



City of Little Rock

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**CITY OF LITTLE ROCK
FINANCE DEPARTMENT
500 W. MARKHAM, ROOM 208
LITTLE ROCK, ARKANSAS 72201-1413**

The enclosed 2018 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 budget document can be found at 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, Silas Roaf Budget Analyst at (501) 399-3440 or Ember Strange, Assistant Finance Director at (501) 371-4557.

Thanks for your interest in the City of Little Rock.

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2018 Annual Operating Budget City of Little Rock, Arkansas

On the Cover: On September 25, 2017, the City of Little Rock commemorated the 60th anniversary of the integration of Little Rock Central High School by the Little Rock Nine: Melba Pattillo Beals, Elizabeth Eckford, Ernest Green, Gloria Ray Karlmark, Carlotta Walls LaNier, Terrence Roberts, the late Jefferson Thomas, Minnijean Brown Trickey and Thelma Mothershed Wair.

The anniversary events included the dedication of a new sculpture on the grounds of Little Rock Central High School, an educational forum, a concert by Mavis Staples, a symposium featuring the children of the Little Rock Nine, an interfaith service, and a commemoration ceremony.

On the cover is a photo of the eight surviving members of the Little Rock Nine with President Bill Clinton (who delivered the keynote address at the commemoration ceremony) and current Central High School seniors at the September 25th ceremony as well as photos of Dr. Beals, Ms. Eckford, Mr. Green, Ms. Karlmark, Ms. LaNier, Dr. Roberts, Ms. Trickey and Ms. Wair from events throughout the anniversary weekend. (Photos by: Karen Seagrave - KES Photo; Jacob Allison – ThinkDero; Bob Ocken - ThinkDero)

City of Little Rock

2018 Annual Operating Budget

Bruce T. Moore
City Manager

Prepared by:
Department of Finance

Sara Lenehan, Finance Director

Ember Strange, Assistant Finance Director

LaVerne DuVall, Budget Officer

Silas Roaf, Budget Analyst

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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

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Budget Presentation
Award*

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**City of Little Rock
Arkansas**

For the Fiscal Year Beginning

January 1, 2017

Christopher P. Morill

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, 2017.

In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operation guide, as a financial plan, and as a communications medium.

The award is valid for a period of one year only. We believe our current budget document continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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LITTLE ROCK AT A GLANCE

On April 9, 1722, French explorer Benard de La Harpe noticed an outcropping of rock on the southern bank of the Arkansas River and dubbed it “La Petite Roche.” Eighty years later, the first residence was built for a fur trapper and trader. Since 1812, Little Rock has grown from that one person to become the Capital City of Arkansas with a population of 197,992. The metropolitan area population is 729,135 with more than 1.033 million people living within 70 miles of Little Rock.

The La Petite Roche rock formation created a natural harbor which made Little Rock an early center of commerce for the region. Today, that tradition continues as Little Rock is home to several large corporations. Among the City's major industries are technology, healthcare, retail, manufacturing and government. The presence of these industries helps to explain the City's lower than average unemployment rate of approximately 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) and renovation of Robinson Center Music Hall are some of the other exciting projects in the City's core. Redevelopment continues in the City's older neighborhoods and the City is experiencing new growth in areas to the west and southwest.

Medical facilities in the Little Rock area provide efficient, comprehensive service to more than two million individuals throughout the state. The major area hospitals provide bed space for approximately 2,800 patients. Included are a large number of specialty clinics and outpatient surgery centers that are continuing to expand.

Diverse and quality educational opportunities are available in Little Rock. The University of Arkansas for Medical Sciences continues to garner international attention for ground breaking medical research and procedures. The University of Arkansas at Little Rock is a metropolitan university educating 12,000 students in undergraduate and graduate programs, including the William H. Bowen School of Law. In addition, Little Rock is the home 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 Mark Stodola



Vice Mayor Kathy Webb
Ward Three



Director Erma Hendrix
Ward One



Director Ken Richardson
Ward Two



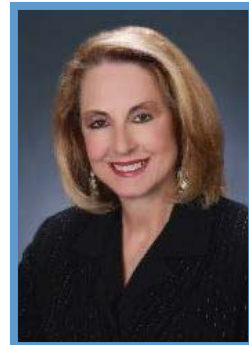
Director Capi Peck
Ward Four



Director Lance Hines
Ward Five



Director Doris Wright
Ward Six



Director B. J. Wyrick
Ward Seven



Director Dean Kumpuris
Position Eight



Director Gene Fortson
Position Nine



Director Joan Adcock
Position Ten

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HOW TO USE THE BUDGET DOCUMENT

This section is designed to explain and simplify the use of this document. It will acquaint you with the types of information you can expect to find such as:

- Sources of funding for City Services
- Where and how resources are utilized
- Services provided by City Departments
- Policies and objectives for the upcoming year

Definition - What is a Budget Document?

The budget document presents the City's financial management plan for the coming fiscal year. The budget outlines the day-to-day functions of City departments for a one-year period and includes planned expenditures for major capital projects. The Mayor is responsible for enforcing the spending limits established in this plan.

Each year, the City establishes a budget for operations in the coming fiscal year, January 1 to December 31. The budget is based on estimates of projected revenues and other funding sources. Appropriations for City programs are recommended based on available resources and priorities set by the City Board of Directors.

As required by law, the Mayor submits a recommended budget to the Board of Directors. The Board of Directors conducts an extensive review of the recommended budget and holds several public hearings to receive citizen input. Once any necessary modifications are made, the Board of Directors adopts the Budget Ordinance. Upon completion, the Budget Document is published.

The budget must be adopted on or before December 30. A calendar of events for budget development activities for fiscal year 2018 is included in this document to more adequately describe the budget development process.

The 2018 Basic Budget is comprised of four major fund types: the General Fund, Special Revenue Funds, an Internal Service Fund and Enterprise Funds.

The General Fund is utilized to account for revenues and expenditures for the regular day-to-day operations of the City. The primary sources of revenue for the General Fund are local sales taxes, property taxes, and utility franchise fees.

Departments in the General Fund are organized as follows:

- General Administration
- Board of Directors
- Community Programs
- City Attorney
- District Court First Division
- District Court Second Division
- District Court Third Division
- Finance
- Human Resources
- Information Technology
- Planning & Development
- Housing & Neighborhood Programs
- Public Works
- Parks & Recreation
- River Market
- Golf
- Jim Dailey Fitness & Aquatics
- Zoo
- Fire
- Police

The other major fund types are described below:

1. Special Revenue Funds – These funds are utilized to account for revenues that are legally restricted to expenditures for specific purposes, e.g., street fund and grant funded programs.
2. Enterprise Funds – Proprietary funds in which the services provided are principally supported through charges to the users of the services, e.g., solid waste fund, vehicle storage facility and parking garages.
3. Internal Services Fund – Funds that provide services to other parts of the City organization, e.g., motor pool, vehicle maintenance and insurance.

Payments to the Internal Services Fund are not reflected as transfers, but are included as line items within the budgets of the departments in all operating funds.

Operating Flow of Funds

Revenues are deposited into the General Fund as a result of specific activities. For example:

General Fund	Enterprise Funds
Property Taxes	Service Rates
Sales Taxes	Sanitation Fees
Licenses & Permits	Compost Sales

Expenditures are made from the General Fund to support activities. For example:

General Fund

- General Fund Departments - Police, Fire, Parks & Recreation, etc.
- Personnel, supplies and materials, repairs and maintenance, contractual, capital outlay, debt service, and transfers out.

Enterprise Fund

- Enterprise Funds – Waste Disposal, Vehicle Storage Facility, and Parking Garages.
- Personnel, supplies and materials, repairs and maintenance, contractual, closure/post closure, depreciation, debt service, and transfers out.

Departments within the General Fund, Special Revenue Funds, and Enterprise Funds make payments into the Internal Service Fund for Fleet operations and vehicle and equipment maintenance.

Capital Budget

The Capital Budget consists of major capital projects, which often require more than one year to complete and place in service. Examples of capital projects include street and drainage construction, building construction, and park development. A description of the source of funding for capital projects is included in the Capital Improvements section of this document. In addition, this section includes the estimated funds required for the ongoing operation and maintenance of the assets resulting from the capital improvement projects.

The completion of certain capital projects may be delayed for a period of time if corresponding operating and maintenance funds are not available.

Debt Service Flow of Funds

The City issues debt after one of the following:

- Approval by City Board to issue Temporary Notes, Certification of Obligations or Revenue Bonds.
- Successful completion of a Bond Election.

Funds generated from the sale of debt obligations are allocated to individual special projects within the capital project funds. When a project is completed and the project account closed, unused funds may be directed to retirement of the debt service obligation. The Debt Service Funds are primarily supported by property tax millages, which require voter approval, for the express purpose of debt retirement. Other revenue sources for debt retirement include franchise fees and system revenues. The Debt Service Funds initiate payments of principal and interest to the bond purchasers. A description of the source of funding for debt retirement and a discussion of the City's legal debt margin is included in the Debt Management section of this document.

Format for Budget Expenditures

A summary of budgeted operating expenditures and personnel is included in the Expenditure section of this document. Following the summary information, each Department's organizational chart, mission statement, expenditure budget, staffing summary, 2017 priorities and results, 2018 goals, and applicable service measures are presented.

Major Categories of expenditures include the following:

- Personnel (Salaries, Wages and Employee Fringe Benefits)
- Supplies and Materials
- Repairs and Maintenance
- Contractual Services
- Closure/Post Closure
- Capital Outlay
- Depreciation
- Debt Service
- Transfers Out

MANAGEMENT TEAM

Mark Stodola	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
Jamie 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
Kenton Buckner	Police Chief
Susan Altrui	Director of Zoo
Willie Hinton	Director of Fleet Services

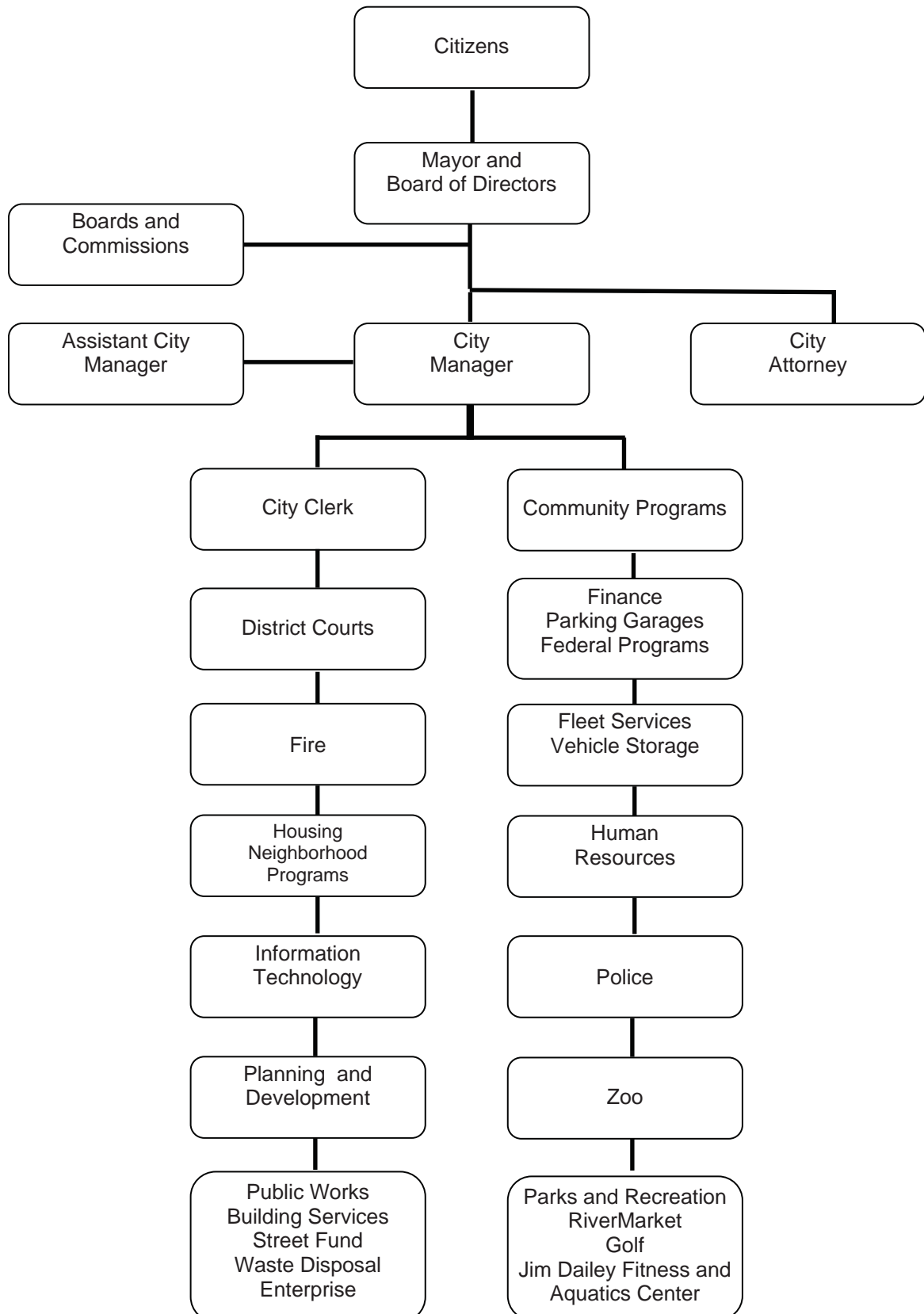
Budget Report Production, Analyst, and Graphics

Ember Strange	Assistant Director of Finance
LaVerne DuVall	Budget Officer
Silas Roaf	Budget Management Analyst

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City of Little Rock



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
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
MARATHON
JIM DAILEY FITNESS AND AQUATIC CENTER
RIVERMARKET
GOLF COURSE AND MAINTENANCE

GENERAL GOVERNMENT

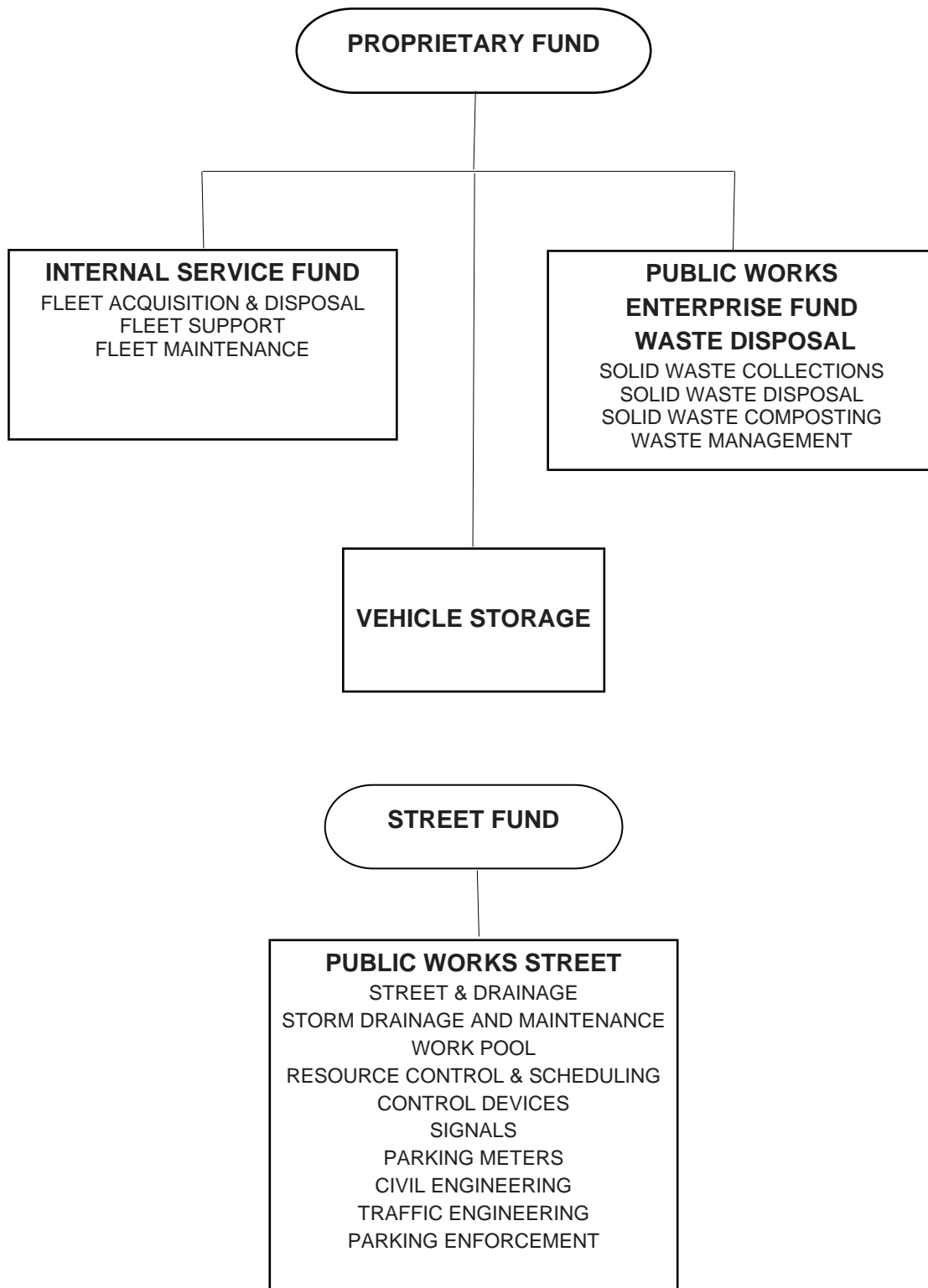
MAYOR AND BOARD OF DIRECTORS
CITY MANAGER
CITY ATTORNEY
CITY CLERK
FIRST DISTRICT COURT
SECOND DISTRICT COURT
THIRD DISTRICT COURT
LITTLE ROCK TELEVISION
COMMUNITY PROGRAMS
SMALL AND WOMEN OWNED BUSINESS
DEVELOPMENT
311 SERVICE CENTER

PUBLIC SAFETY

FIRE
POLICE
911 COMMUNICATION CENTER

CITY OF LITTLE ROCK

OPERATING FUND STRUCTURE



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City of Little Rock

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City Manager

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December 19, 2017

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

I respectfully submit the official Year 2018 Budget for the City of Little Rock that builds on the accomplishments and Service Improvement Programs initiated during the last several years. While the economic downturn and slow recovery experienced recently continue to create significant challenges for the City, 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 \$265,741,736, an increase of \$7,263,622, or 2.8% more than the 2017 Adopted Budget and \$5,169,167, or 2% more than the final 2017 Amended Budget. The Operating Budget changes for the 2018 Year are summarized below:

	<u>2018</u>	<u>2017</u>	<u>Change</u>	<u>% Change</u>
General Fund	\$208,963,275	\$204,522,270	\$4,441,005	2.2%
Street Fund	20,969,356	20,172,832	796,524	3.9%
Fleet Services Fund	13,061,091	12,232,552	828,539	6.8%
Waste Disposal Fund	18,900,401	17,833,261	1,067,140	6.0%
Vehicle Storage Facility Fund	1,335,365	1,376,010	(40,645)	-3.0%
Parking Garages	2,512,248	2,341,189	171,059	7.3%
Total	<u>\$265,741,736</u>	<u>\$258,478,114</u>	<u>\$7,263,622</u>	<u>2.8%</u>

The 2018 Operating Budget has been developed around common themes from the Mayor and Board of Directors policy and priority areas. These strategic priority areas include: Public Safety; Economic Development; Infrastructure; Basic City Services; and Quality of Life Issues.

OVERVIEW

General Fund:

Little Rock citizens passed an additional One (1)-Cent Local Sales Tax in September 2011, 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 on-going operating needs and capital needs. The 5/8-Cent permanent increase in sales tax for operations is reflected in the FY18 Adopted Budget. The 3/8-Cent Sales Tax for capital projects, which expires in ten (10) years (2021), is discussed in detail in the capital section of the budget document. In addition, in a special election held on September 11, 2012, Little Rock citizens approved the issuance of Capital Improvement Bonds not to exceed \$105 million for street and drainage improvements. Up to \$73.5 million of the Bonds are dedicated to street improvements with the remaining \$31.5 million available for drainage improvements throughout the City. The Bonds are secured by a three (3)-mill Ad Valorem Tax on taxable property located within the City of Little Rock. On July 24, 2016, the City issued \$58,105,000 in Bonds, and a second series of Bonds will be issued in 2018.

The General Fund 2018 Operating Budget includes several significant changes from the original 2017 Operating Budget. The 2018 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 \$4.75 million of the transfer in revenue and related debt service expense in the 2018 Operating Budget. Debt service of \$7,751,360 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 50% 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, 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; increased funding for building

maintenance; expanded park maintenance; Zoo deferred maintenance; operations and staffing; annual fleet replacement; information technology staffing and maintenance; and new transit routes. Many of the initiatives supported by the sales tax were implemented during 2012 and are maintained in 2018.

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 2017, with four (4) of the twelve (12) months of 2017 demonstrating a negative or unfavorable comparison to the previous year and eight (8) months demonstrating a favorable comparison to the previous year. Overall results for 2017 were 1.71% greater than 2016 results and trailed the Amended Budget by 0.49%, or \$494,741. Based on the growth experienced in the first nine (9) months of 2017, and economic development within the City, the projected growth in the 2018 Budget includes 2.6% for the City’s portion of County sales tax revenue and for the City’s local sales tax. Based on the final actual sales tax revenue for 2017, the City will need to experience growth of 3.1% to achieve the 2018 Budget of \$104,615,000. 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 2017, the Arkansas General Assembly considered two (2) Remote Seller Sales and Use Tax Bills which would have allowed municipalities and the State to capture revenues which once would have been remitted to them prior to Internet Sales; unfortunately, neither of those bills were approved by the General Assembly. The City is encouraging action by State and Federal representatives to address the issue of fairness in collection of taxes due on Internet sales which are 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 1.6% in 2017 with a decline in usage of approximately 2.9%. Electricity Franchise Fees are expected to increase in 2018 by an estimated 8.5% over 2017 actual results. The budget projection includes a 3.75% rate increase

coupled with anticipated increased fuel cost recovery. Franchise Fees from CenterPoint Entergy, the gas utility, increased approximately 11% in 2017 with a decrease in usage of approximately 1.16%. The increase in revenue followed a prior year decrease of 22% due primarily to historically low natural gas prices. The 2018 budget projection reflects a 4.65% increase in revenue due to a base rate increase of 1.97% and higher natural gas costs passed through to customers. The Little Rock Water Reclamation Authority (LRWRA) will increase rates by approximately 4.75% effective January 1, 2018. The rate increase is expected to grow franchise fees by approximately 4.4% in 2018. LRWRA has scheduled rate increases from 2018 - 2021 to fund an 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. In addition, Central Arkansas Water (CAW) has announced a rate increase in 2018. The rate change is expected to increase an average residential customer's bill by 8.9%, with average rate increases of 5.3% and 3.9% for commercial and industrial customers, respectively. Combined, an increase of approximately 11% is anticipated for CAW franchise fees in 2018. Franchise Fees from telecommunication companies and long-distance carriers are expected to decrease approximately 4% after several years of decline due to on-going competition from wireless companies. Overall, 2018 Franchise Fee revenue is expected to be 6.9% higher than 2017 actual revenues or \$29,479,000. Subsequent to the adoption of the 2018 Budget, Congress passed a bill that lowered the Federal Corporate Tax rate from 35% to 21%. The Arkansas Public Service Commission has notified the State's investor-owned utilities to file an analysis of the effects of Federal tax cuts on their rates. It is likely that some of the rate increases reflected in the budget may be reversed retroactively. The potential negative impact on the budget is yet to be determined.

Property Tax revenues account for approximately 14% of General Fund revenues. Little Rock recently received its Original Charge for 2017 Property Taxes to be collected in 2018. The Original Charge is approximately 1.55% over last year's value and represents the total amount assessed on real estate and personal property for the previous year. The Original Charge for the previous year increased 4.5%. The 2018 Budget reflects an increase in Property Tax revenues of approximately 3% from the 2017 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 maintain consistent levels through previous periods of economic downturn. The City has not experienced the decline in values that were prevalent in other parts of the country.

City employees have demonstrated their dedication and professionalism by providing quality service to the citizens of Little Rock. The General Fund Budget supports 1,720 full-time equivalent (FTE) positions, a net increase of twelve (12) FTEs compared to 2017 staffing levels. Staffing includes twenty-seven (27) Police positions previously funded by a grant award under the *American Recovery and Reinvestment Act* COPS Program and eighteen (18) Firefighters previously funded by a SAFER Grant. In addition, special projects and grant awards support forty-five

(45) employees, including fifteen (15) COPS positions. Approximately ninety-eight (98) of the budgeted General Fund positions were vacant at the end of 2017, a significant improvement from the 143 positions vacant at the end of 2016. The City plans to continue its efforts to create a Little Rock Brand and social media presence for Police recruitment and to implement recommendations resulting from an independent review of Police Officer recruitment and selection processes to facilitate filling vacant positions. There were approximately twenty (20) uniform Officer positions vacant at year-end, which is approximately forty-five (45) less than at the end of 2016. With the passage of the sales tax in 2011, positions were filled and new positions have been added, particularly in the areas of Public Safety and Parks & Recreation. The 2018 Operating Budget expenditures include \$152,057,385 in personnel cost, net of an anticipated \$6.5 million in savings from authorized but vacant positions. The 2018 Budget includes salary increases of 3% for uniform positions in addition to the Police and Fire Step and Grade progression. Non-uniform personnel salary increases are budgeted at 1%. The City implemented a new Step and Grade System for the American Federation of State, County and Municipal Employees (AFSCME) union-eligible positions in 2017. The twenty (20)-step system provides annual adjustments of approximately 1.8% in addition to the 1% across the board salary increases awarded to non-uniform positions. The new system is intended to promote retention and advancement within the salary ranges for AFSCME employees. The City will continue to provide basic comprehensive health insurance in 2018 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 increased pension costs for Fire and Police uniformed personnel. Pension costs increased from 22.58% to 23.58% of payroll for uniformed Fire personnel and from 19.23% to 20.23% of payroll for uniformed Police personnel. In addition, the City merged administration of the closed local Police Pension Fund with the LOPFI Plan which will require an additional contribution of \$345,065 per month; however, the additional contribution will not result in any additional cost to the City. The dedicated one (1)-mill Property Tax Levy, annual City sales tax contribution of \$500,000, and other dedicated fines and fees are expected to fully fund the contributions for the closed local Police Pension Fund. 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 2018 to the City contribution rate of 9% of salary to the plan, matched by employee contributions of 4.5%. Pension costs for Court Clerks is increasing to 15.32% from 14.75%. 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 2018 Budget for personnel cost will increase approximately 4.7% from the 2017 Budget.

Fleet services and fuel costs are projected to increase in 2018 in comparison to the 2017 Adopted Budget. The 2018 Fuel Budget is based on estimated unleaded and

diesel fuel per gallon prices averaging \$2.20 and \$2.30, respectively. In 2014, the City opened a Compressed Natural Gas (CNG) Station and has been converting vehicles to CNG when practical. CNG fuel cost for 2018 is forecast at \$0.77 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 cost will be reduced. In 2018, the City plans to continue implementation of a Five (5)-Year Replacement Plan for the Police Fleet, including the purchase or lease of approximately sixty (60) new Police Vehicles.

In 2017, the City issued a short-term financing note in the amount of \$5,250,000, which funded the first phase of the Police Vehicle Replacement Plan with the purchase of sixty (60) patrol vehicles. In addition, the note funded software purchases and Phase One of the Computer Aided Dispatch System Upgrade/Replacement. 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. The 2018 Budget reflects a net decrease in debt service of \$2,767,821 due to the 2017 retirement of the \$18.58 million note issued in 2012 to advance public safety initiatives included in the 3/8-Cent Sales Tax program, partially offset by the issuance of the 2017 Short-Term Note described above.

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 \$1.95 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 2018 as part of City's emphasis to foster and enhance youth and community development. In addition, Community Programs Staff completed the development of a Youth Master Plan following a series of community forums with Little Rock citizens. City Staff will continue to work with community groups, neighborhood associations, the faith-based community and other groups to ensure

resources are targeted appropriately. In addition, the City implemented an in-house pilot program to train and utilize disadvantaged persons for the construction and maintenance of sidewalks in conjunction with the skills center and re-entry programming. The program was extremely successful and will be continued in 2018. In addition, the City has expanded the program to include additional entry-level positions available in other City Departments.

The 2018 Budget includes a contingency allocation of \$1 million or approximately 0.5% of General Fund revenues. The City of Little Rock's Management Team will continue to manage the City in a sound and fiscally prudent manner while striving to deliver the quality and level of service that the citizens of Little Rock expect with available resources.

2017 Accomplishments

Little Rock Police Department: The Little Rock Police Department (LRPD) served the Little Rock community by responding to 159,051 calls for service. In early 2017, LRPD completed upgrades to the firing range at the Training Division, which provides improved facilities for sworn personnel's weapons qualifications. Sixty (60) new Police patrol vehicles were purchased during 2017 that will receive up-fits and be deployed in 2018. LRPD successfully conducted three (3) Recruit Schools in 2017. Recruit School #86 began February 20, 2017, with eighteen (18) Recruits. Recruit School #86 had the special designation of being the first class in LRPD's history with a 100% graduation rate. Recruit School #88 commenced August 21, 2017, with twenty-five (25) Recruits, and Recruit School #89 started November 13, 2017, with forty (40) Recruits. At least two (2) additional Recruit Schools will be held in 2018, with the possibility of a third Certified Officer Advanced Training (COAT) Class. 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.

Little Rock Fire Department: In 2017, the Little Rock Fire Department (LRFD) achieved a major goal by being awarded International Accreditation from the Center of Public Safety Excellence, the only Fire Service Accreditation Program in the world. With this designation, LRFD becomes the 57th Fire Department of roughly 30,000 Departments in the United States to have both 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 the year, LRFD continued to provide quality services to the Little Rock community, responding to more than 36,000 fire and emergency calls. A Communications Supervisor position was added to the Department's staff, which allows for more efficient monitoring of National Fire Protection Association (NFPA) Standards and assures that the City's Communication Center is continuously made aware of advances in technology and technique. In addition, the Department moved from an in-house Records Management System to an Emergency Reporting System which provides the Department with the ability to easily collect and organize

data for reporting to Federal and State Stakeholders. In addition, LRFD held its first annual Awards Ceremony honoring personnel who made exceptional contributions to the Department and the citizens of Little Rock. A Company Officer Development/Mentorship Program was implemented, which enables the organization to invest in personnel by harvesting the knowledge, skills and abilities of its employees and gives them the ability to gauge their personal levels of competence. In an effort to assist citizens in need of food and shelter, a Homeless Awareness Campaign was initiated which trains Fire Department personnel on homeless awareness and response training. In addition, a resource brochure has been developed for distribution.

Community Programs: In 2017, the Community Programs Department implemented the three (3)-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. In addition, the Department held a series of Focus Groups with Little Rock citizens in an effort to continue identifying priority needs and to assist with making a list of recommendations to meet those needs. Staff continued working closely with funded program providers to implement the Youth Program Quality Initiative to better determine the level of effectiveness of their programs and find ways to improve program services. In addition, staff continued a Youth Intervention Program at Hamilton Learning Academy with targeted referrals to City-funded programs. A new staff position, Community Engagement Coordinator, was created to serve as a liaison between Little Rock citizens, City Prevention, Intervention and Treatment funded programs, and other partnerships developed specifically to meet community needs. Two (2) new Requests for Qualifications were released to improve community outcomes: 1) A comprehensive Career and Life Skills Project to specifically address barriers to the successful employment of disconnected youth aged eighteen (18) – thirty (30); and 2) A Community-Based Intervention Program to develop, provide, and implement effective youth intervention strategies and techniques for community-based outreach to Little Rock residents ages thirteen (13) - thirty (30).

Human Resources: The Human Resources Department had an extremely busy 2017. A record number of job announcements were produced, resulting in a larger number of applications, and a record number of new hires. Multiple promotional processes were conducted for Police and Fire uniform positions, and the Department was able to continue to offer several training classes. In addition, the Employment Services Division coordinated three (3) successful executive level selection processes. The Department conducted a comprehensive Timekeeper Training session for all Timekeepers, and the City Health Fair was revamped to include more presentations and vendors. The Employment Services Division worked with the Police Department in finalizing the Police Officer Hiring Audit resulting in improvements in the hiring process.

Finance: The Finance Department obtained the Government Finance Officers Association (GFOA) Certification of Recognition for the 2017 Distinguished Budget Presentation and the GFOA Certificate for Excellence in Financial Reporting for the

2016 Comprehensive Annual Financial Report. In addition, staff coordinated with other City Departments to conduct a program inventory process review of the 2017 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 2017, Finance facilitated the issuance of a short-term financing note in the amount of \$5,250,000. In addition, the Department facilitated four (4) Bond issues including issues for the Little Rock Water Reclamation Authority, the Central Arkansas Library System, the Little Rock Port Authority, and the primary government's 2017 Capital Improvement Revenue Refunding Bonds. The 2017 Capital Improvement Bonds refunded the 2002 Junior Lien Revenue Bonds, the 2007 Capital Improvement Revenue Refunding Bonds, and the 2009A & 2009B Parks and Recreation Revenue Bonds, generating net present value savings of approximately \$4.2 million and 20.9% of the refunded principal, and reducing the amortization of the debt service by six (6) years. In addition, the refunding generated \$1.5 million in debt service savings for the 2018 General Fund Budget. The City's General Obligation Limited Tax Bond rating was upgraded by Moody's to Aa1 from Aa2 in 2017. The Purchasing Division continues to receive recognition and in 2017 was featured in an article by Routefifty entitled, *Business as Usual Can Be the Riskiest Procurement Approach*. The article highlighted the work that the City has been doing as part of the What Works City Initiative and the panel that the Little Rock Purchasing Manager served on at last year's summit in New York. In addition, The Harvard Kennedy School Government Performance Lab is publishing another article that exclusively showcases Little Rock and its Results Driven Contracting Initiative. This project feature will be part of their solution book and will be made available to entities across the country.

Information Technology: The Information Technology Department completed the upgrade of the Lawson/INFOR System to Version 10. In addition, the Department worked with the successful vendor on the connection and installation of fiber to the Special Investigation Division, the Field Services Northwest Division, and the State Data Center which resulted in increased speed and reliability for users. As a part of the new Voice-Over Internet Protocol (VoIP) Phone System upgrade, the Department has built 799 VoIP phones and installed 722 of the 1,050 phones scheduled for replacement. Information Technology provided the Housing & Neighborhood Programs Department with technical assistance and training on a new mobile application. This addition afforded Code Enforcement Officers the ability to respond to their daily responsibilities and complete reports outside of their office through the use of their iPads, improving efficiency.

Planning & Development: The Planning & Development Department completed the review of the area west of Interstate 430 and south of Chenal Parkway/Kanis Road (Ordinance No. 21,446 passed on July 18, 2017). Several commercial buildings were inspected this year; some were made code-compliant and a number were razed and removed. GIS Application development for Fire and Police was completed, and two (2) GIS applications for Housing & Neighborhood Programs were completed to enable the Department to develop their own maps. The

Department completed scans of all Final Plats, and staff reviewed and processed over 250 development related applications, such as rezonings, Conditional Use Permits and Planned Developments. Staff has completed initial work on housing and transportation for the Interstate 30 Corridor, and the City entered into contract with Nelson/Nygaard for design coordination, funding negotiations and construction assistance for the 30 Crossing Project. The City of Little Rock team has met with the Arkansas Department of Transportation (ArDOT) and drafted a preliminary Agreement of Understanding. Staff is working with a consultant team with a target date of June 22, 2018, for implementation of the new permitting and inspection software.

Housing & Neighborhood Programs: The Housing & Neighborhood Programs Department implemented the Motorola mobile application throughout the Code Enforcement Division, allowing Officers access to real time 311 requests, printing of notices electronically in the field, and access to maps, and County real estate data. The Environmental Court Team was re-established in June 2017 to focus on cases in Environmental Court, and as a result, the number of court cases, twelve (12) months or older, declined from fifty-two (52) cases to thirty-three (33) cases by the end of the year. Monthly public meetings named *CodeStat* were initiated to share 311 data pertaining to code issues throughout the City. Officers dedicated to the inspection of rental properties inspected 1,835 units during 2017. In addition, ten (10) Officers completed the Code Enforcement Academy, which included a session regarding court procedures conducted by the Environmental Court Judge. The Community Development Division assisted 102 homeowners through various rehabilitation programs, including wheel chair ramps, emergency assistance grants, limited home repairs, elderly home repairs and World Changers. In addition, 6,891 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 seventy-six (76) clients. The Little Rock Animal Village (LRAV) reached an all-time record with 1,846 adoptions. In addition, 1,008 animals were transferred to rescue groups and LRAV had its lowest ever number of euthanized pets in a year with 825. The Land Bank continues to market available properties for development including creation of new marketing strategies. In 2017, the Land Bank sold ninety-one (91) lots and acquired twenty-seven (27) properties.

Public Works: In 2017, Public Works Operations Staff responded to 8,788 service requests via the 311 Service Request System and swept 21,197 curb miles of streets. In addition, staff administrated a successful Sidewalk Replacement Program, utilizing disadvantaged citizens re-entering the workforce. In 2017, this program constructed 61,403 square-feet, or 12,280 linear-feet, of sidewalks in Little Rock. During 2017, staff coordinated the resurfacing of sixteen (16) street segments totaling 49,745 feet, or 9.42 miles, of streets listed in the 2016 Resurfacing Program, and sixteen (16) street segments totaling 29,845 feet, or 5.65 miles, of streets listed on the 2017 Resurfacing Program. A total of 15.07 miles of City streets were asphalt resurfaced during 2017. In addition, staff completed design work on all remaining 2013 - 2015 Bond and Sales Tax Projects and 94% of projects are either under

construction or completed. Staff has completed design work on 94% of all 2016 – 2018 projects and 26% of these projects are either under construction or completed.

Parks & Recreation: 2017 was another successful year for Little Rock Parks & Recreation. The expansion of the Vogel Schwartz Sculpture Garden, a collection of sixty-eight (68) pieces of public art funded by the Vogel Schwartz Foundation and Sculpture at the River Market, was completed and dedicated on October 1, 2017. This addition to Riverfront Park serves as a centerpiece for the park and provides a unique viewing area for residents to enjoy fine art, free of charge. The Department made strides in 2017 to improve maintenance with the development of a Mowing Division. This Division has been tasked with and has accomplished mowing nineteen (19) premier parks one (1)-time per week. In addition, the remaining forty-four (44) parks continue to be mowed every ten (10) days, and have seen improved service levels. The Lights on After School Program continued to grow in 2017 with a total attendance of 205 children and was successful in promoting the critical importance of quality afterschool programs in the lives of children, their families and community. In its 96th year, the Summer Playground Program saw each of the eight (8) sites filled to capacity with a total number of 1,180 youth served during the summer. The Little Rock Marathon had another successful race that saw an increase in both registration and revenue. The Department received four (4) awards from the Arkansas Recreation and Parks Association for 2017, including Professional of the Year, Young Professional of the Year, Program of the Year and a Lifetime Achievement Award.

Little Rock Zoo: The Little Rock Zoo maintained its status as an accredited zoo in 2017 and continued its work as a leader in conservation education. The Zoo received its five (5)-year renewal of accreditation from members of the Association of Zoos and Aquariums (AZA) Accreditation Commission in September 2017 after a comprehensive on-site inspection of Zoo facilities and review of Zoo submitted documentation. Only 10% of all zoos and aquariums in North America are accredited by AZA, making it the lead mark of excellence in zoo accreditation. The Zoo continued its work as a leader in conservation education by setting a bar for excellence in animal care, education programming, guest service and conservation outreach. Several new animals were acquired by the Zoo, including a new Black Rhino from Zoo Atlanta on loan for a breeding recommendation with the Species Survival Plan (SSP). In addition, new Zebras were acquired, and the Zoo saw the birth of a new colt. A new Bush Dog from the country of France was acquired on breeding loan, and the Zoo saw the birth of two (2) new rare and endangered Pygmy Slow Lorises. The Zoo's Conservation Education Division earned the most revenue ever and logged the most Docent Volunteers to-date with one (1) Docent logging more than 477 hours. The Zoo's Foundation hosted several successful fundraising events, including a new event, "Craw'n for the Zoo," featuring crawfish and craft beer. Funds raised will build a new Citizen Science Center in the Zoo's Education Building in 2018. New bathrooms were installed in the Zoo's front entry plaza and the Zoo Facilities/Operations Division completed more than 2,044 work orders to update and maintain Zoo facilities. A new Catering and Group Sales Division was launched and hosted multiple weddings, corporate events and other special

functions. The Zoo participated in several conservation projects, including partnerships with organizations such as the Arkansas Natural Heritage Commission (ANHC). The Zoo partnered with ANHC to take field samples from streams and other areas for research and assessment.

Fleet Services: The City of Little Rock Fleet Services Department is in the process of upgrading its Asset Management System to INFOR Enterprise Asset Management. Fleet Services has completed a Five (5)-Year Vehicle Replacement Program for the Police Department. In addition, a five (5)-year plan has been developed for the Fire, Parks & Recreation, Housing & Neighborhood Programs, and Planning & Development Departments. In 2017, Fleet Services ordered 120 units for City Departments, and Fleet Services continues to integrate alternative fuel vehicles in the City's fleet. Seven (7) hybrid sedans and one (1) compressed natural gas (CNG) truck were purchased in 2017.

Budget Polices and the Budget Process: The General Fund goal was to set aside the greater of \$10,000,000, or 10%, of General Fund revenues in the Restricted Reserve on or before December 31, 2005. The restricted reserve is currently \$10,000,000. The 2018 Budget includes a contingency allocation of an additional \$1 million. Following the completion of the 2017 Audit, the City's Management Team will determine the amount of funds available to increase the reserve, with the intent of gradually increasing the Restricted Reserve to achieve 10% of General Fund revenues.

2018 Goals

- In coordination with the Mayor and City Board, staff will have a major focus on completion of projects funded by the 2012 Sales Tax. Staff will constantly track, monitor and report on capital projects funded by the sales tax and will maintain a detailed tracking system on the City's web site, www.littlerock.gov.
- Continue quarterly review meetings with the Little Rock Citizen Evaluation of New Tax (LRCent) Committee to review expenditures and progress toward initiatives supported by the One (1)-Cent Sales Tax. These meetings will provide an additional layer of accountability and transparency to tax payers.
- Continue implementing the sales tax plan for the second three (3)-year cycle of Street and Drainage Projects (2016 – 2018) established per the Ward community meetings.
- Continue progress on Street and Drainage Improvement Projects funded by the 2013 Capital Improvement Bonds and plan the next phase of projects for the issuance of the second series of bonds in 2018.
- Continue implementing the 21st Century Policing Principles by utilizing the following six (6) pillars:
 - Pillar One – Building Trust and Legitimacy
 - Pillar Two – Policy and Oversight
 - Pillar Three – Technology and Social Media
 - Pillar Four – Community Policing and Crime Reduction
 - Pillar Five – Training and Education

- Pillar Six – Officer Wellness and Safety
- Continue implementation of the Little Rock Brand and Police Officer Recruitment Action Plan.
- Initiate construction of the Southwest Fire Station #24.
- Continue implement the Youth Master Plan for Children, Youth and Families.
- Pilot a Re-Entry Mentoring Employment Readiness Training Program.
- Continue implementation of the Five (5)-Year Fleet Replacement Strategy.
- Continue development of the City's Open Data Portal to provide transparent data for citizens and to enhance the City's utilization of data and evidence to improve services, inform local decision making and engage residents.

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, 2017, show unemployment at 3.3%, compared with a U.S. average of 4.4%, 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 supportive of the Remote Transactions Parity Act before Congress, which would enable municipalities to collect sales tax from retailers that do not have a physical presence within the State. With sales tax as the primary revenue source for the City of Little Rock, this legislation is critical to retaining the resources required to sustain local services. While State Law requires that citizens prepare Sales and Use Tax returns for such purchases, this method of tax collection is very ineffective. As mentioned in the overview above, on March 1, 2017, Amazon began voluntarily collecting and remitting Sales and Use Tax on Arkansas sales; 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 facilitates, representing approximately 50% of Amazon's business.

The December 2017 *Metrotrends Economic Review and Outlook* includes information regarding the importance of cyber-security with the growth in e-commerce sales. “Since e-commerce retailers use analytics to understand and predict consumer behavior, privacy issues will matter more than ever. This may boost demand for cyber-security, a niche in which the Little Rock region has a demonstrated competitive edge.”

The December 2017 *Metrotrends Economic Review and Outlook* reported that in the first six (6) months of 2017, the total number of new units starting construction in the Little Rock region jumped to the highest level in seven (7) years. Multi-family housing experienced the largest increase with permits issued for 1,000 units. Little Rock accounted for approximately 75% of the multi-family units started in early 2017, and single-family construction was approximately 664 units, which is comparable to that in recent previous years. Little Rock was the leader in this area as well with 166 units. Most of the new multi-family construction in Little Rock, during the first half of the year, occurred west of Interstate 430, with a few duplex units in the southwest portion of the City and a small complex near the Shackelford Crossing Shopping Center. Homeownership in Central Arkansas continued to decline; however, the decline has slowed significantly. Per Metroplan, as older members of the Millennial generation move into their home-buying years, home ownership may soon be increasing. The Millennial generation still appears to be less interested in large living spaces and more interested in urban proximity.

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 October 2017, *Arkansas Business* reported that owners of the historic Rose Building, located at 307 Main Street, have started a renovation that will add apartments and two (2) restaurants. The 20,000 square-foot redevelopment should be completed in the 2nd Quarter of 2018. In a news release, the owner stated, “I acquired this building over a decade ago with the foresight and anticipation that Main Street would once again be a destination for the residents and visitors alike in downtown Little Rock. I am pleased to see that it has become just that. We trust that this project, along with others along Main Street, will bring about a better city and a more vibrant downtown.”

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 member companies have created more than 445 jobs, generated \$28 million in revenue and have raised a combined \$39 million in capital. 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 November 2017, *Arkansas Business* reported that a Limited Partnership from Virginia had purchased the Donaghey Building located at 103 East Seventh Street in Downtown Little Rock. Plans are for the ninety-two (92) year-old vacant building to be converted into an apartment building with office and retail space on the first floor. In a news release, the owner stated, “We feel that that combined location, history and downtown atmosphere will make the building a treasure once again for Little Rock’s current and future residents.” Construction is expected to begin in the 2nd Quarter of 2018 with completion in November 2019. Plans call for 152 studio apartments ranging in size from 539 to approximately 1,100 square-feet.

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.

Little Rock’s strong business environment and quality of life have been recognized by several national publications. In July 2013, Little Rock was named ‘No. 1 of America’s 10 Great Places to Live’ by *Kiplinger’s Personal Finance*. The rankings place an emphasis on small and mid-size cities, considering metro areas with a population of one million or less that have good jobs, reasonably priced homes, decent schools and access to great health care. Little Rock is very proud of this ranking.

In addition, Little Rock was recently listed as ‘No. 3 Best State Capital’ by *USA Today Readers’ Choice: 10 Best*. The article had this to say about Little Rock, “A downtown renaissance has transformed Little Rock into a city with culture, cuisine and abundant outdoor activities. Visitors can rent a bike and pedal the sixteen (16)-

mile loop along the Arkansas River Trail, visit the Clinton Presidential Center and the Little Rock Central National Historic Site, a National Park Service unit that interprets the crucial role played by the school in the civil rights struggle.” The article may be found at (<http://www.10best.com/awards/travel/best-travel-worthy-state-capital/>).

Bicycling.com/2016 named the Big Dam Bridge in Little Rock as one of the “Coolest Bike and Pedestrian Bridges in the US.” The Big Dam Bridge across the Arkansas River in Little Rock is the longest pedestrian/cycling bridge that wasn’t formerly a motorist or train bridge.

In May 2016, *Arkansas Business* reported that Arkansas moved up ten (10) spots in *Chief Executive Magazine*’s latest Best & Worst States for Business annual survey found at (<http://chiefexecutive.net/why-do-some-areas-of-the-country-thrive-while-others-see-businesses-atrophy-and-people-flee-at-alarming-rates/>).

Arkansas was also 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.”

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.”

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.

Closing: This budget is the financial and operating plan for the City of Little Rock for 2018. The appropriations included provide for quality municipal services.

I want to recognize the many members of our City Staff who are actively serving in our nation's military and acknowledge the additional hours and duties staff may be undertaking in their absence. To all of you, thank you for your service.

The City of Little Rock has made great strides in the utilization of technology to communicate with local citizens and businesses. The City's 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 2018 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.

Respectively submitted,



Bruce T. Moore
City Manager

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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 2018 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



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THE BUDGET PROCESS

The City's annual budget is the result of a thorough, public process. The budget projects all receipts and disbursements, the level of governmental services to be provided, and the method of distributing cost and services to the various segments of the community. The budget process includes an evaluation of community needs and reflects priorities established by the Mayor, the Board of Directors, and the City Manager. This document serves to inform citizens and other interested parties of the City's service plans and overall financial condition.

The City's management team conducted financial planning work sessions to facilitate budget and capital project planning. The work sessions focused on revenue outlook, trends, revenue issues, priority expenditures, expenditure issues, capital projects and debt for capital projects.

The financial guidelines and policies that serve as the framework for the financial operation of City government and the basis for budget development are contained in the financial section of the budget document.

The budget process begins with the City Manager's assessment of the goals and initiatives of the Mayor and the Board of Directors. A budget package prepared by the Finance Department is then distributed to the Department Heads. The package includes general guidelines from the City Manager with budget reports that include initial revenue projections, prior year expenditures, current year budgeted and actual year-to-date expenditures for all operating accounts, a listing of capital projects, and a budget preparation calendar. The Internal Services Fund provides projected vehicle maintenance, labor and fuel charges to each user Department. Budget staff provides training sessions on the budget process and budget monitoring throughout the year as needed. Departments submit their expenditure requests to the Finance Department for an initial review. The City Manager conducts internal budget hearings with each Department to review goals, projected revenues and expenditures, desired program initiatives, and capital needs. Budget requests are modified based on the results of the internal hearings. The Finance Department compiles all of the requests and recommends any additional modifications necessary in order for the City Manager to present a balanced budget recommendation to the Mayor for review. The City Manager reviews program funding recommendations with the Mayor and discusses associated revenue and expenditure assumptions in detail. The Mayor and City Manager make modifications to reflect any additional priorities. The Mayor and City Manager then conduct a budget workshop with the Board of Directors.

The Capital Budget is usually prepared to present the capital expenditures planned for each of the next four (4) fiscal years. In 2011, citizens passed a three-eighths (3/8)-cent sales tax for capital projects that went into effect on January 1, 2012. The sales tax is a temporary tax with a ten (10) year sunset in 2021. Planned capital expenditures from the sales tax are discussed in detail in the capital section of the budget document. In addition, capital needs funded by grants or bond issues were considered. The total costs of each project and the sources of funding

required to finance each project are estimated. The FY18 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 2018 Budget

The 2018 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 2018 budget follows:

July	Finance sends letters to Outside Agencies for 2018 funding requests. (Response deadline September)
August	Affordable Care Act look back period ends. Finance reviews final part-time report to determine which employees will have an additional health care benefit in 2018.
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.
August	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 2018 Personnel Model with necessary changes reported to HR and Budget Office.
October	City Manager reviews Outside Agency Requests. HR provides 2018 new benefit rates to Finance.
October	2018 Budget instructions, departmental budgets and Personnel Model distributed. Finance assists departments with budget process.
October	Fleet Services submits 2018 budget to Finance and departments.
October/November	Departments submit 2018 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 2018 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 2018 Budget Ordinance, utility franchise Ordinances, and revenue rate adjustments if applicable.
December	Finance submits 2018 Budget Document data requests to departments.

AMENDING THE BUDGET

During the fiscal year, adjustments may be required to refine the original adopted budget. The approved budget may be amended as required in accordance with the following protocol:

- Revenues are reviewed monthly and quarterly and the projections are adjusted if warranted.
- Adjustments to transfer approved expenditure budgets from one organization to another may be approved by the City Manager if less than \$50,000. Transfers in excess of \$50,000 must be submitted to the Mayor and Board of Directors for approval.
- Requests for new appropriations may be submitted by the City Manager or at the direction of the Mayor or Board of Directors and require authorization by Board Ordinance.

Funds Controlled by the City Governing Body

The Funds controlled are:

- General
- Special Revenue
- Capital
- Proprietary
- Fiduciary
- 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 2018 budget includes salary increases of 3% for uniform and union positions in addition to the Police and Fire step and grade progression. In addition, the City implemented a new Step and Grade System 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% in addition to any across the board salary increases awarded.
- Positions that are vacant at the time the budget is adopted are budgeted at the mid-range salary based on grade, providing some budget flexibility in the recruiting process. In addition, an estimated annual savings generated from vacant positions is included in the budget as a reduction to personnel cost. As vacancies occur, the savings is utilized to reduce personnel budget allocations by department.
- The City utilized the in-house payroll system to aid in the development of the budget for salary and benefit costs for 2018. Salary changes are budgeted for each employee group to occur at the required time, such as on the employee's anniversary date or at the first of the year.
- The Fleet Services Internal Service Fund develops an expenditure budget for vehicle maintenance and fuel which is allocated to departments based on the number of assigned vehicles, service history, and prior fuel utilization. These allocations are not subject to change by the user departments without prior approval by the Fleet Services Department Head and the City Manager.

- Departments are given specific budget parameters by the Mayor and City Manager. Departments are not allowed to alter calculated personnel cost or Internal Service Fund budget allocations, and are instructed not to make funding requests for new programs without the approval of the City Manager. For 2018, departments were authorized to implement priority needs and specific new positions supported by the new sales tax, which became effective in 2012, and to fill key vacant positions.

These policies are designed to ensure that operating departments have sufficient funds available to support programs and services, and to mitigate the need for budget reductions during the course of the fiscal year.

OTHER BUDGET PROCEDURES

The preceding budget procedures apply to the development of the budget for the General Government operating funds, and the Proprietary, Special Projects and Capital funds. These funds are under the direct guidance of the City Manager. Special Revenue funds' budgets are developed internally by staff. The Community Development Block Grant and Home Investment Partnership Program budgets are developed in accordance with specific federal guidelines, including obtaining required citizen input, and are then presented to the Mayor and Board of Directors for final approval.

Component Units develop separate budgets for approval by their respective governing board or commission. These budgets do not require submission to the Mayor and Board of Directors for approval. The Fiduciary retirement funds do not prepare formal budgets, but the associated boards of trustees regularly monitor the income and expenditures of the funds.

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

The basis of budgeting and the basis of accounting used in the City's audited financial statements are the same. Appropriations lapse at the end of each year. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of net assets presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of general long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The City considers revenues reported in the governmental funds to be available if they are collectible within sixty

days after year-end. Principal revenue sources considered susceptible to accrual include taxes, federal funds, local funds and investment earnings. Other revenues are considered to be measurable and available only when cash is received by the City. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences and obligations for workers' compensation, which are recognized as expenditures when payment is due. Pension expenditures are recognized when amounts are due to a plan.

Operating revenues and expenditures are distinguished from non-operating items. Operating revenues and expenses generally result from providing services in connection with the principal ongoing operation of the fund. All revenues and expenses not meeting this definition are reported as non-operating items.

Appropriations for special projects are budgeted as transfers to a special project fund by the Mayor and Board of Directors. These allocations are used to finance specific initiatives or capital projects. Special projects are generally multi-year activities that are monitored until they are fully expended or repealed by the Mayor and Board of Directors. At the conclusion of the special initiative or capital project, remaining allocations are returned to the fund that originally sponsored the project. Examples of such projects are allocations for homeless prevention, weed lot maintenance, demolition, and the Mayor's Youth Council.

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Financial Structure



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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 (ii) 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.

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.
1. The City will attempt to develop a coordinated communication process with all other overlapping jurisdictions with which it shares a common tax base concerning collective plans for future debt issues.
4. Financing shall not exceed the useful life of the asset being acquired.
5. The City will not use long-term debt to finance current operations.

6. The general policy of the City is to establish debt repayment schedules that utilize level annual principal and interest payments.
7. The general policy of the City is to fund capital projects (infrastructure) with new, dedicated streams of revenue or voter approved debt. Nonvoter approved debt may be utilized when a dedicated revenue source other than general revenue can be identified to pay debt service expenses.
8. Interest earnings on bond proceeds will be limited to 1) funding the improvements specified in the authorizing bond ordinance, or 2) payment of debt service on the bonds.
9. Utility rates will be set to ensure debt service coverage exceeds the bond indenture requirement of 125%.
10. The City shall comply with the Internal Revenue Code Section 148 – Arbitrage Regulation for all tax-exempt debt issued. An annual estimate of arbitrage liabilities shall be obtained by the City and recorded on the financial statements.
11. The City shall use a competitive bidding process in the sale of debt unless the use of a negotiated process is warranted due to market timing requirements (refunding), or a unique pledge or debt structure. The City will award competitively issued debt on a true interest cost (TIC) basis.
12. Proceeds from debt will be utilized in accordance with the purpose of the debt issue. Funds remaining after the project is completed will be used in accordance with the provisions stated in the bond ordinance that authorized the issuance of the debt.

D. CONTINUING DISCLOSURE COMPLIANCE PROCEDURE

1. In December 2015, the City Board of Directors adopted Resolution No. 14,250 adopting policies and procedures related to the issuance of municipal bonds and to adopt and implement the policies and procedures contained in the Continuing Disclosure Compliance Procedure Policy attached to the resolution.
2. The purpose of the compliance procedure includes:
 - a. Disclosure Responsibilities. The Issuer recognizes that the issuance of Bonds often involves accessing the public capital markets and involves certain obligations arising out of the federal securities laws, including entering into a Continuing Disclosure Undertaking and properly communicating with investors.
 - b. Issuer Commitment. The Issuer is committed to full compliance with applicable securities law requirements for all of its outstanding and

future financings that must comply with such requirements. This Compliance Procedure is adopted by the Governing Body to improve and promote securities law compliance and documentation.

3. The contents of the Compliance Procedure include:
 - a. Definitions
 - b. Purpose and Scope
 - c. Disclosure Compliance Officer; Training
 - i. Disclosure Compliance Officer Duties
 - ii. Assistance and Cooperation from Other Officials and Employees
 - iii. Training
 - d. Continuing Disclosure Compliance File
 - i. Compilation and Maintenance of Continuing Disclosure Compliance File
 - ii. Annual Continuing Disclosure Compliance Checklist
 - iii. Remediating Non-compliance
 - e. Issuance of New Bonds
 - i. Review Primary Offering Documents
 - ii. Review Continuing Disclosure Undertakings
 - iii. Update Continuing Disclosure Compliance File
 - iv. Update List of Bonds
 - f. Annual Report and Event Notice Filing
 - i. Annual Report Preparation and Submission
 - ii. Event Notice Submissions

E. RESERVES

1. All fund designations and reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the City's five-year financial plan.
2. The General Fund goal is to set aside \$10,000,000 or 10% of General Fund revenues; whichever is greater, into a restricted reserve fund on or before December 31, 2005; however, due to economic conditions in the past several years, the City has not been able to meet this goal. The restricted reserve is currently \$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.

APPROPRIATIONS FOR OTHER AGENCIES

	2016 Budget	2017 Budget	2018 Budget
Rock Region Metro	\$8,576,529	\$8,862,975	\$9,190,757
County Regional Detention Center	1,450,000	1,500,000	1,550,000 (2)
Arkansas Arts Center	700,000	700,000	700,000 (3)
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	135,800	134,850	134,850
First Tee	191,500	246,500 (1)	246,500
County Bond Payment	56,100	56,100	56,100
St. Vincent	25,381	25,381	25,381
LR City Beautiful Commission	2,500	2,500	2,500
Total	<u>\$11,740,852</u>	<u>\$12,131,348</u>	<u>\$12,509,130</u>

- (1) The City increased the contribution to sustain the operation of First Tee.
- (2) Additional funding is provided in the local jail fine special project in the amount of \$400,632 to bring support for the Pulaski County Regional Detention Center to \$1,950,632.
- (3) Funding from the one (1)-Cent Lodging Tax for parks will supplement the general fund contribution to provide an additional \$228,450 for the Arts Center to bring total support to \$928,450.

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Budget Summaries



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BUDGET SUMMARIES

The following schedules summarize the audited 2016 operating results, the 2017 unaudited operating results, and the approved 2018 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:

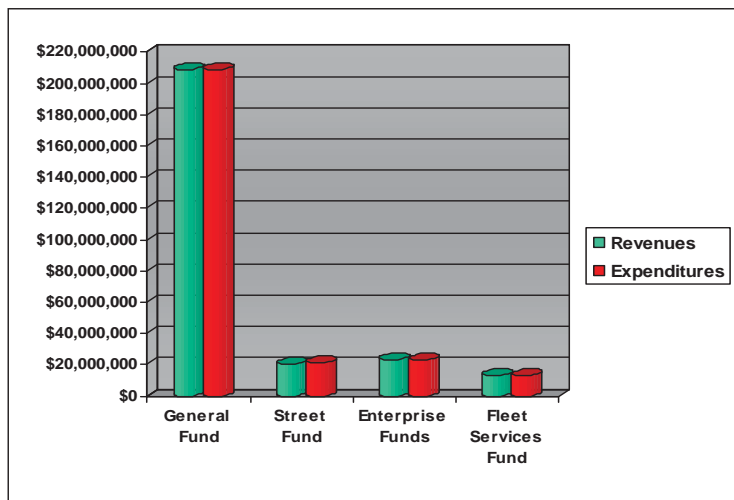
- General
- Special Revenue
- Capital
- Enterprise
- Internal Service
- Fiduciary
- Debt Service

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

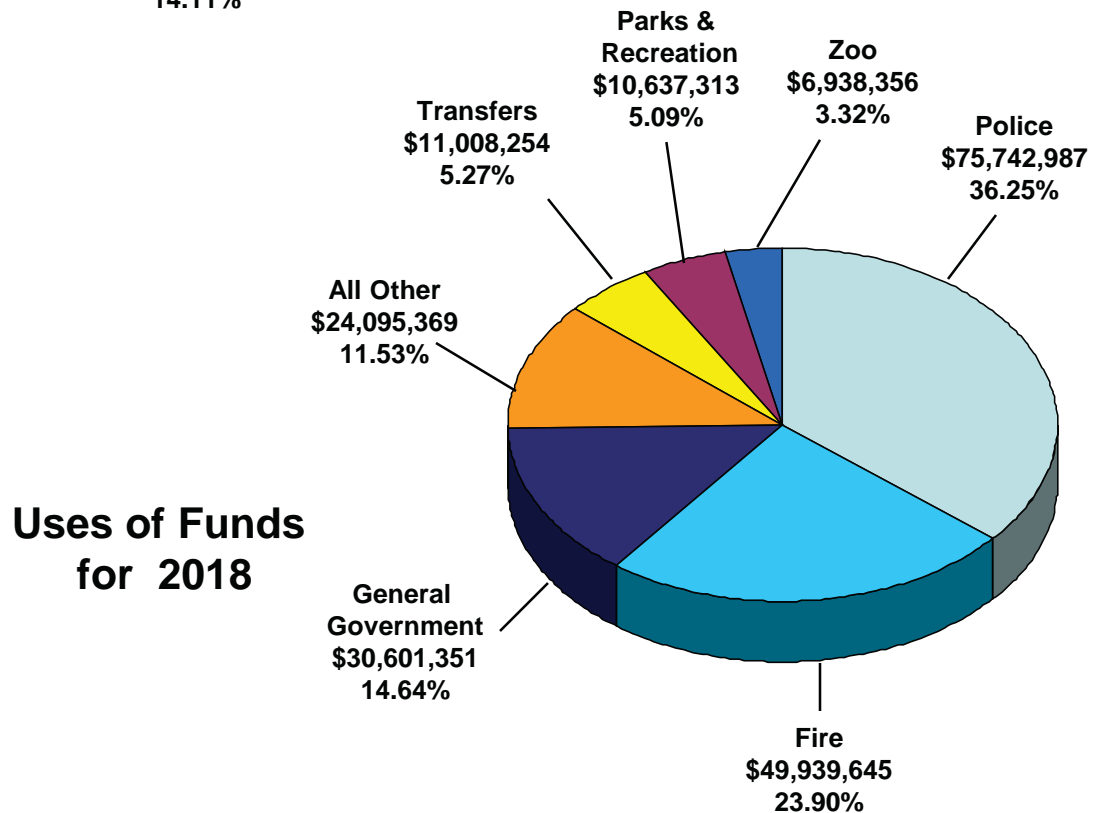
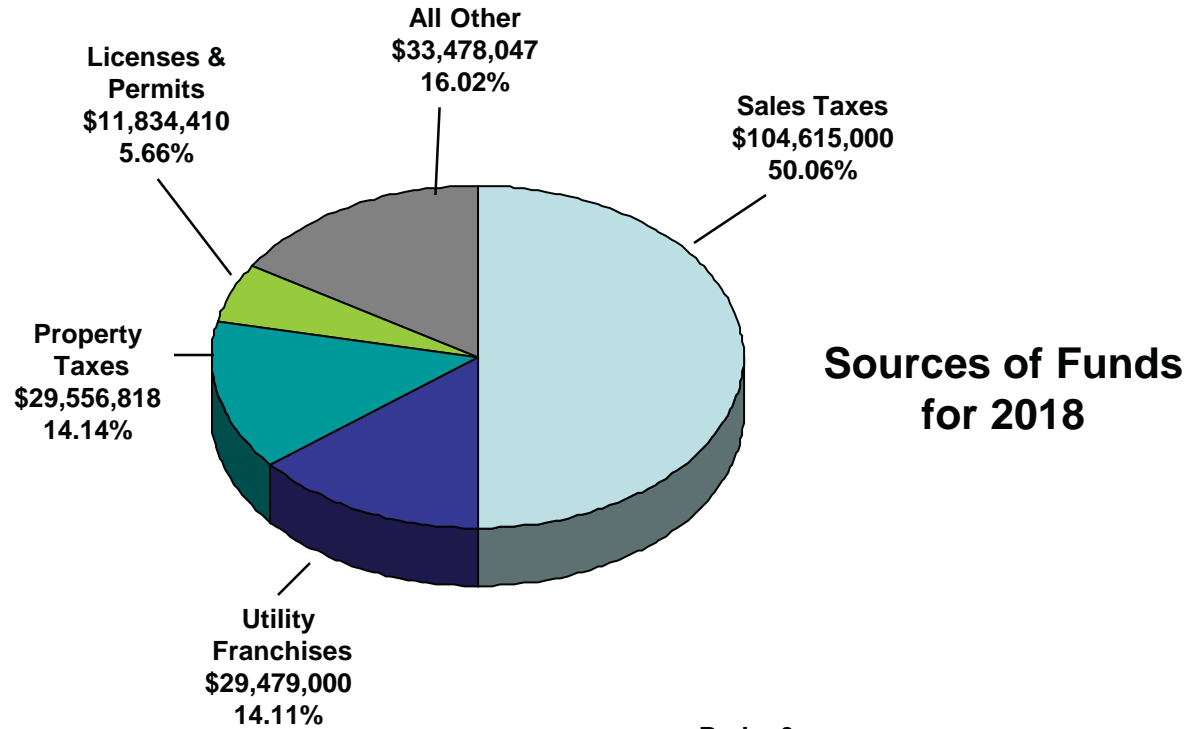
2018 Operating Funds Budget Summaries

	General	Street	Enterprise Funds	Fleet Services	Total
<u>Revenues</u>					
General Property Taxes	\$ 29,556,818	\$ 6,120,430	\$ -	\$ -	\$ 35,677,248
Sales Taxes	104,615,000	-	-	-	104,615,000
License and Permits	11,834,410	18,500	285,500	-	12,138,410
Intergovernmental	9,311,100	12,920,500	-	-	22,231,600
Charge for Service	11,745,080	18,400	21,623,465	13,039,336	46,426,281
Fines and Fees	2,384,350	-	-	-	2,384,350
Utility Franchise Fees	29,479,000	-	-	-	29,479,000
Investment Income	315,000	162,500	140,400	21,755	639,655
Miscellaneous	1,947,130	32,300	1,360,750	-	3,340,180
Transfers In	7,775,387	826,726	-	-	8,602,113
Total Revenues	208,963,275	20,099,356	23,410,115	13,061,091	265,533,837
<u>Expenditures</u>					
Personnel	152,057,385	10,789,767	6,369,186	3,824,059	173,040,397
Supplies and Material	5,894,530	1,013,646	1,708,467	5,407,465	14,024,108
Repairs and Maintenance	8,419,800	2,666,510	4,845,876	635,765	16,567,951
Contractual	23,831,946	3,584,026	4,511,117	2,908,902	34,835,991
Closure/Post Closure	-	-	-	-	-
Capital Outlay	-	228,190	-	-	228,190
Depreciation and Amortization	-	-	2,859,397	284,900	3,144,297
Debt Service	7,751,360	-	513,181	-	8,264,541
Transfers Out	11,008,254	2,687,217	1,940,790	-	15,636,261
Total Expenditures	208,963,275	20,969,356	22,748,014	13,061,091	265,741,736
Net Change in Fund Balance	-	(870,000)	662,101	-	(207,899)
Fund Balances - Beginning	23,174,193	13,108,262	25,478,975	4,764,942	66,526,372
Fund Balances - Ending	\$ 23,174,193	\$ 12,238,262	\$ 26,141,076	\$ 4,764,942	\$ 66,318,473

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



FY 2018 GENERAL FUND



**CITY OF LITTLE ROCK
BUDGET SUMMARY BY FUND TYPE
FOR YEARS 2016 - 2018**

	GENERAL FUNDS	SPECIAL REVENUES	CAPITAL PROJECTS	DEBT SERVICE FUNDS	ENTERPRISE FUNDS	INTERNAL SERVICE FUND	FIDUCIARY FUNDS
2016							
REVENUES:	\$ 214,616,776	\$ 33,897,811	\$ 30,965,148	\$ 22,935,623	\$ 22,370,087	\$ 12,096,029	\$ 21,394,678
EXPENDITURES:	213,713,210	30,868,350	53,824,738	18,869,549	20,225,285	10,733,415	18,184,837
REVENUES OVER (UNDER) EXPENDITURES	903,566	3,029,461	(22,859,590)	4,066,074	2,144,802	1,362,614	3,209,841
BEGINNING NET POSITION	39,219,245	18,472,021	86,378,874	17,791,693	22,436,353	3,893,153	141,074,493
ENDING FUND BALANCE	<u>\$ 40,122,811</u>	<u>\$ 21,501,482</u>	<u>\$ 63,519,284</u>	<u>\$ 21,857,767</u>	<u>\$ 24,581,155</u>	<u>\$ 5,255,767</u>	<u>\$ 144,284,334</u>
2017							
REVENUES:	\$ 222,105,560	\$ 33,154,338	\$ 25,137,552	\$ 61,427,908	\$ 22,448,280	\$ 12,241,727	\$ 35,139,383
EXPENDITURES:	219,057,870	32,520,348	48,307,810	65,485,614	21,550,460	12,732,552	18,254,813
REVENUES OVER (UNDER) EXPENDITURES	3,047,690	633,990	(23,170,258)	(4,057,706)	897,820	(490,825)	16,884,570
BEGINNING FUND BALANCE	40,122,811	21,501,482	63,519,284	21,857,767	24,581,155	5,255,767	144,284,334
ENDING FUND BALANCE	<u>\$ 43,170,501</u>	<u>\$ 22,135,472</u>	<u>\$ 40,349,026</u>	<u>\$ 17,800,061</u>	<u>\$ 25,478,975</u>	<u>\$ 4,764,942</u>	<u>\$ 161,168,904</u>
2018							
REVENUES:	\$ 208,963,275	\$ 20,099,356	\$ -	\$ -	\$ 23,410,115	\$ 13,061,091	\$ -
EXPENDITURES:	208,963,275	20,969,356	-	-	22,748,014	13,061,091	-
REVENUES OVER (UNDER) EXPENDITURES	-	(870,000)	-	-	662,101	-	-
BEGINNING FUND BALANCE	43,170,501	22,135,472	40,349,026	17,800,061	25,478,975	4,764,942	161,168,904
ENDING FUND BALANCE	<u>\$ 43,170,501</u>	<u>\$ 21,265,472</u>	<u>\$ 40,349,026</u>	<u>\$ 17,800,061</u>	<u>\$ 26,141,076</u>	<u>\$ 4,764,942</u>	<u>\$ 161,168,904</u>

**GENERAL GOVERNMENT SUMMARY
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>GENERAL FUND</u>			
REVENUES:	\$ 200,874,764	\$ 206,701,120	\$ 208,963,275
EXPENDITURES:	<u>199,859,400</u>	<u>206,701,120</u>	<u>208,963,275</u>
REVENUES OVER (UNDER) EXPENDITURES	1,015,364	-	-
BEGINNING FUND BALANCE	<u>22,158,829</u>	<u>23,174,193</u>	<u>23,174,193</u>
ENDING FUND BALANCE	<u><u>\$ 23,174,193</u></u>	<u><u>\$ 23,174,193</u></u>	<u><u>\$ 23,174,193</u></u>
<u>SPECIAL PROJECTS FUND</u>			
REVENUES:	\$ 13,588,570	\$ 15,280,297	\$ -
EXPENDITURES:	<u>13,691,192</u>	<u>12,228,811</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(102,622)	3,051,486	-
BEGINNING FUND BALANCE	<u>17,049,892</u>	<u>16,947,270</u>	<u>19,998,756</u>
ENDING FUND BALANCE	<u><u>\$ 16,947,270</u></u>	<u><u>\$ 19,998,756</u></u>	<u><u>\$ 19,998,756</u></u>
<u>SEIZED MONEY FUND</u>			
REVENUES:	\$ 153,442	\$ 124,143	\$ -
EXPENDITURES:	<u>162,618</u>	<u>127,939</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(9,176)	(3,796)	-
BEGINNING FUND BALANCE	<u>10,524</u>	<u>1,348</u>	<u>(2,448)</u>
ENDING FUND BALANCE	<u><u>\$ 1,348</u></u>	<u><u>\$ (2,448)</u></u>	<u><u>\$ (2,448)</u></u>
TOTAL BEGINNING FUND BALANCE	\$ 39,219,245	\$ 40,122,811	\$ 43,170,501
TOTAL REVENUES	214,616,776	222,105,560	208,963,275
TOTAL EXPENDITURES	<u>213,713,210</u>	<u>219,057,870</u>	<u>208,963,275</u>
TOTAL ENDING FUND BALANCE	<u><u>\$ 40,122,811</u></u>	<u><u>\$ 43,170,501</u></u>	<u><u>\$ 43,170,501</u></u>

The sources of operating revenue and the trends affecting them are discussed in the section of the budget titled REVENUES. The details of the operating budget by department and by service program are contained in the section of the budget titled EXPENDITURES. The transfers out primarily consist of appropriations for special projects and appropriations for the FUTURE – Little Rock and new sales tax initiatives.

The City of Little Rock utilizes a program budget for public information purposes and for Mayor & Board consideration. Line item information is principally used for budgetary management and control purposes.

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>STREET</u>			
REVENUES:	\$ 20,305,032	\$ 20,172,832	\$ 20,099,356
EXPENDITURES:	<u>18,047,493</u>	<u>20,492,832</u>	<u>20,969,356</u>
REVENUES OVER (UNDER) EXPENDITURES	2,257,539	(320,000)	(870,000)
BEGINNING FUND BALANCE	<u>11,170,723</u>	<u>13,428,262</u>	<u>13,108,262</u>
ENDING FUND BALANCE	<u><u>\$ 13,428,262</u></u>	<u><u>\$ 13,108,262</u></u>	<u><u>\$ 12,238,262</u></u>
<u>SPECIAL PROJECT - STREET</u>			
REVENUES:	\$ 1,591,410	\$ 2,155,000	\$ -
EXPENDITURES:	<u>1,436,735</u>	<u>1,175,244</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	154,675	979,756	-
BEGINNING FUND BALANCE	<u>1,506,361</u>	<u>1,661,036</u>	<u>2,640,792</u>
ENDING FUND BALANCE	<u><u>\$ 1,661,036</u></u>	<u><u>\$ 2,640,792</u></u>	<u><u>\$ 2,640,792</u></u>
<u>SPECIAL PROJECTS</u>			
REVENUES:	\$ 3,592,897	\$ 3,632,490	\$ -
EXPENDITURES:	<u>2,757,470</u>	<u>3,332,690</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	835,427	299,800	-
BEGINNING FUND BALANCE	<u>2,767,907</u>	<u>3,603,334</u>	<u>3,903,134</u>
ENDING FUND BALANCE	<u><u>\$ 3,603,334</u></u>	<u><u>\$ 3,903,134</u></u>	<u><u>\$ 3,903,134</u></u>

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>EMERGENCY 911</u>			
REVENUES:	\$ 1,372,877	\$ 1,292,822	\$ -
EXPENDITURES:	<u>1,366,183</u>	<u>1,173,411</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	6,694	119,411	-
BEGINNING FUND BALANCE	<u>96,441</u>	<u>103,135</u>	<u>222,546</u>
ENDING FUND BALANCE	<u><u>\$ 103,135</u></u>	<u><u>\$ 222,546</u></u>	<u><u>\$ 222,546</u></u>
<u>GRANTS</u>			
REVENUES:	4,611,674	\$ 3,469,707	\$ -
EXPENDITURES:	<u>4,621,608</u>	<u>3,624,737</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(9,934)	(155,030)	-
BEGINNING FUND BALANCE	<u>966,531</u>	<u>956,597</u>	<u>801,567</u>
ENDING FUND BALANCE	<u><u>\$ 956,597</u></u>	<u><u>\$ 801,567</u></u>	<u><u>\$ 801,567</u></u>
<u>CDBG</u>			
REVENUES:	\$ 1,693,117	\$ 1,602,934	\$ -
EXPENDITURES:	<u>1,913,030</u>	<u>1,613,007</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(219,913)	(10,073)	-
BEGINNING FUND BALANCE	<u>1,059,166</u>	<u>839,253</u>	<u>829,180</u>
ENDING FUND BALANCE	<u><u>\$ 839,253</u></u>	<u><u>\$ 829,180</u></u>	<u><u>\$ 829,180</u></u>

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>HIPP</u>			
REVENUES:	\$ 730,659	\$ 814,407	\$ -
EXPENDITURES:	<u>718,773</u>	<u>1,097,941</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	11,886	(283,534)	-
BEGINNING FUND BALANCE	<u>872,325</u>	<u>884,211</u>	<u>600,677</u>
ENDING FUND BALANCE	<u><u>\$ 884,211</u></u>	<u><u>\$ 600,677</u></u>	<u><u>\$ 600,677</u></u>
<u>NHSP</u>			
REVENUES:	\$ 145	\$ 14,146	\$ -
EXPENDITURES:	<u>7,058</u>	<u>10,486</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(6,913)	3,660	-
BEGINNING FUND BALANCE	<u>32,567</u>	<u>25,654</u>	<u>29,314</u>
ENDING FUND BALANCE	<u><u>\$ 25,654</u></u>	<u><u>\$ 29,314</u></u>	<u><u>\$ 29,314</u></u>
TOTAL BEGINNING FUND BALANCE	\$ 18,472,021	\$ 21,501,482	\$ 22,135,472
TOTAL REVENUES	33,897,811	33,154,338	20,099,356
TOTAL EXPENDITURES	<u>30,868,350</u>	<u>32,520,348</u>	<u>20,969,356</u>
TOTAL ENDING FUND BALANCE	<u><u>\$ 21,501,482</u></u>	<u><u>\$ 22,135,472</u></u>	<u><u>\$ 21,265,472</u></u>

**CAPITAL FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>1998 CAPITAL IMPROVEMENTS</u>			
REVENUES:	\$ 1,337	\$ -	\$ -
EXPENDITURES:	<u>161,376</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(160,039)	-	-
BEGINNING FUND BALANCE	<u>160,039</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

2004 CAPITAL IMPROVEMENTS

REVENUES:	\$ 55	\$ 42	\$ -
EXPENDITURES:	<u>4,019</u>	<u>1,914</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(3,964)	(1,872)	-
BEGINNING FUND BALANCE	<u>5,836</u>	<u>1,872</u>	<u>-</u>
ENDING FUND BALANCE	<u><u>\$ 1,872</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

2012 LIBRARY IMPROVEMENT BOND

REVENUES:	\$ (13,332)	\$ 8	\$ -
EXPENDITURES:	<u>2,256,559</u>	<u>887</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(2,269,891)	(879)	-
BEGINNING FUND BALANCE	<u>2,270,770</u>	<u>879</u>	<u>-</u>
ENDING FUND BALANCE	<u><u>\$ 879</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CAPITAL FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>2015 LIBRARY IMPROVEMENT BOND</u>			
REVENUES:	\$ 123,837	\$ 44,857	\$ -
EXPENDITURES:	<u>7,733,127</u>	<u>6,351,821</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(7,609,290)	(6,306,964)	-
BEGINNING FUND BALANCE	<u>18,209,964</u>	<u>10,600,674</u>	<u>4,293,710</u>
ENDING FUND BALANCE	<u><u>\$ 10,600,674</u></u>	<u><u>\$ 4,293,710</u></u>	<u><u>\$ 4,293,710</u></u>

2013 CAPITAL IMPROVEMENT FUND (STREETS AND DRAINAGE)

REVENUES:	\$ 164,389	\$ 92,035	
EXPENDITURES:	<u>23,251,929</u>	<u>8,562,057</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(23,087,540)	(8,470,022)	-
BEGINNING FUND BALANCE	<u>35,208,660</u>	<u>12,121,120</u>	<u>3,651,098</u>
ENDING FUND BALANCE	<u><u>\$ 12,121,120</u></u>	<u><u>\$ 3,651,098</u></u>	<u><u>\$ 3,651,098</u></u>

TIF #1 2014 CAPITAL IMPROVEMENT BOND

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

**CAPITAL FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>PORT TIF</u>			
REVENUES:	\$ 137,572	\$ 152,866	\$ -
EXPENDITURES:	-	528,000	-
REVENUES OVER (UNDER) EXPENDITURES	137,572	(375,134)	-
BEGINNING FUND BALANCE	562,882	700,454	325,320
ENDING FUND BALANCE	<u>\$ 700,454</u>	<u>\$ 325,320</u>	<u>\$ 325,320</u>

SHORT TERM FINANCING

REVENUES:	\$ 7,388,911	\$ 5,298,439	\$ -
EXPENDITURES:	6,168,936	4,273,165	-
REVENUES OVER (UNDER) EXPENDITURES	1,219,975	1,025,274	-
BEGINNING FUND BALANCE	147,207	1,367,182	2,392,456
ENDING FUND BALANCE	<u>\$ 1,367,182</u>	<u>\$ 2,392,456</u>	<u>\$ 2,392,456</u>

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

REVENUES:	\$ 23,162,373	\$ 19,549,117	\$ -
EXPENDITURES:	14,248,792	28,589,966	-
REVENUES OVER (UNDER) EXPENDITURES	8,913,581	(9,040,849)	-
BEGINNING FUND BALANCE	29,813,516	38,727,097	29,686,248
ENDING FUND BALANCE	<u>\$ 38,727,097</u>	<u>\$ 29,686,248</u>	<u>\$ 29,686,248</u>

TOTAL CAPITAL BEGINNING BALANCE	\$ 86,378,874	\$ 63,519,284	\$ 40,349,026
TOTAL REVENUES	30,965,148	25,137,552	-
TOTAL EXPENDITURES	53,824,738	48,307,810	-
TOTAL CAPITAL ENDING FUND BALANCE	<u>\$ 63,519,284</u>	<u>\$ 40,349,026</u>	<u>\$ 40,349,026</u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>2002 CIP JUNIOR LIEN BONDS</u>			
REVENUE:	\$ 323,213	\$ 636,783	\$ -
EXPENDITURES:	<u>322,173</u>	<u>636,703</u>	<u>-</u>
NET INCREASE (DECREASE)	1,040	80	-
BEGINNING FUND BALANCE	18,496	19,536	19,616
ENDING FUND BALANCE	<u><u>\$ 19,536</u></u>	<u><u>\$ 19,616</u></u>	<u><u>\$ 19,616</u></u>
<u>2007 CAPITAL IMPROVEMENT REVENUE REFUNDING BOND</u>			
REVENUE:	\$ 1,451,021	\$ 4,137,471	\$ -
EXPENDITURES:	<u>1,440,250</u>	<u>4,131,225</u>	<u>-</u>
NET INCREASE (DECREASE)	10,771	6,246	-
BEGINNING FUND BALANCE	33,028	43,799	50,045
ENDING FUND BALANCE	<u><u>\$ 43,799</u></u>	<u><u>\$ 50,045</u></u>	<u><u>\$ 50,045</u></u>
<u>2009 PARKS & REC CAPITAL IMPROVEMENT BOND</u>			
REVENUE:	\$ 1,315,757	\$ 17,515,479	\$ -
EXPENDITURES:	<u>1,306,952</u>	<u>19,751,351</u>	<u>-</u>
NET INCREASE (DECREASE)	8,805	(2,235,872)	-
BEGINNING FUND BALANCE	2,237,184	2,245,989	10,117
ENDING FUND BALANCE	<u><u>\$ 2,245,989</u></u>	<u><u>\$ 10,117</u></u>	<u><u>\$ 10,117</u></u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
	<u> </u>	<u> </u>	<u> </u>
<u>2008 LIBRARY IMPROVEMENT BOND</u>			
REVENUE:	\$ 330	\$ -	\$ -
EXPENDITURES:	<u>100,646</u>	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE)	(100,316)	-	-
BEGINNING FUND BALANCE	100,316	-	-
ENDING FUND BALANCE	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<u>2012 LIBRARY IMPROVEMENT BONDS</u>			
REVENUE:	\$ 3,703,241	\$ 20,099,273	\$ -
EXPENDITURES:	<u>3,444,445</u>	<u>24,035,478</u>	<u>-</u>
NET INCREASE (DECREASE)	258,796	(3,936,205)	-
BEGINNING FUND BALANCE	3,621,000	3,879,796	(56,409)
ENDING FUND BALANCE	<u><u>\$ 3,879,796</u></u>	<u><u>\$ (56,409)</u></u>	<u><u>\$ (56,409)</u></u>
<u>2015 LIBRARY IMPROVEMENT BONDS</u>			
REVENUE:	\$ 3,788,113	\$ 3,691,695	\$ -
EXPENDITURES:	<u>866,827</u>	<u>3,090,763</u>	<u>-</u>
NET INCREASE (DECREASE)	2,921,286	600,932	-
BEGINNING FUND BALANCE	136,121	3,057,407	3,658,339
ENDING FUND BALANCE	<u><u>\$ 3,057,407</u></u>	<u><u>\$ 3,658,339</u></u>	<u><u>\$ 3,658,339</u></u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
	<u> </u>	<u> </u>	<u> </u>
<u>2013 CAPITAL IMPROVEMENT BONDS</u>			
REVENUE:	\$ 12,298,372	\$ 12,317,936	\$ -
EXPENDITURES:	<u>11,229,743</u>	<u>11,651,031</u>	<u>-</u>
NET INCREASE (DECREASE)	1,068,629	666,905	-
BEGINNING FUND BALANCE	11,295,332	12,363,961	13,030,866
ENDING FUND BALANCE	<u><u>\$ 12,363,961</u></u>	<u><u>\$ 13,030,866</u></u>	<u><u>\$ 13,030,866</u></u>
<u>TIF #1 2014 CAPITAL IMPROVEMENT</u>			
REVENUE:	\$ 55,576	\$ 290,062	\$ -
EXPENDITURES:	<u>158,513</u>	<u>158,513</u>	<u>-</u>
NET INCREASE (DECREASE)	(102,937)	131,549	-
BEGINNING FUND BALANCE	350,216	247,279	378,828
ENDING FUND BALANCE	<u><u>\$ 247,279</u></u>	<u><u>\$ 378,828</u></u>	<u><u>\$ 378,828</u></u>
<u>2017 CAPITAL IMPROVEMENT REFUNDING BOND</u>			
REVENUE:	\$ -	\$ 1,760,860	\$ -
EXPENDITURES:	<u>-</u>	<u>1,759,274</u>	<u>-</u>
NET INCREASE (DECREASE)	-	1,586	-
BEGINNING FUND BALANCE	-	-	1,586
ENDING FUND BALANCE	<u><u>\$ -</u></u>	<u><u>\$ 1,586</u></u>	<u><u>\$ 1,586</u></u>

**DEBT SERVICE FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
	<u> </u>	<u> </u>	<u> </u>
<u>2017 LIBRARY REFUNDING BONDS</u>			
REVENUE:	\$ -	\$ 978,349	\$ -
EXPENDITURES:	<u>-</u>	<u>271,276</u>	<u>-</u>
NET INCREASE (DECREASE)	-	707,073	-
BEGINNING FUND BALANCE	-	-	707,073
ENDING FUND BALANCE	<u><u>\$ -</u></u>	<u><u>\$ 707,073</u></u>	<u><u>\$ 707,073</u></u>
 TOTAL BEGINNING FUND BALANCE	 \$ 17,791,693	 \$ 21,857,767	 \$ 17,800,061
TOTAL REVENUES	22,935,623	61,427,908	-
TOTAL EXPENDITURES	<u>18,869,549</u>	<u>65,485,614</u>	<u>-</u>
TOTAL ENDING FUND BALANCE	<u><u>\$ 21,857,767</u></u>	<u><u>\$ 17,800,061</u></u>	<u><u>\$ 17,800,061</u></u>

**ENTERPRISE FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>VEHICLE STORAGE FACILITY</u>			
REVENUES:	\$ 1,336,996	\$ 1,376,010	\$ 1,335,365
EXPENDITURES:	<u>1,409,482</u>	<u>1,376,010</u>	<u>1,335,365</u>
REVENUES OVER (UNDER) EXPENDITURES	(72,486)	-	-
BEGINNING NET POSITION	<u>(846,828)</u>	<u>(919,314)</u>	<u>(919,314)</u>
ENDING NET POSITION	<u><u>\$ (919,314)</u></u>	<u><u>\$ (919,314)</u></u>	<u><u>\$ (919,314)</u></u>
<u>WASTE DISPOSAL</u>			
REVENUES:	\$18,157,695	\$18,260,800	\$19,326,800
EXPENDITURES:	<u>16,448,744</u>	<u>17,833,261</u>	<u>18,900,401</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	1,708,951	427,539	426,399
BEGINNING NET POSITION	<u>22,670,233</u>	<u>24,379,184</u>	<u>24,806,723</u>
ENDING NET POSITION	<u><u>\$24,379,184</u></u>	<u><u>\$24,806,723</u></u>	<u><u>\$25,233,122</u></u>
<u>PARKING GARAGES</u>			
REVENUES:	\$ 2,875,396	\$ 2,811,470	\$ 2,747,950
EXPENDITURES:	<u>2,367,059</u>	<u>2,341,189</u>	<u>2,512,248</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	508,337	470,281	235,702
BEGINNING NET POSITION	<u>612,948</u>	<u>1,121,285</u>	<u>1,591,566</u>
ENDING NET POSITION	<u><u>\$ 1,121,285</u></u>	<u><u>\$ 1,591,566</u></u>	<u><u>\$ 1,827,268</u></u>
TOTAL ENTERPRISE BEGINNING NET POSITION	\$22,436,353	\$24,581,155	\$25,478,975
TOTAL REVENUES	22,370,087	22,448,280	23,410,115
TOTAL EXPENDITURES	20,225,285	21,550,460	22,748,014
TOTAL ENTERPRISE ENDING NET POSITION	<u><u>\$24,581,155</u></u>	<u><u>\$25,478,975</u></u>	<u><u>\$26,141,076</u></u>

**FLEET INTERNAL SERVICE FUND
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>FLEET INTERNAL SERVICE FUND</u>			
REVENUES:	\$12,096,029	\$12,241,727	\$ 13,061,091
EXPENDITURES:	<u>10,733,415</u>	<u>12,732,552</u>	<u>13,061,091</u>
REVENUES OVER (UNDER) EXPENDITURES	1,362,614	(490,825)	-
BEGINNING NET POSITION	<u>3,893,153</u>	<u>5,255,767</u>	<u>4,764,942</u>
ENDING NET POSITION	<u><u>\$ 5,255,767</u></u>	<u><u>\$ 4,764,942</u></u>	<u><u>\$ 4,764,942</u></u>

**FIDUCIARY FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>POLICE PENSION & RELIEF FUND</u>			
ADDITIONS:	\$ -	\$ -	\$ -
DEDUCTIONS:	461,233	-	-
NET INCREASE (DECREASE)	(461,233)	-	-
NET POSITION HELD IN TRUST, BEGINNING	2,205,615	1,744,382	1,744,382
NET POSITION HELD IN TRUST, ENDING	1,744,382	\$ 1,744,382	\$ 1,744,382
<u>FIRE PENSION & RELIEF FUND</u>			
ADDITIONS:	\$ 7,888,552	\$ 16,140,370	\$ -
DEDUCTIONS:	12,092,714	12,708,033	-
NET INCREASE (DECREASE)	(4,204,162)	3,432,337	-
NET POSITION HELD IN TRUST, BEGINNING	62,876,391	58,672,229	62,104,566
NET POSITION HELD IN TRUST, ENDING	58,672,229	\$ 62,104,566	\$ 62,104,566
<u>NON-UNIFORM DEFINED BENEFIT FUND</u>			
ADDITIONS:	\$ 2,187,412	\$ 2,549,532	\$ -
DEDUCTIONS:	1,822,903	1,832,158	-
NET INCREASE (DECREASE)	364,509	717,374	-
NET POSITION HELD IN TRUST, BEGINNING	11,756,089	12,120,598	12,837,972
NET POSITION HELD IN TRUST, ENDING	12,120,598	\$ 12,837,972	\$ 12,837,972

**FIDUCIARY FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>NON-UNIFORM DEFINED CONTRIBUTION</u>			
ADDITIONS:	\$ 1,291,646	\$ 2,421,239	\$ -
DEDUCTIONS:	<u>1,936,112</u>	<u>1,442,422</u>	<u>-</u>
NET INCREASE (DECREASE)	(644,466)	978,817	-
NET POSITION HELD IN TRUST, BEGINNING	<u>18,460,917</u>	<u>17,816,451</u>	<u>18,795,268</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 17,816,451</u></u>	<u><u>\$ 18,795,268</u></u>	<u><u>\$ 18,795,268</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:	\$ 8,194,296	\$ 11,511,166	\$ -
DEDUCTIONS:	<u>988,275</u>	<u>1,098,505</u>	<u>-</u>
NET INCREASE (DECREASE)	7,206,021	10,412,661	-
NET POSITION HELD IN TRUST, BEGINNING	<u>35,509,110</u>	<u>42,715,131</u>	<u>53,127,792</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 42,715,131</u></u>	<u><u>\$ 53,127,792</u></u>	<u><u>\$ 53,127,792</u></u>

401 (A) PENSION FUND

ADDITIONS:	\$ 1,005,118	\$ 1,702,275	\$ -
DEDUCTIONS:	<u>850,565</u>	<u>1,134,229</u>	<u>-</u>
NET INCREASE (DECREASE)	154,553	568,046	-
NET POSITION HELD IN TRUST, BEGINNING	<u>7,485,644</u>	<u>7,640,197</u>	<u>8,208,243</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 7,640,197</u></u>	<u><u>\$ 8,208,243</u></u>	<u><u>\$ 8,208,243</u></u>

**FIDUCIARY FUNDS
OPERATING BUDGET
2016-2018**

	ACTUAL 2016	AMENDED 2017	ADOPTED BUDGET 2018
<u>HEALTH MANAGEMENT TRUST FUND</u>			
ADDITIONS:	\$ 827,654	\$ 814,801	\$ -
DEDUCTIONS:	<u>33,035</u>	<u>39,466</u>	<u>-</u>
NET INCREASE (DECREASE)	794,619	775,335	-
NET POSITION HELD IN TRUST, BEGINNING	<u>2,780,727</u>	<u>3,575,346</u>	<u>4,350,681</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 3,575,346</u></u>	<u><u>\$ 4,350,681</u></u>	<u><u>\$ 4,350,681</u></u>
 TOTAL NET POSITION BEGINNING	 \$ 141,074,493	 \$ 144,284,334	 \$ 161,168,904
TOTAL ADDITIONS	21,394,678	35,139,383	-
TOTAL DEDUCTIONS	<u>18,184,837</u>	<u>18,254,813</u>	<u>-</u>
TOTAL NET POSITION ENDING	<u><u>\$ 144,284,334</u></u>	<u><u>\$ 161,168,904</u></u>	<u><u>\$ 161,168,904</u></u>

2018 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 2018 budgets are balanced and fiscally responsible.

All fund designations and reserves are evaluated annually for long-term adequacy and use requirements in conjunction with development of the City's five-year financial plan. A 10% reserve requirement is utilized for planning purposes for all funds with the exception of the Solid Waste Fund, which has a 15% unrestricted retained earnings reserve requirement. In addition, each annual operating budget will include a contingency appropriation in the general fund sufficient to provide for unforeseen needs of an emergency nature for that year. The desired level of the contingency appropriation each year shall be based on the average of the three prior years' experience levels but no less than 0.5% of General Fund revenue for the current fiscal year. The contingency appropriation in the 2018 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 does not anticipate an addition to the restricted reserve in 2018 based on 2017 financial results. The City Board of Directors evaluates funds available following completion of each year's annual audit to determine whether an addition is appropriate.

Citizen demand for services has outpaced revenue growth in the last few years. The citizens of Little Rock approved a one (1)-cent sales tax on September 13, 2011 to allow the City to fill critical positions that have remained vacant for many years and to provide the City the opportunity to move forward with much needed programs and capital projects. All of the services and projects funded by the tax increase support the City goals and objectives centered on public safety, economic development, basic City services, infrastructure, and quality of life.

The tax increase, which went into effect January 1, 2012, includes a permanent 5/8-cent operations tax and a 3/8-cent ten (10)-year capital tax, that will provide additional Police Officers, more Code Enforcement Officers, new Fire and Police facilities and a new emergency communications system. The capital projects supported by the 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 capital projects.

The 2019 forecast includes the addition of fire fighters and operating expenses in the Fire Department for the Southwest Fire Station that will be constructed during the 2018-2019 period. 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 has been adjusted to reflect contributions of revenue from the 38-cent tax receipts collected in the 2012-2021 Capital Improvements Fund to fund the principal payment of 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 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 Courts Building 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 three (3)-year cycles.

The City has taken steps to plan for the future with the five-year forecast based on the estimated revenues and operating expenditures for 2018 – 2022. The forecast for 2018 – 2022 is a planning tool used for the projections. The Mayor and Board of Directors have only approved the 2018 budget. However, the Board is committed to providing financial stability in order to maintain critical programs.

**CITY OF LITTLE ROCK
2018 - 2022 FORECAST**

	FY18 <u>Adopted</u>	FY19 <u>Projected</u>	FY20 <u>Projected</u>	FY21 <u>Projected</u>	FY22 <u>Projected</u>
<u>General Fund</u>					
Beginning Fund Balance	\$23,174,193	\$23,394,193	\$24,464,193	\$25,554,192	\$26,664,192
Plus: Est. Revenue	208,963,275	212,533,789	216,586,779	221,066,707	224,514,291
Less: Est. Expenses					
General Administrative*	30,601,351	29,215,057	28,441,547	27,665,955	25,624,531
Board of Directors	337,241	340,613	347,426	354,374	363,234
Community Programs	599,306	605,299	617,405	629,753	645,497
City Attorney	1,838,375	1,856,759	1,893,894	1,931,772	1,980,066
District Court - First Division	1,312,284	1,325,407	1,351,915	1,378,953	1,413,427
District Court - Second Division	1,235,948	1,248,307	1,273,274	1,298,739	1,331,208
District Court - Third Division	558,459	564,044	575,324	586,831	601,502
Finance	3,611,965	3,648,085	3,721,046	3,795,467	3,890,354
Human Resources	1,900,756	1,919,764	1,958,159	1,997,322	2,047,255
Information Technology	5,155,305	5,206,858	5,310,995	5,417,215	5,552,645
Planning and Development	2,659,265	2,685,858	2,739,575	2,794,366	2,864,225
Housing & Neighborhood Programs	5,780,017	5,837,817	5,954,574	6,073,665	6,225,507
Public Works	1,100,254	1,111,257	1,133,482	1,156,151	1,185,055
Parks & Recreation	10,637,313	10,743,686	10,958,560	11,177,731	11,457,174
River Market	1,276,715	1,289,482	1,315,272	1,341,577	1,375,117
Golf	2,321,299	2,344,512	2,391,402	2,439,230	2,500,211
Jim Dailey Fitness & Aquatics	908,180	917,262	935,607	954,319	978,177
Zoo	6,938,356	7,007,740	7,147,894	7,290,852	7,473,124
Fire **	49,939,645	52,938,136	54,261,590	55,762,828	57,257,965
Police	75,742,987	77,149,594	79,159,586	81,401,350	83,609,764
Vacancy Reductions	(6,500,000)	(6,500,000)	(6,000,000)	(5,500,000)	(5,000,000)
Transfers Out (including contingency)	11,008,254	11,078,254	11,098,254	11,118,254	11,138,254
	208,963,275	212,533,789	216,586,780	221,066,707	224,514,291
Less utilization of prior-year carryover included in revenue	(780,000)	(0)	(0)	(0)	(0)
Anticipated contingency/reserve	1,000,000	1,070,000	1,090,000	1,110,000	1,130,000
Ending Fund Balance ***	\$23,394,193	\$24,464,193	\$25,554,192	\$26,664,192	\$27,794,191
<hr/>					
Reserve Requirement (10% of Revenues)	\$20,896,328	\$21,253,379	\$21,658,678	\$22,106,671	\$22,451,429

* Reflects annual changes in estimated short-term financing debt service requirements

** Includes the addition of 12 fire fighters in 2019 with the opening of the Southwest Little Rock Fire Station which is scheduled for construction in 2019 & 2020

*** Ending 2018 Fund Balance includes an estimated restricted reserve of \$10,000,000.

<u>Street Fund</u>					
Beginning Balance	\$13,108,262	\$12,238,262	\$11,350,862	\$10,445,714	\$9,522,463
Plus: Est. Revenue	20,099,356	20,501,343	20,911,370	21,329,597	21,756,189
Less: Est. Expenses	20,969,356	21,388,743	21,816,518	22,252,848	22,697,905
Ending Balance	\$12,238,262	\$11,350,862	\$10,445,714	\$9,522,463	\$8,580,747
<hr/>					
Reserve Requirement (10% of revenue)	\$2,009,936	\$2,050,134	\$2,091,137	\$2,132,960	\$2,175,619

**CITY OF LITTLE ROCK
2018 - 2022 FORECAST**

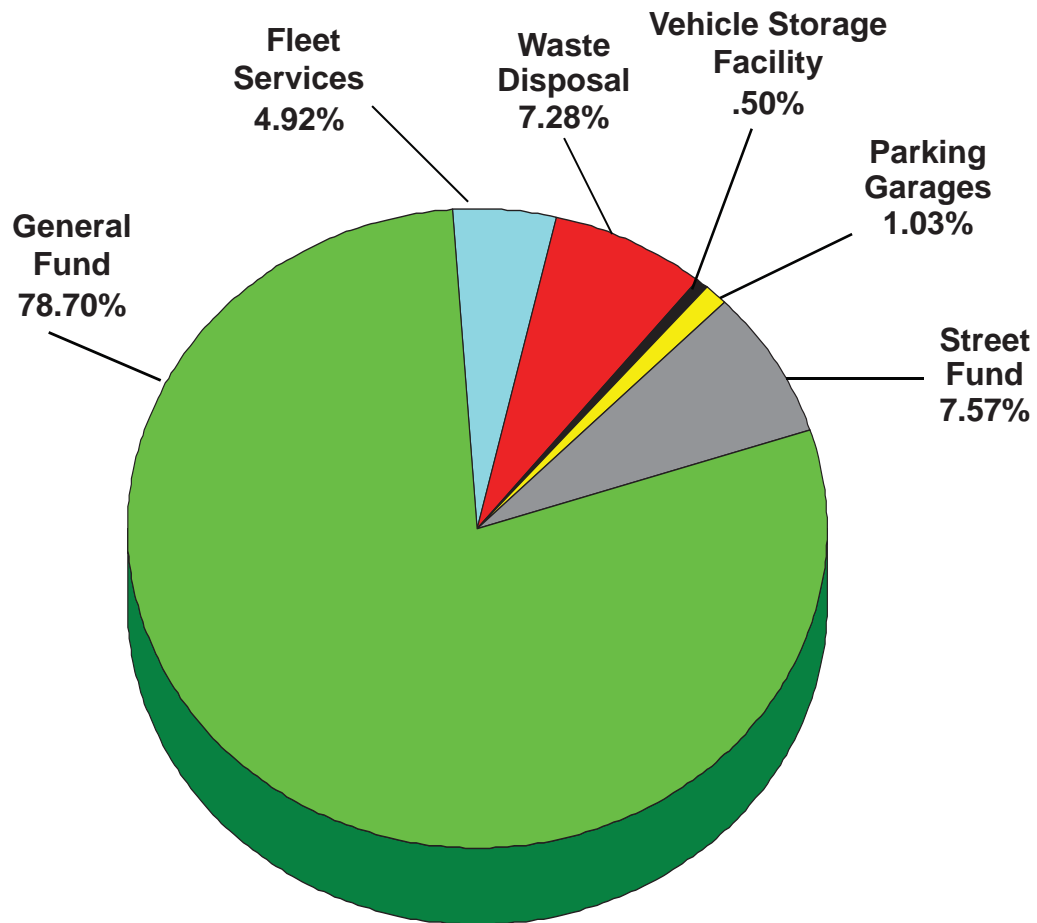
	FY18 <u>Adopted</u>	FY19 <u>Projected</u>	FY20 <u>Projected</u>	FY21 <u>Projected</u>	FY22 <u>Projected</u>
<u>Fleet Fund</u>					
Beginning Net Position	\$4,764,942	\$4,764,942	\$4,764,942	\$4,764,942	\$4,764,942
Plus: Est. Revenue	13,061,091	13,322,313	13,588,759	13,860,534	14,137,745
Less: Est. Expenses	13,061,091	13,322,313	13,588,759	13,860,534	14,137,745
Ending Net Position	\$4,764,942	\$4,764,942	\$4,764,942	\$4,764,942	\$4,764,942
Reserve Requirement (10% of revenues)	\$1,306,109	\$1,332,231	\$1,358,876	\$1,386,053	\$1,413,774
<u>Vehicle Storage Facility</u>					
Beginning Net Position	(\$919,314)	(\$919,314)	(\$819,314)	(\$717,314)	(\$613,274)
Plus: Est. Revenue	1,335,365	1,362,072	1,389,314	1,417,100	1,445,442
Less: Est. Expenses	1,335,365	1,262,072	1,287,314	1,313,060	1,339,321
Ending Net Position	(\$919,314)	(\$819,314)	(\$717,314)	(\$613,274)	(\$507,153)
Reserve Requirement (10% of revenues)	\$133,537	\$136,207	\$138,931	\$141,710	\$144,544
<u>Waste Disposal Fund</u>					
Beginning Net Position	\$24,806,723	\$25,233,122	\$25,663,785	\$26,098,755	\$26,538,074
Plus: Est. Revenue	19,326,800	19,520,068	19,715,269	19,912,421	20,111,546
Less: Est. Expenses	18,900,401	19,089,405	19,280,299	19,473,102	19,667,833
Ending Net Position	\$25,233,122	\$25,663,785	\$26,098,755	\$26,538,074	\$26,981,786
Reserve Requirement (15% of revenues)	\$2,899,020	\$2,928,010	\$2,957,290	\$2,986,863	\$3,016,732
A rate increase of \$1.03 associated with recycling was implemented in 2013. No other rate increases are anticipated during the five year forecast. Expenses reflect the reduction of debt service as bonds are retired and the capital replacement needs.					
<u>Parking Garages</u>					
Beginning Net Position	\$1,591,566	\$1,827,268	\$1,827,268	\$1,827,268	\$1,827,268
Plus: Est. Revenue	2,747,950	2,802,909	2,858,967	2,916,147	2,974,469
Less: Est. Expenses	2,512,248	2,802,909	2,858,967	2,916,147	2,974,469
Ending Net Position	\$1,827,268	\$1,827,268	\$1,827,268	\$1,827,268	\$1,827,268

Revenues



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CITY OF LITTLE ROCK 2018 BUDGET SUMMARY ALL FUNDS RESOURCES



\$265,533,837

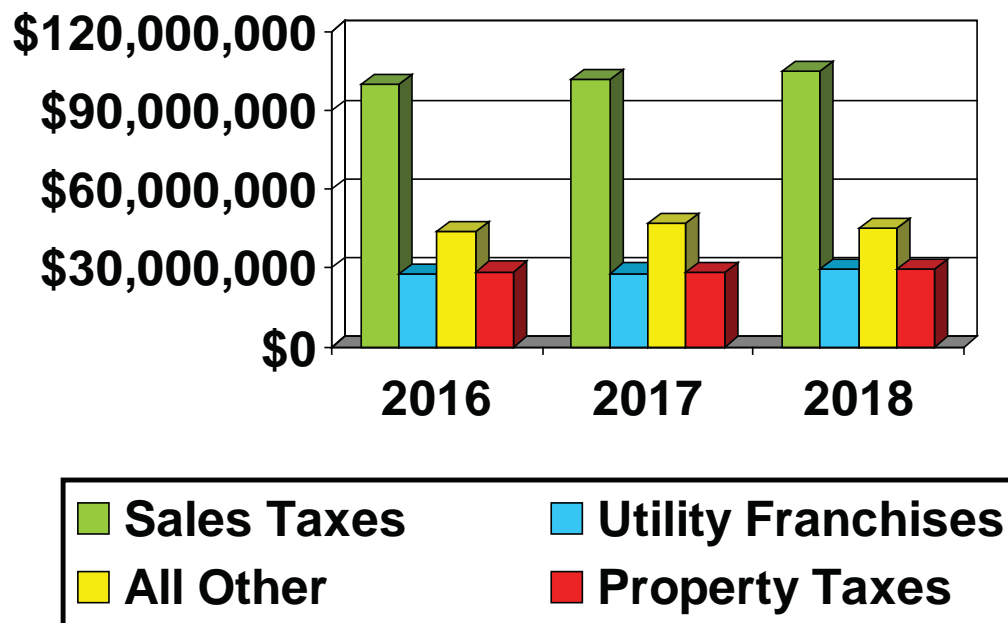
**CITY OF LITTLE ROCK
2018 OPERATING REVENUES**

REVENUES:	2016 ACTUAL	2017 ADOPTED	2017 AMENDED	2018 ADOPTED	17/18 DIFF	% CHANGE
Property Taxes *	\$28,611,669	\$28,072,500	\$28,650,300	\$29,556,818	\$906,518	3.16%
Sales Tax	99,746,536	101,416,870	101,944,720	104,615,000	2,670,280	2.62%
Business Licenses	6,594,571	6,670,000	6,734,800	6,836,000	101,200	1.50%
Mixed Drinks	2,372,669	2,330,000	2,404,800	2,440,000	35,200	1.46%
Building, Related Permits	2,330,637	2,235,660	2,668,910	2,558,410	(110,500)	-4.14%
Intergovernmental*	8,625,272	8,625,400	9,311,000	9,311,100	100	0.00%
Park Revenue	436,284	493,720	493,720	517,895	24,175	4.90%
River Market	493,127	578,000	551,240	535,000	(16,240)	-2.95%
Golf	646,104	863,800	791,500	1,509,585	718,085	90.72% (A)
Jim Dailey Fitness and Aquatic Center	300,825	308,700	308,700	432,700	124,000	40.17% (A)
Zoo	3,416,037	3,173,900	3,387,250	3,853,000	465,750	13.75% (A)
Airport Reimbursement	3,045,736	2,992,800	3,247,400	3,394,000	146,600	4.51%
Salary Reimbursement 911	355,000	500,000	300,000	300,000	-	0.00%
Fines and Fees	2,678,305	2,483,840	2,343,840	2,384,350	40,510	1.73%
Utility Franchises	27,840,410	27,994,177	27,646,177	29,479,000	1,832,823	6.63%
Police Pension	364,562	311,900	385,900	370,000	(15,900)	n/a
Investment Income	87,454	306,000	306,000	315,000	9,000	2.94%
All Other	2,309,570	2,669,617	2,573,627	2,780,030	206,403	8.02%
Transfers In	10,037,996	10,295,386	10,451,236	6,995,387	(3,455,849)	-33.07%
Carryover	-	2,200,000	2,200,000	780,000	(1,420,000)	n/a
Total General Fund	200,292,764	204,522,270	206,701,120	208,963,275	2,262,155	1.09%
Other Budgeted Funds						
Street	20,671,286	20,172,832	20,172,832	20,099,356	(73,476)	-0.36%
Fleet Services	12,095,136	12,241,727	12,241,727	13,061,091	819,364	6.69%
Vehicle Storage Facility	1,336,997	1,376,010	1,376,010	1,335,365	(40,645)	-2.95%
Waste Disposal	18,163,000	18,260,800	18,260,800	19,326,800	1,066,000	5.84%
Parking Garages	2,875,396	2,811,470	2,811,470	2,747,950	(63,520)	-2.26%
Total Other Budgeted Funds	55,141,815	54,862,839	54,862,839	56,570,562	1,707,723	3.11%
Total All Budgeted Funds	\$255,434,579	\$259,385,109	\$261,563,959	\$265,533,837	\$3,969,878	1.53%

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

(A) The increased revenues reflect the elimination of the debt service commitment associated with the refunding of the 2009 Parks and Recreation Bonds.

General Government Summary of Revenues 2016-2018



**CITY OF LITTLE ROCK
2018 OPERATING REVENUE**

	2016 ACTUAL	2017 ADOPTED	2018 ADOPTED
GENERAL FUND			
PROPERTY TAX			
Property Taxes	\$ 19,162,842	\$ 19,025,000	\$ 19,796,600
Pension Property Taxes	8,142,919	7,803,000	8,493,200
Homestead Taxes	1,150,856	1,118,000	1,089,700
Act 9 Industry Payment	155,052	126,500	177,318
Total Property Taxes	<u>28,611,669</u>	<u>28,072,500</u>	<u>29,556,818</u>
SALES TAX			
County Sales & Use Tax	41,229,625	41,938,900	43,155,000
City Sales Tax	55,421,992	56,411,670	58,390,000
State Tax Turnback	3,094,919	3,066,300	3,070,000
Total Sales Taxes	<u>99,746,536</u>	<u>101,416,870</u>	<u>104,615,000</u>
BUSINESS LICENSES			
General Business Licenses	6,594,571	6,670,000	6,836,000
Mixed Drinks Licenses	2,372,669	2,330,000	2,440,000
Total Business Licenses	<u>8,967,240</u>	<u>9,000,000</u>	<u>9,276,000</u>
PERMITS			
Building & Excavation Permits	1,340,887	1,310,000	1,482,170
Electrical Permits	343,943	305,000	367,710
Plumbing Permits	275,501	265,000	327,570
HVAC Permits	317,845	300,000	341,960
Wrecker Franchise	52,461	55,300	39,000
Burn Permits	-	360	-
Total Permits	<u>2,330,637</u>	<u>2,235,660</u>	<u>2,558,410</u>
INTERGOVERNMENTAL			
Insurance Turnback	4,907,453	4,907,500	5,314,500
Police and Fire Pension Insurance Turnback	2,646,079	2,646,100	2,846,000
Police Supplement	169,200	169,200	166,800
Future Supplement (ACT 1373)	902,540	902,600	983,800
Total Intergovernmental	<u>8,625,272</u>	<u>8,625,400</u>	<u>9,311,100</u>
POLICE SERVICES			
Police Report	325,358	345,000	242,500
False Alarm	377,961	137,000	313,000
Airport - Security Guards	1,740,160	1,676,100	2,005,000
Total Police Services	<u>2,443,479</u>	<u>2,158,100</u>	<u>2,560,500</u>
FIRE SERVICES			
Fire Alarm Inspection	700	-	-
Airport-Fire Protection	1,304,876	1,316,700	1,389,000
Total Fire Services	<u>1,305,576</u>	<u>1,316,700</u>	<u>1,389,000</u>
PARK REVENUE			
SWLR Community Complex	76,487	89,000	95,000
Dunbar Community Center	65,379	60,000	72,000
The Centre at University Park	47,295	55,000	45,000
Stephens Community Center	21,820	22,000	29,000
West Central Community Center	3,771	80,000	72,000
Athletics Fees	134,622	94,600	113,000
Pavilion Rental	45,365	46,000	45,000
Community Center & Miscellaneous Fees	2,862	2,920	2,995
Admissions Revenue	24,013	24,500	25,000
Miscellaneous Revenue	14,670	19,700	18,900
Total Park Revenue	<u>436,284</u>	<u>493,720</u>	<u>517,895</u>

**CITY OF LITTLE ROCK
2018 OPERATING REVENUE**

	2016 ACTUAL	2017 ADOPTED	2018 ADOPTED
RIVER MARKET			
Admissions Revenue	205,370	170,000	150,000
Space Rental	287,757	408,000	385,000
Total River Market Revenue	493,127	578,000	535,000
GOLF			
Concessions Revenue	102,662	120,600	119,500
Green Fees	674,685	800,400	782,875
Equipment Rental	421,754	501,900	514,310
Merchandise Sales	76,135	86,600	81,000
Miscellaneous Revenue	31,668	15,100	11,900
Parks Contra Revenue (Debt Service)	(660,800)	(660,800)	-
Total Golf Revenue	646,104	863,800	1,509,585
JIM DAILEY FITNESS & AQUATIC CENTER			
Annual Membership	32,445	35,200	34,400
Monthly Membership	117,655	119,300	124,100
Daily Fees	73,270	76,800	69,300
Corporate Fees	169,401	169,300	165,900
Special Fees	3,446	2,800	4,200
Instructional Fees and Special Events	54,109	46,800	31,400
Miscellaneous	4,699	12,700	3,400
Parks Contra Revenue (Debt Svc)	(154,200)	(154,200)	-
Total Jim Dailey Fitness & Aquatic Center	300,825	308,700	432,700
ZOO			
Membership	543,167	500,000	555,000
Zoo Admissions	1,884,715	1,800,000	1,860,000
Concessions	546,456	490,000	552,000
Token Sales	217,812	198,000	200,000
Education	58,658	50,000	80,000
Special Events	262,915	210,000	200,000
Zoo Rentals	59,264	90,000	69,000
Merchandise Sales	303,652	301,600	300,000
Miscellaneous	32,498	27,400	37,000
Parks Contra Revenue (Debt Svc)	(493,100)	(493,100)	-
Total Zoo Revenue	3,416,037	3,173,900	3,853,000
MISCELLANEOUS CHARGES FOR SERVICES			
Crossing Guards-LRSD Reimbursement	721,764	718,700	628,600
911 Services Reimbursement	355,000	500,000	300,000
Total Miscellaneous Services	1,076,764	1,218,700	928,600
FINES			
General Fines	1,449,928	1,520,000	1,390,600
Fines - Traffic	280,127	-	-
Probation Assessments	13,311	-	42,500
Fines - Parking	242,834	250,000	228,700
Fines - Environmental	100	100	-
Fines - Animal	220	300	-
Fines - Other	10,321	8,100	9,750
Total Fines	1,996,841	1,778,500	1,671,550

**CITY OF LITTLE ROCK
2018 OPERATING REVENUE**

	2016 ACTUAL	2017 ADOPTED	2018 ADOPTED
FEES			
Uniform Filing Fees/Court Costs	180,951	160,000	181,000
Rezoning Fees	52,360	55,200	55,400
Act 9 Admin Fees	4,510	4,500	4,500
Incident Report Fees	-	2,300	-
Copy Fees	6,607	-	300
Booking & Admin Fee - Pulaski County Jail	9,814	8,900	11,100
Warrant Service Police	42,812	52,000	35,300
Writ Garnishment Fees	2,650	2,600	2,900
Community Service Fees	54,401	70,000	17,600
Miscellaneous Service Fees	57,776	70,140	101,900
Mobile Home Registration Fees	42,100	39,700	47,200
Animal Services	227,483	240,000	255,600
Total Fees	681,464	705,340	712,800
UTILITY FRANCHISE			
Entergy	13,541,870	12,670,390	14,458,000
S W Bell	597,469	546,900	448,500
Local Landline Franchise Fees	212,450	181,000	194,500
Long Dist. Franchise Fees	699,463	713,600	618,800
Centerpoint Energy	2,527,027	3,178,000	2,940,000
Central Ark Water	3,307,834	3,547,900	3,720,300
LR Waste Water	5,191,474	5,423,300	5,663,400
Fiber Optics	1,806,052	1,781,200	1,378,500
Cable TV	1,715,444	1,713,100	1,607,000
Franchise Fee Contra	(1,758,673)	(1,761,213)	(1,550,000)
Total Utility Franchises	27,840,410	27,994,177	29,479,000
POLICE PENSION			
Suspended Employee Contributions	53,950	-	-
Police 10% Parking	27,274	28,500	25,600
LRPD Retirement	191,844	197,700	163,600
Income-Police Clearing	66,379	55,100	76,000
Pension Miscellaneous	25,115	30,600	104,800
Total Police Pension	364,562	311,900	370,000
INVESTMENT INCOME			
Interest Income	304,222	306,000	315,000
Change in Fair Market Value	(216,768)	-	-
Total Investment Income	87,454	306,000	315,000
RENTS AND ROYALTIES			
Tower Lease	237,041	236,100	266,700
Ground Leases	10,200	10,200	7,800
Amusement Park Leases	1,375	600	2,500
Total Rents and Royalties	248,616	246,900	277,000
MISCELLANEOUS INCOME			
Contributions/Donations	315,814	852,722	409,538
Rental Revenue	-	-	18,800
Insurance Reimbursement	-	-	-
Miscellaneous Revenue	320,057	369,295	890,592
Total Miscellaneous Revenue	635,871	1,222,017	1,318,930
Transfers In	10,037,996	10,295,386	6,995,387
Carryover from Prior Year	-	2,200,000	780,000
TOTAL GENERAL FUND REVENUE	200,292,764	204,522,270	208,963,275

**CITY OF LITTLE ROCK
2018 OPERATING REVENUE**

	2016 ACTUAL	2017 ADOPTED	2018 ADOPTED
STREET FUND			
ST Homestead Tax	333,736	330,100	317,200
1/2 County Road Tax	5,557,194	5,535,000	5,766,500
State Gas Tax Turnback	12,931,339	12,430,546	12,920,500
ACT 9 Revenue	32,118	-	36,730
Street Repair Reimbursement	21,381	18,500	18,400
Loading Zone Permits	-	17,060	18,500
Insurance and Other Reimbursement	120,122	221,500	32,300
Interest and Change in Fair Market Value on Investments	40,627	93,400	162,500
Transfer In	1,634,769	1,526,726	826,726
TOTAL STREET FUND	20,671,286	20,172,832	20,099,356
FLEET INTERNAL SERVICE FUND			
Fleet Labor	2,828,833	3,222,085	3,186,435
Fuel Fees	1,743,965	2,030,400	2,439,183
Compressed Natural Gas	298,487	234,500	440,870
Miscellaneous Sales	42,551	-	30,000
Motor Pool	12,825	7,000	13,000
Fleet Parts	3,113,905	3,383,850	3,140,653
Insurance	583,991	550,000	660,000
Fleet Management	1,448,365	1,258,392	1,333,695
Fleet Sublets	1,658,617	1,555,500	1,795,500
Interest and Change in Fair Market Value on Investments	5,473	-	21,755
Capital Contribution	359,013	-	-
Gain/(Loss) on Sale of Assets	(889)	-	-
TOTAL FLEET INTERNAL SERVICE FUND	12,095,136	12,241,727	13,061,091
VEHICLE STORAGE FACILITY			
Licenses and Permits	18,319	22,300	20,400
Storage Fees	383,267	374,255	350,000
Wrecker Fees	390,178	412,455	373,700
Vehicle Auction Sale	390,632	433,000	462,065
Impound Administration	92,080	95,000	86,700
Vehicle Storage Miscellaneous	62,521	39,000	42,500
TOTAL VEHICLE STORAGE FACILITY	1,336,997	1,376,010	1,335,365
WASTE DISPOSAL ENTERPRISE FUND			
Sanitation Fees	16,223,429	16,231,000	16,242,500
Landfill Fees	1,619,413	1,715,000	1,489,000
Methane Gas Revenue	2,205	-	-
Yard Waste	72,075	70,000	69,000
Compost Sale	53,396	60,000	38,000
Interest and Change in Fair Market Value on Investments	45,791	105,000	127,000
Miscellaneous Revenue	293,164	79,800	1,361,300
Gain/(Loss) on Sale of Assets	(146,473)	-	-
TOTAL WASTE DISPOSAL ENTERPRISE FUND	18,163,000	18,260,800	19,326,800

**CITY OF LITTLE ROCK
2018 OPERATING REVENUE**

	2016 ACTUAL	2017 ADOPTED	2018 ADOPTED
PARKING GARAGES			
Business License - Auto/Truck	282,749	275,600	265,100
Street Repair Reimbursement	468,937	345,300	243,900
Parking Meters	460,020	460,000	463,800
Surface Lot Parking	76,793	93,120	115,000
Parking Deck Monthly	1,029,688	1,016,400	991,000
Parking Deck Daily	555,532	612,000	655,000
Interest and Change in Fair Market Value on Investments	1,676	8,550	13,400
Miscellaneous Income	-	500	750
	<u>2,875,396</u>	<u>2,811,470</u>	<u>2,747,950</u>
TOTAL PARKING GARAGES			
	<u>2,875,396</u>	<u>2,811,470</u>	<u>2,747,950</u>
GRAND TOTAL ALL FUNDS	<u><u>\$ 255,434,579</u></u>	<u><u>\$ 259,385,109</u></u>	<u><u>\$ 265,533,837</u></u>

REVENUE TRENDS

OVERALL

The City of Little Rock has a comparatively strong economy with slow but steady economic growth, slightly below that of the United States. Little Rock's economy is diverse and somewhat sheltered by the presence of state and local government, health, and educational institutions. Since mid-decade, population growth in Little Rock has slowed. 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 has seen growth in recent years and received a highly competitive TIGER infrastructure grant. While job growth in Little Rock has trailed U.S growth in the last few years, unemployment has fallen to historic lows with strong demand for willing workers. At year-end, the unemployment rate in Little Rock is 3.3% compared to 3.5% for the State of Arkansas and 4.4% for the United States. Retail sales in Little Rock were moderately good in 2017, but E-commerce sales appear to be absorbing most of the growth. According to the most recent estimates of the U.S. Census Bureau, Internet sales comprise 8.9% of all sales in the United States and are likely to pass 10% by 2020 and 12% by 2025. In addition to the impact of increasing Internet sales on local government revenues, rebates of local sales tax on business, governmental, and non-profit purchases in excess of \$2,500 stifle local tax growth in comparison to that of the State. Inflation ticked up during 2017 to 2.1% but is well below the level that economists projected. The consensus among economists is that tax cuts and rising federal spending virtually guarantees that 2018 will experience continued economic growth. The current growth cycle is already among the longest in history. Rising confidence has been known to stimulate careless spending and investment in the past, often resulting in a subsequent recession. If a recession were to occur in 2019 or 2020, Little Rock would be less impacted than the national average due to its economic diversity, small manufacturing sector, and sizeable share of stable government employment.

GENERAL FUND REVENUES

The City's General Fund revenues are primarily comprised of sales and use taxes, property taxes, utility franchise fees, fines and fees and revenues from various licenses and permits. These revenue sources are discussed in detail below. The projected change in operating revenues in 2018 is approximately 2.2% over the original 2017 operating budget and 1.1% above the final amended 2017 budget.

	REVENUES IN	
	MILLIONS	% CHANGE
2014 Actual Revenues	\$191.7	
2015 Actual Revenues	\$196.9	2.71%
2016 Actual Revenues	\$200.3	1.73%
2017 Amended Budget	\$206.7	3.20%
2018 Adopted Budget	\$209.0	1.09%

PROPERTY TAXES

Property taxes comprise approximately 14% of the 2018 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 twenty (20) percent of market value, and the levied millage is applied against the assessed value to determine the tax owed. With the passage of Amendment 79, the appraised value of residential property is limited to a maximum increase of 5% annually, regardless of the increase in market value of the property. A non-residential property or an investment property is limited to an annual increase of 10%.
- Any annual increase in the value of utility and carrier real property is limited to 10% of the assessed value for the previous year.
- Tax levies, expressed in terms of millage are passed by local governments and certified to the County Tax Collector, who bills and collects the tax. One mill equals \$1 in tax per \$1,000 in assessed value.
- A Little Rock resident living in the Little Rock School District is charged a millage rate of 70.00.
- Taxes are remitted to the City monthly by the Pulaski County Treasurer as payments are received throughout the year.

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

	<u>2016 Payable 2017</u>	<u>2017 Payable 2018</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. Property tax collections on real estate were initially projected to be significantly higher in 2018 than property values five years ago. At the end of February 2018, the City received the original charge for 2017 which will be reflected in the property

tax collections made in 2018. The original charge reflects a 1.55% increase in property taxes based on the most recent appraisal. Real estate valuations increased 2.91%, partially offset by a decrease of 1.94% in personal property and a decrease of 2.58% in utility personal property. 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. 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 2018 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 \$8.5 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 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 2018 budget anticipates \$6.1 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 2017 property taxes payable in 2018.

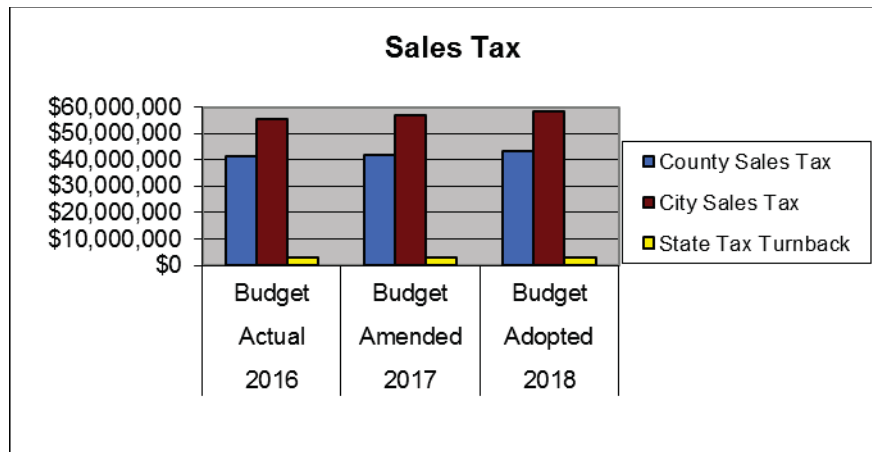
Act 9 Payments, which are payments in lieu of property taxes (Pilot agreements) associated with the issuance of Industrial Development Bonds, are classified as additional property tax revenues in the City's various funds in proportion to the millage that would have been paid had the Act 9 Pilot agreements not been in place. 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 2018.

SALES AND USE TAX

The largest source of revenue in the City's General Fund is sales and use tax which contributes approximately 50% to the 2018 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 2018 operating budget includes

an increase in sales and use tax of 2.6% over the final amended 2017 budget and approximately 3.1% over 2017 actual tax collections. The first two quarters of 2017 experienced sales tax growth of approximately 2.9% over the same period a year ago and 1.23% above budget. The original budget of 1.68% growth was amended to an annual growth estimate of 2.2%. In the last four months of the year, sales and use taxes fell below the amended budget resulting in annual growth of 1.71%. Year-end results of \$101,499,528 were below the amended budget by 0.49% or approximately \$495,000. The monthly change in sales and use tax revenues in 2017 in comparison to the same period a year ago remained volatile. For example, results fluctuated from a decline of 5.69% for February sales to a high growth rate of 8.81% for March sales. Throughout the year, the City never experienced two consecutive months of decline in sales and use taxes. The disappointing fourth quarter results may require an adjustment to the 2018 Adopted Budget.

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 said that as much as half of its business is through third-party vendors. Arkansas state law requires tax payer confidentiality which prohibits releasing information regarding taxes generated from a specific company. Based on the increase in sales taxes reflected in the NAICS or industry code associated with Electronic Shopping and Mail Order House reported for the City's local sales tax, the estimated local tax benefit to the City during 2017 is approximately \$500,000. Separate Senate and House bills brought before the Arkansas Legislature in 2017 to address collection of Internet Sales failed to gain consensus. The City is encouraging action by 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 tax. Distribution is based on the Little Rock population as a percentage of Pulaski County's total population. According to the 2010 Census, Little Rock experienced a 5.0% growth in population from the 2000 Census. The City comprises

approximately 50.56% of the County population and therefore receives this percentage of the County sales and use tax. The projected revenue for 2018 from this tax is approximately \$43.15 million which represents a 2.94% increase over the 2017 year-end results. The County tax collected in 2017 was 1.68% higher than the previous year.

Use taxes, paid mostly by businesses, resemble sales taxes. They apply to goods purchased from out-of-state merchants such as catalog vendors. Use taxes included in the county sales tax projection are approximately \$5.2 million, or 12% of the total annually. On January 1, 2008, changes to Arkansas's state and local sales tax laws were implemented for purposes of compliance with the Streamlined Sales Tax Agreement. Including Arkansas, the sales tax laws of twenty-four (24) states have been amended to conform to the agreement.

LOCAL SALES TAX

Prior to 2012, the City of Little Rock levied one of the lowest sales tax rates in the State of Arkansas at 0.5%. In September 2011, voters approved an overall one (1)-cent sales tax increase, 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 \$56.5 million in 2017 which was 1.87% higher than the previous year. The projected General Fund revenue for 2018 from the local tax is approximately \$58.4 million which represents an increase of approximately 3.4% from 2017 year-end results. The 3/8-cent tax for capital projects generated approximately \$18.82 million in 2017 and is expected to generate \$195.8 million over the ten (10) year period for capital projects. The capital tax increased 1.87% over 2016 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 is approximately \$4,558,500. Audits performed by the State of Arkansas Department of Finance and Administration reduced sales tax collections by approximately \$220,000 in 2017, which was considerably lower than 2016 with approximately \$700,000 levied as a result of audits.

For 2017, the industries with the largest dollar increases in sales taxes were electric power generation, food services and drinking places, and commercial and industrial machinery. The largest dollar decreases were associated with specialty food stores, machinery and supplies wholesalers, electrical goods wholesalers, and telecommunications. According to the NAICS report, the largest Little Rock sales tax payers are general merchandise stores, full-service restaurants, grocery stores, and building material and supplier dealers.

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 2018 was unchanged from one year ago at \$15.50 per capita. 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 \$204,759. The appropriation is determined each legislative session and can increase or decrease dependent upon surpluses in state funds. State turnback funds are expected to contribute approximately \$3 million to General Fund revenues in 2018.

State Turnback

State Turnback Year-to-Date 2017 with 2016 Comparison (shaded blue)

	Street		Severance		General	
Month	2016	2017	2016	2017	2016	2017
January	\$9,482,577	\$10,065,525	\$433,180	\$574,576	\$4,032,277 *	\$4,056,820 *
February	9,804,689	10,462,691	287,482	357,752	2,031,997	2,056,418
March	8,722,770	8,921,686	312,011	651,784	2,032,597	2,056,719
April	10,436,026	10,110,987	441,662	682,243	2,032,298	2,056,719
May	10,294,481	10,363,642	140,537	491,894	2,031,496	2,053,762
June	9,950,874	10,526,632	182,494	351,200	2,032,598	2,056,938
July	10,698,830	10,512,281	186,206	496,865	5,431,590 **	5,572,710 ***
August	9,492,433	10,502,217	243,594	512,555	2,264,157	1,795,650
September	10,068,068	10,359,334	279,548	421,563	2,056,681	2,056,886
October	10,421,889	10,405,766	483,530	474,027	2,056,531	2,058,156
November	10,087,659	9,730,523	435,693	449,424	2,055,823	2,055,750
December	9,292,327	9,785,275	392,523	295,172	2,056,318	2,056,990
Total	\$118,752,623	\$121,746,559	\$3,818,458	\$5,759,054	\$30,114,363	\$29,933,516

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

** Includes \$3,517,035.84.29 supplemental for July 2016

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

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 2017 with 2016 Comparison (shaded blue)

Month	Municipal Tax		County Tax		Total Tax		Interest	
	2017	2016	2017	2016	2017	2016	2017	2016
January	\$51,749,675	\$49,037,009	\$46,139,133	\$43,720,229	\$97,888,807	\$92,757,238	\$15,903	\$15,812
February	60,007,416	59,477,239	52,583,090	51,693,904	112,590,506	111,171,143	17,386	20,455
March	48,225,282	45,484,389	42,723,485	41,503,958	90,948,767	86,988,347	18,863	17,357
April	50,349,075	51,278,433	44,591,728	46,543,122	94,940,803	97,821,555	15,747	19,032
May	55,441,606	51,716,750	48,861,910	46,509,945	104,303,516	98,226,695	17,059	16,799
June	50,977,784	48,045,270	45,261,893	42,836,823	96,239,677	90,882,093	17,534	17,947
July	55,472,881	52,527,961	49,248,601	47,321,806	104,721,482	99,849,767	18,995	17,750
August	54,840,523	52,254,925	49,357,901	47,594,177	104,198,425	99,849,102	15,982	17,169
September	53,692,981	53,746,167	48,991,616	49,430,573	102,684,597	103,176,740	45,866	18,913
October	53,796,257	52,105,594	49,299,660	47,384,899	103,095,917	99,490,493	79,279	17,666
November	53,815,854	53,632,182	49,290,527	48,831,434	103,106,380	102,463,616	78,491	17,523
December	52,730,085	51,969,068	48,086,258	46,917,820	100,816,343	98,886,888	72,999	17,198
Total	\$641,099,418	\$621,274,986	\$574,435,802	\$560,288,690	\$1,215,535,220	\$1,181,563,677	\$414,105	\$213,621
Averages	\$53,424,951	\$51,772,916	\$47,869,650	\$46,690,724	\$101,294,602	\$98,463,640	\$34,509	\$17,802

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 2018 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, whichever 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, 2018 utility franchise fees are projected to be 6.9% higher than 2017 actual revenues and 6.6% higher than the final amended 2017 budget. Franchise fee revenues in 2017 were approximately 1.0% lower than 2016 levels. The largest factor affecting franchise fees continues to be the weather.

CenterPoint Energy, the gas utility, rebounded from one year ago with an increase of over \$280,000, although natural gas usage declined by 1.16% from 2016. Both winter and summer temperatures continued to be mild compared to historical norms. 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. Those rates are passed along to customers with no profit going to the utility. Gas revenues in 2018 are expected to be approximately 4.65% higher than actual 2017. The increased revenue estimates are a result of higher estimated natural gas costs. In addition, there will be an increase in the base rate charged to customers of 1.97%. The largest portion of the rate increase (70%) is the gas supply rate. Temperatures are expected to be higher than average this winter.

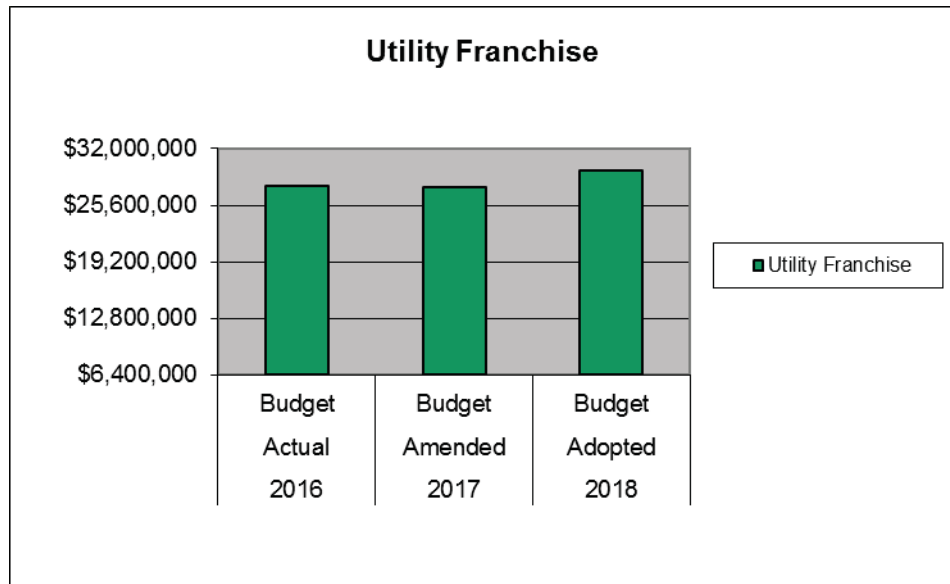
Relatively mild summer weather decreased Entergy Arkansas franchise fees approximately 1.6% or \$213,923 from one year ago while usage declined by 2.92% over the same period. Entergy officials forecasted 2018 revenues to be an estimated 8.5% over 2017 actuals. Although the budgeted projection includes a 3.75% rate increase coupled with anticipated increased fuel costs, it is likely to be reversed retroactively later in the year. Congress recently passed a bill that lowered the federal corporate tax rate from 35% to 21%. The PSC has notified the state's investor owned utilities to file an analysis of the effects of federal tax cuts on their rates. The PSC has stated that the utilities' rates may no longer be just and reasonable. The negative net effect has yet to be determined.

The Central Arkansas Water (CAW) Board of Commissioners has announced that they plan to raise rates in 2018. No increases are scheduled for 2019. In addition to the volume-based rate increases, the base rate on bills will also increase. The base rate is charged automatically, no matter what a customer's volume usage is. The current base rate of \$6.85 will increase to \$7.85 in 2018. Officials said that the increases will raise an average residential customer's rate by 8.9%, an average commercial customer's rate by 5.3%, and an average industrial customer's rate by 3.9% in 2018. An average customer is considered to be one that uses about 750 cubic feet of water per month. A relatively mild and wet summer of 2017 increased revenues only slightly by approximately \$40,000, with an average rate increase of 8.9% in 2017. An on-going national trend is that water consumption continues to decrease due to water-saving appliances and conservation measures, but weather is still the most significant factor. Central Arkansas Water has forecasted an increase of approximately 11% in 2018 franchise fee revenue.

Little Rock Water Reclamation Authority, formerly Little Rock Waste Water, franchise revenues increased approximately 4.5% or \$231,400 in 2017, the result of increasing base rates by an average of 4.75%. The scheduled rate increase for 2018 adds another 4.75%. In addition, there are scheduled rate increases for 2019

through 2021 to pay for the expansion of storage facilities and a pump station upgrade. Scheduled rate increases were implemented to comply with the terms of the Sierra Club lawsuit to reduce sanitary sewer overflows in Little Rock. The additional revenue will be used to secure a \$61 million loan from the Arkansas Natural Resources Commission. The 2018 rate increase is projected to grow franchise fees by approximately \$240,500 or 4.4%.

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 \$492,000 in 2017, which represents an 18% reduction from just one year ago. This trend is expected to continue in the foreseeable future, with more customers migrating from utilization of a home phone (land line) and a mobile phone to only a mobile phone. Revenues from local land line providers declined 4.9% in 2017 and are expected to further decrease 4% in 2018. The decline could be sharper, but many alarm users still maintain a land line to operate their security systems.



The downward trend in traditional franchise fee revenues from long distance providers is a result of an increase in wireless or mobile phone usage for long distance calls. The franchise fee revenue from long distance decreased approximately 3.2% in 2017. Long distance revenue is projected to level off in 2018 as a result of effective collection efforts toward the numerous smaller telecommunication companies.

The largest percentage declines in franchise fees experienced in 2017 were associated with Fiber Optics at 22%. Fiber optic companies, such as AT&T U-Verse and Windstream, are now in direct competition with Comcast Cable, which has historically been one of the City's leading growth franchise customers. Overall, fiber optics and cable franchise revenues decreased 13.5% in 2017. Excluding a one-time settlement of \$102,000 in 2016, Windstream revenues for 2017 decreased 11% while AT&T U-Verse franchise fees decreased by approximately 18% and Comcast Cable declined approximately 5%. Fiber optic companies rarely announce anticipated rate increases in advance of the actual rate change. Cell

phone, alarm system revenues, and Internet usage are not included in the franchise agreement. Annual increases in fiber optic service fees are expected to be offset by customers foregoing the cable companies and receiving all of their communications, including television via wireless or broadband connections, utilizing digital technology. Fiber optic forecasted revenues are projected to decline approximately 2% for 2018.

It is likely that the net effect of federal tax cuts will significantly reduce the anticipated increase in franchise fee revenues. In addition, severe weather or unusual weather patterns may impact franchise 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 the annual debt service by approximately \$212,000. The debt service is 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. In addition, the City issued a request for proposals in 2017 to provide a franchise utility fee audit. A vendor was selected, and a contract is expected to be finalized in early 2018. The audit will review all ordinances, regulations, and agreements governing selected franchise utility providers and identify any revenue adjustments or errors in the franchise fee calculations.

Announced Utility Rate Increases for 2018	
SW Bel (AT&T)	0.00%
Entergy	3.75%
Long Distance	0.00%
Local Land Lines	0.00%
CenterPoint	1.97%
Central AR Water	
Residential	8.90%
Commercial	5.30%
Industrial	3.90%
Fiber Optics	0.00%
Little Rock Reclamation Authority	4.75%

BUSINESS LICENSES

Licenses and permits comprise approximately 5.7% of 2018 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 2017 license fees increasing 3% to almost \$6.8 million. The increase of almost \$200,000 for 2017 is attributed to a steady local economy and aggressive collection of delinquent accounts, which includes programs 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. These 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. Large auto dealerships have recently migrated to surrounding cities which will make it challenging to increase 2018 business license revenue collections. The 2018 business license budget is set at a 1% growth rate 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. 2017 mixed drink revenue was 4.1% higher than 2016 at \$2.47 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. 2018 mixed drink revenues are expected to be similar to 2017.

BUILDING AND RELATED PERMITS

Building and related permits, which include electrical permits, plumbing permits, and heating ventilation and air conditioning (hvac) permits, were approximately 17.3% above 2016 and 2.2% above the 2017 amended budget. 2017 commercial building permits were originally expected to decline 4.3% from 2016 levels because of reduced permits at the GateWay Town Center and elsewhere. Instead, continued commercial development near the I-30/I-430 interchange increased building related revenues to historic levels. The City's Planning and Development Department forecasts continued commercial construction projects, such as a large bank headquarters, two elderly housing developments, and redevelopment of historic downtown buildings. Residential construction is projected to remain stagnant. Rising long-term interest rates could curtail commercial construction activity in Little Rock. 2018 building and related permits are expected to decline only 5.7% from the very strong building activity of 2017.

FINES AND FEES

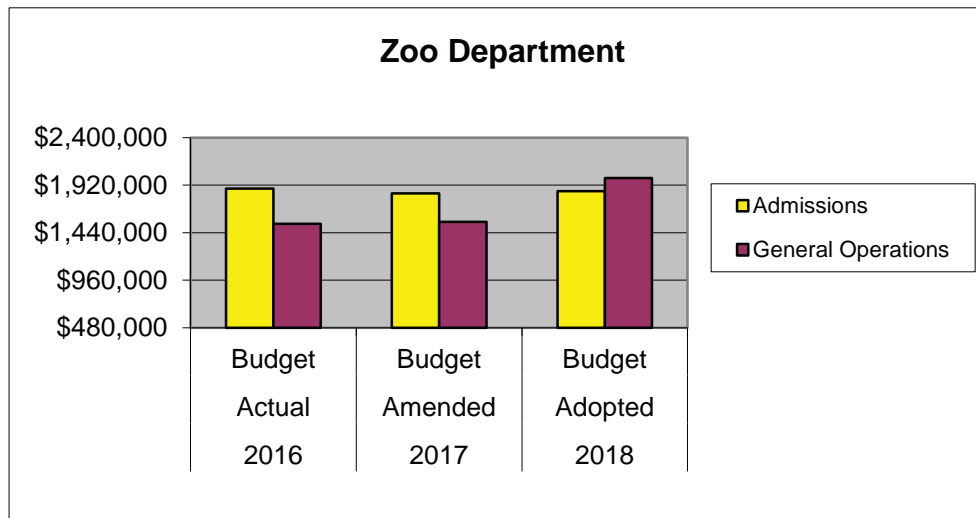
Fines and fee revenues continue to decline with revenues decreasing approximately 13% or \$344,000 compared to one year ago. The number of citations written have decreased in each of the three district courts with amnesty programs further reducing fines. Minimum installment fees and increased community service further reduce fines and fee revenues. In 2018, Parking Enforcement will issue a request for proposal for a new Parking Management System that is intended to increase on-street occupancy throughout the downtown core and in the business district. Fines from parking citations are expected to increase approximately 1.3%. Overall, 2018 fines and fees are projected to be flat

compared to 2017 levels, partly from an increase in projected parking fines associated with the new parking system.

PARK AND ZOO REVENUE

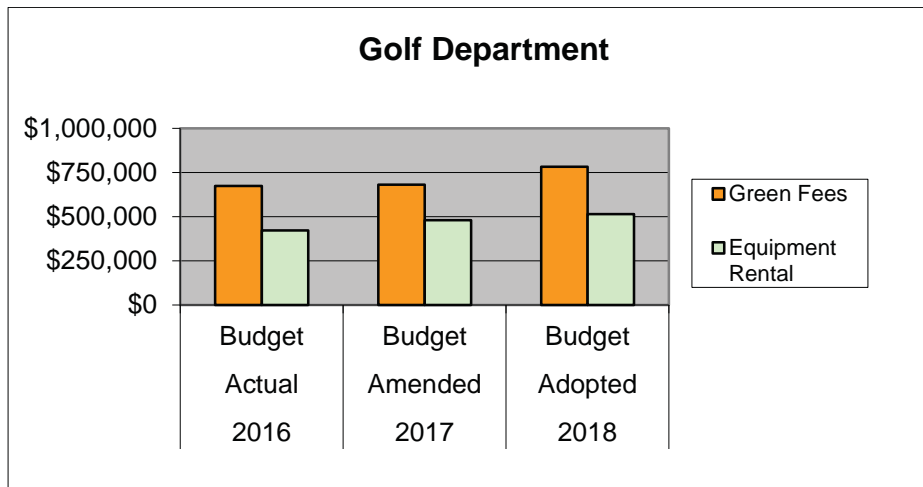
General Fund park revenues are generated by three (3) golf courses, tennis fees, community center fees, athletics fees, summer programs, and pavilion rentals. The 2018 General Fund Parks and Zoo budget includes a net 5% increase from 2017 actuals, the result of increased rates at some of the park facilities. Park revenue increases include the offering of additional programs as well as increasing rates for summer youth programming, adult athletics, instructional classes, membership fees, and daily fees.

Excluding transfers in and donations, Zoo revenues decreased approximately 2.7% or \$104,653 from 2016. 2017 actual Zoo revenues were 10% above the original 2017 budget and 4.39% above the amended budget. Similar to park revenues, Zoo revenues are heavily dependent on weather conditions. The early spring months of April, May, and June are the peak months for the Zoo because of the mild temperatures. The Zoo experienced increased attendance in 2016, but unfavorable weather in 2017 reduced attendance. Zoo admissions decreased 5.2% compared to the same period a year ago. Annual Zoo memberships are less dependent on weather and increased 3.5%. Zoo concessions increased 3.1%. 2018 Zoo revenues are projected to be 1.3% over 2017 actuals with an increase of approximately \$48,500. There are no fee increases scheduled for 2018.



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. Excluding the debt service contribution, overall golf revenues were 8.4% above 2016 levels. 2017 Rebsamen Golf revenues increased approximately 6.3%. 2017 War Memorial Golf revenues increased almost 47%. At War Memorial, 2016 revenues were down as a result of closure for reconstructing greens, 2017 Hindman Golf Course revenues decreased 12.50%. With War Memorial closed for most of the summer of 2016, a large majority of the displaced golfers started playing at Hindman. Now those displaced golfers have returned to War Memorial which has reduced the number

of rounds at Hindman in 2017. In addition, the tremendous rainfall impacted the Hindman course because of flooding from nearby streams. The combined golf course revenues are projected to increase 15.5% in 2018 to near 2015 levels.



AIRPORT REIMBURSEMENT

The Little Rock National Airport reimburses the City for expenses related to police and fire protection. In 2017, airport police reimbursements increased almost 11% to \$1.93 million, and airport fire reimbursements increased 2.4% to \$1.34 million. Staffing levels should be consistent with 2017, adjusted only for salary increases. Annually, fluctuations can be attributed to changes in negotiated minimum staffing.

INTEREST EARNINGS

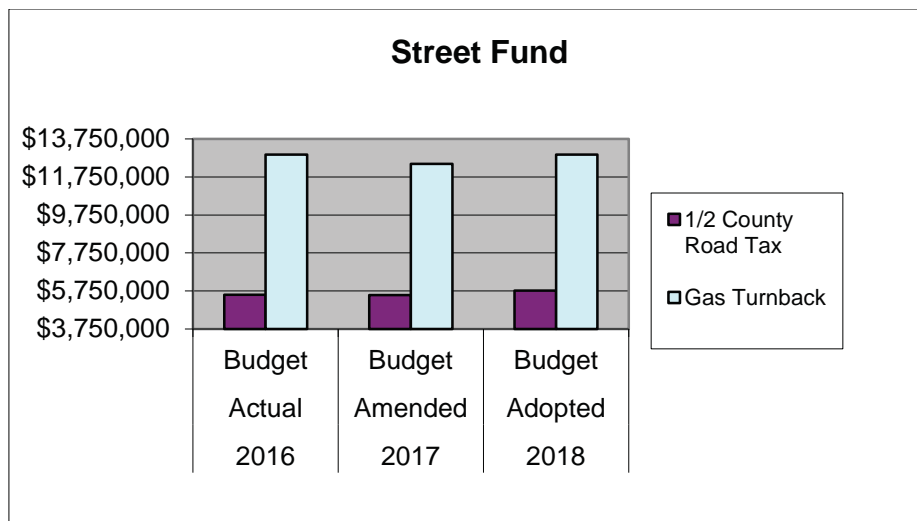
Interest earned on the investments and bank deposits of the General Fund, certain bond retirement funds, special projects, and capital funds can legally be utilized for any municipal purpose. The Federal Open Market Committee raised the fed funds rate a quarter point to 1.5% on December 13, 2017. The Federal Open Market Committee signaled that it will raise rates to 2% in 2018, 2.5% in 2019, and 3% in 2020. Higher expected short-term interest rates should temper an increase in inflation with oil prices expected to climb as well. The current discount rate is 2.00%. Investment income for the General Fund before year-end fair market value adjustments is approximately \$333,500 which is a 9.6% increase over 2016 levels. A slight rise in short-term interest rates, along with the City's policy of staying fully invested, 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 2018. The City's bank deposits are expected to yield over 1.7% in 2018 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. 2017 revenues were 3.3% higher than 2016, which is attributed to a slight increase in the number of gasoline gallons consumed. Gas turnback funds had been trending downward as a result of lower gas consumption associated with more fuel efficient automobiles but have increased in the last two years. The State Highway Department's turnback projection for 2018, including the gas tax, severance tax, and sales tax, is \$12.43 million which is roughly 4% above their projection for 2017. The 2017 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.



BOND & INTEREST FUND

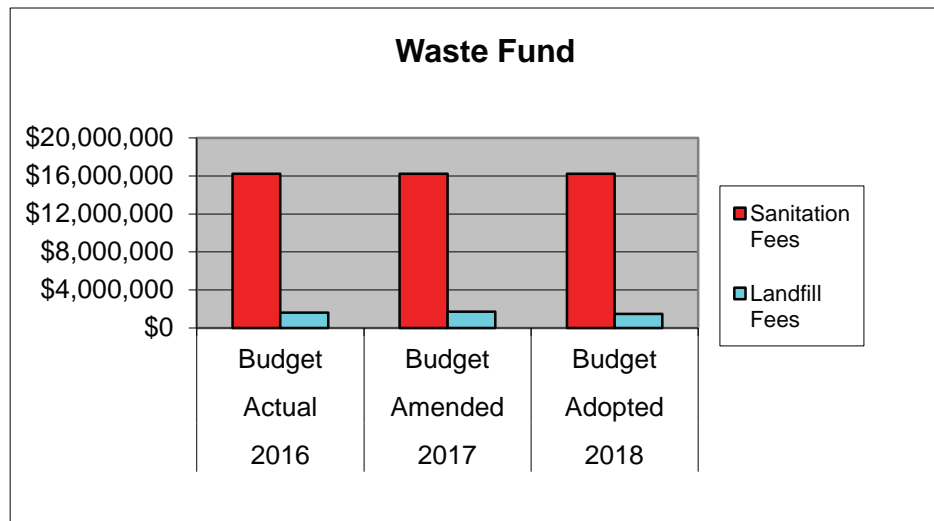
Revenues from this fund are utilized to finance the debt service on the Capital Improvement Bonds issued in 2013. The voters of Little Rock approved an annual ad valorem tax at a rate of 3.0 mills at a special election on September 11, 2012. The millage is pledged for the financing of \$105 million in 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). The millage, along with the Homestead Credit, which is monies generated from a state-wide half-cent sales tax, produced approximately \$12.2 million (including anticipated Excess Commissions) toward 2017 debt service on the outstanding bonds. A second series of bonds will likely be issued in 2018.

WASTE DISPOSAL

The 2017 Waste Disposal charges for services, such as sanitation fees, landfill fees, yard waste, and compost sale revenues were relatively flat compared to 2016. Although there were no rate increases, sanitation fees were over budget by

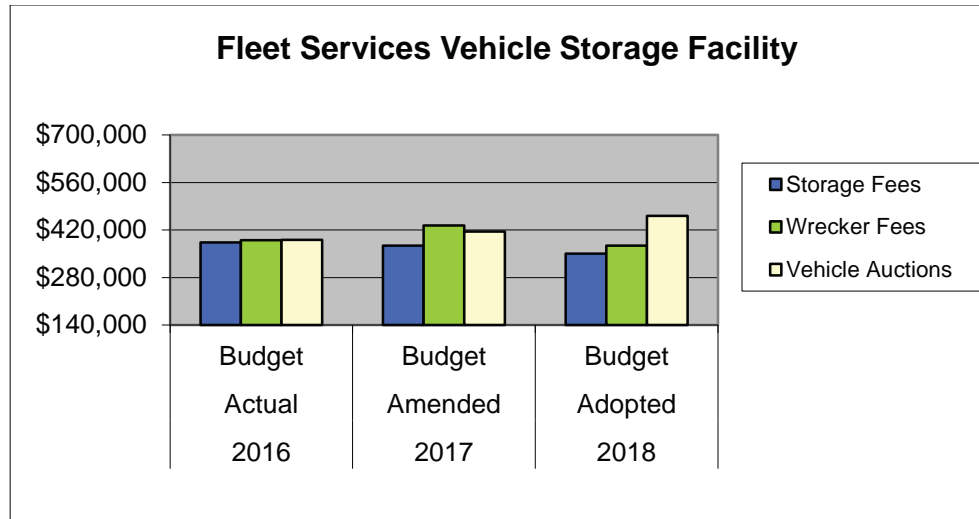
approximately \$34,000 and almost \$41,000 above last year. Landfill fees dropped 3.2% from last year because private haulers such as Waste Management and BFI are using other landfills. Waste Disposal no longer has a methane gas vendor as the facility has been closed and does not plan to be operational for another year. Yard waste revenue decreased almost 6%. Compost revenues continue to decline as more residents are composting in their backyards. Compost revenues were down almost 23% for the year.

The monthly residential rate for sanitation pickup remained at \$22.02. There are approximately 58,621 households currently receiving garbage collection services. No rate increases are scheduled for 2018. In addition, approximately 290 commercial vendors pay an average rate of \$33.37 a month for waste disposal services. The 2018 budget for sanitation fees of approximately \$16.23 million is in line with 2017 actual results. A comprehensive rate study is scheduled to occur during 2018. Landfill fees are expected to generate approximately \$1.7 million in 2018 which is an increase of 7.3%.



VEHICLE STORAGE

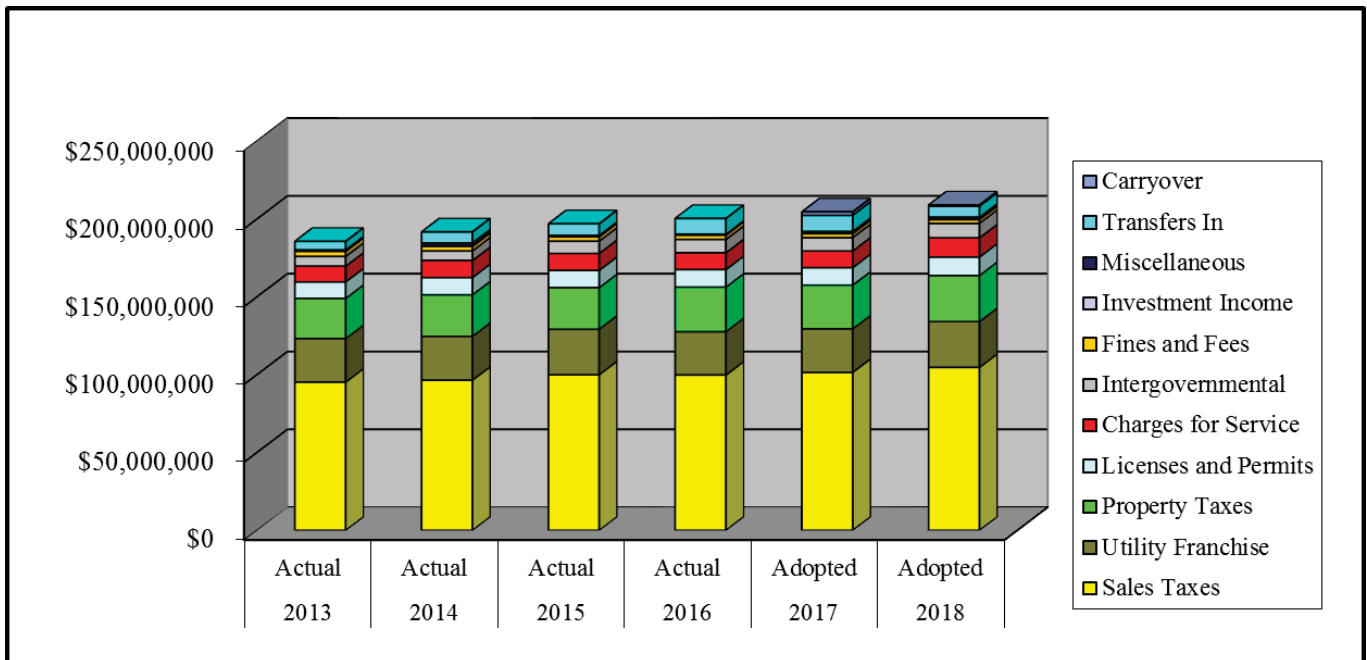
Vehicle Storage revenues are generated from storage fees, wrecker fees, and auction sales. These revenue sources increased 12.3% from one year ago and contributed approximately 89% of total 2017 revenues. There was little change in storage fees and wrecker fees in comparison to one year ago, but proceeds from auction sales increased over \$140,000. The number of wrecker tows in 2017 was comparable to 2016. The 2018 overall revenue budget is 8.7% lower than 2017 actual results. The average sales price per vehicle auctioned in 2017 was \$860.30. No rate increases are anticipated for 2018.



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 10% lower in 2017 than 2016. The decrease was primarily due to a reduction in street repair fees. 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 2017 were lower than the previous year due to a large receipt from a communication company of \$137,330 in May 2016 for street cuts performed in prior years. Monthly parking in the two parking garages is down almost 14% compared to last year while daily parking is up over \$100,000 from one year ago. A new parking garage downtown by the Central Arkansas Library has reduced the monthly customers at both garages. Increased daily parking demonstrates the popularity of the RiverMarket entertainment district. Overall, Parking Garage Fund revenues are expected to increase approximately 6.4% compared to one year ago, the result of forecasting street cut repairs to more normal levels.

General Fund Revenues Sources and Trends 2013-2018



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

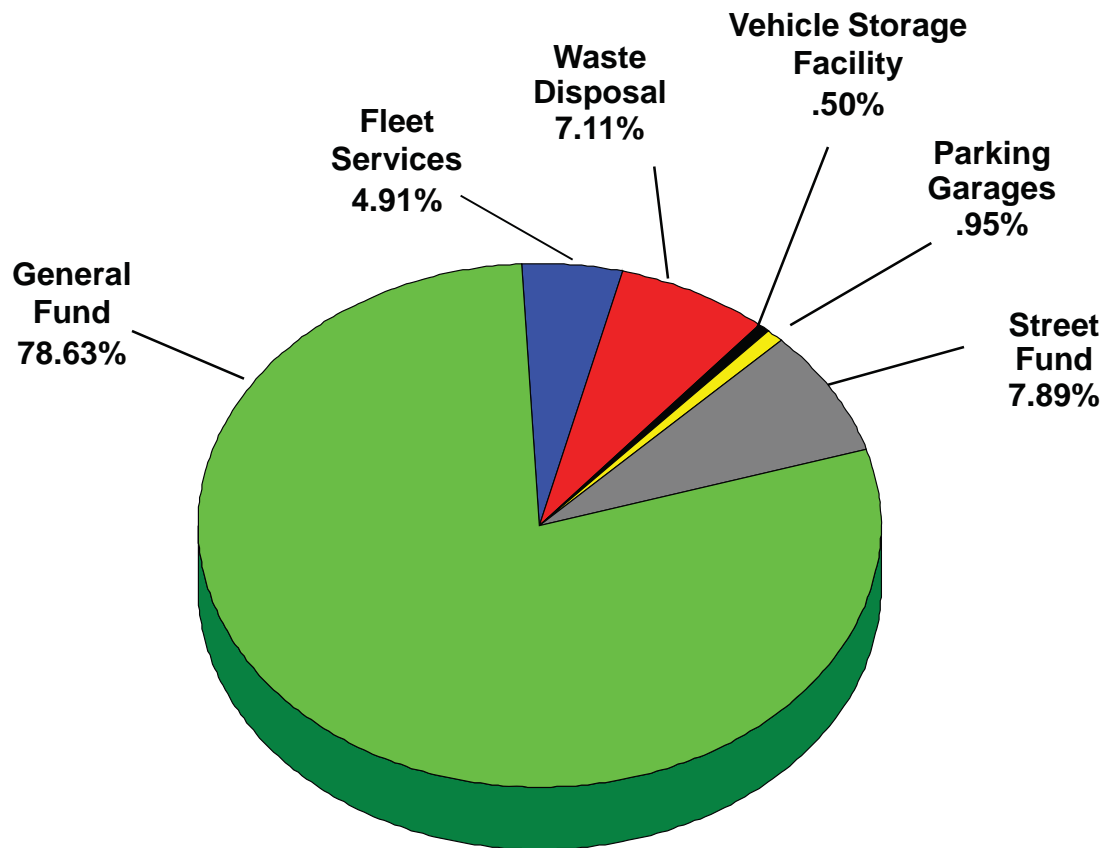
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Expenditures



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CITY OF LITTLE ROCK 2018 BUDGET SUMMARY ALL FUNDS EXPENSES



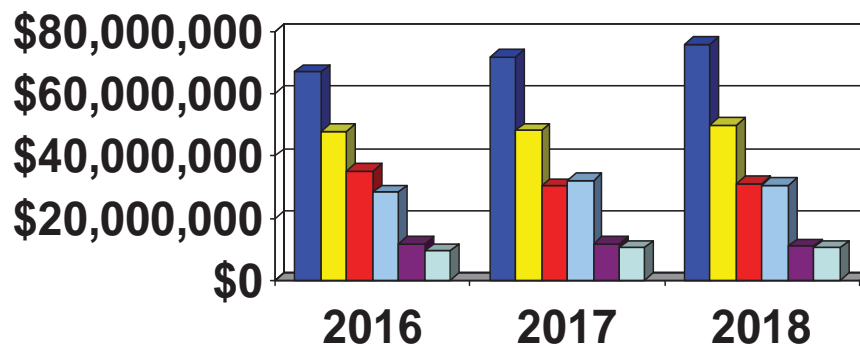
\$265,741,736

CITY OF LITTLE ROCK
2018 OPERATING & OTHER BUDGET EXPENDITURES

GENERAL FUND	2016 ACTUAL	2017 ADOPTED	2017 AMENDED*	2018 ADOPTED	17/18 DIFF	% CHANGE
General Administrative	\$28,387,495	\$32,101,384	\$31,335,949	30,601,351	(\$734,598)	-2.34%
Board of Directors	348,347	343,902	343,902	337,241	(6,661)	-1.94%
Community Programs	539,277	610,085	\$610,085	599,306	(10,779)	-1.77%
City Attorney	1,768,811	1,961,177	1,804,100	1,838,375	34,275	1.90%
District Court First Division	1,279,133	1,293,690	1,325,572	1,312,284	(13,288)	-1.00%
District Court Second Division	1,314,121	1,226,045	1,219,952	1,235,948	15,996	1.31%
District Court Third Division	625,802	576,831	468,873	558,459	89,586	19.11%
Finance	3,395,517	3,503,246	3,573,288	3,611,965	38,677	1.08%
Human Resources	1,602,026	1,817,542	1,725,509	1,900,756	175,247	10.16%
Information Technology	4,442,838	5,063,637	4,717,623	5,155,305	437,682	9.28%
Planning Development	2,296,740	2,573,533	2,418,844	2,659,265	240,421	9.94%
Housing & Neighborhood Programs	5,172,374	5,844,164	5,215,790	5,780,017	564,227	10.82%
Public Works	983,482	1,108,710	1,067,301	1,100,254	32,953	3.09%
Parks & Recreation	9,536,790	10,638,481	10,241,131	10,637,313	396,182	3.87%
River Market	1,183,258	1,151,840	1,151,840	1,276,715	124,875	10.84%
Golf	2,507,606	2,346,138	2,493,245	2,321,299	(171,946)	-6.90%
Jim Dailey Fitness and Aquatic Center	896,482	921,660	915,918	908,180	(7,738)	-0.84%
Zoo	6,836,332	6,913,994	6,601,350	6,938,356	337,006	5.11%
Fire	47,903,944	48,118,017	48,510,264	49,939,645	1,429,381	2.95%
Police	66,906,762	71,651,214	69,017,039	75,742,987	6,725,948	9.75%
Vacancy Savings	-	(7,000,000)	-	(6,500,000)	(6,500,000)	N/A
Sub-total General Operating	187,927,137	\$192,765,290	194,757,575	197,955,021	3,197,446	1.64%
TRANSFERS OUT/OTHER EXPENSES						
Transfer out to Street Fund	1,082,000	894,000	194,000	194,000	-	0.00%
Special Projects/PIT	10,850,262	9,862,980	10,749,545	9,814,254	(935,291)	0.00%
Contingency/Reserve	-	1,000,000	1,000,000	1,000,000	-	-93.53%
Sub-total of Transfers Out	11,932,262	11,756,980	11,943,545	11,008,254	(935,291)	-7.83%
TOTAL GENERAL FUND	199,859,399	204,522,270	206,701,120	208,963,275	2,262,155	1.09%
OTHER FUNDS						
Public Works - Street	17,594,558	20,172,832	20,492,832	20,969,356	476,524	2.33%
Fleet Services	10,732,521	12,232,552	12,732,552	13,061,091	328,539	2.58%
Vehicle Storage Facility	1,409,482	1,376,010	1,376,010	1,335,365	(40,645)	-2.95%
Waste Disposal	16,454,044	17,833,261	17,833,261	18,900,401	1,067,140	5.98%
Parking Garages	2,367,059	2,341,189	2,341,189	2,512,248	171,059	7.31%
Sub-total Other Operating Funds	48,557,664	53,955,844	54,775,844	56,778,461	2,002,617	3.66%
TOTAL ALL FUNDS	\$ 248,417,063	\$ 258,478,114	\$ 261,476,964	\$ 265,741,736	\$ 4,264,772	1.63%

* The 2017 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 2017 vacancy savings goal was fully realized.

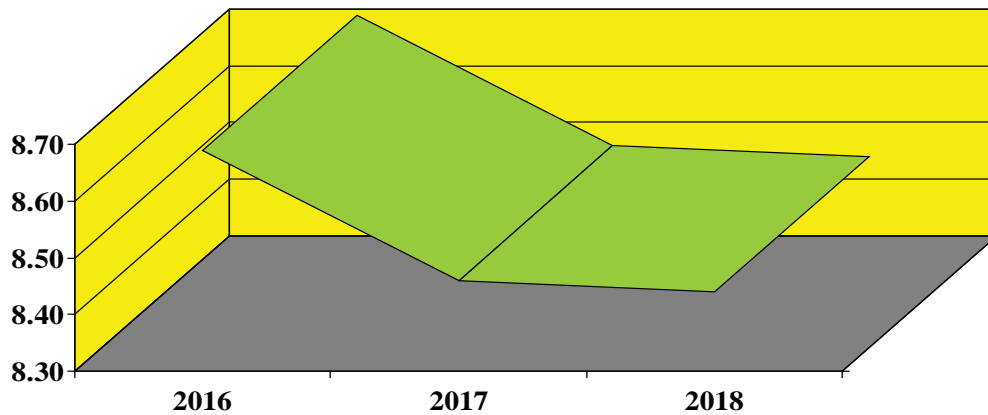
General Government Summary of Appropriations 2016-2018



GENERAL FUND SUMMARY EXPENDITURES BY CATEGORY

CATEGORY	2016 Actual	2017 Amended Budget	2018 Adopted Budget
Salaries Wages and Employee Benefits	\$142,880,837	\$146,708,334	\$152,057,385
Supplies and Materials	5,583,022	5,754,137	5,894,530
Repairs and Maintenance	6,754,974	7,819,291	8,156,990
Contractual	23,214,933	23,704,632	24,094,756
Capital Outlay	(114,651)	252,000	
Debt Service	8,937,644	10,519,181	7,751,360
Transfers	12,602,640	11,943,545	11,008,254
Total Expenditures	<u>\$199,859,399</u>	<u>\$206,701,120</u>	<u>\$208,963,275</u>
<i>Staffing Level</i>	<i>1,737</i>	<i>1,749</i>	<i>1,763</i>
<i>Ratio</i>	<i>8.69</i>	<i>8.46</i>	<i>8.44</i>

STAFFING LEVEL PER MILLION DOLLARS BUDGETED



**CITY OF LITTLE ROCK
2018 OPERATING EXPENSES**

	2016 Actual	2017 Adopted Budget	2018 Adopted Budget
GENERAL FUND			
GENERAL ADMINISTRATIVE			
101001 City Clerk	\$ 206,407	\$ 252,566	\$ 292,022
101002 Administrative & General	22,441,122	25,068,483	23,198,431
101003 Employee Benefits	3,600,824	4,207,600	4,420,500
101004 Racial and Cultural Diversity	49,727	-	-
101005 Mayor	547,879	589,997	590,581
101006 City Manager Administration	996,531	1,262,913	1,249,830
101007 Emergency Management	68,130	55,458	57,068
101008 Small & Minority Women Owned Bus. Dev.	87,389	107,635	108,310
101009 Little Rock Television	278,072	299,671	301,642
101010 311 Service Center *	111,414	257,061	260,500
101011 Performance and Innovation	-	-	122,467
Total General Administrative	28,387,495	32,101,384	30,601,351
BOARD OF DIRECTORS			
101100 Board of Directors	348,347	343,902	337,241
COMMUNITY PROGRAMS			
101501 Administration	345,649	353,623	358,179
101503 Operations	90,610	97,549	79,836
101504 Racial and Cultural Diversity *	103,019	158,913	161,291
Total Community Programs	539,277	610,085	599,306
CITY ATTORNEY			
101801 City Attorney	1,768,811	1,961,177	1,838,375
LITTLE ROCK DISTRICT COURT			
102101 District Court First Division	1,279,133	1,293,690	1,312,284
LITTLE ROCK DISTRICT COURT			
102201 District Court Second Division	1,314,121	1,226,045	1,235,948
LITTLE ROCK DISTRICT COURT			
102301 District Court Third Division	625,802	576,831	558,459
FINANCE			
102501 Administration	628,526	615,218	874,083
102515 Budget	170,202	179,430	100,990
102520 Internal Audit	247,083	249,644	246,085
102530 Accounting and Reporting	578,542	601,312	480,698
102531 Accounts Payable	318,122	333,734	338,553
102535 Payroll	212,807	217,087	202,555
102540 Treasury Management	680,618	651,875	650,595
102550 Purchasing	310,790	344,681	404,841
102555 Print Shop	(19,792)	37,412	37,611
102560 Grants Management	268,621	272,853	275,954
Total Finance	3,395,517	3,503,246	3,611,965
HUMAN RESOURCES			
102701 Human Resources	1,602,026	1,817,542	1,900,756
INFORMATION TECHNOLOGY			
103001 Administration	1,265,110	940,804	694,220
103010 Application Programming	1,178,744	1,428,858	1,162,070
103030 Networking	1,998,984	2,693,975	2,096,533
103050 Computer Operations	-	-	1,202,482
Total Information Technology	4,442,838	5,063,637	5,155,305

* In 2016 the 311 Service Center was included in Public Works and the Racial and Cultural Diversity division was included in General Administrative.

**CITY OF LITTLE ROCK
2018 OPERATING EXPENSES**

	2016 Actual	2017 Adopted Budget	2018 Adopted Budget
PLANNING AND DEVELOPMENT			
103301 Administration & Budget	276,828	311,077	366,038
103310 Planning	406,657	457,187	460,594
103320 Zoning & Subdivision	762,527	857,916	854,138
103330 Building Codes	850,729	947,353	978,495
Total Planning and Development	2,296,740	2,573,533	2,659,265
HOUSING AND NEIGHBORHOOD PROGRAMS			
103501 Administration	335,211	361,648	339,482
103510 Animal Services	1,062,413	1,327,894	1,318,426
103520 CDBG - Housing Programs	2,767	8,421	8,583
103530 Neighborhood Programs	2,541,192	2,896,152	2,846,557
103539 Neighborhood Alert Centers	871,732	790,538	802,909
103540 Neighborhood Resource Center	149,273	235,755	238,975
103550 Environmental Services	209,786	223,756	225,085
Total Housing and Neighborhood Programs	5,172,374	5,844,164	5,780,017
PUBLIC WORKS			
104010 Building Services	983,482	1,108,710	1,100,254
Total Public Works	983,482	1,108,710	1,100,254
PARKS AND RECREATION			
104501 Administration	413,526	460,213	484,809
104503 Design Scheduling	316,529	316,955	379,495
104510 Resources Administration	393,582	462,787	370,718
104511 Cultural Museum	196,257	200,549	202,675
104512 Therapeutic	141,983	176,191	188,464
104521 Development and Maintenance	139,616	142,211	97,622
104522 Operations and Improvement Development	1,058,887	1,099,460	1,183,977
104523 Park Maintenance	2,314,468	2,345,592	2,011,152
104524 Horticulture	865,220	1,039,298	963,170
104525 Urban Forestry	425,884	560,814	446,431
104530 Recreation Administration	159,191	161,446	169,020
104531 Community Center Administration	99,452	100,195	115,354
104532 Dunbar Community Center	448,584	453,490	429,858
104533 East Little Rock Recreation Center	80,555	84,564	91,945
104534 Senior Programs	88,408	103,850	94,215
104536 Southwest Community Center	529,752	576,752	606,141
104537 Stephens Community Center	300,013	290,088	303,655
104538 The Centre at University Park	336,267	382,305	371,694
104539 West Central Community Center	311,044	683,618	776,590
104540 Parks Maintenance - Mowing	-	-	376,164
104556 Athletics/Playgrounds	558,486	610,534	623,991
104557 Tennis Center Operations	303,910	302,477	262,231
104558 N.W. Hill Community Complex	55,175	85,092	87,942
Total Parks and Recreation	9,536,790	10,638,481	10,637,313
RIVER MARKET			
104601 RiverMarket	1,183,258	1,151,840	1,276,715
GOLF			
104701 Administration	112,432	98,555	99,661
104710 Rebsamen Golf Pro	577,080	477,839	487,302
104711 Rebsamen Golf Maintenance	490,862	474,375	482,087
104712 Rebsamen Pro Golf Concessions	94,238	95,182	105,845
104720 War Memorial Golf Pro	299,942	305,142	312,273
104721 War Memorial Golf Maintenance	299,982	294,227	225,684
104740 Hindman Pro Golf	345,683	342,065	343,759
104741 Hindman Golf Maintenance	287,388	258,753	264,688
Total Golf Fund	2,507,606	2,346,138	2,321,299
JIM DAILEY FITNESS AND AQUATIC CENTER			
104801 Jim Dailey Fitness & Aquatic	896,482	921,660	908,180

**CITY OF LITTLE ROCK
2018 OPERATING EXPENSES**

		2016 Actual	2017 Adopted Budget	2018 Adopted Budget
ZOO				
	106501 Zoo Administration	543,208	542,912	554,165
	106510 Zoo Concessions	408,533	383,907	384,530
	106520 Zoo Education	417,569	439,539	442,117
	106530 Zoo Gift Shop	302,158	274,990	180,313
	106540 Zoo Membership	94,677	69,659	111,332
	106550 Zoo Special Events	151,881	123,430	123,430
	106560 Zoo Marketing & Promotions	361,800	426,322	430,998
	106570 Zoo Facilities Operation	1,919,423	1,940,493	1,896,235
	106580 Animal Management	2,137,315	2,367,862	2,338,121
	106581 Zoo Vet Services	127,507	-	130,500
	106590 Visitor Service Administration	372,261	344,880	346,615
	Total Zoo Fund	6,836,332	6,913,994	6,938,356
FIRE				
	105101 Administration	1,372,699	1,387,057	1,565,242
	105102 Fire Pension	6,065,764	5,873,700	6,343,331
	105120 Fire Suppressing and Rescue	37,611,003	38,144,962	39,355,297
	105130 Fire Prevention - Investigation	1,075,037	941,649	1,000,201
	105140 Fire Training	592,793	654,734	629,254
	105150 Crash Fire Rescue - Airport	1,186,649	1,115,915	1,046,320
	Total Fire	47,903,944	48,118,017	49,939,645
POLICE				
	105201 Administration	2,688,845	3,000,847	2,740,662
	105202 Police Pension	7,203,836	6,959,100	7,567,131
	105215 Organized Crime - Intelligence	4,950,057	4,762,176	4,959,731
	105220 Training and Crime Prevention	3,539,778	5,532,608	7,288,444
	105225 Detectives	5,777,049	5,896,316	5,839,604
	105230 Downtown Patrol	10,485,824	11,023,261	11,103,622
	105235 Southwest Patrol	7,924,266	8,663,447	8,369,133
	105240 Special Operations	4,879,338	4,435,325	6,116,300
	105245 WW Williams Northwest Substation	8,980,079	9,652,809	9,143,089
	105250 Airport Police	1,843,862	1,680,957	1,741,002
	105255 Police Records Support Service	5,434,477	6,013,577	6,703,260
	105260 Communication Center	3,199,349	4,030,791	4,171,009
	Total Police	66,906,762	71,651,214	75,742,987
	Less Vacancy Reduction	-	(7,000,000)	(6,500,000)
	General Fund Operating Total	187,927,137	192,765,290	197,955,021
TRANSFER/OUT OTHER EXPENSES				
	Transfer out to Street Fund	1,082,000	894,000	194,000
	Special Projects/PIT	10,850,262	9,862,980	9,814,254
	Contingency/Reserve	-	1,000,000	1,000,000
	Sub-total	11,932,262	11,756,980	11,008,254
	GENERAL FUND TOTAL	\$ 199,859,399	\$ 204,522,270	\$ 208,963,275

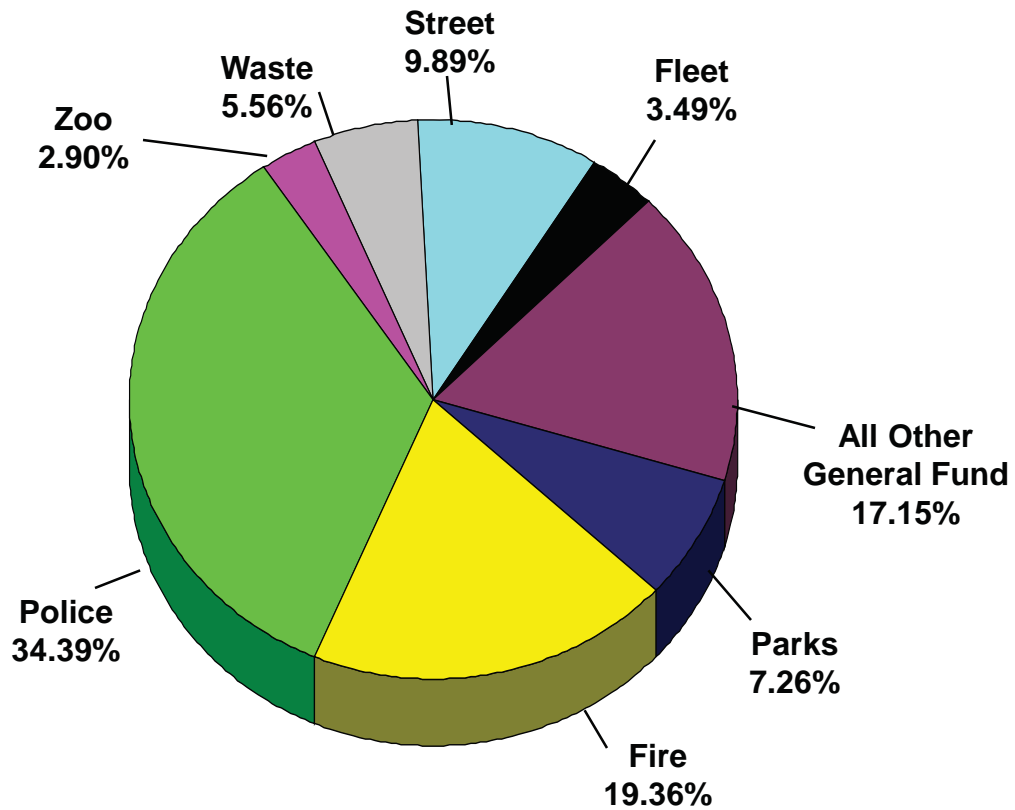
PUBLIC WORKS - STREET

204001 Administration	\$ 611,502	\$ 1,014,776	\$ 984,491
204002 Operations Administration	584,493	1,103,455	3,093,825
204003 Street and Drainage Maintenance	8,222,500	9,060,054	7,579,120
204005 Storm Drain Maintenance	789,828	860,736	993,872
204006 Work Pool	101,509	156,431	162,984
204007 Resource Control and Scheduling	371,310	337,742	423,782
204008 Control Devices	797,611	900,339	940,121
204010 Signals	1,177,529	1,178,131	1,155,223
204015 Parking Meters	105,825	111,102	110,603
204020 Civil Engineering	1,365,942	1,858,582	1,808,901
204025 Traffic Engineering	3,208,169	3,304,499	3,414,186
204030 Parking Enforcement	258,338	286,985	302,248
Total Street Fund	17,594,558	20,172,832	20,969,356

**CITY OF LITTLE ROCK
2018 OPERATING EXPENSES**

	2016 Actual	2017 Adopted Budget	2018 Adopted Budget
FLEET SERVICES			
600001 Administration	504,337	771,009	846,660
600011 Acquisition & Disposal	5,254,907	5,891,321	6,296,617
600020 Financial Management	545,990	693,142	689,891
600031 Maintenance Administration	4,427,286	4,877,080	5,227,923
Total Fleet Services	10,732,521	12,232,552	13,061,091
VEHICLE STORAGE FACILITY	1,409,482	1,376,010	1,335,365
WASTE DISPOSAL			
603101 Administration	1,824,635	1,641,121	1,770,571
603110 Collection	10,115,420	11,320,598	12,517,299
603120 Disposal	3,897,245	4,156,589	3,902,031
603125 Composting	515,437	622,928	633,097
603130 Waste Management	101,309	92,025	77,403
Total Waste Disposal Fund	16,454,044	17,833,261	18,900,401
PARKING GARAGES			
612000 Parking Garages	2,367,059	2,341,189	2,512,248
GRAND TOTAL ALL FUNDS	\$ 248,417,063	\$ 258,478,114	\$ 265,741,736

CITY OF LITTLE ROCK 2018 ALLOCATION OF FULL TIME PERSONNEL



■ Police	748	■ Fire	421	■ Street	215
■ Waste	121	■ Zoo	63	■ All Other General Fund	373
■ Fleet & Vehicle Storage Facility	76	■ Parks	158		

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

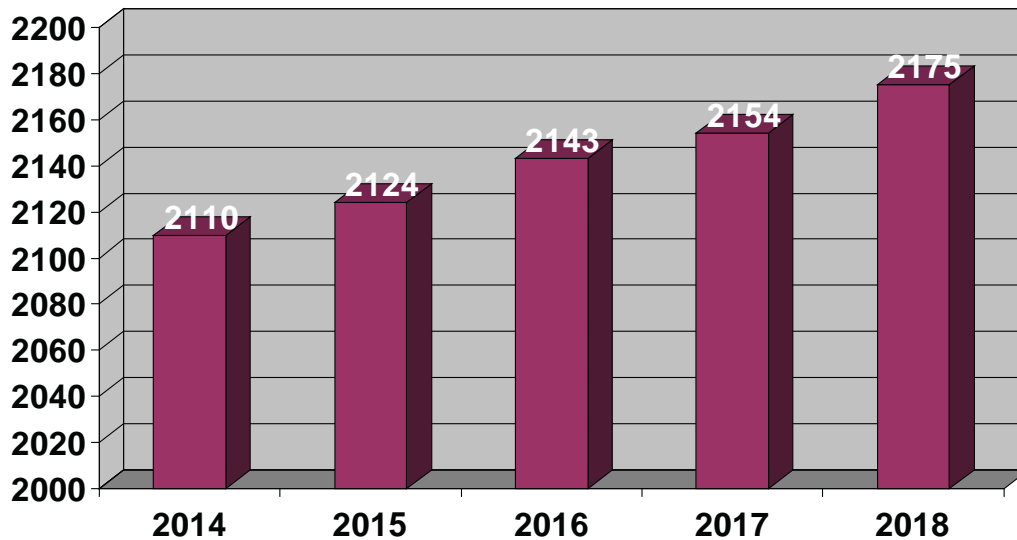
	<u>2016 Adopted Budget</u>	<u>2017 Adopted Budget</u>	<u>2018 Adopted Budget</u>
<u>General Fund</u>			
General Administrative	26	33	35
Board of Directors	1	1	1
Community Programs	11	13	11
City Attorney	20	20	18
District Court First Division	21	20	20
District Court Second Division	19	18	18
District Court Third Division	8	8	8
Finance	43	43	43
Human Resources	20	20	22
Information Technology	39	39	39
Planning & Development	39	39	39
Housing & Neighborhood Programs	105	105	107
Public Works - General	13	12	12
Parks & Recreation	127	130	128
Golf	22	22	21
Jim Dailey Fitness Center	9	9	9
Zoo	61	62	63
Fire	421	422	421
Police	732	733	748
Subtotal General Fund	<u>1,737</u>	<u>1,749</u>	<u>1,763</u>
 <u>Other Funds</u>			
Public Works - Street	214	216	215
Fleet Services	63	63	63
Vehicle Storage Facility	13	13	13
Waste Disposal	116	113	121
Subtotal Other Funds	<u>406</u>	<u>405</u>	<u>412</u>
 Total Personnel	 <u>2,143</u>	 <u>2,154</u>	 <u>2,175</u>

CITY OF LITTLE ROCK

FULL-TIME PERSONNEL AUTHORIZATIONS

2014 - 2018

EMPLOYEES



The net change in personnel between 2017 and 2018 total positions are as indicated in the chart below.

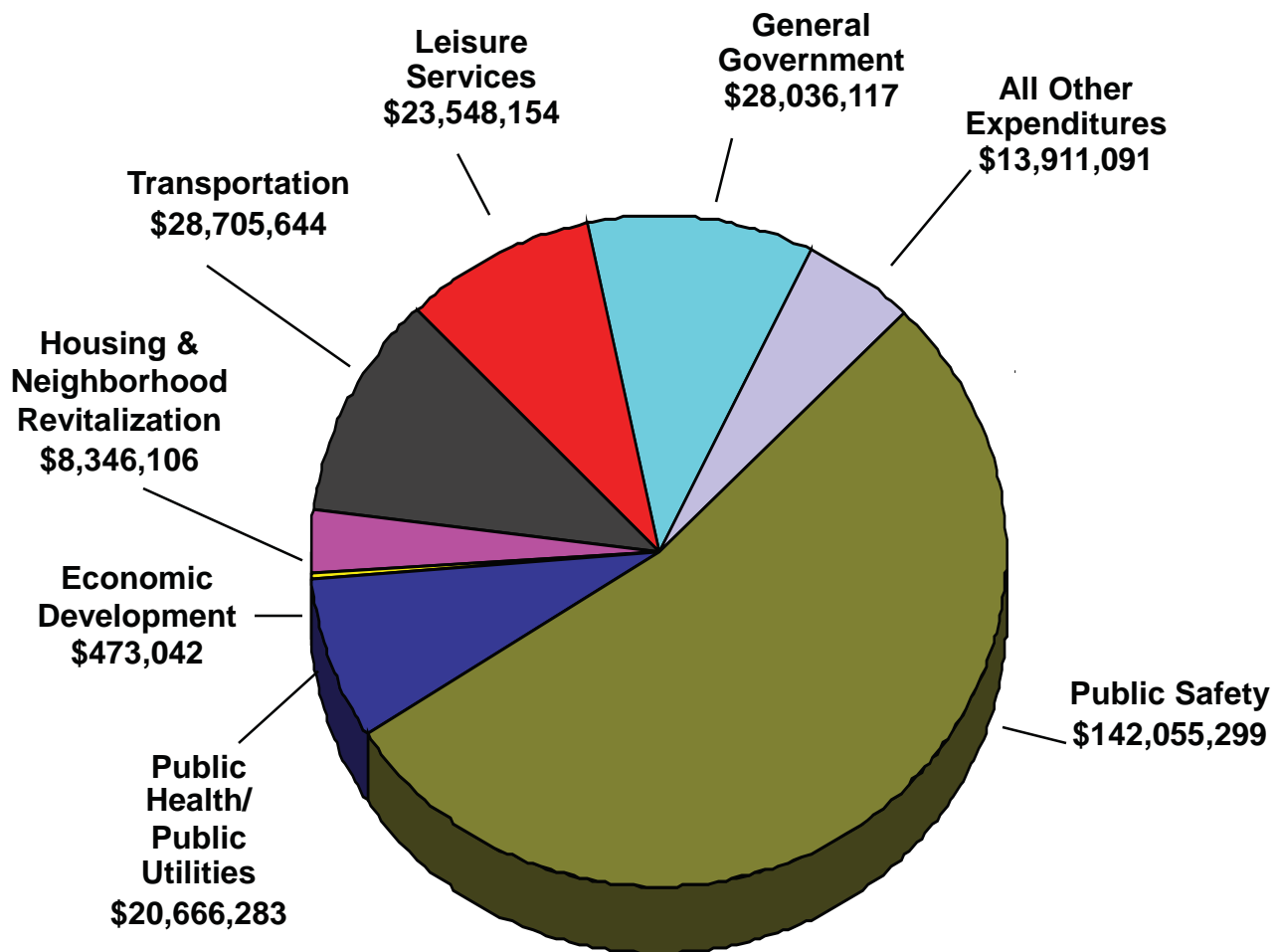
2017 Adopted Budget	2,154
General Administrative	2
Community Programs	(2)
City Attorney	(2)
Human Resources	2
Housing & Neighborhood Programs	2
Public Works - General	(2)
Golf	(1)
Zoo	1
Fire	(1)
Police	15
Public Works - Street	(1)
Waste Disposal	8
2018 Adopted Budget	<u>2,175</u>

CITY OF LITTLE ROCK
2018 OTHER GENERAL FUND EXPENDITURES

	2016 Budget	2017 Budget	2018 Budget	Increase (Decrease)
SPECIAL PROJECTS				
Children, Youth, & Families (CYF)	\$ 5,500,000	\$ 5,500,000	\$5,500,000	\$ -
Facility Improvements	975,000	975,000	975,000	-
Annual Fleet Replacement	850,000	850,000	850,000	-
Homelessness Outreach	350,000	350,000	375,000	25,000
Weed Lot Maintenance	300,000	330,000	500,000	170,000
Land Bank	168,420	100,000	-	(100,000) *
Demolition (Residential)	250,000	250,000	250,000	-
Demolition (Commercial)	100,000	-	-	-
Municipal ID Program/Hispanic Outreach	-	180,000	180,000	-
Critical Infrastructure Pilot Program	150,000	-	-	-
Public Service Announcement (PSA) Program	100,000	100,000	100,000	-
Little Rock Residency Incentive Program	-	100,000	-	(100,000) *
Board & Secure	50,000	50,000	50,000	-
Curran Hall	40,000	40,000	40,000	-
State Legislative Consulting	45,000	45,000	45,000	-
Environmental Youth (Parks)	37,500	37,500	37,500	-
American Disability Act (ADA)	30,000	30,000	30,000	-
Work Boots	31,000	33,000	33,000	-
Junction Bridge	35,000	35,000	35,000	-
Bill Clark (Wetlands Maintenance)	23,780	23,780	23,780	-
Sister Cities	40,000	40,000	40,000	-
Sustainability Summit	20,000	20,000	20,000	-
Neighborhood Challenge Grant	30,000	30,000	-	(30,000) *
National Night Out	10,000	10,000	10,000	-
Worldfest	10,000	10,000	10,000	-
Neighborhood Connection	2,400	2,400	\$2,400	-
Total General Fund Projects	<u>9,148,100</u>	<u>9,141,680</u>	<u>9,106,680</u>	<u>(35,000)</u>
GRANT MATCH				
Cities of Service	206,324	238,500	252,790	14,290
Pilot Housing Rehabilitation Program	500,000	-	-	-
Arkansas State Parks Grant (Zoo-Wild Wonders)	-	-	250,000	250,000
Undesignated	150,000	200,000	-	(200,000)
Arkansas State Parks Grant (Zoo-bathrooms)	192,500	-	-	-
Arkansas Recreational Trails Grant (Zoo)	96,000	-	-	-
Two Rivers Restrooms Outdoor Recreation Grant	-	175,000	-	(175,000)
Americorp Urban Safety	-	-	179,784	179,784
AmeriCorps Housing Program	80,000	-	-	-
Fire Grant Match:				
Assistance to Firefighters	60,000	60,000	-	(60,000)
AFG Prevention Grant (Fire)	10,000	10,000	-	(10,000)
Planning Grant	15,000	-	25,000	25,000
Shelters Emergency Management	-	31,500	-	(31,500)
Tourism Commission	-	6,300	-	(6,300)
AHPP Carousel Grant (Zoo)	25,000	-	-	-
Total Grant Match Requirement	<u>1,334,824</u>	<u>721,300</u>	<u>707,574</u>	<u>(13,726)</u>
GRAND TOTAL	<u>\$10,482,924</u>	<u>\$9,862,980</u>	<u>\$9,814,254</u>	<u>(\$48,726)</u>

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

CITY OF LITTLE ROCK 2018 OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY



\$265,741,736

CITY OF LITTLE ROCK
ADOPTED OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY
2017 - 2018

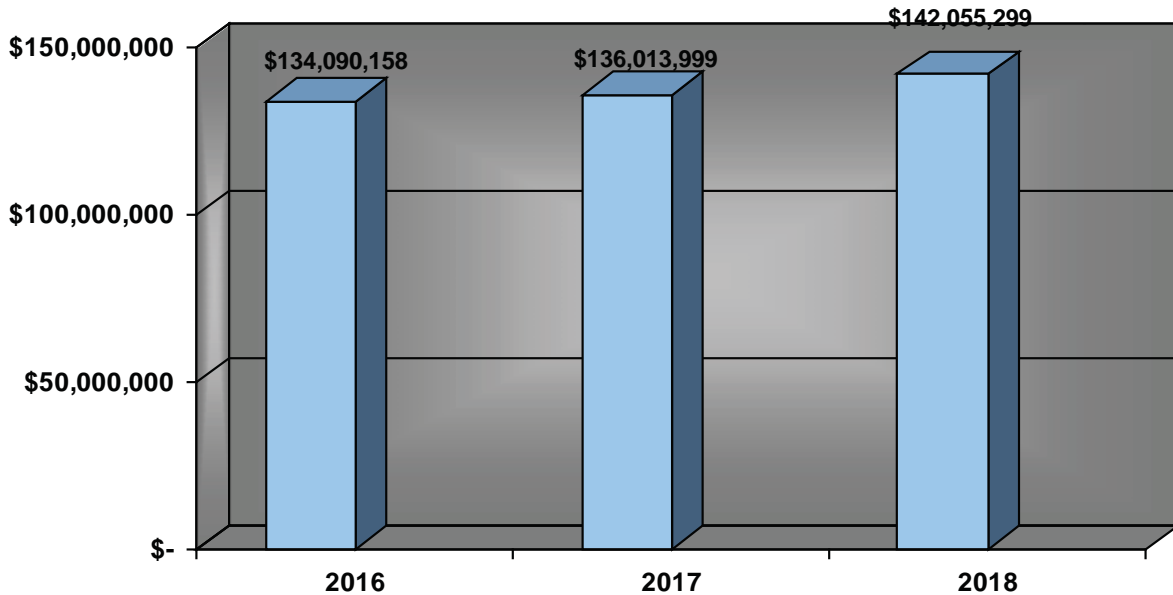
Service/Program Category	2017 Budget	% to Total	2018 Budget	% to Total
<u>Public Safety</u>				
Police	\$71,651,214		\$75,922,771	
Fire	47,072,102		48,893,325	
Children, Youth & Families	5,500,000		5,500,000	
Street Lights, Traffic Signals & Signs	5,382,969		5,509,530	
Pulaski County Regional Detention Facility (1)	1,500,000		1,550,000	
Little Rock District Court First Division	1,293,690		1,312,284	
Little Rock District Court Second Division	1,226,045		1,235,948	
Animal Services	1,327,894		1,318,426	
Community Programs	960,085		813,015	
Public Service Announcement Program	100,000		-	
Total Public Safety	136,013,999	52.62%	142,055,299	53.46%
<u>Public Health/Public Utilities</u>				
Waste Disposal	17,632,761		18,699,901	
Storm Drainage	860,736		993,872	
Little Rock District Court Third Division	576,831		558,459	
Cities of Service - Love Your School Program	238,500		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	19,470,089	7.53%	20,666,283	7.78%
<u>Economic Development/Employment</u>				
Residency Incentive Program	-		100,000	
Downtown Partnership/Empowerment Zone	195,000		195,000	
Metroplan	178,042		178,042	
Total Economic Development/Employment	373,042	0.14%	473,042	0.18%
<u>Housing and Neighborhood Revitalization, Growth, and Development</u>				
Housing and Neighborhood Programs Admin.	3,489,977		3,419,707	
Planning & Development, PAGIS, and Grants	2,708,383		2,819,115	
Demolition, Weed Lot Maintenance, Board/Secure	845,400		885,400	
Alert Centers	790,538		802,909	
Neighborhood Resource Center	235,755		238,975	
Municipal ID Program/Hispanic Outreach	-		180,000	
Total Housing & Neighborhood Revitalization, Growth	8,070,053	3.12%	8,346,106	3.14%

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

CITY OF LITTLE ROCK
ADOPTED OPERATING BUDGETS BY SERVICE PROGRAM CATEGORY
2017 - 2018

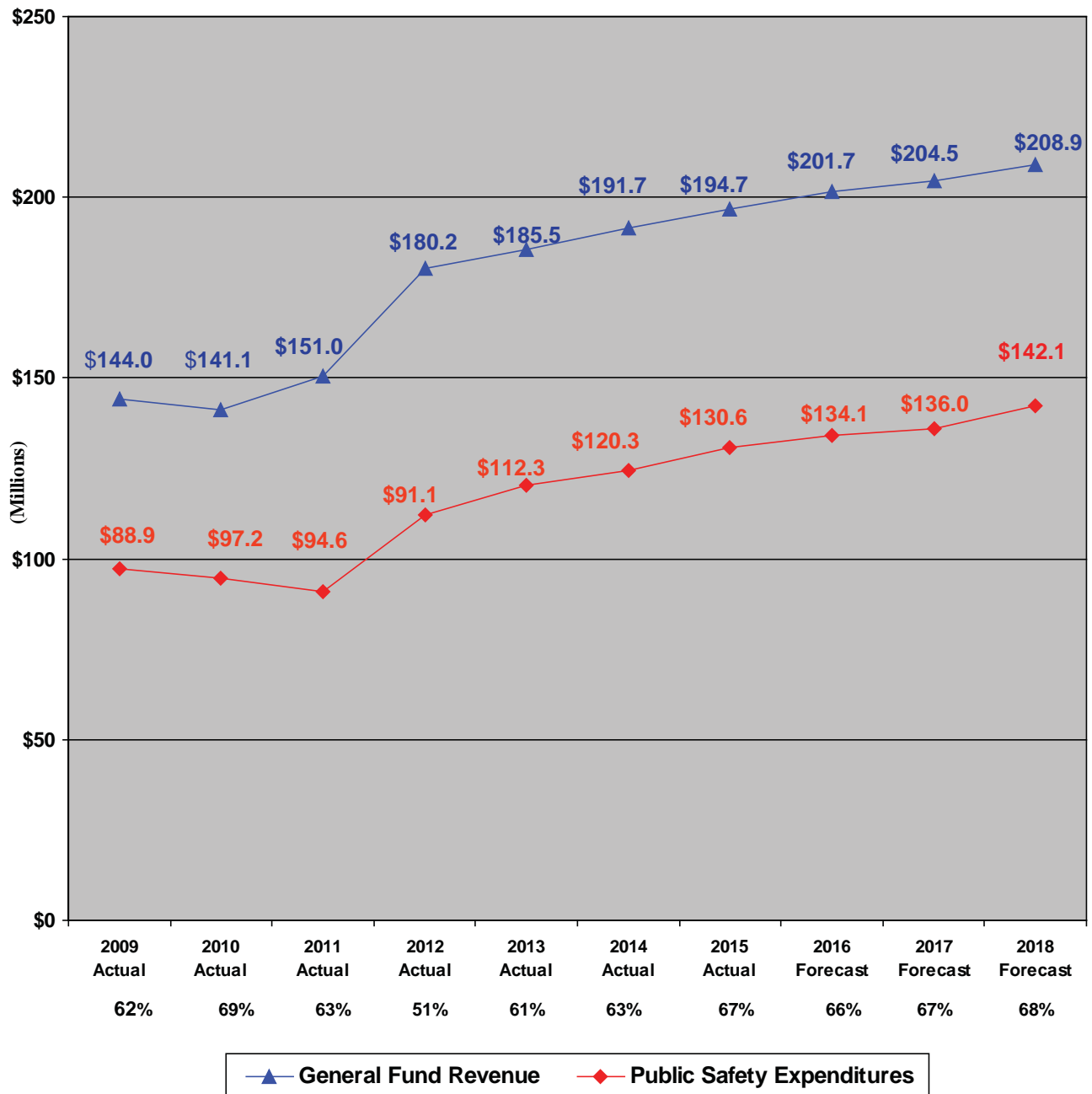
Service/Program Category	2017 Budget	% to Total	2018 Budget	% to Total
<u>Transportation Services</u>				
Streets	13,686,040		14,208,103	
Rock Region Metro (Central Arkansas Transit Authority)	8,862,975		9,190,757	
Parking Garages	2,341,189		2,512,248	
Vehicle Storage Facility	1,376,010		1,335,365	
Airport Rescue	1,115,915		1,046,320	
Parking Meters and Enforcement	398,087		412,851	
Total Transportation Services	27,780,216	10.75%	28,705,644	10.80%
<u>Leisure Services/Cultural Support/Conventions & Tourism</u>				
Parks & Recreation	10,512,932		10,509,638	
Zoo	6,913,994		7,188,356	
Golf	2,346,138		2,321,299	
River Market	1,151,840		1,276,715	
Jim Dailey Fitness Aquatic Center	921,660		908,180	
Cultural Institutes and Commissions:				
Arts Center	700,000		700,000	
Museum of Discovery	230,000		230,000	
MacArthur Military Museum	200,549		202,675	
Racial & Cultural Diversity	168,913		171,291	
Sister Cities Commission	40,000		40,000	
Total Leisure Services/Cultural Support/Conventions	23,186,026	8.97%	23,548,154	8.86%
<u>General Government Support</u>				
Debt Service - Short Term Notes	10,038,016		7,751,360	
General Administrative	5,657,907		5,332,861	
Information Technology	5,063,637		5,155,305	
Finance	3,503,246		3,611,965	
Building Services/Asset Management	2,083,710		2,075,254	
City Attorney	1,961,177		1,838,375	
Human Resources	1,850,542		1,933,756	
Board of Directors	343,902		337,241	
Total General Government Support	30,502,137	11.80%	28,036,117	10.55%
<u>All Other Expenditures</u>				
Fleet Services (Internal Service Fund)	13,082,552		13,911,091	
Total Other Expenditures	13,082,552	5.06%	13,911,091	5.23%
Grand Total	\$258,478,114	100%	\$265,741,736	100%

CITY OF LITTLE ROCK PUBLIC SAFETY REVENUES & EXPENDITURES COMPARISONS



	2016	2017	2018
Fire	\$46,156,412	\$47,072,102	\$48,893,325
Police	70,548,138	71,651,214	75,922,771
District Court First Division	1,410,338	1,293,690	1,312,284
District Court Second Division	1,365,334	1,226,045	1,235,948
Children, Youth & Families	5,500,000	5,500,000	5,500,000
Community Programs	777,559	960,085	813,015
Animal Services	1,287,459	1,327,894	1,318,426
Street Lights, Traffic Signals & Signs	5,344,918	5,382,969	5,509,530
Pulaski County Regional Detention Facility	1,450,000	1,500,000	1,550,000
Critical Infrastructure Pilot Program	150,000	-	-
Public Service Announcement Program	100,000	100,000	-
Public Safety Expenditures	\$134,090,158	\$136,013,999	\$142,055,299
 General Fund Revenue	 \$201,644,229	 \$204,522,270	 \$208,963,275
 Percentage of General Fund Expenditures Devoted to Public Safety	 66%	 67%	 68%

CITY OF LITTLE ROCK PUBLIC SAFETY OPERATING EXPENDITURES AS A PERCENTAGE OF GENERAL FUND REVENUE 2009-2018



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Capital Improvements



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CAPITAL FUNDING

State laws limit the use of borrowing for municipal purposes. General obligation bonds, when approved by voters and secured by property tax levies, may be issued for long-term capital improvements. Revenue bonds are not general obligations of the City but are secured by specific revenues associated with a project. They may be issued for certain specified municipal purposes.

The Capital Improvement Program (CIP) is a multi-year plan for capital expenditures to replace and expand the City's infrastructure, vehicles and equipment. The program is updated annually to reflect the latest priorities, updated cost estimates and available revenue sources.

The purpose of the CIP is to fund capital projects and capital acquisitions that will be of a long-term benefit to the citizens of Little Rock. The CIP is financed over a period of time due to the long-term benefit of the projects. For program purposes, the City defines a capital improvement as a major improvement or acquisition that results in a capital asset costing more than \$5,000 and having a useful life (depreciable life) of two years or greater. Exceptions are for infrastructure assets which are defined as having a constructed cost greater than \$250,000.

Capital assets are depreciated using the straight-line method over their estimated useful lives ranging from 15 – 50 years for infrastructure, 10 – 75 years for buildings and 3 - 25 years for land improvements, vehicles and equipment. Depreciation expense is charged directly to the department/function based on the department that utilizes the related asset.

In addition, appropriations for special projects are made each year by the Mayor and Board of Directors to finance specific events and capital outlays. These projects are carried forward from year to year until they are fully expended or repealed by the Mayor and Board of Directors by ordinance.

CAPITAL PROJECT FUNDS PROVIDED BY BOND ISSUES

These funds are derived from the proceeds of selling City general obligation bonds or revenue bonds and are used for major capital improvements.

2012 Library Construction and Refunding Bonds – The 2012 Library Construction and Refunding Bonds are limited obligations payable through 2032. The Library Bonds were issued to finance the cost of acquiring, constructing, and equipping capital improvements to the City's public libraries operated by the Central Library System, to refund the City's outstanding Library Construction Bonds, Series 2004A, and to pay the cost of issuance of the bonds. The bonds are limited tax obligations payable solely from a 0.9 mill annual ad valorem tax.

2013 Capital Improvement Bonds – On September 11, 2012, citizens of Little Rock approved the issuance of \$105 million in Capital Improvement Bonds for the purpose of Street and Drainage infrastructure improvements. The bonds are limited tax general obligations secured by all proceeds derived from a separate 3.0 mills annual ad valorem tax on real and personal property located within the City. The first series of bonds were issued in July 2013 in the amount of \$58,105,000. A second series will likely be issued in 2017 or 2018. Overall, a maximum of \$73,500,000 will be issued to finance street improvements and a maximum of \$31,500,000 will be issued to finance drainage projects throughout the City.

2014 Tax Incremental Financing Capital Improvement Bonds – Tax Incremental Financing Capital Improvement Bonds in the amount of \$2,615,000 were issued in April 2014. The bonds are special obligations of the City secured by and payable solely by a pledge of the incremental ad valorem tax receipts derived with respect to the real property within the City's Redevelopment District No. 1. The bond proceeds were used to finance the cost of acquisition, construction and equipping of a major street system within Development District No. 1.

2015 Library Construction and Improvement Bonds – The Library Construction and Refunding Bonds, Series 2015 are limited obligations of the City of Little Rock payable solely from the collections of the Library tax, payable through 2030. The Library bonds were issued to (i) finance the cost of acquiring, constructing and equipping the land and additional capital improvements to the public city libraries owned and operated by Central AR Library Systems; (ii) refund the City's outstanding Library Construction and Improvement Bonds, Series 2008 and Series 2009, and the City of Little Rock Residential Housing and Public Facilities Board Capital Improvement Revenue Bonds, Series 2007; and (iii) pay the costs of issuing the Bonds. The bonds are limited tax obligations payable solely from a 0.9 mill annual ad valorem tax.

CAPITAL PROJECT FUNDS PROVIDED BY OTHER SOURCES

2012 – 2021 Capital Project Fund – Accounts for the proceeds of a three eighths (3/8)-cent local sales tax, implemented on January 1, 2012 for the purpose of funding capital projects over a ten (10) year period. The temporary sales tax will sunset in 2021 and is expected to raise approximately \$196 million over the ten (10) year period for the following projects:

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

	Park Upgrades	4,500,000
	West Central Community Center	6,000,000
	Senior Center	980,000
	Ottenheimer Center	54,000
	War Memorial Park	500,000
	MacArthur Park & Museum	500,000
	Otter Creek Park	500,000
	Crump Park	1,000,000
	Natural Steps Ball Complex	500,000
	Western Hills Park	1,000,000
	Trails	1,500,000
	Zoo:	
	Capital Upgrades	8,000,000
	Tourism:	
	State Fair Infrastructure	3,000,000
	Total Parks and Recreation, Zoo and Tourism	\$28,284,000
	Other Priorities:	
	Fleet Replacement	\$9,250,000
	Information Technology Capital	7,020,000
	Total Other Priorities	\$16,270,000
	Grand Total	\$195,843,000

Short-term Financing – Accounts for proceeds of Short-term Financing, five year notes, issued for the purpose of acquiring, constructing, installing, or renting real property or tangible personal property having an expected useful life of more than one year under and pursuant to and in full compliance with the Constitution and laws of the State of Arkansas, including particularly Section 2 of Amendment 78 to the Constitution of the State of Arkansas, and pursuant to an ordinance of the Board of Directors of the City.

The City issued short-term financing notes in 2012, 2013, 2014, 2015, and 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 that will ultimately be funded by the 2012 – 2021 Capital Project Fund (3/8)-cent sales tax. Proceeds of the three-eighths (3/8)-cent sales tax will be utilized to fund principal payments on the notes, with transfers to the General Fund. Principal and interest payments on the notes will

be appropriated from General Fund revenues. In addition, in 2016 and 2017 the City issued short-term financing notes in the amount of \$7,375,000 and \$5,250,000, respectively. These notes were not used to accelerate projects funded by the 2012 – 2021 Capital Project Fund (3/8)-cent sales tax. 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>\$18,580,000</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>\$7,700,000</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>\$5,916,000</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>\$5,910,000</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>\$11,978,000</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>

2018 CAPITAL IMPROVEMENTS

As mentioned above, citizens approved a new three-eighths (3/8)-cent sales tax dedicated to capital improvements in September 2011. The sales tax became effective on January 1, 2012. The tax is temporary, with a ten (10) year sunset. Several short-term notes have been issued to advance key capital projects funded by the tax.

In September 2012, citizens authorized the issuance of up to \$105 million in limited tax general obligation bonds for street and drainage improvements. The City issued the first series of bonds for this purpose in the amount of \$58,105,000 in July 2013.

The injection of new capital provided by the three-eighths (3/8)-cent sales tax, bond issues, grant funds, and short-term financing, and the future impact of completed projects on ongoing operations is considered in preparation of annual departmental operating budgets.

Projects in the CIP can include:

- Obligations for labor and materials and contractors involved in completing a project
- Acquisition of land or structures
- Engineering or architectural services, professional studies, or other administrative costs
- Expenses for City vehicles and equipment
- Renovating or expanding City facilities, grounds, or equipment

When both restricted and unrestricted resources are available for use, it is generally the City's policy to utilize restricted resources first. For projects funded by tax-exempt debt proceeds and other sources, the debt proceeds are utilized first.

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation.

MAJOR CAPITAL PROJECTS

Capital expenditures in the amount of approximately \$23,336,000 are planned in 2018 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				
Vehicles	2	\$ 54,000	6 - 8yrs	5/8-cent Sales Tax - Capital Project
Parks & Recreation				
Mowers and Vehicles	7	140,550	8 - 10yrs	5/8-cent Sales Tax - Capital Project
Public Works				
Vehicles	1	27,000	6 - 8yrs	5/8-cent Sales Tax - Capital Project
Traffic Signal Compressor Truck	1	\$100,000	8 - 10yrs	Street Fund
Zoo				
Cart	1	24,000	6 - 8yrs	5/8-cent Sales Tax - Capital Project
Fleet				
Vehicles	1	55,500	6 - 8yrs	5/8-cent Sales Tax - Capital Project
Fire				
Vehicles	2	100,000	6 - 8yrs	5/8-cent Sales Tax - Capital Project
Police				
Police Vehicles	64	320,000	6-8yrs	3/8-cent Sales Tax - Capital Project
Vehicle Upfits	64	480,000	6-8yrs	Wreck & Insurance Proceeds Project
Vehicles	3	60,900	6 - 8yrs	5/8-cent Sales Tax - Capital Project
		<u>\$ 1,361,950</u>		

CIP - Other Significant Non-recurring Capital Improvements:

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

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 and a modern property and evidence storage facility. The police department is in the process of completing a request for proposal to engage a property room consultant for the renovations.

- **Estimated Total Project Cost:** To be determined
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2018 Estimated Expenditures:** To be determined
- **Estimated Completion Date:** 2019
- **Estimated Increase to Operating Expenditures:** To be determined

Southwest Little Rock Fire Station #24 – The Little Rock Fire Department is beginning plans for a new fire station in Southwest Little Rock, which will be funded with proceeds of the 3/8-cent sales tax. The City completed the purchase of land for the new station in 2014 and began architectural plans. Construction of the station will begin in 2018.

- **Estimated Total Project Cost:** \$3,225,000
- **Funding Sources:** Short-term financing allocation; 3/8-cent sales tax proceeds
- **2018 Estimated Expenditures:** \$500,000
- **Estimated Completion Date:** December 2019
- **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 \$50,000 is projected for utilities and supplies, which will be included in the Fire Department budget allocation upon completion of the new facility.

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
- **2018 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.

Point of Sale (POS) – The Zoo is buying a new POS system to replace the current system that is no longer supported by Microsoft Retail and is not completely PCI compliant. The Golf courses, Parks community centers and Jim Dailey Fitness Center also have need of a new POS system and therefore have joined in the search with the Zoo in order to have the various City locations on one POS system if there is a system that will meet the needs of each location.

- **Estimated Total Project Cost:** To Be Determined
- **Funding Sources:** 3/8-cent sales tax
- **2018 Estimated Expenditures:** To Be Determined
- **Estimated Completion Date:** 2018
- **Estimated Increase to Operating Expenditures:** Funds will be included in the operating budget for annual maintenance of the new POS system in 2019.

Nature Play Sensory Garden and Trail – The Zoo is creating a nature play sensory garden and trail to improve children’s physical, emotional and psychological well-being.

- **Estimated Total Project Cost:** \$144,000
- **Funding Sources:** Blue & You Foundation for a Healthier Arkansas Grant
- **2018 Estimated Expenditures:** \$144,000
- **Estimated Completion Date:** July 2018
- **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:** \$73,200
- **Funding Sources:** \$61,000 will be funded with donations from the Arkansas Zoological Foundation. Any additional funding needed will come from the Zoo’s maintenance budget, not to exceed \$73,200 in total.
- **2018 Estimated Expenditures:** \$73,200
- **Estimated Completion Date:** March 2018
- **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:** \$444,500
- **Funding Sources:** \$384,000 will be funded from the Arkansas Transportation Department, Transportation Alternative Program Grant. Any additional funding needed will come from the Zoo’s maintenance budget, not to exceed \$60,500 in total.
- **2018 Estimated Expenditures:** \$444,500
- **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 new permanent metal shade structure with lighting and misting fans. .

- **Estimated Total Project Cost:** \$318,268
- **Funding Sources:** \$68,268 will be funded from the Arkansas Parks and Tourism Outdoor Grant and the remaining \$250,000 will be funded from the City’s grant matching funds. .
- **2018 Estimated Expenditures:** \$318,268
- **Estimated Completion Date:** 2018
- **Estimated Increase to Operating Expenditures:** Electrical consumption

of approximately \$1,500 annually will be included in the operating budget.

Exterior Porch and HVAC Renovation of MacArthur Museum of Arkansas Military History – The exterior two story front (north) porches and one story rear or (south) porches are being repaired, reworked and painted partially with funds from the Arkansas Historic preservation program. The renovation of the HVAC and electrical power and lighting system will provide a much needed upgrade to these system. Interior spaces are renovated and painted along with the installation of the new HVAC system to provide more consistent control of the air temperature throughout the building. New LED lighting for the displays and general lighting will protect the displays and enhance the use of the facility to the public. The standing seam metal roof is about 12 years old and the masonry exterior walls of the structure are in very good shape.

- **Estimated Total Project Cost:** \$1,200,000
- **Funding Sources:** \$1,000,000 – Parks 1% Lodging Tax and \$200,000 Arkansas Historic Preservation Program funds
- **2018 Estimated Expenditures:** \$1,000,000
- **Estimated Completion Date:** July 2018
- **Estimated Increase to Operating Expenditures:** Renovation of the HVAC system for the facility should decrease the operating and maintenance cost for the heating and air conditioning, along with the electrical power. The LED lighting upgrade should also decrease operating and maintenance cost.

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
- **2018 Estimated Expenditures:** \$550,000
- **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
- **2018 Estimated Expenditures:** \$110,000
- **Estimated Completion Date:** June 2018
- **Estimated Increase to Operating Expenditures:** Increased operating expenses from utilities and maintenance of the facility are anticipated to be \$1,600 annually.
-

Jim Dailey Fitness and Aquatic Center – Working with various vendors, staff is upgrading existing facilities to give the center a face lift and reduce the operating costs of the facility.

- **Estimated Total Project Cost:** \$110,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2018 Estimated Expenditures:** \$110,000
- **Estimated Completion Date:** December 2018
- **Estimated Increase to Operating Expenditures:** Operating expenses are not anticipated to increase.

War Memorial Park Improvements – War Memorial Park is undergoing a transformation to create it as a premier park. Improvements are proposed to increase participation from a large cross section of the community and to become a destination park from early morning to late at night. Utilizing spaces focused on Coleman Creek, park upgrades will entail better access and enhancements to the pond area and along the entire stretch of Coleman Creek; restoration of Coleman Creek; entry enhancements; approximately one mile of trail; playground; water feature; new parking areas and supporting amenities.

- **Estimated Total Project Cost:** \$1,725,000
- **Funding Sources:** 2009 Parks and Recreation bonds funded the first \$1,225,000 of the project. Additional improvements including the stream restoration will be funded by the 3/8-cent sales tax.
- **2018 Estimated Expenditures:** \$85,000
- **Estimated Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** Increased operating expenses of \$162,690 are projected for staffing, utilities, maintenance, and supplies based on the acreage of the Park.

Boyle Park Trail Project – In Boyle Park, new trails will be constructed in areas of the park that existing trails were removed by flooding. Also new trail connections will be developed to increase access and increase recreational use, trail amenities and signage will be included.

- **Estimated Total Project Cost:** \$100,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2018 Estimated Expenditures:** \$100,000
- **Estimated Completion Date:** June 2018
- **Estimated Increase to Operating Expenditures:** Operating expenses are not anticipated to increase.

Sports Field Lighting Project – Parks staff are working with a vendor experienced in the field of sports lighting, to oversee the installation of lights at Crump, Murray and Otter Creek Parks. These lights will enhance playability for users of these fields. In addition, these lights will have a ‘dark sky’ feature which will minimize light pollution to surrounding residents.

- **Estimated Total Project Cost:** \$671,920
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2018 Estimated Expenditures:** \$671,920
- **Estimated Completion Date:** December 2018
- **Estimated Increase to Operating Expenditures:** Operating expenses are anticipated to increase approximately \$12,800 annually.

Information Technology – The City will be upgrading various technology infrastructure, hardware and software over the next ten (10) years with proceeds from the temporary 3/8-cent sales tax. The total estimated allocation of proceeds for technology expenditures from 2012 – 2021 is \$7,020,000. The primary expenditure for 2018 will be a used update the network core switches, firewalls, and add physical servers to the City’s private cloud.

- **Estimated Total Project Cost:** \$7,020,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2018 Estimated Expenditures:** \$600,000
- **Estimated Completion Date:** December 2018
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures will be phased in with the completion of various projects and will be included in the repairs and maintenance budget for the Information Technology Department operations each year.

Phone System Voice over Internet Protocol (VoIP) upgrade – This project will upgrade the City's Phone System to VoIP and replace the 19 year old phone system with a more reliable system. This project will be completed utilizing Information Technology special project funds.

- **Estimated Total Project Cost:** \$1,500,000
- **Funding Sources:** Information Technology Special Project Funds
- **2018 Estimated Expenditures:** \$400,000
- **Estimated Completion Date:** Fall 2018
- **Estimated Increase to Operating Expenditures:** Ongoing repairs and maintenance expenditures for the VoIP phone system will be cost allocated across all City departments based on the number of phones in use by each department.

Computer Aided Dispatch System (CAD) Upgrade Phase I - This project will upgrade the CAD system (software, interfaces, components, etc.). The CAD system is used to dispatch Police and Fire to protect citizens and visitors in the City of Little Rock. Phase I of the project will complete the integration of the new Computer Aided Dispatch and Fire Station Alerting System as well as the Automated Security Alarm Program.

- **Estimated Total Project Cost:** \$1,300,000
- **Funding Sources:** Short Term Financing Funds
- **2018 Estimated Expenditures:** \$1,300,000
- **Estimated Completion Date:** Fall 2018
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures to be determined.

North Cantrell at Gill Street Bridge Replacement – The City of Little Rock expects to receive a State Aid Bridge Replacement grant from the Arkansas Highway and Transportation Department. The project will replace an obsolete and deteriorating bridge over Rose Bayou (Capitol Drain) with a new two lane bridge that will include dedicated bike lanes for the River Trail.

- **Estimated Total Project Cost:** \$650,000
- **Funding Sources:** AHTD (Federal Highway Administration) \$520,000; and City matching funds \$130,000.
- **2018 Estimated Expenditures:** \$300,000
- **Estimated Completion Date:** December 2019
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual allocations for street maintenance in the Street Fund budget and from the Parks and Recreation maintenance budget.

Arkansas River Trail Union Pacific Bridge – The City of Little Rock received State of Arkansas General Improvement funds from Act 1210 of 2005 to build a pedestrian/bike bridge over the Union Pacific Rail Road Bridge.

- **Estimated Total Project Cost:** \$1,390,000
- **Funding Sources:** State of Arkansas General Improvement Fund in the amount of \$1,033,000 and Street Fund Special Project in the amount of \$357,000
- **2018 Estimated Expenditures:** \$1,300,000
- **Estimated Completion Date:** December 2018
- **Estimated Increase to Operating Expenditures:** The operating expenses are included in the Parks & Recreation budget.

Geyer Springs Railroad Overpass – The City of Little Rock received a grant from Metroplan and the Arkansas Highway and Transportation Department for funding to construct a long-planned street railroad on Geyer Springs just north of 65th Street.

- **Estimated Total Project Cost:** \$10 million
- **Funding Sources:** Transportation Improvement Project Funds \$8 million; 2013 Capital Improvement Bond Funds \$2 million.
- **2018 Estimated Expenditures:** \$6 million
- **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.

Main Street Water Quality Grant Phase 2 – The City of Little Rock received a second grant from the Arkansas Natural Resources Commission (ANRC) and the Environmental Protection Agency to construct low impact development improvements on Main Street from Markham to Capitol Avenue. The project includes a partnership with the E-Stem School for water quality education.

- **Estimated Total Project Cost:** \$1,471,100
- **Funding Sources:** ANRC Grant \$536,500; 3/8-cent Sales Tax Funds \$202,600; and Street Fund Special Project Funds \$732,000.
- **2018 Estimated Expenditures:** \$1,370,000
- **Estimated Completion Date:** September 2018
- **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. Following a series of community meetings, the Board has specified projects for the 2016 - 2018 improvement program. There will be a third and final improvement program developed in 2018 for the 2019-2021 program.

- **Estimated Total Project Cost:** \$72,000,000
- **Funding Sources:** 3/8-cent sales tax
- **2018 Estimated Expenditures:** \$2.0 million
- **Estimated Completion Date:** 2018 (2016-2018 projects)
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Public Works 3/8 Cent Sales Tax			
Street and Drainage Projects (2016-2018 Projects)			
Ward	Project/Location		Total
1	Valentine St./25th to Asher	\$	300,000
1	Whitmore Cir./34th thru loop to end		1,260,000
1	9th at College Street		115,000
1	Brown St./23rd St. to 24th/Asher		150,000
1	18th St./Peyton to Washington		275,000
1	Overlay		500,000
1 Total			2,600,000
2	Abigail, 8th to 11th		195,000
2	Woodson Road		900,000
2	Hutsell Rd./East of Geyer Springs Drain Area		450,000
2	Wakefield Community NA Sidewalks		450,000
2	Overlay		605,000
2 Total			2,600,000
3	Intersection of Kavanaugh and Jackson St.		500,000
3	Foxcroft Road		200,000
3	7008 Briarwood		900,000
3	Overlay		1,000,000
3 Total			2,600,000
4	Gunpowder Road		150,000
4	Brookside From Markham to Rodney Parham		110,000
4	Biscayne and Illinois St.		250,000
4	Overlay		2,090,000
4 Total			2,600,000
5	Gamble Road		800,000
5	Fox Chapel Yard Flooding		150,000
5	Kings Pointe Cove		150,000
5	Sidewalk North Side of Markham		50,000
5	Bowman Rd at Markham		250,000
5	Overlay		1,200,000
5 Total			2,600,000
6	24th St./Cloie to Walker		480,000
6	Pennbrook Cloverhill Neighborhood Flooding & Drain Rehab		150,000
6	Spring Valley Manor Various Drain Issues		250,000
6	8924 42nd St.		20,000
6	Peachtree		100,000
6	Lakeshore/Broadmoor		20,000
6	Overlay		1,580,000
6 Total			2,600,000
7	Otter Creek Road		250,000
7	West Baseline Street Improvements		400,000
7	Chicot Road		75,000
7	Colonel Gleen Road		100,000
7	Mann Road		100,000
7	Pecan Lake Property Owners Area		250,000
7	Westwood Avenue		50,000
7	Woodbridge Drive		150,000
7	Lassie Lane		75,000
7	Chateaus Lane		200,000
7	Oxford Valley		200,000
7	Overlay		750,000
7 Total			2,600,000
Grand Total		\$	18,200,000

2016-2018 SALES TAX RESURFACING				
WARD	STREET NAME	STREET		Length
		FROM	TO	
1	N. Cross Street	W. Markham Street	LaHarpe Boulevard	723
1	Wolfe Street	Roosevelt Road	Wright Avenue	2580
1	Park Street	Wright Avenue	24th Street	2160
1	W. 22nd Street	Wolfe Street	Park Street	1300
1	W. 29th Street	Asher Avenue	Fair Park Boulevard	4487
1	South Schiller Street	Wright Avenue	Roosevelt Road	2600
1	Main Street	W. 29th Street	south to end	1210
2	W. 57th Street	Geyer Springs Road	Lancaster Road	2760
2	Malabri Drive	Lara Lane	Reck Road	1320
2	Stratton Avenue	Doyle Springs Road	west to end	640
2/7	Geyer Springs Road	Mabelvale Cutoff	S. to Pulaski County Maintenance sign	3400
2	Sunflower Drive	W. Baseline Road	Azalea Drive	475
2	Westmar Lane	Wycliffe Drive	Halifax Drive	630
2	Glen Oaks Drive	Woodson Road	Browning Road	1460
2	Browning Road	Geyer Springs Road	Woodson Road	1350
2	S. Buchanan Street	W. 14th Street	W. 19th Street	1575
2	W. 65th Street	Lancaster Road	Patterson Road	2910
2	Pine Cone Drive	Reck Road	Arapaho Trail, east intersection	1710
2	McClellan Drive	gate just west of Southboro Drive	Loetscher Lane	1460
2	W. 11th Street	S. Pine Street	Lewis Street	920
3	Normandy Road	Cantrell Road	Cantrell Road	1400
3	Normandy Lane	Shannon Drive	Normandy Road	550
3	Pine Manor Drive	Ranch Valley Road	Ranch Valley Road	2405
3	W. Capitol Avenue	Woodrow Street	Jack Stephens Dr	3800
3	Van Buren Street	Markham Street	Kavanaugh Street	2720
3	N. University Avenue	Cantrell Road	E. Palisades Drive	4745
3	N. Palm Street	Kavanaugh Boulevard	end north of Kenyon Street	1880
3	Evergreen Drive	Kavanaugh Boulevard	N. University Avenue	2834
3	Foxcroft Road	Cantrell Road	Huntington Road	1490
3	N. McKinley Street	Cantrell Road	Kavanaugh Boulevard	700
3	Scenic Boulevard	N. Grandview Street	#51 Scenic Boulevard	1670
3	Crestwood Drive	Kavanaugh Boulevard	Beechwood Street	1600
3	N. Hughes Street	Evergreen Drive	Florida Avenue	2218
3	N. Cedar Street	Lee Avenue	W. Markham Street	1385
4	St. Andrews Drive	Iverness Circle	Valley Club Circle	2130
4	Iverness Drive	Fairway Drive	Valley Club Circle	2812
4	Fairway Drive	Rodney Parham Road	Valley Club Circle	2840
4	Crownpoint Road	Breckenridge Drive	Lantern Hill Road	1670
4	Colony Road	Breckenridge Drive	Lantern Hill Road	2340
4	Kingspark Road	Breckenridge Drive	Lantern Hill Road	3915
4/5	Green Mountain Drive	Rainwood Road	south to 1209 Green Mtn Road	1890
4	Linda Lane	Biscayne Drive	Evergreen Drive	2540
4	Gillette Drive	Louwanda Drive	Linda Lane	1845
4	Leatrice Drive	Biscayne Drive	Boulder Lane	4240
4	Alvin Lane	Biscayne Drive	Reymere Drive	1310
4	Chatham Drive	Biscayne Drive	Alberta Drive	855
4	Chatham Court	Chatham Drive	N to end of cul-de-sac	100
4	Arrow Ridge Court	Gillette Drive	end including cul-de-sac	450
4	Lyric Lane	Louwanda Drive	Gillette Drive	1180
4	Sonata Trail	Lyric Lane	Leawood Boulevard	600
4/6	Markham Street	Mississippi Street	Markwood Road	2170
4	Teton Forest Drive	Shawnee Forest Drive	Shawnee Forest Drive	1430
4	Golden Oak Cove	Pleasant Forest Drive	north to end	385
4	Red Birch Cove	White Aspen Court	east then north to end	540
4	Flourite Cove	Flourite Court	west then south to end	700
4	Brooks Lane	Steven Drive	east to end	1150
4	Millbrook Road	Cantrell Road	south leg of Charter Oak Drive	3210
4	Reymere Drive	Biscayne Drive	Reservoir Park	1015
4/5	Hinson Road	Pebble Beach Drive	Taylor Loop Road	5900
4	Pleasant Forest Drive	N. Rodney Parham Road	Sam Peck Road	5760
4	Pleasant Forest Drive	Sam Peck Road	Hinson Road	3150
4	N. Rodney Parham Road	Green Mountain Drive	I-430	3368
4	Chimney Sweep Lane	Valley View Drive	around loop to #48 Chimney Sweep Ln	1875
4	Biscayne Drive	Cantrell Road	Illinois Street	3100
4	Biscayne Drive	Illinois Street	Leawood Boulevard	2700

2016-2018 SALES TAX RESURFACING

5	Saint Michael Drive	Loyola Drive	Loyola Drive	1460
5/4	Green Mountain Drive	Rainwood Road	south to 1209 Green Mtn Road	1890
5	Chenal Parkway	Technology Drive	east leg of Kanis Road	3055
5	Belle Pointe Drive (concrete)	Pleasant Heights Drive	east and west to end	2330
5	St. Charles Boulevard	12821 St. Charles Boulevard	Pompano Drive	1450
5/4	Hinson Road	Pebble Beach Drive	Taylor Loop Road	5900
5	Ranch Boulevard	Cantrell Road	north to end	4175
5	W. Markham Street	Chenal Parkway	Bowman Road	2080
5/6	Kanis Road	Gamble Road	Kirby Road	4920
6	Cherokee Cir	Apache Rd	N. to end (Inc Cul-De-Sac)	617
6	Manor Circle	Manor Drive	west to end	330
6	Manor Drive	Cooper Orbit Rd	north to end	445
6	Rodney Parham Road	Mississippi Street	Markham Street	3815
6	Corporate Hill Drive (concrete)	Markham Street	to end including cul-de-sac	1470
6	Gorgeous View Trail	Cooper Orbit Rd	southeast to end	2230
6/4	Markham Street	Mississippi Street	Markwood Road	2170
6	Holt Street	36th Street	Rutgers Drive	2570
6	Cooper Orbit Road	Vista Drive	Gorgeous View Trail	2335
6	Apache Road	S. Mississippi Street	Rodney Parham Road	1260
6	Baptist Health Drive	Medical Cener Drive	Lile Drive	2130
6	Cobb Street	W. 39th Street	W. 44th Street	1655
6	Regent Circle	Dartmouth Drive	Dorset Drive	830
6	W. 18th Street	Jr. Deputy Road	Aldersgate Road	1065
6/5	Kanis Road	Gamble Road	Kirby Road	4920
6	W. 36th Street	Colonel Glenn Road	John Barrow Road	6640
6	Boyle Park (low water bridge section)	W. 28th Street	Boyle Park Road	1120
6	Bay Street	Walker Street	W. 28th Street	960
6	Bowers Street	W. 44th Street	Col Glenn Road	1320
6	Inlet Street	Walker Street	Bay Street	530
6	Ludwig Street	W. 36th Street	N. to end north of 30th	2200
6	Stannus Street	W. 40th Street	W. 38th Street	670
6	Tatum Street	W. 43rd Street	end north of 40th Street	1280
6	Whitfield Street	end south of 41st Street	end north of 38th Street	1320
6	Boyle Park Road	Archwood Drive	Cleveland Street	5300
6	Boyle Park Road	Cleveland Street	University Avenue	1330
6	Wynne Street	W. 40th Street	North to end north of W. 38th	800
6	Walker Street	Gol Glenn Road	W. 44th Street	650
7	Laver Circle	Wimbledon Loop	Wimbledon Loop	3890
7	Comstock Road	Preston Drive	Burnelle Drive	1610
7	Preston Drive	Chicot Road	Stardust Trail	1810
7	Woodford Drive	Dartmoor Drive	end including cul-de-sac	2480
7	Colonel Miller Road	W. Baseline Road	City Limits	3960
7	Sandy Lane	Shady Brook Drive	Shady Brook Drive	1035
7	Shady Brook Drive	David O Dodd Road	north to end	1300
7	Alley (Camolot to Mabelvale Cutoff)	Warren Drive	Valiant Drive	1230
7/2	Geyer Springs Road	Mabelvale Cutoff	S. to Pulaski County Maintenance sign	3400
7	Morgan Drive / Colt Avenue	Grace Drive	Shetland Drive	1300
7	Duncan Drive	Tedburn Circle	west to end	490
7	Crofton Drive	Tedburn Drive	Woodford Drive	710
7	Crofton Circle	Crofton Drive	east to end	100
7	Yorkton Drive	Tedburn Circle	Duncan Drive	745
7	Tedburn Circle	W. Baseline Road	Tedburn Drive	1615
7	Hindman Park Road	W. 65th Street	Windsor Drive	3500

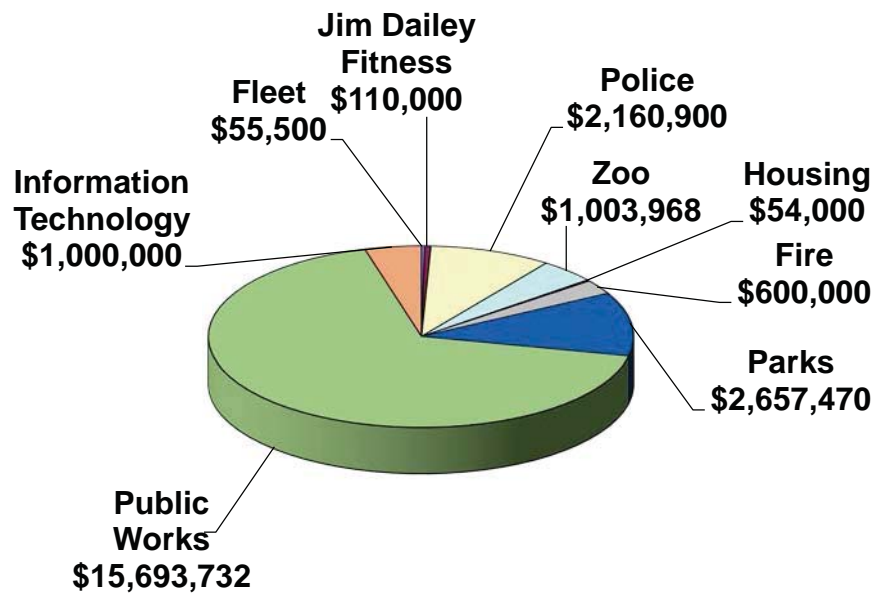
Public Works 2013 Capital Improvement Bond Street Resurfacing, Street and Drainage Projects – Following a series of community meetings, the Board approved \$60 million in projects to be completed for street resurfacing, street and drainage reconstruction projects, traffic signals, traffic calming, and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

- **Estimated Total Project Cost:** \$60,000,000
- **Funding Sources:** 2013 Capital Improvement Bond Issue
- **2018 Estimated Expenditures:** \$3,000,000
- **Estimated Completion Date:** Summer 2018
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

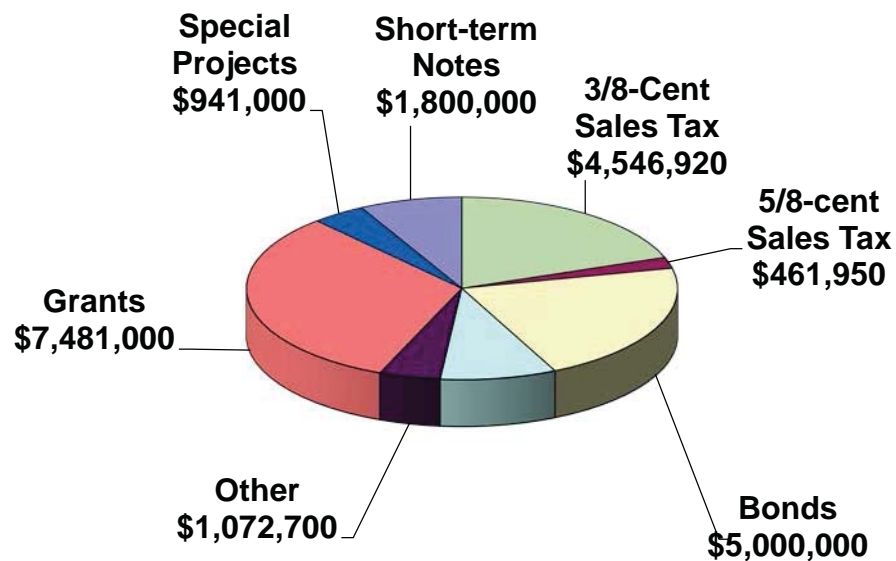
Public Works 2013 Capital Improvement Bonds Street and Drainage Projects (2014-2016)			
Ward	Project	Location	Total
1	17th St.	Woodrow St to Brown St	\$1,000,000
1	Asher Ave	Oak to Woodrow	3,000,000
1	Asphalt Overlay Program	Asphalt Overlay Ward 1	3,000,000
1	Plantation Pickett	Plantation Dr at Pickett Dr	200,000
1	Wright Avenue Viaduct	Wright Ave at Union Pacific Railroad	500,000
1 Total			7,700,000
2	Asphalt Overlay Program	Asphalt Overlay Ward 2	3,000,000
2	Dailey Drive Sidewalk	Dailey Drive	50,000
2	Elm St and Maryland St	Elm St and Maryland St	500,000
2	Fair Park Traffic Calming	Fair Park Blvd	400,000
2	Geyer Springs Railroad Overpass	58th St to 65th St	500,000
2	Scott Hamilton	I-30 to 65th St including new traffic signal	3,800,000
2	West 10th St	Abigail St to Washington St	550,000
2 Total			8,800,000
3	Asphalt Overlay Program	Asphalt Overlay Ward 3	3,000,000
3	Cedar Hill Bridge Repair	Riverdale	600,000
3	Coleman Creek	Buchanon to H St.	50,000
3	Kingsrow Drive	200 Block of Kingsrow	510,000
3	Markham Shared Use Trail	Woodrow to Boone bike and pedestrian trail	150,000
3	McAdoo Drainage	Markham to H St.	1,050,000
3	Pine Manor Drainage	Ranch Valley	500,000
3	Pine Valley Roundabout	Pine Valley at McKinley	400,000
3	Polk Street Improvements	Lee Ave. to A St.	690,000
3	Sandpiper Drive Sidewalks	New sidewalk McKinley to Hughes Street	75,000
3	Scenic Drive Drainage	Grant St. to N. Taylor St.	500,000
3	Zoo Dr. Roundabout	Zoo Dr at Fairpark	175,000
3 Total			7,700,000
4	Asphalt Overlay Program	Asphalt Overlay Ward 4	3,000,000
4	Cecil Drive Drainage	Cecil Drive and Shephards Drive	500,000
4	El Dorado / Hinson Drainage	Hinson Rd at Eldorado Dr	250,000
4	Ellis / Steven Drainage	Intersection of Ellis and Steven Dr	500,000
4	Hinson / Pebble Beach Intersection	Hinson Rd at Pebble Beach Dr	200,000
4	Pinnacle Valley	Cantrell to City Limits	1,500,000
4	Rodney Parham / 430 Interchange	Rodney Parham	750,000
4 Total			6,700,000

Public Works 2013 Capital Improvement Bonds			
Street and Drainage Projects (2014-2016)			
Ward	Project	Location	Total
5	Asphalt Overlay Program	Asphalt Overlay Ward 5	3,000,000
5	El Dorado / Hinson Drainage	Hinson Rd at Eldorado Dr	250,000
5	Hinson / Pebble Beach	Hinson Rd at Pebble Beach Dr	25,000
5	Kanis Road	Bowman to Point West	1,975,000
5	Pinnacle Valley	Cantrell to City Limits	1,500,000
5	Ranch Blvd Signal	Ranch Blvd at Cantrell Rd	250,000
5	Taylor Loop Road	Rahling to LaMarche Dr.	1,300,000
5 Total			8,300,000
6	36th Street Roundabout	36th Street and Romine Rd	300,000
6	44th St	44th Street West of Potter	700,000
6	Asphalt Overlay Program	Asphalt Overlay Ward 6	3,000,000
6	Barrow Road Streetscape	Kanis to 36th St.	2,000,000
6	Kanis Road	Shackleford to Bowman	1,000,000
6 Total			7,000,000
7	Asphalt Overlay Program	Asphalt Overlay Ward 7	3,000,000
7	Chicot Rd & Mabelvale Pike	Chicot Rd to Mabelvale Pike to Shetland	2,000,000
7	Mabelvale Cutoff	Shiloh to Sardis	2,800,000
7 Total			7,800,000
City-Wide	Cantrell Road Widening	Mississippi to Perryville Road (AHTD Match)	1,200,000
City-Wide	Main Street Water Quality	Low Impact Development 100, 200, 500 Blocks	487,100
City-Wide	Geyer Springs RR Overpass	RR Overpass matching funds to AHTD	1,200,000
City-Wide	Kanis Road	Kanis from Shackelford to Bowman (1)	2,612,900
City-Wide	Wright Avenue Viaduct	Bridge Rehabilitation	500,000
City-Wide Total			6,000,000
Grand Total			\$ 60,000,000

2018 City of Little Rock Capital Funding Uses



2018 City of Little Rock Capital Funding Sources



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Debt Management



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DEBT MANAGEMENT

The City of Little Rock is authorized to issue General Obligation Bonds payable from ad valorem taxes to finance capital improvements. These bonds require majority voter approval prior to issuance. The Arkansas State constitution provides that the amount payable out of property taxes shall not exceed 20% of the City's assessed valuation. The City of Little Rock falls well below this statutory requirement. As of 12/31/17, the net amount of debt outstanding was \$98,334,068. The legal debt margin allows the City flexibility to issue up to an additional \$991,967,441.

Generally, the City has experienced a stable financial condition as well as sound debt administration. For example, the City's net general obligation long-term debt per capita is \$423.47 well below \$1,200 per capita which would be a warning trend. This has allowed the City to enjoy favorable bond ratings on its General Obligation Bonds. The City has received an AA bond rating from Standard & Poor's. On February 17, 2017, Moody's Investors Service upgraded the City's general obligation limited tax bonds to Aa1 from Aa2. An AA rating from Standard & Poor's and an Aa1 rating from Moody's indicates that the bonds are high quality with a very strong capacity to pay principal and interest.

City of Little Rock, Arkansas Computation of Legal Debt Margin December 31, 2017

	<u>Amount</u>
2017 Assessed Value	
(2017 Assessment Collected in 2018)	
Real Property	\$3,187,330,410
TIF - Real Estate	26,247,272
Personal Property	842,285,575
Utility:	
Personal Property	239,815,220
Total Assessment	4,295,678,477
Debt Limit (20% of assessment)	859,135,695
Short-Term Financing Debt Limit (5% of assessment)	214,783,924
Sub-Total Debt Limit	1,073,919,619
G.O. & Short Term Bonds Outstanding @ 12/31/17	98,334,068
Less:	
Amt avail. In Debt Service (at 12/31/17)	<u>16,381,890</u>
Outstanding Bonds, Net of Debt Service	81,952,178
Legal Debt Margin	\$991,967,441

The legal debt limit is the maximum issuance of general obligation bonds. The debt limit is determined by combining the twenty percent (20%) of the assessed value of real estate in the Little Rock city limits for General Obligation Bonds with five percent (5%) of the assessed value of real estate in the Little Rock city limits for Short-Term Financing. For 2017, the legal debt limit is \$1,073,919,619 based on a total assessment of \$4,295,678,477.

Debt Applicable to Debt Limit 2007 - 2017

	Legal Debt Margin	Legal Debt Limit
2007	725,407,499	820,379,036
2008	800,758,307	887,078,087
2009	807,405,018	899,996,683
2010	824,122,887	902,775,323
2011	869,712,492	931,761,237
2012	876,979,992	942,877,678
2013	845,829,289	965,793,157
2014	897,304,020	998,961,026
2015	899,382,917	1,012,232,287
2016	955,327,243	1,057,578,662
2017	991,967,441	1,073,919,619

The City of Little Rock has three areas of current debt levels, which combined, equal the total debt level of the City. The current general obligation level as of December 31, 2017 is \$71,975,000. The current revenue bond level is \$26,595,000. The short-term debt level is \$22,530,553 for an overall current debt level of \$121,100,553. The computation of the legal debt margin contains the discounts and premiums on the general obligation debt of \$3,828,515.

Although the City may increase the general obligation and the short-term debt levels to \$1,073,919,619, resources to repay the bonds would require an increase in the value of existing and new property and/or an increase in millage. For the City of Little Rock, the millage required to fund over \$1 billion in debt is approximately 16.57 mills. Currently, the property tax millage for the retirement of general obligation debt is 4.8 mills. The millage may be increased to provide funds up to the legal debt limit with voter approval.

The citizens of Little Rock approved a new annual ad valorem tax of 3.0 mills at a special election held on September 11, 2012 for the issuance of up to

improvements and \$31,500,000 in drainage Improvements. In July 2013, the City of Little Rock issued the first series of Limited Tax General Obligation Bonds for streets and drainage in the amount of \$58,105,000. The City plans to issue a second series of bonds in 2018.

In addition, on July 14, 2015, voters approved a reduced millage of .9 mills (down from 1 mill) to fund the issuance of \$37 million in bonds to (i) finance the cost of acquiring, constructing and equipping the land and additional capital improvements to the public City libraries owned and operated by Central Arkansas Library Systems; (ii) refund the City's outstanding Library Construction and Improvement Bonds, Series 2008 and Series 2009, and the City of Little Rock Residential Housing and Public Facilities Board Capital Improvement Revenue Bonds, Series 2007; and (iii) pay the costs of issuing the Bonds.

On December 14, 2017, the City issued \$15,925,000 to refund the City's outstanding 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 nine tenths of one mill (.9) annual ad valorem tax levied upon all taxable real and personal property located within the City. The Bonds refunded were approved by voters of the City at the March 13, 2012, special election. Together, the City currently levies one and eight tenths mills (1.8) for capital improvements to the public libraries in the City, which includes the .9 mills dedicated to the 2015 Library Construction and Refunding Bonds and the .9 mills dedicated to the 2017 Library Refunding Bonds.

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 (i) to advance refund the City's Capital Improvement Construction Revenue Bonds (Zoo, Parks and Recreation Projects), Series 2009A, and the City's Capital Improvement Refunding Revenue Bonds (Zoo, Parks and Recreation Revenue Refunding Bonds, Series 2009B, (ii) to current refund the City's Capital Improvement Revenue Refunding Bonds, Series 2007, and the City's Capital Improvement Junior Lien Revenue Bonds, Series 2002.

To issue additional general obligation debt without a dedicated revenue stream would negatively impact the General Fund. The City will not issue such debt without a voter approved millage increase to fund the retirement. By law, five (5) mills is the maximum allowed to fund General Fund operations. The City's current operating millage is at the maximum.

SUMMARY OF BOND INDEBTEDNESS
For the month ended December 31, 2017

<u>GENERAL OBLIGATION DEBT</u>	<u>TRUSTEE</u>	<u>ORIGINAL AMOUNT</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>PRINCIPAL BALANCE AT 12/31/16</u>	<u>BONDS ISSUED</u>	<u>PRINCIPAL PAID IN 2017</u>	<u>BONDS RETIRED 2017</u>	<u>PRINCIPAL BALANCE AT 12/31/2017</u>	<u>INTEREST PAID IN 2017</u>
2012 Library Construction and Imp. Bonds	Regions Bank	31,015,000	3/1/2032	2.00% - 4.00%	22,420,000		1,290,000	21,130,000	34,625,000	729,588
2015 Library Construction and Refunding Bonds	Regions Bank	36,620,000	3/1/2028	2.05% - 4.00%	36,620,000		1,135,000	860,000	1,094,263	
2017 Library Construction and Refunding Bonds	Regions Bank	15,925,000	3/1/2027	1.50% - 5.00%		15,925,000			15,925,000	
2013 Limited Tax Capital Improvement	First Security Bank	58,105,000	4/1/2033	1.00% - 5.00%	29,455,000		1,895,000	8,750,000	18,810,000	999,231
2014 Tax Increment Improvement Bonds	Regions Bank	2,615,000	3/1/2036	6.00%	2,615,000				2,615,000	156,900
REVENUE BONDS										
2007 Infrastructure Refunding	U.S. Bank	13,350,000	10/1/2019	4.00% - 5.00%	3,935,000		1,260,000	2,675,000		178,375
2002 Junior Lien Revenue Bonds	U.S. Bank	3,630,000	10/1/2018	3.50% - 4.65%	605,000		295,000	310,000		27,838
2009A Parks & Rec Revenue Bonds	Bank of the Ozarks	7,830,000	1/1/2039	2.00% - 5.50%	6,690,000		150,000	6,540,000		346,193
2003 Capital Imp.and Refunding Projects	U.S. Bank	11,855,000	7/1/2028	1.50% - 5.30%	7,750,000		485,000		7,265,000	403,300
2007 Waste Disposal Revenue Bond	Citizens Bank	3,400,000	5/1/2022	5.30% - 5.87%	1,700,000		245,000		1,455,000	90,645
2009B Parks & Rec	Bank of the Ozarks	12,120,000	1/1/2039	2.00% - 5.375%	10,660,000		245,000	10,415,000		551,301
2017 Capital Improvement and Refunding Revenue	First Security Bank	17,875,000	10/1/2033	2.00% - 5.00%		17,875,000			17,875,000	
TEMPORARY NOTE										
2012 Temporary Note	Banc of America Public Capital Corp.	18,580,000	3/28/2017	1.38%	3,818,573		3,818,573			52,586
2013 Temporary Note	U.S. Bank	7,700,000	7/30/2018	1.61%	3,153,909		1,564,465		1,589,444	50,709
2014 Temporary Note	Branch Banking & Trust	5,916,000	6/27/2019	1.46%	3,601,033		1,182,989		2,418,044	52,575
2015 Temporary Note	First Security Bank	5,910,000	6/24/2020	1.81%	4,769,785		1,160,555		3,609,230	86,333
2016 1st Temporary Note	Banc of America Public Capital Corp.	4,525,000	6/10/2021	1.54%	4,525,000		878,141		3,646,859	68,966
2016 A&P Temporary Note	Simmons First National Bank	2,850,000	10/25/2021	1.89%	2,850,000		548,857		2,301,143	53,865
2016 2nd Temporary Note	Relyance Bank	4,603,000	12/22/2021	1.85%	4,603,000		887,167		3,715,833	85,149
2017 Temporary Note	Signature Public Funding	5,250,000	8/8/2022	1.81%		5,250,000			5,250,000	
Grand Total		\$269,674,000			\$149,771,300	\$39,050,000	\$17,040,747	\$50,680,000	\$121,100,553	\$5,027,817

SUMMARY OF BOND INDEBTEDNESS
For the month 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 2017</u>
2015 Library Construction and Refunding Bonds	Regions Bank	36,620,000	3/1/2028	2.05% - 4.00%	34,625,000		1,185,000		33,440,000	1,038,312
2017 Library Construction and Refunding Bonds	Regions Bank	15,925,000	3/1/2027	1.50% - 5.00%	15,925,000				15,925,000	359,024
2013 Limited Tax Capital Improvement	First Security Bank	58,105,000	4/1/2033	1.00% - 5.00%	18,810,000		1,980,000		16,830,000	795,125
2014 Tax Increment Improvement Bonds	Regions Bank	2,615,000	3/1/2036	6.00%	2,615,000				2,615,000	156,900
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	First Security Bank	17,875,000	10/1/2033	2.00% - 5.00%	17,875,000		930,000		16,945,000	574,462
TEMPORARY NOTE										
2013 Temporary Note	U.S. Bank	7,700,000	7/30/2018	1.61%	1,589,444		1,589,444			25,730
2014 Temporary Note	Branch Banking & Trust	5,916,000	6/27/2019	1.46%	2,418,044		1,200,260		1,217,784	35,303
2015 Temporary Note	First Security Bank	5,910,000	6/24/2020	1.81%	3,609,230		1,181,561		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		2,755,950	56,198
2016 A&P Temporary Note	Simmons First National Bank	2,850,000	10/25/2021	1.89%	2,301,143		559,231		1,741,912	43,492
2016 2nd Temporary Note	Relyance Bank	4,603,000	12/22/2021	1.85%	3,715,833		903,574		2,812,259	68,743
2017 Temporary Note	Signature Public Funding	5,250,000	8/8/2022	1.81%			1,012,704		4,237,296	95,025
Grand Total		\$183,149,000			\$121,100,553	\$0	\$12,202,683	\$0	\$108,897,870	\$3,770,334

FUTURE DEBT SERVICE

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2018	\$12,202,682	\$3,770,333	\$15,973,016
2019	\$12,251,493	\$3,634,150	\$15,885,643
2020	\$11,500,718	\$3,239,305	\$14,740,023
2021	\$10,657,624	\$2,836,879	\$13,494,503
2022	\$8,528,035	\$2,440,235	\$10,968,270
2023	\$7,445,000	\$2,096,748	\$9,541,748
2024	\$7,730,000	\$1,829,273	\$9,559,273
2025	\$7,860,000	\$1,591,543	\$9,451,543
2026	\$5,385,000	\$1,383,593	\$6,768,593
2027	\$5,530,000	\$1,211,175	\$6,741,175

GENERAL OBLIGATION FUTURE DEBT SERVICE

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2018	\$10,502,682	\$2,739,179	\$13,241,862
2019	\$10,571,493	\$2,580,959	\$13,152,452
2020	\$9,755,718	\$2,256,545	\$12,012,263
2021	\$8,837,624	\$1,927,475	\$10,765,100
2022	\$6,633,035	\$1,607,668	\$8,240,704
2023	\$5,810,000	\$1,334,575	\$7,144,575
2024	\$6,035,000	\$1,130,888	\$7,165,888
2025	\$6,090,000	\$969,863	\$7,059,863
2026	\$3,525,000	\$852,588	\$4,377,588
2027	\$3,570,000	\$775,450	\$4,345,450

REVENUE BOND FUTURE DEBT SERVICE

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2018	\$1,700,000	\$1,031,154	\$2,731,154
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

City of Little Rock, Arkansas
Direct and Overlapping Governmental Activities Debt
12/31/2017

<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	\$98,334,068	100%	\$98,334,068
Little Rock Public School District	<u>191,827,932</u>	100%	<u>191,827,932</u>
Total direct and overlapping debt	<u>\$290,162,000</u>		<u>\$290,162,000</u>

Obtained from Jean Ring at 447-1089

Finance Director at Little Rock School District

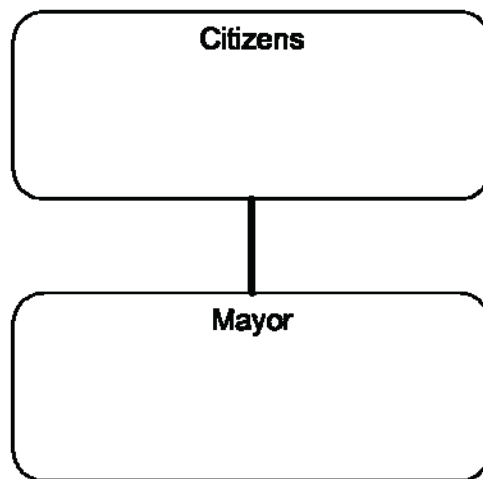
Departmental Information



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Mayor



Mission Statement

To provide vision and leadership that connects city government, citizens, the business community, and non-profit organizations together in a way that empowers all of Little Rock's stakeholders to continue on the path toward being the next great American city in the South.



Mayor

2017 Department Priorities	Status
Initiate the deployment of broadband spots in downtown Little Rock.	Ongoing
Complete with Phase II broadband access in Housing & Urban (HUD) housing.	Ongoing
Continue work with the Arkansas Highway & Transportation Department on I-30 Crossing conflicts.	Ongoing
Develop a transitional housing program for the Jericho Way Homeless Day Resource Center.	Ongoing
Create a mentoring program for Hamilton Learning Academy. (Not feasible currently)	Other (please explain)
Continue work on Cities United and My Brother's Keeper.	Ongoing
Develop a plan for a soccer complex with Little Rock Parks & Recreation Commission.	Ongoing
Implement recommendations for Capital City Crime Prevention Task Force.	Ongoing
Continue work on transitional and permanent housing for veterans.	Completed
Develop plan to extend bike trail.	Ongoing
Continue AmeriCorp rehab housing program for targeted areas.	Ongoing
Continue work on marketing plan for the city.	Ongoing
Finalize Arkansas River Trail Design.	Ongoing
Implement the Little Rock Citizen ID Card Program.	Completed
Acquire land for Little Rock Port.	Ongoing
Implement increased violence reduction measures in cooperation with federal agencies.	Completed
Initiate downtown master plan.	Ongoing
Update parking commission ordinance.	Ongoing

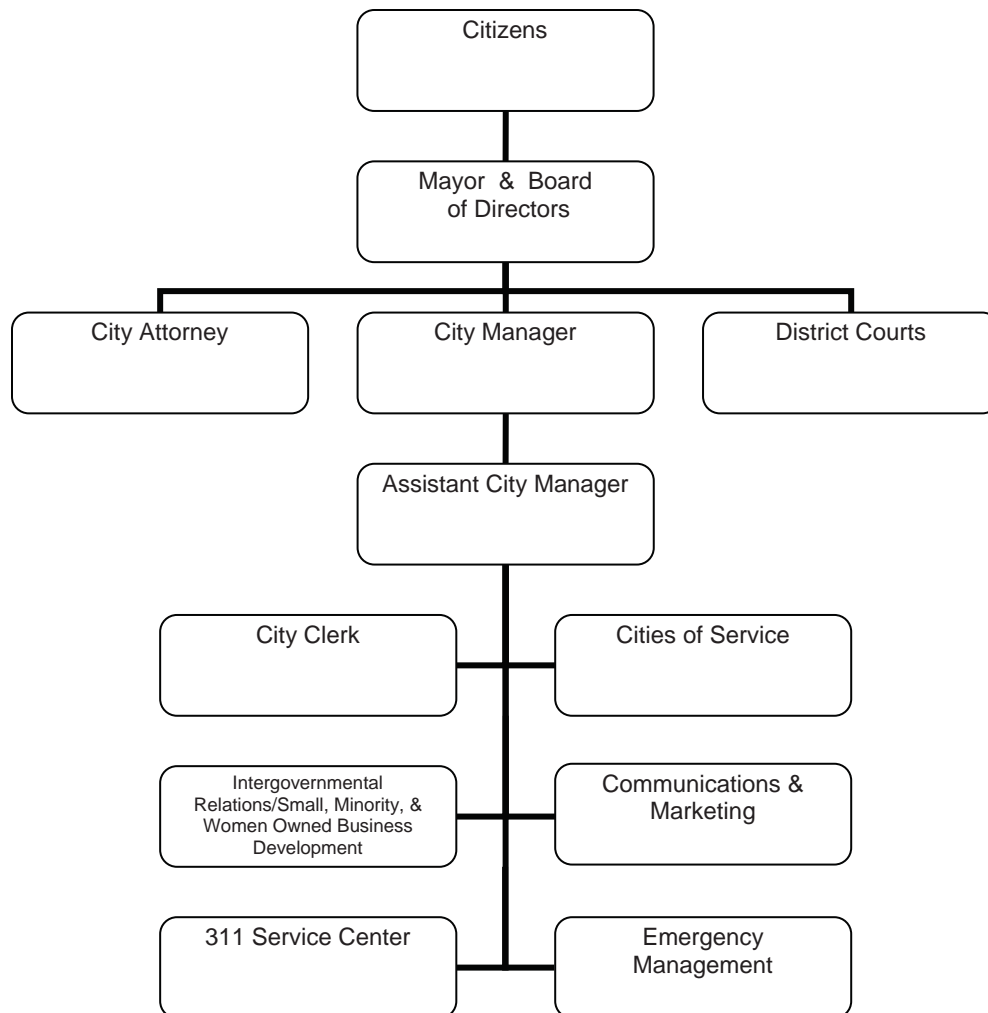
2018 Department Goals
Initiate the deployment of broadband spots in downtown Little Rock.
Complete with Phase II broadband access in Housing & Urban (HUD) housing.
Continue work with the Arkansas Highway & Transportation Department on I-30 Crossing conflicts.
Develop a transitional housing program for the Jericho Way Homeless Day Resource Center.
Continue work on Cities United and My Brother's Keeper.
Develop a plan for a soccer complex with Little Rock Parks & Recreation Commission.
Implement recommendations for Capital City Crime Prevention Task Force.
Develop plan to extend bike trail.
Continue AmeriCorp rehab housing program for targeted areas.
Continue work on marketing plan for the city.
Finalize Arkansas River Trail Design.
Acquire land for Little Rock Port.
Initiate downtown master plan.
Update parking commission ordinance.

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	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$ 5,697,694	\$ 7,783,571	\$ 8,061,838
Supplies and Materials	172,805	107,549	186,512
Contractual Services	13,579,352	13,691,083	14,601,641
Debt Service	8,937,644	10,519,181	7,751,360
Total	\$ 28,387,495	\$ 32,101,384	\$ 30,601,351

Staffing

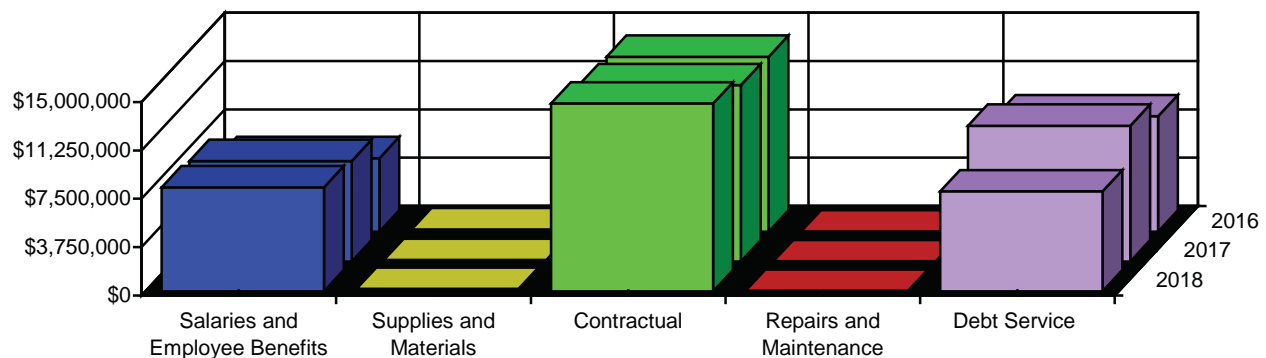
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General Government includes the Mayor, City Manager, Employee Benefits Division, City Clerk, Emergency Management, Small and Women Owned Business Development, LRTV, 311, and the Performance and Innovation Division. Approximately \$142,000 of the personnel increase is attributed to salary and benefit cost changes for non-uniform employees. Other personnel cost changes are associated with changes in workers compensation premiums and actuarially determined pension and retiree benefit contributions. The increase in contract expense includes the City's responsibility for the cost of the general election in 2018 and reflects the contract for economic development services. In addition, contract expense includes the funding of Outside Agencies, which are detailed on page 61-62 of the Budget Document. The increase in funding is primarily attributed to Rock Region Metro (\$327,782) and funding for the Pulaski County Jail (\$50,000). Debt service will decrease by approximately \$2.8 million in 2017 due to the retirement of the 2012 short-term note in 2017 (\$3.9 million), partially offset by the addition of debt service on the 2017 note (\$1.1 million).

Total Allocations By Fiscal Year And Account Category



Resources for Budget
100 General Fund

FY 18
Proposed
Budget

\$30,601,351

% Change
from
Prior Year

-4.67%



2017 Department Priorities	Status
Implement the 21st Century Policing Principles by utilizing the following six (6) pillars: Building Trust and Legitimacy; Policy and Oversight; Technology and Social Media; Community Policing and Crime Reduction; Training and Education; and Officer Wellness and Safety.	Ongoing
Begin the design and construction of Little Rock Fire Station #24. (Construction will begin in first quarter)	Other (Please Explain)
Strengthen partnerships with the Little Rock School District, as well as with the institutions of higher learning located in Little Rock, in an effort to expand service delivery for the Prevention, Intervention and Treatment Programs to Little Rock citizens.	Ongoing
Coordinate an annual Street Resurfacing Program with revenue from the 2012 Bond Issue and the 2011 Sales Tax Plan.	Ongoing
Continue to monitor street light outages and repair, or replace, as needed.	Ongoing
Review and process approximately 230 requests for rezoning, conditional uses, variances, preliminary plats, Tower Use Permits, street name changes and planned developments. (Actually processed 252)	Other (Please Explain)
Create a Little Rock Brand and social media presence for recruiting efforts.	Ongoing
Participate in Emergency Vehicle Technician (EVT), Automotive Service Excellence (ASE) and selected manufacturer training programs for technical staff's professional developmental needs. Achieve an ASE Blue Seal Shop Certification Status, in addition to all Maintenance Technicians achieving at least one (1) ASE Certification.	Completed
Coordinate the City's effort to move forward with the What Works Cities Initiative for Open Data, Results Driven Contracting and Performance Measurement.	Ongoing
Request proposals from qualified firms to conduct an audit of franchise fee collections and compliance with franchise agreements. (Will start in 2018)	Other (Please Explain)
Completion of the update of the 2001 Little Rock Parks and Recreation Master Plan.	Ongoing
Operation of 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).	Completed
Work with the Arkansas Zoological Foundation to determine the next capital campaign at the Little Rock Zoo for a major new animal exhibit. Break ground on the new Colobus/Serval Exhibit and continue with AZA Breeding Programs to acquire new animals.	Ongoing
Provide support and quarterly reporting to the LR Cent Committee and the Board regarding the status of the new One (1)-Cent Local Sales Tax Revenues and the progress toward completion of capital projects authorized under the 3/8-cent portion of the tax.	Ongoing
Provide on-going Code Enforcement Staff training to improve accuracy of notices, citations, affidavits and condemnation files. Continue regular sessions to provide updates and strategies, and strive to improve the quality of documentation.	Ongoing
Continue with the community-oriented process to determine the needs/interest of the 12th Street area for approximately 8,000 square-feet of unoccupied space in the 12th Street Station.	Ongoing



2018 Department Goals

Implement the 21st Century Policing Principles by utilizing the following six (6) pillars: Building Trust and Legitimacy; Policy and Oversight; Technology and Social Media; Community Policing and Crime Reduction; Training and Education; and Officer Wellness and Safety.
Strengthen partnerships with the Little Rock School District, as well as with the institutions of higher learning located in Little Rock, in an effort to expand service delivery for the Prevention, Intervention and Treatment Programs to Little Rock citizens.
Coordinate an annual Street Resurfacing Program with revenue from the 2012 Bond Issue and the 2011 Sales Tax Plan.
Continue to monitor street light outages and repair, or replace, as needed.
Create a Little Rock Brand and social media presence for recruiting efforts.
Coordinate the City's effort to move forward with the What Works Cities Initiative for Open Data, Results Driven Contracting and Performance Measurement. This will be achieved through completing the building of the City's Performance Measurement Site, growing the number of data sets available on the Open Data Portal and continuing to promote the City's Data and Performance Programs through the various means of social media.
Completion of the update of the 2001 Little Rock Parks and Recreation Master Plan.
Work with the Arkansas Zoological Foundation to determine the next capital campaign at the Little Rock Zoo for a major new animal exhibit. Break ground on the new Colobus/Serval Exhibit and continue with AZA Breeding Programs to acquire new animals.
Provide support and quarterly reporting to the LR Cent Committee and the Board 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.
Provide on-going Code Enforcement Staff training to improve accuracy of notices, citations, affidavits and condemnation files. Continue regular sessions to provide updates and strategies, and strive to improve the quality of documentation.
Continue with the community-oriented process to determine the needs/interest of the 12th Street area for approximately 8,000 square-feet of unoccupied space in the 12th Street Station.
Ensure staffing levels are improved and maintained in the 911 operations. Continue working with Human Resources Staff to develop proposals to address turnover, including salary and benefit considerations. Fully implement the Telephone Reporting Unit, which will
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.
Review all organizations and City Departments which receive Prevention, Intervention & Treatment Funding to ensure adherence to the requirements set forth in Youth Master Plan. Review 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.
Move 85% of the thirty-eight (38) funded infrastructure projects from the 2016 - 2018 Infrastructure Program to construction.
Provide 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.

**2018 Department Goals (Continued)**

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 lights for longer life, reduced energy consumption and maintenance-free service. Continue to focus on City-wide street light outages.

Prepare a study of the Highway 10 Design Overlay District and provide recommendations for changes in the future Land Use Plan for the corridor.

Prepare a Downtown Master Plan that will incorporate the Interstate 30 corridor.

Continue the outreach initiative to increase minority and women-owned business procurement opportunities within the City of Little Rock.

Creation of an online application for Housing Assistance and Resources.

Implementation of the Code Enforcement Software Program in an effort to improve the ability to be more proactive and responsive.

Continue to partner with DePaul, USA, in delivering services to the current and future clients that utilize the facility.

Renovation of the toddler play area at Riverfront Park by installing new features, renovate park space and improve playground surfacing.

Continue to 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).

Fully implement a new Conservation Action Plan and further develop conservation initiatives for the Little Rock Zoo.

Apply for funding to continue the installation of Tornado SAFE Rooms at City Facilities, and work to develop a strategy and partnership with the Little Rock School District to construct SAFE Rooms in schools and community centers.



Department: City Manager
Funding Source: General Fund
Budget: \$ 30,601,351

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.

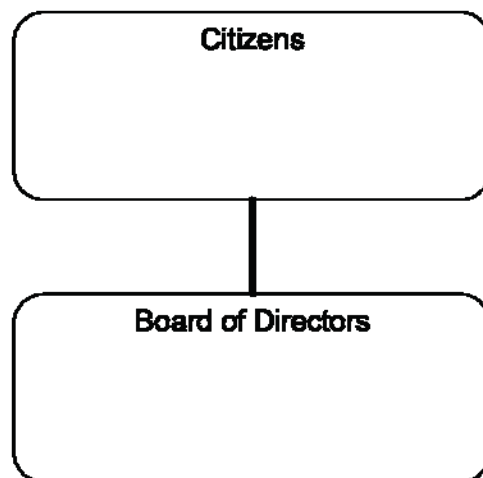
	2016 Actual	2017 Budget	2018 Budget
Objective: Provide responses to City Board of Director requests in a timely manner.			
Demand: Number of City Board of Director requests.	284	290	300
Workload: Number of City Board of Director requests completed.	279	283	292
Efficiency: Number of City Board of Director 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.

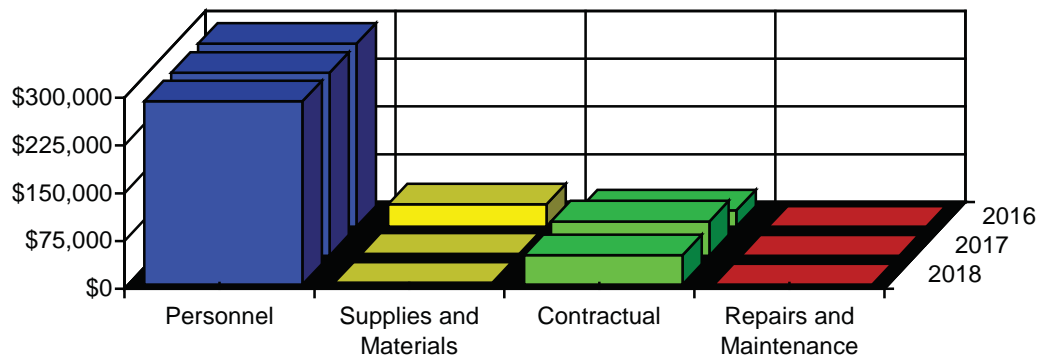
Board of Directors

Expenditure Budget			
Description	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$287,431	\$287,118	\$287,813
Supplies and Materials	35,162	2,990	2,990
Contractual	25,753	53,747	46,147
Repairs and Maintenance		47	291
Total	\$348,347	\$343,902	\$337,241

Staffing	1	1	1
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Board staffing reflects the one (1) full time assistant dedicated to the Board of Directors. The Board consists of ten (10) part-time elected officials representing the City's seven (7) Wards with three (3) at large positions.

Total Allocations By Fiscal Year And Account Category



Resources for Budget
100 General Fund

FY 18 Proposed Budget	% Change from Prior Year
\$337,241	-1.94%



2017 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

2018 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: \$337,241

Department Description:

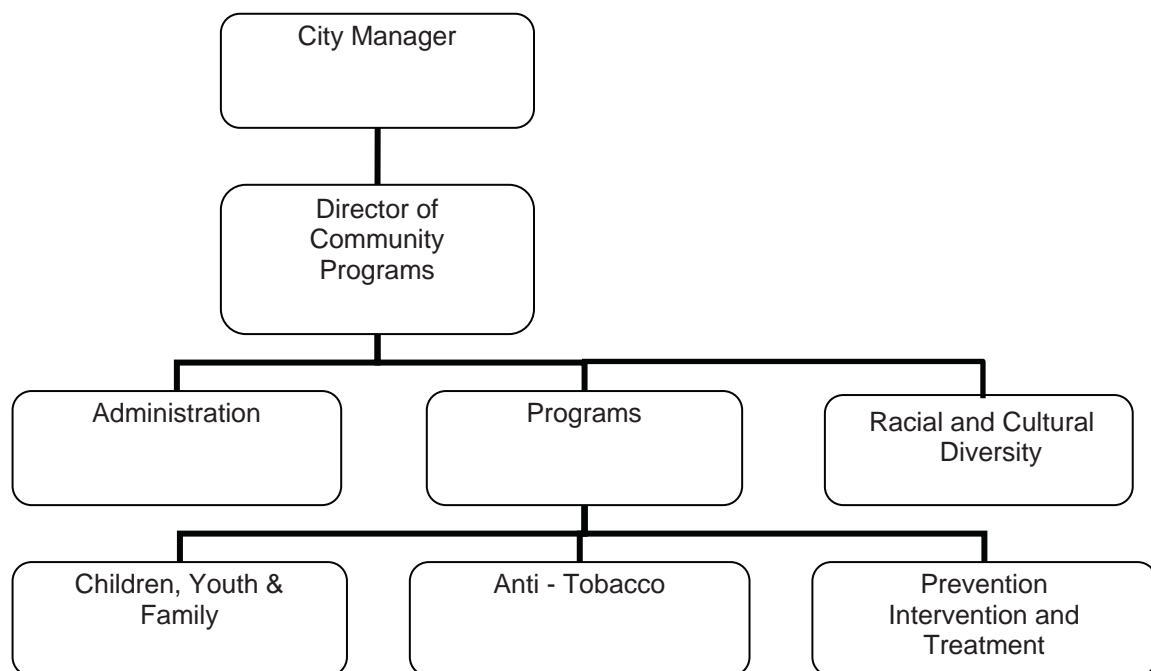
To provide executive management and administration of City affairs; provide legal advice and representation for the city; serve as official recorder and custodian of public documents.

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





Community Programs



Mission Statement

The mission of the Department of Community Programs is to effectively administer and maximize Prevention, Intervention, and Treatment (PIT) funds authorized annually in order to provide the community with quality programs that utilize proven practices with the goal of improving positive outcomes and the overall quality of life for the children, youth, and families of Little Rock.

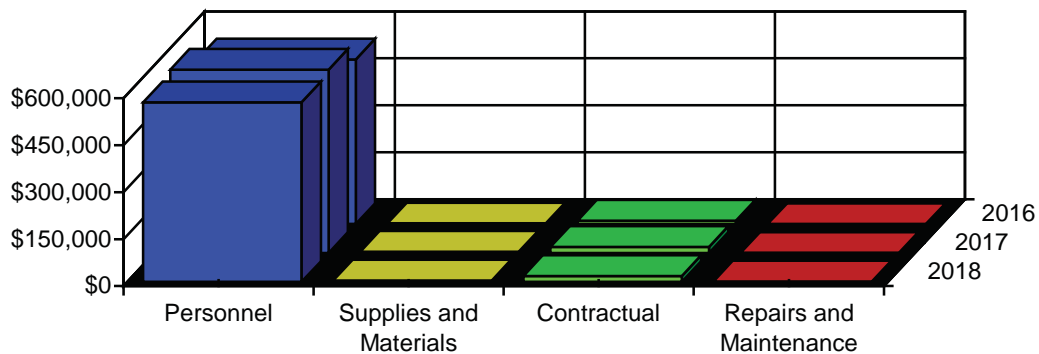
Community Programs

Description	Expenditure Budget		
	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$526,092	\$585,434	\$573,893
Supplies and Materials	2,068	4,530	4,530
Contractual	11,117	19,488	19,315
Repairs and Maintenance	-	633	1,568
Total	\$539,277	\$610,085	\$599,306

Staffing	11	13	11
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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. The decrease in personnel cost from the 2017 budget is primarily due to the transfer of a portion of a PIT Coordinator position to a special project included in the \$5.5 million allocation noted above.

Total Allocations By Fiscal Year And Account Category



Resources for Budget
100 General Fund

FY 18 Proposed Budget	% Change from Prior Year
\$599,306	-1.77%



Community Programs

2017 Department Priorities	Status
Strengthen partnerships with the Little Rock School District as well as with the institutions of higher learning located in Little Rock in an effort to expand service delivery to Little Rock citizens.	Completed
Implement a new system to reflect the MIS requirements resulting from 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
Plan and execute relevant professional development and training to assist funded programs to achieve positive outcomes as it relates to Master Plan for Children, Youth & Families (YMP) recommendations.	Completed
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 (Due to the reassignment of the responsibilities to the current Tobacco Coordinator, these responsibilities will be incorporated into a new position in 2018).	Other (Please Explain)



Community Programs

2018 Department Goals
Implement a new system to reflect the MIS requirements resulting from YMP recommendations.
Develop and pilot a Re-Entry Mentoring Program for program participants working within City of Little Rock departments.
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).
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.
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.
Increase Tobacco Program delivery to all Prevention, Intervention and Treatment (PIT)-funded programs.
Locate at least three (3) post-SYEO internship/work opportunities for 2nd year SYEO interns to open spaces for incoming students in 2019.
Develop and pilot a “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.”
Identify and develop partnerships with at least five (5) private business job placement opportunities for disconnected youth.
Develop at least one (1) program/project for all PIT youth-related programs to attend.
Host a Non-Profit Conference to assist youth development organizations with capacity-building opportunities to improve outcomes related to the Youth Master Plan.



Community Programs

Department: Community Programs
Funding Source: General Fund
Budget: \$599,306

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.

	2016 Actual	2017 Budget	2018 Budget
Objective: To recruit youth, provide orientation, and approve youth to hire for summer employment.			
Demand: Youth available for recruitment and orientation.	1,000	1,000	1,000
Workload: Youth recruited and processed through orientation.	800	850	750
Efficiency: Youth processed and available for employment in June.	650	850	680
Effect/Outcome: Percentage of youth processed and available for work in June.	81%	100%	91%

Objective: To audit, approve, and process all reimbursement requests for payment within 14 days.			
Demand: Requests available for process and reimbursement.	700	750	800
Workload: Requests processed for reimbursement.	525	715	760
Efficiency: Requests processed per month.	50	60	60
Effect/Outcome: Percentage of total requests processed.	75%	95%	95%

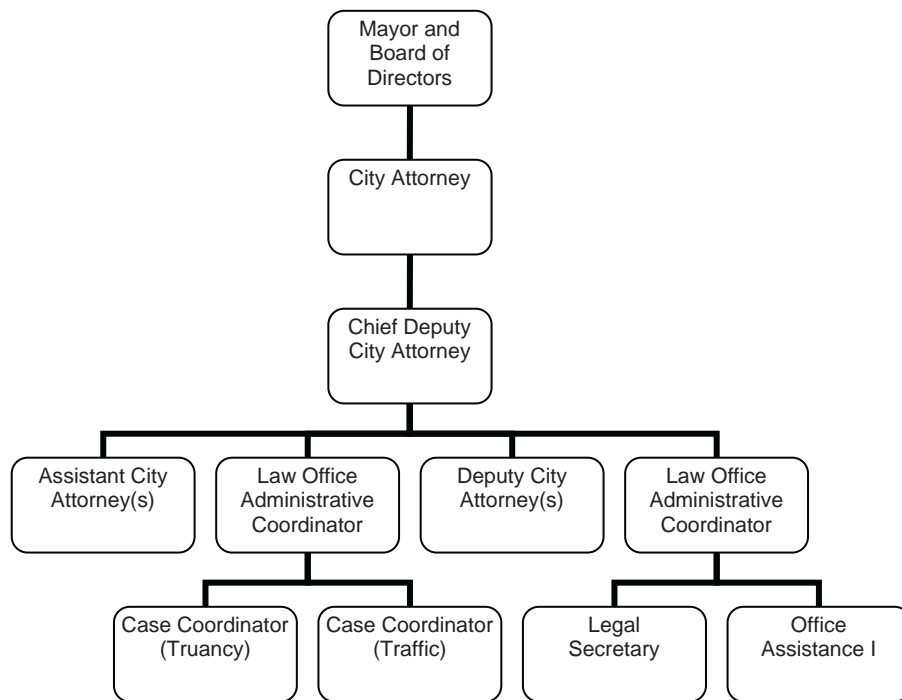
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for a
 Safe City and Quality of Life.**



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City Attorney



Mission Statement

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

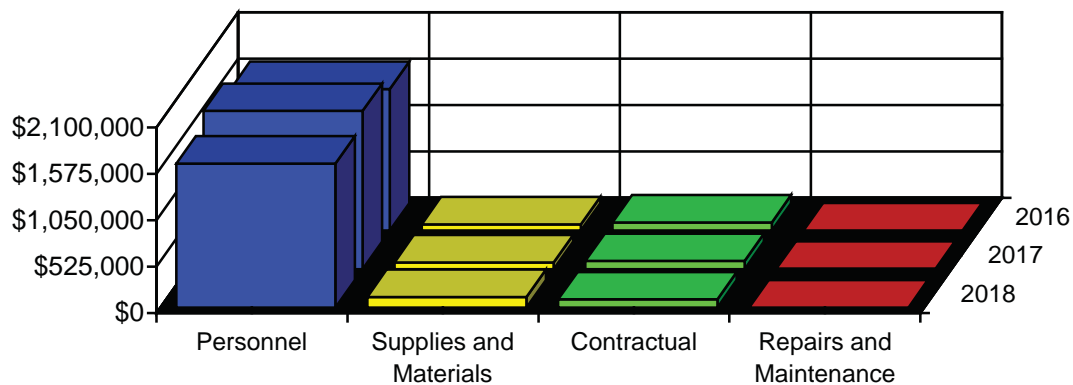
City Attorney**Expenditure Budget**

Description	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$1,604,762	\$1,790,988	\$1,629,738
Supplies and Materials	69,976	75,496	117,484
Contractual	92,587	90,953	91,153
Repairs and Maintenance	1,485	3,740	-
Total	\$1,768,811	\$1,961,177	\$1,838,375

Staffing	20	20	18
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Approximately \$137,000 of the personnel decrease is attributed to the elimination of a vacant assistant real-estate attorney and a vacant paralegal position. Other personnel cost changes are attributed to turnover in positions and salary and benefit cost increases for non-uniform employees. The increase in supplies is for Westlaw books and laptops for trial lawyers requested by the City Attorney.

Total Allocations By Fiscal Year And Account Category



Resources for Budget
100 General Fund

FY 18 Proposed Budget	% Change from Prior Year
\$1,838,375	-6.26%



City Attorney

2017 Department Priorities	Status
Continue transparent communication methods through reports, alerts and various updates.	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 filed for or against the City.	Ongoing
Continue to prosecute traffic, truancy and code violations.	Ongoing

2018 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.
Purchase and implement a law-office software program to document billable hours and overall workload and to provide more detailed information for the Budget Service Measures.



City Attorney

Department: City Attorney
Funding Source: General Fund
Budget: \$1,838,375

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.

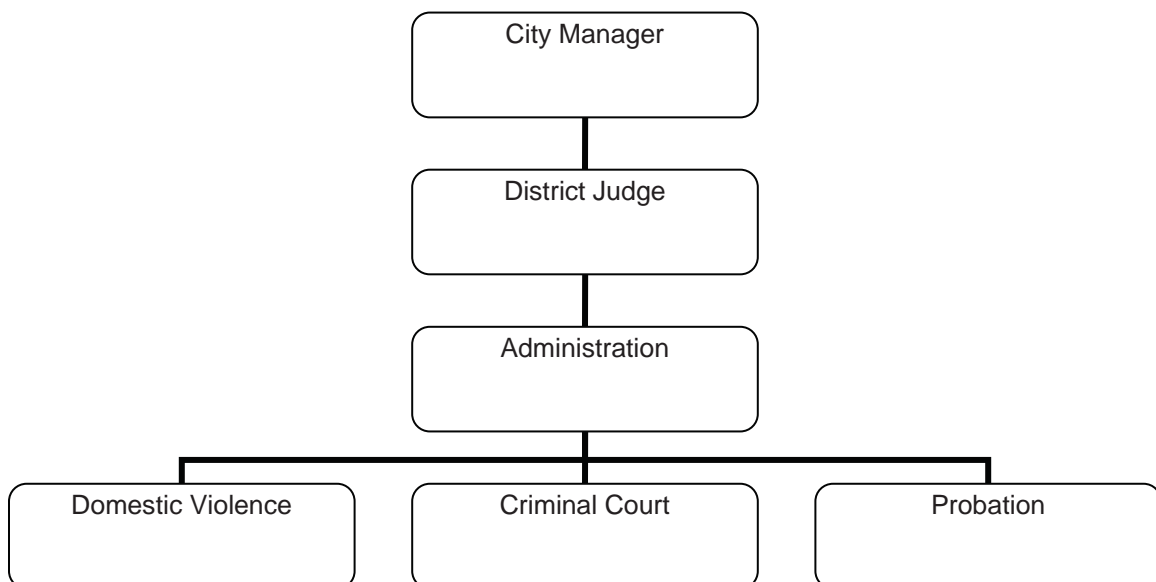
	2016 Actual	2017 Budget	2018 Budget
Objective: To litigate cases.			
Demand: Cases to be litigated.	70	70	120
Workload: Cases litigated.	70	70	120
Efficiency: Cases litigated per year.	70	70	120
Effect/Outcome: Percentage of litigated cases closed per year.	n/a	n/a	n/a
Objective: To prosecute health and safety code Violations.			
Demand: Violations presented for final judgment.	2,467	2,500	3000
Workload: Violations prosecuted for final judgment.	2,467	2,500	3000
Efficiency: Violations convictions.	842	1,250	1500
Effect/Outcome: Conviction rate.	34%	50%	50%
Objective: To prosecute DUI/DWI violations.			
Demand: DUI/DWI pleas and trials.	340	350	400
Workload: Court appearances for DUI/DWI pleas and trials.	340	350	400
Efficiency: Guilty DUI/DWI pleas and convictions	221	235	272
Effect/Outcome: Percentage guilty.	65%	67%	68%
Objective: Prepare contract and legal memoranda in a timely manner.			
Demand: Request for contracts and legal research.	200	230	260
Workload: Contracts and research memoranda prepared.	200	230	260
Efficiency: Contracts and memoranda prepared in a timely manner.	200	230	260
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

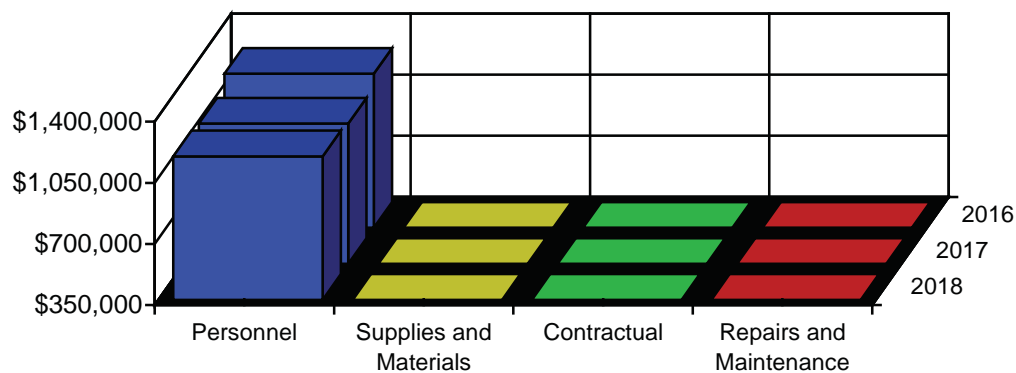
Expenditure Budget

Description	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$1,232,428	\$1,152,940	\$1,171,534
Supplies and Materials	26,602	42,100	42,100
Contractual	20,102	96,950	96,950
Repairs and Maintenance	-	1,700	1,700
Total	\$1,279,133	\$1,293,690	\$1,312,284

Staffing	21	20	20
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The adopted budget is consistent with the prior year. The increase in personnel cost is associated with salary and benefit cost increases for non-uniform employees.

Total Allocations By Fiscal Year And Account Category



Resources for Budget
100 General Fund

FY 18 Proposed Budget	% Change from Prior Year
\$1,312,284	1.44%



2017 Department Priorities		Status
Begin construction plans on the new District Courts and Police Building; Little Rock Justice Building.		Ongoing
Direct the overall operations of Criminal Court within the guidelines of the State of Arkansas and the City of Little Rock ordinances, statutes, and policies.		Ongoing
Provide fair and impartial adjudications for all cases heard.		Ongoing
Continue community outreach with educational information.		Ongoing
Provide court informed sentencing recommendations, monitoring, and compliance with court orders. Stay informed on all changing legislation regarding fees and new statute requirements.		Ongoing
Provide management direction to staff and ensure accountability and accessibility to citizens, while providing courteous customer service.		Ongoing

2018 Department Goals	
Provide a new court building for all three District Courts, providing adequate space and a healthier environment for employees and better security for the judges, staff, attorneys and public.	
Direct the overall operations of Criminal Court within the guidelines of the State of Arkansas and the City of Little Rock ordinances, statutes, and policies.	
Provide fair and impartial adjudications for all cases heard.	
Continue community outreach with educational information.	
Provide court informed sentencing recommendations, monitoring, and compliance with court orders. Stay informed on all changing legislation regarding fees and new statute requirements.	
Provide management direction to staff and ensure accountability and accessibility to citizens, while providing courteous customer service.	



Department: District Court Criminal
Funding Source: General Fund
Budget: \$ 1,312,284

Department Description:

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

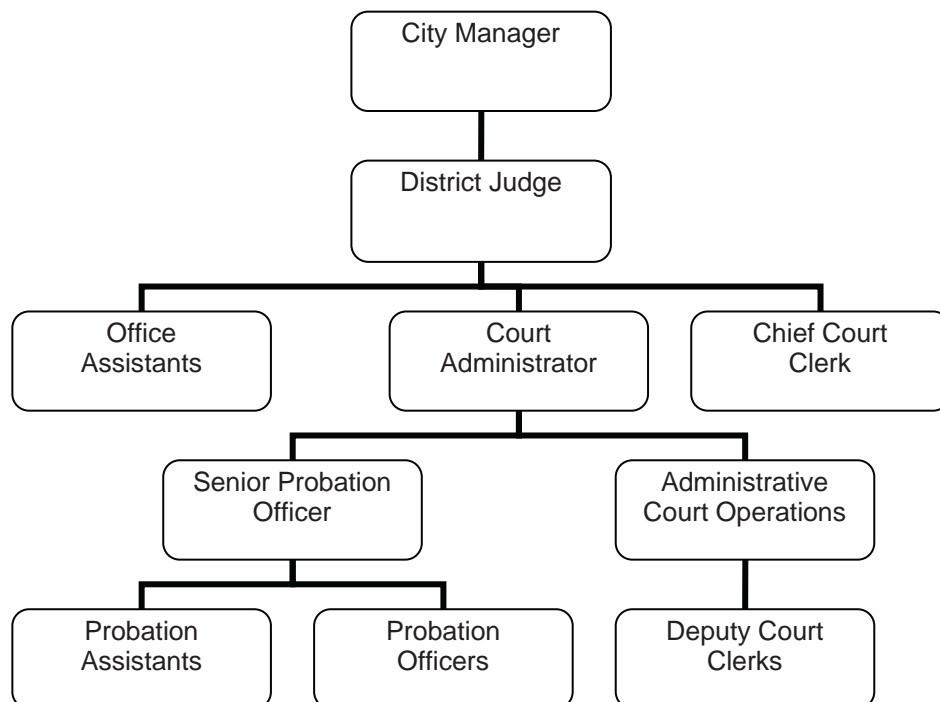
	2016 Actual	2017 Budget	2018 Budget
Objective: To process Criminal Bond information on a daily basis.			
Demand: Bonds to be processed.	100	100	100
Workload: Bonds actually processed.	100	100	100
Efficiency: Bonds processed per court session.	100	100	100
Effect/Outcome: Percentage of Bonds processed 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	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$1,126,676	\$980,586	\$989,165
Supplies and Materials	16,974	22,200	22,200
Contractual	170,089	221,192	222,522
Repairs and Maintenance	382	2,067	2,061
Total	\$1,314,121	\$1,226,045	\$1,235,948

Staffing

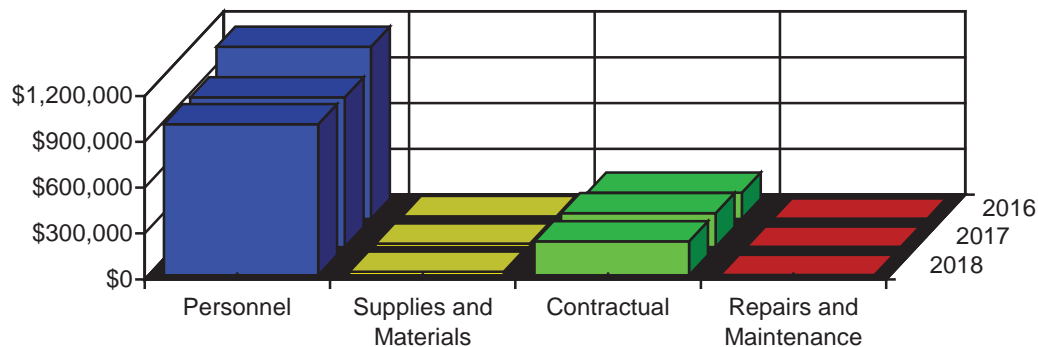
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18

Approximately \$8,600 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
100 General Fund

FY 18
Proposed
Budget
\$1,235,948

% Change
from
Prior Year
0.81%



2017 Department Priorities		Status
Second District Court processed 29,524 new violations.		Completed
Second District Court disposed of 30,876 violations.		Completed
Second District Court processed 287 Driving While Intoxicated (DWI's) violations.		Completed
Second District Court disposed of 298 DWI's.		Completed
Continue to find innovative ways to improve overall operations.		Ongoing
Provide the best customer service possible to all citizens.		Ongoing

2018 Department Goals
Find additional Community Service agencies that will work with our court.
Update the Probation Officer Manual which will include a step by step guide for all applicable duties in Traffic Court
Look for new and relevant training for the probation office staff.
Focus on self-improvement and professional development in an effort to better serve the public and enhance employee morale.
Have all front office clerks fully trained on bottom and top chair in the courtroom.
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.
Develop more documents in Contexte to help streamline some clerk processes.
Allow clerks to attend more professional development classes offered through the city and surrounding areas.
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.



Department: District Court Traffic
Funding Source: General Fund
Budget: \$ 1,235,948

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.

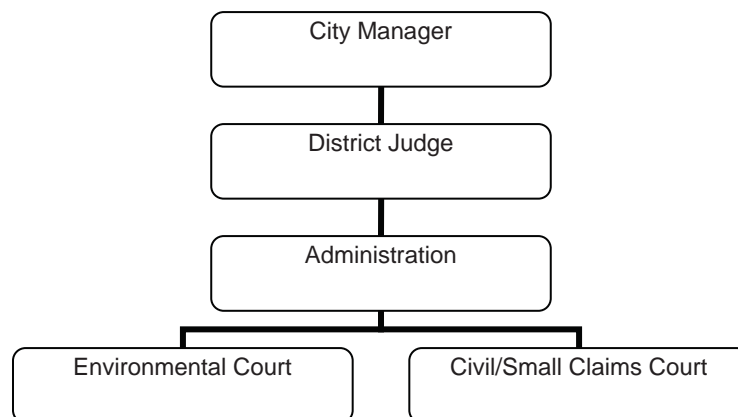
	2016 Actual	2017 Budget	2018 Budget
Objective: To enter violations into Contexte the same day received.			
Demand: Violations to be entered.	34,204	33,200	30,000
Workload: Violations entered and processed.	34,204	33,200	30,000
Efficiency: Violations entered and processed per month.	2,850	2,766	2,500
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.	33,893	33,800	31000
Workload: Violations disposed.	33,893	33,800	31000
Efficiency: Violations disposed of per month.	2,824	2,816	2583
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	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$599,987	\$479,383	\$461,011
Supplies and Materials	8,409	11,813	11,813
Contractual	17,166	83,135	83,135
Repairs and Maintenance	240	2,500	2,500
Total	\$625,802	\$576,831	\$558,459

Staffing

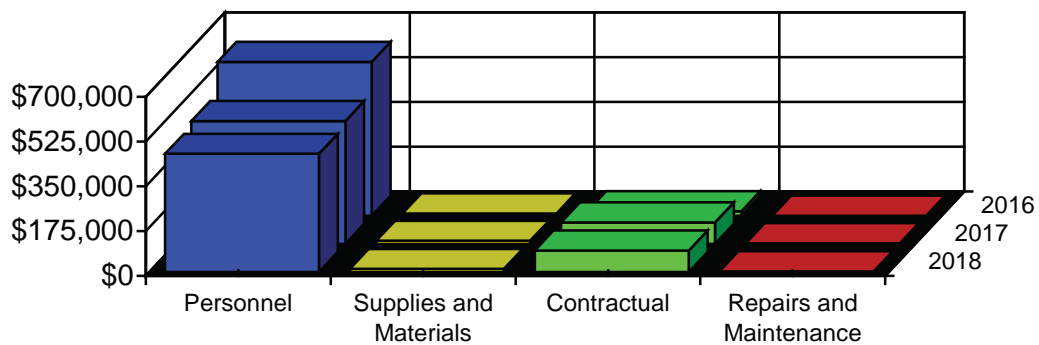
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The change in personnel cost is attributed to the retirement of long-term personnel.

Total Allocations By Fiscal Year And Account Category



Resources for Budget
100 General Fund

FY 18
Proposed
Budget

\$558,459

% Change
from
Prior Year

-3.18%



2017 Department Priorities		Status
Pursue grant funds in order to implement a twelve (12) month probation program aimed specifically at assisting youth charged with curfew violations. Specifically, the program would provide career readiness training (resume preparation interviewing skills, professional etiquette, etc.) intensive, subject specific tutoring, etc.		Completed
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
Cross trained job responsibilities for our deputy clerks.		Completed
Assisted with securing funding for the Little Rock Youth Diversion Program.		Completed
Further refine our probation department service for youth and code enforcement cases.		Ongoing

2018 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.	
Further refine our probation department service for youth and code enforcement cases.	
Obtain office space that will accommodate all staff in one building.	
Provide fair and impartial rulings for all cases.	
Transition our part-time Environmental Court Assistant position to full-time.	



Department: District Court Environmental
Funding Source: General Fund
Budget: \$ 558,459

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.

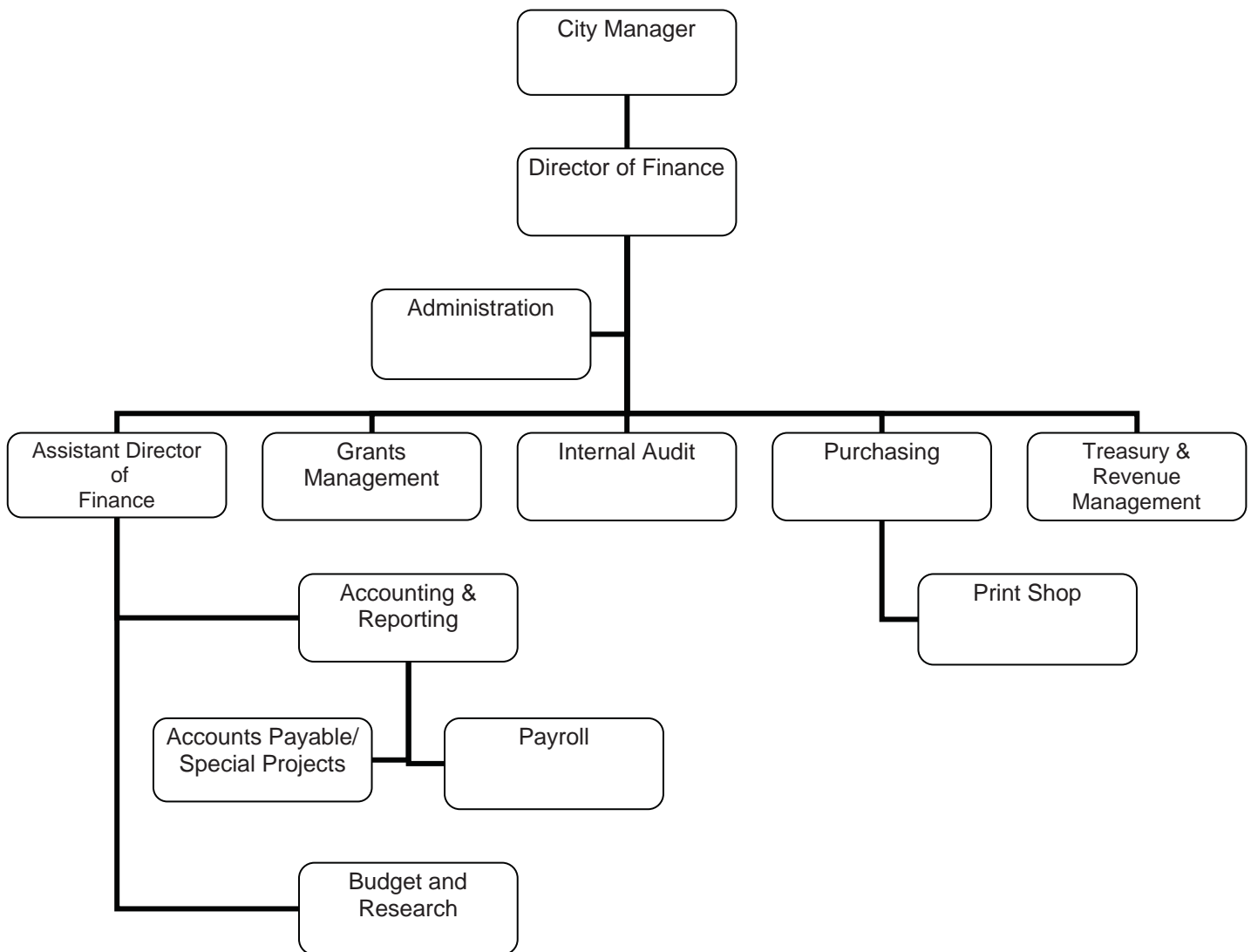
	<u>2016 Actual</u>	<u>2017 Budget</u>	<u>2018 Budget</u>
Objective: To process 100% of life-threatening violations within seven (7) days of the date citation is written.			
Demand: Citations to be processed.	100	100	100
Workload: Citations processed, recorded, and entered into computer.	100	100	100
Efficiency: Citations processed.	100	100	100
Effect/Outcome: Percentage of Citations processed within thirty (30) days.	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	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$2,735,719	\$2,874,284	\$2,864,625
Supplies and Materials	128,769	155,169	142,169
Contractual	319,023	257,130	268,011
Repairs and Maintenance	212,006	216,663	337,160
Total	\$3,395,517	\$3,503,246	\$3,611,965

Staffing

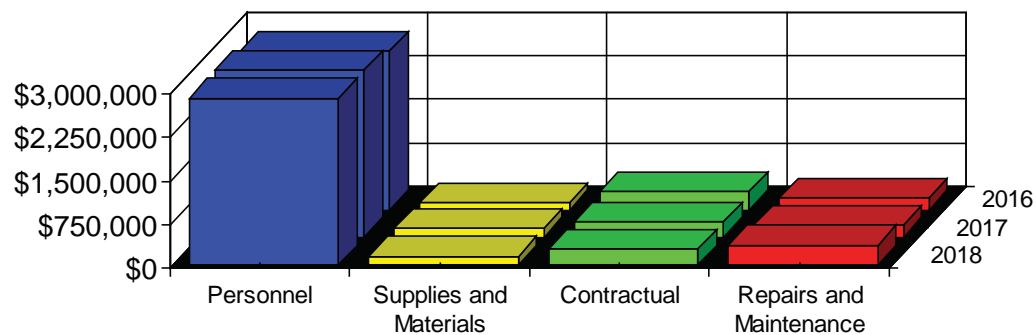
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The decrease in personnel cost is attributed to the elimination of the Budget Officer position following the retirement of the current employee in March 2018, partially offset by the reclassification of positions during 2017, and salary and benefit increases for employees in 2018. The Budget Officer position was eliminated and reductions in supplies and training and travel were required to help offset the cost of required increases for software maintenance and the annual audit contract in 2018.

Total Allocations By Fiscal Year And Account Category



Resources for Budget
100 General Fund

FY 18
Proposed
Budget

\$3,611,965

% Change
from
Prior Year

3.10%



Finance

2017 Department Priorities	Status
Initiate possible leasing plans for creative financing that will lessen the strain on the Fleet Budget while increasing purchasing opportunities for the City's fleet. In addition, Fleet Services, Finance and Little Rock Police Department (LRPD) will develop a proposal for a Strategic Vehicle Replacement Plan that will address the replacement of older patrol units in the Police Department. The goal is to annually retire and replace 20% of the older patrol units over the next five (5) years. Finance and Fleet will coordinate an RFQ to obtain a Consultant to perform a specialty audit/review of Fleet operations and to assist staff with development of a Five (5)-Year Vehicle Replacement Plan, development of Fleet Service Agreements addressing the specific needs of City Departments, and evaluating opportunities for process improvements.	Ongoing
Staff will work to obtain the Government Finance Officers Association (GFOA) Certificate of Recognition for the 2017 Budget Preparation and the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 2016 Comprehensive Annual Financial Reports (CAFR).	Completed
Staff will coordinate with other City Departments to update program inventories based on the 2017 Budget for review sessions in the fall. This program will be continued on an annual basis.	Ongoing
Continue efforts to implement an Integrated Budget Module for the City's financial system.	Ongoing
Internal Audit will prepare a 2017 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 updated 2017 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
Staff will continue to work closely with Information Technology and system users across the City to complete the upgrade of the Lawson/Infor system to the Version 10 platform.	Completed
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. In order to prepare for the issuance of a second series of bonds, Treasury Management will work with financial underwriters to ensure that the collection rate of the dedicated 3.0 mill tax levy is adequate to meet annual debt service requirements. In addition, Finance will work with Public Works to determine the appropriate timing of a second series of bonds to ensure funds would be expended in a timely manner in conjunction with completion of projects funded by the 2013 Bond Issue and 2012 3/8-Cent Sales Tax.	Ongoing
Update the City's investment policy to include GAAP requirements. This policy applies to the investments of all monies held in City accounts and under control of the City's Board of Directors, that are not needed for the near term payment of obligations.	Completed



Finance

2017 Department Priorities (Continued)	Status
Request proposals from qualified firms to conduct an audit of franchise fee collections and compliance with franchise agreements. The selected firm will conduct an audit of the City's various franchise utility providers collecting taxes and/or fees on the City's behalf. 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.	Ongoing
Purchasing will continue to create and maintain a repository of procurement-related contracts and will advance implementation of recommendations resulting from the project with Harvard's Government Performance Lab, including further modifications to the procurement policy and development of contract templates by type to facilitate annual purchase orders, construction contracts, copier leases, and special contracts. In addition, staff will conduct City-wide buyer and vendor training, conduct spend and trend analysis, and work to aggregate spending and contracts where opportunities exist to improve cost and efficiency.	Ongoing
Collaborate with the City Attorney's Office to amend the current false alarm agreement, to reduce the compensation rate paid to the third party service provider on accounts delinquent 90-days or more. Staff recommends that the third party service provider forward all 90-day delinquent account information to the City for further debt collection efforts to generate additional cost savings for the City.	Completed
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
Coordinate 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. Continue to update the Grant Compliance Manual to include requirements of new Office of Management and Budget circulars as the requirements are refined.	Ongoing
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.	Ongoing
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.	Ongoing
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.	Ongoing
Provide support and quarterly reporting to the LR Cent Committee and the Board of Directors regarding the status of the new one (1)-cent local sales tax revenues and the progress toward completion of capital projects authorized under the 3/8-cent portion of the tax.	Ongoing
Conduct a Board of Directors Pre-Budget Planning/Priority Session in the fall to review Departmental Program Budgets.	Completed



Finance

2018 Department Goals

Initiate possible leasing plans for creative financing that will lessen the strain on the Fleet Budget while increasing purchasing opportunities for the City's fleet. In addition, Fleet Services, Finance and Little Rock Police Department (LRPD) will develop a proposal for a Strategic Vehicle Replacement Plan that will address the replacement of older patrol units in the Police Department. The goal is to annually retire and replace 20% of the older patrol units over the next five (5) years. Finance and Fleet will coordinate an RFQ to obtain a Consultant to perform a specialty audit/review of Fleet operations and to assist staff with development of a Five (5)-Year Vehicle Replacement Plan, development of Fleet Service Agreements addressing the specific needs of City Departments, and evaluating opportunities for process improvements.

Staff will work 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).

Staff will coordinate 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.

Complete implementation of INFOR's Dynamic Enterprise Performance Management (d/EPM) budget solution purchased in 2017.

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.

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 will work with financial underwriters, bond counsel, and Public Works to determine the appropriate timing of the second series of bonds to ensure funds will be expended in a timely manner in conjunction with completion of projects funded by the 2013 Bond Issue and 2012 3/8-Cent Sales Tax. It is anticipated that issuance will occur in late 2018 with proceeds available for expenditure in 2019.

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.



Finance

2018 Department Goals (Continued)

Purchasing will continue to enhance and maintain a repository of procurement-related contracts and will advance implementation of recommendations resulting from the project with Harvard's Government Performance Lab, including further modifications to the procurement policy. Staff will complete implementation of INFOR's Strategic Sourcing/Contract Management software purchased in 2017 to track expenditures on contracts and enhance our ability to enforce contract terms, increase accountability and aggregate spending for future trend analysis. In addition, staff will conduct Citywide buyer and vendor training.

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

Continue the grant training program on grant management and writing for all City Departments.

Coordinate 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. Continue to update the Grant Compliance Manual to include requirements of new Office of Management and Budget circulars as the requirements are refined.

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.

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.

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.

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.

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

The local Fire Pension and Relief Fund Board of Trustees has indicated a desire to consider merging administration with LOPFI in 2018. They have taken 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 would like to arrange an information session for members of the plan and obtain a consensus before the Board takes final action. Finance Staff will begin preparation by gathering census information such as social security cards and marriage licenses that will be required in the event of a merger and by advising applicable members to update Qualified Domestic Relations Orders. In addition, Staff will facilitate the transfer of information and assets to LOPFI should the Fire Pension Board of Trustees and the City Board approve the consolidation.



City of Little Rock, Arkansas

Finance

Department: Finance
Funding Source: General Fund
Budget: \$3,611,965

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.

	<u>2016 Actual</u>	<u>2017 Budget</u>	<u>2018 Budget</u>
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.	1,820	1,500	1,500
Workload: Number of journal entries processed and completed.	1,820	1,500	1,500
Efficiency: Average number of journal entries processed and reviewed per month.	152	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.	76,108	100,000	75,000
Workload: Number of invoices processed, recorded, and completed.	75,668	100,000	100,000
Efficiency: Number of invoices processed per hour.	36	49	36
Effect/Outcome: Percentage of invoice payments issued within 30 days.	95%	95%	95%



City of Little Rock, Arkansas

Finance

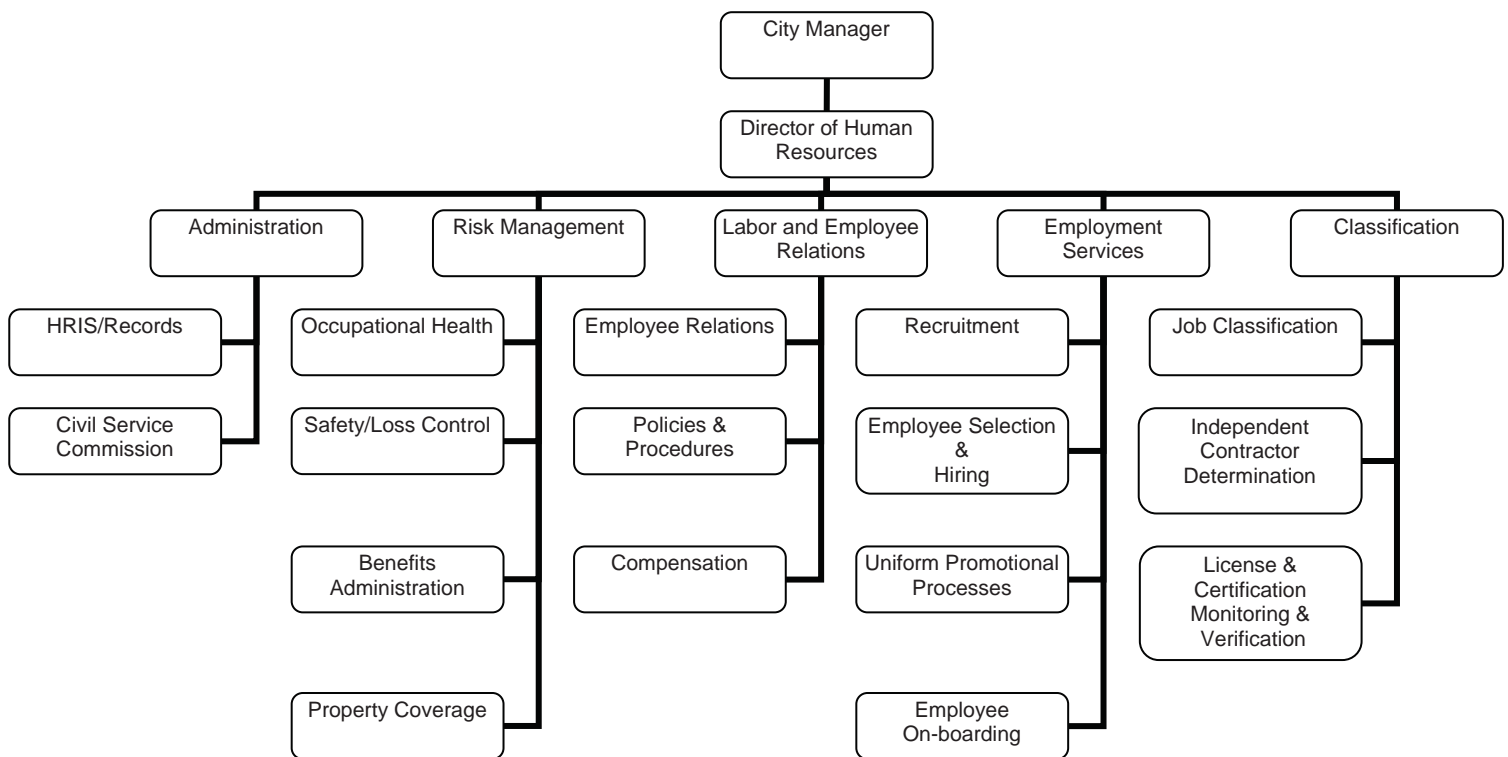
	2016 <u>Actual</u>	2017 <u>Budget</u>	2018 <u>Budget</u>
Objective: To provide and maintain a systematic method of accounting for and controlling City's assets.			
Demand: Number of departmental annual asset inventory counts scheduled.	41	41	41
Workload: Number of addition, retirement, and depreciation, transfer, and adjustment transactions processed.	37,515	30,000	35,000
Efficiency: Number of departmental asset inventory counts completed.	41	41	41
Efficiency: Transactions processed per month.	3,126	2,500	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.

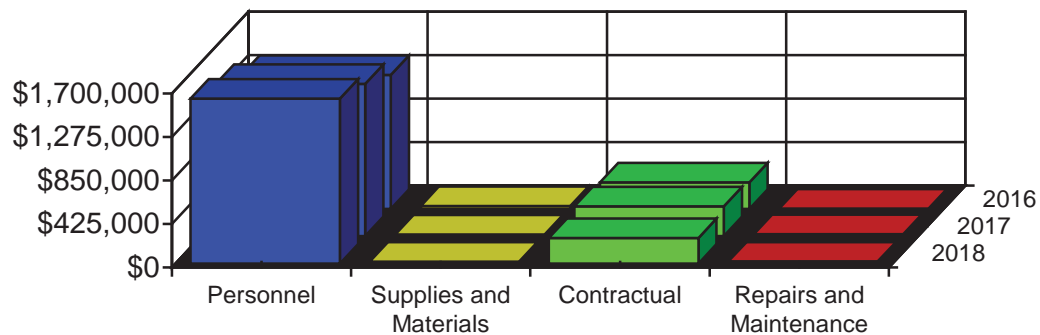
Human Resources

Description	Expenditure Budget		
	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$1,308,547	\$1,488,159	\$1,613,128
Supplies and Materials	28,650	17,200	17,200
Contractual	261,097	290,692	250,692
Repairs and Maintenance	3,731	21,491	19,736
Total	\$1,602,026	\$1,817,542	\$1,900,756

Staffing	20	20	22
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Approximately \$125,000 of the personnel cost increase is attributed to the addition of a Human Resources Specialist and a Benefits Analyst during 2017 and salary and benefit cost increases for 2018. Reductions in repairs and maintenance, outside legal costs and contracts of approximately \$42,500 help to offset the cost of the new positions.

Total Allocations By Fiscal Year And Account Category



	FY 18 Proposed Budget	% Change from Prior Year
Resources for Budget		
100 General Fund	\$1,900,756	4.58%



2017 Department Priorities		Status
Expand training opportunities to employees with emphasis on supervisors.		Completed
Provide quarterly reports to the Board of Directors on Health Care data and cost containment strategies.		Completed
Research findings from Police Officer Selection Audit for possible implementation.		Completed

2018 Department Goals
Update language on all job descriptions to ensure compliance with the Arkansas Medical Marijuana Act (AMMA)
Review and update the list of classifications subject to the random drug testing program.
Conduct 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.
Develop an effective FMLA monitoring system for tracking FMLA usage.
Develop a Wellness Program that will assist in driving down healthcare cost and keep employees engaged.



 Human Resources

Department: Human Resources
Funding Source: General Fund
Budget: \$1,900,756

Department Description:

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

	<u>2016 Actual</u>	<u>2017 Budget</u>	<u>2018 Budget</u>
Objective: To administer benefit programs provided for city employees, including insurance coverage and to ensure that quality benefits are provided within financial and legal constraints. Demand: Total Enrollment meetings. Workload: Number of enrollment meetings conducted. Efficiency: Completed enrollment meeting materials by contract/payroll deadlines. Effect/Outcome: Percentage of enrollment materials completed by payroll and Contract targets.	20 20 100% 100%	20 20 100% 100%	20 20 100% 100%
Objective: To receive process and maintain job descriptions and job specifications for City classifications. Demand: Number of active job classifications. Workload: Number of classifications requests or new position requests per year (includes LRCVB). Efficiency: Complete research and submit completed documents for review by requesting department within 60 days. Effect/Outcome: Average number of days to complete research and submit proposed job descriptions/specification.	448 191 24 24	455 210 60 60	475 249 60 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. Workload: The number of actual positions which were processed (i.e. posted, screened/tested, and referred). Efficiency: Number of all applicants for posted full-time positions. Effect/Outcome: Average number of days to submit/refer a list (from the receipt of a requisition to the referral of a list).	20 305 21,802 16	20.97 375 19,910 12.5	15 300 19,000 15



Human Resources

Objective: Provide a cost-effective self-funded Workers' Compensation program which meets legal requirements and to reduce the City's risk of loss due to accidents.			
Demand: Year to date cost per claim.	\$2,601	\$2,604	\$6,396
Workload: Number of claims.	339	341	251
Efficiency: Percentage of claims properly reported to the Workers' Compensation Commission within the ten (10) day requirement.	100%	100%	100%
Effect/Outcome: Proper claim management driven by on time reporting percentages.	100%	100%	100%
Objective: Ensure that City property is protected and restored in the event of casualty, vandalism, theft or other destructive acts and to minimize the impact of loss of property on the operating department responsible for the property.			
Demand: Approximate building valuation (in millions).	468	495	500
Workload: Actual Value.	468	495	500
Efficiency: Maintain or improve coverage without Unnecessary increase in premium rates.	1%	5%	1%
Effect/Outcome: Percent increase in premium rates.	1%	5%	1%

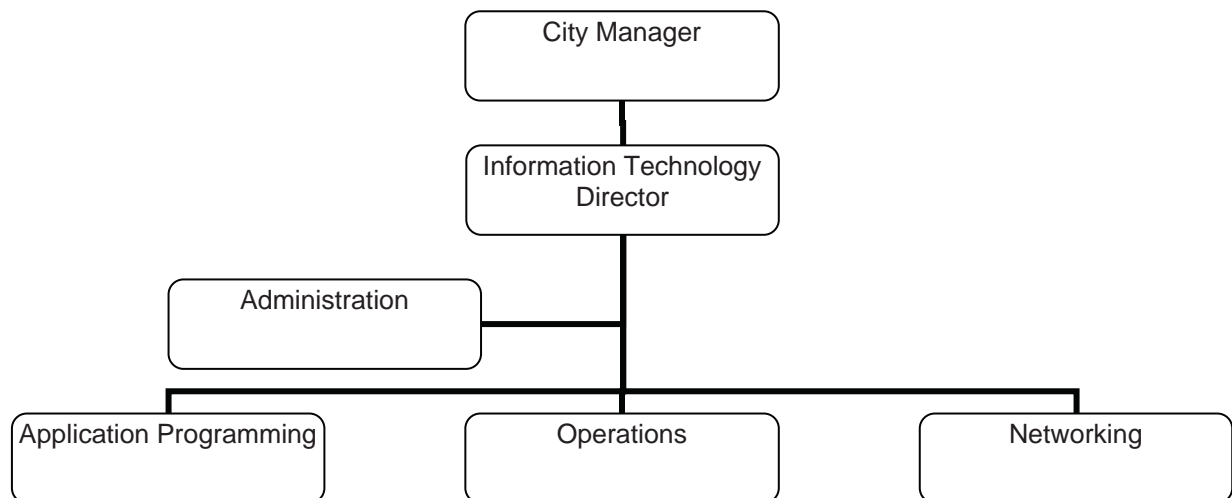
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for Basic City
 Services and Quality of Life.**



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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	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$2,810,009	\$3,206,334	\$3,409,564
Supplies and Materials	97,792	149,374	147,004
Contractual	625,153	616,346	537,656
Repairs and Maintenance	477,530	839,583	1,061,081
Capital	(193,646)	252,000	—
Transfers	626,000	—	—
Total	\$4,442,838	\$5,063,637	\$5,155,305

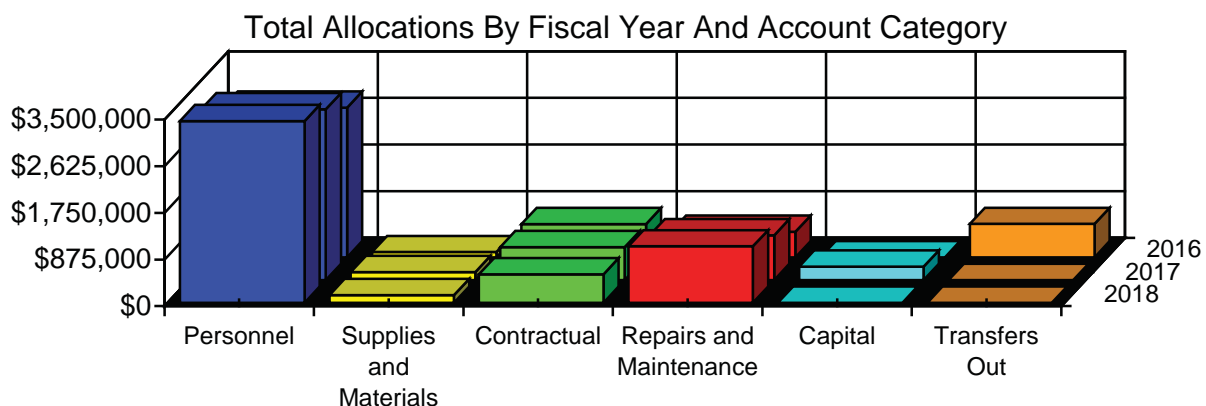
Staffing

39

39

39

Approximately \$203,000 of their related personnel cost increase is attributed to the reclassification of positions and salary and benefit cost increases. The increase in repairs and maintenance reflects the cost of maintenance for the Active - Active system and Phase One of the 911 CAD hardware maintenance. The reductions in contracts and capital outlay were required to help offset other cost increases in the City's budget.



Resources for Budget
100 General Fund

FY 18
Proposed
Budget

\$5,155,305

% Change
from
Prior Year

1.81%



Information Technology

2017 Department Priorities	Status
Create a Strategic Plan for the Information Technology Department that uses industry standards and best practices.	On-going
Create performance measurement goals for the Information Technology Department.	On-going
Work with City Manager's office to purchase and implement performance measurement system; contingent upon funding.	Complete
Work with Finance Department to purchase and implement contract management system; contingent upon funding.	On-going
Work with Fleet Department to purchase and implement asset management system. If possible, add bar code tracking of computer equipment for all departments; contingent upon funding.	On-going
Design and implement changes necessary in the Time Management System and Helpdesk for Information Technology performance measurement data analysis.	On-going
Redesign and integrate the Parks, Zoo and Building Services Work Order systems to allow for mobile access and ease of maintenance.	On-going
Design and implement a ground transportation tracking system to replace various Excel spreadsheets to enable better reporting capabilities.	Complete
Ability to retrieve Police personnel information on mobile/web application in the field.	On-going
Work with Arkansas Office of Courts with a new web interface to provide retrieval of adjudication information for updates back to Police Record Management System from Courts.	Complete
LRPD, LRFD, and LRIT will collaborate to research, outline, and implement a CAD (Computer Aided Dispatch) System (software, interfaces, components, etc.) that best serves the City of Little Rock and its citizens and visitors.	On-going
Continue to work with Little Rock Zoo and Parks staff to implement their new Point-of-Sale system. (Ongoing) Assist Planning & Development with technical specifications for a new software system for their Department. (Ongoing) Work with Finance and vendor to move the Lawson System to the latest version of the software. Replace approximately thirty (30) year old system which is currently in the facility. (Complete)	Lawson/Complete Other/On-going
Work with Little Rock Fire Department (LRFD) to update their Records Management System.	Complete
Assist the Community Programs Department with securing a Management Information System.	On-going
Upgrade and replace portions of the City's existing phone system to a Voice-Over Internet Protocol (VoIP) Phone System. Implement new phone contracts.	On-going
Work with vendor to execute franchise fiber to connect Northwest Police Station, Special Investigation Division and State Data Center West to City's network.	Complete



Information Technology

2018 Department Goals
Create a Strategic Plan for the Information Technology Department that uses industry standards and best practices.
Create performance measurement goals for the Information Technology Department.
Provide technical support to the Finance Department on implementation of the Lawson/Infor Contract Management module which was purchased in 2017.
Provide technical support to the Fleet Department on the implementation of the Lawson/Infor Asset Management system which was purchased in 2017.
Provide technical support to the Finance Department with the installation of the Lawson/Infor Budget module which was purchased in 2017.
Provide technical support to the Planning Department with the installation of the Lawson/Infor Planning modules which was purchased in 2017.
Design and implement changes necessary in the Time Management System and Helpdesk for Information Technology performance measurement data analysis.
Re-design and integrate the Parks, Zoo and Building Services Work Order systems to allow for mobile access and ease of maintenance.
Ability to retrieve Police personnel information on mobile/web application in the field.
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.
Provide technical knowledge and assistance to Little Rock Zoo and Parks & Recreation staff during the implementation of their new Point-of-Sale System.
System.
Upgrade and replace remaining portions of the City's existing phone system with the Voice-Over Internet Protocol (VoIP) Phone System.
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.
Addition of physical servers and related equipment to support the growth of virtual servers and new technology; provided funding is available.
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.
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.
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 the Little Rock Police Department, including the 911 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.
Coordinate with LRPD on the deployment of new technology in vehicles/mobile.
Upgrade of existing Impound software to allow for use with iPad and overall streamlining of process.
Research and provide technical support in creating automated means for updating the data sets on the City's Open Data Portal.



Department: Information Technology
Funding Source: General Fund
Budget: \$5,155,305

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.

	2016 Actual	2017 Budget	2018 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.	8,745	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.	7,748	8,300	8,300
Workload: Number of ticket processed within the year.	7,498	8,300	8,300
Efficiency: Number of satisfactory or better tickets.	7,360	8,247	8,247
Effect/Outcome: Percent of satisfactory or better rated tickets.	95%	99%	99%

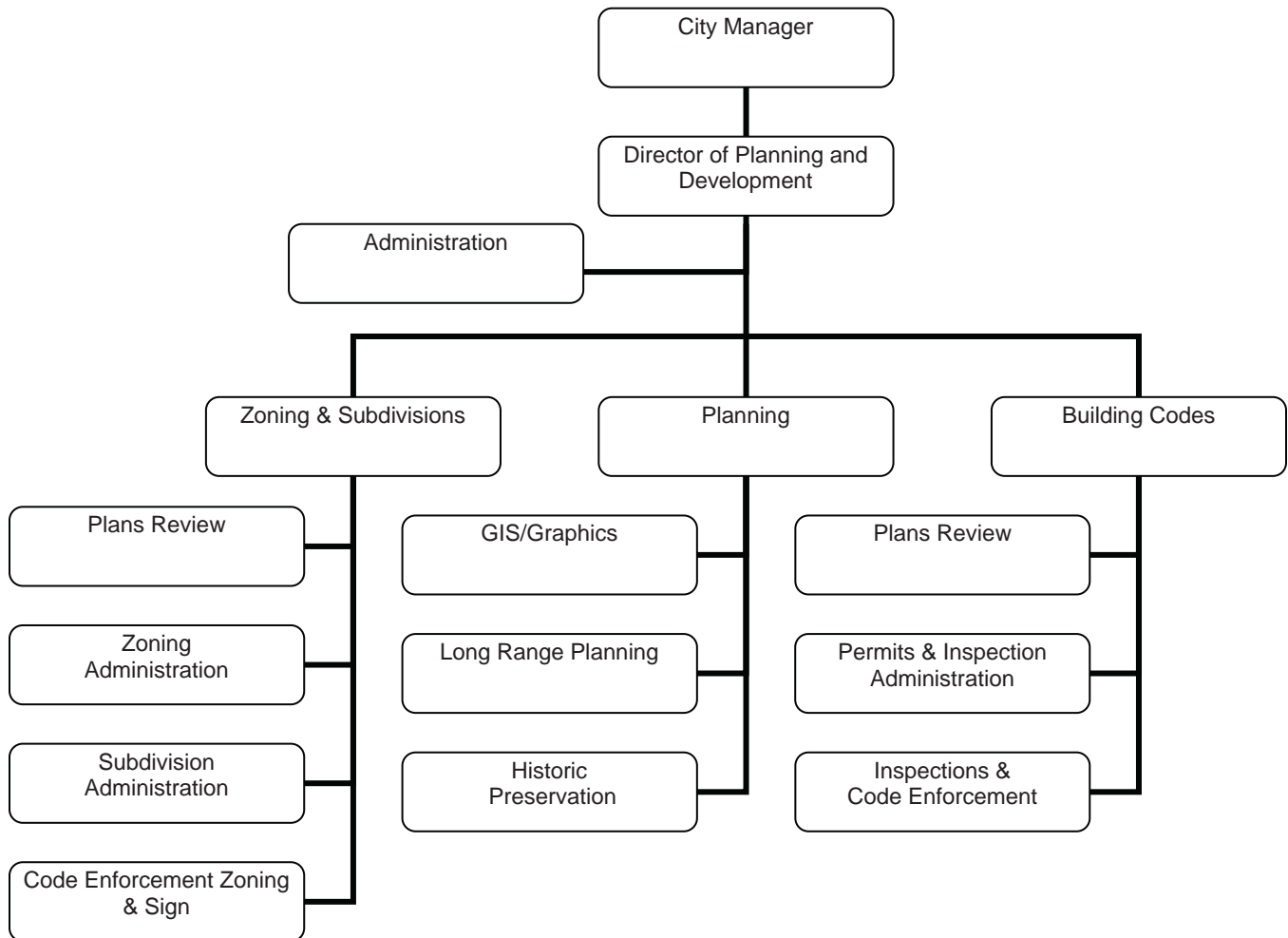
The departmental goals and objectives link with the
Board of Directors Statement of Management Policy for Basic City Services.



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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	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$2,120,266	\$2,365,453	\$2,440,207
Supplies and Materials	55,135	70,326	48,033
Contractual	56,547	68,792	73,595
Repairs and Maintenance	64,793	68,962	97,430
Total	\$2,296,740	\$2,573,533	\$2,659,265

Staffing

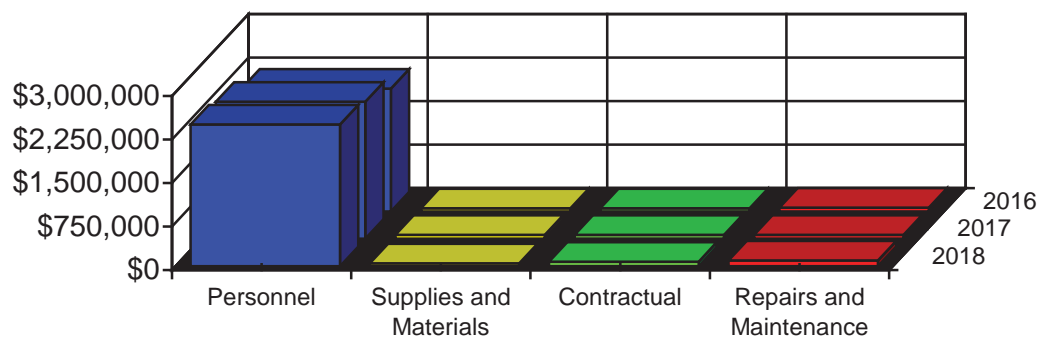
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Approximately \$75,000 of the personnel cost increase is attributed to salary and benefit cost changes and anticipated retirement payouts. The increase in utilities is primarily for data service for iPads and cell phones utilized by field inspectors. The increase in fleet charges is primarily due to increased fuel prices. Other reductions were required to help offset other cost increases in the City's budget.

Total Allocations By Fiscal Year And Account Category



Resources for Budget
100 General Fund

FY 18
Proposed
Budget
\$2,659,265

% Change
from
Prior Year
3.33%



2017 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
Continue the development of the second phase of the historic site web application, Story Map. (Completed) Begin work with the Little Rock Historic Commission on a possible demolition by neglect ordinance. (Ongoing) Continue to work with the Preservation Implementation Committee of the Historic District Commission. (Ongoing)	Other (Please Explain)
Land Use Plan Review: Started and completed the review of the area west of I-430 and south of the Chenal Parkway. (South area Completed) Begin the initial work for the review of the area west of I-430 and north of the Chenal Parkway. (North area ready for public hearing on hold for Highway 10 review)	Other (Please Explain)
Coordinated with Planning Commission, City Beautiful Commission and Board of Directors any needed zoning, subdivision and landscape ordinance amendments.	Completed
Staff will review and process approximately 230 requests for rezoning, conditional uses, variances, preliminary plats, tower use permits, street name changes and planned developments.	Completed
Adopt the 2017 National Electrical Code (Completed), the Arkansas Mechanical Code and Arkansas Plumbing and Gas Codes. (The Arkansas Codes are subject to State adoption.) (Ongoing) Review the Arkansas 2014 Energy Code for possible amendments. (Ongoing)	Other (Please Explain)
Continue 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
Complete the applications for Housing and Neighborhood Programs (external application completed, internal application waiting on feed back from Housing & Neighborhood Programs) and Phase II of the historic sites application, Story Map. (Completed) The standardization of graphic output for GIS will be completed. (Ongoing-50-70% completed)	Other (Please Explain)
Begin work on the implementation phase of the Jump Start Plan, including the on-going data collection and reporting. (Ongoing) Start work on the review of Downtown focusing on transportation and development issues in response to the 30 crossing project. The review could result in possible amendments to various (long-range) plans, including the Master Street Plan. (Ongoing-initial inventory complete. Waiting on 30 Crossing recommendations) Wright Avenue Neighborhood Plan - possible assistance related to the plan's implementation efforts. (On Hold at Neighborhood request)	Other (Please Explain)
Continue to stay engaged with the on-going planning process and coordinate assistance from the Nelson/Nygaard team when needed.	Ongoing
Complete the process for a new permitting software vendor and the implementation of the new software.	Ongoing



2018 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.
Begin work with the Little Rock Historic Commission on a possible demolition by neglect ordinance.
Adopt the Arkansas Mechanical Code and Arkansas Plumbing and Gas Codes. (The Arkansas Codes are subject to State adoption.) Review the Arkansas 2014 Energy Code for possible amendments.
Continue the effort to address the issue of unsafe structures.
Continue to be involved with the Main Street Revitalization Committee and Subcommittees (Downtown Little Rock Partnership).
Prepare a study of the Highway 10 Design Overlay District. Study to provide recommendations for changes in the future land use plan for the corridor.
Continue work on refinements to the historic application – adding features and graphics. Complete scans of all Final Plats, currently ‘cleaning’ the scans for 2018.
Review and process approximately 230 requests for rezoning, conditional uses, variances, preliminary plats, tower use permits, street name changes and planned developments.
Prepare a downtown master plan that will incorporate the I-30 corridor.
Continue to be engaged with the on-going planning process and coordinate assistance from the Nelson Nygaard Team when needed.
Complete the process for a new permitting software vendor and the implementation of the new software. Full implementation by March 2017.
Coordinate with Tischler-Bise and complete the study by the fourth quarter of 2018.
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.
In connection with the review of the processes and potential code revisions, prepare report for revisions to organizational chart as needed.
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. Link server data to open data portal.



Department: Planning and Development
Funding Source: General Fund
Budget: \$2,659,265

Department Description:

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

	2016 Actual	2017 Budget	2018 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.	29	30	30
Workload: Land Use, Historic District, and River Market District cases processed.	29	30	30
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.	14,943	14,000	14,200
Workload: Building, Plumbing Mechanical, and Electrical inspection requests completed.	14,943	14,000	14,200
Efficiency: Inspection requests completed per year.	14,943	14,000	14,200
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.	5,500	5,200	5,500
Workload: Zoning, subdivision and sign code inspections, and re-inspections completed.	5,500	5,200	5,500
Efficiency: Cases processed per year.	5,500	5,200	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.	280	230	280
Workload: Total Cases available per year.	280	230	280
Efficiency: Cases processed per year.	280	230	280
Effect/Outcome: Compliance and completion of cases.	100%	100%	100%

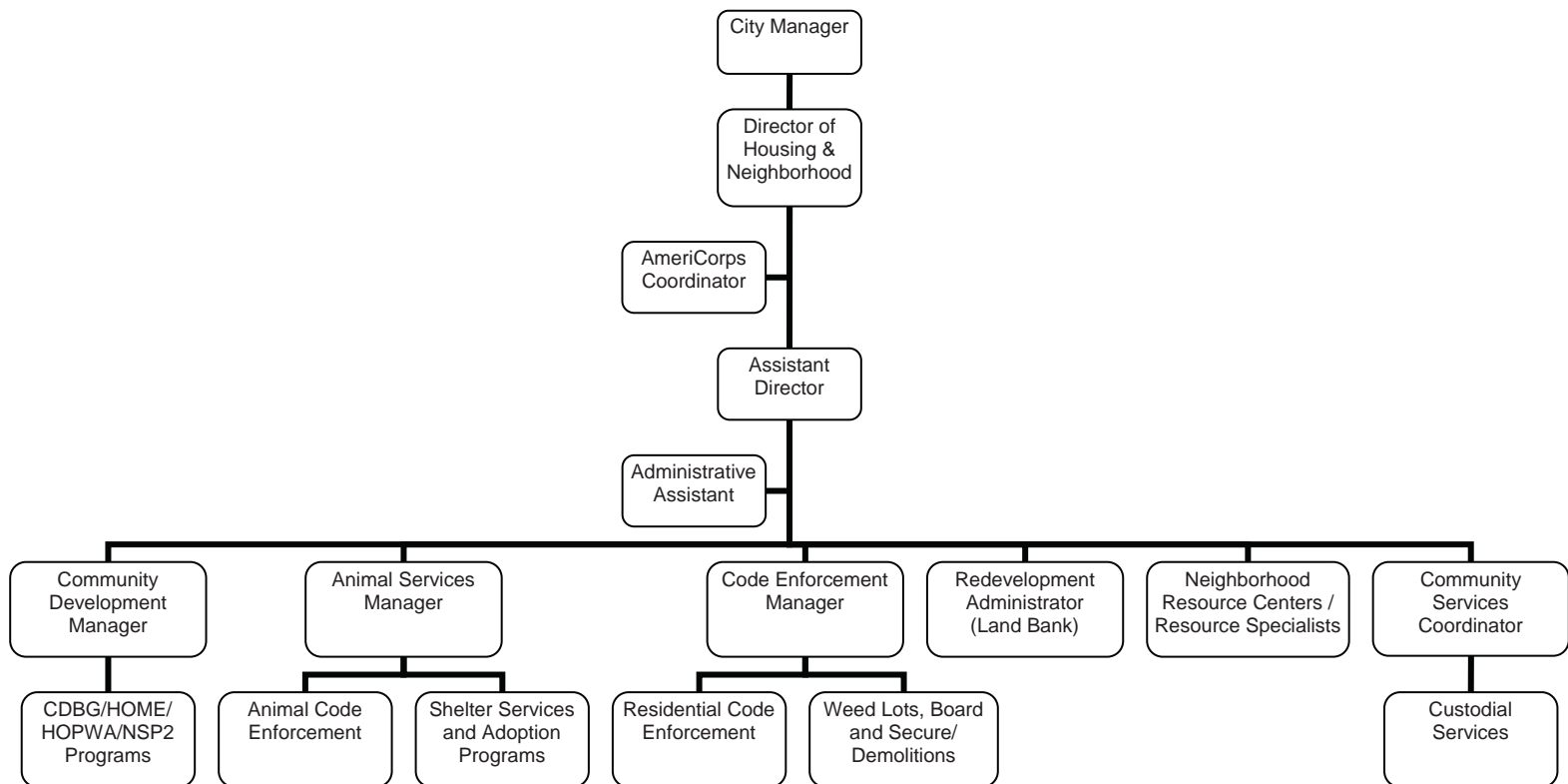
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for
 Basic City Services.**



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Housing & Neighborhood Programs



Mission Statement

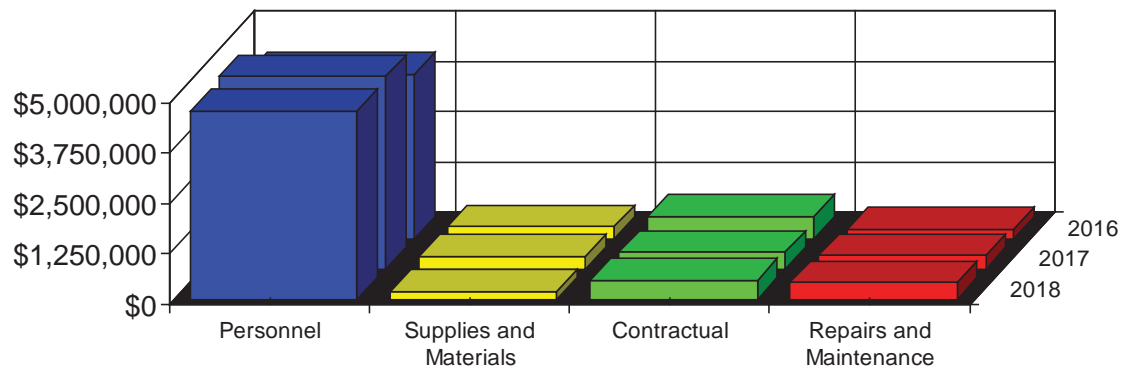
To enhance the quality of life for the citizens of Little Rock by encouraging quality, affordable development and redevelopment while working closely with neighborhood organizations to identify resources needed to strengthen and make improvements in their areas; and to protect the health and safety of the citizenry through the efficient implementation and enforcement of environmental and animal services codes.

Housing and Neighborhood Programs

Expenditure Budget			
	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Description			
Salaries and Employee Benefits	\$4,076,800	\$4,783,515	\$4,691,560
Supplies and Materials	291,415	311,988	202,794
Contractual	561,188	414,968	465,076
Repairs and Maintenance	242,971	333,693	420,587
Total	\$5,172,374	\$5,844,164	\$5,780,017

Staffing	105	105	107
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There was a decrease of approximately \$92,000 associated with the reclassification of two (2) code enforcement positions to CDBG, net of salary and benefit increases for 2018. Other changes reflect the increase in fuel cost, net of reductions required to offset other cost increases in the City's budget.

Total Allocations By Fiscal Year And Account Category

Resources for Budget	FY 18 Proposed Budget	% Change from Prior Year
100 General Fund	\$5,780,017	-1.10%



Housing and Neighborhood Programs

2017 Department Priorities	Status
Publish Departmental newsletter to disseminate to neighborhood associations and post on City's website.	Ongoing
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 20 Wheel Chair Ramp assistance projects.	Ongoing
Work with Land Bank Commission and staff to develop Public Service Announcements highlighting Land Bank properties.	Not Completed
Establish/conduct a Community Resource Housing Fair.	Completed
Establish an Environmental Court Inspection Team.	Completed
Complete fifty (50) units through Energy Conservation Rehabilitation Program.	Completed
Complete ten (10) new single-family structures utilizing Home Investment Partnership Program (HOME) funds.	Ongoing
Complete construction of quarantine area at Animal Village.	Ongoing
Implement a Foreclosure Registry Program (vendor has been selected and contract being drafted for web-based registry).	Ongoing
Create a video marketing land bank properties.	Not Completed
Complete an ordinance to regulate poultry within the city limits (issue scheduled to go before the Animal Village Advisory Board).	Other please explain
Complete thirty (30) homes under Limited Home Repair program.	Completed
Complete twenty (20) homes under the Emergency Assistance Grant program.	Completed



2018 Department Goals
Continue the publication of a department newsletter.
Complete 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.
Create 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.
Implement a Code Enforcement Mobile Home Inspection Training Class.
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.



Department: Housing and Neighborhood Programs
Funding Source: General Fund
Budget: \$5,780,017

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.

	2016 Actual	2017 Budget	2018 Budget
Objective: To inspect neighborhood rental property.			
Demand: Rental property to be inspected.	1,500	3,000	3,000
Workload: Rental property inspected.	1,256	3,000	3,000
Efficiency: Average Rental property inspected per month.	104	250	250
Effect/Outcome: Percentage of rental inspections completed yearly.	84%	100%	100%
Objective: To enforce nuisance codes through property inspections.			
Demand: Nuisance code inspections to be performed.	24,000	24,000	24,000
Workload: Nuisance code inspections performed.	19,485	24,000	24,000
Efficiency: Average nuisance code inspections done per month.	1,624	2,000	2,000
Effect/Outcome: Percentage of nuisance code inspections completed annually.	81%	100%	100%

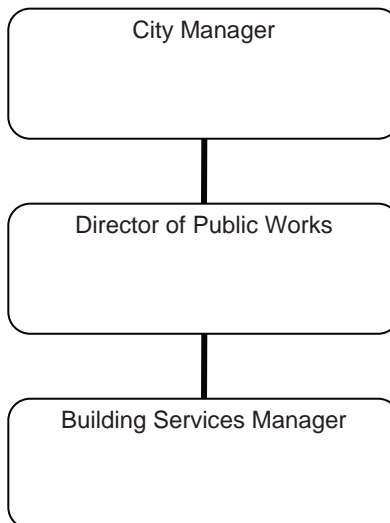
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for a
 Safe City and Basic City Services.**



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Public Works General Fund



Mission Statement

To ensure all construction, remodeling and repairs of City owned buildings are construction according to plans and specifications in the most economical, environmentally friendly manner.

Public Works General Fund

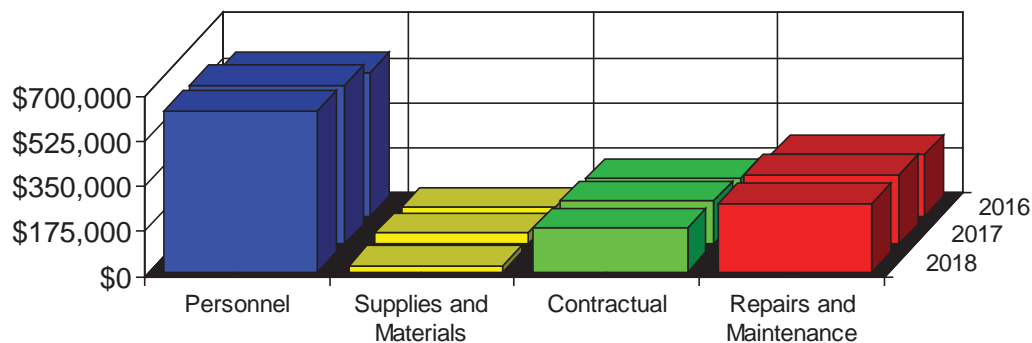
Expenditure Budget - General Fund

Description	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$562,476	\$622,662	\$630,966
Supplies and Materials	35,232	45,020	27,300
Contractual	145,930	167,924	173,073
Repairs and Maintenance	239,844	273,104	268,915
Total	\$983,482	\$1,108,710	\$1,100,254

Staffing	13	12	12
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Approximately \$8,300 of the increase in personnel cost is attributed to salary and benefit cost increases for 2018. A reduction in heating and cooling system maintenance was required to help offset other cost increases in the City's budget.

Total Allocations By Fiscal Year And Account Category



Resources for Budget
100 General Fund

FY 18 Proposed Budget	% Change from Prior Year
\$1,100,254	-0.76%



2017 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

2018 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: \$ 1,100,254

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.

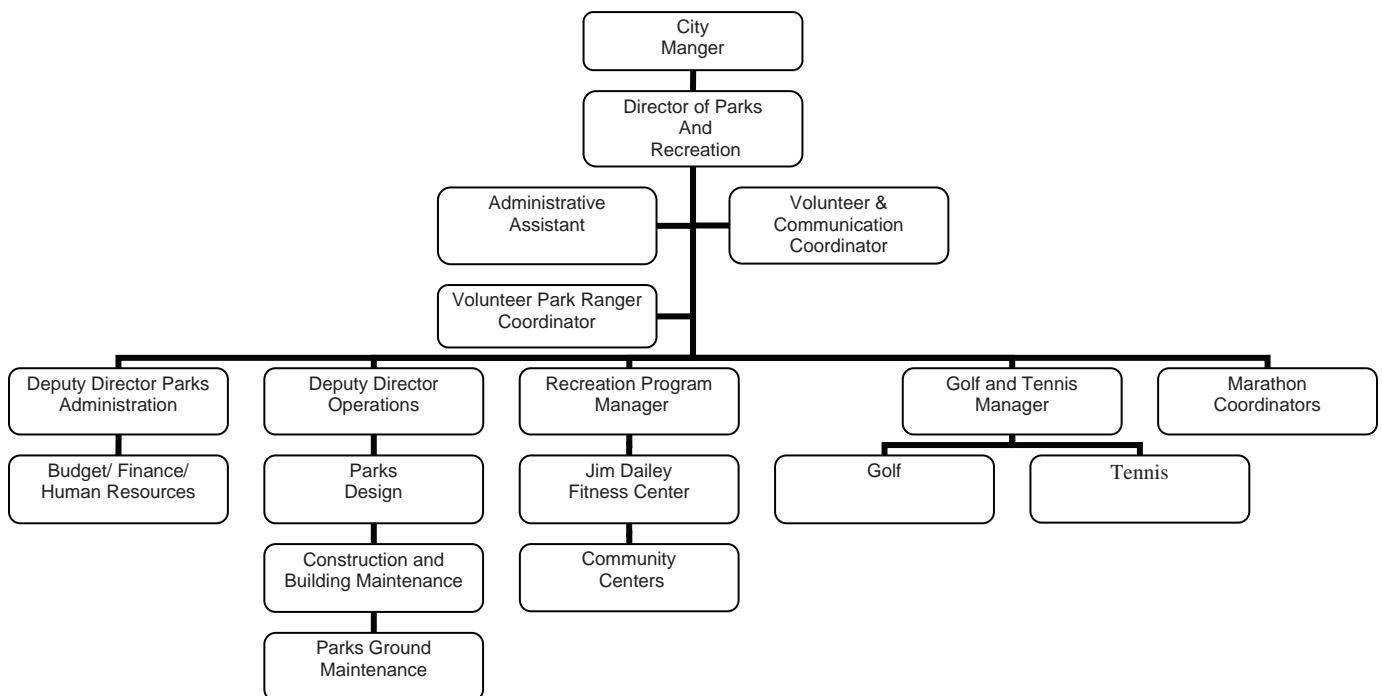
	2016 Actual	2017 Budget	2018 Budget
Objective: To complete all building-related service work orders in a timely fashion.			
Demand: Work orders to be completed from City departments.	1,500	1,600	1550
Workload: Work orders completed.	1,500	1,600	1550
Efficiency: Work orders completed per month.	125.00	133.33	129.16
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.

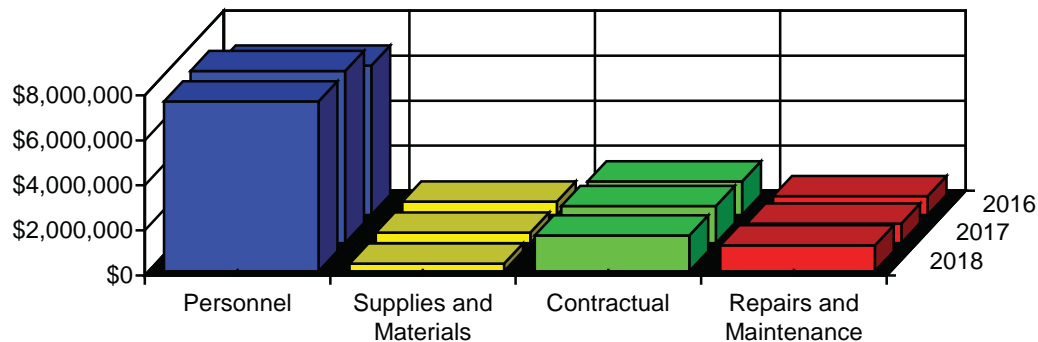
Parks and Recreation**Expenditure Budget**

Description	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$6,630,776	\$7,654,119	\$7,545,844
Supplies and Materials	584,584	469,003	342,944
Contractual	1,490,970	1,647,150	1,599,993
Repairs and Maintenance	830,459	868,209	1,148,532
Total	\$9,536,790	\$10,638,481	\$10,637,313

Staffing	127	130	128
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The decrease in personnel cost of \$108,300 is primarily due to the elimination of two positions associated with retirements (approximately \$100,000), reductions in part-time and overtime allocations (approximately \$178,000), net of salary and benefit cost increases for 2018. The increase in repairs and maintenance is for building and land maintenance required to adequately maintain park facilities. Other reductions were required to help offset cost increases in the City's budget.

Total Allocations By Fiscal Year And Account Category



	FY 18 Proposed Budget	% Change from Prior Year
Resources for Budget		
100 General Fund	\$10,637,313	-0.01%



Parks and Recreation

2017 Department Priorities	Status
Little Rock Parks and Recreation Master Plan: Update the 2001 Little Rock Parks and Recreation Master Plan and obtain City Manager and Little Rock Board of Director approval.	Ongoing
Park Maintenance Upgrade: Continue to maintain the City parks system at a Class "B" level, which has, as its goal, to mow parks one (1) time every ten (10) days.	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 Improvements: Increase 2017 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 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
Increased volunteerism support/hours to the Parks and Recreation Department by ten (10%) and host the Annual Volunteer Appreciation Luncheon.	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



Parks and Recreation

2018 Department Goals
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.
Park Maintenance Upgrade: Improve grounds maintenance by mowing our twenty largest parks once every seven (7) days while improving service levels to remaining parks.
MacArthur Park Master Plan: Continue the implementation of the MacArthur Park Master Plan. Continue working with the Mac Park Group to design and implement a barrier-free playground and other park amenities.
Western Hills Park Master Plan: Complete the Western Hills Park Master Plan.
Little Rock Marathon: Increase Little Rock Marathon participation and revenue by 10%.
Operate an eight (8) week Summer Playground Program at (8) sites around the City for youth between the ages of six (6) and fifteen (15).
Parks & Recreation Playground Inspection Program: Continue to conduct a thorough and detailed inspection of every playground and facility within the Parks and Recreation inventory.
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.
War Memorial Redevelopment Plan: Continue the refinement and implementation of the War Memorial Redevelopment Plan.
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.
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.
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.
Facility Maintenance: Allocate resources and manpower to improve maintenance of facilities within the Parks and Recreation Inventory and initiate a preventive maintenance plan.
Field Lighting Upgrade: Install new LED field lighting at Otter Creek Soccer Fields, Crump Park football and baseball field and Murray Park soccer fields.
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.
Riverfront Park Toddler Play Area: Renovate toddler play area at Riverfront Park by installing new play features, renovate park space and improve playground surfacing.
Recreation Program: Continue to increase participation in both youth and adult programming. Implement creative and innovative programming to continue to enhance services being offered. Utilize facilities to maximize community benefit and identify opportunities to generate revenue when facilities not being utilized.
Crump Park Improvements: Install field lighting at both the football and baseball field and initiate various other improvements.
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.



Parks and Recreation

Department: Parks and Recreation
Funding Source: General Fund
Budget: \$ 10,637,313

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.

	2016 Actual	2017 Budget	2018 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.	368,531	375,000	382,000
Workload: Recreational opportunities attended.	337,306	340,000	357,000
Efficiency: Average seasonal attendance.	75,898	76,000	80,000
Effect/Outcome: Percentage of attendance versus opportunities available.	92%	91%	93%
Objective: Design and manage assigned capital and operational projects.			
Demand: Manage 80+ active and pending projects monthly on average	86	83	88
Workload: Manage 50 active projects monthly on average	44	53	56
Efficiency: Percentage of active projects managed monthly	51%	63%	64%
Effect/Outcome: Total projects completed annually	18	52	55
Objective: Mow 20 premier parks once a week mow all other parks every 10 days.			
Demand: Number of desired mowing cycles.	22	22	30
Workload: Number of mowing cycles.	22	22	30
Efficiency: Number of monthly mowing cycles completed.	3	3	4
Effect/Outcome: Percentage of annual mowing cycles completed	100%	100%	100%

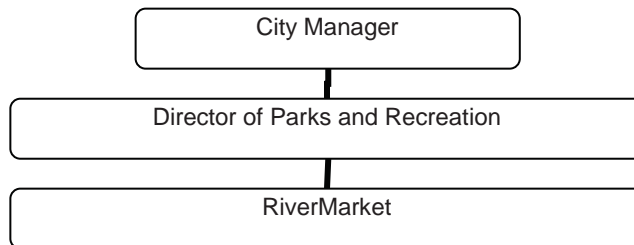
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for
 Quality of Life.**



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River Market



Mission Statement

The River Market strives to be a carefully crafted, intentional, and diverse medley of owner-operated shops, stalls, and/or day tables existing to fill a public purpose and reflecting that which is distinctive about a community while meeting its everyday shopping needs.

River Market**Expenditure Budget**

Description	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$629,132	\$573,660	\$627,021
Supplies and Materials	30,988	24,500	29,000
Contractual	466,249	503,680	570,694
Repairs and Maintenance	56,889	50,000	50,000
Total	\$1,183,258	\$1,151,840	\$1,276,715

Staffing

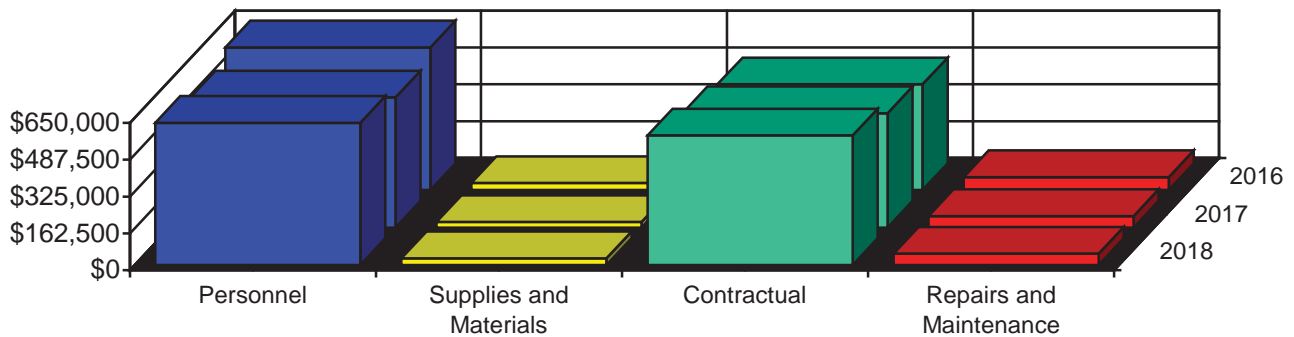
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Little Rock Convention and Visitor's Bureau (LRCVB) will continue to operate the RiverMarket in 2018.

Total Allocations By Fiscal Year And Account Category



Resources for Budget
100 General Fund

FY 18
Proposed
Budget

\$1,276,715

% Change
from
Prior Year

10.84%



River Market

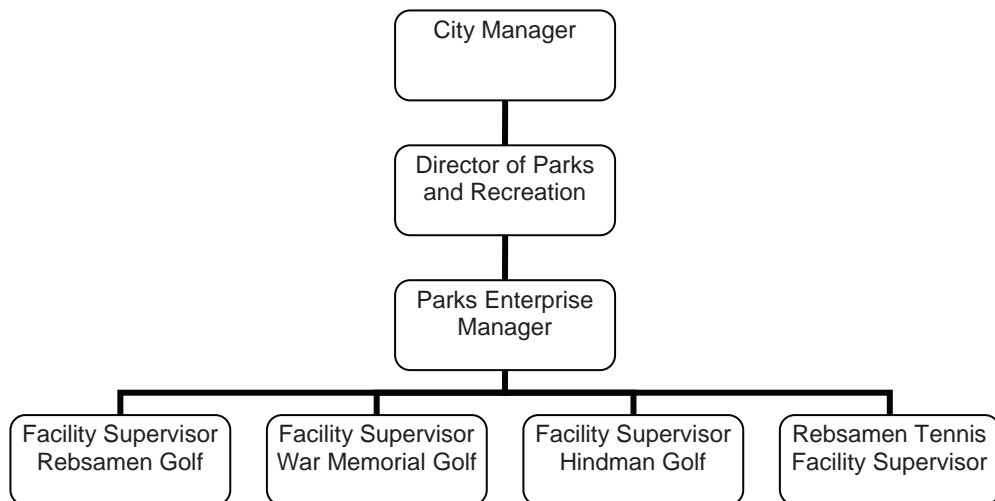
2017 Department Priorities		Status
Little Rock Convention and Visitors Bureau (LRCVB) will continue management of River Market operations on behalf of the City for 2017.		Complete
The City will continue to provide support to the River Market at the level of \$250,000.		Complete

2018 Department Goals
Little Rock Convention and Visitors Bureau (LRCVB) will continue management of River Market operations on behalf of the City for 2017.

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Golf



Mission Statement

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

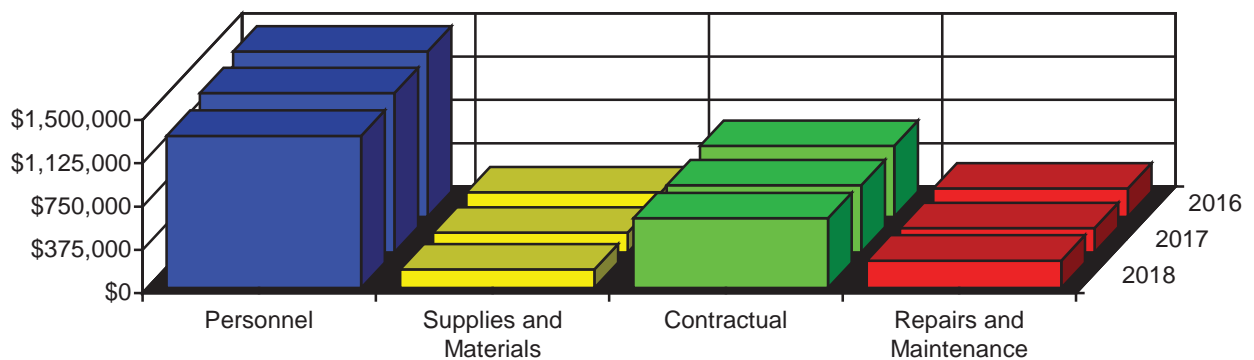
Golf**Expenditure Budget**

Description	2016	2017	2018
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$1,433,554	\$1,381,437	\$1,319,355
Supplies and Materials	212,235	172,207	159,996
Contractual	615,627	581,432	604,937
Repairs and Maintenance	246,190	211,062	237,011
Total	\$2,507,606	\$2,346,138	\$2,321,299

Staffing	22	22	21
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The reduction in personnel cost is primarily attributed to the planned retirement of an employee at War Memorial Golf. The elimination of the position and other reductions were required to help offset other cost increases in the City's budget.

Total Allocations By Fiscal Year And Account Category



	FY 18 Proposed Budget	% Change from Prior Year
Resources for Budget 100 General Fund	\$2,321,299	-1.06%



Golf

2017 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

2018 Department Goals
Maintain Rebsamen, Hindman and War Memorial Golf Course to established standards.
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.

Golf



Department: Golf
Funding Source: General Fund
Budget: \$ 2,321,299

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.

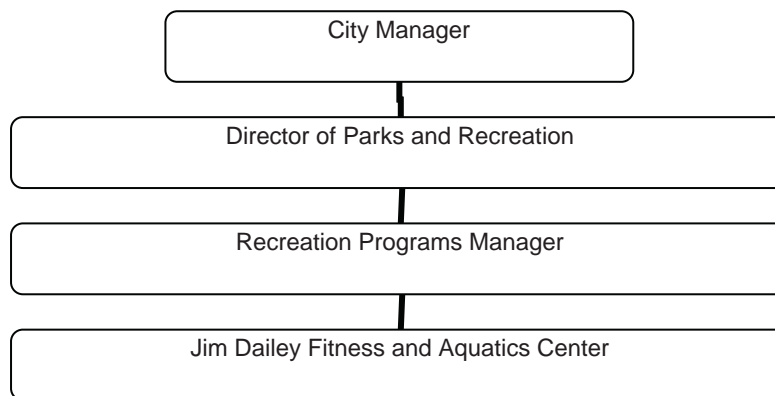
	2016 Actual	2017 Budget	2018 Budget
Objective: To provide affordable golfing experiences for the citizens of Little Rock.			
Demand: Projected golf rounds.	55,000	54,000	55,000
Workload: Actual golf rounds.	48,604	54,000	55,000
Efficiency: Average rounds per month.	4,050	4,500	4,583
Effect/Outcome: Percentage of actual rounds of golf.	88%	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	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$611,586	\$668,965	\$649,030
Supplies and Materials	39,914	41,117	40,733
Contractual	191,509	181,491	184,766
Repairs and Maintenance	53,473	30,087	33,651
Total	\$896,482	\$921,660	\$908,180

Staffing

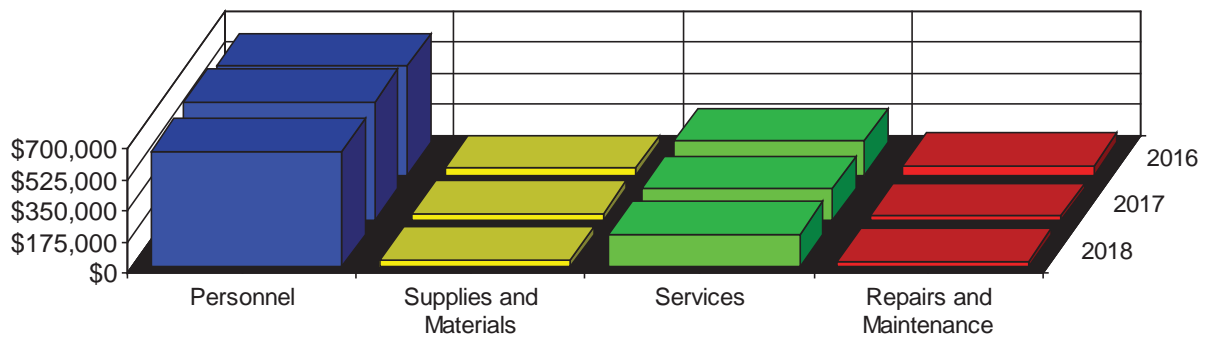
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9

Approximately \$20,500 of the decrease in personnel cost is attributed to a reduction in part-time activity assistants. This is partially offset by an increase in the cost of salaries and benefits for employees in 2018.

Total Allocations By Fiscal Year And Account Category



Resources for Budget
100 General Fund

FY 18
Proposed
Budget

\$908,180

% Change
from
Prior Year

-1.46%



2017 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

2018 Department Goals	
Increase membership through a variety of outreach programs and partnerships.	
Continue the partnership with state and federal agencies to create outdoor programming opportunities for members and their guests.	
Develop strategies for marketing and communication with the public to draw more patrons and increase memberships.	
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.	
Increase corporate membership to include more organizations in the Little Rock Area.	
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.	
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.	
Identify capital upgrades that will enhance the customer experience and will improve operations such as construction of a new hot tub and installation of shade structures for the outdoor pool.	
Purchase and install new recreation management software to help improve efficiency of membership transactions.	



Jim Dailey Fitness and Aquatic Center

Department: Jim Dailey Fitness Center
Funding Source: General Fund
Budget: \$ 908,180

Department Description:

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

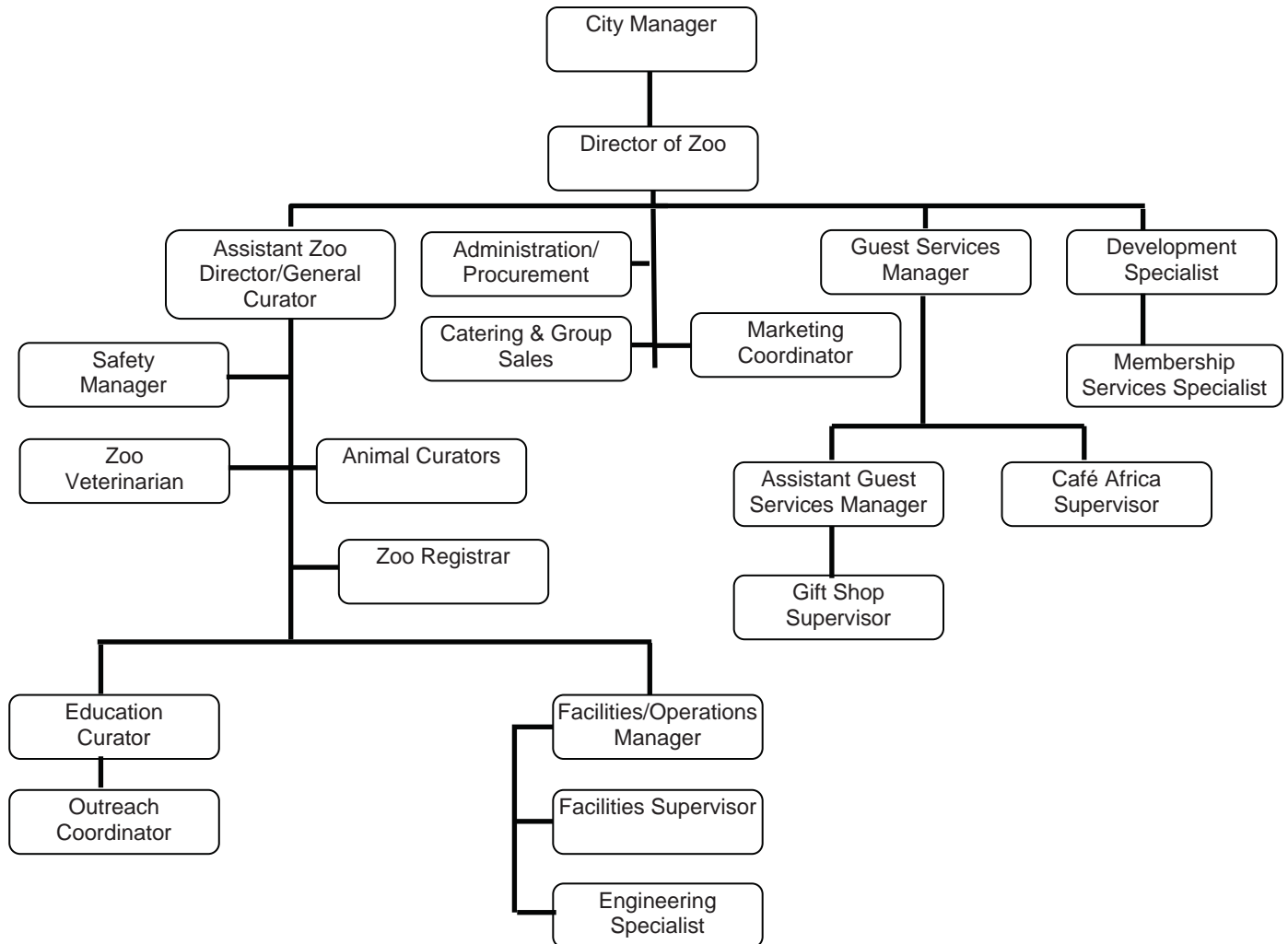
	<u>2016 Actual</u>	<u>2017 Budget</u>	<u>2018 Budget</u>
Objective: To provide a safe, healthy, and clean environment that offers a variety of aquatic, fitness and sport activities that will improve the health and fitness of the citizens of Little Rock at the Jim Dailey Aquatic and Fitness Center.			
Demand: Potential Program attendance capacity.	160,000	163,933	160,000
Workload: Actual program attendance.	110,016	110,000	110,000
Efficiency: Attendance per month.	9,168	11,381	9,167
Effect/Outcome: Percentage of actual attendance over potential attendance.	68%	67%	68%

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	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$3,930,492	\$4,038,274	\$4,112,090
Supplies and Materials	1,088,515	1,052,262	970,489
Contractual	1,174,135	1,266,389	1,270,198
Repairs and Maintenance	575,904	557,069	585,579
Capital Outlay	67,285	-	-
Total	\$6,836,332	\$6,913,994	\$6,938,356

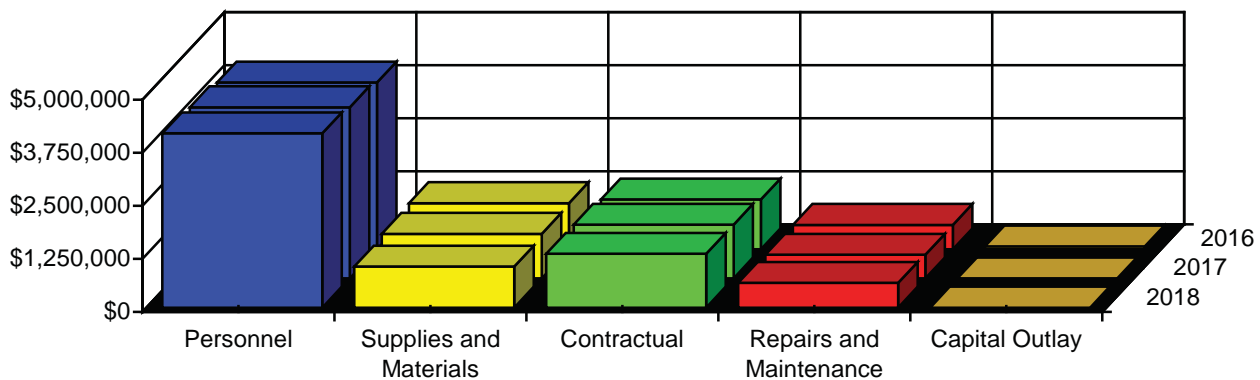
Staffing

61

62

63

Approximately \$74,800 of the increased personnel cost is associated with salary and benefit changes for non-uniform employees, net of the elimination of the Life Support Technician position and a reduction in part-time salaries in the gift shop. Reductions in gift shop supplies and merchandise and professional education were required to help offset other cost increases included in the City's budget.

Total Allocations By Fiscal Year And Account Category

Resources for Budget
100 General Fund

FY 18
Proposed
Budget

\$6,938,356

% Change
from
Prior Year

0.35%



Zoo

2017 Department Priorities		Status
Continue implementation of the Zoo's Master and Strategic Plan.		Ongoing
Perform maintenance and construction updates to the north tunnel area, west primates, and walls at otter/bush dog areas.		Completed
Construct a new restroom facility in the entry plaza.		Completed
Complete the Associations of Zoos and Aquariums (AZA) accreditation process.		Completed
Hire a Marketing Coordinator, Development Specialist, Safety Manager (Completed), and Marketing Development Assistant.		Ongoing
Maintain AZA accreditation.		Ongoing
Complete construction of gray water treatment plant to assist with water conservation.		Ongoing
Install a new Point of Sale (POS) system.		Ongoing
The Little Rock Zoo will develop a Conservation action plan.		Completed
The Little Rock Zoo will create an Education master plan.		Completed
Complete restoration of "Over the Jumps" carousel sleighs (grant project).		Completed
Complete construction of "Safari Relief Station" public restrooms (grant project).		Completed
Complete a feasibility study in joint venture with AZF to prepare for a capital campaign.		Completed
The Zoo endeavors to upgrade the lion exhibit enclosure.		Completed
Begin construction of a colobus/several exhibit.		Ongoing
Begin installation of new pathways throughout the Zoo (grant project).		Ongoing

2018 Department Goals	
Continue implementation of the Zoo's Master and Strategic Plan.	
Hire a Marketing Coordinator, Development Specialist and Marketing Development Assistant.	
Maintain AZA accreditation.	
Complete construction of gray water treatment plant to assist with water conservation.	
Install a new Point of Sale (POS) system.	
Zoo will complete Colubus/Serval exhibit.	
Complete Transportation Alternative Programs (TAPS) grant for new trailways inside zoo.	
Complete new interactive sensory garden.	
Complete upgrade to zoo amphitheater.	
Enhance customer service and guest experience.	
Improve education programming.	



Zoo

Department: Zoo
Funding Source: General Fund
Budget: \$6,938,356

Department Description:

The Little Rock Zoo provides educational and recreational opportunities in a fun environment that inspires people to conserve the natural world. The Zoo is accredited by the Association of Zoos and Aquariums (AZA) and displays more than 500 animals on 33 acres of beautifully landscaped parkland. The Zoo offers educational programming, special events, and other activities to entertain and educate the public. The zoo is a leading cultural attraction in central Arkansas.

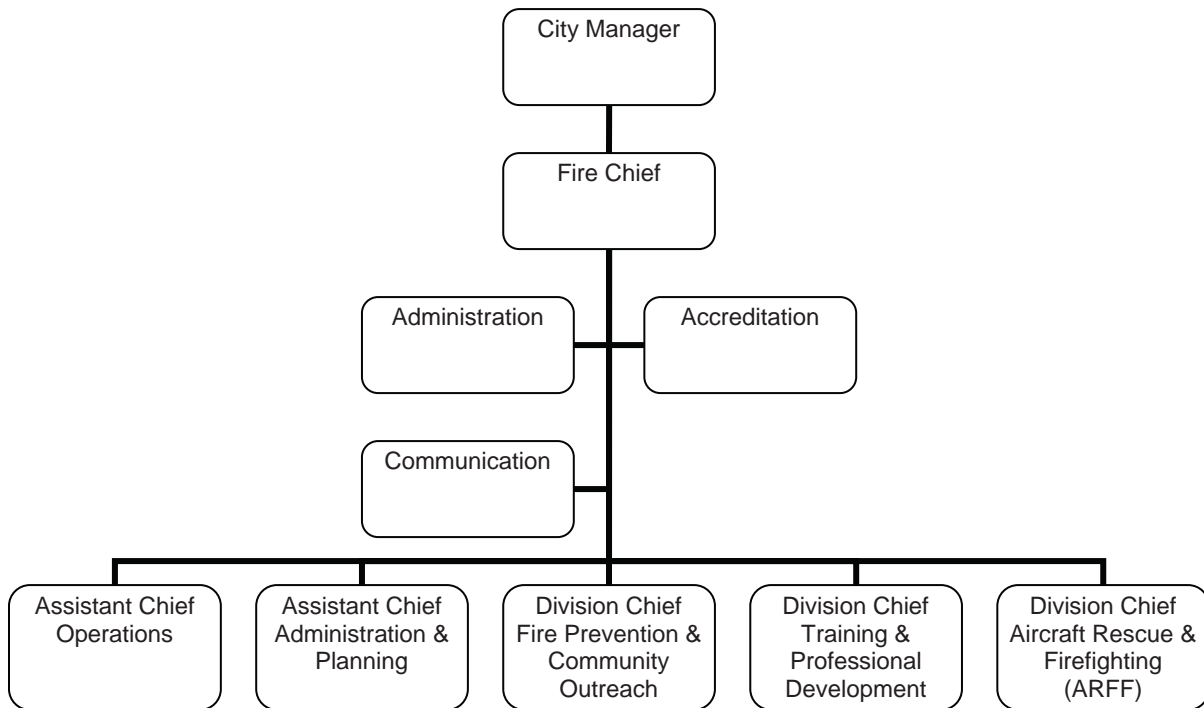
	2016 Actual	2017 Budget	2018 Budget
Objective: To track annual admission revenue.			
Demand: Anticipated annual admission revenue.	\$1,884,715	\$1,800,000	\$1,860,000
Workload: Actual annual admission revenue.	\$1,884,715	\$1,800,000	\$1,860,000
Efficiency: Average revenue per month.	\$157,060	\$150,000	\$155,000
Effect/Outcome: Percentage of workload over demand.	%100	100%	100%
Objective: To track annual membership sales.			
Demand: Anticipated annual membership sales.	\$543,167	\$500,000	\$555,000
Workload: Actual membership sales.	\$543,167	\$500,000	\$555,000
Efficiency: Average sales per month.	\$45,264	\$41,667	\$46,250
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

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

Fire**Expenditure Budget**

Description	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$44,627,893	\$44,575,529	\$46,516,376
Supplies and Materials	866,359	971,760	597,754
Contractual	717,408	723,781	727,809
Repairs and Maintenance	1,636,199	1,846,947	2,097,706
Capital	11,710	-	-
Transfers	44,376	-	-
Total	\$47,903,944	\$48,118,017	\$49,939,645

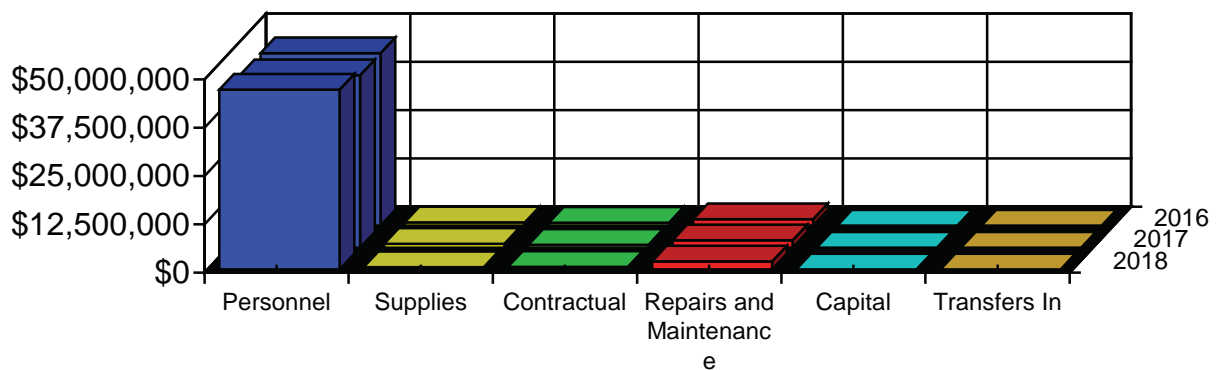
Staffing

421

422

421

Approximately \$1.94 million of the increase in personnel cost is attributed to 3% salary increases and benefit costs changes for uniform employees. This includes an increase in the LOPFI contribution rate of 1% and an increase in funding for the closed local Fire Pension fund of approximately \$470,000, partially offset by the elimination of a retiring Swing Chief. Other reductions were required to help offset other public safety cost increases in the City's budget.

Total Allocations By Fiscal Year And Account Category

Resources for Budget
100 General Fund

FY 18
Proposed
Budget

\$49,939,645

% Change
from
Prior Year

3.79%



Fire

Department: Fire
Funding Source: General Fund
Budget: \$ 49,939,645

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.

	2016 Actual	2017 Budget	2018 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.	109,528	115,004	110,656
Workload: Total number of hours of individual training required per year.	125,388	125,388	124,786
Efficiency: Average number of training hours per person.	283	297	267
Effect/Outcome: Percentage of training hours vs. required hours.	87%	92%	89%
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	2,652	3,208
Workload: Commercial Building and Structures inspected annually.	569	626	803
Efficiency: Commercial Building and Structures inspected per month.	47	52	67
Effect/Outcome: Percentage of inspections completed annually.	21%	24%	25%

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





Fire

2017 Department Priorities	Status
Self-Contained Breathing Apparatus: LRFD upgraded to the 2007 version of the self-contained breathing apparatus (SCBA) however it does not fully address the critical needs of the department. Continue phase in of the 2013 version of the SCBA for all existing inventory.	Completed
Fire Extinguisher Training for Target Occupancies: With the acquisition of Bull Ex fire extinguisher simulator LRFD will be able to provide training to a multitude of business occupancies and their staff. The initial target will be high-rise occupancies.	Ongoing
Accreditation: This is a proven method that measure's our community risk and accurately evaluates the organization's performance. We will continue toward achieving accreditation through the Center for Public Safety Excellence.	Completed
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
Replace Records Management System: LRFD will upgrade 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 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.	Ongoing
Fire Station #24 Request for Qualifications (RFQ) Architectural Drawing: As LRFD moves forward with the construction of the Southwest Fire Station, this is the first step in accomplishing this feat. Construction is slated for the 4th quarter of 2017 with completion estimated to be late fall of 2018.	Completed
Fire Station #24 Apparatus Purchase: The fire apparatus build process takes an estimated eleven (11) months. With the approval and funding of the 2016 short-term financing note this process will begin this year.	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



2018 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.

Replace Records Management System: LRFD will upgrade 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 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.

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.

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.

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.

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.

Replace Thermal Imaging Cameras: The department has forty-seven (47) Thermal Imaging Cameras (TIC) that are twelve to fifteen years old. A plan for replacement of these cameras will be developed.

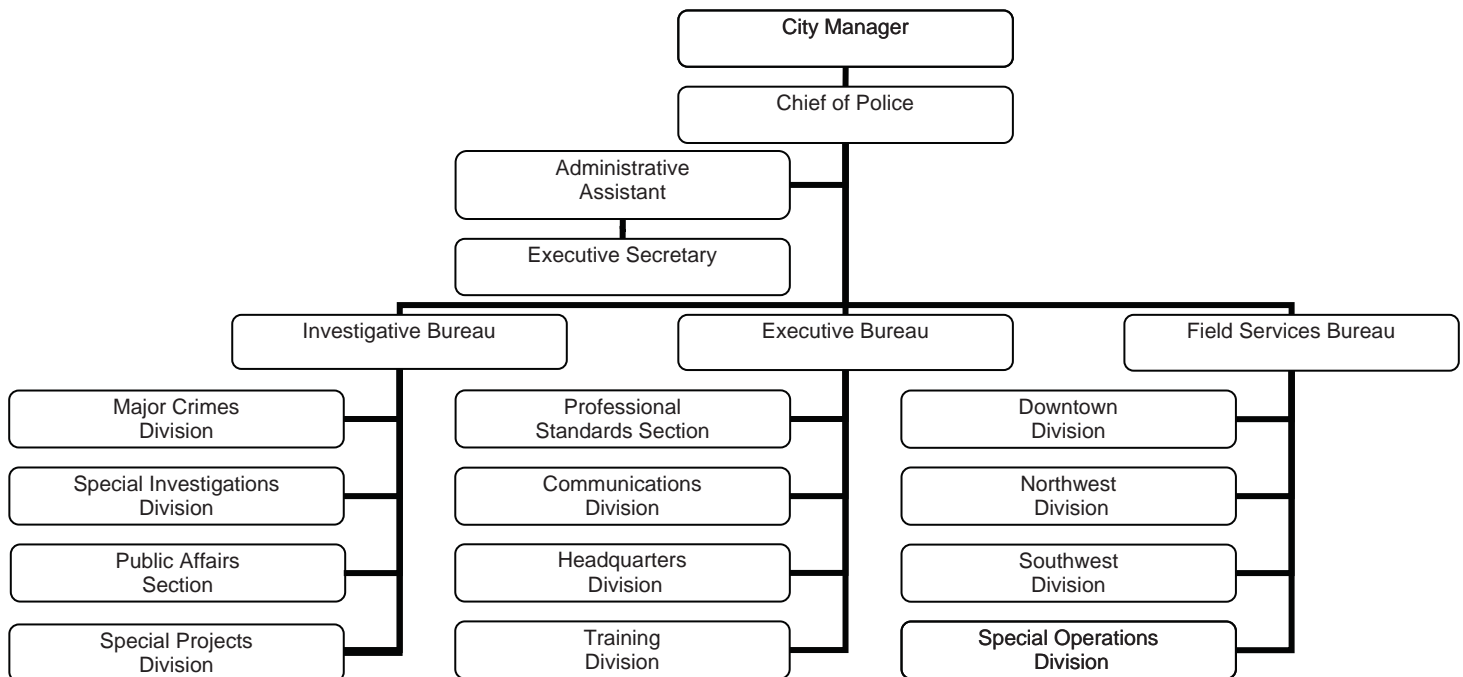
Fire Station Renovations: The Fire Department has twenty-one (21) fire stations strategically located throughout the city. With the exception of Fire Stations 17 and 23 which opened in 2006 and 2012 respectively, the last renovation to any of the stations was done with funds from the 2004 Bond Project. The condition of all Fire Stations will be evaluated for maintenance and renovation needs and a schedule developed for repairs.

Fire Safety in Homes: The department will enhance its Smoke Detection Installation Program with the goal of ensuring that 100% of all homes are equipped with smoke detectors.

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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	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$60,328,516	\$64,880,438	\$68,962,627
Supplies and Materials	1,786,978	1,955,936	943,649
Contractual	2,693,026	2,372,437	2,293,892
Repairs and Maintenance	2,098,243	2,442,403	3,542,819
Total	\$66,906,762	\$71,651,214	\$75,742,987

Staffing

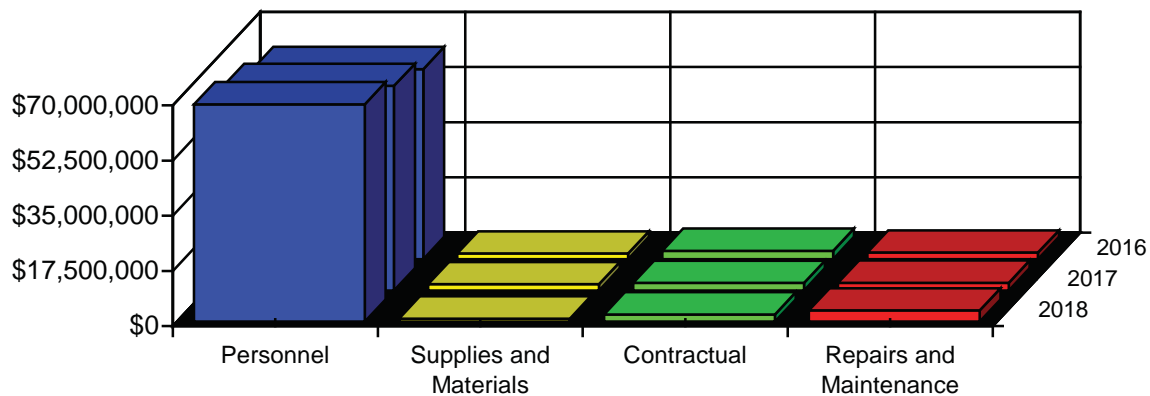
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748

Police Department increases reflect the continued effort to fill vacant uniform and 911 call taker positions. In addition, approximately \$4.1 million of the increase in personnel cost is attributed to 3% salary increases and benefit cost changes, including an increase in the LOPFI contribution rate of 1%, match funding for fifteen (15) COPS officers added in 2016, the addition of six (6) Traffic Safety Officers, a telephone reporting unit, and a new payroll position. The increase in fleet allocations is primarily associated with the increase in fuel cost. Other reductions were required to help offset other public safety cost increases in the City's budget.

Total Allocations By Fiscal Year And Account Category



Resources for Budget
100 General Fund

FY 18
Proposed
Budget
\$75,742,987

% Change
from
Prior Year
5.71%



Police

2017 Department Priorities	Status
Continue to improve and expand Police Officer recruiting ongoing efforts and conduct at three Recruit Schools during 2017.	Completed
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.	Ongoing
Enhance the supervisory skills and abilities of mid-level and Command staff by increased attendance at management schools and training seminars.	Ongoing
Maintain Commission on Accreditation for Law Enforcement Agencies (CALEA) standards/establish best practices, policies on-line, Civil Service review involving deadly force investigations, document de-escalation and initiate annual review of policies and procedures.	Ongoing
Implement the 21st Century Policing Principles by utilizing the following six (6) pillars: Building Trust and Legitimacy; Policy and Oversight; Technology and Social Media; Community Policing and Crime Reduction; Training and Education; and Officer Wellness and Safety.	Completed
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



Police

2018 Department Goals
Continue to emphasize the utilization of the Criminal Abatement Program and maintain coordination with the City Attorney's Office.
Reduce the overall incidents of violent and property crime and increase arrest in shootings.
Enhance the skills and abilities of departmental personnel by offering additional training opportunities.
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.
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.
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.
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.
Increase presence on mobile apps/social media, expand the number of social media contributors, and create an individual website for LRPD.
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.
Share information through weekly Compstat 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.
Increase the size of recruit classes ensuring that the hiring process is reflective of encompassing best practices.
Offer trainings and seminars and implement new programs to focus on officer wellness and safety.
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.
Ensure staffing levels are improved and maintained in the 9-1-1 operations. Continue working with Human Resources to develop proposals to address turnover.



Department: Police
Funding Source: General Fund
Budget: \$75,742,987

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.

	2016 Actual	2017 Budget	2018 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	629,663	623,500	620,000
Workload: Calls answered by Communications personnel	629,663	623,500	620,000
Efficiency: Average time to answer 9-1-1 calls (in seconds).	12.00	15.00	15.00
Effect/Outcome: Percentage of calls answered in 20 seconds or less.	84%	95%	95%

	2016 Actual	2017 Budget	2018 Budget
Objective: To respond to high priority calls – minutes from Dispatch to arrival.			
Demand: Calls for service.	162,363	165,000	165,000
Workload: Calls for service.	162,363	165,000	165,000
Efficiency: Average time from dispatch to arrival (in minutes).	7.03	7.00	7.00
Effect/Outcome: Percentage of dispatches answered.	100%	100%	100%

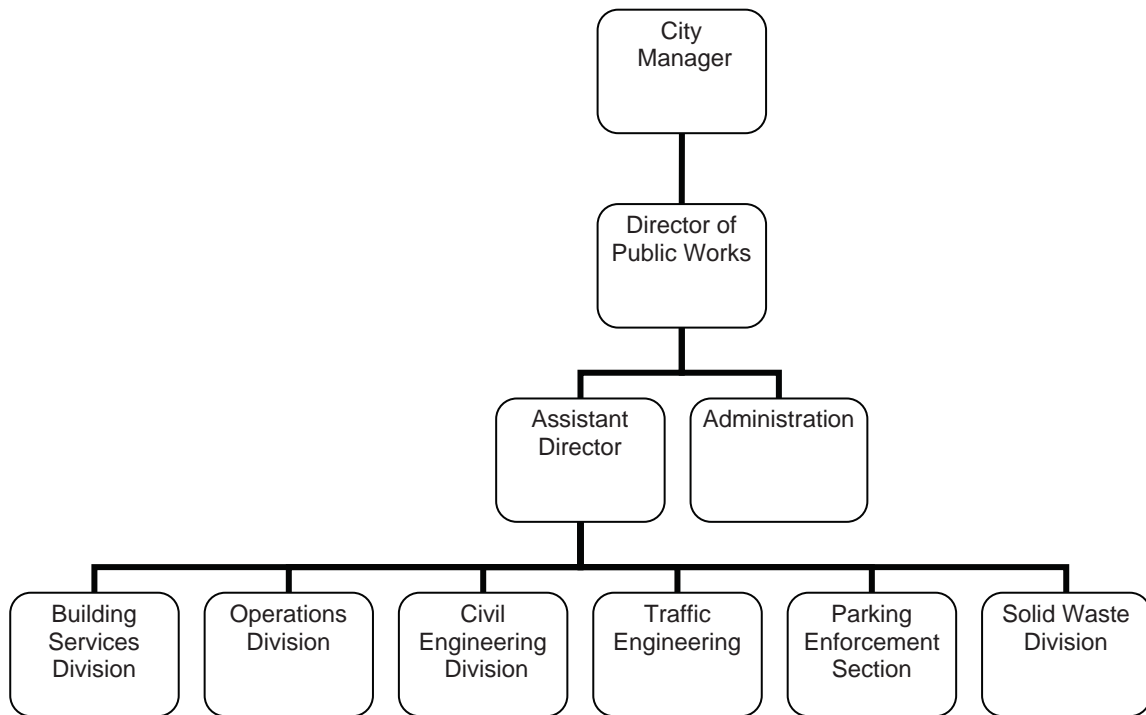
The departmental goals and objectives link with the
Board of Directors Statement of Management Policy for a Safe City.



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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.

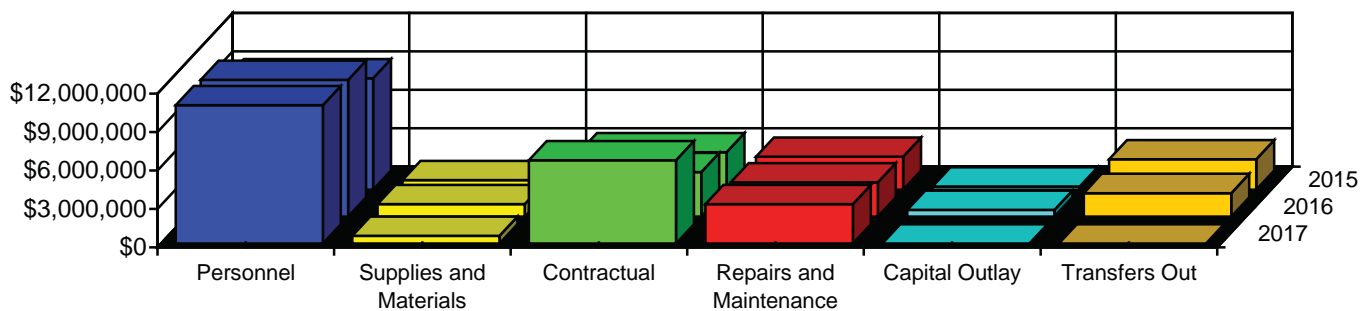
Public Works Street Fund**Expenditure Budget - Street Fund**

Description	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$8,702,305	\$10,657,454	\$10,789,767
Supplies and Materials	755,521	983,911	1,013,646
Contractual	2,922,749	3,483,056	3,584,026
Repairs and Maintenance	2,572,431	2,676,043	2,666,510
Capital Outlay	263,756	528,651	228,190
Transfers Out	2,377,717	1,843,717	2,687,217
Total	\$17,594,558	\$20,172,832	\$20,969,356

Staffing	214	216	215
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The 2018 Street Fund Budget will utilize funds accumulated in prior years to supplement Street Vehicle and Equipment Replacement. Street Fund transfers included funding for vehicle and equipment replacement, LED street light retro-fits and funding for the Re-Entry Right-of-Way and Sidewalk Programs.

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 18 Proposed Budget	% Change from Prior Year
200 Street Fund	\$20,969,356	3.95%



Public Works Street Fund

2017 Department Priorities		Status
Upon adoption of the 2016 to 2018 Sales Tax project list, initiate the design of all projects and move the first projects to construction.		Ongoing
Complete the construction of the western portion of the River Trail Bike Connector. Initiate construction of the pedestrian bridge over the Union Pacific Railroad.		Ongoing
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
2016 Resurfacing Program - Complete the 2016 Resurfacing Program.		Completed
2017 Resurfacing Program - Coordinate the annual street resurfacing program.		Ongoing
2017 Sidewalk Program - Coordinate the annual sidewalk program with revenue from the 2011 Sales Tax Plan.		Completed
Provide design assistance for the University Avenue adaptive signal control system.		Completed
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 Department Goals	
Move 85% of all 2016 - 2018 projects to construction.	
Complete the construction of the western portion of the River Trail Bike Connector. Initiate construction of the pedestrian bridge over the Union Pacific Railroad.	
Continue to identify intersections affected by street resurfacing and replace vehicle detection systems with 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.).	
Work with Human Resources to hire and retain qualified Signal Technicians for long-term employment with City.	
2017 Resurfacing Program - Complete the 2017 Resurfacing Program.	
Continue to provide design assistance for bicycle facilities.	
Continue to provide design assistance for Bond Overlay projects.	
Obtain new traffic counts and Update Signal timing plans for major corridors as needed.	
2018 Resurfacing Program - Coordinate the annual street resurfacing program.	
2018 Sidewalk Replacement Program - Coordinate the annual sidewalk program with revenue from the 2011 Sales Tax Plan.	
Move the remaining 2013 - 2015 projects to construction.	
Obtain Board approval for the 2019 - 2021 street & drainage project list.	



Public Works Street Fund

Department: Public Works
Funding Source: Street Fund
Budget: \$ 20,969,356

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.

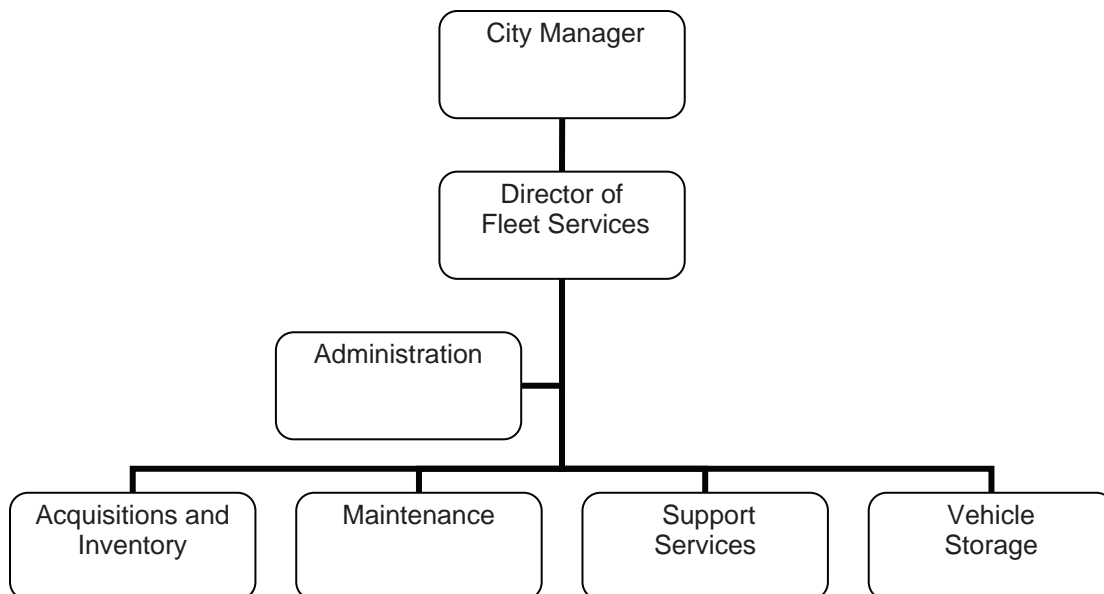
	2016 Actual	2017 Budget	2018 Budget
Objective: To review and approve commercial building permits for consistency with Code requirements for streets, drainage, and environmental programs.			
Demand: Permits for review	130	120	135
Workload: Permits reviewed	130	120	135
Efficiency: Permits processed per month.	11	10	11
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.	21,632	25,000	25,000
Efficiency: Program Miles Completed per month.	1,802	2,083	2,083
Effect/Outcome: Percentage of miles completed.	85%	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.	360	375	375
Workload: Requests reviewed	360	375	375
Efficiency: Requests completed per month.	30	31.25	31.25
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.

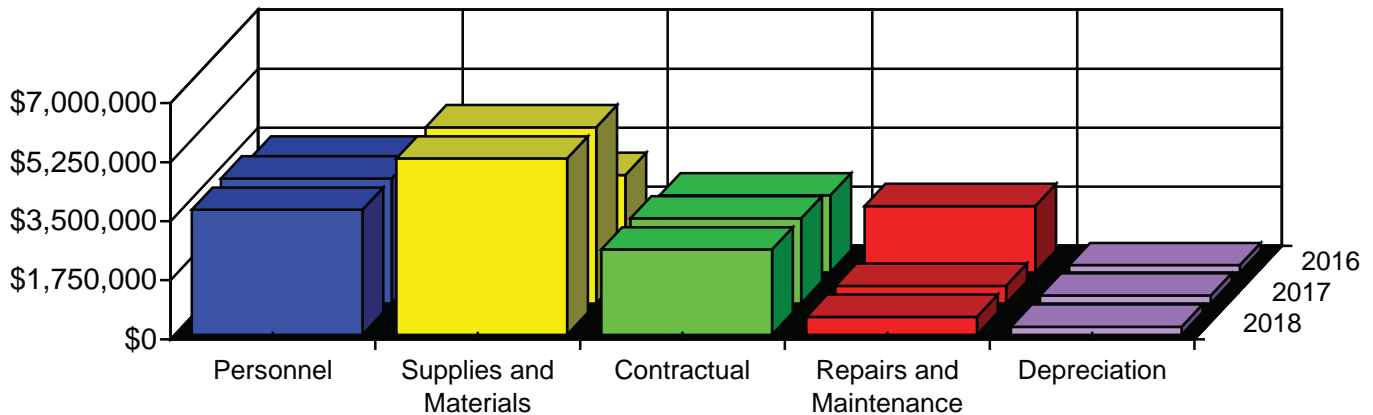
Keeping Little Rock Rolling

Fleet Services

Description	Expenditure Budget		
	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$3,376,418	\$3,707,793	\$3,824,059
Supplies and Materials	2,886,313	5,227,640	5,407,465
Contractual	2,284,598	2,529,201	2,908,902
Repairs and Maintenance	1,967,921	529,965	635,765
Depreciation	217,270	237,953	284,900
Total	\$10,732,521	\$12,232,552	\$13,061,091

Staffing	63	63	63
<p>The Fleet Services Budget is balanced. Parts and Supplies cost will decrease with better inventory management. Fuel costs are expected to increase as follows: unleaded \$2.20 per gallon, diesel fuel \$2.30 per gallon and CNG fuel \$0.77 per gallon.</p>			

Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 18 Proposed Budget	% Change from Prior Year
All Operating Departments	\$13,061,091	6.77%



Fleet Services

2017 Department Priorities	Status
Participate in Emergency Vehicle Technician (EVT), Automotive Service Excellence (ASE) and selected manufacturer training programs for technical staff's professional developmental needs. Achieve an ASE Blue Seal Shop Certification Status, in addition to all maintenance technicians achieving at least one (1) ASE Certification.	Ongoing
To become Industry Certified through Fleet Consulting Services and Government Fleet Management Alliance. Fleet will continue to strengthen the areas that must improve in order to achieve this Certification, which includes establishing a Citywide Service Level Agreement, enforcing the Vehicle Utilization Policy, building a more efficient supply-chain management system and enforcing the Preventive Maintenance Policy.	Completed
Develop a 5-Year Fleet replacement strategy for the City. An emphasis is placed on current development of the Police Department's plan that does include an assigned vs unassigned vehicle analysis. The plan for the rest of the departments will follow.	Ongoing
Setup a Fleet Quick Lube Station by converting one (1) side of the car wash building at the J.E. Davis facility into a Quick Lube Station with the recommended oil changes based on industry standard on new-model vehicles. This area will be staffed with two (2) additional employees.	Completed
Fleet Acquisition will work to identify and pursue additional vehicle funding from the federal and state government that will assist in the purchase of alternative fueled vehicles.	Ongoing
Increase individual technicians' and overall shop's productivity and efficiency levels to exceed industry standards and obtain national certifications and recognitions.	Completed
Continue to be recognized as one of the top fleets in the country.	Ongoing
Upgrade current fleet management system to either FASTER web or INFOR's Asset Management module (EAM). An EAM demo was presented in 2016. A FASTER web version demo will be set-up in February 2017. Update: In April 2017 EAM was purchased. Fleet is working with Infor and the IT department on the implementation.	Ongoing
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.	Ongoing
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.	Ongoing
Develop and implement a single departmental attendance Data-Base for all of Fleet Services inclusive of Vehicle Storage. Use a single system for data storage and reporting regardless of collection device. The Database is 75% complete and will be rolled out in the second quarter.	Not Completed



Fleet Services

2018 Department Goals

Finish the implementation of the EAM business-ware. The completion date is scheduled to be end of Q2.

Participate in Emergency Vehicle Technician (EVT), Automotive Service Excellence (ASE) and selected manufacturer training programs for technical staff's professional developmental needs. Achieve an ASE Blue Seal Shop Certification Status, in addition to all maintenance technicians achieving at least one (1) ASE Certification.

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. 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 Little Rock Fire Department (LRFD).

Purchase and install 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.

Revise the 5-Year replacement plan for the Police Department 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.

Fleet Acquisitions will work with Purchasing and Finance to streamline or shorten the 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.

Reclaim indirect clerical and administrative hours by restructuring, re-ordering and aligning duties by better utilizing current and featured automation initiatives.

Fleet will continue to purchase alternative fuel vehicles and new technology in order to enhance our sustainability initiative.

Renovate heating system, upgrade lighting to LED, paint the shop area and replace equipment to include a mobile column-lift.

Finish the rollout of our 5S Operations daily execution practices. The 5"Ss" 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.

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. An automated Share-point tool may be devised and rolled out (Q4).



Fleet Services

Department: Fleet Services
Funding Source: Fleet Services Internal Service Fund
Budget: \$13,061,091

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.

	2016 Actual	2017 Budget	2018 Budget
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.	3,233	3,636	4,000
Workload: Preventative work orders opened and closed.	3,123	3,838	4,000
Efficiency: Preventative work orders closed on or before due date.	2,643	3,111	3,600
Effect/Outcome: Percentage of work orders closed on or before due date vs. total scheduled work orders.	82%	86%	90%
Objective: To increase the number of direct shop hours to 85% of total shop hours.			
Demand: Total number of shop hours.	70,488	84,480	82,000
Workload: Shop hours categorized as direct shop hours.	53,460	67,584	65,600
Efficiency: Average direct shop hours per month.	4,455	5,632	5,632
Effect/Outcome: Percentage of direct shop hours /total available shop hours.	76%	80%	80%

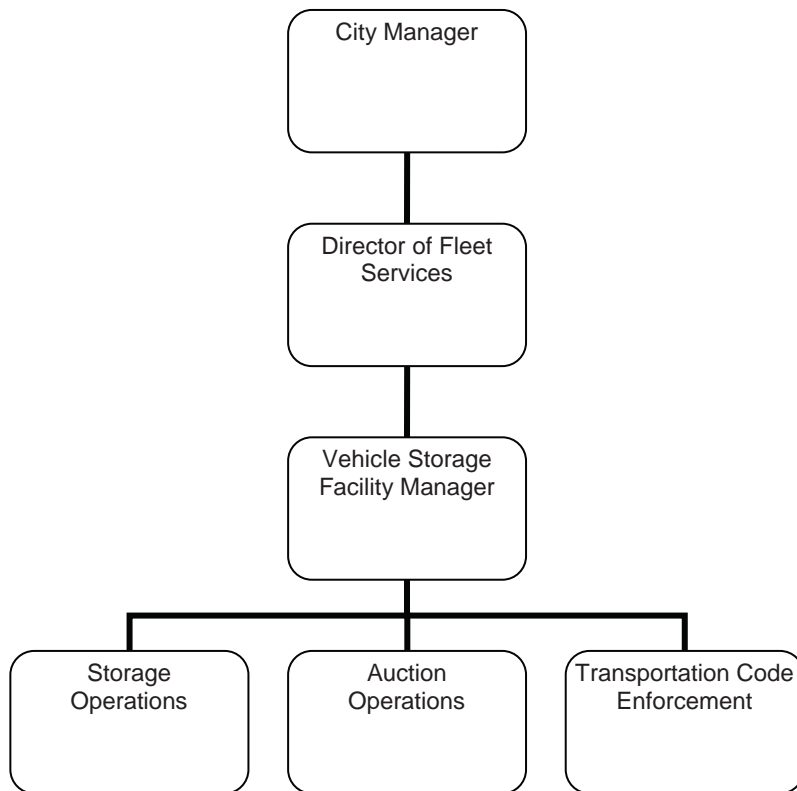
The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for Basic City
 Services and Infrastructure.**



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Vehicle Storage Facility



Mission Statement

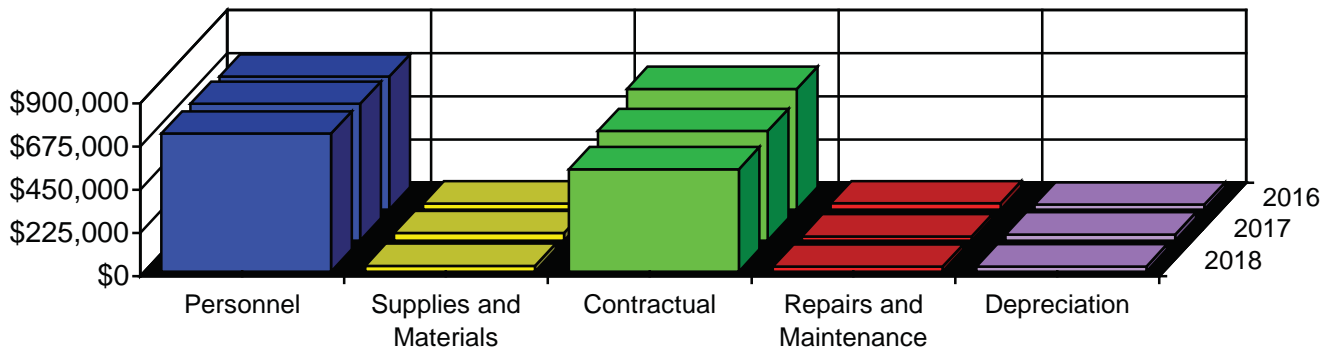
It is the mission of the Vehicle Storage Facility to provide our customers with diverse services through regulation of for-hire transportation services, administering vehicle storage processes and disposal of unclaimed and abandoned vehicles through public auction as required by law.

Vehicle Storage Facility**Expenditure Budget**

Description	2016 Actual Expenditures	2017 Adopted Budget	2018 Adopted Budget
Salaries and Employee Benefits	\$691,927	\$712,530	\$718,787
Supplies and Materials	31,524	39,270	30,150
Contractual	628,187	570,850	533,550
Repairs and Maintenance	32,049	21,460	25,878
Depreciation	25,795	31,900	27,000
Total	\$1,409,482	\$1,376,010	\$1,335,365

Staffing	13	13	13
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Total Allocations By Fiscal Year And Account Category



Resources for Budget	FY 18 Proposed Budget	% Change from Prior Year
601 Vehicle Storage Facility Fund	\$1,335,365	-2.95%



2017 Department Priorities		Status
Collaborate with Little Rock Police Department in relocating the crime scene bay from it's current location to an area located on the Vehicle Storage lot where vehicles are stored. (Decided not to move forward with this project)		Other (Please Explain)
Pave the auction parking lot with new asphalt. (Funds unavailable)		(Please Explain)
Bring Vehicle Storage into the same business management system with the other Fleet divisions. A cash or point-of-sale component must be considered similar to the Zoo's system. (Decided to use another system)		Other (Please Explain)

2018 Department Goals
Resurface the auction parking lot with new gravel material.
Renovate the exterior and interior facility.
Establish quarterly defibrillator training.



Vehicle Storage Facility

Department: Vehicle Storage Facility
Funding Source: Vehicle Storage Enterprise Fund
Budget: \$1,335,365

Department Description:

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

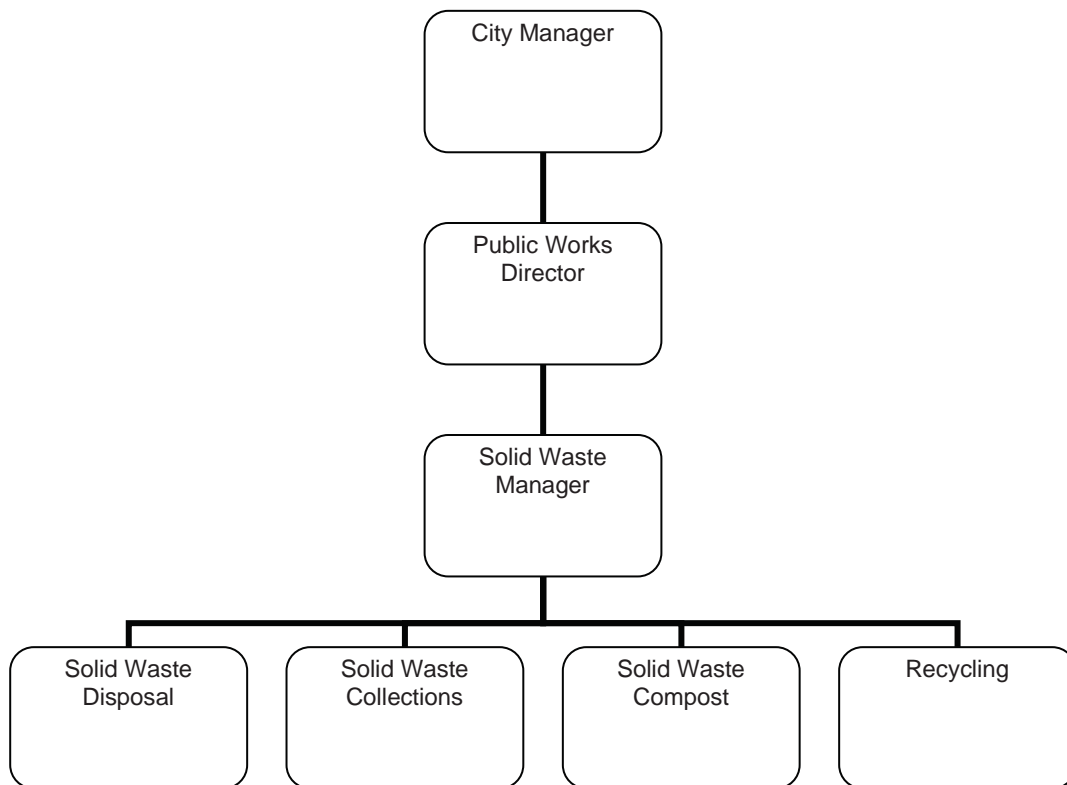
	<u>2016 Actual</u>	<u>2017 Budget</u>	<u>2018 Budget</u>
Objective: To release 100% of eligible vehicles within 60 days of impoundment.			
Demand: Impounded vehicles.	3,287	3,300	3,300
Workload: Impounded vehicles eligible for release.	2,360	2,400	2,400
Efficiency: Eligible vehicles released within 60 days.	2,360	2,400	2,400
Effect/Outcome: Percentage of eligible vehicles released within 60 days.	73%	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	2016	2017	2018
	Actual Expenditures	Adopted Budget	Adopted Budget
Salaries and Employee Benefits	\$4,804,090	\$5,313,018	\$5,650,399
Supplies and Materials	395,143	1,674,796	1,674,530
Contractual	3,789,056	3,597,975	3,601,622
Repairs and Maintenance	3,866,484	3,414,570	3,503,438
Closure/Post Closure	395,490	247,945	247,945
Depreciation	1,580,435	1,971,352	2,563,300
Debt Service	101,309	92,025	77,403
Transfers Out	1,522,037	1,521,580	1,581,764
Total	\$16,454,044	\$17,833,261	\$18,900,401

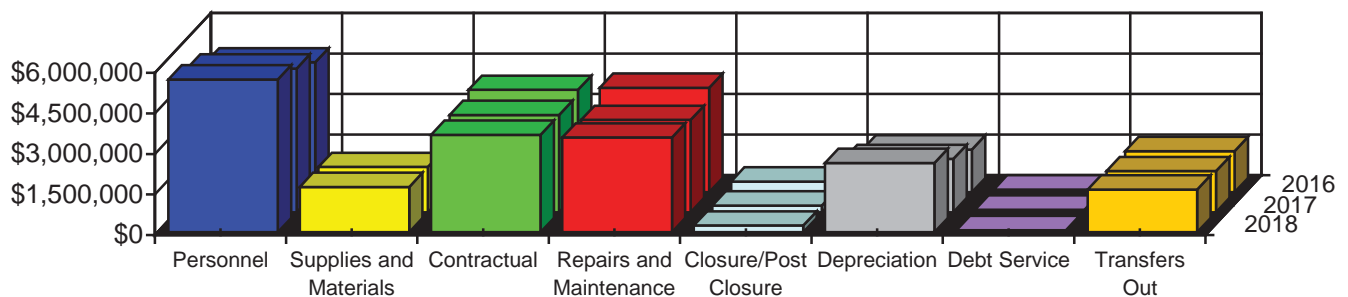
Staffing

116

113

121

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
603 Waste Disposal Fund

FY 18
Proposed
Budget

\$18,900,401

% Change
from
Prior Year

5.98%



Waste Disposal

2017 Department Priorities		Status
Complete a geographic study of cell 6 to establish a time frame for engineering design and construction of western half of cell 5 in the Class 1 landfill.		Completed
Continue to contact nearby Solid Waste Districts to be on bidders list for future disposal bids.		Ongoing
Include on-board cameras and monitoring functions in the purchase of 8 side loader garbage trucks to expand technology usage in solid waste collections.		Completed

2018 Department Goals
Continue to contact nearby Solid Waste Districts to be on bidders list for future disposal bids.



Waste Disposal

Department: Waste Disposal
Funding Source: Waste Fund
Budget: \$ 18,900,401

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.

	<u>2016 Actual</u>	<u>2017 Budget</u>	<u>2018 Budget</u>
Objective: To promote recycling and increase annual tonnage collected.			
Demand: Curbside recycling tonnage to be collected	10,000	10,000	10,000
Workload: Curbside recycling tonnage collected.	9,365	10,000	10,000
Efficiency: Curbside recycling tonnage collected/month.	780	833	833
Effect/Outcome: Percentage of tonnage collected annually.	94%	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.	135,104	125,000	125,000
Workload: Class 1 & Class 4 tonnage received.	135,104	125,000	125,000
Efficiency: Average monthly tonnage disposed of in Class 1 and Class 4 landfills.	11,259	10,417	10,417
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



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State and City Budget Statutes

State Statutes

Arkansas statutory law grants the City of Little Rock the authority to operate under the City Manager form of government pursuant to the City's form of government.

1. The Mayor and City Manager shall prepare the municipal budget annually and submit it to the Board for its approval or disapproval. The City Manager is responsible for its administration after adoption.
2. The City Manager shall prepare and submit to the Board, within ninety (90) days after the end of each fiscal year, a complete report on the finances and administrative activities of the City during the fiscal year.
3. The City Manager shall keep the Mayor and Board advised of the financial condition and future needs of the City and make such recommendations as to him may seem desirable.

The City complies with item 1 above in its budget process. It complies with items 2 and 3 by submitting monthly, quarterly, and annual financial reports to the Board.

City Ordinances

Sections 2-211 through 2-218, of the Code of Ordinances establish budget requirements for preparation, administration and financial reporting. Sections 2-222 and 2-226 also pertain to the budget.

Sec. 2-211. Nature and Scope.

The budget for the city shall set forth all proposed expenditures for the administration, operation, maintenance and improvement of all offices and departments and expenditures for capital projects to be undertaken and/or executed during the year. In addition thereto, the budget shall set forth the anticipated revenues and other means of financing proposed expenditures for the fiscal year. The budget shall be adopted for the ensuing fiscal year period, while information for subsequent fiscal periods shall be considered a fiscal plan.

Sec. 2-212. Preparation.

The City Manager shall submit to the Board of Directors a budget and an explanatory budget message for the ensuing year. The City Manager shall compile the budget with the assistance of the Finance Department and other departments or agencies, estimating all revenues and expenditures detailed by organization unit, service program, or object or expenditure, as appropriate.

Sec. 2-213. Public records; distributing copies.

The budget and budget message and all supporting schedules shall be a public record in the office of the City Clerk open to public inspection by anyone. The City Manager shall cause sufficient copies of the budget and budget message to be prepared for distribution to interested persons.

Sec. 2-214. Adoption. *

On or before December 30 of each year the Mayor and Board of Directors shall adopt a budget for the ensuing year.

Sec. 2-214. Budget document – Generally.

The budget document, setting forth the financial plan of the city for the ensuing fiscal period, shall include the following:

- (1) Any explanatory budget message;
- (2) A summary of the budget by fiscal year;
- (3) A detail of the revenue projections upon which the budget is based; and
- (4) The detailed budget plan.

Sec. 2-216. Budget message.

- (a) The budget message submitted by the City Manager to the Mayor and Board of Directors shall be explanatory of the budget, shall contain an outline of the proposed financial policies of the city for the budget year and shall describe in connection therewith the important features of the budget plan. It shall set forth the reasons for salient changes from the previous year in cost and revenue items and shall explain any major changes in financial policy.
- (b) Attached to the budget message shall be such supporting schedules, exhibits and other explanatory material in respect to both current operations and capital improvements, as the City Manager shall believe useful to the Mayor and Board of Directors.

Sec. 2-217. Summary.

At the head of the budget, there shall appear a summary of the budget, which need not be itemized further than by principal sources of anticipated revenue and total proposed expenditures of each department, in such a manner as to present to taxpayers a simple and clear summary of the estimates of the budget.

Sec. 2-218. Complete budget plan.

The budget shall provide a complete plan for the operation of all City Departments and offices for the ensuing budget year. It shall contain in tabular form:

Detailed estimates of all anticipated revenues.

All proposed expenditures.

Sec. 2-222. Emergency appropriations.

At any time in any budget year, the Mayor and Board of Directors may make emergency appropriations to meet a pressing public need.

Sec. 2-248 – 2-251. Financial reporting.

Fund balance reports shall be prepared and submitted to the Mayor and Board of Directors by the City Manager and Director of Finance within 20 business days after month end close. A quarterly fund report will also be prepared and widely distributed. Semi annual reports will be prepared published in the newspaper and made available to the public within 30 calendar days after the month end close for June and December of each fiscal year.

Sec. 2-258 – 260.1. Restricted reserve fund.

Restricted reserve fund means a portion of the governmental fund type's net assets that are accounted for in a restricted fund balance that is not available for appropriation without special actions of the Mayor and Board of Directors. This fund shall be considered to be fully funded as a part of the annual City budget when the restricted fund balance shows an amount equal to \$10,000,000, or 10% of the annual General Fund revenues for a budgeted year, whichever is greater. Revenues shall be deposited in this fund in such amounts determined by the Mayor and Board of Directors to assure that the fund shall be fully funded by December 31, 2005.

Sec. 2-260.2. Notice of downward economic trends.

The City Manager and Director of Finance shall notify the Mayor and Board of Directors in writing at the first available opportunity if economic trends indicate that the revenues projected as a part of the annual City budget are not meeting projections and require the Board to consider reduction in force, city services or the use of restricted reserve fund monies to meet the City's obligations funded in the annual City budget.

* Little Rock, Arkansas, Code of Ordinances

STATISTICAL INFORMATION

Date of Incorporation	November 7, 1831
Date of Adoption of Charter	November 2, 1835
Form of Government	City Manager
Date of City Manager Government	July 27, 1993

Area - Square Miles	122.36
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Miles of Streets and Alley:

Total Streets	2,485.09
Streets Graded and Surface Treatment	419.39
Paved - Permanent (Concrete and Asphalt)	2,065.70
Alleys Maintained	62.82
Drainage Ditches Maintained	1,571.12
Storm Sewers Maintained	369.17
Miles of Water Lines	1,399.50
Sanitary Miles	1,385.00

Traffic Controls:

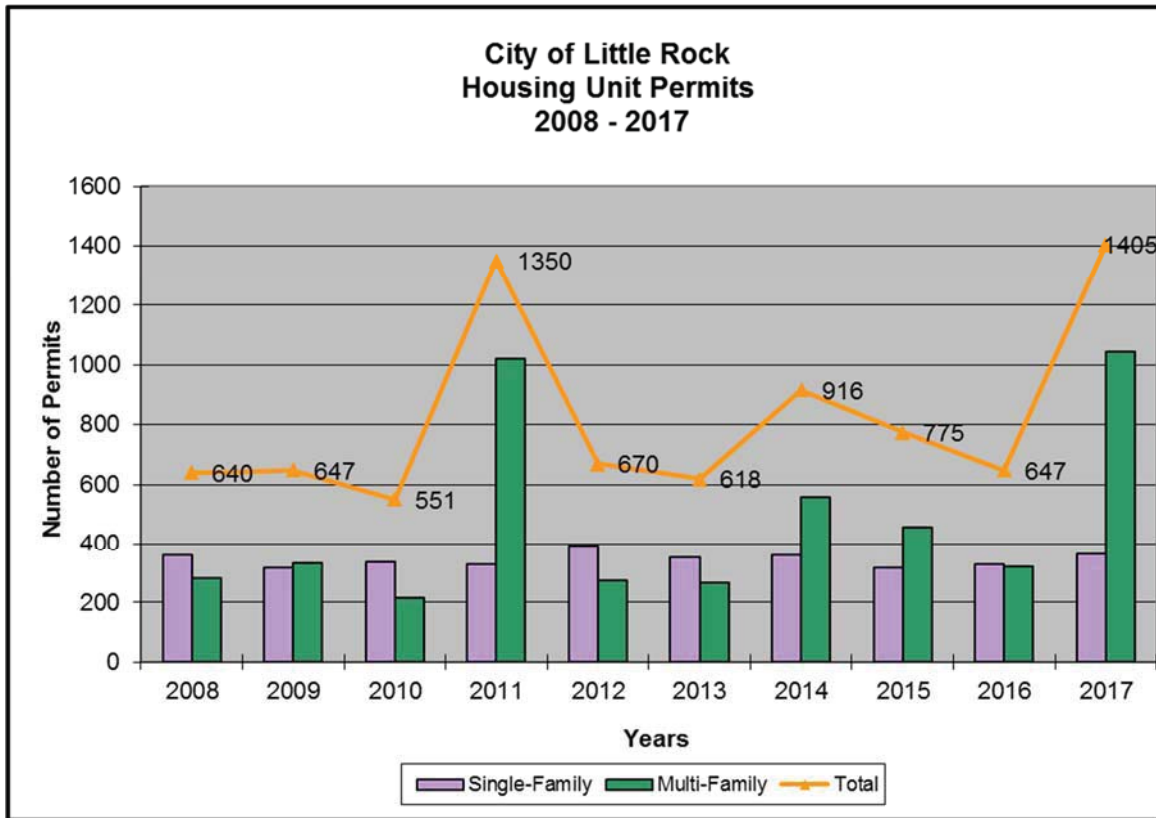
Signals Malfunctions	1,557
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Solid Waste/Garbage Collection:

Class I and IV tonnage	134,752
Yard Waste	27,053
On-call Service	31,124
Knuckleboom truck pick-ups	7,379
Number of Residential Users	58,947
Number of Commercial Users	450

Building Permits:

<u>Year</u>	<u>Permits Issued</u>	<u>Estimated Cost</u>
2008	1,957	\$ 433,788,975
2009	3,690	\$ 394,776,760
2010	2,832	\$ 343,976,010
2011	3,304	\$ 356,450,894
2012	2,011	\$ 391,789,405
2013	2,000	\$ 385,865,486
2014	2,024	\$ 593,559,207
2015	2,059	\$ 414,586,125
2016	2,276	\$ 448,913,149
2017	2,283	\$ 502,609,225



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 Uniformed Employees	416
Rescue, emergency medical call	21,246
Fire and explosions	1,296
Hazardous condition, standby	1,095

Insurance Rating for Insurance Service Office (ISO)

City of Little Rock	Class I
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Police Protection:

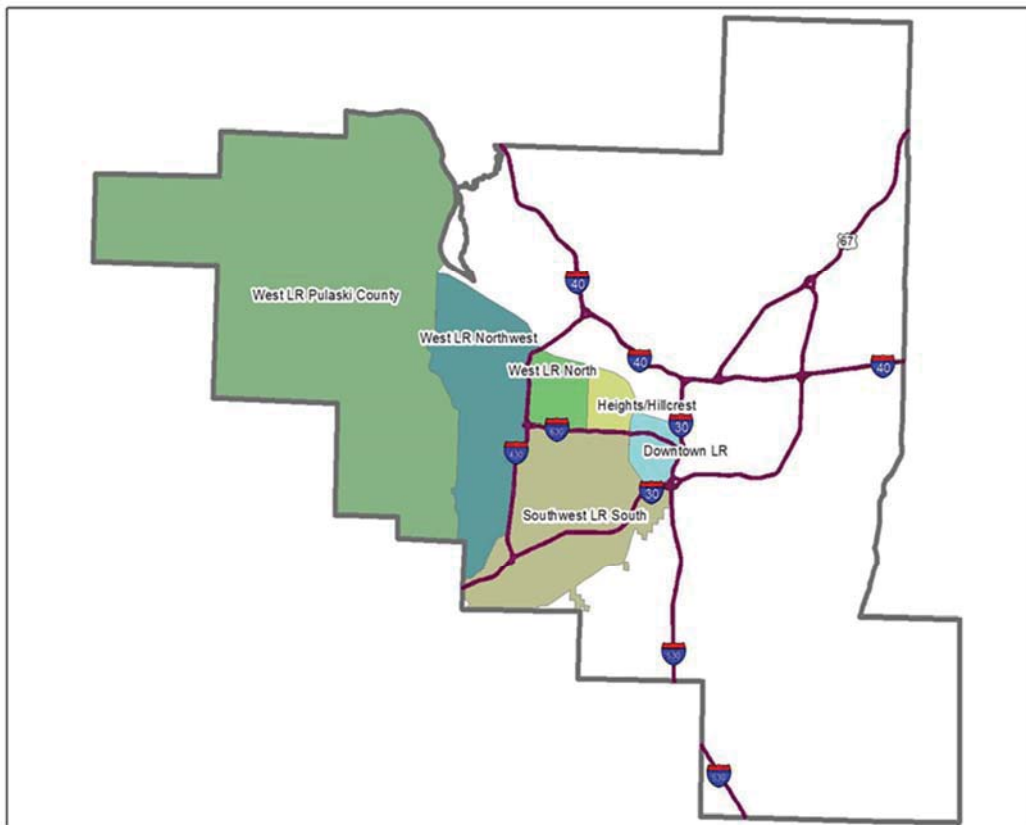
Number of Stations	10
Number of Uniformed Employees	593
Calls for Service Police	159,051
Other 3-1-1 calls	129,565

Central Arkansas Real Estate Values

<u>Location</u>	<u>Assessed Date</u>	<u>Average Total Parcel Value*</u>	<u>Residential Parcels with dwelling</u>
Little Rock - Downtown	12/31/2017	\$77,298	5,312
Little Rock - Hillcrest/Heights	12/31/2017	\$347,283	5,118
Little Rock - Southwest/South	12/31/2017	\$66,117	22,549
Little Rock West - North	12/31/2017	\$203,499	9,179
Little Rock West - Northwest	12/31/2017	\$245,740	16,660
Little Rock West - Pulaski County	12/31/2017	\$283,342	6,121

Total Parcels
64,939

Source: Pulaski County GIS and Pulaski County Assessor Parcels February 2018



Recreation:

Number of Parks, Including Park Development	63
Total Acres (developed & undeveloped)	6,078
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	26
Number of Play Fields	22
Number of Community Centers	6
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	33
Number of Volleyball Courts	13
Total Recorded Park Attendance - 2017	599,452
Number of Zoos	1
Total Zoo Attendance – 2018	271,975
Total Zoo Outreach Program	40,424

Medical Facilities Number of beds
(private occupancy rooms):

Baptist – Little Rock	827
St. Vincent Infirmary Medical Center	615
University of Arkansas Medical Center	450
Arkansas Children's	370
Arkansas State Hospital	321
Veteran Health Care System	195
Pinnacle Pointe Behavioral Healthcare System	124
Baptist Rehabilitation Institute	120
Arkansas Heart Hospital	112
Cornerstone Hospital Little Rock	40
Baptist Health Extended Care	37
Total Number of Beds	<u>3,211</u>
Estimated Total Beds per 1,000 Population:	16.0

POPULATION

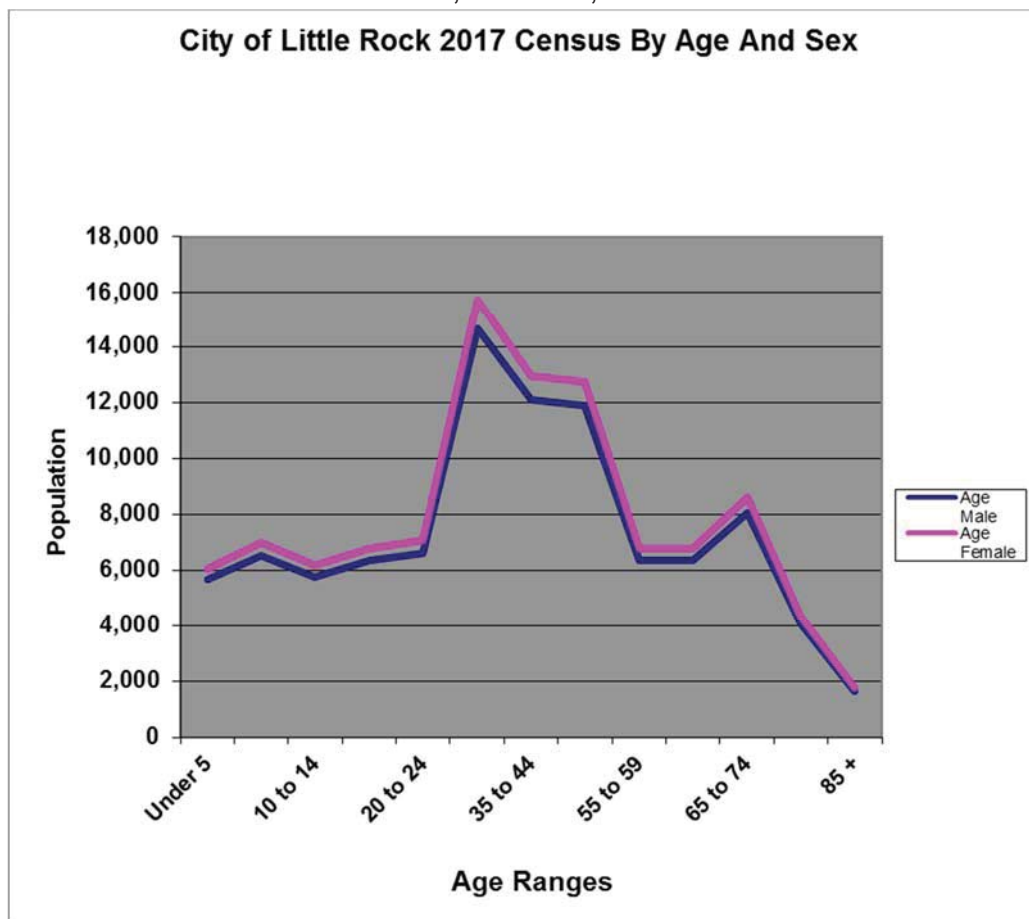
<u>Year</u>		<u>Number</u>
1910		45,941
1920		65,142
1930		81,657
1940		88,039
1950		102,310
1960		107,813
1962	Special Census	125,671
1964	Special Census	128,929
1970	Census	144,824
1974	Special Census	139,703
1978	Special Census	144,824
1980	Census	159,024
1985	Special Census	178,134
1990	Census	175,795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

* Source: Arkansas Business 2016 Book of Lists

** Source: Metroplan

City of Little Rock 2017 Population By Age and Sex

Age Ranges	Male	Female
Under 5	5,658	6,056
5 to 9	6,521	6,980
10 to 14	5,754	6,159
15 to 19	6,329	6,775
20 to 24	6,617	7,083
25 to 34	14,673	15,705
35 to 44	12,083	12,934
45 to 54	11,891	12,729
55 to 59	6,329	6,775
60 to 64	6,329	6,775
65 to 74	8,055	8,623
75 to 84	4,028	4,311
85 +	1,630	1,745



Gender:

Male

48.3%

Female

51.7%

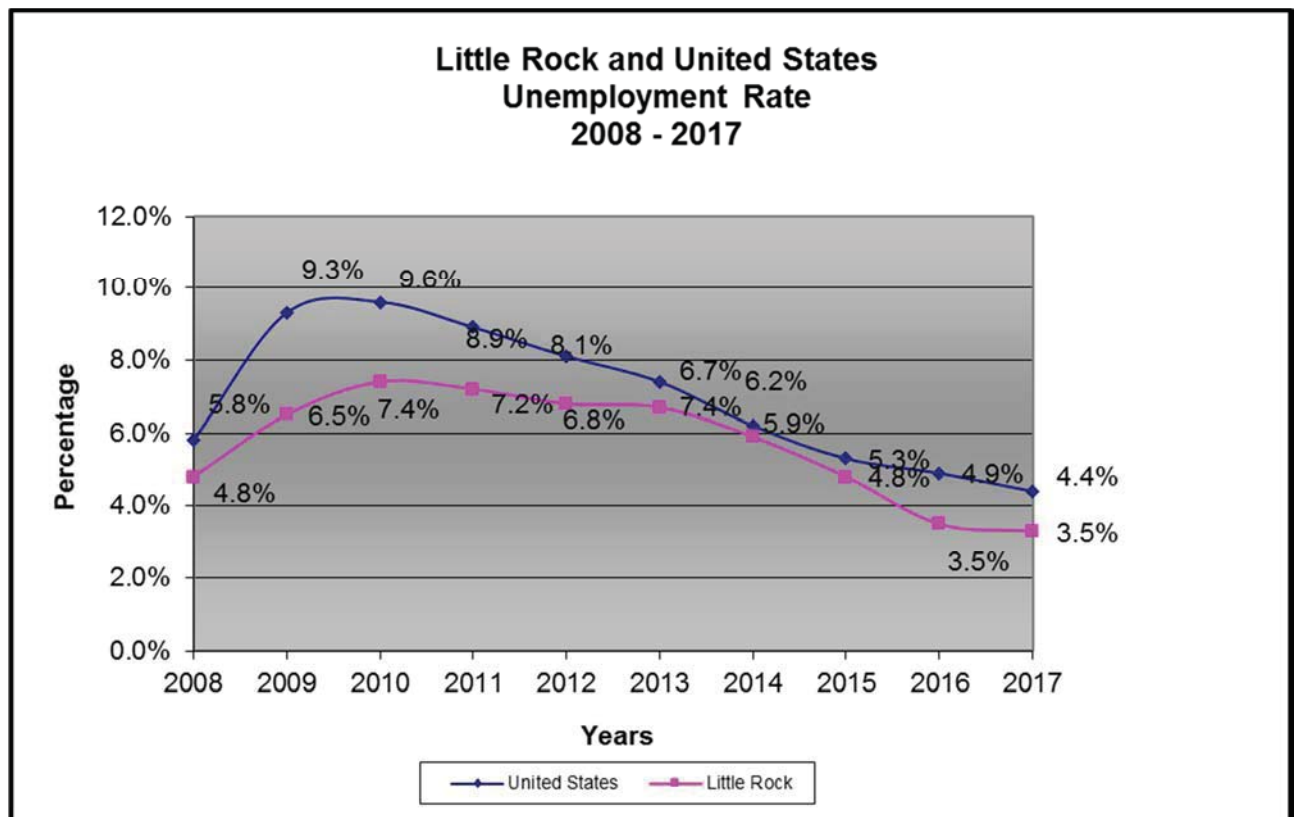
LITTLE ROCK AND ENVIRONS

Per Capita Income (2016)	\$30,678
Median household income (2016)	\$46,578
U.S. Consumer Price Index (December 2016)	241.4
Percent inflation over past year	2.1%
Average unemployment percentage rate	3.5%
Median Age (2016 special census)	36.8

Race (2016):

White	48.1%
Black or African American	39.1%
Hispanic or Latino *	7.7%
Asian	2.6%
Other	2.5%

*Hispanic is an overlay category that includes multiples races.



Education (Little Rock School District):

Number of School Buildings	44
Number of Teachers/including Principals, Supervisors	2,123
Number of Registered Students	24,048
Number of Kindergarten Students	1,882
Average Daily Attendance - Elementary Schools	9,751
Average Daily Attendance - High/ Middle Schools	10,891
Average Daily Attendance - Kindergarten	1,966
Tax Rate: (Mills)	
Real	46.4
Personal	46.4

Educational Attainment
Little Rock 2016 (Highest level of Attainment)

Total Population (ACS)	198,546
Population 25 years and over	134,601
Percent of Population Age 25+	67.8%
Education level in years of formal schooling:	
High School or Equivalent	91.6%
Some college, no degree	63.2%
Bachelor's degree	40.2%
MA/Professional degree or higher	16.4%

LITTLE ROCK INSTITUTIONS OF HIGHER EDUCATION
2015-2016

Institution	2015	2016*
University of Arkansas at Little Rock	11,896	11,665
University of Arkansas for Medical Sciences	2,328	2,869
Arkansas Baptist College	278	843
Philander-Smith College	785	765
Webster University	448	133
Totals	15,735	16,275

Sources:

Arkansas Business Book of Lists 2018, 25th Edition.

Arkansas Business Book of Lists, 2007 Edition.

*Fall 2016 latest data, as shown in 2018 AR Business Book of Lists.

Metroplan 2/5/2018

EMPLOYEES AS OF JANUARY 2, 2018

<u>City Government</u>	<u>Total</u>	<u>Full-Time</u>	<u>Part-Time</u>
AFSCME	396	396	-
IAFF	390	390	-
FOP	524	524	-
Non-union	1,238	684	554
	<u>2,548</u>	<u>1,994</u>	<u>554</u>
 <u>Commissions</u>			
Wastewater Utility	214	214	-
Bill & Hillary Clinton National Airport	154	152	2
LR Convention & Visitors Bureau	183	120	63
Little Rock Port Authority	8	8	-
Metropolitan Emergency Medical Services	352	338	14
Rock Region Metro	203	200	3
Arkansas Museum of Discovery	43	27	16
Arkansas Arts Center	102	51	51
Central Arkansas Library	294	200	94 *
	<u>1,553</u>	<u>1,310</u>	<u>243</u>
Total Employment	<u>4,101</u>	<u>3,304</u>	<u>797</u>

* Includes 47 temporary

**Little Rock Area Major Employers
2017**

<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	9,100
5 Baptist Health	Medical Services	6,590
6 Little Rock Air Force Base	Government	4,500
7 Arkansas Children's Hospital	Medical Services	4,000
8 Little Rock School District	Schools/Colleges/Education	3,500
9 Central Arkansas Veterans HealthCare	Medical Services	2,800
10 Entergy Arkansas	Utility (Electric)	2,740
11 Pulaski County Special School District	Schools/Colleges/Education	2,700
12 CHI St. Vincent Health System	Medical Services	2,600
13 AT&T	Utility (Telephone)	2,600
14 Arkansas Blue Cross Blue Shield	Insurance	2,590
15 Verizon Wireless	Communications/Telecommunications	2,500
16 Dillard's Inc.	Department Store	2,400
17 Union Pacific Railroad	Transportation (Railroad)	2,000
18 Dassault Falcon Jet Corp.	Falcon Aircraft Models	2,000
19 CenterPoint Energy	Utility (Natural Gas)	1,600

Source: Greater Little Rock Chamber of Commerce - 02/21/2018

The City of Little Rock, Arkansas's largest own-source revenue is sales tax. Sales taxes primarily come from two separate taxes: a one and one-half cent city tax based on point of sale and a portion of the county's one cent 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 2017, the 1 ½ cent City sales tax generated revenue of \$75,280,621.

According to Arkansas State Statutes, the City is required to keep the identity of individual tax payers confidential. Therefore, the City of Little Rock is not able to identify the top 10 taxpayers. However, Little Rock enjoys a diverse economic sales tax base.

Little Rock Top Ten 1 1/2 Cent Sales Taxpayers		
Industry	Tax Collected	% of Total
All Other General Merchandise	6,119,246	8.13%
Full Service Restaurants	5,348,151	7.11%
Grocery Stores	5,271,325	7.01%
Building Materials and Supplies Dealers	3,432,913	4.56%
Electric Power Generation, Transmission and Distribution	3,084,976	4.10%
Electronics and Appliance Stores	2,764,793	3.68%
Clothing Stores	2,696,644	3.58%
Traveler Accommodation	2,271,646	3.02%
Professional, Commercial Equipment & Supplies Wholesalers	1,948,843	2.59%
Automotive Equipment Rental and Leasing	1,855,576	2.47%
Totals	34,794,113	46.25%

Little Rock Top Ten 1 Cent County Sales Taxpayers		
Industry	Tax Collected	% of Total
All Other General Merchandise	4,227,930	10.12%
Full Service Restaurants	3,000,102	7.18%
Grocery Stores	2,764,722	6.62%
Building Materials and Supplies Dealers	2,269,179	5.43%
Electric Power Generation, Transmission and Distribution	1,985,067	4.75%
Electronics and Appliance Stores	1,420,840	3.40%
Clothing Stores	1,248,393	2.99%
Telecommunications	1,092,997	2.62%
Traveler Accommodation	1,024,020	2.45%
Sporting Goods; Hobby; and Musical Instrument Stores	950,114	2.27%
Totals	19,983,365	47.84%

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Glossary



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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 unexpected 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.