



**2019 Annual Operating Budget
City of Little Rock, Arkansas**

On the Cover: The Vogel Schwartz Sculpture Garden, located in Riverfront Park opened in 2009 with seven sculptures. In 2017, an expansion opened, which more than quadrupled the size. The 7,000 square foot sculpture garden is now home to over seventy sculptures, with more being added each year.

The five sculptures on the cover are (clockwise from upper left) *Shortcut* by Jane DeDecker, *Big Bill* by Tim Cotterill, *Fiesta* by Carol Gold, *Grown* by Michael Warrick, and the Sculpture Garden's signature sculpture, *Infinity* by Kathleen Caricof.

(Photos by: Scott Whiteley Carter)

City of Little Rock

2019 Annual Operating Budget

Frank Scott, Jr.
Mayor

Bruce T. Moore
City Manager

Prepared by:
Department of Finance

Sara Lenehan, Finance Director

Silas Roaf, Budget Management Analyst

The enclosed 2019 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 2019 budget document and budget documents for previous years can be found on the City of Little Rock's website located at: www.littlerock.gov.

If you have any comments, suggestions for improvement, or questions concerning the City's annual budget, please contact the Budget Office at (501) 399-3440. 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, 2018

Christopher P. Morrill

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, 2018.

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 trader. Since 1812, Little Rock has grown from that one person to become the Capital City of Arkansas with a population of 198,606. The metropolitan area population is 738,344 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 3.5%.

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), renovation of Robinson Center Performance Hall, as well as the redesign and expansion of the Arkansas Arts Center 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 11,000 students in undergraduate and graduate programs, including the William H. Bowen School of Law. In addition, Little Rock is the home of 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 250,000 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 Frank Scott, Jr.



Vice Mayor B. J. Wyrick
Ward Seven



Director Erma Hendrix
Ward One



Director Ken Richardson
Ward Two



Director Kathy Webb
Ward Three



Director Capi Peck
Ward Four



Director Lance Hines
Ward Five



Director Doris Wright
Ward Six



Director Dean Kumpuris
Position Eight



Director Gene Fortson
Position Nine



Director Joan Adcock
Position Ten

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 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 2019 is included in this document to more adequately describe the budget development process.

The 2019 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 and use 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 garage fund.
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 and Use 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 Garage Fund.
- 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, 2018 priorities and results, 2019 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

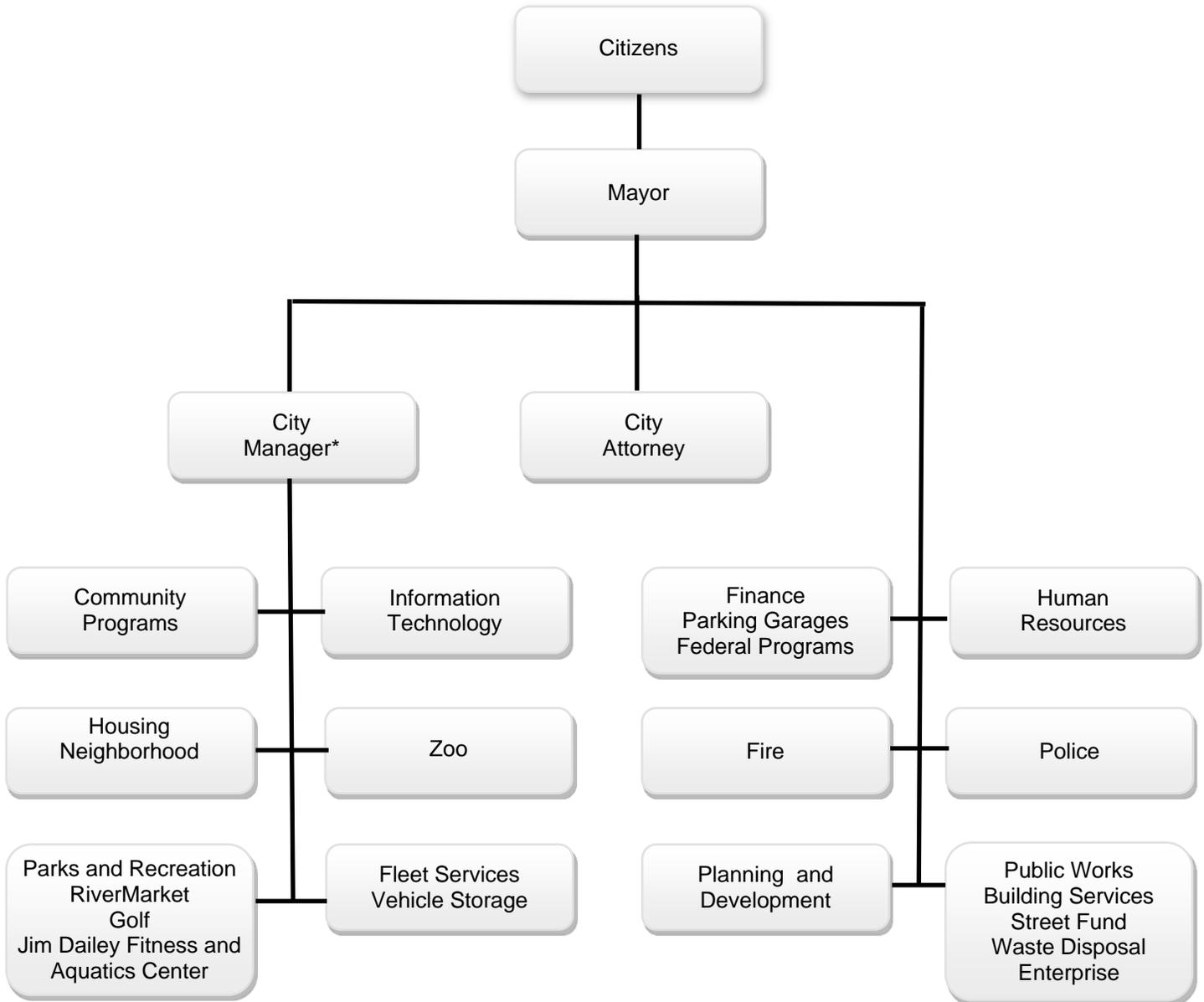
| | |
|------------------|---|
| Frank Scott, Jr. | Mayor |
| Bruce T. Moore | City Manager |
| James E. Jones | Assistant City Manager |
| | |
| Dana Dossett | Director of Community Programs |
| Tom Carpenter | City Attorney |
| Sara Lenehan | Director of Finance |
| Stacey Witherell | Director of Human Resources |
| Randy Foshee | Director of Information Technology |
| Gilbert Collins | Director of Planning & Development |
| Victor Turner | Director of Housing & Neighborhood Programs |
| Jon Honeywell | Director of Public Works |
| John Eckart | Director of Parks & Recreation |
| Delphone Hubbard | Fire Chief |
| Vacant | Police Chief |
| Susan Altrui | Director of Zoo |
| Willie Hinton | Director of Fleet Services |

Budget Report Production and Graphics

| | |
|------------|---------------------------|
| Silas Roaf | Budget Management Analyst |
|------------|---------------------------|



City of Little Rock



*** City Manager**

At the direction of the Mayor, the City Manager provides oversight to the departments of Finance, Police, Fire, Planning and Development, Public Works, and Human Resources; however those department leaders report directly to the Mayor.

The City Manager provides day-to-day direction to the remaining six departments: Information Technology, Zoo, Parks and Recreation, Housing and Neighborhood Programs, Community Programs, and Fleet Services.

CITY OF LITTLE ROCK

OPERATING FUND STRUCTURE

GENERAL FUND

FINANCE
 ACCOUNTING AND REPORTING
 TREASURY MANAGEMENT
 PURCHASING
 INTERNAL AUDIT
 BUDGET
 PAYROLL
 PRINTSHOP
 ACCOUNTS PAYABLE
 GRANTS MANAGEMENT

HOUSING AND NEIGHBORHOOD PROGRAMS
 NEIGHBORHOOD PROGRAMS
 ANIMAL SERVICES
 CDBG & HOUSING PROGRAMS
 NEIGHBORHOOD RESOURCE CENTERS
 ENVIRONMENTAL SERVICES

PLANNING & DEVELOPMENT
 PLANNING
 ZONING AND SUBDIVISIONS
 BUILDING CODES

INFORMATION TECHNOLOGY
 APPLICATION PROGRAMMING
 NETWORK SERVICES
 TELECOMMUNICATIONS
 COMPUTER OPERATIONS

PUBLIC WORKS GENERAL
 BUILDING MAINTENANCE

HUMAN RESOURCES

ZOO

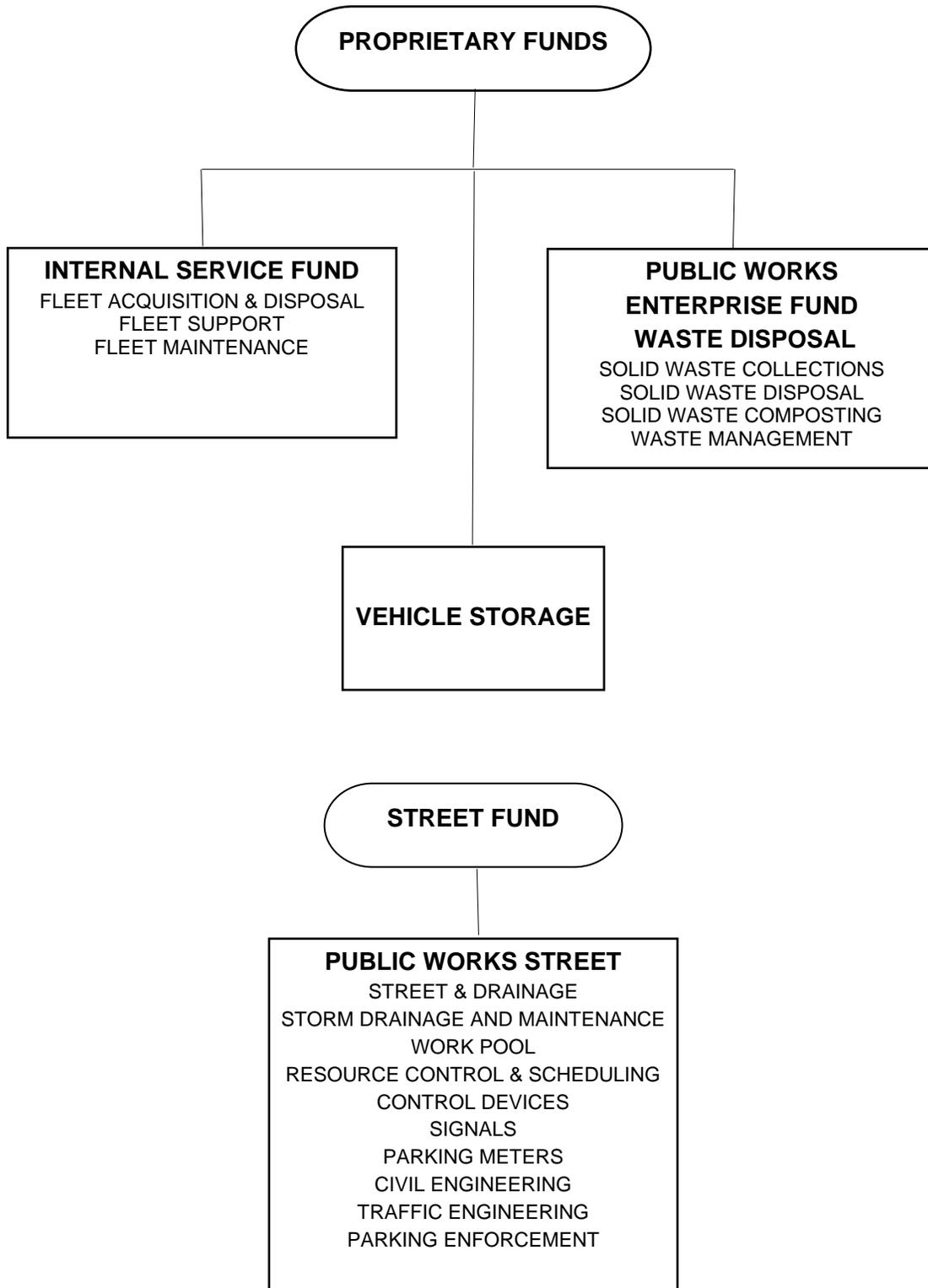
PARKS AND RECREATION
 REVENUE OPERATIONS
 DESIGN SCHEDULING
 PARKS DEV. & MAINTENANCE
 SWIMMING POOLS
 COMMUNITY CENTERS
 ATHLETIC PAYGROUNDS
 TENNIS CENTER
 THE CENTRE AT UNIVERSITY PARK
 OPERATIONS AND IMP. DEVELOPMENT
 RECREATION
 RESOURCES
 MACARTHUR PARK MUSEUM
 HORTICULTURE
 URBAN FORRESTRY
 THERAPEUTIC RECREATION
 MARATHON
 JIM DAILEY FITNESS AND AQUATICS CENTER
 RIVERMARKET
 GOLF COURSES AND MAINTENANCE

GENERAL GOVERNMENT
 MAYOR AND BOARD OF DIRECTORS
 CITY MANAGER
 CITY ATTORNEY
 CITY CLERK
 FIRST DISTRICT COURT
 SECOND DISTRICT COURT
 THIRD DISTRICT COURT
 LITTLE ROCK TELEVISION
 COMMUNITY PROGRAMS
 SMALL AND WOMEN OWNED BUSINESS
 DEVELOPMENT
 311 SERVICE CENTER
 PERFORMANCE AND INNOVATION

PUBLIC SAFETY
 FIRE
 POLICE
 911 COMMUNICATION CENTER

CITY OF LITTLE ROCK

OPERATING FUND STRUCTURE





December 18, 2018

To the Members of the Little Rock City Board of Directors
and the Citizens of Little Rock:

The 2019 Annual Operating Budget Document (“2019 Budget”) represents the budget as adopted by the previous administration of the City of Little Rock. As the newly elected Mayor, I plan to review this budget in combination with recommendations received from the eight citizen-led transition teams that I have appointed to address: Finance and Administration; Education; Mobility; Economic Development; Public Safety; Inclusion; Quality of Life; and, Transformation and Government Reform. The people shaped my campaign and will continue to shape the future of Little Rock beginning with this transition. An open, transparent process is the first step in producing a clear game plan for holding myself and the Little Rock Board of Directors accountable throughout my first term. Following my “State of the City” address on March 28, 2019, I will prepare to realign the 2019 Budget with my vision for the future of Little Rock. I plan to present a budget amendment to the Board of Directors by mid-year.

However, in step with common practice, I respectfully submit the official 2019 Budget for the City of Little Rock that builds on the commitment to public safety, by increasing authorized strength in the Fire Department to prepare for the opening of Fire Station #24 in Southwest Little Rock, and returning uniform positions in the Police and Fire Departments to full staffing. The passage of the 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 \$272,515,058, an increase of \$6,773,322, or 2.5% more than the 2018 Adopted Budget and \$3,925,837, or 1.5% more than the final 2018 Amended Budget. The Operating Budget changes for the 2019 Year are summarized below:

| | <u>2019</u> | <u>2018</u> | <u>Change</u> | <u>% Change</u> |
|-------------------------------|----------------------|----------------------|--------------------|-----------------|
| General Fund | \$210,623,272 | \$208,963,275 | \$1,659,997 | 0.8% |
| Street Fund | 21,599,158 | 20,969,356 | 629,802 | 3.0% |
| Fleet Services Fund | 15,419,298 | 13,061,091 | 2,358,207 | 18.1% |
| Waste Disposal Fund | 21,436,769 | 18,900,401 | 2,536,368 | 13.4% |
| Vehicle Storage Facility Fund | 1,344,955 | 1,335,365 | 9,590 | 0.7% |
| Parking Garages | 2,091,606 | 2,512,248 | (420,642) | -16.7% |
| Total | <u>\$272,515,058</u> | <u>\$265,741,736</u> | <u>\$6,773,322</u> | <u>2.5%</u> |

The 2019 Operating Budget has been developed around common themes from the previous 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, which became 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 & Recreation, Zoo and Tourism, and other priorities, including fleet replacement, information technology needs, pension funding and public transportation. The priority needs were divided between ongoing operating needs and capital needs. The 5/8-Cent permanent increase in sales tax for operations is reflected in the FY19 Adopted Budget. The 3/8-Cent Sales Tax for capital projects, which expires ten (10) years from implementation (2021), is discussed in detail in the capital section of the 2019 Budget. 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. On July 24, 2013, the City issued the first series of Bonds in the amount of \$58,105,000. The second series of Bonds in the amount of \$43,475,000 was issued on November 28, 2018.

The General Fund 2019 Operating Budget includes several significant changes from the original 2018 Operating Budget. The 2019 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 \$3 million of the transfer in revenue and related debt service expense in the 2019

Operating Budget. Total debt service of \$6,136,327 is included in the General Administration Department of the General Fund.

Sales Tax continues to be the leading revenue source for the City at approximately 49% of General Fund revenues. The City's sales tax is composed of a 1-1/8-Cent Local Sales Tax on gross receipts, which includes the 1/2-Cent Sales Tax in effect since 1994, combined with the 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 Firefighter positions for the West Little Rock Fire Station that opened in 2012, and the twelve (12) new Firefighter positions added to the 2019 Budget for the Southwest Little Rock Fire Station #24 that will open in 2020, maintaining grant-funded positions in both the Police and Fire Departments, as well as the addition of Code Enforcement Officers. Also included are funds for neighborhood-based/community initiatives of \$5.5 million; 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 sales tax were implemented from 2012 to 2018 and are maintained in 2019.

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 continued to be volatile in 2018, with three (3) of the twelve (12) months of 2018 demonstrating a negative or unfavorable comparison to the previous year and nine (9) months demonstrating a favorable comparison to the previous year. Overall results for 2018 were 1.0% greater than 2017 results and trailed the 2018 Adopted Budget by \$2.15 million, or 2%, and the Amended Budget by 0.17%, or \$174,083. Based on the growth experienced in the first nine (9) months of 2018, and economic development within the City, the projected growth in the 2019 Budget is 1.35%. Based on the final actual sales tax revenue for 2018, the City will need to experience growth of 1.52% to achieve the 2019 Budget of \$104,027,600. Growth estimates are traditionally conservative due to the impact of the rebate program and increased Internet sales, which frequently exclude sales tax collections. Amazon

began voluntary collection and remittance of Sales and Use Tax on Arkansas sales beginning on March 1, 2017; however, the voluntary collection of taxes only applies to items purchased directly from Amazon and does not include any of the third-party vendor sales that Amazon administers. Amazon has stated that approximately half of its business is through third-party vendors. In 2019, the Arkansas General Assembly will consider a bill to require certain out-of-state sellers to collect and remit Arkansas sales and use tax. The bill is consistent with the South Dakota v. Wayfair, Inc. Supreme Court Decision. It is not too onerous for small businesses, establishing minimum transaction and sales volume thresholds, and it does not contain any attempt to retroactively collect taxes. The City is encouraging action by State representatives to address the issue of fairness in collection of taxes due on Internet sales which is vital to maintaining and growing the revenue necessary to sustain City services.

Franchise Fees from local utilities comprise approximately 14% of General Fund revenues. Franchise Fees from Entergy Corporation, the electric utility, decreased approximately 6.1% in 2018 with an increase in usage of approximately 4.7%. Entergy officials originally forecasted 2018 revenues to be approximately 11% over 2017 actual results. The Tax Cut and Jobs Act of 2017, passed in late December, 2017, had a negative impact on franchise fee revenues. The resulting federal tax reduction realized by the utilities eliminated the need for rate increases, associated with cost recovery, which had previously been approved by the Public Service Commission (PSC). In 2018, the Governor of Arkansas directed the PSC to review the rates and reconsider the approved rate increases. As a result, utility rate increases were reversed by Entergy and CenterPoint Energy. In addition to the rate reductions, credits were provided on customer bills for the impact of the tax cuts prior to the rate adjustment. Entergy officials have provided a projection of \$14,000,000 for 2019, which represents a 12% increase over 2018 actual results. Although the tax credits will continue for residential customers through December 2019, the tax credit for commercial and industrial customers expired in December 2018. Franchise Fees from CenterPoint Entergy, the gas utility, increased approximately 23% or \$652,555 in comparison to 2017, with increased usage of more than 20% due to a much colder winter. Prior to the rate adjustment resulting from the Tax Cuts and Job Act of 2017, monthly revenues were an average of 33% above the same period a year ago. The rate reduction began in October of 2018 and will continue through the first two months of 2019. Gas revenues in 2019 are expected to be approximately 8.8% lower than 2018 actual results. In January and February 2019, customers will continue to receive credits associated with the Tax Cuts and Jobs Act, which are estimated to offset approximately 20-25% of customers' bill amounts. In addition, temperatures are expected to be higher than average in Arkansas from January to March 2019. 2018 franchise fee revenues from Little Rock Water Reclamation Authority increased approximately 13.1% or \$710,386. A large portion of this increase was the result of a one-time accrual for revenue earned in 2018 but received in 2019. Excluding the impact of the one-time adjustment, Little Rock Water Reclamation Authority franchise fees increased 5.2% from 2017. Although, a 4.75% rate increase is scheduled for 2019, overall franchise fees are projected to decrease 3% because of the one-time accrual included in 2018

revenue. In addition, Central Arkansas Water franchise fees increased 9.37% from 2017 levels. The increase was a direct result of an 8.9% average rate increase. After a series of annual rate increases, the Central Arkansas Water (CAW) Board of Commissioners will not increase rates in 2019. An on-going national trend is a decrease in water consumption due to water-saving appliances and conservation measures, but weather is still one of the most significant factors in projecting CAW franchise revenues. Franchise Fees from telecommunication companies and long-distance carriers are expected to decrease approximately 9% after several years of decline due to on-going competition from wireless companies. Overall, 2019 utility Franchise Fee revenues are projected to be \$29,494,250, which is 3.7% higher than 2018 actual revenues and 4.4% higher than the final amended 2018 budget.

Property taxes comprise approximately \$30 million or 14% of the 2019 General Fund revenues. Little Rock recently received its Original Charge for 2018 Property Taxes to be collected in 2019. The Original Charge reflects a 3.8% increase in property taxes based on the most recent appraisal, compared to an increase of 1.55% a year ago. The 2019 Budget reflects an increase in Property Tax revenues of approximately 3.5% from the 2018 Amended Budget. In addition, the Budget includes separate 1-mill property tax levies dedicated for the Police and Fire Pension Plans. Overall property values in Little Rock continue to experience reasonable growth and have maintained consistent levels through previous periods of economic downturn. The City has not experienced the decline in values that have been 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 1,737 full-time equivalent (FTE) positions, a net increase of seventeen (17) FTEs compared to 2018 staffing levels. Staffing includes fifteen (15) Police positions previously funded by a COPS grant. In addition, twelve (12) new Firefighters are included in the 2019 Budget to prepare for the opening of Station #24 in Southwest Little Rock in 2020. These additions are partially offset by a net reduction of ten (10) positions in other departments. There were twenty-one (21) uniform Officer positions vacant at year-end, with a rookie class of twenty-four (24) scheduled to begin on February 18, 2019. The 2019 Operating Budget expenditures include \$158,139,942 in personnel cost, net of an anticipated \$5.5 million in savings from authorized but vacant positions. The Budget includes salary increases of 2.5% for uniform positions in addition to the Police and Fire Step and Grade progression. There are no non-uniform personnel salary increases budgeted, other than the Step and Grade progression for the American Federation of State, County and Municipal Employees (AFSCME) union-eligible positions. The AFSCME Step and Grade schedule provides annual adjustments of approximately 1.8% to promote retention and advancement within the salary ranges for eligible employees. Non-uniform positions will receive a one-time lump sum bonus in an amount ranging from \$250-\$500, with employees with an annual salary of \$40,000 or below receiving \$500, employees with an annual salary from \$40,001 to \$60,000 receiving \$375, and employees with an annual salary of \$60,001 and above receiving \$250. The City will continue to provide basic comprehensive health insurance in 2019 with 100%

City paid premiums for “employee only” coverage and City contributions of 55% of premiums for “employee/family” coverage. Employees were offered an opportunity to buy-up to enhanced coverage with two (2) options that included lower deductibles and co-pays. Benefit changes approved by the State Legislature determine pension costs for Fire and Police uniformed personnel. Pension costs for uniformed Fire personnel were unchanged at 23.58% of payroll. Pension costs for Police uniformed personnel increased from 20.23% to 21.23% of payroll. In addition, the City merged administration of the closed local Police and Fire Pension Funds with LOPFI, which will require an additional contribution of \$349,606 and \$263,535 per month; respectively, however, the additional contributions will not result in any additional cost to the City. The dedicated one (1)-mill Property Tax Levies, annual City sales tax contributions of \$500,000 for each plan, and other dedicated fines and fees are expected to fully fund the contributions for the closed local Police and Fire Pension Funds. On January 1, 2014, the City implemented a new Defined Benefit Pension Plan for non-uniform personnel. The plan resulted from a yearlong review of options to improve the retirement plan for non-uniform employees. There will be no change in 2019 to the City contribution rate of 9% of salary to the plan, matched by employee contributions of 4.5%. The contribution rate for the plan has remained consistent since inception. Pension costs for Court Clerks is unchanged at 15.32. 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 2019 Budget for personnel cost will increase approximately 4.0% from the 2018 Budget.

Fleet services and fuel costs are projected to increase in 2019 in comparison to the 2018 Adopted Budget. The 2019 Fuel Budget is based on estimated unleaded and diesel fuel per gallon prices averaging \$2.50 and \$2.60 per gallon, respectively, in comparison to \$2.20 and \$2.30 per gallon, respectively in 2018. In 2014, the City opened a Compressed Natural Gas (CNG) Station and has been converting vehicles to CNG when practical. CNG fuel cost for 2019 is forecast at \$0.70 per gallon. In addition, 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 costs will be reduced.

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. Principal and interest payments are included in the General Fund Budget for notes issued from 2014 to 2017. The City did not issue short-term financing in 2018. The 2019 Budget reflects a net decrease in debt service of \$1,615,033 associated with the 2018 retirement of the 2013 \$7.7 million note issued to advance initiatives included in the 3/8-Cent Sales Tax program.

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 approximately \$2 million.

A Homeless Services Task Force was established in 2006 to address chronic homelessness within our community. The City has partnered with North 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 2019 as part of the City's emphasis to foster and enhance youth and community development. In addition, Community Programs Staff continued implementation of the 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 continued an in-house 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 has been extremely successful and will be continued in 2019. In addition, the City has expanded the program to include additional entry-level positions available in other City Departments.

The 2019 Budget includes a contingency allocation of \$1 million or approximately 0.5% of General Fund revenues. The City of Little Rock's Management Team is committed to managing 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.

2018 Accomplishments

Little Rock Police Department: In 2018, the Little Rock Police Department (LRPD) served the Little Rock community by responding to 153,828 calls for service. During 2018, the Training Division received accreditation through the Commission on Law Enforcement Agencies (CALEA). LRPD's Training Division successfully conducted both Recruit Schools and Certified Officer Advanced Training (COAT) Classes during 2018, and a total of seventy-three (73) recruits graduated from these schools during the year. (The COAT class is for officers recruited from other agencies who have already met minimum certification requirements but need training on LRPD policies and procedures.) Sixty-nine (69) recruits graduated from Recruit Schools

#88, #89, and #90, and four (4) recruits graduated from COAT Class #91. Additionally, Recruit School #92 and COAT Class #93 began in the second-half of 2018, with graduation scheduled in 2019. During 2018, the Little Rock Police Department completed a three-year program with the Department of Justice's (DOJ) Public Safety Partnership which enabled the LRPD to receive training, technical assistance, and other resources from the DOJ relating to violence reduction strategies. At the beginning of 2018, the LRPD hired six (6) Telephone Report Clerks to staff the Telephone Reporting Unit. These clerks, cadets who will apply to become officers as they turn 21, field calls and take reports to ease the burden on the Communications Division. In addition, three (3) civilian Traffic Safety Officers (TSOs) were hired at the beginning of 2018 to respond to traffic accidents and issue reports, which reduces the burden on officers.

Little Rock Fire Department: The Little Rock Fire Department (LRFD) became the 57th Fire Department, of roughly 30,000 Departments in the United States in 2017, to have an Insurance Services Office (ISO) Class 1 Rating and International Accreditation. These highly acclaimed designations place the Department in the top 0.19% of all Fire Departments in the United States. During 2018, LRFD served the community of Little Rock by responding to more than 34,000 fire and emergency calls. In an effort to assist Firefighters responding to emergency calls with revitalization, LRFD placed a rehabilitated truck in service during extremely hot and cold days. To continue to provide quality services, LRFD placed two (2) Alternative Response vehicles in service, in addition to two (2) new pumpers. LRFD partnered with the Girl Scouts of America to host the First (1st) Annual HERO Day. Approximately one hundred (100) girls, grades 6 through 12, participated in some of the fire training exercises, and had the opportunity to learn about careers in first response. In addition, LRFD was awarded the FEMA Prevention Grant to purchase smoke detectors for the hearing and visually impaired and partnered with the Arkansas School for the Deaf and Blind for distribution to recipients. On October 29, 2018, LRFD held a groundbreaking ceremony for Station 24. The new station will serve the Southwest community and is scheduled to open early 2020.

Community Programs: In 2018, the Department of Community Programs (DCP) completed the second year of the three-year comprehensive Master Plan for Children, Youth & Families which is focused on updating and improving the programs and services that Little Rock's citizens need to thrive. DCP was awarded a \$10,000 DollarWise grant by the United States Conference of Mayors which was used for a special Currency Crash Course to teach financial literacy skills to high school students. The Summer Youth Employment Opportunity (SYEO) was expanded to include a Youth Empowerment Summit held at the Chenal Country Club. Sponsorship of six (6) SYEO interns was provided by the Clinton National Airport and First Security Bank. DCP staff participated in several national initiatives and opportunities to increase services, resources, and opportunities to Little Rock citizens including the Network for Southern Economic Mobility (NSEM), the Juvenile Detention Alternatives Initiative (JDAI), and the Office of Juvenile Justice Delinquency and Prevention Comprehensive Gang Model Workshop. DCP also partnered with the Little Rock School District (LRSD) on four (4) projects: Bright

Futures, which seeks to fill any student needs within 24 hours; Career Quest, a career fair for middle and high school students; a week-long “Career Crash Course” offered to students attending the Hamilton Alternative Learning Center; and DCP partnered with the Little Rock Zoo and the University of Arkansas at Little Rock (UALR) on the Wonders of Wildlife program, which helped all LRSD third grade students better understand the animal kingdom. DCP also hosted the 1st Annual 501(C)3 Arkansas Capital Campaign Conference, a three (3)-day training geared toward assisting non-profits with gaining the capacity they need to succeed. Visit www.LRDPCares.org for additional department information.

Little Rock District Court, First Division (Criminal): Little Rock District Court, First Division, continued to provide justice in an equitable and professional manner. The Department continued to work with the two (2) other District Courts, the Police Department, and the Finance Department to provide better overall operations and accountability for the citizens of Little Rock. Staff continued to work with the Administrative Office of the Courts to provide better accounting and reporting on all criminal charges brought before the court. Little Rock District Court, First Division worked in coordination with a Homeless Court Initiative to better serve the homeless in our community from a legal standpoint. A successful Warrant Amnesty program was completed in March of 2018. Staff is in the beginning stages of a program to define the needs of persons with mental health issues and to schedule special court sessions to better address those needs.

Little Rock District Court, Third Division (Environmental): Environmental Court began the process of scanning files in the civil/small claims office to the Contexte case management system. In addition, citations, warrants, pay plans, orders to appear, and other documents are being scanned into the system to eliminate paper filing. Staff implemented a Spanish version of the Court’s Order to Pay document to improve service for Spanish speaking citizens. Defendants were encouraged to make their pay plan payments online. The effort has more than doubled the volume of on-line payments in 2018. Preventive security measures and courtroom protocol resulted in a very successful year in which there were no physical altercations in the Environmental Court.

Finance: The Finance Department obtained the Government Finance Officers Association (GFOA) Certification of Recognition for the 2018 Distinguished Budget Presentation and the GFOA Certificate for Excellence in Financial Reporting for the 2017 Comprehensive Annual Financial Report. Finance staff coordinated with other City Departments to conduct a program inventory process review of the 2018 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 2018, Finance facilitated the issuance of two (2) Bond issues including the City of Little Rock, Arkansas Limited Tax General Obligation Bonds, Series 2018, for street and drainage projects, in the amount of \$43,475,000, and the City of Little Rock, Arkansas Hotel Gross Receipts Tax Bonds, Series 2018, for improvements to MacArthur Park and for renovation and expansion

of the Arkansas Arts Center, in the amount of \$32,570,000. The City maintained a General Obligation Limited Tax Bond rating by Standard and Poor's of AA and by Moody's of Aa1. The Purchasing Division implemented Infor's Strategic Sourcing Contract Management software (SSCM) which now houses nearly all of the recently established procurement contracts. Payments against the contracts are systematically tracked and reviewed. In addition, Purchasing implemented an online bidding and vendor management system that is showing increased participation and contract awards for small, minority, and woman owned businesses. Finance facilitated the transfer of administration of the Little Rock Firemen's Relief and Pension Fund to LOPFI at the end of 2018.

Human Resources: The Human Resources Department received a record breaking number of applications in 2018. Several uniform promotional processes were repeated due the exhaustion of the eligibility lists. All Divisions exceeded previous demands in their respective areas. The Department was granted the task of coordinating all of the City's Freedom of Information Act requests excluding those for police department records. This has created an increased demand of staff time. Several new employee training classes were developed and/or expanded; therefore, training offerings have increased significantly to meet the demand. The Department expanded the new employee orientation process including specialized sessions for key divisions. In addition, Human Resources continued to expand its presence in High Schools for students on career opportunities in the City.

Information Technology: The Information Technology Department completed the addition of the Infor Strategic Sourcing Contract Management module (SSCM) and the base Planning modules, Community Development and Regulatory Process (CDR). In addition, the Department worked with the successful vendor on the connection and installation of fiber to the Little Rock Police Training Academy, the City of Little Rock Landfill, and the Wakefield Resource Center. As a part of the new Voice over Internet Protocol (VoIP) phone system upgrade, the Department has built 1,036 VoIP phones and installed 1,032 of the 1,050 phones scheduled for replacement. Information Technology also completed the installation of two (2) new firewalls to manage the security of the City's network.

Planning & Development: The Planning and Development Department accomplished several of the major goals established for 2018. All of the applications were converted to an electronic format. In addition, Staff completed the scans of the final plats. A study of the Highway 10 Design Overlay District was completed. Staff reviewed the development procedure and began implementing a plan to process all applications through a Development Division. Staff completed the modifications and features for the historic application. The application won the 2018 Achievement in Technology Award from the Arkansas Chapter of the American Planning Association. In December of 2018, Planning and Development completed implementation of the new building permitting software.

Housing & Neighborhood Programs: The Housing & Neighborhood Programs Department continues to utilize the mobile application throughout the Code

Enforcement Division allowing for improved efficiency in performing daily enforcement tasks. Recently, staff completed testing of the Sierra Wireless MP-70 Modem as a way to improve connectivity and work flow processing in areas of the City with poor wireless reception. The testing was successful, and the Department is currently reviewing a proposal from the vendor to fully implement the modems in additional vehicles. The Environmental Court Team is working with Motorola to enhance the workflow for cases to be monitored within the 311 system. Once this enhancement is completed, the Environmental Court officers will have the ability to close their cases and the original citations related to the customer service requests (CSR) simultaneously. Public meetings initiated by the Department named *CodeStat* were held in Wards 1, 2, 3, & 7 in 2018 to inform the general public about various code issues and status in their respective neighborhoods. Code officers dedicated to the inspection of rental properties inspected 3,352 units during 2018. In addition, eleven (11) officers completed the Code Enforcement Academy, which included a session on court procedures conducted by the Environmental Court Judge. The Community Development Division assisted in the construction of thirteen (13) new single-family dwellings for homeownership through its federal programs. In addition, 7,225 citizens were provided healthcare services through the Department's partnership with St. Vincent Medical Center-East. The Department's partnership with CareLink to provide Meals on Wheels assisted fifty-five (55) clients. The Animal Village had 1,610 adoptions during the year; approximately seventy-three percent (73%) of all the animals that come in under the care of the Animal Village are saved via adoption, rescue efforts, or reunited with their owners. The Land bank continues to market available properties for development including creation of new marketing strategies. Currently, the inventory of land bank properties total ninety-five (95), including seven (7) with structures. In 2018, the Land bank sold or donated ten (10) properties.

Public Works: In 2018, Public Works Operations Staff responded to 11,094 service requests via the 311 Service Request System. Public Works swept 20,765 curb miles of city streets. In addition, staff administrated a successful Sidewalk Replacement Program, utilizing disadvantaged citizens re-entering the workforce. In 2018, this program constructed 45,550 square-feet, or 9,110 linear-feet, of sidewalks in Little Rock. Public Works Staff coordinated the asphalt resurfacing of seventy-three (73) street segments totaling 129,289 feet, or 24.49 miles, of streets. Civil Engineering Staff moved all remaining 2013-2015 Bond and Sales Tax Projects to construction and 97% of those projects are now completed. 89% of the 2016-2018 projects are now complete or in construction, and all of the 2019-2021 projects are under contract for design. The solid waste services rate study has commenced, with an anticipated completion before fall 2019.

Parks & Recreation: 2018 was another successful year for Little Rock Parks and Recreation. Most notably, the formulation of an updated Parks Master Plan began. The process included numerous public input sessions to gather citizens' desires for improvements in the parks system. Operationally, the recreation division made strides over the past year with increases in program participation, as well as, improvements to several of the City's community centers. The maintenance division

met its goal of routinely mowing all sixty-three (63) parks in a one (1) week timeframe throughout the entire mowing season. Golf operations battled Mother Nature and still managed to have a strong year in rounds played. A string of capital improvements funded through the 3/8-cent tax were realized during the year. Trails were built in Boyle Park. Several play areas had dilapidated equipment removed and new play component systems installed. Staff, working with ArDOT, helped link the Broadway Bridge Trail into the Arkansas River Trail. Crump Park, Otter Creek Park, and Murray Park received new LED field lighting. The Jim Dailey Fitness & Aquatic Center updated their fitness equipment, constructed a new hot tub, installed shade structures for the outdoor pool, and purchased a new floating playground that was installed in the pool. Southwest and Dunbar Community Centers received new fitness equipment and new LED lighting throughout each facility. Further capital improvements, funded primarily through private donations, include the Margaret Clark Play Area in Riverfront Park. This play area was designed with natural play philosophy for children aged five (5) years and under. In addition, the donation of almost a dozen sculptures from Sculpture at the River Market, continued to establish Riverfront Park as a unique destination park for the Region. Arkansas River Trail improvements continue on the east side of Dillard's Headquarters, and design consultants have been hired to improve the stretch of trail between the roundabout near Rebsamen Golf Course to the existing trail near the Junior Deputy Ballfields. The Little Rock Marathon, in its sixteenth (16th) year, continues to grow in participation. Upwards of 20,000 participants, representing all 50 states and 33 countries, visited Little Rock this year. In addition to the Marathon race, staff also produced two (2) other races. The Creep and Crawl 5k and 10k races replaced the Mud Run, and the Ugly Sweater Race 5k race was added. The revenue generated from the races continues to serve the programs and services provided by Little Rock Parks and Recreation. In addition, in 2018, Little Rock Parks and Recreation had three (3) employees become Certified Parks & Recreation Professionals (CPRP) through the National Recreation and Parks Association's (NRPA) Certification Program.

Little Rock Zoo: The Little Rock Zoo continued its leadership in conservation education, tourism, and family recreation in 2018. The Zoo established a new ZooFari summer education program and partnered with the Little Rock School District so that every third grade student could attend the Zoo and enhance their science curriculum. The Zoo continued its accreditation with the prestigious Association of Zoos and Aquariums (AZA) and implemented new animal well-being standards to further advance animal care. The Zoo broke ground on a new colobus monkey and serval cat habitat funded by the 3/8-cent tax supported by Little Rock voters. Construction also began on the renovation of the Zoo's Conservation Learning Center funded by private donations made through the Arkansas Zoological Foundation, the private non-profit partner of the Little Rock Zoo. The Zoo and the Zoo Foundation hosted some of their most successful events to date including the annual Wild Wines event, which was selected as the best fundraising event in Arkansas for the second year in a row by AY Magazine voters. The Zoo continued its commitment to conservation by participating in several Species Survival Plan (SSP) programs for endangered species and also partnered with organizations

locally and internationally, working to save endangered animals and educate the public on the importance of respecting all living things. The Zoo saw the birth of a baby western lowland gorilla, the third gorilla born at the Zoo and an animal classified as critically endangered. The Zoo instituted a comprehensive sustainability program that encouraged green purchasing and eliminated plastic straws and plastic bags, and instituted the use of compostable materials in catering and Café Africa. The Zoo continued its comprehensive recycling program and composting operation and joined with other organizations to educate them on how to incorporate these practices in their own business operations.

Fleet Services: The City of Little Rock Fleet Services Department continued the approved five (5)-Year Vehicle Replacement Plan for the Little Rock Police Department. Fleet Services has been approved to lease seventy-one (71) vehicles for the Police Department. In addition, a five (5)-Year Vehicle Replacement Plan has been drafted for Little Rock Fire Department to be reviewed with the City Manager for approval. Fleet Services improved processes by updating diagnostic scanners and replacing outdated shop equipment with more technologically advanced shop equipment. Fleet has implemented a City-wide group email for correspondence relating to accident/incidents of City-owned vehicles allowing Fleet to process insurance claims more efficiently. In addition, Fleet has started utilizing the Case Management module of the Infor Enterprise Asset Management module (EAM) in order to organize insurance claims by Department.

Budget Policies 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. The restricted reserve is currently \$10,000,000. The 2019 Budget includes a contingency allocation of an additional \$1 million. Following the completion of the annual audit each year, the City's Management Team will determine whether funds are available to increase the reserve, with the intent of gradually increasing the Restricted Reserve to achieve 10% of General Fund revenues.

2019 Mayor's Goals

- Continue implementing Little Rock's Master Plan for Children, Youth, and Families
- Conduct a full review of the City's summer youth employment program and identify federal funding to expand the program
- Conduct a full review of the City of Little Rock's compensation and leave policies
- Develop Little Rock's Opportunity Zone strategy
- Develop a workplan for the Mayor's Summer Reading Program and "Thrive by Five Program" with local partners and the Central Arkansas Library System
- Engage the Economic Development Transition Committee to identify members of the "Red Tape Commission" to begin developing Little Rock's first Small Business Growth

- Ensure that the FY2020 budget includes resources to hire twenty (20) additional LRPD officers
- Re-launch and prioritize LRPD's Cadet Program to ensure a more diverse, homegrown LRPD force
- Draft Use of Force Policy for LRPD, including a community outreach plan to solicit community input for the policy
- Create the Little Rock Community Review Board
- Open Fire Station 24 in Southwest Little Rock
- Ensure alternative modes of transportation by implementing an e-scooters ordinance
- Expand the Sidewalk Replacement Program
- Create Little Rock's Office of Equity, Diversity, & Inclusion, and rebranding of the Little Rock Racial and Cultural Diversity Commission as the Little Rock Human Rights Commission, incorporating the concerns of Little Rock's LGBTQ+ community
- Work with LRPD leadership to onboard an LGBTQ+ liaison within the LRPD Community Policing Unit
- Work with the Transformation and Government Reform Transition Committee to develop a workplan for reinvigorating the City of Little Rock's Intergovernmental Relations Office and Grants Management Division to more aggressively pursue federal resources to support key public safety, economic development, and community development priorities

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 comparative figures for the City of Little Rock as of December 31, 2018, show unemployment at 3.6%, compared with a U.S. average of 3.9%, according to data from the Arkansas Department of Workforce Services (ADWS). In addition, ADWS compiled data from the U.S. Bureau of the Census to determine areas or sectors in which Little Rock's share of jobs within the Central Arkansas region ranks above average. These sectors include: Information; Finance and Insurance; Public Administration; Management of Companies and Enterprises; Health Care and Social Assistance; and Professional; Scientific; and Technical Services.

U.S. Internet sales, or e-commerce, continued rapid growth accounting for approximately 8.9% of total sales. Internet sales have more than doubled in a decade, from less than 3% in 2006. According to Metroplan, which cited "Special Report: E-commerce," in *Economist* on October 28, 2017, "a Euromonitor projection suggests e-commerce may account for one-sixth of all retail sales by 2021." E-commerce 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 pleased with the Supreme Court Decision on *South Dakota v. Wayfair, Inc.* in which the court

held that states may charge tax on purchases made from out-of-state sellers, even if the seller does not have a physical presence in the taxing state. It is now up to the Arkansas State Legislature to act to require certain out-of-state sellers to collect and remit Arkansas sales and use tax. 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 Sales and Use Tax returns for such purchases, this method of tax collection is very ineffective.

The December 2018 *Metrotrends Economic Review and Outlook* reports that the Central Arkansas regional economy is traditionally oriented toward services. However, in recent years, the region has shown an upward manufacturing trend. Manufacturing's share of the U.S. gross domestic product (GDP) has declined slightly from 2010 to 2017, but the local share has increased. Local GDP outgrew jobs in manufacturing by a factor of seven to one. By comparison, U.S. manufacturing GDP trailed job growth. The Little Rock metro's high ratio of GDP growth to job growth in manufacturing suggest a competitive advantage in manufacturing productivity. The Central Arkansas region ranks high in steel and metal products, which account for nearly one in four local manufacturing jobs. One of the region's biggest manufacturing competitive advantages lies with the Little Rock Port Authority, which accounts for about 1,600 manufacturing and 3,400 total jobs. The Port has major transportation advantages, connected to the regional freeway network, with direct access to two major rail lines (Union Pacific and Burlington Northern), and barge traffic via the Arkansas River that provides low-cost shipping to much of middle North America.

The December 2018 *Metrotrends Economic Review and Outlook* reports that in the first six (6) months of 2018, construction dropped in comparison with an abnormally high level in the first six months of 2017. Still, single-family construction actually rose by 11%, led by Little Rock, with 173 new units. The overall decline can be attributed to the drop in multi-family (down 72%). Little Rock was the leader in this area as well with 134 units. Multi-family starts were confined to the region's three largest cities, Little Rock, North Little Rock, and Conway during the first half of 2018. For Little Rock the multi-family construction consisted of duplexes and small projects mostly in western portions, as well as a 130-unit retirement complex, also in western Little Rock. Multi-family activity increased in the third quarter, with two new complexes in western Little Rock. This suggests a multi-family growth trend above the national average in six of the past seven quarters.

On September 20, 2017, Bank of the Ozarks unveiled plans for the new company headquarters in Little Rock. *Arkansas Business* reported that the 247,000 square-foot project, located at the northwest corner of Cantrell Road and Chenonceau Boulevard, would begin before the end of 2017. The investment is anticipated to be in excess of \$100 million. Approximately 500 employees currently working in three (3) locations are expected to move into the building when construction is completed in late 2019 or early 2020. The building will be able to support up to 900 employees.

In April 2018, *Arkansas Business* reported the \$44 million purchase of the northwest corner of Interstate 630 and University Avenue by Provident Realty Advisors Inc. that occurred in 2016 has led to a new medical office building that opened in March 2018 with more new construction on the way. The project is called The District in Midtown. It is envisioned as an eleven (11) building, 57,120-square foot array of restaurant dominated retailers and two (2) hotels with 197 rooms. Nine (9) proposed building sites are marked along the perimeter bordering the interstate right of way and University Avenue. Two (2) more are planned to the north of a traffic circle at the heart of the site plan, where Sears now stands. A 107-room hotel is penciled in where Doctors Plaza now sits. Demolition recently began on the site, starting the redevelopment.

In 2016, Fidelity Information Services (FIS) sponsored its inaugural 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. FIS maintains a large campus in West Little Rock that employs approximately 1,300 workers with a focus on product development. The FinTech Accelerator is a rigorous twelve (12)-week program designed to accelerate the growth of early stage financial technology ventures. The ten (10) participating ventures are selected through a highly-competitive review process. It is housed out of the Venture Center, which shares space with the Little Rock Technology Park in Downtown Little Rock. Following the success of the 2016, FinTech Accelerator, Governor Asa Hutchinson and FIS Officials announced that it would return to Little Rock in 2017 and 2018, instead of moving to other municipalities around the world in which FIS has a presence. The partnership with the Venture Center and Little Rock Technology Park has been a key factor to the success of FinTech Accelerator. Launched in 2014, the Venture Center announced in May 2018 that it had created 192 jobs in the last year. This brings the number of jobs that member companies have created to more than 637 since 2014. The Venture Center in conjunction with the University Of Arkansas Clinton School Of Public Service conducted a six-month economic impact analysis that determined that entrepreneurs who interact with the Venture Center daily or weekly have created more jobs and have a higher total capital raise. The center said its member startups have raised \$57 million to date.

After being located in a temporary location, the Little Rock Technology Park opened in its new location in March 2017. The development consists of two (2) renovated nearly 100 year-old buildings designed to form an integrated environment for start-up and mature technology companies. The facility opened with twelve (12) initial companies and by the end of the 3rd Quarter of 2017, thirty-two (32) companies call the Little Rock Technology Park home. In December 2018, *Arkansas Business* reported the unveiling of renderings for the second phase of the six-phase Little Rock Technology Park. Phase II will be built on the empty lot between the park's current home at 417 Main St. and the KATV building at the corner of Main and Fourth streets. Phase II plans include wet/dry laboratories on the third, fourth and fifth floors; offices in front of the building; meeting spaces; locker rooms; indoor bicycle storage; and a small catering space. The building would be LEED-certified as

energy efficient. In addition, Phase II would also feature a restaurant type space with an outdoor patio on the first floor and a meeting/conference room that could seat about 180 people.

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, East Little Rock and West Little Rock.

Arkansas was recently ranked No. 1 in "Best Communication of Business Incentives." Arkansas was second only to Ohio in biggest gains. The Arkansas Economic Development Commission noted that, "What this tells us is that we are building momentum, we are capitalizing on our strengths, and we are working to improve our critical areas."

The City will continue to identify economic development opportunities that result in the expansion, retention, or launching 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 through 2021. The funds are being utilized for port expansion, development of a research park, and job recruitment and economic development infrastructure.

On September 14, 2017, the City of Little Rock won the Digital Pioneer Award and was an Honorable Mention in the Citizen Service Award category at the Arkansas Digital Government Transformation Awards, sponsored by the Governor's Office, Secretary of State's Office, Information Network of Arkansas, Department of Information Systems and Arkansas Office of Transformation. The City's Performance and Innovation Coordinator accepted the award and said, "Little Rock is proud of our Open Data Portal and excited that we have now also launched the Citizen Connect Site, where residents can easily see what is going on around their homes, businesses, and children's schools, and can proactively have alerts sent to them via e-mail regarding data that is important to them. The future of open data and its use to make better decisions is bright at the City of Little Rock, and we are very honored to be recognized for our work."

In December 2018, Little Rock was named as one of America's top 15 cities with a low cost of living and high quality of life. <https://www.badcredit.org/studies/15-cities-where-the-american-dream-is-still-attainable/> The analysts researched Niche.com's list of U.S. cities with the lowest cost of living and then looked at crime rates, commute times, employment, walkability, and other factors to determine its rankings. Key findings included a cost of living 4% below the national average, median household income of \$48,463, and average commute time of 18.6 minutes. Brittney Mayer, senior analyst and author of the report said, "While the American Dream may feel far away to many Americans, our study shows it's still possible to

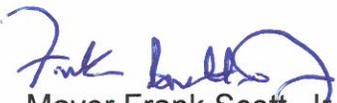
find a city with a great quality of life that doesn't require a six-figure income. The 15 cities on our list maintain a low cost of living without sacrificing the necessities for a high quality of life, including offering affordable homes and a vibrant community.”

Closing: This budget is the financial and operating plan for the City of Little Rock for 2019. The appropriations included provide for quality municipal services.

The City of Little Rock has made great strides in the utilization of technology to communicate with local citizens and businesses. The City's new website, www.littlerock.gov, is set up to improve communication efforts. In addition, the City is proud of its 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 launched a LR 311 Mobile App to enable citizens to access City services. The app is available for download through the App Store or Google Play Store. In March 2016, City Officials announced that Little Rock was one of only twenty-seven (27) municipalities around the U.S. participating in the What Works Cities Initiative through Bloomberg Philanthropies, part of an effort to embrace open data, create a framework for its usage, and make it readily available to citizens. The City unveiled an Open Data Portal that includes several data sets covering such topics as planning and permitting, public safety statistics, 311 Requests, and the location of Police, Fire and Neighborhood Resource Centers. The data sets are live on the main data portal located at <https://data.littlerock.ar.gov/>

The City has seen great progress over the past years with more to come in 2019 and beyond as the Mayor, 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.

Respectfully submitted,


Mayor Frank Scott, Jr.

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 2019 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 and use tax for capital projects that went into effect on January 1, 2012. The sales and use 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 FY19 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 2019 Budget

The 2019 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 2019 budget follows:

| | |
|-------------------|---|
| 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 2019. |
| August | Departments submit revenue estimates, proposed rate adjustments and new fee recommendations and dedicated grant match requests to Finance. |
| August | Departments review special project balances. |
| September | Finance Department sends out Personnel Model for verification. |
| September/October | Departments prepare program inventory worksheets for review and discussion with the Board of Directors in a preliminary budget workshop. |
| September/October | Departments complete review of 2019 Personnel Model with necessary changes reported to HR and Budget Office. |
| October | City Manager reviews Outside Agency Requests. HR provides 2019 new benefit rates to Finance. |
| October | 2019 Budget instructions, departmental budgets and Personnel Model distributed. Finance assists departments with budget process. |
| October | Fleet Services submits 2019 budget to Finance and departments. |
| October/November | Departments submit 2019 operating and capital budget requests to Finance. |
| October/November | Finance verifies budget requests. Finance updates financial trends, revenue forecast, and reviews new revenue options. |
| October | Board adopts 2019 mill levy Ordinance. |
| October/November | City Manager reviews departmental budget requests. Budget meetings held with departments. |

| | |
|--------------------|--|
| November | Board of Directors considers policy issues and revenue projections. |
| November | Budget preparation continues. Meetings held with Mayor to discuss preliminary budget. |
| October - December | 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 2019 Budget Ordinance, utility franchise Ordinances, and revenue rate adjustments if applicable. |
| December | Finance submits 2019 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 of \$50,000 or greater 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
- 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 2019 budget includes salary increases of 2.5% for uniform positions in addition to the Police and Fire step and grade progression. In addition, the City provided Step and Grade progression for the American Federation of State, County and Municipal Employees (AFSCME) union-eligible positions. The twenty (20)-step system provides annual adjustments of approximately 1.8%. Due to budget constraints, salary increases were not awarded to non-uniform, non-union positions. Lump sum salary bonuses were included in the budget for non-uniform employees, included members of AFSCME, based on salary ranges. Employees with an annual salary of \$40,000 or below were allocated bonuses of \$500, employees with an annual salary of \$40,001 - \$60,000 were allocated bonuses of \$375, and employees with an annual salary of \$60,001 and above were allocated bonuses of \$250.
- Positions that are vacant at the time the budget is adopted are budgeted at the mid-range salary based on grade, providing 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 enterprise resource planning system to aid in the development of the budget for personnel cost. Salary changes are budgeted for each employee group to occur at the appropriate time, in accordance with personnel policies. Examples include the employee's anniversary date, assignment 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 2019, 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. Expenditure reductions were required in departmental budgets to align expenditures with available revenues and to offset the additional cost of salary and benefit changes.
- A minimum contingency allocation of 0.5% of revenues is included the annual budget to provide for unanticipated fluctuations in revenues or expenditures.

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.

Basis of Budgeting: 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 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.

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.

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. The bonds were refunded in 2017 with the issuance of the Capital Improvements Refunding Revenue Bonds, Series 2017.

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 bonds were refunded in 2017 with the issuance of the Capital Improvements Refunding Revenue Bonds, Series 2017.

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. The bonds were refunded in 2017 with the issuance of the Capital Improvements Refunding Revenue Bonds, Series 2017.

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. The bonds were refunded in 2017 with the issuance of the 2017 Library Refunding Bonds.

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.

2017 Library Refunding Bonds – The Library Refunding Bonds, Series 2017 are limited obligations of the City of Little Rock payable solely from the collections of the Library tax, payable through 2027. The Library bonds were issued to (i) refund the City’s outstanding Library Construction and Improvement Bonds, Series 2012; and (ii) pay the costs of issuing 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.

Tax Increment Financing Port – The Tax Incremental Financing Development District established within the Port of the City of Little Rock was set up in order to levy taxes on property located within the redevelopment district and to the school board of any school district which includes property located within the redevelopment district. Funds from this levy are to be used for public infrastructure projects within the redevelopment district.

Capital Improvements Refunding Revenue Bonds, Series 2017 – The Capital Improvements Refunding Revenue Bonds, Series 2017 were issued (i) to advance refund the Series 2009A Bonds and the Series 2009B Bonds, (ii) to current refund the Series 2007 Bonds and the Series 2002 Bonds, (iii) to pay a premium for a municipal bond debt service reserve insurance policy, and (iv) to pay expenses of issuing the Bonds. The Series 2017 bonds are not general obligations of the City but are special obligations

secured solely by a pledge of revenues 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.

Limited Tax General Obligation Capital Improvement Bonds, Series 2018 – The Series 2018 Bonds in the amount of \$43,475,000, issued on November 28, 2018, are limited tax general obligations of the City, 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. The pledge of special tax collections in favor of the Series 2018 Bonds is on a parity with the pledge in favor of the City's Limited Tax General Obligation Capital Improvement Bonds, Series 2013. The issuance of the Series 2018 Bonds was approved at the special election held September 11, 2012 for the purpose of street and drainage infrastructure improvements.

City of Little Rock, Arkansas Hotel Gross Receipts Tax Bonds, Series 2018 - On December 13, 2018, the City issued the \$32,570,000 Hotel Gross Receipts Tax Bonds, Series 2018. The Bonds are not general obligations of the City, but are special obligations payable solely from collections of existing taxes levied by the City at an aggregate rate of 2% on the gross receipts derived and received from the renting, leasing or otherwise furnishing of hotel, motel, bed and breakfast or short-term condominium or apartment rental accommodations in the City. The issuance of the bonds and the pledging of collections of the tax for debt service were approved at a special election held February 8, 2016. The bonds were issued to finance a portion of the cost of improvements to MacArthur Park, a municipal park operated by the City's Parks and Recreation Department. Such improvements include particularly, without limitation, renovations and additions to, and furnishings and equipment for, the Arkansas Arts Center and renovations and equipment for the MacArthur Museum of Arkansas Military History, including any necessary parking, landscaping, signage, drainage, lighting, road and utility improvements in MacArthur Park.

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 Water Reclamation Authority
- 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
- Little Rock Workforce Development Board

These funds receive income from service charges that are used to operate their respective facilities and to retire revenue bonds. In addition, a Hotel, Motel, and Restaurant Sales Tax provides the main source of income to operate the Advertising and Promotion Commission and retire its bonds. The tax is 4% for lodging and 2% for restaurants. 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 providing 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, 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.
3. The City will attempt to develop a coordinated communication process with all other overlapping jurisdictions with which it shares a common tax base concerning collective plans for future debt issues.
4. Financing shall not exceed the useful life of the asset being acquired.
5. The City will not use long-term debt to finance current operations.

6. The general policy of the City is to establish debt repayment schedules that 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 \$10,000,000. The Board will consider increasing the restricted reserve based on the 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 **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.

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.

GENERAL FUND APPROPRIATIONS FOR OTHER AGENCIES

| | 2017 Budget | 2018 Budget | 2019 Budget |
|----------------------------------|---------------------|---------------------|---------------------|
| Rock Region Metro | \$8,862,975 | \$9,190,757 | \$8,398,757 (a) |
| County Regional Detention Center | 1,500,000 | 1,550,000 | 1,726,000 (b) |
| Arkansas Arts Center | 700,000 | 700,000 | - (c) |
| Museum of Discovery | 230,000 | 230,000 | 230,000 |
| Metroplan | 178,042 | 178,042 | 178,042 |
| Downtown Partnership | 195,000 | 195,000 | 195,000 |
| PAGIS | 134,850 | 134,850 | 134,850 |
| First Tee | 246,500 | 246,500 | 120,000 (d) |
| 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>\$12,131,348</u> | <u>\$12,509,130</u> | <u>\$11,066,630</u> |

(a) Total Rock Region Metro funding for 2019 is \$9,398,757, an increase of \$208,000. \$1,000,000 of this funding is provided in the Street Fund.

(b) Additional funding is provided in the local jail fine special project in the amount of \$265,595 to bring support for the Pulaski County Regional Detention Center to \$1,991,595. This represents an increase of approximately \$45,000. In prior years, more funding was available in the local jail fine special project.

(c) Funding from the one (1)-Cent Lodging Tax for parks will provide \$350,000 for the Arts Center in 2019. The Arts Center will be undergoing renovation and expansion funded in part by the issuance of bonds December, 2018.

(d) Funding for the First Tee is being provided for the first quarter only, pending the outcome of a golf study. The study will help determine the future plans for golf operations City-wide. The City currently owns and supports four (4) golf courses.

Budget Summaries



BUDGET SUMMARIES

The following schedules summarize the audited 2017 operating results, the 2018 unaudited operating results, and the approved 2019 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:

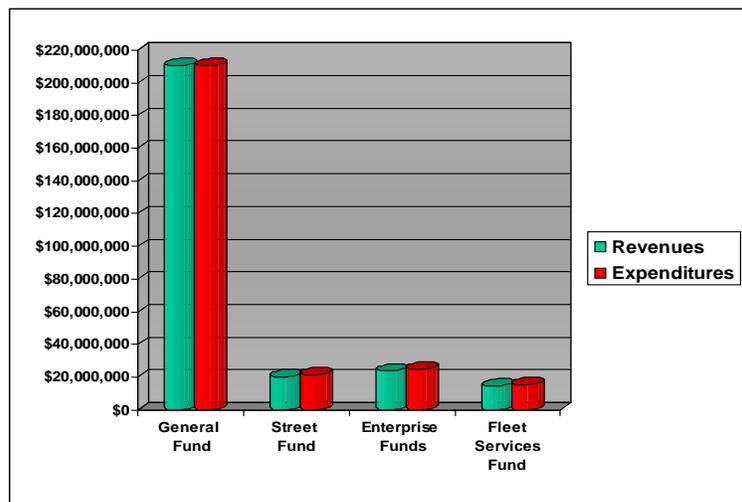
- General
- Special Revenue
- Capital
- Enterprise
- Internal Service
- Fiduciary
- Debt Service

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

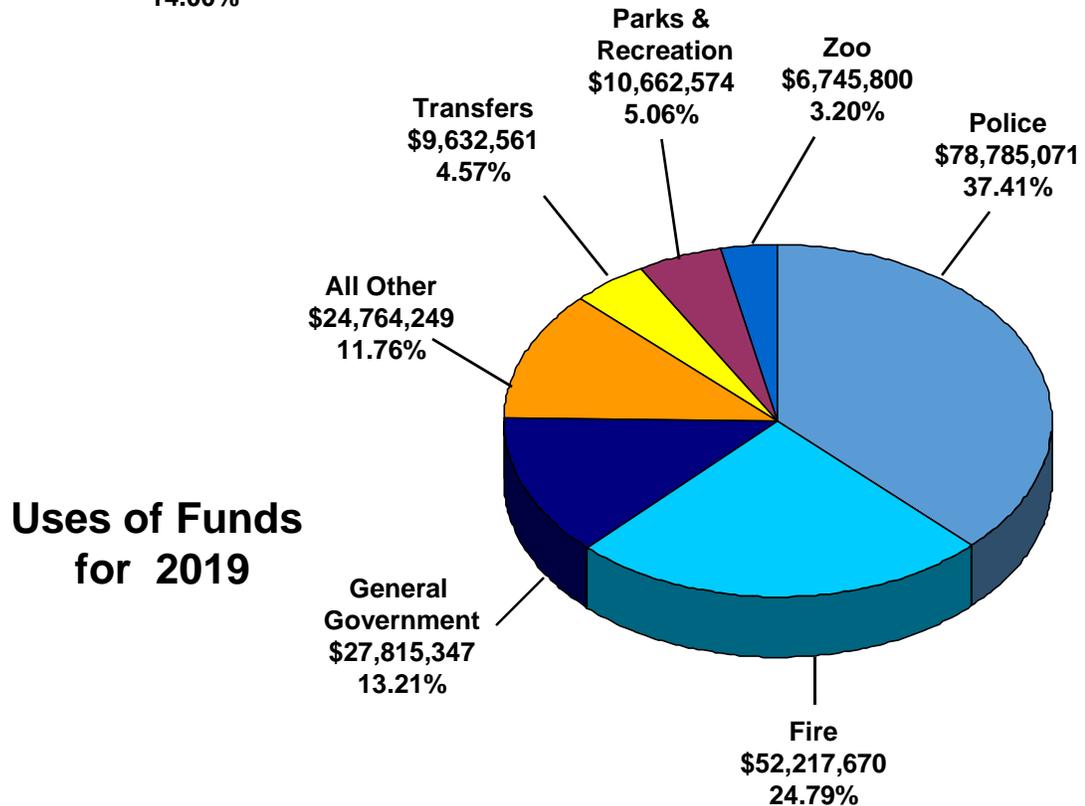
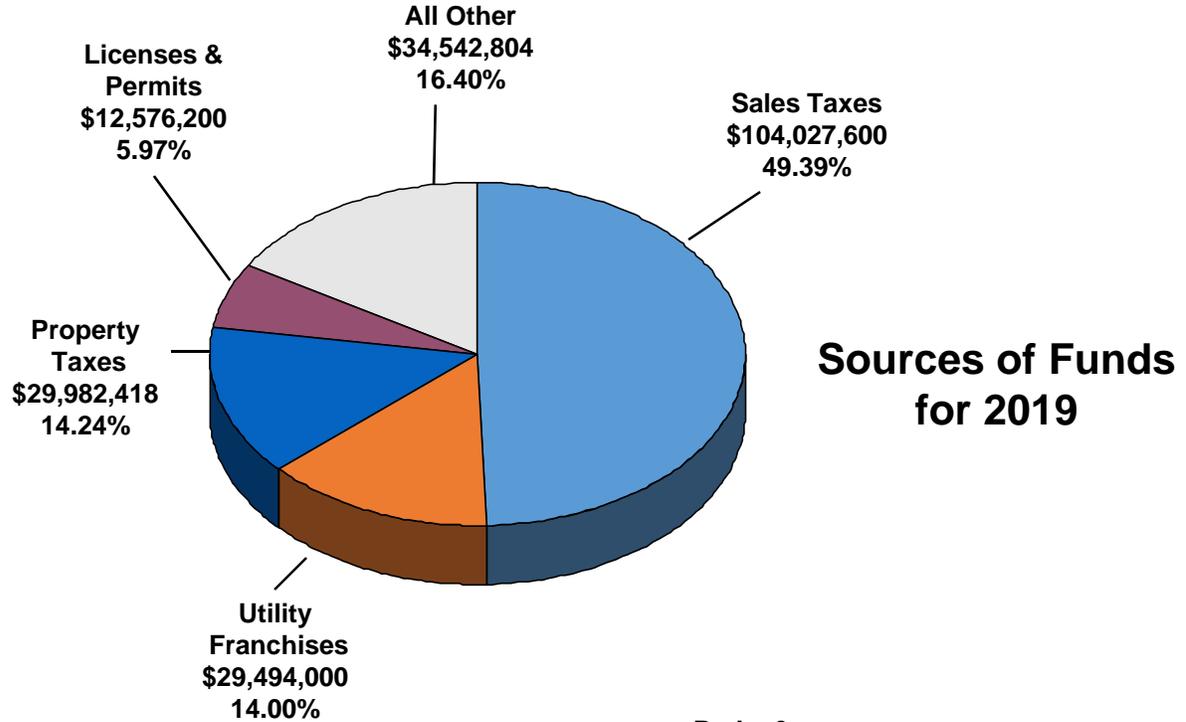
2019 Operating Funds Budget Summaries

| | General | Street | Enterprise Funds | Fleet Services | Total |
|-----------------------------------|----------------------|----------------------|----------------------|---------------------|----------------------|
| Revenues | | | | | |
| General Property Taxes | \$ 29,982,418 | \$ 6,245,930 | \$ - | \$ - | \$ 36,228,348 |
| Sales Taxes | 104,027,600 | - | - | - | 104,027,600 |
| License and Permits | 12,576,200 | 17,600 | 321,900 | - | 12,915,700 |
| Intergovernmental | 9,830,188 | 13,168,100 | - | - | 22,998,288 |
| Charge for Service | 11,746,572 | 18,000 | 23,045,100 | 14,644,735 | 49,454,407 |
| Fines and Fees | 2,350,880 | - | - | - | 2,350,880 |
| Utility Franchise Fees | 29,494,250 | - | - | - | 29,494,250 |
| Investment Income | 391,200 | 200,000 | 201,800 | 21,755 | 814,755 |
| Miscellaneous | 1,841,815 | 27,000 | 150,750 | - | 2,019,565 |
| Transfers In | 8,382,149 | 467,700 | - | - | 8,849,849 |
| Total Revenues | 210,623,272 | 20,144,330 | 23,719,550 | 14,666,490 | 269,153,642 |
| Expenditures | | | | | |
| Personnel | 158,139,942 | 10,862,318 | 6,749,264 | 3,892,109 | 179,643,633 |
| Supplies and Material | 5,950,330 | 1,062,136 | 1,876,853 | 6,147,500 | 15,036,819 |
| Repairs and Maintenance | 8,963,888 | 2,625,861 | 5,405,251 | 793,765 | 17,788,765 |
| Contractual | 21,800,224 | 4,560,126 | 4,888,363 | 3,443,174 | 34,691,887 |
| Closure/Post Closure | - | - | 248,000 | - | 248,000 |
| Capital Outlay | - | - | - | - | - |
| Depreciation and Amortization | - | - | 3,449,597 | 392,750 | 3,842,347 |
| Debt Service | 6,136,327 | - | 471,667 | - | 6,607,994 |
| Transfers Out | 9,632,561 | 2,488,717 | 1,784,335 | 750,000 | 14,655,613 |
| Total Expenditures | 210,623,272 | 21,599,158 | 24,873,330 | 15,419,298 | 272,515,058 |
| Net Change in Fund Balance | - | (1,454,828) | (1,153,780) | (752,808) | (3,361,416) |
| Fund Balances - Beginning | 17,667,768 | 15,983,948 | 27,267,654 | 4,837,389 | 65,756,759 |
| Fund Balances - Ending | \$ 17,667,768 | \$ 14,529,120 | \$ 26,113,874 | \$ 4,084,581 | \$ 62,395,343 |

This presentation includes restricted reserves of \$10,000,000 in the General Fund.



FY 2019 GENERAL FUND



**CITY OF LITTLE ROCK
BUDGET SUMMARY BY FUND TYPE
FOR YEARS 2017 - 2019**

| | GENERAL FUNDS | SPECIAL REVENUES | CAPITAL PROJECTS | DEBT SERVICE FUNDS | ENTERPRISE FUNDS | INTERNAL SERVICE FUND | FIDUCIARY FUNDS |
|---------------------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------------|-----------------------------|--------------------------------------|----------------------------|
| 2017 | | | | | | | |
| REVENUES: | \$ 220,177,496 | \$ 33,933,571 | \$ 24,800,486 | \$ 59,544,764 | \$ 22,723,249 | \$ 12,492,075 | \$ 30,901,742 |
| EXPENDITURES: | 219,705,787 | 30,575,391 | 48,941,545 | 63,625,348 | 20,698,852 | 11,910,455 | 18,254,813 |
| REVENUES OVER (UNDER) EXPENDITURES | 471,709 | 3,358,180 | (24,141,060) | (4,080,584) | 2,024,397 | 581,621 | 12,646,929 |
| BEGINNING NET POSITION | 40,122,810 | 22,320,672 | 63,519,284 | 21,857,767 | 24,581,156 | 5,255,768 | 144,284,326 |
| ENDING FUND BALANCE | <u>\$ 40,594,519</u> | <u>\$ 25,678,852</u> | <u>\$ 39,378,224</u> | <u>\$ 17,777,183</u> | <u>\$ 26,605,553</u> | <u>\$ 5,837,389</u> | <u>\$ 156,931,255</u> |
| 2018 | | | | | | | |
| REVENUES: | \$ 220,408,118 | \$ 35,918,783 | \$ 97,649,631 | \$ 22,713,111 | \$ 23,410,115 | \$ 13,061,091 | \$ 5,674,326 |
| EXPENDITURES: | 226,459,031 | 35,432,885 | 30,620,892 | 18,601,273 | 22,748,014 | 14,061,091 | 64,973,158 |
| REVENUES OVER (UNDER) EXPENDITURES | (6,050,913) | 485,899 | 67,028,739 | 4,111,838 | 662,101 | (1,000,000) | (59,298,832) |
| BEGINNING FUND BALANCE | 40,594,519 | 25,678,852 | 39,378,224 | 17,777,183 | 26,605,553 | 5,837,389 | 156,931,255 |
| ENDING FUND BALANCE | <u>\$ 34,543,605</u> | <u>\$ 26,164,750</u> | <u>\$ 106,406,963</u> | <u>\$ 21,889,021</u> | <u>\$ 27,267,654</u> | <u>\$ 4,837,389</u> | <u>\$ 97,632,423</u> |
| 2019 | | | | | | | |
| REVENUES: | \$ 210,623,272 | \$ 20,144,330 | \$ - | \$ - | \$ 23,719,550 | \$ 14,666,490 | \$ - |
| EXPENDITURES: | 210,623,272 | 21,599,158 | - | - | 24,873,330 | 15,419,298 | - |
| REVENUES OVER (UNDER) EXPENDITURES | - | (1,454,828) | - | - | (1,153,780) | (752,808) | - |
| BEGINNING FUND BALANCE | 34,543,605 | 26,164,750 | 106,406,963 | 21,889,021 | 27,267,654 | 4,837,389 | 97,632,423 |
| ENDING FUND BALANCE | <u>\$ 34,543,605</u> | <u>\$ 24,709,922</u> | <u>\$ 106,406,963</u> | <u>\$ 21,889,021</u> | <u>\$ 26,113,874</u> | <u>\$ 4,084,581</u> | <u>\$ 97,632,423</u> |

**GENERAL GOVERNMENT SUMMARY
OPERATING BUDGET
2017-2019**

| | ACTUAL 2017 | AMENDED 2018 | ADOPTED BUDGET 2019 |
|---------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <u>GENERAL FUND</u> | | | |
| REVENUES: | \$ 204,685,128 | \$ 207,879,850 | \$ 210,623,272 |
| EXPENDITURES: | <u>207,260,643</u> | <u>210,810,760</u> | <u>210,623,272</u> |
| REVENUES OVER (UNDER) EXPENDITURES | (2,575,515) | (2,930,910) | - |
| BEGINNING FUND BALANCE | <u>23,174,193</u> | <u>20,598,678</u> | <u>17,667,768</u> |
| ENDING FUND BALANCE | <u><u>\$ 20,598,678</u></u> | <u><u>\$ 17,667,768</u></u> | <u><u>\$ 17,667,768</u></u> |
| <u>SPECIAL PROJECTS FUND</u> | | | |
| REVENUES: | \$ 15,368,224 | \$ 12,374,771 | |
| EXPENDITURES: | <u>12,317,205</u> | <u>15,524,559</u> | |
| REVENUES OVER (UNDER) EXPENDITURES | 3,051,020 | (3,149,788) | - |
| BEGINNING FUND BALANCE | <u>16,908,711</u> | <u>19,959,731</u> | <u>16,809,942</u> |
| ENDING FUND BALANCE | <u><u>\$ 19,959,731</u></u> | <u><u>\$ 16,809,942</u></u> | <u><u>\$ 16,809,942</u></u> |
| <u>SEIZED MONEY FUND</u> | | | |
| REVENUES: | \$ 124,143 | \$ 153,497 | |
| EXPENDITURES: | <u>127,939</u> | <u>123,712</u> | |
| REVENUES OVER (UNDER) EXPENDITURES | (3,796) | 29,785 | - |
| BEGINNING FUND BALANCE | <u>39,906</u> | <u>36,110</u> | <u>65,895</u> |
| ENDING FUND BALANCE | <u><u>\$ 36,110</u></u> | <u><u>\$ 65,895</u></u> | <u><u>\$ 65,895</u></u> |
| TOTAL BEGINNING FUND BALANCE | \$ 40,122,810 | \$ 40,594,519 | \$ 34,543,605 |
| TOTAL REVENUES | 220,177,496 | 220,408,118 | 210,623,272 |
| TOTAL EXPENDITURES | <u>219,705,787</u> | <u>226,459,031</u> | <u>210,623,272</u> |
| TOTAL ENDING FUND BALANCE | <u><u>\$ 40,594,519</u></u> | <u><u>\$ 34,543,605</u></u> | <u><u>\$ 34,543,605</u></u> |

The sources and trends of operating revenue 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 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
2017-2019**

| | ACTUAL 2017 | AMENDED 2018 | ADOPTED BUDGET 2019 |
|--|-----------------------------|-----------------------------|-----------------------------|
| <u>STREET</u> | | | |
| REVENUES: | \$ 20,989,907 | \$ 20,099,356 | \$ 20,144,330 |
| EXPENDITURES: | <u>18,383,410</u> | <u>20,969,356</u> | <u>21,599,158</u> |
| REVENUES OVER (UNDER) EXPENDITURES | 2,606,497 | (870,000) | (1,454,828) |
| BEGINNING FUND BALANCE | <u>14,247,452</u> | <u>16,853,948</u> | <u>15,983,948</u> |
| ENDING FUND BALANCE | <u><u>\$ 16,853,948</u></u> | <u><u>\$ 15,983,948</u></u> | <u><u>\$ 14,529,120</u></u> |
| <u>SPECIAL PROJECT - STREET</u> | | | |
| REVENUES: | \$ 2,155,000 | \$ 3,420,205 | \$ - |
| EXPENDITURES: | <u>1,175,244</u> | <u>1,867,740</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | 979,756 | 1,552,465 | - |
| BEGINNING FUND BALANCE | <u>1,661,036</u> | <u>2,640,792</u> | <u>4,193,257</u> |
| ENDING FUND BALANCE | <u><u>\$ 2,640,792</u></u> | <u><u>\$ 4,193,257</u></u> | <u><u>\$ 4,193,257</u></u> |
| <u>SPECIAL PROJECTS</u> | | | |
| REVENUES: | \$ 3,600,216 | \$ 3,584,437 | \$ - |
| EXPENDITURES: | <u>3,336,239</u> | <u>3,785,685</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | 263,978 | (201,247) | - |
| BEGINNING FUND BALANCE | <u>3,603,334</u> | <u>3,867,312</u> | <u>3,666,064</u> |
| ENDING FUND BALANCE | <u><u>\$ 3,867,312</u></u> | <u><u>\$ 3,666,064</u></u> | <u><u>\$ 3,666,064</u></u> |

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2017-2019**

| | ACTUAL 2017 | AMENDED 2018 | ADOPTED BUDGET 2019 |
|---------------------------------------|--------------------------|--------------------------|---------------------------|
| <u>EMERGENCY 911</u> | | | |
| REVENUES: | \$ 1,290,292 | \$ 1,267,813 | \$ - |
| EXPENDITURES: | <u>1,322,784</u> | <u>924,053</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | (32,492) | 343,760 | - |
| BEGINNING FUND BALANCE | <u>103,135</u> | <u>70,643</u> | <u>414,403</u> |
| ENDING FUND BALANCE | <u><u>\$ 70,643</u></u> | <u><u>\$ 414,403</u></u> | <u><u>\$ 414,403</u></u> |
| <u>GRANTS</u> | | | |
| REVENUES: | 3,466,708 | \$ 4,518,690 | \$ - |
| EXPENDITURES: | <u>3,624,733</u> | <u>5,219,245</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | (158,025) | (700,555) | - |
| BEGINNING FUND BALANCE | <u>956,597</u> | <u>798,572</u> | <u>98,017</u> |
| ENDING FUND BALANCE | <u><u>\$ 798,572</u></u> | <u><u>\$ 98,017</u></u> | <u><u>\$ 98,017</u></u> |
| <u>CDBG</u> | | | |
| REVENUES: | \$ 1,602,934 | \$ 994,648 | \$ - |
| EXPENDITURES: | <u>1,613,007</u> | <u>944,997</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | (10,073) | 49,651 | - |
| BEGINNING FUND BALANCE | <u>839,253</u> | <u>829,180</u> | <u>878,830</u> |
| ENDING FUND BALANCE | <u><u>\$ 829,180</u></u> | <u><u>\$ 878,830</u></u> | <u><u>\$ 878,830</u></u> |

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2017-2019**

| | ACTUAL 2017 | AMENDED 2018 | ADOPTED BUDGET 2019 |
|---------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <u>HIPP</u> | | | |
| REVENUES: | \$ 814,404 | \$ 2,033,227 | \$ - |
| EXPENDITURES: | <u>1,109,490</u> | <u>1,720,541</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | (295,086) | 312,686 | - |
| BEGINNING FUND BALANCE | <u>884,211</u> | <u>589,125</u> | <u>901,811</u> |
| ENDING FUND BALANCE | <u><u>\$ 589,125</u></u> | <u><u>\$ 901,811</u></u> | <u><u>\$ 901,811</u></u> |
| <u>NHSP</u> | | | |
| REVENUES: | \$ 14,110 | \$ 407 | \$ - |
| EXPENDITURES: | <u>10,484</u> | <u>1,268</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | 3,626 | (861) | - |
| BEGINNING FUND BALANCE | <u>25,654</u> | <u>29,280</u> | <u>28,419</u> |
| ENDING FUND BALANCE | <u><u>\$ 29,280</u></u> | <u><u>\$ 28,419</u></u> | <u><u>\$ 28,419</u></u> |
| TOTAL BEGINNING FUND BALANCE | \$ 22,320,672 | \$ 25,678,852 | \$ 26,164,750 |
| TOTAL REVENUES | 33,933,571 | 35,918,783 | 20,144,330 |
| TOTAL EXPENDITURES | <u>30,575,391</u> | <u>35,432,885</u> | <u>21,599,158</u> |
| TOTAL ENDING FUND BALANCE | <u><u>\$ 25,678,852</u></u> | <u><u>\$ 26,164,750</u></u> | <u><u>\$ 24,709,922</u></u> |

**CAPITAL FUNDS
OPERATING BUDGET
2017-2019**

| | ACTUAL 2017 | AMENDED 2018 | ADOPTED BUDGET 2019 |
|---|---------------------|---------------------|---------------------------|
| <u>2004 CAPITAL IMPROVEMENTS</u> | | | |
| REVENUES: | \$ 41 | \$ - | \$ - |
| EXPENDITURES: | <u>1,913</u> | <u>-</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | (1,872) | - | - |
| BEGINNING FUND BALANCE | <u>1,872</u> | <u>-</u> | <u>-</u> |
| ENDING FUND BALANCE | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| <u>2012 LIBRARY IMPROVEMENT BOND</u> | | | |
| REVENUES: | \$ 8 | \$ - | \$ - |
| EXPENDITURES: | <u>886</u> | <u>-</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | (878) | - | - |
| BEGINNING FUND BALANCE | <u>878</u> | <u>-</u> | <u>-</u> |
| ENDING FUND BALANCE | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| <u>2015 LIBRARY IMPROVEMENT BOND</u> | | | |
| REVENUES: | \$ 41,761 | \$ 22,406 | \$ - |
| EXPENDITURES: | <u>6,983,879</u> | <u>2,501,134</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | (6,942,118) | (2,478,728) | - |
| BEGINNING FUND BALANCE | <u>10,600,674</u> | <u>3,658,556</u> | <u>1,179,828</u> |
| ENDING FUND BALANCE | <u>\$ 3,658,556</u> | <u>\$ 1,179,828</u> | <u>\$ 1,179,828</u> |

**CAPITAL FUNDS
OPERATING BUDGET
2017-2019**

| | ACTUAL 2017 | AMENDED 2018 | ADOPTED BUDGET 2019 |
|--|----------------------------|--------------------------|---------------------------|
| <u>2013 CAPITAL IMPROVEMENT FUND (STREETS AND DRAINAGE)</u> | | | |
| REVENUES: | \$ 92,031 | \$ 41,604 | \$ - |
| EXPENDITURES: | <u>8,562,057</u> | <u>3,435,086</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | (8,470,026) | (3,393,482) | - |
| BEGINNING FUND BALANCE | <u>12,121,120</u> | <u>3,651,095</u> | <u>257,613</u> |
| ENDING FUND BALANCE | <u><u>\$ 3,651,095</u></u> | <u><u>\$ 257,613</u></u> | <u><u>\$ 257,613</u></u> |

2018 CAPITAL IMPROVEMENT FUND (STREETS AND DRAINAGE)

| | | | |
|---------------------------------------|--------------------|-----------------------------|-----------------------------|
| REVENUES: | \$ - | \$ 44,591,545 | \$ - |
| EXPENDITURES: | <u>-</u> | <u>1,764,524</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | - | 42,827,021 | - |
| BEGINNING FUND BALANCE | <u>-</u> | <u>-</u> | <u>42,827,021</u> |
| ENDING FUND BALANCE | <u><u>\$ -</u></u> | <u><u>\$ 42,827,021</u></u> | <u><u>\$ 42,827,021</u></u> |

TIF #1 2014 CAPITAL IMPROVEMENT BOND

| | | | |
|---------------------------------------|----------------------|-----------------|--------------------|
| REVENUES: | \$ 188 | \$ - | \$ - |
| EXPENDITURES: | <u>-</u> | <u>194</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | 188 | (194) | - |
| BEGINNING FUND BALANCE | <u>6</u> | <u>194</u> | <u>-</u> |
| ENDING FUND BALANCE | <u><u>\$ 194</u></u> | <u><u>-</u></u> | <u><u>\$ -</u></u> |

**CAPITAL FUNDS
OPERATING BUDGET
2017-2019**

| | ACTUAL 2017 | AMENDED 2018 | ADOPTED BUDGET 2019 |
|---------------------------------------|-------------------|-------------------|---------------------------|
| <u>PORT TIF</u> | | | |
| REVENUES: | \$ 149,574 | \$ 173,945 | \$ - |
| EXPENDITURES: | <u>528,000</u> | <u>250,000</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | (378,426) | (76,055) | - |
| BEGINNING FUND BALANCE | <u>700,454</u> | <u>322,027</u> | <u>245,972</u> |
| ENDING FUND BALANCE | <u>\$ 322,027</u> | <u>\$ 245,972</u> | <u>\$ 245,972</u> |

SHORT TERM FINANCING

| | | | |
|---------------------------------------|---------------------|-------------------|-------------------|
| REVENUES: | \$ 5,251,984 | \$ 68,752 | \$ - |
| EXPENDITURES: | <u>4,273,167</u> | <u>2,042,513</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | 978,817 | (1,973,761) | - |
| BEGINNING FUND BALANCE | <u>1,367,182</u> | <u>2,345,999</u> | <u>372,238</u> |
| ENDING FUND BALANCE | <u>\$ 2,345,999</u> | <u>\$ 372,238</u> | <u>\$ 372,238</u> |

2012-2021 CAPITAL IMPROVEMENTS FUND (3/8 CENT SALES TAX)

| | | | |
|---------------------------------------|----------------------|-------------------|----------------------|
| REVENUES: | \$ 19,264,898 | \$ 19,719,225 | \$ - |
| EXPENDITURES: | <u>28,591,643</u> | <u>19,934,844</u> | <u>-</u> |
| REVENUES OVER (UNDER) EXPENDITURES | (9,326,745) | (215,619) | - |
| BEGINNING FUND BALANCE | <u>38,727,097</u> | <u>29,400,353</u> | <u>29,184,734</u> |
| ENDING FUND BALANCE | <u>\$ 29,400,353</u> | <u>29,184,734</u> | <u>\$ 29,184,734</u> |

**CAPITAL FUNDS
OPERATING BUDGET
2017-2019**

| | ACTUAL 2017 | AMENDED 2018 | ADOPTED BUDGET 2019 |
|---|----------------------|-----------------------|---------------------------|
| <u>2018 HOTEL GROSS RECEIPTS TAX BONDS</u> | | | |
| REVENUES: | | \$ 33,032,153 | \$ - |
| EXPENDITURES: | | 692,596 | - |
| REVENUES OVER (UNDER) EXPENDITURES | | 32,339,558 | - |
| BEGINNING FUND BALANCE | | - | 32,339,558 |
| ENDING FUND BALANCE | | \$ 32,339,558 | \$ 32,339,558 |
| TOTAL CAPITAL BEGINNING BALANCE | \$ 63,519,284 | \$ 39,378,224 | \$ 106,406,963 |
| TOTAL REVENUES | 24,800,486 | 97,649,631 | - |
| TOTAL EXPENDITURES | 48,941,545 | 30,620,892 | - |
| TOTAL CAPITAL ENDING FUND BALANCE | \$ 39,378,224 | \$ 106,406,963 | \$ 106,406,963 |

**DEBT SERVICE FUNDS
OPERATING BUDGET
2017-2019**

| | <u>ACTUAL 2017</u> | <u>AMENDED 2018</u> | <u>ADOPTED BUDGET 2019</u> |
|---|------------------------|-------------------------|------------------------------------|
| <u>2002 CIP JUNIOR LIEN BONDS</u> | | | |
| REVENUE: | \$ 639,398 | \$ - | \$ - |
| EXPENDITURES: | <u>658,892</u> | <u>41</u> | <u>-</u> |
| NET INCREASE (DECREASE) | (19,494) | (41) | - |
| BEGINNING FUND BALANCE | 19,536 | 41 | - |
| ENDING FUND BALANCE | <u>\$ 41</u> | <u>\$ -</u> | <u>\$ -</u> |
| <u>2007 CAPITAL IMPROVEMENT REVENUE REFUNDING BOND</u> | | | |
| REVENUE: | \$ 4,160,024 | \$ - | \$ - |
| EXPENDITURES: | <u>4,203,496</u> | <u>327</u> | <u>-</u> |
| NET INCREASE (DECREASE) | (43,472) | (327) | - |
| BEGINNING FUND BALANCE | 43,799 | 327 | - |
| ENDING FUND BALANCE | <u>\$ 327</u> | <u>\$ -</u> | <u>\$ -</u> |
| <u>2009 PARKS & REC CAPITAL IMPROVEMENT BOND</u> | | | |
| REVENUE: | \$ 17,651,187 | | \$ - |
| EXPENDITURES: | <u>19,897,176</u> | | <u>-</u> |
| NET INCREASE (DECREASE) | (2,245,989) | - | - |
| BEGINNING FUND BALANCE | 2,245,989 | - | - |
| ENDING FUND BALANCE | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

**DEBT SERVICE FUNDS
OPERATING BUDGET
2017-2019**

| | <u>ACTUAL 2017</u> | <u>AMENDED 2018</u> | <u>ADOPTED BUDGET 2019</u> |
|---|------------------------|-------------------------|------------------------------------|
| <u>2012 LIBRARY IMPROVEMENT BONDS</u> | | | |
| REVENUE: | \$ 20,291,699 | \$ 2,483 | \$ - |
| EXPENDITURES: | <u>23,748,421</u> | <u>425,557</u> | <u>-</u> |
| NET INCREASE (DECREASE) | (3,456,722) | (423,074) | - |
| BEGINNING FUND BALANCE | 3,879,796 | 423,074 | - |
| ENDING FUND BALANCE | <u>\$ 423,074</u> | <u>-</u> | <u>\$ -</u> |
| <u>2015 LIBRARY IMPROVEMENT BONDS</u> | | | |
| REVENUE: | \$ 3,691,695 | \$ 3,814,040 | \$ - |
| EXPENDITURES: | <u>3,090,763</u> | <u>3,686,513</u> | <u>-</u> |
| NET INCREASE (DECREASE) | 600,932 | 127,527 | - |
| BEGINNING FUND BALANCE | 3,057,407 | 3,658,339 | 3,785,866 |
| ENDING FUND BALANCE | <u>\$ 3,658,339</u> | <u>\$ 3,785,866</u> | <u>\$ 3,785,866</u> |
| <u>2013 & 2018 CAPITAL IMPROVEMENT BONDS</u> | | | |
| REVENUE: | \$ 12,316,493 | \$ 12,730,631 | \$ - |
| EXPENDITURES: | <u>11,651,031</u> | <u>12,210,838</u> | <u>-</u> |
| NET INCREASE (DECREASE) | 665,462 | 519,794 | - |
| BEGINNING FUND BALANCE | 12,363,961 | 13,029,423 | 13,549,217 |
| ENDING FUND BALANCE | <u>\$ 13,029,423</u> | <u>\$ 13,549,217</u> | <u>\$ 13,549,217</u> |

**DEBT SERVICE FUNDS
OPERATING BUDGET
2017-2019**

| | <u>ACTUAL 2017</u> | <u>AMENDED 2018</u> | <u>ADOPTED BUDGET 2019</u> |
|---|-----------------------------|-----------------------------|------------------------------------|
| <u>TIF #1 2014 CAPITAL IMPROVEMENT</u> | | | |
| REVENUE: | \$ 288,320 | \$ 409,080 | \$ - |
| EXPENDITURES: | <u>158,513</u> | <u>158,513</u> | <u>-</u> |
| NET INCREASE (DECREASE) | 129,807 | 250,567 | - |
| BEGINNING FUND BALANCE | 247,279 | 377,087 | 627,654 |
| ENDING FUND BALANCE | <u>\$ 377,087</u> | <u>\$ 627,654</u> | <u>\$ 627,654</u> |
| <u>2017 CAPITAL IMPROVEMENT REFUNDING BOND</u> | | | |
| REVENUE: | \$ 140,256 | \$ 1,519,579 | \$ - |
| EXPENDITURES: | <u>138,686</u> | <u>1,505,962</u> | <u>-</u> |
| NET INCREASE (DECREASE) | 1,569 | 13,617 | - |
| BEGINNING FUND BALANCE | - | 1,569 | 15,186 |
| ENDING FUND BALANCE | <u>\$ 1,569</u> | <u>\$ 15,186</u> | <u>\$ 15,186</u> |
| <u>2017 LIBRARY REFUNDING BONDS</u> | | | |
| REVENUE: | \$ 365,693 | \$ 4,237,298 | \$ - |
| EXPENDITURES: | <u>78,369</u> | <u>613,524</u> | <u>-</u> |
| NET INCREASE (DECREASE) | 287,323 | 3,623,774 | - |
| BEGINNING FUND BALANCE | - | 287,323 | 3,911,097 |
| ENDING FUND BALANCE | <u>\$ 287,323</u> | <u>\$ 3,911,097</u> | <u>\$ 3,911,097</u> |
| TOTAL BEGINNING FUND BALANCE | \$ 21,857,767 | \$ 17,777,183 | \$ 21,889,021 |
| TOTAL REVENUES | 59,544,764 | 22,713,111 | - |
| TOTAL EXPENDITURES | <u>63,625,348</u> | <u>18,601,273</u> | - |
| TOTAL ENDING FUND BALANCE | <u>\$ 17,777,183</u> | <u>\$ 21,889,021</u> | <u>\$ 21,889,021</u> |

**ENTERPRISE FUNDS
OPERATING BUDGET
2017-2019**

| | ACTUAL 2017 | AMENDED 2018 | ADOPTED BUDGET 2019 |
|--|-----------------------------|-----------------------------|-----------------------------|
| <u>VEHICLE STORAGE FACILITY</u> | | | |
| REVENUES: | \$ 1,466,085 | \$ 1,335,365 | \$ 1,842,900 |
| EXPENDITURES: | <u>1,408,218</u> | <u>1,335,365</u> | <u>1,344,955</u> |
| REVENUES OVER (UNDER) EXPENDITURES | 57,867 | - | 497,945 |
| BEGINNING NET POSITION | <u>(919,312)</u> | <u>(861,445)</u> | <u>(861,445)</u> |
| ENDING NET POSITION | <u>\$ (861,445)</u> | <u>\$ (861,445)</u> | <u>\$ (363,500)</u> |
| <u>WASTE DISPOSAL</u> | | | |
| REVENUES: | \$ 18,680,514 | \$ 19,326,800 | \$ 19,176,900 |
| EXPENDITURES: | <u>16,967,402</u> | <u>18,900,401</u> | <u>21,436,769</u> |
| REVENUES OVER (UNDER) NET INCOME (LOSS) | 1,713,112 | 426,399 | (2,259,869) |
| BEGINNING NET POSITION | <u>24,379,184</u> | <u>26,092,296</u> | <u>26,518,695</u> |
| ENDING NET POSITION | <u>\$ 26,092,296</u> | <u>\$ 26,518,695</u> | <u>\$ 24,258,826</u> |
| <u>PARKING GARAGES</u> | | | |
| REVENUES: | \$ 2,576,650 | \$ 2,747,950 | \$ 2,699,750 |
| EXPENDITURES: | <u>2,323,232</u> | <u>2,512,248</u> | <u>2,091,606</u> |
| REVENUES OVER (UNDER) NET INCOME (LOSS) | 253,418 | 235,702 | 608,144 |
| BEGINNING NET POSITION | <u>1,121,284</u> | <u>1,374,702</u> | <u>1,610,404</u> |
| ENDING NET POSITION | <u>\$ 1,374,702</u> | <u>\$ 1,610,404</u> | <u>\$ 2,218,548</u> |
| TOTAL ENTERPRISE BEGINNING NET POSITION | \$ 24,581,156 | \$ 26,605,553 | \$ 27,267,654 |
| TOTAL REVENUES | 22,723,249 | 23,410,115 | 23,719,550 |
| TOTAL EXPENDITURES | <u>20,698,852</u> | <u>22,748,014</u> | <u>24,873,330</u> |
| TOTAL ENTERPRISE ENDING NET POSITION | <u>\$ 26,605,553</u> | <u>\$ 27,267,654</u> | <u>\$ 26,113,874</u> |

**FLEET INTERNAL SERVICE FUND
OPERATING BUDGET
2017-2019**

| | <u>ACTUAL 2017</u> | <u>AMENDED 2018</u> | <u>ADOPTED BUDGET 2019</u> |
|---|----------------------------|----------------------------|------------------------------------|
| <u>FLEET INTERNAL SERVICE FUND</u> | | | |
| REVENUES: | \$ 12,492,075 | \$ 13,061,091 | \$ 14,666,490 |
| EXPENDITURES: | <u>11,910,455</u> | <u>14,061,091</u> | <u>15,419,298</u> |
| REVENUES OVER (UNDER) EXPENDITURES | 581,621 | (1,000,000) | (752,808) |
| BEGINNING NET POSITION | <u>5,255,768</u> | <u>5,837,389</u> | <u>4,837,389</u> |
| ENDING NET POSITION | <u><u>\$ 5,837,389</u></u> | <u><u>\$ 4,837,389</u></u> | <u><u>\$ 4,084,581</u></u> |

**FIDUCIARY FUNDS
OPERATING BUDGET
2017-2019**

| | <u>ACTUAL 2017</u> | <u>AMENDED 2018</u> | <u>ADOPTED BUDGET 2019</u> |
|--|--------------------------|----------------------------|------------------------------------|
| <u>POLICE PENSION & RELIEF FUND</u> | | | |
| ADDITIONS: | \$ (170,324) | \$ - | \$ - |
| DEDUCTIONS: | <u>-</u> | <u>-</u> | <u>-</u> |
| NET INCREASE (DECREASE) | (170,324) | - | - |
| NET POSITION HELD IN TRUST, BEGINNING | <u>1,744,382</u> | <u>1,574,058</u> | <u>1,574,058</u> |
| NET POSITION HELD IN TRUST, ENDING | <u><u>1,574,058</u></u> | <u><u>\$ 1,574,058</u></u> | <u><u>\$ 1,574,058</u></u> |
| <u>FIRE RELIEF & PENSION FUND</u> | | | |
| ADDITIONS: | \$ 12,073,053 | \$ 2,827,422 | \$ - |
| DEDUCTIONS: | <u>12,708,033</u> | <u>59,067,381</u> | <u>-</u> |
| NET INCREASE (DECREASE) | (634,980) | (56,239,958) | - |
| NET POSITION HELD IN TRUST, BEGINNING | <u>58,672,225</u> | <u>58,037,245</u> | <u>1,797,287</u> |
| NET POSITION HELD IN TRUST, ENDING | <u><u>58,037,245</u></u> | <u><u>\$ 1,797,287</u></u> | <u><u>\$ 1,797,287</u></u> |

Administration of the Fire Relief and Pension Fund was transferred to LOPFI at the end of 2018. Remaining assets represent an investment that could not be liquidated prior to transfer. The investment will be liquidated and transferred at a future date along with the residual cash remaining in the pension checking account.

NON-UNIFORM DEFINED BENEFIT FUND

| | | | |
|---------------------------------------|--------------------------|-----------------------------|-----------------------------|
| ADDITIONS: | \$ 2,549,532 | \$ (221,573) | \$ - |
| DEDUCTIONS: | <u>1,832,158</u> | <u>1,748,484</u> | <u>-</u> |
| NET INCREASE (DECREASE) | 717,374 | (1,970,057) | - |
| NET POSITION HELD IN TRUST, BEGINNING | <u>12,120,597</u> | <u>12,837,971</u> | <u>10,867,914</u> |
| NET POSITION HELD IN TRUST, ENDING | <u><u>12,837,971</u></u> | <u><u>\$ 10,867,914</u></u> | <u><u>\$ 10,867,914</u></u> |

**FIDUCIARY FUNDS
OPERATING BUDGET
2017-2019**

| | <u>ACTUAL 2017</u> | <u>AMENDED 2018</u> | <u>ADOPTED BUDGET 2019</u> |
|--|-----------------------------|-----------------------------|------------------------------------|
| <u>NON-UNIFORM DEFINED CONTRIBUTION</u> | | | |
| ADDITIONS: | \$ 2,421,239 | \$ (939,894) | \$ - |
| DEDUCTIONS: | <u>1,442,422</u> | <u>1,401,454</u> | <u>-</u> |
| NET INCREASE (DECREASE) | 978,817 | (2,341,348) | - |
| NET POSITION HELD IN TRUST, BEGINNING | <u>17,816,450</u> | <u>18,795,267</u> | <u>16,453,919</u> |
| NET POSITION HELD IN TRUST, ENDING | <u><u>\$ 18,795,267</u></u> | <u><u>\$ 16,453,919</u></u> | <u><u>\$ 16,453,919</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.

2014 NON-UNIFORM DEFINED BENEFIT FUND

| | | | |
|---------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| ADDITIONS: | \$ 11,511,166 | \$ 3,749,618 | \$ - |
| DEDUCTIONS: | <u>1,098,505</u> | <u>1,294,531</u> | <u>-</u> |
| NET INCREASE (DECREASE) | 10,412,661 | 2,455,087 | - |
| NET POSITION HELD IN TRUST, BEGINNING | <u>42,715,131</u> | <u>53,127,792</u> | <u>55,582,879</u> |
| NET POSITION HELD IN TRUST, ENDING | <u><u>\$ 53,127,792</u></u> | <u><u>\$ 55,582,879</u></u> | <u><u>\$ 55,582,879</u></u> |

401 (A) PENSION FUND

| | | | |
|---------------------------------------|----------------------------|----------------------------|----------------------------|
| ADDITIONS: | \$ 1,702,275 | \$ 88,118 | \$ - |
| DEDUCTIONS: | <u>1,134,229</u> | <u>1,415,173</u> | <u>-</u> |
| NET INCREASE (DECREASE) | 568,046 | (1,327,056) | - |
| NET POSITION HELD IN TRUST, BEGINNING | <u>7,640,197</u> | <u>8,208,243</u> | <u>6,881,187</u> |
| NET POSITION HELD IN TRUST, ENDING | <u><u>\$ 8,208,243</u></u> | <u><u>\$ 6,881,187</u></u> | <u><u>\$ 6,881,187</u></u> |

**FIDUCIARY FUNDS
OPERATING BUDGET
2017-2019**

| | <u>ACTUAL 2017</u> | <u>AMENDED 2018</u> | <u>ADOPTED BUDGET 2019</u> |
|--|------------------------------|-----------------------------|------------------------------------|
| <u>HEALTH MANAGEMENT TRUST FUND</u> | | | |
| ADDITIONS: | \$ 814,801 | \$ 170,635 | \$ - |
| DEDUCTIONS: | <u>39,466</u> | <u>46,135</u> | <u>-</u> |
| NET INCREASE (DECREASE) | 775,335 | 124,499 | - |
| NET POSITION HELD IN TRUST, BEGINNING | <u>3,575,344</u> | <u>4,350,679</u> | <u>4,475,178</u> |
| NET POSITION HELD IN TRUST, ENDING | <u>\$ 4,350,679</u> | <u>\$ 4,475,178</u> | <u>\$ 4,475,178</u> |
| TOTAL NET POSITION BEGINNING | \$ 144,284,326 | \$ 156,931,255 | \$ 97,632,423 |
| TOTAL ADDITIONS | 30,901,742 | 5,674,326 | - |
| TOTAL DEDUCTIONS | <u>18,254,813</u> | <u>64,973,158</u> | - |
| TOTAL NET POSITION ENDING | <u>\$ 156,931,255</u> | <u>\$ 97,632,423</u> | <u>\$ 97,632,423</u> |

2019 Five Year Forecast

Little Rock Code §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 2019 budgets are balanced in accordance with the legal definition.

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 2019 General Fund budget is \$1,000,000 or approximately 0.5% of estimated revenue, excluding 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. The restricted reserve is currently \$10,000,000. 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 Board of Directors evaluates funds available following completion of each year's annual audit to determine whether an addition is appropriate. The City does not anticipate an addition to the restricted reserve in 2019 based on 2018 actual financial results.

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 had 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 tax for general operations and a 3/8-cent ten (10)-year capital tax. The combined tax proceeds provide resources for construction of new Fire and Police facilities, a new emergency communications system, infrastructure improvements and other capital projects, and provide for additional Police Officers, more Code Enforcement Officers, economic development activities, and park and zoo operations. The capital projects supported by the 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 sales tax. These expenses are phased into the five-year forecast based on the anticipated completion schedule of the related capital projects.

The 2019 forecast includes the addition of twelve (12) fire fighters in preparation for the opening of Fire Station #24 in southwest Little Rock. Construction will occur during 2019 with an expected opening in 2020. General Administration expenditures have been adjusted to include the timing of short-term note debt service payments for various capital projects. In addition, Transfers In revenue in the General Fund has been adjusted to reflect contributions from the 3/8-cent tax proceeds, collected in the 2012-2021 Capital Improvements Fund, to offset the principal portion of payments on short-term notes issued to advance capital improvement projects.

Consistent with the first “must do” goal of the Mayor and Board of Directors, the City completed the majority of the designated public safety projects funded by the 3/8-cent ten (10)-year capital tax by the end of 2017. The projects for the Main Police Headquarters and the Animal Village Expansion are the only two (2) public safety projects that have not been accelerated. 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 the final (3)-year cycle (2019 – 2021).

The Mayor and Board of Directors have only approved the 2019 budget. The five-year forecast for 2019 – 2023 is a planning tool. Citizens elected a new mayor, Mayor Frank Scott, Jr., who took office on January 1, 2019. The Mayor has made public safety and financial stability his primary focus. At the direction of Mayor Scott, the 2020 forecast includes the addition of twenty (20) new police officer positions and reflects funding for body worn cameras for all uniformed officers. Making Little Rock a safe city in the eyes of all citizens and visitors is the primary concern of the new administration. Therefore, expenditure reductions are reflected in other departments, to ensure financial stability, while increasing funding for public safety.

**CITY OF LITTLE ROCK
2019 - 2023 FORECAST**

| | FY19 <u>Adopted</u> | FY20 <u>Projected (a)</u> | FY21 <u>Projected</u> | FY22 <u>Projected</u> | FY23 <u>Projected</u> |
|--|------------------------|------------------------------|--------------------------|--------------------------|--------------------------|
| <u>General Fund</u> | | | | | |
| Beginning Fund Balance | \$17,667,768 | \$17,667,768 | \$17,667,768 | \$18,667,769 | \$21,167,769 |
| Plus: Est. Revenue | 210,623,272 | 210,530,524 | 213,815,609 | 217,118,171 | 221,460,535 |
| Less: Est. Expenses | | | | | |
| General Administrative | 21,679,020 | 23,545,810 | 23,781,268 | 24,137,987 | 24,500,057 |
| Board of Directors | 337,500 | 337,500 | 340,875 | 345,988 | 351,178 |
| Community Programs | 566,541 | 538,214 | 543,596 | 551,750 | 560,026 |
| City Attorney | 1,765,815 | 1,721,670 | 1,747,495 | 1,773,707 | 1,800,313 |
| District Court - First Division | 1,331,175 | 1,331,175 | 1,344,487 | 1,364,654 | 1,385,124 |
| District Court - Second Division | 1,249,913 | 1,249,913 | 1,262,412 | 1,281,348 | 1,300,569 |
| District Court - Third Division | 554,856 | 554,856 | 560,405 | 568,811 | 577,343 |
| Finance | 3,460,042 | 3,373,541 | 3,424,144 | 3,475,506 | 3,527,639 |
| Human Resources | 1,848,017 | 1,755,616 | 1,773,172 | 1,799,770 | 1,826,766 |
| Information Technology | 5,449,495 | 5,446,428 | 5,566,071 | 5,649,562 | 5,734,306 |
| Planning and Development | 2,576,596 | 2,447,766 | 2,472,244 | 2,512,582 | 2,550,270 |
| Housing & Neighborhood Programs | 5,712,630 | 5,426,999 | 5,481,268 | 5,563,488 | 5,646,940 |
| Public Works | 1,060,735 | 1,007,698 | 1,017,775 | 1,033,042 | 1,048,537 |
| Parks & Recreation | 10,662,574 | 10,022,820 | 10,123,048 | 10,274,893 | 10,429,017 |
| River Market | 1,354,146 | 1,286,439 | 1,299,303 | 1,318,793 | 1,338,575 |
| Golf | 2,141,314 | 1,605,986 | 1,622,045 | 1,646,376 | 1,671,072 |
| Jim Dailey Fitness & Aquatics | 855,474 | 812,700 | 820,827 | 833,140 | 845,637 |
| Zoo | 6,745,800 | 6,408,510 | 6,472,595 | 6,569,684 | 6,668,229 |
| Fire (b) | 52,217,670 | 52,989,847 | 54,049,644 | 55,400,885 | 56,785,907 |
| Police (c) | 78,785,071 | 81,072,922 | 82,694,380 | 84,761,740 | 86,906,615 |
| Vacancy Reductions (d) | (5,500,000) | (5,500,000) | (5,000,000) | (4,500,000) | (4,000,000) |
| Debt Service - short-term notes € | 6,136,327 | 5,961,555 | 4,714,667 | 2,192,521 | 1,084,792 |
| Transfers Out (including contingency) | 9,632,561 | 7,132,561 | 7,203,887 | 7,311,945 | 7,421,624 |
| | <u>210,623,272</u> | <u>210,530,524</u> | <u>213,315,609</u> | <u>215,868,171</u> | <u>219,960,535</u> |
| Net Income | - | - | 500,000 | 1,250,000 | 1,500,000 |
| Ending Fund Balance (f) | <u>\$17,667,768</u> | <u>\$17,667,768</u> | <u>\$18,667,769</u> | <u>\$21,167,769</u> | <u>\$24,167,768</u> |
| | | | | | |
| Reserve Requirement (10% of Revenues) | <u>\$21,062,327</u> | <u>\$21,053,052</u> | <u>\$21,381,561</u> | <u>\$21,711,817</u> | <u>\$22,146,053</u> |

- (a) Includes reductions in expenditures for most departments to accommodate added Public Safety expenditures.
- (b) Includes the addition of 12 fire fighters in 2019 in preparation for the opening of the Fire Station #24 in southwest Little Rock in 2020. Includes added operating expenses in 2020 for the new station.
- (c) Includes the addition of 20 police officers and body worn cameras in 2020.
- (d) Reflects a reduction in vacant positions resulting in reduced savings in salaries associated with unfilled positions.
- (e) Reflects annual changes in estimated short-term financing debt service requirements
- (f) Ending Fund Balance includes an estimated restricted reserve of \$10,000,000, and gradually achieves the "10% of revenue" reserve requirement.

| | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| <u>Street Fund</u> | | | | | |
| Beginning Balance | \$15,983,948 | \$14,529,120 | \$13,261,187 | \$12,186,047 | \$11,309,737 |
| Plus: Est. Revenue | 20,144,330 | 20,547,217 | 20,958,161 | 21,377,324 | 21,804,871 |
| Less: Est. Expenses | 21,599,158 | 21,815,150 | 22,033,301 | 22,253,634 | 22,476,170 |
| Ending Balance | <u>\$14,529,120</u> | <u>\$13,261,187</u> | <u>\$12,186,047</u> | <u>\$11,309,737</u> | <u>\$10,638,437</u> |
| | | | | | |
| Reserve Requirement (10% of revenue) | <u>\$2,014,433</u> | <u>\$2,054,722</u> | <u>\$2,095,816</u> | <u>\$2,137,732</u> | <u>\$2,180,487</u> |

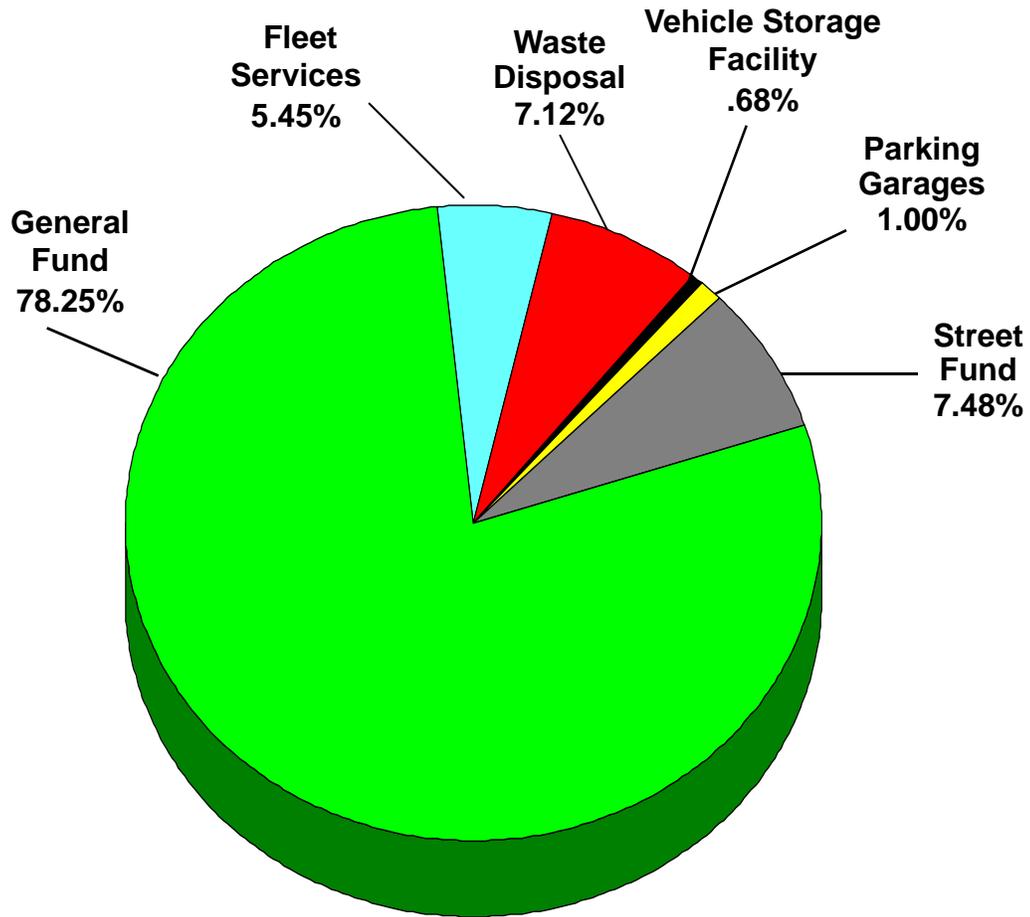
**CITY OF LITTLE ROCK
2019 - 2023 FORECAST**

| | <u>FY19</u> <u>Adopted</u> | <u>FY20</u> <u>Projected (a)</u> | <u>FY21</u> <u>Projected</u> | <u>FY22</u> <u>Projected</u> | <u>FY23</u> <u>Projected</u> |
|---|-------------------------------|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| <u>Fleet Fund</u> | | | | | |
| Beginning Net Position | \$4,837,389 | \$4,084,581 | \$4,084,581 | \$4,084,581 | \$4,084,581 |
| Plus: Est. Revenue | 14,666,490 | 14,959,820 | 15,259,016 | 15,564,197 | 15,875,480 |
| Less: Est. Expenses | 15,419,298 | 14,959,820 | 15,259,016 | 15,564,197 | 15,875,480 |
| Ending Net Position | \$4,084,581 | \$4,084,581 | \$4,084,581 | \$4,084,581 | \$4,084,581 |
| Reserve Requirement (10% of revenues) | \$1,466,649 | \$1,495,982 | \$1,525,902 | \$1,556,420 | \$1,587,548 |
| <u>Vehicle Storage Facility</u> | | | | | |
| Beginning Net Position | (\$861,445) | (\$363,500) | \$125,975 | \$622,792 | \$1,120,099 |
| Plus: Est. Revenue | 1,842,900 | 1,861,329 | 1,889,249 | 1,917,588 | 1,946,351 |
| Less: Est. Expenses | 1,344,955 | 1,371,854 | 1,392,432 | 1,420,281 | 1,441,585 |
| Ending Net Position | (\$363,500) | \$125,975 | \$622,792 | \$1,120,099 | \$1,624,866 |
| Reserve Requirement (10% of revenues) | \$184,290 | \$186,133 | \$188,925 | \$191,759 | \$194,635 |
| <u>Waste Disposal Fund</u> | | | | | |
| Beginning Net Position | \$26,518,695 | \$24,258,826 | \$23,035,203 | \$22,212,013 | \$21,905,536 |
| Plus: Est. Revenue (g) | 19,176,900 | 20,327,514 | 20,835,702 | 21,252,416 | 21,677,464 |
| Less: Est. Expenses | 21,436,769 | 21,551,137 | 21,658,892 | 21,558,892 | 21,677,464 |
| Ending Net Position | \$24,258,826 | \$23,035,203 | \$22,212,013 | \$21,905,536 | \$21,905,537 |
| Reserve Requirement (15% of revenues) | \$2,876,535 | \$3,049,127 | \$3,125,355 | \$3,187,862 | \$3,251,620 |
| (g) A rate increase of \$1.03 associated with recycling was implemented in 2013. A rate study is underway that is anticipated to increase revenues during the five year forecast. Expenses include estimated capital replacement needs and reduced debt service requirements. | | | | | |
| <u>Parking Garages</u> | | | | | |
| Beginning Net Position | \$1,610,404 | \$2,218,548 | \$2,568,548 | \$2,818,548 | \$3,068,548 |
| Plus: Est. Revenue | 2,699,750 | 2,753,745 | 2,808,820 | 2,864,996 | 2,922,296 |
| Less: Est. Expenses | 2,091,606 | 2,403,745 | 2,558,820 | 2,614,996 | 2,672,296 |
| Ending Net Position | \$2,218,548 | \$2,568,548 | \$2,818,548 | \$3,068,548 | \$3,318,548 |

Revenues



CITY OF LITTLE ROCK 2019 BUDGET SUMMARY ALL FUNDS RESOURCES



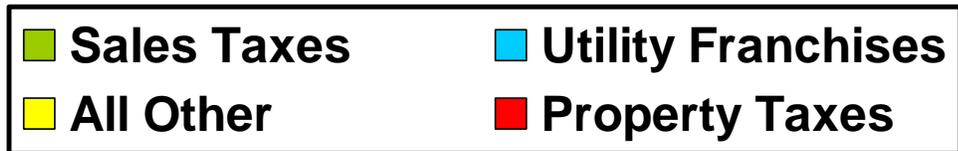
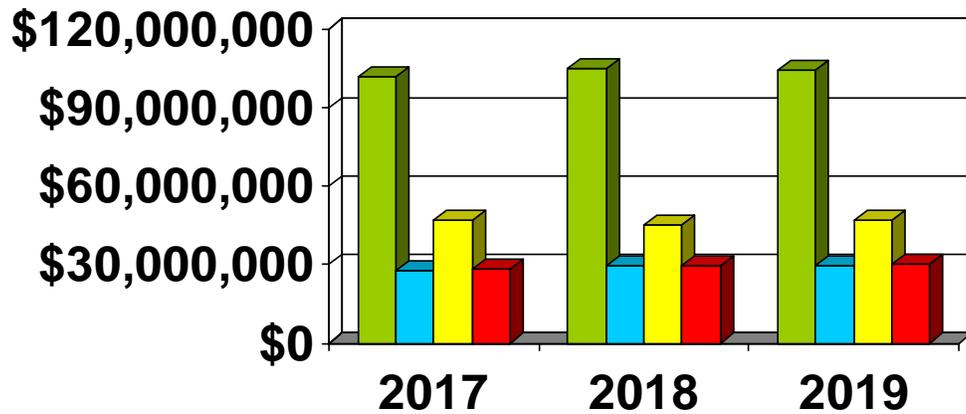
\$269,153,642

**CITY OF LITTLE ROCK
2019 OPERATING REVENUES**

| REVENUES: | 2017 ACTUAL | 2018 ADOPTED | 2018 AMENDED | 2019 ADOPTED | 18/19 DIFF | % CHANGE |
|--|------------------------|-------------------------|-------------------------|-------------------------|-----------------------|---------------------|
| Property Taxes * | \$28,523,326 | \$29,556,818 | \$28,931,818 | \$29,982,418 | \$1,050,600 | 3.63% |
| Sales Tax | 101,449,568 | 104,615,000 | 102,641,000 | 104,027,600 | 1,386,600 | 1.35% |
| Business Licenses | 6,792,390 | 6,836,000 | 6,823,000 | 6,886,000 | 63,000 | 0.92% |
| Mixed Drinks | 2,470,487 | 2,440,000 | 2,678,000 | 2,790,800 | 112,800 | 4.21% |
| Building, Related Permits | 2,703,649 | 2,558,410 | 2,851,410 | 2,899,400 | 47,990 | 1.68% |
| Intergovernmental* | 9,311,000 | 9,311,100 | 9,747,003 | 9,830,188 | 83,185 | 0.85% |
| Park Revenue | 433,018 | 517,895 | 464,895 | 481,775 | 16,880 | 3.63% |
| River Market | 457,656 | 535,000 | 480,000 | 610,000 | 130,000 | 27.08% |
| Golf | 757,929 | 1,509,585 | 1,319,485 | 1,379,860 | 60,375 | 4.58% |
| Jim Dailey Fitness and Aquatic Center | 294,676 | 432,700 | 432,700 | 444,500 | 11,800 | 2.73% |
| Zoo | 3,311,385 | 3,853,000 | 3,541,800 | 3,715,237 | 173,437 | 4.90% |
| Airport Reimbursement | 3,194,600 | 3,394,000 | 3,141,000 | 3,166,000 | 25,000 | 0.80% |
| Salary Reimbursement 911 | 300,000 | 300,000 | 300,000 | 550,000 | 250,000 | 83.33% |
| Fines and Fees | 2,260,147 | 2,384,350 | 2,244,350 | 2,350,880 | 106,530 | 4.75% |
| Utility Franchises | 27,565,117 | 29,479,000 | 28,246,000 | 29,494,250 | 1,248,250 | 4.42% |
| Police Pension | 448,435 | 370,000 | 370,000 | 343,100 | (26,900) | -7.27% |
| Investment Income | 254,754 | 315,000 | 365,000 | 391,200 | 26,200 | 7.18% |
| All Other | 3,161,605 | 2,780,030 | 2,852,030 | 2,897,915 | 45,885 | 1.61% |
| Transfers In | 10,453,645 | 6,995,387 | 9,670,359 | 8,382,149 | (1,288,210) | -13.32% |
| Carryover | 541,742 | 780,000 | 780,000 | - | (780,000) | -100.00% |
| Total General Fund | 204,685,128 | 208,963,275 | 207,879,850 | 210,623,272 | 2,743,422 | 1.32% |
| Other Budgeted Funds | | | | | | |
| Street | 20,989,907 | 20,099,356 | 20,099,356 | 20,144,330 | 44,974 | 0.22% |
| Fleet Services | 12,492,075 | 13,061,091 | 13,061,091 | 14,666,490 | 1,605,399 | 12.29% |
| Vehicle Storage Facility | 1,466,085 | 1,335,365 | 1,335,365 | 1,842,900 | 507,535 | 38.01% |
| Waste Disposal | 18,680,514 | 19,326,800 | 19,326,800 | 19,176,900 | (149,900) | -0.78% |
| Parking Garages | 2,576,650 | 2,747,950 | 2,747,950 | 2,699,750 | (48,200) | -1.75% |
| Total Other Budgeted Funds | 56,205,231 | 56,570,562 | 56,570,562 | 58,530,370 | 1,959,808 | 3.46% |
| Total All Budgeted Funds | \$260,890,360 | \$265,533,837 | \$264,450,412 | \$269,153,642 | \$4,703,230 | 1.77% |

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

General Government Summary of Revenues 2017-2019



**CITY OF LITTLE ROCK
2019 OPERATING REVENUE**

| | 2017 ACTUAL | 2018 ADOPTED | 2019 ADOPTED |
|--|------------------------|-------------------------|-------------------------|
| GENERAL FUND | | | |
| PROPERTY TAX | | | |
| Property Taxes | \$ 19,093,750 | \$ 19,796,600 | \$ 20,171,700 |
| Pension Property Taxes | 8,129,424 | 8,493,200 | 8,585,700 |
| Homestead Taxes | 1,131,408 | 1,089,700 | 1,047,700 |
| Act 9 Industry Payment | 168,745 | 177,318 | 177,318 |
| Total Property Taxes | <u>28,523,326</u> | <u>29,556,818</u> | <u>29,982,418</u> |
| SALES TAX | | | |
| County Sales & Use Tax | 41,920,772 | 43,155,000 | 43,107,300 |
| City Sales Tax | 56,460,466 | 58,390,000 | 57,854,300 |
| State Tax Turnback | 3,068,331 | 3,070,000 | 3,066,000 |
| Total Sales Taxes | <u>101,449,568</u> | <u>104,615,000</u> | <u>104,027,600</u> |
| BUSINESS LICENSES | | | |
| General Business Licenses | 6,792,390 | 6,836,000 | 6,886,000 |
| Mixed Drinks Licenses | 2,470,487 | 2,440,000 | 2,790,800 |
| Total Business Licenses | <u>9,262,877</u> | <u>9,276,000</u> | <u>9,676,800</u> |
| PERMITS | | | |
| Building & Excavation Permits | 1,566,137 | 1,482,170 | 1,786,900 |
| Electrical Permits | 377,652 | 367,710 | 385,700 |
| Plumbing Permits | 337,499 | 327,570 | 296,200 |
| HVAC Permits | 381,582 | 341,960 | 376,600 |
| Wrecker Franchise | 40,780 | 39,000 | 54,000 |
| Total Permits | <u>2,703,649</u> | <u>2,558,410</u> | <u>2,899,400</u> |
| INTERGOVERNMENTAL | | | |
| Insurance Turnback | 5,314,340 | 5,314,500 | 5,904,288 |
| Police and Fire Pension Insurance Turnback | 2,846,080 | 2,846,000 | 2,790,900 |
| Police Supplement | 166,800 | 166,800 | 165,300 |
| Future Supplement (ACT 1373) | 983,780 | 983,800 | 969,700 |
| Total Intergovernmental | <u>9,311,000</u> | <u>9,311,100</u> | <u>9,830,188</u> |
| POLICE SERVICES | | | |
| Police Report | 252,927 | 242,500 | 327,000 |
| False Alarm | 341,501 | 313,000 | 199,000 |
| Airport - Security Guards | 1,858,934 | 2,005,000 | 1,925,000 |
| Total Police Services | <u>2,453,362</u> | <u>2,560,500</u> | <u>2,451,000</u> |
| FIRE SERVICES | | | |
| Fire Alarm Inspection | 50 | - | - |
| Airport-Fire Protection | 1,335,616 | 1,389,000 | 1,241,000 |
| Total Fire Services | <u>1,335,666</u> | <u>1,389,000</u> | <u>1,241,000</u> |
| PARK REVENUE | | | |
| SWLR Community Complex | 73,019 | 95,000 | 78,000 |
| Dunbar Community Center | 52,124 | 72,000 | 51,000 |
| The Centre at University Park | 45,814 | 45,000 | 45,000 |
| Stephens Community Center | 26,451 | 29,000 | 29,600 |
| West Central Community Center | 61,697 | 72,000 | 64,000 |
| Athletics Fees | 84,089 | 113,000 | 119,000 |
| Pavilion Rental | 43,903 | 45,000 | 45,000 |
| Community Center & Miscellaneous Fees | 1,411 | 2,995 | 1,375 |
| Admissions Revenue | 22,271 | 25,000 | 30,000 |
| Miscellaneous Revenue | 22,239 | 18,900 | 18,800 |
| Total Park Revenue | <u>433,018</u> | <u>517,895</u> | <u>481,775</u> |

**CITY OF LITTLE ROCK
2019 OPERATING REVENUE**

| | 2017 ACTUAL | 2018 ADOPTED | 2019 ADOPTED |
|--|------------------------|-------------------------|-------------------------|
| RIVER MARKET | | | |
| Admissions Revenue | 152,175 | 150,000 | 180,000 |
| Space Rental | 305,481 | 385,000 | 430,000 |
| Total River Market Revenue | <u>457,656</u> | <u>535,000</u> | <u>610,000</u> |
| GOLF | | | |
| Concessions Revenue | 108,502 | 119,500 | 117,600 |
| Green Fees | 768,876 | 782,875 | 730,800 |
| Equipment Rental | 461,076 | 514,310 | 451,660 |
| Merchandise Sales | 79,312 | 81,000 | 78,800 |
| Miscellaneous Revenue | 963 | 11,900 | 1,000 |
| Parks Contra Revenue (Debt Service) | (660,800) | - | - |
| Total Golf Revenue | <u>757,929</u> | <u>1,509,585</u> | <u>1,379,860</u> |
| JIM DAILEY FITNESS & AQUATIC CENTER | | | |
| Annual Membership | 38,210 | 34,400 | 34,500 |
| Monthly Membership | 121,659 | 124,100 | 110,000 |
| Daily Fees | 72,549 | 69,300 | 75,000 |
| Corporate Fees | 177,790 | 165,900 | 165,900 |
| Special Fees | 3,704 | 4,200 | 3,300 |
| Instructional Fees and Special Events | 34,107 | 31,400 | 43,800 |
| Miscellaneous | 857 | 3,400 | 12,000 |
| Parks Contra Revenue (Debt Svc) | (154,200) | - | - |
| Total Jim Dailey Fitness & Aquatic Center | <u>294,676</u> | <u>432,700</u> | <u>444,500</u> |
| ZOO | | | |
| Membership | 562,242 | 555,000 | 510,000 |
| Zoo Admissions | 1,786,999 | 1,860,000 | 1,780,000 |
| Concessions | 563,456 | 552,000 | 520,000 |
| Token Sales | 205,138 | 200,000 | 165,000 |
| Education | 79,698 | 80,000 | 110,000 |
| Special Events | 242,215 | 200,000 | 250,000 |
| Zoo Rentals | 58,865 | 69,000 | 62,000 |
| Merchandise Sales | 276,803 | 300,000 | 286,237 |
| Miscellaneous | 29,069 | 37,000 | 32,000 |
| Parks Contra Revenue (Debt Svc) | (493,100) | - | - |
| Total Zoo Revenue | <u>3,311,385</u> | <u>3,853,000</u> | <u>3,715,237</u> |
| MISCELLANEOUS CHARGES FOR SERVICES | | | |
| Crossing Guards-LRSD Reimbursement | 739,249 | 628,600 | 829,300 |
| 911 Services Reimbursement | 300,000 | 300,000 | 550,000 |
| Housing Rental Revenue | 19,729 | 18,800 | 43,900 |
| Total Miscellaneous Services | <u>1,058,978</u> | <u>947,400</u> | <u>1,423,200</u> |
| FINES | | | |
| General Fines | 1,305,783 | 1,390,600 | 1,227,800 |
| Probation Assessments | 38,868 | 42,500 | 22,600 |
| Fines - Parking | 225,701 | 228,700 | 357,000 |
| Fines - Other | 9,162 | 9,750 | 7,950 |
| Total Fines | <u>1,579,514</u> | <u>1,671,550</u> | <u>1,615,350</u> |

**CITY OF LITTLE ROCK
2019 OPERATING REVENUE**

| | 2017 ACTUAL | 2018 ADOPTED | 2019 ADOPTED |
|---|------------------------|-------------------------|-------------------------|
| FEEES | | | |
| Uniform Filing Fees/Court Costs | 177,223 | 181,000 | 181,000 |
| Rezoning Fees | 62,408 | 55,400 | 50,300 |
| Act 9 Admin Fees | 2,110 | 4,500 | 26,500 |
| Incident Report Fees | (10) | - | - |
| Copy Fees | 2,348 | 300 | 2,600 |
| Booking & Admin Fee - Pulaski County Jail | 10,861 | 11,100 | 10,300 |
| Warrant Service Police | 49,784 | 35,300 | 47,600 |
| Writ Garnishment Fees | 2,820 | 2,900 | 2,700 |
| Community Service Fees | 16,698 | 17,600 | 14,000 |
| Miscellaneous Service Fees | 68,350 | 101,900 | 107,530 |
| Mobile Home Registration Fees | 44,075 | 47,200 | 45,400 |
| Animal Services | 243,964 | 255,600 | 247,600 |
| Total Fees | 680,633 | 712,800 | 735,530 |
| UTILITY FRANCHISE | | | |
| Entergy | 13,327,946 | 14,458,000 | 14,000,000 |
| S W Bell | 491,846 | 448,500 | 389,000 |
| Local Landline Franchise Fees | 202,137 | 194,500 | 215,000 |
| Long Dist. Franchise Fees | 676,797 | 618,800 | 677,000 |
| Centerpoint Energy | 2,809,376 | 2,940,000 | 3,157,000 |
| Central Ark Water | 3,347,880 | 3,720,300 | 3,769,000 |
| LR Waste Water | 5,422,885 | 5,663,400 | 5,950,000 |
| Fiber Optics | 1,414,142 | 1,378,500 | 1,291,000 |
| Cable TV | 1,633,320 | 1,607,000 | 1,552,100 |
| Franchise Fee Contra | (1,761,213) | (1,550,000) | (1,505,850) |
| Total Utility Franchises | 27,565,117 | 29,479,000 | 29,494,250 |
| POLICE PENSION | | | |
| Suspended Employee Contributions | 36,266 | - | - |
| Police 10% Parking | 25,306 | 25,600 | 38,000 |
| LRPD Retirement | 163,483 | 163,600 | 139,000 |
| Income-Police Clearing | 75,946 | 76,000 | 62,300 |
| Pension Miscellaneous | 147,433 | 104,800 | 103,800 |
| Total | 448,435 | 370,000 | 343,100 |
| INVESTMENT INCOME | | | |
| Interest Income | 333,536 | 315,000 | 391,200 |
| Change in Fair Market Value | (78,782) | - | - |
| Total Investment Income | 254,754 | 315,000 | 391,200 |
| RENTS AND ROYALTIES | | | |
| Tower Lease | 279,939 | 266,700 | 305,885 |
| Ground Leases | 10,299 | 7,800 | 10,200 |
| Amusement Park Leases | 3,300 | 2,500 | 2,500 |
| Total Rents and Royalties | 293,538 | 277,000 | 318,585 |
| MISCELLANEOUS INCOME | | | |
| Contributions/Donations | 968,232 | 920,130 | 920,130 |
| Insurance and Other Reimbursement | 54,134 | - | - |
| Miscellaneous Revenue | 492,295 | 380,000 | 260,000 |
| Total Miscellaneous Revenue | 1,514,661 | 1,300,130 | 1,180,130 |
| Transfers In | 10,453,645 | 6,995,387 | 8,382,149 |
| Carryover from Prior Year | 541,742 | 780,000 | - |
| TOTAL GENERAL FUND REVENUE | 204,685,128 | 208,963,275 | 210,623,272 |

**CITY OF LITTLE ROCK
2019 OPERATING REVENUE**

| | 2017 ACTUAL | 2018 ADOPTED | 2019 ADOPTED |
|---|------------------------|-------------------------|-------------------------|
| STREET FUND | | | |
| ST Homestead Tax | 328,105 | 317,200 | 300,200 |
| 1/2 County Road Tax | 5,537,170 | 5,766,500 | 5,909,000 |
| State Gas Tax Turnback | 13,353,882 | 12,920,500 | 13,168,100 |
| ACT 9 Revenue | 34,954 | 36,730 | 36,730 |
| Street Repair Reimbursement | 19,339 | 18,400 | 18,000 |
| Loading Zone Permits | 18,450 | 18,500 | 17,600 |
| Insurance and Other Reimbursement | 36,782 | 32,300 | 27,000 |
| Interest and Change in Fair Market Value on Investments | 134,499 | 162,500 | 200,000 |
| Transfer In | 1,526,726 | 826,726 | 467,700 |
| TOTAL STREET FUND | 20,989,907 | 20,099,356 | 20,144,330 |
| FLEET INTERNAL SERVICE FUND | | | |
| Fleet Labor | 3,001,968 | 3,186,435 | 3,328,972 |
| Fuel Fees | 1,840,059 | 2,439,183 | 2,851,054 |
| Compressed Natural Gas | 549,269 | 440,870 | 484,010 |
| Miscellaneous Sales | 68,241 | 30,000 | 90,000 |
| Motor Pool | 11,645 | 13,000 | 11,000 |
| Fleet Parts | 2,884,985 | 3,140,653 | 3,370,979 |
| Insurance | 609,356 | 660,000 | 1,275,311 |
| Fleet Management | 1,291,613 | 1,333,695 | 1,409,009 |
| Fleet Sublets | 2,038,635 | 1,795,500 | 1,824,400 |
| Interest and Change in Fair Market Value on Investments | 17,482 | 21,755 | 21,755 |
| Capital Contribution | 180,403 | - | - |
| Gain/(Loss) on Sale of Assets | (1,581) | - | - |
| TOTAL FLEET INTERNAL SERVICE FUND | 12,492,075 | 13,061,091 | 14,666,490 |
| VEHICLE STORAGE FACILITY | | | |
| Licenses and Permits | 19,745 | 20,400 | 10,000 |
| Storage Fees | 390,326 | 350,000 | 541,300 |
| Wrecker Fees | 392,549 | 373,700 | 494,200 |
| Vehicle Auction Sale | 543,683 | 462,065 | 658,200 |
| Impound Administration | 92,252 | 86,700 | 124,900 |
| Vehicle Storage Miscellaneous | 27,530 | 42,500 | 14,300 |
| TOTAL VEHICLE STORAGE FACILITY | 1,466,085 | 1,335,365 | 1,842,900 |
| WASTE DISPOSAL ENTERPRISE FUND | | | |
| Sanitation Fees | 16,277,238 | 16,242,500 | 16,933,000 |
| Landfill Fees | 1,571,274 | 1,489,000 | 1,800,000 |
| Yard Waste | 67,846 | 69,000 | 65,000 |
| Compost Sale | 41,160 | 38,000 | 35,000 |
| Interest and Change in Fair Market Value on Investments | 122,279 | 127,000 | 185,000 |
| Miscellaneous Revenue | 605,328 | 1,361,300 | 158,900 |
| Gain/(Loss) on Sale of Assets | (4,611) | - | - |
| TOTAL WASTE DISPOSAL ENTERPRISE FUND | 18,680,514 | 19,326,800 | 19,176,900 |

**CITY OF LITTLE ROCK
2019 OPERATING REVENUE**

| | <u>2017 ACTUAL</u> | <u>2018 ADOPTED</u> | <u>2019 ADOPTED</u> |
|---|------------------------------|------------------------------|------------------------------|
| PARKING GARAGES | | | |
| Business License - Auto/Truck | 267,418 | 265,100 | 311,900 |
| Street Repair Reimbursement | 187,888 | 243,900 | 243,600 |
| Parking Meters | 456,171 | 463,800 | 431,700 |
| Surface Lot Parking | 99,325 | 115,000 | 115,000 |
| Parking Deck Monthly | 892,325 | 991,000 | 970,000 |
| Parking Deck Daily | 657,324 | 655,000 | 610,000 |
| Interest and Change in Fair Market Value on Investments | 16,199 | 13,400 | 16,800 |
| Miscellaneous Income | - | 750 | 750 |
| TOTAL PARKING GARAGES | <u>2,576,650</u> | <u>2,747,950</u> | <u>2,699,750</u> |
| GRAND TOTAL ALL FUNDS | <u>\$ 260,890,360</u> | <u>\$ 265,533,837</u> | <u>\$ 269,153,642</u> |

REVENUE TRENDS

OVERALL

The City of Little Rock's economy shows signs of picking up in early 2019 after years of slow growth. Economic growth for the City of Little Rock and the region as a whole, has lagged the U.S. average over the past several years. Although Arkansas has experienced slower population and job growth than the U.S. average, the Little Rock area has performed better than the state average. While economic development activity has occurred throughout the City, for the first time in decades, the downtown district is expected to experience a net population gain. According to Metroplan, the designated metropolitan planning organization for Central Arkansas, preliminary 2018 figures suggest approximately 1.2% job growth locally in comparison to approximately 1.5% for the nation. Little Rock's economy weathers recessions well, the result of a diverse economy and its large focus in stable health, education and government sectors. Unemployment remains a bright statistic for the Little Rock region. At the heart of the economic downturn in September 2010, when U.S. unemployment was 9.2%, the Little Rock region's rate was 6.9%. In September 2018, unemployment in the Little Rock region was 3%, still better than the U.S. unemployment rate of 3.6%. Sectors in which Little Rock's share of jobs within the region ranks above average include Information, Finance and Insurance, Public Administration, Management of Companies and Enterprises, Health Care and Social Assistance, and Professional, Scientific, and Technical Services. In addition, the Port of Little Rock completed phase one of a \$6,185,400 TIGER grant to make improvements to the slack water harbor area, including a new dock with direct dock-to-rail capability. Little Rock's economic prospects in 2019 remain solid, but the forecast for City revenues remains relatively flat.

Sales and use tax revenues comprise approximately 49% of the City's general revenue budget. Retail sales growth has been minimal and actually negative when adjusted for inflation. One factor impacting retail sales revenue in Little Rock is the construction of retail outlets in surrounding cities. One of the largest contributors to the decline in sales and use tax growth continues to be increased Internet sales. According to U.S. Census Bureau estimates, Internet sales comprise 8.9% of all sales in the United States and are likely to pass 10% by 2020 and 12% by 2025. The Little Rock City Attorney submitted an Amicus Curiae Brief to the Supreme Court in support of the petitioner associated with the South Dakota V. Wayfair, Inc. case. The Supreme Court decision on June 21, 2018 offers the potential to restore the tax revenues that have eroded due to Internet sales. The City's Intergovernmental Relations Manager is working with the Arkansas Municipal League to encourage passage of House Bill 1002 in the current legislative session. This bill is consistent with the South Dakota v. Wayfair, Inc. Supreme Court Decision. It is not too onerous for small businesses, establishing minimum transaction and sales volume thresholds, and it does not contain any attempt to retroactively collect taxes. The estimate of the potential impact to the City of Little Rock, based on the U.S. Census Bureau estimates above and 2016 sales tax receipts of \$115,125,614, is \$10,010,923. The City does not anticipate the results

to be at that level due to local sales and use tax rebates and the exemption of certain purchases from any sales or use tax. The rebates of local sales tax on business, governmental, and non-profit purchases in excess of \$2,500 on a single invoice, stifle local tax growth in comparison to that of the State. The same rebates would be available for comparable Internet purchases.

GENERAL FUND REVENUES

The City’s General Fund revenues are primarily comprised of sales and use taxes, property or ad valorem taxes, utility franchise fees, fines and fees, parks and zoo charges for services, and revenues from various licenses and permits. Each of these revenue sources are discussed in detail below. The projected net increase in operating revenues in 2019 is approximately 0.8% above the original 2018 operating budget and 1.32% above the final amended 2018 budget.

| | REVENUES IN MILLIONS | % CHANGE |
|----------------------|---------------------------------|-----------------|
| 2015 Actual Revenues | \$196.9 | 2.71% |
| 2016 Actual Revenues | \$200.3 | 1.73% |
| 2017 Actual Revenues | \$204.7 | 2.19% |
| 2018 Amended Budget | \$207.9 | 1.56% |
| 2019 Adopted Budget | \$210.6 | 1.32% |

PROPERTY TAXES

Property taxes comprise approximately \$30 million or 14% of the 2019 General Fund budget. Assessments of real estate and personal property are levied in the current year and collectible in the following year. The Arkansas State Assessment Coordination Department established a five (5) year cycle for real estate appraisal. Personal property is appraised annually by May 31. 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 20% 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. The appraised value of 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 approved 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.
- The total millage rate for a Little Rock resident residing in the Little Rock School District is 70.00 mills.

- Taxes are remitted to the City monthly by the Pulaski County Treasurer as payments are received throughout the year.

The City of Little Rock tax levies in the past two (2) years were as follows:

| | <u>2017 Payable 2018</u> | <u>2018 Payable 2019</u> |
|----------------------------|--------------------------|--------------------------|
| General Operation | 5.00 | 5.00 |
| Bond Retirement | 3.00 | 3.00 |
| Library System | 5.10 | 5.10 |
| Police & Firemen’s Pension | <u>2.00</u> | <u>2.00</u> |
| | 15.10 | 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.

Little Rock is in Pulaski County which completed a real estate reappraisal in 2017. At the end of February 2019, the Pulaski County Assessor’s Office provided the City with the original charge for 2018, which will be reflected in the property tax collections made in 2019. The original charge reflects a 3.8% increase in property taxes based on the most recent appraisal, compared to an increase of 1.55% a year ago. Real estate valuations increased 5.05%, personal property valuations decreased 0.78%, and utility property valuations were flat at a slight increase of 0.05%. The annual valuation increase caps noted above slow the speed of growth, but mitigate sudden declines experienced by other parts of the country during an economic downturn. In addition, assessments are frozen for persons owning property who are 65 years of age or older, and certain disabled veterans are exempt from property taxes. There are no limits or caps placed on declines in annual assessed valuations. The Pulaski County Treasurer’s Office is experiencing a collection rate of approximately 96%, which includes collection of delinquent taxes from previous years. The 5.0 mill levy for general operations is the maximum rate allowable under state law.

The 2019 budget for property taxes includes the revenue and expense associated with separate tax levies dedicated for funding of the closed Police and Fire Pension and Relief Funds. The levies of 1.0 mill for each of the closed pension funds is passed through the General Fund and contributed directly to the Police and Fire Pension Funds. The dedicated pension property tax millage is expected to generate approximately \$8.6 million in revenues.

Other revenues generated by property tax levies that are not available for General Fund expenditures include 3.0 mills approved by voters restricted for debt service on the City’s 2013 and 2018 Street and Drainage Capital Improvement Bonds, and a total of 5.1 mills restricted for debt service on bonds issued for Library improvements (1.8 mills) and for operation of the Central Arkansas Library System (3.3 mills).

The City's Street Fund receives approximately one-half of the collections from a 2.90 mill road tax levied by the County which is restricted to use for street repair and maintenance. The 2019 budget anticipates \$6.2 million in property tax collections from this tax.

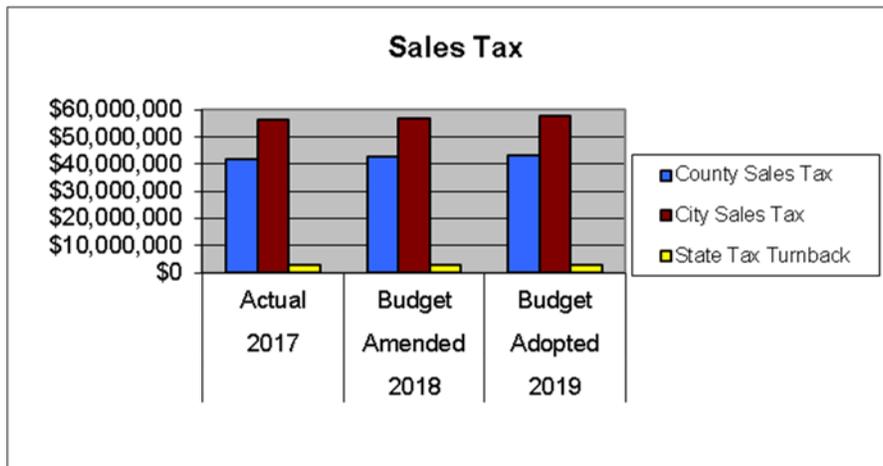
In addition to the City millage of 15.1 and the County road millage of 2.9, a Little Rock property owner's tax assessment includes 5.60 mills levied by the County and 46.40 mills levied for the Little Rock School District. The total millage for a Little Rock property owner is 70 mills for 2018 property taxes payable in 2019.

Act 9 Payments associated with the issuance of Industrial Development Bonds, otherwise referred to as payments in lieu of taxes (Pilot agreements), are classified as additional property tax revenues in the City's various funds, in proportion to the millage that would have been collected had the Act 9 Pilot agreements not been in place. 3M Company, Cameron Valve, Dassault Falcon Jet, Dillards, Jacuzzi, LM Wind Power Blades, Inc., Novus, Ringwood Containers, Sage V Foods, Welspun Pipes, Inc., and Windstream are companies which are scheduled to make Act 9 Pilot payments in 2019.

SALES AND USE TAX

The largest source of revenue in the City's General Fund is sales and use tax which contributes approximately 49% to the 2019 budget. This revenue category includes an allocation of the County's 1% sales tax, the City's local operating tax of 1.125%, and an allocation from State Tax Turnback. Further discussion on each of these components appears below. Overall, the 2019 operating budget includes an increase in sales and use tax of 1.35% over the final amended 2018 budget and approximately 1.53% over 2018 actual tax collections. The original 2018 budget included estimated growth of 2.5%. Fourth quarter 2017 results trailed forecast resulting in a growth requirement of 3.1% from actual 2017 revenues to achieve budget. Sales and use tax revenues in the first half of 2018 were 2.5% below budget and only 0.54% above the same period a year ago. On August 14, 2018, the Board of Directors amended the budget to reduce the annual growth estimate to 1.17%, requiring growth of 1.67% in the last half of the year. Year-end results of \$102,466,907 were below the amended budget by 0.17% or approximately \$174,000. The monthly change in sales and use tax revenues in 2018 in comparison to the same period a year ago remained volatile. For example, November 2018 receipts were 5.13% above that of the previous year, while the December 2018 receipts were 1.98% below the same month a year ago. Arkansas state law requires tax payer confidentiality which prohibits releasing information regarding taxes generated from a specific company. Every company is classified by an industry code or NAICS code. There must be a minimum of three (3) companies included in a reported industry code for reporting purposes. If that threshold is not achieved, results are grouped in an all-inclusive, "other" category. The top ten industries reported by the state, generate approximately 45.5% of the total local sales and use tax revenue. Forecasting sales and use tax receipts with accuracy remains challenging.

After adjusting for inflation, sales tax revenues have declined in all but one year since 2010. 2015 was the only year of positive inflation adjusted growth, which coincided with the opening of the outlet mall in southwest Little Rock. On March 1, 2017, Amazon announced that it would begin voluntarily collecting state and local sales taxes owed on purchases made by Arkansas residents. The voluntary collection of taxes only applies to items purchased directly from Amazon. Many of the items sold and shipped through Amazon are for third-party vendors for which no tax is collected. Amazon has stated that as much as half of its business is through third-party vendors. As noted above, the erosion of sales tax revenues due to Internet sales has negatively impacted revenue growth. With the favorable Supreme Court decision on South Dakota V. Wayfair, Inc. in June 2018, State Representatives have introduced House Bill 1002 in the 2019 Arkansas State Legislature. The bill is consistent with the South Dakota V. Wayfair, Inc. decision. It would require out-of-state online sellers that do not have a physical presence in Arkansas to collect and remit sales and use taxes if they generate more than \$100,000 in sales, or at least 200 separate transactions in Arkansas in a year. The passage of this bill would positively impact the City of Little Rock and all other municipalities in the State. The City remains encouraged by the momentum of State and Federal representatives to address the issue of fairness in collection of taxes due on Internet sales.



COUNTY SALES TAX

The City receives a pro-rata share of a one (1)-cent countywide sales and use 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 5.0% population growth 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 2019 from this tax is approximately \$43.1 million which represents a 1.71% increase over 2018 actual results. The county tax collected in 2018 was 1.1% above 2017 results.

Use taxes, paid mostly by businesses, resemble sales taxes. They apply to goods purchased from out-of-state merchants such as Internet or catalog vendors. Use taxes included in the county sales tax projection are approximately \$5.2 million, or

12% of the annual total. 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, with 5/8-cent dedicated for ongoing operating expenses and 3/8-cent dedicated to capital projects over a ten (10) year period. The tax went into effect on January 1, 2012. The combined operating sales tax of 1.125% generated approximately \$57 million in 2018 which was approximately 1% higher than the previous year. The projected General Fund revenue for 2019 from the local tax is approximately \$57.9 million which represents an increase of approximately 1.5% from 2018 year-end results. The 3/8-cent tax for capital projects generated approximately \$19 million in 2018 and is expected to generate \$195.8 million over the ten (10) year period for capital projects. The capital tax increased 1% over 2017 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 the proportionate share of the County tax and the local tax 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, audits, and corrections. The local sales tax rebate to businesses on purchases in excess of \$2,500 was \$5,010,978 which is a 9.7% increase over the previous year. The largest rebates were returned to the Electric Power companies in excess of \$1.1 million. Audits performed by the State of Arkansas Department of Finance and Administration reduced sales tax collections by approximately \$348,400 in 2018.

For 2018, the industries with the largest dollar increases in sales taxes were natural gas distribution, food services and drinking places, electronic shopping, grocery stores, and cable networks. The largest dollar decreases were associated with electric power generation, telecommunications, department stores, full-service restaurants, and automobile dealers. According to the NAICS report, the largest Little Rock sales tax payers continue to be general merchandise stores, grocery stores, full-service restaurants, and building material and supplier dealers. The NAICS industry titled Electronic Shopping and Mail-Order Houses generated only 1.46% of sales and use tax revenue.

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 2019 remains at \$15.50 per capita and has remained the same rate since August 24, 2016. 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 \$204,453. The appropriation is determined each legislative session and can increase or decrease dependent upon surplus funds. State turnback funds are expected to contribute approximately \$3 million to General Fund revenues in 2019.

State Turnback

State Turnback Year-to-Date 2018 with 2017 Comparison (shaded blue)

| Month | Street | | Severance | | General | |
|--------------|----------------------|----------------------|--------------------|--------------------|---------------------|---------------------|
| | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 |
| January | \$10,065,525 | \$10,171,403 | \$574,576 | \$437,462 | \$4,056,820 * | \$4,056,771 * |
| February | 10,462,691 | 10,797,905 | 357,752 | 412,277 | 2,056,418 | 2,054,333 |
| March | 8,921,686 | 9,372,913 | 651,784 | 463,496 | 2,056,719 | 2,054,888 |
| April | 10,110,987 | 10,133,934 | 682,243 | 442,747 | 2,056,719 | 2,051,743 |
| May | 10,363,642 | 10,750,635 | 491,894 | 447,756 | 2,053,762 | 2,052,679 |
| June | 10,526,632 | 10,665,833 | 351,200 | 337,582 | 2,056,938 | 2,055,168 |
| July | 10,512,281 | 11,162,170 | 496,865 | 307,247 | 5,572,710 ** | 5,593,456 *** |
| August | 10,502,217 | 10,484,657 | 512,555 | 284,348 | 1,795,650 | 1,770,843 |
| September | 10,359,334 | 10,584,484 | 421,563 | 377,800 | 2,056,886 | 2,055,387 |
| October | 10,405,766 | 10,833,618 | 474,027 | 330,016 | 2,058,156 | 2,054,972 |
| November | 9,730,523 | 9,991,023 | 449,424 | 438,041 | 2,055,750 | 2,054,703 |
| December | 9,785,275 | 10,329,323 | 295,172 | 474,599 | 2,056,990 | 2,054,975 |
| Total | \$121,746,559 | \$125,277,895 | \$5,759,053 | \$4,753,372 | \$29,933,516 | \$29,909,918 |

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

** Includes \$3,515,747.46 supplemental for July 2017

***Includes \$3,514,066.32 supplemental for July 2018

Source: City and Town Magazine published by the Arkansas Municipal League

Local Option Sales and Use Tax in Arkansas

Sale and Use Tax Year-to-Date 2018 with 2017 Comparison (shaded blue)

| Month | Municipal Tax | | County Tax | | Total Tax | | Interest | |
|--------------|----------------------|----------------------|----------------------|----------------------|------------------------|------------------------|--------------------|------------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| January | \$59,272,899 | \$51,749,675 | \$50,925,990 | \$46,139,133 | \$110,198,889 | \$97,888,807 | \$68,417 | \$15,903 |
| February | 63,961,892 | 60,007,416 | 56,034,012 | 52,583,090 | 119,995,904 | 112,590,506 | 76,180 | 17,386 |
| March | 51,260,662 | 48,225,282 | 44,932,987 | 42,723,485 | 96,193,649 | 90,948,767 | 79,235 | 18,863 |
| April | 51,354,831 | 50,349,075 | 45,689,403 | 44,591,728 | 97,044,234 | 94,940,803 | 79,564 | 15,747 |
| May | 60,844,519 | 55,441,606 | 53,613,192 | 48,861,910 | 114,457,712 | 104,303,516 | 75,253 | 17,059 |
| June | 56,373,987 | 50,977,784 | 48,955,855 | 45,261,893 | 105,329,842 | 96,239,677 | 71,501 | 17,534 |
| July | 59,973,977 | 55,472,881 | 52,379,093 | 49,248,601 | 112,353,069 | 104,721,482 | 84,551 | 18,995 |
| August | 60,174,400 | 54,840,523 | 52,922,077 | 49,357,901 | 113,096,478 | 104,198,425 | 79,558 | 15,982 |
| September | 58,128,177 | 53,692,981 | 51,260,076 | 48,991,616 | 109,388,253 | 102,684,597 | 111,033 | 45,866 |
| October | 60,197,608 | 53,796,257 | 52,310,178 | 49,299,660 | 112,507,786 | 103,095,917 | 174,353 | 79,279 |
| November | 57,456,746 | 53,815,854 | 50,423,804 | 49,290,527 | 107,880,551 | 103,106,380 | 202,659 | 78,491 |
| December | 59,269,564 | 52,730,085 | 50,277,652 | 48,086,258 | 109,547,216 | 100,816,343 | 208,901 | 72,999 |
| Total | \$698,269,263 | \$641,099,418 | \$609,724,320 | \$574,435,802 | \$1,307,993,583 | \$1,215,535,220 | \$1,311,205 | \$414,104 |
| Averages | \$58,189,104 | \$53,424,952 | \$50,810,360 | \$47,869,650 | \$108,999,465 | \$101,294,602 | \$109,267 | \$34,509 |

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: Rachel Garrett, Office of State Treasurer

UTILITY FRANCHISES

Utility franchise fees comprise approximately 14% of the 2019 General Fund budget. 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:

| | |
|---|---|
| Entergy | 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 |
| Little Rock Water Reclamation Authority | 10.00% of gross revenues |
| Fiber Optics | 5.00% of gross revenues |
| Long Distance Franchise | \$0.004 per minute of toll calls |

Overall, 2019 utility franchise fees are projected to be 3.7% higher than 2018 actual revenues and 4.4% higher than the final amended 2018 budget. Franchise fee revenues in 2018 were approximately 2.12% higher than 2017 levels, but significantly lower than originally projected by the utility providers. Excluding a one-time accrual of \$426,957 for Little Rock Water Reclamation Authority, franchise fee growth was 0.67%. A major factor affecting franchise fee revenues is the weather. In 2018 and 2019, the City is impacted by the implementation of the federal Tax Cut and Jobs Act of 2017. The resulting federal tax reduction realized by the utilities eliminated the need for rate increases, associated with cost recovery, which had previously been approved by the Public Service Commission (PSC). In 2018, the Governor of Arkansas directed the PSC to review the rates and reconsider the approved rate increases. As a result, utility rates increases were reversed by Entergy and CenterPoint Energy. In addition to the rate reductions, credits were provided on customer bills for the impact of the federal tax cuts prior to the rate adjustment.

As noted above, the Tax Cuts and Jobs Act of 2017 significantly affected Entergy franchise fees in 2018. The Act was largely responsible for decreasing Entergy Arkansas franchise fees approximately 6.1% or \$813,550 from the previous year, while usage actually increased by 4.72% over the same period. Entergy officials originally forecasted 2018 revenues to be approximately 11% over 2017 actual results. Prior to the reversal of the rate adjustment, first quarter 2018 revenues were approximately 17% above the same period a year ago. Beginning April 1, 2018, a 3% increase in rates associated with fuel cost, coupled with an 18.4% reduction in rates resulting from the federal tax cut, equated to a net 15.4% reduction in rates during the last nine months of 2018. Entergy officials have provided a projection of \$14,000,000 for 2019, which represents a 12% increase over 2018 actual results. Although the tax credits will continue for residential customers through December 2019, the tax credit for commercial and industrial customers expired in December 2018.

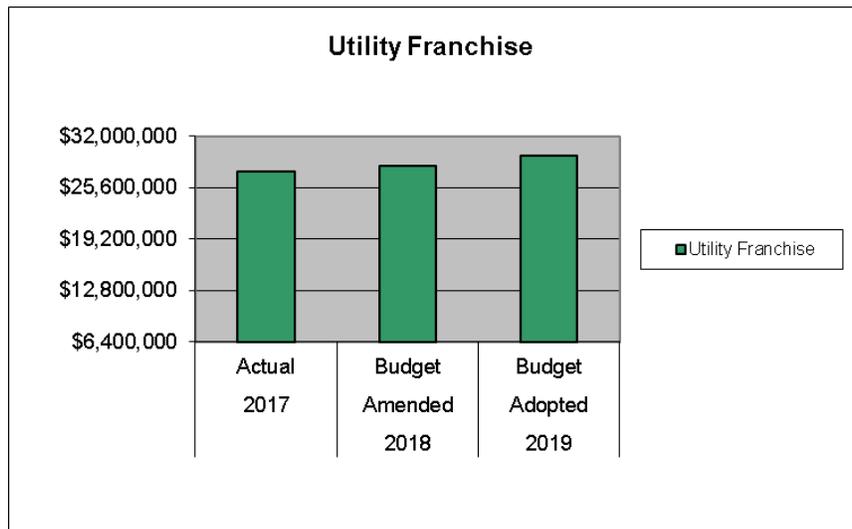
Franchise fee revenues from CenterPoint Energy, the gas utility, increased approximately 23% or \$652,555 in comparison to 2017, with increased usage of more than 20% due to a much colder winter. Prior to the rate adjustment resulting from the Tax Cuts and Job Act of 2017, monthly revenues were an average of 33% above the same period a year ago. The rate reduction began in October of 2018 and will continue through the first two months of 2019. CenterPoint Energy 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 Energy reports its natural gas costs to the Arkansas Public Service Commission (PSC) at the end of October each year. Fuel rates are passed along to customers with no profit going to the utility. Gas revenues in 2019 are expected to be approximately 8.8% lower than 2018 actual results. In January and February 2019, customers will continue to receive credits, which are estimated to offset approximately 20-25% of customers' bill amounts, associated with the Tax Cuts and Jobs Act. In addition, temperatures are expected to be higher than average in Arkansas from January to March 2019.

Central Arkansas Water franchise fees increased 9.37% from 2017 levels. The increase was a direct result of an 8.9% average rate increase. After a series of annual rate increases, the Central Arkansas Water (CAW) Board of Commissioners will not increase rates in 2019. In addition to usage, a base rate is charged, that is not associated with the customer's usage volume. The current base rate is \$7.85 for the average customer. An average customer is considered to be one that uses about 750 cubic feet of water per month. An on-going national trend is a decrease in water consumption due to water-saving appliances and conservation measures, but weather is still one of the most significant factors in projecting CAW franchise revenues. Central Arkansas Water has forecasted an increase of approximately 3% in 2019 franchise fee revenue which is based on increased fees for fixed costs. The utility is currently issuing \$20 million in bonds to finance improvements to the water distribution system and for the acquisition of land and equipment.

2018 franchise fee revenues from Little Rock Water Reclamation Authority

increased approximately 13.1% or \$710,386. A large portion of this increase was the result of a one-time accrual for revenue earned in 2018 but received in 2019. Excluding the impact of the one-time adjustment, Little Rock Water Reclamation Authority franchise fees increased 5.2% from 2017. Although, a 4.75% rate increase is scheduled for 2019, overall franchise fees are projected to decrease 3% because of the one-time accrual included in 2018 revenue. Additional rate increases are scheduled for 2020 through 2021 to fund 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.

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 are now less than \$435,000 in 2018, representing a decline of 12% from a year ago. This trend is expected to continue in the foreseeable future, with customers migrating from utilization of a home phone (land line) and a mobile phone to only a mobile phone. It is estimated that 53.9% of U.S. households now forgo landline phones. Revenues from all local land line providers declined 4.5% in 2018 and are expected to further decrease 9% in 2019. The decline could be sharper, but some alarm users maintain a land line connection for the operation of security systems.



The decline 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. Excluding the impact of a one-time payment in March 2018, Long Distance revenues were slightly below 2017.

Fiber Optic revenue continues to decline with an 11% decrease from one year ago. Fiber optic companies, such as AT&T U-Verse and Windstream, are in direct competition with Comcast Cable. Overall, fiber optics and cable franchise revenues decreased 8.3% in 2018 and 13.5% in 2017. Windstream revenues for 2018 decreased 10%, while AT&T U-Verse franchise fees decreased by approximately 11%, and Comcast Cable declined approximately 6%. Fiber optic

companies rarely announce anticipated rate increases in advance of the actual rate change. Cell phone, alarm system revenues, and Internet services are not assessed franchise fees. Fiber optic service fees are expected to be offset by customers foregoing the cable companies and receiving communication services, including television, via wireless or broadband connections, utilizing digital technology. Fiber optic forecasted revenues were originally projected to be flat for 2019. However, Windstream Holdings, Inc. filed for Chapter 11 bankruptcy reorganization in late February 2019 after losing a critical ruling in federal court regarding defaulted bonds. Windstream has secured financing to restructure but it is unclear how this will affect 2019 revenues.

The advance refunding of several existing bond issues with the issuance of the \$17,875,000 Capital Improvement and Refunding Bonds, Series 2017, reduced annual debt service, secured by franchise fees, by approximately \$212,000. The bonds are secured by a pledge of revenues derived from all franchise fees collected from public utilities, excluding fees attributed to the Little Rock Water Reclamation Authority and Central Arkansas Water.

| Announced Utility Rate Increases for 2019 | |
|--|--------|
| SW Bel (AT&T) | 0.00% |
| Entergy | 0.00% |
| Long Distance | 0.00% |
| Local Land Lines | 0.00% |
| CenterPoint | -3.30% |
| Central AR Water | |
| Residential | 0.00% |
| Commercial | 0.00% |
| Industrial | 0.00% |
| Fiber Optics | 0.00% |
| Little Rock Reclamation Authority | 4.75% |

BUSINESS LICENSES

Licenses and permits comprise approximately 3.3% of 2019 General Fund revenues. 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 2018 license fees increasing to over \$6.8 million. Business license and alcohol permit revenue has increased every year since 2011, although rates have not increased since 2001. The growth can be attributed to a steady local economy and aggressive collection of delinquent accounts. Various programs are in place to locate businesses operating without a license and cross-referencing businesses with other governmental entities. In 2015, the Treasury

Management Division implemented an electronic notification system that reminds business owners of upcoming deadlines such as assessments, due dates, and the like via email notifications. The email reminders increased collection on delinquent accounts. A business license committee periodically reviews the fairness and equity of the business license fee structure and provides recommendations to the Board of Directors. The 2019 business license budget anticipates growth of 1.2% with no scheduled rate increases.

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. A 10% supplemental tax is levied on public liquor sales, and a 5% tax is levied on sales by private clubs within the City. 2018 mixed drink revenue was 9.4% higher than 2017 at \$2.7 million. 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. Staff will implement an audit program in 2019 to ensure that reporting of mixed drink collections are accurate. 2019 mixed drink revenues are expected to increase 3.3% as a result of the audit.

BUILDING AND RELATED PERMITS

Building and related permits, which include electrical permits, plumbing permits, and heating ventilation and air conditioning (HVAC) permits totaled \$2.7 million which closely matched 2017 but were roughly 6% over original budget. 2018 commercial building permits were originally expected to decline 5.4% from 2017 levels. However, large permits such as the Southwest High School and the new headquarters of Bank OZK were recorded in the early part of 2018. There continues to be commercial development near the I-30/I-430 interchange as well as in mid-town with the addition of The District at Midtown. Plans are in place for a multimillion-dollar redevelopment of a shuttered Sears store with the construction of several planned new restaurants and businesses set to begin. However, residential construction is projected to remain stagnant. Rising long-term interest rates could curtail commercial construction activity in Little Rock. 2019 building and related permit fees were increased 5%, which is projected to increase revenues approximately \$150,000.

FINES AND FEES

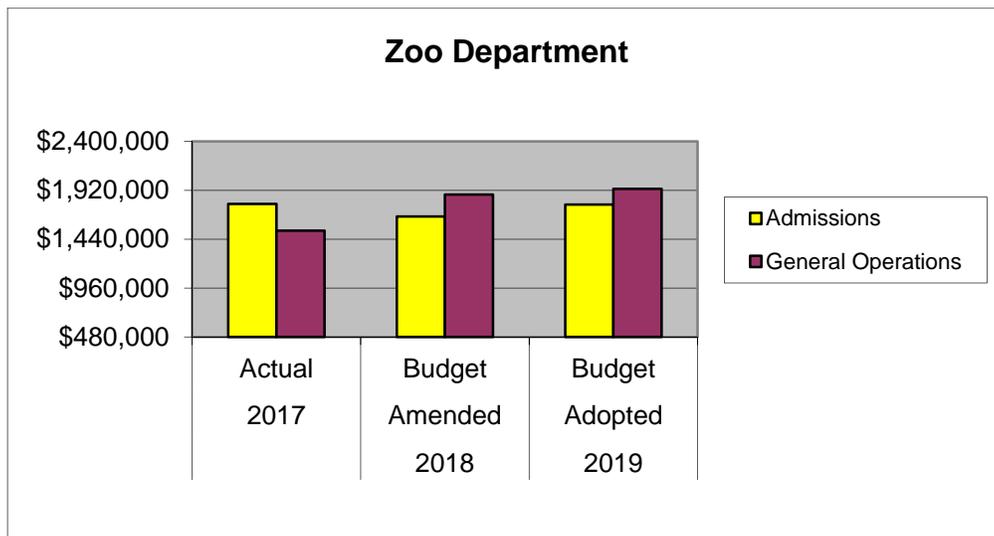
Fines and fee revenues continue to decline with revenues decreasing approximately 8% or \$186,000 compared to one year ago. District courts were issuing “show cause” notices before issuing warrants for failure to pay. Show cause notices ask defendants to explain why they have failed to pay or “show cause” in person or in writing. In many instances, warrants are no longer issued resulting in reduced court revenues. The number of citations written continue to decrease with amnesty programs further reducing fines. Minimum installment fees and increased community service further reduce fines and fee revenues. Parking fine revenue did increase by over \$141,000, the result of a new Parking Management System that increased on-street occupancy throughout the

downtown core and in the business district. Overall, 2019 fines and fees are projected to be flat compared to 2018 levels.

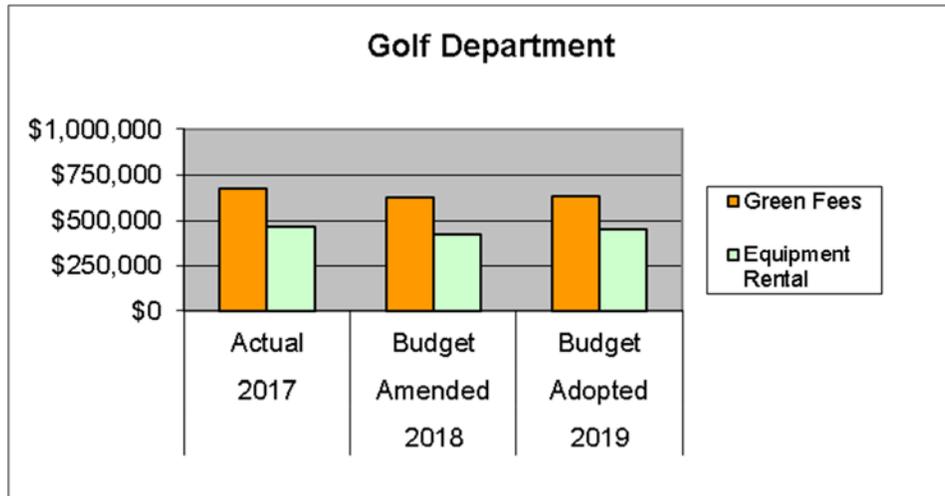
PARK AND ZOO REVENUE

General Fund park revenues are generated by three (3) golf courses, tennis fees, community center fees, athletics fees, summer programs, and pavilion rentals. The 2019 General Fund Parks and Zoo budget includes an 11% increase from 2018 actuals, the majority of the increase is expected in Zoo revenues.

Zoo revenues decreased approximately 14% or over \$517,500 from 2017. 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. Record rainfall decreased almost all Zoo revenues. Zoo admission revenue decreased 10.7% or over \$190,480, as did concessions and special events from one year ago. Annual Zoo memberships are usually less dependent on weather but still decreased almost 15%. 2019 Zoo revenues are projected to be almost 13% over 2018 actuals with an increase of approximately \$431,500 based on normal weather patterns. There are no fee increases scheduled for 2019 but the Zoo is anticipating increased attendance from new colobus monkey and serval cat exhibits that will enhance the visitor experience. Completion of these exhibits are scheduled for June 2019.



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. Overall golf revenues were 10% below 2017 levels. 2018 Rebsamen Golf revenues decreased 7.4%. 2018 War Memorial Golf revenues decreased 14.3%. 2018 Hindman Golf Course revenues decreased 13.3%. In addition, the record rainfall of 2018 impacted all three (3) golf courses because of flooding from nearby streams. The combined golf course revenues are projected to increase 7.6% in 2019 with more normal weather patterns.



AIRPORT REIMBURSEMENT

The Little Rock National Airport reimburses the City for expenses related to police and fire protection. In 2018, airport police reimbursements decreased over 13% to \$1.61 million, while the airport fire reimbursements increased 5% to \$1.4 million. Airport police reimbursements were down due to vacancies during the year. Staffing levels should be consistent with 2017 levels, adjusted only for salary increases. Annually, fluctuations can be attributed to changes in negotiated minimum staffing.

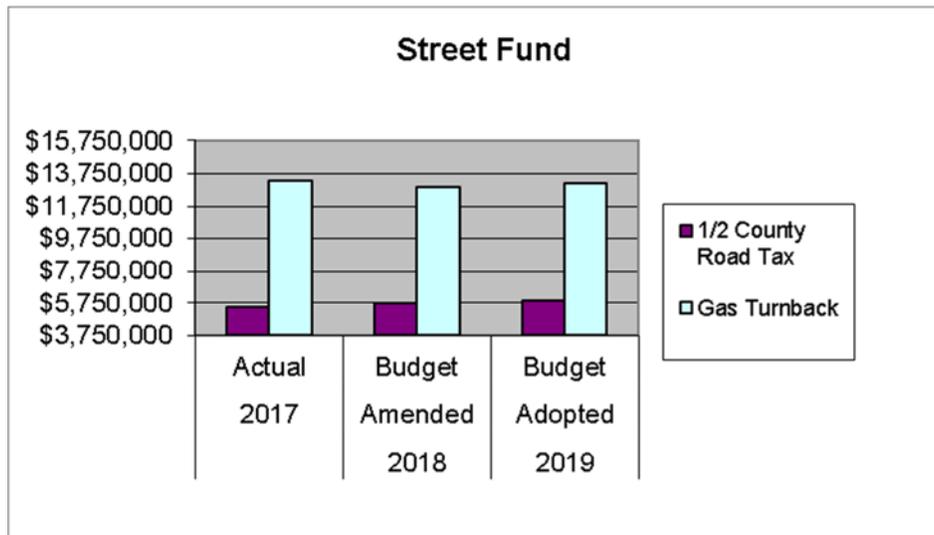
INTEREST EARNINGS

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 target federal funds rate is currently 2.25% - 2.5% with four rate hikes in 2018. The current discount rate is 3.00%. The Federal Open Market Committee has signaled that it might temper its recent stance of quarterly rate hikes in light of some inflationary pressure. Investment income for the General Fund before year-end fair market value adjustments is approximately \$389,800 with almost \$23,000 due to a realized loss on investments. The portfolio has capitalized on short term interest rates. Investment income has increased 24% from 2017. Once again, the City’s policy of staying fully invested during a rising interest rate environment has significantly increased investment income.

Securities held are short in duration, backed by the United States government, and are among the safest securities in the world. Steady interest rates coupled with consistent fund balances should increase investment earnings in 2019. The City’s bank deposits are expected to yield over 2.2% in 2019 which is competitive with the current three-month Treasury bill.

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 1/2-cent sales and use tax for road construction and maintenance. The ten (10)-year sales tax is effective from July 1, 2013, through December 2022. 2018 turnback revenues were \$13,593,644, an increase of 1.8% from 2017. Gas turnback funds had been trending downward as a result of lower gas consumption associated with more fuel efficient automobiles, but usage has increased in the last three years with lower fuel prices. The State Highway Department’s turnback projection for 2019, including the gas tax, severance tax, and sales tax, is \$13.17 million which is approximately 1.9% above their projection for 2018. The 2018 Street Fund turnback appropriation remained unchanged at \$65.50 per capita. The 2018 Street Fund turnback estimate includes proceeds from the state 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. Excluding transfers in, overall, Street fund revenues were 3.4% higher than 2017 revenues.



BOND & INTEREST FUND

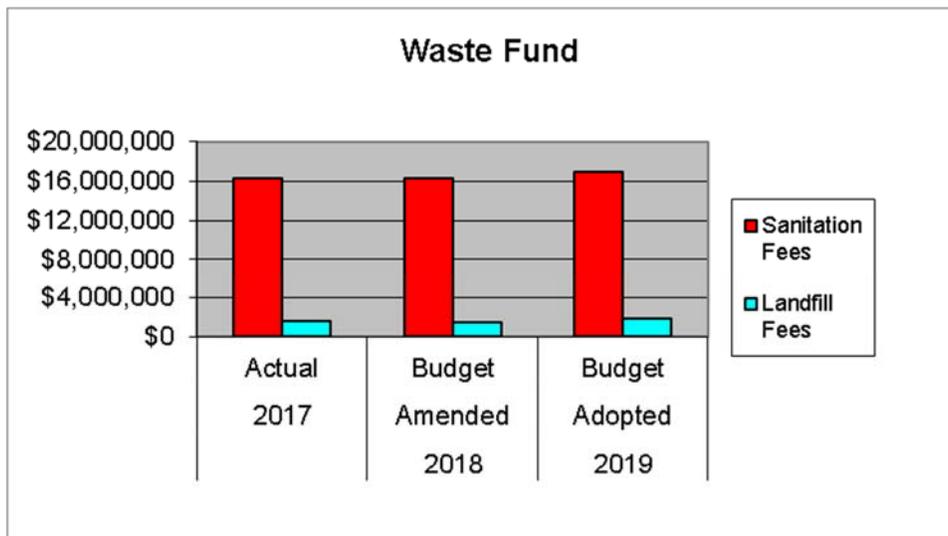
Revenues from this fund are utilized to finance the debt service on the Capital Improvement Bonds issued in 2013 and 2018. The voters of Little Rock approved an annual ad valorem tax at a rate of 3.0 mills at a special election on September 11, 2012. The millage is pledged for the financing of \$105 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). In November 2018, the City of Little Rock issued the second series of Limited Tax General Obligation bonds for streets and drainage in

the amount of \$43,475,000. The millage, along with the Homestead Credit, which is monies generated from a state-wide half-cent sales tax, produced approximately \$12.5 million (including anticipated Excess Commissions) toward 2018 debt service on the outstanding bonds.

WASTE DISPOSAL

The 2018 Waste Disposal charges for services, such as sanitation fees, landfill fees, yard waste, and compost sale revenues increased 1.8% compared to 2017. Although there were no rate increases, sanitation fees were over budget by approximately \$115,660 and almost \$81,000 above last year. Landfill fees increased significantly (16%) from last year because many of the private haulers such as Waste Management and BFI are utilizing the facility. Increased landfill fees in 2019 related to state surcharges should be offset by additional expenditures. Yard waste revenues were flat compared to 2017, while compost revenues continue to decline as more residents are composting in their backyards. Compost revenues were down almost 25% for the year.

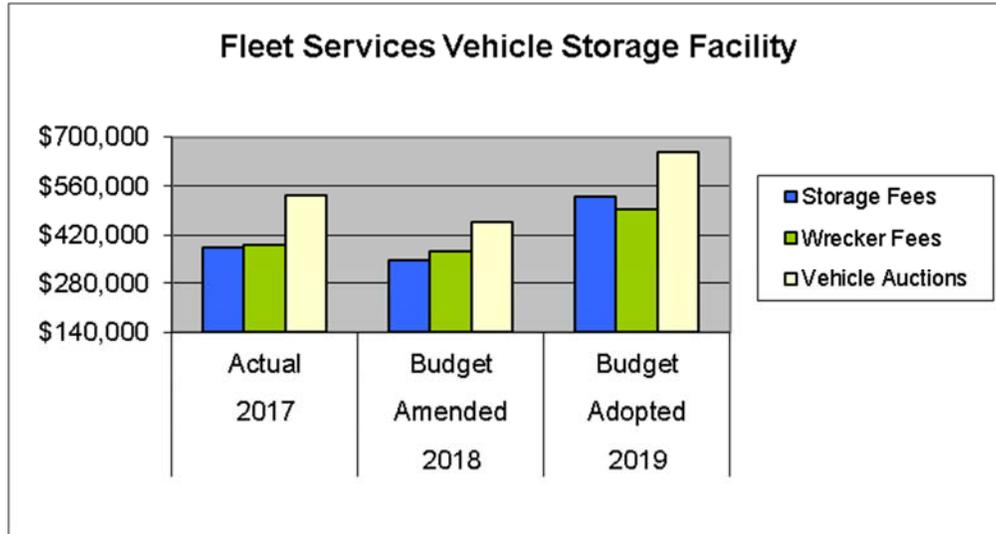
The monthly residential rate for sanitation pickup is \$20.99. There are approximately 59,132 households currently receiving garbage collection services. In addition, approximately 295 commercial vendors pay an average rate of \$33.37 a month for waste disposal services. The 2019 budget for sanitation fees is approximately \$16.9 million and is 3.5% higher than 2018 actual results. No rate increases are currently scheduled for 2019, although a comprehensive rate study is currently underway. Landfill fees are expected to generate approximately \$1.8 million in 2019 which is in line with 2018 results.



VEHICLE STORAGE

Vehicle Storage revenues are primarily generated from storage fees, wrecker fees, and auction sales. These revenue sources increased 38% from one year ago and contributed approximately 90% of total 2018 revenues. Storage fees increased 52%, wrecker fees increased 32%, and vehicle auction sales increased 32%. The

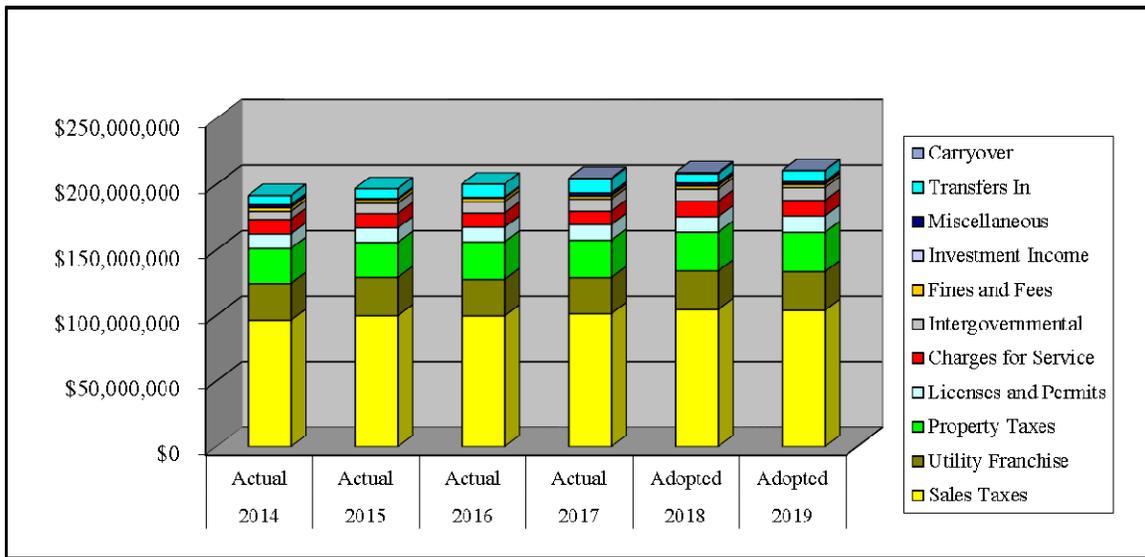
number of wrecker tows in 2018 was a record 904. Over 150 vehicles were sold at auction during the year. The 2019 overall revenue budget is 7.9% lower than the record 2018 actual results. The average sales price per vehicle auctioned in 2018 was \$893.50. No scheduled rate increases are anticipated for 2019.



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 Convention Center 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 2.25% higher in 2018 than 2017. The increase was primarily due an increase in business license collection and street repair collections. The majority of street repairs, or street cuts, are performed by local utility companies, specifically CenterPoint Energy which is the local natural gas provider. In addition, other utilities, such as Little Rock Water Reclamation Authority and Central Arkansas Water, perform street repairs and maintenance in the City’s rights-of-way. Street repairs in 2018 were 45% higher than 2017. Monthly parking in the two parking garages is 5% higher compared to last year while daily parking is down over \$119,500 from a year ago. The majority of the decrease in daily parking is from the RiverMarket Parking Garage. Increased competition from the Central Arkansas Library parking deck on President Clinton Avenue and a \$5 per day parking lot at 224 E. Markham has decreased the daily parking at both the Statehouse Convention Center and River Market facilities. Parking garage revenues are expected to increase approximately 2.5% in 2019.

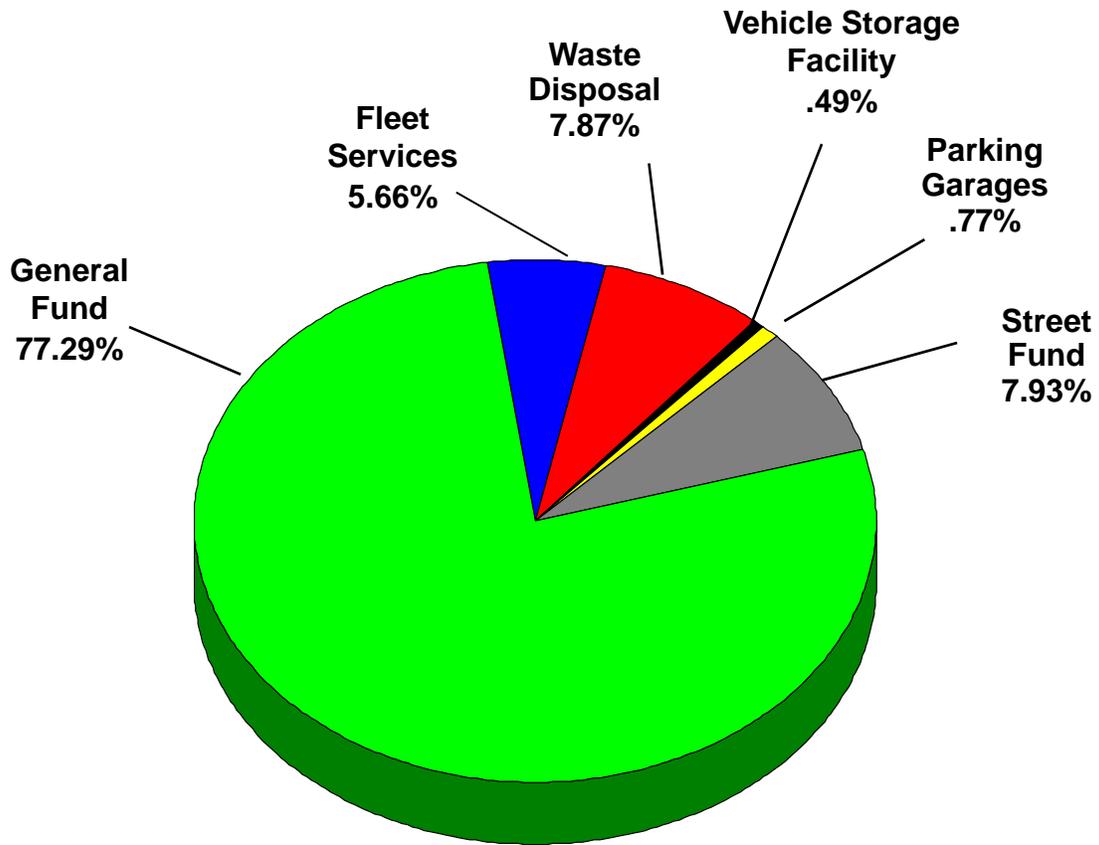
General Fund Revenues Sources and Trends 2014-2019



Expenditures



CITY OF LITTLE ROCK 2019 BUDGET SUMMARY ALL FUNDS EXPENSES



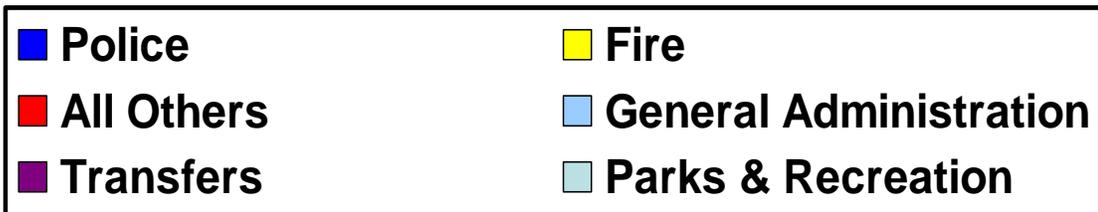
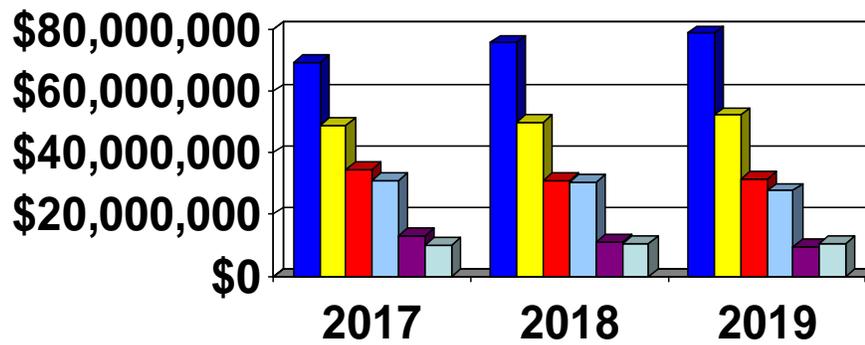
\$272,515,058

**CITY OF LITTLE ROCK
2019 OPERATING & OTHER BUDGET EXPENDITURES**

| GENERAL FUND | 2017 ACTUAL | 2018 ADOPTED | 2018 AMENDED* | 2019 ADOPTED | 18/19 DIFF | % CHANGE |
|---------------------------------------|------------------------|-------------------------|--------------------------|-------------------------|-----------------------|---------------------|
| General Administrative | \$30,897,380 | \$30,601,351 | \$29,500,796 | \$27,815,347 | (\$1,685,449) | -5.71% |
| Board of Directors | 338,245 | 337,241 | 337,241 | 337,500 | 259 | 0.08% |
| Community Programs | 590,483 | 599,306 | 599,306 | 566,541 | (32,765) | -5.47% |
| City Attorney | 1,759,449 | 1,838,375 | 2,060,674 | 1,765,815 | (294,859) | -14.31% |
| District Court First Division | 1,159,864 | 1,312,284 | 1,267,610 | 1,331,175 | 63,565 | 5.01% |
| District Court Second Division | 1,188,481 | 1,235,948 | 1,220,847 | 1,249,913 | 29,066 | 2.38% |
| District Court Third Division | 496,027 | 558,459 | 523,837 | 554,856 | 31,019 | 5.92% |
| Finance | 3,535,299 | 3,611,965 | 3,534,587 | 3,460,042 | (74,545) | -2.11% |
| Human Resources | 1,726,030 | 1,900,756 | 1,847,520 | 1,848,017 | 497 | 0.03% |
| Information Technology | 4,316,077 | 5,155,305 | 4,875,044 | 5,449,495 | 574,451 | 11.78% |
| Planning Development | 2,419,364 | 2,659,265 | 2,428,755 | 2,576,596 | 147,841 | 6.09% |
| Housing & Neighborhood Programs | 5,107,213 | 5,780,017 | 5,261,754 | 5,712,630 | 450,876 | 8.57% |
| Public Works | 953,122 | 1,100,254 | 1,059,294 | 1,060,735 | 1,441 | 0.14% |
| Parks & Recreation | 10,109,910 | 10,637,313 | 10,122,819 | 10,662,574 | 539,755 | 5.33% |
| River Market | 1,234,673 | 1,276,715 | 1,276,715 | 1,354,146 | 77,431 | 6.06% |
| Golf | 2,482,546 | 2,321,299 | 2,386,082 | 2,141,314 | (244,768) | -10.26% |
| Jim Dailey Fitness and Aquatic Center | 901,166 | 908,180 | 905,025 | 855,474 | (49,551) | -5.48% |
| Zoo | 6,571,274 | 6,938,356 | 6,574,727 | 6,745,800 | 171,073 | 2.60% |
| Fire | 48,990,914 | 49,939,645 | 50,217,922 | 52,217,670 | 1,999,748 | 3.98% |
| Police | 69,453,081 | 75,742,987 | 74,801,951 | 78,785,071 | 3,983,120 | 5.32% |
| Vacancy Savings | - | (6,500,000) | - | (5,500,000) | (5,500,000) | N/A |
| Sub-total General Operating | 194,230,598 | 197,955,021 | 200,802,506 | 200,990,711 | 188,205 | 0.09% |
| TRANSFERS OUT/OTHER EXPENSES | | | | | | |
| Transfer out to Street Fund | 894,000 | 194,000 | 194,000 | 194,000 | - | 0.00% |
| Special Projects/PIT | 11,980,270 | 9,814,254 | 9,814,254 | 8,438,561 | (1,375,693) | -14.02% |
| Contingency/Reserve | 155,775 | 1,000,000 | - | 1,000,000 | 1,000,000 | N/A |
| Sub-total of Transfers Out | 13,030,045 | 11,008,254 | 10,008,254 | 9,632,561 | (375,693) | -3.75% |
| TOTAL GENERAL FUND | 207,260,643 | 208,963,275 | 210,810,760 | 210,623,272 | (187,488) | -0.09% |
| OTHER FUNDS | | | | | | |
| Public Works - Street | 18,383,410 | 20,969,356 | 20,969,356 | 21,599,158 | 629,802 | 3.00% |
| Fleet Services | 11,910,455 | 13,061,091 | 14,061,091 | 15,419,298 | 1,358,207 | 9.66% |
| Vehicle Storage Facility | 1,408,218 | 1,335,365 | 1,335,365 | 1,344,955 | 9,590 | 0.72% |
| Waste Disposal | 16,967,402 | 18,900,401 | 18,900,401 | 21,436,769 | 2,536,368 | 13.42% |
| Parking Garages | 2,323,232 | 2,512,248 | 2,512,248 | 2,091,606 | (420,642) | -16.74% |
| Sub-total Other Operating Funds | 50,992,718 | 56,778,461 | 57,778,461 | 61,891,786 | 4,113,325 | 7.12% |
| TOTAL ALL FUNDS | \$ 258,253,361 | \$ 265,741,736 | \$ 268,589,221 | \$ 272,515,058 | \$ 3,925,837 | 1.46% |

* The 2018 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 2018 vacancy savings goal was fully realized.

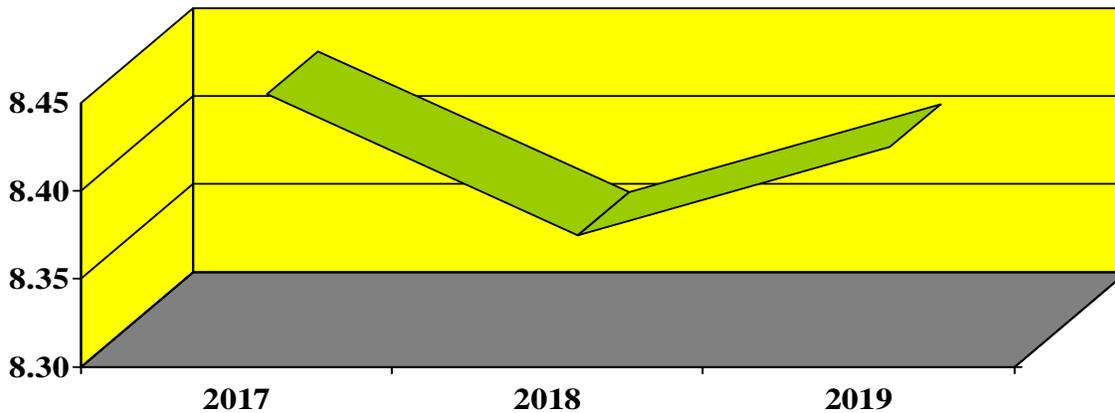
General Government Summary of Appropriations 2017-2019



GENERAL FUND SUMMARY EXPENDITURES BY CATEGORY

| CATEGORY | 2017 Actual | 2018 Amended Budget | 2019 Adopted Budget |
|--------------------------------------|----------------------|---------------------------|---------------------------|
| Salaries Wages and Employee Benefits | \$147,020,547 | \$154,653,870 | \$158,139,942 |
| Supplies and Materials | 5,503,810 | 5,932,530 | 5,950,330 |
| Repairs and Maintenance | 7,553,943 | 8,425,201 | 8,963,888 |
| Contractual | 23,614,469 | 23,883,545 | 21,800,224 |
| Capital Outlay | 45,847 | 156,000 | |
| Debt Service | 10,491,982 | 7,751,360 | 6,136,327 |
| Transfers | 13,030,045 | 10,008,254 | 9,632,561 |
| Total Expenditures | <u>\$207,260,643</u> | <u>\$210,810,760</u> | <u>\$210,623,272</u> |
| <i>Staffing Level</i> | 1,749 | 1,763 | 1,772 |
| <i>Ratio</i> | 8.44 | 8.36 | 8.41 |

STAFFING LEVEL PER MILLION DOLLARS BUDGETED



**CITY OF LITTLE ROCK
2019 OPERATING EXPENSES**

| | 2017 Actual | 2018 Adopted Budget | 2019 Adopted Budget |
|--|------------------------|------------------------------------|------------------------------------|
| GENERAL FUND | | | |
| GENERAL ADMINISTRATIVE | | | |
| 101001 City Clerk | \$ 213,930 | \$ 292,022 | \$ 303,881 |
| 101002 Administrative & General | 24,439,620 | 23,198,431 | 20,307,997 |
| 101003 Employee Benefits | 3,807,442 | 4,420,500 | 4,711,500 |
| 101005 Mayor | 567,381 | 590,581 | 515,641 |
| 101006 City Manager Administration | 1,079,345 | 1,249,830 | 1,150,927 |
| 101007 Emergency Management | 71,821 | 57,068 | 56,957 |
| 101008 Small & Minority Women Owned Bus. C | 94,893 | 108,310 | 71,843 |
| 101009 Little Rock Television | 298,647 | 301,642 | 302,709 |
| 101010 311 Service Center | 249,403 | 260,500 | 265,986 |
| 101011 Performance and Innovation | 74,898 | 122,467 | 127,906 |
| Total General Administrative | 30,897,380 | 30,601,351 | 27,815,347 |
| BOARD OF DIRECTORS | | | |
| 101100 Board of Directors | 338,245 | 337,241 | 337,500 |
| COMMUNITY PROGRAMS | | | |
| 101501 Administration | 347,376 | 358,179 | 311,691 |
| 101503 Operations | 91,640 | 79,836 | 93,401 |
| 101504 Racial and Cultural Diversity | 151,468 | 161,291 | 161,449 |
| Total Community Programs | 590,483 | 599,306 | 566,541 |
| CITY ATTORNEY | | | |
| 101801 City Attorney | 1,759,449 | 1,838,375 | 1,765,815 |
| LITTLE ROCK DISTRICT COURT | | | |
| 102101 District Court First Division | 1,159,864 | 1,312,284 | 1,331,175 |
| LITTLE ROCK DISTRICT COURT | | | |
| 102201 District Court Second Division | 1,188,481 | 1,235,948 | 1,249,913 |
| LITTLE ROCK DISTRICT COURT | | | |
| 102301 District Court Third Division | 496,027 | 558,459 | 554,856 |
| FINANCE | | | |
| 102501 Administration | 810,590 | 874,083 | 813,860 |
| 102515 Budget | 175,118 | 100,990 | 67,393 |
| 102520 Internal Audit | 246,413 | 246,085 | 244,547 |
| 102530 Accounting and Reporting | 453,792 | 480,698 | 462,525 |
| 102531 Accounts Payable | 295,936 | 338,553 | 334,714 |
| 102535 Payroll | 237,698 | 202,555 | 214,281 |
| 102540 Treasury Management | 635,172 | 650,595 | 636,451 |
| 102550 Purchasing | 386,357 | 404,841 | 390,356 |
| 102555 Print Shop | 32,031 | 37,611 | 38,518 |
| 102560 Grants Management | 262,192 | 275,954 | 257,397 |
| Total Finance | 3,535,299 | 3,611,965 | 3,460,042 |
| HUMAN RESOURCES | | | |
| 102701 Human Resources | 1,726,030 | 1,900,756 | 1,848,017 |
| INFORMATION TECHNOLOGY | | | |
| 103001 Administration | 757,675 | 694,220 | 808,017 |
| 103010 Application Programming | 1,040,490 | 1,162,070 | 1,162,071 |
| 103030 Networking | 2,330,441 | 2,096,533 | 1,642,728 |
| 103050 Computer Operations | 187,471 | 1,202,482 | 1,836,679 |
| Total Information Technology | 4,316,077 | 5,155,305 | 5,449,495 |

**CITY OF LITTLE ROCK
2019 OPERATING EXPENSES**

| | 2017 Actual | 2018 Adopted Budget | 2019 Adopted Budget |
|--|------------------------|------------------------------------|------------------------------------|
| PLANNING AND DEVELOPMENT | | | |
| 103301 Administration & Budget | 360,732 | 366,038 | 300,497 |
| 103310 Planning | 444,835 | 460,594 | 464,083 |
| 103320 Zoning & Subdivision | 743,048 | 854,138 | 857,049 |
| 103330 Building Codes | 870,748 | 978,495 | 954,967 |
| Total Planning and Development | <u>2,419,364</u> | <u>2,659,265</u> | <u>2,576,596</u> |
| HOUSING AND NEIGHBORHOOD PROGRAMS | | | |
| 103501 Administration | 293,725 | 339,482 | 329,931 |
| 103510 Animal Services | 1,055,068 | 1,318,426 | 1,289,313 |
| 103520 CDBG - Housing Programs | 3,507 | 8,583 | 7,528 |
| 103530 Neighborhood Programs | 2,609,557 | 2,846,557 | 2,855,474 |
| 103539 Neighborhood Alert Centers | 775,930 | 802,909 | 837,311 |
| 103540 Neighborhood Resource Center | 139,634 | 238,975 | 179,737 |
| 103550 Environmental Services | 229,792 | 225,085 | 213,336 |
| Total Housing and Neighborhood Progr | <u>5,107,213</u> | <u>5,780,017</u> | <u>5,712,630</u> |
| PUBLIC WORKS | | | |
| 104010 Building Services | 953,122 | 1,100,254 | 1,060,735 |
| Total Public Works | <u>953,122</u> | <u>1,100,254</u> | <u>1,060,735</u> |
| PARKS AND RECREATION | | | |
| 104501 Administration | 454,369 | 484,809 | 461,090 |
| 104503 Design Scheduling | 377,159 | 379,495 | 393,443 |
| 104510 Resources Administration | 348,547 | 370,718 | 381,119 |
| 104511 Cultural Museum | 202,393 | 202,675 | 247,707 |
| 104512 Therapeutic | 179,624 | 188,464 | 232,081 |
| 104521 Development and Maintenance | 124,390 | 97,622 | 161,612 |
| 104522 Operations and Improvement Developm | 1,073,683 | 1,183,977 | 1,602,287 |
| 104523 Park Maintenance | 2,215,993 | 2,011,152 | 1,706,674 |
| 104524 Horticulture | 878,943 | 963,170 | 1,093,630 |
| 104525 Urban Forestry | 418,167 | 446,431 | 447,373 |
| 104530 Recreation Administration | 164,947 | 169,020 | 169,201 |
| 104531 Community Center Administration | 105,165 | 115,354 | 126,174 |
| 104532 Dunbar Community Center | 482,982 | 429,858 | 466,023 |
| 104533 East Little Rock Recreation Center | 95,117 | 91,945 | 91,956 |
| 104534 Senior Programs | 86,260 | 94,215 | 94,215 |
| 104536 Southwest Community Center | 599,652 | 606,141 | 598,070 |
| 104537 Stephens Community Center | 295,456 | 303,655 | 304,177 |
| 104538 The Centre at University Park | 316,130 | 371,694 | 366,108 |
| 104539 West Central Community Center | 569,516 | 776,590 | 642,698 |
| 104540 Parks Maintenance - Mowing | 158,881 | 376,164 | 322,357 |
| 104556 Athletics/Playgrounds | 595,269 | 623,991 | 436,668 |
| 104557 Tennis Center Operations | 313,016 | 262,231 | 255,367 |
| 104558 N.W. Hill Community Complex | 54,252 | 87,942 | 62,544 |
| Total Parks and Recreation | <u>10,109,910</u> | <u>10,637,313</u> | <u>10,662,574</u> |
| RIVER MARKET | | | |
| 104601 RiverMarket | 1,234,673 | 1,276,715 | 1,354,146 |
| GOLF | | | |
| 104701 Administration | 98,224 | 99,661 | 220,453 |
| 104710 Rebsamen Golf Pro | 540,731 | 487,302 | 381,008 |
| 104711 Rebsamen Golf Maintenance | 494,877 | 482,087 | 478,325 |
| 104712 Rebsamen Pro Golf Concessions | 94,811 | 105,845 | 96,304 |
| 104720 War Memorial Golf Pro | 337,060 | 312,273 | 240,413 |
| 104721 War Memorial Golf Maintenance | 305,287 | 225,684 | 230,043 |
| 104740 Hindman Pro Golf | 319,966 | 343,759 | 263,639 |
| 104741 Hindman Golf Maintenance | 291,590 | 264,688 | 231,129 |
| Total Golf Fund | <u>2,482,546</u> | <u>2,321,299</u> | <u>2,141,314</u> |
| JIM DAILEY FITNESS AND AQUATIC CENTER | | | |
| 104801 Jim Dailey Fitness & Aquatic | 901,166 | 908,180 | 855,474 |

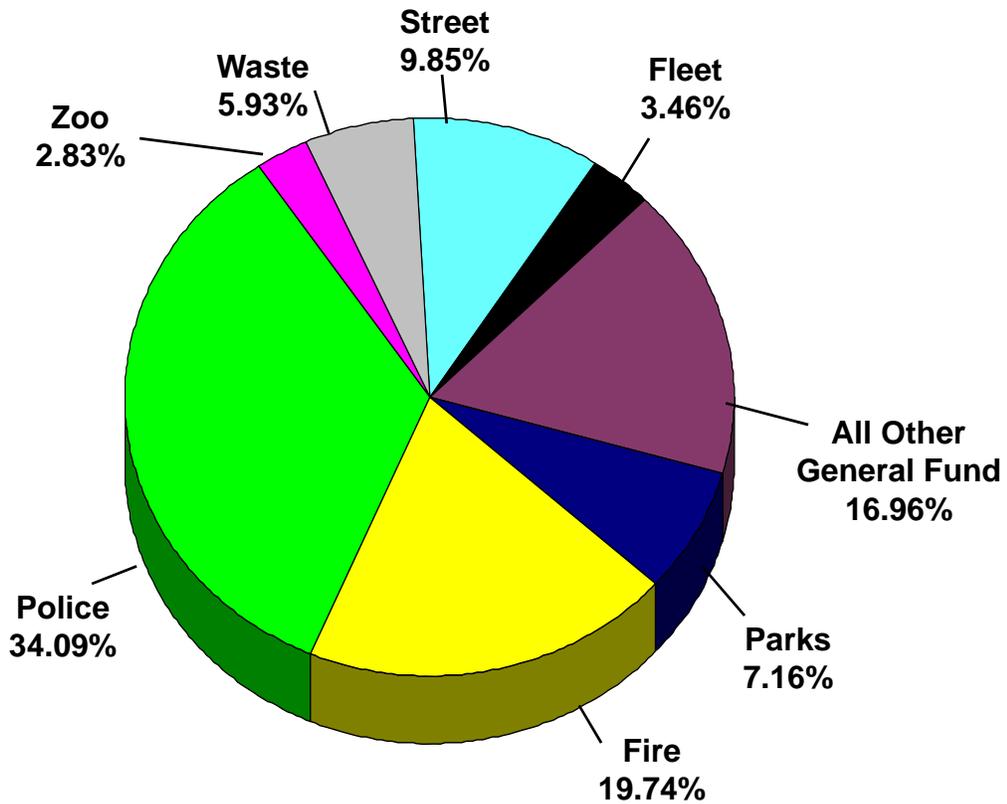
**CITY OF LITTLE ROCK
2019 OPERATING EXPENSES**

| | 2017 Actual | 2018 Adopted Budget | 2019 Adopted Budget |
|---|------------------------|------------------------------------|------------------------------------|
| ZOO | | | |
| 106501 Zoo Administration | 597,625 | 554,165 | 650,636 |
| 106510 Zoo Concessions | 280,666 | 384,530 | 383,127 |
| 106520 Zoo Education | 431,463 | 442,117 | 448,030 |
| 106530 Zoo Gift Shop | 296,384 | 180,313 | 150,755 |
| 106540 Zoo Membership | 111,797 | 111,332 | 120,030 |
| 106550 Zoo Special Events | 141,526 | 123,430 | 93,430 |
| 106560 Zoo Marketing & Promotions | 371,310 | 430,998 | 352,611 |
| 106570 Zoo Facilities Operation | 1,795,111 | 1,896,235 | 1,833,260 |
| 106580 Animal Management | 2,055,980 | 2,338,121 | 2,349,864 |
| 106581 Zoo Vet Services | 127,910 | 130,500 | 122,000 |
| 106590 Visitor Service Administration | 361,503 | 346,615 | 242,057 |
| Total Zoo Fund | 6,571,274 | 6,938,356 | 6,745,800 |
| FIRE | | | |
| 105101 Administration | 1,638,671 | 1,565,242 | 1,617,816 |
| 105102 Fire Pension | 6,160,332 | 6,343,331 | 6,351,581 |
| 105120 Fire Suppressing and Rescue | 38,370,118 | 39,355,297 | 41,368,636 |
| 105130 Fire Prevention - Investigation | 1,073,668 | 1,000,201 | 991,015 |
| 105140 Fire Training | 627,376 | 629,254 | 647,453 |
| 105150 Crash Fire Rescue - Airport | 1,120,749 | 1,046,320 | 1,241,169 |
| Total Fire | 48,990,914 | 49,939,645 | 52,217,670 |
| POLICE | | | |
| 105201 Administration | 2,774,761 | 2,740,662 | 2,868,396 |
| 105202 Police Pension | 7,462,399 | 7,567,131 | 7,553,781 |
| 105210 Internal Affairs | 1,106 | - | 99,734 |
| 105215 Organized Crime - Intelligence | 4,990,919 | 4,959,731 | 5,569,658 |
| 105220 Training and Crime Prevention | 4,344,691 | 7,288,444 | 4,791,291 |
| 105225 Detectives | 5,541,581 | 5,839,604 | 6,028,207 |
| 105230 Downtown Patrol | 10,347,509 | 11,103,622 | 12,106,697 |
| 105235 Southwest Patrol | 8,089,662 | 8,369,133 | 8,818,613 |
| 105240 Special Operations | 6,189,523 | 6,116,300 | 6,315,440 |
| 105245 WW Williams Northwest Substation | 8,670,822 | 9,143,089 | 11,115,237 |
| 105250 Airport Police | 1,876,510 | 1,741,002 | 1,925,569 |
| 105255 Police Records Support Service | 5,753,103 | 6,703,260 | 7,171,832 |
| 105260 Communication Center | 3,410,496 | 4,171,009 | 4,420,616 |
| Total Police | 69,453,081 | 75,742,987 | 78,785,071 |
| Less Vacancy Reduction | - | (6,500,000) | (5,500,000) |
| General Fund Operating Total | 194,230,598 | 197,955,021 | 200,990,711 |
| TRANSFER/OUT OTHER EXPENSES | | | |
| Transfer out to Street Fund | 894,000 | 194,000 | 194,000 |
| Special Projects/PIT | 11,980,270 | 9,814,254 | 8,438,561 |
| Contingency/Reserve | 155,775 | 1,000,000 | 1,000,000 |
| Sub-total | 13,030,045 | 11,008,254 | 9,632,561 |
| GENERAL FUND TOTAL | \$ 207,260,643 | \$ 208,963,275 | \$ 210,623,272 |
| PUBLIC WORKS - STREET | | | |
| 204001 Administration | \$ 609,542 | \$ 984,491 | \$ 1,997,357 |
| 204002 Operations Administration | 855,627 | 3,093,825 | 2,906,002 |
| 204003 Street and Drainage Maintenance | 8,749,270 | 7,579,120 | 7,388,095 |
| 204005 Storm Drain Maintenance | 813,974 | 993,872 | 1,045,613 |
| 204006 Work Pool | 89,534 | 162,984 | 151,998 |
| 204007 Resource Control and Scheduling | 397,714 | 423,782 | 381,072 |
| 204008 Control Devices | 830,930 | 940,121 | 925,953 |
| 204010 Signals | 992,062 | 1,155,223 | 1,171,683 |
| 204015 Parking Meters | 101,616 | 110,603 | 111,634 |
| 204020 Civil Engineering | 1,623,404 | 1,808,901 | 1,804,462 |
| 204025 Traffic Engineering | 3,081,092 | 3,414,186 | 3,413,682 |
| 204030 Parking Enforcement | 238,644 | 302,248 | 301,607 |
| Total Street Fund | 18,383,410 | 20,969,356 | 21,599,158 |

**CITY OF LITTLE ROCK
2019 OPERATING EXPENSES**

| | 2017 Actual | 2018 Adopted Budget | 2019 Adopted Budget |
|-----------------------------------|------------------------|------------------------------------|------------------------------------|
| FLEET SERVICES | | | |
| 600001 Administration | 1,077,115 | 846,660 | 1,649,403 |
| 600011 Acquisition & Disposal | 5,373,315 | 6,296,617 | 7,001,324 |
| 600020 Financial Management | 559,236 | 689,891 | 1,246,725 |
| 600031 Maintenance Administration | 4,899,981 | 5,227,923 | 5,511,846 |
| 600039 Administrative Motor Pool | 808 | | 10,000 |
| Total Fleet Services | 11,910,455 | 13,061,091 | 15,419,298 |
| VEHICLE STORAGE FACILITY | 1,408,218 | 1,335,365 | 1,344,955 |
| WASTE DISPOSAL | | | |
| 603101 Administration | 1,909,433 | 1,770,571 | 1,969,576 |
| 603110 Collection | 10,773,026 | 12,517,299 | 14,655,247 |
| 603120 Disposal | 3,633,952 | 3,902,031 | 4,039,350 |
| 603125 Composting | 556,147 | 633,097 | 711,425 |
| 603130 Waste Management | 94,846 | 77,403 | 61,171 |
| Total Waste Disposal Fund | 16,967,402 | 18,900,401 | 21,436,769 |
| PARKING GARAGES | | | |
| 612000 Parking Garages | 2,323,232 | 2,512,248 | 2,091,606 |
| GRAND TOTAL ALL FUNDS | \$ 258,253,361 | \$ 265,741,736 | \$ 272,515,058 |

CITY OF LITTLE ROCK 2019 ALLOCATION OF FULL TIME PERSONNEL



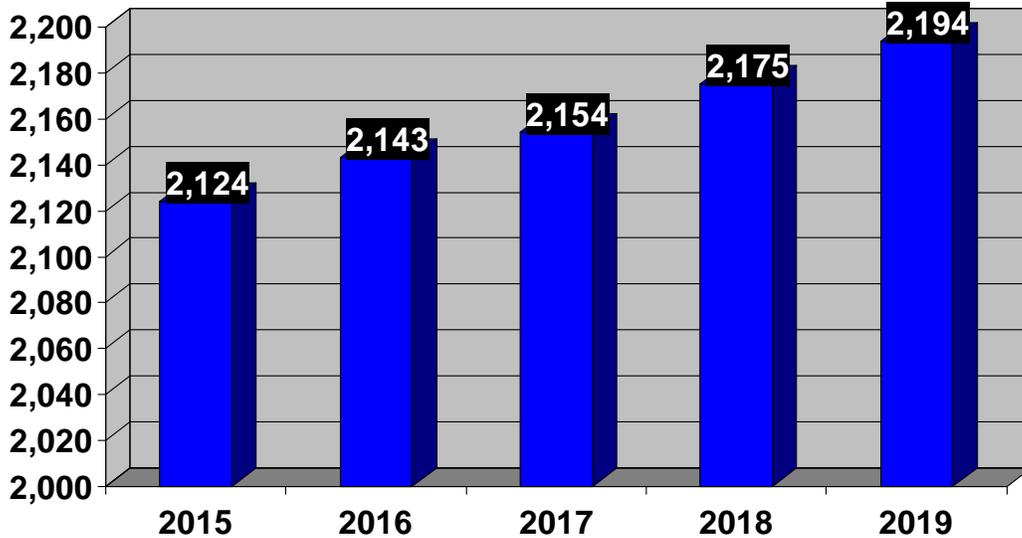
| | | | | | |
|---|-----|--|-----|--|-----|
| ■ Police | 748 | ■ Fire | 433 | ■ Street | 216 |
| ■ Waste | 130 | ■ Zoo | 62 | ■ All Other General Fund | 372 |
| ■ Fleet & Vehicle Storage Facility | 76 | ■ Parks | 157 | | |

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

| | 2017 Adopted Budget | 2018 Adopted Budget | 2019 Adopted Budget |
|---------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <u>General Fund</u> | | | |
| General Administrative | 33 | 35 | 33 |
| Board of Directors | 1 | 1 | 1 |
| Community Programs | 13 | 11 | 13 |
| City Attorney | 20 | 18 | 18 |
| District Court First Division | 20 | 20 | 20 |
| District Court Second Division | 18 | 18 | 18 |
| District Court Third Division | 8 | 8 | 8 |
| Finance | 43 | 43 | 42 |
| Human Resources | 20 | 22 | 23 |
| Information Technology | 39 | 39 | 39 |
| Planning & Development | 39 | 39 | 39 |
| Housing & Neighborhood Programs | 105 | 107 | 106 |
| Public Works - General | 12 | 12 | 12 |
| Parks & Recreation | 130 | 128 | 129 |
| Golf | 22 | 21 | 20 |
| Jim Dailey Fitness Center | 9 | 9 | 8 |
| Zoo | 62 | 63 | 62 |
| Fire | 422 | 421 | 433 |
| Police | 733 | 748 | 748 |
| Subtotal General Fund | <u>1,749</u> | <u>1,763</u> | <u>1,772</u> |
| <u>Other Funds</u> | | | |
| Public Works - Street | 216 | 215 | 216 |
| Fleet Services | 63 | 63 | 63 |
| Vehicle Storage Facility | 13 | 13 | 13 |
| Waste Disposal | 113 | 121 | 130 |
| Subtotal Other Funds | <u>405</u> | <u>412</u> | <u>422</u> |
| Total Personnel | <u>2,154</u> | <u>2,175</u> | <u>2,194</u> |

CITY OF LITTLE ROCK FULL-TIME PERSONNEL AUTHORIZATIONS 2015 - 2019

EMPLOYEES



The net change in personnel between 2018 and 2019 total positions are as indicated in the chart below.

| | |
|---------------------------------|--------------|
| 2018 Adopted Budget | 2,175 |
| General Administrative | (2) |
| Community Programs | 2 |
| Finance | (1) |
| Human Resources | 1 |
| Housing & Neighborhood Programs | (1) |
| Parks and Recreation | 1 |
| Golf | (1) |
| Jim Dailey Fitness Center | (1) |
| Zoo | (1) |
| Fire | 12 |
| Public Works - Street | 1 |
| Waste Disposal | 9 |
| 2019 Adopted Budget | <u>2,194</u> |

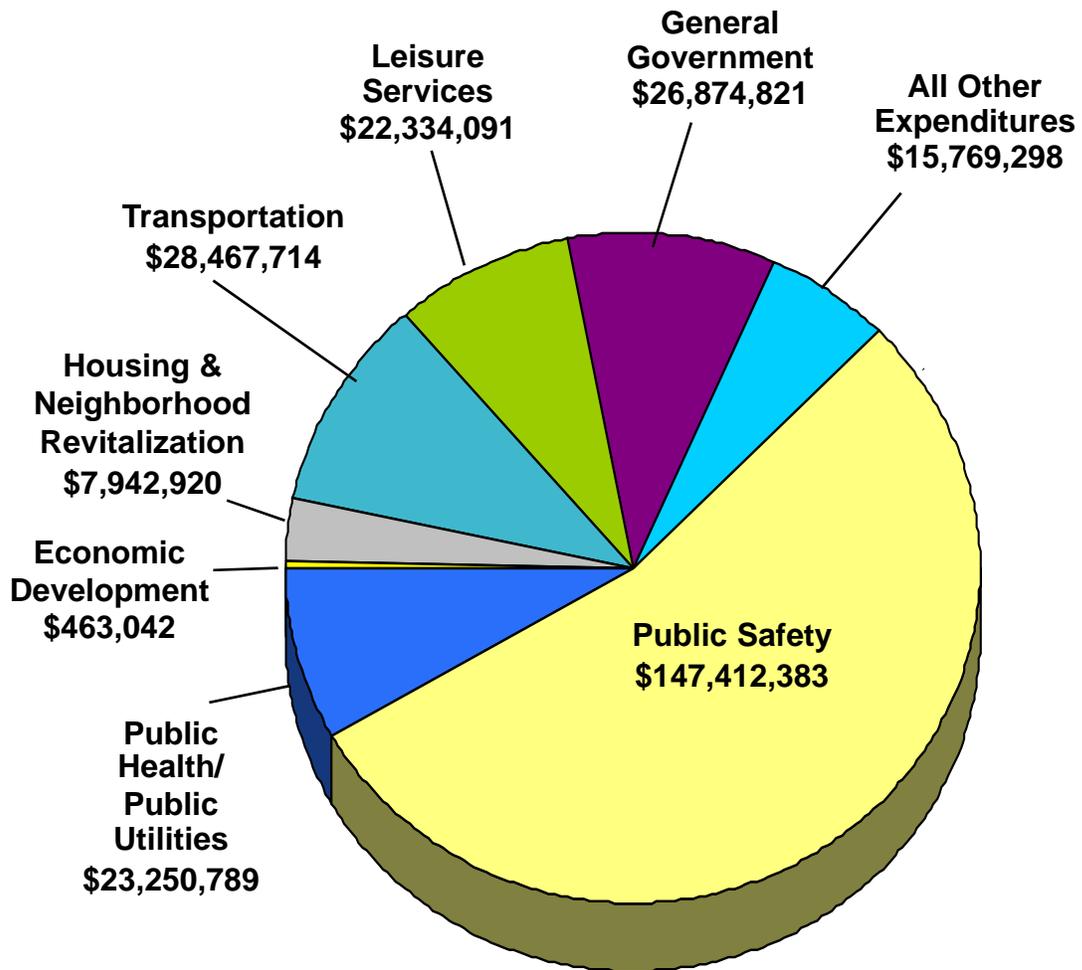
**CITY OF LITTLE ROCK
2019 OTHER GENERAL FUND EXPENDITURES**

| | <u>2017 Budget</u> | <u>2018 Budget</u> | <u>2019 Budget</u> | <u>Increase (Decrease)</u> |
|--|---------------------------|---------------------------|---------------------------|--------------------------------|
| SPECIAL PROJECTS | | | | |
| Children, Youth, & Families (CYF) | \$ 5,500,000 | \$ 5,500,000 | \$5,500,000 | \$ - |
| Facility Improvements | 975,000 | 975,000 | 500,000 | (475,000) a |
| Homelessness Outreach | 350,000 | 375,000 | 400,000 | 25,000 |
| Weed Lot Maintenance | 330,000 | 500,000 | 384,400 | (115,600) |
| Annual Fleet Replacement | 850,000 | 850,000 | 350,000 | (500,000) b |
| Demolition (Residential) | 250,000 | 250,000 | 200,000 | (50,000) |
| Little Rock Residency Incentive Program | 100,000 | - | 50,000 | 50,000 |
| Demolition (Commercial) | - | - | 50,000 | 50,000 |
| State Legislative Consulting | 45,000 | 45,000 | 45,000 | - |
| Curran Hall | 40,000 | 40,000 | 40,000 | - |
| Sister Cities | 40,000 | 40,000 | 40,000 | - |
| Environmental Youth (Parks) | 37,500 | 37,500 | 37,500 | - |
| Junction Bridge | 35,000 | 35,000 | 35,000 | - |
| Work Boots | 33,000 | 33,000 | 33,000 | - |
| American Disability Act (ADA) | 30,000 | 30,000 | 30,000 | - |
| Board & Secure | 50,000 | 50,000 | 25,000 | (25,000) a |
| Bill Clark (Wetlands Maintenance) | 23,780 | 23,780 | 23,780 | - |
| Neighborhood Challenge Grant | 30,000 | - | 23,332 | 23,332 |
| Sustainability Summit | 20,000 | 20,000 | 20,000 | - |
| National Night Out | 10,000 | 10,000 | 10,000 | - |
| Worldfest | 10,000 | 10,000 | 10,000 | - |
| Neighborhood Connection | 2,400 | 2,400 | 1,000 | (1,400) |
| Municipal ID Program/Hispanic Outreach | 180,000 | 180,000 | - | (180,000) a |
| Public Service Announcement (PSA) Program | 100,000 | 100,000 | - | (100,000) |
| Land Bank | 100,000 | - | - | - a |
| Total General Fund Projects | <u>9,141,680</u> | <u>9,106,680</u> | <u>7,808,012</u> | <u>(1,298,668)</u> |
| GRANT MATCH | | | | |
| Cities of Service | 238,500 | 252,790 | 252,790 | - |
| AmeriCorps Urban Safety | - | 179,784 | 165,000 | (14,784) |
| Assistance to Firefighters | 60,000 | - | 60,000 | 60,000 |
| Tap Metroplan | - | - | 40,000 | 40,000 |
| Heritage Boyle Park | - | - | 25,000 | 25,000 |
| Planning Grant | - | 25,000 | 25,000 | - |
| Heritage Hostel Roof | - | - | 23,334 | 23,334 |
| HUD Continuum Of Care | - | - | 16,425 | 16,425 |
| FEMA Prevention Grant (Fire) | - | - | 10,000 | 10,000 |
| Heritage Zoo Carousel | - | - | 10,000 | 10,000 |
| Hazard Mitigation Plan Update (Emergency Management) | - | - | 3,000 | 3,000 |
| Arkansas State Parks Grant (Zoo-Wild Wonders) | - | 250,000 | - | (250,000) |
| Undesignated | 200,000 | - | - | - |
| Two Rivers Restrooms Outdoor Recreation Grant | 175,000 | - | - | - |
| AFG Prevention Grant (Fire) | 10,000 | - | - | - |
| Shelters Emergency Management | 31,500 | - | - | - |
| Tourism Commission | 6,300 | - | - | - |
| Total Grant Match Requirement | <u>721,300</u> | <u>707,574</u> | <u>630,549</u> | <u>(77,025)</u> |
| GRAND TOTAL | <u><u>\$9,862,980</u></u> | <u><u>\$9,814,254</u></u> | <u><u>\$8,438,561</u></u> | <u><u>(\$1,375,693)</u></u> |

a Sufficient carry-over funds are available from prior year projects.

b Funding of \$500,000 for Fleet replacement will be provided by accumulated interest earnings on 3/8-cent tax proceeds.

CITY OF LITTLE ROCK 2019 OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY



\$272,515,058

CITY OF LITTLE ROCK
ADOPTED OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY
2018 - 2019

| <u>Service/Program Category</u> | <u>2018 Budget</u> | <u>% to Total</u> | <u>2019 Budget</u> | <u>% to Total</u> |
|--|------------------------|-----------------------|------------------------|-----------------------|
| <u>Public Safety</u> | | | | |
| Police | \$75,922,771 | | \$78,950,071 | |
| Fire | 48,893,325 | | 51,049,501 | |
| Children, Youth & Families | 5,500,000 | | 5,500,000 | |
| Street Lights, Traffic Signals & Signs | 5,509,530 | | 5,511,318 | |
| Pulaski County Regional Detention Facility (1) | 1,550,000 | | 1,726,000 | |
| Little Rock District Court First Division | 1,312,284 | | 1,331,175 | |
| Little Rock District Court Second Division | 1,235,948 | | 1,249,913 | |
| Animal Services | 1,318,426 | | 1,289,313 | |
| Community Programs | 813,015 | | 805,092 | |
| Total Public Safety | 142,055,299 | 53.46% | 147,412,383 | 54.09% |
| <u>Public Health/Public Utilities</u> | | | | |
| Waste Disposal | 18,699,901 | | 21,236,269 | |
| Storm Drainage | 993,872 | | 1,045,613 | |
| Little Rock District Court Third Division | 558,459 | | 554,856 | |
| Cities of Service - Love Your School Program | 252,790 | | 252,790 | |
| Pulaski County Health Department | 56,100 | | 56,100 | |
| Wetlands Maintenance and Sustainability Summit | 43,780 | | 43,780 | |
| Arkansas Emergency Physician Foundation | 36,000 | | 36,000 | |
| Saint Vincent's | 25,381 | | 25,381 | |
| Total Public Health/Public Utilities | 20,666,283 | 7.78% | 23,250,789 | 8.53% |
| <u>Economic Development/Employment</u> | | | | |
| Residency Incentive Program | 100,000 | | 50,000 | |
| Downtown Partnership/Empowerment Zone | 195,000 | | 195,000 | |
| Metroplan | 178,042 | | 218,042 | |
| Total Economic Development/Employment | 473,042 | 0.18% | 463,042 | 0.17% |
| <u>Housing and Neighborhood Revitalization, Growth, and Development</u> | | | | |
| Housing and Neighborhood Programs Admin. | 3,419,707 | | 3,422,694 | |
| Planning & Development, PAGIS, and Grants | 2,819,115 | | 2,736,446 | |
| Demolition, Weed Lot Maintenance, Board/Secure | 885,400 | | 766,732 | |
| Alert Centers | 802,909 | | 837,311 | |
| Neighborhood Resource Center | 238,975 | | 179,737 | |
| Municipal ID Program/Hispanic Outreach | 180,000 | | 0 | |
| Total Housing & Neighborhood Revitalization, Growth | 8,346,106 | 3.14% | 7,942,920 | 2.91% |

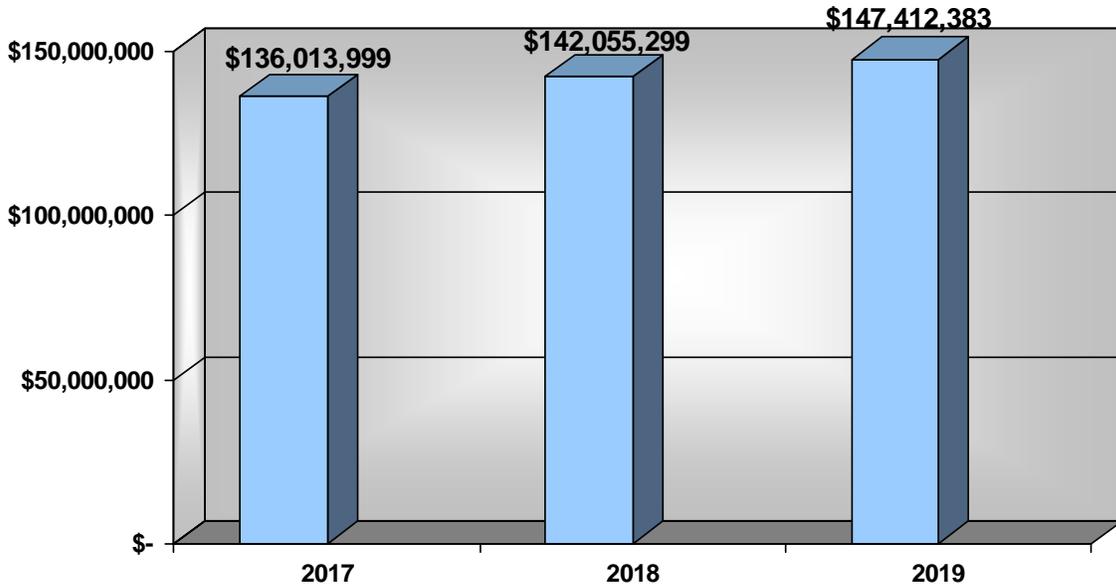
(1) Supplemental jail funding is provided by a \$20 local jail fine.

CITY OF LITTLE ROCK
ADOPTED OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY
2018 - 2019

| <u>Service/Program Category</u> | 2018 Budget | % to Total | 2019 Budget | % to Total |
|---|------------------------|-----------------------|------------------------|-----------------------|
| <u>Transportation Services</u> | | | | |
| Streets | 14,208,103 | | 13,783,986 | |
| Rock Region Metro (Central Arkansas Transit Authority) | 9,190,757 | | 9,398,757 | |
| Parking Garages | 2,512,248 | | 2,091,606 | |
| Vehicle Storage Facility | 1,335,365 | | 1,344,955 | |
| Airport Rescue | 1,046,320 | | 1,241,169 | |
| Parking Meters and Enforcement | 412,851 | | 607,241 | |
| Total Transportation Services | 28,705,644 | 10.80% | 28,467,714 | 10.45% |
| <u>Leisure Services/Cultural Support/Conventions & Tourism</u> | | | | |
| Parks & Recreation | 10,509,638 | | 10,538,201 | |
| Zoo | 7,188,356 | | 6,755,800 | |
| Golf | 2,321,299 | | 2,141,314 | |
| River Market | 1,276,715 | | 1,354,146 | |
| Jim Dailey Fitness Aquatic Center | 908,180 | | 855,474 | |
| Cultural Institutes and Commissions: | | | | |
| Arts Center (2) | 700,000 | | 0 | |
| Museum of Discovery | 230,000 | | 230,000 | |
| MacArthur Military Museum | 202,675 | | 247,707 | |
| Racial & Cultural Diversity | 171,291 | | 171,449 | |
| Sister Cities Commission | 40,000 | | 40,000 | |
| Total Leisure Services/Cultural Support/Conventions | 23,548,154 | 8.86% | 22,334,091 | 8.20% |
| <u>General Government Support</u> | | | | |
| Debt Service - Short Term Notes | 7,751,360 | | 6,136,327 | |
| General Administrative | 5,332,861 | | 6,283,890 | |
| Information Technology | 5,155,305 | | 5,449,495 | |
| Finance | 3,611,965 | | 3,460,042 | |
| Building Services/Asset Management | 2,075,254 | | 1,560,735 | |
| City Attorney | 1,838,375 | | 1,765,815 | |
| Human Resources | 1,933,756 | | 1,881,017 | |
| Board of Directors | 337,241 | | 337,500 | |
| Total General Government Support | 28,036,117 | 10.55% | 26,874,821 | 9.86% |
| <u>All Other Expenditures</u> | | | | |
| Fleet Services (Internal Service Fund) | 13,911,091 | | 15,769,298 | |
| Total Other Expenditures | 13,911,091 | 5.23% | 15,769,298 | 5.79% |
| Grand Total | \$265,741,736 | 100% | \$272,515,058 | 100% |

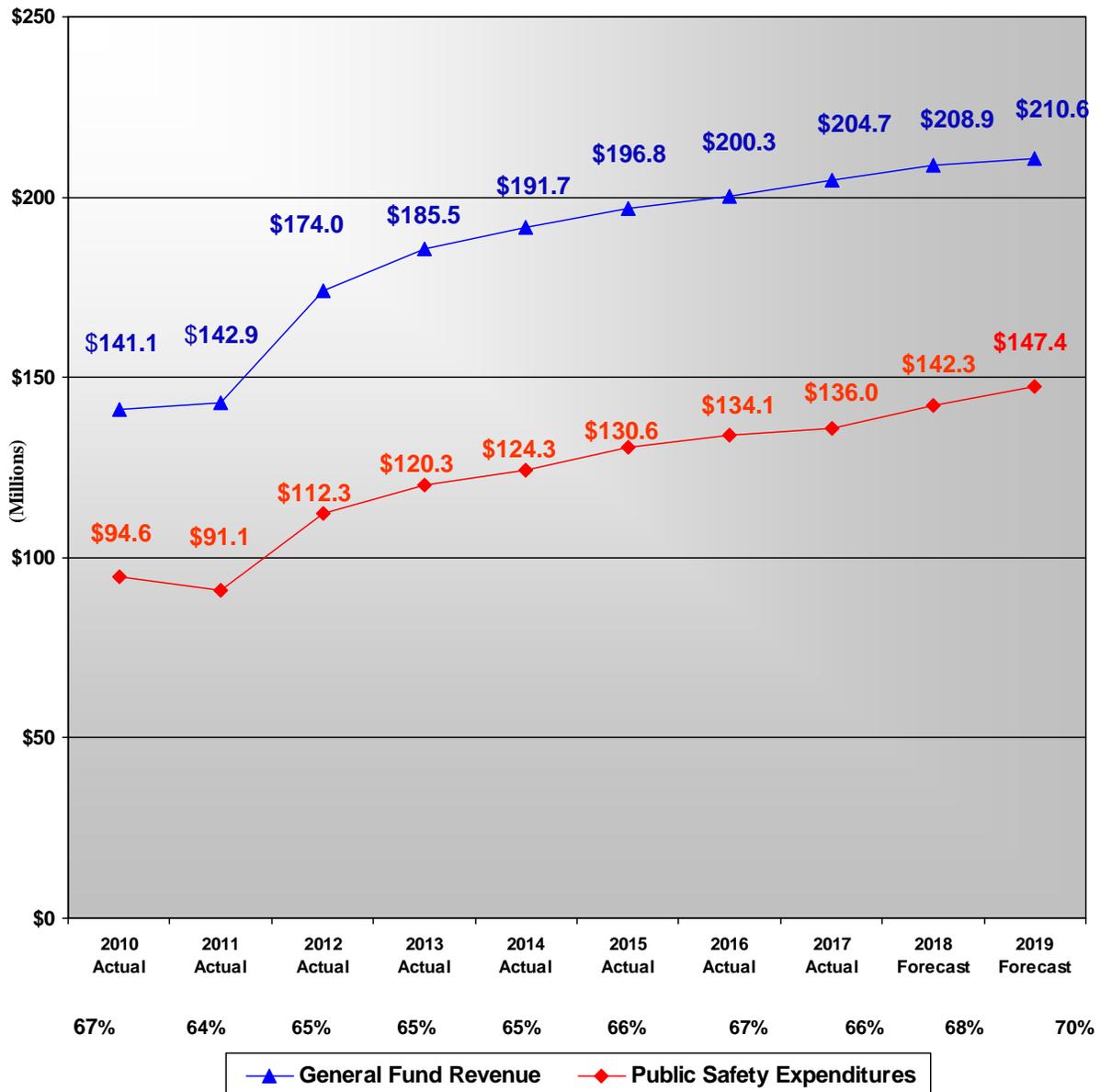
(2) Arts Center Support in the amount of \$350,000 for 2019 operations is provided by the accumulated proceeds of a 1% lodging tax collected in 2018.

CITY OF LITTLE ROCK PUBLIC SAFETY REVENUES & EXPENDITURES COMPARISONS



| | 2017 | 2018 | 2019 |
|--|----------------------|----------------------|----------------------|
| Fire | \$47,072,102 | \$48,893,325 | \$51,049,501 |
| Police | 71,651,214 | 75,922,771 | 78,950,071 |
| District Court First Division | 1,293,690 | 1,312,284 | 1,331,175 |
| District Court Second Division | 1,226,045 | 1,235,948 | 1,249,913 |
| Children, Youth & Families | 5,500,000 | 5,500,000 | 5,900,000 |
| Community Programs | 960,085 | 813,015 | 405,092 |
| Animal Services | 1,327,894 | 1,318,426 | 1,289,313 |
| Street Lights, Traffic Signals & Signs | 5,382,969 | 5,509,530 | 5,511,318 |
| Pulaski County Regional Detention Facility | 1,500,000 | 1,550,000 | 1,726,000 |
| Public Service Announcement Program | 100,000 | - | - |
| Public Safety Expenditures | \$136,013,999 | \$142,055,299 | \$147,412,383 |
| | | | |
| General Fund Revenue | \$204,685,128 | \$208,963,275 | \$210,623,272 |
| | | | |
| Percentage of General Fund Expenditures Devoted to Public Safety | 66% | 68% | 70% |

CITY OF LITTLE ROCK PUBLIC SAFETY OPERATING EXPENDITURES AS A PERCENTAGE OF GENERAL FUND REVENUE 2010-2019



Capital Improvements



CAPITAL FUNDING

State law limits 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 in accordance with Amendment 62 to the Arkansas Constitution. Revenue bonds are not general obligations of the City, but are secured by specific non-tax revenues associated with a project. Revenue bonds, authorized under Amendment 65 of the Arkansas Constitution, do not require voter approval. In addition, Amendment 78 to the Arkansas Constitution allows the issuance of short-term notes for the acquisition of tangible personal property. Short-term notes must be repaid from the general revenues of the City over a period not to exceed five years.

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.

2013 Capital Improvement Bonds – The citizens of Little Rock approved an 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. In November 2018, the City issued the second series of Limited Tax General obligation Bonds for streets and drainage in the amount of \$43,475,000.

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 collection of a 0.9 mill annual ad valorem tax, levied upon all taxable real and personal property located within the City, to fund the issuance of \$36,620,000 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.

2017 Library Construction and Refunding Bonds – On December 14, 2017, the City issued \$15,925,000 to refund the Library Construction and Refunding Bonds, series 2012 and pay the costs of issuing the Bonds. The Bonds are limited tax obligations of the City, payable solely from a 0.9 mill annual ad valorem tax levied upon all taxable real and personal property located within the City. The City began levying the Library tax at the rate of 0.9 mills for collection in 2013 and continuously thereafter to pay debt service on the Bonds. The Bonds refunded were approved by voters at the March 13, 2012, special election. The City currently levies a total of 1.8 mills for capital improvements to the public libraries, which includes the 0.9 mill dedicated to the 2015 Library Construction and Refunding Bonds noted above.

2018 Hotel Gross Receipts Tax Bonds, Series 2018 – On December 13, 2018, the City issued the \$32,570,000 Hotel Gross Receipts Tax Bonds, Series 2018. The Bonds are not general obligations of the City, but are special obligations payable solely from collections of existing taxes levied by the City at an aggregate rate of 2% on the gross receipts derived and received from the renting, leasing or otherwise furnishing of hotel, motel, bed and breakfast or short-term condominium or apartment rental accommodations in the City. The issuance of the bonds and the pledging of collections of the tax for debt service were approved at a special election held February 8, 2016.

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 from 2012 - 2016 in the amounts of \$18,850,000, \$7,700,000, \$5,916,000, \$5,910,000, and \$4,603,000 respectively, to accelerate the completion of projects funded by the 2012 – 2021 Capital Project Fund 3/8-cent sales tax. Proceeds of the 3/8-cent sales tax are utilized to fund principal payments on the notes, with transfers to the General Fund. Principal and interest payments on the notes are appropriated from General Fund revenues.

In addition, in 2016 and 2017 the City issued short-term financing notes for other capital projects in the amounts of \$7,375,000 and \$5,250,000, respectively. These notes are to be repaid solely 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 |
| | <u>9,885,000</u> |

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 |
| | <u>8,695,000</u> |
| | <u><u>\$18,580,000</u></u> |

The 2013 note included funding for the following projects:

Land and Buildings

| | |
|------------------------|----------------|
| Southwest Fire Station | \$459,000 |
| | <u>459,000</u> |

Equipment and Vehicles

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

The 2014 note included funding for the following projects:

Land and Buildings

| | |
|--|------------------|
| 12th Street Police Station - Final Phase | \$1,994,000 |
| | <u>1,994,000</u> |

Equipment and Vehicles

| | |
|--------------------------------|---------------------------|
| Information Technology Capital | 1,000,000 |
| Fire Vehicles and Equipment | 2,922,000 |
| | <u>3,922,000</u> |
| | <u><u>\$5,916,000</u></u> |

The 2015 note included funding for the following projects:**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> |

The 2016 notes included funding for the following projects:**Land and Buildings**

| | |
|-------------------------------------|------------------|
| Southwest Fire Station Construction | \$3,225,000 |
| Cromwell Building | 2,850,000 |
| | <u>6,075,000</u> |

Equipment and Vehicles

| | |
|---|----------------------------|
| Self-Contained Breathing Apparatus - Fire Dept. | 1,955,000 |
| Planning Permitting Software | 400,000 |
| Information Technology | 670,000 |
| Fire - Vehicles and Equipment | 1,378,000 |
| Fleet - Vehicles and Equipment | 1,500,000 |
| | <u>5,903,000</u> |
| | <u><u>\$11,978,000</u></u> |

The 2017 notes included funding for the following projects:**Equipment and Vehicles**

| | |
|---|--------------------|
| Phase I CAD System Upgrade | \$1,300,000 |
| Sixty Police Vehicles | 3,000,000 |
| Lawson ERP System Application Add-Ons | 800,000 |
| Socrata Performance Measurement Dashboard | 150,000 |
| | <u>\$5,250,000</u> |

2019 CAPITAL IMPROVEMENTS

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 may 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 \$44,570,555 are planned in 2019 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 | | | | |
| Vehicle Lease - 2019 | 10 | \$ 50,000 | 6 - 8yrs | Wreck & Insurance Proceeds |
| Vehicle Upfits | 10 | 5,000 | 6 - 8yrs | Fleet Allocation |
| Parks & Recreation | | | | |
| Mowers and Vehicles | 5 | 194,000 | 8 - 10yrs | 3/8 and 5/8-cent Sales Tax - Capital Project |
| Vehicle Lease - 2019 | 5 | 23,200 | 8 - 10yrs | Wreck & Insurance Proceeds |
| Vehicle Upfits | 10 | 16,500 | 8 - 10yrs | Fleet Allocation |
| Planning | | | | |
| Vehicle Lease - 2019 | 3 | 15,600 | | Wreck & Insurance Proceeds |
| Vehicle Upfits | 3 | 1,500 | 6 - 8yrs | Fleet Allocation |
| Building Services | | | | |
| Vehicle Lease - 2019 | 1 | 4,650 | 6 - 8yrs | Wreck & Insurance Proceeds |
| Vehicle Upfits | 1 | 500 | 6 - 8yrs | Fleet Allocation |
| Zoo | | | | |
| Vehicle Lease - 2019 | 1 | 5,400 | 6 - 8yrs | Wreck & Insurance Proceeds |
| Vehicle Upfits | 1 | 5,000 | 6 - 8yrs | Fleet Allocation |
| Fleet | | | | |
| Vehicles | 1 | 109,000 | 6 - 8yrs | 3/8 and 5/8-cent Sales Tax - Capital Project |
| Vehicle Lease - 2019 | 2 | 10,000 | 6 - 8yrs | Wreck & Insurance Proceeds |
| Vehicle Upfits | 2 | 2,000 | 6 - 8yrs | Fleet Allocation |
| Fire | | | | |
| Vehicles | 1 | 650,000 | 6 - 20yrs | 3/8 and 5/8-cent Sales Tax - Capital Project |
| Vehicle Lease - 2019 | 1 | 6,400 | 6 - 20yrs | Wreck & Insurance Proceeds |
| Vehicle Upfits | 1 | 8,500 | 6 - 20yrs | Fleet Allocation |
| Police | | | | |
| Vehicle Lease - 2019 | 49 | 256,800 | 6 - 8yrs | 3/8-cent Sales Tax - Capital Project |
| Vehicle Upfits | 49 | 135,600 | 6 - 8yrs | Fleet Allocation |
| | | \$ 1,499,650 | | |

CIP - Other Significant Non-recurring Capital Improvements:

These projects are unusual, non-recurring capital improvement projects funded by the 3/8-cent sales tax, grant awards, short term financing, private donations and other sources.

Police Department Headquarters and Property Room – In November 2017, the City acquired 615 West Markham Street (also known as the McFadden Building) in order to construct a new headquarters. The police department is in the process of completing a request for proposal to engage a consultant for the renovations.

- **Estimated Total Project Cost:** To be determined
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2019 Estimated Expenditures:** To be determined
- **Estimated Completion Date:** 2020
- **Estimated Increase to Operating Expenditures:** To be determined

Portable Radios (APX 6000) – The police department plans to purchase approximately 600 new radios to replace existing radios which can no longer be serviced due to obsolescence. The department anticipates purchasing radios in phases.

- **Estimated Total Project Cost:** \$2,888,000
- **Funding Sources:** Short-term financing allocation; 3/8-cent sales tax proceeds
- **2019 Estimated Expenditures:** \$1,475,000
- **Estimated Completion Date:** 2021
- **Estimated Increase to Operating Expenditures:** None

Computer Aided Dispatch System (CAD) Upgrade Phase II – The City is contracting with Motorola for the purchase, installation and deployment of the PremierOne CAD and PremierOne Mobile System.

- **Estimated Total Project Cost:** \$4,786,244 (includes five (5) years of maintenance)
- **Funding Sources:** Short-term financing (2019), Seized funds
- **2019 Estimated Expenditures:** \$2,900,000
- **Estimated Completion Date:** 2021
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures to be determined.

Southwest Little Rock Fire Station #24 – The Little Rock Fire Department is constructing 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 began architectural plans. Construction of the station will begin in 2019 for opening in 2020.

- **Estimated Total Project Cost:** \$4,351,220

- **Funding Sources:** Short-term financing allocation; 3/8-cent sales tax proceeds
- **2019 Estimated Expenditures:** \$3,862,543
- **Estimated Completion Date:** March 2020
- **Estimated Increase to Operating Expenditures:** Twenty-four (24) new firefighters will be added to staff the new station. The firefighters will be phased in with an initial staffing of twelve (12) at an estimated first year cost of approximately \$800,000. In addition, increased operating expenses of approximately \$50,000 are projected for utilities and supplies, which will be included in the Fire Department budget allocation upon completion of the new facility.

Renovation Little Rock Fire Station #12 – The renovation will add four (4) bedrooms and one (1) female bathroom.

- **Estimated Total Project Cost:** \$300,000
- **Funding Sources:** Short-term financing (2019 note)
- **2019 Estimated Expenditures:** \$300,000
- **Estimated Completion Date:** March 2020
- **Estimated Increase to Operating Expenditures:** There should not be any additional operating expenses associated with this renovation, as the anticipated maintenance expense is expected to be comparable to the current maintenance requirements.

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:** \$462,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2019 Estimated Expenditures:** \$0
- **Estimated Completion Date:** 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 upon completion.

Animal Village Remodel – Animal Village remodel of existing facility.

- **Estimated Total Project Cost:** \$100,000
- **Funding Sources:** Donations and special project accounts
- **2019 Estimated Expenditures:** \$100,000
- **Estimated Completion Date:** 2019
- **Estimated Increase to Operating Expenditures:** None

Animal Village Quarantine Area – Animal Village quarantine area to be constructed to house dogs before out of state transport with ASPCA or rescue groups ensuring animals do not have a contagious disease.

- **Estimated Total Project Cost:** \$162,000
- **Funding Sources:** Donations and special project accounts
- **2019 Estimated Expenditures:** \$162,000
- **Estimated Completion Date:** 2019
- **Estimated Increase to Operating Expenditures:** A minimal increase in operating expenses for utilities to be included in the Housing and Neighborhood Programs – Animal Village budget.

Point of Sale (POS) – The Zoo plans to upgrade its POS system to replace the current system that is no longer supported by Microsoft Retail and is not PCI compliant. The Point of Sale system for admissions is planned for March 2019 installation and upgrades for Café Africa will be complete in summer 2019.

- **Estimated Total Project Cost:** \$100,000
- **Funding Sources:** 3/8-cent sales tax and Zoo operating budget
- **2019 Estimated Expenditures:** \$25,000
- **Estimated Completion Date:** 2019
- **Estimated Increase to Operating Expenditures:** Funds will be included in the operating budget for annual maintenance of the new POS system in 2020.

Nature Play Sensory Garden and Trail – The Zoo is creating a nature play sensory garden and trail engage the senses and encourage play in nature.

- **Estimated Total Project Cost:** \$144,000
- **Funding Sources:** Blue & You Foundation for a Healthier Arkansas Grant
- **2019 Estimated Expenditures:** \$16,000
- **Estimated Completion Date:** 2019
- **Estimated Increase to Operating Expenditures:** Funds will be included in the operating budget for routine maintenance of the new sensory garden and trail.

Education Conservation Center Phase I – The Zoo is renovating the current education building into a themed Citizen Science Center to educate children of all ages.

- **Estimated Total Project Cost:** \$150,000
- **Funding Sources:** \$150,000 will be funded with donations from the Arkansas Zoological Foundation.
- **2019 Estimated Expenditures:** \$50,000
- **Estimated Completion Date:** 2019
- **Estimated Increase to Operating Expenditures:** Funds will be included in the operating budget for routine maintenance of the center.

Zoo Trails Projects – The Zoo is replacing and improving the current sidewalks in the Zoo for an overall better guest experience.

- **Estimated Total Project Cost:** \$543,000
- **Funding Sources:** \$384,000 will be funded from the Arkansas Transportation Department, Transportation Alternative Program Grant. \$96,000 will be funded from the City's grant matching funds, and \$63,000 from the zoo operating budget for engineering fees.
- **2019 Estimated Expenditures:** \$480,000
- **Estimated Completion Date:** 2019
- **Estimated Increase to Operating Expenditures:** Funds will be included in the operating budget for routine maintenance of the trails.

Amphitheater Project – The Zoo is improving seating and adding an ADA accessible seating section in the Amphitheater. This new seating section will be under a permanent metal shade structure with lighting and misting fans. .

- **Estimated Total Project Cost:** \$218,268
- **Funding Sources:** \$68,268 will be funded from the Arkansas Parks and Tourism Outdoor Grant and the remaining \$150,000 will be funded from the City's grant matching funds. .
- **2019 Estimated Expenditures:** \$218,268
- **Estimated Completion Date:** 2019
- **Estimated Increase to Operating Expenditures:** Electrical consumption of approximately \$1,500 annually will be included in the operating budget.

Education Classrooms Project – The Zoo is building out two modular education classrooms to host Zoofari programs, afterschool programs, and Zoo events.

- **Estimated Total Project Cost:** \$50,000
- **Funding Sources:** This project will be developed with funding from the 3/8 cent sales tax and a sponsorship from the McLarty Auto Group (\$15,000)
- **2019 Estimated Expenditures:** \$50,000
- **Estimated Completion Date:** 2019
- **Estimated Increase to Operating Expenditures:** Funds will be included in the operating budget for routine maintenance of the education classrooms.

Blue & You Nature Playground – The Zoo is developing a nature playground to improve children's physical, emotional and psychological well-being.

- **Estimated Total Project Cost:** \$143,500
- **Funding Sources:** Blue & You Foundation for a Healthier Arkansas Grant
- **2019 Estimated Expenditures:** \$143,500
- **Estimated Completion Date:** 2019
- **Estimated Increase to Operating Expenditures:** Funds will be included in the operating budget for routine maintenance of the nature playground.

Colobus/Serval Exhibit– The Zoo is building a new exhibit for the Colobus monkey and Serval cat, including expanded viewing areas.

- **Estimated Total Project Cost:** \$1,270,000
- **Funding Sources:** 3/8 cent sales tax
- **2019 Estimated Expenditures:** \$478,594
- **Estimated Completion Date:** 2019
- **Estimated Increase to Operating Expenditures:** Funds will be included in the operating budget for routine maintenance of the exhibit.

Fencing– The Zoo is installing new fencing throughout the zoo.

- **Estimated Total Project Cost:** \$110,000
- **Funding Sources:** 3/8 cent sales tax
- **2019 Estimated Expenditures:** \$110,000
- **Estimated Completion Date:** 2019
- **Estimated Increase to Operating Expenditures:** Funds will be included in the operating budget for routine maintenance of the fencing.

Crump Park Improvements – Additions are intended to improve the amenities overall at the park and include some new features. The splash pad will be a new addition to the park and will provide a summer water experience for all ages. The existing walking path track will be enhanced with outdoor workout equipment along the track as an inclusion to the fitness experience for youth and seniors. Also, field lighting will be added for the baseball and football field to better utilize those facilities for youth. Benches, youth and toddler swing sets and repairs to the existing component playground set will add to the outdoor experience for everyone. The two alternate sized basketball courts have been resurfaced along with a restriped parking lot. The existing pavilion and restroom facilities add the components to complete the park.

- **Estimated Total Project Cost:** \$1,000,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2019 Estimated Expenditures:** \$500,000
- **Estimated Completion Date:** December 2019
- **Estimated Increase to Operating Expenditures:** Increased operating expenses for the splash pad, ball field and football field with associated support utilities and maintenance of these features are anticipated to be approximately \$27,000 annually.

MacArthur Park Bike Polo & Futsal Court – The new bike polo court is intended to be sized to accommodate a futsal court (has soccer similarities). When complete the site will offer two courts for the growing bike polo and futsal experience. The courts and bleacher areas are lighted, the plaza area will allow for impromptu and seasonal activities. ADA parking is maintained and walkways to other park features.

- **Estimated Total Project Cost:** \$110,000

- **Funding Sources:** 3/8-cent sales tax proceeds
- **2019 Estimated Expenditures:** \$110,000
- **Estimated Completion Date:** July 2019
- **Estimated Increase to Operating Expenditures:** Increased operating expenses from utilities and maintenance of the facility are anticipated to be \$1,600 annually.

Rebsamen Golf Course and Jim Dailey Fitness and Aquatic Center Parking Areas– Existing parking areas will be milled, resurfaced and striped.

- **Estimated Total Project Cost:** \$150,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2019 Estimated Expenditures:** \$150,000
- **Estimated Completion Date:** December 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are not anticipated to increase.

Reservoir and Allsopp Tennis Courts – Resurfacing and striping of each court.

- **Estimated Total Project Cost:** \$52,000
- **Funding Sources:** 3/8-cent sales tax proceeds and United States Tennis Association Grant
- **2019 Estimated Expenditures:** \$52,000
- **Estimated Completion Date:** August 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipated to be a minimal.

MacArthur Park Trail – Trail will link pedestrians south of Interstate 630 to MacArthur Park.

- **Estimated Total Project Cost:** \$120,000
- **Funding Sources:** 3/8-cent sales tax proceeds and Safe Routes to School Grant
- **2019 Estimated Expenditures:** \$120,000
- **Estimated Completion Date:** December 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipated to be a minimal increase.

Two Rivers Restroom – Accessible facilities for both sexes and a family facility will be constructed between Two Rivers Bridge and the boat launch.

- **Estimated Total Project Cost:** \$500,000
- **Funding Sources:** 3/8-cent sales tax proceeds and Arkansas Parks and Tourism Outdoor Recreation Grant
- **2019 Estimated Expenditures:** \$500,000
- **Estimated Completion Date:** August 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipate to increase approximately \$7,000 annually.

Otter Creek Park – Provide additional lighting and improve parking areas.

- **Estimated Total Project Cost:** \$200,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2019 Estimated Expenditures:** \$200,000
- **Estimated Completion Date:** December 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipated to be a minimal increase.

Kanis Pickle Ball Courts – Convert existing tennis courts with new surfacing and striping for six pickle ball courts.

- **Estimated Total Project Cost:** \$75,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2019 Estimated Expenditures:** \$75,000
- **Estimated Completion Date:** December 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipated to be a minimal increase.

Rebsamen Tennis Entry Plaza – Enhance entry and drop off area for visitors.

- **Estimated Total Project Cost:** \$115,000
- **Funding Sources:** 3/8-cent sales tax proceeds and donations
- **2019 Estimated Expenditures:** \$115,000
- **Estimated Completion Date:** May 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipated to be a minimal increase.

Allsopp Park Trail – Trail will link Allsopp Promenade to existing trail near ball field.

- **Estimated Total Project Cost:** \$200,000
- **Funding Sources:** 3/8-cent sales tax proceeds and Transportation Assistance Program
- **2019 Estimated Expenditures:** \$200,000
- **Estimated Completion Date:** September 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipated to be a minimal increase.

Cheatham Park Play Area – New slide and swing set with appropriate surfacing and bordering will be installed.

- **Estimated Total Project Cost:** \$25,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2019 Estimated Expenditures:** \$25,000
- **Estimated Completion Date:** June 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipated to be a minimal increase.

Western Hills Park Improvements – Play area with some component items and shade structure will be installed.

- **Estimated Total Project Cost:** \$400,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2019 Estimated Expenditures:** \$400,000
- **Estimated Completion Date:** December 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipated to be a minimal increase.

Scoreboard Replacement Project – Replace 27 scoreboards at various areas throughout the Little Rock Parks System. Scoreboards will be placed at various athletic fields as well as our Community Centers.

- **Estimated Total Project Cost:** \$230,000
- **Funding Sources:** 3/8-cent sales tax and sponsorship contributions
- **2019 Estimated Expenditures:** \$230,000
- **Estimated Completion Date:** June 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipated to be a minimal increase.

Arkansas River Trail along Riverfront Drive – Provides design and construction for crosswalk warning lights along Riverfront Drive to improve safety for pedestrians and cyclists along Arkansas River Trail and a small stretch of bike lane converted to a separate facility that links to existing Arkansas River Trail.

- **Estimated Total Project Cost:** \$373,000
- **Funding Sources:** 3/8-cent sales tax and Transportation Assistance Program through Arkansas Department of Transportation
- **2019 Estimated Expenditures:** \$373,000
- **Estimated Completion Date:** December 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipated to be a minimal increase.

Outdoor Recreation Park Improvements– The project will renovate playgrounds and related amenities in four parks (Reservoir, Ottenheimer, Kanis, Hanger Hill) including the addition of American Disability Act compliance items.

- **Estimated Total Project Cost:** \$500,000
- **Funding Sources:** Arkansas Department of Parks and Tourism Outdoor Recreation Grant and 1 cent lodging tax
- **2019 Estimated Expenditures:** \$500,000
- **Estimated Completion Date:** July 2019
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipated to be a minimal increase.

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.

- **Estimated Total Project Cost:** \$7,020,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2019 Estimated Expenditures:** \$600,000
- **Estimated Completion Date:** December 2019
- **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.

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:** \$12.6 million
- **Funding Sources:** Transportation Improvement Project Funds \$10.1 million; 2013 Capital Improvement Bond Funds \$2.53 million.
- **2019 Estimated Expenditures:** \$9 million
- **Estimated Completion Date:** July 2020
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Chicot Road – The Board has authorized a project to widen and improve Chicot Road from Mabelvale Cutoff to Yarberry Lane. The project includes additional travel lanes, new storm sewers with curb and gutter, and new sidewalks.

- **Estimated Total Project Cost:** \$2,600,000
- **Funding Sources:** 2018 Capital Improvements Bonds and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage.
- **2019 Estimated Expenditures:** \$750,000
- **Completion Date:** July 2020
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Kanis Road – The Board has authorized a project to widen and improve Kanis Road from Shackelford Road to Gamble Road. The project includes additional travel lanes, new storm sewers with curb and gutter, and new sidewalks.

- **Estimated Total Project Cost:** \$13,000,000
- **Funding Sources:** 2018 Capital Improvements Bonds and the 3/8 Cent

Capital Improvements Sales and Compensating Use Tax for Streets and Drainage.

- **2019 Estimated Expenditures:** \$3,500,000
- **Completion Date:** December 2020
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Geyer Springs Road – The Board has authorized a project to widen and improve Geyer Spring Road from the new railroad overpass now under construction to 56th Street. The project includes additional travel lanes, new storm sewers with curb and gutter, and new sidewalks.

- **Estimated Total Project Cost:** \$1,500,000
- **Funding Sources:** 2018 Capital Improvements Bonds and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage.
- **2019 Estimated Expenditures:** \$350,000
- **Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

North Rodney Parham Road – The Board has authorized a project to widen and improve North Rodney Parham from Hinson Road to Pleasant Forest Drive. The project includes additional travel lanes, new storm sewers with curb and gutter, and new sidewalks.

- **Estimated Total Project Cost:** \$6,000,000
- **Funding Sources:** 2018 Capital Improvements Bonds and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage.
- **2019 Estimated Expenditures:** \$500,000
- **Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Valentine, 4th and Plateau Street Drainage – The Board has authorized a project to make major drainage capacity improvements in flood-prone areas along Plateau Ditch (Rose Creek) area. The project includes new box culvert and ditch improvements.

- **Estimated Total Project Cost:** \$2,600,000
- **Funding Sources:** 2018 Capital Improvements Bonds and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage.

- **2019 Estimated Expenditures:** \$400,000
- **Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Swaggerty Branch Culvert Rehabilitation – The Board has authorized a project to rehabilitate a major drainage culvert system way south of Roosevelt Road. The project includes new culvert section and existing culvert rehabilitation.

- **Estimated Total Project Cost:** \$2,000,000
- **Funding Sources:** 2018 Capital Improvements Bonds and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage.
- **2019 Estimated Expenditures:** \$300,000
- **Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Federal Lands Access Program (FLAP) –The City of Little Rock will receive a grant from the United States Department of Transportation, Federal Highway Administration to fund Phase 1 of a Central High Corridor. The Corridor will be an off-street bike/ped trail from the Medical Mile of the Arkansas River Trail to the Central High School National Historic Site. Phase 1 will stabilize riverbank of the Arkansas River Trail Loop's unusable Medical Mile (\$1.7M) and construct a ramp (\$331K) to the new bridge Union Pacific Railroad. This trail will eventually link to Central High School and to the Southwest Trail.

- **Estimated Total Project Cost:** \$2,082,455
- **Funding Sources:** \$1,639,564.9, from the DOT grant, remainder from Public Works Street Fund Special Projects
- **2019 Estimated Expenditures:** \$700,000
- **Estimated Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** The operating expenses are included in the Parks & Recreation budget.

Main Street and Roosevelt Road Sidewalks - The City of Little Rock received a grant from the Metroplan and the Arkansas Department of Transportation for funding to construct 2,200 linear feet of sidewalks along Roosevelt (Highway 365) from Main Street east to Interstate 30 and in ADA compliance.

- **Estimated Total Project Cost:** \$155,200
- **Funding Sources:** \$124,174 from the ArDOT Transportation Alternative Program grant, and the remainder from Public Works 3/8 Cent Capital Improvement Sales and Compensating Use Tax.

- **2019 Estimated Expenditures:** \$50,000
- **Estimated Completion Date:** July 2019
- **Estimated Increase to Operating Expenditures:** 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 2013-2015 improvement program and all those projects are substantially complete with only four (4) remaining in construction. Eight-seven percent (87%) of the 2016 to 2018 are either completed or under construction. Following a series of community meetings, the Board has authorized the 2019-2021 improvement program and those projects are being designed.

- **Estimated Total Project Cost:** \$72,000,000
- **Funding Sources:** 3/8-cent sales tax
- **2019 Estimated Expenditures:** \$5.0 million
- **Estimated Completion Date:** December 2022
- **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.

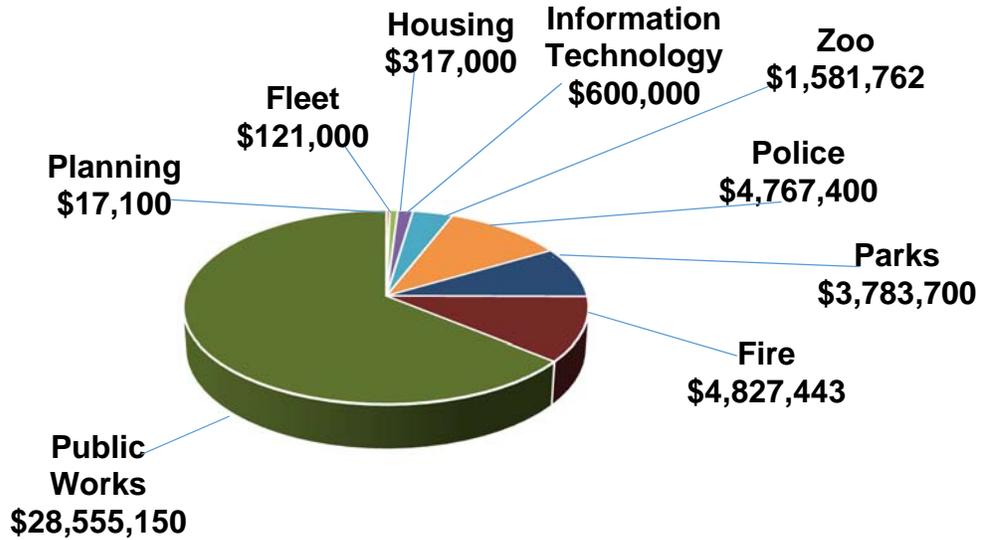
Public Works 2018 Capital Improvement Bond Street Resurfacing, Street and Drainage Projects – Following a series of community meetings, the Board approved \$47 million in projects to be completed for street resurfacing, street and drainage reconstruction projects, traffic signals, traffic calming, and sidewalks.

- **Estimated Total Project Cost:** \$47,000,000
- **Funding Sources:** 2018 Capital Improvement Bond Issue
- **2019 Estimated Expenditures:** \$8,000,000
- **Estimated Completion Date:** December 2022
- **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.

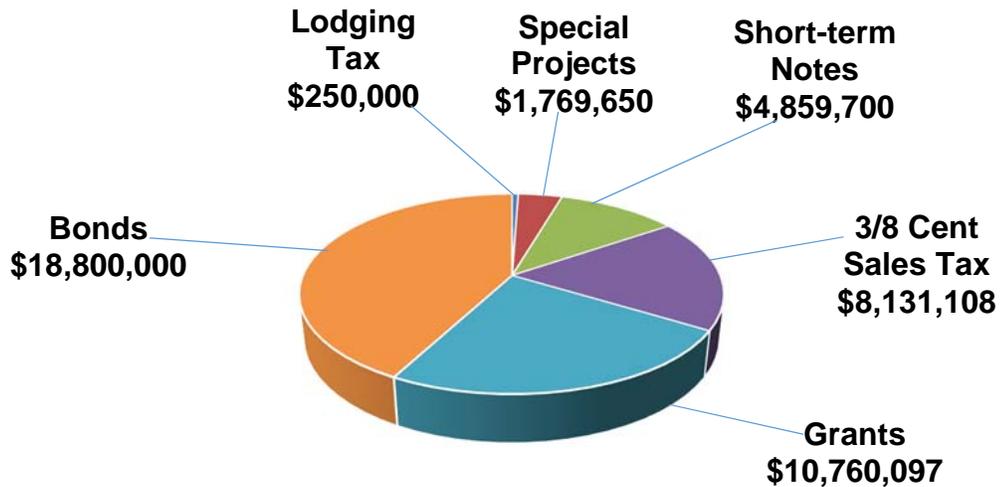
| Public Works 3/8 Cent Sales Tax & 2018 Capital Improvement Bonds | | |
|--|--|------------------|
| Street and Drainage Projects (2019-2021 Projects) | | |
| Ward | Project/Location | Total |
| 1 | 13th Street Culvert @ 2400 Block | \$ 250,000 |
| 1 | Howard & 22nd Storm Drain Replacement (Dennison - Howard) | 200,000 |
| 1 | Swaggerty Branch Culvert Rehabilitation (Roosevelt Road - 31st Street) | 2,000,000 |
| 1 | 6th Street Drainage (Collins Street - McLean Street) | 200,000 |
| 1 | Wright Avenue Streetscape (Summit Street - Wolfe Street) | 500,000 |
| 1 | Boulevard Street Reconstruction (Charles Bussey Boulevard - 22nd Street) | 525,000 |
| 1 | Midtown Neighborhood Street Reconstruction (Abigail from 26th - 27th, and 27th from Abigail - Elm) | 750,000 |
| 1 | 13th Street Railroad Overpass Rehabilitation | 250,000 |
| 1 | Valentine Street Reconstruction (8th Street - 12th Street) | 1,000,000 |
| 1 | Marshall Street Sidewalk (Roosevelt South to End) | 125,000 |
| 1 | Dr. Martin Luther King, Jr Drive Drainage (19th Street - 24th Street) | 400,000 |
| 1 | Resurfacing | 1,550,000 |
| 1 | Sidewalks | 650,000 |
| 1 Total | | 8,400,000 |
| 2 | Grant Street @ Buchanan Street Drainage | 100,000 |
| 2 | Senate Drive Ditch | 600,000 |
| 2 | Loetscher Lane Drainage (Loetscher - Sunset) | 200,000 |
| 2 | Madison Street Reconstruction (10th Street - 12th Street) | 390,000 |
| 2 | Maryland Avenue Reconstruction (Abigail Street - Lewis Street) | 350,000 |
| 2 | 10th Street Reconstruction (Washington Street - Madison Street) | 800,000 |
| 2 | Oak Grove Lane Sidewalks (Fairfield Drive - Valley Drive) | 260,000 |
| 2 | Geyer Springs Road Reconstruction (Hutsell Road - 56th Street) | 1,500,000 |
| 2 | Dailey Drive Sidewalk & Street Improvements | 140,000 |
| 2 | 19th Street Reconstruction (University Avenue - South Grant Street) | 200,000 |
| 2 | Resurfacing | 2,000,000 |
| 2 | Sidewalks | 160,000 |
| 2 Total | | 6,700,000 |
| 3 | Valentine Street Drainage (Markham Street - 4th Street) | 600,000 |
| 3 | West 4th Street Drainage & Street (Valentine Street - Martin Street) | 2,000,000 |
| 3 | Fillmore Street Drainage & Street (Y Street - Z Street) | 850,000 |
| 3 | Briarwood Area Drainage (North from Sun Valley) | 1,000,000 |
| 3 | B Street Reconstruction (Polk Street - Tyler Street) | 250,000 |
| 3 | Polk Street Reconstruction (H Street - G Street) | 300,000 |
| 3 | Barton Street Drainage (Dennison Street - 3rd Street) | 400,000 |
| 3 | Stonewall & Country Club Drainage (Van Buren Street - North Spruce Street) | 150,000 |
| 3 | Shannon Drive Reconstruction (Broadview Drive - Pine Manor Drive) | 300,000 |
| 3 | Lookout Road Sidewalks (Ash Street - Allsopp Park Drive) | 150,000 |
| 3 | Resurfacing | 1,750,000 |
| 3 | Sidewalks | 250,000 |
| 3 Total | | 8,000,000 |
| 4 | Longlea Drive Culvert Replacement (South of El Dorado Drive) | 100,000 |
| 4 | Leatrice Drive Drainage @ East Shore Drive | 500,000 |
| 4 | Breckenridge Drive Culvert Replacement @ Grassy Flat Creek | 250,000 |
| 4 | Harris Street Construction (South of Cantrell Road) | 150,000 |
| 4 | North Rodney Parham Road Reconstruction (Hinson Road - Pleasant Forest Drive) | 6,000,000 |
| 4 | Pleasant Valley Drive Sidewalk (Breckenridge Drive - West of I-430) | 100,000 |
| 4 | Reservoir Road (Reservoir Court - Beacon Hill Apartment) | 600,000 |
| 4 | Resurfacing | 2,000,000 |
| 4 Total | | 9,700,000 |

| Public Works 3/8 Cent Sales Tax & 2018 Capital Improvement Bonds | | |
|--|---|----------------------|
| Street and Drainage Projects (2019-2021 Projects) | | |
| Ward | Project/Location | Total |
| 5 | Madison Valley Drainage (West of Madison Valley Subdivision) | 200,000 |
| 5 | Kanis Road (Point West Drive - Gamble Road) | 2,000,000 |
| 5 | Bella Rosa Drive Reconstruction (Taylor Loop Road North to the Bridge) | 800,000 |
| 5 | Chenal Parkway Intersection (Chenal, Bowman, West Haven, Rahling) | 350,000 |
| 5 | Gamble Road (Markham Street - Stacy Lane) | 300,000 |
| 5 | Katillus Road/Forest Lane Reconstruction (Cantrell along Katillus & Forest Lane) | 300,000 |
| 5 | Chenal Parkway Subsurface Drainage @ various locations | 150,000 |
| 5 | Rummel Road Reconstruction (Countryside Cove - Mooser Lane) | 350,000 |
| 5 | Resurfacing | 2,150,000 |
| 5 | Sidewalks | 300,000 |
| 5 Total | | 6,900,000 |
| 6 | Kanis Road (Embassy Suites Drive - Bowman Road) | 2,000,000 |
| 6 | Bowman Road from Kanis to Cherry Laurel Drive (Design & Right of Way Acquisition) | 2,000,000 |
| 6 | Bellemeade Drive Reconstruction (30th Street - 32nd Street) | 320,000 |
| 6 | Kanis Road (Business Park Drive - Michael Drive) | 700,000 |
| 6 | Walker Street Reconstruction (26th Street - 28th Street) | 450,000 |
| 6 | Barrow Road Streetscape Phase 2 | 450,000 |
| 6 | Spring Valley Drainage @ Cooper Orbit & Manor Drive | 100,000 |
| 6 | 22nd Street Drainage @ 22nd Street & Perry Street | 40,000 |
| 6 | Resurfacing | 1,740,000 |
| 6 Total | | 7,800,000 |
| 7 | Claybrook Road Drainage (Courtfield Drive - Churchhill Road) | 150,000 |
| 7 | Yorkwood Area Floodway Improvements | 400,000 |
| 7 | Mabelvale Pike (Sibley Hole Road - Helm Drive) | 1,500,000 |
| 7 | Crystal Valley Road (Cobblestone Creek Court - Redleaf Circle) | 400,000 |
| 7 | Eastwood Street Reconstruction (Brandon Street - Vinewood Lane) | 525,000 |
| 7 | Yarberry Lane Reconstruction (Deer Meadow Drive - Springtree Drive) | 250,000 |
| 7 | Chicot Road (Mabelvale Cutoff Road - Yarberry Lane) | 2,600,000 |
| 7 | Janmar Road Drainage along Sheraton Drive (Southmont Drive - Lamont Drive) | 400,000 |
| 7 | Pecan Lake Subdivision Drainage @ various locations | 250,000 |
| 7 | Resurfacing | 1,900,000 |
| 7 | Sidewalks | 125,000 |
| 7 Total | | 8,500,000 |
| Grand Total | | \$ 56,000,000 |

2019 City of Little Rock Capital Funding Uses



2019 City of Little Rock Capital Funding Sources



Debt Management



DEBT MANAGEMENT

General Obligation Debt:

The City of Little Rock is authorized to issue General Obligation (G.O.) 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 of debt secured by property tax revenues shall not exceed 20% of the City's assessed valuation. The City of Little Rock's G.O. debt falls well below this statutory requirement. As of 12/31/18, the net debt applicable to the debt limitation is \$97,593,325. The legal debt margin allows the City flexibility to issue additional debt in the amount of \$1,017,148,789.

Generally, the City has experienced very stable growth in the assessed valuation. The City's net general obligation long-term debt per capita is \$504.30, which is well below the \$1,200 per capita that could be considered a warning trend. This has contributed to the City's favorable General Obligation debt ratings. The City's G.O. debt is rated AA by Standard & Poor's and Aa1 by Moody's Investors Service. These ratings indicate that the bonds are of high quality and that the City has a strong capacity to pay principal and interest.

**City of Little Rock, Arkansas
Computation of Legal Debt Margin
December 31, 2018**

| | Amount |
|--|------------------------|
| 2018 Assessed Value (2018 assessment to be collected in 2019) | |
| Real Property | \$3,348,156,430 |
| TIF - Real Estate | 35,195,844 |
| Personal Property | 835,678,550 |
| Utility: Personal Property | 239,937,630 |
| Total assessed value | 4,458,968,454 |
| General obligation debt limitation (20% of assessed value) | 891,793,691 |
| Short-term financing debt limitation (5% of assessed value) | 222,948,423 |
| Total debt limitation | 1,114,742,114 |
| Debt applicable to limit: | |
| General obligation and short-term financing, net of discounts and premiums | 117,851,261 |
| Less: Amount set aside for repayment in debt service funds | 20,257,936 |
| Total net debt applicable to limit | 97,593,325 |
| Legal Debt Margin | \$1,017,148,789 |

Computation of the City's legal debt margin is set forth in Amendments 62 and 78 to the Constitution of the State of Arkansas. General obligation debt is not to exceed 20% of the assessed valuation. Short-term financing debt is not to exceed 5% of the assessed valuation. For 2018, the combined legal debt limit is \$1,114,742,114 based on the total assessed value of \$4,458,968,454. The City's Legal Debt Margin and Legal Debt Limit for the last ten years is shown in the table below.

Debt Applicable to Debt Limit 2009 - 2018

| | Legal Debt Margin | Legal Debt Limit |
|------|----------------------|---------------------|
| 2009 | 800,963,413 | 899,996,683 |
| 2010 | 824,122,887 | 902,775,323 |
| 2011 | 887,938,320 | 931,761,237 |
| 2012 | 878,601,850 | 942,877,678 |
| 2013 | 843,156,895 | 965,793,157 |
| 2014 | 893,966,280 | 1,000,828,577 |
| 2015 | 896,991,146 | 1,012,232,287 |
| 2016 | 955,080,056 | 1,057,578,662 |
| 2017 | 993,637,501 | 1,073,919,619 |
| 2018 | 1,017,148,789 | 1,114,742,114 |

The City of Little Rock's outstanding general obligation debt as of December 31, 2018 is \$100,935,000, before net premiums of \$1,723,672. Outstanding short-term financing debt is \$15,192,589.

Although the City may increase general obligation and short-term debt levels to a maximum of \$1,114,742,114, resources to repay the bonds would require an increase in the millage dedicated for debt service. The property tax millage in effect for the retirement of general obligation debt is 4.8 mills. The millage required to fund over \$1.1 billion in debt would be approximately 16.65 mills, based the current assessed valuation. The millage may be increased to provide funds up to the legal debt limit with voter approval.

The citizens of Little Rock approved an 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. In November 2018, the City issued the second series of Limited Tax General obligation Bonds for streets and drainage in the amount of \$43,475,000.

The 2014 Tax Increment Financing Capital Improvement Bonds for \$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.

In addition, on July 14, 2015, voters approved a 0.9 mill annual ad valorem tax, levied upon all taxable real and personal property located within the City, to fund the issuance of \$36,620,000 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.

On December 14, 2017, the City issued \$15,925,000 to refund the Library Construction and Refunding Bonds, series 2012 and pay the costs of issuing the Bonds. The Bonds are limited tax obligations of the City, payable solely from a 0.9 mill annual ad valorem tax levied upon all taxable real and personal property located within the City. The City began levying the Library tax at the rate of 0.9 mills for collection in 2013 and continuously thereafter to pay debt service on the Bonds. The Bonds refunded were approved by voters at the March 13, 2012, special election. The City currently levies a total of 1.8 mills for capital improvements to the public libraries, which includes the 0.9 mill dedicated to the 2015 Library Construction and Refunding Bonds noted above.

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.

Special Tax Bonds:

The City had special tax bonds outstanding in the amount of \$32,570,000, before a net premium of \$436,589 as of December 31, 2018.

On December 13, 2018, the City issued the \$32,570,000 Hotel Gross Receipts Tax Bonds, Series 2018. The Bonds are not general obligations of the City, but are special obligations payable solely from collections of existing taxes levied by the City at an aggregate rate of 2% on the gross receipts derived and received from the renting, leasing or otherwise furnishing of hotel, motel, bed and breakfast or short-term condominium or apartment rental accommodations in the City. The issuance of the bonds and the pledging of collections of the tax for debt service were approved at a special election held February 8, 2016.

Revenue Bonds:

The primary government of the City of Little Rock had outstanding Revenue Bonds in the amount of \$24,895,000 at December 31, 2018, authorized under Amendment 65 to the Arkansas Constitution.

On July 1, 2003, the City issued \$11,855,000 in 2003 Capital Improvement Revenue Bonds (Downtown Parking Projects). The bonds were issued to finance the construction of a new parking deck and advance refund the 1997 Capital Revenue Bonds (Second and Main Street Project) – Series 1997, previously used to construct a parking deck. The bonds constitute special obligations of the City, payable solely from the revenues of the two parking decks, together with all other parking revenues of the City that were not previously pledged by the City.

On March 12, 2007, the City issued \$3,400,000 in 2007 Waste Disposal Refunding and Improvement Bonds. The bonds were issued to finance all or a portion of the costs of betterments and improvements to the System (the Project), fund a debt service reserve and pay expenses of issuing the bonds. The bonds constitute special obligations of the City, secured by a pledge of net revenues derived from the System.

On November 15, 2017, the City issued the \$17,875,000 Capital Improvement and Refunding Revenue Bonds, Series 2017. The Bonds are not general obligations of the City, but are special obligations secured solely by a pledge of the revenues derived by the City from all franchise fees collected from public utilities for the privilege of using the streets, highways and other public places in the City. The Bonds are being issued to advance refund the City's Capital Improvement Construction Revenue Bonds (Zoo, Parks and Recreation Projects), Series 2009A, the City's Capital Improvement Refunding Revenue Bonds (Zoo, Parks and Recreation Revenue Refunding Bonds, Series 2009B, current refund the City's Capital Improvement Revenue Refunding Bonds, Series 2007, and the City's Capital Improvement Junior Lien Revenue Bonds, Series 2002.

Tables depicting the City's Summary of Bond Indebtedness, Future Debt Service, and Direct and Overlapping Governmental Activities Debt follow.

SUMMARY OF BOND INDEBTEDNESS
For the year ended December 31, 2018

| <u>GENERAL OBLIGATION DEBT</u> | <u>TRUSTEE</u> | <u>ORIGINAL AMOUNT</u> | <u>MATURITY DATE</u> | <u>INTEREST RATE</u> | <u>PRINCIPAL BALANCE AT 12/31/17</u> | <u>BONDS ISSUED</u> | <u>PRINCIPAL PAID IN 2018</u> | <u>BONDS RETIRED 2018</u> | <u>PRINCIPAL BALANCE AT 12/31/2018</u> | <u>INTEREST PAID IN 2018</u> |
|--|--------------------------------------|------------------------|----------------------|----------------------|--------------------------------------|---------------------|-------------------------------|---------------------------|--|------------------------------|
| 2013 Limited Tax Capital Improvement | First Security Bank | \$58,105,000 | 4/1/2033 | 1.00% - 5.00% | \$18,810,000 | | \$1,980,000 | \$9,625,000 | \$7,205,000 | \$602,438 |
| 2014 Tax Increment Improvement Bonds | Regions Bank | 2,615,000 | 3/1/2036 | 6.00% | 2,615,000 | | | | 2,615,000 | 156,900 |
| 2015 Library Construction and Refunding Bonds | Regions Bank | 36,620,000 | 3/1/2028 | 2.05% - 4.00% | 34,625,000 | | 1,185,000 | 1,475,000 | 31,965,000 | 1,025,013 |
| 2017 Library Construction and Refunding Bonds | Regions Bank | 15,925,000 | 3/1/2027 | 1.50% - 5.00% | 15,925,000 | | | 250,000 | 15,675,000 | 359,024 |
| 2018 Limited Tax Capital Improvement Bonds | First Security Bank | 43,475,000 | 4/1/2028 | 2.375% - 5.00% | | 43,475,000 | | | 43,475,000 | |
| SPECIAL TAX BONDS | | | | | | | | | | |
| 2018 Hotel Gross Receipts Tax Bonds | First Security Bank | 32,570,000 | 12/1/2048 | 3.00% - 5.00% | | 32,570,000 | | | 32,570,000 | |
| REVENUE BONDS | | | | | | | | | | |
| 2003 Capital Imp.and Refunding Projects | U.S. Bank | 11,855,000 | 7/1/2028 | 1.50% - 5.30% | 7,265,000 | | 510,000 | | 6,755,000 | 380,505 |
| 2007 Waste Disposal Revenue Bond | Citizens Bank | 3,400,000 | 5/1/2022 | 5.30% - 5.87% | 1,455,000 | | 260,000 | | 1,195,000 | 76,188 |
| 2017 Capital Improvement and Refunding Revenue Bonds | First Security Bank | 17,875,000 | 10/1/2033 | 2.00% - 5.00% | 17,875,000 | | 930,000 | | 16,945,000 | 574,462 |
| TEMPORARY NOTES | | | | | | | | | | |
| 2013 Temporary Note | U.S. Bank | 7,700,000 | 7/30/2018 | 1.61% | 1,589,444 | | 1,589,444 | | | 25,450 |
| 2014 Temporary Note | Branch Banking & Trust | 5,916,000 | 6/27/2019 | 1.46% | 2,418,044 | | | | 1,217,784 | 35,303 |
| 2015 Temporary Note | First Security Bank | 5,910,000 | 6/24/2020 | 1.81% | 3,609,230 | | | | 2,427,669 | 65,327 |
| 2016 1st Temporary Note | Banc of America Public Capital Corp. | 4,525,000 | 6/10/2021 | 1.54% | 3,646,859 | | | | 890,909 | 56,198 |
| 2016 A&P Temporary Note | Simmons First National Bank | 2,850,000 | 10/25/2021 | 1.89% | 2,300,903 | | | | 559,272 | 43,450 |
| 2016 2nd Temporary Note | Relyance Bank | 4,603,000 | 12/22/2021 | 1.85% | 3,715,833 | | | | 903,574 | 68,743 |
| 2017 Temporary Note | Signature Public Funding | 5,250,000 | 8/8/2022 | 1.81% | 5,250,000 | | | | 1,012,704 | 95,025 |
| Grand Total | | \$259,194,000 | | | \$121,100,313 | \$76,045,000 | \$12,202,724 | \$11,350,000 | \$173,592,589 | \$3,564,026 |

SUMMARY OF BOND INDEBTEDNESS
For the year ended December 31, 2019

| <u>GENERAL OBLIGATION DEBT</u> | <u>TRUSTEE</u> | <u>ORIGINAL AMOUNT</u> | <u>MATURITY DATE</u> | <u>INTEREST RATE</u> | <u>PRINCIPAL BALANCE AT 12/31/18</u> | <u>BONDS ISSUED</u> | <u>PRINCIPAL PAID IN 2019</u> | <u>BONDS RETIRED 2019</u> | <u>PRINCIPAL BALANCE AT 12/31/2019</u> | <u>INTEREST PAID IN 2019</u> |
|--|--------------------------------------|------------------------|----------------------|----------------------|--------------------------------------|---------------------|-------------------------------|---------------------------|--|------------------------------|
| 2013 Limited Tax Capital Improvement | First Security Bank | \$58,105,000 | 4/1/2033 | 1.00% - 5.00% | \$7,205,000 | | \$2,085,000 | | \$5,120,000 | \$308,125 |
| 2014 Tax Increment Improvement Bonds | Regions Bank | 2,615,000 | 3/1/2036 | 6.00% | 2,615,000 | | | | 2,615,000 | 156,900 |
| 2015 Library Construction and Refunding Bonds | Regions Bank | 36,620,000 | 3/1/2028 | 2.05% - 4.00% | 31,965,000 | | 1,230,000 | | 30,735,000 | 960,513 |
| 2017 Library Construction and Refunding Bonds | Regions Bank | 15,925,000 | 3/1/2027 | 1.50% - 5.00% | 15,675,000 | | 1,410,000 | | 14,265,000 | 470,963 |
| 2018 Limited Tax Capital Improvement Bonds | First Security Bank | 43,475,000 | 4/1/2028 | 2.375% - 5.00% | 43,475,000 | | 3,280,000 | | 40,195,000 | 1,183,146 |
| SPECIAL TAX BONDS | | | | | | | | | | |
| 2018 Hotel Gross Receipts Tax Bonds | First Security Bank | 32,570,000 | 12/1/2048 | 3.00% - 5.00% | 32,570,000 | | 425,000 | | 32,145,000 | 1,338,731 |
| REVENUE BONDS | | | | | | | | | | |
| 2003 Capital Imp.and Refunding Projects | U.S. Bank | 11,855,000 | 7/1/2028 | 1.50% - 5.30% | 6,755,000 | | 535,000 | | 6,220,000 | 356,535 |
| 2007 Waste Disposal Revenue Bond | Citizens Bank | 3,400,000 | 5/1/2022 | 5.30% - 5.87% | 1,195,000 | | 275,000 | | 920,000 | 60,806 |
| 2017 Capital Improvement and Refunding Revenue Bonds | First Security Bank | 17,875,000 | 10/1/2033 | 2.00% - 5.00% | 16,945,000 | | 870,000 | | 16,075,000 | 635,850 |
| TEMPORARY NOTES | | | | | | | | | | |
| 2014 Temporary Note | Branch Banking & Trust | 5,916,000 | 6/27/2019 | 1.46% | 1,217,784 | | 1,217,784 | | 0 | 17,780 |
| 2015 Temporary Note | First Security Bank | 5,910,000 | 6/24/2020 | 1.81% | 2,427,669 | | | | 1,224,721 | 43,941 |
| 2016 1st Temporary Note | Banc of America Public Capital Corp. | 4,525,000 | 6/10/2021 | 1.54% | 2,755,950 | | 904,638 | | 1,851,312 | 42,469 |
| 2016 A&P Temporary Note | Simmons First National Bank | 2,850,000 | 10/25/2021 | 1.89% | 1,741,631 | | 569,800 | | 1,171,831 | 32,922 |
| 2016 2nd Temporary Note | Relyance Bank | 4,603,000 | 12/22/2021 | 1.85% | 2,812,259 | | 920,290 | | 1,891,969 | 52,027 |
| 2017 Temporary Note | Signature Public Funding | 5,250,000 | 8/8/2022 | 1.81% | 4,237,296 | | 1,031,033 | | 3,206,263 | 76,695 |
| Grand Total | | \$251,494,000 | | | \$173,592,589 | \$0 | \$15,956,493 | \$0 | \$157,636,096 | \$5,737,402 |

**FUTURE DEBT SERVICE
OVERALL FUTURE DEBT SERVICE
NEXT TEN YEARS**

| <u>YEAR</u> | <u>PRINCIPAL</u> | <u>INTEREST</u> | <u>TOTAL</u> |
|-------------|------------------|-----------------|--------------|
| 2019 | \$15,956,493 | \$5,737,401 | \$21,693,894 |
| 2020 | \$14,330,718 | \$5,475,093 | \$19,805,810 |
| 2021 | \$13,627,343 | \$4,928,291 | \$18,555,635 |
| 2022 | \$11,638,035 | \$4,380,397 | \$16,018,432 |
| 2023 | \$10,710,000 | \$3,878,285 | \$14,588,285 |
| 2024 | \$11,175,000 | \$3,488,435 | \$14,663,435 |
| 2025 | \$11,485,000 | \$3,164,205 | \$14,649,205 |
| 2026 | \$11,825,000 | \$2,825,068 | \$14,650,068 |
| 2027 | \$11,895,000 | \$2,480,547 | \$14,375,547 |
| 2028 | \$8,065,000 | \$2,166,541 | \$10,231,541 |

**GENERAL OBLIGATION AND SPECIAL TAX BONDS
FUTURE DEBT SERVICE**

| <u>YEAR</u> | <u>PRINCIPAL</u> | <u>INTEREST</u> | <u>TOTAL</u> |
|-------------|------------------|-----------------|--------------|
| 2019 | \$14,276,493 | \$4,684,209 | \$18,960,702 |
| 2020 | \$12,585,718 | \$4,492,333 | \$17,078,050 |
| 2021 | \$11,807,343 | \$4,018,888 | \$15,826,231 |
| 2022 | \$9,743,035 | \$3,547,831 | \$13,290,866 |
| 2023 | \$9,075,000 | \$3,116,113 | \$12,191,113 |
| 2024 | \$9,480,000 | \$2,790,050 | \$12,270,050 |
| 2025 | \$9,715,000 | \$2,542,525 | \$12,257,525 |
| 2026 | \$9,965,000 | \$2,294,063 | \$12,259,063 |
| 2027 | \$9,935,000 | \$2,044,822 | \$11,979,822 |
| 2028 | \$6,035,000 | \$1,831,231 | \$7,866,231 |

REVENUE BOND FUTURE DEBT SERVICE

| <u>YEAR</u> | <u>PRINCIPAL</u> | <u>INTEREST</u> | <u>TOTAL</u> |
|-------------|------------------|-----------------|--------------|
| 2019 | \$1,680,000 | \$1,053,191 | \$2,733,191 |
| 2020 | \$1,745,000 | \$982,760 | \$2,727,760 |
| 2021 | \$1,820,000 | \$909,404 | \$2,729,404 |
| 2022 | \$1,895,000 | \$832,566 | \$2,727,566 |
| 2023 | \$1,635,000 | \$762,173 | \$2,397,173 |
| 2024 | \$1,695,000 | \$698,385 | \$2,393,385 |
| 2025 | \$1,770,000 | \$621,680 | \$2,391,680 |
| 2026 | \$1,860,000 | \$531,005 | \$2,391,005 |
| 2027 | \$1,960,000 | \$435,725 | \$2,395,725 |
| 2028 | \$2,030,000 | \$335,310 | \$2,365,310 |

**City of Little Rock, Arkansas
Direct and Overlapping Governmental Activities Debt
12/31/2018**

| <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 | \$165,642,589 | 100% | \$165,642,589 (a) |
| Little Rock Public School District | <u>268,321,915</u> | 100% | <u>268,321,915 (b)</u> |
| Total direct and overlapping debt | <u>\$433,964,504</u> | | <u>\$433,964,504</u> |

(a) The City's governmental activities debt for the overlapping debt calculation includes General Obligation Bonds, Special Tax Bonds, Governmental Activities Revenue Bonds, and Short-term Notes.

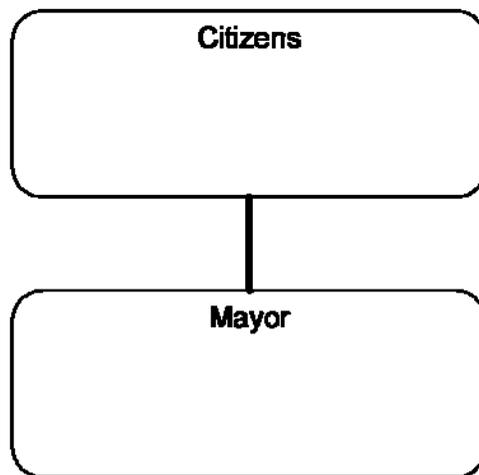
(b) Obtained from Jean Ring at 447-1089
Finance Director at Little Rock School District

Departmental Information





Mayor



Mission Statement

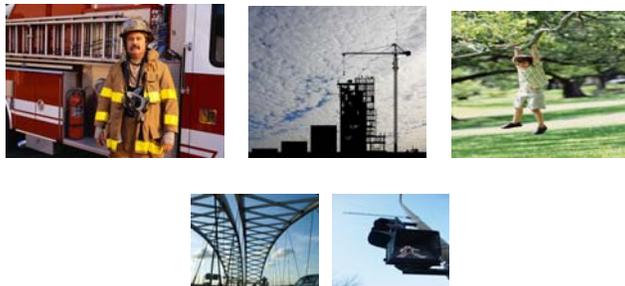
To provide vision and leadership that unifies our city, bringing us from disconnected to connected, by focusing on diversity in the marketplace and educational achievement, ensuring all residents have the opportunity to collectively help Little Rock reach it's full potential as it becomes one of the catalysts for the New South.



Mayor

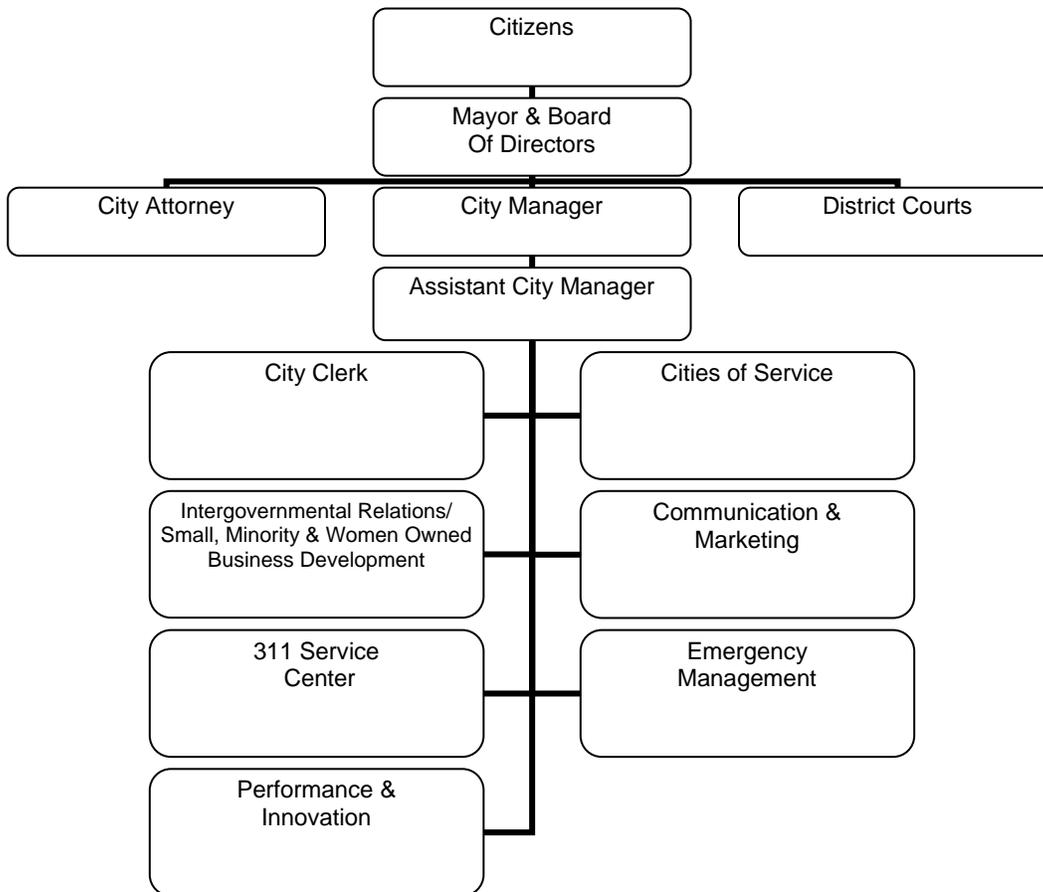
| 2019 Department Goals |
|---|
| Continue implementing Little Rock's Master Plan for Children, Youth, and Families |
| Conduct a full review of the City's summer youth employment program and identify federal funding to expand the program |
| Conduct a full review of the City of Little Rock's compensation and leave policies |
| Develop Little Rock's Opportunity Zone strategy |
| Develop a workplan for the Mayor's Summer Reading Program and "Thrive by Five Program" with local partners and the Central Arkansas Library System |
| Engage the Economic Development Transition Committee to identify members of the "Red Tape Commission" to begin developing Little Rock's first Small Business Growth Plan |
| Ensure that the FY2020 budget includes resources to hire twenty (20) additional LRPD officers |
| Re-launch and prioritize LRPD's Cadet Program to ensure a more diverse, homegrown LRPD force |
| Draft Use of Force Policy for LRPD, including a community outreach plan to solicit community input for the policy. |
| Create the Little Rock Community Review Board |
| Open Fire Station 24 in Southwest Little Rock |
| Ensure alternative modes of transportation by implementing an e-scooters ordinance |
| Expand the Sidewalk Replacement Program |
| Create Little Rock's Office of Equity, Diversity, & Inclusion and Rebranding of the Little Rock Racial and Cultural Diversity Commission as the Little Rock Human Rights Commission, incorporating the concerns of Little Rock's LGBT community |
| Work with LRPD leadership to onboard an LGBT liaison within the LRPD Community Policing Unit |
| Work with the Transformation and Government Reform Transition Committee to develop a workplan for reinvigorating the City of Little Rock's Intergovernmental Relations Office and Grants Management Division to more aggressively pursue federal resources to support key public safety, economic development, and community development priorities |

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





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

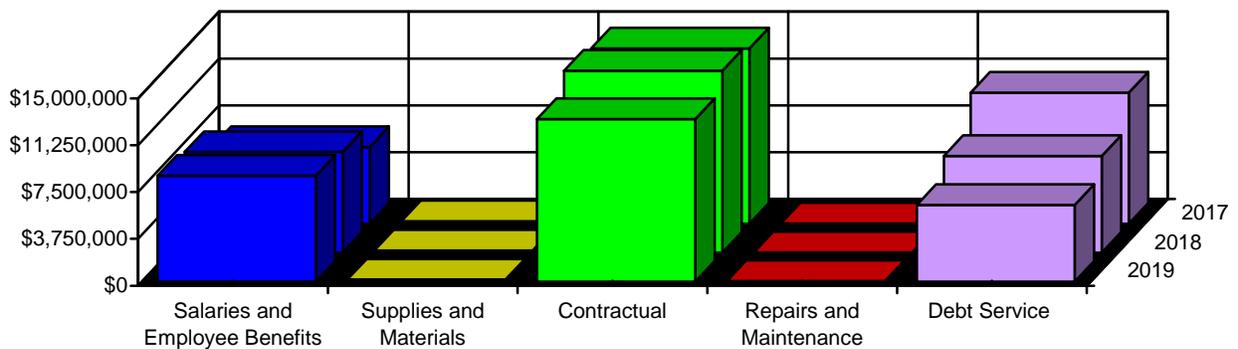
Expenditure Budget

| Description | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|---------------------|---------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$6,142,514 | \$8,061,838 | \$8,476,142 |
| Supplies and Materials | 200,828 | 186,512 | 158,458 |
| Contractual | 14,027,975 | 14,568,458 | 13,007,474 |
| Repairs and Maintenance | 34,080 | 33,183 | 36,946 |
| Debt Service | 10,491,982 | 7,751,360 | 6,136,327 |
| | <u>\$30,897,380</u> | <u>\$30,601,351</u> | <u>\$27,815,347</u> |

| Staffing | 33 | 35 | 33 |
|-----------------|----|----|----|
|-----------------|----|----|----|

General Government includes the Mayor, City Manager, City Clerk, Emergency Management, Small and Women Owned Business Development, LRTV, 311, and the Performance and Innovation Division. The 2019 personnel budget includes an increase of \$541,000 associated with increased workers compensation and actuarially determined contributions to benefit plans, net of a reduction attributed to the elimination of two positions. The decrease in Outside Agency funding, included in contracts, is primarily attributed to the reclassification of \$1 million in transit funding to the Street Fund, and a decrease in funding for the Arts Center during construction and expansion in 2019. Debt service will decrease by approximately \$1.6 million in 2019 due to the retirement of the 2013 short-term note in 2018. Approximately \$3.3 million will be transferred in from the 3/8-cent sales tax fund and the Fleet Special Project to fund principal payments on debt issued from 2014 - 2016 to accelerate 3/8-cent capital projects and purchase police vehicles.

Total Allocations By Fiscal Year And Account Category



| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
|----------------------|-----------------------|--------------------------|
| 100 General Fund | \$27,815,347 | -9.10% |



| 2018 Department Priorities | Status |
|--|-----------|
| Ensured staffing levels were improved and maintained in the 911 operations. Worked with Human Resources Staff to develop proposals to address turnover, including salary and benefit considerations. Fully implement the Telephone Reporting Unit, which will assist in increasing the efficiency of call-taking and dispatching, and free up police officers to conduct more proactive policing and engage the community. | Completed |
| Continue to meet the National Standard regarding Little Rock Fire Department response times. Installation of the Mach Alert at all Fire Stations. Installation of the new Computer-Aided Drawing System. Evaluate the conditions at each of the Fire Stations for maintenance and renovations, and develop and implement a replacement plan for the forty-seven (47) Thermal Imaging Cameras that are currently twelve (12) to fifteen (15) years old. | Ongoing |
| Reviewed all organizations and City Departments which receive Prevention, Intervention & Treatment Funding to ensure adherence to the requirements set forth in Youth Master Plan. Reviewed the viability of current programs focused on participants aged twelve (12) – seventeen (17) and Youth Intervention Programs utilizing focus groups, surveys and an Advisory Committee to update future Requests for Qualifications accordingly. | Completed |
| Moved 85% of the thirty-eight (38) funded infrastructure projects from the 2016 - 2018 Infrastructure Program to construction. | Completed |
| Provided staff input for major Arkansas Department of Transportation Projects such as: Interstate 30 widening; Cantrell Road & Interstate 430; Rodney Parham Road & Interstate 430; Stagecoach Road & Interstate 430 Interchange Improvement Projects; and the Interstate 630 Widening Project. | Completed |
| Begin a new project to replace all of the Interstate 630 Freeway lighting from Interstate 30 to the Barrow Road exit. Continue to monitor street light outages in the downtown area and repair, or replace, as needed. Wherever possible, convert existing streetlight fixtures to utilize LED | Ongoing |
| Prepare a study of the Highway 10 Design Overlay District and provide recommendations for changes in the future Land Use Plan for the corridor. | Ongoing |
| Prepare a Downtown Master Plan that will incorporate the Interstate 30 corridor. | Ongoing |
| Continue the outreach initiative to increase minority and women-owned business procurement opportunities within the City of Little Rock. | Ongoing |
| Created an online application for Housing Assistance and Resources. | Completed |
| Implemented the Code Enforcement Software Program in an effort to improve the ability to be more proactive and responsive. | Completed |
| Continue to partner with DePaul, USA, in delivering services to the current and future clients that utilize the facility. | Ongoing |
| Renovated the toddler play area at Riverfront Park by installing new features, renovated park space and improved playground surfacing. | Completed |



| 2019 Department Goals |
|--|
| Continue the implementation of the 21st Century Policing Principles. |
| Continue the efforts in receiving CALEA Accreditation for the 911 Center, and the implementation of the new Computer-Aided Dispatch System. Continue to improve the hiring and training processes to increase the number of personnel. |
| Certification of all Little Rock Fire Department Accreditation Staff to a minimum of Self-Assessment Certification, and continue to maintain an up-to-date Five (5)-Year Strategic Plan. In addition, begin the National Accreditation process of the Training Bureau. |
| Complete the design and right-of-way acquisition process for 35% of the thirty-eight (38) funded infrastructure projects for 2019 to 2021 and move 25% of the projects to the bidding and award phase. |
| Complete the Land Use review of the area between Interstate 30, Interstate 630, Interstate 430 and the Downtown area. Obtain Board approval on the East Plan Area, east of Interstate 30/Interstate 530, and the Northwest Plan Area, north of Chenal Parkway/Kanis Road and west of Interstate. Begin the initial work for the review of the area Interstate 30 to Interstate 630 and Interstate 430 to Union Pacific Rail Road. |
| Implement a new Sexual Orientation/Lesbian, Gay, Bisexual and Transgender (LGBT) Policy and raise awareness of LGBT rights through conducting mandatory training to all employees. |
| Conduct a hands-on inventory every two (2) years in order to maintain the integrity of the fleet count. |
| Collaborate with both the Little Rock Fire Department and Little Rock Police Department to research, outline and implement a Computer-Aided Dispatch System (software, interfaces, components, etc.) that best serves the City of Little Rock, its citizens and visitors. |
| The Purchasing Division will continue to enhance and maintain a repository of procurement-related contracts. Now that implementation of INFOR's Strategic Sourcing/Contract Management Software is complete, the focus will be to analyze trends, consolidate purchases and capitalize on potential volume savings while taking care not to exclude Small, Minority and Woman Owned Businesses. In addition, staff will work to build a continuous Contract Management Training Program. |
| Continue partnerships with the Community Development Division and other entities to rehab Land Bank properties. Set a goal of a minimum of three (3) Land Bank properties developed by Community Development Division and/or Community Housing Development Organizations. |
| Be a leader in sustainability and wildlife conservation by continuing to build on the Little Rock Zoo's Conservation Action Plan in the following areas: 1) expand partnerships with local conservation organizations; 2) expand involvement in Saving Animals from Extinction and Species Survival Plan programs; and 3) fully implement Little Rock Zoo Sustainability Plan. |
| Pilot the newly-created Re-Entry Mentoring Program for Re-Entry clients working within the various City Departments. Pilot the newly-created Employment Referral Program with local public and private entities for Re-Entry clients who have successfully completed training within City Departments. |



City Manager

| 2019 Department Goals (Continued) |
|--|
| Update and review all 151 Standards to maintain National Recreation and Parks Association Accreditation. |
| Complete the installation of four (4) new replacement playgrounds with accessible connections located at Reservoir, Kanis, Hanger Hill and Ottenheimer Parks. |
| Provide support and quarterly reporting to the LR Cent Committee and the Board regarding the status of the additional 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. |
| Continue to issue Little Rock Municipal Identification Cards to additional residents. |
| Continue the process of acquiring Accreditation of the City's Emergency Management Division through the National Emergency Management Association. |



City Manager

Department: City Manager
Funding Source: General Fund
Budget: \$ 27,815,347

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.

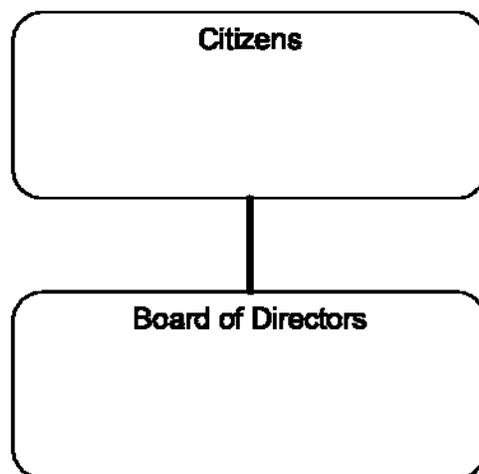
| | 2017 Actual | 2018 Budget | 2019 Budget |
|--|------------------------|------------------------|------------------------|
| Objective: Provide responses to City Board of Director requests in a timely manner. | | | |
| Demand: Number of City Board of Director requests. | 284 | 290 | 300 |
| Workload: Number of City Board of Director requests completed. | 279 | 283 | 292 |
| Efficiency: Number of City Board of Director requests completed in a timely manner. | 279 | 283 | 292 |
| 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. | 231 | 208 | 250 |
| Workload: Number of citizen requests for information completed. | 228 | 208 | 245 |
| Efficiency: Number of citizen requests for information completed in a timely manner. | 228 | 207 | 245 |
| Effect/Outcome: Percentage of total citizen requests completed a timely manner. | 100% | 100% | 100% |

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

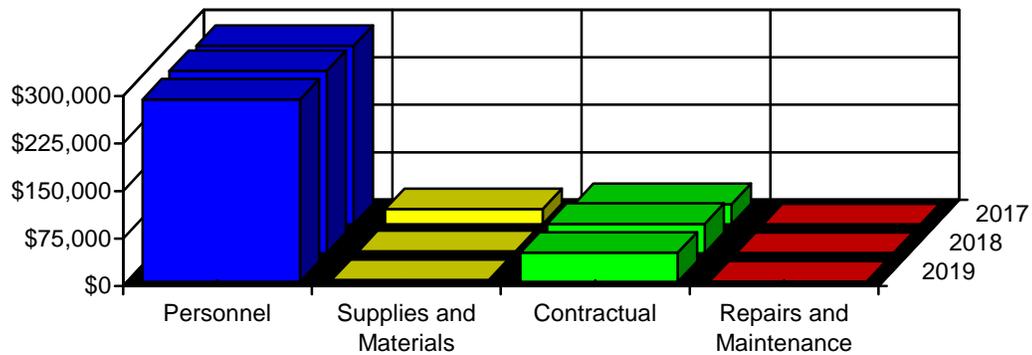
Expenditure Budget

| Description | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|------------------|------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$282,051 | \$287,813 | \$288,053 |
| Supplies and Materials | 24,158 | 2,990 | 2,990 |
| Contractual | 32,036 | 46,147 | 46,147 |
| Repairs and Maintenance | - | 291 | 310 |
| Total | \$338,245 | \$337,241 | \$337,500 |

| Staffing | 2017 | 2018 | 2019 |
|-----------------|------|------|------|
| | 1 | 1 | 1 |

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.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------|--------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$337,500 | 0.08% |



Board of Directors

| 2018 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 Fund. | Ongoing |

| 2019 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: \$337,500

Department Description:

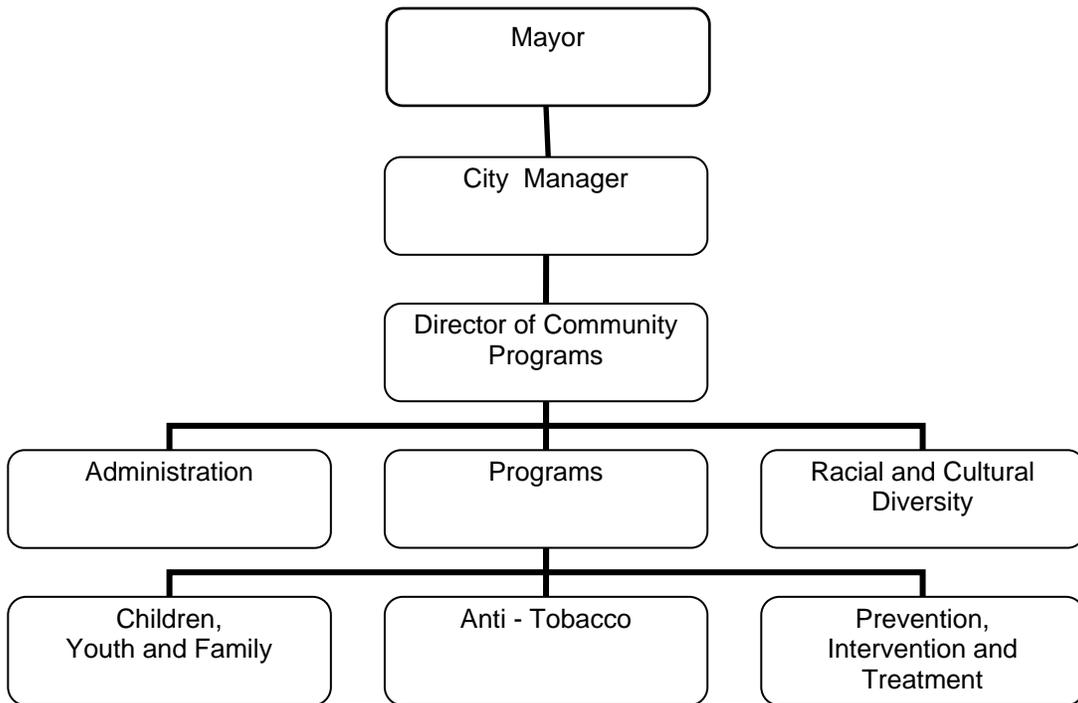
To provide executive management and administration of City affairs; provide legal advice and representation for the city; serve as official recorder and custodian of public documents.

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 programming and services with the goal of increasing positive outcomes and the overall quality of life for the children, youth, and families of Little Rock. It is achieved through the use of evidence-based practices, standardized processes, and citizen input to create and foster an inclusive environment that respects the dignity of all people, welcomes all voices, and values racial and cultural diversity.

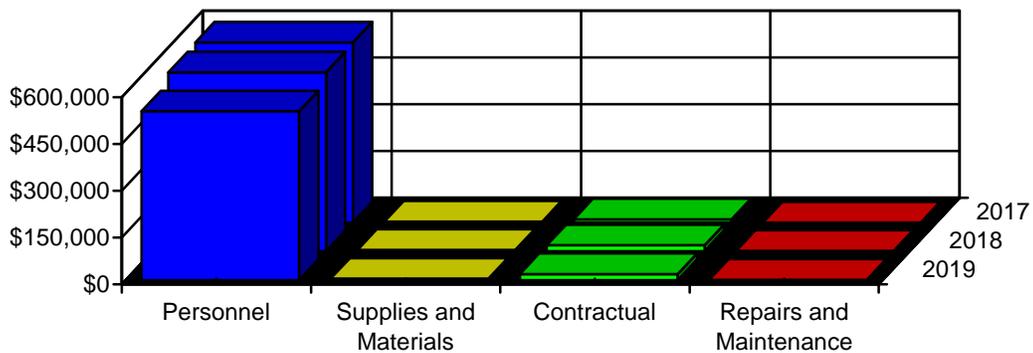
Community Programs

| Description | Expenditure Budget | | |
|--------------------------------|--------------------------------|---------------------------|---------------------------|
| | 2017 Actual Expenditures | 2018 Adopted Budget | 2019 Adopted Budget |
| Salaries and Employee Benefits | \$577,813 | \$573,893 | \$541,555 |
| Supplies and Materials | 2,518 | 4,530 | 4,530 |
| Contractual | 10,152 | 19,315 | 19,488 |
| Repairs and Maintenance | | 1,568 | 968 |
| Total | \$590,483 | \$599,306 | \$566,541 |

| Staffing | 13 | 11 | 13 |
|-----------------|----|----|----|
|-----------------|----|----|----|

The majority of 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.

Total Allocations By Fiscal Year And Account Category



| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
|----------------------|-----------------------------|--------------------------------|
| 100 General Fund | \$566,541 | -5.47% |



Community Programs

| 2018 Department Priorities | Status |
|--|---------------|
| Implement a new system to reflect the MIS requirements resulting from Youth Mentoring Program (YMP) recommendations. | Ongoing |
| Develop and pilot a Re-Entry Mentoring Program for program participants working within City of Little Rock departments. | Ongoing |
| Racial Cultural Diversity Commission (RCDC) – Host at least 3 new events, such as: Spirit of Love Event (partnership); Immigrant Stories Documentary; Taste of the World Program; Cultural Moments programming for KWCP Radio Station; Doing Business with the City (pulling in City Departments). | Ongoing |
| Explore creating an initiative to the Little Rock business community for an Economic Development/Job Creation response to stem increased levels of violence in poor neighborhoods resulting from a lack of opportunities. | Ongoing |
| Explore developing an Employment Referral Program with local public and private entities for Re-Entry participants who have successfully completed training in City of Little Rock departments. | Ongoing |
| Increase Tobacco Program delivery to all Prevention, Intervention and Treatment (PIT)-funded programs. | Not Completed |
| Located at least three (3) post Summer Youth Employment Opportunity (SYEO) internship/work opportunities for 2nd year SYEO interns that opened spaces for incoming students in 2019. | Completed |
| Developed and piloted a “Currency Crash Course” to assist ReEntry clients working within City of Little Rock departments with critical financial literacy information maximizing their financial potential “from their first paycheck.” | Completed |
| Identify and develop partnerships with at least five (5) private business job placement opportunities for disconnected youth. | Ongoing |
| Developed at least one (1) program/project for all PIT youth-related programs participants to attend. | Completed |
| Hosted a Non-Profit Conference that assisted youth development organizations with capacity-building opportunities to improve outcomes related to the Youth Master Plan. | Completed |

| 2019 Department Goals |
|--|
| Host at least two (2) ReEntry Orientation Sessions to increase database of private businesses who will hire ReEntry clients. |
| Pilot the newly created “Currency Crash Course” to assist ReEntry clients working within City of Little Rock departments with critical financial literacy information to maximize their financial potential “from their first paycheck.” |
| Develop at least one (1) program/project for all PIT youth-related programs to attend. |
| Finalize the review of current 12-17 and Youth Initiative Programs (YIP) programs for viability through focus groups, surveys, and an Advisory Committee to update future RFQ bids accordingly. |
| Plan and execute five (5) relevant professional development and training opportunities to assist current funded and potential programs achieve the positive outcomes related to the YMP. |



Community Programs

Department: Community Programs
Funding Source: General Fund
Budget: \$ 566,541

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.

| | 2017 Actual | 2018 Budget | 2019 Budget |
|---|------------------------|------------------------|------------------------|
| Objective: To recruit youth, provide orientation, and approve youth to hire for summer employment. | | | |
| Demand: Youth available for recruitment and orientation. | 1,200 | 1,000 | 1,200 |
| Workload: Youth recruited and processed through orientation. | 700 | 750 | 750 |
| Efficiency: Youth processed and available for employment in June. | 650 | 680 | 700 |
| Effect/Outcome: Percentage of youth processed and available for work in June. | 93% | 91% | 93% |

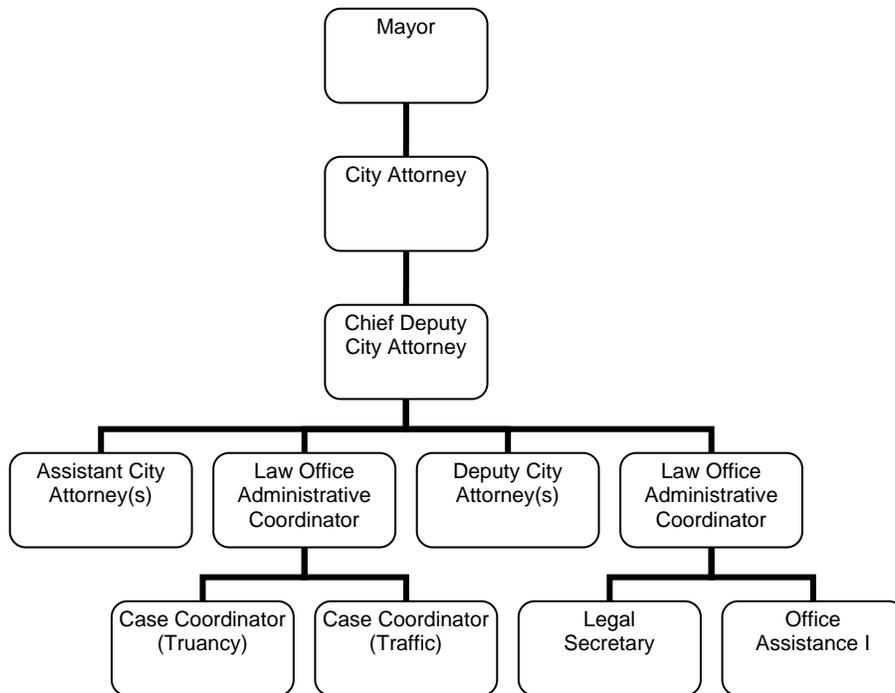
| | | | |
|---|-----|-----|-----|
| Objective: To audit, approve, and process all reimbursement requests for payment within 14 days. | | | |
| Demand: Requests available for process and reimbursement. | 750 | 800 | 800 |
| Workload: Requests processed for reimbursement. | 684 | 760 | 760 |
| Efficiency: Requests processed per month. | 60 | 60 | 60 |
| Effect/Outcome: Percentage of total requests processed. | 91% | 95% | 95% |

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





City Attorney



Mission Statement

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

City Attorney

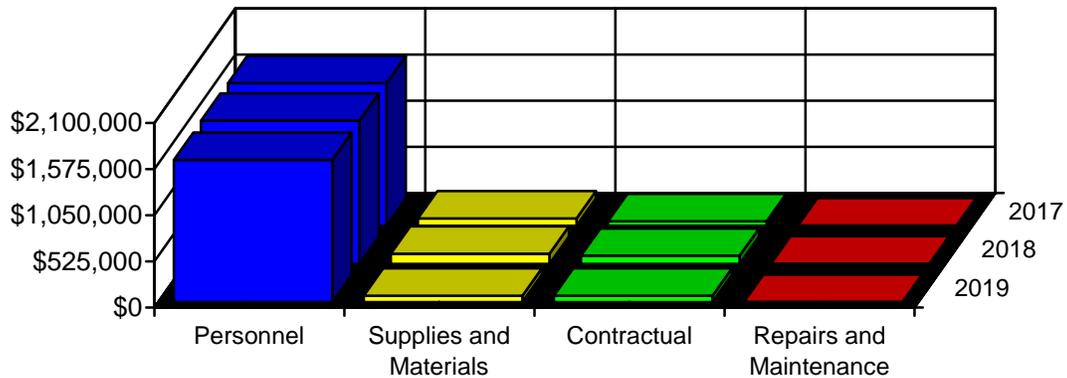
Expenditure Budget

| Description | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|--------------------|--------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$1,623,633 | \$1,629,738 | \$1,620,155 |
| Supplies and Materials | 82,087 | 113,824 | 71,574 |
| Contractual | 50,100 | 91,153 | 72,644 |
| Repairs and Maintenance | 3,629 | 3,660 | 1,442 |
| Total | \$1,759,449 | \$1,838,375 | \$1,765,815 |

| | | | |
|-----------------|----|----|----|
| Staffing | 20 | 18 | 18 |
|-----------------|----|----|----|

The personnel decrease is primarily attributed to salary adjustments anticipated due to staffing changes within the Department. Other reductions in supplies (primarily law books and controlled equipment), contracts, and travel were required to help offset cost increases in the budget for public safety.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------|--------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$1,765,815 | -3.95% |



City Attorney

| 2018 Department Priorities | Status |
|---|-----------|
| Continue to provide quality legal guidance and representation for City officials and department heads. | Ongoing |
| Continue transparent communication methods through reports, alerts, | Ongoing |
| Continue to provide 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 State and 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 represent the City in litigation cases for or against the City. | Ongoing |
| Continue to prosecute traffic, truancy and code violations. | Ongoing |
| Purchased and implemented a law-office software program to document billable hours and overall workload and to provide more detailed information for the Budget Service Measures. | Completed |

| 2019 Department Goals |
|---|
| Continue to provide quality legal guidance and representation for City officials and department heads. |
| Continue transparent communication methods through reports, alerts, and various updates. |
| Continue to provide legal advice on the Criminal Abatement Program. |
| Continue to prepare legal research memoranda in a timely manner. |
| Maintain awareness of recent changes in State and Federal law and regulations that may impact Little Rock government. |
| Assist City departments with the drafting of proposed ordinances and resolutions. |
| Continue to review, research and draft contracts for City departments and commissions. |
| Continue to represent the City in litigation cases for or against the City. |
| Continue to prosecute traffic, truancy and code violations. |
| Review 4th amendment implications on LRPD's current use of no-knock warrants and dynamic entry. |
| Implement aggressive in-house training regarding local government issues. |
| Develop City Wireless Telecommunication policy between Public Works, IT Department, City Attorney Office, Board of Directors, City Manager and Planning Department. |



City Attorney

Department: City Attorney
Funding Source: General Fund
Budget: \$ 1,765,815

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.

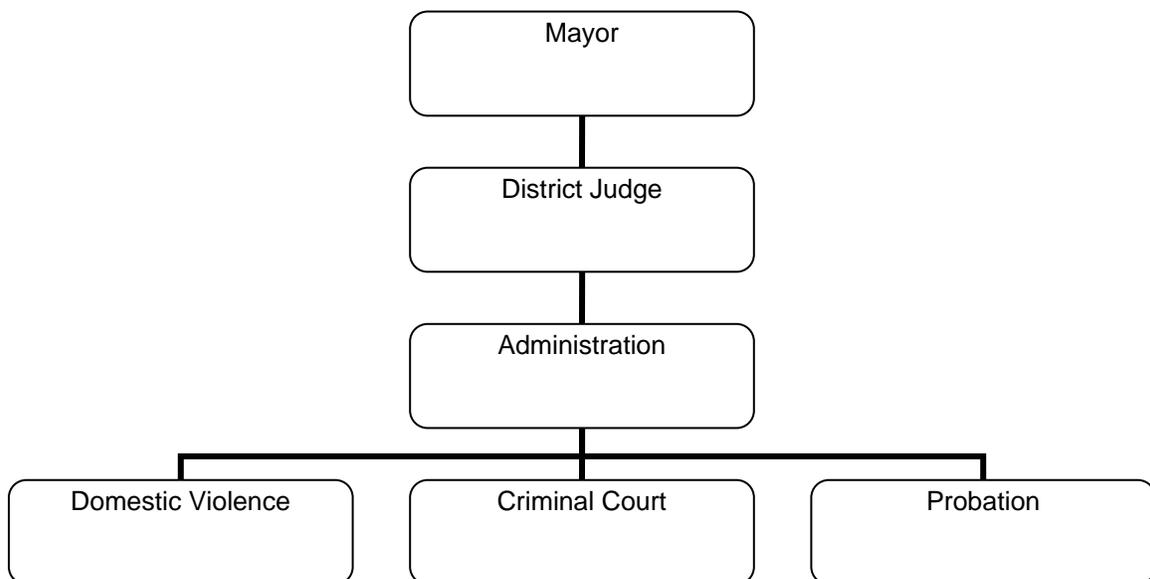
| | 2017 Actual | 2018 Actual | 2019 Budget |
|---|------------------------|------------------------|------------------------|
| Objective: To litigate cases. | | | |
| Demand: Cases to be litigated. | 70 | 129 | 130 |
| Workload: Cases litigated. | 70 | 129 | 130 |
| Efficiency: Cases litigated per year. | 70 | 129 | 130 |
| 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. | 2,500 | 3371 | 3000 |
| Workload: Violations prosecuted for final judgment. | 2,500 | 1941 | 1950 |
| Efficiency: Violations convictions. | 1,250 | 743 | 975 |
| Effect/Outcome: Conviction rate. | 50% | 40% | 50% |
| Objective: To prosecute DUI/DWI violations. | | | |
| Demand: DUI/DWI pleas and trials. | 350 | 400 | 400 |
| Workload: Court appearances for DUI/DWI pleas and trials. | 350 | 400 | 400 |
| Efficiency: Guilty DUI/DWI pleas and convictions | 235 | 272 | 275 |
| Effect/Outcome: Percentage guilty. | 67% | 68% | 68% |
| Objective: Prepare contract and legal memoranda in a timely manner. | | | |
| Demand: Request for contracts and legal research. | 230 | 222 | 225 |
| Workload: Contracts and research memoranda prepared. | 230 | 222 | 225 |
| Efficiency: Contracts and memoranda prepared in a timely manner. | 230 | 222 | 225 |
| 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.**





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

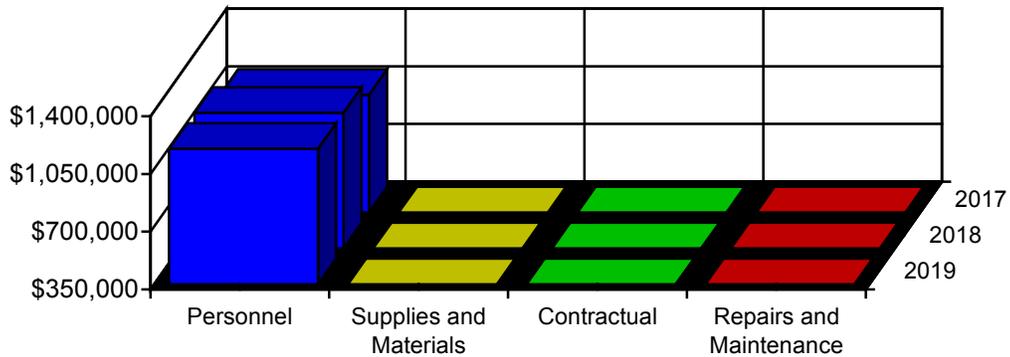
Expenditure Budget

| Description | 2017 Actual Expenditures | 2018 Adopted Budget | 2019 Adopted Budget |
|--------------------------------|--------------------------------|---------------------------|---------------------------|
| Salaries and Employee Benefits | \$1,063,277 | \$1,171,534 | \$1,190,425 |
| Supplies and Materials | 26,350 | 42,100 | 42,100 |
| Contractual | 70,238 | 96,950 | 96,950 |
| Repairs and Maintenance | - | 1,700 | 1,700 |
| Total | \$1,159,864 | \$1,312,284 | \$1,331,175 |

| | | | |
|-----------------|----|----|----|
| Staffing | 20 | 20 | 20 |
|-----------------|----|----|----|

Approximately \$18,900 of the increase in personnel cost reflects changes in the cost of benefits and staffing turnover from the 2018 Original Budget.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------------|--------------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$1,331,175 | 1.44% |



District Court First Division

| 2018 Department Priorities | Status |
|--|---------------|
| Directed the overall operations of Criminal Court within the guidelines of the State of Arkansas and the City of Little Rock ordinances, statutes, and policies. | Completed |
| Provided fair and impartial adjudications for all cases heard. | Completed |
| Continued community outreach with educational information. | Completed |
| Provided court informed sentencing recommendations, monitoring, and compliance with court orders. Stayed informed on all changing legislation regarding fees and new statute requirements. | Completed |
| Provided management direction to staff and ensured accountability and accessibility to citizens, while providing courteous customer service. | Completed |

| 2019 Department Goals |
|---|
| Administer and provide justice to all in an equitable and professional manner within the guidelines of Arkansas Statutes and City policy. |
| Provide better management and direction to staff and ensure accountability. |
| Provide management and preparation for any changes that may be required. |
| |



District Court First Division

Department: District Court Criminal
Funding Source: General Fund
Budget: \$ 1,331,175

Department Description:

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

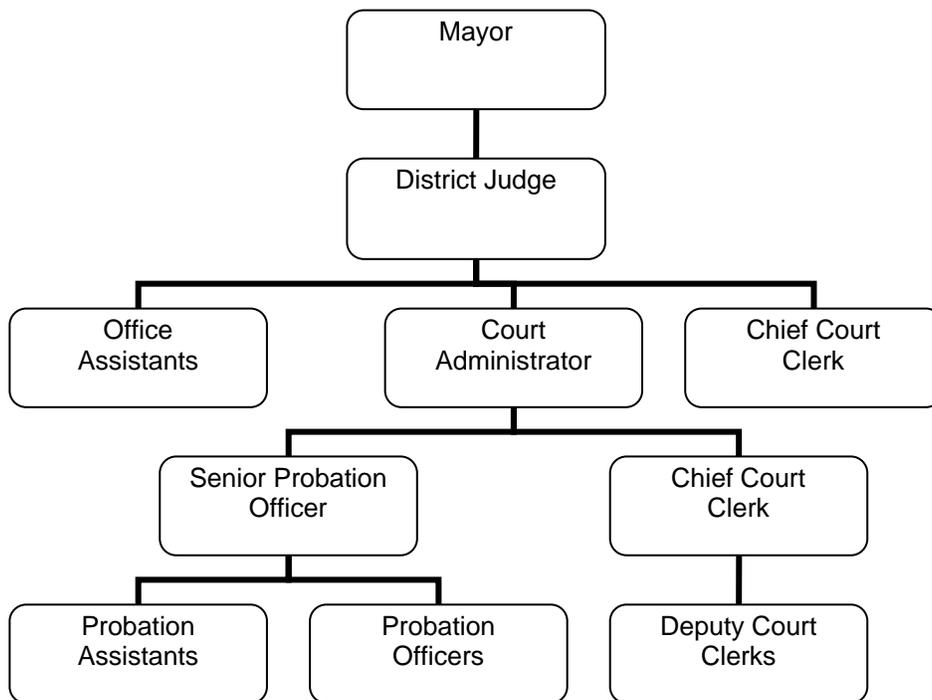
| | 2017 Actual | 2018 Budget | 2019 Budget |
|--|------------------------|------------------------|------------------------|
| Objective: To process Criminal Bond information on a daily basis. | | | |
| Demand: Bonds to be processed. | 100 | 100 | 100 |
| Workload: Bonds actually processed. | 100 | 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.**





District Court Second Division



Mission Statement

We seek to administer justice and equity.

District Court Second Division

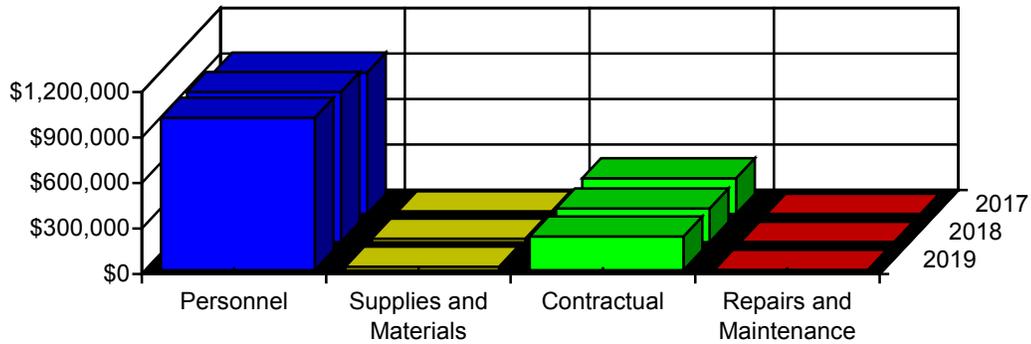
Expenditure Budget

| Description | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|--------------------|--------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$932,457 | \$989,165 | \$1,003,141 |
| Supplies and Materials | 18,201 | 22,200 | 22,200 |
| Contractual | 236,546 | 222,522 | 222,522 |
| Repairs and Maintenance | 1,277 | 2,061 | 2,050 |
| Total | \$1,188,481 | \$1,235,948 | \$1,249,913 |

| Staffing | 2017 | 2018 | 2019 |
|----------|------|------|------|
| | 18 | 18 | 18 |

Approximately \$14,000 of the personnel cost increase is attributed to salary and benefit cost increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------|--------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$1,249,913 | 1.13% |



District Court Second Division

| 2018 Department Priorities | Status |
|--|---------|
| Find additional Community Service agencies that will work with our court. | Ongoing |
| Update the Probation Officer Manual which will include a step by step guide for all applicable duties in Traffic Court. | Ongoing |
| Look for new and relevant training for the probation office staff. | Ongoing |
| Focus on self-improvement and professional development in an effort to better serve the public and enhance employee morale. | Ongoing |
| Have all front office clerks fully trained on bottom and top chair in the courtroom. | Ongoing |
| Have all clerks actively using Session Direct in the courtroom in an effort to streamline the courtroom process and have fewer courtroom delays resulting from waiting on clerks to update tickets. | Ongoing |
| Develop more documents in Contexte to help streamline some clerk processes. | Ongoing |
| Allow clerks to attend more professional development classes offered through the city and surrounding areas. | Ongoing |
| Each clerk has been given the goal of finding one thing (big or small) in their daily processes they feel could be streamlined. They were asked to determine a viable solution and share it with their supervisor. | Ongoing |

| 2019 Department Goals |
|--|
| Continue to find innovative ways to improve and streamline overall court operations. |
| Provide the best customer service possible by cross-training all court clerks. |
| Establish an e-filing system implemented through the Administrative Office of the Courts. |
| Find additional Community Service agencies that will work with our court. |
| Updating the Probation Officer Manual which will include a step by step guide for all duties in Traffic Court. |
| Provide new and relevant training for the probation office staff. |
| Solicit agencies outside Central Arkansas to be added to our court's community service provider database. |
| Encourage clerks to attend the supervisory equivalency training offered by the Human Resources Department. |



Department: District Court Traffic
Funding Source: General Fund
Budget: \$ 1,249,913

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.

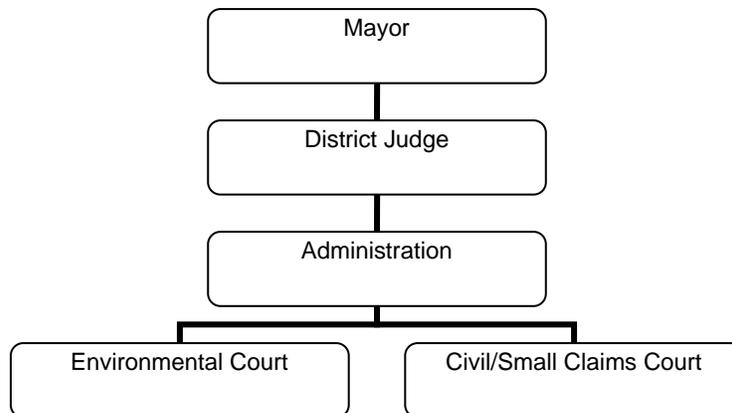
| | 2017 Actual | 2018 Budget | 2019 Budget |
|--|------------------------|------------------------|------------------------|
| Objective: To enter violations into Contexte the same day received. | | | |
| Demand: Violations to be entered. | 29,524 | 28,723 | 29,000 |
| Workload: Violations entered and processed. | 29,524 | 28,723 | 29,000 |
| Efficiency: Violations entered and processed per month. | 2,460 | 2,393 | 2,416 |
| Effect/Outcome: Percentage of violations processed same day received. | 99% | 99% | 99% |
| Objective: To update dispositions in Contexte within 24 hours. | | | |
| Demand: Violations to be disposed. | 30,876 | 28,308 | 28,500 |
| Workload: Violations disposed. | 30,876 | 28,308 | 28,500 |
| Efficiency: Violations disposed of per month. | 2,573 | 2,359 | 2,375 |
| 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.**





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

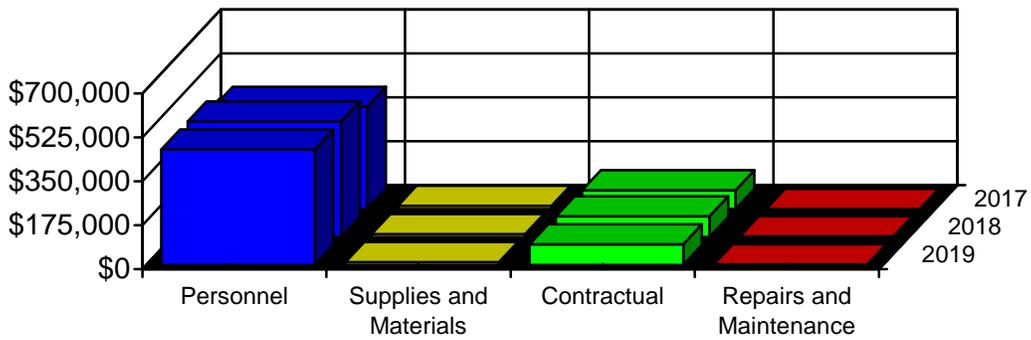
Expenditure Budget

| Description | 2017 Actual Expenditures | 2018 Adopted Budget | 2019 Adopted Budget |
|--------------------------------|--------------------------------|---------------------------|---------------------------|
| Salaries and Employee Benefits | \$408,227 | \$461,011 | \$457,408 |
| Supplies and Materials | 12,671 | 11,813 | 15,463 |
| Contractual | 74,888 | 83,135 | 79,985 |
| Repairs and Maintenance | 240 | 2,500 | 2,000 |
| Total | \$496,027 | \$558,459 | \$554,856 |

| Staffing | 8 | 8 | 8 |
|----------|---|---|---|
|----------|---|---|---|

The change in personnel cost is attributed to salary and benefit cost changes for non-uniform employees from the 2018 original budget. Other operating expenses were realigned without increasing the overall budget allocation.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------------|--------------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$554,856 | -0.65% |



District Court Third Division

| 2018 Department Priorities | Status |
|---|---------------|
| Continue education in emergency awareness training for bailiff's and staff (active shooter, sovereign citizens, overt disruption resolution, etc.). | Ongoing |
| Increase the court's presence in the local school system through speaking engagements and probation officers making school visits. | Ongoing |
| Obtain office space that will accommodate all staff in one building. | Ongoing |
| Provide fair and impartial rulings for all cases. | Ongoing |
| Further refine our probation department service for youth and code enforcement cases. | Ongoing |
| Transition our part-time Environmental Court Assistant position to full-time. | Ongoing |

| 2019 Department Goals |
|---|
| Continue education in emergency awareness training for bailiff's and staff (active shooter, sovereign citizens, overt disruption resolution, etc.). |
| Increase the court's presence in the local school system through speaking engagements and probation officers making school visits. |
| Obtain office space that will accommodate all staff in one building. |
| Provide fair and impartial rulings for all cases. |
| Further refine our probation department service for youth and code enforcement cases. |
| Transition our part-time Environmental Court Assistant position to full-time. |
| Find more resources for juvenile offenders. |
| Find more sentencing options for solicitation violators. |
| Purge civil/small claims files over ten years old. |
| |



Department: District Court Environmental
Funding Source: General Fund
Budget: \$554,856

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.

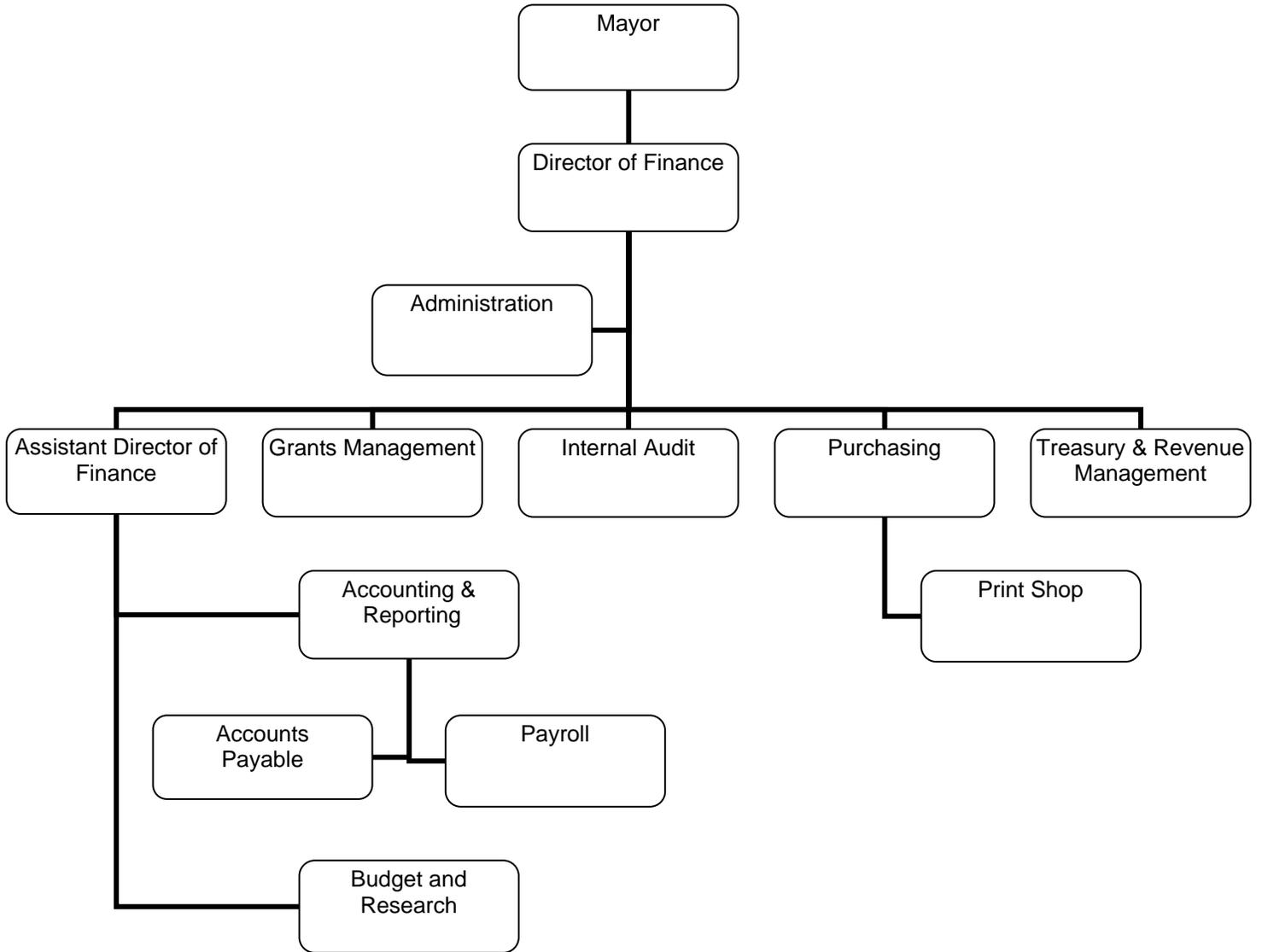
| | 2017 Actual | 2018 Budget | 2019 Budget |
|---|------------------------|------------------------|------------------------|
| Objective: To process 100% of life-threatening violations within seven (7) days of the date citation is written. | | | |
| Demand: Violations to be processed. | 5 | 10 | 5 |
| Workload: Citations processed, recorded, and entered into computer. | 2 | 10 | 5 |
| Efficiency: Citations processed. | 2 | 3 | 5 |
| Effect/Outcome: Percentage of Citations processed within thirty (30) days. | 100% | 100% | 100% |
| Objective: To enter citations into Contexte within 48 hours received. | | | |
| Demand: Citations to be entered. | 2,157 | 2,000 | 2,300 |
| Workload: Citations entered and processed. | 2,157 | 2,000 | 2,300 |
| Efficiency: Citations processed per month. | 179 | 167 | 191 |
| Effect/Outcome: Percentage of Citations processed within forty-eight (48) hours received. | 100% | 100% | 100% |

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





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

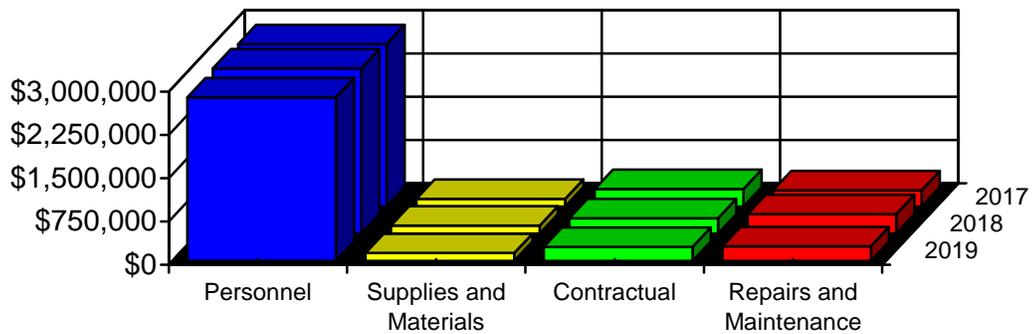
Expenditure Budget

| Description | 2017 Actual Expenditures | 2018 Adopted Budget | 2019 Adopted Budget |
|--------------------------------|--------------------------------|---------------------------|---------------------------|
| Salaries and Employee Benefits | \$2,816,570 | \$2,864,625 | \$2,835,621 |
| Supplies and Materials | 133,365 | 142,169 | 133,089 |
| Contractual | 302,322 | 268,011 | 241,251 |
| Repairs and Maintenance | 283,042 | 337,160 | 250,081 |
| Total | \$3,535,299 | \$3,611,965 | \$3,460,042 |

| Staffing | 43 | 43 | 42 |
|-----------------|----|----|----|
|-----------------|----|----|----|

The elimination of the analyst position and reductions in supplies, contracts, and training were required to help offset increases in the public safety budget in 2019. Software maintenance cost was reclassified to applicable special projects for Human Resources, Planning, and Fleet applications.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------------|--------------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$3,460,042 | -4.21% |



Finance

| 2018 Department Priorities | Status |
|--|------------------------|
| Initiated leasing plans for creative financing that lessened 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) developed a proposal for a Strategic Vehicle Replacement Plan that will address the replacement of older patrol units in the Police Department. The goal is to annually retire and replace 20% of the older patrol units over the next five (5) years. | Completed |
| Staff worked to obtain the Government Finance Officers Association (GFOA) Certificate of Recognition for the 2018 Budget Preparation and the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 2017 Comprehensive Annual Financial Report (CAFR). | Completed |
| Staff coordinated with other City Departments to update program inventories based on the 2018 Budget for review sessions in the fall. This program will be continued on an annual basis. | Completed |
| Complete implementation of INFOR's Dynamic Enterprise Performance Management (d/EPM) budget solution purchased in 2017. | Ongoing |
| Internal Audit will prepare an Audit Plan, continuing the shift to a proactive approach promoting 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. The annual updated Audit Plan combined with analytical review of relevant data will provide a foundation for the future development of a continuous financial and compliance monitoring process. | Ongoing |
| In July 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 the aggregate amount of \$44,000,000 with scheduled principal due from 2017 through 2033. Finance worked with financial underwriters, bond counsel, and Public Works to determine the appropriate timing of the second series of bonds to ensure funds were expended in a timely manner in conjunction with completion of projects funded by the 2013 Bond Issue and 2012 3/8-Cent Sales Tax. Issuance occurred in late 2018 with proceeds available for expenditure in 2019. | Completed |
| Conduct an audit of franchise fee collections and compliance with franchise agreements to be completed by the third party vendor selected through a request for proposal process during 2017. The audit will review all ordinances, regulations and agreements governing each franchise utility provider; review any compliance issues and any boundary changes, annexations or rate changes that might impact compliance; and identify any revenues excluded from the franchise fee calculations. (The City Manager decided not to pursue this audit) | Other (Please Explain) |
| Continue the aggressive pursuit of Federal, State, Local and private grant opportunities. | Ongoing |
| Continue the grant training program on grant management and writing for all City Departments. | Ongoing |



Finance

| 2018 Department Priorities (Continued) | Status |
|---|------------------|
| <p>Purchasing enhanced and maintained a repository of procurement-related contracts and advanced implementation of recommendations resulting from the project with Harvard's Government Performance Lab, including further modifications to the procurement policy. Staff completed implementation of INFOR's Strategic Sourcing/Contract Management software purchased in 2017 to track expenditures on contracts and enhanced our ability to enforce contract terms, increase accountability and aggregate spending for future trend analysis. In addition, staff conducted Citywide buyer and vendor training.</p> | <p>Completed</p> |
| <p>Coordinated with Human Resources, Purchasing and Internal Audit to implement a Conflict of Interest reporting form and annual Ethics Statement for mid-managers and above, to comply with Internal Audit best practices and the Uniform Grant Guidance general procurement standards for employees and vendors required for Federal Awards. Updated the Grant Compliance Manual to include requirements of new Office of Management and Budget circulars as the requirements are refined.</p> | <p>Completed</p> |
| <p>Continue to perform periodic reviews and testing of the City's internal controls, perform random cash counts, and provide regular reports regarding the status of the City's internal control system, with recommendations for improvements as needed.</p> | <p>Ongoing</p> |
| <p>Continue to pursue options for upgrade of the City's print services, including review of a web-based managed print solution that would encompass all of the City's printing needs.</p> | <p>Ongoing</p> |
| <p>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 and conduct minority vendor training in collaboration with the City's Small Business Incubator Program.</p> | <p>Ongoing</p> |
| <p>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.</p> | <p>Ongoing</p> |
| <p>Conducted a Board of Directors Pre-Budget Planning/Priority Session in the fall to review Departmental Program Budgets.</p> | <p>Completed</p> |
| <p>The local Fire Pension and Relief Fund Board of Trustees indicated a desire to consider merging administration with LOPFI in 2018. They took steps to obtain actuarial services to analyze options for merging administration with a benefit increase or Cost of Living Adjustment (COLA) once the annual Pension Review Board report is accepted and the window for consolidation reopens. In addition, they arranged an information session for members of the plan and obtain a consensus before the Board took final action. Finance Staff began preparation by gathering census information such as social security cards and marriage licenses that were required in the event of a merger and by advising applicable members to update Qualified Domestic Relations Orders. In addition, Staff facilitated the transfer of information and assets to LOPFI once the Fire Pension Board of Trustees and the City Board approved the consolidation.</p> | <p>Completed</p> |



Finance

| 2019 Department Goals |
|--|
| Staff will work to obtain the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for the 2019 Budget Document and the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 2018 Comprehensive Annual Financial Report (CAFR). |
| Staff will coordinate with other City Departments to update program inventories based on the 2019 Budget for review sessions in the fall. This program will be continued on an annual basis. |
| Budget and Accounting Staff will complete implementation of INFOR's Dynamic Enterprise Performance Management Budget Solution. |
| Internal Audit will prepare an annual Audit Plan, continuing the shift to a proactive approach promoting 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. The annual updated Audit Plan, combined with analytical review of relevant data, will provide a foundation for the development of on-going financial and compliance monitoring processes. |
| The Purchasing Division will continue to enhance and maintain a repository of procurement-related contracts. Now that implementation of INFOR's Strategic Sourcing/Contract Management Software is complete, the focus will be to analyze trends, consolidate purchases and capitalize on potential volume savings while taking care not to exclude Small, Minority and Woman Owned Businesses. Additionally, Staff will work to build a continuous Contract Management training program. |
| The Grants Division will continue the aggressive pursuit of Federal, State, Local and private grant opportunities. |
| Finance will continue to pursue options for an upgrade of the City's Print Shop equipment and services, and will modify the Print Shop price schedule to introduce quantity-based price breaks in order to stay competitive with outside vendors on large print jobs. Partnering opportunities with other local governments' print shops to handle potential overflow until equipment can be upgraded internally will be researched. |
| The Grants Division will continue the training program on grant management and writing for all City Departments. The Grant Manager will continue to update the Grant Compliance Manual |
| Internal Audit will continue to perform periodic reviews and testing of the City's internal controls, perform random cash counts and provide regular reports regarding the status of the City's internal control system, with recommendations for improvements as needed. |
| Treasury Staff will continue to improve the online experience to enhance site navigation and access to customer accounts. Staff will work with the online vendor to capture as many email addresses as possible for notification purposes and to have a "same as last year" option when customers assess online. This should reduce the amount of time a vendor spends on the site and should increase participation, encourage more online payments and increase paperless accounts. |
| Treasury Management will partner with University of Arkansas Little Rock graduate students to utilize technology such as GPS mapping and other online tools to assist in locating Little Rock businesses that are not included in the City's current database. This should increase business license revenues. |



Finance

2019 Department Goals (Continued)

The Purchasing Division has implemented an online bidding and vendor management system that is showing increased participation and contract awards for Small, Minority and Woman Owned Businesses. Staff has established the blueprint for procurement training and will work to deliver a continuous program geared to help Small, Minority and Woman Owned Businesses navigate the City's procurement process. This effort is supported by a short "Doing Business with the City" video designed to instruct the different stakeholders on the process. This video is already live on the City's website and will be reinforced by instructional "How to" guides on the various procurement processes. Staff will continue the outreach efforts to train Small, Minority and Women Owned Businesses on the City's procurement process. In addition, Staff is looking into expanding the Minority definition of the City to match that of the State or Federal government.

Treasury Management will research and model the steps required for entrepreneurs to start a business in Little Rock. The goal is to provide future business owners everything they need to know about starting a business in Little Rock via a single website. This would include all requirements from various agencies of municipal, county and the state government with links to each.

Finance will facilitate a Board of Directors Pre-Budget Planning/Priority Session in the fall to review Departmental Program Budgets.

Finance will 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.



City of Little Rock, Arkansas

Finance

Department: Finance
Funding Source: General Fund
Budget: \$ 3,460,042

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.

| | 2017 Actual | 2018 Budget | 2019 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. | 1,741 | 1,500 | 1,500 |
| Workload: Number of journal entries processed and completed. | 1,741 | 1,500 | 1,500 |
| Efficiency: Average number of journal entries processed and reviewed per month. | 145 | 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. | 77,424 | 75,000 | 78,000 |
| Workload: Number of invoices processed, recorded, and completed. | 77,424 | 75,000 | 78,000 |
| Efficiency: Number of invoices processed per hour. | 37 | 36 | 36 |
| Effect/Outcome: Percentage of invoice payments issued within 30 days. | 95% | 95% | 95% |



City of Little Rock, Arkansas

Finance

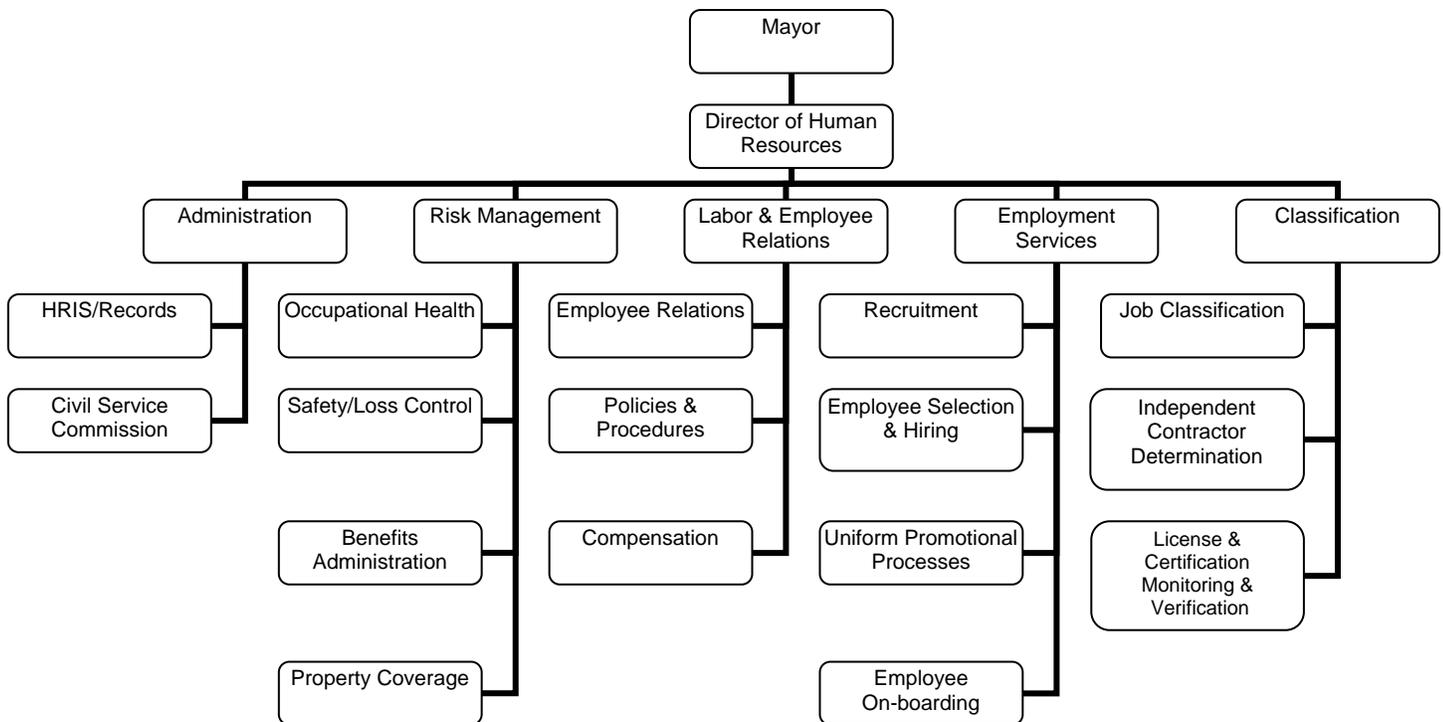
| | 2017 <u>Actual</u> | 2018 <u>Budget</u> | 2019 <u>Budget</u> |
|---|-----------------------|-----------------------|-----------------------|
| Objective: To provide and maintain a systematic method of accounting for and controlling City's assets. | | | |
| Demand: Number of departmental annual asset inventory counts scheduled. | 41 | 41 | 41 |
| Workload: Number of addition, retirement, and depreciation, transfer, and adjustment transactions processed. | 44,052 | 35,000 | 35,000 |
| Efficiency: Number of departmental asset inventory counts completed. | 41 | 41 | 41 |
| Efficiency: Transactions processed per month. | 3,671 | 2,917 | 2,917 |
| Effect/Outcome: Percentage of departmental annual asset inventory counts conducted. | 100% | 100% | 100% |

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.

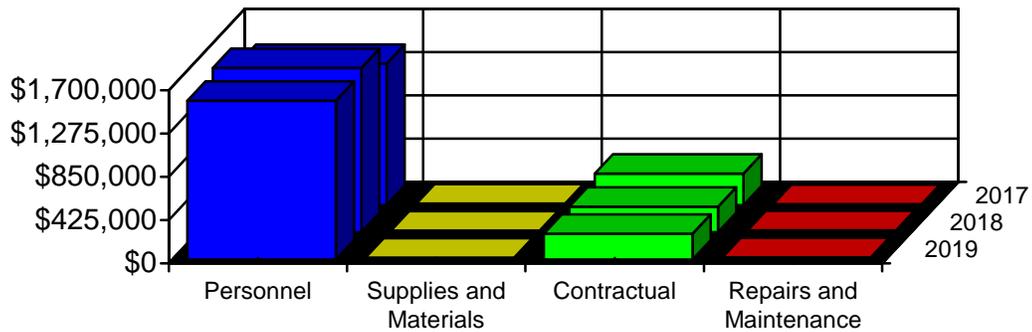
Human Resources

| Description | Expenditure Budget | | |
|--------------------------------|--------------------------------|---------------------------|---------------------------|
| | 2017 Actual Expenditures | 2018 Adopted Budget | 2019 Adopted Budget |
| Salaries and Employee Benefits | \$1,389,239 | \$1,613,128 | \$1,558,854 |
| Supplies and Materials | 17,293 | 17,200 | 17,200 |
| Contractual | 308,438 | 250,692 | 252,447 |
| Repairs and Maintenance | 11,060 | 19,736 | 19,516 |
| Total | \$1,726,030 | \$1,900,756 | \$1,848,017 |

| Staffing | 20 | 22 | 23 |
|----------|----|----|----|
|----------|----|----|----|

Approximately \$115,000 of the personnel cost change is attributed to the elimination of a coordinator position and the reclassification of an account reconciliation position to the Benefits Consulting special project. The elimination of the position was to help offset increases in the public safety budget in 2019. This is partially offset by the addition of an FOIA position during 2018.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------------|--------------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$1,848,017 | -2.77% |



Human Resources

| 2018 Department Priorities | Status |
|--|----------|
| Updated language on all job descriptions to ensure compliance with the Arkansas Medical Marijuana Act (AMMA). | Complete |
| Reviewed and updated the list of classifications subject to random drug testing program. | Complete |
| Conducted semi-annual mandatory training in the following areas: Timekeeping, Family Medical Leave Act/ American Disabilities Act/Catastrophic Leave (FMLA)/(ADA/CAT) requests, (ADA) Interactive Process, Workplace Harassment, Sexual Harassment, Business Ethics and Etiquette. | Complete |
| Human Resources developed an effective FMLA monitoring system for tracking FMLA usage. | Complete |
| Develop a Wellness Program that will assist in driving down Healthcare cost and keep employees engaged. | Ongoing |

| 2019 Department Goals |
|--|
| Conduct audit of statement of values for property insurance. |
| Implement revised classification job analysis questionnaire. |
| Administer orientation for uniform promotional candidates. |
| Continue providing training opportunities for city employees conducted by staff. |
| |
| |



Human Resources

Department: Human Resources
Funding Source: General Fund
Budget: \$ 1,848,017

Department Description:

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

| | 2017 Actual | 2018 Budget | 2019 Budget |
|--|------------------------|------------------------|------------------------|
| 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. | 20 | 20 | 20 |
| Workload: Number of enrollment meetings conducted. | 20 | 20 | 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% | 100% |
| Objective: To receive process and maintain job descriptions and job specifications for City classifications. | | | |
| Demand: Number of active job classifications. | 455 | 476 | 474 |
| Workload: Number of classifications requests or new position requests per year (includes LRCVB). | 210 | 372 | 390 |
| Efficiency: Complete research and submit completed documents for review by requesting department within 60 days. | 60 | 23 | 60 |
| Effect/Outcome: Average number of days to complete research and submit proposed job descriptions/specification. | 60 | 23 | 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. | 20.97 | 11.67 | 13 |
| Workload: The number of actual positions which were processed (i.e. posted, screened/tested, and referred). | 375 | 374 | 300 |
| Efficiency: Number of all applicants for posted full-time positions. | 19,910 | 20,048 | 19,000 |
| Effect/Outcome: Average number of days to submit/refer a list (from the receipt of a requisition to the referral of a list). | 12.5 | 11.67 | 13 |



Human Resources

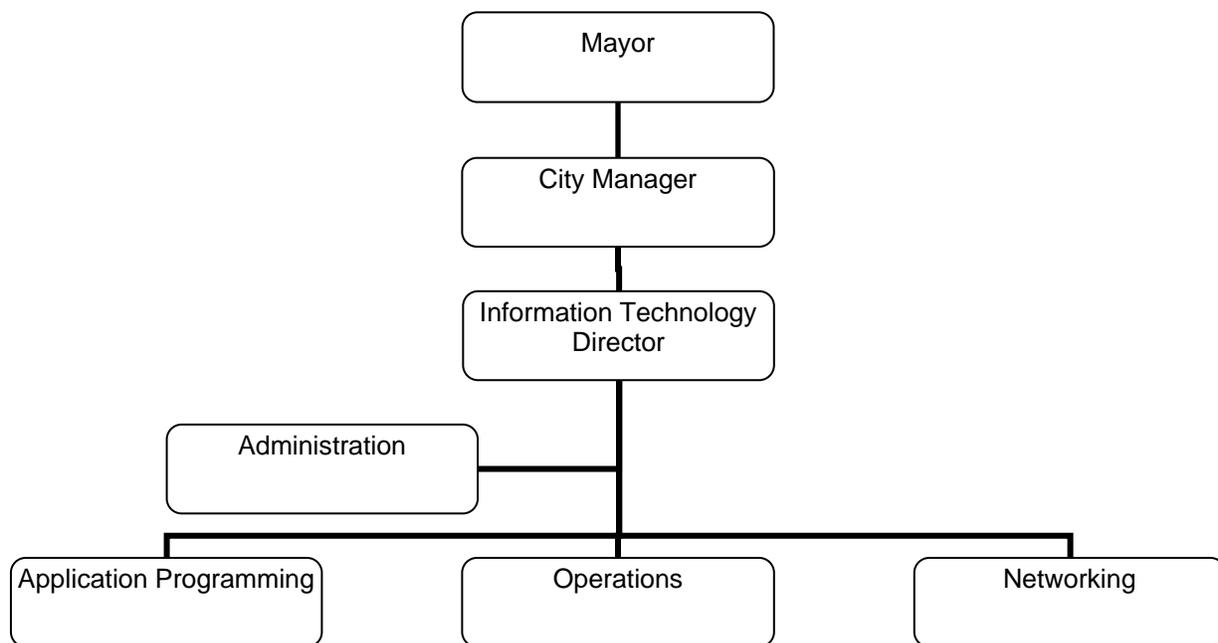
| | | | |
|--|---------|---------|---------|
| <p>Objective: Provide a cost-effective self-funded Workers' Compensation program which meets legal requirements and to reduce the City's risk of loss due to accidents.</p> | | | |
| Demand: Year to date cost per claim. | \$2,604 | \$6,145 | \$6,350 |
| Workload: Number of claims. | 341 | 288 | 298 |
| <p>Efficiency: Percentage of claims properly reported to the Workers' Compensation Commission within the ten (10) day requirement.</p> | | | |
| | 100% | 100% | 100% |
| <p>Effect/Outcome: Proper claim management driven by on time reporting percentages.</p> | | | |
| | 100% | 100% | 100% |
| <p>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.</p> | | | |
| Demand: Approximate building valuation (in millions). | 495 | 510 | 510 |
| Workload: Actual Value. | 495 | 510 | 510 |
| <p>Efficiency: Maintain or improve coverage without Unnecessary increase in premium rates.</p> | | | |
| | 5% | 1% | 1% |
| <p>Effect/Outcome: Percent increase in premium rates.</p> | | | |
| | 5% | 1% | 1% |

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

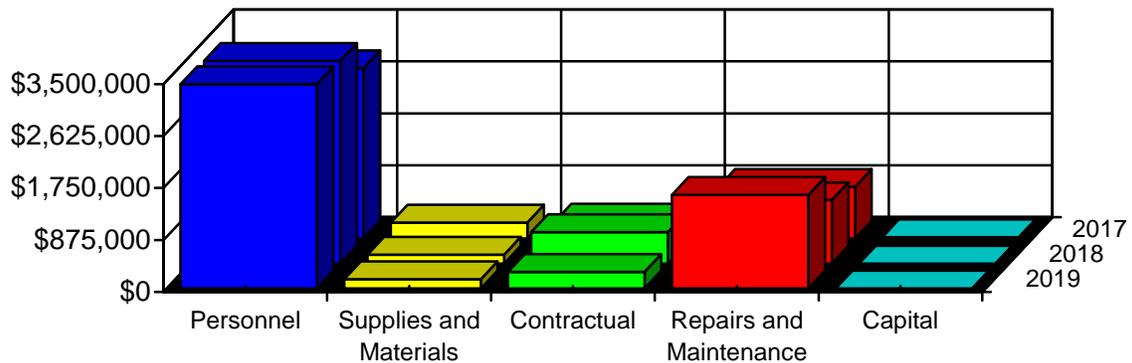
Expenditure Budget

| Description | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|--------------------|--------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$2,866,213 | \$3,409,564 | \$3,439,250 |
| Supplies and Materials | 269,020 | 149,724 | 154,175 |
| Contractual | 286,975 | 528,656 | 278,524 |
| Repairs and Maintenance | 870,655 | 1,067,361 | 1,577,546 |
| Capital | 23,214 | - | - |
| Total | \$4,316,077 | \$5,155,305 | \$5,449,495 |

| | | | |
|-----------------|----|----|----|
| Staffing | 39 | 39 | 39 |
|-----------------|----|----|----|

Approximately \$29,700 of the personnel cost increase is attributed to the reclassification of positions and salary and benefit cost increases. The increase in repairs and maintenance reflect the cost of maintenance for the Active - Active system and 911 CAD system maintenance.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------|--------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$5,449,495 | 5.71% |



Information Technology

| 2018 Department Priorities | Status |
|--|-----------|
| Collaborate with Little Rock Police Department (LRPD) and Little Rock Fire Department (LRFD) to research, outline and implement a Computer Aid Dispatch System (software, interfaces, components, etc.) that best serves the City of Little Rock, its citizens and visitors. | Ongoing |
| Provided technical support to the Planning Department with the installation of the Lawson/Infor Planning modules. | Completed |
| Provide technical support to the Finance Department with the installation of the Lawson/Infor Budget module. | Ongoing |
| Provided technical support to the Finance Department on implementation of the Lawson/Infor Contract Management module. | Completed |
| Provide technical support to the Fleet Department on the implementation of the Lawson/Infor Asset Management system. | Ongoing |
| Research the feasibility of adding a barcoding system for the tracking of all technology assets. | Ongoing |
| Upgrade and replace the City's core network equipment to ensure the reliability of network communications for all City staff and systems; provided funding is available. | Ongoing |
| Addition of physical servers and related equipment to support the growth of virtual servers and new technology; provided funding is available. | Ongoing |
| Replace the core firewalls which are operating at maximum capacity and are not performing at an optimal level. This will enhance our ability to ensure the integrity of the City's internal network. Provided funding is available. | Ongoing |
| Upgrade and replace remaining portions of the City's existing phone system with the Voice-Over Internet Protocol (VoIP) Phone System. | Ongoing |
| Provide technical knowledge and assistance to Little Rock Zoo and Parks & Recreation staff during the implementation of their new Point-of-Sale System. | Ongoing |
| Assist Emergency Management with identifying a notification system that can be utilized by the employees of the City, as well as the citizens and visitors of Little Rock. | Ongoing |
| Continue to assist the Public Works Operations area with securing an Asset Management System that integrates with our current 311 System. | Ongoing |
| Design and develop a system for the Little Rock Police Department, including the 911 Center to track the daily work schedules (40/80) of their personnel electronically. | Ongoing |
| Upgraded wireless equipment installed in the new Police Administration facility. | Completed |
| Coordinate with LRPD on the deployment of new technology in vehicles/mobile. | Ongoing |
| Retrieved Police personnel information on mobile/web application in the field. | Completed |
| Upgraded existing Impound software for use with iPad and streamlined the process. | Completed |
| Re-design and integrate the Parks, Zoo and Building Services Work Order systems to allow for mobile access and ease of maintenance. | Ongoing |
| Researched and provided technical support in creating automated means for updating the data sets on the City's Open Data Portal. | Completed |



Information Technology

| 2019 Department Goals |
|---|
| Collaborate with LRPD and LRFD on contract negotiation and implementation of new CAD System (software, interfaces, components, etc.) that best serves the City of Little Rock, its citizens and visitors. |
| Provide technical support to the Finance Department on Lawson/Infor installation of the Finance Budget module. |
| Provide technical support to the Fleet Department on the implementation of the Asset Management system. |
| Research the feasibility of adding a barcoding system for the tracking of all technology assets. |
| Upgrade and replace the City's core network equipment to ensure the reliability of network communications for all City staff and systems. Provided funding is available. |
| Research the feasibility of upgrading equipment and licensing for data storage and processing for the City computer systems currently residing on the City's Active-Active systems. |
| Upgrade and replace remaining portions of the City's existing phone system to the Voice-Over Internet Protocol (VoIP) Phone System. |
| Provide technical knowledge, assistance, and installation of Little Rock Zoo and Parks & Recreation new Point-of-Sale Systems. |
| Continue to assist the Public Works Operations area with securing an Asset Management System that integrates with our current 311 System. |
| Design and develop a system for LRPD, including the Communications Center to track the daily work schedules (40/80) of their personnel electronically. |
| A portion of the City's current wireless equipment has exceeded its end of life. Equipment will be upgraded and new equipment will be installed in the new Police Administration facility. |
| Redesign and integrate the Parks, Zoo and Building Services Work Order systems to allow for mobile access and ease of maintenance. |



Information Technology

Department: Information Technology
Funding Source: General Fund
Budget: \$ 5,449,495

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.

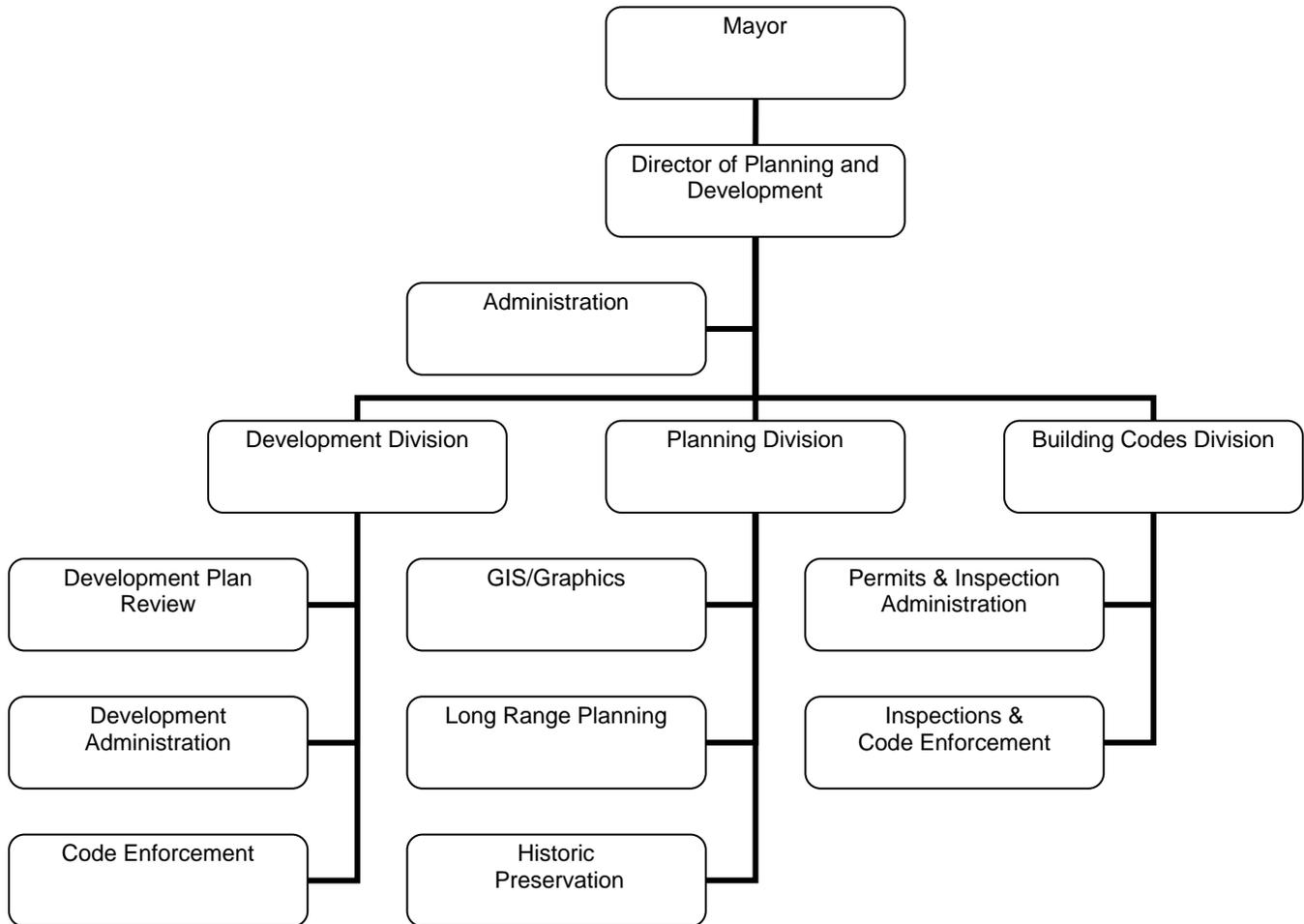
| | 2017 Actual | 2018 Budget | 2019 Budget |
|---|------------------------|------------------------|------------------------|
| Objective: To insure that the City's local area computer network is available 99% of the available work hours. | | | |
| Demand: Hours available in the work year. | 8,760 | 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. | 8,640 | 8,672 | 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. | 6,207 | 8,300 | 8,300 |
| Workload: Number of ticket processed within the year. | 6,194 | 8,300 | 8,300 |
| Efficiency: Number of satisfactory or better tickets. | 6,089 | 8,247 | 8,247 |
| Effect/Outcome: Percent of satisfactory or better rated tickets. | 98.3% | 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

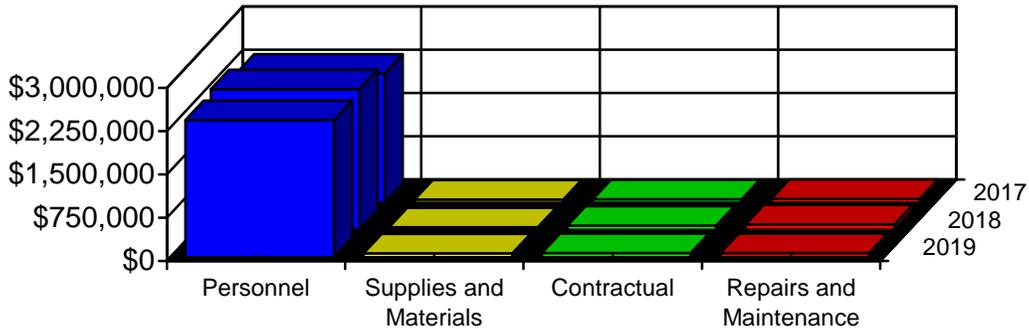
Expenditure Budget

| Description | 2017 Actual Expenditures | 2018 Adopted Budget | 2019 Adopted Budget |
|--------------------------------|--------------------------------|---------------------------|---------------------------|
| Salaries and Employee Benefits | \$2,238,739 | \$2,440,207 | \$2,378,013 |
| Supplies and Materials | 53,757 | 73,362 | 62,040 |
| Contractual | 59,935 | 73,595 | 68,039 |
| Repairs and Maintenance | 66,933 | 72,101 | 68,504 |
| Total | \$2,419,364 | \$2,659,265 | \$2,576,596 |

| | | | |
|-----------------|----|----|----|
| Staffing | 39 | 39 | 39 |
|-----------------|----|----|----|

The reduction in personnel cost of approximately \$62,000 is primarily attributed to retirement payouts included in the prior year budget. Other reductions in supplies, training, and travel were required to help offset increases in the public safety budget.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------------|--------------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$2,576,596 | -3.11% |



Planning and Development

| 2018 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, Bicycle Friendly Community Committee and the Board of Directors. | Ongoing |
| Begin work with the Little Rock Historic Commission on a possible demolition by neglect ordinance. | Ongoing |
| Adopt the Arkansas Mechanical Code and Arkansas Plumbing and Gas Codes. (The Arkansas Codes are subject to State adoption.) | Ongoing |
| Continue the effort to address the issue of unsafe structures. | Ongoing |
| Continue to be involved with the Main Street Revitalization Committee and Subcommittees (Downtown Little Rock Partnership). | Ongoing |
| Prepared a study of the Highway 10 Design Overlay District. The study provided recommendations for changes in the future land use plan for the corridor. | Completed |
| Continue work on refinements to the historic application – adding features and graphics. Complete scans of all final plats, currently ‘cleaning’ the scans for 2018. | Ongoing |
| Review and process approximately 230 requests for rezoning, conditional uses, variances, preliminary plats, tower use permits, street name changes and planned developments. | Ongoing |
| Prepare a downtown master plan that will incorporate the I-30 corridor. (On hold) | Other (Please Explain) |
| Continue to be engaged with the on-going planning process and coordinate assistance from the Nelson Nygaard Team when needed. | Ongoing |
| Completed the process for a new permitting software vendor and implemented the new software with full implementation by February 2019. | Completed |
| Coordinate with Tischler-Bise and complete the study by the fourth quarter of 2018. | Ongoing |
| Review the procedures for development of land including rezoning, platting and site plan review. Prepare report on modification to codes to help streamline the process. | Ongoing |
| In connection with the review of the processes and potential code revisions, prepare report for revisions to organizational chart as needed. | Ongoing |
| Revise application procedures for all divisions and convert to electronic format. Set up file structure plan for all new applications to scan all copies and store on server linking server data to open data portal. | Ongoing |



| 2019 Department Goals |
|---|
| Continue to provide staff support for various boards, commissions and committees including Planning Commission, Board of Adjustment, City Beautiful Commission, Historic District Commission, Bicycle Friendly Community Committee and the Board of Directors. |
| Finish the Broadmoor neighborhood survey – approximately two-thirds of the neighborhood. File for grant to complete the remaining third of the neighborhood and nominate the entire neighborhood for the national register. |
| Start and complete the review of the area between Interstate 30, I-630, I-430 and Downtown. Complete (Board action on) East Plan area (east of Interstate 30/Interstate 530) and NW Plan (north of Chenal/Kanis, west of I-430). Begin the initial work for the review of the area Interstate 30 to I-630, and I-430 to Union Pacific railroad. |
| Per the development process report presented in 2018, the Zoning Division will be re-structured to become the Development Division. In this restructuring, a process for all private development permitting will be implemented. |
| Continue the effort to address the issue of unsafe structures. |
| Local Update of Census Addresses (LUCA) 2020 Pre-Census update of new structures. Continue to support Application development and graphic needs of all city departments. |
| Review and process approximately 230 requests for rezoning, conditional uses, variances, preliminary plats, Tower Use Permits, street name changes and planned developments. |
| Continue to be engaged with the on-going planning process and coordinate assistance from the Nelson/Nygaard Team when needed. |



Department: Planning and Development
Funding Source: General Fund
Budget: \$ 2,576,596

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

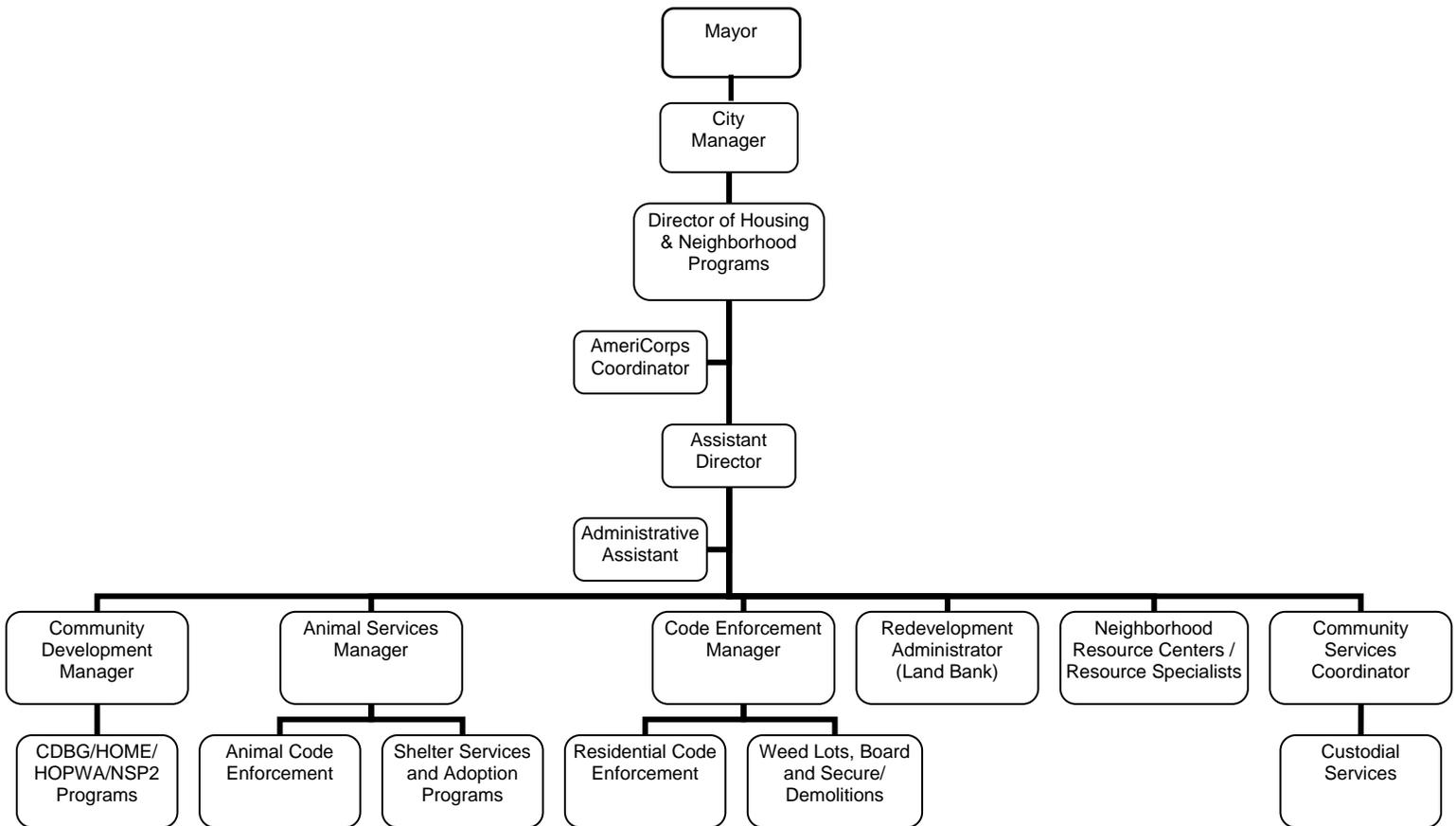
| | 2017 Actual | 2018 Budget | 2019 Budget |
|---|------------------------|------------------------|------------------------|
| Objective: To process 95% of all applications within forty-five (45) days. | | | |
| Demand: Land Use, Historic District, and River Market District cases to be processed. | 30 | 30 | 28 |
| Workload: Land Use, Historic District, and River Market District cases processed. | 30 | 30 | 28 |
| Efficiency: Cases reviewed/completed per month. | 2.5 | 2.5 | 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. | 14,000 | 14,200 | 14,250 |
| Workload: Building, Plumbing Mechanical, and Electrical inspection requests completed. | 14,000 | 14,200 | 14,250 |
| Efficiency: Inspection requests completed per year. | 14,000 | 14,200 | 14,250 |
| 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 | 5,500 | 5,500 |
| Workload: Zoning, subdivision and sign code inspections, and re-inspections completed. | 5,200 | 5,500 | 5,500 |
| Efficiency: Cases processed per year. | 5,200 | 5,500 | 5,500 |
| 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. | 230 | 280 | 250 |
| Workload: Total Cases available per year. | 230 | 280 | 250 |
| Efficiency: Cases processed per year. | 230 | 280 | 250 |
| 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.**





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

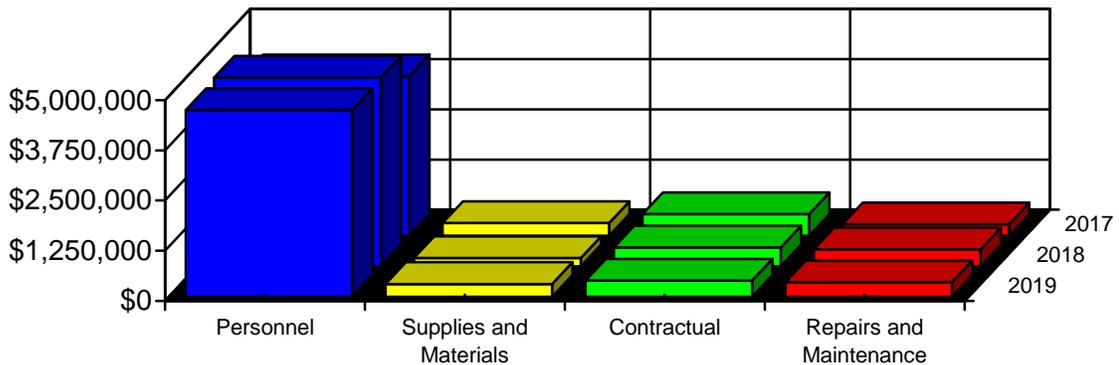
Expenditure Budget

| Description | 2017 Actual Expenditures | 2018 Adopted Budget | 2019 Adopted Budget |
|--------------------------------|--------------------------------|---------------------------|---------------------------|
| Salaries and Employee Benefits | \$3,965,527 | \$4,691,560 | \$4,640,966 |
| Supplies and Materials | 318,527 | 315,451 | 315,676 |
| Contractual | 537,808 | 420,587 | 397,155 |
| Repairs and Maintenance | 285,351 | 352,419 | 358,833 |
| Total | \$5,107,213 | \$5,780,017 | \$5,712,630 |

| Staffing | 105 | 107 | 106 |
|-----------------|-----|-----|-----|
|-----------------|-----|-----|-----|

The decrease in the personnel budget is primarily due to a reduction in part-time salaries. Other changes reflect the anticipated increase in fuel cost, and reductions in contracts and repairs and maintenance required to offset cost increases in the budget for public safety.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------------|--------------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$5,712,630 | -1.17% |



Housing and Neighborhood Programs

| 2018 Department Priorities | Status |
|--|------------------------|
| Published a department newsletter. | Completed |
| Complete 22 rehabilitation projects through the City's Elderly Housing Program utilizing HOME, Community Development Block Grant (CDBG) and Arkansas Housing Trust Fund dollars. | Ongoing |
| Complete twenty (20) Wheel Chair Ramp assistance projects. We actually on completed sixteen (16). | Other (Please Explain) |
| Created a series of Public Service Announcements (PSA's) to highlight various housing programs. | Completed |
| Completed ten (10) new single-family structures utilizing Home Investment Partnership Program (HOME) funds. | Completed |
| Complete construction of quarantine area at Animal Village. (Project has been bided and contractor has been selected.) | Other (Please Explain) |
| Implement a Foreclosure Registry Program. (Vendor has been selected and contract being drafted for web-based registry). | Other (Please Explain) |
| Complete an ordinance to regulate poultry within the city limits. (Issue is scheduled to go before the Animal Village Advisory Board). | Not Completed |
| Updated Department brochures in English and Spanish. | Completed |
| Hosted a Community Housing Fair. | Completed |
| Implement a Code Enforcement Mobile Home Inspection Training Class. | Completed |
| Digitized and mapped departmental data. (i.e., project locations, U/V, etc.) | Completed |
| Create an on-line application for housing assistance/resources. (Application is currently being tested in-house). | Other (Please Explain) |
| Completed the "Love Your Block" recognition program. | Completed |
| Created a Pet License Reminder System. | Completed |
| Complete fifteen (15) homes under the World Changers program. (Currently we have completed fourteen homes). | Other (Please Explain) |
| Created partnerships with American Society for the Prevention of Cruelty to Animals (ASPCA) and other Rescue entities, moving over 700 pets to new homes. | Completed |



Housing and Neighborhood Programs

| 2019 Department Goals |
|---|
| Continue the publication of a department newsletter. |
| Complete twenty-two (22) rehabilitation projects through the City's Elderly Housing Program utilizing HOME, Community Development Block Grant (CDBG) and Arkansas Housing Trust Fund dollars. |
| Complete twenty (20) Wheel Chair Ramp assistance projects. |
| Continue series of Public Service Announcements (PSA's) to highlight various housing programs. |
| Complete ten (10) new single-family structures utilizing Home Investment Partnership Program (HOME) funds. |
| Complete construction of quarantine area at Animal Village. |
| Implement a Foreclosure Registry Program (vendor has been selected and contract being drafted for web-based registry). |
| Complete an ordinance to regulate poultry within the city limits (issue scheduled to go before the Animal Village Advisory Board). |
| Update Department brochures in English and Spanish. |
| Host a Community Housing Fair. |
| Continue a Code Enforcement Mobile Home Inspection Training Class. |
| Continue Digitize and map departmental data. (i.e., project locations, U/V, etc.) |
| Create an on-line application for housing assistance/resources. |
| Continue the "Love Your Block" recognition program. |
| Create a Pet License Reminder System. |
| Complete fifteen (15) homes under the World Changers program. |
| Create partnerships with American Society for the Prevention of Cruelty to Animals (ASPCA) and other Rescue entities to move over 700 pets to new homes. |



Housing and Neighborhood Programs

Department: Housing and Neighborhood Programs
Funding Source: General Fund
Budget: \$5,712,630

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.

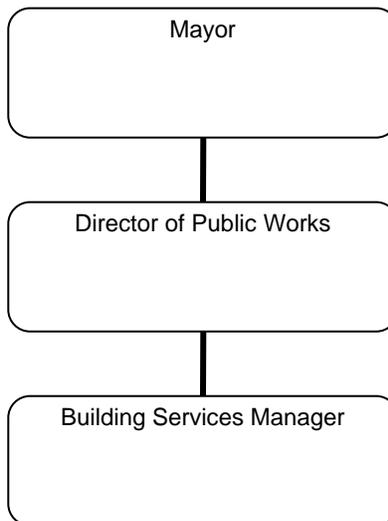
| | 2017 Actual | 2018 Budget | 2019 Budget |
|--|------------------------|------------------------|------------------------|
| Objective: To inspect neighborhood rental property. | | | |
| Demand: Rental property to be inspected. | 3,000 | 3,000 | 3,500 |
| Workload: Rental property inspected. | 1,835 | 3,352 | 3,500 |
| Efficiency: Average Rental property inspected per month. | 153 | 279 | 292 |
| Effect/Outcome: Percentage of rental inspections completed yearly. | 61% | 112% | 100% |
| Objective: To enforce nuisance codes through property inspections. | | | |
| Demand: Nuisance code inspections to be performed. | 24,000 | 24,000 | 30,000 |
| Workload: Nuisance code inspections performed. | 23,295 | 30,786 | 30,000 |
| Efficiency: Average nuisance code inspections done per month. | 1,941 | 2,566 | 2,500 |
| Effect/Outcome: Percentage of nuisance code inspections completed annually. | 97% | 128% | 100% |

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





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

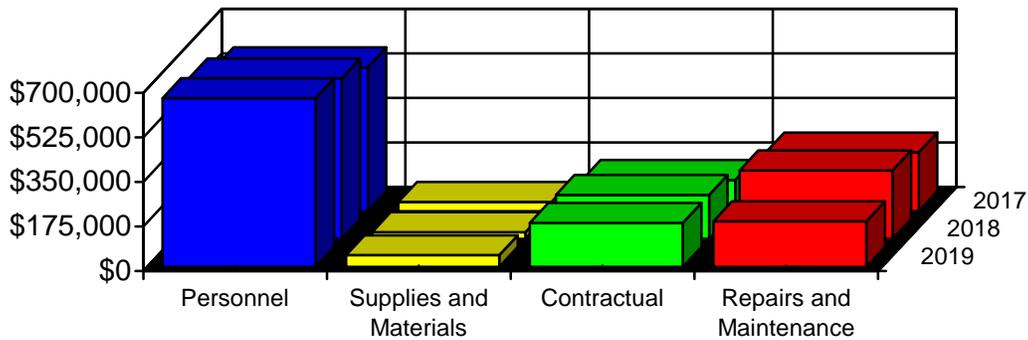
Expenditure Budget - General Fund

| Description | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|--------------------|--------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$564,154 | \$630,966 | \$662,712 |
| Supplies and Materials | 36,215 | 45,867 | 45,958 |
| Contractual | 122,376 | 173,073 | 173,073 |
| Repairs and Maintenance | 230,378 | 250,348 | 178,992 |
| Total | \$953,122 | \$1,100,254 | \$1,060,735 |

| Staffing | 2017 | 2018 | 2019 |
|-----------------|------|------|------|
| | 12 | 12 | 12 |

Approximately \$31,800 of the increase in personnel cost is attributed to salary and benefit cost increases and position reclassifications. A reduction in building, and heating and cooling system maintenance was required to help offset increases in the budget for public safety.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------|--------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$1,060,735 | -3.59% |



Public Works General Fund

| 2018 Department Priorities | Status |
|---|---------------|
| Continue to support maintenance and construction that will make buildings more energy efficient, less expensive to maintain and environmentally friendly. | Ongoing |
| Continue to install motion sensors on lighting to conserve energy as funds become available. | Ongoing |

| 2019 Department Goals |
|---|
| Continue to support maintenance and construction that will make buildings more energy efficient, less expensive to maintain and environmentally friendly. |
| Continue to install motion sensors on lighting to conserve energy as funds become available. |



Public Works General Fund

Department: Public Works
Funding Source: General Fund
Budget: \$ 1,060,735

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.

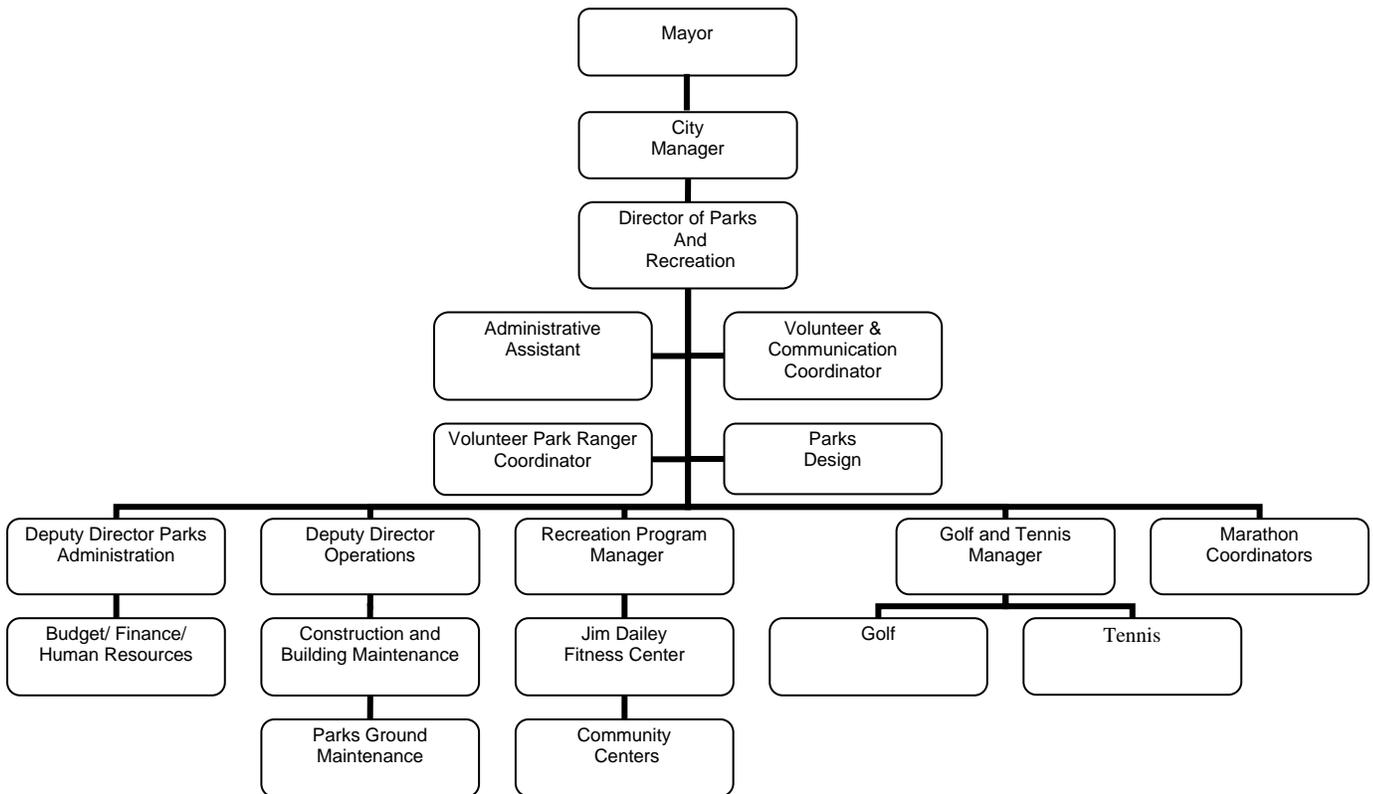
| | 2017 Actual | 2018 Budget | 2019 Budget |
|---|------------------------|------------------------|------------------------|
| Objective: To complete all building-related service work orders in a timely fashion. | | | |
| Demand: Work orders to be completed from City departments. | 1,600 | 1,550 | 1525 |
| Workload: Work orders completed. | 1,600 | 1,550 | 1525 |
| Efficiency: Work orders completed per month. | 133.33 | 129.16 | 127.08 |
| 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.**





Parks and Recreation



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

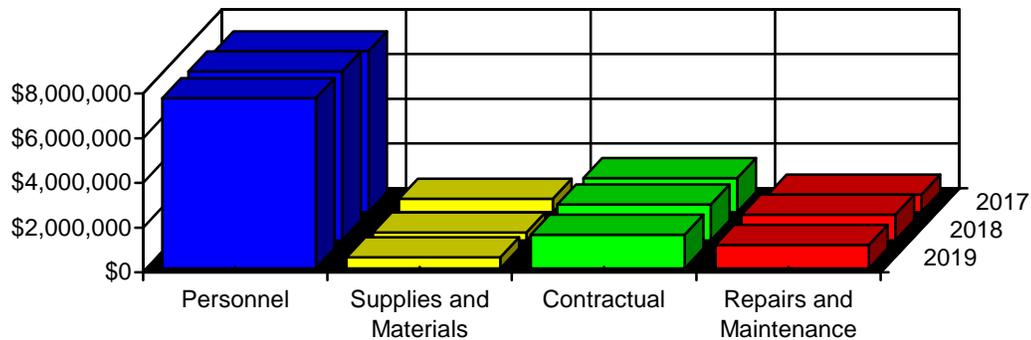
Expenditure Budget

| Description | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|---------------------|---------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$7,199,587 | \$7,545,844 | \$7,604,205 |
| Supplies and Materials | 596,824 | 480,695 | 498,449 |
| Contractual | 1,522,378 | 1,599,993 | 1,511,970 |
| Repairs and Maintenance | 783,522 | 1,010,781 | 1,047,950 |
| Total | \$10,109,910 | \$10,637,313 | \$10,662,574 |

| | | | |
|-----------------|-----|-----|-----|
| Staffing | 130 | 128 | 129 |
|-----------------|-----|-----|-----|

The net increase in personnel cost is primarily due to the addition of a programming position for the Museum of Military History and a programming position for Therapeutic Recreation, offset by reductions in part-time staffing allocations. The increase in supplies and materials reflects increased fuel cost. Other reductions were required to help offset increases in the public safety budget in 2019.

Total Allocations By Fiscal Year And Account Category



| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
|----------------------|-----------------------|--------------------------|
| 100 General Fund | \$10,662,574 | 0.24% |



Parks and Recreation

| 2018 Department Priorities | Status |
|---|-----------|
| Little Rock Parks and Recreation Master Plan: Completion of the update of the 2001 Little Rock Parks and Recreation Master Plan; target date is by year end. | Ongoing |
| Park Maintenance Upgrade: Improved grounds maintenance by mowing our twenty largest parks once every seven (7) days while improving service levels to remaining parks. | Completed |
| 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. | Ongoing |
| Western Hills Park Master Plan: Complete the Western Hills Park Master Plan. | Ongoing |
| Little Rock Marathon: Increase Little Rock Marathon participation and revenue by 10%. | Ongoing |
| Operate an eight (8) week Summer Playground Program at eight (8) sites around the City for youth between the ages of six (6) and fifteen (15). | Ongoing |
| Parks & Recreation Playground Inspection Program: Continue to conduct a thorough and detailed inspection of every playground and facility within the Parks and Recreation inventory. | Ongoing |
| Lights on After School: Continue the "Lights on After School" Initiative promoting the critical importance of quality after-school programs within the lives of children, their families and community. | Ongoing |
| War Memorial Redevelopment Plan: Continue the refinement and implementation of the War Memorial Redevelopment Plan. | Ongoing |
| Encourage volunteer involvement within the department and increase opportunities for participation. Continue to foster relationships with community groups to help engrain Parks and Recreation within the fabric of our community. | Ongoing |
| Provide more team building, training and professional development opportunities for staff by encouraging and promoting more involvement in the Arkansas Recreation and Parks Association (ARPA) and National Recreation and Parks Association (NRPA) Conferences. | Ongoing |
| Riverfront Park West End Improvement: Continue to work with StudioMain in developing concept plans for areas around and in west end of Riverfront Park in order to accommodate Broadway Bridge Trails and improve access into this end of the park. | Ongoing |
| Facility Maintenance: Allocate resources and manpower to improve maintenance of facilities within the Parks and Recreation Inventory and initiate a preventive maintenance plan. | Ongoing |
| Field Lighting Upgrade: Installed new LED field lighting at Otter Creek Soccer Fields, Crump Park football and baseball fields and Murray Park soccer fields. | Completed |
| Encourage volunteer involvement within the department and increase opportunities for participation. Continue to foster relationships with community groups to help engrain Parks and Recreation within the fabric of our community. | Ongoing |
| Riverfront Park Toddler Play Area: Renovated toddler play area at Riverfront Park by installing new play features, renovated park space and improved playground surfacing. | Completed |
| Recreation Program: Continue to increase participation in both youth and adult programming. Implement creative and innovative programming to continue to | Ongoing |
| Crump Park Improvements: Install field lighting at both the football and baseball field and initiate various other improvements. | Completed |
| Strategically create and implement a marketing plan that strengthens the Little Rock Parks and Recreation brand and generates opportunity to increase participation in programming, usage of facilities and increase revenue generation. | Ongoing |



Parks and Recreation

| 2019 Department Goals |
|--|
| Little Rock Parks and Recreation Master Plan: Develop and begin to implement a five (5) year Strategic Plan to implement the 2019 Little Rock Parks and Recreation Master Plan. |
| Little Rock Parks and Recreation Accreditation (CAPRA); Update and review all 151 Standards to maintain National Recreation and Parks Association (NRPA) Accreditation. |
| NRPA 2019 Gold Medal Award: Submit an application for the 2019 National Recreation and Parks Association's Gold Medal Award. |
| Little Rock Parks and Recreation Americans with Disabilities Act (ADA) Transition Plan: Inventory all developed park properties for ADA Standards, then develop a Little Rock Parks and Recreation ADA Transition Plan. |
| Outdoor Recreation Grant Playground projects: Complete the installation of four (4) new replacement playgrounds with accessible connections located at Reservoir, Kanis, Hanger Hill, and Ottenheimer Parks. |
| Little Rock Parks and Recreation Programming: Increase participation in Little Rock Parks and Recreation programs and analyze feedback from programs for improvements. |
| Crump Park Splash Pad: Construct a new splash pad and related amenities. |
| Little Rock Parks and Recreation Marketing Plan: Update and implement the existing Little Rock Parks and Recreation Marketing Plan. |
| Western Hills Park Master Plan: Complete the park master plan which consists of trails, pavilions, fishing piers, and a natural concept playground. |
| Park Signage Improvements: Install new park entrance signs to enhance visibility and marketability of the Little Rock Parks and Recreation brand. |
| Little Rock Parks and Recreation Professional Mountain Bike Trails: Complete designs for mountain bike trails and features for Two Rivers, River Mountain, and North Allsopp Parks. |
| Kanis Park Pickle Ball Courts: Construct six (6) Pickle Ball courts and renovate old hard surface courts. |
| Otter Creek Park Improvements: Install Musco sports lighting on one (1) existing soccer field and make improvements to the parking lot and general field access. |
| Rebsamen Tennis Center Clubhouse Improvements: Complete renovation of existing restroom and updates to clubhouse. |
| Rebsamen Tennis Center Entry Plaza Improvements: Construct a new complex entry plaza with vehicle and pedestrian access improvements and plaza with naming walls. |
| Arkansas River Trail Riverfront Drive: Complete the Transportation Alternative Program (TAP) grant trail improvement project that recently received successful bids for construction. |
| Outdoor Recreation Grant Two Rivers Restroom: Complete the installation of new prefab restroom along the Arkansas River Trail at the foot of the Two Rivers Pedestrian Bridge, project recently received successful bids for construction. |
| MacArthur Park Bike Polo Court: Complete installation of a new bike polo court and renovations to the existing hard surface court. |
| Allsopp Park Trail Improvements: Complete the Metro Plan TAP grant project of constructing a new hard surface trail, project is currently at 30% construction drawings. |
| Allsopp Park USTA Grant: Complete renovation of the two tennis courts including resurfacing, accessible improvements, drainage, and fence repairs. |
| Reservoir Park USTA Grant: Complete renovation of the two tennis courts including resurfacing, accessible improvements, drainage, and fence repairs. The resurfacing has received a successful bid, and Parks' staff have completed all other aspects. |
| Boyle Park Mountain Bike Trails: Continue to support Central Arkansas Trail Alliance (CATA) with efforts to build and renovate existing trails with largest focus on design and construction of new hill-top mountain bike playground feature. |
| MacArthur Park Safe Routes to School Grant: Complete installation of new trail system from Main Street to Rockefeller School along I-630. |
| North Allsopp Park Gateway Project: Continue effort with Arkansas Parks and Recreation Foundation to raise support for project and complete installation of initial scope of project. |



Parks and Recreation

Department: Parks and Recreation
Funding Source: General Fund
Budget: \$ 10,662,574

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.

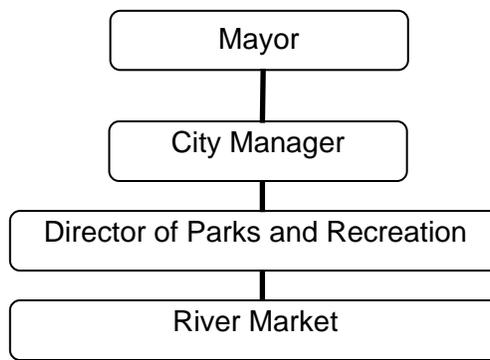
| | 2017 Actual | 2018 Budget | 2019 Budget |
|--|------------------------|------------------------|------------------------|
| Objective: Provide the citizens and visitors of Little Rock accessible recreational program opportunities, experiences and activities which promote active living, health and wellness, socialization, self-esteem, growth and achievement. | | | |
| Demand: Total recreational opportunities available. | 375,000 | 382,000 | 393,460 |
| Workload: Recreational opportunities attended. | 340,000 | 357,000 | 367,710 |
| Efficiency: Average seasonal attendance. | 76,000 | 80,000 | 82,400 |
| Effect/Outcome: Percentage of attendance versus opportunities available. | 91% | 93% | 93% |
| Objective: Design and manage assigned capital and operational projects. | | | |
| Demand: Manage 80+ active and pending projects monthly on average | 83 | 88 | 95 |
| Workload: Manage 50 active projects monthly on average | 53 | 56 | 58 |
| Efficiency: Percentage of active projects managed monthly | 63% | 64% | 61% |
| Effect/Outcome: Total projects completed annually | 52 | 55 | 65 |
| Objective: Mow 20 premier parks once a week mow all other parks every 10 days. | | | |
| Demand: Number of desired mowing cycles. | 22 | 30 | 30 |
| Workload: Number of mowing cycles. | 22 | 30 | 30 |
| Efficiency: Number of monthly mowing cycles completed. | 3 | 4 | 4 |
| 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.**





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

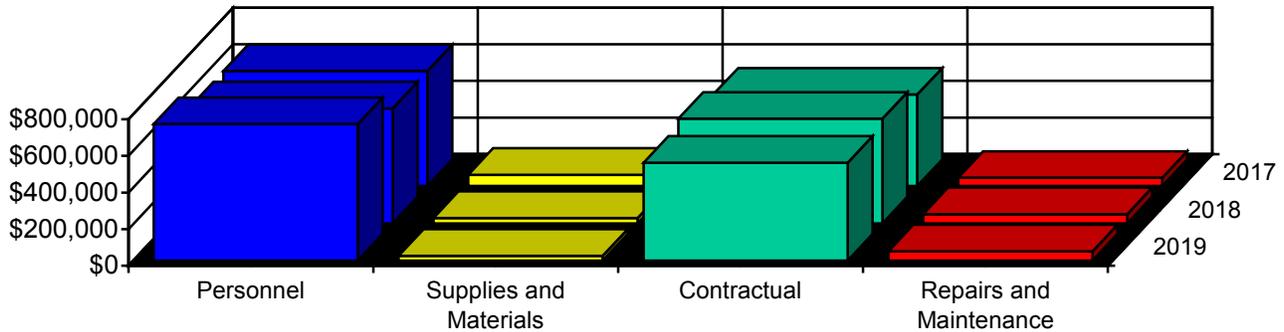
Expenditure Budget

| Description | 2017 Actual Expenditures | 2018 Adopted Budget | 2019 Adopted Budget |
|--------------------------------|--------------------------------|---------------------------|---------------------------|
| Salaries and Employee Benefits | \$627,952 | \$627,021 | \$744,114 |
| Supplies and Materials | 61,927 | 29,000 | 26,000 |
| Contractual | 499,431 | 570,694 | 534,032 |
| Repairs and Maintenance | 45,363 | 50,000 | 50,000 |
| Total | \$1,234,673 | \$1,276,715 | \$1,354,146 |

| | | | |
|-----------------|---|---|---|
| Staffing | 0 | 0 | 0 |
|-----------------|---|---|---|

Little Rock Convention and Visitor's Bureau (LRCVB) will continue to operate the RiverMarket in 2019.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------------|--------------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$1,354,146 | 6.06% |



River Market

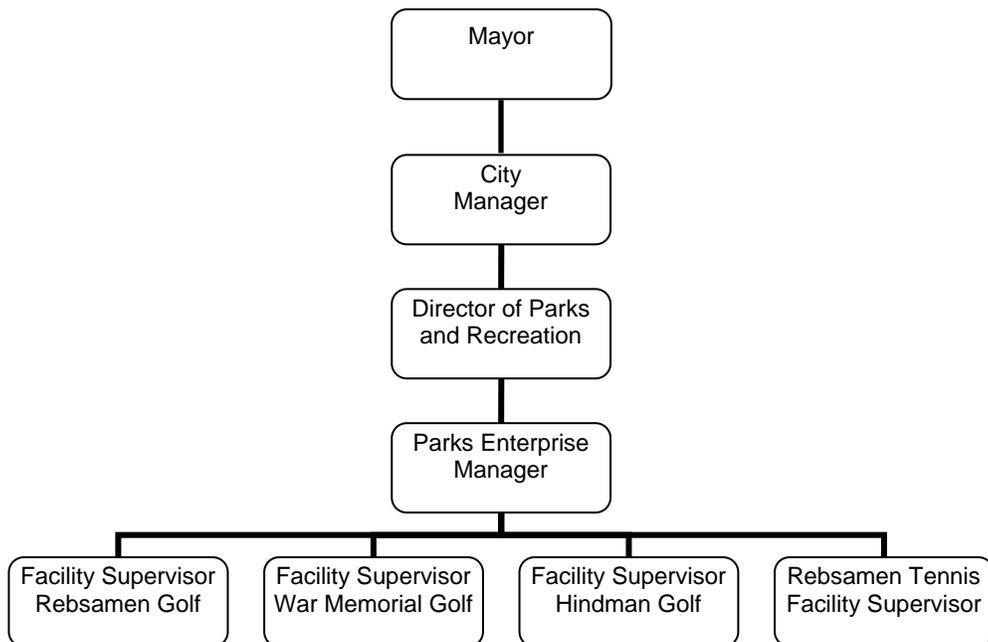
| 2019 Department Goals |
|------------------------------|
|------------------------------|

| |
|--|
| Little Rock Convention and Visitors Bureau (LRCVB) will continue management of River Market operations on behalf of the City for 2019. |
|--|

| |
|--|
| The City will continue to provide support to the River Market at the level of \$317,408. |
|--|



Golf



Mission Statement

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

Golf

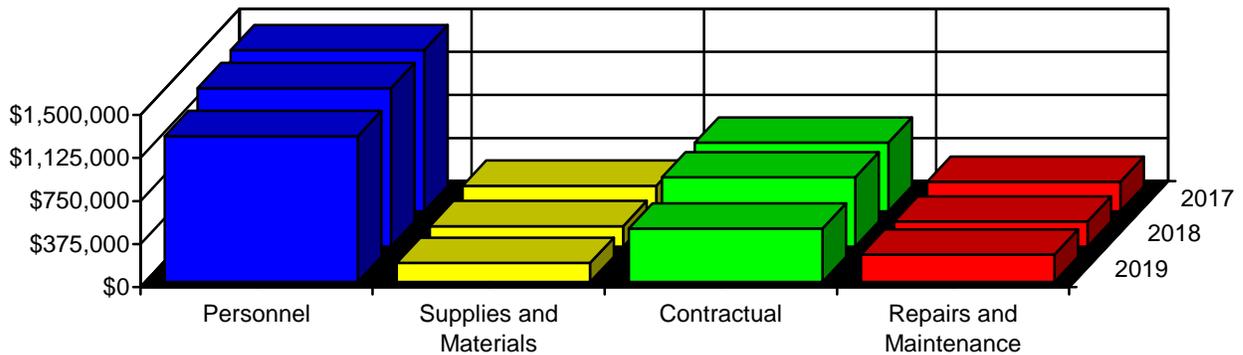
Expenditure Budget

| Description | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|--------------------|--------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$1,404,145 | \$1,319,355 | \$1,271,788 |
| Supplies and Materials | 222,499 | 177,946 | 165,334 |
| Contractual | 598,198 | 604,937 | 466,437 |
| Repairs and Maintenance | 257,704 | 219,061 | 237,755 |
| Total | \$2,482,546 | \$2,321,299 | \$2,141,314 |

| | | | |
|-----------------|----|----|----|
| Staffing | 22 | 21 | 20 |
|-----------------|----|----|----|

The reduction in personnel cost is primarily attributed to the elimination of a golf maintenance position. The current employee is retiring. The elimination of the position and other reductions were required to help offset increases in the public safety budget. The Outside Agency allocation for the First Tee, reflected in contracts, is being reduced to \$120,000 pending the results of a golf study.

Total Allocations By Fiscal Year And Account Category



| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
|----------------------|-----------------------|--------------------------|
| 100 General Fund | \$2,141,314 | -7.75% |



Golf

| 2018 Department Priorities | Status |
|--|---------------|
| Maintain Rebsamen, Hindman and War Memorial Golf Course to established standards. | Ongoing |
| Continue to explore creative solutions to make golf courses self-sustaining. Staff will continue to seek ways in which to improve revenue and reduce costs at the City's three (3) golf courses. | Ongoing |

| 2019 Department Goals |
|---|
| Golf Operations Evaluation: Complete the Request for Quote (RFQ) process and hire a consultant to thoroughly analyze golf course operations at Rebsamen, Hindman, War Memorial and the First Tee Facility. Review consultant's recommendations and identify next steps. |
| Course Maintenance: Maintain Rebsamen, Hindman and War Memorial Golf Courses to established standards. |
| Golf Revenue: Continue to explore creative solutions to make golf courses self-sustaining. Staff will continue to seek ways in which to improve revenue and reduce costs at the City's three (3) golf courses. |
| Rebsamen Golf Course Improvements: Resurface existing parking lot and make general improvements to cart paths and drainage on course. |



Department: Golf
Funding Source: General Fund
Budget: \$ 2,141,314

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.

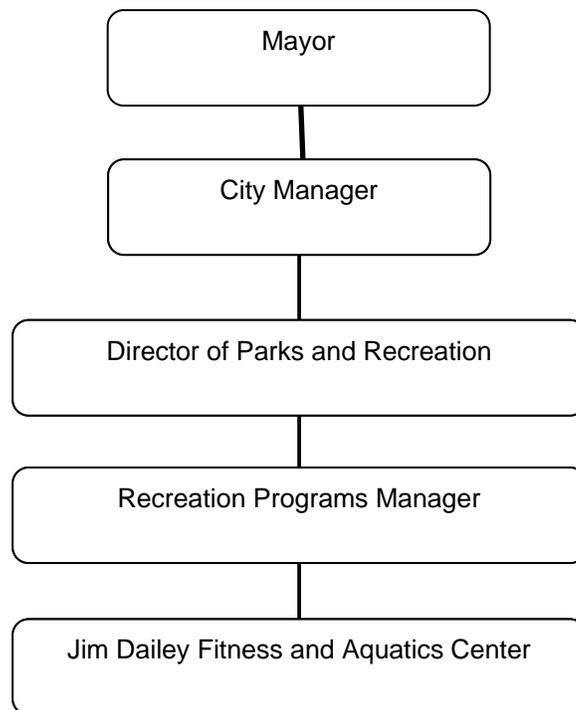
| | 2017 Actual | 2018 Budget | 2019 Budget |
|--|------------------------|------------------------|------------------------|
| Objective: To provide affordable golfing experiences for the citizens of Little Rock. | | | |
| Demand: Projected golf rounds. | 54,000 | 55,000 | 54,000 |
| Workload: Actual golf rounds. | 54,000 | 55,000 | 54,000 |
| Efficiency: Average rounds per month. | 4,500 | 4,583 | 4,500 |
| Effect/Outcome: Percentage of actual rounds of golf. | 100% | 100% | 100% |

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





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

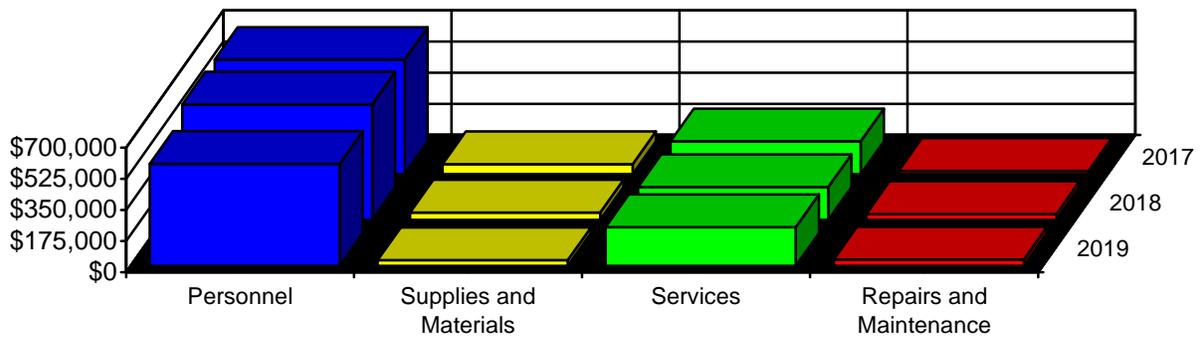
Expenditure Budget

| Description | 2017 Actual Expenditures | 2018 Adopted Budget | 2019 Adopted Budget |
|--------------------------------|--------------------------------|---------------------------|---------------------------|
| Salaries and Employee Benefits | \$642,775 | \$649,030 | \$572,479 |
| Supplies and Materials | 56,347 | 41,032 | 30,957 |
| Contractual | 184,070 | 184,766 | 217,766 |
| Repairs and Maintenance | 17,973 | 33,352 | 34,272 |
| Total | \$901,166 | \$908,180 | \$855,474 |

| Staffing | 9 | 9 | 8 |
|-----------------|---|---|---|
|-----------------|---|---|---|

The decreased personnel cost reflects a reduction in part-time salaries and the elimination of a custodial position during 2018. Other reductions were required to help offset increases in the public safety budget.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------------|--------------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | <u>\$855,474</u> | <u>-5.80%</u> |



Jim Dailey Fitness and Aquatic Center

| 2018 Department Priorities | Status |
|--|-----------|
| Increase membership through a variety of outreach programs and partnerships. | Ongoing |
| Continue the partnership with state and federal agencies to create outdoor programming opportunities for members and their guests. | Ongoing |
| Develop strategies for marketing and communication with the public to draw more patrons and increase memberships. | Ongoing |
| Continue to seek creative ways in which to market the Jim Dailey Fitness and Aquatic Center, work with news media outlets, the City's public relations and marketing personnel to do special marketing and promotions to both remain competitive with the market and generate revenue. Also use all social media outlets to increase revenues. | Ongoing |
| Increase corporate membership to include more organizations in the Little Rock Area. | Ongoing |
| Encourage more organizations to use Jim Dailey for their tournaments such as the Tennis Association, Badminton, Real Deal in the Rock and the Karate Tournament. | Ongoing |
| Evaluate Jim Dailey operations to identify optimal operating levels to improve services provided while encouraging increased usage of the facility. Identify maintenance issues and allocate resources and department personnel to make repairs as needed and in a timely fashion. | Ongoing |
| Identified capital upgrades that enhanced the customer experience and improved operations such as construction of a new hot tub and installation of shade structures for the outdoor pool. | Completed |
| Purchased and installed new recreation management software to improve efficiency of membership transactions. | Completed |

| 2019 Department Goals |
|---|
| Jim Dailey Fitness Center Improvements: Identify capital upgrades that will enhance the customer experience and improve operations such as resurface existing parking lot, paint interior of the building, and resurface gym floor. |
| Increase Membership: Increase Membership through a variety of outreach programs and partnerships. The Increase in marketing of the facility will attract area residents to utilize the facility. |



Jim Dailey Fitness and Aquatic Center

Department: Jim Dailey Fitness Center
Funding Source: General Fund
Budget: \$ 855,474

Department Description:

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

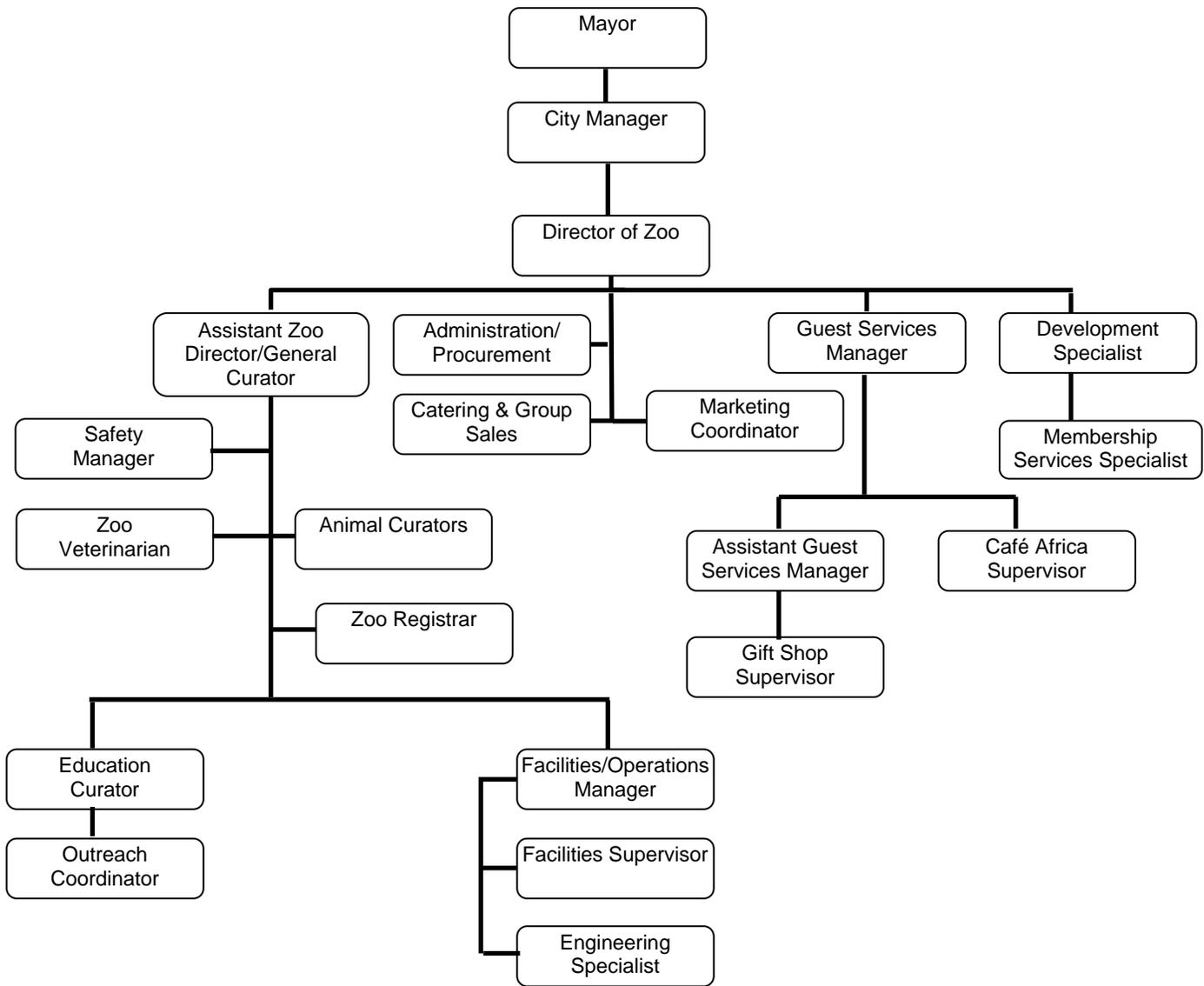
| | <u>2017 Actual</u> | <u>2018 Budget</u> | <u>2019 Budget</u> |
|--|------------------------|------------------------|------------------------|
| Objective: To provide a safe, healthy, and clean environment that offers a variety of aquatic, fitness and sport activities that will improve the health and fitness of the citizens of Little Rock at the Jim Dailey Aquatic and Fitness Center. | | | |
| Demand: Potential Program attendance capacity. | 163,933 | 160,000 | 160,000 |
| Workload: Actual program attendance. | 110,000 | 110,000 | 110,000 |
| Efficiency: Attendance per month. | 11,381 | 9,167 | 10,000 |
| Effect/Outcome: Percentage of actual attendance over potential attendance. | 67% | 68% | 75% |

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





Zoo



Mission Statement

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

Zoo

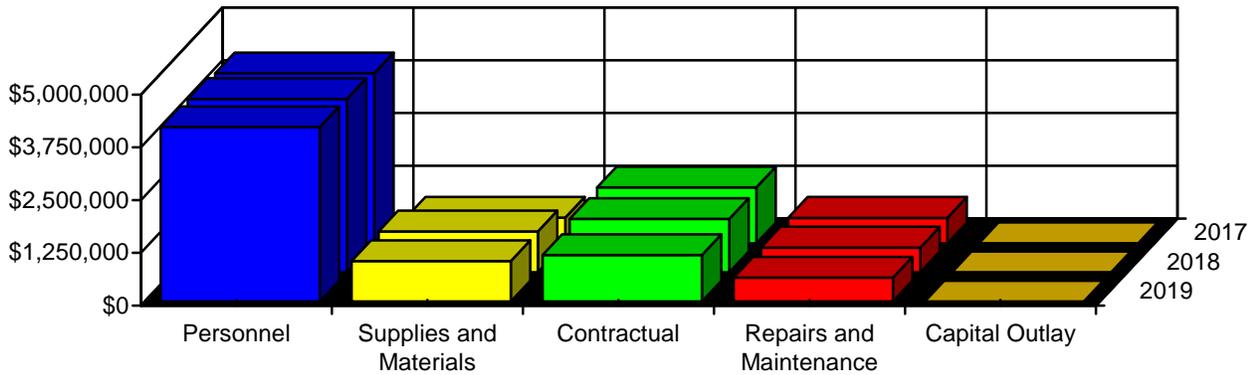
Expenditure Budget

| Description | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|--------------------|--------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$4,028,546 | \$4,112,090 | \$4,133,854 |
| Supplies and Materials | 608,009 | 987,025 | 952,076 |
| Contractual | 1,326,067 | 1,270,198 | 1,095,198 |
| Repairs and Maintenance | 605,678 | 569,043 | 564,672 |
| Capital Outlay | 2,974 | - | - |
| Total | \$6,571,274 | \$6,938,356 | \$6,745,800 |

| Staffing | 62 | 63 | 62 |
|-----------------|----|----|----|
|-----------------|----|----|----|

Reductions in gift shop supplies and merchandise, public relations and special events marketing were required to help offset the increased budget for public safety in 2019. The utility reduction, reflected in contracts, is due to water meter reclassifications that resulted in significant savings to the Zoo for water and wastewater.

Total Allocations By Fiscal Year And Account Category



| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
|----------------------|-----------------------|--------------------------|
| 100 General Fund | \$6,745,800 | -2.78% |



Zoo

| 2018 Department Priorities | Status |
|---|---------------|
| Continue implementation of the Zoo's Master and Strategic Plan. | Ongoing |
| Hire a Marketing Coordinator, Development Specialist and Marketing Development Assistant. | Not Completed |
| Maintained Association of Zoos and Aquariums (AZA) accreditation. | Completed |
| Complete construction of gray water treatment plant to assist with water conservation. | Ongoing |
| Install a new Point of Sale (POS) system. | Ongoing |
| Zoo will complete Colubus/Serval exhibit. | Ongoing |
| Complete Transportation Alternative Programs (TAPS) grant for new trailways inside zoo. | Ongoing |
| Completed a new interactive sensory garden. | Completed |
| Complete upgrade to zoo amphitheater. | Ongoing |
| Enhanced customer service and guest experience. | Completed |
| Improved education programming. | Completed |

| 2019 Department Goals |
|--|
| Continue implementation of the Zoo's Facility Master Plan and Strategic Plan. |
| Install Point of Sale (POS) system upgrades. |
| Complete construction of Conservation Learning Center. |
| Complete construction of new Colubus Monkey and Serval cat habitats. |
| Complete Transportation Alternative Programs (TAPS) Grant for resurfacing Zoo trailways. |
| Complete upgrade to Zoo amphitheater. |
| Fully implement Zoo Sustainability Plan. |
| Implement new Zoo branding with online components. |
| Implement new Guest Service Training Program. |
| Complete Nature Play area. |
| Maintain accreditation with the Association of Zoos and Aquariums (AZA). |



Zoo

Department: Zoo
Funding Source: General Fund
Budget: \$ 3,715,237

Department Description:

The Little Rock Zoo creates engaging experiences that inspire people to value and conserve our natural world. The Zoo is accredited by the Association of Zoos and Aquariums (AZA) and displays hundreds of animals on 33 acres of beautifully landscaped parkland. The Zoo offers educational programming, special events, and other activities to engage and educate the public. The zoo is a leading cultural and tourist attraction in central Arkansas.

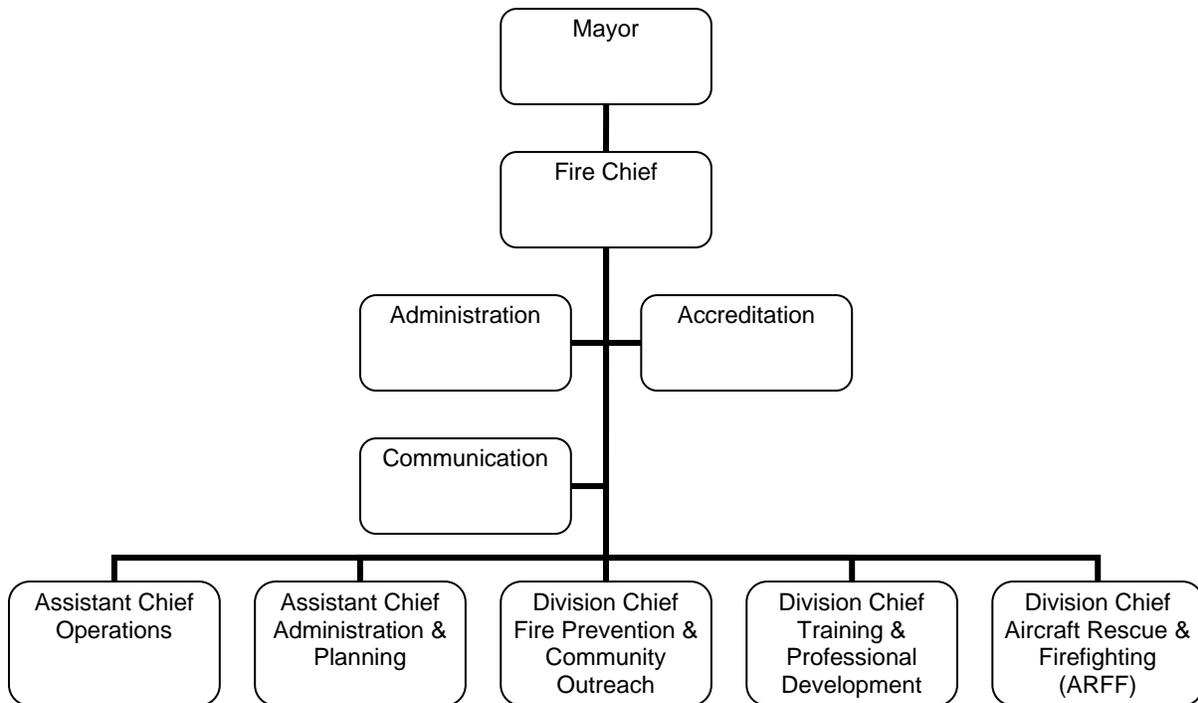
| | 2017 Actual | 2018 Budget | 2019 Budget |
|--|------------------------|------------------------|------------------------|
| Objective: To track annual admission revenue. | | | |
| Demand: Anticipated annual admission revenue. | \$1,800,000 | \$1,860,000 | \$1,780,000 |
| Workload: Actual annual admission revenue. | \$1,800,000 | \$1,860,000 | \$1,780,000 |
| Efficiency: Average revenue per month. | \$150,000 | \$155,000 | \$148,333 |
| Effect/Outcome: Percentage of workload over demand. | 100% | 100% | 100% |
| Objective: To track annual membership sales. | | | |
| Demand: Anticipated annual membership sales. | \$500,000 | \$555,000 | \$510,000 |
| Workload: Actual membership sales. | \$500,000 | \$555,000 | \$510,000 |
| Efficiency: Average sales per month. | \$41,667 | \$46,250 | \$42,500 |
| Effect/Outcome: Percentage of workload over demand. | 100% | 100% | 100% |

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





Fire



Mission Statement

The mission of the Little Rock Fire Department is to provide immediate fire and emergency medical service in a professional and efficient manner.

Fire

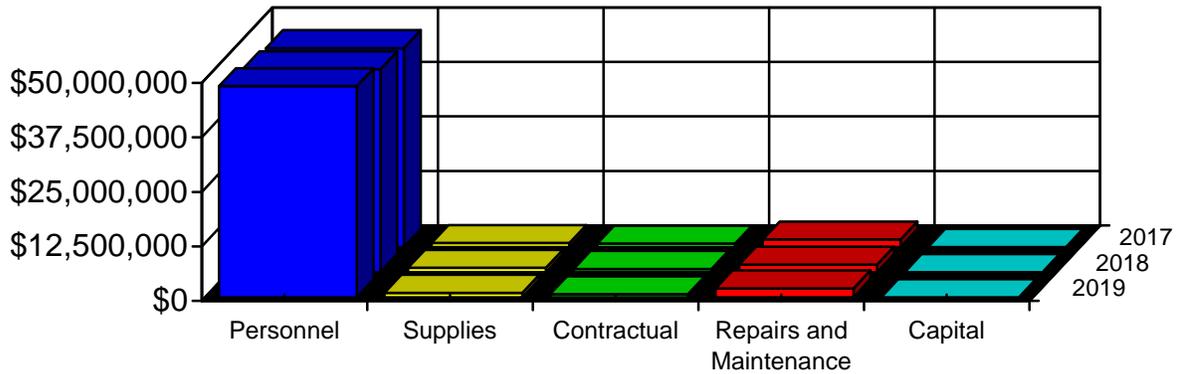
Expenditure Budget

| Description | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|---------------------|---------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$45,606,285 | \$46,516,376 | \$48,421,760 |
| Supplies and Materials | 915,309 | 979,099 | 1,022,654 |
| Contractual | 744,983 | 727,809 | 727,809 |
| Repairs and Maintenance | 1,723,814 | 1,716,361 | 2,045,447 |
| Capital | 523 | - | - |
| Total | \$48,990,914 | \$49,939,645 | \$52,217,670 |

| | | | |
|-----------------|-----|-----|-----|
| Staffing | 422 | 421 | 433 |
|-----------------|-----|-----|-----|

Approximately \$1.2 million of the increase in personnel cost is attributed to salary and benefit costs changes for uniform employees, including a 2.5% salary increase for union personnel and step and grade progression. In addition, approximately \$700,000 is added to the personnel budget for twelve (12) new positions to accommodate the new Fire Station 24 in Southwest Little Rock. The increase in supplies and materials expense is associated with increased fuel and fleet maintenance cost.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------|--------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 100 General Fund | \$52,217,670 | 4.56% |



Fire

| 2018 Department Priorities | Status |
|--|---------------------------|
| Homeless Awareness Campaign: Personnel will be equipped with literature that provides information on assistance to homeless individuals. This initiative will train Fire Department personnel on homeless awareness and response training and develop a resource brochure. | Ongoing |
| Replaced Records Management System: Little Rock Fire Department (LRFD) upgraded from an in-house Records Management System to a system that will provide the department with the ability to easily collect and organize all of its data and report National Fire Incident Reporting Service (NFIRS) data to state and federal stakeholders. This new system will enable LRFD to track and measure department goals and create custom response time benchmarks to monitor performance against the NFPA 1710 standards of cover. | Completed |
| Implement a Company Officer Development/Mentorship Program: Implementation of this program will enable the organization to invest in personnel by harvesting individuals' knowledge, skills, and abilities and providing them with the tools necessary to do their job, giving them the ability to gauge their personal levels of competence as they seek elevated ranks within the organization. | Ongoing |
| Succession Planning: The Little Rock Fire Department will continue to hire the most capable and qualified candidates as firefighters. In addition, LRFD will use the experience and knowledge of senior membership to develop our workforce through a myriad of professional development and job-shadowing opportunities. | Ongoing |
| Annual Employee Recognition Program: Appreciation was shown by Fire Personnel for the independent awards program started by the department in 2017. The Fire Department will continue the annual Awards Recognition Ceremony. | Ongoing |
| Radio Replacement: The Fire Department's mobile and portable radios will all have reached end of life as of December 2018. Consequently, there will be no maintenance support available for the radios as repairs are needed in the future. This is a life safety issue. The department will seek grant funding to replace three hundred six (306) radios to ensure that each seated position on all apparatus will have a new replacement radio. (the City is reviewing a comprehensive Citywide radio replacement plan.) | Other (Please Explain) |



Fire

| 2018 Department Priorities (Continued) | Status |
|--|------------------|
| <p>Construct New Fire Station: During the last half of 2018 construction will start on a new Fire Station to be located in southwest Little Rock. Funds have been allocated for construction, the land has been purchased, and the City has contracted with an architectural firm. The General Contractor for this project will be selected through a bid process during the spring of 2018.</p> | <p>Ongoing</p> |
| <p>Replaced Thermal Imaging Cameras: The department has forty-seven (47) Thermal Imaging Cameras (TIC) that are twelve to fifteen years old. A plan to replace these cameras was developed and implemented successfully.</p> | <p>Completed</p> |
| <p>Fire Station Renovations: The Fire Department has twenty-one (21) fire stations strategically located throughout the city. With the exception of Fire Stations 17 and 23 which opened in 2006 and 2012 respectively, the last renovation to any of the stations was done with funds from the 2004 Bond Project. The condition of all Fire Stations will be evaluated for maintenance and renovation needs and a schedule developed for repairs.</p> | <p>Ongoing</p> |



Fire

| 2019 Department Goals |
|--|
| Homeless Awareness Campaign: Personnel will be equipped with literature that provides information on assistance to homeless individuals. This initiative will train Fire Department personnel on homeless awareness and response training and develop a resource brochure. |
| Implement a Company Officer Development/Mentorship Program: Implementation of this program will enable the organization to invest in personnel by harvesting individuals' knowledge, skills, and abilities and providing them with the tools necessary to do their job, giving them the ability to gauge their personal levels of competence as they seek elevated ranks within the organization. |
| Succession Planning: The Little Rock Fire Department will continue to hire the most capable and qualified candidates as firefighters. In addition, LRFD will use the experience and knowledge of senior membership to develop our workforce through a myriad of professional development and job- shadowing opportunities. |
| Fire Prevention: In 2012 the Little Rock Fire Department implemented a program to inspect and or install smoke detector for Little Rock residents. In 2019 the Fire Department will inspect 40% of Little Rock residents smoke detectors. |
| Construct New Fire Station: Construction will begin in February and it is expected to take 12-14 months for completion. Funds have been allocated for construction, the land has been purchased, and the City has contracted with an architectural firm and general contractor. |
| Fire Station Renovations: The Fire Department has twenty-one (21) fire stations strategically located throughout the city. With the exception of Fire Stations 17 and 23 which opened in 2006 and 2012 respectively, the last renovation to any of the stations was done with funds from the 2004 Bond Project. The condition of all Fire Stations will be evaluated for maintenance and renovation needs and a schedule developed for repairs. |
| HERO Day: In 2016 females accounted for only 4% of firefighters in the United States. The Little Rock Fire Department will continue to partner with Girl Scout of America for the second annual HERO day. This event is geared towards girls, ages 12-18 to teach them about fire safety and possible careers with the Little Rock Fire Department. |
| Radio Replacement: The Fire Department's mobile and portable radios will all have reached end of life as of December 2018. Consequently, there will be no maintenance support available for the radios as repairs are needed in the future. This is a life safety issue. The department will seek grant funding to replace three hundred six (306) radios to ensure that each seated position on all apparatus will have a new replacement radio. (Update, the City is reviewing a comprehensive Citywide radio replacement plan.) |
| Alternative Response Vehicles: The Little Rock Fire Department will put in place two (2) Alternative Response Vehicles. These vehicles will be used when responding to medical calls and will not replace the larger apparatus. Its goal is to help reduce maintain, fuel and other cost associated with up keep on larger apparatus. |



Fire

Department: Fire
Funding Source: General Fund
Budget: \$ 52,217,670

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.

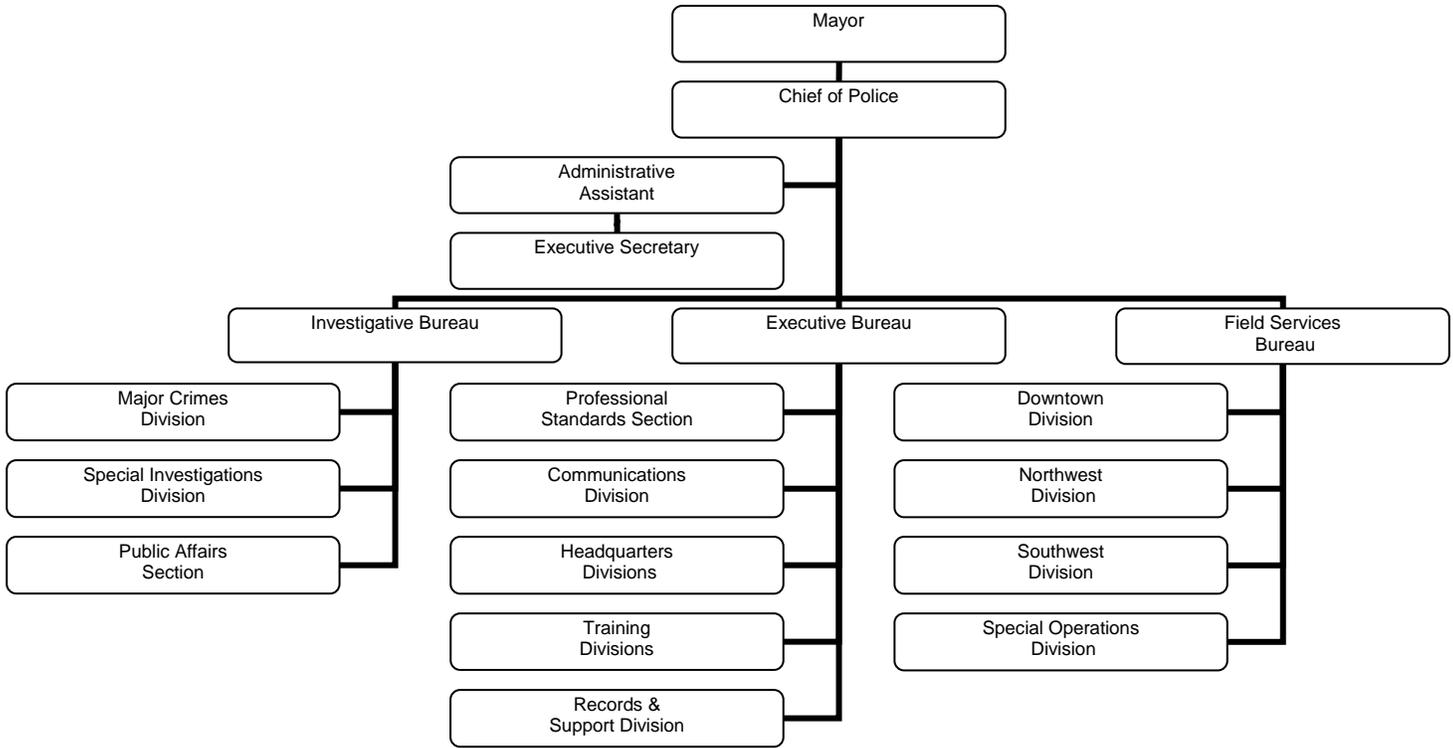
| | 2017 Actual | 2018 Budget | 2019 Budget |
|--|------------------------|------------------------|------------------------|
| Objective: Train certified personnel to meet the individual training hours required by Insurance Services Organization (ISO) and improve the competence level of the workforce. | | | |
| Demand: Total number of hours of training completed. | 115,004 | 99,296 | 113,468 |
| Workload: Total number of hours of individual training required per year. | 125,388 | 103,168 | 115,784 |
| Efficiency: Average number of training hours per person. | 297 | 239 | 267 |
| Effect/Outcome: Percentage of training hours vs. required hours. | 92% | 96% | 98% |
| 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. | 2,652 | 12,600 | 12,700 |
| Workload: Commercial Building and Structures inspected annually. | 626 | 2812 | 5000 |
| Efficiency: Commercial Building and Structures inspected per month. | 52 | 234 | 416 |
| Effect/Outcome: Percentage of inspections completed annually. | 24% | 24% | 43% |

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





Police



Mission Statement

The Little Rock Police Department is committed to protecting life and property through **Teamwork** with the community while embracing mutual **Respect** and **Understanding**. Our mission is to provide professional **Service** that is unbiased, consistent and **Transparent**.

- **T TEAMWORK**
- **R RESPECT**
- **U UNDERSTANDING**
- **S SERVICE**
- **T TRANSPARENCY**

Police

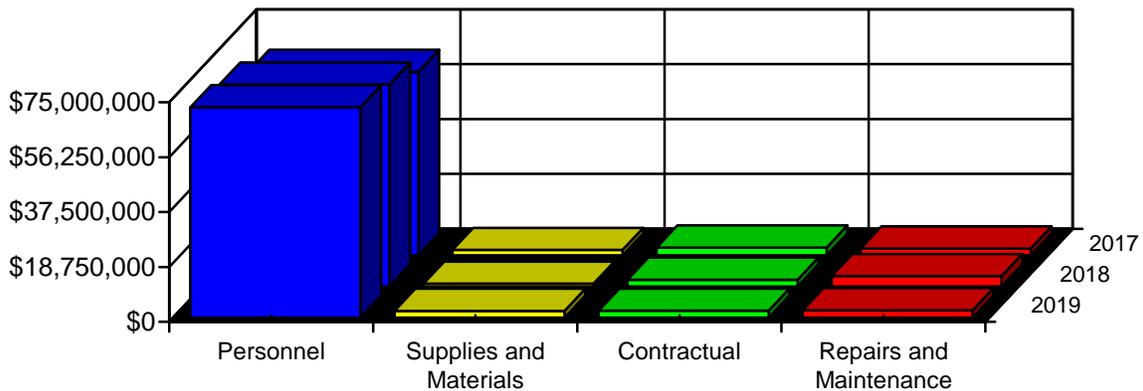
Expenditure Budget

| Description | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|---------------------|---------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$62,640,843 | \$68,962,627 | \$71,799,447 |
| Supplies and Materials | 1,847,905 | 2,071,991 | 2,209,407 |
| Contractual | 2,619,553 | 2,293,892 | 2,291,313 |
| Repairs and Maintenance | 2,333,244 | 2,414,477 | 2,484,904 |
| Total | \$69,453,081 | \$75,742,987 | \$78,785,071 |

| Staffing | 733 | 748 | 748 |
|-----------------|-----|-----|-----|
|-----------------|-----|-----|-----|

Police Department increases reflect the continued effort to fill vacant uniform and 911 call taker positions. In addition, approximately \$2.4 million of the increase in personnel cost is attributed to salary and benefit cost increases, including a 2.5% salary increase for union personnel, step and grade progression, and an increase in the LOPFI contribution rate of 1%. In addition, the personnel budget has been increased by approximately \$400,000 to absorb funding for fifteen (15) COPS officers previously provided by a grant that expires in February. The increase in supplies and materials allocations is primarily associated with the increase in fuel cost and vehicle maintenance.

Total Allocations By Fiscal Year And Account Category



| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
|----------------------|-----------------------|--------------------------|
| 100 General Fund | \$78,785,071 | 4.02% |



Police

| 2018 Department Priorities | Status |
|---|---------|
| Continue to emphasize the utilization of the Criminal Abatement Program and maintain coordination with the City Attorney's Office. | Ongoing |
| Reduce the overall incidents of violent and property crime and increase arrest in shootings. | Ongoing |
| Enhance the skills and abilities of departmental personnel by offering additional training opportunities. | Ongoing |
| Maintain Commission on Accreditation for Law Enforcement Agencies (CALEA) standards and establish best practices, post policies on-line, document de-escalation and initiate annual review of policies and procedures. | Ongoing |
| 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. The goal is to annually retire and replace 20% of the older patrol units over the next five (5) years and then keep vehicles on a replacement schedule. | Ongoing |
| LRPD, LRFD, and LRIT will collaborate to research, outline and implement a Computer Aided Dispatch (CAD) System (software, interfaces, components, etc.) that best serves the City and its citizens and visitors. | Ongoing |
| Reduce complaints, generate community surveys, increase community awareness of quarterly meetings for Field Services Bureau, increase utilization of early intervention, strive for a more diverse work force, offer de-escalation training for officers, create a discipline model and performance evaluation measurements. | Ongoing |
| Increase presence on mobile apps/social media, expand the number of social media contributors, and create an individual website for LRPD. | Ongoing |
| Advance the department's technology through improving connectivity, addressing court connect problems, Taser training, obtaining new intelligence software, utilizing paperless files, body cameras, and adding an additional Crime Analyst. Ensure all Crime Analysts are accredited by the end of 2019. | Ongoing |
| Share information through weekly Comp stat meetings with specific focus on violent crime strategies. Increase awareness of Neighborhood Associations, the OK/GEMS Programs and School Resource Officers. Expand the Citizens Police Academies and increase capability of Police Foundation and the Criminal Abatement Program. | Ongoing |
| Increase the size of recruit classes ensuring that the hiring process is reflective of encompassing best practices. | Ongoing |
| Offer trainings and seminars and implement new programs to focus on officer wellness and safety. | Ongoing |
| Continue with the community-oriented process to determine the needs/interest of the 12th Street area for approximately 4,400 square feet of unoccupied space. | Ongoing |
| Ensure staffing levels are improved and maintained in the 9-1-1 operations. Continue working with Human Resources to develop proposals to address turnover. | Ongoing |



Police

| 2019 Department Goals |
|--|
| Create a database of Neighborhood Watch Programs to connect with the community and bring awareness to our quarterly meetings. Ensure that all neighborhood meetings are listed on the Department's website so that all citizens can know when and where their meeting is being held. |
| Maintain Commission on Accreditation for Law Enforcement Agencies (CALEA) standards and establish best practices, post policies on-line, document de-escalation and initiate annual review of policies and procedures. |
| Keep expanding social media footprint by utilizing Instagram as a tool to connect with younger viewership. Add an additional 10,000 viewers to our Facebook page by the end of 2019. |
| Conduct two recruit schools as well as a Certified Officer Advanced Training (C.O.A.T.) school. |
| Conduct an Officer Wellness survey and build a realistic model for improvement based on the identified concerns of what that data shows. Recognize officer involved critical incidents and ensure the Department is responding and supporting personnel effectively. |
| Continue the efforts in receiving CALEA Accreditation for the Communications Division, which would enable the LRPD to become Tri-Arc Accredited. |
| Complete the implementation of the City's new CAD (Computer Aided Dispatch) system. |



Police

Department: Police
Funding Source: General Fund
Budget: \$ 78,785,071

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.

| | 2017 Actual | 2018 Budget | 2019 Budget |
|---|------------------------|------------------------|------------------------|
| Objective: To answer incoming 9-1-1 and non-emergency calls, and to answer 95% of 9-1-1 calls in 20 seconds or less. | | | |
| Demand: Incoming calls to Communications | 608,825 | 620,000 | 632,000 |
| Workload: Calls answered by Communications personnel | 608,825 | 620,000 | 632,000 |
| Efficiency: Average time to answer 9-1-1 calls (in seconds). | 14.00 | 15.00 | 15.00 |
| Effect/Outcome: Percentage of calls answered in 20 seconds or less. | 81% | 95% | 95% |

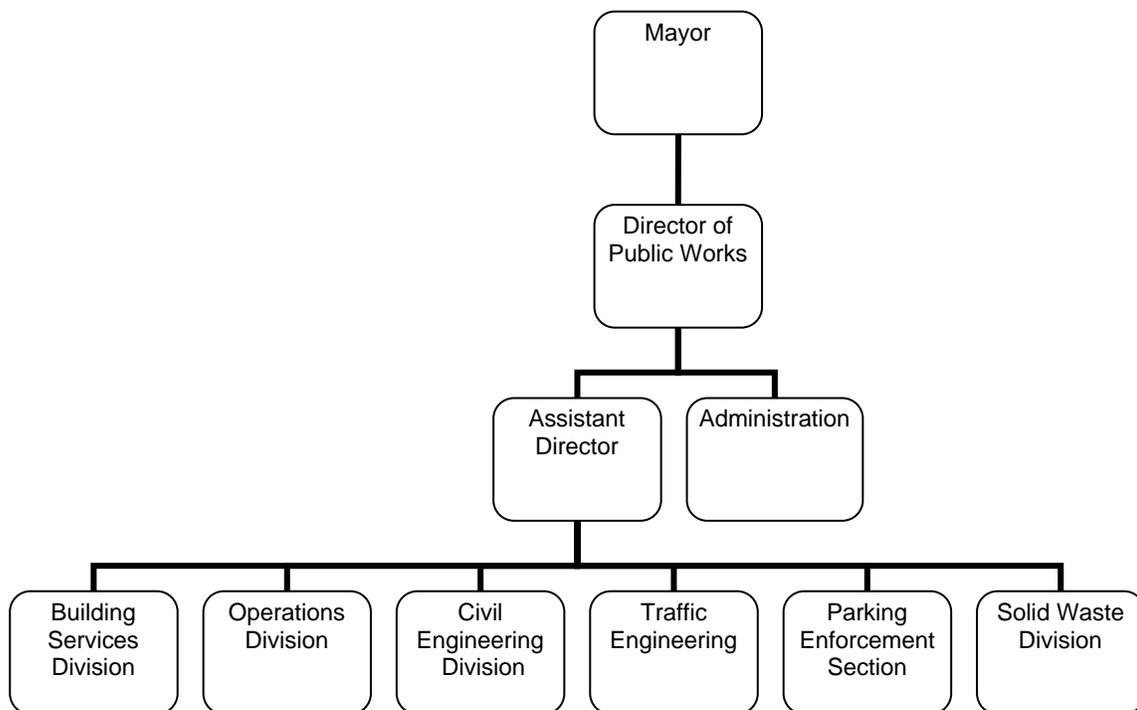
| | | | |
|---|---------|---------|---------|
| Objective: To respond to high priority calls – minutes from Dispatch to arrival. | | | |
| Demand: Calls for service. | 159,051 | 165,000 | 171,000 |
| Workload: Calls for service. | 159,051 | 165,000 | 171,000 |
| Efficiency: Average time from dispatch to arrival (in minutes). | 7.3 | 7.00 | 7.00 |
| Effect/Outcome: Percentage of dispatches answered. | 100% | 100% | 100% |

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





Public Works Department



Mission Statement

To provide an efficient and economical infrastructure for the City of Little Rock, provide quality management in all activities of the Public Works Department, and to provide professional service to our customers.

Public Works Street Fund

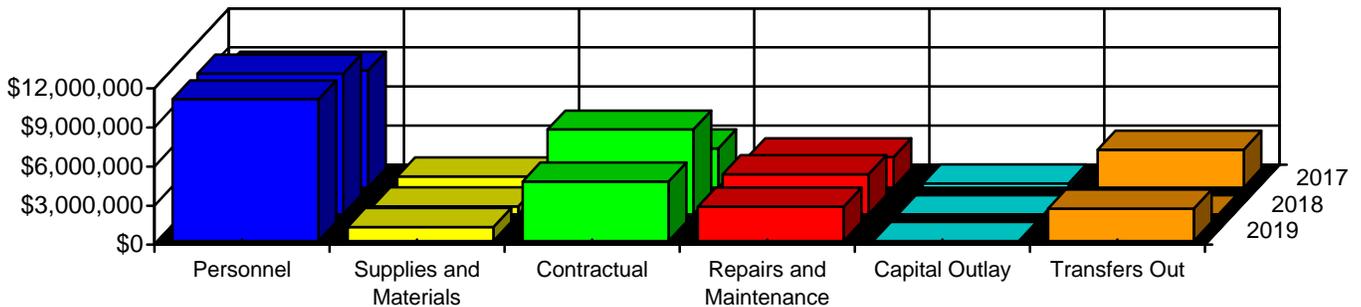
Expenditure Budget - Street Fund

| Description | 2017 Actual Expenditures | 2018 Adopted Budget | 2019 Adopted Budget |
|--------------------------------|--------------------------------|---------------------------|---------------------------|
| Salaries and Employee Benefits | \$8,973,690 | \$10,789,767 | \$10,862,318 |
| Supplies and Materials | 850,150 | 1,013,646 | 1,062,136 |
| Contractual | 3,005,083 | 3,585,126 | 4,560,126 |
| Repairs and Maintenance | 2,335,731 | 2,665,410 | 2,625,861 |
| Capital Outlay | 319,879 | 228,190 | - |
| Transfers Out | 2,898,717 | 2,687,217 | 2,488,717 |
| Total | \$18,383,410 | \$20,969,356 | \$21,599,158 |

| Staffing | 216 | 215 | 216 |
|-----------------|-----|-----|-----|
|-----------------|-----|-----|-----|

The 2019 Street Fund Budget will utilize \$1,376,243 accumulated in prior years for Street Vehicle and Equipment Replacement and other Street projects.

Total Allocations By Fiscal Year And Account Category



| | | |
|----------------------|-----------------------------|--------------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 200 Street Fund | \$21,599,158 | 3.00% |



Public Works Street Fund

| 2018 Department Priorities | Status |
|---|-----------|
| Moved 85% of all 2016 - 2018 projects to construction. | Completed |
| Completed the construction of the western portion of the River Trail Bike Connector. Initiated construction of the pedestrian bridge over the Union Pacific Railroad. | Completed |
| Continue to identify intersections affected by street resurfacing and replace vehicle detection systems with camera or loops. | Ongoing |
| Monitor street light outages and repair or replace non-working lights; installing light emitting diode (LED) lights where possible. | Ongoing |
| Provide design assistance for Bond Projects; (especially those involving bike lanes, complete streets, roundabouts, etc.). | Ongoing |
| Work with Human Resources to hire and retain qualified Signal Technicians for long-term employment with City. | Ongoing |
| Complete the 2017 Resurfacing Program. | Ongoing |
| Continue to provide design assistance for bicycle facilities. | Ongoing |
| Continue to provide design assistance for Bond Overlay projects. | Ongoing |
| Obtain new traffic counts and Update Signal timing plans for major corridors as needed. | Ongoing |
| 2018 Resurfacing Program - Coordinate the annual street resurfacing program. | Ongoing |
| 2018 Sidewalk Replacement Program - Coordinate the annual sidewalk program with revenue from the 2011 Sales Tax Plan. | Ongoing |
| Moved the remaining 2013 - 2015 projects to construction. | Completed |
| Obtained Board approval for the 2019 - 2021 street & drainage project list. | Completed |

| 2019 Department Goals |
|---|
| Continue to identify intersections affected by street resurfacing and replace vehicle detection systems with camera or loops. |
| 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.) |
| Obtain new traffic counts and Update Signal Timing Plans for major corridors as needed. |
| Work with Human Resources to hire and retain qualified Signal Technicians for long-term employment with the City. |
| 2018 Resurfacing Program - Complete the 2018 Street Resurfacing Program. |
| Continue to provide design assistance for Bond Overlay projects. |
| Continue to provide design assistance for bicycle facilities. |
| 2019 Street Resurfacing Program - Coordinate the annual street resurfacing program. |
| 2019 Sidewalk Replacement Program - Coordinate the annual sidewalk program with revenue from the 2011 Sales Tax Plan. |



Public Works Street Fund

Department: Public Works
Funding Source: Street Fund
Budget: \$ 21,599,158

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.

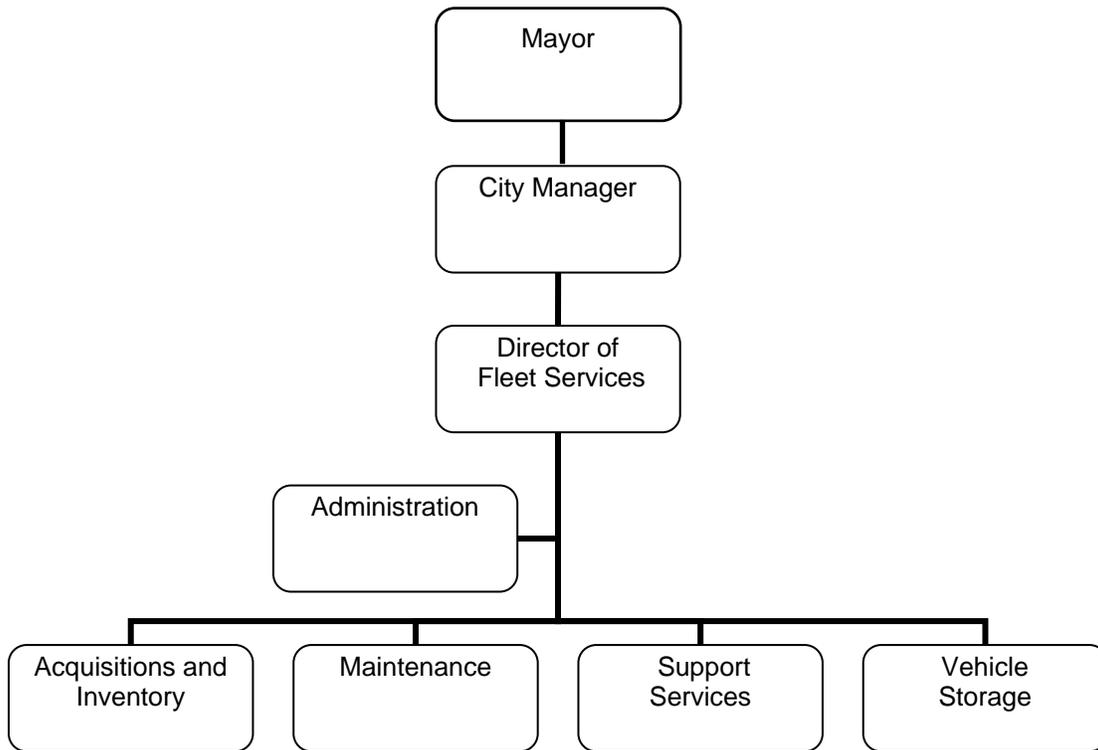
| | 2017 Actual | 2018 Actual | 2019 Budget |
|--|------------------------|------------------------|------------------------|
| Objective: To review and approve commercial building permits for consistency with Code requirements for streets, drainage, and environmental programs. | | | |
| Demand: Permits for review | 120 | 132 | 140 |
| Workload: Permits reviewed | 120 | 132 | 140 |
| Efficiency: Permits processed per month. | 10 | 11 | 12 |
| 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. | 25,000 | 25,000 | 25,000 |
| Workload: Sweeping Program Street Lane miles. | 25,000 | 25,000 | 25,000 |
| Efficiency: Program Miles Completed per month. | 2,083 | 2,083 | 2083 |
| Effect/Outcome: Percentage of miles completed. | 100% | 100% | 100% |
| Objective: To respond to citizen requests/complaints regarding Traffic Issues affecting neighborhoods and/or other parts of the City. | | | |
| Demand: Requests for review. | 375 | 375 | 350 |
| Workload: Requests reviewed | 375 | 375 | 350 |
| Efficiency: Requests completed per month. | 31.25 | 31.25 | 29.17 |
| 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.**





Fleet Services



Mission Statement

It is the mission of the Fleet Services Department to provide the City of Little Rock's internal and external customers with safe and dependable vehicles, equipment and service facilities. Our goal is to work in partnership with our customers and employees to provide high quality products and services in a cost-effective manner.

Keeping Little Rock Rolling

Fleet Services

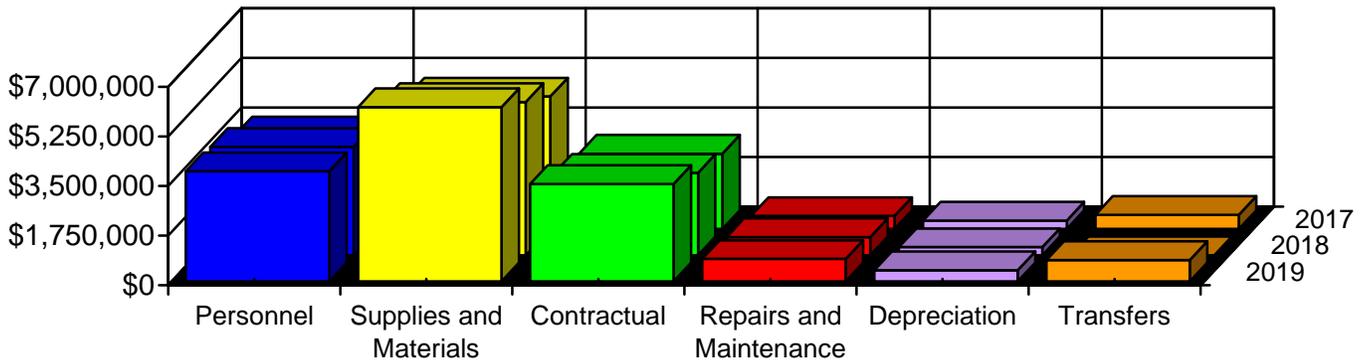
Expenditure Budget

| Description | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|---------------------|---------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$3,306,923 | \$3,824,059 | \$3,892,109 |
| Supplies and Materials | 4,677,933 | 5,407,465 | 6,147,500 |
| Contractual | 2,663,017 | 2,908,902 | 3,443,174 |
| Repairs and Maintenance | 462,454 | 635,765 | 793,765 |
| Depreciation | 300,128 | 284,900 | 392,750 |
| Transfers Out | 500,000 | | 750,000 |
| Total | \$11,910,456 | \$13,061,091 | \$15,419,298 |

| | | | |
|-----------------|----|----|----|
| Staffing | 63 | 63 | 63 |
|-----------------|----|----|----|

The Fleet Services Budget anticipates a net operating loss of \$728,047. This is primarily due to the transfer to the General Fund of \$750,000 in previously accumulated fund balance generated from internal billings. The increased cost of parts, fuel and vehicle insurance are offset by the increased revenues from internal billings.

Total Allocations By Fiscal Year And Account Category



| | | |
|---------------------------|-----------------------|--------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| All Operating Departments | \$15,419,298 | 18.06% |



Fleet Services

| 2018 Department Priorities | Status |
|--|---------------|
| Finish the implementation of the EAM (Enterprise Asset Management) business-ware. The completion date is scheduled to be end of Q2. | Not Completed |
| Position Fleet to become nationally recognized through improvement in areas to obtain national recognition by establishing a Citywide Service Level Agreement, enacting a Vehicle Utilization Policy, constructing an agreed upon sustainable green fleet initiative and adhering to a robust Preventive Maintenance Policy. | Not Completed |
| Establish and prepare a larger and more productive workshop. Recruit and hire a Service Coordinator for the Fire Shop (separate from other service shops). This will improve overall communication, productivity and safety between staff and the LRFD. | Not Completed |
| Purchased and installed technology workstations for each technicians' work area to include: City-owned toolbox, computer, diagnostic scanner and fluid dispensing reels. This will be piloted in the Sedan Shop at JE Davis. | Completed |
| Revise the 5-Year replacement plan for the LRPD that was approved by the City Manager in 2017. Present a 5-Year replacement plan to the City Manager for the following departments: LRFD, Parks and Recreation, Housing and Neighborhood Programs and Planning and Development. These implementations are expected to be completed by the end of Q1. | Not Completed |
| Fleet Acquisitions will work with Purchasing and Finance to streamline or shorten the approval process for Annual Purchase Orders and reconfigure the requisitioning, Purchase Order assignment, inventory receipt and invoice approval elements by implementing a controlled item master to aid the generally accepted accounting 3-way matching protocol. These process improvements will be accomplished with the implementation of the new Enterprise Asset Management system (EAM) in Q3. | Not Completed |
| Continue to train assistants through the City's Re-Entry Program in various Fleet divisions. These assistants will be in the program for nine (9) months. Also, Fleet will actively work with other community programs to train maintenance assistants for possible full-time opportunities. | Not Completed |
| Fleet will continue to purchase alternative fuel vehicles and new technology in order to enhance our sustainability initiative. | Not Completed |
| Renovate heating system, upgrade lighting to LED, paint the shop area and replace equipment to include a mobile column-lift. | Not Completed |
| Finish the rollout of our 5S Operations daily execution practices. The 5Ss are sort, strengthen or (set in order), shine, standardize and sustain. We added an additional 1S for safety, which should be the first "S". Fleet is currently working on setting in order and shining. | Not Completed |
| Rollout a robust super-user training initiative for Fleet's system administrator and managers to familiarize them with an integrated Enterprise Resource Planning (ERP) module that interacts directly with Purchasing and Finance. | Not Completed |
| Streamline the accident/incident review process to shorten the time between the date of loss and the initiation of the claim. An automated Share-point tool may be devised and rolled out (Q4). | Not Completed |



Fleet Services

| 2019 Department Goals |
|---|
| Finish the implementation of the Enterprise Asset Management (EAM) business-ware. The completion date is scheduled in mid Q1. |
| Increase individual technicians and overall shops productivity and efficiency levels to exceed industry standards and obtain national certifications and recognitions. |
| Position Fleet to become nationally recognized through improvement in areas to obtain national recognition by establishing a Citywide Service Level Agreement, enacting a Vehicle Utilization Policy, constructing an agreed upon sustainable green fleet initiative and adhering to a robust Preventive Maintenance Policy. This will be aided significantly with the implementation of the new asset management system (EAM). Fleet Services will work with other City departments and the City Manager's office in the implementation of these policies. |
| Establish and prepare a larger and more productive workshop. This will improve overall communication, productivity and safety between staff and the Little Rock Fire Department. |
| Fleet Acquisitions will work with Purchasing and Finance to streamline or shorten the approval process for annual purchase orders and reconfigure the requisitioning, Purchase order assignment, inventory receipt and invoice approval elements by implementing a controlled item master to aid the generally accepted accounting 3-way matching protocol. These process improvements will be accomplished with the implementation of the new asset management system (EAM) in Q1. |
| Rollout a robust super-user training initiative for Fleet's system administrator and managers to familiarize them with an integrated ERP (Enterprise Resource Planning) module that interacts directly with Purchasing and Finance. Understanding how the asset management software interacts with these two (2) departments is extremely critical. |
| Streamline the accident/incident review process to shorten the time between the date of loss and the initiation of the claim and manage any items thereof in the Enterprise Asset Management (EAM), (Q4). |
| Reclaim additional indirect clerical and administrative hours by restructuring, re-ordering and aligning duties by better utilizing current and featured automation initiatives. |
| Conduct a hands on Inventory. A hands-on inventory is scheduled every two (2) years to maintain the integrity of the fleet count. |
| Purchase and install a replacement compressed natural gas (CNG) compressor for increased capacity and reliability. The estimated cost for this project is \$250,000. |
| Finish the rollout of our 5S Operations daily execution practices. The 5Ss are sort, strengthen or (set in order), shine, standardize and sustain. We added an additional 1S for safety, which should be the first "S". Fleet is currently working on setting in order and shining. |



Fleet Services

Department: Fleet Services
Funding Source: Fleet Services Internal Service Fund
Budget: \$ 15,419,298

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.

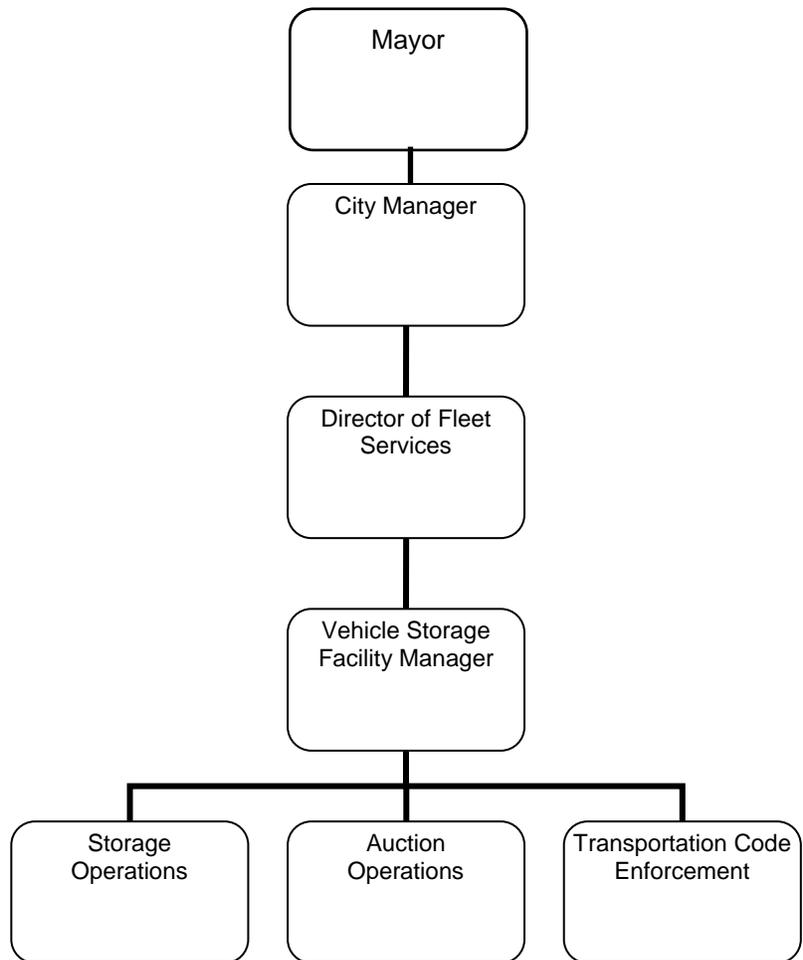
| | <u>2017 Actual</u> | <u>2018 Budget</u> | <u>2019 Budget</u> |
|--|------------------------|------------------------|------------------------|
| Objective: To complete 95% of fleet unit preventative maintenance before or on the due date, as per Fleet Sentinel standards. | | | |
| Demand: Preventative work orders scheduled. | 3,902 | 4,000 | 4,000 |
| Workload: Preventative work orders opened and closed. | 3,786 | 4,000 | 4,000 |
| Efficiency: Preventative work orders closed on or before due date. | 3,114 | 3,600 | 3,600 |
| Effect/Outcome: Percentage of work orders closed on or before due date vs. total scheduled work orders. | 80% | 90% | 90% |
| Objective: To increase the number of direct shop hours to 85% of total shop hours. | | | |
| Demand: Total number of shop hours. | 78,292 | 82,000 | 82,500 |
| Workload: Shop hours categorized as direct shop hours. | 61,027 | 65,600 | 65,600 |
| Efficiency: Average direct shop hours per month. | 5,086 | 5,632 | 5,467 |
| Effect/Outcome: Percentage of direct shop hours /total available shop hours. | 78% | 80% | 80% |

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





Vehicle Storage Facility



Mission Statement

It is the mission of the Vehicle Storage Facility to provide our customers with diverse services through regulation of for-hire transportation services, administering vehicle storage processes and disposal of unclaimed and abandoned vehicles through public auction as required by law.

Vehicle Storage Facility

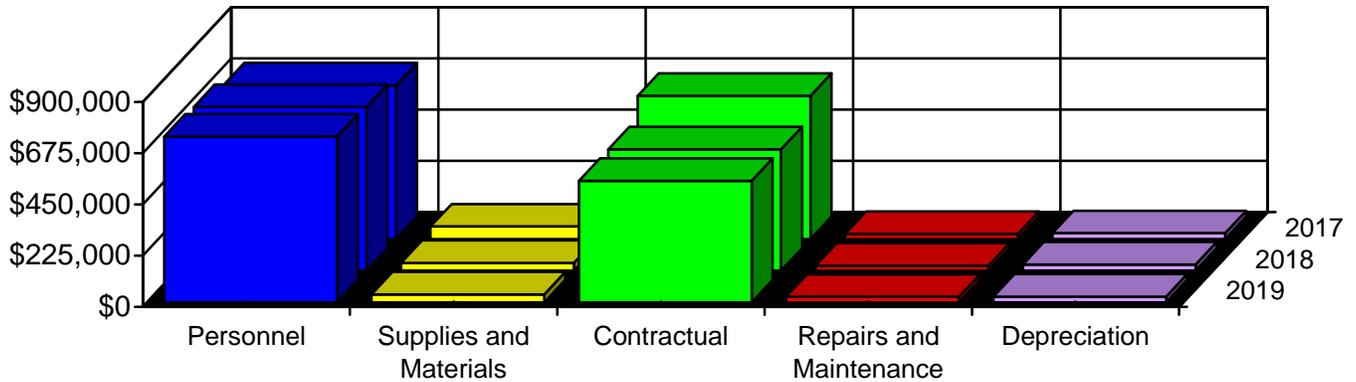
Expenditure Budget

| Description | 2017 Actual Expenditures | 2018 Adopted Budget | 2019 Adopted Budget |
|--------------------------------|--------------------------------|---------------------------|---------------------------|
| Salaries and Employee Benefits | \$675,150 | \$718,787 | \$727,671 |
| Supplies and Materials | 55,583 | 33,937 | 34,525 |
| Contractual | 628,943 | 533,550 | 533,550 |
| Repairs and Maintenance | 22,219 | 22,091 | 24,209 |
| Depreciation | 26,324 | 27,000 | 25,000 |
| Total | \$1,408,218 | \$1,335,365 | \$1,344,955 |

| | | | |
|-----------------|----|----|----|
| Staffing | 13 | 13 | 13 |
|-----------------|----|----|----|

The Vehicle Storage Fund Budget anticipates net income of approximately \$500,000 in 2019 due primarily to increased auction sales.

Total Allocations By Fiscal Year And Account Category



| | | |
|-----------------------------------|-----------------------------|--------------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 601 Vehicle Storage Facility Fund | \$1,344,955 | 0.72% |



Vehicle Storage Facility

| 2018 Department Priorities | Status |
|---|---------------|
| Resurface the auction parking lot with new gravel material. | Not Completed |
| Renovate the exterior and interior facility. | Not Completed |
| Establish quarterly defibrillator training. | Not Completed |

| 2019 Department Goals |
|---|
| Resurface the auction parking lot with compact gravel material. |
| Renovate the exterior and interior facility. |
| Enclosed the storage lot with a reinforced metal fence. |
| Improve existing security camera system to high definition while adding more cameras. |
| Bring Vehicle Storage processes into either the EAM or Hanson Business management system, (Q4). |



Vehicle Storage Facility

Department: Vehicle Storage Facility
Funding Source: Vehicle Storage Enterprise Fund
Budget: \$ 1,344,955

Department Description:

Provide entities safe storage for vehicles until they are reclaimed by the registered owner(s) and disposal of unclaimed and abandoned vehicles.

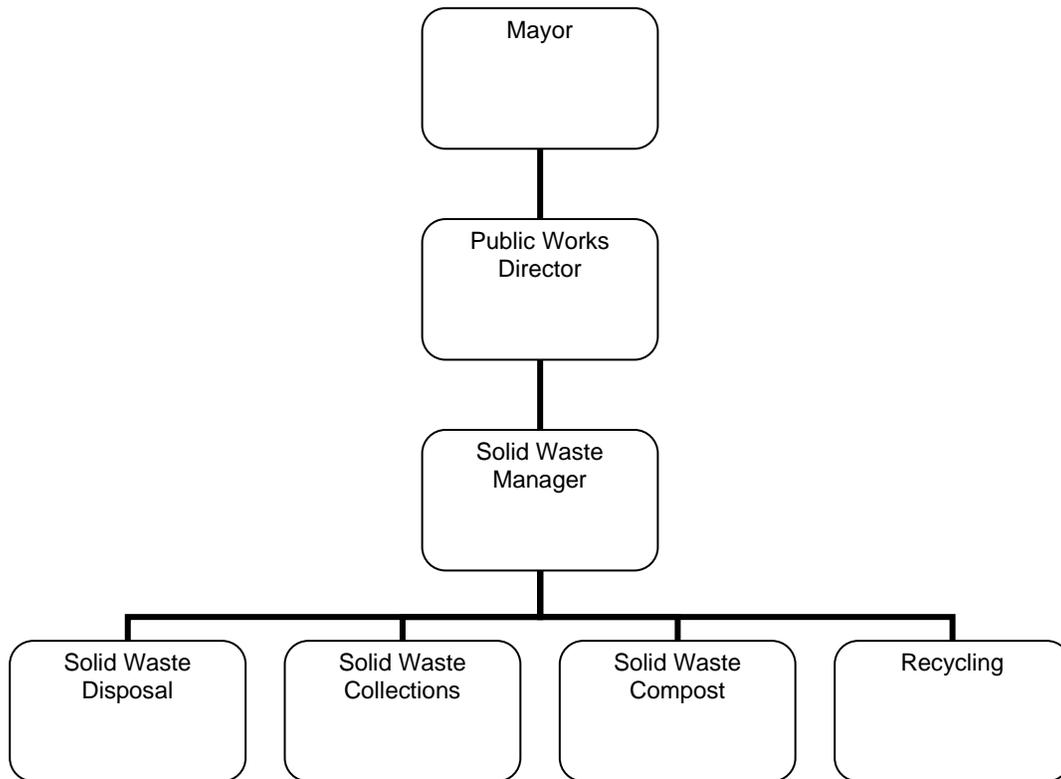
| | <u>2017 Actual</u> | <u>2018 Budget</u> | <u>2019 Budget</u> |
|---|------------------------|------------------------|------------------------|
| Objective: To release 100% of eligible vehicles within 60 days of impoundment. | | | |
| Demand: Impounded vehicles. | 3,387 | 3,300 | 3,300 |
| Workload: Impounded vehicles eligible for release. | 2,371 | 2,400 | 2,400 |
| Efficiency: Eligible vehicles released within 60 days. | 2,371 | 2,400 | 2,400 |
| Effect/Outcome: Percentage of eligible vehicles released within 60 days. | 70% | 73% | 73% |

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





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 | 2017 | 2018 | 2019 |
|--------------------------------|---------------------|---------------------|---------------------|
| | Actual Expenditures | Adopted Budget | Adopted Budget |
| Salaries and Employee Benefits | \$4,991,570 | \$5,650,399 | \$6,021,593 |
| Supplies and Materials | 1,016,496 | 1,674,530 | 1,842,328 |
| Contractual | 3,305,974 | 3,601,622 | 4,214,813 |
| Repairs and Maintenance | 3,372,329 | 3,503,438 | 4,109,029 |
| Closure/Post Closure | 271,754 | 247,945 | 248,000 |
| Depreciation | 2,392,853 | 2,563,300 | 3,155,500 |
| Debt Service | 94,846 | 77,403 | 61,171 |
| Transfers Out | 1,521,580 | 1,581,764 | 1,784,335 |
| Total | \$16,967,402 | \$18,900,401 | \$21,436,769 |

| | | | |
|-----------------|-----|-----|-----|
| Staffing | 113 | 121 | 130 |
|-----------------|-----|-----|-----|

The Waste Disposal Fund is budgeted in accordance with Generally Accepted Accounting Principles on an accrual basis, which includes depreciation and amortization. Some cash needs, such as the principal portion of note payments and capital expenditures, are not presented on the income statement as expenses. In addition to the operating expenses presented above, capital expenditures for continuation of a Garbage Truck Replacement Program are planned.

Total Allocations By Fiscal Year And Account Category



| | | |
|-------------------------|-----------------------|--------------------------|
| Resources for Budget | FY 19 Proposed Budget | % Change from Prior Year |
| 603 Waste Disposal Fund | \$21,436,769 | 13.42% |



Waste Disposal

| 2018 Department Priorities | Status |
|--|---------------|
| Continue to contact nearby Solid Waste Districts to be on bidders list for future disposal bids. | Ongoing |

| 2019 Department Goals |
|--|
| Continue to contact nearby Solid Waste Districts to be on bidders list for future disposal bids. Work with Information Technology Department and Motorola for utilizing tablets with on-call program. |

Department: Waste Disposal
Funding Source: Waste Fund
Budget: \$ 21,436,769

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.

| | 2017 Actual | 2018 Budget | 2019 Budget |
|---|------------------------|------------------------|------------------------|
| Objective: To promote recycling and increase annual tonnage collected. | | | |
| Demand: Curbside recycling tonnage to be collected | 10,000 | 10,000 | 8,000 |
| Workload: Curbside recycling tonnage collected. | 10,000 | 10,000 | 8,000 |
| Efficiency: Curbside recycling tonnage collected/month. | 833 | 833 | 667 |
| Effect/Outcome: Percentage of tonnage collected annually. | 100% | 100% | 100% |
| Objective: To monitor incoming tonnage to the Class I and Class IV Landfill Cells. | | | |
| Demand: Class 1 & Class 4 tonnage to be disposed. | 125,000 | 125,000 | 130,000 |
| Workload: Class 1 & Class 4 tonnage received. | 125,000 | 125,000 | 130,000 |
| Efficiency: Average monthly tonnage disposed of in Class 1 and Class 4 landfills. | 10,417 | 10,417 | 10,800 |
| Effect/Outcome: Percentage of tonnage collected annually. | 100% | 100% | 100% |

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



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:

- (1) Detailed estimates of all anticipated revenues.
- (2) 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 | 2,485.54 |
| Streets Graded and Surface Treatment | 407.56 |
| Paved - Permanent (Concrete and Asphalt) | 2,081.98 |
| Alleys Maintained | 62.82 |
| Drainage Ditches Maintained | 1,571.12 |
| Storm Sewers Maintained | 372.78 |
| Miles of Water Lines | 1,407.76 |
| Sanitary Miles | 1,385.00 |

Traffic Controls:

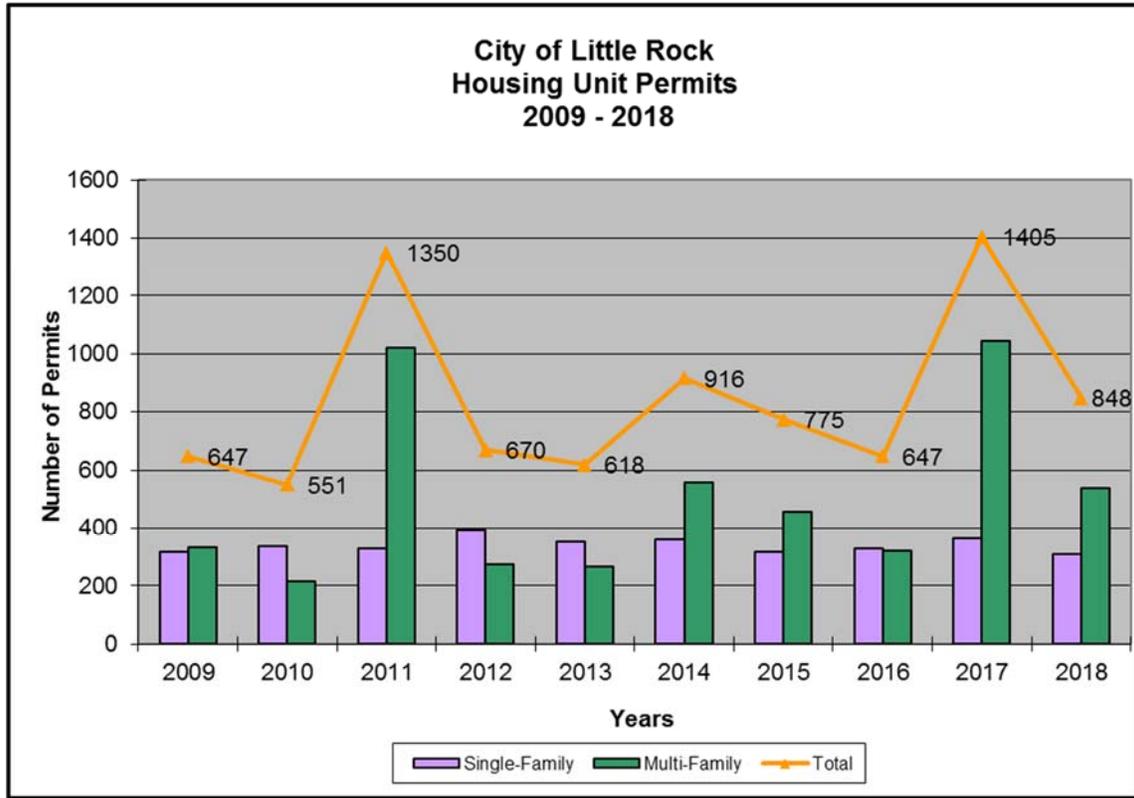
| | |
|------------------|-------|
| Signals Repaired | 1,799 |
|------------------|-------|

Solid Waste/Garbage Collection:

| | |
|-----------------------------|---------|
| Class I and IV tonnage | 136,232 |
| Yard Waste | 23,775 |
| On-call Service | 36,929 |
| Knuckleboom truck pick-ups | 7,925 |
| Number of Residential Users | 59,159 |
| Number of Commercial Users | 350 |

Building Permits:

| <u>Year</u> | <u>Permits Issued</u> | <u>Estimated Cost</u> |
|-------------|-----------------------|-----------------------|
| 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 |
| 2016 | 2,276 | \$ 448,913,149 |
| 2017 | 2,283 | \$ 502,609,225 |
| 2018 | 1,957 | \$ 617,187,924 |



Sales Tax Rate:

| | |
|--------|------|
| Local | 1.5% |
| County | 1.0% |
| State | 6.5% |

Bond Rating:

| | |
|--------------------------|-----|
| General Obligation Bonds | |
| Standard and Poor's | AA |
| Moody's | Aa1 |

Fire Protection:

| | |
|--|--------|
| Number of Stations | 21 |
| Number of Authorized Uniformed Employees | 426 |
| Rescue, emergency medical call | 21,431 |
| Fire and explosions | 1,400 |
| Hazardous condition, standby | 1,065 |

Insurance Rating for Insurance Service Office (ISO)

| | |
|---------------------|---------|
| City of Little Rock | Class I |
|---------------------|---------|

Police Protection:

| | |
|--|---------|
| Number of Stations | 10 |
| Number of Authorized Uniformed Employees | 594 |
| Calls for Service Police | 153,828 |
| 3-1-1 Service requests from calls | 136,492 |

Central Arkansas Real Estate Values

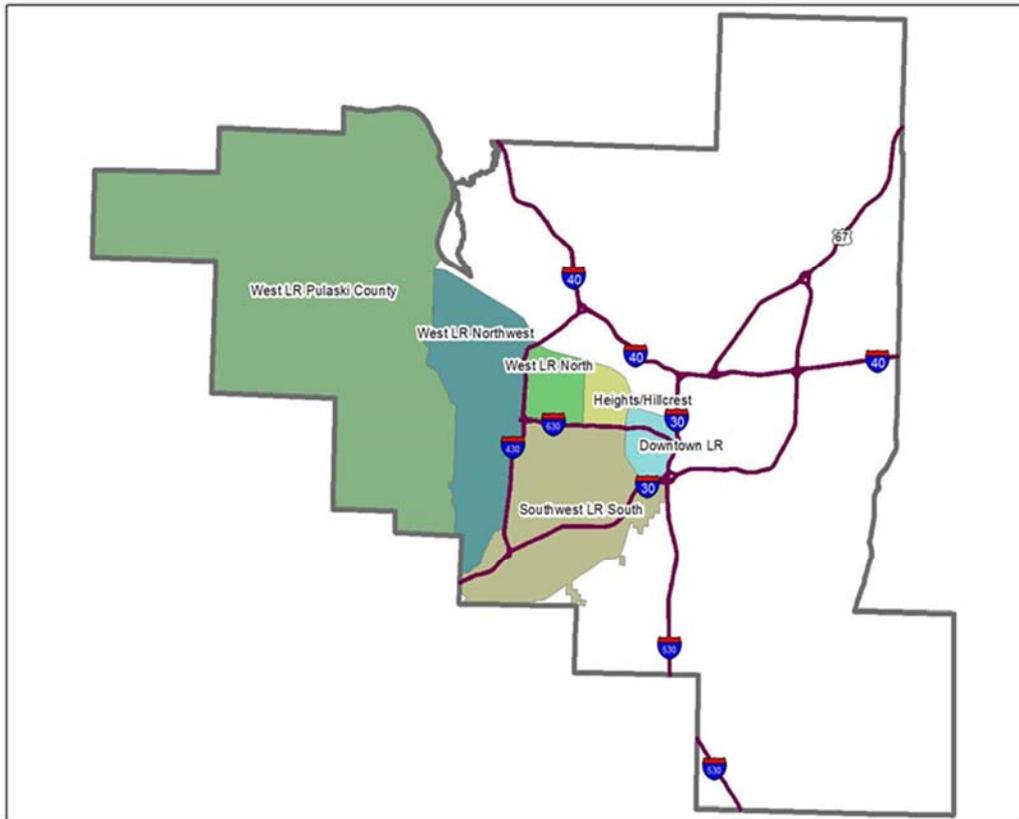
| <u>Location</u> | <u>Assessed Date</u> | <u>Average Total Parcel Value*</u> | <u>Residential Parcels with dwelling</u> | <u>Aggregate</u> |
|-----------------------------------|----------------------|------------------------------------|--|------------------|
| Little Rock - Downtown | 12/31/2018 | \$77,984 | 5,279 | \$411,677,536 |
| Little Rock - Hillcrest/Heights | 12/31/2018 | \$348,241 | 5,128 | \$1,785,779,848 |
| Little Rock - Southwest/South | 12/31/2018 | \$66,232 | 22,563 | \$1,494,392,616 |
| Little Rock West - North | 12/31/2018 | \$203,479 | 9,191 | \$1,870,175,489 |
| Little Rock West - Northwest | 12/31/2018 | \$246,344 | 16,784 | \$4,134,637,696 |
| Little Rock West - Pulaski County | 12/31/2018 | \$285,964 | 6,261 | \$1,790,420,604 |
| | | | Total Parcels | Aggregate Value |
| | | | 65,206 | \$11,487,083,789 |

Source: Pulaski County GIS and Pulaski County Assessor Parcels February 2019

*Average Total Parcel Value is based on Parcels with residential dwellings as indicated by the Pulaski County Assessor.

Average Value
\$176,166

Compiled by Metroplan 12/12/2019



Recreation:

| | |
|---|----------|
| Number of Parks, Including Park Development | 63 |
| Total Acres (developed & undeveloped) | 6,140.80 |
| Number of Playgrounds | 42 |
| Number of Tennis Courts | 41 |
| Number of Basketball Courts | 35 |
| Number of Museums | 1 |
| Number of Golf Courses | 3 |
| Number of Ball Fields | 25 |
| Number of Play Fields | 20 |
| Number of Community Centers | 8 |
| Number of Swimming Pools | 3 |
| Number of Adult Centers | 1 |
| Number of Soccer Fields | 13 |
| Number of Fitness Centers | 1 |
| River Market | 1 |
| Amphitheatre | 1 |
| Number of Pavilions | 32 |
| Number of Volleyball Courts | 17 |
| Total Recorded Park Attendance - 2018 | 545,888 |
| Number of Zoos | 1 |
| Total Zoo Attendance – 2018 | 237,653 |
| Total Zoo Outreach Program | 35,238 |

Medical Facilities Number of beds
(private occupancy rooms):

| | |
|--|-------|
| Baptist Health Medical Center – Little Rock | 814 |
| University of Arkansas Medical Center | 494 |
| St. Vincent Infirmary Medical Center | 414 |
| Arkansas Children’s | 336 |
| Arkansas State Hospital | 230 |
| Veteran Health Care System | 195 |
| Pinnacle Pointe Behavioral Healthcare System | 124 |
| Baptist Rehabilitation Institute | 120 |
| Arkansas Heart Hospital | 112 |
| Baptist Health Extended Care | 55 |
| Cornerstone Hospital Little Rock | 40 |
| Total Number of Beds | 2,934 |
| Estimated Total Beds per 1,000 Population: | 14.8 |

Total Estimated Population 198,594

American Hospital Directory 03/08/2019

POPULATION

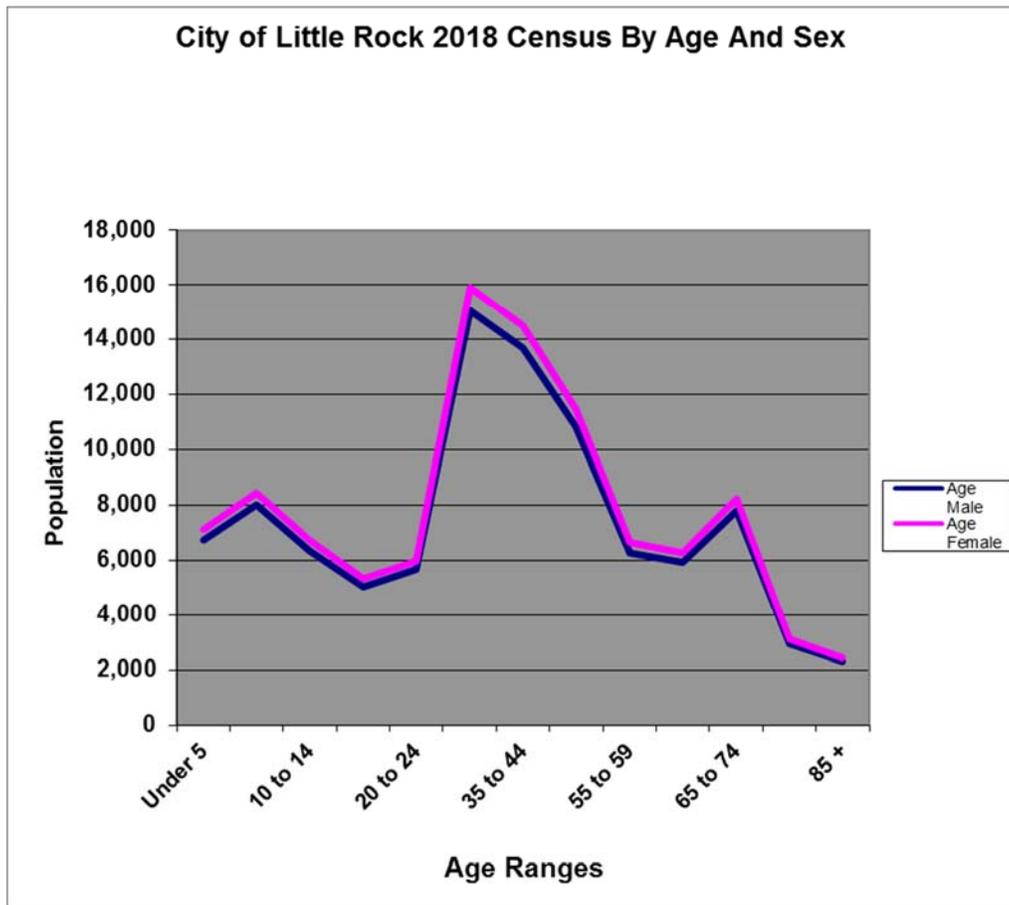
| <u>Year</u> | | <u>Number</u> |
|-------------|-----------------------------|---------------|
| 1910 | | 45,941 |
| 1920 | | 65,142 |
| 1930 | | 81,657 |
| 1940 | | 88,039 |
| 1950 | | 102,310 |
| 1960 | | 107,813 |
| 1962 | Special Census | 125,671 |
| 1964 | Special Census | 128,929 |
| 1970 | Census | 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 |
| 2016 | Estimate ** | 199,597 |
| 2017 | Estimate ** | 200,510 |
| 2018 | Estimate ** | 198,594 |

* Source: Arkansas Business 2016 Book of Lists

** Source: Metroplan

City of Little Rock 2018 Population By Age and Sex

| Age Ranges | Male | Female | Total |
|------------|---------------|----------------|----------------|
| Under 5 | 6,737 | 7,123 | 13,860 |
| 5 to 9 | 7,996 | 8,454 | 16,450 |
| 10 to 14 | 6,360 | 6,725 | 13,085 |
| 15 to 19 | 5,048 | 5,338 | 10,386 |
| 20 to 24 | 5,647 | 5,970 | 11,617 |
| 25 to 34 | 15,030 | 15,892 | 30,922 |
| 35 to 44 | 13,694 | 14,479 | 28,173 |
| 45 to 54 | 10,825 | 11,446 | 22,271 |
| 55 to 59 | 6,274 | 6,634 | 12,908 |
| 60 to 64 | 5,904 | 6,242 | 12,146 |
| 65 to 74 | 7,787 | 8,233 | 16,020 |
| 75 to 84 | 2,941 | 3,110 | 6,051 |
| 85 + | 2,287 | 2,418 | 4,705 |
| | <u>96,529</u> | <u>102,065</u> | <u>198,594</u> |
| | 48.6% | 51.4% | 100.0% |



LITTLE ROCK AND ENVIRONS

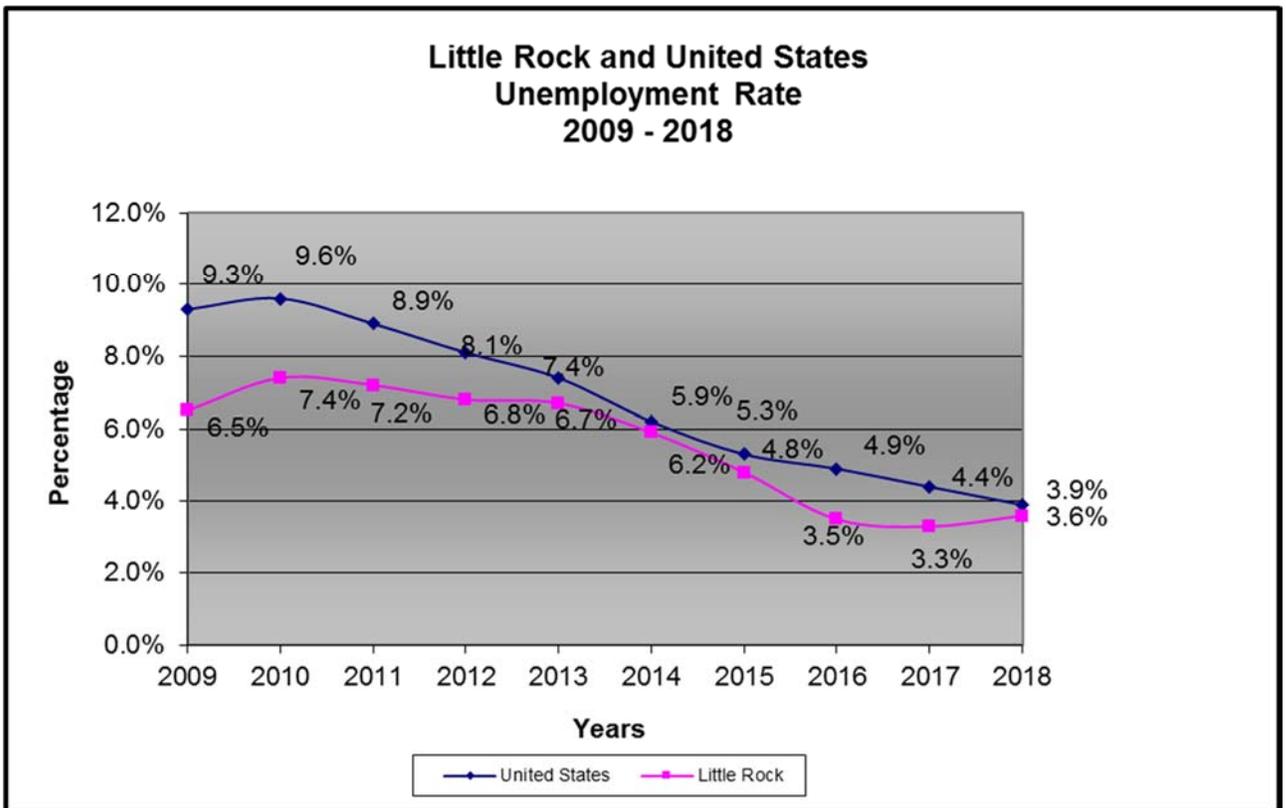
| | |
|---|----------|
| Per Capita Income (2017) | \$32,719 |
| Median household income (2017) | \$48,463 |
| U.S. Consumer Price Index (December 2017) | 365.1 |
| Percent inflation over past year | 1.6% |
| Average unemployment percentage rate | 3.6% |
| Median Age (2017 American Community Survey) | 36.2 |

Race (2017):

| | |
|---------------------------|-------|
| White | 50.8% |
| Black or African American | 41.6% |
| Hispanic or Latino * | 6.8% |
| Asian | 3.1% |
| Other ** | 2.9% |

*Hispanic is an overlay category that includes multiples races.

**Could include persons reporting more than one race.



Education (Little Rock School District):

| | |
|--|--------|
| Number of School Buildings | 44 |
| Number of Teachers/including Principals, Supervisors | 2,094 |
| Number of Registered Students | 23,368 |
| Number of Kindergarten Students | 1,839 |
| Average Daily Attendance - Elementary Schools | 9,040 |
| Average Daily Attendance - High/ Middle Schools | 9,392 |
| Average Daily Attendance - Kindergarten | 1,734 |
| Tax Rate: (Mills) | |
| Real | 46.4 |
| Personal | 46.4 |

**Educational Attainment
Little Rock 2017 (Highest level of Attainment)**

| | |
|---|---------|
| Total Population (ACS) | 198,594 |
| Population 25 years and over | 133,196 |
| Percent of Population Age 25+ | 67.1% |
| Education level in years of formal schooling: | |
| High School or Equivalent | 92.6% |
| Some college, no degree | 19.3% |
| Bachelor's degree | 25.1% |
| MA/Professional degree or higher | 19.5% |

**LITTLE ROCK INSTITUTIONS OF HIGHER EDUCATION
2016-2017**

| Institution | 2016 | 2017 |
|---|--------|--------|
| University of Arkansas at Little Rock | 11,665 | 11,624 |
| University of Arkansas for Medical Sciences | 2,869 | 2,834 |
| Arkansas Baptist College | 843 | 529 |
| Philander-Smith College | 765 | 891 |
| Webster University | 133 | 133 |
| Totals | 16,275 | 16,011 |

Sources:

Arkansas Business Book of Lists 2019

*Fall 2017 latest data, as shown in 2019 AR Business Book of Lists.

Compiled by Metroplan 2/12/2019

EMPLOYEES AS OF JANUARY 2, 2019

| <u>City Government</u> | <u>Total</u> | <u>Full-Time</u> | <u>Part-Time</u> |
|---|--------------|------------------|------------------|
| AFSCME | 380 | 380 | - |
| IAFF | 378 | 378 | - |
| FOP | 529 | 529 | - |
| Non-union | <u>1,187</u> | <u>664</u> | <u>523</u> |
| | 2,474 | 1,951 | 523 |
| <u>Commissions</u> | | | |
| Wastewater Utility | 214 | 213 | 1 |
| Bill & Hillary Clinton National Airport | 157 | 156 | 1 |
| LR Convention & Visitors Bureau | 217 | 121 | 96 |
| Little Rock Port Authority | 9 | 8 | 1 |
| Metropolitan Emergency Medical Services | 373 | 359 | 14 |
| Rock Region Metro | 200 | 197 | 3 |
| Arkansas Museum of Discovery | 48 | 28 | 20 |
| Arkansas Arts Center | 102 | 50 | 52 |
| Central Arkansas Library | <u>299</u> | <u>203</u> | <u>96</u> |
| | 1,619 | 1,335 | 284 |
| Total Employment | <u>4,093</u> | <u>3,286</u> | <u>807</u> |

Little Rock Area Major Employers
2018

| <u>Company</u> | <u>Industry</u> | <u>Employees</u> |
|---|-----------------------------------|------------------|
| 1 State Government – within the MSA | Government | 35,200 |
| 2 Local Government – within the MSA | Government | 26,500 |
| 3 Federal Government – within the MSA | Government | 10,200 |
| 4 University of Arkansas for Medical Sciences | Education/Medical Services | 9,702 |
| 5 Baptist Health | Medical Services | 7,336 |
| 6 Little Rock Air Force Base | Government | 4,500 |
| 7 Arkansas Children's Hospital | Medical Services | 4,372 |
| 8 Little Rock School District | Schools/Colleges/Education | 3,968 |
| 9 CHI St. Vincent Health System | Medical Services | 3,000 |
| 10 Pulaski County Special School District | Schools/Colleges/Education | 2,700 |
| 11 AT&T | Utility (Telephone) | 2,613 |
| 12 Arkansas Blue Cross Blue Shield | Insurance | 2,607 |
| 13 Entergy Arkansas | Utility (Electric) | 2,582 |
| 14 Verizon Wireless | Communications/Telecommunications | 2,500 |
| 15 Dillard's Inc. | Department Store | 2,000 |
| 16 University of Arkansas at Little Rock | Education | 1,852 |
| 17 CenterPoint Energy | Utility (Natural Gas) | 1,600 |
| 18 Dassault Falcon Jet Corp. | Falcon Aircraft Models | 1,400 |
| 19 Windstream Communications | Utility(Telephone) | 1,400 |
| 20 Fidelity National Information Services | Data Processing | 1,300 |
| 21 Welspun | Manufacturing | 1,000 |
| 22 United Parcel Services | Distribution | 958 |

Source: Greater Little Rock Chamber of Commerce - 03/06/2019

The City of Little Rock, Arkansas's largest own-source revenue is sale taxes. The City's sale taxes revenues are generated from two separate tax levies; a permanent one and one-eighth (1.125)-cent local general sales tax, and a three-eighth (0.375)-cent local sales tax for capital improvements, which sunsets in 2021 unless it is extended by voters. Taxes are assessed based on the point of sale. In addition, the City receives a portion of the county's one (1.0)-cent sales tax based on population. The City of Little Rock makes up approximately 51% of the county population and receives a like proportion of the county tax. In 2018, the combined 1.5-cent city sales tax generated revenue of \$76,028,622. The City's share of the county 1-cent tax generated revenue of \$42,380,735.

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 disclose the top ten taxpayers. However, Little Rock enjoys a diverse economic sales tax base. Revenues generated by the top ten industry codes are noted below.

| Little Rock Top Ten 1 1/2 Cent Sales Taxpayers | | |
|--|----------------------|-------------------|
| Industry | Tax Collected | % of Total |
| All Other General Merchandise | \$ 6,148,003 | 8.09% |
| Grocery Stores | 5,609,530 | 7.38% |
| Full-Service Restaurants | 5,150,430 | 6.77% |
| Building Materials and Supplies Dealers | 3,585,733 | 4.72% |
| Electronics and Appliance Stores | 2,825,911 | 3.72% |
| Clothing Stores | 2,638,879 | 3.47% |
| Electric Power Generation; Transmission and Distribution | 2,407,556 | 3.17% |
| Traveler Accommodations | 2,288,508 | 3.01% |
| Automotive Equipment Rental and Leasing | 2,059,744 | 2.71% |
| Professional and Commercial Equipment and Supplies Wholesale | 1,868,518 | 2.46% |
| | | |
| Totals | \$ 34,582,812 | 45.49% |
| Little Rock Top Ten 1 Cent County Sales Taxpayers | | |
| Industry | Tax Collected | % of Total |
| All Other General Merchandise | \$ 4,290,001 | 10.12% |
| Full-Service Restaurants | 2,883,446 | 6.80% |
| Grocery Stores | 2,769,774 | 6.54% |
| Building Materials and Supplies Dealers | 2,367,044 | 5.59% |
| Electric Power Generation, Transmission and Distribution | 1,802,761 | 4.25% |
| Electronics and Appliance Stores | 1,424,925 | 3.36% |
| Clothing Stores | 1,239,283 | 2.92% |
| Traveler Accommodation | 1,024,592 | 2.42% |
| Telecommunications | 889,609 | 2.10% |
| Food Services and Drinking Places | 886,930 | 2.09% |
| | | |
| Totals | \$ 19,578,365 | 46.20% |

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.