

CITY OF LITTLE ROCK



2023 Draft Operating Budget Workshop
December 13, 2022

GENERAL FUND REVENUES

GENERAL FUND

DETAIL REVENUE FORECAST

2021 – 2023

		2021	2022	2022	2023 DRAFT		PERCENT
	<u>REVENUES</u>	<u>ACTUAL</u>	<u>ORIG BUDGET</u>	<u>AMENDED</u>	<u>BUDGET</u>	<u>CHANGE</u>	<u>CHANGE</u>
1	Property Taxes	22,441,151	22,040,360	22,173,960	23,845,000	1,671,040	7.54%
2	Pension Property Tax	9,521,383	9,129,680	9,369,554	10,034,000	664,446	7.09%
3	State Homestead Tax	1,188,278	1,110,000	1,035,126	1,065,000	29,874	2.89%
4	Act 9 Revenue	143,446	176,435	176,435	150,607	(25,828)	-14.64%
5	Sales Taxes - County	53,421,968	50,776,250	54,293,492	57,007,570	2,714,078	5.00%
6	Sales Taxes - City	69,592,645	65,903,600	70,494,183	74,170,275	3,676,092	5.21%
7	State Turnback	3,218,806	3,060,000	2,828,815	3,140,161	311,346	11.01%
8	Utility Franchises	29,924,273	30,365,217	31,765,617	32,404,050	638,433	2.01%
9	Business Licenses	7,148,756	7,200,000	6,782,000	6,808,200	26,200	0.39%
10	Mixed Drinks Licenses	2,978,154	2,830,000	3,503,000	3,666,200	163,200	4.66%
11	Building & Related Permits	2,216,910	2,462,000	2,538,300	2,590,000	51,700	2.04%
12	Fines & Fees	1,650,743	1,929,200	1,549,700	1,594,600	44,900	2.90%
13	Parks & Recreation Revenue	318,054	338,050	338,050	339,800	1,750	0.52%
14	RiverMarket	309,545	375,304	354,504	356,092	1,588	0.45%
15	Golf	1,255,967	1,314,100	1,229,450	1,159,400	(70,050)	-5.70%
16	Fitness and Aquatics	165,523	252,600	282,800	290,700	7,900	2.79%
17	Zoo Revenues	3,355,094	3,200,250	3,308,950	3,354,700	45,750	1.38%
18	Airport Reimbursement	3,134,666	3,260,000	3,260,000	3,088,900	(171,100)	-5.25%
19	Salary Reimbursement 9-1-1	1,750,000	1,750,000	1,750,000	1,750,000	-	0.00%
20	Insurance Pension Turnback	11,120,576	10,703,932	13,349,849	10,020,799	(3,329,050)	-24.94%
21	All Other Revenue	1,948,570	1,759,425	1,693,425	1,896,396	202,971	11.99%
22	Interest Earnings	(192,199)	130,000	346,500	450,000	103,500	29.87%
23	Revenues before Transfers	226,612,307	220,066,403	232,423,710	239,182,450	6,758,740	2.91%
24	Transfers In	3,027,421	2,099,761	2,174,761	1,564,826	(609,935)	-28.05%
25	Carry Over from Prior Year	1,825,982	-	-	-	-	0.00%
26	Total	231,465,709	222,166,164	234,598,471	240,747,276	6,148,805	2.62%

PROPERTY TAX

		2021	2022	2022 CURRENT	2023 DRAFT	
		ACTUAL	AMENDED	FORECAST	BUDGET	CHANGE
1	Property Taxes	22,441,151	22,173,960	22,495,024	23,845,000	6.00%
2	Pension Property Tax	9,521,383	9,369,554	9,465,657	10,034,000	6.00%
3	State Homestead Tax	1,188,278	1,035,126	1,064,601	1,065,000	0.04%
4	Act 9 Revenue	143,446	176,435	176,435	150,607	-14.64%
5	Total Property Taxes	33,294,257	32,755,075	33,201,717	35,094,607	5.70%

- Pulaski County provided estimates for the increase in property tax assessments for collection in 2023. There are caps to increases in tax assessments of 5% for residential real estate and 10% for commercial real estate, and Amendment 59 to the Constitution of the State of Arkansas limits the amount of revenue that can increase to any taxing unit to 10% in aggregate. The County projected growth in Little Rock of approximately 8.7% in the aggregate primarily due to increased real estate values and the very active residential real estate market. The high sale volume reset many properties to market value. Personnel property assessments were still in process. They are not projecting a rollback. The Original Charge will not be received until February 2023. We have conservatively estimated 6% growth to allow for valuation adjustments.

SALES AND USE TAXES

		2021	2022	2022 CURRENT	2023 DRAFT	
		ACTUAL	AMENDED	FORECAST	BUDGET	CHANGE
1	Sales Taxes - County	53,421,968	54,293,492	55,752,345	57,007,570	2.25%
2	Sales Taxes - City	69,592,645	70,494,183	72,539,514	74,170,275	2.25%
3	State Turnback	3,218,806	2,828,815	3,021,531	3,140,161	3.93%
4	Total Sales & Use Taxes	126,233,418	127,616,490	131,313,390	134,318,006	2.29%

- Sales and use tax revenues continue to exceed forecast. The current forecast includes year-to-date actual 2022 results through November receipt of September revenues and comparable 4th quarter revenues. The 2023 draft budget includes a conservative growth estimate of approximately 2.25%.
- State turnback is \$15.50 per capita. With a population of 202,591, the City expects to receive \$3,140,161 in 2023.

FRANCHISE FEES

		2021	2022	2022 CURRENT	2023 DRAFT	
		ACTUAL	AMENDED	FORECAST	BUDGET	CHANGE
1	Electric Utility	13,723,938	14,803,700	14,894,400	15,245,700	2.36%
2	Water Utility	4,121,179	4,170,100	4,260,600	4,240,900	-0.46%
3	Wastewater	6,525,067	6,446,690	6,490,500	6,504,500	0.22%
4	Gas Utility	3,274,407	4,063,300	4,094,000	4,386,000	7.13%
5	Cable TV	1,429,617	1,404,000	1,383,500	1,376,000	-0.54%
6	Fiber Optics	905,671	810,677	801,000	729,600	-8.91%
7	Telephone Utilities	763,729	912,300	958,700	890,000	-7.17%
8	Long distance	688,565	660,000	600,000	541,000	-9.83%
9	Franchise Contra	(1,507,900)	(1,505,150)	(1,505,150)	(1,509,650)	0.30%
10	Total Franchise Fees	29,924,273	31,765,617	31,977,550	32,404,050	1.33%

- Franchise estimates were received directly from the Electric, Gas, Water, and Wastewater utilities and include adjustments to fuel costs and other rate changes or special cost recovery riders approved by the Public Service Commission. There are currently no rate increases reflected in the Central Arkansas Water and Little Rock Water Reclamation Authority franchise fee estimates. The “contra” represents the portion of franchise fees pledged to debt service on the 2017 Capital Improvement Bonds.

INTERGOVERNMENTAL

		2021	2022	2022 CURRENT	2023 DRAFT	
		ACTUAL	AMENDED	FORECAST	BUDGET	CHANGE
1	Insurance Pension Turnback	9,900,190	9,540,062	9,540,062	8,756,924	-8.21%
2	Police Supplement	148,800	146,400	146,400	140,400	-4.10%
3	Future Supplement (Act 1373)	1,071,586	1,096,847	1,096,847	1,123,475	2.43%
4	Intergovernmental Funds	-	2,566,540	2,566,540	-	-100.00%
5	Total Intergovernmental	11,120,576	13,349,849	13,349,849	10,020,799	-24.94%

- Pension turnback funds are received from the State for the current LOPFI Police and Fire Plans and the closed Police and Fire Pension Plans administered by LOPFI. The decrease in turnback funds is associated with the closed plans. The estimated 2023 premium tax allocations for the closed plans were communicated by LOPFI in September 2022.
- The 2022 Amended Budget includes \$5,000 stipends for eligible Police Officers awarded by the State. The \$2,566,540 total distribution was a one-time special allocation.

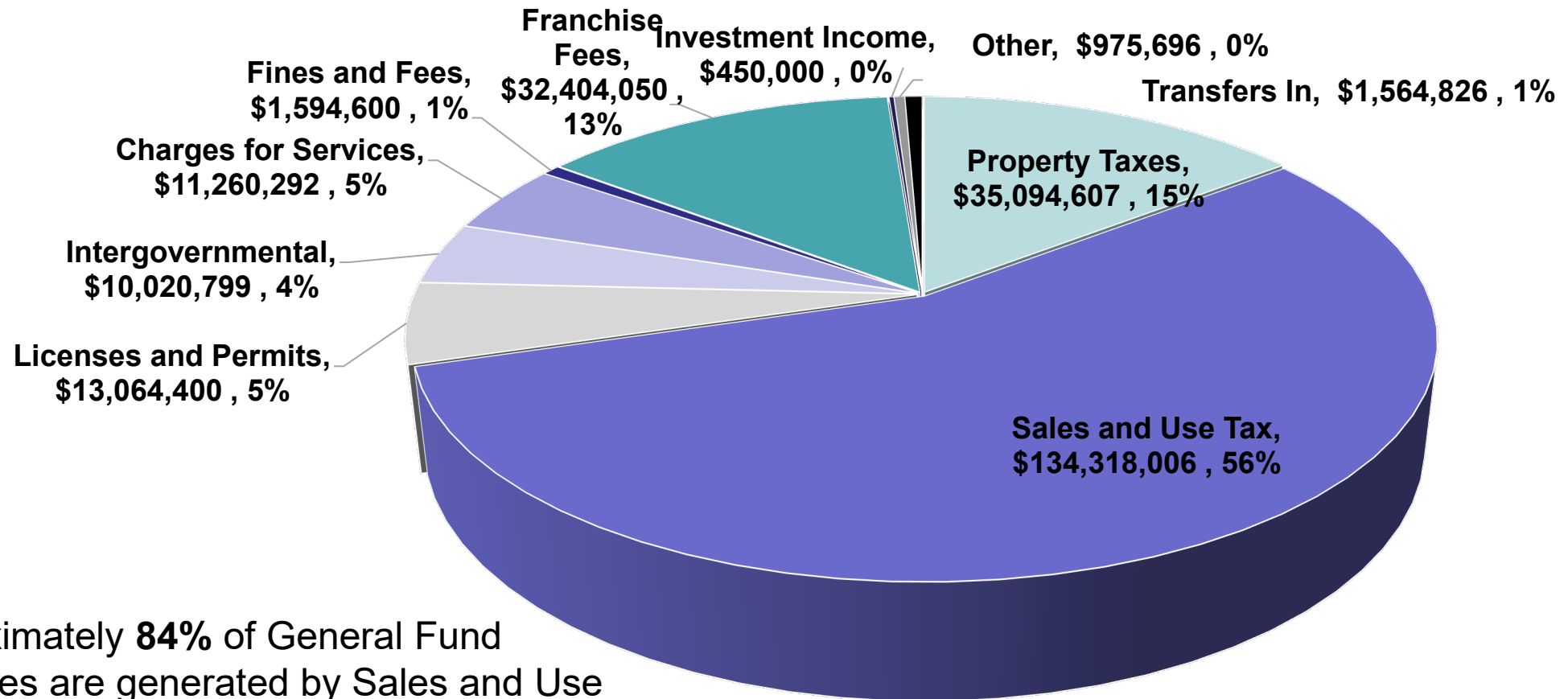
GENERAL FUND

REVENUE FORECAST SUMMARY

		2021	2022	2022	2023 DRAFT		PERCENT
	<u>REVENUES</u>	ACTUAL	ORIG BUDGET	AMENDED	BUDGET	CHANGE	CHANGE
1	General Property Taxes	\$33,294,257	\$32,456,475	\$32,755,075	\$35,094,607	\$2,339,532	7.14%
2	Sales and Use Taxes	126,233,418	119,739,850	127,616,490	134,318,006	6,701,516	5.25%
3	Licenses and Permits	12,343,819	12,492,000	12,823,300	13,064,400	241,100	1.88%
4	Intergovernmental	11,120,576	10,703,932	13,349,849	10,020,799	(3,329,050)	-24.94%
5	Charges for Services	11,140,363	11,264,804	11,298,254	11,260,292	(37,962)	-0.34%
6	Fines and Fees	1,650,743	1,929,200	1,549,700	1,594,600	44,900	2.90%
7	Utility Franchise Fees	29,924,273	30,365,217	31,765,617	32,404,050	638,433	2.01%
8	Investment income	(192,199)	130,000	346,500	450,000	103,500	29.87%
9	Miscellaneous	1,097,056	984,925	918,925	975,696	56,771	6.18%
10	Transfers In	4,853,403	2,099,761	2,174,761	1,564,826	(609,935)	-28.05%
11	Total General Fund Revenues	\$231,465,709	\$222,166,164	\$234,598,471	\$240,747,276	\$6,148,805	2.62%

Including Transfers In, the 2023 General Fund revenue forecast is **\$240,747,276** which is **\$6,148,805** or **2.62%** above the 2022 Amended Budget and **\$9,281,867** or **4%** above 2021 actual results.

GENERAL FUND REVENUES



Approximately **84%** of General Fund revenues are generated by Sales and Use Tax, Property Tax, and Franchise Fees.

Total - \$240,747,276

**PERSONNEL COST ASSUMPTIONS
AND OTHER EXPENDITURES
APPLICABLE TO ALL FUNDS**

2023 PERSONNEL SALARY PROGRESSION

➤ **Continuation of Step and Grade Progression**

- Fraternal Order of Police (FOP)
- International Association of Fire Fighters (IAFF)
- AFSCME and Union Eligible
- 911 Communications Positions

2023 PERSONNEL SALARY PROGRESSION

➤ **Police Uniformed Personnel – (\$5,163,600)**

- Entry level Officers adjusted to \$50,000 starting salary
- All step increases for Officers with less than six (6) years of service will be increased by 12%
- Step increases for Officers with more than six (6) years and less than eight (8) years of service will be increased 9.7%
- All steps above eight (8) years of service will be increased 7.9%
- Command Staff salaries will be increased 7.9%

2023 PERSONNEL SALARY PROGRESSION

➤ **Police Uniformed Personnel (continued)**

- Uniform personnel with 15 or more years of service will receive an additional 2.5% retention incentive step. **(\$507,885)**
- Recruit incentives will remain at \$10,000. **(\$355,075)**

2023 PERSONNEL OTHER SALARY INCREASES

➤ Fire Uniformed Personnel

- Uniformed Personnel positions will receive a 4.5% salary increase (**\$1,656,000**)
- Fire Uniformed Personnel EMT Pay will be increased from \$1,680 to \$2,400. (**\$327,027**)

2023 PERSONNEL OTHER SALARY INCREASES

➤ Non-Uniformed Personnel

- Includes non-uniformed positions in the General, Street, Waste Disposal, Fleet, and Vehicle Storage Funds
- 3.5% across the board salary increase for all non-uniform full-time personnel
 - AFSCME Positions – **(\$742,088)**
 - Non-Union/Non-Uniformed Positions – **(\$1,653,562)**
- Emergency Communications Personnel will receive an additional salary increase of \$1,700 each **(\$99,153)**

2023 PERSONNEL EMPLOYEE BENEFITS

➤ Health Insurance

- Fully Insured Coverage with Cigna
 - Net Decrease of **\$1,050,000** reflected in personnel cost
 - Employee only cost paid entirely by City
 - New tiered options include Employee Only, Employee + Spouse, Employee + Children, and Family
 - Buy-Up options for lower deductibles and co-pays are available to employees. In addition, a new high deductible is offered.
- **Continuation of Dental, Vision, and Basic Life at no cost to employees for single coverage.**

2023 PERSONNEL PENSIONS RATES – CURRENT PLANS

➤ Pension Rates Effective January 1, 2023

- Fire LOPFI Pension – **23.50%** (unchanged - at maximum)
- Police LOPFI Pension – **23.50%** (unchanged - at maximum)
LOPFI contributions for Fire and Police are partially offset by State Pension Turn-Back Funds that are included in the budget as Intergovernmental Revenues.
- Non-Uniform Pension – **9%** (unchanged)

PENSION RATES – OTHER PLANS

➤ **APERS Pension Rates Effective July 1, 2023**

- District Judges/Court Clerks Pension – **15.32%** (unchanged)
- District Judges covered by ADJRS – **42.51%** (unchanged)
- Judges and Clerks Liability - **\$196,736** (increased from \$185,000)

➤ **Closed Non-Uniform Plan**

- Non-Uniform Defined Benefit Plan – **\$635,000** (increased from \$560,000)

2023 PERSONNEL PENSION CONTRIBUTIONS - CLOSED PLANS

➤ Closed Police and Fire Pension Plan Contributions

Closed Police and Fire Pension LOPFI contributions are offset by the ongoing dedicated 1-mill property tax levies, the annual City sales tax contributions of \$500,000, and other dedicated fines and fees for each plan.

- Closed Police Pension Plan administered by LOPFI
 - Required monthly contribution to LOPFI of \$333,185 in 2023 (\$3,998,220)
 - Additional contribution anticipated from dedicated revenues to pay down unfunded liability - \$3,594,333 for a total contribution of **\$7,592,553**
- Closed Fire Pension Plan administered by LOPFI
 - Required monthly contribution to LOPFI of \$278,998 in 2023 (\$3,347,976)
 - Additional contribution anticipated from dedicated revenues to pay down unfunded liability - \$3,394,389 for a total contribution of **\$6,742,365**

2023 PERSONNEL OTHER ASSUMPTIONS

➤ Other Personnel Assumptions – All Funds

- OPEB Contribution (Cobra and Retiree) – increase of **\$201,000** from the original 2022 budget. Actuarial estimates include health and dental coverage for retirees.
- Workers Compensation – decrease of **\$528,600** from the original 2022 budget and \$290,917 from 2021 actual results. Claims have decreased significantly in 2022.

GENERAL FUND FULL-TIME STAFFING

	2021 Adopted Budget	2022 Adopted Budget	2023 Draft Budget	Change 22-23	Changes from 2022 to Proposed 2023 Budget
General Fund					
1 Executive Administration	28	33	34	1	Added back Office Assistant III - eliminated from budget in 2019. This position serves as the City Receptionist.
2 Board of Directors	1	1	1	-	
3 Community Programs	5	3	3	-	
4 City Attorney	16	18	23	5	Transferred three (3) FOIA positions from HR to CA in 2022. Added an additional FOIA Coordinator and an Assistant City Attorney for FOIA in 2023.
5 District Court First Division	20	21	21	-	
6 District Court Second Division	18	19	19	-	
7 District Court Third Division	7	8	8	-	
8 Finance	46	49	50	1	Added an Office Assistant II to Accounts Payable for internal and external customer service assistance, and scanning and indexing invoices.
9 Human Resources	22	24	25	1	Moved the Wellness Coordinator and a Benefits Analyst to the General Fund from Special Projects as ongoing positions, and added a Human Resources System Coordinator and a Senior HR Analyst, net of the transfer of three (3) FOIA positions to the City Attorney's Office.
10 Information Technology	41	42	43	1	Added an IT Procurement and Financial Assistant.

- The five (5) positions in the City Attorney's Office reflect the three (3) FOIA positions transferred from Human Resources in the 2022 budget amendment, along with two (2) additional FOIA positions to include a FOIA Coordinator and an Assistant City Attorney.

GENERAL FUND STAFFING - CONTINUED

	2021 Adopted Budget	2022 Adopted Budget	2023 Draft Budget	Change 22-23	Changes from 2022 to Proposed 2023 Budget
General Fund					
11 Planning & Development	39	46	46	-	
12 Housing & Neighborhood Programs	84	84	90	6	Added an Animal Services Coordinator and two (2) Animal Care technicians to the Animal Services Division. In addition, added a Housing Programs Coordinator and two (2) Neighborhood Resource Specialists.
13 Public Works - General	10	10	10	-	
14 Parks & Recreation	102	102	103	1	Added an Administrative Assistant to support the Parks Director.
15 Golf	15	15	15	-	
16 Jim Dailey Fitness Center	8	8	8	-	
17 Zoo	63	64	64	-	
18 Fire	433	433	445	12	Added three (3) Captains, three (3) Apparatus Engineers, and six (6) Firefighters.
19 Police	746	686	693	7	Added a Deputy Police Chief, a Lieutenant, two (2) Civilian Background Investigators to free up Uniform staff for patrol, a Crime Scene Specialist, a Police Subpoena Technician, and a Network Coordinator.
20 Emergency Communications		65	65	-	
21 Subtotal General Fund	1,704	1,731	1,766	35	

- General Fund Personnel includes **1,766** full-time positions, an increase of 35 from the 2022 Adopted Budget. This includes twelve (12) Fire positions for a proposed station in West Little Rock and seven (7) new Police positions.

SPECIAL PROJECT & GRANT FUNDED STAFFING

	2021 Adopted Budget	2022 Adopted Budget	2023 Draft Budget	Change 22-23	Changes from 2022 to Proposed 2023 Budget
<u>Special Project & Grant Positions</u>					
1 Executive Administration	5	2	2	-	Emergency Management Positions (1/2 grant funded)
2 Community Programs	8	11	17	6	Added an Assistant Director position during 2022, three (3) Positive Intervention positions, and two (2) Social Workers - Community and School which are grant funded.
3 Finance		3	3	-	Grant funded limited service positions include a 21st Century Grants Coordinator (West Central), a Grants Compliance Coordinator - ARPA Admin., and an Accounting Clerk II - ARPA Admin.
4 Human Resources	3	2	-	(2)	Transferred the Wellness Coordinator and a Benefits Analyst to the General Fund.
5 Housing	15	15	15	-	CDBG and Home grant funded positions, and Land Bank special project position.
6 Public Works - Building Services	2	2	2	-	Building Services Supervisor, Electrician
7 Parks	4	4	4	-	Marathon positions.
8 Police	8	8	10	2	Added two full-time ARPA Grant Funded Social Workers to Police. Other positions carried forward include Victim Services grant funded positions, and a Social Worker.
9 Public Works - Street	5	5	5	-	
10 Subtotal Special Positions	50	52	58	6	

- Special Project and Grant positions are limited-service positions funded by Special Project allocations or dedicated Grant Funds. Fifty-three (53) Special Project and Grant positions are associated with General Fund activities and five (5) positions are associated with Street Fund activities.
- The six (6) additions in 2023 include a Community Programs Assistant Director, three (3) Positive Intervention positions, and two (2) Grant funded Social Workers for Community Schools.
- Two (2) additional full-time Social Workers were added for the Police Department funded by ARPA.
- Two (2) Human Resources positions were transferred to the General Fund.

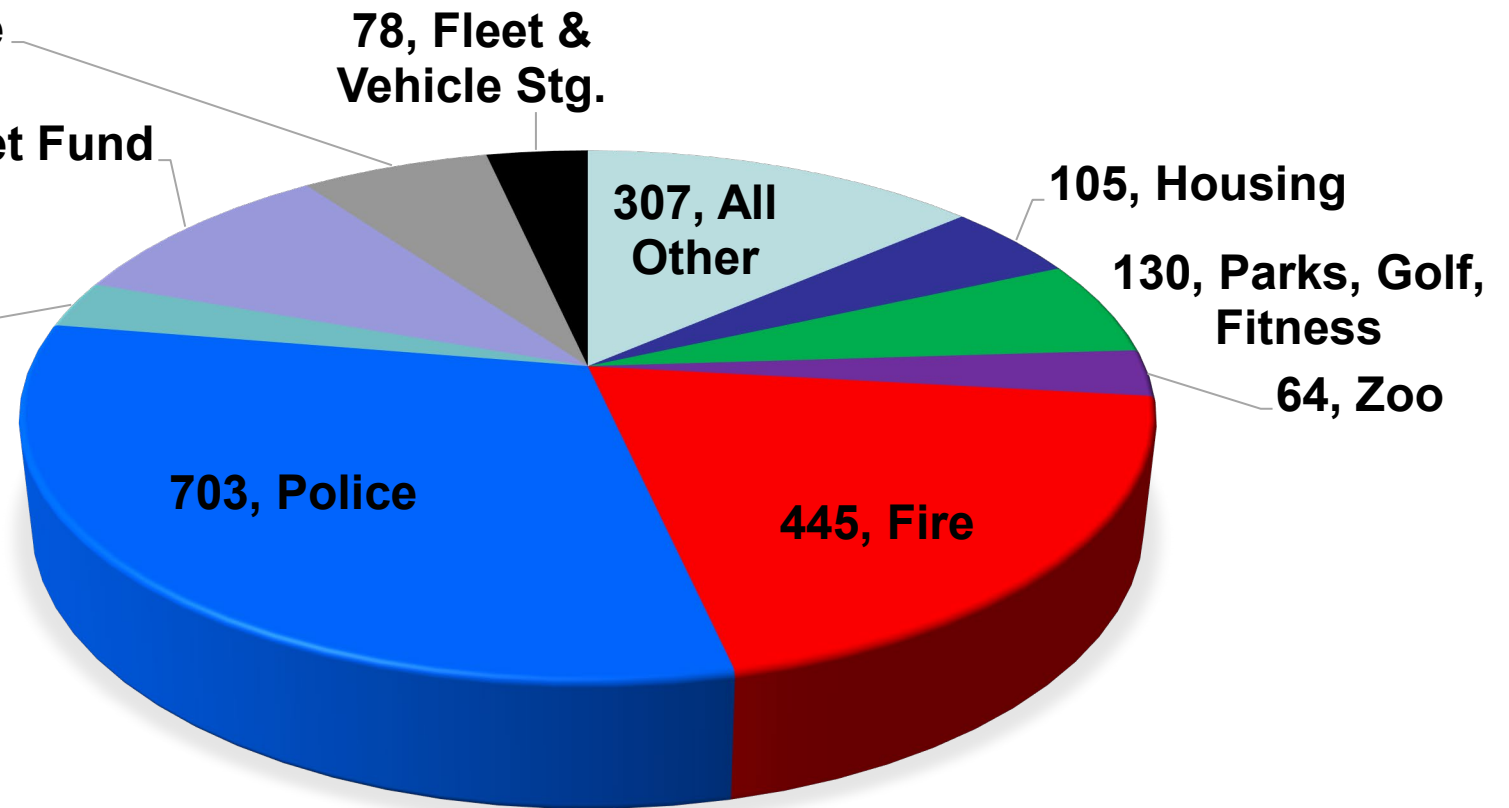
FULL-TIME STAFFING – OTHER FUNDS

<u>Other Funds</u>	2021	2022	2023	Change 22-23	Changes from 2022 to Proposed 2023 Budget
	Adopted Budget	Adopted Budget	Draft Budget		
1 Waste Disposal	145	145	145	-	Increased Solid Waste Equipment Operator III headcount by eight (8) positions, reduced Solid Waste Equipment Operator I and Solid Waste Equipment Operator II positions by four (4) each. Total headcount remained the same.
2 Public Works - Street	215	212	212	-	
3 Fleet Services	63	62	63	1	Added Senior Fleet Service Advisor during 2022.
4 Vehicle Storage Facility	14	14	15	1	Added a Vehicle Storage Attendant II for the front office.
5 Subtotal Other Funds	437	433	435	2	
6 Total Personnel	2,191	2,216	2,259	43	

- Staffing for other funds includes **435** full-time positions, a net increase of two (2) from 2022.
- The Fleet Fund added one (1) a Senior Service Advisor and the Vehicle Storage Fund added an Attendant II position for the front office.
- In Total, there are **2,259** full-time positions included in the 2023 Proposed Budget, an increase of forty-three (43).

ALL FUNDS - STAFFING SUMMARY

FULL-TIME PERSONNEL



Dept.	#	%
Police, Fire, 911	1,213	54%
Street & Waste	362	16%
Parks & Zoo	194	9%
Housing	105	5%
Fleet & Vehicle Stg.	78	3%
All Other	307	14%
	2,259	100%

2023 EXPENDITURES – FLEET ALLOCATIONS FOR FUEL AND VEHICLE MAINTENANCE

- The cost of Fleet labor, fuel, vehicle insurance, vehicle maintenance, and parts expenses are allocated to departments based on the number of vehicles assigned, maintenance requirements, and actual fuel usage.
 - Parts and sublet expenses are expected to increase approximately \$680,780.
 - The fuel rate per gallon, including the \$0.15 mark up for labor and supplies in the Fleet Fuel Acquisitions Division, is budgeted at \$3.56 for unleaded and \$4.32 for diesel, compared to the 2022 original rates of \$2.73 and \$2.93, respectively, increasing the City-wide fuel budget by approximately \$1.7 million. The change from the 2022 Amended Budget is \$382,421.

2023 OUTSIDE AGENCY FUNDING HIGHLIGHTS

- Funding for the Arkansas Museum of Fine Arts includes a proposed increase of \$1,000,000 in 2023 with an anticipated April opening.
- Rock Region Metro funding will remain unchanged at \$9,854,118.
- The proposed Pulaski County Jail funding allocation will increase \$355,847 to \$2,910,000, which includes \$160,000 coming from the local jail fine project. Pulaski County is raising daily rates by 10.2%.
- The proposed Downtown Partnership allocation will increase by \$30,000.
- The proposed PAGIS allocation will increase \$19,000 to accommodate the City's share of a new position to meet National Emergency Number Association Next Generation (NG)-911 requirements.

2023 EXPENDITURES

DEBT SERVICE – SHORT TERM NOTES

- Debt service and bond agent fees on short-term financing notes will total **\$2,422,524** in 2023
 - Debt Service will decrease **\$1,107,728** from 2022, reflecting the retirement of the 2017 short-term note. The recently approved short-term note for Police Vehicles will close in early January 2023 with the first annual payment due in 2024.

GENERAL FUND EXPENDITURES

GENERAL FUND - EXPENDITURES BY CATEGORY

FISCAL YEARS 2021 - 2023

	2021	2022	2022	2023	Change	Change from
	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2022 to 2023</u>	<u>2022 Orig.</u>
1 Personnel	\$160,975,823	\$173,350,035	\$170,126,007	\$185,662,640	\$15,536,633	\$12,312,605 (1)
2 Supplies	3,928,218	3,776,335	4,019,335	4,348,395	329,060	572,060
3 Fleet (Fuel & Services)	6,471,254	7,980,478	8,784,581	8,980,515	195,934	1,000,037
4 Repairs and Maintenance	4,214,167	4,797,262	4,937,262	6,211,812	1,274,550	1,414,550
5 Utilities	3,388,268	4,236,222	4,236,222	4,256,222	20,000	20,000
6 Contracts	12,328,069	7,803,272	12,749,272	8,600,988	(4,148,284)	797,716
7 Outside Agency Funding	11,814,835	12,290,486	12,337,986	13,695,333	1,357,347	1,404,847
8 Capital Outlay	116,333	72,500	72,500	63,325	(9,175)	(9,175)
9 Debt Service	4,235,589	3,530,252	3,530,252	2,422,524	(1,107,728)	(1,107,728)
10 Other	258,794	251,510	486,510	251,510	(235,000)	-
11 Vacancy Allocation	60	(6,691,700)	-	(7,000,000)	(7,000,000)	(308,300) (1)
12 Transfers	14,172,512	10,769,512	19,833,903	13,254,012	(6,579,891)	2,484,500
13 Total Expenditures	\$221,903,923	\$222,166,164	\$241,113,830	\$240,747,276	(\$366,554)	\$18,581,112

- The Proposed 2023 General Fund Budget is balanced with revenues and expenditures of **\$240,747,276**, representing an increase of **\$18,581,112** from the 2022 Original Budget and a decrease of **\$366,554** from the 2022 Amended Budget.
 - The primary components of the changes in personnel cost and the other expenditure categories will be discussed on the following slides.
- (1) The net increase in personnel cost including vacancy savings is **\$12,004,305**.

2023 GENERAL FUND PERSONNEL BUDGET

- Net increase of **\$12,312,605** to the General Fund personnel budget from the 2022 Original Budget, before vacancy savings
- The Vacancy Savings requirement will increase by **\$308,300** to \$7,000,000.
- As noted previously in the General Fund Full-Time Staffing schedule, the number of positions will increase by **35** to 1,766.

2023 GENERAL FUND PERSONNEL – KEY CHANGES

Line	Description	Change
1	Police Salary Increases (7.9% - 12%)	\$5,163,600
2	35 New Positions (slides 21-22)	2,503,200
3	Fire Salary Increases (4.5%)	1,656,000
4	Across the Board Increase for Non-Uniform (Including AFSCME) (3.5%)	1,597,240
5	All Other Salary and Benefit Changes (equity adjustments, promotions, reclassifications)	687,620
6	Police 15 Year - Retention Incentive (2.5%)	507,885
7	Fire Overtime Increased Allocation	358,700
8	Fire EMT Increase	327,027

General Fund net personnel cost changes from the 2022 Original Budget to the 2023 Proposed Budget.

2023 GENERAL FUND

PERSONNEL – KEY CHANGES (CONT.)

Line	Description	Change
9	Change in Closed Police, Fire, and Non-Uniform Pension Plans	294,780
10	Adjustment to Minimum Full-time Salary of \$15 per hour (Full-Time Non-Uniform)	206,520
11	COBRA/Retiree (OPEB)	200,000
12	Emergency Communications - \$1,700 Salary Increase	99,153
13	Change in Vacancy Savings	(308,300)
14	Decrease to Workers Compensation	(594,200)
15	Health Insurance Cost Reduction	(694,920)
16	Net Increase in General Fund Personnel Cost	\$12,004,305

OTHER EXPENDITURE HIGHLIGHTS

GENERAL FUND SUPPLIES

Line	Department	Description	Change
1	City Attorney	FOIA Software Subscription - estimated annual cost	\$175,000
2	City Attorney	FOIA workstations and equipment	12,900
3	Planning	Reclassification from supplies to utilities and contracts	(2,800)
4	Housing & Neighborhood Programs	Animal Services - increased food cost	20,000
5	Fire	Protective Clothing	100,000
6	Police	Increase in Hand Tools for Tasers (first year funded by JAG grant - now needs to be added to budget)	236,960
7	Zoo	Animal Feed - increased cost	30,000
8	Net Increase to General Fund Supplies		\$572,060

OTHER EXPENDITURE HIGHLIGHTS

FLEET FUEL AND VEHICLE AND EQUIPMENT MAINTENANCE

Line	Department	Change
1	Executive Administration	\$1,152
2	Information Technology	1,179
3	Planning	10,651
4	Housing & Neighborhood Programs	41,058
5	PW - Building Services	7,296
6	Parks	69,452
7	Golf	26,277
8	Jim Dailey Fitness & Aquatics	217
9	Zoo	33,237
10	Fire	361,936
11	Police	446,275
12	Emergency Communications	1,307
13	Net Increase in Fleet Charges	\$1,000,037

OTHER EXPENDITURE HIGHLIGHTS

GENERAL FUND MAINTENANCE EXPENSE

Line	Department	Description	Change
1	Executive Administration	Emergency Management - Annual Siren Maintenance	\$65,850
2	Finance	Vendor Verification - Estimated Maintenance Agreement	55,000
3	Human Resources	Expenditure reclassification from Maintenance to Contracts	(25,000)
4		IA-Pro Software Maintenance for FMLA tracking, certifications, etc.	29,000
5	Information Technology	M365 Licenses for 1640 users (includes M365, SharePoint, Exchange MS Cloud)	1,076,200
6		Backup for online Office 365	35,000
7		Microsoft Enterprise Agreement Renewal - cost is \$440K annually with an estimated 10% increase of \$44K for a total of \$484K. (Based on previous 3-year contract and our annual obligation.)	44,000
8		Storage and Servers / Microsoft server licenses	82,000
9	Planning	Increase software maintenance (reclassification from Supplies)	2,500
10	Emergency Communications	Motorola GIS Maintenance	50,000
11	Net Increase to General Fund Maintenance		\$1,414,550

OTHER EXPENDITURE HIGHLIGHTS

GENERAL FUND CONTRACTS

Line	Department	Description	Change
1	Executive Administration	Insurance (Property, Cyber, Legal Defense - including additional coverage due to expansion of the Museum of Fine Arts)	\$332,716
2		Downtown Ambassadors Program	250,000 *
3	Board of Directors	Reduction to other contracts	(300)
4	City Attorney	FOIA and Litigation Cloud Storage	50,000
5	Second District Court (Traffic)	Reduction to other contracts	(500)
6	Human Resources	Neogov Maintenance and Modules increase	60,000
7		Choice Screening - background screenings for all Departments	30,000
8		Employee wellness activities	30,000
9		Reclassification from Maintenance for other contracts	25,000
10	Planning	Reclassification from Supplies for other contracts	300
11	Parks	Reduction to other contracts	(900)
12	RiverMarket	Increase to facility contracts per LRCVB	25,400
13	Police	Reduction in insurance cost for undercover vehicles	(4,000)
14	Net Increase to General Fund Contracts		\$797,716

***NOTE:**
The Board approved a Resolution on December 6, 2022, requesting \$500,000 for a Downtown Ambassadors Program. The proposed 2023 Budget includes \$250,000 for this program with the remaining \$250,000 coming from the Little Rock Convention and Visitors Bureau which was approved by their Board on December 7, 2022.

OTHER GENERAL FUND EXPENDITURE HIGHLIGHTS

➤ Utilities

Line	Department	Description	Change
1	RiverMarket	Increase in Electricity	\$5,000
2	Golf	Increase in Water for First Tee - needed for irrigation.	15,000
3	Net Increase to General Fund Utilities		\$20,000

➤ Capital Outlay

Line	Department	Description	Change
1	Emergency Management	Increase for Warning Siren back-up	\$63,325
2	Information Technology	Reduction for one-time 2022 allocation	(10,500)
3	Housing & Neighborhood Programs	Reduction for one-time 2022 allocation	(62,000)
4	Net Decrease to General Fund Capital Outlay		(\$9,175)

OTHER EXPENDITURE HIGHLIGHTS

➤ General Fund Debt Service

	2021 Actual	2022 Budget	2022 Amended	2023 Budget	Change 2022 to 2023	Change from 2022 Orig.
DEBT SERVICE:						
1 SHORT TERM FINANCING - PRINCIPAL	\$4,060,750	\$3,382,819	\$3,382,819	\$2,329,987	(\$1,052,832)	(\$1,052,832)
2 SHORT TERM FINANCING - INTEREST	174,839	147,433	147,433	92,537	(54,896)	(54,896)
3 DEBT SERVICE TOTAL	\$4,235,589	\$3,530,252	\$3,530,252	\$2,422,524	(\$1,107,728)	(\$1,107,728)

The budget reflects the retirement of the 2017 note in 2022. The note recently approved for the purchase of 103 Police vehicles is scheduled to close in early January 2023 with the first payment occurring in January 2024.

➤ Outside Agency Support and Transfers Out are presented in detail on the following slides.

GENERAL FUND

OUTSIDE AGENCY SUPPORT

	2021	2022	2022	2023	Change	Change from	
	Actual	Budget	Amended	Budget	2022 to 2023	2022 Orig.	
OUTSIDE AGENCY SUPPORT:							
1	ROCK REGION METRO (C.A.T.A)	\$7,669,443	\$7,854,118	\$7,854,118	\$7,854,118	\$0	\$0 (a)
2	REGIONAL DETENTION SUPPORT	2,394,153	2,394,153	2,394,153	2,750,000	355,847	355,847 (b)
3	ARKANSAS MUSEUM OF FINE ARTS	800,000	1,200,000	1,200,000	2,200,000	1,000,000	1,000,000 (c)
4	MUSEUM OF DISCOVERY SUPPORT	367,000	192,000	192,000	192,000	-	-
5	METROPLAN	178,042	186,384	186,384	186,384	-	-
6	DOWNTOWN PARTNERSHIP	145,000	195,000	242,500	225,000	(17,500)	30,000 (d)
7	PAGIS SUPPORT	129,043	134,850	134,850	153,850	19,000	19,000 (e)
8	COUNTY HEALTH UNIT SUPPORT	56,100	56,100	56,100	56,100	-	-
9	OAKLAND FRATERNAL CEMETERY	50,000	50,000	50,000	50,000	-	-
10	ST VINCENT'S	25,381	25,381	25,381	25,381	-	-
11	CITY BEAUTIFUL	673	2,500	2,500	2,500	-	-
12	OUTSIDE AGENCY TOTAL	\$11,814,835	\$12,290,486	\$12,337,986	\$13,695,333	\$1,357,347	\$1,404,847

- (a) Rock Region Metro funding is \$9,854,118. The remaining \$2 million is included in the Street Fund. There is no change from 2022.
- (b) Pulaski County is increasing the Regional Detention Center daily billing rate per prisoner by 10.2%. Support includes an additional \$160,000 from the local jail fines special project to bring the total funding allocation to \$2,910,000.
- (c) The Arkansas Museum of Fine Arts has requested a funding increase of \$1,000,000 with opening anticipated in April 2023.
- (d) The 2022 Amended Budget for Downtown Partnership included an additional allocation for the La Petit Roche Celebration. 2023 funding anticipates an increase of \$30,000. The proposed downtown ambassador program is budgeted in contracts at \$250,000. This will be matched with an additional \$250,000 funded by LRCVB. The program will be bid separately as a contract for services.
- (e) The change in PAGIS support is to accommodate the City's share of a new position to meet National Emergency Number Association Next Generation (NG)-911 requirements.

GENERAL FUND – TRANSFERS OUT

GENERAL FUND TRANSFERS:		2021	2022	2022	2023	Change	Change from
		Actual	Budget	Amended	Budget	2022 to 2023	2022 Orig.
1	TRANSFERS TO SPECIAL PROJECTS	\$12,748,512	\$9,113,012	\$18,177,403	\$11,210,012	(\$6,967,391)	\$2,097,000
2	TRANSFERS TO STREET FUND	194,000	194,000	194,000	194,000	-	-
3	TRANSFERS FOR GRANT MATCH	230,000	362,500	362,500	650,000	287,500	287,500
4	CONTINGENCY/RESERVE TRANSFER	1,000,000	1,100,000	1,100,000	1,200,000	100,000	100,000
5	TOTAL GENERAL FUND TRANSFERS	\$14,172,512	\$10,769,512	\$19,833,903	\$13,254,012	(\$6,579,891)	\$2,484,500

- Transfers Out will decrease approximately **\$6.6 million** from the 2022 Amended Budget and increase **\$2,484,500** from the Original 2022 Budget to **\$13,254,012**.
- The Transfer of **\$194,000** to Other Funds represents a transfer to the Street Fund to offset the cost of parking enforcement.
- The 2023 contingency allocation of **\$1.2 million** is an increase of \$100,000 to bring the allocation to approximately 0.5% of revenues before Transfers In.
- Transfers to Special Projects and for Grant Match are presented on the following slides.

GENERAL FUND SPECIAL PROJECTS

	2021	2022	2022	2023	Change	Change from	
SPECIAL PROJECTS:	Actual	Budget	Amended	Budget	2022 to 2023	2022 Orig.	
1 CHILDREN, YOUTH & FAMILIES (CYF)	\$3,372,000	\$5,000,000	\$5,000,000	\$5,000,000	\$0	\$0	
2 ANNUAL FLEET REPLACEMENT	1,650,000	1,300,000	1,300,000	2,525,000	1,225,000	1,225,000	(a)
3 FACILITY IMPROVEMENTS	875,000	875,000	875,000	1,095,000	220,000	220,000	(b)
4 HOMELESSNESS OUTREACH	400,000	600,000	600,000	600,000	-	-	
5 PARKING GARAGES TECHNOLOGY UPGRADES				432,000	432,000	432,000	(c)
6 WEED LOT MAINTENANCE	384,400	384,400	384,400	384,400	-	-	
7 DEMOLITION (RESIDENTIAL)	200,000	200,000	200,000	200,000	-	-	
8 POLICE - RIFLES	-	-		140,000	140,000	140,000	(d)
9 PARKS - ADA TRANSITION PLAN				100,000	100,000	100,000	(e)
10 DEMOLITION (COMMERCIAL)	50,000	50,000	50,000	100,000	50,000	50,000	(f)
11 LAND BANK	-	50,000	50,000	100,000	50,000	50,000	(f)
12 WORK BOOTS	35,000	35,000	35,000	70,000	35,000	35,000	(g)

- a) Allocation to cover existing vehicle lease obligations and to allow an additional \$1.225 million for vehicle replacement needs.
- b) Increase needed for general building maintenance.
- c) Technology enhancements for the Convention Center and RiverMarket parking decks. Enhancements are expected to reduce ongoing operating expenses.
- d) Police request for 75 patrol rifles per year until 275 are acquired.
- e) Parks allocation for ADA transition plan to meet Federal Guidelines
- f) Increase needed. Funding has been exhausted
- g) Increase to provide two (2) sets of work boots for AFSCME employees

GENERAL FUND SPECIAL PROJECTS (CONTINUED)

		2021	2022	2022	2023	Change	Change from	
	SPECIAL PROJECTS:	Actual	Budget	Amended	Budget	2022 to 2023	2022 Orig.	
13	HOMELESS EMERGENCY SERVICES	100,000	50,000	100,000	50,000	(50,000)	-	
14	LR RESIDENCY INCENTIVE PROGRAM	-	50,000	50,000	50,000	-	-	
15	LEGISLATIVE CONSULTING	45,000	45,000	45,000	50,000	5,000	5,000	(h)
16	FEDERAL CONSULTANT	24,000	48,000	48,000	48,000	-	-	
17	CURRAN HALL	40,000	40,000	40,000	40,000	-	-	
18	ENVIRONMENTAL YOUTH (PARKS)	37,500	37,500	37,500	37,500	-	-	
19	JUNCTION BRIDGE	35,000	35,000	35,000	35,000	-	-	
20	TENNIS OPEN	25,000	25,000	25,000	25,000	-	-	
21	BOARD AND SECURE	25,000	25,000	25,000	25,000	-	-	
22	AMERICAN DISABILITY ACT (ADA)	25,000	25,000	25,000	25,000	-	-	
23	BILL CLARK WETLANDS MAINTENANCE	23,780	23,780	23,780	23,780	-	-	
24	NEIGHBORHOOD CHALLENGE GRANT	23,332	23,332	23,332	23,332	-	-	
25	SUSTAINABILITY SUMMIT	20,000	20,000	20,000	20,000	-	-	
26	NATIONAL NIGHT OUT	10,000	10,000	10,000	10,000	-	-	
27	NEIGHBORHOOD CONNECTION	1,000	1,000	1,000	1,000	-	-	
28	TARGETED COMMUNITY DEVELOPMENT	1,000,000	-	3,500,000	-	(3,500,000)	-	(i)
29	RELOCATON OF POLICE PROPERTY ROOM	-	-	1,600,000	-	(1,600,000)	-	(i)
30	REPLACEMENT OF POLICE RADIOS	-	-	1,200,000	-	(1,200,000)	-	(i)
31	DEMOLITION OF POLICE HEADQUARTERS	-	-	600,000	-	(600,000)	-	(i)
32	PARKS MAINTENANCE EQUIPMENT	-	-	585,000	-	(585,000)	-	(i)
33	PARKING DECK ARCHITECT	-	-	508,200	-	(508,200)	-	(i)

h) Increase in contract cost.

i) 2022 Amended Budget one-time project allocations

GENERAL FUND SPECIAL PROJECTS (CONTINUED)

	2021	2022	2022	2023	Change	Change from	
SPECIAL PROJECTS:	Actual	Budget	Amended	Budget	2022 to 2023	2022 Orig.	
34 REAL-TIME CRIME CENTER	-	-	300,000	-	(300,000)	-	(i)
35 13TH STREET PARKING LOT - POLICE	-	-	300,000	-	(300,000)	-	(i)
36 PLANNING/PW DRAINAGE MANUAL UPDATE	-	-	250,000	-	(250,000)	-	(i)
37 12TH STREET FURNITURE PACKAGE - PHILANDER SMITH	-	-	171,191	-	(171,191)	-	(i)
38 EMPLOYEE WELLNESS PROGRAM	-	160,000	160,000	-	(160,000)	(160,000)	(j)
39 ZOO - STORMWATER OUTFALL PROJECT	1,000,000	-	-	-	-	-	
40 12TH STREET STATION-1ST FLOOR BUILD OUT	750,000	-	-	-	-	-	
41 TERRY HOUSE CAPITAL IMPROVEMENTS	500,000	-	-	-	-	-	
42 BOARD ROOM RENOVATION	500,000	-	-	-	-	-	
43 INFORMATION TECHNOLOGY CONTINGENCY	400,000	-	-	-	-	-	
44 POLICE - SOUTHWEST PATROL RENOVATIONS	200,000	-	-	-	-	-	
45 BRANDING	200,000	-	-	-	-	-	
46 FINANCE CONTINGENCY	180,000	-	-	-	-	-	
47 DIVERSITY, EQUITY, AND INCLUSION	150,000	-	-	-	-	-	
48 CONCEPTUAL MASTER PLAN FOR HINDMAN AND WAR MEMORIAL PARKS	135,000	-	-	-	-	-	
49 PARKS CONTINGENCY	132,000	-	-	-	-	-	
50 DAISY BATES HOUSE CAPITAL IMPROVEMENTS	100,000	-	-	-	-	-	
51 FIRE STATION 12 RENOVATION - ADA COMPLIAI	93,000	-	-	-	-	-	
52 CRIMINAL COURT CONTINGENCY	7,500	-	-	-	-	-	
53 TOTAL GENERAL FUND PROJECTS	\$12,748,512	\$9,113,012	\$18,177,403	\$11,210,012	(\$6,967,391)	\$2,097,000	

j) Wellness program moved to Human Resources Department

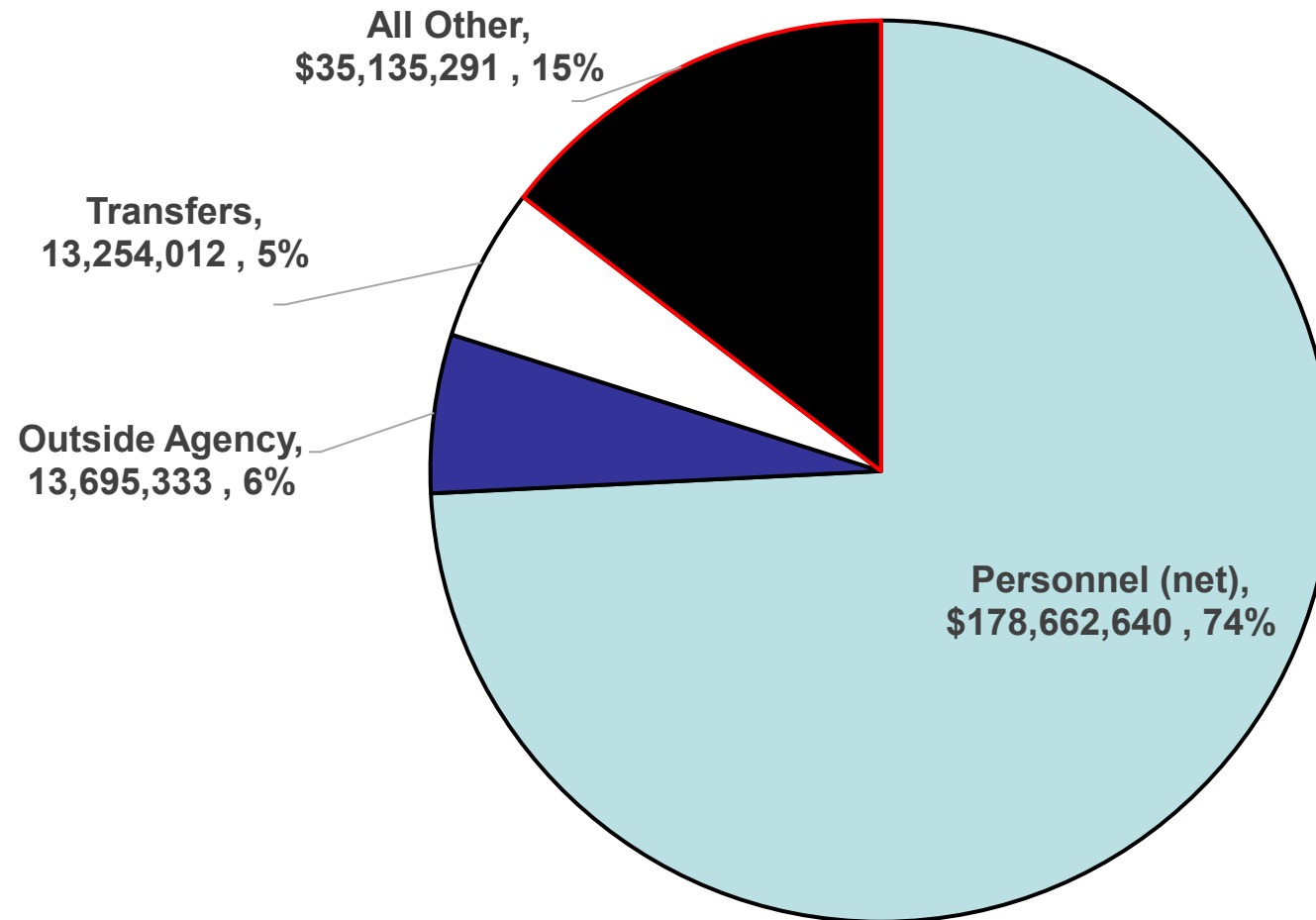
GRANT MATCH TRANSFERS

	2021	2022	2022	2023	Change	Change from
GRANT MATCH:	Actual	Budget	Amended	Budget	2022 to 2023	2022 Orig.
1 CHOICE NEIGHBORHOODS GRANT	\$50,000	\$0	\$0	\$0	\$0	\$0
2 ASSISTANCE TO FIREFIGHTERS	80,000	-	-	-	-	-
3 21st CENTURY LEARNING	50,000	50,000	50,000	50,000	-	-
4 HAZARD MITIGATION - KANIS PARK BRIDGE		62,500	62,500	-	(62,500)	(62,500)
5 FEDERAL GRANTS ADVISORY	50,000	-	-	-	-	-
6 PARKS - OUTDOOR RECREATION GRANT		250,000	250,000	-	(250,000)	(250,000)
7 ZOO-FEMA MATCH SECURITY CAMERAS	-	-	-	150,000	150,000	150,000
8 GENERAL	-	-	-	450,000	450,000	450,000
15 TOTAL GRANT MATCH REQUIREMENT	\$230,000	\$362,500	\$362,500	\$650,000	\$287,500	\$287,500

➤ The allocation for Grant Match is \$650,000, an increase of \$287,500.

GENERAL FUND - EXPENDITURES BY CATEGORY

- Personnel Cost (net of vacancy savings), Outside Agency funding, and Transfers Out represent **85.4%** of General Fund expenditures.
- Police, Fire, and 911 personnel cost is **\$136,013,617** or **76%** of total General Fund personnel cost.
- Total Expenditures - **\$240,747,276**



GENERAL FUND - EXPENDITURES BY DEPARTMENT

FISCAL YEARS 2021 - 2023

		2021	2022	2022	2023	Change	Change from
		<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2022 to 2023</u>	<u>2022 Orig.</u>
1	Executive Administration - General and Employee Benefits	\$42,053,625	\$29,945,896	\$49,767,104	\$32,669,467	(\$17,097,637)	\$2,723,571
2	Executive Administration - Mayor, City Manager, and all other Divisions	3,028,494	3,666,812	3,675,792	3,870,757	194,965	203,945
3	Board of Directors	332,297	344,674	344,674	348,179	3,505	3,505
4	Community Programs	415,416	310,453	303,273	329,603	26,330	19,150
5	City Attorney	1,577,145	1,874,118	1,944,520	2,563,580	619,060	689,462
6	First District Court - Criminal	1,178,965	1,409,001	1,381,775	1,415,686	33,911	6,685
7	Second District Court - Traffic	1,209,136	1,331,005	1,287,362	1,355,459	68,097	24,454
8	Third District Court - Environ.	515,094	578,142	572,087	588,888	16,801	10,746
9	Finance	3,846,640	4,432,349	4,191,829	4,807,797	615,968	375,448
10	Human Resources	2,093,631	2,274,393	2,113,007	2,538,165	425,158	263,772
11	Information Technology	5,898,310	6,493,171	6,260,990	7,963,217	1,702,227	1,470,046
12	Planning & Development	2,365,991	3,255,006	3,042,132	3,412,745	370,613	157,739

- Executive Administration – General and Employee Benefits includes the Outside Agency contributions, special project allocations and other transfers out, debt service, property insurance, vacancy savings, vacation and sick payout allocations, and the Employee Benefits Division which includes actuarially determined pension contributions, Workers Compensation, OPEB, and other general employee costs.

GENERAL FUND - EXPENDITURES BY DEPARTMENT

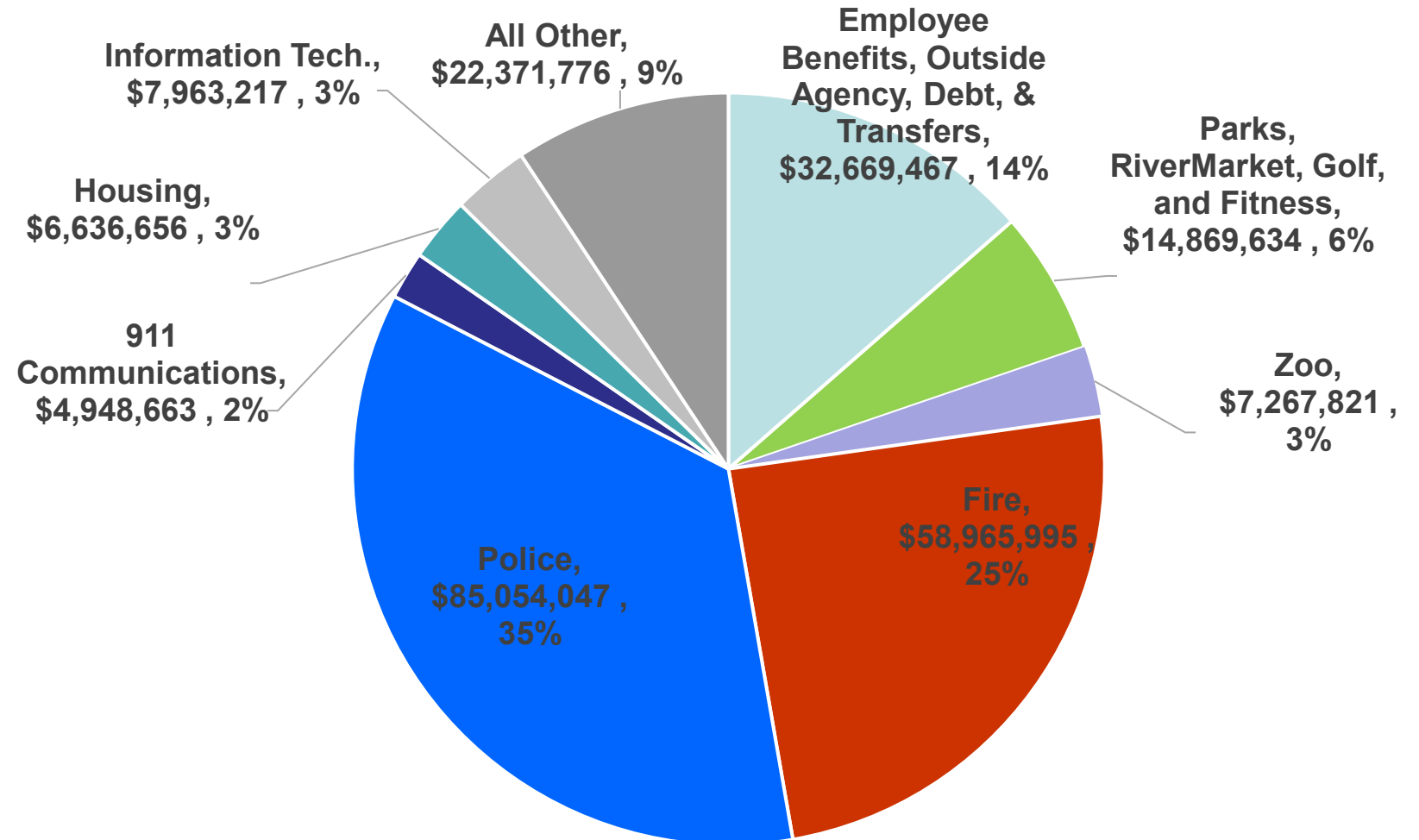
FISCAL YEARS 2021 - 2023

		2021	2022	2022	2023	Change	Change from
		Actual	Original Budget	Amended	Budget	2022 to 2023	2022 Orig.
13	Housing & Neighborhood Programs	4,873,343	6,219,993	5,756,771	6,636,656	879,885	416,663
14	Public Works	1,047,697	1,125,998	1,140,674	1,140,917	243	14,919
15	Parks:						
16	Parks & Recreation	9,382,173	10,791,058	10,206,285	11,109,841	903,556	318,783
17	RiverMarket	1,058,163	1,157,413	1,157,413	1,071,692	(85,721)	(85,721)
18	Golf	1,779,527	1,709,747	1,616,382	1,797,682	181,300	87,935
19	Fitness	708,770	886,132	818,822	890,419	71,597	4,287
20	Zoo	5,125,125	7,019,161	6,837,258	7,267,821	430,563	248,660
21	Fire	56,736,987	55,408,510	56,289,024	58,965,995	2,676,971	3,557,485
22	Police	76,677,395	77,174,511	78,171,731	85,054,047	6,882,316	7,879,536
23	911 Emergency Communications	-	4,758,621	4,234,925	4,948,663	713,738	190,042
24	Total Expenditures	\$221,903,923	\$222,166,164	\$241,113,830	\$240,747,276	(\$366,554)	\$18,581,112

- Changes have been discussed in the detail by expense category.
- A separate hand-out by Department will be provided.

GENERAL FUND - EXPENDITURES BY DEPARTMENT

- Police, Fire, 911 Communications, and Employee Benefits, Outside Agency Contributions, Debt Service, and Transfers Out make up **75.4%** of the General Fund Budget.



GENERAL FUND SUMMARY

	2021 ACTUAL	2022 ORIG BUDGET	2022 AMENDED	2023 DRAFT BUDGET	CHANGE 2022-2023	CHANGE FROM 2022 ORIG.
REVENUES						
1 Revenues before Transfers	\$226,612,307	\$220,066,403	\$232,423,710	\$239,182,450	\$6,758,740	\$19,116,047
2 Transfers In	4,853,403	2,099,761	2,174,761	1,564,826	(609,935)	(534,935)
3 Total Funding Sources	231,465,709	222,166,164	234,598,471	240,747,276	6,148,805	18,581,112
EXPENDITURES						
4 Personnel	160,975,823	173,350,035	170,126,007	185,662,640	15,536,633	12,312,605
5 Supplies	3,928,218	3,776,335	4,019,335	4,348,395	329,060	572,060
6 Fleet (Fuel & Services)	6,471,254	7,980,478	8,784,581	8,980,515	195,934	1,000,037
7 Repairs and Maintenance	4,214,167	4,797,262	4,937,262	6,211,812	1,274,550	1,414,550
8 Utilities	3,388,268	4,236,222	4,236,222	4,256,222	20,000	20,000
9 Contracts	12,328,069	7,803,272	12,749,272	8,600,988	(4,148,284)	797,716
10 Outside Agency Funding	11,814,835	12,290,486	12,337,986	13,695,333	1,357,347	1,404,847
11 Capital Outlay	116,333	72,500	72,500	63,325	(9,175)	(9,175)
12 Debt Service	4,235,589	3,530,252	3,530,252	2,422,524	(1,107,728)	(1,107,728)
13 Other	258,794	251,510	486,510	251,510	(235,000)	-
14 Vacancy Allocation	60	(6,691,700)	-	(7,000,000)	(7,000,000)	(308,300)
15 Transfers Out	14,172,512	10,769,512	19,833,903	13,254,012	(6,579,891)	2,484,500
16 Total Expenditures	221,903,923	222,166,164	241,113,830	240,747,276	(366,554)	18,581,112
Net Revenues and Carryovers						
17 Over (Under) Expenditures	\$9,561,787	\$0	(\$6,515,359)	\$0	\$6,515,359	\$0

The proposed General Fund budget is balanced with revenues and expenditures of **\$240,747,276**. 50

**OTHER FUNDS
REVENUE SUMMARIES AND
EXPENDITURES**

STREET FUND REVENUE FORECAST 2021 – 2023

	2021	2022	2022	2023	Change	Change from
REVENUES	Actual	Original Budget	Amended	Budget	2022 to 2023	2022 Orig.
1 Property Tax (Road Tax Millage)	\$6,882,182	\$6,798,160	\$6,745,860	\$7,227,897	\$482,037	\$429,737
2 State Tax Turnback	16,438,731	16,368,600	16,968,600	18,101,700	1,133,100	1,733,100
3 Loading Zone	18,990	19,000	19,000	19,800	800	800
4 Street Repairs	24,426	34,500	34,500	24,000	(10,500)	(10,500)
5 Interest on Investments	(134,670)	75,000	155,500	200,000	44,500	125,000
6 Miscellaneous	247,484	48,000	48,000	52,300	4,300	4,300
7 Transfers In	550,156	284,000	284,000	284,000	-	-
8 Total Revenues	\$24,027,298	\$23,627,260	\$24,255,460	\$25,909,697	\$1,654,237	\$2,282,437

- Property Tax includes the road tax millage and an allocation of Act 9 payments in lieu of taxes. The growth rate in the road tax is 6% based on information obtained from the Pulaski County Assessor's Office.
- The current forecast for State Tax Turnback at year-end is approximately \$17.5 million, which exceeds the Amended Budget by approximately \$0.5 million. The 2023 budget assumes growth of approximately 3.4%.
- The increase in interest on investments is attributed to higher interest rates.

STREET FUND - EXPENDITURE FORECAST

FISCAL YEARS 2021 - 2023

	2021	2022	2022	2023	Change	Change from
<u>EXPENDITURES</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2022 to 2023</u>	<u>2022 Orig.</u>
1 Personnel	\$9,496,563	\$13,372,123	\$11,750,657	\$14,006,084	\$2,255,427	\$633,961
2 Vacancy Allocation	-	(1,850,000)	(99,270)	(1,750,000)	(1,650,730)	100,000
2 Supplies	460,005	619,585	619,585	611,585	(8,000)	(8,000)
3 Fleet (Fuel & Services)	1,692,333	2,192,575	2,417,017	2,466,199	49,182	273,624
5 Repairs and Maintenance	612,680	766,226	766,226	816,226	50,000	50,000
6 Utilities	2,713,652	2,748,028	2,748,028	2,946,284	198,256	198,256
7 Contracts	340,404	530,184	530,184	580,184	50,000	50,000
8 Outside Agency Funding	2,000,000	2,000,000	2,000,000	2,000,000	-	-
9 Transfers	2,765,467	2,729,717	3,080,677	2,827,217	(253,460)	97,500
10 Total Expenditures	\$20,081,104	\$23,108,438	\$23,813,104	\$24,503,779	\$690,675	\$1,395,341

- The Street Fund Budget has projected net income of **\$1,405,918** available for grant match for street and drainage projects, street fund capital equipment needs, emergency street and drainage repairs, and other eligible street and drainage projects.

STREET FUND EXPENDITURE HIGHLIGHTS

- As noted in the Personnel highlights earlier, AFSCME personnel will continue step and grade progression. In addition, all full-time employees will receive a 3.5% across the board salary increase. Other personnel cost impacts include the increase in CDL salaries at the end of 2021 to a minimum of \$18 per hour, and the increase in full-time salaries to a minimum of \$15 per hour in 2022. In addition, the vacancy savings assumption has been reduced by \$100,000.
- Fleet cost increases were discussed on previous slides.
- The repairs and maintenance increase of \$50,000 is for signal replacement and maintenance cost increases.
- The increase in utilities is attributed to an anticipated 8% increase in electricity costs for Street Lights.
- The increase in contracts is to support the bond program by hiring an outside consultant.
- The detail of Transfers Out is reflected on the following slide.

STREET FUND – TRANSFERS OUT

FISCAL YEARS 2021 - 2023

	2021	2022	2022	2023	Change	Change from
	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2022 to 2023</u>	<u>2022 Orig.</u>
1 Vehicle and Equipment Replacement	\$1,250,000	\$1,200,000	\$1,200,000	1,340,000	\$140,000	\$140,000
2 Administrative Overhead Allocation	261,500	288,500	288,500	321,000	32,500	32,500
3 Johnson Control Savings	216,217	216,217	216,217	216,217	-	-
4 Mowing Right of Way Contract		400,000	400,000	400,000	-	-
5 Re-entry Sidewalk Program	200,000	200,000	200,000	200,000	-	-
6 Re-entry ROW Program	200,000	200,000	200,000	200,000	-	-
7 Bridge to Work Program		100,000	100,000	150,000	50,000	50,000
8 Survey Equipment		75,000	75,000	-	(75,000)	(75,000)
9 National Pollutant Discharge Elimination System (NPDES) Permit Program		50,000	50,000	-	(50,000)	(50,000)
10 Charles Bussey Traffic Improvements		-	100,000		(100,000)	-
11 Kanis and Cooper Orbit Traffic Improvements		-	150,960		(150,960)	-
12 Planning/Public Works Drainage Manual Update			100,000		(100,000)	-
13 Southeast Trail Project	325,000	-	-	-	-	-
14 Public Works Special Projects	170,000	-	-	-	-	-
15 Vimy Ridge Project	92,750	-	-	-	-	-
16 Complete Street Grant Match	50,000	-	-	-	-	-
17 Total Transfers Out	\$2,765,467	\$2,729,717	\$3,080,677	\$2,827,217	(\$253,460)	\$97,500

Street Fund Transfers Out of **\$2,827,217** include funding for vehicle and equipment replacement, continuation of rights of way mowing and re-entry projects. The allocation for the Bridge to Work program has been increased by \$50,000.

WASTE DISPOSAL FUND REVENUE FORECAST 2021 - 2023

	2021	2022	2022	2023	Change	Change from
<u>REVENUES</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2022 to 2023</u>	<u>2022 Orig.</u>
1 Sanitation Fees	\$21,947,418	\$21,900,000	\$22,452,200	\$23,180,100	\$727,900	\$1,280,100
2 Landfill Fees	1,610,292	1,629,100	2,006,300	2,036,300	30,000	407,200
3 Yard Waste	73,514	80,000	80,000	60,000	(20,000)	(20,000)
4 Compost Sale	25,588	30,000	30,000	24,000	(6,000)	(6,000)
5 Recycling Waste Revenue	6,375	-	-	2,200	2,200	2,200
6 Recycling Reimbursement	2,599	5,500	5,500	2,500	(3,000)	(3,000)
7 Interest Income	(62,277)	30,000	59,000	80,000	21,000	50,000
8 Miscellaneous Revenue	302,131	102,500	422,200	100,000	(322,200)	(2,500)
9 Transfers In	55,596	-	-	-	-	-
10 Total Revenues	\$23,961,237	\$23,777,100	\$25,055,200	\$25,485,100	\$429,900	\$1,708,000

- The 2022 forecast for Sanitation Fees is approximately \$22.6 million. The projected increase for 2023 is approximately 2.25% to \$23,180,100.
- The increase in landfill fees in 2022 is attributed to a return of customers with the opening of the new cell and the gradual increased acceptance of outside waste after temporary closure to commercial haulers during construction in 2020 and the first quarter of 2021.
- The decrease in miscellaneous revenue is primarily due to an anticipated reduction in auction sales of refuse trucks and insurance recoveries for damaged equipment.

WASTE DISPOSAL - EXPENSE FORECAST

FISCAL YEARS 2021 - 2023

	2021	2022	2022	2023	Change	Change from
<u>EXPENSES</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2022 to 2023</u>	<u>2022 Orig.</u>
1 Personnel	\$7,511,334	\$8,473,857	\$7,938,365	\$8,994,940	\$1,056,575	\$521,083
2 Vacancy Allocation	-	(500,000)	83,482	(500,000)	(583,482)	-
3 Supplies	408,432	429,400	429,400	429,400	-	-
4 Fleet (Fuel & Services)	3,852,849	4,567,319	4,853,319	6,568,498	1,715,179	2,001,179
5 Repairs and Maintenance	365,153	421,646	421,646	421,646	-	-
6 Utilities	134,596	217,545	217,545	217,545	-	-
7 Closure and post-closure care cost	12,250	474,500	474,500	614,800	140,300	140,300
8 Contracts	4,758,365	4,646,746	4,646,746	4,648,662	1,916	1,916
9 Depreciation and amortization	3,333,129	3,214,600	3,214,600	2,834,500	(380,100)	(380,100)
10 Interest Expense - Debt Service	27,368	8,943	8,943	-	(8,943)	(8,943)
11 Transfers	2,006,244	1,822,544	1,822,544	1,255,109	(567,435)	(567,435)
12 Total Expenses	\$22,409,722	\$23,777,100	\$24,111,090	\$25,485,100	\$1,374,010	\$1,708,000

- The 2023 Waste Disposal Fund budget is balanced with revenues and expenditures of **\$25,485,100**.

WASTE DISPOSAL - EXPENSE FORECAST

FISCAL YEARS 2021 - 2023

- The increase in personnel cost is attributed to the change in salaries for positions requiring a CDL, the increase in minimum full-time salaries to \$15 per hour, the step-and-grade progression, and the 3.5% salary increase across the board, net of the reduction in health insurance premiums. In addition, the authorized headcount for Solid Waste Equipment Operator (SWEO)-IIIs was increased by eight (8) with a corresponding decrease in the number of SWEO-IIs and SWEO-Is.
- The increase in Fleet expenses was described previously.
- Closure and Post Closure is forecast based on tonnage deposited to the land-fill.
- Depreciation is forecast lower due to equipment retirements in 2022.
- The Waste Disposal bonds were retired in 2022.
- Transfers Out are shown in detail on the next slide.

WASTE DISPOSAL - TRANSFERS OUT

FISCAL YEARS 2021 – 2023

	2021 Actual	2022 Original Budget	2022 Amended	2023 Budget	Change 2022 to 2023	Change from 2022 Orig.
1 Waste Disposal Special Project Transfers (Environmental Youth - Parks)	\$37,500	\$37,500	\$37,500	\$37,500	\$0	\$0
2 Transfer to Street Fund - Administrative allocation	183,700	-	-	-	-	-
3 Transfer to Street Fund - Anti-Litter	90,000	90,000	90,000	90,000	-	-
4 Transfer for Litter Pick-up Program	100,000	100,000	100,000	100,000	-	-
5 Transfer to General Fund - Administrative allocation	1,520,570	1,520,570	1,520,570	953,135	(567,435)	(567,435)
6 Transfer to General Fund - Environmental Services	73,000	73,000	73,000	73,000	-	-
7 Health Insurance Holiday Premium Savings				-	-	-
8 Johnson Controls	1,474	1,474	1,474	1,474	-	-
9 Total Waste Disposal Transfers	\$2,006,244	\$1,822,544	\$1,822,544	\$1,255,109	(\$567,435)	(\$567,435)

Transfers out include funding for environmental youth and continuation of the anti-litter programs. The administrative overhead allocation to the General Fund was reduced to ensure the Waste Disposal Fund remains balanced with the high increase and in fuel cost.

FLEET FUND REVENUE FORECAST

2021 - 2023

	2021	2022	2022	2023	Change	Change from
<u>REVENUES</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2022 to 2023</u>	<u>2022 Orig.</u>
1 Fleet Labor Costs	\$3,165,292	\$4,105,997	\$4,105,997	\$4,423,337	\$317,340	\$317,340
2 Fleet Management	1,148,228	1,548,660	1,548,660	1,578,491	29,831	29,831
3 Fuel	2,069,809	2,569,680	3,599,680	5,137,880	1,538,200	2,568,200
4 Parts and User Fees	2,427,488	3,206,600	3,206,600	3,447,880	241,280	241,280
5 Insurance Repairs	558,567	460,000	460,000	550,000	90,000	90,000
6 Fleet Sublets	1,331,596	1,872,000	1,872,000	2,211,500	339,500	339,500
7 Non-Fleet Parts	2,322	-	-	-	-	-
8 Interest Income	(12,915)	7,150	7,150	20,000	12,850	12,850
9 Miscellaneous Revenue	849,434	1,150,000	1,150,000	1,340,000	190,000	190,000
10 Contributions	-	-	-	-	-	-
11 Total Revenues	\$11,539,822	\$14,920,087	\$15,950,087	\$18,709,088	\$2,759,001	\$3,789,001

- Fleet Labor revenues will increase due to increases in labor cost associated with the increase to positions requiring a CDL, the 3.5% across the board salary increase, step-and-grade progression, and other position reclassifications, net of health insurance cost savings.
- The fuel rate per gallon, including the mark up for labor and supplies in the Fleet Fuel Acquisitions Division, is budgeted at \$3.56 for unleaded and \$4.32 for diesel, compared to the 2022 rates of \$2.73 and \$2.93, respectively, increasing anticipated fuel cost billings by \$578,622. The remainder of the increase is associated with fuel for the Waste Disposal Fund. In the past, Waste Disposal purchased fuel separately. In 2023, fuel for Waste Disposal will be acquired and billed by Fleet at an estimated cost of \$1,967,734.

FLEET SERVICES FUND - EXPENSE FORECAST 2021 - 2023

	2021	2022	2022	2023	Change	Change from
<u>EXPENSES</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2022 to 2023</u>	<u>2022 Orig.</u>
1 Personnel	\$3,528,722	\$4,336,951	\$4,336,951	\$4,398,766	\$61,815	\$61,815
2 Supplies	2,532,769	3,023,950	3,023,950	3,240,331	216,381	216,381
3 Fleet (Fuel & Services)	1,978,658	2,403,810	3,433,810	4,940,990	1,507,180	2,537,180
4 Repairs and Maintenance	1,176,728	1,194,585	1,194,585	1,326,740	132,155	132,155
5 Utilities	85,834	99,699	99,699	131,445	31,746	31,746
6 Contracts	2,533,846	3,488,892	3,488,892	4,030,922	542,030	542,030
7 Depreciation and amortization	348,611	372,200	372,200	277,500	(94,700)	(94,700)
8 Transfers	738,000	-	-	362,394	362,394	362,394
9 Total Expenses	\$12,923,168	\$14,920,087	\$15,950,087	\$18,709,088	\$2,759,001	\$3,789,001

- The Fleet Services Budget is balanced at **\$18,709,088**.
- The increases in supplies and contracts are primarily associated with vehicle parts cost and contracted services for engine replacement, drivelines, hydraulic systems, and the like.
- The increase in fuel was discussed on the previous slide.
- Transfers reflect funds set aside for Fleet facility enhancements identified during the budget session with the Board as funds allow.

VEHICLE STORAGE FUND

REVENUE FORECAST 2021 - 2023

		2021	2022	2022	2023	Change	Change from
		<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2022 to 2023</u>	<u>2022 Orig.</u>
1	Permits	\$10,525	\$10,850	\$10,850	\$8,585	(\$2,265)	(\$2,265)
2	Administration Fees	111,541	115,000	115,000	122,000	7,000	7,000
3	Vehicle Storage Fees	472,246	450,000	490,000	450,000	(40,000)	-
4	Wrecker Fees	422,207	440,000	440,000	440,000	-	-
5	Auction Sales and Handling Fees	1,007,343	861,000	1,011,000	860,000	(151,000)	(1,000)
6	Vehicle Storage Miscellaneous	3,096	5,000	5,000	5,000	-	-
7	Contributions	13,090	13,100	13,100	-	(13,100)	(13,100)
8	Investment Income	(6,583)	1,200	1,200	11,000	9,800	9,800
9	Other Miscellaneous	-	-	-	-	-	-
10	Transfers In	5,887	-	-	-	-	-
11	Total Revenues	\$2,039,352	\$1,896,150	\$2,086,150	\$1,896,585	(\$189,565)	\$435

- Auction sales are expected to decline due to the number of vehicles available for action. There was a significant increase in 2021 and 2022 due to resumption of auctions following COVID-19 closures.

VEHICLE STORAGE FUND

EXPENSE FORECAST 2021 - 2023

	2021	2022	2022	2023	Change	Change from
	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2022 to 2023</u>	<u>2022 Orig.</u>
1 Personnel	\$683,753	\$868,960	\$868,960	\$910,335	\$41,375	\$41,375
2 Supplies	35,925	52,850	52,850	52,850	-	-
3 Fleet (Fuel & Services)	16,077	21,167	22,561	22,629	68	1,462
4 Repairs and Maintenance	124,362	50,500	50,500	50,500	-	-
5 Utilities	15,040	20,448	20,448	20,448	-	-
6 Contracts	616,598	756,725	756,725	756,725	-	-
7 Depreciation and Amortization	15,056	15,900	15,900	12,500	(3,400)	(3,400)
8 Total Expenses	\$1,506,810	\$1,786,550	\$1,787,944	\$1,825,987	\$38,043	\$39,437
9 Net Income (Loss)	\$532,542	\$109,600	\$298,206	\$70,598	(\$227,608)	(\$39,002)

- The Vehicle Storage Fund is anticipated to have net income of **\$70,598**.
- Personnel cost increases reflect the 3.5% salary increase and the addition of a Vehicle Storage Attendant II for the front office.

PARKING GARAGE FUND - REVENUE FORECAST 2021 - 2023

	2021	2022	2022	2023	Change	Change from
<u>REVENUES</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2022 to 2023</u>	<u>2022 Orig.</u>
1 Licenses and Permits	\$253,163	\$253,000	\$253,000	\$287,000	\$34,000	\$34,000
2 Street Repair Reimbursements	372,919	400,000	400,000	400,000	-	-
3 Parking Meters	317,043	299,000	299,000	468,200	169,200	169,200
4 Monthly Parking	910,807	956,599	859,922	938,569	78,647	(18,030)
5 Daily Parking	328,641	490,000	441,596	426,672	(14,924)	(63,328)
6 Surface and Other Parking	138,494	119,233	108,314	112,935	4,621	(6,298)
7 Interest Income	(13,927)	9,100	9,100	25,100	16,000	16,000
8 Total Revenues	\$2,307,139	\$2,526,932	\$2,370,932	\$2,658,476	\$287,544	\$131,544

- 2022 Parking Garage revenues are forecast to increase \$131,544 from the Original 2022 Budget and \$287,544 from the 2022 Amended Budget to **\$2,658,476**. Daily parking has recovered slowly since COVID-19 but is expected to improve with an increase in downtown events. The 2022 Budget included sales-tax receipts that must be remitted to the State. The 2023 Budget correctly shows the revenue, net of sales tax collections. Parking meter revenues have picked up with the ParkMobile app payment option. Monthly and daily parking revenues still trail pre-pandemic levels from 2019.
- Street Repair revenues have decreased from a high of over \$750,000 in 2019 and 2020 attributed to the fiber buildout. The forecast anticipates that average revenue of approximately \$400,000 will continue.

PARKING GARAGE FUND - EXPENSE

FORECAST 2021 - 2023

		2021	2022	2022	2023	Change	Change from
	EXPENSES	Actual	Original Budget	Amended	Budget	2022 to 2023	2022 Orig.
1	Personnel	\$481,425	\$543,000	\$543,000	\$593,000	\$50,000	\$50,000
2	Supplies	19,250	33,500	33,500	36,000	2,500	2,500
3	Repairs and Maintenance	80,913	44,000	44,000	60,000	16,000	16,000
4	Management Fee	85,000	85,000	85,000	85,000	-	-
5	Utilities	58,235	65,400	65,400	60,000	(5,400)	(5,400)
6	Contracts	215,763	347,728	191,728	295,284	103,556	(52,444)
7	Real Estate Taxes	158,613	160,000	160,000	160,000	-	-
8	Depreciation	224,777	220,200	220,200	219,800	(400)	(400)
9	Debt Service - Interest	315,988	284,226	284,226	250,735	(33,491)	(33,491)
10	Total Expenses	\$1,639,963	\$1,783,054	\$1,627,054	\$1,759,819	\$132,765	(\$23,235)
11	Net Income	\$667,176	\$743,878	\$743,878	\$898,657	\$154,779	\$154,779

- The parking garages will continue to be operated by the Little Rock Convention and Visitors Bureau.
- Expenses for Parking Deck Operations will decrease from the Original 2022 budget, primarily due to the correction of the treatment of sales tax revenues collected and remitted to the State to be net of revenue rather than reflected as revenue and expense (previously budgeted as a contract expense).
- Net income will remain sufficient to fund debt service on the parking garage bonds.

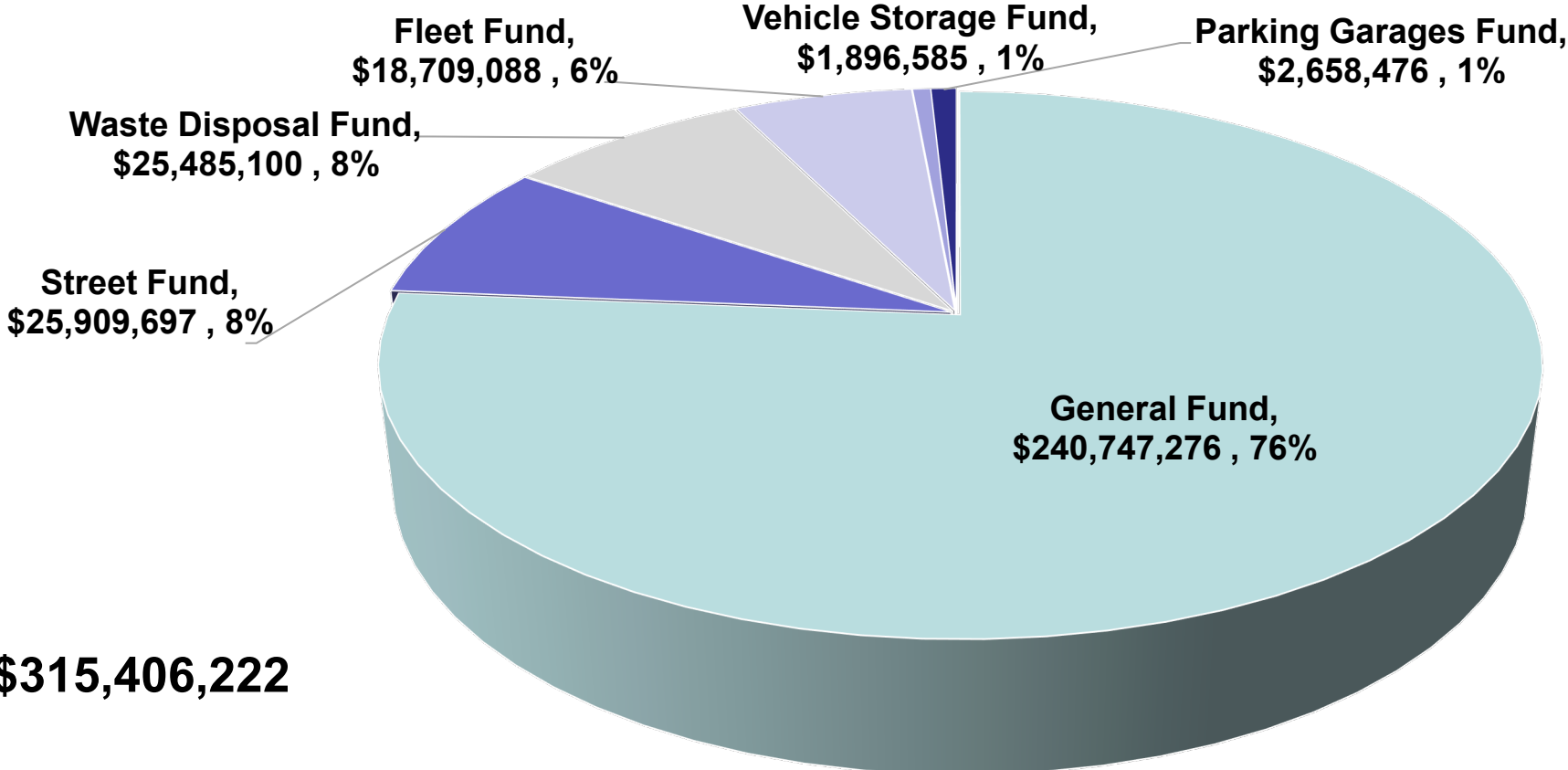
2023 PROPOSED BUDGET SUMMARY

SUMMARY – ALL FUNDS

		Revenues	Expenditures	Net Income
1	General Fund	\$240,747,276	\$240,747,276	\$0
2	Street Fund	25,909,697	24,503,779	1,405,918
3	Waste Disposal Fund	25,485,100	25,485,100	0
4	Fleet Fund	18,709,088	18,709,088	0
5	Vehicle Storage Fund	1,896,585	1,825,987	70,598
6	Parking Garage Fund	2,658,476	1,759,819	898,657
7	Total - All Budgeted Funds	\$315,406,222	\$313,031,049	\$2,375,173

- The General, Waste Disposal, and Fleet Funds are balanced.
- The Street, Vehicle Storage, and Parking Garage Funds are forecast to have net income of \$1,405,918, \$70,598 and \$898,657, respectively.
- In total, the 2023 proposed budget results in net income of **\$2,375,173**.

2023 REVENUE FORECAST BY FUND



Total - \$315,406,222

2023 EXPENDITURE FORECAST BY FUND

