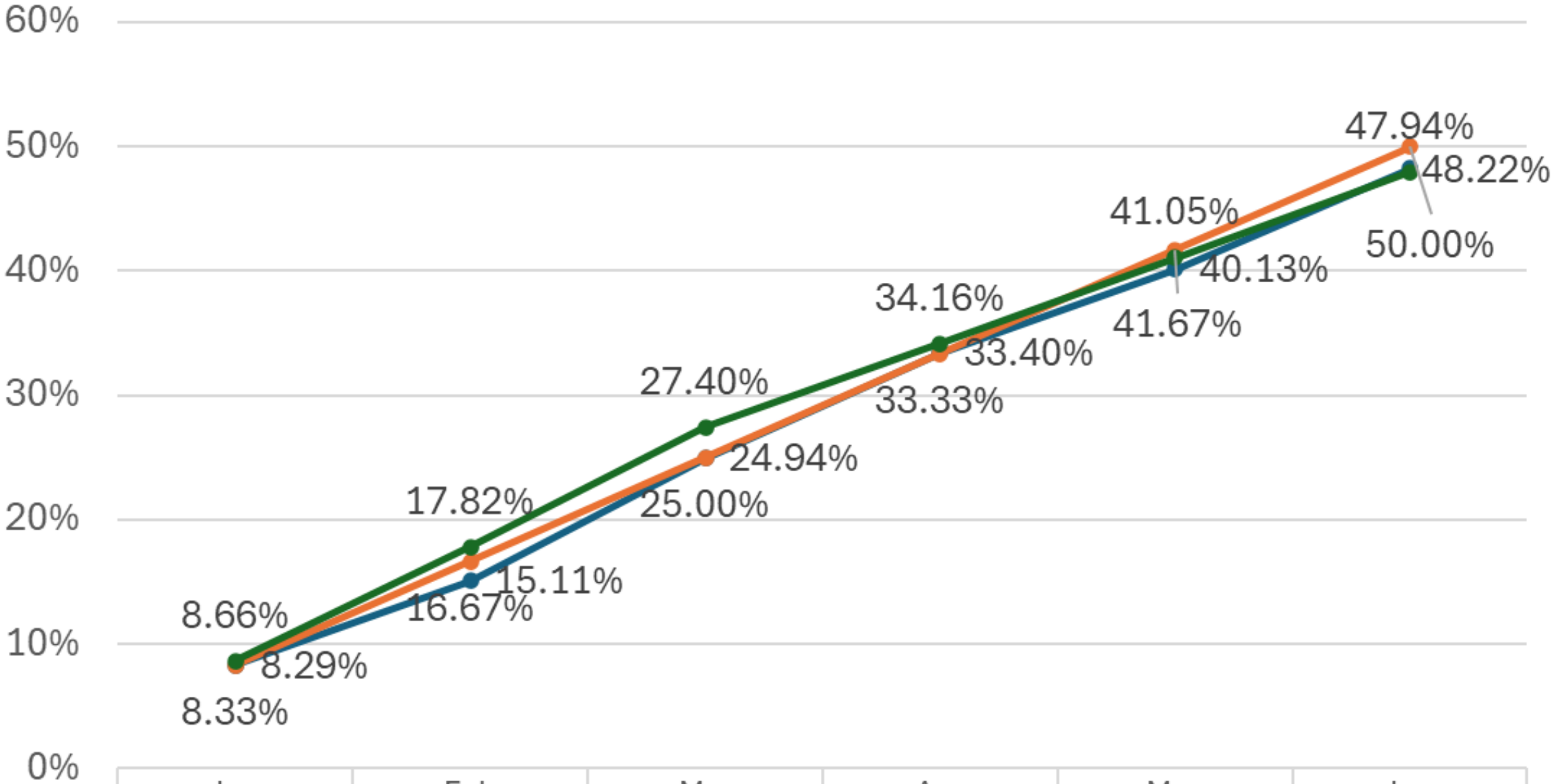




2024 SECOND QUARTER FINANCIAL REPORT

General Fund Operating Revenues

BUDGET % COLLECTED - 2024 AND 2023

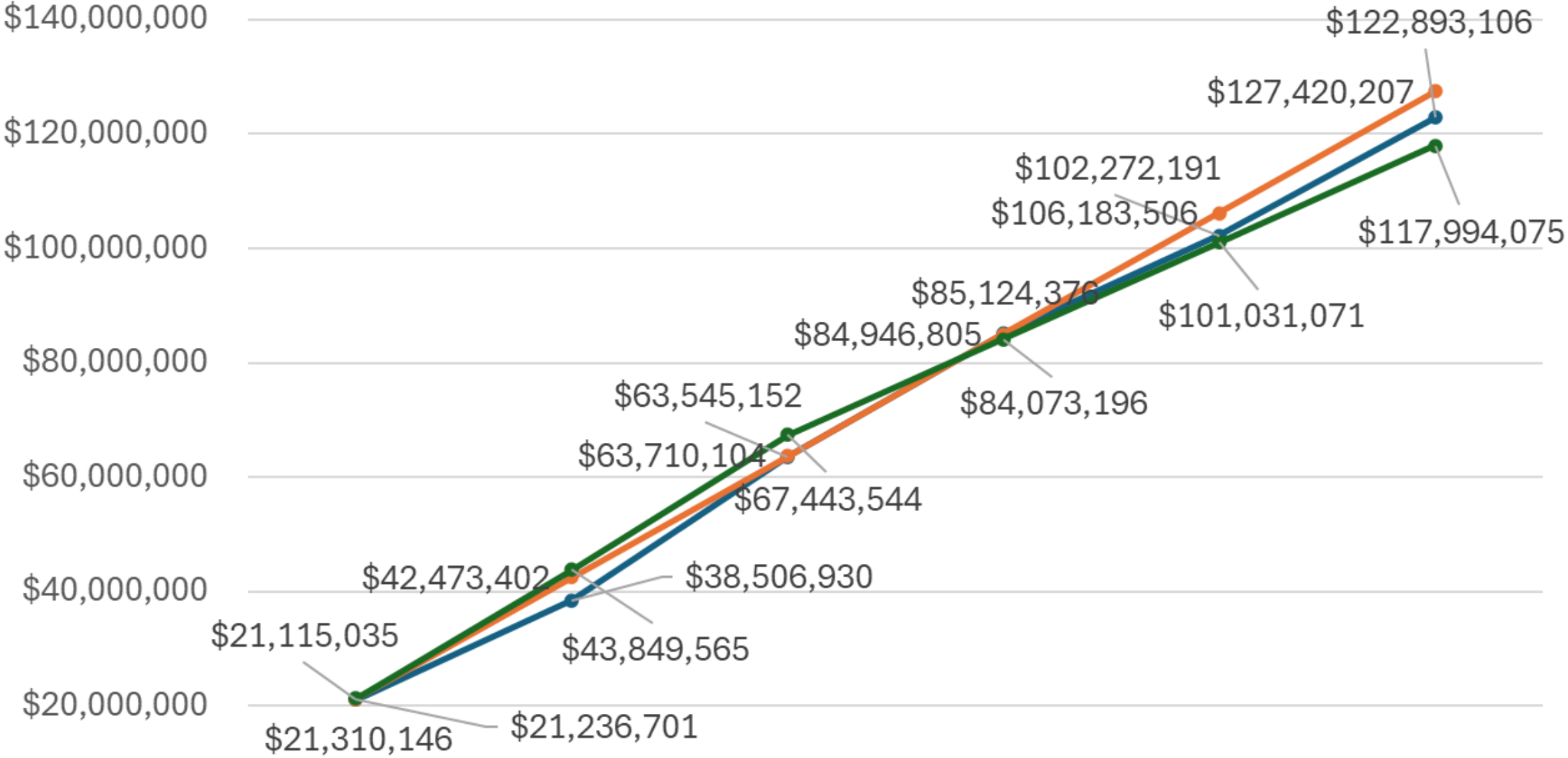


	Jan	Feb	Mar	Apr	May	Jun
2024	8.29%	15.11%	24.94%	33.40%	40.13%	48.22%
2024 Budget	8.33%	16.67%	25.00%	33.33%	41.67%	50.00%
2023	8.66%	17.82%	27.40%	34.16%	41.05%	47.94%



General Fund Operating Revenues

2024 AND 2023



	Jan	Feb	Mar	Apr	May	Jun
2024	\$21,115,035	\$38,506,930	\$63,545,152	\$85,124,376	\$102,272,191	\$122,893,106
2024 Budget	\$21,236,701	\$42,473,402	\$63,710,104	\$84,946,805	\$106,183,506	\$127,420,207
2023	\$21,310,146	\$43,849,565	\$67,443,544	\$84,073,196	\$101,031,071	\$117,994,075



General Fund Operating Revenues

COMPARED TO AMENDED BUDGET

	YTD Amended Budget	YTD Revenues	Variance Favorable (Unfavorable)	Prior Year Revenues
REVENUES:				
1 General property taxes	\$ 18,946,392	\$ 16,630,413	\$ (2,315,979)	\$ 15,882,967
2 Sales taxes	71,639,081	69,403,994	(2,235,087)	67,979,790
3 Licenses and permits	6,928,400	10,741,270	3,812,870	10,263,082
4 Intergovernmental	5,976,033	0	(5,976,033)	32,407
5 Charges for services	5,578,577	6,389,843	811,266	6,432,018
6 Fines and fees	941,450	635,837	(305,613)	950,007
7 Utility franchise fees	16,295,775	15,725,597	(570,178)	15,355,117
8 Investment income	563,150	2,922,703	2,359,553	560,612
9 Miscellaneous	551,350	443,449	(107,901)	538,075
10 TOTAL REVENUES	\$ 127,420,207	\$ 122,893,106	\$ (4,527,101)	\$ 117,994,075

- Revenues at the end of the 2nd quarter are approximately \$4.5 million or -3.6% below ½ of the amended budget, and approximately \$4.9 million or 4.2% above 2023 revenues.

General Fund Operating Revenues

COMPARED TO ADOPTED BUDGET

	YTD Adopted Budget	YTD Revenues	Variance Favorable (Unfavorable)	Prior Year Revenues
REVENUES:				
1 General property taxes	\$ 18,946,392	\$ 16,630,413	\$ (2,315,979)	\$ 15,882,967
2 Sales taxes	71,639,081	69,403,994	(2,235,087)	67,979,790
3 Licenses and permits	6,928,400	10,741,270	3,812,870	10,263,082
4 Intergovernmental	5,976,033	0	(5,976,033)	32,407
5 Charges for services	5,578,577	6,389,843	811,266	6,432,018
6 Fines and fees	941,450	635,837	(305,613)	950,007
7 Utility franchise fees	16,295,775	15,725,597	(570,178)	15,355,117
8 Investment income	563,150	2,922,703	2,359,553	560,612
9 Miscellaneous	551,350	443,449	(107,901)	538,075
10 TOTAL REVENUES	\$ 127,420,207	\$ 122,893,106	\$ (4,527,101)	\$ 117,994,075

- Revenues at the end of the 2nd quarter are approximately \$4.5 million or -3.6% below ½ of the adopted budget, and approximately \$4.9 million or 4.2% above 2023 revenues. The unfavorable variance is primarily due to Intergovernmental revenues which are Insurance Pension Turnback funds that are typically received in July from the State of Arkansas.

General Fund Operating Revenues

COMPARED TO PRIOR YEAR

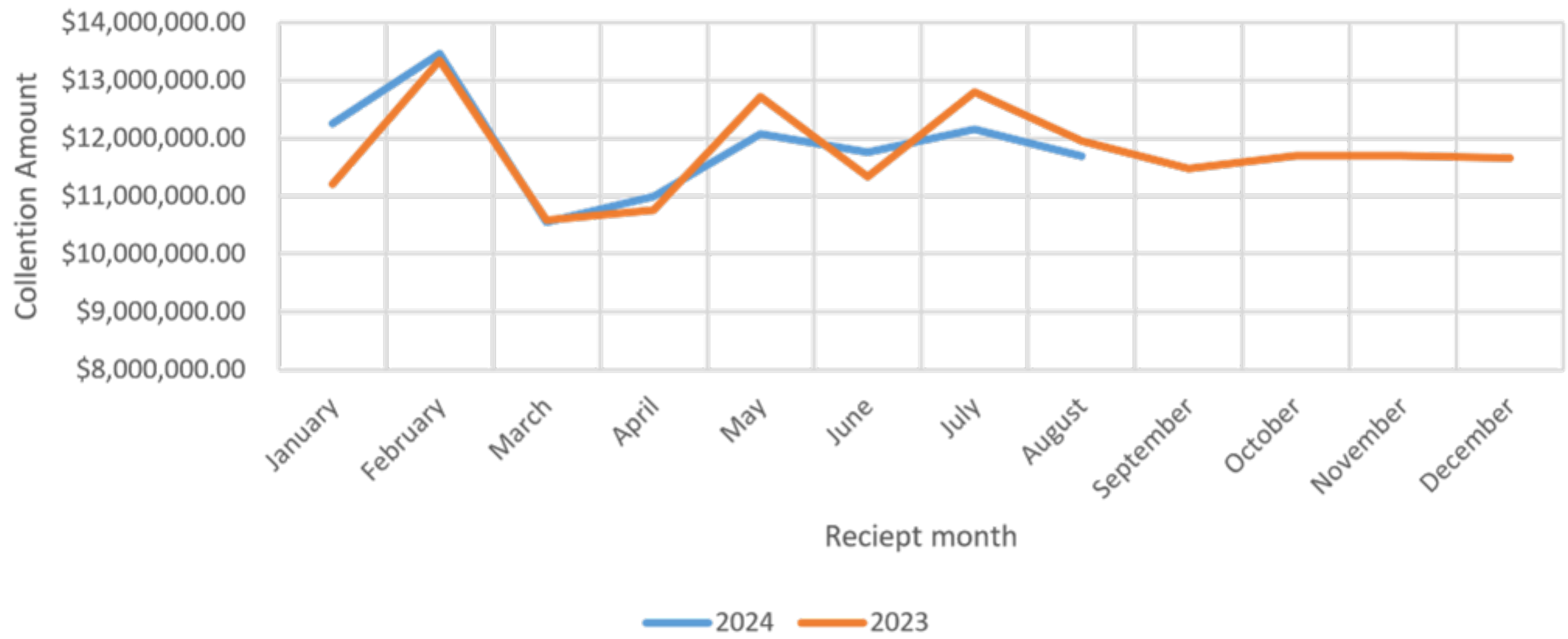
	YTD Revenues	Prior Year Revenues	Variance Favorable (Unfavorable)
REVENUES:			
1 General property taxes	\$ 16,630,413	\$ 15,882,967	\$ 747,446
2 Sales taxes	69,403,994	67,979,790	1,424,204
3 Licenses and permits	10,741,270	10,263,082	478,188
4 Intergovernmental	0	32,407	(32,407)
5 Charges for services	6,389,843	6,432,018	(42,175)
6 Fines and fees	635,837	950,007	(314,170)
7 Utility franchise fees	15,725,597	15,355,117	370,480
8 Investment income	2,922,703	560,612	2,362,091
9 Miscellaneous	443,449	538,075	(94,626)
10 TOTAL REVENUES	\$ 122,893,106	\$ 117,994,075	\$ 4,899,031

- As noted previously, revenues through the 2nd quarter exceeded 2023 revenues by approximately \$4.9 million. Sales taxes will be discussed in detail in a moment. The increase in general property taxes is a result of increased property values. The increase in investment income is due to the reversal of the FY23 Year End fair market value loss adjustment for investments that was reversed in June. This entry is an accounting only entry to report investments at the fair market value at year end.

Sales Tax



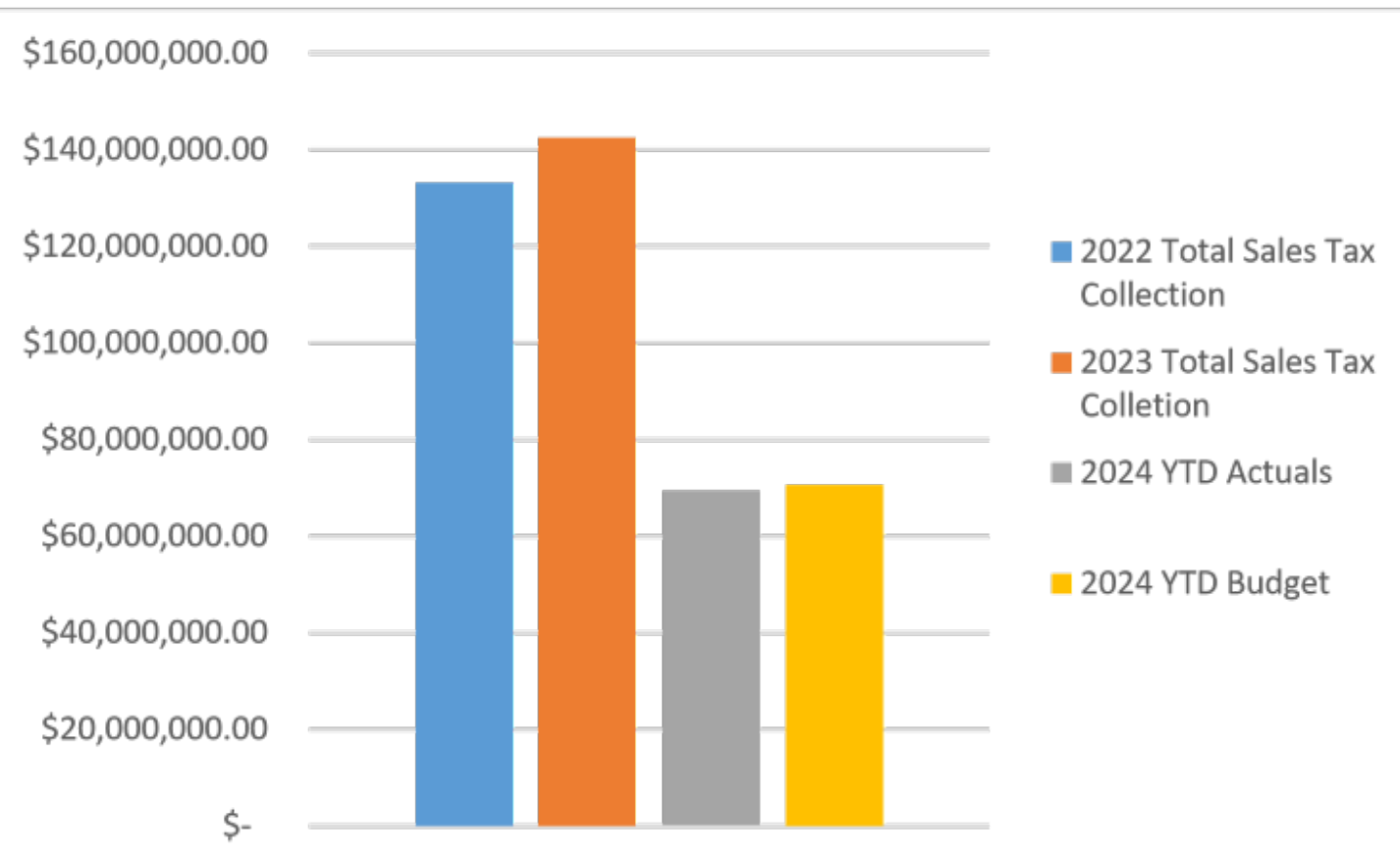
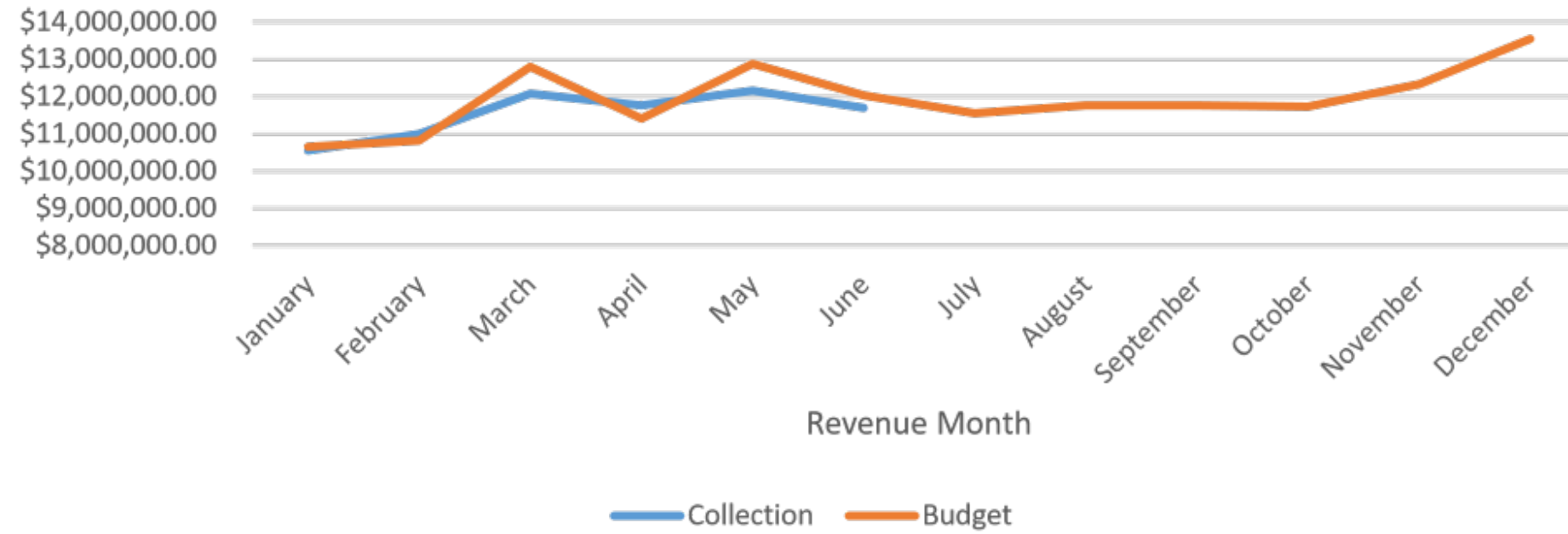
2024 Vs. 2023 Sales Tax Collection



Sales Tax



2024 Sales Tax Collections Vs. Budget



Sales Tax



Receipt (Revenue) Month	Sales & Use Tax Current Collections	Adopted Budget	Variance from Budget	Sales & Use Tax Same Month One Year Ago	Variance from Prior Year
March (Jan) 2024	\$ 10,552,302	\$ 10,651,431	\$ (99,129)	\$ 10,586,894	\$ (34,592)
April (Feb) 2024	10,995,618	10,822,990	172,628	10,757,492	238,126
May (Mar) 2024	12,077,169	12,799,616	(722,447)	12,722,427	(645,258)
June (Apr) 2024	11,759,621	11,407,588	352,033	11,338,643	420,978
July (May) 2024	12,157,424	12,877,630	(720,206)	12,797,079	(639,655)
August (June) 2024	11,693,544	12,030,760	(337,216)	11,957,993	(264,449)
YTD 2024	\$ 69,235,678	\$ 70,590,015	\$ (1,354,337)	\$ 70,160,528	\$ (924,850)

City – 1.125% Tax



TOP TEN NAICS TAX CATEGORIES

2024 Highest Sales Tax by NAICS					
NAICS CODE	NAICIS Category Name	YTD 2024	YTD 2023	Difference	Change
4529	Other General Merchandise Stores	\$ 3,036,536.37	\$ 2,913,602.40	\$ 122,933.97	4.2%
4451	Grocery Stores	\$ 2,606,712.84	\$ 2,480,900.33	\$ 125,812.51	5.1%
4441	Building Material and Supplies Dealers	\$ 1,956,863.87	\$ 1,999,331.71	\$ (42,467.84)	-2.1%
7225	Food Services and Drinking Places; Unknown Subclassification	\$ 1,882,758.96	\$ 1,551,958.54	\$ 330,800.42	21.3%
4541	Electronic Shopping and Mail-Order Houses	\$ 1,809,685.10	\$ 1,738,039.78	\$ 71,645.32	4.1%
7221	Full-Service Restaurants	\$ 1,594,460.56	\$ 1,829,426.85	\$ (234,966.29)	-12.8%
4431	Electronics and Appliance Stores	\$ 1,223,043.77	\$ 1,361,573.98	\$ (138,530.21)	-10.2%
5321	Automotive Equipment Rental and Leasing	\$ 1,051,956.56	\$ 924,433.70	\$ 127,522.86	13.8%
4481	Clothing Stores	\$ 992,126.73	\$ 1,023,075.73	\$ (30,949.00)	-3.0%
2211	Electric Power Generation; Transmission and Distribution	\$ 977,259.94	\$ 1,002,700.56	\$ (25,440.62)	-2.5%
	Subtotal - Top 10 Highest Sales Tax NAICS Categories	\$ 17,131,404.70	\$ 16,825,043.58	\$ 306,361.12	1.8%

This slide shows the NAICS Categories that generated the most local sales tax revenue through June 30, 2024, representing approximately 43.7% of the City’s local sales tax revenue. The net revenue growth in the top 10 categories was 1.82%, while the overall local sales tax decreased 0.82% compared to last year. This does not include the City’s portion of the County 1% tax, allocated based on population, or the state tax turnback allocation. The County tax and state turnback are both down through June by 1.73% and 5.22% respectively compared to 2023 contributing the overall decrease in Sales Tax of 1.32% compared to 2023.

City – 1.125% Tax



TOP TEN NAICS CATEGORY INCREASES BY AMOUNT

2024 Top Positive Sales Tax Differences					
NAICS CODE	NAICS Category Name	YTD 2024	YTD 2023	Difference	Change
7225	Food Services and Drinking Places; Unknown Subclassification	\$ 1,882,758.96	\$ 1,551,958.54	\$ 330,800.42	21.3%
5324	Commercial and Industrial Machinery and Equipment Rental and Leasing	\$ 603,083.24	\$ 463,058.44	\$ 140,024.80	30.2%
5321	Automotive Equipment Rental and Leasing	\$ 1,051,956.56	\$ 924,433.70	\$ 127,522.86	13.8%
4451	Grocery Stores	\$ 2,606,712.84	\$ 2,480,900.33	\$ 125,812.51	5.1%
4529	Other General Merchandise Stores	\$ 3,036,536.37	\$ 2,913,602.40	\$ 122,933.97	4.2%
5416	Management; Scientific; and Technical Consulting Services	\$ 117,163.26	\$ 12,320.59	\$ 104,842.67	851.0%
7139	Other Amusement and Recreation Industries	\$ 375,302.34	\$ 284,158.30	\$ 91,144.04	32.1%
4218	Machinery; Equipment; and Supplies Wholesalers	\$ 512,923.04	\$ 427,988.41	\$ 84,934.63	19.8%
4599	Other Miscellaneous Retailers	\$ 218,239.44	\$ 146,070.46	\$ 72,168.98	49.4%
4541	Electronic Shopping and Mail-Order Houses	\$ 1,809,685.10	\$ 1,738,039.78	\$ 71,645.32	4.1%
	Subtotal - Top 10 Highest Sales Tax NAICS Categories	\$ 12,214,361.15	\$ 10,942,530.95	\$ 1,271,830.20	11.6%

- The largest increase by amount is from **Food Services and Drinking Places** which has increased by **\$330,800** compared to 2023. As noted on the next slide this account classification offsets the decline in **Full-Service Restaurants** of **\$234,966** reflecting a potential trading down by consumers.
- The largest percentage increase in 2024 compared to 2023 is in **Management; Scientific, and Technical Consulting Services** which saw an increase of 851% compared to last year from \$12,321 to \$104,843 in 2024.

City – 1.125% Tax



TOP TEN NAICS CATEGORY DECREASES BY AMOUNT

2024 Top Negative Sales Tax Differences					
NAICS CODE	NACIS Category Name	YTD 2024	YTD 2023	Difference	Change
9300	NAICS with Less Than 3 Businesses	\$ (379,271.53)	\$ 79,961.99	\$ (459,233.52)	-574.3%
3279	Other Nonmetallic Mineral Product Manufacturing	\$ (208,004.30)	\$ 58,825.73	\$ (266,830.03)	-453.6%
7221	Full-Service Restaurants	\$ 1,594,460.56	\$ 1,829,426.85	\$ (234,966.29)	-12.8%
3323	Architectural and Structural Metals Manufacturing	\$ 106,724.60	\$ 301,196.09	\$ (194,471.49)	-64.6%
2212	Natural Gas Distribution	\$ 542,614.64	\$ 725,912.10	\$ (183,297.46)	-25.3%
4431	Electronics and Appliance Stores	\$ 1,223,043.77	\$ 1,361,573.98	\$ (138,530.21)	-10.2%
4539	Other Miscellaneous Store Retailers	\$ 406,333.93	\$ 518,631.37	\$ (112,297.44)	-21.7%
5133	Telecommunications	\$ 384,320.68	\$ 484,869.63	\$ (100,548.95)	-20.7%
7211	Traveler Accommodation	\$ 928,298.49	\$ 1,024,493.81	\$ (96,195.32)	-9.4%
4216	Electrical Goods Wholesalers	\$ 445,188.96	\$ 513,770.27	\$ (68,581.31)	-13.3%
	Subtotal - Top 10 Highest Sales Tax NAICS Categories	\$ 5,043,709.80	\$ 6,898,661.82	\$ (1,854,952.02)	-26.9%

- The NAICS categories with the largest decreases by amount offset the NAICS Categories with the largest increases by amount, with a net decrease of \$583,122.
- **NAICS with Less Than 3 Businesses** declined **\$459,234** through the end of the 2nd quarter.
- The decline in **Full-Service Restaurants** of **\$234,966** was offset by the increase in **Food Services and Drinking Places** of **\$330,800** on the previous slide for a net positive increase of \$95,834.

Electric Franchise fees



	<u>2024 KWH</u>	<u>2023 KWH</u>	<u>2024 Revenue</u>	<u>2023 Revenue</u>	<u>Usage Chng</u>	<u>Rev Chng</u>
<u>Month</u>	<u>KWH</u>	<u>KWH</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Incr (Decr)</u>	<u>Incr (Decr)</u>
January	273,110,472	252,650,799	1,421,572	1,198,441	8.10%	18.62%
February	254,282,568	236,243,323	1,335,402	1,171,843	7.64%	13.96%
March	221,561,933	210,272,880	1,164,996	1,063,850	5.37%	9.51%
April	210,570,470	201,217,710	997,394	1,042,878	4.65%	-4.36%
May	226,554,367	212,418,487	1,083,648	1,095,353	6.65%	-1.07%
June	293,029,031	265,243,569	1,499,534	1,473,217	10.48%	1.79%
	1,479,108,841	1,378,046,768	7,502,547	7,045,583	7.33%	6.49%

The 2024 amended budget is \$16,148,300, an increase of 3.2% from the prior year actual results of \$15,635,389, based on information received from Entergy Arkansas. Usage increased by 7.33% and revenues increased 6.49% through June. At the end of the 2nd quarter, revenues are down \$571,603 compared to budget based on using monthly projections of the revenues.

Gas Franchise fees

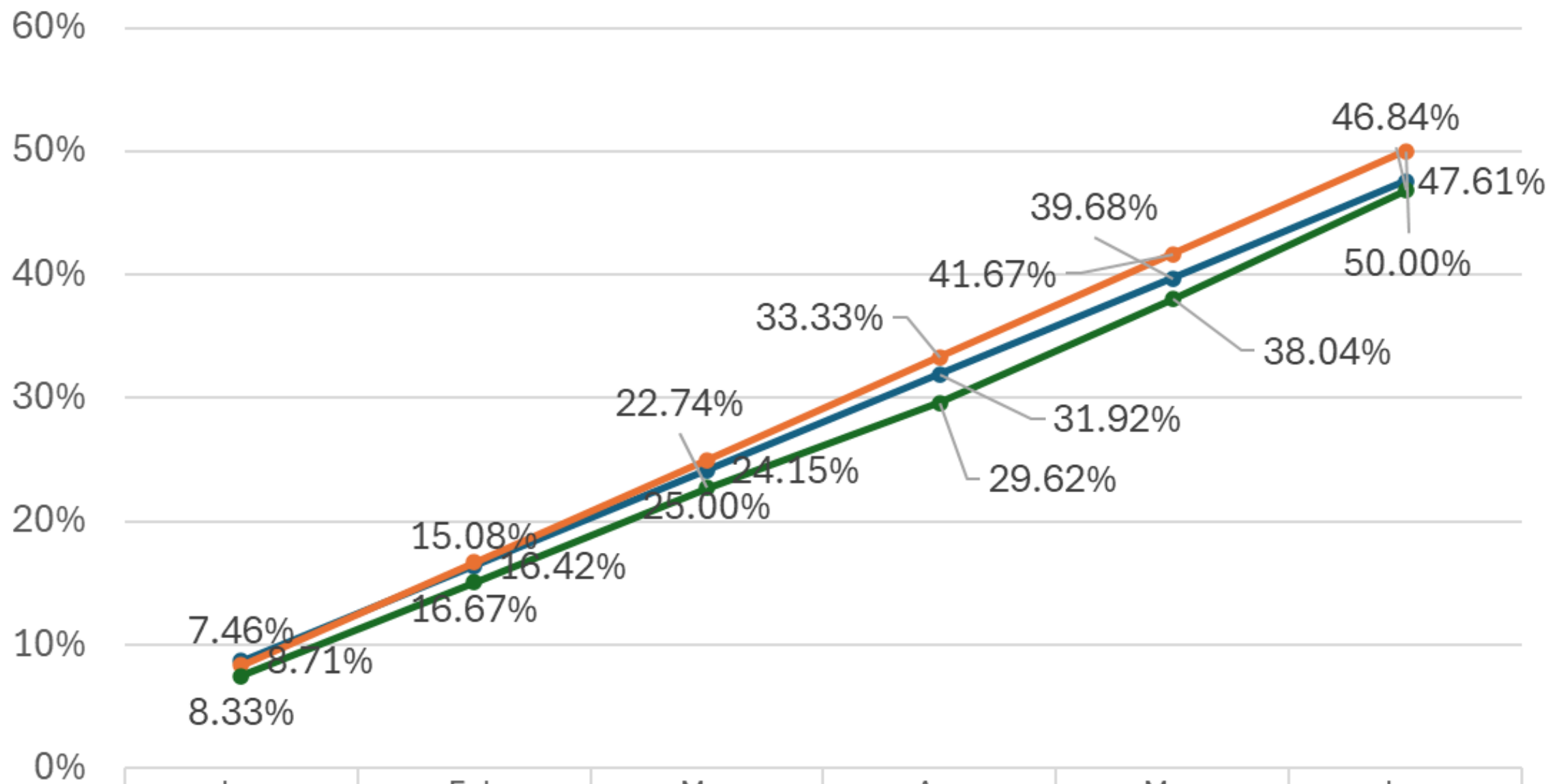


	2024 Mcf	2023 Mcf	2024 Rev	2023 Rev	Usage Chng	Rev Chng
<u>Month</u>	<u>Mcf</u>	<u>Mcf</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Incr (Decr)</u>	<u>Incr (Decr)</u>
January	1,624,072	1,234,095	755,984.47	883,587	31.60%	-14.44%
February	1,667,780	1,873,431	707,593.04	958,478	-10.98%	-26.18%
March	784,607	931,682	384,296.21	572,139	-15.79%	-32.83%
April	545,227	674,736	237,161.09	307,952	-19.19%	-22.99%
May	302,001	338,505	139,060.10	168,002	-10.78%	-17.23%
June	177,815	213,857	103,080.09	119,271	-16.85%	-13.57%
	5,101,502	5,266,306	2,327,175	3,009,429	-3.13%	-22.67%

The 2024 amended budget is \$3,550,000, a decrease of 19.9% from the prior year actual results of \$4,430,638, based on information received from Summit Utilities. Usage decreased by 3.13% and revenues decreased 22.67% through June. At the end of the 2nd quarter, revenues are up \$552,175 compared to budget based on using monthly projections of the revenues.

General Fund Operating Expenditures

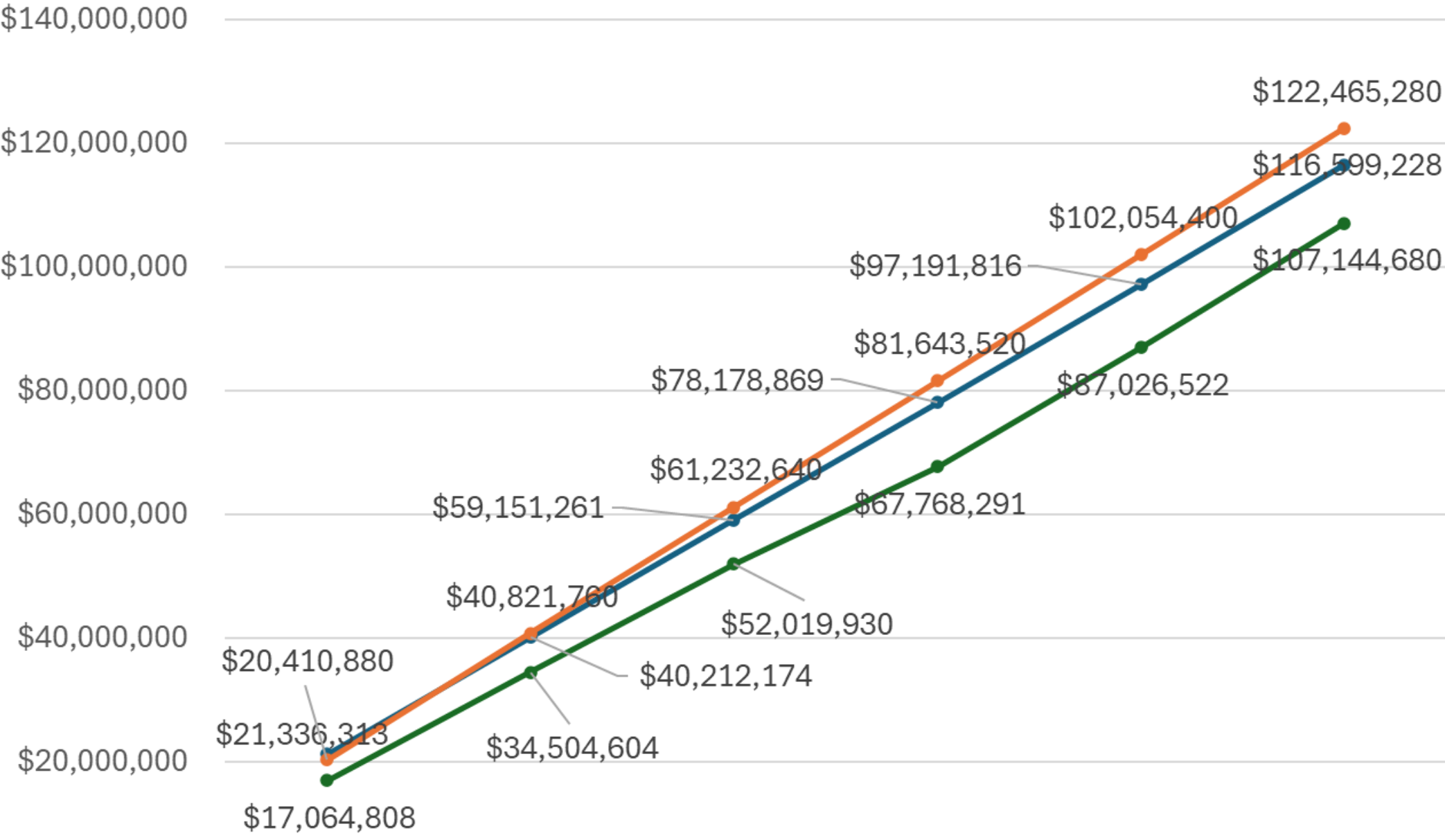
BUDGET % EXPENDED - 2024 AND 2023



	Jan	Feb	Mar	Apr	May	Jun
2024	8.71%	16.42%	24.15%	31.92%	39.68%	47.61%
2024 Budget	8.33%	16.67%	25.00%	33.33%	41.67%	50.00%
2023	7.46%	15.08%	22.74%	29.62%	38.04%	46.84%

General Fund Operating Expenditures

2024 AND 2023



	Jan	Feb	Mar	Apr	May	Jun
2024	\$21,336,313	\$40,212,174	\$59,151,261	\$78,178,869	\$97,191,816	\$116,599,228
2024 Budget	\$20,410,880	\$40,821,760	\$61,232,640	\$81,643,520	\$102,054,400	\$122,465,280
2023	\$17,064,808	\$34,504,604	\$52,019,930	\$67,768,291	\$87,026,522	\$107,144,680



General Fund Operating Expenditures

COMPARED TO BUDGET (1 of 2)

			Variance	
	YTD	YTD	Favorable	Prior Year
	<u>Budget</u>	<u>Expenditures</u>	<u>(Unfavorable)</u>	<u>Expenditures</u>
EXPENDITURES				
GENERAL GOVERNMENT:				
1 Executive Administration	\$ 15,386,649	\$ 12,318,706	\$ 3,067,943	\$ 11,529,691
2 Board of Directors	197,997	208,293	(10,297)	183,051
3 Community Programs	120,597	76,750	43,847	125,447
4 City Attorney	1,317,338	1,245,252	72,086	1,059,076
5 District Court - (Criminal)	739,281	718,951	20,330	643,578
6 District Court - (Environmental)	319,046	305,820	13,226	273,631
7 District Court - (Traffic)	679,588	689,003	(9,416)	649,397
8 Finance	2,584,247	2,234,467	349,780	2,254,295
9 Human Resouces	1,364,326	1,570,255	(205,930)	1,170,446
10 Information Technology	4,017,663	4,130,761	(113,099)	3,535,335
11 Planning and Development	1,787,235	1,737,291	49,944	1,603,654
12 TOTAL GENERAL GOVERNMENT	28,513,964	25,235,549	3,278,415	23,027,601

General Fund Operating Expenditures

COMPARED TO BUDGET (2 of 2)

	YTD <u>Budget</u>	YTD <u>Expenditures</u>	Variance Favorable <u>(Unfavorable)</u>	Prior Year <u>Expenditures</u>
EXPENDITURES:				
13 PUBLIC WORKS	579,379	539,316	40,063	517,194
14 PARKS & RECREATION	5,624,462	5,411,731	212,731	5,206,287
15 RIVERMARKET	559,612	524,672	34,940	479,154
16 GOLF	864,002	1,102,238	(238,236)	893,226
17 JIM DAILEY FITNESS & AQUATICS	444,255	569,612	(125,358)	453,960
18 ZOO	3,604,841	3,994,327	(389,487)	3,856,087
19 FIRE	27,501,644	29,357,768	(1,856,125)	28,317,553
20 POLICE	43,297,168	42,001,009	1,296,159	39,289,291
21 911 OPERATIONS	2,317,510	2,545,483	(227,974)	2,054,458
22 HOUSING & NEIGHBORHOOD	3,791,330	3,642,681	148,649	3,007,790
23 DEBT SERVICE:				
24 Principal	1,870,162	1,374,583	495,579	0
25 Fiscal Charges on Long Term Debt	165,292	273,800	(108,508)	0
26 CAPITAL OUTLAY	31,663	26,459	5,204	42,079
SAVINGS FROM AUTHORIZED BUT				
27 UNFILLED POSITIONS	0	0	0	0
28 TOTAL EXPENDITURES	\$ 119,165,280	\$ 116,599,228	\$ 2,566,052	\$ 107,144,680

General Fund

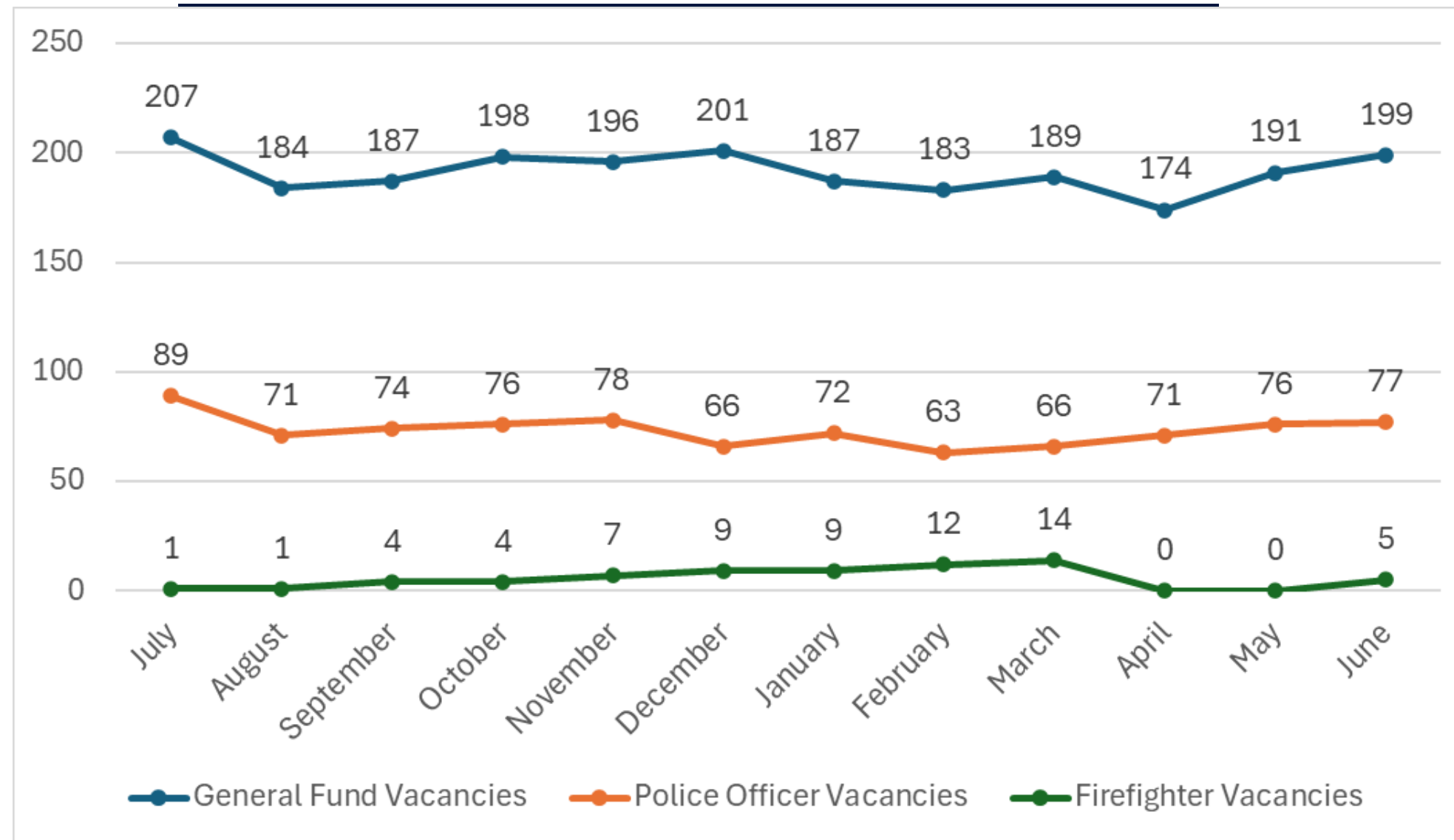
AUTHORIZED BUT UNFILLED POSITIONS AND VACATION/SICK PAYOUTS

- Savings from Authorized but Unfilled Positions
 - \$7,000,000 2024 adopted budget achieved
 - 199 budgeted positions unfilled in the General Fund as of end of June.
- Vacation/Sick Payouts
 - \$1,750,000 2024 adopted budget
 - \$1,276,241 paid out through the end of the 2nd quarter



General Fund

AUTHORIZED BUT UNFILLED POSITIONS LAST TWELVE MONTHS





QUESTIONS?

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Chief Financial Officer**

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