



# 2021 Annual Operating Budget City of Little Rock, Arkansas

**On the Cover:** 2021 marks the completion of the ten-year 3/8 cent sales tax approved by Little Rock voters in 2011. The cover highlights a small fraction of the projects which have been funded by the initiative, which has been called LR CENT. These projects include (clockwise from top center):

- Serval cat exhibit, one of several exhibits and upgrades which were made at the Little Rock Zoo, the only AZA accredited zoo in Arkansas.
- Sculpture in a new roundabout in War Memorial Park, a collaboration among the Parks and Recreation, Public Works, and Zoo Departments
- New Little Rock Police Department vehicle, one of many new additions to the City's fleet for the Police, Fire, Housing & Neighborhood Programs, Parks & Recreation, and Planning & Development Departments
- Fire Station 24 in Southwest Little Rock, one of two new fire stations constructed
- Little Rock Technology Park, part of economic development efforts
- 12th Street Station, home to several Police Department operations as well as upcoming community partners
- West Central Community Center, one of many Parks & Recreation Department projects
- Geyer Springs railroad overpass, one of many infrastructure projects
- New Amazon facility, as part of economic development efforts

(Photos credits: Scott Whiteley Carter, J. Cole Lansden, RPPY Architects, and Little Rock Zoo)

# City of Little Rock

## 2021 Annual Operating Budget

Frank Scott, Jr.  
Mayor

Bruce T. Moore  
City Manager

Prepared by:  
Department of Finance

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The enclosed 2021 Annual Budget is presented for your use and reference. The annual budget is the City's appropriation document that discloses authorized spending for the current year. Additionally, the budget document provides information regarding the City's organizational structure and fiscal position.

The online version of the 2021 budget document and budget documents for previous years can be found on the City of Little Rock's website located at: [www.littlerock.gov](http://www.littlerock.gov).

If you have any comments, suggestions for improvements or questions concerning the City's annual budget, please contact the Budget Office at (501) 371-4557. Thank you for your interest in the City of Little Rock.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Little Rock  
Arkansas**

For the Fiscal Year Beginning

**January 1, 2020**

*Christopher P. Morill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Little Rock, Arkansas for its Annual Budget for the fiscal year beginning January 1, 2020. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

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

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## LITTLE ROCK AT A GLANCE

On April 9, 1722, French explorer Benard de La Harpe noticed an outcropping of rock on the southern bank of the Arkansas River and dubbed it “La Petite Roche.” Eighty years later, the first residence was built for a fur trader. Since 1812, Little Rock has grown from that one person to become the Capital City of Arkansas with a population of 200,918. The metropolitan area population is 749,432 with more than 1.26 million people living within 70 miles of Little Rock.

The La Petite Roche rock formation created a natural harbor making Little Rock an early center of commerce for the region. Today, that business-friendly tradition continues as Little Rock is home to several large corporations and numerous small- and mid-size businesses. Among the City’s major industries are technology, healthcare, manufacturing, government, and retail. The presence of these industries helps to explain the City’s lower than average unemployment rate of approximately 4.5%.

New businesses and housing opportunities are bringing people back to the City’s core to live, shop, work and play. Downtown 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 MacArthur Park area, Pettaway Neighborhood, Dunbar Historic Neighborhood, SoMA (South Main), the renovation of Robinson Center Performance Hall, as well as the redesign and expansion of the Arkansas Museum of Fine Arts are some of the other exciting projects in the City’s core. Redevelopment continues in Little Rock’s older neighborhoods, and the City is experiencing new growth in areas to the west and southwest. In 2020, Little Rock announced an initiative to promote new construction and redevelopment along the historic Asher Avenue corridor.

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 10,000 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 region 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. In Riverfront Park, not only can you see La Petite Roche, from which the City gets its name, but also view over 80 sculptures in the Vogel Schwartz Sculpture Garden. 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 students tried to integrate Little Rock Central High. Governor Orval Faubus delayed their start, first through the courts and then by the National Guard. Eventually, President Dwight Eisenhower intervened. On September 25, escorted by members of the Army's 101st Airborne Division, the Little Rock Nine entered the school and began their school year. Today, Central High School continues to educate over 2,000 students of many races and nationalities. It is the only high school in use 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 including the establishment of the Little Rock Air Force Base and Little Rock Port. Both continue to be major contributors to City's economic vitality to this day. They have been joined more recently by the Little Rock Technology Park and its partners as an innovator and incubator of businesses.

In the 1990s, Little Rock engaged in community-wide goal-setting programs which 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 and numerous other national publications as both a great place to do business and to retire.

While 2020 presented challenges, the City of Little Rock saw 2,300 new jobs announced, a historic high number as projects such as two Amazon facilities, and Costco were unveiled. In response to the COVID-19 pandemic, the City partnered with the Clinton Presidential Center, World Central Kitchen, Little Rock School District, Central Arkansas Library System, and other organizations to provide more than 700,000 meals for students and other persons impacted by the public health emergency. In addition, the City has worked to expand WiFi access in City parks and community centers.

Today, Little Rock offers wonderful opportunities for visitors: a City rich in history and culture; many recreational opportunities; downtown entertainment; an energetic business climate; and a major emphasis on quality of life initiatives for citizens and visitors alike.



**Board of Directors**



**Mayor Frank Scott, Jr.**



**Vice Mayor Lance Hines**  
Ward Five



**Director Erma Hendrix**  
Ward One



**Director Ken Richardson**  
Ward Two



**Director Kathy Webb**  
Ward Three



**Director Capi Peck**  
Ward Four



**Director Doris Wright**  
Ward Six



**Director B. J. Wyrick**  
Ward Seven



**Director Dean Kumpuris**  
Position Eight



**Director Antwan Phillips**  
Position Nine



**Director Joan Adcock**  
Position Ten

## HOW TO USE THE BUDGET DOCUMENT

The **Introduction** section acquaints you with our City, its Government, its operating style and the overall goals and objectives. The Mayor's Transmittal Letter formally introduces the document and gives insight into practical plans for the upcoming year and significant changes from the previous year. This section also introduces the Mayor's Executive Administration team and the City's Board of Directors.

**The Budget Process** reviews the annual process relating to the 2021 budget, including the amendment process and relevant policies and procedures. [\[hyperlink\]](#)

**Financial Structure** describes the agencies and governing bodies who control the City's funds, the type of funds utilized by the City, specific capital projects and related debt service funds, and a full list of funds controlled by other agencies for which the City is financially accountable. This section also includes relevant fiscal policies. [\[hyperlink\]](#)

**Budget Summaries** provide a graphic chart of revenues and expenditures, a high-level view of the Operating Budget for 2019 - 2021 revenues, expenditures, and fund balance, broken out by fund type. This section also includes a five-year forecast. [\[hyperlink\]](#)

**Revenues** present a chart of operating revenues from all funds sources for 2021 and detailed revenue data by source and fund from 2019 - 2021. Also provided is a summary of revenue trends. [\[hyperlink\]](#)

**Expenditures** summarize expenses by agency, fund type, program categories, and accounting unit for 2019 - 2021; budgeted expenditures by service category for 2020 - 2021; and other General Fund expenditures for 2019 - 2021. Also presented is a chart of 2021 budgeted expenses for all funds, a chart of appropriations for 2019 - 2021, charts showing allocation and authorization of full-time personnel, and a chart further detailing public safety expenditures. [\[hyperlink\]](#)

**Capital Improvements** describe the City's capital improvement program, including capital funding provided by bonds, short-term notes and other sources. This section also presents major projects planned and in progress for 2021 that meet the City's requirements for capitalization. The conclusion of this section provides a chart displaying the City's sources and uses of capital funding. [\[hyperlink\]](#)

**Debt Management** provides an overview of the City's debt status, including debt limit and current outstanding debt. [\[hyperlink\]](#)

**Departmental Information** provides an organizational chart, mission statement, expenditure budget, staffing numbers, priorities, goals, and objectives for each department. [\[hyperlink\]](#)

The **Appendix** references relevant state statutes and City ordinances and provides statistical information and demographics for the City of Little Rock and its residents. [\[hyperlink\]](#)

The [Glossary](#) defines key terms and acronyms used throughout the Budget Book. [hyperlink]

### **What is the Budget Document?**

The budget document presents the City's financial management plan for the coming fiscal year. The budget outlines City departments' day-to-day functions for one year 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 the City Board of Directors' priorities and available resources.

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

The Board of Directors must adopt the budget on or before December 30. A calendar of events for budget development activities for fiscal year 2021 is included in this document to describe the budget development process more adequately.

The 2021 Basic Budget comprises four major fund types: the General Fund, Special Revenue Funds, an Internal Service Fund and Enterprise Funds.

The General Fund accounts for revenues and expenditures for the City's regular day-to-day operations. The primary sources of revenue for the General Fund are local sales and use taxes, property taxes, and utility franchise fees. Departments in the General Fund include:

- Executive 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 and Development
- Housing and Neighborhood Programs
- Public Works
- Parks and Recreation
- River Market
- Golf
- Jim Dailey Fitness and Aquatic Center
- Zoo
- Fire
- Police

The other major fund types are described below:

1. Special Revenue Funds – These funds account for legally restricted revenues set aside for specific purpose expenditures, 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 services' users, e.g., solid waste fund, vehicle storage facility and parking garage fund.
3. Internal Services Fund – Funds that provide services to other parts of the City organization, e.g., motor pool, vehicle maintenance, and insurance.

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

### **Operating Flow of Funds**

Revenues are deposited into General and Enterprise Funds as a result of specific activities. Special Revenue Funds are created and funded based on legally restricted monies. 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.





**Fund Expense Categories**

The following categories classify fund expenditures:

General Fund	Special Revenue Funds	Internal Service Fund	Enterprise Funds
<ul style="list-style-type: none"> <li>• Personnel</li> <li>• Supplies and Materials</li> <li>• Repairs and Maintenance</li> <li>• Contractual Services</li> <li>• Capital Outlay</li> <li>• Debt Service</li> <li>• Transfers Out</li> </ul>	<ul style="list-style-type: none"> <li>• Personnel</li> <li>• Supplies and Materials</li> <li>• Repairs and Maintenance</li> <li>• Contractual Services</li> </ul>	<ul style="list-style-type: none"> <li>• Personnel</li> <li>• Supplies and Materials</li> <li>• Repairs and Maintenance</li> <li>• Contractual Services</li> </ul>	<ul style="list-style-type: none"> <li>• Personnel</li> <li>• Supplies and Materials</li> <li>• Repairs and Maintenance</li> <li>• Contractual Services</li> <li>• Closure/Post Closure</li> <li>• Depreciation</li> <li>• Debt Service</li> <li>• Transfers Out</li> </ul>

**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 improvement projects include street and drainage construction, building construction, and park development.

The Capital Improvements section of this document contains a description of the funding source for capital improvement projects and the estimated funds required for the ongoing operation and maintenance of the assets resulting from the capital improvement projects. Availability of operating and maintenance funds may delay the completion of capital improvement projects.

**Debt Service Flow of Funds**

The City issues debt after one of the following:

- Approval by City Board of Directors 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. The Board of Directors may direct unused funds to the retirement of the debt service obligation once a project is complete and the project account is closed. 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. Included in this documents' Debt Management section is a description of the source of funding for debt retirement and a discussion of the City's legal debt margin. Debt amortization schedules are in Appendix C.

### **Format for Budget Expenditures**

The Expenditure section of this document contains a summary of budgeted operating expenditures and personnel. The Departmental Section presents each Department's organizational chart, mission statement, expenditure budget, staffing summary, 2020 priorities and results, 2021 goals, and applicable service measures.

## MANAGEMENT TEAM

Frank Scott, Jr.  
Bruce T. Moore

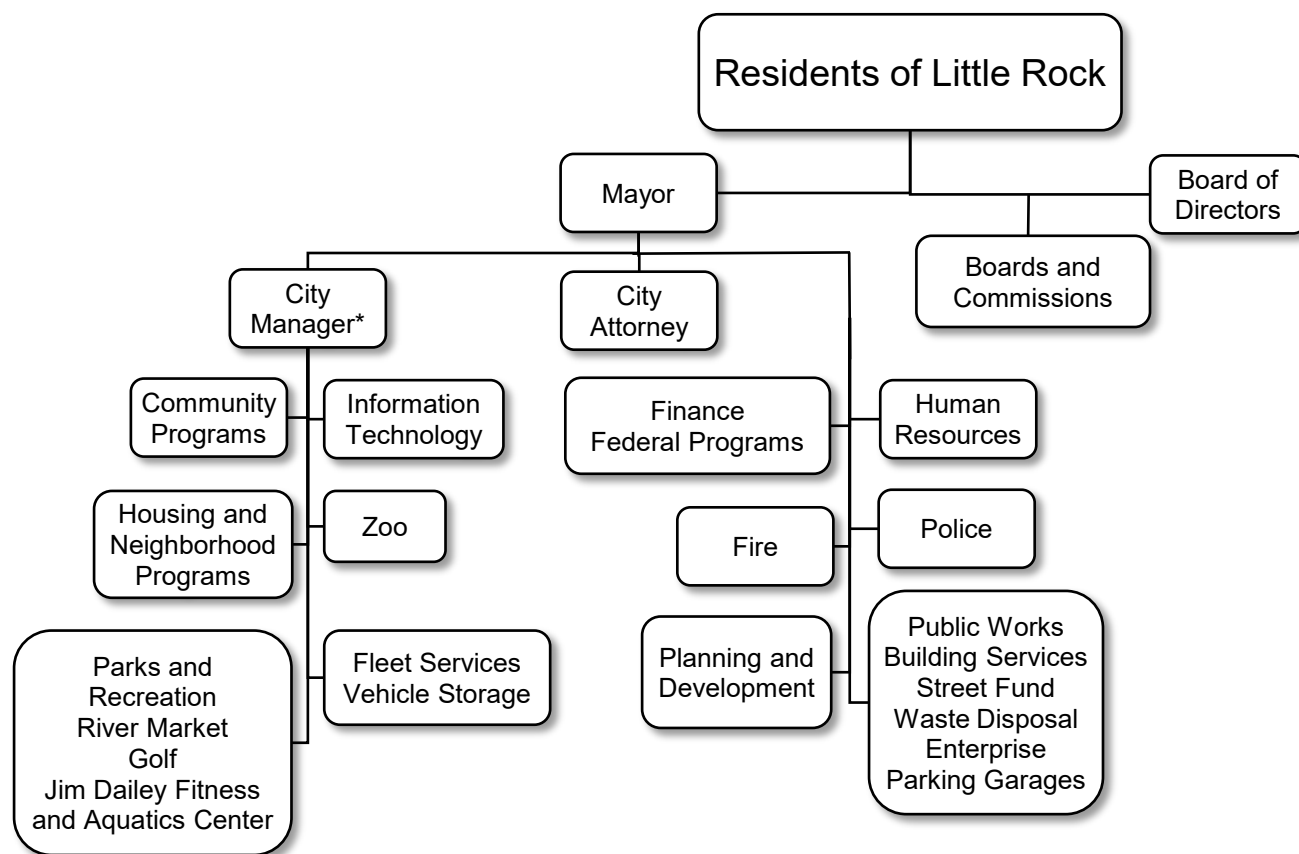
Mayor  
City Manager

Dana Dossett  
Tom Carpenter  
Sara Lenehan  
Stacey Witherell  
Randy Foshee  
Gilbert Collins  
Kevin Howard  
Jon Honeywell  
John Eckart  
Delphone Hubbard  
Keith Humphrey  
Susan Altrui  
Willie Hinton

Director of Community Programs  
City Attorney  
Chief Financial Officer  
Chief People Officer  
Director of Information Technology  
Director of Planning & Development  
Director of Housing & Neighborhood Programs  
Director of Public Works  
Director of Parks & Recreation  
Fire Chief  
Police Chief  
Director of Zoo  
Director of Fleet Services



# City of Little Rock



**\*City Manager**

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

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

# CITY OF LITTLE ROCK OPERATING FUND STRUCTURE

## Governmental Funds

### GENERAL FUND

Department Listing:  
Executive 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 and Development  
Housing and Neighborhood Programs  
Public Works General  
Parks and Recreation  
River Market  
Golf  
Jim Dailey Fitness and Aquatic Center  
Fire  
Police  
Zoo

### SPECIAL REVENUE FUNDS

#### Public Works Street Fund

Special Projects Fund  
Emergency 9-1-1 Fund  
Grant Fund  
Community Development Block Grant Fund  
Neighborhood Housing Special Project Fund (NHSP)  
Home Investment Partnership Fund (HIPP)

### CAPITAL PROJECTS AND RELATED DEBT SERVICE FUNDS

#### Capital Projects Fund Listing:

2015 Library Construction and Refunding Bonds  
Limited Tax General Obligation Capital Improvement Bonds, Series 2013  
Limited Tax General Obligation Capital Improvement Bonds, Series 2018  
Tax Increment Financing Port  
Short Term Financing  
2012 – 2021 Capital Project Fund  
City of Little Rock, Arkansas Hotel Gross Receipts Tax Bonds, Series 2018

#### Debt Service Fund Listing:

2015 Library Construction and Refunding Bonds  
Limited Tax General Obligation Capital Improvement Bonds, Series 2013 & 2018  
Tax Incremental Financing 2014 Capital Improvement Bonds  
Capital Improvements Refunding Revenue Bonds, Series 2017  
2017 Library Refunding Bonds  
City of Little Rock, Arkansas Hotel Gross Receipts Tax Bonds, Series 2018

**Note:** Shading indicates funds are included in the annual budget.

CITY OF LITTLE ROCK OPERATING FUND STRUCTURE

# Proprietary Funds

**ENTERPRISE FUNDS**

Waste Disposal Fund  
Vehicle Storage Facility Fund  
Parking Garages Fund

**INTERNAL SERVICE FUNDS**

Fleet Services Fund

# Fiduciary Funds

Police Pension & Relief Fund  
Fire Pension & Relief Fund  
Non-Uniform Defined Benefit Fund  
Non-Uniform Defined Contribution

2014 Non-Uniform Defined Benefit Fund  
401 (A) Pension Fund  
Health Management Trust Fund  
Court Fund

**Note:** Shading indicates funds are included in the annual budget.



FROM THE DESK OF  
MAYOR, FRANK SCOTT, JR.

December 29, 2020

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

I respectfully submit the official 2021 Annual Operating Budget for the City of Little Rock developed around priorities including quality of life, housing, public safety, infrastructure, education, and economic development. Overall operating expenditures total \$271,902,626, a \$72,968 increase or 0.03% more than the final 2020 Amended Budget and a \$3,738,223 decrease or 1.36% less than the 2020 Adopted Budget. The 2021 Annual Operating Budget changes are summarized below:

	2019 Actual	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget	Change	% Change
General Fund	\$211,187,523	\$212,125,253	\$204,539,253	\$210,100,969	\$5,561,716	2.72%
Street Fund	20,026,813	21,339,903	25,965,033	21,279,119	(4,685,914)	-18.05%
Fleet Services Fund	13,423,566	14,333,041	14,490,681	13,390,623	(1,100,058)	-7.59%
Waste Disposal Fund	20,980,343	23,938,605	23,604,307	23,671,871	67,564	0.29%
Vehicle Storage Facility	1,589,572	1,735,627	1,561,351	1,699,157	137,806	8.83%
Parking Garage Fund	2,146,711	2,168,420	1,669,033	1,760,887	91,854	5.50%
	<u>\$269,354,528</u>	<u>\$275,640,849</u>	<u>\$271,829,658</u>	<u>\$271,902,626</u>	<u>\$72,968</u>	<u>0.03%</u>

During the last two years, our City has experienced historic floods and unprecedented snowstorms, navigated the COVID-19 pandemic, and like every American city, experienced civil and social unrest due to the continued wounds at home and across the United States. Despite the major crises of 2020, I am extremely grateful to have had the opportunity to lead our City during these trying moments. My administration, and the men and women who come to work to serve you, are leading with boldness and resolve to do what is best for the residents of Little Rock. It is with hope and anticipation that we press forward, reflecting on what 2020 has taught us.



## **2021 Mayor's Goals**

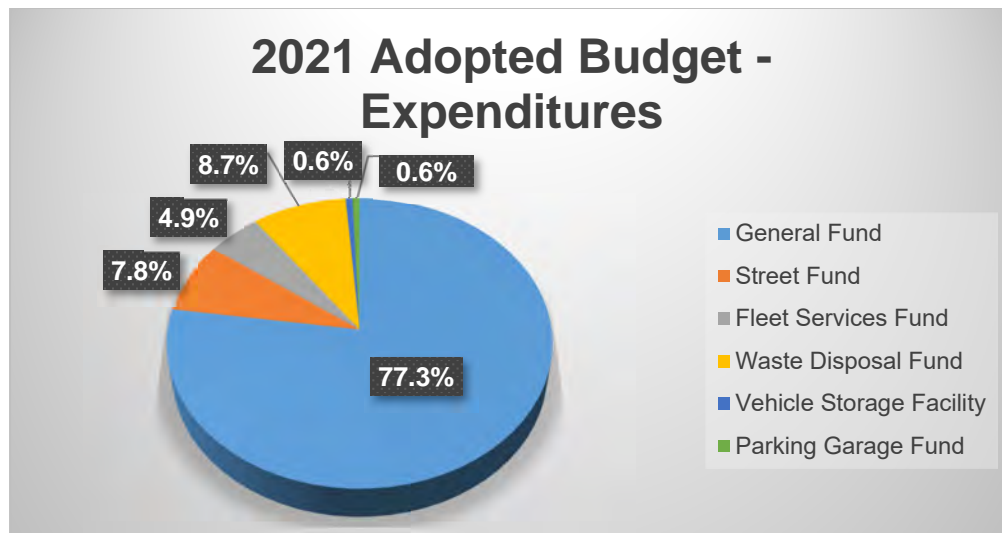
- Continue our concerted efforts to combat the COVID-19 virus with a major focus on a swift and equitable distribution of the COVID-19 vaccine.
- Create a Health and Wellness Commission to focus on improving the quality of life for Little Rock residents by promoting physical and mental wellness.
- Commit to an energy reduction plan across city operations, including the purchase of electricity from renewable sources, reduction of greenhouse gas emissions, energy efficiency upgrades in our facilities, and a fleet of electric vehicles with accompanying infrastructure by 2030.
- Continue the effort to increase women and minority spend to at least 25% by the end of 2022 and continue to leverage our purchasing power to support local companies to kickstart our economy post-pandemic.
- Launch BUILD Academy (businesses united in leadership development), a 12-week small business incubator program to further opportunity for economic development that will empower entrepreneurs to scale their businesses, address income disparity and access to capital, fill education gaps through technical assistance, and decrease unbanked and underbanked populations in our city.
- Expand the community schools' program and transform our community centers into opportunity centers, with a focus on reengaging students who fell behind during the pandemic.
- Pass our *REBUILD THE ROCK* quality of life penny sales tax initiative to invest in our City and position ourselves to emerge from the pandemic better than before.

## **BUDGET OVERVIEW**

In the 2020 State of the City Address, I stood before you and declared our bold plans to *LIFT LITTLE ROCK* to new heights with a penny sales tax initiative. Shortly after I cast that vision, the world as we know it shifted. We immediately suspended our initiatives to *LIFT LITTLE ROCK* and focused squarely on navigating the COVID-19 pandemic. We proactively adopted the first of three 2020 budget amendments on April 1, 2020, focusing on reducing expenditure allocations of \$4.9 million in anticipation of potential COVID-19 revenue impacts. The April amendment included 120-day reductions to non-essential part-time personnel, contract expenditures, and funding to programs that would be suspended due to temporary closures and social distancing requirements. The second amendment, adopted on November 2, 2020, included \$9.7 million in revenue reductions and an additional \$4 million in expenditure reductions across all budgeted funds. The final December 2020 amendment increased revenues by \$0.5 million and increased expenditures by \$5.1 million, including a \$4.6 allocation from Street Fund expenditures for the reconstruction of Pine Street and to relocate Cedar Street to the east to provide adequate arterial capacity and future master plan expansion area in the vicinity of the University of Arkansas for Medical Sciences in accordance with a cost-sharing agreement. The 2020 budget amendments resulted in net reductions of \$3.8 million to budgeted operating expenditures, including decreases of \$7.6 million for the

General Fund, \$0.3 million for the Waste Disposal Fund, \$0.2 million for the Vehicle Storage Fund, and \$0.5 million for the Parking Garage Fund, partially offset by increases of \$4.6 million for the Street Fund, and \$0.2 million for the Fleet Services Fund. Most of the expenditure reductions were attributed to the impact of COVID-19, while the increases primarily attributed to the \$4.6 million Street Fund project were described above.

The 2021 Budget reflects a conservative revenue forecast assuming a slow but gradual improvement over the COVID-19 related impacts experienced in 2020. The 2021 Annual Operating Budget was presented to the Board of Directors in phases beginning with a presentation of forecasted revenues on November 1, 2020, followed by a presentation of proposed budget expenditures and a summary of the total 2021 Annual Operating Budget on November 17, 2020. Due to the pandemic, Ward meetings with residents were not conducted in person. Instead, residents were invited to watch virtual presentations to the Board of Directors and asked to submit questions and feedback online. Weekly discussions were held at each Board Meeting and Agenda Meeting throughout November and December. All presentations and discussions were televised and available for streaming via the City’s website or on YouTube. There were no changes requested from the proposed to the adopted budget. The 2021 Annual Operating Budget was adopted on December 29, 2020, with expenditures totaling \$271,902,626.



**Summary of Significant Budgetary Items**

The City levies a 1.5% local sales and use tax. The original 0.5% tax has been in place since 1994. Little Rock citizens passed a one (1)-cent local tax in September 2011, effective January 1, 2012. The 0.625% or 5/8-cent permanent portion of the sales tax increased the tax levy for General Fund operations to 1.125%. The 0.375% or 3/8-cent portion of the tax is a temporary tax restricted for capital projects, expiring on December 31, 2021. The capital sales tax is discussed in detail in the **Capital Improvements Section** of the 2021 Budget Document. The City has kept its promise to taxpayers in accordance with the spending plan outlined in Resolution No. 13,343 (July 11, 2011) and is well on its way to completing the designated capital projects. We celebrated the grand opening of Fire Station #24 in Southwest

Little Rock in February 2020. The final major public safety project funded by the 3/8-cent tax is the construction of the new Police Headquarters at 615 West Markham Street which is currently underway. It is my hope that residents will invest in Little Rock again in 2021 as we *REBUILD THE ROCK* into an equitable community of opportunity for all with a new 1% tax initiative. If passed, the net increase to taxpayers will be 0.625% due to the expiration of the 0.375% tax.

The City does not adopt a budget for capital improvements. However, in addition to the sales tax noted above, funds for capital improvements are provided by bonds and short-term financing notes. Little Rock citizens approved the issuance of \$105 million of Capital Improvement Bonds in a special election held on September 11, 2012. 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 in the City of Little Rock. All projects funded with the \$58.1 million provided by the first series of bonds, issued on July 24, 2013, have been completed. Projects funded with the \$43.5 million provided by the second series of bonds, issued on November 28, 2018, are expected to be completed by December 22, 2022. The bond projects are discussed in the ***Capital Improvements Section*** of the 2021 Budget Document.

### **General Fund Highlights:**

The General Fund 2021 Operating Budget includes several significant changes from the original Adopted 2020 Operating Budget and the final Amended 2020 Budget. The total 2021 General Fund Operating Budget is balanced with revenues and expenditures of \$210,100,969.

Sales and use tax continues to be the leading revenue source for the City at approximately \$108 million or 51% of General Fund revenues, representing estimated growth of 0.4% from the Amended 2020 Budget. After average revenue growth of only 1.36% over the previous six (6) years, 2019 sales and use tax growth improved 6.4% from 2018. One of the primary drivers increasing 2019 revenue was Act 822 of the 2019 regular session of the Arkansas General Assembly – *To Reform the Tax Laws Concerning the Levy and Collection of Sales and Use Tax, the Apportionment and Allocation of Income for Tax Purposes, Corporate Income Tax Rates, and Net Operating Losses; and to Declare an Emergency*. The provisions of Act 822 relating to the collection of sales and use tax are consistent with the Supreme Court ruling on *South Dakota v. Wayfair, Inc.*, in which the court held that states may charge tax on purchases made from out-of-state sellers, even if the seller does not have a physical presence in the taxing state. Revenues in 2020 included the first full year of tax collection on internet sales which helped mitigate COVID-19 related losses. Sales and use tax revenues in 2020 prior to the onset of COVID-19 were 4.04% higher than a year ago. Following COVID-19, sales and use tax revenues declined 0.02%.

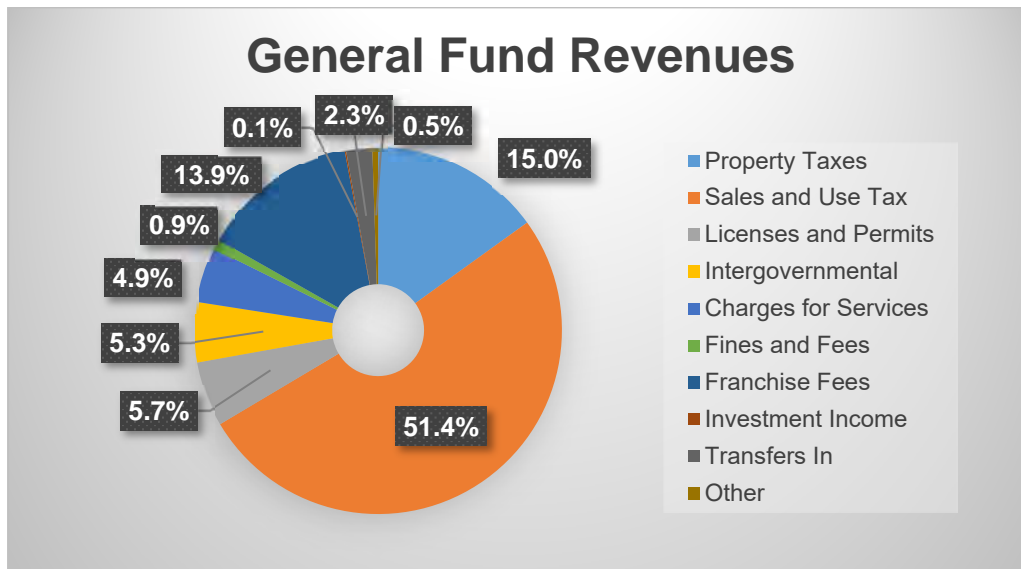
Property taxes comprise approximately \$31.6 million or 15% of 2021 General Fund revenues. Little Rock recently received its Original Charge for 2020 Property Taxes to be collected in 2021. The Original Charge reflects a 2.12% increase in property taxes based on the most recent appraisal, compared to an increase of 4% a year ago. Overall property values in Little Rock continue to experience reasonable

growth and have maintained consistent levels through previous periods of economic downturn. The City has not experienced the decline in values that have been prevalent in other parts of the country.

Franchise fees from local utilities comprise approximately \$29.1 million or 14% of General Fund revenues. Overall, 2021 utility franchise fees are projected to be 3.3% higher than 2020 actual revenues. Franchise fee revenues in 2020 were approximately 4.95% below 2019 levels and 5.96% below the original projection provided by the utilities.

2021 Charges for services are expected to be approximately \$10.23 million, which is 33% above the 2020 Amended Budget and 10.3% below the 2020 Adopted Budget. The 2020 Amended Charges for Service Budget was 31.2% lower than 2019 revenues due to the impact of COVID-19. General Fund park-related charges for services revenues are generated by two (2) public golf courses, tennis fees, community center fees, athletics fees, summer programs, a fitness center, pavilion rentals, and the Zoo. The onset of COVID-19 in mid-March temporarily closed many of these facilities, with limited reopening of primarily outdoor facilities in June 2020. The 2021 General Fund revenue budget anticipates the reopening of closed facilities, resulting in an anticipated 62% increase in park-related charges for services from 2020 actuals but still approximately 25% below 2019 actual results. The decline in park-related revenues is partially offset by an increase in 911 service fee reimbursements and charges for airport police and fire services.

Information on the City's various revenue sources is discussed in greater detail in the **Revenue Trends Section** of the 2021 Budget Document.



The General Fund Budget supports 1,749 full-time equivalent (FTE) positions – 1,704 serving in General Fund Departments and 45 special positions funded through grants or special project allocations. This represents a net increase of 24 FTEs compared to the 2020 Adopted Budget and six (6) from the 2020 Amended Budget staffing levels. The General Fund Operating Budget expenditures include \$159,601,152 in personnel cost, net of an anticipated \$6 million in vacancy savings.

A narrative summary describing personnel cost changes and schedules detailing the number of positions by department and the changes in authorized positions from 2020 to 2021 are presented in the **Expenditures Section** of the 2021 Budget Document.

2021 Fleet services and fuel costs are projected to decrease compared to the 2020 Adopted Budget. The 2021 fuel budget is based on estimated per gallon prices of \$2.09 for unleaded and \$2.19 for diesel, compared to 2020 per gallon rates of \$2.30 and \$2.60, respectively. Parts expenses are forecast to decline due to better inventory management and the fleet replacement program, which has taken older vehicles out of service.

Funding of the Pulaski County Jail was continued to provide space for inmates in accordance with the City's primary focus on Public Safety. Funding for the detention center increased \$74,393 (3%). Total 2021 funding for the jail is \$2,554,153, with \$2,394,153 included in the General Fund Budget and \$160,000 provided from a special project funded by a \$20 local jail fine to contribute toward operations for expanded Pulaski County Jail space. Other outside agency funding changes in 2021 from the 2020 Adopted Budget include an increase of \$100,000 to \$800,000 for Arkansas Museum of Fine Arts and a decrease of \$341,616 to \$9,854,118 for Rock Region Metro, of which \$7,854,118 is included in the General Fund and \$2,000,000 is included in the Street Fund. In addition, changes from the 2020 Amended Budget include the restoration of the 120-day funding reductions implemented in the April 1 Budget Amendment associated with COVID-19. Additional information on funding of other agencies is available in the **Other Agencies page of the Financial Structure Section** of the 2021 Budget Document.

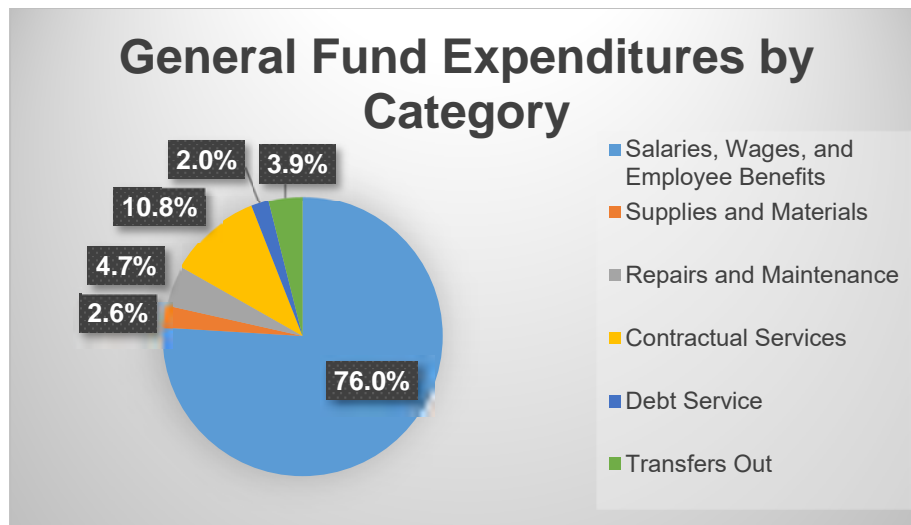
A Homeless Services Task Force was established in 2006 to address chronic homelessness within our community. The City has partnered with North Little Rock to financially fund the Jericho Way Day Resource Center. The services provided to homeless individuals and families are focused on finding housing, 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 \$3.37 million for Children, Youth and Family Programs, including youth employment, skills center funding, and re-entry programming in 2021 as part of the City's emphasis to foster and enhance youth and community development. Approximately \$6.2 million will be available for programming, including \$2.7 million in carry-over funds remaining at the end of 2020. City Staff will continue to work with community groups, neighborhood associations, the faith-based community, and other groups to ensure resources are targeted appropriately. The 2021 \$3.37 million allocation is \$1.38 million below the 2020 Adopted Budget and \$1.43 million above the 2020 Amended Budget. COVID-19 caused the suspension of several 2020 programs.

Short-term financing notes are authorized under Amendment No. 78 to the Arkansas Constitution for the acquisition, construction and installation of real and tangible personal property having an expected useful life of more than one (1)-year. The

notes are repaid from general revenues over a period of five (5) years. The 2021 Budget reflects a net decrease in debt service of \$1,246,889 associated with the 2020 retirement of the 2015, \$5.9 million note. In addition, the 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 \$0.95 million of the transfer in revenue and related debt service expense in the 2021 Operating Budget. Total debt service of \$4,258,645 is included in the Executive Administration Department of the General Fund compared to \$5,505,534 in 2020.

The 2021 Budget includes a contingency allocation of \$1 million or approximately 0.5% of General Fund revenues. The City of Little Rock’s Management Team is committed to managing the City in a sound and fiscally prudent manner while striving to deliver the quality and level of service that the residents of Little Rock expect with available resources.



**Other Fund Highlights:**

Little Rock Board of Directors approved a new rate structure for sanitation and landfill fees for the Waste Disposal Fund effective January 1, 2020. The monthly residential rate for sanitation pickup increased from \$20.02 to \$28.90 per month. Class 1 landfill fees increased from \$30 to \$33 per ton, while Class 4 landfill fees increased from \$25 to \$27.50, representing a 10% increase. Compost fees also increased from \$30 to \$33 per ton. 2020 sanitation fees increased 28.6% from 2019. The 2021 budget for sanitation fees is approximately \$21.84 million which is a 2.2% increase from the 2020 Amended Budget. Landfill fees are expected to generate approximately \$1.5 million in 2021. Detailed information regarding the Waste Disposal Fund can be found in the ***Departmental Information Section*** of the 2021 Budget Book.

**Economic Outlook**

The primary challenge facing the City of Little Rock remains providing a full complement of services that satisfy the needs of residents, balanced with the

resources available to the City, in an efficient, cost-effective, and transparent manner.

According to data from the Department of Numbers as of December 31, 2020, the City of Little Rock's unemployment rate is 4.5%, compared with the Arkansas rate of 4.9% and the National rate of 6.7%. Prior to the pandemic, the Little Rock unemployment rate was as low as 3.2% in January and February 2020 followed by a high of 12.9% in April 2020.

In the most recent economic report from Metroplan, Jonathan Lupton reports that after a year of above-average growth in retail sales, the City of Little Rock experienced a 2.4% decline during 2020. Property values grew 2.4% in 2020. Demand for office space is weak with the shift toward remote work induced by COVID-19.

Little Rock is experiencing growth in all sectors of the city. We have achieved historic job growth with more than 4,000 new jobs outlined by nearly two dozen companies, such as Amazon, Costco, and Trader Joe's that have recently moved to the city.

On April 1, 2020, Amazon signed a 10-year lease to open an 85,000 square-foot delivery station in a warehouse off Interstate 30 on the edge of Southwest Little Rock. Delivery stations serve the "last mile" of delivery for items people purchase on Amazon.com. In addition, Amazon is building a distribution center on an 83-acre site at the Port of Little Rock. The five-story building will total 3.4 million square feet. With the cost of new construction conservatively ranging between \$75 and \$100 per square foot, the price tag will be at least \$255 million and could be as much as \$340 million, according to a report by the Arkansas Democrat-Gazette on July 10, 2020. Amazon announced that it will hire 1,000 employees.

In April 2020, Costco Wholesale announced plans for a 32-acre development at the southwest corner of Chenal Parkway and Kirk Road in west Little Rock for a 165,093 square foot retail warehouse. Costco Wholesale is a membership-only retail/wholesale business, selling high-end quality national brands and private label merchandise for commercial and personal use. Plans include an attached liquor store, an area set aside for optical examinations, a tire center, and a free-standing gas station. Construction is currently underway.

In May 2020, the Little Rock Regional Chamber of Commerce announced that Arcturus Aerospace, an aerospace manufacturer located in California, will relocate its operations to Little Rock. Arcturus Aerospace is an AS9100D certified operation that provides CNC machined parts to aircraft manufacturers. Arcturus Aerospace joins a growing aviation and aerospace sector in Metro Little Rock, Chamber officials said. Employment of aviation and aerospace-related jobs in the region is 33% above the national average. In addition, aerospace is Arkansas' number one export, accounting for more than \$1 billion in annual exports.

The pandemic has not slowed construction on the \$128 million expansion of the Arkansas Museum of Fine Arts. The public-private partnership is receiving nationwide attention in architectural and construction circles. \$31 million of the funding is supported by the City's Hotel Gross Receipts Tax Bonds, Series 2018.

The City celebrated a virtual grand opening of Little Rock Southwest Magnet High School on July 31, 2020. The newly constructed Southwest High School features a 4,000-seat football stadium, 2,500-seat arena, and a 500-seat auxiliary gym. The campus also includes a practice field and track as well as four tennis courts and fields for soccer, baseball, and softball.

The headquarters and campus of Bank OZK in west Little Rock is Phase 1 of a phased master, mixed-use development that sits on 33.5 total acres. The new headquarters opened in 2020 and is expected to spur additional economic activity in western Little Rock. The estimated investment is in excess of \$100 million. The building is able to support up to 900 employees. Phase 2 is to build a solar power plant that will provide enough renewable energy to power the new corporate headquarters and up to 40 other Arkansas locations.

Mid-town Little Rock has exciting developments underway with the growth of the University of Arkansas Medical Sciences (UAMS) campus. In November 2019, UAMS broke ground on a more than \$150 million energy project that includes a new \$49 million electrical power plant. In 2020, the City partnered with UAMS on this project with a \$4.6 million cost-sharing agreement for the reconstruction of Pine Street and to relocate Cedar Street to the east to provide adequate arterial capacity and future master plan expansion area.

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 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 is a city on the rise, and the nation is taking notice. In 2020, ManpowerGroup Employment Outlook Survey ranked Little Rock as #2 in highest positive net employment outlook among the 100 largest metropolitan statistical areas in the nation. We ranked #7 of "America's Top 10 Small Cities for Prosperity" and were included in the "Top 12 Places to Live," "10 U.S. Cities to Watch in 2020," and "Top 100 Places to Live in the U.S."

**Closing:** This budget is the financial and operating plan for the City of Little Rock for 2021. The appropriations included provide for quality municipal services.

The City of Little Rock has made great strides in the utilization of technology to communicate with local residents and businesses. The City's website, [littlerock.gov](http://littlerock.gov), is designed to improve communication efforts. In addition, the City is proud of its 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. It also produces programming regarding municipal affairs. The City launched a LR 311 Mobile App to better enable residents to access City services. The app is available for download through the Apple 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 residents. 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 [data.littlerock.gov](http://data.littlerock.gov).

The City has seen great progress over the past years with more to come in 2021 and beyond as the Board of Directors, City Staff, and I continue to offer vital services to the residents of Little Rock. After a tumultuous 2020, if there is any doubt of the resilience, revival, and renewal of Little Rock, this year will be our answer. It is time to chart a course for a bright, bold future for our City, and we need each of our residents to pitch in to make Little Rock's potential a reality. As we look to the future, it is time that we *rebuild hope* in the hearts of those who call Little Rock home, *rebuild confidence* in those who look for Little Rock to lead, and *rebuild capacity* for placemaking that ensures equitable opportunities for everyone. It is time we *Rebuild the Rock*. And finally, a very special thank you to the residents of Little Rock. We appreciate each of you and are dedicated to improving quality of life by providing exceptional service, in an efficient and equitable manner.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Frank Scott, Jr.", with a stylized flourish at the end.

Mayor Frank Scott, Jr.

## Highlights of Service Level Changes (A Quick Reference Guide)

*Excerpts from the Mayor's Transmittal Letter*



Construction of the new Police Headquarters at 615 West Markham Street is currently underway.



Several street and drainage improvements are planned or continued for 2021.



2021 staffing levels increased by a net of 24 full-time equivalent positions compared to the 2020 Adopted Budget and 6 full-time equivalent positions from the 2020 Amended Budget.



Fleet services and fuel costs are projected to decrease compared to the 2020 Adopted Budget. Parts expenses are forecast to decline due to better inventory management and the fleet replacement program, which has taken older vehicles out of service.



2021 funding for outside agencies increased from the 2020 Amended Budget, including Rock Region Metro, the Pulaski County Regional Detention Center and the Arkansas Museum of Fine Arts. The 2021 Adopted Budget restores the 120-day funding reductions implemented in the April 1, 2020 budget amendment associated with COVID-19.



The City partnered with North Little Rock to financially fund the Jericho Way Day Resource Center to address chronic homelessness within our community.



The City is appropriating approximately \$3.37 million for Children, Youth and Family Programs, including youth employment, skills center funding, and re-entry programming in 2021 as part of the City's emphasis to foster and enhance youth and community development. Approximately \$6.7 million will be available for programming, including \$2.7 million in carry-over funds remaining at the end of 2020.

A detailed list of 2020 department accomplishments can be found at the beginning of the **Departmental Information** section.

## 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 community's needs, 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 to bring together each policy area's themes. 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

The City of Little Rock is dedicated to improving our residents' quality of life by providing exceptional service in an efficient and equitable manner.

### Vision Statement

The City of Little Rock is a leading southern city – vibrant, safe, and innovative – that provides an excellent and sustainable quality of life where all families, individuals, and business can thrive.

### 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 create an environment that attracts new business, retains and encourages growth for existing business, and supports growth sectors within our economy.

To accomplish this policy, the City shall:

- Continue to support and promote the local regional economy
- Leveraging key resources and assets to attract and keep business interests that offer high-wage, high-skill opportunities for residents
- Continuing to build on the momentum from public and private investment and recognizing that these efforts provide economic growth for all of central Arkansas
- Recognizing the important role small and minority-owned businesses have in the creation of jobs and economic growth and continuing to offer assistance and programs that support these initiatives
- Creating an environment that is attractive to young people
- Providing a strong workforce for new and existing business

#### 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 and recyclables
- An efficient drainage and wastewater system
- The provision of a clean, healthy water supply
- A coordinated and efficient public transit system
- A comprehensive effort to ensure air quality

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 ensure the availability of varied recreational, creative, and educational experiences that enhance the quality of life for our residents and visitors.

This will be accomplished by:

- Adopting policies that encourage the availability and the continuous improvement of cultural and artistic offerings
- Adopting policies that capitalize on Little Rock's rich natural resources by encouraging the preservation of open space and developing public and private land for active and passive leisure activities
- Embracing and celebrating the diversity of Little Rock's citizenry through the promotion of festivals and other events that highlight the varied cultural background of the City
- Adopting policies that support the various entertainment venues and tourist attractions that exist within the City

## Statement of Management Policy

The Mayor and City Manager develop a Statement of Management Policy to provide guidance and establish specific departments' parameters to follow when developing their annual budgets. The Statement of Management Policy comprises common themes from the Board of Director's overall goals and objectives. It is the Mayor's and City Manager's responsibility, working in conjunction with Department Directors, to develop the annual budget around these policy areas to promote efficiency and effectiveness in delivering services to the public.

The 2021 Statement of Management Policy includes these fundamental principles:

### **Public Safety**

Strive to improve public safety through information, education, and community-based enforcement strategies to encourage cooperation with and participation in City safety services. Utilize technology and innovative methods and techniques to produce a safe environment for the residents 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 small businesses in the City of Little Rock.

### **Infrastructure**

Focus on installing and maintaining 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 residents and visitors.

### **Financial Reporting**

Continue to provide accurate and timely information on the City's financial status to the Board of Directors and the public. Continue to pursue innovative techniques to gather and report financial data.

# The Budget Process



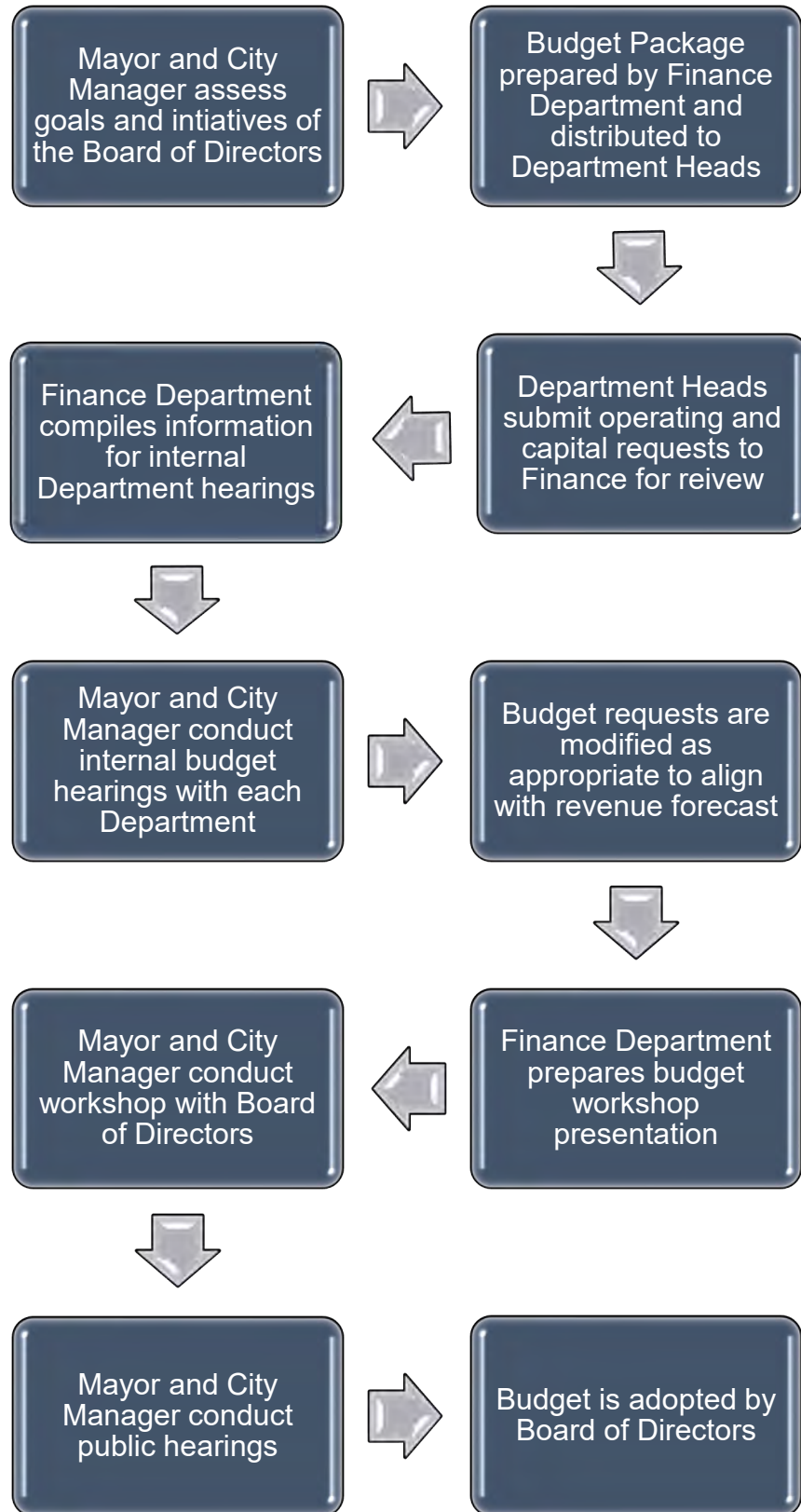


Figure 1: Illustration of Budget Process



## THE BUDGET PROCESS

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

The budget process begins with the Mayor's and City Manager's assessment of the goals and initiatives of 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 Mayor and 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 Mayor and City Manager conduct 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 Mayor and City Manager to present a balanced budget recommendation to the Board of Directors. 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 and conduct public hearings to obtain input from residents.

The City utilizes a program-based budget approach for evaluation of the revenues, costs, and taxpayer support required for various services. Approved departmental expenditures are categorized by organizational service delivery unit, and then presented as costs associated with specific service programs. This approach allows residents 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 Mayor, City Manager and their staff;
- In quarterly reports to the Mayor and 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 resident groups.

Employees are evaluated on performance annually in relation to the delivery of designated services. Staffing levels are evaluated annually in relation to available budget.

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 prior to issuing a purchase order, which then encumbers the budget account.

### The 2021 Budget

The 2021 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 2021 budget follows:

August	Affordable Care Act look back period ends. Finance reviews part-time report to determine which part-time employees will have a health care benefit in 2021.
August	Departments submit revenue estimates, proposed rate adjustments and new fee recommendations and dedicated grant match requests to Finance.
August	Departments review special project balances.

September	Finance Department sends out Personnel Model for verification.
September/October	Departments complete review of 2021 Personnel Model with necessary changes reported to HR and Budget Office.
September/October	Mayor, City Manager, and Finance Director conduct budget policy discussions with the Board of Directors following bi-weekly Board Agenda Meetings.
October	Mayor and City Manager review Outside Agency requests. HR provides 2021 new benefit rates to Finance.
October	2021 Budget instructions, departmental budgets and Personnel Model distributed. Finance assists departments with budget process.
October	Fleet Services submits 2021 budget to Finance and departments.
October/November	Departments submit 2021 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 2020 mill levy Ordinance for collection in 2021.
October/November	Mayor and City Manager review departmental budget requests. Budget meetings held with Department Directors.
October/November	Draft Budget distributed to Board of Directors. Board Budget Workshop held to review revenue and expenditure forecasts in detail.
October/November	Due to COVID-19, public participation was more limited, and separate community meetings were not held. Public budget information meetings were held during the Board Budget Workshop.
October - December	Union negotiations continue until agreements are reached.
November/December	Board of Directors adopts 2021 Budget Ordinance, utility franchise ordinances, and revenue rate adjustments if applicable. Budget must be adopted by December 30 each year.
December	Finance submits 2021 Budget Document data requests to departments.

90 Days after Adoption of Budget      Finance Department submits the Budget Document to the Government Finance Officers Association (GFOA) for consideration for the Distinguished Budget Presentation Award.

### **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 Mayor or City Manager if less than \$50,000. Transfers of \$50,000 or greater must be submitted to the 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.

### **OTHER BUDGET PROCEDURES**

The preceding budget procedures apply to the development of the budget for the General Government operating funds, the Street fund, and the Proprietary funds. These funds are under the direct guidance of the Mayor and City Manager.

Special Revenue funds' budgets are developed internally by staff. Internal staff develops the Community Development Block Grant and Home Investment Partnership Program budgets per specific federal guidelines, including obtaining required resident input. They are then presented to the Mayor and Board of Directors for final approval. The City does not officially adopt budgets for grant funds, capital projects and related debt service funds, or fiduciary funds.

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.

# Financial Structure



## LITTLE ROCK'S FINANCIAL STRUCTURE

Cities in Arkansas derive the authority to levy taxes and provide municipal services from state statutes. Little Rock's financial structure utilizes fund accounting, which separates the transactions related to various City functions and is designed to demonstrate compliance with legal requirements. Certain funds are controlled directly by the City's governing body, and other funds are controlled by agencies whose assets are owned by the City but are operated by independent boards and commissions.

### FUNDS CONTROLLED BY THE CITY'S 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 residents 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 residents, 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.

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

**2017 Library Refunding Bonds** – The Library Refunding Bonds, Series 2017 are limited obligations of the City of Little Rock payable solely from the collections of the Library tax, payable through 2027. The Library bonds were issued to (i) refund the City's outstanding Library Construction and Improvement Bonds, Series 2012; and (ii) pay the costs of issuing the Bonds. The bonds are limited tax obligations payable solely from a 0.9 mill annual ad valorem tax.

**2012 – 2021 Capital Project Fund** – This fund is utilized to account for the proceeds of a 3/8 cent ten (10) year capital tax to fund new Fire and Police facilities, a new emergency communications system, economic development infrastructure, including improvements at the port and funding for a technology park, capital improvements for Park and Zoo facilities, information technology projects and vehicles and equipment. The tax went into effect on January 1, 2012 and expires on December 31, 2021.

**Limited Tax General Obligation Capital Improvement Bonds, Series 2013** – On September 11, 2012, citizens of Little Rock approved the issuance of \$105 million in Capital Improvement Bonds for the purpose of street and drainage infrastructure improvements. The 2013 Limited Tax General Obligation Capital Improvement Bonds in the amount of \$58,105,000 issued July 24, 2013 were the first series of bonds issued for this purpose. These bonds are secured by all proceeds derived from a separate 3-mills annual ad valorem tax on all taxable real and personal property located within the City.

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

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

**Capital Improvements Refunding Revenue Bonds, Series 2017** – The Capital Improvements Refunding Revenue Bonds, Series 2017 were issued (i) to advance refund the Series 2009A Bonds and the Series 2009B Bonds, (ii) to current refund the Series 2007 Bonds and the Series 2002 Bonds, (iii) to pay a premium for a municipal bond debt service reserve insurance policy, and (iv) to pay expenses of issuing the Bonds. The Series 2017 bonds are not general obligations of the City but are special obligations secured solely by a pledge of revenues received by the City from all franchise fees charged to public utilities for the privilege of utilizing the City's streets and right-of-way.

**Limited Tax General Obligation Capital Improvement Bonds, Series 2018** – The Series 2018 Bonds in the amount of \$43,475,000, issued on November 28, 2018, are limited tax general obligations of the City, secured by all proceeds derived from a separate 3-mills annual ad valorem tax on all taxable real and personal property located within the City. The pledge of special tax collections in favor of the Series 2018 Bonds is on a parity with the pledge in favor of the City's Limited Tax General Obligation Capital Improvement Bonds, Series 2013. The issuance of the Series 2018 Bonds was approved at the special election held September 11, 2012 for the purpose of street and drainage infrastructure improvements.

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



and furnishings and equipment for, the Arkansas Museum of Fine Arts and renovations and equipment for the MacArthur Museum of Arkansas Military History, including any necessary parking, landscaping, signage, drainage, lighting, road and utility improvements in MacArthur Park.

**Short Term Financing** – This fund accounts for proceeds of Short Term Financing notes issued to acquire capital equipment, buildings, building and land improvements, and vehicles for the City.

## **PROPRIETARY FUNDS**

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

**Vehicle Storage Facility Enterprise Fund** – This fund was created to account for vehicle storage services.

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

**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.

## **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
- 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 Museum of Fine Arts
- 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. 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 2021 budgets are balanced in accordance with the legal definition.
2. 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.
3. 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.
4. 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.
5. 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.
6. 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.
7. 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 residents 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.
8. 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.

9. 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.
10. 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.
11. 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.
12. Comparison of service delivery will be made to ensure that quality services are provided to our residents at the most competitive and economical cost. Departments will identify all activities that can be provided by another source and review alternatives to current service delivery. The review of service delivery alternatives will be performed continually. During the annual budget process, funding for outside agencies, FUTURE-Little Rock, and special projects will be evaluated.
13. 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.
14. The City will follow an aggressive and professional policy of collecting revenues.
15. 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.
16. 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 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 (2) years or

greater. Exceptions are for infrastructure assets which are defined as having a constructed cost greater than \$250,000.

2. The capital improvement plan will include, in addition to current operating maintenance expenditures, an adequate level of funding for maintenance and replacement to ensure that all capital facilities and equipment are properly maintained.
3. Proposed capital projects will be reviewed by a cross-departmental team for accurate costing (design, capital, and operating), congruence with City objectives and prioritized by a set of deterministic criteria. Financing sources will be sought for the highest-ranking projects.
4. Capital improvement operating budget impacts will be coordinated with the development of the annual operating budget. Future operating, maintenance, and replacements costs will be forecast as part of the City's five-year financial forecast.
5. The City will provide for a minimum of 5% of internal, pay-as-you-go financing for its Capital Improvement Program. Funding may come from fund balance reserves or any other acceptable means.

### **C. DEBT MANAGEMENT**

1. The City will seek to maintain and, if possible, improve its current bond rating in order to minimize borrowing costs and preserve access to credit. The City will encourage and maintain good relations with financial bond rating agencies and will follow a policy of full and open disclosure.
2. Future bond issue proposals will be accompanied by an analysis showing how the new issue combined with current debt impacts the City's debt capacity and conformance with City debt policies.
3. The City will attempt to develop a coordinated communication process with all other overlapping jurisdictions with which it shares a common tax base concerning collective plans for future debt issues.
4. Financing shall not exceed the useful life of the asset being acquired.
5. The City will not use long-term debt to finance current operations.
6. The general policy of the City is to establish debt repayment schedules that utilize level annual principal and interest payments.
7. The general policy of the City is to fund capital projects (infrastructure) with new, dedicated streams of revenue or voter approved debt. Nonvoter approved debt may be utilized when a dedicated revenue source other than general revenue can be identified to pay debt service expenses.

8. Interest earnings on bond proceeds will be limited to 1) funding the improvements specified in the authorizing bond ordinance, or 2) payment of debt service on the bonds.
9. Utility rates will be set to ensure debt service coverage exceeds the bond indenture requirement of 125%.
10. The City shall comply with 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 (Annual Report).
3. The City's Annual Report 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.

### **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 2021 budget includes salary step and grade progression for Police, Fire, and Emergency Communications positions. In addition, step and grade progression is included for American Federation of State, County and Municipal Employees (AFSCME) union-eligible positions. The twenty (20)-step system provides annual adjustments of approximately 1.8%. To ensure ongoing expenses were in alignment with recurring revenues, other salary increases were not awarded in the 2021 budget.
- Positions that are vacant at the time the budget is adopted are budgeted at the mid-range salary based on grade, providing budget flexibility in the recruiting process. In addition, an estimated annual savings generated from vacant positions is included in the budget as a reduction to personnel cost. As vacancies occur, the savings is utilized to reduce personnel budget allocations by department.
- The City utilized the enterprise resource planning system to aid in the development of the budget for personnel cost. Salary changes are budgeted for each employee group to occur at the appropriate time, in accordance with personnel policies. Examples include the employee's anniversary date, assignment date, or at the first of the year.
- The Fleet Services Internal Service Fund develops an expenditure budget for vehicle maintenance and fuel which is allocated to departments based on the number of assigned vehicles, service history, and prior fuel utilization. These allocations are not subject to change by the user departments without prior approval by the Fleet Services Department Head and the Mayor or 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 Mayor or City Manager. Due to the anticipated ongoing impact of COVID-19 on operating revenues in 2021, cost containment measures and expenditure reductions are reflected in the 2021 budget.
- A minimum contingency allocation of 0.5% of revenues is included the annual budget to provide for unanticipated fluctuations in revenues or expenditures.

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

## BASIS OF BUDGETING

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

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 the current financial resources 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.

## 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 Museum of Fine Arts**, formerly the **Arkansas Arts Center** located in a City park, serves the metropolitan area and provides a wide array of cultural opportunities to residents 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** is a nine (9)-hole regulation golf course, nine (9)-hole par three (3) golf course, full-service driving range, practice putting green, full-service pro shop and indoor teaching facilities. The purpose of this facility is to impact the lives of the young people of Central Arkansas by providing educational programs that build character, instill life-enhancing values and promote healthy choices through the game of golf. The facility provides an opportunity for Central Arkansas' young people to learn the game of golf regardless of their socio-economic status. The City owns the First Tee golf course and took over day to day operation of the facility and golf course in July, 2019. Contributions to the First Tee of Central Arkansas for operation of the course were discontinued at that time.

**Little Rock City Beautiful Commission** promotes public interest in the general improvement of the appearance of the City of Little Rock; and establishes, subject to the

Little Rock City Board of Directors approval, regulations of aesthetic quality for public and private lands and improvements.

**GENERAL FUND APPROPRIATIONS FOR OTHER AGENCIES**

	2019	2020	2020	2021	
	<u>Actual</u>	<u>Budget</u>	<u>Amended</u>	<u>Budget</u>	
Rock Region Metro	\$9,360,094	\$10,195,734	\$9,682,173	\$9,854,118	(a)
County Regional Detention Center	1,983,808	2,222,000	2,222,000	2,394,153	(b)
Arkansas Museum of Fine Arts	700,000	700,000	666,667	800,000	(c)
Arkansas Museum of Discovery	211,000	192,000	128,000	192,000	(d)
Metroplan	178,044	178,042	178,042	178,042	
Downtown Partnership	170,000	145,000	146,667	145,000	
PAGIS	129,000	134,850	134,850	134,850	
First Tee of Central Arkansas	280,000	-	-	-	(e)
County Health Department	56,100	56,100	56,100	56,100	
St. Vincent	25,381	25,381	25,381	25,381	
LR City Beautiful Commission	150	2,500	2,500	2,500	
<b>Total</b>	<b><u>\$13,093,577</u></b>	<b><u>\$13,851,607</u></b>	<b><u>\$13,242,380</u></b>	<b><u>\$13,782,144</u></b>	

- (a) Total Rock Region Metro funding for 2021 is \$9,854,118, a decrease of \$341,616 from the 2020 Adopted Budget. \$7,854,118 of this funding is provided by the General Fund, with the remaining \$2,000,000 provided by the Street Fund. The \$513,561 decrease from the 2020 Adopted Budget to the 2020 Amended Budget is primarily due to federal reimbursement of COVID-19 revenue losses and expenditures.
- (b) Additional funding is provided in the local jail fine special project in the amount of \$160,000 to bring support for the Pulaski County Regional Detention Center to \$2,554,153, representing a 3% increase. The General Fund has to absorb approximately \$98,000 of the portion previously paid by the local jail fine special project due to a reduction in fees attributable to COVID-19.
- (c) Funding from the one (1)-Cent Lodging Tax for parks provided \$700,000 for the Museum of Fine Arts in 2019. The Museum of Fine Arts minimum funding of \$700,000 returned to the General Fund in 2020. The Lodging Tax is now committed to debt service on the bonds issued to expand and renovate the Museum of Fine Arts. Due to COVID-19 related closures in 2020, the amendments to the 2020 budget included a net reduction in funding of \$33,333. The 2021 Adopted Budget restores the 2020 Adopted funding level and provides enhancement funding of \$100,000.
- (d) Due to COVID-19 related closures in 2020, the 2020 Amended Budget included a 120-day funding reduction of \$64,000. The 2021 Adopted Budget restores the 2020 Adopted Budget funding level.
- (e) Funding for First Tee was provided for the first half of 2019, pending the outcome of a golf study. The City closed two (2) courses, War Memorial and Hindman, and took over day to day operation of the First Tee Facility in July 2019. Operation of the First Tee course is now reflected in the Golf Department operating budget.

# Budget Summaries



## BUDGET SUMMARIES

The following schedules summarize the audited 2019 operating results, the 2020 amended operating budget, and the approved 2021 operating budget. The summaries are organized by fund type to remain consistent with the fund organization in the City's audited Comprehensive Annual Financial Report.

The Operating Funds Budget Summary is an overview by category. The Budget Summary by Fund Type is a recap of the seven (7) fund types included in this section. Following this recap is a budget summary for each of the individual funds included in each fund type.

State statute requires the City to budget for the administration, operation, maintenance, and improvements of various City operations. The budget demonstrates 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:

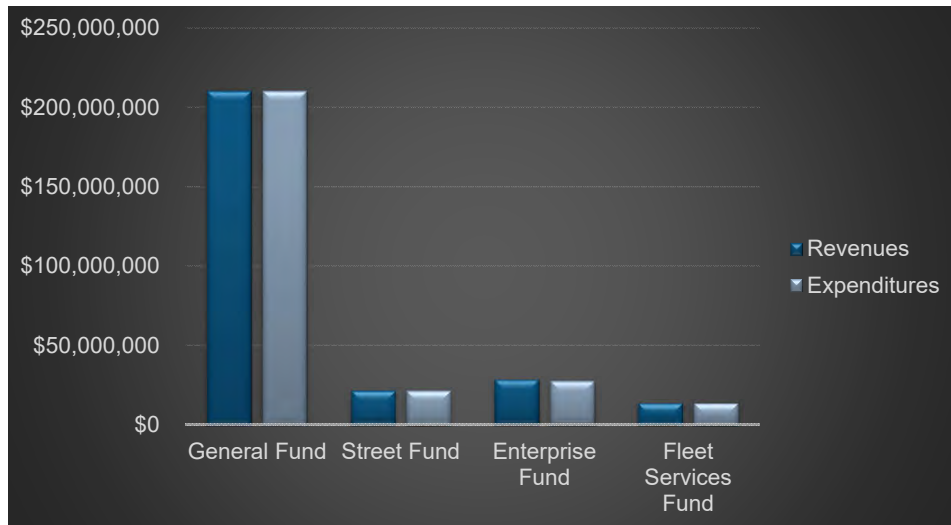
- General
- Special Revenue
- Capital Projects
- Debt Service
- Enterprise
- Internal Service
- Fiduciary

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

## 2021 Operating Funds Budget Summaries

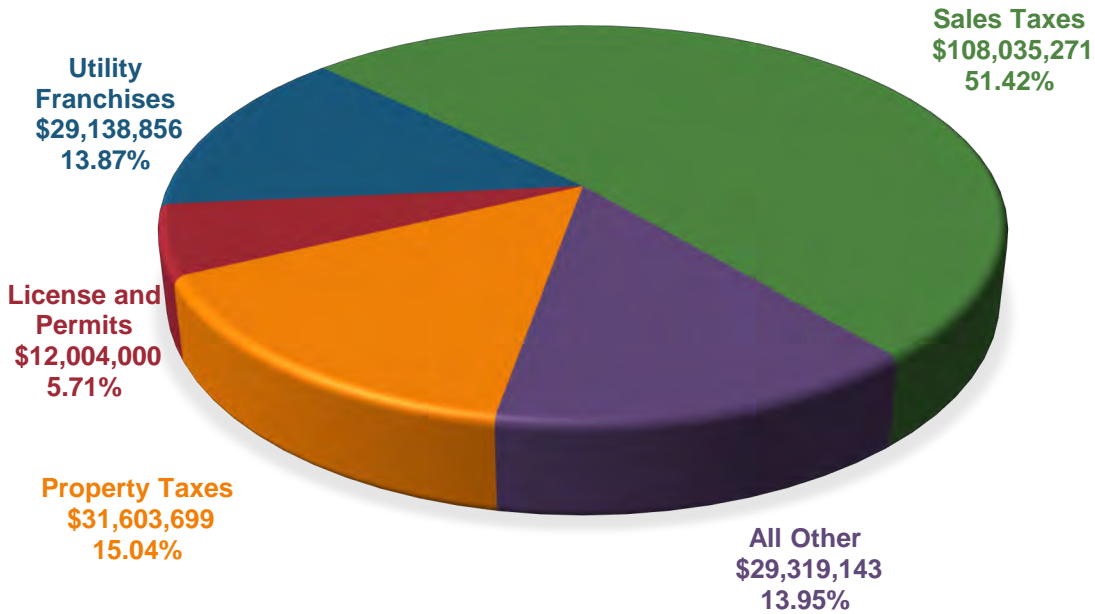
	General	Street	Enterprise Funds	Fleet Services	Total
<b>Revenues</b>					
General Property Taxes	\$ 31,603,699	\$ 6,406,003	\$ -	\$ -	\$ 38,009,702
Sales Taxes	108,035,271	-	-	-	108,035,271
License and Permits	12,004,000	21,860	343,080	-	12,368,940
Intergovernmental	11,105,872	14,032,400	-	-	25,138,272
Charge for Service	10,234,888	16,700	27,376,362	13,370,623	50,998,573
Fines and Fees	1,821,500	-	-	-	1,821,500
Utility Franchise Fees	29,138,856	-	-	-	29,138,856
Investment Income	250,000	220,000	123,800	20,000	613,800
Miscellaneous	1,053,483	32,000	34,455	-	1,119,938
Transfers In	3,027,418	467,703	-	-	3,495,121
Carry Over - Prior Year	1,825,982	82,453	61,483	-	1,969,918
<b>Total Revenues</b>	<b>210,100,969</b>	<b>21,279,119</b>	<b>27,939,180</b>	<b>13,390,623</b>	<b>272,709,891</b>
<b>Expenditures</b>					
Personnel	159,601,152	10,767,813	8,612,040	4,019,964	183,000,969
Supplies and Material	5,378,453	958,504	1,400,306	4,513,660	12,250,923
Repairs and Maintenance	9,849,171	2,399,484	4,448,662	1,058,040	17,755,357
Contractual	22,762,536	5,025,601	6,330,445	3,448,659	37,567,241
Closure/Post Closure	-	-	444,500	-	444,500
Capital Outlay	-	-	16,000	-	16,000
Depreciation and Amortization	-	-	3,529,900	350,300	3,880,200
Debt Service	4,258,645	-	343,818	-	4,602,463
Transfers Out	8,251,012	2,127,717	2,006,244	-	12,384,973
<b>Total Expenditures</b>	<b>210,100,969</b>	<b>21,279,119</b>	<b>27,131,915</b>	<b>13,390,623</b>	<b>271,902,626</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>807,265</b>	<b>-</b>	<b>807,265</b>
<b>Fund Balances - Beginning</b>	<b>24,080,644</b>	<b>15,330,812</b>	<b>28,415,633</b>	<b>4,968,697</b>	<b>72,795,786</b>
<b>Fund Balances - Ending</b>	<b>\$ 24,080,644</b>	<b>\$ 15,330,812</b>	<b>\$ 29,222,898</b>	<b>\$ 4,968,697</b>	<b>\$ 73,603,051</b>

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

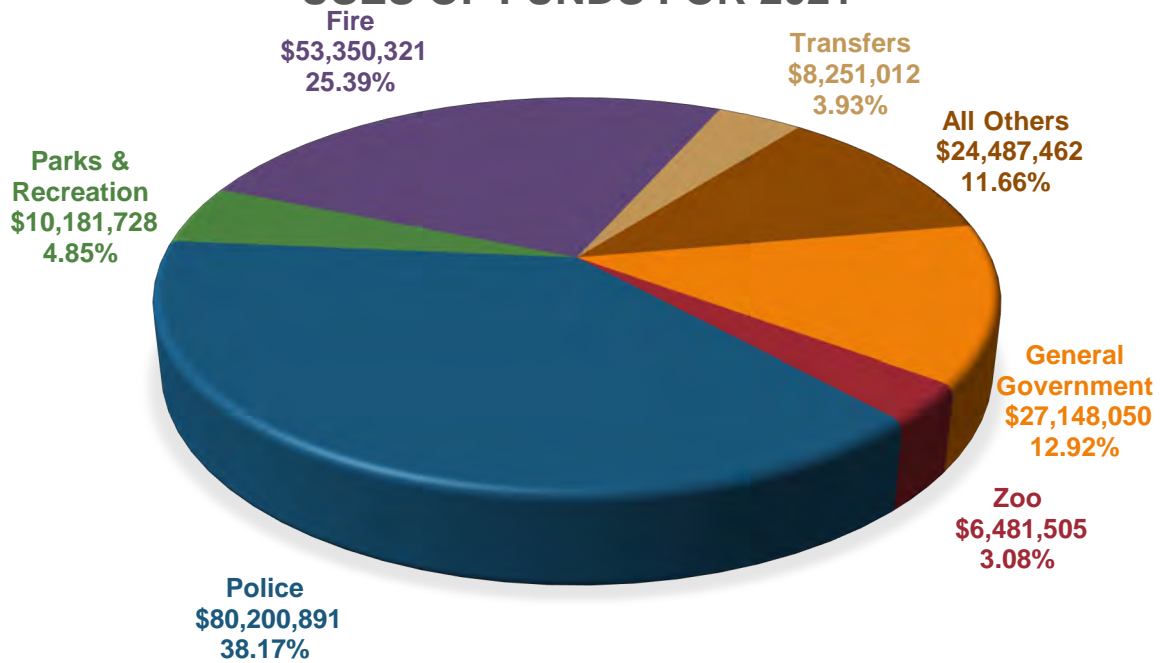


# FY 2021 GENERAL FUND

## SOURCES OF FUNDS FOR 2021



## USES OF FUNDS FOR 2021





**CITY OF LITTLE ROCK  
BUDGET SUMMARY BY FUND TYPE  
FOR YEARS 2019 - 2021**

	<b>GENERAL FUNDS</b>	<b>SPECIAL REVENUES</b>	<b>CAPITAL PROJECTS</b>	<b>DEBT SERVICE FUNDS</b>	<b>ENTERPRISE FUNDS</b>	<b>INTERNAL SERVICE FUND</b>	<b>FIDUCIARY FUNDS</b>
<b>2019</b>							
REVENUES:	\$ 228,493,143	\$ 39,679,914	\$ 32,003,487	\$ 25,943,891	\$ 24,494,874	\$ 13,417,573	\$ 25,220,581
EXPENDITURES:	<u>223,062,662</u>	<u>37,695,944</u>	<u>37,216,984</u>	<u>23,835,167</u>	<u>24,716,626</u>	<u>13,423,566</u>	<u>7,836,060</u>
REVENUES OVER (UNDER) EXPENDITURES	5,430,481	1,983,970	(5,213,497)	2,108,725	(221,752)	(5,993)	17,384,521
BEGINNING NET POSITION	<u>33,749,496</u>	<u>28,457,985</u>	<u>104,869,111</u>	<u>21,884,356</u>	<u>27,717,318</u>	<u>5,628,690</u>	<u>97,523,830</u>
ENDING FUND BALANCE	<u>\$ 39,179,977</u>	<u>\$ 30,441,955</u>	<u>\$ 99,655,614</u>	<u>\$ 23,993,080</u>	<u>\$ 27,495,566</u>	<u>\$ 5,622,697</u>	<u>\$ 114,908,351</u>
<b>2020</b>							
REVENUES:	\$ 219,391,975	\$ 52,939,755	\$ 22,663,535	\$ 24,721,320	\$ 27,754,758	\$ 13,836,681	\$ 19,066,498
EXPENDITURES:	<u>213,644,855</u>	<u>56,210,998</u>	<u>58,485,868</u>	<u>24,266,938</u>	<u>26,834,691</u>	<u>14,490,681</u>	<u>7,828,394</u>
REVENUES OVER (UNDER) EXPENDITURES	5,747,120	(3,271,243)	(35,822,333)	454,382	920,067	(654,000)	11,238,104
BEGINNING FUND BALANCE	<u>39,179,977</u>	<u>30,441,955</u>	<u>99,655,614</u>	<u>23,993,080</u>	<u>27,495,566</u>	<u>5,622,697</u>	<u>114,908,351</u>
ENDING FUND BALANCE	<u>\$ 44,927,097</u>	<u>\$ 27,170,712</u>	<u>\$ 63,833,281</u>	<u>\$ 24,447,462</u>	<u>\$ 28,415,633</u>	<u>\$ 4,968,697</u>	<u>\$ 126,146,455</u>
<b>2021</b>							
REVENUES:	\$ 210,100,969	\$ 21,279,119	\$ -	\$ -	\$ 27,939,180	\$ 13,390,623	\$ -
EXPENDITURES:	<u>210,100,969</u>	<u>21,279,119</u>	<u>-</u>	<u>-</u>	<u>27,131,915</u>	<u>13,390,623</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	807,265	-	-
BEGINNING FUND BALANCE	<u>44,927,097</u>	<u>27,170,712</u>	<u>63,833,281</u>	<u>24,447,462</u>	<u>28,415,633</u>	<u>4,968,697</u>	<u>126,146,455</u>
ENDING FUND BALANCE	<u>\$ 44,927,097</u>	<u>\$ 27,170,712</u>	<u>\$ 63,833,281</u>	<u>\$ 24,447,462</u>	<u>\$ 29,222,898</u>	<u>\$ 4,968,697</u>	<u>\$ 126,146,455</u>

**GENERAL GOVERNMENT SUMMARY  
OPERATING BUDGET  
2019-2021**

<b>GENERAL FUNDS:</b>	ACTUAL 2019	AMENDED 2020	ADOPTED BUDGET 2021
<b><u>GENERAL FUND</u></b>			
REVENUES:	\$ 218,055,297	\$ 204,539,253	\$ 210,100,969
EXPENDITURES:	211,187,523	204,539,253	210,100,969
REVENUES OVER (UNDER) EXPENDITURES	6,867,774	-	-
BEGINNING FUND BALANCE	17,212,870	24,080,644	24,080,644
ENDING FUND BALANCE	<u>\$ 24,080,644</u>	<u>\$ 24,080,644</u>	<u>\$ 24,080,644</u>
% CHANGE IN FUND BALANCE		0.0%	0.0%

**SPECIAL PROJECTS FUND**

REVENUES:	\$ 10,383,614	\$ 14,828,018	
EXPENDITURES:	11,775,688	9,047,838	
REVENUES OVER (UNDER) EXPENDITURES	(1,392,074)	5,780,180	-
BEGINNING FUND BALANCE	16,420,901	15,028,827	20,809,007
ENDING FUND BALANCE	<u>\$ 15,028,827</u>	<u>\$ 20,809,007</u>	<u>\$ 20,809,007</u>
% CHANGE IN FUND BALANCE		38.5%	0.0%

The increase in fund balance from 2019 to 2020 is primarily due to the temporary suspension or delay of spending for programs during the COVID-19 pandemic. Funds will be expended as COVID-19 restrictions are lifted.

**SEIZED MONEY FUND**

REVENUES:	\$ 54,232	\$ 24,704	
EXPENDITURES:	99,451	57,764	
REVENUES OVER (UNDER) EXPENDITURES	(45,219)	(33,060)	-
BEGINNING FUND BALANCE	115,726	70,507	37,447
ENDING FUND BALANCE	<u>\$ 70,507</u>	<u>\$ 37,447</u>	<u>\$ 37,447</u>
% CHANGE IN FUND BALANCE		-46.9%	0.0%

Seized Fund revenues vary significantly from year to year. The decline in fund balance from 2019 to 2020 is due to the utilization of funds seized in prior periods.

<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 33,749,496</b>	<b>\$ 39,179,977</b>	<b>\$ 44,927,097</b>
<b>TOTAL REVENUES</b>	<b>228,493,143</b>	<b>219,391,975</b>	<b>210,100,969</b>
<b>TOTAL EXPENDITURES</b>	<b>223,062,662</b>	<b>213,644,855</b>	<b>210,100,969</b>
<b>TOTAL ENDING FUND BALANCE</b>	<b><u>\$ 39,179,977</u></b>	<b><u>\$ 44,927,097</u></b>	<b><u>\$ 44,927,097</u></b>

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

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

**SPECIAL REVENUE FUNDS  
OPERATING BUDGET  
2019-2021**

<b>SPECIAL REVENUE FUNDS:</b>	<u>ACTUAL 2019</u>	<u>AMENDED 2020</u>	<u>ADOPTED BUDGET 2021</u>
<b><u>STREET</u></b>			
REVENUES:	\$ 21,569,337	\$ 21,442,603	\$ 21,279,119
EXPENDITURES:	<u>20,026,813</u>	<u>25,965,033</u>	<u>21,279,119</u>
REVENUES OVER (UNDER) EXPENDITURES	1,542,524	(4,522,430)	-
BEGINNING FUND BALANCE	<u>18,310,718</u>	<u>19,853,242</u>	<u>15,330,812</u>
ENDING FUND BALANCE	<u>\$ 19,853,242</u>	<u>\$ 15,330,812</u>	<u>\$ 15,330,812</u>
% CHANGE IN FUND BALANCE		-22.8%	0.0%

The change in fund balance is primarily due to the expenditure of funds in 2020 for a \$4.6 million infrastructure project from accumulated reserves.

**SPECIAL PROJECT - STREET**

REVENUES:	\$ 2,463,634	\$ 7,343,433	\$ -
EXPENDITURES:	<u>3,179,568</u>	<u>7,779,828</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(715,934)	(436,395)	-
BEGINNING FUND BALANCE	<u>4,193,257</u>	<u>3,477,323</u>	<u>3,040,928</u>
ENDING FUND BALANCE	<u>\$ 3,477,323</u>	<u>\$ 3,040,928</u>	<u>\$ 3,040,928</u>
% CHANGE IN FUND BALANCE		-12.5%	0.0%

The change in fund balance is due to the expenditure of funds in 2020 that were set aside for specific infrastructure projects in prior years.

**SPECIAL PROJECTS**

REVENUES:	\$ 3,944,174	\$ 3,283,470	\$ -
EXPENDITURES:	<u>3,727,330</u>	<u>3,097,487</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	216,844	185,983	-
BEGINNING FUND BALANCE	<u>3,635,420</u>	<u>3,852,264</u>	<u>4,038,247</u>
ENDING FUND BALANCE	<u>\$ 3,852,264</u>	<u>\$ 4,038,247</u>	<u>\$ 4,038,247</u>
% CHANGE IN FUND BALANCE		4.8%	0.0%

**SPECIAL REVENUE FUNDS  
OPERATING BUDGET  
2019-2021**

<b>SPECIAL REVENUE FUNDS:</b>	<u>ACTUAL 2019</u>	<u>AMENDED 2020</u>	<u>ADOPTED BUDGET 2021</u>
<b><u>EMERGENCY 911</u></b>			
REVENUES:	\$ 1,408,983	\$ 3,263,331	\$ -
EXPENDITURES:	<u>813,071</u>	<u>1,193,985</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	595,912	2,069,346	-
BEGINNING FUND BALANCE	<u>411,619</u>	<u>1,007,531</u>	<u>3,076,877</u>
ENDING FUND BALANCE	<u>\$ 1,007,531</u>	<u>\$ 3,076,877</u>	<u>\$ 3,076,877</u>
% CHANGE IN FUND BALANCE		205.4%	0.0%

The change in fund balance is primarily due to a change in Arkansas statutory law, ACT 660, which replaced the 911 surcharge of \$0.65 for wireless, VoIP, and non-traditional services with a Public Safety Fee of \$1.30.

**GRANTS**

REVENUES:	\$ 7,259,723	\$ 15,776,248	\$ -
EXPENDITURES:	<u>7,258,205</u>	<u>15,859,340</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	1,518	(83,092)	-
BEGINNING FUND BALANCE	<u>98,016</u>	<u>99,534</u>	<u>16,442</u>
ENDING FUND BALANCE	<u>\$ 99,534</u>	<u>\$ 16,442</u>	<u>\$ 16,442</u>
% CHANGE IN FUND BALANCE*		-83.5%	0.0%

**CDBG**

REVENUES:	\$ 1,559,669	\$ 913,890	\$ -
EXPENDITURES:	<u>1,549,163</u>	<u>1,346,797</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	10,506	(432,907)	-
BEGINNING FUND BALANCE	<u>878,767</u>	<u>889,273</u>	<u>456,366</u>
ENDING FUND BALANCE	<u>\$ 889,273</u>	<u>\$ 456,366</u>	<u>\$ 456,366</u>
% CHANGE IN FUND BALANCE*		-48.7%	0.0%

**SPECIAL REVENUE FUNDS  
OPERATING BUDGET  
2019-2021**

<b>SPECIAL REVENUE FUNDS:</b>	<u>ACTUAL 2019</u>	<u>AMENDED 2020</u>	<u>ADOPTED BUDGET 2021</u>
<b><u>HIPP</u></b>			
REVENUES:	\$ 1,474,000	\$ 856,893	\$ -
EXPENDITURES:	<u>1,130,107</u>	<u>908,725</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	343,893	(51,832)	-
BEGINNING FUND BALANCE	<u>901,810</u>	<u>1,245,703</u>	<u>1,193,871</u>
ENDING FUND BALANCE	<u>\$ 1,245,703</u>	<u>\$ 1,193,871</u>	<u>\$ 1,193,871</u>
% CHANGE IN FUND BALANCE *		-4.2%	0.0%
<b><u>NHSP</u></b>			
REVENUES:	\$ 394	\$ 59,887	\$ -
EXPENDITURES:	<u>11,687</u>	<u>59,803</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(11,293)	84	-
BEGINNING FUND BALANCE	<u>28,378</u>	<u>17,085</u>	<u>17,169</u>
ENDING FUND BALANCE	<u>\$ 17,085</u>	<u>\$ 17,169</u>	<u>\$ 17,169</u>
% CHANGE IN FUND BALANCE *		0.5%	0.0%
<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 28,457,985</b>	<b>\$ 30,441,955</b>	<b>\$ 27,170,712</b>
<b>TOTAL REVENUES</b>	<b>39,679,914</b>	<b>52,939,755</b>	<b>21,279,119</b>
<b>TOTAL EXPENDITURES</b>	<b><u>37,695,944</u></b>	<b><u>56,210,998</u></b>	<b><u>21,279,119</u></b>
<b>TOTAL ENDING FUND BALANCE</b>	<b><u>\$ 30,441,955</u></b>	<b><u>\$ 27,170,712</u></b>	<b><u>\$ 27,170,712</u></b>

\*Changes in fund balance are attributed to the receipt and timing of the expenditure of grant awards.

**CAPITAL FUNDS  
OPERATING BUDGET  
2019-2021**

<b>CAPITAL PROJECT FUNDS:</b>	<u>ACTUAL 2019</u>	<u>AMENDED 2020</u>	<u>ADOPTED BUDGET 2021</u>
<b><u>2015 LIBRARY CONSTRUCTION AND REFUNDING BONDS</u></b>			
REVENUES:	\$ 15,084	\$ 3,249	\$ -
EXPENDITURES:	<u>763,493</u>	<u>27,000</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(748,409)	(23,751)	-
BEGINNING FUND BALANCE	<u>1,176,642</u>	<u>428,233</u>	<u>404,482</u>
ENDING FUND BALANCE	<u>\$ 428,233</u>	<u>\$ 404,482</u>	<u>\$ 404,482</u>
% CHANGE IN FUND BALANCE ^		-5.5%	0.0%
<b><u>LIMITED TAX GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS, SERIES 2013</u></b>			
REVENUES:	\$ 5,770	\$ -	\$ -
EXPENDITURES:	<u>259,445</u>	<u>1,485</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(253,675)	(1,485)	-
BEGINNING FUND BALANCE	<u>255,160</u>	<u>1,485</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 1,485</u>	<u>\$ -</u>	<u>\$ -</u>
% CHANGE IN FUND BALANCE ^		-100.0%	
<b><u>LIMITED TAX GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS, SERIES 2018</u></b>			
REVENUES:	\$ 1,351,455	\$ 562,469	\$ -
EXPENDITURES:	<u>7,687,859</u>	<u>12,902,522</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(6,336,404)	(12,340,053)	-
BEGINNING FUND BALANCE	<u>42,827,021</u>	<u>36,490,617</u>	<u>24,150,564</u>
ENDING FUND BALANCE	<u>\$ 36,490,617</u>	<u>\$ 24,150,564</u>	<u>\$ 24,150,564</u>
% CHANGE IN FUND BALANCE ^		-33.8%	0.0%

**CAPITAL FUNDS  
OPERATING BUDGET  
2019-2021**

<b>CAPITAL PROJECT FUNDS:</b>	ACTUAL 2019	AMENDED 2020	ADOPTED BUDGET 2021
<b><u>TAX INCREMENTAL FINANCING PORT</u></b>			
REVENUES:	\$ 215,448	\$ 166,888	\$ -
EXPENDITURES:	<u>200,000</u>	<u>205,360</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	15,448	(38,472)	-
BEGINNING FUND BALANCE	<u>243,236</u>	<u>258,684</u>	<u>220,212</u>
ENDING FUND BALANCE	<u>\$ 258,684</u>	<u>\$ 220,212</u>	<u>\$ 220,212</u>
% CHANGE IN FUND BALANCE ^		-14.9%	0.0%
<b><u>SHORT TERM FINANCING</u></b>			
REVENUES:	\$ 8,607,191	\$ 1,341,400	\$ -
EXPENDITURES:	<u>5,574,872</u>	<u>2,273,711</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	3,032,319	(932,311)	-
BEGINNING FUND BALANCE	<u>252,858</u>	<u>3,285,177</u>	<u>2,352,866</u>
ENDING FUND BALANCE	<u>\$ 3,285,177</u>	<u>\$ 2,352,866</u>	<u>\$ 2,352,866</u>
% CHANGE IN FUND BALANCE ^		-28.4%	0.0%
<b><u>2012-2021 CAPITAL PROJECT FUND (3/8 CENT SALES TAX)</u></b>			
REVENUES:	\$ 21,156,332	\$ 20,463,926	\$ -
EXPENDITURES:	<u>19,835,664</u>	<u>13,963,227</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	1,320,668	6,500,699	-
BEGINNING FUND BALANCE	<u>28,874,214</u>	<u>30,194,882</u>	<u>36,695,581</u>
ENDING FUND BALANCE	<u>\$ 30,194,882</u>	<u>36,695,581</u>	<u>\$ 36,695,581</u>
% CHANGE IN FUND BALANCE ^		21.5%	0.0%

**CAPITAL FUNDS  
OPERATING BUDGET  
2019-2021**

<b>CAPITAL PROJECT FUNDS:</b>	<u>ACTUAL 2019</u>	<u>AMENDED 2020</u>	<u>ADOPTED BUDGET 2021</u>
<b><u>CITY OF LITTLE ROCK, ARKANSAS HOTEL GROSS RECEIPTS TAX BONDS, SERIES 2018</u></b>			
REVENUES:	\$ 652,207	\$ 125,603	\$ -
EXPENDITURES:	<u>2,895,651</u>	<u>29,112,563</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(2,243,444)	(28,986,960)	-
BEGINNING FUND BALANCE	<u>31,239,980</u>	<u>28,996,536</u>	<u>9,576</u>
ENDING FUND BALANCE	<u>\$ 28,996,536</u>	<u>\$ 9,576</u>	<u>\$ 9,576</u>
% CHANGE IN FUND BALANCE ^		-100.0%	0.0%
<b>TOTAL CAPITAL BEGINNING BALANCE</b>	<b>\$ 104,869,111</b>	<b>\$ 99,655,614</b>	<b>\$ 63,833,281</b>
<b>TOTAL REVENUES</b>	<b>32,003,487</b>	<b>22,663,535</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b><u>37,216,984</u></b>	<b><u>58,485,868</u></b>	<b><u>-</u></b>
<b>TOTAL CAPITAL ENDING FUND BALANCE</b>	<b><u>\$ 99,655,614</u></b>	<b><u>\$ 63,833,281</u></b>	<b><u>\$ 63,833,281</u></b>

^Changes in fund balance are associated with the issuance of new debt resulting in proceeds for capital expenditures and with the subsequent expenditure of proceeds for capital improvement projects.



**DEBT SERVICE FUNDS  
OPERATING BUDGET  
2019-2021**

<b>DEBT SERVICE FUNDS:</b>	<u>ACTUAL 2019</u>	<u>AMENDED 2020</u>	<u>ADOPTED BUDGET 2021</u>
<b><u>2015 LIBRARY CONSTRUCTION AND REFUNDING BONDS</u></b>			
REVENUE:	\$ 3,962,070	\$ 3,930,592	\$ -
EXPENDITURES:	<u>3,623,063</u>	<u>3,844,856</u>	<u>-</u>
NET INCREASE (DECREASE)	339,007	85,736	-
BEGINNING FUND BALANCE	3,785,867	4,124,874	4,210,610
ENDING FUND BALANCE	<u>\$ 4,124,874</u>	<u>\$ 4,210,610</u>	<u>\$ 4,210,610</u>
% CHANGE IN FUND BALANCE #		2.1%	0.0%
<b><u>LIMITED TAX GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS, SERIES 2013 &amp; 2018</u></b>			
REVENUE:	\$ 13,269,440	\$ 13,123,418	\$ -
EXPENDITURES:	<u>12,736,462</u>	<u>12,733,388</u>	<u>-</u>
NET INCREASE (DECREASE)	532,978	390,030	-
BEGINNING FUND BALANCE	13,546,739	14,079,717	14,469,747
ENDING FUND BALANCE	<u>\$ 14,079,717</u>	<u>\$ 14,469,747</u>	<u>\$ 14,469,747</u>
% CHANGE IN FUND BALANCE #		2.8%	0.0%
<b><u>TAX INCREMENTAL FINANCING 2014 CAPITAL IMPROVEMENT BONDS</u></b>			
REVENUE:	\$ 559,347	\$ 559,393	\$ -
EXPENDITURES:	<u>473,413</u>	<u>391,513</u>	<u>-</u>
NET INCREASE (DECREASE)	85,934	167,880	-
BEGINNING FUND BALANCE	627,628	713,562	881,442
ENDING FUND BALANCE	<u>\$ 713,562</u>	<u>\$ 881,442</u>	<u>\$ 881,442</u>
% CHANGE IN FUND BALANCE #		23.5%	0.0%
<b><u>CAPITAL IMPROVEMENTS REFUNDING REVENUE BONDS, SERIES 2017</u></b>			
REVENUE:	\$ 1,514,686	\$ 1,506,175	\$ -
EXPENDITURES:	<u>1,508,850</u>	<u>1,507,750</u>	<u>-</u>
NET INCREASE (DECREASE)	5,836	(1,575)	-
BEGINNING FUND BALANCE	15,073	20,909	19,334
ENDING FUND BALANCE	<u>\$ 20,909</u>	<u>\$ 19,334</u>	<u>\$ 19,334</u>
% CHANGE IN FUND BALANCE #		-7.5%	0.0%

**DEBT SERVICE FUNDS  
OPERATING BUDGET  
2019-2021**

<b>DEBT SERVICE FUNDS:</b>	<u>ACTUAL 2019</u>	<u>AMENDED 2020</u>	<u>ADOPTED BUDGET 2021</u>
<b><u>2017 LIBRARY REFUNDING BONDS</u></b>			
REVENUE:	\$ 3,968,389	\$ 3,933,930	\$ -
EXPENDITURES:	<u>3,441,338</u>	<u>3,858,887</u>	<u>-</u>
NET INCREASE (DECREASE)	527,051	75,043	-
BEGINNING FUND BALANCE	3,909,049	4,436,100	4,511,143
ENDING FUND BALANCE	<u>\$ 4,436,100</u>	<u>\$ 4,511,143</u>	<u>\$ 4,511,143</u>
% CHANGE IN FUND BALANCE #		1.7%	0.0%

# The change in fund balance for the City's debt service funds is due to the scheduled retirement of debt and the timing of bond calls. Revenues dedicated to debt service are very consistent with the exception of the Hotel Gross Receipts Tax revenues noted below.

**CITY OF LITTLE ROCK, ARKANSAS HOTEL GROSS  
RECEIPTS TAX BONDS, SERIES 2018**

REVENUE:	\$ 2,669,959	\$ 1,667,812	\$ -
EXPENDITURES:	<u>2,052,041</u>	<u>1,930,544</u>	<u>-</u>
NET INCREASE (DECREASE)	617,919	(262,732)	-
BEGINNING FUND BALANCE	-	617,919	355,187
ENDING FUND BALANCE	<u>\$ 617,919</u>	<u>\$ 355,187</u>	<u>\$ 355,187</u>
% CHANGE IN FUND BALANCE ##		-42.5%	0.0%

## The change in fund balance is due to a significant reduction in revenues from the 2% tax on gross receipts derived and received from the renting, leasing, or otherwise furnishing of hotel, motel, bed and breakfast, or short-term condominium or apartment rental accommodations in the City due to travel restrictions in place during the COVID-19 pandemic.

<b>TOTAL BEGINNING FUND BALANCE</b>	<b>\$ 21,884,356</b>	<b>\$ 23,993,080</b>	<b>\$ 24,447,462</b>
<b>TOTAL REVENUES</b>	<b>25,943,891</b>	<b>24,721,320</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<u><b>23,835,167</b></u>	<u><b>24,266,938</b></u>	<u><b>-</b></u>
<b>TOTAL ENDING FUND BALANCE</b>	<u><b>\$ 23,993,080</b></u>	<u><b>\$ 24,447,462</b></u>	<u><b>\$ 24,447,462</b></u>

**ENTERPRISE FUNDS  
OPERATING BUDGET  
2019-2021**

<b>ENTERPRISE FUNDS:</b>	<b>ACTUAL 2019</b>	<b>AMENDED 2020</b>	<b>ADOPTED BUDGET 2021</b>
<b><u>VEHICLE STORAGE FACILITY</u></b>			
REVENUES:	\$ 1,879,003	\$ 1,712,278	\$ 1,759,847
EXPENDITURES:	<u>1,589,572</u>	<u>1,561,351</u>	<u>1,699,157</u>
REVENUES OVER (UNDER) EXPENDITURES	289,431	150,927	60,690
BEGINNING NET POSITION	<u>(446,729)</u>	<u>(157,298)</u>	<u>(6,371)</u>
ENDING NET POSITION	<u>\$ (157,298)</u>	<u>\$ (6,371)</u>	<u>\$ 54,319</u>
% CHANGE IN FUND BALANCE		95.9%	952.7%

The change in net position is due to increased revenue in 2019 associated with storage fees and vehicle auctions. Due to the impact of COVID-19 restrictions, revenue declined by 9% in 2020. Expenditures declined approximately 2% with reduced vehicle storage and towing expenses. Vehicle Storage operations have not operated at a deficit in the last few years, which is gradually improving net position. Net position is expected to be positive in 2021, although with ongoing COVID-19 restrictions, revenues are expected to be lower than 2019 levels.

**WASTE DISPOSAL**

REVENUES:	\$ 19,354,601	\$ 23,604,307	\$ 23,671,871
EXPENDITURES:	<u>20,980,343</u>	<u>23,604,307</u>	<u>23,671,871</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	(1,625,742)	-	-
BEGINNING NET POSITION	<u>26,358,008</u>	<u>24,732,266</u>	<u>24,732,266</u>
ENDING NET POSITION	<u>\$ 24,732,266</u>	<u>\$ 24,732,266</u>	<u>\$ 24,732,266</u>
% CHANGE IN FUND BALANCE		0.0%	0.0%

**PARKING GARAGES**

REVENUES:	\$ 3,261,270	\$ 2,438,173	\$ 2,507,462
EXPENDITURES:	<u>2,146,711</u>	<u>1,669,033</u>	<u>1,760,887</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	1,114,559	769,140	746,575
BEGINNING NET POSITION	<u>1,806,038</u>	<u>2,920,597</u>	<u>3,689,737</u>
ENDING NET POSITION	<u>\$ 2,920,597</u>	<u>\$ 3,689,737</u>	<u>\$ 4,436,312</u>
% CHANGE IN FUND BALANCE		26.3%	20.2%

The change in net position is due to a significant increase in 2019 revenues associated with street cut reimbursements from utility companies which are dedicated to debt service on the parking garage bonds. Increased street cut reimbursements carried into 2020 as well. The increased reimbursements are primarily associated with a change in Board policy which includes penalties if repairs are not made in a timely manner. Due to COVID-19, significant reductions in daily parking revenues and operating expenditures occurred. The garages were only open to monthly parkers with card passes for much of the year. This limited the loss of monthly parking revenue and enabled the City to reduce personnel and operating expenditures in 2020.

<b>TOTAL ENTERPRISE BEGINNING NET POSITION</b>	<b>\$ 27,717,318</b>	<b>\$ 27,495,566</b>	<b>\$ 28,415,633</b>
<b>TOTAL REVENUES</b>	<b>24,494,874</b>	<b>27,754,758</b>	<b>27,939,180</b>
<b>TOTAL EXPENDITURES</b>	<u><b>24,716,626</b></u>	<u><b>26,834,691</b></u>	<u><b>27,131,915</b></u>
<b>TOTAL ENTERPRISE ENDING NET POSITION</b>	<u><b>\$ 27,495,566</b></u>	<u><b>\$ 28,415,633</b></u>	<u><b>\$ 29,222,898</b></u>

**FLEET INTERNAL SERVICE FUND  
OPERATING BUDGET  
2019-2021**

<b>INTERNAL SERVICE FUND:</b>	<u>ACTUAL 2019</u>	<u>AMENDED 2020</u>	<u>ADOPTED BUDGET 2021</u>
<b><u>FLEET INTERNAL SERVICE FUND</u></b>			
REVENUES:	\$ 13,417,573	\$ 13,836,681	\$ 13,390,623
EXPENDITURES:	<u>13,423,566</u>	<u>14,490,681</u>	<u>13,390,623</u>
REVENUES OVER (UNDER) EXPENDITURES	(5,993)	(654,000)	-
BEGINNING NET POSITION	<u>5,628,690</u>	<u>5,622,697</u>	<u>4,968,697</u>
ENDING NET POSITION	<u>\$ 5,622,697</u>	<u>\$ 4,968,697</u>	<u>\$ 4,968,697</u>
% CHANGE IN FUND BALANCE #		-11.6%	0.0%

The decrease in net position in 2020 is due to a one-time transfer to the General Fund to up-fit Police vehicles.

**FIDUCIARY FUNDS  
OPERATING BUDGET  
2019-2021**

<b>FIDUCIARY FUNDS:</b>	<u>ACTUAL 2019</u>	<u>AMENDED 2020</u>	<u>ADOPTED BUDGET 2021</u>
<b><u>POLICE PENSION &amp; RELIEF FUND</u></b>			
ADDITIONS:	\$ (83,365)	\$ (462,061)	\$ -
DEDUCTIONS:	<u>98,831</u>	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE)	(182,196)	(462,061)	-
NET POSITION HELD IN TRUST, BEGINNING	<u>1,378,699</u>	<u>1,196,503</u>	<u>734,442</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>1,196,503</u></u>	<u><u>\$ 734,442</u></u>	<u><u>\$ 734,442</u></u>
<b><u>FIRE PENSION &amp; RELIEF FUND</u></b>			
ADDITIONS:	\$ (83,365)	\$ (462,061)	\$ -
DEDUCTIONS:	<u>330,132</u>	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE)	(413,497)	(462,061)	-
NET POSITION HELD IN TRUST, BEGINNING	<u>1,621,227</u>	<u>1,207,730</u>	<u>745,669</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>1,207,730</u></u>	<u><u>\$ 745,669</u></u>	<u><u>\$ 745,669</u></u>
<b><u>NON-UNIFORM DEFINED BENEFIT FUND</u></b>			
ADDITIONS:	\$ 2,877,354	\$ 1,732,055	\$ -
DEDUCTIONS:	<u>1,720,046</u>	<u>1,802,840</u>	<u>-</u>
NET INCREASE (DECREASE)	1,157,308	(70,785)	-
NET POSITION HELD IN TRUST, BEGINNING	<u>11,314,901</u>	<u>12,472,209</u>	<u>12,401,424</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>12,472,209</u></u>	<u><u>\$ 12,401,424</u></u>	<u><u>\$ 12,401,424</u></u>

**FIDUCIARY FUNDS  
OPERATING BUDGET  
2019-2021**

<b>FIDUCIARY FUNDS:</b>	<u>ACTUAL 2019</u>	<u>AMENDED 2020</u>	<u>ADOPTED BUDGET 2021</u>
<b><u>NON-UNIFORM DEFINED CONTRIBUTION</u></b>			
ADDITIONS:	\$ 2,674,430	\$ 1,289,734	\$ -
DEDUCTIONS:	<u>2,954,668</u>	<u>3,470,422</u>	<u>-</u>
NET INCREASE (DECREASE)	(280,238)	(2,180,688)	-
NET POSITION HELD IN TRUST, BEGINNING	<u>16,053,424</u>	<u>15,773,186</u>	<u>13,592,498</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>15,773,186</u></u>	<u><u>\$ 13,592,498</u></u>	<u><u>\$ 13,592,498</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:	\$ 15,203,272	\$ 12,966,711	\$ -
DEDUCTIONS:	<u>1,500,428</u>	<u>2,128,147</u>	<u>-</u>
NET INCREASE (DECREASE)	13,702,844	10,838,564	-
NET POSITION HELD IN TRUST, BEGINNING	<u>56,154,057</u>	<u>69,856,901</u>	<u>80,695,465</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>69,856,901</u></u>	<u><u>\$ 80,695,465</u></u>	<u><u>\$ 80,695,465</u></u>

**401 (A) PENSION FUND**

ADDITIONS:	\$ 1,937,082	\$ 1,885,214	\$ -
DEDUCTIONS:	<u>415,980</u>	<u>362,919</u>	<u>-</u>
NET INCREASE (DECREASE)	1,521,102	1,522,295	-
NET POSITION HELD IN TRUST, BEGINNING	<u>6,526,343</u>	<u>8,047,445</u>	<u>9,569,740</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>8,047,445</u></u>	<u><u>\$ 9,569,740</u></u>	<u><u>\$ 9,569,740</u></u>

**FIDUCIARY FUNDS  
OPERATING BUDGET  
2019-2021**

<b>FIDUCIARY FUNDS:</b>	<u>ACTUAL 2019</u>	<u>AMENDED 2020</u>	<u>ADOPTED BUDGET 2021</u>
<b><u>HEALTH MANAGEMENT TRUST FUND</u></b>			
ADDITIONS:	\$ 2,695,173	\$ 2,116,906	\$ -
DEDUCTIONS:	<u>815,975</u>	<u>64,066</u>	<u>-</u>
NET INCREASE (DECREASE)	1,879,198	2,052,840	-
NET POSITION HELD IN TRUST, BEGINNING	<u>4,475,179</u>	<u>6,354,377</u>	<u>8,407,217</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>6,354,377</u></u>	<u><u>\$ 8,407,217</u></u>	<u><u>\$ 8,407,217</u></u>
 <b>TOTAL NET POSITION BEGINNING</b>	 <b>\$ 97,523,830</b>	 <b>\$ 114,908,351</b>	 <b>\$ 126,146,455</b>
<b>TOTAL ADDITIONS</b>	<b>25,220,581</b>	<b>19,066,498</b>	<b>-</b>
<b>TOTAL DEDUCTIONS</b>	<u><b>7,836,060</b></u>	<u><b>7,828,394</b></u>	<u><b>-</b></u>
<b>TOTAL NET POSITION ENDING</b>	<u><u><b>\$ 114,908,351</b></u></u>	<u><u><b>\$ 126,146,455</b></u></u>	<u><u><b>\$ 126,146,455</b></u></u>

## 2021 Five-Year Forecast

All fund designations and reserves are evaluated annually for long-term adequacy and use requirements in conjunction with developing the City's five-year financial plan. A 10% reserve requirement is utilized for planning purposes for all funds, except for 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 2021 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, may be added to the restricted reserve until the desired level is achieved. While the City has not increased the reserve to the desired level, the City has not drawn from the restricted reserve to balance the budget. The City Board of Directors evaluates funds available following completion of each year's annual audit to determine whether an addition is appropriate. The City is currently reviewing financial policies. A recommendation will be brought forward in 2021 to build a 17% unassigned fund balance in the General Fund, including the \$10,000,000 restricted reserve, representing approximately two months of annual operating revenues, excluding Transfers In.

Because demand for services outpaced revenue growth in the years leading up to 2012, the residents of Little Rock approved a one (1)-cent sales tax on September 13, 2011, to allow the City to fill critical positions that had remained vacant for many years and to provide the City the opportunity to move forward with much needed programs and capital projects. All services and projects funded by the tax support the City's goals and objectives, centered on public safety, economic development, basic City services, infrastructure, and quality of life.

The tax increase, which went into effect January 1, 2012, includes a permanent 5/8-cent tax for general operations and a 3/8-cent ten (10)-year capital tax which sunsets on December 31, 2021. The combined tax proceeds provided resources for constructing new Fire and Police facilities, a new emergency communications system, infrastructure improvements, and other capital projects. They provided additional Police Officers, more Code Enforcement Officers, economic development activities, and park and zoo operations. The capital projects supported by the 3/8-cent tax are highlighted in the Capital Improvements section of the Budget Document. The ongoing operating expenses associated with the capital projects are supported by the 5/8-cent portion of the sales tax, reflected in the City's General Fund. The majority of the capital projects have been completed, and the associated operating expenses have been phased into the annual budget. Consistent with the first "must do" goal of the Mayor and Board of Directors, the City completed the majority of the designated public safety projects funded by the 3/8-



cent ten (10)-year capital tax by the end of 2017. In addition, emphasis is placed on completing infrastructure projects underway in each of the City's seven (7) Wards, utilizing citizen input through community meetings that determined projects in the final (3)-year cycle (2019 – 2021) of the tax allocation. The City acquired 615 West Markham Street in November 2017 to construct a new Police Headquarters. A construction manager and architect have been selected and construction will take place in 2021. This is the last major public safety facility to be funded with the 3/8-cent tax. No additional staffing or operating expenditure increase is anticipated, as the current Police Headquarters building will be demolished. Debt service expenditures have been adjusted in the five-year forecast to include the timing of short-term note payments for various capital projects. In addition, Transfers Out has been adjusted to reflect the 0.5% of annual operating revenues contingency allocation for unanticipated revenue and expenditure fluctuations from the budget as noted above.

In early 2020 at the annual State of the City Address, Mayor Frank Scott Jr. introduced a new one penny quality of life "*Lift Little Rock*" sales tax initiative in lieu of an effort to extend the expiring 3/8-cent capital tax. The initiative was deferred due to the onset of the COVID-19 pandemic. In 2021, the quality of life sales tax initiative will be revived and refocused as "*Rebuild the Rock*". In the Mayor's words, "Our *Rebuild the Rock* sales tax is an appropriate, transparent, and timely response to a pandemic that knocked us down but didn't take us out." If the initiative is successful, Little Rock's sales tax rate would be comparable to our neighboring cities. The focus would be on improving the quality of life for all Little Rock residents by:

1. Building an equitable economic development program that offers incentives to attract and recruit companies to Little Rock, increase jobs, and most importantly - assist with the growth and development of businesses that are already here.
2. Expanding early childhood education for infants and toddlers, while also investing in their future with a contribution to a 529 plan for every kindergartener in a Little Rock public school.
3. Revitalizing War Memorial and Hindman Parks and connecting them with a state-of-the-art trails system.
4. Creating an affordable housing fund to acquire, develop, and rehabilitate affordable housing in the heart of our City.
5. Revitalizing our neighborhoods with strategic infrastructure improvements.
6. Helping to reform public safety by decreasing response times, investing in technology, and enhancing our community policing with data-driven efforts to reduce crime. Public safety enhancement would include addressing critical needs by building a fire station in West Little Rock and hiring experienced personnel to handle certain mental health situations.

The Board will begin having discussions about the new tax proposal in the coming month. With their support, a special election would be called in the second half of 2021. The five-year forecast does not currently include the potential impact of the "*Rebuild the Rock*" campaign. The Mayor and Board of Directors have only approved the 2021 budget. The five-year forecast for 2021 – 2025 is a planning tool.

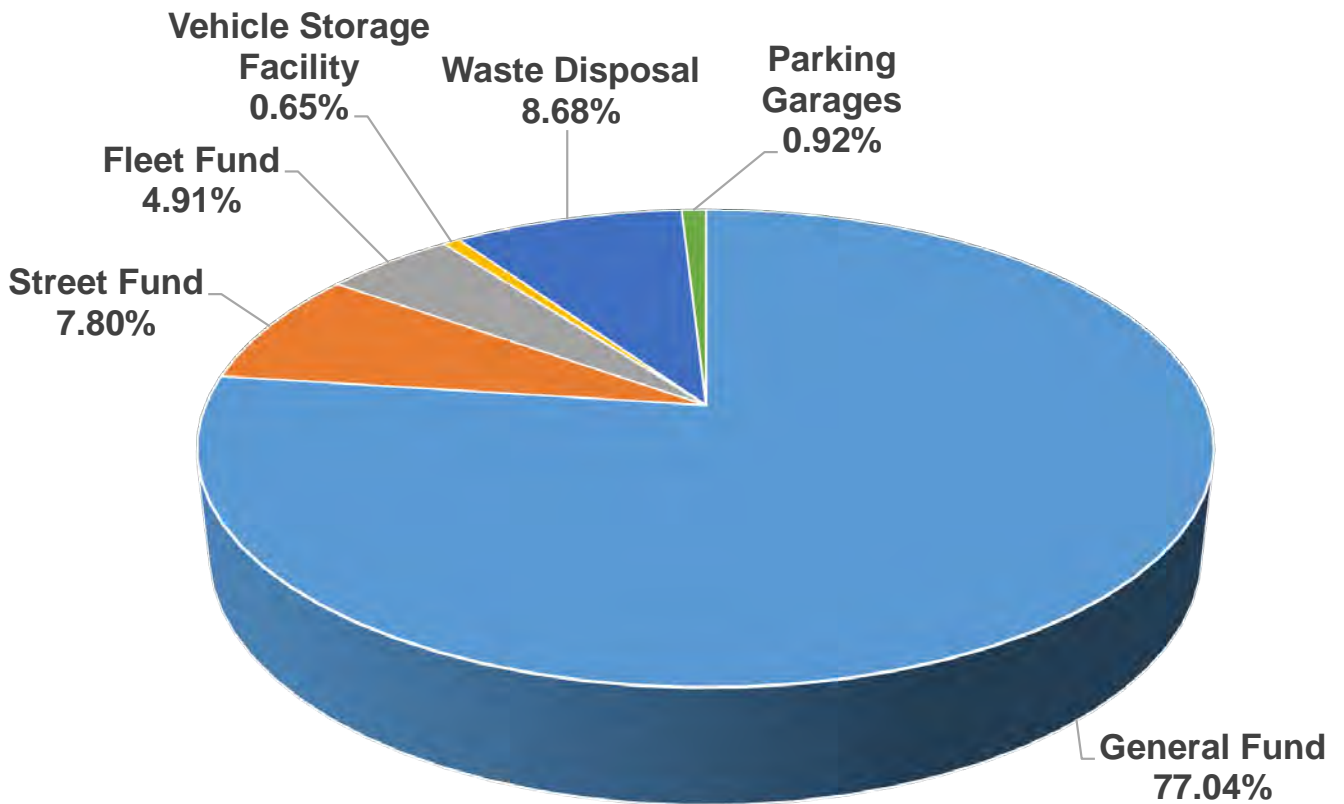
<b>CITY OF LITTLE ROCK</b>					
<b>FIVE-YEAR FORECAST (2021-2025)</b>					
	FY21	FY22	FY23	FY24	FY25
	<u>Adopted</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
<b><u>General Fund</u></b>					
Beginning Fund Balance	\$24,080,644	\$24,080,644	\$24,080,644	\$24,080,644	\$24,080,644
Plus: Est. Revenue (a)	210,100,969	214,246,503	217,626,008	221,917,980	226,295,791
Less: Est. Expenses					
Executive Administration	22,889,405	22,798,656	23,254,629	23,719,722	24,194,116
Board of Directors	338,715	345,489	352,399	359,447	366,636
Community Programs	465,049	474,350	483,837	493,514	503,384
City Attorney	1,654,033	1,687,114	1,720,856	1,755,273	1,790,378
District Court - First Division	1,343,070	1,369,931	1,397,330	1,425,277	1,453,783
District Court - Second Division	1,255,694	1,280,808	1,306,424	1,332,552	1,359,203
District Court - Third Division	539,585	550,377	561,385	572,613	584,065
Finance	4,057,149	4,138,292	4,221,058	4,305,479	4,391,589
Human Resources	2,051,039	2,092,060	2,133,901	2,176,579	2,220,111
Information Technology	6,039,340	6,160,127	6,283,330	6,408,997	6,537,177
Planning and Development	2,708,492	2,762,662	2,817,915	2,874,273	2,931,758
Housing & Neighborhood Programs	5,710,466	5,824,675	5,941,169	6,059,992	6,181,192
Public Works	1,110,957	1,133,176	1,155,840	1,178,957	1,202,536
Parks & Recreation	10,181,728	10,385,363	10,664,391	10,877,679	11,095,233
River Market (b)	774,678	-	-	-	-
Golf	1,572,011	1,603,451	1,635,520	1,668,230	1,701,595
Jim Dailey Fitness & Aquatics	867,184	884,528	902,219	920,263	938,668
Zoo	6,481,505	6,861,135	6,998,358	7,138,325	7,281,092
Fire	53,350,321	54,417,327	55,777,760	56,938,900	58,362,373
Police (c)	80,200,891	81,804,909	83,550,444	85,339,205	87,472,685
Vacancy Reductions (d)	(6,000,000)	(5,698,000)	(5,812,000)	(5,928,000)	(6,047,000)
Debt Service - short-term notes (e)	4,258,645	3,529,828	2,422,100	2,422,100	1,214,607
Transfers Out (including contingency) (f)	8,251,012	9,840,245	9,857,143	9,878,603	9,900,492
	210,100,969	214,246,503	217,626,008	221,917,980	225,635,673
Net Income	-	-	-	-	660,118
Ending Fund Balance (g)	\$24,080,644	\$24,080,644	\$24,080,644	\$24,080,644	\$25,400,880
Reserve Requirement (10% of Revenues)	\$21,010,097	\$21,424,650	\$21,762,601	\$22,191,798	\$22,629,579
<p>(a) Assumes 2022 revenues rebound to levels anticipated in the 2020 Adopted Budget, prior to the onset of COVID-19, with growth of 1%, excluding Transfers In.</p> <p>(b) The RiverMarket is being marketed for sale in 2021.</p> <p>(c) Includes COPS grant match for 7 officers hired in 2020.</p> <p>(d) The amount reflects approximately 3.5% of the cost of full staffing, representing savings associated with temporary unfilled positions due to turnover and retirements.</p> <p>(e) Reflects annual changes in estimated short-term financing debt service requirements.</p> <p>(f) Transfers Out includes a contingency allocation of 0.5% of revenues for unanticipated changes in revenues and expenses.</p> <p>(g) Ending Fund Balance includes a restricted reserve of \$10,000,000.</p>					

<b>CITY OF LITTLE ROCK</b>					
<b>FIVE-YEAR FORECAST (2021-2025)</b>					
	FY21	FY22	FY23	FY24	FY25
	Adopted	Projected	Projected	Projected	Projected
<b><u>Street Fund</u></b>					
Beginning Balance	\$15,330,812	\$15,330,812	\$15,330,812	\$15,330,812	\$15,330,812
Plus: Est. Revenue	21,279,119	21,704,701	22,138,795	22,581,571	23,033,203
Less: Est. Expenses	21,279,119	21,704,701	22,138,795	22,581,571	23,033,203
Ending Balance	15,330,812	15,330,812	15,330,812	15,330,812	15,330,812
Reserve Requirement (10% of revenue)	\$2,127,912	\$2,170,470	\$2,213,880	\$2,258,157	\$2,303,320
<b><u>Fleet Fund</u></b>					
Beginning Net Position	\$4,968,697	\$4,968,697	\$4,968,697	\$4,968,697	\$4,968,697
Plus: Est. Revenue	13,390,623	13,658,435	13,931,604	14,210,236	14,494,441
Less: Est. Expenses	13,390,623	13,658,435	13,931,604	14,210,236	14,494,441
Ending Net Position	\$4,968,697	\$4,968,697	\$4,968,697	\$4,968,697	\$4,968,697
Reserve Requirement (10% of revenues)	\$1,339,062	\$1,365,844	\$1,393,160	\$1,421,024	\$1,449,444
<b><u>Vehicle Storage Facility</u></b>					
Beginning Net Position	(\$6,371)	\$54,319	\$107,424	\$152,659	\$189,734
Plus: Est. Revenue	1,759,847	1,786,245	1,813,038	1,840,234	1,867,837
Less: Est. Expenses	1,699,157	1,733,140	1,767,803	1,803,159	1,839,222
Ending Net Position	\$54,319	\$107,424	\$152,659	\$189,734	\$218,349
Reserve Requirement (10% of revenues)	\$175,985	\$178,624	\$181,304	\$184,023	\$186,784
<b><u>Waste Disposal Fund</u></b>					
Beginning Net Position	\$24,732,266	\$24,732,266	\$24,732,266	\$24,732,266	\$24,732,266
Plus: Est. Revenue (h)	23,671,871	24,145,308	24,628,215	25,120,779	25,623,194
Less: Est. Expenses	23,671,871	24,145,308	24,628,215	25,120,779	25,623,194
Ending Net Position	\$24,732,266	\$24,732,266	\$24,732,266	\$24,732,266	\$24,732,266
Reserve Requirement (15% of revenues)	\$3,550,781	\$3,621,796	\$3,694,232	\$3,768,117	\$3,843,479
(h) A rate study in 2019 resulted in a new rate structure beginning January 1, 2020 that is intended to cover the cost of services in the Waste Disposal fund and expansion of the landfill.					
<b><u>Parking Garages</u></b>					
Beginning Net Position	\$3,689,737	\$4,436,312	\$4,786,312	\$5,036,312	\$5,286,312
Plus: Est. Revenue	2,507,462	2,207,611	2,251,763	2,296,799	2,342,735
Less: Est. Expenses	1,760,887	1,857,611	2,001,763	2,046,799	2,092,735
Ending Net Position	\$4,436,312	\$4,786,312	\$5,036,312	\$5,286,312	\$5,536,312

# Revenues



# CITY OF LITTLE ROCK 2021 REVENUE PROFILE

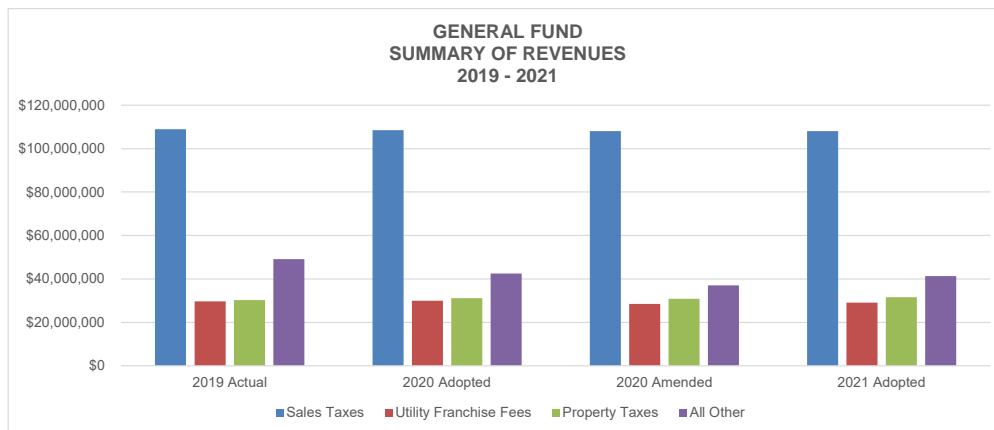


**\$272,709,891**

**CITY OF LITTLE ROCK  
2021 OPERATING REVENUES**

REVENUES:	2019 ACTUAL	2020 ADOPTED	2020 AMENDED	2021 ADOPTED	19/20 DIFF	% CHANGE
Property Taxes *	\$30,301,000	\$31,189,332	\$30,863,382	\$31,603,699	\$740,317	2.40%
Sales Tax	108,995,027	108,439,925	108,066,845	108,035,271	(31,574)	-0.03%
Business Licenses	6,922,237	6,895,700	6,841,200	6,845,000	3,800	0.06%
Mixed Drinks	3,000,674	2,933,300	1,911,600	2,500,000	588,400	30.78%
Building, Related Permits	2,535,030	2,645,600	2,452,100	2,659,000	206,900	8.44%
Intergovernmental*	10,561,590	10,561,800	11,038,777	11,105,872	67,095	0.61%
Park Revenue	487,099	516,200	257,690	486,350	228,660	88.73%
River Market	436,677	500,000	62,600	256,188	193,588	309.25%
Golf	1,019,078	1,016,900	917,800	999,900	82,100	8.95%
Jim Dailey Fitness and Aquatic Center	561,516	526,280	173,880	305,500	131,620	75.70%
Zoo	3,374,700	3,544,325	1,326,125	2,302,150	976,025	73.60%
Airport Reimbursement	3,217,596	3,117,500	3,177,500	3,243,300	65,800	2.07%
Salary Reimbursement 911	550,000	800,000	1,000,000	1,750,000	750,000	75.00%
Fines and Fees	2,086,180	2,339,900	1,378,147	1,821,500	443,353	32.17%
Utility Franchises	29,676,836	29,996,250	28,505,750	29,138,856	633,106	2.22%
Police Pension	336,522	276,400	201,700	240,000	38,300	18.99%
Investment Income	589,856	350,000	288,500	250,000	(38,500)	-13.34%
All Other	5,021,532	2,240,007	1,839,823	1,704,983	(134,840)	-7.33%
Transfers In	8,382,149	4,235,834	4,235,834	3,027,418	(1,208,416)	-28.53%
Carryover from Prior Year	-	-	-	1,825,982	1,825,982	0.00%
<b>Total General Fund</b>	<b>218,055,297</b>	<b>212,125,253</b>	<b>204,539,253</b>	<b>210,100,969</b>	<b>5,561,716</b>	<b>2.72%</b>
<b>Other Budgeted Funds</b>						
Street	21,569,337	21,339,903	21,442,603	21,279,119	(163,484)	-0.76%
Fleet Services	13,417,573	14,333,041	13,836,681	13,390,623	(446,058)	-3.22%
Vehicle Storage Facility	1,879,003	2,066,800	1,712,278	1,759,847	47,569	2.78%
Waste Disposal	19,354,601	23,938,605	23,604,307	23,671,871	67,564	0.29%
Parking Garages	3,261,270	2,962,166	2,438,173	2,507,462	69,289	2.84%
<b>Total Other Budgeted Funds</b>	<b>59,481,784</b>	<b>64,640,515</b>	<b>63,034,042</b>	<b>62,608,922</b>	<b>(425,120)</b>	<b>-0.67%</b>
<b>Total All Budgeted Funds</b>	<b>\$277,537,081</b>	<b>\$276,765,768</b>	<b>\$267,573,295</b>	<b>\$272,709,891</b>	<b>\$5,136,596</b>	<b>1.92%</b>

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



**CITY OF LITTLE ROCK  
2021 OPERATING REVENUE**

	2019 ACTUAL	2020 ADOPTED	2020 AMENDED	2021 ADOPTED
<b>GENERAL FUND</b>				
<b>PROPERTY TAX</b>				
Property Taxes	\$ 20,321,841	\$ 21,011,700	\$ 20,728,200	\$ 21,246,500
Pension Property Taxes	8,654,747	8,958,500	8,827,850	9,048,600
Homestead Taxes	1,142,554	1,037,600	1,125,800	1,125,800
Act 9 Industry Payment	181,858	181,532	181,532	182,799
Total Property Taxes	<u>30,301,000</u>	<u>31,189,332</u>	<u>30,863,382</u>	<u>31,603,699</u>
<b>SALES TAX</b>				
County Sales & Use Tax	44,794,684	44,572,100	45,614,390	45,501,358
City Sales Tax	61,141,139	60,808,525	59,632,805	59,473,913
State Tax Turnback	3,059,204	3,059,300	2,819,650	3,060,000
Total Sales Taxes	<u>108,995,027</u>	<u>108,439,925</u>	<u>108,066,845</u>	<u>108,035,271</u>
<b>BUSINESS LICENSES</b>				
General Business Licenses	6,922,237	6,895,700	6,841,200	6,845,000
Mixed Drinks Licenses	3,000,674	2,933,300	1,911,600	2,500,000
Total Business Licenses	<u>9,922,911</u>	<u>9,829,000</u>	<u>8,752,800</u>	<u>9,345,000</u>
<b>PERMITS</b>				
Building & Excavation Permits	1,484,402	1,600,000	1,406,200	1,600,000
Electrical Permits	357,925	350,000	385,700	350,000
Plumbing Permits	264,581	270,000	287,600	270,000
HVAC Permits	377,402	375,000	322,000	375,000
Wrecker Franchise	50,721	50,600	50,600	64,000
Total Permits	<u>2,535,030</u>	<u>2,645,600</u>	<u>2,452,100</u>	<u>2,659,000</u>
<b>INTERGOVERNMENTAL</b>				
Insurance Turnback	6,243,184	6,243,200	6,671,705	6,871,900
Police and Fire Pension Insurance Turnback	3,139,766	3,139,900	3,161,590	2,986,315
Police Supplement	156,600	156,600	157,380	153,000
Future Supplement (ACT 1373)	1,022,040	1,022,100	1,048,102	1,094,657
Total Intergovernmental	<u>10,561,590</u>	<u>10,561,800</u>	<u>11,038,777</u>	<u>11,105,872</u>
<b>CHARGES FOR SERVICES</b>				
<b>POLICE SERVICES</b>				
Police Report	394,257	373,700	217,300	270,000
False Alarm	252,189	142,300	184,445	190,000
Airport - Security Guards	1,805,797	1,705,500	1,765,500	1,795,000
Total Police Services	<u>2,452,243</u>	<u>2,221,500</u>	<u>2,167,245</u>	<u>2,255,000</u>
<b>FIRE SERVICES</b>				
Fire Alarm Inspection	50	-	-	-
Airport-Fire Protection	1,411,799	1,412,000	1,412,000	1,448,300
Total Fire Services	<u>1,411,849</u>	<u>1,412,000</u>	<u>1,412,000</u>	<u>1,448,300</u>
<b>PARK REVENUE</b>				
SWLR Community Complex	68,920	75,000	23,590	73,500
Dunbar Community Center	43,279	54,500	10,175	49,000
The Centre at University Park	45,189	46,000	17,900	46,000
Stephens Community Center	24,991	25,000	7,825	26,000
West Central Community Center	54,150	54,100	22,500	55,000
Athletics Fees	111,195	113,050	29,150	108,300
Pavilion Rental	46,356	46,000	46,000	46,000
Rental Revenue	27,105	30,800	30,800	12,400
Concessions-Food	15,377	16,500	16,500	13,500
Community Center & Miscellaneous Fees	1,038	3,050	1,050	1,050
Admissions Revenue	30,071	33,000	33,000	30,000
Miscellaneous Revenue	19,428	19,200	19,200	25,600
Total Park Revenue	<u>487,099</u>	<u>516,200</u>	<u>257,690</u>	<u>486,350</u>

**CITY OF LITTLE ROCK  
2021 OPERATING REVENUE**

	2019 ACTUAL	2020 ADOPTED	2020 AMENDED	2021 ADOPTED
<b>RIVER MARKET</b>				
Admissions Revenue	144,126	190,000	6,200	55,000
Space Rental	292,551	310,000	56,400	201,188
Total River Market Revenue	<u>436,677</u>	<u>500,000</u>	<u>62,600</u>	<u>256,188</u>
<b>GOLF</b>				
Concessions Revenue	81,417	109,500	109,500	103,500
Green Fees	546,074	568,450	502,250	548,500
Equipment Rental	322,593	276,450	244,550	285,400
Merchandise Sales	68,994	61,500	61,500	62,500
Miscellaneous Revenue	-	1,000	-	-
Total Golf Revenue	<u>1,019,078</u>	<u>1,016,900</u>	<u>917,800</u>	<u>999,900</u>
<b>JIM DAILEY FITNESS &amp; AQUATIC CENTER</b>				
Annual Membership	44,635	44,000	7,800	31,000
Monthly Membership	293,986	260,000	77,700	175,000
Daily Fees	90,506	88,000	17,600	44,000
Corporate Fees	105,854	105,000	41,500	55,500
Special Fees & Concessions	11,181	10,300	12,200	-
Instructional Fees and Special Events	6,602	7,080	7,080	-
Miscellaneous	8,752	11,900	10,000	-
Total Jim Dailey Fitness & Aquatic Center	<u>561,516</u>	<u>526,280</u>	<u>173,880</u>	<u>305,500</u>
<b>ZOO</b>				
Membership	527,473	500,000	316,500	400,000
Zoo Admissions	1,536,183	1,634,000	634,500	1,000,000
Concessions	506,643	510,000	47,000	300,000
Token Sales	192,242	200,000	61,700	150,000
Education	112,875	110,000	44,500	100,000
Special Events	198,642	250,000	120,900	150,000
Zoo Rentals	52,925	58,225	16,525	30,000
Merchandise Sales	223,215	250,000	73,400	150,000
Miscellaneous	24,502	32,100	11,100	22,150
Total Zoo Revenue	<u>3,374,700</u>	<u>3,544,325</u>	<u>1,326,125</u>	<u>2,302,150</u>
<b>MISCELLANEOUS CHARGES FOR SERVICES</b>				
Crossing Guards-LRSD Reimbursement	846,732	854,200	340,200	400,000
911 Services Reimbursement	550,000	800,000	1,000,000	1,750,000
P & D Meter Fees Contra	(1,290)	-	-	(3,500)
Housing Rental Revenue	19,359	14,200	14,200	35,000
Total Miscellaneous Services	<u>1,414,801</u>	<u>1,668,400</u>	<u>1,354,400</u>	<u>2,181,500</u>
Total Charges for Services	<u>11,157,963</u>	<u>11,405,605</u>	<u>7,671,740</u>	<u>10,234,888</u>
<b>FINES</b>				
General Fines	1,124,196	1,300,000	703,800	1,000,000
Probation Assessments	14,088	19,000	19,000	19,000
Fines - Parking	348,153	380,000	185,000	300,000
Fines - Other	5,905	7,400	7,400	1,600
Total Fines	<u>1,492,342</u>	<u>1,706,400</u>	<u>915,200</u>	<u>1,320,600</u>
<b>FEES</b>				
Uniform Filing Fees/Court Costs	181,156	181,000	116,000	150,000
Rezoning Fees	61,220	55,000	55,000	50,000
Act 9 Admin Fees	4,600	2,100	2,100	2,100
Copy Fees	2,881	2,200	2,200	1,600
Booking & Admin Fee - Pulaski County Jail	11,890	11,800	11,800	12,400
Warrant Service Police	32,735	30,000	30,000	25,000
Writ Garnishment Fees	2,340	2,300	2,300	2,300
Community Service Fees	3,335	7,800	7,800	2,500
Miscellaneous Service Fees	37,160	66,200	16,647	25,000
Mobile Home Registration Fees	44,500	45,100	45,100	40,000
Animal Services	212,021	230,000	174,000	190,000
Total Fees	<u>593,838</u>	<u>633,500</u>	<u>462,947</u>	<u>500,900</u>



**CITY OF LITTLE ROCK  
2021 OPERATING REVENUE**

	<b>2019 ACTUAL</b>	<b>2020 ADOPTED</b>	<b>2020 AMENDED</b>	<b>2021 ADOPTED</b>
<b>UTILITY FRANCHISE</b>				
Entergy	14,209,596	14,500,000	13,272,600	13,896,000
S W Bell	398,106	355,900	355,900	350,000
Local Landline Franchise Fees	293,317	270,700	270,700	225,000
Long Dist. Franchise Fees	768,714	646,100	646,100	640,000
CenterPoint Energy	3,185,994	3,300,500	3,131,500	2,878,300
Central Ark Water	3,736,570	3,586,600	3,682,600	3,750,456
LR Waste Water	5,934,776	6,132,000	5,922,700	6,132,000
Fiber Optics	1,172,485	1,127,100	1,276,300	1,275,000
Cable TV	1,483,128	1,582,100	1,452,100	1,500,000
Franchise Fee Contra	(1,505,850)	(1,504,750)	(1,504,750)	(1,507,900)
<b>Total Utility Franchises</b>	<b>29,676,836</b>	<b>29,996,250</b>	<b>28,505,750</b>	<b>29,138,856</b>
<b>POLICE PENSION</b>				
Suspended Employee Contributions	64,182	-	-	-
Police 10% Parking	39,422	40,300	16,900	20,000
LRPD Retirement	139,069	143,600	109,600	120,000
Income-Police Clearing	79,389	74,400	39,200	50,000
Pension Miscellaneous	14,459	18,100	36,000	50,000
	<u>336,522</u>	<u>276,400</u>	<u>201,700</u>	<u>240,000</u>
<b>INVESTMENT INCOME</b>				
Interest Income	387,655	350,000	288,500	250,000
Change in Fair Market Value	202,201	-	-	-
<b>Total Investment Income</b>	<b>589,856</b>	<b>350,000</b>	<b>288,500</b>	<b>250,000</b>
<b>RENTS AND ROYALTIES</b>				
Tower Lease	355,042	305,868	305,868	326,983
Ground Leases	10,200	10,200	10,200	10,880
Amusement Park Leases	1,375	3,300	3,300	1,375
<b>Total Rents and Royalties</b>	<b>366,618</b>	<b>319,368</b>	<b>319,368</b>	<b>339,238</b>
<b>MISCELLANEOUS INCOME</b>				
Contributions/Donations	2,176,535	317,408	317,408	249,245
Insurance and Other Reimbursement	-	-	110,200	-
Gain/(Loss) on Sale of Assets	264,920	-	-	-
Miscellaneous Revenue	702,162	218,831	336,702	225,000
<b>Total Miscellaneous Revenue</b>	<b>3,143,617</b>	<b>536,239</b>	<b>764,310</b>	<b>474,245</b>
Transfers In	8,382,149	4,235,834	4,235,834	3,027,418
Carryover from Prior Year	-	-	-	1,825,982
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL GENERAL FUND REVENUE</b>	<b>218,055,297</b>	<b>212,125,253</b>	<b>204,539,253</b>	<b>210,100,969</b>
<b>STREET FUND</b>				
ST Homestead Tax	331,399	336,100	336,100	331,200
1/2 County Road Tax	5,893,274	6,072,400	5,889,900	6,037,200
ACT 9 Revenue	37,671	37,603	37,603	37,603
State Gas Tax Turnback	14,179,869	14,113,000	14,388,000	14,032,400
Street Repair Reimbursement	16,699	16,700	16,700	16,700
Loading Zone Permits	14,330	14,400	14,400	21,860
Insurance and Other Reimbursement	49,115	27,000	27,000	27,000
Miscellaneous	4,993	5,000	15,200	5,000
Interest and Change in Fair Market Value	574,288	250,000	250,000	220,000
Transfer In	467,700	467,700	467,700	467,700
Carryover from Prior Year	-	-	-	82,456
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL STREET FUND</b>	<b>21,569,337</b>	<b>21,339,903</b>	<b>21,442,603</b>	<b>21,279,119</b>

**CITY OF LITTLE ROCK  
2021 OPERATING REVENUE**

	<u>2019 ACTUAL</u>	<u>2020 ADOPTED</u>	<u>2020 AMENDED</u>	<u>2021 ADOPTED</u>
<b>FLEET INTERNAL SERVICE FUND</b>				
Fleet Labor	3,962,501	3,691,481	3,691,481	3,678,365
Fleet Management	1,245,629	1,425,432	1,425,432	1,497,558
Fuel Fees	1,946,500	2,320,000	1,820,000	1,983,120
Compressed Natural Gas	158,431	-	-	-
Miscellaneous	119,966	90,000	93,640	315,000
Motor Pool	8,055	13,000	13,000	13,000
Fleet Parts	2,878,023	3,488,900	3,488,900	2,800,250
Insurance	880,775	954,078	954,078	954,078
Insurance Repairs	297,108	300,000	300,000	305,000
Fleet Sublets	1,722,824	2,039,400	2,039,400	1,824,252
Interest and Change in Fair Market Value	35,765	10,750	10,750	20,000
Contribution/Donations	169,793	-	-	-
Gain/(Loss) on Sale of Assets	(7,798)	-	-	-
<b>TOTAL FLEET INTERNAL SERVICE FUND</b>	<b><u>13,417,573</u></b>	<b><u>14,333,041</u></b>	<b><u>13,836,681</u></b>	<b><u>13,390,623</u></b>
<b>VEHICLE STORAGE FACILITY</b>				
Licenses and Permits	16,155	16,600	16,600	13,080
Storage Fees	522,650	637,100	398,984	450,000
Wrecker Fees	476,378	514,900	419,300	430,000
Vehicle Auction Sale	710,764	731,100	731,100	710,500
Impound Administration	117,118	130,100	108,570	115,000
Vehicle Storage Miscellaneous	8,633	9,700	10,424	7,500
Interest and Change in Fair Market Value	1,125	800	800	1,700
Contributions/Donations	26,180	26,500	26,500	26,180
Carryover from Prior Year	-	-	-	5,887
<b>TOTAL VEHICLE STORAGE FACILITY</b>	<b><u>1,879,003</u></b>	<b><u>2,066,800</u></b>	<b><u>1,712,278</u></b>	<b><u>1,759,847</u></b>
<b>WASTE DISPOSAL ENTERPRISE FUND</b>				
Sanitation Fees	16,828,066	21,360,000	21,360,000	21,840,000
Landfill Fees	1,968,029	2,191,900	1,022,200	1,546,000
Yard Waste	75,014	67,300	67,300	80,000
Compost Sale	36,561	34,405	34,405	40,000
Recycling Revenue	1,766	6,300	6,300	2,500
Interest and Change in Fair Market Value	381,209	198,200	123,580	100,000
Miscellaneous Revenue	58,443	500	990,522	7,775
Gain/(Loss) on Sale of Assets	5,513	80,000	-	-
Carryover from Prior Year	-	-	-	55,596
<b>TOTAL WASTE DISPOSAL ENTERPRISE FUND</b>	<b><u>19,354,601</u></b>	<b><u>23,938,605</u></b>	<b><u>23,604,307</u></b>	<b><u>23,671,871</u></b>
<b>PARKING GARAGES</b>				
Business License - Auto/Truck	312,099	312,100	332,385	330,000
Street Repair Reimbursement	764,519	400,000	700,000	400,000
Parking Meters	407,743	422,600	177,600	298,200
Surface Lot Parking	90,848	115,000	102,662	102,662
Parking Deck Monthly	1,024,178	970,000	921,310	919,000
Parking Deck Daily	594,201	715,216	176,966	430,000
Parking Peabody	8,148	-	-	5,000
Interest and Change in Fair Market Value	59,534	27,250	27,250	22,100
Miscellaneous Income	-	-	-	500
<b>TOTAL PARKING GARAGES</b>	<b><u>3,261,270</u></b>	<b><u>2,962,166</u></b>	<b><u>2,438,173</u></b>	<b><u>2,507,462</u></b>
<b>GRAND TOTAL ALL FUNDS</b>	<b><u>\$ 277,537,081</u></b>	<b><u>\$ 276,765,768</u></b>	<b><u>\$ 267,573,295</u></b>	<b><u>\$ 272,709,891</u></b>

## REVENUE TRENDS

### OVERALL

The City of Little Rock experienced a decline of approximately \$10 million in budgeted operating revenues in 2020, as reflected in the 2020 Amended Budget compared to 2019 actual results. Actual 2020 revenues are not yet final, but the preliminary results demonstrate a decline from 2019 actuals of \$10.75 million. The General Fund, Street Fund, Vehicle Storage Fund, Waste Disposal Fund, and Parking Garages Fund show preliminary 2020 revenue results slightly above the 2020 Amended Budget. The Fleet Fund revenues are approximately \$2 million below the 2020 Amended Budget, primarily due to lower fuel cost and reduced parts and maintenance billings to internal customers. Since the Fleet Fund is an internal service fund, the lower revenues are reflected as lower fleet fuel and maintenance expenditures in the other operating funds.

The decline in revenues is primarily attributed to the impact of the COVID-19 pandemic. Governor Asa Hutchinson issued Executive Order 20-03 on March 11, 2020, declaring an emergency due to COVID-19, pursuant to the Emergency Services Act at Ark. Code Ann. §§ 12-75-101, *et seq.* On June 18, 2020, by Executive Order 20-37, the emergency declared pursuant to Executive Order 20-03, and its amendments were terminated, and the public health and disaster emergency and declaration of the State of Arkansas as a disaster area resulting from the state-wide impact of COVID-19 was declared anew, pursuant to Ark. Code Ann. §§ 12-75-101, *et seq.* The Executive Order has been renewed every 60 days, with the latest renewal occurring February 26, 2021. Unlike many metropolitan areas around the country, the State of Arkansas was never under a stay-at-home order. The Governor of Arkansas put measured restrictions in place, including restrictions on travel, dine-in service at restaurants, temporary closure of certain business activities such as bars and gyms, capacity restrictions, and mask requirements. On May 4, 2020, Phase 1 of the Governor's Arkansas Ready for Business plan began with measured re-openings. A task force was formed to provide information to help Arkansans confidently and safely return to life and work. Industry-specific guidelines and resources for businesses and consumers were implemented. Phases of the plan have continued with the slow but gradual easing of restrictions. Restrictions are still in place but are easing more as vaccinations become more widely distributed.

The 2021 Adopted Budget reflects revenues of \$272.7 million, an increase of \$5.1 million from the 2020 Amended Budget of \$267.6 million. While the 2021 Adopted Budget trails 2019 actual results by \$4.8 million, Little Rock is poised for recovery. Despite historic 2019 flooding, a pandemic, a recession, and civil unrest, Little Rock achieved historic job growth with more than 4,000 new jobs outlined by nearly two dozen companies that have expanded or are moving to the City. For example, major investors and job creators like Amazon and Costco are building in the City of Little Rock. Multinational tech giant Amazon is heading to the Port of Little Rock with a massive fulfillment center covering 3.4 million square feet. It is estimated to employ between 1,500 and 2,000 people. Amazon will also attract other companies to locate at the port. Little Rock is on the way to becoming a logistic hub for this part of the country. According to Metroplan, it is likely that the Little Rock market will see a stronger-than-average "bounce back" effect as its service-sector economy regains its footing once social distancing begins to ease.

Little Rock has become a banking center due to the tremendous growth of Bank OZK and Simmons Bank. In addition, Little Rock remains the medical center of Arkansas and an emerging center for financial technology, commonly known as fintech. The Venture Center in the Little Rock Technology Park brings fintech entrepreneurs from around the world to Arkansas. Little Rock has seen the start and the growth of high-tech companies such as Aptegy and Orion.

The pandemic has not slowed construction on the \$128 million expansion and renovation of the Arkansas Museum of Fine Arts in Little Rock. Fiocchi of America, the U.S. subsidiary of an Italian company, will move into an existing facility on 145<sup>th</sup> Street, invest \$15 million, and manufacture small-caliber ammunition. As a result of these and other investments, ManpowerGroup, Employment Outlook Survey ranks Little Rock #2 in highest positive net employment outlook among the 100 largest metropolitan statistical areas in the nation, with Mayor Scott proclaiming, “This ranking speaks to our city’s and the central Arkansas region’s momentum. With a team spirit, our local economic developers are ready to continue Little Rock’s growth to reach its full potential.”

Detailed information on the City’s key revenue sources follows.

**GENERAL FUND REVENUES**

The City’s General Fund revenues are primarily comprised of sales and use taxes, property or ad valorem taxes, utility franchise fees, charges for services, licenses and permits, and fines and fees. Each of these revenue sources is discussed in detail below. The 2021 Adopted Budget for General Fund operating revenues totals \$210,100,969, which is approximately 0.95% below the 2020 Adopted Budget and 2.72% above the 2020 Amended Budget.

	<u>REVENUES IN MILLIONS</u>	<u>% CHANGE</u>
2017 Actual Revenues	\$204.7	2.19%
2018 Actual Revenues	\$209.2	2.21%
2019 Actual Revenues	\$218.1	4.23%
2020 Amended Budget	\$204.5	-6.20%
2021 Adopted Budget	\$210.1	2.72%

**PROPERTY TAXES**

Property taxes comprise approximately \$31.6 million or 15% of the 2021 General Fund budget. Taxes assessed on 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 within City limits 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:

- The assessed value is an amount equal to 20% of market value, and the levied millage is applied against the assessed value to determine the tax owed. With the passage of Amendment 79, each residential property’s annual appraised value is limited to a maximum increase of 5%, regardless of the increase in the property’s market value. Each non-residential or investment property’s annual appraised value is limited to a maximum increase of 10%.
- The annual increase in utility and carrier real property value is limited to 10% of the assessed value for the previous year.
- Tax levies, expressed in terms of millage, are approved by local governments, and certified to the County Tax Collector, who bills and collects the tax in the following year. One mill equals \$1 in tax per \$1,000 in assessed value.
- The total millage rate for a Little Rock resident residing in the Little Rock School District is 70.00 mills.
- Taxes are remitted to the City monthly by the Pulaski County Treasurer as payments are received throughout the year.

The City of Little Rock tax levies assessed in 2020 for collection in 2021 remain unchanged from the prior year and are as follows:

General Operation	5.00
Bond Retirement	3.00
Library System	5.10
Police & Firemen’s Pension	<u>2.00</u>
Property Tax Millage	<u>15.10</u>

The General Assembly exercised its homestead exemption authority with Act 1598 of 2001 (Amendment 79). A homestead is a property that is an owner’s principal place of residence. Effective with the assessment year 2000, the amount of real property taxes assessed on each property owner’s homestead was reduced by \$300. In 2007, the homestead credit amount was adjusted to \$350, and beginning with January 1, 2020, the homestead tax credit was adjusted to the current rate of \$375 for qualifying properties. Following the passage of Amendment 79, the Arkansas General Assembly increased the state sales and use tax from 4.625% to 5.125%. The proceeds of this one-half of one percent (0.5%) increase are paid into the State’s Property Tax Relief Trust Fund ("PTRTF"). Act 1544 of 2001, implementing the homestead exemption, also provided annual distributions to each county treasurer from the PTRTF in accordance with the county’s proportionate share of the total state-wide property tax reduction for that calendar year resulting from the \$350 homestead exemption. County treasurers, in turn, are required to distribute these payments to the taxing entities in the county in proportion to each taxing entity’s millage rate.

Little Rock is in Pulaski County, which completed a real estate reappraisal in 2017. In early February 2021, the Pulaski County Assessor’s Office provided the City with the original charge for 2020, which will be reflected in the property tax collections made in 2021. The original charge reflects a 2.12% increase in property taxes based on the most

recent appraisal, compared to an increase of 4.05% a year ago. Real estate valuations increased 2.33%, personal property valuations were flat at 0.20%, and utility property valuations increased 5.90% from one year ago. The annual valuation increase caps noted above slow the speed of growth but mitigate sudden declines experienced by other parts of the country during an economic downturn. In addition, assessments are frozen for persons owning property who are 65 years of age or older, and certain disabled veterans are exempt from property taxes. There are no limits or caps placed on declines in annual assessed valuations. The Pulaski County Treasurer's Office is experiencing a collection rate of approximately 96%, including the collection of delinquent taxes from previous years. The 5.0 mill levy for general operations is the maximum rate allowable under state law.

The 2021 budget for property taxes includes the revenue and expense associated with separate tax levies dedicated to funding the closed Police and Fire Pension and Relief Funds. The levies of 1.0 mill for each of the closed pension funds are passed through the General Fund and contributed directly to the Police and Fire Pension and Relief Funds administered by the Arkansas Local Police and Fire Retirement System (LOPFI). The dedicated pension property tax millage is expected to generate approximately \$9 million in revenues.

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

The City's Street Fund receives approximately one-half of the collections from a 2.9 mill road tax levied by the County, restricted to use for street repair and maintenance. The 2021 budget anticipates \$6.6 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 46.4 mills levied for the Little Rock School District. The total millage for a Little Rock property owner is 70 mills for 2020 property taxes payable in 2021.

Act 9 payments associated with the issuance of Industrial Development Bonds, otherwise referred to as payments in lieu of taxes (Pilot agreements), are classified as additional property tax revenues in the City's various funds, in proportion to the millage that would have been collected had the Act 9 Pilot agreements not been in place. ATA Martial Arts, Cameron Valve, Dassault Falcon Jet, Dillard's, Jacuzzi, LM Wind Power Blades, Inc., Novus, Ringwood Containers, Sage V Foods, Welspun Pipes, Inc., and Windstream are companies that are scheduled to make Act 9 Pilot payments in 2021.

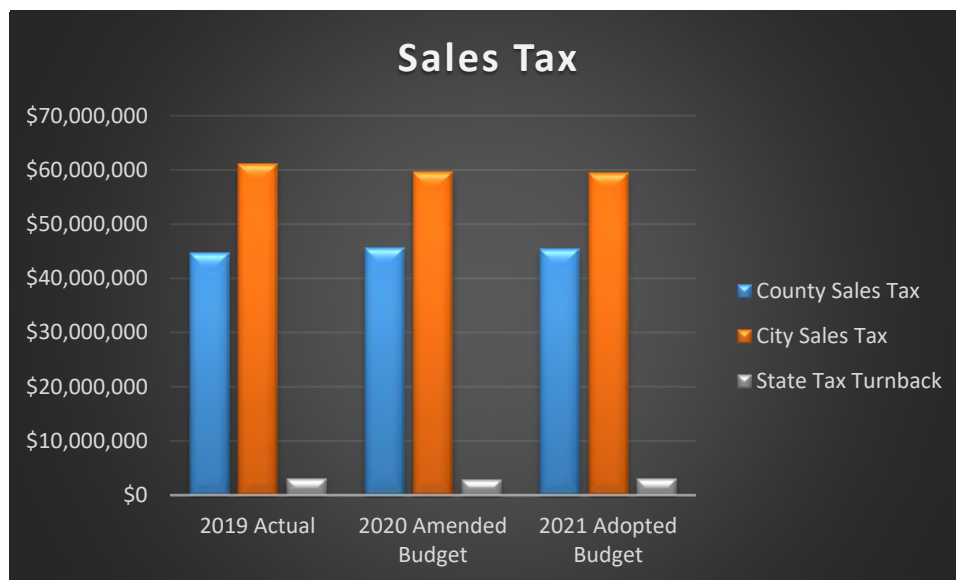
### **SALES AND USE TAX**

The largest revenue source in the City's General Fund is sales and use tax which contributes approximately 51.4% or \$108 million to the 2021 Adopted Budget. This revenue category includes an allocation of the County's 1% sales tax based on population, the City's local operating tax of 1.125%, and an allocation of State Tax Turnback funds. Further discussion on each of these components appears below. In total,

the 2021 Adopted Budget for sales and use tax is comparable to the 2020 Amended Budget and represents a decrease of 1.28% from 2020 actual tax collections.

The 2021 Adopted Budget was based on 2020 actual revenues through July, collected through September, and a conservative 2020 fourth quarter forecast due to the ongoing impact of COVID-19. Final actual 2020 sales and use tax growth exceeded the 2020 Amended Budget by \$1,373,009 or 1.27%. Prior to the onset of COVID-19 in 2020, sales and use tax revenues were 4.04% higher than the same period a year ago. The growth rate in sales tax revenues following the onset of COVID-19 represent a decline of 0.02% in comparison to the same period a year ago. The negative impact of COVID-19 on sales and use tax revenues was partially offset by the collection of sales and use tax on internet sales. Revenues in 2020 included the first full year of collection of sales and use tax on internet sales due to Act 822 enacted during the 2019 regular session of the Arkansas General Assembly. Act 822 – *To Reform the Tax Laws Concerning the Levy and Collection of Sales and Use Tax, the Apportionment and Allocation of Income for Tax Purposes, Corporate Income Tax Rates, and Net Operating Losses; and to Declare an Emergency* became effective in July 2019. The provisions of Act 822 relating to the collection of sales and use tax are consistent with *South Dakota v. Wayfair, Inc.* and apply to those companies that meet at least one of two conditions: 1) the law is limited to those that have gross revenue from any sales of products and services delivered into Arkansas that exceeds \$100,000 per year, and 2) the law will apply to retailers that have sold goods and services for delivery into Arkansas in at least 200 separate transactions per year.

The City’s share of county sales tax growth exceeded growth in the City’s local sales tax for the last ten months of the year, enhanced by large construction projects that generated significant increases in NAICS categories such as iron and steel and building materials and supplies. This growth, along with growth in the NAICS category of electronic shopping and mail-order houses experienced by both the county and the City mitigated COVID-19 related declines in NAICS categories associated with restaurant sales and traveler accommodations.



There is a two-month delay from the time the actual sales tax revenues are collected by businesses and the time the City receives them. Businesses remit sales tax 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. Arkansas state law requires taxpayer confidentiality which prohibits releasing information regarding taxes generated from a specific company. Every company is classified by an industry code or NAICS code. There must be a minimum of three (3) companies included in an industry code for reporting purposes. If that threshold is not achieved, results are grouped in an all-inclusive, "other" category. The top ten industries reported by the state, generate approximately 45.4% of the total local sales and use tax revenue. The Arkansas Department of Finance and Administration (DFA) issues a statistical report of activity for the specific city or county by NAICS code each month. The report includes components that comprise negative adjustments, such as refunds, rebates, audits, and corrections. Arkansas state law allows local sales and use tax rebates and the exemption of certain purchases from any sales or use tax. The rebates of local sales tax on business, governmental, and non-profit purchases of more than \$2,500 on a single invoice stifle local tax growth compared to that of the State. In addition, the local tax rebates may be claimed for a period of up to twelve (12) months following the date of sale, making forecasting revenue trends even more difficult. Arkansas's state and local sales tax laws were implemented on January 1, 2008 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.

### **COUNTY SALES TAX**

The City receives a pro-rata share of a one (1)-cent countywide sales and use tax. Distribution is based on the Little Rock population as a percentage of Pulaski County's total population. Little Rock experienced 5% population growth from the 2000 Census to the 2010 Census. Based on the 2010 Census, the City comprises 50.56% of the County population. Results from the recent 2020 Census are not yet available. The county sales and use tax collected in 2020 was 3.09% above 2019 results. The 2021 projected revenue from the City's share of the county sales tax is approximately \$45.5 million, representing a 1.5% decrease from the 2020 actual results. As noted in the discussion above, 2020 county sales tax results were enhanced by large construction projects that generated significant increases in NAICS categories such as iron and steel and building materials and supplies. The unusual increases in 2020 are not expected to continue at comparable levels in 2021.

Use taxes, paid mostly by businesses, resemble sales taxes. They apply to goods purchased from out-of-state merchants such as internet or catalog vendors. Use taxes comprised 16.8% or \$7.8 million of the county sales tax received by the City.

### **LOCAL SALES TAX**

Before 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 became effective on January 1, 2012. The combined operating sales tax of 1.125% generated approximately \$60.5 million



for the year ended December 31, 2020 which is approximately 1.1% lower than the previous year. Use taxes comprised \$11.1 million or 18.3% of the 2020 city sales tax total.

As discussed previously, the taxation of internet sales mitigated declines associated with the impact of COVID-19. The projected 2021 General Fund revenue from the local tax is approximately \$59.5 million, representing a decrease of approximately 1.6% from 2020 actual results. The 3/8-cent tax for capital projects generated \$20.16 million in 2020. The 3/8-cent tax revenue is reported in a separate capital projects fund and is not included in General Fund revenues. The 3/8-cent capital tax will sunset on December 31, 2021. Plans are underway for a REBUILD THE ROCK penny sales tax initiative that would replace the 3/8-cent tax. If approved, the new tax would be a permanent tax to improve all residents' quality of life.

Reported revenues are net of rebates of local tax and audits performed by DFA. The local sales tax rebated to businesses, governmental entities, and non-profits on purchases of more than \$2,500 was approximately \$6,583,900 in 2020, representing a 37.8% or \$1,806,090 increase from the previous year. Rebates of more than \$1 million were returned to electric power companies. In addition, audits reduced net sales tax collections by \$281,410 in 2020 compared to a reduction of \$502,106 in 2019.

According to the NAICS report, the largest Little Rock sales taxpayers in 2020 were other general merchandise stores, grocery stores, building materials and supplies dealers, full-service restaurants, and electronic shopping and mail-order houses. The COVID-19 pandemic had a significant impact on many industries, both positive and negative. Traveler accommodations and full-service restaurants experienced the most significant declines. Traveler accommodation revenues decreased 50% and \$1.2 million while revenues from full-service restaurants declined 21.7% and \$1.1 million. In addition, electric power generation, transmission, and distribution decreased 30.2% and \$0.95 million, and automotive equipment rental and leasing decreased 26.9% and \$0.55 million. The industries generating the most significant dollar increases in sales and use tax revenues in 2020 include electronic shopping and mail-order houses which increased 87.6% and \$1.8 million, NAICS with less than three (3) businesses increased 365% and \$0.99 million, building material and supplies dealers increased 19% and \$0.7 million, and grocery stores increased 11.4% and \$0.66 million.

### **STATE TAX TURNBACK**

Through the Office of Budget, the State General Assembly appropriates and then distributes an amount for turnback to municipalities each July 1<sup>st</sup>, based on population. On March 23, 2020, the Governor cut the state budget by 5.32% due to the anticipated effects of the pandemic resulting in only 85% of municipal aid to cities and counties. However, state general fund revenues exceeded the forecast, so cities and counties received close to 100% of their general turnback. The General Fund turnback for 2021 remains at \$15.50 per capita. State turnback funds are expected to contribute approximately \$3 million to General Fund revenues in 2021, consistent with 2020. In addition, the Arkansas State Legislature appropriates monies to be disbursed to county and local governments from the surplus of the Property Tax Relief Fund. The appropriation is determined each legislative session and can increase or decrease dependent upon available surplus funds. Prior to 2014, Little Rock received an annual

appropriation of approximately \$411,000. A reduced surplus in the fund has resulted in a reduced appropriation to Little Rock of \$204,465.

**State Turnback**

State Turnback Year-to-Date 2020 with 2019 Comparison (shaded in gray)

Month	STREET		SEVERANCE		GENERAL	
	2020	2019	2020	2019	2020	2019
January	\$12,833,880	\$10,702,465	\$156,200	\$464,102	\$4,054,971 *	\$4,054,868 *
February	11,984,925	10,728,532	223,221	181,469	2,055,050	2,055,502
March	10,883,991	9,611,592	191,151	828,851	2,055,397	2,055,055
April	11,509,343	10,209,401	120,648	638,096	1,747,447	2,051,915
May	11,233,896	10,985,547	63,817	428,651	1,747,095	2,052,767
June	10,595,348	11,374,227	57,224	395,730	1,747,447	2,056,915
July	11,520,393	10,966,524	41,736	343,610	5,284,317 **	5,592,769 ***
August	12,263,538	11,322,294	-	214,617	2,919,346	1,746,589
September	12,097,148	11,150,912	26,457	292,391	1,376,535	2,055,100
October	12,057,207	10,687,834	39,675	235,241	1,688,464	2,055,035
November	11,984,781	10,684,885	113,061	121,345	1,688,282	2,055,035
December	11,312,336	10,916,905	199,121	130,060	1,688,464	2,054,709
<b>Total</b>	<b>\$140,276,784</b>	<b>\$129,341,117</b>	<b>\$1,232,310</b>	<b>\$4,274,163</b>	<b>\$28,052,815</b>	<b>\$29,886,260</b>

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

\*\* Includes \$3,513,475.89 supplemental for July 2019

\*\*\* Includes \$3,513,475.64 supplemental for July 2020

Source: City and Town Magazine published by the Arkansas Municipal League (January 2021 Vol. 77, No. 01)

**Local Option Sales and Use Tax in Arkansas**

Sales and Use Tax Year-to-Date 2020 with 2019 Comparison (shaded gray)

Month	Municipal Tax		County Tax		Total Tax		Interest	
	2020	2019	2020	2019	2020	2019	2020	2019
January	\$62,951,910	\$59,187,540	\$54,023,046	\$49,660,885	\$116,974,957	\$108,848,426	\$137,620	\$188,294
February	73,128,305	66,363,635	61,276,755	55,082,773	134,405,060	121,446,409	151,340	265,350
March	57,761,974	55,016,953	49,863,364	49,926,480	107,625,338	104,943,433	140,860	241,046
April	58,720,966	53,915,385	50,676,002	45,679,915	109,396,969	99,595,300	173,069	239,875
May	64,061,809	61,136,496	55,167,274	51,962,167	118,762,027	113,098,664	51,758	233,250
June	61,816,632	63,455,242	54,700,218	53,477,656	120,220,830	116,932,898	37,445	199,380
July	66,569,122	62,196,778	58,404,198	52,242,794	127,921,569	114,439,573	27,240	239,855
August	69,810,263	63,103,397	61,352,447	53,989,906	132,096,586	117,093,303	22,963	229,107
September	69,731,104	63,071,625	62,286,322	54,693,037	132,017,426	117,764,662	14,982	213,728
October	67,795,513	64,934,499	60,898,642	55,729,333	128,694,156	120,663,833	13,552	214,922
November	70,085,468	62,765,968	62,498,473	54,501,529	132,583,941	117,267,498	12,579	182,403
December	67,813,178	62,102,384	60,080,515	54,327,357	127,893,693	116,429,741	14,370	184,380
<b>Total</b>	<b>\$790,246,244</b>	<b>\$737,249,902</b>	<b>\$691,227,256</b>	<b>\$631,273,832</b>	<b>\$1,488,592,552</b>	<b>\$1,368,523,740</b>	<b>\$797,778</b>	<b>\$2,631,590</b>
Averages	\$65,853,854	\$61,437,492	\$57,602,271	\$52,606,153	\$124,049,379	\$114,043,645	\$66,481	\$219,299

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 FRANCHISE FEES**

Utility franchise fees comprise approximately 14% and \$29,138,856 of the 2021 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

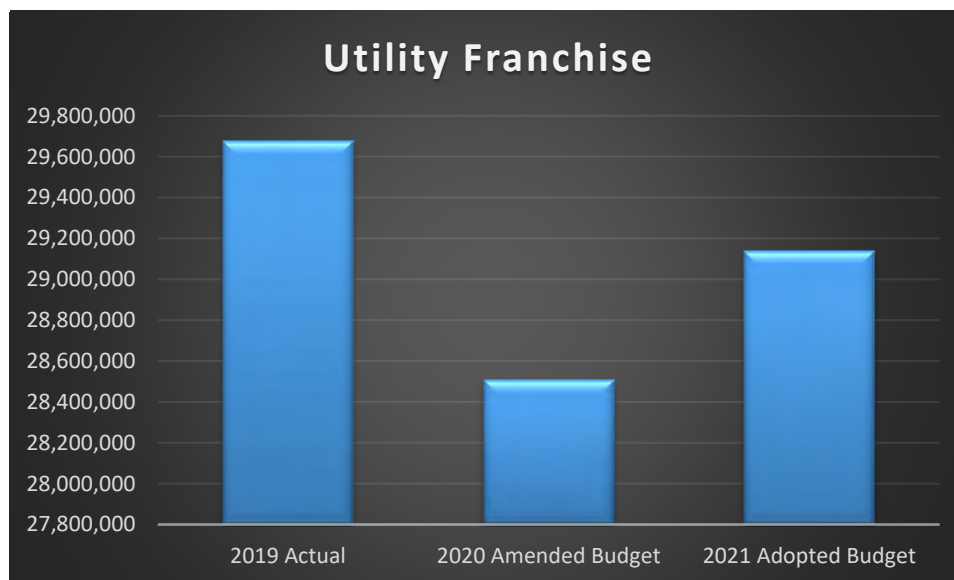
Announced Utility Rate Increases/Decreases for 2021	
SW Bel (AT&T)	0.00%
Entergy	0.00%
Long Distance	0.00%
Local Land Lines	0.00%
CenterPoint	0.00%
Central AR Water	
Residential	0.00%
Commercial	0.00%
Industrial	0.00%
Fiber Optics	0.00%
Little Rock Water Reclamation Authority	4.75%

Overall, 2021 utility franchise fees are projected to be 3.3% higher than 2020 actual revenues and 2.22% higher than the 2020 Amended Budget. Franchise fee revenues in 2020 were approximately 4.95% below 2019 levels, and 5.96% below the original projection provided by the utilities.

Revenues from Entergy Arkansas had the largest negative variance from the 2020 Adopted Budget of approximately \$1.2 million. A major factor affecting annual franchise fee revenues is the weather. Entergy officials provided a 2020 initial revenue projection of \$14.5 million, driven by increased riders such as the Energy Cost Recovery (ECR - fuel and purchased power) and GGR (Grand Gulf Rider). However, in 2020, usage declined 7.5%, and revenues declined 6.35% from one year ago. In April 2020, the ECR rider decreased 3% to 7% through March 2021. Entergy Arkansas anticipates the overall cost of electricity (base rates and riders) for commercial and industrial customers to increase approximately 2.5% to 3.6% compared to overall pricing in 2020. In addition, a ruling on Entergy Arkansas' Formula Rate Plan adjustment for 2021 is pending before the Arkansas Public Service Commission. There is a 4% cap on the annual base rate by law, although fuel rates and other riders may exceed the 4% threshold.

In 2019, Entergy filed a request to the Public Service Commission (PSC) to increase rates by approximately \$135 million for reimbursements the company made to its affiliates in Louisiana, Mississippi, and Texas. The request was denied in 2020 by the Arkansas PSC. Instead, the PSC commissioners rejected the request and ordered Entergy to issue \$15 million in refunds to its Arkansas taxpayers. Those refunds were issued as billing credits

in August, thus reducing the amount of franchise fees paid. Entergy has appealed the ruling to a federal court, and the case should be heard during 2021.



The Solar Access Act of the 2019 regular session of the Arkansas General Assembly could reduce revenues by requiring electric utilities to credit the net-metering customer with any accumulated new excess generation. In Arkansas, solar users are compensated on a 1 to 1 basis, meaning they are credited 10 cents per kilowatt-hour for the unused power they return to the electric grid. The accumulated excess generation would result in a credit on the next month's bill and a reduction in the amount of franchise fees that would have been paid. In June 2020, the Arkansas PSC denied Entergy's proposal for a solar energy purchase option that would allow them to sell solar power to towns, counties, and other non-taxed entities at a lower rate than the 10 cents per kilowatt it charges for basic retail power.

Franchise fee revenues from CenterPoint Energy, the gas utility, decreased approximately 8.6% or \$274,443 in comparison to 2019, with reduced usage of approximately 7% due to a warmer winter and a decrease in natural gas prices. Estimated sales volumes affected by weather, customer counts, and projected gas prices are the primary factors affecting gas revenues. 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 customer bill. CenterPoint Energy reports its natural gas costs to the PSC at the end of October each year. Fuel rates are passed along to customers with no profit going to the utility. Based on information received from the utility, gas franchise fees in 2021 are expected to be approximately \$2.9 million, which is 1.14% lower than 2020 actual results. The new Formula Rate Plan (FRP) percentage became effective in October 2020 and was approved by the PSC. The FRP rate for October 2020 through September 2021 is much lower than the previous twelve (12) months. This will reduce revenues for the FRP portions of the customer bills. Due to COVID-19, there is a potential impact of write-offs due to non-payment associated with PSC's non-disconnect orders.

In April 2020, Central Arkansas Water (CAW) anticipated a 6% reduction in revenue in 2020 resulting from the COVID-19 pandemic. The utility's suspension of shutoffs, lower water usage by customers, and uncollectable balances were included in this projection. However, CAW 2020 franchise fees decreased only slightly (0.62%) from 2019 levels. There were no announced rate increases in 2020 after a series of annual rate increases that ended in 2019. In addition to usage, the current base rate remains \$7.85 for the average customer. An average customer is one that uses approximately 750 cubic feet of water per month. Daily usage among its customers ranges from 30 million to 40 million gallons per day during the cold months and increases to 100 million gallons or more during the summer. An ongoing national trend is a decrease in water consumption due to water-saving appliances and conservation measures, but the weather is still one of the most significant factors in projecting CAW franchise revenues. Heavy rains in Arkansas during the first months of 2020 caused major flooding and above-average rainfall. The excessive rainfall reduced residential and commercial water usage. Estimated 2021 revenues from CAW total \$3,750,456, which is a 1% increase in franchise fees over 2020 revenues. The Central Arkansas region secured long-range water sources through 2050 through an agreement with the U.S. Army Corps of Engineers for a water storage allocation totaling 20.75 million gallons per day from Greers Ferry Lake. This agreement will ensure the utility has consistent and safe yields during times of record drought. Central Arkansas Water will be the first municipal water utility ever to issue \$31 million in "green bonds". Green bonds are utilized to fund conservation and environmentally friendly projects. The green bonds were part of a \$60 million bond package the utility's board of commissioners approved in October 2020. The utility serves about 430,000 customers in central Arkansas.

2020 franchise fee revenues from Little Rock Water Reclamation Authority decreased slightly (0.47%) in comparison to 2019, notwithstanding the series of 4.75% rate increases, beginning in 2017. Scheduled rate increases were implemented to comply with the Sierra Club lawsuit's terms to reduce sanitary sewer overflows in Little Rock and fund the expansion of storage facilities and a pump station upgrade. Customer usage continues to decrease annually. Domestic consumer water consumption remained about the same during the pandemic, while non-domestic usage declined because of coronavirus-related business closures, such as restaurants, bars, etc. The pandemic's fiscal impact led the utility to negotiate a deal with the Arkansas Natural Resources Commission that will allow the utility to defer principal payments on debt obligations it was scheduled to pay from 2021 through 2023 and extend the maturities of each bond for three years. The deferments will save a total of \$16.6 million from 2021 through 2023 without adding additional loan costs. The 2021 revenue forecast totals \$6,132,000, which was the same as the 2020 Adopted Budget. Although a 4.75% rate increase is scheduled for 2021, overall franchise fees are projected to be flat due to the continued decline in water usage. Sewer usage billings are based on average winter water consumption. The utility considers an average residential customer to be one with a monthly wastewater output of 550 cubic feet. The average customer pays \$39.44 per month for service, including a \$1 per month sewer line replacement fee and the 10% franchise fee.

Franchise fee revenues from AT&T and other local landline companies continue to decline annually from a peak in 1998. For example, AT&T franchise fees were \$2.6 million in 1996 and were less than \$391,000 in 2020, representing a decline of 2% from a year

ago. As smartphones have become a constant companion for most people in the United States, landline phones are rapidly losing relevance. It is estimated that 60% of U.S. households now forgo landline phones with most landline customers being older households and with some landlines associated with the operation of security systems. 2021 revenues from AT&T are expected to be \$350,000, with an additional \$225,000 from all other local landline providers, representing a decline of 9.6% from 2020 actual results.

The decline in traditional franchise fee revenues from long-distance providers results from increased wireless or mobile phone usage for long-distance calls. 2021 revenues are forecast at \$640,000, representing a 1% decrease from the 2020 Adopted Budget.

Fiber Optic revenue continued to decline in 2020 with a 9.2% decrease from one year ago. Fiber optic companies, such as AT&T U-Verse and Windstream, and cable companies such as Comcast Cable, are in direct competition with internet streaming services. Overall, fiber optics and cable franchise revenues decreased 5.6% in 2020, following a 5% decrease in 2019. Windstream revenues for 2020 decreased 4.45%, while AT&T U-Verse franchise fees decreased by approximately 10.5%, and Comcast Cable declined approximately 2.7%. Fiber optic companies rarely announce anticipated rate increases in advance of the actual rate change. Cell phone, alarm system revenues, and internet services are not assessed franchise fees. Fiber optic revenue and cable franchise revenues are projected to further decline in 2021.

Annual debt service, secured by franchise fees, was reduced by approximately \$212,000 due to the advance refunding of several existing bond issues and the issuance of the \$17,875,000 Capital Improvement and Refunding Bonds, Series 2017. The bonds are secured by a pledge of revenues derived from all franchise fees collected from public utilities, excluding fees attributed to the Little Rock Water Reclamation Authority and Central Arkansas Water. The annual debt service transfer of franchise fee revenues pledged to the bonds is approximately \$1.5 million.

### **BUSINESS LICENSES**

Business licenses are required annually for every business operating within the City limits. License fees are billed, collected, and administered by the City's Treasury Management Division. Business licenses comprise approximately 3.26% and \$6.85 million of 2021 General Fund revenues. Despite the onset of COVID-19 in early March, business licenses continued to be a stable revenue source with actual 2020 license fees at \$6.9 million, which is slightly higher than 2020. There were 998 documented business closures and 1,664 new businesses added in 2020. Many laid-off workers from the effects of COVID-19 opened their own small businesses and many start-ups capitalized on available federal small business assistance programs. Even with no rate increases, 2020 marked the 11<sup>th</sup> year in a row that business license collections exceeded the previous year. Various programs are in place to locate businesses operating without a license and cross-reference business listings with other governmental entities. The Treasury Management Division vigorously collects on delinquent accounts. The Treasury Management Division implemented an electronic notification system that reminds business owners of upcoming deadlines such as assessments, due dates, and the like via email notifications. The email reminders increase collections on delinquent accounts. A business license committee periodically reviews the business license fee structure's fairness and equity and provides

recommendations to the Board of Directors. The 2021 business license budget anticipates that additional COVID-19 related closures will occur, resulting in a slight decline of 1.2% from the 2020 levels. The recently approved American Rescue Plan Act (ARA) may result in reduced closures.

### **MIXED DRINK PERMITS AND SUPPLEMENTAL TAX**

Hotels, restaurants, and bars are required to have a permit 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. In late March 2020, the Governor of Arkansas ordered the closure of restaurant dining rooms, bars, hair salons, and other businesses. While local eateries opened back up with limited seating, most bars remained closed through 2020, thus reducing mixed drink sales significantly. 2020 mixed drink revenue was 35.5% lower than 2019 resulting in a revenue decrease of approximately \$1.1 million. The City enjoys a strong working relationship with the State of Arkansas Alcohol Beverage Control Agency (ABC) to ensure that every business in Little Rock with a state alcohol permit is also registered with the Treasury Management Office. As a result of the possible revocation of their alcohol permits by the ABC board, there are few mixed drink delinquencies. Sales of mixed drinks are not expected to rebound to normal levels until the second half of 2021 as COVID-19 restrictions are eased. Staff will continue its random audit program in 2021 to further ensure that reporting of mixed drink collections is accurate. The 2021 budget forecast for mixed drink supplemental payments is \$2.5 million, which is approximately \$0.5 million below 2019 levels.

### **BUILDING AND RELATED PERMITS**

Building permit revenue makes up a small portion of the City's revenue stream, but the number of building projects can signal a municipality's economic state and growth potential. With the onset of the COVID-19 pandemic in March, there was concern about how the virus might impact building permit revenue. Building and related permits, including electrical permits, plumbing permits, heating ventilation, and air conditioning (HVAC) permits, totaled \$2.3 million in 2020, which was approximately 7.2% below the prior year. Overall construction activity slowed in comparison to 2019. According to the City's Planning and Development Department, building activity would have surpassed 2019 levels had the pandemic not interrupted development plans. The pandemic's homebound nature led to an increase in permits for additions and alterations to residential and commercial properties. There continues to be commercial development near the I-30/I-430 interchange. The multimillion-dollar redevelopment of the District at Midtown is complete, but COVID-19 has delayed the construction of several new restaurants and businesses planned for that location. The largest construction project in Little Rock is the newly renamed Arkansas Museum of Fine Arts, followed by expansion at the University of Arkansas for Medical Sciences and a \$59 million apartment complex in west Little Rock. 2020 was the third-best year overall since the housing collapse in 2008 for single-family development. 2021 building and related permit fees are projected to be approximately \$2.66 million, which is 12.5% higher than actual 2020 results.



**FINES AND FEES**

2020 fines and fees revenues were 38% lower than 2019, with most of the decrease from district court fines. COVID-19 presented a new set of challenges for the City's district courts. In mid-March, all three district courts suspended in-person hearings and later developed a "virtual court cyber-docket" in response to COVID-19. Coupled with a reduction in the number of citations issued and reduced court appearances, general, traffic, and parking fines decreased significantly. The number of citations written continues to decrease with amnesty programs further reducing fines. Minimum installment fees and increased community service further reduce fines and fees revenues. Animal Services experienced a 15% decline in licensing fees and fees associated with the adoption of animals in 2020. Parking fines revenue decreased from \$348,153 in 2019 to only \$160,704 in 2020, a reduction of 54% from a year ago. With the onset of COVID-19 in March, many downtown businesses closed or implemented telework arrangements. Parking enforcement was discontinued for several months as staff was deemed non-essential due to limited usage. In response to COVID-19, the City began writing only warnings for meter/pay station violations in mid-May through the end of May as a good-faith gesture to anyone parking downtown in anticipation of restarting enforcement in June. Parking fines revenue is expected to be approximately \$300,000 in 2021, with the addition of the ability to boot vehicles with large outstanding parking tickets. The Parking Enforcement Division placed boots on only a handful of automobiles in 2020 but plan to boot more in 2021. Overall, 2021 fines and fees are projected to be \$1,821,500, an increase of 32% from the 2020 amended budget, but still approximately \$265,000 or 12.7% below 2019 levels.

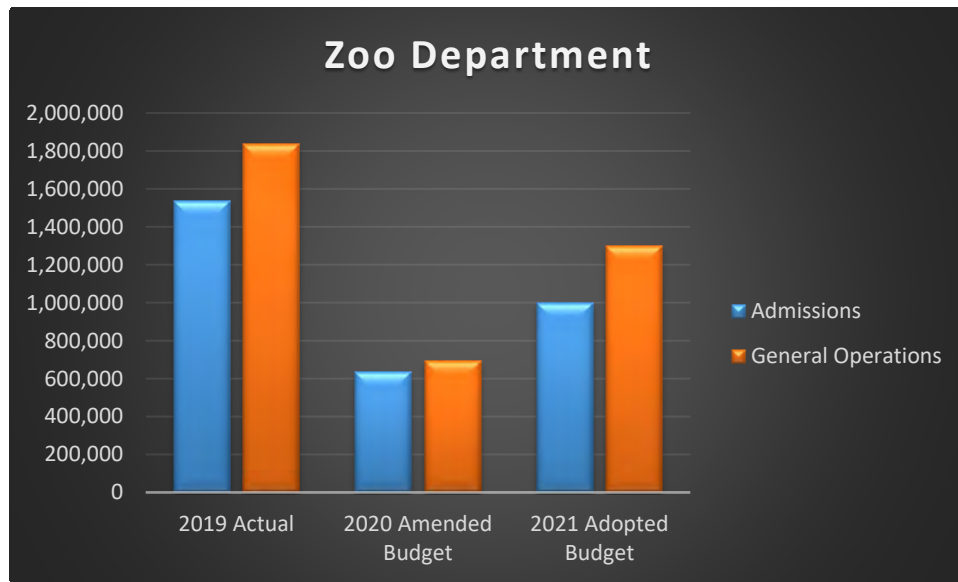
**PARKS, GOLF, JIM DAILEY FITNESS & AQUATIC CENTER, AND ZOO CHARGES FOR SERVICES REVENUE**

General Fund park-related charges for services revenues are generated by two (2) public golf courses, tennis fees, community center fees, athletics fees, summer programs, a fitness center, pavilion rentals, and the Zoo. The onset of COVID-19 in mid-March temporarily closed many of these facilities, with limited reopening of primarily outdoor facilities in June 2020. The 2021 General Fund revenue budget anticipates the reopening of closed facilities, resulting in an anticipated 62% increase from 2020 actuals but still approximately 25% below 2019 actual results.

The City's indoor recreation facilities, including the Jim Dailey Fitness & Aquatic Center, closed in mid-March, and only recently reopened in November 2020 with limited access. 2020 annual revenues were only \$135,894 compared to over \$561,500 in 2019. The fitness center has forecasted 2021 revenues to be \$305,500, improving over 2020 results but well below 2019 revenues. Revenues are expected to improve as COVID-19 restrictions are eased and members return.

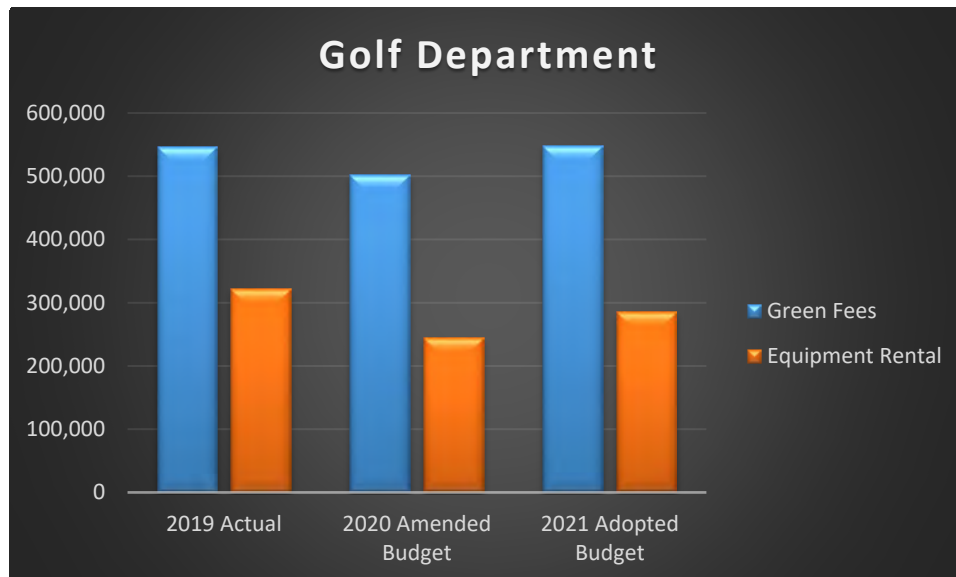
After closing in mid-March, the Zoo reopened to the public on June 22, 2020 with restrictions on the number of guests and access to only outdoor exhibits. The Zoo allowed a maximum of 2,760 individuals to visit each day which is approximately 10% of the maximum capacity. All playgrounds, Cafe Africa, the gift shop, indoor animal areas, the carousel, and the train remained closed. Virtually no Zoo revenues were recorded for April, May, and June of 2020. The early spring months of April, May, and June are usually

the peak months for the Zoo because of the mild temperatures, school field trips, and annual special events. 2020 Zoo revenues declined approximately \$2.1 million or 61.4% in comparison to 2019 revenues. 2020 Zoo admission revenue decreased 56% or almost \$860,000 from one year ago, while annual Zoo memberships decreased over 37%. 2021 Zoo revenues are projected to improve approximately \$1 million over 2020 actual results but still approximately 32% below 2019 levels.



Historically, the City has operated four (4) public golf courses. Following a third-party review of golf operations, the Mayor and Board of Directors decided to cease golf operations at War Memorial and Hindman in mid-summer 2019 and continue golf operations at the Rebsamen and First Tee courses. Rebsamen and First Tee temporarily closed in March 2020 due to the onset of the COVID-19 pandemic and reopened in May 2020 with capacity restrictions and social distancing protocols in place. The tee times were scheduled twenty minutes apart rather than the usual seven minutes, and only one person per cart was permitted. In April, the Board of Directors approved a grant application that would fund a greenway connecting War Memorial and Hindman Parks. The proposed greenway would run through or near Kanis Park, Boyle Park, the First Tee of Central Arkansas Golf Center and Western Hills Park. Despite the closures and restricted access to play, 2020 Rebsamen Golf revenues increased 8.2% from increased rounds beginning in June 2020. Record flooding along the Arkansas River temporarily closed the course for repairs in June 2019, reducing 2019 levels. The First Tee Golf Course also rebounded well with revenues of approximately \$228,000. The Rebsamen and First Tee golf courses are projected to generate approximately \$1 million in revenues in 2021 with normal weather patterns. The Mayor and Board of Directors are still reviewing opportunities to repurpose War Memorial and Hindman golf courses. Some of the possibilities include exploring the feasibility of an indoor sports complex in the City. Other considerations include soccer fields, baseball fields, and disc golf. If the REBUILD THE

ROCK sales tax moves forward, plans include the renovation of War Memorial and Hindman parks.



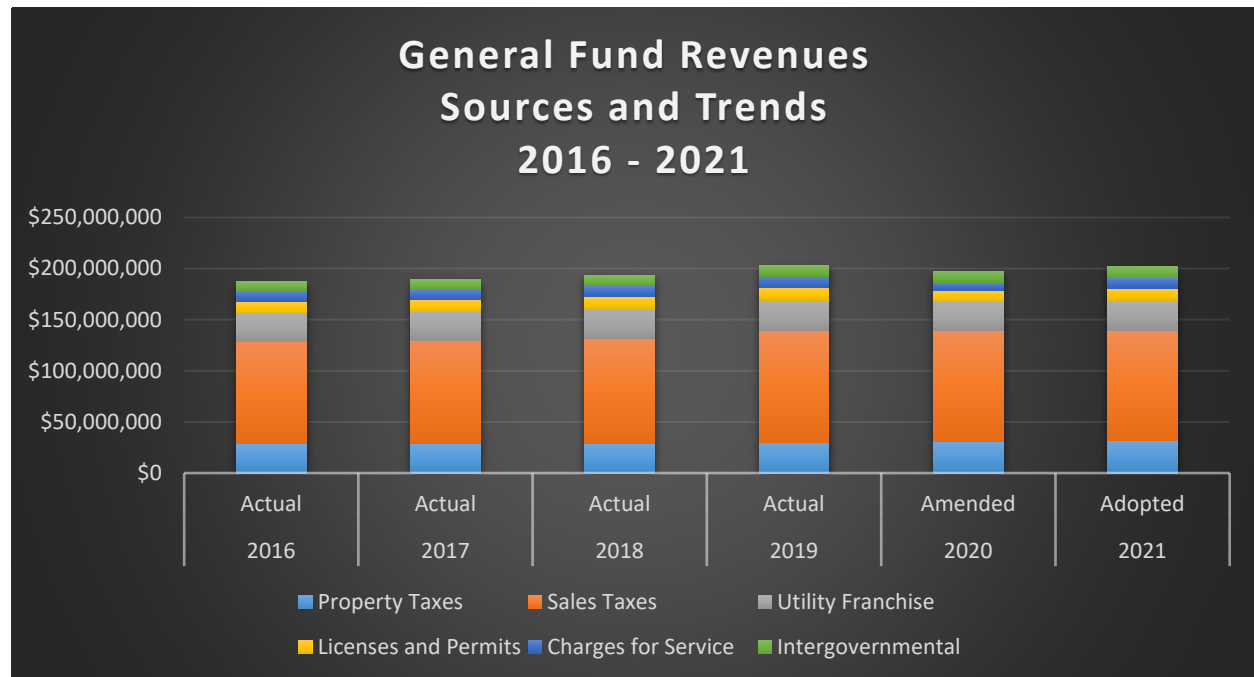
**AIRPORT REIMBURSEMENT**

The Little Rock National Airport reimburses the City for expenses related to police and fire protection. In 2020, airport police reimbursements decreased 3% to \$1.75 million, while the airport fire reimbursements increased slightly to \$1.43 million. 2021 staffing levels are expected to be consistent with 2020 levels, adjusted only for salary and benefit cost increases. Annually, fluctuations can be attributed to changes in negotiated minimum staffing.

**INTEREST EARNINGS**

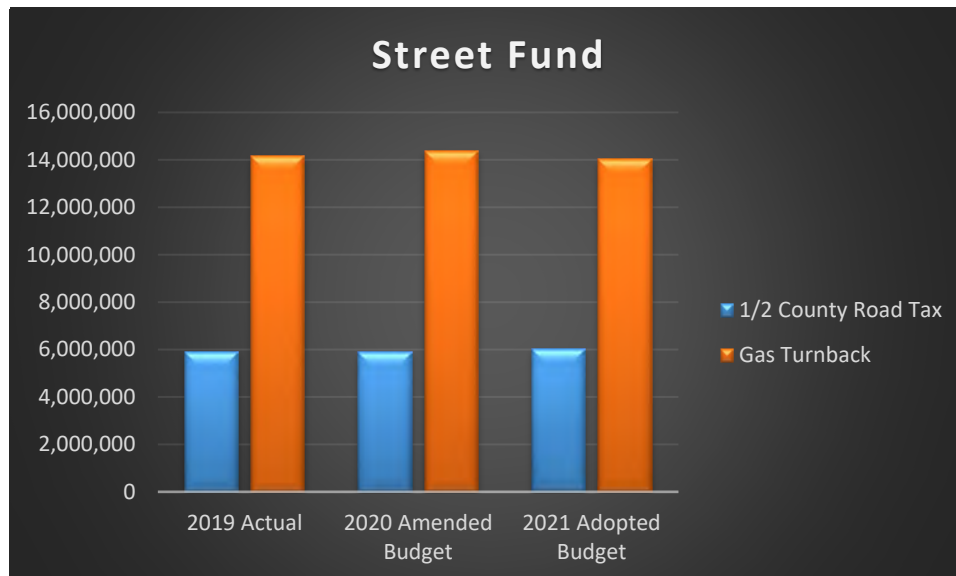
Interest earned on the investments and bank deposits of the General Fund, certain bond retirement funds, special projects, and capital funds can legally be utilized for any municipal purpose. The primary objectives, in priority order of investment activities, are safety, liquidity, and yield. The target federal funds rate is currently 0.00% - 0.25%. The Fed has lowered the rate to effectively zero only twice in its history. The first was during the financial crisis of 2008 and the second time was in March 2020 to support the economy during the coronavirus pandemic. In September 2020, the Fed announced it would keep rates in that range until 2023. After cutting rates three times in 2019, the Fed announced an emergency rate cut of half a percentage point on March 3<sup>rd</sup> and a 1.00% rate cut on March 16<sup>th</sup>, bringing the rate to essentially zero. The current Federal discount rate decreased from 2.25% in 2019 to 0.25% at the end of 2020. Lower short-term interest rates significantly impact the investment earnings as the City’s investment policy states that the portfolio will not contain securities with maturities more than five years from the purchase date. Investment income for the General Fund before year-end fair market value adjustments is approximately \$234,500. Significantly decreased short-term interest rates and lower cash balances decreased interest income by roughly 40% in 2020, but there were no losses on any fixed-income investment. Securities held are short in duration,

backed by the United States government, and are among the safest securities in the world. With short-term interest rates at or near zero, the investment earnings are expected to decrease further. The City’s bank deposits are currently yielding 0.50% in 2021, which is significantly higher than the current three-month Treasury bill rate of 0.05%.



### **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. The Governor of Arkansas initiated an election on November 3<sup>rd</sup>, 2020, to make permanent the 0.5% sales tax, authorized by Issue 1 of 2012, with revenue directed to state and local transportation, including highways, roads, and bridges. DFA estimated that the 0.5% sales tax authorized by the amendment would generate \$293.7 million in revenue based on 12 months of collections. Voters approved the permanent tax, which is now Amendment 9 in the state constitution. Act 416 enacted by the Arkansas Legislature in 2019 added a new wholesale sales tax on gasoline and diesel. The Act also increased the excise tax on gasoline by 3 cents to 24.5 cents a gallon and the state’s excise tax on diesel increased by 6 cents to 28.5 cents per gallon. The average wholesale sales price for regular grade gasoline during the year (\$1.864) is multiplied by one and six-tenth percent (1.6%) as established by Act 416 to derive the \$0.03 per gallon tax. The new and additional fuel taxes generate approximately \$13 million more a year for cities and counties to spend on roads.



2020 gas turnback revenues were \$14,614,126, an increase of 3.1% from 2019. Gas turnback funds had been trending downward due to lower gas consumption associated with more fuel-efficient automobiles, but usage has increased in the last five (5) years with historically low fuel prices. The State Highway Department’s turnback projection for Little Rock in 2021, including the gas tax, natural gas severance tax, wholesale fuel tax, and sales tax, is \$13.6 million, which is approximately 2.2% below their projection for 2020, but more than \$1 million below 2020 actual results. The conservative 2021 adopted budget of \$14 million is approximately 4% below 2020 actual results but more in line with the State Highway’s estimate. The 2021 Street Fund turnback appropriation increased from \$65.50 per capita to \$68.50 per capita, a change of 4.6%. The 2021 Street Fund turnback estimate includes proceeds from the state’s 1/2-cent sales tax and severance tax on natural gas. Currently, approximately 1.5% of the turnback is attributed to the natural gas severance tax. The wholesale tax comprises 8% of the total turnback received. Interest earnings decreased \$156,562 due to short-term interest rates at or near zero, the result of COVID-19 on the economy. Excluding transfers in, overall, Street fund revenues in 2020 were 0.5% higher than 2019 revenues. The 2021 revenue budget of \$21,279,119 is approximately 1.8% below 2020 actual results due to the conservative gas turnback estimate.

**BOND & INTEREST FUND**

Revenues in this fund are utilized to fund debt service on Limited Tax Capital Improvement Bonds, Series 2013 and 2018. The voters of Little Rock approved an annual ad valorem tax of 3.0 mills at a special election on September 11, 2012. The millage is pledged for \$105 million in capital improvement bonds issued to fund \$73.5 million in street improvements and \$31.5 million in drainage improvements. On July 15, 2013, the City issued the first series of Limited Tax General Obligation bonds for \$58,105,000. The second series of bonds for \$43,475,000 were issued in November 2018. The millage and the Homestead Credit, which is monies generated from a state-wide half-cent sales tax, produced approximately \$13 million in revenues in 2020. In addition, excess commissions are reimbursed to the fund annually but were not received from Pulaski County in time for revenue recognition in 2020. The excess commissions of approximately \$0.49 million will

be reflected in 2021 revenues. The 2013 bonds are scheduled to be retired on April 1, 2021. Due to coverage and annual call features, the City estimates that sufficient revenues will be collected to retire the 2018 bonds by December 2022. The 3.0 mill levy will be discontinued in 2023 unless voters approve the continuation of the millage to fund debt service for the issuance of additional bonds before November 2022 when the annual levy must be certified to the county for collection in 2023.

**WASTE DISPOSAL**

2020 Waste Disposal charges for services, including sanitation fees, landfill fees, yard waste revenues, and compost sale revenues, increased 22% compared to 2019, resulting from a new rate structure approved by the Board of Directors following an independent study. The new rates structure, effective January 1, 2020 represented the first rate increase for sanitation and landfill fees since 2004. 2020 sanitation fee revenues increased 28.6%, which coincided with the residential rate increase from \$20.02 to \$28.90 per month. Yard waste revenues increased 10.6% and compost revenues increased approximately 11% from 2019. Landfill fee revenues decreased 52% in 2020. Overall, charges for services were below the 2020 Adopted Budget by 2.4%, primarily due to reduced landfill volume. The class 1 landfill was temporarily closed to commercial haulers on April 30, 2020 to reserve capacity for residential and contract customers during the construction of a new cell. 2019 flooding followed by the impact of COVID-19 caused delays in constructing the new cell, extending the completion date from May 2020 to November 2020. The landfill was reopened to commercial haulers in January 2021 with landfill tonnage quickly returning to normal levels. 2021 landfill tonnage is projected to equal or surpass 2019 levels.

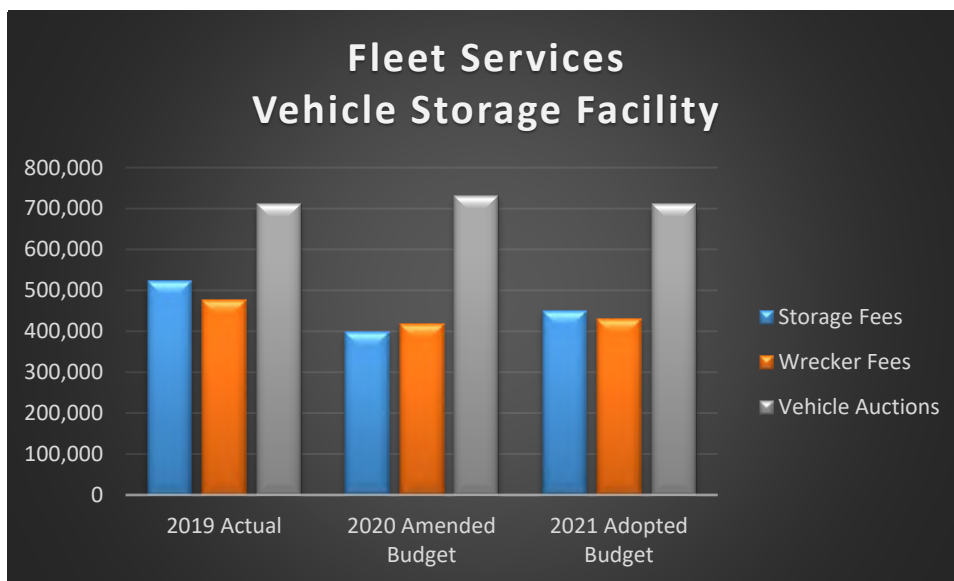


There are 60,593 households currently receiving waste disposal services. The 2021 budget for sanitation fees is approximately \$21.84 million, reflecting a 1% increase over 2020 actual revenues. The 2021 budget for landfill fees is \$1.55 million, anticipating a slower return of commercial haulers. Based on volumes experienced in January and February 2021, landfill revenues will likely exceed the 2021 Adopted Budget.

In 2020, the Little Rock Board of Directors authorized a three-year extension of the contract with Waste Management to collect, process, and distribute recyclable materials. Glass recycling was not included in the agreement. New recycling rates will go into effect in April 2021. During the first year of the agreement, the monthly rate will be \$4.90 plus \$3 for extra carts; increasing to \$5.07 plus \$3.11 for extra carts in the second year; and \$5.25 plus \$3.22 for extra carts in the third year. Waste Management’s role is to separate recyclable materials and distribute them to manufacturers.

**VEHICLE STORAGE**

Vehicle Storage revenues are primarily generated from storage fees, wrecker fees, and auction sales, representing 91% of 2020 revenues. Combined, revenue from these sources decreased 0.87% from 2019. Storage fees decreased 17.6% and wrecker fees decreased 7.2%, primarily due to the reduced number of vehicles on the road attributed to the impact of COVID-19. In 2020, eighty (80) fewer vehicles were auctioned, but vehicle auction sales revenue increased approximately 16% compared to 2019 as newer models with a higher average price were sold. The average sales price per vehicle auctioned in 2020 was \$1,813. The 2021 Adopted Budget of \$1,759,847 is 2.8% above the 2020 Amended Budget, but 5.1% lower than the 2020 actual results, as 2020 auction sale revenue exceeded expectations. There are no scheduled rate increases anticipated in 2021.



**PARKING GARAGE FUND**

COVID-19 negatively impacted revenues of the City’s downtown parking garages. Garage revenues are generated by monthly and daily parking fees at the Second and Main Convention Center Parking Facility and the River Market Parking Garage. In addition to parking fee revenues, 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. Due to COVID-19, many downtown businesses implemented teleworking or closed temporarily in mid-March, significantly reducing

demand for parking. The garages were closed to daily parkers, with monthly parkers utilizing card keys for access, reducing expenses associated with operating the garages during COVID-19 restrictions and social distancing protocols. Total 2020 parking garage revenues decreased approximately 23% from 2019, with monthly parking revenues decreasing 15.6% and daily parking revenues decreasing 56%. In addition, parking meter enforcement was suspended temporarily, resulting in a decrease in 2020 parking meter revenue to \$182,373 from \$409,994 in 2019.

Dedicated business license fees and street repair or street cut revenue remained consistent with 2019 levels. Business license fees are due annually on January 1 and were collected prior to the onset of COVID-19. Most street cuts are due to utility maintenance performed in the City's rights-of-way. Revenue from street cuts were \$762,906 and \$764,519 in 2020 and 2019, respectively. Street cut repairs have increased over the past two years for two (2) primary reasons. Street cuts increased as the wireless communication companies installed fiber optic cables throughout the City. In addition, the Board of Directors passed Ordinance #21,641 effective January 1, 2019 to establish penalties for failure to complete street repairs in a timely manner. The Ordinance implemented a penalty charge of \$100 per day for each day past thirty-five (35) calendar days from permit issuance until permanent restorations are completed. Penalties paid by the utilities were a major factor in the increase in street cut revenue. The higher than anticipated street cut revenue helped offset COVID-19 related losses in parking revenues in 2020. As utilities come into compliance with street repair requirements, street cut revenues are expected to decline.

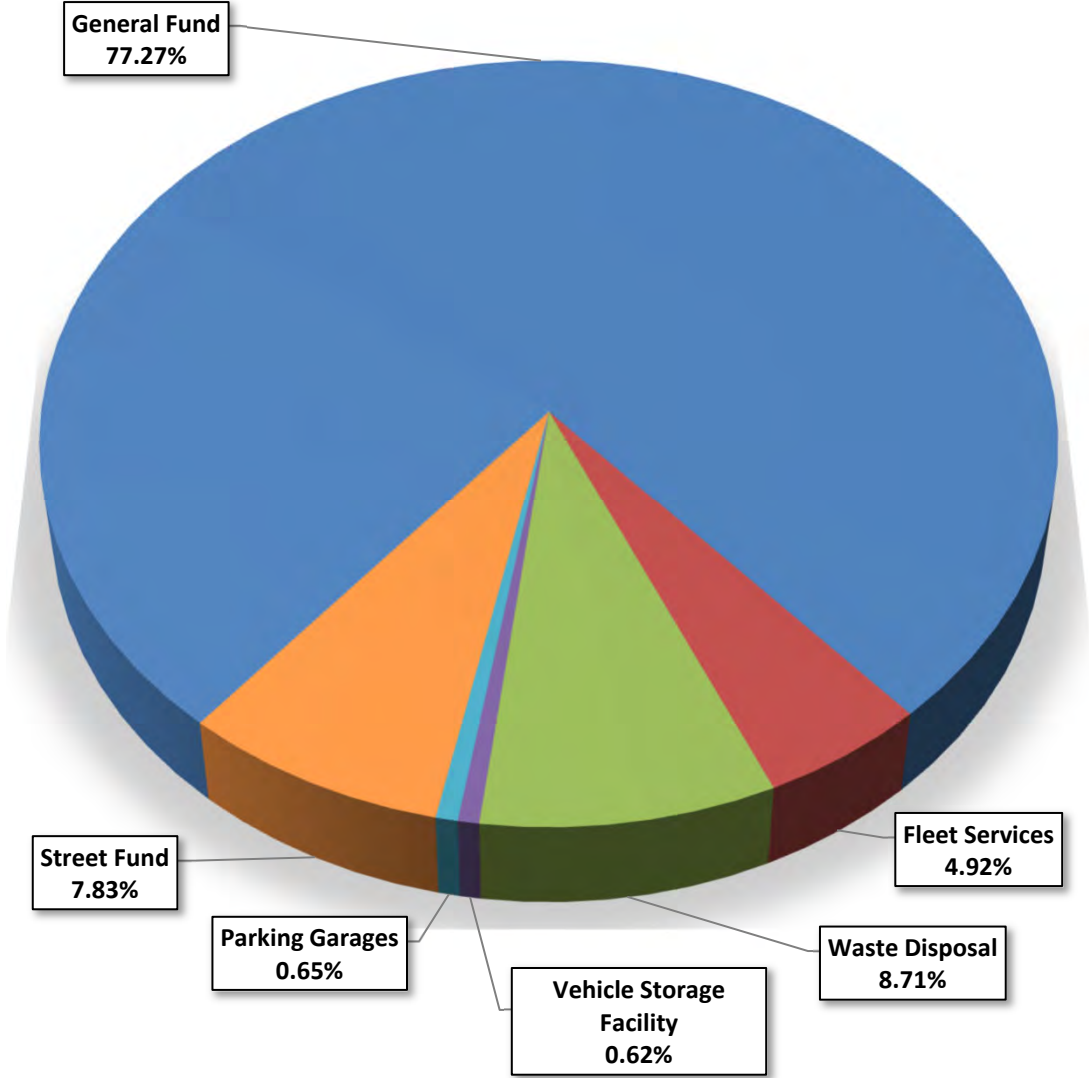
The downtown parking facilities are projected to fully reopen by the 2<sup>nd</sup> quarter of 2021. The 2021 Budget anticipates a gradual recovery to monthly, daily, and parking meter revenues, offset by a decline in business license and street cut revenues, resulting in a net decrease to parking garage revenues of approximately 1% in comparison to 2020 actual revenues and an increase of 1% from the 2020 Amended Budget. There will likely be a decline in rental car business licenses as businesses reduce the number of vehicles in their fleets in response to ongoing travel restrictions associated with COVID-19. Street cut revenues are expected to decline as the build-out of the fiber network by communication companies is concluding and as utilities come into compliance with the requirements of Ordinance #21,641 for timely street repair.



# Expenditures



# CITY OF LITTLE ROCK 2021 EXPENSE PROFILE

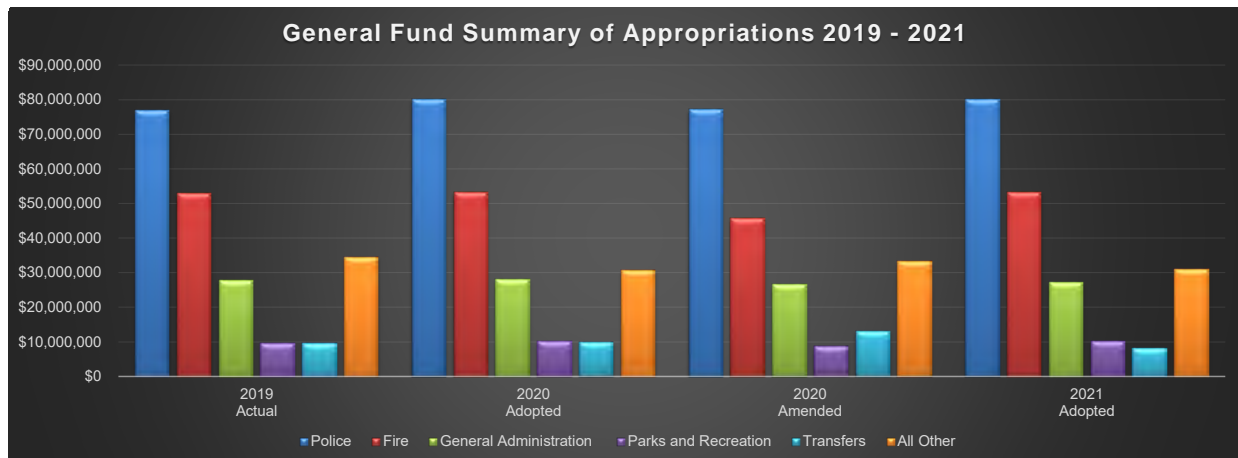


**\$271,902,626**

**CITY OF LITTLE ROCK  
2021 OPERATING & OTHER BUDGET EXPENDITURES SUMMARY**

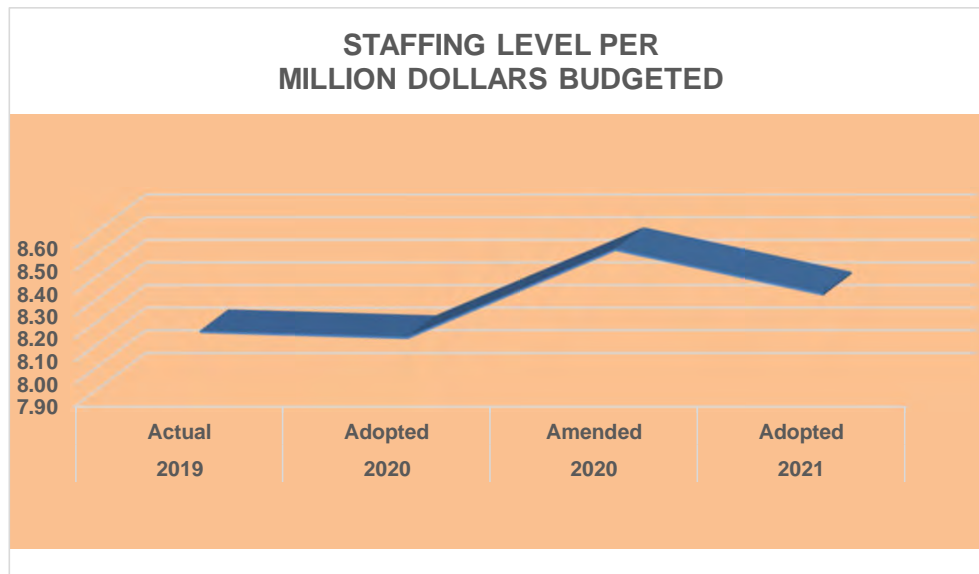
<b>GENERAL FUND</b>	<b>2019 ACTUAL</b>	<b>2020 ADOPTED</b>	<b>2020 AMENDED*</b>	<b>2021 ADOPTED</b>	<b>20/21 DIFF</b>	<b>% CHANGE</b>
Executive Administration	\$ 27,738,081	\$ 28,085,766	\$ 26,605,268	\$ 27,148,050	\$ 542,782	2.04%
Board of Directors	347,081	338,411	338,456	338,715	259	0.08%
Community Programs	500,509	462,179	439,273	465,049	25,776	5.87%
City Attorney	1,582,776	1,585,138	1,552,831	1,654,033	101,202	6.52%
District Court First Division	1,258,225	1,348,842	1,320,516	1,343,070	22,554	1.71%
District Court Second Division	1,319,922	1,246,377	1,227,217	1,255,694	28,477	2.32%
District Court Third Division	503,837	537,099	514,373	539,585	25,212	4.90%
Finance	3,277,046	3,588,285	3,327,173	4,057,149	729,976	21.94%
Human Resources	1,762,430	1,860,866	1,719,375	2,051,039	331,664	19.29%
Information Technology	4,948,012	5,538,495	5,274,731	6,039,340	764,609	14.50%
Planning Development	2,310,219	2,601,213	2,394,521	2,708,492	313,971	13.11%
Housing & Neighborhood Programs	5,039,371	5,566,012	4,646,822	5,710,466	1,063,644	22.89%
Public Works	1,018,975	1,074,107	1,065,035	1,110,957	45,922	4.31%
Parks & Recreation	9,492,931	9,994,977	8,673,008	10,181,728	1,508,720	17.40%
River Market	1,305,240	1,356,920	929,938	774,678	(155,260)	-16.70%
Golf	2,264,744	1,532,166	1,678,978	1,572,011	(106,967)	-6.37%
Jim Dailey Fitness and Aquatic Center	855,754	886,292	772,110	867,210	95,074	12.31%
Zoo	6,281,848	6,638,508	6,058,181	6,481,505	423,324	6.99%
Fire	53,044,285	53,230,908	45,703,678	53,350,321	7,646,643	16.73%
Police	76,771,070	80,209,890	77,092,066	80,200,891	3,108,825	4.03%
Vacancy Savings	-	(5,500,000)	-	(6,000,000)	(6,000,000)	N/A
<b>Sub-total General Operating</b>	<b>201,622,355</b>	<b>202,182,451</b>	<b>191,333,550</b>	<b>201,849,957</b>	<b>10,516,407</b>	<b>5.50%</b>
<b>TRANSFERS OUT/OTHER EXPENSES</b>						
Transfer out to Street Fund	194,000	194,000	194,000	194,000	-	0.00%
Special Projects/PIT	8,371,168	8,748,802	13,011,703	7,057,012	(5,954,691)	-45.76%
Contingency/Reserve	1,000,000	1,000,000	-	1,000,000	1,000,000	N/A
<b>Sub-total of Transfers Out</b>	<b>9,565,168</b>	<b>9,942,802</b>	<b>13,205,703</b>	<b>8,251,012</b>	<b>(4,954,691)</b>	<b>-37.52%</b>
<b>TOTAL GENERAL FUND</b>	<b>211,187,523</b>	<b>212,125,253</b>	<b>204,539,253</b>	<b>210,100,969</b>	<b>5,561,716</b>	<b>2.72%</b>
<b>OTHER FUNDS</b>						
Public Works - Street	20,026,813	21,339,903	25,965,033	21,279,119	(4,685,914)	-18.05%
Fleet Services	13,423,566	14,333,041	14,490,681	13,390,623	(1,100,058)	-7.59%
Vehicle Storage Facility	1,589,572	1,735,627	1,561,351	1,699,157	137,806	8.83%
Waste Disposal	20,980,343	23,938,605	23,604,307	23,671,871	67,564	0.29%
Parking Garages	2,146,711	2,168,420	1,669,033	1,760,887	91,854	5.50%
<b>Sub-total Other Operating Funds</b>	<b>58,167,005</b>	<b>63,515,596</b>	<b>67,290,405</b>	<b>61,801,657</b>	<b>(5,488,748)</b>	<b>-8.16%</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 269,354,527</b>	<b>\$ 275,640,849</b>	<b>\$ 271,829,658</b>	<b>\$ 271,902,626</b>	<b>\$ 72,968</b>	<b>0.03%</b>

\* The 2020 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 2020 vacancy savings goal was fully realized. In 2020, approximately \$7.7 million in Fire Emergency Medical Technician (EMT) salaries were transferred to the Grant Fund for reimbursement from the State's portion of the Federal Coronavirus Aid, Relief and Economic Security Act of 2020 (CARES) funding.



**GENERAL FUND  
EXPENDITURES BY CATEGORY**

<b>CATEGORY</b>	<b>2019 Actual</b>	<b>2020 Adopted Budget</b>	<b>2020 Amended Budget</b>	<b>2021 Adopted Budget</b>
Salaries Wages and Employee Benefits	\$157,632,359	\$158,717,007	\$149,479,762	\$159,601,152
Supplies and Materials	5,572,011	5,676,360	4,748,316	5,378,453
Repairs and Maintenance	8,717,269	9,778,829	9,561,276	9,849,171
Contractual Services	22,369,853	22,504,721	22,038,662	22,762,536
Capital Outlay	80,635	-	-	-
Debt Service	7,250,229	5,505,534	5,505,534	4,258,645
Transfers	9,565,168	9,942,802	13,205,703	8,251,012
<b>Total Expenditures</b>	<b>\$211,187,523</b>	<b>\$212,125,253</b>	<b>\$204,539,253</b>	<b>\$210,100,969</b>
<i>Staffing Level Ratio</i>	1,723 8.16	1,725 8.13	1,743 8.52	1,749 8.32



**CITY OF LITTLE ROCK  
2021 OPERATING EXPENSES**

	<b>2019 Actual</b>	<b>2020 Adopted Budget</b>	<b>2020 Amended Budget</b>	<b>2021 Adopted Budget</b>
<b>GENERAL FUND</b>				
<b>EXECUTIVE ADMINISTRATION</b>				
101001 City Clerk	\$ 292,509	\$ 306,089	\$ 291,098	\$ 302,023
101002 Administrative & General	19,855,069	20,443,980	18,797,301	19,449,905
101003 Employee Benefits	4,985,942	4,816,768	5,066,768	4,401,500
101005 Mayor	637,899	712,382	713,055	704,967
101006 City Manager Administration	1,047,497	885,902	871,879	908,714
101007 Emergency Management	55,638	56,959	55,207	96,325
101008 Small & Minority Women Owned Bus. De	1,971	72,716	23,204	13,750
101009 Little Rock Television	294,193	414,576	414,677	423,241
101010 311 Service Center	285,644	253,174	248,912	404,306
101011 Performance and Innovation	281,940	123,220	123,167	224,693
101012 Economic Development	-	-	-	109,313
101013 Office of Equity and Inclusion	-	-	-	109,313
Total General Administrative	<u>27,738,081</u>	<u>28,085,766</u>	<u>26,605,268</u>	<u>27,148,050</u>
<b>BOARD OF DIRECTORS</b>				
101100 Board of Directors	347,081	338,411	338,456	338,715
<b>COMMUNITY PROGRAMS</b>				
101501 Administration	256,482	210,084	210,174	211,353
101503 Operations	93,339	94,046	84,913	94,281
101504 Racial and Cultural Diversity	150,687	158,049	144,186	159,415
Total Community Programs	<u>500,509</u>	<u>462,179</u>	<u>439,273</u>	<u>465,049</u>
<b>CITY ATTORNEY</b>				
101801 City Attorney	1,582,776	1,585,138	1,552,831	1,654,033
<b>LITTLE ROCK DISTRICT COURT</b>				
102101 District Court First Division	1,258,225	1,348,842	1,320,516	1,343,070
<b>LITTLE ROCK DISTRICT COURT</b>				
102201 District Court Second Division	1,319,922	1,246,377	1,227,217	1,255,694
<b>LITTLE ROCK DISTRICT COURT</b>				
102301 District Court Third Division	503,837	537,099	514,373	539,585
<b>FINANCE</b>				
102501 Administration	736,384	739,453	781,201	962,654
102511 Reporting and Compliance	-	-	-	163,947
102515 Budget	75,924	165,475	146,051	264,353
102520 Internal Audit	176,647	243,333	135,572	179,089
102530 Accounting and Reporting	417,914	537,508	482,752	498,676
102531 Accounts Payable	296,214	328,890	296,591	311,119
102535 Payroll	210,840	216,876	216,816	223,362
102540 Treasury Management	652,894	645,288	597,837	655,368
102550 Purchasing	365,786	411,279	407,982	409,685
102552 Small Business Development	-	-	538	92,391
102555 Print Shop	79,924	40,259	32,912	41,168
102560 Grants Management	264,517	259,924	228,921	255,337
Total Finance	<u>3,277,046</u>	<u>3,588,285</u>	<u>3,327,173</u>	<u>4,057,149</u>
<b>HUMAN RESOURCES</b>				
102701 Human Resources	1,762,430	1,860,866	1,719,375	2,051,039
<b>INFORMATION TECHNOLOGY</b>				
103001 Administration	715,643	815,463	728,562	916,855
103010 Application Programming	1,065,821	1,171,895	1,140,084	1,276,311
103030 Networking	1,328,856	1,649,523	1,721,121	1,977,707
103050 Computer Operations	1,837,692	1,901,614	1,684,964	1,868,467
Total Information Technology	<u>4,948,012</u>	<u>5,538,495</u>	<u>5,274,731</u>	<u>6,039,340</u>

**CITY OF LITTLE ROCK  
2021 OPERATING EXPENSES**

	<b>2019 Actual</b>	<b>2020 Adopted Budget</b>	<b>2020 Amended Budget</b>	<b>2021 Adopted Budget</b>
<b>PLANNING AND DEVELOPMENT</b>				
103301 Administration & Budget	263,777	304,818	294,255	349,013
103310 Planning	437,736	422,348	430,456	431,742
103320 Zoning & Subdivision	733,472	870,015	752,773	923,517
103330 Building Codes	875,234	1,004,032	917,037	1,004,220
Total Planning and Development	<u>2,310,219</u>	<u>2,601,213</u>	<u>2,394,521</u>	<u>2,708,492</u>
<b>HOUSING AND NEIGHBORHOOD PROGRAMS</b>				
103501 Administration	222,519	276,358	170,454	347,208
103510 Animal Services	1,026,601	1,304,114	1,059,419	1,309,670
103520 CDBG - Housing Programs	(311)	7,591	3,813	5,834
103530 Neighborhood Programs	2,711,922	2,974,030	2,540,154	3,085,493
103539 Neighborhood Alert Centers	717,476	605,675	534,765	545,663
103540 Neighborhood Resource Center	141,593	182,978	137,590	183,278
103550 Environmental Services	219,571	215,266	200,627	233,320
Total Housing and Neighborhood Progra	<u>5,039,371</u>	<u>5,566,012</u>	<u>4,646,822</u>	<u>5,710,466</u>
<b>PUBLIC WORKS</b>				
104010 Building Services	1,018,975	1,074,107	1,065,035	1,110,957
Total Public Works	<u>1,018,975</u>	<u>1,074,107</u>	<u>1,065,035</u>	<u>1,110,957</u>
<b>PARKS AND RECREATION</b>				
104501 Administration	323,812	357,758	301,651	382,923
104503 Design Scheduling	399,547	396,214	396,243	399,516
104510 Resources Administration	389,537	396,245	439,320	399,794
104511 Cultural Museum	252,293	250,081	245,208	261,417
104512 Therapeutic	222,511	236,079	209,360	244,950
104521 Development and Maintenance	96,614	99,193	99,318	96,532
104522 Operations and Improvement Developme	1,509,802	1,557,183	1,506,174	1,559,043
104523 Park Maintenance	1,672,020	2,030,119	1,669,373	1,822,849
104524 Horticulture	828,744	965,598	766,539	914,162
104525 Urban Forestry	456,103	389,326	345,430	388,808
104530 Recreation Administration	117,708	181,169	117,930	181,850
104531 Community Center Administration	131,961	135,006	126,150	136,710
104532 Dunbar Community Center	360,051	400,222	286,438	441,044
104533 East Little Rock Recreation Center	86,790	88,431	88,476	88,701
104534 Senior Programs	75,237	94,512	73,039	92,012
104536 Southwest Community Center	535,166	457,274	390,255	495,464
104537 Stephens Community Center	263,047	216,225	204,221	244,306
104538 The Centre at University Park	329,743	266,426	217,064	302,543
104539 West Central Community Center	518,864	568,944	435,946	640,732
104540 Parks Maintenance - Mowing	215,318	211,096	210,290	377,082
104556 Athletics/Playgrounds	381,821	404,552	262,760	418,522
104557 Tennis Center Operations	265,004	238,298	226,797	237,742
104558 N.W. Hill Community Complex	61,239	55,026	55,026	55,026
Total Parks and Recreation	<u>9,492,932</u>	<u>9,994,977</u>	<u>8,673,008</u>	<u>10,181,728</u>
<b>RIVER MARKET</b>				
104601 RiverMarket	1,305,240	1,356,920	929,938	774,678
<b>GOLF</b>				
104701 Administration	383,639	-	-	-
104710 Rebsamen Golf Pro	425,978	382,414	454,486	383,788
104711 Rebsamen Golf Maintenance	485,705	494,260	521,745	475,006
104712 Rebsamen Pro Golf Concessions	90,801	84,691	110,735	85,240
104720 War Memorial Golf Pro	150,455	-	-	-
104721 War Memorial Golf Maintenance	187,146	-	-	-
104740 Hindman Pro Golf	126,409	-	-	-
104741 Hindman Golf Maintenance	89,008	-	-	-
104750 First Tee Golf Pro	131,041	198,601	195,698	198,930
104751 First Tee Golf Maintenance	194,563	372,200	396,314	429,047
Total Golf Fund	<u>2,264,744</u>	<u>1,532,166</u>	<u>1,678,978</u>	<u>1,572,011</u>

**CITY OF LITTLE ROCK  
2021 OPERATING EXPENSES**

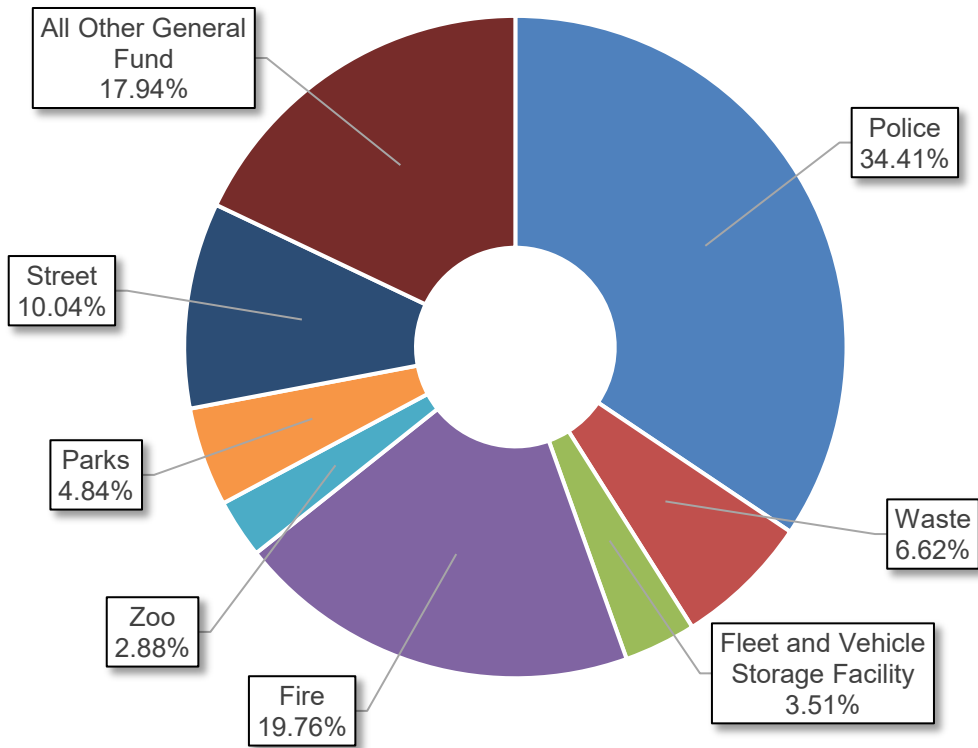
	<b>2019 Actual</b>	<b>2020 Adopted Budget</b>	<b>2020 Amended Budget</b>	<b>2021 Adopted Budget</b>
<b>JIM DAILEY FITNESS AND AQUATIC CENTER</b>				
104801 Jim Dailey Fitness & Aquatic	855,754	886,292	772,110	867,184
<b>ZOO</b>				
106501 Zoo Administration	663,790	720,494	706,676	803,231
106510 Zoo Concessions	347,499	363,297	304,014	363,618
106520 Zoo Education	367,128	439,446	387,175	595,272
106530 Zoo Gift Shop	204,422	210,079	193,129	106,025
106540 Zoo Membership	113,725	110,029	97,564	104,529
106550 Zoo Special Events	165,937	153,059	152,589	153,508
106560 Zoo Marketing & Promotions	188,189	257,665	209,547	190,852
106570 Zoo Facilities Operation	1,608,419	1,820,848	1,717,542	1,548,942
106580 Animal Management	2,133,132	2,258,157	2,067,200	2,213,791
106581 Zoo Vet Services	123,787	122,000	122,000	122,000
106590 Visitor Service Administration	365,821	183,434	100,745	279,737
Total Zoo Fund	<u>6,281,848</u>	<u>6,638,508</u>	<u>6,058,181</u>	<u>6,481,505</u>
<b>FIRE</b>				
105101 Administration	1,570,552	1,559,852	1,643,738	1,617,040
105102 Fire Pension	6,607,855	6,759,783	6,717,443	6,766,116
105120 Fire Suppressing and Rescue	41,783,463	41,979,059	34,386,994	42,042,993
105130 Fire Prevention - Investigation	1,091,304	1,007,761	996,364	992,437
105140 Fire Training	515,007	551,737	548,793	663,008
105150 Crash Fire Rescue - Airport	1,476,104	1,372,716	1,410,346	1,268,727
Total Fire	<u>53,044,285</u>	<u>53,230,908</u>	<u>45,703,678</u>	<u>53,350,321</u>
<b>POLICE</b>				
105201 Administration	2,804,646	2,853,712	2,943,796	3,494,502
105202 Police Pension	7,763,027	7,845,583	7,731,045	7,808,322
105210 Internal Affairs	57,388	-	-	-
105215 Organized Crime - Intelligence	5,943,495	6,271,004	6,355,134	6,017,317
105220 Training and Crime Prevention	4,433,745	4,866,188	4,281,416	4,571,828
105225 Detectives	6,307,477	6,186,808	6,106,341	7,520,457
105230 Downtown Patrol	11,240,241	11,624,285	10,952,864	12,507,045
105235 Southwest Patrol	8,264,518	8,857,466	8,528,351	10,085,309
105240 Special Operations	7,040,965	6,855,273	6,761,442	5,358,213
105245 WW Williams Northwest Substation	10,216,694	10,840,100	10,193,708	10,411,397
105250 Airport Police	1,842,468	1,705,472	1,833,860	1,760,584
105255 Police Records Support Service	7,383,765	8,398,695	8,132,742	5,913,621
105260 Communication Center	3,472,640	3,905,304	3,271,367	4,752,296
Total Police	<u>76,771,070</u>	<u>80,209,890</u>	<u>77,092,066</u>	<u>80,200,891</u>
Less Vacancy Reduction	-	(5,500,000)	-	(6,000,000)
General Fund Operating Total	<u>201,622,356</u>	<u>202,182,451</u>	<u>191,333,550</u>	<u>201,849,957</u>
<b>TRANSFER/OUT OTHER EXPENSES</b>				
Transfer out to Street Fund	194,000	194,000	194,000	194,000
Special Projects/PIT	8,371,168	8,748,802	13,011,703	7,057,012
Contingency/Reserve	1,000,000	1,000,000	-	1,000,000
Sub-total	<u>9,565,168</u>	<u>9,942,802</u>	<u>13,205,703</u>	<u>8,251,012</u>
<b>Total General Fund</b>	<b><u>\$ 211,187,523</u></b>	<b><u>\$ 212,125,253</u></b>	<b><u>\$ 204,539,253</u></b>	<b><u>\$ 210,100,969</u></b>
<b>PUBLIC WORKS - STREET</b>				
204001 Administration	2,371,150	2,907,100	7,608,913	2,844,425
204002 Operations Administration	2,974,345	2,409,202	2,409,277	2,540,076
204003 Street and Drainage Maintenance	5,938,744	7,075,285	6,997,628	6,793,881
204005 Storm Drain Maintenance	845,829	1,093,075	1,093,479	1,114,150
204006 Work Pool	92,535	149,173	148,680	130,796
204007 Resource Control and Scheduling	376,858	402,039	401,628	414,498
204008 Control Devices	846,226	937,607	939,043	908,261
204010 Signals	1,437,673	1,176,114	1,176,376	1,222,719
204015 Parking Meters	111,484	118,363	118,453	123,456
204020 Civil Engineering	1,565,127	1,611,030	1,610,827	1,700,674
204025 Traffic Engineering	3,218,022	3,149,259	3,149,529	3,150,827
204030 Parking Enforcement	248,820	311,656	311,200	335,356
<b>Total Street Fund</b>	<b><u>\$ 20,026,813</u></b>	<b><u>\$ 21,339,903</u></b>	<b><u>\$ 25,965,033</u></b>	<b><u>\$ 21,279,119</u></b>

**CITY OF LITTLE ROCK  
2021 OPERATING EXPENSES**

	<u>2019 Actual</u>	<u>2020 Adopted Budget</u>	<u>2020 Amended Budget</u>	<u>2021 Adopted Budget</u>
<b>FLEET SERVICES</b>				
600001 Administration	1,531,052	854,469	1,537,054	1,003,456
600011 Acquisition & Disposal	5,270,385	6,262,732	5,687,409	5,359,121
600020 Financial Management	1,201,156	1,274,105	1,274,285	1,276,184
600031 Maintenance Administration	5,408,695	5,932,074	5,982,272	5,742,162
600039 Administrative Motor Pool	12,278	9,661	9,661	9,700
<b>Total Fleet Services</b>	<u>\$ 13,423,566</u>	<u>\$ 14,333,041</u>	<u>\$ 14,490,681</u>	<u>\$ 13,390,623</u>
<b>VEHICLE STORAGE FACILITY</b>				
	<u>\$ 1,589,572</u>	<u>\$ 1,735,627</u>	<u>\$ 1,561,351</u>	<u>\$ 1,699,157</u>
<b>WASTE DISPOSAL</b>				
603101 Administration	2,458,039	2,186,510	2,875,256	2,167,638
603110 Collection	13,700,267	16,407,809	15,465,684	16,757,300
603120 Disposal	4,067,489	4,550,745	4,494,655	3,991,497
603125 Composting	693,244	748,758	723,929	727,913
603130 Waste Management	61,306	44,783	44,783	27,523
<b>Total Waste Disposal Fund</b>	<u>\$ 20,980,343</u>	<u>\$ 23,938,605</u>	<u>\$ 23,604,307</u>	<u>\$ 23,671,871</u>
<b>PARKING GARAGES</b>				
612000 Parking Garages	<u>\$ 2,146,711</u>	<u>\$ 2,168,420</u>	<u>\$ 1,669,033</u>	<u>\$ 1,760,887</u>
<b>GRAND TOTAL ALL FUNDS</b>	<u>\$ 269,354,528</u>	<u>\$ 275,640,849</u>	<u>\$ 271,829,658</u>	<u>\$ 271,902,626</u>



# CITY OF LITTLE ROCK 2021 ALLOCATION OF FULL TIME PERSONNEL



<b>Police</b>	<b>754</b>	<b>Zoo</b>	<b>63</b>
<b>Waste</b>	<b>145</b>	<b>Parks</b>	<b>106</b>
<b>Fleet and Vehicle Storage Facility</b>	<b>77</b>	<b>Street</b>	<b>220</b>
<b>Fire</b>	<b>433</b>	<b>All Other General Fund</b>	<b>393</b>

## CITY OF LITTLE ROCK

### FULL TIME PERSONNEL SUMMARY

#### **General Fund:**

The 2021 General Fund Budget supports 1,749 full-time equivalent (FTE) positions – 1,704 serving in General Fund Departments and 45 special positions funded through grants or special project allocations. This represents a net increase of 24 FTEs compared to the 2020 Adopted Budget and 6 from the 2020 Amended Budget staffing levels. Added positions reflect 8 grant-funded positions, including 6 victim services positions and 1 social worker in the Police Department, and 1 Housing position. Other additions include 2 special project positions for a Community Programs Positive Intervention Specialist and a Human Resources Wellness Coordinator. The remaining 14 positions were spread throughout General Fund Departments as noted in the Full-Time Personnel Authorizations Summary. The General Fund Operating Budget appropriation includes \$165,601,152 in personnel cost, reduced by an anticipated \$6 million in savings from authorized but vacant positions, resulting in a net personnel allocation of \$159,601,152. There are no salary increases included in the 2021 Budget other than the continuation of Step and Grade progression for all Union Eligible and 911 Communications positions. In total, personnel cost comprises 76% of the General Fund Budget.

The City will continue to provide basic comprehensive health insurance in 2021. While the total cost of health insurance premiums will increase 7.5% in 2021, the City will utilize savings from a December 2020 Health Insurance Premium Holiday to offset the 2021 cost increase. The City absorbs 94% of the cost of employee-only coverage and 54% of employee/family coverage for the base plan. In addition, employees were offered an opportunity to enroll in enhanced coverage with two (2) buy-up options that included lower deductibles and co-pays. Benefit changes approved by the State Legislature determine pension costs for Fire and Police uniformed personnel.

The pension rate charged for uniformed Fire personnel is unchanged at 23.50% of payroll, representing the maximum allowed by the plan. The pension rate for Police uniformed personnel will increase from 22.23% to 23.23% of payroll. In addition, the City merged administration of the closed local Police and Fire Pension Funds with LOPFI, which will require additional monthly funding contributions of \$333,185 and \$268,268, respectively. Contributions to the closed plans are offset by dedicated revenues that include one (1)-mill Property Tax Levies, annual City sales tax contributions of \$500,000 for each plan, and other dedicated fines and fees. The dedicated revenues fully fund the required contributions. Dedicated revenues more than the required contributions are utilized to pay down the unfunded liability of the plans each year. There will be no change in 2021 to the City contribution rate of 9% of salary to the Non-Uniform Defined Benefit plan, matched by employee contributions of 4.5%. The contribution rate for the plan has remained consistent since its inception in 2014. The pension rate for Court Clerks is also unchanged at 15.32%. Vacant non-uniform positions are budgeted at the mid-range salary for the position's grade, providing some budget flexibility in the recruiting process. Vacant uniform positions are budgeted at the entry-level step for the position's grade.

Overall, the General Fund personnel budget will increase by \$884,145 in 2021 from the Original Adopted 2020 Budget. Compared to the 2020 Amended Budget, personnel cost will increase by \$10,148,941 or 6.8% due primarily to the impact of COVID-19 in 2020. In 2020, approximately \$7.7 million in Fire Emergency Medical Technician (EMT) salaries were transferred to the Grant Fund for reimbursement from the State's portion of the Federal Coronavirus Aid, Relief and Economic Security Act of 2020 (CARES) funding. In addition, other reductions associated with the temporary closure of Zoo, Park, Golf, Fitness, Community Programs, and other activities related to COVID-19 restrictions and social distancing requirements were reflected in the 2020 Amended Budget.

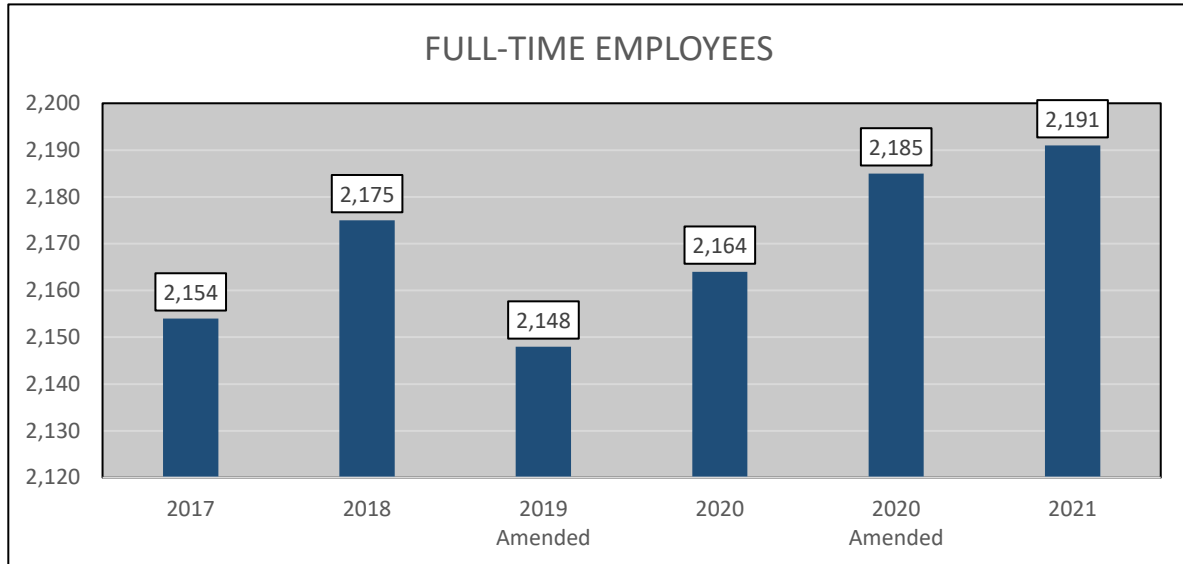
**Other Funds:**

There are 220 FTEs included in the 2021 Street Fund budget, representing an increase of 1 position compared to the 2020 Adopted Budget for a Support Specialist position. There are 145 FTEs included in the 2021 Waste Disposal Fund budget, representing an increase of 1 position for a Waste Inspector. The Fleet and Vehicle Storage budgets include 63 and 14 FTEs, respectively. There are no salary increases other than the continuation of Step and Grade progression for Union Eligible personnel. Benefits are consistent with those described for non-uniform General Fund personnel above.

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

	<b>2019 Amended Budget</b>	<b>2020 Adopted Budget</b>	<b>2020 Amended Budget</b>	<b>2021 Adopted Budget</b>
<b><u>General Fund</u></b>				
Executive Administrative	33	33	33	33
Board of Directors	1	1	1	1
Community Programs	12	12	13	13
City Attorney	16	16	16	16
District Court First Division	20	20	20	20
District Court Second Division	18	18	18	18
District Court Third Division	7	7	7	7
Finance	41	43	46	46
Human Resources	22	22	24	25
Information Technology	39	39	39	41
Planning & Development	38	38	39	39
Housing & Neighborhood Programs	98	98	98	99
Public Works - General	12	12	12	12
Parks & Recreation	106	106	106	106
Golf	14	15	15	15
Jim Dailey Fitness Center	8	8	8	8
Zoo	62	62	63	63
Fire	432	432	432	433
Police	744	743	753	754
Subtotal General Fund	<u>1,723</u>	<u>1,725</u>	<u>1,743</u>	<u>1,749</u>
<b><u>Other Funds</u></b>				
Public Works - Street	219	219	220	220
Fleet Services	63	63	63	63
Vehicle Storage Facility	13	13	14	14
Waste Disposal	130	144	145	145
Subtotal Other Funds	<u>425</u>	<u>439</u>	<u>442</u>	<u>442</u>
<b>Total Personnel</b>	<b><u>2,148</u></b>	<b><u>2,164</u></b>	<b><u>2,185</u></b>	<b><u>2,191</u></b>

# CITY OF LITTLE ROCK FULL-TIME PERSONNEL AUTHORIZATIONS 2017 - 2021



The net change in personnel between 2020 and 2021 total positions are as indicated in the chart below.

2020 Adopted Budget	2,164	2020 Amended Budget	2,185
Community Programs	1	Community Programs	
Finance	3	Finance	
Human Resources	2	Human Resources	1
Information Technology		Information Technology	2
Planning	1	Planning	
Housing & Neighborhood Programs		Housing & Neighborhood Programs	1 *
Zoo	1	Zoo	
Fire		Fire	1
Police	10 ^	Police	1 *
Public Works - Street	1	Public Works - Street	
Waste Disposal	1	Waste Disposal	
Vehicle Storage	1	Vehicle Storage	
2020 Amended Budget	<u>2,185</u>	2021 Adopted Budget	<u>2,191</u>

^ Includes 7 grant funded positions

\* Grant Funded

**CITY OF LITTLE ROCK  
2021 OTHER GENERAL FUND EXPENDITURES**

	2019 Actual	2020 Budget	2020 Amended	2021 Budget	Increase (Decrease)
<b>SPECIAL PROJECTS</b>					
Covid -19	\$ -	\$ -	\$ 4,506,860	\$ -	\$ (4,506,860) a
Children, Youth, & Families (CYF)	5,125,000	4,750,000	1,943,879	3,372,000	1,428,121 b
Health Insurance Holiday Premium Savings	-	-	998,370	-	(998,370) a
Facility Improvements	500,000	875,000	875,000	875,000	-
Annual Fleet Replacement	350,000	850,000	850,000	850,000	-
12th Street Station - 1st Floor Build Out	-	-	750,000	-	(750,000) a
Homelessness Outreach	400,000	400,000	400,000	400,000	-
Weed Lot Maintenance	384,400	384,400	384,400	384,400	-
Information Technology Contingency	-	-	300,000	-	(300,000) a
Fire Turnouts	-	-	225,000	-	(225,000) a
Demolition (Residential)	200,000	200,000	200,000	200,000	-
Fire Tablets (Computer Aided Dispatch)	-	-	125,000	-	(125,000) a
Set Aside Pending Appeals	258,639	-	128,792	-	(128,792) a
Diversity, Equity, and Inclusion	-	150,000	150,000	150,000	-
Branding	-	150,000	150,000	200,000	50,000
Police Tablets (Computer Aided Dispatch)	-	-	100,000	-	(100,000) a
Police Ammunition	-	-	50,000	-	(50,000) a
Little Rock Residency Incentive Program	50,000	50,000	50,000	-	(50,000) c
Demolition (Commercial)	50,000	50,000	50,000	50,000	-
Jim Dailey Fitness Parking Improvements	50,000	-	-	-	-
2020 Census	-	50,000	50,000	-	(50,000) d
Tennis Open	-	25,000	-	25,000	25,000 e
Board & Secure	25,000	25,000	25,000	25,000	-
Legislative Consulting	45,000	45,000	-	45,000	45,000 e
Sister Cities	40,000	40,000	40,000	-	(40,000) c
Curran Hall	40,000	40,000	15,000	40,000	25,000
Environmental Youth (Parks)	37,500	37,500	37,500	37,500	-
Junction Bridge	35,000	35,000	35,000	35,000	-
Work Boots	33,000	33,000	33,000	35,000	2,000
American Disability Act (ADA)	30,000	25,000	25,000	25,000	-
Neighborhood Challenge Grant	23,332	23,332	23,332	23,332	-
Bill Clark (Wetlands Maintenance)	23,780	23,780	23,780	23,780	-
Sustainability Summit	20,000	20,000	-	20,000	20,000 e
National Night Out	10,000	10,000	10,000	10,000	-
Worldfest	10,000	-	-	-	-
Neighborhood Connection	1,000	1,000	1,000	1,000	-
<b>Total General Fund Projects</b>	<b>7,741,651</b>	<b>8,293,012</b>	<b>12,555,913</b>	<b>6,827,012</b>	<b>(5,728,901)</b>
<b>GRANT MATCH</b>					
Choice Neighborhoods Grant	-	-	-	50,000	50,000
Assistance to Firefighters	60,000	60,000	60,000	80,000	20,000
21st Century Learning	-	-	-	50,000	50,000
Federal Grants Advisory	-	-	-	50,000	50,000
Cities of Service	204,290	155,790	155,790	-	(155,790)
Transportation Alternative	-	80,000	80,000	-	(80,000)
Tap Metroplan	40,000	50,000	50,000	-	(50,000)
Recreational Trail Grant	-	40,000	40,000	-	(40,000)
Planning Grant	25,000	25,000	25,000	-	(25,000)
Heritage Grant	-	20,000	20,000	-	(20,000)
Stop VOWA Detective	-	15,000	15,000	-	(15,000)
FEMA Prevention Grant (Fire)	10,000	10,000	10,000	-	(10,000)
FEMA Flood Match	47,468	-	-	-	-
AmeriCorps Urban Safety	165,000	-	-	-	-
Heritage Boyle Park	25,000	-	-	-	-
Heritage Hostel Roof	23,334	-	-	-	-
HUD Continuum Of Care	16,425	-	-	-	-
Heritage Zoo Carousel	10,000	-	-	-	-
Hazard Mitigation Plan Update (Emergency Mgmt.)	3,000	-	-	-	-
<b>Total Grant Match Requirement</b>	<b>629,517</b>	<b>455,790</b>	<b>455,790</b>	<b>230,000</b>	<b>(225,790)</b>
<b>GRAND TOTAL</b>	<b>\$8,371,168</b>	<b>\$8,748,802</b>	<b>\$13,011,703</b>	<b>\$7,057,012</b>	<b>(\$5,954,691)</b>

a The reduction in funding reflects amendments to the 2020 Budget that are not applicable to 2021.

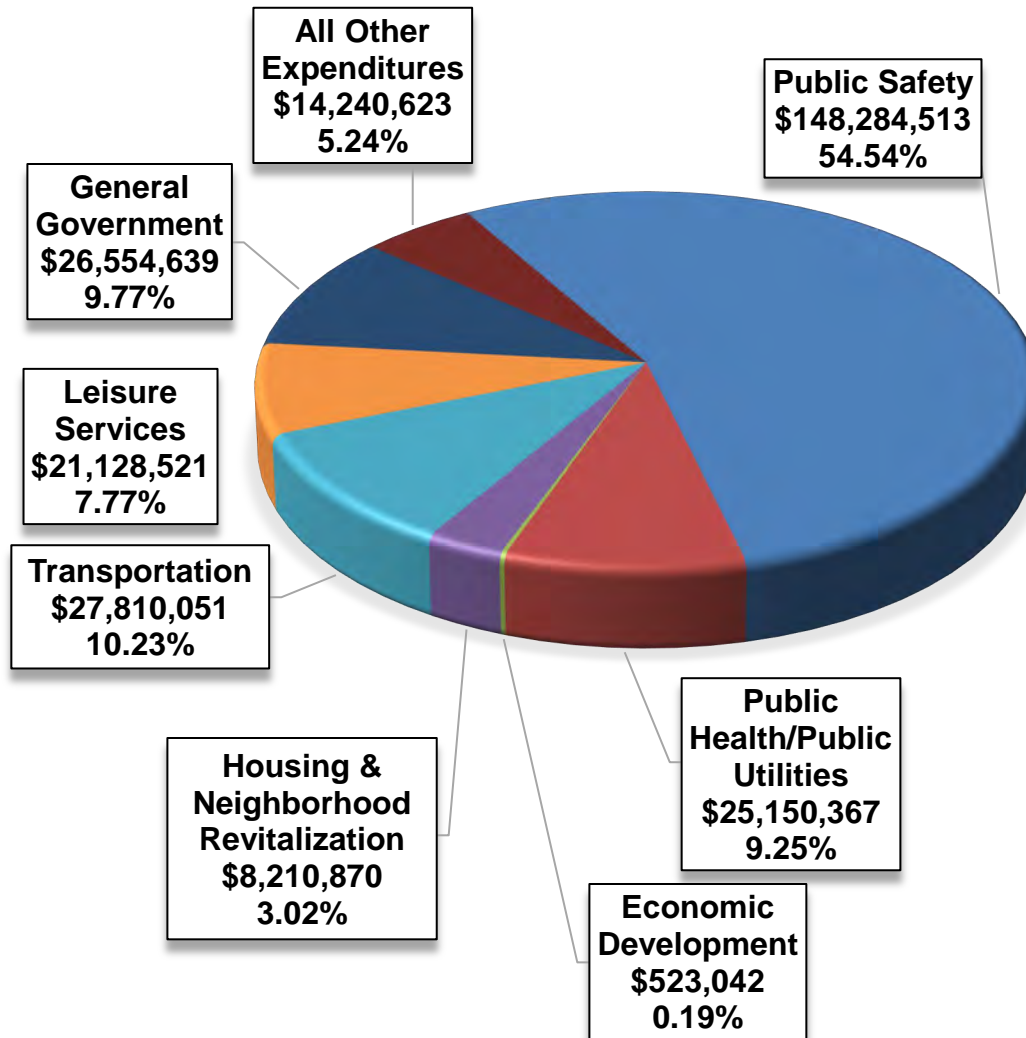
b The increase from the 2020 Amended Budget includes the gradual resumption of programming following COVID-19 reductions. The 2021 Budget reflects a (\$1,378,000) reduction from the \$4.75 million included in the 2020 Original Budget due to the ongoing impact of COVID-19 on programs anticipated in the first half of the year. The 2021 allocation, in combination with \$2.7 million in carry-over funds remaining as of 10/31/20, will provide approximately \$6.2 million for programming through the end of 2021.

c Sufficient funding remains from prior year allocations.

d n/a in 2021

e Reinstates 2020 Amendments primarily associated with cancelled projects and programs due to COVID-19.

# CITY OF LITTLE ROCK 2021 OPERATING BUDGET BY SERVICE PROGRAM CATEGORY



**\$271,902,626**

**CITY OF LITTLE ROCK  
BUDGETED EXPENDITURES BY SERVICE CATEGORY  
2020 - 2021**

<u>Service/Program Category</u>	<u>2020 Amended Budget</u>	<u>% to Total</u>	<u>2021 Budget</u>	<u>% to Total</u>
<b><u>Public Safety</u></b>				
Police	\$ 78,070,766		\$ 80,200,891	
Fire	44,713,332		52,161,594	
Children, Youth & Families	1,943,879		3,372,000	
Street Lights, Traffic Signals & Signs	5,264,948		5,281,807	
Pulaski County Regional Detention Facility	2,382,000		2,554,153	
Little Rock District Court First Division	1,320,516		1,343,070	
Little Rock District Court Second Division	1,227,217		1,255,694	
Animal Services	1,059,419		1,309,670	
Community Programs	795,087		805,634	
Covid -19	4,506,860		-	
Fire Turnouts	225,000		-	
Fire Tablets (Computer Aided Dispatch)	125,000		-	
Police Tablets (Computer Aided Dispatch)	100,000		-	
Police Ammunition	50,000		-	
<b>Total Public Safety</b>	<b>\$ 141,784,024</b>	<b>52.16%</b>	<b>\$ 148,284,513</b>	<b>54.54%</b>
<b><u>Public Health/Public Utilities</u></b>				
Waste Disposal	\$ 23,303,807		\$ 23,371,371	
Storm Drainage	1,093,479		1,114,150	
Little Rock District Court Third Division	514,373		539,585	
Cities of Service - Love Your School Program	155,790		-	
Pulaski County Health Department	56,100		56,100	
Wetlands Maintenance and Sustainability Summit	23,780		43,780	
Arkansas Emergency Physician Foundation	36,000		-	
Saint Vincent's	25,381		25,381	
<b>Total Public Health/Public Utilities</b>	<b>\$ 25,208,710</b>	<b>9.27%</b>	<b>\$ 25,150,367</b>	<b>9.25%</b>
<b><u>Economic Development/Employment</u></b>				
Residency Incentive Program (2)	\$ 50,000		\$ -	
Branding	150,000		200,000	
Downtown Partnership/Empowerment Zone	146,667		145,000	
Metroplan	228,042		178,042	
<b>Total Economic Development/Employment</b>	<b>\$ 574,709</b>	<b>0.21%</b>	<b>\$ 523,042</b>	<b>0.19%</b>



**CITY OF LITTLE ROCK  
BUDGETED EXPENDITURES BY SERVICE CATEGORY  
2020 - 2021**

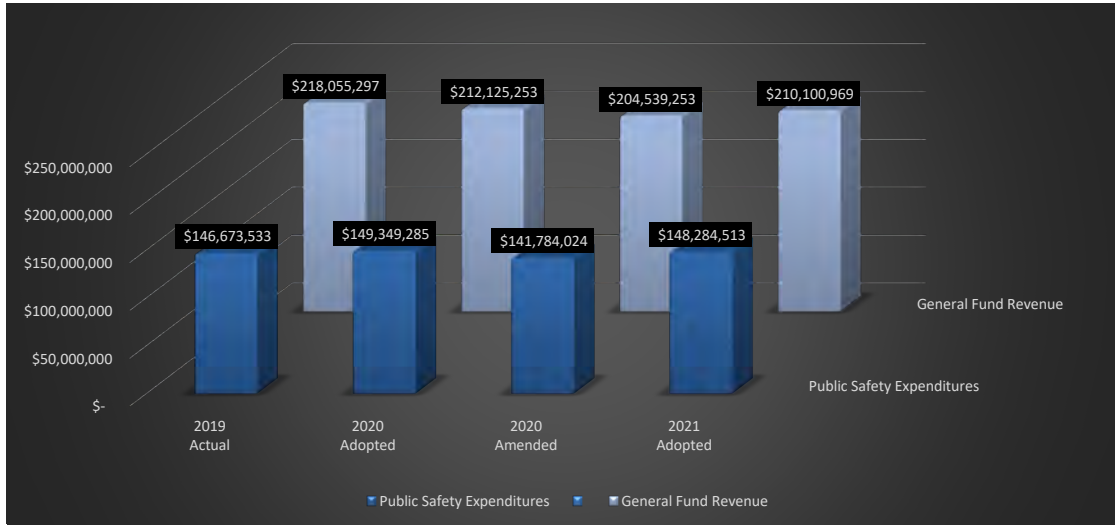
<u>Service/Program Category</u>	<b>2020 Amended Budget</b>	<b>% to Total</b>	<b>2021 Budget</b>	<b>% to Total</b>
<b><u>Housing and Neighborhood Revitalization, Growth, and Development</u></b>				
Housing and Neighborhood Programs Admin. Planning & Development, PAGIS, and Grants	\$ 2,915,048		\$ 3,671,855	
Demolition, Weed Lot Maintenance, Board/Secure Alert Centers	2,554,371		2,843,342	
Neighborhood Resource Center	766,732		766,732	
Equity, Diversity, and Inclusion	534,765		545,663	
Choice Neighborhood Grant (3)	137,590		183,278	
2020 Complete Count Census	150,000		150,000	
	-		50,000	
	50,000		-	
<b>Total Housing &amp; Neighborhood Revitalization, Growth, and Development</b>	<b>\$ 7,108,506</b>	<b>2.62%</b>	<b>\$ 8,210,870</b>	<b>3.02%</b>
<b><u>Transportation Services</u></b>				
Streets	\$ 12,705,565		\$ 12,574,350	
Street Special Projects	4,701,388		-	
Rock Region Metro	9,682,173		9,854,118	
Parking Garages	1,669,033		1,760,887	
Vehicle Storage Facility	1,561,351		1,699,157	
Airport Rescue	1,410,346		1,268,727	
Parking Meters and Enforcement	623,653		652,812	
<b>Total Transportation Services</b>	<b>\$ 32,353,509</b>	<b>11.90%</b>	<b>\$ 27,810,051</b>	<b>10.23%</b>
<b><u>Leisure Services/Cultural Support/ Conventions &amp; Tourism</u></b>				
Parks & Recreation	\$ 8,562,800		\$ 10,020,311	
Zoo	6,058,181		6,481,505	
Golf	1,678,978		1,572,011	
River Market (1)	929,938		774,678	
Jim Dailey Fitness Aquatic Center	772,110		867,184	
Cultural Institutes and Commissions:				
Arts Center	666,667		800,000	
Museum of Discovery	128,000		192,000	
MacArthur Military Museum	245,208		261,417	
Racial & Cultural Diversity	144,186		159,415	
Sister Cities Commission (2)	40,000		-	
<b>Total Leisure Services/Cultural Support/Conventions &amp; Tourism</b>	<b>\$ 19,226,068</b>	<b>7.07%</b>	<b>\$ 21,128,521</b>	<b>7.77%</b>

**CITY OF LITTLE ROCK  
BUDGETED EXPENDITURES BY SERVICE CATEGORY  
2020 - 2021**

<u>Service/Program Category</u>	<u>2020 Amended Budget</u>	<u>% to Total</u>	<u>2021 Budget</u>	<u>% to Total</u>
<b><u>General Government Support</u></b>				
Debt Service - Short Term Notes (4)	\$ 5,505,534		\$ 4,258,645	
General Administrative	8,065,154		6,034,761	
Information Technology	5,574,731		6,039,340	
Finance	3,327,173		4,057,149	
Building Services/Asset Management	1,940,035		1,985,957	
City Attorney	1,552,831		1,654,033	
Human Resources	1,752,375		2,086,039	
Board of Directors	338,456		338,715	
21st Century Learning (3)	-		50,000	
Federal Grants Advisory (3)	-		50,000	
12th Street Station - 1st Floor Build Out	750,000		-	
Information Technology Contingency	300,000		-	
<b>Total General Government Support</b>	<b>\$ 29,106,289</b>	<b>10.71%</b>	<b>\$ 26,554,639</b>	<b>9.77%</b>
<b><u>All Other Expenditures</u></b>				
Fleet Services (Internal Service Fund) (5)	\$ 15,340,681		\$ 14,240,623	
Health Insurance Holiday Premium Savings	998,370		-	
Set Aside Pending Appeals	128,792		-	
<b>Total Other Expenditures</b>	<b>\$ 16,467,843</b>	<b>5.64%</b>	<b>\$ 14,240,623</b>	<b>5.24%</b>
<b>Grand Total</b>	<b>\$ 271,829,658</b>	<b>100%</b>	<b>\$ 271,902,626</b>	<b>100%</b>

- (1) Reduction in funding due to continued impact of COVID-19.
- (2) Sufficient funding remains from prior year allocations.
- (3) New grant match allocation for 2021.
- (4) Retired 2015 T-Note (\$5.9 million).
- (5) Decrease attributed to fuel, supplies and services, and contract savings.

## CITY OF LITTLE ROCK PUBLIC SAFETY EXPENDITURES IN COMPARISON TO GENERAL FUND REVENUES



	2019 Actual	2020 Adopted	2020 Amended	2021 Adopted
Police	\$ 76,771,070	\$ 80,224,890	\$ 78,220,766	\$ 80,200,891
Fire	53,044,285	51,928,192	45,063,332	52,161,594
Children, Youth & Families	5,125,000	4,750,000	1,943,879	3,372,000
Street Lights, Traffic Signals & Signs	5,501,921	5,262,980	5,264,948	5,281,807
Pulaski County Regional Detention Facility	1,726,000	2,479,760	2,382,000	2,554,153
Little Rock District Court First Division	1,258,225	1,348,842	1,320,516	1,343,070
Little Rock District Court Second Division	1,319,922	1,246,377	1,227,217	1,255,694
Animal Services	1,026,601	1,304,114	1,059,419	1,309,670
Community Programs	900,509	804,130	795,087	805,634
COVID-19	-	-	4,506,860	-
<b>Public Safety Expenditures</b>	<b>\$ 146,673,533</b>	<b>\$ 149,349,285</b>	<b>\$ 141,784,024</b>	<b>\$ 148,284,513</b>
<b>General Fund Revenue</b>	<b>\$ 218,055,297</b>	<b>\$ 212,125,253</b>	<b>\$ 204,539,253</b>	<b>\$ 210,100,969</b>
Percentage of General Fund Expenditures Devoted to Public Safety	67%	70%	69%	71%

# Capital Improvements



## CAPITAL FUNDING

State law limits the use of borrowing for municipal purposes. When approved by voters and secured by property tax levies, the City may issue general obligation bonds for long-term capital improvements in accordance with Amendment 62 to the Arkansas Constitution. Revenue bonds are not general obligations of the City but are secured by specific non-tax revenues associated with a project. Revenue bonds, authorized under Amendment 65 of the Arkansas Constitution, do not require voter approval. In addition, Amendment 78 to the Arkansas Constitution allows the issuance of short-term notes to acquire tangible personal property. Short-term notes must be repaid from the City's general revenues over a period not to exceed five years.

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

The purpose of the CIP is to fund capital projects and capital acquisitions that will be of long-term benefit to the residents 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 (2) years or greater. Exceptions are for infrastructure assets, defined as having a constructed cost greater than \$250,000.

The City depreciates capital assets 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.

The Mayor and Board of Directors make appropriations for special projects each year 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 utilized for major capital improvements.

**Limited Tax General Obligation Capital Improvement Bonds, Series 2013 and Series 2018** – The citizens of Little Rock approved an annual ad valorem tax of 3.0 mills at a special election held on September 11, 2012, for the issuance of up to \$105,000,000 in general obligation debt to fund \$73,500,000 in street improvements and \$31,500,000 in drainage improvements. In July 2013, the City of Little Rock issued the first series of Limited Tax General Obligation Bonds for streets and drainage in the amount of \$58,105,000. In November 2018, the City issued the second series of Limited Tax General Obligation Bonds for streets and drainage in the amount of \$43,475,000.

**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 financed the cost of acquisition, construction, and equipping of a major street system within Development District No. 1.

**2015 Library Construction and Refunding Bonds** – The Library Construction and Refunding Bonds, Series 2015 are limited obligations of the City of Little Rock payable solely from the collection of a 0.9 mill annual ad valorem tax, levied upon all taxable real and personal property located within the City, to fund the issuance of \$36,620,000 in bonds to (i) finance the cost of acquiring, constructing and equipping the land and additional capital improvements to the public City libraries owned and operated by Central Arkansas Library Systems; (ii) refund the City’s outstanding Library Construction and Improvement Bonds, Series 2008 and Series 2009, and the City of Little Rock Residential Housing and Public Facilities Board Capital Improvement Revenue Bonds, Series 2007; and (iii) pay the costs of issuing the Bonds.

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

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

### CAPITAL PROJECT FUNDS PROVIDED BY OTHER SOURCES

**2012 – 2021 Capital Project Fund (3/8-Cent Sales Tax)** – 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:

<b>3/8-Cent Sales Tax Capital Project Description</b>	<b>Project Cost Estimate</b>	<b>Year Completed</b>
<b>Public Safety:</b>		
<b>Police:</b>		
Police Equipment	\$ 303,000	2018
Public Safety Radio System Upgrade	9,000,000	2014
911 / 311 Communications Software	2,600,000	2013-2018
12 <sup>th</sup> Street Mid-Town Police Station	9,970,000	2014
Main Police Headquarters & Courts Building	9,000,000	2020
West Little Rock Police Station	1,000,000	2016
<b>Fire:</b>		
West Little Rock Fire Station	800,000	2012
Southwest Fire Station	4,050,000	2020
<b>Housing and Neighborhood Programs:</b>		
Code Enforcement Vehicles and Equipment	397,000	2012
Animal Village Expansion	602,000	In process
<b>Fleet for New Public Safety Initiatives:</b>		
Fleet for new Police Staffing and Fire Stations	3,567,000	2012-2018
<b>Total Public Safety</b>	<b>\$ 41,289,000</b>	
<b>Public Works:</b>		
Street Resurfacing and Maintenance, and Street and Drainage Reconstruction and Traffic Signals	\$ 67,500,000	In process
Sidewalks	4,500,000	In process
<b>Total Public Works</b>	<b>\$ 72,000,000</b>	
<b>Jobs/Economic Development:</b>		
Port Expansion: land acquisition, utilities, streets	\$ 10,000,000	In process
Research Park: land acquisition, utilities, streets	22,000,000	In process
Economic Development Infrastructure	6,000,000	In process
<b>Total Jobs/Economic Development</b>	<b>\$ 38,000,000</b>	
<b>Parks and Recreation, Zoo and Tourism:</b>		
<b>Parks and Recreation:</b>		
Equipment for Expanded Maintenance	\$ 250,000	2013
Park Upgrades	4,500,000	In process
West Central Community Center	6,000,000	2016

	Senior Center	980,000	2013
	Ottenheimer Center	54,000	2012
	War Memorial Park	500,000	2013-2018
	MacAuthur Park & Museum	500,000	In process
	Otter Creek Park	500,000	In process
	Crump Park	1,000,000	In process
	Natural Steps Ball Complex	500,000	2015
	Western Hills Park	1,000,000	In process
	Trails	1,500,000	In process
	<b>Zoo:</b>		
	Capital Upgrades	8,000,000	In process
	<b>Tourism:</b>		
	State Fair Infrastructure	3,000,000	In process
	<b>Total Parks and Recreation, Zoo and Tourism</b>	<b>\$ 28,284,000</b>	
	<b>Other Priorities:</b>		
	Fleet Replacement	\$ 9,250,000	In process
	Information Technology Capital	7,020,000	In process
	<b>Total Other Priorities</b>	<b>\$ 16,270,000</b>	
	<b>Grand Total</b>	<b>\$ 195,843,000</b>	



**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 City Board of Directors.

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

In addition, in 2016, 2017, and 2019, the City issued short-term financing notes for other capital projects in the amounts of \$7,375,000, \$5,250,000, and \$5,650,000, respectively. These notes are to be repaid solely from general fund revenues. The City plans to issue another short-term financing note in 2021 for capital projects in the amount of \$5,725,000.

**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 note included funding for the following projects:**

**Equipment and Vehicles**

Phase 1 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>

The 2019 note included funding for the following projects:

**Equipment, Vehicles, and Building Improvements**

Computer Aided Dispatch System (Phase II)	\$ 2,900,000
Fire - Turnouts (75 sets)	200,000
Mobile Radios (Police and Fire) (Phase I)	1,600,000
Refurbish Fire Ladder Truck	650,000
Fire - Station 12 Renovations (add 4 bedrooms)	300,000
	<b>\$ 5,650,000</b>

2021 notes are anticipated to fund the following projects:

**Land, Vehicles, and Buildings**

MacArthur Park	\$ 1,800,000
Purchase Car Wash near Colonel Glenn	375,000
Fire Ladder Truck	750,000
Kanis Park Improvements	660,000
Interstate Park Improvements	540,000
	4,125,000

**Equipment**

Mobile Radios (Police and Fire) (Phase II)	1,600,000
	<b>\$ 5,725,000</b>

### 2021 CAPITAL IMPROVEMENTS

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

Projects in the CIP may include:

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

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

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

## MAJOR CAPITAL PROJECTS

Capital expenditures in the amount of approximately \$42,046,443 are planned in 2021 and are funded by various 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. The available budget for the 2021 recurring fleet replacement is \$1,387,000. The Fleet Director, in consultation with the Department Directors, will recommend an allocation of vehicles by department, prioritized by need and considering the age and condition of the existing fleet. The fleet replacement is funded by the 3/8-cent sales tax of \$537,000 and a special project allocation of \$850,000.

### CIP – Other Significant Non-recurring Capital Improvements:

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

**Portable Radios (APX 6000)** – The police department purchased 175 radios in 2020. The department still needs to purchase between 350 to 425 new radios to replace existing radios that can no longer be serviced due to obsolescence. The department anticipates purchasing radios in phases.

- **Estimated Total Project Cost:** \$2,888,000
- **Funding Sources:** Short-term financing allocation; Seized funds
- **2021 Estimated Expenditures:** \$2,762,000
- **Estimated Completion Date:** 2021
- **Estimated Increase to Operating Expenditures:** None

**National Integrated Ballistic Information Network (NIBIN)** – The City will purchase a NIBIN system which automates ballistics evaluations and provides actionable investigative leads in a timely manner.

- **Estimated Total Project Cost:** \$372,443 (includes one (1) year of warranty)
- **Funding Sources:** US Department of Justice, Bureau of Justice Assistance Crime Gun Intelligence Center Grant
- **2021 Estimated Expenditures:** \$372,443
- **Estimated Completion Date:** May 2021
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures to be determined.

**Computer Aided Dispatch System (CAD) Additional Computers and Mounts** – The City contracted with Motorola for the purchase, installation, and deployment of the PremierOne CAD and PremierOne Mobile System in 2020. Thirty (30) additional computers and mounts are needed for the Mobile System.

- **Estimated Total Project Cost:** \$100,000
- **Funding Sources:** 2020 funds set aside – Special Projects (\$100,000)
- **2021 Estimated Expenditures:** \$100,000
- **Estimated Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures to be determined.

**Police Department 12<sup>th</sup> Street Station Buildout** – The City finished construction of the 12<sup>th</sup> Street Police Station in 2014. The first floor remained unfinished with plans of eventually housing retail space that will further improve the quality of life along the corridor. A plan to buildout the first floor is underway for 2021.

- **Estimated Total Project Cost:** \$750,000
- **Funding Sources:** 2020 funds set aside – Special Projects (\$750,000)
- **2021 Estimated Expenditures:** \$750,000
- **Estimated Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures to be determined.

**Fire Ladder Truck** – The Little Rock Fire Department will purchase a new ladder truck.

- **Estimated Total Project Cost:** \$1,400,000
- **Funding Sources:** Short-term financing (2021 note); 3/8-cent sales tax proceeds
- **2021 Estimated Expenditures:** \$1,400,000
- **Estimated Completion Date:** March 2022
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Fire Department maintenance budget allocation.

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

- **Estimated Total Project Cost:** \$300,000
- **Funding Sources:** Short-term financing (2019 note)
- **2021 Estimated Expenditures:** \$300,000
- **Estimated Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** There should not be any additional operating expenses associated with this renovation, as the anticipated maintenance expense is expected to be comparable to the current maintenance requirements.

**Firefighting Protective Coats and Pants** – The Little Rock Fire Department will purchase a second set of protective coats and pants for uniform personnel.

- **Estimated Total Project Cost:** \$800,000
- **Funding Sources:** 2020 funds set aside – Special Projects (\$225,000); 3/8-cent sales tax proceeds
- **2021 Estimated Expenditures:** \$425,000
- **Estimated Completion Date:** December 2022
- **Estimated Increase to Operating Expenditures:** None

**Incident Display Boards Little Rock Fire Station #21** – The Little Rock Fire Department will purchase six (6) incident display boards for Station #21.

- **Estimated Total Project Cost:** \$9,000
- **Funding Sources:** 2020 funds set aside – Special Projects (\$9,000)
- **2021 Estimated Expenditures:** \$9,000
- **Estimated Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures to be determined.

**Firefighting Tablets** – The Little Rock Fire Department will purchase sixty (60) tablets.

- **Estimated Total Project Cost:** \$116,000
- **Funding Sources:** 2020 funds set aside – Special Projects (\$116,000)
- **2021 Estimated Expenditures:** \$116,000
- **Estimated Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** None

**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.

- **Estimated Total Project Cost:** \$1,000,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2021 Estimated Expenditures:** \$550,000
- **Estimated Completion Date:** December 2021
- **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.

**Kanis Park Improvements** – Project intended to improve the amenities overall at the park, provide ADA improvements, and include some new features. Three and a half new basketball courts are to be constructed underneath the I-630 bridge in Kanis Park along with installation of lighting, fencing, and ADA access from the parking lots. Additional parking lot and ADA improvements are also part of the project.

- **Estimated Total Project Cost:** \$660,000
- **Funding Sources:** Short-term financing (2021 note)
- **2021 Estimated Expenditures:** \$660,000
- **Estimated Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

**Interstate Park Improvements** – Little Rock Public Works reviewed the main roadways in Interstate Park and provided estimates for reconstruction of Interstate Park Drive which connects Arch Street Pike to the railroad tracks at the north end of the park.

- **Estimated Total Project Cost:** \$540,000

- **Funding Sources:** Short-term financing (2021 note)
- **2021 Estimated Expenditures:** \$540,000
- **Estimated Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

**Boyle Park Mountain Bike Trails and Skills Park** – Develop over two miles of mountain bike trails and a skills park.

- **Estimated Total Project Cost:** \$240,000
- **Funding Sources:** 3/8-cent sales tax proceeds and Recreational Trails Grant Program
- **2021 Estimated Expenditures:** \$240,000
- **Estimated Completion Date:** October 2021
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

**Western Hills Park Improvements** – Project to include play area with some component items and shade structure along with pavilions and multiple fishing piers. Parking lot improvements as well as 2-3 miles of paved trails are also part of the project.

- **Estimated Total Project Cost:** \$1,600,000
- **Funding Sources:** 3/8-cent sales tax proceeds and \$750,000 Legacy Grant
- **2021 Estimated Expenditures:** \$1,400,000
- **Estimated Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

**River Mountain and Two Rivers Park Trail Improvements** – Project to build over 10 miles of professionally built mountain bike trails for riders of all skill levels.

- **Estimated Total Project Cost:** \$830,000
- **Funding Sources:** 3/8-cent sales tax proceeds and Grant Funds from the Arkansas Parks and Recreation Foundation
- **2021 Estimated Expenditures:** \$200,000
- **Estimated Completion Date:** June 2021
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

**Wakefield Park Improvements** – Project to include purchase and install of new playground equipment and safety surfacing, as well as construction of a mini-pitch soccer facility. Associated ADA access and parking improvements are also part of the project.

- **Estimated Total Project Cost:** \$275,000
- **Funding Sources:** Grant match funds as well as funds from Outdoor Recreation Grant.
- **2021 Estimated Expenditures:** \$275,000
- **Estimated Completion Date:** July 2021
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

**Tri-creek Greenway Improvements** – Project to include design and construction of the first phase of the Tri-creek Greenway which will connect War Memorial and Hindman Parks. The first phase will focus on improvements that will connect Brodie Creek Park to Boyle Park.

- **Estimated Total Project Cost:** \$3,750,000
- **Funding Sources:** 3/8 cent sales tax proceeds, general fund, and a \$3,000,000 grant from the Arkansas Department of Transportation.
- **2021 Estimated Expenditures:** \$1,500,000
- **Estimated Completion Date:** July 2022
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

**Riverfront Park Treehouse** – Project to include design and construction of a treehouse play structure located in Riverfront Park.

- **Estimated Total Project Cost:** \$100,000
- **Funding Sources:** 3/8 cent sales tax proceeds
- **2021 Estimated Expenditures:** \$100,000
- **Estimated Completion Date:** July 2021
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

**Hindman Park Improvements** – Project to include purchase and install of new restroom for Hindman Park.

- **Estimated Total Project Cost:** \$125,000
- **Funding Sources:** 3/8 cent sales tax proceeds and Special Project Funds
- **2021 Estimated Expenditures:** \$125,000
- **Estimated Completion Date:** July 2021
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

**Information Technology** – The City will be upgrading various technology infrastructure, hardware, and software over the ten (10) year period from 2012 – 2021 with proceeds from the temporary 3/8-cent sales tax. The total estimated allocation of proceeds for technology expenditures from 2012 – 2021 is \$7,020,000.

- **Estimated Total Project Cost:** \$7,020,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2021 Estimated Expenditures:** \$1,200,000
- **Estimated Completion Date:** December 2021
- **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. The estimated 2022 allocation is \$300,000.

**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 overpass on Geyer Springs just north of 65<sup>th</sup> Street.

- **Estimated Total Project Cost:** \$12.6 million
- **Funding Sources:** Transportation Improvement Project Funds \$10.1 million; 2013 Capital Improvement Sales Tax and Bond Funds \$2.53 million.
- **2021 Estimated Expenditures:** \$350,000
- **Estimated Completion Date:** July 2021
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

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

- **Estimated Total Project Cost:** \$2,600,000
- **Funding Sources:** 2018 Capital Improvements Bonds and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage.
- **2021 Estimated Expenditures:** \$650,000
- **Completion Date:** July 2022
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

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

- **Estimated Total Project Cost:** \$13,000,000
- **Funding Sources:** 2013 and 2018 Capital Improvements Bonds and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage.
- **2021 Estimated Expenditures:** \$1,400,000
- **Completion Date:** December 2021
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

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

- **Estimated Total Project Cost:** \$1,500,000
- **Funding Sources:** 2018 Capital Improvements Bonds and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage.
- **2021 Estimated Expenditures:** \$700,000
- **Completion Date:** July 2022
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed



with current annual public works allocations for street maintenance in the Street Fund budget.

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

- **Estimated Total Project Cost:** \$6,000,000
- **Funding Sources:** 2018 Capital Improvements Bonds and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage.
- **2021 Estimated Expenditures:** \$1,500,000
- **Completion Date:** December 2022
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

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

- **Estimated Total Project Cost:** \$2,600,000
- **Funding Sources:** 2018 Capital Improvements Bonds and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage.
- **2021 Estimated Expenditures:** \$1,000,000
- **Completion Date:** December 2022
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

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

- **Estimated Total Project Cost:** \$2,000,000
- **Funding Sources:** 2018 Capital Improvements Bonds and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage.
- **2021 Estimated Expenditures:** \$1,000,000
- **Completion Date:** July 2022
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

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

- **Estimated Total Project Cost:** \$2,082,455
- **Funding Sources:** \$1,639,564.9, from the DOT grant, remainder from Public Works Street Fund Special Projects
- **2021 Estimated Expenditures:** \$2,000,000
- **Estimated Completion Date:** December 2022
- **Estimated Increase to Operating Expenditures:** The operating expenses are included in the Parks & Recreation budget.

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

- **Estimated Total Project Cost:** \$47,000,000
- **Funding Sources:** 2018 Capital Improvement Bond Issue
- **2021 Estimated Expenditures:** \$10,000,000
- **Estimated Completion Date:** December 2022
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

**Education Conservation Center Phase 2** – The Zoo is renovating the current education building into a themed Citizen Science Center to educate children of all ages.

- **Estimated Total Project Cost:** \$50,000
- **Funding Sources:** \$50,000 will be funded with donations from the Arkansas Zoological Foundation
- **2021 Estimated Expenditures:** \$50,000
- **Estimated Completion Date:** Summer 2021
- **Estimated Increase to Operating Expenditures:** Funds will be included in the operating budget for routine maintenance of the center.

**Education Classrooms Project** – The Zoo is building out a third modular education classroom to host Zoofari programs, afterschool programs, and Zoo events.

- **Estimated Total Project Cost:** \$50,000
- **Funding Sources:** This project will be developed with funding from the 3/8 cent sales tax and a \$15,000 sponsorship from the McLarty Auto Group
- **2021 Estimated Expenditures:** \$35,000
- **Estimated Completion Date:** Spring 2021
- **Estimated Increase to Operating Expenditures:** Funds for routine maintenance of all Zoo facilities are included in the Zoo operating budget.

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

- **Estimated Total Project Cost:** \$1,270,000
- **Funding Sources:** 3/8 cent sales tax
- **2021 Estimated Expenditures:** \$20,000
- **Estimated Completion Date:** Spring 2021

- **Estimated Increase to Operating Expenditures:** Funds for routine maintenance of all Zoo facilities are included in the Zoo operating budget.

**PA System** – The Zoo is installing a new public address system.

- **Estimated Total Project Cost:** \$50,000
- **Funding Sources:** 3/8 cent sales tax
- **2021 Estimated Expenditures:** \$30,000
- **Estimated Completion Date:** Spring 2021
- **Estimated Increase to Operating Expenditures:** Funds for routine maintenance of all Zoo facilities are included in the Zoo operating budget.

**Train Upgrade** – The Zoo is planning to upgrade to an electric train engine and conduct upgrades of the train depot for ADA improvements.

- **Estimated Total Project Cost:** \$300,000
- **Funding Sources:** Funds will be raised by the Arkansas Zoological Foundation, with the remainder supported with funds from the 3/8 cent sales tax
- **2021 Estimated Expenditures:** \$100,000
- **Estimated Completion Date:** Winter 2021
- **Estimated Increase to Operating Expenditures:** Funds for routine maintenance of all Zoo facilities are included in the Zoo operating budget.

**SCA Demolition and Replacement** – The Zoo is demolishing old and outdated exhibits in the Small Carnivores Area (SCA) and replacing with areas to hold interactive animal demonstrations and encounter opportunities at the Arkansas Heritage Farm.

- **Estimated Total Project Cost:** \$200,000
- **Funding Sources:** 3/8 cent sales tax
- **2021 Estimated Expenditures:** \$200,000
- **Estimated Completion Date:** Fall 2021
- **Estimated Increase to Operating Expenditures:** Funds for routine maintenance of all Zoo facilities are included in the Zoo operating budget.

**Hay Barn** – The Zoo is constructing a hay barn to improve storage, preservation, and accessibility for animal feed.

- **Estimated Total Project Cost:** \$150,000
- **Funding Sources:** 3/8 cent sales tax
- **2021 Estimated Expenditures:** \$50,000
- **Estimated Completion Date:** Fall 2021
- **Estimated Increase to Operating Expenditures:** Funds for routine maintenance of all Zoo facilities are included in the Zoo operating budget.

**Collared Lizard Habitat** – The Zoo is constructing a Collared Lizard habitat with partner organizations to promote Collared Lizard conservation and education

- **Estimated Total Project Cost:** \$50,000
- **Funding Sources:** Donations
- **2021 Estimated Expenditures:** \$50,000
- **Estimated Completion Date:** Summer 2021

- **Estimated Increase to Operating Expenditures:** Funds for routine maintenance of all Zoo facilities are included in the Zoo operating budget.

**Veldt Improvements** – The Zoo is completing improvements to the Veldt area, including improvements to water retention, animal holding, and staff access

- **Estimated Total Project Cost:** \$215,000
- **Funding Sources:** 3/8 cent tax
- **2021 Estimated Expenditures:** \$200,000
- **Estimated Completion Date:** Summer 2021
- **Estimated Increase to Operating Expenditures:** Improvements will reduce maintenance and upkeep costs at the Veldt animal holding areas.

**Watershed Reclamation Project** – The Zoo is working toward a goal of zero water waste by conducting improvements in water usage, reclamation, treatment, and recycling.

- **Estimated Total Project Cost:** \$530,000
- **Funding Sources:** 3/8 cent tax
- **2021 Estimated Expenditures:** \$500,000
- **Estimated Completion Date:** Spring 2022
- **Estimated Increase to Operating Expenditures:** Watershed improvements and reclamation will significantly decrease the Zoo's overall spending on utilities, wastewater treatment, and storm drain maintenance.

**Public Works 3/8-Cent Sales Tax Street Resurfacing and Drainage Projects –**

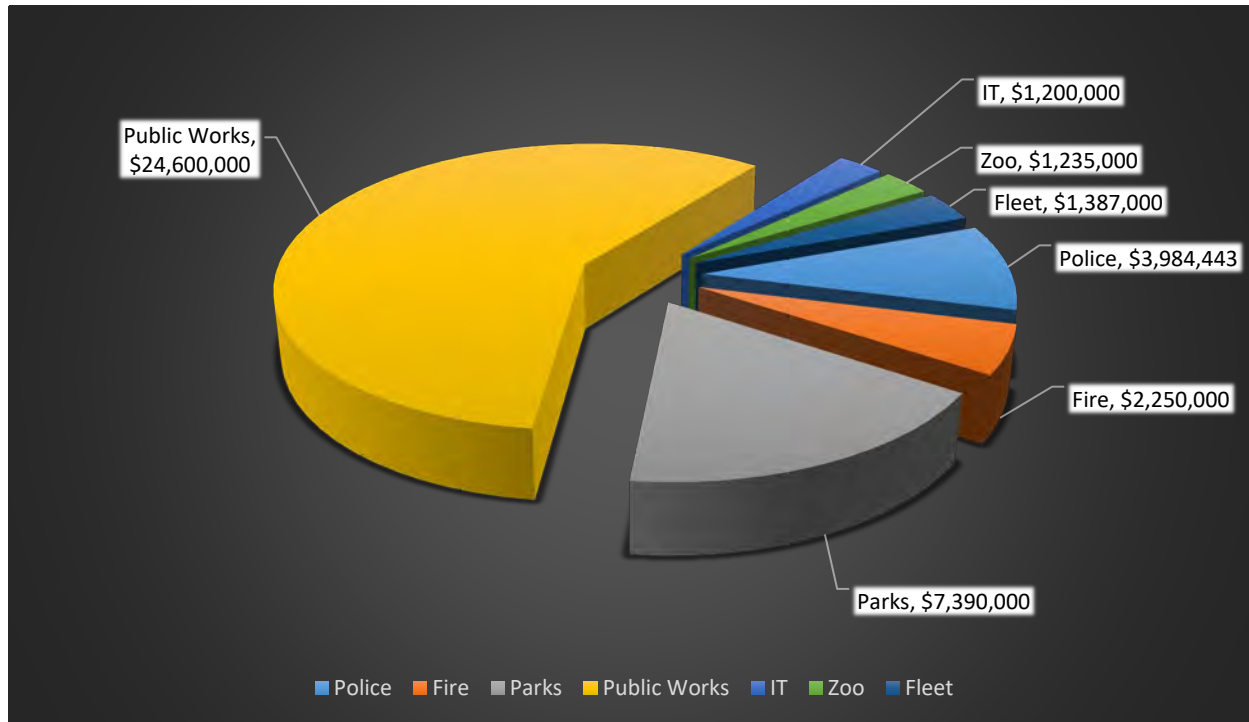
The new 3/8-cent sales tax will provide funding for approximately \$72 million in street resurfacing and maintenance, street drainage reconstruction, traffic signals, traffic calming, and sidewalks over the next ten (10) years. The Board specified projects for the 2013-2015 improvement program are substantially complete. Only one project remains to be completed of the 2016 to 2018 projects. Seventy percent (70%) of the 2019-2021 projects are completed or in the bidding and construction phase.

- **Estimated Total Project Cost:** \$72,000,000
- **Funding Sources:** 3/8-cent sales tax
- **2021 Estimated Expenditures:** \$6,000,000
- **Estimated Completion Date:** December 2022
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

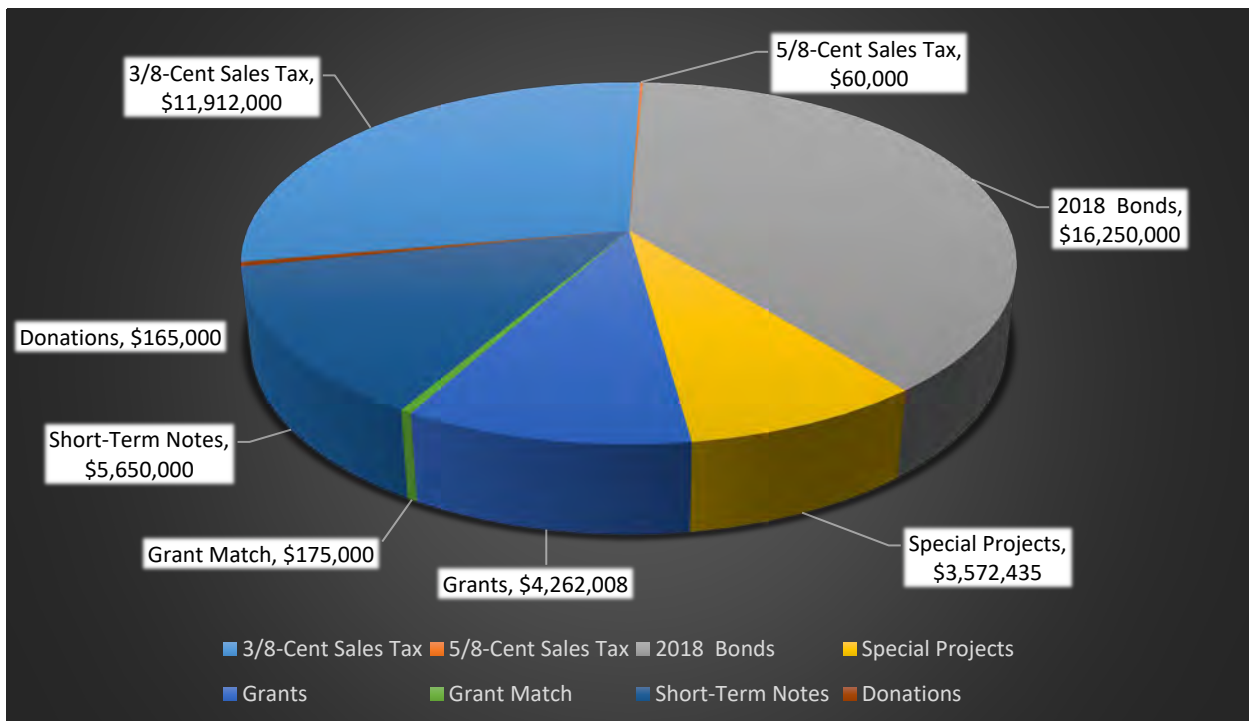
Public Works 3/8-cent Sales Tax & 2018 Capital Improvement Bonds		
Street and Drainage Projects (2019 - 2021 Projects)		
Ward	Project/Location	Total
1	13th Street Culvert @ 2400 Block	\$ 250,000
1	Howard & 22nd Storm Drain Replacement (Dennison - Howard)	200,000
1	Swaggerty Branch Culvert Rehabilitation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

Public Works 3/8-cent Sales Tax & 2018 Capital Improvement Bonds		
Street and Drainage Projects (2019 - 2021 Projects)		
Ward	Project/Location	Total
4	Longlea Drive Culvert Replacement (South of El Dorado Drive)	100,000
4	Leatrice Drive Drainage @ East Shore Drive	500,000
4	Breckenridge Drive Culvert Replacement @ Grassy Flat Creek	250,000
4	Harris Street Construction (South of Cantrell Road)	150,000
4	North Rodney Parham Road Reconstruction (Hinson Road - Pleasant Forest Drive)	6,000,000
4	Pleasant Valley Drive Sidewalk (Breckenridge Drive - West of I-430)	100,000
4	Reservoir Road (Reservoir Court - Beacon Hill Apartment)	600,000
4	Resurfacing	2,000,000
<b>4 Total</b>		<b>9,700,000</b>
5	Madison Valley Drainage (West of Madison Valley Subdivision)	200,000
5	Kanis Road (Point West Drive - Gamble Road)	2,000,000
5	Bella Rosa Drive Reconstruction (Taylor Loop Road North to the Bridge)	800,000
5	Chenal Parkway Intersection (Chenal, Bowman, West Haven, Rahling)	350,000
5	Gamble Road (Markham Street - Stacy Lane)	300,000
5	Katillus Road/Forest Lane Reconstruction (Cantrell along Katillus & Forest Lane)	300,000
5	Chenal Parkway Subsurface Drainage @ various locations	150,000
5	Rummel Road Reconstruction (Countryside Cove - Mooser Lane)	350,000
5	Resurfacing	2,150,000
5	Sidewalks	300,000
<b>5 Total</b>		<b>6,900,000</b>
6	Kanis Road (Embassy Suites Drive - Bowman Road)	2,000,000
6	Bowman Road from Kanis to Cherry Laurel Drive (Design & Right of Way Acquisition)	2,000,000
6	Bellemeade Drive Reconstruction (30th Street - 32nd Street)	320,000
6	Kanis Road (Business Park Drive - Michael Drive)	700,000
6	Walker Street Reconstruction (26th Street - 28th Street)	450,000
6	Barrow Road Streetscape Phase 2	450,000
6	Spring Valley Drainage @ Cooper Orbit & Manor Drive	100,000
6	22nd Street Drainage @ 22nd Street & Perry Street	40,000
6	Resurfacing	1,740,000
<b>6 Total</b>		<b>7,800,000</b>
7	Claybrook Road Drainage (Courtfield Drive - Churchhill Road)	150,000
7	Yorkwood Area Floodway Improvements	400,000
7	Mabelvale Pike (Sibley Hole Road - Helm Drive)	1,500,000
7	Crystal Valley Road (Cobblestone Creek Court - Redleaf Circle)	400,000
7	Eastwood Street Reconstruction (Brandon Street - Vinewood Lane)	525,000
7	Yarberry Lane Reconstruction (Deer Meadow Drive - Springtree Drive)	250,000
7	Chicot Road (Mabelvale Cutoff Road - Yarberry Lane)	2,600,000
7	Janmar Road Drainage along Sheraton Drive (Southmont Drive - Lamont Drive)	400,000
7	Pecan Lake Subdivision Drianage @ various locations	250,000
7	Resurfacing	1,900,000
7	Sidewalks	125,000
<b>7 Total</b>		<b>8,500,000</b>
<b>Grand Total</b>		<b>\$ 56,000,000</b>

### 2021 City of Little Rock Capital Funding Uses



### 2021 City of Little Rock Capital Funding Sources



# Debt Management





## DEBT MANAGEMENT

### General Obligation Debt:

The City of Little Rock is authorized to issue General Obligation (G.O.) Bonds payable from ad valorem taxes to finance capital improvements. These bonds require majority voter approval prior to issuance. The Arkansas State constitution provides that the amount of debt secured by property tax revenues shall not exceed 20% of the City's assessed valuation. The City of Little Rock's G.O. debt falls well below this statutory requirement. As of 12/31/20, the net debt applicable to the debt limitation is \$51,928,770. The legal debt margin allows the City flexibility to issue additional debt in the amount of \$1,136,043,797.

Generally, the City has experienced very stable growth in the assessed valuation. The City's net general obligation long-term debt per capita is \$268.33, which is well below the \$1,200 per capita that could be considered a warning trend. This has contributed to the City's favorable General Obligation debt ratings. The City's G.O. debt is rated AA by Standard & Poor's and Aa1 by Moody's Investors Service. These ratings indicate that the bonds are of high quality and that the City has a strong capacity to pay principal and interest.

#### City of Little Rock, Arkansas Computation of Legal Debt Margin December 31, 2020

	Amount
2020 Assessed Value (2020 assessment to be collected in 2021)	
Real Property	\$3,571,258,493
TIF - Real Estate	51,575,150
Personal Property	868,891,340
Utility: Personal Property	260,165,285
Total assessed value	4,751,890,268
General obligation debt limitation (20% of assessed value)	950,378,054
Short-term financing debt limitation (5% of assessed value)	237,594,513
Total debt limitation	1,187,972,567
Debt applicable to limit:	
General obligation and short-term financing, net of discounts and premiums	74,988,055
Less: Amount set aside for repayment in debt service funds	23,059,285
Total net debt applicable to limit	51,928,770
<b>Legal Debt Margin</b>	<b>\$1,136,043,797</b>

Computation of the City's legal debt margin is set forth in Amendments 62 and 78 to the Constitution of the State of Arkansas. General obligation debt is not to exceed 20% of the assessed valuation. Short-term financing debt is not to exceed 5% of the assessed valuation. For 2020, the combined legal debt limit is \$1,187,972,567 based on the total assessed value of \$4,751,890,268. The City's Legal Debt Margin and Legal Debt Limit for the last ten years is shown in the table below.

### Debt Applicable to Debt Limit 2011 - 2020

	Legal Debt Margin	Legal Debt Limit
2011	887,938,320	931,761,237
2012	878,601,850	942,877,678
2013	843,156,895	965,793,157
2014	893,966,280	1,000,828,577
2015	896,991,146	1,012,232,287
2016	955,080,056	1,057,578,662
2017	993,637,501	1,073,919,619
2018	1,016,410,361	1,114,742,114
2019	1,079,276,353	1,159,403,929
2020	1,136,043,797	1,187,972,567

The City of Little Rock's outstanding general obligation debt as of December 31, 2020 is \$65,405,000, before net premiums of \$968,957. Outstanding short-term financing debt is \$8,614,098.

Although the City may increase general obligation and short-term debt levels to a maximum of \$1,187,972,567, resources to repay the bonds would require an increase in the millage dedicated for debt service. The property tax millage in effect for the retirement of general obligation debt is 4.8 mills. The millage required to fund over \$1.18 billion in debt would be approximately 14.2 mills, based the current assessed valuation. The millage may be increased to provide funds up to the legal debt limit with voter approval.

The citizens of Little Rock approved an annual ad valorem tax of 3.0 mills at a special election held on September 11, 2012 for the issuance of up to \$105,000,000 in general obligation debt to fund \$73,500,000 in street improvements and \$31,500,000 in drainage Improvements. In July 2013, the City of Little Rock issued the first series of Limited Tax General Obligation Bonds for streets and drainage in the amount of \$58,105,000. In November 2018, the City issued the second series of Limited Tax General Obligation Bonds for streets and drainage in the amount of \$43,475,000. The 2013 Bond Issue will be redeemed in full on April 1, 2021.

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

In addition, on July 14, 2015, voters approved a 0.9 mill annual ad valorem tax, levied upon all taxable real and personal property located within the City, to fund the issuance of \$36,620,000 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 Library Construction and Refunding Bonds, series 2012 and pay the costs of issuing the Bonds. The Bonds are limited tax obligations of the City, payable solely from a 0.9 mill annual ad valorem tax levied upon all taxable real and personal property located within the City. The City began levying the Library tax at the rate of 0.9 mills for collection in 2013 and continuously thereafter to pay debt service on the Bonds. The Bonds refunded were approved by voters at the March 13, 2012, special election. The City currently levies a total of 1.8 mills for capital improvements to the public libraries, which includes the 0.9 mill dedicated to the 2015 Library Construction and Refunding Bonds noted above.

To issue additional general obligation debt without a dedicated revenue stream would negatively impact the General Fund. The City may not issue such debt without a voter approved millage increase to fund the retirement.

### **Revenue Bonds:**

The primary government of the City of Little Rock had outstanding Revenue Bonds in the amount of \$53,060,000 at December 31, 2020, authorized under Amendment 65 to the Arkansas Constitution.

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

On March 12, 2007, the City issued \$3,400,000 in 2007 Waste Disposal Refunding and Improvement Bonds. The bonds were issued to finance all or a portion of the costs of betterments and improvements to the System (the Project), fund a debt service reserve

and pay expenses of issuing the bonds. The bonds constitute special obligations of the City, secured by a pledge of net revenues derived from the System.

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

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

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

**SUMMARY OF BOND INDEBTEDNESS**  
For the year ended December 31, 2020

<b>GENERAL OBLIGATION DEBT</b>	<b>ORIGINAL AMOUNT</b>	<b>PRINCIPAL BALANCE AT 12/31/19</b>	<b>PRINCIPAL PAID IN 2020</b>	<b>BONDS RETIRED 2020</b>	<b>PRINCIPAL BALANCE AT 12/31/2020</b>	<b>INTEREST PAID IN 2020</b>
2013 Limited Tax Capital Improvement	\$58,105,000	\$4,290,000	\$2,190,000	\$775,000	\$1,325,000	\$140,375
2014 Tax Increment Improvement Bonds	2,615,000	2,295,000		260,000	2,035,000	129,900
2015 Library Construction and Refunding Bonds	36,620,000	29,290,000	1,285,000	1,695,000	26,310,000	862,356
2017 Library Construction and Refunding Bonds	15,925,000	12,690,000	1,570,000	1,920,000	9,200,000	366,388
2018 Limited Tax Capital Improvement Bonds	43,475,000	35,070,000	2,275,000	6,260,000	26,535,000	1,086,213
<b>REVENUE BONDS</b>						
2003 Capital Imp.and Refunding Projects	11,855,000	6,220,000	560,000		5,660,000	328,448
2007 Waste Disposal Revenue Bond	3,400,000	920,000	290,000		630,000	44,563
2017 Capital Improvement and Refunding Revenue Bonds	17,875,000	16,075,000	895,000		15,180,000	609,750
2018 Hotel Gross Receipts Tax Bonds	32,570,000	32,145,000	555,000		31,590,000	1,372,144
<b>TEMPORARY NOTES</b>						
2015 Temporary Note	5,910,000	1,224,721	1,224,721		-	22,167
2016 1st Temporary Note	4,525,000	1,851,312	918,578		932,734	28,529
2016 2nd Temporary Note	4,603,000	1,891,969	937,312		954,657	35,004
2017 Temporary Note	5,250,000	3,206,263	1,049,536		2,156,727	58,192
2019 Temporary Note	5,650,000	5,650,000	1,080,020		4,569,980	127,473
<b>Grand Total</b>	<b>\$248,378,000</b>	<b>\$152,819,265</b>	<b>\$14,830,167</b>	<b>\$10,910,000</b>	<b>\$127,079,098</b>	<b>\$5,211,502</b>

**FORECAST SUMMARY OF BOND INDEBTEDNESS**  
For the year ended December 31, 2021

<b>GENERAL OBLIGATION DEBT</b>	<b>ORIGINAL AMOUNT</b>	<b>PRINCIPAL BALANCE AT 12/31/20</b>	<b>PRINCIPAL PAID IN 2021</b>	<b>BONDS RETIRED 2021</b>	<b>PRINCIPAL BALANCE AT 12/31/2021</b>	<b>INTEREST PAID IN 2021</b>
2013 Limited Tax Capital Improvement	\$58,105,000	\$1,325,000	\$1,325,000		\$ -	\$33,125
2014 Tax Increment Improvement Bonds	2,615,000	2,035,000			2,035,000	122,100
2015 Library Construction and Refunding Bonds	36,620,000	26,310,000	1,335,000		24,975,000	786,875
2017 Library Construction and Refunding Bonds	15,925,000	9,200,000	1,655,000		7,545,000	270,463
2018 Limited Tax Capital Improvement Bonds	43,475,000	26,535,000	2,390,000		24,145,000	895,250
<b>REVENUE BONDS</b>						
2003 Capital Imp.and Refunding Projects	11,855,000	5,660,000	590,000		5,070,000	299,048
2007 Waste Disposal Revenue Bond	3,400,000	630,000	305,000		325,000	27,456
2017 Capital Improvement and Refunding Revenue Bonds	17,875,000	15,180,000	925,000		14,255,000	582,900
2018 Hotel Gross Receipts Tax Bonds	32,570,000	31,590,000	580,000		31,010,000	1,344,394
<b>TEMPORARY NOTES</b>						
2016 1st Temporary Note	4,525,000	932,734	932,734		-	14,373
2016 2nd Temporary Note	4,603,000	954,657	954,657		-	17,660
2017 Temporary Note	5,250,000	2,156,727	1,068,692		1,088,035	39,037
2019 Temporary Note	5,650,000	4,569,980	1,104,668		3,465,312	102,825
<b>Grand Total</b>	<b>\$242,468,000</b>	<b>\$127,079,098</b>	<b>\$13,165,751</b>	<b>\$ -</b>	<b>\$113,913,347</b>	<b>\$4,535,506</b>

Debt amortization schedules are in Appendix C.

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

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2021	\$13,165,751	\$4,535,505	\$17,701,255
2022	\$12,137,558	\$4,014,060	\$16,151,619
2023	\$11,864,938	\$3,502,284	\$15,367,222
2024	\$12,355,851	\$3,086,521	\$15,442,372
2025	\$11,485,000	\$2,735,649	\$14,220,649
2026	\$8,030,000	\$2,433,724	\$10,463,724
2027	\$4,360,000	\$2,208,456	\$6,568,456
2028	\$4,515,000	\$2,018,648	\$6,533,648
2029	\$3,840,000	\$1,834,144	\$5,674,144
2030	\$3,985,000	\$1,686,100	\$5,671,100

**GENERAL OBLIGATION BONDS**  
**AND SHORT-TERM NOTES**

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2021	\$10,765,751	\$2,281,707	\$13,047,458
2022	\$9,632,558	\$1,866,100	\$11,498,659
2023	\$9,589,938	\$1,455,218	\$11,045,155
2024	\$9,990,851	\$1,135,242	\$11,126,093
2025	\$9,010,000	\$894,575	\$9,904,575
2026	\$5,430,000	\$718,575	\$6,148,575
2027	\$1,620,000	\$625,588	\$2,245,588
2028	\$1,670,000	\$575,194	\$2,245,194
2029	\$1,720,000	\$523,300	\$2,243,300
2030	\$1,775,000	\$468,656	\$2,243,656

**REVENUE BONDS**

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2021	\$2,400,000	\$2,253,798	\$4,653,798
2022	\$2,505,000	\$2,147,960	\$4,652,960
2023	\$2,275,000	\$2,047,066	\$4,322,066
2024	\$2,365,000	\$1,951,279	\$4,316,279
2025	\$2,475,000	\$1,841,074	\$4,316,074
2026	\$2,600,000	\$1,715,149	\$4,315,149
2027	\$2,740,000	\$1,582,869	\$4,322,869
2028	\$2,845,000	\$1,443,454	\$4,288,454
2029	\$2,120,000	\$1,310,844	\$3,430,844
2030	\$2,210,000	\$1,217,444	\$3,427,444

**City of Little Rock, Arkansas  
Direct and Overlapping Governmental Activities Debt  
12/31/2020**

<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	\$120,789,098	100%	\$120,789,098 (a)
Little Rock Public School District	<u>241,122,078</u>	100%	<u>241,122,078</u> (b)
Total direct and overlapping debt	<u>\$361,911,176</u>		<u>\$361,911,176</u>

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

(b) Obtained from Jean Ring at (501) 447-1089  
Finance Director - Little Rock School District

# Departmental Information





## 2020 Department Accomplishments

**Little Rock Police Department:** In keeping with the Overall City Goals and Objectives Must Do Policy Statement for a Safe City, the Little Rock Police Department (LRPD) reported a 12% decrease in overall crime in 2020. LRPD completed implementation of the Geographical Accountability Means Excellence (GAME) Patrol Platform, transitioned from 12-hour to 8-hour patrol shifts to reduce officer stress and fatigue, and implemented Body Worn Cameras. The Executive Bureau implemented the new Computer Aided Dispatch System (CAD/RMS) and implemented Racial Intelligence Training and Engagement Curriculum Training. The Communication Center obtained accreditation through The Commission on Accreditation for Law Enforcement Agencies (CALEA). LRPD became the first Police Department in Arkansas to have an accredited Police Department, Training Center, and Communication Center. The Investigative Bureau implemented the National Integrated Ballistic Information Network System (NIBINS) and implemented a 21<sup>st</sup> Century Division. In addition, the LRPD Media Office was civilianized.

**Little Rock Fire Department:** In 2017, the Little Rock Fire Department (LRFD) became the 57<sup>th</sup> Fire Department, of roughly 30,000 Departments in the United States, to have an Insurance Services Office (ISO) Class 1 Rating and International Accreditation. In keeping with the Overall City Goals and Objectives Must Do Policy Statement for a Safe City, on February 26, 2020, the City celebrated the grand opening of Fire Station #24, serving the Southwest Little Rock community. LRFD completed the 2<sup>nd</sup> phase of the four-year plan to purchase a second set of turnouts. The additional turnouts will help decrease the chances of contracting cancer due to toxic chemicals and gases found in turnout gear. The planned regional training sessions for personnel were delayed due to the impact of COVID-19.

**Community Programs:** In 2020, the Department of Community Programs (DCP) Prevention Intervention and Treatment Youth Programs Division participated in the Government Performance Lab | Harvard Kennedy School, receiving technical assistance to revise and redevelop 2021 Requests for Proposal. In keeping with the Overall City Goals and Objectives Must Do Policy Statement for a Safe City, DCP worked on a school-based Teen Court program with the Environmental Court, Pulaski County Juvenile Services, the Pulaski County Special School District, and county and local police agencies to teach students about the criminal justice system and to help them avoid obtaining a record. A "Career Quest" 2-day Career Fair was co-hosted with the Little Rock School District for middle and high school students. The Department coordinated summer food distribution. Reentry Services updated procedures, including making the intake process mobile and virtual, and revised all forms and spreadsheets for improved record keeping and data reporting. New re-entry employment opportunities were created with Rock City Kitchen, TY Garment, Pure Cleaning Janitorial Service, Metropolitan Housing, and ECO Kids Project. In addition, the Re-Entry Services assisted with the creation of the Paul Philia Scholarship for CDL opportunities featured in the Arkansas Democrat-Gazette High Profile section in September and hosted a Career Crash Course at West Central Community Center. In keeping with the Overall City Goals and Objectives Should Do Policy Statement for Quality of Life, the Community Engagement Division attended a virtual online 501(c)(3) Arkansas Capital Campaign Conference, assisted with the 2020 Census Block Party at Southwest Community Center, and co-hosted the Halloween "Boo-

Thru” drive-through Haunted Experience and the “AnyONE CAN Help” Thanksgiving canned food drive at West Central Community Center. In addition, the Community Engagement Division obtained a Cities for Financial Empowerment (CFE) Grant – Financial Navigators. The program was launched in October 2020 in partnership with Our House and City of Little Rock 3-1-1. The COVID-19 Street Team was formed for neighborhood canvassing, information distribution, food distribution and delivery, and Census Saturdays. While summer youth programs were cancelled due to COVID-19, DCP still connected approximately 108 students with employment opportunities.

**Little Rock District Court, First Division (Criminal):** In keeping with the Overall City Goals and Objectives Must Do Policy Statement for a Safe City, Little Rock District Criminal Court continued to operate and receive referrals for the Little Rock Mental Health Court to provide better services to persons with mental health issues and provide counseling and community services rather than focus on punishment. The Court continued to provide justice equitably and professionally. The Department continued to work with Second and Third Division Courts, LRPD, and the Administrative Office of the Courts to provide accounting and reporting on all criminal charges brought before the Court. The Court worked in partnership with agencies and community programs throughout the City to ensure access to the most current employment, homeless, and educational resources for the community.

**Little Rock District Court, Second Division (Traffic):** COVID-19 stifled efforts in completing many of Traffic Court’s goals and brought challenges that required new procedures to continue court operations and allow the public the opportunity to have their cases heard before a judge. In keeping with the Overall City Goals and Objectives Must Do Policy Statement for a Safe City, a virtual docket was implemented in 2020. Defendants may contact the Court regarding their case and be placed on a virtual docket where the judge hears the case by WebEx or phone. All defendants who wish to appear for plea and arraignment, appearance agreements, and non-document intensive trials can be placed on this docket. A general email address for Traffic Court was created to enable defendants to contact the Court regarding their cases. Several people monitor the inbox daily, and it has become an effective alternative for defendants to communicate with the Court. Traffic Court has maintained a 40-50% clearance rate during the pandemic with the implementation of the virtual docket and cleanup of old warrant cases. Although the case backlog continues to grow with new cases coming in, the probation officers have dedicated time typically spent in the courtroom to auditing cases with active warrants. The audit process has enabled the Court to address and close a large number of old cases.

**Little Rock District Court, Third Division (Environmental):** Environmental Court began conducting virtual dockets on April 4, 2020 and has continued to maintain a current flow of managing cases. Environmental Court has continued concentrating on eliminating paper documents such as citations, warrants, pay-plans, and orders to appear by scanning them into each corresponding case in the Contexte computer system. Although the number of code enforcement citations declined, online payments stayed consistent with 2019. The convenience of online payments was paramount due to the closure of City buildings due to COVID-19. Pay by telephone with the cashier’s office added another convenience for customers to pay remotely. The civil/small claims department processed more cases in 2020 than in 2019. In keeping with the Overall City Goals and Objectives

Must Do Policy Statement for a Safe City, Environmental Court has become more proactive in collecting fines and court costs by sending notifications to defendants when their accounts are past due and including instructions on making payments online. The Court has continued collaborating with the Pulaski County Special School District to create a school-based Teen Court program. The program is comprised of student volunteers to act as the prosecutor, defense attorney, jury, and bailiff, with Judge Leverett presiding over the cases. A juvenile justice curriculum was created in the district's high schools to teach students about the criminal justice system's various aspects. The Department hopes to expand this to the Little Rock School District in the near future. In addition, Environmental Court is in the beginning stages of collaborating with the newly elected juvenile judges to take on truancy cases filed by the Little Rock City Attorney's Office. This will likely begin in the fall of 2021.

**Finance:** In keeping with the Statement of Management Policy for Financial Reporting, the Finance Department obtained the Government Finance Officers Association (GFOA) Certificate of Recognition for the 2020 Distinguished Budget Presentation. In addition, the Finance Department received the GFOA Certificate for Excellence in Financial Reporting for the 2019 Comprehensive Annual Financial Report. Finance staff provided quarterly reporting to the Little Rock Citizens Evaluation of New Tax (LRCent) Committee regarding the one (1)-Cent local sales tax and progress toward completing capital projects authorized under the 3/8-Cent portion of the tax. The City maintained a General Obligation Limited Tax Bond rating by Standard and Poor's of AA and by Moody's of Aa1. Standard and Poor's lowered the underlying rating on the City's Hotel Gross Receipts Tax Bonds, Series 2018 (Arts Center Bonds) from A- to BBB with a negative outlook due to uncertainty regarding the duration of the ongoing COVID-19 pandemic and the impact on pledged revenue. The City contributed additional funds of \$285,642.97 to ensure debt service due on December 1, 2020, was fully funded. The Procurement Division made significant progress toward achieving Silver Certification status and Certification for What Works Cities Results-Driven Contracting. What Works Cities will conduct a virtual site visit in January 2021 and notice of certification status is anticipated in March 2021. The Finance Department facilitated the preparation of the 2021 Budget adopted by the Board of Directors on December 29, 2020. The Grants Division provided oversight on over \$16 million of grant expenditures and nearly \$15 million in grant receivables in 2020. This includes eight (8) grants totaling \$11,735,514 in federal funding for pandemic relief and support. Additionally, the City received twenty-nine (29) grants totaling \$20,001,722 from Federal, State, Foundation, and Corporation sources for City initiatives for a total of over \$31 million in grant awards. Treasury Management continued collaborations with University of Arkansas at Little Rock (UALR) students to locate unlicensed businesses and unregistered rental property within the City.

**Human Resources:** With the pandemic's onset, Human Resources diverted resources to monitoring and researching COVID-19 related policies and practices. In keeping with the Statement of Management Policy for Basic City Services, staff kept city employees updated with best practices and launched a City-wide telecommuting program. The Department implemented a contact tracing process to identify potentially affected employees. During the pandemic, Human Resources continued to perform regular duties in all divisions. All divisions experienced an increase in workload. The Department was able to embrace online meeting technology to complete many tasks. In 2020 Human

Resources launched the new online learning management system to support the Mayor's mission of providing excellent customer service to all residents. The LEARN program remains integral in the development of employees and improving the City's culture. Additionally, we were fortunate to purchase the Neogov Onboarding module in 2020 to help new employees coming to the City. The implementation process continues, but we have already seen the benefits of this online tool.

**Information Technology:** Due to COVID 19, the Little Rock Technology Department (LRIT) deployed 23 remote virtual conferencing systems to provide a safe environment and a high level of transparency for employees and residents. Wi-Fi was installed in five (5) Community Centers and eight (8) City Parks to assist students and teachers with virtual learning and social distancing. In keeping with the Overall City Goals and Objectives Must Do Policy Statement for Infrastructure, LRIT issued over 165 laptops to enhance employees' ability to work remotely. Staff upgraded the City's VMware environment and the Mobile Device Management software to enrich leading edge technology. A new Enterprise License Agreement (ELA) with VMWare was renegotiated, cutting the City's cost. Two hundred seventy-five (275) body cameras were configured and issued for the Little Rock Police Department.

**Planning & Development:** In keeping with the Statement of Management Policy for Basic City Services, in coordination with City Administration, the Planning and Development Department implemented an economic development incentive program for specific areas in Little Rock to reduce the building permit fees. The program waived or reduced approximately \$250,000 in building permit fees in the area east of I-30, south of I-630, east of I-430, and south of West Baseline Road. The City experienced redevelopment of an industrial site to become an Amazon facility in Southwest Little Rock. The facility is described as their "last-mile" delivery location. In late 2020, Little Rock became the first city in Arkansas to have a Costco development. The development is located in West Little Rock. The City initiated a revitalization program along Asher Avenue. This program's goal, combined with the economic incentive program for building permit fee waivers, is to promote and encourage redevelopment in the corridor. The City is working closely with property owners to facilitate repair, remodeling, and redevelopment of existing properties.

**Housing & Neighborhood Programs:** In 2020, the Department of Housing and Neighborhood Programs accomplished many things related to our mission to enhance the quality of life for Little Rock's residents. Our Code Enforcement Division completed 17,872 service requests, cut and maintained 2,831 weed lots, boarded and secured 75 properties, demolished 35 structures, entered 5,134 on-call bulky items, and reported 1,102 knuckleboom items for pickup. Code Enforcement Division is a member of the American Association of Code Enforcement (AACE). Code Enforcement Academy Training was held on August 3, 2020, which included three (3) new Code Enforcement Officers. Code Enforcement support staff conducted a training session on the mobile application for the new officers on August 17, 2020. The Division conducted a LRPD (COP) officer/Code Enforcement training session on September 9, 2020. In keeping with the Overall City Goals and Objectives Must Do Policy Statement for a Safe City, the Animal Services Division took 2,680 animals into the shelter in 2020, of which 1,014 were adopted. There were 407 euthanasia performed, a 51% decrease from 2019. Animals

Services transferred 887 animals and kept a Live Release Rate of 84%. Animal Services has continued to partner with ASPCA and a number of other Rescue Organizations to save almost 900 animals to date. Intake decreased by 33% in 2020 due to COVID-19. Our mission is to continue to lower the intake of animals. This has been accomplished and will continue to be accomplished by flooding the population with sterilized animals. The Enforcement Division of Animal Services received 4,115 requests for service; 96.94% were completed. Of the remaining open requests, 39% are open trap requests which have been held due to staffing issues. In 2020 the plumbing system had to be replaced to flush drains in the kennels. We have started to replace all the interior doors that are in disrepair. Once the doors have been replaced, hallways will have sheetrock repairs and new paint. Adoptions service improvements at the Animal Village include heartworm treatments and microchipping, funded by donations and adoption fees. The Community Development Division assisted 24 homebuyers with down payment assistance from HOME funds. In addition, 8,218 citizens were provided healthcare services through the Department's partnership with CHI St. Vincent Medical Clinic-East. The Department's partnership with CareLink provided Meals on Wheels to assist 121 persons. The Community Development division completed the installation of a wheelchair ramp. There are 23 additional wheelchair ramp requests on a waitlist. The project has been placed on hold due to COVID-19. The Land Bank continues to market available properties for development, including the creation of new market strategies. Currently, there are 56 Land Bank properties in inventory, including 5 with structures. In 2020, the Land Bank sold 21 lots and two (2) structures. The Neighborhood Resource Specialist hosted a Community Day of Service on Dr. Martin Luther King Day, hosted the Mayor's State of the City Address at multiple locations, participated in food distribution to families in need throughout the City, participated in the 2020 Census count, and hosted the First Annual Halloween Drive-Thru Event at the West Central Community Center.

**Public Works:** Work continued in 2020 on an ambitious and far-reaching street and drainage improvement program throughout the City. The program, funded with a portion of the ten-year 3/8 cent local sales tax, two bond issues, and State turnback funds from a state-wide sales tax, has addressed priorities in each City ward and major projects of city-wide importance. Over 200 projects have been funded since the start of the program in 2012, and all projects will be completed or in construction by the end of 2021. As 2020 ends, 90% of all projects since 2012 and 65% of the 2019 to 2021 project cycle are either completed or in construction. Notable projects nearing completion include the Geyer Springs Road Railroad Overpass, Phases 1 and 2 of Kanis Road, and Mabelvale Pike at the new Southwest High School. Work is ending on installing an adaptive signal control system on the entire length of University Avenue from Cantrell Road to I-30 that will significantly reduce travel times and delays in the corridor. In 2020, design work was completed on several other major projects that will move to construction in 2021, including Swaggerty Branch Drainage, Valentine Street, additional improvements to Geyer Springs Road and Briarwood ditch, North Rodney Parham Road, work on Bowman Road south of Kanis Road, and improvements on Chicot Road. Other major projects are underway in 2020 to improve bicycle and pedestrian transportation systems, including work on the River Trail, the Southeast Trail, and a new connection to the future Southwest Trail. Several miles of bike lanes have been added to city streets, along with several miles of new sidewalk. In addition, a contract to study and modify the City Master Bike Plan is in

place to better serve the current needs and vision of the future and provide route bicycle connectivity to all parts of the City. Expenditures on street and drainage projects in 2020 alone exceeded \$17 million, benefitting the local economy in many ways from the local consulting firms that provided surveying, design, and acquisition services, to the many contractors, subcontractors, suppliers, and workers needed to make a program like this happen. Tens of thousands of Little Rock residents will benefit each day from an improved transportation system and improvements to neighborhoods that provide a better quality of life. In keeping with the Overall City Goals and Objectives Must Do Policy Statement for Infrastructure, in 2020, Public Works Operations Sidewalk Replacement Program reconstructed 13,708 linear feet (2.59 miles) of sidewalks, Operations Street Resurfacing Program asphalt resurfaced 79,875 linear feet (15.12 miles) of City streets, Operations Litter Program picked up litter along 935,623 linear feet (177 miles) of City rights-of-way, Operations Street Sweeper Program logged 62,051 miles sweeping City streets, and the Operations Division repainted 853,460 linear feet (161 miles) of lane lines along City streets. Solid Waste Collections implemented major route redesigns for residential customers. Staff expanded tablet usage to knuckleboom operations. Additional collections vehicles were purchased to upgrade the fleet and reduce downtime, and the number of vehicles equipped with GPS and camera systems was increased. Staff has made initial contact and coordination with a third-party route optimization company for automated dispatching of routes and tracking completion efficiency. The City's Landfill constructed Cell 5 West of Class 1 landfill and are in the process of completing partial closure of Cell 4 of Class 1 landfill. Traffic Engineering Division successfully updated I-630 freeway lighting to LEDs, significantly improving lighting quality. As of Dec 2020, two hundred seventy-one (271) Small Cell/5G service locations have been reviewed and approved. The Parking Enforcement Section of Public Works successfully implemented a pay-by-app parking system (Parkmobile) for the regulated public parking in the downtown area. Parking Enforcement staff continued to provide enforcement of metered parking once pandemic-related precautions and procedures were put in place.

**Parks & Recreation:** 2020 was the year that brought unprecedented challenges to all in our City, but through the struggle, the importance of quality park space for our residents became very evident. Usage of our City Parks System increased dramatically, and residents relied greatly on the great outdoor spaces that Little Rock has to offer. Although our traditional recreation programming came to a standstill due to the pandemic, Parks staff made a seamless shift to serving the community in various areas: distributing boxes of food to families at multiple food distributions that took place or assisting with drive-thru COVID-19 testing clinics, while also providing infrastructure and supplies (tents, tables, and cones) to facilitate these events. Parks was also tasked with creating a successful free drive-in movie event providing a safe, socially distanced opportunity for Little Rock residents to enjoy. The pandemic may have impacted our ability to provide traditional recreation programming, but it did not affect our ability to make tremendous progress with upgrading facilities and securing funding for future park improvements. In keeping with the Overall City Goals and Objectives Should Do Policy Statement for Quality of Life, a string of capital improvements funded by the 3/8-cent tax were realized this year, including the construction of a new multi-purpose court at MacArthur Park, construction of six pickleball courts at Kanis Park, installation of a new pavilion structure at Union Park, and installation of new playground surfacing at Dunbar Community Center playground.

Additionally, the Jim Dailey Fitness and Aquatic Center received new basketball goals, bleachers, site amenities and replaced roofs on the outdoor pool entrance building. Several other projects were completed in 2020, funded primarily by grants. Murray Park received a new playground, courtesy of a \$150,000 grant from the Blue and You Foundation, and a new \$150,000 FitLot, courtesy of grant funds from AARP. Boyle Park Pavilion #1 received a full site renovation of walkways, courtesy of a grant from the Arkansas Department of Heritage, while grant funds from the Arkansas Department of Transportation allowed for the construction of a connector trail from Main Street to the I-630 overpass near MacArthur Park, and for a paved trail connector from the Allsopp Park promenade down to the main park area. The department had a very successful year applying for and receiving more than \$4,000,000 in grants for future projects, and as a result, Little Rock will be seeing significant trail improvements coming to fruition in 2021. One of the most aggressive trail projects that the City has undertaken since the construction of the Arkansas River Trail, is the development of the Tri-Creek Greenway which will connect War Memorial Park to Hindman Park with seven miles of greenway trail. Metroplan awarded the City \$3 million to go towards the construction of the Tri-Creek Greenway. In addition to this paved trail amenity, the residents of Little Rock will soon have access to over 10-miles of mountain bike trails that will be developed in the first two quarters of 2021 that will be funded by a \$635,000 grant from the Walton Family Foundation and City funds. As exciting as the new capital improvements are, the Parks Department made significant progress in addressing deferred maintenance and ADA issues in the Parks System. Notable projects include upgrading the electrical system in Murray Park, constructing an ADA fishing pier and dredging of Ottenheimer Pond, and ADA parking improvements at Jim Dailey Fitness and Aquatic Center, Rebsamen golf, and tennis centers. Tennis courts at Rebsamen Tennis Center and Meriweather Park were resurfaced as well as the basketball courts at Boyle Park. The Little Rock Marathon, in its eighteenth (18) year, continues to grow in participation. Upwards of 15,000 participants representing all 50 states and 33 countries visited Little Rock in 2020. In addition to the Marathon race, staff also produced two other races. Both the Creep and Crawl 5k and Half Marathon race and the Ugly Sweater Race 5k sold out and were among the first major races since the pandemic began. The revenue generated from these events continues to serve the programs and services provided by Little Rock Parks and Recreation.

**Little Rock Zoo:** The COVID-19 pandemic dramatically altered operations for the Little Rock Zoo in 2020, but it did not change our resolve to inspire people to value and conserve our natural world. We continued to conserve, learn, and care in a year of uncertainty, and we met challenges head-on. Our success was built on our strength as a team and City. The Little Rock Zoo closed to the public on March 16, 2020, to help stem the spread of COVID-19. Although the Zoo's closure resulted in the loss of some revenue, the Zoo did not stop educating the public or welcoming guests. In keeping with the Overall City Goals and Objectives Should Do Policy Statement for Quality of Life, the Zoo took immediate action to enhance staff and animal safety and shifted our messaging online. The Zoo created virtual learning opportunities such as our virtual Zoofari camp and other online learning classrooms. The Zoo also launched a daily Facebook keeper chat that attracted millions of viewers. The Zoo took advantage of the time that guests were away to catch up on construction projects and complete several facility upgrades. These

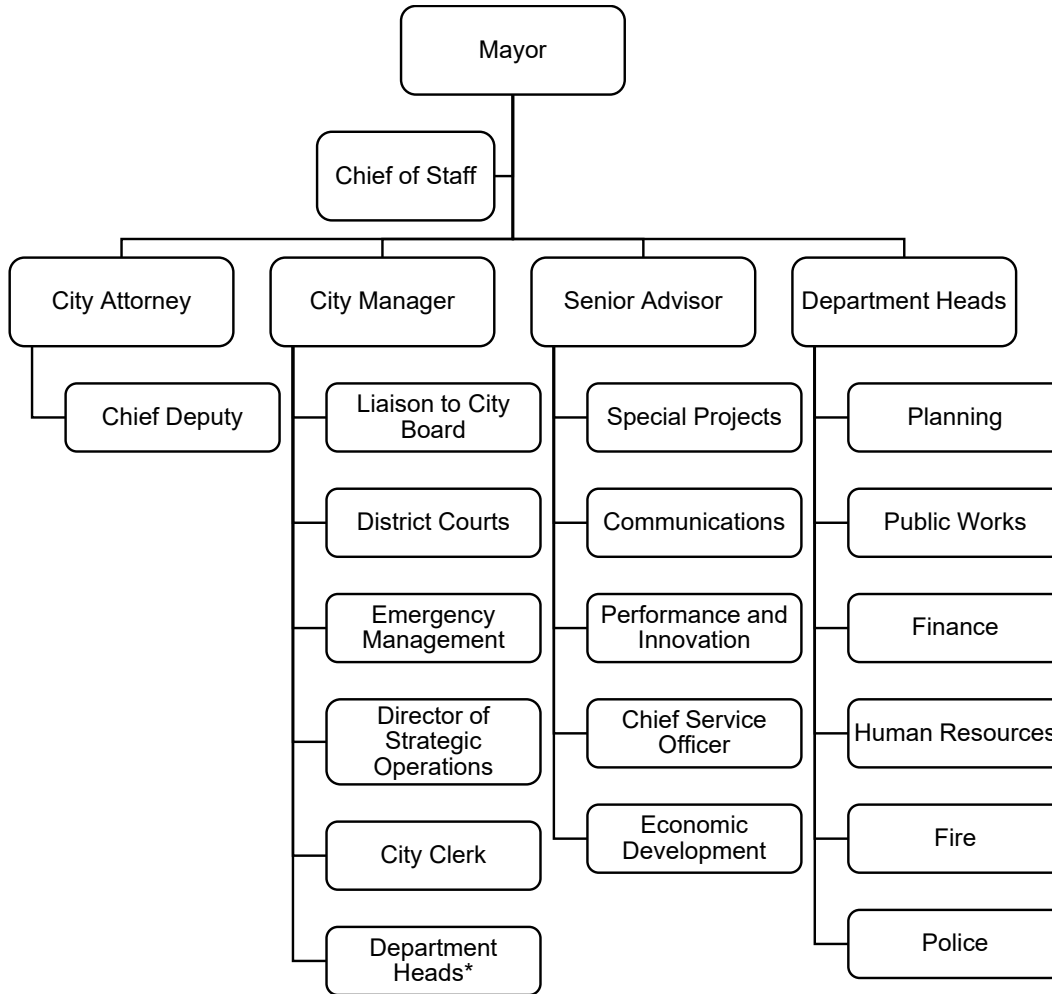
upgrades were funded by the LR Cent Capital Tax along with private grant funding and support from the Arkansas Zoological Foundation. The new Blue and You Nature Play Area was added, featuring interactive, natural-looking climbing structures. Grant funds supported the renovation of new pathways throughout the Zoo to make them more accessible and stroller friendly. The new colobus monkey and serval cat habitats were also constructed. The Zoo welcomed guests back on June 29. The Zoo implemented a reopening plan in coordination with the Arkansas Department of Health that kept guests, staff, and animals safe and provided families a much-needed outdoor respite. Even with timed entry and restricted capacity requirements, the Zoo saw increased attendance of nearly 10% compared to the year before. The Zoo launched creative special events such as a drive-in laser light safari show that families enjoyed from the safety of their vehicles and hosted a virtual Dream Night event providing access to guests of Arkansas Children's Hospital who were unable to attend in person. The Zoo Foundation's popular Wild Wines event also went virtual and met its fundraising goals. The Zoo partnered with the Downtown Little Rock Partnership on a drive-through Halloween experience in a parking deck that generated revenue and provided safe family fun. The Zoo ended the year partnering again with the Downtown Partnership on a free Christmas light event in downtown Little Rock and hosted the popular Santa Claws event socially distanced on Zoo grounds. The Zoo furthered its mission of conservation by developing a partnership with Arkansas Game and Fish Commission to participate in a breed and release program for the eastern collared lizard. This species, which is indigenous to Arkansas, is the first species the Zoo will actively breed for a rerelease program in the wild. This partnership includes the University of Arkansas at Fayetteville and the University of Central Arkansas. The Zoo also saw the successful birth of an endangered African penguin at the end of the year. This rare birth contributes to the overall conservation of this important animal and is a favorite species of Little Rock Zoo guests. The Zoo continued its participation in the Association of Zoos and Aquariums partnered conservation programs such as the Species Survival Plan and SAFE (Saving Animals From Extinction). In 2020 the Little Rock Zoo was challenged to be creative and innovative. Rather than pull back, the Zoo pushed forward in what was a challenging year for many organizations. As a zoo accredited by the Association of Zoos and Aquariums, the Little Rock Zoo continues to be committed to excellence in animal care and conservation and looks forward to continuing this commitment in the coming years.

**Fleet Services:** Fleet Services received Honorable Mention recognition in Government Fleet Expo's (GFX's) "Top Fleets" and ranked 82nd in National Automotive Fleet Association's (NAFA) 100 Best Program (estimated 45,000 fleets in the US). In keeping with the Statement of Management Policy for Basic City Services, Fleet has been highly successful at realigning duties and responsibilities in the indirect personnel areas. A good part of this was to prepare for the implementation of Infor's Enterprise Asset Management (EAM) module but designed with the end in mind. Big systems require competent maintenance and configuration, but most of all, they require the right people to operate them successfully. Fleet worked around the edges to create more space by reallocating the use of current space. Inventory personnel eliminated the tire warehousing area allowing the Maintenance Division to remodel targeted areas within Fleet's facilities. This, along with several other renovation projects, resulted in safer, more productive technician workspaces.





# Executive Administration



\*Zoo, IT, Community Programs, Housing and Neighborhood Programs, Fleet Parks

### Mission:

To provide vision and leadership that unifies our city, bringing us from disconnected to connected, by focusing on diversity in the marketplace and educational achievement, ensuring all residents have the opportunity to collectively help Little Rock reach its full potential as it becomes one of the catalysts for the New South. To also deliver the highest level of quality information to policies, services, and activities of Little Rock Government to residents.

**Executive Administration**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$7,444,409	\$8,596,136	\$7,534,187	\$8,505,946
Supplies and Materials	202,758	167,919	155,039	166,398
Contractual Services	12,672,480	13,774,250	13,368,581	14,054,975
Repairs and Maintenance	168,332	41,927	41,927	162,086
Debt Service	7,250,229	5,505,534	5,505,534	4,258,645
<b>Total</b>	<b>\$27,738,208</b>	<b>\$28,085,766</b>	<b>\$26,605,268</b>	<b>\$27,148,050</b>

<b>Staffing</b>	33	33	33	33
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The Executive Administration 2021 budget will decrease (\$937,716) from the 2020 Original Budget and increase \$542,782 from the 2020 Amended Budget. Personnel cost will decrease (\$90,190) from the 2020 Original Budget and increase \$971,759 from the 2020 Amended Budget. The variances in personnel are primarily caused by the allocation for vacation and sick leave payouts for retiring employees to the applicable Departments as they occur, reflected in the 2020 Amended Budget. Contractual Services include utilities, contracts and outside agency funding. Contractual expenses will increase \$280,725 from the 2020 Original Budget primarily due to an increase in property insurance, election cost, and janitorial services, partially offset by a net decrease in outside agency funding. The increase from the 2020 Amended Budget of \$686,394 also reflects the temporary suspension of certain outside agency funding for a period of 120 days during closures associated with the COVID-19 pandemic. The increase in repairs and maintenance of \$120,159 is primarily attributed to software for the Performance and Innovation Division's open data portal and fleet maintenance allocations. The decrease of (\$1,246,889) to debt service is attributed to the retirement of a short-term note in 2020.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$27,148,050	-3.34%	2.04%



2020 Department Priorities	Status
Pass the Lift Little Rock one (1)-cent sales tax initiative.	Delayed Due To Covid
Create Little Rock’s Office of Diversity, Equity, and Inclusion and rebranding of the Little Rock Racial and Cultural Diversity Commission as the Little Rock Human Rights Commission incorporating the concerns of Little Rock’s LGBTQIA+ community.	In Progress
Execute Little Rock’s Opportunity Zone strategy.	In Progress
Expand the Mayors Summer Reading Program (Frankly Reading).	Completed
Re-vamp and Prioritize the Mayor’s Youth Council.	Completed
Launch Little Rock Residents Academy allowing residents to learn about and engage their city government.	Completed
Partner with LRSD to create and implement a Community Schools Model.	Completed
Expand the Bridge to Work Program.	Delayed Due To Covid
Work with LRPD leadership to onboard LGBTQIA+ liaison within the LRPD Community Policing Unit.	Completed
Open Fire Station 24 in Southwest Little Rock.	Completed
Continue implementing Little Rock’s Master Plan for Children, Youth, and Families.	In Progress
Conduct a full review of the City of Little Rock’s compensation and leave policies.	In Progress
Execute a successful Census 2020 Campaign.	Completed



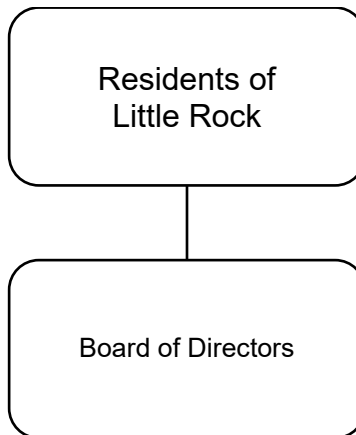
<b>2021 Department Goals</b>
Implement a Targeted Community Development strategy.
Pass Rebuild the Rock sales tax initiative.
Launch Little Rock Build Academy.
Continue Summer Reading program.
Execute Asher Ave. Revitalization Program.
Launch City Rebranding Campaign.
Expand Bridge to Work program.
Continue to Execute Little Rock Opportunity Zone strategy.
Partner with LRSD to continue to implement Community Schools Model.
Work with LRPD leadership to expand Social Worker initiative within the department.
Continue to Implement Little Rock's Master Plan for Children, Youth, and Families.

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





# Board of Directors



**Mission:**

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. Support the local/regional economy and to provide opportunities to retain, form and attract new business. 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. Maintain and improve a comprehensive infrastructure system that meets the changing needs of the community while protecting the integrity of the environment. Work with community partners to ensure access to opportunities for vital and varied recreational, creative and educational experiences. Create and foster an inclusive environment that respects the dignity of all people, welcomes all voices and values racial and cultural diversity.

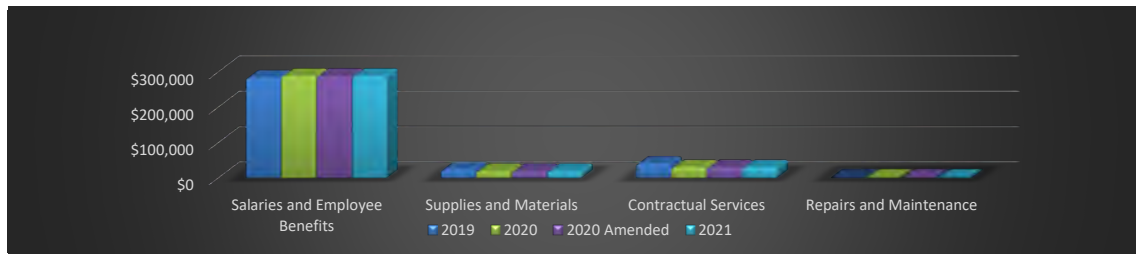
**Board of Directors**

<b>Expenditure Budget</b>				
Account Category	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$283,456	\$288,630	\$288,675	\$289,006
Supplies and Materials	23,479	18,990	18,990	18,990
Contractual Services	40,147	30,147	30,147	30,147
Repairs and Maintenance	-	644	644	572
<b>Total</b>	<b>\$347,081</b>	<b>\$338,411</b>	<b>\$338,456</b>	<b>\$338,715</b>

<b>Staffing</b>	1	1	1	1
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The primary change in the 2021 Budget is an increase in personnel costs related to the cost of benefits for the Board's Administrative Assistant.

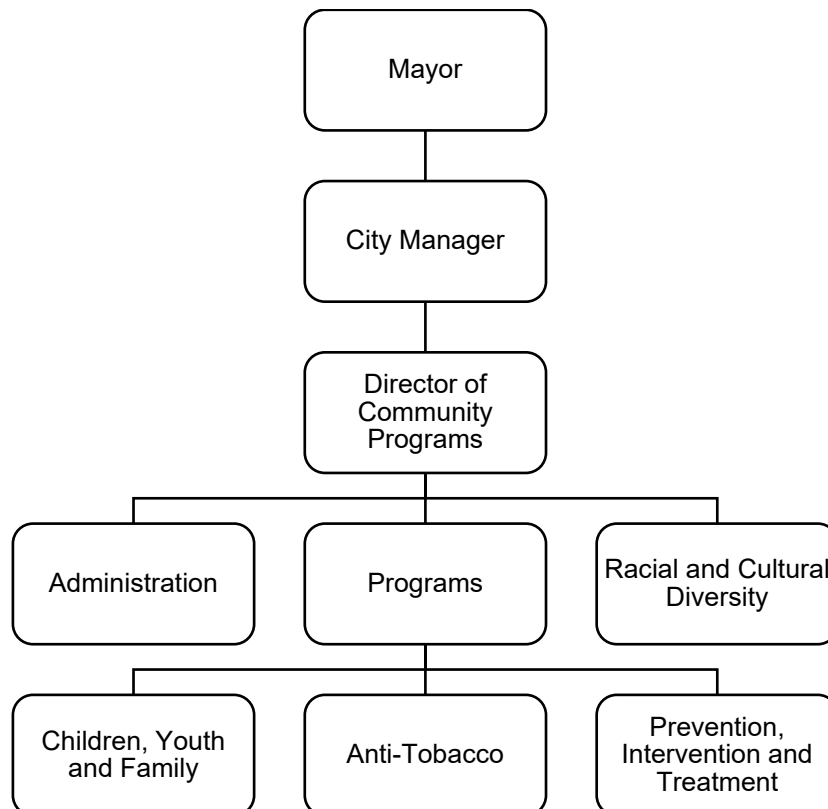
**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$338,715	0.09%	0.08%



# Community Programs



**Mission:**

The mission of the Department of Community Programs is to effectively administer and maximize Prevention, Intervention, and Treatment (PIT) funds authorized annually in order to provide the community with quality programming and services with the goal of increasing positive outcomes and the overall quality of life for the children, youth, and families of Little Rock. It is achieved through the use of evidence-based practices, standardized processes, and citizen input to create and foster an inclusive environment that respects the dignity of all people, welcomes all voices, and values racial and cultural diversity.

**Vision:**

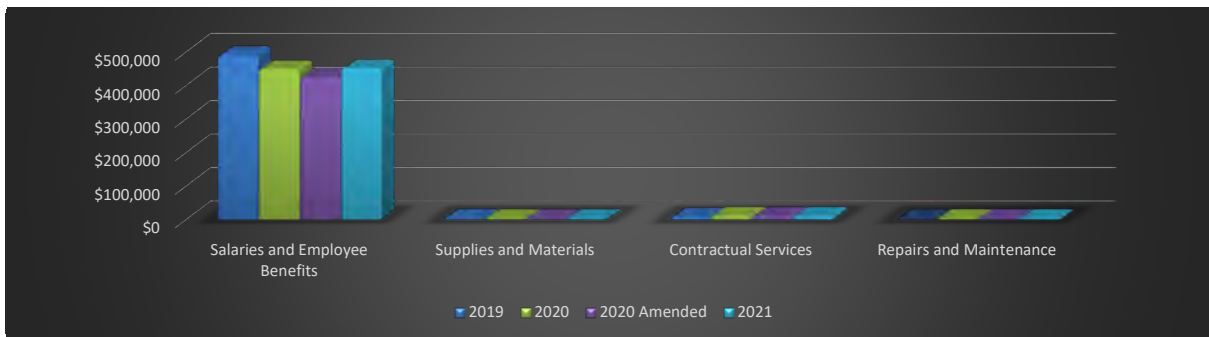
The City of Little Rock is a leading southern city—vibrant, safe, and innovative—that provides an excellent and sustainable quality of life where all families, individuals, and businesses can thrive.

**Community Programs**

<b>Expenditure Budget</b>				
Account Category	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$491,574	\$448,964	\$426,058	\$451,882
Supplies and Materials	2,811	1,180	1,180	1,180
Contractual Services	6,123	10,808	10,808	10,808
Repairs and Maintenance	-	1,227	1,227	1,179
<b>Total</b>	<b>\$500,509</b>	<b>\$462,179</b>	<b>\$439,273</b>	<b>\$465,049</b>
<b>Staffing</b>	12	12	13	13

The majority of the Community Programs budget is included in programs funded by the \$3,372,000 contribution to Children Youth and Family prevention, intervention and treatment, and re-entry programs reflected in the Executive Administration Transfers budget. The 2021 Budget reflects an increase of \$2,870 from the 2020 Adopted Budget and an increase of \$25,776 from the 2020 Amended Budget. The increase in personnel cost from the 2020 Amended Budget is primarily due to the restoration of net reductions in the amended budget associated with allocated vacancy savings of (\$23,034) and Health Insurance Holiday premium savings of (\$2,564), partially offset by the cost of a one-time lump sum payment of \$500 per employee totaling \$2,692. The remaining \$2,918 increase in personnel cost reflects the increase from the 2020 Original Budget which is primarily due to the 7.5% increase in health insurance premiums. The increased cost of health insurance is offset by the transfer of savings from the December 2020 Health Insurance Holiday, resulting in a cost neutral impact for all departments and employees.

**Allocations By Year And Account Category**



	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
Resources for Budget 100 General Fund	\$465,049	0.62%	5.87%





**Community Programs**

2020 Department Priorities	Status
Host at least two (2) ReEntry Orientation Sessions to increase database of private businesses who will hire ReEntry clients.	Delayed Due To Covid
Host at least two (2) "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."	Delayed Due To Covid
Host at least two (2) "Currency Crash Courses" to assist Opportunity Youth with critical financial literacy information to maximize their financial potential "from their first paycheck."	Delayed Due To Covid
Assess, improve, and develop updated program options and 2021 Request for Quote/ Request for Proposal (RFQ/RFPs) for Positive Prevention Programs (PPP) 12-17 and Youth Intervention Programs (YIP) programs.	Delayed Due To Covid
Plan and execute five (5) relevant professional development and training opportunities to assist current funded and potential programs achieve the positive outcomes related to the Youth Master Plan (YMP).	Delayed Due To Covid

2021 Department Goals
Assess, improve, and develop updated program options to include virtual programming.
Plan and execute five (5) relevant professional development and training opportunities to assist current funded and potential programs achieve the positive outcomes related to the Youth Master Plan.
Host at least two (2) Orientation Sessions to increase database of private businesses that will hire re-entry Clients and Opportunity Youth.
Host at least two (2) "Currency Crash Courses" to assist re-entry clients working within City of Little Rock departments with critical financial literacy information to maximize their financial potential "from their first paycheck."
Host at least two (2) "Currency Crash Courses" to assist Opportunity Youth with critical financial literacy information to maximize their financial potential "from their first paycheck."



Community Programs

**Department:** Community Programs  
**Funding Source:** General Fund  
**Budget:** \$465,049

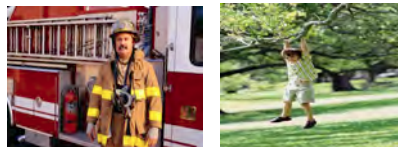
**Department Description:**

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.

	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To recruit youth, provide orientation, and approve youth to hire for summer employment.			
<b>Demand:</b> Youth available for recruitment and orientation.	1200	1,200	1,200
<b>Workload:</b> Youth recruited and processed through orientation.	700	600	600
<b>Efficiency:</b> Youth processed and available for employment in June.	644	600	600
<b>Effect/Outcome:</b> Percentage of youth processed and available for work in June.	92%	100%	100%

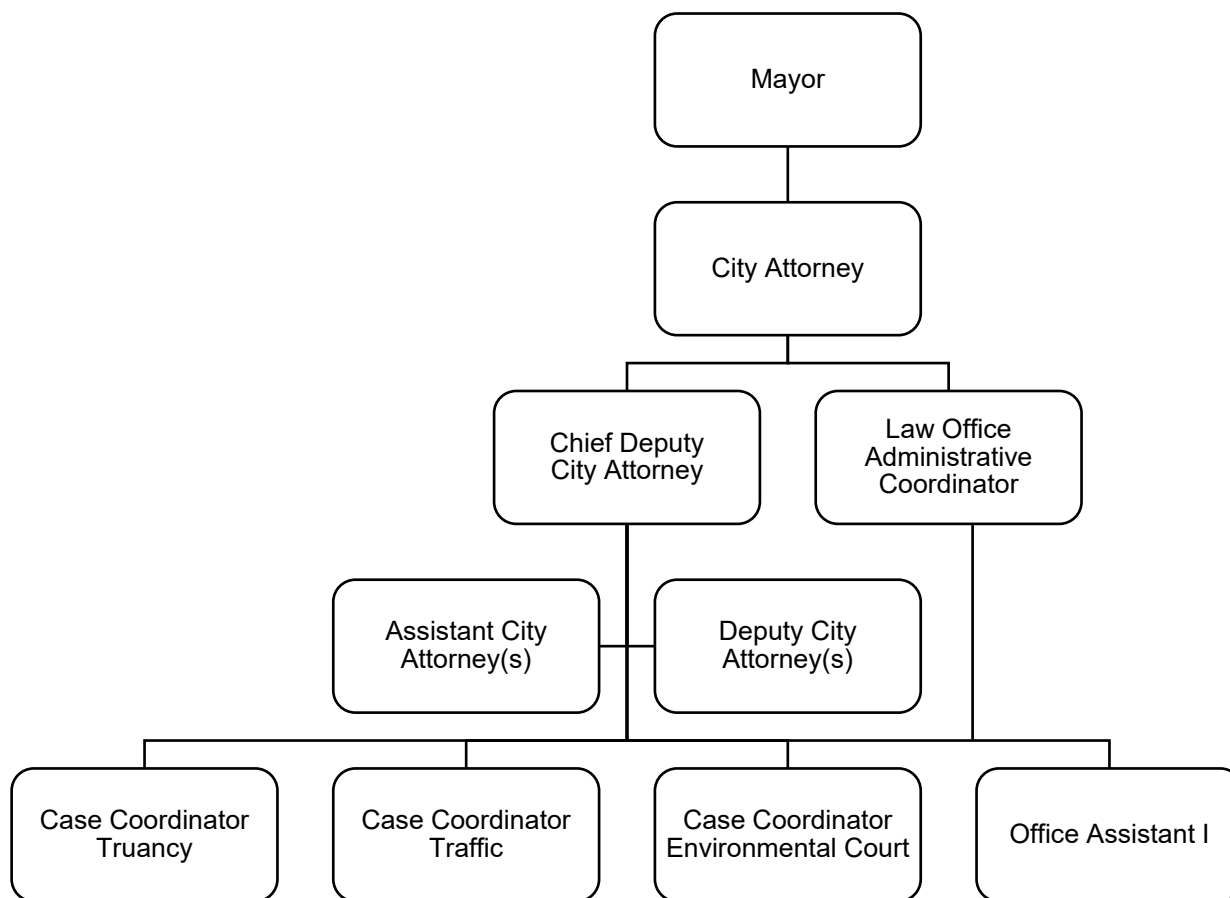
<b>Objective:</b> To audit, approve, and process all reimbursement requests for payment within 14 days.			
<b>Demand:</b> Requests available for process and reimbursement.	900	800	800
<b>Workload:</b> Requests processed for reimbursement.	880	760	760
<b>Efficiency:</b> Requests processed per month.	70	60	60
<b>Effect/Outcome:</b> Percentage of total requests processed.	97%	95%	95%

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





# City Attorney



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

**City Attorney**

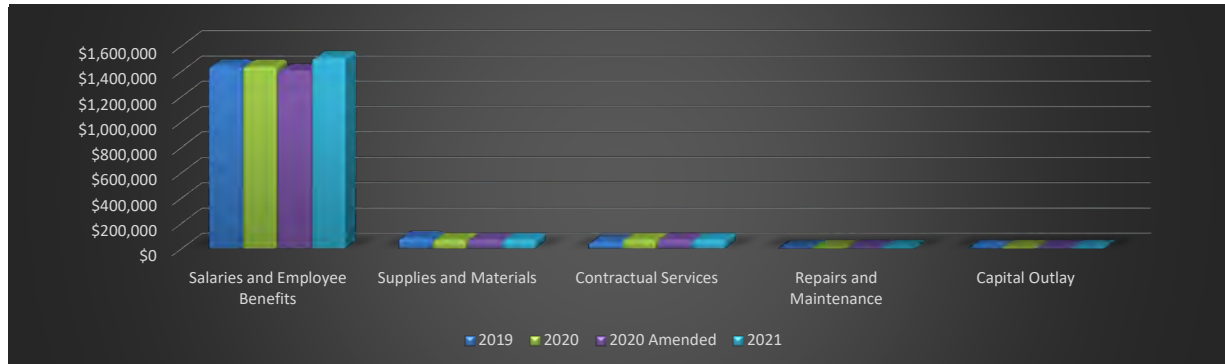
**Expenditure Budget**

Account Category	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$1,442,018	\$1,439,477	\$1,407,170	\$1,508,421
Supplies and Materials	84,638	71,574	71,574	71,574
Contractual Services	52,996	72,644	72,644	72,644
Repairs and Maintenance	923	1,443	1,443	1,394
Capital Outlay	2,200	-	-	-
<b>Total</b>	<b>\$1,582,776</b>	<b>\$1,585,138</b>	<b>\$1,552,831</b>	<b>\$1,654,033</b>

<b>Staffing</b>	16	16	16	16
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The \$68,895 increase from the 2020 Original Budget to the 2021 Budget includes \$68,944 in salary adjustments associated with promotions and staffing changes and increased health care cost, net of a reduction in cost of pool car usage of (\$49). In addition to the increase from the Original 2020 Budget, the change from the 2020 Amended Budget includes the restoration of reductions from budget amendments for the allocation of approximately (\$49,200) in Vacancy Savings, and (\$6,500) in savings from the Health Insurance Holiday, partially offset by additional allocations for vacation/sick payouts of approximately \$16,400 and a one-time lump sum payment of \$500 to employees totaling approximately \$7,000.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$1,654,033	4.35%	6.52%



City Attorney

2020 Department Priorities	Status
Complete in-house continuing legal education to provide City Attorney litigants information regarding Civil Rights Actions.	Ongoing
Expand software data entry to include time and expense reporting.	Delayed Due To Covid
Continue to provide quality legal guidance and representation for City officials and department heads.	Ongoing
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 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.	Ongoing
Continue to prosecute traffic, truancy and code violations.	Ongoing
Review 4th amendment implications on LRPD's current use of no-knock warrants and dynamic entry.	Completed
Implement aggressive in-house training regarding local government issues.	Delayed Due To Covid
Implement "Form and Brief" bank program.	Delayed Due To Covid
Continue streamlining legal assignments.	Ongoing
Complete the implementation of data and document software systems including - back loading of old documents with adequate time allowances for software training.	Delayed Due To Covid
Continue cross training for support staff.	Delayed Due To Covid
Continually upgrade technology to make access to resources more efficient while providing a positive impact on work production efficiency.	Ongoing



<b>2021 Department Goals</b>
Complete in-house continuing legal education to provide City Attorney litigants information regarding Civil Rights Actions.
Expand software data entry to include time and expense reporting.
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 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.
Continue to prosecute traffic, truancy, and code violations.
Implement aggressive in-house training regarding local government issues.
Implement "Form and Brief" bank program.
Continue streamlining legal assignments.
Complete the implementation of data and document software systems including - back loading of old documents with adequate time allowances for software training.
Continue cross training for support staff.
Continually upgrade technology to make access to resources more efficient while providing a positive impact on work product and efficiency.




City Attorney

**Department:** City Attorney  
**Funding Source:** General Fund  
**Budget:** \$1,654,033

**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.

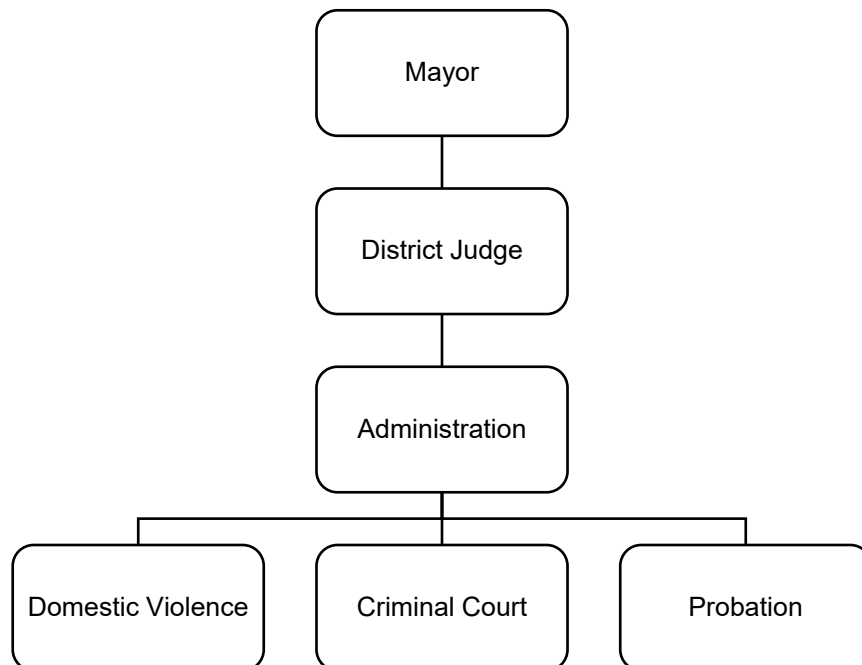
	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>
<b>Objective:</b> To litigate cases.			
<b>Demand:</b> Cases to be litigated.	130	75	75
<b>Workload:</b> Cases litigated.	130	75	75
<b>Efficiency:</b> Cases litigated per year.	130	75	75
<b>Effect/Outcome:</b> Percentage of litigated cases closed per year.	n/a	n/a	n/a
<b>Objective:</b> To prosecute health and safety code Violations.			
<b>Demand:</b> Violations presented for final judgment.	3000	943	1200
<b>Workload:</b> Violations prosecuted for final judgment.	1950	565	720
<b>Efficiency:</b> Violations convictions.	975	200	300
<b>Effect/Outcome:</b> Conviction rate.	50%	60%	60%
<b>Objective:</b> To prosecute DUI/DWI violations.			
<b>Demand:</b> DUI/DWI pleas and trials.	400	558	600
<b>Workload:</b> Court appearances for DUI/DWI pleas and trials.	400	558	600
<b>Efficiency:</b> Guilty DUI/DWI pleas and convictions	275	361	400
<b>Effect/Outcome:</b> Percentage guilty.	68%	64%	66%
<b>Objective:</b> Prepare contract and legal memoranda in a timely manner.			
<b>Demand:</b> Request for contracts and legal research.	249	223	230
<b>Workload:</b> Contracts and research memoranda prepared.	249	223	230
<b>Efficiency:</b> Contracts and memoranda prepared in a timely manner.	249	223	230
<b>Effect/Outcome:</b> 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:**

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.

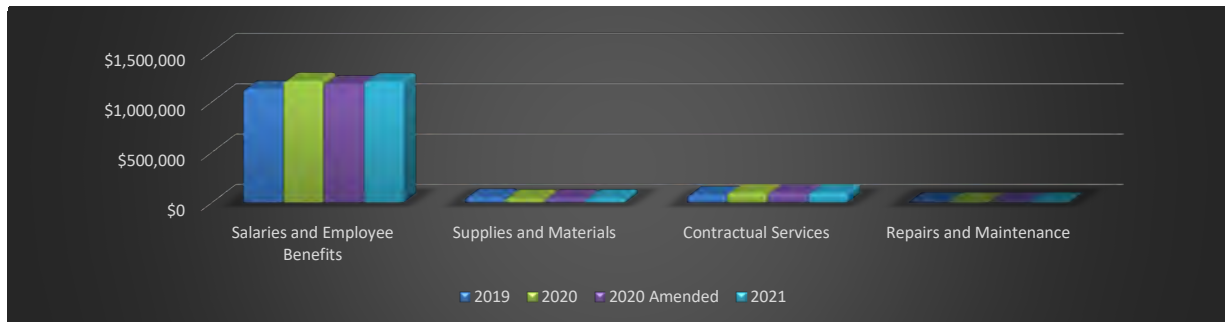


**District Court First Division**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$1,128,973	\$1,208,092	\$1,179,766	\$1,202,320
Supplies and Materials	52,537	42,100	42,100	42,100
Contractual Services	75,200	96,950	96,950	96,950
Repairs and Maintenance	1,516	1,700	1,700	1,700
<b>Total</b>	<b>\$1,258,225</b>	<b>\$1,348,842</b>	<b>\$1,320,516</b>	<b>\$1,343,070</b>
<b>Staffing</b>	20	20	20	20

The (\$5,772) decrease in personnel cost is primarily associated with changes in staffing due to the retirement of a long term employee. The increase from the 2020 Amended Budget is attributed to the restoration of vacancy savings reductions, the 120-day reduction for non-essential part-time personnel, and the Health Insurance Holiday that were included in 2020 budget amendments.

**Allocations By Year And Account Category**



Resources for Budget  
100 General Fund

FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
\$1,343,070	-0.43%	1.71%



<b>2020 Department Priorities</b>	<b>Status</b>
Continue with new Mental Health Specialty Court for persons with mental health issues.	Ongoing
Operate within the guidelines and laws of the State of Arkansas and City of Little Rock.	Ongoing
Provide court informed sentencing recommendations, monitoring, and fair and impartial adjudications for all.	Ongoing
Continue community outreach.	Ongoing

<b>2021 Department Goals</b>
Continue with Mental Health Specialty Court for persons with mental health issues.
Add new position to manage E-Court and E-File.
Reorganize staff to be more efficient.
Taking steps to implement new specialty court programs.
Operate within the guidelines and laws of the State of Arkansas and City of Little Rock.
Provide court informed sentencing recommendations, case monitoring and fair and impartial adjudications for all.
Continue community outreach. Work toward reopening safely for in-person hearings.



District Court First Division

**Department:** District Court Criminal  
**Funding Source:** General Fund  
**Budget:** \$1,343,070

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

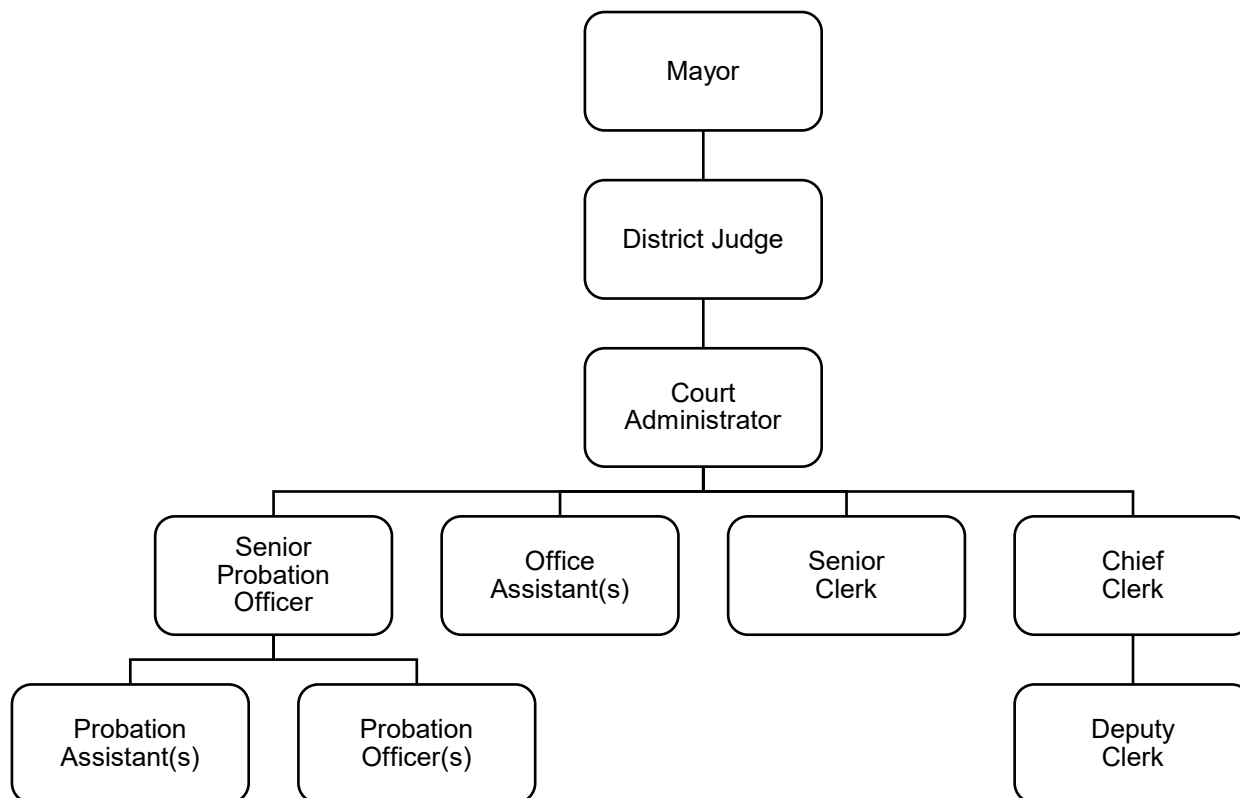
	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To process Criminal Bond information daily.			
<b>Demand:</b> Bonds to be processed	100	100	100
<b>Workload:</b> Bonds actually processed	100	100	100
<b>Efficiency:</b> Bonds processed per court session	100	100	100
<b>Effect/Outcome:</b> 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:**

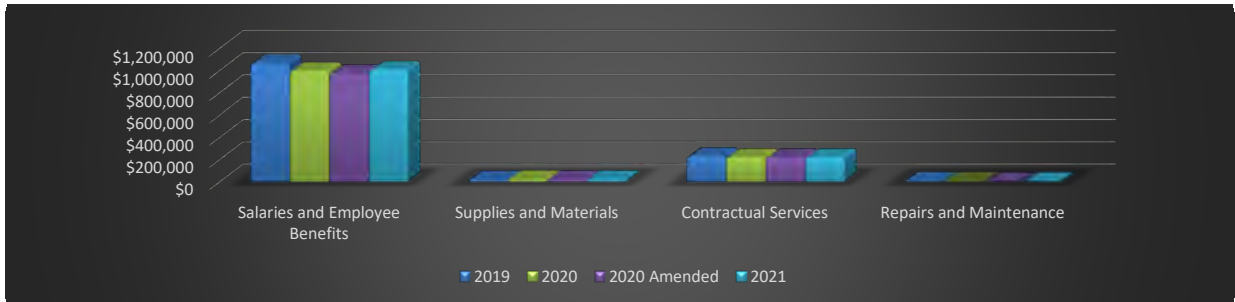
The mission of Little Rock District Court – 2nd Division is to apply and promote a standard of impartiality and fairness and foster an environment for efficient and effective administration of justice. The court strives to preserve and enhance its core values and be innovative in our attempt to provide meaningful access to justice as we meet changing needs of the court and the community.

**District Court Second Division**

<b>Expenditure Budget</b>				
Account Category	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$1,068,860	\$998,550	\$979,390	\$1,007,867
Supplies and Materials	16,328	22,200	22,200	22,200
Contractual Services	231,710	223,577	223,577	223,577
Repairs and Maintenance	3,023	2,050	2,050	2,050
Total	<u>\$1,319,922</u>	<u>\$1,246,377</u>	<u>\$1,227,217</u>	<u>\$1,255,694</u>
<b>Staffing</b>	18	18	18	18

Approximately \$4,400 of the personnel cost increase from the Original 2020 Budget is associated with salary changes due to promotions and staffing turnover. The remainder of the \$9,317 increase in the personnel budget is attributed to changes in benefit cost. In addition, the increase from the 2020 Amended Budget is attributed to the restoration of vacancy savings reductions, the 120-day reduction for non-essential part-time personnel, and the Health Insurance Holiday that were included in 2020 budget amendments.

**Allocations By Year And Account Category**



Resources for Budget 100 General Fund	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
	<u>\$1,255,694</u>	<u>0.75%</u>	<u>2.32%</u>



2020 Department Priorities	Status
Continue to evaluate and modify court operations to better serve the public as well as make the court more efficient.	Ongoing
Update Probation Officer and Deputy Clerk manuals which will include step by step guides for all duties in Traffic Court.	Ongoing
Find additional Community Service agencies that will work with our court, as well as identifying areas for improvement that will increase our courts community service completion rates.	Delayed Due To Covid
Fully implement the electronic filing system offered by the Administrative Office of the Courts (AOC) of the Arkansas Supreme Court.	Delayed Due To Covid
Continue cross-training employees within their job types to allow for proper coverage when someone is out, as well as aide with the quick onboarding and training of new employees.	Delayed Due To Covid
Find educational and training opportunities for probation staff and deputy clerks to develop and fine tune needed skills. This could include the Supervisor Equivalency Training (SET) courses offered by the city as well as training courses or meetings required to obtain or maintain their certifications.	Ongoing
Migrate historical images from an outdated document management system to a more uniform system currently being used by the city.	Delayed Due To Covid
Continue working to determine best ways to address severely delinquent court obligations. Addressing this need will allow the court to clean up a large back log of unfinished cases.	Delayed Due To Covid



<b>2021 Department Goals</b>
<p>This Project is related to the Courts Building, not just 2nd Division. Replace the severely outdated Security Camera System for the District Courts Building. The current system is outdated and according to the current vendor they are not able to upgrade the system, replace old or add new cameras. The 2nd Division Court Administrator is the only one currently with full access to the system.</p>
<p>This Project is related to the Courts Building, not just 2nd Division. Replace the severely outdated Key Card Access System for the District Courts Building. The 2nd Division Court Administrator is the only one currently with full access to the system, including the ability to create/delete key card access to the courts building. The system is only accessible from one computer.</p>
<p>Fully implement the Electronic Filing System offered by the Administrative Office of the Courts (AOC). This system will be used by all three divisions of the court, it will allow attorneys to file documents with the court remotely and ultimately reduce the foot traffic in the courthouse. This will reduce the amount of incoming mail from attorneys' offices and streamline document filing processes for internal staff as well. The go live date for this system is March 1st.</p>
<p>This project affects all three courts. Migrate historical case file images from a document management system no longer being supported by the current vendor to the Laserfiche document management system, which has already been in use by the City. The export of images is 100% complete. The import of images is about 35% complete.</p>
<p>Implement the eCourtDate text reminder system. Utilizing this system will allow the court to remind defendants of upcoming court dates which will in turn reduce Failure to Appear rates. This system can also be used to remind defendants about payments due to the court, increasing collection rates, and reducing Failure to Pay Warrants.</p>
<p>Develop a plan to address the backlog of 2019-2020 that the court was not able to handle during the pandemic. Develop a plan of action to assist defendants quickly and effectively once the building is fully open to the public.</p>
<p>Continue to evaluate and modify court operations to better serve the public as well as make the court more efficient and effective. This include modifying our current court operations to include a "virtual Docket" option even after the city has fully opened to the public.</p>
<p>Find additional Community Service agencies that will work with our court, as well as identifying areas for improvement that will increase our courts community service completion rates.</p>
<p>Continue cross-training employees within their job types to allow for proper coverage when someone is out, as well as aide with the quick onboarding and training of new employees.</p>
<p>Find educational and training opportunities for probation staff and deputy clerks that will allow them to cultivate their professional skills.</p>



<b>2021 Department Goals (Continued)</b>
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Continue working to determine best ways to address severely delinquent court obligations. Addressing this need will allow the court to clean up a large back log of unfinished cases.
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Update Probation Officer and Deputy Clerk manuals which will include step by step guides for all duties in Traffic Court.
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District Court Second Division

**Department:** District Court Traffic  
**Funding Source:** General Fund  
**Budget:** \$1,255,694

**Department Description:**

To direct the overall operation of the traffic court within established policies and laws; to provide management direction to staff; to ensure 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.

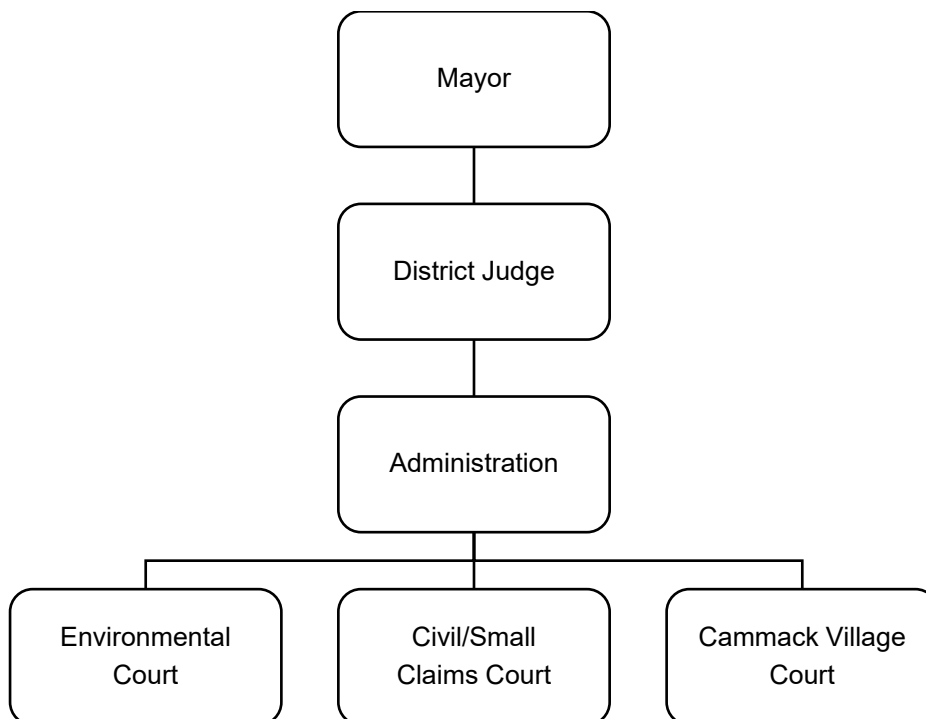
	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To enter violations into Contexte the same day received.			
<b>Demand:</b> Violations to be entered.	23,703	29,000	29,500
<b>Workload:</b> Violations entered and processed.	23,703	29,000	29,500
<b>Efficiency:</b> Violations entered and processed per month.	1,975	29,000	2,458
<b>Effect/Outcome:</b> Percentage of violations processed same day received.	95%	99%	99%
<b>Objective:</b> To update dispositions in Contexte within 24 hours.			
<b>Demand:</b> Violations to be disposed.	26,399	28,500	29,000
<b>Workload:</b> Violations disposed.	26,399	28,500	29,000
<b>Efficiency:</b> Violations disposed of per month.	26,399	2,375	2,417
<b>Effect/Outcome:</b> Percentage of dispositions processed within 24 hours.	95%	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:**

To provide impartial and timely adjudication and impose sanctions for code violations to ensure 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**

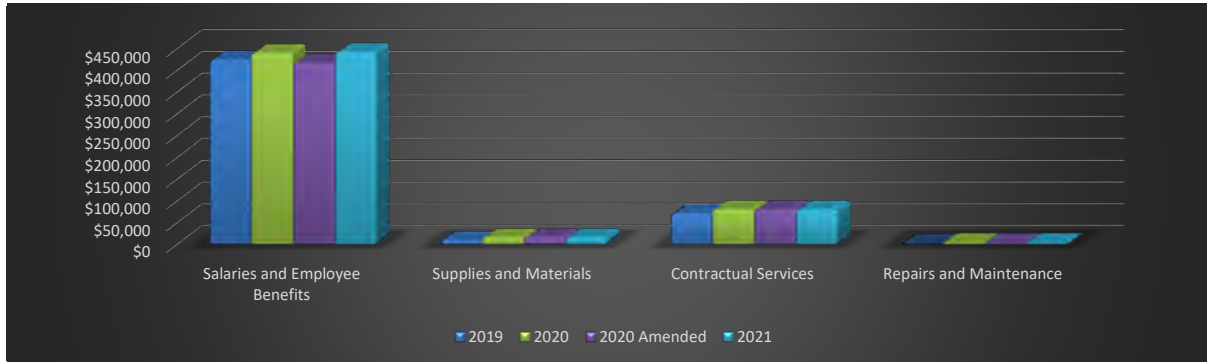
**Expenditure Budget**

Account Category	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$423,835	\$439,651	\$416,925	\$442,137
Supplies and Materials	8,896	15,463	15,463	15,463
Contractual Services	70,866	79,985	79,985	79,985
Repairs and Maintenance	240	2,000	2,000	2,000
<b>Total</b>	<b>\$503,837</b>	<b>\$537,099</b>	<b>\$514,373</b>	<b>\$539,585</b>

<b>Staffing</b>	7	7	7	7
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The \$2,486 increase in personnel cost from the Original 2020 Budget is associated with salary and benefit cost changes. In addition, the increase from the 2020 Amended Budget is attributed to the restoration of vacancy savings reductions, the 120-day reduction for non-essential part-time personnel, and the Health Insurance Holiday that were included in 2020 budget amendments.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$539,585	0.46%	4.90%



2020 Department Priorities	Status
Continue education in emergency awareness training for bailiff's and staff (active shooter, sovereign citizens, overt disruption resolution, etc.).	Ongoing
Increase the court's presence in the local school system through speaking engagements and probation officers making school visits. Implement teen court with the Pulaski County Special School District.	Ongoing
Obtain office space that will accommodate all staff in one building.	Not Completed
Provide fair and impartial rulings for all cases.	Ongoing
Further refine our probation department service for youth and code enforcement cases.	Ongoing
Transition our part-time Environmental Court Assistant position to full-time.	Not Completed
Find more resources for juvenile offenders.	Ongoing
Find more sentencing options for solicitation violators.	Ongoing
Purge civil/small claims files over ten years old.	In Progress

2021 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. Implement teen court with the Pulaski County Special School District and Little Rock School District.
Obtain office space that will accommodate all staff in one building.
Provide fair and impartial rulings for all cases.
Further refine our probation department service for youth and code enforcement cases.
Transition our part-time Environmental Court Assistant position to full-time.
Find more resources for juvenile offenders.
Find more sentencing options for solicitation violators.
Purge civil/small claims files over ten years old.



District Court Third Division

**Department:** District Court Environmental  
**Funding Source:** General Fund  
**Budget:** \$539,585

**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.

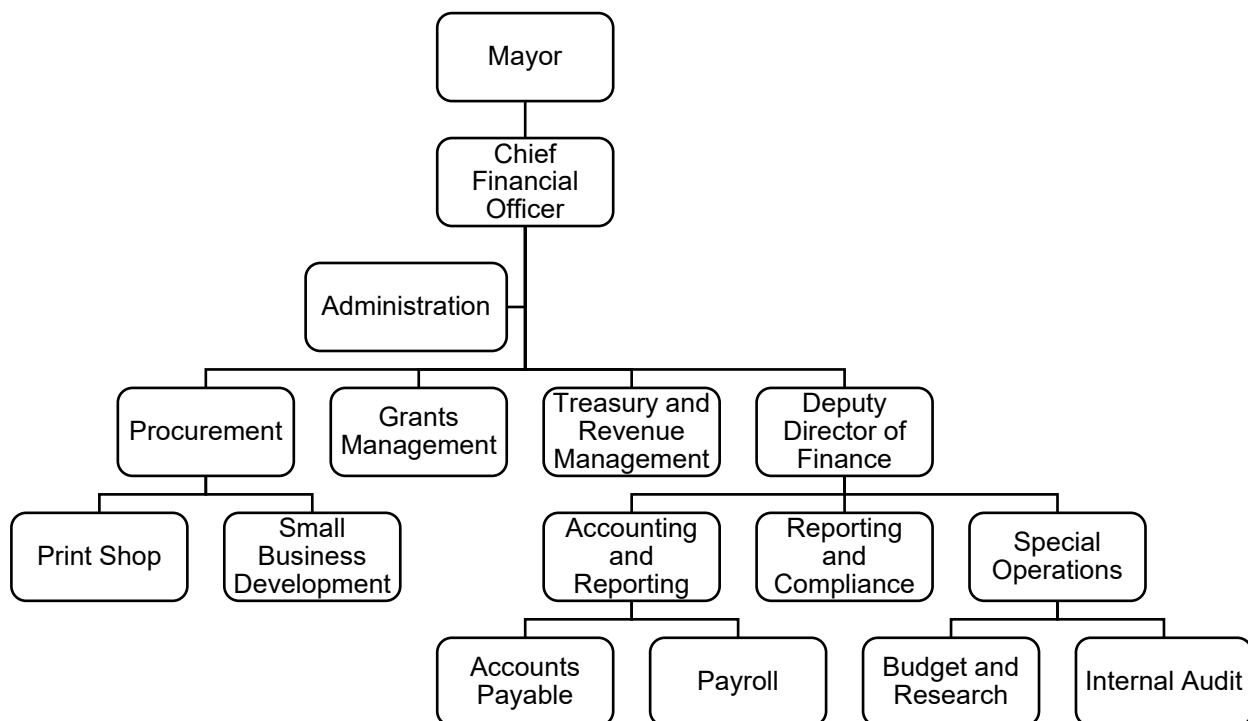
	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To process 100% of life-threatening violations within seven (7) days of the date citation is written.			
<b>Demand:</b> Violations to be processed.	9	5	10
<b>Workload:</b> Citations processed, recorded, and entered into computer.	9	5	10
<b>Efficiency:</b> Citations processed.	9	5	10
<b>Effect/Outcome:</b> Percentage of Citations processed within thirty (30) days.	100%	100%	100%
<b>Objective:</b> To enter citations into Contexte within 48 hours received.			
<b>Demand:</b> Citations to be entered.	1694	2,000	2,000
<b>Workload:</b> Citations entered and processed.	1694	2,000	2,000
<b>Efficiency:</b> Citations processed per month.	141	167	167
<b>Effect/Outcome:</b> Percentage of Citations processed within forty-eight (48) hours received.	100%	100%	100%

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





# Finance



**Mission:**

The Finance Department of the City of Little Rock is an accountable steward of residents' resources, committed to delivering the highest level of customer service to City Departments and the Community at large, in an innovative, ethical, and transparent manner.

**Vision:**

The Finance Department of the City of Little Rock strives to strengthen residents' confidence and trust by providing accessible, accurate, and timely financial information as well as promoting equitable engagement in opportunities for the public to provide goods and services to the City, while facilitating the overall goals and objectives of Executive Administration and the Board of Directors.

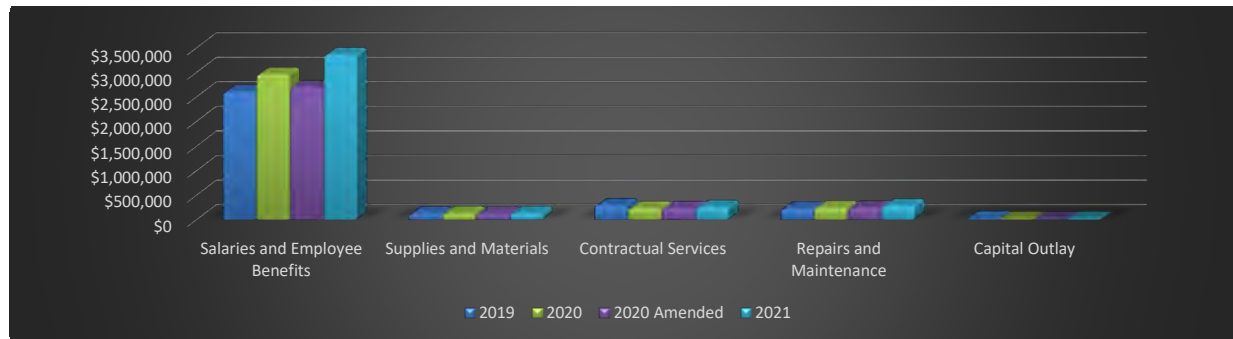
**Finance**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$2,603,264	\$2,963,806	\$2,702,694	\$3,368,952
Supplies and Materials	128,834	133,089	133,089	135,439
Contractual Services	297,204	241,251	241,251	260,891
Repairs and Maintenance	229,805	250,139	250,139	291,867
Capital Outlay	17,939	-	-	-
<b>Total</b>	<b>\$3,277,046</b>	<b>\$3,588,285</b>	<b>\$3,327,173</b>	<b>\$4,057,149</b>

<b>Staffing</b>	41	43	46	46
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The Finance Department 2021 Budget will increase \$468,864 from the 2020 Original Adopted Budget and \$729,976 from the 2020 Amended Budget. Approximately \$370,600 of the \$405,146 increase in 2021 personnel cost from the 2020 Original Budget is due to the addition of three (3) positions, including the Deputy Director - Finance Operations, Small Business Development Coordinator, and Senior Accountant, and to other salary adjustments associated with promotions, position reclassifications, and turnover. The remaining \$34,500 of the personnel increase is attributed to benefit cost increases. In addition, the change in personnel from the 2020 Amended Budget includes the restoration of (\$311,791) in vacancy savings reductions and Health Insurance Holiday savings included in 2020 budget amendments, partially offset by additional allocations of \$31,840 for vacation/sick payouts and the one-time lump sumo payment of \$500 per employee totaling approximately \$18,840. In addition there was a \$41,900 increase in software maintenance. Other increases are attributed to new Finance Divisions, including the Small and Minority Business Division and the Reporting and Compliance Division, and to training for staff on new GASB pronouncements, procurement, and debt compliance standards.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$4,057,149	13.07%	21.94%



Finance

2020 Department Priorities	Status
Finance will implement the new Comprehensive Annual Financial Reporting (Annual Report) software purchased in December 2019 for completion of the 2019 Annual Report and submit the report to the Government Finance Officers Association (GFOA) to obtain the Award for Excellence in Financial Reporting.	Completed
Finance Staff will complete preparation of the 2020 Budget Document and submit it to GFOA for the Distinguished Budget Presentation Award.	Completed
Finance will complete and file all required Legislative reports and continuing Debt Disclosure reports in a timely manner.	Completed
Finance will review and make necessary updates to the Financial Reporting and Financial Policies Ordinances to comply with the current practices and governmental accounting standards.	Ongoing
Finance will complete implementation of the INFOR Dynamic Enterprise Performance Management (dEPM) budget software.	Ongoing
Finance will provide support and quarterly reporting to the LR Cent Committee and the Board regarding the status of the 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.	Completed
Finance will coordinate with the Mayor, Board of Directors, and City Manager to plan and develop a balanced budget for 2021.	Ongoing
Finance will fill the Internal Audit Manager position and hire and accountant to document and manage the GASB 87 requirements for leased property.	Completed
Finance will coordinate with the Mayor, Board of Directors, and City Manager to evaluate, document, and facilitate plans for a permanent one (1)-cent sales tax to fund quality of life needs for the City, in lieu of renewal of the 3/8-cent tax that will expire at the end of 2021. Delayed due to the impact of COVID-19. This project will carry forward into 2021.	Delayed Due To Covid
Finance will develop a recurring training plan for Departments to include budget analysis, accounts payable processing, and expense reporting. Finance will also identify staffing needs to implement an ongoing training program.	Ongoing
Purchasing Division will complete the progress toward achieving the What Works Cities Silver Certification for the City's purchasing and contracting initiative.	Ongoing





Finance

2020 Department Priorities (Continued)	Status
Purchasing Division will expand the minority definition of the City to match that of the state, and work on policies and partnerships to make measurable progress toward achieving the goal of 25% minority participation in City contracts.	Ongoing
Purchasing Division will continue progress on streamlining the procurement process and implement the punch-out functionality of the Lawson requisition center to allow City's buyers to shop on our contracted vendors' websites through the Lawson ERP system in a single step.	Ongoing
Purchasing Division will continue to obtain economies of scale through contract management, analysis of spending trends, consolidation of purchases and volume savings, while taking care not to exclude Small, Minority, and Woman owned businesses.	Ongoing
Purchasing Division will continue to pursue options for an upgrade of the City's Print Shop equipment and services. Staff will focus on securing post print equipment and digitizing the print request process and billing processes. Additionally, Staff has identified a managed print solution for use at the City and will move forward with implementation once funding is secured.	Ongoing
Purchasing Division will establish a procurement training program for all City Departments and vendors, document the procurement process in a purchasing manual and update procurement policies as needed. <b>This effort has been paused pending system updates and process reengineering. This project will be moved to 2021.</b>	Other (Please Explain)
Treasury Management will continue enhancing its website to make it easier to navigate and access business license account information.	Completed
Based on the results of a wide ranging study completed by the University of Arkansas at Little Rock, Business Information Systems Department, Treasury Management will move toward licensing unlicensed businesses, registering unregistered rental properties and developing a one-stop website as a resource for future business owners seeking to begin a business in the City.	Ongoing
Grants Management Division will continue to aggressively pursue Federal, State, Local and private grant opportunities in alignment with the priorities of the Mayor and the Board of Directors.	Ongoing



Finance

2020 Department Priorities (Continued)	Status
Grants Management Division will continue the Grant Training Program on grant management and writing for all City Departments using a wide range of training modalities. Delayed due to the impact of COVID-19. This project will be moved to 2021.	Delayed Due To Covid
Grants Management Division will coordinate with Human Resources, Purchasing and Internal Audit to continue the annual Conflict of Interest reporting and Ethics Acknowledgement Statement for Mid-Managers and above, to comply with Internal Audit best practices and Uniform Grant Guidance (UGG) General Procurement Standards for employees and vendors required for federal awards. Continue to update the Grant Administration Manual as UGG is refined.	Ongoing
Internal Audit Division will prepare an Annual Audit Plan, continuing the shift to a proactive approach promoting impartial reviews and risk-based analysis processes and internal controls, and will continue to provide other audit services that result in objective recommendations and useful information for City Departments. <b>The Internal Audit Manager position remained unfilled for the majority of 2020. The risk assessment and Audit Plan based upon the 2020 budget dollars was suspended during the timeframe the position remained unfilled.</b>	Not Completed
Internal Audit Division will continue to perform periodic reviews and testing of the City's internal controls, perform random cash counts and provide regular reports regarding the status of the City's internal control system, with recommendations for improvements as needed.	Completed



Finance

<b>2021 Department Goals</b>
Finance will complete implementation of the new Comprehensive Annual Financial Reporting (Annual Report) Online software for completion of the 2020 Annual Report and submit the report to the Government Finance Officers Association (GFOA) to obtain the Award for Excellence in Financial Reporting.
Finance Staff will complete preparation of the 2021 Budget Document and submit it to GFOA for the Distinguished Budget Presentation Award.
Finance Staff will prepare for compliance with GFOA’s new standards for the Distinguished Budget Presentation Award for implementation during the 2022 budget preparation cycle.
Finance will complete and file all required Legislative reports and continuing Debt Disclosure reports in a timely manner.
Finance will complete necessary updates to the Financial Reporting and Financial Policies Ordinances to comply with the current practices and governmental accounting standards. Recommendations will be brought to the Board of Directors for consideration in 1st Quarter 2021.
Finance will complete implementation of the INFOR Dynamic Enterprise Performance Management (dEPM) budget software.
Finance will provide support and quarterly reporting to the LR Cent Committee and the Board regarding the status of the 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.
Finance will coordinate with the Mayor, Board of Directors, and City Manager to plan and develop a balanced budget for 2022.
Finance will fill the Senior Internal Auditor, the Senior Accountant – Reporting and Compliance, the Bond Accountant, and the Cash Accountant positions that are currently vacant as soon as possible. Finance will also fill the Senior Budget Analyst position upon implementation of the dEPM budget software.
Finance will coordinate with Departments to gather lease information, implement a lease policy, and begin the process of implementing GASB Statement No. 87, Leases. (GASB extended the deadline for implementation to fiscal years beginning after June 15, 2021 due to COVID-19. Therefore, the City must implement in 2022.)
Finance will coordinate with the Mayor, Board of Directors, and City Manager to evaluate, document, and facilitate plans for a new sales tax initiative or renewal of the 3/8-cent tax that will expire at the end of 2021.
Finance will continue development and implementation of a recurring training plan for Departments to include budget analysis, accounts payable processing, and expense reporting.



Finance

<b>2021 Department Goals (Continued)</b>
Payroll Division will implement ADP Payroll Services in order to provide online access to W2 and pay stub information for City of Little Rock employees, and to provide a pay-card solution for employees that do not have access to a bank account.
Finance Staff will review and update policies for employee travel, travel purchasing card use, and employee uniform purchases.
Purchasing Division will complete the remaining Results Driven Contracting requirements from What Works Cities.
Purchasing Division will expand the minority definition of the City to match that of the state, and work on policies and partnerships to make measurable progress toward achieving the goal of 25% minority participation in City contracts. Additionally, staff will establish a training program for Small and Minority businesses and conduct a vendor trade show for outreach and recruitment of Small and Minority businesses. The Small Business Development Office will partner with the Clinton School of Public Service to research best practices for increasing minority spending and will obtain certification from American Contract Compliance Association (ACCA) for the Small Business Development office.
Purchasing Division will pursue the Achievement of Excellence in Procurement Award from the National Procurement Institute, Inc (NPI). NPI established a program designed to recognize organizational excellence in public procurement. The Achievement of Excellence in Procurement® (AEP) is awarded annually. This prestigious award is earned by those organizations that demonstrate excellence by obtaining a high score based on standardized criteria. The criteria are designed to measure innovation, professionalism, productivity, e-procurement, and leadership attributes of the procurement organization.
Purchasing Division will continue progress on streamlining the procurement process and implement the punch-out functionality of the Lawson requisition center to allow City's buyers to shop on our contracted vendors' websites through the Lawson ERP system in a single step.
Purchasing Division will continue to obtain economies of scale through contract management, analysis of spending trends, consolidation of purchases and volume savings, while taking care not to exclude Small, Minority, and Woman owned businesses.
Purchasing Division will continue to pursue options for an upgrade of the City's Print Shop equipment and services. Staff will focus on securing post print equipment and digitizing the print request process and billing processes. Additionally, Staff has identified a managed print solution for use at the City, and will move forward with implementation once funding is secured.
Purchasing Division will establish a procurement training program for all City Departments and vendors, document the procurement process in a purchasing manual and update procurement policies as needed.



<b>2021 Department Goals (Continued)</b>
Treasury Management will continue enhancing its website to make it easier to navigate and access business license account information. The Little Rock Business Portal project has expanded into the Mayor’s Small Business Portal project. The Treasury Management Business Portal portion is to provide a one-stop website as a resource for future and existing business entrepreneurs who desire to open up their own business. The portal will consist of four phases: In 2021, Phase 2 will be implemented which consists of the “launch” of the business which will involve obtaining the necessary permits, approvals and other requirements from the various agencies of municipal, county and state government, with links to each.
Based on the results of a wide ranging study completed by the University of Arkansas at Little Rock, Business Information Systems Department, UALR students provided potential rental registration properties derived from Zillow Realtor and the Pulaski County Assessor’s database of properties not listed as “Homestead”. The students identified approximately 25,000 potential rental properties. Treasury staff has completed the review of approximately 13,000 listings and will finalize the remaining listings in 2021.
Treasury Management will work closely with the IT Department to add the online link for the approximately 200 Neighborhood Associations to either add/subtract potential registered properties. The link should be operational in the 1st quarter of 2021.
Treasury Management will collaborate with the three district courts and identify a method to notify each defendant who receives a warrant. This will inform defendants of warrants and increase collection of outstanding warrants.
Treasury Management will research Arkansas law that allows a government to “set off” a defendant’s income tax refund for settlement of outstanding court fines and fees.
Grants Management Division will continue to aggressively pursue Federal, State, Local and private grant opportunities in alignment with the priorities of the Mayor and the Board of Directors. Priority will also be given for grant reimbursement and a report of any outstanding receivables will be provided monthly.
Grants Management Division will continue the Grant Training Program on grant management and writing for all City Departments using a wide range of training modalities, including implementation into NEOgov's training platform.
Grants Management Division will continue to update the Grant Administration Manual as UGG is refined.
Grants Management Division will increase data transparency by providing data on grants for the Open Data Portal and publish the Grants Administration Manual on the Grant Division's page on the City's website.
Grants Management Division will automate the process with Grant Management (project management) software to effectively track and monitor progress toward planned program objectives and benchmarks specified in the grant.



**2021 Department Goals (Continued)**

Internal Audit Division will prepare an Annual Audit Plan, continuing the shift to a proactive approach promoting impartial reviews and risk-based analysis processes and internal controls, and will continue to provide other audit services that result in objective recommendations and useful information for City Departments.

Internal Audit Division will continue to perform periodic reviews and testing of the City's internal controls, perform random cash counts and provide regular reports regarding the status of the City's internal control system, with recommendations for improvements as needed.



Finance

**Department:** Finance  
**Funding Source:** General Fund  
**Budget:** \$4,057,149

**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 Executive Administration and other departments on financial issues. Monthly financial reports are distributed to the Board of Directors and posted to the City's web site for transparency to citizens and other interested parties.

	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To monitor compliance with the annual adopted budget.			
<b>Demand:</b> To prepare consolidated monthly variance reports for department variances > \$50,000 and 5% of budget.	12	12	12
<b>Workload:</b> Prepared consolidated monthly variance reports for department variances > \$50,000 and 5% of budget.	12	12	12
<b>Efficiency:</b> Consolidated variance reports prepared monthly.	1	1	1
<b>Effect/Outcome:</b> Percentage of consolidated monthly variance reports for department variances > \$50,000 and 5% of budget completed.	100%	100%	100%
<b>Objective:</b> To provide accurate and efficient accounting and reporting for all public funds received for the City and maintained by the Finance Department.			
<b>Demand:</b> Number of journal entries to be processed and completed.	1,633	1,500	1,500
<b>Workload:</b> Number of journal entries processed and completed.	1,633	1,500	1,500
<b>Efficiency:</b> Average number of journal entries processed and reviewed per month.	136	125	125
<b>Effect/Outcome:</b> Percentage of journal entries completed per year.	100%	100%	100%
<b>Objective:</b> To provide accurate and timely payment of all invoices properly submitted according to policy and procedure guidelines. Payments should be issued within 30 days.			
<b>Demand:</b> Number of invoices to be processed and recorded.	70,438	75,000	65,000
<b>Workload:</b> Number of invoices processed, recorded, and completed.	70,438	75,000	65,000
<b>Efficiency:</b> Number of invoices processed per hour.	34	36	31
<b>Effect/Outcome:</b> Percentage of invoice payments issued within 30 days.	96%	95%	95%



Finance

	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To provide and maintain a systematic method of accounting for and controlling City's assets.			
<b>Demand:</b> Number of departmental annual asset inventory counts scheduled.	41	41	41
<b>Workload:</b> Number of addition, retirement, and depreciation, transfer, and adjustment transactions processed.	41,879	25,000	30,000
<b>Efficiency:</b> Number of departmental asset inventory counts completed.	41	41	41
<b>Efficiency:</b> Transactions processed per month.	3,490	2,000	2,500
<b>Effect/Outcome:</b> Percentage of departmental annual asset inventory counts conducted.	100%	100%	100%

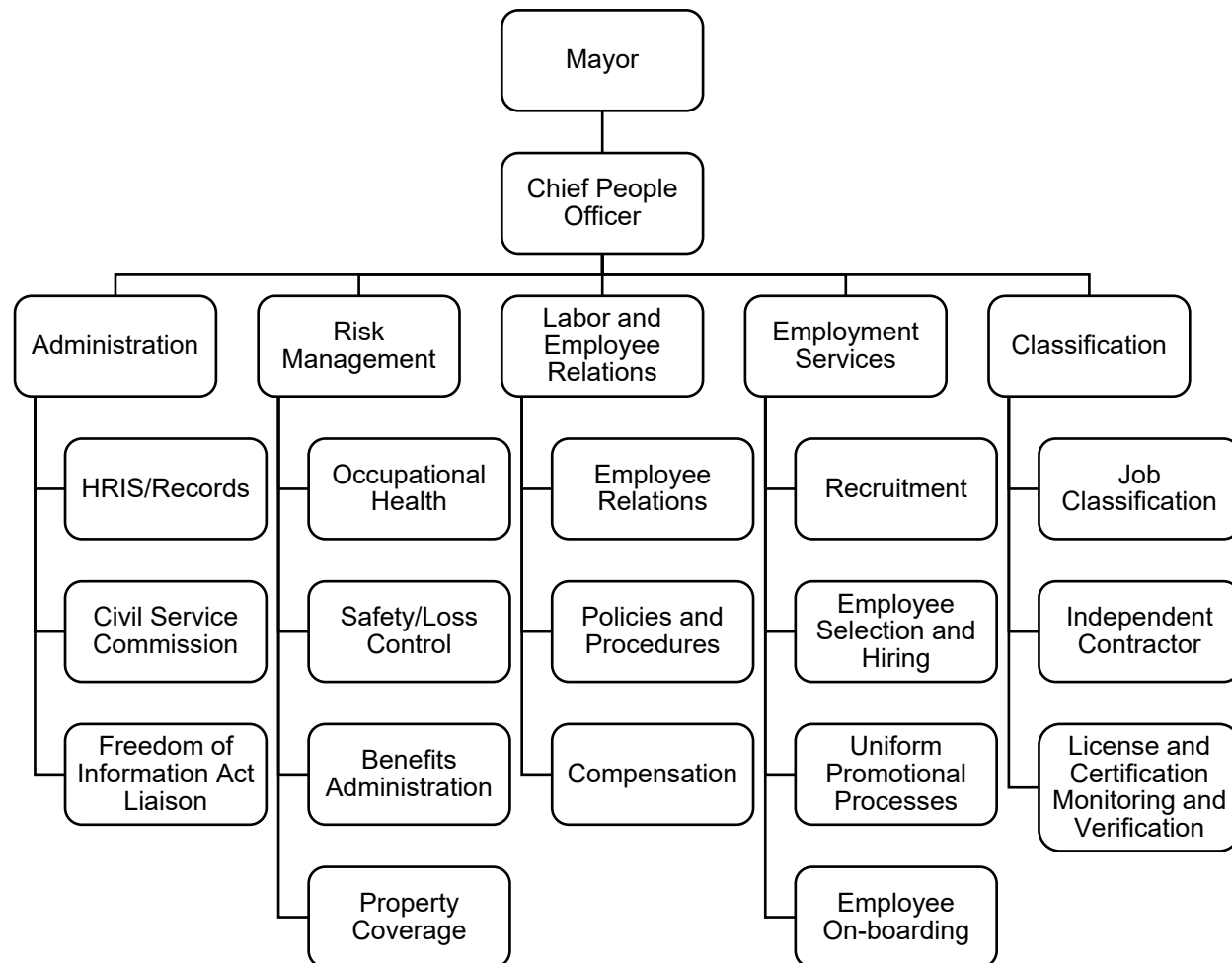
The departmental goals and objectives link with the **Statement of Management Policy for Financial Reporting.**







# Human Resources



**Mission:**

The Department of Human Resources will consistently provide training, support, and education to employees through collaboration and ensuring quality customer service is provided to employees and residents.

**Vision:**

The Department of Human Resources will function as a strategic partner with all City Departments, ensuring the City’s workforce is engaged, motivated, and productive, thus enabling Departments to provide high quality service to our residents.

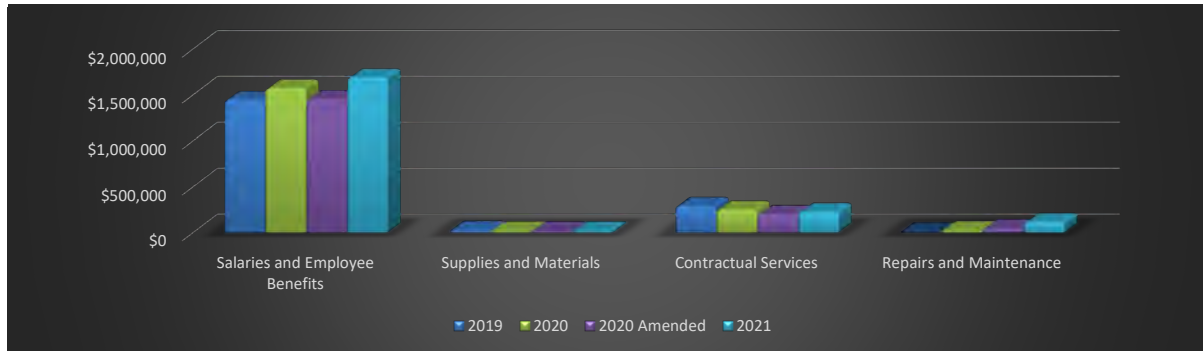
**Human Resources**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$1,444,099	\$1,570,969	\$1,454,478	\$1,689,588
Supplies and Materials	25,366	17,200	17,200	17,200
Contractual Services	291,315	252,447	202,447	227,447
Repairs and Maintenance	1,650	20,250	45,250	116,804
<b>Total</b>	<b>\$1,762,430</b>	<b>\$1,860,866</b>	<b>\$1,719,375</b>	<b>\$2,051,039</b>

<b>Staffing</b>	22	22	24	25
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The Human Resources 2021 Budget will increase \$190,173 from the 2020 Adopted Budget and \$331,664 from the 2020 Amended Budget. Approximately \$100,433 of the 2021 personnel cost increase from the 2020 Original Budget is attributed to the two (2) new FOIA positions and other salary adjustments due to turnover. The remaining \$18,186 increase is associated with benefit cost increases. In addition, the increase from the 2020 Amended Budget includes the restoration of (\$124,707) in reductions for vacancy savings, the 120-day reduction for non-essential part-time personnel (\$9,269) and Health Insurance Holiday savings (\$7,498) included in the budget amendments, partially offset by additional allocations for vacation/sick leave payouts \$17,447 and a one-time lump sum payment of \$500 per employee totaling \$7,535. The increase of \$96,554 in the maintenance budget is associated with the new LEARN training platform and software for hiring and on-boarding of personnel. The increases are partially offset by a \$25,000 reduction to contract cost.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$2,051,039	10.22%	19.29%



Human Resources

2020 Department Priorities	Status
Implement On-boarding software.	Completed
Research turnover rates and provide proactive retention strategies.	Ongoing
Expand training programs.	Completed
Research options to implement workflow products that streamline approval processes.	Ongoing
Perform City wide audit of time records in accordance with the Fair Labor Standards Act.	Ongoing
Implement Self-Insured Health Insurance Product if financially feasible.	Completed

2021 Department Goals
Conduct audit of all Fair Labor Standards Act (FLSA) exempt classifications.
Update all desk manual/procedures for all functions in the Department.
Implement City-wide safety program.
Implement Off Boarding Portion of the On Boarding Module for separating employees.
Continue to expand and offer training opportunities for employees using the Learning Management System: LEARN.
Review Service Measures and update as needed.
Review the Continuity of Operations Plan and update all the COVID-19 Policies for including in the Administrative Policies and Procedures Manual.
Review datasets for possible posting on open data portal.



Human Resources

**Department:** Human Resources  
**Funding Source:** General Fund  
**Budget:** \$1,689,588

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



	<u>2019 Actual</u>	<u>2020 Budget</u>	<u>2021 Budget</u>
<b>Objective:</b> To administer benefit programs provided for city employees, including insurance coverage and to ensure that quality benefits are provided within financial and legal constraints.			
<b>Demand:</b> Total Enrollment meetings.	12	20	35
<b>Workload:</b> Number of enrollment meetings conducted.	12	29	35
<b>Efficiency:</b> Completed enrollment meeting materials by contract/payroll deadlines.	100%	100%	100%
<b>Effect/Outcome:</b> Percentage of enrollment materials completed by payroll and Contract targets.	100%	100%	100%
<b>Objective:</b> To develop and maintain job descriptions and specifications, review classification requests, and determine Fair Labor Standards Act (FLSA) exemption status.			
<b>Demand:</b> Number of active job classifications.	476	482	464
<b>Workload:</b> Number of classifications requests or new position requests per year (includes LRCVB).	345	362	500
<b>Efficiency:</b> Complete research and submit completed documents for review by requesting department within 60 days.	23	60	60
<b>Effect/Outcome:</b> Average number of days to complete research and submit proposed job descriptions/specification.	23	60	60
<b>Objective:</b> To review services provided by sole proprietors and individuals for City Departments to determine appropriate classification as employee or independent contractor.			
<b>Demand:</b> Total number of services reviewed to determine appropriate classification as employee or independent contractor.	125	150	150
<b>Workload:</b> Number of services reviewed to determine appropriate classification as employee or independent contractor.	125	150	150
<b>Efficiency:</b> Completed review of services to determine appropriate classification.	100%	100%	100%
<b>Effect/Outcome:</b> Percentage of services reviewed to determine appropriate classification.	100%	100%	100%
<b>Objective:</b> To administer the driver's license verification and monitoring program for city employees.			
<b>Demand:</b> Total Number license verifications.	2075	2,075	2075
<b>Workload:</b> Number of license verifications.	2075	2,075	2075
<b>Efficiency:</b> Completed bi-annual driver's license verifications.	100%	100%	100%
<b>Effect/Outcome:</b> Percentage of bi-annual driver's license verifications completed.	100%	100%	100%



Human Resources

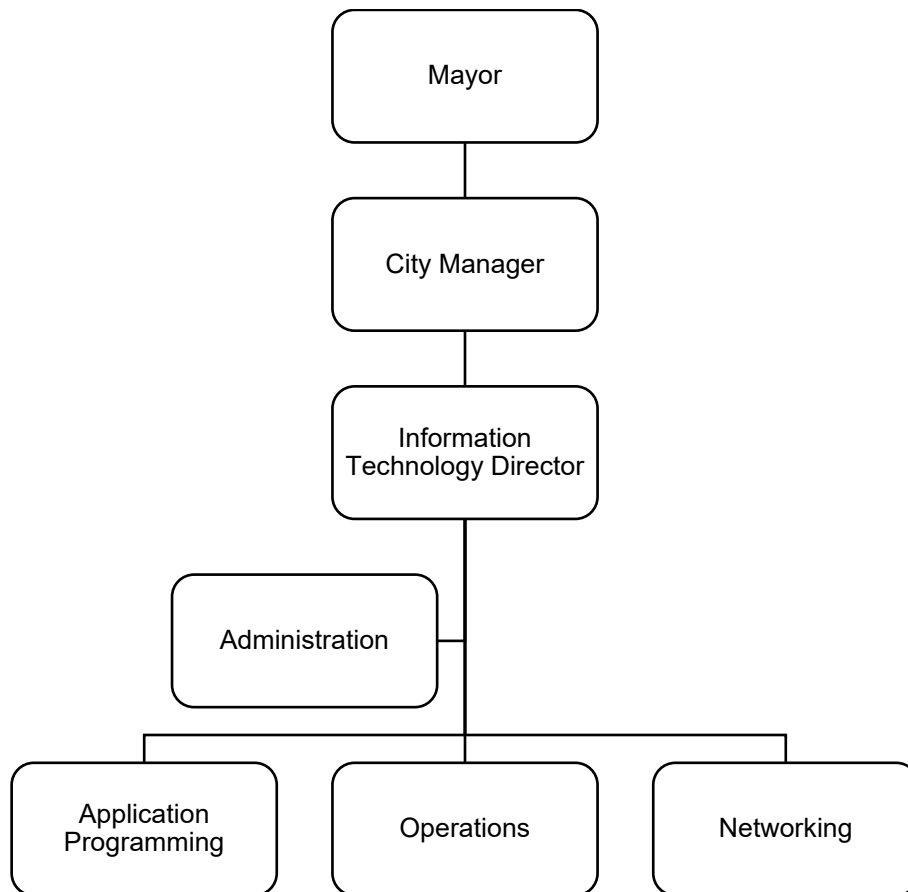
	2019 <u>Actual</u>	2020 <u>Budget</u>	2021 <u>Budget</u>
<p><b>Objective:</b> To receive, process and maintain applications and related documents for all City Positions; to recruit applicants for all City positions needed (including Civil Service, non-Civil Service, and Part-time positions).</p>			
<p><b>Demand:</b> The average number of days required to announce, screen/test and refer applicants.</p>	13	12	15
<p><b>Workload:</b> The number of actual positions which were processed (i.e. posted, screened/tested, and referred).</p>	300	300	350
<p><b>Efficiency:</b> Number of all applicants for that year</p>	19,000	19,000	17,500
<p><b>Effect/Outcome:</b> Average number of days to submit/refer a list (from the receipt of a requisition to the referral of a list).</p>	13	12	15
<p><b>Objective:</b> Provide a cost-effective self-funded Workers' Compensation program which meets legal requirements and to reduce the City's risk of loss due to accidents.</p>			
<p><b>Demand:</b> Year to date cost per claim.</p>	\$3,921	\$7,693	\$7,693
<p><b>Workload:</b> Number of claims.</p>	318	325	340
<p><b>Efficiency:</b> Percentage of claims properly reported to the Workers' Compensation Commission within the ten (10) day requirement.</p>	100%	100%	100%
<p><b>Effect/Outcome:</b> Proper claim management driven by on time reporting percentages.</p>	100%	100%	100%
<p><b>Objective:</b> Ensure that City property is protected and restored in the event of casualty, vandalism, theft, or other destructive acts and to minimize the impact of loss of property on the operating department responsible for the property.</p>			
<p><b>Demand:</b> Approximate building valuation (in millions).</p>	514	514	519
<p><b>Workload:</b> Actual Value.</p>	514	518	519
<p><b>Efficiency:</b> Maintain or improve coverage without unnecessary increase in premium rates.</p>	1%	15%	25%
<p><b>Effect/Outcome:</b> Percent increase in premium rates.</p>	1%	30%	25%

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



# Information Technology



**Mission:**

The mission of the City of Little Rock’s Information Technology Department is to support the City of Little Rock, by providing leadership and knowledge to staff in the appropriate application of technology, and to provide an efficient and reliable infrastructure for voice and data communication to enable City officials, staff and employees to deliver the highest level of service to the Residents of Little Rock.

**Vision:**

The City of Little Rock Departments, and the Residents of Little Rock, will have updated and accessible technology services. IT will provide accurate and timely information, where and when Departments and Residents need it and in the format that is most useful, concise, and transparent.

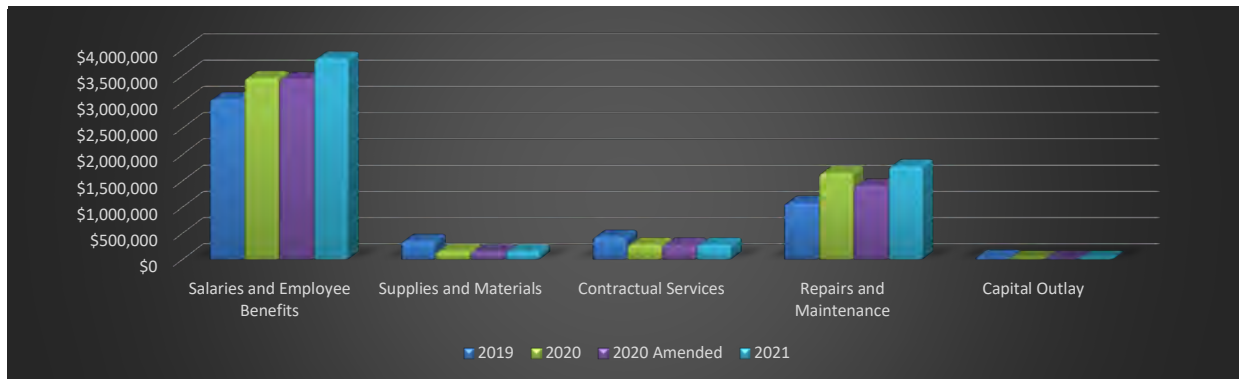
**Information Technology**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$3,052,303	\$3,457,993	\$3,435,894	\$3,829,446
Supplies and Materials	353,414	153,880	152,215	153,214
Contractual Services	428,545	280,990	280,990	280,990
Repairs and Maintenance	1,076,909	1,645,632	1,405,632	1,775,690
Capital Outlay	36,842	-	-	-
<b>Total</b>	<b>\$4,948,012</b>	<b>\$5,538,495</b>	<b>\$5,274,731</b>	<b>\$6,039,340</b>

<b>Staffing</b>	39	39	39	41
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The Information Technology 2021 Budget will increase \$500,845 from the 2020 Adopted Budget and \$764,609 from the 2020 Amended Budget. Approximately \$333,130 of the 2021 personnel cost increase from the 2020 Adopted Budget is attributed to the two (2) new Business Applications Analyst positions and other position reclassifications and salary adjustments due to turnover. The remainder of the \$371,453 increase from the 2020 Adopted Budget is associated with benefit cost increases. In addition, the increase from the 2020 Amended Budget includes the restoration of the reduction of (\$17,016) Health Insurance Holiday savings and the reclassification of (\$60,000) from the personnel budget to transfers out to fund an Information Technology project, partially offset by additional allocations of \$36,616 for vacation/sick payouts and \$18,300 for one-time lump sum payments of \$500 per employee included in the amendments. Maintenance cost will increase from the 2020 Adopted Budget by \$130,058 primarily due to software and technology implemented for teleworking due to the COVID-19 pandemic. The 2020 Amended Budget includes the reclassification of \$240,000 from the Maintenance Budget to transfers out to fund an Information Technology project in 2021.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$6,039,340	9.04%	14.50%



Information Technology

2020 Department Priorities	Status
Upgrade and replace the City's core network equipment to ensure the reliability of network communications for all City staff and systems; if funding is available.	Delayed Due To Covid
Upgrade and replace remaining portions of the City's existing phone system to the Voice-Over Internet Protocol (VoIP) Phone System (12th Street Police Sub-station).	In Progress
Research the feasibility of adding a barcoding system for the tracking of all technology assets.	Ongoing
Assist LRPD and LRFD with the implementation of the new Computer Aid Dispatch (CAD) system including various interfaces.	Completed
Provide technical support to the Fleet Department on the implementation of the Enterprise Asset Management system (EAM).	In Progress
Complete the Information Technology firewall upgrade and implementation of the Checkpoint Uniform Resource Locator (URL) filtering.	In Progress
Complete installation and integration of the back-up and recovery system.	Completed
Implement a two-factor authentication for all end-users.	Completed
Complete desktop builds for virtual desktop infrastructure (VDI) environment.	Completed
Upgrade to the PSIGEN document management software formally known as Cabinet.	In Progress
Upgrade all desktops, clients, and servers to the Windows 10 operating system.	In Progress
Educate essential Information Technology personnel on the current anti-virus software.	Completed
Upgrade the Environmental Systems Research Institute (ESRI) Geographic Information System environment. (GIS)	Completed
Complete the website refresh and integration of digital forms.	In Progress
Continue to provide technical support and upgrades for the Dynamic Enterprise Performance Management (d/EPM) financial budget module.	In Progress
Continue to provide support for the Community Development and Regulatory (CDR) on-line portal.	Completed
Review of existing Little Rock Police Department's Records Management System (RMS) for enhancements.	Completed





<b>2021 Department Goals</b>
Upgrade and replace the City's core network equipment to ensure the reliability of network communications for all City staff and systems; if funding is available.
Upgrade and replace remaining portions of the City's existing phone system to the Voice-Over Internet Protocol (VoIP) Phone System (12th Street Police Sub-station).
Research the feasibility of adding a barcoding system for the tracking of all technology assets.
Provide technical support to the Fleet Department on the implementation of the Enterprise Asset Management system (EAM).
Complete the Information Technology firewall upgrade and implementation of the Checkpoint Uniform Resource Locator (URL) filtering.
Upgrade to the PSIGEN document management software formally known as Cabinet.
Upgrade all desktops, clients, and servers to the Windows 10 operating system.
Complete the website refresh and integration of digital forms.
Continue to provide technical support and upgrades for the Dynamic Enterprise Performance Management (d/EPM) financial budget module.
Implement VMware NSX.
Upgrade Domain Controllers
Continue to provide technical support and upgrades for the Dynamic Enterprise Performance Management (d/EPM) financial budget module.
Ensure (2)-Factor Authentication is in place for all end-users.
Complete installation of additional cameras for virtual usage.
Review the Little Rock Police Department's Records Management System for enhancements.
Replace existing Virtual Desktop Infrastructure (VDI) hardware - provide funding is available.
Replace the Uninterruptible Power Supply System for the Information Technology and 911 Building.



Information Technology

**Department:** Information Technology  
**Funding Source:** General Fund  
**Budget:** \$6,039,340

**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.

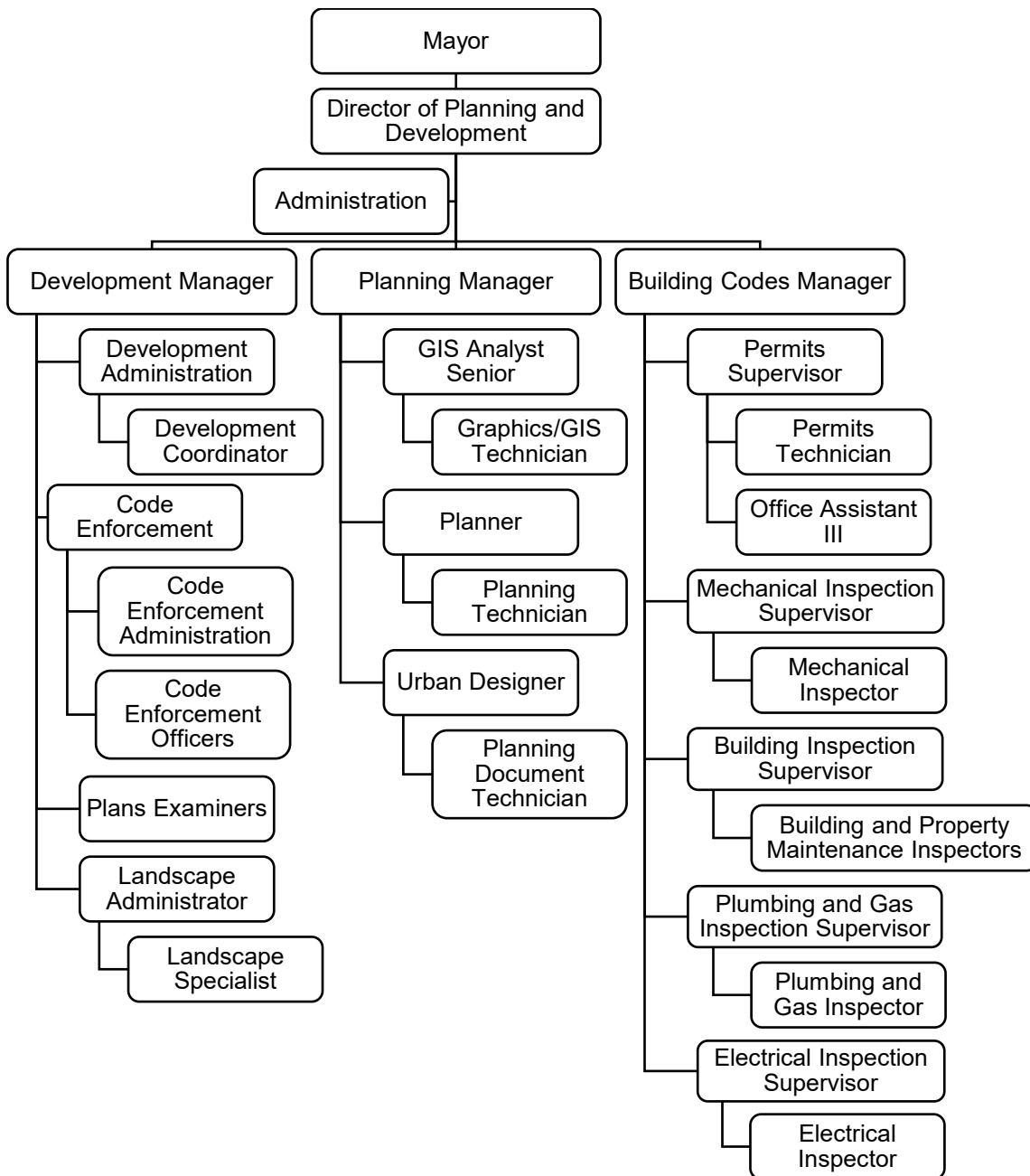
	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To ensure that the City's local area computer network is available 99% of the available work hours.			
<b>Demand:</b> Hours available in the work year.	8,760	8,784	8,760
<b>Workload:</b> Hours available for use per year.	8,760	8,784	8,760
<b>Efficiency:</b> Actual hours available for use per year.	8,672	8,696	8,672
<b>Effect/Outcome:</b> Percentage network is available during work hours.	99%	99%	99%
<b>Objective:</b> To ensure that 97% of the city staff trouble tickets receive a satisfactory or better rating.			
<b>Demand:</b> Number of trouble ticket per year.	15,914	8,300	13,000
<b>Workload:</b> Number of tickets processed within the year.	15,140	8,300	13,000
<b>Efficiency:</b> Number of satisfactory or better tickets.	15,125	8,247	12,870
<b>Effect/Outcome:</b> Percent of satisfactory or better rated tickets.	99%	99%	99%

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





# Planning and Development



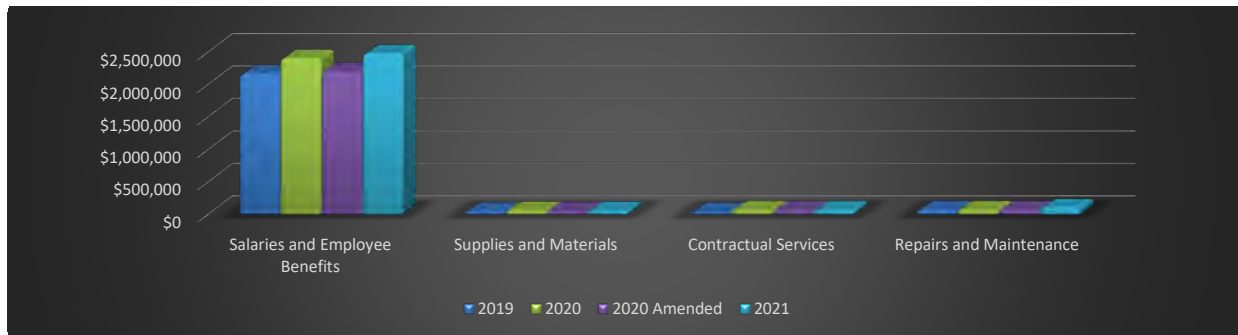
**Mission:**  
 To enhance the quality of life for the residents of Little Rock through exceptional service that encourages quality growth, development, redevelopment, and the stabilization of neighborhoods through an efficient and equitable effort of planning, land use controls, Historic Preservation, permitting, and enforcement.

**Planning and Development**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$2,163,078	\$2,404,035	\$2,206,786	\$2,480,001
Supplies and Materials	44,367	58,068	48,625	55,125
Contractual Services	34,185	68,910	68,910	68,910
Repairs and Maintenance	68,588	70,200	70,200	104,456
<b>Total</b>	<b>\$2,310,219</b>	<b>\$2,601,213</b>	<b>\$2,394,521</b>	<b>\$2,708,492</b>
<b>Staffing</b>	38	38	39	39

The Planning Department 2021 Budget will increase \$107,279 from the 2020 Adopted Budget and 313,971 from the 2020 Amended Budget. Approximately \$50,900 of the 2021 personnel cost increase from the 2020 Original Budget is attributed to one (1) new Development Manager position and other salary adjustments due to turnover. The remainder of the \$75,966 increase is associated with benefit cost increases. In addition, the personnel increase from the 2020 Amended Budget includes the restoration of (\$331,725) in vacancy savings reductions, the 120-day reduction for non-essential part-time personnel (\$10,556), and Health Insurance Holiday savings (\$15,386), net of additional allocations for vacation/sick payouts of \$146,423 and a one-time lump sum payment of \$500 per employee totaling \$13,995 included in the budget amendments. The Maintenance budget will increase \$34,256 from the 2020 Adopted Budget, the net of increased permitting software maintenance, partially offset by reduced fleet maintenance.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$2,708,492	4.12%	13.11%



2020 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.	In Progress
Convert the development application process outside of the building permit to an electronic submission and review.	Completed
Complete the conversion of the Zoning Division to the Development Division.	Completed
Start the process of a Master Plan for the areas of downtown, midtown, and southwest.	In Progress
Continue the effort to address the issue of unsafe structures.	In Progress
Revise the Master Street Plan and incorporate other modes of transportation including public, pedestrian, trails, etc. into a Master Transportation Plan.	In Progress
Review and process approximately 230 requests for rezoning, conditional uses, variances, preliminary plats, Tower Use Permits, street name changes and planned developments.	Completed

2021 Department Goals
Implement zoning codes to address short term rental within the city.
Revise the City of Little Rock Drainage Manual to current standards.
Start the process of providing a development plan for downtown, midtown, and the southwest area of the city.
Review and process approximately 230 requests for rezoning, conditional uses, variances, preliminary plats, Tower Use Permits, street name changes and planned developments.
Continue the effort to address the issue of unsafe structures.
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.



Planning and Development

**Department:** Planning and Development  
**Funding Source:** General Fund  
**Budget:** \$2,708,492

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

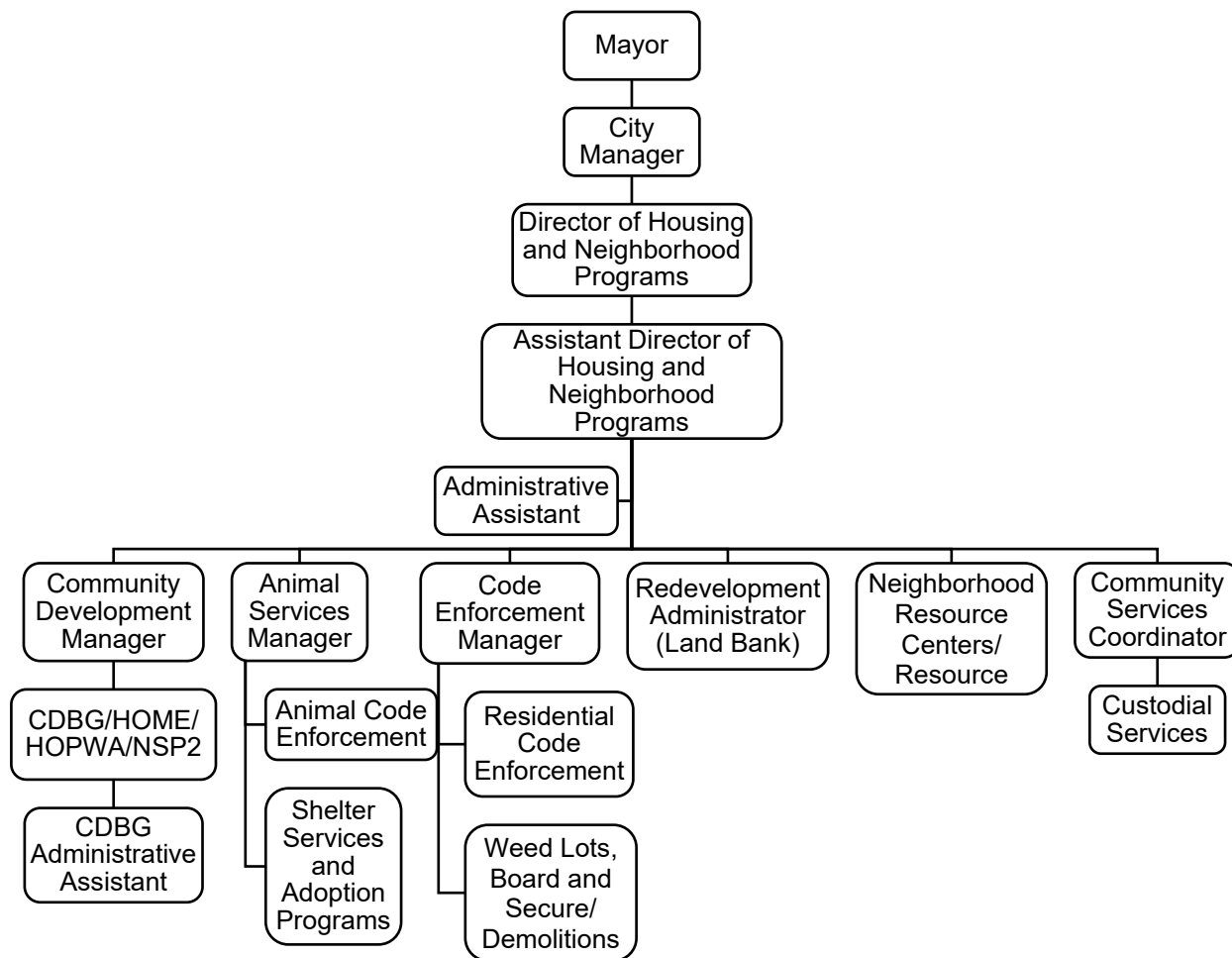
	2019 Actual	2020 Budget	2021 Budget
<b>Objective:</b> To process 95% of all applications within forty-five (45) days.			
<b>Demand:</b> Land Use, Historic District, and River Market District cases to be processed.	21	30	30
<b>Workload:</b> Land Use, Historic District, and River Market District cases processed.	21	30	30
<b>Efficiency:</b> Cases reviewed/completed per month.	1.75	2.5	2.5
<b>Effect/Outcome:</b> Completion of cases	100%	100%	100%
<b>Objective:</b> To process all inspection request within one (1) day.			
<b>Demand:</b> Building, Plumbing Mechanical, and Electrical inspection requests possible.	17,423	14,500	14,500
<b>Workload:</b> Building, Plumbing Mechanical, and Electrical inspection requests completed.	17,423	14,500	14,500
<b>Efficiency:</b> Inspection requests completed per year.	17,423	14,500	14,500
<b>Effect/Outcome:</b> Percentage of requests completed.	100%	100%	100%
<b>Objective:</b> To complete zoning, subdivision, and sign code enforcement inspections, and re-inspections within policy-directed time frames.			
<b>Demand:</b> Zoning, subdivision and sign code inspections and re-inspections to be completed.	8,982	8,900	8,900
<b>Workload:</b> Zoning, subdivision and sign code inspections, and re-inspections completed.	8,982	8,900	8,900
<b>Efficiency:</b> Cases processed per year.	8,982	8,900	8,900
<b>Effect/Outcome:</b> Compliance and completion of cases.	100%	100%	100%
<b>Objective:</b> To process 95% of all applications within forty-five (45) days of filing for Board of Adjustment and Planning Commission and within ninety (90) days of filing for final Board action.			
<b>Demand:</b> Processing of Conditional Use, Tower Use, Special Use, Variances, Preliminary or Final Plats, Planned Developments and Site Plan Reviews.	145	245	245
<b>Workload:</b> Total Cases available per year.	145	245	245
<b>Efficiency:</b> Cases processed per year.	145	245	245
<b>Effect/Outcome:</b> Compliance and completion of cases.	100%	100%	100%

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





# Housing and Neighborhood Programs



**Mission:**

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.

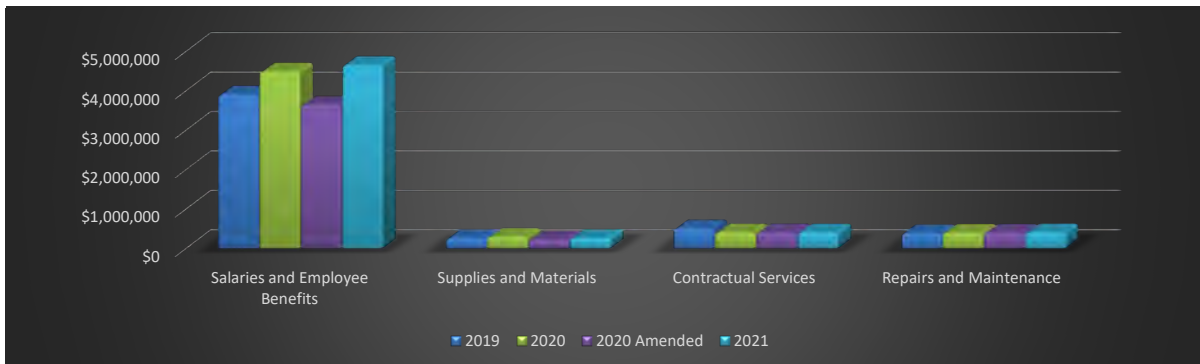
**Housing and Neighborhood Programs**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$3,898,627	\$4,482,921	\$3,639,086	\$4,650,453
Supplies and Materials	253,909	288,614	213,259	255,540
Contractual Services	504,287	401,900	401,900	401,900
Repairs and Maintenance	382,548	392,577	392,577	402,573
<b>Total</b>	<b>\$5,039,371</b>	<b>\$5,566,012</b>	<b>\$4,646,822</b>	<b>\$5,710,466</b>

<b>Staffing</b>	98	98	98	99
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The Housing and Neighborhood Programs 2021 Budget will increase \$144,454 from the 2020 Adopted Budget and \$1,063,644 from the 2020 Amended Budget. Approximately \$162,063 of the 2021 personnel cost increase from the 2020 Original Budget is attributed to the new position, an increase in minimum wage for part-time positions and other salary adjustments due to turnover. The remainder of the \$167,532 increase is associated with benefit cost changes. In addition, the increase from the 2020 Amended Budget includes the restoration of (\$871,039) in vacancy savings reductions, the 120-day reduction for non-essential part-time personnel (\$11,342), and Health Insurance Holiday savings (\$28,407), net of additional allocations for vacation/sick payouts \$35,195 and a one-time lump sum payment of \$500 per employee totaling \$31,758 included in the budget amendments. The Supplies and Materials Budget will decrease \$33,074 from the 2020 Adopted Budget due to reduced fuel cost. Repairs and Maintenance will increase approximately \$10,000 due to increased Fleet maintenance allocations.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$5,710,466	2.60%	22.89%





**Housing and Neighborhood Programs**

<b>2020 Department Priorities</b>	<b>Status</b>
Provide Internal Supervisory Training, Team Building and Customer Service Training.	Completed
The Community Development Division will hold its fourth annual Community Housing Resource Fair during Community Development week in April of 2020. This will allow citizens in the community to receive education on the housing resources available through the City of Little Rock Community Development Division and other service providers related to housing in Little Rock.	Delayed Due To Covid
Staff will continue to hold its annual contractor’s meeting in 2020 with construction industry updates and training. Staff is continuing to try and identify nonprofit organizations that meet HUD criteria to be certified as a Community Housing Development Organization (CHDO).	Completed
Staff to work with Community Programs and the various neighborhood associations regarding outreach for the Youth Master Plan.	Ongoing
Provide on-going 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.	Completed
Full implementation of the Code Enforcement Software Program to improve the ability to be more proactive and responsive.	Ongoing
Complete Mobile Home Training Class. Review SWOT (strength, weakness, opportunity & threats) analysis and present to staff. Increase efficiency, accountability, and job satisfaction of Code Enforcement Staff.	Ongoing



<b>2021 Department Goals</b>
Housing & Neighborhood Programs Staff Development: Provide Internal Supervisory Training, Team Building and Customer Service Training. Some trainings will occur virtually due to the Pandemic.
Community Resource Housing Fair: The Community Development Division will hold its annual Virtual Community Housing Resource Fair during Community Development week in April of 2021. This will allow citizens in the community to receive education on the housing resources available through the City of Little Rock Community Development Division and other service providers related to housing in Little Rock.
Outreach for Contractors and Community Housing Development Organization: Staff will start holding quarterly contractor’s meeting in 2021 instead of annually to keep up with the construction industry updates and training. Staff is continuing to try and identify nonprofit organizations that meet HUD criteria to be certified as a Community Housing Development Organization (CHDO).
Housing & Neighborhood Programs/Community Programs Partnership: Staff to work with Community Programs, Arkansas Workforce, and the various neighborhood associations regarding outreach for the Youth Master Plan.
Code Enforcement Officer Training: Provide on-going 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. Create a Code Enforcement Citizen Academy to educate the public. Conduct additional safety classes with LRPD to re-emphasize officer safety while in the field.
Schedule a minimum of two professional development training classes for officers.
Implement quarterly sessions to review policy & procedures.
Continue Code Enforcement Academy for newly hired officers.
Code Enforcement Software: Full implementation of the Code Enforcement Software Program to improve the ability to be more proactive and responsive; this includes upgrades to the 311 system.
Explore enhancement opportunities with Motorola for the mobile software that would improve efficiency.
Code Enforcement Staffing Improvements: Complete Mobile Home Training Class. Review SWOT (strength, weakness, opportunity & threats) analysis and present to staff. Increase efficiency, accountability, and job satisfaction of Code Enforcement Staff.
Explore approval to hire a dedicated Senior Code Officer-Rental Team.
Explore approval to hire a Supervisor- Code Enforcement Administration.
Fill the 6 vacant Code Enforcement Officers position.
HNP DIVISION PSA’S: Continue a series of Public Service Announcements (3) to highlight the various Divisions and Department programs and to focus on seasonal topics of most common issues.
Quiet Title Actions: Submit new properties, on an-needed basis, to City Attorney’s office or Title Company for Quiet Title Action to increase available properties in the Land Bank.



<b>2021 Department Goals (Continued)</b>
Lien Foreclosures: Initiate City lien foreclosure actions on five (5) properties through the City Attorney’s Office. Focus will be on property acquisitions within target areas established by staff and to cluster properties.
Development on Land Bank Property: Partner with the Community Development Division to build two (2) new constructions. Staff will continue to develop on Land Bank properties throughout the City. Staff goal is to develop two (2) units.
Marketing of Land Bank Property: Work with the new Realtor Services Provider to aggressively market Land Bank properties and create a new format to view properties on the City of Little Rock’s website.
Donated Properties: Aggressively work with the community and residents on securing donated properties to the Land Bank. Staff goal is to acquire five (5) donated units or lots.
Mobile Home Inspections: Fully implement the Mobile Home Inspection Program with a dedicated team. Update policy and procedures to include new inspection process due to Pandemic.
Fill the 1 vacant officer position during first quarter 2021.
Board and Secure Improvements: Continue to explore innovative methods for boarding & securing vacant properties utilizing our Secure View product.
Environmental Court Cases: Continue efforts to reduce the overall number of cases that remain in Environmental Court more that twelve (12) months. Staff will continue to meet with the City Attorney’s Office to discuss new strategies for year.
Recognition and Public Relations:
Housing & Neighborhood Programs Quarterly Newsletter: Continue to publish the quarterly newsletter to disseminate to neighborhood associations and on the City’s website.
Love Your Block Project of the Year Program: Hold an annual event to highlight projects funded by the Love Your Block Grants.
Information Kiosks in Resource Centers: Continue to conduct research regarding the various options of kiosks and/or workstations that would be most effective in the Neighborhood Resource Centers.
Housing & Neighborhood Division Public Service Announcements: Develop quarterly a series of public service announcements to highlight the various Divisions and Departmental programs and to focus on seasonal topics of most common issues.
Improve the overall image/profile of the Department: Promote success stories, programs, and activities in the community for recognition for the City.
Resource Specialist conduct two cleanups a year: Facilitate spring and fall community cleanups.
Special Projects: Each Resource Specialist implement three projects within their service delivery area.



<b>2021 Department Goals (Continued)</b>
Little Rock YouthBuild Initiative: Continue to partner with Little Rock Workforce Investment Board to provide training and to build a strong collaborative effort among youth service providers and other stakeholders, for addressing the needs of disadvantaged youth who have dropped out of school and have become disconnected from the traditional pathways for success. The YouthBuild Grant will help our community build better service delivery systems that will yield measurable outcomes and a meaningful future for our youth as they strive to transition to adulthood.
Development of Vacant Lots/Properties: Staffs goal is to develop six (6) new construction units on vacant lots throughout the city. Staff goal is also to acquire/rehab two (2) units in Ward 1 and one (1) unit Ward 2.
Small Business Emergency Assistance Program: Staff goal is to continue to provide up to \$5,000 in forgivable loans to small business affected by the Pandemic under the Community Development Block Grant.
Elderly Home Repair Program: Complete Ten (10) homes under the Elderly Home Repair Program.
Limited Home Repair Grant: Complete Thirty (20) homes under the Limited Home Repair Grant Program.
Emergency Assistance Grant: Complete twenty (30) homes under the Emergency Assistance Grant Program.
World Changers: Complete fifteen (15) homes under the World Changers activity during a 4-day period in the summer of 2021.
Wheelchair Ramps: Complete twelve (12) homes under the Wheelchair Ramps activity.
CHI St. Vincent Medical Center – East: Assist 4,500 low-income families through health and dental services provided at the Nathaniel W. Hill Complex.
Meals on Wheels – Carelink: Assist fifty-five (55) low-income elderly citizens through the Meals on Wheels Program provided through Carelink. This will depend on the amount of funding received by Carelink.
Additional Funding: Staff will continue to seek other funding sources to leverage with HOME and CDBG Funds in 2021 such as SNAP from the Federal Home Loan Bank of Dallas.
Targeted Neighborhood Enhancement Program: Research the development of a Targeted Neighborhood Enhancement Program (TNEP) to foster redevelopment and reinvestment in certain neighborhoods.
Little Rock Animal Village Pet License Database: Work to create a license reminder system that will print reminders, which will be sent to citizens who have purchased licenses from the Animal Village.
Continued Partnership with Rescue Waggin’: Coordinate with PetSmart to facilitate moving over 600 pets to new homes.
Animal Services Staffing: Fully staff and maintain a list of eligible applications to replace staff that leave for other positions or termination.



<b>2021 Department Goals (Continued)</b>
Potentially Dangerous Dog Enforcement: Increase attention with additional staffing or the Potentially Dangerous Dog Ordinance to include seizure warrants to impound those dogs that the owners fail to comply.
Environmental Court Cases: Train new staff quickly to start writing citations to increase the number of citations written for violations of the Animal Ordinance.
Little Rock Animal Village Volunteer Database: Work with IT to develop sign-in station at the Animal Village for the numerous volunteers who visit and assist the animals.
Little Rock Animal Village "Live Release Rate": Continue "Live release Rate" over 80%.
Continued Partnership with ASPCA: Coordinate with PetSmart to facilitate moving over 800 pets to new homes.



**Housing and Neighborhood Programs**

**Department:** Housing and Neighborhood Programs  
**Funding Source:** General Fund  
**Budget:** \$5,710,466

**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.

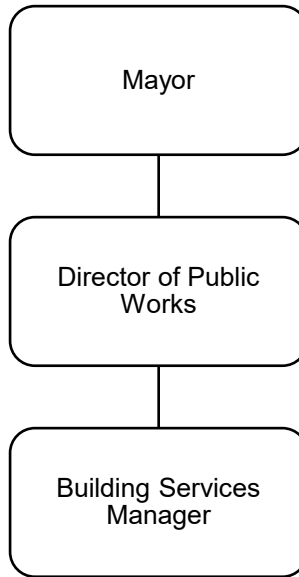
	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To enforce nuisance codes through property inspections.			
<b>Demand:</b> Nuisance code inspections to be performed.	24,000	30,000	30,000
<b>Workload:</b> Nuisance code inspections performed.	28,012	30,833	30,833
<b>Efficiency:</b> Average nuisance code inspections done per month.	2,334	2,569	2,569
<b>Effect/Outcome:</b> Percentage of nuisance code inspections completed annually.	117%	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.**






# Public Works General Fund



**Mission:**

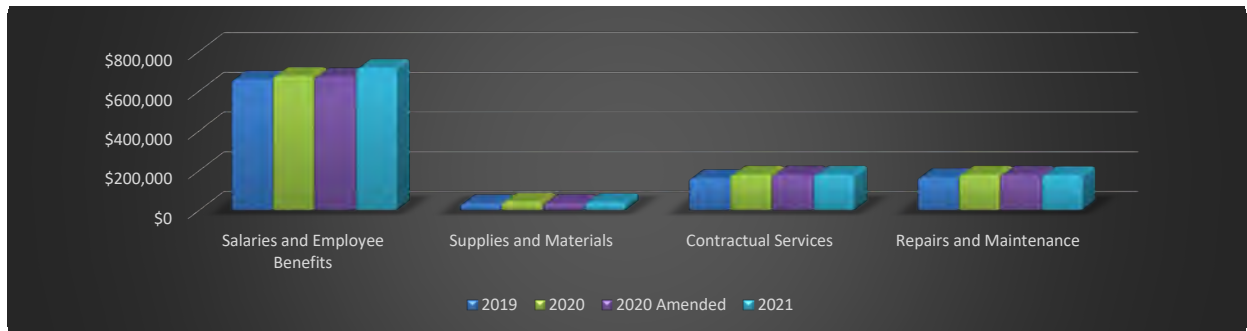
The Public Works department is dedicated to providing efficient and economical infrastructure and quality management of services for the residents of Little Rock in a professional manner.

**Public Works - General Fund**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$657,800	\$674,802	\$671,617	\$716,364
Supplies and Materials	33,816	41,720	35,833	39,448
Contractual Services	160,752	178,774	178,774	178,774
Repairs and Maintenance	166,607	178,811	178,811	176,371
<b>Total</b>	<b>\$1,018,975</b>	<b>\$1,074,107</b>	<b>\$1,065,035</b>	<b>\$1,110,957</b>
<b>Staffing</b>	12	12	12	12

The Public Works General Fund Budget is associated with Building Services. The 2021 Budget will increase \$36,850 from the 2020 Adopted Budget and \$45,922 from the 2020 Amended Budget. The increase in 2021 personnel cost of \$41,562 from the 2020 Original Budget is attributed to salary and benefit cost increases and position reclassifications. In addition, the increase from the 2020 Amended Budget includes the restoration of (\$3,933) in vacancy savings reductions and (\$4,635) in Health Insurance Holiday savings, partially offset by an additional allocation of approximately \$5,400 for a one-time lump sum payment of \$500 per employee included in the budget amendments. Other 2021 changes include a decrease in fuel cost and in Fleet maintenance allocations.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$1,110,957	3.43%	4.31%





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Public Works General Fund

<b>2020 Department Priorities</b>	<b>Status</b>
Continue to support maintenance and construction that will make buildings more energy efficient, less expensive to maintain and environmentally friendly.	Ongoing
Continue to install LED lights and motion sensors on lighting to conserve energy as funds become available.	Ongoing

<b>2021 Department Goals</b>
Continue to support maintenance and construction that will make buildings more energy efficient, less expensive to maintain and environmentally friendly.
Continue to install LED lights and motion sensors on lighting to conserve energy as funds become available.




**Public Works General Fund**

**Department:** Public Works  
**Funding Source:** General Fund  
**Budget:** \$1,110,957

**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.

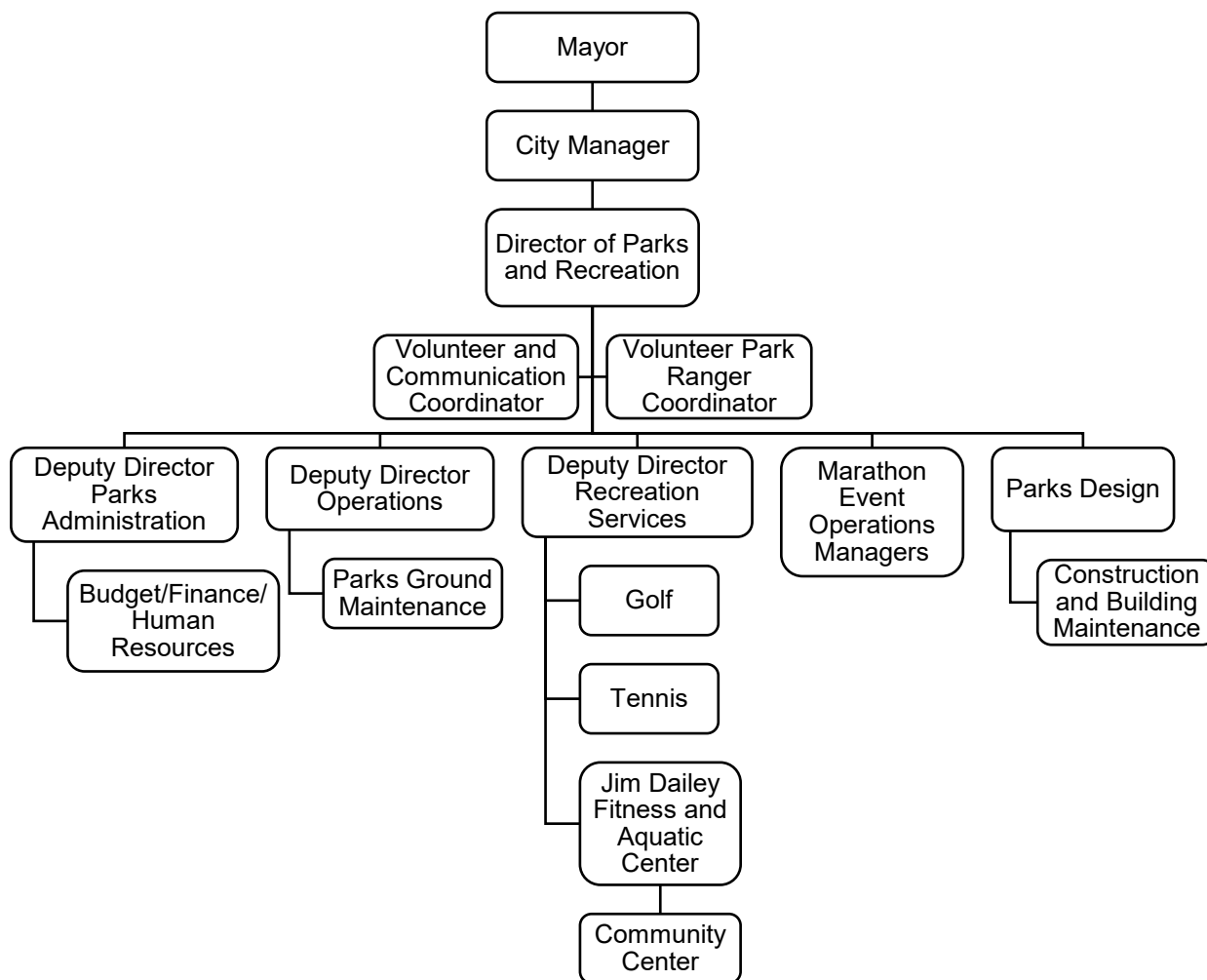
	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To complete all building-related service work orders in a timely fashion.			
<b>Demand:</b> Work orders to be completed from City departments.	2,550	2,768	2,800
<b>Workload:</b> Work orders completed.	2,550	2,768	2,800
<b>Efficiency:</b> Work orders completed per month.	212.50	230.66	233.33
<b>Effect/Outcome:</b> 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:**

Little Rock Parks and Recreation is dedicated to encouraging healthy lifestyles by providing quality recreation opportunities and access to exceptional park experiences in an efficient and equitable manner.

**Vision:**

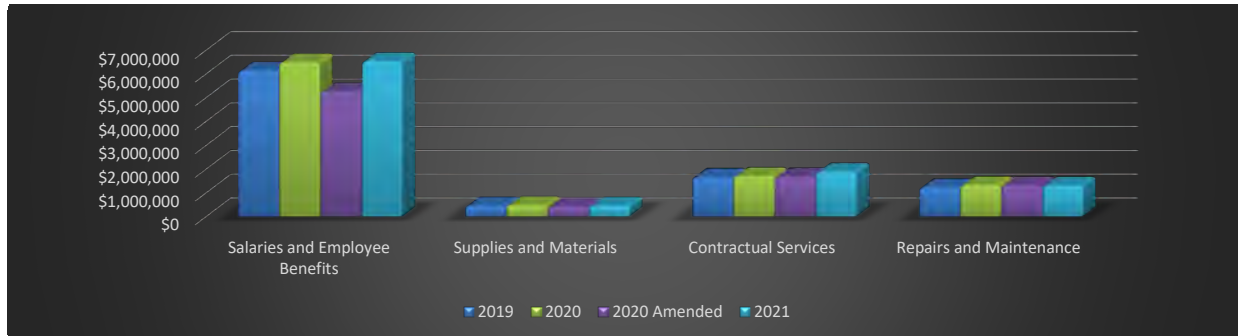
Creating a City in a Park through innovative recreational programming and vibrant park spaces which enhance the quality of life for all residents of Little Rock.

**Parks and Recreation**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$6,129,323	\$6,483,121	\$5,252,263	\$6,534,321
Supplies and Materials	455,556	481,427	417,316	452,347
Contractual Services	1,667,747	1,704,324	1,677,324	1,888,324
Repairs and Maintenance	1,229,109	1,326,105	1,326,105	1,306,736
Capital Outlay	11,196	-	-	-
<b>Total</b>	<b>\$9,492,931</b>	<b>\$9,994,977</b>	<b>\$8,673,008</b>	<b>\$10,181,728</b>
<b>Staffing</b>	106	106	106	106

The Parks 2021 Budget will increase \$186,761 from the 2020 Adopted Budget and \$1,508,720 from the 2020 Amended Budget. The increase in 2021 personnel cost of \$51,200 from the 2020 Original Budget includes AFSCME step and grade progression, and an increase in minimum wage for part-time employees, partially offset by a temporary reduction in part-time salaries during the first quarter of the year, due to the continued impact of COVID-19. In addition, the increase in personnel cost from the 2020 Amended Budget includes the restoration of (\$994,197) in vacancy savings reductions and Health Insurance Holiday savings (\$37,880), and (\$327,448) for the 120-day reduction for non-essential part-time personnel and temporarily suspended programs associated with COVID-19, partially offset by additional allocations of \$88,833 for vacation/sick payouts and \$39,834 for one-time lump sum payments of \$500 per employee included in the 2020 budget amendments. Fleet fuel and maintenance allocations will reduce the budget for Supplies and Materials and Maintenance by \$29,080 and \$19,369, respectively, and Maintenance expenditures for upgraded Wireless Internet services at Community Centers and Park Pavilions will increase \$184,000 due to technology improvements implemented to enhance residents' access to Internet for teleworking and remote school during the COVID-19 pandemic.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$10,181,728	1.87%	17.40%



**Parks and Recreation**

<b>2020 Department Priorities</b>	<b>Status</b>
Little Rock Parks and Recreation Master Plan: Develop and begin to implement a five (5) year Strategic Plan.	Pending Confirmation
Little Rock Parks and Recreation Accreditation (LRPRA); Update and review all 151 Standards to maintain National Recreation and Parks Association (NRPA) Accreditation.	In Progress
NRPA 2020 Gold Medal Award: Apply for the 2019 National Recreation and Parks Association’s Gold Medal Award.	Completed
Little Rock Parks and Recreation Americans with Disabilities Act (ADA) Transition Plan: Inventory all developed park properties for ADA Standards, then develop a Little Rock Parks and Recreation ADA Transition Plan.	In Progress
Little Rock Parks and Recreation Programming: Increase participation in Little Rock Parks and Recreation programs and analyze feedback from programs for improvements.	Delayed Due To Covid
Crump Park Splash Pad: Construct a new splash pad and related amenities.	In Progress
Little Rock Parks and Recreation Marketing Plan: Update and implement the existing Little Rock Parks and Recreation Marketing Plan.	In Progress
Western Hills Park Master Plan: Start implementation of the park master plan which consists of trails, pavilions, fishing piers, and a natural concept playground.	In Progress
Park Signage Improvements: Install new park entrance signs to enhance visibility and marketability of the Little Rock Parks and Recreation brand.	Ongoing
Little Rock Parks and Recreation Professional Mountain Bike Trails: Construct professionally designed mountain bike trails in River Mountain and North Allsopp Parks.	In Progress
Boyle Park Mountain Bike Trails: Complete the installation of new mountain bike trails and bike park amenities as part of a \$160,000 Recreation Trails Program grant that was received in 2019.	In Progress
Kanis Park Pickle Ball Courts: Finish the construction of six (6) Pickle Ball courts and renovate old hard surface courts.	Completed
Rebsamen Tennis Center Improvements: Upgrade ADA accessible parking for the facility and continue renovation of ADA routes throughout the complex.	Ongoing
MacArthur Park Bike Polo Court: Complete installation of a new bike polo court and renovations to the existing hard surface court.	Completed



**Parks and Recreation**

<b>2020 Department Priorities</b>	<b>Status</b>
Allsopp Park Trail Improvements: Complete the Metro Plan TAP grant project of constructing a new hard surface trail that connects the Hillcrest Promenade to Allsopp Park.	Completed
Basketball Court Resurfacing: Resurface basketball court surfaces at Southwest and Dunbar Community Centers.	Delayed Due To Covid
Athletic Court Resurfacing: Resurface tennis courts at Meriwether Park and the Rebsamen Tennis Center as well as resurface the basketball court at Boyle Park	Completed
Murray Park Improvements: Construct playground and accessible pathways to new playground in Murray Park, funded by a \$150,000 grant received from the Blue and You Foundation. Also, construct a Fit Lot fitness area provided in partnership with a grant from AARP.	Completed



<b>2021 Department Goals</b>
Little Rock Parks and Recreation Master Plan: Implement a five (5) year Strategic Plan to implement the 2020 Little Rock Parks and Recreation Master Plan
Little Rock Parks and Recreation Accreditation (CAPRA); Apply and receive Re-accreditation from NRPA
NRPA 2021 Gold Medal Award: Apply for the 2021 National Recreation and Parks Association's Gold Medal Award.
Gain (4) employee certifications as CPRP by end of year. Gain (1) employee certification as CPRE by end of year
Continue to put on the Little Rock Marathon weekend in a safe and efficient manner, and serve as one of the first major marathons to operate with COVID protocols in place
Little Rock Parks and Recreation Programming: Increase participation in Little Rock Parks and Recreation programs and analyze feedback from programs for improvements
Through in-house planning or partnership create a section of outdoor programming options through our parks department
Creation of a seasonal recreation program guide
Increase number of special events provided in our Parks System
Safely reopen Jim Dailey Fitness Center back to at least 65% of potential occupancy
Safely implement youth and adult leagues at each of our community centers and various parks
Increase participation in adult softball and flag football programs, utilizing Interstate Park, Crump Park, and Murray Park
Inclusion of STEM Programming virtually or within our community centers as allowed
Navigate best practices to program for our Active and Aging community
Increase revenue generated at the Rebsamen Tennis Center
Increased revenue at the Rebsamen Golf Course
Introduction of the First Annual Mayors Golf Tournament
Crump Park Splash Pad: Construct a new splash pad and related amenities
Western Hills Park Master Plan: Start implementation of the park master plan which consists of trails, pavilions, fishing piers, and a natural concept playground
Little Rock Parks and Recreation Professional Mountain Bike Trails: Construct professionally designed mountain bike trails in River Mountain and North Allsopp Parks
Boyle Park Mountain Bike Trails: Complete the installation of new mountain bike trails and bike park amenities as part of a \$160,000 Recreation Trails Program grant that was received in 2019
Basketball Court Resurfacing: Resurface basketball court surfaces at Southwest and Dunbar Community Centers



Parks and Recreation

**Department:** Parks and Recreation  
**Funding Source:** General Fund  
**Budget:** \$10,181,728

**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.

	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> 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.			
<b>Demand:</b> Total recreational opportunities available.	850,000	850,000	850,000
<b>Workload:</b> Recreational opportunities attended.	808,210	158,981	250,000
<b>Efficiency:</b> Average seasonal attendance.	202,052	39,745	20,833
<b>Effect/Outcome:</b> Percentage of attendance versus opportunities available.	95%	19%	29%
<b>Objective:</b> Identify playgrounds that need to be replaced or where new playgrounds are needed.			
<b>Demand:</b> Number of playgrounds installed	22	16	15
<b>Workload:</b> Number of playgrounds installed amount of playgrounds	6	1	3
<b>Efficiency:</b> Percentage of playgrounds replaced, or new playgrounds added per number of playgrounds identified.	27%	6%	20%
<b>Objective:</b> Mow all 63 City Parks between 7 – 10 days. <b>Mow all city parks and centers once a week</b>			
<b>Demand:</b> Number of parks mowed.	63	63	63
<b>Workload:</b> Average days between when a park was mowed.	10	11	11
<b>Efficiency:</b> Target number of average days between parks being mowed.	10	10	10
<b>Effect/Outcome:</b> Percentage of actual average days of parks mowed compared to ideal average days	100%	100%	100%

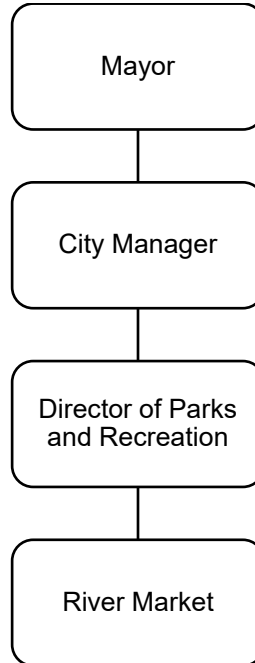
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Quality of Life.**







# River Market



**Mission:**

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.

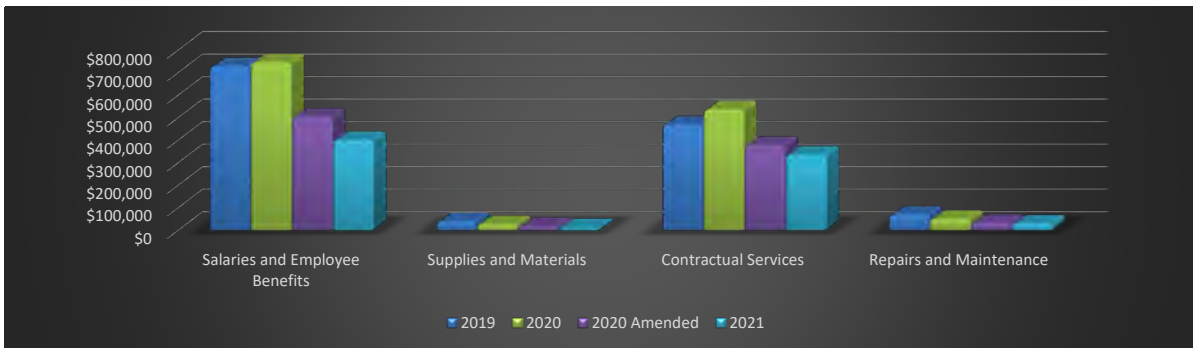
**River Market**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$728,019	\$744,595	\$502,963	\$400,203
Supplies and Materials	39,140	26,000	15,382	9,700
Contractual Services	469,529	536,325	378,235	334,775
Repairs and Maintenance	68,552	50,000	33,358	30,000
<b>Total</b>	<b>\$1,305,240</b>	<b>\$1,356,920</b>	<b>\$929,938</b>	<b>\$774,678</b>

<b>Staffing</b>	0	0	0	0
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Little Rock Convention and Visitor's Bureau (LRCVB) will continue to operate the River Market on behalf of the City in 2021. The budget has been reduced from the 2020 Original Budget and the 2020 Amended Budget, contemplating operation for six-months. LRCVB is currently marketing the RiverMarket to prospective buyers. The 2020 Amended Budget included reductions in expenditures associated with closures due to the COVID-19 pandemic.

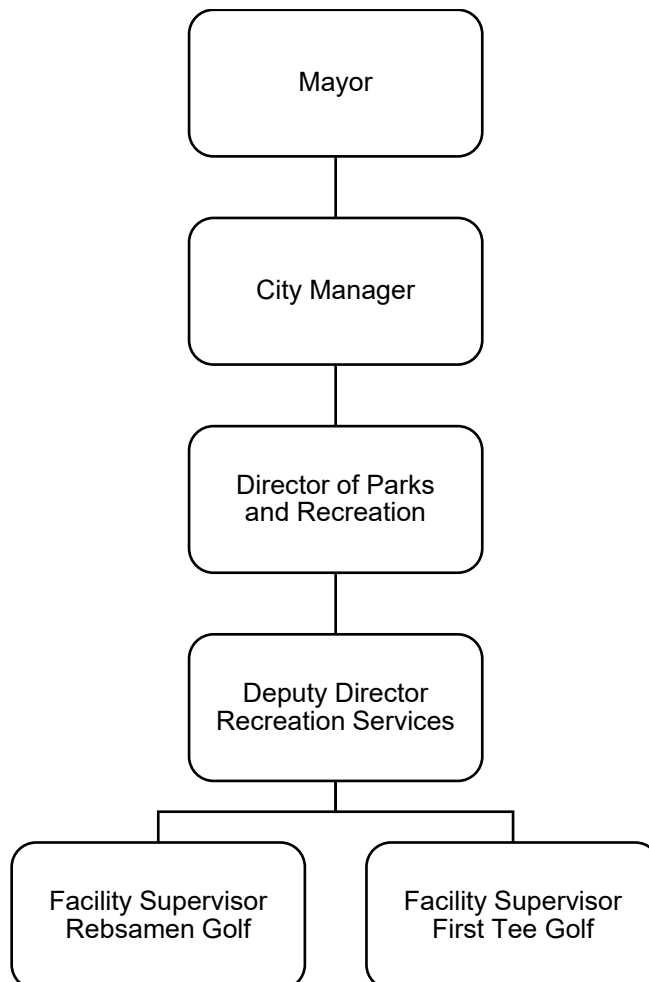
**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$774,678	-42.91%	-16.70%



# Golf



**Mission:**  
Little Rock Parks and Recreation is dedicated to encouraging healthy lifestyles by providing quality recreation opportunities and access to exceptional park experiences in an efficient and equitable manner.

**Vision:**  
Creating a City in a Park through innovative recreational programming and vibrant park spaces which enhance the quality of life for all residents of Little Rock.

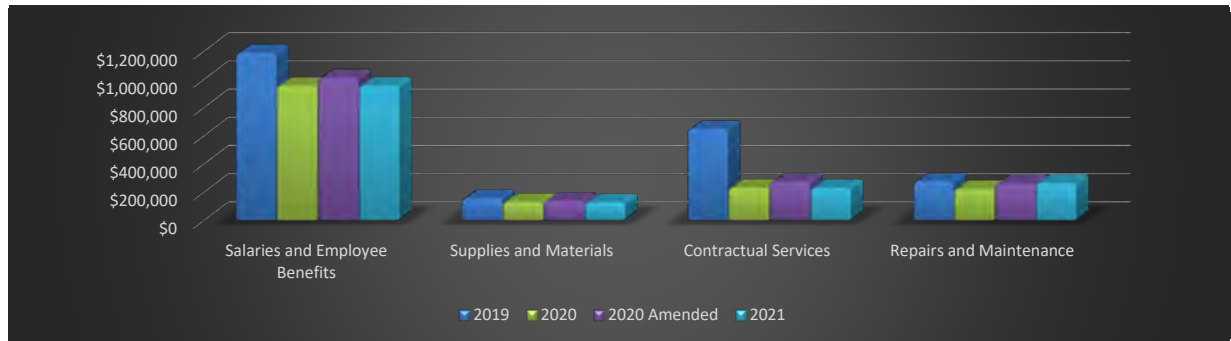
**Golf**

<b>Expenditure Budget</b>				
Account Category	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$1,187,054	\$952,530	\$1,010,710	\$954,095
Supplies and Materials	155,376	129,529	136,529	126,186
Contractual Services	647,786	228,824	271,824	228,824
Repairs and Maintenance	274,529	221,283	259,915	262,906
<b>Total</b>	<b>\$2,264,744</b>	<b>\$1,532,166</b>	<b>\$1,678,978</b>	<b>\$1,572,011</b>

<b>Staffing</b>	14	15	15	15
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The Golf 2021 Budget will increase \$39,845 from the 2020 Adopted Budget and decrease \$106,967 from the 2020 Amended Budget. Personnel cost will increase only \$1,565 from the Adopted 2020 Budget, and will decrease \$56,615 from the 2020 Amended Budget. The primary change in the Golf Budget is associated with Fleet charges. Supplies cost is expected to decrease \$3,343 due a reduction in fuel cost. Maintenance expenses will increased approximately \$41,600 due to increased Fleet allocations associated with golf cart leases and maintenance.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	<u>\$1,572,011</u>	<u>2.60%</u>	<u>-6.37%</u>



**Golf**

2020 Department Priorities	Status
Course Maintenance: Maintain Rebsamen and the First Tee Golf Course to established standards.	Ongoing
Golf Revenue: Continue to explore creative solutions to make golf courses self-sustaining. Staff will continue to seek ways in which to improve revenue and reduce costs at the City’s two (2) golf courses.	Ongoing
Rebsamen Golf Course Improvements: Continue to make general improvements to cart paths and drainage on course.	Ongoing
First Tee Golf Course Improvements: Complete bunker rehabilitation project to establish functional bunkers throughout the course.	Completed

2021 Department Goals
Course Maintenance: Maintain Rebsamen and the First Tee Golf Course to established standards.
Golf Revenue: Continue to explore creative solutions to make golf courses self-sustaining. Staff will continue to seek ways in which to improve revenue and reduce costs at the City’s two (2) golf courses.
Rebsamen Golf Course Improvements: Continue to make general improvements to cart paths and drainage on course.
Address land erosion issue adjacent to Hole #13 at Rebsamen Golf Course



Golf

**Department:** Golf  
**Funding Source:** General Fund  
**Budget:** \$1,572,011

**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.

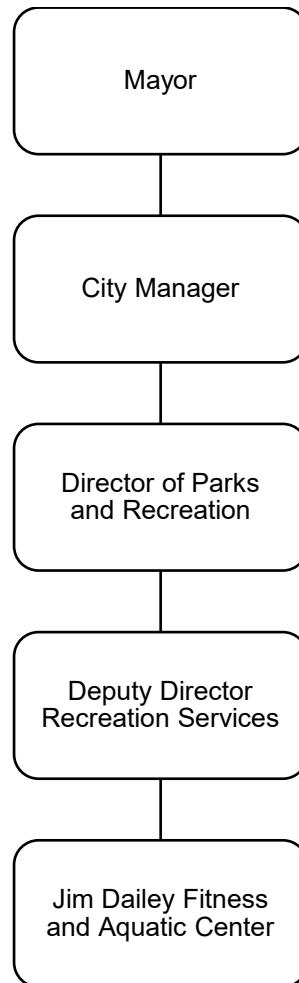
	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To provide affordable golfing experiences for the citizens of Little Rock.			
<b>Demand:</b> Projected golf rounds.	37,000	37,000	37,000
<b>Workload:</b> Actual golf rounds.	26,675	35,132	37,000
<b>Efficiency:</b> Average rounds per month.	2,223	2,928	3,083
<b>Effect/Outcome:</b> Percentage of actual rounds of golf.	72%	95%	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:**

Little Rock Parks and Recreation is dedicated to encouraging healthy lifestyles by providing quality recreation opportunities and access to exceptional park experiences in an efficient and equitable manner.

**Vision:**

Creating a City in a Park through innovative recreational programming and vibrant park spaces which enhance the quality of life for all residents of Little Rock.

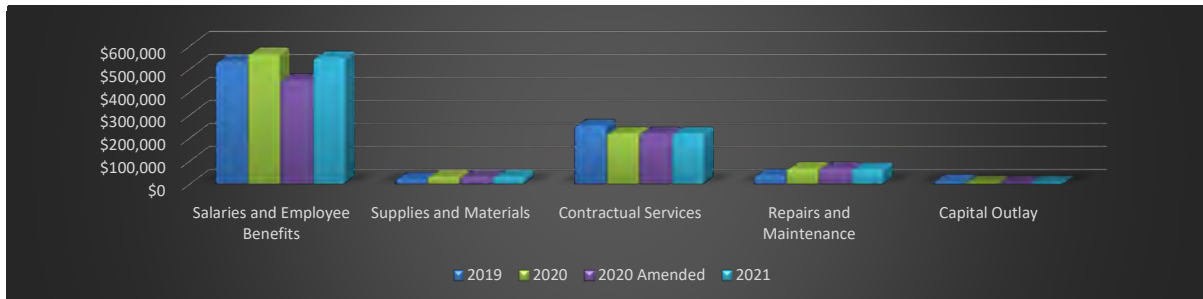
**Jim Dailey Fitness and Aquatic Center**

<b>Expenditure Budget</b>				
Account Category	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$532,270	\$567,083	\$452,901	\$550,553
Supplies and Materials	21,416	30,803	30,803	30,838
Contractual Services	254,447	220,332	220,332	220,332
Repairs and Maintenance	37,100	68,074	68,074	65,461
Capital Outlay	10,521	-	-	-
<b>Total</b>	<b>\$855,754</b>	<b>\$886,292</b>	<b>\$772,110</b>	<b>\$867,184</b>

<b>Staffing</b>	8	8	8	8
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The Jim Dailey Fitness and Aquatic Center Budget will decrease by \$19,108 from the 2020 Adopted Budget and increase \$95,074 from the 2020 Amended Budget. The \$16,530 decreased in personnel cost from the 2020 Original Budget reflects a temporary reduction to part-time salaries of (\$20,000) during the first quarter due to the continued impact of COVID-19, partially offset by increased benefit cost. The increase from the 2020 Amended Budget includes the restoration of (\$65,154) in vacancy savings reductions, (\$3,551) in Health Insurance Holiday savings, and (\$49,047) attributed to the 120-day reduction for non-essential part-time personnel, partially offset with additional allocations of \$340 for vacation/sick payouts and one-time lump sum payments of \$500 per employee totaling approximately \$3,230 included in 2020 budget amendments. Other minor changes in the 2021 Budget include a net reduction of (\$2,578) in Fleet fuel and maintenance allocations.

**Allocations By Year And Account Category**



Resources for Budget 100 General Fund	FY 21 Proposed Budget \$867,184	% Change from 2020 Adopted -2.16%	% Change from 2020 Amended 12.31%
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**Jim Dailey Fitness and Aquatic Center**

2020 Department Priorities	Status
Jim Dailey Fitness Center Improvements: Continue to identify capital upgrades that will enhance the customer experience and improve operations such as upgrading basketball goals, painting interior of the building and redesign of existing locker rooms.	Completed
Increase Membership: Continue to increase membership through a variety of outreach programs and partnerships. The increase in marketing of the facility will attract area residents to utilize the facility.	Completed

2021 Department Goals
Jim Dailey Fitness Center Improvements: Continue to identify capital upgrades that will enhance the customer experience and improve operations such as improving accessibility to the building and amenities and renovating the interior of the facility.
Increase Membership: Identify ways to attract members back to the facility after operations were halted due to COVID-19 pandemic



**Jim Dailey Fitness and Aquatic Center**

**Department:** Jim Dailey Fitness and Aquatic Center  
**Funding Source:** General Fund  
**Budget:** \$867,184

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

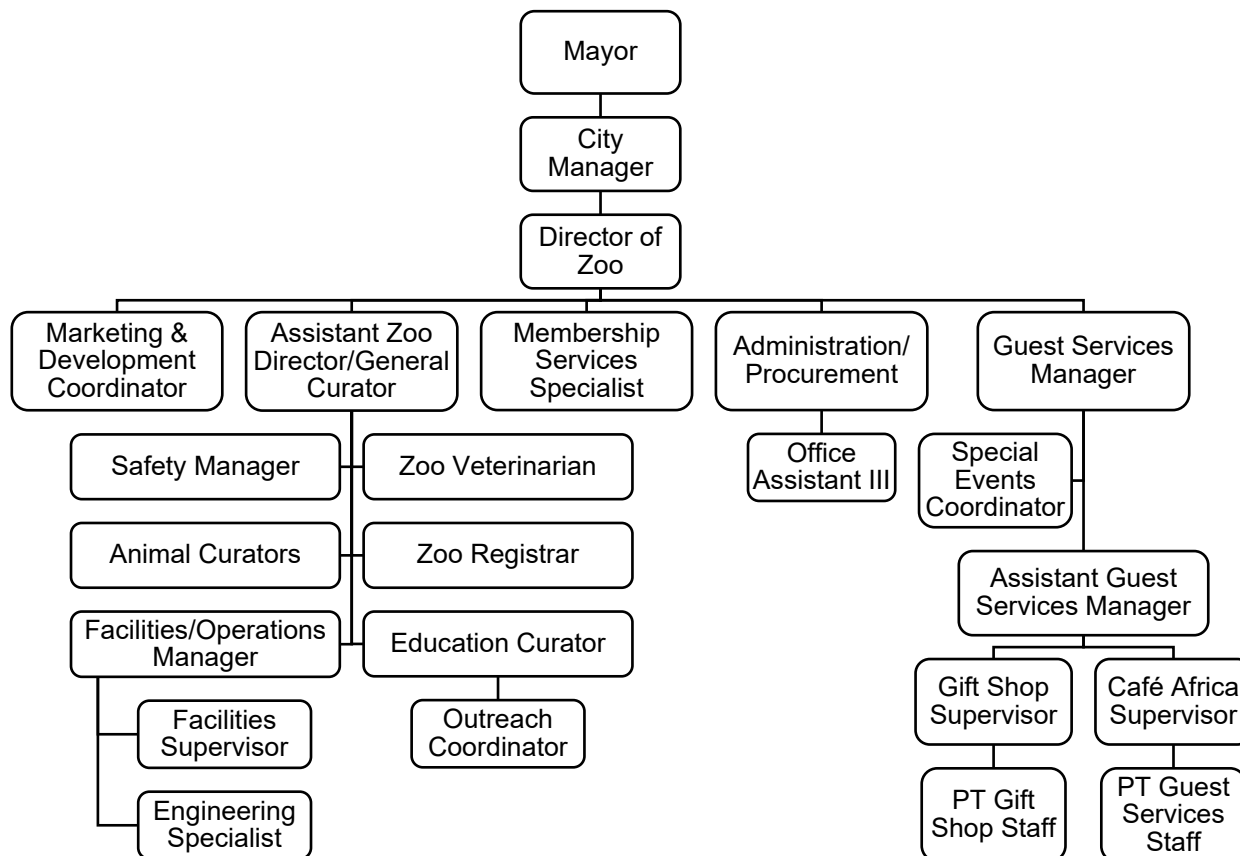
	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To provide a safe, healthy, and clean environment that offers a variety of aquatic, fitness and sport activities that will improve the health and fitness of the citizens of Little Rock at the Jim Dailey Aquatic and Fitness Center.			
<b>Demand:</b> Potential Program attendance capacity.	150,000	150,000	33,350
<b>Workload:</b> Actual program attendance.	108,391	26,043	25,012
<b>Efficiency:</b> Attendance per month.	9,033	2,164	4,897
<b>Effect/Outcome:</b> Percentage of actual attendance over potential attendance.	72%	17%	75%

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





# Zoo



**Mission:**  
To inspire people to value and conserve our natural world.

**Vision:**  
We envision a world where nature is in balance and all living things thrive.

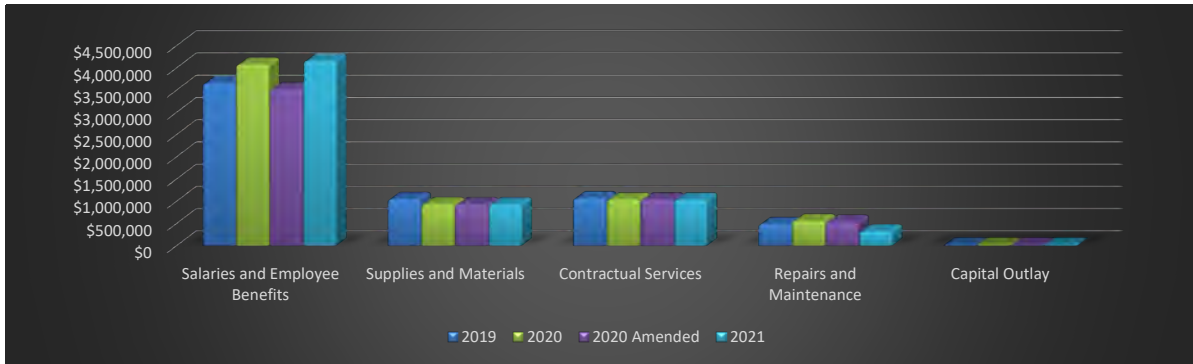
**Zoo**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$3,658,921	\$4,086,314	\$3,531,925	\$4,166,661
Supplies and Materials	1,054,437	939,441	938,046	938,425
Contractual Services	1,074,020	1,044,543	1,044,543	1,044,543
Repairs and Maintenance	492,533	568,210	543,667	331,876
Capital Outlay	1,938	-	-	-
<b>Total</b>	<b>\$6,281,848</b>	<b>\$6,638,508</b>	<b>\$6,058,181</b>	<b>\$6,481,505</b>

Staffing	62	62	63	63
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The Zoo 2021 Budget will decrease (\$157,003) from the 2020 Adopted Budget and increase \$423,324 from the 2020 Amended Budget. The \$80,347 increase in 2021 personnel cost from the 2020 Adopted Budget is primarily due to the addition of one (1) new keeper position. The remainder of the \$80,347 increase in personnel cost is attributed to changes in benefit costs. In addition, the change in personnel cost from the 2020 Amended Budget includes the restoration of reductions including (\$443,318) in vacancy savings, (\$27,129) in Health Insurance Premium Holiday savings, and (\$114,141) associated with the 120-day reduction for non-essential part-time personnel, partially offset by additional allocations of \$2,210 for vacation/sick payouts and \$27,989 for one-time lump sum payments of \$500 per employee included in 2020 budget amendments. The increase in Fleet cost is due to increased usage. Other changes in the 2021 Budget include a temporary reduction to Repairs and Maintenance of \$250,000 due to the continued impact of COVID-19 on operations, partially offset by increased Fleet fuel and maintenance allocations of \$12,650.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$6,481,505	-2.37%	6.99%



Zoo

2020 Department Priorities	Status
Continue implementation of the Zoo's Facility Master Plan and Strategic Plan.	Ongoing
Install Point of Sale (POS) system upgrades.	Completed
Complete construction of Conservation Learning Center.	Completed
Complete construction of new Colobus Monkey and Serval cat habitats.	Completed
Complete Transportation Alternative Programs (TAPS) Grant for resurfacing Zoo trailways.	Completed
Improve project management for senior leadership.	Ongoing
Update conservation plan and streamline projects.	Completed
Diversify Zoo revenues; increase revenue line items not associated with gate attendance.	Ongoing
Continue improving guest experience and customer service.	Ongoing

2021 Department Goals
Continue implementation of the Zoo's Facility Master Plan and Strategic Plan
Improve project management for senior leadership
Diversify Zoo revenues; enhance and upgrade concessions, special events and other lines
Continue improving guest experience and customer service
Develop and implement Zoo diversity, equity, access, and inclusion plan
Enhance conservation learning by expanding virtual learning and other education programs
Upgrade back holding for veldt habitat, enhance rhino habitat & other animal habitats
Continue providing a safe place for families during COVID-19 pandemic



Zoo

**Department:** Zoo  
**Funding Source:** General Fund  
**Budget:** \$6,481,505

**Department Description:**

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

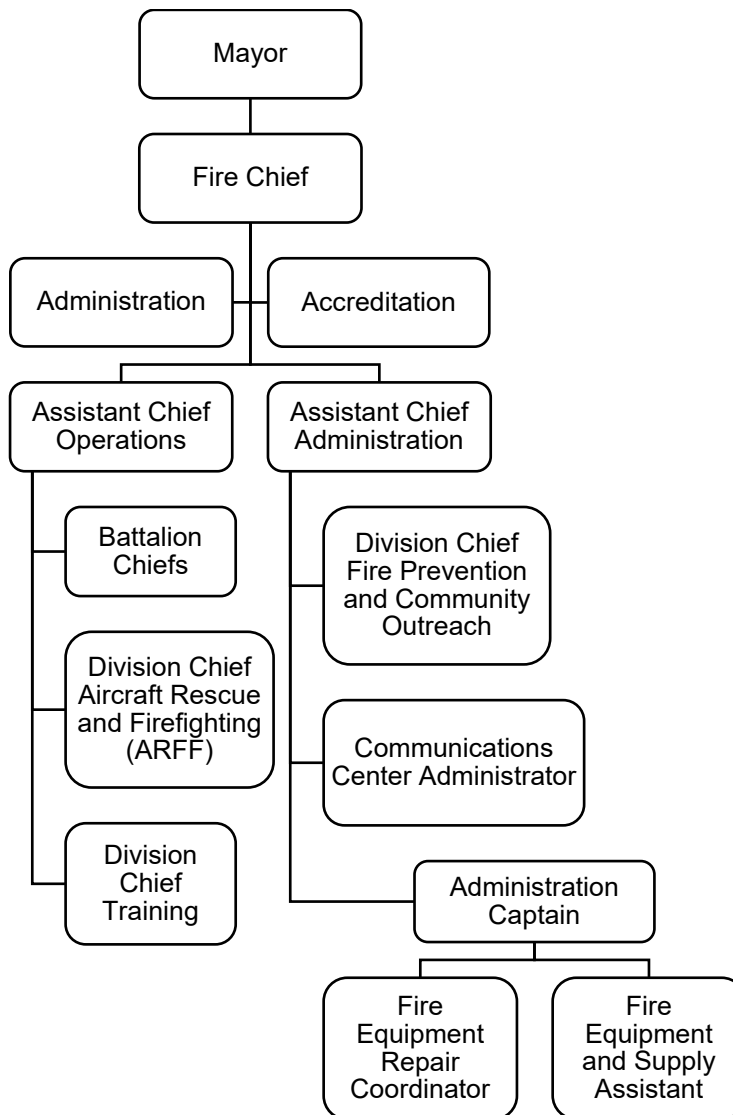
	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To track annual admission revenue.			
<b>Demand:</b> Anticipated annual admission revenue.	\$1,535,000	\$1,634,000	\$1,000,000
<b>Workload:</b> Actual annual admission revenue.	\$1,536,182	\$1,634,000	\$1,000,000
<b>Efficiency:</b> Average revenue per month.	\$128,015	\$136,167	\$83,834
<b>Effect/Outcome:</b> Percentage of workload over demand.	100%	100%	100%
<b>Objective:</b> To track annual membership sales.			
<b>Demand:</b> Anticipated annual membership sales.	\$510,000	\$500,000	\$400,000
<b>Workload:</b> Actual membership sales.	\$527,482	\$500,000	\$400,000
<b>Efficiency:</b> Average sales per month.	\$43,956	\$41,667	\$33,334
<b>Effect/Outcome:</b> Percentage of workload over demand.	103%	100%	100%

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





# Fire



**Mission:**

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

**Vision:**

Serving with Pride, Excellence and National Recognition.

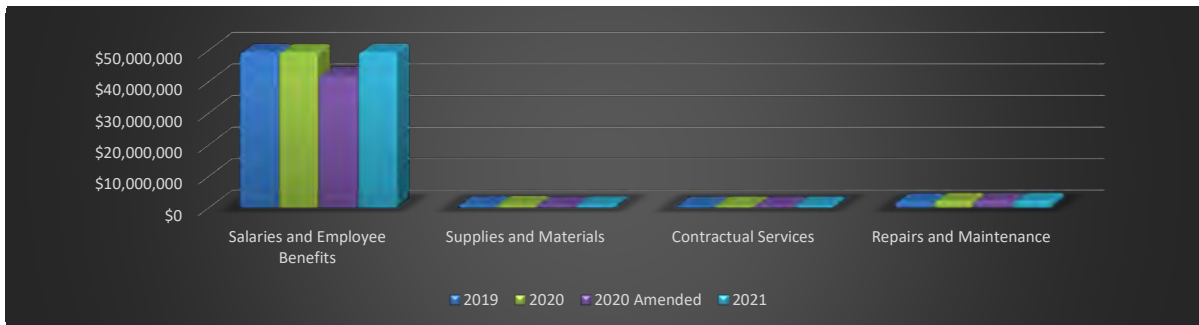
**Fire**

<b>Expenditure Budget</b>				
<b>Account Category</b>	<b>2019 Actual Expenditures</b>	<b>2020 Adopted Budget</b>	<b>2020 Amended Budget</b>	<b>2021 Adopted Budget</b>
Salaries and Employee Benefits	\$49,466,217	\$49,371,887	\$42,054,613	\$49,541,911
Supplies and Materials	896,179	978,844	768,888	869,403
Contractual Services	728,349	760,611	760,611	760,611
Repairs and Maintenance	1,953,541	2,119,566	2,119,566	2,178,396
<b>Total</b>	<b>\$53,044,285</b>	<b>\$53,230,908</b>	<b>\$45,703,678</b>	<b>\$53,350,321</b>

<b>Staffing</b>	432	432	432	433
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The Fire Department 2021 Budget will increase \$119,413 from the 2020 Adopted Budget and \$7,646,643 from the 2020 Amended Budget. Approximately \$45,000 of the increase in 2021 personnel cost is attributed to the new civilian Accreditation Analyst. Other personnel increases include \$403,930 in step and grade progression, partially offset by the net reduced cost associated with the retirement of long-term uniformed personnel and the hiring of new recruits. The change from the 2020 Amended Budget includes the restoration of reductions attributed to the reclassification of (\$7,666,985) in Fire EMT salaries to the Grant Fund for reimbursement from the State's allocation of the Federal CARES funding, (\$455,120) in vacancy savings, (\$210,627) in savings from the Health Insurance Premium Holiday, a decrease in the closed Fire Pension fund contributions of (\$42,340) due to a decline in dedicated revenues, and (\$8,149) associated with a 120-day reduction to non-essential part-time personnel associated with COVID-19, partially offset by additional allocations of \$500,000 for overtime expense, \$353,699 for vacation/sick payouts for retiring employees, and one-time lump sum payments of \$500 per employee totaling \$212,248. Other 2021 Budget changes include a reduction in Supplies and Materials of (\$109,441) due to a reduction in the cost of diesel fuel, and an increase of \$58,83 in Repairs and Maintenance associated with Fleet maintenance allocations.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$53,350,321	0.22%	16.73%





Fire

2020 Department Priorities	Status
Systematize Fire Apparatus and Fleet Replacement: The purpose of the Fire Apparatus and Fleet Replacement Strategic Planning Initiative is to establish an attainable, replacement schedule for engines, aerial apparatus, and support vehicles such as light-duty cars and trucks.	Pending Confirmation
Establish LRFD In-Service Training: The purpose of the In-Service Training Strategic Planning Initiative is to increase the knowledge, skills, and abilities for LRFD personnel to an adequate level to meet the needs of our evolving department.	Ongoing
Institute Health, Wellness and Fitness Initiative: The purpose of the Health, Wellness, and Fitness Strategic Planning Initiative is to develop and implement a health and wellness program that heightens the baseline of all sworn members and establish a peer fitness support team to help maintain an exemplary quality of life standard.	Completed
Enhance Training for Special Operations Services, Haz-Mat: LRFD has always responded to and provided help during emergencies that require special services beyond firefighting services. These services may include high-rise rope rescue, confined space, building collapse rescue, hazardous material spills, among others. The purpose of the Special Operations Service Strategic Planning Initiative is to properly staff and organize special operations to assure full functioning and enhanced service levels.	Delayed Due To Covid
Enhance Community Risk Reduction: The purpose of the Community Risk Reduction Initiative is to increase the capabilities of LRFD's Fire Prevention Section, which includes Fire Inspections, Fire Investigations, and Community Affairs through fire prevention and public education.	Delayed Due To Covid
Through the accreditation agency, begin the process of Chief Fire Officer designee for Battalion Chiefs and Assistant Chiefs, and Fire Officer designee for Captains.	Delayed Due To Covid
Conduct Facility Renovations and Repairs: The purpose of the Facility Renovations and Repairs Strategic Planning Initiative is to improve all current facility conditions for Fire Services in the City of Little Rock.	Ongoing



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Fire

<b>2021 Department Goals</b>
Place 5 additional Alternative Response Vehicles in service.
Complete Fire Station #12 renovations (individual bedrooms).
Acquire funds for a Fire Dept. PTSD therapist.
Research site locations for land in West Little Rock for future Fire Station #25.
Issue second round of second set of turnouts for personnel. This would complete two thirds of the job.
Hire a Department Data Analyst.



Fire

**Department:** Fire  
**Funding Source:** General Fund  
**Budget:** \$53,350,321

**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.

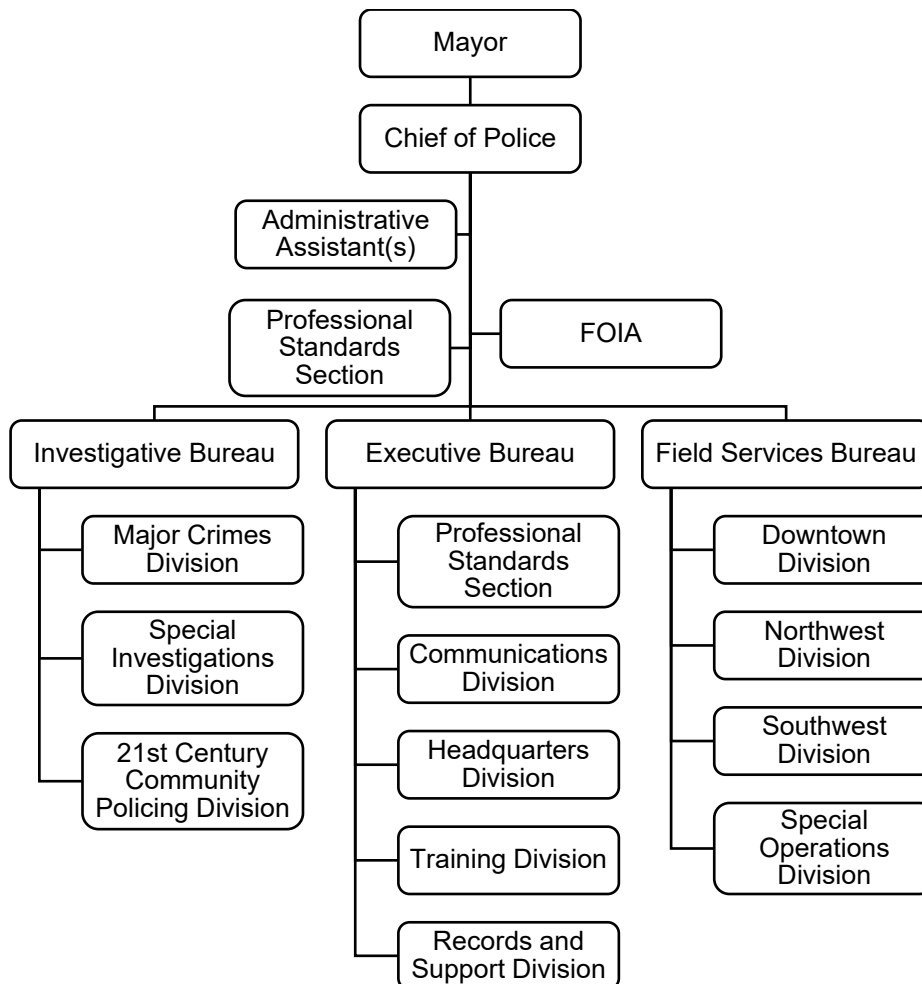
	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> Train certified personnel to meet the individual training hours required by Insurance Services Organization (ISO) and improve the competence level of the workforce.			
<b>Demand:</b> Total number of hours of training completed.	124,265	113,468	125,000
<b>Workload:</b> Total number of hours of individual training required per year.	128,100	115,784	128,100
<b>Efficiency:</b> Average number of training hours per person.	380	267	400
<b>Effect/Outcome:</b> Percentage of training hours vs. required hours.	97%	98%	97%
<b>Objective:</b> Fire Marshals Division perform inspections of commercial structures including schools, daycare centers, nursing homes, high-rise buildings, and hospitals.			
<b>Demand:</b> Number of inspections on commercial structures required annually.	12,700	12,700	12,700
<b>Workload:</b> Commercial Building and Structures inspected annually.	5,347	5,000	6,000
<b>Efficiency:</b> Commercial Building and Structures inspected per month.	446	416	500
<b>Effect/Outcome:</b> Percentage of inspections completed annually.	42%	43%	47%

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





# Police



**Mission: TRUST**

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**.

**Vision:**

The Vision of our Little Rock Police Department family is to serve as a model for policing, by embracing and perfecting the principles of the 21st Century Policing Pillars. Through collaboration with our diverse community partners, we will strive to make the City of Little Rock one of the safest cities in both the state and nation.

**Police**

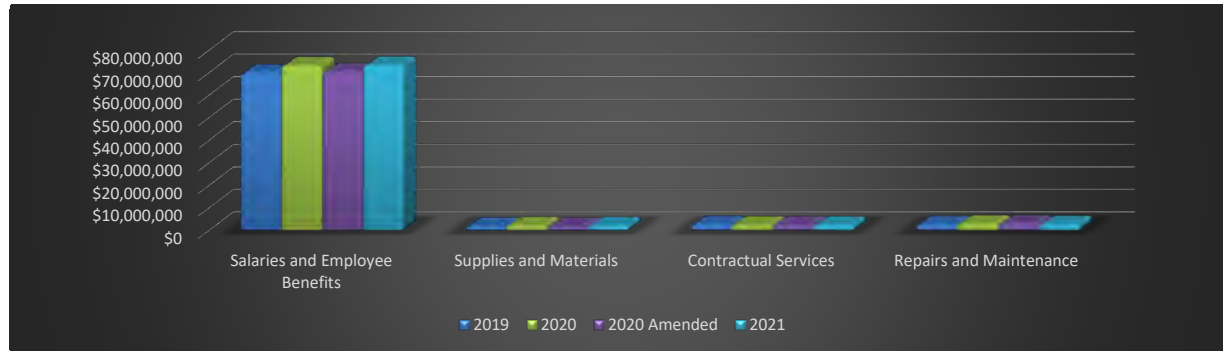
Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$69,828,258	\$73,037,451	\$70,331,661	\$73,311,025
Supplies and Materials	1,718,753	2,058,319	1,514,585	1,957,683
Contractual Services	2,662,294	2,297,129	2,428,829	2,297,129
Repairs and Maintenance	2,561,764	2,816,991	2,816,991	2,635,054
<b>Total</b>	<b>\$76,771,070</b>	<b>\$80,209,890</b>	<b>\$77,092,066</b>	<b>\$80,200,891</b>

<b>Staffing</b>	744	743	753	754
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The Police Department 2021 Budget will decrease (\$8,999) from the 2020 Adopted Budget and increase \$3,108,825 from the 2020 Amended Budget. The \$273,574 increase in 2021 personnel cost from the 2020 Adopted Budget is the net impact of \$496,750 in increases associated with step and grade progression, and the increased rate for LOPFI pension, and health insurance, partially offset by the COPS grant reimbursements for seven (7) officers hired in 2020. In addition, the change from the 2020 Amended Budget includes the restoration of (\$3,443,567) in reductions for vacancy savings, (\$334,073) in Health Insurance Premium Holiday savings, a decrease in funding of (\$114,538) for the closed Police Pension Plan due to a decline in dedicated revenues, and (\$48,751) associated with the 120-day reduction for non-essential part-time personnel included in 2020 budget amendments, partially offset by additional allocations of \$901,724 for vacation/sick payout for retiring employees, and a one-time lump sum payment of \$500 per employee totaling \$333,415. Other 2021 Budget changes from the 2020 Adopted Budget include a reduction to Supplies and Materials and Repairs and Maintenance for Fleet fuel and maintenance allocations of (\$100,636) and (\$181,937), respectively. The reductions are due to lower fuel prices and reduced maintenance attributed to the ongoing fleet replacement and lease schedule.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
100 General Fund	\$80,200,891	-0.01%	4.03%



Police

2020 Department Priorities	Status
Create a database of Neighborhood Watch Programs to connect with the community and bring awareness to our quarterly meetings. Ensure that all neighborhood meetings are listed on the Department's website so that all citizens can know when and where their meeting is being held.	Ongoing
Maintain Commission on Accreditation for Law Enforcement Agencies (CALEA) standards and establish best practices, post policies on-line, document de-escalation and initiate annual review of policies and procedures.	Ongoing
Conduct two recruit schools as well as a Certified Officer Advanced Training (C.O.A.T.) school. <b>*C.O.A.T not conducted in 2020</b>	Other (Please Explain)
Continue the efforts in receiving CALEA Accreditation for the Communications Division, which will enable the LRPD to become Tri-Arc accredited.	Completed
Procure and begin implementation of a body-worn camera program.	Completed
Conduct a departmental staffing study.	In Progress
Complete the implementation of the City's new CAD (Computer Aided Dispatch) system.	Completed

2021 Department Goals
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.
Continue the efforts in receiving CALEA Accreditation for the Communications Division, which will enable the LRPD to become Tri-Arc accredited.
Conduct a Staffing Study
Implement more Civilian Leadership Training
Continue the efforts of implementing 21st Century Policing across the department
Implement an Internal Diversity Committee
Hire a Social Worker within the Department



Police

**Department:** Police  
**Funding Source:** General Fund  
**Budget:** \$80,200,891

**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.

	<b>2019 Actual</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
<b>Objective:</b> To answer incoming 9-1-1 and non-emergency calls, and to answer 95% of 9-1-1 calls in 20 seconds or less.			
<b>Demand:</b> Incoming calls to Communications	422,261	399,833	505,000
<b>Workload:</b> Calls answered by Communications personnel	358,214	346,413	505,000
<b>Efficiency:</b> Average time to answer 9-1-1 calls (in seconds).	12	12	11
<b>Effect/Outcome:</b> Percentage of calls answered in 20 seconds or less.	84%	84%	88%

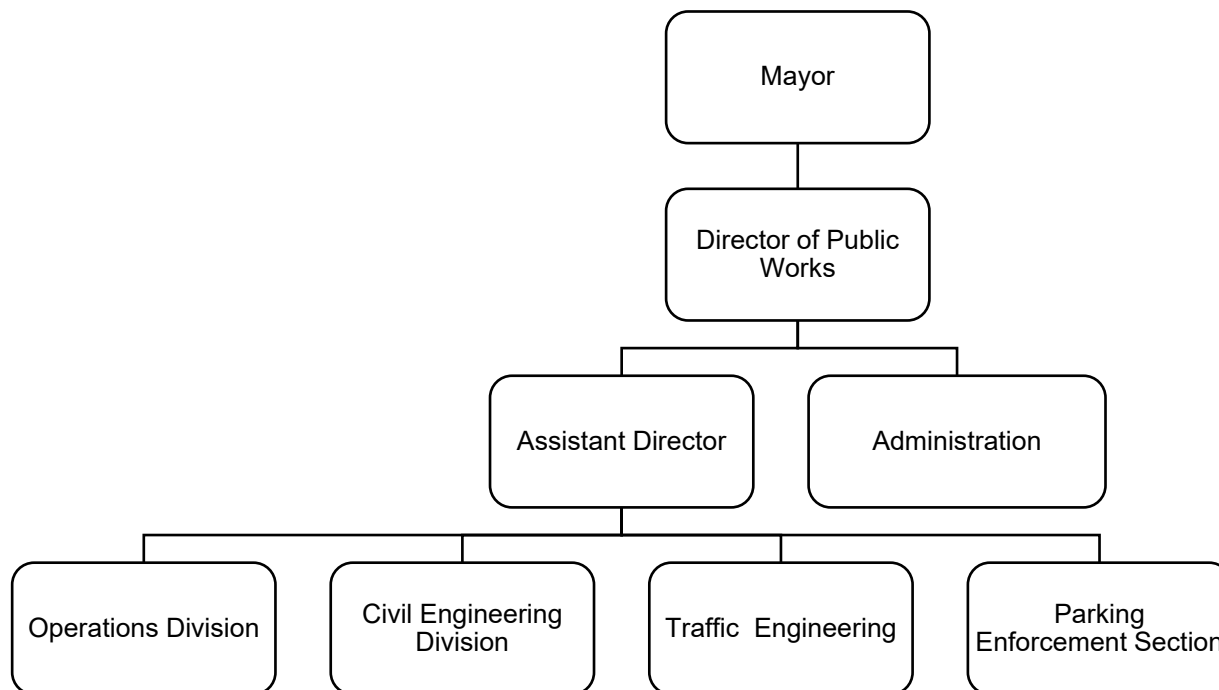
<b>Objective:</b> To respond to high priority calls – minutes from Dispatch to arrival.			
<b>Demand:</b> Calls for service.	153,786	160,000	160,000
<b>Workload:</b> Calls for service.	153,786	160,000	160,000
<b>Efficiency:</b> Average time from dispatch to arrival (in minutes).	6.61	6.5	6.6
<b>Effect/Outcome:</b> Percentage of dispatches answered.	100%	100%	100%

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





# Public Works Street Fund



**Mission:**  
The Public Works department is dedicated to providing efficient and economical infrastructure and quality management of services for the residents of Little Rock in a professional manner.



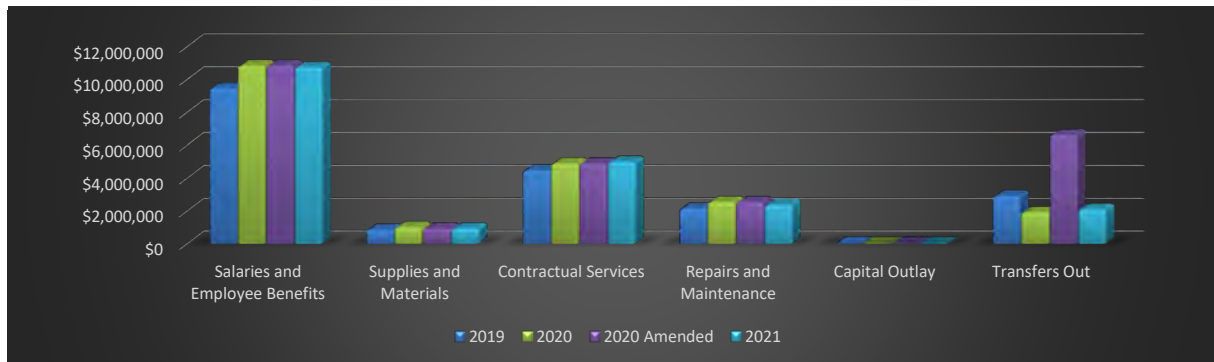
**Public Works - Street Fund**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$9,491,221	\$10,859,983	\$10,861,235	\$10,767,813
Supplies and Materials	894,949	1,036,800	959,290	958,504
Contractual Services	4,502,925	4,925,601	4,925,601	5,025,601
Repairs and Maintenance	2,183,577	2,570,302	2,570,302	2,399,484
Capital Outlay	20,423	-	-	-
Transfers Out	2,933,717	1,947,217	6,648,605	2,127,717
<b>Total</b>	<b>\$20,026,813</b>	<b>\$21,339,903</b>	<b>\$25,965,033</b>	<b>\$21,279,119</b>

Staffing	219	219	220	220
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The 2021 Street Fund budget is balanced. The Street Fund 2021 Budget will decrease (\$60,784) from the Adopted 2020 Budget and (\$4,685,914) from the 2020 Amended Budget. Personnel cost will decrease (\$92,170) from the 2020 Adopted Budget and (\$93,422) from the 2020 Amended Budget. The change includes the step and grade progression for AFSCME union-eligible personnel, and a 7.5% increase in health insurance cost, offset by a reduction in Workers' Compensation premium allocations. Supplies and Materials and Repairs and Maintenance will decrease by (\$78,296) and (\$170,818), respectively, due to lower fuel prices and reductions in fleet maintenance associated with the vehicle replacement plan. The \$100,000 increase in Contractual Services is associated with continuation of an infrastructure study and a revision to the storm water manual and Ordinance. The decrease in Transfers Out from the 2020 Amended Budget is primarily due to a \$4.6 million Street project allocation in 2020 to reconstruct Pine Street and relocate Cedar Street in a cost share agreement with University of Arkansas Medical Sciences.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
200 Street Fund	\$21,279,119	-0.28%	-18.05%



**Public Works Street Fund**

<b>2020 Department Priorities</b>	<b>Status</b>
2019 Street Resurfacing Program - Complete the 2019 Street Resurfacing Program.	In Progress
2020 Street Resurfacing Program - Coordinate the annual street resurfacing program.	In Progress
2020 Sidewalk Replacement Program - Coordinate the annual sidewalk program with revenue from the 2011 Sales Tax Plan.	Completed
Replace Interstate 430 Freeway Lighting with LED lights.	In Progress
Replace Big Rock Interchange Lighting with LED lights.	Delayed Due To Covid
Continue to identify intersections affected by street resurfacing and replace vehicle detection systems with cameras or loops.	Ongoing
Monitor streetlight outages and repair or preplace non-working lights; install LED lights where possible.	Ongoing
Continue to provide design assistance for bicycle facilities.	Ongoing
Provide design assistance for Bond Projects, especially those involving bike lanes, complete streets, roundabouts, etc.	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.	In Progress
Complete design work on all 2019 to 2021 capital improvement projects.	In Progress

<b>2021 Department Goals</b>
2019 Street Resurfacing Program - Complete the 2019 Street Resurfacing Program.
2020 Street Resurfacing Program - Complete the 2020 Street Resurfacing Program.
2021 Street Resurfacing Program - Coordinate the annual street resurfacing program.
2021 Sidewalk Replacement Program - Coordinate the annual sidewalk program with revenue from the 2011 Sales Tax Plan.
Replace Big Rock Interchange Lighting with LED lights.
Provide design assistance for Bond Projects, especially those involving bike lanes, complete streets, roundabouts, etc.
Continue to identify intersections affected by street resurfacing and replace vehicle detection systems with cameras or loops.



**Public Works Street Fund**

**Department: Public Works**  
**Funding Source: Street Fund**  
**Budget: \$21,279,119**

**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.

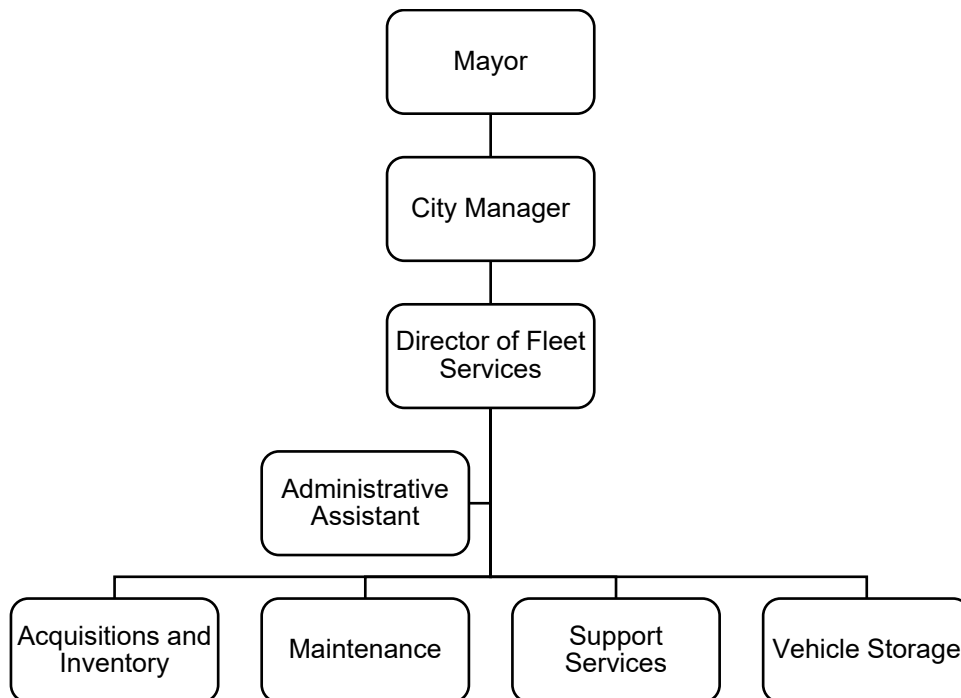
	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Budget</b>
<b>Objective:</b> To review and approve commercial building permits for consistency with Code requirements for streets, drainage, and environmental programs.			
<b>Demand:</b> Permits for review	173	182	130
<b>Workload:</b> Permits reviewed	173	182	130
<b>Efficiency:</b> Permits processed per month.	14.42	15	10.83
<b>Effect/Outcome:</b> Percentage of permits completed.	100%	100%	100%
<b>Objective:</b> 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.			
<b>Demand:</b> Annual Street Sweeping Program miles.	57,231	62,051	35,000
<b>Workload:</b> Sweeping Program Street Lane miles.	57,231	62,051	35,000
<b>Efficiency:</b> Program Miles Completed per month.	4,769.25	5,170.92	2,916
<b>Effect/Outcome:</b> Percentage of miles completed.	100%	100%	100%
<b>Objective:</b> To respond to citizen requests/complaints regarding Traffic issues affecting neighborhoods and/or other parts of the City.			
<b>Demand:</b> Requests for review.	353	331	360
<b>Workload:</b> Requests reviewed	353	331	360
<b>Efficiency:</b> Requests completed per month.	29.42	27.58	30
<b>Effect/Outcome:</b> 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:**

The City of Little Rock’s Fleet Services Department is dedicated to providing exceptional procurement and preventive maintenance services for acquired moving assets and accessories to both internal and external customers on behalf of our residents in an efficient and equitable manner.

**Vision:**

The City of Little Rock’s Fleet Services Department is a top performing acquisitions and maintenance team that provides safe high quality preventive and repair services for the City’s sustainable automobile fleet used to protect and serve all individuals, families and businesses of this vibrant city.

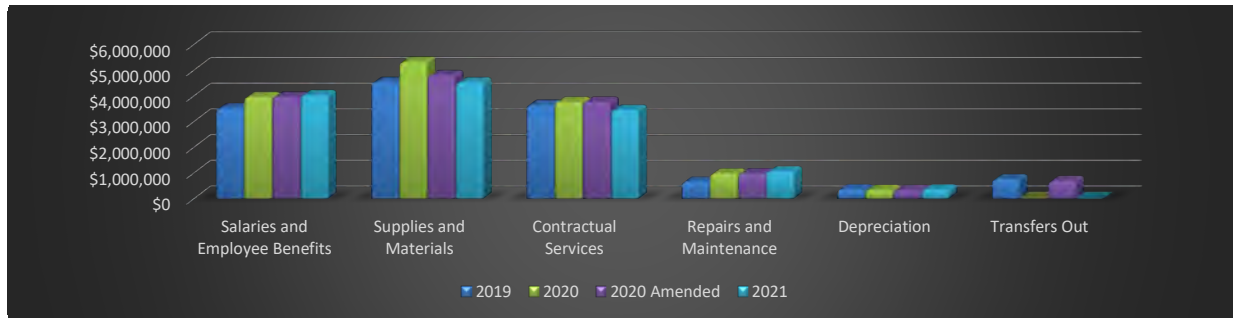
**Fleet Services**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$3,503,003	\$3,953,191	\$3,955,832	\$4,019,964
Supplies and Materials	4,524,878	5,316,365	4,788,914	4,513,660
Contractual Services	3,642,423	3,759,817	3,759,817	3,448,659
Repairs and Maintenance	651,022	973,365	973,365	1,058,040
Depreciation	352,239	330,303	330,303	350,300
Transfers Out	750,000	-	682,450	-
<b>Total</b>	<b>\$13,423,567</b>	<b>\$14,333,041</b>	<b>\$14,490,681</b>	<b>\$13,390,623</b>

Staffing	63	63	63	63
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The Fleet Services Budget is balanced. The 2021 Fleet Budget will decrease from the 2020 Adopted Budget by (\$942,418) and from the 2020 Amended Budget by (\$1,100,058). The increase of \$66,773 in personnel cost from the 2020 Adopted Budget is primarily attributed to step and grade progression for union eligible employees and a 7.5% increase in the cost of health insurance. The 2021 Budget decrease in Supplies and Materials of (\$802,705) from the Adopted 2020 Budget is attributed to lower fuel prices. Fuel is budgeted at \$2.09 for unleaded and \$2.19 for diesel, in comparison to \$2.30 for unleaded and \$2.60 for diesel in the 2020 Adopted Budget. The 2020 Amended Budget included reductions in fuel cost of (\$500,000) and parts cost of (\$27,451). The 2021 Budget for Contractual Services will decline by (\$311,158) for engine replacements, drivelines, hydraulic systems, and the like. The need for such services has decreased due to the ongoing vehicle replacement and leasing program which has taken older vehicles out of service. The increase of \$84,675 in Repairs and Maintenance is primarily attributed to software and land maintenance needs. Fleet is implementing an asset management system that is anticipated to go live in 2021. The 2021 Budget decrease in Transfers Out of (\$682,450) from the 2020 Amended Budget reflects the one-time transfer that occurred in 2020 to fund public safety vehicle upfit.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
All Operating Departments	\$13,390,623	-6.58%	-7.59%



Fleet Services

2020 Department Priorities	Status
Finish the implementation of the Enterprise Asset Management (EAM) business-ware. The completion date is scheduled in mid first quarter of 2020.	Ongoing
Increase individual technicians and overall shops productivity and efficiency levels to exceed industry standards and obtain national certifications and recognitions.	In Progress
Position Fleet to become nationally recognized through improvement in areas of national recognition. Establish a Citywide Service Level Agreement, enact a Vehicle Utilization Policy, construct an agreed upon sustainable green fleet initiative and adhere 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.	Ongoing
Establish and prepare a larger and more productive workshop. This will improve overall communication, productivity and safety between staff and the Little Rock Fire Department.	In Progress
Fleet Acquisitions will work with Purchasing and Finance to streamline or shorten the approval process for annual purchase orders and reconfigure the requisitioning, Purchase order assignment, inventory receipt and invoice approval elements by implementing a controlled item master to aid the generally accepted accounting 3-way matching protocol. These process improvements will be accomplished with the implementation of the new asset management system (EAM) in Q1.	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
Reclaim additional indirect clerical and administrative hours by restructuring, re-ordering, and aligning duties by better utilizing current and featured automation initiatives.	In Progress
Conduct a hands-on Inventory. A hands-on inventory is scheduled every two (2) years to maintain the integrity of the fleet count.	Delayed Due To Covid
Finish the rollout of our 5S Operations daily execution practices. The 5Ss are sort, strengthen or (set in order), shine, standardize and sustain. We added an additional 1S for safety, which should be the first “S”. Fleet is currently working on setting in order and shining.	Ongoing



<b>2021 Department Goals</b>
Finish the implementation of the Enterprise Asset Management (EAM) business-ware. The completion date is scheduled in first quarter of 2021.
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.
Procure and implement the latest technology tools to help our technicians understand & troubleshoot the rapid innovations that our industry is experiencing.
Work with Finance to streamline the approval process for Annual Purchase Orders and reconfigure the requisitioning, Purchase Order assignment, inventory receipt and invoice approval elements by implementing a controlled item master to aid the generally accepted accounting 3-way matching protocol. These process improvements will be accomplished with the implementation of the new asset management system (EAM) in the 1st Quarter of 2021.
Streamline the accident/incident review process to shorten the time between the date of loss and the initiation of the claim and manage any items thereof in EAM in the 1st Quarter of 2021.
Bring Vehicle Storage into either the EAM of Hanson Business management system in the 4th Quarter of 2021.
Fleet will continue to purchase alternative fuel vehicles and new technology to enhance our sustainability initiative.
Conduct a citywide fleet inventory.



Fleet Services

**Department:** Fleet Services  
**Funding Source:** Fleet Services Internal Service Fund  
**Budget:** \$13,390,623

**Department Description:**

To provide quality and cost-efficient vehicles and work equipment, fuel and other fleet support services to our customers in a timely, environmentally friendly atmosphere.

	<u>2019 Actual</u>	<u>2020 Budget</u>	<u>2021 Budget</u>
<b>Objective:</b> To complete 95% of fleet unit preventative maintenance before or on the due date, as per industries standards.			
<b>Demand:</b> Preventative work orders scheduled.	3,008	3,500	4,000
<b>Workload:</b> Preventative work orders opened and closed.	2,954	3,400	4,000
<b>Efficiency:</b> Preventative work orders closed on or before due date.	2,646	3,000	3,000
<b>Effect/Outcome:</b> Percentage of work orders closed on or before due date vs. total scheduled work orders.	88%	86%	90%
<b>Objective:</b> To increase the number of direct shop hours to 85% of total shop hours.			
<b>Demand:</b> Total number of shop hours.	74,512	75,000	75,000
<b>Workload:</b> Shop hours categorized as direct shop hours.	58,074	60,000	60,000
<b>Efficiency:</b> Average direct shop hours per month.	4,839	5,000	5,000
<b>Effect/Outcome:</b> Percentage of direct shop hours /total available shop hours.	78%	80%	80%

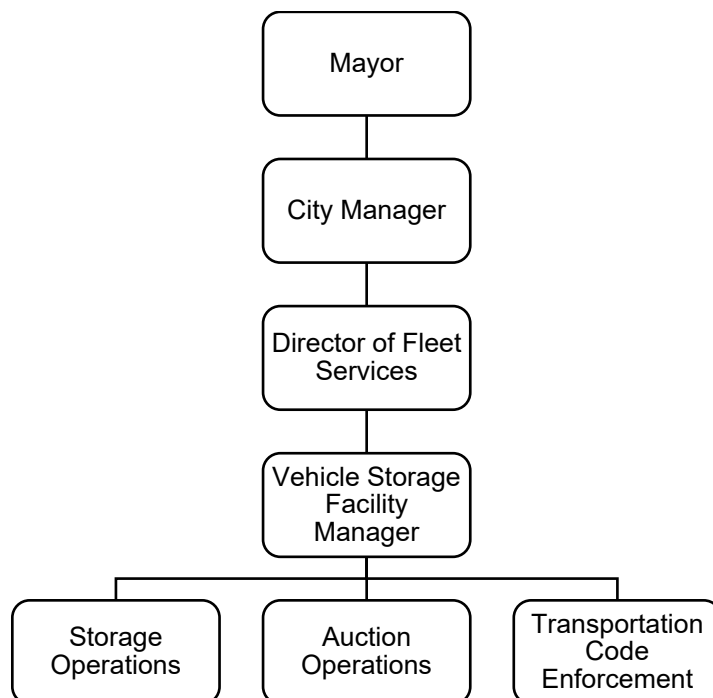
The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services and Infrastructure.**







# Vehicle Storage Facility



**Mission:**

The City of Little Rock’s Fleet Services Department is dedicated to providing exceptional procurement and preventive maintenance services for acquired moving assets and accessories to both internal and external customers on behalf of our residents in an efficient and equitable manner.

**Vision:**

The City of Little Rock’s Fleet Services Department is a top performing acquisitions and maintenance team that provides safe high quality preventive and repair services for the City’s sustainable automobile fleet used to protect and serve all individuals, families and businesses of this vibrant city.

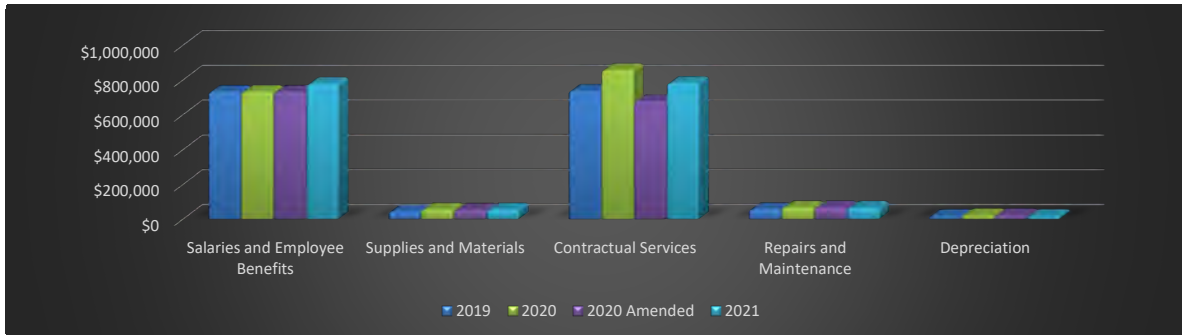
**Vehicle Storage**

<b>Expenditure Budget</b>				
Account Category	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$732,474	\$731,400	\$732,335	\$778,372
Supplies and Materials	45,297	56,770	54,573	55,755
Contractual Services	738,338	858,017	678,755	783,017
Repairs and Maintenance	57,532	67,641	67,641	66,013
Depreciation	15,930	21,799	21,799	16,000
Transfers Out	-	-	6,248	-
<b>Total</b>	<b>\$1,589,572</b>	<b>\$1,735,627</b>	<b>\$1,561,351</b>	<b>\$1,699,157</b>

<b>Staffing</b>	13	13	14	14
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The Vehicle Storage Budget will decrease (\$36,470) from the Adopted 2020 Budget and increase \$137,806 from the 2020 Amended Budget. The \$46,972 increase in Personnel Costs from the 2020 Adopted Budget reflects step and grade progression for union eligible employees, a 7.5% increase in health insurance cost, and other benefit cost changes. Vehicle storage contract expenses for towing decreased significantly in 2020 due to the impact of COVID-19 on traffic. The primary increase in the 2021 Vehicle Storage Budget from 2020 Amended Budget is associated with increased Contractual Services of \$104,262, including towing costs, which are expected to increase from the 2020 Amended Budget but remain (\$75,000) below the 2020 Adopted Budget as the restrictions associated with COVID-19 are gradually lifted.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
601 Vehicle Storage Facility Fund	<u>\$1,699,157</u>	<u>-2.10%</u>	<u>8.83%</u>



**Vehicle Storage Facility**

2020 Department Priorities	Status
Resurface the auction parking lot with compact gravel material.	Not Completed
Renovate the exterior and interior facility.	Not Completed
Improve existing security camera system to high definition while adding more cameras.	Completed
Bring Vehicle Storage processes into either the Enterprise Asset Management (EAM) or Hanson Business management system in the fourth quarter.	Not Completed

2021 Department Goals
Resurface the auction parking lot with compact gravel material.
Bring Vehicle Storage processes into either the Enterprise Asset Management (EAM) or Hanson Business management system.
Renovate the exterior and interior facility.



Vehicle Storage Facility

**Department:** Vehicle Storage Facility  
**Funding Source:** Vehicle Storage Enterprise Fund  
**Budget:** \$1,699,157

**Department Description:**

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

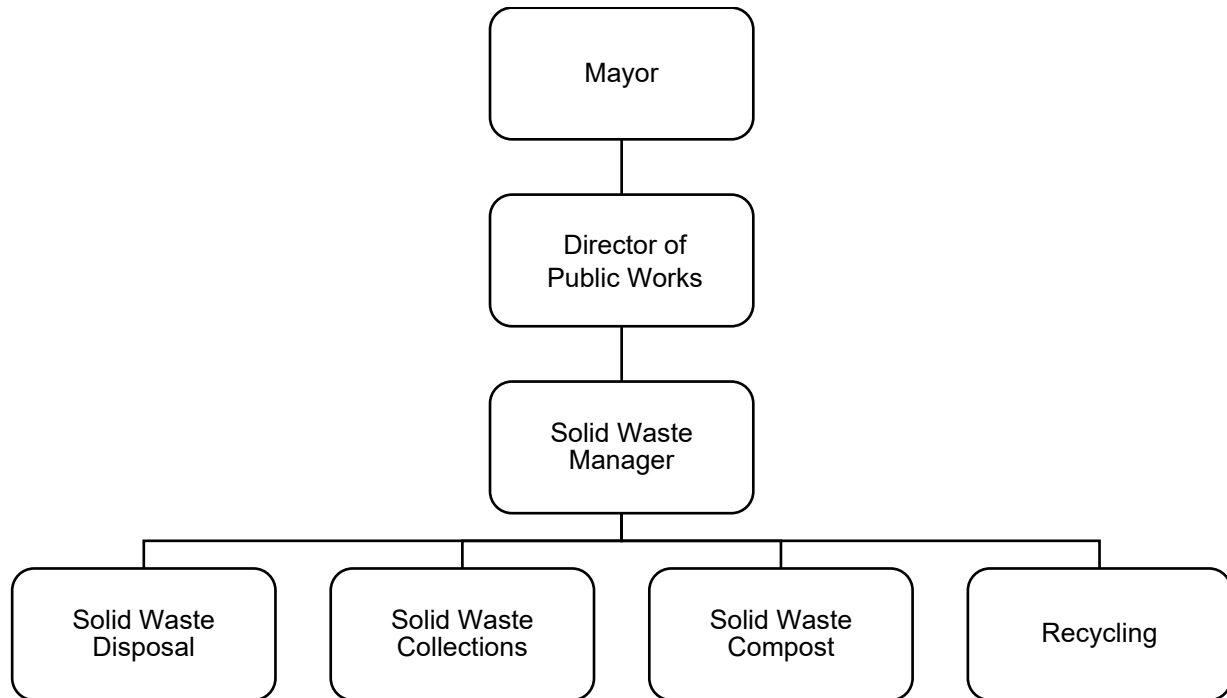
	<u>2019 Actual</u>	<u>2020 Budget</u>	<u>2021 Budget</u>
<b>Objective:</b> To release 100% of eligible vehicles within 60 days of impoundment.			
<b>Demand:</b> Impounded vehicles.	3,714	4,200	4,200
<b>Workload:</b> Impounded vehicles eligible for release.	2,600	3,066	3,066
<b>Efficiency:</b> Eligible vehicles released within 60 days.	2,600	3,066	3,066
<b>Effect/Outcome:</b> Percentage of eligible vehicles released within 60 days.	70%	73%	73%

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





# Waste Disposal



**Mission:**

The Public Works department is dedicated to providing efficient and economical infrastructure and quality management of services for the residents of Little Rock in a professional manner.

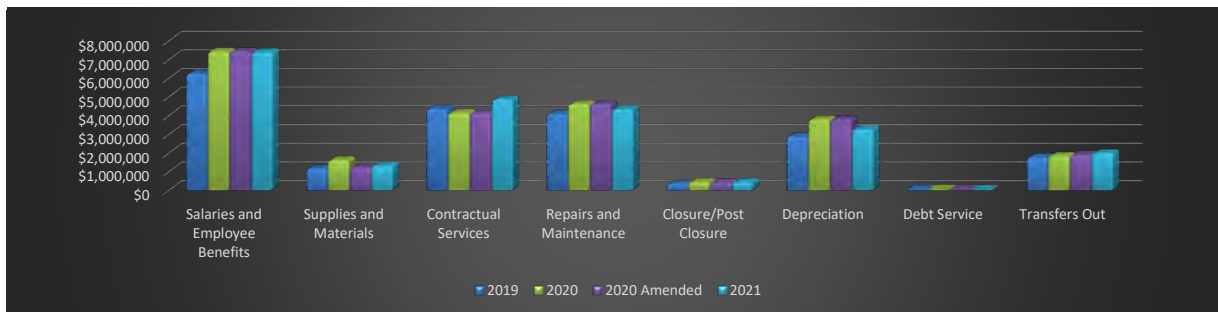
**Waste Disposal**

Account Category	Expenditure Budget			
	2019 Actual Expenditures	2020 Adopted Budget	2020 Amended Budget	2021 Adopted Budget
Salaries and Employee Benefits	\$6,236,844	\$7,427,549	\$7,435,164	\$7,400,496
Supplies and Materials	1,180,811	1,625,100	1,223,847	1,320,551
Contractual Services	4,361,716	4,130,683	4,130,683	4,861,808
Repairs and Maintenance	4,096,300	4,612,257	4,612,257	4,328,649
Closure/Post Closure	352,840	444,500	444,500	444,500
Depreciation	2,906,191	3,809,522	3,809,522	3,282,100
Debt Service	61,306	44,783	44,783	27,523
Transfers Out	1,784,335	1,844,211	1,903,551	2,006,244
<b>Total</b>	<b>\$20,980,343</b>	<b>\$23,938,605</b>	<b>\$23,604,307</b>	<b>\$23,671,871</b>

<b>Staffing</b>	130	144	145	145
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The 2021 Waste Disposal Fund Budget is balanced. The 2021 Budget will be (\$266,734) below the 2020 Adopted Budget and \$67,564 above the 2020 Amended Budget. Personnel cost will decrease (\$27,053) from the 2020 Adopted Budget due to reduced Workers' Compensation charges, partially offset by step and grade progression for union eligible employees and a 7.5% increase in the cost of health insurance. The decrease in Supplies and Materials of (\$304,549) from the 2020 Amended Budget is primarily attributed to a decline in diesel fuel cost. The increases in Contractual Services of \$731,125 is primarily attributed to the change in the recycling contract and the adjustment of other contracts to align with 2019 actual expenses. The decline in the Repairs and Maintenance Budget of (\$283,608) represents a reduction to Fleet labor and maintenance allocations of (\$406,104) net of an increase in other landfill maintenance expenses of \$122,496. Depreciation was over estimated in the 2020 Adopted Budget. The estimate was reduced by (\$527,422) in the 2021 Budget to better align with 2019 and 2020 actual expenses. The increase of \$162,033 in the Transfers Out budget from the 2020 Adopted Budget is due to an increase in the overhead contribution to the General Fund.

**Allocations By Year And Account Category**



Resources for Budget	FY 21 Proposed Budget	% Change from 2020 Adopted	% Change from 2020 Amended
603 Waste Disposal Fund	\$23,671,871	-1.11%	0.29%



**Waste Disposal**

<b>2020 Department Priorities</b>	<b>Status</b>
Start utilizing tablets for tracking knuckle boom pickups.	Completed
Expand camera systems to all collection vehicles.	In Progress
Restructure collection days for balancing routes.	Completed
Look at more efficient Alternate Daily Cover (ADC) for Class 1 landfill.	Ongoing
Hire Solid Waste Collections Supervisor, Solid Waste Division Manager, Solid Waste Engineer.	In Progress
Hire additional operators, refuse collectors, and inspector as approved in solid waste services rate increase.	Completed
Implement new On-Call/Bulky Item collection policy.	Completed
Renew recycling contract for residential customers.	Completed

<b>2021 Department Goals</b>
Finish equipping collection vehicles with camera and GPS systems.
Increase number of SW Operator III's to assist with garbage collection.
Hire new inspector position to monitor GPS systems and monitor missed pickups.
Outfit all pickup trucks with GPS systems.



Waste Disposal

**Department:** Waste Disposal  
**Funding Source:** Waste Fund  
**Budget:** \$23,671,871

**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>2019 Actual</u>	<u>2020 Budget</u>	<u>2021 Budget</u>
<b>Objective:</b> To promote recycling and increase annual tonnage collected.			
<b>Demand:</b> Curbside recycling tonnage to be collected	8,000	7,800	7,200
<b>Workload:</b> Curbside recycling tonnage collected.	8,374	7,800	7,200
<b>Efficiency:</b> Curbside recycling tonnage collected/month.	698	650	600
<b>Effect/Outcome:</b> Percentage of tonnage collected annually.	105%	100%	100%
<b>Objective:</b> To monitor incoming tonnage to the Class I and Class IV Landfill Cells.			
<b>Demand:</b> Class 1 & Class 4 tonnage to be disposed.	130,000	125,000	115,000
<b>Workload:</b> Class 1 & Class 4 tonnage received.	130,000	125,000	115,000
<b>Efficiency:</b> Average monthly tonnage disposed of in Class 1 and Class 4 landfills.	10,833	10,417	9,583
<b>Effect/Outcome:</b> Percentage of tonnage collected annually.	100%	100%	100%
<b>Objective:</b> To respond to on call bulky items pickups – Response time			
<b>Demand:</b> On Calls received for bulky pickups.	45,319	30,000	25,000
<b>Workload:</b> On call bulky item pickups.	45,319	30,000	25,000
<b>Efficiency:</b> Average working response time (days).	4.37	3.5	3.0
<b>Effect/Outcome:</b> Percentage of bulky items pickups completed 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



**Appendix A****State and City Budget Statutes****State Statutes**

Arkansas statutory law, A.C.A. § 14-47-120, 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 sixty (60) days after the end of each fiscal year, a complete report on the City's finances and administrative activities during the fiscal year.
3. The City Manager shall keep the Mayor and Board advised of the City's financial condition and future needs 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 City of Little Rock's 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 City's budget shall set forth all proposed expenditures for the administration, operation, and maintenance of all departments, expenditures for capital or special projects to be undertaken, and support for other agencies to be provided. In addition, the budget shall set forth the anticipated revenues and other means of financing proposed expenditures. The Board of Directors shall adopt the budget for the ensuing fiscal year period. In contrast, budget information for subsequent fiscal periods shall be considered a fiscal plan and not a part of the adopted budget.

**Sec. 2-212. Preparation.**

The City Manager shall submit a budget and an explanatory budget message to the Board of Directors for the ensuing year. The City Manager shall compile the budget with the Finance Department's assistance 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 City Clerk's office open to public inspection by anyone. The City Manager shall ensure sufficient copies of the budget and budget message are available for distribution to interested persons.

**Sec. 2-214. Adoption.**

The Mayor and Board of Directors shall adopt a budget for the ensuing year by December 30.

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

**Sec. 2-217. Summary.**

To present taxpayers a simple and clear overview of the budget estimates, a summary of the budget shall head of the budget, which need not be itemized further than by principal sources of anticipated revenue and total proposed expenditures of each department.

**Sec. 2-218. Complete budget plan.**

The budget shall provide a complete plan for all City departments and offices' operations for the ensuing budget year. It shall contain in tabular form:

- (1) Detailed estimates of all anticipated revenues.
- (2) All proposed expenditures.

**Sec. 2-222. Emergency appropriations.**

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

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

Fund balance reports shall be prepared and submitted to the Mayor and Board of Directors by the City Manager and Director of Finance within 20 business days after month-end close. A quarterly fund balance 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.**

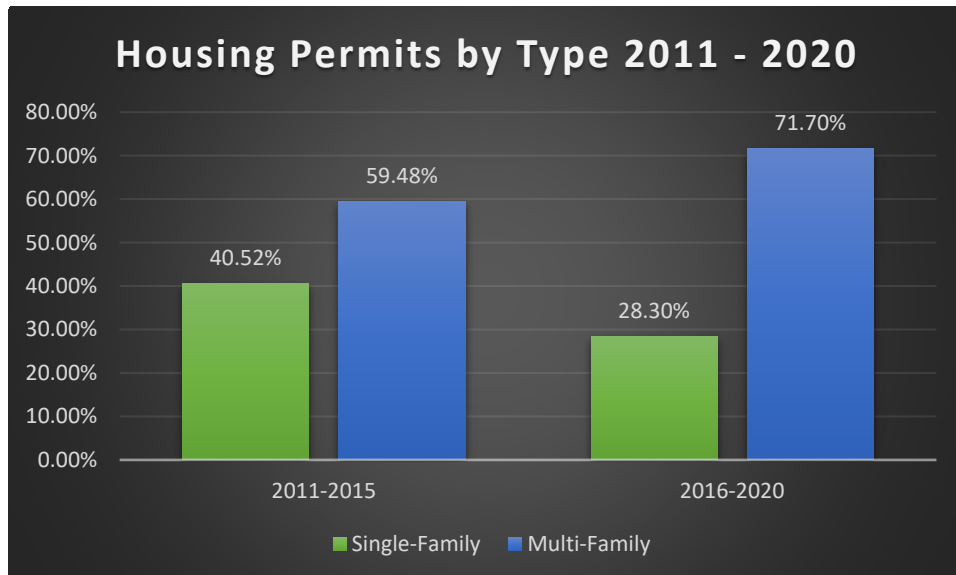
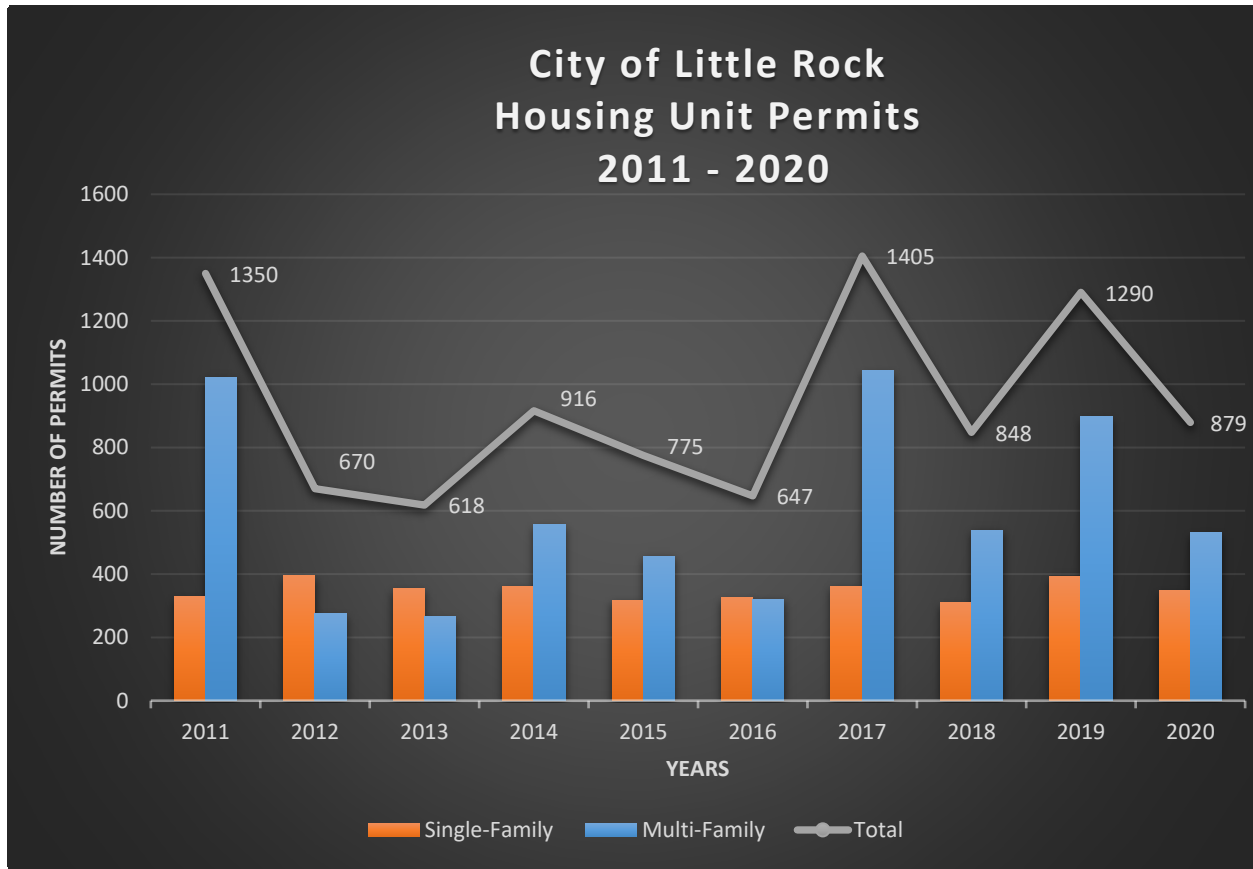
Restricted reserve fund means a portion of the governmental fund type's net assets that are accounted for in a restricted fund balance that is not available for appropriation without special actions of the Mayor and Board of Directors. This fund is considered fully funded as a part of the annual City 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 are 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 reductions in force, city services or the use of restricted reserve fund monies to meet the City's obligations funded in the annual City budget.

**Appendix B****STATISTICAL INFORMATION**

Date of Incorporation	November 7, 1831	
Date of Adoption of Charter	November 2, 1835	
Form of Government	City Manager	
Date of City Manager Government	July 27, 1993	
Area - Square Miles	122.36	
Miles of Streets and Alley:		
Total Streets	2,485.54	
Streets Graded and Surface Treatment	407.56	
Paved - Permanent (Concrete and Asphalt)	2,077.98	
Alleys Maintained	62.82	
Drainage Ditches Maintained	1,571.12	
Storm Sewers Maintained	372.78	
Miles of Water Lines	1,437.60	
Sanitary Miles	1,404.00	
Traffic Controls:		
Signals Repaired	1,800	
Solid Waste/Garbage Collection:		
Class I and IV tonnage	105,318	
Yard Waste	23,699	
On-call Service	28,017	
Knuckleboom truck pick-ups	7,201	
Number of Residential Users	60,593	
Number of Commercial Users	478	
Building Permits:		
<u>Year</u>	<u>Permits Issued</u>	<u>Estimated Cost</u>
2011	3,304	\$ 356,450,894
2012	2,011	\$ 391,789,405
2013	2,000	\$ 385,865,486
2014	2,024	\$ 593,559,207
2015	2,059	\$ 414,586,125
2016	2,276	\$ 448,913,149
2017	2,283	\$ 502,609,225
2018	1,957	\$ 617,187,924
2019	2,015	\$ 551,240,708
2020	1,965	\$ 443,609,792



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	22
Number of Authorized Uniformed Employees	426
Rescue, emergency medical call	16,702
Fire and explosions	1,125
Hazardous condition, standby	1,044

Insurance Rating for Insurance Service Office (ISO)

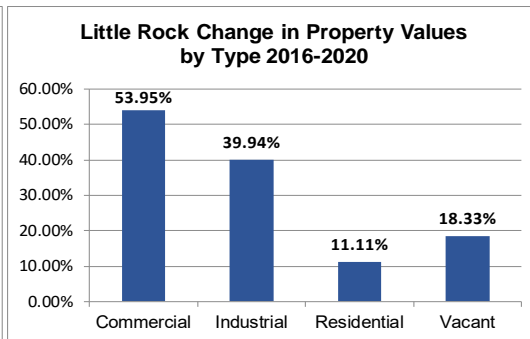
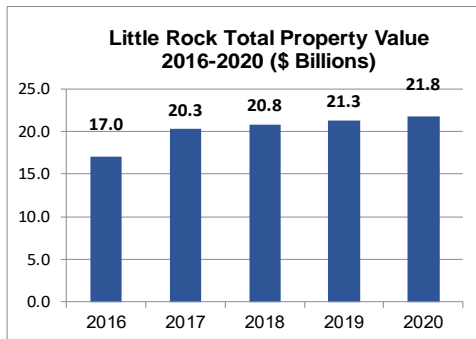
City of Little Rock	Class I
---------------------	---------

Police Protection:

Number of Stations	10
Number of Authorized Uniformed Employees	594
Calls for Service Police	165,460
3-1-1 Service requests from calls	91,198

Little Rock Property Valuations 2016-2020

	2016	2017	2018	2019	2020	Change 16 to 20	Change 2019 to 20
Commercial	5,276,832,225	7,278,600,770	7,356,086,885	7,545,525,820	8,123,493,210	53.95%	7.66%
Industrial	205,432,490	253,116,845	258,218,895	249,908,875	287,477,350	39.94%	15.03%
Residential	10,012,553,730	10,330,276,465	10,481,238,580	11,090,903,540	11,124,936,085	11.11%	0.31%
Other	1,095,317,555	1,931,080,940	2,196,554,900	1,854,765,315	1,708,433,490	55.98%	-7.89%
Vacant	454,995,840	519,748,805	532,070,350	525,189,755	538,382,855	18.33%	2.51%
<b>Total</b>	<b>17,045,131,840</b>	<b>20,312,823,825</b>	<b>20,824,169,610</b>	<b>21,266,293,305</b>	<b>21,782,722,990</b>	<b>27.79%</b>	
<b>Change</b>		<b>19.2%</b>	<b>2.5%</b>	<b>2.1%</b>	<b>2.4%</b>		



Compiled By Metroplan 01/13/2021

Recreation:

Number of Parks, Including Park Development	63
Total Acres (developed & undeveloped)	6,140
Number of Playgrounds	44
Number of Tennis Courts	41
Number of Basketball Courts	36
Number of Museums	1
Number of Golf Courses	2
Number of Ball Fields	25
Number of Play Fields	22
Number of Community Centers	9
Number of Swimming Pools	3
Number of Adult Centers	1
Number of Soccer Fields	13
Number of Fitness Centers	1
River Market	1
Amphitheatre	1
Number of Pavilions	32
Number of Volleyball Courts	17
Total Recorded Park Attendance - 2020	158,981
Number of Zoos	1
Total Zoo Attendance – 2020	101,482
Zoo Outreach Program – Education Department	10,737
Zoo Outreach Program – Virtual Programs and Events	1,360,000

Medical Facilities Number of beds  
(private occupancy rooms):

Baptist Health Medical Center – Little Rock	825
University of Arkansas Medical Center	505
St. Vincent Infirmary Medical Center	393
Arkansas Children’s	336
Veteran Health Care System	219
Baptist Rehabilitation Institute	120
Arkansas Heart Hospital	112
Baptist Health Extended Care	73
Cornerstone Hospital Little Rock	40
Total Number of Beds	<u>2623</u>

Estimated Total Beds per 1,000 Population: 13.0

Total Estimated Population 201,517

Compiled by Metroplan 1/28/2021



## POPULATION

<u>Year</u>	<u>Number</u>
1910	45,941
1920	65,142
1930	81,657
1940	88,039
1950	102,310
1960	107,813
1962 Special Census	125,671
1964 Special Census	128,929
1970 Census	144,824
1974 Special Census	139,703
1978 Special Census	144,824
1980 Census	159,024
1985 Special Census	178,134
1990 Census	175,795
1992 U.S. Census Bureau Estimate	176,870
2000 Census	183,133
2010 Census	193,524
2011 Special Census*	195,310
2012 Special Census**	194,439
2013 Special Census**	196,814
2014 Estimate	198,704
2015 Estimate **	202,081
2016 Estimate **	199,597
2017 Estimate **	200,510
2018 Estimate **	198,594
2019 Estimate **	203,600
2020 Estimate ***	200,918

\* Source: Arkansas Business 2020 Book of Lists

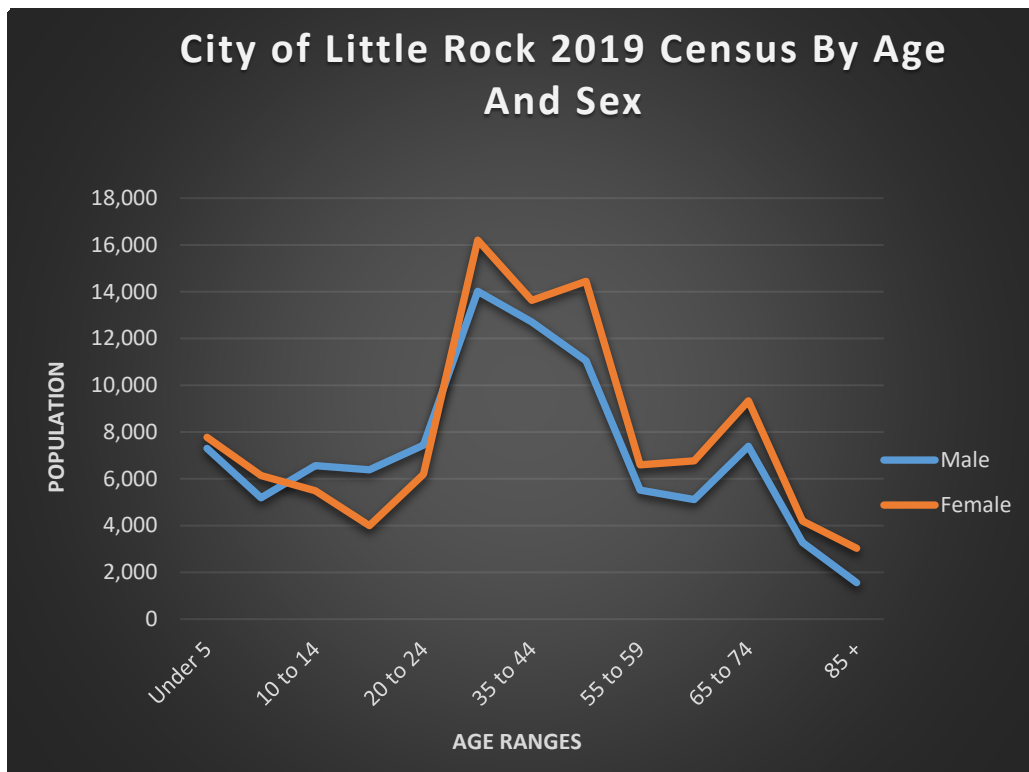
\*\* Source: Metroplan

\*\*\* Source: City-Data.com

**City of Little Rock 2019 Population by Age and Sex**

Age Range	Male	Female	Total
Under 5	7,301	7,775	15,076
5 to 9	5,185	6,141	11,326
10 to 14	6,562	5,492	12,054
15 to 19	6,386	4,000	10,386
20 to 24	7,439	6,195	13,634
25 to 34	14,017	16,205	30,222
35 to 44	12,704	13,632	26,336
45 to 54	11,052	14,445	25,497
55 to 59	5,519	6,594	12,113
60 to 64	5,116	6,768	11,884
65 to 74	7,390	9,334	16,724
75 to 84	3,279	4,198	7,477
85 +	1,559	3,030	4,589
<b>Total</b>	<b>93,509</b>	<b>103,809</b>	<b>197,318</b>
<b>Percentage</b>	<b>47.39%</b>	<b>52.61%</b>	<b>100%</b>

2020 data is not available until 2020 Census Data is released



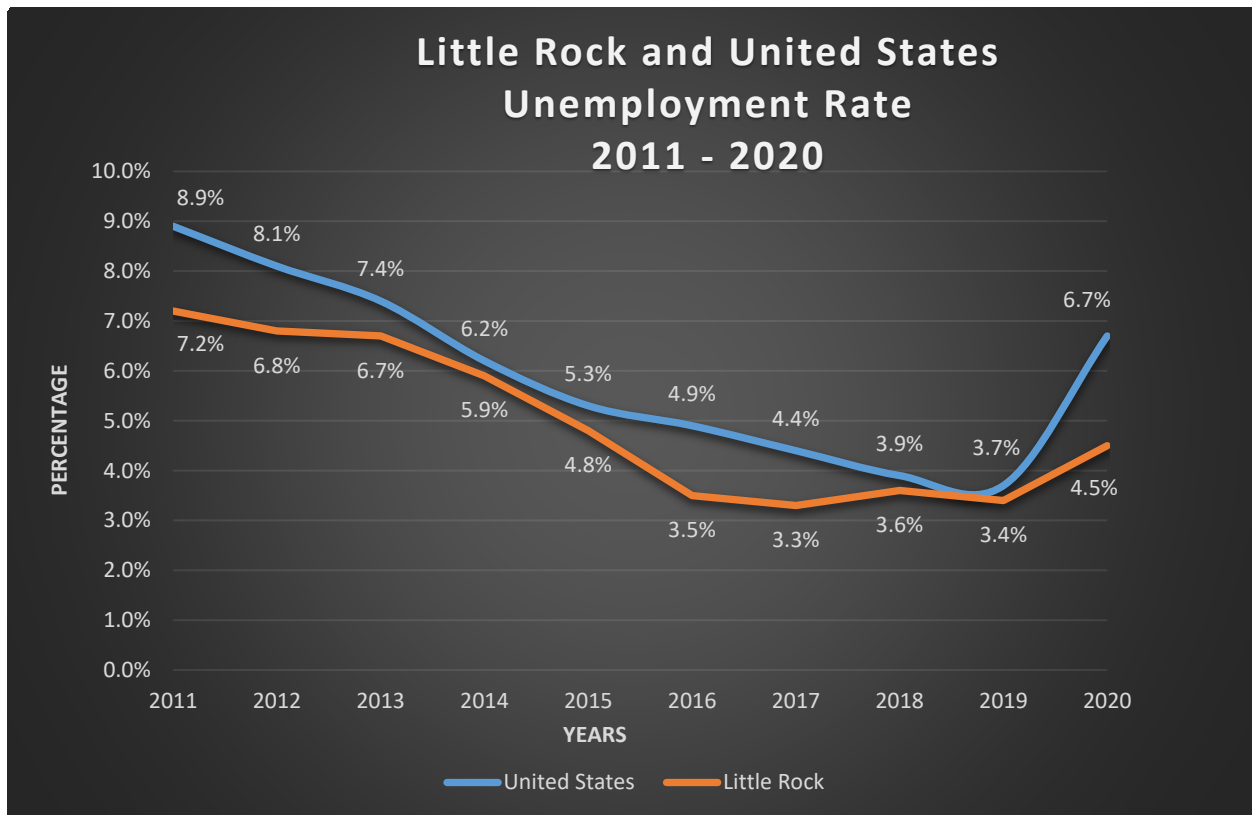
**LITTLE ROCK AND ENVIRONS**

Per Capita Income (2019)	\$34,701
Median household income (2019)	\$54,878
U.S. Consumer Price Index (December 2020)	260.8
Percent inflation over past year	.9%
Unemployment percentage rate (December 31, 2020)	4.5%
Median Age (2019 American Community Survey)	37.4

Race (2019):	
White	46.3%
Black or African American	42.3%
Hispanic or Latino *	6.7%
Asian	3.1%
Other **	1.6%

\*Hispanic is an overlay category that includes multiples races.

\*\*Could include persons reporting more than one race.



Source: U.S. Bureau of Labor Statistics  
 Compiled by MetroPlan 03/08/2021

**Education (Little Rock School District):**

Number of School Buildings	43
Number of Teachers/including Principals, Supervisors	2,021
Number of Registered Students	21,612
Number of Kindergarten Students	1,568
Average Daily Attendance - Elementary Schools	7,787
Average Daily Attendance - High/ Middle Schools	9,779
Average Daily Attendance - Kindergarten	1,426
Tax Rate: (Mills)	
Real	46.4
Personal	46.4

**Educational Attainment  
Little Rock 2019 (Highest level of Attainment)**

Total Population (ACS)	197,318
Population 25 years and over	134,842
Percent of Population Age 25+	68.3%
Overall education attainment:	
High School diploma or higher	92.1%
Bachelor's degree or higher	42.7%
Maximum education level in years of formal schooling:	
High School or Equivalent	22.0%
Some college, no degree	22.0%
Associate degree	5.4%
Bachelor's degree	23.4%
MA/Professional degree or higher	19.3%

**Enrollment at Little Rock Institutions for Higher Education  
2018-2019**

<u>Institution</u>	<b>Enrollment</b>	
	<u>Fall 2018</u>	<u>Fall 2019*</u>
University of Arkansas at Little Rock	10,515	9,581
University of Arkansas for Medical Sciences	2,821	2,727
Philander-Smith College	1,000	996
Arkansas Baptist College	486	515
Webster University	273	60 **
<b>Total</b>	15,095	13,879

## Sources:

1. Arkansas Business Book of Lists 2021.
  2. Arkansas Business Book of Lists, 2012 edition.
- \*Fall 2019 latest data, as shown in 2021 AR Business Book of Lists.  
 \*\* Includes multiple campuses outside LR.

Compiled by Metroplan 1/28/2021

**EMPLOYEES AS OF DECEMBER 31, 2020**

<u>City Government</u>	Total	Full-Time	Part-Time
AFSCME	393	393	-
IAFF	392	392	-
FOP	513	513	-
Non-union	996	644	352
	2,294	1,942	352
 <u>Commissions</u>			
Wastewater Utility	214	213	1
Bill & Hillary Clinton National Airport	157	156	1
LR Convention & Visitors Bureau	110	75	35
Little Rock Port Authority	11	10	1
Metropolitan Emergency Medical Service:	382	358	24
Rock Region Metro	198	192	6
Arkansas Museum of Discovery	24	22	2
Arkansas Museum of Fine Arts	98	39	59
Central Arkansas Library	274	204	70
	1,468	1,269	199
<b>Total Employment</b>	3,762	3,211	551

**Little Rock Area Major Employers  
2020**

<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	9,700
5 Baptist Health	Medical Services	7,340
6 Little Rock Air Force Base	Government	4,500
7 Arkansas Children’s Hospital	Medical Services	4,370
8 Central Arkansas Veterans Healthcare System	Medical Services	4,000
9 Little Rock School District	Schools/Colleges/Education	3,970
10 CHI St. Vincent Health System	Medical Services	3,000
11 Pulaski County Special School District	Schools/Colleges/Education	2,700
12 AT&T	Utility (Telephone)	2,615
13 Arkansas Blue Cross Blue Shield	Insurance	2,610
14 Entergy Arkansas	Utility (Electric)	2,580
15 Verizon Wireless	Communications/Telecommunications	2,500
16 Union Pacific	Transportation	2,000
17 Dillard’s Inc.	Department Store	2,000
18 University of Arkansas at Little Rock	Education	1,850
19 University of Central Arkansas	Education	1,750
20 CenterPoint Energy	Utility (Natural Gas)	1,600
21 Dassault Falcon Jet Corp.	Falcon Aircraft Models	1,400
22 Windstream Communications	Utility (Telephone)	1,400
23 Fidelity National Information Services	Data Processing	1,300

Source: Greater Little Rock Chamber of Commerce - 03/16/2021

The City of Little Rock Arkansas's largest own-source revenue is sales taxes. The City's sales tax revenues are generated from two separate tax levies; a permanent one and one-eighth (1.125)-cent local general sales tax, and a three-eighth (0.375)-cent local sales tax for capital improvements, which sunsets in 2021 unless it is extended by voters. Taxes are assessed based on the point-of-sale. In addition, the City receives a portion of the county's one (1.0)-cent sales tax based on population. The City of Little Rock makes up approximately 51% of the county population and receives a like proportion of the county tax. In 2020, the combined 1.5-cent city sales tax generated revenue of \$83,077,428. The City's share of the county 1-cent tax generated revenue of \$47,528,062.

According to Arkansas State Statutes, the City is required to keep the identity of individual taxpayers confidential. Therefore, the City of Little Rock is not able to disclose the top ten taxpayers. However, Little Rock enjoys a diverse economic sales tax base. Revenues generated by the top ten industry codes are noted below.

<b>Little Rock Top Ten 1 1/2 Cent Sales Taxpayers</b>		<b>Tax</b>	
<b>Industry</b>		<b>Collected</b>	<b>% of Total</b>
Other General Merchandise Stores		7,301,114	8.79%
Grocery Stores		6,451,340	7.77%
Building Material and Supplies Dealers		4,338,076	5.22%
Full-Service Restaurants		3,972,179	4.78%
Electronic Shopping and Mail-Order Houses		3,934,139	4.74%
Electronics and Appliance Stores		3,205,244	3.86%
Clothing Stores		2,252,251	2.71%
Electric Power Generation; Transmission and Distribution		2,187,456	2.63%
Food Services and Drinking Places; Unknown Subclassification		2,079,032	2.50%
Professional and Commercial Equipment and Supplies Wholesalers		1,969,019	2.37%
	Totals	<u>37,689,850</u>	<u>45.37%</u>
<b>Little Rock Top Ten 1 Cent County Sales Taxpayers</b>		<b>Tax</b>	
<b>Industry</b>		<b>Collected</b>	<b>% of Total</b>
Other General Merchandise Stores		5,052,164	10.63%
Grocery Stores		3,226,573	6.79%
Building Material and Supplies Dealers		2,869,778	6.04%
Electronic Shopping and Mail-Order Houses		2,343,230	4.93%
Full-Service Restaurants		2,324,288	4.89%
Electric Power Generation; Transmission and Distribution		1,835,088	3.86%
Electronics and Appliance Stores		1,564,271	3.29%
Clothing Stores		1,073,881	2.26%
Food Services and Drinking Places; Unknown Subclassification		1,070,198	2.25%
Sporting Goods; Hobby; and Musical Instrument Stores		1,028,449	2.16%
	Totals	<u>22,387,921</u>	<u>47.10%</u>

**Appendix C**

**City of Little Rock  
2013 Limited Tax General Obligation Capital Improvement Bonds  
Original Issue \$58,105,000**

<b>2013 Limited Tax General Obligation Capital Improvement Bonds</b>				
<b>Year</b>	<b>Principal</b>	<b>Interest Payment</b>	<b>Interest Payment</b>	<b>Balance</b>
	<b>Due April 1st</b>	<b>April 1st</b>	<b>October 1st</b>	<b>\$1,325,000.00</b>
2021	\$1,325,000.00	\$33,125.00	\$0.00	\$0.00
2022	\$0.00	\$0.00	\$0.00	\$0.00
2023	\$0.00	\$0.00	\$0.00	\$0.00
2024	\$0.00	\$0.00	\$0.00	\$0.00
2025	\$0.00	\$0.00	\$0.00	\$0.00
2026	\$0.00	\$0.00	\$0.00	\$0.00
2027	\$0.00	\$0.00	\$0.00	\$0.00
2028	\$0.00	\$0.00	\$0.00	\$0.00
2029	\$0.00	\$0.00	\$0.00	\$0.00
2030	\$0.00	\$0.00	\$0.00	\$0.00
2031	\$0.00	\$0.00	\$0.00	\$0.00
2032	\$0.00	\$0.00	\$0.00	\$0.00
2033	\$0.00	\$0.00	\$0.00	\$0.00
2026	\$0.00	\$0.00	\$0.00	\$0.00
2027	\$0.00	\$0.00	\$0.00	\$0.00
2028	\$0.00	\$0.00	\$0.00	\$0.00
2029	\$0.00	\$0.00	\$0.00	\$0.00
2030	\$0.00	\$0.00	\$0.00	\$0.00
2031	\$0.00	\$0.00	\$0.00	\$0.00
2032	\$0.00	\$0.00	\$0.00	\$0.00
2033	\$0.00	\$0.00	\$0.00	\$0.00
	<b>\$1,325,000.00</b>	<b>\$33,125.00</b>	<b>\$0.00</b>	<b>\$0.00</b>



**City of Little Rock  
2014 Tax Increment Financing Bond Issue  
Original Issue \$2,615,000**

<b>2014 Tax Increment Financing Bonds</b>				
<b>Year</b>	<b>Principal</b>	<b>Interest Payment</b>	<b>Interest Payment</b>	<b>Balance</b>
	<b>Due March 1st</b>	<b>March 1st</b>	<b>September 1st</b>	<b>\$2,035,000.00</b>
2021	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2022	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2023	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2024	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2025	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2026	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2027	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2028	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2029	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2030	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2031	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2032	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2033	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2034	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2035	\$0.00	\$61,050.00	\$61,050.00	\$2,035,000.00
2036	\$2,035,000.00	\$61,050.00	\$0.00	\$0.00
	\$2,035,000.00	\$976,800.00	\$915,750.00	

**City of Little Rock  
2015 Library Construction and Refunding Bonds  
Original Issue \$36,620,000**

<b>2015 Library Limited Tax Obligation Bonds</b>				
<b>Year</b>	<b>Principal</b>	<b>Interest Payment</b>	<b>Interest Payment</b>	<b>Balance</b>
	<b>Due March 1st</b>	<b>March 1st</b>	<b>September 1st</b>	<b>\$26,310,000.00</b>
2021	\$1,335,000.00	\$406,787.50	\$380,087.50	\$24,975,000.00
2022	\$1,390,000.00	\$380,087.50	\$352,287.50	\$23,585,000.00
2023	\$1,440,000.00	\$352,287.50	\$330,687.50	\$22,145,000.00
2024	\$1,485,000.00	\$330,687.50	\$308,412.50	\$20,660,000.00
2025	\$1,525,000.00	\$308,412.50	\$287,443.75	\$19,135,000.00
2026	\$1,570,000.00	\$287,443.75	\$263,893.75	\$17,565,000.00
2027	\$1,620,000.00	\$263,893.75	\$239,593.75	\$15,945,000.00
2028	\$1,670,000.00	\$239,593.75	\$213,500.00	\$14,275,000.00
2029	\$1,720,000.00	\$213,500.00	\$187,700.00	\$12,555,000.00
2030	\$1,775,000.00	\$187,700.00	\$158,856.25	\$10,780,000.00
2031	\$1,830,000.00	\$158,856.25	\$130,262.50	\$8,950,000.00
2032	\$1,890,000.00	\$130,262.50	\$100,731.25	\$7,060,000.00
2033	\$1,950,000.00	\$100,731.25	\$70,262.50	\$5,110,000.00
2034	\$2,010,000.00	\$70,262.50	\$42,625.00	\$3,100,000.00
2035	\$2,065,000.00	\$42,625.00	\$14,231.25	\$1,035,000.00
2036	\$1,035,000.00	\$14,231.25	\$0.00	\$0.00
2037	\$0.00	\$0.00	\$0.00	\$0.00
2038	\$0.00	\$0.00	\$0.00	\$0.00
	<b>\$26,310,000.00</b>	<b>\$3,487,362.50</b>	<b>\$3,080,575.00</b>	

**City of Little Rock  
2017 Library Refunding Bonds  
Original Issue \$15,925,000**

**These bonds refunded the 2012 Library Bond Issue on March 1, 2018.**

The debt service is paid for from a 0.9 Mill Library Property Tax.

The millage was lowered from 1 mill on July 14, 2015.

<b>2017 Library Refunding Bonds</b>				
<b>Year</b>	<b>Principal</b>	<b>Interest Payment</b>	<b>Interest Payment</b>	<b>Balance</b>
	<b>Due March 1st</b>	<b>March 1st</b>	<b>September 1st</b>	<b>\$9,200,000.00</b>
2021	\$1,655,000.00	\$155,918.75	\$114,543.75	\$7,545,000.00
2022	\$1,735,000.00	\$114,543.75	\$71,168.75	\$5,810,000.00
2023	\$1,825,000.00	\$71,168.75	\$34,668.75	\$3,985,000.00
2024	\$1,900,000.00	\$34,668.75	\$18,043.75	\$2,085,000.00
2025	\$1,925,000.00	\$18,043.75	\$1,200.00	\$160,000.00
2026	\$160,000.00	\$1,200.00	\$0.00	\$0.00
2027	\$0.00	\$0.00	\$0.00	\$0.00
2028	\$0.00	\$0.00	\$0.00	\$0.00
2029	\$0.00	\$0.00	\$0.00	\$0.00
2030	\$0.00	\$0.00	\$0.00	\$0.00
2031	\$0.00	\$0.00	\$0.00	\$0.00
2032	\$0.00	\$0.00	\$0.00	\$0.00
2033	\$0.00	\$0.00	\$0.00	\$0.00
2034				
2035				
2036				
2037				
2038				
2039				
	<b>\$9,200,000.00</b>	<b>\$395,543.75</b>	<b>\$239,625.00</b>	

**City of Little Rock  
2018 Limited Tax General Obligation Capital Improvement Bonds  
Original Issue \$43,475,000**

**Issue Date of November 28, 2018**

The debt service is paid for from a 3 Mill Ad Valorem Property Tax  
(Reduced from 3.3 mill)

<b>2018 Limited Tax General Obligation Capital Improvement Bonds</b>				
<b>Year</b>	<b>Principal</b>	<b>Interest Payment</b>	<b>Interest Payment</b>	<b>Balance</b>
	<b>Due April 1st</b>	<b>April 1st</b>	<b>October 1st</b>	<b>\$26,535,000.00</b>
2021	\$2,390,000.00	\$477,500.00	\$417,750.00	\$24,145,000.00
2022	\$4,290,000.00	\$417,750.00	\$310,500.00	\$19,855,000.00
2023	\$5,170,000.00	\$310,500.00	\$181,250.00	\$14,685,000.00
2024	\$5,425,000.00	\$181,250.00	\$113,437.50	\$9,260,000.00
2025	\$5,560,000.00	\$113,437.50	\$43,937.50	\$3,700,000.00
2026	\$3,700,000.00	\$43,937.50	\$0.00	\$0.00
2027	\$0.00	\$0.00	\$0.00	\$0.00
2028	\$0.00	\$0.00	\$0.00	\$0.00
2029	\$0.00	\$0.00	\$0.00	\$0.00
2030	\$0.00	\$0.00	\$0.00	\$0.00
2031	\$0.00	\$0.00	\$0.00	\$0.00
2032	\$0.00	\$0.00	\$0.00	\$0.00
2033	\$0.00	\$0.00	\$0.00	\$0.00
	<b>\$26,535,000.00</b>	<b>\$1,544,375.00</b>	<b>\$1,066,875.00</b>	<b>\$0.00</b>

**City of Little Rock**  
**2018 Hotel Gross Receipts Tax Bonds (Arts Center Bonds)**  
**Original Issue \$32,570,000**  
**Issue Date of December 13, 2018**  
 The debt service is paid solely from the 2% A&P gross receipts.

<b>2018 Hotel Gross Receipts Tax Bonds</b>				
<b>Year</b>	<b>Principal</b>	<b>Interest Payment</b>	<b>Interest Payment</b>	<b>Balance</b>
	<b>Due December 1st</b>	<b>June 1st</b>	<b>December 1st</b>	<b>\$31,590,000.00</b>
2021	\$580,000.00	\$672,196.88	\$672,196.88	\$31,010,000.00
2022	\$610,000.00	\$657,696.88	\$657,696.88	\$30,400,000.00
2023	\$640,000.00	\$642,446.88	\$642,446.88	\$29,760,000.00
2024	\$670,000.00	\$626,446.88	\$626,446.88	\$29,090,000.00
2025	\$705,000.00	\$609,696.88	\$609,696.88	\$28,385,000.00
2026	\$740,000.00	\$592,071.88	\$592,071.88	\$27,645,000.00
2027	\$780,000.00	\$573,571.88	\$573,571.88	\$26,865,000.00
2028	\$815,000.00	\$554,071.88	\$554,071.88	\$26,050,000.00
2029	\$860,000.00	\$533,696.88	\$533,696.88	\$25,190,000.00
2030	\$900,000.00	\$512,196.88	\$512,196.88	\$24,290,000.00
2031	\$945,000.00	\$489,696.88	\$489,696.88	\$23,345,000.00
2032	\$995,000.00	\$466,071.88	\$466,071.88	\$22,350,000.00
2033	\$1,030,000.00	\$448,037.50	\$448,037.50	\$21,320,000.00
2034	\$1,065,000.00	\$429,368.75	\$429,368.75	\$20,255,000.00
2035	\$1,110,000.00	\$408,068.75	\$408,068.75	\$19,145,000.00
2036	\$1,150,000.00	\$387,256.25	\$387,256.25	\$17,995,000.00
2037	\$1,195,000.00	\$364,256.25	\$364,256.25	\$16,800,000.00
2038	\$1,245,000.00	\$340,356.25	\$340,356.25	\$15,555,000.00
2039	\$1,295,000.00	\$315,456.25	\$315,456.25	\$14,260,000.00
2040	\$1,345,000.00	\$289,556.25	\$289,556.25	\$12,915,000.00
2041	\$1,400,000.00	\$262,656.25	\$262,656.25	\$11,515,000.00
2042	\$1,455,000.00	\$234,656.25	\$234,656.25	\$10,060,000.00
2043	\$1,515,000.00	\$205,556.25	\$205,556.25	\$8,545,000.00
2044	\$1,575,000.00	\$175,256.25	\$175,256.25	\$6,970,000.00
2045	\$1,640,000.00	\$143,756.25	\$143,756.25	\$5,330,000.00
2046	\$1,705,000.00	\$109,931.25	\$109,931.25	\$3,625,000.00
2047	\$1,775,000.00	\$74,765.63	\$74,765.63	\$1,850,000.00
2048	\$1,850,000.00	\$38,156.26	\$38,156.26	\$0.00
	<b>\$31,590,000.00</b>	<b>\$11,156,953.20</b>	<b>\$11,156,953.20</b>	<b>\$0.00</b>

**City of Little Rock  
2003 Capital Improvement and Refunding Revenue Bonds -  
Parking Project**

**Original Issue \$11,855,000**

Final Rate of 5.126%.

The debt service is paid from the Second and Main Street Parking Facility revenues, Parking Fines and certain revenues collected under the City's Street Fund-Charges for Services.

Also, annual business license fees received from the rental and/or leasing of automobiles and trucks shall be applied for the debt service.

<b>2003 Capital Improvement and Refunding Revenue Bonds</b>				
<b>Year</b>	<b>Principal</b>	<b>Interest Payment</b>	<b>Interest Payment</b>	<b>Balance</b>
	<b>Due July 1st</b>	<b>Due January 1st</b>	<b>July 1st</b>	<b>\$5,660,000.00</b>
2021	\$590,000.00	\$149,523.75	\$149,523.75	\$5,070,000.00
2022	\$620,000.00	\$134,036.25	\$134,036.25	\$4,450,000.00
2023	\$655,000.00	\$117,761.25	\$117,761.25	\$3,795,000.00
2024	\$685,000.00	\$100,567.50	\$100,567.50	\$3,110,000.00
2025	\$725,000.00	\$82,415.00	\$82,415.00	\$2,385,000.00
2026	\$760,000.00	\$63,202.50	\$63,202.50	\$1,625,000.00
2027	\$805,000.00	\$43,062.50	\$43,062.50	\$820,000.00
2028	\$820,000.00	\$21,730.00	\$21,730.00	\$0.00
	\$5,660,000.00	\$712,298.75	\$712,298.75	

**City of Little Rock  
2007 Waste Disposal  
Original Issue \$3,400,000**

The Bonds will be special obligations secured by a pledge of and payable from the net revenues derived from the operation of the City's waste collection and disposal system on a parity of security with the City's Waste Disposal Refunding and Improvement Revenue Bonds, 2002.

<b>2007 Waste Disposal Revenue Bonds</b>				
<b>Year</b>	<b>Principal</b>	<b>Interest Payment</b>	<b>Interest Payment</b>	<b>Balance</b>
	<b>Due May 1st</b>	<b>Due May 1st</b>	<b>Due November 1st</b>	<b>\$630,000.00</b>
2021	\$305,000.00	\$18,112.50	\$9,343.75	\$325,000.00
2022	\$325,000.00	\$9,343.75	\$0.00	\$0.00
	\$630,000.00	\$27,456.25	\$9,343.75	

**City of Little Rock  
2017 Capital Improvement Refunding  
Original Issue \$17,875,000**

These bonds refunded the 2002 Junior Lien, the 2007 Infrastructure, and the 2009A and 2009B Park Bonds.

The debt service is paid for from general fund franchise fees. Dated November 15, 2017.

<b>2017 Capital Improvement Refunding Bonds</b>				
<b>Year</b>	<b>Principal</b>	<b>Interest Payment</b>	<b>Interest Payment</b>	<b>Balance</b>
	<b>Due October 1st</b>	<b>April 1st</b>	<b>October 1st</b>	<b>\$15,180,000.00</b>
2021	\$925,000.00	\$291,450.00	\$291,450.00	\$14,255,000.00
2022	\$950,000.00	\$277,575.00	\$277,575.00	\$13,305,000.00
2023	\$980,000.00	\$263,325.00	\$263,325.00	\$12,325,000.00
2024	\$1,010,000.00	\$248,625.00	\$248,625.00	\$11,315,000.00
2025	\$1,045,000.00	\$228,425.00	\$228,425.00	\$10,270,000.00
2026	\$1,100,000.00	\$202,300.00	\$202,300.00	\$9,170,000.00
2027	\$1,155,000.00	\$174,800.00	\$174,800.00	\$8,015,000.00
2028	\$1,210,000.00	\$145,925.00	\$145,925.00	\$6,805,000.00
2029	\$1,260,000.00	\$121,725.00	\$121,725.00	\$5,545,000.00
2030	\$1,310,000.00	\$96,525.00	\$96,525.00	\$4,235,000.00
2031	\$1,360,000.00	\$70,325.00	\$70,325.00	\$2,875,000.00
2032	\$1,415,000.00	\$43,125.00	\$43,125.00	\$1,460,000.00
2033	\$1,460,000.00	\$21,900.00	\$21,900.00	\$0.00
2034				
2035				
2036				
2037				
2038				
2039				
	<b>\$15,180,000.00</b>	<b>\$2,186,025.00</b>	<b>\$2,186,025.00</b>	

**City of Little Rock, Arkansas  
Maturity Schedule  
Short-Term Financing Notes**

**Original \$4,525,000**

		2016 Temporary Note			
Year	Coupon	Principal	Interest	Total	Balance
					<b>\$932,733.67</b>
<b>6/10/2021</b>	1.541%	\$ 932,733.67	\$ 14,373.42	\$ 947,107.09	\$0.00
		\$ 932,733.67	\$ 14,373.42	\$ 947,107.09	

**City of Little Rock, Arkansas  
Maturity Schedule  
Short-Term Financing Notes**

**Original \$4,603,000**

		2016 Temporary Note			
Year	Coupon	Principal	Interest	Total	Balance
					<b>\$954,656.71</b>
<b>12/22/2021</b>	1.850%	\$ 954,656.71	\$ 17,659.83	972,316.54	\$0.00
		\$ 954,656.71	\$ 17,659.83	\$ 972,316.54	



**City of Little Rock, Arkansas  
Maturity Schedule  
Short-Term Financing Notes**

**Original \$5,250,000**

		2017 Temporary Note			
Year	Coupon	Principal	Interest	Total	Balance
					<b>\$2,156,726.84</b>
<b>8/8/2021</b>	1.810%	\$ 1,068,691.77	\$ 39,036.76	1,107,728.53	\$1,088,035.07
<b>8/8/2022</b>	1.810%	\$ 1,088,035.07	\$ 19,693.46	1,107,728.53	\$0.00
		\$ 2,156,726.84	\$ 58,730.22	\$ 2,215,457.06	

**City of Little Rock, Arkansas  
Maturity Schedule  
Short-Term Financing Notes**

**Original \$5,650,000**

		2019 Temporary Note			
Year	Coupon	Principal	Interest	Total	Balance
					<b>\$4,569,980.38</b>
<b>8/20/2021</b>	2.250%	\$1,104,668.35	\$102,824.56	\$1,207,492.91	\$3,465,312.03
<b>8/20/2022</b>	2.250%	\$1,129,523.39	\$77,969.52	\$1,207,492.91	\$2,335,788.64
<b>8/20/2023</b>	2.250%	\$1,154,937.67	\$52,555.24	\$1,207,492.91	\$1,180,850.97
<b>8/20/2024</b>	2.250%	\$1,180,850.97	\$26,641.94	\$1,207,492.91	\$0.00
		\$ 4,569,980.38	\$ 259,991.26	\$ 4,829,971.64	

# Glossary



## **GLOSSARY OF KEY BUDGET TERMS**

**Accrual Basis of Accounting** - A basis of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flow.

**Agency** - A division of City government commonly referred to as a City department. Examples are Police, Fire, Parks and Recreation, and Public Works departments. See also **Outside or Other Agency**.

**Appropriation** - An amount of money authorized by the Board of Directors to incur obligations and to make expenditures/expenses of resources for designated purposes.

**Assessed Valuation of Property** - The taxable value of real and personal property in Little Rock, established at twenty (20) percent of market value by the Pulaski County Assessor.

**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.

**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.

**Budget Amendment** - Legal means by which an adopted estimated revenue or expenditure authorization limit is increased or decreased.

**Budget Document** - The official written document prepared by the Finance Department that presents the adopted budget for the City of Little Rock.

**Budget Ordinance** - The enacted local law that appropriates revenues for specified purposes, functions, activities, or objectives during a fiscal year.

**Budget: Capital** - A financial plan for the purchase or construction of major assets such as buildings, land, streets, sewers, and recreation facilities.

**Budget: Operating** - A financial document designed to provide funding for operating or "ongoing" annual service programs.

**Capital Assets** - Assets of long-term character 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 Improvement** - 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 (2) years or greater. Exceptions are for infrastructure assets which are defined as having a constructed cost greater than \$250,000.

**Capital Outlay** - The portion of the annual operating budget that appropriates funds for the purchase of long-lived items often separated from regular operating expenditures such as personnel services, 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, usually distinguished from operating expenditures according to their value and projected useful life.

**Charges for Services** - The direct payment by the public for a specific service provided. For example, a monthly charge for garbage pickup.

**Commission** - A City government unit authorized under State statutes to provide a municipal service without control by the City's 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 a 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 method of allocating the cost of an asset over its useful life or life expectancy.

**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 or other post-employment benefits due to a specific group of City employees. A Board of Trustees exercises a fiduciary responsibility for each fund.

**Fiscal Year** - A period of twelve (12) consecutive months designated as the budget year. The City of 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.

**Fund** - A fiscal entity composed of a group of revenue and expenditure accounts maintained to account for a specific purpose. The section "Little Rock's Financial Structure" describes the funds controlled by the Board of Directors, various Commissions, and Pension Trustees.

**Fund Balance** - The balance in a fund remaining from all revenues, expenditures, and carryover funds that is subject to future appropriation.

**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 eighteen months, resulted in the City's first half-cent local sales tax.

**Gain/Loss Sale of Fixed Assets** – The proceeds from the sale or disposal of an asset after deduction of the asset's cost, 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 or non-government unit or funding source to the City. The contribution is usually made to aid 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 specified time period - generally for the budget year - that is expiring at the end of the period unless otherwise provided for by law. Most operating funds are lapsing funds.

**Maintenance** - Maintenance encompasses various 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 costs associated with keeping an asset in the 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 unmatured 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 residual measure's required components and renaming that measure as net positions 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 capital projects.

**Non-Operating Income or Expense** - A nonrecurring, 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 Expenses** – Recurring costs required to provide a service or maintain an operation.

**Operating Revenues** – Regular and recurring sources of income for an entity.

**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 the City government but receive appropriations from the City in exchange for services provided to citizens. Examples are the County Health Department, Central Arkansas Library, Arkansas Museum of Fine Arts, Arkansas Museum of Discovery, and others.

**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 determining 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** - Several institutions issue ratings to indicate the likelihood that the borrower will repay an obligation. 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 subject to early retirement, should funds be available to do so.

**Reserve** - The Board of Directors may set aside money into an account called a reserve to provide for future needs or meet unknown obligations. For example, the City self-insures 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.

**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, public officials, 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 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 show a material change in their physical condition when consumed or used. These items generally last less than one year. Examples of supplies are office supplies, clothing, cleaning and janitorial supplies, petroleum products and chemicals, medical and laboratory expenses.

**Transfers In** - Reimbursements or allocations from other funds.

**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 a violation of vehicular laws.



## **GLOSSARY OF KEY ACRONYMS**

**ABC** – Arkansas Alcoholic Beverage Control Agency

**ADA** – The Americans with Disabilities Act of 1990 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 (telecommunications device for the deaf) and TRS (telecommunications relay service).

**AFSCME** – American Federation of State, County, and Municipal Employees Union

**ANRC** – Arkansas Natural Resource Commission

**ARA** – The American Rescue Plan Act is a \$1.9 trillion economic stimulus bill passed by the 117<sup>th</sup> U.S. Congress and signed into law by President Joe Biden on March 11, 2021.

**ARRA** – American Recovery and Reinvestment Act of 2009

**AZA** – Association of Zoos and Aquariums

**CARES Act** – The Coronavirus Aid, Relief, and Economic Security Act is a \$2.2 trillion economic stimulus bill passed by the 116<sup>th</sup> U.S. Congress and signed into law by former President Donald Trump on March 27, 2020.

**CAW** – Central Arkansas Water

**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** – The Federal Consolidated Omnibus Budget Reconciliation Act of 1985 requires that the City offer employees, retirees, and their families the opportunity to continue group health and/or welfare fund coverage in certain instances where the coverage would otherwise terminate.

**COPS** – Community Oriented Policing Services funded by a Federal grant.

**COVID-19** – Coronavirus disease newly discovered in 2019.

**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 communities, and dedicated organizations working directly in the neighborhoods.

**DWI/DUI** – Driving while intoxicated/Driving under the influence.

**EMT** – Emergency Medical Technicians

**FCC** – Federal Communications Commission is an independent United States government agency. Established by the Communications Act of 1934, the FCC regulates 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. territories.

**FEMA** – Federal Emergency Management Agency

**FOP** – Fraternal Order of Police Union

**FULR** – Future Little Rock initiatives paid from a half-cent sales tax initiated in 1994 to help fund Prevention, Intervention, and Treatment (PIT) programs that address youth issues, benefit public safety, and curb youth violence.

**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** – Governmental Accounting Standards Board is currently the source of generally accepted accounting principles used by U.S. state and local governments. It was established in 1984 to improve state and local governmental accounting and financial reporting standards that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and other users.

**GFOA** – Government Finance Officers Association promotes the government's professional management 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.

**HIPP** – Home Investment Partnership Program funds are expended to provide housing or housing assistance to qualifying citizens, improve neighborhood streets and drainage, and operate community health and recreation facilities.

**IAFF** – International Association of Fire Fighters Union

**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.

**MBE** – Minority Business Enterprise is a classification of business enterprises that is at least 51% owned (male and female), operated, and controlled daily by one or more (in combination) United States citizens of the following ethnic minority classifications: African-American, Asian-Indian (India, Pakistan, etc.) and Asian-Pacific (Japan, Korea, etc.), Hispanic/Latin American (Honduras, Mexico, etc.) and Native American including Aleuts.

**NAICS** – North American Industry Classification System

**NHSP** – Neighborhood Housing Special Project Fund - Section 108 Guaranteed Loan Program to provide housing and housing assistance to qualifying citizens and improve neighborhood infrastructure.

**NIBIN** – The National Integrated Ballistic Information Network Program automates ballistics evaluations and provides actionable investigative leads in a timely manner. NIBIN is the only interstate automated ballistic imaging network in operation in the United States and is available to most major population centers in the United States.

**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 among 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 local youth's potential. The wide range of PIT programming encompasses services for education, health, safety, and employment for young people.

**PSC** – The Public Service Commission of the State of Arkansas. The Commission is responsible for ensuring that public utilities provide safe, adequate, and reliable utility services at just and reasonable rates.

**PTRTF** – The Property Tax Relief Trust Fund of the State of Arkansas was created by Act 1544 of 2001.

**RFP/RFQ** – Request for Proposal (RFP) is a bidding method when there are subjective qualifications that 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 bidding method where only qualifications are submitted, and price is determined by negotiation with the selected vendor.

**STF** – Short Term Financing - In 2001, the State of Arkansas passed Amendment No. 78 and Act No. 1808, allowing cities and counties to obtain short-term financing agreements 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. These financing agreements may not mature over a period to exceed five (5) years and may have fixed or variable interest rates to be repaid with general fund revenues.

**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.