



2023 ANNUAL OPERATING BUDGET



City of Little Rock, Arkansas

On the Cover: The Little Rock Police Department's Headquarters, located at 615 West Markham in downtown Little Rock, opened in August 2022. The building houses a new state-of-the-art real-time crime center, a new records center, divisional offices, meeting spaces, and even a gym for the officers to work out in. The facility was funded with the 3/8-cent capital improvement sales tax that sunset December 31, 2021.

Arjun Saatia designed the front cover. LRPD's Twitter account provided the photograph. To follow the Little Rock Police on Twitter, please visit <https://twitter.com/LRpolice>.

City of Little Rock

2023 Annual Operating Budget

Frank Scott, Jr.
Mayor

Bruce T. Moore
City Manager

Prepared by:
Department of Finance

Sara Lenehan, Chief Financial Officer

Kasha Gansky, Comptroller

Silas Roaf, Budget Analyst

The enclosed 2023 Annual Budget is presented for your use and reference. The annual budget is the City's appropriation document that discloses authorized spending for the current year. Additionally, the budget document provides information regarding the City's organizational structure and fiscal position.

The online version of the 2023 budget document and budget documents for previous years can be found on the City of Little Rock's website located at: www.littlerock.gov.

If you have any comments, suggestions for improvements or questions concerning the City's annual budget, please contact the Budget Office at (501) 399-3440. Thank you for your interest in the City of Little Rock.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Little Rock
Arkansas**

For the Fiscal Year Beginning

January 01, 2022

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Little Rock, Arkansas for its Annual Budget for the fiscal year beginning January 1, 2022. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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LITTLE ROCK AT A GLANCE

On April 9, 1722, French explorer Benard de La Harpe noticed an outcropping of rock on the southern bank of the Arkansas River and dubbed it “La Petite Roche.” Eighty years later, the first residence was built for a fur trader. Since 1812, Little Rock has grown from that one person to become the Capital City of Arkansas with a population of 207,575. The metropolitan area’s population is 750,936, with more than 1.26 million people living within 70 miles of Little Rock.

The La Petite Roche rock formation created a natural harbor making Little Rock an early center of commerce for the region. Today, that business-friendly tradition continues as Little Rock is home to several large corporations and numerous small- and mid-size businesses. The City’s major industries are technology, healthcare, manufacturing, government, and retail. These industries’ presence helps explain the City’s unemployment rate of approximately 3.7% as of February 2023.

New businesses and housing opportunities bring people back to the City’s core to live, shop, work, and play. Downtown is home to many restaurants, shops, offices, attractions such as the Clinton Presidential Center and Park, several other museums, and an expanding nationally recognized bike trail system.

In addition, the MacArthur Park area, Pettaway Neighborhood, Dunbar Historic Neighborhood, SoMA (South Main), the renovation of Robinson Center Performance Hall, as well as the redesign and expansion of the Arkansas Museum of Fine Arts are some of the other exciting projects in the City’s core. Redevelopment continues in Little Rock’s older neighborhoods, and the City is experiencing new growth in areas to the west and southwest.

Medical facilities in the Little Rock area provide efficient, comprehensive service to more than two million individuals throughout the state. The major area hospitals provide bed space for approximately 2,273 patients. Included are many specialty clinics and outpatient surgery centers that are continuing to expand.

Diverse and quality educational opportunities are available in Little Rock. The University of Arkansas for Medical Sciences garners international attention for groundbreaking medical research and procedures. The University of Arkansas at Little Rock is a metropolitan university educating approximately 8,300 students in undergraduate and graduate programs, including the William H. Bowen School of Law. In addition, Little Rock is the home of the University of Arkansas Clinton School of Public Service as well as Philander Smith College and Arkansas Baptist College, two historically black colleges leading exciting revitalization initiatives in their surrounding areas.

Situated along the southern bank of the Arkansas River, Little Rock is located where the Delta region meets the Ouachita and Ozark mountain ranges. With lakes and streams inside the city limits and nearby, outdoor recreational options are almost unlimited. Residents and visitors enjoy hiking, camping, boating, hunting, fishing, golf, tennis,

swimming, and soccer. The City offers over sixty parks featuring a variety of landscapes and recreational opportunities. Awarded in 2021, the City of Little Rock Parks and Recreation Department received a \$250,000 grant to help build the first all-inclusive playground in the City of Little Rock. MacArthur Unlimited opened in October 2022 and features numerous pieces of play equipment accessible to kids and adults of all different abilities, including zip lines, slides, carousels, as well as interactive sensory music components. In Riverfront Park, you can see La Petite Roche, from which the City gets its name, and view over 90 sculptures in the Vogel Schwartz Sculpture Garden. The Little Rock Zoo welcomes around 200,000 visitors each year and features the Arkansas Carousel, the only functioning over-the-jumps style carousel in operation worldwide.

In September 1957, the eyes of the world were on Little Rock as nine African American students tried to integrate Little Rock Central High. Governor Orval Faubus delayed their start, first through the courts and then the National Guard. Eventually, President Dwight Eisenhower intervened. On September 25, escorted by members of the Army's 101st Airborne Division, the Little Rock Nine entered the school and began their school year. Today, Central High School educates over 2,500 students of many races and nationalities. It is the only functioning high school located within a national historic site boundary.

Throughout the 1950s and 1960s, Little Rock undertook efforts to attract more businesses to the area, including establishing the Little Rock Air Force Base and Little Rock Port. Both continue to be major contributors to City's economic vitality to this day. They have been joined more recently by the Little Rock Technology Park and its partners as an innovator and incubator of businesses.

In the 1990s, Little Rock engaged in community-wide goal-setting programs, which led to many initiatives, including the establishment of innovative Prevention, Intervention & Treatment programs, neighborhood resource centers, and the River Market district. The City also expanded citizen engagement through enhanced participation in neighborhood associations.

As the 2000s dawned, Little Rock welcomed thousands of visitors for the William Jefferson Clinton Presidential Center and Park opening. In 2013, Little Rock was named #1 on Kiplinger's Best Places to Live list. It has also received recognition from Forbes and numerous other national publications as a great place to do business and retire.

Today, Little Rock offers wonderful opportunities for visitors: a City rich in history and culture; many recreational opportunities; downtown entertainment; an energetic business climate; and a major emphasis on quality-of-life initiatives for citizens and visitors alike.



Board of Directors



Mayor Frank Scott, Jr.



Vice Mayor Kathy Webb
Ward Three



Director Virgil Miller
Ward One



Director Ken Richardson
Ward Two



Director Capi Peck
Ward Four



Director Lance Hines
Ward Five



Director Andrea Lewis
Ward Six



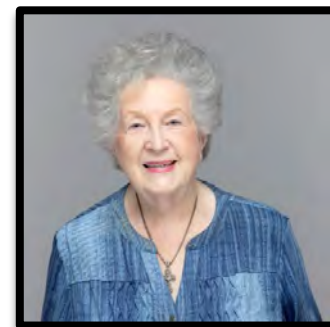
Director B. J. Wyrick
Ward Seven



Director Dean Kumpuris
Position Eight



Director Antwan Phillips
Position Nine



Director Joan Adcock
Position Ten

HOW TO USE THE BUDGET DOCUMENT

The **Introduction** section acquaints you with our City, its Government, its operating style and the overall goals and objectives. The Mayor's Transmittal Letter formally introduces the document and gives insight into practical plans for the upcoming year and significant changes from the previous year. This section also introduces the Mayor's Executive Administration team and the City's Board of Directors.

The Budget Process reviews the annual process relating to the 2023 budget, including the amendment process and relevant policies and procedures. [\[hyperlink\]](#)

Financial Structure describes the agencies and governing bodies who control the City's funds, the type of funds utilized by the City, specific capital projects and related debt service funds, and a full list of funds controlled by other agencies for which the City is financially accountable. This section also includes relevant fiscal policies. [\[hyperlink\]](#)

Budget Summaries provide a graphic chart of revenues and expenditures, a high-level view of the Operating Budget for 2021 - 2023 revenues, expenditures, and fund balance/net position, broken out by fund type. This section also includes a five-year forecast. [\[hyperlink\]](#)

Revenues present a chart of operating revenues from all fund sources for 2023 and detailed revenue data by source and fund from 2021 - 2023. Also provided is a summary of revenue trends. [\[hyperlink\]](#)

Expenditures summarize expenses by agency, fund type, program categories, and accounting unit for 2021 - 2023; budgeted expenditures by service category for 2022 - 2023; and other General Fund expenditures for 2021 - 2023. Also presented are a chart of 2023 budgeted expenses for all funds, a chart of appropriations for 2021 - 2023, charts showing allocation and authorization of full-time personnel, and a chart further detailing public safety expenditures. [\[hyperlink\]](#)

Capital Improvements describe the City's capital improvement program, including capital funding provided by bonds, short-term notes, and other sources. This section also presents major projects planned and in progress for 2023 that meet the City's requirements for capitalization. The conclusion of this section provides a chart displaying the City's sources and uses of capital funding. [\[hyperlink\]](#)

Debt Management provides an overview of the City's debt status, including debt limit and current outstanding debt. [\[hyperlink\]](#)

Departmental Information provides an organizational chart, mission statement, expenditure budget, staffing numbers, priorities, goals, and objectives for each department. [\[hyperlink\]](#)

The **Appendix** references relevant state statutes and City ordinances, provides statistical information and demographics for the City of Little Rock and its residents, and contains the 2023 debt amortization schedules. [\[hyperlink\]](#)

The ***Glossary*** defines key terms and acronyms used throughout the Budget Document. [\[hyperlink\]](#)

What is the Budget Document?

The budget document presents the City's financial management plan for the coming fiscal year. The budget outlines City departments' day-to-day functions for one year and includes planned expenditures for major capital projects. The Mayor and City Manager are responsible for enforcing the spending limits established in this plan.

Each year, the City establishes a budget for operations in the coming fiscal year, January 1 to December 31. The budget is based on estimates of projected revenues and other funding sources. Appropriations for City programs are recommended based on the City Board of Directors' priorities and available resources.

As required by law, the Mayor submits a recommended budget to the Board of Directors. The Board of Directors conducts an extensive review of the recommended budget and holds public hearings to receive resident input. After making necessary modifications, the Board of Directors adopts the Budget Ordinance. Upon completion, the Budget Document is published.

The Board of Directors must adopt the budget on or before December 30. A calendar of events for budget development activities for fiscal year 2023 is included in this document to describe the budget development process more adequately.

The 2023 Basic Operating Budget comprises four major fund types: the General Fund, Special Revenue Funds, an Internal Service Fund and Enterprise Funds.

The General Fund accounts for revenues and expenditures for the City's regular day-to-day operations. The primary sources of revenue for the General Fund are local sales and use taxes, property taxes, and utility franchise fees. Departments in the General Fund include:

- Executive Administration
- Board of Directors
- Community Programs
- City Attorney
- District Court First Division
- District Court Second Division
- District Court Third Division
- Finance
- Human Resources
- Information Technology

- Planning and Development
- Housing and Neighborhood Programs
- Public Works
- Parks and Recreation
- River Market
- Golf
- Jim Dailey Fitness and Aquatic Center
- Zoo
- Fire
- Police
- 911 Emergency Communications

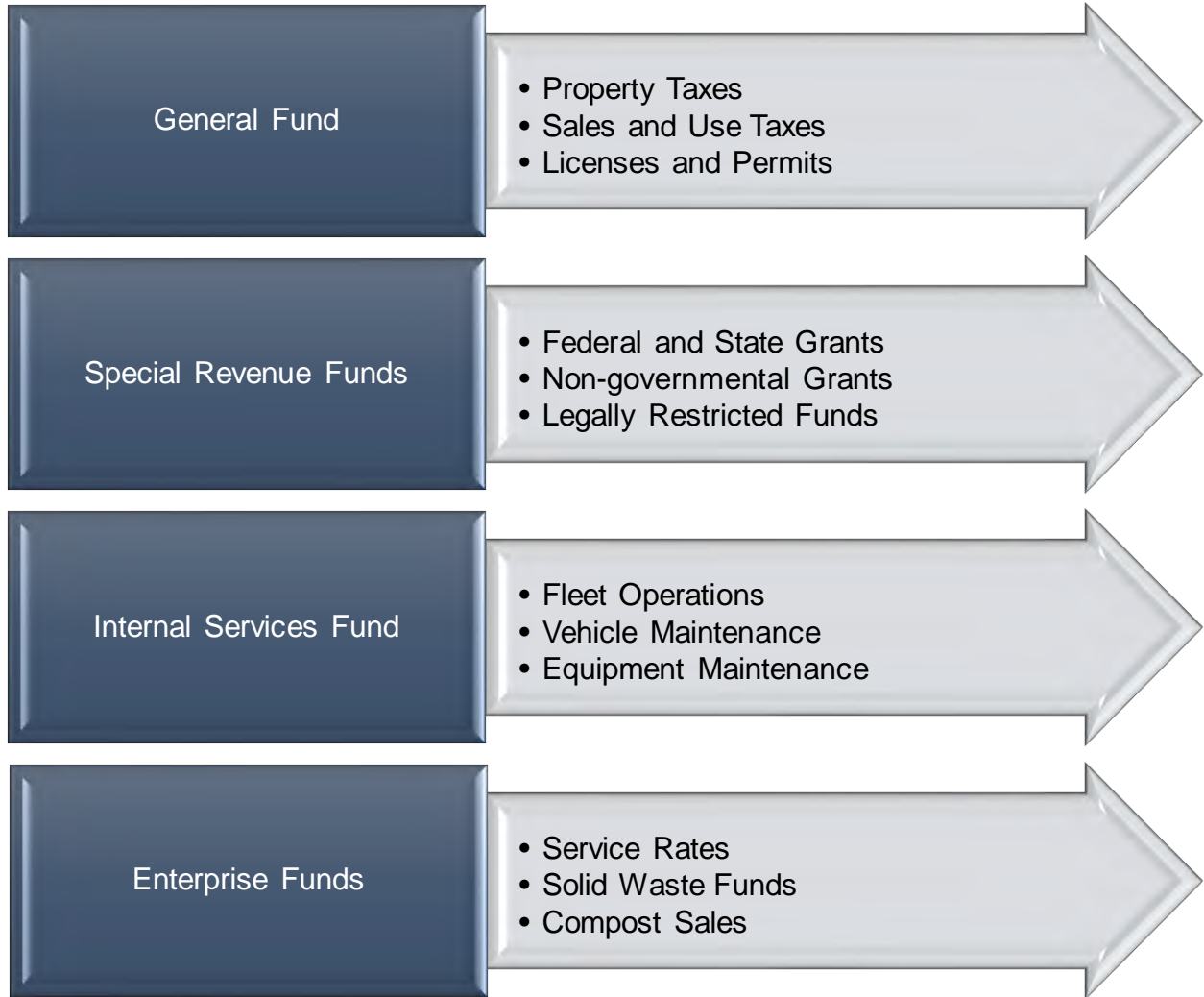
The other major fund types are described below:

1. Special Revenue Funds – These funds account for legally restricted revenues set aside for specific purpose expenditures, e.g., street fund and grant funded programs.
2. Enterprise Funds – Proprietary funds in which the services provided are principally supported through charges to the services' users, e.g., solid waste fund, vehicle storage facility and parking garage fund.
3. Internal Services Fund – Funds that provide services to other parts of the City organization, e.g., motor pool, vehicle maintenance, and insurance.

Payments to the Internal Services Fund are not reflected as transfers but are included as line items within the departments' budgets in all operating funds.

Operating Flow of Funds

Revenues are deposited into General and Enterprise Funds as a result of specific activities. Special Revenue Funds are created and funded based on legally restricted monies. Departments within the General Fund, Special Revenue Funds, and Enterprise Funds make payments into the Internal Service Fund for Fleet operations and vehicle and equipment maintenance.



Fund Expense Categories

The following categories classify fund expenditures:

General Fund	Special Revenue Funds	Internal Service Fund	Enterprise Funds
<ul style="list-style-type: none"> • Personnel • Supplies and Materials • Repairs and Maintenance • Contractual Services • Capital Outlay • Debt Service • Transfers Out 	<ul style="list-style-type: none"> • Personnel • Supplies and Materials • Repairs and Maintenance • Contractual Services • Capital Outlay 	<ul style="list-style-type: none"> • Personnel • Supplies and Materials • Repairs and Maintenance • Contractual Services 	<ul style="list-style-type: none"> • Personnel • Supplies and Materials • Repairs and Maintenance • Contractual Services • Closure/Post Closure • Depreciation • Debt Service • Transfers Out

Capital Budget

The Capital Budget consists of major capital projects, which often require more than one year to complete and place in service. Examples of capital improvement projects include street and drainage construction, building construction, and park development.

The Capital Improvements section of this document contains a description of the funding source for capital improvement projects and the estimated funds required for the ongoing operation and maintenance of the assets resulting from the capital improvement projects. Availability of operating and maintenance funds may delay the completion of capital improvement projects.

Debt Service Flow of Funds

The City issues debt after one of the following:

- Approval by City Board of Directors to issue Temporary Notes, Certification of Obligations, or Revenue Bonds.
- Successful completion of a Bond Election.

Funds generated from the sale of debt obligations are allocated to individual special projects within the capital project funds. The Board of Directors may direct unused funds to the retirement of the debt service obligation once a project is complete and the project account is closed. The Debt Service Funds are primarily supported by property tax

millages, which require voter approval, for the express purpose of debt retirement. Other revenue sources for debt retirement include franchise fees and system revenues. The Debt Service Funds initiate payments of principal and interest to the bond purchasers. Included in this documents' Debt Management section is a description of the source of funding for debt retirement and a discussion of the City's legal debt margin. Debt amortization schedules are in Appendix C.

Format for Budget Expenditures

The Expenditure section of this document contains a summary of budgeted operating expenditures and personnel. The Departmental Section presents each Department's organizational chart, mission statement, expenditure budget, staffing summary, 2022 accomplishments, 2023 goals, and applicable service measures.

MANAGEMENT TEAM

Frank Scott, Jr.
Bruce T. Moore
Kendra Pruitt
Emily Cox

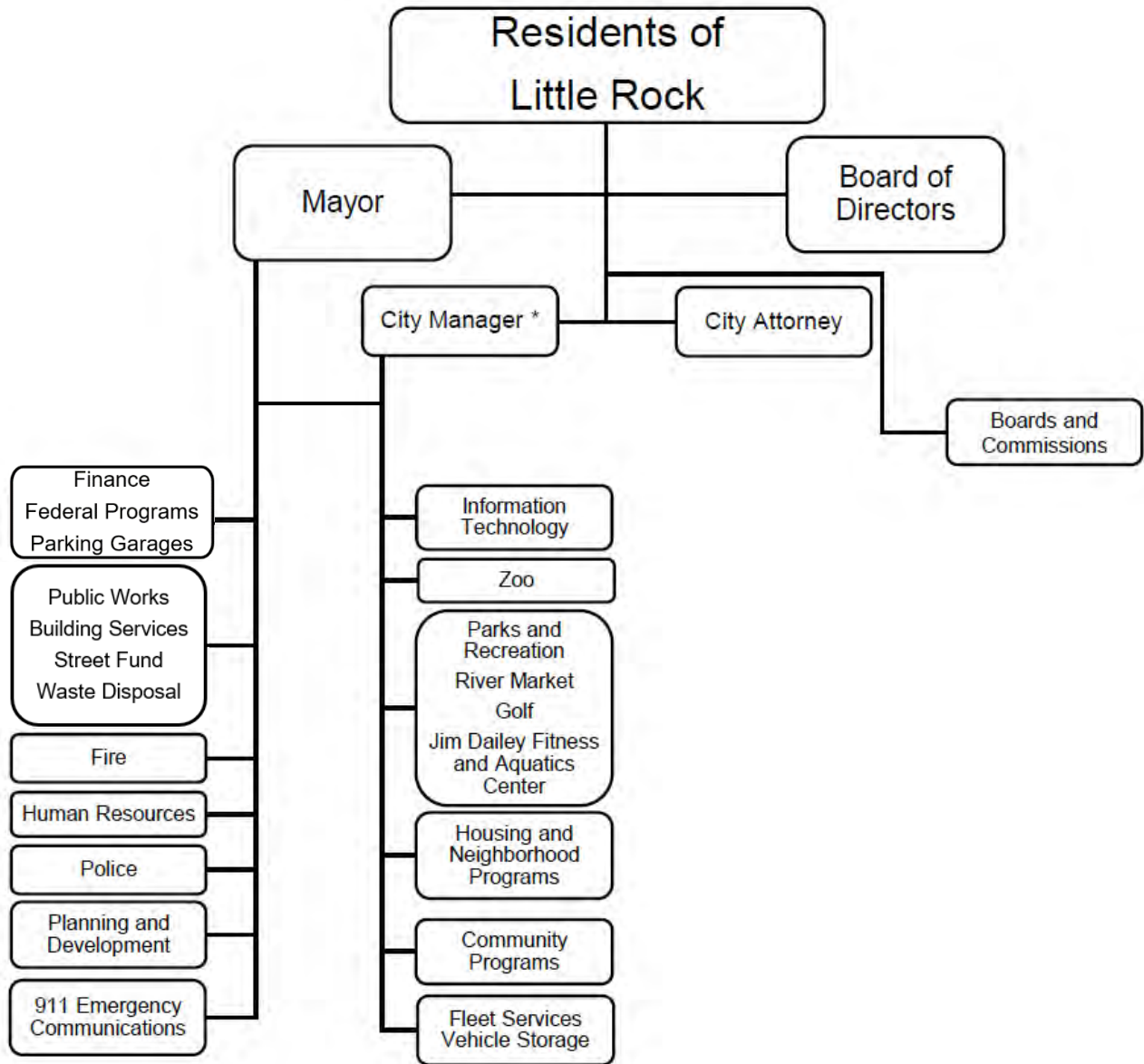
Mayor
City Manager
Mayor's Chief of Staff
Assistant City Manager

Dana Dossett
Tom Carpenter
Sara Lenehan
Stacey Witherell
Randy Foshee
Gilbert Collins
Kevin Howard
Jon Honeywell
Leland Couch
Delphone Hubbard
Heath Helton
Juana Green
Susan Altrui
Willie Hinton

Director of Community Programs
City Attorney
Chief Financial Officer
Chief People Officer
Chief Information Officer
Director of Planning & Development
Director of Housing & Neighborhood Programs
Director of Public Works
Director of Parks & Recreation
Fire Chief
Police Chief
Director of 911 Emergency Communications
Director of Zoo
Director of Fleet Services



City of Little Rock



***City Manager**

At the direction of the Mayor, the City Manager provides oversight to the departments of Finance, Police, Fire, 911 Emergency Communications, Planning and Development, Public Works, and Human Resources; however, those department leaders report directly to the Mayor.

The City Manager provides day-to-day direction to the remaining six departments: Information Technology, Zoo, Parks and Recreation, Housing and Neighborhood Programs, Community Programs, and Fleet Services.

CITY OF LITTLE ROCK OPERATING FUND STRUCTURE

Governmental Funds

GENERAL FUND

Department Listing:
Executive Administration
Board of Directors
Community Programs
City Attorney
District Court First Division
District Court Second Division
District Court Third Division
Finance
Human Resources
Information Technology
Planning and Development
Housing and Neighborhood Programs
Public Works Building Services
Parks and Recreation
River Market
Golf
Jim Dailey Fitness and Aquatic Center
Fire
911 Communications
Police
Zoo

SPECIAL REVENUE FUNDS

Public Works Street Fund

Special Projects Fund
Emergency 911 Fund
Grant Fund
Community Development Block Grant Fund
Neighborhood Housing Special Project Fund (NHSP)
Home Investment Partnership Fund (HIPP)
American Rescue Plan Act Fund (ARPA)

CAPITAL PROJECTS AND RELATED DEBT SERVICE FUNDS

Capital Projects Fund Listing:

Short Term Financing
2012 – 2021 Capital Project Fund
Tax Increment Financing - Port
2015 Library Bond
Limited Tax General Obligation Capital Improvement Bonds, Series 2018
City of Little Rock, Arkansas Hotel Gross Receipts Tax Bonds, Series 2018
2022 Library Construction and Refunding Bonds
Limited Tax General Obligation Capital Improvement Bonds, Series 2022A and Series 2022B

Debt Service Fund Listing:

Tax Incremental Financing 2014 Capital Improvement Bonds
2015 Library Bond
Capital Improvements Refunding Revenue Bonds, Series 2017
2017 Library Refunding Bonds
Limited Tax General Obligation Capital Improvement Bonds, Series 2018
City of Little Rock, Arkansas Hotel Gross Receipts Tax Bonds, Series 2018
2022 Library Construction and Refunding Bonds
Limited Tax General Obligation Capital Improvement Bonds, Series 2022A and Series 2022B

Note: Shading indicates funds are included in the Annual Basic Operating Budget.

CITY OF LITTLE ROCK OPERATING FUND STRUCTURE

Proprietary Funds

ENTERPRISE FUNDS

Waste Disposal Fund
Vehicle Storage Facility Fund
Parking Garages Fund

INTERNAL SERVICE FUNDS

Fleet Services Fund

Fiduciary Funds

Police Pension & Relief Fund
Fire Pension & Relief Fund
Non-Uniform Defined Benefit Fund
Non-Uniform Defined Contribution

2014 Non-Uniform Defined Benefit Fund
401 (A) Pension Fund
Health Management Trust Fund
Court Fund

Note: Shading indicates funds are included in the Annual Basic Operating Budget.

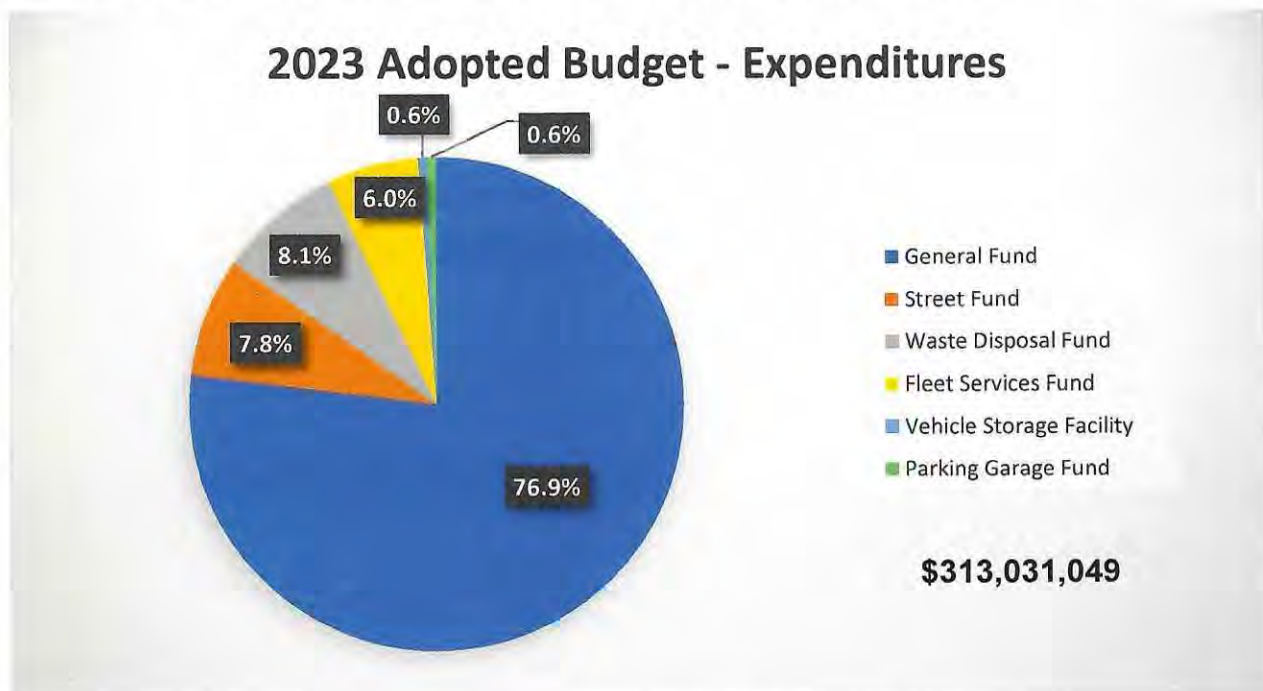


FROM THE DESK OF
MAYOR FRANK SCOTT, JR.

December 20, 2022

To the Members of the Little Rock Board of Directors and the Residents of Little Rock:

I respectfully submit the official 2023 Annual Operating Budget for the City of Little Rock. The \$313 million expenditure budget was built around a sustained strong economic outlook. As staff began building the Fiscal Year (FY) 2023 budget in September 2022, the forecast focused on continued recovery from a global pandemic while keeping up with population growth to maintain current service levels to our residents.



	2021 Actual	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget	Change	% Change
General Fund	\$221,903,863	\$222,166,164	\$247,421,451	\$240,747,276	(\$6,674,175)	-2.70%
Street Fund	20,081,104	23,108,438	24,013,104	24,503,779	490,675	2.04%
Waste Disposal Fund	22,409,664	23,777,100	24,635,680	25,485,100	849,420	3.45%
Fleet Services Fund	12,923,168	14,920,087	15,950,087	18,709,088	2,759,001	17.30%
Vehicle Storage Facility	1,506,810	1,786,550	1,787,944	1,825,987	38,043	2.13%
Parking Garage Fund	1,639,963	1,783,054	1,784,761	1,759,819	(24,942)	-1.40%
	<u>\$280,464,573</u>	<u>\$287,541,393</u>	<u>\$315,593,027</u>	<u>\$313,031,049</u>	<u>(\$2,561,978)</u>	<u>-0.81%</u>

Principal Challenges and Opportunities

Last year's 2022 Adopted Budget was set to account for improved economic activity as we continue to bounce back from a global pandemic. The financial outlook was better than anticipated, and we made three amendments to the budget for a total net impact of almost \$8 million to the General Fund, before transfers out. The City used \$5 million to purchase land at the Little Rock Port Authority for future economic development expansion. In 2022, Little Rock experienced an 11.1% increase in sales tax revenue over the original adopted budget. Sales tax revenue is expected to remain around \$134 million for 2023, which allows us to keep up with the growing needs of our City, adding additional funding for public safety, facility improvements, vehicle and equipment replacement, and technology upgrades.

One of the City's biggest internal challenges has been obtaining and retaining staff. Although total job growth for the Little Rock Metro is around 6.2%, the biggest job loss occurred in the Local Government sector, which lost 8.4% between 2020 and 2022 to better-paying private sector jobs that lured employees away from local government. The City has attempted to alleviate this problem by increasing minimum salaries to \$15.00 per hour, increasing minimum Uniformed Police salaries to \$50,000 per year, upgrading salaries on hard-to-fill positions, providing across-the-board salary increases, and updating policies to allow flexible work arrangements where appropriate. Another challenge has been an aging fleet. With the sunset of a 3/8-cent sales tax for capital improvements at the end of 2021, there are limited funds for capital improvements. The City signed a five (5) year lease for Police vehicles in 2019 but decided to change course during 2023. We allocated an additional \$2,525,000 in the 2023 budget to account for lease payments as well as purchase new vehicles. Financed by a short-term note, the Fleet Department plans to purchase 103 Police vehicles this year to allow a vehicle to be assigned to each uniformed officer, reducing the amount of time for shift changes.

Revenues, Property Tax Rates, and Fees

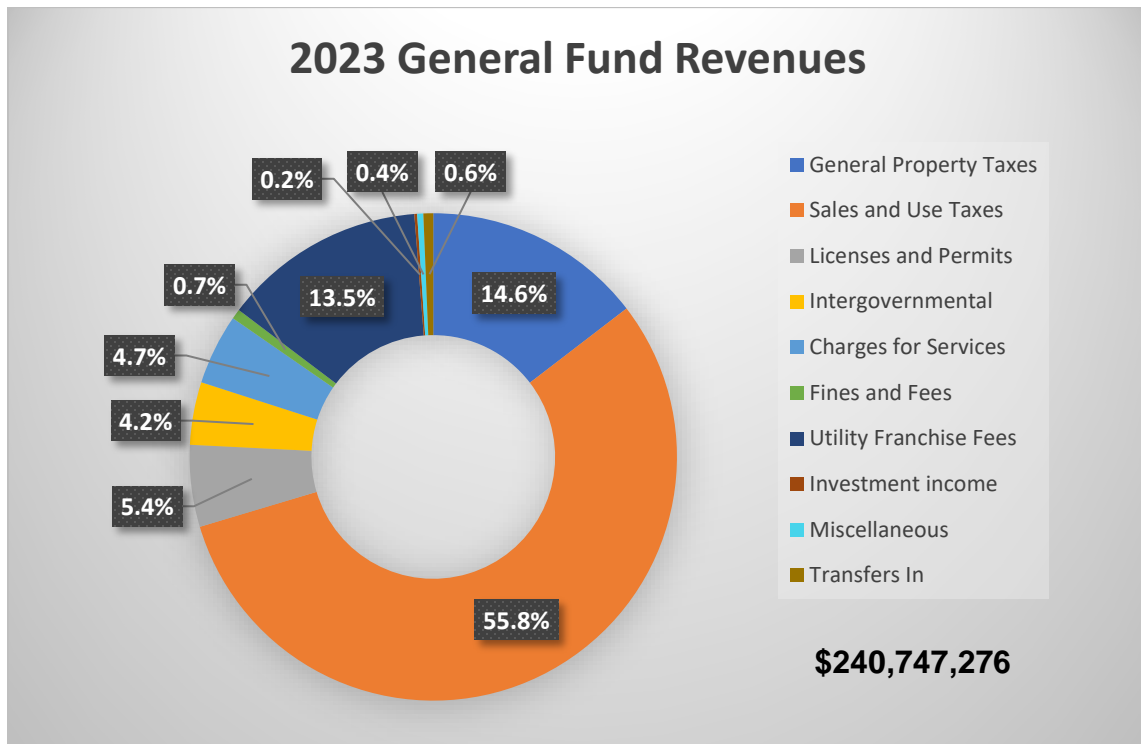
As noted above, sales tax revenues continue to be stronger than expected and have exceeded the 2022 Adopted Budget. While sales tax revenue is up, several other revenue categories are down slightly, leaving a total revenue increase of approximately 4% from the prior year in all General Fund categories and approximately 5.6% across all budgeted funds.

General Fund property tax revenue is expected to increase to around \$35 million for 2023, due to property reappraisals completed in 2022 by Pulaski County. Another \$6.8 million, representing the City's share of the County road 2.9 mills is included in the Street Fund budget and is restricted for street repairs and maintenance. Rates dedicated to the City decreased from 15.6 mills to 15.1 mills due to a decrease in the capital improvement mills for Central Arkansas Library System operations approved by voters in 2022. The original

charge reflects a 10.17% increase for property taxes based on the most recent appraisal, compared to an increase of 2.87% a year ago.

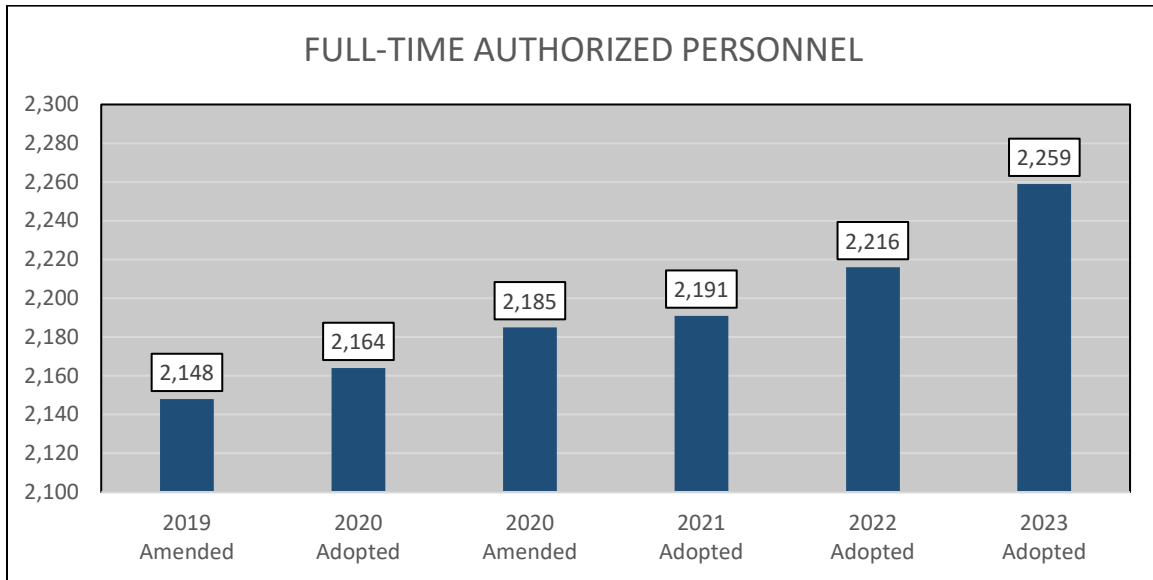
Franchise fees from local utilities comprise 13.5% of General Fund revenues. Overall, 2023 utility franchise fees are projected to be slightly lower than 2022 actual revenues and flat compared to 2022 final amended revenues. Franchise fee revenues in 2022 were approximately 8.5% above 2021 levels. Charges for services in 2023 are expected to be roughly \$58 million across all budgeted funds, including about \$11.2 million or 4.7% of General Fund revenues.

Information on the City's various revenue sources is discussed in greater detail in the Revenue Trends Section of the 2023 Budget Document.



Personnel Changes

The 2023 Adopted Budget supports 2,259 full-time authorized personnel, an increase of 43 positions over FY2022. These positions were added throughout the City to maintain our current level of service amidst a growing residential and commercial population. A total of 41 positions were added in the General Fund, one (1) position was added in the Fleet Services Fund, and one (1) position was added in the Vehicle Storage Fund. The changes are listed in detail in the Expenditures Section of the 2023 Budget Document.



Economic Outlook

In early 2022, Little Rock was named number one for job growth by the Initiative for a Competitive Inner City. The City of Little Rock continues to have new businesses open, as we had over 739 new businesses opened in our City just last year. Since 1959, the Port of Little Rock has been an economic driver for our region's economy. This economic engine was turbocharged over the last few years as major investments from HMS Manufacturing, Trex, and Amazon have nearly doubled the total employment at the Port. The City has worked closely with the Port to purchase the necessary land to support expansions, like those announced by AFCO Steel and Amazon, to position ourselves for even more job growth.

As a City, we must continue to invest in efforts to recruit businesses to add new jobs and industries to our community. We've been committed to all areas of Little Rock with an equity-driven approach to our policies and programs. This year, we have allocated \$1.5 million for a downtown master plan to ensure that we are strategic and intentional about reimagining our City's core. We've made and kept promises when it comes to commercial development that enhances the quality of life for our residents. In the first quarter of 2023,

Main Event will open its doors, and this Spring, Topgolf will break ground on its newest location near I-430 and Colonel Glenn Road. It is expected to bring even more retail development in that growing corridor of West Little Rock. In addition to supporting our local businesses, we will continue recruiting companies to Little Rock, adding to our total of more than 9,000 jobs since I took office in 2019.

In 2022, The City of Little Rock began a new program, BUILD Academy, which is our very own small business incubator. Our third cohort will begin on March 9 at our recently renovated Willie Hinton Business and Innovation Center in the heart of the 12th Street corridor. We are now in our second year of Emprende, a pathway of the City's BUILD Academy, which offers Little Rock's Spanish-speaking business owners a series of free classes to support their businesses. We are proud to announce that Emprende will graduate 38 small business owners this Spring!

Conclusion

The 2023 Budget reflects a conservative revenue forecast and continued strong sales tax figures. The 2023 Annual Operating Budget was presented to the Board of Directors on December 13, 2022, which included an across-the-board salary adjustment of 3.5%. Ward meetings with residents were not conducted in person. Instead, staff met with the Board of Directors prior to the presentation on December 13th so they had time to review requests, obtain feedback from their constituents, and provide recommendations. Residents were invited to watch virtual presentations to the Board of Directors and submit questions and feedback online. All presentations and discussions were televised and available for streaming via the City's website or YouTube. The Board of Directors requested increased salary adjustments for Fire personnel from the proposed to the adopted budget. The adjustments made were to increase Fire salary adjustments to 6% for entry level to a minimum of \$15 per hour and increase other Fire uniform salary increases from 4.5% to 5%. To maintain a balanced budget, we reduced the grant match allocation by \$100,000 and reduced the Facility Improvement Special Project allocation by \$92,362. The 2023 Annual Operating Budget was adopted on December 20, 2022, with expenditures totaling \$313,031,049.

This budget is the financial and operating plan for the City of Little Rock for 2023. The appropriations included provide for quality municipal services. The City of Little Rock has made great strides in using technology to communicate with residents and businesses. The City's website, littlerock.gov, is designed to improve communication efforts. In addition, the City is proud of its government access channel, LRTV, which broadcasts information regarding the activities of the Little Rock City Board of Directors through live and taped coverage of Board Meetings and other official proceedings. The City launched a LR 311 Mobile App to better enable residents to access City services. The app is available for download through the Apple App Store or Google Play Store. The City of Little Rock achieved What Works Cities Silver Certification, the national standard of

excellence for data-driven, well-managed local government launched by Bloomberg Philanthropies in April 2015, in 2021 and maintains an Open Data Portal that includes several data sets covering such topics as planning and permitting, public safety statistics, 311 Requests, and the location of Police, Fire and Neighborhood Resource Centers. The City's data sets are live on the main data portal located at data.littlerock.gov.

The City has seen great progress over the past years, with more to come in 2023 and beyond as the Board of Directors, City Staff, and I continue to offer vital services to the residents of Little Rock.

Respectfully submitted,


Mayor Frank Scott, Jr.

Highlights of Service Level Changes (A Quick Reference Guide)



Construction of the new Police Headquarters at 615 West Markham Street was finalized in 2022.



Several street and drainage improvements are planned or continued for 2023.



2023 staffing levels increased by a net of 43 full-time equivalent positions compared to the 2022 Adopted Budget, including 12 new Fire positions for a proposed station in West Little Rock and seven (7) new Police positions.



Fleet services and fuel costs are projected to increase compared to the 2022 Adopted Budget. With limited funds for vehicle replacement, repairs and parts are expected to increase.



2023 funding for outside agencies increased from the 2022 Amended Budget, including an additional \$1 million for the Arkansas Museum of Fine Arts.



The City remains committed to providing resources to advocates of the unsheltered by continuing funding for the Jericho Way Day Resource Center.



The City is appropriating \$5 million for Children, Youth and Family Programs, including youth employment, skills center funding, and re-entry programming in 2023 as part of the City's emphasis to foster and enhance youth and community development.

A detailed list of 2022 department accomplishments can be found in the **Departmental Information** section.

OVERALL CITY GOALS AND OBJECTIVES

On February 21, 2023, the Mayor and Board of Directors reaffirmed the policy plan developed on February 28, 2003, and March 1, 2003, when the Mayor and Board of Directors met in two retreat sessions to develop a strategic policy plan structured around the goals and objectives of each Board member. After a brainstorming session to determine the community's needs, the Board of Directors divided their priorities into two categories: What *Must* we do? And What *Should* we do? The Board assigned city staff the task of developing a mission statement for their approval to bring together each policy area's themes. The mission statement and the Board of Director's policy statements for each strategic policy area have remained consistent since 2003 and are outlined below:

Mission Statement

The City of Little Rock is dedicated to improving our residents' quality of life by providing exceptional service in an efficient and equitable manner.

Vision Statement

The City of Little Rock is a leading southern city – vibrant, safe, and innovative – that provides an excellent and sustainable quality of life where all families, individuals, and business can thrive.

Must Do

Policy Statement for a Safe City

It is the policy of the City of Little Rock to protect the rights of the people, ensure public order, and provide public safety through efficient delivery of services, in addition to requiring the highest level of professional standards.

This shall be accomplished by:

- Providing protection through the enforcement of municipal laws
- Providing protection from loss or damage of property
- Safeguarding individual liberties and implementing community partnerships to foster cooperation and shared resources from other public and private agencies
- Maintaining and improving community livability through partnerships with diverse communities by proactively addressing public safety concerns, which enhance the quality of life for all
- Supporting programs that address the issues of children, youth, and families
- Striving to ensure the availability and access of adequate, safe, and affordable housing
- Striving to improve vehicular and pedestrian safety
- Providing disaster assistance in natural and man-made emergencies
- Providing optimum service levels to the public as cost-effectively as possible to maintain a safe, healthy community

Must Do
Policy Statement for Economic Development

It is the policy of the City of Little Rock to create an environment that attracts new business, retains and encourages growth for existing business, and supports growth sectors within our economy.

This will be accomplished by:

- Continuing to support and promote the local, regional economy
- Leveraging key resources and assets to attract and keep business interests that offer high-wage, high-skill opportunities for residents
- Continuing to build on the momentum from public and private investment and recognizing that these efforts provide economic growth for all of central Arkansas
- Recognizing the important role small and minority-owned businesses have in the creation of jobs and economic growth and continuing to offer assistance and programs that support these initiatives
- Creating an environment that is attractive to young people
- Providing a strong workforce for new and existing business

Must Do
Policy Statement for Basic City Services

It is the policy of the City of Little Rock to ensure citizens receive quality basic services and to provide a viable system that enables its employees to give the most efficient and effective support possible.

The services provided to the citizenry will include:

- A comprehensive operational and administrative support system
- The collection of solid waste and recyclables
- An efficient drainage and wastewater system
- The provision of a clean, healthy water supply
- A coordinated and efficient public transit system
- A comprehensive effort to ensure air quality

Must Do
Policy Statement for Infrastructure

It is the policy of the City of Little Rock to maintain and improve a comprehensive infrastructure system that meets the changing needs of the community while protecting the integrity of the environment.

A comprehensive infrastructure system includes:

- Drainage systems
- Information technology systems
- Public buildings
- Solid waste facilities
- Streetlights
- Streets
- Traffic signals
- Wastewater facilities
- Water systems

Should Do
Policy Statement for Quality of Life

It is the policy of the City of Little Rock to ensure the availability of varied recreational, creative, and educational experiences that enhance the quality of life for our residents and visitors.

This will be accomplished by:

- Adopting policies that encourage the availability and continuous improvement of cultural and artistic offerings
- Adopting policies that capitalize on Little Rock's rich natural resources by encouraging the preservation of open space and developing public and private land for active and passive leisure activities
- Embracing and celebrating the diversity of Little Rock's citizenry through the promotion of festivals and other events that highlight the varied cultural background of the City
- Adopting policies that support the various entertainment venues and tourist attractions that exist within the City

Statement of Management Policy

The Mayor and City Manager develop a Statement of Management Policy to provide guidance and establish specific departments' parameters to follow when developing their annual budgets. The Statement of Management Policy comprises common themes from the Board of Directors' overall goals and objectives. It is the Mayor's and City Manager's responsibility, working in conjunction with Department Directors, to develop the annual budget around these policy areas to promote efficiency and effectiveness in delivering services to the public.

The 2023 Statement of Management Policy includes these fundamental principles:

Public Safety

Strive to improve public safety through information, education, and community-based enforcement strategies to encourage cooperation with and participation in City safety services. Utilize technology and innovative methods and techniques to produce a safe environment for the residents of Little Rock.

Economic Development

Continue partnerships with private and public agencies in the recruitment of new business. Pursue innovative approaches to retain existing businesses and promote small businesses in the City of Little Rock.

Infrastructure

Focus on installing and maintaining streets, drainage, sidewalks, traffic signals, and other capital needs in the City of Little Rock.

Quality of Life

Focus on improving active, passive, and leisure activities for residents and visitors.

Financial Reporting

Continue to provide accurate and timely information on the City's financial status to the Board of Directors and the public. Continue to pursue innovative techniques to gather and report financial data.

The Budget Process



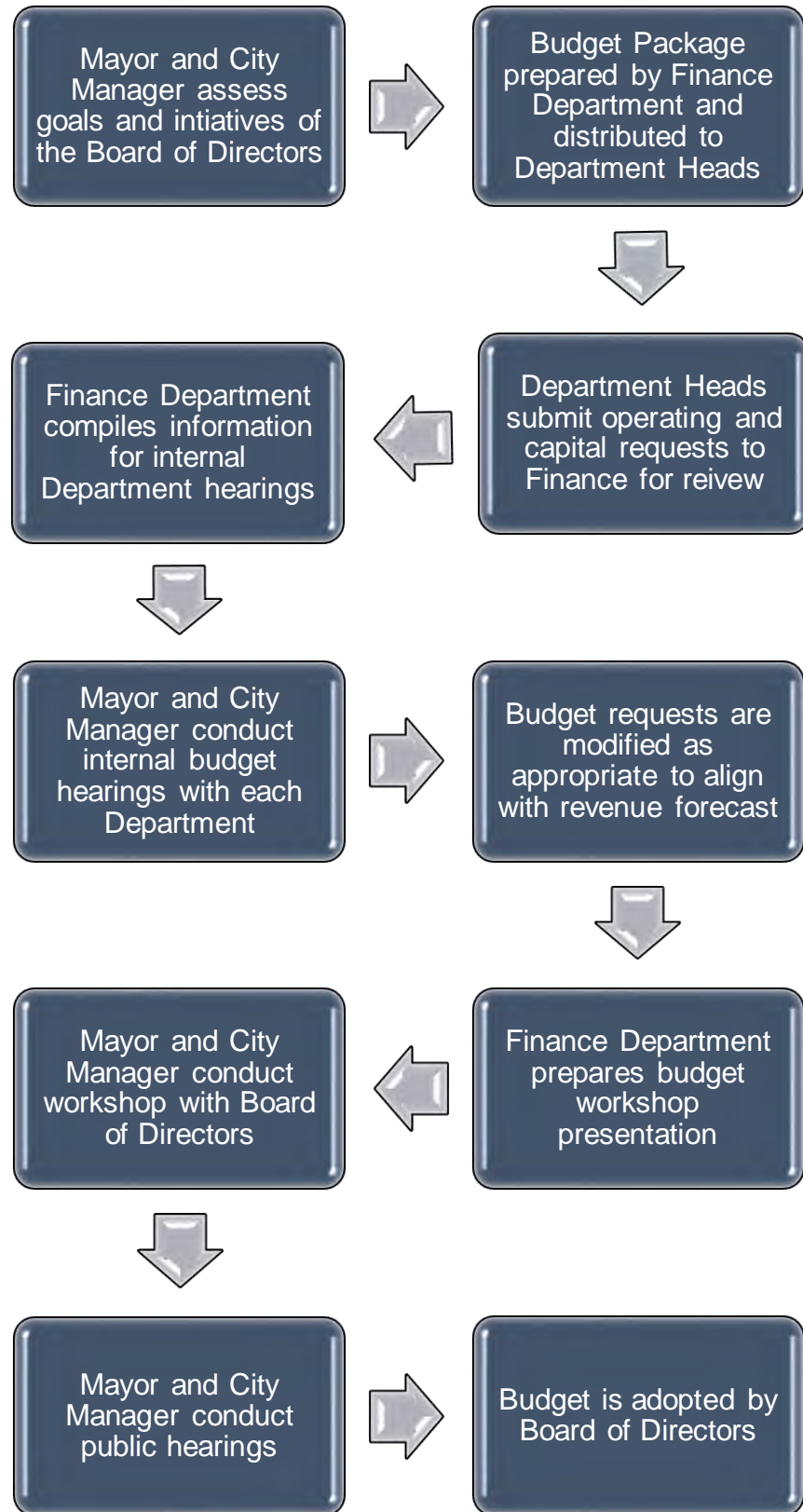


Figure 1: Illustration of Budget Process

THE BUDGET PROCESS

The City's annual budget is the result of a thorough, public process. The budget projects all receipts and disbursements, the level of governmental services to be provided, and the method of distributing cost and services to the various segments of the community. The budget process includes an evaluation of community needs and reflects priorities established by the Mayor, the Board of Directors, and the City Manager. This document serves to inform residents and other interested parties of the City's service plans and overall financial condition.

The City's management team conducted financial planning work sessions to facilitate budget and capital project planning. The work sessions focused on revenue outlook, trends, revenue issues, priority expenditures, expenditure issues, capital projects and debt for capital projects.

The financial guidelines and policies that serve as the framework for the financial operation of City government and the basis for budget development are contained in the Financial Structure section of the budget document.

The budget process begins with the Mayor's and City Manager's assessment of the goals and initiatives of the Board of Directors. A budget package prepared by the Finance Department is then distributed to the Department Heads. The package includes general guidelines from the Mayor and City Manager with budget reports that include initial revenue projections, prior year expenditures, current year budgeted, and actual year-to-date expenditures for all operating accounts, a listing of capital projects, and a budget preparation calendar. The Internal Services Fund provides projected vehicle maintenance, labor and fuel charges to each user Department. Budget staff provides training sessions on the budget process and budget monitoring throughout the year as needed. Departments submit their expenditure requests to the Finance Department for an initial review. The Mayor and City Manager conduct internal budget hearings with each Department to review goals, projected revenues and expenditures, desired program initiatives, and capital needs. Budget requests are modified based on the results of the internal hearings. The Finance Department compiles all the requests and recommends any additional modifications necessary in order for the Mayor and City Manager to present a balanced budget recommendation to the Board of Directors. The Mayor and City Manager make modifications to reflect any additional priorities. The Mayor and City Manager then conduct a budget workshop with the Board of Directors and conduct public hearings to obtain input from residents.

The City utilizes a program-based budget approach for evaluation of the revenues, costs, and taxpayer support required for various services. Approved departmental expenditures are categorized by organizational service delivery unit, and then presented as costs associated with specific service programs. This approach allows residents and their elected representatives to evaluate the costs of various services, to relate those costs to units of service delivered, and to set service priorities.

The adopted budget ordinance provides for budgetary control at an organizational level. Budgets cannot be exceeded without the approval of the Mayor and Board of Directors.

City management monitors achievement of program service objectives as follows:

- In regular meetings with Department Directors by the Mayor, City Manager and their staff;
- In quarterly reports to the Mayor and City Manager by Department Directors;
- Through management information system reporting;
- Through regular public presentations to the Mayor and Board of Directors; and
- Through meetings with neighborhood organizations and other resident groups.

Employees are evaluated on performance annually in relation to the delivery of designated services. Staffing levels are evaluated annually in relation to available budget.

Following adoption of the budget, revenue and expenditure budget accounts are established based on the organizational structure of the City's financial system. Monthly and quarterly reports of revenues, expenses and remaining balances are prepared for the Mayor, Board of Directors and City management. The availability of budgeted funds is verified prior to issuing a purchase order, which then encumbers the budget account.

The 2023 Budget

The 2023 Basic Operating Budget reflects estimated costs for those programs which were approved or received funding.

Goals

Goals are clear statements of a department's mission, or purpose. Goals pinpoint the reasons for the department's existence and establish the department's direction and responsibility(s). Each department's objectives are linked to the dollar figure budget needed to achieve the goal.

Objectives

Objectives are the specific functions, which must be performed in order for a program to satisfy or fulfill a particular goal.

Objectives are typically expressed in measurable terms so that a program's level of accomplishment or performance can be evaluated at the end of the fiscal year.

The calendar for developing the 2023 budget follows:

August	Affordable Care Act look back period ends. Finance reviews part-time report to determine which part-time employees will have a health care benefit in 2023.
September	Departments submit revenue estimates, proposed rate adjustments and new fee recommendations and dedicated grant match requests to Finance.
September	Departments review special project balances.

September/October	Finance Department sends out Personnel Model for verification.
September/October	Departments complete review of 2023 Personnel Model with necessary changes reported to HR and Budget Office.
September/October	Mayor, City Manager, and Finance Director conduct budget policy discussions with the Board of Directors following bi-weekly Board Agenda Meetings.
September	2023 Budget instructions, departmental budgets and Personnel Model distributed. Finance assists departments with budget process.
September	Fleet Services submits 2023 budget to Finance and departments.
September	Departments submit 2023 operating and capital budget requests to Finance.
September	Mayor and City Manager review departmental budget requests. Budget meetings held with Department Directors.
September	Department Directors present budget requests, departmental needs and goals, and staffing requests at a workshop with the Board of Directors.
September/October	Finance verifies budget requests. Finance updates financial trends, revenue forecast, and reviews new revenue options.
November	Board adopts 2022 mill levy Ordinance for collection in 2023.
November	Mayor and City Manager review Outside Agency requests. HR provides 2023 new benefit rates to Finance.
December	Draft Budget distributed to Board of Directors. Board Budget Workshop held to review revenue and expenditure forecasts in detail.
December	Due to COVID-19, public participation was more limited, and separate community meetings were not held. Public budget information meetings were held during the Board Budget Workshop.
October - December	Union negotiations continue until agreements are reached.
November/December	Board of Directors adopts 2023 Budget Ordinance, utility franchise Ordinances, and revenue rate adjustments if applicable. Budget must be adopted by December 30 each year.
December	Finance submits 2023 Budget Document data requests to departments.

90 Days after Adoption of Budget Finance submits the Budget Document to the Government Finance Officers Association (GFOA) for consideration of the Distinguished Budget Presentation Award.

AMENDING THE BUDGET

During the fiscal year, adjustments may be required to refine the original adopted budget. The approved budget may be amended as required in accordance with the following protocol:

- Revenues are reviewed monthly and quarterly and the projections are adjusted if warranted.
- Adjustments to transfer approved expenditure budgets from one organization to another may be approved by the Mayor or City Manager if less than \$50,000. Transfers of \$50,000 or greater must be submitted to the Board of Directors for approval.
- Requests for new appropriations may be submitted by the City Manager or at the direction of the Mayor or Board of Directors and require authorization by Board Ordinance.

OTHER BUDGET PROCEDURES

The preceding budget procedures apply to the development of the budget for the General Government operating funds, the Street fund, and the Proprietary funds. These funds are under the direct guidance of the Mayor and City Manager.

Special Revenue funds' budgets are developed internally by staff. Internal staff develops the Community Development Block Grant and Home Investment Partnership Program budgets per specific federal guidelines, including obtaining required resident input. They are then presented to the Mayor and Board of Directors for final approval. The City does not officially adopt budgets for grant funds, capital projects and related debt service funds, or fiduciary funds.

Component Units develop separate budgets for approval by their respective governing board or commission. These budgets do not require submission to the Mayor and Board of Directors for approval. The Fiduciary retirement funds do not prepare formal budgets, but the associated boards of trustees regularly monitor the income and expenditures of the funds.

Financial Structure



LITTLE ROCK'S FINANCIAL STRUCTURE

Cities in Arkansas derive the authority to levy taxes and provide municipal services from state statutes. Little Rock's financial structure utilizes fund accounting, which separates the transactions related to various City functions and is designed to demonstrate compliance with legal requirements. Certain funds are controlled directly by the City's governing body, and other funds are controlled by agencies whose assets are owned by the City but are operated by independent boards and commissions.

FUNDS CONTROLLED BY THE CITY'S GOVERNING BODY

GENERAL FUND OPERATIONS

General Fund – This fund is the primary operating fund of the City and receives all revenues not required to be accounted for separately. In addition to funding traditional government services, annual appropriations are made from this fund for various outside agencies that perform services on behalf of the City, for special projects, and for limited capital improvements.

SPECIAL REVENUE FUNDS

Street Fund – This is a special revenue fund that includes income restricted for street and traffic maintenance, such as the state gasoline tax turnback and one-half of a County road property tax. In addition, parking meter revenues and reimbursements for street cuts are reported in this fund.

Special Projects Fund – This fund receives certain revenues and appropriations for special purposes or for capital projects that generally have a multi-year life.

Emergency 911 Fund – This fund contains fees derived from telephone charges, which are restricted to uses related to operating and equipping the City's 911 Emergency Operations Center.

Grant Fund – Various Federal and State Grant awards are reported in this fund.

Community Development Block Grant Fund – This fund receives Federal block grants utilized primarily for street improvements, community services and community center operations.

Neighborhood Housing Special Project Fund (NHSP) – This fund accounts for the proceeds of the Community Development Block Grant – Section 108 Guaranteed Loan Program and other City funds that are utilized to provide housing and housing assistance to qualifying residents and to improve neighborhood infrastructure.

Home Investment Partnership Fund (HIPP) – This fund accounts for funding received from the U.S. Department of Housing and Urban Development to provide housing or housing assistance to qualifying residents, to improve neighborhood streets and drainage, and to operate community health and recreation facilities.

American Rescue Plan Act Grant Fund (ARPA) – This fund accounts for funding received from the U.S. Department of Treasury to provide fiscal recovery and respond to the COVID-19 pandemic.

CAPITAL PROJECT AND RELATED DEBT SERVICE FUNDS

Capital Projects Funds – These funds are derived from the proceeds of general obligation and revenue bonds issued to finance major capital improvement projects.

Debt Service Funds – The City's general obligation bonds are primarily supported by separate property tax levies approved by taxpayers for the sole purpose of retirement of debt issued to fund capital improvement and construction projects. The proceeds of the special levies are accounted for in debt service funds to be utilized for this purpose. There is a corresponding capital projects fund established for each bond issue.

2015 Library Construction and Refunding Bonds – The Library Construction and Refunding Bonds, Series 2015 are limited obligations of the City of Little Rock payable solely from the collections of the Library tax, payable through 2030. The Library bonds were issued to (i) finance the cost of acquiring, constructing and equipping the land and additional capital improvements to the public City libraries owned and operated by Central AR Library Systems; (ii) refund the City's outstanding Library Construction and Improvement Bonds, Series 2008 and Series 2009, and the City of Little Rock Residential Housing and Public Facilities Board Capital Improvement Revenue Bonds, Series 2007; and (iii) pay the costs of issuing the Bonds. The bonds are limited tax obligations payable solely from a 0.9 mill annual ad valorem tax. These bonds were retired in 2022. The remaining capital improvement funds will be expended in 2023.

2017 Library Refunding Bonds – The Library Refunding Bonds, Series 2017 are limited obligations of the City of Little Rock payable solely from the collections of the Library tax, payable through 2027. The Library bonds were issued to (i) refund the City's outstanding Library Construction and Improvement Bonds, Series 2012; and (ii) pay the costs of issuing the Bonds. The bonds are limited tax obligations payable solely from a 0.9 mill annual ad valorem tax. These bonds were retired in 2022.

2012 – 2021 Capital Project Fund – This fund is utilized to account for the proceeds of a 3/8 cent ten (10) year capital tax to fund new Fire and Police facilities, a new emergency communications system, economic development infrastructure, including improvements at the port and funding for a technology park, capital improvements for Park and Zoo facilities, information technology projects and vehicles and equipment. The tax went into effect on January 1, 2012 and expired on December 31, 2021. This fund will remain active until the projects funded by the capital tax are complete.

Tax Incremental Financing 2014 Capital Improvement Bonds – Tax Incremental Financing Capital Improvement Bonds in the amount of \$2,615,000 were issued in April 2014. The bonds are special obligations of the City secured by and payable solely by a pledge of the incremental ad valorem tax receipts derived with respect to the real property within the City's Redevelopment District No. 1. The bond proceeds were used to finance the cost of acquisition, construction and equipping of a major street system within Development District No. 1.

Tax Increment Financing Port – The Tax Incremental Financing Development District established within the Port of the City of Little Rock was set up in order to levy taxes on property located within the redevelopment district and to the school board of any school district which includes property located within the redevelopment district. Funds from this levy are to be used for public infrastructure projects within the redevelopment district.

Capital Improvements Refunding Revenue Bonds, Series 2017 – The Capital Improvements Refunding Revenue Bonds, Series 2017 were issued (i) to advance refund the Series 2009A Bonds and the Series 2009B Bonds, (ii) to current refund the Series 2007 Bonds and the Series 2002 Bonds, (iii) to pay a premium for a municipal bond debt service reserve insurance policy, and (iv) to pay expenses of issuing the Bonds. The Series 2017 bonds are not general obligations of the City but are special obligations secured solely by a pledge of revenues received by the City from all franchise fees charged to public utilities for the privilege of utilizing the City's streets and right-of-way.

Limited Tax General Obligation Capital Improvement Bonds, Series 2018 – The Series 2018 Bonds in the amount of \$43,475,000, issued on November 28, 2018, are limited tax general obligations of the City, secured by all proceeds derived from a separate 3-mills annual ad valorem tax on all taxable real and personal property located within the City. The pledge of special tax collections in favor of the Series 2018 Bonds is on a parity with the pledge in favor of the City's Limited Tax General Obligation Capital Improvement Bonds, Series 2013. The issuance of the Series 2018 Bonds was approved at the special election held September 11, 2012, for the purpose of street and drainage infrastructure improvements. These bonds were retired in 2022. The remaining capital improvement funds will be expended in 2023.

Short Term Financing – This fund accounts for proceeds of Short Term Financing notes, authorized under Arkansas Constitution Amendment 78, issued to acquire capital equipment, buildings, building and land improvements, and vehicles for the City.

City of Little Rock, Arkansas Hotel Gross Receipts Tax Bonds, Series 2018 -

On December 13, 2018, the City issued the \$32,570,000 Hotel Gross Receipts Tax Bonds, Series 2018. The Bonds are not general obligations of the City, but are special obligations payable solely from collections of existing taxes levied by the City at an aggregate rate of 2% on the gross receipts derived and received from the renting, leasing or otherwise furnishing of hotel, motel, bed and breakfast or short-term condominium or apartment rental accommodations in the City. The issuance of the bonds and the pledging of collections of the tax for debt service were approved at a special election held February 8, 2016. The bonds were issued to finance a portion of the cost of improvements to MacArthur Park, a municipal park operated by the City's Parks and Recreation Department. Such improvements include particularly, without limitation, renovations and additions to, and furnishings and equipment for, the Arkansas Museum of Fine Arts and renovations and equipment for the MacArthur Museum of Arkansas Military History, including any necessary parking, landscaping, signage, drainage, lighting, road and utility improvements in MacArthur Park.

2022 Library Construction and Refunding Bonds – The Library Construction and Refunding Bonds, Series 2022 are limited obligations of the City of Little Rock payable solely from the collections of the Library tax and a Special tax, payable through 2036. The Library bonds were issued to (i) finance the cost of acquiring, constructing, and equipping the land and additional capital improvements to the public City libraries owned and operated by Central AR Library Systems; (ii) refund the City's outstanding Library Construction and Improvement Bonds, Series 2015; (iii) pay interest of the Bonds on March 1, 2023, and (iv) pay the costs of issuing the Bonds.

Limited Tax General Obligation Capital Improvement Bonds, Series 2022A and Series 2022B – The Series 2022A Bonds in the amount of \$53,510,000, and Series 2022B Bonds in the amount of \$5,055,000 (collectively, the "Series 2022 Bonds") issued on November 7, 2022, are limited tax general obligations of the City, secured by all proceeds derived from a separate 3-mills annual ad valorem tax on all taxable real and personal property located within the City. The issuance of the Series 2022 Bonds was approved at the special election held on August 9, 2022, for the purpose of street and drainage infrastructure improvements, parks and recreational improvements, district court facility improvements, port industrial park improvements, and fire apparatus.

PROPRIETARY FUNDS

Waste Disposal Enterprise Fund – This fund was created to account for the City’s solid waste system.

Vehicle Storage Facility Enterprise Fund – This fund was created to account for vehicle storage services.

Parking Garage Fund – This fund was created to account for the operations of the City’s two parking garage facilities.

Fleet Internal Services Fund - This fund utilizes a flexible budget and derives its revenues primarily from charges to the organizations in the General, Street and Waste Disposal Funds that utilize City vehicles.

FIDUCIARY FUNDS CONTROLLED BY BOARDS OF TRUSTEES

An important benefit for City employees is a retirement plan. The City participates in the state Local Police and Fire Retirement System (LOPFI) for all uniformed employees hired after January 1, 1983. In addition, LOPFI administers the Policemen’s Pension and Relief Fund and the Firemen’s Relief and Pension Fund. The following retirement funds are administered by the City and cover substantially all other employees:

- Non-Uniform Defined Contribution Pension Fund
- Non-Uniform Defined Benefit Fund
- Health Management Trust Fund
- 2014 Non-Uniform Defined Benefit Fund
- 401(A) Pension Fund

All pension funds receive contributions from both employees and the City. The Firemen and Policemen’s funds also receive a dedicated property tax levy and insurance turn back revenues. Each fund has a Board of Trustees that directs its activities.

In addition, fiduciary funds include a custodial fund to account for monies held by the courts until they are distributed to various governmental agencies.

DISCRETE COMPONENT UNITS CONTROLLED BY INDEPENDENT BOARDS & COMMISSIONS

Certain City services are similar to activities found in the private sector. They have independent Boards and Commissions. They are budgeted and accounted for as separate entities and are expected to maintain revenues sufficient to meet their operating costs, debt service requirements, and system replacement and maintenance needs. These funds are listed below but are not included in this document:

- Little Rock Water Reclamation Authority
- Little Rock Advertising & Promotion Commission
- Little Rock Port Authority
- Metropolitan Emergency Medical Services (MEMS)
- Rock Region Metro
- Arkansas Museum of Discovery
- Arkansas Museum of Fine Arts
- Bill and Hillary Clinton National Airport
- Central Arkansas Library System
- Oakland Fraternal Cemetery
- Mt. Holly Cemetery
- Little Rock Workforce Development Board

These funds receive income from service charges that are used to operate their respective facilities and to retire revenue bonds. In addition, a Hotel, Motel, and Restaurant Sales Tax provides the main source of income to operate the Advertising and Promotion Commission and retire its bonds. The tax is 4% for lodging and 2% for restaurants. Boards and Commissions, which derive their authority from specific statutes, operate all of these funds. However, the City's governing body must authorize rate changes, approve all bond issues, and approve appointments to the Boards and Commissions. Therefore, these funds are required to be reported as discrete component units of this entity by GASB Statement Number 39.

OTHER FUNDS NOT INCLUDED

This budget does not include the Little Rock School District, which is governed by its own elected board, is a separate taxing authority, issues its own debt and receives no City subsidy. Certain other funds are not included, because they operate under independent Boards, have other sources of revenue, and are in no way dependent upon the Mayor and Board of Directors. These are as follows:

- Little Rock Housing Authority
- Little Rock Residential Housing and Facilities Board
- Central Arkansas Water

In addition, this budget does not include certain multiple-employer, defined benefit pension funds administered and trusted by independent fiduciary agents and in which certain employees participate.

FISCAL POLICIES

Through its actions and policies, the Board of Directors often charts the course for many of the City's activities. Working in conjunction with the City Manager, Chief Financial Officer (CFO), and other department heads, the Board can help ensure their financial oversight responsibilities are met. All board members should understand every policy adopted by the Board, review it periodically, and update if needed. Several financial policy updates are scheduled for 2023 to better align with GFOA's best practices.

For an in-depth look at our current financial policies, please click on the links below.

City of Little Rock Financial Policies

1. Operating Management
2. Capital Management
3. Debt Management
4. Reserves
5. Cash Management and Investments
6. Accounting, Auditing and Financial Reporting
7. Debt Compliance Policy (PDF Document)

A. OPERATING MANAGEMENT

1. Little Rock Code §2-214 requires the Board of Directors to adopt an annual budget on or before December 30 of each year. A budget is balanced when appropriated expenses do not exceed the sum of estimated net revenues and available fund balances. The proposed 2023 budgets are balanced in accordance with the legal definition.
2. All City departments share in the responsibility of meeting policy goals and ensuring long-term financial health. Future service plans and program initiatives will be developed to reflect current policy directives, projected resources, and future service requirements. When appropriate, sunset provisions will be incorporated into service plans.
3. The budget process is intended to weigh all competing requests for City resources. Requests for new, on-going programs made outside the budget process are discouraged.
4. Addition of personnel will only be requested to meet program initiatives and policy directives; after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenue or enhanced

operating efficiencies. To the extent feasible, personnel cost reductions will be achieved through attrition.

5. Current expenditures will be funded by current revenues. A diversified and stable revenue system will be developed to protect programs from short-term fluctuations in any single revenue source.
6. No revenues will be dedicated for specific purposes, unless required by law or generally accepted accounting practices (GAAP). All non-restricted revenues will be deposited in the General Fund and appropriated by the budget process.
7. User fees and charges will be examined annually to ensure that all direct and indirect costs of providing the service are recovered. If the user fees and charges required to meet full cost recovery would be excessively burdensome on residents receiving service, the Board of Directors may approve a lower user fee or charge. The City will consider market rates and charges levied by other public and private organizations for similar services in establishing rate and fee structures. Rate adjustments for Waste Disposal will be based on five-year financial plans.
8. Grant funding should be considered to leverage City funds. Inconsistent and /or fluctuating grants and trusts should not be utilized to fund on-going programs. Programs financed with grant moneys will be budgeted in separate cost centers, and the service program will be adjusted to reflect the level of available funding. In the event of reduced grant funding, City resources will be substituted only after all program priorities and alternatives are considered during the budget process.
9. All grants and other Federal and State funds shall be managed to comply with the laws, regulations, and guidance of the grantor, and all gifts and donations shall be managed and expended according to the wishes and instructions of the donor.
10. Fleet replacement will be accomplished through the use of a "rental" rate structure. The rates will be revised annually to ensure that charges to operating departments are sufficient for operation and replacement of vehicles.
11. 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 years and will be updated annually.
12. Comparison of service delivery will be made to ensure that quality services are provided to our residents at the most competitive and economical cost. Departments will identify all activities that can be provided by another source and review alternatives to current service delivery. The review of service delivery alternatives will be performed continually. During the annual budget process, funding for outside agencies, FUTURE-Little Rock, and special projects will be evaluated.

13. To attract and retain employees necessary for providing high quality services, the City shall establish and maintain a very competitive compensation and benefit package with that of the public and private sectors.
14. The City will follow an aggressive and professional policy of collecting revenues.
15. In each annual budget, the City may authorize a transfer from one fund to another for one or more special projects. Expenditures from the special project shall be consistent with the purpose of the special project. Unspent appropriations for special projects shall carry forward into the next fiscal year. Unspent special project appropriations remaining on June 30 in the next fiscal year shall be returned to the fund of origin unless the City Manager authorizes continuation of the special project.
16. The City will strive to maintain fair and equitable relationships with contractors and suppliers.

B. CAPITAL MANAGEMENT

1. A five-year Capital Improvement Plan will be developed biannually and updated annually, including anticipated funding sources. Capital improvement projects are defined as a major improvement or acquisition that results in a capital asset costing more than \$5,000 and having a useful life (depreciable life) of two (2) years or greater. Exceptions are for infrastructure assets which are defined as having a constructed cost greater than \$250,000.
2. The capital improvement plan will include, in addition to current operating maintenance expenditures, an adequate level of funding for maintenance and replacement to ensure that all capital facilities and equipment are properly maintained.
3. Proposed capital projects will be reviewed by a cross-departmental team for accurate costing (design, capital, and operating), congruence with City objectives and prioritized by a set of deterministic criteria. Financing sources will be sought for the highest-ranking projects.
4. Capital improvement operating budget impacts will be coordinated with the development of the annual operating budget. Future operating, maintenance, and replacements costs will be forecast as part of the City's five-year financial forecast.
5. The City will provide for a minimum of 5% of internal, pay-as-you-go financing for its Capital Improvement Program. Funding may come from fund balance reserves or any other acceptable means of funding.

C. DEBT MANAGEMENT

1. The City will seek to maintain and, if possible, improve its current bond rating in order to minimize borrowing costs and preserve access to credit. The City will encourage and maintain good relations with financial bond rating agencies and will follow a policy of full and open disclosure.
2. Future bond issue proposals will be accompanied by an analysis showing how the new issue combined with current debt impacts the City's debt capacity and conformance with City debt policies.
3. The City will attempt to develop a coordinated communication process with all other overlapping jurisdictions with which it shares a common tax base concerning collective plans for future debt issues.
4. Financing shall not exceed the useful life of the asset being acquired.
5. The City will not use long-term debt to finance current operations.
6. The general policy of the City is to establish debt repayment schedules that utilize level annual principal and interest payments.
7. The general policy of the City is to fund capital projects (infrastructure) with new, dedicated streams of revenue or voter approved debt. Nonvoter approved debt may be utilized when a dedicated revenue source other than general revenue can be identified to pay debt service expenses.
8. Interest earnings on bond proceeds will be limited to 1) funding the improvements specified in the authorizing bond ordinance, or 2) payment of debt service on the bonds.
9. Utility rates will be set to ensure debt service coverage exceeds the bond indenture requirement of 125%.
10. The City shall comply with Internal Revenue Code Section 148 – Arbitrage Regulation for all tax-exempt debt issued. An annual estimate of arbitrage liabilities shall be obtained by the City and recorded on the financial statements.
11. The City shall use a competitive bidding process in the sale of debt unless the use of a negotiated process is warranted due to market timing requirements (refunding), or a unique pledge or debt structure. The City will award competitively issued debt on a true interest cost (TIC) basis.
12. Proceeds from debt will be utilized in accordance with the purpose of the debt issue. Funds remaining after the project is completed will be used in accordance with the provisions stated in the bond ordinance that authorized the issuance of the debt.

D. RESERVES

1. All fund designations and reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the City's five-year financial plan.
2. The General Fund goal is to set aside \$10,000,000 or 10% of General Fund revenues; whichever is greater, into a restricted reserve fund on or before December 31, 2005; however, due to economic conditions in the past several years, the City has not been able to meet this goal. The restricted reserve is currently \$13,100,000. The Board will consider increasing the restricted reserve based on the annual audited financial results.
3. Each annual operating budget will include a contingency appropriation in the General Fund sufficient to provide for unforeseen needs of an emergency nature for that year. The desired level of the contingency appropriation each year shall be based on the average of the three prior years' experience levels but no less than .5% of General Fund revenue for the current fiscal year.
4. The Waste Disposal Fund will maintain an unrestricted retained earnings reserve of no less than 15% of current year revenues.
5. Fleet Management reserves will be maintained based upon lifecycle replacement plans to ensure adequate fund balance required for systematic replacement of fleet vehicles. Operating departments will be charged for fleet operating costs per vehicle class and replacement costs spread over the useful life of the vehicles.
6. Self-insurance reserves will be maintained at a level that, together with purchased insurance policies, will adequately indemnify the City's property and liability risk. A qualified actuarial firm shall be retained on an annual basis to recommend appropriate funding levels.
7. A Facility Maintenance Reserve will be maintained based upon lifecycle replacement plans to ensure adequate funding for infrastructure repair and operating equipment replacement (HVAC, roofing, etc.).

E. CASH MANAGEMENT AND INVESTMENTS

1. Cash and investment programs will be maintained in accordance with the City Charter and the adopted investment policy and will ensure that proper controls and safeguards are maintained. City funds will be managed in a prudent and diligent manner with an emphasis on safety of principal, liquidity, and financial return on principal, in that order.
2. The City will maintain written guidelines on cash handling, accounting, segregation of duties, and other financial matters.

3. The City will conduct periodic reviews of its internal controls and cash handling procedures.
4. The City will annually identify and develop an Internal Audit Work plan.

F. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

1. The City's accounting and financial reporting systems will be maintained in conformance with generally accepted accounting principles (GAAP) and the standards set by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).
2. An independent public accounting firm will perform an annual audit. The auditor's opinion will be included with the City's published Annual Comprehensive Financial Report (Annual Report).
3. The City's Annual Report will be submitted to the GFOA Certification of Achievement for Excellence in Financial Reporting Program. The financial report should be in conformity with GAAP, demonstrate compliance with finance related legal and contractual provisions provide full disclosure of all financial activities and related matters, and minimize ambiguities and potentials for misleading inference.
4. The City's budget document will be submitted to the GFOA Distinguished Budget Presentation Program. The budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units and as a communications device for all significant budgetary issues, trends, and resources.
5. Financial systems will be maintained to monitor revenues, expenditures, and program performance on an ongoing basis.
6. Monthly and quarterly reports shall be prepared and presented to the Board of Directors on a timely basis.

G. CONTINUING DISCLOSURE COMPLIANCE PROCEDURE

1. In December 2015, the City Board of Directors adopted Resolution No. 14,250 adopting policies and procedures related to the issuance of municipal bonds and to adopt and implement the policies and procedures contained in the Continuing Disclosure Compliance Procedure Policy attached to the resolution.
2. The purpose of the compliance procedure includes:
 - a. Disclosure Responsibilities. The Issuer recognizes that the issuance of Bonds often involves accessing the public capital markets and involves certain obligations arising out of the federal securities laws, including entering into a Continuing Disclosure Undertaking and properly communicating with investors.

- b. Issuer Commitment. The Issuer is committed to full compliance with applicable securities law requirements for all of its outstanding and future financings that must comply with such requirements. This Compliance Procedure is adopted by the Governing Body to improve and promote securities law compliance and documentation.
3. The contents of the Compliance Procedure include:
- a. Definitions
 - b. Purpose and Scope
 - c. Disclosure Compliance Officer; Training
 - i. Disclosure Compliance Officer Duties
 - ii. Assistance and Cooperation from Other Officials and Employees
 - iii. Training
 - d. Continuing Disclosure Compliance File
 - i. Compilation and Maintenance of Continuing Disclosure Compliance File
 - ii. Annual Continuing Disclosure Compliance Checklist
 - iii. Remediating Non-compliance
 - e. Issuance of New Bonds
 - i. Review Primary Offering Documents
 - ii. Review Continuing Disclosure Undertakings
 - iii. Update Continuing Disclosure Compliance File
 - iv. Update List of Bonds
 - f. Annual Report and Event Notice Filing
 - i. Annual Report Preparation and Submission
 - ii. Event Notice Submissions

BUDGET POLICIES

The City has developed and utilized budget policies that are designed to accomplish specific objectives and enhance the budget process. These policies include:

- The 2023 budget includes salary step and grade progression for Police, Fire, and Emergency Communications positions. In addition, step and grade progression is included for American Federation of State, County and Municipal Employees (AFSCME) union-eligible positions. The twenty (20)-step system provides annual adjustments of approximately 1.8%.
- Positions that are vacant at the time the budget is adopted are budgeted at the mid-range salary based on grade, providing budget flexibility in the recruiting process. In addition, an estimated annual savings generated from vacant positions is included in the budget as a reduction to personnel cost. As vacancies occur, the savings is utilized to reduce personnel budget allocations by department.
- The City utilized the enterprise resource planning system to aid in the development of the budget for personnel cost. Salary changes are budgeted for each employee group to occur at the appropriate time, in accordance with personnel policies. Examples include the employee's anniversary date, assignment date, or at the first of the year.
- The Fleet Services Internal Service Fund develops an expenditure budget for vehicle maintenance and fuel which is allocated to departments based on the number of assigned vehicles, service history, and prior fuel utilization. These allocations are not subject to change by the user departments without prior approval by the Fleet Services Department Director and the Mayor or City Manager.
- Departments are given specific budget parameters by the Mayor and City Manager. Departments are not allowed to alter calculated personnel cost or Internal Service Fund budget allocations and are instructed not to make funding requests for new programs without the approval of the Mayor or City Manager.
- A minimum contingency allocation of 0.5% of revenues is included the annual budget to provide for unanticipated fluctuations in revenues or expenditures.

These policies are designed to ensure that operating departments have sufficient funds available to support programs and services, and to mitigate the need for budget reductions during the course of the fiscal year.

BASIS OF BUDGETING

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

The basis of budgeting and the basis of accounting used in the City's audited financial statements are the same. Appropriations lapse at the end of each year. With the current financial resources measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of net assets presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of general long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The City considers revenues reported in the governmental funds to be available if they are collectible within sixty days after year-end. Principal revenue sources considered susceptible to accrual include taxes, federal funds, local funds, and investment earnings. Other revenues are considered to be measurable and available only when cash is received by the City. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, and obligations for workers' compensation, which are recognized as expenditures when payment is due. Pension expenditures are recognized when amounts are due to a plan.

Operating revenues and expenditures are distinguished from non-operating items. Operating revenues and expenses generally result from providing services in connection with the principal ongoing operation of the fund. All revenues and expenses not meeting this definition are reported as non-operating items.

Appropriations for special projects are budgeted as transfers to a special project fund by the Mayor and Board of Directors. These allocations are used to finance specific initiatives or capital projects. Special projects are generally multi-year activities that are monitored until they are fully expended or repealed by the Mayor and Board of Directors. At the conclusion of the special initiative or capital project, remaining allocations are returned to the fund that originally sponsored the project. Examples of such projects are allocations for homeless prevention, weed lot maintenance, demolition, and the Mayor's Youth Council.

OTHER AGENCIES

One of the budget policies of the Mayor and Board of Directors is to support other agencies that provide services that are important to the City's quality of life. The agencies that have had City support are described below:

The **Arkansas Museum of Fine Arts**, formerly the **Arkansas Arts Center** located in a City park, serves the metropolitan area and provides a wide array of cultural opportunities to residents of all ages and interests.

The **Arkansas Museum of Discovery** enhances the cultural opportunities in the metropolitan area and has opened a new and larger museum located in the River Market District. This project was funded through the FUTURE-Little Rock initiatives and is now funded from the General Fund.

Rock Region Metro, formerly the **Central Arkansas Transit Authority** provides vital public transportation services to much of the metropolitan area.

The **County Health Department** provides health care services to residents of both the City and Pulaski County. The State Health Department directs its operations. It receives operating support from both the City and the County.

The **Downtown Partnership** promotes economic development for downtown and is an example of public and private partnerships to promote growth and development of the City.

County Regional Detention Center serves the residents of both the city and Pulaski County. The County directs its operations and it receives operating support from the City and all jurisdictions in the County.

Metroplan is a council of local governments that provides area-wide transportation and other planning and support services to its members.

The Pulaski Area Geographical Information System (PAGIS) is a consortium of local government agencies formed by inter-local agreement to develop, maintain and distribute spatial based information and graphics. Current members are Little Rock, North Little Rock, Pulaski County, Central Arkansas Water and Wastewater commissions of Little Rock and North Little Rock.

Little Rock City Beautiful Commission promotes public interest in the general improvement of the appearance of the City of Little Rock; and establishes, subject to the Little Rock City Board of Directors approval, regulations of aesthetic quality for public and private lands and improvements.

APPROPRIATIONS FOR OTHER AGENCIES

	2021	2022	2022	2023	
	Actual	Budget	Amended	Budget	
Rock Region Metro	\$9,669,443	\$9,854,118	\$9,854,118	\$9,854,118	(a)
County Regional Detention Center	2,554,153	2,554,153	2,810,000	2,910,000	(b)
Arkansas Museum of Fine Arts	800,000	1,200,000	1,200,000	2,200,000	(c)
Arkansas Museum of Discovery	367,000	192,000	192,000	192,000	
Metroplan	178,042	186,384	186,384	186,384	
Downtown Partnership	145,000	195,000	242,500	225,000	(d)
PAGIS	129,043	134,850	134,850	153,850	(e)
County Health Department	56,100	56,100	56,100	56,100	
Oakland Fraternal Cemetery	50,000	50,000	50,000	50,000	
St. Vincent	25,381	25,381	25,381	25,381	
LR City Beautiful Commission	673	2,500	2,500	2,500	
Total	\$13,974,835	\$14,450,486	\$14,753,833	\$15,855,333	

- (a) Total Rock Region Metro funding is \$9,854,118. \$7,584,118 of this funding is provided by the General Fund, with the remaining \$2,000,000 provided by the Street Fund.
- (b) Pulaski County is increasing the Regional Detention Center daily billing rate per prisoner by 10.2%. Total Regional Detention Center funding is \$2,910,000. \$2,750,000 of this funding is provided by the General Fund, with the remaining \$160,000 provided by the local jail fines special project.
- (c) The Museum of Fine Arts requested a funding increase of \$1,000,000 with opening anticipated in April 2023.
- (d) The 2022 Amended Budget for Downtown Partnership included an additional allocation for the La Petit Roche Celebration. 2023 funding anticipates an increase of \$30,000. The proposed downtown ambassador program is budgeted in contracts at \$250,000. This will be matched with an additional \$250,000 funded by LRCVB. The program will be bid separately as a contract for services.
- (e) The change in PAGIS support is to accommodate the City’s share of a new position to meet National Emergency Number Association Next Generation (NG)-911 requirements.

Budget Summaries



BUDGET SUMMARIES

The following schedules summarize the audited 2021 operating results, the 2022 amended operating budget or projected actuals, and the approved 2023 operating budget. The summaries are organized by fund type to remain consistent with the fund organization in the City's audited Annual Comprehensive Financial Report.

The Operating Funds Budget Summary is an overview by category. The Budget Summary by Fund Type is a recap of the seven (7) fund types included in this section. Following this recap is a budget summary for each of the individual funds included in each fund type.

State statute requires the City to budget for the administration, operation, maintenance, and improvements of various City operations. The budget demonstrates compliance with legal requirements. Other funds submitted are for informational purposes only.

The City's Basic Operating Budget includes the following funds:

- General
- Street
- Fleet Services
- Vehicle Storage Facility
- Waste Disposal
- Parking Garages

The seven (7) types of funds included in the budget summaries are:

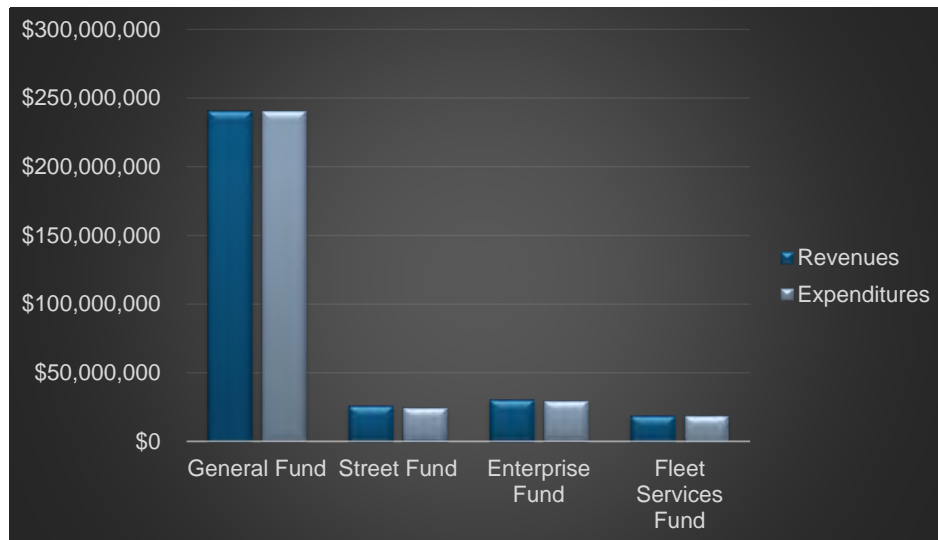
- General
- Special Revenue
- Capital Projects
- Debt Service
- Enterprise
- Internal Service
- Fiduciary

For more information regarding these funds, see the section entitled FINANCIAL STRUCTURE.

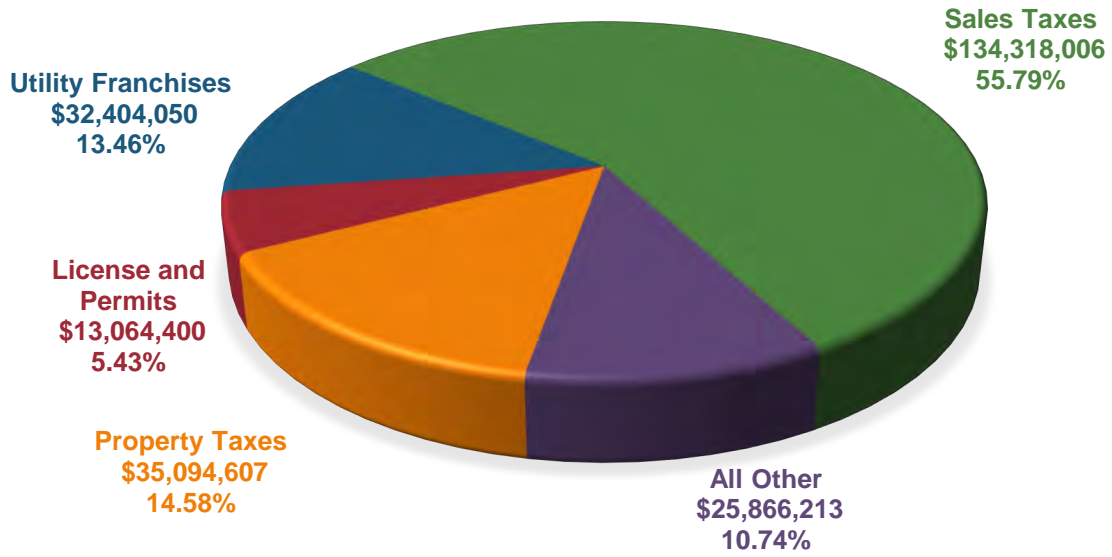
2023 Operating Funds Budget Summaries

	General	Street	Enterprise Funds	Fleet Services	Total
Revenues					
General Property Taxes	\$ 35,094,607	\$ 7,227,897	\$ -	\$ -	\$ 42,322,504
Sales Taxes	134,318,006	-	-	-	134,318,006
License and Permits	13,064,400	19,800	295,585	-	13,379,785
Intergovernmental	10,020,799	18,101,700	-	-	28,122,499
Charge for Service	11,260,292	24,000	29,528,476	18,689,088	59,501,856
Fines and Fees	1,594,600	-	-	-	1,594,600
Utility Franchise Fees	32,404,050	-	-	-	32,404,050
Investment Income	450,000	200,000	116,100	20,000	786,100
Miscellaneous	975,696	52,300	100,000	-	1,127,996
Transfers In	1,564,826	284,000	-	-	1,848,826
Total Revenues	240,747,276	25,909,697	30,040,161	18,709,088	315,406,222
Expenditures					
Personnel	178,855,002	12,256,084	9,998,275	4,398,766	205,508,127
Supplies and Materials	6,869,323	1,201,893	2,503,652	8,181,321	18,756,189
Repairs and Maintenance	12,671,399	2,692,117	5,137,871	1,326,740	21,828,127
Contractual and Other	26,804,053	5,526,468	6,243,664	4,162,367	42,736,552
Closure/Post Closure	-	-	614,800	-	614,800
Capital Outlay	63,325	-	-	-	63,325
Depreciation and Amortization	-	-	3,066,800	277,500	3,344,300
Debt Service	2,422,524	-	250,735	-	2,673,259
Transfers Out	13,061,650	2,827,217	1,255,109	362,394	17,506,370
Total Expenditures	240,747,276	24,503,779	29,070,906	18,709,088	313,031,049
Net Change in Fund Balance	-	1,405,918	969,255	-	2,375,173
Fund Balances - Beginning	30,076,527	22,568,557	33,718,554	4,349,179	90,712,817
Fund Balances - Ending	\$ 30,076,527	\$ 23,974,475	\$ 34,687,809	\$ 4,349,179	\$ 93,087,990

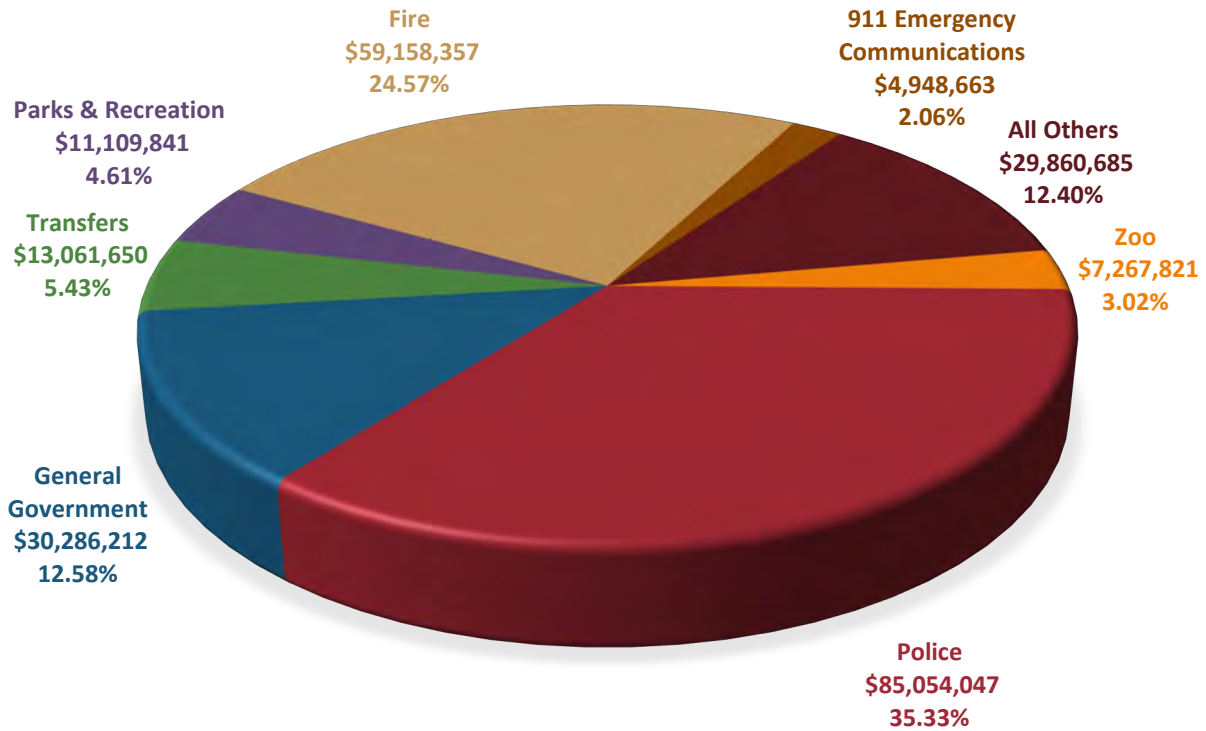
This presentation includes restricted reserves of \$13,100,000 in the General Fund.



FY 2023 GENERAL FUND SOURCES OF FUNDS FOR 2023



USES OF FUNDS FOR 2023



**CITY OF LITTLE ROCK
BUDGET SUMMARY BY FUND TYPE
FOR YEARS 2021 - 2023**

	GENERAL FUNDS	SPECIAL REVENUES	CAPITAL PROJECTS	DEBT SERVICE FUNDS	ENTERPRISE FUNDS	INTERNAL SERVICE FUND	FIDUCIARY FUNDS
2021							
REVENUES:	\$ 247,223,544	\$ 49,154,346	\$ 31,124,980	\$ 27,125,864	\$ 28,307,728	\$ 11,539,822	\$ 27,608,587
EXPENDITURES:	233,393,635	43,050,609	37,357,827	27,023,131	25,556,437	12,923,168	13,058,238
REVENUES OVER (UNDER) EXPENDITURES	13,829,909	6,103,737	(6,232,847)	102,733	2,751,290	(1,383,346)	14,550,348
BEGINNING NET POSITION	48,058,784	30,180,711	63,213,338	24,447,467	28,988,790	5,732,525	126,263,565
ENDING FUND BALANCE	<u>\$ 61,888,693</u>	<u>\$ 36,284,448</u>	<u>\$ 56,980,491</u>	<u>\$ 24,550,200</u>	<u>\$ 31,740,080</u>	<u>\$ 4,349,179</u>	<u>\$ 140,813,913</u>
2022							
REVENUES:	\$ 284,162,902	\$ 48,969,011	\$ 86,023,402	\$ 43,414,664	\$ 30,186,859	\$ 15,950,087	\$ (795,872)
EXPENDITURES:	262,101,694	43,140,748	16,815,807	65,352,221	28,208,385	15,950,087	11,971,609
REVENUES OVER (UNDER) EXPENDITURES	22,061,208	5,828,264	69,207,595	(21,937,557)	1,978,474	-	(12,767,481)
BEGINNING FUND BALANCE	61,888,693	36,284,448	56,980,491	24,550,200	31,740,080	4,349,179	140,813,913
ENDING FUND BALANCE	<u>\$ 83,949,901</u>	<u>\$ 42,112,711</u>	<u>\$ 126,188,086</u>	<u>\$ 2,612,643</u>	<u>\$ 33,718,554</u>	<u>\$ 4,349,179</u>	<u>\$ 128,046,432</u>
2023							
REVENUES:	\$ 240,747,276	\$ 25,909,697	\$ -	\$ -	\$ 30,040,161	\$ 18,709,088	\$ -
EXPENDITURES:	240,747,276	24,503,779	-	-	29,070,906	18,709,088	-
REVENUES OVER (UNDER) EXPENDITURES	-	1,405,918	-	-	969,255	-	-
BEGINNING FUND BALANCE	83,949,901	42,112,711	126,188,086	2,612,643	33,718,554	4,349,179	128,046,432
ENDING FUND BALANCE	<u>\$ 83,949,901</u>	<u>\$ 43,518,629</u>	<u>\$ 126,188,086</u>	<u>\$ 2,612,643</u>	<u>\$ 34,687,809</u>	<u>\$ 4,349,179</u>	<u>\$ 128,046,432</u>

**GENERAL GOVERNMENT SUMMARY
OPERATING BUDGET
2021-2023**

GENERAL FUNDS:	ACTUAL 2021	PROJECTED OR AMENDED 2022	ADOPTED BUDGET 2023
<u>GENERAL FUND **</u>			
REVENUES:	\$ 231,465,709	\$ 240,906,092	\$ 240,747,276
EXPENDITURES:	<u>221,903,863</u>	<u>247,421,451</u>	<u>240,747,276</u>
REVENUES OVER (UNDER) EXPENDITURES	9,561,847	(6,515,359)	-
BEGINNING FUND BALANCE	<u>27,030,039</u>	<u>36,591,886</u>	<u>30,076,527</u>
ENDING FUND BALANCE	<u>\$ 36,591,886</u>	<u>\$ 30,076,527</u>	<u>\$ 30,076,527</u>
% CHANGE IN FUND BALANCE		-17.8%	0.0%

The change in fund balance in 2022 is due to the appropriate of prior year revenues over expenditures for one time projects including \$5 million for port land acquisition, \$3 million for targeted community development, and \$508,000 for the schematic design of a proposed parking deck project, partially offset by the change in fund balance from projected 2022 operations.

SPECIAL PROJECTS FUND

REVENUES:	\$ 15,646,322	\$ 43,039,604	\$ -
EXPENDITURES:	<u>11,481,615</u>	<u>14,674,937</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	4,164,707	28,364,667	-
BEGINNING FUND BALANCE	<u>20,991,299</u>	<u>25,156,006</u>	<u>53,520,673</u>
ENDING FUND BALANCE	<u>\$ 25,156,006</u>	<u>\$ 53,520,673</u>	<u>\$ 53,520,673</u>
% CHANGE IN FUND BALANCE		112.8%	0.0%

The significant increase in revenues for 2022 is due to a \$14M transfer from the 2013 & 2018 Capital Improvement Bond Debt Service Fund upon the full redemption of the bonds to a Special Activity. The City also experienced above anticipated revenues for 2022 and allocated over \$17M to one-time Special Projects.

** Funds with an adopted budget. Amended budgets are shown for funds with an adopted budget while projected actuals are shown for funds that do not have an adopted budget.

**GENERAL GOVERNMENT SUMMARY
OPERATING BUDGET
2021-2023**

GENERAL FUNDS:	ACTUAL 2021	PROJECTED OR AMENDED 2022	ADOPTED BUDGET 2023
<u>SEIZED MONEY FUND</u>			
REVENUES:	\$ 111,512	\$ 217,206	\$ -
EXPENDITURES:	<u>8,157</u>	<u>5,306</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	103,355	211,900	-
BEGINNING FUND BALANCE	<u>37,447</u>	<u>140,802</u>	<u>352,702</u>
ENDING FUND BALANCE	<u>\$ 140,802</u>	<u>\$ 352,702</u>	<u>\$ 352,702</u>
% CHANGE IN FUND BALANCE		150.5%	0.0%

Seized Fund revenues vary significantly from year to year. A majority of the 2021 revenues were received in the last quarter. The only expenditures in 2022 were for software maintenance.

TOTAL BEGINNING FUND BALANCE	\$ 48,058,784	\$ 61,888,693	\$ 83,949,901
TOTAL REVENUES	247,223,544	284,162,902	240,747,276
TOTAL EXPENDITURES	<u>233,393,635</u>	<u>262,101,694</u>	<u>240,747,276</u>
TOTAL ENDING FUND BALANCE	<u>\$ 61,888,693</u>	<u>\$ 83,949,901</u>	<u>\$ 83,949,901</u>

The sources and trends of operating revenue are discussed in the section of the budget titled REVENUES. The details of the operating budget by department and by service program are contained in the section of the budget titled EXPENDITURES. The transfers out primarily consist of appropriations for special projects.

The City of Little Rock utilizes a program budget for public information purposes and for Mayor & Board consideration. Line item information is principally used for budgetary management and control purposes.

** Funds with an adopted budget. Amended budgets are shown for funds with an adopted budget while projected actuals are shown for funds that do not have an adopted budget.

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2021-2023**

SPECIAL REVENUE FUNDS:	ACTUAL 2021	PROJECTED OR AMENDED 2022	ADOPTED BUDGET 2023
<u>STREET</u> **			
REVENUES:	\$ 24,027,298	\$ 24,887,535	\$ 25,909,697
EXPENDITURES:	<u>20,081,104</u>	<u>24,013,104</u>	<u>24,503,779</u>
REVENUES OVER (UNDER) EXPENDITURES	3,946,194	874,431	1,405,918
BEGINNING FUND BALANCE	<u>17,747,932</u>	<u>21,694,126</u>	<u>22,568,557</u>
ENDING FUND BALANCE	<u>\$ 21,694,126</u>	<u>\$ 22,568,557</u>	<u>\$ 23,974,475</u>
% CHANGE IN FUND BALANCE		4.0%	6.2%

The change in fund balance for 2021 is primarily due to higher than projected gas turnback revenues and 2020 excess commissions that were not received in time for revenue recognition in 2020.

SPECIAL PROJECT - STREET

REVENUES:	\$ 2,380,963	\$ 2,861,560	\$ -
EXPENDITURES:	<u>872,973</u>	<u>2,224,585</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	1,507,990	636,975	-
BEGINNING FUND BALANCE	<u>2,924,849</u>	<u>4,432,839</u>	<u>5,069,814</u>
ENDING FUND BALANCE	<u>\$ 4,432,839</u>	<u>\$ 5,069,814</u>	<u>\$ 5,069,814</u>
% CHANGE IN FUND BALANCE		14.4%	0.0%

The change in fund balance is due to funds set aside from the Street Fund for specific infrastructure projects that are still in progress at year-end.

** Funds with an adopted budget. Amended budgets are shown for funds with an adopted budget while projected actuals are shown for funds that do not have an adopted budget.

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2021-2023**

SPECIAL REVENUE FUNDS:	ACTUAL 2021	PROJECTED 2022	ADOPTED BUDGET 2023
<u>SPECIAL PROJECTS</u>			
REVENUES:	\$ 3,343,838	\$ 6,443,810	\$ -
EXPENDITURES:	<u>3,371,020</u>	<u>3,325,763</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(27,182)	3,118,047	-
BEGINNING FUND BALANCE	<u>4,061,274</u>	<u>4,034,092</u>	<u>7,152,139</u>
ENDING FUND BALANCE	<u>\$ 4,034,092</u>	<u>\$ 7,152,139</u>	<u>\$ 7,152,139</u>
% CHANGE IN FUND BALANCE		77.3%	0.0%

The change in fund balance in 2022 is primarily associated with the transfer of funds from General Fund Special Projects to fulfill funding commitments for projects completed in prior years.

EMERGENCY 911

REVENUES:	\$ 1,344,694	\$ 1,353,877	\$ -
EXPENDITURES:	<u>928,323</u>	<u>653,356</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	416,371	700,521	-
BEGINNING FUND BALANCE	<u>3,076,940</u>	<u>3,493,311</u>	<u>4,193,832</u>
ENDING FUND BALANCE	<u>\$ 3,493,311</u>	<u>\$ 4,193,832</u>	<u>\$ 4,193,832</u>
% CHANGE IN FUND BALANCE		20.1%	0.0%

The change in fund balance is primarily due to a change in Arkansas statutory law, ACT 660, which replaced the 911 surcharge of \$0.65 for wireless, VoIP, and non-traditional services with a Public Safety Fee of \$1.30.

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2021-2023**

SPECIAL REVENUE FUNDS:	<u>ACTUAL 2021</u>	<u>PROJECTED 2022</u>	<u>ADOPTED BUDGET 2023</u>
<u>GRANTS</u>			
REVENUES:	\$ 9,185,134	\$ 4,845,260	\$ -
EXPENDITURES:	<u>9,183,501</u>	<u>4,834,311</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	1,633	10,949	-
BEGINNING FUND BALANCE	<u>16,142</u>	<u>17,775</u>	<u>28,724</u>
ENDING FUND BALANCE	<u>\$ 17,775</u>	<u>\$ 28,724</u>	<u>\$ 28,724</u>
% CHANGE IN FUND BALANCE *		61.6%	0.0%
<u>CDBG</u>			
REVENUES:	\$ 3,520,998	\$ 2,074,919	\$ -
EXPENDITURES:	<u>3,499,576</u>	<u>1,833,256</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	21,422	241,664	-
BEGINNING FUND BALANCE	<u>856,884</u>	<u>878,306</u>	<u>1,119,970</u>
ENDING FUND BALANCE	<u>\$ 878,306</u>	<u>\$ 1,119,970</u>	<u>\$ 1,119,970</u>
% CHANGE IN FUND BALANCE *		27.5%	0.0%
<u>HIPP</u>			
REVENUES:	\$ 1,271,736	\$ 1,618,797	\$ -
EXPENDITURES:	<u>1,092,251</u>	<u>1,654,033</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	179,485	(35,236)	-
BEGINNING FUND BALANCE	<u>1,479,520</u>	<u>1,659,005</u>	<u>1,623,769</u>
ENDING FUND BALANCE	<u>\$ 1,659,005</u>	<u>\$ 1,623,769</u>	<u>\$ 1,623,769</u>
% CHANGE IN FUND BALANCE *		-2.1%	0.0%

**SPECIAL REVENUE FUNDS
OPERATING BUDGET
2021-2023**

SPECIAL REVENUE FUNDS:	<u>ACTUAL 2021</u>	<u>PROJECTED 2022</u>	<u>ADOPTED BUDGET 2023</u>
<u>NHSP</u>			
REVENUES:	\$ 60,588	\$ 33,394	\$ -
EXPENDITURES:	<u>59,979</u>	<u>32,926</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	609	468	-
BEGINNING FUND BALANCE	<u>17,170</u>	<u>17,779</u>	<u>18,247</u>
ENDING FUND BALANCE	<u>\$ 17,779</u>	<u>\$ 18,247</u>	<u>\$ 18,247</u>
% CHANGE IN FUND BALANCE *		2.6%	0.0%
<u>AMERICAN RESCUE PLAN</u>			
REVENUES:	\$ 4,019,096	\$ 4,849,858	\$ -
EXPENDITURES:	<u>3,961,882</u>	<u>4,569,414</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	57,214	280,444	-
BEGINNING FUND BALANCE	<u>-</u>	<u>57,214</u>	<u>337,658</u>
ENDING FUND BALANCE	<u>\$ 57,214</u>	<u>\$ 337,658</u>	<u>\$ 337,658</u>
% CHANGE IN FUND BALANCE *		490.2%	0.0%
TOTAL BEGINNING FUND BALANCE	\$ 30,180,711	\$ 36,284,448	\$ 42,112,711
TOTAL REVENUES	49,154,346	48,969,011	25,909,697
TOTAL EXPENDITURES	<u>43,050,609</u>	<u>43,140,748</u>	<u>24,503,779</u>
TOTAL ENDING FUND BALANCE	<u>\$ 36,284,448</u>	<u>\$ 42,112,711</u>	<u>\$ 43,518,629</u>

*Changes in fund balance are attributed to the receipt and timing of the expenditure of grant awards.

**CAPITAL FUNDS
OPERATING BUDGET
2021-2023**

CAPITAL PROJECT FUNDS:	ACTUAL 2021	PROJECTED 2022	ADOPTED BUDGET 2023
<u>2015 LIBRARY CONSTRUCTION AND REFUNDING BONDS</u>			
REVENUES:	\$ (1,244)	\$ 4,236	\$ -
EXPENDITURES:	119,815	-	-
REVENUES OVER (UNDER) EXPENDITURES	(121,059)	4,236	-
BEGINNING FUND BALANCE	404,486	283,427	287,663
ENDING FUND BALANCE	<u>\$ 283,427</u>	<u>\$ 287,663</u>	<u>\$ 287,663</u>
% CHANGE IN FUND BALANCE #		1.5%	0.0%

These bonds were retired with the issuance of the 2022 Library Construction and Refunding Bonds. The remaining capital improvement funds will be expended in 2023.

LIMITED TAX GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS, SERIES 2018

REVENUES:	\$ 51,006	\$ 82,871	\$ -
EXPENDITURES:	12,770,635	6,777,913	-
REVENUES OVER (UNDER) EXPENDITURES	(12,719,629)	(6,695,042)	-
BEGINNING FUND BALANCE	23,819,367	11,099,738	4,404,696
ENDING FUND BALANCE	<u>\$ 11,099,738</u>	<u>\$ 4,404,696</u>	<u>\$ 4,404,696</u>
% CHANGE IN FUND BALANCE ##		-60.3%	0.0%

These bonds were fully redeemed. The remaining capital improvement funds will be expended in 2023.

TAX INCREMENTAL FINANCING PORT

REVENUES:	\$ 316,719	\$ 194,601	\$ -
EXPENDITURES:	300,000	200,000	-
REVENUES OVER (UNDER) EXPENDITURES	16,719	(5,399)	-
BEGINNING FUND BALANCE	220,217	236,936	231,537
ENDING FUND BALANCE	<u>\$ 236,936</u>	<u>\$ 231,537</u>	<u>\$ 231,537</u>
% CHANGE IN FUND BALANCE ^		-2.3%	0.0%

**CAPITAL FUNDS
OPERATING BUDGET
2021-2023**

CAPITAL PROJECT FUNDS:	<u>ACTUAL 2021</u>	<u>PROJECTED 2022</u>	<u>ADOPTED BUDGET 2023</u>
<u>SHORT TERM FINANCING</u>			
REVENUES:	\$ 7,770,604	\$ 58,044	\$ -
EXPENDITURES:	<u>7,050,725</u>	<u>1,028,916</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	719,879	(970,872)	-
BEGINNING FUND BALANCE	<u>2,352,912</u>	<u>3,072,791</u>	<u>2,101,919</u>
ENDING FUND BALANCE	<u>\$ 3,072,791</u>	<u>\$ 2,101,919</u>	<u>\$ 2,101,919</u>
% CHANGE IN FUND BALANCE ^		-31.6%	0.0%
<u>2012-2021 CAPITAL PROJECT FUND (3/8 CENT SALES TAX)</u>			
REVENUES:	\$ 22,987,945	\$ 786,768	\$ -
EXPENDITURES:	<u>17,116,651</u>	<u>7,704,253</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	5,871,294	(6,917,485)	-
BEGINNING FUND BALANCE	<u>36,406,779</u>	<u>42,278,073</u>	<u>35,360,588</u>
ENDING FUND BALANCE	<u>\$ 42,278,073</u>	<u>35,360,588</u>	<u>\$ 35,360,588</u>
% CHANGE IN FUND BALANCE ^		-16.4%	0.0%
<u>CITY OF LITTLE ROCK, ARKANSAS HOTEL GROSS RECEIPTS TAX BONDS, SERIES 2018</u>			
REVENUES:	\$ (50)	\$ 196	\$ -
EXPENDITURES:	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	(50)	196	-
BEGINNING FUND BALANCE	<u>9,577</u>	<u>9,527</u>	<u>9,723</u>
ENDING FUND BALANCE	<u>\$ 9,527</u>	<u>\$ 9,723</u>	<u>\$ 9,723</u>
% CHANGE IN FUND BALANCE ^		2.1%	0.0%

**CAPITAL FUNDS
OPERATING BUDGET
2021-2023**

	ACTUAL 2021	PROJECTED 2022	ADOPTED BUDGET 2023
CAPITAL PROJECT FUNDS:			
<u>CITY OF LITTLE ROCK, LIBRARY CONSTRUCTION BONDS, SERIES 2022</u>			
REVENUES:	\$ -	\$ 26,049,224	\$ -
EXPENDITURES:	-	497,655	-
REVENUES OVER (UNDER) EXPENDITURES	-	25,551,569	-
BEGINNING FUND BALANCE	-	-	25,551,569
ENDING FUND BALANCE	\$ -	\$ 25,551,569	\$ 25,551,569
% CHANGE IN FUND BALANCE ^		N/A	0.0%
<u>CITY OF LITTLE ROCK, CAPITAL IMPROVEMENT BONDS, SERIES 2022A & 2022B</u>			
REVENUES:	\$ -	\$ 58,847,462	\$ -
EXPENDITURES:	-	607,070	-
REVENUES OVER (UNDER) EXPENDITURES	-	58,240,392	-
BEGINNING FUND BALANCE	-	-	58,240,392
ENDING FUND BALANCE	\$ -	\$ 58,240,392	\$ 58,240,392
% CHANGE IN FUND BALANCE ^		N/A	0.0%
TOTAL CAPITAL BEGINNING BALANCE	\$ 63,213,338	\$ 56,980,491	\$ 126,188,086
TOTAL REVENUES	31,124,980	86,023,402	-
TOTAL EXPENDITURES	37,357,827	16,815,807	-
TOTAL CAPITAL ENDING FUND BALANCE	\$ 56,980,491	\$ 126,188,086	\$ 126,188,086

^Changes in fund balance are associated with the issuance of new debt resulting in proceeds for capital expenditures and with the subsequent expenditure of proceeds for capital improvement projects.

**DEBT SERVICE FUNDS
OPERATING BUDGET
2021-2023**

DEBT SERVICE FUNDS:	<u>ACTUAL 2021</u>	<u>PROJECTED 2022</u>	<u>ADOPTED BUDGET 2023</u>
<u>2015 LIBRARY CONSTRUCTION AND REFUNDING BONDS</u>			
REVENUE:	\$ 4,237,485	\$ 19,738,107	\$ -
EXPENDITURES:	<u>4,219,156</u>	<u>23,703,639</u>	<u>-</u>
NET INCREASE (DECREASE)	18,329	(3,965,532)	-
BEGINNING FUND BALANCE	4,210,609	4,228,938	263,406
ENDING FUND BALANCE	<u>4,228,938</u>	<u>263,406</u>	<u>\$ 263,406</u>
% CHANGE IN FUND BALANCE #		-93.8%	0.0%

These bonds were refunded with the issuance of the 2022 Library Construction and Refunding Bonds.

**LIMITED TAX GENERAL OBLIGATION CAPITAL
IMPROVEMENT BONDS, SERIES 2018**

REVENUE:	\$14,348,217	\$ 14,238,570	\$ -
EXPENDITURES:	<u>14,216,425</u>	<u>28,840,111</u>	<u>-</u>
NET INCREASE (DECREASE)	131,792	(14,601,542)	-
BEGINNING FUND BALANCE	14,469,749	14,601,542	-
ENDING FUND BALANCE	<u>\$14,601,542</u>	<u>\$ -</u>	<u>\$ -</u>
% CHANGE IN FUND BALANCE ##		-100.0%	

These bonds were fully redeemed in 2022.

**TAX INCREMENTAL FINANCING 2014 CAPITAL
IMPROVEMENT BONDS**

REVENUE:	\$ 439,709	\$ 335,180	\$ -
EXPENDITURES:	<u>897,213</u>	<u>178,163</u>	<u>-</u>
NET INCREASE (DECREASE)	(457,504)	157,018	-
BEGINNING FUND BALANCE	881,442	423,938	580,956
ENDING FUND BALANCE	<u>\$ 423,938</u>	<u>\$ 580,956</u>	<u>\$ 580,956</u>
% CHANGE IN FUND BALANCE ###		37.0%	0.0%

The change in fund balance for the City's debt service funds is due to the scheduled retirement of debt and the timing of bond calls. Revenues dedicated to debt service are very consistent.

**DEBT SERVICE FUNDS
OPERATING BUDGET
2021-2023**

DEBT SERVICE FUNDS:	ACTUAL 2021	PROJECTED 2022	ADOPTED BUDGET 2023
<u>CAPITAL IMPROVEMENTS REFUNDING REVENUE BONDS, SERIES 2017</u>			
REVENUE:	\$ 1,508,136	\$ 1,510,182	\$ -
EXPENDITURES:	<u>1,510,900</u>	<u>1,506,650</u>	<u>-</u>
NET INCREASE (DECREASE)	(2,764)	3,532	-
BEGINNING FUND BALANCE	19,334	16,570	20,102
ENDING FUND BALANCE	<u>16,570</u>	<u>\$ 20,102</u>	<u>\$ 20,102</u>
% CHANGE IN FUND BALANCE ###		21.3%	0.0%

2017 LIBRARY REFUNDING BONDS

REVENUE:	\$ 4,234,500	\$ 4,262,738	\$ -
EXPENDITURES:	<u>4,251,644</u>	<u>8,189,786</u>	<u>-</u>
NET INCREASE (DECREASE)	(17,144)	(3,927,048)	-
BEGINNING FUND BALANCE	4,511,146	4,494,002	566,954
ENDING FUND BALANCE	<u>\$ 4,494,002</u>	<u>\$ 566,954</u>	<u>\$ 566,954</u>
% CHANGE IN FUND BALANCE ##		-87.4%	0.0%

These bonds were fully redeemed in 2022.

**2022 LIBRARY CONSTRUCTION AND REFUNDING
BONDS**

REVENUE:	\$ -	\$ 476,739	\$ -
EXPENDITURES:	<u>-</u>	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE)	-	476,739	-
BEGINNING FUND BALANCE	-	-	476,739
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 476,739</u>	<u>\$ 476,739</u>
% CHANGE IN FUND BALANCE ####			0.0%

Bonds issued for Library Construction and Refunding in 2022. The amount represents the proceeds deposited for the first interest payment due March 1, 2023

**DEBT SERVICE FUNDS
OPERATING BUDGET
2021-2023**

DEBT SERVICE FUNDS:	<u>ACTUAL 2021</u>	<u>PROJECTED 2022</u>	<u>ADOPTED BUDGET 2023</u>
<u>CITY OF LITTLE ROCK, ARKANSAS HOTEL GROSS RECEIPTS TAX BONDS, SERIES 2018</u>			
REVENUE:	\$ 2,357,816	\$ 2,853,148	\$ -
EXPENDITURES:	<u>1,927,794</u>	<u>2,933,872</u>	<u>-</u>
NET INCREASE (DECREASE)	430,023	(80,724)	-
BEGINNING FUND BALANCE	355,187	785,210	704,486
ENDING FUND BALANCE	<u>\$ 785,210</u>	<u>\$ 704,486</u>	<u>\$ 704,486</u>
% CHANGE IN FUND BALANCE ###		-10.3%	0.0%
TOTAL BEGINNING FUND BALANCE	\$24,447,467	\$ 24,550,200	\$ 2,612,643
TOTAL REVENUES	27,125,864	43,414,664	-
TOTAL EXPENDITURES	<u>27,023,131</u>	<u>65,352,221</u>	<u>-</u>
TOTAL ENDING FUND BALANCE	<u>\$24,550,200</u>	<u>\$ 2,612,643</u>	<u>\$ 2,612,643</u>

**ENTERPRISE FUNDS
OPERATING BUDGET
2021-2023**

ENTERPRISE FUNDS:	<u>ACTUAL 2021</u>	<u>AMENDED 2022</u>	<u>ADOPTED BUDGET 2023</u>
<u>VEHICLE STORAGE FACILITY **</u>			
REVENUES:	\$ 2,039,352	\$ 2,086,150	\$ 1,896,585
EXPENDITURES:	<u>1,506,810</u>	<u>1,787,944</u>	<u>1,825,987</u>
REVENUES OVER (UNDER) EXPENDITURES	532,542	298,206	70,598
BEGINNING NET POSITION	<u>243,905</u>	<u>776,447</u>	<u>1,074,653</u>
ENDING NET POSITION	<u>\$ 776,447</u>	<u>\$ 1,074,653</u>	<u>\$ 1,145,251</u>
% CHANGE IN FUND BALANCE		38.4%	-6.6%

The change in net position is due to increased revenue in 2021 and 2022 associated with storage fees, wrecker fees, and vehicle auctions since COVID-19 restrictions were lifted.

WASTE DISPOSAL **

REVENUES:	\$ 23,961,237	\$ 25,217,280	\$ 25,485,100
EXPENDITURES:	<u>22,409,664</u>	<u>24,635,680</u>	<u>25,485,100</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	1,551,573	581,600	-
BEGINNING NET POSITION	<u>24,814,407</u>	<u>26,365,980</u>	<u>26,947,580</u>
ENDING NET POSITION	<u>\$ 26,365,980</u>	<u>\$ 26,947,580</u>	<u>\$ 26,947,580</u>
% CHANGE IN FUND BALANCE		2.2%	0.0%

PARKING GARAGES **

REVENUES:	\$ 2,307,139	\$ 2,883,429	\$ 2,658,476
EXPENDITURES:	<u>1,639,963</u>	<u>1,784,761</u>	<u>1,759,819</u>
REVENUES OVER (UNDER) NET INCOME (LOSS)	667,176	1,098,668	898,657
BEGINNING NET POSITION	<u>3,930,478</u>	<u>4,597,654</u>	<u>5,696,322</u>
ENDING NET POSITION	<u>\$ 4,597,654</u>	<u>\$ 5,696,322</u>	<u>\$ 6,594,979</u>
% CHANGE IN FUND BALANCE		23.9%	15.8%

The change in net position is due to significant increases in street repair revenue (71.7% increase over 2021), parking deck daily revenue (30.7% increase over 2021), and parking meter revenue (52.5% increase over 2021).

TOTAL ENTERPRISE BEGINNING NET POSITION	\$ 28,988,790	\$ 31,740,080	\$ 33,718,554
TOTAL REVENUES	28,307,728	30,186,859	30,040,161
TOTAL EXPENDITURES	<u>25,556,437</u>	<u>28,208,385</u>	<u>29,070,906</u>
TOTAL ENTERPRISE ENDING NET POSITION	<u>\$ 31,740,080</u>	<u>\$ 33,718,554</u>	<u>\$ 34,687,809</u>

** Funds with an adopted budget. Amended budgets are shown for funds with an adopted budget while projected actuals are shown for funds that do not have an adopted budget.

**FLEET INTERNAL SERVICE FUND
OPERATING BUDGET
2021-2023**

INTERNAL SERVICE FUND:	<u>ACTUAL 2021</u>	<u>AMENDED 2022</u>	<u>ADOPTED BUDGET 2023</u>
<u>FLEET INTERNAL SERVICE FUND</u> **			
REVENUES:	\$11,539,822	\$15,950,087	\$ 18,709,088
EXPENDITURES:	<u>12,923,168</u>	<u>15,950,087</u>	<u>18,709,088</u>
REVENUES OVER (UNDER) EXPENDITURES	(1,383,346)	-	-
BEGINNING NET POSITION	<u>5,732,525</u>	<u>4,349,179</u>	<u>4,349,179</u>
ENDING NET POSITION	<u>\$ 4,349,179</u>	<u>\$ 4,349,179</u>	<u>\$ 4,349,179</u>
% CHANGE IN FUND BALANCE #		0.0%	0.0%

The decrease in net position in 2021 is primarily due to a one-time transfer to the General Fund to up-fit Police vehicles.

** Funds with an adopted budget. Amended budgets are shown for funds with an adopted budget while projected actuals are shown for funds that do not have an adopted budget.

**FIDUCIARY FUNDS
OPERATING BUDGET
2021-2023**

FIDUCIARY FUNDS:	<u>ACTUAL 2021</u>	<u>PROJECTED 2022</u>	<u>ADOPTED BUDGET 2023</u>
<u>POLICE PENSION & RELIEF FUND</u>			
ADDITIONS:	\$ 454,430	\$ 524,477	\$ -
DEDUCTIONS:	-	-	-
NET INCREASE (DECREASE)	454,430	524,477	-
NET POSITION HELD IN TRUST, BEGINNING	<u>742,107</u>	<u>1,196,537</u>	<u>1,721,014</u>
NET POSITION HELD IN TRUST, ENDING	<u>\$ 1,196,537</u>	<u>\$ 1,721,014</u>	<u>\$ 1,721,014</u>
<u>FIRE PENSION & RELIEF FUND</u>			
ADDITIONS:	\$ 454,430	\$ 524,477	\$ -
DEDUCTIONS:	-	-	-
NET INCREASE (DECREASE)	454,430	524,477	-
NET POSITION HELD IN TRUST, BEGINNING	<u>753,334</u>	<u>1,207,764</u>	<u>1,732,241</u>
NET POSITION HELD IN TRUST, ENDING	<u>\$ 1,207,764</u>	<u>\$ 1,732,241</u>	<u>\$ 1,732,241</u>
<u>NON-UNIFORM DEFINED BENEFIT FUND</u>			
ADDITIONS:	\$ 2,493,745	\$ (98,591)	\$ -
DEDUCTIONS:	<u>1,716,325</u>	<u>1,641,088</u>	<u>-</u>
NET INCREASE (DECREASE)	777,420	(1,739,679)	-
NET POSITION HELD IN TRUST, BEGINNING	<u>12,503,204</u>	<u>13,280,624</u>	<u>11,540,945</u>
NET POSITION HELD IN TRUST, ENDING	<u>\$ 13,280,624</u>	<u>\$ 11,540,945</u>	<u>\$ 11,540,945</u>

**FIDUCIARY FUNDS
OPERATING BUDGET
2021-2023**

FIDUCIARY FUNDS:	<u>ACTUAL 2021</u>	<u>PROJECTED 2022</u>	<u>ADOPTED BUDGET 2023</u>
<u>NON-UNIFORM DEFINED CONTRIBUTION</u>			
ADDITIONS:	\$ 1,830,062	\$ (1,067,097)	\$ -
DEDUCTIONS:	<u>2,660,124</u>	<u>2,742,768</u>	<u>-</u>
NET INCREASE (DECREASE)	(830,062)	(3,809,864)	-
NET POSITION HELD IN TRUST, BEGINNING	<u>13,592,498</u>	<u>12,762,436</u>	<u>8,952,572</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 12,762,436</u></u>	<u><u>\$ 8,952,572</u></u>	<u><u>\$ 8,952,572</u></u>

The City implemented a new defined benefit plan for non-uniform employees in 2014. Participants were allowed to utilize funds from the defined contribution plan to purchase years of service in the new defined benefit plan.

2014 NON-UNIFORM DEFINED BENEFIT FUND

ADDITIONS:	\$ 15,312,389	\$ (2,502,839)	\$ -
DEDUCTIONS:	<u>2,347,732</u>	<u>2,862,280</u>	<u>-</u>
NET INCREASE (DECREASE)	12,964,657	(5,365,119)	-
NET POSITION HELD IN TRUST, BEGINNING	<u>80,695,465</u>	<u>93,660,122</u>	<u>88,295,003</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 93,660,122</u></u>	<u><u>\$ 88,295,003</u></u>	<u><u>\$ 88,295,003</u></u>

401 (A) PENSION FUND

ADDITIONS:	\$ 2,027,856	\$ (1,466,850)	\$ -
DEDUCTIONS:	<u>2,615,318</u>	<u>964,190</u>	<u>-</u>
NET INCREASE (DECREASE)	(587,462)	(2,431,040)	-
NET POSITION HELD IN TRUST, BEGINNING	<u>9,569,740</u>	<u>8,982,278</u>	<u>6,551,238</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 8,982,278</u></u>	<u><u>\$ 6,551,238</u></u>	<u><u>\$ 6,551,238</u></u>

**FIDUCIARY FUNDS
OPERATING BUDGET
2021-2023**

FIDUCIARY FUNDS:	<u>ACTUAL 2021</u>	<u>PROJECTED 2022</u>	<u>ADOPTED BUDGET 2023</u>
<u>HEALTH MANAGEMENT TRUST FUND</u>			
ADDITIONS:	\$ 2,454,423	\$ 720,120	\$ -
DEDUCTIONS:	<u>1,137,487</u>	<u>1,190,853</u>	<u>-</u>
NET INCREASE (DECREASE)	1,316,935	(470,733)	-
NET POSITION HELD IN TRUST, BEGINNING	<u>8,407,217</u>	<u>9,724,152</u>	<u>9,253,419</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 9,724,152</u></u>	<u><u>\$ 9,253,419</u></u>	<u><u>\$ 9,253,419</u></u>
<u>CUSTODIAL FUND (COURTS)</u>			
ADDITIONS:	\$ 2,581,252	\$ 2,570,430	\$ -
DEDUCTIONS:	<u>2,581,252</u>	<u>2,570,430</u>	<u>-</u>
NET INCREASE (DECREASE)	0	-	-
NET POSITION HELD IN TRUST, BEGINNING	<u>-</u>	<u>0</u>	<u>0</u>
NET POSITION HELD IN TRUST, ENDING	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
TOTAL NET POSITION BEGINNING	\$ 126,263,565	\$ 140,813,913	\$ 128,046,432
TOTAL ADDITIONS	27,608,587	(795,872)	-
TOTAL DEDUCTIONS	<u>13,058,238</u>	<u>11,971,609</u>	<u>-</u>
TOTAL NET POSITION ENDING	<u><u>\$ 140,813,913</u></u>	<u><u>\$ 128,046,432</u></u>	<u><u>\$ 128,046,432</u></u>

2023 Five-Year Forecast

All fund designations and reserves are evaluated annually for long-term adequacy and use requirements in conjunction with developing the City's five-year financial plan. A 10% reserve requirement is utilized for planning purposes for all budgeted funds, except for the Solid Waste Fund, which has a 15% unrestricted net position reserve requirement. In addition, each annual operating budget will include a contingency appropriation in the General Fund sufficient to provide for unforeseen needs of an emergency nature for that year. The desired level of the contingency appropriation each year shall be based on the average of the three (3) prior years' experience levels but no less than 0.5% of General Fund revenue for the current fiscal year. The contingency appropriation in the 2023 General Fund budget is \$1,200,000 or approximately 0.5% of estimated revenue, excluding Transfers In.

Per the City's financial policy, the goal was to set aside \$10,000,000 or 10% of General Fund revenues, whichever is greater, into a restricted reserve fund on or before December 31, 2005. Contingency appropriations, which are not utilized during the fiscal year to meet unforeseen needs, may be added to the restricted reserve until the desired level is achieved. The City Board of Directors authorized an additional \$1,100,000 to be added to the restricted reserve in the final 2022 Amended Budget. The portion of General Fund balance included in the restricted reserve is currently \$13,100,000. While the City has not increased the reserve to the desired level, the City has not drawn from the restricted reserve to balance the budget. The City is currently reviewing financial policies. A recommendation will be brought forward in 2023 to build a 17% unassigned fund balance in the General Fund, including the restricted reserve, representing approximately two months of annual operating revenues, excluding Transfers In.

Because demand for services outpaced revenue growth in the years leading up to 2012, the residents of Little Rock approved a one (1)-cent sales tax on September 13, 2011, to allow the City to fill critical positions that had remained vacant for many years and to provide the City the opportunity to move forward with much needed programs and capital projects. All services and projects funded by the tax support the City's goals and objectives, centered on public safety, economic development, basic City services, infrastructure, and quality of life.

The tax increase, which became effective January 1, 2012, includes a permanent 5/8-cent tax for general operations and a 3/8-cent ten (10)-year capital tax which sunset on December 31, 2021. The combined tax proceeds provided resources for constructing new Fire and Police facilities, a new emergency communications system, infrastructure improvements, and other capital projects. They provided additional Police Officers, more Code Enforcement Officers, economic development activities, and park and zoo operations. The capital projects supported by the 3/8-cent tax are highlighted in the Capital Improvements section of the Budget Document. The ongoing operating expenses associated with the capital projects are supported by the 5/8-cent portion of the sales tax, reflected in the City's General Fund. Most of the capital projects have been completed, and the associated operating expenses have been phased into the annual budget. While the 3/8-cent tax ended December 31, 2021, designated capital projects will continue until all accumulated tax proceeds and related interest earnings have been expended.

Consistent with the first “must do” goal of the Mayor and Board of Directors, the City completed the majority of the designated public safety projects funded by the 3/8-cent ten (10)-year capital tax by the end of 2017. In addition, emphasis is placed on completing infrastructure projects underway in each of the City’s seven (7) Wards, utilizing citizen input through community meetings that determined projects in the final (3)-year cycle (2019 – 2021) of the tax allocation. The City acquired 615 West Markham Street in November 2017 to construct a new Police Headquarters. An architect and construction manager were hired in 2019, but construction was delayed due to the pandemic. The new headquarters, featured on the cover of this Budget Document, opened in August 2022. This is the last major public safety facility to be funded with the 3/8-cent tax. No additional staffing or operating expenditure increase is anticipated, as the current Police Headquarters building will be demolished.

Debt service expenditures have been adjusted in the five-year forecast to include the timing of short-term note payments for various capital projects. In addition, Transfers Out has been adjusted to reflect the 0.5% of annual operating revenues contingency allocation for unanticipated revenue and expenditure fluctuations from the budget as noted above.

In 2022, the Mayor and Board of Directors proposed renewal of a three (3)-mill ad valorem (property) tax levy to support a limited tax general obligation bond issue for designated capital improvements. The previous three (3)-mill levy supported bonds for street and drainage improvements issued in two (2) series in 2013 and 2018. The 2013 and 2018 series bonds were fully redeemed in 2021 and 2022, respectively. The new three (3)-mill levy and the issuance of limited tax general obligation bonds in the aggregate principal amount of up to \$161,800,000 was approved by voters at a Special Election held on August 9, 2022 for six (6) separate ballot questions including: Street Improvement - \$40,500,000, Drainage Improvement - \$40,500,000, Fire Apparatus Improvement - \$19,500,000, Park and Recreational Improvements (including improvements to the Little Rock Zoo) - \$37,000,000, District Court Facility Improvements - \$8,500,000, and Port Industrial Park Improvements - \$15,800,000. On December 21, 2022, the City issued \$53,510,000 in tax exempt bonds – Series 2022A and \$5,055,000 in taxable bonds – Series 2022B. Public meetings are in process to identify the specific street, drainage, and park improvement projects by Ward. It is important to note that the new three (3)-mill levy did increase the existing ad valorem tax rate.

The five-year forecast for 2023 – 2027 is not approved by the City Board of Directors, rather, it is a planning tool.

**CITY OF LITTLE ROCK
FIVE-YEAR FORECAST (2023-2027)**

	<u>FY23 Adopted</u>	<u>FY24 Projected</u>	<u>FY25 Projected</u>	<u>FY26 Projected</u>	<u>FY27 Projected</u>
General Fund					
Beginning Fund Balance	\$ 30,076,527	\$30,076,527	\$30,076,527	\$30,076,527	\$30,076,527
Plus: Est. Revenue (a)	240,747,276	246,765,958	252,318,192	257,995,351	264,445,235
Less: Est. Expenses					
Executive Administration	27,863,688	28,409,169	29,261,444	29,854,742	30,567,981
Board of Directors	348,179	355,143	364,022	372,212	381,517
Community Programs	329,603	336,195	344,600	352,354	361,163
City Attorney	2,563,580	2,614,852	2,680,223	2,740,528	2,809,041
District Court - First Division	1,415,686	1,444,000	1,480,100	1,513,402	1,551,237
District Court - Second Division	1,355,459	1,382,568	1,417,132	1,449,017	1,485,242
District Court - Third Division	588,888	600,666	615,683	629,536	645,274
Finance	4,807,797	4,903,953	5,026,552	5,139,649	5,268,140
Human Resources	2,538,165	2,588,928	2,653,651	2,713,358	2,781,192
Information Technology	7,963,217	8,122,481	8,366,155	8,554,393	8,768,253
Planning and Development	3,412,745	3,481,000	3,568,025	3,648,306	3,739,514
Housing & Neighborhood Programs	6,636,656	6,769,389	6,938,624	7,094,743	7,272,112
Public Works	1,140,917	1,163,735	1,192,828	1,219,667	1,250,159
Parks & Recreation	11,109,841	11,332,038	11,615,339	11,876,684	12,173,601
River Market	1,071,692	1,093,126	1,120,454	1,145,664	1,174,306
Golf	1,797,682	1,833,636	1,879,477	1,921,765	1,969,809
Jim Dailey Fitness & Aquatics	890,419	908,227	930,933	951,879	975,676
Zoo	7,267,821	7,413,177	7,598,506	7,769,472	7,963,709
Fire	59,158,357	60,341,524	62,151,770	63,705,564	65,935,259
Police	85,054,047	86,755,128	89,357,782	91,591,727	94,797,437
911 Emergency Communications	4,948,663	5,047,636	5,173,827	5,290,238	5,448,945
Vacancy Reductions (b)	(7,000,000)	(7,297,000)	(7,443,000)	(7,592,000)	(7,744,000)
Debt Service - short-term notes (c)	2,422,524	4,070,907	2,863,414	2,863,414	1,648,383
Transfers Out (including contingency) (d)	13,061,650	13,095,480	13,160,651	13,189,037	13,221,286
	<u>240,747,276</u>	<u>246,765,958</u>	<u>252,318,192</u>	<u>257,995,351</u>	<u>264,445,235</u>
Net Increase (decrease) to Fund Balance	-	-	-	-	-
Ending Fund Balance (e)	<u>\$30,076,527</u>	<u>\$30,076,527</u>	<u>\$30,076,527</u>	<u>\$30,076,527</u>	<u>\$30,076,526</u>
Reserve Requirement (10% of Revenues)	<u>\$24,074,728</u>	<u>\$24,676,596</u>	<u>\$25,231,819</u>	<u>\$25,799,535</u>	<u>\$26,444,524</u>

(a) Assumes 2023 revenues remain consistent, with annual growth of 2.0% - 2.5%, excluding Transfers In.

(b) The amount reflects approximately 4% of the cost of full staffing, representing savings associated with temporary unfilled positions due to turnover and retirements.

(c) Reflects annual changes in estimated short-term financing debt service requirements.

(d) Transfers Out includes a contingency allocation of 0.5% of revenues for unanticipated changes in revenues and expenses.

(e) Ending Fund Balance includes a restricted reserve of \$13,100,000.

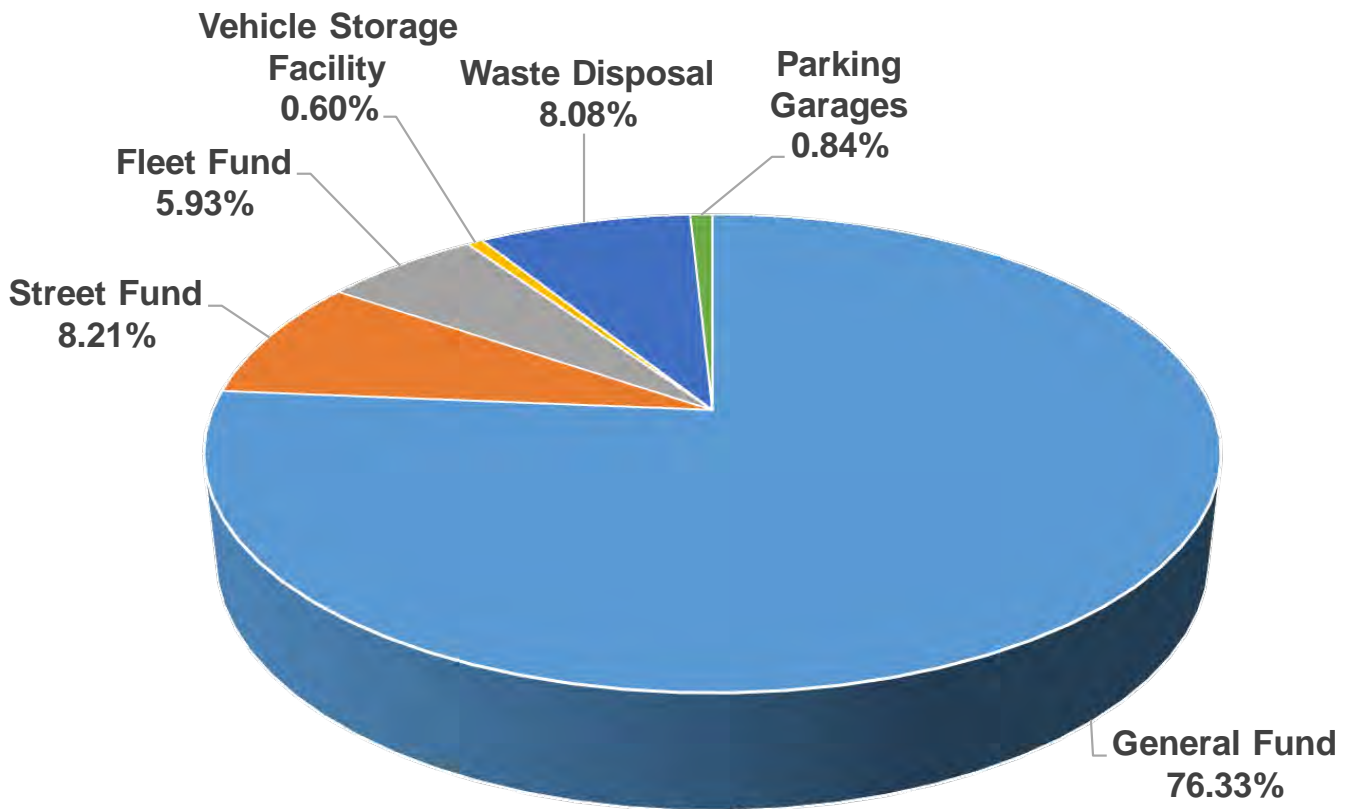
**CITY OF LITTLE ROCK
FIVE-YEAR FORECAST (2023-2027)**

	<u>FY23</u> <u>Adopted</u>	<u>FY24</u> <u>Projected</u>	<u>FY25</u> <u>Projected</u>	<u>FY26</u> <u>Projected</u>	<u>FY27</u> <u>Projected</u>
<u>Street Fund</u>					
Beginning Fund Balance	\$22,568,557	\$23,974,475	\$24,673,398	\$25,129,009	\$25,328,725
Plus: Est. Revenue	25,909,697	26,427,891	26,956,449	27,495,578	28,045,489
Less: Est. Expenses	24,503,779	25,728,968	26,500,837	27,295,862	28,114,738
Ending Fund Balance	<u>\$23,974,475</u>	<u>\$24,673,398</u>	<u>\$25,129,009</u>	<u>\$25,328,725</u>	<u>\$25,259,476</u>
Reserve Requirement (10% of revenue)	<u>\$2,590,970</u>	<u>\$2,642,789</u>	<u>\$2,695,645</u>	<u>\$2,749,558</u>	<u>\$2,804,549</u>
<u>Fleet Fund</u>					
Beginning Net Position	\$4,349,179	\$4,349,179	\$4,349,179	\$4,349,179	\$4,349,179
Plus: Est. Revenue	18,709,088	19,083,270	19,464,935	19,854,234	20,251,319
Less: Est. Expenses	18,709,088	19,083,270	19,464,935	19,854,234	20,251,319
Ending Net Position	<u>\$4,349,179</u>	<u>\$4,349,179</u>	<u>\$4,349,179</u>	<u>\$4,349,179</u>	<u>\$4,349,179</u>
Reserve Requirement (10% of revenues)	<u>\$1,870,909</u>	<u>\$1,908,327</u>	<u>\$1,946,494</u>	<u>\$1,985,423</u>	<u>\$2,025,132</u>
<u>Vehicle Storage Facility</u>					
Beginning Net Position	\$1,074,653	\$1,145,251	\$1,198,648	\$1,234,129	\$1,250,959
Plus: Est. Revenue	1,896,585	1,925,034	1,953,909	1,983,218	2,012,966
Less: Est. Expenses	1,825,987	1,871,637	1,918,428	1,966,388	2,015,548
Ending Net Position	<u>\$1,145,251</u>	<u>\$1,198,648</u>	<u>\$1,234,129</u>	<u>\$1,250,959</u>	<u>\$1,248,377</u>
Reserve Requirement (10% of revenues)	<u>\$189,659</u>	<u>\$192,503</u>	<u>\$195,391</u>	<u>\$198,322</u>	<u>\$201,297</u>
<u>Waste Disposal Fund</u>					
Beginning Net Position	\$26,947,580	\$26,947,580	\$26,820,154	\$26,559,569	\$26,159,896
Plus: Est. Revenue (h)	25,485,100	25,994,802	26,514,698	27,044,992	27,585,892
Less: Est. Expenses	25,485,100	26,122,228	26,775,283	27,444,665	28,130,782
Ending Net Position	<u>\$26,947,580</u>	<u>\$26,820,154</u>	<u>\$26,559,569</u>	<u>\$26,159,896</u>	<u>\$25,615,006</u>
Reserve Requirement (15% of revenues)	<u>\$3,822,765</u>	<u>\$3,899,220</u>	<u>\$3,977,205</u>	<u>\$4,056,749</u>	<u>\$4,137,884</u>
(h) A rate study in 2019 resulted in a new rate structure beginning January 1, 2020 that is intended to cover the cost of services in the Waste Disposal fund and expansion of the landfill.					
<u>Parking Garages</u>					
Beginning Net Position	\$5,696,322	\$6,594,979	\$7,502,810	\$8,419,779	\$9,345,842
Plus: Est. Revenue	2,658,476	2,711,646	2,765,878	2,821,196	2,877,620
Less: Est. Expenses	1,759,819	1,803,814	1,848,910	1,895,133	1,942,511
Ending Net Position	<u>\$6,594,979</u>	<u>\$7,502,810</u>	<u>\$8,419,779</u>	<u>\$9,345,842</u>	<u>\$10,280,951</u>

Revenues



CITY OF LITTLE ROCK 2023 REVENUE PROFILE

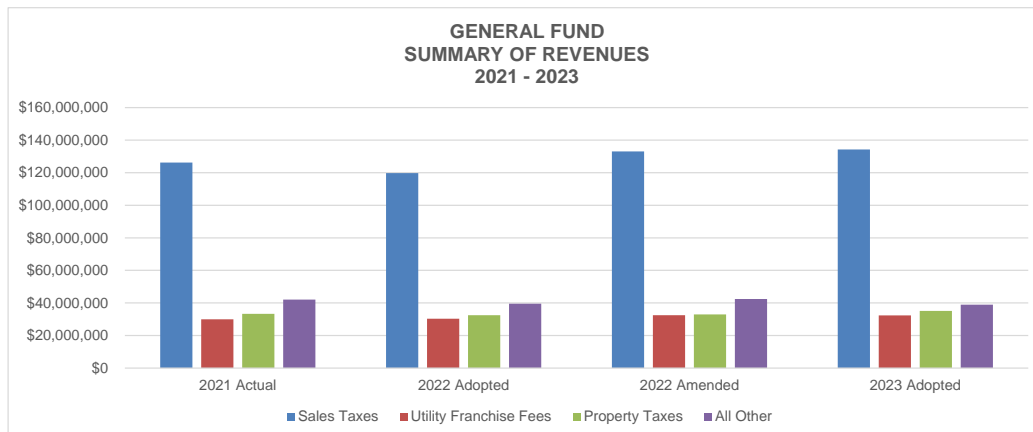


\$315,406,222

**CITY OF LITTLE ROCK
2023 OPERATING REVENUES**

REVENUES:	2021 ACTUAL	2022 ADOPTED	2022 AMENDED	2023 ADOPTED	22/23 DIFF	% CHANGE
Property Taxes *	\$33,294,257	\$32,456,475	\$32,929,177	\$35,094,607	\$2,165,430	6.58%
Sales Tax	126,233,418	119,739,850	133,056,877	134,318,006	1,261,129	0.95%
Business Licenses	7,148,756	7,200,000	6,871,250	6,808,200	(63,050)	-0.92%
Mixed Drinks Licenses	2,978,154	2,830,000	3,528,795	3,666,200	137,405	3.89%
Building, Related Permits	2,216,910	2,462,000	2,372,048	2,590,000	217,952	9.19%
Intergovernmental *	11,120,576	10,703,932	13,394,777	10,020,799	(3,373,978)	-25.19%
Park Revenue	318,054	338,050	316,609	339,800	23,191	7.32%
River Market	309,545	375,304	386,286	356,092	(30,194)	-7.82%
Golf	1,255,967	1,314,100	1,128,798	1,159,400	30,602	2.71%
Jim Dailey Fitness and Aquatic Center	165,523	252,600	326,174	290,700	(35,474)	-10.88%
Zoo	3,355,094	3,200,250	3,284,968	3,354,700	69,732	2.12%
Airport Reimbursement	3,134,666	3,260,000	3,088,912	3,088,900	(12)	0.00%
Salary Reimbursement 911	1,750,000	1,750,000	1,750,000	1,750,000	-	0.00%
Fines and Fees	1,650,743	1,929,200	1,639,956	1,594,600	(45,356)	-2.77%
Utility Franchises	29,924,273	30,365,217	32,466,612	32,404,050	(62,562)	-0.19%
Police Pension	195,632	145,000	215,068	207,500	(7,568)	-3.52%
Investment Income	(192,199)	130,000	346,500	450,000	103,500	29.87%
All Other	1,752,937	1,614,425	1,628,524	1,688,896	60,372	3.71%
Transfers In	3,027,421	2,099,761	2,174,761	1,564,826	(609,935)	-28.05%
Carryover from Prior Year	1,825,982	-	-	-	-	N/A
Total General Fund	231,465,709	222,166,164	240,906,092	240,747,276	(158,816)	-0.07%
Other Budgeted Funds						
Street	24,027,298	23,627,260	24,887,535	25,909,697	1,022,162	4.11%
Fleet Services	11,539,822	14,920,087	15,950,087	18,709,088	2,759,001	17.30%
Vehicle Storage Facility	2,039,352	1,896,150	2,086,150	1,896,585	(189,565)	-9.09%
Waste Disposal	23,961,237	23,777,100	25,217,280	25,485,100	267,820	1.06%
Parking Garages	2,307,139	2,526,932	2,883,429	2,658,476	(224,953)	-7.80%
Total Other Budgeted Funds	63,874,848	66,747,529	71,024,481	74,658,946	3,634,465	5.12%
Total All Budgeted Funds	\$295,340,557	\$288,913,693	\$311,930,573	\$315,406,222	\$3,475,649	1.11%

* Includes Property Tax and Pension Turnback funds associated with the Police and Fire Pension.



**CITY OF LITTLE ROCK
2023 OPERATING REVENUE**

	2021 ACTUAL	2022 ADOPTED	2022 AMENDED	2023 ADOPTED
GENERAL FUND				
PROPERTY TAX				
Property Taxes	\$ 22,441,151	\$ 22,040,360	\$ 22,533,577	\$ 23,845,000
Pension Property Taxes	9,521,383	9,129,680	9,400,098	10,034,000
Homestead Taxes	1,188,278	1,110,000	846,360	1,065,000
Act 9 Industry Payment	143,446	176,435	149,142	150,607
Total Property Taxes	<u>33,294,257</u>	<u>32,456,475</u>	<u>32,929,177</u>	<u>35,094,607</u>
SALES TAX				
County Sales & Use Tax	53,421,968	50,776,250	56,536,643	57,007,570
City Sales Tax	69,592,645	65,903,600	73,499,178	74,170,275
State Tax Turnback	3,218,806	3,060,000	3,021,056	3,140,161
Total Sales Taxes	<u>126,233,418</u>	<u>119,739,850</u>	<u>133,056,877</u>	<u>134,318,006</u>
BUSINESS LICENSES				
General Business Licenses	7,148,756	7,200,000	6,871,250	6,808,200
Mixed Drinks Licenses	2,978,154	2,830,000	3,528,795	3,666,200
Total Business Licenses	<u>10,126,910</u>	<u>10,030,000</u>	<u>10,400,045</u>	<u>10,474,400</u>
PERMITS				
Building & Excavation Permits	1,202,413	1,400,000	1,356,988	1,487,900
Electrical Permits	341,327	357,000	348,500	371,300
Plumbing Permits	271,333	284,000	282,730	317,700
HVAC Permits	310,214	325,000	297,027	329,100
Wrecker Franchise	91,623	96,000	86,803	84,000
Total Permits	<u>2,216,910</u>	<u>2,462,000</u>	<u>2,372,048</u>	<u>2,590,000</u>
INTERGOVERNMENTAL				
Insurance Turnback	6,913,875	6,913,875	6,970,411	6,970,411
Police and Fire Pension Insurance Turnback	2,986,315	2,569,671	2,569,651	1,786,513
Police Stipends - State	-	-	2,611,468	-
Police Supplement	148,800	148,800	146,400	140,400
Future Supplement (ACT 1373)	1,071,586	1,071,586	1,096,847	1,123,475
Total Intergovernmental	<u>11,120,576</u>	<u>10,703,932</u>	<u>13,394,777</u>	<u>10,020,799</u>
CHARGES FOR SERVICES				
POLICE SERVICES				
Police Report	252,258	220,000	286,826	290,000
False Alarm	120,657	80,000	169,410	125,000
Airport - Security Guards	1,707,122	1,775,400	1,654,870	1,654,900
Total Police Services	<u>2,080,038</u>	<u>2,075,400</u>	<u>2,111,106</u>	<u>2,069,900</u>
FIRE SERVICES				
Airport-Fire Protection	1,427,544	1,484,600	1,434,042	1,434,000
Total Fire Services	<u>1,427,544</u>	<u>1,484,600</u>	<u>1,434,042</u>	<u>1,434,000</u>
PARK REVENUE				
SWLR Community Complex	56,847	39,500	39,500	73,900
Dunbar Community Center	14,633	31,000	31,000	36,200
The Centre at University Park	135	10,000	10,000	-
Stephens Community Center	7,837	10,500	10,500	17,600
West Central Community Center	32,479	43,500	43,500	39,600
Athletics Fees	63,968	56,600	56,600	64,200
Pavilion Rental	60,574	65,500	65,500	48,000
Rental Revenue	19,659	20,800	20,800	9,800
Concessions-Food	2,117	350	350	3,100
Community Center & Miscellaneous Fees	-	1,050	1,050	100
Admissions Revenue	39,533	40,000	18,559	37,800
Miscellaneous Revenue	20,272	19,250	19,250	9,500
Total Park Revenue	<u>318,054</u>	<u>338,050</u>	<u>316,609</u>	<u>339,800</u>

**CITY OF LITTLE ROCK
2023 OPERATING REVENUE**

	2021 ACTUAL	2022 ADOPTED	2022 AMENDED	2023 ADOPTED
RIVER MARKET				
Admissions Revenue	137,656	168,000	125,736	138,000
Space Rental	171,889	207,304	260,550	218,092
Total River Market Revenue	<u>309,545</u>	<u>375,304</u>	<u>386,286</u>	<u>356,092</u>
GOLF				
Concessions Revenue	98,043	106,500	95,045	100,500
Green Fees	709,365	704,600	616,624	620,300
Equipment Rental	372,548	427,000	350,592	365,800
Merchandise Sales	76,129	76,000	66,537	72,800
Miscellaneous Revenue	(117)	-	-	-
Total Golf Revenue	<u>1,255,967</u>	<u>1,314,100</u>	<u>1,128,798</u>	<u>1,159,400</u>
JIM DAILEY FITNESS & AQUATIC CENTER				
Annual Membership	15,944	28,000	10,390	16,000
Monthly Membership	64,291	125,000	82,814	65,000
Daily Fees	81,836	44,000	230,091	209,100
Corporate Fees	1,590	55,500	-	-
Special Fees & Concessions	67	100	2,879	200
Instructional Fees and Special Events	1,795	-	-	400
Total Jim Dailey Fitness & Aquatic Center	<u>165,523</u>	<u>252,600</u>	<u>326,174</u>	<u>290,700</u>
ZOO				
Membership	586,874	500,000	554,138	572,600
Zoo Admissions	1,743,050	1,650,000	1,561,345	1,587,900
Concessions	288,810	300,000	331,864	366,600
Token Sales	230,558	220,000	189,467	218,700
Education	8,333	20,000	23,022	16,700
Special Events	9,850	150,000	27,889	4,500
Zoo Rentals	54,867	40,100	60,286	26,600
Merchandise Sales	417,517	300,000	500,369	530,500
Miscellaneous	15,235	20,150	36,588	30,600
Total Zoo Revenue	<u>3,355,094</u>	<u>3,200,250</u>	<u>3,284,968</u>	<u>3,354,700</u>
MISCELLANEOUS CHARGES FOR SERVICES				
Crossing Guards-LRSD Reimbursement	461,324	460,500	460,500	485,800
911 Services Reimbursement	1,750,000	1,750,000	1,750,000	1,750,000
P & D Meter Fees Contra	(2,965)	(2,000)	(2,000)	(1,200)
Housing Rental Revenue	17,413	16,000	16,000	18,000
Miscellaneous Fleet Labor Costs	2,826	-	-	3,100
Total Miscellaneous Services	<u>2,228,598</u>	<u>2,224,500</u>	<u>2,224,500</u>	<u>2,255,700</u>
Total Charges for Services	<u>11,140,363</u>	<u>11,264,804</u>	<u>11,212,483</u>	<u>11,260,292</u>
FINES				
General Fines	879,641	1,100,000	838,736	824,100
Probation Assessments	1,063	13,000	40,704	1,000
Fines - Parking	241,821	300,000	312,025	275,000
Fines - Other	798	1,400	1,400	500
Total Fines	<u>1,123,323</u>	<u>1,414,400</u>	<u>1,192,865</u>	<u>1,100,600</u>
FEES				
Uniform Filing Fees/Court Costs	157,752	145,000	159,341	153,900
Rezoning Fees	62,010	65,000	60,403	62,100
Act 9 Admin Fees	4,500	4,500	4,500	4,500
Copy Fees	96	100	100	100
Booking & Admin Fee - Pulaski County Jail	11,405	12,000	12,000	12,800
Warrant Service Police	29,067	23,000	1,373	38,000
Writ Garnishment Fees	2,350	2,300	2,300	2,500
Community Service Fees	1,575	1,600	1,600	1,800
Miscellaneous Service Fees	39,823	41,300	20,680	23,000
Mobile Home Registration Fees	2,775	40,000	-	-
Animal Services	216,068	180,000	184,794	195,300
Total Fees	<u>527,420</u>	<u>514,800</u>	<u>447,091</u>	<u>494,000</u>

**CITY OF LITTLE ROCK
2023 OPERATING REVENUE**

	<u>2021 ACTUAL</u>	<u>2022 ADOPTED</u>	<u>2022 AMENDED</u>	<u>2023 ADOPTED</u>
UTILITY FRANCHISE				
Entergy	13,723,938	14,900,000	14,944,486	15,245,700
S W Bell	463,331	390,000	479,975	460,000
Local Landline Franchise Fees	300,398	230,000	472,416	430,000
Long Dist. Franchise Fees	688,565	660,000	672,591	541,000
CenterPoint Energy	3,274,407	3,506,300	4,445,290	4,386,000
Central Ark Water	4,121,179	3,701,300	4,280,952	4,240,900
LR Waste Water	6,525,067	6,196,690	6,516,774	6,504,500
Fiber Optics	905,671	846,077	791,363	729,600
Cable TV	1,429,617	1,440,000	1,367,915	1,376,000
Franchise Fee Contra	<u>(1,507,900)</u>	<u>(1,505,150)</u>	<u>(1,505,150)</u>	<u>(1,509,650)</u>
Total Utility Franchises	29,924,273	30,365,217	32,466,612	32,404,050
POLICE PENSION				
Police 10% Parking	26,885	20,000	20,000	30,100
LRPD Retirement	109,201	70,000	140,068	100,800
Income-Police Clearing	52,373	35,000	35,000	51,300
Pension Miscellaneous	7,173	20,000	20,000	25,300
	<u>195,632</u>	<u>145,000</u>	<u>215,068</u>	<u>207,500</u>
INVESTMENT INCOME				
Interest Income	213,962	130,000	346,500	450,000
Change in Fair Market Value	<u>(406,161)</u>	-	-	-
Total Investment Income	(192,199)	130,000	346,500	450,000
RENTS AND ROYALTIES				
Tower Lease	339,156	340,446	340,446	318,000
Ground Leases	12,240	1,224	20,063	12,240
Total Rents and Royalties	<u>351,396</u>	<u>341,670</u>	<u>360,509</u>	<u>330,240</u>
MISCELLANEOUS INCOME				
Contributions/Donations	348,325	373,255	259,398	367,400
Insurance and Other Reimbursement	133,382	-	-	12,200
Miscellaneous Revenue	68,321	125,000	77,881	58,356
Total Miscellaneous Revenue	<u>550,028</u>	<u>498,255</u>	<u>337,279</u>	<u>437,956</u>
Transfers In	3,027,421	2,099,761	2,174,761	1,564,826
Carryover from Prior Year	<u>1,825,982</u>	-	-	-
TOTAL GENERAL FUND REVENUE	<u>231,465,709</u>	<u>222,166,164</u>	<u>240,906,092</u>	<u>240,747,276</u>
STREET FUND				
ST Homestead Tax	344,561	339,100	245,417	317,400
1/2 County Road Tax	6,507,907	6,422,100	6,534,696	6,879,300
ACT 9 Revenue	29,714	36,960	30,894	31,197
State Gas Tax Turnback	16,438,731	16,368,600	17,535,684	18,101,700
Street Repair Reimbursement	24,426	34,500	28,317	24,000
Loading Zone Permits	18,990	19,000	19,790	19,800
Insurance and Other Reimbursement	39,111	38,000	40,489	42,300
Miscellaneous	208,373	10,000	12,748	10,000
Interest and Change in Fair Market Value	(134,670)	75,000	155,500	200,000
Transfer In	467,700	284,000	284,000	284,000
Carryover from Prior Year	<u>82,456</u>	-	-	-
TOTAL STREET FUND	<u>24,027,298</u>	<u>23,627,260</u>	<u>24,887,535</u>	<u>25,909,697</u>

**CITY OF LITTLE ROCK
2023 OPERATING REVENUE**

	2021 ACTUAL	2022 ADOPTED	2022 AMENDED	2023 ADOPTED
FLEET INTERNAL SERVICE FUND				
Fleet Labor	3,165,292	4,105,997	4,105,997	4,423,337
Fleet Management	1,148,228	1,548,660	1,548,660	1,578,491
Fuel Fees	2,069,809	2,569,680	3,599,680	5,137,880
Miscellaneous	261,377	250,000	250,000	350,000
Motor Pool	1,291	5,000	5,000	5,000
Fleet Parts	2,426,197	3,201,600	3,201,600	3,442,880
Insurance	800,581	900,000	900,000	990,000
Insurance Repairs	558,567	460,000	460,000	550,000
Fleet Sublets	1,331,596	1,872,000	1,872,000	2,211,500
Interest and Change in Fair Market Value	(12,915)	7,150	7,150	20,000
Gain/(Loss) on Sale of Assets	(210,201)	-	-	-
TOTAL FLEET INTERNAL SERVICE FUND	11,539,822	14,920,087	15,950,087	18,709,088
VEHICLE STORAGE FACILITY				
Licenses and Permits	10,525	10,850	10,850	8,585
Storage Fees	472,246	450,000	490,000	450,000
Wrecker Fees	422,207	440,000	440,000	440,000
Vehicle Auction Sale	1,007,343	861,000	1,011,000	860,000
Impound Administration	111,541	115,000	115,000	122,000
Vehicle Storage Miscellaneous	3,096	5,000	5,000	5,000
Interest and Change in Fair Market Value	(6,583)	1,200	1,200	11,000
Contributions/Donations	13,090	13,100	13,100	-
Carryover from Prior Year	5,887	-	-	-
TOTAL VEHICLE STORAGE FACILITY	2,039,352	1,896,150	2,086,150	1,896,585
WASTE DISPOSAL ENTERPRISE FUND				
Sanitation Fees	21,947,418	21,900,000	22,613,139	23,180,100
Landfill Fees	1,610,292	1,629,100	2,221,894	2,036,300
Yard Waste	73,514	80,000	68,301	60,000
Compost Sale	25,588	30,000	17,124	24,000
Recycling Revenue	6,375	-	2,134	2,200
Interest and Change in Fair Market Value	(62,277)	30,000	59,000	80,000
Miscellaneous Revenue	307,821	100,000	151,000	100,000
Gain/(Loss) on Sale of Assets	(5,690)	-	82,663	-
Reimbursements (Recycling/Insurance)	2,599	8,000	2,025	2,500
Carryover from Prior Year	55,596	-	-	-
TOTAL WASTE DISPOSAL ENTERPRISE FUND	23,961,237	23,777,100	25,217,280	25,485,100
PARKING GARAGES				
Business License - Auto/Truck	253,163	253,000	287,426	287,000
Street Repair Reimbursement	372,919	400,000	637,988	400,000
Parking Meters	317,043	299,000	484,487	468,200
Surface Lot Parking	102,662	114,233	104,801	106,982
Parking Deck Monthly	910,807	956,599	926,441	938,569
Parking Deck Daily	328,641	490,000	429,605	426,672
Parking Peabody	35,719	5,000	-	4,553
Interest and Change in Fair Market Value	(13,927)	9,100	9,230	25,100
Miscellaneous Income	113	-	3,451	1,400
TOTAL PARKING GARAGES	2,307,139	2,526,932	2,883,429	2,658,476
GRAND TOTAL ALL FUNDS	\$ 295,340,557	\$ 288,913,693	\$ 311,930,573	\$ 315,406,222

REVENUE TRENDS

OVERALL

This section provides a detailed description and analysis of major revenue categories. The revenue forecasts consider several local and regional economic factors and trends. The City of Little Rock continues to enjoy above-average revenue growth, particularly in sales and use taxes, led by robust retail sales. Most of the revenue trends were either positive or remained stable for 2022. The General Fund, Street Fund, Vehicle Storage Fund, Waste Disposal Fund, and Parking Garage Fund operating revenues increased by approximately \$13.4 million in 2022 compared to the 2021 actual results.

2022 saw a continued rebound in many areas from the downturn in 2020 due to the Covid-19 pandemic. As the various restrictions were relaxed or lifted, the restaurant and accommodations industries, arguably hit the hardest during the pandemic, exceeded pre-Covid levels. Brick and mortar retail stores have been slower to recover as many shoppers prefer online shopping, as seen by increased online shopping revenue.

The most significant impact on 2022 revenues was the rapid rise of inflation. Inflation jumped from near zero during the pandemic to nearly 9% in June 2022. Since then, rising federal interest rates and declining fuel prices have decreased the inflation trend to 6.3% in January 2023. As prices for food and utilities increased in 2022, so did the growth in sales taxes which increased 5.4% from prior year.

Economic growth and revenues during 2023 are anticipated to be slightly less than in 2022. Steep interest rate hikes can trigger a recession, but Little Rock's comparative economic diversity and low unemployment should continue to create stable revenue trends across all city funds.

Detail information on the City's key revenue sources follows:

GENERAL FUND REVENUES

The City’s General Fund revenues are primarily comprised of sales and use taxes, property or ad valorem taxes, utility franchise fees, charges for services, licenses and permits, and fines and fees. Each of these revenue sources is discussed in detail below. The 2023 Adopted Budget for General Fund operating revenues totals \$240,747,276, which is 8.36% higher than the 2022 Adopted Budget and slightly less than the final 2022 Amended Budget of \$240,906,092.

	REVENUES IN	
	MILLIONS	% CHANGE
2019 Actual Revenues	\$218.1	6.53%
2020 Actual Revenues	\$205.1	-5.92%
2021 Actual Revenues	\$231.5	12.83%
2022 Amended Budget	\$240.9	4.08%
2023 Adopted Budget	\$240.7	-0.07%

PROPERTY TAXES

Property taxes are the second largest source of revenue for the General Fund and represent approximately \$35 million or 14.6% of the 2023 General Fund budget. The property tax is *ad valorem*, which means that the tax paid on a property is proportional to the property’s value. Assessments of real estate and personal property are levied in the current year and collectible in the following year. The Arkansas State Assessment Coordination Department establishes either a three (3) or a five (5) year cycle for real estate reappraisal. Personal property is appraised annually by May 31. In general, all real and personal property in the City is subjected to ad valorem taxation with some exceptions, such as school property and libraries. Residents, utilities, and businesses in Little Rock are assessed and levied property taxes as follows:

- Assessed value is an amount equal to 20% of market value, and the levied millage is applied against the assessed value to determine the tax owed. With the passage of Amendment 79, the taxable value of residential property is limited to a maximum increase of 5% annually, regardless of the increase in the property’s market value. The appraised value of a non-residential or investment property is limited to an annual increase of 10%.
- Any annual increase in utility and carrier real property value is limited to 10% of the assessed value for the previous year.
- Tax levies, expressed in terms of millage, are approved by local governments and certified to the County Tax Collector, who bills and collects the tax. One mill equals \$1 in tax per \$1,000 in assessed value.
- The total millage rate for a Little Rock resident residing in the Little Rock School District is 70.00 mills.

- The Pulaski County Treasurer remits taxes to the City monthly as payments are received throughout the year.

The City of Little Rock tax levies assessed in 2022 for collection in 2023 decreased to 15.10. With voter approval in 2022, the Central Arkansas Library decreased its overall operating and capital improvement mills from 5.60 to 5.10.

	<u>2021 Payable 2022</u>	<u>2022 Payable 2023</u>
General Operation	5.00	5.00
Bond Retirement	3.00	3.00
Library System	5.60	5.10
Police & Firemen’s Pension	<u>2.00</u>	<u>2.00</u>
	15.60	15.10

The General Assembly exercised its homestead exemption authority with the Act 1598 of 2001 (Amendment 79). A homestead is a property that is an owner’s principal place of residence. Effective with the assessment year 2000, the amount of real property taxes assessed on each property owner’s homestead was reduced by \$300. In 2007, the homestead credit amount was adjusted to \$350, and beginning with January 1, 2020, the homestead tax credit was adjusted to the current rate of \$375 for qualifying properties. Following the passage of Amendment 79, the Arkansas General Assembly increased the state sales and use tax from 4.625% to 5.125%. The proceeds of this one-half of one percent (0.5%) increase are paid into the State’s Property Tax Relief Trust Fund ("PTRTF"). Act 1544 of 2001, implementing the homestead exemption, also provided annual distributions to each county treasurer from the PTRTF in accordance with the county’s proportionate share of the total state-wide property tax reduction for that calendar year resulting from the homestead exemption. County treasurers, in turn, are required to distribute these payments to the taxing entities in the county in proportion to each taxing entity’s millage rate. There is a bill in the 2023 Regular General Assembly to increase the Homestead Credit from the current \$375 to \$425.

Depending on the real property value growth, an Arkansas county is either on a three-year or five-year cycle for a complete reappraisal of real property. Little Rock is in Pulaski County, which was reappraised in 2022, payable in 2023. Pulaski County is on a five-year property tax assessment cycle because real estate valuations increased less than 15 percent from the last appraisal. If a county grows more than 25 percent in a five-year cycle, it returns to a three-year cycle. In early February 2023, the Pulaski County Assessor’s Office provided the City with the original charge for 2022, which will be reflected in the property tax collections made in 2023. As a result of the new reappraisal in 2022, the original charge reflects a 10.17% increase in property taxes, compared to an increase of 2.87% a year ago. Real estate valuations increased 8.68%, and both personal property and utility property valuations increased above historical averages at 17.93% and 4.01%, respectively, from one year ago. During the pandemic, the value of used vehicles

increased as demand increased, thus significantly increasing the valuation of personal property. People sought to rid themselves of more expensive newer vehicles, driving the price of used vehicles higher. The annual valuation increase caps noted above slow the speed of growth but mitigate sudden declines experienced by other parts of the country during an economic downturn. In addition, assessments are frozen for persons owning property who are 65 years of age or older, and certain disabled veterans are exempt from property taxes. There are no limits or caps placed on declines in annual assessed valuations. The Pulaski County Treasurer's Office is experiencing a collection rate of approximately 96%, which includes the collection of delinquent taxes from previous years. The 5.0 mill levy for general operations is the maximum rate allowable under state law.

The 2023 budget for property taxes includes the revenue associated with separate tax levies dedicated to funding the closed Police and Fire Pension and Relief Funds. The levies of 1.0 mill for each closed pension fund are passed through the General Fund and contributed directly to the Police and Fire Pension and Relief Funds administered by the Arkansas Local Police and Fire Retirement System (LOPFI). The combined dedicated pension property tax millage is expected to generate approximately \$10 million in revenues.

In a special election held on August 9, 2022, Little Rock voters authorized renewing a capital improvement property tax at a rate of 3.0 mills. The existing 3.0 millage expired on December 31, 2022. In early April 2022, the 2018 Street and Drainage Capital Improvement Bonds were fully redeemed. The special election also authorized the issuance of up to \$161.8 million in bonds to pay for six categories of public improvements listed separately on the ballot. It is the seventh time Little Rock voters have renewed the capital improvement millage since the 1958 vote that enacted it. On December 21, 2022, the City issued the tax exempt Series 2022A \$53,510,000 and the taxable Series 2022B \$5,055,000 Limited Tax General Obligation Capital Improvement Bonds.

Other revenues generated by property tax levies approved by voters and not available for General Fund expenditures included a total of 5.1 mills for Libraries, including 1.3 mills for debt service on bonds issued for Library Improvements and 3.8 mills for the operation of the Central Arkansas Library System. In the fall of 2021, Little Rock voters approved an increase in the library system's millage rate that supports operations and maintenance. As a result, the rate rose from 3.3 to 3.8 mills. In the spring of 2022, voters approved lowering the millage rate for capital improvements by a corresponding amount, from 1.8 to 1.3 mills, and refinancing existing library bonds. In November 2022, the \$40,770,000 Library Construction and Refunding Bonds were issued. These bonds refunded the City's outstanding Library Construction and Refunding Bonds, Series 2015, and will fund approximately \$22 million for new projects. The \$15,925,000 2017 Library Refunding Bonds were fully redeemed in September 2022.

The City's Street Fund receives approximately one-half of the collections from a 2.9 mill road tax levied by the County, restricted to street repair and maintenance use. The 2023 budget anticipates \$7.2 million in property tax collections from this tax.

In addition to the City millage of 15.1 and the County Road millage of 2.9, a Little Rock property owner's tax assessment includes 5.6 mills levied by the County and 46.4 mills levied for the Little Rock School District. The total millage for a Little Rock property owner is 70.00 mills for 2022 property taxes payable in 2023.

Act 9 Payments associated with the issuance of Industrial Development Bonds, otherwise referred to as Payments In Lieu Of Taxes (PILOT) agreements, are classified as additional property tax revenues in the City's various funds, in proportion to the millage that would have been collected had the Act 9 Pilot agreements not been in place. Dassault Falcon Jet, Dillard's, Jacuzzi, Novus, Ringwood Containers, Sage V Foods, HMS Manufacturing, Windstream, and ATA Martial Arts Services are companies scheduled to make Act 9 Pilot payments in 2023.

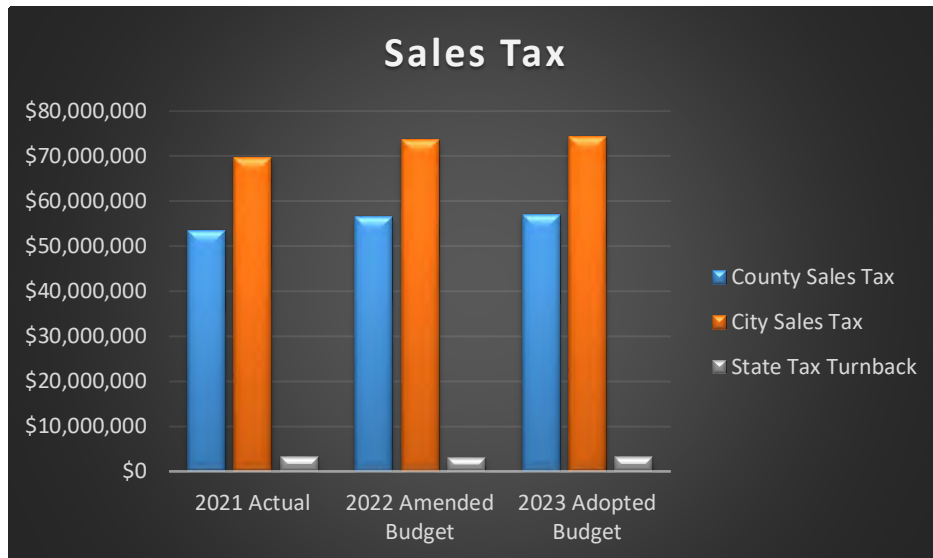
SALES AND USE TAX

The largest revenue source in the City's General Fund is sales and use tax, which contributes approximately 55.8% or \$134.3 million to the 2023 Adopted Budget. Sales and use taxes apply to the retail sale or use of tangible personal property. This revenue category includes an allocation of the County's 1% sales tax based on population, the City's local operating tax of 1.125%, and an allocation from State Tax Turnback funds. Further discussion on each of these components appears below. The 2023 Adopted Budget for sales and use tax is approximately 1% above the 2022 Amended Budget. The 2022 Budget was amended upward on October 3rd, 2022, and February 28th, 2023, based on historically high growth in sales taxes.

The 2023 Adopted Budget was based on 2% growth from 2022 actual revenues through September, collected through November, and the fourth quarter amended forecast as of the October 3 Amendment. Most major reporting sectors of sales tax displayed high growth over the prior year, reflecting continuing expansion in many sectors of the local economy. Inflation continues to be an issue despite a decline in inflation data. In 2022, sales tax revenues reached another historical high, totaling \$133,056,857. 2022 was the third full year of collection of sales and use tax on internet sales due to Act 822 enacted during the 2019 regular session of the Arkansas General Assembly. Act 822 – *To Reform the Tax Laws Concerning the Levy and Collection of Sales and Use Tax, the Apportionment and Allocation of Income for Tax Purposes, Corporate Income Tax Rates, and Net Operating Losses; and to Declare an Emergency* became effective in July 2019. The provisions of Act 822 relating to the collection of sales and use tax are consistent with *South Dakota v. Wayfair, Inc.* and apply to those companies that meet at least one of two conditions: 1) the law is limited to those that have gross revenue from any sales of products and services delivered into Arkansas that exceeds \$100,000

per year, and 2) the law will apply to retailers that have sold goods and services for delivery into Arkansas in at least 200 separate transactions per year.

The City’s share of county sales tax growth slightly exceeded growth in the City’s local sales tax, 5.83% to 5.61%. 2021 saw historical sales tax growth of both the County (15.69%) and the City sales tax (15.09%), respectively. The impact of COVID-19 closures and restrictions in 2020 and the two federal stimulus checks that most residents received in the first quarter of 2021 were major contributing factors to the large sales tax growth experienced in 2021. With the continued increase in interest rates, tax growth on retail sales is projected to slow to zero to 2% in 2023.



There is a two-month delay between when businesses collect sales tax revenues and when the City receives them. Businesses remit sales taxes to the State, which disburses the proportionate share of the County tax and the local tax amount to the City, less a 3% administrative charge. Arkansas state law requires taxpayer confidentiality which prohibits releasing information regarding taxes generated from a specific company. An industry code or NAICS code classifies every company. There must be a minimum of three (3) companies included in an industry code for reporting purposes. If that threshold is not achieved, results are grouped in an all-inclusive “other” category. The top ten industries [{hyperlink}](#) reported by the State generate approximately 45.7% of the total local sales and use tax revenue. The Arkansas Department of Finance and Administration (DFA) issues a statistical report of activity for the specific City or county by NAICS code each month. The report includes negative adjustments, such as refunds, rebates, audits, and corrections. Arkansas state law allows local sales and use tax rebates and the exemption of certain purchases from any sales or use tax. The rebates of local sales tax on business, governmental, and non-profit purchases of more than \$2,500 on a single invoice stifle local tax growth compared to that of the State. In addition, the local tax rebates may be claimed for up to twelve (12) months following the date of sale, making forecasting revenue trends even more difficult.

Arkansas's state and local sales tax laws were implemented on January 1, 2008, to comply with the Streamlined Sales Tax Agreement. Including Arkansas, the sales tax laws of twenty-four (24) states have been amended to conform to the agreement. Effective January 1, 2022, a new law allowed city governments to receive a report of the awarded amounts of credit or rebate of sales. The report includes the name of the taxpayers who were awarded the credit or rebate and the amount. Also, a new law will allow local governments to receive reports of the revenues generated within the boundaries of the City and shall include the total number of sales and use tax permit holders and the amounts reported to the North American Industry Classification System (NAICS) four-digit code.

COUNTY SALES TAX

The City receives a pro-rata share of a one (1)-cent countywide sales and use tax. Distribution is based on the Little Rock population as a percentage of Pulaski County's total population. According to the 2020 Census, Little Rock experienced a 4.7% population growth from the 2010 Census. The City comprises approximately 50.76% of the County population and therefore receives this percentage of the County sales and use tax. The county tax collected in 2022 was 5.83% above 2021 results. The 2023 projected revenue from the City's share of the County sales tax is approximately \$57 million, representing less than a 1% increase from the strong results of 2022.

Use taxes, paid mostly by businesses, resemble sales taxes. They apply to goods purchased from out-of-state merchants such as internet or catalog vendors. Use taxes included in the County sales tax projection are approximately \$10 million, or 17.75% of the annual total.

LOCAL SALES TAX

Before 2012, the City of Little Rock levied one of Arkansas's lowest sales tax rates at 0.5%. In September 2011, voters approved an overall one (1)-cent sales tax increase, with 5/8-cent dedicated to ongoing operating expenses and 3/8-cent dedicated to capital projects over a ten (10) year period. The tax became effective on January 1, 2012. The 3/8-cent tax for capital projects sunset on December 31, 2021 and was not renewed by voters. The combined operating sales tax of 1.125% generated approximately \$73.5 million for the year ended December 31, 2022, which is 5.61% higher than the previous year. Use taxes comprised \$13.19 million or 17.95% of the 2022 City sales tax total. The projected 2023 General Fund revenue from the local tax is approximately \$74.2 million, representing less than a 1% increase over 2022 year-end results.

Reported revenues are net of local tax rebates and audits performed by DFA. The local sales tax rebate to businesses, governmental entities, and non-profits on purchases of more than \$2,500 was \$5,684,328 in 2022, representing a 12.28% or \$621,623 increase from the previous year, excluding the 3/8-cent tax. The largest rebates in 2022 were returned to electric power companies, NAICS with

less than three businesses, and Other General Merchandise Stores. In addition, audits reduced net sales tax collections by only \$86,276 in 2022 compared to a reduction of \$116,802 in 2021, excluding the 3/8-cent tax.

As in most other American cities, inflation in Arkansas was historically high in 2022. The consumer price index for all items in Arkansas increased six and five-tenths percent (6.5%), and food items increased ten and four-tenths percent (10.4%) over the twelve months in 2022. For 2022, the largest growth in the City's combined 1.125% local tax occurred in NAICS categories including General Merchandise Stores, Warehouse Clubs, and Superstores, representing an increase of 15.5% from the prior year; Electric Power Generation; Food Services and Drinking Places; Traveler Accommodation; Grocery Stores; Natural Gas Distribution; Automotive Equipment Rental and Leasing; Automotive Repair and Maintenance; Building Equipment Contractors and Electronic Shopping and Mail-Order Houses. The increase in natural gas prices, continued recovery from the COVID 19 pandemic, and inflation were the primary growth contributors.

NAICS categories including iron and steel mills, machinery and equipment, and data processing services, had the most significant declines in 2022. Materials sold for the I-30 bridge construction and other economic development projects in 2021 boosted sales from the iron and steel industries. For 2022, the industries generating the most local sales tax revenue included general merchandise stores, grocery stores, electronic shopping and mail-order houses, building materials, and full-service restaurants.

STATE TAX TURNBACK

Through the Office of Budget, the State General Assembly appropriates and then distributes an amount for turnback to municipalities each July 1st, based on population. For 2023, the General Fund turnback has increased to \$15.50 per capita, up 3.3% from \$15.00 in 2022. State turnback funds are expected to contribute approximately \$3 million to General Fund revenues in 2023. In addition, the Arkansas State Legislature appropriates monies to be disbursed to county and local governments from the surplus of the Property Tax Relief Fund. The appropriation is determined each legislative session and can increase or decrease depending upon available surplus funds. Before 2014, Little Rock received an annual appropriation of approximately \$411,000. A reduced surplus in the fund has resulted in a reduced appropriation to Little Rock of \$201,981.

State Turnback

State Turnback Year-to-Date 2022 with 2021 Comparison (shaded in gray)

Month	STREET		SEVERANCE		GENERAL	
	2022	2021	2022	2021	2022	2021
January	\$ 13,523,372	\$ 12,587,622	\$ 971,651	\$ 134,648	\$ 3,933,045 *	\$ 3,688,464 *
February	13,330,126	12,488,753	974,950	308,184	1,932,029	1,688,282
March	11,116,392	10,760,837	824,986	207,710	1,932,175	1,685,425
April	13,413,143	11,627,333	629,376	307,147	1,932,175	1,684,914
May	13,306,592	14,343,742	868,435	489,324	1,933,337	1,687,138
June	13,042,397	12,799,320	728,489	390,405	1,930,396	3,154,868
July	14,616,346	13,841,564	816,971	309,031	6,944,784 ***	8,160,945 **
August	14,078,420	13,245,024	1,119,657	285,053	1,619,188	1,617,879
September	14,460,959	12,929,806	1,280,886	389,182	1,931,890	1,932,349
October	13,617,712	13,228,061	1,108,418	592,445	1,932,525	1,933,130
November	13,058,733	12,644,574	1,502,716	571,049	1,931,895	1,932,764
December	13,262,227	12,272,529	1,622,365	749,778	1,932,115	1,933,130
Total	\$ 160,826,419	\$152,769,165	\$ 12,448,898	\$ 4,733,956	\$29,885,554	\$31,099,286

* Includes \$2 million appropriation from the Property Tax Relief Fund

** Includes \$3,513,480.88 supplemental for July 2021

*** Includes \$3,514,811.45 supplemental for July 2022

Source: City and Town Magazine published by the Arkansas Municipal League (January 2023 Vol. 79, No. 01)

Local Option Sales and Use Tax in Arkansas

Sales and Use Tax Year-to-Date 2022 with 2021 Comparison (shaded gray)

Month	Municipal Tax		County Tax		Total Tax		Interest	
	2022	2021	2022	2021	2022	2021	2022	2021
January	\$ 79,509,192	\$ 68,199,990	\$ 67,235,746	\$ 59,726,912	\$ 146,744,937	\$ 127,926,902	\$ 7,996	\$ 14,602
February	90,989,478	79,611,239	75,394,289	68,300,663	166,383,767	147,911,902	20,291	20,412
March	71,237,219	66,877,931	60,990,849	57,918,592	132,228,069	124,796,523	13,414	13,492
April	70,722,847	60,600,707	61,123,066	53,282,134	131,845,913	113,882,841	23,045	16,537
May	85,621,568	83,488,059	73,394,919	73,792,913	159,016,487	157,280,972	45,685	10,492
June	79,693,712	78,858,097	68,198,650	67,860,902	147,892,362	146,718,999	66,577	9,681
July	82,774,267	76,784,978	69,831,518	65,778,959	152,605,785	142,563,936	100,880	12,566
August	84,835,673	78,501,622	72,760,141	67,970,242	157,595,815	146,471,864	133,556	9,395
September	83,485,245	77,398,158	72,292,734	65,883,715	155,777,979	143,281,872	262,246	13,951
October	84,245,742	77,705,438	72,984,249	66,726,221	157,229,991	144,431,660	283,743	11,344
November	80,956,997	76,869,137	70,372,855	65,831,542	151,329,852	142,700,679	299,643	8,299
December	82,190,001	76,860,225	70,976,959	65,183,723	153,166,960	142,043,948	400,114	9,939
Total	\$976,261,941	\$901,755,581	\$835,555,975	\$778,256,518	\$ 1,811,817,917	\$ 1,680,012,098	\$ 1,657,190	\$150,710
Averages	\$ 81,355,162	\$ 75,146,298	\$ 69,629,665	\$ 64,854,710	\$ 150,984,826	\$ 140,001,008	\$ 138,099	\$ 12,559

Municipal Sales and Use Tax has an effect on local sales tax revenues and is one of the factors that affect local sales tax based on where the purchaser takes receipt or delivery of the product or service. Averages are based on 12 months.

Source: Rachel Garrett, Office of State Treasurer

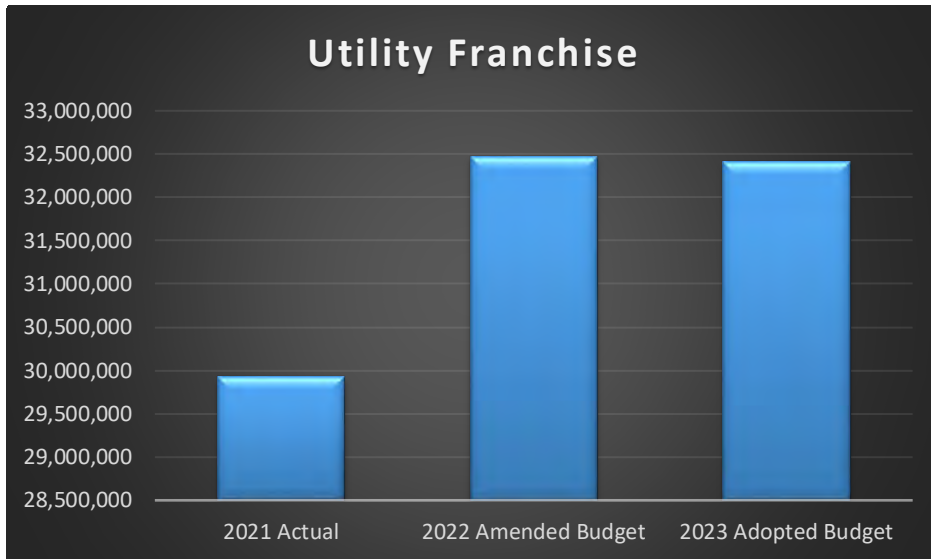
UTILITY FRANCHISE FEES

Utility franchise fees comprise approximately 13.5% and \$32,404,050 of the 2023 General Fund budget. Utility franchise fees are charged to public utilities for using the City’s streets and rights-of-way. The public utilities paying franchise fees are listed below with the annual rate, which is typically based on the gross revenues of the utility:

Entergy	5.20% of gross revenue collection for the current calendar year or \$8.8 million, whichever is greater
CenterPoint Energy	5.20% of gross revenue for the current calendar year or \$2.1 million, whichever is greater
AT&T (Local Land Lines)	7.32% of local exchange access line charges for the previous calendar year
All Other Local Land Lines	7.32% of local exchange access line charges for the previous calendar year
Comcast Cable	5.00% of gross revenues
Central Arkansas Water	10.00% of gross revenues from water sales to customers within the City plus 0.1545 times 20% of the book value of the Water Works system inside the City limits
Little Rock Water Reclamation Authority	10.00% of gross revenues
Fiber Optics	5.00% of gross revenues
Long Distance Franchise	\$0.004 per minute of toll calls

Announced Utility Rate Increases/Decreases for 2023	
SW Bel (AT&T)	0.00%
Entergy	0.00%
Long Distance	0.00%
Local Land Lines	0.00%
Summit Utilities	0.00%
Central AR Water	
Residential	3.89%
Commercial	3.89%
Industrial	0.00%
Fiber Optics	0.00%
Little Rock Water Reclamation Authority	0.00%

Overall, 2023 utility franchise fees are projected to be slightly lower than 2022 actual revenues and flat compared to the final amended 2022 budget, which occurred after most franchise fees had been recorded for the year. Franchise fee revenues in 2022 were approximately 8.5% above 2021 levels and 6.92% above the original projection by the utility providers. The largest utilities, such as Entergy, Summit Utilities, Central Arkansas Water, and the Little Rock Water Reclamation Authority, are heavily affected by weather and extreme weather events such as floods, winter storms, etc.



Entergy Arkansas raised their Entergy Cost Recovery Rider (ECR) by 6.14% in April 2022 for all customer classes. The ECR rider is how Entergy Arkansas recovers fuel costs used in power plants and power purchased from other sources. The ECR will be updated in March 2023, when the company evaluates its energy costs and gives the company flexibility to adjust rates accordingly. These costs in 2021 were impacted by winter snowstorms in February 2021 that inflated natural gas prices. The Formula Rate Plan (FTP) is a mechanism where Entergy Arkansas’ rates are adjusted annually to recover the non-fuel and purchased power costs. Federal regulators have ruled that Entergy Corp. owes refunds to ratepayers in Arkansas and Louisiana that could top \$500 million and are related to the utility’s management and operation of the Grand Gulf nuclear plant. Entergy Arkansas could potentially receive 36% of this settlement and refund the amount accordingly to Arkansas customers. The Arkansas Public Service Commission (PSC) has already rejected a \$142 million settlement with Entergy.

Entergy officials provided a 2023 revenue projection of \$15.25 million, a 2.02% increase over 2022 Actuals. In 2022, usage decreased by 1.67% compared to a 4.86% increase in 2021. However, revenues increased 8.89% from one year ago and surpassed the budget of \$14,900,000 due to high natural gas prices. Natural gas prices were 93% higher in 2021 than in 2020. Natural gas is the largest energy source of power consumed and produced and is Arkansas’s leading electricity generation source. In 2022, Entergy Arkansas franchise fees ended the year at roughly \$14,944,500.

Entergy Arkansas anticipates the overall cost of electricity for commercial and industrial customers to increase by approximately 1.3% to 5.8% for the first quarter of 2023, compared to overall pricing in 2022. By law, the annual base rate has a 4% cap, although fuel rates and other riders can exceed the 4% threshold.

Currently, legislation before the 2023 regular session of the Arkansas General Assembly could increase franchise fee revenues by requiring net-metering customers to pay the fixed costs of an electric company's facilities and associated expenses.

As of April 2021, Summit Utilities, Inc. is the official gas provider to over 425,000 customers in Arkansas, which includes Little Rock. Franchise fee revenues from Summit Utilities (formerly CenterPoint Energy) increased approximately 35.8% or \$1,170,884 compared to 2021, with decreased usage of approximately 1.4% due to significantly higher natural gas prices in 2021 and 2022. Summit Utilities accumulates and stores natural gas for the next heating season. The cost of natural gas makes up between 70% and 80% of the typical customer bill. Summit Utilities reports its natural gas costs to the PSC each year at the end of October. Fuel rates are passed along to customers without profit going to the utility. The utility announced that beginning in April 2023 through December 2023, natural gas prices are expected to decline from their current all-time highs. The Arkansas Public Service Commission (PSC) has approved a Customer Credit Rider (CCR), which will be in effect for three years and reduces franchise revenue. However, the PSC has also approved energy efficiency riders which will increase revenue in 2022. In addition, the PSC approved Extraordinary Gas Costs Winter Storm surcharges for five (5) years associated with the February 2021 winter storm. Based on information from the utility, gas franchise fees in 2023 are expected to be approximately \$4.4 million, slightly less than the 2022 actual results. Estimated sales volumes, affected by weather, customer counts, and projected gas prices, are the primary factors affecting gas revenues.

Central Arkansas Water (CAW) serves the water needs of approximately 500,000 customers in central Arkansas. Central Arkansas Water (CAW) 2022 franchise fees increased by over \$159,700 or 3.9% from 2021 levels. In 2022, ample spring and early summer rainfall kept water consumption at normal levels. There were no announced rate increases in 2022. In January 2023, CAW's board approved a resolution setting a 10-year schedule of rate increases that would go into effect on July 1, 2023, and subsequent increases would be effective January 1st of each year through 2032. The additional revenue from the rate increases would generate \$685 million in capital improvements. A typical household for inside city residential and commercial customers could expect an increase to its monthly bill from \$7.85 to \$15.78 by 2032. In addition, an infrastructure fee is scheduled to be 50-cents per month and gradually increase to reach \$4.25 by 2032. The infrastructure fee is intended to roll off once debt associated with essential renovations is complete. The Little Rock Board of Directors has prepared a measure to reject the rate package to have a more thorough discussion of the proposal. The city boards of both Little Rock and North Little Rock would have to vote against the rate increase to block a rate increase from taking effect. An average customer uses

approximately 500 to 600 cubic feet of water monthly. Daily usage among its customers ranges from 30 million to 40 million gallons per day during the cold months and hits 100 million gallons or more during the summer. An ongoing national trend is a decrease in water consumption due to water-saving appliances and conservation measures, but weather is still one of the most significant factors in projecting CAW franchise revenues. Forecasted 2023 revenues, projected before the proposed rate increases, total \$4,240,900, which is consistent with 2022 revenue levels.

The Little Rock Water Reclamation Authority (LRWRA) services the sanitary sewer needs of approximately 200,000 customers in Little Rock. LRWRA's 2022 franchise fees were roughly 5.2% higher than budget but were flat compared to 2021. 2021 saw the last in a series of 4.75% rate increases beginning in 2017, which were implemented to comply with the terms of the Sierra Club lawsuit to reduce sanitary sewer overflows in Little Rock and to fund the expansion of storage facilities and a pump station upgrade. Franchise fees in 2021 were significantly higher due to the winter storm event in February 2021 when customers left water faucets dripping to mitigate the risk of freezing pipes. With no rate increases scheduled for 2023, the utility proposed a 2023 franchise fee revenue forecast of \$6,504,500, a slight decline from 2022 actual collections. Sewer usage billings are based on average winter water consumption (AWC). The utility considers an average residential customer to have a monthly wastewater output of 550 cubic feet. The average domestic bill in Little Rock is \$36.93 per month for service, which includes a \$1 per month sewer line replacement fee and the 10% franchise fee. In 2021, the utility issued \$107,970,000 in bonds to refund their 2015 Bond Series.

Local landline franchise fee revenue is derived from 7.32% of local exchange access line charges for the previous calendar year. Several telecommunication companies, including AT&T, continue to offer landline service in addition to cellphone services. The primary reason customers maintain a home phone is to reduce the impact of a power outage or cell service interruption. Local landline franchise fee revenues, including AT&T, increased 24.7% from a year ago as non-base rates continue to increase. The Adopted Budget for 2023 for local landline revenue is \$890,000; \$460,000 from AT&T and \$430,000 from all other local landline providers.

As the percentage of households that switch to only wireless grows, the traditional revenues received from long-distance carriers have declined significantly over the past ten years. Most wireless phone plans contain free long-distance. In 2022, long-distance revenues decreased by 2.3%. In 2023, forecasted revenues are \$541,000.

Fiber optic companies, such as AT&T U-Verse and Windstream, and cable companies, such as Comcast Cable, are directly competing with internet streaming services and are losing market share each year. Fiber Optic revenue declined significantly in 2022, with a 12.6% decrease from one year ago. Fiber optics and cable franchise revenues decreased by 7.5% in 2022, following a 6.9% decrease in 2021. Windstream revenues decreased by 5.1% in 2021, AT&T U-Verse franchise fees decreased by 15.1%, and Comcast Cable declined by 4.3%. Fiber

optic companies rarely announce anticipated rate increases in advance of the actual rate change. Cell phone, alarm system revenues, and internet services are not assessed franchise fees. Video subscribers have been in steady decline for the better part of the past 7-8 years. In Little Rock, video subscribers have decreased from 33,000 in July 2014 to 17,000 as of June 2022. Fiber optic and cable franchise revenues are projected to decline further in 2023 as customers migrate to streaming services.

The \$17,875,000 Capital Improvement and Refunding Bonds, Series 2017, are secured by a pledge of revenues derived from all franchise fees collected from public utilities, excluding fees attributed to the Little Rock Water Reclamation Authority and Central Arkansas Water. The annual debt service transfer of franchise fee revenues from the General fund pledged to the bonds is approximately \$1.5 million.

BUSINESS LICENSES

Business licenses are required annually for every business operating within the city limits. License fees are billed, collected, and administered by the City's Treasury Management Division. Business licenses are a steady source of revenue and a leading indicator of local economic activity. There were no rate changes anticipated in the 2023 Adopted Budget. Business licenses comprise approximately 2.83% and \$6.8 million of 2023 General Fund revenues, slightly less than 2022 actuals. 2022 business license revenue decreased by 3.9% from one year ago. The economic driver is reduced inventory levels for many businesses, especially car dealerships, which has decreased business licenses by over \$130,000. There were 1,411 documented business closures and 1,282 new businesses added in 2022. 2021 was noted for the start of several small businesses from laid-off workers related to the COVID pandemic. Various programs are in place to locate businesses operating without a license and cross-reference business listings with other governmental entities. The Treasury Management Division vigorously collects on delinquent accounts. In 2023, the Treasury Management Division will utilize part-time help, capturing as many email addresses and cell phone numbers as possible. The goal is to increase the number of paperless accounts, which will reduce mailings each year. Business license assessments will be paperless in 2024, and most payments will be made online beginning in 2025. A business license committee periodically reviews the business license fee structure's fairness and equity and provides recommendations to the Board of Directors.

MIXED DRINK PERMITS AND SUPPLEMENTAL TAX

Hotels, restaurants, and bars must have a permit to sell alcoholic beverages for on-premises consumption. A 10% supplemental tax is levied on public liquor sales, and a 5% tax is levied on sales by private clubs within the City. 2021 Mixed Drink revenue increased by approximately 54% or over \$1 million from the lows in 2020 when most local eateries and bars were closed due to the pandemic outbreak.

Full-Service restaurants and bars continue to be among the highest-grossing NAICS categories. 2022 mixed drink tax collections were 18.5% higher than last year, and surprisingly, were 12.2% higher than in 2019, before the onset of the pandemic. Before 2020, mixed drink collections were consistently increasing year to year. A temporary emergency rule change allowed restaurants to offer mixed drinks to-go (or for delivery) during the public health emergency. While that temporary rule change expired, the legislature ultimately made it permanent. The significant increase is also partly due to rising consumer prices and the resilience of mixed drink consumption even in periods of high inflation. The City enjoys a strong working relationship with the State of Arkansas Alcohol Beverage Control Agency (ABC) to ensure that every business in Little Rock with a state alcohol permit is also registered with the Treasury Management Office. As a result of the possible revocation of their alcohol permits by the ABC board, there are few mixed drink delinquencies. Staff will continue its random audit program in 2023 to ensure further accurate reporting of mixed drink collections. The 2023 budget forecast for mixed drink supplemental payments is \$3.67 million, a 3.9% increase from 2022 actuals.

BUILDING AND RELATED PERMITS

Building permit revenue is related to economic development and indicates a municipality's prospect for future growth in business activity. Total building and related permits in 2022, which include electrical permits, plumbing permits, and heating ventilation and air conditioning (HVAC) permits, generated over \$2,285,200 in revenue. 2022 building permit revenue was approximately \$160,000 or 7.53% above 2021 totals. In 2021, at the height of the pandemic, Mayor Frank Scott announced an ambitious plan to revitalize certain blighted areas of the City for economic growth. The Department of Planning and Development waived approximately \$800,000 in building and related fees to spur economic development in a corridor south of Interstate 630 and east of Interstate 30 representing approximately 45% of Little Rock's total building permits in this area. The effort is to revitalize certain areas of the City by waiving building permit fees for developers in specific federally designated opportunity zones. Other City agencies, such as the water utility, also pledged to aid in the redevelopment effort by waiving or reducing connection fees. Although building and related permits south of Interstate 630 were still being waived in 2022, the increase in permit revenue is primarily attributed to a 5% increase in building and related permits and fee increases for occupancy fees, data processing fees, etc. The McClellan K-8 school was the largest construction project in Little Rock in 2022, valued at over \$87 million. That was followed by the Baptist Health Energy Optimization and Infrastructure Renewal project, estimated at over \$34 million. Phase 2 of the Hampton Astoria apartment complex was the third largest building permit, with an estimated construction cost of \$15 million. The 2023 forecast for building and related permits totals \$2.506 million, which is almost 9.7% higher than 2022 actuals, resulting from the increased permit and related fees and projected economic activity.

FINES AND FEES

Fines and Fees primarily consist of revenues derived from the three (3) district courts: Traffic, Criminal, and Environmental. Fines and fees were relatively flat compared to 2022. The district courts have been slow to reopen with full dockets since they were suspended in early 2020 for the coronavirus pandemic. The number of citations and court appearances has been slow to increase back to normal levels. Criminal Court revenues declined 22%; Traffic Court revenues were flat from a year ago; and Environmental Court revenues decreased 7% compared to 2021. Minimum installment fees and increased community service further reduce fines and fees revenue. Animal Services licensing and adoption fees declined by 14.5% after a significant increase in 2021. Scheduled improvements to the Animal Village facilities should increase revenues in 2023. Parking fines revenue was significantly higher (20.4%) in 2022 as business and tourism traffic returned to downtown and more tickets were issued. Parking Enforcement resumed its booting program for repeat offenders with high unpaid fines in early January 2022 after the program was suspended due to COVID-19. A new Notice of Arrest Warrant was sent to every defendant who received a warrant. This process generated an additional \$83,556 in delinquent Traffic Court collections. Overall, 2023 fines and fees are projected to be \$1,594,600.

PARKS, FITNESS, ZOO, AND GOLF REVENUES

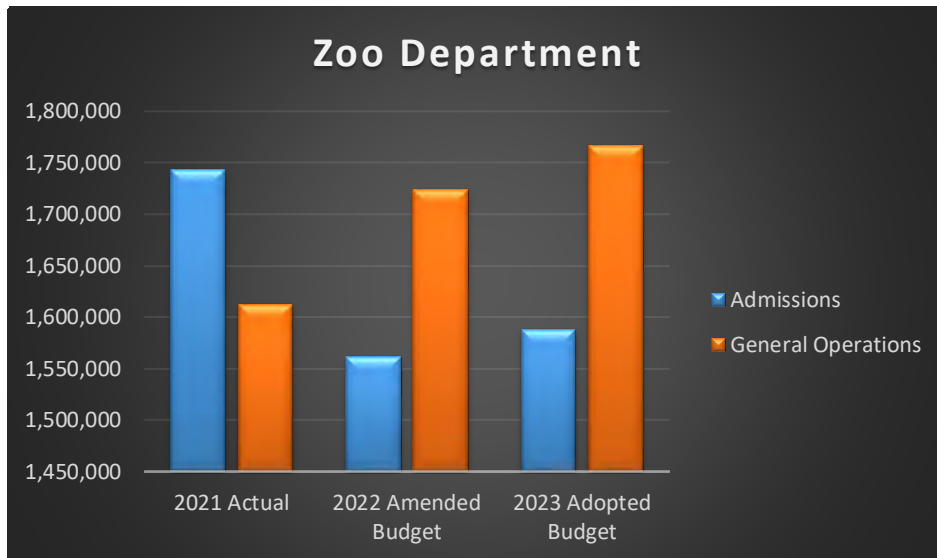
Revenues from the City's parks, fitness center, golf courses, and zoo are reported as Charges for Services. Service charges are imposed on the user of the service provided by the City. The charge (or fee) may recover all or part of the cost of providing the service.

General Fund park-related charges for service revenues are generated by two (2) public golf courses, tennis fees, community center fees, athletics fees, summer programs, and pavilion rentals. Park-related revenues, such as the community center fees and summer programs, increased to \$344,047 in 2022 compared to \$335,467 in 2021, a 2.5% increase. Most of the increase in park-related revenues is from the community centers, which were fully open in 2022 after being closed for the pandemic. The 2023 General Fund Parks budget anticipates charges for services revenues of \$360,800, which is 4.9% higher than 2022 actuals.

The City's indoor recreation facilities, which include the Jim Dailey Fitness & Aquatic Center, did not reopen from the pandemic until June 2021. Annual revenues almost doubled in 2022 to \$324,374, up from \$165,406 when the facility was closed for half a year. Increased competition from competing fitness facilities has reduced revenues from a high in 2019. The fitness center has a 2023 revenue budget of \$290,700, which is a 10.4% decrease from 2022 actuals. Most of the decrease is attributed to an expected decline in daily memberships.

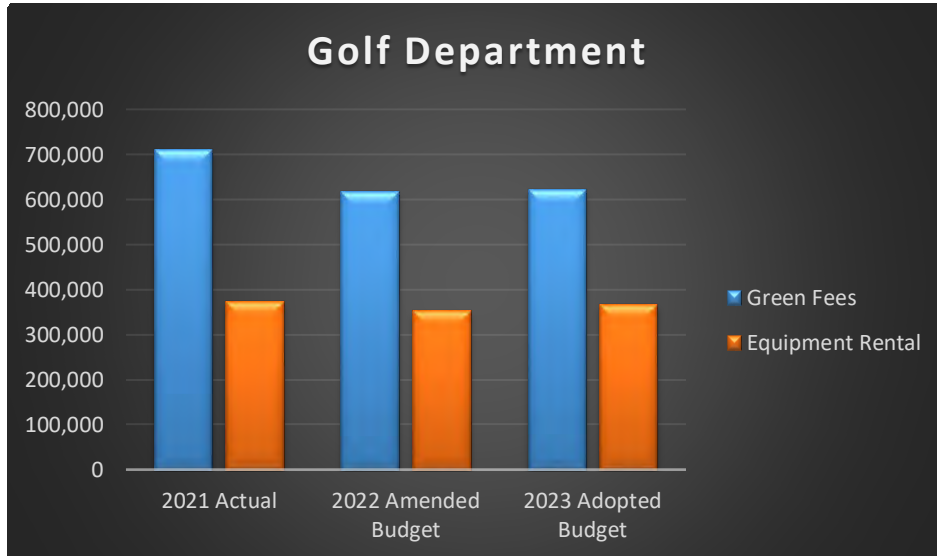
The Little Rock Zoo is the only zoo in Arkansas and provides an economic boost to local hotels, restaurants, and stores from the tourists that the zoo brings to the City. The Zoo entertains up to 5,000 people daily during spring and summer. The

Zoo is home to over 500 animals, with many on the endangered species list. 70% of the visitors live outside Little Rock, with 10 to 15 percent of those from other states. Zoo revenues decreased approximately 2% in 2022 from the strong results from 2021, which sold the most memberships in the program’s history. Extreme heat in July and August forced the Zoo to close early each day to protect Zoo employees, guests, and animals from the worst heat of the day. The heat also had a negative effect on zoo revenues. Annual membership declined roughly 5.6% from a year ago. Admission revenue declined 10% but was above pre-COVID levels. Café Africa was fully operational from COVID restrictions and increased concession sales by over \$43,000 to \$331,864. Merchandise sales have soared since the remodeling of the gift shop in 2021. The Zoo Gift Shop recorded revenues of over \$500,000, a 19.8% increase from the increased sales of 2021. The 2023 Zoo budget totals \$3,274,800, which is flat from 2022 actuals. A special election held on August 9, 2022, authorized issuance of capital improvement bonds secured by the renewal of a 3.0 mill property tax levy. Approximately \$5 million of the proceeds from the series 2022A bonds will go towards a makeover of the zoo entrance, upgrading the amphitheater, and renovating some of the small monkey habitats. In total Parks and the Zoo will receive bond proceeds in the maximum aggregate amount of \$37 million to be issued in multiple series.



The City owns and operates two municipal golf courses. Rebsamen Golf Course consists of the eighteen (18)-hole championship course and the shorter nine (9)-hole course with a driving range. First Tee has a nine (9)-hole regulation length course, a nine (9)-hole par three course, and a driving range. In 2022, Rebsamen Golf Course generated revenues of over \$885,000, significantly below 2021 actuals of \$976,537. The number of rounds of golf played at Rebsamen in 2021 was an all-time high of 31,397. The number of rounds played in 2022 decreased, with a corresponding decrease in revenues from renting electric carts, pull carts, clubs, etc. Although Rebsamen’s green fee revenue decreased slightly from the championship course, revenues from the nine-hole course, the driving range, and

the pro shop combined were lower by \$29,756. Similarly, green fee revenue at the First Tee Golf Course decreased by over 18% from a year ago. Overall, First Tee revenues were 12.3% lower than in 2021, a record-breaking year for the course. Under normal weather patterns, Rebsamen and First Tee golf courses are projected to generate \$1,159,400 in combined revenues in 2023.



AIRPORT REIMBURSEMENT

The Little Rock National Airport reimburses the City for police and fire protection expenses. In 2022, airport police reimbursements decreased by 3.1% to \$1.65 million, while the airport fire reimbursements remained relatively flat at \$1.43 million. There are thirteen (13) full-time Fire employees and twenty-one (21) active full-time Police employees working at the Airport. Staffing levels in 2023 are expected to be consistent with 2022, adjusted only for salary and benefit cost increases. Annually, fluctuations can be attributed to changes in negotiated minimum staffing.

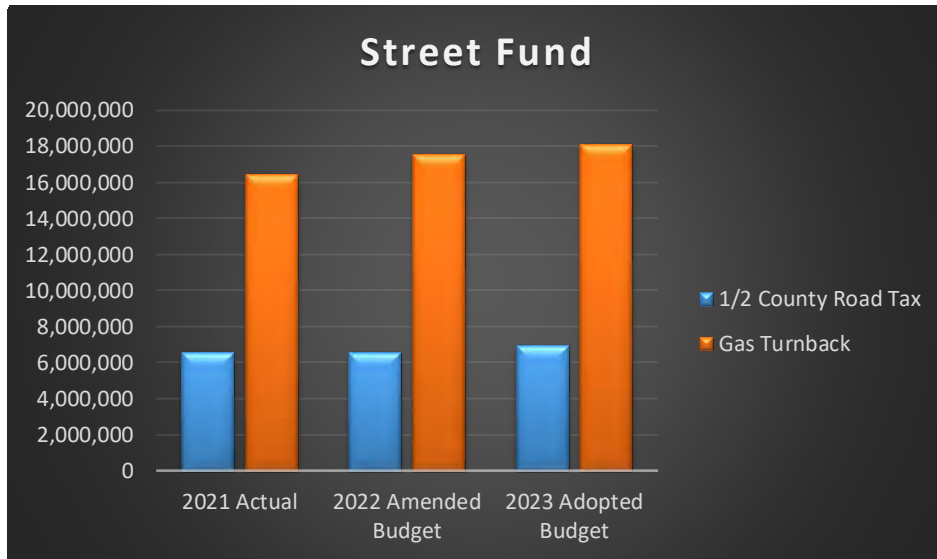
INTEREST EARNINGS

Interest earned on the investments and bank deposits of the General Fund, certain bond retirement funds, special projects, and capital funds can legally be utilized for any municipal purpose. The primary objectives, in priority order, of investment activities are safety, liquidity, and yield. Most of the pooled investments are short-term in maturity (under five years) to meet short-term liabilities. In 2022, the Federal Reserve attempted to tame inflation by raising the Fed Funds rate seven (7) times with more projected rate hikes in 2023. This action by the Fed increases short-term rates. As a result, interest earnings in 2022 were over \$543,500 before year-end market value adjustments are made. Higher short term interest rates and an increase in certain fund balances produced an increase in interest earnings of \$213,960 from a year ago. The Fed Funds Rate now has a target range of 4.50%

to 4.75% compared to last year when the target range was 0.0% to 0.25%. The operating portfolio continues to have no realized losses on any fixed-income investment. Securities held are short in duration, backed by the United States government, and are among the safest securities in the world. Interest earnings will increase as longer-term investments mature and are redeemed with higher coupons. The City's bank deposits are currently yielding 1.47%.

STREET FUND - GAS TAX TURNBACK

The City receives state turnback funds directed to the Street Department. The gas tax turnback is the largest revenue source for the Street Fund, comprising over 69.6% of total 2022 revenues. The gas tax turnback is comprised of four components which include the gas tax, natural gas severance tax, wholesale fuel tax and sales tax. The gas tax is allocated based on the latest census and gallons of fuel consumed. Basically, 15% of the tax on gasoline consumption goes toward municipal aid or gas turnback. The passage of Constitutional Amendment No. 1 in the general election of 2012 provided additional funding for state, county, and local streets and bridges with a temporary 1/2-cent sales and use tax for road construction and maintenance. The ten (10)-year sales tax was effective on July 1, 2013, and was scheduled to end in June 2023. However, in November 2021, voters approved a constitutional amendment that will permanently extend the state's 0.5% sales tax for roads and highways. Approximately \$44 million a year will be used for local roads in the future. Act 416, enacted by the Arkansas Legislature in 2019, added a new wholesale sales tax on gasoline and diesel. In 2022, the state legislature announced that the Street Turnback was unchanged from the revised 2022 levels of \$77.50 per capita. The per capita calculation only pertains to two of the four components of the gas tax turnback; the gas tax and the half-cent road sales tax approved in 2021. As of July 31, 2022, the excise tax on gasoline is increased from 3 cents to 3.1 cents to 24.6 cents a gallon, and the state's excise tax on diesel increased from 6.0 cents to 6.1 cents to 28.6 cents per gallon. Those rates will remain through September 30, 2023, and possibly further. The price of gasoline surged to a record \$4.37 in Little Rock in May 2022, the highest price recorded since AAA began tracking in 2000. Gas turnback revenues for 2022 were \$17,535,684, an increase of 6.7% from 2021. The 2023 adopted budget of \$18,101,700 is approximately 3.2% above the 2022 actual results. Natural gas prices increased substantially in 2022, increasing the natural gas severance portion by over \$597,600 from a year ago. The wholesale fuel tax is currently comprising approximately 7.3% of the total turnback received. Property taxes are the second largest source of revenue for the Street Fund, comprising 26.9% of 2022 actuals, and are expected to increase by 6% in 2023. Investment income increased \$132,295 to a total of \$242,922 before year-end market value adjustments are made. Interest earnings are expected to increase in 2023 with rising short term interest rates. Excluding transfers in, overall, Street fund revenues in 2022 were 6.2% higher than 2021 revenues, with the largest increase in the gas turnback. The 2023 revenue budget of \$25,909,697 is 4.1% higher than 2022 actual results, with the majority of the increase from the state gas turnback.



BOND & INTEREST FUND

In April 2022, revenues in this fund were sufficient to fully redeem the outstanding Limited Tax Capital Improvement Bonds, Series 2018. The existing millage and the Homestead Credit, which are monies generated from a state-wide half-cent sales tax, produced approximately \$14.1 million in revenues in 2022. This total includes the Excess Commissions of \$499,087, which are reimbursed to the fund annually from Pulaski County. In a special election held on August 9, 2022, Little Rock voters authorized renewing the capital improvement property tax at the existing rate of 3.0 mills. It is the seventh time Little Rock voters have renewed the millage since the 1958 vote that enacted it. The special election also authorized the issuance of Limited Tax Capital Improvement Bonds. The millage is pledged for up to \$162 million in bonds for six categories of capital improvements which include street construction and street repairs - \$40.5 million; drainage - \$40.5 million; fire department apparatus - \$19.5 million; parks and recreation improvements, including the Little Rock Zoo - \$37 million; construction of a new district court facility - \$8.5 million; and expansion of the Little Rock port industrial park - \$15.8 million. The six categories of public improvements were separate ballot issues. On December 21, 2022, the 2022A \$53,510,000 and the \$5,055,000 Taxable Series 2022B Limited Tax General Obligation Capital Improvement Bonds were issued. The second series of bonds is expected to be issued in 2026.

WASTE DISPOSAL

Waste Disposal charges for services primarily include sanitation fees, landfill fees, yard waste revenues, and compost sale revenues. These four revenue sources increased by 5.2% compared to 2021. Sanitation fee revenues in 2022 increased by 2.9%, with the number of households at 60,640. Landfill fee revenues increased significantly by nearly 38% in 2022. The class 1 landfill was temporarily closed to

commercial haulers for most of 2020 to reserve capacity for residential and contract customers while constructing a new cell. 2021 landfill tonnage and revenues increased but were still below normal levels; however, they bounced back to historic levels in 2022. The new landfill was completed in November 2020. The landfill was reopened to commercial haulers in January 2021. The cities of North Little Rock and Maumelle both utilize the City’s landfill, and their rates are subject to annual CPI increases. Landfill rates to these cities increased 8.2% in 2022. Yard waste revenues decreased slightly in 2022 and compost revenues are lower by approximately \$8,500. Overall, charges for services were above the 2022 Adopted Budget by 5.3%, primarily from an increase in sanitation fees and landfill fees.

The 2023 budget for sanitation fees is \$23.2 million, reflecting a 2.5% increase over 2022 actuals. The 2023 budget for landfill fees is \$2.1 million, a slight decrease from one year ago. The overall 2023 budget is approximately 1% higher than the 2022 actuals.

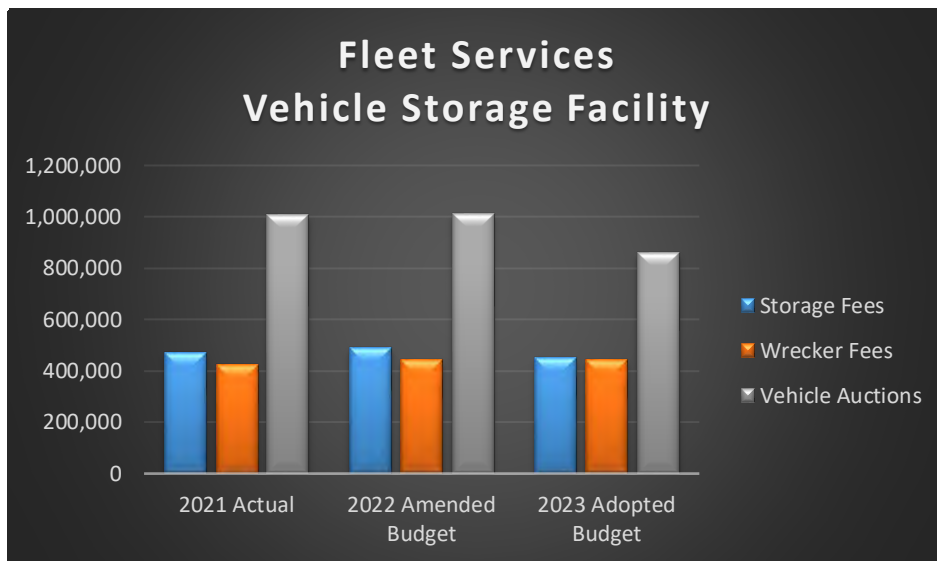
In 2020, the Little Rock Board of Directors authorized the implementation of financial penalties for curbside bulky-item pickups. The on-call bulky-item pickup program was a way for residents to dispose of items that were too large or too heavy to fit in the curbside carts. The number of bulky-item requests increased to 45,000 in 2019. In 2020, the year the fee went into effect, the number of requests dropped to nearly 31,000. The new fees were less than a revenue-generating idea and more to disincentivize abuse of the service. In 2022, only 932 addressees were billed, for a total of \$23,200. Illegal dumping became more prevalent because of the new fees. As a result, in 2022, the Board passed an ordinance allowing four free (4) bulky item collections per year and then \$25 for any additional pickups.



VEHICLE STORAGE

Vehicle Storage revenues are primarily generated from storage fees, wrecker fees, and auction sales, representing 92% of 2022 revenues. Combined, revenue from

these sources increased by 8.4% from 2021. Storage fees increased 9.1% and wrecker fees increased by 16.4%, primarily due to an increase of vehicles on the road since the pandemic. In 2022, Vehicle Storage auctioned 1,036 vehicles, a decrease of ten from a year ago. However, revenues from auto sales increased 5% compared to 2021 due to vehicles selling at higher prices. The average sales price per vehicle auctioned in 2022 was \$1,109 compared to \$1,047 in 2021. The 2023 overall revenue budget is \$1,896,585, or 15% lower than the 2022 actual results. Auctioned sales are predicted to decrease by 18% in 2023 with fewer cars in storage. No scheduled rate increases are anticipated for 2023.



PARKING GARAGE FUND

Garage revenues are generated by monthly and daily parking fees at the Second and Main Convention Center Parking Facility and the River Market Parking Garage. In addition to parking fee revenues, annual business license fees received from the rental and/or leasing of automobiles and trucks, parking meter revenues, and street repair fees from utility companies are pledged to debt service on the bonds issued to construct the parking garages. Direct revenues from the two parking garages are approximately 8.7% higher than in 2021 but still below pre-pandemic levels. Parking meter revenues increased 52.5% or \$167,467 as business and traffic returned to downtown. The ParkMobile app has also contributed to the increase in parking meter revenues and the convenience of parking at meters. Rental car companies' business license revenue is committed to parking bonds debt service. Business licenses are due January 1st of each year. Business license collections exceeded the prior year revenues by 13.5%. Local utility companies perform most street repairs or street cuts. Street repair revenues are not consistent. Revenues have decreased since the major fiber expansions by AT&T and Version have been completed. However, billings for street repairs

exceeded prior year by \$265,069, as utility relocation project billings increased near the end of 2022.

Monthly parking revenues increased by 1.7%, while daily parking revenues increased 30.7% by over \$100,000. The Statehouse Daily parking is rebounding from increased traffic flow to downtown and increased bookings at the Statehouse Convention Center and Robinson Auditorium. Total 2022 parking garage revenues increased by 27%, primarily from parking meter revenues and street cuts.

The 2023 Budget anticipates a 7.8% decrease in total revenues, primarily from street cut billings, which should decrease to more normal levels.

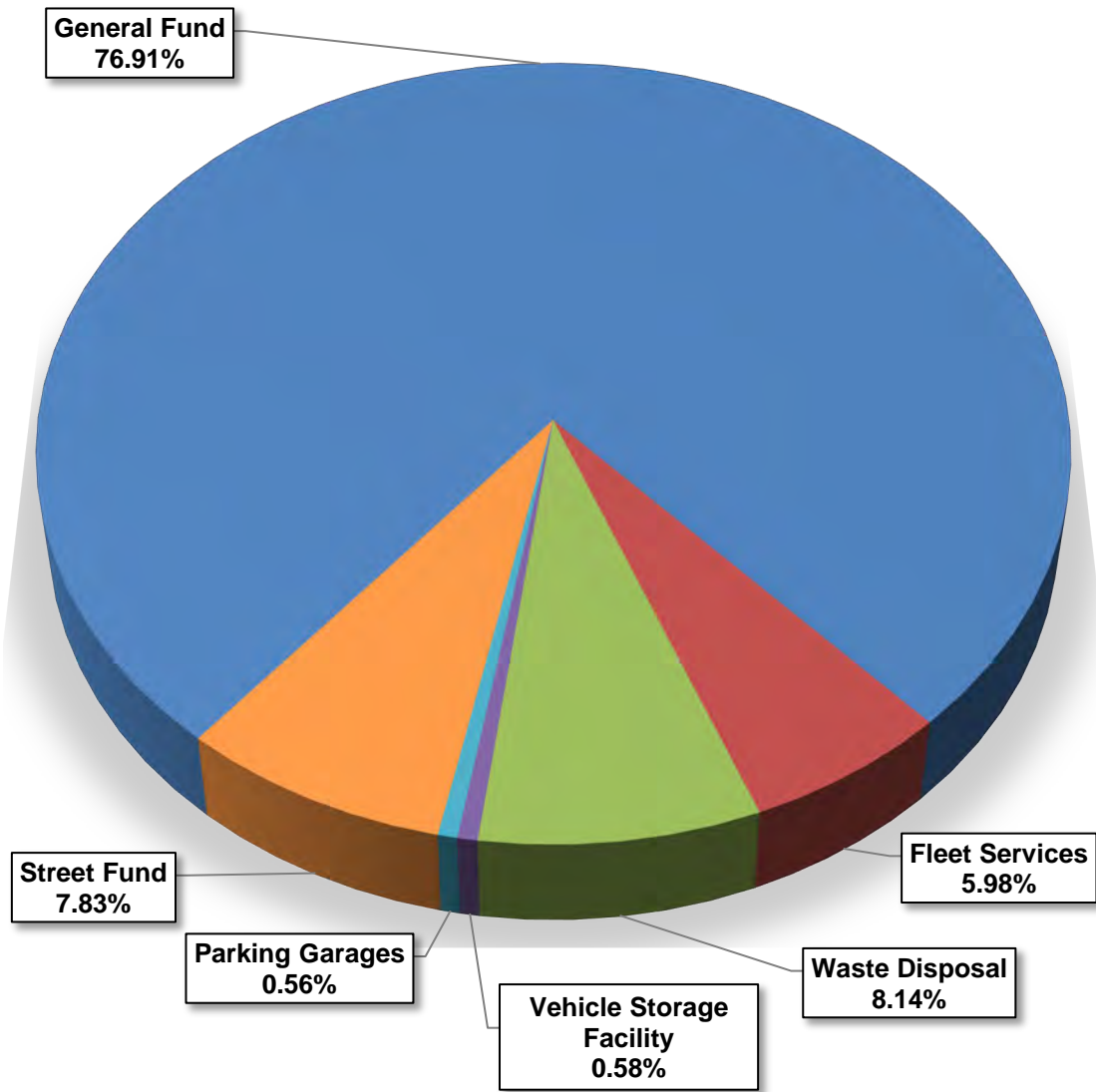
SUMMARY

Revenues determine the capacity of the City to provide services. Growth, flexibility, elasticity, dependability, diversity, and administration are important issues to consider in revenue analysis. Under ideal conditions, revenues would grow at a rate equal to or greater than the combined effects of inflation and expenditures.

Expenditures



CITY OF LITTLE ROCK 2023 EXPENSE PROFILE



\$313,031,049

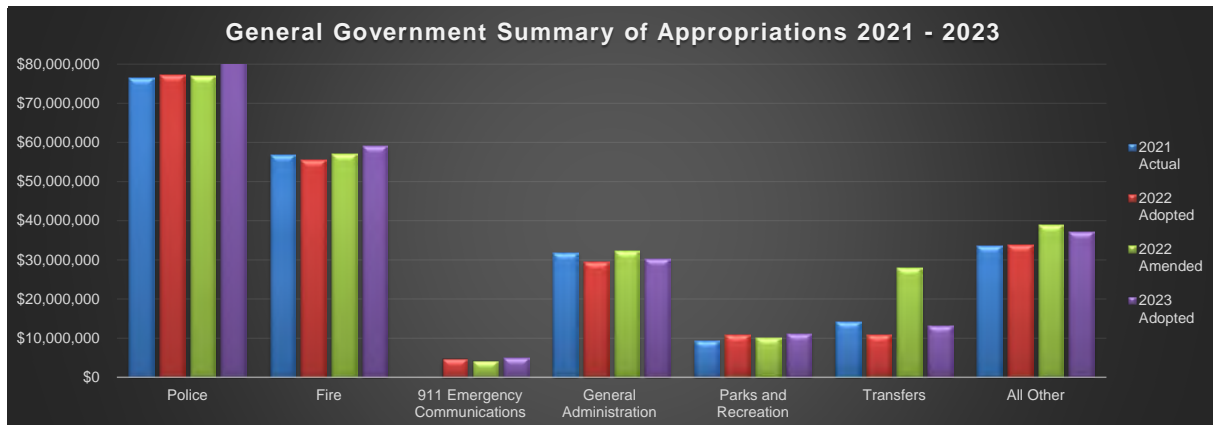
**CITY OF LITTLE ROCK
2023 OPERATING & OTHER BUDGET EXPENDITURES SUMMARY**

GENERAL FUND	2021 ACTUAL	2022 ADOPTED	2022 AMENDED *	2023 ADOPTED	22/23 DIFF	% CHANGE
Executive Administration	\$31,829,107	\$29,534,896	\$32,264,172	\$30,286,212	(\$1,977,960)	-6.13%
Board of Directors	332,297	344,674	344,674	348,179	3,505	1.02%
Community Programs	415,416	310,453	303,273	329,603	26,330	8.68%
City Attorney	1,577,145	1,874,118	1,894,643	2,563,580	668,937	35.31%
District Court First Division	1,171,465	1,409,001	1,283,575	1,415,686	132,111	10.29%
District Court Second Division	1,209,136	1,331,005	1,258,973	1,355,459	96,486	7.66%
District Court Third Division	515,094	578,142	572,087	588,888	16,801	2.94%
Finance	3,666,640	4,432,349	4,193,297	4,807,797	614,500	14.65%
Human Resources	2,093,631	2,274,393	2,129,277	2,538,165	408,888	19.20%
Information Technology	5,498,310	6,493,171	5,763,734	7,963,217	2,199,483	38.16%
Planning Development	2,365,991	3,255,006	2,948,401	3,412,745	464,344	15.75%
Housing & Neighborhood Programs	4,873,343	6,219,993	5,623,278	6,636,656	1,013,378	18.02%
Public Works	1,047,697	1,125,998	1,140,674	1,140,917	243	0.02%
Parks & Recreation	9,250,113	10,791,058	10,006,404	11,109,841	1,103,437	11.03%
River Market	1,058,163	1,157,413	1,065,618	1,071,692	6,074	0.57%
Golf	1,779,527	1,709,747	1,750,759	1,797,682	46,923	2.68%
Jim Dailey Fitness and Aquatic Center	708,770	886,132	861,322	890,419	29,097	3.38%
Zoo **	5,125,125	7,019,161	7,712,693	7,267,821	(444,872)	-5.77%
Fire	56,736,987	55,408,510	57,168,398	59,158,357	1,989,959	3.48%
Police	76,477,395	77,174,511	77,067,176	85,054,047	7,986,871	10.36%
911 Emergency Communications ***	-	4,758,621	4,038,096	4,948,663	910,567	N/A
Vacancy Savings	-	(6,691,700)	-	(7,000,000)	(7,000,000)	N/A
Sub-total General Operating	207,731,351	211,396,652	219,390,524	227,685,626	8,295,102	3.78%
TRANSFERS OUT/OTHER EXPENSES						
Transfer out to Street Fund	194,000	194,000	194,000	194,000	-	0.00%
Special Projects/PIT	12,978,512	9,475,512	26,736,927	11,667,650	(15,069,277)	-56.36%
Contingency/Reserve	1,000,000	1,100,000	1,100,000	1,200,000	100,000	9.09%
Sub-total of Transfers Out	14,172,512	10,769,512	28,030,927	13,061,650	(14,969,277)	-53.40%
TOTAL GENERAL FUND	221,903,863	222,166,164	247,421,451	240,747,276	(6,674,175)	-2.70%
OTHER FUNDS						
Public Works - Street	20,081,104	23,108,438	24,013,104	24,503,779	490,675	2.04%
Fleet Services	12,923,168	14,920,087	15,950,087	18,709,088	2,759,001	17.30%
Vehicle Storage Facility	1,506,810	1,786,550	1,787,944	1,825,987	38,043	2.13%
Waste Disposal	22,409,664	23,777,100	24,635,680	25,485,100	849,420	3.45%
Parking Garages	1,639,963	1,783,054	1,784,761	1,759,819	(24,942)	-1.40%
Sub-total Other Operating Funds	58,560,710	65,375,229	68,171,576	72,283,773	4,112,197	6.03%
TOTAL ALL FUNDS	\$280,464,573	\$287,541,393	\$315,593,027	\$313,031,049	(\$2,561,978)	-0.81%

* The 2022 Amended Budget includes reducing departmental budgets for vacancy savings achieved throughout the year. Vacancy savings represents savings from authorized but unfilled positions. The 2022 vacancy savings goal was fully realized.

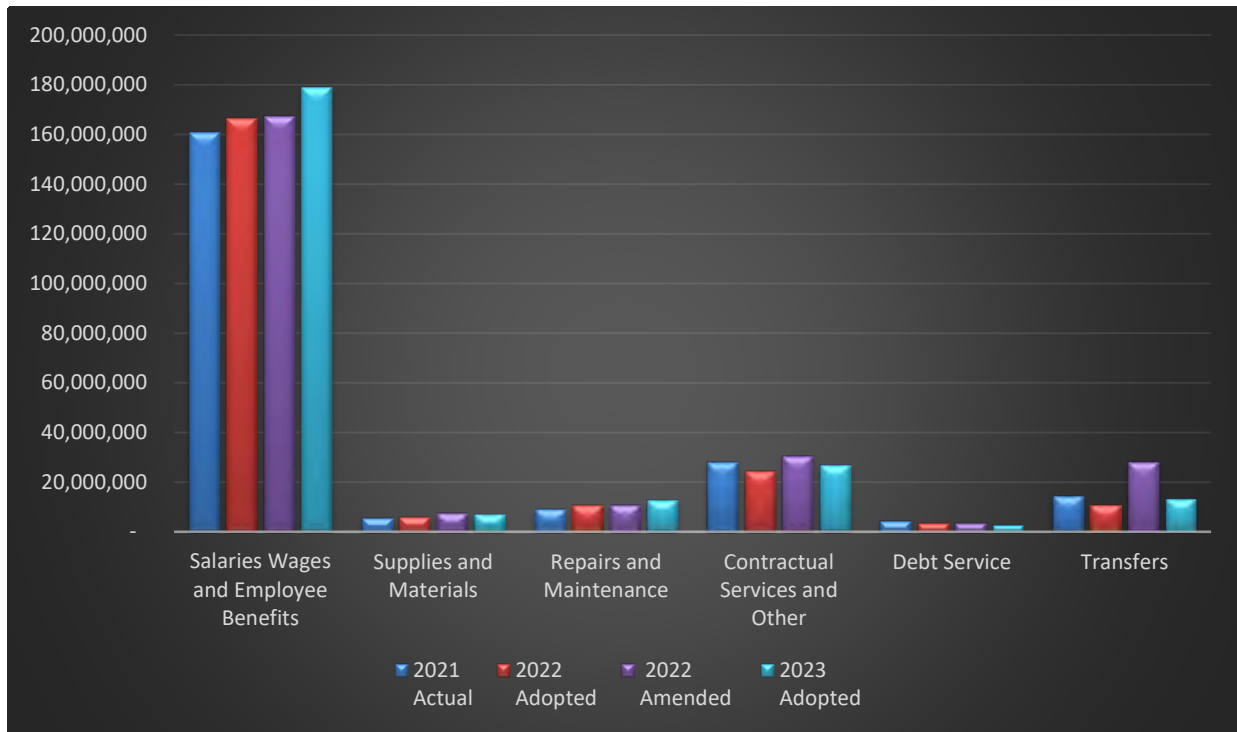
** In 2021, \$1,520,683 was transferred from Zoo expenditures for reimbursement from the Shuttered Venue Operators Grant (SVOG).

*** 911 Emergency Communications was transferred from Police in 2022 to become a separate department.



GENERAL FUND EXPENDITURES BY CATEGORY

CATEGORY	2021 Actual	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries Wages and Employee Benefits	\$160,975,823	\$166,658,335	\$167,181,491	\$178,855,002
Supplies and Materials	5,586,443	5,829,701	7,486,004	6,869,323
Other Expenses	258,794	251,510	486,510	251,510
Repairs and Maintenance	9,027,197	10,724,374	10,738,940	12,671,399
Contractual Services	27,531,172	24,329,980	29,894,827	26,552,543
Capital Outlay	116,333	72,500	72,500	63,325
Debt Service	4,235,589	3,530,252	3,530,252	2,422,524
Transfers	14,172,512	10,769,512	28,030,927	13,061,650
Total Expenditures	\$221,903,863	\$222,166,164	\$247,421,451	\$240,747,276
<i>Staffing Level</i>	<i>1,749</i>	<i>1,778</i>	<i>1,778</i>	<i>1,819</i>



**CITY OF LITTLE ROCK
2023 OPERATING EXPENSES**

	2021 Actual	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
GENERAL FUND				
EXECUTIVE ADMINISTRATION				
101001 City Clerk	\$268,624	\$309,309	\$309,309	\$314,430
101002 Administrative & General	23,386,816	19,906,584	23,757,931	20,786,419
101003 Employee Benefits	5,413,306	5,961,500	4,986,830	5,629,036
101005 Mayor	635,851	732,884	718,606	745,065
101006 City Manager Administration	821,516	873,949	899,678	957,947
101007 Emergency Management	164,743	99,687	138,229	224,864
101008 Small & Minority Owned Bus. Dev.	2,092	-	-	-
101009 Little Rock Television	399,331	426,684	410,010	421,461
101010 311 Service Center	370,237	420,827	421,253	436,747
101011 Performance and Innovation	240,037	225,577	221,124	206,527
101012 Education	-	133,249	49,249	123,918
101013 Office of Diversity, Equity, and Inclusion	126,555	444,646	351,953	439,798
Total General Administrative	<u>31,829,107</u>	<u>29,534,896</u>	<u>32,264,172</u>	<u>30,286,212</u>
BOARD OF DIRECTORS				
101100 Board of Directors	332,297	344,674	344,674	348,179
COMMUNITY PROGRAMS				
101501 Administration	212,451	214,806	214,806	233,992
101503 Operations	84,526	95,647	88,467	95,611
101504 Racial and Cultural Diversity	118,439	-	-	-
Total Community Programs	<u>415,416</u>	<u>310,453</u>	<u>303,273</u>	<u>329,603</u>
CITY ATTORNEY				
101801 City Attorney	1,577,145	1,874,118	1,894,643	2,563,580
LITTLE ROCK DISTRICT COURT				
102101 District Court First Division	1,171,465	1,409,001	1,283,575	1,415,686
LITTLE ROCK DISTRICT COURT				
102201 District Court Second Division	1,209,136	1,331,005	1,258,973	1,355,459
LITTLE ROCK DISTRICT COURT				
102301 District Court Third Division	515,094	578,142	572,087	588,888
FINANCE				
102501 Administration	609,175	845,499	826,296	868,568
102511 Reporting and Compliance	-	183,871	97,919	187,869
102515 Budget	368,979	286,291	240,142	301,085
102520 Internal Audit	150,253	269,805	269,084	284,551
102530 Accounting and Reporting	480,540	528,783	517,367	564,116
102531 Accounts Payable	316,407	375,315	331,753	506,940
102535 Payroll	236,407	251,795	251,795	255,661
102540 Treasury Management	638,367	684,365	671,809	710,071
102550 Procurement	457,332	590,357	594,590	676,931
102552 Small Business Development	92,157	100,282	100,282	108,076
102555 Print Shop	71,449	47,619	23,893	53,981
102560 Grants Management	245,574	268,367	268,367	289,948
Total Finance	<u>3,666,640</u>	<u>4,432,349</u>	<u>4,193,297</u>	<u>4,807,797</u>
HUMAN RESOURCES				
102701 Human Resources	2,093,631	2,274,393	2,129,277	2,538,165
INFORMATION TECHNOLOGY				
103001 Administration	655,969	693,692	693,692	764,956
103010 Application Programming	1,275,923	929,253	884,188	1,046,506
103030 Networking	2,038,506	2,322,856	1,690,909	3,603,258
103040 Telecommunications	150,575	712,090	712,090	644,536
103050 Computer Operations	1,377,337	1,835,280	1,782,855	1,903,961
Total Information Technology	<u>5,498,310</u>	<u>6,493,171</u>	<u>5,763,734</u>	<u>7,963,217</u>

**CITY OF LITTLE ROCK
2023 OPERATING EXPENSES**

	2021 Actual	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
PLANNING AND DEVELOPMENT				
103301 Administration & Budget	336,865	667,310	567,310	346,144
103310 Planning	406,098	531,749	466,253	545,792
103320 Zoning & Subdivision	652,536	926,725	808,747	994,228
103330 Building Codes	970,493	1,129,222	1,106,091	1,188,569
103340 Engineering	-	-	-	338,012
Total Planning and Development	<u>2,365,991</u>	<u>3,255,006</u>	<u>2,948,401</u>	<u>3,412,745</u>
HOUSING AND NEIGHBORHOOD PROGRAMS				
103501 Administration	209,915	403,068	344,336	423,577
103510 Animal Services	1,004,101	1,374,610	1,193,548	1,634,462
103520 CDBG - Housing Programs	1,979	5,325	28,144	98,542
103530 Neighborhood Programs	2,834,891	3,292,446	3,008,942	3,418,562
103539 Neighborhood Alert Centers	481,877	635,480	606,797	668,436
103540 Neighborhood Resource Center	95,494	172,038	103,372	113,539
103550 Environmental Services	245,085	337,026	338,139	279,538
Total Housing and Neighborhood Programs	<u>4,873,343</u>	<u>6,219,993</u>	<u>5,623,278</u>	<u>6,636,656</u>
PUBLIC WORKS				
104010 Building Services	1,047,697	1,125,998	1,140,674	1,140,917
Total Public Works	<u>1,047,697</u>	<u>1,125,998</u>	<u>1,140,674</u>	<u>1,140,917</u>
PARKS AND RECREATION				
104501 Administration	313,940	399,364	363,444	457,252
104503 Design Scheduling	426,286	480,456	327,053	482,218
104510 Resources Administration	328,046	409,256	367,893	414,368
104511 Cultural Museum	260,401	293,327	293,327	307,345
104512 Therapeutic	177,841	254,687	212,377	260,098
104521 Development and Maintenance	92,029	102,319	73,365	165,067
104522 Operations and Improvement Development	1,781,857	1,635,165	1,564,265	1,648,791
104523 Park Maintenance	1,765,947	2,019,122	1,892,406	2,126,403
104524 Horticulture	838,772	941,444	895,362	986,708
104525 Urban Forestry	329,959	393,274	370,508	459,423
104530 Recreation Administration	187,790	186,634	155,804	193,358
104531 Community Center Administration	117,694	131,486	119,275	132,511
104532 Dunbar Community Center	354,743	469,291	443,426	476,146
104533 East Little Rock Recreation Center	94,788	95,641	95,641	97,251
104534 Senior Programs	22,190	97,072	97,072	97,072
104536 Southwest Community Center	422,795	506,690	492,463	499,246
104537 Stephens Community Center	267,334	280,779	280,779	298,524
104538 The Centre at University Park	216,357	304,450	307,180	309,372
104539 West Central Community Center	415,701	648,209	603,383	636,527
104540 Parks Maintenance - Mowing	225,846	386,481	294,425	297,586
104556 Athletics/Playgrounds	290,963	423,068	423,564	430,610
104557 Tennis Center Operations	264,904	271,698	272,247	272,820
104558 N.W. Hill Community Complex	53,929	61,145	61,145	61,145
Total Parks and Recreation	<u>9,250,113</u>	<u>10,791,058</u>	<u>10,006,404</u>	<u>11,109,841</u>
RIVER MARKET				
104601 RiverMarket	1,058,163	1,157,413	1,065,618	1,071,692
GOLF				
104701 Administration	-	2,092	2,092	-
104710 Rebsamen Golf Pro	522,366	461,441	512,543	464,405
104711 Rebsamen Golf Maintenance	473,299	524,481	522,521	576,856
104712 Rebsamen Pro Golf Concessions	120,599	85,666	110,666	86,255
104750 First Tee Golf Pro	251,316	203,276	204,856	219,440
104751 First Tee Golf Maintenance	411,946	432,791	398,081	450,726
Total Golf Fund	<u>1,779,527</u>	<u>1,709,747</u>	<u>1,750,759</u>	<u>1,797,682</u>
JIM DAILEY FITNESS AND AQUATIC CENTER				
104801 Jim Dailey Fitness & Aquatic	708,770	886,132	861,322	890,419

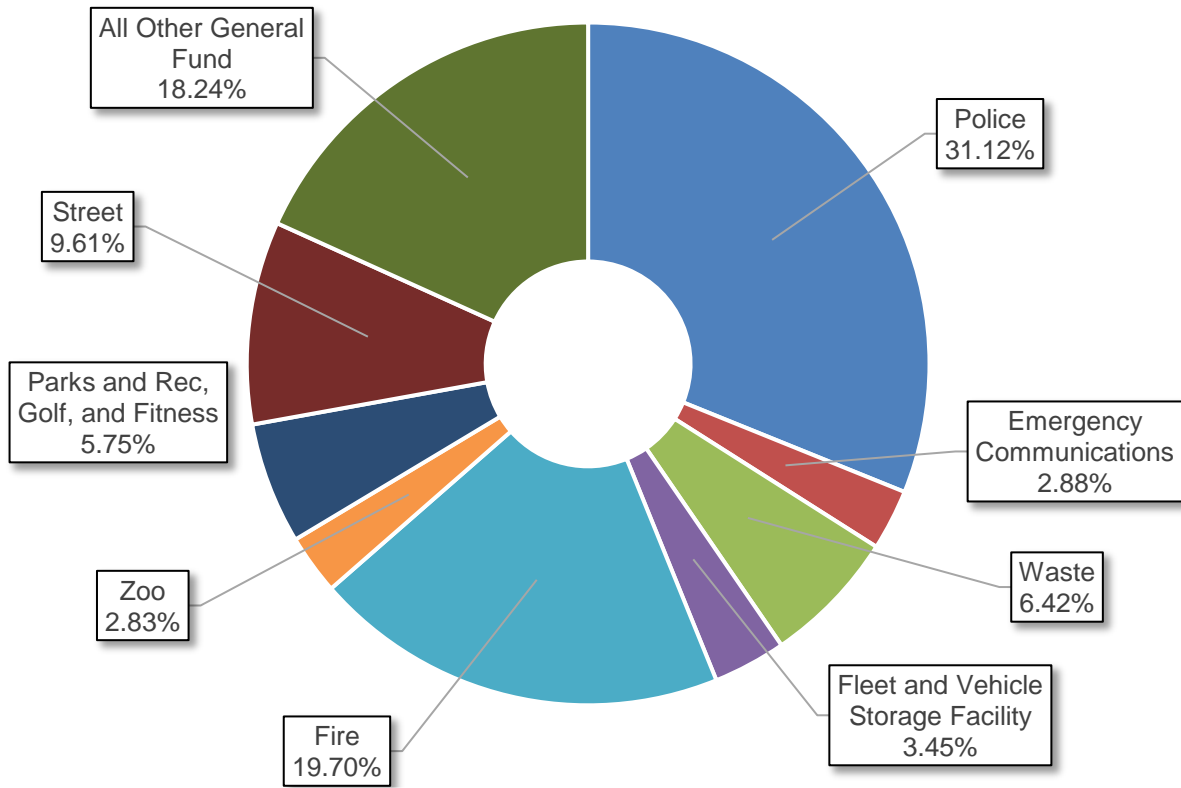
**CITY OF LITTLE ROCK
2023 OPERATING EXPENSES**

	2021 Actual	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
ZOO				
106501 Zoo Administration	610,559	795,338	788,611	688,332
106510 Zoo Concessions	279,166	367,485	384,095	415,279
106520 Zoo Education	403,754	449,191	414,538	468,947
106530 Zoo Gift Shop	166,780	106,025	196,025	106,025
106540 Zoo Membership	73,643	105,153	105,153	109,606
106550 Zoo Special Events	125,876	156,901	178,231	93,430
106560 Zoo Marketing & Promotions	81,661	271,119	271,119	272,750
106570 Zoo Facilities Operation	444,894	1,952,551	1,981,258	2,018,042
106580 Animal Management	2,327,972	2,418,322	2,636,187	2,542,424
106581 Zoo Vet Services	135,248	162,000	202,000	162,000
106590 Visitor Service Administration	475,573	235,076	555,476	390,986
Total Zoo Fund	<u>5,125,125</u>	<u>7,019,161</u>	<u>7,712,693</u>	<u>7,267,821</u>
FIRE				
105101 Administration	1,713,148	1,692,957	1,720,802	1,864,311
105102 Fire Pension	6,985,763	6,649,970	6,801,597	6,742,365
105110 Fire Suppressing and Rescue	44,690,810	44,146,624	45,710,532	47,466,337
105130 Fire Prevention - Investigation	1,247,136	1,093,073	1,103,160	1,150,601
105140 Fire Training	746,504	804,305	810,726	856,573
105150 Crash Fire Rescue - Airport	1,353,627	1,021,581	1,021,581	1,078,170
Total Fire	<u>56,736,987</u>	<u>55,408,510</u>	<u>57,168,398</u>	<u>59,158,357</u>
POLICE				
105201 Administration	3,267,318	3,660,566	3,826,342	4,707,760
105202 Police Pension	7,978,938	7,465,177	7,669,079	7,592,553
105210 Internal Affairs	-	-	-	133,170
105215 Organized Crime - Intelligence	5,903,634	5,412,302	5,562,198	5,882,152
105220 Training and Crime Prevention	3,468,266	4,102,454	4,337,942	9,438,373
105225 Detectives	6,992,994	6,828,437	7,251,349	7,361,064
105230 Downtown Patrol	11,423,018	13,273,270	13,108,262	13,387,873
105235 Southwest Patrol	9,086,953	9,405,966	9,345,208	9,972,077
105240 Special Operations	7,116,558	7,092,036	6,912,018	6,691,690
105245 WW Williams Northwest Substation	10,070,997	12,016,174	11,085,251	11,749,429
105250 Airport Police	1,940,312	1,980,991	2,165,979	2,114,398
105255 Police Records Support Service	5,399,917	5,937,138	5,797,777	6,023,508
105260 Communication Center	3,828,488	-	5,771	-
Total Police	<u>76,477,395</u>	<u>77,174,511</u>	<u>77,067,176</u>	<u>85,054,047</u>
911 EMERGENCY COMMUNICATIONS				
105301 Administration	-	4,758,621	4,038,096	4,948,663
Less General Government Vacancy Reduction	-	(6,691,700)	-	(7,000,000)
General Fund Operating Total	<u>207,731,351</u>	<u>211,396,652</u>	<u>219,390,524</u>	<u>227,685,626</u>
TRANSFER/OUT OTHER EXPENSES				
Transfer out to Street Fund	194,000	194,000	194,000	194,000
Special Projects/PIT	12,978,512	9,475,512	26,736,927	11,667,650
Contingency/Reserve	1,000,000	1,100,000	1,100,000	1,200,000
Sub-total	<u>14,172,512</u>	<u>10,769,512</u>	<u>28,030,927</u>	<u>13,061,650</u>
Total General Fund	<u>\$221,903,863</u>	<u>\$222,166,164</u>	<u>\$247,421,451</u>	<u>\$240,747,276</u>

**CITY OF LITTLE ROCK
2023 OPERATING EXPENSES**

	2021 Actual	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
PUBLIC WORKS - STREET				
204001 Administration	4,774,208	4,673,799	5,224,759	5,248,713
204002 Operations Administration	794,589	940,872	941,883	976,943
204003 Street and Drainage Maintenance	6,176,029	8,040,215	8,293,138	8,329,339
204005 Storm Drain Maintenance	872,661	1,222,573	1,273,501	1,282,183
204006 Work Pool	82,044	127,591	131,077	157,349
204007 Resource Control and Scheduling	430,920	475,594	479,223	382,750
204008 Control Devices	861,741	911,496	928,402	1,021,181
204010 Signals	1,181,969	1,252,217	1,268,612	1,233,349
204015 Parking Meters	116,457	133,264	134,555	126,979
204020 Civil Engineering	1,420,666	1,551,495	1,556,495	1,665,455
204025 Traffic Engineering	3,166,351	3,434,354	3,435,997	3,739,692
204030 Parking Enforcement	203,469	344,968	345,462	339,846
Total Street Fund	\$20,081,104	\$23,108,438	\$24,013,104	\$24,503,779
FLEET SERVICES				
600001 Administration	1,589,624	1,013,071	1,013,071	1,360,801
600011 Acquisition & Parts	5,163,005	6,361,683	7,391,683	9,361,247
600020 Financial Management	1,073,301	1,275,286	1,275,286	1,323,417
600031 Maintenance Administration	5,087,578	6,260,347	6,260,347	6,655,123
600039 Administrative Motor Pool	9,661	9,700	9,700	8,500
Total Fleet Services	\$12,923,168	\$14,920,087	\$15,950,087	\$18,709,088
VEHICLE STORAGE FACILITY				
	\$1,506,810	\$1,786,550	\$1,787,944	\$1,825,987
WASTE DISPOSAL				
603101 Administration	2,757,798	2,090,623	2,612,024	1,609,845
603110 Collection	15,461,488	16,902,060	16,966,516	18,178,472
603120 Disposal	3,614,027	4,062,403	4,327,669	4,893,113
603125 Composting	548,983	713,071	720,528	803,670
603130 SW Bond Management	27,368	8,943	8,943	-
Total Waste Disposal Fund	\$22,409,664	\$23,777,100	\$24,635,680	\$25,485,100
PARKING GARAGES				
612000 Parking Garages	\$1,639,963	\$1,783,054	\$1,784,761	\$1,759,819
GRAND TOTAL ALL FUNDS	\$280,464,573	\$287,541,393	\$315,593,027	\$313,031,049

CITY OF LITTLE ROCK 2023 ALLOCATION OF FULL TIME PERSONNEL



Police	703	Zoo	64
Waste	145	Parks and Rec, Golf, and Fitness	130
Fire	445	911 Emergency Communications	65
Fleet and Vehicle Storage Facility	78	Street	217
All Other General Fund	412		

CITY OF LITTLE ROCK

FULL TIME PERSONNEL SUMMARY

General Fund:

The 2023 General Fund Budget supports 1,819 full-time equivalent (FTE) positions – 1,766 serving in General Fund Departments and 53 special positions funded through grants or special project allocations. This represents a net increase of 41 FTEs compared to the 2022 Adopted Budget staffing levels. Added positions in Community Programs are an Assistant Director, three (3) Positive Intervention positions, and two (2) grant-funded Social Workers. Added positions in the City Attorney department are three (3) Freedom of Information Act (FOIA) positions that were transferred from Human Resources, an additional FOIA Coordinator, and an Assistant City Attorney. Housing and Neighborhood Programs added an Animal Services Coordinator, two (2) Animal Care Technicians, a Housing Program Coordinator, and two (2) Neighborhood Resource Specialists. In the Fire department, 12 new positions were added to staff a new fire station on the west side of town, which include three (3) Captains, three (3) Apparatus Engineers, and six (6) Firefighters. A total of nine (9) positions were added to the Police department, a Deputy Police Chief, a Lieutenant, two (2) Civilian Background Investigators, a Crime Scene Specialist, a Police Subpoena Technician, a Network Coordinator, and two (2) full-time American Rescue Plan Act (ARPA) grant funded Social Workers. The remaining three (3) positions were spread throughout the General Fund Departments, as noted in the Full-Time Personnel Authorizations Summary.

The General Fund Operating Budget appropriation includes \$185,855,002 in personnel cost, reduced by an anticipated \$7,000,000 in savings from authorized but vacant positions, resulting in a net personnel allocation of \$178,855,002. There is a 3.5% salary increase for non-uniformed, full-time positions, included in the 2023 Budget as well as the continuation of Step and Grade progression for the Fraternal Order of Police (FOP), International Association of Fire Fighters (IAFF), American Federation of State, County, and Municipal Employees (AFSCME) union eligible as well as Emergency Communications personnel. Emergency Communications personnel also received additional salary increases of \$1,700. To remain competitive, entry-level Police officers' salary was adjusted to a \$50,000 starting salary, step increases for officers with less than six (6) years of service were increased by 12%, step increases for officers with more than six (6) years and less than eight (8) years of services were increased by 9.7%, all steps above eight (8) years of services were increased by 7.9%, and command staff salaries increased by 7.9%. Police uniform personnel with 15 or more years of service received an additional 2.5% retention incentive step increase. The minimum entry-level firefighter salary was increased by 6% to \$15 per hour, Fire uniformed personnel positions received a 5% salary increase, and EMT pay was increased from \$1,680 to \$2,400 annually.

The City will continue to provide basic comprehensive health insurance in 2023. The total cost of health insurance premiums will decrease \$1,050,000 in 2023. The City absorbs 100% of the cost of employee-only coverage and 60% of employee + spouse/child/family coverage for the base plan. The health insurance vendor was changed for 2023 and new

tiered options were available, employee + spouse and employee + child. In addition, employees were offered an opportunity to enroll in enhanced coverage with two (2) buy-up options that included lower deductibles and co-pays and a new high deductible plan is available.

Benefit changes approved by the State Legislature determine pension costs for Fire and Police uniformed personnel. The pension rate charged for uniformed Fire personnel increased from 23.50% to 24.0% of payroll, representing the maximum allowed by the plan. The pension rate for Police uniformed personnel will increase from 23.50% to 24.0% of payroll. In addition, the City merged administration of the closed local Police and Fire Pension Funds with LOPFI, which will require additional monthly funding contributions of \$333,185 and \$278,998, respectively. Contributions to the closed plans are offset by dedicated revenues that include one (1)-mill Property Tax Levies, annual City sales tax contributions of \$500,000 for each plan, and other dedicated fines and fees. The dedicated revenues fully fund the required contributions. Dedicated revenues more than the required contributions are utilized to pay down the unfunded liability of the plans each year. There will be no change in 2023 to the City contribution rate of 9% of salary to the Non-Uniform Defined Benefit plan, matched by employee contributions of 4.5%. The contribution rate for the plan has remained consistent since its inception in 2014. The pension rate for Court Clerks is also unchanged at 15.32%.

Overall, the General Fund personnel budget will increase by \$12,196,667 in 2023 from the Original Adopted 2022 Budget. Compared to the 2022 Amended Budget, personnel cost will increase by \$11,673,511 or 6.98%. Additional reasons for the increased personnel budget include increased other post-employment benefits (OPEB) costs. The increased personnel budget is slightly offset by decreased Worker's Compensation costs and decreased health insurance costs.

Other Funds:

There are 217 FTEs included in the 2023 Street Fund budget, remaining consistent with 2022. There are 145 FTEs included in the 2023 Waste Disposal Fund budget, staying consistent with 2022. The Fleet and Vehicle Storage budgets include 63 and 15 FTEs, respectively, each increasing one (1) position compared to 2022. Fleet Services added a Senior Fleet Service Advisor and Vehicle Storage added a Vehicle Storage Attendant II for the front office. Consistent with the General Fund, there is a 3.5% salary increase included in the 2023 Budget as well as the continuation of Step and Grade progression for all Union Eligible personnel. Benefits are consistent with those described for non-uniform General Fund personnel above.

Overall, there are 2,259 full-time positions authorized in the 2023 Adopted Budget, a net increase of 43 positions from 2022.

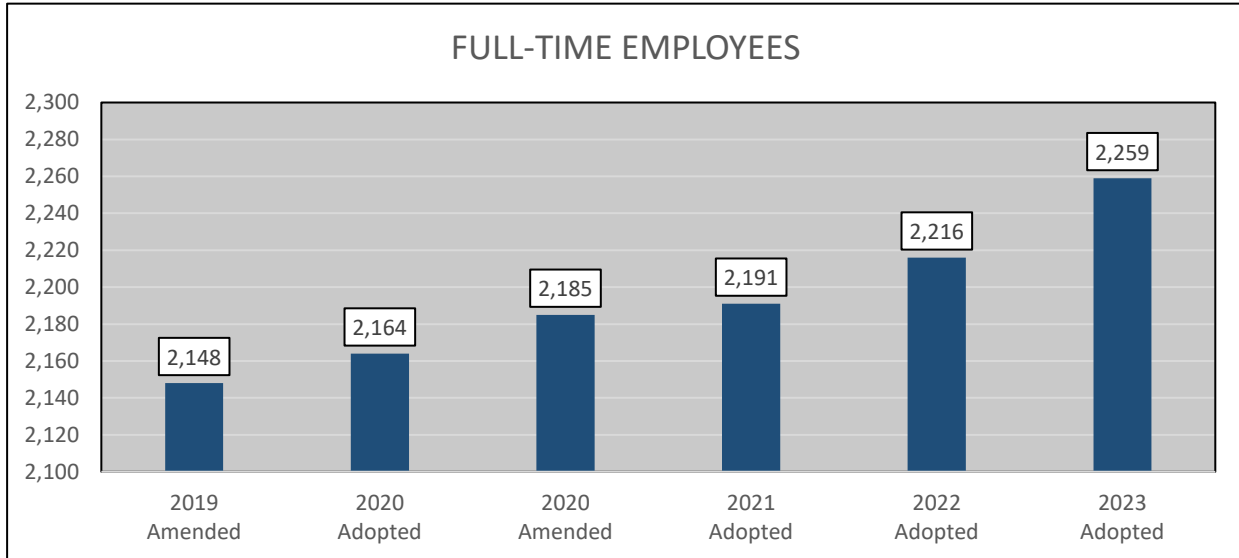
**CITY OF LITTLE ROCK
FULL TIME PERSONNEL BUDGET SUMMARY**

	2021 Adopted Budget	2021 Amended Budget	2022 Adopted Budget	2023 Adopted Budget
<u>General Fund</u>				
Executive Administrative	33	33	35	36
Board of Directors	1	1	1	1
Community Programs	13	13	14	20
City Attorney	16	16	18	23
District Court First Division	20	20	21	21
District Court Second Division	18	18	19	19
District Court Third Division	7	7	8	8
Finance	46	46	52	53
Human Resources	25	25	26	25
Information Technology	41	41	42	43
Planning & Development	39	39	46	46
Housing & Neighborhood Programs	99	99	99	105
Public Works - General	12	12	12	12
Parks & Recreation	106	106	106	107
Golf	15	15	15	8
Jim Dailey Fitness Center	8	8	8	15
Zoo	63	63	64	64
Fire	433	433	433	445
Police	754	754	694	703
Emergency Communications	-	-	65	65
Subtotal General Fund	<u>1,749</u>	<u>1,749</u>	<u>1,778</u>	<u>1,819</u>
<u>Other Funds</u>				
Public Works - Street	220	220	217	217
Fleet Services	63	63	62	63
Vehicle Storage Facility	14	14	14	15
Waste Disposal	145	145	145	145
Subtotal Other Funds	<u>442</u>	<u>442</u>	<u>438</u>	<u>440</u>
Total Personnel	<u>2,191</u>	<u>2,191</u>	<u>2,216</u>	<u>2,259</u>

CITY OF LITTLE ROCK

FULL-TIME PERSONNEL AUTHORIZATIONS

2019 - 2023



The net change in personnel between 2022 and 2023 total positions are as indicated in the chart below.

2022 Adopted Budget	2,216	
Executive Administration	1	(a)
Community Programs	6	
City Attorney	5	
Finance	1	(b)
Human Resources	(1)	(c)
Information Technology	1	(d)
Housing & Neighborhood Programs	6	
Parks & Recreation	1	(e)
Fire	12	
Police	9	
Fleet Services	1	
Vehicle Storage Facility	1	
2023 Adopted Budget	2,259	

- (a) Reinstated an Office Assistant III position, originally eliminated from the budget in 2019.
- (b) Added an Office Assistant II position to Accounts Payable.
- (c) Moved the Wellness Coordinator and a Benefits Analyst from Special Projects as ongoing positions, added a Human Resources System Coordinator position and a Senior Human Resources Analyst position, net of the three (3) FOIA positions transferred to the City Attorney's office.
- (d) Added an Information Technology Procurement and Financial Assistant.
- (e) Added an Administrative Assistant.

Note: Other changes were described in detail in the Full Time Personnel Summary.

**CITY OF LITTLE ROCK
2023 OTHER GENERAL FUND EXPENDITURES**

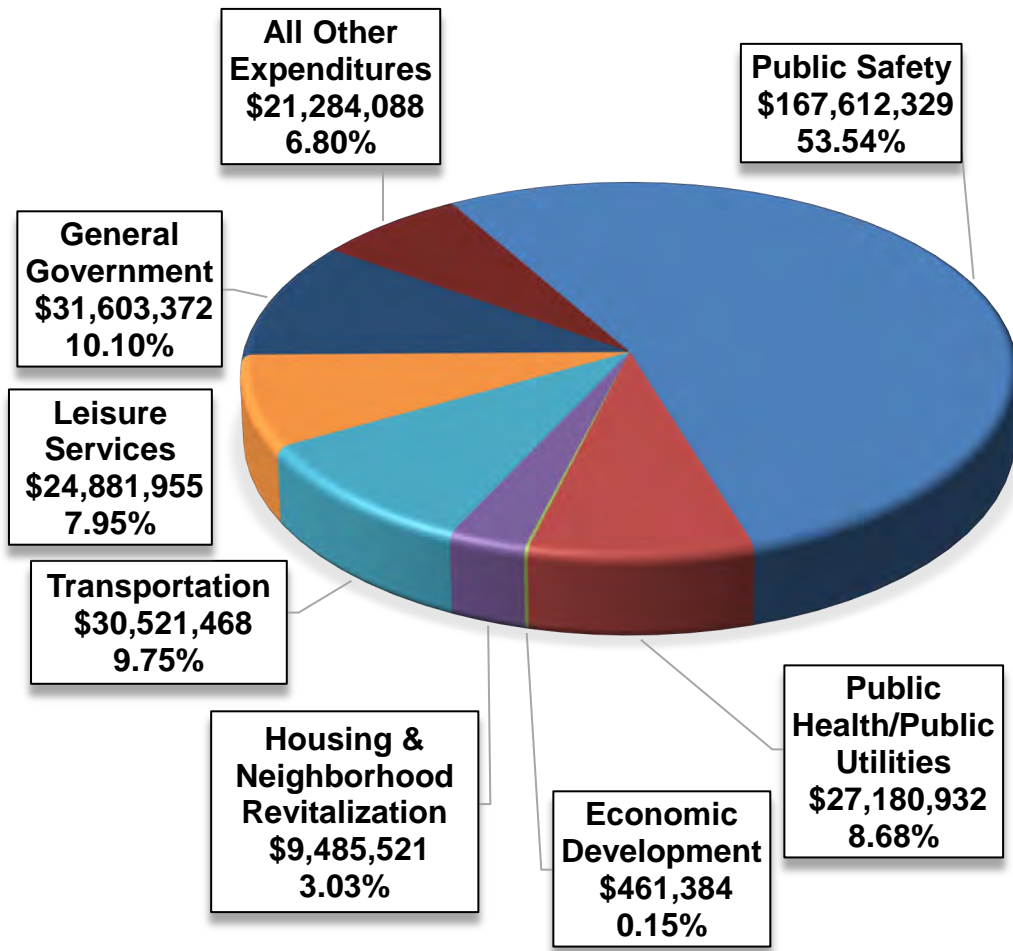
	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Amended</u>	<u>2023 Budget</u>	<u>Increase (Decrease)</u>
SPECIAL PROJECTS					
Children, Youth & Families (CYF)	3,372,000	5,000,000	5,000,000	5,000,000	-
Targeted Community Development	1,000,000	-	3,500,000	-	(3,500,000) a
Facility Improvements	875,000	875,000	875,000	1,095,000	220,000 b
Annual Fleet Replacement	1,650,000	1,300,000	1,300,000	2,525,000	1,225,000 c
12th Street Station - 1st Floor Build Out	750,000	-	-	-	-
Homelessness Outreach	400,000	600,000	600,000	600,000	-
Weed Lot Maintenance	384,400	384,400	384,400	384,400	-
Information Technology Contingency	400,000	-	500,000	-	(500,000) a
Parks Contingency	132,000	-	-	-	-
Demolition (Residential)	200,000	200,000	200,000	200,000	-
Branding	200,000	-	-	-	-
Employee Wellness Program	-	160,000	160,000	-	(160,000) d
Diversity, Equity, and Inclusion	150,000	-	-	-	-
Police - Rifles	-	-	-	140,000	140,000 e
Parks - ADA Transition Plan	-	-	-	100,000	100,000 f
Criminal Court Contingency	7,500	-	-	-	-
Homeless Emergency Services	100,000	50,000	100,000	50,000	(50,000) l
Demolition of Police Headquarters	-	-	600,000	-	(600,000) a
Little Rock Residency Incentive Program	-	50,000	50,000	50,000	-
Demolition (Commercial)	50,000	50,000	50,000	100,000	50,000 g
Land Bank	-	50,000	50,000	100,000	50,000 g
Finance Contingency	180,000	-	-	-	-
Legislative Consulting	45,000	45,000	45,000	50,000	5,000 h
Tennis Open	25,000	25,000	25,000	25,000	-
Board and Secure	25,000	25,000	25,000	25,000	-
Relocation of Police Property Room	-	-	1,600,000	-	(1,600,000) a
Curran Hall	40,000	40,000	40,000	40,000	-
Environmental Youth (Parks)	37,500	37,500	37,500	37,500	-
Junction Bridge	35,000	35,000	35,000	35,000	-
Work Boots	35,000	35,000	35,000	70,000	35,000 i
American Disability Act (ADA)	25,000	25,000	25,000	25,000	-
Federal Consultant	24,000	48,000	48,000	48,000	-
Neighborhood Challenge Grant	23,332	23,332	23,332	23,332	-
Bill Clark Wetlands Maintenance	23,780	23,780	23,780	23,780	-
Sustainability Summit	20,000	20,000	20,000	20,000	-
National Night Out	10,000	10,000	10,000	10,000	-
Neighborhood Connection	1,000	1,000	1,000	1,000	-
Fire Station 12 Renovation	93,000	-	-	-	-
Zoo Stormwater	1,000,000	-	-	-	-
Conceptual Master Plan - Hindman/War Memorial	135,000	-	-	-	-
Replacement of Police Radios	-	-	1,200,000	-	(1,200,000) a
Parks Maintenance Equipment	-	-	585,000	-	(585,000) a
Parking Deck Architect	-	-	508,200	-	(508,200) a
Real-Time Crime Center	-	-	300,000	-	(300,000) a
13th Street Parking Lot - Police	-	-	300,000	-	(300,000) a
Planning/Public Works Drainage Manual Update	-	-	250,000	-	(250,000) a
12th Street Furniture Package - Philander Smith	-	-	171,191	-	(171,191) a
Parking Garages Technology Upgrades	-	-	-	432,000	432,000 j
LRPD Headquarters	-	-	282,000	-	(282,000) a
Shephard's Building	-	-	950,000	-	(950,000) a
Animal Village Construction	-	-	332,985	-	(332,985) a
Housing - Emergency Relocation Assistance	-	-	150,000	-	(150,000) a
Disparity Study	-	-	500,000	-	(500,000) a
Fencing at NW, SW, and 13th Street PD Parking Facilities	-	-	482,039	-	(482,039) a
Port Allocation - Supersite Infrastructure Improvements	-	-	2,000,000	-	(2,000,000) a
Technology Park Allocation	-	-	3,000,000	-	(3,000,000) a
Police - Southwest Patrol Renovations	200,000	-	-	-	-
Terry House Capital Improvements	500,000	-	-	-	-
Board Room and Technology Renovations	500,000	-	-	-	-
Daisy Bates House Capital Improvements	100,000	-	-	-	-
Total General Fund Projects	<u>\$ 12,748,512</u>	<u>\$ 9,113,012</u>	<u>\$ 26,374,427</u>	<u>\$ 11,210,012</u>	<u>\$ (15,164,415)</u>

**CITY OF LITTLE ROCK
2023 OTHER GENERAL FUND EXPENDITURES**

	2021 Actual	2022 Budget	2022 Amended	2023 Budget	Increase (Decrease)
GRANT MATCH					
Choice Neighborhoods Grant	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Assistance to Firefighters	80,000	-	-	-	-
21st Century Learning	50,000	50,000	50,000	50,000	-
Hazard Mitigation - Kanis Park Bridge	-	62,500	62,500	-	(62,500)
Federal Grants Advisory	50,000	-	-	-	-
Parks - Outdoor Recreation Grant	-	250,000	250,000	-	(250,000)
Zoo - FEMA Match - Security Cameras	-	-	-	150,000	150,000
General	-	-	-	450,000	450,000
Total Grant Match Requirement	<u>230,000</u>	<u>362,500</u>	<u>362,500</u>	<u>650,000</u>	<u>287,500</u>
GRAND TOTAL	<u>\$ 12,978,512</u>	<u>\$ 9,475,512</u>	<u>\$ 26,736,927</u>	<u>\$ 11,860,012</u>	<u>\$ (14,876,915)</u>

- a 2022 Amended Budget one-time project allocations.
- b Increase needed for general building maintenance.
- c The allocation was increased to cover existing vehicle lease obligations and to allow an additional \$1.225 million for vehicle replacement needs.
- d Wellness program was moved to the Human Resources Department.
- e Police request for 70 patrol rifles per year until 275 are acquired.
- f Parks allocation for ADA transition plan to meet federal guidelines.
- g Increase needed, funding has been exhausted.
- h Increase in contract cost.
- i Increase to provide two (2) sets of work boots for AFSCME employees.
- j Technology enhancements for the Convention Center and River Market parking decks, which are expected to reduce ongoing operating
- k New grant opportunities for 2023.
- l The reduction in funding reflects amendments to the 2022 Budget that are not applicable to 2023.

CITY OF LITTLE ROCK 2023 OPERATING BUDGET BY SERVICE PROGRAM CATEGORY



\$313,031,049

CITY OF LITTLE ROCK
BUDGETED EXPENDITURES BY SERVICE CATEGORY
2022 - 2023

<u>Service/Program Category</u>	2022 Amended Budget	% to Total	2023 Budget	% to Total
<u>Public Safety</u>				
Police	\$77,067,176		\$85,054,047	
Fire	56,146,817		58,080,187	
911 Emergency Communications	4,038,096		4,948,663	
Children, Youth & Families	5,000,000		5,000,000	
Street Lights, Traffic Signals & Signs	5,633,011		5,994,222	
Pulaski County Regional Detention Facility	2,810,000		2,910,000	
Little Rock District Court First Division	1,283,575		1,415,686	
Little Rock District Court Second Division	1,258,973		1,355,459	
Animal Services	1,193,548		1,634,462	
Community Programs	1,103,273		1,079,603	
Demolition of Police Headquarters (1)	600,000		-	
Relocation of Police Property Room (1)	1,600,000		-	
Replacement of Police Radios (1)	1,200,000		-	
13th Street Parking Lot - Police (1)	300,000		-	
Real Time Crime Center (1)	300,000		-	
LRPD Headquarters (1)	282,000		-	
Police Facility Fencing - NW, SW, 13th St (1)	482,039		-	
Animal Village Construction (1)	332,985		-	
Police Rifles (1)	-		140,000	
Total Public Safety	\$160,631,493	50.90%	\$167,612,329	53.54%
<u>Public Health/Public Utilities</u>				
Waste Disposal	\$24,335,180		\$25,184,600	
Storm Drainage	1,273,501		1,282,183	
Little Rock District Court Third Division	572,087		588,888	
Pulaski County Health Department	56,100		56,100	
Wetlands Maintenance and Sustainability Summit	43,780		43,780	
Hazard Mitigation - Kanis Park Bridge (3)	62,500		-	
Saint Vincent - Community Center Health Clinic	25,381		25,381	
Planning/PW Drainage Manual Update (1)	250,000		-	
Total Public Health/Public Utilities	\$26,618,529	8.43%	\$27,180,932	8.68%
<u>Economic Development/Employment</u>				
Residency Incentive Program	\$50,000		\$50,000	
Downtown Partnership/Empowerment Zone	242,500		225,000	
Metroplan	186,384		186,384	
12st Street Furniture - Philander (1)	171,191		-	
Port Land Acquisition (8)	5,000,000		-	
Port Allocation - Supersite Infrastructure Imp. (1)	2,000,000		-	
Technology Park Allocation (1)	3,000,000		-	
Shephard's Building (1)	950,000		-	
Total Economic Development/Employment	\$11,600,075	3.68%	\$461,384	0.15%

CITY OF LITTLE ROCK
BUDGETED EXPENDITURES BY SERVICE CATEGORY
2022 - 2023

<u>Service/Program Category</u>	2022 Amended Budget	% to Total	2023 Budget	% to Total
<u>Housing and Neighborhood Revitalization, Growth, and Development</u>				
Housing and Neighborhood Programs Admin. Planning & Development, PAGIS, and Grants	\$3,792,561		\$4,293,219	
Demolition, Weed Lot Maintenance, Board/Secure Alert Centers	3,083,251		3,566,595	
Neighborhood Resource Center	743,732		843,732	
Emergency Relocation Assistance (1)	606,797		668,436	
Targeted Community Development (1)	103,372		113,539	
	150,000		-	
	3,500,000		-	
Total Housing and Neighborhood Revitalization, Growth, and Development	\$11,979,713	3.80%	\$9,485,521	3.03%
<u>Transportation Services</u>				
Streets	\$14,776,575		\$14,910,549	
Rock Region Metro	9,854,118		9,854,118	
Parking Garages	1,784,761		1,759,819	
Vehicle Storage Facility	1,787,944		1,825,987	
Airport Rescue	1,021,581		1,078,170	
Parking Meters and Enforcement	674,017		660,825	
Parking Garages Technology Upgrades (1)	-		432,000	
Parking Deck Architect (1)	508,200		-	
Total Transportation Services	\$30,407,196	9.63%	\$30,521,468	9.75%
<u>Leisure Services/Cultural Support/ Conventions & Tourism</u>				
Parks & Recreation	\$10,400,577		\$10,904,996	
Zoo	7,712,693		7,267,821	
Golf	1,750,759		1,797,682	
River Market	1,065,618		1,071,692	
Jim Dailey Fitness and Aquatic Center	861,322		890,419	
Cultural Institutes and Commissions:				
Arkansas Museum of Fine Arts	1,200,000		2,200,000	
Arkansas Museum of Discovery	192,000		192,000	
MacArthur Military Museum	293,327		307,345	
Parks ADA Transition Plan (1)	-		100,000	
Zoo - FEMA Match - Security Cameras (5)	-		150,000	
Outdoor Recreation Grant (3)	250,000		-	
Total Leisure Services/Cultural Support/Conventions & Tourism	\$23,726,296	7.52%	\$24,881,955	7.95%

CITY OF LITTLE ROCK
BUDGETED EXPENDITURES BY SERVICE CATEGORY
2022 - 2023

<u>Service/Program Category</u>	2022 Amended Budget	% to Total	2023 Budget	% to Total
<u>General Government Support</u>				
Debt Service - Short Term Notes (4)	\$3,530,252		\$2,422,524	
General Administrative	12,556,134		14,784,195	
Information Technology	5,763,734		7,963,217	
Finance	4,193,297		4,807,797	
Building Services/Asset Management	2,015,674		2,235,917	
City Attorney	1,894,643		2,563,580	
Human Resources	2,129,277		2,538,165	
Board of Directors	344,674		348,179	
Equity, Diversity, and Inclusion	351,953		439,798	
21st Century Learning	50,000		50,000	
General Grant Match Allocation (5)	-		450,000	
Vacancy Reduction Allocation (6)	-		(7,000,000)	
Total General Government Support	\$32,829,638	10.40%	\$31,603,372	10.10%
<u>All Other Expenditures</u>				
Fleet Services (Internal Service Fund) (7)	\$17,250,087		\$21,234,088	
Oakland Fraternal Cemetery	50,000		50,000	
Disparity Study (1)	500,000		-	
Total Other Expenditures	\$17,800,087	5.64%	\$21,284,088	6.80%
Grand Total	\$315,593,027	100%	\$313,031,049	100%

(1) One-time Special Project allocation.

(2) Sufficient funding remains from prior year allocations.

(3) Grant match allocation for 2022, not required in 2023.

(4) Retired 2017 Notes (\$5,250,000)

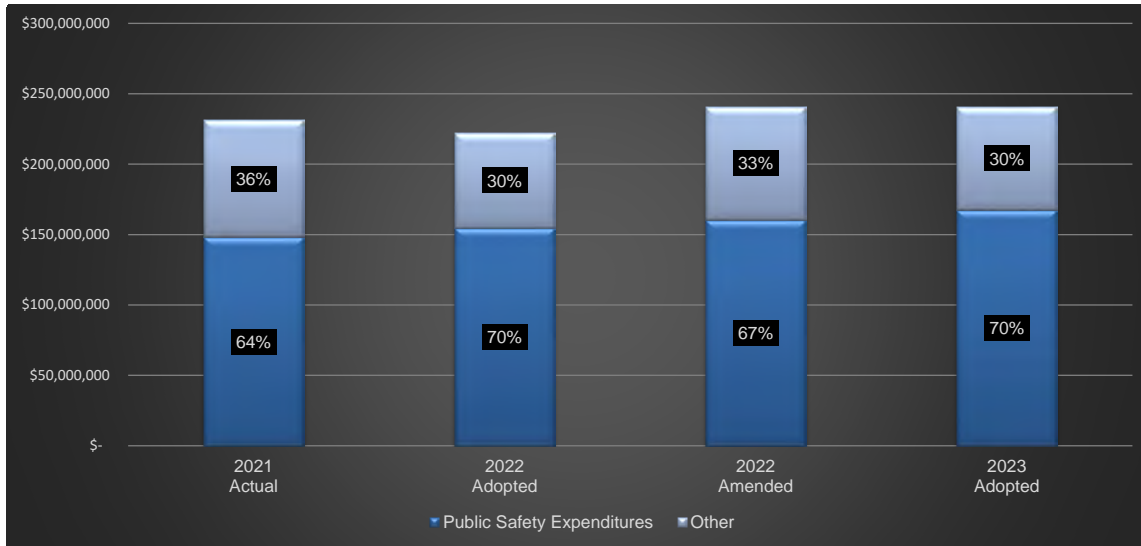
(5) New grant match allocation for 2023.

(6) Vacancy reduction allocation was fully realized in 2022 and dispersed to individual departments.

(7) Increase attributed to fuel, supplies, and services.

(8) One-time allocation.

CITY OF LITTLE ROCK PUBLIC SAFETY EXPENDITURES IN COMPARISON TO GENERAL FUND REVENUES



	2021 Actual	2022 Adopted	2022 Amended	2023 Adopted
Police	\$ 76,477,395	\$ 77,174,511	\$ 77,067,176	\$ 85,054,047
Fire	55,383,360	54,386,929	56,146,817	58,080,187
911 Emergency Communications	-	4,758,621	4,038,096	4,948,663
Children, Youth & Families	3,372,000	5,000,000	5,000,000	5,000,000
Street Lights, Traffic Signals & Signs	5,210,061	5,598,067	5,633,011	5,994,222
Pulaski County Regional Detention Facility	2,394,153	2,554,153	2,810,000	2,910,000
Little Rock District Court First Division	1,178,965	1,409,001	1,283,575	1,415,686
Little Rock District Court Second Division	1,209,136	1,331,005	1,258,973	1,355,459
Animal Services	1,004,101	1,374,610	1,193,548	1,634,462
Community Programs	829,603	1,060,453	1,103,273	1,079,603
Additional Special Project Funding	1,050,500	-	5,097,024	140,000
Public Safety Expenditures	\$ 148,109,274	\$ 154,647,350	\$ 160,631,493	\$ 167,612,329
General Fund Revenue	\$ 231,465,709	\$ 222,166,164	\$ 240,906,092	\$ 240,747,276
Percentage of General Fund Expenditures Devoted to Public Safety	64%	70%	67%	70%

Capital Improvements



CAPITAL FUNDING

State law limits the use of borrowing for municipal purposes. When approved by voters and backed by the City's taxing power, the City may issue general obligation bonds for long-term capital improvements in accordance with Amendment 62 to the Arkansas Constitution. Revenue bonds are not general obligations of the City but are secured by specific non-tax revenues associated with a project. Revenue bonds, authorized under Amendment 65 of the Arkansas Constitution, do not require voter approval. In addition, Amendment 78 to the Arkansas Constitution allows the issuance of short-term notes to acquire tangible personal property. Short-term notes must be repaid from the City's general revenues over a period not to exceed five years.

The Capital Improvement Program (CIP) is a multi-year plan for capital expenditures to replace and expand the City's infrastructure, vehicles, and equipment. The program is updated annually to reflect the latest priorities, revised cost estimates, and available revenue sources.

The purpose of the CIP is to fund capital projects and capital acquisitions that will be of long-term benefit to the residents of Little Rock. The CIP is financed over a period of time due to the long-term benefit of the projects. For program purposes, the City defines a capital improvement as a major improvement or acquisition that results in a capital asset costing more than \$5,000 and having a useful life (depreciable life) of two (2) years or greater. Exceptions are for infrastructure assets, defined as having a constructed cost greater than \$250,000.

The City depreciates capital assets using the straight-line method over their estimated useful lives ranging from 15 – 50 years for infrastructure, 10 – 75 years for buildings, and 3 – 25 years for land improvements, vehicles, and equipment. Depreciation expense is charged directly to the department/function based on the department that utilizes the related asset.

The Mayor and Board of Directors make appropriations for special projects each year to finance specific events and capital outlays. These projects are carried forward from year to year until they are fully expended or repealed by the Mayor and Board of Directors by ordinance.

CAPITAL PROJECT FUNDS PROVIDED BY BOND ISSUES

These funds are derived from the proceeds of general obligation or revenue bonds issued by the City to fund major capital improvements.

Limited Tax General Obligation Capital Improvement Bonds, Series 2013 and Series 2018 – The citizens of Little Rock approved an annual ad valorem tax of 3.0 mills at a special election held on September 11, 2012, for the issuance of up to \$105,000,000 in general obligation debt to fund \$73,500,000 in street improvements and \$31,500,000 in drainage improvements. In July 2013, the City of Little Rock issued the first series of Limited Tax General Obligation Bonds for streets and drainage in the amount of \$58,105,000. In November 2018, the City issued the second series of Limited Tax General Obligation Bonds for streets and drainage in the amount of \$43,475,000. These bonds are retired, and the remaining capital improvement funds will be expended in 2023.

Tax Incremental Financing 2014 Capital Improvement Bonds – Tax Incremental Financing Capital Improvement Bonds in the amount of \$2,615,000 were issued in April 2014. The bonds are special obligations of the City secured by and payable solely by a pledge of the incremental ad valorem tax receipts derived with respect to the real property within the City’s Redevelopment District No. 1. The bond proceeds financed the cost of acquisition, construction, and equipping of a major street system within Development District No. 1.

2015 Library Construction and Refunding Bonds – The Library Construction and Refunding Bonds, Series 2015 are limited obligations of the City of Little Rock payable solely from the collection of a 0.9 mill annual ad valorem tax, levied upon all taxable real and personal property located within the City, to fund the issuance of \$36,620,000 in bonds to (i) finance the cost of acquiring, constructing and equipping the land and additional capital improvements to the public City libraries owned and operated by Central Arkansas Library Systems; (ii) refund the City’s outstanding Library Construction and Improvement Bonds, Series 2008 and Series 2009, and the City of Little Rock Residential Housing and Public Facilities Board Capital Improvement Revenue Bonds, Series 2007; and (iii) pay the costs of issuing the Bonds. These bonds were retired in 2022, and the remaining capital improvement funds will be expended in 2023.

2017 Library Refunding Bonds – On December 14, 2017, the City issued \$15,925,000 to refund the Library Construction and Refunding Bonds, series 2012 and pay the costs of issuing the Bonds. The Bonds are limited tax obligations of the City, payable solely from a 0.9 mill annual ad valorem tax levied upon all taxable real and personal property located within the City. The City began levying the Library tax at the rate of 0.9 mills for collection in 2013 and continuously thereafter to pay debt service on the Bonds. The Bonds refunded were approved by voters at the March 13, 2012, special election. The City currently levies a total of 1.8 mills for capital improvements to the public libraries, which includes the 0.9 mill dedicated to the 2015 Library Construction and Refunding Bonds noted above. These bonds were retired in 2022.

City of Little Rock, Arkansas Hotel Gross Receipts Tax Bonds, Series 2018 – On December 13, 2018, the City issued the \$32,570,000 Hotel Gross Receipts Tax Bonds, Series 2018. The Bonds are not general obligations of the City but are special obligations payable solely from collections of existing taxes levied by the City at an aggregate rate of 2% on the gross receipts derived and received from the renting, leasing, or otherwise furnishing of hotel, motel, bed and breakfast, or short-term condominium or apartment rental accommodations in the City. Citizens approved the bonds’ issuance and the pledging of collections of the tax for debt service at a special election held on February 8, 2016. The bond proceeds were used to construct the new Museum of Fine Arts, through a public-private partnership. Contributions from generous private donors have more than quadrupled the public commitment – and fundraising is ongoing. The remaining capital improvement funds will be expended in 2023.

2022 Library Construction and Refunding Bonds – The Library Construction and Refunding Bonds, Series 2022 are limited obligations of the City of Little Rock payable solely from the collections of the Library tax and a Special tax, payable through 2036. The Library bonds were issued to (i) finance the cost of acquiring, constructing, and equipping the land and additional capital improvements to the public City libraries owned and operated by Central AR Library Systems; (ii) refund the City’s outstanding Library Construction and Improvement Bonds, Series 2015; (iii) pay interest of the Bonds on March 1, 2023, and (iv) pay the costs of issuing the Bonds.

Limited Tax General Obligation Capital Improvement Bonds, Series 2022A and Series 2022B – The Series 2022A Bonds in the amount of \$53,510,000, and Series 2022B Bonds in the amount of \$5,055,000 (collectively, the “Series 2022 Bonds”) issued on November 7, 2022, are limited tax general obligations of the City, secured by all proceeds derived from a separate 3-mills annual ad valorem tax on all taxable real and personal property located within the City. The issuance of the Series 2022 Bonds was approved at the special election held on August 9, 2022, for the purpose of street and drainage infrastructure improvements, parks and recreational improvements, district court facility improvements, port industrial park improvements, and fire apparatus.

CAPITAL PROJECT FUNDS PROVIDED BY OTHER SOURCES

2012 – 2021 Capital Project Fund (3/8-Cent Sales Tax) – Accounts for the proceeds of a three-eighths (3/8)-cent local sales tax, implemented on January 1, 2012, for the purpose of funding capital projects over a ten (10) year period. The temporary sales tax sunset at the end of 2021 and raised \$191,338,242, nearly \$4.5 million underestimate, over the ten (10) year period for the following projects:

3/8-Cent Sales Tax Capital Project Description	Original Project Cost Estimate	Estimated Final Project Allocation	Year Completed
Public Safety:			
Police:			
Police Equipment	\$ 303,000	\$ 288,826	2018
Public Safety Radio System Upgrade	9,000,000	8,979,213	2014
911 / 311 Communications Software	2,600,000	2,600,022	2013-2018
12 th Street Mid-Town Police Station	9,970,000	10,096,850	2014
Main Police Headquarters & Courts Building	9,000,000	9,892,954	2023
West Little Rock Police Station	1,000,000	1,044,072	2016
Police Firing Range *	-	200,276	
Fire:			
West Little Rock Fire Station	800,000	777,304	2012
Southwest Fire Station	4,050,000	4,274,282	2020
Fire Station Facility Upgrades *	-	102,026	
Turnouts *		198,430	
Housing and Neighborhood Programs:			
Code Enforcement Vehicles and Equipment	397,000	459,912	2012
Animal Village Expansion *	602,000	810,162	In process
Fleet for New Public Safety Initiatives:			
Fleet for new Police Staffing and Fire Stations	3,567,000	3,566,962	2012-2018
Total Public Safety	\$ 41,289,000	\$ 43,291,291	
Public Works:			
Street Resurfacing and Maintenance, and Street and Drainage Reconstruction and Traffic Signals	\$ 67,500,000	\$ 65,440,633	In process
Sidewalks	4,500,000	4,362,709	In process
Total Public Works	\$ 72,000,000	\$ 69,803,342	

Jobs/Economic Development:				
	Port Expansion: land acquisition, utilities, streets	\$ 10,000,000	\$ 9,723,675	In process
	Research Park: land acquisition, utilities, streets	22,000,000	21,382,104	2022
	Economic Development Infrastructure	6,000,000	5,837,531	In process
	Total Jobs/Economic Development	\$ 38,000,000	\$ 36,943,310	
Parks and Recreation, Zoo and Tourism:				
	Parks and Recreation:			
	Equipment for Expanded Maintenance	\$ 250,000	\$ 250,000	2013
	Park Upgrades	4,500,000	4,516,201	2021
	West Central Community Center	6,000,000	6,180,588	2016
	Senior Center	980,000	980,000	2013
	Ottenheimer Center	54,000	54,043	2012
	War Memorial Park	500,000	484,745	2013-2018
	MacAuthur Park & Museum	500,000	484,441	In process
	Otter Creek Park	500,000	484,745	2021
	Crump Park	1,000,000	969,491	2021
	Natural Steps Ball Complex	500,000	499,539	2015
	Western Hills Park	1,000,000	969,492	In process
	Trails *	1,500,000	1,564,727	In process
	Zoo:			
	Capital Upgrades	8,000,000	7,755,927	In process
	Tourism:			
	State Fair Infrastructure	3,000,000	2,908,473	In process
	Total Parks and Recreation, Zoo and Tourism	\$ 28,284,000	\$ 28,102,412	
Other Priorities:				
	Fleet Replacement *	\$ 9,250,000	\$ 9,524,968	In process
	Information Technology Capital	7,020,000	6,878,669	In process
	Total Other Priorities	\$ 16,270,000	\$ 16,403,637	
	Grand Total	\$ 195,843,000	\$ 194,543,992	

* Interest earnings on short-term financing notes or accumulated tax proceeds provided additional funding for project allocation

The 3/8-cent tax revenue generated over the ten (10)-year life represents 97.7% of the original forecasted amount. Interest earnings generated by the proceeds of short-term financing notes and accumulated tax proceeds provided \$3,104,731 to supplement projects. Of this amount, \$753,133 was allocated to public safety projects from interest earnings on short-term financing notes and \$1,180,785 to public safety projects and \$444,284 to park projects from earnings on accumulated tax proceeds, respectively. The remaining \$726,529 in interest earnings on accumulated tax proceeds was allocated to fleet replacement (\$500,000) and the Animal Village Expansion (\$226,529). Residual balances are transferred to other projects within the same allocation category as we complete projects.

Short-term Financing – Accounts for proceeds of short-term financing, five-year notes, issued for the purpose of acquiring, constructing, installing, or renovating real property or tangible personal property having an expected useful life of more than one year under and pursuant to and in full compliance with the Constitution and laws of the State of Arkansas, including particularly Section 2 of Amendment 78 to the Constitution of the State of Arkansas, and pursuant to an ordinance of the City Board of Directors.

The City issued short-term financing notes from 2012 – 2016 in the amounts of \$18,850,000, \$7,700,000, \$5,916,000, \$5,910,000, and \$4,603,000 respectively, to accelerate the completion of projects funded by the 2012 – 2021 Capital Project Fund (3/8-cent sales tax). Proceeds of the 3/8-cent sales tax were utilized to fund principal payments on the notes, with transfers to the General Fund. Principal and interest payments on the notes were appropriated from General Fund revenues. All notes associated with 3/8-cent projects were retired by December 31, 2021, when the tax expired.

In addition, in 2016, 2017, 2019, 2021, and 2023 the City issued short-term financing notes for other capital projects in the amounts of \$7,375,000, \$5,250,000, \$5,650,000, \$5,925,000, and \$7,400,000 respectively. These notes are to be repaid solely from general fund revenues. The City has no current plans to issue another short-term financing note in 2023 for capital projects.

The 2016 notes included funding for the following projects:

Land and Buildings

Southwest Fire Station Construction	\$ 3,225,000
Cromwell Building	2,850,000
	<u>\$ 6,075,000</u>

Equipment and Vehicles

Self-Contained Breathing Apparatus - Fire Dept.	\$ 1,955,000
Planning Permitting Software	400,000
Information Technology	670,000
Fire - Vehicles and Equipment	1,378,000
Fleet - Vehicles and Equipment	1,500,000
	<u>5,903,000</u>
	<u>\$ 11,978,000</u>

The 2017 note included funding for the following projects:

Equipment and Vehicles

Phase 1 CAD System Upgrade	\$ 1,300,000
Sixty Police Vehicles	3,000,000
Lawson ERP System Application Add-Ons	800,000
Socrata Performance Measurement Dashboard	150,000
	<u>\$ 5,250,000</u>

The 2019 note included funding for the following projects:

Equipment, Vehicles, and Building Improvements

Computer Aided Dispatch System (Phase II)	\$ 2,900,000
Fire - Turnouts (75 sets)	200,000
Mobile Radios (Police and Fire) (Phase I)	1,600,000
Refurbish Fire Ladder Truck	650,000
Fire - Station 12 Renovations (add 4 bedrooms)	300,000
	\$ 5,650,000

The 2021 note included funding for the following projects:

Land, Vehicles, and Buildings

MacArthur Park	\$ 1,800,000
MacArthur Park - Playground	200,000
Purchase Car Wash near Colonel Glenn	375,000
Fire Ladder Truck	750,000
Kanis Park Improvements	660,000
Interstate Park Improvements	540,000
	4,325,000

Equipment

Mobile Radios (Police and Fire) (Phase II)	1,600,000
	\$ 5,925,000

The 2023 note is anticipated to fund the following project:

Vehicles and Equipment

103 Police Vehicles	\$ 7,400,000
	\$ 7,400,000

American Rescue Plan Act (ARPA) of 2021 – Accounts for funding received from the U.S. Department of Treasury to provide fiscal recovery and respond to the COVID-19 pandemic. The City of Little Rock received \$18,856,700 in May 2021, the first tranche allocation, and \$18,856,700 in June 2022, the second tranche allocation. The Little Rock Board of Directors allocated \$37,706,701 in 2022 to various projects, leaving \$6,699 unallocated. Of the \$37,713,400 received, \$24,851,156 is allocated to capital improvement projects.

American Rescue Plan Act (ARPA)	Project Allocation
Capital Allocation:	
Expenditure Category: Negative Economic Impacts	
Investments to Affordable Housing and Efforts to Decrease Homelessness	\$ 1,500,000
Infrastructure to Support Future Affordable Housing Sites	950,000
Southside Park	200,000
Senior Center	3,000,000
Parks and Community Centers	2,000,000
Improvements West Central Sports Complex	1,000,000
Downtown Master Plan Capital Needs	1,500,000
Real Time Crime Center	1,000,000
Sidewalks in Wards 1, 2, 6, 7 and a small portion of 3	201,156
Recreational Facilities	200,000
Expenditure Category: Infrastructure	
Drainage Project Yorkwood	500,000
Drainage Project G Street at Monroe	100,000
Drainage Project Midland Rebsamen	400,000
Drainage Project Swaggerty Branch	2,000,000
Expenditure Category: Revenue Replacement	
Fire Apparatus	1,460,000
Public Meeting Facilitation Equipment	100,000
Fire Apparatus Pumper	840,000
Fire Facility Improvements	1,500,000
Public Works Capital Needs	2,550,000
LRFD Capital Needs	2,100,000
Infrastructure as Economic Development	750,000
Drainage Projects as Targeted Community Development	1,000,000
Total Capital Allocation	24,851,156

American Rescue Plan Act (ARPA)		Project Allocation
Noncapital Allocation:		
Expenditure Category: Public Health		
COVID Mitigation and Prevention		300,000
Community Violence Intervention Programs		1,287,495
Community Violence Intervention Programs Social Workers		212,505
Expenditure Category: Negative Economic Impacts		
Congregate Housing - World Services		100,000
Food Desert Investment		1,000,000
Expenditure Category: Negative Economic Impacts Public Sector Capacity		
Employee Retention Incentive		782,265
IT Division - Public Meeting Facilitation		35,000
Expenditure Category: Premium Pay		
Premium Pay		2,230,389
Expenditure Category: Revenue Replacement		
IT Upgrades to Cybersecurity and IT Infrastructure		3,400,000
Planning Development IT and Software Upgrades		421,000
Finance Procurement Division IT and Software Upgrades		400,000
Install Broadband at East Little Rock Community Center		337,000
Administrative Expenses		899,890
IT Upgrades to Cybersecurity and Infrastructure		200,000
Total Noncapital Allocation		11,605,545
Other Allocation:		
Expenditure Category: Revenue Replacement		
Capital Improvements: JR Deputy (Youth Baseball Nonprofit)		875,000
Capital Improvements: Museum of Discovery (Component Unit)		375,000
Total Other Allocation		1,250,000
Grand Total		\$ 37,706,701

2023 CAPITAL IMPROVEMENTS

The injection of new capital provided by the three-eighths (3/8)-cent sales tax, bond issues, grant funds, and short-term financing, and the future impact of completed projects on ongoing operations are considered when preparing the annual departmental operating budgets.

Projects in the CIP may include:

- Obligations for labor and materials and contractors involved in completing a project
- Acquisition of land or structures
- Engineering or architectural services, professional studies, or other administrative costs
- Expenses for City vehicles and equipment
- Renovating or expanding City facilities, grounds, or equipment

When both restricted and unrestricted resources are available for use, it is generally the City's policy to utilize restricted resources first. For projects funded by tax-exempt debt proceeds and other sources, the debt proceeds are utilized first.

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation.

MAJOR CAPITAL PROJECTS

Capital expenditures in the amount of approximately \$63,165,395 are planned in 2023 and are funded by various sources, as described in detail below.

CIP – Significant Routine Capital Expenditures:

These expenditures are recurring in nature, replace existing assets on a rotating schedule, and do not have additional operating expense requirements. The available budget for the 2023 recurring fleet replacement is \$2,525,000. The Fleet Director, in consultation with the Department Directors, will recommend an allocation of vehicles by department, prioritized by need and considering the age and condition of the existing fleet. The fleet replacement is funded by a special project allocation.

CIP – Other Significant Non-recurring Capital Improvements:

These projects are unusual, non-recurring capital improvement projects funded by the 3/8-cent sales tax, grant awards, short-term financing, private donations, and other sources.

Little Rock City Hall Board Chambers – Redesign the Board Chambers in City Hall to accommodate updated safety procedures and precautions.

- **Estimated Total Project Cost:** \$322,000 + A/V Equipment in the amount of \$172,343 plus applicable taxes and fees
- **Funding Sources:** 2021 funds set aside – Special Projects (\$500,000) and American Rescue Plan Act (ARPA) (\$100,000)
- **2023 Estimated Expenditures:** \$600,000
- **Estimated Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** \$0 in 2023

Portable Radios (APX 6000) – The police department purchased 175 radios in 2020 and 178 radios in 2021. The department still needs to purchase 186 new radios to replace existing radios that can no longer be serviced due to obsolescence. The department anticipates purchasing radios in phases.

- **Estimated Total Project Cost:** \$1,200,000
- **Funding Sources:** 2022 funds set aside – Special Projects
- **2023 Estimated Expenditures:** \$1,200,000
- **Estimated Completion Date:** September 2023
- **Estimated Increase to Operating Expenditures:** None

Police Department 12th Street Station Buildout – The City finished construction of the 12th Street Police Station in 2014. The first floor remained unfinished, with plans to eventually house retail space to further improve the quality of life and stimulate economic development along the corridor. A plan to build out the first floor is underway.

- **Estimated Total Project Cost:** \$2,000,776
- **Funding Sources:** 2020 funds set aside – Special Projects (\$750,000), 2021 funds set aside – Special Projects (\$1,079,586), 2022 funds set aside – Special Projects (\$171,191).
- **2023 Estimated Expenditures:** \$377,262
- **Estimated Completion Date:** April 2023
- **Estimated Increase to Operating Expenditures:** The capital investment will be recovered through long-term lease agreements with the Philander Smith College for a Criminal Justice Program, a Social Justice Hub, and the Philander Smith College Management Institute; Southern Bancorp Bank to provide Financial Development Services and Retail Bank Branch Services; and the University of Arkansas for Medical Sciences as a Retail Food Distribution and Retail Food and Beverage Services Program. The lessors will incur operating expenditures. Ongoing maintenance expenditures are to be determined.

Police Department Property Room – The Little Rock Police Department will create a property room attached to the new Court building during the Court Renovation project.

- **Estimated Total Project Cost:** \$1,600,000
- **Funding Sources:** 2022 funds set aside – Special Projects
- **2023 Estimated Expenditures:** \$1,600,000
- **Estimated Completion Date:** 2024
- **Estimated Increase to Operating Expenditures:** None. This replaces existing space that will be demolished with the existing Courts building.

Police Department Secured Fencing Project – The Little Rock Police Department will install a solar or electric commercial fence at two precincts, Northwest Precinct at 10001 Kanis Road and Southwest Precinct at 6401 Baseline Road.

- **Estimated Total Project Cost:** \$250,172
- **Funding Sources:** 2022 funds set aside - Special Projects
- **2023 Estimated Expenditures:** \$250,172
- **Estimated Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** None

Police Department Vehicles and Equipment – The Little Rock Police Department will purchase 103 vehicles and equipment.

- **Estimated Total Project Cost:** \$7,400,000
- **Funding Sources:** Short-term financing: 2023 note
- **2023 Estimated Expenditures:** \$7,400,000
- **Estimated Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** None anticipated due to reduced maintenance of overused vehicles, which savings of maintaining older fleet should offset.

Animal Village Expansion – The expansion of the Animal Village is to include an animal intake area, a euthanasia area, a dog wash area, a feed station, and an animal service officer intake area. The communal cat area was completed in 2017.

- **Estimated Total Project Cost:** \$450,000
- **Funding Sources:** 3/8 sales tax proceeds
- **2023 Estimated Expenditures:** \$387,077
- **Estimated Completion Date:** July 2023
- **Estimated Increase to Operating Expenditures:** A slight increase to utility cost that is estimated to be roughly \$10,000 annually.

Fire Ladder Truck – The Little Rock Fire Department will purchase a new ladder truck.

- **Estimated Total Project Cost:** \$1,458,011
- **Funding Sources:** American Rescue Plan Act (ARPA)
- **2023 Estimated Expenditures:** \$1,458,011
- **Estimated Completion Date:** Spring 2023
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Fire Department maintenance budget allocation.

Renovation Little Rock Fire Station #12 – The renovation will add four (4) bedrooms and one (1) female bathroom.

- **Estimated Total Project Cost:** \$300,000
- **Funding Sources:** Short-term financing: 2019 note
- **2023 Estimated Expenditures:** \$111,306
- **Estimated Completion Date:** May 2023
- **Estimated Increase to Operating Expenditures:** There should not be any additional operating expenses associated with this renovation, as the anticipated maintenance expense is expected to be comparable to the current maintenance requirements.

Station Building Repairs – The Little Rock Fire Department will review and make necessary repairs to each fire station.

- **Estimated Total Project Cost:** \$1,500,000
- **Funding Sources:** American Rescue Plan Act (ARPA)
- **2023 Estimated Expenditures:** \$750,000
- **Estimated Completion Date:** December 2024
- **Estimated Increase to Operating Expenditures:** None

Renovate Station #16 – The Little Rock Fire Department will renovate Station 16 to enlarge the apparatus bay area.

- **Estimated Total Project Cost:** \$850,000
- **Funding Sources:** American Rescue Plan Act (ARPA)
- **2023 Estimated Expenditures:** \$250,000
- **Estimated Completion Date:** December 2024
- **Estimated Increase to Operating Expenditures:** None

Fire Station #25 –The Little Rock Fire Department will build a new Fire Station (#25).

- **Estimated Total Project Cost:** \$1,250,000
- **Funding Sources:** American Rescue Plan Act (ARPA)
- **2023 Estimated Expenditures:** \$250,000
- **Estimated Completion Date:** December 2024
- **Estimated Increase to Operating Expenditures:** The estimated increase to operating expenditures is \$1,300,000, including salaries for 6 Firefighters, 3 Engineers, and 3 Captains, which has been included in the 2023 Adopted Operating Budget.

Little Rock District Court Building – The facility will include courtrooms, judicial chambers, office space for staff members, short-term holding cells, secured cashier's office and windows, and public and semi-public spaces that accommodate the needs of the public and those persons coming before the courts. The Little Rock Police Department's property room will also be in the facility.

- **Estimated Total Project Cost:** \$8,000,000
- **Funding Sources:** Bond funds
- **2023 Estimated Expenditures:** \$560,000 (architectural design services)
- **Estimated Completion Date:** TBD
- **Estimated Increase to Operating Expenditures:** The current Courts building will be demolished. No additional staffing or operating expenditure increase is anticipated in 2023.

Kanis Park Improvements – Project intended to improve the amenities overall at the park, provide ADA improvements, and include some new features. Three and a half new basketball courts are to be constructed underneath the I-630 bridge in Kanis Park along with installation of lighting, fencing, and ADA access from the parking lots. Additional parking lot and ADA improvements are also part of the project.

- **Estimated Total Project Cost:** \$1,459,439
- **Funding Sources:** Short-term financing: 2021 note (\$659,439), Special Project (\$550,000), ADEM Grant Funds (\$187,500), Grant Match Funds (\$62,500)
- **2023 Estimated Expenditures:** \$1,069,562
- **Estimated Completion Date:** July 2023
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

Interstate Park Improvements – Little Rock Public Works reviewed the main roadways in Interstate Park and provided estimates for reconstruction of Interstate Park Drive which connects Arch Street Pike to the railroad tracks at the north end of the park.

- **Estimated Total Project Cost:** \$586,554
- **Funding Sources:** Short-term financing: 2021 note (\$535,000), American Rescue Plan Act (ARPA) (\$51,554)
- **2023 Estimated Expenditures:** \$586,554
- **Estimated Completion Date:** September 2023
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

Boyle Park Mountain Bike Trails and Skills Park – Develop over two miles of mountain bike trails and a skills park.

- **Estimated Total Project Cost:** \$300,000
- **Funding Sources:** 3/8-cent sales tax proceeds (\$60,000) and Recreational Trails Grant Program (\$200,000), Grant Match Funds (\$40,000)
- **2023 Estimated Expenditures:** \$300,000
- **Estimated Completion Date:** September 2023
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

Western Hills Park Improvements – Project to include play area with some component items and shade structure along with pavilions and multiple fishing piers. Parking lot improvements as well as 2-3 miles of paved trails are also part of the project.

- **Estimated Total Project Cost:** \$1,600,000
- **Funding Sources:** 3/8-cent sales tax proceeds (\$940,000) and a Legacy Grant (\$660,000)
- **2023 Estimated Expenditures:** \$1,100,000
- **Estimated Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

Tri-creek Greenway Improvements – Project to include design and construction of the first phase of the Tri-creek Greenway which will connect War Memorial and Hindman Parks. The first phase will focus on improvements that will connect Brodie Creek Park to Boyle Park.

- **Estimated Total Project Cost:** \$3,750,000
- **Funding Sources:** 3/8 cent sales tax proceeds (\$750,000) and a grant from the Arkansas Department of Transportation (\$3,000,000)
- **2023 Estimated Expenditures:** \$3,600,000
- **Estimated Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

Rebsamen Golf Course Hole Thirteen – Design relocation of green on the thirteenth hole to provide long term solution to mitigate land loss near the Arkansas River.

- **Estimated Total Project Cost:** \$100,000
- **Funding Sources:** Special project funds
- **2023 Estimated Expenditures:** \$100,000
- **Estimated Completion Date:** July 2023
- **Estimated Increase to Operating Expenditures:** No ongoing additional expense anticipated.

Jim Dailey Fitness Indoor Aquatic Center Renovations – Renovate the indoor pool, replace the entire HVAC system, and renovate the indoor pool area.

- **Estimated Total Project Cost:** \$1,000,000
- **Funding Sources:** Bond funds
- **2023 Estimated Expenditures:** \$1,000,000
- **Estimated Completion Date:** January 2024
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

Jim Dailey Fitness Outdoor Aquatic Center Renovations – Renovate the outdoor pool area and replace the splash pool in the kids' area.

Estimated Total Project Cost: \$766,517

- **Funding Sources:** Bond funds
- **2023 Estimated Expenditures:** \$766,517
- **Estimated Completion Date:** January 2024
- **Estimated Increase to Operating Expenditures:** Maintenance expenses will be absorbed within the current Parks Department maintenance budget allocation.

Information Technology – The City will be upgrading various technology infrastructure, hardware, and software over the ten (10) year period from 2012 – 2021 with proceeds from the temporary 3/8-cent sales tax. The total estimated allocation of proceeds for technology expenditures from 2012 – 2021 is \$7,020,000. Note: The project was extended into 2023 due to COVID-19 delays and supply chain delays.

- **Estimated Total Project Cost:** \$7,020,000
- **Funding Sources:** 3/8-cent sales tax proceeds
- **2023 Estimated Expenditures:** \$1,363,934
- **Estimated Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** Ongoing maintenance expenditures will be phased in with the completion of various projects and will be included in the repairs and maintenance budget for the Information Technology Department operations each year. The estimated 2023 allocation is \$300,000.

Chicot Road, Phase 1 – The Board has authorized a project to widen and improve Chicot Road from Mabelvale Cutoff to Yarberry Lane. The project includes additional travel lanes, new storm sewers with curb and gutter, and new sidewalks.

- **Estimated Total Project Cost:** \$5,737,000
- **Funding Sources:** 2018 Capital Improvements Bonds (\$3,247,000) and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage (\$2,490,000)
- **2023 Estimated Expenditures:** \$2,568,000
- **Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Bowman and Kanis Intersection – The Board has authorized a project to widen and improve Kanis Road from Shackelford Road to Gamble Road and Bowman Road from Kanis Road to Cherry Laurel. The project includes additional travel lanes, new storm sewers with curb and gutter, and new sidewalks. The project includes four separate construction contracts.

- **Estimated Total Project Cost:** \$16,804,000
- **Funding Sources:** 2013 and 2018 Capital Improvements Bonds (\$2,010,000 and \$8,870,000, respectively), 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage (\$2,184,000) and Federal Transportation Grants (\$3,740,000)
- **2023 Estimated Expenditures:** \$4,900,000
- **Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Geyer Springs Road – The Board has authorized a project to widen and improve Geyer Springs Road from the new railroad overpass now under construction to 56th Street. The project includes additional travel lanes, new storm sewers with curb and gutter, and new sidewalks.

- **Estimated Total Project Cost:** \$1,752,000
- **Funding Sources:** 2018 Capital Improvements Bonds
- **2023 Estimated Expenditures:** \$360,000
- **Completion Date:** July 2023
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

North Rodney Parham Road – The Board has authorized a project to widen and improve North Rodney Parham from Hinson Road to Pleasant Forest Drive. The project includes additional travel lanes, new storm sewers with curb and gutter, and new sidewalks.

- **Estimated Total Project Cost:** \$6,624,800
- **Funding Sources:** 2018 Capital Improvements Bonds (\$6,190,000) and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage (\$343,800)
- **2023 Estimated Expenditures:** \$5,425,000
- **Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Valentine, 4th and Plateau Street Drainage – The Board has authorized a project to make major drainage capacity improvements in flood-prone areas along Plateau Ditch (Rose Creek) area. The project includes new box culvert and ditch improvements.

- **Estimated Total Project Cost:** \$3,642,000
- **Funding Sources:** 2018 Capital Improvements Bonds (\$642,000) and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage (\$3,000,000)
- **2022 Estimated Expenditures:** \$3,473,000
- **Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Swaggerty Branch Culvert Rehabilitation – The Board has authorized a project to rehabilitate a major drainage culvert system way south of Roosevelt Road. The project includes a new culvert section and existing culvert rehabilitation.

- **Estimated Total Project Cost:** \$1,940,000
- **Funding Sources:** 2018 Capital Improvements Bonds (\$640,000) and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage (\$1,300,000)
- **2023 Estimated Expenditures:** \$1,100,000
- **Completion Date:** July 2023
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Federal Lands Access Program (FLAP) –The City of Little Rock will receive a grant from the United States Department of Transportation, Federal Highway Administration to fund Phase 1 of a Central High Corridor. The Corridor will be an off-street bike/ped trail from the Medical Mile of the Arkansas River Trail to the Central High School National Historic Site. Phase 1 will stabilize the riverbank of the Arkansas River Trail Loop's unusable Medical Mile (\$1.7M) and construct a ramp (\$331K) to the new bridge Union Pacific Railroad. This trail will eventually link to Central High School and to the Southwest Trail.

- **Estimated Total Project Cost:** \$2,082,455
- **Funding Sources:** \$1,639,564.90, from the DOT grant, remainder from Public Works Street Fund Special Projects
- **2023 Estimated Expenditures:** \$1,400,000
- **Estimated Completion Date:** September 2023
- **Estimated Increase to Operating Expenditures:** The operating expenses are included in the Parks & Recreation budget.

Hilaro Springs Bridge Replacement – Constructed in 1936, the Hilaro Springs Bridge over Little Fourche Creek lies at the south City Limits between Arch Street and Geyer Springs. Hilaro Springs is a Minor Arterial linking Scott Hamilton Dr. and the Upper Baseline Windamere neighborhoods to the Willow Springs area. Recent reports from the routine ARDOT inspection program revealed the bridge is in very bad condition with extensive spalling or breaking away of concrete from the bridge deck, support columns and bents allowing exposed reinforcing steel to corrode. Detailed design and environmental clearance to be completed in preparation for bridge grant applications.

- **Estimated Total Project Cost:** \$4,000,000
- **Funding Sources:** 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage
- **2023 Estimated Expenditures:** \$300,000
- **Estimated Completion Date:** December 2025
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Southeast Trail - The City of Little Rock and Pulaski County have received a grant (\$900k) from Metroplan to fund Phase 1 of the Southeast Trail. The trail will be an off-street bike/ped trail from the Clinton Library to East End Park following the existing levee. Future phases will eventually extend the trail to provide a connection to the terminal at Bill and Hillary Clinton National Airport.

- **Estimated Total Project Cost:** \$2,500,000
- **Funding Sources:** \$900,000, from the Metroplan grant, remainder split between Public Works Street Fund Special Projects and Pulaski County
- **2023 Estimated Expenditures:** \$1,400,000
- **Estimated Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** The operating expenses are included in the Parks & Recreation budget.

Reservoir Road - The Board has authorized a project to widen Reservoir Road including widening of the bridge over Grassy Flat Creek.

- **Estimated Total Project Cost:** \$1,600,000
- **Funding Sources:** 2018 Capital Improvements Bonds (\$200,000) and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage (\$1,400,000)
- **2023 Estimated Expenditures:** \$1,250,000
- **Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Briarwood Drainage Phase 2 – The Board has authorized a project to make major drainage capacity improvements in flood-prone areas along Briarwood Creek. The project includes new concrete ditch lining and area drain inlet improvements.

- **Estimated Total Project Cost:** \$2,800,000
- **Funding Sources:** 2018 Capital Improvements Bonds (\$400,000) and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage (\$2,400,000)
- **2023 Estimated Expenditures:** \$2,400,000
- **Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Kanis Road (Business Park to Michael) – The Board has authorized a project to widen Kanis Road to Minor Arterial standards. The project includes additional travel lanes, new storm sewers with curb and gutter, and new sidewalks.

- **Estimated Total Project Cost:** \$1,500,000
- **Funding Sources:** 2018 Capital Improvements Bonds (\$300,000) and the 3/8 Cent Capital Improvements Sales and Compensating Use Tax for Streets and Drainage (\$1,200,000)
- **2023 Estimated Expenditures:** \$1,200,000
- **Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Public Works 2018 Capital Improvement Bond Street Resurfacing, Street and Drainage Projects – Following a series of community meetings, the Board approved \$47 million in projects to be completed for street resurfacing, street and drainage reconstruction projects, traffic signals, traffic calming, and sidewalks.

- **Estimated Total Project Cost:** \$46,300,000
- **Funding Sources:** 2018 Capital Improvement Bond Issue
- **2023 Estimated Expenditures:** \$4,000,000
- **Estimated Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Public Works 2023 Capital Improvement Bond Street Resurfacing, Street and Drainage Projects – Following a series of community meetings, the Board will consider approval of \$36 million in projects to be completed for street resurfacing, street and drainage reconstruction projects, traffic signals, traffic calming, and sidewalks.

- **Estimated Total Project Cost:** \$36,000,000
- **Funding Sources:** 2023 Capital Improvement Bond Issue
- **2023 Estimated Expenditures:** \$4,000,000
- **Estimated Completion Date:** December 2025
- **Estimated Increase to Operating Expenditures:** Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Animal Necropsy Suite Upgrade – The Association of Zoos and Aquariums standards require a separate area with separate ventilation be built for performing animal necropsies on-site.

- **Estimated Total Project Cost:** \$35,000
- **Funding Sources:** 3/8 Cent Capital Tax
- **2023 Estimated Expenditures:** \$35,000
- **Estimated Completion Date:** Spring 2023
- **Estimated Increase to Operating Expenditures:** Absorbed within the existing Zoo maintenance budget.

Rhino Yard Expansion – The Zoo will expand and upgrade its current rhino yard to allow for better management of its current rhinos. The old giraffe yard will be converted into a yard suitable for rhinos. This will enhance the ability for rhinos to shift into different areas.

- **Estimated Total Project Cost:** \$35,000
- **Funding Sources:** 3/8 Cent Capital Tax
- **2023 Estimated Expenditures:** \$35,000
- **Estimated Completion Date:** Spring 2023
- **Estimated Increase to Operating Expenditures:** Reallocation of existing Zoo maintenance expenditures.

Education Conservation Center Phase 2 – The Zoo is renovating the current education building into a themed Citizen Science Center to educate children of all ages.

- **Estimated Total Project Cost:** \$50,000
- **Funding Sources:** \$50,000 will be funded with donations from the Arkansas Zoological Foundation
- **2023 Estimated Expenditures:** \$50,000
- **Estimated Completion Date:** Spring 2023
- **Estimated Increase to Operating Expenditures:** Funds will be included in the operating budget for routine maintenance of the center.

Stone Women's Restroom Renovation – Damage from a storm in 2022 will be repaired to the women's stone restrooms.

- **Estimated Total Project Cost:** \$58,000
- **Funding Sources:** Insurance Claim Payment
- **2023 Estimated Expenditures:** \$58,000
- **Estimated Completion Date:** Summer 2023
- **Estimated Increase to Operating Expenditures:** None

Amphitheater Roof Replacement – The Zoo will replace the roof on the amphitheater. Storm damage and other damage necessitate that this roof be replaced with a new roof.

- **Estimated Total Project Cost:** \$85,000
- **Funding Sources:** Grant funding
- **2023 Estimated Expenditures:** \$85,000
- **Estimated Completion Date:** Summer 2023
- **Estimated Increase to Operating Expenditures:** None

Membership Services Window Upgrade – The Zoo is renovating a gate at the front entry to enhance membership services and streamline overall gate admissions.

- **Estimated Total Project Cost:** \$88,000
- **Funding Sources:** 3/8 cent sales tax
- **2023 Estimated Expenditures:** \$88,000
- **Estimated Completion Date:** Spring 2023
- **Estimated Increase to Operating Expenditures:** Funds for routine maintenance of all Zoo facilities are included in the Zoo operating budget.

Fencing Project – The Zoo is constructing a new perimeter fence alongside I-630 as required by the Association of Zoos and Aquariums. The current fence only measures six feet in height and must be eight feet high. The current fence also has gaps that must be repaired.

- **Estimated Total Project Cost:** \$96,000
- **Funding Sources:** 3/8 cent sales tax
- **2023 Estimated Expenditures:** \$96,000
- **Estimated Completion Date:** Spring 2023
- **Estimated Increase to Operating Expenditures:** None

Hay Barn – The Zoo is constructing a hay barn to improve storage, preservation, and accessibility for animal feed.

- **Estimated Total Project Cost:** \$250,000
- **Funding Sources:** 3/8 cent sales tax
- **2023 Estimated Expenditures:** \$250,000
- **Estimated Completion Date:** Spring 2024
- **Estimated Increase to Operating Expenditures:** Funds for routine maintenance of all Zoo facilities are included in the Zoo operating budget.

Veldt Improvements – The Zoo is completing improvements to the Veldt area, including improvements to water retention, animal holding, and staff access.

- **Estimated Total Project Cost:** \$215,000
- **Funding Sources:** 3/8 cent tax
- **2023 Estimated Expenditures:** \$12,000
- **Estimated Completion Date:** Spring 2023
- **Estimated Increase to Operating Expenditures:** Improvements will reduce maintenance and upkeep costs at the Veldt animal holding areas.

Watershed Reclamation Project – The Zoo is working toward a goal of zero water waste by conducting improvements in water usage, reclamation, treatment, and recycling.

- **Estimated Total Project Cost:** \$1,000,000
- **Funding Sources:** Special projects fund
- **2022 Estimated Expenditures:** \$1,000,000
- **Estimated Completion Date:** Spring 2024
- **Estimated Increase to Operating Expenditures:** Watershed improvements and reclamation will significantly decrease the Zoo's overall spending on utilities, wastewater treatment, and storm drain maintenance.

Front Entry Amphitheater Upgrade and New Animal Habitats – The Zoo will upgrade the Civitan Amphitheater to include a permanent roof structure, new A/V equipment and other features. New animal habitats will also be constructed on either side of the amphitheater where exhibits have previously been closed.

- **Estimated Total Project Cost:** \$8,000,000
- **Funding Sources:** 2022 Bond (\$5,000,000), 3/8 Cent Capital Tax (\$1,000,000), Private Funds (\$2,000,000)
- **2023 Estimated Expenditures:** \$1,500,000
- **Estimated Completion Date:** December 2025
- **Estimated Increase to Operating Expenditures:** The Zoo anticipates minor increases to operating costs since improvements will decrease deferred maintenance costs and not require additional staff.

Leachate Pond Liner and Sanitary Pump Replacement – Project to replace the pond liner and sanitary pump.

- **Estimated Total Project Cost:** \$300,000
- **Funding Sources:** Solid Waste Fund
- **2023 Estimated Expenditures:** \$300,000
- **Estimated Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** None

Automated truck wash for garbage trucks – Construct new drive through automated truck wash building and systems.

- **Estimated Total Project Cost:** \$800,000
- **Funding Sources:** Solid Waste Fund (\$400,000) and Fleet Services Fund (\$400,000)
- **2023 Estimated Expenditures:** \$800,000
- **Estimated Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** None

Investments to Affordable Housing and Efforts to Decrease Homelessness – Acquisition of a property for the purpose of developing a micro-home village.

- **Estimated Total Project Cost:** \$1,500,000
- **Funding Sources:** American Rescue Plan Act (ARPA)
- **2023 Estimated Expenditures:** \$1,500,000
- **Estimated Completion Date:** Fall 2023
- **Estimated Increase to Operating Expenditures:** To be determined.

Infrastructure to Support Future Affordable Housing Sites – Street drainage, water, sewer, and gas connectivity for Zion Street from 37th to 38th.

- **Estimated Total Project Cost:** \$950,000
- **Funding Sources:** American Rescue Plan Act (ARPA)
- **2023 Estimated Expenditures:** \$400,000
- **Estimated Completion Date:** Fall 2024
- **Estimated Increase to Operating Expenditures:** No significant increase. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Public Works Capital Needs – Improvements of existing sanitation stations and additional equipment and sanitation trucks.

- **Estimated Total Project Cost:** \$2,550,000
- **Funding Sources:** American Rescue Plan Act (ARPA)
- **2023 Estimated Expenditures:** \$2,550,000
- **Estimated Completion Date:** 2023
- **Estimated Increase to Operating Expenditures:** To be determined.

Yorkwood Drainage Improvements – Construction of floodway channel improvements in Yorkwood neighborhood area west of Chicot Road on Smith Creek, (location of project -92.36099, 34.649856). Currently working with U.S. Army Corps of Engineers for permitting.

- **Estimated Total Project Cost:** \$500,000
- **Funding Sources:** American Rescue Plan Act (ARPA)
- **2023 Estimated Expenditures:** \$500,000
- **Estimated Completion Date:** 2023
- **Estimated Increase to Operating Expenditures:** No significant increase. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Drainage Project Midland, Rebsamen – This project will upgrade culvert crossing to adequate size and length to reduce local street and private property flooding. Hanson and McLaughlin, Inc., was selected for Professional Services through an Annual Statements of Qualifications Process to provide Engineering Services for surveying, design and on-call construction assistance. The existing storm sewer under 2 houses is failing and causing flooding. The project will intercept drainage on Lee Street and reroute around #459 Midland.

- **Estimated Total Project Cost:** \$400,000
- **Funding Sources:** American Rescue Plan Act (ARPA)
- **2023 Estimated Expenditures:** \$325,000
- **Estimated Completion Date:** 4th Quarter 2023
- **Estimated Increase to Operating Expenditures:** No significant increase. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Drainage Project G Street at Monroe – Existing storm drain behind houses on Monroe Street has failed. Project will intercept drainage on G Street and re-route to Monroe Street.

- **Estimated Total Project Cost:** \$100,000
- **Funding Sources:** American Rescue Plan Act (ARPA)
- **2023 Estimated Expenditures:** \$100,000
- **Estimated Completion Date:** 2023
- **Estimated Increase to Operating Expenditures:** No significant increase. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

Public Works 3/8-Cent Sales Tax Street Resurfacing and Drainage Projects –

The 3/8-cent sales tax, which expired December 31, 2021, provided funding for approximately \$72 million in street resurfacing and maintenance, street drainage reconstruction, traffic signals, traffic calming, and sidewalks. The Board specified projects for the 2013 to 2015 and the 2016 to 2018 improvement plan are complete. Eighty percent (80%) of the 2019-2021 projects are completed or in the bidding and construction phase.

- **Estimated Total Project Cost:** \$72,000,000
- **Funding Sources:** 3/8-cent sales tax
- **2023 Estimated Expenditures:** \$5,000,000
- **Estimated Completion Date:** December 2023
- **Estimated Increase to Operating Expenditures:** Not applicable. Maintenance will be performed with current annual public works allocations for street maintenance in the Street Fund budget.

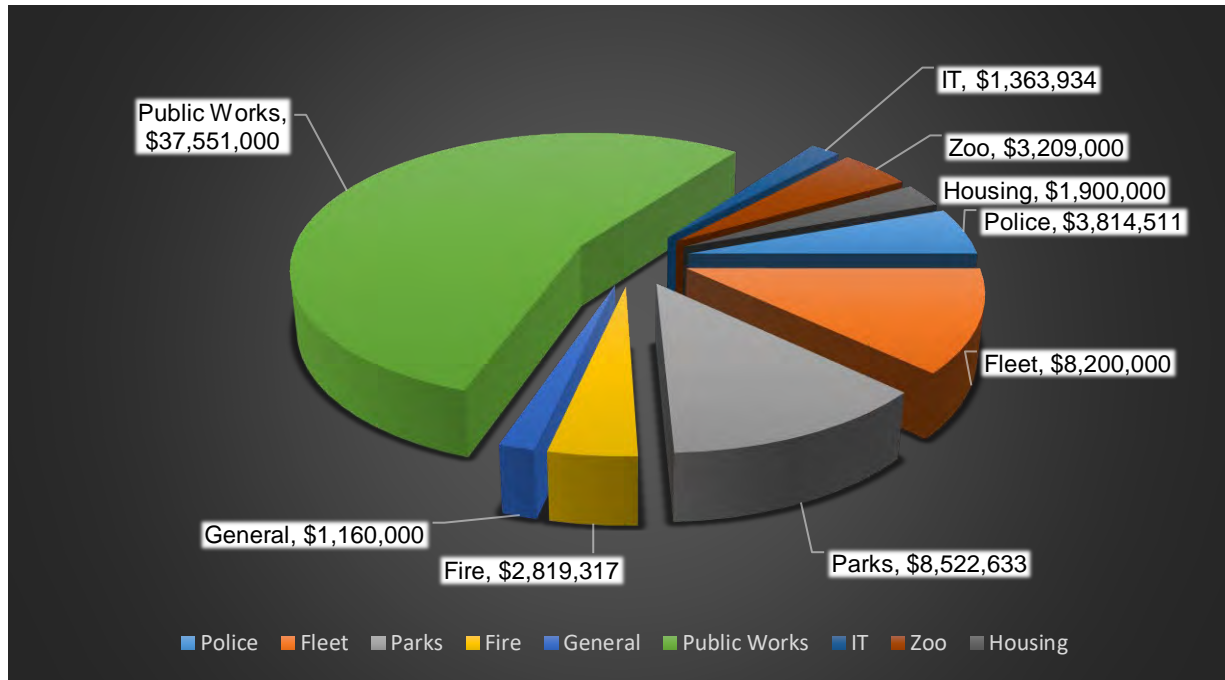
Public Works 3/8-cent Sales Tax & 2018 Capital Improvement Bonds
Street and Drainage Projects (2019 - 2021 Projects)

Ward	Project/Location	Original Project Cost Estimate	Estimated Final Project Allocation	Status
1	13th Street Culvert @ 2400 Block	\$ 250,000	\$ 207,800	In process
1	Howard & 22nd Storm Drain Replacement (Dennison - Howard)	200,000	332,469	Final
1	Swaggerty Branch Culvert Rehabilitation (Roosevelt Road - 31st Street)	2,000,000	2,639,461	In process
1	6th Street Drainage (Collins Street - McLean Street)	200,000	234,453	Final
1	Wright Avenue Streetscape (Summit Street - Wolfe Street)	500,000	625,819	Final
1	Boulevard Street Reconstruction (Charles Bussey Boulevard - 22nd Street)	525,000	384,322	Final
1	Midtown Neighborhood Street Reconstruction (Abigail from 26th - 27th, and 27th from Abigail - Elm)	750,000	686,950	Final
1	13th Street Railroad Overpass Rehabilitation	250,000	250,000	In process
1	Valentine Street Reconstruction (8th Street - 12th Street)	1,000,000	734,150	Final
1	Marshall Street Sidewalk (Roosevelt South to End)	125,000	147,276	Final
1	Dr. Martin Luther King, Jr Drive Drainage (19th Street - 24th Street)	400,000	440,246	Final
1	Resurfacing	1,550,000	1,200,000	In process
1	Sidewalks	650,000	570,886	Final
1 Total		8,400,000	8,453,833	
2	Grant Street @ Buchanan Street Drainage	100,000	164,784	Final
2	Senate Drive Ditch	600,000	600,000	In process
2	Loetscher Lane Drainage (Loetscher - Sunset)	200,000	168,923	Final
2	Madison Street Reconstruction (10th Street - 12th Street)	390,000	376,150	Final
2	Maryland Avenue Reconstruction (Abigail Street - Lewis Street)	350,000	162,549	Final
2	10th Street Reconstruction (Washington Street - Madison Street)	800,000	564,461	Final
2	Oak Grove Lane Sidewalks (Fairfield Drive - Valley Drive)	260,000	151,150	Final
2	Geyer Springs Road Reconstruction (Hutsell Road - 56th Street)	1,500,000	1,759,971	Substantially Complete
2	Dailey Drive Sidewalk & Street Improvements	140,000	59,604	Final
2	19th Street Reconstruction (University Avenue - South Grant Street)	200,000	143,261	Final
2	Resurfacing	2,000,000	1,800,000	In process
2	Sidewalks	160,000	145,643	Final
2 Total		6,700,000	6,096,495	
3	Valentine Street Drainage (Markham Street - 4th Street)	600,000	1,382,041	In process
3	West 4th Street Drainage & Street (Valentine Street - Martin Street)	2,000,000	2,000,000	In process
3	Fillmore Street Drainage & Street (Y Street - Z Street)	850,000	608,538	Final
3	Briarwood Area Drainage (North from Sun Valley)	1,000,000	2,776,936	In process
3	B Street Reconstruction (Polk Street - Tyler Street)	250,000	243,830	Final
3	Polk Street Reconstruction (H Street - G Street)	300,000	318,152	Final
3	Barton Street Drainage (Dennison Street - 3rd Street)	400,000	156,916	Final
3	Stonewall & Country Club Drainage (Van Buren Street - North Spruce Street)	150,000	194,657	Final
3	Shannon Drive Reconstruction (Broadview Drive - Pine Manor Drive)	300,000	129,665	Final
3	Lookout Road Sidewalks (Ash Street - Allsopp Park Drive)	150,000	119,569	Final
3	Resurfacing	1,750,000	1,550,000	In process
3	Sidewalks	250,000	223,869	Final
3 Total		8,000,000	9,704,174	

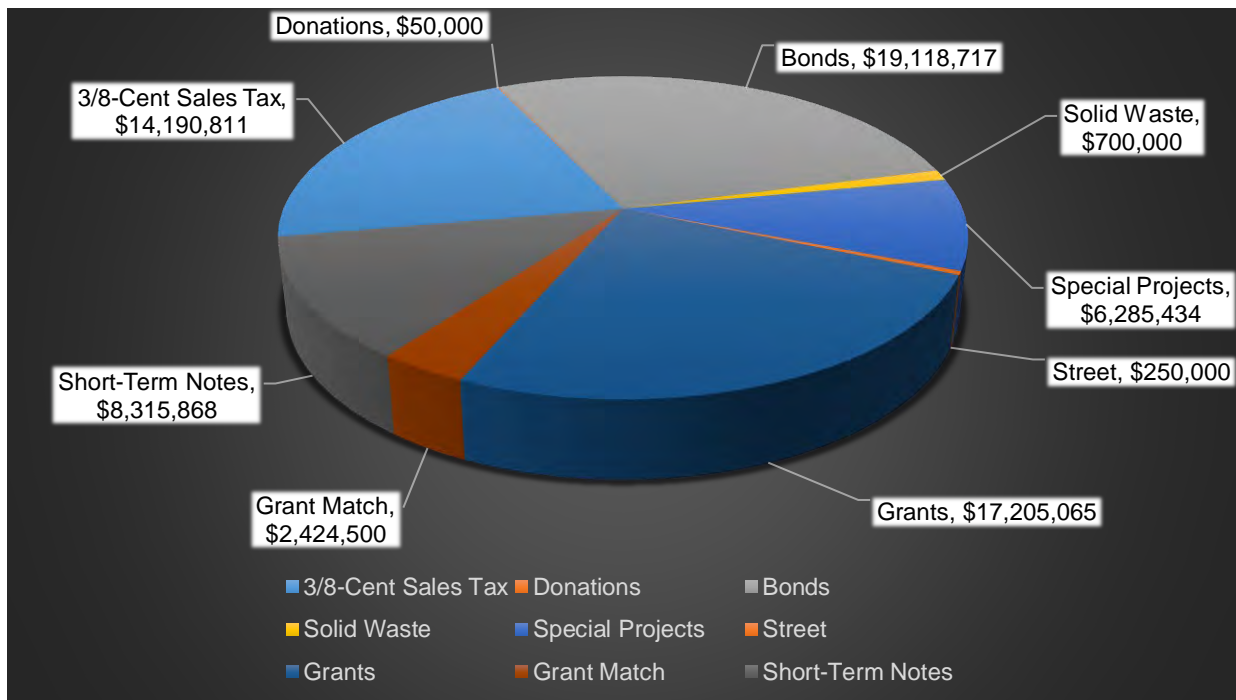
Public Works 3/8-cent Sales Tax & 2018 Capital Improvement Bonds
Street and Drainage Projects (2019 - 2021 Projects)

Ward	Project/Location	Original Project Cost Estimate	Estimated Final Project Allocation	Status
4	Longlea Drive Culvert Replacement (South of El Dorado Drive)	100,000	192,281	Final
4	Leatrice Drive Drainage @ East Shore Drive	500,000	442,456	Final
4	Breckenridge Drive Culvert Replacement @ Grassy Flat Creek	250,000	235,628	Final
4	Harris Street Construction (South of Cantrell Road)	150,000	150,000	In process
4	North Rodney Parham Road Reconstruction (Hinson Road - Pleasant Forest Drive)	6,000,000	6,624,800	In process
4	Pleasant Valley Drive Sidewalk (Breckenridge Drive - West of I-430)	100,000	67,245	Final
4	Reservoir Road (Reservoir Court - Beacon Hill Apartment)	600,000	1,548,370	In process
4	Resurfacing	2,000,000	1,650,000	In process
4 Total		9,700,000	10,910,780	
5	Madison Valley Drainage (West of Madison Valley Subdivision)	200,000	200,000	In process
5	Kanis Road (Point West Drive - Gamble Road)	2,000,000	2,310,000	Substantially Complete
5	Bella Rosa Drive Reconstruction (Taylor Loop Road North to the Bridge)	800,000	549,342	In process
5	Chenal Parkway Intersection (Chenal, Bowman, West Haven, Rahling)	350,000	350,712	Final
5	Gamble Road (Markham Street - Stacy Lane)	300,000	296,900	Substantially Complete
5	Katillus Road/Forest Lane Reconstruction (Cantrell along Katillus & Forest Lane)	300,000	385,896	Final
5	Chenal Parkway Subsurface Drainage @ various locations	150,000	290,280	Final
5	Rummel Road Reconstruction (Countryside Cove - Mooser Lane)	350,000	289,350	Final
5	Resurfacing	2,150,000	1,800,000	In process
5 Total		6,600,000	6,472,479	
6	Kanis Road (Embassy Suites Drive - Bowman Road)	2,000,000	1,734,269	Final
6	Bowman Road from Kanis to Cherry Laurel Drive (Design & Right of Way Acquisition)	2,000,000	2,000,000	In process
6	Bellemeade Drive Reconstruction (30th Street - 32nd Street)	320,000	243,990	Final
6	Kanis Road (Business Park Drive - Michael Drive)	700,000	1,418,890	In process
6	Walker Street Reconstruction (26th Street - 28th Street)	450,000	353,133	Final
6	Barrow Road Streetscape Phase 2	450,000	450,000	In process
6	Spring Valley Drainage @ Cooper Orbit & Manor Drive	100,000	241,424	Final
6	22nd Street Drainage @ 22nd Street & Perry Street	40,000	49,694	Final
6	Resurfacing	1,740,000	1,800,000	In process
6	Chenal Parkway Intersection		136,866	Final
6 Total		7,800,000	8,428,266	
7	Claybrook Road Drainage (Courtfield Drive - Churchhill Road)	150,000	72,572	Final
7	Yorkwood Area Floodway Improvements	400,000	400,000	In process
7	Mabelvale Pike (Sibley Hole Road - Helm Drive)	1,500,000	1,551,898	Final
7	Crystal Valley Road (Cobblestone Creek Court - Redleaf Circle)	400,000	328,299	Final
7	Eastwood Street Reconstruction (Brandon Street - Vinewood Lane)	525,000	442,170	Final
7	Yarberry Lane Reconstruction (Deer Meadow Drive - Springtree Drive)	250,000	254,622	Final
7	Chicot Road (Mabelvale Cutoff Road - Yarberry Lane)	2,600,000	3,246,516	Substantially Complete
7	Janmar Road Drainage along Sheraton Drive (Southmont Drive - Lamont Drive)	400,000	279,811	Final
7	Pecan Lake Subdivision Drainage @ various locations	250,000	131,747	Final
7	Resurfacing	1,900,000	1,700,000	In process
7	Sidewalks	125,000	132,139	Final
7 Total		8,500,000	8,539,774	
Grand Total		\$ 55,700,000	\$58,605,801	

2023 City of Little Rock Capital Funding Uses



2023 City of Little Rock Capital Funding Sources



Grant Match is funded through 3/8-Cent Sales Tax (\$2,144,500) and Public Works Street Funds (\$280,000).

Debt Management



DEBT MANAGEMENT

General Obligation Debt:

The City of Little Rock is authorized to issue General Obligation (G.O.) Bonds payable from ad valorem taxes to finance capital improvements. These bonds require majority voter approval prior to issuance. The Arkansas State Constitution provides that the debt secured by property tax revenues shall not exceed 20% of the City's assessed valuation. The City of Little Rock's G.O. debt falls well below this statutory requirement. As of December 31, 2022, the net debt applicable to the debt limitation is \$107,872,028. The legal debt margin allows the City flexibility to issue additional debt of \$1,235,599,760.

Generally, the City has experienced very stable growth in the assessed valuation. Based on the 2020 census, the City's net general obligation long-term debt per capita is \$532.46 compared to \$184.80 in 2021. This low per capita debt is well below the \$1,200 per capita that could be considered a warning trend. This has contributed to the City's favorable General Obligation debt ratings. The City's G.O. debt is rated AA by Standard & Poor's and Aa1 by Moody's Investors Service. These ratings indicate that the bonds are of high quality and that the City has a strong capacity to pay principal and interest.

City of Little Rock, Arkansas Computation of Legal Debt Margin December 31, 2022

	Amount
2021 Assessed Value (2022 assessment to be collected in 2023)	
Real Property	\$3,964,021,621
TIF - Real Estate	47,049,137
Personal Property	1,079,054,005
Utility: Personal Property	283,762,390
Total assessed value	5,373,887,153
General obligation debt limitation (20% of assessed value)	1,074,777,431
Short-term financing debt limitation (5% of assessed value)	268,694,358
Total debt limitation	1,343,471,788
Debt applicable to limit:	
General obligation and short-term financing, net of discounts and premiums	108,917,041
Less: Amount set aside for repayment in debt service funds	1,045,013
Total net debt applicable to limit	107,872,028
Legal Debt Margin	\$1,235,599,760

The computation of the City's legal debt margin is set forth in Amendments 62 and 78 to the Constitution of the State of Arkansas. General obligation debt is not to exceed 20% of the assessed valuation. Short-term financing debt is not to exceed 5% of the assessed valuation. For 2022, the combined legal debt limit is \$1,343,471,788 based on the total assessed value of \$5,373,887,153. The City's Legal Debt Margin and Legal Debt Limit for the last ten years are shown in the table below.

Debt Applicable to Debt Limit 2013 - 2022

	Legal Debt Margin	Legal Debt Limit
2013	843,156,895	965,793,157
2014	893,966,280	1,000,828,577
2015	896,991,146	1,012,232,287
2016	955,080,056	1,057,578,662
2017	993,637,501	1,073,919,619
2018	1,016,410,361	1,114,742,114
2019	1,079,276,353	1,159,403,929
2020	1,132,495,157	1,187,972,567
2021	1,182,494,889	1,219,933,643
2022	1,235,599,760	1,343,471,788

The City of Little Rock's outstanding general obligation debt as of December 31, 2022, is \$100,475,000, before net premiums of \$1,346,513, and outstanding short-term financing debt is \$7,095,528.

Although the City may increase general obligation and short-term debt levels to a maximum of \$1,343,471,788, resources to repay the bonds would require increasing the millage dedicated to debt service. The property tax millage in effect for the retirement of general obligation debt is 4.3 mills. Based on the current assessed valuation, the millage required to fund over \$1.34 billion in debt would be approximately 17.7 mills. With voter approval, the millage may be increased to provide funds up to the legal debt limit.

In a special election held on August 9, 2022, Little Rock voters authorized renewing a capital improvement property tax at a rate of 3.0 mills. The existing 3.0 millage expired on December 31, 2022. In early April 2022, the 2018 Street and Drainage Capital Improvement Bonds were fully redeemed from the existing 3.0 mills.

The special election also authorized the issuance of up to \$161.8 million in bonds to pay for six categories of public improvements listed separately on the ballot. It is the seventh time Little Rock voters have renewed the capital improvement millage since the 1958 vote that enacted it. On December 21, 2022, the City issued two Limited Tax General Obligation Capital Improvement Bonds: Tax-exempt Series 2022A, \$53,510,000, and the Taxable Series 2022B, \$5,055,000.

The 2014 Tax Increment Improvement Bonds for \$2,615,000 were issued in April 2014. The bonds are special obligations of the City secured by and payable solely by a pledge of the incremental ad valorem tax receipts derived with respect to the real property within the City's Redevelopment District No. 1. The bond proceeds were used to finance the cost of acquisition, construction and equipping of a major street system within Development District No. 1.

Other revenues generated by property tax levies approved by voters and not available for General Fund expenditures included a total of 5.1 mills for Libraries, including 1.3 mills for debt service on bonds issued for Library Improvements and 3.8 mills for the operation of the Central Arkansas Library System. In the Fall of 2021, Little Rock voters approved an increase in the library system's millage rate that supports operations and maintenance. As a result, the rate rose from 3.3 to 3.8 mills. In the spring of 2022, voters approved lowering the millage rate for capital improvements by a corresponding amount, from 1.8 to 1.3 mills, and refinancing existing library bonds. In November 2022, the \$40,770,000 Library Construction and Refunding Bonds were issued. These bonds refunded the City's outstanding Library Construction and Refunding Bonds, Series 2015, and will fund approximately \$22 million for new projects. The 2017 \$15,925,000 Library Refunding Bonds were fully redeemed in September 2022.

Revenue Bonds:

The primary government of the City of Little Rock had outstanding Revenue Bonds in the amount of \$48,155,000 on December 31, 2022, authorized under Amendment 65 to the Arkansas Constitution.

On July 1, 2003, the City issued \$11,855,000 in 2003 Capital Improvement Revenue Bonds (Downtown Parking Projects). The bonds were issued to finance the construction of a new parking deck and advance refund of the 1997 Capital Revenue Bonds (Second and Main Street Project) – Series 1997, previously used to construct a parking deck. The bonds constitute special obligations of the City, payable solely from the revenues of the two parking decks, together with all other parking revenues of the City that the City did not previously pledge.

On March 12, 2007, the City issued \$3,400,000 in 2007 Waste Disposal Refunding and Improvement Bonds. The bonds were issued to finance all or a portion of the costs of betterments and improvements to the System (the Project), fund a debt service reserve, and pay the expenses of issuing the bonds. The bonds constitute

special obligations of the City, secured by a pledge of net revenues derived from the System. The bonds were fully redeemed in May 2022.

On November 15, 2017, the City issued the \$17,875,000 Capital Improvement and Refunding Revenue Bonds, Series 2017. The Bonds are not general obligations of the City but are special obligations secured solely by a pledge of the revenues derived by the City from all franchise fees collected from public utilities for the privilege of using the streets, highways, and other public places in the City. The City issued the bonds to advance refund the City's Capital Improvement Construction Revenue Bonds (Zoo, Parks, and Recreation Projects), Series 2009A, the City's Capital Improvement Refunding Revenue Bonds (Zoo, Parks, and Recreation Revenue Refunding Bonds), Series 2009B, current refund the City's Capital Improvement Revenue Refunding Bonds, Series 2007, and the City's Capital Improvement Junior Lien Revenue Bonds, Series 2002.

On December 13, 2018, the City issued the \$32,570,000 Hotel Gross Receipts Tax Bonds, Series 2018. The Bonds are not general obligations of the City but are special obligations payable solely from collections of existing taxes levied by the City at an aggregate rate of 2% on the gross receipts derived and received from the renting, leasing, or otherwise furnishing of hotel, motel, bed and breakfast, or short-term condominium or apartment rental accommodations in the City. The issuance of the bonds and the pledging of collections of the tax for debt service were approved at a special election held on February 8, 2016.

Tables depicting the City's Summary of Bond Indebtedness, Future Debt Service, and Direct and Overlapping Governmental Activities Debt follow.

SUMMARY OF BOND INDEBTEDNESS
For the year ended December 31, 2022

GENERAL OBLIGATION DEBT	ORIGINAL AMOUNT	PRINCIPAL BALANCE AT 12/31/2021	BONDS ISSUED	PRINCIPAL PAID IN 2022	BONDS RETIRED 2022	PRINCIPAL BALANCE AT 12/31/2022	INTEREST PAID IN 2022
2014 Tax Increment Improvement Bonds	\$2,615,000	\$1,245,000			\$105,000	\$1,140,000	\$71,550
2015 Library Construction and Refunding Bonds	36,620,000	22,850,000		1,390,000	21,460,000	0	790,525
2017 Library Construction and Refunding Bonds	15,925,000	5,200,000		1,735,000	3,465,000	0	118,625
2018 Limited Tax Capital Improvement Bonds	43,475,000	14,460,000		4,290,000	10,170,000	0	319,875
2022 Library Construction and Refunding Bonds	40,770,000	0	40,770,000			40,770,000	
2022A Limited Tax Capital Improvement Bonds	53,510,000	0	53,510,000			53,510,000	
2022B Limited Tax Capital Improvement Bonds	5,055,000	0	5,055,000			5,055,000	
REVENUE BONDS							
2003 Capital Improvement and Refunding Projects	11,855,000	5,070,000		620,000		4,450,000	268,073
2007 Waste Disposal Revenue Bond	3,400,000	325,000		325,000		0	9,344
2017 Capital Improvement and Refunding Revenue Bonds	17,875,000	14,255,000		950,000		13,305,000	555,150
2018 Hotel Gross Receipts Tax Bonds	32,570,000	31,010,000		610,000		30,400,000	1,315,394
TEMPORARY NOTES							
2017 Temporary Note	5,250,000	1,088,035		1,088,035		0	19,693
2019 Temporary Note	5,650,000	3,465,312		1,129,523		2,335,789	77,970
2021 Temporary Note	5,925,000	5,925,000		1,165,261		4,759,739	49,770
Grand Total	\$280,495,000	\$104,893,347	\$99,335,000	\$13,302,819	\$35,200,000	\$155,725,528	\$3,595,969

SUMMARY OF BOND INDEBTEDNESS
For the year ended December 31, 2023

GENERAL OBLIGATION DEBT	ORIGINAL AMOUNT	PRINCIPAL BALANCE AT 12/31/22	BONDS ISSUED	PRINCIPAL PAID IN 2023	BONDS RETIRED 2023	PRINCIPAL BALANCE AT 12/31/2023	INTEREST PAID IN 2023
2014 Tax Increment Improvement Bonds	\$2,615,000	\$1,140,000				\$1,140,000	\$68,400
2022 Library Construction and Refunding Bonds	40,770,000	40,770,000				40,770,000	1,419,739
2022A Limited Tax Capital Improvement Bonds	53,510,000	53,510,000				53,510,000	1,322,330
2022B Limited Tax Capital Improvement Bonds	5,055,000	5,055,000				5,055,000	154,458
REVENUE BONDS							
2003 Capital Improvement and Refunding Projects	11,855,000	4,450,000		655,000		3,795,000	235,523
2017 Capital Improvement and Refunding Revenue Bonds	17,875,000	13,305,000		980,000		12,325,000	526,650
2018 Hotel Gross Receipts Tax Bonds	32,570,000	30,400,000		640,000		29,760,000	1,284,894
TEMPORARY NOTES							
2019 Temporary Note	5,650,000	2,335,789		1,154,938		1,180,851	52,555
2021 Temporary Note	5,925,000	4,759,739		1,175,049		3,584,690	39,982
2023 Temporary Note	7,400,000	0	7,400,000			7,400,000	0
Grand Total	\$183,225,000	\$155,725,528	\$7,400,000	\$4,604,986	\$0	\$158,520,542	\$5,104,530

**FUTURE DEBT SERVICE
OVERALL FUTURE DEBT SERVICE
NEXT TEN YEARS**

YEAR	PRINCIPAL	INTEREST	TOTAL
2023	\$4,604,986	\$5,104,530	\$9,709,517
2024	\$13,475,323	\$6,468,575	\$19,943,897
2025	\$7,524,725	\$6,026,475	\$13,551,200
2026	\$8,518,071	\$5,695,579	\$14,213,650
2027	\$9,147,854	\$5,295,736	\$14,443,590
2028	\$9,554,569	\$4,849,730	\$14,404,300
2029	\$7,495,000	\$4,408,031	\$11,903,031
2030	\$7,820,000	\$4,064,656	\$11,884,656
2031	\$8,175,000	\$3,705,881	\$11,880,881
2032	\$8,550,000	\$3,330,656	\$11,880,656

**GENERAL OBLIGATION BONDS AND SHORT-TERM
NOTES FUTURE DEBT SERVICE**

YEAR	PRINCIPAL	INTEREST	TOTAL
2023	\$2,329,986	\$3,057,464	\$5,387,451
2024	\$11,110,323	\$4,517,297	\$15,627,619
2025	\$5,049,725	\$4,185,401	\$9,235,126
2026	\$5,918,071	\$3,980,430	\$9,898,501
2027	\$6,407,854	\$3,712,867	\$10,120,721
2028	\$6,709,569	\$3,406,277	\$10,115,846
2029	\$5,375,000	\$3,097,188	\$8,472,188
2030	\$5,610,000	\$2,847,213	\$8,457,213
2031	\$5,870,000	\$2,585,838	\$8,455,838
2032	\$6,140,000	\$2,312,263	\$8,452,263

**REVENUE BONDS
FUTURE DEBT SERVICE**

YEAR	PRINCIPAL	INTEREST	TOTAL
2023	\$2,275,000	\$2,047,066	\$4,322,066
2024	\$2,365,000	\$1,951,278	\$4,316,278
2025	\$2,475,000	\$1,841,074	\$4,316,074
2026	\$2,600,000	\$1,715,149	\$4,315,149
2027	\$2,740,000	\$1,582,869	\$4,322,869
2028	\$2,845,000	\$1,443,454	\$4,288,454
2029	\$2,120,000	\$1,310,844	\$3,430,844
2030	\$2,210,000	\$1,217,444	\$3,427,444
2031	\$2,305,000	\$1,120,044	\$3,425,044
2032	\$2,410,000	\$1,018,394	\$3,428,394

**City of Little Rock, Arkansas
Direct and Overlapping Governmental Activities Debt
12/31/2022**

<u>Governmental Unit</u>	<u>Debt Available for Retirement</u>	<u>Percentage Applicable</u>	<u>Little Rock's Share of Overlapping Debt</u>
City of Little Rock, Arkansas	\$153,668,031	100%	\$153,668,031 (a)
Little Rock Public School District	<u>420,586,402</u>	100%	<u>420,586,402</u> (b)
Total direct and overlapping debt	<u>\$574,254,433</u>		<u>\$574,254,433</u>

(a) The City's governmental activities debt for the overlapping debt calculation includes General Obligation Bonds, Special Tax Bonds, Governmental Activities Revenue Bonds, and Short-term Notes.

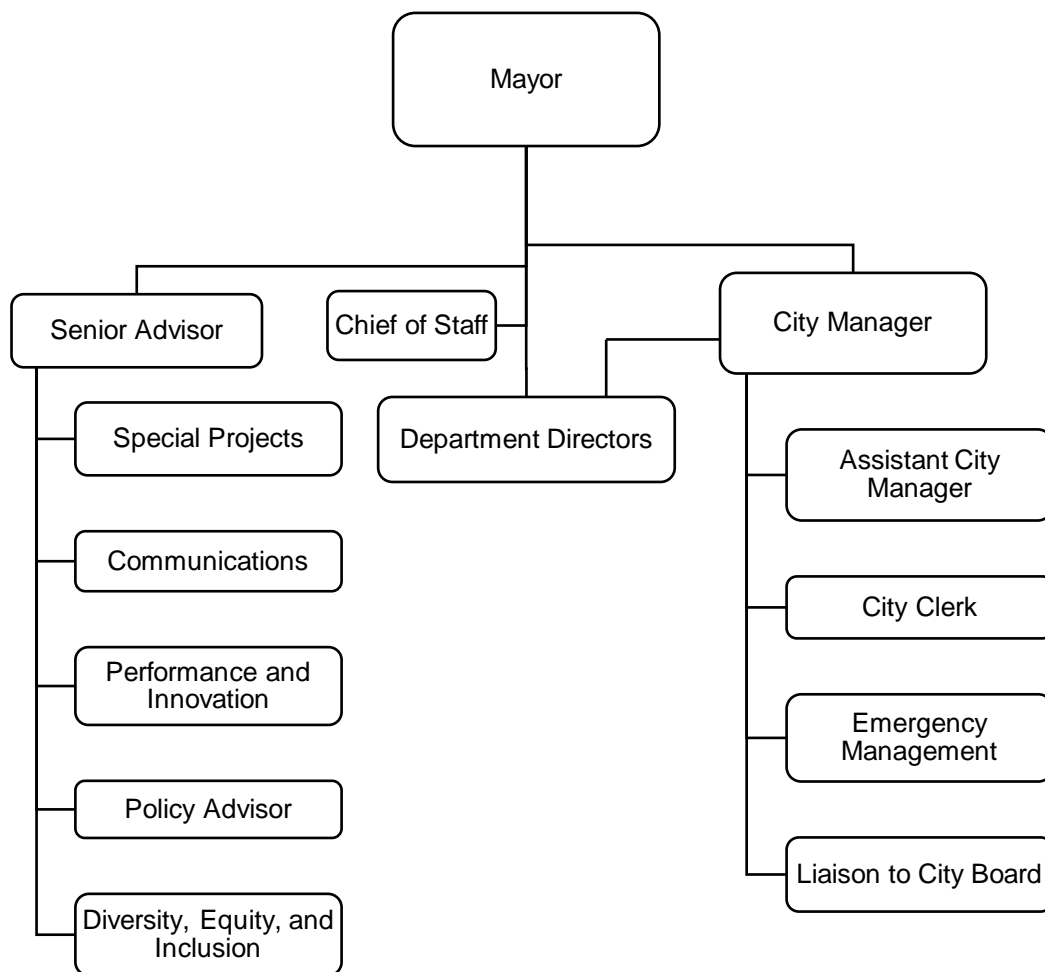
(b) Obtained from Jean Ring at 447-1089 or at jean.ring@lrsd.org
Finance Director at Little Rock School District

Departmental Information





Executive Administration



Mission:
To provide vision and leadership that unifies our city, bringing us from disconnected to connected, by focusing on diversity in the marketplace and educational achievement, ensuring all residents have the opportunity to collectively help Little Rock reach its full potential as it becomes one of the catalysts for the New South. To also deliver the highest level of quality information to policies, services, and activities of Little Rock Government to residents.

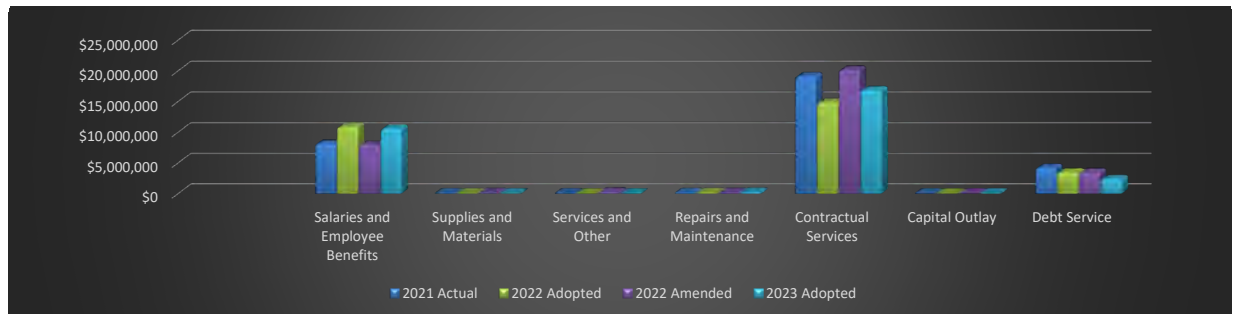
Executive Administration

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 8,173,488	\$ 10,896,271	\$ 7,983,705	\$ 10,637,425
Supplies and Materials	73,153	77,307	148,802	75,406
Services and Other	58,500	-	235,000	-
Repairs and Maintenance	136,826	133,094	169,094	201,997
Contractual Services	19,151,550	14,897,972	20,197,319	16,885,535
Capital Outlay	-	-	-	63,325
Debt Service	4,235,589	3,530,252	3,530,252	2,422,524
Total	\$ 31,829,107	\$ 29,534,896	\$ 32,264,172	\$ 30,286,212

Staffing	33	33	35	36
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The Executive Administration 2023 budget reflects a \$751,316 increase from the 2022 Adopted Budget and a (\$1,977,960) decrease from the 2022 Amended Budget. The (\$258,846) decrease in personnel cost is due to decreased Workers Compensation cost of \$594,200 and Unemployment cost of approximately \$14,000, partially offset by increased COBRA/Retiree (OPEB) costs of \$200,000, contributions to the closed non-uniform pension plan of \$75,000, the reinstatement of an Office Assistant III position, and the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes and reclassifications. Contractual Services include utilities, contracts, and outside agency funding. The \$1,987,563 increase in Contractual Services from the 2022 Adopted Budget includes an increase in property, cyber, and legal defense insurance of \$332,716, an additional allocation of \$250,000 for a Downtown Ambassadors Program to be matched with a \$250,000 allocation from the Little Rock Convention and Visitor's Bureau, and \$1,000,000 in increased funding for the Arkansas Museum of Fine Arts. The \$63,325 increase to Capital Outlay includes \$43,325 for Emergency Management warning siren backup equipment and \$20,000 for equipment in the 311 Communications Division. The \$1,107,728 decrease in debt service is attributed to the retirement of the 2017 short-term notes in 2022. The budget amendments for 2022 include vacation/sick payouts of (\$1,686,544) net of vacancy adjustments (\$251,352), a decrease to personnel cost for Workers' Compensation (\$900,000), and a decrease to COBRA/Retiree insurance (\$150,000), net of an increase for Pension actuarial contributions of \$85,330. In addition, the budget amendments for 2022 include an increased contract allocation of \$5,000,000 for Port land acquisition.

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	\$ 30,286,212	2.54%	-6.13%



2022 Department Accomplishments

The Office of Executive Administration continued moving our city forward post-pandemic. The Office managed efforts to extend the current millage levy through a special election, and the voters passed the extension. The Office undertook efforts to diversify our supplier pool and coordinated efforts to leverage American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund dollars. The Office also restarted the Bridge to Work program. The temporary emergency shelter policy was finalized and adhered to as needed. The partnership with Little Rock School District (LRSD) continued implementing the Community Schools Model.

2023 Department Goals

Continue to move our city forward post-pandemic.

Continue efforts to diversify our supplier pool by increasing minority spend.

Continue sustainability efforts through collaboration with Sustainability Commission.

Continue to partner with LRSD to implement and expand the Community Schools Model.

Work with LRPD leadership to expand social worker initiatives within the department.

Continue BUILD Academy incubator.

Continue to implement Targeted Community Development.

Continue implementing Little Rock's Master Plan for Children, Youth, and Families.

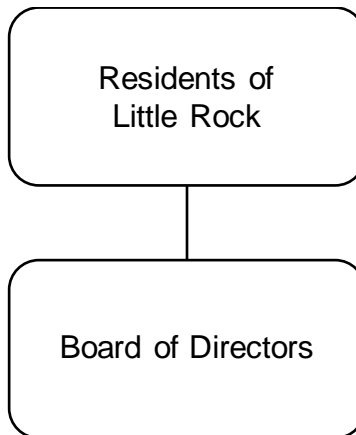
Continue to manage American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds.

Expand summer youth employment opportunities to form an apprenticeship program for students interested in high-growth industries.

Manage efforts to expend bond funds raised through millage levy extension.



Board of Directors



Mission:

Protect the rights of the people, ensure public order and provide public safety through efficient delivery of services in addition to requiring the highest level of professional standards. Support the local/regional economy and to provide opportunities to retain, form and attract new business. Ensure citizens receive quality basic services, and to provide a viable system that enables its employees to give the most efficient and effective support possible. Maintain and improve a comprehensive infrastructure system that meets the changing needs of the community while protecting the integrity of the environment. Work with community partners to ensure access to opportunities for vital and varied recreational, creative and educational experiences. Create and foster an inclusive environment that respects the dignity of all people, welcomes all voices and values racial and cultural diversity.

Board of Directors

Expenditure Budget				
Account Category	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 290,017	\$ 292,497	\$ 292,497	\$ 296,302
Supplies and Materials	26,370	18,990	18,990	18,990
Repairs and Maintenance	-	387	387	387
Contractual Services	15,910	32,800	32,800	32,500
Total	<u>\$ 332,297</u>	<u>\$ 344,674</u>	<u>\$ 344,674</u>	<u>\$ 348,179</u>
Staffing	1	1	1	1

The Board of Directors 2023 Budget reflects a \$3,505 increase from the 2022 Adopted and Amended Budgets. The \$3,805 increase in personnel cost is primarily attributed to the 3.5% salary increase, net of the reduction in health insurance cost and other benefit changes. Contractual Services include utilities and contracts.

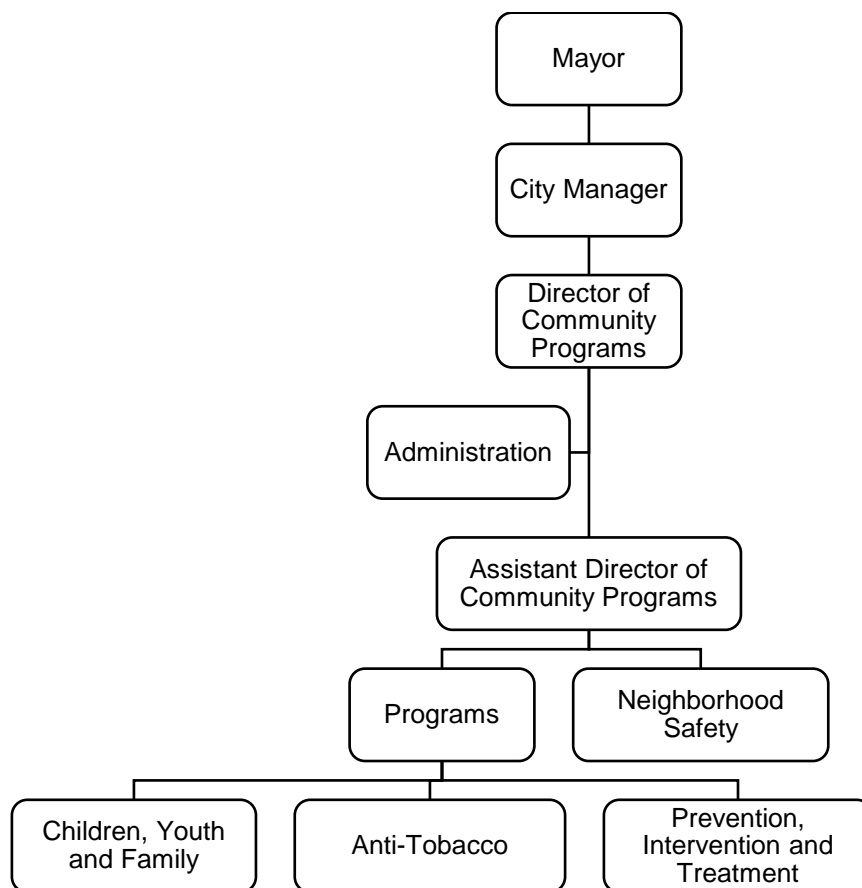
Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	\$ 348,179	1.02%	1.02%



Community Programs



Mission:

The mission of the Department of Community Programs is to effectively administer and maximize Prevention, Intervention, and Treatment (PIT) funds authorized annually in order to provide the community with quality programming and services with the goal of increasing positive outcomes and the overall quality of life for the children, youth, and families of Little Rock. It is achieved through the use of evidence-based practices, standardized processes, and citizen input to create and foster an inclusive environment that respects the dignity of all people, welcomes all voices, and values racial and cultural diversity.

Vision:

The City of Little Rock is a leading southern city—vibrant, safe, and innovative—that provides an excellent and sustainable quality of life where all families, individuals, and businesses can thrive.

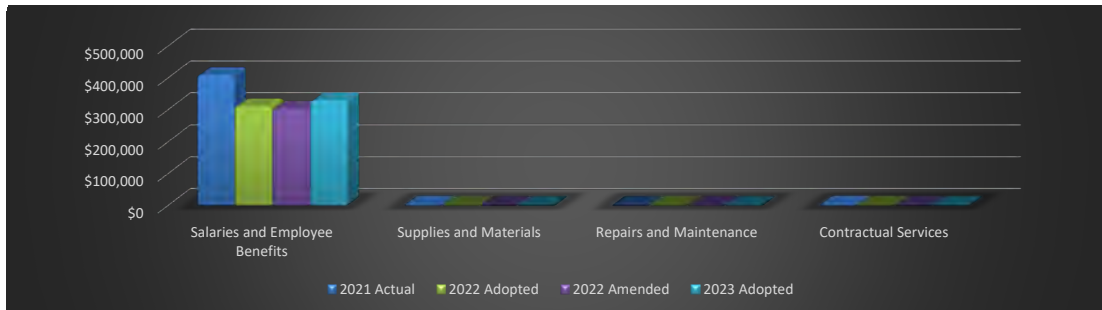
Community Programs

Expenditure Budget				
Account Category	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 409,148	\$ 310,110	\$ 302,930	\$ 329,260
Supplies and Materials	2,997	-	-	-
Repairs and Maintenance	-	343	343	343
Contractual Services	3,271	-	-	-
Total	\$ 415,416	\$ 310,453	\$ 303,273	\$ 329,603

Staffing	13	13	14	20
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The Community Programs Department 2023 Budget reflects a \$19,150 increase from the 2022 Adopted Budget and a \$26,330 increase from the 2022 Amended Budget. The majority of the Community Programs budget is included in programs funded by the contribution to Children Youth and Family prevention, intervention and treatment, and re-entry programs reflected in the Executive Administration - General and Employee Benefits Transfers budget. The \$19,150 increase in personnel cost from the 2022 Original Budget is attributed to the 3.5% salary increase, net of the reduction in health insurance cost and other benefit changes. The budget amendments for 2022 include vacation/sick payouts of \$33,294, net of vacancy adjustments (\$40,474).

Allocations By Year And Account Category



	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
Resources for Budget			
100 General Fund	\$ 329,603	6.17%	8.68%



Community Programs

Department: Community Programs
Funding Source: General Fund
Budget: \$ 329,603

Department Description:

To ensure the effective implementation, administration and evaluation of City social services and human services programs assigned to the department and to serve as a resource for citizens, resident groups, neighborhood associations and other community-based organizations providing these services.

	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Budget</u>
Objective: To recruit youth, provide orientation, and approve youth to hire for summer employment.			
Demand: Youth available for recruitment and orientation.	1,200	1,200	1,200
Workload: Youth recruited and processed through orientation.	200	700	700
Efficiency: Youth processed and available for employment in June.	140	700	700
Effect/Outcome: Percentage of youth processed and available for work in June.	70%	100%	100%
Objective: To audit, approve, and process all reimbursement requests for payment within 14 days.			
Demand: Requests available for process and reimbursement.	600	800	800
Workload: Requests processed for reimbursement.	580	760	800
Efficiency: Requests processed per month.	48	60	66.66
Effect/Outcome: Percentage of total requests processed.	96%	95%	100%

***Due to COVID in 2021 numbers were low and contracts were cut by one half.**

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City and Quality of Life.**





2022 Department Accomplishments

In 2022, the Department of Community Programs (DCP) expanded to include an Office of Neighborhood Safety dedicated to activities that focus on decreasing violent crime and increasing public safety. As part of that comprehensive strategy, the department assessed, improved, and developed updated program options and Requests for Proposals (RFPs). For example, our Positive Prevention Programs (PPPs) reflect new opportunities for our youth, and we now offer new Community Violence Intervention Projects and Neighborhood Safety Projects to inspire our residents. The department was also honored to receive a \$400,000 TANF grant to host “Computer Career Pathway” training that will lead to industry-accepted CompTIA certification in Information Technology (IT) Help Desk and Network Security. To assist organizations that offer programs and services, we revamped our program coaching and technical assistance process, implemented the Youth Program Quality Intervention (YPQI) process in all PPP programs, and hired a Data Coordinator. To increase our community outreach, we finalized the upgrade of the Martin Luther King, Jr. Cultural Legacy Center located at 3012 MLK Drive and relocated our Re-Entry Services into the building. Additionally, we created a list of public and private employers who will hire our clients and implemented a system where we follow up with referred clients at various intervals to increase their success. We also increased the number of school-based coordinators and community outreach specialists to improve the department’s capacity to meet the needs of our residents.

2023 Department Goals

Update the Youth Master Plan’s Little Rock Community Resource Scan and release relevant information in an updated “Help Yourself” Community Resource Guide newspaper.

Host two (2) comprehensive “Pre-Bid Seminars” to explain the bid application process to potential suppliers in order to increase the quality of submissions by organizations interested in doing business with the City and the Department of Community Programs.

Create program partnerships with at least three (3) City Departments to leverage joint staff and financial resources to increase opportunities for residents.

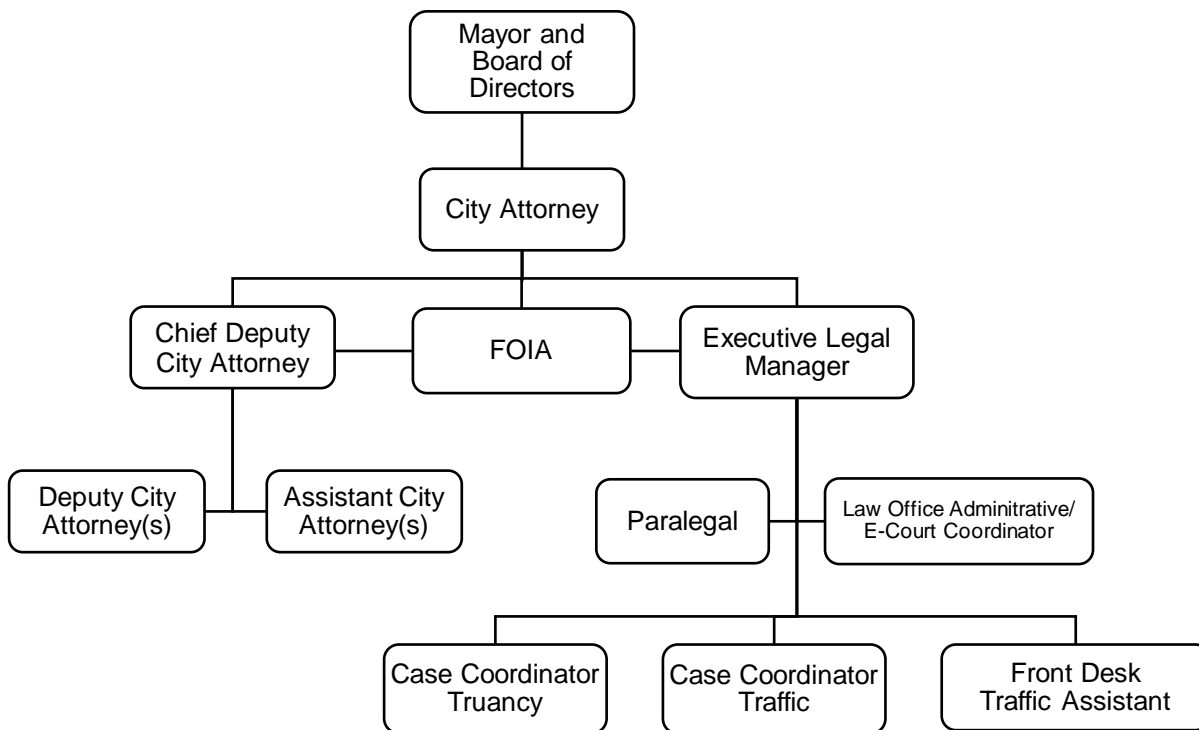
Create program partnerships with at least three (3) outside organizations to leverage joint staff and financial resources to increase opportunities for residents.

Develop a “Community Innovation Projects” RFP and fund at least ten (10) projects; Budget: \$25,000 each.

Host at least one Community-wide Event in each City Ward.



City Attorney



Mission:
To provide legal assistance and representation for the City of Little Rock and its Boards and Commissions.

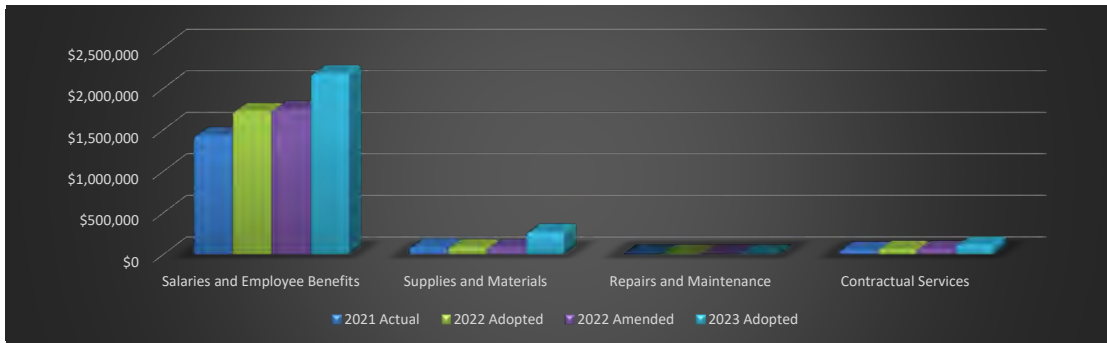
City Attorney

Expenditure Budget				
Account Category	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 1,430,730	\$ 1,724,918	\$ 1,745,443	\$ 2,176,480
Supplies and Materials	91,216	82,574	82,574	270,474
Repairs and Maintenance	487	982	982	982
Contractual Services	54,712	65,644	65,644	115,644
Total	\$ 1,577,145	\$ 1,874,118	\$ 1,894,643	\$ 2,563,580

Staffing	16	16	18	23
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The City Attorney Department 2023 Budget reflects a \$689,462 increase from the 2022 Adopted Budget and a \$668,937 increase from the 2022 Amended Budget. The \$451,562 increase in personnel cost includes the addition of five (5) positions, including three (3) FOIA Coordinator positions transferred from HR in 2022 and the addition of an Assistant City Attorney and another FOIA Coordinator position at a total cost of \$356,341. In addition, the personnel budget includes the promotion of an Assistant City Attorney to Deputy City Attorney. The remaining increase is attributed to the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes and reclassifications. The \$187,900 increase in supplies is for the estimated annual cost of FOIA Software Licenses - \$175,000 and FOIA workstations and equipment - \$12,900. The \$50,000 increase in contracts is for FOIA and Litigation Cloud Storage. The budget amendments for 2022 include the partial year allocation for the transferred FOIA positions in 2022 - \$129,316 and vacation/sick leave payouts of \$33,423, net of vacancy adjustments (\$142,214).

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	\$ 2,563,580	36.79%	35.31%



City Attorney

Department: City Attorney
Funding Source: General Fund
Budget: \$ 2,563,580

Department Description:
 To provide adequate administrative controls to ensure the delivery of effective legal review of all City programs established by the Board of Directors and the administration of the City; to ensure that effective legal representation is provided for all lawsuits brought by or against the City; and to ensure that legal counsel is provided for all City boards, commissions, and departments.

	2021 Actual	2022 Estimate	2023 Budget
Objective: To litigate cases.			
Demand: Cases to be litigated.	111	125	130
Workload: Cases litigated.	111	125	130
Efficiency: Cases litigated per year.	111	125	130
Effect/Outcome: Percentage of litigated cases closed per year.	100%	100%	100%
Objective: To prosecute health and safety code Violations.			
Demand: Violations presented for final judgment.	2,903	2,750	2,740
Workload: Violations prosecuted for final judgment.	1,928	1,800	1,800
Efficiency: Violations convictions.	975	950	950
Effect/Outcome: Conviction rate.	49%	53%	53%
Objective: To prosecute DUI/DWI violations.			
Demand: DUI/DWI pleas and trials.	270	600	600
Workload: Court appearances for DUI/DWI pleas and trials.	270	600	600
Efficiency: Guilty DUI/DWI pleas and convictions	164	400	400
Effect/Outcome: Percentage guilty.	60%	66%	66%
Objective: Prepare contract and legal memoranda in a timely manner.			
Demand: Request for contracts and legal research.	235	250	240
Workload: Contracts and research memoranda prepared.	235	250	240
Efficiency: Contracts and memoranda prepared in a timely manner.	235	250	240
Effect/Outcome: Percentage of contracts and memoranda prepared in a timely manner.	100%	100%	100%

The departmental goals and objectives link with the
Board of Directors Statement of Management Policy for a Safe City.





2022 Department Accomplishments

In 2022, the City Attorney department received an Eighth Circuit affirmation of win in a Federal jury trial, had nine (9) federal court wins, created 317 work assignments, created a paralegal and FOIA division, and worked through a backlog of requests.

2023 Department Goals

Become fully staffed (there are two FOIA positions needed and an Assistant City Attorney vacancy that needs to be filled).

Create a fully operational FOIA department that is efficient and regularly delivers requested information within the statutory time period.

Obtain more training opportunities for Litigation staff (litigators and paralegals).

Fully integrate pre- and post-Covid 19 protocols, so staff has a fair and clear picture of when it is acceptable to telework.

Update the technology in CAO's conference room.

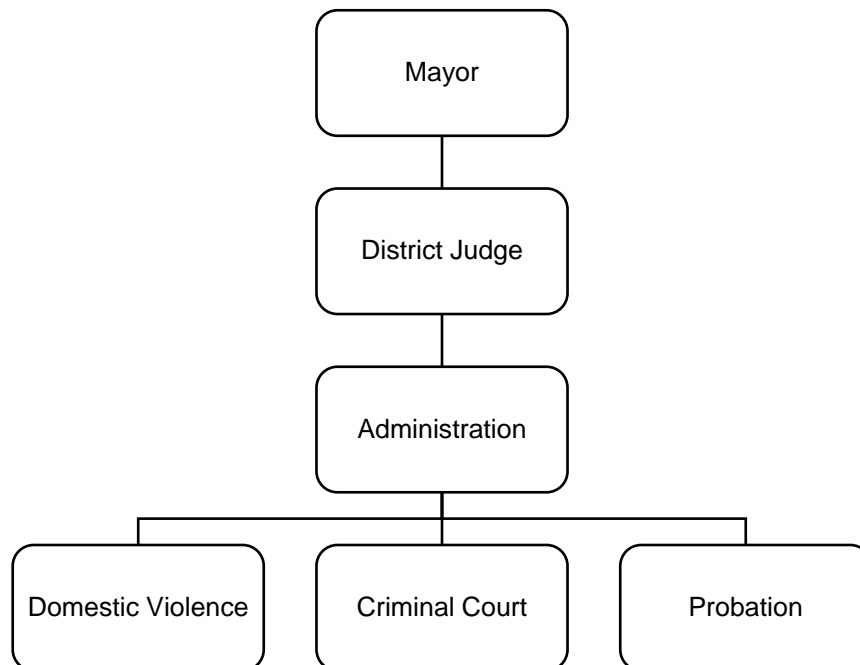
Identify and implement software upgrades for our litigation department.

Begin annual training sessions with each City Board or Commission to discuss procedures and scope of authority as set out in state statute or City Ordinance.

Establish meaningful and legal Arkansas Freedom of Information Act procedure, time frames, compliance, and an approach consistent with the liberal construction given the Act by the Arkansas Supreme Court since 1968.



District Court First Division



Mission:

To provide the public with impartial and timely adjudication of criminal offenses; to divert offenders from criminal activity and increase public accountability through probation, drug testing, victim restitution and community service programs.

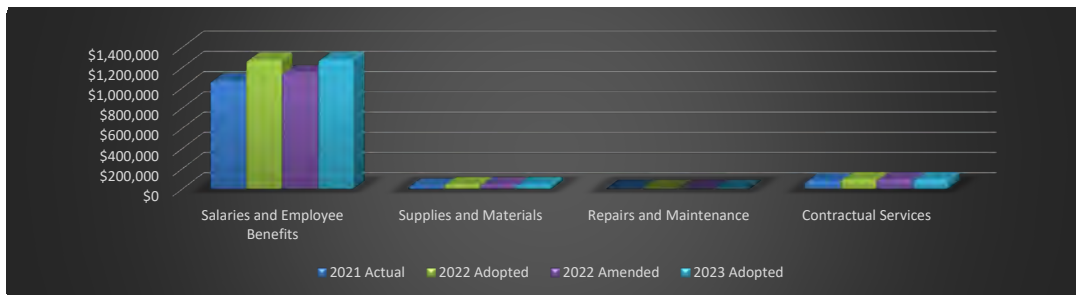
District Court First Division

Expenditure Budget				
Account Category	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 1,066,984	\$ 1,273,301	\$ 1,147,875	\$ 1,279,986
Supplies and Materials	24,937	42,100	42,100	42,100
Repairs and Maintenance	1,353	1,700	1,700	1,700
Contractual Services	78,191	91,900	91,900	91,900
Transfers	7,500	-	-	-
Total	\$ 1,178,965	\$ 1,409,001	\$ 1,283,575	\$ 1,415,686

Staffing	20	20	21	21
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The District Court First Division 2023 Budget reflects a \$6,685 increase from the 2022 Adopted Budget and a \$132,111 increase from the 2022 Amended Budget. The \$6,685 increase in personnel cost is primarily associated with the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes and reclassifications. The budget amendments for 2022 include vacation/sick payouts of \$3,424, net of vacancy adjustments (\$130,612), and the increased partial year allocation of \$1,762 to raise minimum salaries to \$15 per hour.

Allocations By Year And Account Category



Resources for Budget
100 General Fund

FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
\$ 1,415,686	0.47%	10.29%



District Court First Division

Department: District Court Criminal
Funding Source: General Fund
Budget: \$ 1,415,686

Department Description:

To direct the overall operation of Criminal proceedings while ensuring legal compliance, impartial and timely adjudication, and public accountability.

	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Budget</u>
Objective: To enter and dispose of criminal cases daily and establish probable cause and set bonds within 48 hours of arrest.			
Demand: Set bonds within 24 hours and dispose criminal cases from all criminal arrests timely.	4,949	13,340	13,000
Workload: Cases entered and bonds set on all criminal arrests.	4,949	13,340	13,000
Efficiency: Cases Disposed.	5,159	13,995	13,000
Effect/Outcome: Percentage of cases disposed yearly.	104%	105%	100%

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**





2022 Department Accomplishments

In 2022, Little Rock District Court, First Division-Criminal, continued to operate fairly and impartially to adjudicate criminal offenses. The Court also sought to divert offenders from criminal activity. The Court continued to strive to address mental health issues with individuals within the Court to provide counseling and community service rather than focus only on punishment. Little Rock Criminal Court continued to operate the Pulaski County Mental Health Court. This year the Court received numerous referrals from Pulaski County Circuit Court and other District Courts in Pulaski County. Two (2) participants in the Mental Health Court graduated from the program, two (2) more participants are in the latter phases of the program and are preparing for graduation, and six (6) new participants joined the program in 2022. Currently, the recidivism rate for participants in the Mental Health Court is 0%, and none of the graduates in three (3) years have reoffended, to the Court's knowledge. The Court continued to utilize programs to make the Court more efficient: Electronic Filing in Contexte (Efile) and Specialty Court Application and Legal Exchange System (SCALES) through the Administrative Office of the Courts, Arkansas Crime Information Center (ACIC), and eCourt text notification system to send reminders to individuals regarding upcoming court dates and overdue payments. The Court continued to work closely with Second and Third Division Courts, the Little Rock Police Department, and the Administrative Office of the Courts to provide better accounting and reporting on all criminal charges brought before this Court. The Judge and staff again volunteered with the Central Arkansas Re-Entry Coalition by participating in the Leniency Court at the 'Rights After Wrongs Event' in September 2022. The Court also continued to work with the Unsheltered Court Initiative to better serve the unsheltered in the City from a legal standpoint. The Judge also serves on the City's H.O.P.E. Advisory Council.



2023 Department Goals

Operate within the guidelines and laws of the State of Arkansas and City of Little Rock.

Provide informed sentencing recommendations, monitoring, and administer fair and impartial adjudications for all citizens on misdemeanor and preliminary felony matters, while also considering best practice methods as received by the Administrative Office of the Court.

Continue to operate and accept new participants for the Mental Health Specialty Court for those in need with mental health issues.

Organize and hold a Leniency Court.

Continue to work with community organizations and individuals to reach and assist those offenders in need for intervention.

Take steps to begin to plan and implement a new Specialty Court.

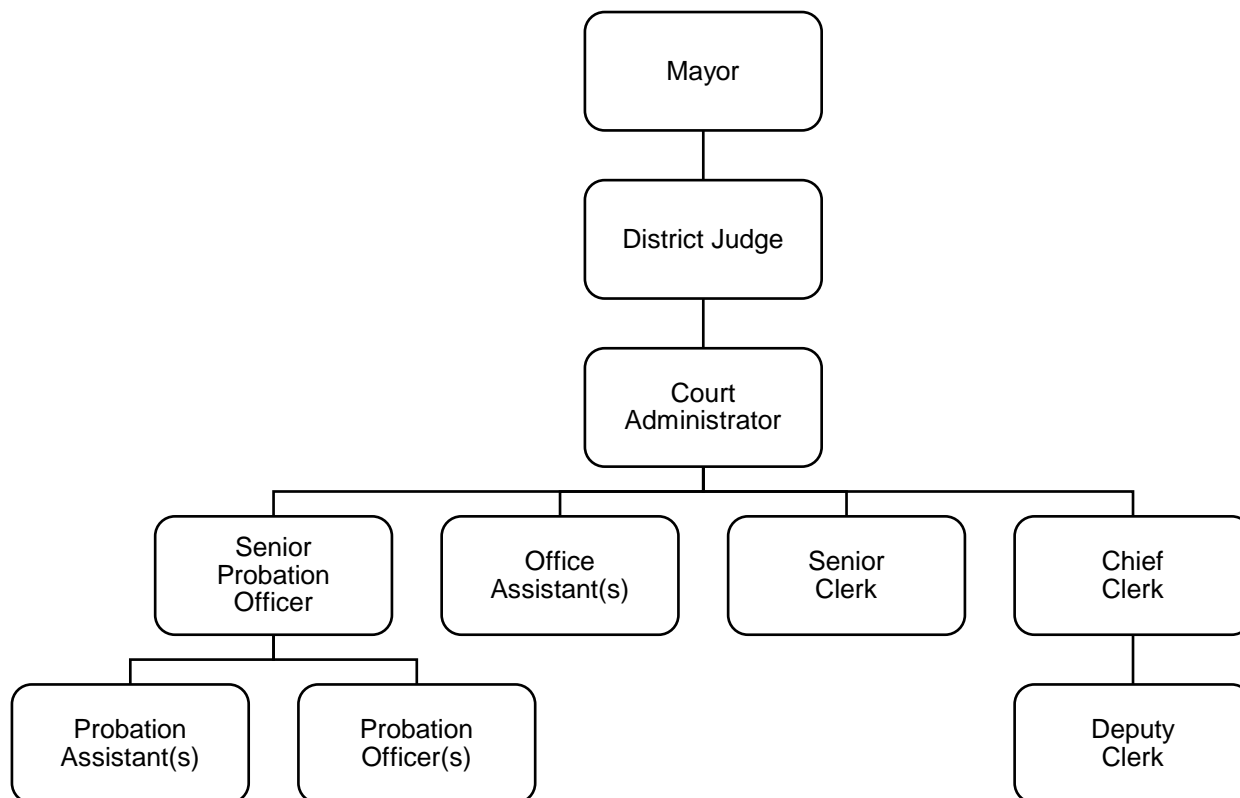
Continue to work with staff to make the department more efficient.

Assist Traffic Court with the mitigation of historical case file images from the management system that is no longer supported.

Initiate the new District Court Facility Project approved by voters in November 2022.



District Court Second Division



Mission:

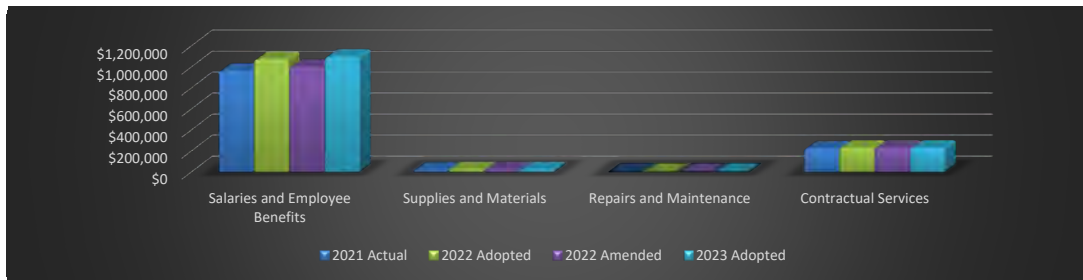
The mission of Little Rock District Court – 2nd Division is to apply and promote a standard of impartiality and fairness and foster an environment for efficient and effective administration of justice. The court strives to preserve and enhance its core values and be innovative in our attempt to provide meaningful access to justice as we meet changing needs of the court and the community.

District Court Second Division

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 965,048	\$ 1,073,861	\$ 1,001,829	\$ 1,098,815
Supplies and Materials	18,741	22,200	22,200	22,200
Repairs and Maintenance	1,124	2,050	2,050	2,050
Contractual Services	224,223	232,894	232,894	232,394
Total	\$ 1,209,136	\$ 1,331,005	\$ 1,258,973	\$ 1,355,459
Staffing	18	18	19	19

The District Court Second Division 2023 Budget reflects a \$24,454 increase from the 2022 Adopted Budget and a \$96,486 increase from the 2022 Amended Budget. The \$24,954 increase in personnel cost is primarily attributed to the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes and reclassifications. The budget amendments for 2022 include vacation/sick payouts of \$8,864, net of vacancy adjustments (\$80,896).

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	\$ 1,355,459	1.84%	7.66%



District Court Second Division

Department: District Court Traffic
Funding Source: General Fund
Budget: \$ 1,355,459

Department Description:
 To direct the overall operation of the traffic court within established policies and laws; to provide management direction to staff; to ensure accountability and accessibility to the public; and to make sure that the best customer service possible is provided. Management also seeks to provide the necessary needs to staff members enabling them to perform their jobs to the best of their ability and to provide the opportunity to obtain any additional training needed or requested.

	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Budget</u>
Objective: To enter violations into Contexte the same day received.			
Demand: Violations to be entered.	21,050	25,500	20,000
Workload: Violations entered and processed.	21,050	25,500	20,000
Efficiency: Violations entered and processed per month.	1,754	2,125	1,666
Effect/Outcome: Percentage of violations processed same day received.	99%	99%	99%
Objective: To update dispositions in Contexte within 24 hours.			
Demand: Violations to be disposed.	20,600	25,000	20,500
Workload: Violations disposed.	20,600	25,000	20,500
Efficiency: Violations disposed of per month.	1,717	2,083	1,708
Effect/Outcome: Percentage of dispositions processed within 24 hours.	99%	99%	99%

The departmental goals and objectives link with the
Board of Directors Statement of Management Policy for a Safe City.



2022 Department Accomplishments

In 2022, Little Rock District Court, 2nd Division, successfully addressed all cases from the pandemic backlog. This includes all cases where defendants could not appear virtually during the time period the court building was closed to the public. These hearings include those scheduled for plea and arraignment during the pandemic and those scheduled for trial during the time the court building was closed to the public but could not appear virtually. The pandemic delayed other hearings based on the nature of the charges, and the public defender asked for them to be rescheduled when the court opened back up to the public and the defendant could appear in person for trial.

The clerk's office finalized procedures for sending final dispositions to Arkansas Crime Information Center to increase reporting percentages and create more accurate criminal histories for defendants. The clerk's office implemented this process to ensure the court complies with disposition reporting on cases with Arrest Tracking Numbers.

The clerk's office has fully implemented the use of the warrant notice for defendants that receive a warrant for failure to pay fines. These notices help bring to the defendant's attention that they have an active warrant and increase fine collections on outstanding fines. At Judge Fleming's request, the court didn't issue failure to pay warrants during the pandemic, so even though the clerk's office restarted this process in 2022, it will likely take most of 2023 to get caught back up on issuing failure to pay warrants.

2023 Department Goals

Continue working to determine best ways to address severely delinquent court obligations. Addressing this need will allow the court to clean up a large back log of unfinished cases.

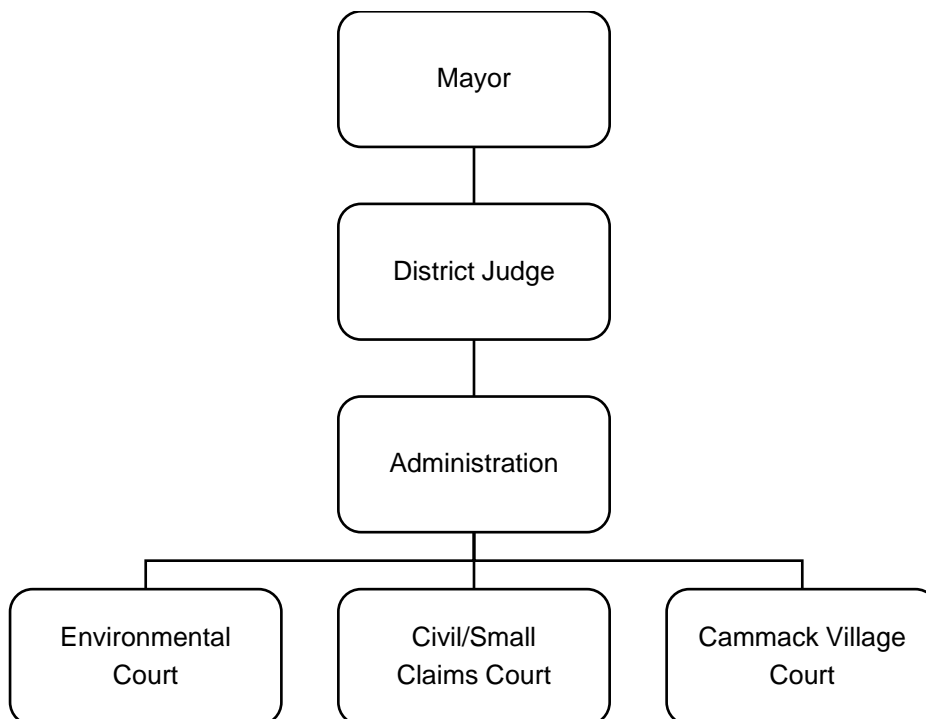
Find additional Community Service agencies that will work with our court, as well as identifying areas for improvement that will increase our courts community service completion rates.

Find educational and training opportunities for probation staff and deputy clerks that will allow them to cultivate their professional skills.

Review and update both the Emergency Preparedness Plan and Continuity of Operations Plan for all of Little Rock District Court.



District Court Third Division



Mission:

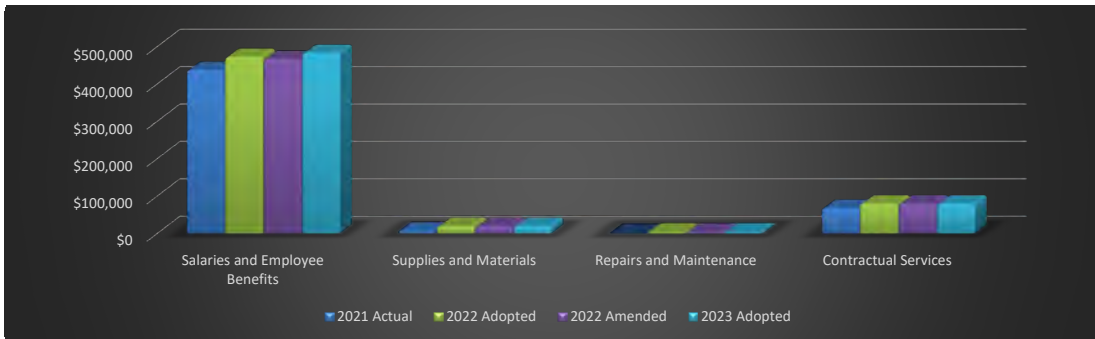
To provide impartial and timely adjudication and impose sanctions for code violations to ensure that neighborhood conditions are improved to comply with accepted health and safety standards. To provide the public with timely and impartial adjudication of civil and small claim matters.

District Court Third Division

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 438,047	\$ 472,990	\$ 466,935	\$ 483,736
Supplies and Materials	7,950	20,167	20,167	20,167
Repairs and Maintenance	473	4,500	4,500	4,500
Contractual Services	68,625	80,485	80,485	80,485
Total	\$ 515,094	\$ 578,142	\$ 572,087	\$ 588,888
Staffing	7	7	8	8

The District Court Third Division 2023 Budget reflects a \$10,746 increase from the 2022 Adopted Budget and a \$16,801 increase from the 2022 Amended Budget. The \$10,746 increase in personnel cost is primarily attributed to the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes and reclassifications. The budget amendment for 2022 is a vacancy adjustment of (\$6,055).

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	\$ 588,888	1.86%	2.94%



District Court Third Division

Department: District Court Environmental
Funding Source: General Fund
Budget: \$ 588,888

Department Description:
 To direct the overall operation of the Court to ensure legal compliance, provide management direction, public accountability, impartial and timely adjudication, and the imposition of sanctions for code violations ensuring that neighborhood conditions are improved to comply with accepted health and safety standards.

	2021 Actual	2022 Estimate	2023 Budget
Objective: To process life-threatening violations within seven (7) days of the date citation is written.			
Demand: Violations to be processed.	0	10	10
Workload: Citations processed, recorded, and entered into computer.	0	10	10
Efficiency: Citations processed.	0	10	10
Effect/Outcome: Percentage of Citations processed within thirty (30) days.	0%	100%	100%
Objective: To enter citations into Contexte within 48 hours received.			
Demand: Citations to be entered.	1,076	1,000	1,200
Workload: Citations entered and processed.	1,076	1,000	1,200
Efficiency: Citations processed per month.	89	83	100
Effect/Outcome: Percentage of Citations processed within forty-eight (48) hours received.	100%	100%	100%

The departmental goals and objectives link with the
Board of Directors Statement of Management Policy for a Safe City.





2022 Department Accomplishments

In 2022, Little Rock District Court, 3rd Division, accomplishments continued despite the lingering global pandemic. Our dockets stayed current, and we did not experience any backlogs in Environmental Court, Civil/Small Claims, or Cammack Village Court. We resumed in-person court in April while allowing virtual appearances to defendants who may be ill or unable to appear in person, reducing the risk of being exposed to the virus while moving our dockets to closing cases.

We continued to eliminate the filing and storing of documents (i.e., citations, warrants, pay plans, orders to appear, etc.) by scanning them into each corresponding case in our Contexte computer system. We continued scanning all older, stored, satisfied judgment files in our Civil/Small Claims department.

The number of citations turned in from code enforcement increased over last year by almost 400. Also, the number of small claim cases increased over 2021. Revenue generated from Cammack Village citations increased over 2021 while civil/small claims remained steady and Environmental Court cases slightly decreased. E-Filing continued to make our court work more efficiently for attorneys and our staff while reducing the use of paper and creating physical files.

We continued collaborating with the Pulaski County Special School District and their school-based Teen Court program. Judge Leverett administered the oath in the fall to students at Sylvan Hills, Mills, Maumelle, and Robinson High Schools participating in the program.

We did not have any staff turnover in 2022, a major accomplishment during the “Great Resignation” period occurring throughout the country. We have an extremely experienced and dedicated team. We look forward to 2023 and plans for the new court building. Our staff has been in two different buildings for many years and are excited to be consolidated into one.



2023 Department Goals

Continue education in emergency awareness training for bailiff's and staff (active shooter, sovereign citizens, overt disruption resolution, etc.).

Increase the court's presence in the local school system through speaking engagements and probation officers making school visits. Implement teen court with the Pulaski County Special School District and Little Rock School District.

Assist with the planning of our space in the new District Court Building.

Provide fair and impartial rulings for all cases.

Further refine our probation department for youth and code enforcement cases.

Find more resources for juvenile offenders.

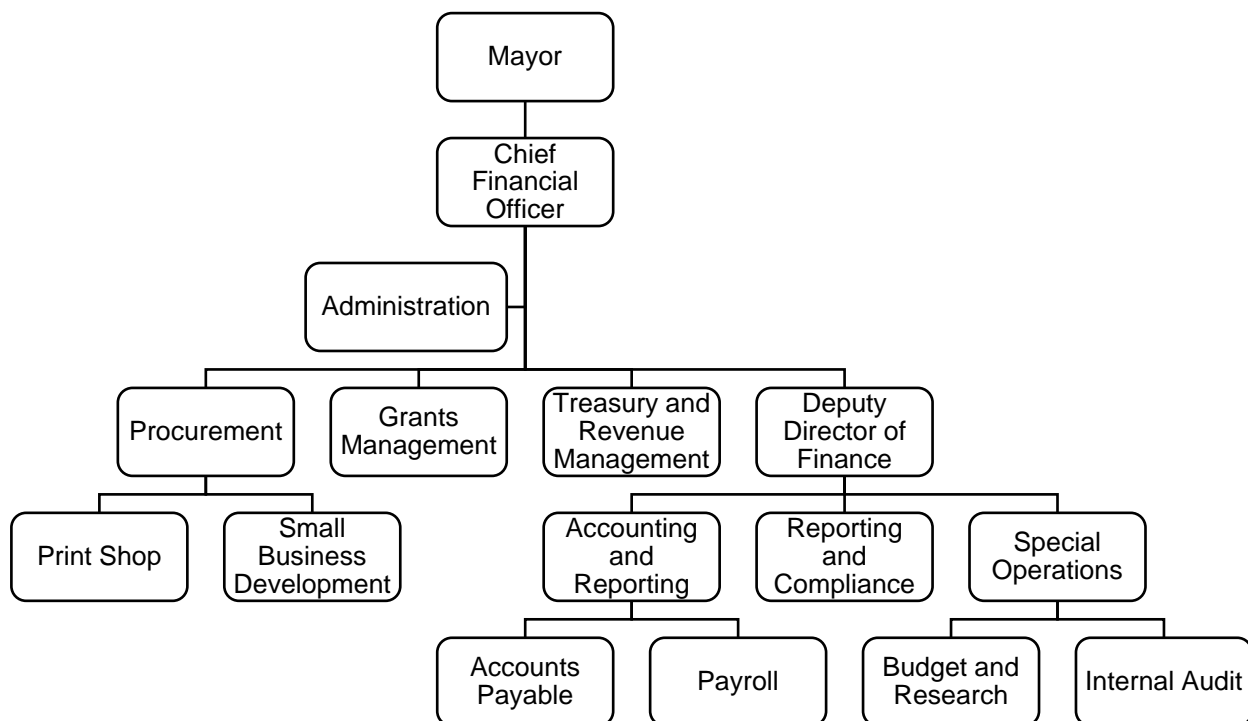
Purge civil/small claims files over ten years old.

In light of ongoing COVID concerns, make sure our setup and court operation provide a safe environment for all participants.

Continue to refine our ability to efficiently conduct web-based court when necessary.



Finance



Mission:

The Finance Department of the City of Little Rock is an accountable steward of residents' resources, committed to delivering the highest level of customer service to City Departments and the Community at large, in an innovative, ethical, and transparent manner.

Vision:

The Finance Department of the City of Little Rock strives to strengthen residents' confidence and trust by providing accessible, accurate, and timely financial information as well as promoting equitable engagement in opportunities for the public to provide goods and services to the City, while facilitating the overall goals and objectives of Executive Administration and the Board of Directors.

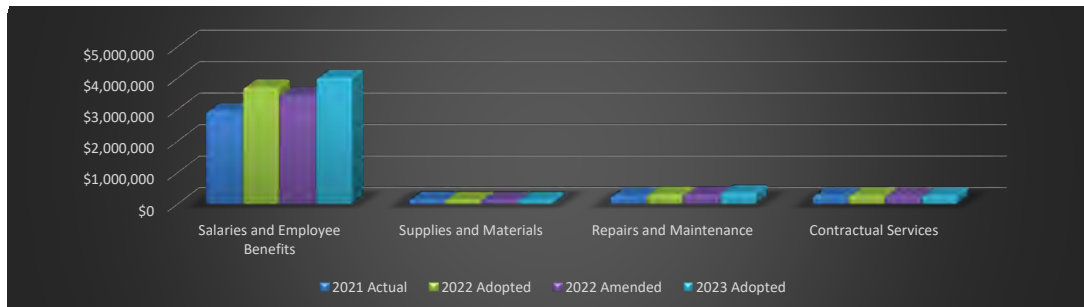
Finance

Expenditure Budget				
Account Category	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 2,959,852	\$ 3,705,527	\$ 3,466,475	\$ 4,025,975
Supplies and Materials	150,342	143,907	143,907	143,907
Repairs and Maintenance	273,767	304,705	304,705	359,705
Contractual Services	282,679	278,210	278,210	278,210
Transfers	180,000	-	-	-
Total	\$ 3,846,640	\$ 4,432,349	\$ 4,193,297	\$ 4,807,797

Staffing	46	52	52	53
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The Finance Department 2023 Budget reflects a \$375,448 increase from the 2022 Adopted Budget and a \$614,500 increase from the 2022 Amended Budget. The \$320,448 increase in personnel cost includes the addition of an Office Assistant II in Accounts Payable at a cost of \$44,320 for scanning and indexing invoices, and for internal and external customer service assistance. In addition, an allocation of \$65,500 for part-time salaries in Procurement was added for customer service, supplier training, and other internal and external Procurement assistance. The remaining \$210,628 increase is attributed to the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes, reclassifications, and equity adjustments. Several positions were reclassified or adjusted during 2022 due to the difficulty in hiring to fill vacant positions. The \$55,000 increase in maintenance reflects the estimated cost of third-party vendor verification services. The budget amendments for 2022 include vacation/sick payouts of \$35,369, net of vacancy adjustments (\$274,421).

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	\$ 4,807,797	8.47%	14.65%



Finance

Department: Finance
Funding Source: General Fund
Budget: \$ 4,807,797

Department Description:

The Finance Department provides accounting and reporting, budgeting, internal audit, pension administration, accounts payable, payroll, purchasing, treasury management, grants management, and print shop services. In addition, Finance advises Executive Administration and other departments on financial issues. Monthly financial reports are distributed to the Board of Directors and posted to the City's web site for transparency to citizens and other interested parties.

	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Budget</u>
Objective: To monitor compliance with the annual adopted budget.			
Demand: To prepare consolidated monthly variance reports for department variances > \$50,000 and 5% of budget.	12	12	12
Workload: Prepared consolidated monthly variance reports for department variances > \$50,000 and 5% of budget.	12	12	12
Efficiency: Consolidated variance reports prepared monthly.	1	1	1
Effect/Outcome: Percentage of consolidated monthly variance reports for department variances > \$50,000 and 5% of budget completed.	100%	100%	100%
Objective: To provide accurate and efficient accounting and reporting for all public funds received for the City and maintained by the Finance Department.			
Demand: Number of journal entries to be processed and completed.	1,217	1,010	1,100
Workload: Number of journal entries processed and completed.	1,217	1,010	1,100
Efficiency: Average number of journal entries processed and reviewed per month.	101	84	91
Effect/Outcome: Percentage of journal entries completed per year.	100%	100%	100%
Objective: To provide accurate and timely payment of all invoices properly submitted according to policy and procedure guidelines. Payments should be issued within 30 days.			
Demand: Number of invoices to be processed and recorded.	62,828	61,937	63,000
Workload: Number of invoices processed, recorded, and completed.	62,828	61,937	63,000
Efficiency: Number of invoices processed per hour.	30.20	29.77	30.29
Effect/Outcome: Percentage of invoice payments issued within 30 days.	95%	95%	95%



Finance

	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Budget</u>
Objective: To provide and maintain a systematic method of accounting for and controlling City's assets.			
Demand: Number of departmental annual asset inventory counts scheduled.	42	42	42
Workload: Number of addition, retirement, and depreciation, transfer, and adjustment transactions processed.	40,319	45,000	45,000
Efficiency: Number of departmental asset inventory counts completed.	42	42	42
Efficiency: Transactions processed per month.	3,360	3,750	3,750
Effect/Outcome: Percentage of departmental annual asset inventory counts conducted.	100%	100%	100%

The departmental goals and objectives link with the **Statement of Management Policy for Financial Reporting.**





2022 Department Accomplishments

In keeping with the Statement of Management Policy for Financial Reporting, the Finance Department obtained the Government Finance Officers Association (GFOA) Certificate of Recognition for the 2022 Distinguished Budget Presentation and submitted its 2021 Annual Comprehensive Financial Report for the GFOA Award for Excellence in Financial Reporting, which is still under review. The City maintained a General Obligation Limited Tax Bond rating by S&P Global Ratings of AA and Moody’s Investors Service of Aa1. Finance staff coordinated with Departments to gather lease information to complete the GASB statement No. 87 implementation. Treasury Management updated its webpage to include Spanish-translated versions of documents “Starting a Business in Little Rock” and “Obtaining Related Permits and Licenses.” Finance Staff facilitated the issuance of the Central Arkansas Library Construction and Refunding Bonds, Series 2022, and the City of Little Rock Limited Tax General Obligation Capital Improvement Bonds, Series 2022A and 2022B. Finance’s Procurement Division participated in the Harvard / Bloomberg Leading City Procurement Program. Finance staff coordinated with Information Technology and Human Resources to review demonstrations to select a new ERP software solution for future implementation. The Finance Department facilitated the preparation of the 2023 Budget adopted by the Board of Directors on December 20, 2022.

2023 Department Goals

Finance will preserve the City's bond rating and maintain a strong financial position.

Finance will ensure the protection of the City's investments.

Finance will complete the 2022 Annual Report and submit the report to the Government Finance Officers Association (GFOA) to retain the Award for Excellence in Financial Reporting.

Finance Staff will complete preparation of the 2023 Budget Document and submit it to GFOA to obtain the Distinguished Budget Presentation Award.

Finance will complete and file all required Legislative reports and continuing Debt Disclosure reports in a timely manner.

Finance will coordinate with the Mayor, Board of Directors, and City Manager to plan and develop a balanced budget for 2024, while also maintaining sufficient financial reserves.



2023 Department Goals (Continued)

Finance will coordinate with Executive Administration, Information Technology, the Chief Data Officer, and Human Resources to procure and implement an open checkbook and other financial transparency information for residents as directed by the Mayor and Board of Directors.

Finance will continue to coordinate with Departments to gather lease information required for GASB Statement No. 87 - Leases, implement a lease policy, and begin the process of implementing GASB Statement No. 96, Subscription Based Information Technology Arrangements (SBITA).

Finance will implement a vendor management subscription with Payment Works for ongoing verification of vendor information, to include Federal Tax ID, banking information, eligibility to do business with the Federal government, minority status, and other required documents.

Finance will coordinate with Executive Administration, Information Technology, and Human Resources to begin the process of procuring a cloud-based ERP solution.

Finance will work aggressively to fill vacant positions, including the Special Operations Manager, Bond Accountant, Finance Administration – Office Assistant II, Financial Systems Analyst, Senior Budget & Management Analyst, Accounts Payable Specialist, Accounts Payable Clerk II, Accounts Payable Office Assistant II, and Grants Compliance Coordinator positions.

Finance will continue development and implementation of a recurring training plan for Departments to include budget analysis, accounts payable processing, procurement, and expense reporting.

Finance will implement ePayables and Pcards to improve efficiency and generate rebates.

Finance will improve efficiency of monthly financial reporting through TRS, which is the software utilized for preparation of the ACFR.

Internal Audit Division will prepare an Annual Audit Plan, continuing the shift to a proactive approach promoting impartial reviews and risk-based analysis processes and internal controls, and will continue to provide other audit services that result in objective recommendations and useful information for City Departments.

Internal Audit Division will continue to perform periodic reviews and testing of the City's internal controls, perform random cash counts, and provide regular reports regarding the status of the City's internal control system, with recommendations for improvements as needed.



2023 Department Goals (Continued)

The Procurement Division and Small Business Development Office will continue to establish and develop external partnerships to promote education, training, and opportunities on doing business with the City of Little Rock with an emphasis on small and minority owned business participation to further progress toward achieving and exceeding the goal of 25% minority participation in City contracts.

Procurement will continue ongoing training and open hours with Departments to resolve bottlenecks and enhance communication with an emphasis on attention to detail and follow through on initiatives.

Treasury Management will instruct staff to find email addresses and phone numbers for every Business License account they review. Temporary summer staff will be retained to update every account with at least an email address and/or cell phone numbers for text message notifications. Treasury’s goal is to reduce the number of mailings each year until 100% paperless.

Treasury Management will collaborate with the online merchant to provide a free option for payments such as an e-check which is not a payment on credit. Assessments will be a paperless process in 2024 and the majority of payments will be made online beginning in 2025.

Treasury Management will research and implement the Income Tax Set Off Program to allow the City to “set off” a defendant’s income tax return for delinquent fines. All requirements for participation in the program will have to be completed by June 30, 2023, for inclusion in the 2024 setoff program.

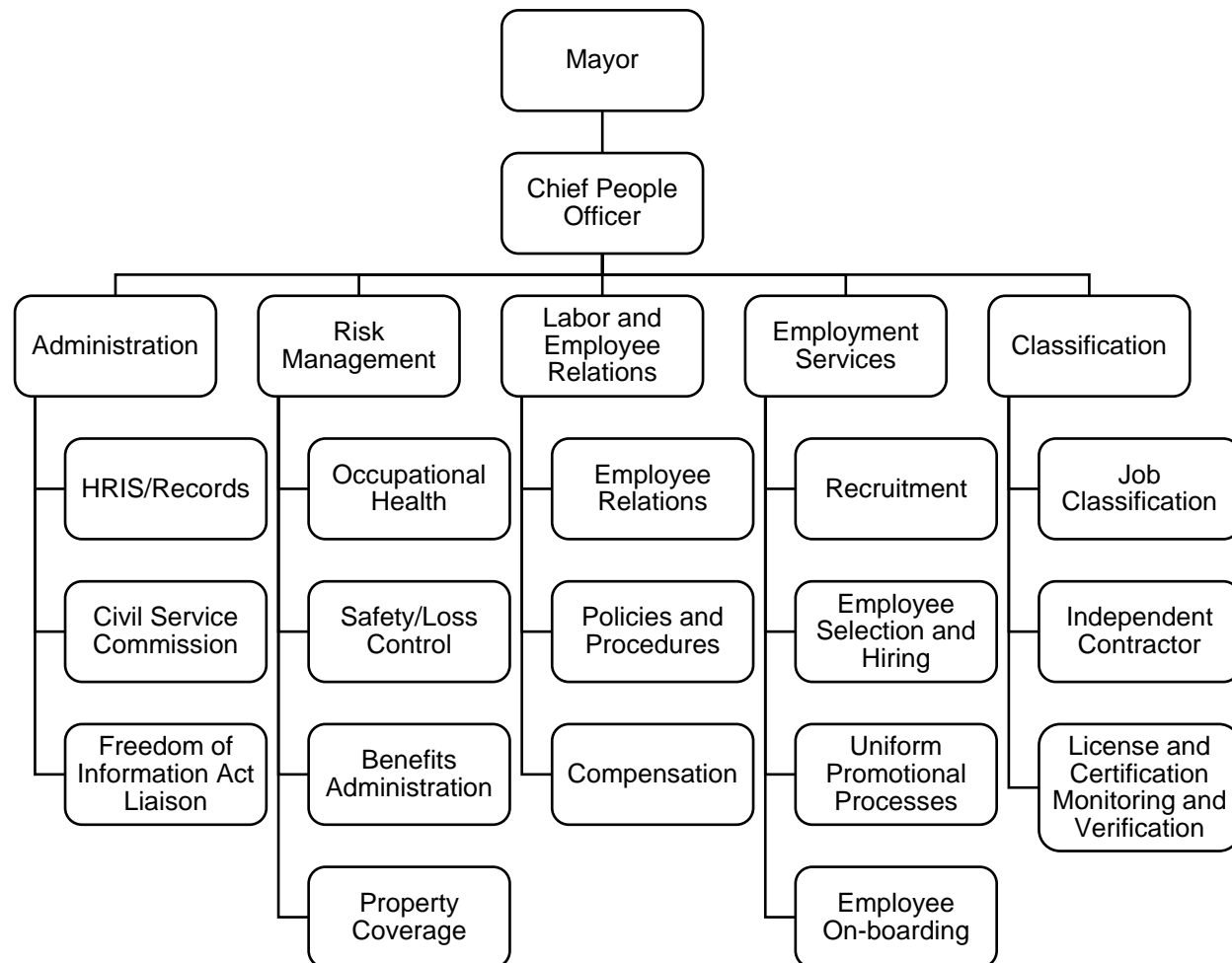
Treasury Management will coordinate with Accounting to assist with reconciling deposits to the Combined Bank Account since Treasury reviews deposits daily for cash flow analysis.

The Grants Division will streamline the grant implementation process (including the American Rescue Plan Act “ARPA”) from onboarding to closeout with the origin Department.

The Grants Division will work with departments to implement strategic plans for grant acquisition and will rollout Grant Management lifecycle software to better track and manage the City’s Grant Portfolio with an emphasis on ARPA funds.



Human Resources



Mission:

The Department of Human Resources will consistently provide training, support, and education to employees through collaboration and ensuring quality customer service is provided to employees and residents.

Vision:

The Department of Human Resources will function as a strategic partner with all City Departments, ensuring the City’s workforce is engaged, motivated, and productive, thus enabling Departments to provide high quality service to our residents.

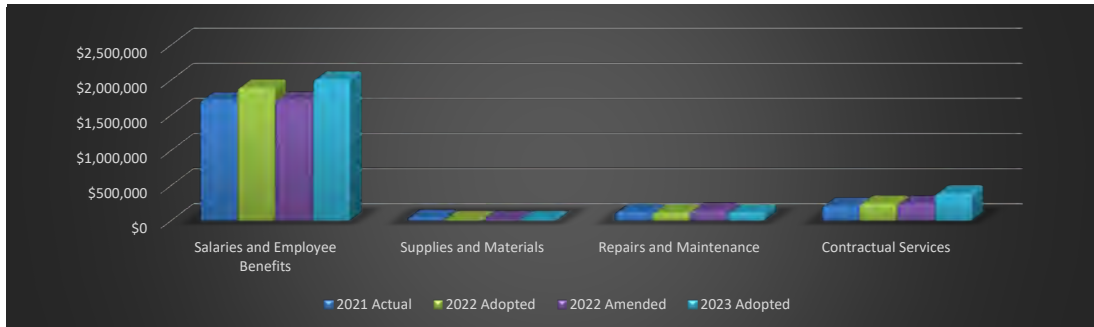
Human Resources

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 1,713,686	\$ 1,897,270	\$ 1,723,154	\$ 2,012,042
Supplies and Materials	41,262	17,200	17,200	17,200
Repairs and Maintenance	124,291	114,173	143,173	118,173
Contractual Services	214,393	245,750	245,750	390,750
Total	\$ 2,093,631	\$ 2,274,393	\$ 2,129,277	\$ 2,538,165

Staffing	25	25	26	25
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The Human Resources Department 2023 Budget reflects an increase of \$263,772 from the 2022 Adopted Budget and an increase of \$408,888 from the 2022 Amended Budget. The \$289,066 increase in personnel cost from the 2022 Adopted Budget is attributed to the transfer of the Wellness Coordinator and a Benefits Analyst from Special Projects to the General Fund and the addition of a Human Resources System Coordinator and a Senior HR Analyst. These additions are partially offset by the transfer of three (3) FOIA Coordinator positions to the City Attorney's Office (\$196,365). The remainder of the increase is attributed to the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes and reclassifications. Several positions were reclassified or adjusted during 2022 due to the difficulty in hiring to fill vacant positions. The increase to Repairs and Maintenance of \$4,000 includes the addition of IA-Pro Software for FMLA and Certifications Tracking - \$29,000, net of a reclassification of \$25,000 to Contracts at the request of the Department. The increase in Contracts includes the \$25,000 reclassification, a \$60,000 allocation for Neogov Maintenance and Modules, \$30,000 for background screenings for all City Departments, and \$30,000 for Employee Wellness activities. The budget amendments for 2022 include vacation/sick payouts of \$59,397, net of vacancy adjustments (\$153,308), and the prorated salaries for the three (3) FOIA Coordinator positions of (\$80,205).

Allocations By Year And Account Category



	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
Resources for Budget 100 General Fund	\$ 2,538,165	11.60%	19.20%



Human Resources

Department: Human Resources
Funding Source: General Fund
Budget: \$ 2,538,165

Department Description:
 To provide administrative human resource management support to all departments; to establish, implement, review, and modify policies and procedures.

	2021 Actual	2022 Estimate	2023 Budget
Objective: To administer benefit programs provided for city employees, including insurance coverage and to ensure that quality benefits are provided within financial and legal constraints.			
Demand: Total Enrollment meetings.	35	30	30
Workload: Number of enrollment meetings conducted.	35	33	10
Efficiency: Completed enrollment meeting materials by contract/payroll deadlines.	100%	100%	100%
Effect/Outcome: Percentage of enrollment materials completed by payroll and Contract targets.	100%	100%	100%
Objective: To develop and maintain effective job description/specifications to attract and retain qualified candidates/employees to build an innovative, productive City of Little Rock workforce.			
Demand: Total number of requests modify job descriptions/ specifications to include job descriptions updates, classification requests, and reclassification requests received per year.	296	277	290
Workload: Total number of requests modify job descriptions/ specifications to include job descriptions updates, classification requests, and reclassification requests received per year.	296	277	290
Efficiency: To write effective job descriptions/specifications to be utilized as a guiding document for employee selection, employee performance evaluations, hire appropriately skilled and experienced candidates, identify training needs, succession planning efforts, and other employee and organization developmental needs within (sixty) 60 days from receipt of all requests.	34	30	60
Effect/Outcome: Average number of days to write effective and accurate job descriptions/ specifications.	34	30	60



Human Resources

	2021 Actual	2022 Estimate	2023 Budget
Objective: To conduct driver's license verifications of city employees to alleviate the potential liability for the City of Little Rock organization.			
Demand: Number of driver's license verifications conducted.	1,996	1,053	2,075
Workload: Number of driver's license verifications conducted.	1,996	1,053	2,075
Efficiency: To initiate action toward ensuring city employees are in compliance with driver's license requirements as specified on the respective job descriptions/specifications and maintain compliance with City insurance provider.	100%	100%	100%
Effect/Outcome: Percentage of valid driver's license verifications conducted.	100%	100%	100%
Objective: To review services of individuals/sole proprietors to ensure appropriate classification as employee or independent contractor in compliance with Internal Revenue Service (IRS) guidelines and regulations.			
Demand: Total number of services reviewed to determine appropriate classification as employee or independent contractor	100	83	88
Workload: Total number of services reviewed to determine appropriate classification as employee or independent contractor	100	83	88
Efficiency: To ensure the services provided are appropriately classified for prevention of non-compliance findings and associated fines.	100%	100%	100%
Effect/Outcome: Total percentage of services reviewed.	100%	100%	100%
Objective: To conduct salary surveys to ensure salary levels of specific job categories are competitive and/or to determine if City of Little Rock's current rates of pay are comparable, higher or lower, than the relative labor market; to recommend changes to the salary structure or specific positions to ensure competitiveness.			
Demand: Total number of market surveys completed	5	7	8
Workload: Total number of market surveys completed	5	7	8
Efficiency: To regularly review City of Little Rock salary levels relative to the labor market to recruit and retain qualified and quality candidates/employees for City of Little Rock positions.	100%	100%	100%
Effect/Outcome: Percentage of surveys completed.	100%	100%	100%



Human Resources

	2021 Actual	2022 Estimate	2023 Budget
<p>Objective: To conduct Fair Labor Standards Act (FLSA) time records audits within the organization to identify potential areas of non-compliance relative to Fair Labor Standards Act (FLSA) activities, assess risks, and reduce the City of Little Rock’s exposure to FLSA liability and non-compliance.</p> <p>Demand: Target known/suspected problem areas.</p> <p>Workload: Target known/suspected problem areas.</p> <p>Efficiency: The FLSA audit findings provides data to work with City Departments to develop and implement corrective actions and practices to ensure consistent application and compliance of the FLSA laws throughout the City of Little Rock organization.</p> <p>Effect/Outcome: Percentage of known/suspected areas audited.</p>	1	3	5
	1	3	5
	100%	100%	100%
	100%	100%	100%
<p>Objective: To receive, evaluate and maintain applications and related documents for all City Positions; to recruit applicants for all City positions needed (including Civil Service, non-Civil Service, and Part-time positions); administer the City’s equity process for new hires, promotions, and any other position change; to administer the City’s LRLD (Little Rock Learning and Development) Program.</p> <p>Demand: The average number of days required to announce, screen/test and refer applicants.</p> <p>Workload: The number of actual positions which were processed (i.e., posted, screened/tested, and referred).</p> <p>Efficiency: Number of all applicants for posted full-time positions.</p> <p>Effect/Outcome: Average number of days to submit/refer a list (from the receipt of a requisition to the referral of a list).</p>	12	10	10
	319	327	375
	6,870	9,370	12,000
	9.8	11.458	12
<p>Objective: Provide a cost-effective self-funded Workers’ Compensation program which meets legal requirements and to reduce the City’s risk of loss due to accidents.</p> <p>Demand: Year to date cost per claim.</p> <p>Workload: Number of claims.</p> <p>Efficiency: Percentage of claims properly reported to the Workers’ Compensation Commission within the ten (10) day requirement.</p> <p>Effect/Outcome: Proper claim management driven by on time reporting percentages.</p>	\$6,973	\$6,376	\$6,000
	289	286	280
	96.67%	100%	100%
	100%	100%	100%



Human Resources

	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Budget</u>
Objective: Ensure that City property is protected and restored in the event of casualty, vandalism, theft or other destructive acts and to minimize the impact of loss of property on the operating department responsible for the property.			
Demand: Approximate building valuation (in millions).	528	538	690
Workload: Actual Value.	528	538	0
Efficiency: Maintain or improve coverage without unnecessary increase in premium rates.	0.21%	0.25%	0%
Effect/Outcome: Percent increase in premium rates.	12%	19%	0%

The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for Basic City
 Services and Quality of Life.**





2022 Department Accomplishments

In keeping with the Overall City Goals and Objectives Must Do Policy Statement for Basic City Services, the Human Resources Department conducted many recruitment processes to fill the City's many vacancies in addition to performing many additional promotional procedures for the Police and Fire Departments. The Department also completed selection processes for two (2) LRPD and two (2) LRFD recruit academies. The Department again received many requisitions to fill vacant positions. The Department purchased and is implementing software to assist with the growing trend of increasing requests under the Family Medical Leave Act (FMLA), Americans with Disabilities Act (ADA), Catastrophic Leave Program, and Crisis Leave Program. The Wellness Division added several more education, contests, and wellness activities, including blood pressure screenings, river walks, mammogram screenings, Food Truck Fridays, yoga classes, and more to increase City employee wellness. Human Resources distributed guidance on modified work arrangements/schedules to assist departments in becoming more flexible. Over 211 job descriptions were reviewed and updated to ensure accurate descriptions for advertisements and assist in the ADA accommodation process. The Department uncovered several violations of the Fair Labor Standards Act in Departments, and staff worked with managers to get appropriate corrective actions in place to eliminate the issues. The Department utilized onboarding tools to incorporate flexible options for part-time employees and assist full-time employees.



2023 Department Goals

Implement electronic processes (PSIgen workflow) for status change approvals Citywide.

Implement IPro software for all Human Resources divisions.

Research and propose introducing workers' compensation concierge services into the existing program.

Compensation Philosophy Strategic Plan for City to address 1) philosophy 2) needed salary range adjustments 3) realigning all grades to ensure internal equity 4) make first quarter recommendations for salary adjustments to meet Compensation Philosophy in conjunction with grade range adjustments.

Search firm selections for Assistant Public Works and Finance Directors.

Recruitment and selection of a Chief People Officer.

Restructure and launch the LEAD program.

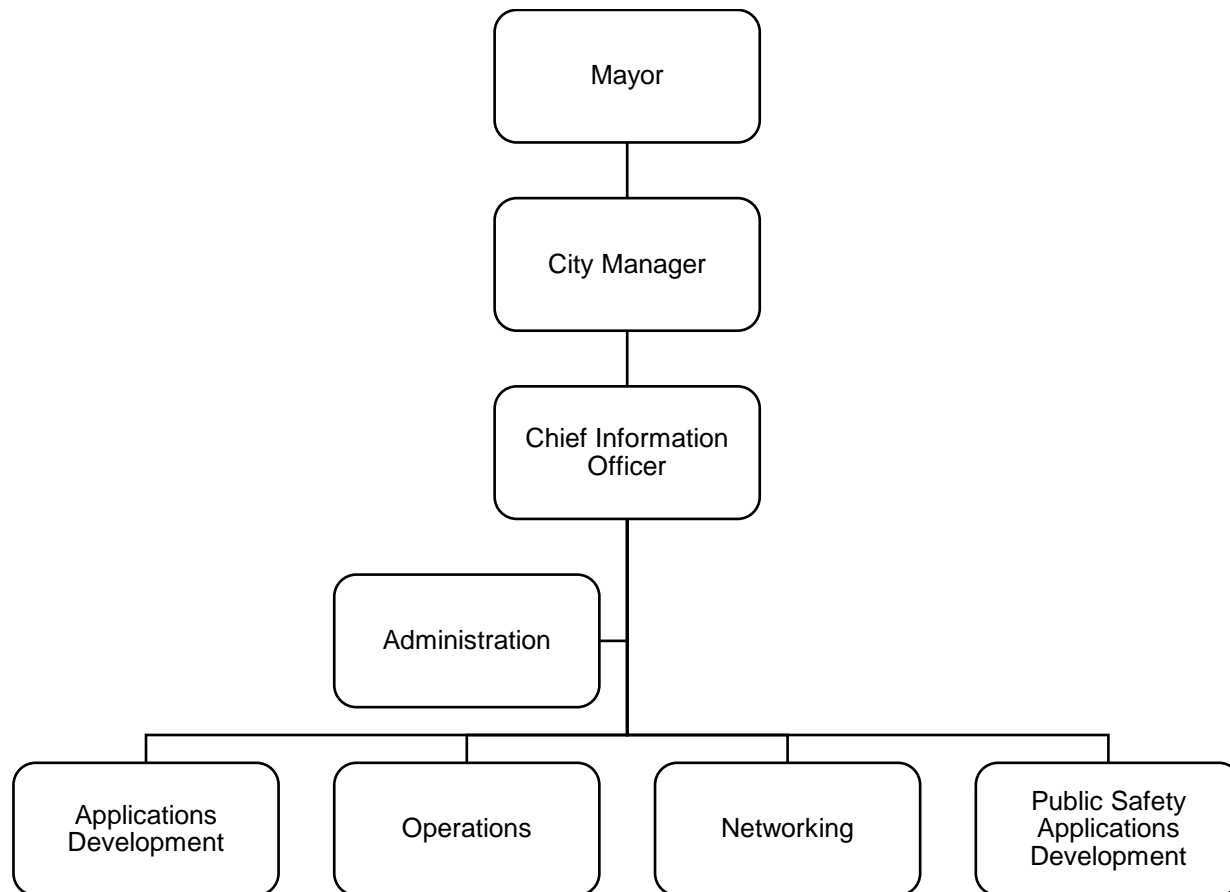
Evaluate cafeteria plan implementation.

Participate in the selection process for an Enterprise Resource Planning (ERP) system and work on implementation with other City departments.

Build out NeoGov LEARN classes with in-house training classes (with Information Technology department) for Department-specific classes.



Information Technology



Mission:

The mission of the City of Little Rock’s Information Technology Department is to support the City of Little Rock, by providing leadership and knowledge to staff in the appropriate application of technology, and to provide an efficient and reliable infrastructure for voice and data communication to enable City officials, staff and employees to deliver the highest level of service to the Residents of Little Rock.

Vision:

The City of Little Rock Departments, and the Residents of Little Rock, will have updated and accessible technology services. IT will provide accurate and timely information, where and when Departments and Residents need it and in the format that is most useful, concise, and transparent.

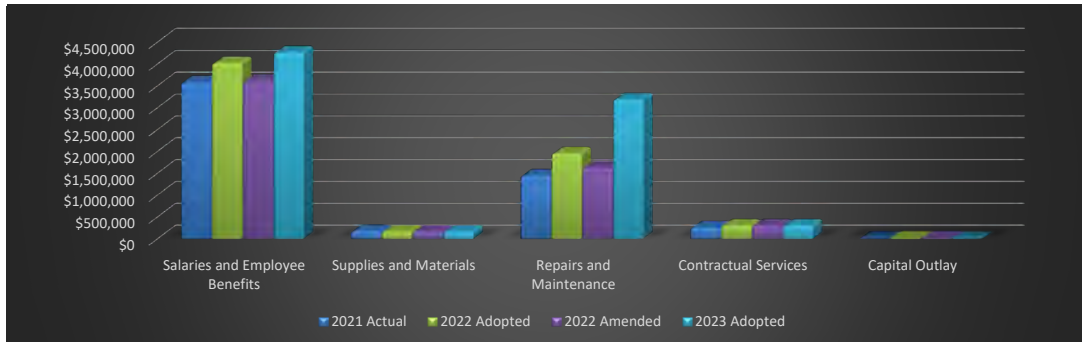
Information Technology

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 3,592,456	\$ 4,030,902	\$ 3,625,922	\$ 4,273,069
Supplies and Materials	187,612	176,856	177,833	177,251
Repairs and Maintenance	1,455,292	1,961,801	1,636,367	3,199,785
Contractual Services	262,951	313,112	313,112	313,112
Capital Outlay	-	10,500	10,500	-
Transfers	400,000	-	500,000	-
Total	\$ 5,898,310	\$ 6,493,171	\$ 6,263,734	\$ 7,963,217

Staffing	41	41	42	43
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The Information Technology Department 2023 Budget reflects an increase of \$1,470,046 from the 2022 Adopted Budget and an increase of \$2,199,483 from the 2022 Amended Budget. Approximately \$66,700 of the \$242,167 personnel cost increase from the 2022 Adopted Budget is attributed to the addition of an IT Procurement and Financial Assistant. The remaining \$165,467 increase is attributed to the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes and reclassifications. Several positions were reclassified or adjusted during 2022 due to the difficulty in hiring to fill vacant positions. The increase in repairs and maintenance includes \$1,076,200 for Microsoft 365 Licenses for 1,640 users, backup for online Office 365 - \$35,000, the increase in the Microsoft Enterprise Agreement annual renewal of \$44,000, and \$82,000 for Storage and Servers / Microsoft server licenses. The reduction in Capital Outlay was associated with a one-time equipment addition in 2022 for a Network Security Analyst. The budget amendments for 2022 include vacation/sick payouts of \$15,363, net of vacancy adjustments (\$420,343).

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	\$ 7,963,217	22.64%	27.13%



Information Technology

Department: Information Technology
Funding Source: General Fund
Budget: \$ 7,963,217

Department Description:

To provide systems management, administration, review and development of Information Technology policies and standards, technical support, training, technology design and selection, technology acquisition, and strategic planning services for all city departments.

	2021 Actual	2022 Estimate	2023 Budget
Objective: To ensure that the City's local area computer network is available 99% of the available work hours.			
Demand: Hours available in the work year.	8,760	8,760	8,760
Workload: Hours available for use per year.	8,760	8,760	8,760
Efficiency: Actual hours available for use per year.	8,472	8,472	8,472
Effect/Outcome: Percentage network is available during work hours.	99%	99%	99%
Objective: To ensure that 97% of the city staff trouble tickets receive a satisfactory or better rating.			
Demand: Number of trouble ticket per year.	15,537	13,000	13,000
Workload: Number of tickets processed within the year.	16,135	13,000	13,000
Efficiency: Number of satisfactory or better tickets.	15,913	12,870	12,870
Effect/Outcome: Percent of satisfactory or better rated tickets.	99%	99%	99%

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Basic City Services.**





2022 Department Accomplishments

The Information Technology Department continues to assist with the facilitation of virtual public meetings. The Department worked diligently with the Police Department to set up the technology framework for their new facility and create a Real Time Crime Center. The Department upgraded the phone system at the Animal Village, reducing their annual obligations. The Department is implementing multi-factor authentication to enhance the security of all City employees. For the first time in the City's history, Police and Fire can be interfaced into the Computer Aided Dispatch system and placed on calls for service, and Fire runs by the individual rather than by position. Information Technology is awaiting the arrival of the final piece for the core upgrade project, scheduled to be completed early second quarter, providing employees with a faster, more reliable connection while affording the City a higher level of network security. Information Technology has initiated the migration of all users to Microsoft Office 365. The Department upgraded SharePoint, and the Exchange environment is ready for the upcoming upgrade.

2023 Department Goals

Deploy Office 365 to all applicable City employees.

Upgrade and migrate the City's current on-prem Exchange platform to the cloud version.

Upgrade and migrate the City's current on-prem SharePoint platform to the cloud version.

Implement a security monitoring solution to keep City employees aware of potential cyber threats.

Research and implement a patch management solution to assist with the patching of clients and servers.

Upgrade and replace the City's core infrastructure equipment to ensure the reliability of network communications and increase security for all City staff and systems.

Upgrade and replace 70 Checkpoint firewalls that are end-of-life in various locations and pose a vulnerability risk.

Deploy and train all City employees in using Cisco DUO, multi-factor authentication.

Implement Network Security Virtualization (NSX).

Enhance the network infrastructure at the East Little Rock Community Center and the downtown Police Kiosk.



2023 Department Goals (Continued)

Upgrade the security access system to all Information Technology Data Centers.

Provide technical support to the Fleet Department in implementing the Enterprise Asset Management system (EAM). Ensure the inventory module is available to all City Departments and load inventory data for the Information Technology Department.

Research the feasibility of a barcoding system for the tracking of technology assets.

Provide technical support to the Finance Department's budget system.

Replace existing VDI hardware if funding is available.

Complete the installation of the Voice over Internet Phone (VoIP) system at the remaining Fire Stations, Animal Village, and Resource Centers.

Work with Zoo to purchase and implement a new Point of Sale (POS) system.

Participate in training and explore Power Business Intelligence (Power BI) to determine if the City can create a Records Management System (RMS) dashboard.

Create a database to import all CISCO phone numbers and new numbers as facilities are added to ensure proper billing by Department.

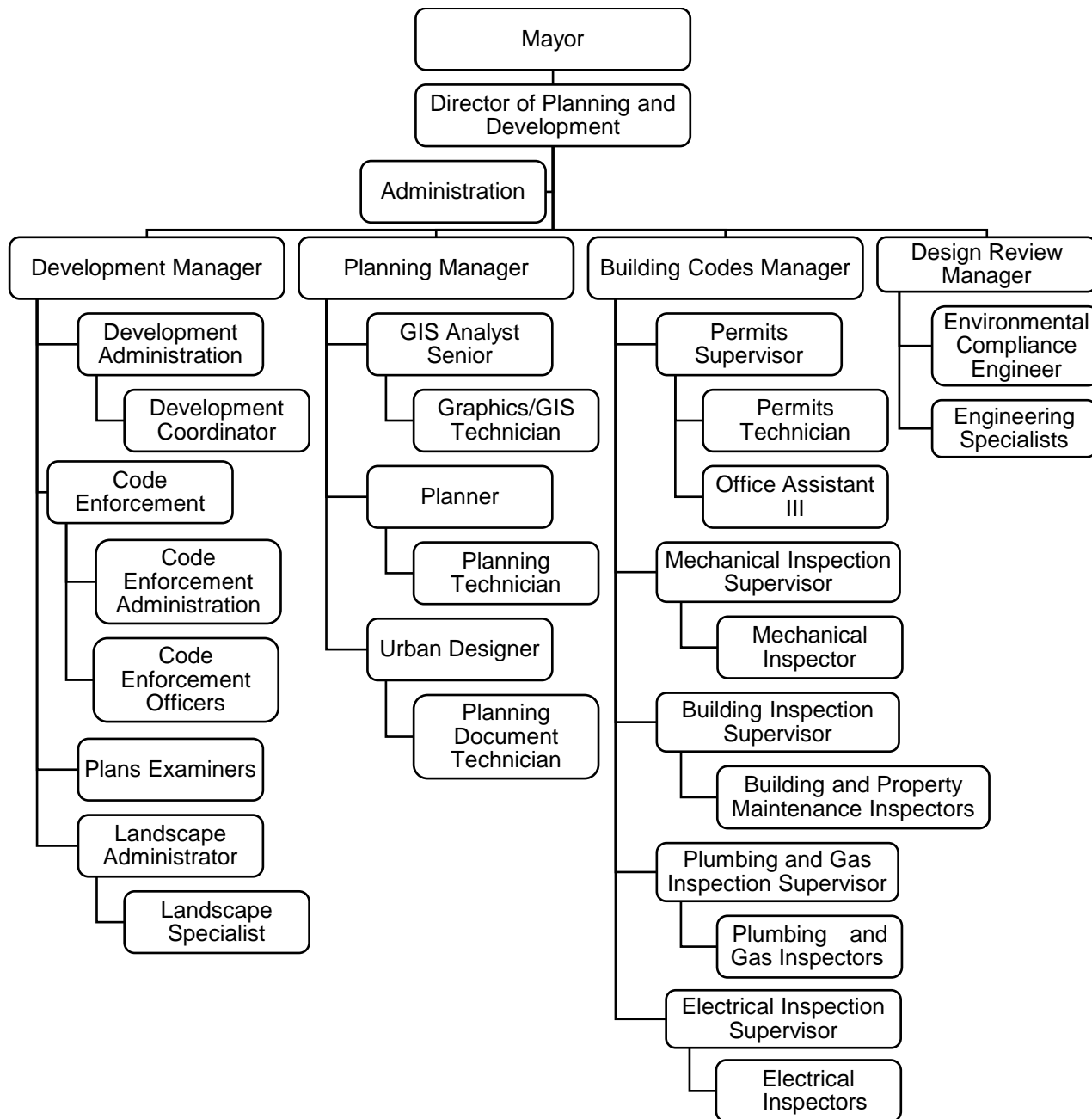
Upgrade INFOR core to the latest on-prem version. Develop training documentation to enhance user knowledge, complete retiree benefit tracking within INFOR, look at deficiencies, and propose remedy solutions.

Secure a vendor for website maintenance and hosting.

Migrate burn permit applications from a stand-alone system to an all-new application.



Planning and Development



Mission:
 To enhance the quality of life for the residents of Little Rock through exceptional service that encourages quality growth, development, redevelopment, and the stabilization of neighborhoods through an efficient and equitable effort of planning, land use controls, Historic Preservation, permitting, and enforcement.

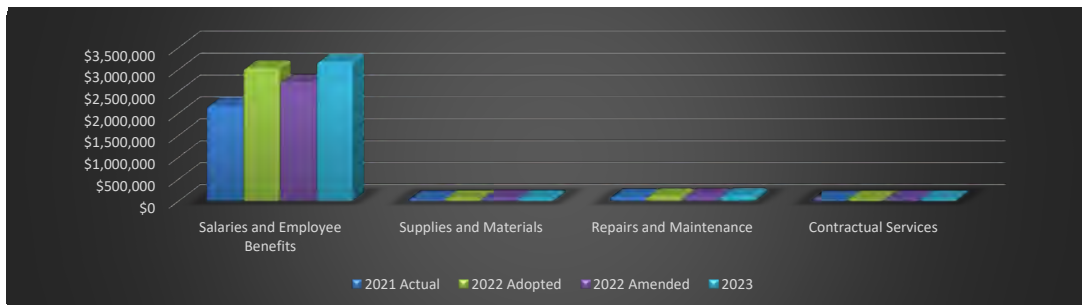
Planning and Development

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 2,175,026	\$ 3,033,779	\$ 2,717,261	\$ 3,180,867
Supplies and Materials	45,278	61,964	71,877	66,139
Repairs and Maintenance	102,463	109,452	109,452	115,628
Contractual Services	43,225	49,811	49,811	50,111
Total	\$ 2,365,991	\$ 3,255,006	\$ 2,948,401	\$ 3,412,745

Staffing	39	39	46	46
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The Planning Department 2023 Budget reflects a \$157,739 increase from the 2022 Adopted Budget and a \$464,344 increase from the 2022 Amended Budget. The \$147,088 increase in personnel cost is primarily attributed to the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes and reclassifications. The decrease in supplies is associated with a budget reclassification of \$2,500 to Repairs, and \$300 to Contracts at the request of the Department. The \$10,651 increase in Fleet fuel and services was determined by the Fleet Department. The budget amendments for 2022 include vacation/sick payouts of \$29,009, net of vacancy adjustments (\$345,527).

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	\$ 3,412,745	4.85%	15.75%



Planning and Development

Department: Planning and Development
Funding Source: General Fund
Budget: \$ 3,412,745

Department Description:
 To administer and enforce the City's development ordinances and construction codes.

	2021 Actual	2022 Estimate	2023 Budget
Objective: To process 95% of all applications within forty-five (45) days.			
Demand: Land Use, Historic District, and River Market District cases to be processed.	32	25	45
Workload: Land Use, Historic District, and River Market District cases processed.	32	25	45
Efficiency: Cases reviewed/completed per month.	2.67	2.1	3.75
Effect/Outcome: Completion of cases	100%	100%	100%
Objective: To process all inspection request within one (1) day.			
Demand: Building, Plumbing Mechanical, and Electrical inspection requests possible.	20,669	20,673	21,948
Workload: Building, Plumbing Mechanical, and Electrical inspection requests completed.	20,669	20,673	21,948
Efficiency: Inspection requests completed per year.	20,669	20,673	21,948
Effect/Outcome: Percentage of requests completed.	100%	100%	100%
Objective: To complete zoning, subdivision, and sign code enforcement inspections, and re-inspections within policy-directed time frames.			
Demand: Zoning, subdivision and sign code inspections and re-inspections to be completed.	8,500	8,900	8,900
Workload: Zoning, subdivision and sign code inspections, and re-inspections completed.	8,500	8,900	8,900
Efficiency: Cases processed per year.	8,500	8,900	8,900
Effect/Outcome: Compliance and completion of cases.	100%	100%	100%
Objective: To process 95% of all applications within forty-five (45) days of filing for Board of Adjustment and Planning Commission and within ninety (90) days of filing for final Board action.			
Demand: Processing of Conditional Use, Tower Use, Special Use, Variances, Preliminary or Final Plats, Planned Developments and Site Plan Reviews.	248	245	250
Workload: Total Cases available per year.	248	245	250
Efficiency: Cases processed per year.	248	245	250
Effect/Outcome: Compliance and completion of cases.	100%	100%	100%

The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for
 Basic City Services.**





2022 Department Accomplishments

During 2022, the Planning Department revised its permitting process to include a fully integrated engineering staff. It began revising the permitting system to include enhancements requested by general contractors, implementing a new field inspection system for the Building Division, and integrating the implementation of 311 complaints into the Infor system.

2023 Department Goals

Expand our services including inspection and enforcement to Saturdays.

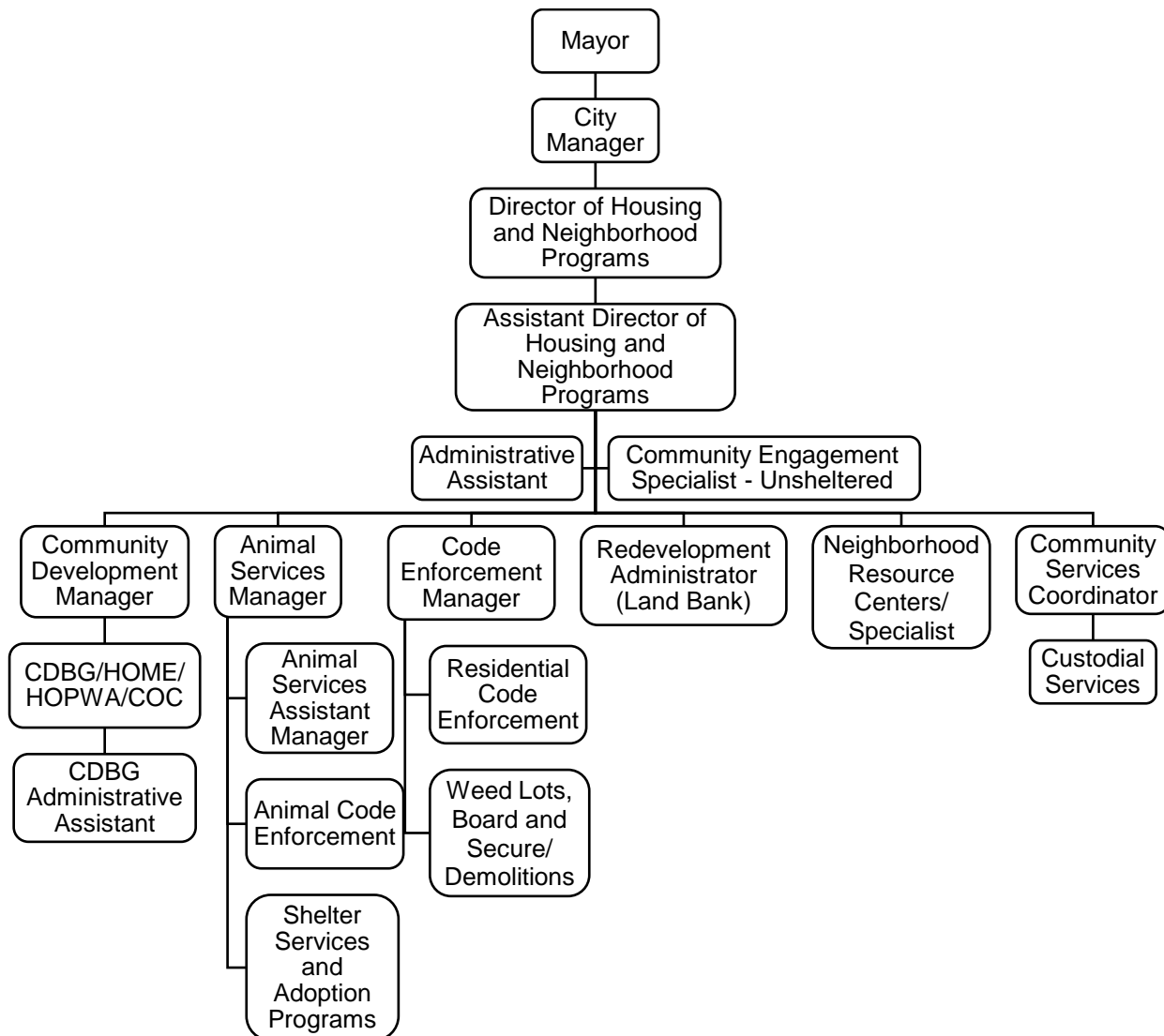
Implement a new field enforcement system for Development Division.

Increase Planning efforts to assist the neighborhood associations in developing/revising their plans.

Revise Stormwater Management and Drainage Manual.



Housing and Neighborhood Programs



Mission:

To enhance the quality of life for the citizens of Little Rock by encouraging quality, affordable development and redevelopment while working closely with neighborhood organizations to identify resources needed to strengthen and make improvements in their areas; and to protect the health and safety of the citizenry through the efficient implementation and enforcement of environmental and animal services codes.

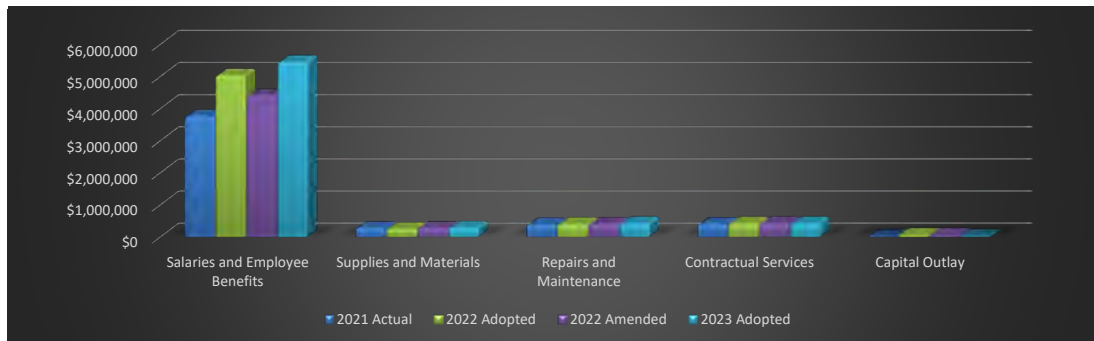
Housing and Neighborhood Programs

Expenditure Budget				
Account Category	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 3,772,914	\$ 5,046,782	\$ 4,419,808	\$ 5,464,387
Supplies and Materials	293,227	260,165	290,424	296,926
Repairs and Maintenance	396,967	414,619	414,619	438,916
Contractual Services	410,235	436,427	436,427	436,427
Capital Outlay	-	62,000	62,000	-
Total	\$ 4,873,343	\$ 6,219,993	\$ 5,623,278	\$ 6,636,656

Staffing	99	99	99	105
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The Housing and Neighborhood Programs 2023 Budget reflects a \$416,663 increase from the 2022 Adopted Budget and a \$1,013,378 increase from the 2022 Amended Budget. The \$417,605 increase in personnel cost includes the addition of six (6) positions at an estimated cost of \$310,700. The positions include an Animal Services Coordinator, two (2) Animal Care Technicians, a Housing Programs Coordinator, and two (2) Neighborhood Resource Specialists. Other personnel cost increases of \$106,905 are attributed to the 3.5% salary increase, net of the reduction to health insurance cost, and other employee benefit changes and reclassifications. The increase to supplies includes \$20,000 for increased food costs for Animal Services. The capital outlay decrease is attributed to the 2022 one-time addition of \$62,000 for software enhancements for code enforcement, including Planning and Development. The budget amendments for 2022 include vacation/sick payouts of \$61,966, net of vacancy adjustments (\$688,940).

Allocations By Year And Account Category



Resources for Budget 100 General Fund	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
	\$ 6,636,656	6.70%	18.02%



Housing and Neighborhood Programs

Department: Housing and Neighborhood Programs
Funding Source: General Fund
Budget: \$ 6,636,656

Department Description:

To provide administrative and managerial support to the Department of Housing and Neighborhood Program's divisions and program activities; Community Development Block Grant, Neighborhood Programs, Neighborhood Services/Alert Centers, Willie L. Hinton Neighborhood Resource Center, and Environment Services.

	2021 Actual	2022 Estimate	2023 Budget
Objective: To enter on call bulky items pickups.			
Demand: Residential calls received for bulky pickups.	856	624	700
Workload: On call bulky item pickups entered.	6,494	6,300	5,500
Efficiency: Average Bulky Item Pickup per month.	541	525	458
Effect/Outcome: Percentage of bulky items pickups completed annually.	100%	100%	100%
Objective: To enforce nuisance codes through property inspections.			
Demand: Nuisance code inspections to be performed.	32,056	30,000	33,600
Workload: Nuisance code inspections performed.	*13,525	30,833	33,600
Efficiency: Average nuisance code inspections done per month.	1,127	2,569	2,800
Effect/Outcome: Percentage of nuisance code inspections completed annually.	42.2%	102.7%	100%

***Due to COVID-19, in 2021, the Department performed fewer inspections than usual.**

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City and Basic City Services.**





2022 Department Accomplishments

Animal Services hired four (4) new Animal Services Officers as the division was down to one (1) officer last year at this time, hired seven (7) Kennel Techs and Assistants, hired an Administrative Assistant, filled the Assistant Manager Position, filled the Shelter Supervisor Position, and held two (2) career fairs where we hired nineteen (19) individuals. Plans are in the works for an intake addition of Animal Village, something we have been working on for over ten (10) years, as well as a minor rehab of the facility that included painting the halls, replacing ceiling tiles, and refinishing the floors. Intake consisted of 3,494 animals compared to 2,765 animals in 2021 with adoptions, reclaims, and transfers totaling 2,122 compared to 1,859 in 2021, and we have transported a total of 746 animals. Finally, we completed quarterly public service announcements (PSAs) to educate the general public.

Code Enforcement responded to 23,029 calls for service, successfully resolving 96% of the calls. The average violation compliance length was 14 days, and 80% of code enforcement cases were brought into compliance within 30 days. The Special Projects team cut 2,322 lots and boarded and secured 65 vacant properties. The team also coordinated with local contractors to remove unsafe structures that posed a health and safety risk to the surrounding community and successfully removed 66 structures, with 18 properties currently waiting to be demolished. We cleared 25 properties from the City of Little Rock's unsafe/vacant property list. The division certified 776 liens, generating \$216,707.17 in revenue. The division also had the highest officer retention in the last five (5) years, with 36 officers on staff out of 38. We held two (2) well-attended Code Enforcement Academies and offered a citizen's academy. We held more in-house training for staff and had them attend virtual code enforcement training to enhance their knowledge. We made necessary changes to the policy and procedures, staffing locations, communication, and file preparation for a more cohesive and efficient department. The Special Projects Team cleared several unsheltered camps at the request of the Mayor in less than one (1) day. Finally, we completed quarterly PSAs to educate the general public.

Community Development developed nine (9) new construction units on vacant lots throughout the City, selling seven (7) properties. We held two (2) down payment assistant (DPA) workshops, including Realtors, Lenders, and The Office of Diversity Equity and Inclusion, with 120 people in attendance. We completed four (4) Special Needs Assistance Program (SNAPs) with Arvest Bank, Federal Home Loan Bank of Dallas, and eight (8) DPAs. We completed 62 homes under the Emergency Assistance Grant Program and seven (7) homes under the Wheelchair Ramps activity. We assisted 9,399 low-income families through health and dental services provided at the Nathaniel W. Hill Complex. We helped 499 low-income elderly citizens through the Meals on Wheels Program provided through Carelink. We assisted 61 households with rental assistance, provided hotel vouchers for 122 families during Hurricane Ida, and provided hotel vouchers for 232 unsheltered families. We acquired 37.5 lots for Affordable Housing Development. Finally, we completed quarterly PSAs to educate the general public.



2022 Department Accomplishments (Continued)

Community Engagement Advocates engaged with 959 unsheltered individuals from April to the end of 2022. We cleared approximately 37 unsheltered camps, assisted 137 individuals, with around 48 taking permanent housing, and created a resource pamphlet for unsheltered individuals, still waiting for approval.

Land Bank acquired two (2) properties within the Land Bank focus area. It reduced the number of donations, thus disposing of existing inventory in the City. The division worked with Padgett Law Firm and the City Attorney to complete two (2) quiet title actions. In 2021-2022, University District constructed two (2) single-family units with CDBG and HOME funds. The division completed an educational video for the University of Arkansas at Little Rock's (UALR) Real Estate and Business Law Class. The division disposed of 30 properties in the Land Bank inventory, updated the division's brochure, and met with the City of West Monroe, LA, to give insight on the City of Little Rock's Land Bank Division and completed PSAs quarterly to educate the general public.

Resource Specialist staff attended and assisted with the 2022 Neighborhoods USA (NUSA) Conference in Little Rock from May 4 - May 7, 2022. We hired four (4) Resource Specialists for Tyler Street, 33rd Resource Center, West Central, and Stiff Station. We assisted with five (5) Neighborhood Clean-Ups, 29 Special Projects (COVID Clinics, Back to School Give-Aways, etc.), eight (8) relocations due to fire, and 35 unsheltered persons with hotel accommodations. National Night Out was held at four (4) Resource Centers. The division surveyed service areas weekly, with over 3000 entries entered into the 311 system, and completed PSAs quarterly to educate the public.

The first phase of the Willie Hinton Neighborhood Resource Center remodel is complete. The division installed two (2) monitor screens to advertise meetings. In 2022, 5,226 people accessed the facility for public meetings, with 224 meetings held. For 2023, we have booked 228 meetings and will continue to book meetings throughout the year.

Special Projects include the Unsheltered Village Land, 3.5 acres, under contract. We held the Love Your Block (LYB) Award Luncheon covering years 2019 and 2020, held off due to the COVID pandemic, and awarded five (5) different organizations for being rated the top three (3) for each year. During 2022, The Love Your Block Grant (LYB) had 16 applicants, with 15 organizations completing their proposed projects for a total reimbursement of \$21,165.58. We held two (2) Professional Development Days for all staff in 2022.



2023 Department Goals

Animal Services will continue working to fill open positions and maintain a list of eligible applications to replace staff that leave for other positions or termination.

Animal Services will start construction of the intake addition and install new kennels in the Animal Village.

Animal Services will continue to train new staff quickly to start writing citations to increase the number of citations written for violations of the Animal Ordinance. New staff must have six (6) months of training before "Citation Certification" can be achieved.

Animal Services is working to remind people that we are open for adoptions and want to get our volunteers back to pre-2020 numbers.

Animal Services will continue working on getting our "Live Release Rate" to 2019 levels of over 80%.

Animal Services will continue to coordinate with ASPCA to facilitate moving over 800 pets to new homes.

Code Enforcement staff will continue rotating the PSAs to reflect the most relevant Code issues.

Code Enforcement will utilize different senior officers throughout the year and produce four (4) in 2023.

Code Enforcement will continue to provide ongoing training to improve the accuracy of notices, citations, affidavits, and condemnation files.

Code Enforcement staff will attend virtual and in-person trainings.

Code Enforcement will have Supervisor and Senior Officers obtain certification from the International Code Council for Property Maintenance and Housing Inspector.

Code Enforcement will continue to update and modify Motorola Solutions CSR software to further code enforcement's goal to become a digital department and to help provide better interdepartmental communication.

Code Enforcement will continue scanning old cases to add to the digital file repository.

Code Enforcement will have all rental inspections done using a web-based inspection form.



2023 Department Goals (Continued)

Code Enforcement will create a dedicated team that will oversee all UV residential structures in the City to monitor progress and conditions continuously.

Code Enforcement will have a dedicated Senior Rental Inspector and team in one (1) location.

Code Enforcement will create a training officer position.

Code Enforcement will provide new equipment to allow crews to clear trees on vacant lots and become proactive in clearing vegetation and debris piles blocking sidewalks of vacant properties.

Code Enforcement will work with City Officials to create policies and procedures for a program that will help eliminate blight and vacant properties from the Central High neighborhood, helping to maintain the required fifty-one percent (51%) status and potentially adding affordable housing to the City.

Code Enforcement will continue to host The Citizens Academy, free for participants and an opportunity to learn about the functions and services of the Housing and Neighborhood Programs Code Enforcement.

Code Enforcement will offer two (2) Citizen Code Enforcement Academies in 2023.

Code Enforcement will strive to maintain at least 36 Code Officers on average throughout the year.

Community Development will develop ten (10) new construction units on vacant lots throughout the City. The goal is also to acquire/rehab two (2) units.

Community Development will complete 20 Environment Reviews and 20 Down Payment Assistance subsidies.

Community Development will complete five (5) homes under the Elderly Home Repair Program, and we will complete ten (10) homes under the Limited Home Repair Grant Program.

Community Development will complete 50 homes under the Emergency Assistance Grant Program.

Community Development will complete 20 homes under the World Changers activity in the summer of 2023, and we will complete ten (10) homes under the Wheelchair Ramps activity.



2023 Department Goals (Continued)

Community Development will assist 10,500 low-income families through health and dental services provided at the Nathaniel W. Hill Complex.

Community Development will assist 600 low-income elderly citizens through the Meals on Wheels Program provided through Carelink; however, this will depend on the amount of funding received by Carelink.

Community Development will continue to seek other funding sources to leverage with HOME and CDBG Funds in 2023, such as SNAP from the Federal Home Loan Bank of Dallas. The staff has a goal to complete 5 SNAPS with ARVEST and First Security Bank.

Community Development will research the development of a Targeted Neighborhood Enhancement Program (TNEP) to foster redevelopment and reinvestment in specific neighborhoods.

Community Development will expense Emergency Solutions Grant funding for Street Outreach and Rapid Rehousing.

Community Development will purchase land for Micro-Village and release an Unsheltered Outreach Center RFQ.

Community Development will attend Annual Conferences, NeoGov training, HUD-Exchange webinars, NUSA, Annual Professional Development Events, and weekly team meetings.

Community Development will earn the John A Sasso award.

Community Development will market through a Division Website newsletter, Next-door App, social media, and PSA.

Community Development will complete the HOWPA HUD Audit, Internal File Audits, Automated File Management, Timely Lien releases, fill two (2) vacant positions, and add one (1) part-time CATCH staff.

Community Engagement will attend multiple conferences throughout 2023 to gain knowledge to assist the unsheltered population better.

Community Engagement will acquire a 4x4 truck to complete daily job functions efficiently and gain a better relationship with City departments to enhance the working relationships with private owners and commercial management companies.



2023 Department Goals (Continued)

Community Engagement will complete a brochure with resources included for the unsheltered.

Community Engagement will engage with 1,500 unsheltered individuals and assist 150 with permanent/temporary housing.

Community Engagement will clear 40 encampments throughout the City.

Land Bank will continue City lien foreclosure actions through the City Attorney's Office on properties near current Land Bank properties.

Land Bank will focus on property acquisitions within target areas established by staff and to cluster properties.

Land Bank will continue partnerships with the Community Development Division and other entities to rehab Land Bank properties. The goal is a minimum of three (3) Land Bank properties developed by Community Development Division and/or Community Housing Development Organizations (CHDO). The Land Bank's goal is for a minimum of three (3) property acquisitions or dispositions.

Land Bank will advertise inventory to increase awareness of the Land Bank program.

Land Bank staff will create additional marketing material, including one (1) infomercial, one (1) new brochure, and an online fillable application, in addition to working with a realtor services provider to market Land Bank properties for sale.

Land Bank staff will attend a training workshop related to real estate, economic development, and Land Bank and neighborhood revitalization efforts.

Land Bank staff will assist and approve applicants in the process of acquiring a Land Bank lot and building a newly constructed home. Staff's goal is to develop a minimum of four (4) new construction units on vacant lots throughout the City, in addition, to acquiring/rehabbing two (2) units in Ward six (6) and one (1) unit in Ward seven (7).

Land Bank staff plans to attend conferences focusing on affordable housing, land banking, and HOME & CDBG funding.

Land Bank staff will continue to serve as a representative for United Way, thus, assisting organizations in their efforts to combat chronic unsheltered and help those in need.



2023 Department Goals (Continued)

Resource Specialists will work with Community Programs, Central Arkansas Development Council (CADC) Programs, Neighborhood Associations regarding outreach, and the Little Rock Police Department (LRPD) with social events in the neighborhoods.

Resource Specialist staff will assist Neighborhood Associations to help them get motivated to get active in the neighborhood to assist one another.

Resource Specialist hopes to hold the annual Love Your Block Grant Project to highlight Neighborhood Associations and award a Project of the Year winner for 2021 and 2022 (2021 was postponed due to the COVID-19 Pandemic).

Resource Specialist staff will conduct quarterly clean-ups with Neighborhood Associations. One (1) large clean-up is scheduled in March of each year, Keep Little Rock Beautiful.

Resource Specialist hopes to host National Night Out on the first (1st) Tuesday in October.

Resource Specialist staff will conduct weekly surveys in the designated service delivery areas.

Resource Specialists will continue to seek out training for all staff.

Resource Specialists will volunteer with Volunteers In Public Schools (VIPS) Project with the Little Rock School District.

Resource Specialists will continue to work closely with Code Enforcement and citizens to resolve problems efficiently and continue to work with Community Oriented Police (COPP) Officers at community events.

Resource Specialists will strive to enter 3,500 + entries into the 311 system for the year.

Resource Specialists will hire at least three (3) more Resource Specialists, possibly four (4), by the end of the year to fill all vacancies.

Resource Specialists will finalize getting all resource center phone lines fixed with the help of IT.

Resource Specialists will obtain at least five (5) more cars to allow staff to complete their daily job functions better.

Special Projects will develop Micro-Village for the unsheltered population.



2023 Department Goals (Continued)

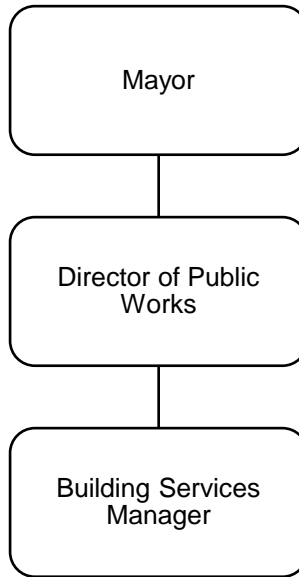
Special Projects will complete the rehab at 1419 S. Park St. and check on Americans with Disability Act (ADA) accessibility.

Special Projects will complete phase two (2) of construction at the Willie Hinton Resource Center.

Special Projects will complete 60 demolitions.



Public Works Building Services



Mission:

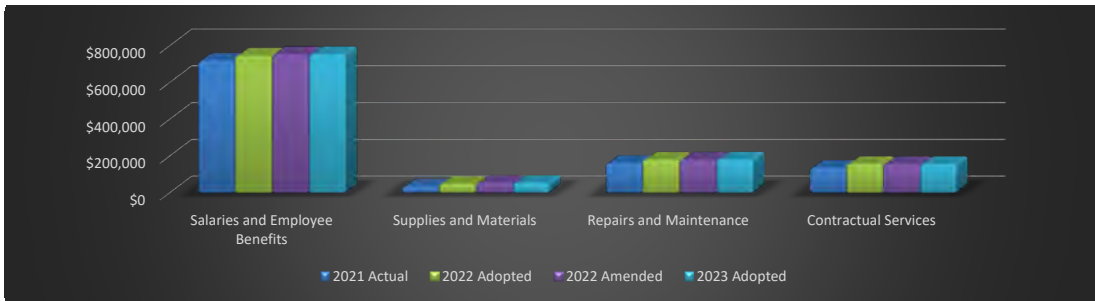
The Public Works department is dedicated to providing efficient and economical infrastructure and quality management of services for the residents of Little Rock in a professional manner.

Public Works - General Fund

Expenditure Budget				
Account Category	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 718,127	\$ 745,584	\$ 753,742	\$ 753,207
Supplies and Materials	33,633	46,325	52,843	52,008
Repairs and Maintenance	161,537	178,951	178,951	180,564
Contractual Services	134,401	155,138	155,138	155,138
Total	\$ 1,047,697	\$ 1,125,998	\$ 1,140,674	\$ 1,140,917
Staffing	12	12	12	12

The Public Works General Fund Budget is associated with Building Services. The 2023 Budget will increase by \$14,919 from the 2022 Adopted Budget and \$243 from the 2022 Amended Budget. The \$7,623 increase in personnel cost is primarily attributed to the 3.5% salary increase, net of the reduction to health insurance costs and other employee benefit changes. The Fleet Department determined the \$7,296 increase in Fleet fuel and services. The budget amendments for 2022 include vacation/sick payouts of \$13,539, net of vacancy adjustments (\$5,381).

Allocations By Year And Account Category



Resources for Budget	<u>FY 23 Proposed Budget</u>	<u>% Change from 2022 Adopted</u>	<u>% Change from 2022 Amended</u>
100 General Fund	\$ 1,140,917	1.32%	0.02%



Public Works Building Services

Department: Public Works Building Services
Funding Source: General Fund
Budget: \$ 1,140,917

Department Description:
 To ensure all construction, remodeling and repairs of City owned buildings are constructed according to plans and specifications in the most economical, environmentally friendly manner.

	2021 Actual	2022 Estimate	2023 Budget
Objective: To complete all building-related service work orders in a timely fashion.			
Demand: Work orders to be completed from City departments.	2,768	2,800	2,800
Workload: Work orders completed.	2,768	2,800	2,800
Efficiency: Work orders completed per month.	230.66	233.33	233.33
Effect/Outcome: Total percentage of work orders completed.	100%	100%	100%

The departmental goals and objectives link with the
Board of Directors Statement of Management Policy for Basic City Services.





2022 Department Accomplishments

In keeping with the Overall City Goals and Objectives Must Do Policy Statement for Infrastructure, the Building Services Department continued supporting energy-efficient maintenance and construction by installing 307 LED lamps and light fixtures, 20 motion sensors, and 52 dimmers on lighting in City buildings.

2023 Department Goals

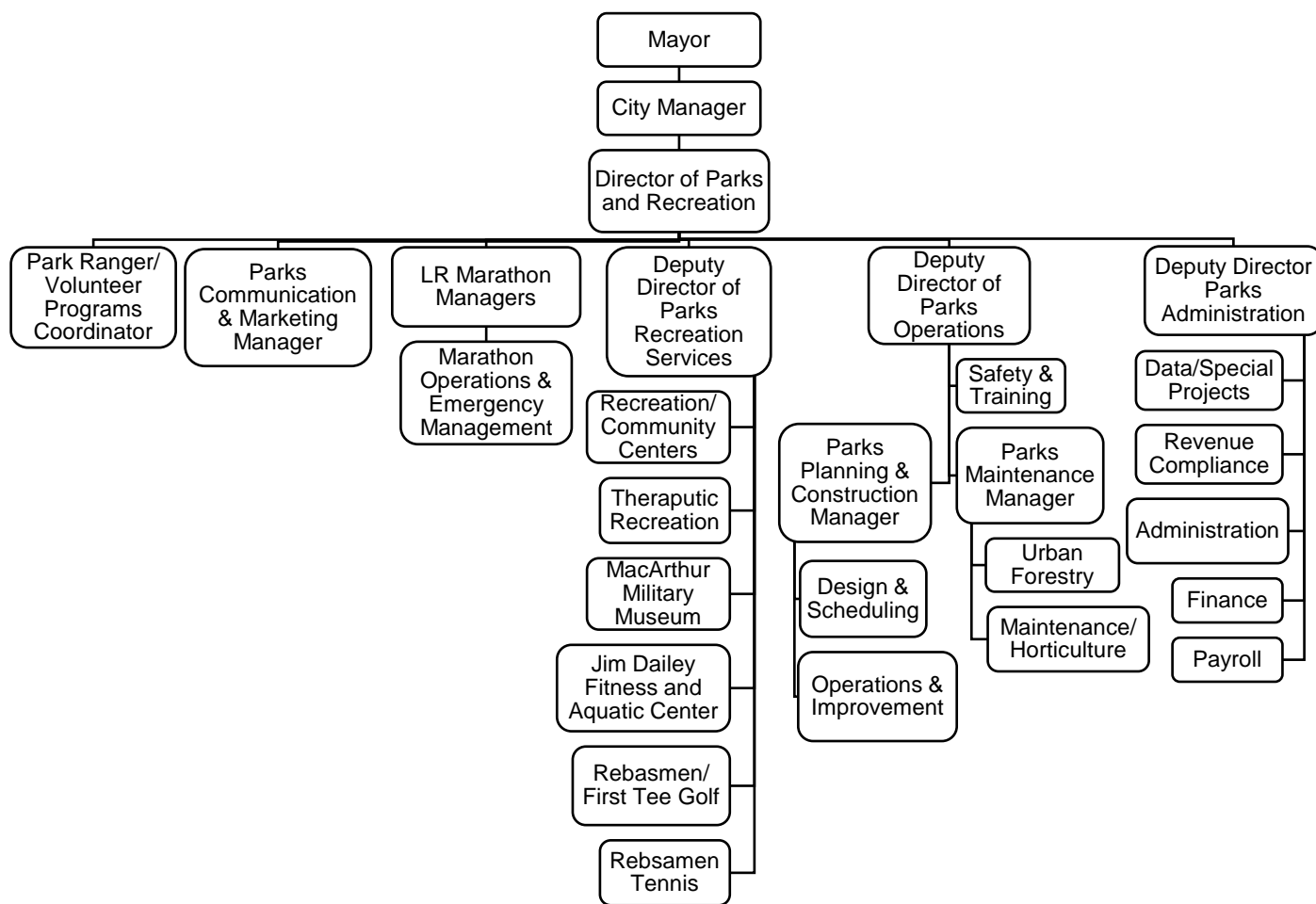
Continue to support maintenance and construction that will make buildings more energy efficient, less expensive to maintain, and environmentally friendly.

Continue to install LED lights and motion sensors on lighting to conserve energy as funds become available.

Continue to install ultraviolet ionizers in HVAC systems to help purify the air.



Parks and Recreation



Mission:

Little Rock Parks and Recreation is dedicated to encouraging healthy lifestyles by providing quality recreation opportunities and access to exceptional park experiences in an efficient and equitable manner.

Vision:

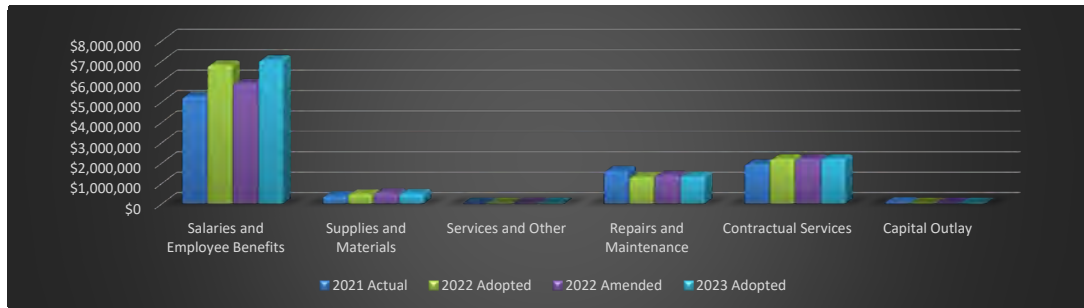
Creating a City in a Park through innovative recreational programming and vibrant park spaces which enhance the quality of life for all residents of Little Rock.

Parks and Recreation

Expenditure Budget				
Account Category	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 5,259,531	\$ 6,806,570	\$ 5,893,420	\$ 7,056,801
Supplies and Materials	384,770	477,698	531,194	498,347
Services and Other	-	2,155	2,155	2,155
Repairs and Maintenance	1,617,329	1,306,874	1,381,874	1,355,677
Contractual Services	1,951,977	2,197,761	2,197,761	2,196,861
Capital Outlay	36,506	-	-	-
Transfers	132,000	-	-	-
Total	\$ 9,382,113	\$ 10,791,058	\$ 10,006,404	\$ 11,109,841
Staffing	106	106	106	107

The Parks Department 2023 Budget reflects a \$318,783 increase from the 2022 Adopted Budget and a \$1,103,437 increase from the 2022 Amended Budget. The \$250,231 increase in personnel cost includes the addition of an Administrative Assistant I to support the Parks Director (\$59,675) and the impact of the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes. The \$75,000 decrease in Repairs and Maintenance from the 2022 Amended Budget is due to the one-time transfer of funds from the Environmental Youth Special Project to Parks Maintenance. The Fleet Department determined the \$15,956 increase in Fleet fuel and services. The budget amendments for 2022 include vacation/sick payouts of \$22,417, net of vacancy adjustments (\$972,651), and the partial year increase of \$37,084 to bring minimum full-time salaries to \$15 per hour.

Allocations By Year And Account Category



Resources for Budget 100 General Fund	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
	\$ 11,109,841	2.95%	11.03%



Parks and Recreation

Department: Parks and Recreation
Funding Source: General Fund
Budget: \$ 11,109,841

Department Description:

To ensure that all programs and facilities successfully promotes the natural environment, local economy, and health of the community such as horticulture, urban forestry, recreation programs, program design, cultural museum, the Little Rock Marathon, and various parks enterprises.

	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Budget</u>
Objective: Provide the citizens and visitors of Little Rock accessible recreational program opportunities, experiences and activities which promote active living, health and wellness, socialization, self-esteem, growth, and achievement.			
Demand: Total recreational opportunities available.	850,000	850,000	850,000
Workload: Recreational opportunities attended.	235,863	250,000	250,000
Efficiency: Average seasonal attendance.	19,655	20,833	20,833
Effect/Outcome: Percentage of attendance versus opportunities available.	28%	29%	29%
Objective: Mow all city parks and centers once per week.			
Demand: Number of parks mowed.	71	63	71
Workload: Average days between when a park was mowed.	9	10	7
Efficiency: Target number of average days between parks being mowed.	7	10	7
Effect/Outcome: Percentage of actual average days of parks mowed compared to ideal average days.	78%	100%	100%

The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for
 Quality of Life.**





2022 Department Accomplishments

During 2022, the Parks Commission revitalized the commission with new members, started sub-committees, held a social gathering, introduced staff guest speakers, and had regular quorums. The Parks Conservancy became more involved and held monthly meetings to develop a Friends of the Park program. The Parks and Recreation Department reorganized the staffing structure, reclassified positions, and filled 11 critical vacancies (Deputy Director of Recreation Services, Deputy Director of Operations, Maintenance Manager, Data Special Programs Coordinator, Trail Maintenance Coordinator, Recreation Programs Coordinator, Rebsamen Golf Pro Assistant Facility Supervisor, First Tee Golf Pro Facility Supervisor, First Tee Facility Superintendent, West Central Community Center Facility Supervisor, and the Southwest Community Center Facility Supervisor). The Department established a park amenity inventory and developed standards for the entire Department. Department staff participated in professional training and continuing education and acquired certifications. The Department removed outdated information from its website and produced current content, utilized social media platforms to stay current and active to over 8,465 users on Facebook, and held special events at War Memorial and Allsopp Parks. The Department reported over 26,000 volunteer hours, a savings of \$759,995, and continued the Park Ranger program. The Department received five (5) awards: 2022 West Central Indoor Facility of the Year category Facility one (1) million to five (5) million, 2022 River Mountain – Two Rivers Natural Surface Trail of the Year, 2022 Little Rock Marathon Festival/Special Event of the Year eleven (11)+ Years, 2022 Therapeutic Recreation Summer Day Camp, and 2022 Champion of the Year to Dr. Robert Williams, Little Rock Parks and Recreation (LRPR) Volunteer Park Ranger. The Department also installed a new medical clinic operation in the West Central Community Center parking lot. The Therapeutic Recreation division maintained a full-capacity program with an enrollment of 70 per week that provided community integration, leisure education, and a myriad of recreation and leisure opportunities and volunteer service projects. The 2022 Little Rock Marathon successfully raised over \$60,000 for the Department. The Department completed 60 parks, playground, and facility safety audits and inspections. The Department invested in a Perry Weather App that staff utilizes for weather emergency alerts, heat index notifications, and notifications for warming and cooling center needs. Lastly, the Department completed numerous capital improvement projects: Southside Sports Lights installation, MacArthur Playground completed the first inclusive playground project; multiple sculpture projects, including Daisy Bates Sculpture in Riverfront Park, Butterfly Sculpture on Pleasant Valley Drive, Abracadabra in Heights Promenade, Riverfront Tree House, West Central Outdoor Learning Center pavilion and container storage, Oak Forest Garden Shed, installation of new boat ramp access, parking, and roadway at Interstate Park Fourche Access, Hindman Park Restroom, new parking lot and ADA improvements at River Mountain Park, Junior Deputy Ball Complex accomplished several small ADA facility improvements, and Crump Park accomplished parking lot improvements.



2023 Department Goals

Little Rock Parks and Recreation Accreditation by Commission for Accreditation of Park and Recreation Agencies (CAPRA); re-focus departmental goal and objective for re-accreditation; collecting data and acquiring new Data/Special Projects Coordinator position.

Schedule a minimum of two (2) professional development training classes for Administration Division staff.

Implement online forms and document record-keeping for the Department.

Implement and update the existing Little Rock Parks and Recreation Procedure Guidelines.

Continue to improve customer service and guest experience at facilities; utilize surveys and online forms.

Gain (2) employee certifications as a Certified Park and Recreation Professional (CPRP) by the end of the year.

Complete construction of Kanis Park Basketball Courts and low water bridge mitigation.

Complete reconstruction of Interstate Park main roadway and general park improvements.

Continue and complete the construction of the Western Hills Park master plan.

Bid and complete phase I construction of the Tri-Creek Greenway and establish phase II route.

Renovate MacArthur Park pond water quality and access with a goal of improvements to include Arkansas Game and Fish to stock the pond for successful fishing derbies.

Renovate the Bill Clark Wetland Boardwalk utilizing Trex materials.

In partnership with the Little Rock Convention & Visitors Bureau (LRCVB), develop design plans for the renovation of the River Market; develop improvement plans for adjacent areas in Riverfront Park.

Develop renovation plans for the West Central Ball Complex.

Develop a new Outdoor Recreation Supervisor position. The position will develop in-house planning or partnership for programming options through our parks department.



2023 Department Goals (Continued)

Provide opportunities and experiences for Adaptive/Inclusive recreation programming.

Increase participation in youth and adult athletics by offering new programming.

Complete construction of Boyle Park Mountain Bike Recreational Trails Program (RTP) Grant Project.

Bid North Allsopp Mountain Bike Trail (RTP) Grant Project.

Bid Two Rivers Arkansas River Trail resurfacing (RTP) Grant Project.

Develop a Friends of Parks membership program partnering with City Parks Conservancy.

Consult with a marketing professional to develop departmental marketing strategies to increase public awareness and participation in recreation programs and facilities.

Develop a Recreation Maintenance Supervisor I position to oversee a new Recreation sports maintenance crew focused on ball fields and general recreational sports facilities.

Increase department Sustainability efforts by outfitting select staff with battery-powered maintenance equipment.

Achieve the maintenance standards established in the 2021 LRPR Comprehensive Parks Maintenance and Operations Plan by filling vacancies within the maintenance division and increasing contract funding dollars.

Develop plans for the new Senior Center Facility with an overall review of senior programming strategies throughout the recreation department.

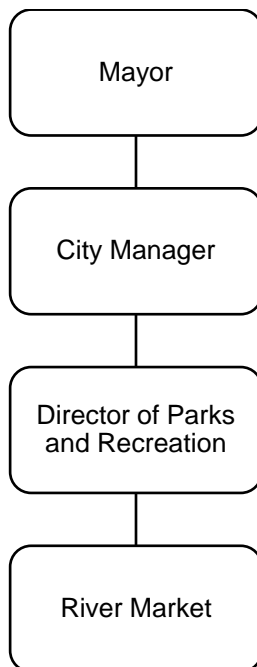
Develop plans for the new Capital millage extension utilizing public and staff input; start implementing upgrades.

Develop general improvement plans for Community Centers utilizing American Rescue Act Funding; start implementing upgrades.

Continue to build on the Music in the Park Special Events and develop more special events and programs to engage the public within Little Rock Parks.



River Market



Mission:

The River Market strives to be a carefully crafted, intentional, and diverse medley of owner-operated shops, stalls, and/or day tables existing to fill a public purpose and reflecting that which is distinctive about a community while meeting its everyday shopping needs.

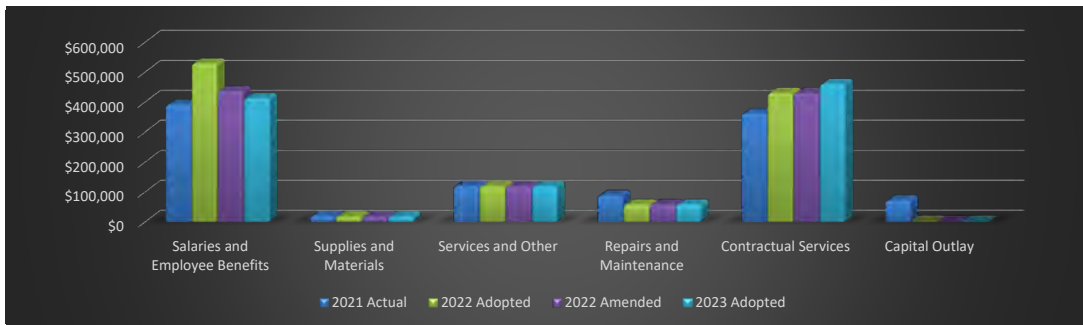
River Market

Expenditure Budget				
Account Category	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 391,602	\$ 529,367	\$ 437,572	\$ 413,246
Supplies and Materials	21,003	18,320	18,320	18,320
Services and Other	120,996	120,000	120,000	120,000
Repairs and Maintenance	89,106	59,280	59,280	59,280
Contractual Services	362,700	430,446	430,446	460,846
Capital Outlay	72,756	-	-	-
Total	\$ 1,058,163	\$ 1,157,413	\$ 1,065,618	\$ 1,071,692

Staffing	0	0	0	0
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Little Rock Convention and Visitor's Bureau (LRCVB) will continue to operate the RiverMarket on behalf of the City in 2023. The budget amendment for 2022 includes vacancy adjustments (\$91,795).

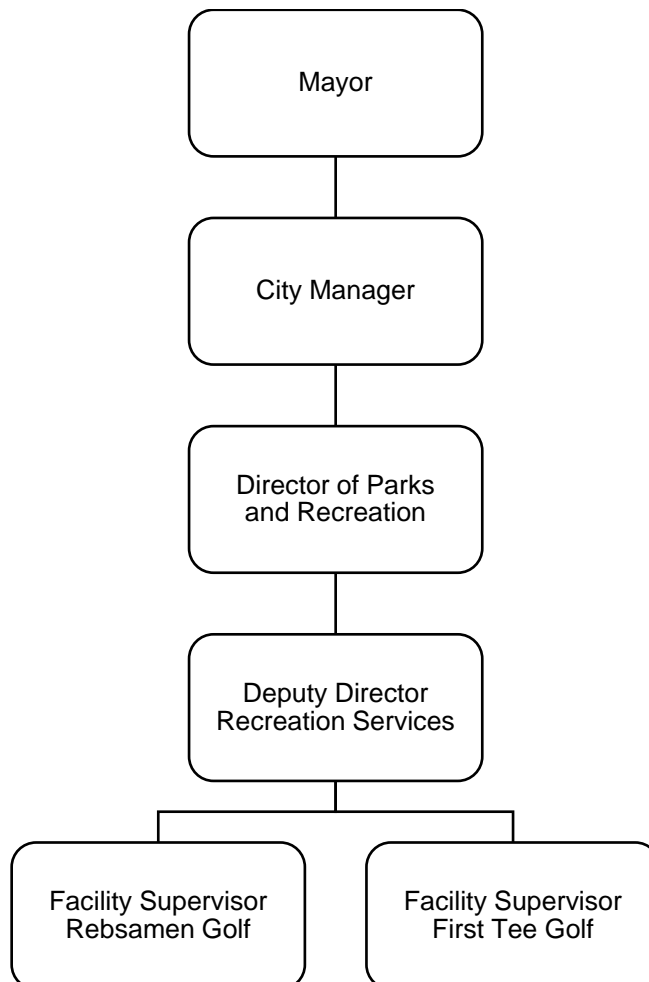
Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	<u>\$ 1,071,692</u>	<u>-7.41%</u>	<u>0.57%</u>



Golf



Mission:
Little Rock Parks and Recreation is dedicated to encouraging healthy lifestyles by providing quality recreation opportunities and access to exceptional park experiences in an efficient and equitable manner.

Vision:
Creating a City in a Park through innovative recreational programming and vibrant park spaces which enhance the quality of life for all residents of Little Rock.

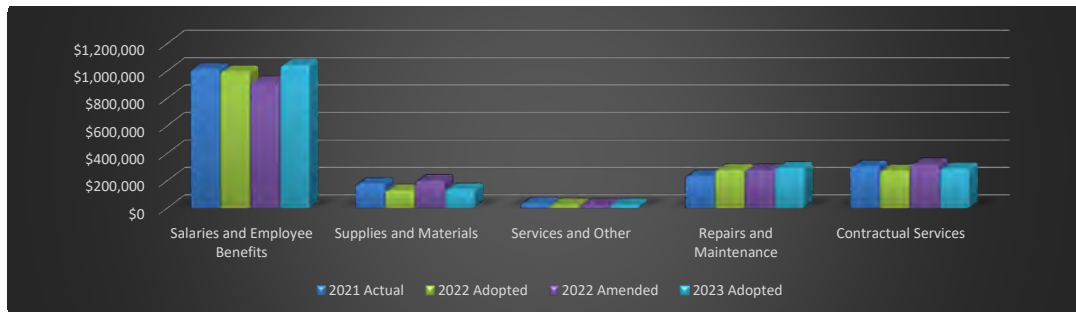
Golf

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 1,016,922	\$ 996,867	\$ 920,847	\$ 1,043,525
Supplies and Materials	179,815	131,005	202,037	139,999
Services and Other	38,036	25,500	25,500	25,500
Repairs and Maintenance	238,150	280,213	280,213	297,496
Contractual Services	306,604	276,162	322,162	291,162
Total	\$ 1,779,527	\$ 1,709,747	\$ 1,750,759	\$ 1,797,682

Staffing	2021	2022	2022 Amended	2023
	15	15	15	15

The Golf Department 2023 Budget reflects an \$87,935 increase from the 2022 Adopted Budget and a \$46,923 increase from the 2022 Amended Budget. The \$46,658 increase in personnel cost is primarily attributed to the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes. The increase in utilities is associated with increased water usage for irrigation purposes at the First Tee Course. The budget amendments for 2022 include vacation/sick payouts of \$4,060, net of vacancy adjustments (\$110,986), an \$21,500 increase for part-time salaries, the partial year increase of \$9,406 to bring minimum full-time salaries to \$15 per hour, an increase of \$50,000 for merchandise and concession food, and an \$67,032 increase in other operating expenses.

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	\$ 1,797,682	5.14%	2.68%



Golf

Department: Golf
Funding Source: General Fund
Budget: \$ 1,797,682

Department Description:
 Provide and maintain quality, affordable public golf facilities, and programs for citizens of Little Rock as well as visitors to the City, while generating revenue to maintain courses at a high standard and make improvements to existing facilities.

	2021 Actual	2022 Estimate	2023 Budget
Objective: To provide affordable golfing experiences for the citizens of Little Rock.			
Demand: Projected golf rounds.	37,000	37,000	37,000
Workload: Actual golf rounds.	44,007	37,000	37,000
Efficiency: Average rounds per month.	3,667	3,083	3,083
Effect/Outcome: Percentage of actual rounds of golf.	119%	100%	100%

The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for
 Quality of Life.**





2022 Department Accomplishments

Rebsamen and First Tee Golf accomplished successful rounds of over 26,289 at Rebsamen and 11,314 at First Tee, with an overall 20% increase in new tournaments. Golf additionally completed major renovations to the outside deck and patio of the Rebsamen Pro Shop.

2023 Department Goals

Develop a master plan for First Tee's future expansion focusing on cart paths, cart pavilion storage, and facility improvements.

Develop a plan to implement rental opportunities for youth and adults at First Tee.

Develop strategy and implementation of rebranding First Tee facility.

Develop additional material facility storage off Western Hills Boulevard for First Tee Facility.

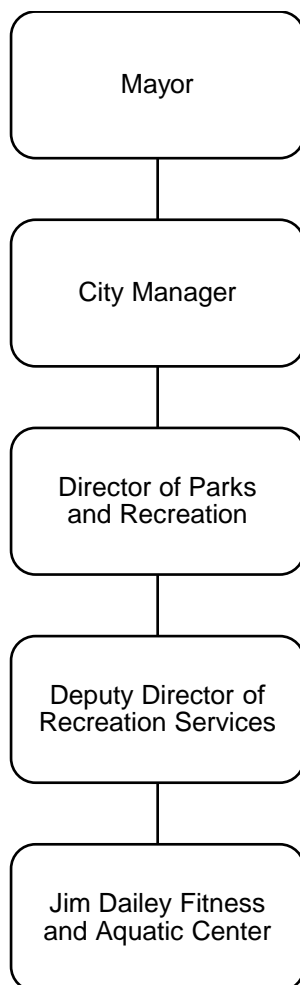
Renovate and repair major erosion issues on hole thirteen (13) at Rebsamen Golf Course.

Continue general improvements to cart paths and drainage on the course and complete green updates on the back nine course of Rebsamen.

Continue to update finishes and overall aesthetics of Rebsamen Golf Pro Shop.



Jim Dailey Fitness and Aquatic Center



Mission:
Little Rock Parks and Recreation is dedicated to encouraging healthy lifestyles by providing quality recreation opportunities and access to exceptional park experiences in an efficient and equitable manner.

Vision:
Creating a City in a Park through innovative recreational programming and vibrant park spaces which enhance the quality of life for all residents of Little Rock.

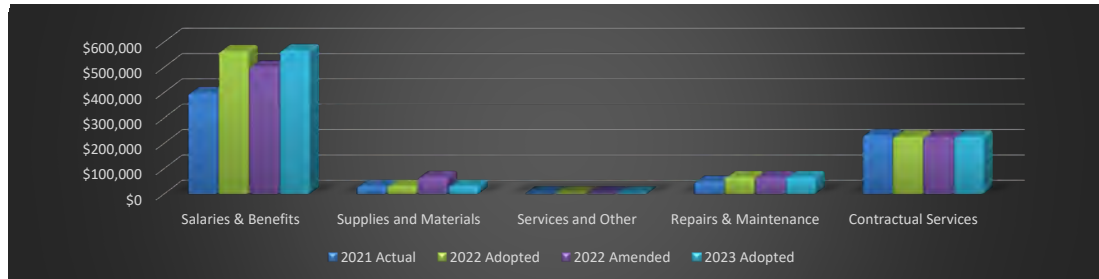
Jim Dailey Fitness and Aquatic Center

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries & Benefits	\$ 397,854	\$ 563,312	\$ 502,441	\$ 567,382
Supplies and Materials	30,699	30,911	66,972	30,927
Services and Other	-	100	100	100
Repairs & Maintenance	47,676	66,462	66,462	66,663
Contractual Services	232,541	225,347	225,347	225,347
Total	\$ 708,770	\$ 886,132	\$ 861,322	\$ 890,419

Staffing	2021	2022	2022 Amended	2023
	8	8	8	8

The Jim Dailey Fitness and Aquatic Center 2023 Budget reflects a \$4,287 increase from the 2022 Adopted Budget and a \$29,097 increase from the 2022 Amended Budget. The \$4,070 increase in personnel cost is primarily attributed to the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes. The budget amendments for 2022 include vacation/sick payouts of \$574, net of vacancy adjustments (\$69,474), and the partial year increase of \$1,529 to bring minimum full-time salaries to \$15 per hour.

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	\$ 890,419	0.48%	3.38%



Jim Dailey Fitness and Aquatic Center

Department: Jim Dailey Fitness and Aquatic Center
Funding Source: General Fund
Budget: \$ 890,419

Department Description:
 To provide a Fitness Center which provide citizens an opportunity to participate in a variety of health and fitness activities.

	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Budget</u>
Objective: To provide a safe, healthy, and clean environment that offers a variety of aquatic, fitness and sport activities that will improve the health and fitness of the citizens of Little Rock at the Jim Dailey Aquatic and Fitness Center.			
Demand: Potential Program attendance capacity.	80,000	80,000	80,000
Workload: Actual program attendance.	20,511	60,000	60,000
Efficiency: Attendance per month.	1,709	5,000	5,000
Effect/Outcome: Percentage of actual attendance over potential attendance.	26%	75%	75%

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Quality of Life.**





2022 Department Accomplishments

During 2022, The Jim Dailey Fitness and Aquatic Center accomplished its goal of pushing the facility and staff to achieve higher user numbers to increase revenue. The facility revenue increased by \$150,000 from 2021, and new memberships of 1,300 from 2021. Jim Dailey's staff has focused on family swim options, new fitness classes, and several special events. Maintenance of the facility has also been essential, resulting in several improvements.

2023 Department Goals

Renovate the outdoor pool area to develop a family-friendly atmosphere with events and rental facilities.

Research partnership deals with the Little Rock Zoo.

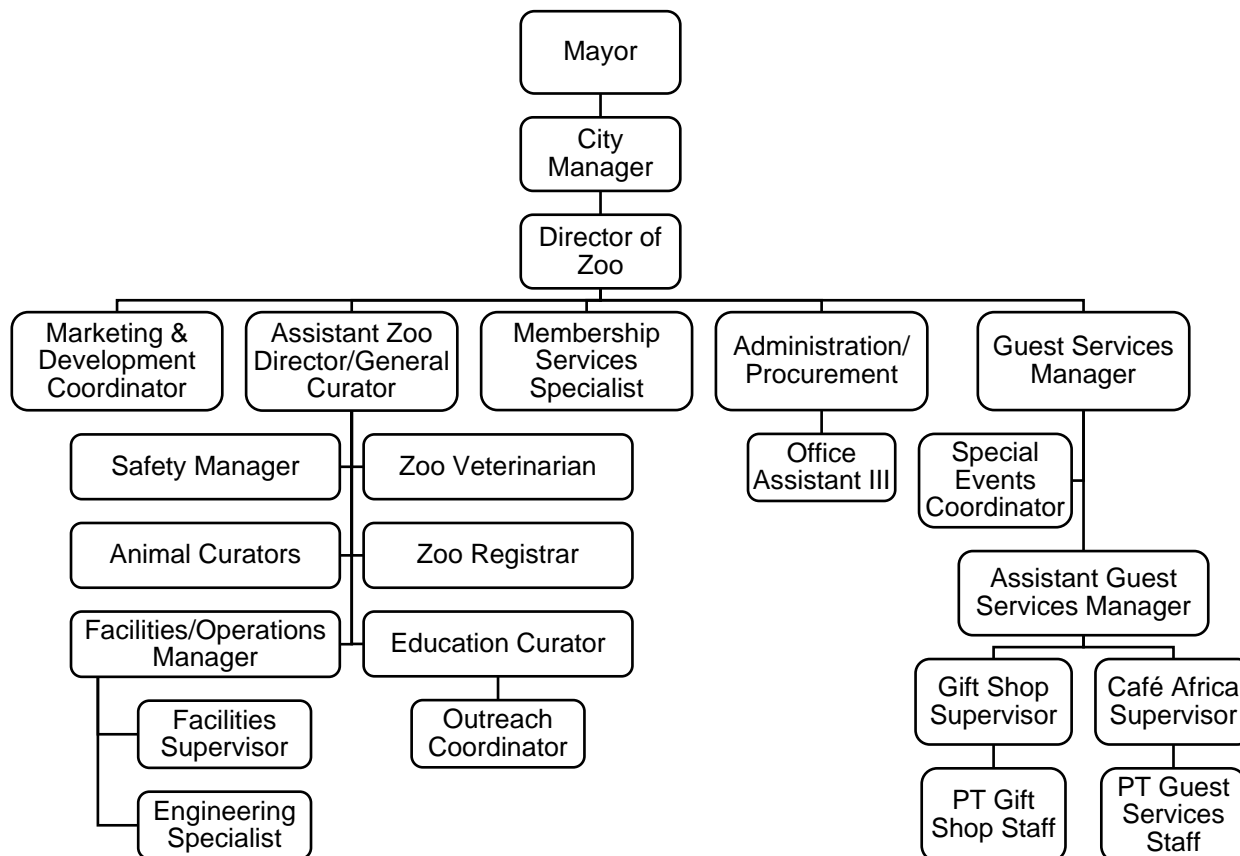
Develop outdoor recreation small game sports such as outdoor ping pong tables.

Renovate the interior of the facility to enhance customer experience.

Find ways to attract new members by marketing new classes, programs, and overall facility offerings.



Zoo



Mission:
To inspire people to value and conserve our natural world.

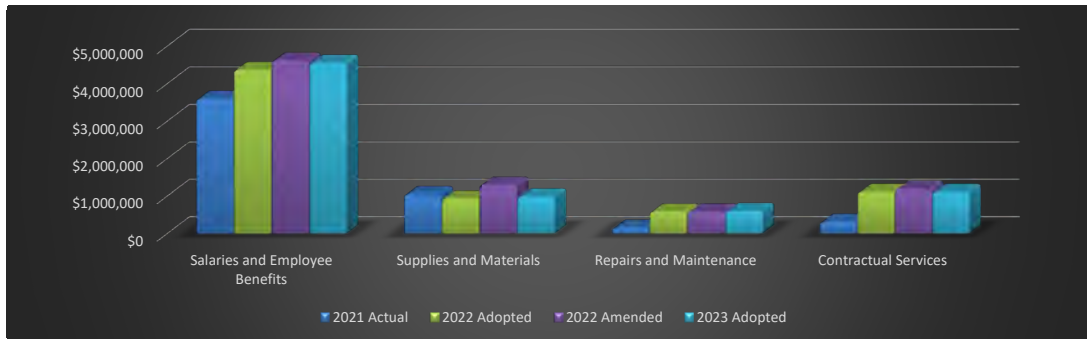
Vision:
We envision a world where nature is in balance and all living things thrive.

Zoo

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 3,600,169	\$ 4,371,095	\$ 4,621,531	\$ 4,556,518
Supplies and Materials	1,050,377	938,688	1,304,784	989,470
Repairs and Maintenance	156,005	592,004	592,004	604,459
Contractual Services	318,574	1,117,374	1,194,374	1,117,374
Total	\$ 5,125,125	\$ 7,019,161	\$ 7,712,693	\$ 7,267,821
Staffing	63	63	64	64

The Zoo Department 2023 Budget reflects a \$248,660 increase from the 2022 Adopted Budget and a \$444,872 decrease from the 2022 Amended Budget. The \$185,423 increase in personnel cost is primarily attributed to the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes and reclassifications. The \$30,000 increase in Supplies reflects an increase in the cost of animal food. The increase in Fleet fuel and services includes \$20,000 for propane for train operation in addition to the other fuel cost increases. The budget amendments for 2022 include vacation/sick payouts of \$83,723, net of vacancy adjustments (\$267,297), the partial year increase of \$21,010 to bring minimum full-time salaries to \$15 per hour, and an increase for part-time salaries and overtime of \$413,000 primarily associated with re-accreditation activities, and an additional allocation of \$442,000 for supplies, animal feed, and other operating expenditures.

Allocations By Year And Account Category



	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
Resources for Budget	\$ 7,267,821	3.54%	-5.77%
100 General Fund			



Zoo

Department: Zoo
Funding Source: General Fund
Budget: \$ 7,267,821

Department Description:

The Little Rock Zoo inspires people to value and conserve our natural world. The Zoo is accredited by the Association of Zoos and Aquariums (AZA) and displays hundreds of animals on 33 acres of beautifully landscaped parkland. The Zoo offers educational programming, special events, and other activities to engage and educate the public. The zoo is a leading cultural attraction in central Arkansas and one of the largest tourist attractions in the state.

	2021 Actual	2022 Estimate	2023 Budget
Objective: To track annual admission revenue.			
Demand: Anticipated annual admission revenue.	\$1,000,000	\$1,650,000	\$1,587,900
Workload: Actual annual admission revenue.	\$1,739,420	\$1,650,000	\$1,587,900
Efficiency: Average revenue per month.	\$144,952	\$137,500	\$132,325
Effect/Outcome: Percentage of workload over demand.	173.94%	100%	100%
Objective: To track annual membership sales.			
Demand: Anticipated annual membership sales.	\$405,000	\$500,000	\$542,600
Workload: Actual membership sales.	\$580,679	\$500,000	\$542,600
Efficiency: Average sales per month.	\$48,390	\$41,667	\$45,217
Effect/Outcome: Percentage of workload over demand.	143.38%	100%	100%

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for Quality of Life.**





2022 Department Accomplishments

The Little Rock Zoo remains the only accredited Zoo in the state after regaining this prestigious title in 2022 from the Association of Zoos and Aquariums (AZA). The Zoo celebrated the Year of the Tiger in 2022 with educational programming and events surrounding tigers and welcomed the birth of three Malayan tiger cubs. This birth comes at the recommendation of the Malayan Tiger Species Survival Plan, a group dedicated to the conservation and survival of the species. The birth of the three female cubs added greatly to the conservation of this species and allowed guests to watch the cubs grow and develop with their mom.

The Zoo continued to inspire people to value and conserve our natural world despite several weather challenges and a changing economic landscape. Family budgets tightened this year as record inflation set in, and travel to attractions dropped nationwide. An unseasonably hot summer and record-low temperatures during the winter also compounded guest attendance numbers. Despite the challenges, the Zoo still exceeded its revenue budget and saw success with renewed programs in its education and conservation divisions. The Zoo also used 2022 to plan for the future as it partnered with the Arkansas Zoological Foundation to create a new facilities master plan to guide the development of the Zoo for the next 20 years. With the passage of the 2022 millage, the Zoo identified a major new renovation project for the Zoo's front entry that will bring excitement and help the Zoo better meet its mission of conservation learning.

The Zoo hosted the second year of its GloWILD lantern lights event and saw success again with this annual holiday light show. Although the show saw a slight decrease in attendance compared to 2021 due to cold and rainy temperatures, the show saw more than 22,000 attendees, a record number for a Zoo event. Zoo education programs saw great success in 2022, with Zoofari camps exceeding attendance limits and the Zoo launching a new partnership with the City of Little Rock Mayor's Office on a Green Schoolyard Initiative. The Zoo also launched several sustainability initiatives, including the Green Restaurant Program in partnership with the City of Little Rock Sustainability Office to encourage area restaurants to practice sustainability. The Zoo also implemented the 'Gorillas on the Line' cell phone recycling program and other initiatives to encourage guests to be sustainable.



2023 Department Goals

Implement new Point of Sales software program Zoo-wide.

Implement new security system, including PA and camera monitoring system.

Continue implementation of Zoo Diversity, Equity, Access and Inclusion plan.

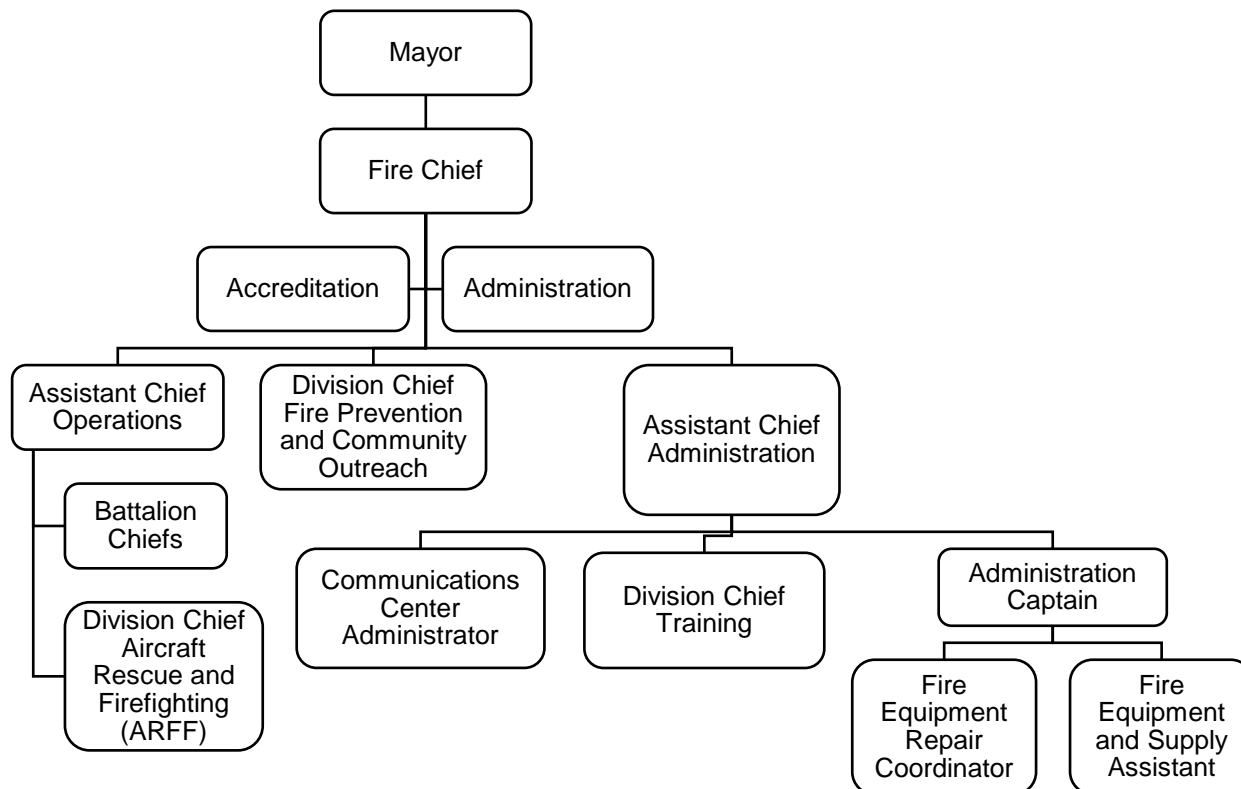
Begin construction on first phase of Zoo Bond project from 2022 referendum.

Continue improving guest experience and customer service.

Open Conservation Learning Center and implement new Conservation Learning program.



Fire



Mission:
The mission of the Little Rock Fire Department is to provide immediate fire and emergency medical service in a professional and efficient manner.

Vision:
Serving with Pride, Excellence and National Recognition.

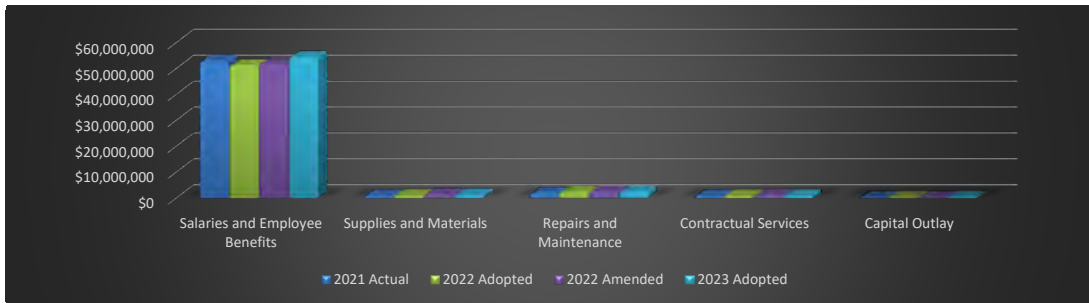
Fire

Expenditure Budget				
Account Category	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 53,033,038	\$ 51,305,479	\$ 52,172,593	\$ 54,593,390
Supplies and Materials	939,818	981,532	1,481,806	1,246,608
Repairs and Maintenance	1,938,963	2,312,523	2,512,523	2,509,383
Contractual Services	818,096	808,976	1,001,476	808,976
Capital Outlay	7,070	-	-	-
Total	\$ 56,736,987	\$ 55,408,510	\$ 57,168,398	\$ 59,158,357

Staffing	432	433	433	445
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The Fire Department 2023 Budget reflects a \$3,749,847 increase from the 2022 Adopted Budget and a \$1,989,959 increase from the 2022 Amended Budget. The \$3,287,911 increase in personnel cost reflects step and grade progression for union positions, the addition of twelve (12) positions, including three (3) Captains, (3) Apparatus Engineers, and (6) Firefighters, a 6% increase for entry-level Firefighters to a minimum of \$15 per hour and 5% salary increases for other uniform personnel at a cost of \$1,848,362, an increase in EMT pay from \$1,680 to \$2,400 at a cost of \$327,027, an increase in the overtime allocation of \$358,700, and an increase to the closed fire pension plan funding of \$92,504, net of the reduction to health insurance and other benefit changes. The \$100,000 increase in supplies is for protective clothing. The Fleet Department determined the \$361,936 increase in Fleet fuel and services. The budget amendments for 2022 include vacation/sick payouts of \$365,602, net of vacancy adjustments (\$396,951), additional partial year funding for fifteen (15) overfilled positions \$468,836, and increased closed pension plan funding of \$140,254.

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	\$ 59,158,357	6.77%	3.48%



Fire

Department: Fire
Funding Source: General Fund
Budget: \$ 59,158,357

Department Description:
 To protect the safety, health, and general welfare of the public through fire prevention and community outreach, fire suppression, Emergency Medical Service, and special operations response; and to ensure a competent workforce through training and education.

	2021 Actual	2022 Estimate	2023 Budget
Objective: Through quick response and mitigation, training and education, the objective is to increase the property valued saved by decreasing the amount of property value lost due to fires.			
Demand: Estimated total property value amount effected by fires.	\$259,028,066	\$156,576,054	\$56,647,080
Workload: Total number of fires.	409	371	216
Efficiency: Estimated total property value amount saved by fire department mitigations efforts.	\$245,354,358	\$143,158,647	\$18,778,800
Effect/Outcome: Percentage of property value saved.	94.7%	91.4%	33.1%
Objective: The objective is to train certified personnel to meet the individual training hours required by the Insurance Service Organization (ISO) and State of Arkansas for licensed Emergency Medical Technicians (EMT), and to improve the competence level of the workforce.			
Demand: Total number of training hours completed.	101,147	101,607	118,800
Workload: Total number of hours of individual training required per year.	264	264	264
Efficiency: Average number of training hours per person	277	236	264
Effect/Outcome: Percentage of training hours versus required hours.	104.9%	89.3%	100%

The departmental goals and objectives link with the
Board of Directors Statement of Management Policy for a Safe City.





2022 Department Accomplishments

2022 was a successful year for the Little Rock Fire Department (LRFD). It began in March, with acquiring new tablets for each apparatus. The new tablets allow employees to work more efficiently while on the scene. In addition, we completed two (2) recruit classes, with 32 graduating on June 20, 2022, and 27 graduating on September 2, 2022, and hired 24 part-time emergency medical technicians (EMTs) to staff the alternative response vehicles (ARVs). In June, the department broke ground on the renovation of Fire Station 12. The renovation will expand the sleeping quarters to allow female personnel assigned to the station privacy and security. Finally, on August 17, 2022, the Commission of Fire Accreditation International (CFAI) awarded LRFD the Accredited Agency Award.

2023 Department Goals

Complete Fire Station 12 Renovation. Fire Station 12's renovation had a 30 day delay due to permit issues. However, we have completed thirty percent of the renovation and have a completion date for spring 2023.

Renovate Fire Station 16. The renovation will enlarge the apparatus bay area to house a standard-size apparatus.

Request for Qualifications (RFQ) for architectural drawing and construction of Fire Station 25.

Utilizing the American Rescue Plan Act (ARPA), LRFD will complete facility improvements and repair the needed stations.

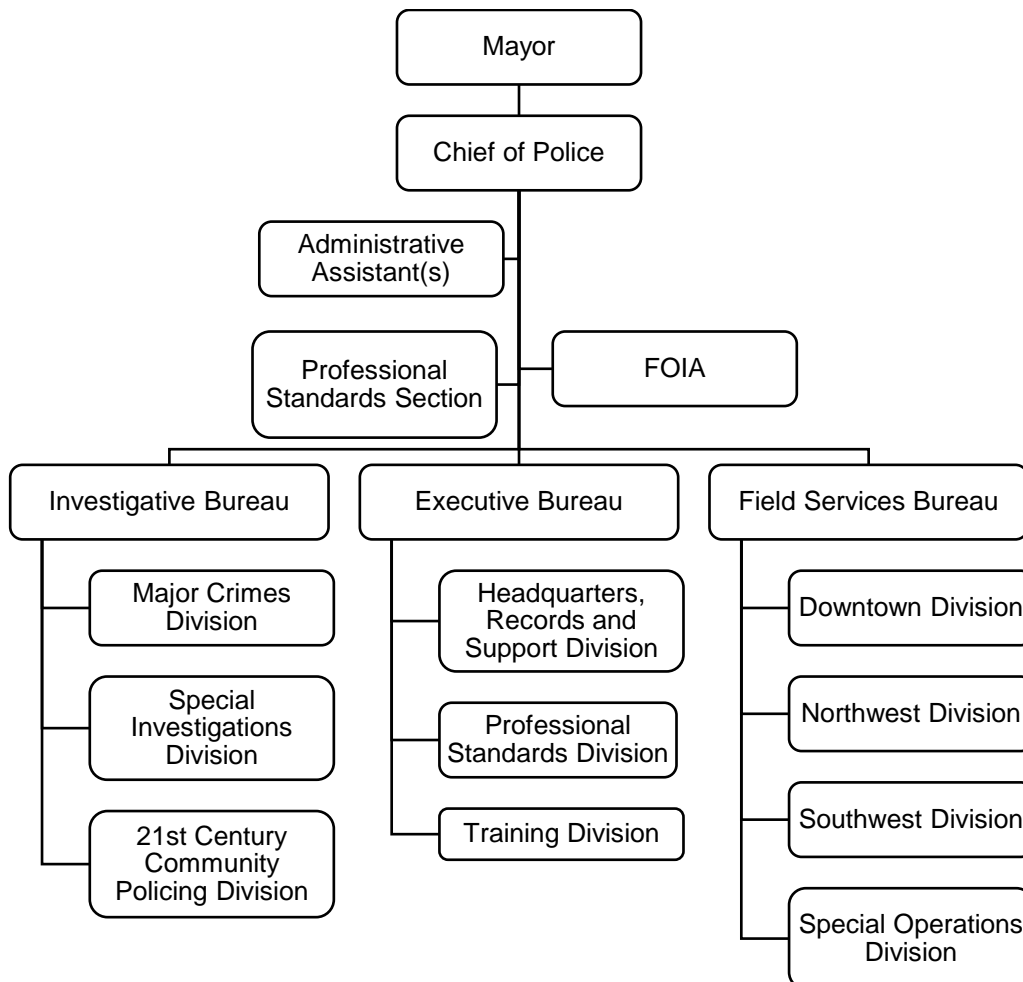
Acquire a new Fire Apparatus. A pumper truck is on order.

Provide supervisory training utilizing NeoGov and outside agencies.

The Fire Department and Fleet Department are working on a replacement plan for small vehicles.



Police



Mission: TRUST

The Little Rock Police Department is committed to protecting life and property through **Teamwork** with the community while embracing mutual **Respect** and **Understanding**. Our mission is to provide professional **Service** that is unbiased, consistent and **Transparent**.

Vision:

The Vision of our Little Rock Police Department family is to serve as a model for policing, by embracing and perfecting the principles of the 21st Century Policing Pillars. Through collaboration with our diverse community partners, we will strive to make the City of Little Rock one of the safest cities in both the state and nation.

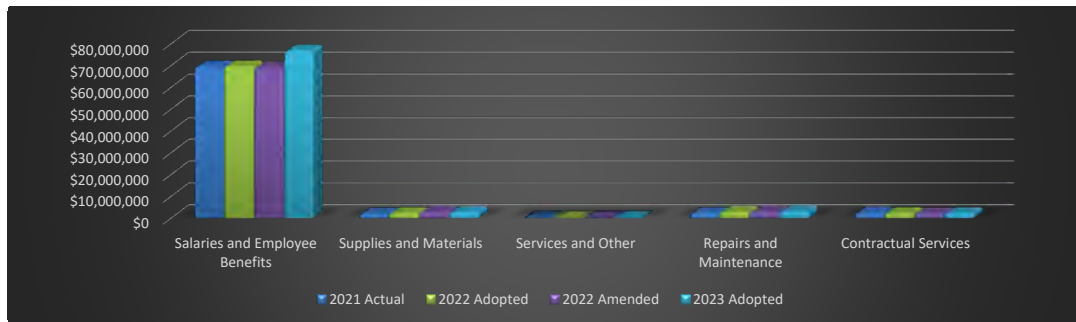
Police

Expenditure Budget				
Account Category	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ 69,571,184	\$ 69,748,575	\$ 69,182,085	\$ 76,948,876
Supplies and Materials	1,983,245	2,252,957	2,762,112	2,714,568
Services and Other	41,262	103,755	103,755	103,755
Repairs and Maintenance	2,285,388	2,818,041	2,818,041	3,039,665
Contractual Services	2,596,317	2,251,183	2,201,183	2,247,183
Transfers	200,000	-	-	-
Total	\$ 76,677,395	\$ 77,174,511	\$ 77,067,176	\$ 85,054,047

Staffing	754	754	694	703
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The Police Department 2023 Budget reflects a \$7,879,536 increase from the 2022 Adopted Budget and \$7,986,871 increase from the 2022 Amended Budget. The \$7,200,301 increase in personnel cost includes seven (7) new positions, including a Deputy Chief, a Lieutenant, two (2) Civilian Background Investigators, a Crime Scene Specialist, a Police Subpoena Technician, and a Network Coordinator at a cost of \$633,167. It also includes uniformed salary increases of 7.9% - 12% at a cost of \$5,163,600 and an additional 2.5% retention incentive salary increase for uniformed personnel with 15 years of service at a cost of \$507,885. Non-uniformed personnel will receive a 3.5% salary increase. Other personnel cost changes include union step progression, net of the reduction to health insurance cost, and other employee benefit changes and reclassifications. The increase in supplies includes an allocation to hand tools for tasers at an annual cost of \$236,960. The Fleet Department determined the \$446,275 increase in Fleet fuel and services. The decrease in contracts of \$4,000 is a reduction to the cost of insurance for undercover vehicles. The budget amendments for 2022 include vacation/sick payouts of \$826,339, net of vacancy adjustments (\$4,257,878), State funded Police Stipends of \$2,566,540 (\$5,000 per eligible officer), increased closed pension plan funding of \$122,461, and the partial year increase of \$49,679 to bring minimum full-time, non-uniformed salaries to \$15 per hour.

Allocations By Year And Account Category



Resources for Budget 100 General Fund	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
	\$ 85,054,047	10.21%	10.36%



Police

Department: Police
Funding Source: General Fund
Budget: \$ 85,054,047

Department Description:

The Police Department is to provide the citizens of Little Rock with a law enforcement system that effectively integrates and utilizes departmental, civic and community resources, to protect life and property, preserve law and order, and enforce state law and city ordinances, within the framework of the Constitution.

	2021 Actual	2022 Estimate	2023 Budget
<p>Objective: LRPD is focused on improving the safety and security of the public by reducing the total number of part one offenses (homicide, rape, robbery, aggravated assault, burglary, larceny, and stolen vehicles) by a minimum of 3% compared to the previous year. Measures a reduction in crime; negative numbers in outcome are considered good.</p>			
Demand: Previous year's total Part One Offenses.	13,363	14,812	14,506
Workload: This year's total Part One Offenses.	14,812	14,506	14,069
Efficiency: Difference in Part one Offenses.	+1,449	-306	-437
Effect/Outcome: Percentage increase or decrease in Part One Offenses.	+10.8%	-2.1%	-3.0%
<p>Objective: To bring closure to victims of crimes within Little Rock, LRPD strives to maintain a "clearance" case rate higher than the national average for Part One offenses. Measures difference in percentage; positive numbers are considered good.</p>			
Demand: Current year national average for "cleared" cases.	16.0%	16.0%(est.)	16%
Workload: Current year LRPD average for "cleared" cases.	19.2%	15.4%(est.)	18.0%
Efficiency: Difference in percentages.	+3.2%	-0.6%	+2.0%
Effect/Outcome: Percent above or below the national average "clearance" rate.	3.2% above	.57% below	2.0% above

The departmental goals and objectives link with the
**Board of Directors Statement of Management
 Policy for a Safe City.**





2022 Department Accomplishments

In 2022, The Little Rock Police Department accomplished the successful completion of the new headquarters building, which was a 9-million-dollar project. The Department completed the implementation of the Real Time Crime Center. Due to improved efforts, violent crime rates were down by 10%, and the overall crime rate decreased by 2.1%. The Department successfully hired two youth advocates and social workers for the social worker program. The Department also began the execution of the recommendations outlined in the staffing study conducted by the Center for Public Safety Management (CPSM), including the establishment of practices to ensure that criminal investigators are accessing all appropriate resources in a timely manner to support their investigations, the integration of civilian investigators throughout the division and the organization, and the implementation of a structured quality control process in the Special Investigations Division.

2023 Department Goals

Reduce year-to-date crime for the calendar year of 2023 compared to 2022 by an average of 5% by year-end.

Hire and conduct two (2) police recruit schools with a combined total of 40 police recruits and maintain a yearly retention rate of at least 93% for sworn personnel.

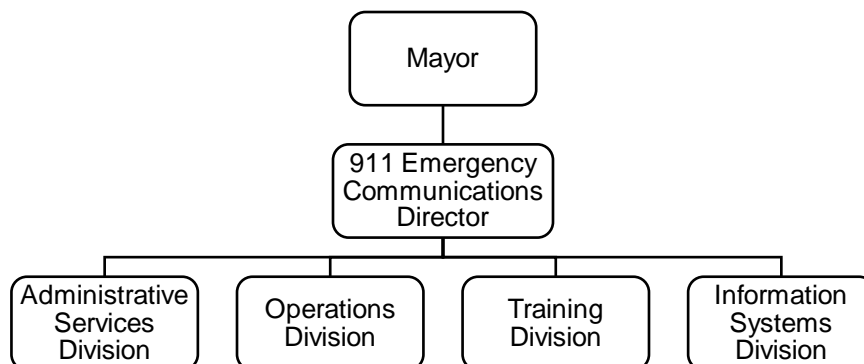
Continue to participate and develop strategies to address community nuisances through Community Resource Officers (CROs), Criminal Abatement Program (CAP), Crime Prevention through Environmental Design (CPTED), and Crime Free Multi-Housing Program.

Complete all phases of the Real Time Crime Center implementation. The final phase of RTCC implementation includes the installation and configuration of all needed software and hardware and assigning and hiring five (5) full-time investigators, five (5) part-time investigators, and two (2) sergeants. The center must be capable of near real-time data analysis and dissemination.

Implement staffing study recommendations that focus on the efficient, effective use of police personnel. Augment sworn personnel with a robust civilian staff that allows sworn personnel to focus on specific crime reduction tasks.



911 Emergency Communications



Mission:

To provide efficient and courteous service to the citizens and visitors of the City of Little Rock and each other to maintain the highest standards of quality and professionalism possible.

Vision: **SHIFT**

The City of Little Rock 911 Emergency Communications Department is committed to making a S.H.I.F.T. to provide a standard quality of service to our citizens through **S**elfless Service that will be executed with **H**armony, **I**ntegrity, and **F**airness while maintaining **T**rust.

S – Selfless Service: Citizens are our focus of everything we do.

H – Harmony: We treat everyone as a valued member of our team.

I – Integrity: We will always be honest and do what we say we will do.

F – Fairness: We will always provide an impartial and just treatment without discrimination to anyone or their situation.

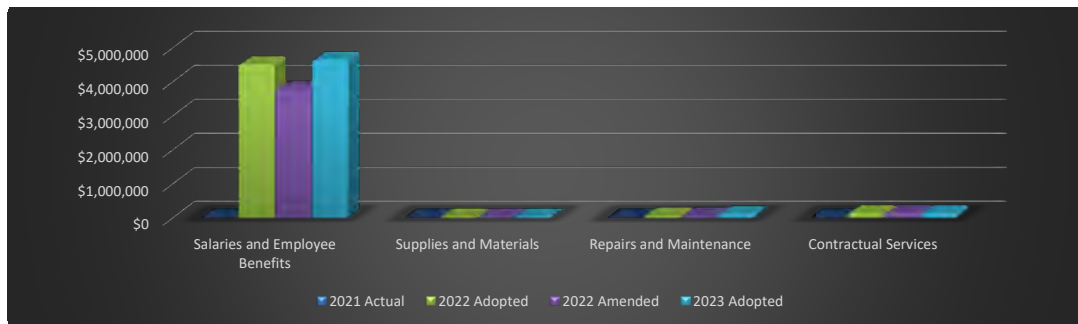
T – Trust: We are vulnerable and receptive to all feedback to improve the quality of service to our citizens.

911 Emergency Communications

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries and Employee Benefits	\$ -	\$ 4,524,978	\$ 3,803,426	\$ 4,663,713
Supplies and Materials	-	28,835	29,862	28,316
Repairs and Maintenance	-	62,220	62,220	114,046
Contractual Services	-	142,588	142,588	142,588
Total	\$ -	\$ 4,758,621	\$ 4,038,096	\$ 4,948,663
Staffing	0	0	65	65

The 911 Emergency Communication Department was reclassified from the Police Department to a new Department in 2022. All costs associated with the sixty-five (65) employees and operations were transferred to the new Department. The 911 Emergency Communication Department 2023 Budget reflects a \$190,042 increase from the 2022 Adopted Budget and a \$910,567 increase from the 2022 Amended Budget. The \$138,735 increase in personnel cost is primarily attributed to the 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes. In addition, it includes a separate \$1,700 salary increase at a cost of \$99,163. The Fleet Department determined the \$1,307 increase in Fleet fuel and services. The increase in Maintenance cost is for a GIS Maintenance Service contract with Motorola. The budget amendments for 2022 include vacation/sick payouts of \$90,181, net of vacancy adjustments (\$811,733).

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
100 General Fund	\$ 4,948,663	3.99%	22.55%



911 Emergency Communications

Department: 911 Emergency Communications
Funding Source: General Fund
Budget: \$ 4,948,663

Department Description:

The City of Little Rock 911 Emergency Communications Department is to provide the residents and visitors of Little Rock with a standard quality of service to include professionalism and empathy, while ascertaining accurate, emergency information and send a public safety response in a timely manner.

	2021 Actual	2022 Estimate	2023 Budget
Objective: To answer 95% of 9-1-1 calls in 20 seconds or less.			
Demand: Incoming 9-1-1 Emergency calls to Communications.	245,561	245,996	250,000
Workload: Calls answered by Communications personnel.	N/A	191,027	250,000
Abandoned/Called back: 9-1-1 Calls that were unanswered and called back.	N/A	54,969	0
Efficiency: Average time to answer 9-1-1 calls (in seconds).	N/A	15.77	15
Effect/Outcome: Percentage of calls answered in 20 seconds or less.	N/A	79.02%	100%

Objective: To process calls for service to be dispatched to field responders.			
Demand: Incoming Emergency calls to Communications to be processed as calls for service for Police and Fire.	N/A	167,181	165,000
Workload: Calls processed by Communications personnel.	N/A	167,181	165,000
Efficiency: Average calls for service processed for Police and Fire.	N/A	13,931	13,750
Effect/Outcome: Percentage of incidents processed.	N/A	100%	100%

The 911 Emergency Communications Department was reclassified from the Police Department in 2022. The new 911 Emergency Communications Director implemented new objectives for the department at that time, and some 2021 metrics information is unavailable.

The departmental goals and objectives link with the **Board of Directors Statement of Management Policy for a Safe City.**





2022 Department Accomplishments

In keeping with the mission of the Executive Administration to support the enhancement of a quality performance plan, collaborating with other city departments, and achieving quantitative goals, the City of Little Rock Emergency Communications Department has made tremendous accomplishments during the 2022 calendar year.

The Department made necessary changes to be more conducive to the industry's best practices, which is changing to 12-hour shifts. This transition is an effort to reduce/eliminate mandatory overtime. Additionally, this will allow the Department to give the staff more time off, which can benefit their mental and physical health. National standards of call answer times state that 95% of 911 calls should be answered in 20 seconds or less. This staffing change has allowed more staff to be on duty during a shift and has improved the call answer times. Currently, the Department answers nearly 80% of 911 calls in 20 seconds or less. We will continue to strive to reach the standard.

To improve the Department's workflows and processes, we purchased two new technology systems, a new call-handling software system (Priority Dispatch Protocol Systems) and a new business application (Quickbase). The software is a call-taking protocol system provided by the Priority Dispatch Corporation that will use the Emergency Fire Dispatch and Emergency Police Dispatch Protocol Systems. These systems will enhance the services to both the Fire and Police Departments and an overall standardized quality of service to the citizens of Little Rock. This logic-driven system is designed to aid the telecommunicator in making critically sound decisions in the heat of the moment. It ensures best practices and standards that reduce the Department's and employees' liability risks. The system allows the telecommunicator to save time and improve accuracy in processing the call. The call taker can ascertain pertinent information, such as scene safety, suspect description, and weapons information, with a scripted line of interrogation that expedites the response to assist the caller best and give the caller pre-arrival instructions before the responders arrive. Although this program will be primarily used by Emergency Communications, the information and use of the program will be highly beneficial to all agencies involved. As the 911 Emergency Communications Center transitioned to a stand-alone center, there is a need to streamline the workflow, reorganize records within the Department, and create an environment that allows the employees to function and be held accountable independently. Quickbase is an application platform that will enable the Department to merge its business/administrative needs with the daily workflow functions in a seamless manner. Employees will be allowed independent access to the application to safely and securely maintain their employee matters, such as; clocking in and out, signing up for overtime, requesting time off, etc. This will make managing and monitoring the employees' functions easier while providing a paperless concept in the workflow.



2022 Department Accomplishments (Continued)

Implementing the new call-taking technology, we enhanced the Performance Management Plan with a revised Quality Assurance program. To improve the overall performance of the Emergency Communications staff, we will be able to refer to the data produced in detailed reports of the calls for service to develop, enhance, and train our staff to improve performance. The system will also be beneficial in measuring performance goals and allows each call to be reviewed and evaluated to determine trends in training needs and expand the Department's quality improvement program. In addition to reducing the liability and enhancing the training and productivity of the telecommunicators, it will allow the responders to get immediate and accurate pertinent information related to the incident. Policies and procedures have been created and revised to support the changes in daily operations. Additionally, goal planning meetings are conducted with leadership team members to accompany their annual evaluations and ensure that they are on track to achieving their professional goals.

To continue to enhance the growth and development and prepare staff for promotional opportunities within the Emergency Communications industry, the CLR Emergency Communications Department has undergone some restructuring, creating new and reclassifying positions. We have successfully reclassified the Executive Secretary position to the Administrative Services Coordinator position. Additionally, we created/renamed new positions in Operations Manager and Training Manager Positions. With these positions, we recognized the staff's knowledge, skills, and abilities and assisted them in applying them to advance their careers in the industry. Those interested in being a part of the Leadership Team can express an interest to their supervisors and be allowed to attend the backup Supervisor class and training. In addition, we will offer a Leadership Bootcamp for current and emerging leaders, including basic leadership skills, emotional intelligence, decision-making, ethics/integrity, etc. This is intended to "grow our own leaders" instead of going outside the Department to bring in leaders over individuals who have dedicated years to this industry. As we continue to build the Department, there is a keen focus on enhancing the Training Division and its functions. Recently, the Training staff has become certified CPR Instructors, a necessary life skill anyone can learn. We have partnered with other city departments to enhance CPR and AED knowledge of those staff members.

To enhance our recruiting efforts, we have participated in three career fairs this year, the City of Little Rock Office of Diversity, Equity, and Inclusion (CLR ODEI) Open House/Career Fair, the University of Central Arkansas – Conway (UCA-Conway) Career Fair, and the Historical Black College and University (HBCU) Black Wall Street Career Fair. All were successful opportunities to recruit potential employees and network and forge professional relationships with other agencies. Additionally, our team has educated the residents and students of the City of Little Rock by participating in Little Rock Police Department (LRPD) Citizens Academy and Little Rock Fire Department (LRFD) Hero Day.



2023 Department Goals

Relocate 911 Communications Center.

Address Safety/Security needs of staff.

To increase and retain 100% staffing.

Implement new phone features, including Text-2-911 and Automatic Call Distribution (ACD).

Begin training on Priority Dispatch call-taking protocol system.

To improve Call Answer Times, meeting the national standard.

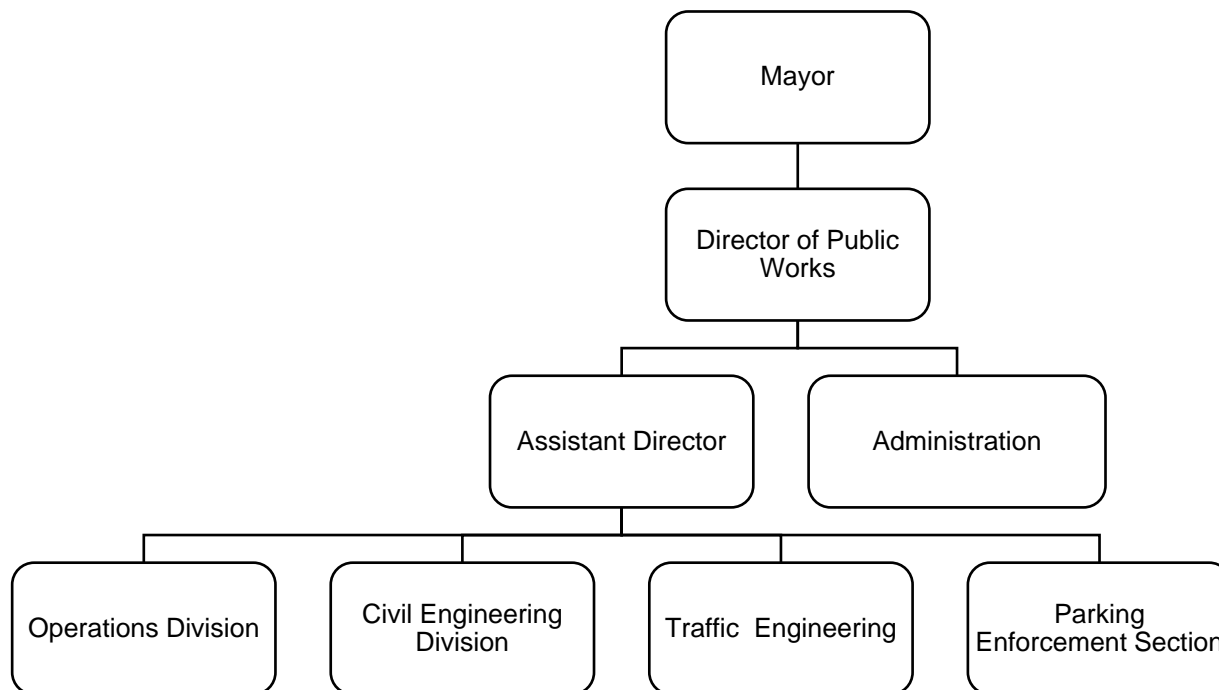
Create and implement new Professional Development & Growth opportunities.

Promote more Leadership Development classes/certificates.

Acquire new uniforms to enhance a professional environment.



Public Works Street Fund



Mission:
The Public Works department is dedicated to providing efficient and economical infrastructure and quality management of services for the residents of Little Rock in a professional manner.

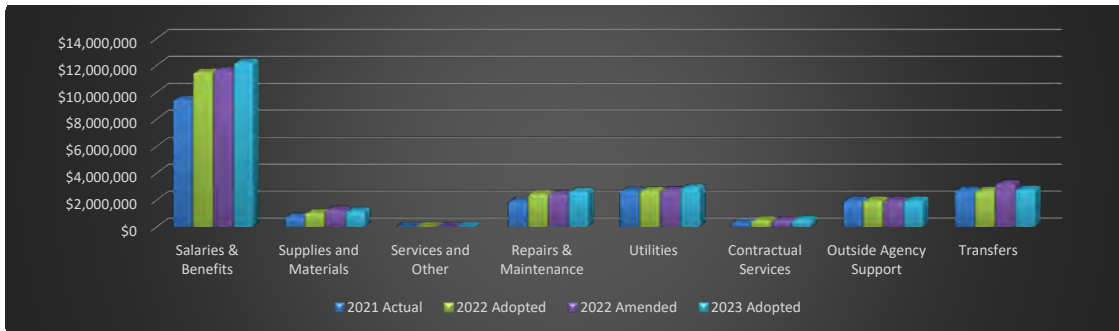
Public Works - Street Fund

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries & Benefits	\$ 9,496,563	\$ 11,522,123	\$ 11,651,387	\$ 12,256,084
Supplies and Materials	802,251	1,078,989	1,303,431	1,201,893
Services and Other	640	1,100	1,100	1,100
Repairs & Maintenance	1,962,767	2,499,397	2,499,397	2,692,117
Utilities	2,713,652	2,748,028	2,748,028	2,946,284
Contractual Services	339,764	529,084	529,084	579,084
Outside Agency Support	2,000,000	2,000,000	2,000,000	2,000,000
Transfers	2,765,467	2,729,717	3,280,677	2,827,217
Total	\$ 20,081,104	\$ 23,108,438	\$ 24,013,104	\$ 24,503,779

Staffing	220	220	217	217
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The Street Fund is anticipated to have revenues of \$25,909,697, less expenses of \$24,503,779, for an estimated net income of \$1,405,918. The Street Fund 2023 Budget will increase \$1,395,341 from the Adopted 2022 Budget and \$490,675 from the 2022 Amended Budget. Personnel cost will increase \$733,961 from the 2022 Adopted Budget and \$604,697 from the 2022 Amended Budget. The change includes the step and grade progression for AFSCME union-eligible personnel, a 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes. Supplies and Materials and Repairs and Maintenance will increase by \$122,904 and \$192,720, respectively, due to higher fuel prices and increased Fleet allocations associated with vehicle maintenance. The increase in utilities includes an 8% increase in estimated electricity costs for street lights. The increase in Transfers Out from the 2022 Adopted Budget is due to increased funding for the Bridge to Work Program and vehicle and equipment replacement. The budget amendments for 2022 include the partial year increase of \$129,264 to bring minimum full-time salaries to \$15 per hour, an increase for fuel costs of \$224,442, transfers for new special projects of \$350,960, and \$200,000 for a grant match allocation for the Jonesboro Children's Trail.

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
200 Street Fund	\$ 24,503,779	6.04%	2.04%



Public Works Street Fund

Department: Public Works
Funding Source: Street Fund
Budget: \$ 24,503,779

Department Description:
 To maintain and improve a comprehensive infrastructure system that meets the changing needs of the community while protecting the integrity of the environment.

	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Budget</u>
Objective: To review and approve street cut permits for consistency with City requirements for streets.			
Demand: Permits for review	1,500	1,200	1,200
Workload: Permits reviewed	1,500	1,200	1,200
Efficiency: Permits processed per month.	125	100	100
Effect/Outcome: Percentage of permits completed.	100%	100%	100%
Objective: Administer Street Sweeping Program to clean the streets, remove debris, and prevent interference with the City's drainage system and providing a clean and aesthetically pleasing environment.			
Demand: Annual Street Sweeping Program miles.	50,000	50,000	50,000
Workload: Sweeping Program Street Lane miles.	42,892	44,787	50,000
Efficiency: Program Miles Completed per month.	3,574	3,732	4,167
Effect/Outcome: Percentage of miles completed.	86%	90%	100%
Objective: To respond to citizen requests/complaints regarding Traffic issues affecting neighborhoods and/or other parts of the City.			
Demand: Requests for review.	360	260	300
Workload: Requests reviewed.	360	260	300
Efficiency: Requests completed per month.	30	21.66	25
Effect/Outcome: Percentage of requests submitted/completed.	100%	100%	100%

The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for
 Infrastructure and Quality of Life.**






2022 Department Accomplishments

In keeping with the Overall City Goals and Objectives Must Do Policy Statement for Infrastructure, the Street Department continued work on an ambitious and far-reaching program of street and drainage improvements throughout the City. The program, funded with a portion of the ten-year 3/8-cent local sales tax, two bond issues, and sales tax funds from a state-wide sales tax, has addressed both local priorities in each Ward as well as major projects of City-wide importance. Since 2012, over 250 projects have been funded, and most projects are complete or nearing completion. As 2022 closed, 98% of all projects since 2012 and 94% of all 2019 to 2021 projects are either completed or in construction. The following projects are unusual, non-recurring capital improvement projects funded by the 3/8-cent sales tax, grant awards, short-term financing, private donations, and other sources. Projects completed include widening and improving Chicot Road from Mabelvale Cutoff to Royal Oaks Drive, widening and improving Kanis Road from Shackelford Road to Autumn Road, and Cherry Brook Drive to Gamble Road. Other ongoing major projects funded in part by federal and state grants include improving the intersection of Kanis Road and Bowman Road and improving bicycle and pedestrian transportation systems throughout the City. Planning continues for major improvements to the Arkansas River Trail and a new connection to the future Southwest Trail. The City and Pulaski County received a grant from Metroplan to fund Phase 1 of the Southeast Trail, which will soon go into construction. A study to modify the City Master Bike Plan is ongoing and ever-adapting to serve pedestrian and cycling needs better and provide bicycle route connectivity to all parts of the City. The 7th Street re-striping project, which included a new design incorporating bike lanes, was completed at the end of 2022. Expenditures on street and drainage projects in 2022 topped \$17 million, benefitting the local economy in many ways, from the local consulting firms that provided surveying, design, and acquisition services to the many contractors, subcontractors, suppliers, and workers needed to make a program like this happen. Tens of thousands of Little Rock residents will benefit each day from an improved transportation system and improvements to neighborhoods that provide a better quality of life. The Traffic Engineering Division continues to maintain the updated I-630 Freeway LED lighting and provide the maintenance for most of the street lighting throughout the City. The University Avenue corridor adaptive signal project was completed in 2022.



2023 Department Goals

Coordinate the 2023 Street Resurfacing Program.

Coordinate the 2023 Annual Sidewalk Replacement Program.

Aid in the development of the City Master Bike Plan.

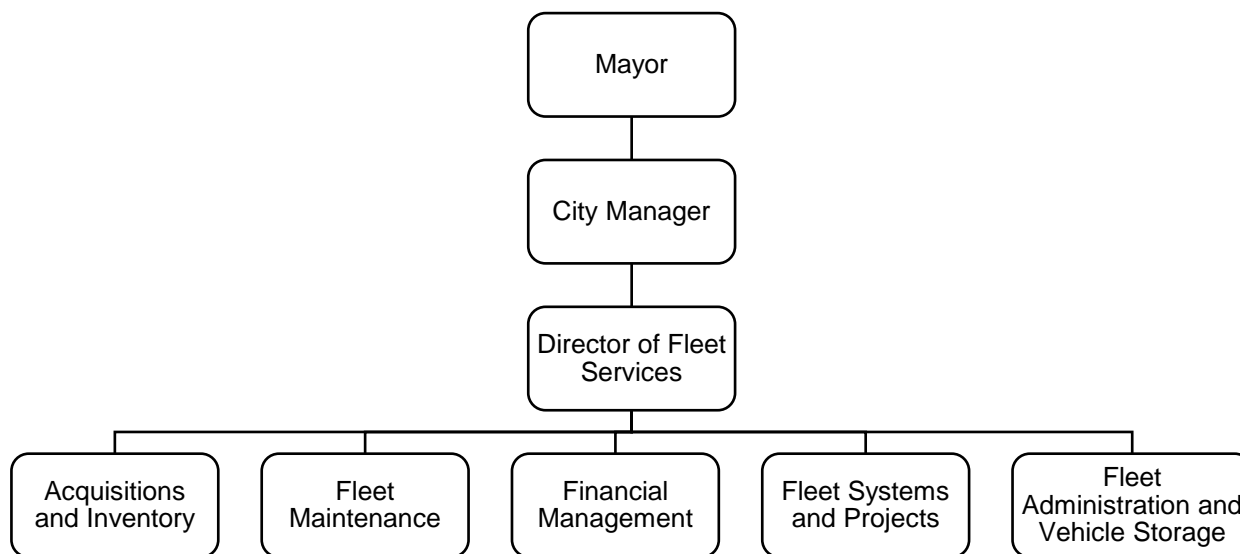
Continue to provide design assistance to the Arkansas Department of Transportation for the Interstate 30 Crossing Project and Highway 10 Corridor Improvement Project.

Assist wireless service providers with ongoing small-cell and 5G installations.

Update turn movement counts for major intersections of signal timing.



Fleet Services



Mission:

The City of Little Rock's Fleet Services Department is dedicated to providing exceptional customer, procurement and preventive maintenance services for acquired moving assets and accessories to both internal and external customers on behalf of our residents in an efficient and equitable manner.

Vision:

The City of Little Rock's Fleet Services Department is a top performing acquisitions and maintenance team that provides safe high-quality preventive and repair services for the City's sustainable automobile fleet used to protect and serve all individuals, families, and businesses of this vibrant city.

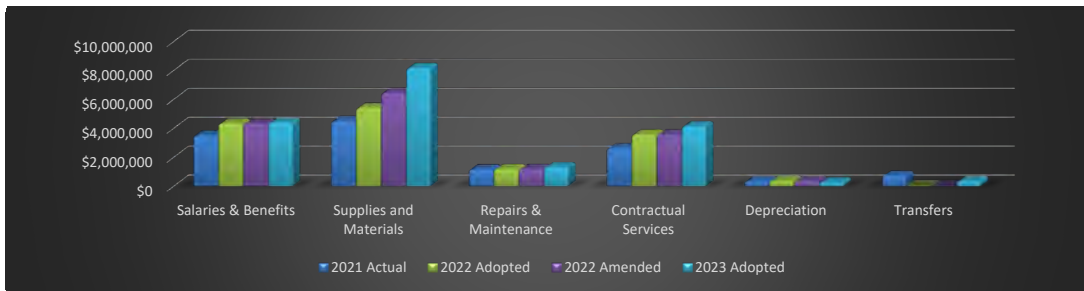
Fleet Services

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries & Benefits	\$ 3,528,722	\$ 4,336,951	\$ 4,336,951	\$ 4,398,766
Supplies and Materials	4,515,019	5,427,760	6,457,760	8,181,321
Repairs & Maintenance	1,173,137	1,194,585	1,194,585	1,326,740
Contractual Services	2,619,680	3,588,591	3,588,591	4,162,367
Depreciation	348,611	372,200	372,200	277,500
Transfers	738,000	-	-	362,394
Total	\$ 12,923,168	\$ 14,920,087	\$ 15,950,087	\$ 18,709,088

Staffing	63	62	62	63
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The 2023 Fleet Services Budget is balanced at \$18,709,088. The Fleet Services 2023 Budget reflects a \$3,789,001 increase from the 2022 Adopted Budget and a \$2,759,001 increase from the 2022 Amended Budget. The \$61,815 increase in personnel cost is primarily attributed to step and grade progression for union-eligible employees and a 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes and reclassifications. In 2022, one position was added, a Senior Fleet Advisor. The 2023 Budget increase in Supplies and Materials of \$2,753,561 from the Adopted 2022 Budget is attributed to higher fuel prices (\$578,622) and a change in fuel acquisition for the Waste Disposal Department. In the past, Waste Disposal purchased their fuel separately from the Fleet Department, but in 2023, fuel for Waste Disposal will be acquired and billed by Fleet at an estimated cost of \$1,967,734. Fuel is budgeted at \$3.41 for unleaded and \$4.17 for diesel, in comparison to \$2.73 for unleaded and \$2.93 for diesel in the 2022 Adopted Budget. The 2023 Budget for Repairs and Maintenance and Contractual Services will increase by \$132,155 and \$573,776, respectively, for engine replacements, drivelines, hydraulic systems, and the like. With limited funds for vehicle replacement, repairs, parts, and sublet billings are expected to increase. The \$362,394 for Transfers reflect funds set aside for Fleet facility improvements. The budget amendment for 2022 includes \$1,030,000 for increased fuel costs.

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
All Operating Departments	\$ 18,709,088	25.40%	17.30%





Fleet Services

Department: Fleet Services
Funding Source: Fleet Services Internal Service Fund
Budget: \$ 18,709,088

Department Description:
 To provide quality and cost-efficient vehicles and work equipment, fuel, and other fleet support services to our customers in a timely, environmentally friendly atmosphere.

	2021 Actual	2022 Estimate	2023 Budget
Objective: To complete 95% of fleet unit preventative maintenance before or on the due date, as per industries standards.			
Demand: Preventative work orders scheduled.	3,000	3,066	4,000
Workload: Preventative work orders opened and closed.	2,906	2,951	4,000
Efficiency: Preventative work orders closed on or before due date.	1,455	1,314	3,000
Effect/Outcome: Percentage of work orders closed on or before due date vs. total scheduled work orders.	49%	43%	90%
Objective: To increase the number of direct shop hours to 85% of total shop hours.			
Demand: Total number of shop hours.	61,364	55,564	75,000
Workload: Shop hours categorized as direct shop hours.	46,869	42,819	60,000
Efficiency: Average direct shop hours per month.	3,906	3,568	5,000
Effect/Outcome: Percentage of direct shop hours /total available shop hours.	76%	77%	80%

The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for Basic City
 Services and Infrastructure.**



2022 Department Accomplishments

Fleet will continue to purchase alternative fuel vehicles and new technology to enhance our sustainability initiative: Fleet procured one additional electrical vehicle (EV) in 2022 (Chevrolet Bolt Electric Utility Vehicle). In addition, charging sites were increased by 50%, with one being open to the public (501 Ferry St.: I-30).

Fleet Maintenance has managed a GOV-Deals account since 2012, in which they have packaged and sold over 547 items totaling \$2.8 million in funding returned to the City. This year they packaged and sold 43 items for \$462,313 on behalf of various departments in the City.

Fleet's special project designee teamed with the fuel division and others at Fleet to package, remarket and sell the compressed natural gas (CNG) equipment that was retired. The remarketed value came in at \$275,000, and the proceeds are earmarked for a fast charge charging station for EVs. Fleet installed and implemented Fuel Master at the Landfill for more accurate and efficient fuel use monitoring. Fleet upgraded and replaced fuel dispensers at the Landfill to improve reliability and efficiency and to give more precise meter reads. Fleet also upgraded and replaced three (3) generators and Omnimetrix systems, allowing 25% of the City's generators to be replaced over the past four (4) years.

The Maintenance Division partnered with several technical schools and arranged Fleet tours to help recruit new technicians. One employee was hired from this partnership. The Maintenance Division continued to improve the shop facilities and their surrounding areas by weatherizing buildings to help improve technicians' working conditions and decrease energy costs. The division added improved electrical outlets and air reels throughout the Landfill Maintenance Facility for safety improvements. Also, they purchased scissor lifts used as a shared asset throughout the City. Sharing assets decreases high rental expenses and allows better utilization of our human assets. The Maintenance Division also worked to procure and implement the latest technology tools by implementing hand-held scanners to help technicians understand and troubleshoot the rapid innovations that our industry is experiencing.

Fleet continues participating in Emergency Vehicle Technician (EVT), Automotive Service Excellence (ASE), and selected manufacturer training programs for technical staff's professional development needs. All technicians in the Fleet Fire Shop have successfully obtained at least one (1) EVT certification. Two (2) Sedan and Truck Shops technicians received their first ASE certification.

The Financial Management Division streamlined all invoices to be directed to one designated email to achieve more accountability and productivity. They also worked closely with the Acquisitions and Inventory Division to ensure proper contract-invoice coding with appropriate supporting documentation.



2022 Department Accomplishments (Continued)

Fleet completed additional divisional reorganizations this year, including adding Service Advisors to the Acquisitions and Inventory Division to enhance the scheduling capability of assets from all departments and communicating with our front-line departmental team members regarding preventive maintenance and vehicle repairs.

Due to their first-class quality, competitive rates, and best-in-breed customer service, the Acquisitions and Inventory Division has developed a stronger relationship with Interstate Batteries to accommodate all battery types for Fleet's current assets. This team also reorganized Fleet's main parts store by selling off and scrapping obsolete parts and reorganizing shelf spacing for the improved location of like items.

2023 Department Goals

Devise a new sanctioned vehicle and equipment replacement plan for both Little Rock Fire Department and Little Rock Police Department that will extend through 2030. Present a replacement plan to the City that illustrates the need for funding replacements with a permanent funding source that will address equipment renewals and facility updates.

Introduce a revised utilization policy for Fleet's moving and stationary equipment, including the vehicle take-home procedure for public safety and all other departments.

Devise and present Fleet's electrification plan for the City's fleet after consultation with City departments, electric vehicles (EV) providers, and other government and grant funding sources.

Conceive the building updates required to start the changeover to a sizable electric fleet. The safety requirements and installation of new technology must be front of mind.

Continue Fleet's efforts of being nationally recognized among large fleets by establishing a practical vehicle utilization policy, constructing agreed-upon sustainable green fleet initiatives, and demonstrating an ongoing replacement strategy and funding.



2023 Department Goals (Continued)

Participate in Emergency Vehicle Technician (EVT), Automotive Service Excellence (ASE), and selected manufacturer training programs for technical staff's professional developmental needs. This will increase individual technicians' and overall shops' productivity and efficiency levels to exceed industry standards and obtain national certifications and recognitions.

Finish Fleet's, including Vehicle Storage Facility's (VSF), proposal for securing the grounds, adding security into daily processes, and enhancing storm sheltering at VSF.

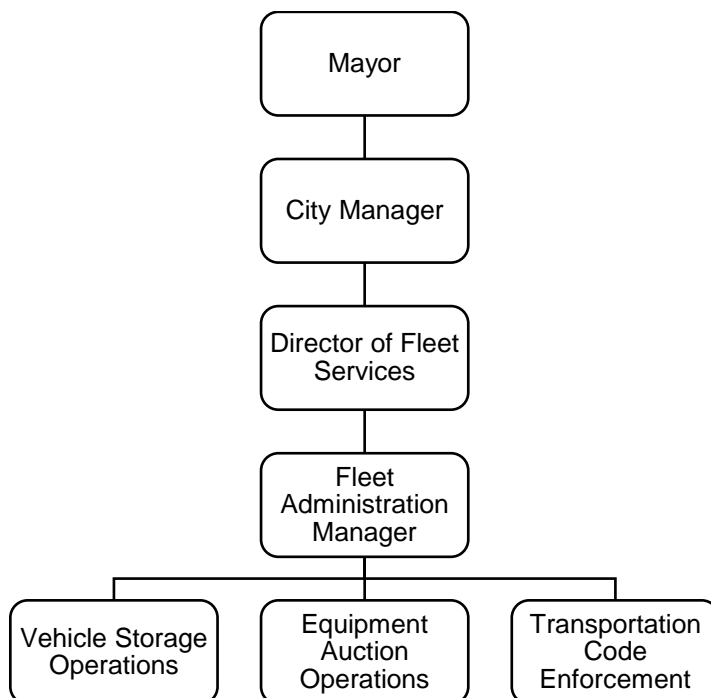
Complete the redeployment of Fleet's management and support personnel to support the new changes, meet ongoing technological training needs, and better utilize personnel within the divisions.

Update and streamline the accident/incident review process and make changes accordingly.

Begin the implementation of the Enterprise Asset Management (EAM) business ware. This phase of completion is scheduled to be at the end of Q1. This phase will include installing the EAM Asset Management Module, Work Management Module, Materials Management Module, and Case Management Module.



Vehicle Storage Facility



Mission:

The City of Little Rock’s Vehicle Storage Facility is dedicated to providing our customers with diverse services through regulation of for hire transportation services, administering vehicle storage processes, and disposal of unclaimed and abandoned vehicles through public auction as required by law.

Vision:

The City of Little Rock’s Vehicle Storage Division works to provide our customers with compassionate and transparent services while enforcing Fleet Services’ rules and regulations related to the towing and recovery of vehicles to our facility via contract wrecker services and in our efforts to enforce the city’s transportation code.

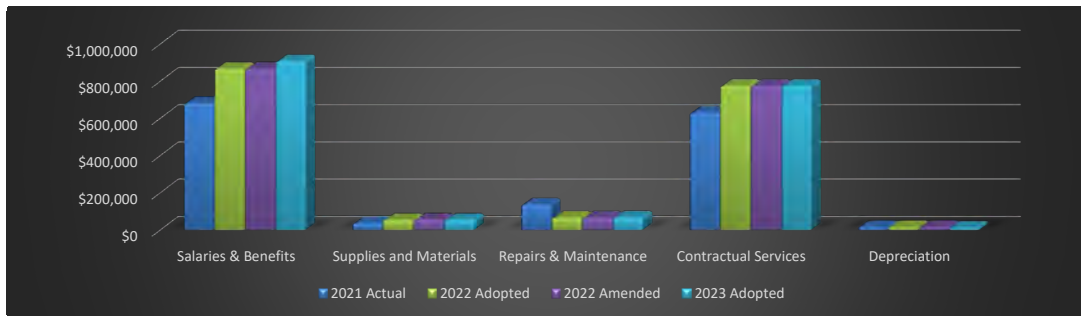
Vehicle Storage

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries & Benefits	\$ 683,753	\$ 868,960	\$ 868,960	\$ 910,335
Supplies and Materials	38,321	56,362	57,756	56,518
Repairs & Maintenance	138,043	68,155	68,155	69,461
Contractual Services	631,638	777,173	777,173	777,173
Depreciation	15,056	15,900	15,900	12,500
Total	\$ 1,506,810	\$ 1,786,550	\$ 1,787,944	\$ 1,825,987

Staffing	14	14	14	15
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The Vehicle Storage Fund is anticipated to have revenue of \$1,896,585, less expenses of \$1,825,987, for an estimated net income of \$70,598. The Vehicle Storage 2023 Budget reflects a \$39,437 increase from the 2022 Adopted Budget and a \$38,043 increase from the 2022 Amended Budget. The \$41,375 increase in Personnel Costs from the 2022 Adopted Budget is primarily attributed to adding a Vehicle Storage Attendant II for the front office and a 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes and reclassifications. The budget amendment for 2022 includes \$1,394 for increased fuel costs.

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
601 Vehicle Storage Facility Fund	\$ 1,825,987	2.21%	2.13%



City of Little Rock, Arkansas

Vehicle Storage Facility

Department: Vehicle Storage Facility
Funding Source: Vehicle Storage Enterprise Fund
Budget: \$ 1,825,987

Department Description: Provide entities safe storage for vehicles until they are reclaimed by the registered owner(s) and disposal of unclaimed and abandoned vehicles.

Table with 4 columns: Metric, 2021 Actual, 2022 Estimate, 2023 Budget. Rows include Objective, Demand, Workload, Efficiency, and Effect/Outcome.

The departmental goals and objectives link with the Board of Directors Statement of Management Policy for Basic City Services and Infrastructure. Includes two images: a traffic light and a bridge structure.



2022 Department Accomplishments

The Fleet Department installed an Airphone system (entry security system and intercom) to secure the facilities and grounds at both Fleet and Vehicle Storage and added control access and fire alarm systems at the Landfill and 6th Street Maintenance Facilities.

Renovations continue at the Vehicle Storage Facility. The Vehicle Storage intake area received updated furniture and fixtures, and the exterior of the Vehicle Storage Administration building was painted.

The Vehicle Storage intake area purchased a key box to properly manage and secure keys received during the impound intake process.

Vehicle Storage auction sales increased by approximately \$94,000 compared to last year's sales due to the increase in abandoned impounded vehicles.

2023 Department Goals

Align management to focus on inside and outside functions and services and enhance supervisory training, oversight, and participation in the alignment or realignment process.

Start the redeployment of Vehicle Storage Facility's (VSF) management and support personnel to support the new changes, meet ongoing technological training needs, and better utilize personnel within the division.

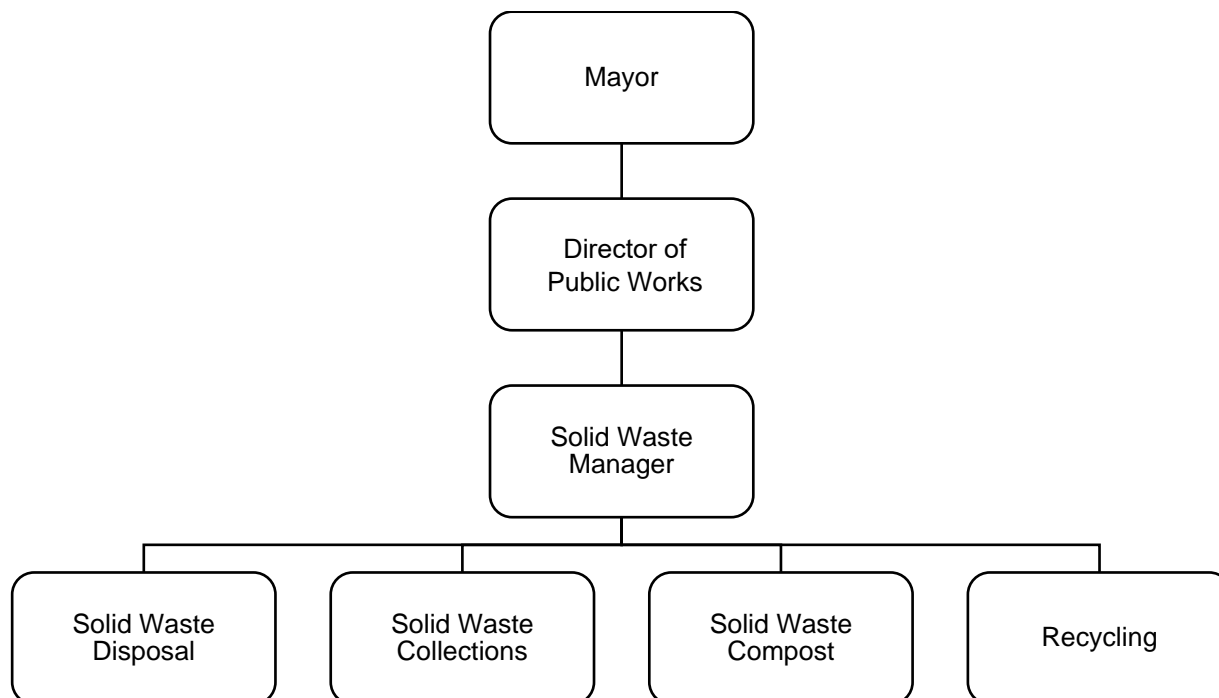
Move forward with facility enhancements discussed with Public Works and others that will enhance security and impound operations.

Complete a process flow and review of VSF's current systems to move VSF into the Enterprise Asset Management (EAM) business ware in the future.

Review the City's consent towing ordinance and contract thoroughly and make necessary changes.



Waste Disposal



Mission:

The Public Works department is dedicated to providing efficient and economical infrastructure and quality management of services for the residents of Little Rock in a professional manner.

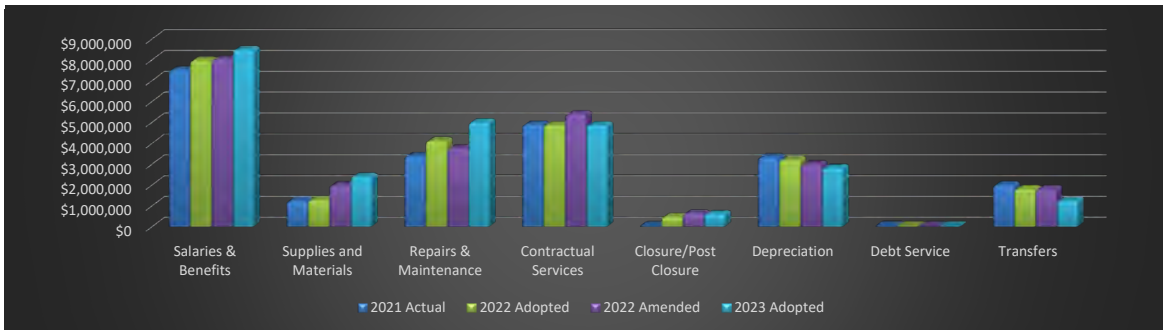
Waste Disposal

Account Category	Expenditure Budget			
	2021 Actual Expenditures	2022 Adopted Budget	2022 Amended Budget	2023 Adopted Budget
Salaries & Benefits	\$ 7,511,334	\$ 7,973,857	\$ 8,021,847	\$ 8,494,940
Supplies and Materials	1,240,171	1,291,396	1,999,825	2,411,134
Repairs & Maintenance	3,386,204	4,126,969	3,764,766	5,008,410
Contractual Services	4,892,962	4,864,291	5,386,439	4,866,207
Closure/Post Closure	12,250	474,500	635,000	614,800
Depreciation	3,333,129	3,214,600	2,996,316	2,834,500
Debt Service	27,368	8,943	8,943	-
Transfers	2,006,244	1,822,544	1,822,544	1,255,109
Total	\$ 22,409,662	\$ 23,777,100	\$ 24,635,680	\$ 25,485,100

Staffing	145	145	145	145
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The 2023 Waste Disposal Fund Budget is balanced at \$25,485,100. The Waste Disposal 2023 Budget reflects a \$1,708,000 increase from the 2022 Adopted Budget and a \$849,420 increase from the 2022 Amended Budget. The \$521,083 increase in personnel cost is primarily attributed to step and grade progression for union-eligible employees and a 3.5% salary increase, net of the reduction to health insurance cost and other employee benefit changes and reclassifications. Supplies and Materials and Repairs and Maintenance will increase from the 2022 Amended Budget by \$411,309 and \$1,243,644, respectively, due to higher fuel prices and increased Fleet allocations associated with vehicle maintenance. Contractual Services include utilities and contracts. The increase in utilities is based on experience and includes an estimated electricity and gas cost increase. The administrative overhead allocation to the General Fund was reduced to ensure the Waste Disposal Fund remains balanced with the high increase in fuel cost, which is shown as the decrease in Transfers Out from the 2022 Adopted Budget. The budget amendments for 2022 include the partial year increase of \$47,990 to bring minimum full-time salaries to \$15 per hour, an increase for fuel costs of \$651,548, a reduction of \$305,322 for Fleet parts and other variable Fleet expenses, an increase of \$522,148 for contracts, an increase of \$160,500 for closure/post closures costs, and a reduction in depreciation of \$218,284.

Allocations By Year And Account Category



Resources for Budget	FY 23 Proposed Budget	% Change from 2022 Adopted	% Change from 2022 Amended
603 Waste Disposal Fund	\$ 25,485,100	7.18%	3.45%



Waste Disposal

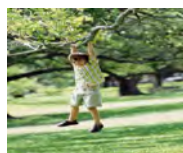
Department: Waste Disposal
Funding Source: Waste Fund
Budget: \$ 25,485,100

Department Description:

To provide all elements of effective efficient solid waste management in a manner that meets Environmental Protection Agency (EPA) and state regulations, protects health, improves the environment, and provides cleaner neighborhoods to support a high quality of life for all citizens.

	<u>2021 Actual</u>	<u>2022 Estimate</u>	<u>2023 Budget</u>
Objective: To promote recycling and increase annual tonnage collected.			
Demand: Curbside recycling tonnage to be collected.	6,000	5,550	6,000
Workload: Curbside recycling tonnage collected.	6,000	5,550	6,000
Efficiency: Curbside recycling tonnage collected/month.	500	460	500
Effect/Outcome: Percentage of tonnage collected annually.	100%	100%	100%
Objective: To monitor incoming tonnage to the Class I and Class IV Landfill Cells.			
Demand: Class 1 & Class 4 tonnage to be disposed.	123,500	131,000	135,000
Workload: Class 1 & Class 4 tonnage received.	123,500	131,000	135,000
Efficiency: Average monthly tonnage disposed of in Class 1 and Class 4 landfills.	10,300	11,000	11,250
Effect/Outcome: Percentage of tonnage collected annually.	100%	100%	100%
Objective: To respond to on call bulky items pickups – Response time.			
Demand: On Calls received for bulky pickups.	21,900	22,700	25,000
Workload: On call bulky item pickups.	21,900	22,700	25,000
Efficiency: Average working response time (days).	3.0	3.0	3.0
Effect/Outcome: Percentage of bulky items pickups completed annually.	100%	100%	100%

The departmental goals and objectives link with the
**Board of Directors Statement of Management Policy for Basic City
 Services and Quality of Life.**





2022 Department Accomplishments

In keeping with the Overall City Goals and Objectives Must Do Policy Statement for Infrastructure, Solid Waste Collections has continued to expand tablet usage to knuckleboom operations. The Solid Waste Department has purchased additional collections vehicles to reduce downtime and upgrade the fleet. The number of vehicles equipped with GPS and camera systems continues to increase. The staff has contacted a third-party route optimization company for automated dispatching of routes and tracking completion efficiency. The City's Landfill constructed Cell 5 (now in use) west of Class 1 landfill and continues partially closing Cell 4 of Class 1 landfill.

2023 Department Goals

Propose a Solid Waste Services rate increase to allow the Division to keep up with cost increases and help provide needed funding for salaries, garbage trucks, and landfill equipment.

Install a new primary liner and upgrade the landfill leachate pond. Project funding has been secured, and the design is complete and ready for bid.

Replace sanitary sewer pumps in the lift station. Project funding has been secured, and the design is complete and ready for bid.

Resurface the yard waste/composting area. Roughly 15 acres of the previously asphalted area have deteriorated, making basic operations difficult and wearing out composting equipment. This is also a requirement to comply with State DEQ regulations.

Install a new garbage truck wash system in partnership with Fleet Services.

Increase recycling participation in city-owned facilities.

Continue to expand the use of tables for bulky item pickups, knuckle boom pickups, and carry-out service.

Update radio systems in collection trucks and landfill equipment.

Start a program to bring cover dirt to the landfill for daily waste cover operations.

Continue to expand the number of trucks outfitted with GPS and camera systems to track route completion and ensure safety. The Department is looking into outfitting trucks with route completion software.

Appendix



Appendix A**State and City Budget Statutes****State Statutes**

Arkansas statutory law, A.C.A. § 14-47-120, grants the City of Little Rock the authority to operate under the City Manager form of government pursuant to the City's form of government.

1. The Mayor and City Manager shall prepare the municipal budget annually and submit it to the Board for its approval or disapproval. The City Manager is responsible for its administration after adoption.
2. The City Manager shall prepare and submit to the Board, within sixty (60) days after the end of each fiscal year, a complete report on the City's finances and administrative activities during the fiscal year.
3. The City Manager shall keep the Mayor and Board advised of the City's financial condition and future needs and make such recommendations as to him may seem desirable.

The City complies with item 1 above in its budget process. It complies with items 2 and 3 by submitting monthly, quarterly, and annual financial reports to the Board.

City Ordinances

Sections 2-211 through 2-218 of the City of Little Rock's [Code of Ordinances](#) establish budget requirements for preparation, administration, and financial reporting. Sections 2-222 and 2-226 also pertain to the budget.

Sec. 2-211. Nature and Scope.

The City's budget shall set forth all proposed expenditures for the administration, operation, and maintenance of all departments, expenditures for capital or special projects to be undertaken, and support for other agencies to be provided. In addition, the budget shall set forth the anticipated revenues and other means of financing proposed expenditures. The Board of Directors shall adopt the budget for the ensuing fiscal year period. In contrast, budget information for subsequent fiscal periods shall be considered a fiscal plan and not a part of the adopted budget.

Sec. 2-212. Preparation.

The City Manager shall submit a budget and an explanatory budget message to the Board of Directors for the ensuing year. The City Manager shall compile the budget with the Finance Department's assistance and other departments or agencies, estimating all revenues and expenditures detailed by organization unit, service program, or object or expenditure, as appropriate.

Sec. 2-213. Public records; distributing copies.

The budget and budget message and all supporting schedules shall be a public record in the City Clerk's office open to public inspection by anyone. The City Manager shall ensure sufficient copies of the budget and budget message are available for distribution to interested persons.

Sec. 2-214. Adoption.

The Mayor and Board of Directors shall adopt a budget for the ensuing year by December 30.

Sec. 2-215. Budget document – Generally.

The budget document, setting forth the financial plan of the city for the ensuing fiscal period, shall include the following:

- (1) Any explanatory budget message;
- (2) A summary of the budget by fiscal year;
- (3) A detail of the revenue projections upon which the budget is based; and
- (4) The detailed budget plan.

Sec. 2-216. Budget message.

- (a) The budget message submitted by the City Manager to the Mayor and Board of Directors shall be explanatory of the budget. It shall contain an outline of the City's proposed financial policies for the budget year and describe the budget plan's important features. It shall set forth the reasons for important changes from the previous year in cost and revenue items and explain any significant financial policy changes.
- (b) Attached to the budget message shall be such supporting schedules, exhibits, and other explanatory material regarding both current operations and capital improvements, as the City Manager shall believe useful to the Mayor and Board of Directors.

Sec. 2-217. Summary.

To present taxpayers a simple and clear overview of the budget estimates, a summary of the budget shall head the budget, which need not be itemized further than by principal sources of anticipated revenue and total proposed expenditures of each department.

Sec. 2-218. Complete budget plan.

The budget shall provide a complete plan for all City departments and offices' operations for the ensuing budget year. It shall contain in tabular form:

- (1) Detailed estimates of all anticipated revenues.
- (2) All proposed expenditures.

Sec. 2-222. Emergency appropriations.

At any time in any budget year, the Mayor and Board of Directors may make emergency appropriations to meet a pressing public need.

Sec. 2-248 – 2-251. Financial reporting.

Fund balance reports shall be prepared and submitted to the Mayor and Board of Directors by the City Manager and Director of Finance within 20 business days after month-end close. A quarterly fund balance report will also be prepared and widely distributed. Semi-annual reports will be prepared, published in the newspaper, and made available to the public within 30 calendar days after the month-end close for June and December of each fiscal year.

Sec. 2-258 – 260.1. Restricted reserve fund.

Restricted reserve fund means a portion of the governmental fund type's net assets that are accounted for in a restricted fund balance that is not available for appropriation without special actions of the Mayor and Board of Directors. This fund is considered fully funded as a part of the annual City budget when the restricted fund balance shows an amount equal to \$10,000,000, or 10% of the annual General Fund revenues for a budgeted year, whichever is greater. Revenues are deposited in this fund in such amounts determined by the Mayor and Board of Directors to assure that the fund shall be fully funded by December 31, 2005.

Sec. 2-260.2. Notice of downward economic trends.

The City Manager and Director of Finance shall notify the Mayor and Board of Directors in writing at the first available opportunity if economic trends indicate that the revenues projected as a part of the annual City budget are not meeting projections and require the Board to consider reductions in force, city services or the use of restricted reserve fund monies to meet the City's obligations funded in the annual City budget.

Appendix B

STATISTICAL INFORMATION

Date of Incorporation	November 7, 1831
Date of Adoption of Charter	November 2, 1835
Form of Government	City Manager
Date of City Manager Government	July 27, 1993

Area - Square Miles	122.36
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Miles of Streets and Alley:

Total Streets	2,500.59
Streets Graded and Surface Treatment	397.86
Paved - Permanent (Concrete and Asphalt)	2,102.73
Alleys Maintained	62.82
Drainage Ditches Maintained	1,567.72
Storm Sewers Maintained	379.42
Miles of Water Lines	1,432.45
Sanitary Miles	1,416.00

Traffic Controls:

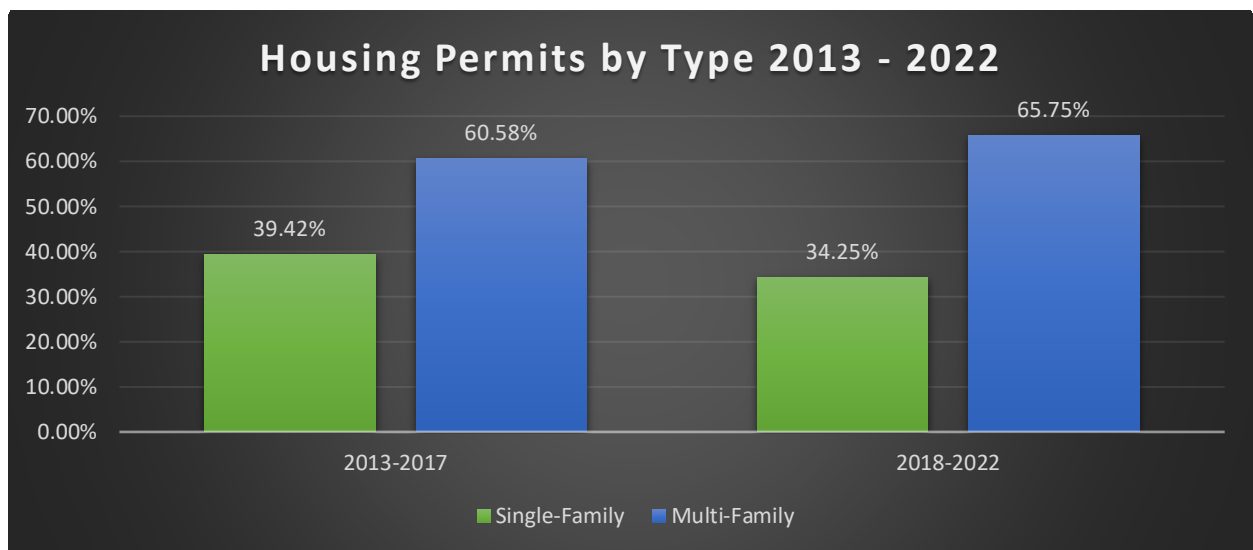
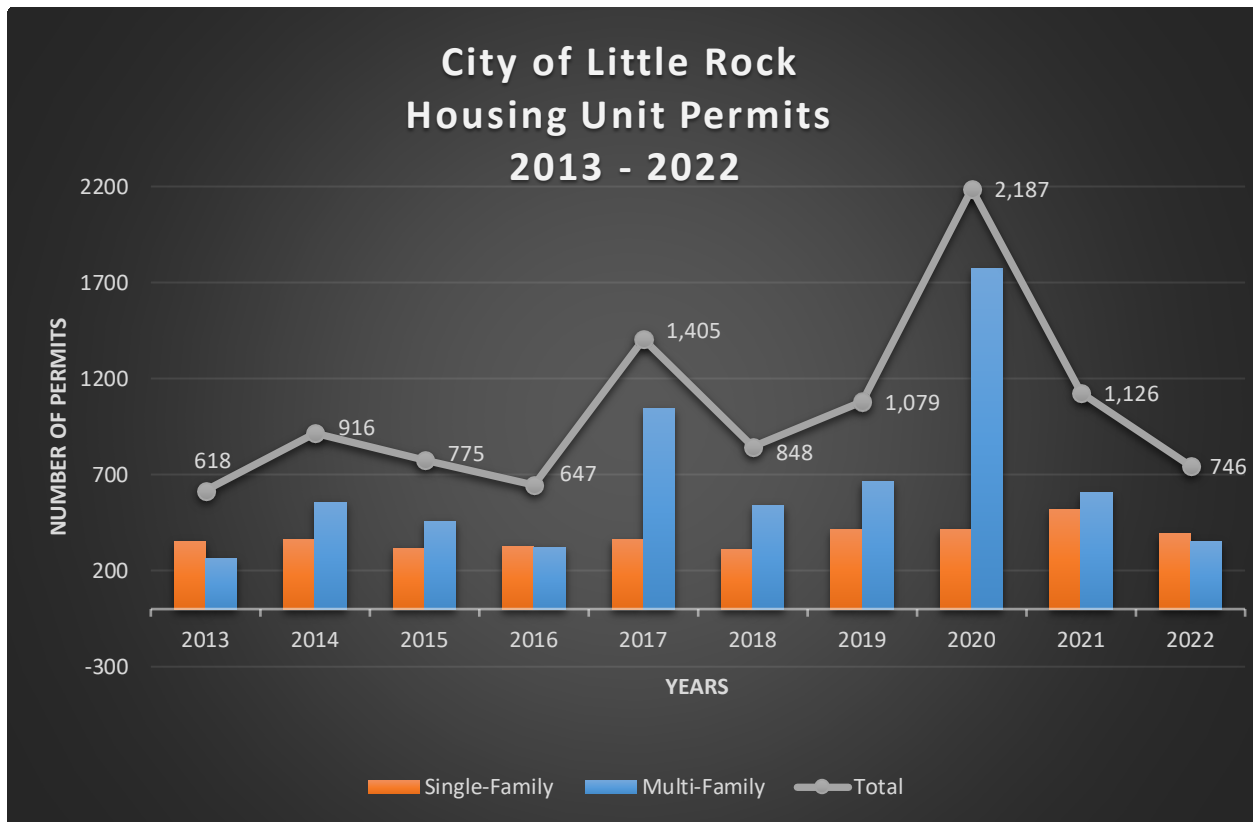
Signals Repaired	800
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Solid Waste/Garbage Collection:

Class I and IV tonnage	131,114
Yard Waste	22,975
On-call Service	27,200
Knuckleboom truck pick-ups	6,314
Number of Residential Users	60,574
Number of Commercial Users	472

Building Permits:

<u>Year</u>	<u>Permits Issued</u>	<u>Estimated Cost</u>
2013	2,000	\$ 385,865,486
2014	2,024	\$ 593,559,207
2015	2,059	\$ 414,586,125
2016	2,276	\$ 448,913,149
2017	2,283	\$ 502,609,225
2018	1,957	\$ 617,187,924
2019	2,015	\$ 551,240,708
2020	1,965	\$ 443,609,792
2021	2,303	\$ 549,425,210
2022	2,440	\$ 643,686,232



Sales Tax Rate:

Local	1.125%
County	1.0%
State	6.5%

Bond Rating:

General Obligation Bonds

Standard and Poor's	AA
Moody's	Aa1

Fire Protection:

Number of Stations	22
Number of Authorized Uniformed Employees	438
Rescue, emergency medical call	18,426
Fire and explosions	1,467
Overpressure rupture, explosion, overhear (no fire)	83
Service Calls	3,312
Good intent calls	3,330
False alarm calls	4,787
Natural disaster calls	27
Other calls	140
Hazardous condition, standby	980

Insurance Rating for Insurance Service Office (ISO)

City of Little Rock	Class I
---------------------	---------

Police Protection:

Number of Stations	10
Number of Authorized Uniformed Employees	596
Calls for Service Police	223,766
Arrests	7,221

Recreation:

Number of Parks, Including Park Development	63
Total Acres (developed & undeveloped)	6,140
Number of Playgrounds	41
Number of Tennis Courts	34
Number of Basketball Courts	35
Number of Museums	1
Number of Golf Courses	2
Number of Ball Fields	30
Number of Play Fields	22
Number of Community Centers	9
Number of Swimming Pools	3
Number of Adult Centers	1
Number of Soccer Fields	13
Number of Fitness Centers	1
River Market	1
Amphitheatre	1
Number of Pavilions	33
Number of Pickleball Courts	6
Number of Volleyball Courts	17
Total Recorded Park Attendance - 2022	446,840
Number of Zoos	1
Total Zoo Attendance – 2022	206,425
Total Zoo Member Households	5,816

Medical Facilities Number of beds
(private occupancy rooms):

Baptist Health Medical Center – Little Rock	785
University of Arkansas Medical Center	540
St. Vincent Infirmary Medical Center	380
Arkansas Children’s	336
Baptist Rehabilitation Institute	120
Arkansas Heart Hospital	112
Total Number of Beds	<u>2,273</u>

Estimated Total Beds per 1,000
Population: 10.9

Total Estimated Population 207,698

Compiled by Metroplan 01/04/2023

POPULATION

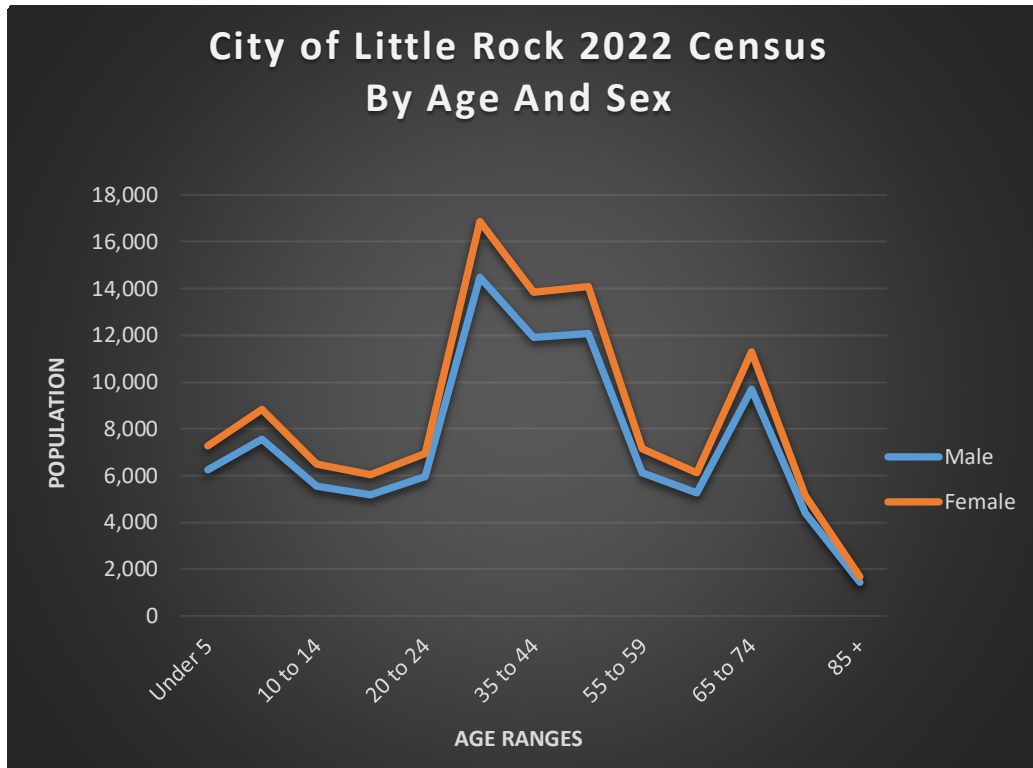
<u>Year</u>		<u>Number</u>
1910		45,941
1920		65,142
1930		81,657
1940		88,039
1950		102,310
1960		107,813
1962	Special Census	125,671
1964	Special Census	128,929
1970	Census	144,824
1974	Special Census	139,703
1978	Special Census	144,824
1980	Census	159,024
1985	Special Census	178,134
1990	Census	175,795
1992	U.S. Census Bureau Estimate	176,870
2000	Census	183,133
2010	Census	193,524
2011	Special Census*	195,310
2012	Special Census**	194,439
2013	Special Census**	196,814
2020	Census	202,591
2021	Estimate **	205,932
2022	Estimate **	207,575

* Source: Arkansas Business 2020 Book of Lists

** Source: Metroplan

City of Little Rock 2022 Population By Age and Sex

Age Ranges	Male	Female	Total
Under 5	6,233	7,259	13,492
5 to 9	7,576	8,822	16,398
10 to 14	5,562	6,477	12,039
15 to 19	5,179	6,030	11,209
20 to 24	5,946	6,924	12,870
25 to 34	14,481	16,863	31,344
35 to 44	11,891	13,848	25,739
45 to 54	12,083	14,071	26,154
55 to 59	6,138	7,147	13,285
60 to 64	5,275	6,142	11,417
65 to 74	9,686	11,279	20,965
75 to 84	4,411	5,137	9,548
85 +	1,439	1,676	3,115
	95,900	111,675	207,575
	46.2%	53.8%	100.0%



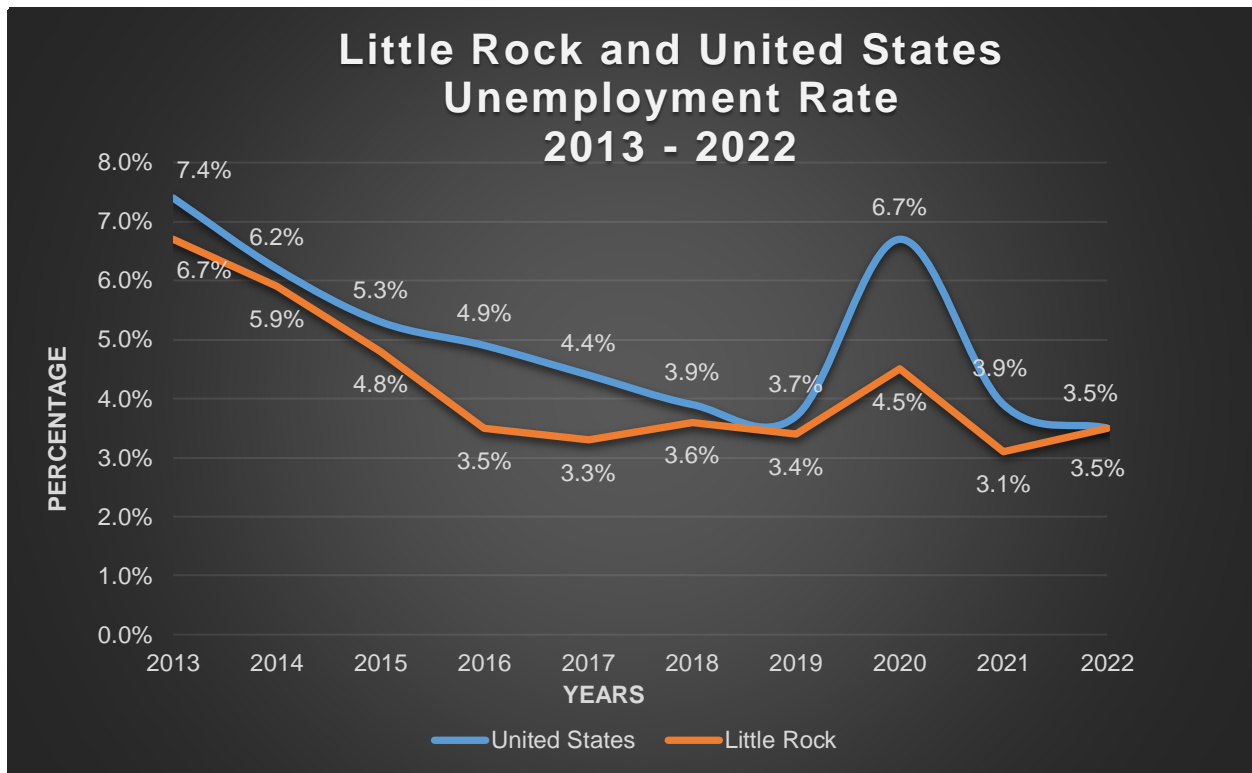
LITTLE ROCK AND ENVIRONS

Per Capita Income (2021)	\$39,600
Median household income (2021)	\$53,565
U.S. Consumer Price Index (December 2022)	298.1
Percent inflation over past year (November 2021)	6.4%
Average unemployment percentage rate (2022)	3.8%
Median Age (2021 American Community Survey)	37.9

Race (2021):	
White	42.6%
Black or African American	42.4%
Hispanic or Latino *	7.9%
Asian	2.8%
Other **	4.3%

*Hispanic is an overlay category that includes multiples races.

**Could include persons reporting more than one race.



Source: U.S. Bureau of Labor Statistics
 Compiled by MetroPlan 02/13/2023

Education (Little Rock School District):

Number of School Buildings	41
Number of Teachers/including Principals, Supervisors	2,183
Number of Registered Students	21,456
Number of Kindergarten Students	1,534
Average Daily Attendance - Elementary Schools	8,076
Average Daily Attendance - Secondary Schools	10,505
Average Daily Attendance - Kindergarten	1,528
Tax Rate: (Mills)	
Real	46.4
Personal	46.4

**Educational Attainment
Little Rock 2022 (Highest level of Attainment)**

Total Population (ACS)	207,575
Population 25 years and over	137,931
Percent of Population Age 25+	66.4%
Overall education attainment:	
High School diploma or higher	89.8%
Bachelor's degree or higher	44.2%
Maximum education level in years of formal schooling:	
Less than High School	10.2%
High School or Equivalent	18.0%
Some college or Associate degree	27.6%
Bachelor's degree or higher	44.2%

EMPLOYEES AS OF DECEMBER 31, 2022

<u>City Government</u>	<u>Total</u>	<u>Full-Time</u>	<u>Part-Time</u>
AFSCME	365	365	-
IAFF	415	415	-
FOP	465	465	-
Non-union	1,109	663	446
	<u>2,354</u>	<u>1,908</u>	<u>446</u>
<u>Commissions</u>			
Wastewater Utility	212	212	-
Bill & Hillary Clinton National Airport	150	150	-
LR Convention & Visitors Bureau	182	109	73
Little Rock Port Authority	10	10	-
Metropolitan Emergency Medical Services	394	330	64
Rock Region Metro	221	212	9
Arkansas Museum of Discovery	48	30	18
Arkansas Museum of Fine Arts	69	50	19
Central Arkansas Library	308	239	69
	<u>1,594</u>	<u>1,342</u>	<u>252</u>
Total Employment	<u>3,948</u>	<u>3,250</u>	<u>698</u>

**LITTLE ROCK INSTITUTIONS OF HIGHER EDUCATION
2020-2021**

<u>Institution</u>	<u>Fall 2020*</u>	<u>Fall 2021*</u>
University of Arkansas at Little Rock	8,899	8,295
University of Arkansas for Medical Sciences	2,907	3,088
Arkansas Baptist College	432	-
Philander-Smith College	799	-
Totals	<u>13,037</u>	<u>11,383</u>

Sources:

Arkansas Business Book of Lists 2022 & 2023

*Fall 2020 & 2021 latest data, as shown in 2022 AR Business Book of Lists.

Note: Arkansas Business Book of Lists did not report Philander Smith College or Arkansas Baptist College for year 2021.

Compiled by Metroplan 2/13/2023

**Little Rock Area Major Employers
2022**

	<u>Company</u>	<u>Industry</u>	<u>Employees</u>
1	State Government – within the MSA	Government	34,900
2	Local Government – within the MSA	Government	27,200
3	Federal Government – within the MSA	Government	9,900
4	University of Arkansas for Medical Sciences	Education/Medical Services	9,100
5	Baptist Health	Medical Services	5,360
6	Little Rock Air Force Base	Government	4,500
7	Arkansas Children’s Hospital	Medical Services	4,000
8	Little Rock School District	Schools/Colleges/Education	3,500
9	Central Arkansas Veterans Healthcare System	Medical Services	2,800
10	Entergy Arkansas	Utility (Electric)	2,740
11	Pulaski County Special School District	Schools/Colleges/Education	2,700
12	AT&T	Utility (Telephone)	2,600
13	CHI St. Vincent Health System	Medical Services	2,600
14	Verizon Wireless	Communications/Telecommunications	2,500
15	Dillard’s Inc.	Department Store	2,400
16	Union Pacific	Transportation	2,000
17	Dassault Falcon Jet Corp.	Falcon Aircraft Models	2,000
18	Arkansas Blue Cross Blue Shield	Insurance	1,800
19	CenterPoint Energy	Utility (Natural Gas)	1,600
20	University of Arkansas at Little Rock	Education	1,380

Source: Greater Little Rock Chamber of Commerce - 03/03/2023

Little Rock's Top Ten Sales Taxpayers by Industry

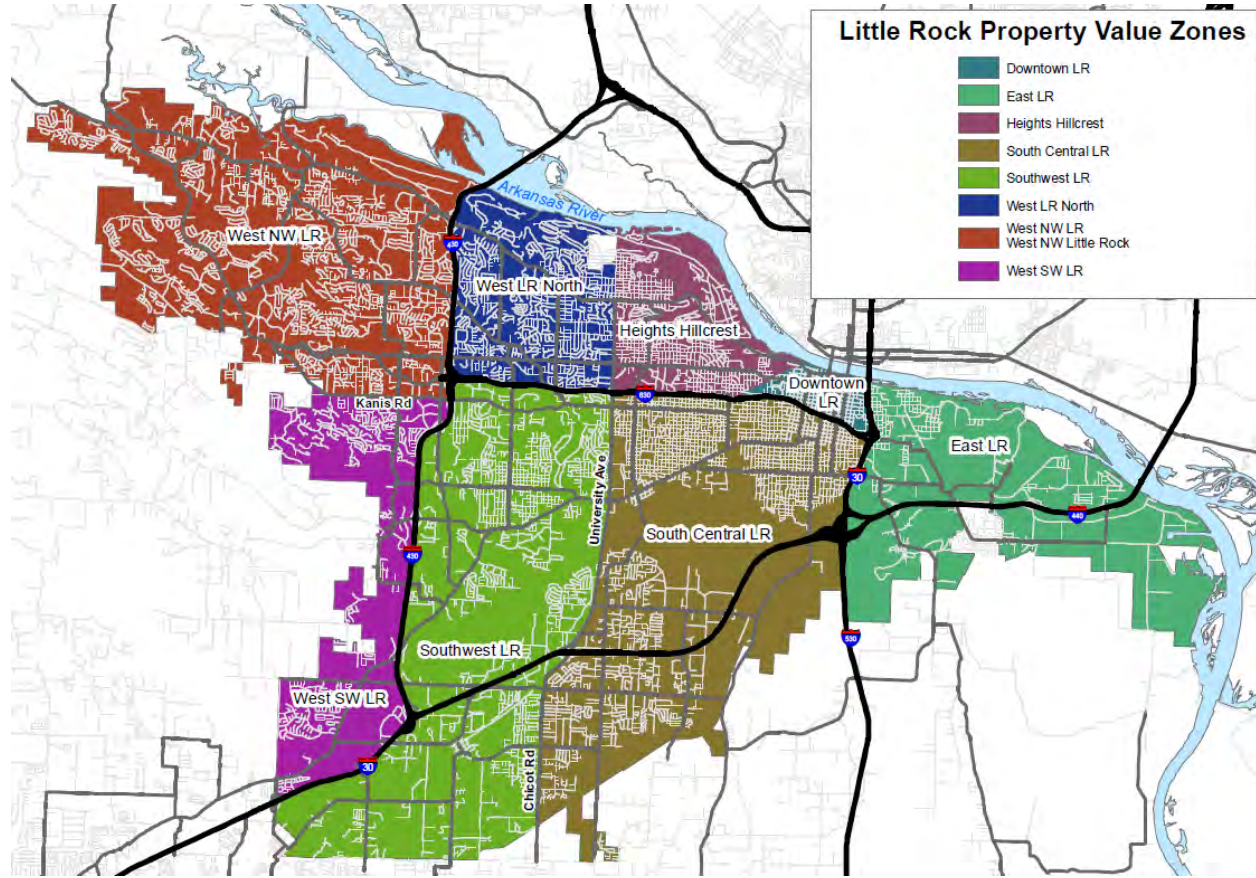
The City of Little Rock Arkansas's largest own-source revenue is sales taxes. The City's sales tax revenues are generated from a tax levy: a permanent one and one-eighth (1.125)-cent local general sales tax. Taxes are assessed based on the point-of-sale. In addition, the City receives a portion of the county's one (1.0)-cent sales tax based on population. The City of Little Rock makes up approximately 51% of the county population and receives a like proportion of the county tax. In 2022, the combined 1.125-cent city sales tax generated revenue of \$73,499,178. The City's share of the county 1-cent tax generated revenue of \$56,536,623.

According to Arkansas State Statutes, the City is required to keep the identity of individual taxpayers confidential. Therefore, the City of Little Rock is unable to disclose the top ten taxpayers. However, Little Rock enjoys a diverse economic sales tax base. Revenues generated by the top ten industry codes are noted below.

Little Rock Top Ten 1 1/8 Cent Sales Taxpayers	Tax	
Industry	Collected	% of Total
Other General Merchandise Stores	\$5,673,639	7.72%
Grocery Stores	5,074,082	6.90%
Electronic Shopping and Mail-Order Houses	3,694,236	5.03%
Building Material and Supplies Dealers	3,630,347	4.94%
Full-Service Restaurants	3,603,197	4.90%
Food Services and Drinking Places; Unknown Subclassification	2,771,039	3.77%
Electronics and Appliance Stores	2,734,944	3.72%
Electric Power Generation; Transmission and Distribution	2,276,545	3.10%
Clothing Stores	2,257,554	3.07%
Traveler Accommodation	1,829,425	2.49%
Totals	<u>\$33,545,008</u>	<u>45.64%</u>

Little Rock Top Ten 1 Cent County Sales Taxpayers	Tax	
Industry	Collected	% of Total
Other General Merchandise Stores	\$5,468,290	9.67%
Building Material and Supplies Dealers	3,322,019	5.88%
Grocery Stores	3,315,419	5.86%
Electronic Shopping and Mail-Order Houses	2,987,610	5.28%
Full-Service Restaurants	2,593,467	4.59%
Food Services and Drinking Places; Unknown Subclassification	1,990,155	3.52%
Electric Power Generation; Transmission and Distribution	1,985,252	3.51%
Electronics and Appliance Stores	1,735,913	3.07%
Clothing Stores	1,395,064	2.47%
Automotive Repair and Maintenance	1,151,191	2.04%
Totals	<u>\$25,944,380</u>	<u>45.89%</u>

Little Rock Property Values



Little Rock Property Value Trend by Area
2020-2022

	2020	2021	2022	Chg 20-21	Chg 21-22	Chg 20-22
Downtown LR	\$ 1,512,323,405	\$ 1,488,888,915	\$ 1,603,645,515	-1.5%	7.7%	6.0%
East LR	945,156,010	918,334,635	1,062,439,765	-2.8%	15.7%	12.4%
Heights Hillcrest	3,125,869,210	4,155,975,720	4,949,817,195	33.0%	19.1%	58.4%
South Central LR	1,951,987,760	2,468,315,180	3,139,250,205	26.5%	27.2%	60.8%
Southwest LR	2,643,374,910	2,732,698,990	3,287,523,690	3.4%	20.3%	24.4%
West LR North	2,571,715,130	2,538,420,695	3,067,811,410	-1.3%	20.9%	19.3%
West NW LR	7,014,299,545	7,213,833,050	8,776,891,255	2.8%	21.7%	25.1%
West SW LR	2,007,918,520	1,985,720,720	2,422,185,810	-1.1%	22.0%	20.6%
Total	\$ 21,772,644,490	\$ 23,502,187,905	\$ 28,309,564,845	7.9%	20.5%	30.0%

Compiled by Metroplan 3/6/2023

Appendix C

City of Little Rock
2003 Capital Improvement and Refunding Revenue Bonds -
Parking Project
Original Issue \$11,855,000
Issue Date of July 1, 2003
Final Rate of 5.126%.

The debt service is paid from the Second and Main Street Parking Facility revenues, Parking Fines and certain revenues collected under the City's Street Fund-Charges for Services.

Also, annual business license fees received from the rental and/or leasing of automobiles and trucks shall be applied for the debt service.

2003 Capital Improvement and Refunding Revenue Bonds				
Year	Principal	Interest Payment	Interest Payment	Balance
	Due July 1st	Due January 1st	July 1st	\$4,450,000.00
2023	\$655,000.00	\$117,761.25	\$117,761.25	\$3,795,000.00
2024	\$685,000.00	\$100,567.50	\$100,567.50	\$3,110,000.00
2025	\$725,000.00	\$82,415.00	\$82,415.00	\$2,385,000.00
2026	\$760,000.00	\$63,202.50	\$63,202.50	\$1,625,000.00
2027	\$805,000.00	\$43,062.50	\$43,062.50	\$820,000.00
2028	\$820,000.00	\$21,730.00	\$21,730.00	\$0.00
	\$4,450,000.00	\$428,738.75	\$428,738.75	

**City of Little Rock
2014 Tax Increment Financing Bond Issue
Original Issue \$2,615,000
Issue Date of April 10, 2014**

2014 Tax Increment Financing Bonds				
Year	Principal	Interest Payment	Interest Payment	Balance
	Due March 1st	March 1st	September 1st	\$1,140,000.00
2023	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2024	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2025	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2026	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2027	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2028	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2029	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2030	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2031	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2032	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2033	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2034	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2035	\$0.00	\$34,200.00	\$34,200.00	\$1,140,000.00
2036	\$1,140,000.00	\$34,200.00	\$0.00	\$0.00
	\$1,140,000.00	\$478,800.00	\$444,600.00	

**City of Little Rock
2017 Capital Improvement Refunding
Original Issue \$17,875,000
Issue Date of November 15, 2017**

These bonds refunded the 2002 Junior Lien, the 2007 Infrastructure, and the 2009A and 2009B Park Bonds.
The debt service is paid for from general fund franchise fees.

2017 Capital Improvement Refunding Bonds				
Year	Principal	Interest Payment	Interest Payment	Balance
	Due October 1st	April 1st	October 1st	\$13,305,000.00
2023	\$980,000.00	\$263,325.00	\$263,325.00	\$12,325,000.00
2024	\$1,010,000.00	\$248,625.00	\$248,625.00	\$11,315,000.00
2025	\$1,045,000.00	\$228,425.00	\$228,425.00	\$10,270,000.00
2026	\$1,100,000.00	\$202,300.00	\$202,300.00	\$9,170,000.00
2027	\$1,155,000.00	\$174,800.00	\$174,800.00	\$8,015,000.00
2028	\$1,210,000.00	\$145,925.00	\$145,925.00	\$6,805,000.00
2029	\$1,260,000.00	\$121,725.00	\$121,725.00	\$5,545,000.00
2030	\$1,310,000.00	\$96,525.00	\$96,525.00	\$4,235,000.00
2031	\$1,360,000.00	\$70,325.00	\$70,325.00	\$2,875,000.00
2032	\$1,415,000.00	\$43,125.00	\$43,125.00	\$1,460,000.00
2033	\$1,460,000.00	\$21,900.00	\$21,900.00	\$0.00
	\$13,305,000.00	\$1,617,000.00	\$1,617,000.00	

**City of Little Rock
2018 Hotel Gross Receipts Tax Bonds (Arts Center Bonds)
Original Issue \$32,570,000
Issue Date of December 13, 2018**

The debt service is paid solely from the 2% A&P gross receipts.

2018 Hotel Gross Receipts Tax Bonds				
Year	Principal	Interest Payment	Interest Payment	Balance
	Due December 1st	June 1st	December 1st	\$30,400,000.00
2023	\$640,000.00	\$642,446.88	\$642,446.88	\$29,760,000.00
2024	\$670,000.00	\$626,446.88	\$626,446.88	\$29,090,000.00
2025	\$705,000.00	\$609,696.88	\$609,696.88	\$28,385,000.00
2026	\$740,000.00	\$592,071.88	\$592,071.88	\$27,645,000.00
2027	\$780,000.00	\$573,571.88	\$573,571.88	\$26,865,000.00
2028	\$815,000.00	\$554,071.88	\$554,071.88	\$26,050,000.00
2029	\$860,000.00	\$533,696.88	\$533,696.88	\$25,190,000.00
2030	\$900,000.00	\$512,196.88	\$512,196.88	\$24,290,000.00
2031	\$945,000.00	\$489,696.88	\$489,696.88	\$23,345,000.00
2032	\$995,000.00	\$466,071.88	\$466,071.88	\$22,350,000.00
2033	\$1,030,000.00	\$448,037.50	\$448,037.50	\$21,320,000.00
2034	\$1,065,000.00	\$429,368.75	\$429,368.75	\$20,255,000.00
2035	\$1,110,000.00	\$408,068.75	\$408,068.75	\$19,145,000.00
2036	\$1,150,000.00	\$387,256.25	\$387,256.25	\$17,995,000.00
2037	\$1,195,000.00	\$364,256.25	\$364,256.25	\$16,800,000.00
2038	\$1,245,000.00	\$340,356.25	\$340,356.25	\$15,555,000.00
2039	\$1,295,000.00	\$315,456.25	\$315,456.25	\$14,260,000.00
2040	\$1,345,000.00	\$289,556.25	\$289,556.25	\$12,915,000.00
2041	\$1,400,000.00	\$262,656.25	\$262,656.25	\$11,515,000.00
2042	\$1,455,000.00	\$234,656.25	\$234,656.25	\$10,060,000.00
2043	\$1,515,000.00	\$205,556.25	\$205,556.25	\$8,545,000.00
2044	\$1,575,000.00	\$175,256.25	\$175,256.25	\$6,970,000.00
2045	\$1,640,000.00	\$143,756.25	\$143,756.25	\$5,330,000.00
2046	\$1,705,000.00	\$109,931.25	\$109,931.25	\$3,625,000.00
2047	\$1,775,000.00	\$74,765.63	\$74,765.63	\$1,850,000.00
2048	\$1,850,000.00	\$38,156.26	\$38,156.26	\$0.00
	\$30,400,000.00	\$9,827,059.44	\$9,827,059.44	\$0.00

**City of Little Rock
2022 Library Construction and Refunding Bonds
Original Issue \$40,770,000
Issue Date of November 30, 2022**

These bonds refunded the 2015 Library Construction and Improvement Bonds.

The debt service is paid solely from the collections of the Library Tax and a Special Tax, payable through 2036.

2022 Library Construction and Refunding Bonds				
Year	Principal	Interest Payment	Interest Payment	Balance
	Due March 1st	March 1st	September 1st	\$40,770,000.00
2023	\$0.00	\$476,738.89	\$943,000.00	\$40,770,000.00
2024	\$2,315,000.00	\$943,000.00	\$885,125.00	\$38,455,000.00
2025	\$2,430,000.00	\$885,125.00	\$824,375.00	\$36,025,000.00
2026	\$2,550,000.00	\$824,375.00	\$760,625.00	\$33,475,000.00
2027	\$2,680,000.00	\$760,625.00	\$693,625.00	\$30,795,000.00
2028	\$2,815,000.00	\$693,625.00	\$623,250.00	\$27,980,000.00
2029	\$2,955,000.00	\$623,250.00	\$549,375.00	\$25,025,000.00
2030	\$3,100,000.00	\$549,375.00	\$471,875.00	\$21,925,000.00
2031	\$3,255,000.00	\$471,875.00	\$390,500.00	\$18,670,000.00
2032	\$3,420,000.00	\$390,500.00	\$305,000.00	\$15,250,000.00
2033	\$3,590,000.00	\$305,000.00	\$233,200.00	\$11,660,000.00
2034	\$3,735,000.00	\$233,200.00	\$158,500.00	\$7,925,000.00
2035	\$3,885,000.00	\$158,500.00	\$80,800.00	\$4,040,000.00
2036	\$4,040,000.00	\$80,800.00	\$0.00	\$0.00
	\$40,770,000.00	\$7,395,988.89	\$6,919,250.00	

City of Little Rock
2022 Limited Tax General Obligation Bonds, Series 2022A
Original Issue \$53,510,000
Issue Date of December 21, 2022

The debt service is paid for from a 3 Mill Ad Valorem Property Tax.

2022 Limited Tax General Obligation Bonds, Series 2022A				
Year	Principal	Interest Payment	Interest Payment	Balance
	Due February 1st	February 1st	August 1st	\$53,510,000.00
2023	\$0.00	\$0.00	\$1,322,329.86	\$53,510,000.00
2024	\$0.00	\$1,081,906.25	\$1,081,906.25	\$53,510,000.00
2025	\$0.00	\$1,081,906.25	\$1,081,906.25	\$53,510,000.00
2026	\$685,000.00	\$1,081,906.25	\$1,064,781.25	\$52,825,000.00
2027	\$2,195,000.00	\$1,064,781.25	\$1,009,906.25	\$50,630,000.00
2028	\$2,305,000.00	\$1,009,906.25	\$952,281.25	\$48,325,000.00
2029	\$2,420,000.00	\$952,281.25	\$903,881.25	\$45,905,000.00
2030	\$2,510,000.00	\$903,881.25	\$853,681.25	\$43,395,000.00
2031	\$2,615,000.00	\$853,681.25	\$801,381.25	\$40,780,000.00
2032	\$2,720,000.00	\$801,381.25	\$746,981.25	\$38,060,000.00
2033	\$2,825,000.00	\$746,981.25	\$690,481.25	\$35,235,000.00
2034	\$2,940,000.00	\$690,481.25	\$631,681.25	\$32,295,000.00
2035	\$3,050,000.00	\$631,681.25	\$570,681.25	\$29,245,000.00
2036	\$3,185,000.00	\$570,681.25	\$506,981.25	\$26,060,000.00
2037	\$3,310,000.00	\$506,981.25	\$440,781.25	\$22,750,000.00
2038	\$3,440,000.00	\$440,781.25	\$374,131.25	\$19,310,000.00
2039	\$3,575,000.00	\$374,131.25	\$304,865.63	\$15,735,000.00
2040	\$3,715,000.00	\$304,865.63	\$232,887.50	\$12,020,000.00
2041	\$3,855,000.00	\$232,887.50	\$158,196.88	\$8,165,000.00
2042	\$4,005,000.00	\$158,196.88	\$80,600.00	\$4,160,000.00
2043	\$4,160,000.00	\$80,600.00		\$0.00
	\$53,510,000.00	\$13,569,900.01	\$13,810,323.62	

**City of Little Rock
 2022 Limited Tax General Obligation Bonds, Series 2022B
 Original Issue \$5,055,000
 Issue Date of December 21, 2022**

The debt service is paid for from a 3 Mill Ad Valorem Property Tax.

2022 Limited Tax General Obligation Bonds, Series 2022B				
Year	Principal	Interest Payment	Interest Payment	Balance
	Due February 1st	February 1st	August 1st	\$5,055,000.00
2023	\$0.00	\$0.00	\$154,458.33	\$5,055,000.00
2024	\$5,055,000.00	\$126,375.00	\$0.00	\$0.00
	\$5,055,000.00	\$126,375.00	\$154,458.33	

**City of Little Rock, Arkansas
Maturity Schedule
Short-Term Financing Notes**

Original \$5,650,000

		2019 Temporary Note			
Year	Coupon	Principal	Interest	Total	Balance
					\$2,335,788.64
8/20/2023	2.250%	\$1,154,937.67	\$52,555.24	\$1,207,492.91	\$1,180,850.97
8/20/2024	2.250%	\$1,180,850.97	\$26,641.94	\$1,207,492.91	\$0.00
		\$2,335,788.64	\$79,197.18	\$2,414,985.82	

Original \$5,925,000

		2021 Temporary Note			
Year	Coupon	Principal	Interest	Total	Balance
					\$4,759,739.40
8/17/2023	0.840%	\$1,175,048.79	\$39,981.81	\$1,215,030.60	\$3,584,690.61
8/17/2024	0.840%	\$1,184,888.32	\$30,142.28	\$1,215,030.60	\$2,399,802.29
8/17/2025	0.840%	\$1,194,892.93	\$20,137.67	\$1,215,030.60	\$1,204,909.36
8/17/2026	0.840%	\$1,204,909.36	\$10,121.24	\$1,215,030.60	\$0.00
		\$4,759,739.40	\$100,383.00	\$4,860,122.40	

Original \$7,400,000

		2023 Temporary Note			
Year	Coupon	Principal	Interest	Total	Balance
					\$7,400,000.00
1/10/2024	3.700%	\$1,374,583.31	\$273,800.00	\$1,648,383.31	\$6,025,416.69
1/10/2025	3.700%	\$1,424,832.10	\$223,551.21	\$1,648,383.31	\$4,600,584.59
1/10/2026	3.700%	\$1,478,161.68	\$170,221.63	\$1,648,383.31	\$3,122,422.91
1/10/2027	3.700%	\$1,532,853.66	\$115,529.65	\$1,648,383.31	\$1,589,569.25
1/10/2028	3.700%	\$1,589,569.25	\$58,814.06	\$1,648,383.31	\$0.00
		\$7,400,000.00	\$841,916.55	\$6,593,533.24	

Glossary



GLOSSARY OF KEY BUDGET TERMS

Accrual Basis of Accounting – A basis of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flow.

Agency – A division of City government commonly referred to as a City department. Examples are Police, Fire, Parks and Recreation, and Public Works departments. See also **Outside or Other Agency**.

Amortization – An accounting technique used to periodically lower the book value of a loan or an intangible asset over a set period of time. Concerning a loan, amortization focuses on spreading out loan payments over time. When applied to an intangible asset, amortization is similar to depreciation.

Appropriation – An amount of money authorized by the Board of Directors to incur obligations and to make expenditures/expenses of resources for designated purposes.

Assessed Valuation of Property – The taxable value of real and personal property in Little Rock, established at twenty (20) percent of market value by the Pulaski County Assessor.

Audit – The process of examining an organization's financial records to determine if they are accurate and in accordance with any applicable rules (including accepted accounting standards), regulations, and laws.

Balanced Budget – A situation in financial planning or the budgeting process where total expected revenues are equal to the total planned expenses.

Basic Budget – An annual financial plan that identifies revenue sources and amounts, services to be provided, and amounts of money appropriated to fund these services.

Board of Directors – The ten elected Board members and the Mayor who form the City's governing body.

Bonds – Certificates of indebtedness issued by an entity which guarantee payment of principal and interest at a future date.

Budget Amendment – Legal means by which an adopted estimated revenue or expenditure authorization limit is increased or decreased.

Budget Document – The official written document prepared by the Finance Department that presents the adopted budget for the City of Little Rock.

Budget Ordinance – The enacted local law that appropriates revenues for specified purposes, functions, activities, or objectives during a fiscal year.

Budget: Capital – A financial plan for the purchase or construction of major assets such as buildings, land, streets, sewers, and recreation facilities.

Budget: Operating – A financial document designed to provide funding for operating or "ongoing" annual service programs.

Capital Assets – Assets of long-term character intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment. Capital assets may also be referred to as fixed assets.

Capital Equipment – Generally, equipment with a value greater than \$5,000 and an expected life of more than one year.

Capital Improvement – For program purposes, the City defines a capital improvement as a major improvement or acquisition that results in a capital asset costing more than \$5,000 and having a useful life (depreciable life) of two (2) years or greater. Exceptions are for infrastructure assets which are defined as having a constructed cost greater than \$250,000.

Capital Outlay – The portion of the annual operating budget that appropriates funds for the purchase of long-lived items often separated from regular operating expenditures such as personnel services, supplies and maintenance, and contractual. The capital budget includes funds for purchases such as furniture, vehicles, machinery, building improvements, data processing equipment, and special tools, usually distinguished from operating expenditures according to their value and projected useful life.

Charges for Services – The direct payment by the public for a specific service provided. For example, a monthly charge for garbage pickup.

Commission – A City government unit authorized under State statutes to provide a municipal service without control by the City's elected governing body. For example, the Housing Commission.

Component Unit – A legally separate organization for which the primary government officials are financially accountable or for which the relationship with the primary government is such that it would be misleading or incomplete to exclude it from the primary government's financial statements.

Contingency Reserve – A budgetary reserve set aside for emergencies or unforeseen expenditures, not otherwise included in the basic budget.

Contractual Services – Goods and services acquired under a contract that the City receives from an outside company. Professional services, utilities, rentals, and insurance are examples of contractual services.

Debt Service – Expenditures for principal and interest on outstanding bond issues.

Depreciation – An accounting method of allocating the cost of an asset over its useful life or life expectancy.

Discrete Component Unit – A separate fund that is ultimately dependent upon the City Board of Directors for oversight or approval of its operations.

Encumbrance – An amount of money committed for payment of a specific good or service not yet received. Funds so committed cannot be used for another purpose.

Enterprise Fund – A self-contained fund operated to account for services supported by user charges and fees. Examples include Waste Disposal, Vehicle Storage, and Parking Garage funds.

Expenditures – Decreases in net financial resources under the current financial resources measurement focus and pertains to payment of normal operating costs and encumbrances. Expenditures are measured according to governmental accounting rules.

Expenses – The cost of doing business in a proprietary organization and can be either direct outflows or the using up of an asset, such as the depreciation of capital assets.

Fiduciary Fund – A separate fund utilized to account for the pension obligations or other post-employment benefits due to a specific group of City employees. A Board of Trustees exercises a fiduciary responsibility for each fund.

Fiscal Year – A period of twelve (12) consecutive months designated as the budget year. The City of Little Rock's fiscal year is the calendar year.

Fleet Services – A management organization accounted for as an internal service fund and responsible for acquiring and maintaining the City's vehicle fleet.

Full-Time Equivalent (FTE) – Number of staff positions calculated on the basis that one FTE equates to a 40-hour work week for twelve months.

Fund – A fiscal entity composed of a group of revenue and expenditure accounts maintained to account for a specific purpose. The section "Little Rock's Financial Structure" describes the funds controlled by the Board of Directors, various Commissions, and Pension Trustees.

Fund Balance – The balance in a fund remaining from all revenues, expenditures, and carryover funds that is subject to future appropriation.

FUTURE-Little Rock – A community goal setting process utilized to assess the City's problems and needs and deliver recommended solutions to the Board of Directors. The process, which involved hundreds of citizens over eighteen months, resulted in the City's first half-cent local sales tax.

Gain/Loss Sale of Fixed Assets – The proceeds from the sale or disposal of an asset after deduction of the asset's cost, net of depreciation.

General and Administrative Cost – Cost associated with the administration of general City services.

General Fund – A fund used to account for all transactions of a government unit that are not accounted for in another fund, such as police and fire services.

General Obligation Bonds – Bonds secured by the full faith and credit of the City.

Generally Accepted Accounting Principles (GAAP) – A widely accepted set of rules, conventions, standards, and procedures for reporting financial information, as established by the Financial Accounting Standards Board.

Government Fund Type – Funds generally used to account for tax-supported activities. There are five different types of government funds: The General Fund; Special Revenue Funds; Debt Service Funds; Capital Project Funds; and Trust Funds.

Grant – Contribution by one government or non-government unit or funding source to the City. The contribution is usually made to aid a specified function, but is sometimes available for general purposes.

Grant Match – City funds, private funds, or in-kind services required to be contributed or raised by the receiving entity for the purpose of matching funds obtained from Federal and State grant programs.

Industrial Development Revenue Bonds – Bonds issued by the City to finance construction or expansion of an industrial facility. The City is in no way obligated to repay these bonds; rather, they are the sole obligation of the industry that benefits from the financing.

Infrastructure – Infrastructure includes the basic public works of a city, such as roads, bridges, sewer and water systems, drainage systems, and essential public utilities.

Internal Service Fund – This fund operates like an Enterprise Fund to account for citywide vehicle and maintenance costs and the revenue from chargebacks to user departments. It provides a mechanism for identifying vehicle costs and charging them to the proper budget program.

Investment – Securities purchased and held for the production of revenues in the form of interest.

Lapsing Appropriation – An appropriation made for a specified time period - generally for the budget year - that is expiring at the end of the period unless otherwise provided for by law. Most operating funds are lapsing funds.

Maintenance – Maintenance encompasses various materials and services for land and equipment of a permanent or semi-permanent nature or for software for the renewal, replacement, repair, minor renovation, and other costs associated with keeping an asset in the proper condition or working order.

Major Fund – Funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds.

Millage - The tax rate(s) levied on real and personal property. One mill equals \$1 per \$1,000 of assessed property value.

Modified Accrual Basis of Accounting – A basis of accounting according to which (1) revenues are recognized in the accounting period in which they become available and measurable and (2) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

Net Position – The residual of all other elements presented in a statement of financial position. The term incorporates deferred outflows of resources and deferred inflows of resources as defined by GASB Statement No. 63 into the definitions of the residual measure's required components and renaming that measure as net positions rather than net assets.

Non-Lapsing Funds – A fund whose unencumbered appropriation balance remains available for expenditure after the end of the fiscal year. A non-lapsing fund remains open and available for use until all appropriations are expended, transferred, or closed by budgetary action. Grants and Capital Funds normally operate as non-lapsing funds.

Non-Operating Fund – A fund established to account for revenue and expenditures that are not recurring and, therefore, not part of the annual operating budget. Examples of these revenues are sales taxes set aside for special items and one-time revenue collections such as litigation settlements. Examples of expenditures are those for special programs and projects and capital projects.

Non-Operating Income or Expense – A nonrecurring, unusual type of revenue or expense that would distort financial results if presented as an operating item. These items are reflected below the operating income line on statements of income and expense.

Operating Expenses – Recurring costs required to provide a service or maintain an operation.

Operating Revenues – Regular and recurring sources of income for an entity.

Other Reimbursements – Usually nonrecurring funds received from another entity. Amounts refunded for costs incurred or expenses paid.

Outside or Other Agency – These are local organizations that are not a part of the City’s primary government but receive appropriations from the City in exchange for services provided to citizens. Examples are the County Health Department, Central Arkansas Library, Arkansas Museum of Fine Arts, Arkansas Museum of Discovery, and others.

Program – A division or sub-unit of an agency budget, which identifies a specific service activity to be performed. For example, a snow and ice removal program is funded in the Public Works Street Maintenance budget.

Proprietary Fund Type – Funds that focus on determining operating income, changes in net assets – or cost recovery – financial position, and cash flows. There are two different types of proprietary funds: Enterprise Funds and Internal Service Funds.

Rating – Several institutions issue ratings to indicate the likelihood that the borrower will repay an obligation. The highest rating is triple A, which is awarded to debt securities of the U. S. Government. Little Rock’s general obligation bonds are rated AA by S&P Global and AA1 by Moody’s Investors Service, which indicate a high level of confidence in the City’s ability to repay its obligations.

Recycling – Share of proceeds from the sale of newspaper, metal, and glass collected by a private company from sanitation routes.

Redemption – The repayment of a bonded indebtedness. Redemption can occur at a specified date or subject to early retirement, should funds be available to do so.

Reserve – The Board of Directors may set aside money into an account called a reserve to provide for future needs or meet unknown obligations. For example, the City self-insures workers’ compensation claims and maintains a reserve to meet any unforeseen future claims. The City also maintains a general working capital reserve to meet unknown emergency needs.

Restricted Reserve – A specific amount of cash set aside by action of the Board of Directors for funding unforeseen contingencies such as destruction from a tornado, flooding, or litigation.

Revenue(s) – Increases in the net current assets of a Governmental Fund Type from other than expenditure refunds, general long-term debt proceeds and operating transfers in.

Risk Management – A program to effectively deal with the varied risks faced by the City. This includes protecting the public and City employees by providing commercial or self-insurance coverage for fire, vehicle, public officials, and other liabilities, developing and maintaining safe driving programs, and maintaining a safe working environment.

Salaries, Wages, and Employee Benefits – All costs associated with providing personnel for an agency or program, including salaries, wages, social security and Medicare tax payments, retirement contributions, health, dental, life, disability, unemployment insurance, and Workers’ Compensation coverage.

Special Project – Generally, a project funded for a specific purpose. Special projects may be for capital improvements or other non-operating items or specific programs such as Children, Youth, and Family initiatives.

State Tax Turnback – The State of Arkansas returns a portion of its tax receipts to incorporated cities within the state. Certain turnback revenues may be used for general purposes, while other turnback funds are restricted to street improvements.

Sundries – Revenue received from miscellaneous sources.

Supplies – Supplies are articles that show a material change in their physical condition when consumed or used. These items generally last less than one year. Examples of supplies are office supplies, clothing, cleaning and janitorial supplies, petroleum products and chemicals, medical and laboratory expenses.

Transfers In – Reimbursements or allocations from other funds.

Utility Franchise Fee – A City fee levied upon the gross receipts of local privately-owned utilities (power, gas, and telephone). Under state law, this fee may be passed on to the utility user.

Vehicle Storage Fees – Charges for release from the impound lot of vehicles that have been abandoned on the street, towed from illegal parking zones, or seized after a violation of vehicular laws.

GLOSSARY OF KEY ACRONYMS

ABC – Arkansas Alcoholic Beverage Control Agency

ACFR – Annual Comprehensive Financial Report

ACIC – Arkansas Crime Information Center

ADA – The Americans with Disabilities Act of 1990 prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation. It also mandates the establishment of TDD (telecommunications device for the deaf) and TRS (telecommunications relay service).

AFSCME – American Federation of State, County, and Municipal Employees Union

ANRC – Arkansas Natural Resource Commission

ARPA – The American Rescue Plan Act is a \$1.9 trillion economic stimulus bill passed by the 117th U.S. Congress and signed into law by President Joe Biden on March 11, 2021.

ARRA – American Recovery and Reinvestment Act of 2009

ASPCA – American Society for the Prevention of Cruelty to Animals

AZA – Association of Zoos and Aquariums

BUILD Academy – Business United in Leadership Development. The BUILD Academy is a 12-week business development initiative that walks local business owners and aspiring entrepreneurs through topics pertaining to business essentials.

CADC – Central Arkansas Development Council

CALEA – Commission on Accreditation for Law Enforcement Agencies

CARES Act – The Coronavirus Aid, Relief, and Economic Security Act is a \$2.2 trillion economic stimulus bill passed by the 116th U.S. Congress and signed into law by former President Donald Trump on March 27, 2020.

CAO – City Attorney's Office

CAW – Central Arkansas Water

CDBG – Community Development Block Grant representing federal block grants used primarily for street improvements, community services, and community center operations.

CDL – Commercial Driver’s License

CIP – Capital Improvement Program is a multi-year plan for capital expenditures to replace and expand the City’s infrastructure, vehicles, and equipment.

COBRA/Retiree – The Federal Consolidated Omnibus Budget Reconciliation Act of 1985 requires that the City offer employees, retirees, and their families the opportunity to continue group health and/or welfare fund coverage in certain instances where the coverage would otherwise terminate.

COPS – Community Oriented Policing Services funded by a Federal grant.

COVID-19 – Coronavirus disease discovered in 2019.

CPRE – Certified Park and Recreation Executive

CPRP – Certified Park and Recreation Professional

CYF – Children, Youth and Families promotes a comprehensive and holistic approach that reaches out to families and children that are most at risk of losing a safe, nurturing, self-determining, drug-free, and violence-free environment. The Program requires the full partnership of City and government agencies, local educational agencies, public and private business communities, and dedicated organizations working directly in the neighborhoods.

DCP – Department of Community Programs

DWI/DUI – Driving while intoxicated/Driving under the influence.

ECR – Entergy Cost Recovery Rider

EMT – Emergency Medical Technicians

ERP – Enterprise Resource Planning

FCC – Federal Communications Commission is an independent United States government agency. Established by the Communications Act of 1934, the FCC regulates interstate and international communications by radio, television, wire, satellite, and cable. The FCC's jurisdiction covers the 50 states, the District of Columbia, and U.S. territories.

FEMA – Federal Emergency Management Agency

FLSA – The Fair Labor Standards Act of 1938 29 U.S.C. § 203 is a United States labor law that creates the right to a minimum wage, and "time-and-a-half" overtime pay when people work over forty hours a week.

FMLA – The Family and Medical Leave Act of 1993 is a United States labor law requiring covered employers to provide employees with job-protected, unpaid leave for qualified medical and family reasons.

FOIA – Freedom of Information Act

FOP – Fraternal Order of Police Union

FTE – Full-Time Equivalent

FULR – Future Little Rock initiatives paid from a half-cent sales tax initiated in 1994 to help fund Prevention, Intervention, and Treatment (PIT) programs that address youth issues, benefit public safety, and curb youth violence.

GAAP – Generally Accepted Accounting Principles are accounting rules used to prepare, present, and report financial statements for a wide variety of entities, including publicly-traded and privately-held companies, non-profit organizations, and governments.

GASB – Governmental Accounting Standards Board is currently the source of generally accepted accounting principles used by U.S. state and local governments. It was established in 1984 to improve state and local governmental accounting and financial reporting standards that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and other users.

GFOA – Government Finance Officers Association promotes the government's professional management for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

GIS – Geographic Information Systems

GPS – Global Positioning System

HIPP – Home Investment Partnership Program funds are expended to provide housing or housing assistance to qualifying citizens, improve neighborhood streets and drainage, and operate community health and recreation facilities.

HR – Human Resources

HUD – Department of Housing and Urban Development, is a government agency that was established in 1965.

IAFF – International Association of Fire Fighters Union

LOPFI – Arkansas Local Police & Fire Retirement System

LR Cent Committee – Little Rock Citizens for Evaluation of New Tax is a committee of citizens, which is made up of two (2) Co-Chairs, individuals from each of the City’s seven (7) Wards, and three (3) At-Large Members. The LR Cent Committee meets on a quarterly basis to evaluate the spending of the additional revenue generated by the one (1)-cent sales tax increase approved by voters in September 2011 that went into effect on January 1, 2012.

LRFD – Little Rock Fire Department

LRPD – Little Rock Police Department

LRSD – Little Rock School District

LRWRA – Little Rock Water Reclamation Authority

MBE – Minority Business Enterprise is a classification of business enterprises that is at least 51% owned (male and female), operated, and controlled daily by one or more (in combination) United States citizens of the following ethnic minority classifications: African American, Asian-Indian (India, Pakistan, etc.) and Asian-Pacific (Japan, Korea, etc.), Hispanic/Latin American (Honduras, Mexico, etc.) and Native American including Aleuts.

MEMS – Metropolitan Emergency Medical Services

NAICS – North American Industry Classification System

NHSP – Neighborhood Housing Special Project Fund - Section 108 Guaranteed Loan Program to provide housing and housing assistance to qualifying citizens and improve neighborhood infrastructure.

NIBIN – The National Integrated Ballistic Information Network Program automates ballistics evaluations and provides actionable investigative leads in a timely manner. NIBIN is the only interstate automated ballistic imaging network in operation in the United States and is available to most major population centers in the United States.

NRPA – National Recreation and Park Association

NUSA – Neighborhoods, USA is a national non-profit organization committed to building and strengthening neighborhood organizations. Created in 1975 to share information and experiences toward building stronger communities, NUSA now continues to encourage networking and information-sharing to facilitate the development of partnerships among neighborhood organizations, government, and the private sector.

OPEB – Other post-employment benefits – are the benefits, other than pension distributions, that employees may begin to receive from their employer once they retire. Other post-employment benefits can include life insurance, health insurance, and deferred compensation.

PIT – Prevention, Intervention, and Treatment Programs actively promote collaborations between public and private organizations, citizen groups, and other community-based organizations with its youth-oriented programming. Through a multi-faceted approach, PIT programs seek to reduce crime levels over time while encouraging local youth’s potential. The wide range of PIT programming encompasses services for education, health, safety, and employment for young people.

PPP – Positive Prevention Program

PSA – Public Service Announcement

PSC – The Public Service Commission of the State of Arkansas. The Commission is responsible for ensuring that public utilities provide safe, adequate, and reliable utility services at just and reasonable rates.

PTRTF – The Property Tax Relief Trust Fund of the State of Arkansas was created by Act 1544 of 2001.

RFP/RFQ – Request for Proposal (RFP) is a bidding method when there are subjective qualifications that must be met before you consider pricing. The RFP gives the buyer a chance to evaluate subjective offerings such as the seller’s approach to a project, references, personnel assigned to the task, and the seller’s history with similar projects. The City typically uses the Two-Step RFP Method in which qualifications are submitted in one envelope and evaluated and pricing is included in another envelope for comparison with those qualified. A Request for Qualifications (RFQ) is a bidding method where only qualifications are submitted, and price is determined by negotiation with the selected vendor.

RTP – Recreational Trails Program

SCALES – Specialty Court Application and Legal Exchange System

SNAP – Supplemental Nutrition Assistance Program - SNAP is a federal government program that provides nutrition benefits to supplement the food budget of needy families so they can purchase healthy food and move towards self-sufficiency.

STEM – Science, Technology, Engineering, and Mathematics

STF – Short Term Financing - In 2001, the State of Arkansas passed Amendment No. 78 and Act No. 1808, allowing cities and counties to obtain short-term financing agreements for the purpose of acquiring, constructing, installing, or renting real property or tangible personal property having an expected useful life of more than one year. These financing agreements may not mature over a period to exceed five (5) years and may have fixed or variable interest rates to be repaid with general fund revenues.

TANF – Temporary Assistance for Needy Families

TNEP – Targeted Neighborhood Enhancement Program

UALR – University of Arkansas at Little Rock

UAMS – University of Arkansas for Medical Sciences

UGG – Uniform Grant Guidance is simply a set of authoritative rules and regulations about federal grants from the Office of Management and Budget (OMB).

WBE – Women Business Enterprise – a classification of business enterprises wherein at least 51% of the business is women owned.

YPQI – Youth Program Quality Intervention