

City of Fayetteville Staff Review Form

City Council Agenda Items
and
Contracts, Leases or Agreements

11/15/2011

City Council Meeting Date
Agenda Items Only

Kevin Springer

Submitted By

Budget & Research

Division

Finance & Internal Services

Department

Action Required:

Approve a resolution adopting the Proposed 2012 Annual Budget & Work Program.

N/A

Cost of this request

\$

-

Category / Project Budget

Program Category / Project Name

\$

-

Account Number

Funds Used to Date

Program / Project Category Name

\$

-

Project Number

Remaining Balance

Fund Name

Budgeted Item

Budget Adjustment Attached

Paul a. Buhn

Department Director

10-27-2011

Date

Previous Ordinance or Resolution #

John Kelly

City Attorney

10-27-11

Date

Original Contract Date:

Original Contract Number:

Paul a. Buhn

Finance and Internal Services Director

10-27-2011

Date

Received in City-27-11 P01:07 RCVD
Clerk's Office

King

Don Wain

Chief of Staff

10-31-11

Date

Received in
Mayor's Office

ENTERED
10/27/11

Donald Jordan

Mayor

10/31/11

Date

Comments:



TO: Mayor Jordan and City Council

THRU: Don Marr, Chief of Staff

FROM: Paul A. Becker, Finance Director
 Kevin Springer, Budget Director

DATE: November 8, 2011

SUBJECT: **Proposed 2012 Annual Budget & Work Program**

Recommendation:

Consider the Proposed 2012 Annual Budget & Work Program for adoption by the December 6, 2011 City Council meeting.

Discussion:

The Proposed 2012 Annual Budget & Work Program will be distributed to City Council on Tuesday, November 8, 2011. Listed below is a schedule of hearing dates for the Proposed 2012 Annual Budget & Work Program.

Date	Budget Meeting / Location
Tuesday, November 8, 2011	City Council Agenda Meeting, Room 326
Tuesday, November 15, 2011	City Council Meeting, Room 219
Saturday, November 19, 2011	Budget Discussion Meeting, Room 326
Tuesday, November 29, 2011	City Council Agenda Meeting, Room 326
Tuesday, December 6, 2011	City Council Meeting, Room 219
<i>Additional meetings to be scheduled if needed.</i>	

If you have any questions concerning the Proposed 2012 Annual Budget & Work Program, please feel free to contact either Paul A. Becker at 575-8330 or Kevin Springer at 575-8226. Thank you for your attention to this matter.

RESOLUTION NO. _____

A RESOLUTION ADOPTING THE 2012 ANNUAL BUDGET AND WORK PROGRAM

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby adopts the 2012 Annual Budget and Work Program. A copy of the Budget, marked Exhibit "A", is attached hereto and made a part hereof.

PASSED and APPROVED this 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

Budget Message

City of Fayetteville, Arkansas

2012 Annual Budget and Work Program

Budget Process & Policies

City Council and Other Elected Officials

Fund Summaries

Adella Gray, Ward 1 - Position 1
Brenda Boudreaux, Ward 1 - Position 2
Mark Kinion, Ward 2 - Position 1
Matthew Petty, Ward 2 - Position 2
Justin Tennant, Ward 3 - Position 1
Bobby Ferrell, Ward 3 - Position 2
Rhonda Adams, Ward 4 - Position 1
Sarah Lewis, Ward 4 - Position 2

Personnel Summary

Kit Williams, City Attorney
Sondra Smith, City Clerk/Treasurer
Rudy Moore, District Judge

Capital & Debt

Submitted by

Lioneld Jordan, Mayor
Don Marr, Chief of Staff
Paul A. Becker, Finance Director
Greg Tabor, Acting Police Chief
David Dayringer, Fire Chief

Appendix

Prepared by

Kevin Springer, Budget Director
Barbara Fell, Senior Financial Analyst
Liz Hutchens, Financial Analyst

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MISSION STATEMENT

The City of Fayetteville's mission statement is a direct result of a volunteer team of employees charged with creating a mission statement that expressed the service core of City operations, reflected our beliefs concerning City services, and was easy to remember. All City employees were given an opportunity to provide input for the mission statement. The mission statement was then adopted by the City Council and is as follows:

To protect and improve our quality of life by listening to and serving the people with pride and fairness.

City of Fayetteville, Arkansas
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www.accessfayetteville.org

November 8, 2011

Members of City Council and
Citizens of Fayetteville

I am pleased to submit my proposed budget for 2012 for the City of Fayetteville. This budget has been prepared in accordance with the Arkansas Statutes and City Ordinances that require the Mayor, under the aldermanic form of government, to submit to the City Council the annual budget for approval. This budget allocates necessary funding for all municipal operations as well as necessary adjustments to the Capital Improvements Program for 2012.

Once again, the budget was formulated in the context of my primary budget goals considering current economic conditions.

2012 Budgetary Goals

My goals continue to be as follows:

- *To provide the same level of services to the public if possible*
- *To retain the work force at the current level for necessary personnel but to evaluate the necessity of refilling open positions*
- *To avoid increases in taxes to the citizen by keeping the millage rate the same as 2010*
- *To continue to provide services to the citizen in the most efficient and effective manner possible*
- *To fund needed Capital Improvements to the greatest extent possible*
- *To scrutinize all City fund types for possible reductions*

Financial Environment

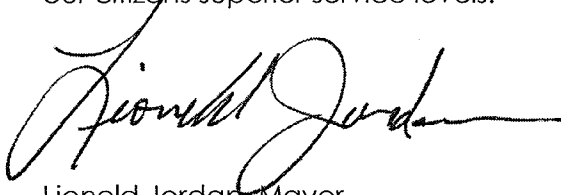
The local economic conditions in Fayetteville have improved in fiscal 2011 when compared to the prior two years of my administration. Sales taxes are up approximately 4% compared to prior year and 6% compared to budget through the end of the third quarter of fiscal 2011. The City has also experienced a moderate increase in building activity. Unfortunately unemployment still remains at 6.6%, which does compare favorably to the rest of the State and Nation but still is high for Fayetteville historically. The specter of national economic problems also looms large. For these reasons, this budget has been formulated on conservative revenue and expenditure estimates.

For 2012, we have forecasted all revenue sources to be equal to 2011 projections. The frozen positions I have directed in the past will be continued. Many of the cuts made during the previous two years will remain in force. However, since we still face a potential shortfall in the General Fund of approximately \$500,000, I have not included salary increases in my proposed budget. At the close of the 2011 fiscal year, I intend to analyze the City's financial position and if at all possible recommend a salary package for employees to the Council.

Conclusion

This budget is based on realistic revenue and expenditure estimates. I believe that it continues to provide for the best possible level of services while still guarding against possible weakening economic conditions.

2011 has been another busy year for the City and together we have accomplished a great deal. With the combined efforts of this Administration and City Council support, I am confident that we will meet the challenges facing the City and continue to provide our citizens superior service levels.



Lioneld Jordan, Mayor

November 8, 2011

Mayor Lioneld Jordan, Members of the City Council and
Citizens of Fayetteville:

The budget being presented is a 2012 operating budget. It does not include re-budgets that represent programs approved and appropriated in prior years which as of the end of fiscal 2011 remain uncompleted. Re-budgets also include amounts generated by previous bond issues in the Capital Project Funds which remain unspent as of December 31, 2011 and are likely to be in excess of \$45,000,000. These re-budgets will be presented for addition to the 2012 operating budget early in the first quarter of 2012.

In 2011, City and County Sales Taxes increased compared to 2010. By year end, total sales taxes are expected to be approximately 4% over prior year. The decline in both residential and commercial building has leveled off but fees associated with permitting and construction are still far below 2008 levels. Water and Sewer revenue collections have increased in fiscal 2011 due to unusually dry weather conditions during the summer months. Fuel and rent revenues at the airport are under 2010 collections. HMR revenue continues to increase and should finish the year up by 5%. Other fund operations are relatively stable when compared to the prior year.

The 2012 General Fund budget represents net expenditure increases from 2011 as an additional \$253,700 was added compared to last year's budget. This was due to required increases because of pension obligations, insurance increases, maintenance contracts, and vehicle replacement charges. Open positions (23.1 FTE's) continue to be frozen. Cost control measures began in 2009 and are being incorporated in the 2012 budget. Once again no salary increases are provided for in the 2012 budget.

Total reductions in the General Fund since the 2009 budget have been over \$2.5 million. A total of 23.10 FTE's have been held open, overtime has been drastically reduced, and annual salary increases have not been given since 2009. All these measures were taken to address revenue decreases experienced in 2009 and 2010 as the City reacted swiftly to these economic changes.

For 2012, the General Fund budget has been formulated on the assumption that revenues in 2012 will be essentially flat compared to current 2011 estimates. However, the \$1 million transfer from the Sales Tax Improvements Fund that was budgeted in 2011 will not be needed in 2012. The use of \$498,000 from fund balance is being requested for 2012.

2012 PROPOSED BUDGET EXECUTIVE SUMMARY

This budget is formulated with the Enterprise Funds being budgeted on an accrual basis except for depreciation, which is not included in the budget, and both capital expenditures and bond principal payments which are included in the expenditure budgets.

Governmental funds are budgeted on the modified accrual basis.

The total budget allocated by expenditure category is displayed in the following table.

Summary of Fund Expenditures by Category (In Dollars)

Category:	Adopted 2011	Proposed 2012	Change In Dollars	2012 % of Total Budget
Personnel Services	\$ 42,092,155	\$ 42,466,864	\$ 374,709	35.5%
Materials & Supplies	4,527,208	4,234,456	(292,752)	3.8%
Services & Charges	16,052,793	16,090,288	37,495	13.5%
Maintenance	3,975,581	4,508,422	532,841	3.4%
Fuel	2,946,398	3,460,493	514,095	2.5%
Internal Charges	3,944,052	4,354,031	409,979	3.3%
Purchased Water	6,500,000	6,500,000	0	5.5%
WWTP Operations	7,712,706	7,799,391	86,685	6.5%
Total Operating Expenses	<u>87,750,893</u>	<u>89,413,945</u>	<u>1,663,052</u>	<u>74.0%</u>
Transfers Out	1,233,000	330,600	(902,400)	1.0%
Debt Service	18,732,207	20,104,105	1,371,898	15.8%
Capital	10,798,100	11,482,350	684,250	9.1%
Total Expenses	<u>\$ 118,514,200</u>	<u>\$ 121,331,000</u>	<u>\$ 2,816,800</u>	<u>100.0%</u>

The 2012 Proposed Budget is in excess of \$121.3 million. This is an increase when compared to 2011 of \$2,816,800 or 2.3%. The majority of that increase is due to changes in debt service and capital. The total operating expenses are up \$1,663,052 or 1.8%.

The following table indicates the percentage of total budget allocated by funds.

Fund Totals as Percent of Total Budget

Funding Sources	Adopted 2011		Proposed 2012	
	Budget	% Total	Budget	% Total
General	\$ 33,885,500	28.6%	\$ 34,139,200	28.1%
Water & Sewer	30,901,000	26.1%	30,908,000	25.6%
Sales Tax Bond	15,373,700	13.0%	16,372,400	13.5%
Solid Waste	9,208,300	7.8%	9,950,100	8.2%
Shop	7,239,900	6.1%	8,231,500	6.8%
Sales Tax Capital Improvements	6,390,000	5.4%	6,702,600	5.5%
Street	4,390,000	3.7%	4,706,600	3.9%
Parks Development	2,424,600	2.0%	2,358,000	1.9%
Police Pension	1,692,800	1.4%	1,633,000	1.3%
Fire Pension	1,480,400	1.2%	1,470,000	1.2%
Parking	1,065,100	0.9%	1,101,800	0.9%
Impact Fee	1,260,000	1.1%	921,000	0.8%
Airport	770,800	0.6%	768,000	0.6%
Town Center	702,700	0.6%	695,200	0.6%
Community Development Block Grant	695,800	0.6%	589,000	0.5%
Drug Law Enforcement	494,000	0.4%	544,000	0.4%
TIF Bond	63,700	0.1%	100,000	0.1%
Wastewater System Improvements Proj.	0	0.0%	97,600	0.1%
Fire Bond	424,800	0.4%	0	0.0%
Replacement & Disaster Recovery	45,100	0.0%	41,000	0.0%
Sales Tax Construction Bond	6,000	0.0%	2,000	0.0%
	<u>\$ 118,514,200</u>	<u>100.0%</u>	<u>\$ 121,331,000</u>	<u>100.0%</u>

An examination of the overall budget indicated that the General Fund is the largest fund being 28.1% of the total. The Water and Sewer Fund is second at 25.6% of the total. The combination of these funds is 53.7% of the total budget. The Sales Tax Bond Fund (budget to repay outstanding bonds) is 13.5% of the budget. Thus the three largest funds represent 67.2% of the total operating budget.

An important part of this budget document is the City's Financial Policies delineated in pages 4 through 8 which are incorporated as a part of the budget. These policies include the following:

- Revenue Policy
- Expenditure Policy
- Debt Policy
- Reserve Policy
- Investment & Cash Management Policy
- Capital Improvement Policy
- Financial Reporting Policy
- Administrative Procedures to Adjust the Approved Budget

Overview of City's Major Funds:

General Fund is the major operating fund of the City and is comprised of activities not accounted for specifically in other funds.

The traditional functions of government are included in the General Fund which includes the following: general government services (Mayor's Administration, District Court, City Clerk and City Attorney), fire, police, finance, internal services, animal services, telecommunications, parks and recreation, cable, library funding, engineering, planning, and building safety.

General Fund Revenue:

The General Fund revenue budget was based on the following assumptions:

- Revenue for the City Sales Tax is projected to increase at a rate of 4.48% over 2010 actual receipts.
- Revenue for the County Sales Tax is projected to increase at a rate of 2.07% over 2010 actual receipts.
- Revenue for Franchise Fees is projected to increase 4.97% over 2011 budget amount.
- Revenue for Property Taxes is projected to increase at a rate of 2.35% from 2011 collections based on assessed valuation.
- Other revenues are expected to be essentially flat compared to the 2011 budget.
- Maintaining the revenue split for City Sales Tax to 60% operations and 40% capital.

Based on these revenue assumptions, the major revenue sources for the General Fund in 2012 are projected to be as follows:

City's Share of County Sales Tax	\$10.7 million
City Sales Tax	9.8 million
Alcoholic Beverage Taxes	0.5 million
Franchise Fees	4.9 million
Intergovernmental Income	2.3 million
Fines & Forfeitures	1.6 million
Charges for Services	1.3 million
Property Tax Millage	1.5 million
Licenses & Permits	0.7 million
Other	0.3 million
Total	\$33.6 million

General Fund Expenditures:

Payroll expenditures are based on 99% of full employment. Therefore, a 1% vacancy allowance has been factored into the General Fund budget.

The significant increases/(decreases) in General Fund for 2012 compared to 2011 are as follows:

2011 General Fund Adopted Expense Budget: \$ 33,885,500

Additions:

LOFPI Police Pension	\$ 52,589
LOFPI Fire Pension	52,570
Health Insurance (Rate Increase)	21,871
Fuel	51,550
Motorpool Charges	54,614
Election Cost (General Election)	30,000
Police Jail Contract	10,500
Utilities	14,400
Other	12,613
Software Maintenance	59,807
	<u>360,514</u>

Reductions:

Personnel Turnover & Other	(7,182)
Insurance - Personal Liability / Vehicles	(17,480)
Radio Maintenance	(82,152)
	<u>(106,814)</u>
Net Additions/(Reductions)	<u>\$ 253,700</u>
	<u><u>\$ 34,139,200</u></u>

THE CITY OF FAYETTEVILLE, ARKANSAS

Changes between the 2009 and 2012 budget are as follows:

2009 General Fund Adopted Expense Budget:	\$ 35,801,900
Additions:	
<hr/>	
Salaries/Wages & Pension (including LOFPI)	\$ 475,083
Health Insurance (Rate Increase)	157,755
Unemployment Insurance	80,000
Software Maintenance	97,143
Election Cost	45,000
Police Jail Contract	10,500
Utilities	14,400
Bad Debt Expense	10,000
	<hr/>
	\$ 889,881
Reductions:	
<hr/>	
2010 Budgeted Positions Held in 2011 & Frozen Positions	\$ (1,058,971)
Salary Contingency (Wage Increases for 2010)	(325,398)
Fire/Police Overtime	(225,000)
Parking Enforcement Program (Shifted to Parking Fund)	(201,948)
Contract Services & Lease Expense	(112,176)
Fuel	(45,039)
Radio Maintenance	(82,152)
Washington, D.C. Lobbyist	(85,000)
Increase Cost Allocations	(70,000)
Vehicle Replacement Charges & General Motorpool Charges	(13,000)
Public Notification & Uniforms/Equipment	(51,910)
Planning Commissioners Salaries	(43,596)
Publications/Dues & Travel & Training & Radio Maintenance	(26,315)
Pension Administration Fee & Long Term Disability and Life Insurance	(34,082)
Other	(177,994)
	<hr/>
	(2,552,581)
	<hr/>
2012 Proposed Budget General Fund	\$ 34,139,200

As the City's main operating fund, the General Fund will continue to face increased funding demands. There are numerous unfunded needs for 2012 that could not be addressed at this time.

Major policy issues to be considered for General Fund in the future include:

- The need to fund employee wage increases sometime in the future.
- Continue to explore an independent funding method for the Fayetteville Public Library.
- Examination of the User Fee/Cost Reimbursement rates based on a cost analysis.
- Continued examination the City's overall long term revenue stream to match required long term expenditures.

The **Street Fund** is primarily financed by turnback revenues received from the State of Arkansas and turnback monies received from the County Road Millage Tax. These monies are utilized to maintain and repair City streets, rights-of-way, drainage, traffic control and maintenance, and City owned sidewalks.

State turnback comes from motor fuel taxes collected by the State (state turnback) and returned to the City on a per capita basis. The long term trend for state turnback is flat. A total of \$3.5 million is projected for 2012. The City also receives 80% of the road millage levied by the Quorum Court on real and personal property located within the City. This should generate in excess of \$1 million. The Street Fund budget is balanced for 2012 with revenues equaling expenditures.

The **Parking Fund** has been established to account for the revenue and expense associated with the paid parking program. Feasibility of a revenue bond issue for the construction of a parking facility is currently being considered by the City Council. Net revenue from this fund would be pledged for payment of that bond issue.

The addition of one FTE is being requested for this fund to address the current workload. This fund has a budgeted surplus of \$277,700 for 2012.

The **Parks Development Fund** accounts for the revenue and expenditures of the Parks HMR tax approved by the voters in 1995 as modified by the 2011 referendum. The \$2.4 million in planned expenditures for 2012 includes \$587,000 in capital improvements. The fund is budgeted to break even for 2012. All projected revenues amounts are budgeted for this fund.

The **Impact Fee Fund** accounts for the revenues and expenditures related to the collection of water, wastewater, police, and fire impact fees. All projected revenues are budgeted for this fund. Due to the continued fall in development, the collection of these fees will be slightly less in 2012 than 2011.

The **Sales Tax Capital Improvements Fund** accounts for the revenue and expenditures of the City's sales and use taxes which are used for acquisition and improvement projects as well as equipment additions and replacements that are included in the City's five-year capital improvements program as adjusted. The 2012 planned expenditures include \$6,695,300 in capital improvements.

The **Water & Sewer Fund** accounts for the revenue sources as well as the operation and maintenance expenses of the City's water and sewer system. This includes water purchases from Beaver Water District, all water and sewer functions, the operation of the wastewater treatment plants, meter and backflow operations, and billing and collections.

For 2012, the Water & Sewer Fund is projected to have operating gain of \$5,507,000 before depreciation expense and capital expenditures. The wastewater treatment plant operations are budgeted at \$7.8 million, which represents almost 26% of the total operating expenses. The water purchases budgeted for 2012 represent the second largest expenditure for operations in the fund at \$6.5 million. This represents approximately 21% of total operating expenditures. This fund is budgeted to break even in 2012.

The **Solid Waste Fund** is responsible for the operation of the City's solid waste collection and disposal, recycling program, and composting program. Revenues for the fund are obtained from fees levied for trash collection, recycling revenue, and container sales or leases. During the end of 2009, the operation of the transfer station was brought in house and is currently being operated by the City. For 2012, the Solid Waste Fund is projected to have a loss of \$821,300 primarily due to needed capital improvements. However, there are sufficient reserves to accommodate this deficit.

The **Airport Fund** provides for the operation and maintenance of the City's municipal airport. The Airport Fund's revenue is generated from rents and leases. For 2012, the Airport Fund is projected to have an operating deficit of \$91,000 before depreciation.

The **Shop Fund** is an internal service fund that provides for the acquisition and maintenance of equipment and vehicles utilized by the City's operating divisions. The Shop Fund's source of revenue is from charges to other City operating funds based on equipment and vehicle usage. The Shop Fund will have a projected \$741,100 loss for 2012 after capital expenditures of \$3,610,000. This amount will come from fund balance which reflects the previous accumulation of funds for replacement of equipment and vehicles when needed.

2012 Capital Budget

This plan contains a total of \$15,600,000 for capital projects in 2012. A detail listing of all of the projects planned for 2012 are included under the Capital and Debt section.

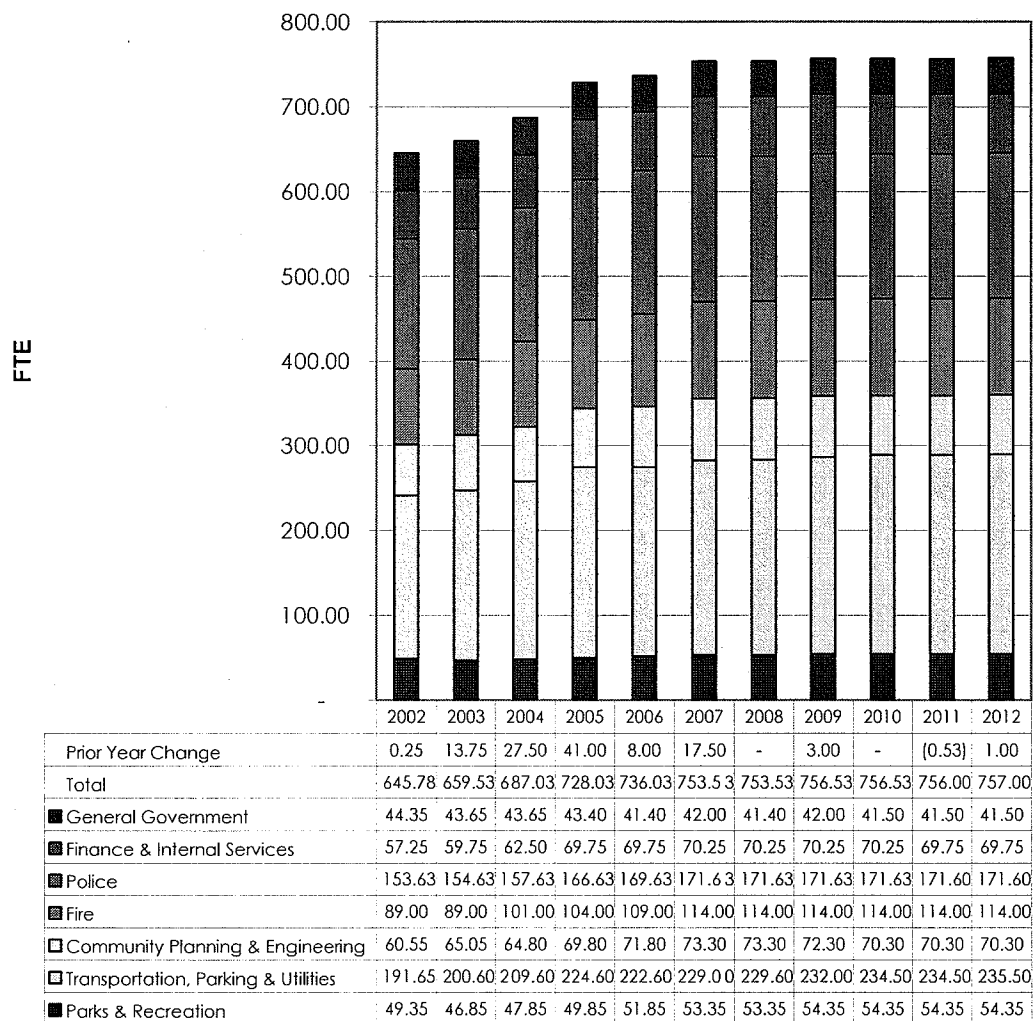
Debt Issues – 2011

No new debt was issued in 2011 as of the date of this budget presentation.

Personnel Changes

This budget includes an addition of one FTE for 2012. The Entertainment District Parking Program increased the workload and responsibilities of the Parking and Telecommunications Division. The Account Clerk position is funded in the Parking Fund. Below is a history of total positions by activity from 2002-2012.

Personnel History (2002-2012)



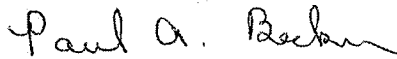
CLOSING

The funding proposals contained in this budget are the result of a collaborative effort among all City Division Heads, Department Directors, and City financial Staff members. It is built on the policies, goals, and objectives outlined by the Mayor and City Council. It represents the financial and operational plan for the City of Fayetteville for 2012. The appropriations contained in this budget will provide for quality municipal services that meet the needs of the Citizens of Fayetteville and it is, hereby, submitted by the Mayor to the City Council for consideration and adoption.

Respectfully submitted,

R

Respectfully submitted,



Paul A. Becker
Finance Director



Kevin Springer
Budget Director

RESOLUTION NO. ???-11

A RESOLUTION ADOPTING THE PROPOSED 2012 ANNUAL BUDGET AND WORK PROGRAM AS AMENDED.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby adopts the Proposed 2012 Annual Budget and Work Program. A copy of the Budget, marked Exhibit "A" is attached hereto and made a part hereof.

PASSED and **APPROVED** this the 15th day of November, 2011.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA E. SMITH, City Clerk/Treasurer

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CITY OF FAYETTEVILLE, ARKANSAS THE BUDGET PROCESS

The budgets of governmental funds (for example General Fund, Street Fund, and Parks Development Fund) are prepared on the modified accrual basis for revenues and expenditures. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Expenditures are recorded when the related fund liability is incurred. The proprietary and trust fund types (Water & Sewer Fund, Solid Waste Fund, and Airport Fund) are budgeted on a full accrual basis except for depreciation which is excluded and both capital purchases and bond principal payments which are included as expenditures. Not only are expenditures recognized when the liability is incurred but revenues are recognized when they are due and owing to the City (for example, water user fees are recognized as revenue when bills are produced). Agency funds are not budgeted since they are custodial in nature and do not involve measurement of results of operations.

The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of "Generally Accepted Accounting Principles" (GAAP). This conforms to the way the City prepares its budget. Formal budgets exist for all funds and fund types, except agency funds and account groups, but the budget-to-actual comparison reports are prepared only for the governmental fund types (General, Special Revenue, and Capital Projects).

The Annual Budget and Work Program is a fiscal plan which presents the services which will be provided to the community and the funds needed to perform these services. The type and level of service is defined by the use of program objectives, which are further defined by performance measures. The Mayor is responsible for formulating the fiscal plan and presenting it to the City Council for approval and adoption. The key steps and dates in this process for the 2012 Budget and Work Program are described below:

1. Budget Preparation Package, June 2011

The budget preparation package was distributed to all Department Directors and Division Heads. The package included budget preparation software. In addition, target budgets were set for each fund and/or program. The target budget excluded service expansion requests and new personnel requests. These items are considered separately. Training was conducted on an individual basis with the Budget Staff and Department Directors and Division Heads, as requested.

2. Capital Requests, September – October 2011

Five Year Capital Improvements requests were submitted for review and prioritization. Approval of the requests were based on a review of prioritized lists by Department Directors and Budget staff to see if original cost and continuing costs were within the available funding range. All capital items with a cost that exceeds \$10,000 appear in the Five Year Capital Improvements Programs.

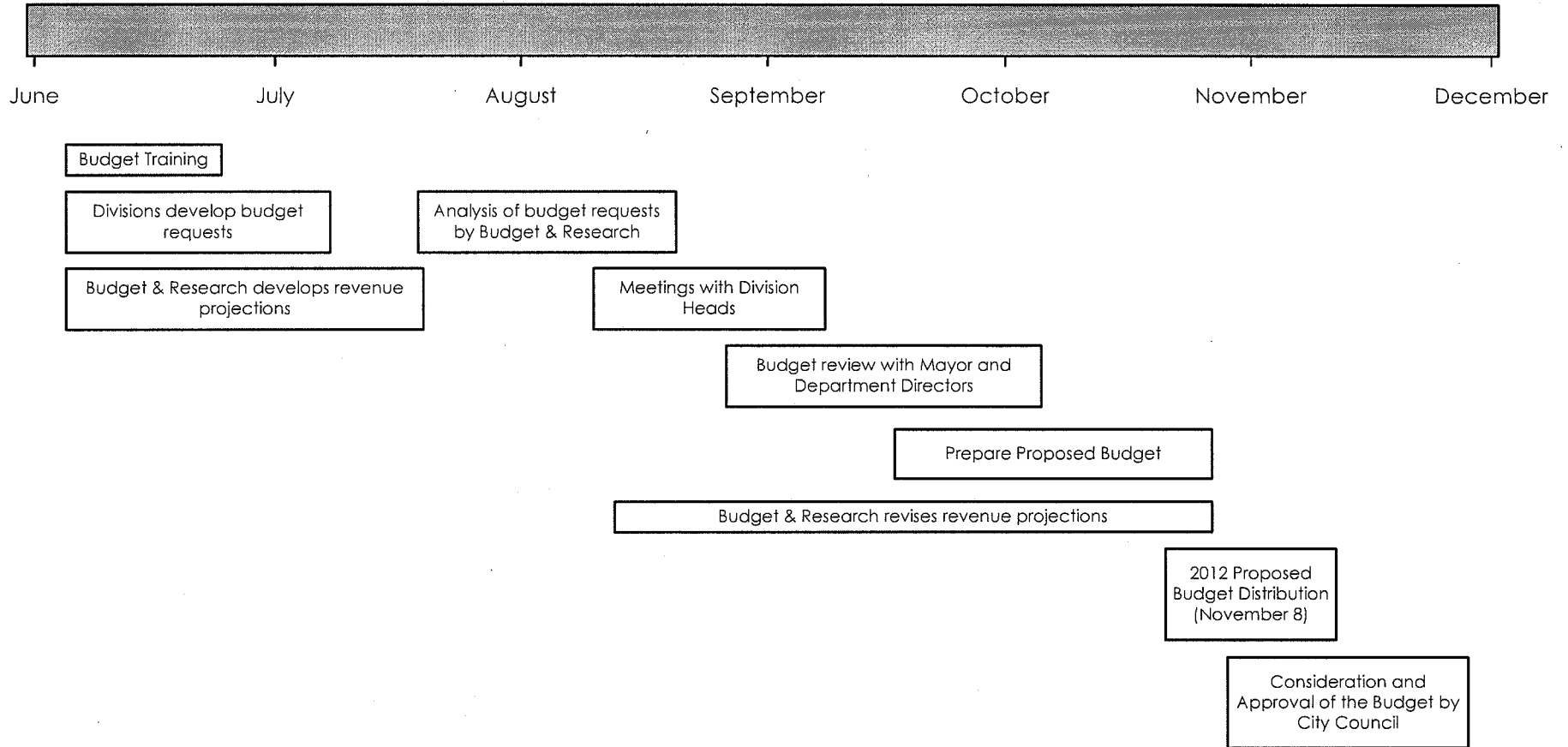
3. Budget Work Papers Submitted by Division Heads, July 2011

The Division Heads returned budget submissions requesting 2012 funding to the budget office. The budget office then verified that budget submissions were correct and within specified targets.

4. **Analysis of Each Proposed Program Budget, August 2011**
During this period, meetings were conducted with each Department Director. At these meetings, the submitted program budgets were evaluated in their entirety and additions and cuts were made to balance the funds with the service requirements. The 2012 Proposed Budget and Work Program was the result of this process.
5. **Consideration and Approval of the Budget, Beginning to Adoption 2011**
The proposed budget was presented to the Mayor in November. The Mayor will present the comprehensive Proposed 2012 Budget and Work Program to the City Council on November 8. Public discussions on the budget will be conducted as needed beginning November 15.
6. **Implementing the 2012 Budget, January 2012**
Work papers are created and distributed to allow each division head to split their budget into the projected funding level needed for each month. These work papers are collected and input into the computer system to assist in the control of the adopted budget throughout 2012.
7. **Adjusting the 2012 Budget, Throughout 2012**
The budget may be adjusted throughout 2012. Depending on the amount of the adjustment, approval may come from the Budget Director, Finance Director, Mayor or the City Council. A detailed explanation of the Budget Adjustment Policy is listed on pages 7 and 8.

The public meetings throughout the budget process are considered to be an essential part of the budget process as they are designed to solicit feedback from the City Council and public on City operations and services. In accord with continuing efforts to apprise the public of City activities, the Proposed 2012 Budget and Work Program is made available for review by all interested persons at the Fayetteville Public Library and the City Clerk's Office. In addition, a downloadable version of the budget is found on the City's web site. Public notification of this information is made in a local newspaper and on the Cable Access Television channel. As always, the public is invited to attend all meetings, retreats, and hearings regarding consideration of the Budget.

CITY OF FAYETTEVILLE, ARKANSAS THE 2012 BUDGET PROCESS



CITY OF FAYETTEVILLE, ARKANSAS FINANCIAL POLICIES

The purpose of this section is to present the policies that the City follows in managing its financial and budgetary affairs. These are general statements of policies, which represent long-standing principles, traditions, and practices that have guided the City in maintaining financial stability.

REVENUE POLICY

- The City will strive to maintain a broad and diversified revenue base that will equitably distribute the burden of supporting City services and will protect the City from short-term fluctuations in any one revenue source.
- The City will actively support economic and industrial development recruitment and retention efforts to provide for a solid revenue base.
- The City will maintain timely collection systems and implement necessary enforcement strategies to collect revenues from available sources.
- The City will establish user fees and charges for services, when feasible, at levels related to the cost of providing the services. The City will review the fees and charges on a periodic basis to determine modifications needed to keep pace with the cost of providing the services.
- The City will establish, when feasible, self-supporting enterprise funds and internal service funds in which a relationship between revenues and expenditures clearly exists.
- The City will project revenues on a conservative basis so that actual revenues will consistently meet or exceed budgeted revenues.
- The City will maintain a budgetary control system and will prepare reports that compare actual revenues to budgeted amounts.
- The City will review annually and revise, where necessary, its cost allocation formula.

- The City will limit the designation of General Fund revenues for specified purposes to maximize flexibility in budgeting and revenue utilization.

EXPENDITURE POLICY

- Basic and essential services provided by the City will receive first priority for funding.
- The City will establish performance measurements for all program areas, when feasible. These measures will reflect the demand, workload capability, and projected outcomes for the program to accomplish its objectives.
- The City will adopt a balanced budget, by fund, for all funds maintained by the City, in which total anticipated revenues must equal or exceed the budgeted expenditures for each fund. However, if this cannot be attained, the City will utilize unallocated fund reserves, which have been carried forward from prior years.
- The City will maintain a budgetary control system to ensure adherence to the adopted budget and will prepare reports that compare actual expenditures to budgeted amounts.
- The City will refrain from budgeting non-recurring or one-time revenue for ongoing expenses.
- The City will provide access to medical, dental, life, and long-term disability insurance for its employees. The cost for these benefits will be shared responsibility between the City and its employees.

- The City will provide access to appropriate retirement plans for its employees. The City will make contributions for eligible employees at the percentage defined for each of the respective retirement plans.

DEBT POLICY

- The City will maintain a policy of full disclosure on financial reports and bond prospectus.
- The City will maintain communications with bond rating agencies and continue to strive for improvements in the City's bond rating.
- The City will pay for all capital projects and capital improvements on a pay-as-you-go basis using current revenues whenever possible. If a project or improvement cannot be financed with current revenues, long-term or short-term debt or capital leases will be recommended.
- The City will refrain from issuing long-term debt for a period in excess of the expected useful life of the capital project.
- The City will use special assessment revenue or other self-supporting bonds instead of general obligation bonds, when feasible.
- The City will seek refinancing of outstanding debt if it is determined that the City will benefit by reduced interest expense over the remaining life of the bonds of at least 3% of the principal being refunded.
- The City will require that General Fund and Street Fund debt service shall not exceed 10% of annual general and road tax revenues and the principle amount of General and Street Fund debt shall not exceed 5% of assessed taxable property.

- Outstanding short-term debt and Amendment 78 debt obligations combined shall not exceed 5% of the City's taxable real property.

RESERVE POLICY

- The City will maintain a minimum reserve of sixty (60) days of annual regular general fund operating expenditures for the General Fund in Undesignated Fund Balance. The minimum unreserved General Fund Balance cannot be reduced without specific City Council Resolution.
- The City will maintain a minimum reserve of at least 10% of current year operating expenditures for the Street Fund in Undesignated Fund Balance. If existing reserves exceed the required level, such funds may be used to provide for non-recurring expenditures. The City will use monies in the 10% reserve only in times of emergency or fiscal and economic hardship.
- The City will attempt to maintain a cash and investments balance of not less than 10% of current year operating expenditures for all Enterprise Funds.
- The City will maintain a Shop Fund reserve necessary to fund the replacement and expansion of the City's vehicles and equipment.

INVESTMENT AND CASH MANAGEMENT POLICY

- The City will deposit all receipts on a timely basis.
- The City will strive to maximize the return on its investment portfolio without jeopardizing principal amounts.
- The City will limit its investments to the types of securities provided for by Arkansas statutes.

- The City will diversify its investments by maturity date to protect against market fluctuations.
- The City will purchase securities from qualified institutions based on competitive bids in an effort to obtain the highest available rates.

CAPITAL IMPROVEMENT POLICY

- The City will prepare and update, as needed, a five-year Capital Improvements Program (CIP), which will provide for the orderly maintenance, replacement, and expansion of capital assets.
- The CIP will identify long-range capital projects and capital improvements of all types, which will be coordinated with the annual operating budget to maintain full utilization of available revenue sources.
- When preparing the CIP, the City will seek to identify all viable capital projects and capital improvements required during the subsequent five-year period. These projects and improvements will be prioritized by year and by funding source. Every attempt will be made to match projects and improvements with available funding sources. Future operating costs associated with a project or an improvement will also be given consideration in the establishment of priorities.
- The City will seek Federal, State, and other funding to assist in financing capital projects and capital improvements.
- The City will seek input from the public by holding public hearings in relation to the establishment of projects and project priorities.
- The City will incorporate the reasonable findings and recommendations of the other City Boards, Commissions, Committees, and Citizen task forces, as they relate to capital projects and improvements.

FINANCIAL REPORTING POLICY

- The City's accounting system will maintain records in accordance with accounting standards and principles outlined by the Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB), and the State of Arkansas.
- The City will employ an independent accounting firm to perform an annual audit of the City's finances and make the annual audit available to all required and interested parties. The audit shall be completed and submitted to the State of Arkansas within 210 days of the close of the fiscal year.
- The City will produce monthly and quarterly financial statements reporting the current periods' activity for all funds maintained by the City.
- The City will maintain an internal audit function, which will be charged with adopting and routinely monitoring internal controls of the City.
- The City will prepare an annual budget document that provides a basic understanding of the City's planned financial operations for the coming fiscal year. Copies of the proposed and final budget will be made available to all interested parties and opportunities will be provided for citizen input prior to final decisions on the budget.
- The City will seek annual renewal of the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award.

CITY OF FAYETTEVILLE, ARKANSAS ADMINISTRATIVE PROCEDURES TO ADJUST THE APPROVED BUDGET

PURPOSE:

The procedures outlined in this section define, standardize, and set forth responsibilities for budget adjustments.

DEFINITION AND EXPLANATION:

During the fiscal year needs arise for expenditure budget adjustments to enable divisions to adapt to changing conditions. There are two types of expenditure budget adjustments which can be defined as follows:

- 1) **Budget Adjustment** – this is a transfer from one category within a fund budget to another category. The fund total does not change.
- 2) **Budget Amendment** – this is an addition to the overall budget total of the fund. It increases the total expenditure amount authorized for the fund. Any budget amendment must be supported by an increase in revenue or come from available fund balance.

DEPARTMENT DIRECTORS AND DIVISION HEADS RESPONSIBILITIES:

All Department Directors and Division Heads are mandated to stay within each operational program budget as adopted and to stay within the total budget for each capital project. **Neither the Accounting or Purchasing Divisions will process payments or purchase orders, which will cause a program or capital project to be over the annual budget amount.**

Each operational division is grouped into programs (i.e. Engineering - Administration, Engineering - Plans & Specifications, Engineering - Right-of-Way, etc.). Budget adjustments will be required in the following instances:

- 1) When the budgeted amount per operational program is exceeded (an offsetting adjustment must be made from another operational program or fund balance).
- 2) When the budgeted amount for a capital project is exceeded (an offsetting adjustment must be made from another capital project, another program, or fund balance).

Requested adjustments to an operational program must be submitted on a budget adjustment form with sufficient justification for the need. Any changes in the personnel services category must meet the City's policy for raises, promotions, and staff increases.

BUDGET ADJUSTMENT APPROVAL PROCESS:

Budget Amendments

- 1) All budget amendments must be approved by the City Council other than mandatory redemptions and other expenditures delegated to a Bond Trustee via a bond trust agreement.

Budget Adjustments

- 1) Budget adjustments within categories, within divisions of a fund, can be made with the approval of the Budget Director (see page 10 for a division listing).
- 2) Budget adjustments between categories within a division of a fund can be made with the approval of the Budget Director and Finance Director or Chief of Staff.
- 3) Budget adjustments within the personnel services category between departments within a fund will be approved by the Budget Director, the Finance Director, and the Chief of Staff.
- 4) Budget adjustments between categories within an approved project will be approved by the Budget Director.
- 5) All other budget adjustments must be approved by the City Council.

BUDGET AMENDMENT REPORTING:

As a matter of practice, staff will provide information regarding Budget Amendments to the City Council on a quarterly basis.

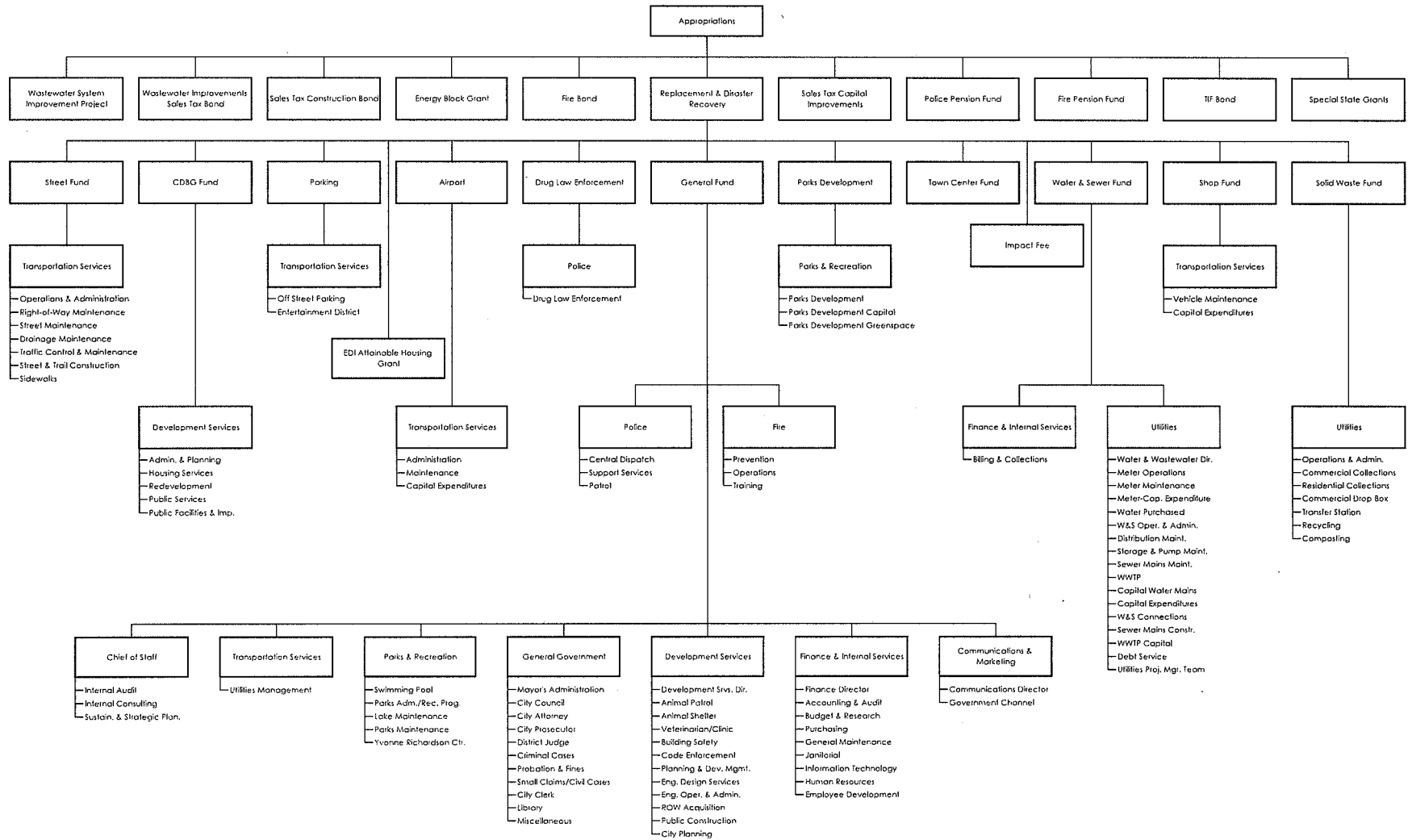
CITY OF FAYETTEVILLE, ARKANSAS BUDGET ORGANIZATIONAL STRUCTURE

- FUND** In governmental accounting, a fund is a fiscal and accounting entity with a self-balancing set of accounts, created and maintained for a particular purpose. It has transactions subject to legal or administrative restrictions. A separate budget is provided for each fund.
- ACTIVITY** Activities are the major groups of items which are functionally related, regardless of the Department or Division that is responsible. This type of classification provides a useful Budget summary that is consistent even though changes in the organizational structure may occur.
- DEPARTMENT** Departments are the major organizational sub-divisions. They have a broad overall purpose. The City of Fayetteville is organized into eight operating departments: Police, Fire, Parks & Recreation, Utilities, Development Services, Communications & Marketing, Transportation Services, and Finance & Internal Services. Each Department, except Police and Fire, has a director who reports to the Chief of Staff.
- DIVISION** Divisions are the major operational areas of the City. Each Division has been assigned to one of the Departments listed above according to the type of activity it performs. For example, the Solid Waste & Recycling Division is part of the Utilities Department. A listing of divisions is on the following page.
- PROGRAM** Programs are the operating units within the Division. Each program represents a specific type of activity within its Division aimed at providing a service for which the City is responsible. For example, the Solid Waste & Recycling Division contains the following programs: Administration, Commercial Collections, Residential Collections, Commercial Drop Box Collections, Transfer Station, Recycling, and Composting.
- CATEGORY** Within each program, each expenditure item is grouped into a category of related expenditures. The budget for each program is listed by categorical total. Examples of a category include: Personnel Services, Materials and Supplies, Services and Charges, Maintenance, Motor Pool Charges, Capital, Transfers to Outside Agencies, Cost Reimbursements, and Operating Transfers.

LISTING OF DEPARTMENTS AND DIVISIONS

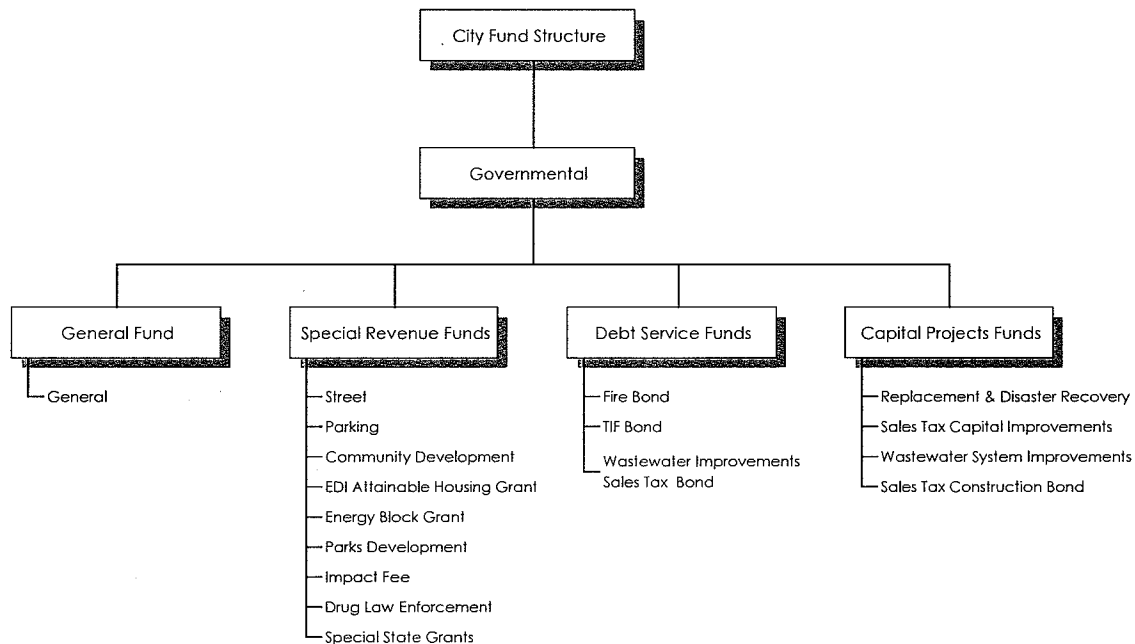
DEPARTMENT	DIVISIONS
General Government	Mayors Administration City Council City Attorney City Prosecutor City Clerk/Treasurer Fayetteville District Court Library
Chief of Staff	Chief of Staff Sustainability & Strategic Planning Human Resources Internal Audit Internal Consulting
Police Department	Police Central Dispatch
Fire Department	Fire Department
Parks & Recreation Department	Parks & Recreation
Finance & Internal Services Department	Information Technology Finance Director Accounting & Audit Billing & Collections Building Maintenance Budget & Research Purchasing
Development Services Department	Development Services Engineering City Planning Community Services Building Safety Animal Services
Communications & Marketing Department	Communications & Marketing Government Channel
Transportation Services Department	Transportation Services Aviation Fleet Operations Parking & Telecommunications
Utilities Department	Utilities Director Water & Sewer Maintenance Solid Waste & Recycling Wastewater Treatment Plant

Consolidated Fund-Department-Program Structure



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City of Fayetteville, Arkansas Chart of Governmental Fund Types



As noted by the chart above, the City utilizes all four (4) major Governmental fund types: General, Special Revenue, Debt Service, and Capital Projects.

General Fund - General fund is the general operating fund of the City. It is used to account for all financial resources except those accounted for in other funds.

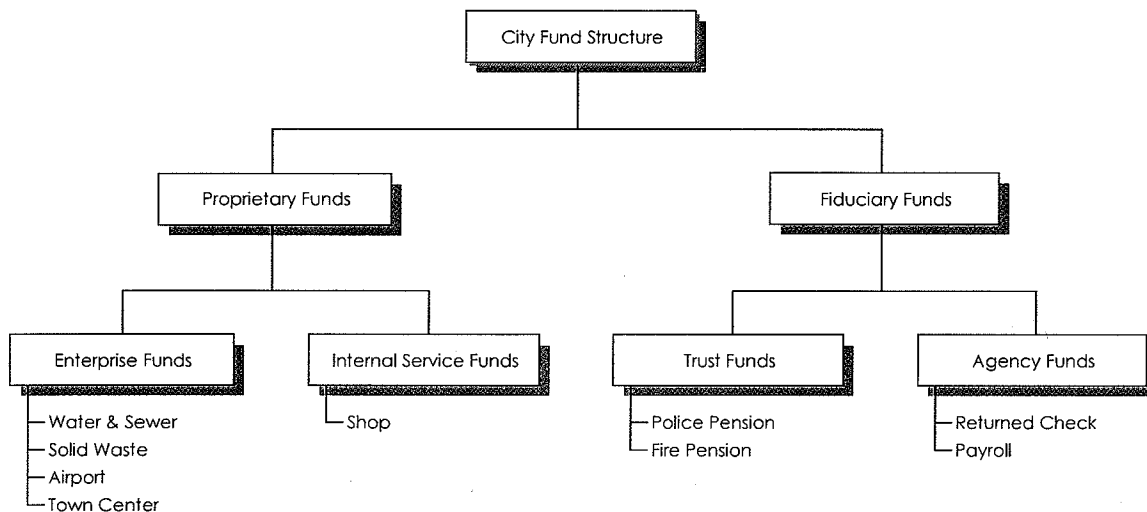
Special Revenue Funds - Special Revenue funds are used to account for the proceeds of specific revenue sources, which are designated or required to finance particular functions or activities of the City.

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs other than debt service payments made by enterprise funds.

Capital Projects Funds - Capital projects funds are used to account for financial resources to be used for the acquisition and construction of assets of a relatively permanent nature other than those financed by proprietary funds.

As a note of explanation for the following combined statements, the revenues are listed by major source and the expenditures are listed by major department or service. The operation transfers are listed both in and (out).

City of Fayetteville, Arkansas Chart of Proprietary and Fiduciary Fund Types



As noted by the chart above, the City utilizes the Enterprise and Internal Service funds in the Proprietary fund type and the Trust and Agency funds in the Fiduciary fund type.

Enterprise Funds - Enterprise funds are used to account for operations (A) that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (B) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

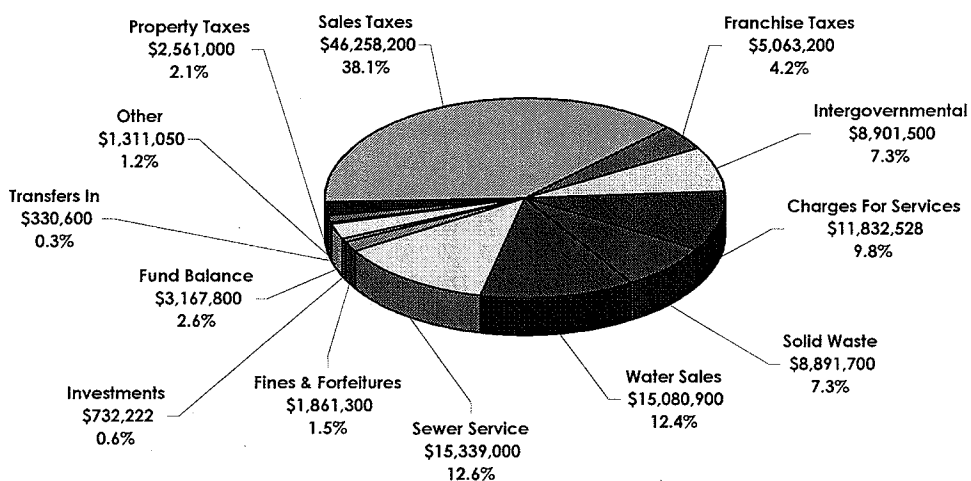
Internal Service Funds - Internal service funds are used to account for the financing of goods or services provided by one division of the City to other divisions of the City, on a cost reimbursement basis.

Trust Funds and Agency Funds - Trust funds and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Trust funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Agency funds are custodial in nature and do not involve measurement of results of operation.

In reference to the following combined statements, the revenues are listed by major source and the expenses are listed by major department or service. Also shown are depreciation, non-operating revenue and (expenses), transfers in and (out), and net income.

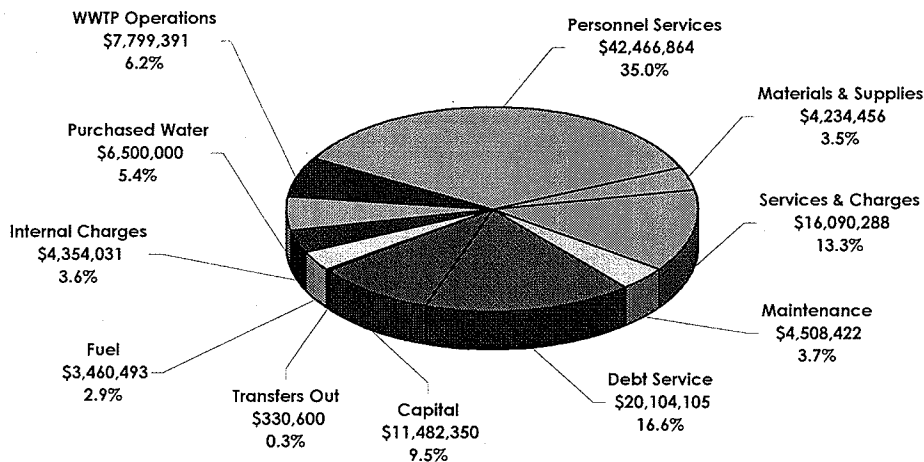
City of Fayetteville, Arkansas

Sources of Funds for 2012



\$121,331,000

Uses of Funds for 2012



\$121,331,000

Note: The Sources of Funds chart includes revenues from all City funds. The Uses of Funds chart includes expenditures from all funds including capital expenditures in the Proprietary fund types. In compliance with GAAP, Proprietary fund balances do not reflect capital expenditures.

City of Fayetteville, Arkansas
Multi-Year Comparison
Budget Expenditures

	Adopted 2008	Adopted 2009	Adopted 2010	Adopted 2011	Proposed 2012
<u>Major Funding Sources:</u>					
General	\$ 35,023,000	\$ 35,801,900	\$ 34,426,600	\$ 33,885,500	\$ 34,139,200
Street	4,813,689	5,360,286	4,271,000	4,390,000	4,706,600
Parking	345,235	347,300	304,300	1,065,100	1,101,800
Community Development Block Grant	655,977	635,930	649,821	695,800	589,000
Parks Development	3,025,000	2,854,700	2,417,700	2,424,600	2,358,000
Drug Law Enforcement	440,900	444,464	462,200	494,000	544,000
Water & Sewer	29,345,575	29,668,929	31,269,400	30,901,000	30,908,000
Solid Waste	9,091,000	9,239,250	10,098,900	9,208,300	9,950,100
Airport	839,356	773,704	805,500	770,800	768,000
Shop	7,082,000	6,693,557	5,481,200	7,239,900	8,231,500
	<u>90,661,732</u>	<u>91,820,020</u>	<u>90,186,621</u>	<u>91,075,000</u>	<u>93,296,200</u>
<u>Other Funding Sources:</u>					
Impact Fee	2,515,600	1,576,000	2,820,000	1,260,000	921,000
Fire Bond	801,400	804,000	802,400	424,800	0
TIF Bond	3,500	3,500	5,800	63,700	100,000
Sales Tax Bond	11,561,728	14,235,533	16,001,900	15,373,700	16,372,400
Replacement & Disaster Recovery	177,900	60,400	45,000	45,100	41,000
Sales Tax Capital Improvements	7,136,100	6,952,000	6,738,700	6,390,000	6,702,600
Wastewater System Improvements Project	150,900	3,000	0	0	97,600
Sales Tax Construction Bond	3,000	3,500	6,000	6,000	2,000
Town Center	709,306	699,935	693,544	702,700	695,200
Police Pension	1,761,757	1,761,757	1,689,800	1,692,800	1,633,000
Fire Pension	1,542,283	1,542,283	1,477,500	1,480,400	1,470,000
	<u>26,363,474</u>	<u>27,641,908</u>	<u>30,280,644</u>	<u>27,439,200</u>	<u>28,034,800</u>
Total - All Funding Sources	<u>\$ 117,025,206</u>	<u>\$ 119,461,928</u>	<u>\$ 120,467,265</u>	<u>\$ 118,514,200</u>	<u>\$ 121,331,000</u>

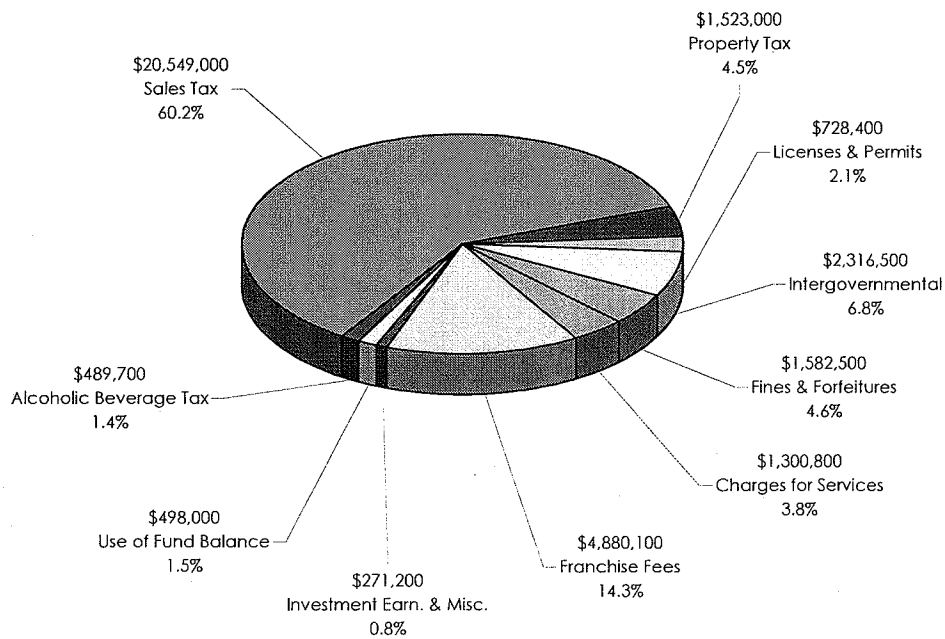
This comparison of adopted budgets is included to show the scope and growth of City operations in a multi-year format. This presentation is traditional but continues to include interfund transfers. Rather than restating all of the budgets, it is recommended that emphasis be placed on the significant entries, which are the individual funds. A more detailed discussion of each individual fund is included in the specific section devoted to that fund.

General Fund (1010)

Revenues

Total estimated revenue available in 2012 to support the General Fund is approximately \$33.6 million. These overall General Fund Revenue projections are based on historical trend data, expected population increases, and current performance of the national, state, and local economies and statistical information. In addition to those revenue sources, the 2012 budget will require the use of \$498,000 from reserves (fund balance).

Sources of Funds for 2012
\$ 34,139,200



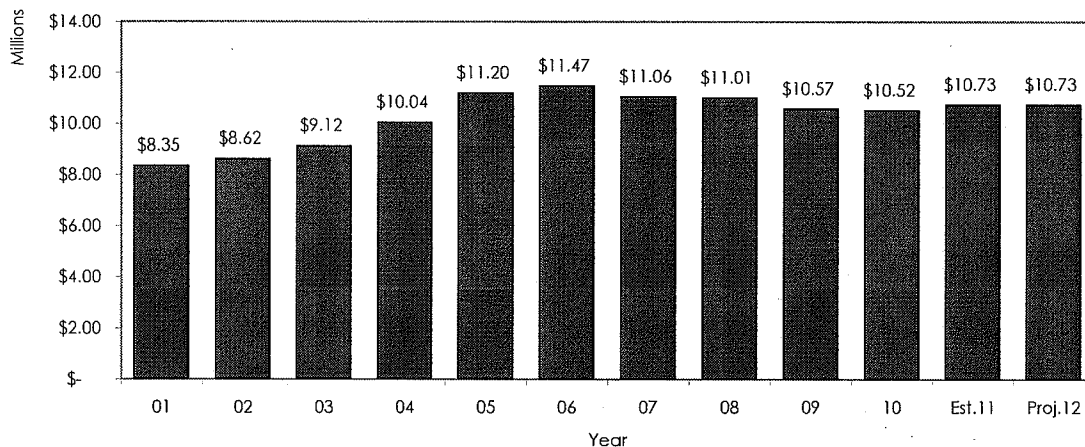
Property Taxes: Property Tax revenue makes up 4.5% of total General Fund Revenue. The tax rate currently approved is 1.3 mils. 2012 revenue is projected to increase by 2.4% over 2011 estimated collections due to increased assessed value. 2006 marked the first year that Property Taxes were collected for General Fund operations since 1993 at which time the tax rate was at 3.8 mils. The City of Fayetteville has a discretionary limit of 5.0 mils, which is set by law. By law, millage decisions must be made by the end of October of each year by the City Council and filed with the County.

Property Taxes
\$ 1,523,000



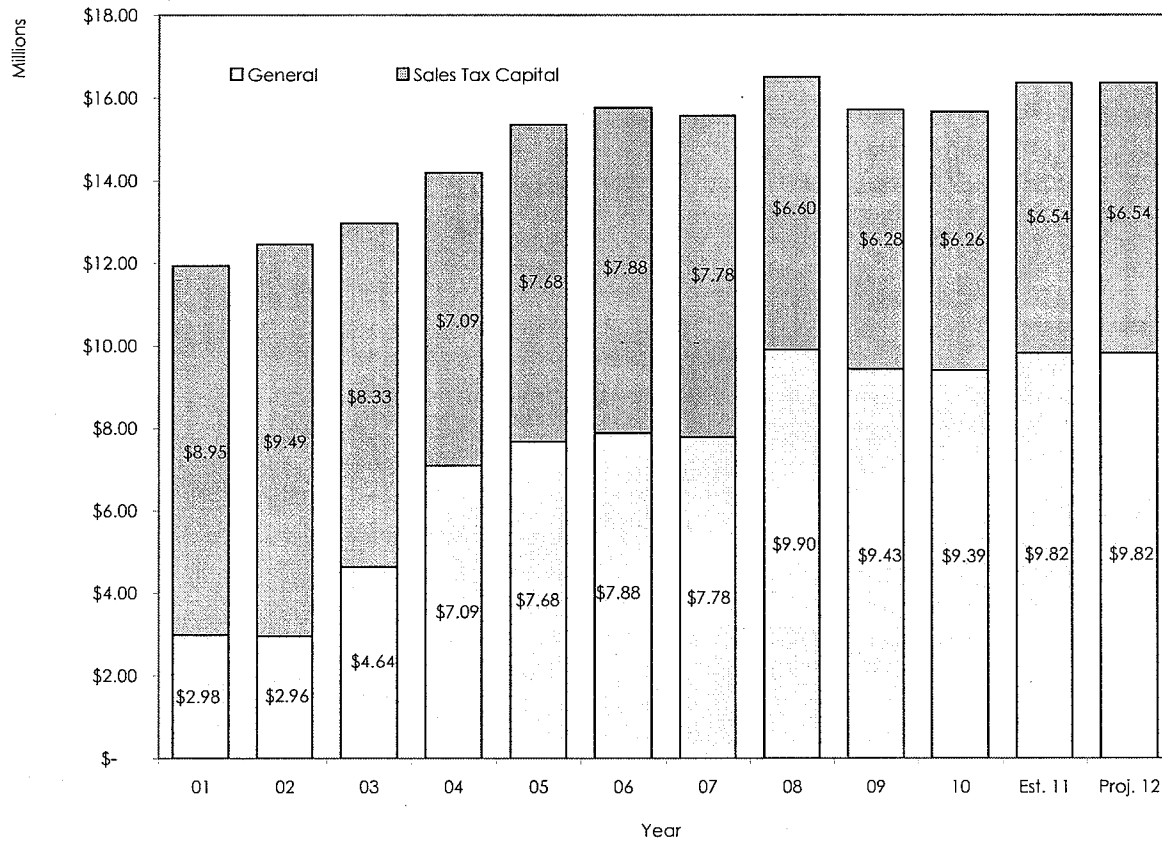
County Sales Tax: The largest source of General Fund revenue (31.9%) is the County Sales Tax. The City receives a prorated share (36.2%) of the 1% County Sales Tax based on population as of the most recent federal census. Sales Tax growth averaged 2.58% per year from 2000 to 2010. Budgeted 2012 revenue is projected to be flat compared to current 2011 estimated collections. The 2012 projection is based on past trends in view of the losses incurred due to the 2010 census.

County Sales Tax
\$ 10,734,000



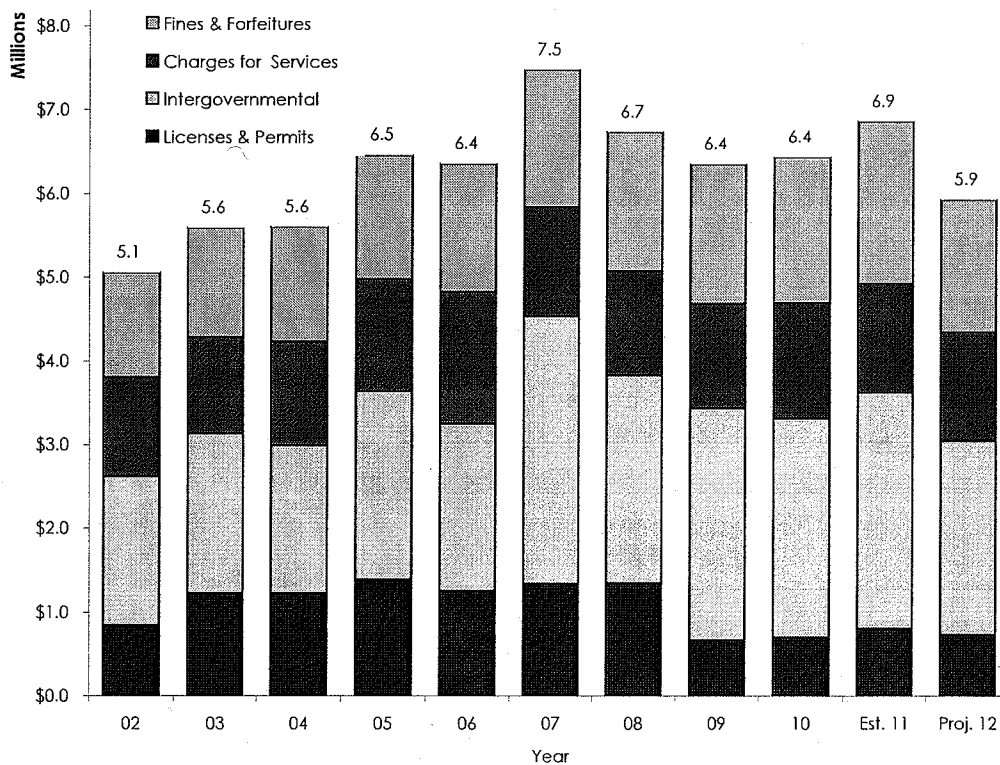
City Sales Tax: The second largest source of General Fund revenue is the City Sales Tax at 29.2% of total revenue. The 1% City sales tax revenue grew on average 3.1% annually between 2000 and 2010. However, 2011 revenue is estimated to be higher than 2010 actual by 4.5%. 2012 revenue is projected to be flat compared to estimated 2011. The 1% City Sales Tax revenue is divided between General Fund operations and capital. The current split for 2012, which began with the 2008 budget, is 60% for General Fund and 40% for Sales Tax Capital Improvements Fund.

Total City Sales Tax Collected by Fund
\$ 16,358,300



Other Revenues: Other Revenues (Licenses & Permits, Intergovernmental, Charges for Services, and Fines & Forfeitures) as a whole make up 17.6% of total General Fund revenue. Licenses & Permits mainly consist of Building Permits which are projected to be less in 2012 compared to estimated 2011 revenue due to a slow down in permitting. Inter-governmental revenues consist of State Turnback and State/Federal grants and are projected to be less in 2012 compared to estimated 2011 revenue. Charges for Services consist primarily of park fees, 911 reimbursements, and planning fees of which are expected to remain flat for 2012. Fines & Forfeitures revenues that consist of court fines are expected to be less over estimated 2011 revenue.

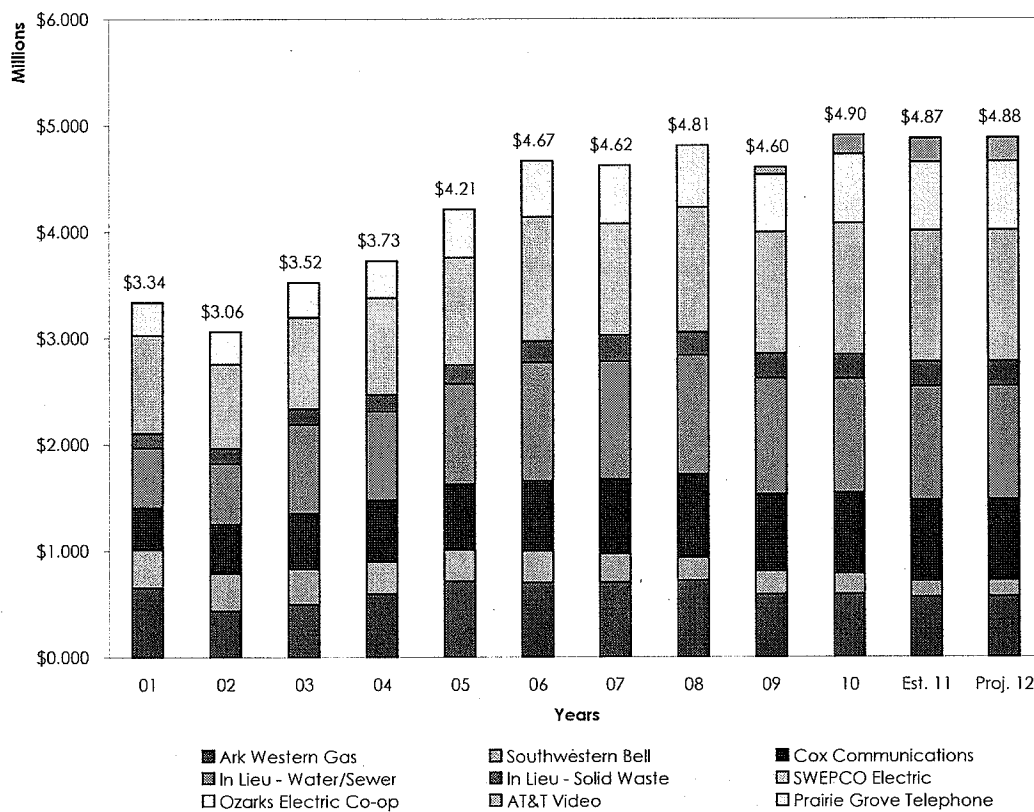
General Fund - Other Revenue



Franchise Fees: Franchise fees as a category makes up 14.5% of total General Fund revenue. The City collects franchise fees from all utility companies in Fayetteville for the use of City Rights-of-Way. All of the franchise fee agreements reflect a percentage of gross utility revenue generated. Although franchise fees are a direct cost of the utilities business, all utilities except AEP and the City of Fayetteville's Solid Waste and Water & Sewer Divisions show the fee as an additional item on the consumer's invoice.

Currently, Arkansas Western Gas pays 3% of annual sales before taxes on residential and commercial customers and 1% on industrial customers. AT&T and Prairie Grove Telephone pay 4% of all access line billing. AT&T Video and Cox Communications pay 5% of annual gross sales on everything except internet access revenue. The Water & Sewer utility pays 4.25% and the Solid Waste utility pays 3% on annual gross sales. AEP Electric and Ozarks Electric Co-Op pay 3% of gross revenues on domestic customers and 1% on industrial consumers. The 2012 projections are expected to equal 2011 collections.

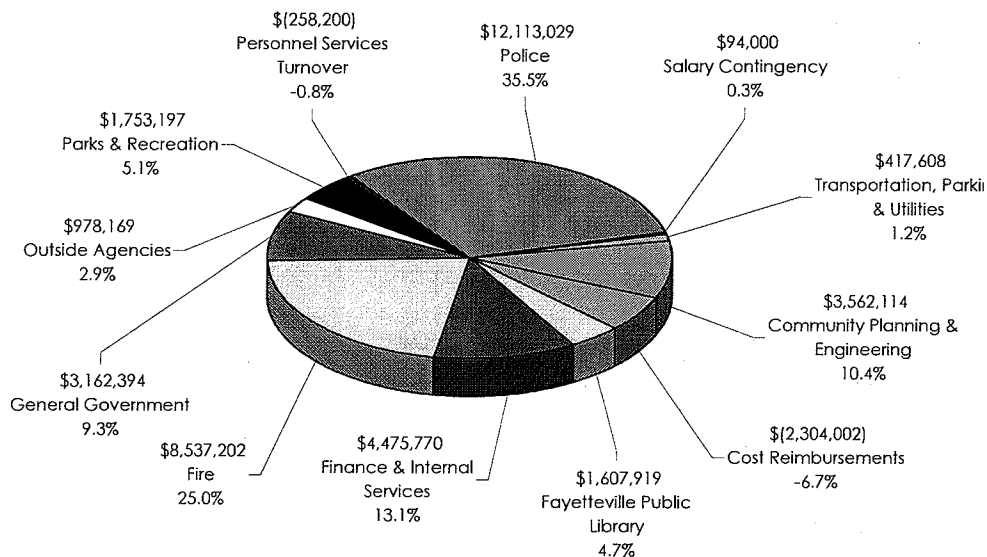
Franchise Fees



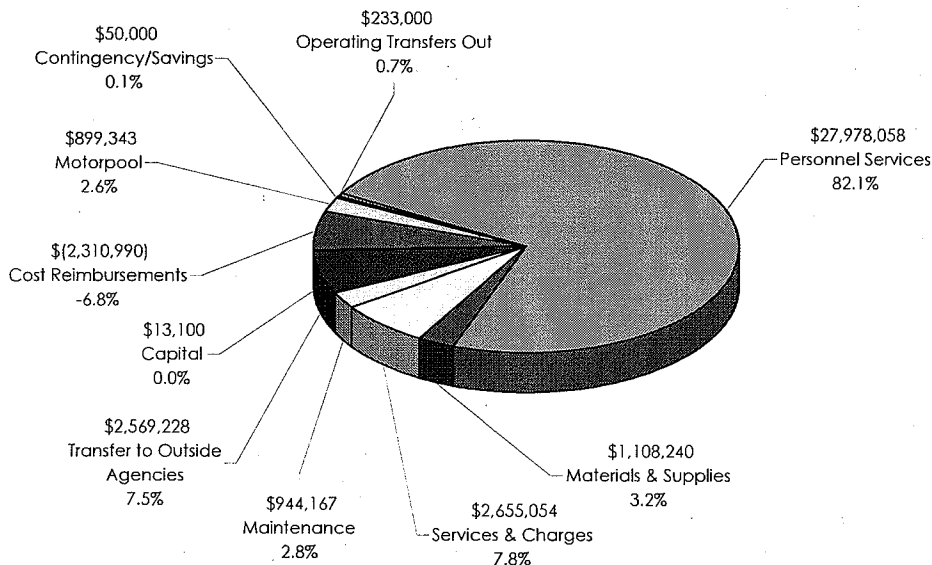
General Fund Expenses

Total uses of funds in 2012 for the City's General Fund totals \$34,139,200. The charts below show the total General Fund expenditure budget by operating department and expense category.

2012 Uses of Funds by Activity
\$ 34,139,200

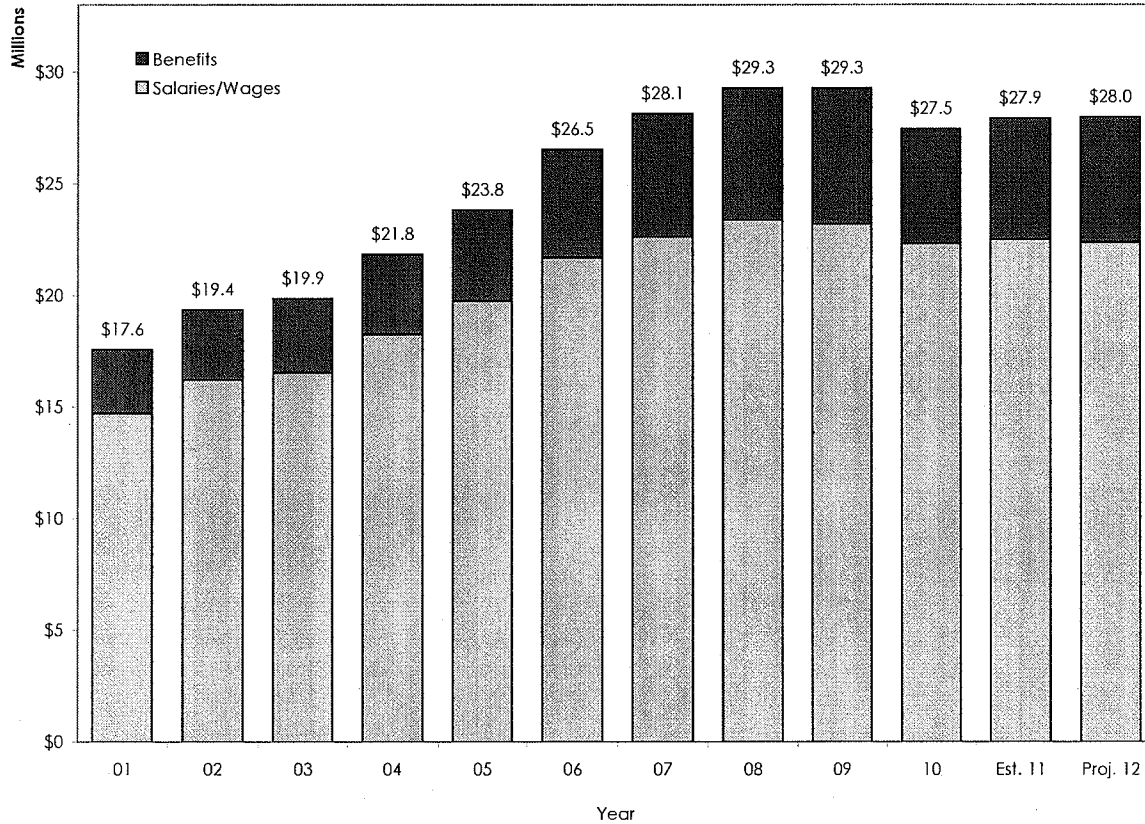


2012 Uses of Funds by Category
\$ 34,139,200



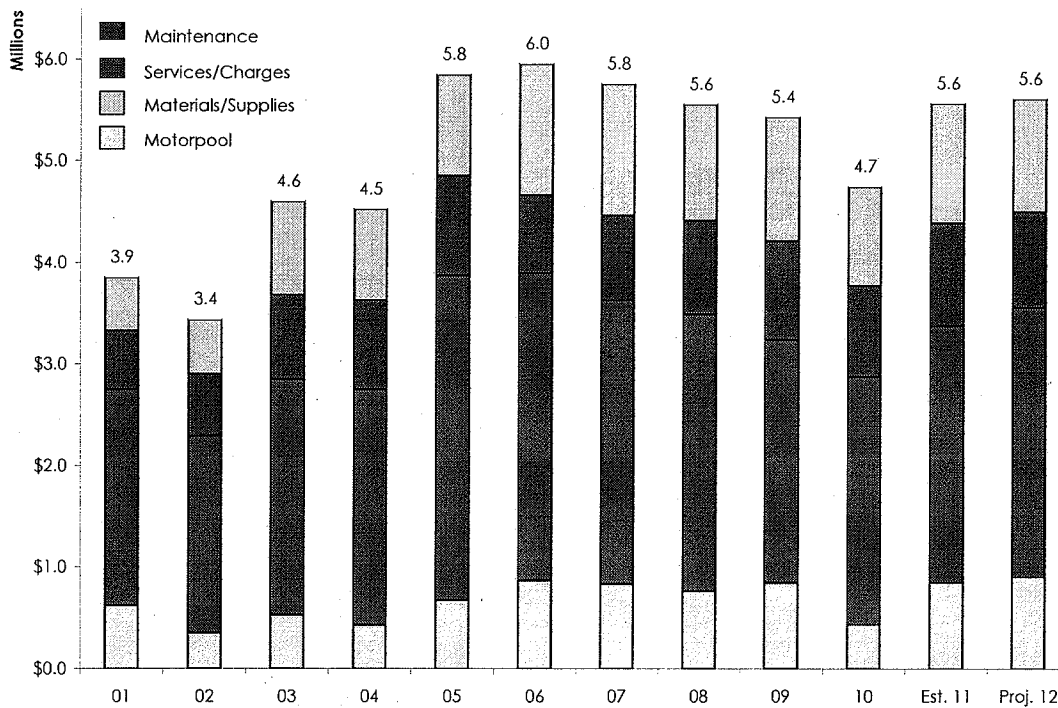
Personnel Services: Personnel Services represent the largest source (82.1%) of expense for the City's General Fund. Personnel Services include Salaries & Wages, Overtime, Insurance, Pension, and Worker's Compensation expenses. Since 2000, the Personnel Services category has averaged 5.35% per year from 2000 to 2008. However, due to a decline in revenues, wages were frozen at 2009 levels and no increases have been included in this budget.

Personnel Services



Other Expenses: Other expenses represent 16.4% of the General Fund expenditures for 2012. Other expenses represent the Maintenance, Services & Charges, Materials & Supplies, and Motor Pool categories. The Services & Charges Category includes contract services, publications and dues, etc. and represents 7.8% of the total General Fund budget. The Materials & Supplies Category includes copier/printing charges, minor equipment, fuel, and office supplies and represents 3.2% of the total General Fund budget. The Maintenance Category includes building and grounds maintenance, software maintenance, and various other small maintenance accounts and is 2.8% of the total General Fund budget. The Motorpool Category represents 2.6% of the total General Fund budget.

Other Expenses

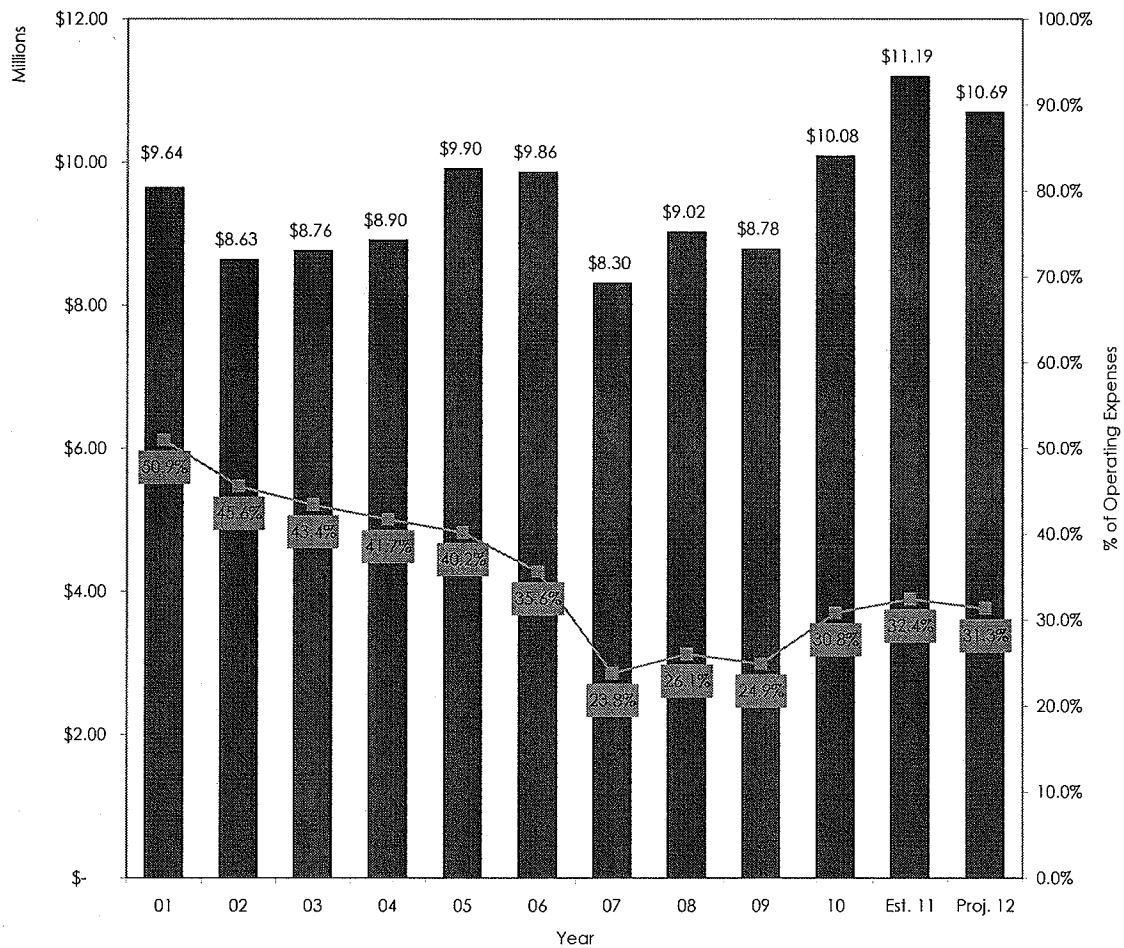


General Fund Balance

It is recommended that the 2012 Proposed Budget for the General Fund be balanced by using \$498,000 from reserves (fund balance). This would leave a projected ending undesignated fund balance of approximately \$10.7 million (prior to the minimum reserve requirement or any reserve for carry overs) at the end of 2012.

The amount of minimum reserves to be maintained in undesignated fund balance for General Fund is sixty (60) days (or 16.5%) of annual regular general fund operating expenditures. The General Fund designation requirement was approved by the Fayetteville City Council on November 5, 2002 with Resolution 174-2002 and currently amounts to \$5,650,000.

**General Fund
 Ending Undesignated Fund Balance & % of Expense**



City of Fayetteville, Arkansas
2012 Operating Budget
General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Property Taxes	\$ 1,631,854	\$ 1,501,000	\$ 1,488,000	\$ 1,523,000
Sales Tax - County	10,516,294	10,300,000	10,734,000	10,734,000
Sales Tax - City	9,393,997	9,223,400	9,815,000	9,815,000
Alcoholic Beverage Taxes	479,857	467,600	489,500	489,700
Franchise Fees	4,904,603	4,649,100	4,874,400	4,880,100
Licenses & Permits	699,208	652,100	804,000	728,400
Intergovernmental	2,613,395	2,470,065	2,816,900	2,316,500
Charges for Services	1,384,465	1,357,350	1,300,600	1,300,800
Fines & Forfeitures	1,738,591	1,679,700	1,938,400	1,582,500
Interest Earnings	130,535	120,000	61,900	62,300
Other	387,753	377,470	298,100	208,900
Transfer from Sales Tax Capital	0	1,000,000	1,000,000	0
Transfer from Shop	11,198	0	0	0
Total Revenues	33,891,750	33,797,785	35,620,800	33,641,200
Expenses:				
General Government Activity	3,078,344	3,318,086	3,136,275	3,162,394
- Outside Agencies	774,387	974,637	974,637	978,169
- Salary Contingency	0	51,829	51,829	94,000
- Personnel Services Turnover	0	(258,200)	(258,200)	(258,200)
- Fayetteville Public Library	1,608,829	1,610,759	1,610,759	1,607,919
- Cost Reimbursements	(2,304,002)	(2,304,002)	(2,304,002)	(2,304,002)
Finance and Internal Services Activity	4,095,352	4,464,135	4,152,548	4,475,770
Police Activity	11,619,041	12,700,583	12,599,721	11,880,029
Fire Activity	8,131,502	8,796,005	8,761,070	8,537,202
Community Planning & Engineering	3,219,784	3,612,134	3,476,032	3,562,114
Transportation/Utility/Parking Activity	484,721	421,731	345,195	417,608
Parks and Recreation Activity	1,758,722	1,768,782	1,727,136	1,753,197
Transfer to Drug Grant	216,341	233,000	233,000	233,000
Transfer to Shop	0	3,000	3,000	0
Total Expenses	32,683,021	35,392,479	34,509,000	34,139,200
Income (Loss)	\$ 1,208,729	\$ (1,594,694)	\$ 1,111,800	\$ (498,000)

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 8,872,097	\$ 10,080,826	\$ 10,080,826	\$ 11,192,626
Income/(Loss)	1,208,729	(1,594,694)	1,111,800	(498,000)
Ending Undesignated Fund Balance	\$ 10,080,826	\$ 8,486,132	\$ 11,192,626	\$ 10,694,626
Total Budget	\$ 32,683,021	\$ 35,392,479	\$ 34,509,000	\$ 34,139,200

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
General Government & Miscellaneous Activity				
Mayor's Administration Program (0150):				
Personnel Services	\$ 197,678	\$ 200,141	\$ 198,104	\$ 200,450
Materials and Supplies	4,474	5,150	4,254	5,150
Services and Charges	35,078	44,290	34,181	48,390
Maintenance	0	100	0	100
	<u>237,230</u>	<u>249,681</u>	<u>236,539</u>	<u>254,090</u>
City Council Program (0160):				
Personnel Services	73,001	73,004	73,004	72,976
Materials and Supplies	634	825	825	700
Services and Charges	1,941	4,555	4,555	4,680
	<u>75,576</u>	<u>78,384</u>	<u>78,384</u>	<u>78,356</u>
City Attorney Program (0210):				
Personnel Services	257,425	265,662	265,260	264,071
Materials and Supplies	1,896	2,900	1,683	2,900
Services and Charges	17,089	19,820	16,406	19,820
	<u>276,410</u>	<u>288,382</u>	<u>283,349</u>	<u>286,791</u>
City Prosecutor Program (0310):				
Personnel Services	517,276	533,457	522,388	533,604
Materials and Supplies	12,439	9,724	7,560	9,804
Services and Charges	7,899	10,865	8,141	10,965
Maintenance	7,820	7,880	7,880	7,700
	<u>545,434</u>	<u>561,926</u>	<u>545,969</u>	<u>562,073</u>
District Judge Program (0400):				
Personnel Services	153,368	158,229	158,229	159,651
Materials and Supplies	2,672	1,325	1,325	1,300
Services and Charges	5,658	9,246	7,090	9,266
Maintenance	9,917	13,224	13,224	11,799
	<u>171,615</u>	<u>182,024</u>	<u>179,868</u>	<u>182,016</u>
Communications Program (0550):				
Personnel Services	190,408	202,687	202,458	201,668
Materials and Supplies	3,545	8,225	6,339	2,634
Services and Charges	1,804	2,675	1,523	1,650
Maintenance	0	384	0	7,000
	<u>195,757</u>	<u>213,971</u>	<u>210,320</u>	<u>212,952</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Government Channel Program (0600):				
Personnel Services	154,839	161,715	161,715	171,541
Materials and Supplies	4,539	10,700	8,719	10,170
Services and Charges	12,892	14,653	11,969	15,641
Maintenance	1,809	2,150	964	2,400
	<u>174,079</u>	<u>189,218</u>	<u>183,367</u>	<u>199,752</u>
Chief of Staff Program (0700):				
Personnel Services	59,246	61,564	61,515	62,496
Materials and Supplies	890	1,900	750	1,900
Services and Charges	4,796	10,340	9,242	10,340
	<u>64,932</u>	<u>73,804</u>	<u>71,507</u>	<u>74,736</u>
Internal Consulting Program (0750):				
Personnel Services	79,818	80,695	45,236	86,088
Materials and Supplies	331	200	200	300
Services and Charges	2,248	3,190	2,218	2,405
Maintenance	187	70	70	3,650
	<u>82,584</u>	<u>84,155</u>	<u>47,724</u>	<u>92,443</u>
Internal Audit Program (1360):				
Personnel Services	82,815	86,111	86,111	87,027
Materials and Supplies	509	250	250	600
Services and Charges	1,650	3,286	3,286	2,936
	<u>84,974</u>	<u>89,647</u>	<u>89,647</u>	<u>90,563</u>
City Clerk/Treasurer Program (1510):				
Personnel Services	250,473	283,007	257,644	282,883
Materials and Supplies	9,692	16,080	8,424	12,500
Services and Charges	45,856	41,680	18,554	65,625
Maintenance	12,728	12,100	12,100	13,100
	<u>318,749</u>	<u>352,867</u>	<u>296,722</u>	<u>374,108</u>
Criminal Cases Program (2010):				
Personnel Services	299,485	306,564	303,268	300,324
Materials and Supplies	6,368	7,588	6,519	7,588
Services and Charges	584	1,375	918	1,375
	<u>306,437</u>	<u>315,527</u>	<u>310,705</u>	<u>309,287</u>
Probation & Fine Collection Program (2020):				
Personnel Services	55,973	56,544	23,399	19,121
Materials and Supplies	0	285	277	285
Services and Charges	1,033	1,087	1,075	1,080
	<u>57,006</u>	<u>57,916</u>	<u>24,751</u>	<u>20,486</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Small Claims & Civil Cases Program (2030):				
Personnel Services	135,792	149,517	149,517	168,393
Materials and Supplies	3,146	3,600	1,467	3,600
Services and Charges	985	1,650	725	1,650
Maintenance	0	103	0	103
	<u>139,923</u>	<u>154,870</u>	<u>151,709</u>	<u>173,746</u>
Library Program (5240):				
Services and Charges	17,770	19,700	19,700	16,860
Transfers To Outside Entities	1,591,059	1,591,059	1,591,059	1,591,059
	<u>1,608,829</u>	<u>1,610,759</u>	<u>1,610,759</u>	<u>1,607,919</u>
Miscellaneous Program (6600):				
Personnel Services	0	(206,371)	(206,371)	(164,200)
Materials and Supplies	(633)	23,580	23,580	22,800
Services and Charges	293,783	272,342	272,342	200,595
Cost allocation	(2,304,002)	(2,304,002)	(2,304,002)	(2,304,002)
Maintenance	10,783	13,720	13,720	14,500
Transfers To Outside Entities	774,387	974,637	974,637	978,169
Capital	8,455	103,100	103,100	13,100
Miscellaneous	35,250	0	0	0
Operating Transfers	0	15,972	15,972	0
	<u>(1,181,977)</u>	<u>(1,107,022)</u>	<u>(1,107,022)</u>	<u>(1,239,038)</u>
Total General Government/Miscellaneous	\$ <u>3,157,558</u>	\$ <u>3,396,109</u>	\$ <u>3,214,298</u>	\$ <u>3,280,280</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Finance and Internal Services Activity				
Finance Director Program (1100):				
Personnel Services	\$ 136,080	\$ 138,728	\$ 138,728	\$ 141,292
Materials and Supplies	187	200	200	570
Services and Charges	3,144	3,192	3,192	2,822
	<u>139,411</u>	<u>142,120</u>	<u>142,120</u>	<u>144,684</u>
Human Resource Operations Program (1210):				
Personnel Services	372,426	368,125	367,893	368,092
Materials and Supplies	4,034	6,250	3,959	4,950
Services and Charges	4,028	4,970	3,077	6,670
Maintenance	0	150	0	150
	<u>380,488</u>	<u>379,495</u>	<u>374,929</u>	<u>379,862</u>
Employee Benefits/Services Program (1220):				
Personnel Services	451,227	548,700	449,678	548,700
Materials and Supplies	0	5,850	3,814	50
Services and Charges	101,923	206,655	167,412	202,255
Maintenance	36,980	15,960	15,596	24,560
	<u>590,130</u>	<u>777,165</u>	<u>636,500</u>	<u>775,565</u>
Accounting & Audit Program (1310):				
Personnel Services	684,654	693,404	665,817	662,424
Materials and Supplies	6,694	9,500	6,524	10,000
Services and Charges	18,779	20,960	19,864	21,360
Maintenance	705	1,000	735	1,000
	<u>710,832</u>	<u>724,864</u>	<u>692,940</u>	<u>694,784</u>
Budget & Research Program (1330):				
Personnel Services	247,187	250,298	249,775	249,744
Materials and Supplies	4,500	5,756	4,199	5,706
Services and Charges	1,371	2,540	2,540	2,540
Maintenance	1,700	1,750	1,750	1,800
	<u>254,758</u>	<u>260,344</u>	<u>258,264</u>	<u>259,790</u>
General Maintenance Program (1410):				
Personnel Services	319,703	394,916	314,495	391,447
Materials and Supplies	6,505	6,900	6,900	7,169
Services and Charges	10,332	19,085	19,085	19,085
Motorpool Charges	8,442	13,281	13,281	13,044
Maintenance	20,790	25,326	25,326	25,326
	<u>365,772</u>	<u>459,508</u>	<u>379,087</u>	<u>456,071</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Janitorial Program (1420):				
Personnel Services	170,343	182,513	173,028	174,728
Materials and Supplies	13,427	10,549	10,549	10,549
Services and Charges	11,381	13,488	13,488	12,639
Maintenance	185	400	60	400
	<u>195,336</u>	<u>206,950</u>	<u>197,125</u>	<u>198,316</u>
Purchasing Program (1610):				
Personnel Services	213,100	218,963	218,963	224,083
Materials and Supplies	544	1,730	1,730	950
Services and Charges	19,569	19,078	19,078	19,858
	<u>233,213</u>	<u>239,771</u>	<u>239,771</u>	<u>244,891</u>
Information Technology Program (1710):				
Personnel Services	828,129	861,358	819,252	860,062
Materials and Supplies	21,687	16,425	16,425	16,058
Services and Charges	35,726	32,455	32,455	47,332
Motorpool Charges	2,189	2,222	2,222	2,277
Maintenance	337,681	361,458	361,458	396,078
	<u>1,225,412</u>	<u>1,273,918</u>	<u>1,231,812</u>	<u>1,321,807</u>
Total Finance and Internal Services Activity	<u>\$ 4,095,352</u>	<u>\$ 4,464,135</u>	<u>\$ 4,152,548</u>	<u>\$ 4,475,770</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Police Activity				
Central Dispatch Program (2600):				
Personnel Services	\$ 1,107,338	\$ 1,168,142	\$ 1,150,831	\$ 1,146,673
Materials and Supplies	9,444	11,253	10,065	11,153
Services and Charges	39,627	43,017	43,017	45,586
Motorpool Charges	2,135	5,004	5,004	10,636
Maintenance	62,484	74,093	71,661	3,761
	<u>1,221,028</u>	<u>1,301,509</u>	<u>1,280,578</u>	<u>1,217,809</u>
Police Support Services Program (2900):				
Personnel Services	2,047,433	2,113,546	2,079,917	2,084,330
Materials and Supplies	80,128	72,610	67,451	74,439
Services and Charges	427,467	423,334	418,703	439,320
Motorpool Charges	13,759	30,286	30,286	35,633
Maintenance	149,831	164,628	154,467	173,815
Operating Transfers	216,341	233,000	233,000	233,000
	<u>2,934,959</u>	<u>3,037,404</u>	<u>2,983,824</u>	<u>3,040,537</u>
Police Projects Program (2920):				
Personnel Services	262,139	204,241	204,241	0
Materials and Supplies	118,780	114,608	114,608	0
Services and Charges	122,810	66,505	66,505	0
Maintenance	1,299	8,278	8,278	0
Transfers To Outside Entities	118,108	92,450	92,450	0
Capital	31,622	164,352	164,352	0
	<u>654,758</u>	<u>650,434</u>	<u>650,434</u>	<u>0</u>
Police Patrol Program (2940):				
Personnel Services	6,407,671	6,892,744	6,879,210	6,796,095
Materials and Supplies	243,968	306,508	305,086	327,092
Services and Charges	138,348	201,339	194,190	183,034
Motorpool Charges	198,058	503,020	503,020	530,192
Maintenance	36,592	40,625	36,379	18,270
	<u>7,024,637</u>	<u>7,944,236</u>	<u>7,917,885</u>	<u>7,854,683</u>
Total Police Activity	<u><u>\$ 11,835,382</u></u>	<u><u>\$ 12,933,583</u></u>	<u><u>\$ 12,832,721</u></u>	<u><u>\$ 12,113,029</u></u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Fire Activity				
Fire Prevention Program (3010):				
Personnel Services	\$ 365,334	\$ 333,721	\$ 333,721	\$ 326,236
Materials and Supplies	18,377	29,808	29,264	28,355
Services and Charges	3,975	9,175	9,175	9,175
Motorpool Charges	6,632	19,397	19,397	28,714
Maintenance	66	0	0	0
	<u>394,384</u>	<u>392,101</u>	<u>391,557</u>	<u>392,480</u>
Fire Operations Program (3020):				
Personnel Services	7,009,408	7,241,493	7,241,493	7,188,286
Materials and Supplies	113,526	153,605	153,596	139,158
Services and Charges	311,502	411,132	384,375	359,643
Motorpool Charges	82,091	103,479	102,619	99,706
Maintenance	62,487	135,775	130,106	99,229
Capital	9,300	189	0	0
Contingency/Savings	0	150,000	150,000	50,000
	<u>7,588,314</u>	<u>8,195,673</u>	<u>8,162,189</u>	<u>7,936,022</u>
Fire Training Program (3030):				
Personnel Services	131,988	171,977	171,977	166,154
Materials and Supplies	6,990	8,746	8,746	8,739
Services and Charges	5,336	22,775	21,868	22,775
Motorpool Charges	4,490	4,733	4,733	11,032
	<u>148,804</u>	<u>208,231</u>	<u>207,324</u>	<u>208,700</u>
Total Fire Activity	<u>\$ 8,131,502</u>	<u>\$ 8,796,005</u>	<u>\$ 8,761,070</u>	<u>\$ 8,537,202</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Community Planning and Engineering Activity				
Animal Patrol/Emergency Response Program (2710):				
Personnel Services	\$ 266,373	\$ 265,733	\$ 265,733	\$ 264,460
Materials and Supplies	11,891	16,878	16,878	14,030
Services and Charges	10,873	11,533	11,533	11,242
Motorpool Charges	6,770	25,580	25,580	25,953
Maintenance	560	787	550	980
	<u>296,467</u>	<u>320,511</u>	<u>320,274</u>	<u>316,665</u>
Animal Shelter Program (2720):				
Personnel Services	232,976	261,885	261,144	258,005
Materials and Supplies	22,945	28,150	28,150	32,150
Services and Charges	46,193	46,766	46,766	47,087
Maintenance	9,442	11,156	8,045	11,156
	<u>311,556</u>	<u>347,957</u>	<u>344,105</u>	<u>348,398</u>
Veterinarian/Clinic Program (2730):				
Personnel Services	121,450	124,631	124,631	127,581
Materials and Supplies	19,198	65,837	64,976	65,837
Services and Charges	3,172	3,627	3,538	3,276
Maintenance	288	450	0	450
	<u>144,108</u>	<u>194,545</u>	<u>193,145</u>	<u>197,144</u>
Animal Services Projects Program (2740):				
Materials and Supplies	65,239	6,029	6,029	0
Maintenance	0	40,939	40,939	0
	<u>65,239</u>	<u>46,968</u>	<u>46,968</u>	<u>0</u>
Development Services Director Program (6200):				
Personnel Services	147,630	157,571	136,980	157,106
Materials and Supplies	62	812	0	852
Services and Charges	466	790	766	750
	<u>148,158</u>	<u>159,173</u>	<u>137,746</u>	<u>158,708</u>
Engineering Design Services Program (6210):				
Personnel Services	119,456	147,988	140,820	156,436
Materials and Supplies	8,831	9,336	6,576	9,522
Services and Charges	2,076	2,350	2,087	2,350
Motorpool Charges	1,411	4,619	4,619	4,709
Maintenance	0	3,395	3,385	80
	<u>131,774</u>	<u>167,688</u>	<u>157,487</u>	<u>173,097</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Engineering Operations & Administration Program (6220):				
Personnel Services	437,868	483,249	483,249	481,749
Materials and Supplies	5,831	7,226	4,707	6,823
Services and Charges	16,313	16,085	14,024	18,685
Motorpool Charges	1,613	3,599	3,599	3,067
Maintenance	0	150	0	150
	<u>461,625</u>	<u>510,309</u>	<u>505,579</u>	<u>510,474</u>
Engineering Land Acquisition Program (6230):				
Personnel Services	75,898	97,201	97,201	101,980
Materials and Supplies	573	1,200	502	1,200
Services and Charges	25	830	180	830
	<u>76,496</u>	<u>99,231</u>	<u>97,883</u>	<u>104,010</u>
Engineering Public Construction Program (6240):				
Personnel Services	209,854	299,112	298,862	296,818
Materials and Supplies	8,201	12,304	12,137	13,464
Services and Charges	1,017	1,605	1,018	2,825
Motorpool Charges	7,310	15,736	15,736	16,079
	<u>226,382</u>	<u>328,757</u>	<u>327,753</u>	<u>329,186</u>
City Planning Program (6300):				
Personnel Services	314,494	327,912	304,177	322,591
Materials and Supplies	7,577	16,244	13,168	17,295
Services and Charges	15,998	28,394	20,638	23,321
Motorpool Charges	2,175	5,923	5,923	5,567
Maintenance	0	350	0	350
	<u>340,244</u>	<u>378,823</u>	<u>343,906</u>	<u>369,124</u>
Sustainability & Strategic Planning Program (6310):				
Personnel Services	191,466	194,247	191,919	191,106
Materials and Supplies	2,410	1,950	1,309	2,050
Services and Charges	3,961	6,140	5,350	7,040
Maintenance	3,446	3,600	3,600	0
	<u>201,283</u>	<u>205,937</u>	<u>202,178</u>	<u>200,196</u>
Building Safety Program (6400):				
Personnel Services	440,046	430,327	425,503	424,293
Materials and Supplies	8,221	16,659	13,022	18,361
Services and Charges	16,091	19,637	14,230	18,717
Motorpool Charges	10,948	21,161	21,161	21,053
Maintenance	7,210	7,426	7,426	7,800
	<u>482,516</u>	<u>495,210</u>	<u>481,342</u>	<u>490,224</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Code Compliance Program (6420):				
Personnel Services	292,804	296,361	259,534	307,469
Materials and Supplies	8,503	10,314	8,236	10,774
Services and Charges	24,823	33,641	33,187	29,675
Motorpool Charges	7,267	16,709	16,709	16,970
Maintenance	539	0	0	0
	<u>333,936</u>	<u>357,025</u>	<u>317,666</u>	<u>364,888</u>
Total Community Planning and Engineering \$	<u>\$ 3,219,784</u>	<u>\$ 3,612,134</u>	<u>\$ 3,476,032</u>	<u>\$ 3,562,114</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transportation, Parking, Utilities Activity				
Utilities Management Program (1380):				
Personnel Services	\$ 133,086	\$ 137,494	\$ 134,079	\$ 133,264
Materials and Supplies	7,662	9,135	7,993	13,008
Services and Charges	187,726	271,702	199,786	267,902
Motorpool Charges	1,213	3,325	3,325	3,359
Maintenance	0	75	12	75
	<u>329,687</u>	<u>421,731</u>	<u>345,195</u>	<u>417,608</u>
Parking Management Program (5300):				
Personnel Services	138,053	0	0	0
Materials and Supplies	9,130	0	0	0
Services and Charges	2,854	0	0	0
Motorpool Charges	1,233	0	0	0
Maintenance	3,764	0	0	0
	<u>155,034</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transportation, Parking, Utilities Activity	<u>\$ 484,721</u>	<u>\$ 421,731</u>	<u>\$ 345,195</u>	<u>\$ 417,608</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
General Fund (1010)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Parks and Recreation Activity				
Swimming Pool Program (5210):				
Personnel Services	\$ 67,213	\$ 95,535	\$ 95,535	\$ 94,060
Materials and Supplies	9,849	15,670	15,670	18,877
Services and Charges	28,675	28,552	28,552	29,030
Motorpool Charges	598	1,251	1,251	115
Maintenance	3,054	3,679	3,679	3,273
	<u>109,389</u>	<u>144,687</u>	<u>144,687</u>	<u>145,355</u>
Parks Administration/Recreation Programs Program (5220):				
Personnel Services	232,663	469,794	432,898	487,429
Materials and Supplies	10,399	75,717	75,717	78,211
Services and Charges	117,931	120,801	120,801	132,140
Motorpool Charges	1,801	5,803	5,803	5,826
	<u>362,794</u>	<u>672,115</u>	<u>635,219</u>	<u>703,606</u>
Lake Maintenance Program (5250):				
Personnel Services	5,760	7,911	7,911	7,060
Materials and Supplies	1,431	2,444	2,444	1,911
Services and Charges	73,694	74,279	74,279	71,945
Motorpool Charges	195	466	466	23
Maintenance	1,203	1,700	1,700	1,200
	<u>82,283</u>	<u>86,800</u>	<u>86,800</u>	<u>82,139</u>
Parks Maintenance Program (5260):				
Personnel Services	656,886	296,282	296,282	287,851
Materials and Supplies	66,133	78,130	78,130	71,530
Services and Charges	145,269	144,191	144,191	146,801
Motorpool Charges	73,189	56,353	56,353	63,010
Cost allocation	(2,521)	(6,988)	(6,988)	(6,988)
Maintenance	104,826	104,691	104,691	108,212
	<u>1,043,782</u>	<u>672,659</u>	<u>672,659</u>	<u>670,416</u>
Yvonne Richardson Community Center Program (5280):				
Personnel Services	114,508	122,259	122,259	104,361
Materials and Supplies	3,618	6,249	6,249	5,176
Services and Charges	36,719	55,712	55,712	34,066
Motorpool Charges	1,803	2,782	2,782	2,378
Maintenance	3,826	5,519	769	5,700
	<u>160,474</u>	<u>192,521</u>	<u>187,771</u>	<u>151,681</u>
Total Parks and Recreation Activity	<u>\$ 1,758,722</u>	<u>\$ 1,768,782</u>	<u>\$ 1,727,136</u>	<u>\$ 1,753,197</u>
Total General Fund:	<u>\$ 32,683,021</u>	<u>\$ 35,392,479</u>	<u>\$ 34,509,000</u>	<u>\$ 34,139,200</u>

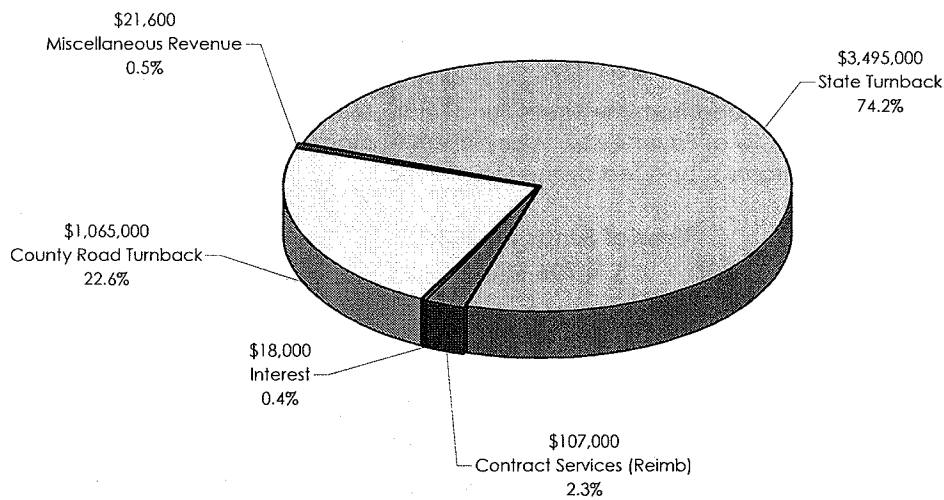
Street Fund (2100)

The **Street Fund** is primarily financed by turnback revenues received from the State of Arkansas and turnback monies received from the County Road Millage Tax. These monies are utilized to maintain and repair City streets, rights-of-way, drainage, traffic control and maintenance, and City owned sidewalks.

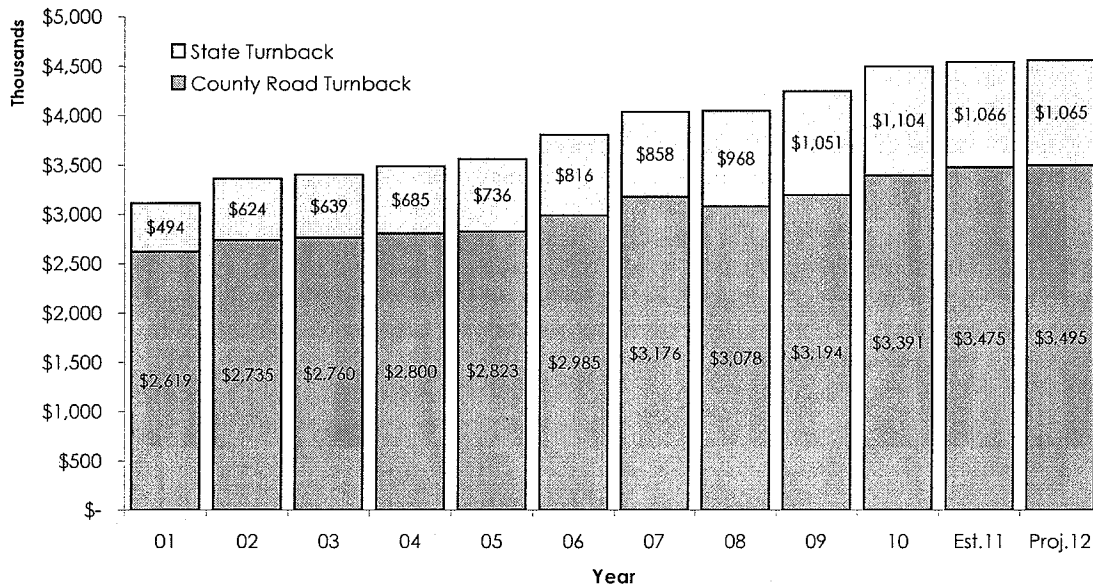
Street Fund Revenues

Revenues for Street Fund are primarily motor fuel taxes collected by the State of Arkansas (state turnback) and returned to the City on a per capita basis. The long term trend for state turnback is relatively flat. The per capita rate for Street Fund in 1995 was \$41.00 and in 2011 the per capita rate is \$47.23. Projections for 2012 are based on the per capita rate of \$47.50 from the State and calculated based on the 2010 census population of 73,580. As the City continues to grow, additional revenue sources will need to be identified to fund Street Fund activities. The City receives 80% of the road millage levied by the Quorum Court on real and personal property located within the City. The current 2011 county levy is 1.1 mil, with a maximum of 3.0 mil.

Sources of Funds for 2012
\$ 4,706,600



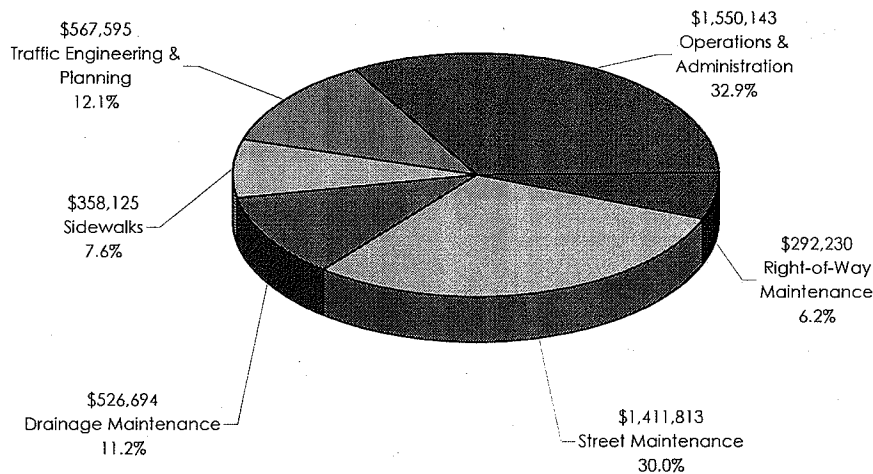
Street Fund



Street Fund Expenses

The primary purpose of funds expended from the Street Fund relate to the maintenance, repair and construction of streets within the City of Fayetteville. Associated drainage maintenance activities as well as street sweeping are also programs supported by the Street Fund.

Uses of Funds for 2012 \$ 4,706,600



City of Fayetteville, Arkansas
 2012 Operating Budget
 Street Fund (2100)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Intergovernmental (Grants)	\$ 0	\$ 387,500	\$ 387,500	\$ 0
State Turnback	3,390,952	3,200,000	3,475,000	3,495,000
County Road Turnback	1,103,686	1,099,400	1,065,800	1,065,000
Charges for Services	79,790	51,600	107,000	107,000
Investment Earnings	46,165	30,000	18,400	18,000
Other	27,400	9,000	21,300	21,600
Total Revenues	4,647,993	4,777,500	5,075,000	4,706,600
Expenses:				
Operations & Administration	1,369,702	1,923,979	1,829,488	1,550,143
Right-of-Way Maintenance	222,389	272,475	263,237	292,230
Street Maintenance	1,309,588	1,310,880	1,310,880	1,411,813
Drainage Maintenance	529,583	529,466	529,466	526,694
Traffic Engineering & Planning	494,317	526,061	526,048	567,595
Street & Trail Construction	357,783	45,519	45,519	0
Sidewalk Maintenance	295,836	727,013	707,362	358,125
Total Expenses	4,579,198	5,335,393	5,212,000	4,706,600
Income (Loss)	\$ 68,795	\$ (557,893)	\$ (137,000)	\$ 0

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 2,275,722	\$ 2,344,517	\$ 2,344,517	\$ 2,207,517
Income/(Loss)	68,795	(557,893)	(137,000)	0
Ending Undesignated Fund Balance	<u>\$ 2,344,517</u>	<u>\$ 1,786,624</u>	<u>\$ 2,207,517</u>	<u>\$ 2,207,517</u>
Total Budget	\$ 4,579,198	\$ 5,335,393	\$ 5,212,000	\$ 4,706,600

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Street Fund (2100)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transportation, Parking, Utilities Activity				
Operations & Administration Program (4100):				
Personnel Services	\$ 556,112	\$ 651,866	\$ 557,401	\$ 652,331
Materials and Supplies	22,262	38,434	38,434	35,695
Services and Charges	675,912	693,332	693,306	754,013
Motorpool Charges	3,690	3,362	3,362	4,264
Cost allocation	39,835	39,835	39,835	39,835
Maintenance	54,869	41,472	41,472	64,005
Capital	17,022	455,678	455,678	0
	<u>1,369,702</u>	<u>1,923,979</u>	<u>1,829,488</u>	<u>1,550,143</u>
Right-of-Way Maintenance Program (4110):				
Personnel Services	116,570	164,317	155,079	188,112
Materials and Supplies	17,865	22,480	22,480	29,798
Services and Charges	0	100	100	0
Motorpool Charges	87,884	83,410	83,410	72,152
Maintenance	70	2,168	2,168	2,168
	<u>222,389</u>	<u>272,475</u>	<u>263,237</u>	<u>292,230</u>
Street Maintenance Program (4120):				
Personnel Services	741,791	783,243	783,243	821,902
Materials and Supplies	291,084	256,914	256,914	346,294
Services and Charges	9,047	7,607	7,607	7,877
Motorpool Charges	748,685	765,019	765,019	859,291
Cost allocation	(492,786)	(520,880)	(520,880)	(637,515)
Maintenance	11,767	18,977	18,977	13,964
	<u>1,309,588</u>	<u>1,310,880</u>	<u>1,310,880</u>	<u>1,411,813</u>
Drainage Maintenance Program (4130):				
Personnel Services	327,636	331,953	331,953	344,818
Materials and Supplies	58,699	61,537	61,537	70,413
Services and Charges	6,344	12,000	12,000	14,750
Motorpool Charges	135,829	120,102	120,102	92,839
Maintenance	1,075	3,874	3,874	3,874
	<u>529,583</u>	<u>529,466</u>	<u>529,466</u>	<u>526,694</u>
Traffic Engineering & Planning Program (5315):				
Personnel Services	363,754	361,668	361,655	358,854
Materials and Supplies	47,891	57,143	57,143	95,291
Services and Charges	5,329	7,323	7,323	7,323
Motorpool Charges	47,707	72,327	72,327	48,527
Maintenance	29,636	27,600	27,600	57,600
	<u>494,317</u>	<u>526,061</u>	<u>526,048</u>	<u>567,595</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Street Fund (2100)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Street & Trail Construction Program (5520):				
Personnel Services	0	8,202	8,202	0
Materials and Supplies	28,800	30,196	30,196	41,059
Services and Charges	0	16,973	16,973	0
Motorpool Charges	165,292	178,477	178,477	168,716
Cost allocation	(194,092)	(208,673)	(208,673)	(209,775)
Maintenance	357,783	20,344	20,344	0
	<u>357,783</u>	<u>45,519</u>	<u>45,519</u>	<u>0</u>
Sidewalks Program (5530):				
Personnel Services	215,673	245,074	225,444	243,412
Materials and Supplies	19,136	198,421	198,400	43,010
Services and Charges	0	225,000	225,000	4,000
Motorpool Charges	76,042	72,303	72,303	83,425
Cost allocation	(16,803)	(17,785)	(17,785)	(17,722)
Maintenance	1,788	4,000	4,000	2,000
	<u>295,836</u>	<u>727,013</u>	<u>707,362</u>	<u>358,125</u>
Total Transportation, Parking, Utilities Activity	<u>\$ 4,579,198</u>	<u>\$ 5,335,393</u>	<u>\$ 5,212,000</u>	<u>\$ 4,706,600</u>
Total Fund	<u>\$ 4,579,198</u>	<u>\$ 5,335,393</u>	<u>\$ 5,212,000</u>	<u>\$ 4,706,600</u>

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Parking Fund (2130)

The **Parking Fund** accounts for funds received from meter revenues and parking lot rentals. These monies are expended for maintenance of parking lots. In 2010, a new program, Entertainment District Parking, was created that extended paid parking in the Dickson Street area. For 2012, this fund is expected to have a \$277,700 surplus which will be designated toward the future building of a parking deck.

In 2010, the City Council approved a \$700,000 interfund loan from the Replacement and Disaster Recovery Fund to the Parking Fund for the purchase of equipment. This loan will be paid back from parking revenue within a five year period.

City of Fayetteville, Arkansas
2012 Operating Budget
Parking Fund (2130)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Downtown District Parking Revenue	\$ 293,626	\$ 392,450	\$ 461,445	\$ 495,480
Entertainment District Parking Revenue	370,012	882,800	913,360	879,798
Investment Earnings	8,159	20,425	3,989	3,972
Other	244	225	4,906	250
Total Revenues	672,041	1,295,900	1,383,700	1,379,500
Expenses:				
Downtown District Parking	216,455	430,266	411,319	458,051
Entertainment District Parking	113,846	204,300	197,035	169,514
Transfer to Walton Arts Center	25,968	289,000	289,000	289,000
Principal Payment	44,523	135,135	135,135	138,093
Interest Expense	4,556	12,100	12,100	9,142
Land Acquisition	343,538	0	0	0
Parking Lot Improvements	887,223	59,411	59,411	38,000
Transfer to Shop	13,888	0	0	0
Total Expenses	1,649,997	1,130,212	1,104,000	1,101,800
Income (Loss)	\$ (977,956)	\$ 165,688	\$ 279,700	\$ 277,700

FUND BALANCE ANALYSIS				
Beginning Undesignated Fund Balance	\$ 595,665	\$ (337,768)	\$ (337,768)	\$ 77,067
Income/(Loss)	(977,956)	165,688	279,700	277,700
Reduction of Interfund Loan Liability	44,523	135,135	135,135	138,093
* Ending Undesignated Fund Balance	\$ (337,768)	\$ (36,945)	\$ 77,067	\$ 492,860
Total Budget	\$ 1,649,997	\$ 1,130,212	\$ 1,104,000	\$ 1,101,800

* The negative Fund Balance is due to the interfund loan from the Replacement and Disaster Recovery Fund.

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Parking Fund (2130)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transportation, Parking, Utilities Activity				
Off-Street Parking Program (9130):				
Personnel Services	\$ 62,645	\$ 187,223	\$ 184,959	\$ 233,254
Materials and Supplies	29,600	54,373	52,999	47,086
Services and Charges	61,608	84,545	80,277	89,829
Motorpool Charges	5,005	1,900	1,900	1,832
Maintenance	23,058	43,050	38,580	45,050
Transfers To Outside Entities	32,715	41,000	34,429	41,000
Capital	381,306	46,175	46,175	28,000
	<u>595,937</u>	<u>458,266</u>	<u>439,319</u>	<u>486,051</u>
Entertainment District Parking Program (9131):				
Personnel Services	57,124	91,236	84,071	77,292
Materials and Supplies	12,957	17,768	17,765	13,166
Services and Charges	29,620	60,771	60,764	45,795
Motorpool Charges	1,388	5,550	5,550	5,991
Maintenance	12,757	28,975	28,885	27,270
Debt Service	49,079	147,235	147,235	147,235
Transfers To Outside Entities	25,968	289,000	289,000	289,000
Capital	851,279	31,411	31,411	10,000
Operating Transfers	13,888	0	0	0
	<u>1,054,060</u>	<u>671,946</u>	<u>664,681</u>	<u>615,749</u>
Total Transportation, Parking, Utilities Activity	<u>\$ 1,649,997</u>	<u>\$ 1,130,212</u>	<u>\$ 1,104,000</u>	<u>\$ 1,101,800</u>
Total Fund	<u>\$ 1,649,997</u>	<u>\$ 1,130,212</u>	<u>\$ 1,104,000</u>	<u>\$ 1,101,800</u>

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Community Development Block Grant Fund (2180)

The **Community Development Block Grant Fund** accounts for the community development grant funds received from the Federal Department of Housing and Urban Development.

City of Fayetteville, Arkansas
 2012 Operating Budget
 Community Development Block Grant Fund (2180)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Community Development Grant Funding	\$ 767,322	\$ 1,216,788	\$ 1,216,700	\$ 589,000
Other	3,140	2,097	2,100	0
Total Revenues	770,462	1,218,885	1,218,800	589,000
Expenses:				
Administration & Planning	114,246	192,759	192,674	109,900
Housing Services	254,106	709,431	709,431	317,780
Redevelopment	38,223	77,471	77,471	51,640
Public Service	99,296	98,814	98,814	71,000
Public Facilities & Improvements	264,591	140,410	140,410	38,680
Total Expenses	770,462	1,218,885	1,218,800	589,000
Income (Loss) Before Capital	\$ 0	\$ 0	\$ 0	\$ 0

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Income/(Loss)	0	0	0	0
Ending Undesignated Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Total Budget	\$ 770,462	\$ 1,218,885	\$ 1,218,800	\$ 589,000

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Community Development Block Grant Fund (2180)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Community Planning and Engineering Activity				
Administration & Planning Program (4930):				
Personnel Services	\$ 80,677	\$ 160,488	\$ 160,403	\$ 90,094
Materials and Supplies	3,965	2,800	2,800	3,491
Services and Charges	29,604	29,471	29,471	16,315
	<u>114,246</u>	<u>192,759</u>	<u>192,674</u>	<u>109,900</u>
Housing Services Program (4940):				
Personnel Services	71,941	102,056	102,056	62,486
Materials and Supplies	2,263	4,234	4,234	3,428
Services and Charges	176,439	599,681	599,681	248,500
Motorpool Charges	3,463	3,460	3,460	3,366
	<u>254,106</u>	<u>709,431</u>	<u>709,431</u>	<u>317,780</u>
Redevelopment Program (4945):				
Personnel Services	29,045	24,655	24,655	47,320
Materials and Supplies	1,697	7,587	7,587	1,820
Services and Charges	7,481	45,229	45,229	2,500
	<u>38,223</u>	<u>77,471</u>	<u>77,471</u>	<u>51,640</u>
Public Services Program (4970):				
Services and Charges	99,296	98,814	98,814	71,000
	<u>99,296</u>	<u>98,814</u>	<u>98,814</u>	<u>71,000</u>
Public Facilities & Improvements Program (4990):				
Services and Charges	264,591	140,410	140,410	38,680
	<u>264,591</u>	<u>140,410</u>	<u>140,410</u>	<u>38,680</u>
Total Community Planning and Engineering	\$ <u>770,462</u>	\$ <u>1,218,885</u>	\$ <u>1,218,800</u>	\$ <u>589,000</u>
Total Fund	\$ <u>770,462</u>	\$ <u>1,218,885</u>	\$ <u>1,218,800</u>	\$ <u>589,000</u>

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EDI Attainable Housing Grant Fund (2185)

The **EDI Attainable Housing Grant Fund** accounts for the Housing and Urban Development (EDI – Special Projects) grant to provide attainable/affordable housing.

City of Fayetteville, Arkansas
 2012 Operating Budget
 EDI Attainable Housing Grant Fund (2185)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Community Development Grant Funding	\$ 161,850	\$ 0	\$ 0	\$ 0
Total Revenues	<u>161,850</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenses:				
EDI Attainable Housing Grant	161,850	0	0	0
Total Expenses	<u>161,850</u>	<u>0</u>	<u>0</u>	<u>0</u>
Income (Loss) Before Capital	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
FUND BALANCE ANALYSIS				
Beginning Undesignated Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Income/(Loss)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Budget	<u>\$ 161,850</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 EDI Attainable Housing Grant Fund (2185)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Community Planning and Engineering Activity				
EDI Attainable Housing Grant Program (4985):				
Personnel Services	\$ (137)	\$ 0	\$ 0	\$ 0
Services and Charges	161,987	0	0	0
	<u>161,850</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Community Planning & Engineering	<u>\$ 161,850</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Fund	<u>\$ 161,850</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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Special State Grants Fund (2230)

The **Special State Grants Fund** accounts for the Arkansas Economic Development Commission Special State grant to purchase training equipment for NWACC. New grants which represent new grant programs funded by the State will be budgeted and accounted for in this fund.

City of Fayetteville, Arkansas
 2012 Operating Budget
 Special State Grants Fund (2230)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Intergovernmental (Grants)	\$ 47,332	\$ 0	\$ 52,600	\$ 0
Total Revenues	<u>47,332</u>	<u>0</u>	<u>52,600</u>	<u>0</u>
Expenses:				
NWACC Equipment Grant	44,601	55,399	55,300	0
Total Expenses	<u>44,601</u>	<u>55,399</u>	<u>55,300</u>	<u>0</u>
Income (Loss) Before Capital	<u>\$ 2,731</u>	<u>\$ (55,399)</u>	<u>\$ (2,700)</u>	<u>\$ 0</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 0	\$ 2,731	\$ 2,731	\$ 31
Income/(Loss)	<u>2,731</u>	<u>(55,399)</u>	<u>(2,700)</u>	<u>0</u>
Ending Undesignated Fund Balance	<u>\$ 2,731</u>	<u>\$ (52,668)</u>	<u>\$ 31</u>	<u>\$ 31</u>
 Total Budget	 <u>\$ 44,601</u>	 <u>\$ 55,399</u>	 <u>\$ 55,300</u>	 <u>\$ 0</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Special State Grants Fund (2230)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
NWACC Equipment Grant Program (8001):				
Materials and Supplies	\$ 0	\$ 56	\$ 56	0
Services and Charges	71	60	60	0
Capital	44,530	55,283	55,184	0
	<u>44,601</u>	<u>55,399</u>	<u>55,300</u>	<u>0</u>
Total Citywide	<u>\$ 44,601</u>	<u>\$ 55,399</u>	<u>\$ 55,300</u>	<u>\$ 0</u>
Total Fund	<u>\$ 44,601</u>	<u>\$ 55,399</u>	<u>\$ 55,300</u>	<u>\$ 0</u>

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Energy Block Grant Fund (2240)

The **Energy Block Grant Fund** was received from the United States Department of Energy as part of the American Recovery and Reinvestment Act. These funds will be used to 1) Develop a green house gas (GHG) credit inventory for community and municipal operations; 2) This is to help reduce municipal GHG emissions 20% below 2006 levels by 2012; and 3) This is to help reduce community GHG emissions 7% below 1990 levels.

To achieve the above goals, funds will be invested in 1) Upgrading five city-owned buildings for energy efficiency. As the energy savings is realized it will be reinvested in other municipal buildings. 2) The City will develop a Community Revolving Loan Fund targeting non-profit organizations to reduce GHG. These loans will be repaid using energy savings. 3) The City will retrofit approximately 230 street, pedestrian and trail lights with LEDs. 4) A solar photovoltaic system will be installed at the new Fayetteville District Court Building to provide visible examples of renewable energy.

City of Fayetteville, Arkansas
 2012 Operating Budget
 Energy Block Grant Fund (2240)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Energy Block Grant Funding	\$ 264,188	\$ 460,713	\$ 460,700	\$ 0
Total Revenues	<u>264,188</u>	<u>460,713</u>	<u>460,700</u>	<u>0</u>
Expenses:				
Energy Block Grant	264,188	460,713	460,700	0
Total Expenses	<u>264,188</u>	<u>460,713</u>	<u>460,700</u>	<u>0</u>
Income / (Loss)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Income/(Loss)	0	0	0	0
Ending Undesignated Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 Total Budget	 <u>\$ 264,188</u>	 <u>\$ 460,713</u>	 <u>\$ 460,700</u>	 <u>\$ 0</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Energy Block Grant Fund (2240)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Energy Block Grant Program (9240):				
Materials and Supplies	\$ 38,350	\$ 19,018	\$ 19,018	\$ 0
Services and Charges	171,213	335,709	335,696	0
Capital	54,625	105,986	105,986	0
	<u>264,188</u>	<u>460,713</u>	<u>460,700</u>	<u>0</u>
Total Citywide	<u>\$ 264,188</u>	<u>\$ 460,713</u>	<u>\$ 460,700</u>	<u>\$ 0</u>
Total Fund	<u>\$ 264,188</u>	<u>\$ 460,713</u>	<u>\$ 460,700</u>	<u>\$ 0</u>

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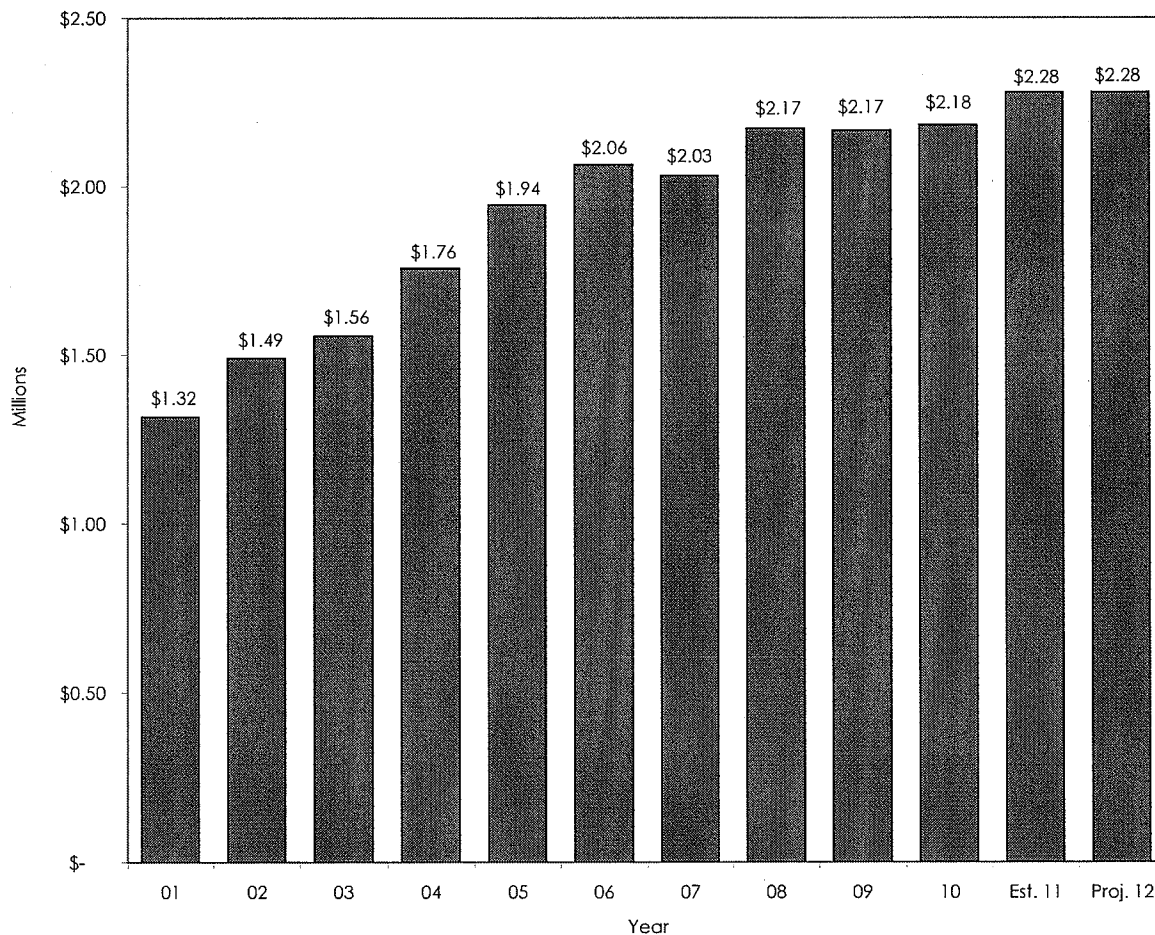
Parks Development Fund (2250)

The **Parks Development Fund** accounts for the revenue and expenditures of the Parks HMR tax approved by the voters in 1995. The \$2.4 million in planned expenditures for 2012 includes \$587,000 in capital improvements.

In 2010, a Citywide referendum was held and voters approved the use of these funds for maintenance activities. The use of Park Development Funds for promotional activities is no longer permitted. Due to these changes program rearrangements were made between the Parks Development Fund and General Fund.

The 1% HMR tax revenue has grown on average 6.3% annually since 2000. 2011 revenue was estimated approximately 4.42% higher than 2010. 2012 revenue is projected to be flat compared to estimated 2011.

**Parks Development Fund
 Hotel-Motel-Restaurant (HMR) Tax Revenue**



City of Fayetteville, Arkansas
 2012 Operating Budget
 Parks Development Fund (2250)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Hotel, Motel, and Restaurant Taxes	\$ 2,181,585	\$ 2,139,600	\$ 2,278,000	\$ 2,278,000
Intergovernmental	50,000	0	0	0
Charges for Services	4,889	6,000	5,000	5,000
Greenspace Fees Contribution	499,479	174,896	104,700	11,000
Investment Earnings	100,133	89,000	43,500	44,000
Other	5,248	20,000	23,000	20,000
Total Revenues	2,841,334	2,429,496	2,454,200	2,358,000
Expenses:				
Parks Development Program	1,389,306	1,694,600	1,632,041	1,682,100
Parks Development Capital	863,702	4,922,063	4,922,063	664,900
Parks Development Greenspace Capital	0	174,896	174,896	11,000
Outside Agencies	177,750	0	0	0
Total Expenses	2,430,758	6,791,559	6,729,000	2,358,000
Income (Loss) Before Capital	\$ 410,576	\$ (4,362,063)	\$ (4,274,800)	\$ 0

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 4,377,501	\$ 4,788,077	\$ 4,788,077	\$ 513,277
Income/(Loss)	410,576	(4,362,063)	(4,274,800)	0
Ending Undesignated Fund Balance	\$ 4,788,077	\$ 426,014	\$ 513,277	\$ 513,277
Total Budget	\$ 2,430,758	\$ 6,791,559	\$ 6,729,000	\$ 2,358,000

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Parks Development Fund (2250)

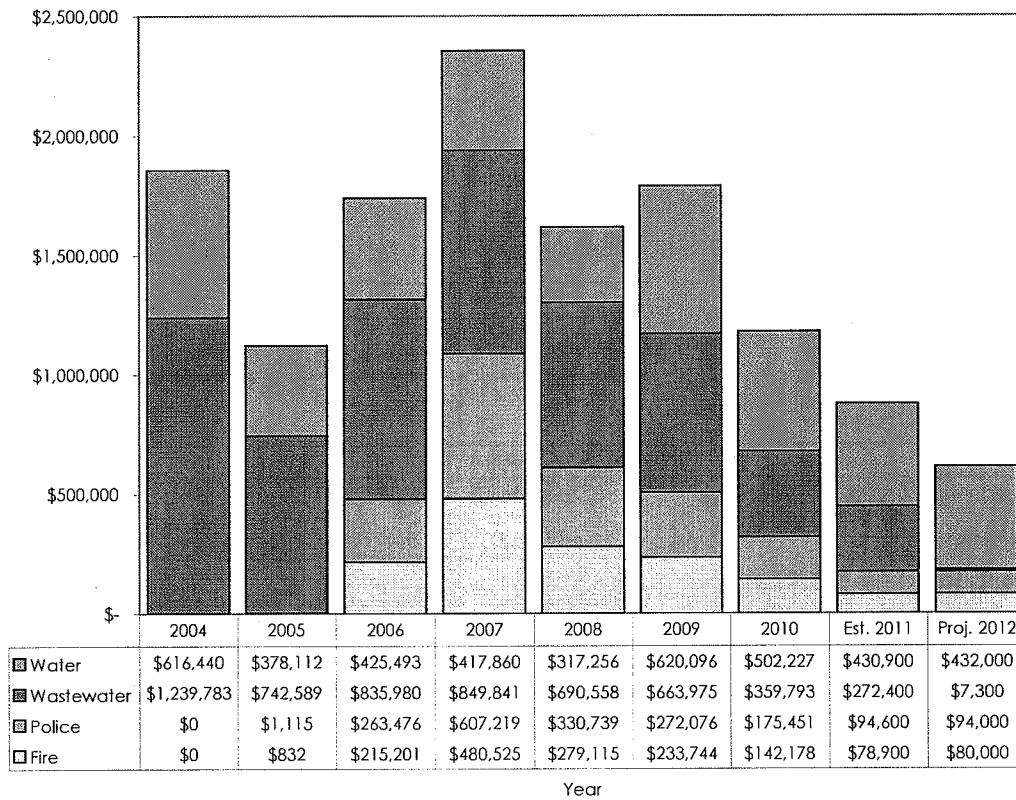
	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Parks and Recreation Activity				
Parks Development Program (9250):				
Personnel Services	\$ 1,068,570	\$ 1,268,577	\$ 1,206,564	\$ 1,241,120
Materials and Supplies	103,294	62,151	61,847	60,935
Services and Charges	57,469	59,509	59,324	59,495
Motorpool Charges	53,973	198,415	198,415	213,321
Cost allocation	87,948	87,948	87,948	87,948
Maintenance	18,052	18,000	17,943	19,281
Transfers To Outside Entities	177,750	0	0	0
	<u>1,567,056</u>	<u>1,694,600</u>	<u>1,632,041</u>	<u>1,682,100</u>
Parks Development Capital Program (9255):				
Materials and Supplies	11,251	61,332	61,332	0
Services and Charges	53,353	147,579	147,579	0
Maintenance	14,970	30,833	30,833	0
Debt Service	77,866	78,000	78,000	77,900
Capital	706,262	4,604,319	4,604,319	587,000
	<u>863,702</u>	<u>4,922,063</u>	<u>4,922,063</u>	<u>664,900</u>
Parks Development Capital Greenspace Program (9256):				
Services and Charges	0	50,685	50,685	0
Maintenance	0	5,290	5,290	0
Capital	0	118,921	118,921	11,000
	<u>0</u>	<u>174,896</u>	<u>174,896</u>	<u>11,000</u>
Total Parks and Recreation Activity	<u>\$ 2,430,758</u>	<u>\$ 6,791,559</u>	<u>\$ 6,729,000</u>	<u>\$ 2,358,000</u>
Total Fund	<u>\$ 2,430,758</u>	<u>\$ 6,791,559</u>	<u>\$ 6,729,000</u>	<u>\$ 2,358,000</u>

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Impact Fee Fund (2300)

The **Impact Fee Fund** accounts for the revenues and expenditures related to the collection of the water, wastewater, police, and fire impact fees. The intent of impact fee requirements is to ensure the new developments bear a proportionate share of the cost of capacity improvements and ensure that the proportional share does not exceed the costs of the demand for additional capacity that is reasonably attributable to providing these services and facilities to the use and occupancy of the new developments. Impact fee collections have declined dramatically from 2007 levels because of the fall in new development due to economic conditions.

Impact Fee Collections



City of Fayetteville, Arkansas
2012 Operating Budget
Impact Fee Fund (2300)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Water Impact Fee	\$ 502,227	\$ 490,400	\$ 430,900	\$ 432,000
Wastewater Impact Fee	359,793	355,800	272,400	273,000
Police Impact Fee	175,451	178,300	94,600	94,000
Fire Impact Fee	142,178	144,300	78,900	80,000
Investment Earnings	158,819	91,200	52,800	42,000
Total Revenues	1,338,468	1,260,000	929,600	921,000
Expenses:				
Water Improvements	0	1,274,224	1,272,000	446,000
Wastewater Improvements	0	2,063,400	2,028,000	287,000
Police Improvements	159,880	1,847,863	1,748,300	104,000
Fire Improvements	76,146	963,920	891,600	84,000
Transfer to Water & Sewer	2,792,404	1,522,249	1,522,200	0
Total Expenses	3,028,430	7,671,656	7,462,100	921,000
Income (Loss) Before Capital	\$ (1,689,962)	\$ (6,411,656)	\$ (6,532,500)	\$ 0
FUND BALANCE ANALYSIS				
Beginning Undesignated Fund Balance	\$ 8,266,726	\$ 6,576,764	\$ 6,576,764	\$ 44,264
Income/(Loss)	(1,689,962)	(6,411,656)	(6,532,500)	0
Ending Undesignated Fund Balance	\$ 6,576,764	\$ 165,108	\$ 44,264	\$ 44,264
Total Budget	\$ 3,028,430	\$ 7,671,656	\$ 7,462,100	\$ 921,000

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Impact Fee Fund (2300)

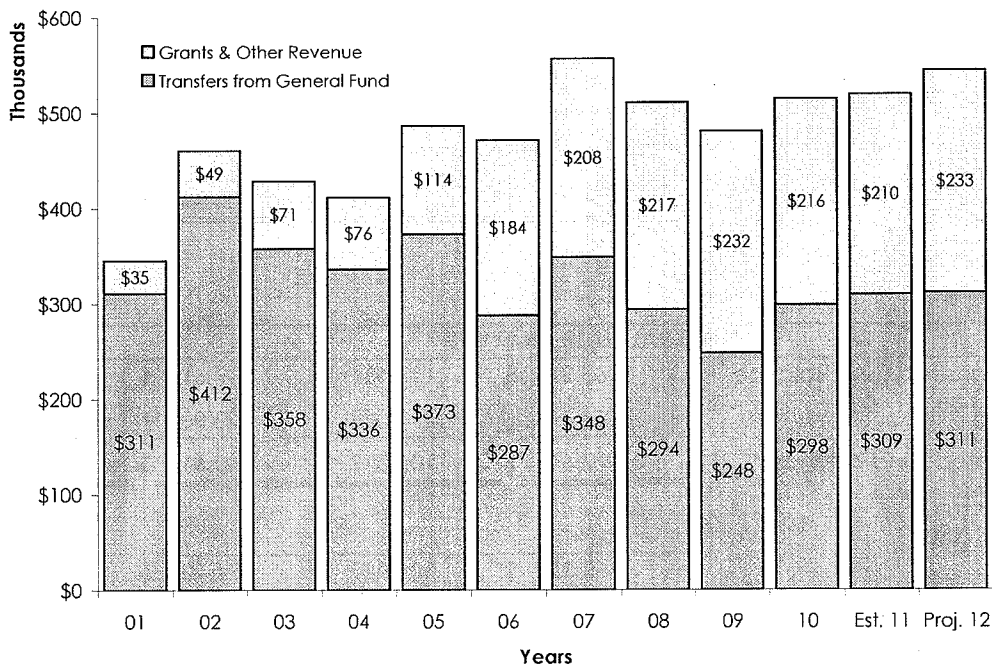
	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Impact Fee Expense Program (9300):				
Materials and Supplies	\$ 0	\$ 56,496	\$ 56,400	\$ 0
Capital	236,026	6,092,911	5,883,500	921,000
Operating Transfers	2,792,404	1,522,249	1,522,200	0
	<u>3,028,430</u>	<u>7,671,656</u>	<u>7,462,100</u>	<u>921,000</u>
Total Citywide	<u>\$ 3,028,430</u>	<u>\$ 7,671,656</u>	<u>\$ 7,462,100</u>	<u>\$ 921,000</u>
Total Fund	<u>\$ 3,028,430</u>	<u>\$ 7,671,656</u>	<u>\$ 7,462,100</u>	<u>\$ 921,000</u>

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Drug Law Enforcement Fund (2930)

The **Drug Law Enforcement Fund** accounts for drug law enforcement grant funds received from the U.S. Department of Justice, passed through the State of Arkansas, in association with Washington County; the Cities of Springdale, Prairie Grove, Lincoln, Elm Springs, Farmington, Greenland, Goshen, Johnson, Elkins, and West Fork; and the Fourth Judicial Prosecuting Attorney.

Drug Law Enforcement Fund Revenue Sources



City of Fayetteville, Arkansas
 2012 Operating Budget
 Drug Law Enforcement Fund (2930)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Drug Enforcement Grant	\$ 267,263	\$ 263,518	\$ 261,060	\$ 296,200
Charges for Services	1,195	1,800	0	0
Fines & Forfeitures	14,627	12,800	24,740	14,800
Investment Earnings	2	0	0	0
Other	15,000	0	200	0
Transfer from General	216,341	233,000	233,000	233,000
Total Revenues	514,428	511,118	519,000	544,000
Expenses:				
Drug Enforcement	460,032	525,650	496,000	544,000
Total Expenses	460,032	525,650	496,000	544,000
Income (Loss)	\$ 54,396	\$ (14,532)	\$ 23,000	\$ 0

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 63,215	\$ 117,611	\$ 117,611	\$ 140,611
Income/(Loss)	54,396	(14,532)	23,000	0
Ending Undesignated Fund Balance	\$ 117,611	\$ 103,079	\$ 140,611	\$ 140,611
Total Budget	\$ 460,032	\$ 525,650	\$ 496,000	\$ 544,000

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Drug Law Enforcement Fund (2930)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Police Activity				
Drug Enforcement Program (2960):				
Personnel Services	\$ 260,858	\$ 284,789	\$ 255,139	\$ 276,451
Materials and Supplies	13,734	16,816	16,816	0
Services and Charges	185,440	214,827	214,827	267,549
Capital	0	9,218	9,218	0
	<u>460,032</u>	<u>525,650</u>	<u>496,000</u>	<u>544,000</u>
Total Police	<u>\$ 460,032</u>	<u>\$ 525,650</u>	<u>\$ 496,000</u>	<u>\$ 544,000</u>
Total Fund	<u>\$ 460,032</u>	<u>\$ 525,650</u>	<u>\$ 496,000</u>	<u>\$ 544,000</u>

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Fire Bond Fund (3360)

The **Fire Bond Fund** accounts for the accumulation of resources for and the repayment of bond debt incurred for the construction of Fire Stations #3 and #5. Final payment was in 2011.

City of Fayetteville, Arkansas
 2012 Operating Budget
 Fire Bond Fund (3360)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Investment Earnings	\$ 2,953	\$ 905	\$ 905	\$ 0
Transfer from Sales Tax Capital	608,200	163,395	163,395	0
Total Revenues	611,153	164,300	164,300	0
Expenses:				
Settlements	0	32,000	32,000	0
Professional Services	0	2,300	2,300	0
Principal Payment	740,000	400,000	400,000	0
Interest Expense	24,800	17,000	17,000	0
Total Expenses	764,800	451,300	451,300	0
Income (Loss)	\$ (153,647)	\$ (287,000)	\$ (287,000)	\$ 0

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 440,721	\$ 287,074	\$ 287,074	\$ 74
Income/(Loss)	(153,647)	(287,000)	(287,000)	0
Ending Undesignated Fund Balance	\$ 287,074	\$ 74	\$ 74	\$ 74
Total Budget	\$ 764,800	\$ 451,300	\$ 451,300	\$ 0

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Fire Bond Fund (3360)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Fire Bond Expense Program (9360):				
Services and Charges	\$ 0	\$ 34,300	\$ 34,300	\$ 0
Debt Service	764,800	417,000	417,000	0
	<u>764,800</u>	<u>451,300</u>	<u>451,300</u>	<u>0</u>
Total Citywide	<u>\$ 764,800</u>	<u>\$ 451,300</u>	<u>\$ 451,300</u>	<u>\$ 0</u>
Total Fund	<u>\$ 764,800</u>	<u>\$ 451,300</u>	<u>\$ 451,300</u>	<u>\$ 0</u>

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TIF Bond Fund (3370)

The **Tax Increment Financing (TIF) Bond Fund** accounts for the accumulation of resources for and the payment of bond debt incurred for TIF capital project expenditures.

City of Fayetteville, Arkansas
 2012 Operating Budget
 TIF Bond Fund (3370)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Property Taxes	\$ 110,485	\$ 55,000	\$ 55,000	\$ 100,000
Investment Earnings	8	0	0	0
Total Revenues	110,493	55,000	55,000	100,000
Expenses:				
Principal Payment	45,000	75,000	75,000	76,300
Interest Expense	16,115	33,587	33,587	17,900
Professional Services	250	2,300	2,213	2,300
Paying Agent Fees	3,500	3,500	3,500	3,500
Total Expenses	64,865	114,387	114,300	100,000
Income (Loss) Before Capital	\$ 45,628	\$ (59,387)	\$ (59,300)	\$ 0

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 73,575	\$ 119,203	\$ 119,203	\$ 59,903
Income/(Loss)	45,628	(59,387)	(59,300)	0
Ending Undesignated Fund Balance	\$ 119,203	\$ 59,816	\$ 59,903	\$ 59,903
Total Budget	\$ 64,865	\$ 114,387	\$ 114,300	\$ 100,000

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 TIF Bond Fund (3370)

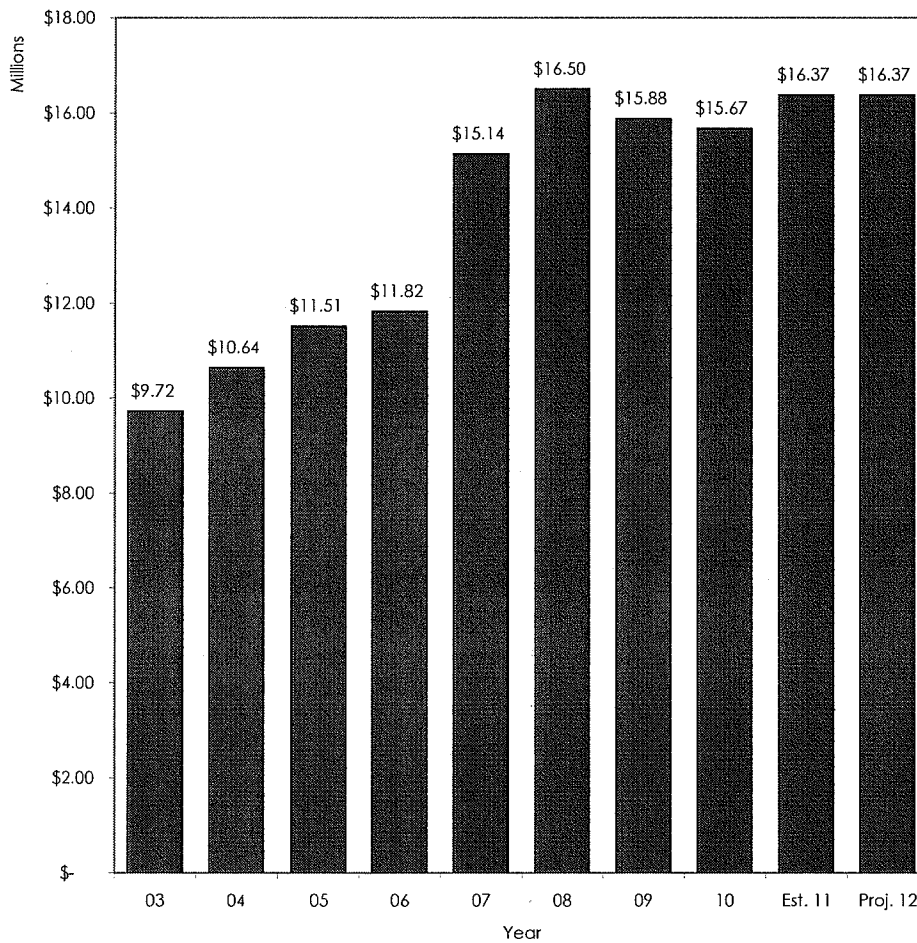
	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
TIF Bonds Expense Program (9370):				
Services and Charges	\$ 250	\$ 2,300	\$ 2,213	\$ 2,300
Debt Service	64,615	112,087	112,087	97,700
	<u>64,865</u>	<u>114,387</u>	<u>114,300</u>	<u>100,000</u>
Total Citywide	<u>\$ 64,865</u>	<u>\$ 114,387</u>	<u>\$ 114,300</u>	<u>\$ 100,000</u>
Total Fund	<u>\$ 64,865</u>	<u>\$ 114,387</u>	<u>\$ 114,300</u>	<u>\$ 100,000</u>

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Sales Tax Bond Fund (3440)

The **Sales Tax Bond Fund** accounts for the accumulation of resources and the payment of bond debt incurred for the City's wastewater treatment plants, sewerage and related facilities, to certain City streets, and to the City's trail system.

**Sales Tax Bond
(1.00%) Sales Tax Revenue**



City of Fayetteville, Arkansas
 2012 Operating Budget
 Sales Tax Bond Fund (3440)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Sales Tax - City	\$ 15,670,867	\$ 15,372,400	\$ 16,371,600	\$ 16,371,900
Investment Earnings	1,579	1,300	500	500
Transfer from Sales Tax Construction	7	0	0	0
Total Revenues	15,672,453	15,373,700	16,372,100	16,372,400
Expenses:				
Principal Payment	10,660,479	10,527,703	10,527,703	11,906,772
Interest Expense	5,004,588	4,838,657	4,838,657	4,462,828
Professional Services	0	4,540	4,540	0
Paying Agent Fees	12,750	2,800	2,800	2,800
Total Expenses	15,677,817	15,373,700	15,373,700	16,372,400
Income / (Loss)	\$ (5,364)	\$ 0	\$ 998,400	\$ 0

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 3,483,615	\$ 3,478,251	\$ 3,478,251	\$ 4,476,651
Income/(Loss)	(5,364)	0	998,400	0
Ending Undesignated Fund Balance	\$ 3,478,251	\$ 3,478,251	\$ 4,476,651	\$ 4,476,651
Total Budget	\$ 15,677,817	\$ 15,373,700	\$ 15,373,700	\$ 16,372,400

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Sales Tax Bond Fund (3440)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Sewer Bonds - Expense Program (9440):				
Services and Charges	\$ 0	\$ 4,540	\$ 4,540	\$ 0
Debt Service	15,677,817	15,369,160	15,369,160	16,372,400
	<u>15,677,817</u>	<u>15,373,700</u>	<u>15,373,700</u>	<u>16,372,400</u>
Total Citywide	<u>\$ 15,677,817</u>	<u>\$ 15,373,700</u>	<u>\$ 15,373,700</u>	<u>\$ 16,372,400</u>
Total Fund	<u>\$ 15,677,817</u>	<u>\$ 15,373,700</u>	<u>\$ 15,373,700</u>	<u>\$ 16,372,400</u>

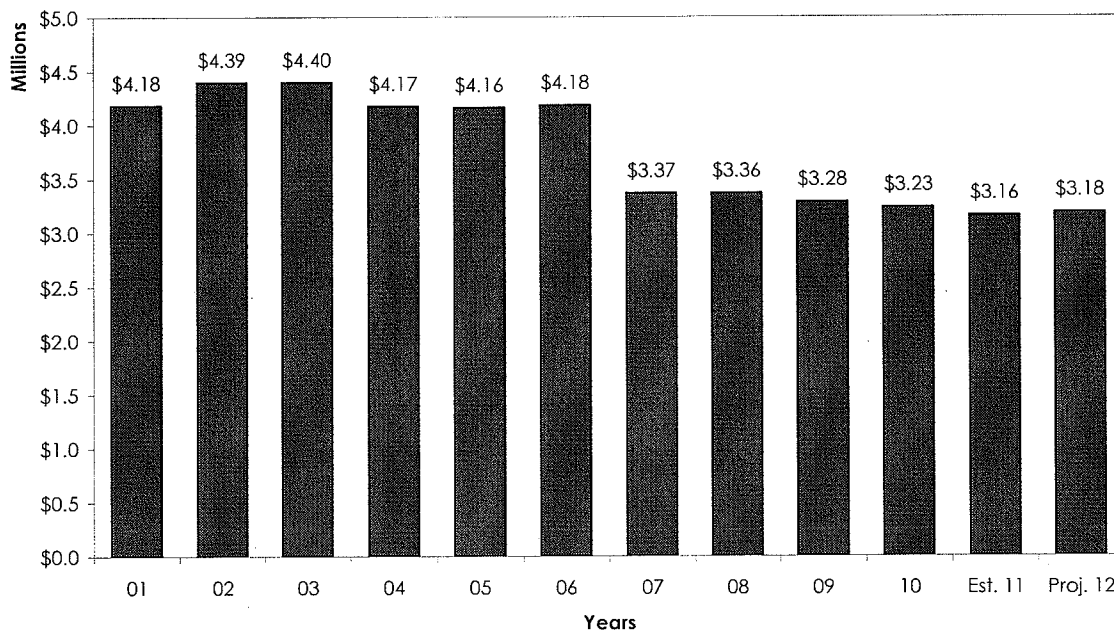
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Replacement & Disaster Recovery Fund (4270)

The **Replacement & Disaster Recovery Fund** accounts for general government monies accumulated and used for the purchase of vehicles and equipment. By policy, the fund attempts to maintain a reserve of three million dollars for disaster recovery.

In 2010, the City Council approved a \$700,000 interfund loan from the Replacement and Disaster Recovery Fund to the Parking Fund for the purchase of equipment. This fund will be paid back from parking revenue within a five year period.

**Replacement & Disaster Recovery Fund
Ending Fund Balance**



City of Fayetteville, Arkansas
2012 Operating Budget
Replacement & Disaster Recovery Fund (4270)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Intergovernmental (Grants)	\$ 0	\$ 875,000	\$ 875,000	\$ 0
Federal Grants - Capital	0	0	156,600	0
Replacement Copier Revenue	29,871	44,500	39,300	39,250
Investment Earnings	65,602	56,300	32,500	27,750
Other	748	0	900	0
Total Revenues	96,221	975,800	1,104,300	67,000
Expenses:				
Audit Expense	450	600	600	1,750
FEMA Disaster Projects	281	1,000,000	1,000,000	0
Professional Services	58,542	7,310	7,213	0
Fixed Assets	85,179	120,668	120,202	39,250
Vehicles & Equipment	0	15,885	15,885	0
Transfer to Shop	0	37,434	37,400	0
Total Expenses	144,452	1,181,897	1,181,300	41,000
Income (Loss)	\$ (48,231)	\$ (206,097)	\$ (77,000)	\$ 26,000

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 3,282,831	\$ 3,234,600	\$ 3,234,600	\$ 3,157,600
Income/(Loss)	(48,231)	(206,097)	(77,000)	26,000
Ending Undesignated Fund Balance	\$ 3,234,600	\$ 3,028,503	\$ 3,157,600	\$ 3,183,600
Total Budget	\$ 144,452	\$ 1,181,897	\$ 1,181,300	\$ 41,000

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Replacement & Disaster Recovery Fund (4270)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Replacement Fund Expense Program (9270):				
Services and Charges	\$ 58,992	\$ 7,910	\$ 7,813	\$ 1,750
Capital	85,179	136,553	136,087	39,250
Operating Transfers	0	37,434	37,400	0
	<u>144,171</u>	<u>181,897</u>	<u>181,300</u>	<u>41,000</u>
FEMA Disaster Projects Program (9280):				
Materials and Supplies	0	23,250	23,250	0
Services and Charges	281	976,750	976,750	0
	<u>281</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>0</u>
Total Citywide Activity	<u>\$ 144,452</u>	<u>\$ 1,181,897</u>	<u>\$ 1,181,300</u>	<u>\$ 41,000</u>
Total Fund	<u>\$ 144,452</u>	<u>\$ 1,181,897</u>	<u>\$ 1,181,300</u>	<u>\$ 41,000</u>

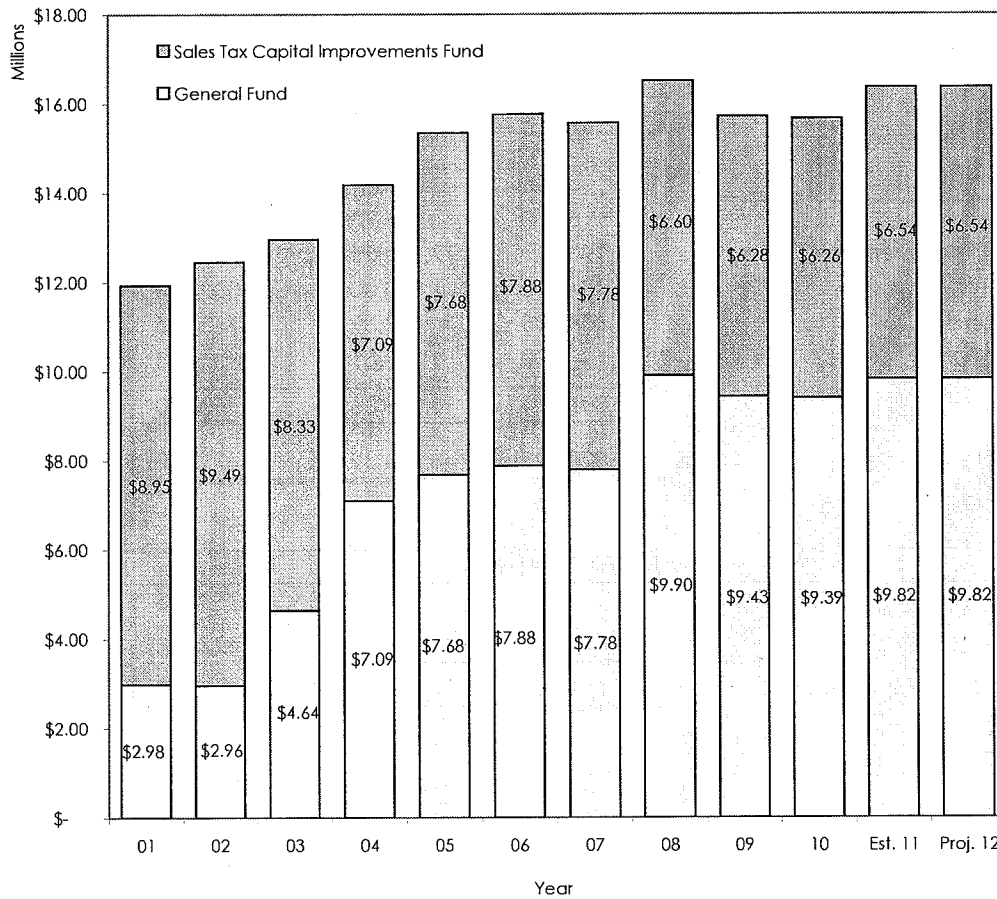
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Sales Tax Capital Improvements Fund (4470)

The **Sales Tax Capital Improvements Fund** accounts for the revenue and expenditures of the City's sales and use tax which is used for acquisition and improvement projects as well as equipment additions and replacements that are included in the City's Five-Year Capital Improvements Program. The \$6,702,600 in planned expenditures for 2012 includes \$6,695,300 in capital improvements.

Revenues for 2011 are expected to be up by \$394,300 compared to budget. Sales taxes for 2012 are budgeted to be flat compared to 2011 estimated collections.

1% City Sales Tax



City of Fayetteville, Arkansas
 2012 Operating Budget
 Sales Tax Capital Improvements Fund (4470)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Property Taxes	\$ 149	\$ 0	\$ 0	\$ 0
Sales Tax - City	6,262,665	6,149,000	6,543,300	6,543,600
Intergovernmental (Grants)	314,593	5,707,050	5,707,000	0
Charges for Services	15,046	793,165	793,000	101,000
Sidewalk Fees	3,308	0	0	0
Investment Earnings	160,965	128,000	58,800	58,000
Other	20,086	22,329	37,900	0
Total Revenues	6,776,812	12,799,544	13,140,000	6,702,600
Expenses:				
Audit Expense	6,500	6,700	6,700	7,300
Sales Tax Capital Improvements	7,190,211	17,591,252	17,591,252	6,695,300
Transfer to General	0	1,000,000	1,000,000	0
Transfer to Fire Bond	608,200	163,395	163,395	0
Transfer to Other Funds	0	142,518	653	0
Total Expenses	7,804,911	18,903,865	18,762,000	6,702,600
Income (Loss) Before Capital	\$ (1,028,099)	\$ (6,104,321)	\$ (5,622,000)	\$ 0

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 8,179,102	\$ 7,151,003	\$ 7,151,003	\$ 1,529,003
Income/(Loss)	(1,028,099)	(6,104,321)	(5,622,000)	0
Ending Undesignated Fund Balance	\$ 7,151,003	\$ 1,046,682	\$ 1,529,003	\$ 1,529,003
Total Budget	\$ 7,804,911	\$ 18,903,865	\$ 18,762,000	\$ 6,702,600

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Sales Tax Capital Improvements Fund (4470)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Sales Tax Capital Improvements Program (9470):				
Materials and Supplies	\$ 584,231	\$ 1,563,234	\$ 1,563,234	\$ 694,700
Services and Charges	866,109	2,043,411	2,043,411	55,300
Maintenance	1,793,190	3,065,198	3,065,198	2,982,600
Transfers To Outside Entities	358,000	358,000	358,000	359,500
Capital	3,594,551	10,568,109	10,568,109	2,610,500
Miscellaneous	630	0	0	0
Operating Transfers	608,200	1,305,913	1,164,048	0
	<u>7,804,911</u>	<u>18,903,865</u>	<u>18,762,000</u>	<u>6,702,600</u>
Total Citywide	<u>\$ 7,804,911</u>	<u>\$ 18,903,865</u>	<u>\$ 18,762,000</u>	<u>\$ 6,702,600</u>
Total Fund	<u>\$ 7,804,911</u>	<u>\$ 18,903,865</u>	<u>\$ 18,762,000</u>	<u>\$ 6,702,600</u>

City of Fayetteville, Arkansas
 Sales Tax Capital Improvements Fund
 Capital Budget

Project Category	Project Title	Budgeted 2012
Transportation Improvements	Sidewalk Improvements	\$ 635,000
	In-House Pavement Improvements	1,865,000
		<u>2,500,000</u>
Trail Improvements	Trail Development	1,361,000
		<u>1,361,000</u>
Street Improvements	Old Wire Road-Mission to Crossover	300,000
	Zion Road-Vantage to Crossover	150,000
		<u>450,000</u>
Bridge & Drainage Improvements	Stormwater Quality Mgt/Nutrient Reduction	175,000
	Other Drainage Improvements	200,000
		<u>375,000</u>
Information Technology Improvements	Microcomputer / Printer Replacements	85,700
	Local Area Network (LAN) Upgrade	125,000
	Geographic Information System (GIS)	65,000
	AccessFayetteville Technical Improvements	25,000
	Document Management	30,000
	Data Center Upgrade	70,000
		<u>400,700</u>
Other Capital Improvements	Building Improvements	362,600
	P.E.G. Television Center - Equipment	54,000
	On-Screen Graphics Generator Upgrade	20,000
	Studio Camera and Lighting Upgrades	85,000
	Telecommunication Systems Upgrades	60,000
		<u>581,600</u>
Library Materials & Improvements	Library Material Purchases	336,500
	Library Computer Replacements	23,000
		<u>359,500</u>
Parks & Recreation Improvements	Other Park & Safety Improvements	10,000
	Forestry, Safety & ADA Compliance	108,500
	Lights of the Ozarks	23,000
	Tree Escrow	101,000
		<u>242,500</u>

City of Fayetteville, Arkansas
 Sales Tax Capital Improvements Fund
 Capital Budget

Project Category	Project Title	Budgeted 2012
Police Safety Improvements	Police Technology Improvements	50,000
	Police Unmarked Vehicles	70,000
	Police Building Improvements	25,000
	Police Specialized Equipment	50,000
	Police MVR Replacement	185,000
		<u>380,000</u>
Fire Safety Improvements	Fire Facility Maintenance	25,000
	Fire Mobile Radios	20,000
		<u>45,000</u>
Audit Expense	Audit Expense	7,300
		<u>7,300</u>
		<u>\$ 6,702,600</u>

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Wastewater System Improvements Project Fund (4480)

The **Wastewater System Improvements Project Fund** accounts for the bond proceeds to construct and equip a new wastewater treatment plant. Appropriation of these funds will be provided through the rebudget process which will be considered by the City Council during the first quarter of 2012.

City of Fayetteville, Arkansas
 2012 Operating Budget
 Wastewater System Improvements Project Fund (4480)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Investment Earnings	\$ 68,851	\$ 0	\$ 21,860	\$ 0
Total Revenues	<u>68,851</u>	<u>0</u>	<u>21,860</u>	<u>0</u>
Expenses:				
Professional Services	109,863	716,263	716,263	0
Wastewater System Improvements Project	59,395	1,203,072	1,203,072	0
Transfer to Other Funds	0	887,888	887,185	97,600
Transfer to Shop	29,439	238,999	238,600	0
Total Expenses	<u>198,697</u>	<u>3,046,222</u>	<u>3,045,120</u>	<u>97,600</u>
Income / (Loss)	<u>\$ (129,846)</u>	<u>\$ (3,046,222)</u>	<u>\$ (3,023,260)</u>	<u>\$ (97,600)</u>

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 3,250,706	\$ 3,120,860	\$ 3,120,860	\$ 97,600
Income/(Loss)	<u>(129,846)</u>	<u>(3,046,222)</u>	<u>(3,023,260)</u>	<u>(97,600)</u>
Ending Undesignated Fund Balance	<u>\$ 3,120,860</u>	<u>\$ 74,638</u>	<u>\$ 97,600</u>	<u>\$ 0</u>
 Total Budget	 <u>\$ 198,697</u>	 <u>\$ 3,046,222</u>	 <u>\$ 3,045,120</u>	 <u>\$ 97,600</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Wastewater System Improvements Project Fund (4480)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Wastewater System Improvements Project Program (9480):				
Services and Charges	\$ 114,048	\$ 836,237	\$ 836,237	\$ 0
Capital	55,210	1,083,098	1,083,098	0
Operating Transfers	29,439	1,126,887	1,125,785	97,600
	<u>198,697</u>	<u>3,046,222</u>	<u>3,045,120</u>	<u>97,600</u>
Total Citywide	<u>\$ 198,697</u>	<u>\$ 3,046,222</u>	<u>\$ 3,045,120</u>	<u>\$ 97,600</u>
Total Fund	<u>\$ 198,697</u>	<u>\$ 3,046,222</u>	<u>\$ 3,045,120</u>	<u>\$ 97,600</u>

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Sales Tax Construction Bond Fund (4520)

The **Sales Tax Construction Bond Fund** accounts for the bond proceeds for improvements to the wastewater treatment plant, streets, and trail construction pursuant to the 2006 referendum. Appropriations of these funds will be provided through the re-budget process which will be considered by the City Council during the first quarter of 2012.

City of Fayetteville, Arkansas
 2012 Operating Budget
 Sales Tax Construction Bond Fund (4520)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Payments by Property Owners	\$ 8,400	\$ 0	\$ 0	\$ 0
Investment Earnings	6,320	6,000	2,000	2,000
Total Revenues	14,720	6,000	2,000	2,000
Expenses:				
Audit Expense	6,000	6,000	6,000	2,000
Transfer to Sales Tax Bond	7	0	0	0
2006A Sales Tax Construction Expense	6,958,275	3,759,305	3,759,223	0
2007A Sales Tax Construction Expense	5,060,335	1,155,721	1,155,721	0
Street Sales Tax Construction (2009)	0	9,633,374	9,633,374	0
Trails Sales Tax Construction (2009)	307,816	939,482	939,482	0
Total Expenses	12,332,433	15,493,882	15,493,800	2,000
Income / (Loss)	\$ (12,317,713)	\$ (15,487,882)	\$ (15,491,800)	\$ 0

FUND BALANCE ANALYSIS

Beginning Undesignated Fund Balance	\$ 29,485,027	\$ 17,167,314	\$ 17,167,314	\$ 1,675,514
Income/(Loss)	(12,317,713)	(15,487,882)	(15,491,800)	0
Ending Undesignated Fund Balance	\$ 17,167,314	\$ 1,679,432	\$ 1,675,514	\$ 1,675,514
Total Budget	\$ 12,332,433	\$ 15,493,882	\$ 15,493,800	\$ 2,000

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Sales Tax Construction Bond Fund (4520)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
2006A Sales Tax Construction Expense Program (9520):				
Services and Charges	\$ 726,250	\$ 589,648	\$ 589,566	\$ 2,000
Capital	6,237,955	3,156,409	3,156,409	0
Operating Transfers	7	19,248	19,248	0
	<u>6,964,212</u>	<u>3,765,305</u>	<u>3,765,223</u>	<u>2,000</u>
2007A Sales Tax Construction Expense Program (9530):				
Services and Charges	388,859	0	0	0
Capital	4,671,476	1,155,721	1,155,721	0
	<u>5,060,335</u>	<u>1,155,721</u>	<u>1,155,721</u>	<u>0</u>
Street Sales Tax 2009 Program (9540):				
Services and Charges	0	1,135	1,135	0
Capital	0	9,632,239	9,632,239	0
	<u>0</u>	<u>9,633,374</u>	<u>9,633,374</u>	<u>0</u>
Trails Sales Tax 2009 Program (9550):				
Services and Charges	89,129	63,725	63,725	0
Capital	218,757	875,757	875,757	0
	<u>307,886</u>	<u>939,482</u>	<u>939,482</u>	<u>0</u>
Total Citywide Activity	<u>\$ 12,332,433</u>	<u>\$ 15,493,882</u>	<u>\$ 15,493,800</u>	<u>\$ 2,000</u>
Total Fund	<u>\$ 12,332,433</u>	<u>\$ 15,493,882</u>	<u>\$ 15,493,800</u>	<u>\$ 2,000</u>

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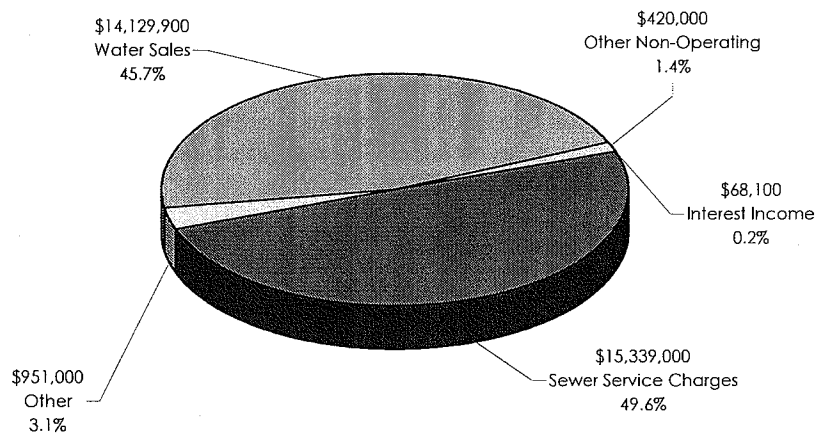
Water and Sewer Fund (5400)

The **Water & Sewer Fund** accounts for the revenue sources as well as the operation and maintenance expenses of the City's water and sewer system. This includes water purchases from Beaver Water District, all water and sewer functions, the operation of the wastewater treatment plants, meter and backflow operations, and billing and collections. The 2012 Budget is predicated on a break even basis.

Water & Sewer Fund Revenues

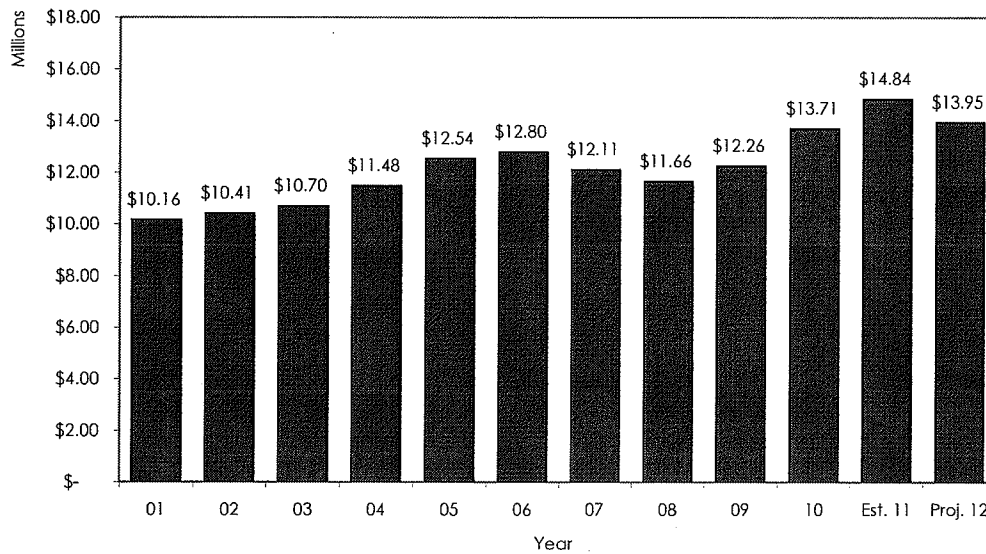
For 2012, the Water & Sewer Fund is projected to have an operating gain of \$5,507,000 before capital expenditures. City Council approved water and sewer rate increases in 2008 which included incremental increases in 2009, 2010, and 2011. The revenue projections reflect the phased rate adjustments. Water usages in 2008 and 2009 were far under projections due to unusually wet conditions. In 2011 usage was above projections due to drought conditions during the summer months. Therefore for fiscal 2012, usage projections are based on 2010 consumption.

Sources of Funds for 2012
\$ 30,908,000



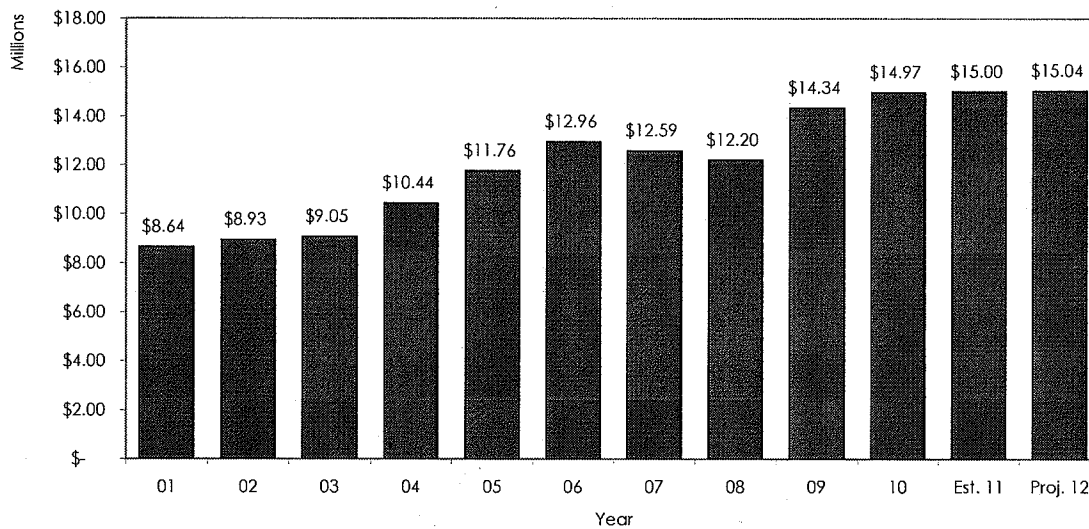
Water Sales: Water sales revenue is based on metered customer usage of water and is one of the primary sources of revenue for the Water & Sewer Fund. The budgeted revenue for 2012 shows a decrease over estimated 2011 revenue due to usually dry conditions experienced during the summer months.

Water Sales



Sewer Charges: Sewer service charge revenue is based on metered customer usage of water and is the other primary source of revenue for the Water & Sewer Fund. The budgeted revenue for 2012 is projected to be approximately \$338,000 over estimated 2011.

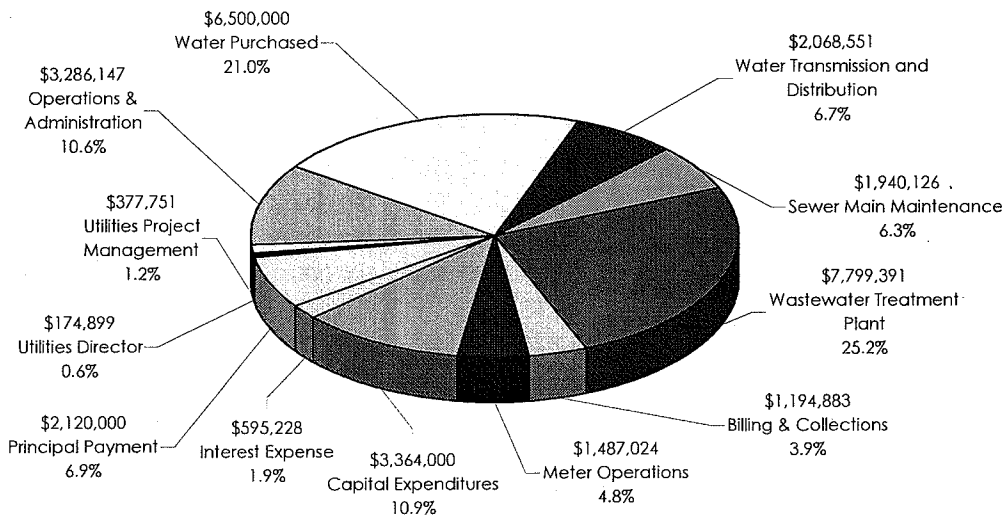
Sewer Service



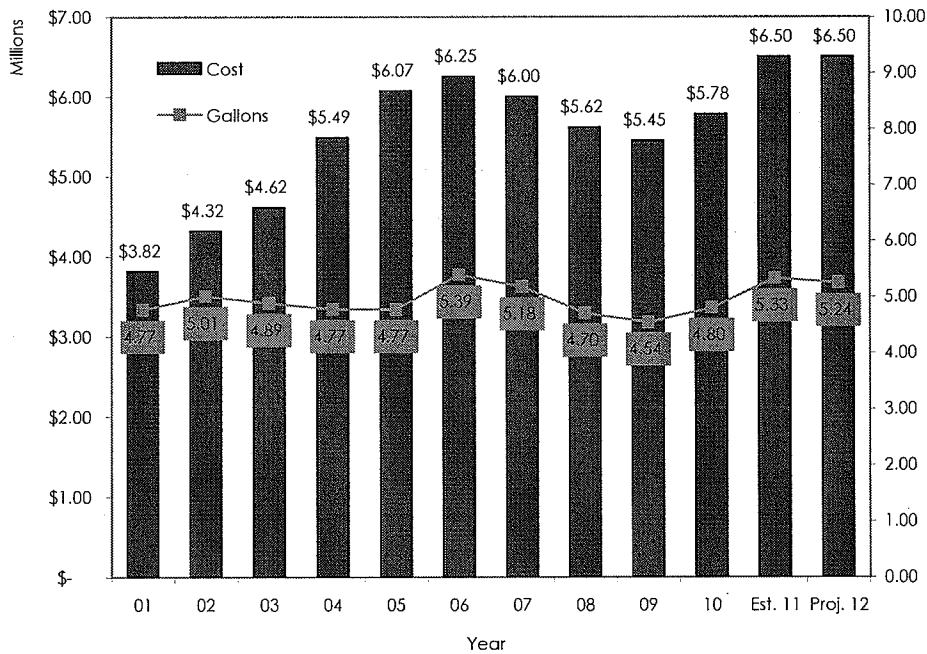
Water & Sewer Fund Expenses

The wastewater treatment plant operations budgeted for 2012 represents the largest expenditure in the fund at \$7.8 million. This represents 25.7% of the total operating expenses. The water purchases are budgeted at \$6.5 million, which represents 21.4% of total operating expenditures. Water purchase rates increased two cents per 1,000 gallons in October 2011 and will increase the same rate in October 2012.

Use of Funds for 2012 \$ 30,908,000



Water Purchases



City of Fayetteville, Arkansas
2012 Operating Budget
Water & Sewer Fund (5400)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Water Sales	\$ 13,712,683	\$ 13,991,900	\$ 14,842,700	\$ 14,129,900
Sewer Service Charges	14,970,047	15,385,000	15,000,600	15,339,000
Other	1,078,713	878,200	1,005,000	951,000
Interest Income	261,271	75,900	114,200	68,100
Other Non-Operating	853,499	570,000	350,400	420,000
Total Revenues	30,876,213	30,901,000	31,312,900	30,908,000
Expenses:				
Utilities Director	153,546	192,394	188,057	174,899
Utilities Project Management	173,901	387,585	264,317	377,751
Water Purchased	5,781,372	6,500,000	6,500,000	6,500,000
Operations & Administration	3,116,608	3,253,919	3,159,176	3,286,147
Water Transmission and Distribution	1,824,611	2,024,408	1,875,881	2,068,551
Sewer Main Maintenance	1,583,610	1,913,269	1,741,834	1,941,126
Wastewater Treatment Plant	7,522,834	7,912,115	7,753,622	7,799,391
Billing & Collections	1,065,226	1,196,666	1,164,545	1,194,883
Meter Operations	1,212,100	1,701,079	1,571,520	1,463,024
Interest Expense	641,172	688,809	677,348	595,228
Total Expenses	23,074,980	25,770,244	24,896,300	25,401,000
Budget Gain / (Loss) Before Capital	\$ 7,801,233	\$ 5,130,756	\$ 6,416,600	\$ 5,507,000
Capital Revenues/(Expenses)				
Intergovernmental (Grants)	\$ 82,490	\$ 2,726,120	\$ 2,726,100	\$ 0
Transfer from Impact Fee Fund	2,792,404	1,522,249	1,522,200	0
Transfer to Other Funds	0	(66,032)	0	0
Principal Payment	(1,225,000)	(1,225,000)	(1,225,000)	(2,120,000)
Capital Expenditures	(5,160,870)	(21,552,774)	(21,507,500)	(3,387,000)
	(3,510,976)	(18,595,437)	(18,484,200)	(5,507,000)
Budget Gain / (Loss)	\$ 4,290,257	(13,464,681)	(12,067,600)	\$ 0
Total Budget	\$ 29,460,850	\$ 48,548,018	\$ 47,628,800	\$ 30,908,000

City of Fayetteville, Arkansas
 2012 Operating Budget
 Water & Sewer Fund (5400)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
ESTIMATED CHANGE IN NET ASSETS				
Beginning Total Net Assets	\$ 305,895,302	\$ 311,742,969	\$ 311,742,969	\$ 311,762,569
Budget Gain / (Loss)	4,290,257	(13,464,681)	(12,067,600)	0
Plus Gain Capital Expenditures	5,160,870	21,552,774	21,507,500	3,387,000
Less: Depreciation Expense	(10,070,404)	(10,272,000)	(10,645,300)	(11,124,100)
Plus: Capital Contribution	5,241,944	(66,032)	0	0
Plus: Bond Principal Payment	1,225,000	1,225,000	1,225,000	2,120,000
Ending Total Net Assets	<u>\$ 311,742,969</u>	<u>\$ 310,718,030</u>	<u>\$ 311,762,569</u>	<u>\$ 306,145,469</u>
NET ASSET ANALYSIS				
Net Investment in Capital Assets	\$ 293,906,140	\$ 305,186,914	\$ 304,768,340	\$ 297,031,240
Restricted for Debt Service/Prepays	2,190,072	2,190,000	2,190,000	2,190,000
Unrestricted (including re-budgets)	15,646,757	3,341,116	4,804,229	6,924,229
Ending Total Net Assets	<u>\$ 311,742,969</u>	<u>\$ 310,718,030</u>	<u>\$ 311,762,569</u>	<u>\$ 306,145,469</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Water & Sewer Fund (5400)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Finance and Internal Services Activity				
Billing & Collections Program (1810):				
Personnel Services	\$ 761,381	\$ 784,979	\$ 762,200	\$ 782,696
Materials and Supplies	47,891	71,000	64,912	70,000
Services and Charges	345,436	418,887	416,287	420,387
Cost allocation	(89,700)	(89,700)	(89,700)	(89,700)
Maintenance	218	11,500	10,846	11,500
	<u>1,065,226</u>	<u>1,196,666</u>	<u>1,164,545</u>	<u>1,194,883</u>
Total Finance and Internal Services Activity	\$ <u>1,065,226</u>	\$ <u>1,196,666</u>	\$ <u>1,164,545</u>	\$ <u>1,194,883</u>
Transportation, Parking, Utilities Activity				
Utilities Director Program (1800):				
Personnel Services	\$ 122,390	\$ 130,026	\$ 129,752	\$ 132,243
Materials and Supplies	966	4,300	1,907	4,300
Services and Charges	4,114	31,992	30,322	12,280
Cost allocation	26,076	26,076	26,076	26,076
	<u>153,546</u>	<u>192,394</u>	<u>188,057</u>	<u>174,899</u>
Meter Reading Program (1820):				
Personnel Services	694,831	774,396	730,084	770,353
Materials and Supplies	42,343	63,213	62,718	66,869
Services and Charges	8,321	20,450	11,159	19,307
Motorpool Charges	59,639	53,606	52,554	58,433
Cost allocation	78,528	78,528	78,528	78,528
Maintenance	3,652	6,476	2,455	5,585
	<u>887,314</u>	<u>996,669</u>	<u>937,498</u>	<u>999,075</u>
Meter Maintenance & Backflow Prevention Program (1830):				
Personnel Services	250,498	351,454	291,330	362,791
Materials and Supplies	18,215	45,601	42,351	46,459
Services and Charges	4,522	12,725	6,199	12,725
Motorpool Charges	12,851	14,236	13,848	16,486
Cost allocation	24,888	24,888	24,888	24,888
Maintenance	124	600	500	600
	<u>311,098</u>	<u>449,504</u>	<u>379,116</u>	<u>463,949</u>
Meter Operations Capital Program (1840):				
Materials and Supplies	10,020	54,652	54,652	0
Services and Charges	0	200,000	200,000	0
Maintenance	3,668	254	254	0
Capital	416,410	1,031,079	1,031,079	392,000
	<u>430,098</u>	<u>1,285,985</u>	<u>1,285,985</u>	<u>392,000</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Water & Sewer Fund (5400)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Water Purchased Program (3800):				
Services and Charges	5,781,372	6,500,000	6,500,000	6,500,000
	<u>5,781,372</u>	<u>6,500,000</u>	<u>6,500,000</u>	<u>6,500,000</u>
Operations & Administration Program (4000):				
Personnel Services	728,511	715,215	655,128	745,863
Materials and Supplies	92,490	146,984	122,566	150,771
Services and Charges	1,331,264	1,399,763	1,397,431	1,399,629
Motorpool Charges	24,280	20,741	20,575	21,450
Cost allocation	883,152	883,152	883,152	883,152
Maintenance	56,911	88,064	80,324	85,282
Debt Service	9,381	21,000	9,539	21,000
Capital	0	57,000	57,000	0
	<u>3,125,989</u>	<u>3,331,919</u>	<u>3,225,715</u>	<u>3,307,147</u>
Utilities Project Management Program (4020):				
Personnel Services	158,967	357,036	244,836	327,133
Materials and Supplies	5,244	10,388	6,026	12,208
Services and Charges	5,518	10,095	5,072	26,445
Motorpool Charges	2,850	6,966	6,966	6,965
Maintenance	1,322	3,100	1,417	5,000
	<u>173,901</u>	<u>387,585</u>	<u>264,317</u>	<u>377,751</u>
Water Distribution Maintenance Program (4310):				
Personnel Services	672,218	738,648	608,243	744,539
Materials and Supplies	625,920	690,166	689,888	697,994
Services and Charges	55,932	96,751	96,751	96,751
Motorpool Charges	236,893	216,127	216,127	235,468
Cost allocation	74,688	74,688	74,688	74,688
Maintenance	4,670	3,000	3,000	3,000
	<u>1,670,321</u>	<u>1,819,380</u>	<u>1,688,697</u>	<u>1,852,440</u>
Water Storage & Pump Maintenance Program (4330):				
Personnel Services	129,774	147,849	132,388	147,358
Materials and Supplies	12,192	33,169	32,200	40,743
Services and Charges	562	12,414	12,000	16,414
Cost allocation	9,696	9,696	9,696	9,696
Maintenance	2,066	1,900	900	1,900
	<u>154,290</u>	<u>205,028</u>	<u>187,184</u>	<u>216,111</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Water & Sewer Fund (5400)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Sewer Mains Maintenance Program (4410):				
Personnel Services	864,013	1,020,041	908,412	1,043,429
Materials and Supplies	302,799	337,008	337,008	354,192
Services and Charges	53,998	116,454	116,454	117,454
Motorpool Charges	281,854	352,434	295,368	338,719
Cost allocation	77,832	77,832	77,832	77,832
Maintenance	3,114	9,500	6,760	9,500
Capital	0	1,000	0	0
	<u>1,583,610</u>	<u>1,914,269</u>	<u>1,741,834</u>	<u>1,941,126</u>
WWTP Administration & SCADA Program (5100):				
Materials and Supplies	0	975	0	1,073
Services and Charges	929,289	1,010,828	1,010,828	980,828
Maintenance	0	391	0	510
	<u>929,289</u>	<u>1,012,194</u>	<u>1,010,828</u>	<u>982,411</u>
WWTP East Side Operations Program (5110):				
Materials and Supplies	56,949	93,875	93,875	111,101
Services and Charges	3,245,623	3,210,448	3,154,697	3,203,458
Motorpool Charges	164,390	152,049	140,845	187,094
Cost allocation	47,820	47,820	47,820	47,820
Maintenance	2,176	8,265	3,000	8,153
Debt Service	0	8,903	0	0
	<u>3,516,958</u>	<u>3,521,360</u>	<u>3,440,237</u>	<u>3,557,626</u>
WWTP West Side Operations Program (5120):				
Materials and Supplies	24,190	83,600	75,350	99,655
Services and Charges	1,939,195	1,873,288	1,822,565	1,872,141
Motorpool Charges	60,673	65,029	64,248	55,816
Cost allocation	47,544	47,544	47,544	47,544
Maintenance	4	6,331	2,500	3,549
	<u>2,071,606</u>	<u>2,075,792</u>	<u>2,012,207</u>	<u>2,078,705</u>
WWTP Lab / IPP Program (5130):				
Services and Charges	407,829	459,732	459,731	459,731
	<u>407,829</u>	<u>459,732</u>	<u>459,731</u>	<u>459,731</u>
WWTP Lift Station Maintenance Program (5140):				
Materials and Supplies	6,613	33,550	33,550	39,969
Services and Charges	575,691	672,944	660,917	671,279
Motorpool Charges	14,848	9,686	9,686	9,670
Maintenance	0	391	0	0
	<u>597,152</u>	<u>716,571</u>	<u>704,153</u>	<u>720,918</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Water & Sewer Fund (5400)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Capital Water Mains Program (5600):				
Services and Charges	1,272,731	1,975,802	1,975,802	0
Capital	509,171	5,192,024	5,192,024	1,882,500
	<u>1,781,902</u>	<u>7,167,826</u>	<u>7,167,826</u>	<u>1,882,500</u>
Water & Sewer Connections Program (5620):				
Personnel Services	99,896	172,098	128,243	179,850
Materials and Supplies	47,916	85,870	85,870	87,014
Services and Charges	5,931	18,000	18,000	18,000
Motorpool Charges	23,345	23,515	23,096	24,048
Cost allocation	13,488	13,488	13,488	13,488
Maintenance	0	100	100	100
	<u>190,576</u>	<u>313,071</u>	<u>268,797</u>	<u>322,500</u>
Water Capital 2009 Bonds Program (5640):				
Services and Charges	83,982	179,325	179,325	0
Capital	464,002	3,502,333	3,502,333	0
	<u>547,984</u>	<u>3,681,658</u>	<u>3,681,658</u>	<u>0</u>
Sewer Mains Construction Program (5700):				
Services and Charges	1,740,694	488,923	488,923	0
Capital	336,012	5,396,927	5,396,927	330,000
Operating Transfers	0	66,032	0	0
	<u>2,076,706</u>	<u>5,951,882</u>	<u>5,885,850</u>	<u>330,000</u>
Sewer Capital 2009 Bonds Program (5740):				
Capital	0	1,723,660	1,723,660	0
	<u>0</u>	<u>1,723,660</u>	<u>1,723,660</u>	<u>0</u>
Wastewater Treatment Plant Capital Program (5800):				
Materials and Supplies	0	21,177	21,177	0
Services and Charges	0	77,000	77,000	0
Maintenance	0	28,289	28,289	0
Capital	147,292	1,691,630	1,691,630	460,000
	<u>147,292</u>	<u>1,818,096</u>	<u>1,818,096</u>	<u>460,000</u>
Debt Service Program (6800):				
Debt Service	1,856,791	1,892,809	1,892,809	2,694,228
	<u>1,856,791</u>	<u>1,892,809</u>	<u>1,892,809</u>	<u>2,694,228</u>
Total Transportation, Parking, Utilities Activity	\$ 28,395,624	\$ 47,417,384	\$ 46,464,255	\$ 29,713,117
Total Fund	\$ <u>29,460,850</u>	\$ <u>48,614,050</u>	\$ <u>47,628,800</u>	\$ <u>30,908,000</u>

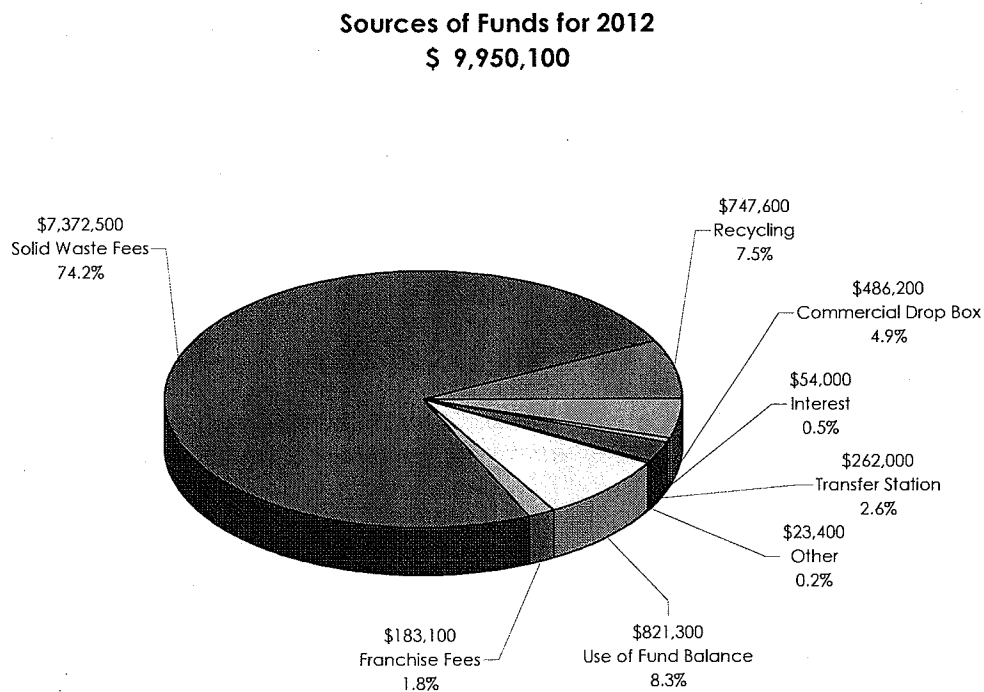
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Solid Waste Fund (5500)

The **Solid Waste Fund** is responsible for the operation of the City's solid waste collection and disposal, transfer station, recycling program, and composting program. Revenues for the fund are obtained from fees levied for trash collection, recycling revenue, and container sales or leases. During the end of 2009, the operation of the transfer station, which had previously been contracted out, was brought in house. This budget reflects changes needed to continue that operation at the City. After capital expenditures, the fund will have a loss of \$821,300. However, there are more than sufficient reserves to accommodate the expenditures.

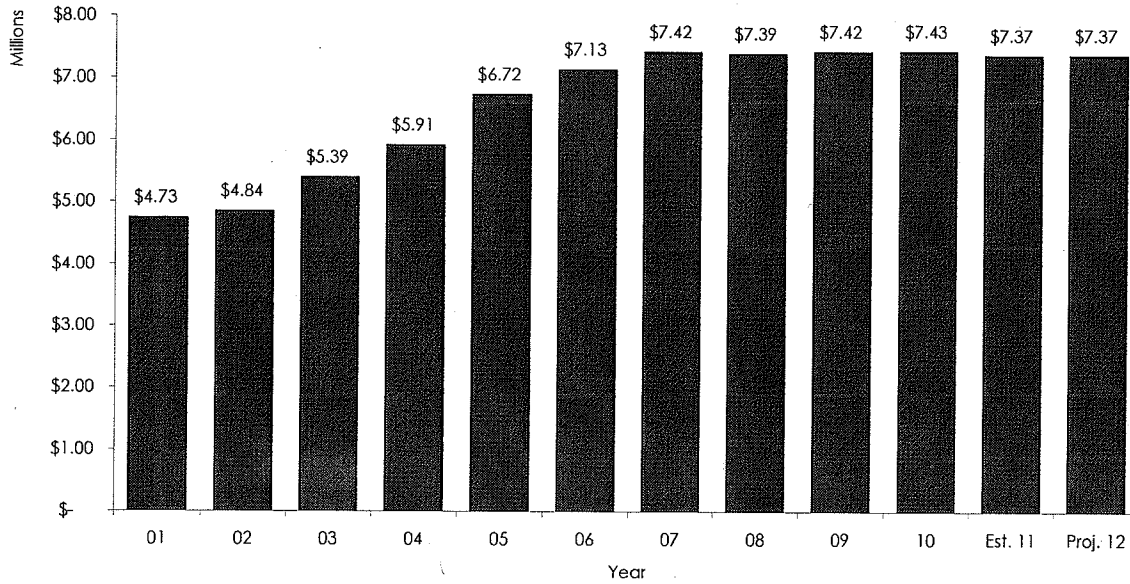
Solid Waste Fund Revenues

For 2012, the Solid Waste Fund sources of funds are budgeted at \$9,950,100. Solid Waste fees make up the largest source of revenue (74.2%).



Solid Waste Fees: Solid Waste Fee revenue has increased approximately 4.82% (with 2007, 2008, and 2009 relatively flat) annually from 2000 to 2010. The 2012 revenues are projected to be flat over estimated 2011.

Solid Waste Fees

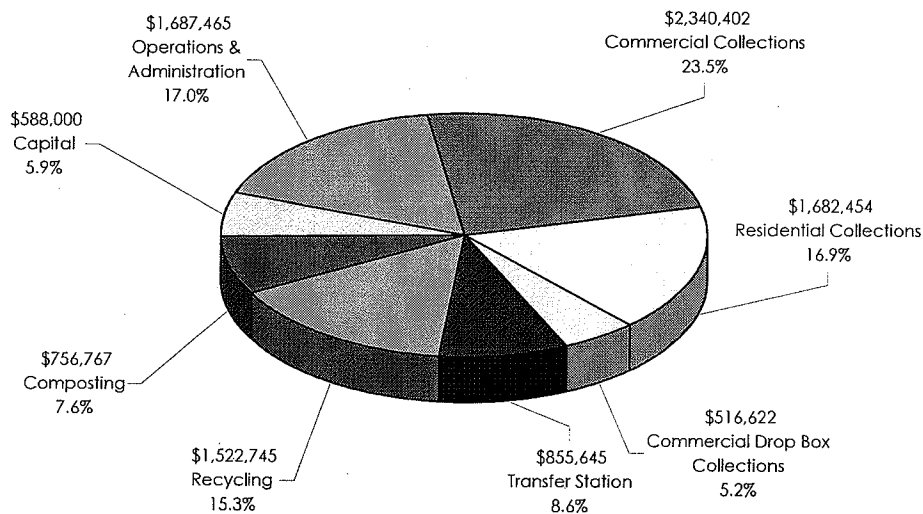


Solid Waste Fund Expenses

Expenses for the Solid Waste Fund are budgeted at \$9,950,100 for 2012. The commercial collections program and related activity make up the largest segment of the budget.

Uses of Funds for 2012

\$9,950,100



City of Fayetteville, Arkansas
2012 Operating Budget
Solid Waste Fund (5500)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Franchise Fees	\$ 109,275	\$ 82,300	\$ 160,800	\$ 183,100
Solid Waste Fees	7,432,358	7,345,900	7,367,585	7,372,500
Recycling Revenue	657,154	387,300	747,000	747,600
Commercial Drop Box	474,719	472,400	478,715	486,200
Transfer Station	250,910	241,100	262,300	262,000
Other	627,220	8,300	23,400	23,400
Interest Income	175,412	108,000	69,900	54,000
Total Revenues	9,727,048	8,645,300	9,109,700	9,128,800
Expenses:				
Operations & Administration	1,724,995	1,661,719	1,584,714	1,687,465
Commercial Collections	2,019,078	2,223,211	2,097,415	2,340,402
Residential Collections	1,410,849	1,515,977	1,451,301	1,682,454
Commercial Drop Box Collections	471,552	462,785	434,448	516,622
Transfer Station	681,885	814,955	786,943	855,645
Recycling	1,429,531	1,446,579	1,351,746	1,522,745
Composting	668,770	740,919	731,861	756,767
Solid Waste Projects	0	124,972	124,972	0
Total Expenses	8,406,660	8,991,117	8,563,400	9,362,100
Budget Gain / (Loss) Before Capital	\$ 1,320,388	\$ (345,817)	\$ 546,300	\$ (233,300)
Capital Revenues / (Expenses):				
Intergovernmental (Grants)	81,264	0	15,600	0
Capital Expenditures	(289,304)	(2,016,004)	(2,014,600)	(588,000)
Transfer to Shop	(238,642)	0	0	0
Total Expenses	(446,682)	(2,016,004)	(1,999,000)	(588,000)
Budget Gain / (Loss)	\$ 873,706	\$ (2,361,821)	\$ (1,452,700)	\$ (821,300)
Total Budget	\$ 8,934,606	\$ 11,007,121	\$ 10,578,000	\$ 9,950,100

City of Fayetteville, Arkansas
 2012 Operating Budget
 Solid Waste Fund (5500)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
ESTIMATED CHANGE IN NET ASSETS				
Beginning Total Net Assets	\$ 10,074,138	\$ 11,038,769	\$ 11,038,769	\$ 11,280,069
Budget Gain / (Loss)	873,706	(2,361,821)	(1,452,700)	(821,300)
Plus Gain Capital Expenditures	289,304	2,016,004	2,014,600	588,000
Less: Depreciation Expense	(198,379)	(223,990)	(320,600)	(419,400)
Ending Total Net Assets	<u>\$ 11,038,769</u>	<u>\$ 10,468,962</u>	<u>\$ 11,280,069</u>	<u>\$ 10,627,369</u>
NET ASSET ANALYSIS				
Net Investment in Capital Assets	\$ 2,057,183	\$ 3,849,197	\$ 3,751,183	\$ 3,919,783
Restricted for Debt Service/Prepays	1,669	1,669	1,669	1,669
Unrestricted	8,979,917	6,618,096	7,527,217	6,705,917
Ending Total Net Assets	<u>\$ 11,038,769</u>	<u>\$ 10,468,962</u>	<u>\$ 11,280,069</u>	<u>\$ 10,627,369</u>

City of Fayetteville, Arkansas
2012 Operating Budget (Category Summary)
Solid Waste Fund (5500)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transportation, Parking, Utilities Activity				
Operations & Administration Program (5000):				
Personnel Services	\$ 533,085	\$ 509,426	\$ 490,854	\$ 536,517
Materials and Supplies	33,957	46,211	34,054	47,465
Services and Charges	727,415	644,520	601,850	637,780
Motorpool Charges	2,219	2,634	2,634	3,577
Cost allocation	410,796	410,796	410,796	410,796
Maintenance	17,524	47,932	44,326	51,130
Debt Service	0	200	200	200
Capital	52,936	0	0	0
Operating Transfers	184,642	0	0	0
	<u>1,962,574</u>	<u>1,661,719</u>	<u>1,584,714</u>	<u>1,687,465</u>
Commercial Collections Program (5010):				
Personnel Services	588,968	638,366	524,449	582,218
Materials and Supplies	228,399	366,705	365,444	365,877
Services and Charges	648,162	643,096	632,478	643,096
Motorpool Charges	484,981	506,040	506,040	680,207
Cost allocation	67,404	67,404	67,404	67,404
Maintenance	1,164	1,600	1,600	1,600
	<u>2,019,078</u>	<u>2,223,211</u>	<u>2,097,415</u>	<u>2,340,402</u>
Residential Collections Program (5020):				
Personnel Services	547,606	581,521	533,689	595,947
Materials and Supplies	123,849	162,222	162,222	170,340
Services and Charges	331,961	327,482	327,480	327,482
Motorpool Charges	359,313	393,849	379,890	537,782
Cost allocation	47,868	47,868	47,868	47,868
Maintenance	252	3,035	152	3,035
	<u>1,410,849</u>	<u>1,515,977</u>	<u>1,451,301</u>	<u>1,682,454</u>
Commercial Drop Box Collections Program (5030):				
Personnel Services	147,451	146,011	127,295	141,740
Materials and Supplies	20,743	30,693	30,693	67,662
Services and Charges	175,374	165,534	165,534	165,534
Motorpool Charges	117,310	110,487	101,650	131,626
Cost allocation	9,060	9,060	9,060	9,060
Maintenance	1,614	1,000	216	1,000
Capital	18,547	39,258	38,000	0
	<u>490,099</u>	<u>502,043</u>	<u>472,448</u>	<u>516,622</u>

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Solid Waste Fund (5500)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transfer Station Program (5040):				
Personnel Services	45,612	138,968	138,968	135,705
Materials and Supplies	12,289	16,950	13,938	18,983
Services and Charges	592,458	587,552	587,552	628,358
Motorpool Charges	24,491	41,861	41,861	42,375
Cost allocation	3,024	3,024	3,024	3,024
Maintenance	4,011	26,600	1,600	27,200
	<u>681,885</u>	<u>814,955</u>	<u>786,943</u>	<u>855,645</u>
Recycling Program (5060):				
Personnel Services	743,468	757,542	707,912	787,093
Materials and Supplies	123,397	143,531	122,647	144,220
Services and Charges	44,914	57,875	40,755	57,875
Motorpool Charges	424,091	390,413	390,046	436,339
Cost allocation	87,732	87,732	87,732	87,732
Maintenance	5,929	9,486	2,654	9,486
Capital	121,818	0	0	0
	<u>1,551,349</u>	<u>1,446,579</u>	<u>1,351,746</u>	<u>1,522,745</u>
Composting Program (5070):				
Personnel Services	383,025	409,551	406,480	416,190
Materials and Supplies	33,493	63,140	57,646	68,833
Services and Charges	3,544	1,250	856	2,500
Motorpool Charges	213,620	236,538	236,538	238,804
Cost allocation	29,940	29,940	29,940	29,940
Maintenance	5,148	500	401	500
Capital	96,003	0	0	0
Operating Transfers	54,000	0	0	0
	<u>818,773</u>	<u>740,919</u>	<u>731,861</u>	<u>756,767</u>
Solid Waste Projects Program (5080):				
Materials and Supplies	0	12,970	12,970	0
Services and Charges	0	112,002	112,002	0
Capital	0	1,976,746	1,976,600	588,000
	<u>0</u>	<u>2,101,718</u>	<u>2,101,572</u>	<u>588,000</u>
Total Transportation, Parking, Utilities Activity	<u>\$ 8,934,607</u>	<u>\$ 11,007,121</u>	<u>\$ 10,578,000</u>	<u>\$ 9,950,100</u>
Total Fund	<u>\$ 8,934,607</u>	<u>\$ 11,007,121</u>	<u>\$ 10,578,000</u>	<u>\$ 9,950,100</u>

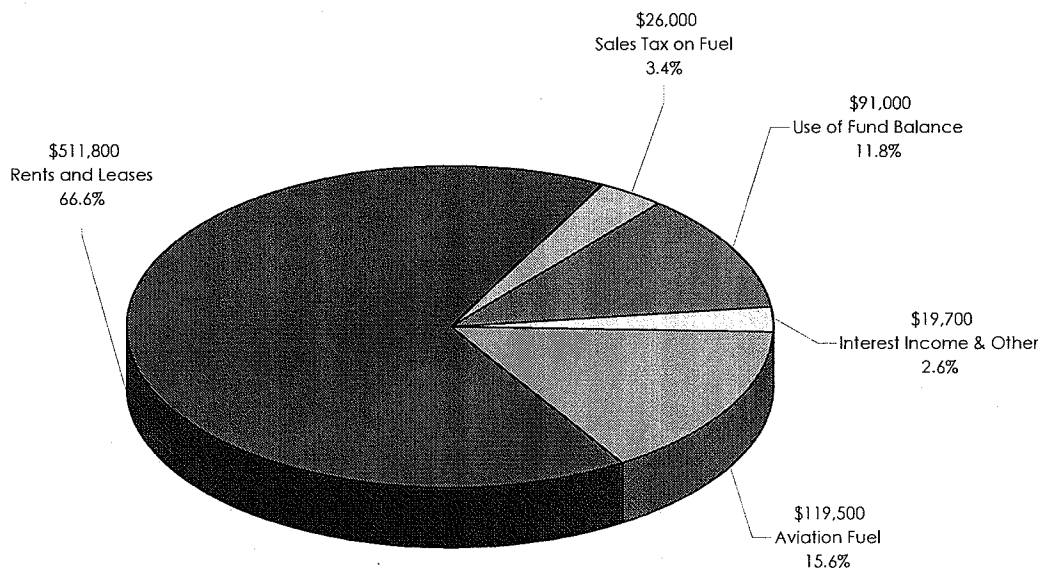
Airport Fund (5550)

The **Airport Fund** provides for the operation and maintenance of the City's municipal airport, Drake Field. The Airport Fund's revenue is generated from rents and leases. In 2012, the Airport Fund is projected to use reserves of \$91,000 before depreciation.

Airport Fund Revenues

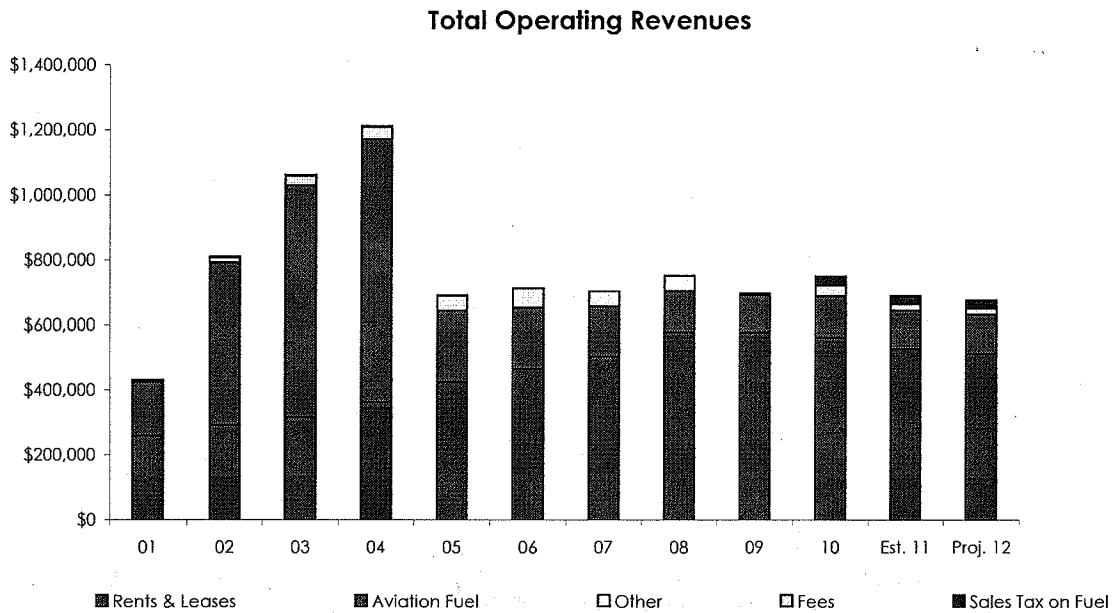
For 2012, the Airport Fund sources of funds are budgeted at \$768,000. Rents and Leases make up the largest source of revenue (66.6%).

Sources of Funds for 2012
\$ 768,000



Total Operating Revenue

This chart shows all of the Airport Fund's operating revenues by type. Primary revenues are comprised of Rents and Leases. During the fourth quarter of 2001, the City took over the Fixed Based Operator (FBO) functions and sold aviation fuel as it became a General Aviation airport. The selling of fuel continued until the last part of 2005 when the City contracted the operation of the FBO to an external company. Currently the Airport Fund's major source of revenue is through the rental of corporate and private T-Hangars and rental of the airport terminal building to a fueling and line services operation, two pilot training schools, the U.S. Post Office, a florist, a caterer, and office space to a wildlife biologist and an advertising firm.



City of Fayetteville, Arkansas
 2012 Operating Budget
 Airport Fund (5550)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
<u>Revenues:</u>				
Sales Tax - County	\$ 12,906	\$ 11,500	\$ 12,600	\$ 12,700
Sales Tax - City	14,205	12,700	13,300	13,300
Rents & Leases	560,237	563,400	524,900	511,800
Aviation Fuel	128,208	117,900	119,300	119,500
Other	14,745	7,100	12,000	11,900
Interest Income	19,383	12,000	7,900	7,800
Total Revenues	<u>749,684</u>	<u>724,600</u>	<u>690,000</u>	<u>677,000</u>
<u>Expenses:</u>				
Airport Administration	498,113	513,432	497,652	525,933
Airport Maintenance	176,643	203,634	187,156	220,014
Airport Capital Expense	51,930	73,457	73,457	0
General Fund Loan Interest	30,333	20,175	20,175	6,523
General Fund Loan Principal	46,666	342,960	342,960	15,530
Total Expenses	<u>803,685</u>	<u>1,153,658</u>	<u>1,121,400</u>	<u>768,000</u>
Budget Gain / (Loss) Before Capital	\$ <u>(54,001)</u>	\$ <u>(429,058)</u>	\$ <u>(431,400)</u>	\$ <u>(91,000)</u>
<u>Capital Revenues / (Expenses):</u>				
Intergovernmental (Grants)	2,838,723	766,941	803,400	0
Capital Expenditures	(2,866,292)	(882,655)	(882,600)	0
Total Expenses	<u>(27,569)</u>	<u>(115,714)</u>	<u>(79,200)</u>	<u>0</u>
Budget Gain / (Loss)	\$ <u>(81,570)</u>	\$ <u>(544,772)</u>	\$ <u>(510,600)</u>	\$ <u>(91,000)</u>
Total Budget	\$ <u>3,669,977</u>	\$ <u>2,036,313</u>	\$ <u>2,004,000</u>	\$ <u>768,000</u>

City of Fayetteville, Arkansas
 2012 Operating Budget
 Airport Fund (5550)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
ESTIMATED CHANGE IN NET ASSETS				
Beginning Total Net Assets	\$ 13,643,074	\$ 15,036,327	\$ 15,036,327	\$ 13,967,587
Budget Gain / (Loss)	(81,570)	(544,772)	(510,600)	(91,000)
Plus Gain Capital Expenditures	2,866,292	882,655	882,600	0
Less: Depreciation Expense	(1,438,135)	(1,438,100)	(1,783,700)	(1,884,700)
Plus: Principal Payment	46,666	342,960	342,960	15,530
Ending Total Net Assets	<u>\$ 15,036,327</u>	<u>\$ 14,279,070</u>	<u>\$ 13,967,587</u>	<u>\$ 12,007,417</u>
NET ASSET ANALYSIS				
Net Investment in Capital Assets	\$ 14,682,771	\$ 14,127,326	\$ 13,781,671	\$ 11,896,971
Restricted for Debt Service/Prepays	9,664	9,664	9,664	9,664
*Unrestricted	343,892	142,080	176,252	100,782
Ending Total Net Assets	<u>\$ 15,036,327</u>	<u>\$ 14,279,070</u>	<u>\$ 13,967,587</u>	<u>\$ 12,007,417</u>

* This is due to a long term interfund loan from the General Fund recorded as a liability but not deducted from net investments in capital assets.

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Airport Fund (5550)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transportation, Parking, Utilities Activity				
Airport Administration Program (3940):				
Personnel Services	\$ 242,631	\$ 228,019	\$ 227,285	\$ 229,481
Materials and Supplies	78,203	78,853	78,840	93,986
Services and Charges	166,671	195,989	180,956	191,871
Motorpool Charges	2,658	2,656	2,656	2,680
Cost allocation	7,915	7,915	7,915	7,915
Maintenance	35	0	0	0
Debt Service	76,999	363,135	363,135	22,053
	<u>575,112</u>	<u>876,567</u>	<u>860,787</u>	<u>547,986</u>
Airport Maintenance Program (3950):				
Personnel Services	109,253	101,830	98,544	102,792
Materials and Supplies	10,764	14,451	13,070	15,387
Services and Charges	2,752	5,320	3,189	6,380
Motorpool Charges	17,573	27,150	27,150	30,965
Maintenance	36,301	54,883	45,203	64,490
	<u>176,643</u>	<u>203,634</u>	<u>187,156</u>	<u>220,014</u>
Airport Capital Expense Program (3960):				
Services and Charges	7,097	40,252	40,252	0
Maintenance	19,929	0	0	0
Capital	2,891,196	915,860	915,805	0
	<u>2,918,222</u>	<u>956,112</u>	<u>956,057</u>	<u>0</u>
Total Transportation, Parking, Utilities Activity	<u>\$ 3,669,977</u>	<u>\$ 2,036,313</u>	<u>\$ 2,004,000</u>	<u>\$ 768,000</u>
Total Fund	<u>\$ 3,669,977</u>	<u>\$ 2,036,313</u>	<u>\$ 2,004,000</u>	<u>\$ 768,000</u>

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Town Center and Parking Facility Fund (5600)

The **Town Center and Parking Facility Fund** accounts for the Town Center Building and the associated special obligation debt. Budgeted revenues and expenditures are balanced for 2012 on a cash basis.

City of Fayetteville, Arkansas
2012 Operating Budget
Town Center Fund (5600)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Revenues:				
Contribution from Advertising/Promotion	\$ 679,503	\$ 702,600	\$ 702,700	\$ 695,200
Interest Income	479	100	0	0
Total Revenues	679,982	702,700	702,700	695,200
Expenses:				
Audit Expense	600	600	600	688
Paying Agent Fees	18,940	18,941	18,941	18,941
Town Center Expense	1,946	1,971	1,971	1,923
Interest Expense	122,436	106,188	106,188	83,648
Principal Payment	555,000	575,000	575,000	590,000
Total Expenses	698,922	702,700	702,700	695,200
Budget Gain / (Loss)	\$ (18,940)	\$ 0	\$ 0	\$ 0
Total Budget	\$ 698,922	\$ 702,700	\$ 702,700	\$ 695,200

ESTIMATED CHANGE IN NET ASSETS				
Beginning Total Net Assets	\$ 2,890,484	\$ 3,058,784	\$ 3,058,784	\$ 3,266,024
Budget Gain / (Loss)	(18,940)	0	0	0
Less: Depreciation Expense	(367,760)	(367,760)	(367,760)	(367,760)
Plus: Principal Payment	555,000	575,000	575,000	590,000
Ending Total Net Assets	\$ 3,058,784	\$ 3,266,024	\$ 3,266,024	\$ 3,488,264

NET ASSET ANALYSIS				
Net Investment in Capital Assets	\$ 2,870,751	\$ 3,077,991	\$ 3,077,991	\$ 3,300,231
Restricted for Debt Service/Prepays	144,168	144,168	144,168	144,168
Unrestricted	43,865	43,865	43,865	43,865
Ending Total Net Assets	\$ 3,058,784	\$ 3,266,024	\$ 3,266,024	\$ 3,488,264

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Town Center Fund (5600)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Town Center Expense Program (9600):				
Services and Charges	\$ 2,546	\$ 2,571	\$ 2,571	\$ 2,611
Debt Service	696,376	700,129	700,129	692,589
	<u>698,922</u>	<u>702,700</u>	<u>702,700</u>	<u>695,200</u>
Total Citywide	<u>\$ 698,922</u>	<u>\$ 702,700</u>	<u>\$ 702,700</u>	<u>\$ 695,200</u>
Total Fund	<u>\$ 698,922</u>	<u>\$ 702,700</u>	<u>\$ 702,700</u>	<u>\$ 695,200</u>

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Police Pension Fund (6800)

The **Police Pension Fund** accounts for the accumulation of resources for the pension benefit payments to qualified police personnel. Operations of this fund are controlled by the Police Pension Board. Revenues include insurance premium tax distributions, a special City property tax, and special fees and forfeitures.

City of Fayetteville, Arkansas
 2012 Operating Budget
 Police Pension Fund (6800)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Additions:				
Property Taxes	\$ 508,192	\$ 461,800	\$ 469,200	\$ 469,000
State Insurance Turnback	267,919	281,500	282,700	283,000
Fines & Forfeitures	130,723	130,300	205,000	126,000
Investment Earnings	197,346	190,200	177,700	177,400
Gain/Loss on Sale of Investments	362,319	0	133,500	0
Gain/Loss in Fair Value of Investments	360,267	0	0	0
Other	7,050	0	3,100	0
Total Additions	1,833,816	1,063,800	1,271,200	1,055,400
Deductions:				
Materials and Supplies	0	134	100	309
Audit Expense	3,500	3,500	3,500	3,600
Professional Services	0	3,000	3,000	3,100
Bank Service Charges	119	210	210	210
Benefit Payments	1,635,103	1,685,956	1,626,790	1,625,781
Total Deductions	1,638,722	1,692,800	1,633,600	1,633,000
Change in Net Assets	\$ 195,094	\$ (629,000)	\$ (362,400)	\$ (577,600)
ESTIMATED CHANGE IN NET ASSETS				
Beginning Net Assets	\$ 8,360,803	\$ 8,555,897	\$ 8,555,897	\$ 8,193,497
Change in Net Assets	195,094	(629,000)	(362,400)	(577,600)
Ending Net Assets	<u>\$ 8,555,897</u>	<u>\$ 7,926,897</u>	<u>\$ 8,193,497</u>	<u>\$ 7,615,897</u>
Total Budget	\$ 1,638,722	\$ 1,692,800	\$ 1,633,600	\$ 1,633,000

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Police Pension Fund (6800)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Police Pension Expense Program (9800):				
Materials and Supplies	\$ 0	\$ 134	\$ 100	\$ 309
Services and Charges	1,638,722	1,692,666	1,633,500	1,632,691
	<u>1,638,722</u>	<u>1,692,800</u>	<u>1,633,600</u>	<u>1,633,000</u>
Total Citywide	<u>\$ 1,638,722</u>	<u>\$ 1,692,800</u>	<u>\$ 1,633,600</u>	<u>\$ 1,633,000</u>
Total Fund	<u>\$ 1,638,722</u>	<u>\$ 1,692,800</u>	<u>\$ 1,633,600</u>	<u>\$ 1,633,000</u>

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Fire Pension Fund (6810)

The **Fire Pension Fund** accounts for the accumulation of resources for the pension benefit payments to qualified fire personnel. Operations of this fund are controlled by the Fire Pension Board. Revenues include the proceeds of a special City property tax and insurance premium tax distributions from the State.

City of Fayetteville, Arkansas
 2012 Operating Budget
 Fire Pension Fund (6810)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Additions:				
Property Taxes	\$ 508,192	\$ 461,800	\$ 469,200	\$ 469,000
State Insurance Turnback	143,629	143,600	161,100	161,600
Investment Earnings	125,170	124,100	106,000	96,900
Gain/Loss on Sale of Investments	327,952	0	109,600	0
Gain/Loss in Fair Value of Investments	142,277	0	0	0
Other	972	0	0	0
Total Additions	1,248,192	729,500	845,900	727,500
Deductions:				
Materials and Supplies	48	50	50	106
Services and Charges	300	250	150	350
Audit Expense	3,500	3,500	3,500	3,600
Professional Services	2,900	2,900	2,900	2,900
Bank Service Charges	111	250	139	250
Benefit Payments	1,454,933	1,473,450	1,462,261	1,462,794
Total Deductions	1,461,792	1,480,400	1,469,000	1,470,000
Change in Net Assets	\$ (213,600)	\$ (750,900)	\$ (623,100)	\$ (742,500)
ESTIMATED CHANGE IN NET ASSETS				
Beginning Net Assets	\$ 5,787,509	\$ 5,573,909	\$ 5,573,909	\$ 4,950,809
Change in Net Assets	(213,600)	(750,900)	(623,100)	(742,500)
Ending Net Assets	\$ 5,573,909	\$ 4,823,009	\$ 4,950,809	\$ 4,208,309
Total Budget	\$ 1,461,792	\$ 1,480,400	\$ 1,469,000	\$ 1,470,000

City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Fire Pension Fund (6810)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Citywide Activity				
Fire Pension Expense Program (9810):				
Materials and Supplies	\$ 48	\$ 50	\$ 50	\$ 106
Services and Charges	1,461,744	1,480,350	1,468,950	1,469,894
	<u>1,461,792</u>	<u>1,480,400</u>	<u>1,469,000</u>	<u>1,470,000</u>
Total Citywide	<u>\$ 1,461,792</u>	<u>\$ 1,480,400</u>	<u>\$ 1,469,000</u>	<u>\$ 1,470,000</u>
Total Fund	<u>\$ 1,461,792</u>	<u>\$ 1,480,400</u>	<u>\$ 1,469,000</u>	<u>\$ 1,470,000</u>

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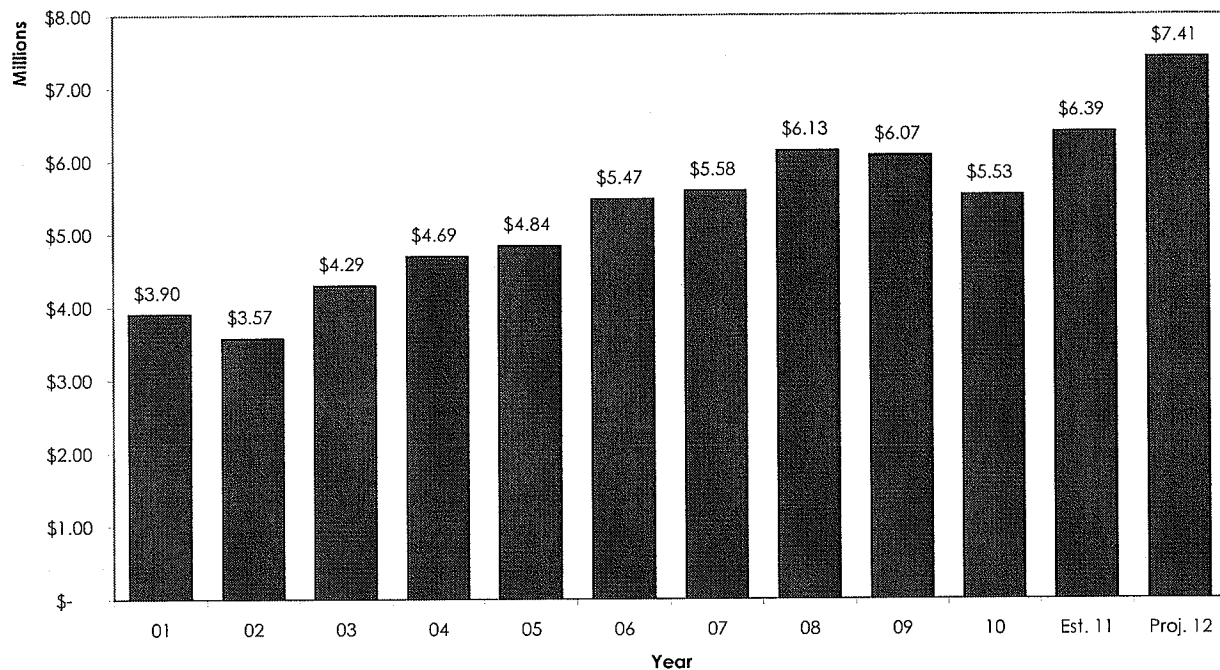
Shop Fund (9700)

The **Shop Fund** is an internal service fund that provides for all the acquisition and maintenance of equipment and vehicles utilized by the City's operating divisions. The Shop Fund's source of revenue is from charges to other City operating funds based on equipment and vehicle usage. Increases in 2012 operational costs can be attributed to additional parts and supply purchases, fuel expense, insurance, and contract services for repairs that cannot be performed by staff. These operational increases are a result of fleet expansions and increased equipment usage. On a cash basis, expenditures will exceed revenues after capital for 2012. The shortfall will be covered by cash reserves which were accumulated in the prior periods for this purpose.

Shop Fund Revenues

Shop Charges (Replacement Charges, Motorpool Charges, Shop Overhead Charges, Shop Overhead Insurance Charges, and Fuel Charges) as a whole make up 99% of total Shop Fund revenue and are budgeted in 2012 at \$7,409,500. Replacement Charges (\$3,373,000) is the amount Fleet Operations collects to purchase replacement vehicles and equipment. Replacement charges for General Fund vehicles were waived in 2010 to reduce expenses due to the economy. However, necessary replacement charges were put back in the General Fund Budget for 2011. Motorpool Charges (\$1,595,500), Shop Overhead Charges (\$495,400) and Shop Overhead Insurance Charges (\$112,000) are the monthly fees user divisions pay to the Shop Fund for the on-going maintenance that is provided for the life of the vehicles and equipment. Fuel Charges (\$1,806,000) is the revenue received from charging out the cost of gasoline to the user divisions.

Shop Charges



City of Fayetteville, Arkansas
2012 Operating Budget
Shop Fund (9700)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
<u>Revenues:</u>				
Maintenance Charges	\$ 55,680	\$ 38,400	\$ 27,700	\$ 27,600
Fuel Charges	1,097,286	1,611,900	1,484,800	1,806,000
Replacement Charges	2,344,389	2,843,700	2,770,000	3,373,000
Motor Pool Charges	1,465,210	1,473,000	1,448,700	1,595,500
Shop Overhead Charges	440,049	553,800	548,700	495,400
Shop Overhead Insurance	116,432	105,000	111,000	112,000
Shop Rental Pool Revenue	16,658	14,700	11,400	11,400
Other	17,197	0	41,800	0
Interest Income	150,779	98,400	69,500	69,500
Total Revenues	<u>5,703,680</u>	<u>6,738,900</u>	<u>6,513,600</u>	<u>7,490,400</u>
<u>Expenses:</u>				
Vehicle Maintenance	2,578,262	2,997,600	2,644,500	2,857,210
Gasoline/Diesel Expense	1,064,363	1,557,400	1,455,300	1,764,290
Total Expenses	<u>3,642,625</u>	<u>4,555,000</u>	<u>4,099,800</u>	<u>4,621,500</u>
Budget Gain / (Loss) Before Capital	<u>\$ 2,061,055</u>	<u>\$ 2,183,900</u>	<u>\$ 2,413,800</u>	<u>\$ 2,868,900</u>
<u>Capital Revenues / (Expenses):</u>				
Gain/Loss Sale of Assets	86,730	0	181,400	0
Transfer from General	0	3,000	3,000	0
Transfer from Off-Street Parking	13,888	0	0	0
Transfer from Replacement	0	37,434	37,400	0
Transfer from WWT Improvements	29,439	238,999	238,600	0
Transfer from Solid Waste	238,642	0	0	0
Capital Expenditures	(700,436)	(4,250,263)	(4,250,200)	(3,610,000)
Transfer to Other Funds	0	(11,198)	0	0
Transfer to General	(11,198)	0	0	0
Total Expenses	<u>(342,935)</u>	<u>(3,982,028)</u>	<u>(3,789,800)</u>	<u>(3,610,000)</u>
Budget Gain / (Loss)	<u>\$ 1,718,120</u>	<u>\$ (1,798,128)</u>	<u>\$ (1,376,000)</u>	<u>\$ (741,100)</u>
Total Budget	<u>\$ 4,354,259</u>	<u>\$ 8,816,461</u>	<u>\$ 8,350,000</u>	<u>\$ 8,231,500</u>

City of Fayetteville, Arkansas
 2012 Operating Budget
 Shop Fund (9700)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
ESTIMATED CHANGE IN NET ASSETS				
Beginning Total Net Assets	\$ 17,173,542	\$ 16,967,299	\$ 16,967,299	\$ 17,221,402
Budget Gain / (Loss)	1,718,120	(1,798,128)	(1,376,000)	(741,100)
Plus Gain Capital Expenditures	700,436	4,250,263	4,250,200	3,610,000
Less: Depreciation Expense	(2,624,799)	(2,556,133)	(2,620,097)	(3,161,378)
Ending Total Net Assets	<u>\$ 16,967,299</u>	<u>\$ 16,863,301</u>	<u>\$ 17,221,402</u>	<u>\$ 16,928,924</u>
NET ASSET ANALYSIS				
Net Investment in Capital Assets	\$ 8,766,931	\$ 10,461,061	\$ 10,397,034	\$ 10,845,656
Restricted for Prepaids	72,151	72,151	72,151	72,151
Unrestricted	8,128,217	6,330,089	6,752,217	6,011,117
Ending Total Net Assets	<u>\$ 16,967,299</u>	<u>\$ 16,863,301</u>	<u>\$ 17,221,402</u>	<u>\$ 16,928,924</u>

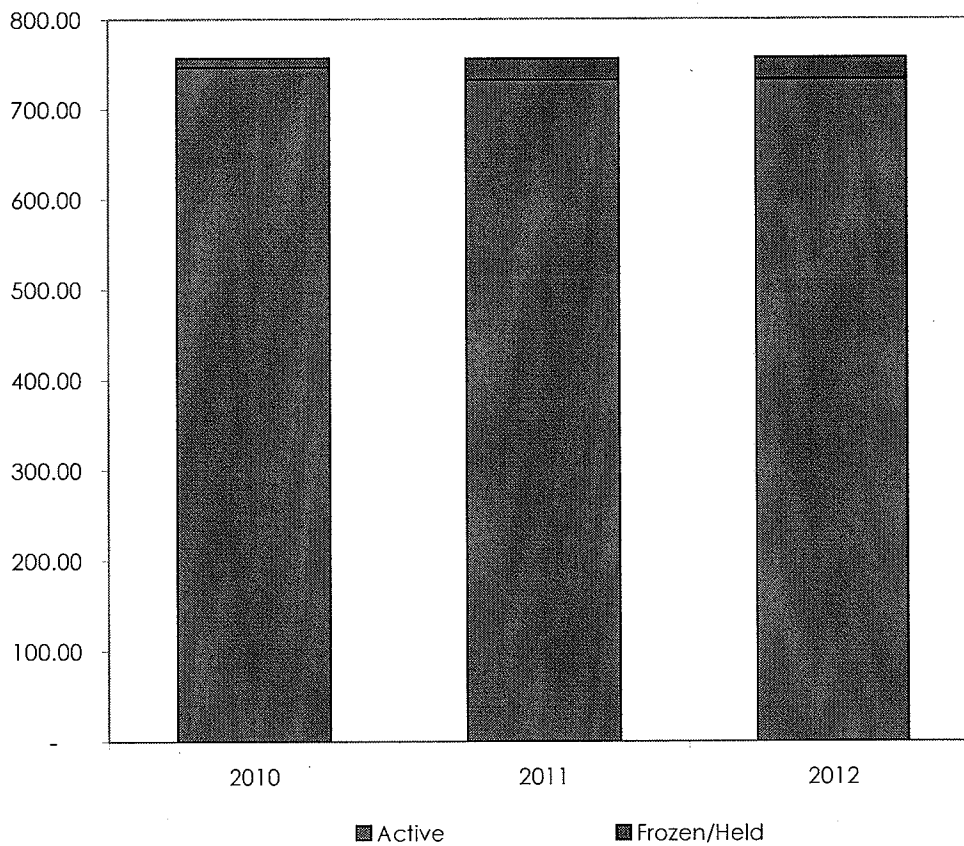
City of Fayetteville, Arkansas
 2012 Operating Budget (Category Summary)
 Shop Fund (9700)

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
Transportation, Parking, Utilities Activity				
Vehicle Maintenance Program (1910):				
Personnel Services	\$ 1,088,500	\$ 1,195,187	\$ 1,042,154	\$ 1,087,422
Materials and Supplies	1,729,181	2,422,468	2,225,574	2,576,805
Services and Charges	394,822	494,121	407,885	510,866
Motorpool Charges	73,357	67,866	61,920	62,404
Cost allocation	318,468	318,468	318,468	318,468
Maintenance	37,388	55,790	42,699	65,535
Capital	1,847	0	0	0
Operating Transfers	11,198	11,198	0	0
	<u>3,654,761</u>	<u>4,565,098</u>	<u>4,098,700</u>	<u>4,621,500</u>
Capital Expense Program (1920):				
Services and Charges	909	1,100	1,100	0
Capital	698,589	4,250,263	4,250,200	3,610,000
	<u>699,498</u>	<u>4,251,363</u>	<u>4,251,300</u>	<u>3,610,000</u>
Total Transportation, Parking, Utilities Activity	<u>\$ 4,354,259</u>	<u>\$ 8,816,461</u>	<u>\$ 8,350,000</u>	<u>\$ 8,231,500</u>
Total Fund	<u>\$ 4,354,259</u>	<u>\$ 8,816,461</u>	<u>\$ 8,350,000</u>	<u>\$ 8,231,500</u>

City of Fayetteville, Arkansas
 Personnel Summary
 Full Time Equivalent Basis

Activity	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
General Government	41.50	41.50	40.50	1.00	41.50
Finance & Internal Services	70.25	69.75	65.75	4.00	69.75
Police	171.63	171.60	159.50	8.10	171.60
Fire	114.00	114.00	111.50	2.50	114.00
Community Planning & Engineering	70.30	70.30	65.80	5.50	70.30
Transportation, Parking & Utilities	234.50	234.50	234.50	1.00	235.50
Parks & Recreation	54.35	54.35	52.35	2.00	54.35
Total	756.53	756.00	729.90	24.10	757.00

Full-Time Equivalent by Status



City of Fayetteville, Arkansas
Personnel Variation Summary (2012)

<u>Fund / Division</u>	<u>Additions / (Deletions)</u>
<u>Parking Fund</u>	
Parking & Telecommunications	<u>1.00</u> Account Clerk
	<u>1.00</u> Net Changes

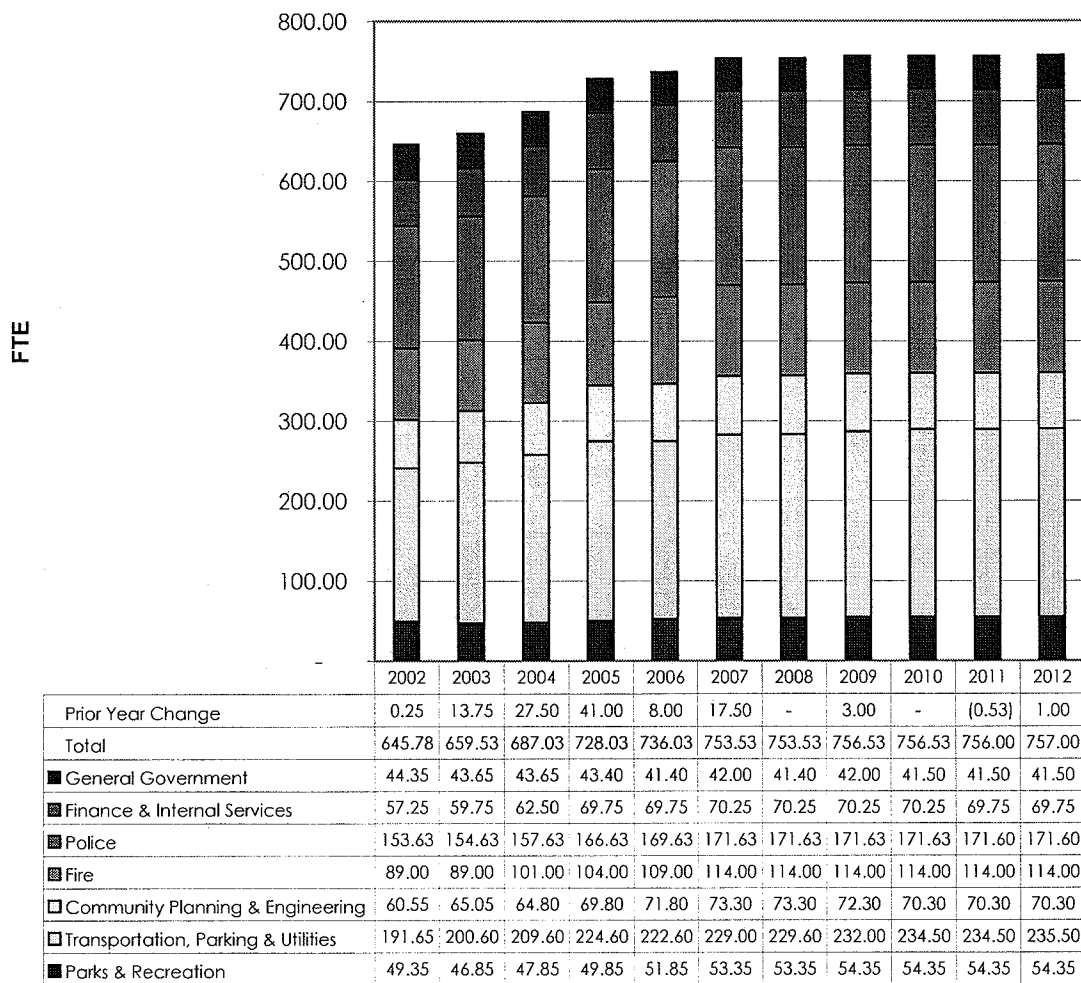
NOTES TO THE PERSONNEL VARIATION SUMMARY

1. An Account Clerk is being added to the Parking and Telecommunications Division. The Entertainment District Parking Program has increased the workload and responsibilities of the division. This position is funded in the Parking Fund.

City of Fayetteville, Arkansas
 Personnel Summary
 Personnel History (2002-2012)

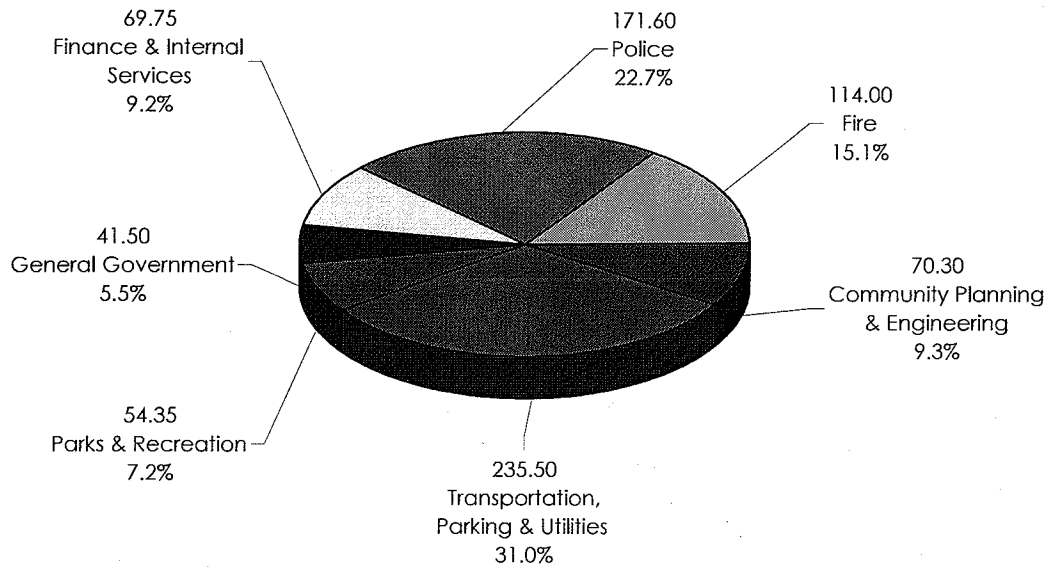
Below is a history of total positions by activity from 2002-2012. The 2012 Proposed Budget increased by 1.00 position. An Account Clerk position is being added to the Parking and Telecommunications Division due to increased responsibilities and workload of adding the Entertainment District Parking Program.

Personnel History (2002-2012)

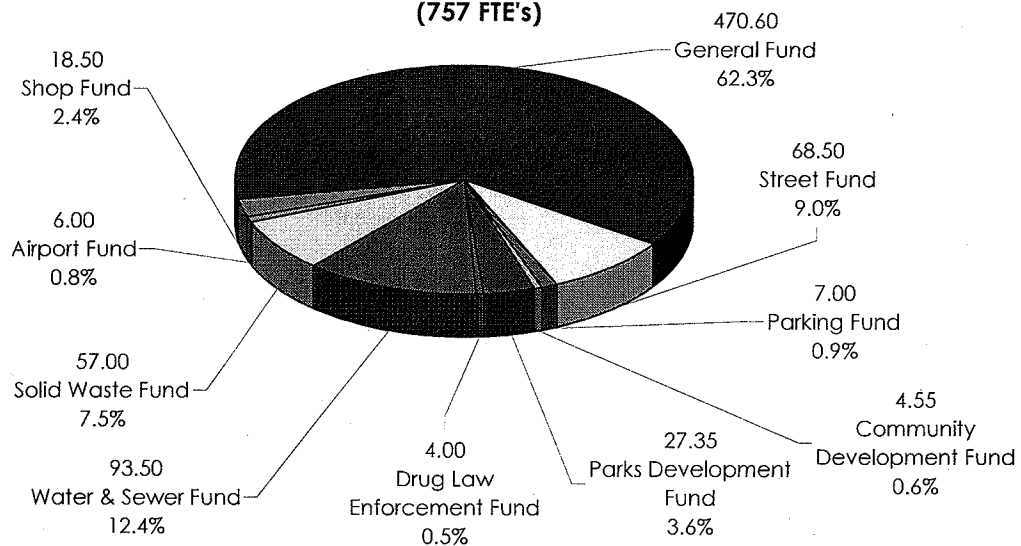


City of Fayetteville, Arkansas
 Personnel Summary
 Full Time Equivalent by Activity and Fund

**Full Time Equivalent Basis by Activity
 (757 FTE's)**



**Full Time Equivalent Basis by Fund
 (757 FTE's)**



City of Fayetteville, Arkansas
Personnel by Activity & Division - Summary

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
GENERAL GOVERNMENT ACTIVITY:					
Mayor's Administration Division	2.00	2.00	2.00	0.00	2.00
Chief of Staff Division	1.25	1.25	1.25	0.00	1.25
Internal Consulting Division	1.00	1.00	1.00	0.00	1.00
City Attorney Division	3.00	3.00	3.00	0.00	3.00
Communications & Marketing Division	3.00	3.00	3.00	0.00	3.00
Government Channel Division	4.25	4.25	4.25	0.00	4.25
Internal Audit Division	1.00	1.00	1.00	0.00	1.00
City Clerk/Treasurer Division	5.50	5.50	5.50	0.00	5.50
City Prosecutor Division	9.00	9.00	9.00	0.00	9.00
Fayetteville District Court Division	11.50	11.50	10.50	1.00	11.50
Total General Government Personnel	41.50	41.50	40.50	1.00	41.50
FINANCE AND INTERNAL SERVICES ACTIVITY:					
Finance Director Division	1.25	1.25	1.25	0.00	1.25
Billing & Collections Division	17.00	17.00	17.00	0.00	17.00
Human Resources Division	5.50	5.00	4.00	1.00	5.00
Accounting & Audit Division	11.50	11.50	11.00	0.50	11.50
Budget & Research Division	4.00	4.00	3.00	1.00	4.00
Building Maintenance Division	14.50	14.50	14.00	0.50	14.50
Purchasing Division	3.50	3.50	3.50	0.00	3.50
Information Technology Division	13.00	13.00	12.00	1.00	13.00
Total Finance and Internal Services Personnel	70.25	69.75	65.75	4.00	69.75
POLICE ACTIVITY:					
Central Dispatch Division	24.00	24.00	23.00	1.00	24.00
Police Division	147.63	147.60	136.50	7.10	147.60
Total Police Personnel	171.63	171.60	159.50	8.10	171.60
FIRE ACTIVITY:					
Fire Division	114.00	114.00	111.50	2.50	114.00
Total Fire Personnel	114.00	114.00	111.50	2.50	114.00
COMMUNITY PLANNING & ENGINEERING ACTIVITY:					
Development Services Division	2.00	2.00	2.00	0.00	2.00
City Planning Division	8.00	8.00	7.00	2.00	8.00
Sustainability & Strategic Planning Division	3.00	3.00	3.00	0.00	3.00
Engineering Division	21.00	21.00	20.00	1.00	21.00
Building Safety Division	10.00	10.00	7.50	2.50	10.00
Community Services Division	10.50	10.50	10.50	0.00	10.50
Animal Services Division	15.80	15.80	15.80	0.00	15.80
Total Community Planning & Engineering Personnel	70.30	70.30	65.80	5.50	70.30

City of Fayetteville, Arkansas
 Personnel by Activity & Division - Summary

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
TRANSPORTATION, PARKING & UTILITIES ACTIVITY:					
Parking & Telecommunications Division	8.00	8.00	9.00	0.00	9.00
Transportation Services Division	68.50	68.50	68.50	0.00	68.50
Utilities Director Division	5.50	5.50	5.50	0.00	5.50
Water & Sewer Maintenance Division	71.00	71.00	71.00	0.00	71.00
Solid Waste & Recycling Division	57.00	57.00	57.00	0.00	57.00
Fleet Operations Division	18.50	18.50	18.50	0.00	18.50
Aviation Division:	6.00	6.00	5.00	1.00	6.00
Total Transportation, Parking & Utilities Personnel	<u>234.50</u>	<u>234.50</u>	<u>234.50</u>	<u>1.00</u>	<u>235.50</u>
PARKS & RECREATION ACTIVITY:					
Parks & Recreation Division	54.35	54.35	52.35	2.00	54.35
Total Parks & Recreation Personnel	<u>54.35</u>	<u>54.35</u>	<u>52.35</u>	<u>2.00</u>	<u>54.35</u>
Total Personnel by Activity	<u>756.53</u>	<u>756.00</u>	<u>729.90</u>	<u>24.10</u>	<u>757.00</u>

City of Fayetteville, Arkansas
 Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
GENERAL GOVERNMENT ACTIVITY:					
Mayor's Administration Division:					
Mayor	1.00	1.00	1.00	0.00	1.00
Mayor's Office Administrator	1.00	1.00	1.00	0.00	1.00
	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>	<u>2.00</u>
Chief of Staff Division:					
Chief of Staff	1.00	1.00	1.00	0.00	1.00
Administrative Assistant - Mayor's Office	0.25	0.25	0.25	0.00	0.25
	<u>1.25</u>	<u>1.25</u>	<u>1.25</u>	<u>0.00</u>	<u>1.25</u>
Internal Consulting Division:					
Director of Internal Consulting	0.00	1.00	1.00	0.00	1.00
Sustainability Coordinator	1.00	0.00	0.00	0.00	0.00
	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>	<u>1.00</u>
City Attorney Division:					
City Attorney	1.00	1.00	1.00	0.00	1.00
Assistant City Attorney	1.00	1.00	1.00	0.00	1.00
Senior Secretary - City Attorney	1.00	1.00	1.00	0.00	1.00
	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>0.00</u>	<u>3.00</u>
Communications & Marketing Division:					
Communications & Marketing Director	1.00	1.00	1.00	0.00	1.00
Community Outreach Coordinator	1.00	1.00	1.00	0.00	1.00
Administrative Assistant - Mayor's Office	1.00	1.00	1.00	0.00	1.00
	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>0.00</u>	<u>3.00</u>
Government Channel Division:					
Television Center Manager	0.00	1.00	1.00	0.00	1.00
Programming Coordinator	0.00	1.00	1.00	0.00	1.00
Production Technician	1.00	2.25	2.25	0.00	2.25
Government Channel Manager	1.00	0.00	0.00	0.00	0.00
Associate Producer	1.00	0.00	0.00	0.00	0.00
Production Specialist	1.25	0.00	0.00	0.00	0.00
	<u>4.25</u>	<u>4.25</u>	<u>4.25</u>	<u>0.00</u>	<u>4.25</u>
Internal Audit Division:					
Internal Auditor	1.00	1.00	1.00	0.00	1.00
	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>	<u>1.00</u>
City Clerk/Treasurer Division:					
City Clerk/Treasurer	1.00	1.00	1.00	0.00	1.00
Deputy City Clerk	1.50	1.50	1.50	0.00	1.50
Document Management Manager	1.00	1.00	1.00	0.00	1.00
Senior Secretary - City Clerk	1.00	1.00	1.00	0.00	1.00
Office & Records Assistant	0.50	0.50	0.50	0.00	0.50
Intern I	0.50	0.50	0.50	0.00	0.50
	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>	<u>0.00</u>	<u>5.50</u>

City of Fayetteville, Arkansas
 Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
City Prosecutor Division:					
Prosecuting Attorney	1.00	1.00	1.00	0.00	1.00
Deputy City Prosecutor	1.00	1.00	1.00	0.00	1.00
Office Manager/Hot Check Administrator	1.00	1.00	1.00	0.00	1.00
Senior Legal Assistant	2.00	2.00	2.00	0.00	2.00
Hot Check Program Clerk	1.00	1.00	1.00	0.00	1.00
Legal Assistant	1.00	1.00	1.00	0.00	1.00
Secretary - Prosecutor's Office	1.00	1.00	1.00	0.00	1.00
Clerk	0.50	0.50	0.50	0.00	0.50
Law Clerk	0.50	0.50	0.50	0.00	0.50
	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>	<u>0.00</u>	<u>9.00</u>
Fayetteville District Court Division:					
District Judge	1.00	1.00	1.00	0.00	1.00
District Court Administrator	1.00	1.00	1.00	0.00	1.00
Court Services Officer	1.00	0.50	0.50	0.00	0.50
Lead Court Clerk	1.00	1.00	1.00	0.00	1.00
Deputy Court Clerk II	2.00	2.00	2.00	0.00	2.00
Deputy Court Clerk I	5.50	6.00	5.00	1.00	6.00
	<u>11.50</u>	<u>11.50</u>	<u>10.50</u>	<u>1.00</u>	<u>11.50</u>
Total General Government Personnel	<u>41.50</u>	<u>41.50</u>	<u>40.50</u>	<u>1.00</u>	<u>41.50</u>

City of Fayetteville, Arkansas
 Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
FINANCE AND INTERNAL SERVICES ACTIVITY:					
Finance Director Division:					
Finance Director	1.00	1.00	1.00	0.00	1.00
Administrative Assistant - Mayor's Office	0.25	0.25	0.25	0.00	0.25
	<u>1.25</u>	<u>1.25</u>	<u>1.25</u>	<u>0.00</u>	<u>1.25</u>
Billing & Collections Division:					
Billing & Collections Manager	1.00	1.00	1.00	0.00	1.00
Billing & Collections Coordinator	1.00	1.00	1.00	0.00	1.00
Financial Analyst - Business Office	1.00	1.00	1.00	0.00	1.00
Senior Customer Service Representative	4.00	4.00	4.00	0.00	4.00
Customer Service Representative I	10.00	10.00	10.00	0.00	10.00
	<u>17.00</u>	<u>17.00</u>	<u>17.00</u>	<u>0.00</u>	<u>17.00</u>
Human Resources Division:					
Human Resources Director	1.00	1.00	1.00	0.00	1.00
Senior Human Resources Officer	1.00	1.00	1.00	0.00	1.00
Human Resources Administrator	1.00	1.00	1.00	0.00	1.00
Benefits Administrator	1.00	1.00	0.00	1.00	1.00
Human Resources Assistant	1.00	1.00	1.00	0.00	1.00
Intern I	0.50	0.00	0.00	0.00	0.00
	<u>5.50</u>	<u>5.00</u>	<u>4.00</u>	<u>1.00</u>	<u>5.00</u>
Accounting & Audit Division:					
Accounting Director	1.00	1.00	1.00	0.00	1.00
Accounting Manager - Payroll & Pension	1.00	1.00	1.00	0.00	1.00
Accounting Manager - Investment & Cash	1.00	1.00	1.00	0.00	1.00
Fixed Assets/Investment Coordinator	1.00	1.00	1.00	0.00	1.00
Contract/Grant Financial Accountant	1.00	1.00	1.00	0.00	1.00
Accountant - Payroll	1.00	1.00	1.00	0.00	1.00
Accountant - Revenues	1.00	1.00	1.00	0.00	1.00
Accounting Clerk - Payables	1.00	1.00	1.00	0.00	1.00
Accounting Clerk - Receivable	1.00	1.00	1.00	0.00	1.00
Accounting Clerk - Cash	1.00	1.00	1.00	0.00	1.00
Accounting Clerk - Data Entry	1.00	1.00	1.00	0.00	1.00
Intern I	0.50	0.50	0.00	0.50	0.50
	<u>11.50</u>	<u>11.50</u>	<u>11.00</u>	<u>0.50</u>	<u>11.50</u>
Budget & Research Division:					
Budget Director	1.00	1.00	1.00	0.00	1.00
Senior Research Analyst	1.00	1.00	1.00	0.00	1.00
Financial Analyst - Budget	1.00	1.00	1.00	0.00	1.00
Budget Analyst	1.00	1.00	0.00	1.00	1.00
	<u>4.00</u>	<u>4.00</u>	<u>3.00</u>	<u>1.00</u>	<u>4.00</u>

City of Fayetteville, Arkansas
 Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
Building Maintenance Division:					
Building Maintenance Superintendent	1.00	1.00	1.00	0.00	1.00
Building Maintenance Project Manager	1.00	1.00	0.50	0.50	1.00
Crew Leader - Building Maintenance	1.00	1.00	1.00	0.00	1.00
Crew Leader - Building Services	1.00	1.00	1.00	0.00	1.00
Maintenance Worker II - Building Maintenance	1.00	1.00	1.00	0.00	1.00
Maintenance Worker I - Building Maintenance	1.00	1.00	1.00	0.00	1.00
HVAC Technician	1.00	1.00	1.00	0.00	1.00
Senior Secretary - Building Maintenance	1.00	1.00	1.00	0.00	1.00
Custodian	6.50	6.50	6.50	0.00	6.50
	<u>14.50</u>	<u>14.50</u>	<u>14.00</u>	<u>0.50</u>	<u>14.50</u>
Purchasing Division:					
Purchasing Manager	1.00	1.00	1.00	0.00	1.00
Purchasing Agent	1.00	1.00	1.00	0.00	1.00
Purchasing Technician	1.00	1.00	1.00	0.00	1.00
Intern I	0.50	0.50	0.50	0.00	0.50
	<u>3.50</u>	<u>3.50</u>	<u>3.50</u>	<u>0.00</u>	<u>3.50</u>
Information Technology Division:					
Information Technologies Director	1.00	1.00	1.00	0.00	1.00
GIS Coordinator	1.00	1.00	1.00	0.00	1.00
Systems Analyst	1.00	1.00	1.00	0.00	1.00
Systems Administrator	1.00	1.00	1.00	0.00	1.00
Database Administrator	1.00	1.00	0.00	1.00	1.00
Network Engineer	1.00	1.00	1.00	0.00	1.00
Senior Programmer/Analyst	1.00	1.00	1.00	0.00	1.00
GIS Technician	4.00	4.00	4.00	0.00	4.00
Business Systems Analyst	1.00	1.00	1.00	0.00	1.00
Help Desk Analyst	1.00	1.00	1.00	0.00	1.00
	<u>13.00</u>	<u>13.00</u>	<u>12.00</u>	<u>1.00</u>	<u>13.00</u>
Total Finance and Internal Services Personnel	<u>70.25</u>	<u>69.75</u>	<u>65.75</u>	<u>4.00</u>	<u>69.75</u>

City of Fayetteville, Arkansas
 Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
POLICE ACTIVITY:					
Central Dispatch Division:					
Dispatch Manager	1.00	1.00	1.00	0.00	1.00
Assistant Dispatch Manager	1.00	1.00	1.00	0.00	1.00
Dispatch Shift Supervisor	2.00	2.00	2.00	0.00	2.00
Dispatch Trainer	2.00	2.00	2.00	0.00	2.00
Dispatcher III	7.00	9.00	9.00	0.00	9.00
Dispatcher II	2.00	3.00	3.00	0.00	3.00
Dispatcher I	9.00	6.00	5.00	1.00	6.00
	<u>24.00</u>	<u>24.00</u>	<u>23.00</u>	<u>1.00</u>	<u>24.00</u>
Police Division:					
Police Chief	1.00	1.00	1.00	0.00	1.00
Deputy Chief of Police	2.00	2.00	1.00	1.00	2.00
Police Captain	3.00	3.00	3.00	0.00	3.00
Police Lieutenant	5.00	5.00	5.00	0.00	5.00
Police Sergeant	15.00	15.00	15.00	0.00	15.00
Police Corporal	53.00	57.00	52.00	1.00	57.00
Police Officer	42.00	38.00	35.00	3.00	38.00
IT Manager - Police	1.00	1.00	1.00	0.00	1.00
Systems Analyst	1.00	1.00	1.00	0.00	1.00
Support Services Manager	1.00	1.00	1.00	0.00	1.00
Financial Coordinator - Police	1.00	1.00	1.00	0.00	1.00
Property/Evidence Manager	1.00	1.00	1.00	0.00	1.00
Senior Crime Scene Technician	1.00	1.00	1.00	0.00	1.00
Records Coordinator	1.00	1.00	1.00	0.00	1.00
Senior Secretary - Police	5.00	5.00	4.00	1.00	5.00
Senior Police Support Specialist	2.00	2.00	2.00	0.00	2.00
Police Support Specialist	7.50	7.50	7.50	0.00	7.50
Police Clerk	2.00	2.00	2.00	0.00	2.00
Police Clerk Imaging	0.00	0.50	0.50	0.00	0.50
Transcriptionist	1.50	1.50	1.00	0.50	1.50
Park Patrol	1.13	1.10	0.50	0.60	1.10
Clerk	0.50	0.00	0.00	0.00	0.00
	<u>147.63</u>	<u>147.60</u>	<u>136.50</u>	<u>7.10</u>	<u>147.60</u>
Total Police Personnel	<u>171.63</u>	<u>171.60</u>	<u>159.50</u>	<u>8.10</u>	<u>171.60</u>

City of Fayetteville, Arkansas
 Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
FIRE ACTIVITY:					
Fire Division:					
Fire Chief	1.00	1.00	1.00	0.00	1.00
Assistant Fire Chief	2.00	2.00	2.00	0.00	2.00
Fire Battalion Chief	3.00	3.00	3.00	0.00	3.00
Fire Battalion Chief - Fire Marshall	1.00	1.00	1.00	0.00	1.00
Fire Battalion Chief - Training Officer	1.00	1.00	1.00	0.00	1.00
Fire Captain - Training Officer	1.00	1.00	1.00	0.00	1.00
Fire Captain - Assistant Fire Marshall	3.00	3.00	2.00	1.00	3.00
Fire Captain	30.00	30.00	30.00	0.00	30.00
Fire Captain - Safety Officer	1.00	1.00	1.00	0.00	1.00
Driver/Operator/Firefighter	27.00	27.00	27.00	0.00	27.00
Firefighter	40.00	40.00	39.00	1.00	40.00
Life Safety Education Specialist	1.00	1.00	1.00	0.00	1.00
Financial Analyst - Fire	1.00	1.00	0.50	0.50	1.00
Secretary - Fire	1.00	1.00	1.00	0.00	1.00
IT Analyst - Fire	1.00	1.00	1.00	0.00	1.00
	<u>114.00</u>	<u>114.00</u>	<u>111.50</u>	<u>2.50</u>	<u>114.00</u>
Total Fire Personnel	<u>114.00</u>	<u>114.00</u>	<u>111.50</u>	<u>2.50</u>	<u>114.00</u>

City of Fayetteville, Arkansas
Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
COMMUNITY PLANNING & ENGINEERING ACTIVITY:					
Development Services Division:					
Development Services Director	1.00	1.00	1.00	0.00	1.00
Office Manager - Development Services	1.00	1.00	1.00	0.00	1.00
	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>	<u>2.00</u>
City Planning Division:					
Senior Planner - Current Planning	1.00	1.00	1.00	0.00	1.00
Planner - Current Planning	2.00	2.00	2.00	0.00	2.00
Planning Technician - Current Planning	1.00	1.00	1.00	0.00	1.00
Senior Secretary - Current Planning	1.00	1.00	1.00	0.00	1.00
Senior Planning Clerk	1.00	1.00	1.00	0.00	1.00
Permit Clerk	1.00	1.00	0.00	1.00	1.00
Director of Current Planning	1.00	1.00	1.00	1.00	1.00
	<u>8.00</u>	<u>8.00</u>	<u>7.00</u>	<u>2.00</u>	<u>8.00</u>
Sustainability & Strategic Planning Division:					
Director of Sustainability & Strategic Planning	0.00	1.00	1.00	0.00	1.00
Designer & Project Coordinator	1.00	1.00	1.00	0.00	1.00
Planner - Long Range	1.00	1.00	1.00	0.00	1.00
Strategic Planning & Internal Consulting Director	1.00	0.00	0.00	0.00	0.00
	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>0.00</u>	<u>3.00</u>
Engineering Division:					
City Engineer	1.00	1.00	1.00	0.00	1.00
Assistant City Engineer	2.00	2.00	1.00	1.00	2.00
Staff Engineer	3.00	3.00	3.00	0.00	3.00
Review Engineer	1.00	1.00	1.00	0.00	1.00
Trails Coordinator	1.00	1.00	1.00	0.00	1.00
Surveyor	1.00	1.00	1.00	0.00	1.00
Land Agent II	1.00	1.00	1.00	0.00	1.00
Land Agent I	2.00	2.00	2.00	0.00	2.00
CAD Drafter	2.00	2.00	2.00	0.00	2.00
PW Projects Inspector	5.00	4.00	4.00	0.00	4.00
Land Survey Technician	1.00	1.00	1.00	0.00	1.00
Engineering Services Coordinator	1.00	1.00	1.00	0.00	1.00
Public Works Inspection Manager	0.00	1.00	1.00	0.00	1.00
	<u>21.00</u>	<u>21.00</u>	<u>20.00</u>	<u>1.00</u>	<u>21.00</u>

City of Fayetteville, Arkansas
 Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
Building Safety Division:					
Building Official - Plans Examiner	1.00	1.00	0.00	1.00	1.00
Building Official - Safety	1.00	1.00	1.00	0.00	1.00
Inspector - Commercial & Residential	3.00	2.00	2.00	0.00	2.00
Inspector - Residential	2.00	3.00	3.00	0.00	3.00
Permit Technician	1.00	1.00	1.00	0.00	1.00
Inspections Clerk	1.50	1.50	0.00	1.50	1.50
Clerk Typist	0.50	0.50	0.50	0.00	0.50
	<u>10.00</u>	<u>10.00</u>	<u>7.50</u>	<u>2.50</u>	<u>10.00</u>
Community Services Division:					
Community Services Director	1.00	1.00	1.00	0.00	1.00
Community Resources Administrator	1.00	1.00	1.00	0.00	1.00
Housing Manager	1.00	1.00	1.00	0.00	1.00
Code Compliance Officer	5.00	5.00	5.00	0.00	5.00
Community Services Project Coordinator	1.00	1.00	1.00	0.00	1.00
Administrative Assistant - Community Resources	1.00	1.00	1.00	0.00	1.00
Intern II	0.50	0.50	0.50	0.00	0.50
	<u>10.50</u>	<u>10.50</u>	<u>10.50</u>	<u>0.00</u>	<u>10.50</u>
Animal Services Division:					
Animal Services Superintendent	1.00	1.00	1.00	0.00	1.00
Animal Services Program Administrator	1.00	1.00	1.00	0.00	1.00
Animal Services Program Manager	1.00	1.00	1.00	0.00	1.00
Veterinarian	1.00	1.00	1.00	0.00	1.00
Veterinary Assistant	1.00	1.00	1.00	0.00	1.00
Animal Services Officer	3.00	3.00	3.00	0.00	3.00
Secretary - Animal Services	1.00	1.00	1.00	0.00	1.00
Shelter Attendant	6.80	6.80	6.80	0.00	6.80
	<u>15.80</u>	<u>15.80</u>	<u>15.80</u>	<u>0.00</u>	<u>15.80</u>
Total Community Planning & Engineering Personnel	<u>70.30</u>	<u>70.30</u>	<u>65.80</u>	<u>5.50</u>	<u>70.30</u>

City of Fayetteville, Arkansas
 Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
TRANSPORTATION, PARKING & UTILITIES ACTIVITY:					
Parking & Telecommunications Division:					
Parking & Telecommunications Manager	1.00	1.00	1.00	0.00	1.00
Telecommunications Engineer	1.00	1.00	1.00	0.00	1.00
Account Clerk - Parking	1.00	1.00	2.00	0.00	2.00
Field Operations Supervisor - Parking	1.00	1.00	1.00	0.00	1.00
Parking Enforcement Officer	4.00	4.00	4.00	0.00	4.00
	<u>8.00</u>	<u>8.00</u>	<u>9.00</u>	<u>0.00</u>	<u>9.00</u>
Transportation Services Division:					
Transportation Services Director	1.00	1.00	1.00	0.00	1.00
Assistant Transportation Manager	2.00	2.00	2.00	0.00	2.00
Management Accounting Coordinator	1.00	1.00	1.00	0.00	1.00
Financial Coordinator - Operations	1.00	1.00	1.00	0.00	1.00
Operations Assistant	2.00	2.00	2.00	0.00	2.00
Office Manager - Transportation	1.00	1.00	1.00	0.00	1.00
Senior Field Operations Supervisor	2.00	2.00	2.00	0.00	2.00
Field Operations Supervisor - Transportation	2.00	2.00	2.00	0.00	2.00
Traffic Control Supervisor	1.00	1.00	1.00	0.00	1.00
Traffic Signal Technician	3.00	3.00	3.00	0.00	3.00
Traffic Technician	2.00	2.00	2.00	0.00	2.00
Construction Lead Worker	0.00	7.00	7.00	0.00	7.00
Crew Leader - Transportation	2.00	1.00	1.00	0.00	1.00
Maintenance Worker - Transportation Facility	1.00	1.00	1.00	0.00	1.00
Maintenance Worker IV - Asphalt	5.00	7.00	7.00	0.00	7.00
Maintenance Worker IV - Concrete	2.00	1.00	1.00	0.00	1.00
Maintenance Worker IV - Construction	3.00	3.00	3.00	0.00	3.00
Maintenance Worker IV - Drainage	3.00	3.00	3.00	0.00	3.00
Maintenance Worker IV - Right of Way	1.00	1.00	1.00	0.00	1.00
Maintenance Worker IV - Trails	2.00	1.00	1.00	0.00	1.00
Maintenance Worker III - Transportation	20.00	20.00	20.00	0.00	20.00
Maintenance Worker I - Transportation	4.50	4.50	4.50	0.00	4.50
Clerk Typist	1.00	1.00	1.00	0.00	1.00
Maintenance Worker II - Transportation	1.00	0.00	0.00	0.00	0.00
Lead Maintenance Worker	5.00	0.00	0.00	0.00	0.00
	<u>68.50</u>	<u>68.50</u>	<u>68.50</u>	<u>0.00</u>	<u>68.50</u>

City of Fayetteville, Arkansas
 Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
Utilities Director Division:					
Utilities Director	1.00	1.00	1.00	0.00	1.00
Administrative Assistant - Mayor's Office	0.50	0.50	0.50	0.00	0.50
Construction & Contract Manager	1.00	1.00	1.00	0.00	1.00
Capital Projects & Contracts Engineer	1.00	1.00	1.00	0.00	1.00
Staff Engineer - Water & Wastewater	1.00	1.00	1.00	0.00	1.00
Utilities Project Coordinator	1.00	1.00	1.00	0.00	1.00
	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>	<u>0.00</u>	<u>5.50</u>
Water & Sewer Maintenance Division:					
Water/Sewer Operations Manager	1.00	1.00	1.00	0.00	1.00
Water Services Supervisor	1.00	1.00	1.00	0.00	1.00
Meter Reader	9.00	9.00	9.00	0.00	9.00
Meter Operations Assistant	1.00	1.00	1.00	0.00	1.00
Field Service Representative	3.00	3.00	3.00	0.00	3.00
Water Services Technical Supervisor	1.00	1.00	1.00	0.00	1.00
Meter Maintenance Technician	3.00	3.00	3.00	0.00	3.00
Backflow Prevention Operations Assistant	1.00	1.00	1.00	0.00	1.00
Backflow Prevention Technician	1.00	1.00	1.00	0.00	1.00
Field Superintendent - Water & Wastewater	2.00	2.00	2.00	0.00	2.00
Lead Warehouse Attendant	1.00	1.00	1.00	0.00	1.00
Pump & Tank Technician	3.00	3.00	3.00	0.00	3.00
Crew Leader - Water/License	12.00	12.00	12.00	0.00	12.00
Water Field Service Representative	3.00	3.00	3.00	0.00	3.00
Maintenance Worker IV - Water/Sewer License	4.00	5.00	5.00	0.00	5.00
Maintenance Worker IV - Water/Sewer No License	4.00	4.00	4.00	0.00	4.00
Warehouse Attendant - Water/Sewer	2.00	2.00	2.00	0.00	2.00
Office Manager - Water/Sewer	1.00	1.00	1.00	0.00	1.00
Operations Clerk - Water/Sewer	2.00	2.00	2.00	0.00	2.00
Maintenance Worker III - Water/Sewer	15.00	14.00	14.00	0.00	14.00
GIS Technician - Water/Sewer	1.00	1.00	1.00	0.00	1.00
	<u>71.00</u>	<u>71.00</u>	<u>71.00</u>	<u>0.00</u>	<u>71.00</u>

City of Fayetteville, Arkansas
 Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
Solid Waste & Recycling Division:					
Solid Waste Director	1.00	1.00	1.00	0.00	1.00
Solid Waste Operations Supervisor	1.00	1.00	1.00	0.00	1.00
Waste Reduction Coordinator	1.00	1.00	1.00	0.00	1.00
Office Manager - Solid Waste	1.00	1.00	1.00	0.00	1.00
Solid Waste Commercial Representative	1.00	1.00	1.00	0.00	1.00
Secretary - Solid Waste	2.00	2.00	2.00	0.00	2.00
Crew Leader II SW	0.00	1.00	1.00	0.00	1.00
Crew Leader - Solid Waste	4.00	2.00	2.00	0.00	2.00
Route Driver	40.00	39.00	39.00	0.00	39.00
Relief Driver	3.00	4.00	4.00	0.00	4.00
Custodian - Solid Waste	1.00	1.00	1.00	0.00	1.00
Scale House Attendant	1.00	1.00	1.00	0.00	1.00
Recycling Attendant	0.00	1.00	1.00	0.00	1.00
Maintenance Worker III - Solid Waste	1.00	1.00	1.00	0.00	1.00
	<u>57.00</u>	<u>57.00</u>	<u>57.00</u>	<u>0.00</u>	<u>57.00</u>
Fleet Operations Division:					
Fleet Operations Superintendent	1.00	1.00	1.00	0.00	1.00
Fleet Operations Supervisor	1.00	1.00	1.00	0.00	1.00
Fleet Services Support Manager	1.00	1.00	1.00	0.00	1.00
Lead Equipment Mechanic	2.00	2.00	2.00	0.00	2.00
Equipment Mechanic III	3.00	3.00	3.00	0.00	3.00
Equipment Mechanic II	5.00	4.00	4.00	0.00	4.00
Equipment Mechanic I	2.00	3.00	3.00	0.00	3.00
Automotive Parts Specialist	1.00	1.00	1.00	0.00	1.00
Fleet Operations Clerk	1.00	1.00	1.00	0.00	1.00
Fleet Warranty/Materials Coordinator	1.00	1.00	1.00	0.00	1.00
Equipment Maintenance Worker	0.50	0.50	0.50	0.00	0.50
	<u>18.50</u>	<u>18.50</u>	<u>18.50</u>	<u>0.00</u>	<u>18.50</u>
Aviation Division:					
Airport Director	1.00	1.00	1.00	0.00	1.00
Financial Coordinator - Airport	1.00	1.00	1.00	0.00	1.00
Administrative Assistant - Airport	1.00	1.00	1.00	0.00	1.00
Lead Maintenance Worker	1.00	1.00	1.00	0.00	1.00
Maintenance Worker III - Airport	1.00	1.00	1.00	0.00	1.00
Maintenance Worker II - Airport	1.00	1.00	0.00	1.00	1.00
	<u>6.00</u>	<u>6.00</u>	<u>5.00</u>	<u>1.00</u>	<u>6.00</u>
Total Transportation, Parking & Utilities Personnel	<u>234.50</u>	<u>234.50</u>	<u>234.50</u>	<u>1.00</u>	<u>235.50</u>

City of Fayetteville, Arkansas
 Personnel by Activity & Division

Activity / Division / Title	Budgeted 2010	Budgeted 2011	Budgeted 2012		
			Active	Frozen	Total
PARKS & RECREATION ACTIVITY:					
Parks & Recreation Division:					
Parks & Recreation Director	1.00	1.00	1.00	0.00	1.00
Recreation Superintendent	1.00	1.00	1.00	0.00	1.00
Parks Maintenance Superintendent	1.00	1.00	1.00	0.00	1.00
Parks Maintenance Supervisor	1.00	1.00	1.00	0.00	1.00
Horticulturist	2.00	2.00	2.00	0.00	2.00
Park Planning Superintendent	1.00	1.00	1.00	0.00	1.00
Park Planner II	1.00	1.00	1.00	0.00	1.00
Park Planner	1.00	1.00	1.00	0.00	1.00
Urban Forester	1.00	1.00	1.00	0.00	1.00
YRCC Director	1.00	1.00	1.00	0.00	1.00
YRCC Program Coordinator	1.00	1.00	1.00	0.00	1.00
Recreation Programs Assistant II	0.20	0.60	0.60	0.00	0.60
Recreation Programs Assistant	0.60	0.40	0.40	0.00	0.40
Financial Coordinator - Parks & Recreation	1.00	1.00	1.00	0.00	1.00
Crew Leader - Athletic Fields	1.00	1.00	1.00	0.00	1.00
Crew Leader - Forestry Services	1.00	1.00	1.00	0.00	1.00
Crew Leader - Grounds Maintenance	1.00	1.00	1.00	0.00	1.00
Crew Leader - Turf	1.00	1.00	1.00	0.00	1.00
Recreation Programs Manager - Soccer	1.00	1.00	1.00	0.00	1.00
Recreation Programs Manager Youth Softball	0.00	1.00	1.00	0.00	1.00
Recreation Programs Manager - Softball	2.00	1.00	1.00	0.00	1.00
Maintenance Worker - Parks Facilities	2.00	2.00	2.00	0.00	2.00
Senior Secretary - Parks & Recreation	1.00	1.00	1.00	0.00	1.00
Maintenance Worker IV - Parks	5.00	5.00	4.00	1.00	5.00
Maintenance Worker III - Parks	4.00	4.00	4.00	0.00	4.00
Maintenance Worker II - Parks	7.00	7.00	6.00	1.00	7.00
Maintenance Worker I - Parks	4.24	4.24	4.24	0.00	4.24
Horticultural Assistant II	3.00	3.00	3.00	0.00	3.00
Secretary - Parks & Recreation	1.00	1.00	1.00	0.00	1.00
Cashier	0.20	0.20	0.20	0.00	0.20
Pool Manager	0.35	0.35	0.35	0.00	0.35
Assistant Pool Manager	0.40	0.40	0.40	0.00	0.40
Lifeguard	3.01	3.01	3.01	0.00	3.01
Site Supervisor	0.65	0.65	0.65	0.00	0.65
Camp Counselor	1.00	1.00	1.00	0.00	1.00
Urban Forestry Intern	0.50	0.50	0.50	0.00	0.50
YRCC Recreation Assistant	0.20	0.00	0.00	0.00	0.00
	<u>54.35</u>	<u>54.35</u>	<u>52.35</u>	<u>2.00</u>	<u>54.35</u>
Total Parks & Recreation Personnel	<u>54.35</u>	<u>54.35</u>	<u>52.35</u>	<u>2.00</u>	<u>54.35</u>

City of Fayetteville, Arkansas
 Frozen Personnel Positions by Activity & Division

Activity / Division / Title	Frozen 2010	Frozen 2011	Frozen 2012
GENERAL GOVERNMENT ACTIVITY:			
Fayetteville District Court Division:			
Deputy Court Clerk I	0.00	1.00	1.00
FINANCE AND INTERNAL SERVICES ACTIVITY:			
Human Resources Division:			
Benefits Administrator	0.00	1.00	1.00
Accounting & Audit Division:			
Intern I	0.50	0.50	0.50
Budget & Research Division:			
Budget Analyst	1.00	1.00	1.00
Building Maintenance Division:			
Building Maintenance Project Manager	0.50	0.50	0.50
Information Technology Division:			
Database Administrator	0.00	0.00	1.00
Business Systems Analyst	0.00	1.00	0.00
Central Dispatch Division:			
Dispatcher I	0.00	1.00	1.00
Police Division:			
Deputy Chief of Police	1.00	1.00	1.00
Police Corporal	1.00	3.00	3.00
Police Officer	0.00	1.00	1.00
Senior Secretary - Police	0.00	1.00	1.00
Transcriptionist	0.00	0.50	0.50
Park Patrol	0.60	0.60	0.60
FIRE ACTIVITY:			
Fire Division:			
Fire Captain - Assistant Fire Marshall	0.00	1.00	1.00
Firefighter	1.00	1.00	1.00
Financial Analyst - Fire	0.50	0.50	0.50

City of Fayetteville, Arkansas
 Frozen Personnel Positions by Activity & Division

Activity / Division / Title	Frozen 2010	Frozen 2011	Frozen 2012
COMMUNITY PLANNING & ENGINEERING ACTIVITY:			
City Planning Division:			
Permit Clerk	1.00	1.00	1.00
Director of Current Planning	1.00	1.00	1.00
Engineering Division:			
Assistant City Engineer	1.00	1.00	1.00
Building Safety Division:			
Building Official - Plans Examiner	1.00	1.00	1.00
Inspections Clerk	0.00	1.50	1.50
TRANSPORTATION, PARKING & UTILITIES ACTIVITY:			
Aviation Division:			
Maintenance Worker II - Airport	0.00	1.00	1.00
PARKS & RECREATION ACTIVITY:			
Parks & Recreation Division:			
Maintenance Worker IV - Parks	0.00	1.00	1.00
Maintenance Worker II - Parks	0.00	1.00	1.00
Total Frozen Positions	<u>10.10</u>	<u>24.10</u>	<u>24.10</u>

**CITY OF FAYETTEVILLE, ARKANSAS
 CAPITAL IMPROVEMENTS PROGRAM**

Since 1988, the City of Fayetteville has produced a five year Capital Improvements Program (CIP). The CIP examines the infrastructure and capital needs of the City for the next five years. The CIP is reviewed and updated biennially to reflect the changing needs of the community and changes in available funding for financing capital projects. The CIP should be considered as a financial planning tool that lists the City's capital improvement projects and schedules the projects for funding and implementation. The CIP should also be considered one of the primary policy making instruments utilized by the Mayor and City Council. The City's practice has been to adopt the CIP for the forthcoming five year period and then incorporate the projects for the following two years into the next two budget processes.

The subsequent pages provide a summary of the 2012 Capital Improvements Program listed by improvement area, followed by a listing of the capital projects which the City plans for 2012.

2012 Capital Improvements (By Funding Source)

Project Description	2012 Projects 2010-2014 CIP	2012 Proposed Budget
<u>Impact Fee Fund:</u>		
Police Impact Improvements	\$ 272,000	\$ 104,000
Water Impact Improvements	771,000	446,000
Wastewater Impact Improvements	514,000	287,000
Fire Impact Improvements	265,000	84,000
	1,822,000	921,000
<u>Parks Development Fund:</u>		
Regional Park Development	321,000	216,000
Wilson Park Improvements	0	253,000
Neighborhood Park Development	100,000	109,000
Gulley Park Improvements	230,000	0
Brooks-Hummel Nature Preserve Land Purchase	73,000	77,900
Other Park & Safety Improvements	0	20,000
	724,000	675,900

2012 Capital Improvements (By Funding Source)

Project Description	2012 Projects 2010-2014 CIP	2012 Proposed Budget
<u>Sales Tax Capital Improvements Fund:</u>		
Audit Expense	6,700	7,300
Stormwater Quality Management/Nutrient Reduction	175,000	175,000
Other Drainage Improvements	200,000	200,000
Fire Facility Maintenance	25,000	25,000
Fire Mobile Radios	20,000	20,000
AccessFayetteville Technical Improvements	25,000	25,000
Document Management	30,000	30,000
Geographic Information System (GIS)	65,000	65,000
Local Area Network (LAN) Upgrade	125,000	125,000
Microcomputer / Printer Replacements	0	85,700
Microcomputer Replacements	68,000	0
Printer Replacements	15,000	0
Data Center Upgrade	70,000	70,000
Library Computer Replacements	23,000	23,000
Library Material Purchases	336,500	336,500
Building Improvements	362,600	362,600
P.E.G. Television Center - Equipment	54,000	54,000
Field Camera Replacement	60,000	0
On-Screen Graphics Generator Upgrade	0	20,000
Studio Camera & Lighting Upgrades/Replacements	0	85,000
Telecommunication Systems Upgrades	60,000	60,000
Forestry, Safety & ADA Compliance	28,500	108,500
Lights of the Ozarks	23,000	23,000
Other Park & Safety Improvements	10,000	10,000
Tree Escrow	101,000	101,000
Police Building Improvements	25,000	25,000
Police Technology Improvements	50,000	50,000
Police Unmarked Vehicles	30,000	70,000
Police Specialized Equipment	70,000	50,000
Police Bicycle Replacement	10,000	0
Police Equipment Replacement	10,000	0
Police MVR Replacement	185,000	185,000
Old Wire Road-Mission to Crossover	300,000	300,000
Zion Road - Vantage to Crossover	150,000	150,000
Street ROW / Intersection / Cost Shares	100,000	0
Trail Development	1,361,000	1,361,000
In-House Pavement Improvements	1,865,000	1,865,000
Sidewalk Improvements	785,000	635,000
Traffic Signal Improvements	150,000	0
	6,974,300	6,702,600

2012 Capital Improvements (By Funding Source)

Project Description	2012 Projects 2010-2014 CIP	2012 Proposed Budget
<u>Shop Fund:</u>		
Police/Passenger Vehicles - Replacement	414,000	320,000
Construction Equipment - Replacement	104,000	105,000
Solid Waste Equipment - Replacement	1,100,000	1,556,000
Backhoes/Loaders - Replacement	372,000	274,000
Medium/Heavy Utility Trucks Replacement	292,000	197,000
Tractors/Mowers - Replacement	409,000	108,000
Light/Medium Trucks - Replacement	675,000	302,000
Other Vehicles/Equipment - Replacement	529,000	453,000
Shop Improvements	0	295,000
	3,895,000	3,610,000
<u>Water & Sewer Fund:</u>		
Business Office Improvements	12,000	50,000
Upgrade/Replace Lift Stations - WWTP	238,000	112,000
Plant Pumps & Equipment - WWTP	119,000	119,000
Building Improvements - WWTP	36,000	36,000
Phosphorus Standards	0	50,000
Irrigation Reels - WWTP	143,000	143,000
W/S Relocations for Street Bond Projects	500,000	500,000
Sanitary Sewer Rehabilitation	1,750,000	330,000
Water Replace - Huntsville, Crossover to Van Hoose	1,869,000	1,239,500
Water System Rehabilitation & Replacement	143,000	143,000
Backflow Prevention Assemblies	12,000	12,000
Water Meters	330,000	330,000
	5,152,000	3,064,500
<u>Parking Fund:</u>		
Parking Lot Improvements & Overlays	29,000	28,000
Parking Lot Improvements & Overlays - Entertainment Dist.	0	10,000
	29,000	38,000
<u>Solid Waste Fund:</u>		
Compactor Boxes	119,000	119,000
Compost Site Slab Expansion	14,000	14,000
North / Central Recycling Drop Off Facility	455,000	455,000
	588,000	588,000
	\$ 19,184,300	\$ 15,600,000

CITY OF FAYETTEVILLE, ARKANSAS CAPITAL IMPROVEMENTS PROGRAM DIRECTIONAL INFORMATION

Introduction

The Capital Improvements Program (CIP) for the City of Fayetteville examines the infrastructure and capital needs of the City for the next five years. The CIP will be reviewed and updated on an annual basis to reflect the changing needs of the community and changes in available monies for financing capital projects. The City's philosophy concerning the use of the CIP is that it should be considered as a financial planning tool that lists the City's capital improvement projects, places the projects in a priority order, and schedules the projects for funding and implementation. The CIP should be considered as a major policy tool for the Mayor and City Council.

Capital Improvement Policy

The CIP is approached as a valuable tool to be used in the development of **responsible** and **progressive** financial planning. The program is developed in accordance with the financial policies of the City. The policies and the CIP form the basis for making various annual capital budget decisions and support the City's continued commitment to sound, long-range financial planning and direction. The City's official Capital Improvements Policy is as follows:

- The City will prepare a biennial update of a five year CIP, which will provide for the orderly maintenance, replacement, and expansion of capital assets.
- The CIP will identify long-range capital projects and capital improvements of all types, which will be coordinated with the annual operating budget to maintain full utilization of available sources.
- When preparing the CIP, the City will seek to identify all viable capital projects and capital improvements required during the subsequent five year period. These projects and improvements will be prioritized by year and by funding source. Every attempt will be made to match projects and improvements with available funding sources. Future operating costs associated with a project or an improvement will also be given consideration in the establishment of priorities.
- The City will seek Federal, State, and other funding to assist in financing capital projects and capital improvements.
- The City will incorporate the reasonable findings and recommendations of the City's Boards, Commissions, Committees, and Citizens' task forces as they relate to capital projects and improvements.
- The City will seek input on the establishment of projects and project priorities from the public by holding hearings.

What Projects Are in the CIP

Projects and their cumulative component areas totaling \$10,000 or more should be included in the CIP. Projects costing less than \$5,000 are not considered capital and are funded through program operating budgets. Projects that cost between \$5,000 and \$10,000 are handled through the budget process. Attempts will be made to fund these capital items through operating funds.

Projects in the CIP can include:

- obligations for labor and materials and contractors involved in completing a project
- acquisition of land or structures
- engineering or architectural services, professional studies, or other administrative costs
- expenses for City vehicles and equipment
- renovating or expanding City facilities, grounds, or equipment

Financing

The City finances capital improvements on essentially a pay-as-you-go basis utilizing revenue from the 1% City sales tax originally adopted in 1993, the 1% Parks Development (Hotel, Motel, Restaurant) sales tax adopted in 1996, and operating revenues from the Airport, Shop, Water & Sewer, and Solid Waste funds. The 1% City Sales Tax revenue is divided between General Fund operations and capital. The current split for 2011, which began with the 2008 budget, is 60% for General Fund and 40% for Sales Tax Capital Improvements Fund. Until 2008, the split as established in 2003 was equal. Prior to June 2003, the revenue was divided 75% for Sales Tax Capital Improvements Fund and 25% for General Fund. In addition, long-term debt is considered and utilized only when the City faces a project that is of such importance and sufficient financial magnitude as to warrant a bond issue.

The CIP is not a financing document in and of itself. Rather, the CIP is utilized as a planning document that places projects in the annual budget whereby funds are appropriated for them by the City Council. Prior to actual initiation of project work, required contracts are presented to the Mayor or City Council, as appropriate, for final approval of expending funds.

Project Cost Determination

All projects are first costed in current or 2009 dollars. Then a determination of the year the project is expected to start is made. Finally, a determination of the projected cost of the improvement is made by referring to the "Project Cost Table" that provides the inflation multiplier to be used for the project in the anticipated year.

Project Cost Table for CIP 2010-2014

Inflation Recommendations

3% factor - This factor should be used in calculating all project categories.

Year	3% Factor
2010	1.030
2011	1.062
2012	1.095
2013	1.129
2014	1.164

Example: A street project that costs \$1,000,000 in 2009 dollars, which is expected to be done in 2010, would use the inflation factor of 1.030. To get the expected cost of the project in 2012 dollars, multiply \$1,000,000 by 1.095, which equals \$1,109,500.

Priority Selection of Projects

The adopted CIP will rely on priorities defined by the Mayor, City Council, community, and City staff. As always, criteria such as government imposed mandates, usefulness to the community, and impact on operational expenses will be reviewed in establishing priorities. A priority is assigned to each project by year and by funding source. Projects for which no funding is anticipated to be available will be placed on an "Unfunded Projects List," which will identify the cost of the project. This list identifies the project as being viable, but one for which no funding is presently available. Unfunded projects may be funded if actual revenue is above projected revenue, if costs on funded projects are below budget, or if another funding source is identified.

The Parks and Recreation Advisory Board, Airport Board, City Council Street Committee, City Council Water & Sewer Committee, and City Council Equipment Committee meetings all provide committee and public input and guidance regarding parks, streets, bridge and drainage improvements, water and sewer improvements, and equipment purchases planned for the next five years.

City of Fayetteville, Arkansas
 2012 Capital Projects
 Summary

	Sales Tax Capital Improvements Fund	Special Revenue Funds	Enterprise Funds	Shop Fund	Total
Fire Improvements	\$ 45,000	\$ 84,000	0	0	129,000
Police Improvements	380,000	104,000	0	320,000	804,000
Library Improvements	359,500	0	0	0	359,500
Parks & Recreation Improvements	131,500	675,900	0	0	807,400
Bridge & Drainage Improvements	375,000	0	0	0	375,000
Street Improvements	450,000	0	0	0	450,000
Transportation Improvements	2,500,000	0	0	0	2,500,000
Trail Improvements	1,361,000	0	0	0	1,361,000
Information Technology Improvements	400,700	0	0	0	400,700
Other Capital Improvements	699,900	0	0	295,000	994,900
Wastewater Treatment Improvements	0	0	460,000	0	460,000
Water & Sewer Services Improvements	0	0	392,000	0	392,000
Water & Sewer Improvements	0	733,000	2,212,500	0	2,945,500
Vehicles & Equipment	0	0	0	1,439,000	1,439,000
Off-Street Parking Improvements	0	38,000	0	0	38,000
Solid Waste Improvements	0	0	588,000	1,556,000	2,144,000
	<u>\$ 6,702,600</u>	<u>\$ 1,634,900</u>	<u>\$ 3,652,500</u>	<u>\$ 3,610,000</u>	<u>\$ 15,600,000</u>

City of Fayetteville, Arkansas
2012 Capital Projects
Comprehensive Detail

	Sales Tax Capital Improvements Fund	Special Revenue Funds	Enterprise Funds	Shop Fund	Total
<u>Fire Improvements</u>					
Fire Mobile Radios	\$ 20,000	\$ 0	\$ 0	\$ 0	20,000
Fire Facility Maintenance	25,000	0	0	0	25,000
Fire Improvements	0	84,000	0	0	84,000
	<u>45,000</u>	<u>84,000</u>	<u>0</u>	<u>0</u>	<u>129,000</u>
<u>Police Improvements</u>					
Police Technology Improvements	50,000	104,000	0	0	154,000
Police Unmarked Vehicles	70,000	0	0	0	70,000
Police Building Improvements	25,000	0	0	0	25,000
Specialized Police Equipment	50,000	0	0	0	50,000
Police MVR Replacement	185,000	0	0	0	185,000
Police Vehicles - Replacement	0	0	0	320,000	320,000
	<u>380,000</u>	<u>104,000</u>	<u>0</u>	<u>320,000</u>	<u>804,000</u>
<u>Library Improvements</u>					
Library Materials Purchases	336,500	0	0	0	336,500
Library Computer Replacements	23,000	0	0	0	23,000
	<u>359,500</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>359,500</u>
<u>Parks & Recreation Improvements</u>					
Forestry, Safety & ADA Compliance	108,500	0	0	0	108,500
Tree Escrow	101,000	0	0	0	101,000
Other Park & Safety Improvements	10,000	0	0	0	10,000
Lights of the Ozarks	23,000	0	0	0	23,000
Regional Park Development	0	216,000	0	0	216,000
Brooks-Hummel Nature Preserve Land Purchase	0	77,900	0	0	77,900
Neighborhood Park Development	0	109,000	0	0	109,000
Wilson Park Improvements	0	253,000	0	0	253,000
Other Park & Safety Improvements	0	20,000	0	0	20,000
	<u>242,500</u>	<u>675,900</u>	<u>0</u>	<u>0</u>	<u>918,400</u>
<u>Bridge & Drainage Improvements</u>					
Stormwater Quality Mgt/Nutrient Reduction	175,000	0	0	0	175,000
Other Drainage Improvements	200,000	0	0	0	200,000
	<u>375,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>375,000</u>
<u>Street Improvements</u>					
Old Wire Road-Mission to Crossover	300,000	0	0	0	300,000
Zion Road - Vantage to Crossover	150,000	0	0	0	150,000
	<u>450,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>450,000</u>
<u>Transportation Improvements</u>					
In-House Pavement Improvements	1,865,000	0	0	0	1,865,000
In-House Sidewalk Improvements	635,000	0	0	0	635,000
	<u>2,500,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,500,000</u>
<u>Trail Improvements</u>					
Trail Development	1,361,000	0	0	0	1,361,000
	<u>1,361,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,361,000</u>

City of Fayetteville, Arkansas
2012 Capital Projects
Comprehensive Detail

	Sales Tax Capital Improvements Fund	Special Revenue Funds	Enterprise Funds	Shop Fund	Total
<u>Information Technology Improvements</u>					
Document Management	30,000	0	0	0	30,000
Geographic Information System (GIS)	65,000	0	0	0	65,000
Local Area Network (LAN) Upgrade	125,000	0	0	0	125,000
Microcomputer / Printer Replacements	85,700	0	0	0	85,700
Data Center Upgrade	70,000	0	0	0	70,000
AccessFayetteville Technical Improvements	25,000	0	0	0	25,000
	<u>400,700</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>400,700</u>
<u>Other Capital Improvements</u>					
<u>Building Maintenance</u>					
Building Improvements	362,600	0	0	0	362,600
<u>Government Channel</u>					
P.E.G. Television Center - Equipment	54,000	0	0	0	54,000
Field Camera Replacement	20,000	0	0	0	20,000
On-Screen Graphics Generator Upgrade	85,000	0	0	0	85,000
<u>Parking & Telecommunications</u>					
Telecommunications Systems Upgrades	60,000	0	0	0	60,000
Audit Expense	7,300	\$ 0	\$ 0	\$ 0	\$ 7,300
	<u>588,900</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>588,900</u>
<u>Wastewater Treatment Improvements</u>					
Upgrade/Replace Lift Stations - W.W.T.P.	0	0	112,000	0	112,000
Plant Pumps and Equipment - W.W.T.P.	0	0	119,000	0	119,000
Building Improvements - W.W.T.P.	0	0	36,000	0	36,000
Phosphorus Standards	0	0	50,000	0	50,000
Irrigation Reels - W.W.T.P.	0	0	143,000	0	143,000
	<u>0</u>	<u>0</u>	<u>460,000</u>	<u>0</u>	<u>460,000</u>
<u>Water & Sewer Services Improvements</u>					
Business Office Improvements	0	0	50,000	0	50,000
Backflow Prevention Assemblies	0	0	12,000	0	12,000
Water Meters	0	0	330,000	0	330,000
	<u>0</u>	<u>0</u>	<u>392,000</u>	<u>0</u>	<u>392,000</u>
<u>Water & Sewer Improvements</u>					
Sanitary Sewer Rehabilitation	0	0	330,000	0	330,000
Wastewater Impact Improvements	0	287,000	0	0	287,000
Water System Rehabilitation & Replacement	0	0	143,000	0	143,000
Water Impact Improvements	0	446,000	0	0	446,000
W/S Relocations for Street Bond Fund	0	0	500,000	0	500,000
Water Replace - Huntsville, Crossover/Van Hoose	0	0	1,239,500	0	1,239,500
	<u>0</u>	<u>733,000</u>	<u>2,212,500</u>	<u>0</u>	<u>2,945,500</u>
<u>Vehicles & Equipment</u>					
Medium/Heavy Utility Trucks - Replacement	0	0	0	197,000	197,000
Tractors/Mowers - Replacement	0	0	0	108,000	108,000
Light/Medium Trucks - Replacement	0	0	0	302,000	302,000
Other Vehicles/Equipment - Replacement	0	0	0	453,000	453,000
Construction Equipment - Replacement	0	0	0	105,000	105,000
Backhoes/Loaders - Replacement	0	0	0	274,000	274,000
Shop Improvements	0	0	0	295,000	295,000
	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,734,000</u>	<u>1,734,000</u>

City of Fayetteville, Arkansas
 2012 Capital Projects
 Comprehensive Detail

	Sales Tax Capital Improvements Fund	Special Revenue Funds	Enterprise Funds	Shop Fund	Total
<u>Off-Street Parking Improvements</u>					
Parking Lot Improvements & Overlays	0	28,000	0	0	28,000
Parking Lot Imp. & Overlays - Entertainment Dist.	0	10,000	0	0	10,000
	<u>0</u>	<u>38,000</u>	<u>0</u>	<u>0</u>	<u>38,000</u>
<u>Solid Waste Improvements</u>					
Compactor Boxes	0	0	119,000	0	119,000
Compost Site Slab Expansion	0	0	14,000	0	14,000
North/Central Recycling Drop Off Facility	0	0	455,000	0	455,000
Sanitation Equipment - Replacement	0	0	0	1,556,000	1,556,000
	<u>0</u>	<u>0</u>	<u>588,000</u>	<u>1,556,000</u>	<u>2,144,000</u>
	<u>\$ 6,702,600</u>	<u>\$ 1,634,900</u>	<u>\$ 3,652,500</u>	<u>\$ 3,610,000</u>	<u>\$ 15,600,000</u>

**City of Fayetteville, Arkansas
 2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Parking Fund (2130)</u>	
<u>Parking Improvements:</u>	
<u>Parking Lot Improvements and Overlays (06001)</u>	
The City currently has 12 public parking lots and one municipal parking deck that are in the Downtown Square and Dickson Street areas. These are all asphalt surface lots that periodically require general maintenance such as crack seal, seal coat, re-striping, pot hole patching, and bumper block replacement. These lots also require a complete asphalt overlay on a less frequent basis. This parking lot maintenance schedule will provide an overlay of one parking lot annually and general maintenance of the other lots as needed.	\$ 28,000
 <u>Parking Lot Improvements and Overlays - Entertainment District (11009)</u>	
The City currently has public parking lots that are in the Entertainment District. These are all asphalt surface lots that periodically require general maintenance such as crack seal, seal coat, re-striping, pot hole patching, and bumper block replacement. These lots also require a complete asphalt overlay on a less frequent basis. This parking lot maintenance schedule will provide an overlay of one parking lot annually and general maintenance of the other lots as needed.	10,000
Total Parking Fund Projects:	38,000
 <u>Parks Development Fund (2250)</u>	
<u>Parks Development Capital (9255)</u>	
<u>Regional Park Development (02002)</u>	
The Parks and Recreation Master Plan recommends the development of a Regional Park based upon data from public meetings, citizen survey results, a one day steering committee meeting, and interviews with public officials, staff, and community leaders. Possible facilities include baseball, soccer, and softball complexes, as well as trails, tennis courts, sand volleyball courts, pavilions, picnic tables/grills/benches, disc golf, and multi purpose fields. Park facilities would be developed on a priority basis depending upon public desires. With the request for the Lewis Soccer Complex to be returned to the University of Arkansas, there is an urgent need to relocate this facility.	216,000
 <u>Brooks-Hummel Nature Preserve Land Purchase (07027)</u>	
The City purchased 13.75 acres located north of the Lake Lucille Spillway in 2007 for a principal amount of \$495,000 with an interest rate of six percent annually for five years on the unpaid balance. The City agreed to sell 1.89 acres to the United Presbyterian Church for \$68,000. The City also agreed to sell a conservation easement for the property to the Fayetteville Natural Heritage Association for \$179,500. This property has been named the Brooks Hummel Nature Preserve by Resolution Number 108-07.	77,900

**City of Fayetteville, Arkansas
 2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Wilson Park Improvements (08002)</u>	
<p>The Wilson Park swimming pool is in need of renovation. The Parks and Recreation Advisory Board discussed the importance of the presence of a pool at Wilson Park. The Board determined it would be best to renovate the existing pool and look at other sites such as the Regional Park to build a large water park partly due inadequate parking at the current pool location. A structural analysis including a visual analysis and non-destructive testing of the pool and deck area has been completed. The study concluded the need for a full removal and replacement of the pool plaster coating, the pool deck covering and repairs of the box culvert. Construction of the project would begin after the pool is closed in September of 2012 to be completed for the pool opening in June of 2013. Staff is also working on the project scope and renovation of the pool office, dressing rooms, pool mechanical building, and concession stand for a projected cost for phase II of the pool renovations.</p>	253,000
<u>Donations/Grants Contingency (07019)</u>	
<p>Various donations are contributed throughout the year from sources such as Rotary Club of Fayetteville, Southeast Fayetteville Community Center Board, park benches and others. This project budgets for these donations.</p>	20,000
<u>Parks Development Greenspace (9256)</u>	
<u>Neighborhood Park Development (02013)</u>	
<p>This project consists of the development/upgrades of City neighborhood parks. Included in this project is the development of over 20 acres of park land distributed across the City. Bryce Davis Park is located in the NW quadrant, north of Wedington Drive and west of Salem Road and has been expanded to a community park. Hill Place park land is located in the SW quadrant south of Martin Luther King Boulevard, west of Hill Street and Stone Mountain park land is located in the SE quadrant east of Crossover Road, north of Highway 16E. These lands are currently in the City's park system and are in need of development.</p>	98,000
<u>Neighborhood Park Development (02013)</u>	
<p>The flooding in April and May 2011 caused damage to the Stream Restoration Project on Niokaska Creek in Sweetbriar Park. An area near the water line that crosses the creek in the park was damaged. The flood also damaged rock structures and several soil mattresses.</p>	11,000
Total Parks Development Fund Projects:	675,900
<u>Impact Fee Fund (2300)</u>	
Water & Sewer Improvements:	
<u>Water Cost Sharing (02067)</u>	
<p>This project is to provide funding for projects that will be cost shared by the City and developers or individuals. Each project will be approved on a case by case basis. These projects maximize return on each dollar spent by the City because of combining work needed with work being funded by a developer or other entity. Cost shares may include looping water lines, up-sizing water and sewer mains above the required minimum, and extensions beyond the area and needs of a development.</p>	446,000

**City of Fayetteville, Arkansas
 2012 Capital Budget**

Project Title & Description	2012 Budget
<p><u>Sewer Cost Sharing (02067)</u></p> <p>This project is to provide funding for projects that will be cost shared by the City and developers or individuals. Each project will be approved on a case by case basis. These projects maximize return on each dollar spent by the City because of combining work needed with work being funded by a developer or other entity. Cost shares may include looping water lines, up-sizing water and sewer mains above the required minimum, and extensions beyond the area and needs of a development.</p>	287,000
<p>Fire Improvements:</p> <p><u>Fire Radio Simulcast System - Fire/Police (08076)</u></p> <p>This project will increase the coverage area for the City of Fayetteville's radio system, which includes all city services and enables interoperability statewide. The current system has become inadequate due to growth of the City and maintenance/technical support for this system will become unavailable as the components of the system continue to age. Failure of this communication system is not an option. A simulcast system is imperative for public safety to maintain coverage in all areas. This system provides continuous coverage over a large region using a single set of frequencies. The primary site links information such as route control and audio information to each simulcast subsite. One of the important benefits of a simulcast site is it improves the radio frequency and in-building coverage in weak signal areas. Radio communication is the life line between public safety officers and services during emergency scenarios. Total project cost is quoted to be \$7,200,000.</p>	54,000
<p><u>Fire Traffic Preemption Signals (08046)</u></p> <p>This request is for the purchase of 20 traffic preemption devices to be purchased and installed over the next five years at the busiest intersections in the City. By using these devices, fire apparatus can interrupt traffic signals during an emergency response by changing the signals to red on all sides of the intersection. The one direction being traveled by responding apparatus will be changed to green. Using these devices will help minimize the risk of accidents involving motorists and expensive apparatus. This project will aid in the City's efforts of planned and managed growth as well as improving the mobility of streets and intersections for all users. The ultimate result is maintaining the City's reputation as a safe community.</p>	30,000
<p>Police Improvements:</p> <p><u>Police Radio Simulcast System - Police/Fire (08076)</u></p> <p>This project will increase the coverage area for the City of Fayetteville's radio system, which includes all city services and enables interoperability statewide. The current system has become inadequate due to growth of the City and maintenance/technical support for this system will become unavailable as the components of the system continue to age. Failure of this communication system is not an option. A simulcast system is imperative for public safety to maintain coverage in all areas. This system provides continuous coverage over a large region using a single set of frequencies. The primary site links information such as route control and audio information to each simulcast subsite. One of the important benefits of a simulcast site is it improves the radio frequency and in-building coverage in weak signal areas. Radio communication is the life line between public safety officers and services during emergency scenarios. Total project cost is quoted to be \$7,200,000.</p>	104,000
Total Impact Fee Fund Projects:	921,000

**City of Fayetteville, Arkansas
 2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Sales Tax Capital Improvements Fund (4470)</u>	
<u>Transportation Improvements:</u>	
<u>Sidewalk Improvements (02053)</u>	
The goal of this project is to continue to improve the connectivity of the sidewalk system by constructing new sidewalk in selected areas and replacing or repairing sidewalks throughout the City. The City maintains existing sidewalks and has a large inventory of locations where sidewalks are needed. Developers are responsible for construction of sidewalks in new subdivisions and large scale developments. One of the City Council's priority goals is sidewalk connectivity at the current pace of installing approximately four miles of new sidewalk per year.	635,000
<u>In-House Pavement Improvements (02052)</u>	
This program provides for the systematic overlay of approximately 4.1% of existing asphalt streets within the City limits on an annual basis and includes curb cuts, curb and guttering, pavement striping, and preparation costs for the overlays. The goal of this project is to overlay a minimum of 150,000 square yards of asphalt each year. A street evaluation program determines overlay schedules based on existing conditions of streets. The resulting plan is presented to the Street Committee and City Council on an annual basis and implemented upon approval. Overlaying each street within a 15 year cycle is intended to optimize the longevity of roadways and minimize significant maintenance requirements, resulting in fewer complete renovations at a substantially greater cost.	1,865,000
<u>Trail Improvements:</u>	
<u>Trail Development (02016)</u>	
The goal of this project is to provide funding to increase production of the trails program throughout Fayetteville. This funding includes new trail development and asphalt replacement on existing trails. This will be accomplished through the use of personnel within the Transportation Division as approved by the City Council. This funding will allow production to proceed at a reduced cost, thereby providing for an increased rate of trail construction.	1,361,000
<u>Street Improvements:</u>	
<u>Old Wire Road - Mission to Crossover (10011)</u>	
This project is to widen Old Wire Road, from Mission to Crossover from an existing two lane ditch section to two or three lanes with curb and gutter and sidewalks. The funding requested will be adequate for design and other preliminary costs. This will allow the improvements to be designed in preparation for right-of-way acquisition and construction to be funded with excess funds in the 2006 Bond Program or by a future bond issue, or by future sales tax allocations.	300,000
<u>Zion Road - Vantage to Crossover (12010)</u>	
This project is to widen and improve Zion Road, from the end of the improvements recently completed under the Bond Program to Crossover Road. This funding request is to allow design and other preliminary work to begin on the project. The construction will be funded with excess funds in the 2006 Bond Program or by a future bond issue, or by future sales tax allocations.	150,000

**City of Fayetteville, Arkansas
 2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Bridge & Drainage Improvements:</u>	
<u>Stormwater Quality Management/Nutrient Reduction (02097)</u>	
This project includes activities required by the City's agreement with Beaver Water District for nutrient reduction in the White River Watershed and for regulation in the City as required by the EPA National Pollutant Discharge Elimination System (NPDES) Phase II Stormwater Permit Regulations as administered by the Arkansas Department of Environmental Quality (ADEQ). A total of \$1,435,000 is estimated to be spent on this project from 2010 through 2014.	175,000
<u>Other Drainage Improvements (02108)</u>	
This project will allow for the construction of other drainage improvements where needed. Upper Scull Creek improvements will be funded under this project. In addition, there are numerous small drainage projects that have been identified. These projects are in the process of being prioritized for construction in the future.	200,000
<u>Information Technology Improvements:</u>	
<u>Microcomputer / Printer Replacements (02057)</u>	
This project is for the replacement of failing and outdated personal computers (PC's), AS/400 system printers, and network printers. In order to make use of increased functionality of new PC software, PC hardware must be continuously evaluated and updated. This will help to ensure reliability and the reduction of increasing maintenance costs.	85,700
<u>Local Area Network (LAN) Upgrade (02056)</u>	
This project is to upgrade and expand the City's Local Area Network (LAN) / Network infrastructure. The LAN is used by every division in the City across twenty plus locations connecting approximately 800 devices. Increases in the system's user base and advances in technology have created a need for hardware and operating system upgrades. Future upgrades include replacement of all switches in the primary switch room located at the city administration building with a core chassis based switch that will allow for future growth and higher speed, reliability, and availability.	125,000
<u>Geographic Information System (GIS) (02055)</u>	
Geographic Information Systems (GIS) are organized collections of computer hardware, software, geographic data, and personnel designed to efficiently capture, store, update, manipulate, analyze, and display all forms of geographically referenced information. This system provides necessary information for planning, engineering, Hansen, and public utility projects. Additionally, GIS provides applications to assist many other City divisions including Police, Fire, Transportation, and Parks & Recreation. This project is to upgrade and expand the City's base GIS computer hardware, software, and data collection systems to accommodate growth in the system's applications and user base.	65,000
<u>AccessFayetteville Technical Improvements (04047)</u>	
This project provides funding for technical improvements, enhancements, third party applications, and maintenance of the AccessFayetteville website. AccessFayetteville utilizes a commercial Content Management System (CMS) that is configured and maintained by City staff. The CMS allows end users to add, edit, and approve the content that is displayed on the website.	25,000

**City of Fayetteville, Arkansas
 2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Document Management (02094)</u>	
This project is to add additional scanners and licenses as new applications are added to the Electronic Document Management System (EDMS).	30,000
<u>Data Center Upgrade (12001)</u>	
In 2007, the City Administration Building data center moved off site into leased space due to power, space, and cooling constraints. Some of the leased data center equipment infrastructure is nine years old and will need to be replaced. This project will fund a new data center redundant air conditioning system and replacement of UPS batteries.	70,000
<u>Other Capital Improvements:</u>	
<u>Building Improvements (02046)</u>	
This project consists of the repair and replacement of damaged and worn roofs, HVAC systems, and provides for other improvements (such as remodels) to City owned buildings. This effort consists of preventive maintenance efforts to address the day to day facility operations of City facilities. During the upcoming year, the Building Maintenance Division plans to continue to work in house and through contractors.	362,600
<u>P.E.G. Television Center - Equipment (02061)</u>	
This project is for the replacement of various items of equipment essential to the ongoing operation of the Government Channel and the Television Center.	54,000
<u>On-Screen Graphics Generator Upgrade (12005)</u>	
The on-screen graphic generator creates names, lettering, and other graphics that go on the television screen in video productions in the studio and on the air. The current system has become unstable and is no longer supported by the manufacturer.	20,000
<u>Studio Camera and Lighting Upgrades / Replacement (12008)</u>	
This project allows periodic equipment replacement of some equipment up to and over 15 years old, such as cameras, camcorders, monitors, computers, and video recording devices. Other items include City Hall robotically controlled cameras, portable switching equipment, wireless video transfer equipment, tripods, and furniture.	85,000
<u>Telecommunications Systems Upgrades (04001)</u>	
The City currently has 17 telecommunications systems located throughout various facilities. These systems provide voice communications and voice mail services for all City employees at all City facility locations. Upgrades to these systems are essential to ensure no down time due to failing software and/or hardware and to ensure that all software versions are kept current to provide the most up-to-date technology. With all future upgrades, replacement equipment will be integrated so that all city facilities communicate in unison as if on one main system. Internal and external communications will be significantly enhanced. This system has suffered some serious crashes that have been detrimental to public safety communications. The police and city hall systems are integrated together and are the largest switches of all the facilities.	60,000
<u>Library Improvements:</u>	
<u>Library Materials Purchases (02049)</u>	
This project provides library materials including literature, non-fiction, reference resources, films, books on CD, e-books, and parenting resources. The Fayetteville Public Library seeks to provide a collection of library materials at a level commensurate with benchmark cities, e.g. Lawrence, Ames, Champaign, Denton, Iowa City as well as the national average for cities with a population of 50,000 to 99,000. In 2010, over one million items were borrowed and this upward trend is projected to continue.	336,500

**City of Fayetteville, Arkansas
 2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Library Computer Replacements (04004)</u>	
This project provides rotational replacement of computer resources. Public access computing is a core service ensuring all residents have computer and high speed connectivity. Uses include job searches, completing e-forms, classes, email, research, writing, school assignments, etc.	23,000
<u>Parks & Recreation Improvements:</u>	
<u>Other Park & Safety Improvements (02014)</u>	
A prairie restoration project is ongoing at Lake Fayetteville to convert early succession fields into native prairie and oak savannah habitat. Park staff is working in other park locations to reduce mowing and maintenance cost by re-establishing native grasses, trees, and shrubs. Native grasses and wildflowers are also established along newly constructed trails to reduce maintenance cost. This project will include herbicide applications as needed, seed and plant purchases and installation, prescribed burns, and other related work to establish native grasses, trees, and shrubs.	10,000
<u>Forestry, Safety & ADA Compliance (02045)</u>	
The forestry project consists of tree care, tree/landscape installation, the tree farm, community and school education, mature tree restoration, annual operating charges for the grinder and chipper, and maintenance and removal of hazardous trees in parks and public lands. The National Arbor Day tree give away is also included. Funds are required to maintain a sustainable tree farm and turf resource, eventually reducing the need to purchase trees and sod from outside vendors. A mature tree restoration program consisting of aeration of compacted soil and root stimulation will be utilized in various parks. Funds for unforeseeable emergencies occurring in parks due to inclement weather and vandalism or replacement and renovations of park amenities to meet ADA/safety standards are budgeted each year.	108,500
<u>Lights of the Ozarks (02001)</u>	
The Lights of the Ozarks display was initiated in 1993 by the Chamber of Commerce. The Advertising & Promotion (A&P) Commission gave \$40,000 the first year to help establish the event. For the past 18 years, the City has installed the lights and the Chamber of Commerce and the A&P Commission have organized related events. Over 500,000 lights are displayed from Thanksgiving until New Years Eve. The A&P Commission estimates over 300,000 people come to view the display. It is one of the most popular winter festivals in Fayetteville.	23,000
<u>Tree Escrow (08001)</u>	
Funds from this project can be used in a variety of ways such as planting or maintaining trees with either a seasonal FTE or by contract labor or to identify planting spaces using a tree inventory. Funds for this project are deposited through the development processes defined in Chapter 167 of the UDC and must be used within seven years or be refunded. The funds are first spent within the development or within one mile and/or within the appropriate quadrant.	101,000

**City of Fayetteville, Arkansas
 2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Police Improvements:</u>	
<u>Police Technology Improvements (06002)</u>	
This project provides for the upgrade and replacement of computer and networking equipment, which is obsolete and/or malfunctioning. By providing updated equipment, officers will be kept informed of pertinent records. This project includes purchases for increased storage capacity and software to manage digital media files, improve wireless connectivity between the main police facility and substations, and other improvements as they become necessary.	50,000
<u>Police Unmarked Vehicles (06003)</u>	
The Police Department utilizes unmarked vehicles for a variety of tasks, such as gathering intelligence. Other tasks include the following: Conducting pre-raid intelligence for ERT deployment Conducting narcotics operations Patrolling for vandals Patrolling for burglars and thieves Conducting alcohol enforcement patrols Conducting surveillance for all the above activities Any activity that must be kept covert	70,000
<u>Police Building Improvements (02047)</u>	
This project is to repair/replace aging items such as flooring, cabinets, lighting, and small HVAC units in the Police Department building.	25,000
<u>Police Specialized Equipment (02062)</u>	
This project is to replace outdated and/or malfunctioning equipment used during police operations. Equipment items such as tasers, digital cameras, radars, decibel meters, surveillance equipment and other specialized equipment are needed for officers to perform duties.	50,000
<u>Police MVR Replacement (12006)</u>	
This project provides for the replacement of mobile video recorders. The current MVR's were purchased in 2007 and have a five year life expectancy. MVR's are an important component of each patrol unit by documenting evidence to support prosecution and makes citizen complaints more easily investigated.	185,000
<u>Fire Safety Improvements:</u>	
<u>Fire Facility Maintenance (02006)</u>	
This project is for major repairs to existing facilities that cannot be funded through the normal operating budget. It includes but is not limited to central station's roof repairs and fire escape replacements, remodeling of existing stations, and structural repairs for the central fire station.	25,000
<u>Mobile Radios (10015)</u>	
This project is to replace obsolete hand held and mobile station radios. This project will allow four to five radios to be replaced each year. The estimated replacement cost is \$3,500 per radio.	20,000
<u>Audit Expense</u>	7,300
Total Sales Tax Capital Improvements Fund Projects:	6,702,600

**City of Fayetteville, Arkansas
 2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Water & Sewer Fund (5400)</u>	
<u>WWTP Capital (5800)</u>	
<u>Upgrade/Replace Lift Stations - W.W.T.P. (02068)</u>	
The lift stations provide a vital function in the overall treatment of wastewater. The stations are exposed to extreme wear conditions and must be upgraded routinely. Additionally, new developments within the City increase the flow to various stations requiring additional or higher capacity equipment.	112,000
<u>Plant Pumps and Equipment - W.W.T.P. (02069)</u>	
Many pieces of the WWTP equipment are essential to the wastewater treatment process. The equipment may suffer catastrophic failure and become unusable with little advance warning. The plant cannot operate and continue to produce permit complying effluent without adequate equipment. The project allows WWTP personnel to adapt to the needs of each season and year and still maintain compliance.	119,000
<u>Building Improvements - W.W.T.P. (02032)</u>	
This project is for structural maintenance, repair, and replacement of the existing buildings or parts of the buildings at both wastewater treatment plants.	36,000
<u>Irrigation Reels - W.W.T.P. (11010)</u>	
This project will replace the twelve existing reels that were purchased between 1985 and 1987. With a life expectancy of approximately 20 years, maintenance is becoming more extensive and costly. The irrigation reels are used to apply treated wastewater to the land application site, as described in the State approved Waste Management Plan and the State Land Application Permit. The effluent irrigation helps to minimize discharge to the White River during the summer months, therefore reducing the nutrient loadings of ammonia and phosphorus to the receiving stream. It also helps to stimulate growth of the Bermuda grass, therefore enhancing phosphorus uptake from the soil.	143,000
<u>Phosphorus Standards Management(10027)</u>	
This project supports efforts by the City operating independently or as part of a regional northwest Arkansas team, relating to phosphorus and other potential changes to stream standards, water quality standards and regulations, and wastewater discharge requirements. Some of the funds may be paid into regional efforts coordinated through Northwest Arkansas Regional Planning, the Northwest Arkansas Council, or other cooperative efforts.	50,000
<u>Meter Operations Capital (1840)</u>	
<u>Water Meters (02065)</u>	
This project is for the replacement of old water meters damaged beyond repair and expansion meters for new water service. Additional radio-read units will be installed on water meters that are located in difficult areas such as fenced back yards, alleys, inside buildings, and other time consuming locations.	330,000
<u>Backflow Prevention Assemblies (02066)</u>	
This project is for installation or replacement of backflow prevention assemblies on City facilities to meet backflow prevention mandate orders by the Arkansas Department of Health (ADH).	12,000

**City of Fayetteville, Arkansas
 2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Business Office Improvements (03038)</u>	
This project is for various improvements in business office hardware, safety features, and office configuration. Specific improvements include the purchase of additional blue-bar printers to increase employee efficiency and installation of an emergency alarm system to notify the Police Department in the event of an unsafe condition or disruptive customer.	50,000
<u>Capital Water Mains (5600)</u>	
<u>W/S Relocations for Street Bond Projects (11011)</u>	
This project is for various water and sewer relocations for street bond projects where the street bond fund does not have sufficient funds to cover the utility relocations or where the water and/or sewer lines are to be increased in capacity. Projects are to be paid by Water & Sewer revenue bond funds.	500,000
<u>Water System Rehabilitation & Replacement (12009)</u>	
This project provides for upgrading, replacing, or rehabilitating existing water infrastructure consisting of water storage, pumping, and distribution assets system wide. Specific work will be determined based on the need to stop leaks, reduce water loss, increase local or area flow and/or pressure in areas with insufficient capacity, in order to meet current and projected future domestic, commercial and industrial flow, and fire flow demands. It may create loops and replace or rehabilitate pipes, pump stations, and/or storage assets.	143,000
<u>Water Replace - Huntsville, Crossover to Van Hoose (11012)</u>	
This project is to install approximately 19,000 feet of 12" water line on Huntsville Road (Highway 16) between Crossover Road (Highway 265) and Van Hoose Drive. The project is required for several reasons: the soil is corrosive and the existing 8" line experiences numerous major breaks; the need for an increase in the capacity of the line feeding the area served by this line has been identified in every water meter plan performed starting in 1988; some of the higher elevation areas south of Huntsville Road experience low pressure during high water usage; and the fire protections available in the area needs to be increased.	1,239,500
<u>Sewer Mains Construction (5700)</u>	
<u>Sanitary Sewer Rehabilitation (02017)</u>	
This project will reduce storm and ground water flows into the system which cause sewer overflows and is required to meet state and federal laws. Negotiations with the ADEQ produced the agreement that as long as the City continues to pursue rehabilitation, no enforcement action will be initiated. Rehabilitation is required in areas with wet weather overflows to allow continued development. This project includes replacing and lining existing sewer mains and manholes, upgrading lift stations, and building relief lines. Design flows for the new West Side WWTP are based on continued rehabilitation. Minisystems 6, 9, 9x, 14A, 14B, 20 and Greenland require all work field study, analysis, design, and construction.	330,000
Total Water & Sewer Fund Projects:	<u>3,064,500</u>

**City of Fayetteville, Arkansas
 2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Solid Waste Fund (5500)</u>	
Solid Waste Improvements	
<u>Compost Site Slab Expansion (10002)</u>	
<p>This project is to concrete the current composting pad to improve operations within the composting program. Increased waste diversion through composting of organic wastes, will be the result of this project. Modifying the composting permit from a class "Y", designating yard waste only, to a class "O" for organics will necessitate the concreting of the current site over a period of three years in order to effectively operate an organics composting program. Storm water drainage / detention improvements will also be a part of the expansion. Operating an organics composting operation requires frequent turning of rows which presently is hindered by rain events rendering the pad unusable for the compost row turner unless the pad is dry. Turning of rows allows more oxygen into the process thereby reducing odors, which will be a major concern when operating a class "O" facility.</p>	14,000
<u>Solid Waste Compactors (10001)</u>	
<p>The drop box program utilizes compactor boxes to efficiently handle solid waste from large quantity generators. Compactor boxes decrease the frequency of collection and are serviced with existing drop box trucks. The aesthetics are improved by having a compactor as opposed to multiple dumpsters to service. Many businesses desire this type of collection. The division is competitively pursuing accounts currently serviced by private franchised haulers.</p>	119,000
<u>North / Central Recycling Drop Off Facility (12004)</u>	
<p>Recycling drop offs provide the most cost effective option for expanding the recycling program to service multi-family and others not serviced through the curbside program. Expanding drop offs to other areas in the City will provide more convenient opportunities to recycle, expand recycling and environmental education opportunities, and increase volunteer opportunities. Drop off size can be functional in a 200' x 200' area; however, landscaping and educational components should be considered. This project may provide funds for a land purchase based on site availability. The north/central expansion is planned for 2012.</p>	455,000
Total Solid Waste Fund Projects:	588,000

**City of Fayetteville, Arkansas
 2012 Capital Budget**

Project Title & Description	2012 Budget
<u>Shop Fund (9700)</u>	
Other Capital Improvements (1920)	
<u>Shop Improvements (12007)</u>	
This project is to increase efficiency by installing a drive-on in-floor lift, a two post lift, and an overhead crane, building a storage shed to house the new lube system, and modifying the current in-floor lift. The last upgrade of equipment for technicians was in 1997.	295,000
Fleet Operations Capital (1920)	
<u>Police/Passenger Vehicles - Replacement (02081)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for service. 2012 purchases include: three mid-size sedans, six police package Tahoes, one police package motorcycle, and one mid-size sport utility.	320,000
<u>Solid Waste Equipment - Replacement (02082)</u>	
The purpose of this project is to replace obsolete or high maintenance sanitation vehicles which are no longer suited for solid waste collection or recycling. 2012 purchases include two front loader units, three side loader units, and two recycling units.	1,556,000
<u>Construction Equipment - Replacement (02077)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for regular service. 2012 purchase is for a dozer.	105,000
<u>Heavy Utility Trucks - Replacement (02079)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for regular service. 2012 purchases include a truck tractor and a dump truck.	197,000
<u>Tractors/Mowers - Replacement (02083)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for regular service. 2012 purchases include a hay baler, two brush mowers, and a mower.	108,000
<u>Light/Medium Trucks - Replacement (02078)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for regular service. 2012 purchases include seven trucks.	302,000
<u>Other Vehicles/Equipment - Replacement (02080)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for regular service. 2012 purchases include two plows, a pump, a truck mounted sewer cleaner, a semi trailer, and a sidewalk sweeper.	453,000
<u>Backhoes/Loaders - Replacement (02076)</u>	
The purpose of this project is to replace obsolete or high maintenance vehicles which are no longer suited for regular service. 2012 purchases include four backhoes.	274,000
Total Shop Fund Projects:	3,610,000
Total Capital Improvements Program - 2012 Projects	\$ 15,600,000

City of Fayetteville's Debt Position

The City of Fayetteville has established a practice and policy of paying for all capital projects and capital improvements on a pay-as-you-go basis using current revenues, whenever possible. If a project or improvement is of sufficient size and need that it cannot be financed with current revenues, long-term debt will be recommended. The basis for this policy is that the City has maintained a commitment to infrastructure improvement and maintenance. The City also considers the cost versus the benefits of debt financing. A recommendation is made only when the benefits outweigh the costs. The City's debt policy also states that the City will attempt to refinance outstanding debt if a determination is made that the City will benefit by reduced interest expense over the remaining life of the bonds.

Like most municipalities, the City of Fayetteville borrows funds through tax exempt municipal bonds. The City carefully analyzes each proposed bond issue to determine the need for the improvement, its useful life, and current and future revenues available to provide debt service. Existing debt service requires resources from both general governmental resources and enterprise fund resources.

Bond Ratings

The City's debt policy says that the communications will be maintained with the bond rating agencies and that the City will continue to strive for improvements in the City's bond rating. Such communications are vitally important due to the fact that, generally speaking, the higher rating a city has the lower the interest rate that must be paid. As such, the City will periodically confer with the rating agencies to update them on the financial status of the City.

The two major investment services for bond ratings are Standard & Poor's Corporation and Moody's Investor Service. The following schedule briefly describes the ratings provided by the respective agencies for municipal bonds.

Moody's and Standard & Poor's Credit Ratings for Municipal Bonds

<u>Ratings</u>		<u>Description</u>
Moody's	Standard & Poor's	
Aaa	AAA	Best quality, extremely strong capacity to pay principal and interest.
Aa	AA	High quality, very strong capacity to pay principal and interest.
A-1 A	A	Upper medium quality, and strong capacity to pay principal and interest.
Baa-1 & Baa	BBB	Medium grade quality, adequate capacity to pay principal and interest.
Ba and lower	BB and lower	Speculative quality, low capacity to pay principal and interest.

Description of Outstanding Bonds

Special Obligation Bonds

Sales & Use Tax Refunding and Capital Improvement Bonds, Series 2005B: The bonds are special obligations of the City payable from receipts from a three-quarter of one percent citywide sales and use tax. The proceeds of the bonds are for the purpose of financing a portion of the costs of certain improvements to the City's wastewater treatment plants and sewerage and related facilities. The original issue amount was \$45,000,000.

Property Tax Increment Interest Accretion Bonds (Highway 71 East Square Redevelopment District No. 1 Project), Series 2005: The bonds are special obligations of the City payable solely from the Property Tax Increment of the District and monies in the funds and accounts established under the Indenture. The proceeds of the bonds were issued for the purpose of financing the costs of acquisition of certain real property within the City, the demolition of existing structures thereon, site preparation in connection therewith and the construction of sidewalk and crosswalk improvements. The original issue amount was \$3,725,000.

Sales and Use Tax Capital Improvement Bonds, Series 2006A: The bonds are special obligations of the City secured by and payable solely from receipts from a one-quarter and a three-quarter of a one percent citywide sales and use tax. The proceeds of the bonds are for the purpose of financing a portion of the costs of certain improvements to the City's wastewater treatment plants, sewerage and related facilities, to certain City streets, and to the City's trail system. The original issue amount was \$50,000,000.

Sales and Use Tax Capital Improvement RLF, Series 2006: The City of Fayetteville issued Not to Exceed \$20,000,000 Sales and Use Tax Bond Series 2006 through the Arkansas Natural Resources Commission bond program commonly referred to as the Revolving Loan Fund (RLF). The bonds were issued for financing a portion of the costs of improvements to the City's wastewater treatment plants, sewerage and related facilities. The 2006 bonds are special obligations of the City secured by and payable solely from receipts of the .75% city-wide sales and use tax approved by the voters to support the project. All \$20,000,000 in bonds has been issued.

Sales and Use Tax Capital Improvement Bonds, Series 2007A: The bonds are special obligations of the City secured by and payable solely from receipts from a one-quarter and a three-quarter of a one percent citywide sales and use tax. The proceeds of the bonds are for the purpose of financing the costs of certain improvements to the City's wastewater treatment plants, sewerage, and related facilities. The original issue amount was \$14,340,000.

Sales and Use Tax Capital Improvement Bonds, Series 2009A: The bonds are special obligations of the City secured by and payable solely from receipts from a one-quarter and a three-quarter of a one percent citywide sales and use tax. The proceeds of the bonds are for the purpose of financing a portion of the costs of certain improvements certain City streets and to the City's trail system. The original issue amount was \$11,250,000.

Revenue Bonds

Hotel & Restaurant Gross Receipts Tax Refunding, Series 2003: These bonds are special obligations of the City and were issued for the purpose of refinancing the Hotel & Restaurant Gross Receipts Tax Refunding bonds, Series 1998. The bonds are payable solely from amounts received by the City from a 1% Hotel & Restaurant Gross Receipts tax. As a result of the refunding, the City has a projected net present value savings of approximately \$334,000 over the remaining life of the bonds. The original issue amount was \$6,335,000.

Water & Sewer System Refunding, Series 2002B: The bonds are payable solely from the net revenues derived from the operation of Fayetteville's water and sewer system. The proceeds of the bonds were used to refund Series 1994 and Series 2000 water and sewer system bonds. The refundings were issued to take advantage of lower interest rates, to restructure existing bond covenants, and to mitigate any interest risk on the variable interest rate of the Series 2000 bond issue. The original issue amount was \$6,540,000.

Water & Sewer System Refunding, Series 2004: The bonds are payable solely from the net revenues derived from the operation of Fayetteville's water and sewer system. The proceeds of the bonds were used to refund Series 1999 water and sewer system bonds. The refundings were issued to take advantage of lower interest rates, to restructure existing bond covenants, and to mitigate any interest risk on the variable interest rate of the Series 1999 bond issue. The original issue amount was \$6,090,000.

Water & Sewer System, Series 2009A: The bonds are payable solely from the net revenues derived from the operation of Fayetteville's water and sewer system. The bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory debt limitation or restriction. The issuance of the Series 2009 Bonds shall not directly, indirectly or contingently obligate the City to levy or pledge any taxes whatsoever or to make any appropriation for the payment of the Series 2009 Bonds. The original issue amount was \$8,210,000.

Notes Payable

Brooks-Hummel Land Purchase, 2007: In June 2007, the City entered into a promissory note with Forrest F. Brooks Revocable Trust for the purchase of 13.75 acres of land for \$495,000. The agreement terms included \$167,000 to be paid at closing and the remaining \$328,000 to be paid annually in five installments plus 6% interest on the unpaid balance.

City of Fayetteville, Arkansas
 Bonds Outstanding
 December 31, 2011

Description	Outstanding			
	Bond Issue	Due Dates	Interest Rates	Amount
<u>Special Obligation Bonds</u>				
Sales and Use Tax Capital Refunding & Capital Improvement Bonds, Series 2005B	2005	2009-2015	3.957-4.00%	\$ 18,415,000
Tax Increment Interest Accretion Bonds	2005	2006-2029	6.50%	3,345,000
Sales and Use Tax Capital Improvement Bonds, Series 2006A	2006	2006-2021	3.00-5.00%	47,470,000
Sales and Use Tax Capital Improvement Revolving Loan Fund (RLF)	2006	2009-2018	3.00%	14,611,968
Sales and Use Tax Capital Improvement Bonds, Series 2007A	2007	2007-2026	4.20-4.47%	12,740,000
Sales and Use Tax Capital Improvement Bonds, Series 2009A	2009	2015-2021	3.00-3.85%	10,945,000
				<u>107,526,968</u>
<u>Revenue Bonds</u>				
Hotel & Restaurant Gross Receipts Tax Refunding	2003	2004-2015	2.55-3.55%	2,475,000
Water & Sewer System Refunding, Series 2002B	2002	2004-2017	4.15-4.95%	4,085,000
Water & Sewer System Refunding, Series 2004	2004	2004-2012	2.8-4.00%	1,515,000
Water & Sewer System, Series 2009	2009	2009-2020	2.10-3.70%	8,210,000
				<u>16,285,000</u>
<u>Notes Payable</u>				
Brooks-Hummel Land Purchase	2007	2008-2012	6.00%	73,459
				<u>73,459</u>
				<u>\$ 123,885,427</u>

City of Fayetteville, Arkansas
 2012 Debt Service Payment Schedule

Description	Bond Issue	Principal	Interest	Total
<u>Special Obligation Bonds</u>				
Sales and Use Tax Capital Refunding & Capital Improvement Bonds, Series 2005B	2005	\$ 8,200,000	\$ 736,600	\$ 8,936,600
Sales and Use Tax Capital Improvement Bonds, Series 2006A	2006	0	2,116,076	2,116,076
Sales and Use Tax Capital Improvement Bonds, Series 2007A	2007	0	622,725	622,725
Sales and Use Tax Capital Improvement Revolving Loan Fund (RLF)	2006	1,905,656	424,173	2,329,829
Sales and Use Tax Capital Improvement Bonds, Series 2009A	2009	0	403,226	403,226
		10,105,656	4,302,800	14,408,456
<u>Revenue Bonds</u>				
Hotel & Restaurant Gross Receipts Tax Refunding	2003	590,000	83,648	673,648
Water & Sewer System Refunding, Series 2002B	2002	605,000	195,505	800,505
Water & Sewer System Refunding, Series 2004	2004	1,515,000	60,600	1,575,600
Water & Sewer System, Series 2009A	2009	0	250,232	250,232
		2,710,000	589,985	3,299,985
<u>Notes Payable:</u>				
Brooks-Hummel Land Purchase	2007	73,459	4,408	77,867
		73,459	4,408	77,867
 Total Debt Service Payments		\$ 12,889,115	\$ 4,897,193	\$ 17,786,308

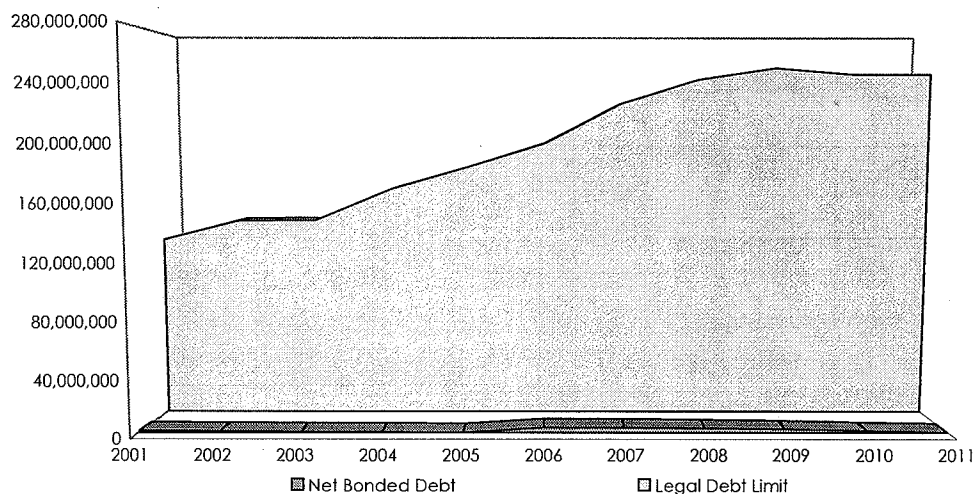
City of Fayetteville, Arkansas
 Computation of Legal Debt Margin
 December 31, 2011

General Obligation Debt Limit

Debt margin is a calculation based on the assessed value of property located within the City limits. The debt limit is established by state statute and is limited to 20% of assessed value.

2011 Assessed Value		\$ 1,249,812,400 *
Debt Limit - 20% of Assessed Value		249,962,480
General Obligation Bonds Payable	\$	0
Less: Debt Service Fund		0
Total Debt Applicable to Debt Limit		0
Legal Debt Margin	\$	<u>249,962,480</u>

Debt Applicable to Debt Limit 2001-2011



Enterprise Fund Debt Limit (Revenue Bond Debt)

Enterprise fund debt is established by the cash flow for each enterprise fund. For example, the Water & Sewer Fund must be able to generate sufficient cash flows to meet normal operating and capital, as well as provide sufficient resources to meet the annual debt service requirements. Prior to issuing enterprise fund bonds, an analysis of current revenues and expenses is conducted to determine the revenues required to support a bond issue.

Special Obligation Bond Debt Limit

Special obligation bond debt is limited by the maximum amount of the special source (such as sales tax) can generate within terms of bond covenants.

* Note: The assessed value does not include City utilities.

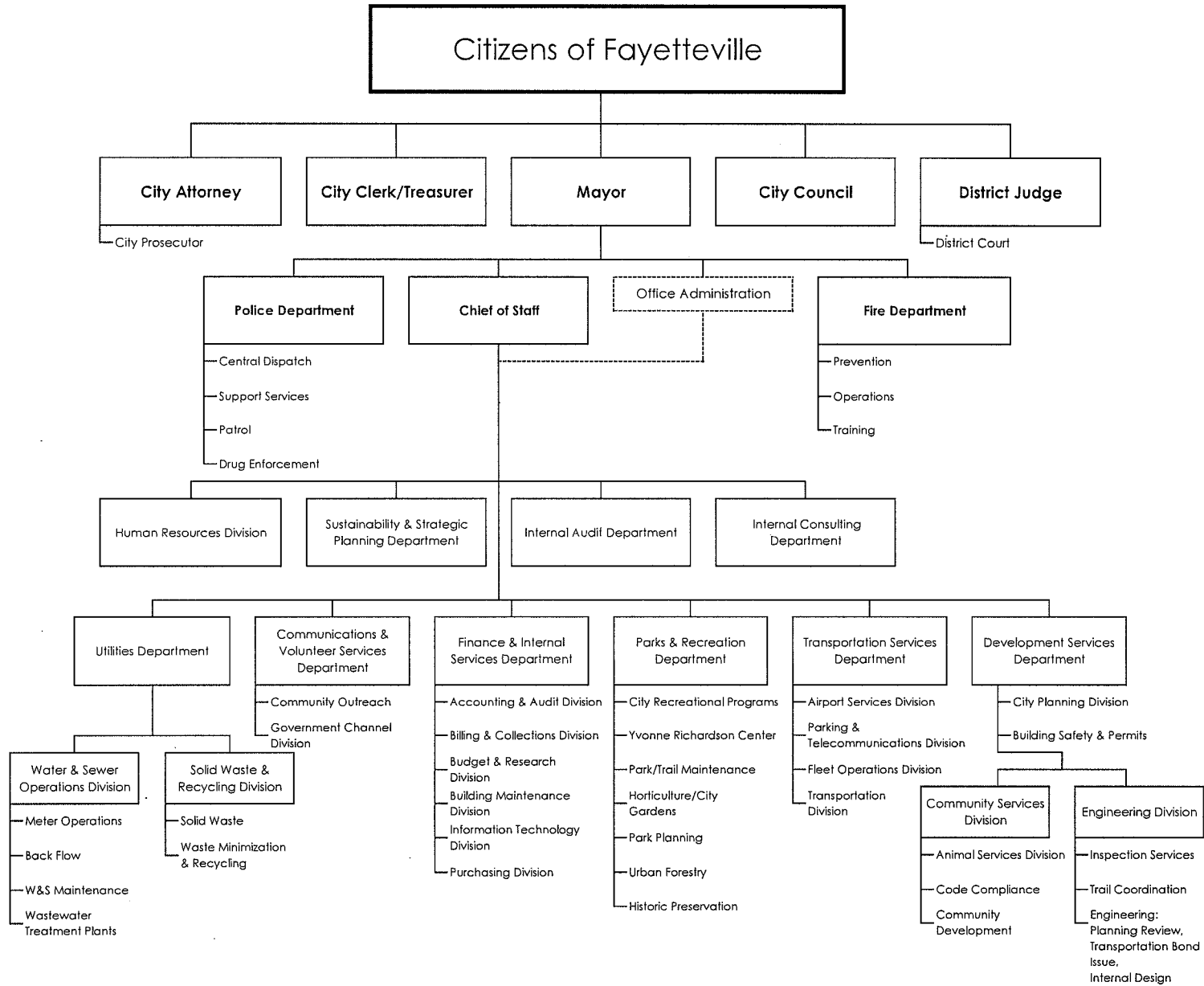
City of Fayetteville, Arkansas
 Total Debt to Maturity Schedule - All Funds
 December 31, 2011

Maturity Year	Principal Amount				Interest	Annual Debt Requirement
	Beginning Balance	Additions	Reductions	Ending Balance		
2011	136,499,475	0	12,614,048	123,885,427	5,368,668	17,982,716
2012	123,885,427	0	12,889,115	110,996,312	4,897,193	17,786,308
2013	110,996,312	0	12,558,255	98,438,057	4,400,180	16,958,435
2014	98,438,057	0	5,832,594	92,605,463	3,932,763	9,765,357
2015	92,605,463	0	12,853,727	79,751,736	3,730,739	16,584,466
2016	79,751,736	0	12,716,708	67,035,028	3,197,471	15,914,179
2017	67,035,028	0	13,256,592	53,778,436	2,658,919	15,915,511
2018	53,778,436	0	13,828,436	39,950,000	2,090,771	15,919,207
2019	39,950,000	0	12,040,000	27,910,000	1,541,067	13,581,067
2020	27,910,000	0	11,060,000	16,850,000	1,034,030	12,094,030
2021	16,850,000	0	8,205,000	8,645,000	669,594	8,874,594
2022	8,645,000	0	1,255,000	7,390,000	310,644	1,565,644
2023	7,390,000	0	1,315,000	6,075,000	247,893	1,562,893
2024	6,075,000	0	1,385,000	4,690,000	182,144	1,567,144
2025	4,690,000	0	1,345,000	3,345,000	123,281	1,468,281
2026	3,345,000	0	0	3,345,000	62,081	62,081
2027	3,345,000	0	0	3,345,000	0	0
2028	3,345,000	0	0	3,345,000	0	0
2029	3,345,000	0	3,345,000	0	12,900,310	16,245,310
		\$ 0	\$ 136,499,475		\$ 47,347,748	\$ 183,847,223

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City of Fayetteville, Arkansas

Organizational Chart



Officials of the City of Fayetteville, Arkansas

Elected Officials

Mayor	Lioneld Jordan	479.575.8330	mayor@ci.fayetteville.ar.us
Ward 1, Position 1	Adella Gray	479.442.4958	Ward1_pos1@ci.fayetteville.ar.us
Ward 1, Position 2	Brenda Boudreaux	479.442.3095	Ward1_pos2@ci.fayetteville.ar.us
Ward 2, Position 1	Mark Kinion	479.521.7632	Ward2_pos1@ci.fayetteville.ar.us
Ward 2, Position 2	Matthew Petty	479.442.5536	Ward2_pos2@ci.fayetteville.ar.us
Ward 3, Position 1	Justin Tennant	479.973.5202	Ward3_pos1@ci.fayetteville.ar.us
Ward 3, Position 2	Bobby Ferrell	479.442.3535	Ward3_pos2@ci.fayetteville.ar.us
Ward 4, Position 1	Rhonda Adams	479.442.4612	Ward4_pos1@ci.fayetteville.ar.us
Ward 4, Position 2	Sarah Lewis	479.442.5415	Ward4_pos2@ci.fayetteville.ar.us*
City Attorney	Kit Williams	479.575.8313	kwilliams@ci.fayetteville.ar.us
City Clerk/Treasurer	Sandra Smith	479.575.8323	City_clerk@ci.fayetteville.ar.us
District Judge	Rudy Moore	479.587.3590	rmoore@ci.fayetteville.ar.us

Management Staff

Executive Staff

Chief of Staff	Don Marr	479.575.8330	dmarr@ci.fayetteville.ar.us
Acting Police Chief	Greg Tabor	479.587.3565	police@ci.fayetteville.ar.us
Fire Chief	David Dayringer	479.575.8365	fire@ci.fayetteville.ar.us

Senior Department Directors

Communications & Marketing Director	Lindsley Smith	479.575.8330	lsmith@ci.fayetteville.ar.us
Development Services Director	Jeremy Pate	479.575.8265	jpate@ci.fayetteville.ar.us
Finance Director	Paul A. Becker	479.575.8330	pbecker@ci.fayetteville.ar.us
Parks & Recreation Director	Connie Edmonston	479.444.3471	parks_and_recreation@ci.fayetteville.ar.us
Transportation Services Director	Terry Gulley	479.575.8228	transportation@ci.fayetteville.ar.us
Utilities Director	David Jurgens	479.575.8330	djurgens@ci.fayetteville.ar.us

Division Heads

Accounting Director	Marsha Hertweck	479.575.8281	accounting@ci.fayetteville.ar.us
Billing & Collections Manager	Rainy Laycox	479.521.1258	rlaycox@ci.fayetteville.ar.us
Budget Director	Kevin Springer	479.575.8347	budget_research@ci.fayetteville.ar.us
Building Maintenance Superintendent	Larry Rennie	479.575.8363	building_services@ci.fayetteville.ar.us
City Engineer	Chris Brown	479.575.8206	engineering@ci.fayetteville.ar.us
City Prosecutor	Casey Jones	479.575.8377	cjones@ci.fayetteville.ar.us
Community Services Director	Yolanda Fields	479.575.8260	community_services@ci.fayetteville.ar.us
Director of Aviation	Ray Boudreaux	479.718.7642	rboudreaux@ci.fayetteville.ar.us
Dispatch Manager	Kathy Stocker	479.587.3555	police@ci.fayetteville.ar.us
District Court Administrator	Dena Stockalper	479.587.3591	district_court@ci.fayetteville.ar.us
Fleet Operations Superintendent	Dennis Pratt	479.444.3495	fleet@ci.fayetteville.ar.us
Government Channel Manager	Fritz Gisler	479.444.3434	fgisler@ci.fayetteville.ar.us
Human Resources Director	Missy Leflar	479.575.8278	mleflar@ci.fayetteville.ar.us
Information Technologies Director	Scott Huddleston	479.575.8320	information_technology@ci.fayetteville.ar.us
Internal Auditor	Vicki Deaton	479.575.8261	vdeaton@ci.fayetteville.ar.us
Internal Consulting Director	Karen Minkel	479.575.8271	kminkel@ci.fayetteville.ar.us
Parking & Telecommunications Manager	Sharon Waters	479.575.8280	parking@ci.fayetteville.ar.us
Purchasing Manager	Peggy Vice	479.575.8256	purchasing@ci.fayetteville.ar.us
Solid Waste & Recycling Manager	Carrol Hill	479.575.8398	solid_waste@ci.fayetteville.ar.us
Sustainability & Strategic Plan. Director	John Coleman	479.575.8272	jcoleman@ci.fayetteville.ar.us
Water & Wastewater Operations Manager	Will Winn	479.575.8386	water_and_sewer_maintenance@ci.fayetteville.ar.us

City of Fayetteville, Arkansas
 2012 Operating Budget
 Outside Agency Funding

	Actual 2010	Budgeted 2011	Estimated 2011	Budgeted 2012
General Fund (1010):				
Ozark Regional Transit	\$ 254,000	\$ 254,000	\$ 254,000	\$ 254,000
Fayetteville Boys & Girls Club	57,600	205,350	205,350	205,350
Community Access Television	93,000	93,000	93,000	93,000
NWAEDD (Senior Center)	23,350	53,350	53,350	53,350
Razorback Transit	50,000	50,000	50,000	50,000
Ozark Military Museum	6,000	6,000	6,000	6,000
Arkansas Air Museum	6,000	6,000	6,000	6,000
*NWA Regional Planning	36,937	36,937	36,937	40,469
*Central Emergency Medical Service	247,500	270,000	270,000	270,000
	<u>774,387</u>	<u>974,637</u>	<u>974,637</u>	<u>978,169</u>
Parks Development Fund (2250):				
Fayetteville Boys & Girls Club	147,750	0	0	0
NWAEDD (Senior Center)	30,000	0	0	0
	<u>177,750</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Outside Agency Funding	<u><u>\$ 952,137</u></u>	<u><u>\$ 974,637</u></u>	<u><u>\$ 974,637</u></u>	<u><u>\$ 978,169</u></u>

* These Outside Agencies Have Interlocal Governmental Agreements.

LISTING OF ACRONYMS

A&P.....	Advertising & Promotion
ADA.....	Americans with Disabilities Act
ADEQ.....	Arkansas Department of Environmental Quality
ADH.....	Arkansas Department of Health
AED.....	Automated External Deliberator
AEP.....	Arkansas Electric Power
AHTD.....	Arkansas Highway Transportation Department
AMP.....	Aircraft Maintenance Professionals
BMX.....	Bicycle Motocross
BOD.....	Biochemical Oxygen Demand
CAD.....	Computer Aided Design
CAFR.....	Comprehensive Annual Financial Report
CALEA.....	Commission on Accreditation for Law Enforcement Agencies
CAT.....	Community Access Television
CD.....	Compact Disc
CDBG.....	Community Development Block Grant
CIP.....	Capital Improvements Program
CMS.....	Content Management System
COLA.....	Cost of Living Adjustment
CPI.....	Consumer Price Index
CPR.....	Cardiovascular Pulmonary Resuscitation
DOT.....	Department of Transportation
DTF.....	Drug Task Force
DWI.....	Driving While Intoxicated
ED.....	Economic Development
EDI.....	Economic Development Initiative
EDMS.....	Electronic Document Management System
EMS.....	Emergency Medical Services
EMT.....	Emergency Medical Technician
EPA.....	Environmental Protection Agency
ERT.....	Emergency Response Team
FAA.....	Federal Aviation Administration
FAR.....	Federal Aviation Regulation
FASB.....	Financial Accounting Standards Board
FBO.....	Field Based Operator
FCC.....	Federal Communication Commission
FEDC.....	Fayetteville Economic Development Council
FEMA.....	Federal Emergency Management Agency
FHWA.....	Federal Highway Administration
FOIA.....	Freedom of Information Act
FTE.....	Full-Time Equivalent
GA.....	General Aviation
GAAP.....	Generally Accepted Accounting Principles
GASB.....	Governmental Accounting Standards Board
GFOA.....	Government Finance Officers Association
GHG.....	Greenhouse Gas

LISTING OF ACRONYMS, (continued)

GIS	Geographic Information System
HIRL	High Intensity Runway Lights
HMI	Human Machine Integration
HMR	Hotel/Motel Restaurant Tax
HOME	HOME Grant Program
HUD	Housing & Urban Development
HVAC	Heating, Ventilation, and Air Conditioning
IPP	Industrial Pretreatment Program
ISO	International Standards Organization
IT	Information Technology
LAN	Local Area Network
LED	Light Emitting Diode
LOPFI.....	Local Police and Fire Retirement
MDT.....	Mobile Data Terminal
MGD	Million Gallons per Day
MLK	Martin Luther King
MRF	Materials Recovery Facility
MUTCD.....	Manual on Uniform Traffic Control Devices
MVR	Mobile Video Recorder
NPDES.....	National Pollutant Discharge Elimination System
NWA	Northwest Arkansas
O&M.....	Operation & Maintenance
ORT	Ozark Regional Transit
PAPI	Precision Approach Path Indicator
PC	Personal Computer
PEG.....	Public/Education/Government
PO	Purchase Order
PRAB.....	Parks & Recreation Advisory Board
RFP	Request for Proposals
ROW	Right-of-Way
RLF.....	Revolving Loan Fund
RTU	Remote Terminal Units
SCADA	Supervisory Control & Data Acquisition
TIF.....	Tax Increment Financing
TSS	Total Suspended Solids
UDC	Unified Development Code
USACE	United States Army Corps of Engineers
UV	Ultra Violet
W&S, W/S	Water & Sewer
WSIP	Wastewater System Improvements Project
WWT.....	Wastewater Treatment
WWTP	Wastewater Treatment Plant
W/WW	Water/Wastewater
YRCC.....	Yvonne Richardson Community Center

GLOSSARY

ACCOUNT GROUP. A self-balancing set of accounts which are not a fund or a fiscal entity. General Fixed Assets Account Group and General Long-Term Debt Account Group are such examples.

ACCOUNTING SYSTEM. Records and procedures that discover, record, classify, and report information on the financial position and operations of a governmental unit or any of its funds.

ACCRUAL. Revenue and expenses are recorded when they are incurred.

AD VALOREM. A basis for levy of taxes upon property based on value.

AGENCY FUND. A fund consisting of resources received and held by the governmental unit as an agent for others.

APPROPRIATION. An authorization granted by the board to incur liabilities for specific purposes.

ASSETS. Probable future economic benefits obtained or controlled by a particular entity as a result of past transactions or events.

BALANCED BUDGET. A budget balanced by fund, for all funds maintained by the City, in which total anticipated revenues must equal or exceed the budgeted expenditures for each fund.

BOND. A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

BOND DISCOUNT. The excess of the face value of a bond over the price for which it is acquired or sold.

BOND PREMIUM. The excess of the price at which a bond is acquired or sold over its face value.

BONDED DEBT. The portion of indebtedness represented by outstanding bonds.

BUDGET. A financial operating plan consisting of estimates of proposed expenditures for a given period and the proposed means of financing them.

BUDGET CONTROL. The control or management of the approved Budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

BUDGET DOCUMENT. The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body.

BUDGET MESSAGE. A general discussion of the budget as presented in writing by the Mayor to the City Council. The message contains an explanation of the principal budget items and recommendations regarding the financial policy for the coming year.

CAPITAL BUDGET. This budget deals with large expenditures for capital items normally financed by borrowing. Usually capital items have long-range returns, useful life spans, are relatively expensive, and have physical presence such as buildings, roads, sewage systems, etc.

GLOSSARY, (continued)

CAPITAL IMPROVEMENT. Any property, asset, or improvement with an estimated value greater than five thousand dollars, and estimated life or usefulness of one or more years, including land, interest therein and including constructions, enlargements, and renovations.

CAPITAL IMPROVEMENT PROGRAM. An approach or technique for identifying and forecasting capital outlay decisions that a government expects to make over a five year period.

CAPITAL OUTLAY. Expenditures that result in the acquisition of or addition to fixed assets.

CAPITAL PROJECTS FUND. A fund created to account for all resources to be used for the acquisition or construction of designated fixed assets.

CASH. Legal tender or coins that can be used in exchange for goods, debt, or services. This includes the value of assets that can be converted into cash immediately

CONSTRUCTION WORK IN PROGRESS. The cost of construction work that has been started but not yet completed and placed in service.

CONTINGENCY FUND. Funds set aside for unforeseen expenses of uncertain amounts or funds set aside for known expenses, such as salary increases, but uncertain amounts.

CONTRACTUAL SERVICE. An agreement to perform a service or task by external organizational units. A group of accounts which cover the above as well as travel and training and other miscellaneous services.

DEBT SERVICE. The amount of money necessary to pay interest on an outstanding debt, the principal of maturing material serial bonds, and the required contributions to a sinking fund for term bonds.

DEBT SERVICE FUND. A fund established to finance and account for the payment of interest and principal on all general obligation debt, serial and term, other than that payable exclusively from special assessments and revenues from fiduciary and proprietary funds.

DEMAND. Demand is the external factor that demonstrates the "need" for a program. Demand data enables decision-makers to adjust services and costs to respond to changes in direction for the service.

DEPARTMENT. Departments are the major organizational subdivisions. They have a broad overall purpose. In the City of Fayetteville organization structure, each department is comprised of one or more divisions.

DEPRECIATION. Expiration in the service life of fixed assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy, and obsolescence.

DESIGNATED FUND. Funds created to account for assets set aside for a specific purpose.

DIVISION. Divisions are the major functional sub-divisions and correspond roughly to the departmental hierarchy formerly used by the City. Each Division reports to one of more departments.

GLOSSARY, (continued)

EFFECTIVENESS. Effectiveness data enables decision-makers to see that quality does not suffer as productivity increases, and that constituents are satisfied with services.

ENCUMBRANCE. An account used to record the estimated amount of contracts, salary commitments and purchase orders that are chargeable to an appropriation.

ENTERPRISE FUND. A fund established to finance and account for the acquisition, operation, and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges.

EXPENDITURE. Accounts which are kept on either the accrual basis or modified accrual basis of accounting and designates the cost of goods delivered or services rendered, whether paid or unpaid, including expenses and capital outlays.

EXPENSE. Charges incurred for operation, maintenance, interest, and other charges that will benefit the current year.

FIDUCIARY FUND. Any fund held by a governmental unit as an agent or trustee.

FISCAL YEAR. A 12-month period of time to which the annual budget applies and at the end of which a governmental unit determines its financial position and the results of its operations.

FIXED ASSET. Long-term assets that are intended to be held or used, such as land, buildings, machinery, furniture, and other equipment.

FRANCHISE TAX. Fees levied on a corporation in return for granting a privilege sanctioning a monopoly or permitting the use of public property, usually subject to regulation set by the governing body.

FULL-TIME EQUIVALENT POSITION (FTE). A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a summer lifeguard working for four months, or 690 hours, would be equivalent to .33 of a full-time position.

FUND. A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities, or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE. Fund equity of a fund or in Governmental Funds, the amount assets exceed liabilities. Unrestricted Fund Balance is available for appropriation.

FUND EQUITY. The excess of assets over liabilities. A portion of the equity may be reserved, restricted or designated; the remainder is Fund Balance.

GENERAL FIXED ASSETS ACCOUNT GROUP. A self-balancing group of accounts set up to account for the general fixed assets of a governmental unit.

GENERAL FUND. A fund used to account for all transactions of a governmental unit that are not accounted for in another fund, such as police and fire services.

GLOSSARY, (continued)

GENERAL LONG-TERM DEBT ACCOUNT GROUP. A self-balancing group of accounts set up to account for long-term debt which is legally payable from general revenues.

GOAL. A goal is a statement of desired conditions to be maintained or achieved through the efforts of an organization. Actual total achievement may be impossible, but the goal is a standard against which to measure progress toward ideal conditions. A goal is a definition of results toward which the work of the organization is directed.

GOVERNMENTAL FUND. A generic classification adopted by the National Council on Governmental Accounting to refer to all funds other than proprietary and fiduciary funds. General fund, special revenue funds, capital projects funds, debt service funds, and special assessment funds are all examples of governmental fund types.

GRANT. A contribution by one governmental unit to another unit. The contribution is usually made to aid in the support of a specified function or for the acquisition or construction of fixed assets.

INCOME. A term used to represent the excess of revenues earned over the expenses incurred in carrying on an enterprise operation.

INTERGOVERNMENTAL REVENUE. Revenue from other governments. Grants, entitlements, and shared revenues are types of intergovernmental revenue.

INTERNAL SERVICE FUND. A fund established to finance and account for services and commodities furnished by a designated department to other departments. Amounts expended by the fund are reestablished from either operating earnings or by transfers from other funds.

INVESTMENT. Securities held for the production of income in the form of interest and dividends.

LIABILITY. Probable future sacrifices of economic benefits arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

LINE-ITEM. A detailed classification of an expense or expenditure classified by object within each Division.

LONG-TERM DEBT. Debt with a maturity of more than one year after the date of issuance.

MODIFIED ACCRUAL BASIS. Governmental funds use the modified accrual basis of accounting. Revenues are recognized in the period in which they become both available and measurable. Expenditures are recognized at the time a liability is incurred.

NET INCOME. A term used in governmental enterprise to designate the excess of total revenues over total expenses.

NONOPERATING EXPENSE. Proprietary fund expenses incurred in performance of activities not directly related to supplying the basic service by a governmental enterprise.

NONOPERATING INCOME. Proprietary fund income that is not derived from the basic operations of such enterprises.

GLOSSARY, (continued)

OBJECT CODE. Expenditure classification according to the types of items purchased or services obtained; for example, personnel services, materials and supplies, contractual service, and capital.

OBJECTIVE. An objective is a decision about the amount of progress to be made within a specified period of time. It states in measurable and quantitative terms the results to be achieved within a specified time and plans the incremental steps to achieve the goal.

OPERATING TRANSFER. Legally authorized interfund transfers from a fund receiving revenue to the fund that makes expenditures.

ORDINANCE. A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

PERFORMANCE BUDGET. A budget which relates appropriations to work loads. By featuring unit measures, performance budgets are believed to express official and citizen interest in the managerial value of efficiency.

PERFORMANCE MEASURES. Performance measures provide a means of identifying the level of service provided. Performance measures include a measurement of Demand, Workload, Productivity, and Effectiveness.

PROGRAM. Operating units within a Division. Each program represents a specific type of activity within its Division aimed at providing a service for which the City is responsible.

PROGRAM BUDGET. A budget which relates appropriations to goals. Budget makers practicing this approach strive to appropriate sums to non-organization, goal-oriented cost centers. Program budgeting is believed to express official and citizen interest in planning and in the effective use of resources.

PROGRAM OBJECTIVES. A program objective is a decision about the amount of progress to be made within a specified period of time in reducing the gap between real conditions and the ideal conditions described in the Program Description. It states in measurable quantitative terms the results to be achieved within a specified time and plans the incremental steps to achieve them.

PRODUCTIVITY. Unit cost (productivity data) enables decision-makers to measure efficiency, as opposed to total expenditures. Productivity unit costs can also be used to quickly estimate the cost of adding more service or savings realized from reductions in service.

PROPRIETARY FUND. Sometimes referred to as "income-determination" or "commercial-type" funds. Examples are enterprise and internal service funds.

RESERVE. An account that records a portion of the fund equity that must be segregated for some future use and which is not available for further appropriation or expenditure.

RETAINED EARNINGS. The accumulated earnings of an enterprise or internal service fund that have been retained in the fund and that are not reserved for any specific purpose.

GLOSSARY, (continued)

REVENUE. Additions to fund financial resources other than from interfund transfers and debt issue proceeds.

SPECIAL REVENUE FUND. A fund established to account for revenues from specific taxes or other earmarked revenue sources that by law are designated to finance particular functions or activities of government.

TAX. A compulsory charge levied by a governmental unit for the purpose of raising revenue. These revenues are used to pay for services or improvements provided for the general public benefit.

UNRESERVED FUND BALANCE. The amount remaining in a fund that is not reserved for some future use and which is available for further appropriation or expenditure.

USER CHARGE. A charge levied against users of a service or purchasers of a product of an enterprise or internal service funds.

WORKLOAD. Workload data answers the question about how much service is being provided, as well as how output is meeting service demand. Workload data is also the basis, along with total expenditures, for unit cost or productivity indicators.

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Handed out at Agenda Session 11/8/11



2012 Budget Summary

November 8, 2011

Total Fund Budget Overview

Chart of Governmental Fund Types

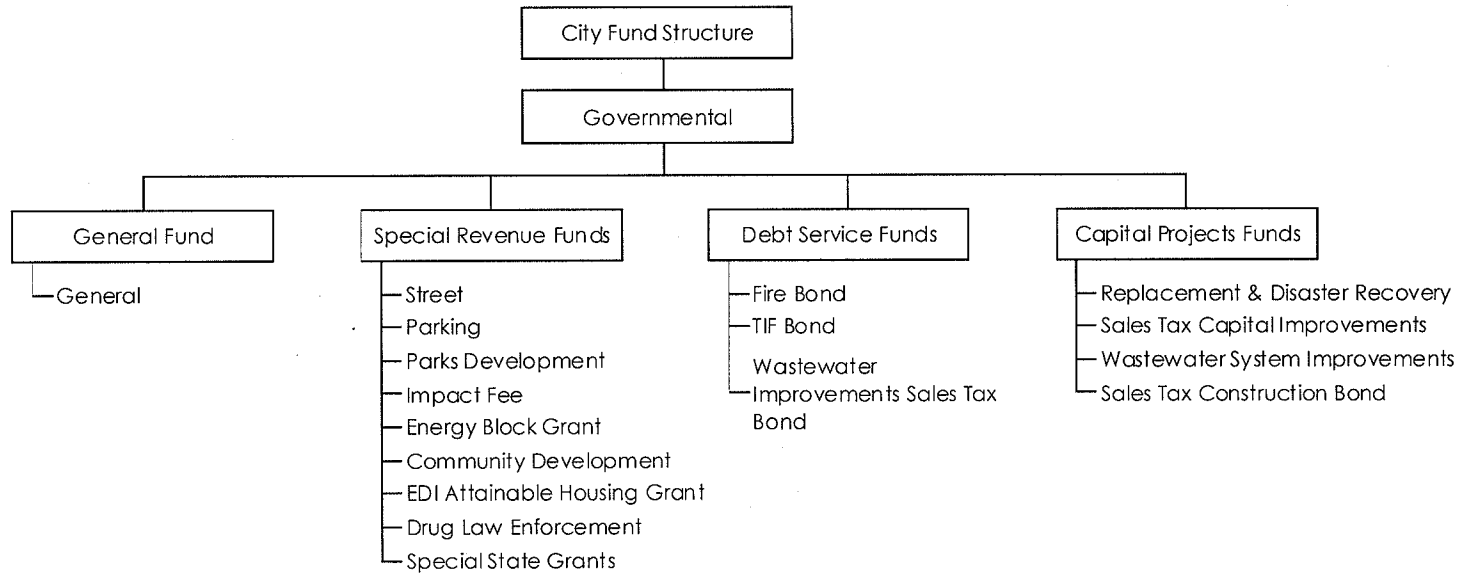
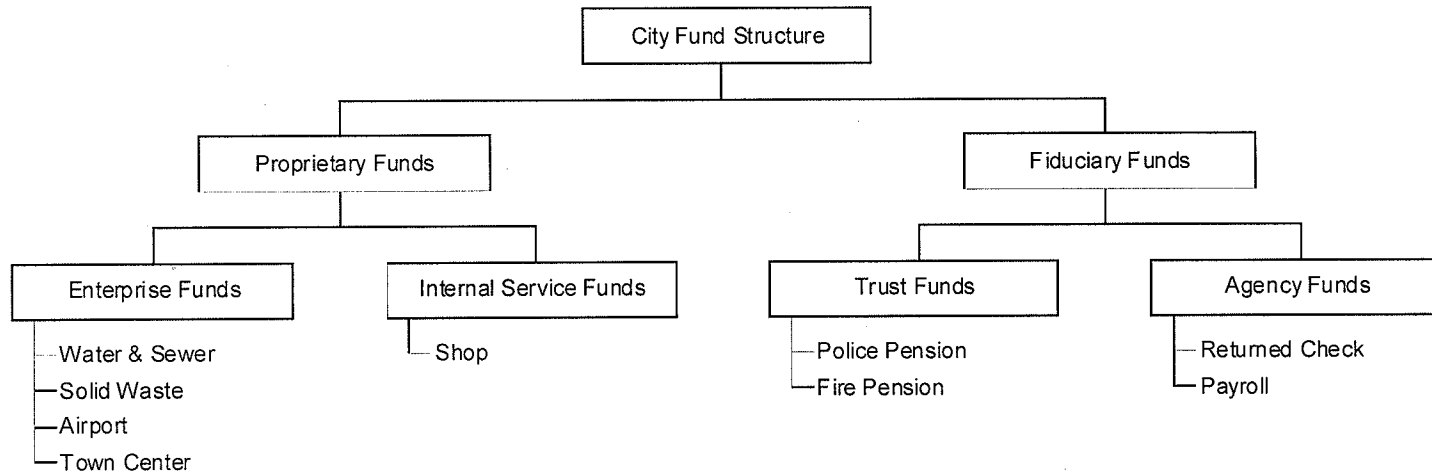


Chart of Proprietary and Fiduciary Fund Types



Summary Fund Totals as Percent of Total Budget

Fund Totals as a Percent of Budget

Funding Sources	Adopted 2011		Proposed 2012	
	Budget	% Total	Budget	% Total
General	\$ 33,885,500	28.6%	\$ 34,139,200	28.1%
Water & Sewer	30,901,000	26.1%	30,908,000	25.6%
Sales Tax Bond	15,373,700	13.0%	16,372,400	13.5%
Solid Waste	9,208,300	7.8%	9,950,100	8.2%
Shop	7,239,900	6.1%	8,231,500	6.8%
Sales Tax Capital Improvements	6,390,000	5.4%	6,702,600	5.5%
Street	4,390,000	3.7%	4,706,600	3.9%
Parks Development	2,424,600	2.0%	2,358,000	1.9%
Police Pension	1,692,800	1.4%	1,633,000	1.3%
Fire Pension	1,480,400	1.2%	1,470,000	1.2%
Parking	1,065,100	0.9%	1,101,800	0.9%
Impact Fee	1,260,000	1.1%	921,000	0.8%
Airport	770,800	0.6%	768,000	0.6%
Town Center	702,700	0.6%	695,200	0.6%
Community Development Block Grant	695,800	0.6%	589,000	0.5%
Drug Law Enforcement	494,000	0.4%	544,000	0.4%
TIF Bond	63,700	0.1%	100,000	0.1%
Wastewater System Improvements Project	0	0.0%	97,600	0.1%
Fire Bond	424,800	0.4%	0	0.0%
Replacement & Disaster Recovery	45,100	0.0%	41,000	0.0%
Sales Tax Construction Bond	6,000	0.0%	2,000	0.0%
	<u>\$ 118,514,200</u>	<u>100.0%</u>	<u>\$ 121,331,000</u>	<u>100.0%</u>

Percentage Increase 2012 over 2011 is \$2,816,800 or 2.3%

Summary of Fund Expenditures (In Dollars)

Category:	Adopted 2011	Proposed 2012	Change In Dollars	2012 % of Total Budget
Personnel Services	\$ 42,092,155	\$ 42,466,864	\$ 374,709	35.5%
Materials & Supplies	4,527,208	4,234,456	(292,752)	3.8%
Services & Charges	16,052,793	16,090,288	37,495	13.5%
Maintenance	3,975,581	4,508,422	532,841	3.4%
Fuel	2,946,398	3,460,493	514,095	2.5%
Internal Charges	3,944,052	4,354,031	409,979	3.3%
Purchased Water	6,500,000	6,500,000	0	5.5%
WWTP Operations	7,712,706	7,799,391	86,685	6.5%
Total Operating Expenses	<u>87,750,893</u>	<u>89,413,945</u>	<u>1,663,052</u>	<u>74.0%</u>
Transfers Out	1,233,000	330,600	(902,400)	1.0%
Debt Service	18,732,207	20,104,105	1,371,898	15.8%
Capital	10,798,100	11,482,350	684,250	9.1%
Total Expenses	<u>\$ 118,514,200</u>	<u>\$ 121,331,000</u>	<u>\$ 2,816,800</u>	<u>100.0%</u>

Operating Increase is \$1,663,052 or 1.9%

Transfers Out, Capital, and Debt Service Increase is \$1,153,748 or 3.7%

Total Increase is \$2,816,800 or 2.3%

2012 General Fund Summary

2012 General Fund Proposed Budget - Revenue Highlights

Revenue Source				Change Between 2010/2011	
	Actual 2010	Estimated 2011	Budgeted 2012	Amount	%
Sales Tax Revenue	\$ 19,910,291	\$ 20,549,000	\$ 20,549,000	\$ -	0.0%
Property Tax Revenue	1,631,854	1,488,000	1,523,000	35,000	2.4%
Franchise Fees	4,904,603	4,874,400	4,880,100	5,700	0.1%
Building Permits	479,286	533,000	479,400	(53,600)	-10.1%
All Other Revenue	6,831,867	7,114,500	6,147,400	(967,100)	-13.6%
Investment Earnings	130,534	61,900	62,300	400	0.6%
	<u>\$ 33,888,435</u>	<u>\$ 34,620,800</u>	<u>\$ 33,641,200</u>	<u>\$ (979,600)</u>	<u>-2.8%</u>

- Sales Tax for 2012 is approximately 3.2% over 2010 actual revenue and flat over 2011 estimated collections.
- Property Tax for 2012 is projected to be up 2.4% compared to the estimated 2011 collections. This estimate is based on assessed value.
- Franchise fees are projected to be relatively flat compared to the 2011 estimate.
- Building permits are projected to be lower compared to the 2011 estimate.
- Investment Earnings are projected to be relatively flat compared to the 2011 estimate.
- All other revenue for is projected to be lower compared to 2011 estimated revenue.
- All other revenue includes Federal and State grants and related funding.

2012 Proposed General Fund Expenditure Budget: *(Changes Between Adopted 2011 and Proposed 2012)*

	<i>Budget</i>
2011 General Fund Adopted Expense Budget:	\$ 33,885,500
 Additions:	
<hr/>	
LOFPI Police Pension	52,589
LOFPI Fire Pension	52,570
Health Insurance (Rate Increase)	21,871
Fuel	51,550
Motorpool Charges	54,614
Election Cost (General Election)	30,000
Police Jail Contract	10,500
Utilities	14,400
Other	12,613
Software Maintenance	59,807
	360,514
 Reductions:	
<hr/>	
Personnel Turnover & Other	(7,182)
Insurance - Personal Liability / Vehicles	(17,480)
Radio Maintenance	(82,152)
	(106,814)
	\$ 34,139,200

2012 Proposed General Fund Expenditure Budget: *(Changes Between Adopted 2009 and Proposed 2012)*

	<i>Budget</i>
2009 General Fund Adopted Expense Budget:	\$ 35,801,900
Additions:	
Salaries/Wages & Pension (including LOFPI)	475,083
Health Insurance (Rate Increase)	157,755
Unemployment Insurance	80,000
Software Maintenance	97,143
Election Cost	45,000
Police Jail Contract	10,500
Utilities	14,400
Bad Debt Expense	10,000
	889,881
Reductions:	
2010 Budgeted Positions Held in 2011 & Frozen Positions	\$ (1,058,971)
Salary Contingency (Wage Increases for 2010)	(325,398)
Fire/Police Overtime	(225,000)
Parking Enforcement Program (Shifted to Parking Fund)	(201,948)
Contract Services & Lease Expense	(112,176)
Fuel	(45,039)
Radio Maintenance	(82,152)
Washington, D.C. Lobbyist	(85,000)
Increase Cost Allocations	(70,000)
Vehicle Replacement Charges & General Motorpool Charges	(13,000)
Public Notification & Uniforms/Equipment	(51,910)
Planning Commissioners Salaries	(43,596)
Publications/Dues & Travel & Training & Radio Maintenance	(26,315)
Pension Administration Fee & Long Term Disability and Life Insurance	(34,082)
Other	(177,994)
	(2,552,581)
2012 Proposed Budget General Fund	\$ 34,139,200

2012 Proposed General Fund Shortfall

Budget

2012 General Fund Proposed Revenue Budget:	\$ 33,641,200
2012 General Fund Proposed Expense Budget:	<u>\$ 34,139,200</u>
2012 Short Fall	<u><u>\$ (498,000)</u></u>

General Fund Unobligated Fund Balance Analysis Estimated 12/31/2011

Fund Balance 01/01/2011	\$ 10,100,000
Increase in Reserves Due to 2011 Operations	1,100,000
Required Reserve (60 Days of Operations)	(5,650,000)
2012 Use of Reserves	<u>(498,000)</u>
Estimated Available Reserve as of 12/30/2012	<u><u>\$ 5,052,000</u></u>

