

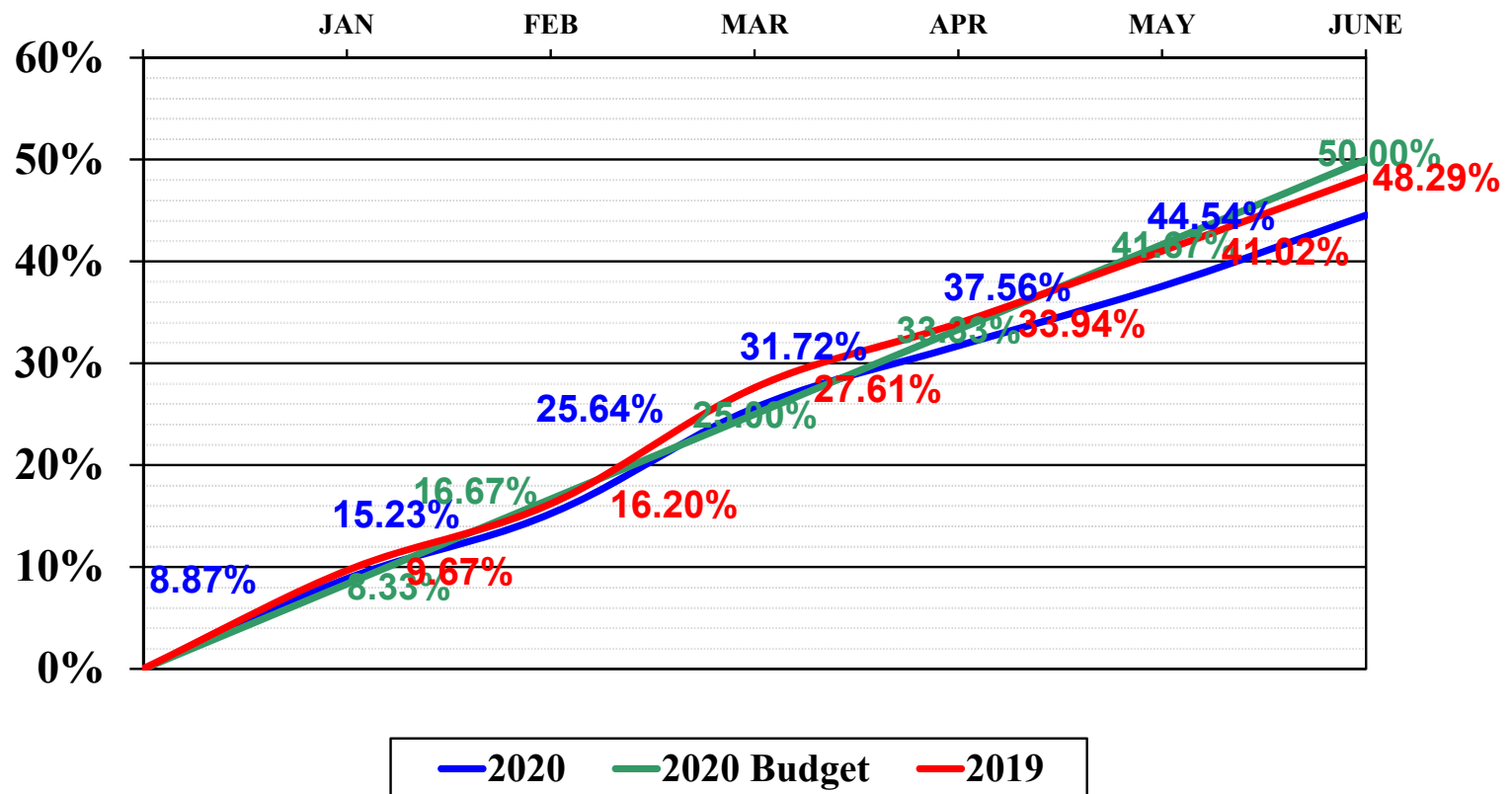
CITY OF LITTLE ROCK



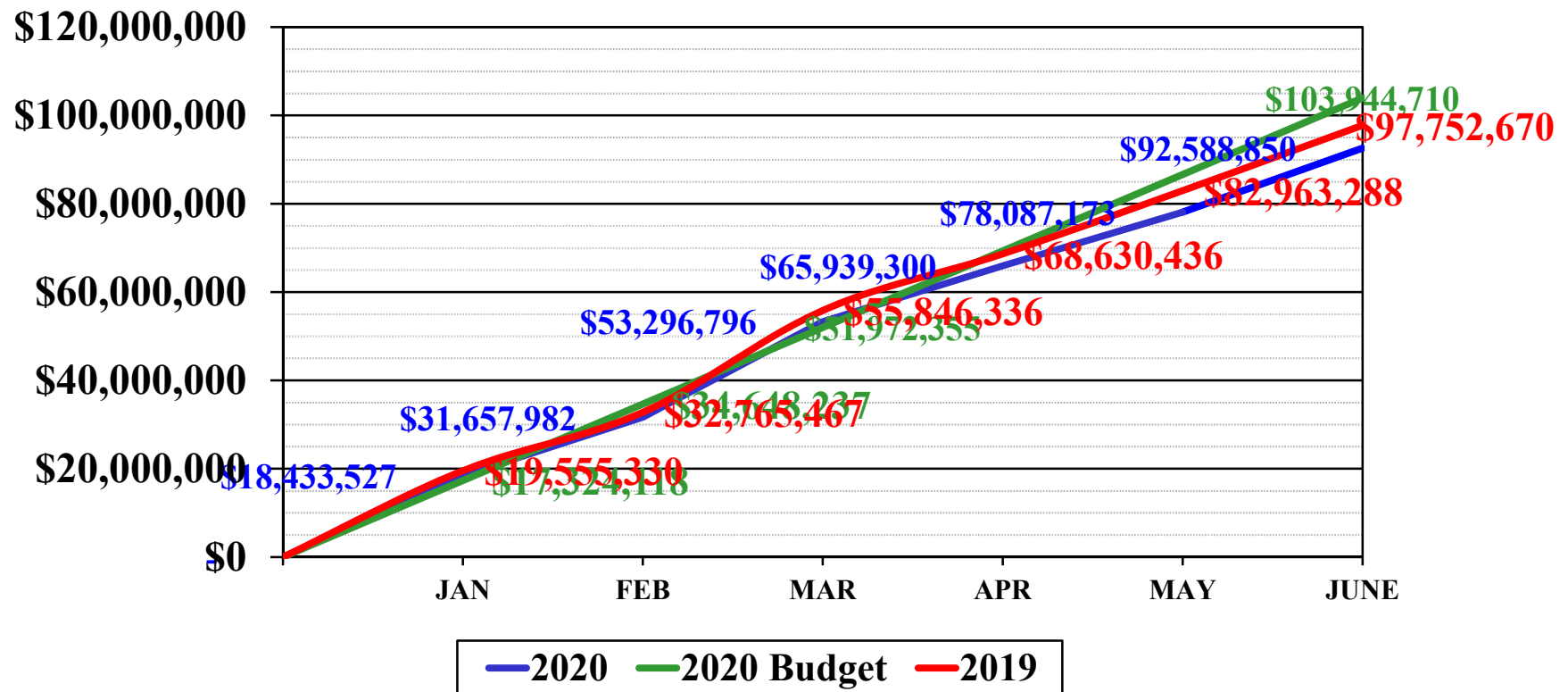
Second Quarter 2020 Financial Report

GENERAL FUND REVENUES

BUDGET % COLLECTED - 2020 AND 2019



GENERAL FUND REVENUES 2020 AND 2019



GENERAL FUND REVENUES COMPARED TO AMENDED BUDGET

| | | | | Variance | |
|----|------------------------|----------------------|---------------------|-----------------------|---------------------|
| | | YTD | YTD | Favorable | Prior Year |
| | | <u>Budget</u> | <u>Revenues</u> | <u>(Unfavorable)</u> | <u>Revenues</u> |
| | REVENUES: | | | | |
| 1 | General property taxes | \$15,594,666 | \$13,266,503 | (\$2,328,163) | \$13,351,042 |
| 2 | Sales taxes | 54,219,963 | 52,509,360 | (1,710,602) | 51,882,549 |
| 3 | Licenses and permits | 6,237,300 | 8,736,901 | 2,499,601 | 9,388,640 |
| 4 | Intergovernmental | 5,280,900 | 0 | (5,280,900) | 0 |
| 5 | Charges for services | 5,702,803 | 3,417,088 | (2,285,714) | 5,789,708 |
| 6 | Fines and fees | 1,169,950 | 614,782 | (555,168) | 978,865 |
| 7 | Utility franchise fees | 14,998,125 | 13,243,632 | (1,754,493) | 13,613,342 |
| 8 | Investment income | 175,000 | 178,017 | 3,017 | 406,855 |
| 9 | Miscellaneous | 566,004 | 622,567 | 56,563 | 2,341,671 |
| 10 | TOTAL REVENUES | \$103,944,710 | \$92,588,850 | (\$11,355,860) | \$97,752,670 |

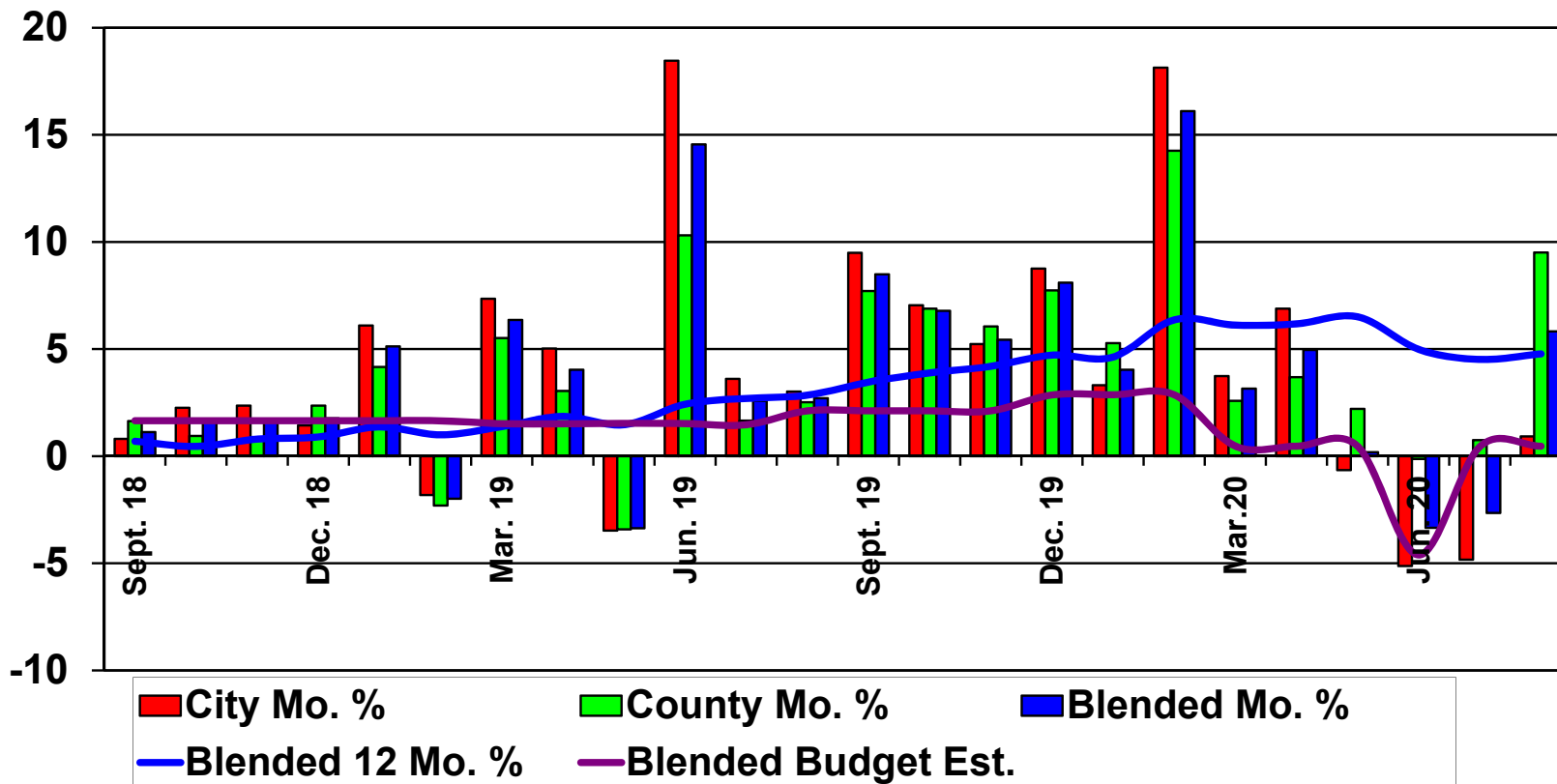
Revenues through June were approximately \$11.4 million below budget and approximately \$5.2 million below the same period a year ago. Timing of annual revenues, the contribution from LRCVB received in January 2019 for debt retirement, and the mid-March closures associated with the Coronavirus are the primary causes for the variances.

GENERAL FUND REVENUES COMPARED TO PRIOR YEAR

| | | YTD | Prior Year | Variance |
|-----------|-------------------------------|------------------------|------------------------|-----------------------------|
| | | <u>Revenues</u> | <u>Revenues</u> | <u>Favorable</u> |
| | | | | <u>(Unfavorable)</u> |
| | REVENUES: | | | |
| 1 | General property taxes | \$13,266,503 | \$13,351,042 | (\$84,539) |
| 2 | Sales taxes | 52,509,360 | 51,882,549 | 626,811 |
| 3 | Licenses and permits | 8,736,901 | 9,388,640 | (651,739) |
| 4 | Intergovernmental | - | - | - |
| 5 | Charges for services | 3,417,088 | 5,789,708 | (2,372,620) |
| 6 | Fines and fees | 614,782 | 978,865 | (364,083) |
| 7 | Utility franchise fees | 13,243,632 | 13,613,342 | (369,710) |
| 8 | Investment income | 178,017 | 406,855 | (228,838) |
| 9 | Miscellaneous | 622,567 | 2,341,671 | (1,719,104) |
| 10 | TOTAL REVENUES | \$92,588,850 | \$97,752,670 | (\$5,163,821) |

The decreases in charges for services and fines and fees are primarily attributed to closures implemented in mid-March to contain the spread of the Coronavirus. The increase in sales taxes will be discussed in detail in a moment. The decrease in miscellaneous revenue is due to the contribution received from LRCVB in 2019 for the retirement of the 2016 short-term note utilized for the purchase of the Cromwell Building.

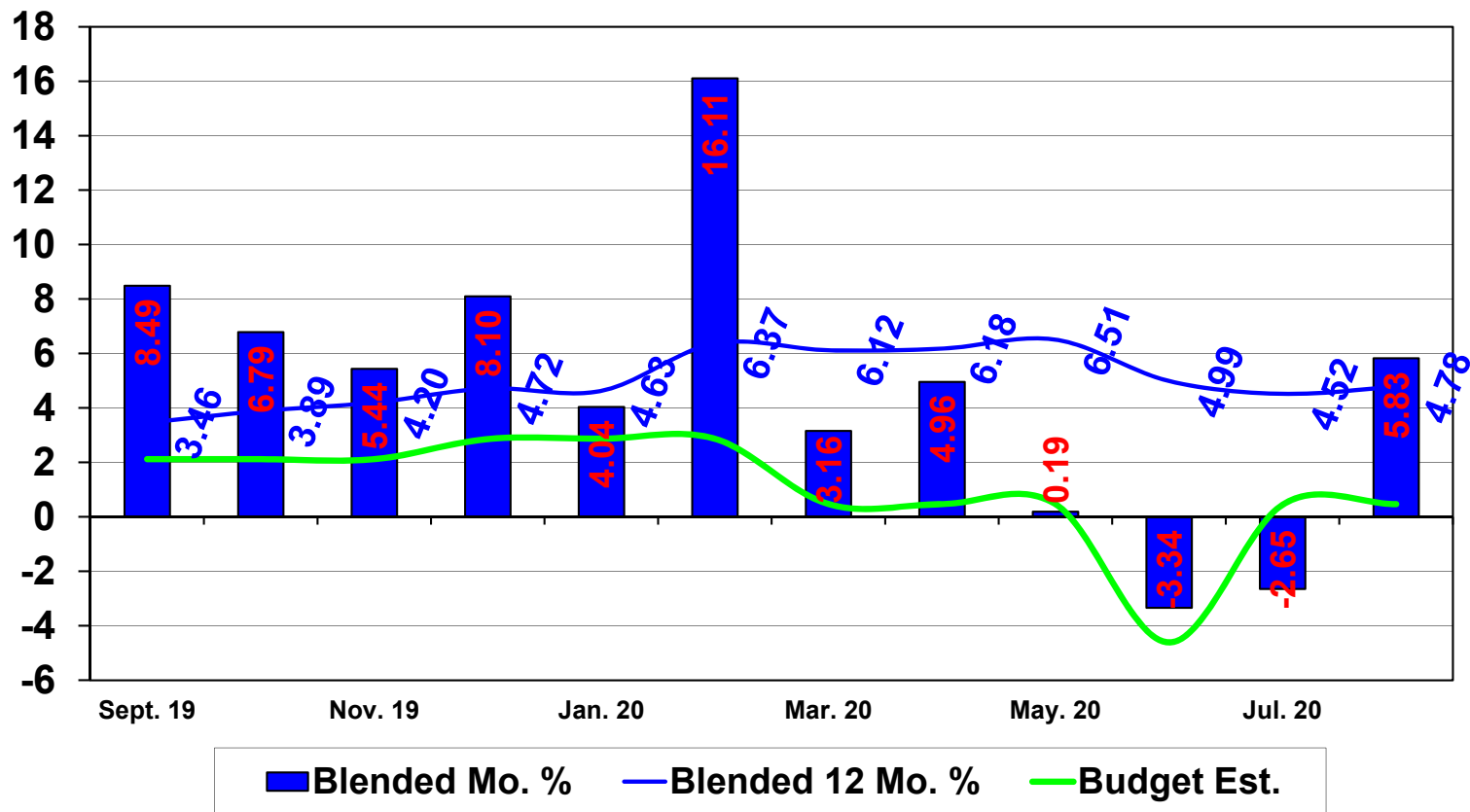
CITY, COUNTY, AND BLENDED SALES TAX PERCENTAGE GROWTH



Blended sales tax results represent the total sales tax received by the City, which includes:

- (a) the City's share of the 1% County sales tax,
- (b) the City's local sales tax,
- (c) and the State Turnback.

BLENDING SALES TAX PERCENTAGE GROWTH COLLECTED OVER THE LAST TWELVE MONTHS



SALES TAX PERCENTAGE GROWTH COMPARISON TO BUDGET AND PRIOR YEAR

| | Month Collected | For Sales In The Month Of | Sales & Use Tax Collections | Budget | % Budget Growth | Variance from Budget | % Var. from Budget | % Inc (Dec) Prior Year |
|---|-----------------|---------------------------|-----------------------------|---------------|-----------------|----------------------|--------------------|------------------------|
| 1 | Mar-20 | Jan-20 | \$8,453,542 | \$8,232,771 | 0.47% | \$220,771 | 2.68% | 3.16% |
| 2 | Apr-20 | Feb-20 | 8,275,924 | 7,921,426 | 0.47% | 354,498 | 4.48% | 4.96% |
| 3 | May-20 | Mar-20 | 8,670,058 | 8,693,988 | 0.47% | (23,930) | -0.28% | 0.19% |
| 4 | Jun-20 | Apr-20 | 9,051,654 | 8,932,235 | -4.61% | 119,419 | 1.34% | -3.34% |
| 5 | Jul-20 | May-20 | 8,941,192 | 9,225,915 | 0.45% | (284,723) | -3.09% | -2.65% |
| 6 | Aug-20 | Jun-20 | 9,374,400 | 8,899,977 | 0.47% | 474,423 | 5.33% | 5.83% |
| 7 | 2020 YTD | | \$52,766,770 | \$51,906,312 | -0.45% | \$860,458 | 1.66% | 1.20% |
| 8 | Last 12 Mos | | \$109,621,847 | \$106,919,087 | 2.20% | \$2,702,760 | 2.53% | 4.78% |

The anticipated 2020 budget decrease in June for April receipts is due to the one-time increase in the same period of 2019 associated with the “Electric Goods Wholesalers” NAICS category.

REVENUE PROVIDED BY 2012 SALES TAX

| | | 2020 Tax Receipts | | | Prior Year Tax Receipts | | | | |
|-----------------|----------------------------|--------------------|----------------------|----------------------|-------------------------|---------------------|--------------------|---------------------|---------------|
| Month Collected | For Sales in the Month of | 5/8 Cent Operating | 3/8 Cent Capital | New Tax Proceeds | 5/8 Cent Operating | 3/8 Cent Capital | New Tax Proceeds | % Inc (Dec) | |
| 1 | March | January | 2,629,262 | 1,577,557 | 4,206,819 | 2,534,405 | 1,520,643 | 4,055,049 | 3.74% |
| 2 | April | February | 2,597,519 | 1,558,512 | 4,156,031 | 2,430,078 | 1,458,047 | 3,888,125 | 6.89% |
| 3 | May | March | 2,671,786 | 1,603,071 | 4,274,857 | 2,689,139 | 1,613,484 | 4,302,623 | -0.65% |
| 4 | June | April | 2,845,057 | 1,707,034 | 4,552,091 | 2,998,443 | 1,799,066 | 4,797,508 | -5.12% |
| 5 | July | May | 2,619,076 | 1,571,446 | 4,190,522 | 2,751,872 | 1,651,123 | 4,402,996 | -4.83% |
| 6 | August | June | 2,794,411 | 1,676,646 | 4,471,057 | 2,768,797 | 1,661,278 | 4,430,075 | 0.93% |
| 7 | YTD Total | | \$16,157,110 | \$9,694,266 | \$25,851,377 | \$16,172,735 | \$9,703,641 | \$25,876,375 | -0.10% |
| 8 | 2012 Total | | 28,992,457 | 17,449,867 | 46,442,324 | n/a | n/a | n/a | n/a |
| 9 | 2013 Total | | 29,220,016 | 17,573,702 | 46,793,718 | 28,992,457 | 17,449,867 | 46,442,324 | 0.76% |
| 10 | 2014 Total | | 29,608,840 | 17,849,353 | 47,458,193 | 29,220,016 | 17,573,702 | 46,793,718 | 1.42% |
| 11 | 2015 Total | | 30,773,111 | 18,430,387 | 49,203,498 | 29,608,840 | 17,849,353 | 47,458,193 | 3.68% |
| 12 | 2016 Total | | 30,789,996 | 18,473,997 | 49,263,993 | 30,773,111 | 18,430,387 | 49,203,498 | 0.12% |
| 13 | 2017 Total | | 31,366,925 | 18,820,155 | 50,187,081 | 30,789,996 | 18,473,997 | 49,263,993 | 1.87% |
| 14 | 2018 Total | | 31,678,593 | 19,007,156 | 50,685,748 | 31,366,925 | 18,820,155 | 50,187,081 | 0.99% |
| 15 | 2019 Total | | 33,967,300 | 20,380,380 | 54,347,679 | 31,678,593 | 19,007,156 | 50,685,748 | 7.22% |
| 16 | 2012 - 2019 | | \$246,397,238 | \$147,984,997 | \$394,382,235 | | | | |
| 17 | Grand Total - Life to Date | | \$262,554,348 | \$157,679,263 | \$420,233,611 | | | | |

ELECTRIC FRANCHISE FEES

| | | Year 2020 | Year 2019 | 2020 | 2019 | Usage | Revenue |
|---|--------------|----------------------|----------------------|--------------------|--------------------|--------------------|--------------------|
| | <u>Month</u> | <u>KWH</u> | <u>KWH</u> | <u>Revenue</u> | <u>Revenue</u> | <u>Incr (Decr)</u> | <u>Incr (Decr)</u> |
| 1 | January | 250,657,178 | 259,209,181 | 981,072 | 1,116,458 | -3.30% | -12.13% |
| 2 | February | 240,972,724 | 246,174,061 | 1,055,951 | 1,079,928 | -2.11% | -2.22% |
| 3 | March | 227,824,355 | 239,398,724 | 1,011,843 | 1,059,824 | -4.83% | -4.53% |
| 4 | April | 211,970,481 | 220,861,915 | 909,024 | 927,112 | -4.03% | -1.95% |
| 5 | May | 201,189,912 | 221,671,919 | 879,740 | 935,075 | -9.24% | -5.92% |
| 6 | June | 245,253,070 | 282,422,036 | 1,170,842 | 1,301,708 | -13.16% | -10.05% |
| 7 | YTD | 1,377,867,720 | 1,469,737,836 | \$6,008,472 | \$6,420,104 | -6.25% | -6.41% |

The adopted budget is \$14,500,000 based on information received from Entergy. Even with the December 2019 expiration of the recovery credits associated with the Federal Tax Cut and Jobs Act, revenues have decreased with reduced usage and milder weather in comparison to the same period a year ago. Through June, revenues are trailing the monthly forecast received from Entergy during budget preparation by **\$515,208**.

In March, the City received notice that Entergy filed an adjustment with the PSC to reduce the Energy Cost Recovery Rider (ECR). The adjustment is expected to reduce energy cost by 3-7% in comparison to 2019. The adjustment began in the first billing cycle of April 2020 and run through March 2021. This will reduce the franchise fee forecast originally provided by Entergy.

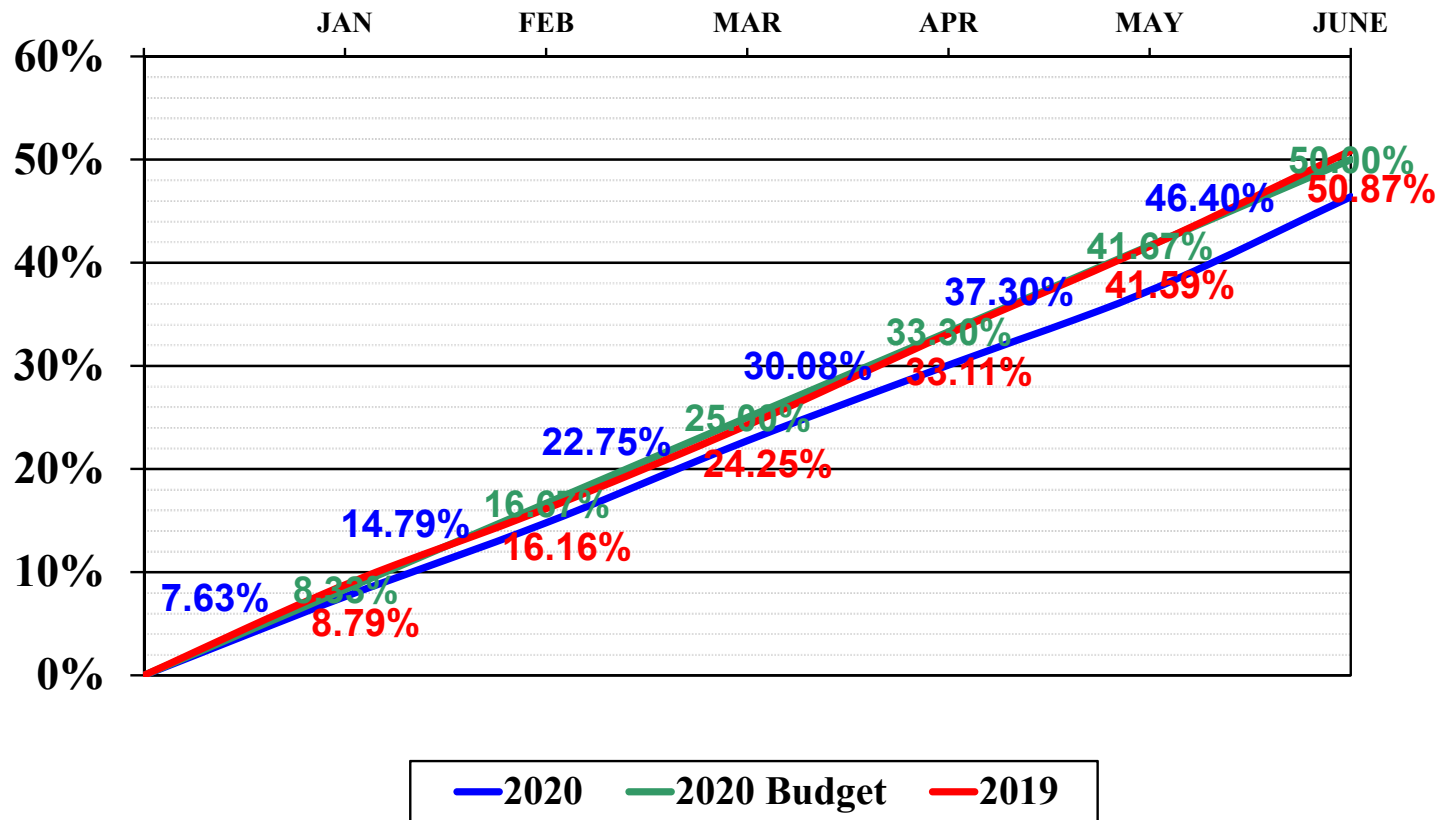
GAS FRANCHISE FEES

| | | Year 2020 | Year 2019 | 2020 | 2019 | Usage | Revenue |
|---|--------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| | <u>Month</u> | <u>Mcf</u> | <u>Mcf</u> | <u>Revenue</u> | <u>Revenue</u> | <u>Incr (Decr)</u> | <u>Incr (Decr)</u> |
| 1 | January | 1,316,654 | 1,411,493 | \$512,937 | \$559,091 | -6.72% | -8.26% |
| 2 | February | 1,384,676 | 1,447,715 | 497,936 | 509,530 | -4.35% | -2.28% |
| 3 | March | 1,168,708 | 1,355,399 | 406,089 | 500,095 | -13.77% | -18.80% |
| 4 | April | 702,130 | 810,401 | 220,380 | 268,151 | -13.36% | -17.81% |
| 5 | May | 557,847 | 486,352 | 162,122 | 156,414 | 14.70% | 3.65% |
| 6 | June | 405,633 | 376,067 | 116,121 | 115,315 | 7.86% | 0.70% |
| 7 | YTD | 5,535,648 | 5,887,427 | \$1,915,584 | \$2,108,597 | -5.98% | -9.15% |

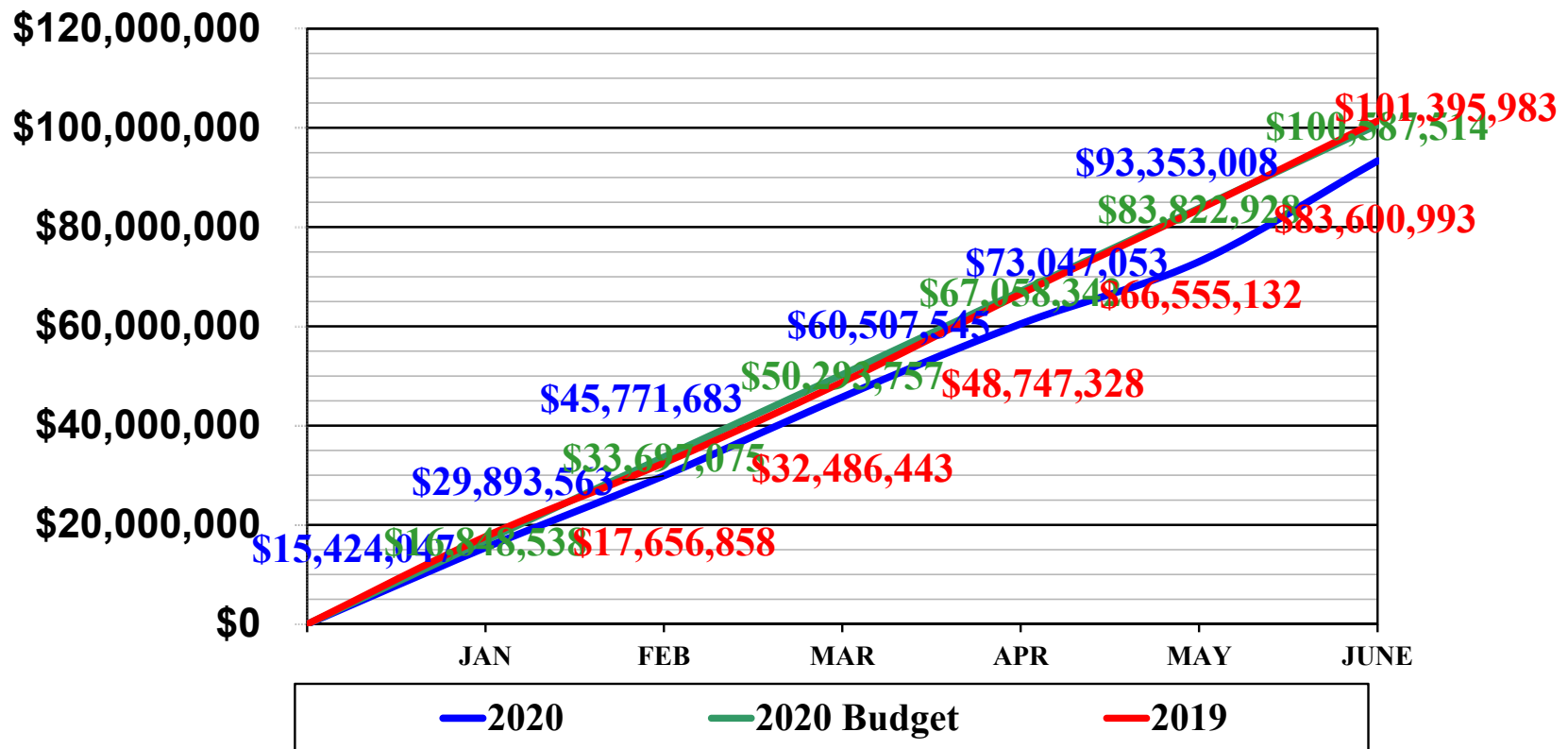
The adopted budget is \$3,300,500 based on information received from CenterPoint. Due to mild weather in the first four months of the year, usage and revenues trail forecast.

GENERAL FUND EXPENDITURES

BUDGET % EXPENDED - 2020 AND 2019



GENERAL FUND EXPENDITURES 2019 AND 2018



GENERAL FUND EXPENDITURES COMPARED TO BUDGET (SLIDE 1 OF 2)

| | | | | Variance | |
|----------------------------|----------------------------------|-------------------|-------------------|----------------------|-------------------|
| | | YTD | YTD | Favorable | Prior Year |
| | | <u>Budget</u> | <u>Expenses</u> | <u>(Unfavorable)</u> | <u>Expenses</u> |
| EXPENDITURES: | | | | | |
| GENERAL GOVERNMENT: | | | | | |
| 1 | Executive Administration | \$10,693,218 | \$9,685,847 | \$1,007,371 | \$10,722,203 |
| 2 | Board of Directors | 169,206 | 157,895 | 11,311 | 171,087 |
| 3 | Community Programs | 229,441 | 237,015 | (7,574) | 275,830 |
| 4 | City Attorney | 789,542 | 770,228 | 19,313 | 770,722 |
| 5 | District Court - (Criminal) | 668,070 | 592,498 | 75,572 | 625,549 |
| 6 | District Court - (Environmental) | 261,080 | 248,216 | 12,863 | 249,011 |
| 7 | District Court - (Traffic) | 613,748 | 602,823 | 10,925 | 659,032 |
| 8 | Finance | 1,724,946 | 1,707,579 | 17,367 | 1,680,170 |
| 9 | Human Resources | 890,529 | 776,979 | 113,550 | 820,440 |
| 10 | Information Technology | 2,709,775 | 2,698,251 | 11,524 | 2,465,155 |
| 11 | Planning and Development | 1,262,868 | 1,211,950 | 50,918 | 1,141,111 |
| 12 | TOTAL GENERAL GOVERNMENT | 20,012,420 | 18,689,279 | 1,323,140 | 19,580,310 |

GENERAL FUND EXPENDITURES COMPARED TO BUDGET (SLIDE 2 OF 2)

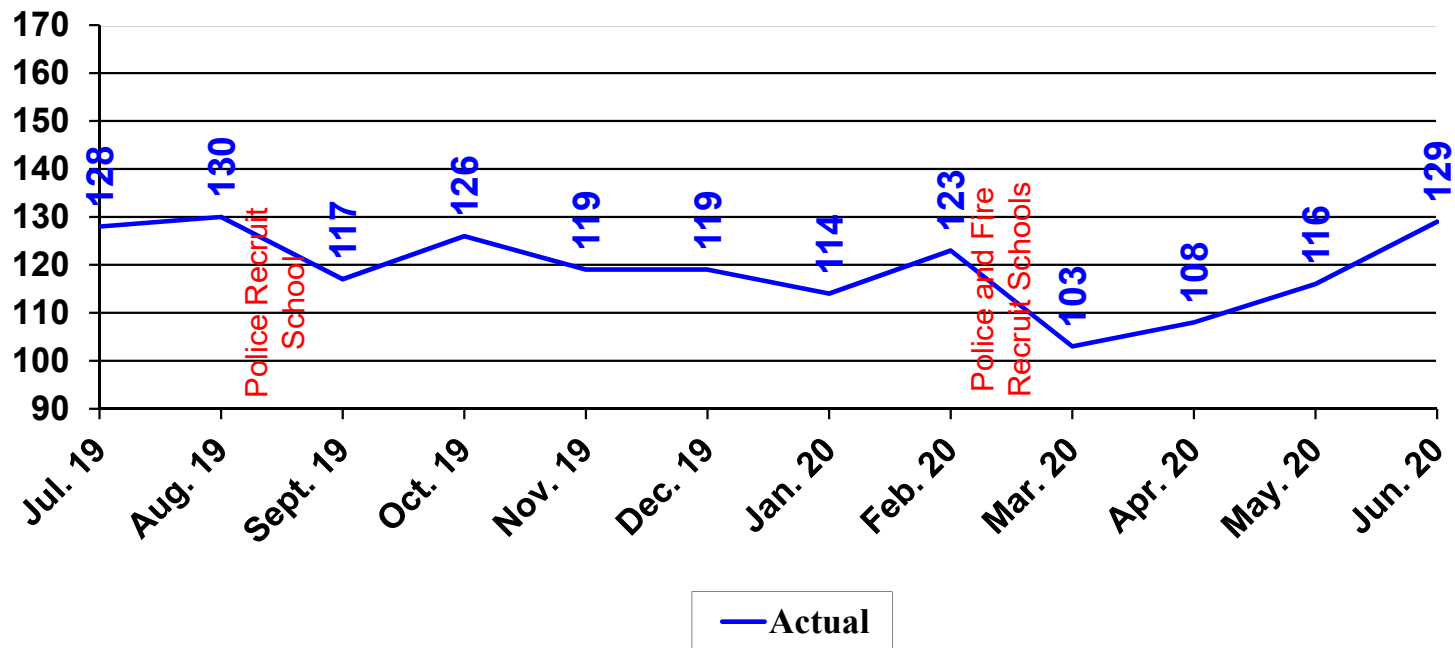
| | | YTD | YTD | Variance | Prior Year |
|----|---|----------------------|---------------------|--|----------------------|
| | | <u>Budget</u> | <u>Expenses</u> | <u>Favorable</u> <u>(Unfavorable)</u> | <u>Expenses</u> |
| | EXPENDITURES: | | | | |
| 13 | PUBLIC WORKS | 537,054 | 436,467 | 100,587 | 453,320 |
| 14 | PARKS & RECREATION | 4,588,226 | 4,366,496 | 221,730 | 4,820,416 |
| 15 | RIVERMARKET | 678,460 | 415,458 | 263,002 | 629,081 |
| 16 | GOLF | 743,402 | 802,096 | (58,694) | 1,269,980 |
| 17 | JIM DAILEY FITNESS & AQUATICS | 406,829 | 348,066 | 58,762 | 463,276 |
| 18 | ZOO | 3,123,851 | 2,714,917 | 408,934 | 3,108,036 |
| 19 | FIRE | 26,594,848 | 24,397,220 | 2,197,627 | 26,085,100 |
| 20 | POLICE | 39,628,266 | 36,638,076 | 2,990,189 | 37,228,450 |
| 21 | HOUSING & NEIGHBORHOOD | 2,545,713 | 2,350,936 | 194,777 | 2,587,831 |
| 22 | DEBT SERVICE: | | | | |
| 23 | Principal | 2,605,084 | 2,143,299 | 461,785 | 5,067,281 |
| 24 | Interest | 135,683 | 50,696 | 84,987 | 102,902 |
| 25 | Agent Fees | 12,000 | 0 | 12,000 | 0 |
| 26 | SAVINGS FROM AUTHORIZED BUT UNFILLED POSITIONS | (1,024,320) | 0 | (1,024,320) | 0 |
| 27 | TOTAL EXPENDITURES | \$100,587,514 | \$93,353,008 | \$7,234,506 | \$101,395,983 |

GENERAL FUND

AUTHORIZED BUT UNFILLED POSITIONS AND VACATION/SICK PAYOUTS

- Savings from Authorized but Unfilled Positions
 - \$5,500,000
2020 adopted budget requirement
 - \$3,451,360 achieved through the 6/19/20 Payroll
 - 129 budgeted positions were unfilled in the General Fund at the end of the second quarter
- Vacation/Sick Payouts
 - \$1,250,000
2020 budget
 - \$810,445
paid out through June

GENERAL FUND AUTHORIZED BUT UNFILLED POSITIONS LAST TWELVE MONTHS



The number of vacant Uniformed Police positions was eighteen (18) at the end of June: fifteen (15) Officers, and three (3) Sergeants. A Police recruit school began 2/17/20 and a Fire recruit school began 3/16/20.