,324,282	12,564,924	(1,759,358)	-12.28%
TOTAL GENERAL FUND	190,812,636	194,740,211	197,462,150	201,644,229	4,182,079	2.12%
OTHER FUNDS						
Public Works - Street	17,166,207	20,050,226	20,050,226	20,557,426	507,200	2.53%
Fleet Services	12,688,818	13,294,275	13,447,467	12,714,282	(733,185)	-5.45%
Vehicle Storage Facility	1,332,818	1,359,144	1,359,144	1,359,792	648	0.05%
Waste Disposal	15,419,241	17,127,479	17,127,479	16,928,866	(198,613)	-1.16%
Parking Garages	2,178,024	2,196,750	2,196,750	2,251,986	55,236	2.51%
Sub-total Other Operating Funds	48,785,108	54,027,874	54,181,066	53,812,352	(368,714)	-0.68%
TOTAL ALL FUNDS	\$ 239,597,744	\$ 248,768,085	\$ 251,643,216	\$ 255,456,581	\$ 3,813,365	1.52%

* The 2015 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 2015 vacancy savings goal was fully realized.

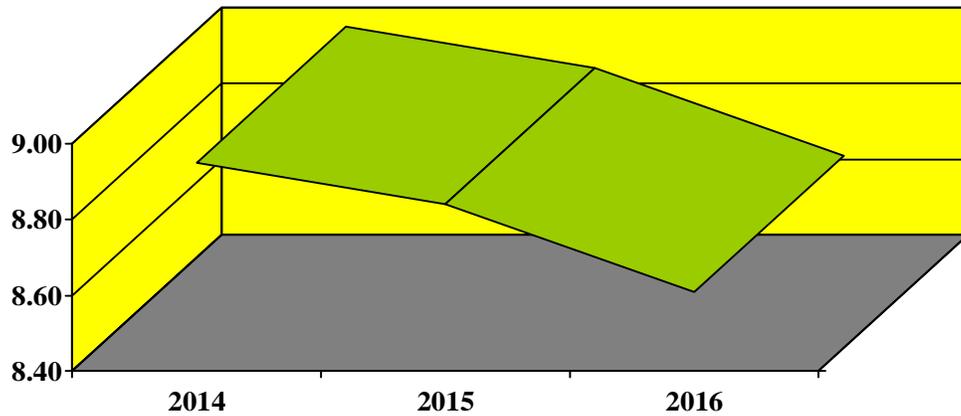
General Government Summary of Appropriations 2014-2016



**GENERAL FUND SUMMARY
EXPENDITURES BY CATEGORY**

CATEGORY	2014 Actual	2015 Budget	2016 Budget
Salaries Wages and Employee Benefits	\$138,522,805	\$139,939,883	\$143,834,450
Supplies and Materials	6,288,340	6,338,170	6,235,034
Repairs and Maintenance	6,587,136	7,093,723	7,254,786
Contractual	21,421,431	21,789,639	22,540,429
Capital Outlay	605,620	370,000	253,000
Debt Service	6,455,192	7,714,717	8,961,606
Transfers	<u>10,932,111</u>	<u>11,494,079</u>	<u>12,564,924</u>
Total Expenditures	<u>\$190,812,635</u>	<u>\$194,740,211</u>	<u>\$201,644,229</u>
<i>Staffing Level</i>	<i>1,708</i>	<i>1,722</i>	<i>1,737</i>
<i>Ratio</i>	<i>8.95</i>	<i>8.84</i>	<i>8.61</i>

STAFFING LEVEL PER MILLION DOLLARS BUDGETED



**CITY OF LITTLE ROCK
2016 OPERATING EXPENSES**

	2014 Actual Expend.	2015 Adopted Budget	2016 Adopted Budget
GENERAL FUND			
GENERAL ADMINISTRATIVE			
101001 City Clerk	\$ 196,070	\$ 190,541	\$ 206,270
101002 Administrative & General	19,484,159	21,480,968	23,209,560
101003 Employee Benefits	4,311,705	4,514,550	4,341,500
101004 Racial and Cultural Diversity	158,723	154,688	156,970
101005 Mayor	342,263	276,689	512,902
101006 City Manager Administration	959,271	1,085,126	1,106,268
101007 Emergency Management	74,790	64,162	56,282
101008 Small & Minority Women Owned Bus. Dev.	50,740	53,443	98,598
101009 Little Rock Television	253,187	241,875	289,458
Total General Administrative	25,830,908	28,062,042	29,977,808
BOARD OF DIRECTORS			
101100 Board of Directors	322,119	342,027	342,818
COMMUNITY PROGRAMS			
101501 Administration	371,809	334,441	337,100
101503 Operations	89,711	89,137	90,459
Total Community Programs	461,520	423,578	427,559
CITY ATTORNEY			
101801 City Attorney	1,671,152	1,836,901	1,939,007
LITTLE ROCK DISTRICT COURT			
102101 District Court First Division	1,291,042	1,405,790	1,410,338
LITTLE ROCK DISTRICT COURT			
102201 District Court Second Division	1,232,380	1,248,245	1,365,334
LITTLE ROCK DISTRICT COURT			
102301 District Court Third Division	607,294	626,782	627,195
FINANCE			
102501 Administration	586,882	579,508	609,245
102515 Budget	166,062	175,177	178,156
102520 Internal Audit	167,918	170,225	247,715
102530 Accounting and Reporting	499,804	539,657	586,458
102531 Accounts Payable	304,437	341,316	336,100
102535 Payroll	204,822	212,409	213,557
102540 Treasury Management	557,022	609,081	619,110
102550 Purchasing	303,982	240,909	311,442
102555 Print Shop	17,060	65,517	35,159
102560 Grants Management	263,000	270,325	270,465
Total Finance	3,070,989	3,204,124	3,407,407
HUMAN RESOURCES			
102701 Human Resources	1,653,539	1,673,177	1,810,554
INFORMATION TECHNOLOGY			
103001 Administration	867,441	1,010,105	935,373
103010 Application Programming	1,158,395	1,376,331	1,409,061
103030 Networking	2,070,240	2,293,348	2,498,717
Total Information Technology	4,096,076	4,679,784	4,843,151

**CITY OF LITTLE ROCK
2016 OPERATING EXPENSES**

	2014 Actual Expend.	2015 Adopted Budget	2016 Adopted Budget
PLANNING AND DEVELOPMENT			
103301 Administration & Budget	269,346	305,083	312,278
103310 Planning	319,566	440,589	461,908
103320 Zoning & Subdivision	720,034	850,885	853,160
103330 Building Codes	825,515	967,635	938,953
Total Planning and Development	<u>2,134,460</u>	<u>2,564,192</u>	<u>2,566,299</u>
HOUSING AND NEIGHBORHOOD PROGRAMS			
103501 Administration	270,836	369,781	367,920
103510 Animal Services	955,909	1,209,089	1,287,459
103520 CDBG - Housing Programs	971	14,367	9,873
103530 Neighborhood Programs	2,282,759	2,936,131	2,951,115
103539 Neighborhood Alert Centers	790,623	791,325	782,304
103540 Neighborhood Resource Center	185,000	231,506	235,757
103550 Environmental Services	240,428	238,190	231,770
Total Housing and Neighborhood Programs	<u>4,726,526</u>	<u>5,790,389</u>	<u>5,866,198</u>
PUBLIC WORKS			
104010 Building Services	1,050,059	1,088,666	1,118,163
104020 Asset Management	-	71,256	72,937
Total Public Works	<u>1,050,059</u>	<u>1,159,922</u>	<u>1,191,100</u>
PARKS AND RECREATION			
104501 Administration	372,928	448,472	465,054
104503 Design Scheduling	325,594	312,062	316,480
104510 Resources Administration	347,585	455,154	462,513
104511 Cultural Museum	179,370	199,896	201,338
104512 Therapeutic	127,498	174,482	175,350
104521 Development and Maintenance	142,251	99,794	139,349
104522 Operations and Improvement Development	1,007,668	1,119,932	1,113,805
104523 Park Maintenance	2,452,202	2,472,819	2,312,303
104524 Horticulture	786,502	950,727	1,073,327
104525 Urban Forestry	368,269	509,081	514,621
104530 Recreation Administration	187,882	155,774	159,427
104531 Community Center Administration	104,040	113,418	105,545
104532 Dunbar Community Center	459,278	447,420	448,680
104533 East Little Rock Recreation Center	79,818	79,852	85,135
104534 Senior Programs	70,417	102,900	103,335
104536 Southwest Community Center	608,998	647,196	611,856
104537 Stephens Community Center	269,803	256,282	245,332
104538 The Centre at University Park	259,201	297,195	337,166
104539 West Central Community Center	-	136,680	350,273
104556 Athletics/Playgrounds	587,864	606,794	608,403
104557 Tennis Center Operations	263,282	289,935	293,526
104558 N.W. Hill Community Complex	50,572	83,067	85,092
Total Parks and Recreation	<u>9,051,022</u>	<u>9,958,932</u>	<u>10,207,910</u>
RIVER MARKET	1,227,229	1,209,164	1,174,745
GOLF			
104701 Administration	94,187	94,927	96,990
104710 Rebsamen Golf Pro	468,742	433,183	435,081
104711 Rebsamen Golf Maintenance	543,448	519,608	496,782
104712 Rebsamen Pro Golf Concessions	96,501	77,520	88,787
104720 War Memorial Golf Pro	291,383	284,502	286,452
104721 War Memorial Golf Maintenance	309,067	315,714	303,827
104740 Hindman Pro Golf	310,792	324,015	326,691
104741 Hindman Golf Maintenance	262,191	259,435	253,703
Total Golf Fund	<u>2,376,312</u>	<u>2,308,904</u>	<u>2,288,313</u>

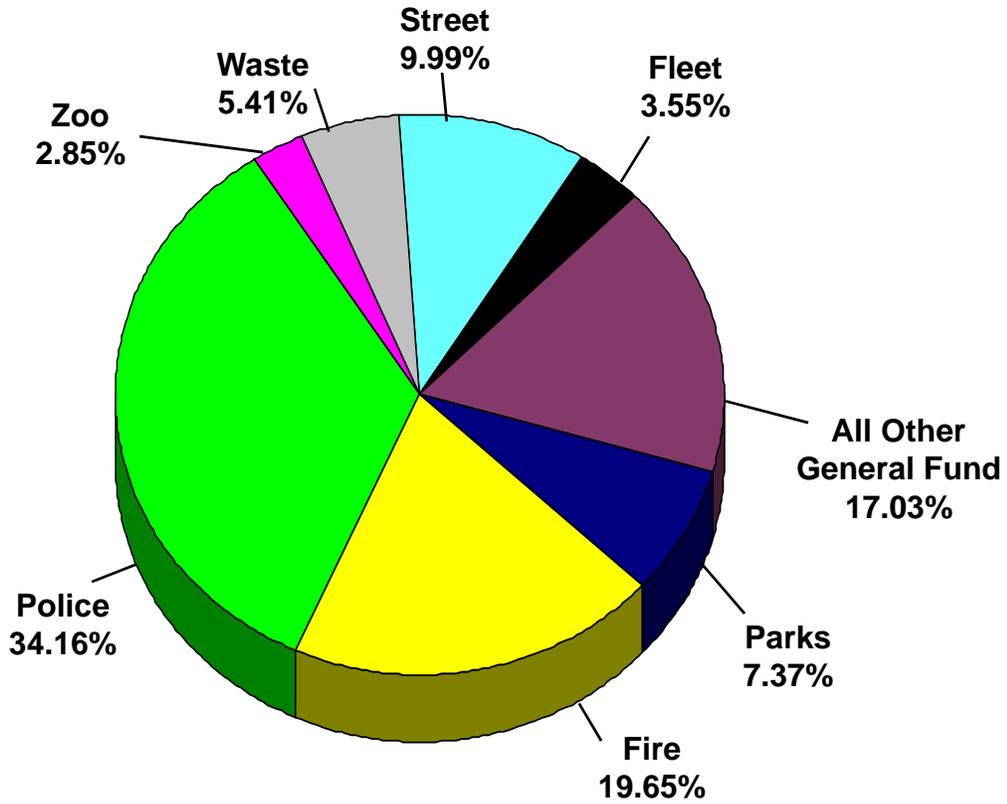
**CITY OF LITTLE ROCK
2016 OPERATING EXPENSES**

	2014 Actual Expend.	2015 Adopted Budget	2016 Adopted Budget
JIM DAILEY FITNESS AND AQUATIC CENTER	874,928	901,127	909,546
ZOO			
106501 Zoo Administration	347,044	381,953	563,822
106510 Zoo Concessions	401,074	368,343	382,783
106520 Zoo Education	284,191	384,918	381,787
106530 Zoo Gift Shop	262,307	270,077	288,119
106540 Zoo Membership	73,768	68,215	68,234
106550 Zoo Special Events	128,787	108,297	103,430
106560 Zoo Marketing & Promotions	497,672	449,970	349,485
106570 Zoo Facilities Operation	2,012,892	2,051,227	1,976,590
106580 Animal Management	2,198,434	2,312,555	2,354,969
106590 Visitor Service Administration	340,036	338,172	340,822
Total Zoo Fund	<u>6,546,205</u>	<u>6,733,727</u>	<u>6,810,041</u>
FIRE			
105101 Administration	977,113	1,069,476	1,380,344
105102 Fire Pension	5,584,264	5,581,664	5,754,200
105120 Fire Suppressing and Rescue	36,972,425	37,664,970	37,417,710
105130 Fire Prevention - Investigation	521,381	515,932	931,087
105140 Fire Training	506,020	490,762	603,071
105145 Fire Training Facility	499		
105150 Crash Fire Rescue - Airport	903,224	909,449	1,279,432
Total Fire	<u>45,464,926</u>	<u>46,232,253</u>	<u>47,365,844</u>
POLICE			
105201 Administration	3,038,385	3,238,656	2,754,963
105202 Police Pension	6,633,686	6,203,185	6,530,200
105210 Internal Affairs			4,684
105215 Organized Crime - Intelligence	5,308,626	4,867,077	4,748,533
105220 Training and Crime Prevention	2,796,916	4,254,310	4,661,074
105225 Detectives	5,500,884	5,783,778	6,159,198
105230 Downtown Patrol	10,977,447	11,058,451	12,094,134
105235 Southwest Patrol	8,909,839	9,321,418	7,520,596
105240 Special Operations	697		4,097,855
105245 WW Willams Northwest Substation	10,209,313	10,633,826	9,659,611
105250 Airport Police	2,096,875	1,751,517	1,829,448
105255 Police Records Support Service	7,440,654	7,684,011	6,399,446
105260 Communication Center	3,278,516	4,088,843	4,088,396
Total Police	<u>66,191,838</u>	<u>68,885,072</u>	<u>70,548,138</u>
Less Vacancy Reduction		<u>(6,000,000)</u>	<u>(6,000,000)</u>
General Fund Operating Total	<u>179,880,525</u>	<u>183,246,132</u>	<u>189,079,305</u>
TRANSFER/OUT OTHER EXPENSES			
Transfer out to Street Fund	1,082,000	1,082,000	1,082,000
Special Projects/PIT	9,300,111	9,412,079	10,482,924
Contingency/Reserve	550,000	1,000,000	1,000,000
Sub-total	<u>10,932,111</u>	<u>11,494,079</u>	<u>12,564,924</u>
GENERAL FUND TOTAL	<u>190,812,636</u>	<u>194,740,211</u>	<u>201,644,229</u>

**CITY OF LITTLE ROCK
2016 OPERATING EXPENSES**

	2014 Actual Expend.	2015 Adopted Budget	2016 Adopted Budget
PUBLIC WORKS - STREET			
204001 Administration	993,794	1,116,215	919,475
204002 Operations Administration	575,599	892,662	871,866
204003 Street and Drainage Maintenance	7,434,061	9,385,249	9,759,212
204005 Storm Drain Maintenance	809,776	970,330	966,449
204006 Work Pool	108,783	188,669	159,943
204007 Resource Control and Scheduling	378,794	399,335	390,524
204008 Control Devices	822,003	912,765	913,549
204010 Signals	1,050,326	1,048,178	1,131,065
204015 Parking Meters	105,551	107,143	108,463
204020 Civil Engineering	1,317,466	1,472,255	1,753,945
204025 Traffic Engineering	3,355,224	3,280,654	3,300,304
204030 Parking Enforcement	214,830	276,771	282,631
Total Street Fund	17,166,207	20,050,226	20,557,426
FLEET SERVICES			
600001 Administration	832,863	676,715	763,367
600011 Acquisition & Disposal	7,068,199	8,109,464	6,607,236
600020 Financial Management	453,739	729,618	726,891
600031 Maintenance Administration	4,334,017	3,778,478	4,616,788
Total Fleet Services	12,688,818	13,294,275	12,714,282
VEHICLE STORAGE FACILITY	1,332,818	1,359,144	1,359,792
WASTE DISPOSAL			
603101 Administration	1,965,114	1,638,137	1,589,447
603110 Collection	10,080,601	11,079,966	10,819,221
603120 Disposal	2,603,378	3,594,424	3,749,903
603125 Composting	552,504	591,402	628,906
603130 Waste Management	217,644	223,550	141,389
Total Waste Disposal Fund	15,419,241	17,127,479	16,928,866
PARKING GARAGES	2,178,024	2,196,750	2,251,986
GRAND TOTAL ALL FUNDS	239,597,744	\$ 248,768,085	\$ 255,456,581

CITY OF LITTLE ROCK 2016 ALLOCATION OF FULL TIME PERSONNEL



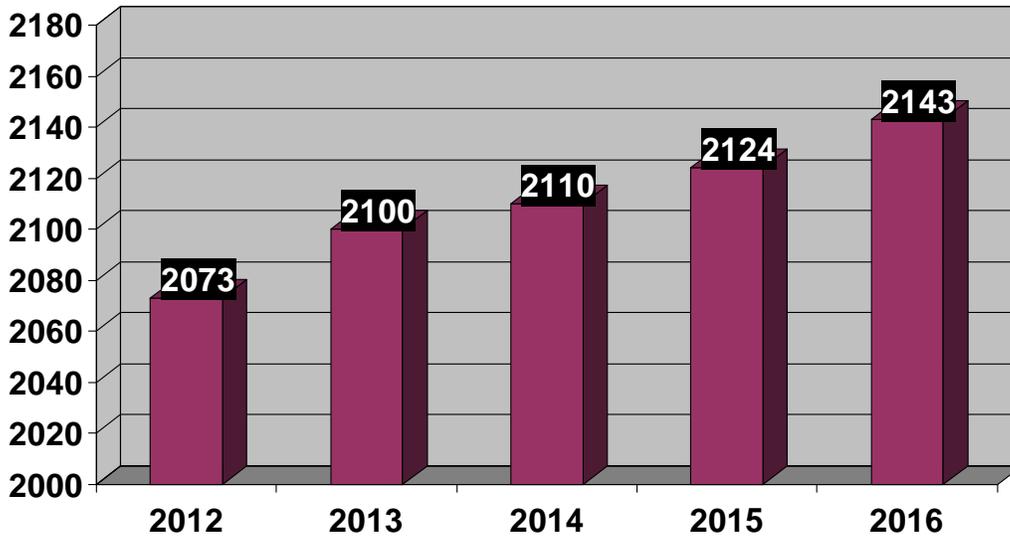
■ Police	732	■ Fire	421	■ Street	214
■ Waste	116	■ Zoo	61	■ All Other General Fund	365
■ Fleet & Vehicle Storage Facility	76	■ Parks	158		

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

	<u>2014 Adopted Budget</u>	<u>2015 Adopted Budget</u>	<u>2016 Adopted Budget</u>
<u>General Fund</u>			
General Administrative	31	31	26
Board of Directors	1	1	1
Community Programs	10	11	11
City Attorney	18	19	20
District Court First Division	21	21	21
District Court Second Division	17	17	19
District Court Third Division	8	8	8
Finance	41	42	43
Human Resources	19	20	20
Information Technology	39	39	39
Planning & Development	39	39	39
Housing & Neighborhood Programs	103	104	105
Public Works - General	13	13	13
Parks & Recreation	122	127	127
Golf	21	22	22
Jim Dailey Fitness Center	9	9	9
Zoo	59	61	61
Fire	421	421	421
Police	716	717	732
Subtotal General Fund	<u>1,708</u>	<u>1,722</u>	<u>1,737</u>
<u>Other Funds</u>			
Public Works - Street	213	213	214
Fleet Services	61	61	63
Vehicle Storage Facility	15	15	13
Waste Disposal	113	113	116
Subtotal Other Funds	<u>402</u>	<u>402</u>	<u>406</u>
Total Personnel	<u>2,110</u>	<u>2,124</u>	<u>2,143</u>

CITY OF LITTLE ROCK FULL-TIME PERSONNEL AUTHORIZATIONS 2012 - 2016

EMPLOYEES



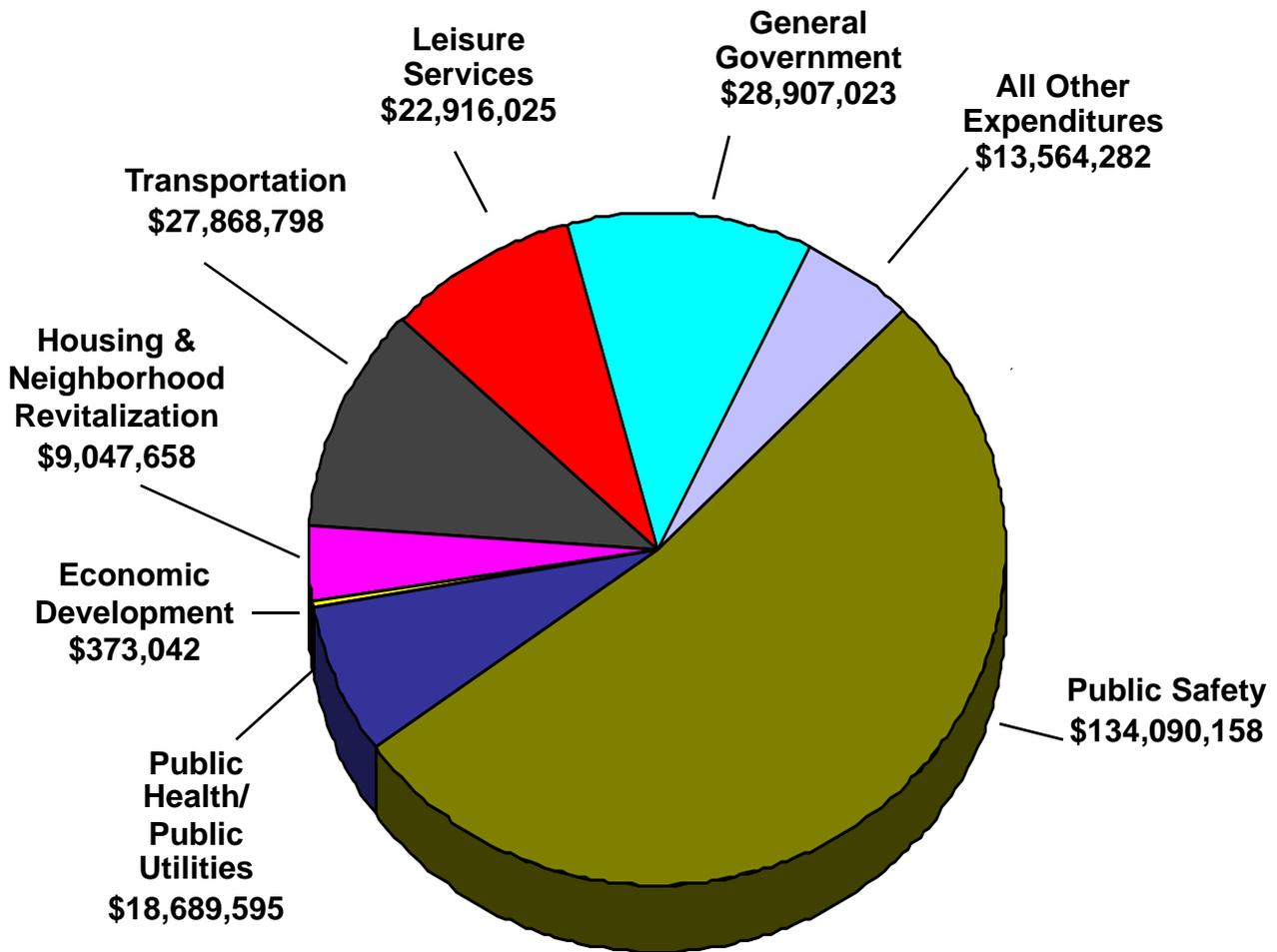
The net change in personnel between 2015 and 2016 total positions are as indicated in the chart below.

2015 Adopted Budget	2,124
General Administrative	(5)
City Attorney	1
District Court Second Division	2
Finance	1
Housing & Neighborhood Programs	1
Police	15
Public Works Street	1
Fleet	2
Vehicle Storage	(2)
Waste Disposal	3
2016 Adopted Budget	<u><u>2,143</u></u>

CITY OF LITTLE ROCK
2016 OTHER GENERAL FUND EXPENDITURES

	<u>2014 Budget</u>	<u>2015 Budget</u>	<u>2016 Budget</u>	<u>Increase (Decrease)</u>
SPECIAL PROJECTS				
Children, Youth, & Families (CYF)	\$5,500,000	\$5,500,000	\$5,500,000	0
Facility Improvements	975,000	975,000	975,000	0
Annual Fleet Replacement	850,000	850,000	850,000	0
Homelessness Outreach	350,000	350,000	350,000	0
Land Bank	84,210	168,420	168,420	0
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	0
Demolition (Commercial)	100,000	100,000	100,000	0
Parks Master Plan		150,000		(150,000)
Board & Secure	50,000	50,000	50,000	0
Weed Lot Maintenance	150,000	200,000	300,000	100,000
Curran Hall	35,000	35,000	40,000	5,000
State Legislative Consulting	45,000	45,000	45,000	0
Environmental Youth (Parks)	37,500	37,500	37,500	0
American Disability Act (ADA)	30,000	30,000	30,000	0
Work Boots	25,000	25,000	31,000	6,000
Junction Bridge	25,000	25,000	35,000	10,000
Bill Clark (Wetlands Maintenance)			23,780	23,780
Sister Cities	30,000	40,000	40,000	0
Sustainability Summit	20,000	20,000	20,000	0
Neighborhood Challenge Grant	30,000	30,000	30,000	0
National Night Out	10,000	10,000	10,000	0
Worldfest	10,000	10,000	10,000	0
Neighborhood Connection	2,400	2,400	2,400	0
Total General Fund Projects	<u>8,609,110</u>	<u>8,903,320</u>	<u>9,148,100</u>	<u>244,780</u>
GRANT MATCH				
Undesignated	150,000	150,000	150,000	0
Pilot Housing Rehabilitation Program			500,000	500,000
Cities of Service	20,000	137,695	206,324	68,629
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	5,000
Fire Grant Match:				0
Assistance to Firefighters			60,000	60,000
AFG Prevention Grant (Fire)			10,000	10,000
Rescue Truck (20%)	75,000			0
Expanded Fire Program (20%)	10,000			0
AHPP Carousel Grant (Zoo)			25,000	25,000
Planning Grant			15,000	15,000
Outdoor Grant - Parks		60,000		(60,000)
Rockefeller Foundation		45,000		(45,000)
Museum of Discovery		35,706		(35,706)
Juvenile Accountability Block Grant (JABG)		5,358		(5,358)
EPA Main Street Water	160,150			0
Jumpstart (Metroplan)	50,000			0
Total Grant Match Requirement	<u>465,150</u>	<u>508,759</u>	<u>1,334,824</u>	<u>826,065</u>
GRAND TOTAL	<u>\$9,074,260</u>	<u>\$9,412,079</u>	<u>\$10,482,924</u>	<u>\$1,070,845</u>

CITY OF LITTLE ROCK 2016 OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY



\$255,456,581

CITY OF LITTLE ROCK
ADOPTED OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY
2015 - 2016

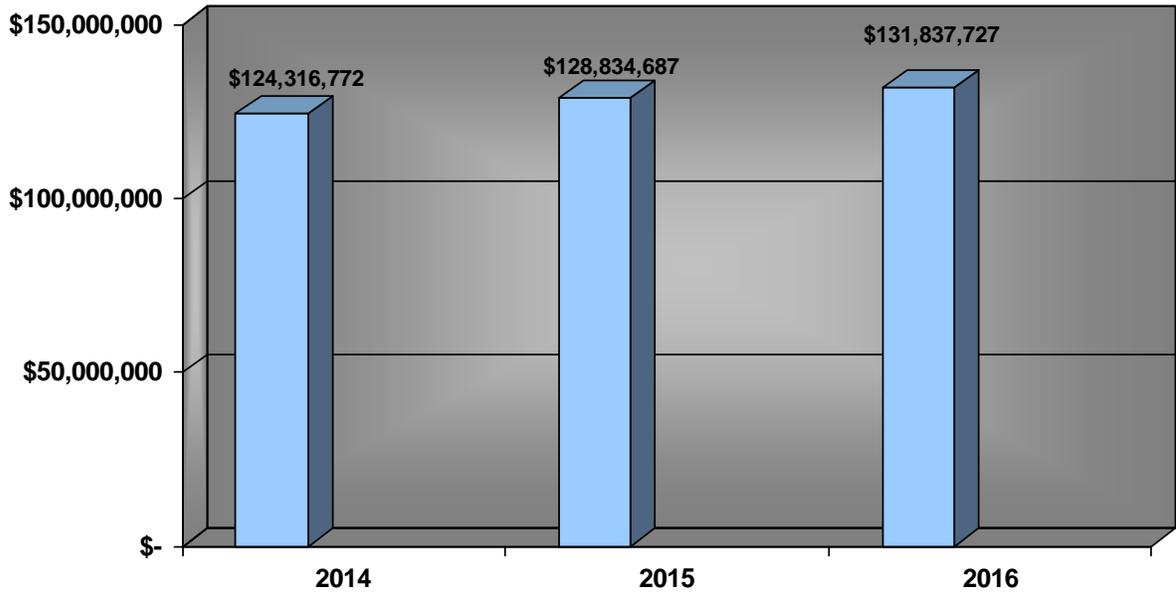
<u>Service/Program Category</u>	2015 Budget	% to Total	2016 Budget	% to Total
<u>Public Safety</u>				
Police	\$68,885,072		\$70,548,138	
Fire	45,322,804		46,156,412	
Children, Youth & Families	5,500,000		5,500,000	
Street Lights, Traffic Signals & Signs	5,241,597		5,344,918	
Pulaski County Regional Detention Facility (1)	1,063,313		1,450,000	
Little Rock District Court First Division	1,405,790		1,410,338	
Little Rock District Court Second Division	1,248,245		1,365,334	
Animal Services	1,209,089		1,287,459	
Community Programs	773,578		777,559	
Critical Infrastructure Pilot Program			150,000	
Public Service Announcement Program			100,000	
Total Public Safety	130,649,488	52.52%	134,090,158	52.49%
<u>Public Health/Public Utilities</u>				
Waste Disposal	16,926,979		16,728,366	
Storm Drainage	970,330		966,449	
Little Rock District Court Third Division	626,782		627,195	
Cities of Service - Love Your School Program	137,695		206,324	
Pulaski County Health Department	56,100		56,100	
Wetlands Maintenance and Sustainability Summit	20,000		43,780	
Arkansas Emergency Physician Foundation	36,000		36,000	
Saint Vincent's	25,381		25,381	
Total Public Health/Public Utilities	18,799,267	7.56%	18,689,595	7.32%
<u>Economic Development/Employment</u>				
Downtown Partnership/Empowerment Zone	175,000		195,000	
Metroplan	178,042		178,042	
Little Rock Chamber of Commerce	200,000		0	
Metro Little Rock Alliance	100,000		0	
Total Economic Development/Employment	653,042	0.26%	373,042	0.15%
<u>Housing and Neighborhood Revitalization, Growth, and Development</u>				
Housing and Neighborhood Programs Admin.	3,558,469		3,560,678	
Planning & Development, PAGIS, and Grants	2,699,992		2,717,099	
Demolition, Weed Lot Maintenance, Board/Secure	1,071,820		1,171,820	
Alert Centers	791,325		782,304	
Pilot Housing Rehabilitation Program			500,000	
Neighborhood Resource Center	231,506		235,757	
AmeriCorps Housing	75,000		80,000	
Total Housing & Neighborhood Revitalization, Growth	8,428,112	3.39%	9,047,658	3.54%

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

City of Little Rock
Adopted Operating Budgets by Service Program Category
2015 - 2016

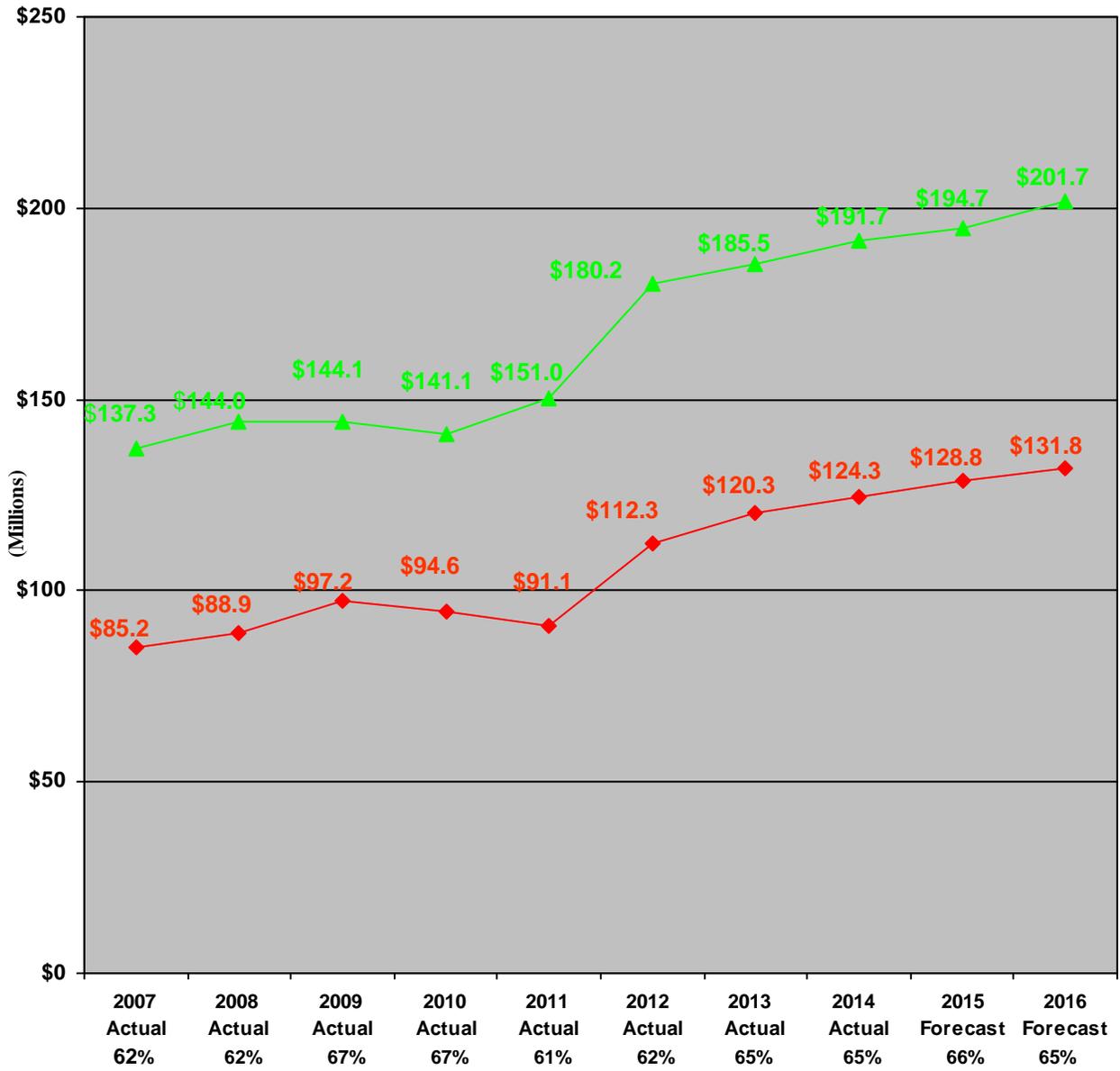
<u>Service/Program Category</u>	2015 Budget	% to Total	2013 Budget	% to Total
<u>Transportation Services</u>				
Streets	13,599,385		14,009,965	
Rock Region Metro (Central Arkansas Transit Authority)	8,686,869		8,576,529	
Parking Garages	2,196,750		2,251,986	
Vehicle Storage Facility	1,359,144		1,359,792	
Airport Rescue	909,449		1,279,432	
Parking Meters and Enforcement	383,914		391,094	
Total Transportation Services	27,135,511	10.91%	27,868,798	10.91%
<u>Leisure Services/Cultural Support/Conventions & Tourism</u>				
Parks & Recreation	10,044,036		10,081,572	
Zoo	6,733,727		7,123,541	
Golf	2,500,404		2,288,313	
River Market	1,209,164		1,174,745	
Jim Dailey Fitness Aquatic Center	901,127		909,546	
Cultural Institutes and Commissions:				
Arts Center	550,000		700,000	
Museum of Discovery	200,000		230,000	
MacArthur Military Museum	199,896		201,338	
Racial & Cultural Diversity Commission	164,688		166,970	
Sister Cities Commission	40,000		40,000	
Total Leisure Services/Cultural Support/Conventions	22,543,042	9.06%	22,916,025	8.97%
<u>General Government Support</u>				
Debt Service - Short Term Notes	7,714,717		8,961,606	
General Administrative	4,804,696		5,405,380	
Information Technology	4,679,784		4,843,151	
Finance	3,204,124		3,407,407	
Building Services/Asset Management	2,134,922		2,166,100	
City Attorney	1,836,901		1,939,007	
Human Resources	1,698,177		1,841,554	
Board of Directors	342,027		342,818	
Total General Government Support	26,415,348	10.62%	28,907,023	11.32%
<u>All Other Expenditures</u>				
Fleet Services (Internal Service Fund)	14,144,275		13,564,282	
Total Other Expenditures	14,144,275	5.69%	13,564,282	5.31%
Grand Total	\$248,768,085	100%	\$255,456,581	100%

CITY OF LITTLE ROCK PUBLIC SAFETY REVENUES & EXPENDITURES COMPARISONS



	<u>2014</u>	<u>2015</u>	<u>2016</u>
Fire	\$45,464,926	\$46,232,253	\$47,365,844
Police	66,191,838	68,885,072	70,548,138
District Court First Division	1,291,042	1,405,790	1,410,338
District Court Second Division	1,232,380	1,248,245	1,365,334
District Court Third Division	607,294	626,782	627,195
Alert Centers	790,623	791,325	782,304
Neighborhood Programs (Rental Inspection)	2,282,759	2,936,131	2,951,115
Animal Services	955,909	1,209,089	1,287,459
Prevention Intervention & Treatment	5,500,000	5,500,000	5,500,000
Public Safety Expenditures	\$124,316,772	\$128,834,687	\$131,837,727
General Fund Revenue	\$191,675,088	\$194,740,211	\$201,644,229
Percentage of General Fund Expenditures Devoted to Public Safety	65%	66%	65%

CITY OF LITTLE ROCK PUBLIC SAFETY OPERATING EXPENDITURES AS A PERCENTAGE OF GENERAL FUND REVENUE 2007-2016



▲ General Fund Revenue
 ◆ Public Safety Expenditures

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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.

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 a general obligation of the City but are a special obligation payable solely from the revenue received by the City from all franchise fees charged to public utilities for the privilege of using 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 described in the Other Significant Non-recurring Capital Improvements section.

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:

3/8-Cent Sales Tax Capital Project Description		Project Cost Estimate
Public Safety:		
	Police:	
	Police Equipment	\$303,000
	Public Safety Radio System Upgrade	9,000,000
	911 / 311 Communications Software	2,600,000
	12 th Street Mid-Town Police Station	9,970,000
	Main Police Headquarters & Courts Building	9,000,000
	West Little Rock Police Station	1,000,000
	Fire:	
	West Little Rock Fire Station	800,000
	Southwest Fire Station	4,050,000
	Housing and Neighborhood Programs:	
	Code Enforcement Vehicles and Equipment	397,000
	Animal Village Expansion	602,000
	Fleet for New Public Safety Initiatives:	
	Fleet for new Police Staffing and Fire Stations	3,567,000
	Total Public Safety	\$41,289,000
Public Works:		
	Street Resurfacing and Maintenance, and Street and Drainage Reconstruction and Traffic Signals	\$67,500,000
	Sidewalks	4,500,000
	Total Public Works	\$72,000,000
Jobs/Economic Development:		
	Port Expansion: land acquisition, utilities, streets	\$10,000,000
	Research Park: land acquisition, utilities, streets	22,000,000
	Economic Development Infrastructure	6,000,000
	Total Jobs/Economic Development	\$38,000,000
Parks and Recreation, Zoo and Tourism:		
	Parks and Recreation:	
	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
	MacAuthur 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
	Zoo:	
	Capital Upgrades	8,000,000
	Tourism:	
	State Fair Infrastructure	3,000,000
	Total Parks and Recreation, Zoo and Tourism	\$28,284,000
	Other Priorities:	
	Fleet Replacement	\$9,250,000
	Information Technology Capital	7,020,000
	Total Other Priorities	\$16,270,000
	Grand Total	\$195,843,000

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, and 2015 in the amounts of \$18,850,000, \$7.7 million, \$5,916,000, and \$5,910,000 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.

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
	9,885,000

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
	8,695,000
	\$18,580,000

The 2013 note included funding for the following projects:

Land and Buildings

Southwest Fire Station	\$459,000
	459,000

Equipment and Vehicles

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

The 2014 note included funding for the following projects:

Land and Buildings

12th Street Police Station - Final Phase	\$1,994,000
	1,994,000

Equipment and Vehicles

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

The 2015 note included funding for the following project**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>

In addition, the City intends to issue additional short-term notes to further accelerate projects funded by the sales tax in 2016.

2016 notes are anticipated to fund the following projects:**Land and Buildings**

Southwest Fire Station Construction	\$2,930,000
	<u>2,930,000</u>

Equipment and Vehicles

Self-Contained Breathing Apparatus - Fire Dept.	1,955,000
Planning Permitting Software	400,000
Information Technology	670,000
Fire Trucks and Equipment	1,250,000
	<u>4,275,000</u>
	<u><u>\$7,205,000</u></u>

2016 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.

In addition, limited funding for capital improvements has been available from capital grant awards or from the remaining unspent proceeds and interest in the 2007 Capital Improvements Bond fund, and other short-term financing. The remaining balances are authorized primarily for street and drainage improvements and fire and police buildings and equipment.

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 \$47,271,000 are planned in 2016 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
Housing & Neighborhood Programs				
Lawn Equipment and Vehicles	TBD	\$190,000	6 - 8yrs	5/8-cent Sales Tax - Special Project
Parks & Recreation				
Tractors with Pull Mowers	2	130,000	8 - 10yrs	5/8-cent Sales Tax - Special Project
15 Passenger Vans	2	50,000	6 - 8yrs	5/8-cent Sales Tax - Special Project
Golf Equipment	Var.	239,666	6 - 8yrs	5/8-cent Sales Tax - Special Project
Public Works				
Truck	1	40,000	6 - 8yrs	3/8-cent Sales Tax - Capital Project
Vehicle	1	27,000	6 - 8yrs	3/8-cent Sales Tax - Capital Project
Electric Scooter	1	30,000	8 - 8yrs	3/8-cent Sales Tax - Capital Project
Zoning/Planning				
Vehicles	3	55,000	6 - 8yrs	3/8-cent Sales Tax - Capital Project
Zoo				
Truck	1	30,000	6-8yrs	3/8-cent Sales Tax - Capital Project
Fleet				
Carts	1	15,000	6 yrs	3/8-cent Sales Tax - Capital Project
Fortlift	1	5,000	8-10yrs	3/8-cent Sales Tax - Capital Project
Electric Scissor Lift	1	7,500	8-10yrs	3/8-cent Sales Tax - Capital Project
		<u>\$819,166</u>		
CNG=Compressed Natural Gas				

CIP – Significant Non-Routine Capital Expenditures and Projects:

These expenditures occur less frequently and are more material. However; they also replace existing assets and do not have additional operating expense requirements.

Department	Quantity	Estimated Cost	Estimated Useful Life	Funding Source
Fire				
Fire Trucks (Lease Program commitment)		\$610,244	15-20yrs	3/8-cent Sales Tax - Capital Project
Police Vehicles (Short-term Financing commitment)		282,290	6-8yrs	5/8-cent Sales Tax - Special Project
		<u>892,534</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.

West Little Rock Police Station Renovation – The City is leasing and renovating an existing structure in West Little Rock along the Highway 10 corridor. The station will provide an additional fueling location and mini-substation for officers assigned to the far west area of Little Rock.

- **Estimated Total Project Cost:** \$1,500,000
- **Funding Sources:** Short Term Financing allocation, 3/8-cent sales tax, Justice Assistance Grant funds
- **2016 Estimated Expenditures:** \$1,225,000
- **Estimated Completion Date:** May 2016
- **Estimated Increase to Operating Expenditures:** Increased operating expense of approximately \$28,000 is projected for fuel, utilities, and supplies, which is included in the 2016 Police Department budget allocation.

911/311 Communications Software – Upgrade of the existing telephone and recording systems in the Communications Center; upgrade of the 9-1-1 Computer Assisted Dispatch (CAD) software; upgrade of the existing 3-1-1 Customer Service Request (CSR) software; upgrade of consoles, furnishing and hardware support environment in the Communications Center to accommodate new systems.

- **Estimated Total Project Cost:** \$2,600,000
- **Funding Sources:** Short Term Financing allocation, 3/8-cent sales tax
- **2016 Estimated Expenditures:** \$184,110
- **Estimated Completion Date:** April 2016
- **Estimated Increase to Operating Expenditures:** There should not be any additional operating expense associated with this upgrade, as the anticipated maintenance expense is expected to be comparable to or less than current maintenance requirements.

Training Academy Firing Range Upgrade – Demolition of current facilities and renovation of the firing range with updated electronic targeting systems, lighting, backstop and surrounding acoustical effects.

- **Estimated Total Project Cost:** \$210,000
- **Funding Sources:** Short Term Financing interest allocation, 3/8-cent sales tax
- **2016 Estimated Expenditures:** \$210,000
- **Estimated Completion Date:** July 2016
- **Estimated Increase to Operating Expenditures:** There should not be any additional operating expense associated with this upgrade.

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
- **2016 Estimated Expenditures:** \$38,500 for Construction Consultant
- **Estimated Completion Date:** 2017
- **Estimated Increase to Operating Expenditures:** Increased operating expense will be included in the 2017 Police Department budget allocation.

Southwest Little Rock Fire Station – 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 has been delayed until early 2017.

- **Estimated Total Project Cost:** \$4,050,000
- **Funding Sources:** Short-term financing allocation; 3/8-cent sales tax proceeds
- **2016 Estimated Expenditures:** \$0
- **Estimated Completion Date:** December, 2017
- **Estimated Increase to Operating Expenditures:** Twenty-four (24) new fire fighters will be added to staff the new station at an estimated first year cost of approximately \$1.6 million. The fire firefighters may be phased in with initial staffing of twelve (12). In addition, increased operating expense 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.

Self-contained Breathing Apparatus (SCBA) – In order to comply with NFPA 1852 the Little Rock Fire Department must upgrade its SCBA. The Department will purchase 230 packs at a cost of \$8,500 per pack for a total cost of \$1,955,000. The packs will be the Scott Air-Pak X3 5.5 2013 edition 15 year 5500psi carbon cylinder. Packs will include a spare bottle, Personal Alert Safety System (PASS) device, and an Emergency Breathing Support System (EBSS).

- **Estimated Total Project Cost:** \$1,955,000
- **Funding Source:** Short-term financing allocation
- **2016 Estimated Expenditures:** \$1,955,000
- **Estimated Completion Date:** December 2016
- **Estimated Increase to Operating Expenditures:** The purchase of new SCBA packs replaces existing equipment and consequently will not require additional operating expenses.

Fire Apparatus – A 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 2017 at which time the Department will take delivery of a Fire Engine at a cost of \$500,000 and a Rescue Unit at a cost of \$751,475. In the event that firefighters are phased in with an initial staffing of twelve (12) the Fire Engine will be purchased in 2017 with the Rescue Unit being purchased at a later date.

- **Estimated Total Project Cost:** \$1,250,000
- **Funding Source:** Short-term financing allocation; 3/8-cent sales tax proceeds
- **2016 Estimated Expenditures:** \$0
- **Estimated Completion Date:** December 2017
- **Estimated Increase to Operating Expenditures:** There will be no additional operating cost associated with the purchase of apparatus during 2016. The additional cost for fuel will be included in the Department budget in 2017 with the opening of the new Southwest Little Rock Fire Station.

Fire Station 13 Renovation – Fire Station 13 expansion will include the addition of four (4) bedrooms and an additional bathroom. The geotechnical investigation of the site and the architectural drawings for the new addition have been completed. Construction of the addition to the building will begin during the first quarter of 2016.

- **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
- **2016 Estimated Expenditures:** \$197,700
- **Estimated Completion Date:** October, 2016
- **Estimated Increase to Operating Expenditures:** Increased operating cost for utilities will be 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
- **2016 Estimated Expenditures:** \$160,000
- **Estimated Completion Date:** August 2016 (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.

AR Heritage Farm Project – Little Rock received Federal Parks Grant funding to assist with the renovation of the Zoo Farm Exhibit. The construction includes a new barn, poultry buildings and interactive animal feeding area. This project is ADA accessible for all guests.

- **Estimated Total Project Cost:** \$756,000
- **Funding Sources:** 3/8-cent sales tax \$631,000, Federal Parks Grant \$125,000.
- **2016 Estimated Expenditures:** \$75,665
- **Estimated Completion Date:** April 2016
- **Estimated Increase to Operating Expenditures:** Increased operating expenses of \$87,400 are projected for utilities, maintenance, animal food, supplies and staffing, which is included in the 2016 Zoo general fund budget allocation.

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.
- **2016 Estimated Expenditures:** \$385,000
- **Estimated Completion Date:** September 2016
- **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.

Tunnel Renovations – Renovations to add fencing, concrete work, landscaping, barn updates and two pools to house new animals that are coming in and correct problems for existing animals to meet AZA and USDA standards.

- **Estimated Total Project Cost:** \$300,000
- **Funding Sources:** 3/8-cent sales tax
- **2016 Estimated Expenditures:** \$300,000
- **Estimated Completion Date:** July 2016
- **Estimated Increase to Operating Expenditures:** Utility expenses of \$4,000. These costs will be covered by the current Zoo 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
- **2016 Estimated Expenditures:** \$100,000
- **Estimated Completion Date:** April 2016

- **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.

Safety Barriers – To meet AZA accreditation standards, safety barriers above Big Cats, Great Apes and Cheetahs are required to eliminate safety issues.

- **Estimated Total Project Cost:** \$342,000
- **Funding Sources:** 3/8-cent sales tax
- **2016 Estimated Expenditures:** \$342,000
- **Estimated Completion Date:** May 2016
- **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:** \$175,000
- **Funding Sources:** 3/8-cent sales tax
- **2016 Estimated Expenditures:** \$175,000
- **Estimated Completion Date:** December 2016
- **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.

Lemur Fence – To correct the current safety hazard where the fence is failing.

- **Estimated Total Project Cost:** \$50,000
- **Funding Sources:** 3/8-cent sales tax
- **2016 Estimated Expenditures:** \$50,000
- **Estimated Completion Date:** April 2016
- **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 – A new system is required to replace the current system that is no longer supported by Microsoft Retail and is not completely PCI compliant.

- **Estimated Total Project Cost:** \$301,200
- **Funding Sources:** 3/8-cent sales tax
- **2016 Estimated Expenditures:** \$301,200
- **Estimated Completion Date:** July 2016
- **Estimated Increase to Operating Expenditures:** Funds are included in the operating budget for annual maintenance of the new POS system.

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:** \$1,375,000
- **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.
- **2016 Estimated Expenditures:** \$150,000
- **Estimated Completion Date:** December 2016
- **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.

West Central Community Center – The West Central Community Center will be completed in July 2016 with proceeds from the new 3/8-cent sales tax. The community center will be an approximately 24,000 square foot facility to provide life style leisure and educational choices for family members. Plans are currently underway for the design of a pool to be constructed within the near future. The pool is not included in the estimated project cost below.

- **Estimated Total Project Cost:** \$6,200,000
- **Funding Sources:** 3/8-cent sales tax proceeds, short term financing
- **2016 Estimated Expenditures:** \$3,540,000
- **Estimated Completion Date:** July 2016
- **Estimated Increase to Operating Expenditures:** The operating expense for staffing, utilities, maintenance, and supplies is expected to be approximately \$565,000 in the first full year of operation. Operating costs for the period from July – December were included in the 2016 Parks Department operating budget.

War Memorial Greens – After completing the improvement of greens at Rebsamen and Hindman Golf Courses, staff has turned the focus on War Memorial. Plans include reshaping five greens, sprigging all eighteen golf greens, the practice putting green and nursery green with Champion Ultradwarf Bermuda. In addition, green covers will be purchased to protect turf during freezing temperatures.

- **Estimated Total Project Cost for Green Improvements:** \$100,000
- **Funding Sources:** City Special Project Budget
- **2016 Estimated Expenditures:** \$100,000
- **Estimated Completion Date:** September 2016

- **Estimated Increase to Operating Expenditures:** No increase to existing operations

Big Dam Bridge Pit Stop – Working with Big Dam Bridge Foundation and Parks and Tourism, a donation and grant award allowed for the design and construction of a new restroom facility near the Big Dam Bridge. This project will allow for two water closets for women and one water closet and two urinals for men along with sinks. In addition to these improvements, there will be one family water closet with a baby changing station.

- **Estimated Total Project Cost Pit Stop:** \$240,000
- **Funding Sources:** Big Dam Bridge Foundation \$60,000; LWCF at \$120,000; and 3/8-cent sales tax for remaining \$60,000
- **2016 Estimated Expenditures:** \$60,000
- **Estimated Completion Date:** August 2016
- **Estimated Increase to Operating Expenditures:** No increase to existing operations

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 2016 will be an upgrade to the City Financial and Human Resource software system and 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
- **2016 Estimated Expenditures:** \$350,000
- **Estimated Completion Date:** December 2016
- **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 to \$2,000,000
- **Funding Sources:** Information Technology Special Project Funds
- **2016 Estimated Expenditures:** \$700,000
- **Estimated Completion Date:** December 2016
- **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
- **2016 Estimated Expenditures:** \$310,000
- **Estimated Completion Date:** December 2016
- **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
- **2016 Estimated Expenditures:** \$360,000
- **Estimated Completion Date:** December 2016
- **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 - 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.

- **Estimated Total Project Cost:** \$4,000,000 to \$6,000,000
- **Funding Sources:** Funding to be determined.
- **2016 Estimated Expenditures:** To be determined.
- **Estimated Completion Date:** December 2016
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures to be determined.

Arkansas River Trail Western Termini of the River Bluffs Section – Little Rock received funding from the Department of Transportation, Transportation Alternative Program (TAP) to complete another section of the trail. The new construction will start from the eastern end of the North Cantrell Road at the Gill Street Bridge and run along the river of the Dillard Department Store Headquarters’ western property line. The City of Little Rock funded an eight foot connector trail that will tie trail to the sidewalk on the north side of Cantrell Road.

- **Estimated Total Project Cost:** \$960,000
- **Funding Sources:** TAP Grant \$590,000; match amount of \$97,500 from the General fund; and Street capital improvement funds of \$272,500
- **2016 Estimated Expenditures:** \$750,000
- **Estimated Completion Date:** 2016

- **Estimated Increase to Operating Expenditures:** Not Applicable. Trail maintenance will be performed with the current allocation included in the Parks & Recreation budget.

North Cantrell at Gill Street Bridge Replacement – Little Rock expects to receive 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:** \$650,000
- **Funding Sources:** Metroplan (Federal Highway Administration) \$520,000; and City matching funds \$130,000.
- **2016 Estimated Expenditures:** \$300,000
- **Estimated Completion Date** May 2017
- **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.
- **2016 Estimated Expenditures:** \$750,000
- **Estimated Completion Date:** March 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 intersection 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
- **2016 Estimated Expenditures:** \$800,000
- **Estimated Completion Date:** December 2016
- **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 65th Street.

- **Estimated Total Project Cost:** \$10 million
- **Funding Sources:** Transportation Improvement Project Funds \$8 million; 2013 Bond Funds \$2 million
- **2016 Estimated Expenditures:** \$750,000
- **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.

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

- **Estimated Total Project Cost:** \$2.42 million
- **Funding Sources:** ANRC Grant \$900,000; Designated Grant Match \$478,000; 3/8-cent Sales Tax Funds \$555,000; and 2013 Bond Funds \$487,000.
- **2016 Estimated Expenditures:** \$170,000
- **Estimated Completion Date:** The project was placed in service in 2015 and is now pending final payment in 2016.
- **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
- **2016 Estimated Expenditures:** \$820,000
- **Estimated Completion Date:** 2016.
- **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 2012 improvement program and all those projects are substantially complete. Following a series of community meetings, the Board has specified projects for the 2013 - 2015 improvement program. Fourteen (14) community meetings were held in 2015 to determine the 2016-2018 program and it is anticipated that the Board of Directors will adopt the program in early 2016. 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
- **2016 Estimated Expenditures:** \$2.0 million
- **Estimated Completion Date:** July 2017 (2012-2015 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 (2012-2015 Projects)			
Ward	Project	Location	Total
1	26th Street	Fair Park to Harrison	525,000
1	8th & Brown St	Drainage improvements	500,000
1	Daisy L Gatson Bates	Drainage improvements 2400 block	100,000
1	E. 23rd St	Drainage Pettaway Park to 23rd St.	80,000
1	Elm 26th to 27th	Drainage improvements 9900 block	150,000
1	MLK Blvd	Drainage improvements 28th to 30th	100,000
1	N Gaines	Trail Connection	25,000
1	S. Tyler	West 30th to West 32nd.	370,000
1	Schiller St	Drainage improvements 23rd to Roosevelt	100,000
1	Valmar	Repair drainage at 2209 Valmar.	110,000
1	Ward 1 Sidewalk	Wolf, State, and Wright	140,000
1	Woodlane St	Drainage improvements Victory to Capitol Drain	400,000
1 Total			2,600,000
2	Abigail St	8th to 10th	370,000
2	Adams St	12th St north to I-630.	1,000,000
2	Butler Rd	Butler Road at Allyson Circle	15,000
2	Lancaster Drainage	New roadway LaMarche Dr north to Taylor Loop	150,000
2	Tamela Dr	Drainage improvements Valley to Ramona Dr.	45,000
2	Westminister Dr	Street and drainage improvements at #45	20,000
2	Windamere Phase 2	Continuation of drainage work Windamere to Carlyle	200,000
2	Woodson Rd	Young Road to Halifax	800,000
2 Total			2,600,000
3	Clarkson St	C Street to H Street	300,000
3	Florida @ L and M St	West 26th south to West 27th.	280,000
3	Hawthorne / Tyler	Drainage improvements	170,000
3	N Pine St	Connect north end of Gaines to River Trail	375,000
3	Overlook Drive	Drainage improvements Northbrook to Brookhaven	120,000
3	P St	Pierce to Taylor	430,000
3	Sherrill Road	Rebsamen Park to N Sherrill	650,000
3	W St @ Grant / University	Grant to University	275,000
3 Total			2,600,000

Public Works 3/8 Cent Sales Tax			
Street and Drainage Projects (2012-2015 Projects)			
Ward	Project	Location	Total
4	Breckenridge Drive	Drainage improvements 2600 block	95,000
4	Echo Valley Ct	Drainage Pettaway Park to 23rd St.	100,000
4	Gristmill Rd	Arthur north to mid 200 block	190,000
4	Longlea Ct	Replace culvert at #7	105,000
4	Northbrook Circle	Lee to Kavanaugh	100,000
4	Pleasant Valley	Drainage improvements near Fulbright School	120,000
4	Pleasant Valley	Roundabout at Pleasant Valley and Arkansas Valley	50,000
4	River Mtn Rd	Colonel Glenn to 40th St.	175,000
4	Rodney Parham at Buff Lane	Drainage improvements at Buff Lane	175,000
4	Rodney Parham Bike Lanes	Bike lanes markings Valley Club north to Cantrell	760,000
4	Rodney Parham Study	Hinson to Cantrell	260,000
4	Russ St	Cantrell to Pankey Park	250,000
4	Ward 4 Sidewalk	Miscellaneous Sidewalk	100,000
4	White Willow Ct	Drainage improvements	120,000
4 Total			2,600,000
5	Bradberry Dr	Drainage improvements Bradberry to Sawgrass	60,000
5	Dorado Beach Dr	Replace culvert 1600 block	120,000
5	Dorado Beach Dr	Drainage improvements 1400 block	40,000
5	Gamble Rd	L Street to M Street	960,000
5	Heatherbrae/Glenn Valley	Drainage improvements at Tyler Street	60,000
5	LaMarche Drive	Culvert crossing Glenn Valley at Stone Creek	900,000
5	Ledgelawn Dr	5900 block Lancaster Rd and Lyndell Dr.	80,000
5	Maywood Subdivision	Young Road to Halifax	200,000
5	Taylor Loop Drainage	Drainage Improvements on Taylor at Gooch	150,000
5	Ward 5 Traffic Calming	Miscellaneous traffic improvements	30,000
5 Total			2,600,000
6	36th St & Schackleford	Shackle ford to Dartmoth w/sidewalk on Shackleford	515,000
6	Broadmoor Subdivision	Repair curb and gutter at multiple locations	20,000
6	Malloy St	Drainage improvements at #63	1,100,000
6	Potter St	Roundabout at Pleasant Valley and Arkansas Valley	800,000
6	Ward 6 Sidewalk (Romine)	Miscellaneous Sidewalk	165,000
6 Total			2,600,000
7	Dartmoor at Mann Rd	Drainage improvements	20,000
7	Marlborough St	42nd St to Col. Glenn	600,000
7	Meadowcliff Sidewalk Phase 1	New Sidewalks	330,000
7	Sandy Lane / Shady Brook	Drainage improvements	150,000
7	Shelia Lane & Meyer Rd	Drainage improvements Shelia Lane at Meyer	220,000
7	Thompson Rd	Drainage improvements	85,000
7	Victoria / Woodford	Install underground drainage system.	250,000
7	Ward 7 Sidewalk	Miscellaneous Sidewalk	50,000
7	Yarberry Lane	Chicot to Deer Meadow	895,000
7 Total			2,600,000
City-wide	Main Street Water Quality	Low Impact Development 100, 200, 500 Blocks	565,000
City-wide	12th Street Revitalization	12th, 13th, Pine, Cedar Streetscape	175,000
City-wide	Other City-wide Priorities		1,260,000
City-wide Total			2,000,000
Grand Total			\$ 20,200,000

CITY OF LITTLE ROCK, PUBLIC WORKS DEPARTMENT				
2016 STREET RESURFACING PROGRAM				
Ward	STREET NAME	STREET		Length
		FROM	TO	
1	W. 29th Street	Asher Ave	Fair Park Boulevard	4487
2/7	Geyer Springs Road	Mabelvale Cutoff	S. to Pulaski County Maintenance sign	3400
2	W. 65th Street	Lancaster Road	Patterson Road	2910
3	W. Capitol Avenue	Woodrow Street	Jack Stephens Dr	3800
3	N. University Avenue	Cantrell Road	E. Palisades Drive	4745
4/6	Markham Street	Mississippi Street	Markwood Road	2170
4	N. Rodney Parham Road	Green Mountain Drive	I-430	3368
4	Biscayne Drive	Cantrell Road	Leawood Boulevard	5800
4	Millbrook Road	Cantrell Road	south leg of Charter Oak Drive	3210
5/4	Hinson Road	Pebble Beach Drive	Taylor Loop Road	5900
5/6	Kanis Road	Point West Road	Kirby Road	4920
6	Baptist Health Drive	Medical Cener Drive	Lile Drive	2130
6	W. 36th Street	Colonel Glenn Road	John Barrow Road	6640
6	Boyle Park low water bridge section	W. 28th Street	Boyle Park Rd	1120
6	Boyle Park Road	Archwood Drive	Cleveland Street	5300
6	Boyle Park Road	Cleveland Street	University Avenue	1330
7	Colonel Miller Road	W. Baseline Road	City Limits	3960
2016 RESURFACING PROGRAM TOTAL				65,190

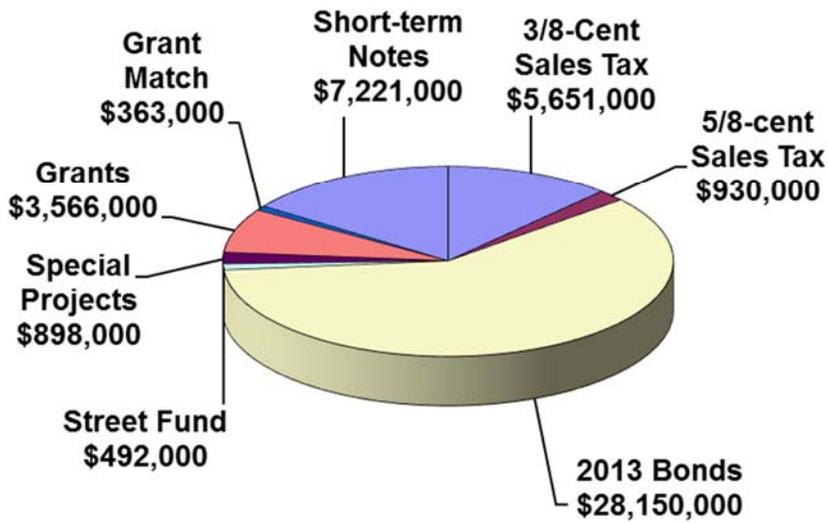
Public Works 2013 Capital Improvement Bond Street Resurfacing, Street and Drainage Projects – Following a series of community meetings, the Board approved \$60 million in projects to be completed for street resurfacing, street and drainage reconstruction projects, traffic signals, traffic calming, and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

- **Estimated Total Project Cost:** \$60,000,000
- **Funding Sources:** 2013 Capital Improvement Bond Issue
- **2016 Estimated Expenditures:** \$28 million
- **Estimated Completion Date:** July 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.

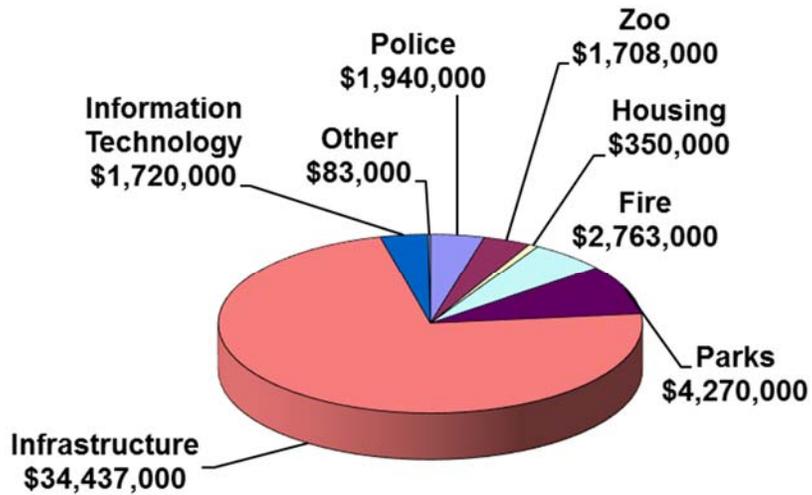
Public Works 2013 Capital Improvement Bonds			
Street and Drainage Projects (2014-2016)			
Ward	Project	Location	Total
1	17th St.	Woodrow St to Brown St	\$1,000,000.00
1	Asher Ave	Oak to Woodrow	\$3,000,000.00
1	Asphalt Overlay Program	Asphalt Overlay Ward 1	\$3,000,000.00
1	Plantation Pickett	Plantation Dr at Pickett Dr	\$200,000.00
1	Wright Avenue Viaduct	Wright Ave at Union Pacific Railroad	\$500,000.00
1 Total			7,700,000
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
2 Total			8,800,000
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
3 Total			7,700,000
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
4 Total			6,700,000

Public Works 2013 Capital Improvement Bonds			
Street and Drainage Projects (2014-2016)			
Ward	Project	Location	Total
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
5 Total			8,300,000
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
6 Total			7,000,000
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
7 Total			7,800,000
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 Shackelford to Bowman (1)	2,612,900
City-Wide	Wright Avenue Viaduct	Bridge Rehabilitation	500,000
City-Wide Total			6,000,000
Grand Total			\$ 60,000,000

2016 City of Little Rock Capital Funding Sources



2016 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 12/31/15, the net amount of debt outstanding was \$112,849,470. The legal debt margin allows the City flexibility to issue up to an additional \$899,382,817.

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 \$583.13 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 and an Aa3 rating from Moody's Investor Services. An AA rating from Standard & Poor'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, 2015

	Amount
2015 Assessed Value (2015 Assessment Collected in 2016)	
Real Property	\$2,999,712,109
TIF - Real Estate	8,654,458
Personal Property	787,937,640
Utility:	
Personal Property	252,624,940
 Total Assessment	 4,048,929,147
 Debt Limit (20% of assessment)	 809,785,829
Short-Term Financing Debt Limit (5% of assessment)	202,446,457
 Sub-Total Debt Limit	 1,012,232,287
 G.O. & Short Term Bonds Outstanding @ 12/31/15	 127,612,471
Less:	
Amt avail. In Debt Service (at 12/31/15)	14,763,001
Outstanding Bonds, Net of Debt Service	112,849,470
 Legal Debt Margin	 \$899,382,817

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 2015, the legal debt limit is \$1,012,232,287 based on a total assessment of \$4,048,929,147.

Debt Applicable to Debt Limit 2005 - 2015

	Legal Debt Margin	Legal Debt Limit
2005	611,096,546	713,061,578
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	899,382,817	1,012,232,287

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, 2015 is \$103,705,000. The current revenue bond level is \$34,740,000. The short-term debt level is \$23,907,432 for an overall current debt level of \$162,352,432.

Although the City may increase the general obligation and the short-term debt levels to \$1,012,232,287, 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 15.42 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 the 2017 – 2018 timeframe.

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, 2015

GENERAL OBLIGATION DEBT	TRUSTEE	ORIGINAL AMOUNT	MATURITY DATE	INTEREST RATE	PRINCIPAL BALANCE AT 12/31/14	BONDS ISSUED	PRINCIPAL PAID IN 2015	BONDS RETIRED 2015	PRINCIPAL BALANCE AT 12/31/2015	INTEREST PAID IN 2015
2008 Library Construction and Imp. Bonds	Regions Bank	4,000,000	3/1/2028	3.00% - 4.75%	2,435,000	0	175,000	2,260,000	0	98,500
2009 Library Construction and Imp. Bonds	Regions Bank	28,000,000	3/1/2028	3.00% - 5.00%	18,120,000	0	1,210,000	16,910,000	0	712,453
2012 Library Construction and Imp. Bonds	Regions Bank	31,015,000	3/1/2032	2.00% - 4.00%	27,465,000	0	1,215,000	1,200,000	25,050,000	889,908
2015 Library Construction and Refunding Bonds	Regions Bank	36,620,000	3/1/2028	2.05% - 4.00%	0	36,620,000	0	0	36,620,000	0
2013 Limited Tax Capital Improvement	First Security Bank	58,105,000	4/1/2033	1.00% - 5.00%	49,170,000	0	4,200,000	5,550,000	39,420,000	1,473,336
2014 Tax Increment Improvement Bonds	Regions Bank	2,615,000	3/1/2036	6.00%	2,615,000	0	0	0	2,615,000	156,900
REVENUE BONDS										
2007 Infrastructure Refunding	U.S. Bank	13,350,000	10/1/2019	4.00% - 5.00%	6,285,000	0	1,150,000	0	5,135,000	287,250
2002 Junior Lien Revenue Bonds	U.S. Bank	3,630,000	10/1/2018	3.50% - 4.65%	1,155,000	0	270,000	0	885,000	52,043
2009A Parks & Rec Revenue Bonds	Bank of the Ozarks	7,830,000	1/1/2039	2.00% - 5.50%	6,980,000	0	140,000	0	6,840,000	356,565
2003 Capital Imp. and Refunding Projects	U.S. Bank	11,855,000	7/1/2028	1.50% - 5.30%	8,655,000	0	440,000	0	8,215,000	445,835
2007 Waste Disposal Revenue Bond	Citizens Bank	3,400,000	5/1/2022	5.30% - 5.87%	2,150,000	0	220,000	0	1,930,000	116,783
2009B Parks & Rec	Bank of the Ozarks	12,120,000	1/1/2039	2.00% - 5.375%	11,125,000	0	230,000	0	10,895,000	567,915
2010 Waste Disposal Revenue Bonds	BancorpSouth	6,570,000	5/1/2016	1.90% - 3.77%	1,650,000	0	810,000	0	840,000	45,155
TEMPORARY NOTE										
2011 Temporary Note	Pinnacle Public Finance	4,600,000	12/22/2016	1.75%	1,888,013	0	935,818	0	952,195	33,040
2012 Temporary Note	Banc of America Public Capital Corp.	18,580,000	3/28/2017	1.38%	11,300,062	0	3,715,219	0	7,584,843	155,941
2013 Temporary Note	U.S. Bank	7,700,000	7/30/2018	1.61%	6,208,796	0	1,515,212	0	4,693,584	99,962
2014 Temporary Note	SunTrust Finance & Leasing Corp.	5,916,000	6/27/2019	1.46%	5,916,000	0	1,149,190	0	4,766,810	86,374
2015 Temporary Note	First Security Bank	5,910,000	6/24/2020	1.81%	0	5,910,000	0	0	5,910,000	0
Grand Total		\$261,816,000			\$163,117,871	\$42,530,000	\$17,375,439	\$25,920,000	\$162,352,432	\$5,577,960

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	0	1,255,000	0	23,795,000	834,258
2015 Library Construction and Refunding Bonds	Regions Bank	36,620,000	3/1/2028	2.05% - 4.00%	36,620,000	0	0	0	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	0	3,600,000	5,755,000	30,065,000	1,321,649
2014 Tax Increment Improvement Bonds	Regions Bank	2,615,000	3/1/2036	6.00%	2,615,000	0	0	0	2,615,000	156,900
REVENUE BONDS										
2007 Infrastructure Refunding	U.S. Bank	13,350,000	10/1/2019	4.00% - 5.00%	5,135,000	0	1,200,000	0	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	0	280,000	0	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	0	150,000	0	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	0	465,000	0	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	0	230,000	0	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	0	235,000	0	10,660,000	560,008
2010 Waste Disposal Revenue Bonds	BancorpSouth	6,570,000	5/1/2016	1.90% - 3.77%	840,000	0	840,000	0	0	15,834
TEMPORARY NOTE										
2011 Temporary Note	Pinnacle Public Finance	4,600,000	12/22/2016	1.75%	952,195	0	952,195	0	0	16,663
2012 Temporary Note	Banc of America Public Capital Corp.	18,580,000	3/28/2017	1.38%	7,584,844	0	3,766,270	0	3,818,574	104,889
2013 Temporary Note	U.S. Bank	7,700,000	7/30/2018	1.61%	4,693,584	0	1,539,607	0	3,153,977	75,567
2014 Temporary Note	SunTrust Finance & Leasing Corp.	5,916,000	6/27/2019	1.46%	4,766,810	0	1,165,777	0	3,601,033	69,786
2015 Temporary Note	First Security Bank	5,910,000	6/24/2020	1.81%	5,910,000	0	1,140,215	0	4,769,785	106,674
Grand Total		\$229,816,000			\$162,352,433	\$0	\$16,819,064	\$5,755,000	\$139,778,369	\$5,287,137

**FUTURE DEBT SERVICE
OVERALL FUTURE DEBT SERVICE**

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2016	\$16,819,065	\$5,287,137	\$22,106,201
2017	\$14,726,512	\$5,124,569	\$19,851,081
2018	\$11,281,403	\$4,706,137	\$15,987,540
2019	\$9,705,732	\$4,317,012	\$14,022,743
2020	\$7,429,721	\$3,942,042	\$11,371,763
2021	\$6,490,000	\$3,630,268	\$10,120,268
2022	\$6,795,000	\$3,326,354	\$10,121,354
2023	\$6,770,000	\$3,024,168	\$9,794,168
2024	\$7,040,000	\$2,747,630	\$9,787,630
2025	\$7,290,000	\$2,495,034	\$9,785,034

GENERAL OBLIGATION FUTURE DEBT SERVICE

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2016	\$13,419,065	\$3,551,713	\$16,970,777
2017	\$12,046,512	\$3,526,917	\$15,573,429
2018	\$8,466,403	\$3,237,767	\$11,704,170
2019	\$7,115,732	\$2,975,789	\$10,091,521
2020	\$6,134,721	\$2,722,761	\$8,857,482
2021	\$5,130,000	\$2,477,344	\$7,607,344
2022	\$5,365,000	\$2,243,844	\$7,608,844
2023	\$5,605,000	\$2,006,819	\$7,611,819
2024	\$5,820,000	\$1,790,156	\$7,610,156
2025	\$6,005,000	\$1,601,241	\$7,606,241

REVENUE BOND FUTURE DEBT SERVICE

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2016	\$3,400,000	\$1,735,424	\$5,135,424
2017	\$2,680,000	\$1,597,651	\$4,277,651
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

**City of Little Rock, Arkansas
Direct and Overlapping Governmental Activities Debt
As of December 31, 2015**

<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	\$127,612,471	100%	\$127,612,471
Little Rock Public School District	<u>186,705,741</u>	100%	<u>186,705,741</u>
Total direct and overlapping debt	<u>\$314,318,212</u>		<u>\$314,318,212</u>

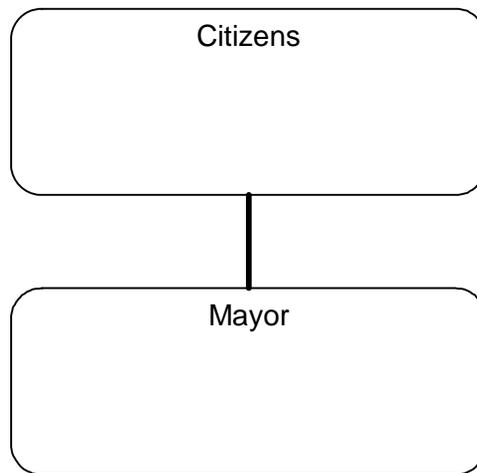
Obtained from Jean Ring
Finance Director at Little Rock School District

Departmental Information





Mayor



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.

2015 Department Priorities	Status
Implement an apartment safety/crime free diagram.	Ongoing
Implement AmeriCorps Program for the redevelopment of neighborhoods in the Midtown Neighborhoods south of Interstate 630.	Ongoing
Work with partners to identify development opportunities along the 12th Street corridor	Ongoing
Continue to develop, with private sector investment, the Creative Corridor; concentrating on art, culture, science and technology.	Ongoing
Completed the “Low Impact Development” Project along Main Street; worked with the development community to further invest along the Main Street Corridor.	Completed
Improve programming and operations of the Homeless Day Resource Center.	Ongoing
Work on the revitalization of the residential areas east of Interstate 30.	Ongoing
Work on the implementation of a Master Plan for Western Hills, Hindman parks and First Tee recreational areas.	Ongoing
Open the West Little Rock Police Substation on Highway 10.	Ongoing
Continue to fund and complete the Arkansas River Trail.	Ongoing
Continue to support the Mayor’s Commission on Sustainability to promote sustainable initiatives and continue to host an annual summit on sustainability.	Ongoing
Continue with the City’s ‘Love Your School’ initiative focused on the childhood obesity epidemic by promoting healthy living, eating and exercising while reducing the City’s food deserts.	Ongoing
Ensure that the local sales tax increase, which was approved by voters in 2011, is spent responsibly and according to the plan laid out to the citizens before the election.	Ongoing
Work with the various economic development organizations to attract and retain jobs for the community.	Ongoing

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

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



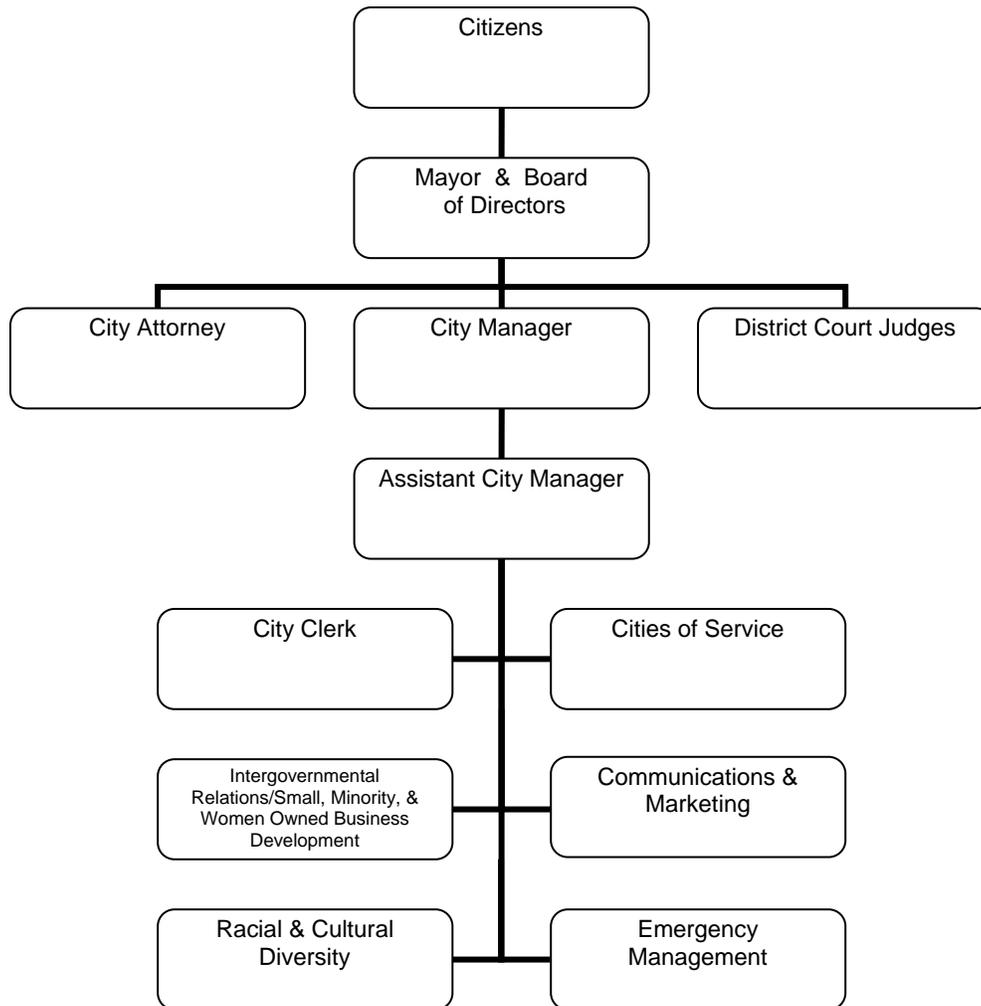





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General Administrative



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

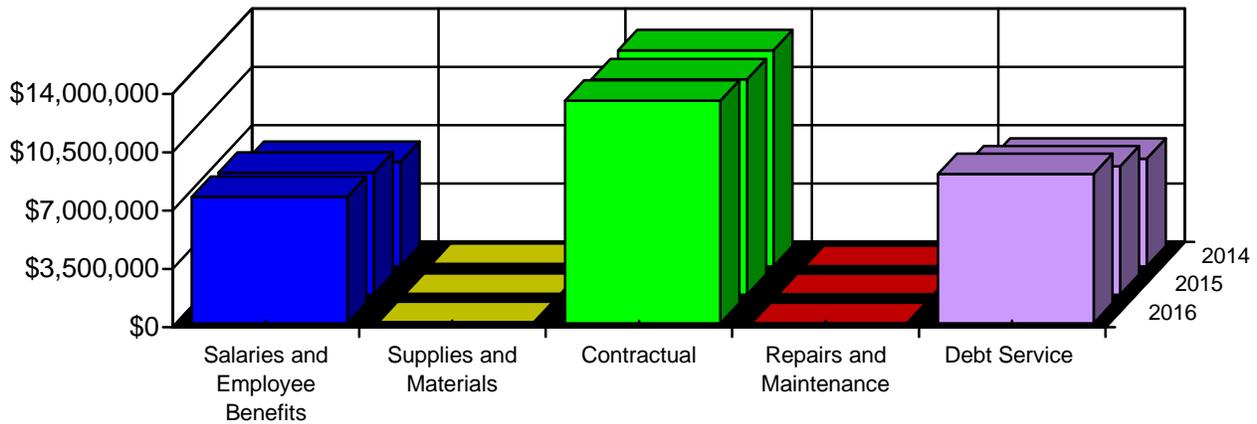
Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$6,260,523	\$7,324,779	\$7,575,403
Supplies and Materials	145,858	70,096	71,624
Contractual	12,959,027	12,932,401	13,351,311
Repairs and Maintenance	10,308	20,049	17,864
Debt Service	6,455,192	7,714,717	8,961,606
	\$25,830,908	\$28,062,042	\$29,977,808

Staffing	31	31	26
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General Government includes the Mayor and City Manager, City Clerk, Racial and Cultural Diversity, 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 \$1.2 million in 2016 due to the addition of debt service on the 2015 short-term note. Approximately \$7.3 million will be transferred in from the 3/8-cent sales tax fund to fund principal payments on debt issued from 2012 - 2015 to accelerate 3/8-cent capital projects.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$29,977,808	6.83%



2015 Department Priorities	Status
Continue to improve and expand Police Officer and Fire Fighter recruiting efforts and conduct at least one (1) Recruit School for Police and Fire.	Ongoing
Continue to utilize and make improvements to crime analysis driven enforcement programs.	Ongoing
Complete the design of all infrastructure bond projects currently approved and move 90% of the remaining bond projects to bidding, contract award and construction phase. Complete the design of all sales tax projects currently approved and move 75% of the remaining sales tax projects to bidding, contract award and construction phase.	Ongoing
To become Industry Certified through Fleet Consulting Services and Government Fleet Management Alliance as recognition for having met or exceeded all twenty (20) Mission Critical Factors of Fleet Management, verifying that the City of Little Rock Fleet Services Department is industry competitive and cost-efficient.	Ongoing
Upgraded the hardware and software of the 311 System, which is used to log and dispatch citizen request across multiple City Departments.	Completed
Explore the feasibility and cost of placing kiosk in the Neighborhood Resource Centers to provide access to other City services and information.	Ongoing
Provide on-going training to improve the accuracy of code violation notices, citations, affidavits and condemnation files.	Ongoing
Develop and implement a community-oriented process to determine the needs/interest of the 12th Street area for approximately 4,400 square-feet of unoccupied space in the 12th Street Station.	Ongoing
Complete construction of the West Central Community Center.	Ongoing
Update the 2001 Little Rock Parks & Recreation Master Plan that is more than ten (10) years old, and needs to be updated to reflect progress and maintain accreditation.	Ongoing
Continue the refinement and implementation of the War Memorial Redevelopment Plan, which will include properties south of Interstate 630 that were purchased in 2013.	Ongoing



2015 Department Priorities (Continued)	Status
Updated walkways, rails and graphics to enhance American Disability Act (ADA) accessibility at the Zoo.	Completed
Develop a loan program utilizing Home Investment Partnership Program (HOME) Funds that can be utilized to further development activities with limited funds from HUD.	Ongoing
Explore additional funding sources for the Elderly Home Repair Program (EHP) through a possible partnership with a local bank to create and develop a loan program to assist recipients of EHP Grants to cover costs over the \$25,000 grant maximum.	Ongoing
Complete the construction of a quarantine area at the Little Rock Animal Village to segregate incoming dogs to reduce exposure to healthy animals.	Ongoing
Monitor and report on infrastructure projects funded by the issuance of the 2013 Capital Improvement Bonds for Street and Drainage Projects.	Ongoing
Develop and implement a strategy to increase minority and women-owned business procurement opportunities within the City.	Ongoing

2016 Department Goals
Complete the renovation of the Pankey Substation with a tentative opening during the second quarter of the year.
Continue progress working on achieving Accreditation through the Center for Public Safety Excellence.
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.
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.
Coordinate an annual Sidewalk Replacement Program with revenue from the 2011 Sales Tax Plan.
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.



2016 Department Goals (Continued)
Transfer Fuel Master Data from operating on a separate database to the City's Structured Query Language server.
Work with the vendor to upgrade the City's website to more mobile-friendly version.
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.
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.
Continue to partner with DePaul, USA, in delivering services to the current and future clients that utilize the Jericho Way facility.
Complete the restoration of Coleman Creek within War Memorial Park.
Complete the Western Hills Park Master Plan.
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).
Develop and begin implementation of a Five (5)-Year Plan that incorporates the Zoo Master and Strategic Plan.
Complete fifteen (15) homes under the World Changers activity.
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.

Department: City Manager
Funding Source: General Fund
Budget: \$29,977,808

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.

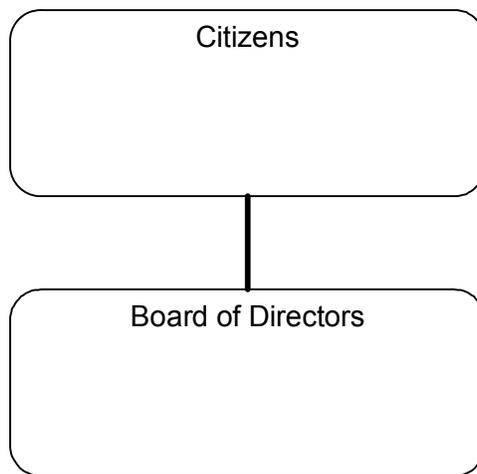
	2014 Actual	2015 Budget	2016 Budget
Objective: Provide responses to City Board of Director requests in a timely manner.			
Demand: Number of City Board of Director requests.	250	275	286
Workload: Number of City Board of Director requests completed.	225	273	205
Efficiency: Number of City Board of Director requests completed in a timely manner.	225	273	205
Effect/Outcome: Percentage of City Board of Director requests completed in a timely manner.	100%	100%	100%
Objective: Provide responses to citizen requests within a timely manner.			
Demand: Number of citizens requests for information.	200	225	215
Workload: Number of citizen requests for information completed.	200	225	215
Efficiency: Number of citizen requests for information completed in a timely manner.	180	210	209
Effect/Outcome: Percentage of total citizen requests completed a timely manner.	90%	93%	97%

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

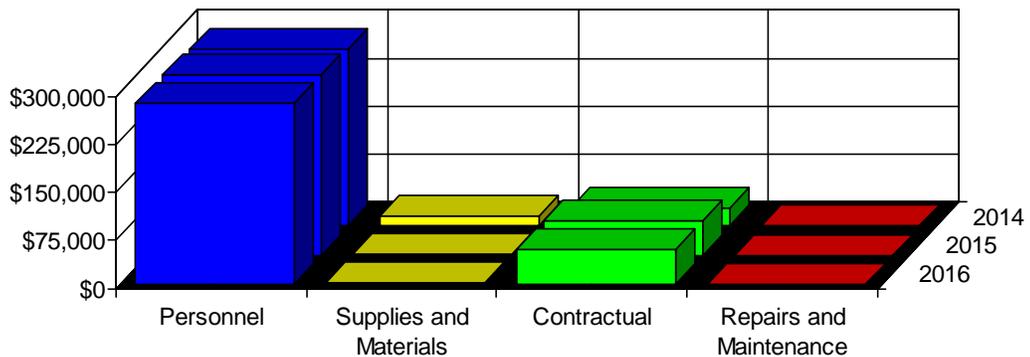
Expenditure Budget

Description	2014	2015	2016
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$277,302	\$283,848	\$284,614
Supplies and Materials	15,324	2,990	2,990
Contractual	29,492	55,097	55,097
Repairs and Maintenance		92	117
Total	\$322,119	\$342,027	\$342,818

Staffing	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 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$342,818	0.23%

2015 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 Funds.	Ongoing

2016 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.

Department: Board of Directors
Funding Source: General Fund
Budget: \$342,818

Department Description:

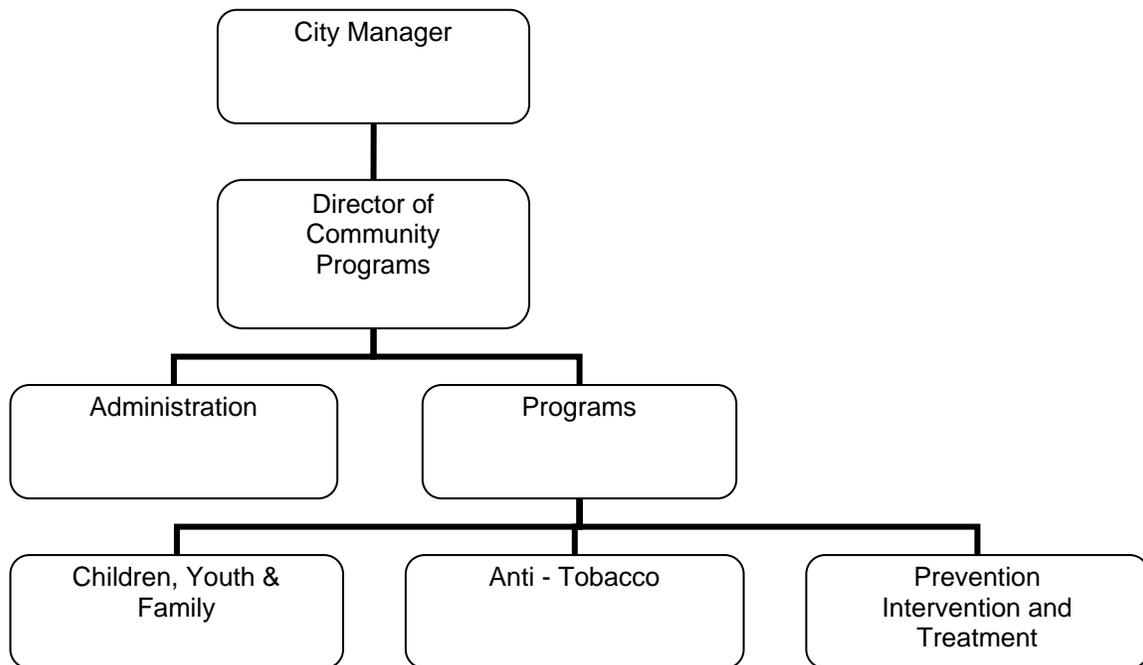
To provide executive management and administration of City affairs; provide legal advice and representation for the city; serve as official recorder and custodian of public documents.

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

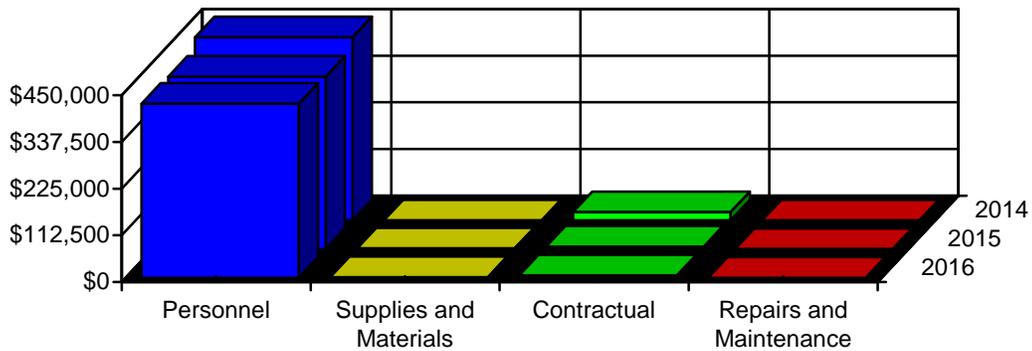
Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$441,562	\$415,556	\$419,592
Supplies and Materials	24	1,874	1,874
Contractual	19,934	6,000	6,000
Repairs and Maintenance		148	93
Total	\$461,520	\$423,578	\$427,559

Staffing	2014	2015	2016
	10	11	11

The majority of changes to 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.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$427,559	0.94%

2016 Department Goals

Master Plan for Children, Youth & Families: Complete a comprehensive, sustainable, long-term 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.

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.

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.

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.

PIT Programs: Develop new partnerships for the Summer Youth Employment Program by increasing the number of worksites.

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.

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.

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 Issues; GED; Mental Health/Substance Abuse; etc.

Department: Community Programs
Funding Source: General Fund
Budget: \$427,559

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: To recruit youth, provide orientation, and approve youth to hire for summer employment.			
Demand: Youth available for recruitment and orientation.	750	750	1,300
Workload: Youth recruited and processed through orientation.	600	600	835
Efficiency: Youth processed and available for employment in June.	600	600	720
Effect/Outcome: Percentage of youth processed and available for work in June.	80%	80%	55%

Objective: To audit, approve, and process all reimbursement requests for payment within 14 days.			
Demand: Requests available for process and reimbursement.	750	756	773
Workload: Requests processed for reimbursement.	710	725	740
Efficiency: Requests processed per month.	59	60	62
Effect/Outcome: Percentage of total requests processed.	94%	100%	96%

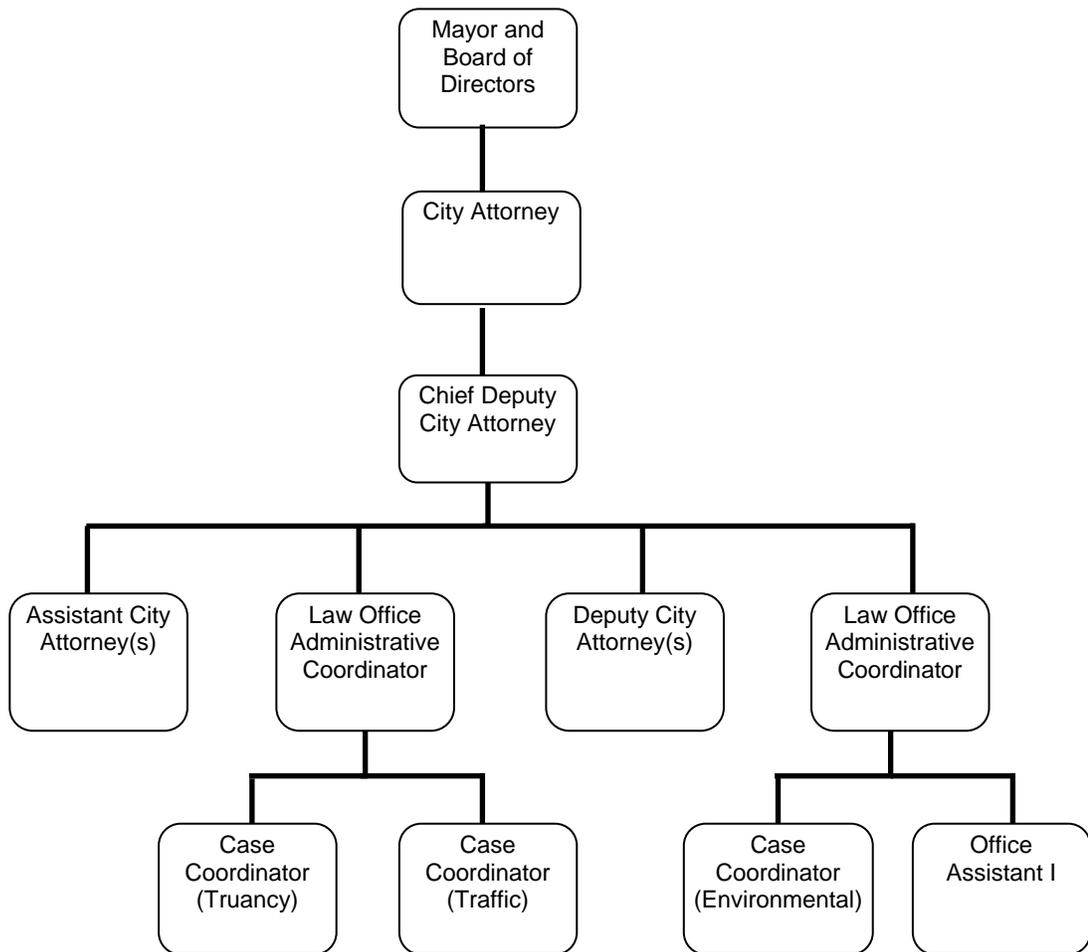
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for a
 Safe City and Quality of Life.**



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City Attorney



Mission Statement

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

City Attorney

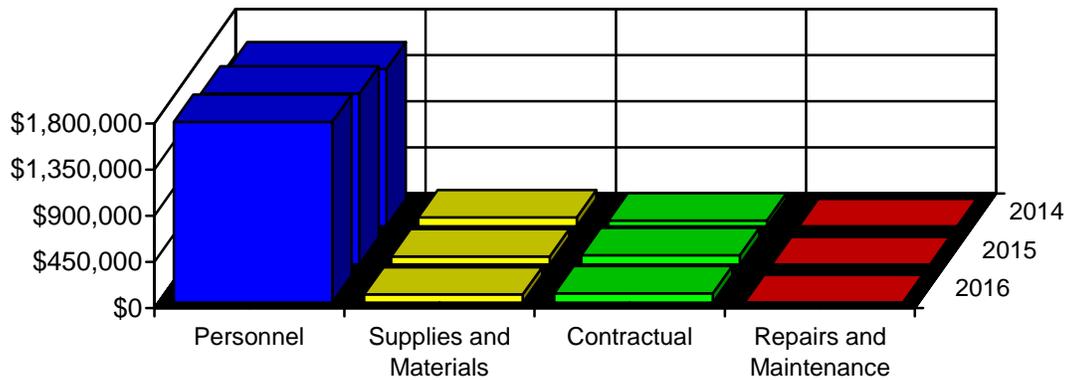
Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$1,531,252	\$1,667,680	\$1,764,424
Supplies and Materials	85,236	77,202	79,542
Contractual	54,664	90,953	90,953
Repairs and Maintenance		1,066	4,088
Total	\$1,671,152	\$1,836,901	\$1,939,007

Staffing	18	19	20
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Approximately \$96,700 of the personnel increase is attributed to salary and benefit cost changes for non-uniform employees, including the cost of a new paralegal position.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,939,007	5.56%

2015 Department Priorities	Status
Continue transparent communication methods through reports, alerts and various updates.	Ongoing
Continue providing 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 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 handle litigation cases.	Ongoing
Continue to prosecute traffic, truancy and code violations.	Ongoing

Department: City Attorney
Funding Source: General Fund
Budget: \$1,939,007

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: To litigate cases.			
Demand: Cases to be litigated.	82	63	70
Workload: Cases litigated.	82	63	70
Efficiency: Cases litigated per year.	82	63	70
Effect/Outcome: Percentage of litigated cases closed per year.	n/a	n/a	n/a
Objective: To prosecute health and safety code Violations.			
Demand: Violations presented for final judgment.	2,738	2,475	2,500
Workload: Violations prosecuted for final judgment.	2,738	2,475	2,500
Efficiency: Violations convictions.	1,695	815	1,000
Effect/Outcome: Conviction rate.	62%	33%	40%
Objective: To prosecute DUI/DWI violations.			
Demand: DUI/DWI pleas and trials.	357	324	340
Workload: Court appearances for DUI/DWI pleas and trials.	357	324	340
Efficiency: Guilty DUI/DWI pleas and convictions	250	192	221
Effect/Outcome: Percentage guilty.	70%	59%	65%
Objective: Prepare contract and legal memoranda in a timely manner.			
Demand: Request for contracts and legal research.	212	194	200
Workload: Contracts and research memoranda prepared.	212	194	200
Efficiency: Contracts and memoranda prepared in a timely manner.	212	194	200
Effect/Outcome: Percentage of contracts and memoranda prepared in a timely manner.	100%	100%	100%

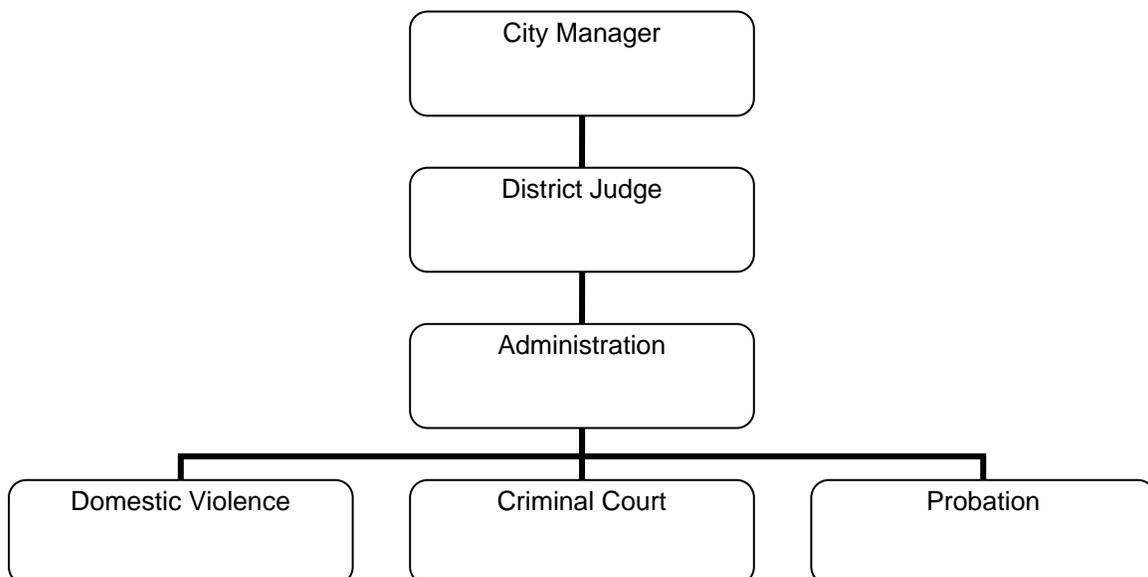
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

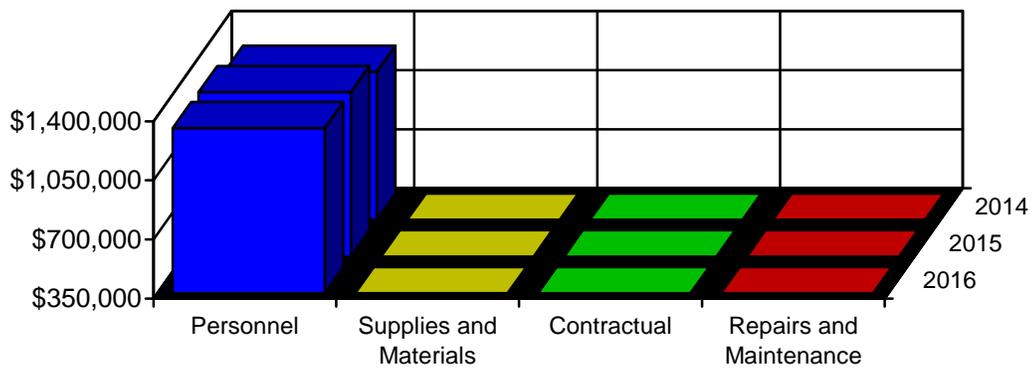
Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$1,226,331	\$1,323,617	\$1,328,238
Supplies and Materials	40,797	42,100	42,100
Contractual	23,913	38,350	38,300
Repairs and Maintenance		1,723	1,700
Total	\$1,291,042	\$1,405,790	\$1,410,338

Staffing	21	21	21
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There is an increase of approximately \$4,600 attributed to salary and benefit cost changes for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,410,338	0.32%

Department: District Court Criminal
Funding Source: General Fund
Budget: \$1,410,338

Department Description:

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

	2014 Actual	2015 Budget	2016 Budget
Objective: To process Criminal Bond information on a daily basis.			
Demand: Bonds to be processed.	100	100	100
Workload: Bonds actually processed.	100	100	100
Efficiency: Bonds processed per court session.	100	100	100
Effect/Outcome: Percentage of Bonds processed daily.	100%	100%	100%

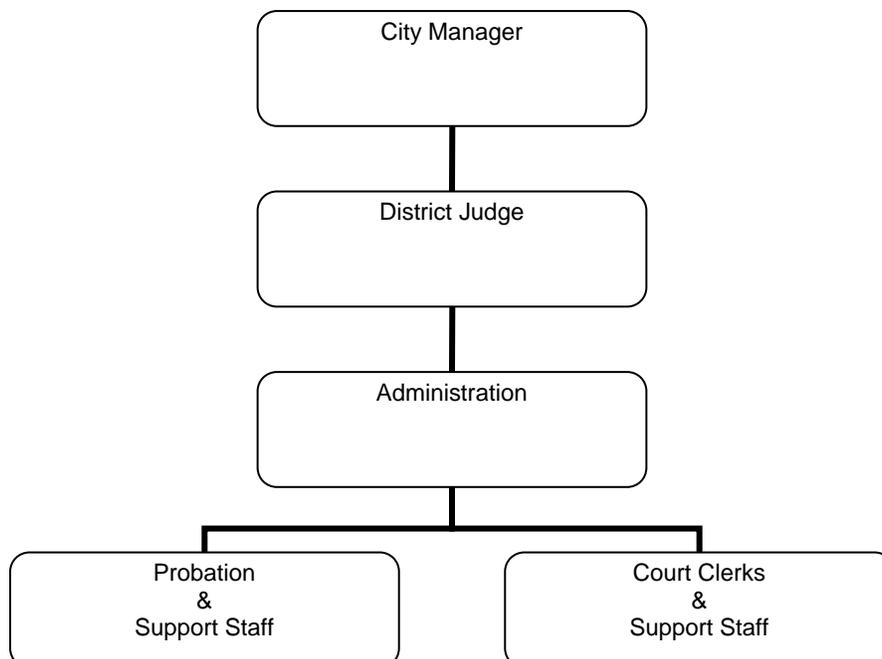
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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District Court Second Division



Mission Statement

We seek to administer justice and equity.

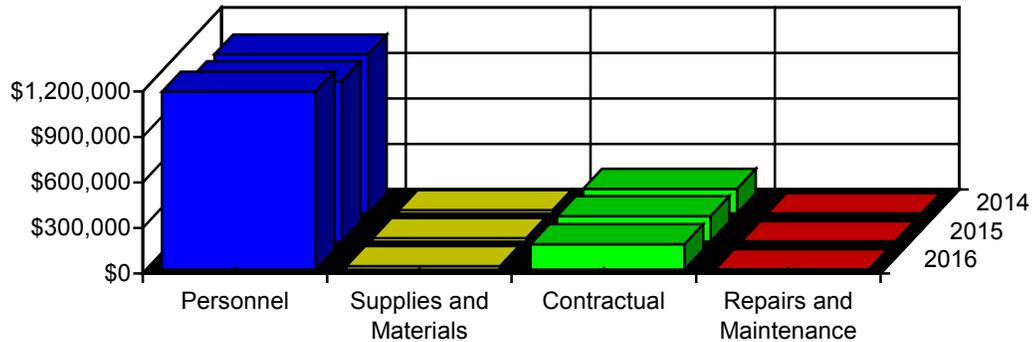
Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$1,048,273	\$1,056,580	\$1,172,663
Supplies and Materials	21,875	22,200	22,200
Contractual	161,712	167,369	168,378
Repairs and Maintenance	520	2,096	2,093
Total	\$1,232,380	\$1,248,245	\$1,365,334

Staffing	17	17	19
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There is an increase of approximately \$116,000 attributed to salary and benefit cost changes for non-uniform employees. This includes the cost of two (2) new positions that were added during 2015, including a Deputy Court Clerk and an Administrative Court Operations Coordinator.

Total Allocations By Fiscal Year And Account Category



Resources for Budget 100 General Fund	FY 16 Proposed Budget \$1,365,334	% Change from Prior Year 9.38%
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Department: District Court Traffic
Funding Source: General Fund
Budget: \$1,365,334

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: To enter violations into the public safety system the same day received.			
Demand: Violations to be entered.	32,432	37,572	37,000
Workload: Violations entered and processed.	32,432	37,572	37,000
Efficiency: Violations entered and processed per month.	2,702	3,131	3,083
Effect/Outcome: Percentage of violations processed same day received.	99%	99%	99%
Objective: To update dispositions into the public safety system within 24 hours.			
Demand: Violations to be disposed.	66,200	35,529	35,000
Workload: Violations disposed.	66,200	35,529	35,000
Efficiency: Violations disposed of per month.	5,516	2,960	2,916
Effect/Outcome: Percentage of dispositions processed within 24 hours.	99%	99%	99%

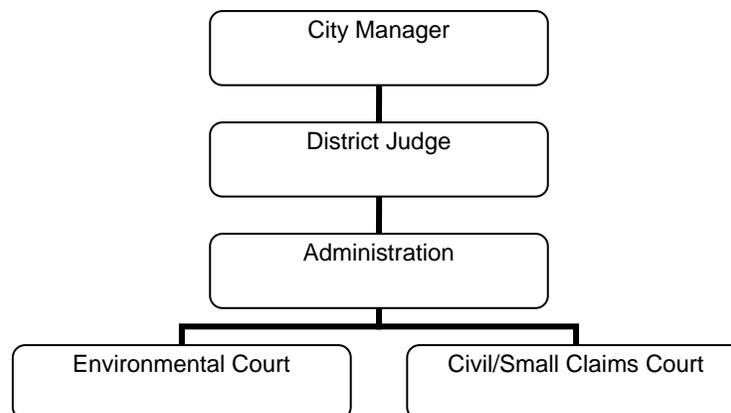
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

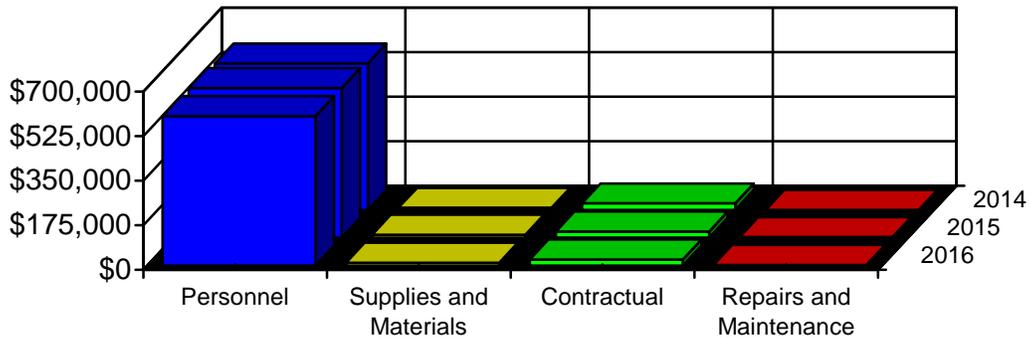
Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$574,546	\$587,984	\$588,397
Supplies and Materials	7,672	11,813	11,813
Contractual	25,075	24,485	24,485
Repairs and Maintenance		2,500	2,500
Total	\$607,294	\$626,782	\$627,195

Staffing	8	8	8
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There is an increase of approximately \$400 attributed to salary and benefit cost changes for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$627,195	0.07%

Department: District Court Environmental
Funding Source: General Fund
Budget: \$627,195

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: To process 100% of life-threatening violations within seven (7) days of the date citation is written.			
Demand: Citations to be processed.	90	95	100
Workload: Citations processed, recorded, and entered into computer.	95	100	100
Efficiency: Citations processed.	95	100	100
Effect/Outcome: Percentage of Citations processed within thirty (30) days.	99%	100%	100%

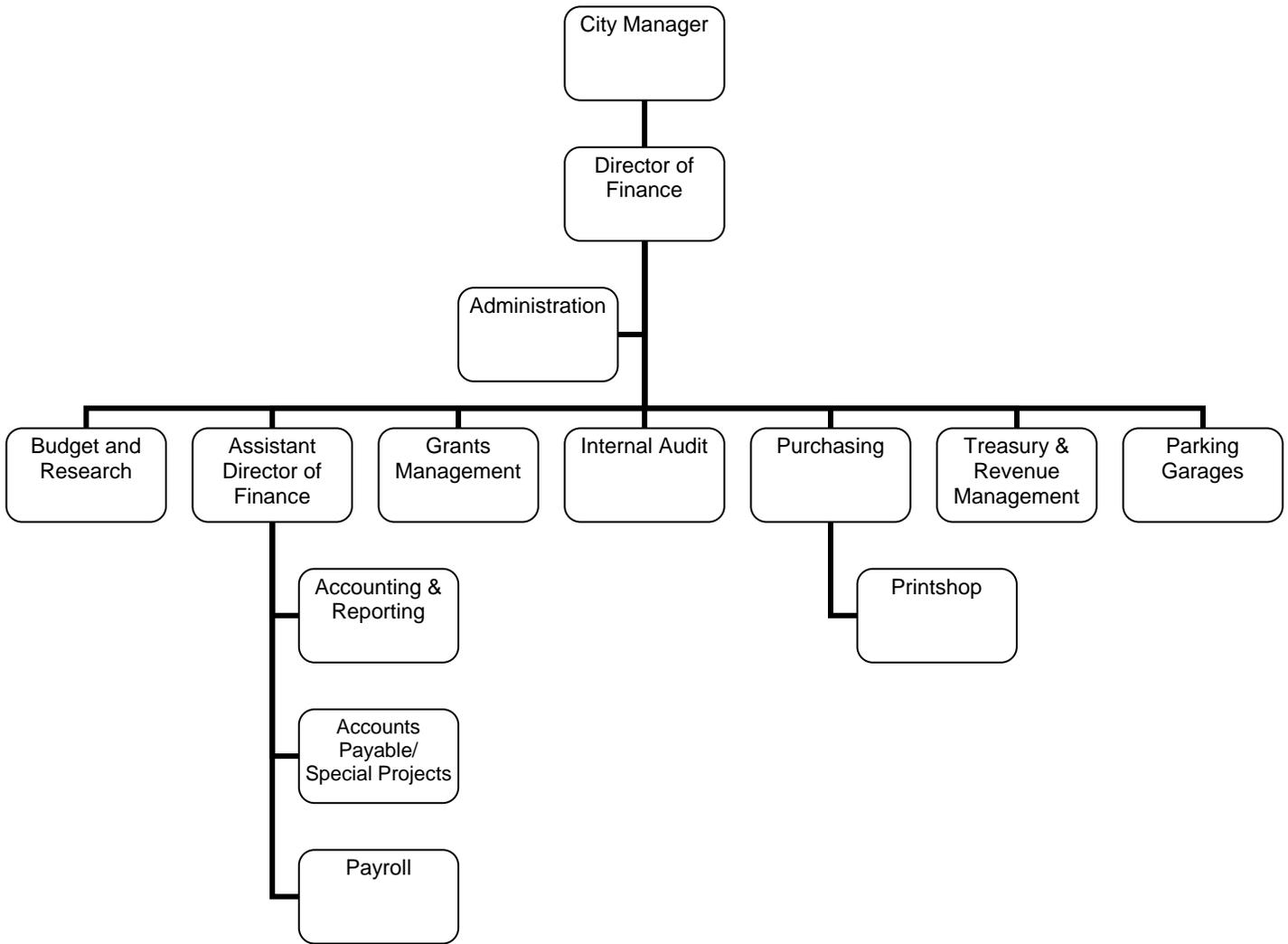
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

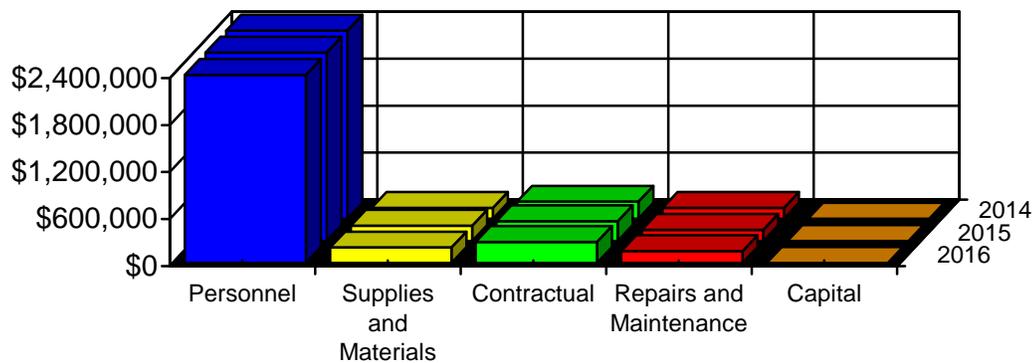
Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$2,576,822	\$2,620,056	\$2,790,427
Supplies and Materials	137,562	194,713	198,123
Contractual	217,649	249,177	268,630
Repairs and Maintenance	139,625	140,178	150,227
Capital	(670)		
Total	\$3,070,989	\$3,204,124	\$3,407,407

Staffing	41	42	43
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Approximately \$170,000 of the personnel cost increase is attributed to salary and benefit cost changes and position reclassifications. The increase includes the addition of a new Purchasing contract/sourcing specialist position. The increase to repairs and maintenance reflects software maintenance fee increases. In addition, contract cost is increased for additional arbitrage calculations required for three (3) bond issues, and increased audit cost associated with new pension reporting standards.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$3,407,407	6.34%

2015 Department Priorities	Status
Staff worked to obtain the Government Finance Officers Association (GFOA) Certificate of Recognition for the 2015 Budget Preparation and the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 2014 Comprehensive Annual Financial Report (CAFR).	Completed
Finance Staff will continue to offer training to Departmental users on grants, purchasing, and all financial applications.	Ongoing
Continue efforts to implement an Integrated Budget Module for the City's financial system. Evaluate whether the Infor Budgeting and Financial Planning module will be available in 2015. Issue a Request For Quotation (RFQ) for other budget software if the Info solution will not be available.	Ongoing
The Finance budget included an allocation for software and maintenance to implement an electronic bid solution. In addition, the solution chosen utilized minority vendor participation tracking.	Completed
Evaluate and potentially expand the range of services to reduce operating costs from the print shop.	Ongoing
Continue the aggressive pursuit of Federal, State, Local and private grant opportunities.	Ongoing
Issued an RFP for the City's banking services. The new contract started January 1, 2016.	Completed
Staff worked with Information Technology to complete the replacement of the current mainframe false alarm system and implemented a web-based application to process false alarm payments.	Completed
Treasury Staff completed the transition to the Contexte Court Management System mandated by the Administration of the Courts. The new system was integrated with the City's financial software.	Completed
Review the current bid process and explore the possibility of alternatives for implementation of a process that allows acceptance of electronic bids.	Ongoing

2015 Department Priorities (Continued)	Status
Perform quarterly review and maintenance of outstanding purchase orders.	Ongoing
Filled the Internal Audit Manager position and implemented new programs to perform periodic reviews and testing of the City's internal controls, perform random cash counts, and provide regular reports on the status of the City's internal control system, with recommendations for improvements as needed.	Completed
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
Developed a 3/8-Cent Capital Project Financing Plan, issuing a short-term financing note to ensure timely purchase of items.	Completed

2016 Department Goals
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).
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.
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.
Continue efforts to implement an Integrated Budget Module for the City's financial system.
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.

2016 Department Goals (Continued)

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.

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.

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.

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.

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.

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.

2016 Department Goals (Continued)

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.

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

Develop and conduct training on grant management and writing for Community Programs and other City Departments.

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.

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.

Staff will monitor and report on infrastructure projects funded by the issuance of the 2013 Capital Improvement Bonds for Street and Drainage Projects.

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.

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.

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.

Department: Finance
Funding Source: General Fund
Budget: \$3,407,407

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: To monitor compliance with the annual adopted budget.			
Demand: To prepare consolidated monthly variance reports for department variances > \$50,000 and 5% of budget.	12	12	12
Workload: Prepared consolidated monthly variance reports for department variances > \$50,000 and 5% of budget.	12	12	12
Efficiency: Consolidated variance reports prepared monthly.	1	1	1
Effect/Outcome: Percentage of consolidated monthly variance reports for department variances > \$50,000 and 5% of budget completed.	100%	100%	100%
Objective: To provide accurate and efficient accounting and reporting for all public funds received for the City and maintained by the Finance Department.			
Demand: Number of journal entries to be processed and completed.	1,691	1,500	1,500
Workload: Number of journal entries processed and completed.	1,691	1,500	1,500
Efficiency: Average number of journal entries processed and reviewed per month.	141	125	125
Effect/Outcome: Percentage of journal entries completed per year.	100%	100%	100%
Objective: To provide accurate and timely payment of all invoices properly submitted according to policy and procedure guidelines. Payments should be issued within 30 days.			
Demand: Number of invoices to be processed and recorded.	100,902	100,000	100,000
Workload: Number of invoices processed, recorded, and completed.	100,902	100,000	100,000
Efficiency: Number of invoices processed per hour.	49	49	49
Effect/Outcome: Percentage of invoice payments issued within 30 days.	95%	95%	95%

	2014 Actual	2015 Budget	2016 Budget
Objective: To provide and maintain a systematic method of accounting for and controlling City's assets.			
Demand: Number of departmental annual asset inventory counts scheduled.	41	41	41
Workload: Number of addition, retirement, and depreciation, transfer, and adjustment transactions processed.	35,165	30,000	30,000
Efficiency: Number of departmental asset inventory counts completed.	41	41	41
Efficiency: Transactions processed per month.	2,930	2,500	2,800
Effect/Outcome: Percentage of departmental annual asset inventory counts conducted.	100%	100%	100%

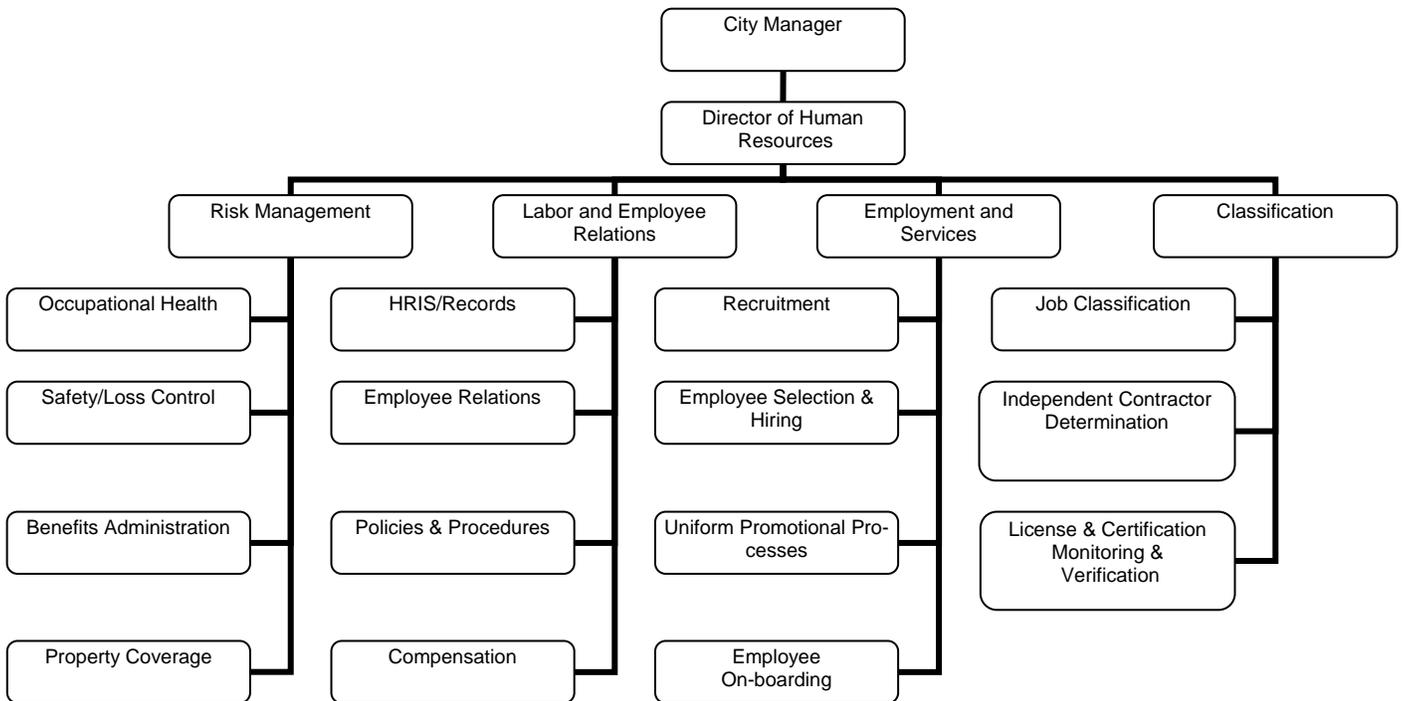
Objective: To produce accurate and timely payroll service to the employees of the City.			
Demand: Number of regular payroll cycles per year.	26	26	26
Workload: Number of payroll transaction lines process and recorded.	2,167,366	2,500,000	2,500,000
Efficiency: Payroll transaction lines processed and posted per month.	180,614	208,333	208,333
Effect/Outcome: 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.

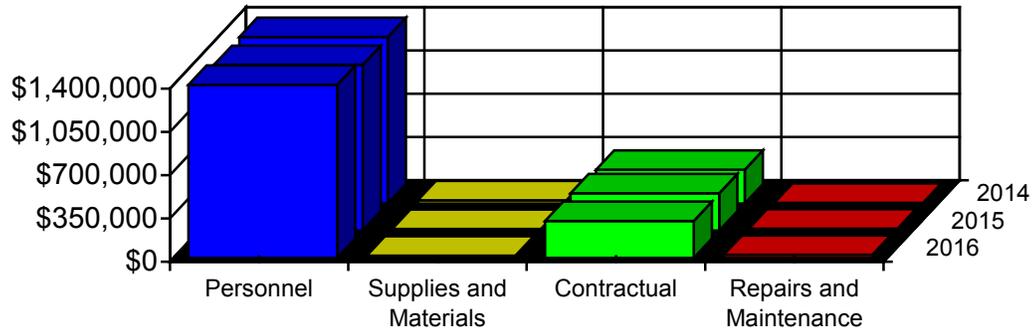
Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$1,347,280	\$1,341,071	\$1,471,307
Supplies and Materials	26,694	13,200	17,200
Contractual	273,753	302,514	298,523
Repairs and Maintenance	5,811	16,392	23,524
Total	\$1,653,539	\$1,673,177	\$1,810,554

Staffing	19	20	20
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The increase in personnel cost is attributed to salary and benefit cost changes and position reclassifications. Other increases included funding for leadership training courses.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	<u>\$1,810,554</u>	<u>8.21%</u>

2015 Department Priorities	Status
Analyzed results of training survey to determine employee training needs. Identified additional training that could be developed in-house and published on intranet.	Completed
Developed a quarterly division training calendar published on the intranet, in the newsletter, and emailed to announcements.	Completed
Created leadership/supervisory equivalents for City employees who do not possess the one or two years of supervision, which is required for promotional opportunities.	Completed
Implemented a review and monitored the process for licenses and certifications required of City employees for specific classifications.	Completed
Reviewed and updated the uniformed Police Officer job descriptions.	Completed

Department: Human Resources
Funding Source: General Fund
Budget: \$1,810,554

Department Description:

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

	<u>2014 Actual</u>	<u>2015 Budget</u>	<u>2016 Budget</u>
Objective: To administer benefit programs provided for city employees, including insurance coverage and to ensure that quality benefits are provided within financial and legal constraints.			
Demand: Total Enrollment meetings.	52	47	20
Workload: Number of enrollment meetings conducted.	52	47	20
Efficiency: Completed enrollment meeting materials by contract/payroll deadlines.	100%	100%	100%
Effect/Outcome: Percentage of enrollment materials completed by payroll and Contract targets.	100%	100%	99%
Objective: To receive process and maintain job descriptions and job specifications for City classifications.			
Demand: Number of active job classifications.	430	442	455
Workload: Number of classifications requests or new position requests per year (includes LRCVB).	158	173	190
Efficiency: Complete research and submit completed documents for review by requesting department within 60 days.	34	26	60
Effect/Outcome: Average number of days to complete research and submit proposed job descriptions/specification.	34	26	60
Objective: 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).			
Demand: The average number of days required to announce, screen/test and refer applicants.	23	20	23
Workload: The number of actual positions which were processed (i.e. posted, screened/tested, and referred).	139	360	350
Efficiency: Number of all applicants for posted full-time positions.	15,735	22,073	20,000
Effect/Outcome: Average number of days to submit/refer a list (from the receipt of a requisition to the referral of a list).	15.46	11.69	15

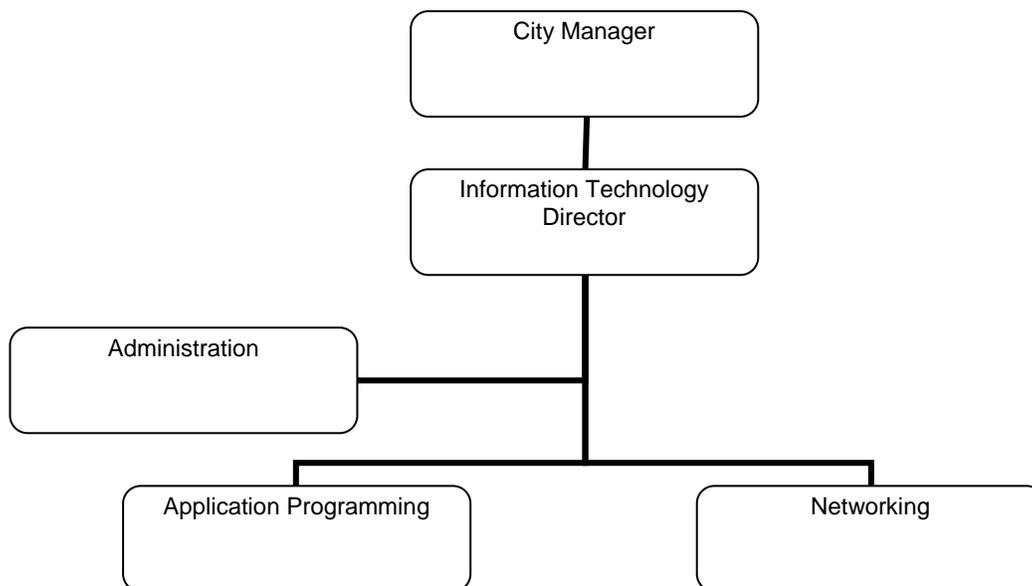
Objective: Provide a cost-effective self-funded Workers' Compensation program which meets legal requirements and to reduce the City's risk of loss due to accidents.			
Demand: Year to date cost per claim.	\$2,683	\$2,925	\$3,012
Workload: Number of claims.	376	376	387
Efficiency: Percentage of claims properly reported to the Workers' Compensation Commission within the ten (10) day requirement.	100%	100%	99%
Effect/Outcome: Proper claim management driven by on time reporting percentages.	100%	100%	100%
Objective: 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.			
Demand: Approximate building valuation (in millions).	370	390	470
Workload: Actual Value.	370	390	470
Efficiency: Maintain or improve coverage without Unnecessary increase in premium rates.	0%	0%	5%
Effect/Outcome: Percent increase in premium rates.	0%	0%	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

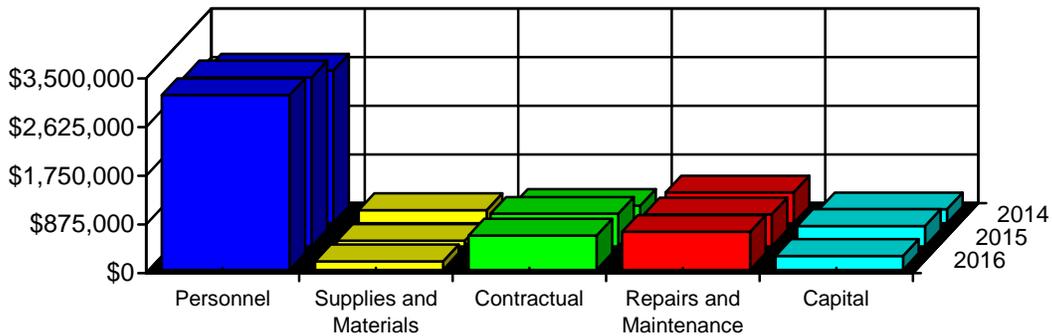
Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$2,744,058	\$3,038,713	\$3,140,346
Supplies and Materials	235,489	104,720	153,048
Contractual	312,818	588,119	616,346
Repairs and Maintenance	553,152	579,232	681,411
Capital	250,559	369,000	252,000
Total	\$4,096,076	\$4,679,784	\$4,843,151

Staffing	2014	2015	2016
	39	39	39

Approximately \$101,600 of the increase in personnel cost is attributed to salary and benefit cost changes. The increases in repairs and maintenance and contracts reflect consumer credit card security compliance software and training and other software maintenance and network contracts resulting from IT enhancements in the last few years.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$4,843,151	3.49%

2015 Department Priorities	Status
Community Programs Management Information System (Cloud Based): Implementation of the Grants Management module provided by nFocus.	Other (please explain)
Little Rock Police Department (LRPD) Records Management New Reporting Module: Created a new reporting module to simplify information query.	Completed
Administrative Office of the Courts (AOC) System Web Services: Implemented all available web services and received all necessary arrest and adjudication information to update the City's local database.	Completed
Little Rock Police Department Incident Module Project: Updated and replaced the current LRPD Incident System on the mainframe.	Completed
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
Little Rock Police Department Geographical Information System (GIS) Enhancements: Added additional features to LRPD GIS to provide a seamless production of routine reports.	Completed
911 Computer-Aided Dispatch (CAD) System Upgrade: Upgraded the LRPD Computer-Aided Dispatch System 911 hardware operating system and database (Oracle) version in two (2) locations for redundancy. In addition, all Windows XP CAD (911) clients will be replaced with Windows 7 clients to insure the security of the CAD system.	Completed
Cartegraph: Implement the Code Enforcement Application for the Housing & Neighborhood Programs Department.	Completed
Predictive Analytic System: Constructed an in-house Predictive Analytic System utilizing information from existing LRPD, LRFD and Housing data sets.	Completed
City-Wide Website Upgrade: Work with the vendor to upgrade the City's website to a mobile-friendly version.	Ongoing

2015 Department Priorities (Continued)	Status
Two-Way Interface from Cartegraph to 311: Create a two (2) way interface from Cartegraph to 311.	Other (please explain)
John Barrow - West Central Community Center: Assess the technical requirements for the new West Central Community Center.	Ongoing
Pankey Police Substation: Assess the technical requirements for the new facility.	Ongoing
Open Data System: Implement an Open Data System that can publish data sets for the citizens of Little Rock, utilizing standard views, mapping tools and file formats.	Ongoing

2016 Department Goals
Community Programs Management Information System (Cloud Based) 2nd Phase: Implement the Grants Management module provided by nFocus.
Little Rock Fire Department Records Management System Update: Work with LRFD to update their Records Management System. This process will take multiple years to complete.
City-Wide Website Upgrade: Work with the vendor to upgrade the City's website to a mobile-friendly version.
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.
John Barrow - West Central Community Center: Assess the technical requirements for the new West Central Community Center.
Pankey Police Substation: Assess the technical requirements for the new facility.
What Works Cities Initiative: Coordinate the City's effort to move forward with What Works Cities Initiative for performance measurement and open data.
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.
Southwest Police Station (SWPS), Southwest Community Center and LRIT(Little Rock Information Technology) 2 Fiber: Work with vendor to install franchise fiber to connect SWPS and Southwest Community Center to the City's network.

2016 Department Goals (Continued)

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.

LRPD 33 New Vehicles: Coordinate with LRPD on the deployment of the technology in the new police vehicles.

Computer Aided Dispatch System Upgrade: LRPF, 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.

Zoo Point of Sales (POS) System: Continue to work with Zoo to implement their new POS system.

Planning Software: Assist Planning Department with technical specifications for a new software system for their department.

Lawson Upgrade: Work with Finance Department and vendor to move the Lawson system to the latest version of the software.

System Wide Electronic HR Announcement Board: Work with HR Department to identify a vendor to supply a citywide digital announcement system.

Outside Agency Module for Police Record Management System (RMS): Develop a module of the Police RMS for use by Prosecuting Attorney's Office and other outside agencies that need access to that data.

Fire Suppression System for LRIT Building: Replace approximately 30 year old system which is currently in the facility.

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.

Department: Information Technology
Funding Source: General Fund
Budget: \$4,843,151

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.

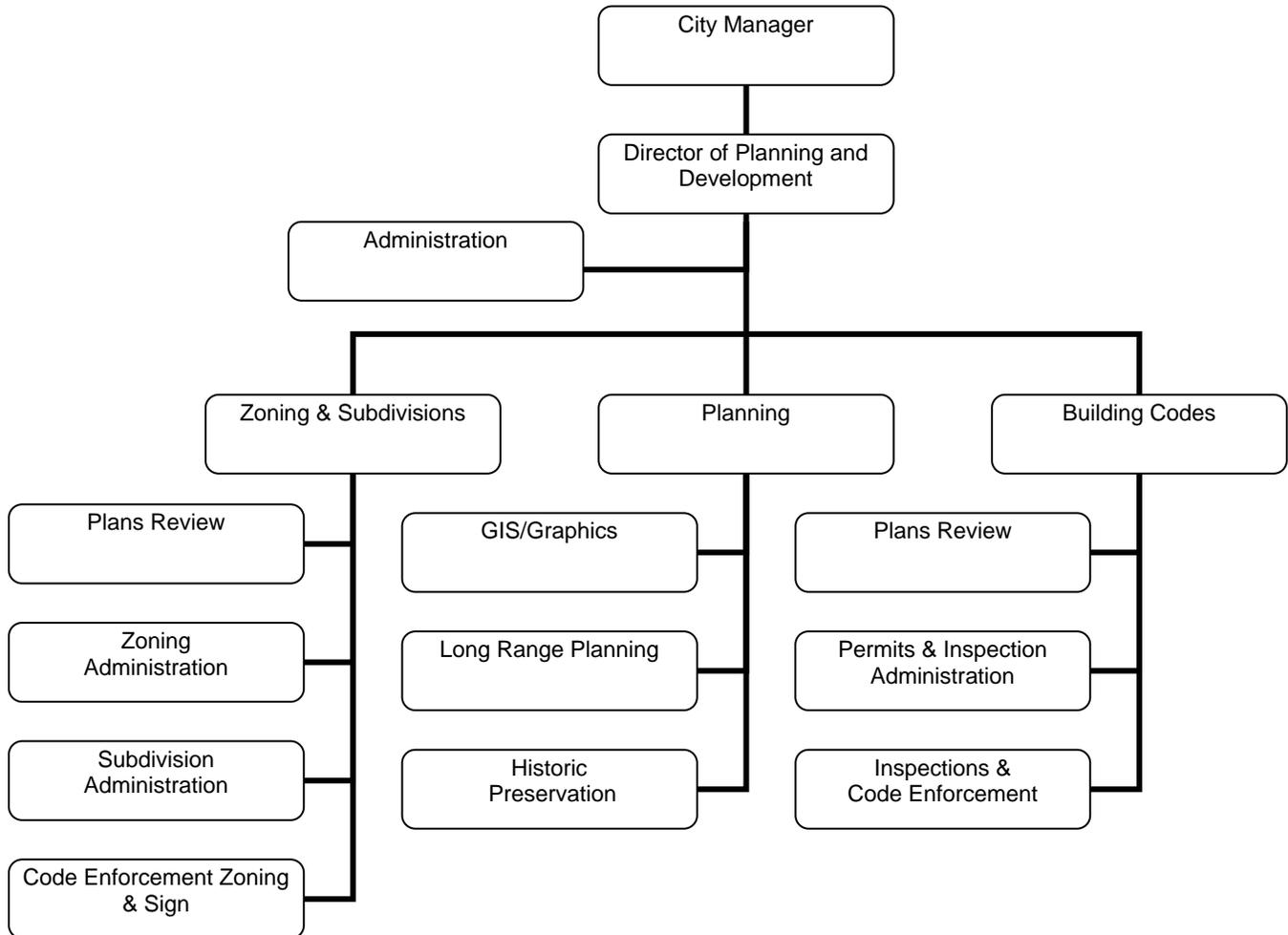
	2014 Actual	2015 Budget	2016 Budget
Objective: To insure that the City's local area computer network is available 99% of the available work hours.			
Demand: Hours available in the work year.	8,760	8,760	8,760
Workload: Hours available for use per year.	8,760	8,760	8,760
Efficiency: Actual hours available for use per year.	8,730	8,745	8,672
Effect/Outcome: Percentage network is available during work hours.	99%	99%	99%
Objective: To insure that 97% of the city staff trouble tickets receive a satisfactory or better rating.			
Demand: Number of trouble ticket per year.	7,274	6,066	8,300
Workload: Number of ticket processed within the year.	7,199	5,986	8,300
Efficiency: Number of satisfactory or better tickets.	7,127	6,042	8,247
Effect/Outcome: Percent of satisfactory or better rated tickets.	99%	99%	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

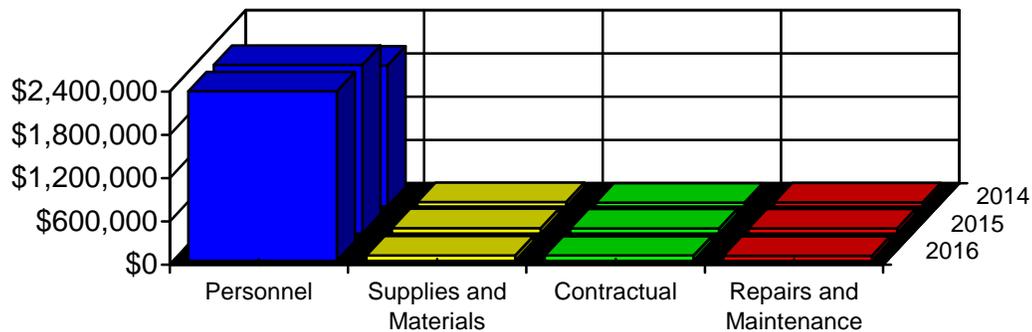
Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$1,955,463	\$2,339,473	\$2,352,041
Supplies and Materials	62,338	77,665	73,122
Contractual	51,720	73,057	71,236
Repairs and Maintenance	55,954	73,997	69,900
Capital	8,986		
Total	\$2,134,460	\$2,564,192	\$2,566,299

Staffing	39	39	39
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Approximately \$12,600 of the personnel cost increase is attributed to salary and benefit cost changes for non-uniform employees. The decrease in Fleet fuel and services is attributed to lower gas prices. The City Beautiful contribution was reclassified from the General Government Department to the Planning Department in 2016.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	<u>\$2,566,299</u>	<u>0.08%</u>

2015 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
Continue to work on the implementation of the Historic Preservation Plan.	Ongoing
Complete the review of the MacArthur Park Design Guidelines with a consultant and work on a local ordinance district around Central High School.	Ongoing
Completed the review of the area east of I-530/Union Pacific Railroad and initiated a second land use plan area review. Reviewed the land use classifications for possible consolidations.	Completed
Collaborated with Planning Commission, City Beautiful Commission and Board of Directors on any needed review of the ordinances and amendments to the Urban Use District that address the Technology Park; and other uses not currently defined in the zoning ordinance.	Completed
Staff reviewed and processed 230 requests for rezoning, conditional uses, variances, preliminary plats and planned developments.	Completed
Adopt the 2015 International Property Maintenance Code, the Arkansas Mechanical Code and Arkansas Plumbing and Gas Codes.	Ongoing
Continue to work on various planning efforts or groups, including a design overlay district for Kanis Road, a neighborhood action plan for the Wright Avenue area and the Jump Start Action Plan.	Ongoing
Continue to be involved with the Main Street Revitalization Committee and Subcommittees; (Downtown Little Rock Partnership).	Ongoing
Continue to work on the development of possible design overlay districts for Main Street and Kanis Road. Review the River Market Design Overlay District for possible changes to the signage section.	Ongoing
Completed software update of ArcGIS for desktop to the current version for the department and data clean-up of zoning GIS (graphic information system) data to improved accuracy.	Completed

Department: Planning and Development
Funding Source: General Fund
Budget: \$2,566,299

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

	2014 Actual	2015 Budget	2016 Budget
Objective: To process 95% of all applications within forty-five (45) days.			
Demand: Land Use, Historic District, and River Market District cases to be processed.	23	33	30
Workload: Land Use, Historic District, and River Market District cases processed.	23	33	30
Efficiency: Cases reviewed/completed per month.	2	3	2.5
Effect/Outcome: Completion of cases	100%	100%	100%
Objective: To process all inspection request within one (1) day.			
Demand: Building, Plumbing Mechanical, and Electrical inspection requests possible.	13,601	14,000	14,000
Workload: Building, Plumbing Mechanical, and Electrical inspection requests completed.	13,601	14,000	14,000
Efficiency: Inspection requests completed per year.	13,601	14,000	14,000
Effect/Outcome: Percentage of requests completed.	100%	100%	100%
Objective: To complete zoning, subdivision, and sign code enforcement inspections, and re-inspections within policy-directed time frames.			
Demand: Zoning, subdivision and sign code inspections and re-inspections to be completed.	5,200	4,500	5,000
Workload: Zoning, subdivision and sign code inspections, and re-inspections completed.	5,200	4,500	5,000
Efficiency: Cases processed per year.	5,200	4,500	5,000
Effect/Outcome: Compliance and completion of cases.	100%	100%	100%
Objective: 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.			
Demand: Processing of Conditional Use, Tower Use, Special Use, Variances, Preliminary or Final Plats, Planned Developments and Site Plan Reviews.	273	230	230
Workload: Total Cases available per year.	273	230	230
Efficiency: Cases processed per year.	273	230	230
Effect/Outcome: Compliance and completion of cases.	100%	100%	100%

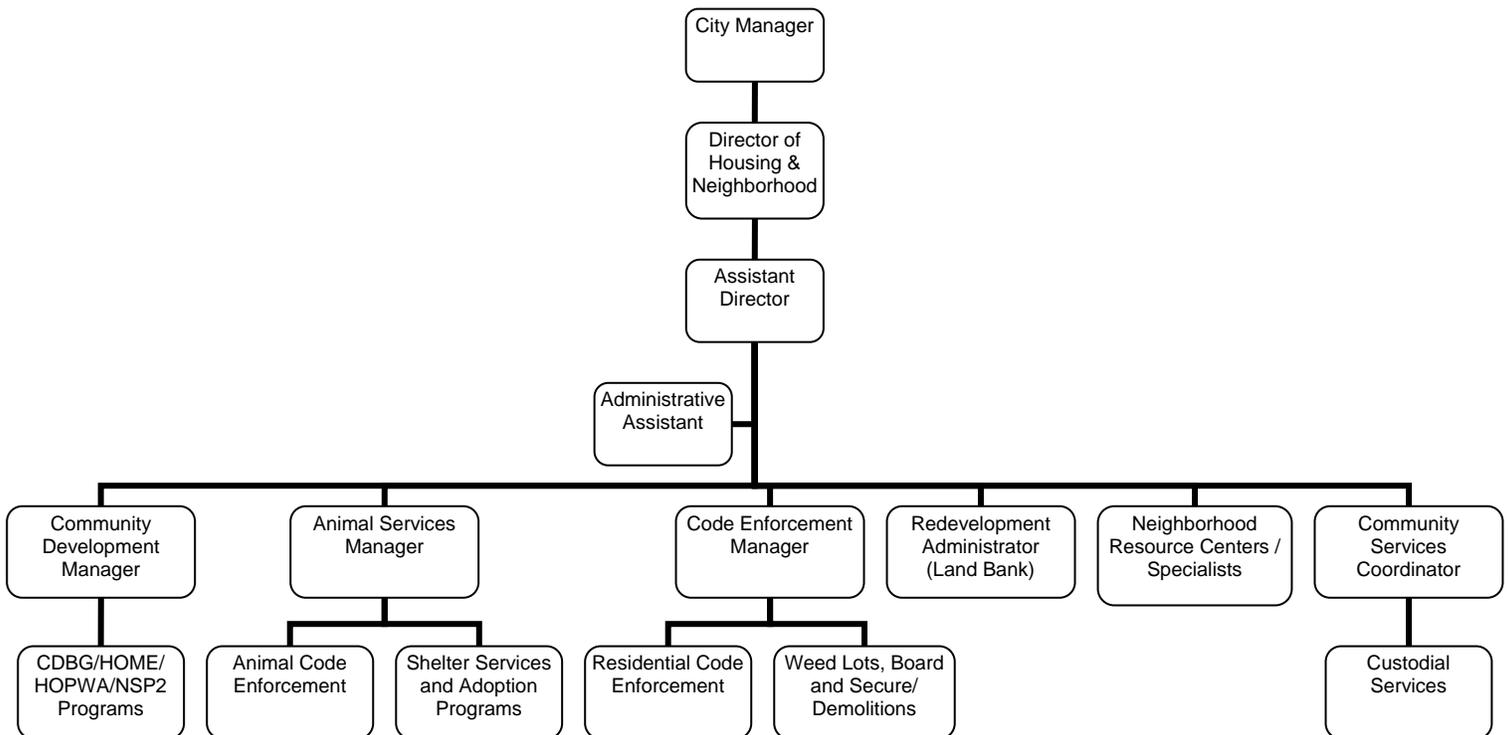
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for
 Basic City Services.**



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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

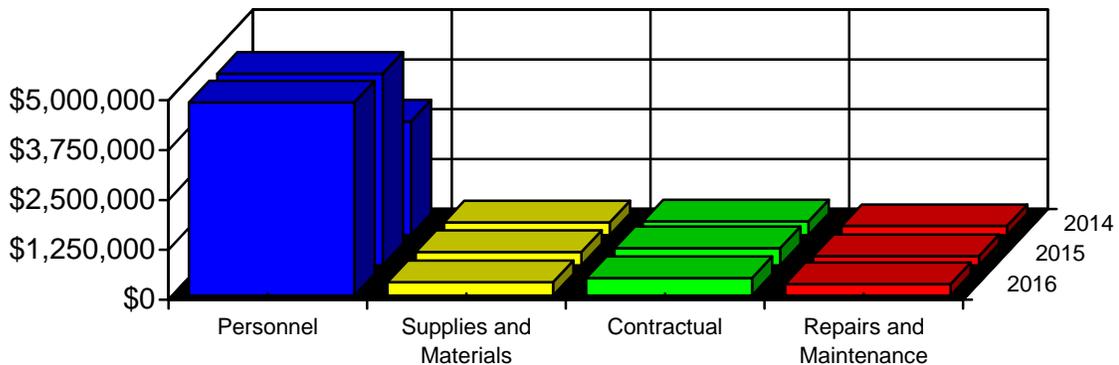
Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$3,844,706	\$4,796,086	\$4,830,653
Supplies and Materials	316,485	334,671	337,134
Contractual	339,536	429,866	434,686
Repairs and Maintenance	225,800	229,766	263,725
Total	\$4,726,527	\$5,790,389	\$5,866,198

Staffing	2014	2015	2016
	103	104	105

Approximately \$34,600 of the personnel increase is attributed to salary and benefit changes for non-uniform employees, including the cost of an Animal Village Kennel Technician position and bi-lingual pay differential for code enforcement employees. Other changes reflect the reduction in Fleet fuel cost and an increase in postage for code enforcement notices and maintenance of the Animal Village facility.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	<u>\$5,866,198</u>	<u>1.31%</u>

2015 Department Priorities	Status
Continue publishing departmental newsletter.	Ongoing
Implement program to recognize Love Your Block projects.	Ongoing
Produced Public Service Announcements for Housing and Neighborhood Programs services.	Completed
Explored and improved methods and materials for Board and Secure program.	Completed
Established a team and addressed issues with mobile home parks and individual units.	Completed
Continue to improve code enforcement efficiency with technology.	Ongoing
Completed a Consolidated Five Year Plan for use of U.S Department of Housing and Urban Development (HUD) funds.	Completed
Continue to make Land Bank properties available through lien foreclosures and quiet title actions.	Ongoing
Continue to increase adoptions with partnerships with PetsMart Charities and other local partners.	Ongoing
Complete the construction of a quarantine intake area to separate certain types of dogs.	Ongoing
Install generator at Little Rock Animal Village to provide power in case of power failure. (Generator is currently being installed at the time of this writing).	Other please explain

Department: Housing and Neighborhood Programs
Funding Source: General Fund
Budget: \$5,866,198

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: To inspect neighborhood rental property.			
Demand: Rental property to be inspected.	1,500	1,500	1,500
Workload: Rental property inspected.	1,293	1,334	1,1500
Efficiency: Average Rental property inspected per month.	108	111	125
Effect/Outcome: Percentage of rental inspections completed yearly.	86%	89%	100%
Objective: To enforce nuisance codes through property inspections.			
Demand: Nuisance code inspections to be performed.	22,000	18,000	18,000
Workload: Nuisance code inspections performed.	16,198	13,641	18,000
Efficiency: Average nuisance code inspections done per month.	1,349	1,137	1,500
Effect/Outcome: Percentage of nuisance code inspections completed annually.	74%	76%	100%

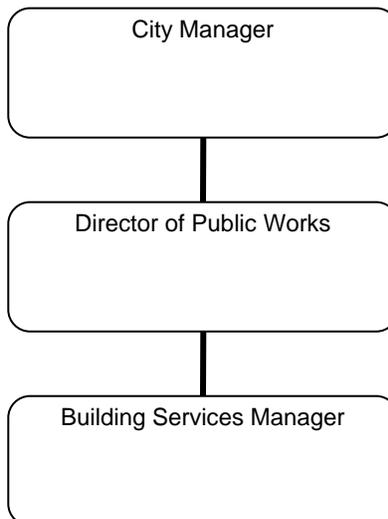
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City and Basic City Services.**



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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

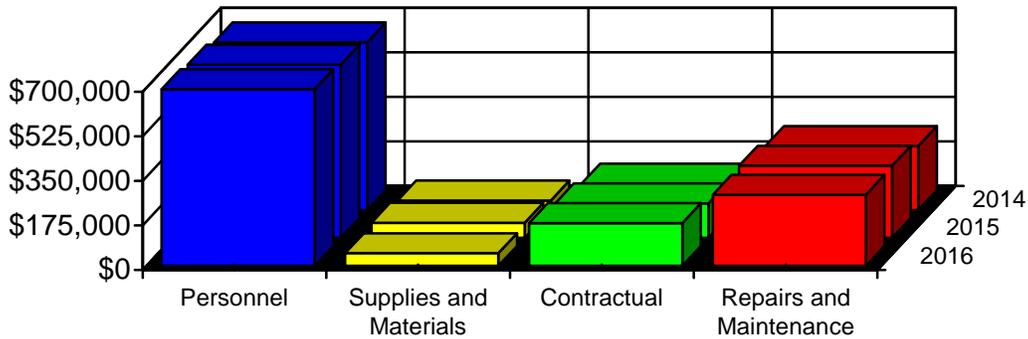
Expenditure Budget - General Fund

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$657,860	\$680,608	\$693,838
Supplies and Materials	37,343	59,758	49,843
Contractual	103,814	135,690	167,924
Repairs and Maintenance	251,042	283,866	279,495
Total	\$1,050,059	\$1,159,922	\$1,191,100

Staffing	2014	2015	2016
	13	13	13

There is an increase of approximately \$13,250 attributed to salary and benefit cost changes for non-uniform employees. The Fleet allocation included in supplies has decreased due to reduced fuel prices. The utility allocation included in contracts has been increased for increased cost at various Neighborhood Resource Centers and other City facilities.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,191,100	2.69%

Department: Public Works
Funding Source: General Fund
Budget: \$1,191,100

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: To complete all building-related service work orders in a timely fashion.			
Demand: Work orders to be completed from City departments.	1,350	1,600	1,500
Workload: Work orders completed.	1,350	1,600	1,500
Efficiency: Work orders completed per month.	112.50	133.33	125.00
Effect/Outcome: Total percentage of work orders completed.	100%	100%	100%

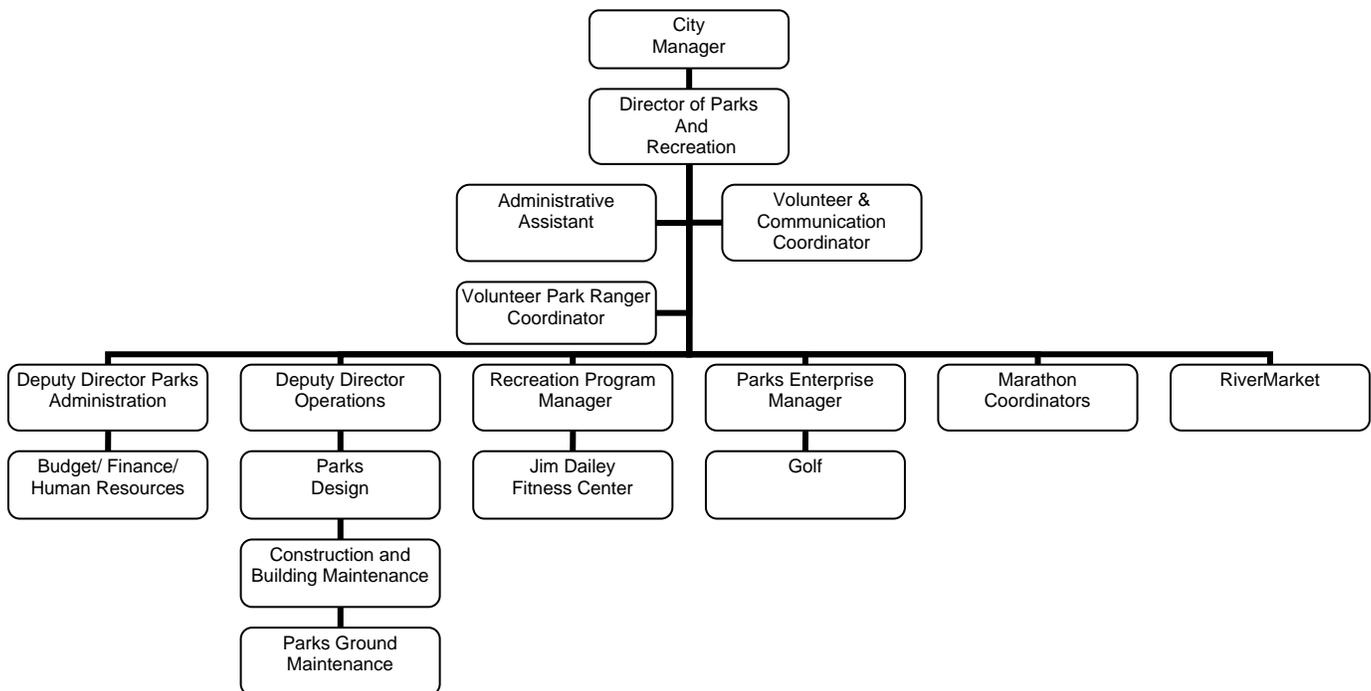
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services.**



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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

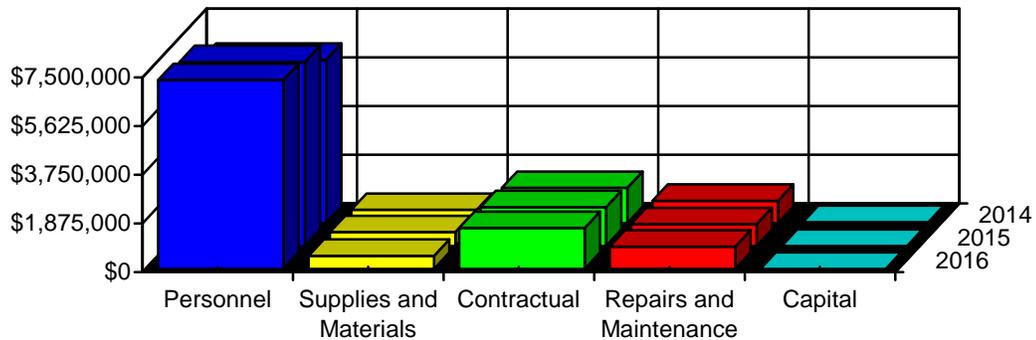
Expenditure Budget

Description	2014	2015	2016
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$6,286,671	\$7,084,495	\$7,273,199
Supplies and Materials	508,657	535,475	502,998
Contractual	1,355,886	1,495,340	1,573,921
Repairs and Maintenance	860,540	842,622	856,792
Capital	39,269	1,000	1,000
Total	\$9,051,022	\$9,958,932	\$10,207,910

Staffing	2014	2015	2016
	122	127	127

The increases in the Parks Department reflect the continuation of the new sales tax allocation to provide enhanced park maintenance and include support for the operating cost of the new West Central Community Center, expected to open in June. Approximately \$188,700 of the personnel cost increase is attributed to salary and benefit changes for non-uniform employees including the incremental cost of five (5) full-time employees and part-time program activity and maintenance personnel for the West Central Community Center. The cost for six (6)-months of operations for the West Central Community Center will be partially offset by the allocation set aside in 2015 of approximately \$128,000.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$10,207,910	2.50%



Parks and Recreation

2015 Department Priorities	Status
<p>Little Rock Parks and Recreation Master Plan: Update the 2001 Little Rock Parks and Recreation Master that is more than ten (10) years old. Plan needs to be updated to reflect progress and maintain accreditation. During the 2015 budget process the City appropriated \$150,000 to update the plan. The projected completion of the updated plan was late 2015.</p>	<p>Ongoing</p>
<p>Park Maintenance Upgrade: Continue to maintain our park system at a class "B" level which has as its goal to mow parks one (1) time every ten (10) days.</p>	<p>Ongoing</p>
<p>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.</p>	<p>Ongoing</p>
<p>West Central Community Center: Begin construction of West Central Community Center latter part of 2015.</p>	<p>Ongoing</p>
<p>Little Rock Parks and Recreation Accreditation: Begin process for 2016 re-accreditation.</p>	<p>Ongoing</p>
<p>MacArthur Park Master Plan: Continue the implementation of the MacArthur Park Master Plan. Staff will continue to work with the MacArthur Group to implement the plan.</p>	<p>Ongoing</p>
<p>Western Hills Park Master Plan: Complete the Western Hills Park Master Plan.</p>	<p>Ongoing</p>
<p>Little Rock Marathon Improvements: Increased Little Rock Marathon participation and revenue by 10% in 2015.</p>	<p>Completed</p>
<p>Summer Playground Program: Operated 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).</p>	<p>Completed</p>
<p>Parks and Recreation Playground Inspection Program: Conducted a thorough and detailed annual inspection of every playground within Parks and Recreation inventory.</p>	<p>Completed</p>
<p>Lights on After School: Continuation of the "Lights on After School" initiative, will continue to promote the critical importance of quality after-school programs within the lives of children, their families and community.</p>	<p>Ongoing</p>



Parks and Recreation

2016 Department Goals
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.
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.
West Central Sports Complex: Complete construction of the West Central Community Center in 2016.
Little Rock Parks and Recreation Accreditation: Achieve departmental re-accreditation.
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 2016 Little Rock Marathon participation and revenue by 10%.
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).
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 will continue to promote the critical importance of quality after-school programs within the lives of children, their families and community.
Coleman Creek Restoration: Complete Coleman Creek restoration within War Memorial Park.
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.
Increase volunteerism support/hours to the Parks and Recreation Department by ten (10%) and host the Annual Volunteer Appreciation Luncheon.

Department: Parks and Recreation
Funding Source: General Fund
Budget: \$10,207,910

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, program design, cultural museum, the Little Rock Marathon, and various parks enterprises.

	2014 Actual	2015 Budget	2016 Budget
Objective: 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.			
Demand: Total recreational opportunities available.	347,817	344,441	368,531
Workload: Recreational opportunities attended.	319,329	315,239	337,306
Efficiency: Average seasonal attendance.	79,941	70,933	75,898
Effect/Outcome: Percentage of attendance versus opportunities available.	92%	92%	92%
Objective: Evaluate and upgrade existing capital projects based on need and fund availability.			
Demand: Capital projects to be managed annually.	53	49	44
Workload: Actual projects managed annually.	3	3	3
Efficiency: Projects actively managed monthly.	3	3	3
Effect/Outcome: Percentage of capital projects managed.	6%	6%	7%
Objective: Mow each park every ten (10) days during the mowing season.			
Demand: Number of desired mowing cycles.	21	22	22
Workload: Number of mowing cycles.	21	22	22
Efficiency: Number of monthly mowing cycles completed.	3	3	3
Effect/Outcome: Percentage of annual mowing cycles completed	100%	100%	100%

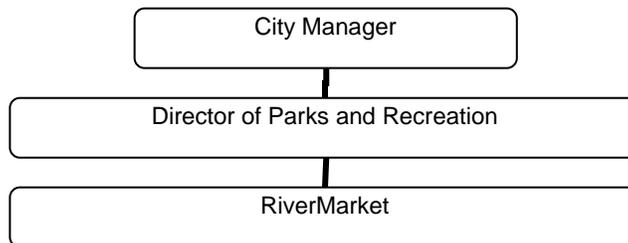
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for
Quality of Life.**



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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

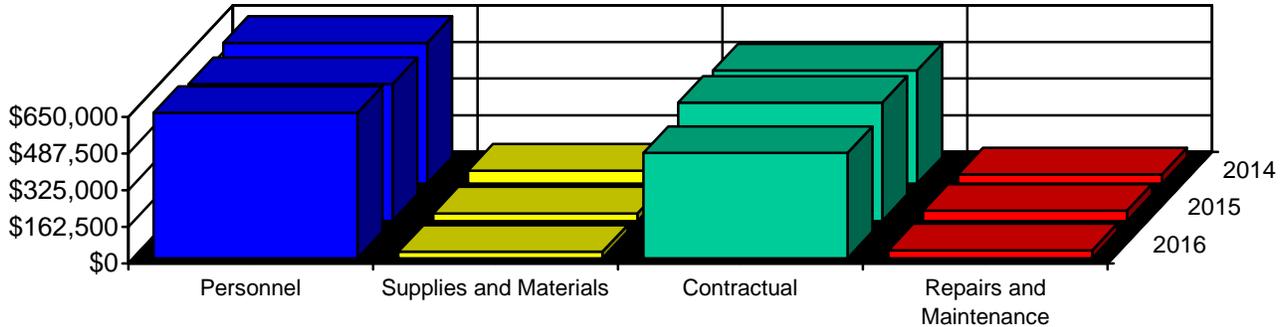
Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$624,326	\$606,419	\$644,331
Supplies and Materials	58,965	33,000	28,900
Contractual	502,085	524,300	466,514
Repairs and Maintenance	41,853	45,445	35,000
Total	\$1,227,229	\$1,209,164	\$1,174,745

Staffing	0	0	0
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Little Rock Convention and Visitor's Bureau (LRCVB) will continue to operate the RiverMarket in 2016. The City's committed funding level remains at \$250,000.

Total Allocations By Fiscal Year And Account Category

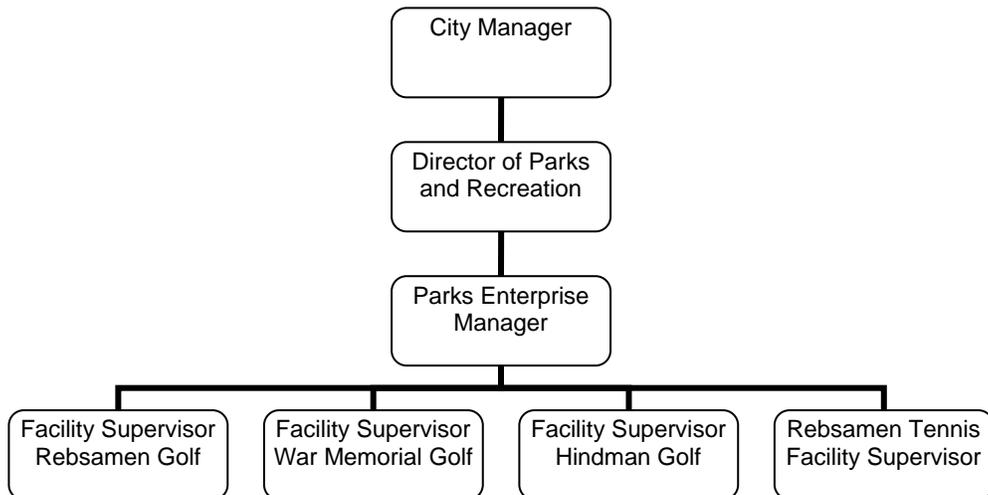


Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$1,174,745	-2.85%

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Golf



Mission Statement

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

Golf

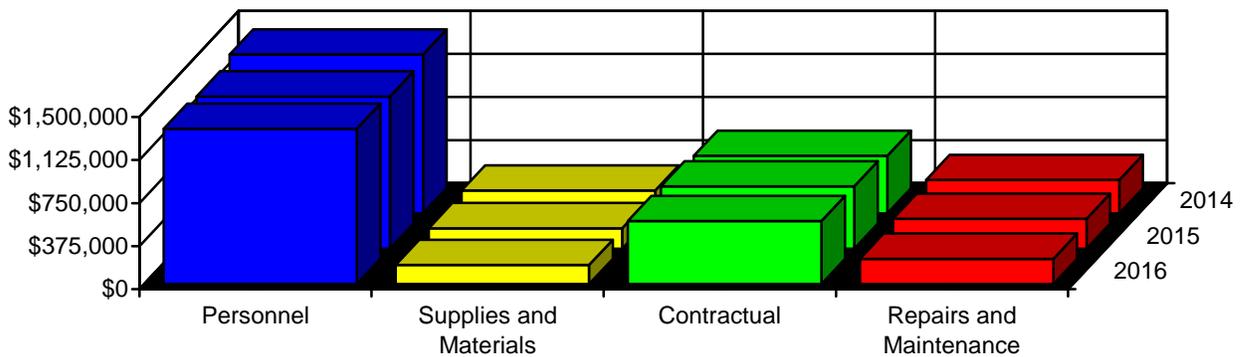
Expenditure Budget

Description	2014	2015	2016
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$1,384,489	\$1,326,977	\$1,353,540
Supplies and Materials	199,347	178,443	165,869
Contractual	501,314	543,384	548,832
Repairs and Maintenance	291,162	260,100	220,072
Total	\$2,376,312	\$2,308,904	\$2,288,313

Staffing	21	22	22
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Approximately \$26,600 of the 2016 personnel cost increase is attributed to salary and benefit cost changes for non-uniform employees. The Fleet fuel allocation included in supplies decreased due to reduced fuel prices. In addition, the Parks Department plans to pursue reconstruction of the greens at War Memorial Golf Course with special project funds at an estimated cost of approximately \$100,000.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$2,288,313	-0.89%

Department: Golf
Funding Source: General Fund
Budget: \$2,288,313

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: To provide affordable golfing experiences for the citizens of Little Rock.			
Demand: Projected golf rounds.	70,000	63,000	55,000
Workload: Actual golf rounds.	55,808	53,704	55,000
Efficiency: Average rounds per month.	4,651	4,475	4,583
Effect/Outcome: Percentage of actual rounds of golf.	80%	85%	100%

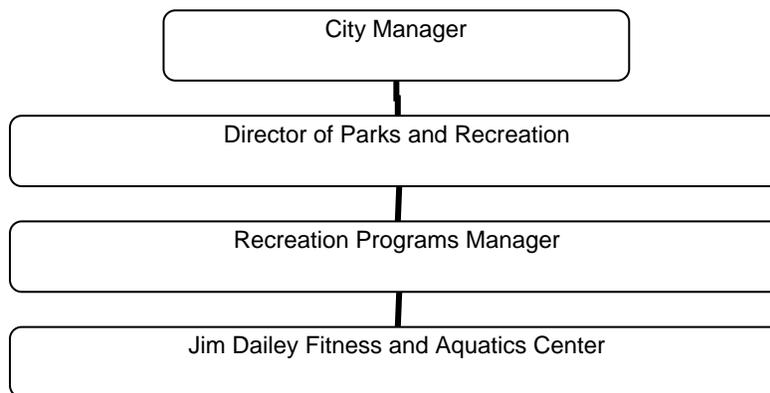
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for
Quality of Life.**



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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

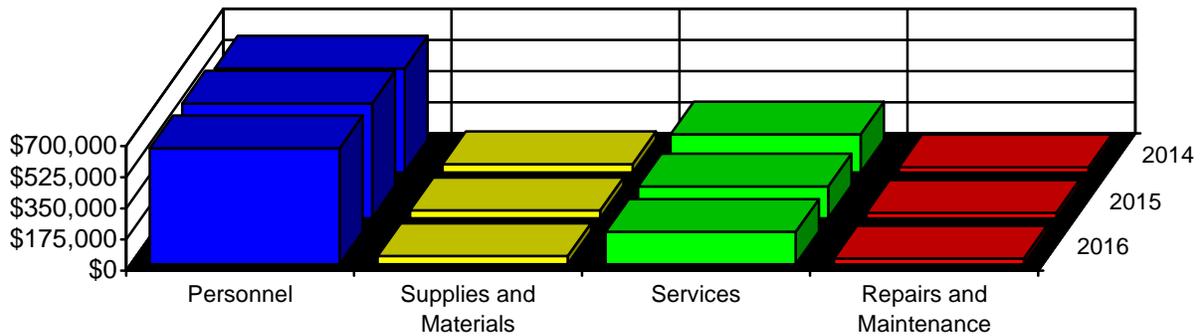
Expenditure Budget

Description	2014	2015	2016
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$584,970	\$645,220	\$651,416
Supplies and Materials	46,584	44,885	44,825
Contractual	215,002	179,307	181,491
Repairs and Maintenance	28,371	31,715	31,814
Total	\$874,928	\$901,127	\$909,546

Staffing	9	9	9
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Approximately \$6,200 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 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$909,546	0.93%

Department: Jim Dailey Fitness Center
Funding Source: General Fund
Budget: \$909,546

Department Description:

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

	2014 Actual	2015 Budget	2016 Budget
Objective: 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.			
Demand: Potential Program attendance capacity.	113,668	163,933	163,933
Workload: Actual program attendance.	81,000	105,296	110,000
Efficiency: Attendance per month.	10,367	11,381	11,381
Effect/Outcome: Percentage of actual attendance over potential attendance.	71%	64%	67%

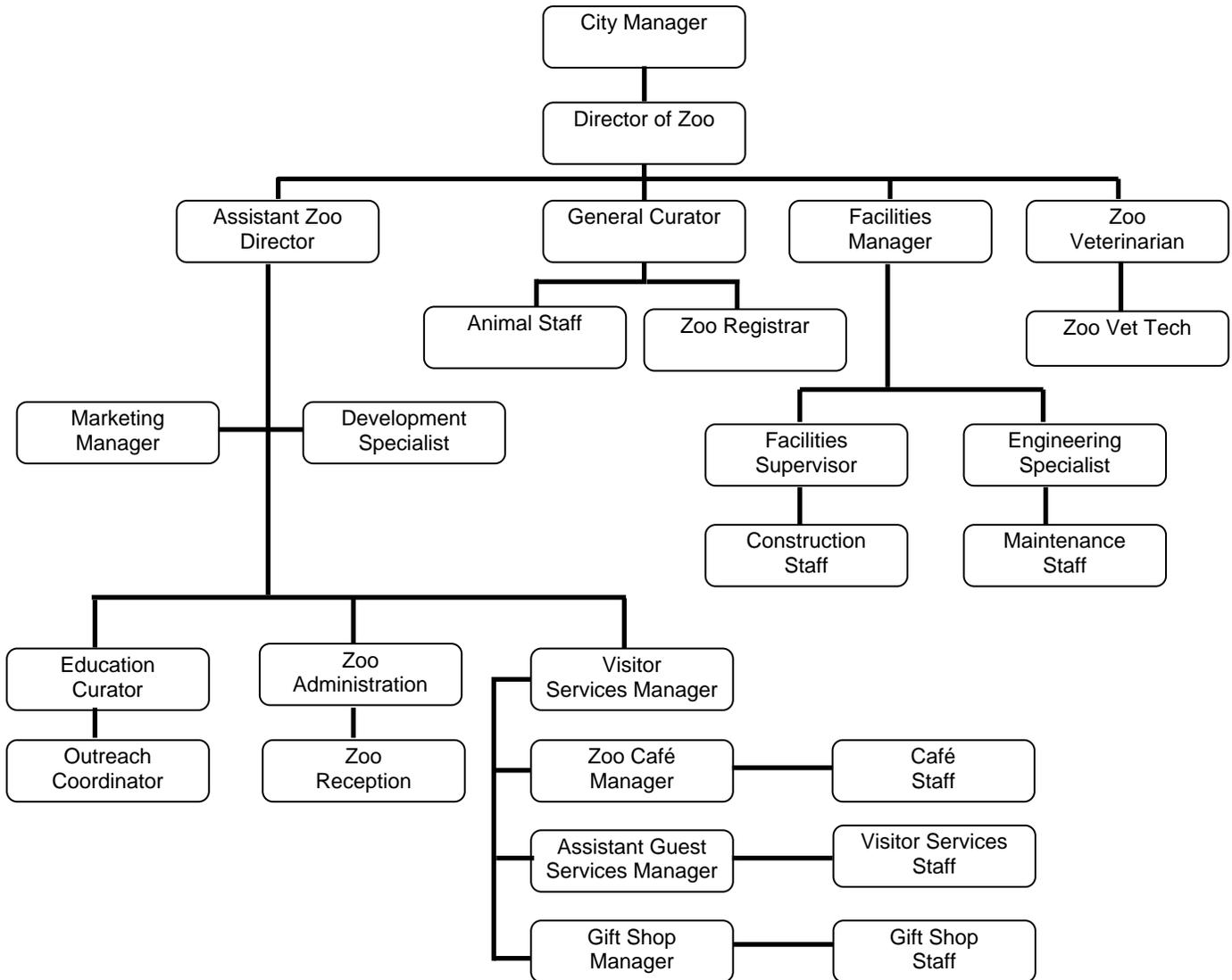
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Zoo



Mission Statement

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

Zoo

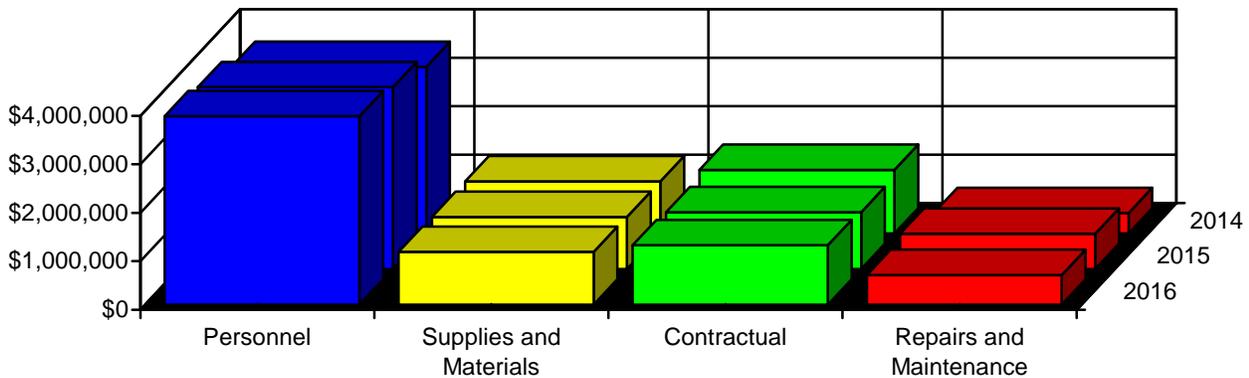
Expenditure Budget

Description	2014	2015	2016
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$3,437,878	\$3,754,832	\$3,889,437
Supplies and Materials	1,075,577	1,078,267	1,087,025
Contractual	1,312,805	1,170,648	1,223,389
Repairs and Maintenance	420,690	729,980	610,190
Capital Outlay	299,256	0	0
Total	\$6,546,205	\$6,733,727	\$6,810,041

Staffing	2014	2015	2016
	59	61	61

Approximately \$134,600 of the increased personnel cost is associated with salary and benefit changes for non-uniform employees. Funding for new positions and deferred maintenance supported by the 5/8-cent sales tax have been continued in 2016. The reduction in the Fleet allocation is due to a decrease in fuel prices.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$6,810,041	1.13%

2015 Department Priorities	Status
Continue implementation of Zoo's Master and Strategic Plan.	Ongoing
Constructed a new Arkansas Heritage Farm.	Completed
Initiated a staff development program for periodic and professional development.	Completed
Modified giraffe yard to facilitate a temporary camel and reticulated python exhibit.	Completed
Acquire a new black rhinoceros and relocate primates.	Ongoing
Fill vacant managerial positions to include an Assistant Zoo Director.	Completed
Continue to establish new events and outreach programs targeted to the minority and underserved communities.	Ongoing
Hire a Director of Development for the Zoo.	Not Completed

Department: Zoo
Funding Source: General Fund
Budget: \$6,810,041

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: To track annual admission revenue.			
Demand: Anticipated annual admission revenue.	\$1,976,640	\$1,659,600	\$1,702,700
Workload: Actual annual admission revenue.	\$1,925,941	\$1,688,910	\$1,702,700
Efficiency: Average revenue per month.	\$160,495	\$140,743	\$141,892
Effect/Outcome: Percentage of workload over demand.	97%	74%	100%

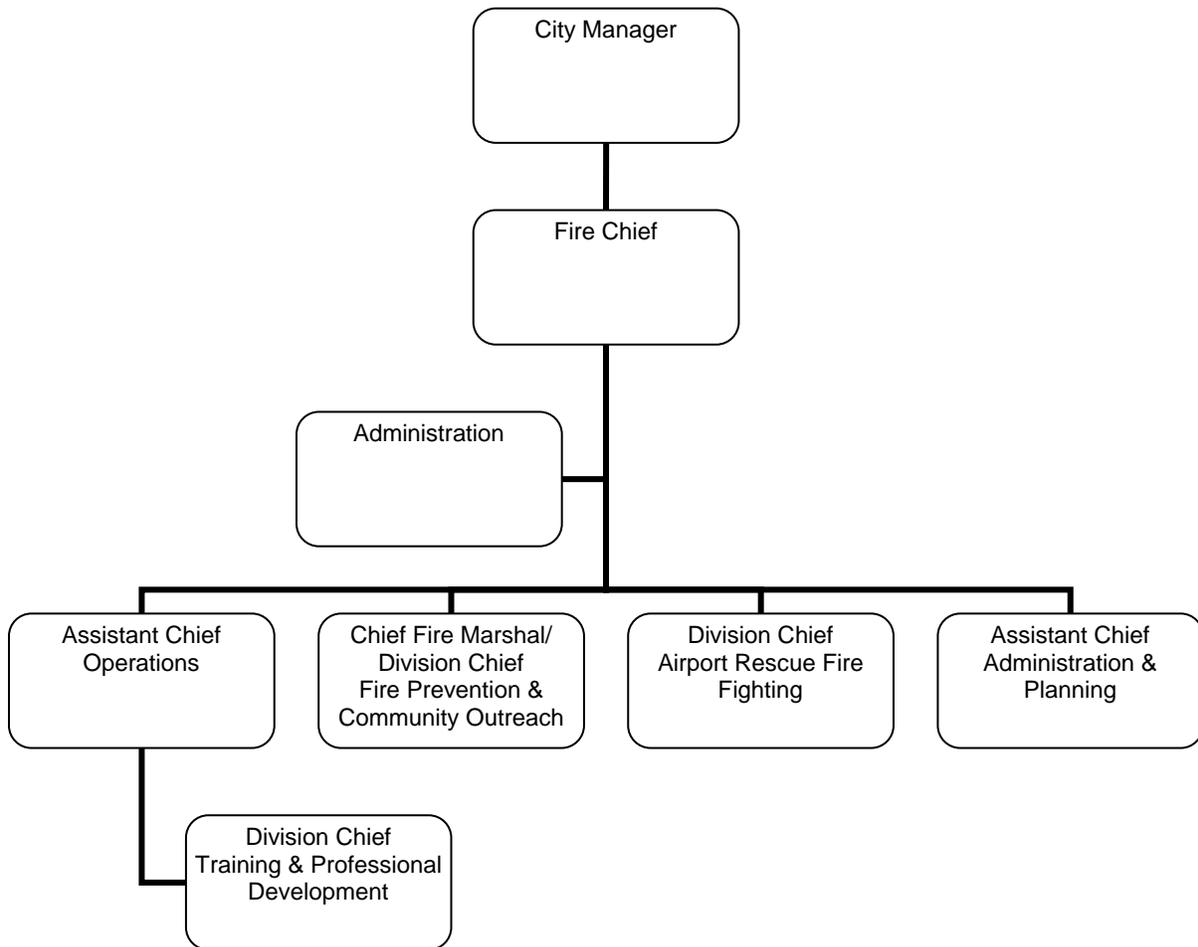
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Quality of Life.**



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Fire



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

Fire

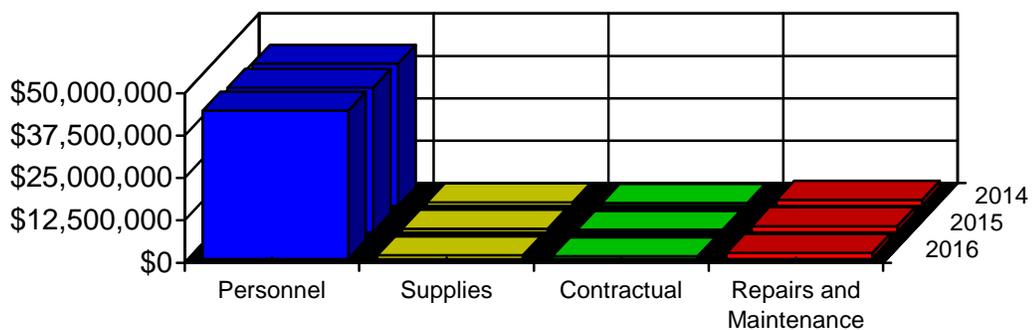
Expenditure Budget

Description	2014	2015	2016
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$41,892,744	\$42,680,541	\$43,752,478
Supplies and Materials	991,288	1,032,706	1,073,802
Contractual	792,904	739,250	771,010
Repairs and Maintenance	1,780,319	1,779,756	1,768,554
Capital	7,672	0	0
Total	\$45,464,926	\$46,232,253	\$47,365,844

Staffing	2014	2015	2016
	421	421	421

Approximately \$1.07 million 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 \$150,000. Other increases include additional funding for protective clothing, medical supplies, and cellular service for Streetwise, and CADlink for apparatus. In addition, funding for replacement of Self Contained Breathing Apparatus (SCBA) equipment will be provided by the issuance of short-term financing in 2016.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$47,365,844	2.45%

2015 Department Priorities	Status
Expand the Fire Safety Education Initiative, the smoke alarm installation program, to include hard of hearing, persons with physical disabilities and non-English speaking immigrant groups.	Ongoing
Established a Hispanic Fire Safety Day in conjunction with "Cinco De Mayo".	Completed
Develop a program titled "Put Me In Chief" to provide a free cardiopulmonary resuscitation (CPR) class to teach civilians how to save the life of an adult or child.	Ongoing
Complete an extensive professionally prepared annual report for distribution to constituent stakeholders.	Ongoing
Review and update current policies and procedures.	Ongoing
Implement a more extensive inspection and cleaning program of all personal protective equipment including turnouts, helmets, hoods, gloves and boots assuring that they remain in compliance with legal requirements.	Ongoing
All divisions within the Little Rock Fire Department (LRFD) established a mission statement to ensure that the goals and objectives of the division were met.	Completed
Implemented an annual inspection of all fire stations by LRFD Fire Marshals and City Building Code Inspectors to ensure fire code and building code compliance.	Completed
Provided Fire Officer I training to all members successfully completing the promotional process to Captain.	Completed
Initiate a mental awareness campaign: "We Are One" by establishing an internal peer support group.	Ongoing

2016 Department Goals

Creative Use of Information Technology (IT): Use technology to ensure the effective delivery of emergency response services. Work with our IT department to purchase I-pads for fire inspectors enabling more efficient inspection reporting and issuing violation notices. Collecting data on-site and uploading information in real-time.

Annual Employee Recognition Program: Appreciation of employees is a fundamental human need. Firefighters respond 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.

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).

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're scheduled to continue phase in of the 2013 version of the SCBA for all existing inventory.

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.

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.

Department: Fire
Funding Source: General Fund
Budget: \$47,365,844

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: Train certified personnel to meet the individual training hours required by Insurance Services Organization (ISO) and improve the competence level of the workforce.			
Demand: Total number of hours of training completed.	88,356	88,356	88,356
Workload: Total number of hours of individual training required per year.	144,878	144,878	144,878
Efficiency: Average number of training hours per person.	364	364	364
Effect/Outcome: Percentage of training hours vs. required hours.	164%	164%	164%
Objective: Fire Marshals Division perform inspections of commercial structures including schools, daycare centers, nursing homes, high-rise buildings, and hospitals.			
Demand: Number of inspections on commercial structures required annually.	2,673	2,718	2,854
Workload: Commercial Building and Structures inspected annually.	6,988	6,638	6,970
Efficiency: Commercial Building and Structures inspected per month.	582	553	581
Effect/Outcome: Percentage of inspections completed annually.	261%	244%	244%

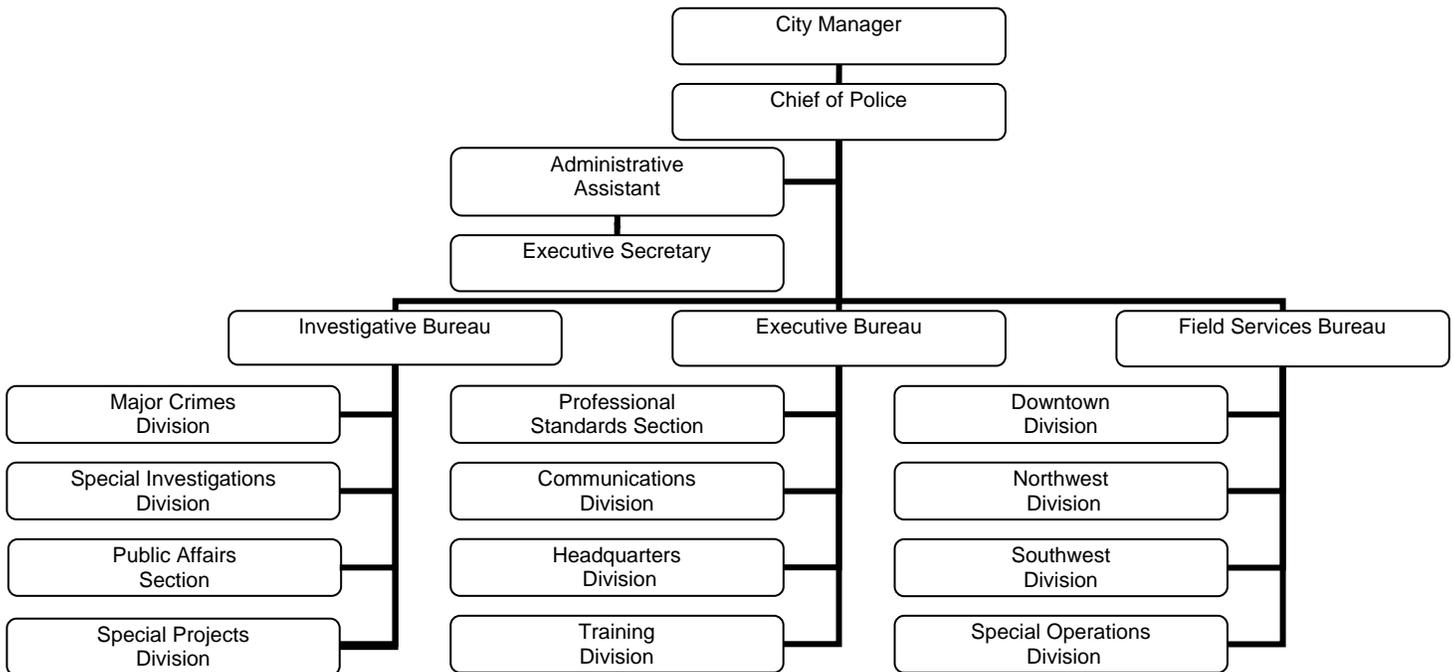
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**



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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

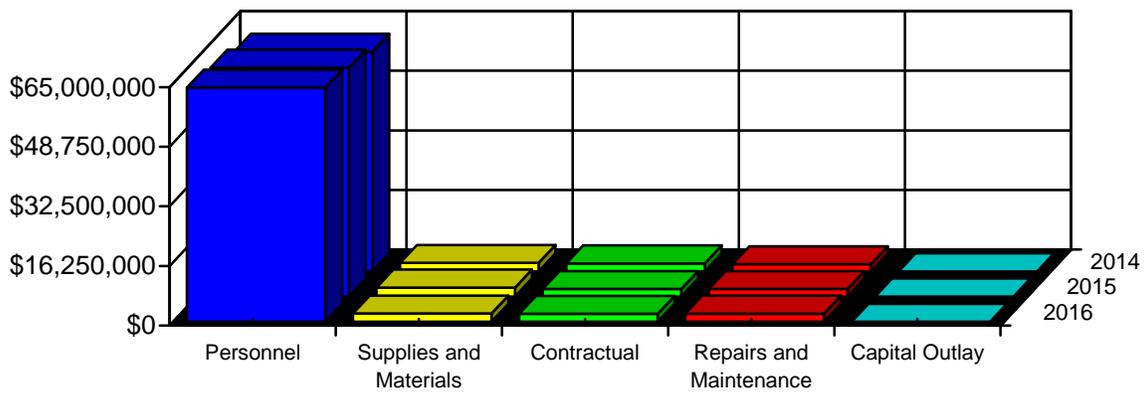
Expenditure Budget

Description	2014	2015	2016
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$59,825,748	\$62,365,348	\$63,858,106
Supplies and Materials	2,275,224	2,422,392	2,271,002
Contractual	2,168,377	2,044,332	2,183,403
Repairs and Maintenance	1,921,989	2,053,000	2,235,627
Capital Outlay	500		
Total	\$66,191,838	\$68,885,072	\$70,548,138

Staffing	716	717	732
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Police Department increases reflect the continued effort to fill vacant uniform and 911/311 call taker positions. In addition, approximately \$1.5 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) new COPS officers. Other cost increases include uniforms, protective gear, and equipment for the new COPS officers, increased allocations for rent and maintenance contracts, and funding for operating expenses for the new Pankey Police Substation. The reduced Fleet allocation included in supplies is attributed to a decrease in fuel prices.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
100 General Fund	\$70,548,138	2.41%

Department: Police
Funding Source: General Fund
Budget: \$70,548,138

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: To respond to high priority calls – minutes from Dispatch to arrival.			
Demand: Calls for service.	591,044	610,888	620,500
Workload: Calls for service.	591,044	610,888	620,500
Efficiency: Total response time in minutes.	7.35	6.58	6.99
Effect/Outcome: Percentage of calls with response time under 14 minutes.	100%	100%	100%

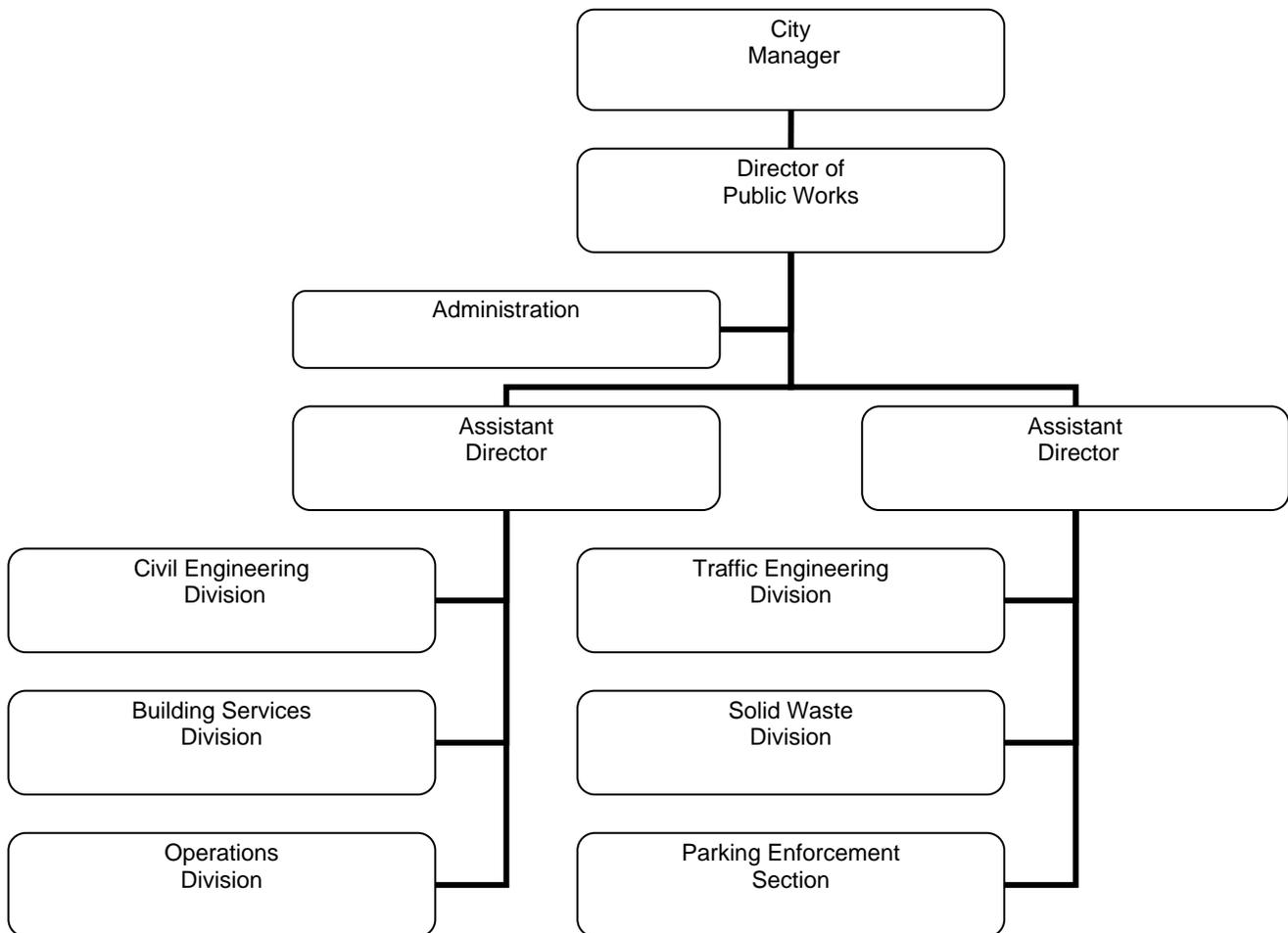
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Public Works Department



Public Works Street Fund

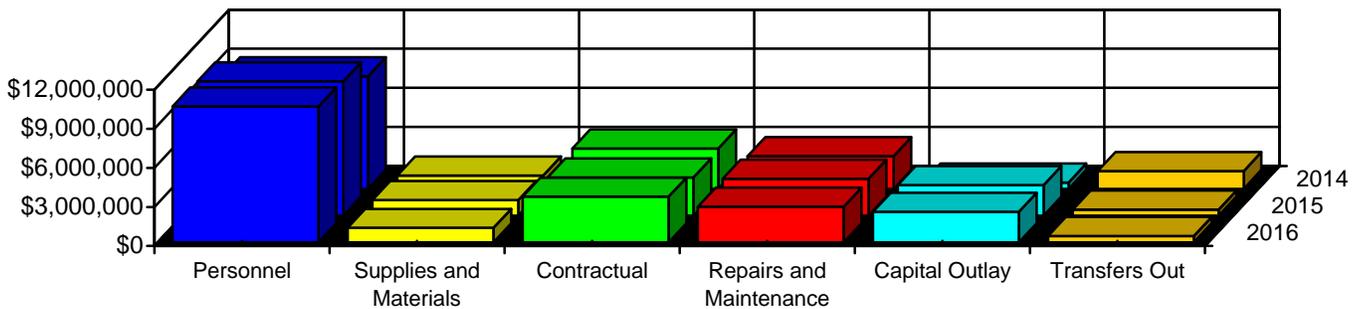
Expenditure Budget - Street Fund

Description	2014	2015	2016
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$8,639,265	\$10,291,815	\$10,410,678
Supplies and Materials	1,024,132	1,188,902	1,101,263
Contractual	3,103,302	2,931,714	3,493,056
Repairs and Maintenance	2,523,302	2,826,578	2,732,712
Capital Outlay	500,865	2,342,000	2,342,000
Debt Service	80	0	0
Transfers Out	1,375,261	469,217	477,717
Total	\$17,166,207	\$20,050,226	\$20,557,426

Staffing	213	213	214
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The 2016 Street Fund budget is balanced. Expenditure changes include an additional allocation for infrastructure and equipment from the state ½-cent sales tax. In addition, Fleet fuel cost included in supplies has been reduced due to a decrease in prices. Contract expenses have been increased for the construction of an additional salt building and to hire contract inspectors to facilitate completion of projects. Maintenance and supplies have been increased for street material and protective clothing.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
200 Street Fund	\$20,557,426	2.53%

2016 Department Goals

2014 Street Resurfacing Program: Complete the 2014 Street Resurfacing Program.

2015 Street Resurfacing Program: Complete the 2015 Street Resurfacing Program.

2016 Sidewalk Program: Coordinate the annual sidewalk program with revenue from the 2011 Sales Tax Plan.

Complete the design and move all 2013 to 2015 Bond and Sales Tax projects to construction.

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 cameras or loops.

Provide design assistance for the University Avenue Adaptive System for Traffic Signal Control.

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.).

Implement new traffic signal timing and arterial coordination plans for Chenal Parkway and the West Grid (Bowman-Chenal-Markham-Shackleford).

Work with Human Resources to hire and retain qualified Signal Technicians for long term employment with City.

Department: Public Works
Funding Source: Street Fund
Budget: \$20,557,426

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: To review and approve commercial building permits for consistency with Code requirements for streets, drainage, and environmental programs.			
Demand: Permits for review	89	90	117
Workload: Permits reviewed	89	90	117
Efficiency: Permits processed per month.	7.42	7.5	7.6
Effect/Outcome: Percentage of permits completed.	100%	100%	100%
Objective: 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.			
Demand: Annual Street Sweeping Program miles.	30,000	30,000	30,000
Workload: Sweeping Program Street Lane miles.	24,996	21,209	30,000
Efficiency: Program Miles Completed per month.	2,083	1,767	2,500
Effect/Outcome: Percentage of miles completed.	83%	71%	100%
Objective: To respond to citizen requests/complaints regarding Traffic Issues affecting neighborhoods and/or other parts of the City.			
Demand: Requests for review.	360	321	360
Workload: Requests reviewed	360	321	360
Efficiency: Requests completed per month.	30	26.75	30
Effect/Outcome: 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.**



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Fleet Services



Mission Statement

It is the mission of the City of Little Rock Fleet Services Department to provide cost efficient maintenance and repair services, quality vehicles and equipment, vehicle storage, fuel, and other fleet support services to our customers in a timely manner, while being responsible stewards of our natural resources and the tax dollars of the citizens of Little Rock.

Keeping Little Rock Rolling

Fleet Services

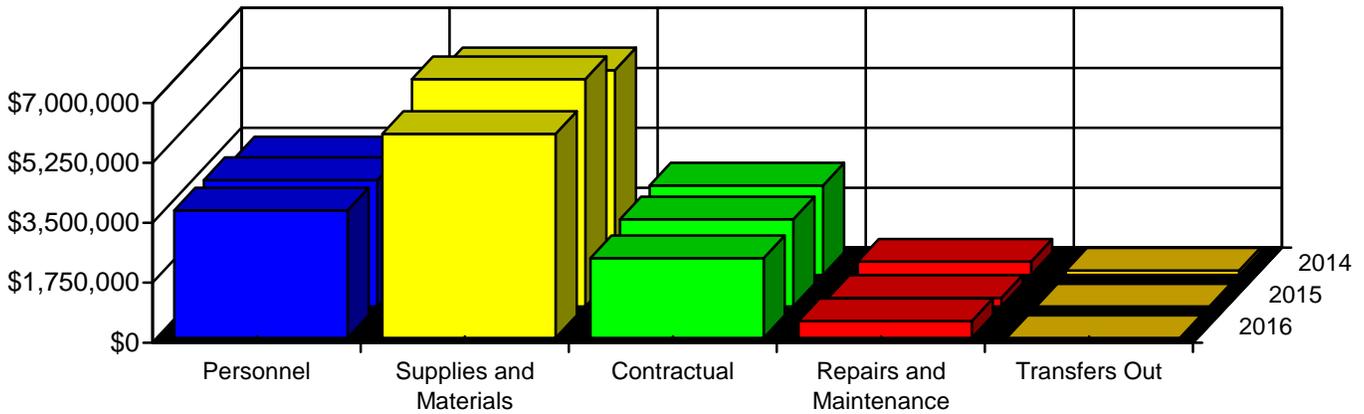
Expenditure Budget

Description	2014	2015	2016
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$3,373,489	\$3,693,450	\$3,732,290
Supplies and Materials	5,976,264	6,640,515	5,960,365
Contractual	2,607,248	2,549,210	2,339,877
Repairs and Maintenance	388,106	254,450	497,350
Depreciation	219,711	156,650	184,400
Transfers Out	124,000		
Total	\$12,688,818	\$13,294,275	\$12,714,282

Staffing	61	61	63
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The Fleet Services budget is balanced. The increase in personnel cost is attributed to salary and benefit cost changes and the addition of two (2) Automotive Technicians.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
All Operating Departments	\$12,714,282	-4.36%

2015 Department Priorities	Status
Establish an Apprentice Program to train assistants who are hired through the City's Re-entry Program in various divisions. These assistants will be in the program for nine (9) months.	Ongoing
Purchase and install an additional CNG compressor for increased capacity and reliability.	Ongoing
Upgrade our barcode Scanner System by purchasing new scanners and computers that will operate Windows 7 Professional operating system.	Ongoing
Upgraded and added additional surveillance cameras to provide more surveillance coverage of the facility thereby controlling property theft and monitoring employees activities on the facility.	Completed
Install an addition (pre-engineered steel building) to the existing Landfill Maintenance Shop; also add a walk-through side door in the Small Engine Shop for cross ventilation and emergency access.	Ongoing
Fleet plans to convert five (5) existing City vehicles to Compressed Natural Gas (CNG).; also, continue to acquire alternative fueled vehicles, including idle mitigation and CNG conversions.	Ongoing
Conduct a Citywide hands on Fleet inventory. A hands on inventory is scheduled every two (2) years to maintain the integrity of the fleet count.	Ongoing
Establish and maintain a Fleet Replacement Fund. Initiate plans for creative financing that will lessen the strain on the Fleet budget while increasing purchasing power for the City's fleet.	Ongoing
Acquired a database for vehicles and equipment insurance files: researched and implemented plans to reduce the City's expense for vehicle and equipment insurance coverage.	Completed
Continue effects to achieve the certificates for one of the "100 Best Fleets" and the "Leading Fleet" for the top fleets in the country.	Ongoing
To be industry Certified through Fleet Consulting Services (aka Fleet Sentinel), and Government Fleet Management Alliance as recognition for having met or exceeded all 20 Mission Critical Factors of Fleet Management.	Ongoing
Participated in the GO Red Grant program. This grant provided additional funding for the conversion of a diesel fueled unit to a greener fuel.	Completed

2016 Department Goals

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.

Purchase and install an additional CNG Compressor for increased capacity and reliability. The estimate cost for this project is \$250,000.

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.

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.

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.

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. The investment is an estimated \$6,035, and includes the software and two (2) scanners.

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.

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 they are utilized.

Department: Fleet Services
Funding Source: Fleet Services Internal Service Fund
Budget: \$12,714,282

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>2014 Actual</u>	<u>2015 Budget</u>	<u>2016 Budget</u>
Objective: To complete 95% of fleet unit preventative maintenance before or on the due date, as per Fleet Sentinel standards.			
Demand: Preventative work orders scheduled.	2,651	3,263	3,162
Workload: Preventative work orders opened and closed.	2,647	3,100	2,750
Efficiency: Preventative work orders closed on or before due date.	1958	2945	2400
Effect/Outcome: Percentage of work orders closed on or before due date vs. total scheduled work orders.	74%	90%	76%
Objective: To increase the number of direct shop hours to 85% of total shop hours.			
Demand: Total number of shop hours.	83,613	84500	76800
Workload: Shop hours categorized as direct shop hours.	60,933	68,000	64,000
Efficiency: Average direct shop hours per month.	5,078	5,667	5,333
Effect/Outcome: Percentage of direct shop hours /total available shop hours.	73%	80%	83%

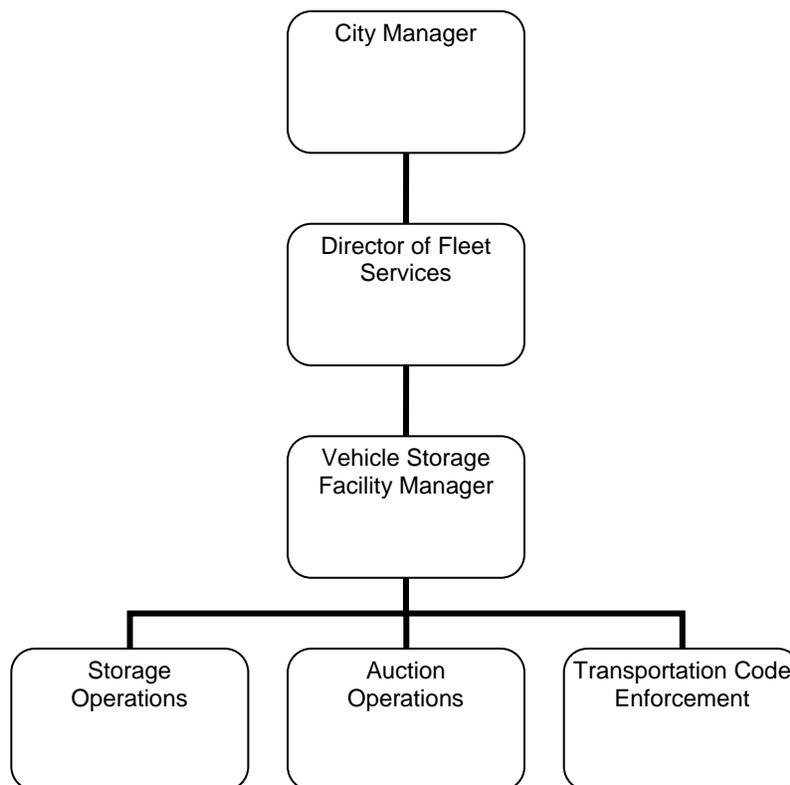
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services and Infrastructure.**



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Vehicle Storage Facility



Mission Statement

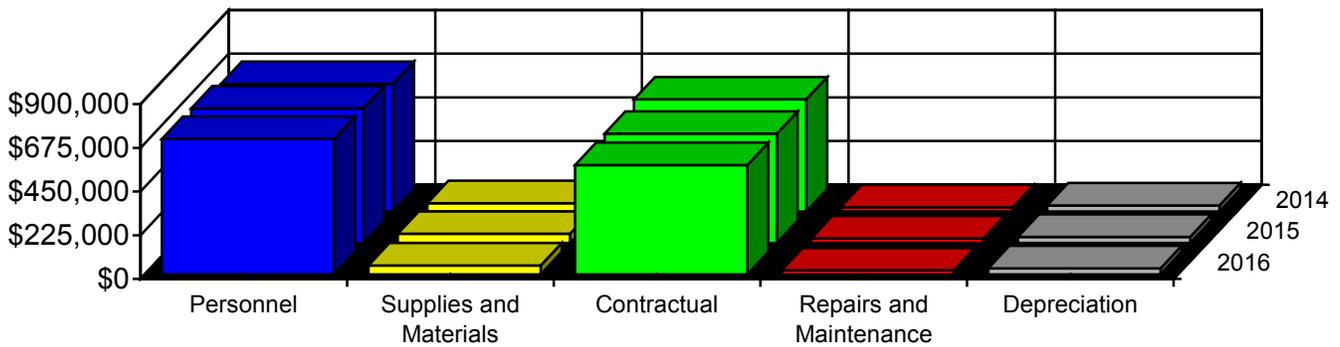
It is the mission of the Vehicle Storage Facility to provide support to City law enforcement entities by providing safe storage for vehicles until the registered owner reclaims the vehicle, to dispose of unclaimed and abandoned vehicles through public auction as required by law and to regulate for-hire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

Expenditure Budget

Description	2014 Actual Expenditures	2015 Adopted Budget	2016 Adopted Budget
Salaries and Employee Benefits	\$657,341	\$693,048	\$697,984
Supplies and Materials	43,085	47,384	45,817
Contractual	577,906	562,980	563,430
Repairs and Maintenance	22,583	23,832	20,661
Depreciation	31,903	31,900	31,900
Total	\$1,332,818	\$1,359,144	\$1,359,792

Staffing	2014	2015	2016
	15	15	13

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
601 Vehicle Storage Facility Fund	\$1,359,792	0.05%

Department: Vehicle Storage Facility
Funding Source: Vehicle Storage Enterprise Fund
Budget: \$1,359,792

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>2014 Actual</u>	<u>2015 Budget</u>	<u>2016 Budget</u>
Objective: To release 100% of eligible vehicles within 60 days of impoundment.			
Demand: Impounded vehicles.	3,125	3,000	3,000
Workload: Impounded vehicles eligible for release.	2,463	2,940	2,940
Efficiency: Eligible vehicles released within 60 days.	2,463	2,940	2,940
Effect/Outcome: Percentage of eligible vehicles released within 60 days.	79%	98%	98%

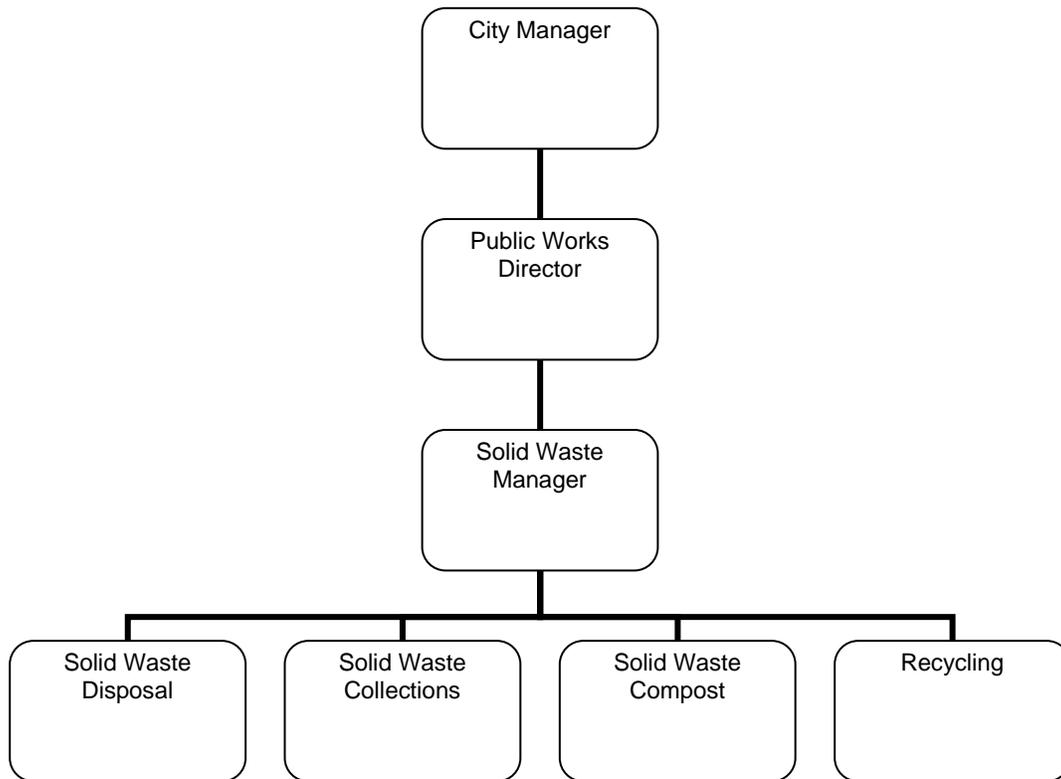
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services and Infrastructure.**



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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

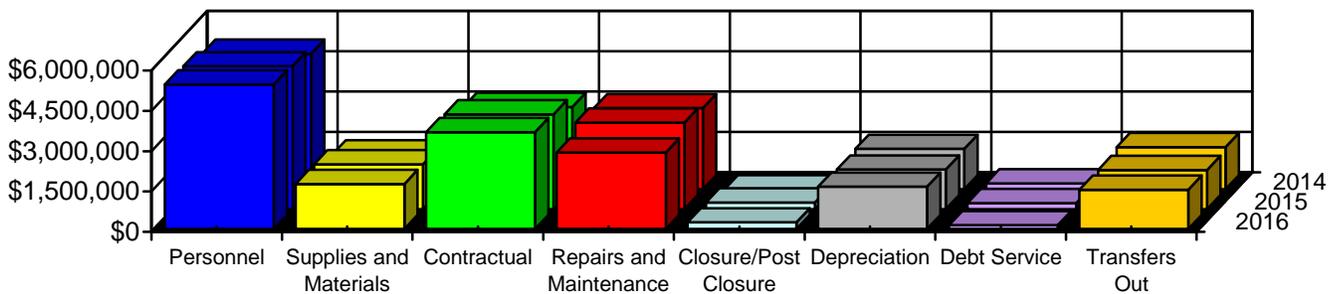
Expenditure Budget

Description	2014	2015	2016
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$5,033,130	\$5,307,784	\$5,377,307
Supplies and Materials	1,300,818	1,668,363	1,675,250
Contractual	3,060,635	3,529,400	3,603,100
Repairs and Maintenance	3,019,219	3,218,465	2,848,466
Closure/Post Closure	(281,939)	247,945	247,945
Depreciation	1,504,870	1,474,900	1,575,550
Debt Service	217,644	223,550	141,389
Transfers Out	1,564,863	1,457,072	1,459,859
Total	\$15,419,241	\$17,127,479	\$16,928,866

Staffing	2014	2015	2016
	113	113	116

The budget for depreciation and amortization is approximately \$405,000 greater than cash requirements forecast for principal payments on debt service. In addition to the operating expenses presented above approximately \$2.2 million in capital expenditures for the second year of a garbage truck replacement program is planned. The replacement plan is expected to result in a reduction in Fleet repair charges.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 16 Proposed Budget	% Change from Prior Year
603 Waste Disposal Fund	\$16,928,866	-1.16%

Department: Waste Disposal
Funding Source: Waste Fund
Budget: \$16,928,866

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.

	2014 Actual	2015 Budget	2016 Budget
Objective: To promote recycling and increase annual tonnage collected.			
Demand: Curbside recycling tonnage to be collected	10,000	10,200	10,000
Workload: Curbside recycling tonnage collected.	10,219	9,839	10,000
Efficiency: Curbside recycling tonnage collected/month.	852	820	833
Effect/Outcome: Percentage of tonnage collected annually.	102%	96%	100%
Objective: To monitor incoming tonnage to the Class I and Class IV Landfill Cells.			
Demand: Class 1 & Class 4 tonnage to be disposed.	130,000	125,000	125,000
Workload: Class 1 & Class 4 tonnage received.	119,013	124,617	125,000
Efficiency: Average monthly tonnage disposed of in Class 1 and Class 4 landfills.	9,918	10,385	10,417
Effect/Outcome: Percentage of tonnage collected annually.	92%	99%	100%

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



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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	2,468.32
Streets Graded and Surface Treatment	421.58
Paved - Permanent (Concrete and Asphalt)	2,049.72
Alleys Maintained	62.82
Drainage Ditches Maintained	1,578.01
Storm Sewers Maintained	363.47
Miles of Water Lines	1,381.90
Sanitary Miles	1,375.30

Traffic Controls:

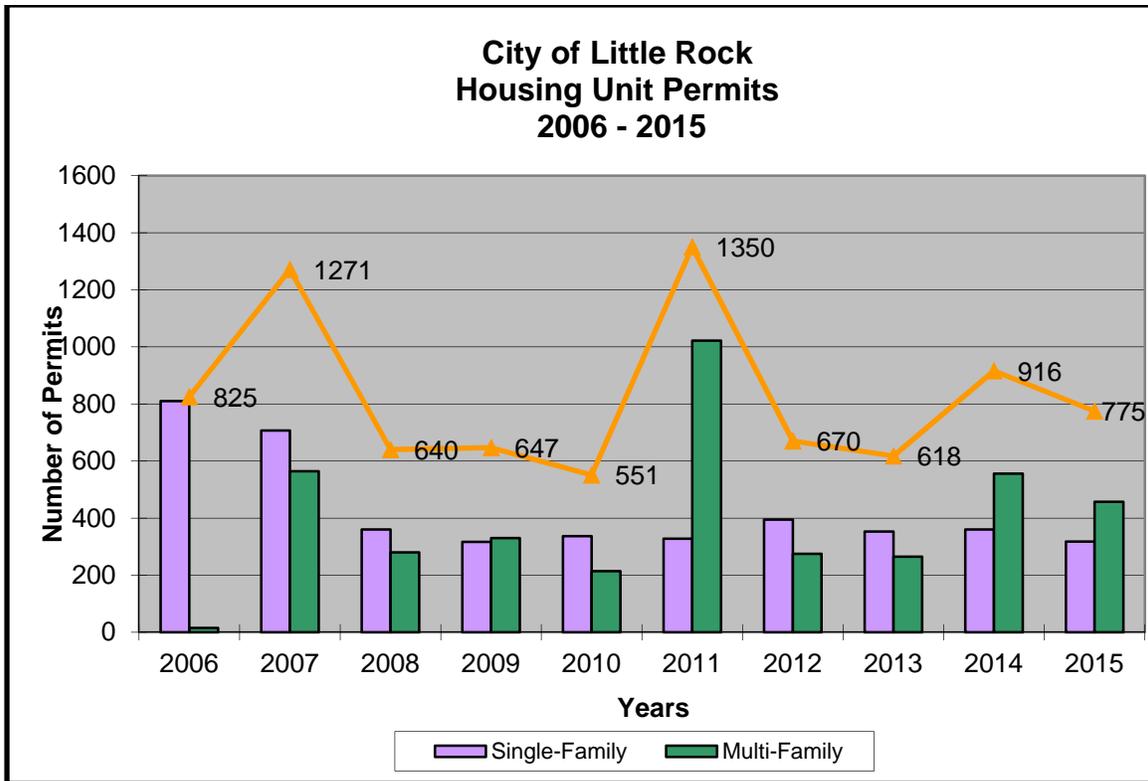
Signals Malfunctions	2,179
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Solid Waste/Garbage Collection:

Class I and IV tonnage	124,617
Curbside/Drop-off recycling	9,839
Yard Waste	27,529
On-call Service	29,523
Knuckleboom truck pick-ups	6,249
Number of Residential Users	58,576
Number of Commercial Users	8,250

Building Permits:

<u>Year</u>	<u>Permits Issued</u>	<u>Estimated Cost</u>
2006	4,694	\$ 531,752,025
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



Sales Tax Rate:

Local	1.5%
County	1.0%
State	6.5%

Bond Rating:

General Obligation Bonds

Standard and Poor's	AA
Moody's	Aa2

Fire Protection:

Number of Stations	21
Number of Uniformed Employees	414
Number of Calls	30,584

Insurance Rating for Insurance Service Office (ISO)

City of Little Rock	Class I
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Police Protection:

Number of Stations	8
Number of Uniformed Employees	589
Calls for Service Police	610,888
Other 3-1-1 calls	22,550

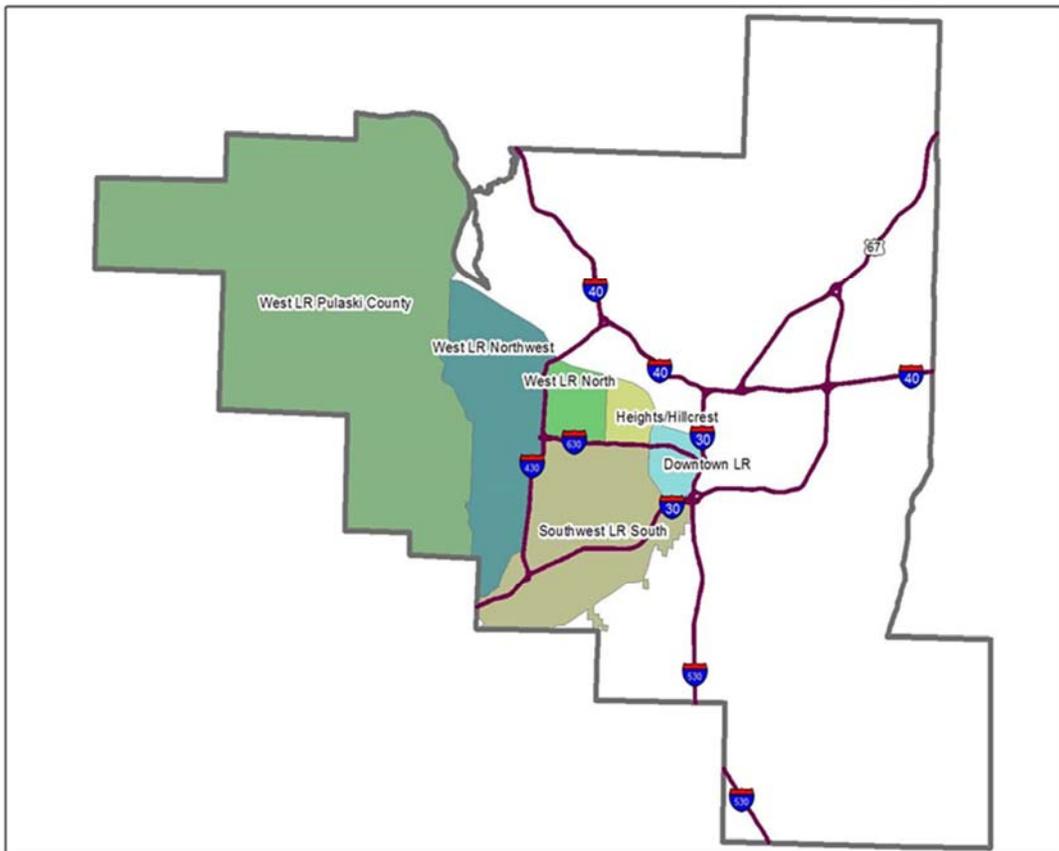
Central Arkansas Real Estate Values

<u>Location</u>	<u>Assessed Date</u>	<u>Average Total Parcel Value*</u>	<u>Residential Parcels with dwelling</u>
Little Rock - Downtown	12/31/2015	\$74,315	5,342
Little Rock - Hillcrest/Heights	12/31/2015	\$304,735	5,126
Little Rock - Southwest/South	12/31/2015	\$70,880	22,275
Little Rock West - North	12/31/2015	\$194,250	9,149
Little Rock West - Northwest	12/31/2015	\$237,943	16,337
Little Rock West - Pulaski County	12/31/2015	\$303,221	5,123

*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 January 2016

Compiled by Metroplan 03/02/2016



Recreation:

Number of Parks, Including Park Development	62
Total Acres (developed & undeveloped)	6,467
Number of Playgrounds	46
Number of Tennis Courts	48
Number of Basketball Courts	37
Number of Museums	1
Number of Golf Courses	3
Number of Ball Fields	29
Number of Play Fields	22
Number of Community Centers	6
Number of Swimming Pools	3
Number of Adult Centers	1
Number of Soccer Fields	12
Number of Fitness Centers	1
River Market	1
Riverfest Amphitheatre	1
Number of Pavilions	28
Number of Volleyball Courts	10
Total Recorded Park Attendance - 2015	675,314
Number of Zoos	1
Total Zoo Attendance – 2015	267,314
Total Zoo Outreach Program	46,202

Medical Facilities Number of beds
(private occupancy rooms):

Arkansas Children's	370
Arkansas Heart Hospital	112
Baptist – Little Rock	827
Baptist Rehabilitation Institute	120
Baptist Health Extended Care	37
Select Specialty Hospital	43
St. Vincent Infirmary Medical Center	615
University of Arkansas Medical Center	450
Veteran Health Care System	195
Total Number of Beds	<u>2,769</u>
Estimated Total Beds per 1,000 Population:	13.7

POPULATION

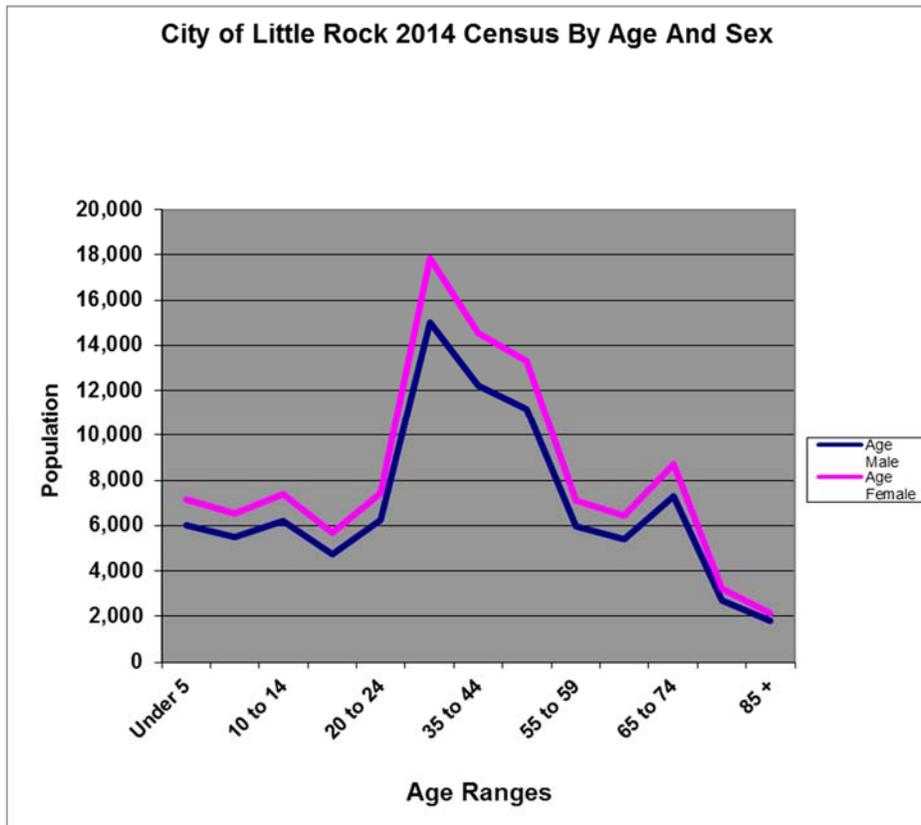
<u>Year</u>		<u>Number</u>
1910		45,941
1920		65,142
1930		81,657
1940		88,039
1950		102,310
1960		107,813
1962	Special Census	125,671
1964	Special Census	128,929
1970	Census	144,824
1974	Special Census	139,703
1978	Special Census	144,824
1980	Census	159,024
1985	Special Census	178,134
1990	Census	175,795
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

* Source: Arkansas Business 2015 Book of Lists

** Source: Metroplan

City of Little Rock 2014 Population By Age and Sex

Age Ranges	Male	Female
Under 5	6,016	7,163
5 to 9	5,490	6,537
10 to 14	6,212	7,396
15 to 19	4,756	5,662
20 to 24	6,231	7,418
25 to 34	15,008	17,869
35 to 44	12,202	14,527
45 to 54	11,188	13,320
55 to 59	5,946	7,079
60 to 64	5,418	6,451
65 to 74	7,308	8,702
75 to 84	2,694	3,208
85 +	1,780	2,120



Gender:

Male

45.65%

Female

54.35%

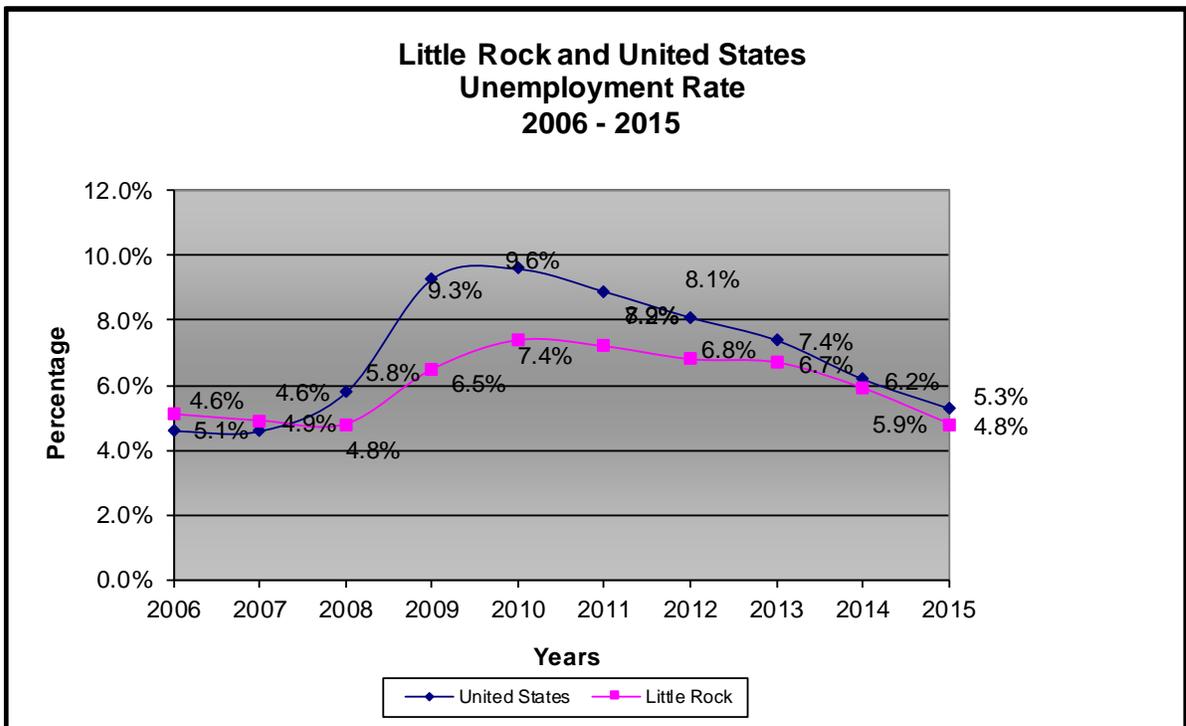
LITTLE ROCK AND ENVIRONS

Per Capita Income (2014)	\$29,105
Median household income (2014)	\$45,999
U.S. Consumer Price Index (November 2015)	237.8
Percent inflation over past year	0.7%
Average unemployment percentage rate	4.8%
Median Age (2014 special census)	35.6%

Race (2014):

White	47.9%
Black or African American	41.1%
Hispanic or Latino *	6.2%
Asian	2.3%
Other	2.5%

*Hispanic is an overlay category that includes multiples races.



Source: Metroplan

Education (Little Rock School District):

Number of School Buildings	48
Number of Teachers/including Principals, Supervisors	2,151
Number of Registered Students	24,721
Number of Kindergarten Students	2,046
Average Daily Attendance - Elementary Schools	9,958
Average Daily Attendance - High/ Middle Schools	10,927
Average Daily Attendance - Kindergarten	2,046
Tax Rate: (Mills)	
Real	46.4
Personal	46.4

PULASKI COUNTY STATISTICS

Population 25 years and over	131,125
Percent of Population Age 25+	67%
Education level in years of formal schooling:	
High School or Equivalent	24.4%
Some college, no degree	21.3%
Bachelor's degree	23.3%
MA/Professional degree or higher	15.8%

LITTLE ROCK INSTITUTIONS OF HIGER EDUCATION

2005 - 2014

Enrollment

<u>Institution</u>	<u>2005</u>	<u>Fall 2014</u>
University of Arkansas at Little Rock	11,896	11,645 *
University of Arkansas for Medical Sciences	2,328	2,890
Philander-Smith College	785	567
Arkansas Baptist College	278	855
Webster University	448	159
Totals	15,735	16,116

1. Sources: Arkansas Business Book of Lists 2016, 23rd Edition
2. Arkansas Business Book of Lists, 2007 edition.

* Fall 2014 latest, as shown in 2016 Arkansas Book of Lists

EMPLOYEES AS OF DECEMBER 31, 2015

<u>City Government</u>	<u>Total</u>	<u>Full-Time</u>	<u>Part-Time</u>
AFSCME	380	380	
IAFF	414	414	
FOP	589	589	
Non-union	<u>1,220</u>	<u>741</u>	<u>479</u>
	2,603	2,124	479
 <u>Commissions</u>			
Wastewater Utility	209	209	
Bill & Hillary Clinton National Airport	160	158	2
LR Convention & Visitors Bureau	174	110	64
Port Authority	8	8	0
Metropolitan Emergency Medical Services	292	287	5
Central Arkansas Transit Authority	201	198	3
Arkansas Museum of Discovery	39	23	16
Arkansas Arts Center	90	47	43
Central Arkansas Library	<u>300</u>	<u>204</u>	<u>96 *</u>
	<u>1,473</u>	<u>1,244</u>	<u>229</u>
Total Employment	<u>4,076</u>	<u>3,368</u>	<u>708</u>

* Includes 52 temporary

**Little Rock Area Major Employers
2015**

<u>Company</u>	<u>Industry</u>	<u>Employees</u>
1 State Government – within the MSA	Government	34,900
2 Local Government – within the MSA	Government	27,200
3 Federal Government – within the MSA	Government	9,900
4 University of Arkansas for Medical Sciences	Education/Medical Services	9,100
5 Baptist Health	Medical Services	5,360
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 Verizon Wireless	Communications/Telecommunications	2,500
15 Dillard's Inc.	Department Store	2,400
16 Union Pacific Railroad	Transportation (Railroad)	2,000
17 Dassault Falcon Jet Corp.	Falcon Aircraft Models	2,000
18 Arkansas Blue Cross Blue Shield	Insurance	1,800
19 CenterPoint Energy	Utility (Natural Gas)	1,600

Source: Greater Little Rock Chamber of Commerce - 03/03/2016

City of Little Rock, Arkansas
Principal Sales Taxpayers
December 31, 2015

The City of Little Rock, Arkansas's largest own-source revenue is sale taxes. Sale taxes revenues consist of a local 1.5% tax, with 1.125% dedicated to ongoing operations and the remaining 0.375% dedicated to capital projects. The capital portion of the tax is a temporary tax that will sunset on December 31, 2021. In 2015, the combined 1.5 cent city sales tax generated revenue of \$73,821,987. In addition, the City receives a share of the county's 1% tax based on population. The City of Little Rock makes up approximately 51% of the county population.

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 payers. However, Little Rock enjoys a diverse economic sales tax base.

Little Rock Top Ten 1 1/2 Cent Sales Taxpayers	Tax	
Industry	Collected	% of Total
All Other General Merchandise	\$ 6,481,570	8.78%
Full Service Restaurants	5,699,057	7.72%
Grocery Stores	4,946,073	6.70%
Building Materials and Supplies Dealers	3,137,434	4.25%
Electric Power Generation, Transmission and Distribution	3,048,848	4.13%
Electronics and Appliance Stores	2,908,586	3.94%
Clothing Stores	2,480,419	3.36%
Telecommunications	2,089,162	2.83%
Traveler Accommodation	1,978,429	2.68%
Sporting Goods; Hobby; and Musical Instrument Stores	1,971,047	2.67%
Totals	\$32,769,580	47.06%

Little Rock Top Ten 1 Cent County Sales Taxpayers	Tax	
Industry	Collected	% of Total
All Other General Merchandise	\$ 4,593,946	11.09%
Full Service Restaurants	3,255,944	7.86%
Grocery Stores	2,762,996	6.67%
Building Materials and Supplies Dealers	2,249,335	5.43%
Electric Power Generation, Transmission and Distribution	1,611,402	3.89%
Telecommunications	1,453,990	3.51%
Clothing Stores	1,371,142	3.31%
Electronics and Appliance Stores	1,362,857	3.29%
Sporting Goods, Hobby, and Musical Instrument Stores	1,126,739	2.72%
Traveler Accommodation	1,106,027	2.67%
Totals	\$20,894,378	50.44%

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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.