

# 2026

## ANNUAL OPERATING BUDGET



CITY OF LITTLE ROCK  
ARKANSAS



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# INTRODUCTION



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# BOARD OF DIRECTORS POLICY STATEMENTS

## ➤ **MUST DO STATEMENTS**

- **SAFE CITY**
- **ECONOMIC DEVELOPMENT**
- **BASIC CITY SERVICES**
- **INFRASTRUCTURE**

## ➤ **SHOULD DO STATEMENTS**

- **QUALITY OF LIFE**

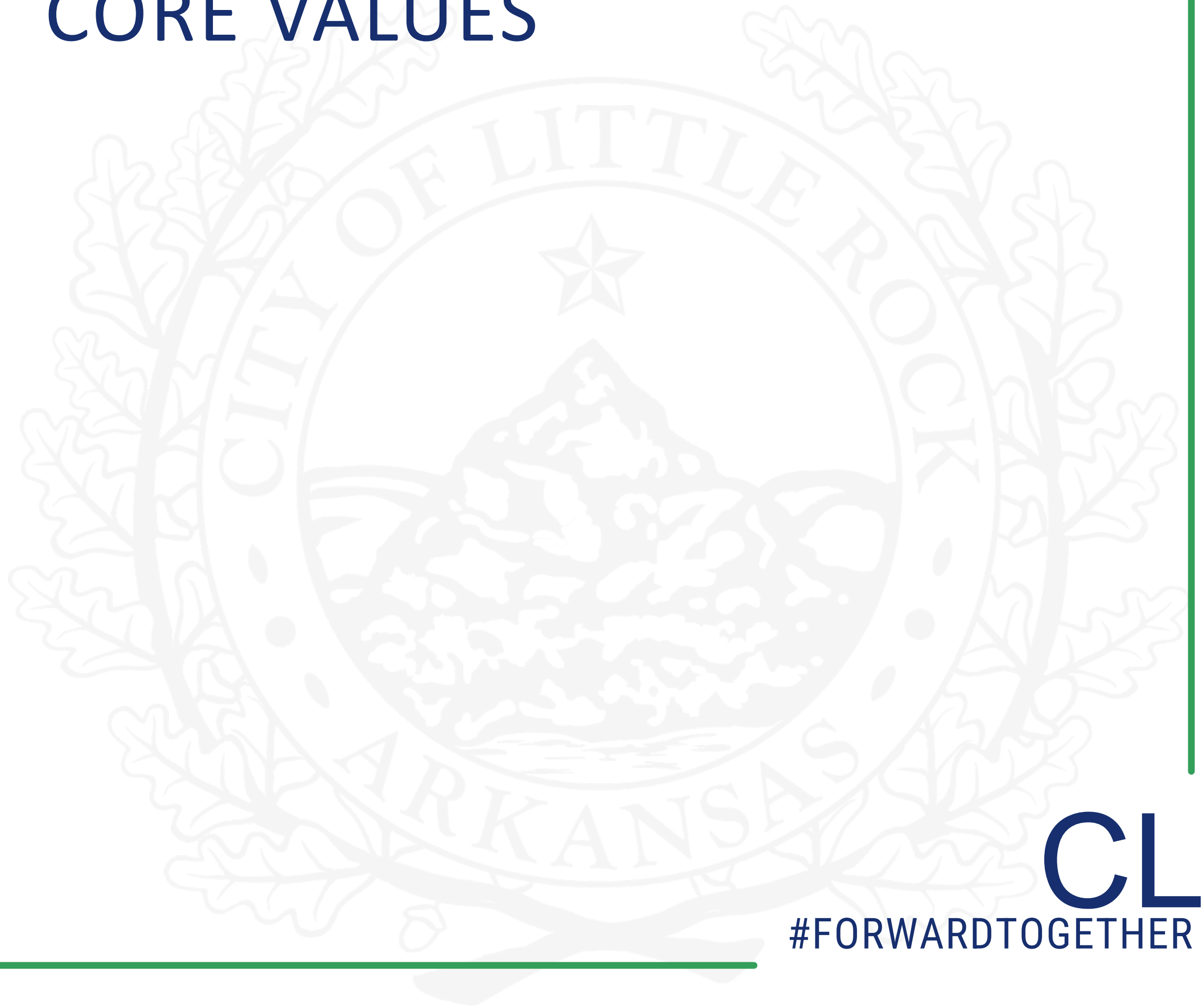


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# CORE VALUES

- **Equity**
- **People-Centered**
- **Accountability**
- **Innovation**
- **Exceptional Service**
- **Professionalism**



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# E's OF EXCELLENCE

- **Exceptional Service**
- **Enthusiasm with Culture**
- **Energy Toward Optimization**
- **Excellence in All We Do**



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# FACTORS IMPACTING BUDGET PREPARATION

	FY25 Adopted	FY26 Projected	FY27 Projected	FY28 Projected	FY29 Projected
<b>General Fund</b>					
Beginning Fund Balance	\$ 43,967,342	\$ 43,967,342	\$ 43,967,342	\$ 43,967,342	\$ 43,967,342
Plus: Est. Revenue (a)	263,108,099	268,370,261	275,079,518	281,956,506	289,005,411
Less: Est. Expenses					
Executive Administration	31,379,060	29,022,062	29,778,521	30,117,316	31,001,971
Board of Directors	412,772	413,747	424,338	429,447	441,751
Community Programs	236,896	219,341	225,057	227,619	234,301
City Attorney	3,079,218	2,851,023	2,925,315	2,958,624	3,045,491
District Court - First Division	1,590,355	1,472,497	1,510,868	1,528,071	1,572,941
District Court - Second Division	1,418,639	1,313,507	1,347,735	1,363,081	1,403,101
District Court - Third Division	650,688	602,467	618,166	625,205	643,561
Finance	5,634,627	5,217,057	5,353,005	5,413,957	5,572,921
Human Resources	3,107,566	2,877,271	2,952,247	2,985,863	3,073,531
Information Technology	8,083,237	7,484,207	7,679,233	7,766,673	7,994,721
Planning and Development	3,748,704	3,470,896	3,561,342	3,601,894	3,707,651
Housing & Neighborhood Programs	8,997,055	8,330,303	8,547,377	8,644,703	8,898,541
Public Works	1,231,876	1,140,585	1,170,307	1,183,633	1,218,381
Parks & Recreation	11,875,529	10,995,460	11,281,984	11,410,447	11,745,491
River Market	1,055,200	977,002	1,002,461	1,013,875	1,043,641
Golf	1,856,684	1,719,089	1,763,886	1,783,971	1,836,351
Jim Dailey Fitness & Aquatics	938,304	868,769	891,408	901,558	928,031
Zoo	7,867,289	7,284,262	7,474,078	7,559,182	7,781,141
Fire (b)	64,568,686	67,974,111	70,199,175	72,500,282	74,880,171
Police (c)	95,656,413	100,701,440	103,997,800	107,406,816	110,932,551
911 Emergency Communications	5,233,507	5,351,981	5,473,516	5,598,205	5,726,141
Vacancy Reductions (d)	(11,000,000)	(11,000,000)	(11,000,000)	(11,000,000)	(11,000,000)
Debt Service - short-term notes (e)	2,863,415	6,420,477	5,205,446	5,205,446	3,557,061
Transfers Out (including contingency) (f)	12,622,379	12,662,707	12,696,253	12,730,638	12,765,881
	<b>\$ 263,108,099</b>	<b>\$ 268,370,261</b>	<b>\$ 275,079,518</b>	<b>\$ 281,956,506</b>	<b>\$ 289,005,411</b>
Net Increase (decrease) to Fund Balance	-	-	-	-	-
Ending Fund Balance (g)	<b>\$ 43,967,342</b>	<b>\$ 43,967,342</b>	<b>\$ 43,967,342</b>	<b>\$ 43,967,342</b>	<b>\$ 43,967,342</b>
Reserve Requirement (10% of Revenues)	<b>\$ 26,310,810</b>	<b>\$ 26,837,026</b>	<b>\$ 27,507,952</b>	<b>\$ 28,195,651</b>	<b>\$ 28,900,541</b>

2026 Projection included in the 2025 budget book showed that departmental reductions would be required to support commitments for 2026 made in 2024 and prior years to balance the budget.

Assumed 2% overall growth in revenues and expenditures from 2025 to 2026. Included 5% salary increases for Police and Fire, and a 5% increase in health insurance. From 2025 Budget Book.

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# FACTORS IMPACTING BUDGET PREPARATION

	FY25 Adopted	FY26 Projected	FY27 Projected	FY28 Projected
<b><u>Street Fund</u></b>				
Beginning Fund Balance	\$ 17,462,280	\$ 17,462,280	\$ 16,668,984	\$ 15,582,168
Plus: Est. Revenue	26,443,200	26,972,064	27,511,505	28,061,735
Less: Est. Expenses	26,443,200	27,765,360	28,598,321	29,456,270
Ending Fund Balance	<b>\$ 17,462,280</b>	<b>\$ 16,668,984</b>	<b>\$ 15,582,168</b>	<b>\$ 14,187,633</b>
Reserve Requirement (10% of revenue)	<b>\$ 2,644,320</b>	<b>\$ 2,697,206</b>	<b>\$ 2,751,151</b>	<b>\$ 2,806,174</b>
<b><u>Fleet Fund</u></b>				
Beginning Net Position	\$ 3,895,024	\$ 3,895,024	\$ 3,895,024	\$ 3,895,024
Plus: Est. Revenue	18,418,930	18,787,309	19,163,055	19,546,316
Less: Est. Expenses	18,418,930	18,787,309	19,163,055	19,546,316
Ending Net Position	<b>\$ 3,895,024</b>	<b>\$ 3,895,024</b>	<b>\$ 3,895,024</b>	<b>\$ 3,895,024</b>
Reserve Requirement (10% of revenues)	<b>\$ 1,841,893</b>	<b>\$ 1,878,731</b>	<b>\$ 1,916,305</b>	<b>\$ 1,954,632</b>
<b><u>Vehicle Storage Facility</u></b>				
Beginning Net Position	\$ 2,379,621	\$ 2,540,626	\$ 2,681,124	\$ 2,800,235
Plus: Est. Revenue	2,453,200	2,489,998	2,527,348	2,565,258
Less: Est. Expenses	2,292,195	2,349,500	2,408,237	2,468,443
Ending Net Position	<b>\$ 2,540,626</b>	<b>\$ 2,681,124</b>	<b>\$ 2,800,235</b>	<b>\$ 2,897,050</b>
Reserve Requirement (10% of revenues)	<b>\$ 245,320</b>	<b>\$ 249,000</b>	<b>\$ 252,735</b>	<b>\$ 256,526</b>
<b><u>Waste Disposal Fund</u></b>				
Beginning Net Position	\$ 29,094,097	\$ 29,094,097	\$ 28,961,380	\$ 28,689,974
Plus: Est. Revenue (h)	26,543,400	27,074,268	27,615,753	28,168,068
Less: Est. Expenses	26,543,400	27,206,985	27,887,160	28,584,339
Ending Net Position	<b>\$ 29,094,097</b>	<b>\$ 28,961,380</b>	<b>\$ 28,689,974</b>	<b>\$ 28,273,704</b>
Reserve Requirement (15% of revenues)	<b>\$ 3,981,510</b>	<b>\$ 4,061,140</b>	<b>\$ 4,142,363</b>	<b>\$ 4,225,210</b>

## 2025 to 2026 Assumptions from 2025 Budget Book

Street Fund: Assumed 2% growth in revenues and 5% growth in expenditures from 2025 to 2026

Fleet Fund: Assumed 2% growth in revenues and expenses

Vehicle Storage: Assumed 1.5% growth in revenues and 2.5% growth in expenses

Waste Disposal Fund: Assumed 2% growth in revenues and 2.5% growth in expenses

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# FACTORS IMPACTING BUDGET PREPARATION

- Sales Tax (the largest revenue source) is outpacing budget and is forecast to grow by 1.55% over 2025 projections in 2026
- Implementing requirements in agreed upon union contracts
  - 5% Salary increases for Police and Fire Uniformed positions
  - \$300,000 for Cancer Screening of Fire Uniformed positions
- Declining short-term interest rates
- Impacts of inflation and tariffs
- Increased geopolitical activity

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# FACTORS IMPACTING BUDGET PREPARATION

- Expected revenue growth in 2026 from Franchise Fees due to rate increases and growth in property taxes
- Increased health insurance & risk management (insurance) costs
- Increased jail costs
- Increased costs for public safety software
- Increased debt service of approximately \$1.5 million for Clinton Park Pedestrian Bridge Protection Cell Replacement

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# AREAS OF EMPHASIS IN BUDGET AND BOARD OF DIRECTORS POLICY STATEMENT ALIGNMENT

- Public Safety Funding – Ensuring a Safe City
- Housing and Beautification - Ensuring a Safe City
- New Senior Center Operations Funding – Quality of Life

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# GENERAL FUND REVENUES



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# GENERAL FUND DETAIL REVENUE FORECAST

## 2024 - 2026

		2024	2025	2025 Current	2026 Proposed	Change	Percent
	Revenues	Actual	Adopted	Forecast	Budget	2025 to 2026	Change
1	Property Taxes	\$ 26,120,115	\$ 27,149,400	\$ 27,242,738	\$ 28,114,506	\$ 871,768	3.20%
2	Pension Property Tax	10,512,439	11,332,700	11,163,062	11,520,280	357,218	3.20%
3	State Homestead Tax	2,294,563	1,115,000	1,843,463	1,902,453	58,990	3.20%
4	Act 9 Revenue	164,541	150,900	164,542	164,600	58	0.04%
5	Sales Taxes - County	60,148,210	60,675,400	60,985,319	61,930,591	945,272	1.55%
6	Sales Taxes - City	78,955,803	79,597,000	80,744,092	81,995,625	1,251,533	1.55%
7	State Turnback	3,180,432	2,900,000	3,009,224	3,009,300	76	0.00%
8	Utility Franchise Fees	32,831,453	35,313,950	34,354,414	36,457,651	2,103,237	6.12%
9	Business Licenses	7,327,540	7,392,200	7,466,004	7,605,700	139,696	1.87%
10	Mixed Drinks Licenses	3,986,430	4,005,900	3,934,658	3,934,700	42	0.00%
11	Building & Related Permits	2,787,097	2,797,800	2,704,714	2,718,220	13,506	0.50%
12	Fines and Fees	2,177,126	1,902,500	2,252,835	2,256,020	3,185	0.14%
13	Parks & Recreation Revenue	357,735	286,700	329,574	330,360	786	0.24%
14	River Market	311,337	350,500	304,218	304,300	82	0.03%
15	Golf	1,461,252	1,526,700	1,485,731	1,486,290	559	0.04%
16	Fitness and Aquatics	442,247	619,500	642,777	643,140	363	0.06%
17	Zoo Revenues	2,933,321	2,546,700	2,728,426	2,839,000	110,574	4.05%
18	Airport Reimbursement	4,053,258	3,963,800	3,917,842	4,113,733	195,891	5.00%
19	Salary Reimbursement 9-1-1	1,753,283	1,753,300	1,753,300	1,753,300	-	0.00%
20	Insurance Pension Turnback	12,271,898	12,272,100	12,699,818	12,699,831	13	0.00%
21	All Other Revenue	2,353,813	2,243,700	2,437,467	2,433,400	(4,067)	-0.17%
22	Investment Income	2,313,612	174,000	1,686,209	625,100	(1,061,109)	-62.93%
23	Revenues before Transfers	258,737,505	260,069,750	263,850,427	268,838,100	4,987,673	1.89%
24	Transfers In	3,000,640	3,038,349	3,038,349	3,161,004	122,655	4.04%
25	Total	\$ 261,738,145	\$ 263,108,099	\$ 266,888,776	\$ 271,999,104	\$ 5,110,328	1.91%

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# PROPERTY TAX

		2024	2025	2025 Current	2026 Proposed	Change	Percent
		Actual	Adopted	Forecast	Budget	2025 to 2026	Change
1	Property Taxes	\$ 26,120,115	\$ 27,149,400	\$ 27,242,738	\$ 28,114,506	\$ 871,768	3.20%
2	Pension Property Tax	10,512,439	11,332,700	11,163,062	11,520,280	357,218	3.20%
3	State Homestead Tax	2,294,563	1,115,000	1,843,463	1,902,453	58,990	3.20%
4	Act 9 Revenue	164,541	150,900	164,542	164,600	58	0.04%
<b>5</b>	<b>Total Property Taxes</b>	<b>\$ 39,091,658</b>	<b>\$ 39,748,000</b>	<b>\$ 40,413,805</b>	<b>\$ 41,701,839</b>	<b>\$ 1,288,034</b>	<b>3.19%</b>

- Pulaski County provided estimates for the increase in property tax assessments for collection in 2026. 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. Pulaski County projected growth in Little Rock at approximately 3.2%. The Original Charge will not be received until February 2026. Therefore, we have estimated revenue growth in the aggregate of 3.2%.

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# SALES AND USE TAXES

		2024	2025	2025 Current	2026 Proposed	Change	Percent
		Actual	Adopted	Forecast	Budget	2025 to 2026	Change
1	Sales Taxes - County	\$ 60,148,210	\$ 60,675,400	\$ 60,985,319	\$ 61,930,591	\$ 945,272	1.55%
2	Sales Taxes - City	78,955,803	79,597,000	80,744,092	81,995,625	1,251,533	1.55%
3	State Turnback	3,180,432	2,900,000	3,009,224	3,009,300	76	0.00%
4	<b>Total Sales and Use Taxes</b>	<b>\$ 142,284,445</b>	<b>\$ 143,172,400</b>	<b>\$ 144,738,635</b>	<b>\$ 146,935,516</b>	<b>\$ 2,196,881</b>	<b>1.52%</b>

- Sales and use tax revenue forecast includes year-to-date actual 2025 results through October's receipt of August revenues and comparable 4<sup>th</sup> quarter revenues. The 2026 proposed budget includes a conservative growth estimate of approximately 1.55%.
- State turnback is \$15.50 per capita. With a population of 202,591, the City could reasonably expect to receive \$3,140,161 in 2026; however, Act 846 of 2023 allowed for funding of the Arkansas Self-Funded Cyber Response Program Trust Fund which reduced the State Turnback in 2025 and as a result, the forecast for 2026 is kept flat. Additionally, the Turnback is subject to appropriation from excess State funds.

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# FRANCHISE FEES

		2024	2025	2025 Current	2026 Proposed	Change	Percent
		Actual	Adopted	Forecast	Budget	2025 to 2026	Change
1	Electric Utility	\$ 16,053,005	\$ 17,478,000	\$ 16,546,920	\$ 17,413,165	\$ 866,245	5.24%
2	Water Utility	5,566,687	5,701,700	5,873,480	6,090,800	217,320	3.70%
3	Wastewater	6,605,661	6,715,200	6,614,143	7,159,900	545,757	8.25%
4	Gas Utility	3,363,170	4,184,000	4,437,315	5,024,386	587,071	13.23%
5	Cable TV	1,069,390	1,134,900	996,017	936,300	(59,717)	-6.00%
6	Fiber Optics	436,476	496,500	342,134	316,500	(25,634)	-7.49%
7	Telephone Utilities	311,084	289,200	253,829	223,400	(30,429)	-11.99%
8	Local Landline	365,530	354,000	298,576	343,400	44,824	15.01%
9	Long Distance	526,599	462,300	493,850	454,400	(39,450)	-7.99%
10	Franchise Contra	(1,466,149)	(1,501,850)	(1,501,850)	(1,504,600)	(2,750)	0.18%
<b>11</b>	<b>Total Franchise Fees</b>	<b>\$ 32,831,453</b>	<b>\$ 35,313,950</b>	<b>\$ 34,354,414</b>	<b>\$ 36,457,651</b>	<b>\$ 2,103,237</b>	<b>6.12%</b>

- 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. Central Arkansas Water has scheduled annual rate increases every January 1<sup>st</sup> through 2032 based on water usage. There is the 7.25% rate increase plus a 1% growth rate for 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.

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# INTERGOVERNMENTAL

		2024	2025	2025 Current	2026 Proposed	Change	Percent
		Actual	Adopted	Forecast	Budget	2025 to 2026	Change
1	Insurance Pension Turnback	\$ 11,021,400	\$ 11,021,500	\$ 11,435,355	\$ 11,435,368	\$ 13	0.00%
2	Police Supplement	135,600	135,600	135,600	135,600	-	0.00%
3	Future Supplement (Act 1373)	1,114,898	1,115,000	1,128,863	1,128,863	-	0.00%
4	Intergovernmental Funds	10,571	-	-	-	-	N/A
<b>5</b>	<b>Total Intergovernmental</b>	<b>\$ 12,282,469</b>	<b>\$ 12,272,100</b>	<b>\$ 12,699,818</b>	<b>\$ 12,699,831</b>	<b>\$ 13</b>	<b>0.00%</b>

➤ 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 estimated 2026 premium tax allocations for the closed plans were communicated by LOPFI in October 2025.

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# GENERAL FUND REVENUE FORECAST SUMMARY

		2024	2025	2025 Current	2026 Proposed	Change	Percent
		Actual	Adopted	Forecast	Budget	2025 to 2026	Change
1	General Property Taxes	\$ 39,091,658	\$ 39,748,000	\$ 40,413,805	\$ 41,701,839	\$ 1,288,034	3.19%
2	Sales and Use Taxes	142,284,445	143,172,400	144,738,635	\$ 146,935,516	2,196,881	1.52%
3	Licenses and Permits	14,101,067	14,195,900	14,105,376	\$ 14,258,620	153,244	1.09%
4	Intergovernmental	12,282,469	12,272,100	12,699,818	\$ 12,699,831	13	0.00%
5	Charges for Services	12,483,807	12,169,700	12,479,593	\$ 12,782,623	303,030	2.43%
6	Fines and Fees	2,177,126	1,902,500	2,252,835	\$ 2,256,020	3,185	0.14%
7	Utility Franchise Fees	32,831,453	35,313,950	34,354,414	\$ 36,457,651	2,103,237	6.12%
8	Investment Income	2,313,612	174,000	1,686,209	\$ 625,100	(1,061,109)	-62.93%
9	Miscellaneous	1,171,868	1,121,200	1,119,742	\$ 1,120,900	1,158	0.10%
10	Transfers In	3,000,640	3,038,349	3,038,349	\$ 3,161,004	122,655	4.04%
11	<b>Total General Fund Revenues</b>	<b>\$ 261,738,145</b>	<b>\$ 263,108,099</b>	<b>\$ 266,888,776</b>	<b>\$ 271,999,104</b>	<b>\$ 5,110,328</b>	<b>1.91%</b>

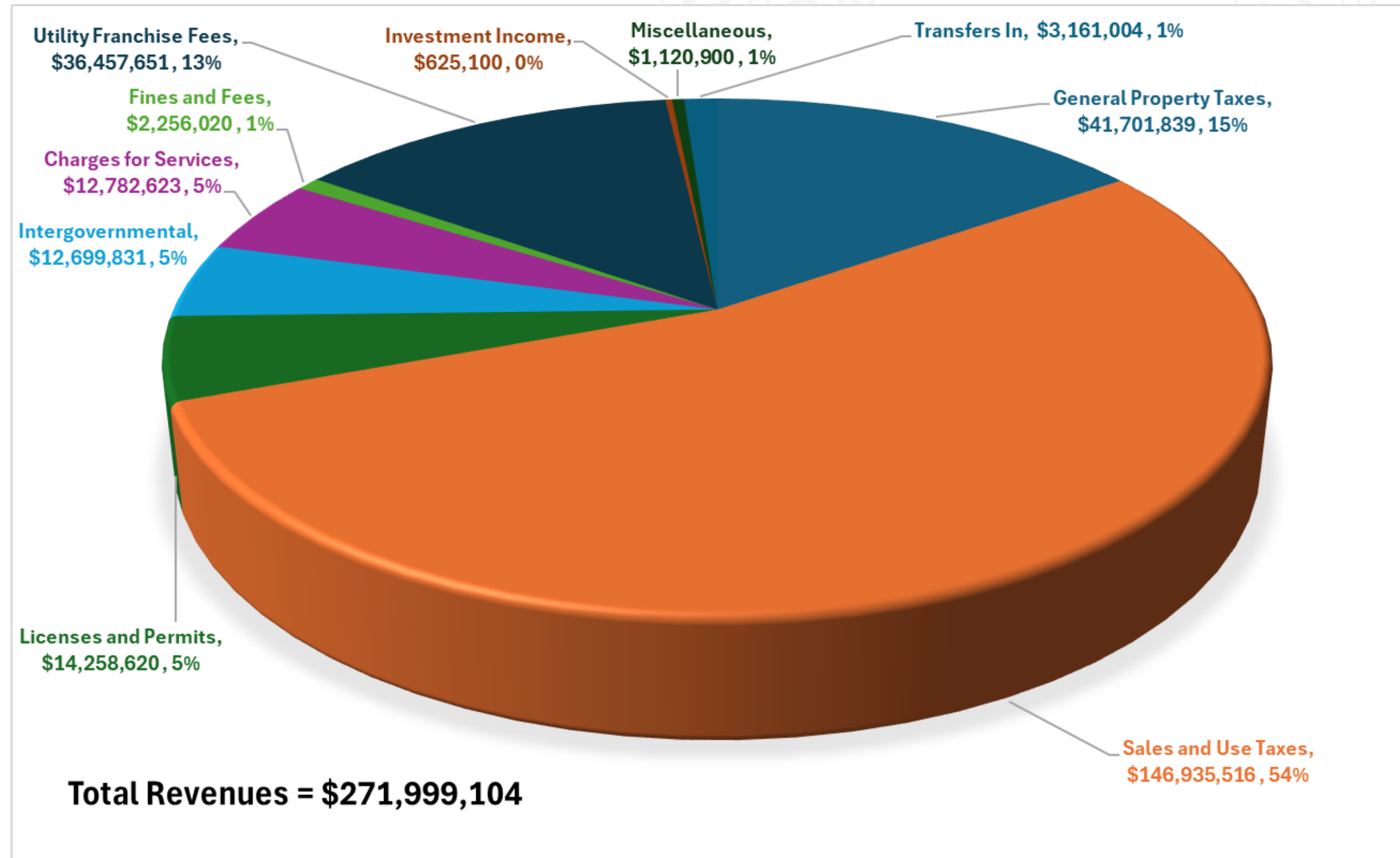
➤ Including Transfers In, the 2025 General Fund revenue forecast is **\$271,999,104** which is **\$5,110,328 or 1.91%** above the 2025 Current Forecast and **\$10,260,959 or 3.92%** above 2024 actual results.

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# GENERAL FUND REVENUES



Approximately **83%** of General Fund revenues are generated by Sales and Use Tax, Property Tax, and Franchise Fees.

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# PERSONNEL COST ASSUMPTIONS AND OTHER EXPENDITURES APPLICABLE TO ALL FUNDS



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# 2026 PERSONNEL SALARY PROGRESSION

- **Continuation of Step and Grade Progression**
  - Fraternal Order of Police (FOP)
  - International Association of Fire Fighters (IAFF)
  - Local 100 and Union Eligible
  - 911 Communications Positions



# 2026 PERSONNEL SALARY PROGRESSION

## ➤ **Police Uniformed Personnel –**

- 5% increase
- Closed pension plan increase described on slide 25.  
**(\$16,729)**

## ➤ **Fire Uniformed Personnel –**

- 5% increase
- Closed pension plan increase described on slide 25.  
**(\$162,912)**

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# 2026 PERSONNEL OTHER SALARY INCREASES

- **Non-Uniformed Personnel – \$1,003,140**
  - 1.75% increase for non-uniform full-time personnel



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# 2026 PERSONNEL EMPLOYEE BENEFITS

## ➤ Health Insurance

- Fully Insured Coverage with Cigna
- Net Increase of **\$1,401,165** reflected in personnel cost
- Employee only base cost paid entirely by City
- 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 high deductible is offered.

## ➤ Continuation of Dental, Vision, and Basic Life at no cost to employees for single base coverage.

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# 2026 PERSONNEL EMPLOYEE BENEFITS

## ➤ Paid Parental Leave

- New 12-week paid parental leave program
- Allows parents to bond and care for newborns without rushing to get back to work or worrying about work



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# 2026 PERSONNEL PENSION RATES – CURRENT PLANS

## ➤ Pension Rates Effective January 1, 2026

- Fire LOPFI Pension – **24.5%** (0.5% increase)
- Police LOPFI Pension – **24.5%** (0.5% increase)
  - 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)

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# 2026 PENSION RATES – OTHER PLANS

## ➤ **APERS Pension Rates Effective July 1, 2025**

- District Judges/Court Clerks Pension – **15.32%** (unchanged)
- Judges and Clerks Liability - **\$200,000** (unchanged)

## ➤ **Closed Non-Uniform Plan**

- Non-Uniform Defined Benefit Plan - **\$151,000** a decrease from \$300,000 in 2025

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# 2026 PERSONNEL PENSION CONTRIBUTIONS – CLOSED PLANS

## ➤ Closed Police and Fire Pension Plan Contributions

Closed Police and Fire Pension LOPFI contributions are offset by the annual 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 \$337,627 in 2026 (\$4,051,524)
  - Additional contribution anticipated from dedicated revenues to pay down unfunded liability for a total contribution of **\$8,904,834**. This is an increase of \$16,729 from 2025 Adopted Budget.
- Closed Fire Pension Plan administered by LOPFI
  - Required monthly contribution to LOPFI of \$283,048 in 2026 (\$3,396,576)
  - Additional contribution anticipated from dedicated revenues to pay down unfunded liability for a total contribution of **\$8,395,917**. This is an increase of \$162,912 from 2025 Adopted Budget.

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# 2026 PERSONNEL OTHER ASSUMPTIONS

## ➤ Other Personnel Assumptions – All Funds

- OPEB Contribution (Cobra and Retiree) – increase of \$10,540 from the 2025 budget. Actuarial estimates include health and dental coverage for retirees.
- Workers Compensation – a decrease of \$16,158 from the original 2025 budget.

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# FULL-TIME STAFFING

	2024	2025	2026	Changes	
	Adopted	Adopted	Proposed	From	
Department	Budget	Budget	Budget	2025-2026	Changes from 2025 Adopted Budget
1 Executive Administration	37	38	37	(1)	Reduced 1 FTE related to the elimination of the Assistant City Manager Position
2 Board of Directors	1	1	1	-	
3 Community Programs	20	21	25	4	Converted 4 Part-time employees to Full-Time.
4 City Attorney	23	23	22	(1)	Eliminated a Senior Deputy City Attorney.
5 District Court First Division	21	21	21	-	
6 District Court Second Division	19	19	19	-	
7 District Court Third Division	8	8	8	-	
8 Finance	55	54	51	(3)	Eliminated a vacant internal auditor position and 2 Grants Analyst Positions
9 Human Resources	25	27	28	1	Added a Risk Management Assistant Position.
10 Information Technology	43	44	39	(5)	Removed 2 IT Support Specialist Positions, 1 Helpdesk Support Specialist, and eliminated 2 Network Analysts.
11 Planning & Development	46	46	44	(2)	Eliminated a Planning Document Technician and an Administrative Assistant.
12 Housing & Neighborhood Programs	107	112	112	-	
13 Public Works - General	12	12	12	-	
14 Parks & Recreation	107	107	109	2	Added 2 positions for the new Senior Center.
15 Golf	15	15	14	(1)	Eliminated a vacant Parks Maintenance Worker
16 Jim Dailey Fitness Center	8	8	8	-	
17 Zoo	63	65	67	2	Restored Engineering Specialist and a General Curator Position
18 Fire	445	445	445	-	
19 Police	703	707	699	(8)	Eliminated 2 Positions due to a state law change requiring functions to be performed by uniformed staff as opposed to civilian staff. Then swapped grant funded VOCA positions with vacant civilian positions due to the termination of the VOCA grant in order to maintain personnel's jobs and functions.
20 Emergency Communications	65	65	65	-	
21 Waste Disposal	145	145	145	-	
22 Public Works - Street	219	219	219	-	
23 Fleet Services	64	64	59	(5)	Eliminated 5 Positions - 3 Automotive Technician I and 2 Procurement Specialist.
24 Vehicle Storage Facility	14	14	16	2	Added an Administrative Assistant and an Attendant Floater Position.
<b>25 Total Personnel</b>	<b>2265</b>	<b>2280</b>	<b>2265</b>	<b>(15)</b>	

➤ Total Personnel includes **2,265** full-time positions, a decrease of 15 from the 2025 Adopted Budget.

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**#FORWARDTOGETHER**



# GENERAL FUND FULL-TIME STAFFING

	2024	2025	2026	Changes	
	Adopted	Adopted	Proposed	From	
GENERAL FUND	Budget	Budget	Budget	2025-2026	Changes from 2025 Adopted Budget
1 Executive Administration	35	34	35	1	Converted the Love your Block position and the Emergency Management Administrator position from grant funded to General Fund funding due to a change in the grant. This was offset in eliminating the Assistant City Manager position. <b>Overall Executive Administration positions were reduced by 1 FTE.</b>
2 Board of Directors	1	1	1	-	
3 Community Programs	2	2	2	-	
4 City Attorney	23	23	22	(1)	Eliminated a Senior Deputy City Attorney.
5 District Court First Division	21	21	21	-	
6 District Court Second Division	19	19	19	-	
7 District Court Third Division	8	8	8	-	
8 Finance	50	50	48	(2)	Transferred the P-card Administrator to be Special Project Funded and Eliminated the vacant Internal Auditor Position.
9 Human Resources	25	27	28	1	Added a Risk Management Assistant Position.
10 Information Technology	43	44	39	(5)	Removed 2 IT Support Specialist Positions, 1 Helpdesk Support Specialist, and eliminated 2 Network Analysts.
11 Planning & Development	46	46	44	(2)	Eliminated a Planning Document Technician and an Administrative Assistant.
12 Housing & Neighborhood Programs	93	98	97	(1)	Eliminated an Office Assistant Position
13 Public Works - General	10	10	10	-	
14 Parks & Recreation	103	103	105	2	Added 2 positions for the new Senior Center.
15 Golf	15	15	14	(1)	Eliminated a vacant Parks Maintenance Worker
16 Jim Dailey Fitness Center	8	8	8	-	
17 Zoo	62	64	66	2	Restored Engineering Specialist and a General Curator Position
18 Fire	445	445	445	-	
19 Police	694	697	693	(4)	Removed 2 net positions to move VOCA funded Positions to the General Fund at grant end, as well as eliminated 2 civilian positions due to a change in state law.
20 Emergency Communications	65	65	65	-	
<b>21 Subtotal General Fund</b>	<b>1768</b>	<b>1780</b>	<b>1770</b>	<b>(10)</b>	

➤ General Fund Personnel includes **1,770** full-time positions, a decrease of 10 from the 2025 Adopted Budget.

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#FORWARDTOGETHER

# SPECIAL PROJECT & GRANT FUNDED STAFFING

	2024 Adopted Budget	2025 Adopted Budget	2026 Proposed Budget	Changes From 2025-2026	Changes from 2025 Adopted Budget
<b>Special Project &amp; Grant Positions</b>					
1 Executive Administration	2	4	2	(2)	Converted the Love your Block and the Emergency Management Administrator positions from grant funded to General Fund; due to change in the grants.
2 Community Programs	18	19	23	4	Converted 4 Part-time employees to Full-Time.
3 Finance	5	4	3	(1)	Eliminated 3 Grants Analyst positions - two via reclassification to a Grants Coordinator for a net reduction of 2 positions and moved the P-Card Administrator to be Special Project Funded from the P-Card Rebates.
4 Human Resources	0	-	-	-	
5 Housing	14	14	15	1	Added 2 DRGR positions and eliminated a Americorps grant position.
6 Public Works - Building Services	2	2	2	-	
7 Parks	4	4	4	-	
8 Police	9	10	6	(4)	After VOCA grant expired, eliminated 4 Positions.
9 Zoo	1	1	1	-	
10 Public Works - Street	7	7	7	-	
11 <b>Subtotal Special Project Po</b>	<b>62</b>	<b>65</b>	<b>63</b>	<b>(2)</b>	

- Special Project and Grant positions are limited-service positions funded by Special Project allocations or dedicated Grant Funds. Fifty-six (56) Special Project and Grant Positions are associated with General Fund Activities, and seven (7) positions are associated with Street Fund Activities.

# FULL-TIME STAFFING – OTHER FUNDS

	2024 Adopted Budget	2025 Adopted Budget	2026 Proposed Budget	Changes From 2025-2026	Changes from 2025 Adopted Budget
<b>Other Funds</b>					
1 Waste Disposal	145	145	145	-	
2 Public Works - Street	212	212	212	-	
3 Fleet Services	64	64	59	(5)	Eliminated 5 Positions - 3 Automotive Technician I and 2 Procurement Specialist.
4 Vehicle Storage Facility	14	14	16	2	Added an Administrative Assistant and an Attendant Floater Position.
<b>5 Subtotal Other Funds</b>	<b>435</b>	<b>435</b>	<b>432</b>	<b>(3)</b>	
<b>6 Total Personnel</b>	<b>2265</b>	<b>2280</b>	<b>2265</b>	<b>(15)</b>	

- Staffing for other funds includes 432 full-time positions, a reduction of three (3) from 2025.
- In total, there are **2,265** full-time positions included in the 2025 Proposed Budget, a decrease of fifteen (15).

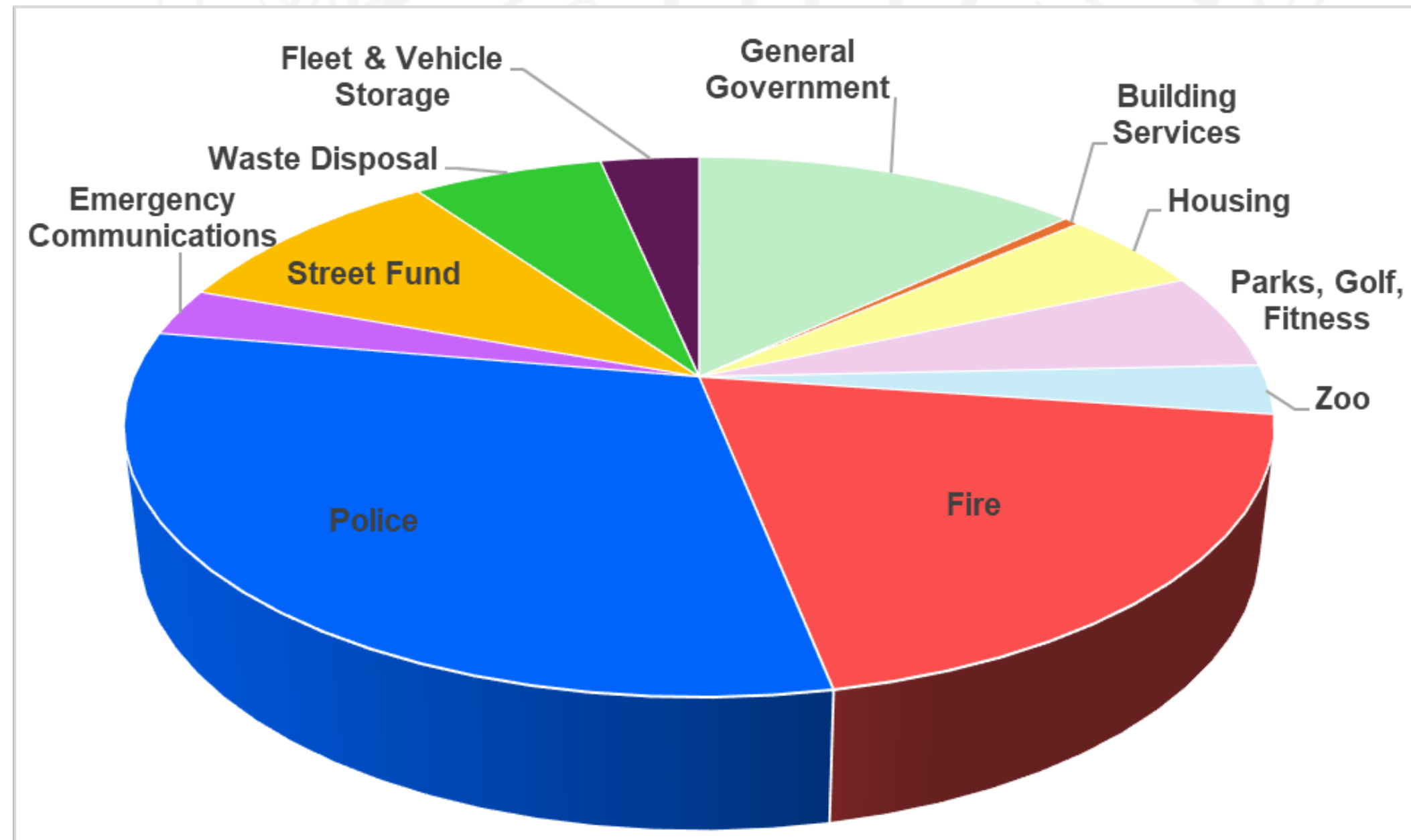
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# ALL FUNDS – STAFFING SUMMARY FULL-TIME PERSONNEL

Department	Personn	Percent
General Government	295	13%
Building Services	12	1%
Housing	112	5%
Parks, Golf, Fitness	131	6%
Zoo	67	3%
Fire	445	20%
Police	699	31%
Emergency Communications	65	3%
Street Fund	219	10%
Waste Disposal	145	6%
Fleet & Vehicle Storage	75	3%
	<b>2,265</b>	<b>100%</b>



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#FORWARDTOGETHER

# 2026 GENERAL FUND PERSONNEL BUDGET

- Net increase of \$4,634,361 to the General Fund Personnel budget from the 2025 Original Budget. The increase includes 5% Salary increases for Police, Fire, and 1.75% for Non-Uniform personnel and 9% increase for Health Insurance.
- As noted previously in the General Fund Full-Time Staffing schedule, the number of positions have decreased by 10 compared to the 2025 Adopted Budget.

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# 2026 EXPENDITURES – FLEET ALLOCATIONS FOR FUEL AND VEHICLE MAINTENANCE

- 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 expense are expected to increase approximately \$274,000.
  - The fuel rate per gallon, including the \$0.26 mark up for labor and supplies is budgeted at \$2.65 for unleaded and \$3.05 for diesel, decreasing City-wide fuel budget by approximately \$615,000.

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# 2026 OUTSIDE AGENCY FUNDING HIGHLIGHTS

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget
<b>OUTSIDE AGENCY SUPPORT:</b>					
1 ROCK REGION METRO (C.A.T.A)*	\$7,606,939	\$7,880,500	\$7,854,242	\$7,854,118	\$7,854,118
2 ARKANSAS MUSEUM OF FINE ARTS	1,200,000	2,200,000	4,000,000	4,000,000	4,000,000
3 PULASKI COUNTY REGIONAL DETENTION CENTER	2,615,778	3,209,079	3,397,809	2,555,000	3,600,000
4 MUSEUM OF DISCOVERY SUPPORT	192,000	192,000	400,000	400,000	400,000
5 METROPLAN	186,384	186,384	186,384	186,384	186,384
6 DOWNTOWN PARTNERSHIP	245,000	225,000	300,000	300,000	300,000
7 PAGIS SUPPORT	134,850	153,850	141,823	153,850	153,850
8 COUNTY HEALTH UNIT SUPPORT	56,100	56,100	56,100	54,493	54,493
9 OAKLAND FRATERNAL CEMETERY	50,000	50,000	100,000	100,000	100,000
10 AR EMERGENCY PHYSICIAN FOUNDATION	-	-	-	36,000	36,000
11 ST VINCENT'S	25,381	25,381	-	25,381	25,381
12 CITY BEAUTIFUL	697	2,500	2,500	2,500	2,500
<b>13 OUTSIDE AGENCY TOTAL</b>	<b>\$12,313,129</b>	<b>\$14,180,794</b>	<b>\$16,438,858</b>	<b>\$15,667,726</b>	<b>\$16,712,726</b>

\* Total funding is \$9,854,118 with \$7,854,118 coming from the General Fund and \$2,000,000 coming from the Street Fund.

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#FORWARDTOGETHER

# 2026 EXPENDITURES DEBT SERVICE – SHORT TERM NOTES

- Debt service and bond agent fees on short-term financing notes will total **\$4,302,644** in 2026
  - Debt service will increase \$1,439,230 from 2025 due to the 2025 note being added. The \$4,302,644 total includes \$3,895,451 in principal and \$407,193 in interest for the 2021, 2023, and 2025 short-term notes.
  - 2024 short-term note principal and interest payments are not included as intend to refinance the note in Spring 2026

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# GENERAL FUND EXPENDITURES



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# GENERAL FUND – EXPENDITURES BY CATEGORY

## FISCAL YEARS 2024 - 2026

		2024	2025	2025 Current	2026 Proposed	Change	Percent
	Expenditures	Actuals	Adopted	Forecast	Budget	2025 to 2026	Change
1	Personnel	190,404,695	205,719,682	207,863,618	212,370,216	6,650,534	3.20%
2	Supplies	2,850,635	2,710,541	2,752,649	2,805,297	94,756	3.44%
3	Fleet (Fuel & Services)	8,387,028	9,276,534	9,276,534	9,495,140	218,606	2.36%
4	Repairs and Maintenance	4,413,919	6,915,979	6,999,175	7,234,652	318,673	4.55%
5	Utilites	4,762,166	4,376,909	4,552,291	3,850,843	(526,066)	-11.56%
6	Contracts	3,866,001	5,870,988	5,745,186	5,956,646	85,658	1.49%
7	Outside Agency funding	16,438,858	15,667,726	15,667,726	16,712,726	1,045,000	6.67%
8	Capital Outlay	1,673,507	63,325	75,990	63,325	-	0.00%
9	Debt Service	6,709,667	2,863,415	2,863,415	5,550,644	2,687,229	93.85%
10	Other	10,805,238	8,020,621	8,104,745	8,155,769	135,148	1.67%
11	Vacancy Allocation	(7,000,000)	(11,000,000)	(11,000,000)	(13,104,374)	(2,104,374)	19.13%
12	Transfers	22,682,914	12,622,379	12,622,379	12,908,220	285,841	2.26%
13	<b>Total Expenses</b>	<b>265,994,628</b>	<b>263,108,099</b>	<b>265,523,708</b>	<b>271,999,104</b>	<b>8,891,005</b>	<b>3.35%</b>

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#FORWARDTOGETHER

# 2026 GENERAL FUND PERSONNEL BUDGET

- Net increase of \$4,634,361 to the General Fund Personnel budget from the 2025 Original Budget. The increase includes Salary increases for Police, Fire, and 1.75% for Non-Uniform personnel and Health Insurance.
- The vacancy savings will increase to \$13,104,374 in 2026 from \$11,000,000 in 2025.
- As noted previously, in the General Fund Full-Time Staffing schedule, the number of positions will decrease by **10** to **1,770**, from the 2025 Adopted Budget.

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# 2025 GENERAL FUND PERSONNEL – KEY CHANGES

- Salary Increases and Health Insurance - \$4,634,361
- 2 Parks Positions - \$136,095
- 2 Zoo Positions - \$184,826
- 10 Positions removed - \$807,035
- Change in Closed Police, Fire, and Non-uniform Pension Plans - \$30,641
- COBRA/Retiree (OPEB) - \$10,540
- Change in Workers' Compensation – decrease of \$16,158

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# OTHER EXPENDITURE HIGHLIGHTS – FLEET FUEL AND VEHICLE AND EQUIPMENT MAINTENANCE

- Fleet Services– Ensuring a Safe City
  - \$615,000 decrease in Fuel Costs.
  - \$140,000 increase in Labor Costs.
  - \$255,000 increase in Vehicle Storage Costs.
  - \$274,000 reduction in Equipment Maintenance charges.

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# OTHER EXPENDITURE HIGHLIGHTS

- Housing and Beautification Efforts – Ensuring a Safe City
  - \$91K increase in Weed Lot Maintenance Funding
  - \$125K in additional funds for the Residential Demolition
  - \$30K in increased funding for Board and Secure
  - \$26K in additional Neighborhood Challenge Grant Funds

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#FORWARDTOGETHER

# OTHER EXPENDITURE HIGHLIGHTS

- Public Safety Investment – Ensuring a Safe City
  - \$1M in additional funding for public safety software and technology
  - \$1M in additional funding for Jail Services
  - \$300K for Firefighter Cancer Screening
- Ensuring a Safe City Workforce – Basic City Services
  - 1 new Risk Management Assistant FTE

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# OTHER EXPENDITURE HIGHLIGHTS

- Quality of Life Investment
  - 2 additional positions for Parks for the new Senior Center
  - 2 additional positions at the Zoo – General Curator and Engineering Specialist



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# OTHER EXPENDITURE HIGHLIGHTS

## ➤ General Fund Debt Service

	2024	2025	2025	2026 Proposed	Change 2025 Adopted	Percent
<u>Debt Servie</u>	Actual	Adopted Budget	YTD Actual	Budget	to 2026 Proposed	Change
1 Short Term Financing - Principal	\$3,740,323	\$ 2,619,726	\$2,619,725	\$ 3,895,451	\$ 1,275,725	48.70%
2 Short Term Financing - Interest	331,208	243,689	792,360	407,193	163,504	67.10%
3 Lease and SBITA - Principal	2,442,867	-	-	1,170,000	1,170,000	N/A
4 Lease and SBITA - Interest	195,269	-	-	78,000	78,000	N/A
<b>5 Debt Service Total</b>	<b>\$6,709,667</b>	<b>\$ 2,863,415</b>	<b>\$3,412,085</b>	<b>\$ 5,550,644</b>	<b>\$ 2,687,229</b>	<b>93.85%</b>

Debt service will increase \$2,687,229 from 2025. The increase is due to the 2025 Short-term note for the Clinton Park Pedestrian Bridge Protection Cell, anticipated refinancing of the 2024 short-term note for the Solar Facility, and beginning to budget for Lease and Subscription-Based Information Technology Arrangements in debt service.

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

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#FORWARDTOGETHER

# GENERAL FUND OUTSIDE AGENCY SUPPORT

	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget
<b>OUTSIDE AGENCY SUPPORT:</b>					
1 ROCK REGION METRO (C.A.T.A)*	\$7,606,939	\$7,880,500	\$7,854,242	\$7,854,118	\$7,854,118
2 ARKANSAS MUSEUM OF FINE ARTS	1,200,000	2,200,000	4,000,000	4,000,000	4,000,000
3 PULASKI COUNTY REGIONAL DETENTION CENTER	2,615,778	3,209,079	3,397,809	2,555,000	3,600,000
4 MUSEUM OF DISCOVERY SUPPORT	192,000	192,000	400,000	400,000	400,000
5 METROPLAN	186,384	186,384	186,384	186,384	186,384
6 DOWNTOWN PARTNERSHIP	245,000	225,000	300,000	300,000	300,000
7 PAGIS SUPPORT	134,850	153,850	141,823	153,850	153,850
8 COUNTY HEALTH UNIT SUPPORT	56,100	56,100	56,100	54,493	54,493
9 OAKLAND FRATERNAL CEMETERY	50,000	50,000	100,000	100,000	100,000
10 AR EMERGENCY PHYSICIAN FOUNDATION	-	-	-	36,000	36,000
11 ST VINCENT'S	25,381	25,381	-	25,381	25,381
12 CITY BEAUTIFUL	697	2,500	2,500	2,500	2,500
<b>13 OUTSIDE AGENCY TOTAL</b>	<b>\$12,313,129</b>	<b>\$14,180,794</b>	<b>\$16,438,858</b>	<b>\$15,667,726</b>	<b>\$16,712,726</b>

\* Total funding is \$9,854,118 with \$7,854,118 coming from the General Fund and \$2,000,000 coming from the Street Fund.

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**#FORWARDTOGETHER**



# GENERAL FUND – TRANSFERS OUT

		2024	2025	2026	Change	Change from
		Budget	Budget	Budget	2025 to 2026	2024 Orig.
1	TRANSFERS TO SPECIAL PROJECTS	\$10,560,662	\$10,575,662	\$10,847,482	\$271,820	\$286,820
2	TRANSFERS TO STREET FUND	194,000	194,000	194,000	\$0	\$0
3	TRANSFERS FOR GRANT MATCH	550,000	550,000	520,000	(\$30,000)	(\$30,000)
4	CONTINGENCY/RESERVE TRANSFER	1,275,000	1,302,717	1,346,738	\$44,021	\$71,738
5	<b>TOTAL GENERAL FUND TRANSFERS</b>	<b>\$12,579,662</b>	<b>\$12,622,379</b>	<b>\$12,908,220</b>	<b>\$285,841</b>	<b>\$328,558</b>

- Transfers Out will increase **\$285,841** from the 2025 Adopted Budget to **\$12,908,220**.
- The Transfer of **\$194,000** to Other Funds represents a transfer to the Street Fund to offset the cost of parking enforcement.
- The 2026 contingency allocation of **\$1,346,738** is an increase of \$44,021 to bring the allocation to approximately 0.5% of revenues.

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#FORWARDTOGETHER

# GENERAL FUND SPECIAL PROJECTS

		2024	2025	2026	Change	Change from
	<b>SPECIAL PROJECTS:</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>2025 to 2026</b>	<b>2024</b>
1	CHILDREN, YOUTH & FAMILIES (CYF)	\$5,000,000	\$5,000,000	\$5,000,000	\$0	\$0
2	ANNUAL FLEET REPLACEMENT	2,242,650	2,242,650	2,242,650	\$0	\$0
3	FACILITY IMPROVEMENTS	1,000,000	1,000,000	1,000,000	\$0	\$0
4	HOMELESSNESS OUTREACH*	600,000	470,000	470,000	\$0	(\$130,000)
5	WEED LOT MAINTENANCE	384,400	384,400	475,000	\$90,600	\$90,600
6	BRANDING	235,000	235,000	235,000	\$0	\$0
7	DEMOLITION (RESIDENTIAL)	200,000	200,000	325,000	\$125,000	\$125,000
8	POLICE - RIFLES	140,000	140,000	140,000	\$0	\$0
9	DEMOLITION (COMMERCIAL)	100,000	100,000	100,000	\$0	\$0
10	LAND BANK*	100,000	150,000	150,000	\$0	\$50,000
11	CONTINUUM OF CARE*	-	80,000	80,000	\$0	\$80,000
12	WORK BOOTS	70,000	70,000	70,000	\$0	\$0
13	HOMELESS EMERGENCY SERVICES	50,000	50,000	50,000	\$0	\$0
14	LR RESIDENCY INCENTIVE PROGRAM	50,000	50,000	50,000	\$0	\$0

- Weed Lot Maintenance was increased by \$90,600
- Residential Demolitions were increased by \$125,000

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#FORWARDTOGETHER

# GENERAL FUND SPECIAL PROJECTS - CONTINUED

SPECIAL PROJECTS:	2024 Budget	2025 Budget	2026 Budget	Change 2025 to 2026	Change from 2024
15 LEGISLATIVE CONSULTING	50,000	50,000	50,000	\$0	\$0
16 FEDERAL CONSULTANT	48,000	48,000	48,000	\$0	\$0
17 CURRAN HALL	40,000	40,000	40,000	\$0	\$0
18 ENVIRONMENTAL YOUTH (PARKS)	37,500	37,500	37,500	\$0	\$0
19 JUNCTION BRIDGE	35,000	35,000	35,000	\$0	\$0
20 TENNIS OPEN	25,000	25,000	25,000	\$0	\$0
21 BOARD AND SECURE	25,000	25,000	55,000	\$30,000	\$30,000
22 AMERICAN DISABILITY ACT (ADA)	25,000	25,000	25,000	\$0	\$0
23 SISTERS CITIES	25,000	40,000	40,000	\$0	\$15,000
24 BILL CLARK WETLANDS MAINTENANCE	23,780	23,780	23,780	\$0	\$0
25 NEIGHBORHOOD CHALLENGE GRANT	23,332	23,332	49,552	\$26,220	\$26,220
26 SUSTAINABILITY SUMMIT	20,000	20,000	20,000	\$0	\$0
27 NATIONAL NIGHT OUT	10,000	10,000	10,000	\$0	\$0
28 NEIGHBORHOOD CONNECTION	1,000	1,000	1,000	\$0	\$0
<b>29 TOTAL GENERAL FUND PROJECTS</b>	<b>\$10,560,662</b>	<b>\$10,575,662</b>	<b>\$10,847,482</b>	<b>\$271,820</b>	<b>\$286,820</b>

- Board and Secure is increased by \$30,000
- Neighborhood Challenge Grant increased by \$26,220

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#FORWARDTOGETHER



# GRANT MATCH TRANSFERS

GRANT MATCH:		2024	2025	2026	Change	Change from
		Budget	Budget	Budget	2025 to 2026	2024 Orig.
1	21st CENTURY LEARNING	50,000	50,000	50,000	-	-
2	HAZARD MITIGATION - KANIS PARK BRIDGE	-	-	-	-	-
3	PARKS - OUTDOOR RECREATION GRANT	275,000	275,000	250,000	(25,000)	(25,000)
4	ZOO-FEMA MATCH SECURITY CAMERAS	-	-	-	-	-
5	GENERAL	225,000	225,000	220,000	(5,000)	(5,000)
6	<b>TOTAL GRANT MATCH REQUIREMENT</b>	<b>\$550,000</b>	<b>\$550,000</b>	<b>\$520,000</b>	<b>(\$30,000)</b>	<b>(\$30,000)</b>

➤ The allocation for Grant Match is \$520,000 a decrease of \$30,000 in alignment with a reduction of an FTE paid from the Grant Match Funds.

# GENERAL FUND – EXPENDITURES BY CATEGORY

	Expenditures	Actuals	Adopted	Forecast	Budget	2025 to 2026	Change
1	Personnel	190,404,695	205,719,682	207,863,618	212,370,216	6,650,534	3.20%
2	Supplies	2,850,635	2,710,541	2,752,649	2,805,297	94,756	3.44%
3	Fleet (Fuel & Services)	8,387,028	9,276,534	9,276,534	9,495,140	218,606	2.36%
4	Repairs and Maintenance	4,413,919	6,915,979	6,999,175	7,234,652	318,673	4.55%
5	Utilites	4,762,166	4,376,909	4,552,291	3,850,843	(526,066)	-11.56%
6	Contracts	3,866,001	5,870,988	5,745,186	5,956,646	85,658	1.49%
7	Outside Agency funding	16,438,858	15,667,726	15,667,726	16,712,726	1,045,000	6.67%
8	Capital Outlay	1,673,507	63,325	75,990	63,325	-	0.00%
9	Debt Service	6,709,667	2,863,415	2,863,415	5,550,644	2,687,229	93.85%
10	Other	10,805,238	8,020,621	8,104,745	8,155,769	135,148	1.67%
11	Vacancy Allocation	(7,000,000)	(11,000,000)	(11,000,000)	(13,104,374)	(2,104,374)	19.13%
12	Transfers	22,682,914	12,622,379	12,622,379	12,908,220	285,841	2.26%
13	<b>Total Expenses</b>	<b>265,994,628</b>	<b>263,108,099</b>	<b>265,523,708</b>	<b>271,999,104</b>	<b>8,891,005</b>	<b>3.35%</b>

(1) The personnel cost increase of \$6,650,534 is due to the salary increases of 5% for Fire and Police, the 1.75% for non-sworn personnel and higher insurance costs.

(7) The increase of \$1,045,000 is primarily the result of the increased costs for the Regional Detention Center.

(9) The increase in debt service is a result of the 2025 short term note for the Clinton Park Pedestrian Bridge Protection Cell Replacement project and principal and lease payments related to software subscriptions in accordance with new accounting standards.

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#FORWARDTOGETHER

# GENERAL FUND – EXPENDITURES BY DEPARTMENT FISCAL YEARS 2024 - 2026

		2024	2025	2025 Actual	2026 Proposed	Change 2025 Adopted	Percent
	Expenditures	Actual	Adopted	YTD	Budget	to 2026 Proposed	Change
1	EXECUTIVE ADMINISTRATION - GENERAL AND EMPLOYEE BENEFITS	52,786,492	31,518,106	34,817,595	32,979,207	1,461,101	4.64%
2	EXECUTIVE ADMINISTRATION - MAYOR, CITY MANAGER AND ALL OTHER DIVISIONS	3,870,106	4,346,748	3,109,152	4,401,577	54,829	1.26%
3	BOARD OF DIRECTORS	435,294	412,772	370,060	410,199	(2,573)	-0.62%
4	COMMUNITY PROGRAMS	84,164	236,896	10,183	301,784	64,888	27.39%
5	CITY ATTORNEY	2,977,499	3,079,218	2,421,810	3,067,538	(11,680)	-0.38%
6	DISTRICT CRT-1ST DIV CRIMINAL	1,471,445	1,590,355	1,163,668	1,539,015	(51,340)	-3.23%
7	DISTRICT CRT-2ND DIV TRAFFIC	1,368,463	1,418,369	1,068,049	1,463,550	45,181	3.19%
8	DISTRICT CRT-3RD DIV ENVIRON	636,277	650,688	494,977	640,330	(10,358)	-1.59%
9	FINANCE	4,870,428	5,634,627	4,274,235	5,503,712	(130,915)	-2.32%
10	HUMAN RESOURCES	3,310,192	3,107,836	2,457,812	3,242,717	134,881	4.34%
11	INFORMATION TECHNOLOGY	7,081,957	8,083,237	5,219,983	8,290,011	206,774	2.56%

(1) The increase is due to increased jail costs and increased debt service offset by an increase in vacancy savings.

(2) The increase is due to the 1.75% increase for all non-uniform personnel and health care increases offset by the reduction of 1 FTE.

(9) The \$130,915 reduction is because of staff reduction of two (2) personnel.

(10) The Increase of \$134,881 is the result of the 1.75% salary increases and the addition of one (1) position.

(11) The Increase of \$206,774 is the result of the salary and health insurance cost increases and reallocating Comcast costs to the IT department.

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#FORWARDTOGETHER



# GENERAL FUND – EXPENDITURES BY DEPARTMENT FISCAL YEARS 2024 – 2026 - CONTINUED

		2024	2025	2025 Actual	2026 Proposed	Change 2025 Adopted	Percent
	Expenditures	Actual	Adopted	YTD	Budget	to 2026 Proposed	Change
12	PLANNING	3,591,135	3,748,704	2,921,446	3,698,692	(50,012)	-1.33%
13	HOUSING AND NEIGHBORHOOD PROGS	7,836,610	8,997,055	6,330,907	8,990,016	(7,039)	-0.08%
14	PUBLIC WORKS GENERAL FUND	1,150,351	1,231,876	1,031,903	1,120,294	(111,582)	-9.06%
15	PARKS AND RECREATION	11,075,858	11,875,529	8,797,898	11,927,050	51,521	0.43%
16	RIVERMARKET	1,272,354	1,055,200	1,176,662	1,164,852	109,652	10.39%
17	GOLF	3,028,404	1,856,684	1,633,832	1,808,479	(48,205)	-2.60%
18	JIM DAILEY FITNESS & AQUATICS	1,132,214	938,304	961,350	945,008	6,704	0.71%
19	FIRE	57,750,574	64,568,686	52,946,864	68,671,344	4,102,658	6.35%
20	POLICE	87,267,710	95,656,413	72,660,008	98,880,495	3,224,082	3.37%
21	911 OPERATIONS	5,097,692	5,233,507	4,620,979	5,227,671	(5,836)	-0.11%
22	ZOO	7,899,408	7,867,289	6,312,992	7,725,563	(141,726)	-1.80%
23	<b>Total Expenditures</b>	<b>265,994,628</b>	<b>263,108,099</b>	<b>214,802,365</b>	<b>271,999,104</b>	<b>8,891,005</b>	<b>3.38%</b>

(16) The increase of \$109,652 is the result of increased operational costs.

(19) The Increase of \$4,102,658 is the result of 5% salary increases and higher Insurance costs.

(20) The increase of \$3,224,082 is the result of 5% salary increases, and higher Insurance costs.

# EXPENDITURES BY DEPARTMENT – EXECUTIVE ADMINISTRATION – GENERAL & EMPLOYEE BENEFITS

		2024	2025	2025 Current	2026 Proposed	Change	Percent
	Expenditures	Actuals	Adopted	Forecast	Budget	2025 to 2026	Change
1	Personnel	4,993,772	7,410,558	7,479,117	7,439,300	28,742	0.38%
2	Supplies	4,877	500	(54,172)	500	-	0.00%
3	Utilites	2,883	2,300	2,321	2,300	-	0.00%
4	Contracts	11,589,083	3,951,228	3,987,783	4,717,891	766,663	19.23%
5	Outside Agency funding	16,438,858	15,667,726	15,667,726	16,712,726	1,045,000	6.67%
6	Debt Service	4,073,031	2,863,415	3,412,085	4,302,644	1,439,229	42.18%
7	Vacancy Savings	(7,000,000)	(11,000,000)	(11,000,000)	(13,104,374)	(2,104,374)	19.13%
8	Transfers	22,682,914	12,622,379	12,622,379	12,908,220	285,841	2.26%
9	<b>Total Expenses</b>	<b>52,785,418</b>	<b>31,518,106</b>	<b>32,117,239</b>	<b>32,979,207</b>	<b>1,461,101</b>	<b>4.55%</b>

(4) The increase in Risk Management (Insurance Costs).

(5) The increase of \$1,045,000 is from the increase costs of the County Regional Detention Center.

(6) The issuance of new debt in Fiscal Year 2025.

(7) The increase of \$2,104,374 covers the increased salary and benefits.

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# EXPENDITURES BY DEPARTMENT - EXECUTIVE ADMINISTRATION – ALL OTHER DIVISIONS

		2024	2025	2025 Actual	2026 Proposed	Change 2025 Adopted	Percent
	Expenditures	Actual	Adopted	YTD	Budget	to 2026 Proposed	Change
1	PERSONNEL SERVICES	3,320,270	3,617,566	2,790,387	3,703,918	86,352	2.39%
2	SERVICES AND OTHER EXPENSES	279,969	364,844	219,550	320,279	(44,565)	-12.21%
3	REPAIRS AND MAINTENANCE	108,478	160,745	551	160,558	(187)	-0.12%
4	FLEET SERVICES	49,343	60,125	30,215	68,149	8,024	13.35%
5	CAPITAL OUTLAY	-	63,325	-	63,325	-	0.00%
6	SUPPLIES AND MATERIALS	67,246	52,252	50,092	54,157	1,905	3.65%
7	UTILITIES	44,800	27,891	18,357	31,191	3,300	11.83%
8	<b>Total Expenditures</b>	<b>3,870,106</b>	<b>4,346,748</b>	<b>3,109,152</b>	<b>4,401,577</b>	<b>54,829</b>	<b>1.26%</b>

(1) The increase of \$86,352 is the result of the 1.75% salary and increased Health Insurance costs.

(2) The decrease of \$44,565 is the result of contractual changes by the department.

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# OTHER FUNDS REVENUE SUMMARIES AND EXPENDITURES



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# STREET FUND – REVENUE FORECAST 2024 - 2026

		2024	2025	2025 Current	2026 Proposed	Change	Percent
	Revenues	Actual	Adopted	Forecast	Budget	2025 to 2026	Change
1	Property Tax (Road Tax Millage)	\$ 8,081,010	\$ 8,164,300	\$ 8,210,610	\$ 8,534,900	\$ 324,290	3.95%
2	State Tax Turnback	16,677,301	16,964,200	16,832,764	16,761,100	(71,664)	-0.43%
3	Loading Zone	17,290	17,300	17,290	17,300	10	0.06%
4	Street Repairs	34,131	34,300	47,919	36,400	(11,519)	-24.04%
5	Investment Income	1,268,550	910,500	1,403,544	1,422,100	18,556	1.32%
6	Miscellaneous	58,734	68,600	49,209	50,900	1,691	3.44%
7	Transfers In	284,000	284,000	284,000	284,000	-	0.00%
<b>8</b>	<b>Total Revenues</b>	<b>\$26,421,016</b>	<b>\$26,443,200</b>	<b>\$26,845,336</b>	<b>\$ 27,106,700</b>	<b>\$ 261,364</b>	<b>0.97%</b>

- 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 3.2% based on information obtained from the Pulaski County Assessor's Office.
- The current forecast for State Tax Turnback at year-end is approximately \$16.8 million. The 2026 budget assumes a flattening of the revenues from this revenue source.

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#FORWARDTOGETHER

# STREET FUND – EXPENDITURE FORECAST 2024 - 2026

		2024	2025	2025 Actual	2026 Proposed	Change 2025 Adopted	Percent
	<u>Expenditures</u>	<u>Actual</u>	<u>Adopted</u>	<u>YTD</u>	<u>Budget</u>	<u>to 2026 Proposed</u>	<u>Change</u>
1	Personnel Services	\$ 11,630,456	\$ 15,089,433	\$ 10,008,578	\$ 15,823,771	\$ 734,338	4.87%
2	Transfers Out	12,036,217	3,290,956	6,090,956	3,299,327	8,371	0.25%
3	Utilities	3,150,396	2,949,248	2,686,063	3,102,655	153,407	5.20%
4	Fleet Services	2,563,082	2,834,045	1,847,827	3,004,252	170,207	6.01%
5	Outside Agency Funding	2,000,000	2,000,000	1,666,667	2,000,000	-	0.00%
6	Repairs and Maintenance	945,648	816,226	707,470	959,601	143,375	17.57%
7	Supplies and Materials	573,266	631,908	516,441	717,222	85,314	13.50%
8	Services and Other Expenses	343,152	581,384	279,566	454,392	(126,992)	-21.84%
9	Capital Outlay	-	-	10,927	-	-	N/A
10	Debt Service	5,022	-	-	-	-	N/A
11	Vacancy Allocation	-	(1,750,000)	-	(2,254,520)	(504,520)	28.83%
12	<b>Total Expenditures</b>	<b>\$ 33,247,239</b>	<b>\$ 26,443,200</b>	<b>\$ 23,814,495</b>	<b>\$ 27,106,700</b>	<b>\$ 663,500</b>	<b>2.51%</b>

- As noted in the Personnel highlights earlier, Local Labor Union 100 personnel will continue step and grade progression, and all non-uniform employees will receive a 1.75% increase. In addition, health insurance costs were increased by approximately 9%.
- Fleet cost increases were discussed previously.
- Increases in other categories are based on historical trends as adjusted by the department.
- Increases in vacancy savings move them in alignment with historical activity.
- The detail of Transfers Out is reflected on the following slide.



# STREET FUND – TRANSFERS OUT

## 2024 - 2026

		2024	2025	2025 Current	2026 Proposed	Change	Percent
		Actual	Adopted	Forecast	Budget	2025 to 2026	Change
1	Vehicle and Equipment Replacement	\$ 1,340,000	\$ 1,340,000	\$ 1,340,000	\$ 1,340,000	\$ -	0.00%
2	Administrative Overhead Allocation	368,000	750,739	750,739	759,110	\$ 8,371	1.12%
3	Johnson Control Savings	216,217	216,217	216,217	216,217	\$ -	0.00%
4	Mowing Right of Way Contract	400,000	400,000	400,000	400,000	\$ -	0.00%
5	Re-entry Sidewalk Program	200,000	200,000	200,000	200,000	\$ -	0.00%
6	Re-entry ROW Program	200,000	200,000	200,000	200,000	\$ -	0.00%
7	Bridge to Work Program	150,000	184,000	184,000	184,000	\$ -	0.00%
8	Jonesboro Drive 1 & 2 (Grant Match)	130,000	-	-	-	\$ -	0.00%
9	Jonesboro Drive 3 (Grant Match)	652,000	-	-	-	\$ -	0.00%
10	Markham Side Path (Grant Match)	130,000	-	-	-	\$ -	0.00%
11	I-30 Deck Park (Grant Match)	500,000	-	-	-	\$ -	0.00%
12	Markham Sidewalks Phase 2 (Grant Match)	1,500,000	-	-	-	\$ -	0.00%
13	Safe Streets 4 All (SS4A) Implementation (Grant Match)	6,250,000	-	-	-	\$ -	0.00%
14	I-30 Crossing Project	-	-	2,793,511	-	\$ (2,793,511)	-100.00%
15	Additional Vehicle and Equipment Replacement	-	-	3,186,000	-	\$ (3,186,000)	-100.00%
16	<b>Total Transfers Out</b>	<b>\$12,036,217</b>	<b>\$ 3,290,956</b>	<b>\$ 9,270,467</b>	<b>\$ 3,299,327</b>	<b>\$ (5,971,140)</b>	<b>-64.41%</b>

- Street Fund Transfers Out of **\$3,299,327** includes funding for vehicle and equipment replacement, continuation of the right of way mowing and re-entry projects. The allocation for administrative overhead has been increased by \$8,371.

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# WASTE DISPOSAL FUND – REVENUE FORECAST

## 2024 - 2026

		2024	2025	2025 Current	2026 Proposed	Change	Percent
	Revenues	Actual	Adopted	Forecast	Budget	2025 to 2026	Change
1	Sanitation Fees	\$ 22,818,272	\$ 22,485,400	\$ 23,016,699	\$ 23,214,500	\$ 197,801	0.86%
2	Landfill Fees	3,267,052	3,370,400	3,162,044	3,208,800	\$ 46,756	1.48%
3	Yard Waste	115,117	167,100	128,452	135,700	\$ 7,248	5.64%
4	Compost Sale	7,661	22,500	10,633	11,000	\$ 367	3.45%
5	Recycling Waste Revenue	-	-	-	-	\$ -	0.00%
6	Recycling Reimbursement	2,321	1,500	1,575	1,300	\$ (275)	-17.46%
7	Investment Income	654,941	493,100	912,516	864,000	\$ (48,516)	-5.32%
8	Micellaneous Revenue	1,054,298	3,400	1,450,287	-	\$ (1,450,287)	-100.00%
9	Transfers In	-	-	1,374,479	-	\$ (1,374,479)	-100.00%
10	<b>Total Revenues</b>	<b>\$ 27,919,662</b>	<b>\$ 26,543,400</b>	<b>\$ 30,056,685</b>	<b>\$ 27,435,300</b>	<b>\$ (2,621,385)</b>	<b>-8.72%</b>

- The increase in Sanitation Fees, Landfill Fees, Yard Waste and Compost is based on incremental growth in the number of customers year over year.
- The decline in investment income is a result of decreased interest rates reducing overall investment income for the City.
- The decline in Miscellaneous Revenue and Transfers In is a result of one-time transactions related to capital assets paid for from General Government Resources being move to the Waste Disposal Fund and from a FEMA reimbursement related to the 2023 Tornado.

# WASTE DISPOSAL FUND – EXPENSE FORECAST

## 2024 - 2026

		2024	2025	2025 Actual	2026 Proposed	Change 2025 Adopted	Percent
	<u>Expenses</u>	<u>Actual</u>	<u>Adopted</u>	<u>YTD</u>	<u>Budget</u>	<u>to 2026 Proposed</u>	<u>Change</u>
1	Personnel Services	\$ 9,789,416	\$ 9,853,382	\$ 7,638,775	\$ 10,524,506	\$ 671,124	6.81%
2	Fleet Services	4,723,443	5,408,394	3,949,369	5,865,770	457,376	8.46%
3	Services and Other Expenses	5,823,381	4,871,257	5,164,126	5,226,567	355,310	7.29%
4	Depreciation and Amortization	2,921,418	3,036,428	2,911,950	2,620,428	(416,000)	-13.70%
5	Transfers Out	1,005,590	2,198,893	2,198,893	2,313,177	114,284	5.20%
6	Closure and Post Closure	309,935	824,000	503,428	952,000	128,000	15.53%
7	Repairs and Maintenance	143,678	421,646	262,730	571,502	149,856	35.54%
8	Supplies and Materials	518,811	429,400	415,539	280,050	(149,350)	-34.78%
9	Debt Service	20,087	-	-	-	-	N/A
10	Vacancy Allocations	-	(500,000)	-	(918,700)	(418,700)	83.74%
<b>11</b>	<b>Total Expenses</b>	<b>\$25,255,758</b>	<b>\$26,543,400</b>	<b>\$23,044,810</b>	<b>\$ 27,435,300</b>	<b>\$ 891,900</b>	<b>3.36%</b>

- The 2026 Waste Disposal Fund budget is balanced at **\$27,435,300**.
- The increase in personnel costs is attributed to increased health insurance costs, step-and-grade progression and a 1.75% increase in non-uniform salaries and wages.
- The change in Fleet expenses was described previously.
- Closure and Post Closure is forecast based on tonnage deposited to the landfill.
- Transfers Out are shown in detail on the next slide.

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# WASTE DISPOSAL FUND – TRANSFERS OUT

## 2024 - 2026

		2024	2025	2025 Actual	2026 Proposed	Change	Percent
		Actual	Adopted	YTD	Budget	2025 to 2026	Change
1	Waste Disposal Special Project Transfers (Environmental Youth - Parks)	\$ 37,500	\$ 37,500	\$ 37,500	\$ 37,500	\$ -	0.00%
2	Transfers to Street Fund - Anti Litter	90,000	90,000	90,000	90,000	\$ -	0.00%
3	Transfer to General Fund - Administrative Allocation	805,090	1,998,393	1,998,393	2,112,677	\$ 114,284	5.72%
4	Transfer to General Fund - Environmental Services	73,000	73,000	73,000	73,000	\$ -	0.00%
5	<b>Total Waste Disposal Transfers Out</b>	<b>\$ 1,005,590</b>	<b>\$ 2,198,893</b>	<b>\$ 2,198,893</b>	<b>\$ 2,313,177</b>	<b>\$ 114,284</b>	<b>5.20%</b>

- Waste Disposal Fund Transfers Out of **\$2,313,177** includes funding for environmental youth, continuation of the anti-litter programs, and administrative overhead. The allocation for administrative overhead has been increased by \$114,284 to align with increased costs and the actual costs of providing administrative services to the Waste Disposal operations.

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# FLEET SERVICES FUND – REVENUE FORECAST

## 2024 - 2026

		2024	2025	2025 Current	2026 Proposed	Change	Percent
	Revenues	Actual	Adopted	Forecast	Budget	2025 to 2026	Change
1	Fleet Labor Costs	\$ 3,576,258	\$ 4,220,384	\$ 4,220,384	\$ 4,228,239	\$ 7,855	0.19%
2	Fleet Management	2,482,510	3,043,916	3,043,916	3,061,253	\$ 17,337	0.57%
3	Fuel	3,177,222	3,717,750	3,717,750	4,023,500	\$ 305,750	8.22%
4	Parts and User Fees	3,523,218	3,911,880	3,911,880	3,593,700	\$ (318,180)	-8.13%
5	Insurance Repairs	272,541	825,000	825,000	600,000	\$ (225,000)	0.00%
6	Fleet Sublets	2,536,189	2,180,000	2,180,000	2,236,000	\$ 56,000	2.57%
7	Investment Income	3,481	20,000	-	20,000	\$ 20,000	N/A
8	Miscellaneous Revenue	398,768	500,000	500,000	457,761	\$ (42,239)	-8.45%
9	<b>Total Revenues</b>	<b>\$15,970,187</b>	<b>\$18,418,930</b>	<b>\$ 18,398,930</b>	<b>\$ 18,220,453</b>	<b>\$ (178,477)</b>	<b>-0.97%</b>

- Fleet Labor Cost revenues will increase due to increased costs associated with increased health insurance costs, and the 1.75% increase in non-uniform salaries and wages offset by reduction of 5 FTEs.
- Fleet management costs see an increase as it includes the costs for insurance.
- Fuel revenue increase due to increased costs in 2026 compared to expectations for 2025.
- Insurance repairs decrease due to expected decreased insurance repairs both internally and externally.
- Parts and User Fees are expected to decrease as a result of replacement of vehicles in the Fleet.

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# FLEET SERVICES FUND – EXPENSE FORECAST

## 2024 - 2026

		2024	2025	2025 Actual	2026 Proposed	Change 2025 Adopted	Percent
	<u>Expenses</u>	<u>Actual</u>	<u>Adopted</u>	<u>YTD</u>	<u>Budget</u>	<u>to 2026 Proposed</u>	<u>Change</u>
1	Fleet Services	\$ 6,519,161	\$ 7,369,386	\$ 4,985,422	\$ 6,655,500	\$ (713,886)	-9.69%
2	Personnel Services	4,191,443	5,135,840	3,169,319	5,320,654	184,814	3.60%
3	Contracts	4,869,632	4,273,767	3,921,135	4,486,452	212,685	4.98%
4	Repairs and Maintenance	690,758	1,385,740	756,234	1,523,240	137,500	9.92%
5	Supplies and Materials	171,311	305,150	112,345	374,410	69,260	22.70%
6	Depreciation and Amortization	868,675	137,000	1,144,093	247,000	110,000	80.29%
7	Utilities	101,694	135,269	92,178	129,449	(5,820)	-4.30%
8	Debt Service	15,699	-	-	-	-	N/A
9	Transfers Out	-	-	-	-	-	N/A
10	Vacancy Allocations	-	(323,222)	-	(516,252)	(193,030)	59.72%
11	<b>Total Expenses</b>	<b>\$17,428,373</b>	<b>\$18,418,930</b>	<b>\$14,180,726</b>	<b>\$18,220,453</b>	<b>\$ (198,477)</b>	<b>-1.08%</b>

- The Fleet Services Budget is balanced at **\$18,220,453**.
- The increase in personnel costs is attributed to increased health insurance costs, step-and-grade progression, a 1.75% increase in non-uniform salaries and wages, reclassifications and the reduction of 5 FTEs to support the reclassifications.
- The decline in fleet service costs is a result of decreased overall fuel costs.
- The increase in vacancy savings moves the amount closer to historical amounts.

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# VEHICLE STORAGE FUND – REVENUE FORECAST

## 2024 - 2026

		2024	2025	2025 Current	2026 Proposed	Change	Percent
	Revenues	Actual	Adopted	Forecast	Budget	2025 to 2026	Change
1	Permits	\$ 5,545	\$ 5,100	\$ 5,840	\$ 6,000	\$ 160	2.74%
2	Administration Fees	163,632	154,700	161,171	161,200	29	0.02%
3	Vehicle Storage Fees	605,618	604,100	653,291	653,300	9	0.00%
4	Wrecker Fees	646,700	657,400	683,684	683,700	16	0.00%
5	Auction Sales and Handling Fees	981,392	948,200	1,006,126	1,021,200	15,074	1.50%
6	Vehicle Storage Miscellaneous	3,681	15,600	11,572	11,700	128	1.11%
7	Investment Income	66,808	68,100	136,069	136,100	31	0.02%
8	<b>Total Revenues</b>	<b>\$ 2,473,376</b>	<b>\$ 2,453,200</b>	<b>\$ 2,657,753</b>	<b>\$ 2,673,200</b>	<b>\$ 15,447</b>	<b>0.58%</b>

- Overall revenues in the Vehicle Storage Fund are expected to increase by \$15,447 compared to the 2025 projected revenues due to an increase in projected auction sales and handling fees. The 2026 proposed budget of \$2,673,200 is \$199,824 or 8.08% more than 2024 actual revenues driven primarily from expected increases in auction sales and investment income.

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# VEHICLE STORAGE FUND – EXPENSE FORECAST

## 2024 - 2026

		2024	2025	2025 Actual	2026 Proposed	Change 2025 Adopted	Percent
	<u>Expenses</u>	<u>Actual</u>	<u>Adopted</u>	<u>YTD</u>	<u>Budget</u>	<u>to 2026 Proposed</u>	<u>Change</u>
1	Personnel Services	\$ 908,725	\$ 930,592	\$ 594,556	\$ 1,157,738	\$ 227,146	24.41%
2	Contracts	818,242	751,400	755,282	751,400	-	0.00%
3	Repairs and Maintenance	293,995	430,000	40,218	430,000	-	0.00%
4	Supplies and Materials	76,930	115,600	43,945	115,600	-	0.00%
5	Fleet Services	27,295	28,278	24,883	31,042	2,764	9.77%
6	Depreciation and Amortization	42,458	4,000	359,894	25,000	21,000	525.00%
7	Utilities	18,735	21,700	14,182	21,700	-	0.00%
8	Services and Other Expenses	12,080	10,625	14,967	17,625	7,000	65.88%
9	Interest Expense	966	-	-	-	-	N/A
<b>10</b>	<b>Total Expenses</b>	<b>\$2,199,426</b>	<b>\$2,292,195</b>	<b>\$ 1,847,927</b>	<b>\$ 2,550,105</b>	<b>\$ 257,910</b>	<b>11.25%</b>

- The Vehicle Storage Fund is anticipated to have net income of **\$123,095**.
- Personnel costs are budgeted to increase compared to 2025 by \$227,146 or 24.41% due to increased health insurance costs, a 1.75% increase in non-uniform salaries and wages, reclassification of positions, and the addition of 2 FTEs.

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# PARKING GARAGE FUND – REVENUE FORECAST

## 2024 - 2026

	2024	2025	2025 Current	2026 Proposed	Change	Percent
Revenues	Actual	Adopted	Forecast	Budget	2025 to 2026	Change
1 Licenses and Permits	\$ 326,011	\$ 231,800	\$ 343,103	\$ 346,600	\$ 3,497	1.02%
2 Street Repair Reimbursements	158,240	106,600	165,977	166,000	23	0.01%
3 Parking Meters	512,783	533,500	473,821	473,800	(21)	0.00%
4 Monthly Parking	660,423	1,109,400	703,820	737,000	33,180	4.71%
5 Daily Parking	663,367	680,300	381,836	381,900	64	0.02%
6 Surface and Other Parking	(58,245)	109,400	98,848	98,900	52	0.05%
7 Investment Income	863,456	544,200	869,710	750,616	(119,094)	-13.69%
<b>8 Total Revenues</b>	<b>\$3,126,035</b>	<b>\$3,315,200</b>	<b>\$ 3,037,115</b>	<b>\$ 2,954,816</b>	<b>\$ (82,299)</b>	<b>-2.71%</b>

- The 2025 Budget for the Parking Garage Fund is **\$2,954,816**. The Little Rock Convention & Visitors Bureau provides the forecasts for the monthly and daily parking projections for the Statehouse and River Market Parking Garages.
- Licenses and Permits and Street Repair Reimbursements Revenues are budgeted based on forecasted revenues for 2025.
- Investment Income decreases due to accounting changes for long-term agreements.



# PARKING GARAGE FUND – EXPENSE FORECAST

## 2024 - 2026

		2024	2025	2025 Actual	2026 Proposed	Change 2025 Adopted	Percent
	<u>Expenses</u>	<u>Actual</u>	<u>Adopted</u>	<u>YTD</u>	<u>Budget</u>	<u>to 2026 Proposed</u>	<u>Change</u>
1	Services and Other Expenses	\$ 306,914	\$ 286,000	\$ 288,886	\$ 286,000	\$ -	0.00%
2	Contracts	178,815	243,000	180,825	243,000	-	0.00%
3	Depreciation and Amortization	220,186	240,240	180,743	240,240	-	0.00%
4	Personnel Services	171,365	219,760	129,973	219,760	-	0.00%
5	Debt Service	217,914	196,536	141,742	158,111	(38,425)	-19.55%
6	Management Fee	85,000	85,000	63,750	85,000	-	0.00%
7	Utilities	59,701	70,219	63,623	70,219	-	0.00%
8	Repairs and Maintenance	102,884	60,000	77,619	60,000	-	0.00%
9	Supplies and Materials	5,307	25,000	10,143	25,000	-	0.00%
10	<b>Total Expenses</b>	<b>\$1,348,086</b>	<b>\$1,425,755</b>	<b>\$ 1,137,304</b>	<b>\$ 1,387,330</b>	<b>\$ (38,425)</b>	<b>-2.70%</b>

- The parking garages will continue to be operated by the Little Rock Convention and Visitors Bureau.
- Expenses will decrease by \$38,425 compared to the 2025 Adopted Budget. The decrease is in debt service costs - interest expenses as the City continues to make its annual debt service on the 2003 Parking Garage Bonds that mature in 2028.
- Net income will remain sufficient to fund debt service on the parking garage bonds and meet bond covenants.

# 2026 PROPOSED BUDGET SUMMARY



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# SUMMARY – ALL FUNDS

		Revenues	Expenditures	Net Income
1	General Fund	\$ 271,999,104	\$ 271,999,104	\$ -
2	Street Fund	27,106,700	27,106,700	-
3	Waste Disposal Fund	27,435,300	27,435,300	-
4	Fleet Fund	18,220,453	18,220,453	-
5	Vehicle Storage Fund	2,673,200	2,550,105	123,095
6	Parking Garage Fund	2,954,816	1,387,330	1,567,486
7	<b>Total - All Budgeted Funds</b>	<b>\$ 350,389,573</b>	<b>\$ 348,698,992</b>	<b>\$ 1,690,581</b>

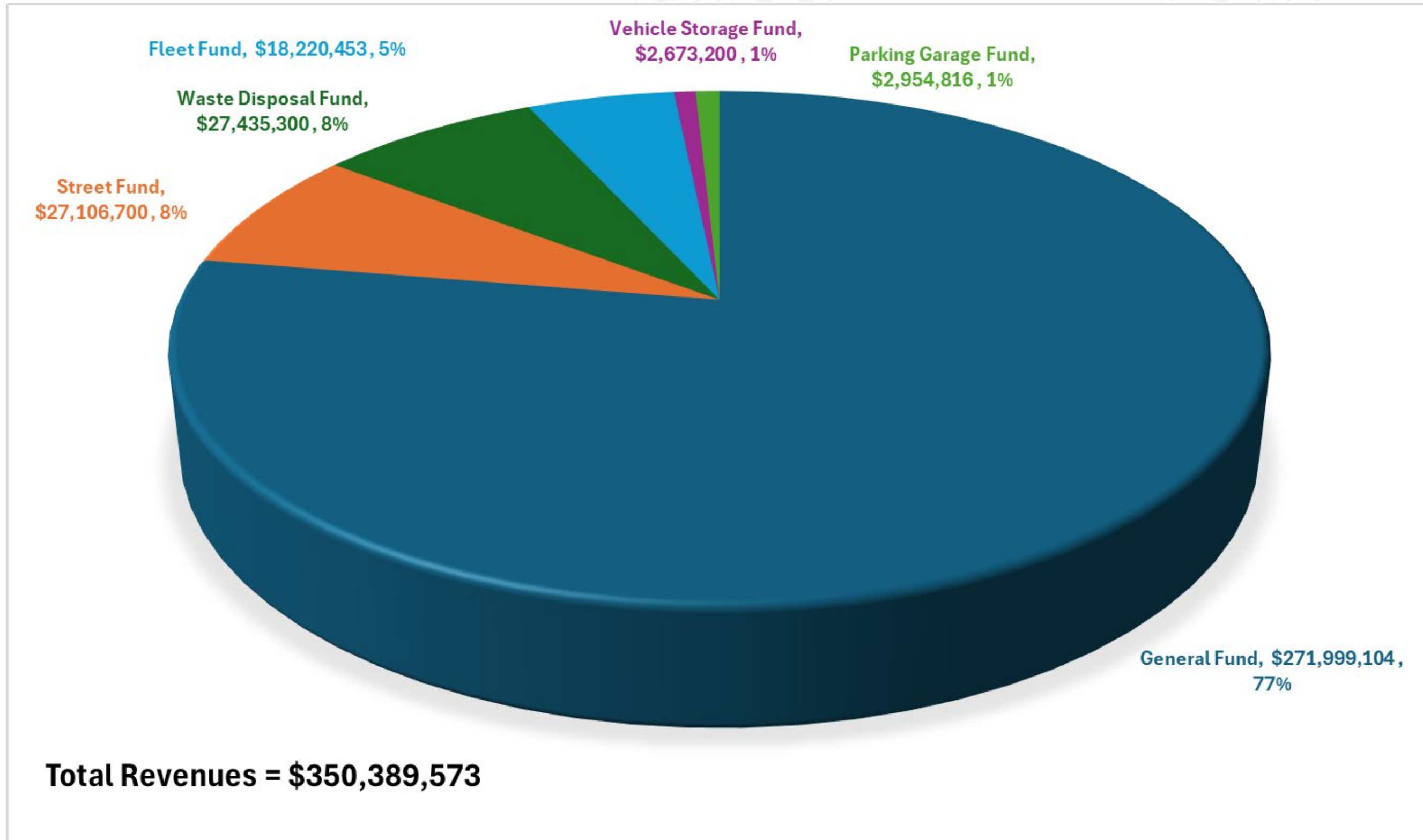
- The General Fund, Street Fund, Waste Disposal Fund, and Fleet Fund are **balanced**.
- The Vehicle Storage Fund and Parking Garage Fund are forecast to have net income, revenues in excess of expenses) of \$123,095 and \$1,567,486, respectively.
- In total, the 2025 proposed budget results in net income of **\$1,690,581 (restricted usage)**.

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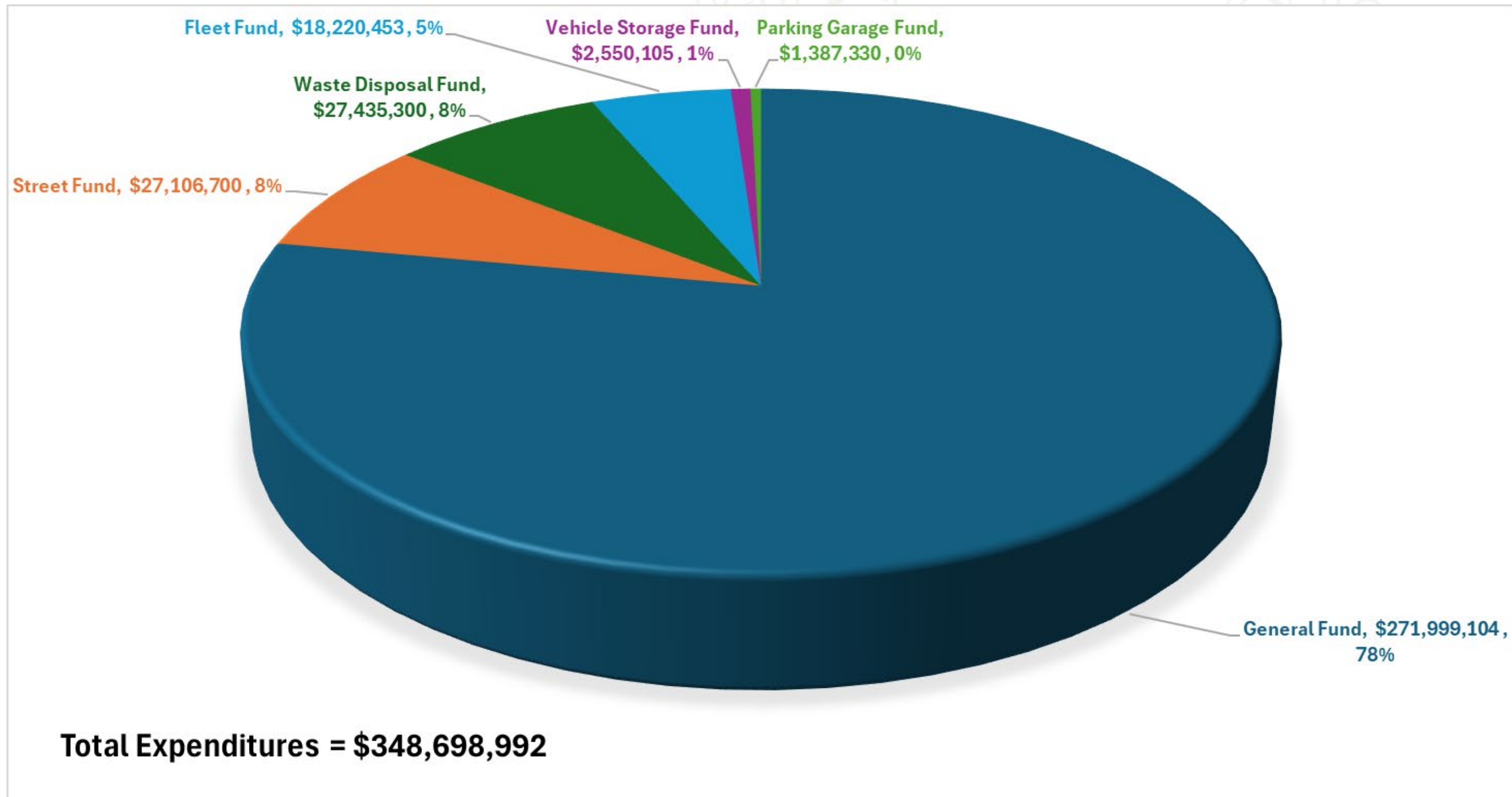
# 2026 REVENUE FORECAST BY FUND



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# 2026 EXPENDITURE FORECAST BY FUND



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# 2027 PLANNED BUDGET AND FIVE-YEAR PROJECTION



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# STATUTORY REQUIREMENTS

## **Section 2-212 - Preparation. (City of Little Rock Code of Ordinances)**

- In preparing the budget, the city manager will compile two (2) annual budgets for bi-annual fiscal periods beginning in even numbered years. The board of directors will amend or revise the budgets as they deem advisable and adopt the budget for the even numbered year by ordinance, while the budget for the odd numbered year will be approved as a fiscal plan. During the even numbered year, the city manager will review the fiscal plan for the ensuing year and revise it as deemed necessary for resubmission to the board of directors. After reconsideration and revision as deemed necessary, the board of directors will adopt a budget ordinance for the second year of the bi-annual period.

## **Section 2-260.03 (10) - Operating Management (City of Little Rock Code of Ordinances)**

- Balanced revenue and expenditure forecasts will be prepared to examine the city's ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will encompass five (5) years and will be updated annually.

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	FY26	FY27	FY28	FY29	FY30
<u>General Fund</u>	<u>Adopted</u>	<u>Planned</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
Beginning Fund Balance	\$ 43,967,342	\$ 43,967,342	\$ 43,967,342	\$ 43,967,342	\$ 43,967,342
Plus: Est. Revenue (a)	271,999,104	277,439,086	282,987,868	288,647,625	294,420,578
Less: Est. Expenses					
Executive Administration	33,274,294	31,632,738	31,812,124	32,561,404	34,158,894
Board of Directors	410,199	390,040	392,253	401,492	421,265
Community Programs	301,784	286,752	288,376	295,169	309,510
City Attorney	3,067,538	2,916,768	2,933,316	3,002,403	3,150,250
District Court - First Division	1,539,015	1,463,509	1,471,814	1,506,478	1,580,795
District Court - Second Division	1,463,550	1,391,464	1,399,356	1,432,315	1,502,699
District Court - Third Division	640,330	608,882	612,337	626,759	657,646
Finance	5,503,712	5,233,534	5,263,232	5,387,194	5,652,797
Human Resources	3,242,717	3,082,890	3,100,375	3,173,399	3,329,234
Information Technology	7,042,011	6,698,955	6,737,006	6,895,669	7,238,200
Planning and Development	3,698,692	3,517,008	3,536,964	3,620,268	3,798,645
Housing & Neighborhood Programs	8,990,016	8,548,069	8,596,566	8,799,038	9,232,247
Public Works	1,120,294	1,065,556	1,071,606	1,096,844	1,151,170
Parks & Recreation	11,927,050	11,340,537	11,404,875	11,673,491	12,248,043
River Market	1,164,852	1,107,254	1,113,531	1,139,759	1,195,550
Golf	1,808,479	1,719,716	1,729,474	1,770,207	1,857,498
Jim Dailey Fitness & Aquatics	945,008	898,529	903,627	924,910	970,425
Zoo	7,725,563	7,346,187	7,387,872	7,561,874	7,934,570
Fire (b)	68,671,344	72,300,324	74,313,015	76,386,283	78,295,940
Police (c)	98,880,495	104,114,018	107,020,841	110,015,533	112,765,921
911 Emergency Communications	5,227,671	5,347,465	5,470,417	5,596,628	5,726,205
Vacancy Reductions (d)	(13,104,374)	(13,104,374)	(13,104,374)	(13,104,374)	(13,104,374)
Debt Service - short-term notes (e)	5,550,644	6,625,045	6,625,045	4,976,662	1,439,228
Transfers Out (including contingency) (f)	12,908,220	12,908,220	12,908,220	12,908,220	12,908,220
	<b>\$ 271,999,104</b>	<b>\$ 277,439,086</b>	<b>\$ 282,987,868</b>	<b>\$ 288,647,625</b>	<b>\$ 294,420,578</b>
Net Increase (decrease) to Fund Balance	-	-	-	-	-
Ending Fund Balance (g)	<b>\$ 43,967,342</b>	<b>\$ 43,967,342</b>	<b>\$ 43,967,342</b>	<b>\$ 43,967,342</b>	<b>\$ 43,967,342</b>
Reserve Requirement (10% of Revenues)	<b>\$ 27,199,910</b>	<b>\$ 27,743,909</b>	<b>\$ 28,298,787</b>	<b>\$ 28,864,763</b>	<b>\$ 29,442,058</b>

# GENERAL FUND ASSUMPTIONS

- (a) Assumes revenues growth of two percent (2%) each year, excluding Transfers In.
- (b) Reflects contracted salary increase of five percent (5%) in 2026 and 2027. Then a Two and one half Percent (2.5%) salary increase in the following years, plus cancer screening per contract of \$300,000 each year.
- (c) Reflects a Five Percent (5%) contracted salary increase in 2026 and 2027. Then a two and one half percent (2.5%) in the following years.
- (d) The amount reflects approximately 4.9% of the cost of full staffing in 2026, representing savings associated with temporary unfilled positions due to turnover and retirements.
- (e) Reflects annual changes in estimated short-term financing debt service requirements.
- (f) Transfers Out includes a contingency allocation of 0.5% of revenues for unanticipated changes in revenues and expenses.
- (g) Ending Fund Balance includes a restricted reserve of \$13,100,000.

*Note: Reflects adjustments to all non-public safety departments, excluding 911 Emergency Communications to balance.*

*Note: Reflects an annual Health Insurance increase of five percent (5%).*

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# STREET FUND – REVENUES & EXPENDITURES

	FY26	FY27	FY28	FY29	FY30
	<u>Adopted</u>	<u>Planned</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
<b><u>Street Fund</u></b>					
Beginning Fund Balance	\$14,830,825	\$14,830,825	\$14,830,825	\$14,830,825	\$14,830,825
Plus: Est. Revenue	27,106,700	27,648,834	28,201,811	28,765,847	29,341,164
Less: Est. Expenses	27,106,700	27,648,834	28,201,811	28,765,847	29,341,164
Ending Fund Balance	<b>\$14,830,825</b>	<b>\$14,830,825</b>	<b>\$14,830,825</b>	<b>\$14,830,825</b>	<b>\$14,830,825</b>
Reserve Requirement (10% of revenue)	<b>\$2,710,670</b>	<b>\$2,764,883</b>	<b>\$2,820,181</b>	<b>\$2,876,585</b>	<b>\$2,934,116</b>

➤ 5-year projection assumes 2% revenue growth and 2% growth in expenditures.

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# FLEET FUND – REVENUES & EXPENSES

	FY26	FY27	FY28	FY29	FY30
	<u>Adopted</u>	<u>Planned</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
<b><u>Fleet Fund</u></b>					
Beginning Net Position	\$2,436,829	\$2,436,829	\$2,436,829	\$2,436,829	\$2,436,829
Plus: Est. Revenue	18,220,453	18,584,862	18,956,559	19,335,690	19,722,404
Less: Est. Expenses	18,220,453	18,584,862	18,956,559	19,335,690	19,722,404
Ending Net Position	<b>\$2,436,829</b>	<b>\$2,436,829</b>	<b>\$2,436,829</b>	<b>\$2,436,829</b>	<b>\$2,436,829</b>
Reserve Requirement					
(10% of revenues)	<b>\$1,822,045</b>	<b>\$1,858,486</b>	<b>\$1,895,656</b>	<b>\$1,933,569</b>	<b>\$1,972,240</b>

➤ 5-year projection assumes 2% revenue growth and 2% growth in expenses.

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# VEHICLE STORAGE FACILITY – REVENUES & EXPENSES

	FY26	FY27	FY28	FY29	FY30
	<u>Adopted</u>	<u>Planned</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
<b><u>Vehicle Storage Facility</u></b>					
Beginning Net Position	\$2,542,832	\$2,665,927	\$2,778,118	\$2,878,986	\$2,968,102
Plus: Est. Revenue	2,673,200	2,713,298	2,753,997	2,795,307	2,837,237
Less: Est. Expenses	2,550,105	2,601,107	2,653,129	2,706,192	2,760,316
Ending Net Position	<b>\$2,665,927</b>	<b>\$2,778,118</b>	<b>\$2,878,986</b>	<b>\$2,968,102</b>	<b>\$3,045,023</b>
Reserve Requirement (10% of revenues)	<b>\$ 267,320</b>	<b>\$ 271,330</b>	<b>\$ 275,400</b>	<b>\$ 279,531</b>	<b>\$ 283,724</b>

➤ 5-year projection assumes 1.5% revenue growth and 2% growth in expenses.

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# WASTE DISPOSAL FUND – REVENUES & EXPENSES

	FY26	FY27	FY28	FY29	FY30
	<u>Adopted</u>	<u>Planned</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
<b><u>Waste Disposal Fund</u></b>					
Beginning Net Position	\$31,108,898	\$31,108,898	\$31,108,898	\$31,108,898	\$31,108,898
Plus: Est. Revenue	27,435,300	27,984,006	28,543,686	29,114,560	29,696,851
Less: Est. Expenses	27,435,300	27,984,006	28,543,686	29,114,560	29,696,851
Ending Net Position	<b>\$31,108,898</b>	<b>\$31,108,898</b>	<b>\$31,108,898</b>	<b>\$31,108,898</b>	<b>\$31,108,898</b>
Reserve Requirement					
(15% of revenues)	<b>\$ 4,115,295</b>	<b>\$ 4,197,601</b>	<b>\$ 4,281,553</b>	<b>\$ 4,367,184</b>	<b>\$ 4,454,528</b>

➤ 5-year projection assumes 2% revenue growth and 2% growth in expenses.

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# PARKING GARAGES FUND – REVENUES & EXPENSES

	FY26	FY27	FY28	FY29	FY30
	<u>Adopted</u>	<u>Planned</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
<b><u>Parking Garages</u></b>					
Beginning Net Position	\$10,939,692	\$12,507,178	\$14,106,014	\$15,736,826	\$17,400,255
Plus: Est. Revenue	2,954,816	3,013,912	3,074,191	3,135,674	3,198,388
Less: Est. Expenses	1,387,330	1,415,077	1,443,378	1,472,246	1,501,691
Ending Net Position	<b>\$12,507,178</b>	<b>\$14,106,014</b>	<b>\$15,736,826</b>	<b>\$17,400,255</b>	<b>\$19,096,952</b>
Reserve Requirement (10% of revenues)	<b>\$ 295,482</b>	<b>\$ 301,391</b>	<b>\$ 307,419</b>	<b>\$ 313,567</b>	<b>\$ 319,839</b>

➤ 5-year projection assumes 2% revenue growth and 2% growth in expenses.

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# FUTURE STEPS



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# FUTURE STEPS

- Consider the Budget Ordinance for review and approval
- Continue to evaluate opportunities with City owned property and buildings to put our assets to work
- Refinancing of Solar Facility Note with Pledged Revenue Bonds and additional funding for construction of:
  - Fire Station 25
  - New Court Building
  - LRPD Property and Evidence Room Building Build Out

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# QUESTIONS?



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