

CITY OF LITTLE ROCK



November 9, 2021

BACKGROUND INFORMATION

- There are needs that are not included in the upcoming budget presentation that may be addressed with other funding sources, if desired by the Board of Directors.
 - The 3/8-cent sales tax for capital projects expires December 31, 2021
 - The Street and Drainage Bonds will be retired in April of 2022 (an election would be required during 2022 to authorize issuance of additional bonds and to renew the 3.0 mill levy for streets and drainage and/or other capital improvements)

NEEDS TO BE ADDRESSED OUTSIDE OF THE OPERATING BUDGET

- Other potential funding sources include:
 - The second tranche of the American Rescue Plan Act funding, expected in May 2022
 - Short-term financing notes for capital expenditures to be repaid with general revenues in no more than five (5) years
 - Grant Funds
 - Forfeiture Funds

NEEDS TO BE ADDRESSED OUTSIDE OF THE OPERATING BUDGET

- Items identified for consideration with the 2nd tranche of American Rescue Plan Act (ARPA) funding include the following capital / one-time expenditures
 - Fire Department
 - \$2.9 million - fire vehicle replacements
 - \$126,000 - final remaining 2nd set of turnouts (the 3-year plan is complete, but Fire has identified a need for 55 additional sets at \$2,100 each)
 - Police Department
 - \$65,000 - FARO 3D Laser Scanner for Major Crimes Division
 - \$138,000 – 65 Patrol cameras

NEEDS TO BE ADDRESSED OUTSIDE OF THE OPERATING BUDGET

➤ Proposed ARPA Funding (Continued):

– Information Technology

- \$125,000 – New network enclosures to secure remote network locations
- \$200,000 – Servers to support Exchange 2019 upgrade (annual operating expenses are included in the proposed budget)

– Parks and Recreation and Golf

- \$450,000 – Playground replacement for Kiwanis, Morehart parks
- \$50,000 – Rebsamen Golf Hole 13 relocation (An additional \$50,000 was previously set aside for this project from other Park allocations.)
- \$75,000 – First Tee expansion design

NEEDS TO BE ADDRESSED OUTSIDE OF THE OPERATING BUDGET

- Proposed ARPA Funding (Continued):
 - Zoo – \$1,000,000 Stormwater upgrade for Zoo facility/Water reclamation
 - Finance – \$185,000 for budget software solution
- From existing ARPA Administrative Allocation
 - ARPA Accounting Clerk (limited-service position) - \$41,265
 - Grants and Procurement operations and equipment - \$35,000

NEEDS TO BE ADDRESSED OUTSIDE OF THE OPERATING BUDGET

- From existing ARPA Administrative Allocation (cont.)
 - Information Technology, Finance, Grants, Procurement
 - Professional Education regarding compliance with ARPA guidelines and procurement requirements - \$20,000
 - Security Training – Training over one year for Network Security Analyst, Data Center Administrator, Security Training for additional staff members - \$70,500

NEEDS TO BE ADDRESSED OUTSIDE OF THE OPERATING BUDGET

➤ Items Identified for utilization of Forfeiture Funds and other Grants

– Police

- 175 APEX 6000 Radios - \$1.1 million
- Gun Vault for Hangar Building remote storage (property room) - \$30,000
- Replacement of ballistic vests - \$85,000
- Training - \$200,000 (Byrne Grant)
- Replace lost funding due to Federal reductions for Stop Violence Against Woman Act (VOWA) and Victims of Crime Act (VOCA) - \$165,000 from Community Violence Allocation or PIT carryover funds

NEEDS TO BE ADDRESSED OUTSIDE OF THE OPERATING BUDGET

➤ Fleet Replacement needs

- There are limited funds available from auction sales of old equipment and vehicles.
- The operating budget provides for lease payments on patrol and other vehicles delivered from 2019 – 2021, but does not provide for additional fleet purchases
- Short-term financing may be utilized for some vehicle purchases but is not appropriate for leased vehicles.

➤ A long-term plan needs to be identified for vehicle leases and information technology needs that do not qualify for financing under Arkansas law.

CITY OF LITTLE ROCK



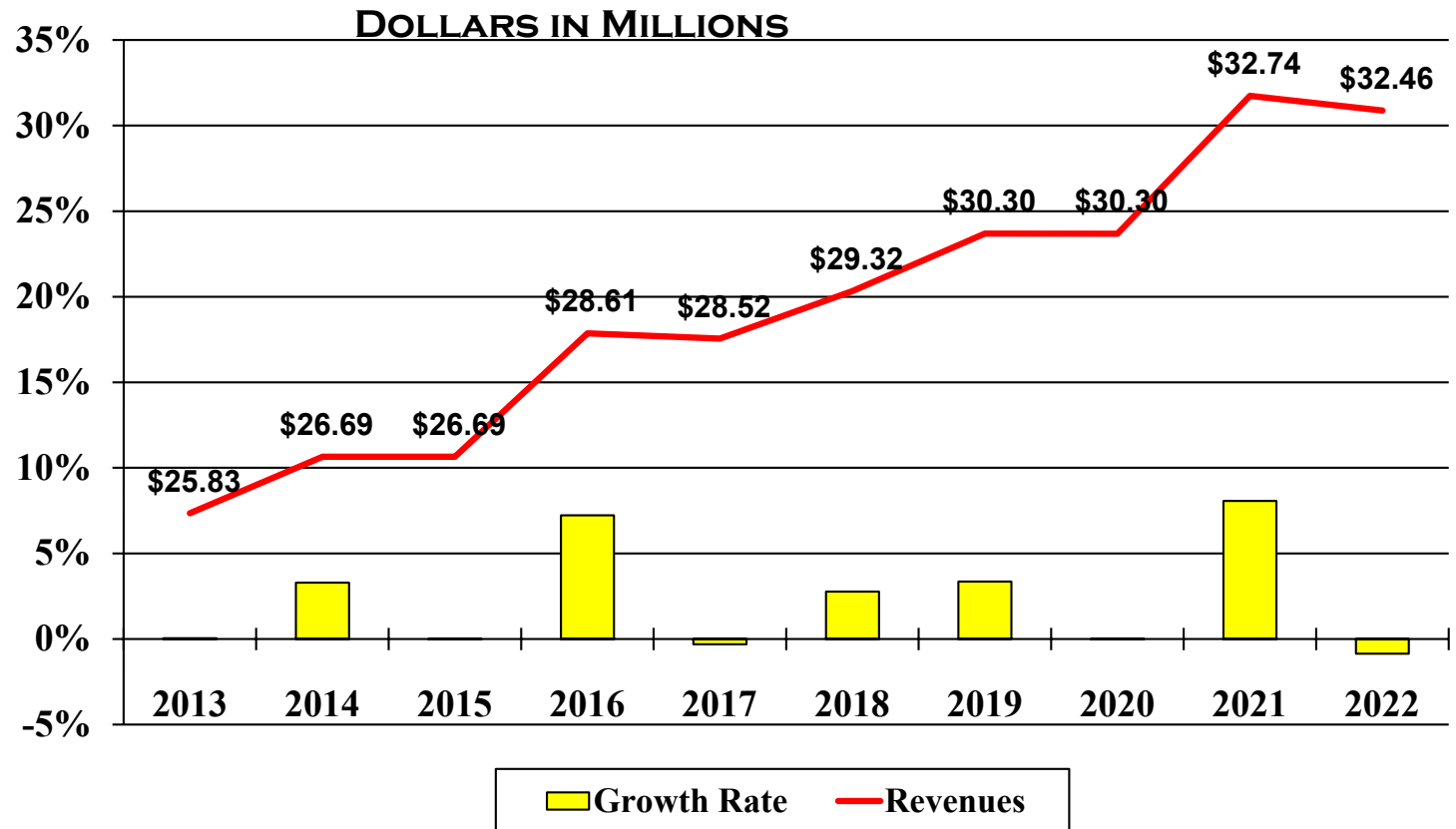
2022 Operating Budget Workshop
November 9, 2021

GENERAL FUND REVENUES

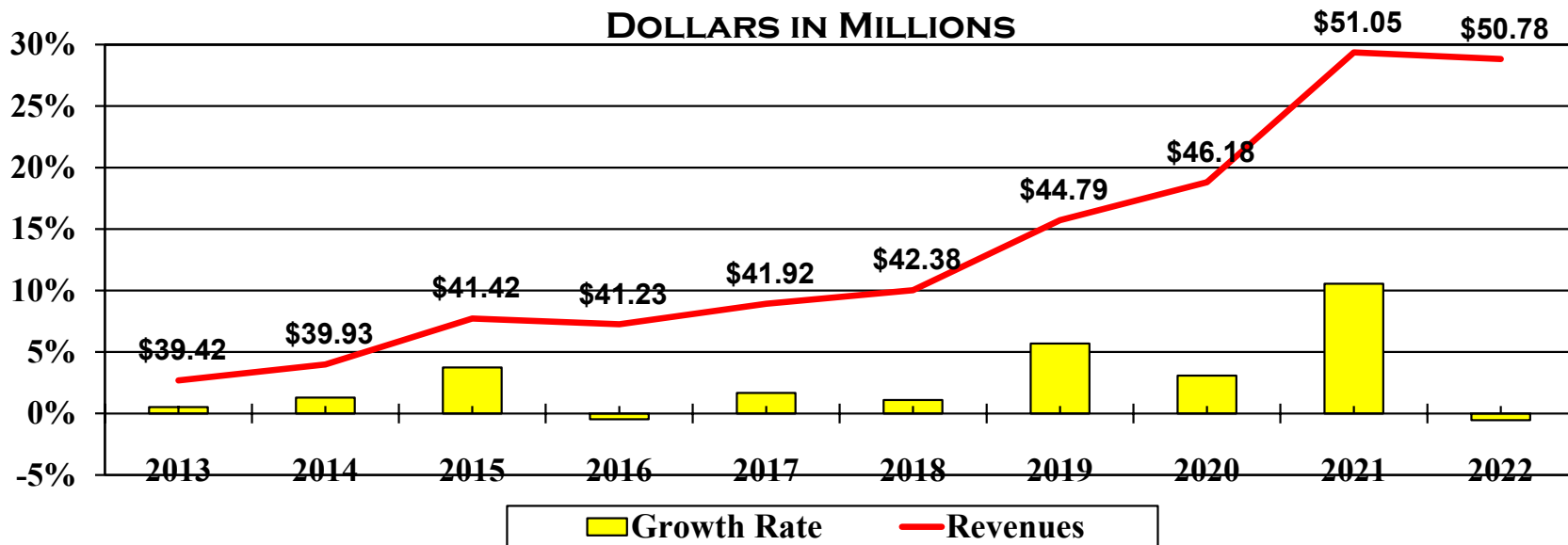
Trend Data by Major Revenue Categories

GENERAL FUND PROPERTY TAX

Property Tax revenues are expected to be approximately **\$32.46 million** or **0.9%** below the 2021 Amended Budget. This represents approximately 2.5% growth less the impact of excess commissions for 2020 reflected in 2021 revenues.

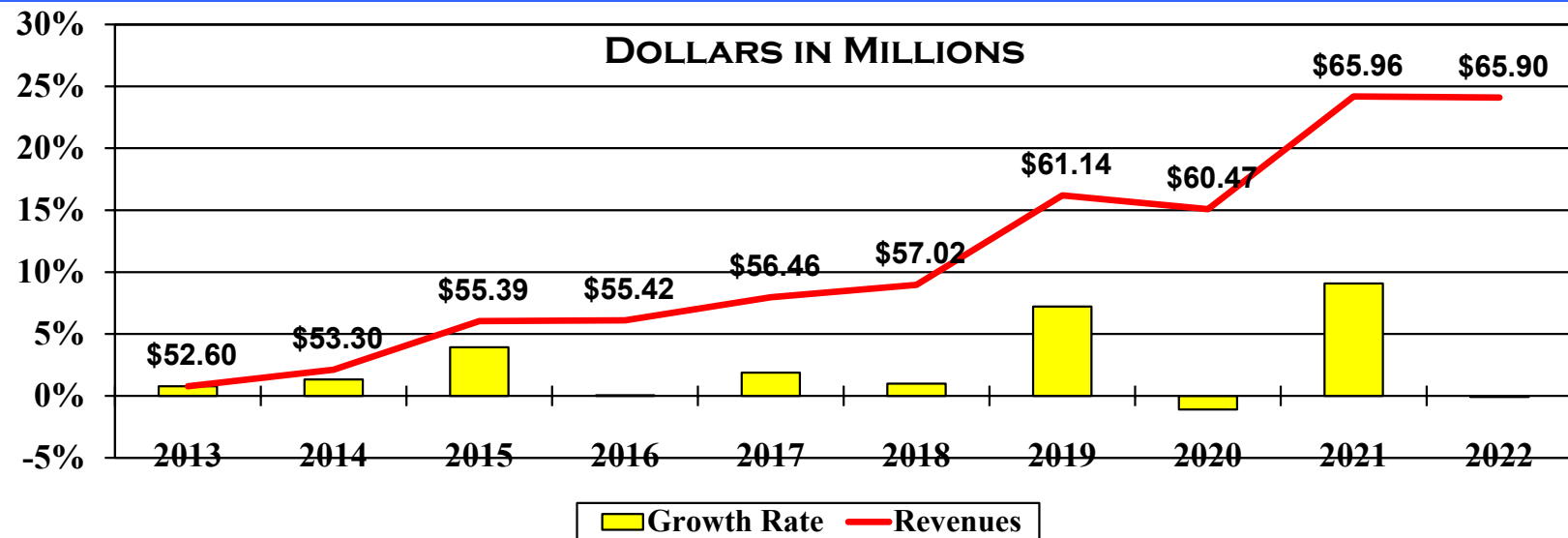


GENERAL FUND COUNTY SALES TAX



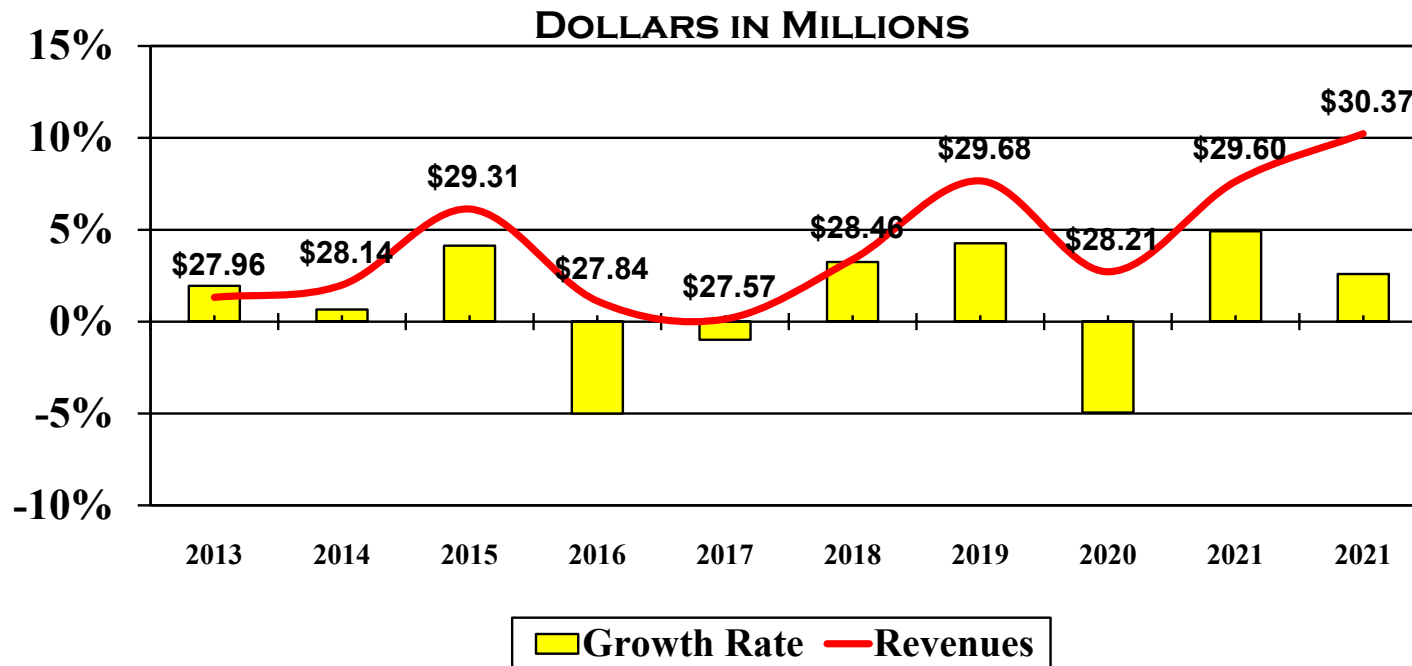
County Sales Tax revenues are expected to decrease slightly from the 2021 Amended Budget. The 2022 forecast does not include the unusual growth in the iron, steel, and farrow alloy NAICS category experienced in 2021. The State forecasted a decrease of 6% for the first six (6) months of 2022. However, the decrease is primarily associated with legislative changes to vehicle tax and the State grocery tax reduction. Local taxes should not experience the same impact due to current limitations on vehicle taxes.

GENERAL FUND CITY SALES TAX



City Sales Tax revenues are expected to be flat in comparison to the 2021 Amended Budget. The forecast of **\$65.90 million** excludes growth in the Iron and Steel and farrow alloy category. Growth in 2021 revenues were boosted by federal stimulus payments, the impact of legislative changes on internet sales tax, and the reopening of businesses. Even though the State has forecast a reduction in the first six (6) months of 2022, we feel this is a conservative estimate.

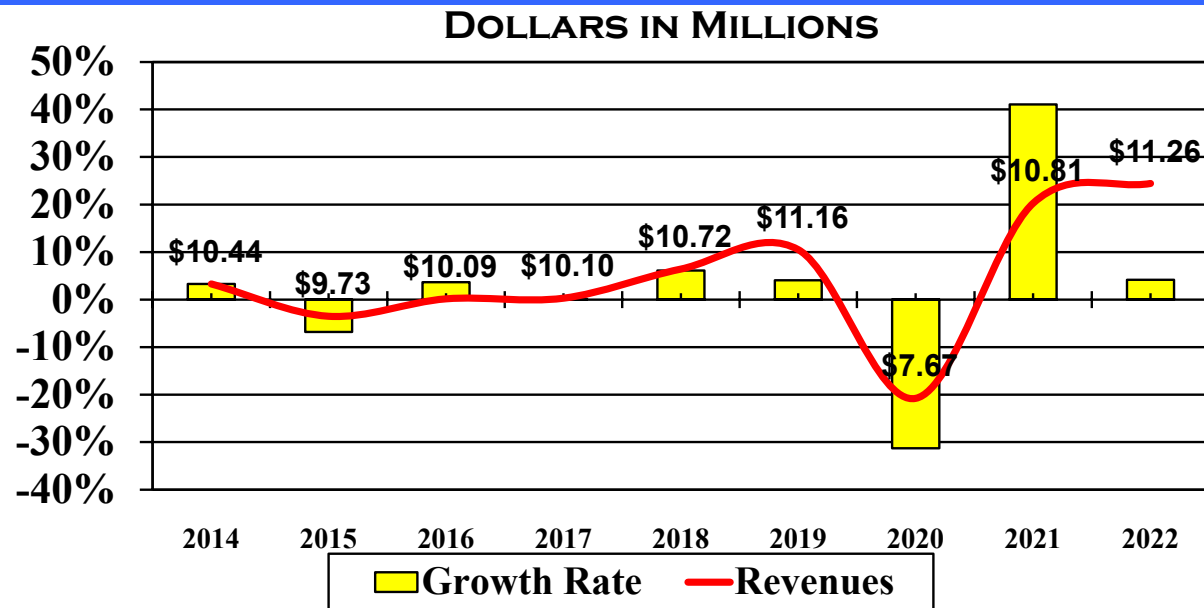
GENERAL FUND FRANCHISE FEES



Total Franchise Fee revenues are expected to be approximately **\$30.37 million**; **2.6%** or **\$768,361** above the 2021 Amended Budget. Forecast information was received from Entergy, CenterPoint, LRWRA, and CAW.

GENERAL FUND CHARGES FOR SERVICES

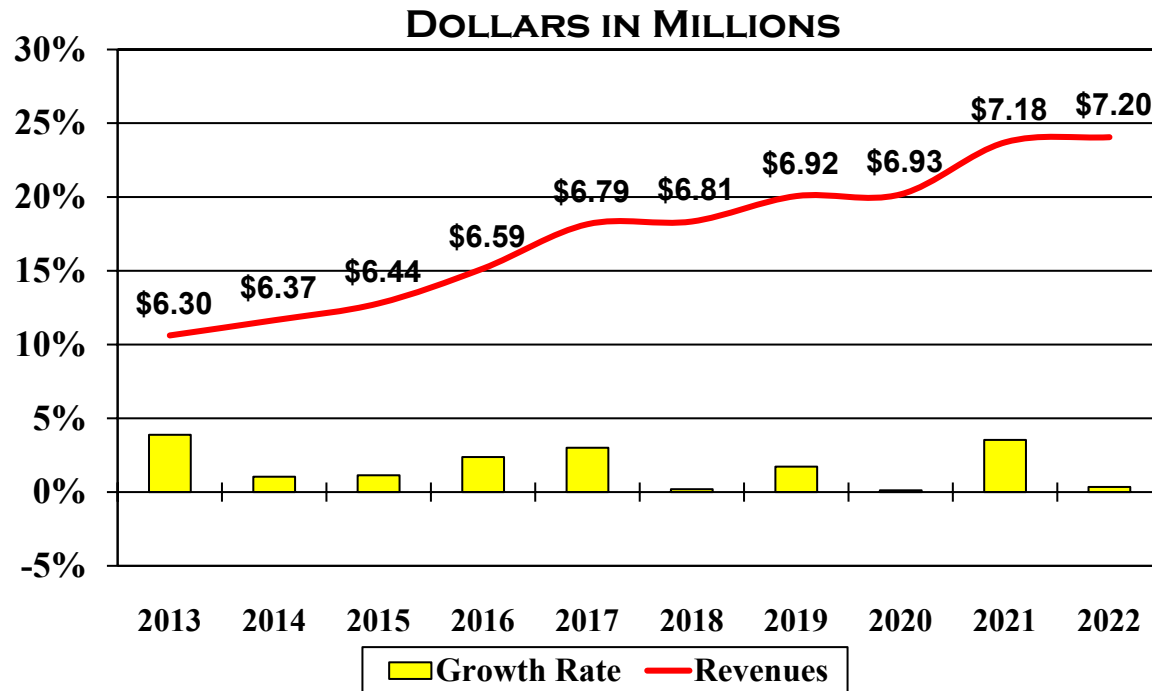
2022 Charges for Services are expected to be approximately **\$11.26 million** or **4%** above the 2021 Amended Budget as recovery from the impact of COVID-19 continues.



The key areas include:

- Zoo and Golf revenues recovered significantly in 2021 and are projected to grow slightly in 2022.
- The RiverMarket and Jim Dailey Fitness and Aquatics were slow to reopen to the public. Revenues are expected to increase \$180,344 (92.5%) and \$106,600 (73%), respectively, from the 2021 Amended Budget.
- Park revenues are expected to grow approximately 14.5% with the reopening of Community Centers and summer activities.

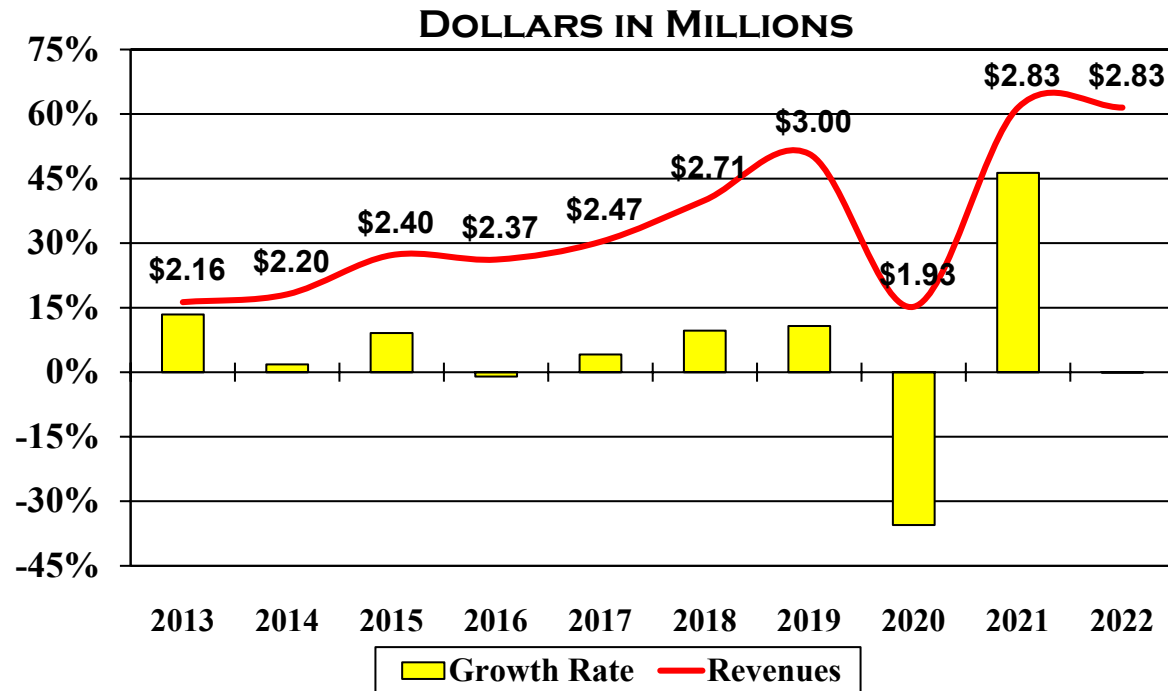
GENERAL FUND BUSINESS LICENSES



The 2022 forecast for Business Licenses is slightly above the 2021 Amended Budget at **\$7.2 million**. There are no rate increases reflected in the budget.

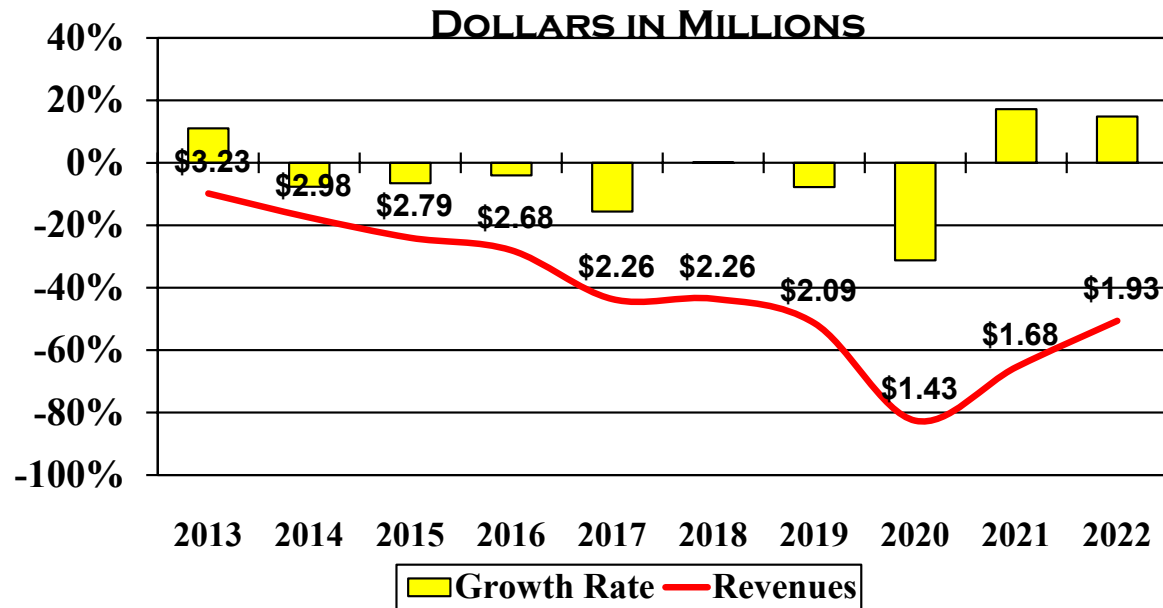
GENERAL FUND

MIXED DRINK LICENSES



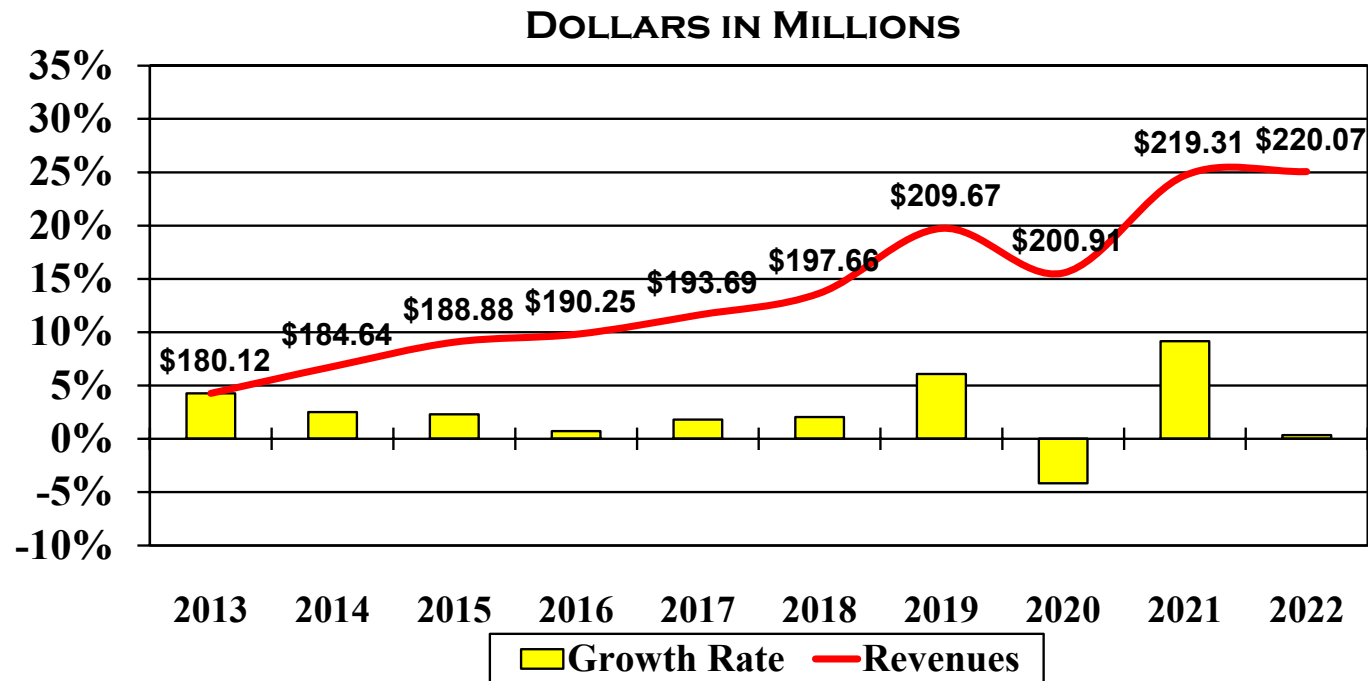
The 2022 forecast for Mixed Drink Licenses is in line with the 2021 Amended Budget. The 36% decline in 2020 was associated with the impact of COVID-19. Revenues are projected to be very close to pre-COVID-19 levels.

GENERAL FUND FINES & FEES



2022 revenue from Fines and Fees, including Court and Parking fees, Rezoning Fees, Incident Report Fees, Animal Services, and Police Reports is expected to increase approximately **14.8%** from the Amended 2021 Budget to **\$1.93 million**. The impact of COVID-19 carried into 2021. In person court hearings did not resume until June.

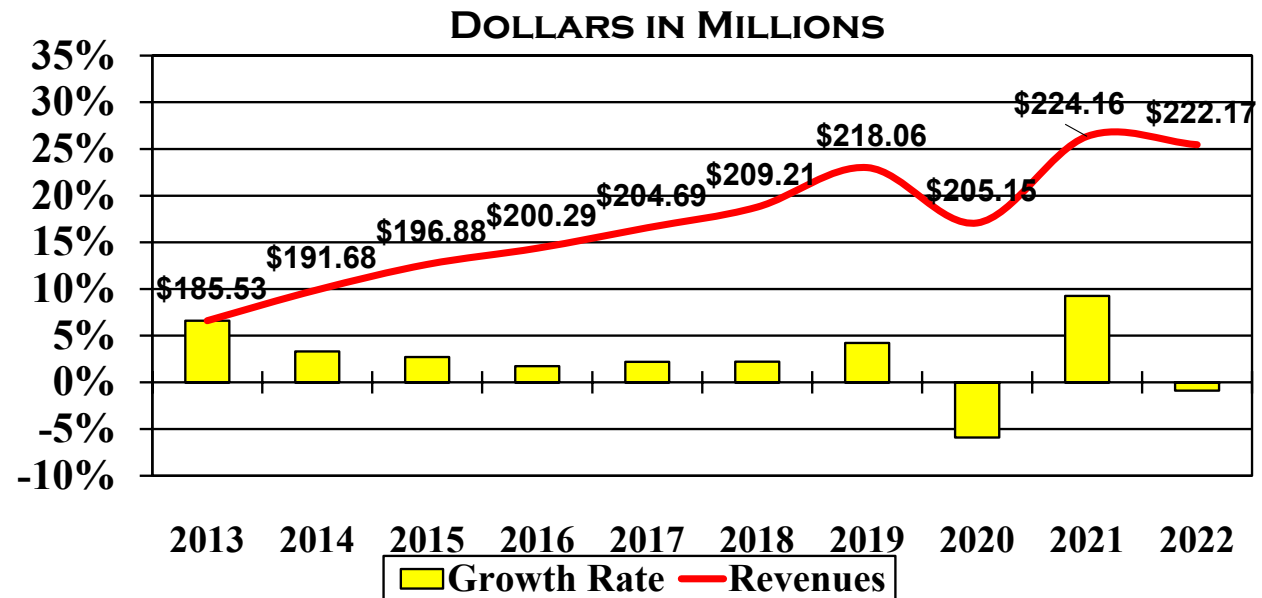
GENERAL FUND REVENUES (BEFORE TRANSFERS IN)



2022 General Fund revenues before Transfers In is forecast at **\$220,066,403**, an increase of \$760,753 or **0.35%** over the 2021 Amended Budget, and \$19.1 million (9.5%) over 2020 actual results, and \$10.4 million (4.95%) over 2019 (pre-COVID-19) results.

GENERAL FUND REVENUES INCLUDING TRANSFERS

The total General Fund Revenue forecast for 2022, including Transfers In, is **\$222,166,164**, representing a slight decrease of **0.89%** from the 2021 Amended Budget, and an increase of **1.9%** from 2019 actual results (pre-COVID-19).



Total **Transfers In** will decrease by **\$2.75 million** to **\$2,099,761**, primarily due to the one-time transfer of \$975,982 associated with the Health Insurance Holiday premium savings, and the carry-over of \$850,000 remaining from the 2019 contingency allocation that were included in the 2021 budget. In addition, there is a reduction in debt service Transfers In associated with 3/8-cent projects. The debt for acceleration of 3/8-cent projects will be fully retired by the end of 2021 when the tax concludes.

GENERAL FUND

DETAIL REVENUE FORECAST

2020 – 2022

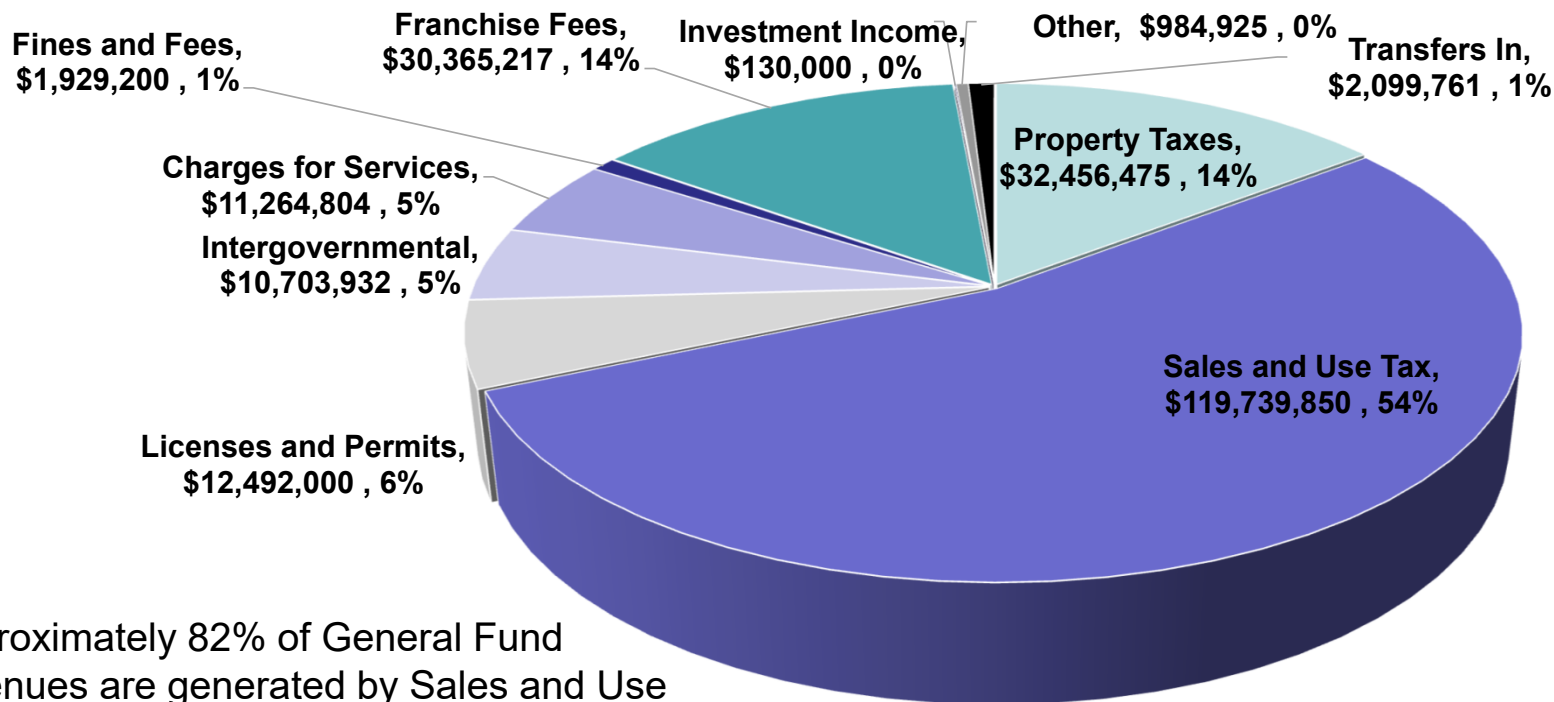
		2020	2021	2021	2022 DRAFT		PERCENT
	<u>REVENUES</u>	ACTUAL	ORIG BUDGET	AMENDED	BUDGET	CHANGE	CHANGE
1	Property Taxes	20,336,209	21,246,500	22,085,876	22,040,360	(45,516)	-0.21%
2	Pension Property Tax	8,650,924	9,048,600	9,373,902	9,129,680	(244,222)	-2.61%
3	State Homestead Tax	1,127,510	1,125,800	1,100,000	1,110,000	10,000	0.91%
4	Act 9 Revenue	181,582	182,799	178,425	176,435	(1,990)	-1.12%
5	Sales Taxes - County	46,177,072	45,501,358	51,053,001	50,776,250	(276,751)	-0.54%
6	Sales Taxes - City	60,467,089	59,473,913	65,962,321	65,903,600	(58,721)	-0.09%
7	State Turnback	2,795,692	3,060,000	3,068,750	3,060,000	(8,750)	-0.29%
8	Utility Franchises	28,209,350	29,138,856	29,596,856	30,365,217	768,361	2.60%
9	Business Licenses	6,930,321	6,845,000	7,175,000	7,200,000	25,000	0.35%
10	Mixed Drinks Licenses	1,934,387	2,500,000	2,831,000	2,830,000	(1,000)	-0.04%
11	Building & Related Permits	2,382,217	2,659,000	2,230,200	2,462,000	231,800	10.39%
12	Fines & Fees	1,434,635	1,821,500	1,680,675	1,929,200	248,525	14.79%
13	Parks & Recreation Revenue	114,367	486,350	295,400	338,050	42,650	14.44%
14	RiverMarket	69,718	256,188	194,960	375,304	180,344	92.50%
15	Golf	960,293	999,900	1,246,700	1,314,100	67,400	5.41%
16	Fitness and Aquatics	135,894	305,500	146,000	252,600	106,600	73.01%
17	Zoo Revenues	1,302,274	2,302,150	3,212,525	3,200,250	(12,275)	-0.38%
18	Airport Reimbursement	3,177,017	3,243,300	3,243,300	3,260,000	16,700	0.51%
19	Salary Reimbursement 9-1-1	1,000,000	1,750,000	1,750,000	1,750,000	-	0.00%
20	Insurance Pension Turnback	11,038,777	11,105,872	11,120,576	10,703,932	(416,644)	-3.75%
21	All Other Revenue	2,232,536	1,944,983	1,590,183	1,759,425	169,242	10.64%
22	Interest Earnings	253,486	250,000	170,000	130,000	(40,000)	-23.53%
23	Revenues before Transfers	200,911,350	205,247,569	219,305,650	220,066,403	760,753	0.35%
24	Transfers In	4,235,838	3,027,418	3,027,418	2,099,761	(927,657)	-30.64%
25	Carry Over from Prior Year	-	1,825,982	1,825,982	-	(1,825,982)	-100.00%
26	Total	205,147,188	210,100,969	224,159,050	222,166,164	(1,992,886)	-0.89%

GENERAL FUND REVENUE FORECAST SUMMARY

		2020	2021	2021	2022 DRAFT		PERCENT
	<u>REVENUES</u>	<u>ACTUAL</u>	<u>ORIG BUDGET</u>	<u>AMENDED</u>	<u>BUDGET</u>	<u>CHANGE</u>	<u>CHANGE</u>
1	General Property Taxes	\$30,296,225	\$31,603,699	\$32,738,203	\$32,456,475	(\$281,728)	-0.86%
2	Sales and Use Taxes	109,439,854	108,035,271	120,084,072	119,739,850	(344,222)	-0.29%
3	Licenses and Permits	11,246,925	12,004,000	12,236,200	12,492,000	255,800	2.09%
4	Intergovernmental	11,038,777	11,105,872	11,120,576	10,703,932	(416,644)	-3.75%
5	Charges for Services	7,666,202	10,234,888	10,813,385	11,264,804	451,419	4.17%
6	Fines and Fees	1,434,635	1,821,500	1,680,675	1,929,200	248,525	14.79%
7	Utility Franchise Fees	28,209,350	29,138,856	29,596,856	30,365,217	768,361	2.60%
8	Investment income	253,486	250,000	170,000	130,000	(40,000)	-23.53%
9	Miscellaneous	1,325,897	1,053,483	865,683	984,925	119,242	13.77%
10	Transfers In	4,235,838	4,853,400	4,853,400	2,099,761	(2,753,639)	-56.74%
11	Total General Fund Revenues	\$205,147,188	\$210,100,969	\$224,159,050	\$222,166,164	(\$1,992,886)	-0.89%

Including Transfers In, the 2022 General Fund revenue forecast is **\$1,992,886** or **0.89%** below the 2021 Amended Budget, **\$17,018,976** or **8.3%** above 2020 actual results, and **\$4,110,867** or **1.89%** above 2019 actual results (pre-COVID-19).

GENERAL FUND REVENUES



Approximately 82% of General Fund revenues are generated by Sales and Use Tax, Property Tax, and Franchise Fees.

Total - \$226,166,164

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

2022 PERSONNEL SALARY PROGRESSION

- **Continuation of Step and Grade Progression**
 - International Association of Fire Fighters (IAFF)
 - Fraternal Order of Police (FOP)
 - AFSCME and Union Eligible
 - 911 Communications Positions
- **1.5% across the board salary increase (\$2.22 million)**
 - Includes all step and grade positions in IAFF, FOP, AFSCME, and 911 Communications

2022 PERSONNEL OTHER SALARY INCREASES

➤ Other salary adjustments

- Enhanced salaries for positions requiring a Commercial Drivers License (CDL) – minimum of \$18 per hour (\$1.2 million)
 - * Street
 - * Waste Disposal
 - * Fleet Fund
 - * Parks
- Additional 1% increase for Police Command to address compression – (Lieutenants and Majors \$45,000)
- Increase recruit incentives to \$10,000 (\$300,000)

2022 PERSONNEL EMPLOYEE BENEFITS

➤ Health Insurance

- Renewal of Fully Insured Coverage with United Healthcare
- Net Decrease of **\$700,000** reflected in personnel cost
- Buy-Up options for lower deductibles and co-pays are available to employees

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

2022 PERSONNEL PENSIONS RATES – CURRENT PLANS

➤ Pension Rates Effective January 1, 2022

- Fire LOPFI Pension – **23.50%** (unchanged - at maximum)
- Police LOPFI Pension – **23.50%** (up from 23.23%, now at maximum)

LOPFI contributions for Fire and Police are partially offset by State Pension Turn-Back Funds that are included in the budget as Intergovernmental Revenues.

- Non-Uniform Pension – **9%** (unchanged)

PENSION RATES – OTHER PLANS

➤ **APERS Pension Rates Effective July 1, 2022**

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

➤ **Closed Non-Uniform Plan**

- Non-Uniform Defined Benefit Plan – **\$560,000** (unchanged)

2022 PERSONNEL PENSION CONTRIBUTIONS - CLOSED PLANS

➤ **Closed Police and Fire Pension Plan Contributions**

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

- Closed Police Pension Plan administered by LOPFI
 - Required monthly contribution to LOPFI of \$333,185 in 2022 (\$3,998,220)
 - Additional contribution anticipated from dedicated revenues to pay down unfunded liability - \$3,466,957 for a total contribution of **\$7,465,177**
- Closed Fire Pension Plan administered by LOPFI
 - Required monthly contribution to LOPFI of \$268,268 in 2022 (\$3,219,216)
 - Additional contribution anticipated from dedicated revenues to pay down unfunded liability - \$3,430,754 for a total contribution of **\$6,649,970**

2022 PERSONNEL OTHER ASSUMPTIONS

➤ Other Personnel Assumptions – All Funds

- An additional holiday will be added for Juneteenth (**\$335,426** increase in Holiday Premium Pay for Police and Fire)
- OPEB Contribution (Cobra and Retiree) – increase of **\$935,000** from the original 2021 budget and **\$597,905** from the 2021 amended budget to **\$2,118,000**
- Workers Compensation – increase of **\$881,000** from the original 2021 budget and **\$256,000** from the 2021 amended budget to **\$3,516,000**

GENERAL FUND FULL-TIME STAFFING

	2020 Adopted Budget	2021 Adopted Budget	2022 Draft Budget	Change 21-22	Changes from 2021 to Proposed 2022 Budget
General Fund					
1 Executive Administration	28	28	30		2 Consolidated Racial and Cultural Diversity positions with the Office of Diversity, Equity, and Inclusion (transfer from Community Programs)
2 Board of Directors	1	1	1	-	
3 Community Programs	5	5	3		(2) Consolidated Racial and Cultural Diversity positions with the Office of Diversity, Equity, and Inclusion (transfer to Executive Administration)
4 City Attorney	16	16	18		2 Added an Assistant City Attorney and a Paralegal
5 District Court First Division	20	20	21		1 Added a Court Systems Operations position (ACIC)
6 District Court Second Division	18	18	19		1 Added a Deputy Court Clerk
7 District Court Third Division	7	7	8		1 Added a full-time Environmental Court Assistant (exchanged part-time)
8 Finance	43	46	49		3 Added a Procurement Data Analyst, a Procurement Buyer, reinstated the Financial Systems Analyst position, and added an Accounting Clerk II for FOIA requests. Eliminated the Deputy Director of Finance Operations position.
9 Human Resources	20	22	23		1 Added a Labor Relations Analyst II (FMLA/ADA)
10 Information Technology	39	41	42		1 Added a Network Security Analyst position.

GENERAL FUND STAFFING - CONTINUED

	2020 Adopted Budget	2021 Adopted Budget	2022 Draft Budget	Change 21-22	Changes from 2021 to Proposed 2022 Budget
General Fund					
11 Planning & Development	38	39	46		7 Transferred four (4) positions from Public Works Street Fund including a Design Review Engineer, an Environmental Compliance Engineer, and two (2) Engineering Specialists. Added an Environmental Planning Manager, an Electrical Inspector, and a Plumbing and Gas Inspector.
12 Housing & Neighborhood Programs	84	84	84	-	
13 Public Works - General	10	10	10	-	
14 Parks & Recreation	102	102	102	-	
15 Golf	15	15	15	-	
16 Jim Dailey Fitness Center	8	8	8	-	
17 Zoo	62	63	64	1	Added an Assistant Curator position.
18 Fire	432	433	433	-	A Civilian Analyst position was added to manage Accreditation Activities and free up a uniform position for operations.
19 Police	742	746	686	(60)	Transferred 65 positions from Police to the Emergency Communications Department. Added three (3) new Telephone Reporting Clerks, added a County Jail Reimbursement position, and added a Crime Analyst position. In addition, seven (7) officers hired in 2020 will continue to be partially funded by a COPS grant.
20 Emergency Communications			65	65	Transferred 65 positions from Police to form the Emergency Communications Department
21 Subtotal General Fund	1,690	1,704	1,727	23	

- General Fund Personnel includes **1,727** full-time positions, an increase of 23 from the 2021 Adopted Budget.

SPECIAL PROJECT & GRANT FUNDED STAFFING

	2020 Adopted Budget	2021 Adopted Budget	2022 Draft Budget	Change 21-22	Changes from 2021 to Proposed 2022 Budget
<u>Special Project & Grant Positions</u>					
1 Executive Administration	5	5	5	-	
2 Community Programs	7	8	11	3	Added a Community Programs Data Analyst and two (2) Positive Intervention positions.
3 Finance			3	3	Added three (3) Grant funded limited service positions including a 21st Century Grants Coordinator (West Central), a Grants Compliance Coordinator - ARPA Admin., and an Accounting Clerk II - ARPA Admin.
4 Human Resources	2	3	3	-	
5 Housing	14	15	15	-	
6 Public Works - Building Services	2	2	2	-	
7 Parks	4	4	4	-	
8 Police	1	8	8	-	
9 Public Works - Street	5	5	5	-	
10 Subtotal Special Positions	40	50	56	6	

- 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 five (5) positions are associated with Street Fund activities.
- The six (6) additions in 2022 include a Community Programs Data Analyst, two (2) Positive Intervention positions, and three (3) Grant funded positions including two (2) supported with ARPA Administrative funds.

FULL-TIME STAFFING – OTHER FUNDS

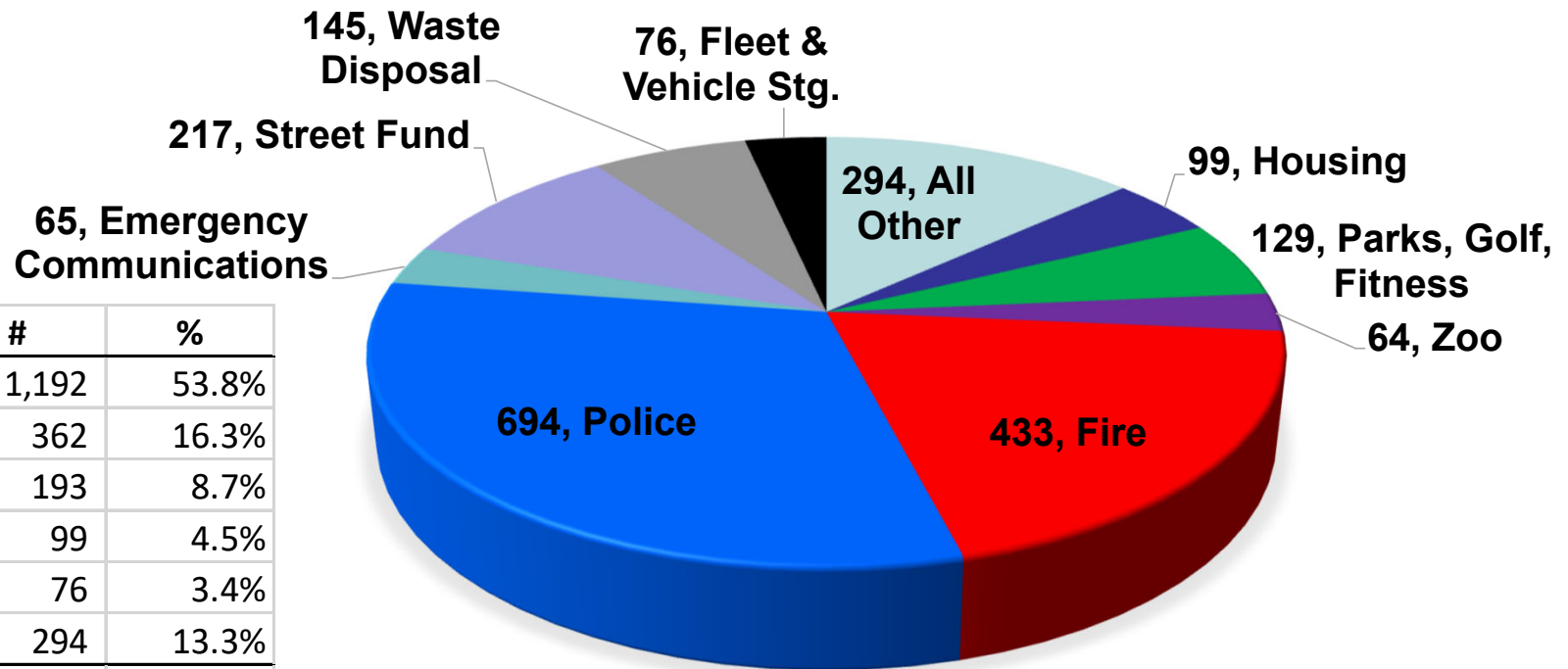
	2020 Adopted Budget	2021 Adopted Budget	2022 Draft Budget	Change 21-22	Changes from 2021 to Proposed 2022 Budget
<u>Other Funds</u>					
1 Waste Disposal	144	145	145	-	
2 Public Works - Street	214	215	212	(3)	Transferred four (4) positions to Planning and Development including a Design Review Engineer, an Environmental Compliance Engineer, and two (2) Engineering Specialists. Added a new Environmental Compliance Engineer.
3 Fleet Services	63	63	62	(1)	Eliminated a Fleet Parts Clerk and a Fleet Parts Clerk - Sr. and added a Senior Service Advisor.
4 Vehicle Storage Facility	13	14	14	-	
5 Subtotal Other Funds	434	437	433	(4)	
6 Total Personnel	2,164	2,191	2,216	25	

- Staffing for other funds includes **433** full-time positions, a net decrease of four (4) from 2021.
- Four (4) positions were transferred from the Street Fund to Planning and Development, and two (2) Fleet Parts Clerk positions were eliminated. The Street Fund added one (1) Environmental Compliance Engineer and Fleet added a Senior Service Advisor.
- In Total, there are **2,216** full-time positions included in the 2022 Proposed Budget, an increase of twenty-five (25).

ALL FUNDS - STAFFING SUMMARY

FULL-TIME PERSONNEL

Dept.	#	%
Police, Fire, 911	1,192	53.8%
Street & Waste	362	16.3%
Parks & Zoo	193	8.7%
Housing	99	4.5%
Fleet & Vehicle Stg.	76	3.4%
All Other	294	13.3%
	2,216	100.0%



2022 EXPENDITURES – FLEET ALLOCATIONS FOR FUEL AND VEHICLE MAINTENANCE

- The cost of Fleet labor, fuel, vehicle insurance, vehicle maintenance, and parts expenses are allocated to departments based on the number of vehicles assigned, maintenance requirements, and actual fuel usage.
 - Parts expenses are expected to increase approximately \$393,350.
 - The fuel rate per gallon, including the \$0.18 mark up for labor and supplies in the Fleet Fuel Acquisitions Division, is budgeted at \$2.73 for unleaded and \$2.93 for diesel, compared to the 2021 rates of \$2.09 and \$2.19, respectively, increasing fuel cost by approximately \$586,560.
 - Billings for internal Fleet Services are expected to increase a total of \$1.4 million from the original 2021 budget across all Funds.

2022 OUTSIDE AGENCY FUNDING HIGHLIGHTS

- Funding for the Arkansas Museum of Fine Arts includes a proposed increase of \$400,000 in 2022 with the scheduled 4th quarter opening.
- Rock Region Metro funding will remain unchanged at \$9,854,118.
- The proposed Pulaski County Jail funding allocation will remain unchanged at \$2,554,153 with \$160,000 coming from the local jail fine project.
- The allocation for Oakland Fraternal Cemetery maintenance of \$50,000 included in the 2021 amended budget will continue in 2022.
- The Downtown Partnership allocation will increase by \$50,000, encompassing other annual contracts for ambassadors and the clean and green program.

2022 EXPENDITURES

DEBT SERVICE – SHORT TERM NOTES

- Debt service and bond agent fees on short-term financing notes will total **\$3,530,252** in 2022
 - Debt Service will decrease **\$728,393** from 2021, reflecting the retirement of the 2016 short-term notes (\$1,919,424), including the final note issued to advance 3/8-cent projects, net of the addition of the 2021 short-term note (\$1,215,031).

GENERAL FUND EXPENDITURES

GENERAL FUND - EXPENDITURES BY CATEGORY

FISCAL YEARS 2020 - 2022

		2020	2021	2021	2022	Change	Change from	
		Actual	Original Budget	Amended	Budget	2021 to 2022	2021 Orig.	
1	Personnel	\$148,613,739	\$165,601,152	\$165,439,654	\$172,733,335	\$7,293,681	\$7,132,183	(1)
2	Supplies	2,800,446	3,810,336	3,919,636	3,776,335	(143,301)	(34,001)	
3	Fleet (Fuel & Services)	6,144,710	7,101,836	7,055,036	7,980,478	925,442	878,642	
4	Repairs and Maintenance	3,867,011	4,315,452	4,869,452	4,797,262	(72,190)	481,810	
5	Utilities	3,720,376	3,657,180	3,675,280	4,236,222	560,942	579,042	
6	Contracts	6,703,686	7,071,702	12,246,862	7,803,272	(4,443,590)	731,570	
7	Outside Agency Funding	11,167,959	11,782,144	12,007,144	12,290,486	283,342	508,342	
8	Capital Outlay	184,116	-	42,500	72,500	30,000	72,500	
9	Debt Service	5,481,533	4,258,645	4,258,645	3,530,252	(728,393)	(728,393)	
10	Other	321,184	251,510	251,510	251,510	-	-	
11	Vacancy Allocation	-	(6,000,000)	(1,013,364)	(6,075,000)	(5,061,636)	(75,000)	(1)
12	Transfers	13,193,033	8,251,012	9,125,012	10,769,512	1,644,500	2,518,500	
13	Total Expenditures	\$202,197,793	\$210,100,969	\$221,877,367	\$222,166,164	\$288,797	\$12,065,195	

- The Proposed 2022 General Fund Budget is balanced with revenues and expenditures of **\$222,166,164**, representing an increase of **\$12,065,195** from the 2021 Original Budget and **\$288,797** from the 2021 amended budget.
- The primary components of the changes in personnel cost and the other expenditure categories will be discussed on the following slides.

2022 GENERAL FUND PERSONNEL BUDGET

- Net increase of **\$7,132,183** to the General Fund personnel budget from the 2021 Original Budget, before vacancy savings
- The Vacancy Savings requirement will increase by \$75,000 to \$6,075,000.
- As noted previously in the General Fund Full-Time Staffing schedule, the number of positions will increase by 23 to 1,727.

2022 GENERAL FUND

PERSONNEL – KEY CHANGES

	Description	Change
1	23 New Positions (including benefits)	\$2,281,167
2	1.5% Across the Board Raise	1,850,450
3	Fire Overtime increased allocation	1,250,000
4	COBRA/Retiree (OPEB)	935,000
5	Increase in Workers Compensation	640,000
6	Increase in vacation sick payouts	500,000
7	Addition of Juneteenth Holiday	335,426

2022 GENERAL FUND

PERSONNEL – KEY CHANGES (CONT.)

	Description	Change
8	Police Recruit Incentive	300,000
9	Fire Part-Time - EMTs	163,750
10	Fire Part-Time - Training	75,000
11	Change in closed Fire Pension Plan	(115,862)
12	All other salary and benefit changes	(138,497)
13	Change in closed Police Pension Plan	(342,861)
14	Net decrease in Health, Dental, Vision Insurance rates	(601,390)
		\$7,132,183

OTHER EXPENDITURE HIGHLIGHTS

- **General Fund maintenance expenditures will have a net increase of \$481,810 as follows:**
 - Environmental Courts - **\$2,500** (Adobe Pro, Office 365)
 - Finance - **\$13,030** (Galvanize Internal Audit software, Office 365, TRS annual report software maintenance)
 - Information Technology - **\$187,000** (Add \$200,000 for operating portion of Exchange 2019 upgrade and additional applications, and \$50,000 to upgrade internet speed to 5gb, net of transfers of \$40,000 to training and \$23,000 to supplies)

OTHER EXPENDITURE HIGHLIGHTS

➤ **General Fund maintenance (continued):**

- RiverMarket – **\$29,280** (increase in building maintenance)
- Zoo – **\$250,000** (reinstate deferred building and exhibit maintenance)

➤ **Utilities will increase \$579,042**

- Utility costs were analyzed and adjusted based on experience
- Electricity and Gas costs were increased 4%

OTHER EXPENDITURE HIGHLIGHTS

- **Contracts will increase \$731,570 as follows:**
 - Executive Administration (General) – net increase of **\$282,548**
 - Property and EDP Insurance renewal increase - \$180,632
 - Other Contracts increase - \$101,916 (Waste removal, Legal Defense Fund, Memberships, etc.)
 - Executive Administration (Diversity, Equity, and Inclusion) - **\$52,020** – Consolidation of contracts, training, and events budget from Community Programs and the DEI special project including Municipal IDs, etc.

OTHER EXPENDITURE HIGHLIGHTS

➤ **Contracts (continued):**

- Community Programs - **decrease of \$10,635** (consolidation of Racial and Cultural Diversity Office with DEI).
- Traffic Court - **\$12,447** increase to security guard contract (unarmed to armed) and professional organization dues
- Finance - **\$14,500** increase to restore professional training and development budget, memberships, and scheduling and survey subscriptions for Small Business Development and Procurement.

OTHER EXPENDITURE HIGHLIGHTS

➤ **Contracts (continued):**

- Human Resources - **\$19,238** increase for national advertising module, Sparkhire module/NeoGov integration, and City Career Fair
- Information Technology - **\$40,000** transfer from maintenance for technical training and development
- Parks and Recreation - **\$75,000** one time increase for Tri-Creeks Trail Phase II design

OTHER EXPENDITURE HIGHLIGHTS

➤ **Contracts (continued):**

- RiverMarket - **\$162,371** increase to restore facility contracts and public relations that were suspended in 2021 due to the impact of COVID-19 on operations.
- Golf - **\$55,000** increase to include golf cart lease expenses in the budget.
- Fire - **\$40,000** increase to provide contracted annual firefighter physicals.

OTHER EXPENDITURE HIGHLIGHTS

➤ **Contracts (continued):**

- Police – **decrease of \$71,437**
 - Reduction to other insurance \$11,369, included in property insurance budget
 - Reclassification of 911 Emergency Communications contracts (\$60,068) to the new department
- 911 Emergency Communications – **\$60,068** transfer of contracts associated with 911 from Police.
- All other – **\$450**

OTHER EXPENDITURE HIGHLIGHTS

- The Fleet allocation for labor, fuel, and vehicle service in General Fund Departments will increase by a net of **\$878,642**. The changes were described on an earlier slide.
- Outside Agency Support, Debt Service, and Transfers Out are presented in detail on the following slides.

GENERAL FUND

OUTSIDE AGENCY SUPPORT

	2020 Actual	2021 Budget	2021 Amended	2022 Budget	Change 2020 to 2021	Change from 2021 Orig.	
OUTSIDE AGENCY SUPPORT:							
1 ROCK REGION METRO (C.A.T.A)	\$7,640,424	\$7,854,118	\$7,854,118	\$7,854,118	\$0	\$0	(a)
2 REGIONAL DETENTION SUPPORT	2,222,000	2,394,153	2,394,153	2,394,153	-	-	(b)
3 ARKANSAS MUSEUM OF FINE ARTS	666,667	800,000	800,000	1,200,000	400,000	400,000	(c)
4 MUSEUM OF DISCOVERY SUPPORT	128,000	192,000	367,000	192,000	(175,000)	-	(d)
5 METROPLAN	178,042	178,042	178,042	186,384	8,342	8,342	(e)
6 DOWNTOWN PARTNERSHIP	121,667	145,000	145,000	195,000	50,000	50,000	(f)
7 PAGIS SUPPORT	129,000	134,850	134,850	134,850	-	-	
8 COUNTY HEALTH UNIT SUPPORT	56,100	56,100	56,100	56,100	-	-	
9 OAKLAND FRATERNAL CEMETERY	-	-	50,000	50,000	-	50,000	
10 ST VINCENT'S	25,381	25,381	25,381	25,381	-	-	
11 CITY BEAUTIFUL	678	2,500	2,500	2,500	-	-	
12 OUTSIDE AGENCY TOTAL	\$11,167,959	\$11,782,144	\$12,007,144	\$12,290,486	\$283,342	\$508,342	

- (a) Rock Region Metro funding is \$9,854,118. The remaining \$2 million is included in the Street Fund.
- (b) Jail support includes an additional \$160,000 in local jail fines bring the total to \$2,554,153.
- (c) Arkansas Museum of Fine Arts funding increases by \$400,000 with opening planned in the 4th quarter.
- (d) The decrease in the Museum of Discovery is associated with the extra allocation for flood damage due to the 2021 snowstorm.
- (e) The change in Metroplan is due to the change in population. The fee is \$0.92 per capita.
- (f) The Downtown Partnership adjustment includes other recurring contracts for ambassadors and the clean and green program.

GENERAL FUND - DEBT SERVICE

		2020 Actual	2021 Budget	2021 Amended	2022 Budget	Change 2021 to 2022	Change from 2021 Orig.
	DEBT SERVICE:						
1	SHORT TERM FINANCING - PRINCIPAL	\$5,210,168	\$4,060,750	\$4,060,750	\$3,382,819	(\$677,931)	(\$677,931)
2	SHORT TERM FINANCING - INTEREST	271,366	173,895	173,895	147,433	(26,462)	(26,462)
3	BOND AGENT FEES	-	24,000	24,000	-	(24,000)	(24,000)
4	DEBT SERVICE TOTAL	\$5,481,534	\$4,258,645	\$4,258,645	\$3,530,252	(\$728,393)	(\$728,393)

- Debt Service on short-term financing notes will decrease **\$728,393** to **\$3,530,252**.
- The 2016 short-term notes will be retired by the end of 2021, reducing debt service by \$1,919,424.
- The decrease is partially offset by the addition of the 2021 short-term note \$1,215,031.

GENERAL FUND – TRANSFERS OUT

		2020 Actual	2021 Budget	2021 Amended	2022 Budget	Change 2021 to 2022	Change from 2021 Orig.
1	TRANSFERS TO SPECIAL PROJECTS	\$12,543,243	\$6,827,012	\$7,701,012	\$9,113,012	\$1,412,000	\$2,286,000
2	TRANSFERS TO STREET FUND	194,000	194,000	194,000	194,000	-	-
3	TRANSFERS FOR GRANT MATCH	455,790	230,000	230,000	362,500	132,500	132,500
4	CONTINGENCY/RESERVE TRANSFER	-	1,000,000	1,000,000	1,100,000	100,000	100,000
5	TOTAL GENERAL FUND TRANSFERS	\$13,193,033	\$8,251,012	\$9,125,012	\$10,769,512	\$1,644,500	\$2,518,500

- Transfers Out will increase approximately **\$1.65 million** from the 2021 Amended Budget and **\$2.5 million** from the Original 2021 Budget to **\$10,769,512**.
- The Transfer of **\$194,000** to Other Funds represents a transfer to the Street Fund to offset the cost of parking enforcement.
- The 2022 contingency allocation of **\$1.1 million** is an increase of \$100,000 to bring the allocation to approximately 0.5% of revenues before Transfers In.
- Transfers to Special Projects and for Grant Match are presented on the following slides.

GENERAL FUND SPECIAL PROJECTS

	2020	2021	2021	2022	Change	Change from	
	Actual	Budget	Amended	Budget	2021 to 2022	2021 Orig.	
SPECIAL PROJECTS:							
1 COVID-19	\$4,506,860	\$0	\$0	\$0	\$0	\$0	
2 CHILDREN, YOUTH & FAMILIES (CYF)	1,943,879	3,372,000	3,372,000	5,000,000	1,628,000	1,628,000	a)
3 HEALTH INSURANCE HOLIDAY PREMIUM SAVINGS	985,700	-	-	-	-	-	
4 FACILITY IMPROVEMENTS	875,000	875,000	875,000	875,000	-	-	
5 ANNUAL FLEET REPLACEMENT	850,000	850,000	850,000	1,300,000	450,000	450,000	b)
6 12TH STREET STATION-1st FLOOR BUILD OUT	750,000	-	750,000	-	(750,000)	-	
7 HOMELESSNESS OUTREACH	400,000	400,000	400,000	600,000	200,000	200,000	c)
8 WEED LOT MAINTENANCE	384,400	384,400	384,400	384,400	-	-	
9 INFORMATION TECHNOLOGY CONTINGENCY	300,000	-	-	-	-	-	
10 FIRE TURNOUTS	225,000	-	-	-	-	-	
11 DEMOLITION (RESIDENTIAL)	200,000	200,000	200,000	200,000	-	-	
12 BRANDING	150,000	200,000	200,000	-	(200,000)	(200,000)	d)
13 EMPLOYEE WELLNESS PROGRAM	-	-	-	160,000	160,000	160,000	e)
14 DIVERSITY, EQUITY, AND INCLUSION	150,000	150,000	150,000	-	(150,000)	(150,000)	f)
15 SET ASIDE PENDING APPEALS	128,792	-	-	-	-	-	
16 FIRE TABLETS (COMPUTER AIDED DISPATCH)	125,000	-	-	-	-	-	

- a) Children, Youth, and Families allocation was restored to \$5 million.
- b) The Fleet allocation was increased to cover the payments due on leases for vehicles delivered from 2019-2021.
- c) Homelessness Outreach will be increased by \$200,000 to replace the North Little Rock contribution for support of Jericho Way. They have started their own program to address homelessness and have withdrawn their support.
- d) The Branding project has sufficient carry-over funds available.
- e) The employee wellness allocation supports the Wellness Coordinator and activities previously funded by the health insurance rebate.
- f) The Diversity, Equity, and Inclusion allocation has been eliminated with the consolidation of the program in Executive Admin.

GENERAL FUND SPECIAL PROJECTS

	2020	2021	2021	2022	Change	Change from	
	Actual	Budget	Amended	Budget	2021 to 2022	2021 Orig.	
SPECIAL PROJECTS:							
17 POLICE TABLETS (COMPUTER AIDED DISPATCH)	100,000	-	-	-	-	-	
18 HOMELESS EMERGENCY SERVICES	-	-	100,000	50,000	(50,000)	50,000	g)
19 POLICE AMMUNITION	50,000	-	-	-	-	-	
20 LR RESIDENCY INCENTIVE PROGRAM	50,000	-	-	50,000	50,000	50,000	h)
21 DEMOLITION (COMMERCIAL)	50,000	50,000	50,000	50,000	-	-	
22 LAND BANK	-	-	-	50,000	50,000	50,000	h)
23 2020 CENSUS	50,000	-	-	-	-	-	
24 LEGISLATIVE CONSULTING	-	45,000	45,000	45,000	-	-	
25 TENNIS OPEN	-	25,000	25,000	25,000	-	-	
26 BOARD AND SECURE	25,000	25,000	25,000	25,000	-	-	
27 SISTER CITIES	40,000	-	-	-	-	-	
28 CURRAN HALL	15,000	40,000	40,000	40,000	-	-	
29 ENVIRONMENTAL YOUTH (PARKS)	37,500	37,500	37,500	37,500	-	-	
30 JUNCTION BRIDGE	35,000	35,000	35,000	35,000	-	-	
31 WORK BOOTS	33,000	35,000	35,000	35,000	-	-	
32 AMERICAN DISABILITY ACT (ADA)	25,000	25,000	25,000	25,000	-	-	
33 FEDERAL CONSULTANT	-	-	24,000	48,000	24,000	48,000	i)
34 NEIGHBORHOOD CHALLENGE GRANT	23,332	23,332	23,332	23,332	-	-	
35 BILL CLARK WETLANDS MAINTENANCE	23,780	23,780	23,780	23,780	-	-	
36 SUSTAINABILITY SUMMIT	-	20,000	20,000	20,000	-	-	
37 NATIONAL NIGHT OUT	10,000	10,000	10,000	10,000	-	-	
38 NEIGHBORHOOD CONNECTION	1,000	1,000	1,000	1,000	-	-	
39 TOTAL GENERAL FUND PROJECTS	\$12,543,243	\$6,827,012	\$7,701,012	\$9,113,012	\$1,412,000	\$2,286,000	

g) Allocation for emergency shelter during extreme weather events

h) Sufficient carryover funds were available in 2021. Allocation needs to be reinstated in 2022.

i) Allocation in 2021 Amended Budget provided coverage for six (6) months. The 2022 allocation anticipates coverage for the year.

➤ Total Special Project Funding will increase \$2,286,000 to \$9,113,012 in 2022.

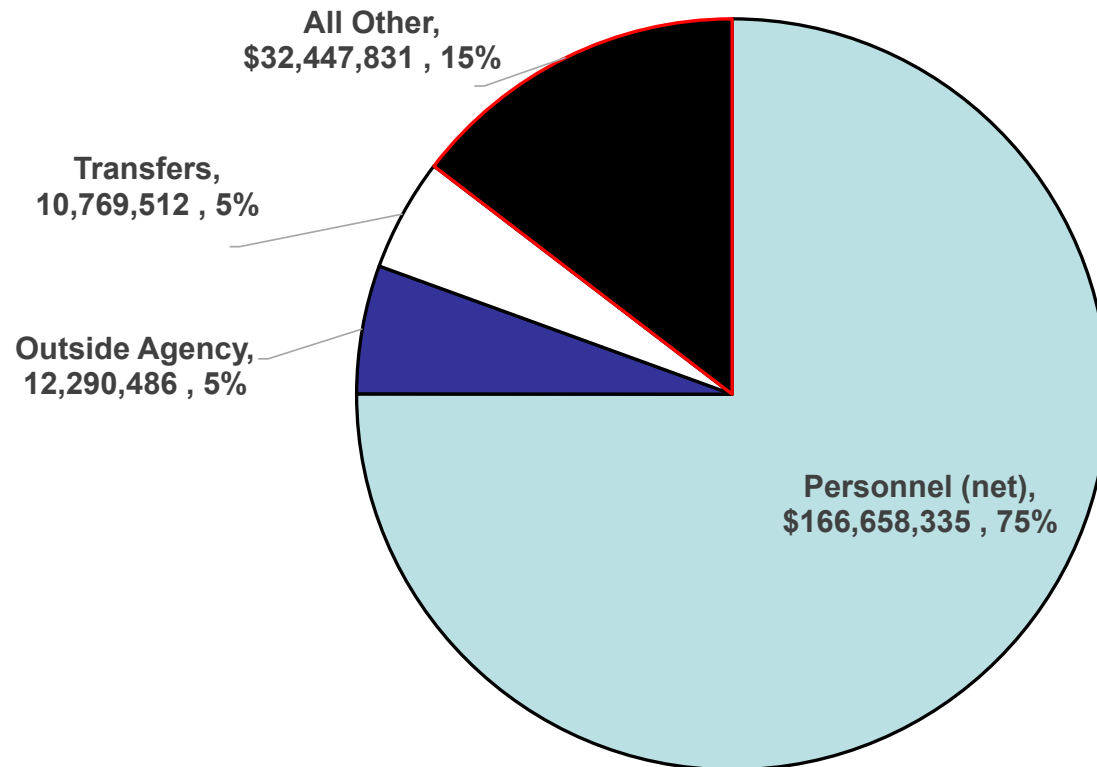
GRANT MATCH TRANSFERS

		2020	2021	2021	2022	Change	Change from	
	GRANT MATCH:	Actual	Budget	Amended	Budget	2021 to 2022	2021 Orig.	
1	CHOICE NEIGHBORHOODS GRANT	\$0	\$50,000	\$50,000	\$0	(\$50,000)	(\$50,000)	a)
2	ASSISTANCE TO FIREFIGHTERS	60,000	80,000	80,000	-	(80,000)	(80,000)	a)
3	21st CENTURY LEARNING	-	50,000	50,000	50,000	-	-	
4	HAZARD MITIGATION - KANIS PARK BRIDGE	-	-	-	62,500	62,500	62,500	
5	FEDERAL GRANTS ADVISORY	-	50,000	50,000	-	(50,000)	(50,000)	
6	PARKS - OUTDOOR RECREATION GRANT	-	-	-	250,000	250,000	250,000	
7	CITIES OF SERVICE - LOVE YOUR SCHOOL	155,790	-	-	-	-	-	
8	TRANSPORTATION ALTERNATIVE	80,000	-	-	-	-	-	
9	TAP - METROPLAN	50,000	-	-	-	-	-	
10	RECREATIONAL TRAIL GRANT	40,000	-	-	-	-	-	
11	PLANNING GRANT	25,000	-	-	-	-	-	
12	HERITAGE GRANT	20,000	-	-	-	-	-	
13	STOP VOWA DETECTIVE	15,000	-	-	-	-	-	
14	FEMA PREVENTION GRANT (FIRE)	10,000	-	-	-	-	-	
15	TOTAL GRANT MATCH REQUIREMENT	\$455,790	\$230,000	\$230,000	\$362,500	\$132,500	\$132,500	

- a) Sufficient carryover of prior match is available for these programs.
 ➤ The allocation for Grant Match is \$362,500, an increase of \$132,500.

GENERAL FUND - EXPENDITURES BY CATEGORY

- Personnel Cost (net of vacancy savings), Outside Agency funding, and Transfers Out represent **85%** of General Fund expenditures.
- Police, Fire, and 911 personnel cost is \$125,122,903 or 75% of total General Fund personnel cost.
- Total Expenditures - **\$222,166,164**



GENERAL FUND - EXPENDITURES BY DEPARTMENT

FISCAL YEARS 2020 - 2022

		2020	2021	2021	2022	Change	Change from
		<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2021 to 2022</u>	<u>2021 Orig.</u>
1	Executive Administration - General and Employee Benefits	\$35,574,172	\$26,102,417	\$37,597,648	\$30,562,596	(\$7,035,052)	\$4,460,179
2	Executive Administration - Mayor, City Manager, and all other Divisions	2,585,361	3,296,645	3,221,662	3,653,969	432,307	357,324
3	Board of Directors	317,257	338,715	340,648	344,405	3,757	5,690
4	Community Programs	430,185	465,049	465,049	309,099	(155,950)	(155,950)
5	City Attorney	1,530,203	1,654,033	1,591,390	1,866,511	275,121	212,478
6	First District Court - Criminal	1,196,683	1,343,070	1,291,823	1,403,862	112,039	60,792
7	Second District Court - Traffic	1,198,653	1,255,694	1,249,066	1,326,475	77,409	70,781
8	Third District Court - Environ.	488,398	539,585	535,853	576,107	40,254	36,522
9	Finance	3,287,978	4,057,149	4,070,665	4,415,544	344,879	358,395
10	Human Resources	1,714,687	2,051,039	2,014,167	2,265,818	251,651	214,779
11	Information Technology	5,625,302	6,039,340	5,908,057	6,475,436	567,379	436,096
12	Planning & Development	2,323,035	2,708,492	2,472,166	3,241,882	769,716	533,390

- Executive Administration – General and Employee Benefits includes the Outside Agency contributions, special project allocations and other transfers out, debt service, property insurance, vacancy savings, vacation and sick payout allocations, and the Employee Benefits Division which includes actuarially determined pension contributions, Workers Compensation, OPEB, and other general employee costs.
- The decrease in Community Programs reflects the consolidation of the Racial and Cultural Diversity office with the Office of Diversity, Equity, and Inclusion.

GENERAL FUND - EXPENDITURES BY DEPARTMENT

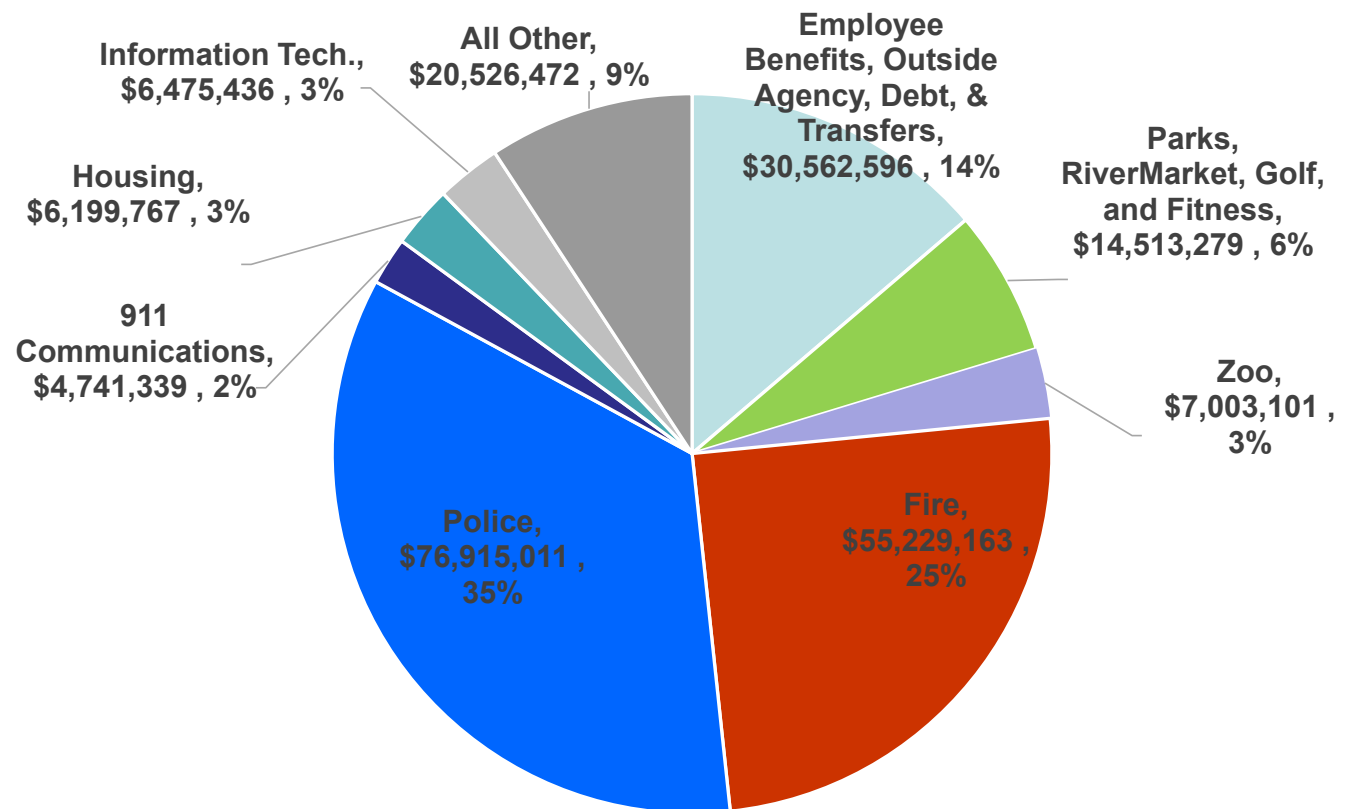
FISCAL YEARS 2020 - 2022

		2020 <u>Actual</u>	2021 <u>Original Budget</u>	2021 <u>Amended</u>	2022 <u>Budget</u>	Change <u>2021 to 2022</u>	Change from <u>2021 Orig.</u>
13	Housing & Neighborhood Programs	4,567,405	5,710,466	5,330,865	6,199,767	868,902	489,301
14	Public Works	1,030,351	1,110,957	1,110,957	1,122,800	11,843	11,843
15	Parks:						
16	Parks & Recreation	8,285,707	10,181,728	9,582,790	10,765,499	1,182,709	583,771
17	RiverMarket	791,428	774,678	774,678	1,157,413	382,735	382,735
18	Golf	1,661,084	1,572,011	1,736,908	1,706,092	(30,816)	134,081
19	Fitness	623,431	867,184	827,866	884,275	56,409	17,091
20	Zoo	5,752,022	6,481,505	6,559,109	7,003,101	443,992	521,596
21	Fire	45,666,917	53,350,321	57,462,989	55,229,163	(2,233,826)	1,878,842
22	Police	77,547,534	80,200,891	77,733,011	76,915,011	(818,000)	(3,285,880)
23	911 Communications	-	-	-	4,741,339	4,741,339	4,741,339
24	Total Expenditures	\$202,197,793	\$210,100,969	\$221,877,367	\$222,166,164	\$288,797	\$12,065,195

- The decrease in Fire from the Amended 2021 Budget is primarily due to the \$3.775 million increase in overtime included in the 2021 budget amendment.
- The decrease in Police is due to the transfer of Emergency Communications (911) to a separate Department in 2022.
- A separate handout will be provided by Department. Changes have been discussed in the detail by category.

GENERAL FUND - EXPENDITURES BY DEPARTMENT

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



GENERAL FUND SUMMARY

		2020 ACTUAL	2021 ORIG BUDGET	2021 AMENDED	2022 DRAFT BUDGET	CHANGE 2021-2022	CHANGE FROM 2021 ORIG.
	REVENUES						
1	Revenues before Transfers	\$200,911,350	\$205,247,569	\$219,305,650	\$220,066,403	\$760,753	\$14,818,834
2	Transfers In	4,235,838	4,853,400	4,853,400	2,099,761	(2,753,639)	(2,753,639)
3	Total Funding Sources	205,147,188	210,100,969	224,159,050	222,166,164	(1,992,886)	12,065,195
	EXPENDITURES						
4	Personnel	148,613,739	165,601,152	165,439,654	172,733,335	7,293,681	7,132,183
5	Supplies	2,800,446	3,810,336	3,919,636	3,776,335	(143,301)	(34,001)
6	Fleet (Fuel & Services)	6,144,710	7,101,836	7,055,036	7,980,478	925,442	878,642
7	Repairs and Maintenance	3,867,011	4,315,452	4,869,452	4,797,262	(72,190)	481,810
8	Utilities	3,720,376	3,657,180	3,675,280	4,236,222	560,942	579,042
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11	Capital Outlay	184,116	-	42,500	72,500	30,000	72,500
12	Debt Service	5,481,533	4,258,645	4,258,645	3,530,252	(728,393)	(728,393)
13	Other	321,184	251,510	251,510	251,510	-	-
14	Vacancy Allocation	-	(6,000,000)	(1,013,364)	(6,075,000)	(5,061,636)	(75,000)
15	Transfers Out	13,193,033	8,251,012	9,125,012	10,769,512	1,644,500	2,518,500
16	Total Expenditures	202,197,793	210,100,969	221,877,367	222,166,164	288,797	12,065,195
	Net Revenues and Carryovers						
17	Over (Under) Expenditures	\$2,949,395	\$0	\$2,281,683	\$0	(\$2,281,683)	\$0

The proposed General Fund budget is balanced with revenues and expenditures of **\$222,166,164**. 64

OTHER FUNDS REVENUE SUMMARIES AND EXPENDITURES

STREET FUND REVENUE FORECAST 2020 – 2022

	2020	2021	2021	2022	Change	Change from
REVENUES	Actual	Original Budget	Amended	Budget	2021 to 2022	2021 Orig.
1 Property Tax (Road Tax Millage)	\$6,262,005	\$6,406,003	\$6,762,403	\$6,798,160	\$35,757	\$392,157
2 State Tax Turnback	14,614,126	14,032,400	16,050,000	16,368,600	318,600	2,336,200
3 Loading Zone	21,860	21,860	21,860	19,000	(2,860)	(2,860)
4 Street Repairs	28,009	16,700	16,700	34,500	17,800	17,800
5 Interest on Investments	230,043	220,000	85,750	75,000	(10,750)	(145,000)
6 Miscellaneous	58,438	32,000	41,500	48,000	6,500	16,000
7 Transfers In	467,700	550,156	550,156	284,000	(266,156)	(266,156)
8 Total Revenues	\$21,682,181	\$21,279,119	\$23,528,369	\$23,627,260	\$98,891	\$2,348,141

- 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 2.5% based on information obtained from the Pulaski County Assessor's Office, less the impact of 2020 Commissions included in 2021 revenues.
- The increase in State Tax Turnback is consistent with the increase included in the 2021 budget amendment.
- The decrease in Transfers In reflects the carry-over of the Health Insurance Holiday premium savings in 2021, and elimination of the Waste Disposal overhead transfer.

STREET FUND - EXPENDITURE FORECAST

FISCAL YEARS 2020 - 2022

	2020	2021	2021	2022	Change	Change from
<u>EXPENDITURES</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2021 to 2022</u>	<u>2021 Orig.</u>
1 Personnel	\$9,570,409	\$10,767,813	\$10,767,813	\$11,469,793	\$701,980	\$701,980
2 Supplies	487,474	614,585	614,585	619,585	5,000	5,000
3 Fleet (Fuel & Services)	1,656,666	1,977,177	1,977,177	2,192,575	215,398	215,398
5 Repairs and Maintenance	528,753	766,226	766,226	766,226	-	-
6 Utilities	2,649,723	2,510,417	2,545,417	2,748,028	202,611	237,611
7 Contracts	240,123	514,084	479,084	529,084	50,000	15,000
8 Outside Agency Funding	2,000,000	2,000,000	2,000,000	2,000,000	-	-
9 Capital Expenditures	8,905	1,100	1,100	1,100	-	-
10 Transfers	6,645,420	2,127,717	2,765,467	2,729,717	(35,750)	602,000
12 Total Expenditures	\$23,787,473	\$21,279,119	\$21,916,869	\$23,056,108	\$1,139,239	\$1,776,989

- The Street Fund Budget has projected net income of \$571,152.
- As noted in the Personnel highlights earlier, AFSCME personnel will continue step and grade progression. In addition, all full-time employees will receive a 1.5% across the board salary increase. Other changes include the increase in CDL salaries, net of a reduction in health insurance, and the transfer of four (4) positions to Planning and Development.
- Fleet cost increases were discussed on previous slides.
- The detail of Transfers Out is reflected on the following slide.

STREET FUND – TRANSFERS OUT

FISCAL YEARS 2020 - 2022

	2020	2021	2021	2022	Change	Change from
	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2021 to 2022</u>	<u>2021 Orig.</u>
1 Vehicle and Equipment Replacement	\$900,000	\$1,250,000	\$1,250,000	\$1,200,000	(\$50,000)	(\$50,000)
2 Administrative Overhead Allocation	261,000	261,500	261,500	288,500	27,000	27,000
3 Johnson Control Savings	216,217	216,217	216,217	216,217	-	-
4 Mowing Right of Way Contract	-	-	-	400,000	400,000	400,000
5 Re-entry Sidewalk Program	200,000	200,000	200,000	200,000	-	-
6 Re-entry ROW Program	200,000	200,000	200,000	200,000	-	-
7 Bridge to Work Program	-	-	-	100,000	100,000	100,000
8 Survey Equipment	-	-	-	75,000	75,000	75,000
9 National Pollutant Discharge Elimination System (NPDES) Permit Program	-	-	-	50,000	50,000	50,000
10 School Zone Flasher Connectivity System	170,000	-	-	-	-	-
11 Health Insurance Holiday Premium Savings	84,328	-	-	-	-	-
12 UAMS Pine/Cedar Project	4,613,875	-	-	-	-	-
13 Southeast Trail Project	-	-	325,000	-	(325,000)	-
14 Riverfront Drive Emergency Repair	-	-	170,000	-	(170,000)	-
15 Vimy Ridge Project	-	-	92,750	-	(92,750)	-
16 Complete Street Grant Match	-	-	50,000	-	(50,000)	-
17 Total Transfers Out	\$6,645,420	\$2,127,717	\$2,765,467	\$2,729,717	(\$35,750)	\$602,000

Street Fund Transfers Out of **\$2,729,717** includes funding for vehicle and equipment replacement, an allocation for a Mowing Right-of-Way contract, continued funding for the Re-Entry Right-of-Way and Sidewalk Programs, an allocation of \$100,000 for the Bridget to Work program, funding for Survey Equipment, and the NPDES Permit Program, and continuation of the annual administrative overhead and Johnson Control savings allocations.

WASTE DISPOSAL FUND REVENUE FORECAST 2020 - 2022

	2020	2021	2021	2022	Change	Change from
<u>REVENUES</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2021 to 2022</u>	<u>2021 Orig.</u>
1 Sanitation Fees	\$21,639,639	\$21,840,000	\$21,621,000	\$21,900,000	\$279,000	\$60,000
2 Landfill Fees	948,884	1,546,000	1,245,000	1,629,100	384,100	83,100
3 Yard Waste	82,968	80,000	76,400	80,000	3,600	-
4 Compost Sale	40,545	40,000	25,500	30,000	4,500	(10,000)
5 Recycling Waste Revenue	1,244	-	-	-	-	-
6 Recycling Reimbursement	2,520	2,500	2,500	5,500	3,000	3,000
7 Interest Income	108,445	100,000	29,150	30,000	850	(70,000)
8 Miscellaneous Revenue	818,688	5,375	307,875	102,500	(205,375)	97,125
9 Transfers In	-	57,996	57,996	-	(57,996)	(57,996)
10 Total Revenues	\$23,642,934	\$23,671,871	\$23,365,421	\$23,777,100	\$411,679	\$105,229

- The increase in sanitation fees reflects improved collection rates following the impact of COVID-19.
- The increase in landfill fees in 2022 is attributed to a return of customers with the opening of the new cell and the gradual increased acceptance of outside waste after temporary closure to commercial haulers during construction of the new cell in 2020 and the first quarter of 2021.
- The decrease in miscellaneous revenue is primarily due to an anticipated reduction in auction sales of refuse trucks and equipment.
- The reduction in Transfers In reflects the carry-over of Health Insurance Holiday premium savings in 2021.

WASTE DISPOSAL - EXPENSE FORECAST

FISCAL YEARS 2020 - 2022

	2020	2021	2021	2022	Change	Change from
<u>EXPENSES</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2021 to 2022</u>	<u>2021 Orig.</u>
1 Personnel	\$7,405,489	\$7,800,496	\$7,437,557	\$8,473,857	\$1,036,300	\$673,361
2 Vacancy Allocation	-	(400,000)	87,939	(500,000)	(587,939)	(100,000)
3 Supplies	422,024	429,400	404,400	429,400	25,000	-
4 Fleet (Fuel & Services)	4,071,099	4,798,154	4,291,704	4,567,319	275,615	(230,835)
5 Repairs and Maintenance	430,993	421,646	421,646	421,646	-	-
6 Utilities	193,742	216,776	216,776	217,545	769	769
7 Closure and post-closure care cost	1,513,344	444,500	474,500	474,500	-	30,000
8 Contracts	4,514,826	4,645,032	4,645,032	4,646,746	1,714	1,714
9 Depreciation and amortization	3,061,445	3,282,100	3,352,100	3,214,600	(137,500)	(67,500)
10 Interest Expense - Debt Service	44,772	27,523	27,523	8,943	(18,580)	(18,580)
11 Transfers	1,903,058	2,006,244	2,006,244	1,822,544	(183,700)	(183,700)
12 Total Expenses	\$23,560,793	\$23,671,871	\$23,365,421	\$23,777,100	\$411,679	\$105,229

- The 2022 Waste Disposal Fund budget is balanced with revenues and expenditures of **\$23,777,100**.
- The increase in personnel cost is attributed to the change in salaries for positions requiring a CDL, the step-and-grade progression, and the 1.5% salary increase across the board, net of the reduction in health insurance premiums. The vacancy allocation was increased by \$100,000 to \$500,000 to reflect experience.
- The increase in Fleet expenses was described previously.
- The Waste Disposal bonds will be retired in 2022.
- Transfers Out will be shown in detail on the next slide.

WASTE DISPOSAL - TRANSFERS OUT

FISCAL YEARS 2020 - 2022

		2020	2021	2021	2022	Change	Change from
		<u>Original Budget</u>	<u>Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2021 to 2022</u>	<u>2021 Orig.</u>
1	Waste Disposal Special Project Transfers (Environmental Youth - Parks)	\$37,500	\$37,500	\$37,500	\$37,500	\$0	\$0
2	Transfer to Street Fund - Administrative allocation	183,700	183,700	183,700	-	(183,700)	(183,700)
3	Transfer to Street Fund - Anti-Litter	90,000	90,000	90,000	90,000	-	-
4	Transfer for Litter Pick-up Program	100,000	100,000	100,000	100,000	-	-
5	Transfer to General Fund - Administrative allocation	1,358,537	1,520,570	1,520,570	1,520,570	-	-
6	Transfer to General Fund - Environmental Services	73,000	73,000	73,000	73,000	-	-
7	Health Insurance Holiday Premium Savings	58,847	-	-	-	-	-
8	Johnson Controls	1,474	1,474	1,474	1,474	-	-
9	Total Waste Disposal Transfers	\$1,903,058	\$2,006,244	\$2,006,244	\$1,822,544	(\$183,700)	(\$183,700)

Transfers out include funding for environmental youth, annual administrative overhead in the General Fund, and continuation of the anti-litter programs.

FLEET FUND REVENUE FORECAST

2020 - 2022

	2020	2021	2021	2022	Change	Change from
<u>REVENUES</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2021 to 2022</u>	<u>2021 Orig.</u>
1 Fleet Labor Costs	\$3,868,973	\$3,678,365	\$3,128,365	\$4,105,997	\$977,632	\$427,632
2 Fleet Management	1,056,247	1,497,558	1,497,558	1,548,660	51,102	51,102
3 Fuel	1,421,589	1,983,120	1,983,120	2,569,680	586,560	586,560
4 Parts and User Fees	2,481,809	2,813,250	2,663,250	3,206,600	543,350	393,350
5 Insurance Repairs	478,772	305,000	305,000	460,000	155,000	155,000
6 Fleet Sublets	1,448,415	1,824,252	1,824,252	1,872,000	47,748	47,748
7 Non-Fleet Parts	342	-	-	-	-	-
8 Interest Income	22,463	20,000	20,000	7,150	(12,850)	(12,850)
9 Miscellaneous Revenue	939,234	1,269,078	1,269,078	1,150,000	(119,078)	(119,078)
10 Contributions	211,702	-	-	-	-	-
11 Total Revenues	\$11,929,545	\$13,390,623	\$12,690,623	\$14,920,087	\$2,229,464	\$1,529,464

- Fleet Labor revenues will increase due to increases in labor cost associated with the increase to positions requiring a CDL, the 1.5% across the board salary increase, step-and-grade progression, and other position reclassifications, net of health insurance cost savings.
- The fuel rate per gallon, including the \$0.18 mark up for labor and supplies in the Fleet Fuel Acquisitions Division, is budgeted at \$2.73 for unleaded and \$2.93 for diesel, compared to the 2020 rates of \$2.09 and \$2.19, respectively, increasing anticipated fuel cost billings by \$586,560.
- With limited funds for vehicle replacement, repairs, parts and sublet billings are expected to increase.

FLEET SERVICES FUND - EXPENSE FORECAST 2020 - 2022

		2020	2021	2021	2022	Change	Change from
	<u>EXPENSES</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2021 to 2022</u>	<u>2021 Orig.</u>
1	Personnel	\$3,411,011	\$4,019,964	\$3,669,964	\$4,336,951	\$666,987	\$316,987
2	Supplies	2,088,327	2,687,350	2,487,350	3,023,950	536,600	336,600
3	Fleet (Fuel & Services)	1,407,528	1,826,310	1,826,310	2,403,810	577,500	577,500
4	Repairs and Maintenance	781,347	1,058,040	1,358,040	1,194,585	(163,455)	136,545
5	Utilities	95,816	127,099	127,099	99,699	(27,400)	(27,400)
6	Contracts	2,981,007	3,321,560	2,971,560	3,488,892	517,332	167,332
7	Depreciation and amortization	371,966	350,300	375,300	372,200	(3,100)	21,900
8	Transfers	682,715	-	738,000	-	(738,000)	-
9	Total Expenses	\$11,819,717	\$13,390,623	\$13,553,623	\$14,920,087	\$1,366,464	\$1,529,464

- The Fleet Services Budget is balanced at **\$14,920,087**.
- The increases in supplies and contracts are primarily associated with vehicle parts cost and contracted services for engine replacement, drivelines, hydraulic systems, and the like.
- The increase in fuel was discussed on the previous slide.
- The decrease in transfers reflects the one-time transfer to fund public safety vehicle upfit, which was included in the 2021 Budget Amendment.

VEHICLE STORAGE FUND

REVENUE FORECAST 2020 - 2022

		2020	2021	2021	2022	Change	Change from
		Actual	Original Budget	Amended	Budget	2021 to 2022	2021 Orig.
1	Permits	\$12,470	\$13,080	\$13,080	\$10,850	(\$2,230)	(\$2,230)
2	Administration Fees	113,543	115,000	115,000	115,000	-	-
3	Vehicle Storage Fees	430,692	450,000	450,000	450,000	-	-
4	Wrecker Fees	442,131	430,000	430,000	440,000	10,000	10,000
5	Auction Sales and Handling Fees	821,442	710,500	1,010,500	861,000	(149,500)	150,500
6	Vehicle Storage Miscellaneous	6,118	7,500	7,500	5,000	(2,500)	(2,500)
7	Contributions	26,180	26,180	26,180	13,100	(13,080)	(13,080)
8	Investment Income	1,921	1,700	1,700	1,200	(500)	(500)
9	Other Miscellaneous	719	-	-	-	-	-
10	Transfers In	-	5,887	5,887	-	(5,887)	(5,887)
11	Total Revenues	\$1,855,216	\$1,759,847	\$2,059,847	\$1,896,150	(\$163,697)	\$136,303

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

VEHICLE STORAGE FUND

EXPENSE FORECAST 2020 - 2022

		2020	2021	2021	2022	Change	Change from
		<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2021 to 2022</u>	<u>2021 Orig.</u>
1	Personnel	\$707,795	\$778,372	\$778,372	\$865,909	\$87,537	\$87,537
2	Supplies	40,874	52,850	52,850	52,850	-	-
3	Fleet (Fuel & Services)	20,020	18,418	18,418	21,167	2,749	2,749
4	Repairs and Maintenance	11,213	50,500	150,500	50,500	(100,000)	-
5	Utilities	23,878	24,942	24,942	20,448	(4,494)	(4,494)
6	Contracts	625,696	758,075	658,075	756,725	98,650	(1,350)
7	Depreciation and Amortization	15,930	16,000	16,000	15,900	(100)	(100)
8	Other	2,362	-	-	-	-	-
9	Transfers	6,243	-	-	-	-	-
10	Total Expenses	\$1,454,012	\$1,699,157	\$1,699,157	\$1,783,499	\$84,342	\$84,342
11	Net Income (Loss)	\$401,203	\$60,690	\$360,690	\$112,651	(\$248,039)	\$51,961

- The Vehicle Storage Fund is anticipated to have Revenue of **\$1,896,150**, less expenses of **\$1,783,499** for estimated net income of **\$112,651**.
- Personnel cost increase reflect the 1.5% salary increase and the reclassification of some positions to a higher grade.
- Contract costs for towing services are expected to increase from the 2021 Amended Budget as traffic increases to more normal levels following the impact of COVID-19.

PARKING GARAGE FUND - REVENUE FORECAST 2020 - 2022

		2020	2021	2021	2022	Change	Change from
	<u>REVENUES</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Amended</u>	<u>Budget</u>	<u>2021 to 2022</u>	<u>2021 Orig.</u>
1	Licenses and Permits	\$330,399	\$330,000	\$253,163	\$253,000	(\$163)	(\$77,000)
2	Street Repair Reimbursements	762,906	400,000	316,650	400,000	83,350	-
3	Parking Meters	180,599	298,200	253,475	299,000	45,525	800
4	Monthly Parking	864,089	919,000	928,000	956,599	28,599	37,599
5	Daily Parking	258,085	430,000	313,650	490,000	176,350	60,000
6	Surface and Other Parking	111,217	107,662	120,662	119,233	(1,429)	11,571
7	Interest Income	24,345	22,100	9,765	9,100	(665)	(13,000)
8	Total Revenues	\$2,531,639	\$2,506,962	\$2,195,365	\$2,526,932	\$331,567	\$19,970

- 2022 Parking Garage revenues are forecast to increase \$19,970 from the Original 2021 Budget and \$331,567 from the 2021 Amended Budget to **\$2,526,932**. Daily parking was slow to recover in 2021 but is expected to improve in 2022 with an increase in downtown events.
- Licenses and Permits decreased approximately 24% with a reduction in taxi-cab permits due to COVID-19 impacts on transportation.
- Street Repair revenues have decreased from a high in 2019 and 2020 attributed to the fiber buildout in the last few years. Penalties are decreasing as utilities have adjusted to the requirements of the City's Street Repair Ordinance. The forecast anticipates a return to the average of approximately \$400,000.

PARKING GARAGE FUND - EXPENSE FORECAST 2020 - 2022

		2020	2021	2021	2022	Change	Change from
	EXPENSES	Actual	Original Budget	Amended	Budget	2021 to 2022	2021 Orig.
1	Personnel	\$0	\$433,172	\$433,172	\$543,000	\$109,828	\$109,828
2	Supplies	-	24,000	24,000	33,500	9,500	9,500
3	Repairs and Maintenance	-	54,000	54,000	44,000	(10,000)	(10,000)
4	Management Fee	85,000	85,000	85,000	85,000	-	-
5	Parking Deck Operations	686,271	-	-	-	-	-
6	Utilities	-	97,700	97,700	65,400	(32,300)	(32,300)
7	Contracts	-	342,920	342,920	347,728	4,808	4,808
8	Real Estate Taxes	158,613	160,000	160,000	160,000	-	-
9	Depreciation	247,732	247,800	247,800	220,200	(27,600)	(27,600)
10	Debt Service - Interest	344,142	316,295	316,295	284,226	(32,069)	(32,069)
11	Total Expenses	\$1,521,758	\$1,760,887	\$1,760,887	\$1,783,054	\$22,167	\$22,167
12	Net Income	\$1,009,881	\$746,075	\$434,478	\$743,878	\$309,400	(\$2,197)

- The parking garages will continue to be operated by the Little Rock Convention and Visitors Bureau.
- Expenses for Parking Deck Operations have been broken out by category in 2021 and 2022. Overall, expenses will increase \$22,167 from the 2021 Budget to **\$1,783,054**.
- Net income will remain sufficient to fund debt service on the parking garage bonds.

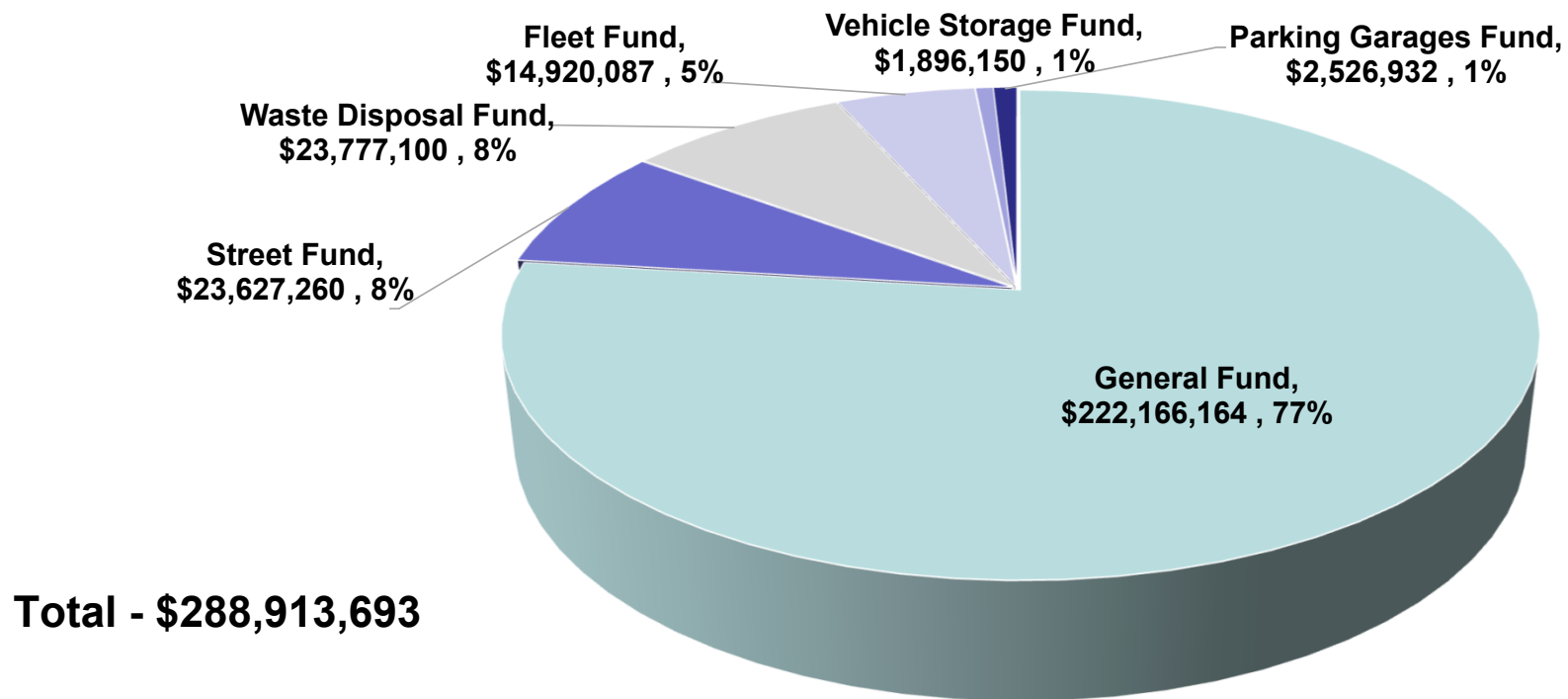
2022 PROPOSED BUDGET SUMMARY

SUMMARY – ALL FUNDS

		Revenues	Expenditures	Net Income
1	General Fund	\$222,166,164	\$222,166,164	\$0
2	Street Fund	23,627,260	23,056,108	571,152
3	Waste Disposal Fund	23,777,100	23,777,100	0
4	Fleet Fund	14,920,087	14,920,087	0
5	Vehicle Storage Fund	1,896,150	1,783,499	112,651
6	Parking Garage Fund	2,526,932	1,783,054	743,878
7	Total - All Budgeted Funds	\$288,913,693	\$287,486,012	\$1,427,681

- The General, Waste Disposal, and Fleet Funds are balanced.
- The Street, Vehicle Storage, and Parking Garage Funds are forecast to have net income of \$571,152, \$112,651 and \$743,878, respectively.
- In total, the 2022 proposed budget results in net income of **\$1,427,681**.

2022 REVENUE FORECAST BY FUND



2022 EXPENDITURE FORECAST BY FUND

