

# BENTONVILLE ARKANSAS



2020 BUDGET  
JANUARY 1 – DECEMBER 31

**City of Bentonville, Arkansas  
2020 Annual Budget**

**January 1 – December 31**

**Stephanie Orman  
Mayor**

**City Council and Other Elected Officials**

<b><u>Name</u></b>	<b><u>Ward</u></b>	<b><u>Position</u></b>
Tim Robinson	1	1
Chad Goss	1	2
Cindy Acree	2	1
Chris Sooter	2	2
Aubrey Patterson	3	1
Bill Burckhart	3	2
Octavio Sanchez	4	1
Jon Terlouw	4	2
George Spence, City Attorney		
Linda Spence, City Clerk		

Prepared by:  
Jake Harper  
Director of Finance and Administration  
Leandra Holt  
Financial Analyst

Visit our web site at: [www.bentonvillear.com](http://www.bentonvillear.com)



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Bentonville**

**Arkansas**

For the Fiscal Year Beginning

**January 1, 2019**

*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 Bentonville, Arkansas** for its annual budget for the fiscal year beginning **January 1, 2019**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The 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.



## **Mission Statement**

The mission of Bentonville City Government is to preserve, promote and sustain an excellent quality of life within our city. In partnership with the community, we pledge to deliver municipal services in a professional, personal, and responsive manner.

### **The City of Bentonville values:**

- Citizens as customers, deserving the highest quality of services delivered by a local government.
- An open, accessible government, where citizen involvement, individually and collectively, is vital.
- People as our most important resource.
- Public safety for all citizens.
- A community that strives for beauty and cleanliness.
- Fairness, integrity and trust as essential qualities of ethical governance.
- Responsibility and accountability.
- Taking pride and achieving the highest quality in all we do.
- Encouragement of progressive thinking through employee involvement and teamwork.
- Positive liaisons with local governmental organizations.
- Achievement of a positive solution to every problem.

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## BENTONVILLE AT A GLANCE

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Bentonville, the county seat for Benton County, is located in the northwest corner of Arkansas. Missouri borders the county to the north and Oklahoma to the west. Little Rock, the state capital, is in the center of the state and slightly more than 180 miles to the southeast. Bentonville enjoys four distinct and beautiful seasons in a climate that has drawn a variety of individuals who seek a special environment to live, work, and raise a family.



Fayetteville, with a 2010 census population of 73,580, is the county seat for Washington County and is home to the University of Arkansas. It is 25 miles to the south of Bentonville. Between Fayetteville and Bentonville are the cities of Springdale, population of 69,797 based on the 2010 census (the 2000 census count was 45,798), and Rogers, population of 55,964. Bella Vista is a short distance to the north of Bentonville, offers 7 lakes, five regulation 18-hole courses, 2 nine-hole courses, tennis and other activities, with a population of 28,511. The local area offers good hunting, fishing, camping, and hiking. Northwest Arkansas Community College is in Bentonville and offers opportunity for education after high school.

Benton and Washington counties have historically experienced strong economic development with lower unemployment rates than the national average and growing population estimates of 272,608 and 236,961 respectively.

There are several major industries in the City, with Wal-Mart and Sam's Club headquarters in Bentonville. The neighboring communities are home to Tyson's Foods and J.B. Hunt Transport. A number of vendor firms have established a presence in Bentonville and others keep arriving. They have found the area an

## BENTONVILLE AT A GLANCE

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attractive place to live and work. The Northwest Arkansas National Airport, just a few miles to the southwest, opened in November of 1998 and has had a significant impact on continued growth in the area. XNA had a total of 922,533 in passenger traffic in 2019.

Voluntary annexations to the City of Bentonville have extended the city limits to the edge of the airport, and major water and sewer lines have been constructed in that area. The Planning Department has prepared a master plan for zoning that area of the City. In addition, “fill in” growth continues in the City.

A national publication placed Northwest Arkansas high on its list of Best Places to Live in the U.S. Bentonville is also listed as one of the best places to live in Arkansas by Niche as well as Sperling’s Best Places.

### HISTORY

Bentonville is in the area that was part of the 1803 Louisiana Purchase. In November of 1837, a site was designated as the county seat for Benton County, which was named in honor of Senator Thomas Hart Benton, from Missouri, who worked to have Arkansas admitted as a state. Bentonville was named after the county and was the county seat. From a population of 30 in 1838, it grew to 500 in 1860. During the Civil War, all but twelve buildings were burned. The main buildings around the square were built between 1875 and 1888. Bentonville was incorporated as a town in January of 1873. By 1900, Bentonville had a city-owned light and water plant and was working on a sewer program. There was also a telephone company and school system. Prior to the Civil War, the money crops were cotton, hogs, cattle, and mules. There were three cotton gins and a tobacco factory. Apples gained commercial importance with the coming of the railroad in the 1860s. Benton County was credited by the U.S. Census Bureau as having the largest number of bearing apple trees of any county in the United States for several decades. The major industries were apples, strawberries, peaches, railroad ties, mine props, horses, and mules, hardwood for wagon spokes, lime, grain, and produce. By the 1930s, the trend turned to poultry and dairy, which are the major cash crops today.



## BENTONVILLE AT A GLANCE

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### Bentonville Downtown Square

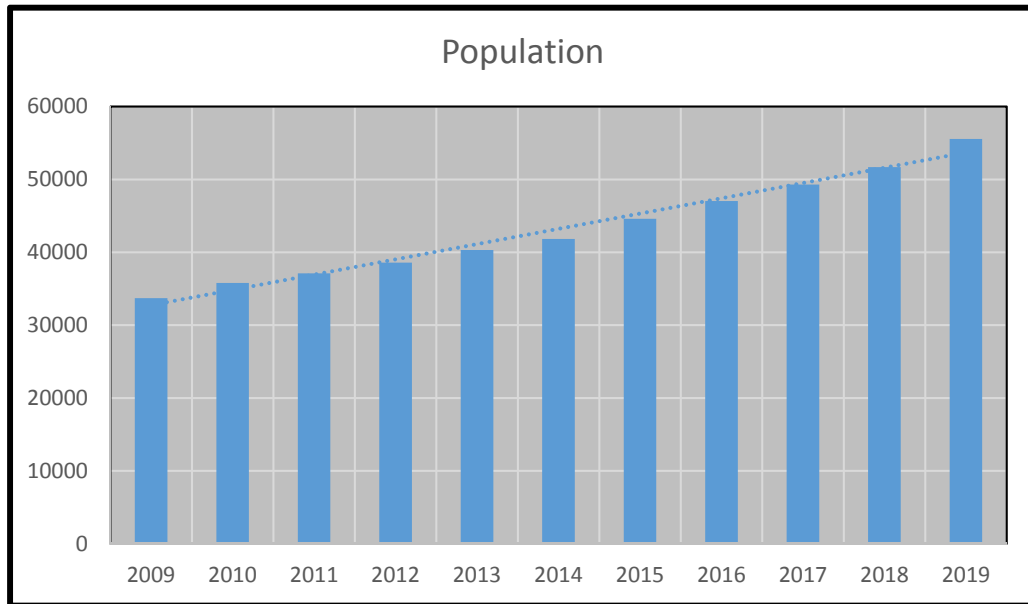


### POPULATION

Bentonville's population has grown rapidly since 1990, when the official population from the national census was 11,257. A special census that began in 1995 and was certified in early 1996 put the official population at 15,363, which was an increase of more than 36% in just over five years. The 2000 census set the official population at 19,730 and in 2005, the Council voted to contract with the Census Bureau for a special census. The enumeration began early in 2006, and confirmed a population of 28,621. The following chart shows the rapid population change from the figure of less than 5,000 people in 1950. Demographic information from the 2010 census can be seen on page 141.

## BENTONVILLE AT A GLANCE

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Bentonville's population is currently over 50,000. The Fayetteville-Springdale-Rogers Metropolitan Statistical Area grew from 538,412 in 2017 to 549,128 in 2018, according to the Census report. The region was the 43rd fastest growing metro area by population and 27th fastest growing area by percentage of population growth. The metro area is now the 102nd largest out of 394 identified by the Census Bureau. Northwest Arkansas' growth in the last year is a continuation of a trend. The area's population was 463,204 in 2010 and has grown by 85,924 since then, an increase of about 18.5 percent, according to Census Bureau figures.

## BENTONVILLE AT A GLANCE

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### **CITY FACILITIES**

City staff operates out of several major City facilities. City Hall is in the downtown area and is home to Administration, which includes the Mayor's office, Human Resources, Accounting, and Computer Systems. City Hall also houses Utility Billing and Collection/Meter Reading, and the Staff Attorney.



## BENTONVILLE AT A GLANCE

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The Bentonville Fire Department was established in 1887. Today, the department has an ISO rating of 2 and serves a community of over 50,000 residents. The city is served from 7 fire stations strategically placed throughout the city. The Bentonville Fire Department is committed to excellence in customer service providing the citizens of Bentonville with superior fire protection and emergency medical services including:

- Fire Prevention
- Fire Suppression
- Fire Investigation
- Paramedic level Emergency Medical Services
- Vehicle Extraction
- Hazardous Material Response
- Technical Rescue

### **Bentonville Central Fire Station**





## BENTONVILLE AT A GLANCE

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A little more than three blocks south of City Hall is the City's Community Development Building. This building, which opened in January 2006, replaced an historic structure that was built as a church, served as a library and was later home to the Police Department. The building houses the Planning Department, Code Enforcement, Building Inspection, GIS, and Fire Marshalls/Inspection.

### **Community Development Building**



## BENTONVILLE AT A GLANCE

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The Bentonville Library was opened in 2006 and it is a state of the art facility with more than 38,000 square feet of space available for patrons and the community.

### **Bentonville Public Library**



## BENTONVILLE AT A GLANCE

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Bentonville Municipal Airport dedicated its new terminal building in June of 2008. This facility is approximately 2400 square feet and includes a welcome area, public lounge, pilot's lounge, conference room, restroom facilities, vending and dining areas. The tornado in March, 2006 destroyed the old terminal building. The new facility was funded with insurance proceeds and a grant from the State of Arkansas Aeronautics Department.

### **Bentonville Municipal Airport – Louise M. Thaden Field**





## BENTONVILLE AT A GLANCE

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### Downtown Water Tank



## BENTONVILLE AT A GLANCE

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The Street Department maintains 600 traffic lane miles, over 200 miles of sidewalk and 250 miles of drainage ditches. Currently there are 35 detention ponds that are also maintained by the Street Department. The State of Arkansas is responsible for another 31 miles of state highways within the city limits, and Interstate I-540 adds about 16 more miles to the total. In 1994, the combined total was close to 100 miles. Most of the growth is in City streets and roads resulting from new construction and/or annexations. The annual resurfacing project is done by contract, but the Street Department is responsible for maintenance, drainage, sidewalks, signs, traffic signals, and other street related work.

### **Tiger Boulevard**





## BENTONVILLE AT A GLANCE

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Several blocks further south is the Police Building. It was modified in 2009 to add additional space for the detectives. Immediately south of the Police Department main building, the City also recently completed a new Emergency Communications center that creates a weather hardened dispatch center for Police and Fire with an integrated Emergency Operations Center for the City. This facility nearly doubles the previous working space for the Police Department.

### **Bentonville Police Facility**



### **Bentonville Emergency Communications Center**



The Parks and Recreation Maintenance Department office is at Memorial Park which is east of downtown and its main office is located a block south of City Hall in the Downtown Activity Center. Memorial Park has a picnic area, baseball and softball fields, tennis courts, a swimming pool, a skate park, and a sand volleyball court. A soccer complex adjacent to the park has been completed and opened for use. A few miles to the southeast is Phillips Park, with baseball and softball fields for youth and adult participants. In addition, there are parks facilities at Lake Bentonville, and at Dave Peel Park, which is just off the square. Several smaller neighborhood parks are spread around town.

During 2010, Lawrence Plaza was opened which serves as an ice rink during the winter months and a splash park during the summer months. Orchards Parks was also opened in 2010 where concerts are held during the summer as well as the annual July 4<sup>th</sup> Fireworks Display. In the fall of 2011, the Downtown Activity Center was opened. Numerous classes are offered for a nominal fee, rooms may be rented by the general public, civic groups and private organizations. Bikes are also available for rent.

## BENTONVILLE AT A GLANCE

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**Lawrence Plaza Ice Rink**



**Lawrence Plaza Splash Park**





## BENTONVILLE AT A GLANCE

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**Downtown Activity Center**



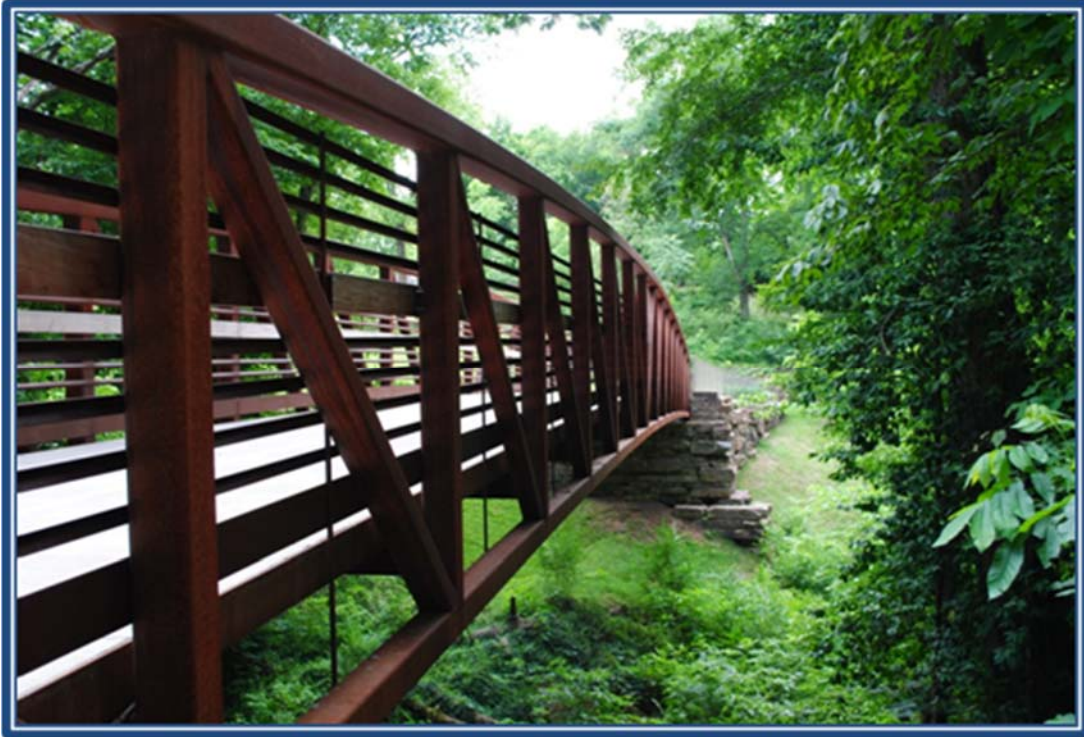
**Orchards Park**



## BENTONVILLE AT A GLANCE

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### Crystal Bridges Trail





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## BENTONVILLE AT A GLANCE

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The Wastewater Department's treatment facility is north of downtown. The City is also a charter member of NACA (Northwest Arkansas Conservation Authority), an organization that developed regional wastewater facility that provides additional capacity for several communities, rather than each individual city continuing to individually deal with expansion and the many facets of challenges that come with the need for more capacity to treat wastewater in compliance with new and changing regulations.

### **Wastewater Treatment Plant**



In conjunction with the wastewater treatment plant operation, a composting facility was opened in 2001 and it has had very good results. Citizens are allowed to bring yard waste and other appropriate material without charge, and the finished product is available for purchase. This has helped with disposal of sludge and the pressure from the reduced amount of land available for application of sludge.

## BENTONVILLE AT A GLANCE

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This facility houses Water, Sewer Rehab, Electric, Street, Inventory, and Engineering departments.

**Public Works Facility**



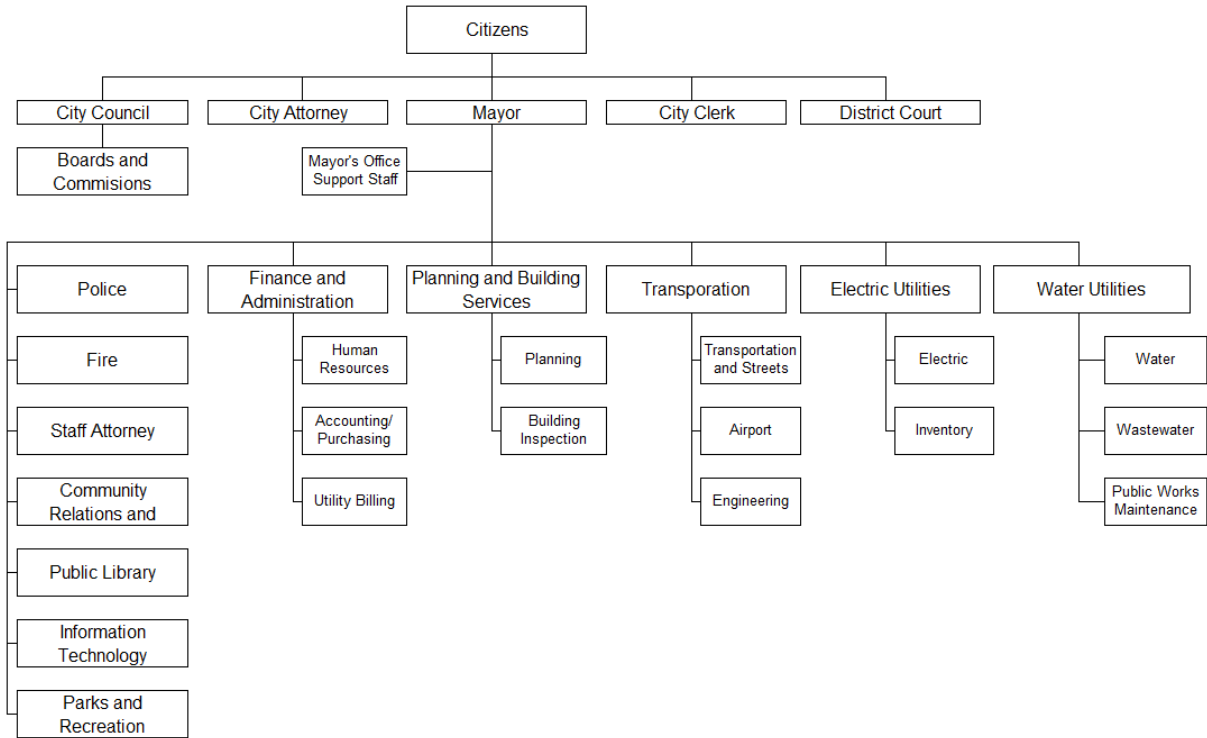
## BENTONVILLE AT A GLANCE

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With the home offices of Wal-Mart and Sam's Club, Bentonville is home to many employees working in those offices and warehouses, and to a growing list of vendors who have established local offices to work closely with Wal-Mart. The table below lists the top 10 employers in the City from available data.

Employer	Rank	Employees
Wal-Mart Stores, Inc	1	2,500+
Mercy Health System of Northwest Arkansas	2	1000-2499
Bentonville School District	2	1000-2499
Northwest Health System	3	500-999
Benton County	3	500-999
City of Bentonville	3	500-999
Northwest Arkansas Community College	4	300-499
Arvest Bank Group, Inc	4	300-499
Black Hills Energy	4	300-499
Crafton Tull	4	300-499
Consumer Testing Laboratories	5	200-299

# ORGANIZATION CHART



## SCHEDULE OF KEY PERSONNEL

POSITION	NAME	PHONE
Mayor	Stephanie Orman	479-271-5966
Community Relations and Economic Development Director	Debbie Griffin	479-271-2028
Community Development Director	Ellen Norvell	479-271-5993
Chief Building Inspector	Lance Blasi	479-271-3125
Parks & Recreation Director	David Wright	479-271-6813
Maintenance Supervisor	Crant Osborne	479-271-6826
Finance Director	Jake Harper	479-271-6781
Human Resources Coordinator	Ed Wheeler	479-271-3191
Assistant Finance Director	Jessica Thurman	479-418-8649
Billing and Collection Manager	Gary Wilson	479-271-3104
Systems Manager	Jonathan Rogers	479-271-5911
District Judge	Ray Bunch	479-271-5923
Fire Chief	Brent Boydston	479-271-3155
Library Director	Hadi Dudley	479-271-3194
Police Chief	Jon Simpson	479-271-3172
Staff Attorney	Camille Thompson	479-271-5914
Transportation Director	Dennis Birge	479-271-5964
Street Manager	Tony Davis	479-271-3130
Public Works Director	Mike Bender	479-271-6720
Wastewater Manager	Nancy Busen	479-271-3160
Water Utilities Manager	Preston Newbill	479-271-3142
Public Works Maint. Manager	Bart Mahony	479-271-3109
Engineering Director	Travis Matlock	479-271-6720
Asst Electric Utility Manager	Wayman Thurman	479-271-5943
Asst Electric Utility Manager	Doug Charest	479-271-5985
City Engineer	Dan Weese	479-254-2024

## BUDGET MESSAGE

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January 1, 2020

To: Members of the City Council  
Citizens of Bentonville

I hereby present the adopted budget for the year 2020 for the City of Bentonville, Arkansas. This budget has been prepared and submitted in accordance with Arkansas statutes. Under Arkansas Code 14-58-201 and 14-58-202, for our form of government the Mayor must submit the annual budget for the coming year to the City Council on or before December 1 of each year, and the governing body must adopt an annual budget by February 1 of the budget year. Our practice is to present the budget to the Council by the first meeting in November, and for the budget to be adopted before mid-December. The 2020 budget was adopted on November 27, 2019.

### **BENTONVILLE IS STRONG AND HEALTHY**

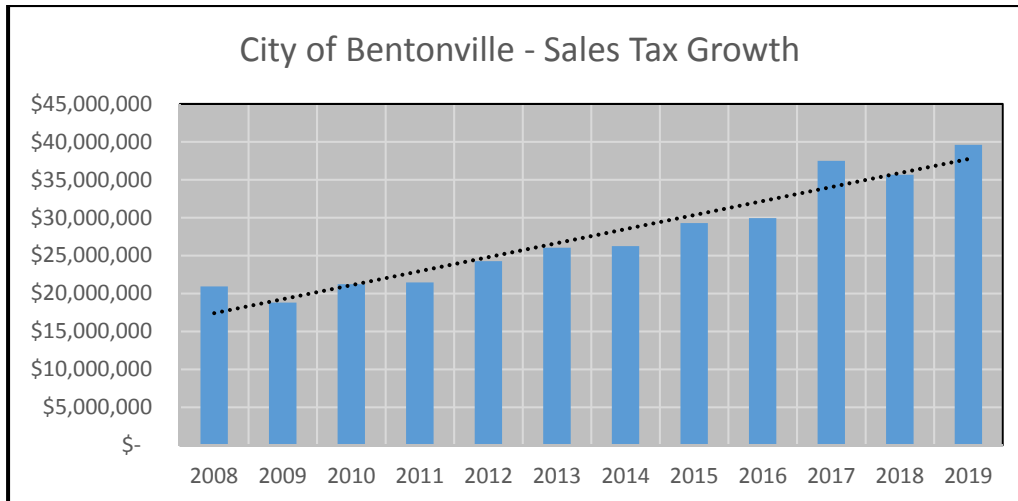
The year 2020 marks 184 years since the founding of Bentonville. Imagine for a moment the many changes our city has seen. From a small thriving agricultural community to a vibrant 21<sup>st</sup> century city that has become a destination for regional, national and worldwide travelers. With a population estimated to be over 50,000, Bentonville is known for its welcoming spirit and its “can do” attitude. Home to the world’s largest retailer, a famous art museum and people groups from throughout the world, Bentonville is garnering awards and recognition as one of the best places in the United States to live and work.

Bentonville is managed by an extraordinarily professional team. The City’s senior staff led 506 full-time employees and 116 part-time employees. Our team is dedicated to providing taxpayers with an “exceeds expectations” return on their investment in city government. The entire team strives to always operate in a professional, customer-friendly manner and are a point of difference for our City. We continue to invest in their accreditation and training as our employees must have the skills and knowledge base needed to be a standout City in the 21<sup>st</sup> Century.

I can start by confidently saying that the state of our City is very positive. Bentonville enjoyed another great year for sales tax with our per penny amount eclipsing 15 million for the first time. Bentonville’s 2019 sales tax receipts increased by 11.93% compared to 2018 collections. This increase is attributed to our population growth and the strong economic climate in Bentonville and Northwest Arkansas during 2019. It is a great compliment to our City when local businesses enjoy the benefits of growth, which is represented through our consistent and strong sales tax collections over the last several years.

As of summer 2019, Walmart has begun construction of a new campus on approximately 300 acres east of the current home office. This project will dramatically add to the already vibrant NWA economy. The project, expected to require more than 5 years to complete, will create additional jobs and tax dollars. I expect the continued growth of this company and its worldwide influence will serve to attract new residents to Bentonville and Northwest Arkansas.

## BUDGET MESSAGE



### BUDGET AND FINANCE OVERVIEW

The Government Finance Officers Association (GFOA) has over 18,000 members and is the professional association of state/provincial and local finance officers in the United States and Canada, and has served the public finance profession since 1906. Government organizations may submit their annual budgets to the GFOA to be considered for the Distinguished Budget Presentation award. Bentonville has received the award each of the past twenty years. First-rate budgeting is essential to the City's success, particularly as the budget increases each year proportionately with growth.

The City's 2020 budget is one of the largest in our history with budgeted revenues, before interdepartmental transfers, of over \$161 million dollars and total expenses of more than \$159 million dollars. Capital expenditures are over \$16 million dollars.

Even with the increased expenditures required to keep pace with growth, the City has shown fiscal responsibility by maintaining a healthy reserve in fund balance. Our budgeted 2020 fund balance is over \$50 million. The City's fund balance policy, adopted during the budget process in 1998, is based on guidelines from the national Government Finance Officers Association. Our policy states that we maintain a fund balance equals to at least 10% of our total Operations and Maintenance budget. The City has also maintained a responsible approach toward debt, borrowing when necessary to complete vital public projects, but staying well within its legal and financial limits.

### SERIES 2007, SERIES 2009, SERIES 2010 AND SERIES 2017 BOND ISSUE

The 2007 Capital Bond proposal was approved by Council and presented to voters in August, 2007. The voters gave overwhelming support to the proposal with a 78% passing vote. This vote allowed much needed capital projects to proceed during an economic downturn of historic proportion. The timing could not have been better. This vote approved \$110 Million in Capital Improvement Bonds. Financing for this proposal was made possible by extending for 25 years the one cent capital sales tax passed in 2003. The first of three planned issuances took place in November, 2007 and the second issuance took place in December, 2009 about one year earlier than originally planned. The third series was issued in November, 2010. The fourth series was in April, 2017. The four series total a little more than \$108 million and is currently being targeted towards the following purposes:



## BUDGET MESSAGE

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- Street Improvements, including particularly, without limitation, any curb, gutter and drainage improvements, equipment, land acquisition, street lighting, utility adjustments, sidewalks and traffic signals; \$85 million
- Park and Recreation Improvements, including particularly, without limitation, any necessary land acquisition, equipment and parking, drainage, lighting and utility improvements; \$15.4 million
- Fire Department Improvements, including particularly, without limitation, any necessary land acquisition and parking improvements; \$2.4 million
- Police Department Improvements, including particularly, without limitation, any necessary land acquisition and parking improvements; \$4.5 million
- Airport Improvements, including particularly, without limitation, improvements to the runway and taxiway and any land acquisition. \$750,000

If sales tax collections continue the trend over the next several years, it is the City's intent to have early pay offs on the bonds with the stepped up collections.

At the end of 2019, bond money funds of over \$85 million had been used for various capital projects. Street projects account for most of these expenditures but the City has also made major improvements and additions to its parks system as well as police, fire and the airport.

### UTILITIES

The Utility Billing team managed the collection and administration of more than \$94.4 million from more than 25,446 accounts. In 2019, Utility Billing updated the billing cycle boundaries to even out the invoicing Citywide. The effort to continue to expand the paperless billing initiative resulted in 3.2% fewer bills being mailed, even though active accounts grew by 6.4%. The Department also increased customer awareness to and knowledge of Invoice Cloud website tools. This resulted in 47.5% more AutoPay, 53% more Paperless customers, and increased email addresses on file.

In 2019, the Electric Department installed over 1,400 new electric meters, a 6% increase from 2018. The Electric Department established a new Utility Board for the City of Bentonville, began coordination with Walmart for the new campus, which includes large electric relocations and additions, installed a new fiber run to Substation F, began doing all-electric inspections within their Department, began an in-house safety program, began streetlight LED conversions, completed approximately 60 large underground projects including multiple apartment buildings and substations, permitted numerous residential and commercial solar installations, and assisted Siloam Springs with rebuilds after the tornado. The Bentonville Electric Utility Department currently operates and maintains 9 substations, 1 switching station, a little over 16 miles of transmission line, over 900 miles of distribution line, over 3,500 street lights, and at the most recent count of 25,446 electric accounts. BEUD is also responsible for maintaining a 10' clear zone from the overhead electric lines. This involves tree trimming and tree removal for any vegetation that falls within this zone. As part of this vegetation management, BEUD has a tree replacement program so that if a tree is removed and the rate payer would like a replacement, a voucher will be provided. All of this together has allowed BEUD to maintain a 99.9999% reliability rate with a growing electric infrastructure need. The Department is also working to install underground wire when the safety, reliability, and cost are optimal for ratepayers.

The public works maintenance team creates much of the clean, professional, and appealing appearance witnessed throughout the City. Many of the kind remarks we receive from visitors regarding the cleanliness of our City can be attributed to the daily work of this team. The City purchased property located at S.W. Aviation and S.W. 24<sup>th</sup> Street for a Public Works Maintenance Facility, hired a design team and began project design. The Department also started a four-year project to convert all city facilities from fluorescent and incandescent lighting to LED. This Department maintains over 9000 headstones at our City cemetery, does 35 miles of mowing and edging located in right-of-way throughout the City, is responsible for over 3500 make-a-difference trees planted in City right of way, and performs mowing, janitorial, and general maintenance on public facilities throughout the City.

## BUDGET MESSAGE

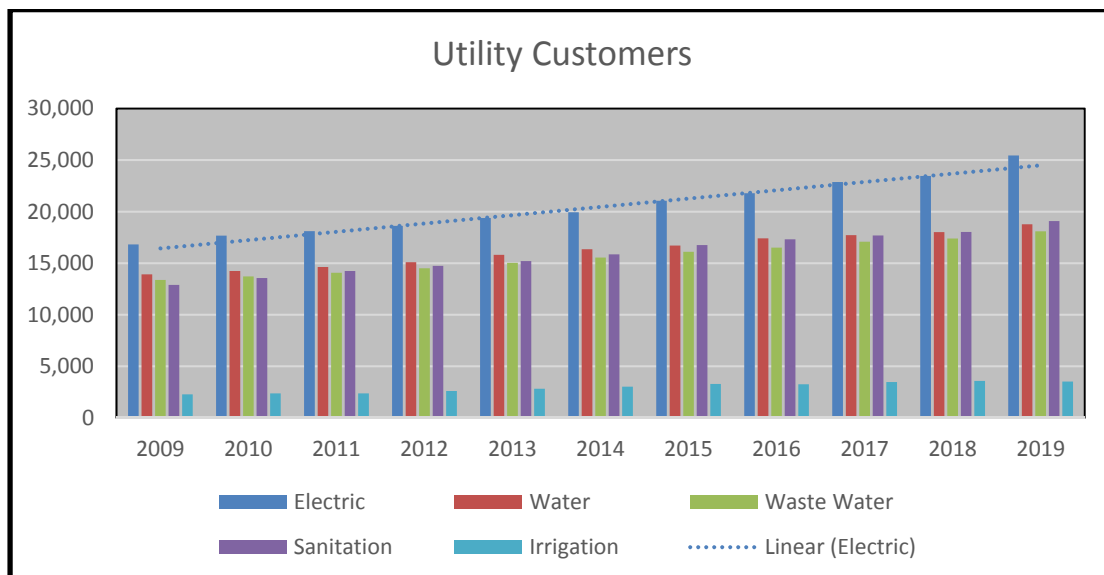
The Water Master Plan was completed in 2018 and outlines several projects to initiate the planning process in 2019 and 2020, including route analysis and securing easements for an additional line to Beaver Water District.

Bentonville's water utility staff remains steadfast in assuring the citizens, businesses, and guests we serve that quality plans are developed, proper water and wastewater infrastructure is installed and that the future of the water utilities has a solid foundation for generations to come.

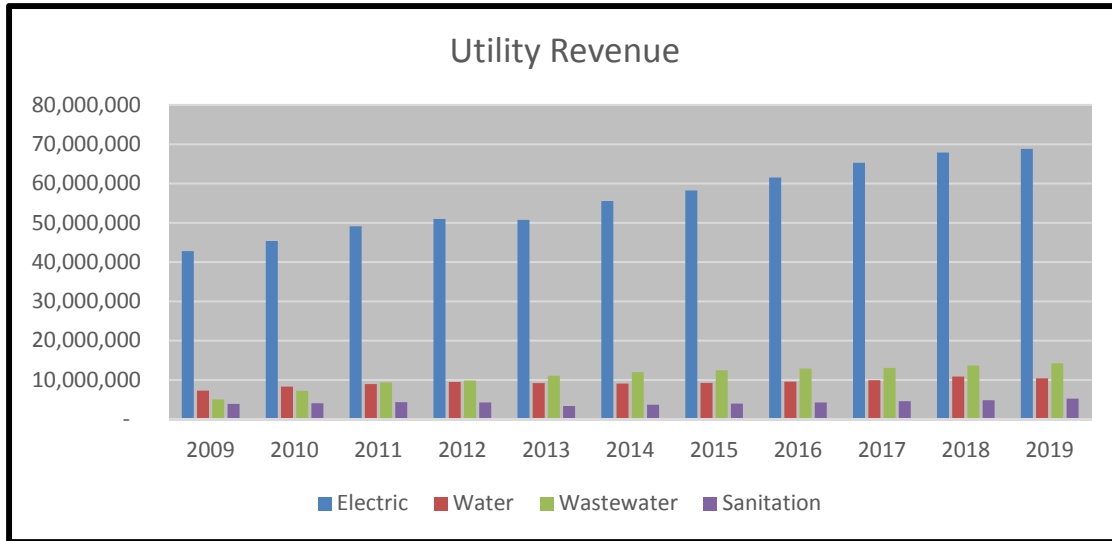
The average amount of water purchased daily was 11,243,000 gallons, with the highest day reaching 15,520,000 gallons. The total water and sewer systems in the City were increased by 5 miles each, resulting in 330 miles of water pipe and 311 miles of sewer system pipe. 11,357 utility locates took place in 2019 with the highest day seeing 137. Over 4,500 work orders pertaining to the water system, sanitary sewer system, and water meter maintenance system were completed in 2019. 987 water samples were pulled from our water system. 120,000' of sewer main was video inspected and over a million feet of sewer main was hydro-cleaned.

Over 9 miles of offsite easements along our sanitary sewer mains were cleared and made accessible. The Department managed a Cross-Connection Control program that includes almost 6,000 backflow devices. A complete inside and outside renovation of the Downtown Water Tank was completed. Over 1,100 meetings were conducted involving 81 active and 57 completed new development projects. A position was upgraded in both the water and sewer department to Construction Inspectors to assist with the high demand associated with new developments. The Department also supported Bentonville running events by operating a watering station for them.

The Wastewater Treatment operations saw aged and obsolete equipment of more than 30 years old replaced with newer, more efficient, and safer equipment. The old belt press was replaced with a Screw Press. The clarifier, membranes in digesters #1 and #2, rotors, and grit classifiers were replaced. The old metal diamond plate catwalks were replaced with material containing grating, providing better traction during wet and winter weather. The Wastewater Team continued maintenance to ensure compliance and safe and efficient operations.



## BUDGET MESSAGE



### TRANSPORTATION

The Transportation Department's completed capital projects in 2019 included the North Walton resurfacing, where new asphalt for all travel lanes were placed from Rainbow Curve to the roundabout at exit 93. The S.E. 8th and I-49 interchange was completed. This created on/off access for S.E. 8th and rerouted the on/off ramps for S.E. 14th. In addition, all of the utilities for the remainder of S.E. 8th improvements have completed their relocations. In 2019 the Single Point Urban Interchange project constructed by ARDOT and located at exit 93 was kicked off. This project will replace the existing roundabout and construct next access ramps, while also accommodating for a tunnel crossing for the Razorback Greenway Trail.

### STREET

The Street Department completed 2.5 miles of street mill and inlay throughout the City. Additionally, the street department placed 1,041 tons of asphalt to repair street cuts and potholes, cleaned 2 miles of drainage ditches, placed 469 tons of riprap in drainage ditches, placed 150 cubic yards of concrete to repair and replace curbs and sidewalks, placed approximately 4,000 gallons of salt brine for pre-treatment of the streets and 86 tons of salt on streets for ice removal. The Street Department works hard to maintain and prioritize over 600 traffic lane miles of roads, 200 miles of sidewalks, 77 miles of open ditches and 123 miles of enclosed storm drains throughout the City. In addition, this Department was recognized with a "Trendsetter City" Award for 2019 by Arkansas Business for their efforts to put in digital software that reads traffic counts and trends digitally, resulting in increased efficiency and better data to drive decisions.

### ENGINEERING

The Engineering Department completed 3,223 inspections, accepted 51 large scale development projects as complete. Notable projects included the completed update of the Bentonville GPS Monument Network, completed design and bid of the Little Sugar Streambank and Wetland Restoration Project, and completed the design of numerous sidewalk and drainage improvements to assist the street department.

## BUDGET MESSAGE

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### FIRE

The Bentonville Fire Department had 16,530 calls for service in 2019, and reported no fire related deaths. A total of 5,534 ambulance calls were received, up 4.33%. The Department responded to 233 fires, up 3.5%. Station #7 was constructed in the southwest portion of town and completed within budget. Twelve additional personnel were hired for the opening of this station.

A new rescue truck was received and is being outfitted with equipment for service. Five power cots and loading systems were purchased completing this equipment being installed in all front-line ambulances. The Department also added five Toughbook computers to the ambulances for patient care reporting. Specifications were developed for a new Advanced Life Support (ALS) fire truck with an anticipated April 2020 delivery date.

The Fire Department implemented a new cancer prevention procedural policy and purchased fire-fighting gear to enhance cancer prevention. The City contracted with an outside grant-writing firm to assist in writing a SAFER Grant for increasing the staffing at the fire department.

Two fire inspectors were added to the Fire Marshal's office to assist with new construction and preventive maintenance inspections for existing structures in the City. The Fire Marshal's Division did 1,147 plan reviews, 1,562 new construction inspections, 1,827 existing structure inspections, 65 public education classes, 192 pre-development meetings, 273 code compliance reviews, and 24 fire investigations. 5,319 Bentonville Public School students were taught fire safety procedures during October for Fire Prevention Month.

### POLICE

There is no more vital service provided by local government than Public Safety. The Police Department and Emergency Dispatch Center processed more than 77,000 calls for service, representing a significant increase over 2018 totals. On average, and for the 8th year in a row, the Police Department answered between three and four hundred additional calls each month as compared to the previous year's monthly numbers, and over 14,000 9-1-1 cell phone calls were received at the police department's Communications Center. Despite a steady increase in calls for service, there was NOT a notable increase in more serious crimes or crimes against persons. Overall, 2019 was consistent with previous years as there were no trends in criminal activity that should be cause for concern or impact the very safe community in which we live. One of the few more serious crimes recorded in 2019, a December homicide, resulted in the arrest of the suspect in less than 5 hours and is currently under investigation.

In 2019, the Bentonville Bomb Squad also finished its sixth year in a row with more than 30 bomb-related calls for service. Other activities for the Bomb Squad, such as dignitary details, special events, safety sweeps, and standby services, bring the total for 2019 to about 120 calls for service, up more than 20% from the previous year. The Bomb Squad received \$177,000 in grants in 2019 that will be available in 2020 to be used in the purchase of several vital pieces of equipment, including a new x-ray system.

Fully staffed for 2019, our police department had 82 sworn officers and 34 professional staff members, comprising a total department with 116 full-time members. Three Police Officers and two Dispatchers were added in the 2019 budget. Two police officer positions were added midyear. One of these positions formed a partnership with the Legal Department to create a city investigator. The other position formed a partnership with the district court to enhance the capabilities of a bailiff position.

Our top accomplishment for 2019 was the completion of the Emergency Communications and Criminal Investigation Center. This facility does two things for our police department and our community. First and foremost, it creates a weather hardened dispatch center for Police and Fire with an integrated Emergency Operations Center that will function Citywide and area-wide. Second, the facility, along with the repurposing of certain areas in our existing facility, nearly doubles our previous working space and will accommodate decades of future growth.

The Police Bike Team provided daily security on our city Trail System and in our Downtown area. A portable remote camera system was also developed that can be quickly deployed at any location or event.

## BUDGET MESSAGE

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Police and Fire Dispatchers once again implemented and completed a 9-1-1 education program for students in local elementary schools. In response to nationwide school security concerns, the Police Department continued a program to increase safety. For the seventh year in a row, officers performed numerous random school visits to provide an extra layer of protection in our schools.

### LEGAL

In 2019, the City of Bentonville Legal Department handled 3,308 new criminal and traffic cases in Bentonville District Court, an increase of more than 17 percent from the 2018 caseload. Casework included arraignment, discovery, negotiation with defendants and defense counsel, plea hearings, case preparation and trials. The Department also prepared numerous ordinances and resolutions, reviewed hundreds of criminal cases for probable cause, provided legal and prosecution support for criminal investigations, prepared contracts for approval, negotiated land transactions and complex regulatory matters and consulted regularly with all City departments to provide guidance and risk management.

The Legal Department maintained its commitment to continuing education and innovation, attending the National Association of Drug Court Practitioners Conference on Treatment Courts, together with the DWI Court Team, including defense counsel, treatment providers, law enforcement and supervision. This year, the Department partnered with the Police Department to improve customer service and public safety by creating an investigator position designed to enhance victim and witness communication, conduct follow up reviews in pending cases, promote security, and assist all City departments with backgrounds, internal reviews and threat assessments. The Department also worked with District Court to implement progressive initiatives including online citation resolution and a Community Court program focused on treatment, education and service to the community.

### PARKS AND RECREATION

Bentonville Parks and Recreation's Community Programs continue to grow in size and popularity with our citizens and visitors. In 2019, Parks and Recreation hosted 120 recreation programs involving more than 270,000 participants, with more than \$4.4 million in revenue. Additionally, more than 490,000 people worked out, went swimming, or attended a community event at the Bentonville Community Center. Since opening, more than 2 million people have utilized the facility.

The full buildout of Citizens Park was completed with two major projects. In May, the Citizens Park Tennis Complex opened to the public. The 8-court complex features lights, restrooms, pavilions, water fountain and parking. Also included in the courts are eight pickleball courts to accommodate this rapidly growing sport. The final project at Citizens Park opened in October when we celebrated the Citizens Park Playground. This new structure is Bentonville's very first inclusive playground. Since opening less than 90 days ago, this playground has already served thousands of kids and has quickly become a major attraction in our parks system.

In May, our team officially opened the Applegate Trail. The City's section of the trail is a 1 mile segment connecting N.W. 3rd to N.W. 8th. However, it connects to a 2.5 mile privately owned segment meandering through the Coler Mountain Bike Park to create an impressive 3.5 mile trail. This section is the first completed segment of the future western trail line that will create an impressive 25 mile looped trail around our community. A special "Thank you" goes to the Trailblazers and the Walton Family for donating 100% of the costs of the trail and land.

A number of improvements were made to our sports fields in 2019. Phillips Park underwent a complete overhaul of the baseball infields to improve drainage and improved playing surfaces. New backstops were installed at Memorial Park. These improvements and others led to an impressive \$3M Economic Impact for our local economy from sports tournaments.

Finally, Parks and Recreation kicked off three master planning phases for projects that will carry this Department into another generation of park experiences. The Quilt of Parks Master Plan, the Connecting

## BUDGET MESSAGE

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Bentonville Bike and Pedestrian Plan, and the 8th Street Gateway Park Master Plan are underway with expectations to be presented to Council by the middle of 2020. There is no doubt our Parks and Recreation Department stays very busy maintaining and operating 28 parks, 4 facilities, and over 120 programs and events in our City throughout the year.

### LIBRARY

In 2019, Library visits and circulation reached new heights! Bentonville Public Library recorded 725,056 checkouts, a significant increase over 2018. Physical material checkouts increased by 5%, and e-book downloads grew 24%. Library visits increased to 319,697, demonstrating 6% growth. Program attendance totaled 65,021, with growth in children and adults' regular program attendance. Bentonville's Literature Festival was reimagined in its fifth year to provide seasonal opportunities for readers of all ages to celebrate good stories and art. Bentonville Public Library hosted "A Visit with Delia Owens," a N.Y. Times bestselling author. The presentation was part of the "If All Arkansas Read the Same Book" statewide tour.

Bentonville Public Library presented its Second Annual Bentonville GeekCon, featuring Free Comic Book Day. The event realized record-number attendance with 3,615 people visiting the Library, and was considered an "official event" by Children's Book Week. Bentonville Public Library's Summer Reading Club participation increased in program attendance and physical checkout and digital downloads. Bentonville Public Library was a designated site for Bentonville Schools' and Aramark's Summer Feeding Program. More than 7,360 free lunches were served to youth, with 1,160 Snack Packs distributed on Fridays by the Second Street Pantry Missions. During the summer, BPL volunteers participated in Walmart Gives NWA. The pilot project allowed Walmart to match volunteer hours with a monetary gift. The funds purchased iPad stations for teens and tweens, plus other library furnishings, through the Bentonville Library Foundation. The Library continued volunteer opportunities for junior partners, teens, adults, program presenters and corporate groups.

The Library debuted twelve new iPads for checkout and added new telescopes to meet high demand. Additionally, the Library expanded its shelving layout to make room for more materials, reupholstered several furnishings for patrons in the adult area, and was the recipient of a new donated conference table from Innovative Business Furniture.

The Library was one of fifty sites selected to host Thinking Money for Kids, a national traveling exhibit scheduled for display in spring 2021. BPL's Tech Card program continues into its sixth year and began offering services to Adult Education students at Northwest Arkansas Community College (NWACC). The Walmart ROC Team again partnered for packet assembly and the group provided Volunteerism Always Pays (VAP) grant funds to the Bentonville Public Library Foundation to sponsor next year's tech card program.

The Library selected 211 Café to lease the café space inside BPL. It opened in October. The Library began work on its strategic plan to guide library programs, services and operations for the next three years. Feedback from patrons, staff, and support groups was gathered through online surveys, open house sessions and facilitated group meetings.

BPL's children's librarian, Sue Pikel, was nationally recognized with the 2019 Peggy Sullivan Award. This award recognizes outstanding services to children and is given by the American Library Association. BPL librarians and library specialists continue strong leadership at local, state and national levels.

## BUDGET MESSAGE

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### COMMUNITY DEVELOPMENT

#### Community Development Highlights:

- Estimated Population: 52,871 – up 6.5% from 2018
- 505 single family building permits issued
- 461 single family houses completed
- Average value of new home--\$264,149
- Average new home size—2,650 sq. ft.
- Multi-family units permitted – 505
- Multi-family units completed – 1,210
- Total number of all building permits issued – 1,750 – up 1% from 2018

Staff uses certificate of occupancy data to estimate the population. Bentonville's current population estimate is 52,871, an increase of 6.5% from 2018. Based on this estimate, nearly 8,800 new residents have moved into Bentonville over the last five years.

Looking ahead, the Planning Commission approved two large subdivisions in 2019. Preston Park, Phase 1 was final platted with 98 residential lots ready for building permits and Walnut Grove Subdivision was preliminary platted with 130 residential lots. A total of 534 multi-family residential units were approved in four large scale development projects. The largest multi-family project planned is City U, located at the old public works facilities on S.E. 3rd Street, with 375 units.

Commercial development appears to be on the rise. Building Services issued 197 commercial permits in 2019, an increase of nearly 20% over 2018. Similarly, completed commercial increased by 13% with 160 certificates of occupancy issued.

Planning Commission approved 32 commercial projects, up 33% totaling 451,000 square feet. Projects included medical facilities, self-storage facilities, improvements at the municipal airport, and preparation for the Walmart Campus. One of the largest projects is a single industrial use warehouse on S.W. Regional Airport Boulevard with 260,000 square feet. Amendments to the City's zoning and development codes have become necessary with Bentonville's fast-paced development and changing development types. These amendments eliminate conflicts within the code, use clearer language, and address current development trends.

In 2019 City Council adopted an ordinance amending the City's Subdivision Code and renamed it the Land Development Code. City Council also adopted an ordinance amending the City's Zoning Code. To improve efficiency, Planning and Building Services made several changes in 2019. The most significant change is that building permit applications became available online through the eTrakit permitting system. This eases the application process and streamlines the review process. Additionally, Planning and Building Services contracted with Selectron Technologies to set up a texting application that allows builders and contractors to schedule, reschedule, and cancel inspections and review inspection results at any time. The application will go live in early 2020.

The Planning division created a new waiver application process and now participates in the residential building permit review for downtown locations. They also are processing sign permit applications previously conducted by code enforcement. In addition, the Department now has three certified planners with a current staff member obtaining their American Institute of Certified Planners certification.

The Comprehensive Planning division of Planning and Building Services has worked on dozens of projects to improve Bentonville, including trees and landscaping, public art, and neighborhood organizing. The City gave away 800 trees to 276 households during the Spring and Fall Tree Giveaways. The giveaways were made possible by the City's Tree & Landscape Advisory Committee, the Bentonville



## BUDGET MESSAGE

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Parks Conservancy, Steuart Walton, and the Walton Family Foundation.

Bentonville was recognized as a Tree City USA for the 21st consecutive year by spending at least \$2 per capita on tree related expenditures, having an active tree board and an Arbor Day Celebration. Approximately 50 volunteers assisted with the City's 7th Annual Tree Blitz by mulching and weeding at three city parks and trimming trees at two locations.

The Tree and Landscape Advisory Committee awarded two Grow with Tree awards to recognize those in the community that have made a direct impact on increasing and/or preserving Bentonville's tree canopy. One award went to Legacy National Bank located at 2904 S Walton Blvd for preserving three old growth oak trees during construction. The other award went to Red Barn located at 1500 SW A Street for preserving most of the trees during construction and building in harmony with the natural environment.

The Tree and Landscape Advisory Committee awarded a Residential Landscaping Award to Greg and Andrea Placzek who reside at 501 NW A Street. The award recognizes residents who have improved and maintained the exterior landscaping of their homes.

Over the course of the year, 44 volunteers gave 131 hours by trimming 635 trees throughout the City resulting in over 16 work days of volunteer service.

Six active Adopt-A-Street groups, made up of approximately 50 volunteers, donated 60 hours of their time to pick up litter along their assigned city street.

The Public Art Advisory Committee (PAAC) approved three pieces of artwork in 2019: an interactive piece, a mural, and a sculpture.

Rainbow Springs was unveiled at Lawrence Plaza consisting of a series of acrylic tubes with LED light strips inside. When activated, the LED lights mathematically replicate the physics of gravity inviting people to play with the sculpture and explore the causal relationship between the lights and sensors. Rainbow Springs was created by Fayetteville maker Eugene Sargent in collaboration with the Scott Family Amazeum Creative team as part of the museum's Maker in Residence Program. Visit Bentonville provided funding for this piece.

In the Spring, students from the Bentonville Schools Ignite Program designed and installed decade-themed murals on the basketball courts at Memorial Park. This project was funded by Runway NWA and the Walton Family Foundation.

After a call for proposals, the committee selected the artwork Open Heart by Mathew Duffy to be installed in the roundabout located at the intersection of S.W. Bright Road and S.W. Gator Boulevard. The eight-foot tall sculpture is an open-air heart design fabricated from aluminum diamond plate. The piece is funded by the Public Art Advisory Committee and will be installed Spring 2020.

Bentonville received the 2019 Arkansas Business Trendsetter Award in the tourism category for efforts to advance art in Bentonville. The PAAC, the Developer Art Kit, public art installations, partnerships, and four-year public art vision plan contributed to Bentonville receiving the award.

In Summer 2019, we kicked off a new initiative, the Great Neighborhood Partnership, to link core goals of transparency and improved communication with residents and the Community Plan's goal of building stronger neighborhoods to provide a "great place to plant roots." In 2020, we are unveiling the Block Party Trailer that provides tables, chairs and other supplies to help host a block party and get to know each other.

The City's Taxi Punch Card Program provides transportation assistance to the elderly and those with disabilities. The program has 236 total riders. In 2019, a total of 13,164 punches were redeemed, amounting to \$26,328 in transportation assistance. The program welcomed 25 new riders in 2019.

Comprehensive Planning also works to educate and inform residents about important issues and provide opportunities for public engagement.

For the seventh consecutive year, the City proclaimed October as Community Planning Month.

This is part of a national campaign sponsored by the American Planning Association with the goal to increase understanding of community planning. The City-sponsored an art poster contest to reflect the

## BUDGET MESSAGE

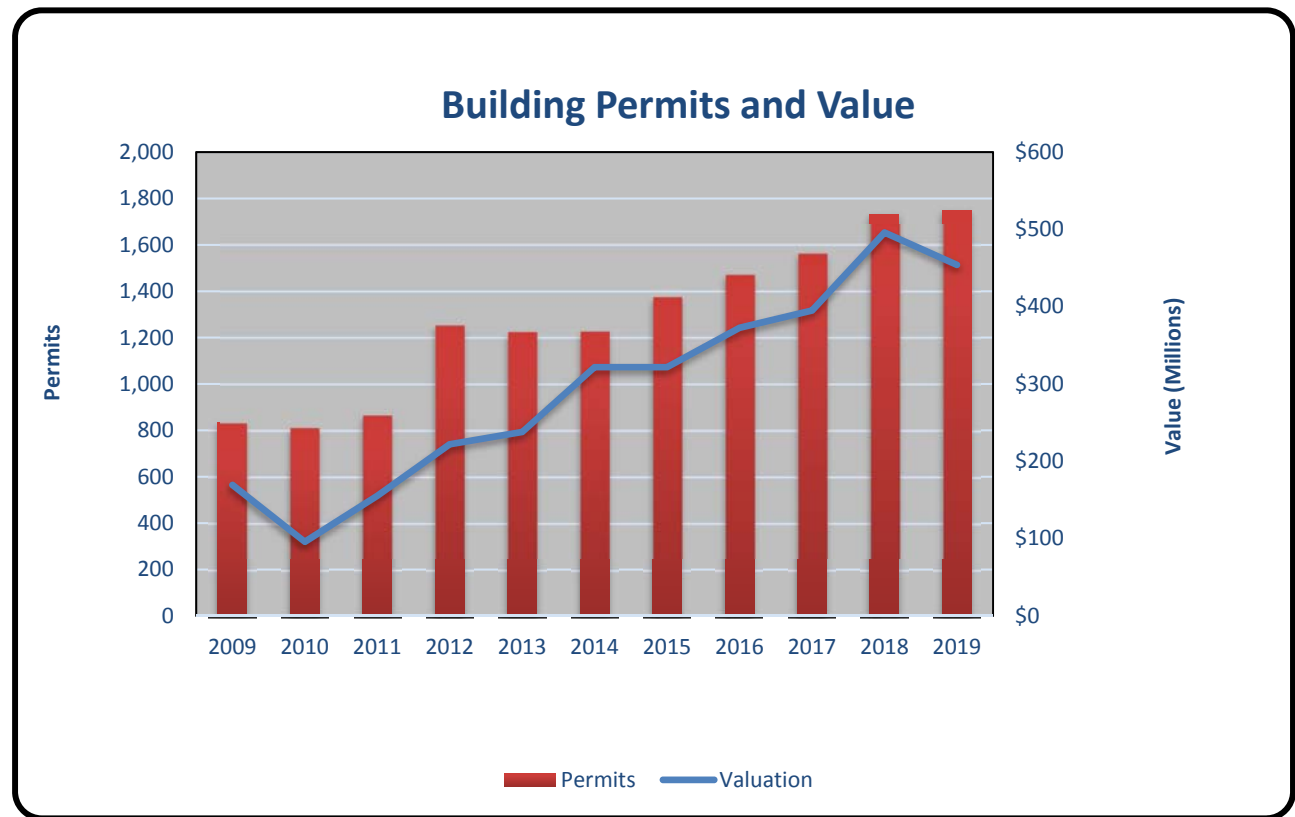
theme for 2019, Infrastructure that Benefits All. Elle Spencer, an eighth-grader at Fulbright Junior High School, submitted the winning artwork. A poster with her design is on display on the side of the Community Development building.

Planning also actively spoke with school groups about the planning profession and the ways in which planning impacts a community. They conducted planning commissioner training through the Arkansas Public Administration Consortium. And held a Developer's Workshop to gather feedback on the planning review process.

In April, City Council approved a resolution to partner with the U.S. Census Bureau to support and encourage a complete count in the 2020 Census. They also approved a resolution to establish a Complete Count Committee in Bentonville to support the partnership. The committee consists of representatives from the community, school district, chamber of commerce, and the Salvation Army. They met three times in 2019 to identify focus areas and to develop a promotion plan. Census results help determine how billions of dollars in federal funding flow into states and communities each year, so please make sure you are included in the count.

The City hosted a series of meetings for each of the City's four wards over the course of the year. Myself, City Council members, and city staff engaged approximately 325 residents in a conversation about public safety, property maintenance, community programs, and initiatives. The meetings provide an opportunity to meet the Mayor, your Council Representatives, and key city staff, learn about current, and future City initiated projects, ask questions, and learn about community resources.

The City also strives to make Bentonville more pet-friendly. And that commitment was recognized with a Better Cities for Pets designation through the MARS Petcare Program.



### PLANNING FOR THE FUTURE

Our department managers have identified accomplishments for 2019 and goals for 2020 that are presented in the Department Summaries of this document to help us achieve these city-wide goals. We continue to make progress, but focus will continue to be on:

- A community that promotes aesthetics and quality of life
- Attract the type of growth that will improve our revenue stream and provide the City with needed funding
- Capital investments that will allow current commerce to thrive and attract future commerce
- Continue our role in the Northwest Arkansas Conservation Authority
- A transportation system that enables our citizens and visitors to get where they need to be safely, effectively, and efficiently
- Focus on opportunities to expand and improve our parks
- Strengthen the budget process by improving revenue and expense forecasts
- Utility infrastructure projects to support and promote growth and quality of life
- Downtown parking that continues the revitalization of the City's Downtown square

Commitment to shaping the future of the City requires many master plans that are frequently reviewed and kept relevant even in these times of unprecedented growth and change. Many people perhaps are not aware of those plans and of how comprehensive our overall planning is throughout our departments. There are numerous important official planning documents in place that are also under almost constant review with updates done from time to time. The following list identifies some of our major planning documents:

#### Bentonville Community Plan (2018)

The Bentonville Community Plan is the official comprehensive plan for the City of Bentonville. It is intended to serve as a roadmap for the community as it evolves, grows and changes over time. The plan articulates a vision for Bentonville that reflects the community's aspirations while respecting the unique character and defining sense of place that distinguishes Bentonville from other places. It addresses land use, commerce, mobility, open space, public facilities and infrastructure. Five subarea plans are included: Downtown Bentonville, Downtown Neighborhoods, 8th Street, 14th Street and SW Regional Airport Blvd/I Street.

#### Parks Master Plan (2017)

The Parks Master Plan looks toward the future, to build on Bentonville Parks & Recreation's success, in an effort to define ways to achieve a world class park system. The plan outlines a balanced strategy for park improvement and new parks in a cohesive and seamlessly connected park system.

#### Bicycle & Pedestrian Master Plan (2015)

The Bicycle and Pedestrian Master Plan expresses Bentonville's intention to provide greater access to alternative transportation modes by establishing guiding principles, facility types, proposed trail network, and design standards.

#### Bentonville Blueprint (2014)

The Bentonville Blueprint is Bentonville's strategic economic development plan that identifies eight main target sector opportunities and seven strategic priorities.

## BUDGET MESSAGE

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### SE Downtown Area Plan (2014)

Building on the Downtown Master Plan, the Southeast Downtown Area Plan zooms in on 300 acres in the southeast quadrant of the downtown study area to provide more specific and detailed implementation strategies. The plan identifies strategies for the Arts District and Market District.

### N. Walton Blvd. Corridor Enhancement Plan (2013)

The North Walton Boulevard Corridor Enhancement Plan establishes a direction for improving access management along the roadway, encouraging complementary land uses, installing pleasing aesthetics, and implementing economic development strategies to create a sustainable commercial corridor that is economically vibrant.

### Master Street Plan (2008)

The Master Street Plan provides for the orderly growth and development of the city through the development of a roadway system that provides internal circulation within the city while connecting to other population centers in Northwest Arkansas. It constitutes the official policy with regard to the future location and function of all roadway systems.

### Downtown Master Plan (2004)

The Downtown Master Plan establishes a common vision for downtown Bentonville and identifies strategies for implementation for development and redevelopment, circulation, economic development, promotions, architecture and streetscape, image and identity.

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At the start of a new decade, I am very proud to report the State of Bentonville is strong. We, as a Community, are thriving! We have a beautiful City with fabulous people! I can't wait to see what the future holds, and if the past year is any indication, we are in for some exciting times!

As I begin my 2nd year as your Mayor, I want you to know I consider it an honor and a privilege to serve the City of Bentonville. And, I continue to be extremely excited about the future of Bentonville. There is much to do as incredible opportunities lie ahead for our City. Bentonville is fiscally sound and filled with passionate people who want to work together to provide a vibrant, safe and clean city. City staff is focused on a collaborative team effort bringing people together and working together as we progress to find the best direction and solutions for Bentonville. As we grow, listening carefully, speaking clearly and respecting all will continue to guide our decisions. We are focused on providing a high quality of life and reinforcing Bentonville's identity as a welcoming community striving for excellence in safety, business, residence, recreation, and education.

In closing let me say, I truly love this City and I hope you do too. We value our residents and are committed to creating ways for residents to celebrate, to assist and create unique learning opportunities like our Citizen Police Academy and serving on City boards and commissions. I ask that you join with me, city staff, City Council, and area community and business groups get involved and make a difference in Bentonville. You can join volunteer groups or choose to serve on City appointed boards. You can start a Strong Neighborhood Program, get involved with our coming Animal Shelter, or volunteer at our Public Library. Contact my office and let me know of someone you think exemplifies the Spirit of Bentonville Award. I encourage you to be engaged and help others to serve. Find a place you can make a difference. I firmly believe the good people of this community will guide what I am certain will be a very bright future for the City of Bentonville. Let's all commit to celebrate the successes, work through the challenges, and reach goals together as we strive to make Bentonville the Best Place in America to live, work, and play!

Thank you all ~ may God continue to bless our City, Northwest Arkansas and the United States of America!

Mayor Stephanie Orman  
City of Bentonville

## BUDGET SUMMARY

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### FUND STRUCTURE

The City of Bentonville fund structure is outlined below for Governmental, and Proprietary fund types.

**GOVERNMENTAL:** Governmental Funds are used to account for the City's expendable financial resources and related liabilities (except those accounted for in proprietary and similar trust funds).

**General:** The General Fund is the general operating fund for the city. It is used to account for all financial resources that are not accounted for in other funds. All general tax revenue and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund.

**Special Revenue:** Special Revenue funds are used to account for revenue sources that are legally restricted to expenditure for specific purposes (other than special assessments, expendable trusts, or major capital projects). The City of Bentonville has three funds in this group: Street, Impact and Capacity Fees and Debt Service.

- 1. Transportation and Street Fund:** This fund is used to account for revenue received from the state as turnback funds that are required to be used within the Street Department, the City's share of funds provided from the county road tax, any other funds such as grants or donations specifically for the Street Department, and any funds that are transferred from the General Fund.
- 2. Impact and Capacity Fund:** This fund is used to account for revenues collected due to new growth of homes and businesses in the City. Fire Impact Fees are restricted to capital expenditures that are necessary to keep up with the growing demands for additional stations, machinery, equipment, and vehicles. Water and Sewer Capacity Fees are restricted to capital expenditures necessary to increase the capacity of our current water and sewer systems.
- 3. Debt Service Fund:** This fund is used to account for the revenues from the capital penny and the principal and interest payments of the City's bond issue. This also includes fees payable to the banks involved as agents for the bondholders.

**PROPRIETARY:** Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income and capital maintenance.

**Enterprise:** Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expense incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The City of Bentonville has one such fund, which is the Utility Fund.

**Utility Fund:** This fund accounts for the City's electric, water, sewer, and wastewater systems whose operations are financed through user charges.

## BUDGET SUMMARY

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### Funds and Department Listing

General Fund	Utility Fund	Special Revenue Funds
<i>Department Listing:</i> <i>Administration</i> <i>Accounting</i> <i>District Court</i> <i>Planning</i> <i>Engineering</i> <i>Airport</i> <i>Police</i> <i>Fire</i> <i>Building Inspection</i> <i>Public Works Maintenance</i> <i>Parks and Recreation</i> <i>Public Library</i>	<i>Department Listing:</i> <i>Electric</i> <i>Water</i> <i>Sewer</i> <i>Wastewater</i> <i>Sanitation</i> <i>Inventory</i> <i>Utility Billing and Collection</i>	<i>Fund Listing:</i> <i>Transportation and Street Fund</i> <i>Debt Service Fund</i> <i>Impact and Capacity Fee Fund</i> <i>Department Listing for Impact</i> <i>and Capacity Fee Fund:</i> <i>Fire Impact Fees</i> <i>Parks Impact Fees</i> <i>Police Impact Fees</i> <i>Library Impact Fees</i> <i>Wastewater Capacity Fees</i> <i>Water Capacity Fees</i>

## BUDGET SUMMARY

### MAJOR REVENUES AND EXPENSES

#### MAJOR REVENUES

A few revenues comprise a major part of the City's total revenue, excluding transfers. The table below shows each one that has been over \$500,000, the percentage that each is of the total, and the cumulative total and percentage. The last row in the table is a total of all other revenues, each of which is less than \$500,000. As shown, that entire group makes up a small percentage of the total figure.

The next table shows the same revenue sources, but in addition to the 2020 Budget amounts, it shows, in the same order, the corresponding figures for 2018 Actual and 2019 Budget. Following that table are comments on selected 2020 major revenues, especially those that are large and those that might not be self-explanatory.

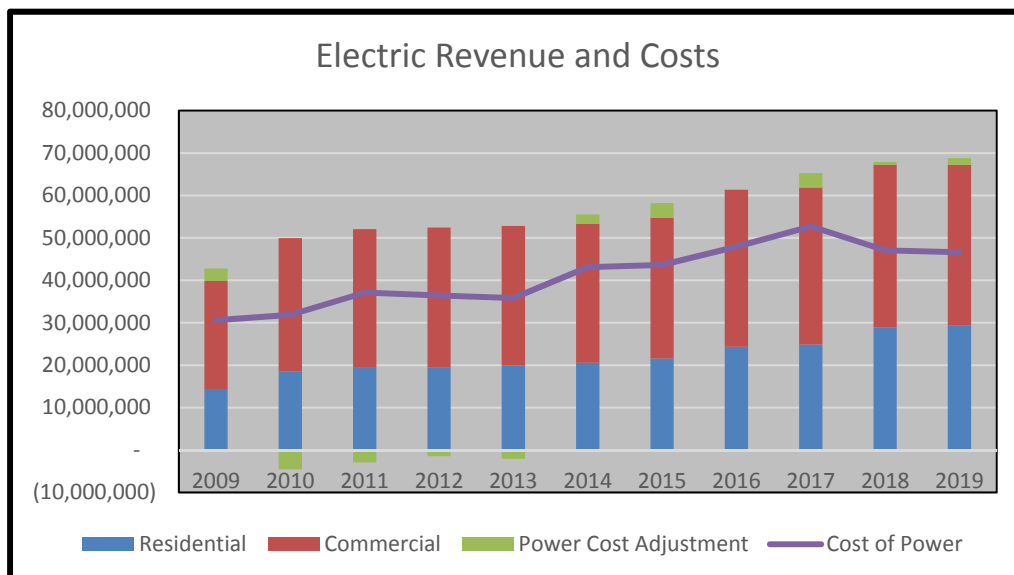
	2018 ACTUAL	2019 BUDGET	2020 BUDGET	CHANGE	PERCENT
Electric Sales	\$ 68,657,646	\$ 64,610,394	\$ 63,831,004	\$ (779,390)	-1.2%
Sales Tax	24,585,094	22,450,000	25,649,945	3,199,945	14.3%
Capital Sales Tax	11,060,692	10,000,000	11,060,693	1,060,693	10.6%
Water Sales	11,621,963	10,438,436	10,233,457	(204,979)	-2.0%
Wastewater Sales	4,988,006	4,543,645	4,986,789	443,144	9.8%
Sanitation	4,591,853	4,438,700	4,543,645	104,945	2.4%
Property Tax	7,703,299	7,300,427	7,918,504	618,077	8.5%
Franchise Fees	5,653,243	5,220,141	5,324,952	104,811	2.0%
General Turnback	559,042	565,000	559,042	(5,958)	-1.1%
Street State Turnback	1,580,660	1,561,970	1,580,660	18,690	1.2%
Ambulance Charges	1,524,103	1,688,000	1,524,103	(163,897)	-9.7%
Bldg Permits & License	1,688,610	1,188,500	1,188,500	-	0.0%
Parks Programs	3,824,999	3,976,101	4,163,328	187,227	4.7%
Fire Impact Fees	315,556	300,000	300,000	-	0.0%
Parks Impact Fees	1,416,165	900,000	900,000	-	0.0%
Police Impact Fees	522,053	500,000	500,000	-	n/a
Library Impact Fees	112,980	85,000	85,000	-	n/a
Debt Issuance	-	-	-	-	-
Water Capacity	13,660	-	-	-	n/a
Sewer Capacity	10,856	-	-	-	n/a
Subtotal	150,430,480	139,766,314	144,349,622	4,583,308	3.3%
All Other Revenue	23,156,392	14,066,794	14,924,520	857,726	6.1%
Total Revenue	\$ 173,586,872	\$ 153,833,108	\$ 159,274,142	\$ 5,441,034	3.5%



## BUDGET SUMMARY

	2020 Budget	% of Total	Cumulative Amount	Cumulative % of Total
Electric Sales	\$ 63,831,004	40.08%	\$ 63,831,004	40.08%
Sales Tax	25,649,945	16.10%	89,480,949	56.18%
Capital Sales Tax	11,060,693	6.94%	100,541,642	63.12%
Water Sales	10,233,457	6.43%	110,775,099	69.55%
Wastewater Sales	4,986,789	3.13%	115,761,888	72.68%
Sanitation	4,543,645	2.85%	120,305,533	75.53%
Property Tax	7,918,504	4.97%	128,224,037	80.51%
Franchise Fees	5,324,952	3.34%	133,548,989	83.85%
General Turnback	559,042	0.35%	134,108,031	84.20%
Street State Turnback	1,580,660	0.99%	135,688,691	85.19%
Ambulance Charges	1,524,103	0.96%	137,212,794	86.15%
Bldg Permits & License	1,188,500	0.75%	138,401,294	86.90%
Parks Programs	4,163,328	2.61%	142,564,622	89.51%
Fire Impact Fees	300,000	0.19%	142,864,622	89.70%
Parks Impact Fees	900,000	0.57%	143,764,622	90.26%
Police Impact Fees	500,000	0.31%	144,264,622	90.58%
Library Impact Fees	85,000	0.05%	144,349,622	90.63%
Debt Issuance	-	0.00%	144,349,622	90.63%
Water Capacity	-	0.00%	144,349,622	90.63%
Sewer Capacity	-	0.00%	144,349,622	90.63%
Subtotal	144,349,622	90.63%		
All Other Revenue	14,924,520	9.37%	14,924,520	9.37%
Total Revenue	\$ 159,274,142	100%	\$ 159,274,142	100%

**Electric – Sales Revenue - \$63,831,004:** Bentonville is one of fifteen municipalities in Arkansas that has its own electric department. The City does not generate power; it is purchased and distributed through the City's electric system. Meter readers read both water and electric meters, and utility bills cover both as well as wastewater and trash service. The electric revenue projection process utilizes data from the power company that sells the power and historical data based on growth projections. A rate study was conducted in 2015 and the rates were increased approximately 10% and this will be spread out over a 3 year period. The increase in electric sales budget number reflects a modest rate of growth. The franchise fee to the General Fund in 2020 is at 5% which is a steady revenue stream for general operations.

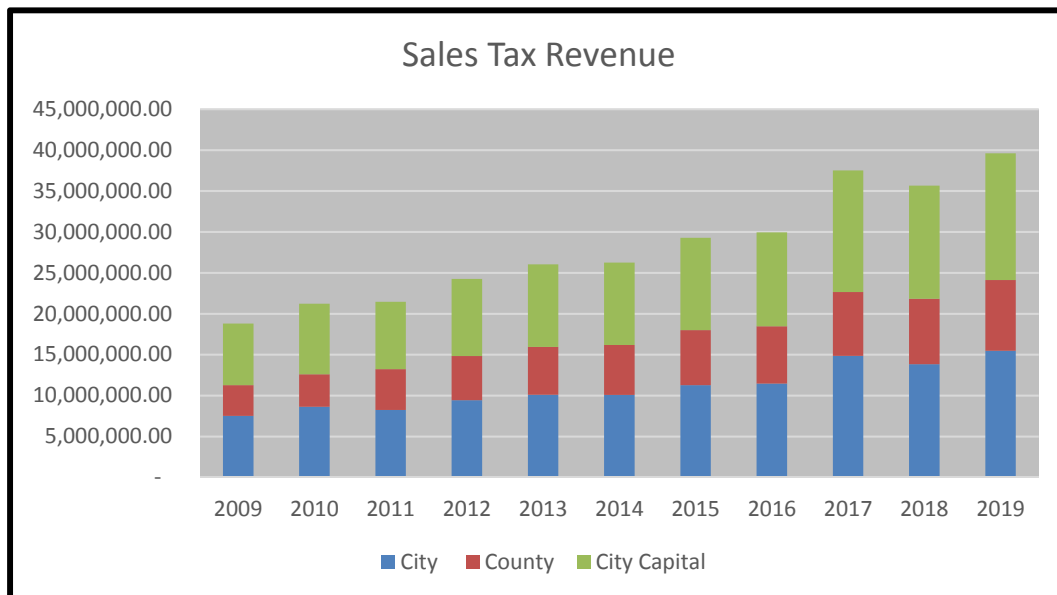


## BUDGET SUMMARY

**Sales Taxes - \$25,649,945:** There are three different sales taxes are included in the amount shown. One is a local one-cent sales tax that was originally approved for ten years by citizens in a special election in August 2003, with an effective date of October 1, 2003. In August of 2007, a special election was held to extend the tax for 25 years to finance a bond issue in the amount of \$110 million. Beginning in 2008, 80% of this penny goes to a trustee for debt service and the remaining 20% comes to the City and is used for other capital that was not included in the bond issue. The proceeds from this tax are budgeted at \$12,500,000 in total but only \$2,500,000 is included in this number. The second sales tax is another local one-cent tax approved in 1983 and accounts for another \$12,500,000. It may be used for any purpose approved by the City Council. The third tax is a countywide sales tax, also for one-cent, that was passed in 1990. Each city in the county receives a pro-rata share based on population. The budgeted amount from that tax is \$7,450,000. Growth in the existing City sales tax has varied from nearly 10% to about 3% annually, and the growth in the county tax has averaged closer to 10%.

The 1% City sales tax was enacted in 1983. It is collected by vendors and remitted monthly, along with State sales tax to the State. The State makes distribution to the City's General fund. The timing of the tax is two months behind. December sales are remitted to the State in January and would be received by the City in February. In August of 2003, the voters approved an additional 1% tax that was to fund capital projects with a minimum of 70% designated for streets. In August of 2007, an election was held which extended the additional 1% tax for 25 years. This **capital** penny will be used to fund bonds up to \$110 million. Series 1 was issued in November of 2007 in the amount of \$36.3 million. Series 2 was issued in November of 2009 and Series 3 was issued in November of 2010. This issue will be used for street, police, fire, airport, and parks. Series 4 was issued in July of 2017 and will be used for streets and police. The County tax which was passed by the Benton County voters in 1990 is the City's share of a 1% county tax. The City's portion is approximately 12.5% of this penny and is determined on a per capita basis.

**Capital Sales Tax - \$11,060,693:** This number is 80% of the capital penny and will be retained by the City's Bond Trustee to fund the Debt Service on the 2007, 2009, 2010 and 2017 Series Bonds. Any excess collections will be used to pay off the bonds early when possible.



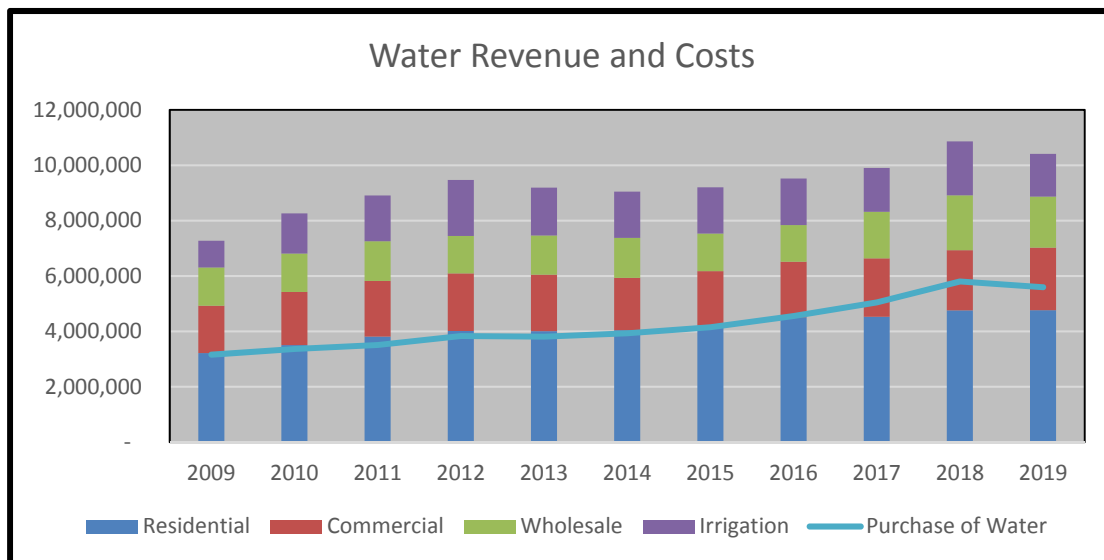
## BUDGET SUMMARY

**Water – Sales Revenue - \$10,233,457:** Water Sales Revenue includes residential, commercial, irrigation, a large wholesale customer (Bella Vista), and two small wholesale customers. With the growth of Bella Vista and Bentonville, the wholesale contract was modified in December 2005. One major change was to remove the requirement that Bentonville be the sole source of water for Bella Vista. The other was to provide for a guaranteed minimum annual quantity to be purchased by Bella Vista. Both of these modifications will benefit both parties. Water Sales Revenue shows only a 2.3% increase from 2018 based on trends over the previous year.

Beaver Water District (BWD) was created in 1957 and the dam that created Beaver Lake and the first treatment plant were completed in the mid-1960s. Bentonville was one of the four charter members of the BWD. The District contracted with the United States Army Corps of Engineers for water storage in Beaver Reservoir, a Corps of Engineers lake. BWD has a treatment plant that provides water for the four member cities of Bentonville, Fayetteville, Rogers, and Springdale. Those cities may sell water to other communities on a wholesale basis. The City's wholesale customers are Bella Vista, Cave Springs, and Oak Hills (a subdivision outside the city limits.)

The new 48 inch water line was completed in 2007 and that line is expected to provide resources for the next fifteen years. An additional 2 million gallon storage tank was also completed in 2007.

A rate study was done in 2015 to insure that the City's current rates are adequate to meet revenue requirements of the Water Department. The last study was performed in 2008 and we saw a 4% increase across the board. The 2015 study kept rates the same.

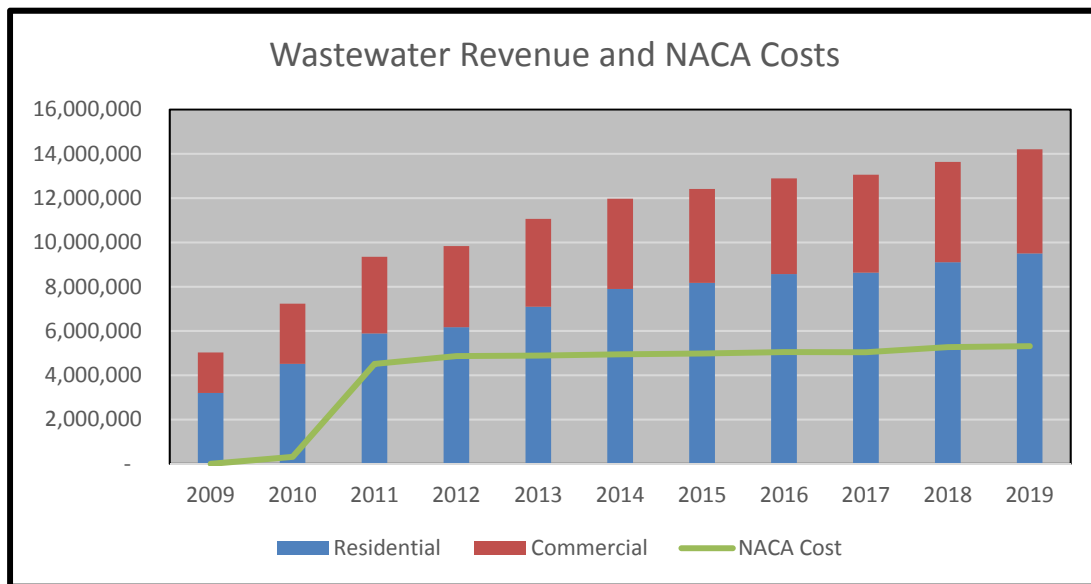


**Wastewater – Sales Revenue - \$4,986,789:** Wastewater sales revenue was formerly based on water revenue and includes residential and commercial charges to customers. Due to the rate study in 2009, the sewer rates were adjusted which made it difficult to project based on water results. Rates were adjusted rather significantly since 2009 with the result being about a 50% increase with the opening of NACA. Rates were reviewed again in 2012 to insure the City is meeting their revenue requirement. There was also a rate increase in 2013. A rate study was completed in 2015 and no adjustment was necessary on the current rates.

## BUDGET SUMMARY

A compost facility was opened in 2000 to create a beneficial use for bio-solids generated by the Wastewater Treatment Plant (WWTP). Several recent projects have been aimed at enhancing the capability of the WWTP and expanding the collection system. This growth is funded by a low interest loan from the State of Arkansas through a Revolving Loan Fund (RLF) that helps fund similar municipal projects. A rate increase was required to support payment of the loan principal and interest.

Bentonville is one of the founding members of a regional group called NACA (Northwest Arkansas Conservation Authority). NACA has constructed a regional wastewater facility that serves several cities. Members pay for treatment of their wastewater and will be responsible for the collection lines to deliver the wastewater to the treatment plant. The City purchased suitable land in 2004 which was sold to NACA in 2006. The plant was operational at the end of 2010.

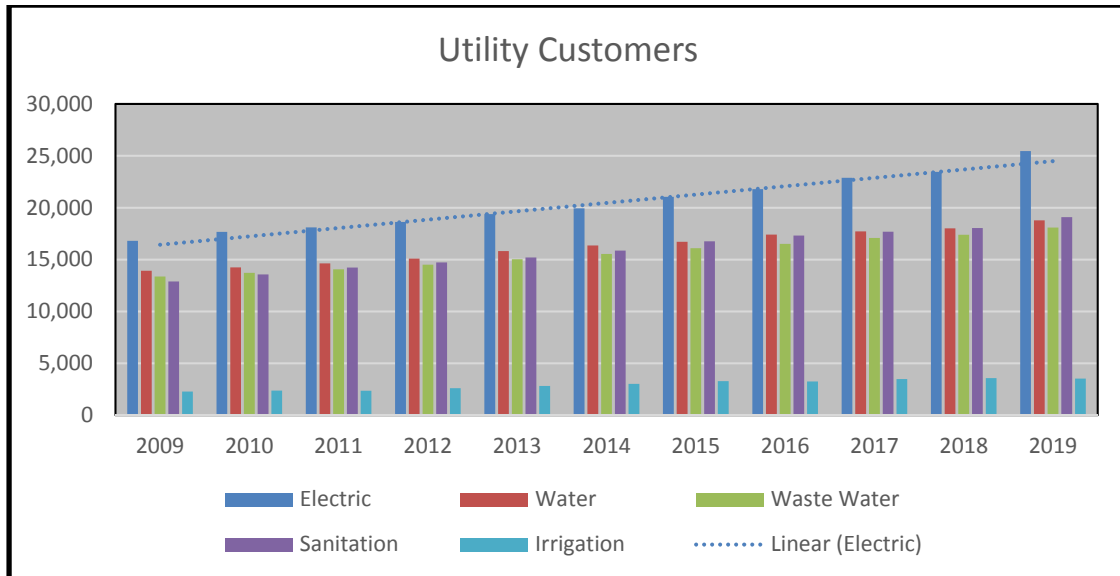


**Trash – Sanitation – \$4,543,645:** Sanitation reflects charges to residential, commercial, and industrial customers. The fees are based on a contract for service with a large waste disposal firm. During the bidding process in 2012, rates went down and the rate the City paid decreased. In early 2007, the City implemented a cart system as well as a recycling cart where items can be co-mingled and are picked up curbside the same day as trash. While this program is not a significant source of net revenue for the City, it has long term effects on improving the environment and has been well received by the citizens.

The utility services continue to show growth due to the continued population growth of the City of Bentonville. The graph below reflects a combined count at the end of year based on meters in service, both residential and commercial. Most customers receive all of our services but there are some exceptions.

Irrigation meters have grown in popularity due to the sewer being based on “regular” water usage and are now shown separately.

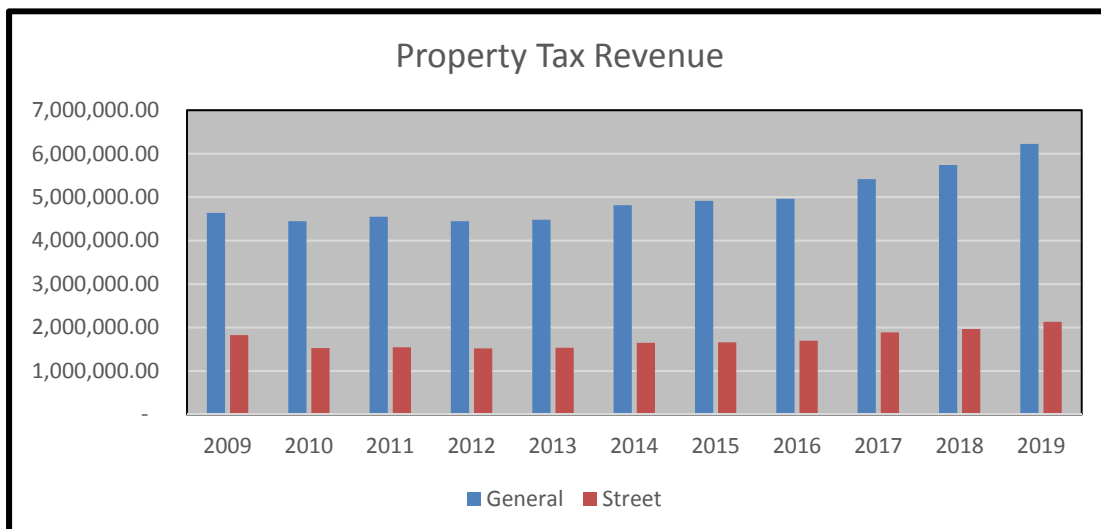
## BUDGET SUMMARY



**Property Taxes \$7,918,504:** Taxes are collected by Benton County and the City budget amount is based on information provided by Benton County for assessed values. The increase reflects the growth in the City – both in the number of properties and the value of properties.

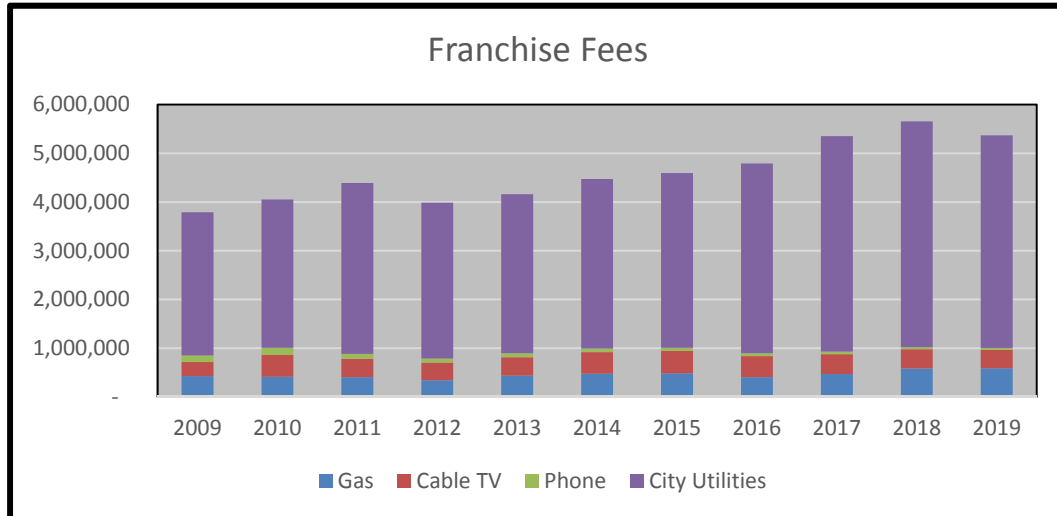
The property tax on real and personal property goes into the General Fund. The tax which is five mils on 20% of the assessed valuation of the property is the maximum allowed by State law for general city operations. The Benton County assessor appraises the property and these are reviewed periodically. State law limits revenue from property taxes to a maximum of 10% above the prior year. The limit does not apply to new property.

The Street fund receives a portion of a 1.3 mil road tax levied by the County. The County has the authority to levy up to 3.0 mils. Prior to 2000, Bentonville received 90% but this percentage was cut by the County in 2000 to 50%. This issue goes back to some legislative changes and the final resolution was in the City's favor in 2008. Up until January 1, 2007, the 40% difference has been placed into an escrow account and was a significant one-time revenue source for the City. Collections are up with the return to the 90% distribution. This change in allocation produced a significant change in Street revenue.



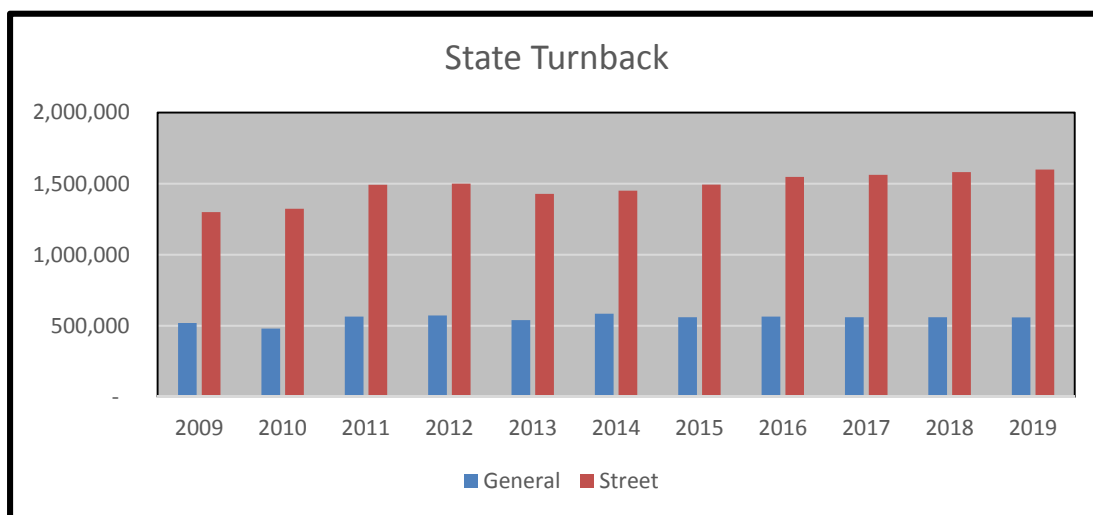
## BUDGET SUMMARY

**Franchise Fees (Admin) - \$5,324,952:** The franchise fees include payments from telephone, cable TV, and natural gas franchises. The City owned utilities also pay the franchise fees and each utility (Electric, Water, and Wastewater) has their rate set at 5%.



**State Turnback - \$1,580,660:** This revenue is a turn back from the state. Each year the Arkansas Municipal League advises municipalities the per capita rate to budget for the coming year. For 2020 in the street fund the amount is \$47.50 per capita, which is the same as last year.

The General fund amount is at \$16.00 per capita which is up from a year ago. As with other revenues, the General Fund portion is unrestricted but the Street Fund portion must be used for street maintenance, repair and operating costs of the street department, including the purchase of equipment or paying for capital projects.



## BUDGET SUMMARY

### Impact and Capacity Fees

**Wastewater – Sewer/Wastewater Capacity Fee - \$0:** This fee was established in 2002 with fee collection beginning in July 2002. Along with the other capacity/impact fees, it was reviewed by a consultant late in 2005 and continuing into 2006. In 2016, this fee was discontinued.

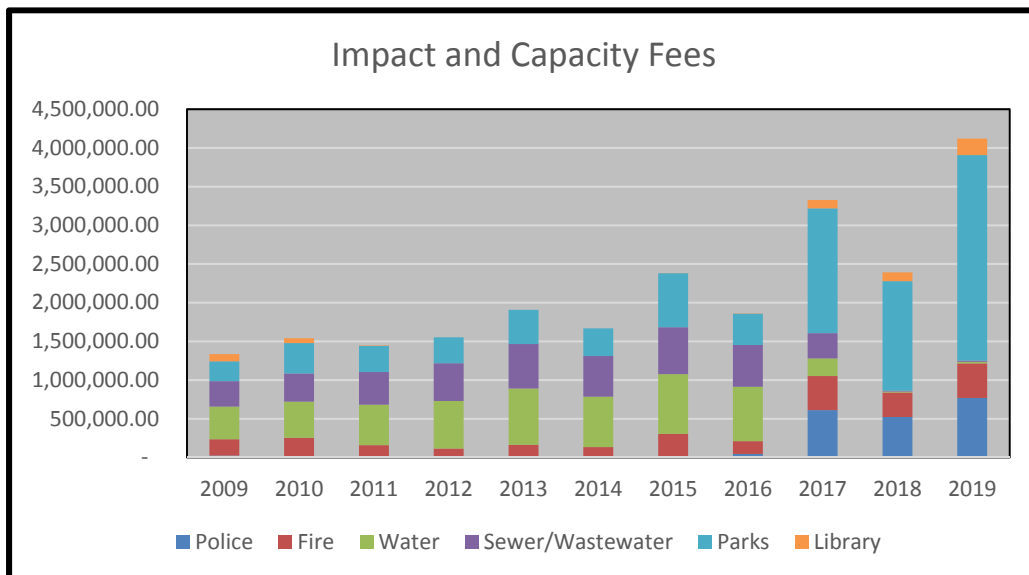
**Water – Capacity Fee - \$0:** This fee was passed at the same time as the Sewer/Wastewater Capacity Fee and Fire Impact Fee. In 2016, this fee was also discontinued.

**Fire – Fire Impact Fee - \$300,000:** This fee was passed at the same time as Sewer/Wastewater Capacity Fee and the Water Capacity Fee, and has the same restrictions. The Fire Impact Fee for a single-family residence is \$762.

**Parks – Parks Impact Fee - \$900,000:** This fee was passed at the same time as Sewer/Wastewater Capacity Fee and the Water Capacity Fee, and has the same restrictions. The Fire Impact Fee for a single-family residence is \$791.

**Police – Police Impact Fee - \$500,000:** This fee was reinstated in 2016. Currently, police is adding additional space due to growth and these will help fund the addition.

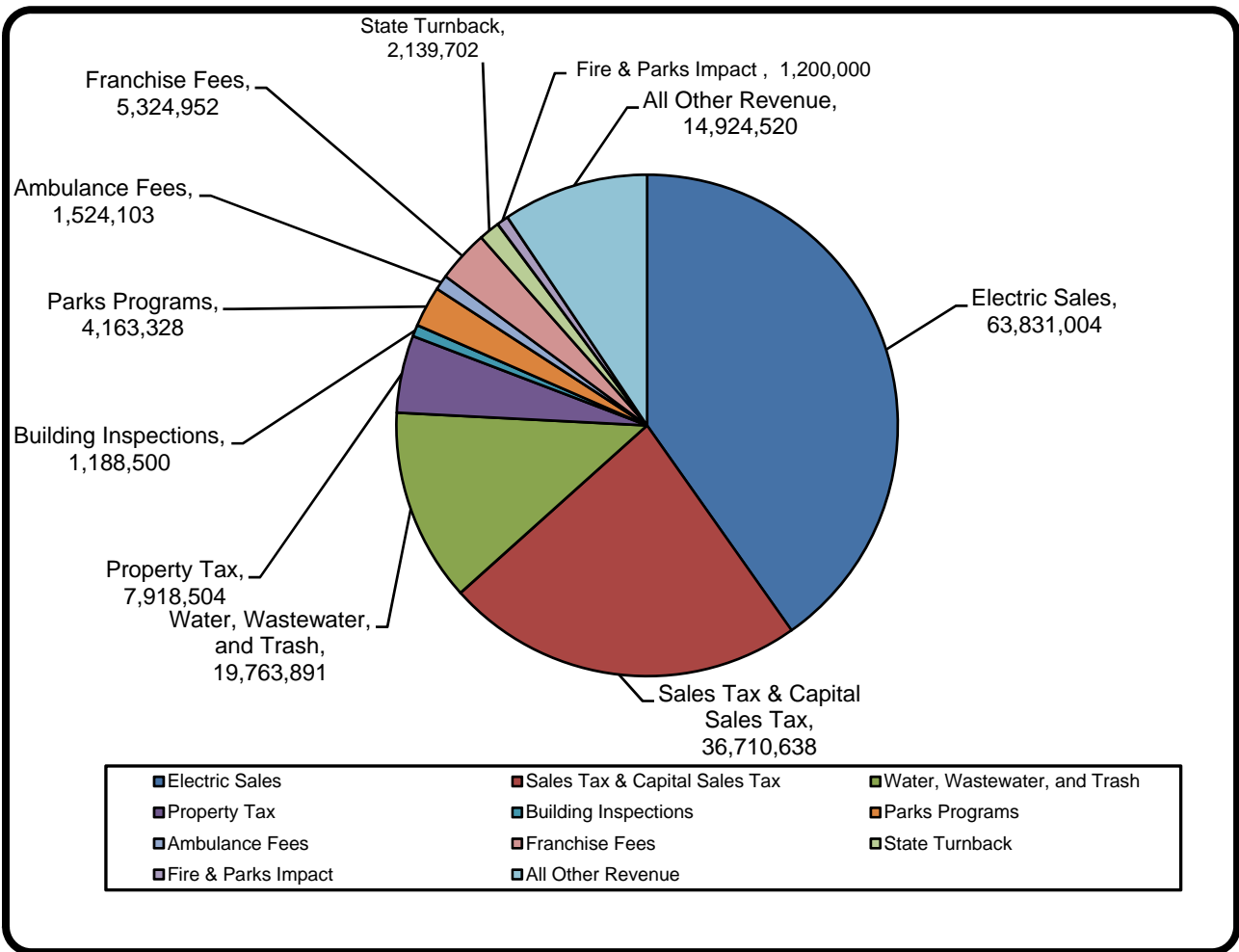
**Library – Library Impact Fee - \$85,000:** These fees were also reinstated in 2016 and will be used for capital and collections.





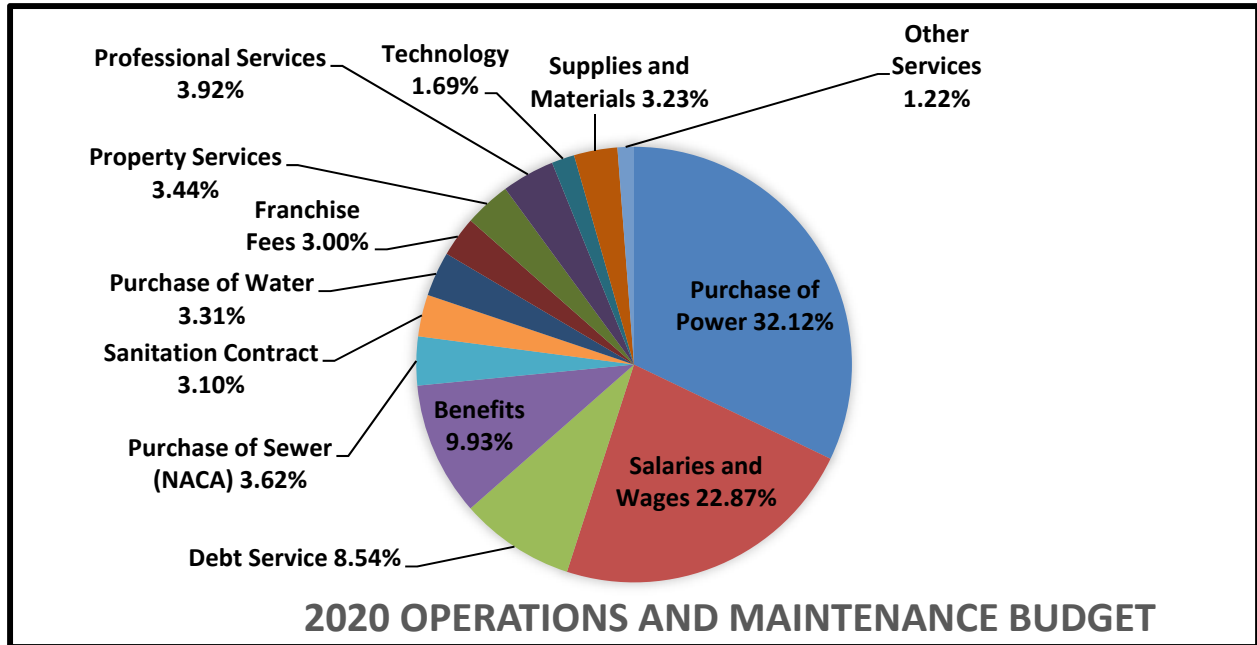
## BUDGET SUMMARY

### MAJOR REVENUES BUDGETED



## BUDGET SUMMARY

The following pie chart shows the major O & M budgeted expenses for the City. The table following the pie chart shows corresponding actual amounts for 2017 and 2018 in addition to the 2020 figures.



Description	2017 Actual	2018 Actual	2019 Budget	2020 Budget	% of Total O & M
Purchase of Power	\$ 48,046,902	\$ 47,052,813	\$ 49,233,391	\$ 46,426,730	32.12%
Salaries and Wages	27,124,496	28,364,371	30,722,555	33,055,041	22.87%
Debt Service	13,005,180	14,176,635	12,771,904	12,340,282	8.54%
Benefits	10,779,684	11,500,657	12,830,893	14,358,060	9.93%
Purchase of Sewer (NACA)	5,043,143	5,274,161	5,100,000	5,238,167	3.62%
Sanitation Contract	4,179,829	4,542,597	4,134,545	4,488,110	3.10%
Purchase of Water	5,045,680	5,803,494	4,713,932	4,788,198	3.31%
Franchise Fees	4,423,730	4,633,095	4,369,388	4,336,920	3.00%
Property Services	4,253,961	4,669,488	4,844,046	4,970,981	3.44%
Professional Services	4,578,094	3,859,007	4,405,557	5,671,777	3.92%
Technology	n/a	1,382,294	2,012,012	2,440,531	1.69%
Supplies and Materials	4,490,060	4,216,949	4,562,117	4,667,330	3.23%
Other Services	8,211,975	8,458,480	1,655,556	1,770,477	1.22%
<b>O &amp; M Total</b>	<b>139,182,734</b>	<b>143,934,041</b>	<b>141,355,896</b>	<b>144,552,604</b>	
Capital	28,424,585	28,488,788	18,727,383	15,992,872	
<b>Total without Transfers</b>	<b>\$ 167,607,319</b>	<b>\$ 172,422,829</b>	<b>\$ 160,083,279</b>	<b>\$ 160,545,476</b>	

**Purchase of Power:** Utilities are an area of major expense, especially for electricity. The City is fortunate in having an electric department that benefits the citizens in the form of reasonable, reliable electricity as well as provides a steady cash flow to the City. Power is purchased then sold to the customers. The budgeted amount for power purchases for 2020 is approximately \$46 million. The increase reflects continued growth of both residential and commercial accounts along with rising fuel costs.

**Salary & Wages:** As with most municipalities, or most service organizations, a major expense category is the cost of staff. For 2020, Salary and Wages are \$33 million dollars, making up 22.87% of O & M. A COLA of 1.6% and 1.4% merit raise were budgeted for 2020.

## BUDGET SUMMARY

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**Debt Service:** In the Utility Fund, the City currently has principal and interest payments on three bond issues and on four revolving loan funds from the state. All of them are related to electric, water and sewer projects. The Debt Service Fund was added in 2007 for the 2007 Series. Eighty percent of the capital penny goes to the bond trustee for the principal and interest on these bonds. More details are provided under the Debt section.

**Benefits:** Benefits are up due to increases in the pension plans and changes in insurance coverage by employees. Health insurance costs had an increase in 2020 of approximately 15%.

**Sanitation Contract:** Sanitation services are contracted to an outside vendor by a contract that expired in 2012 and was rebid. That cost, which is covered by related revenue, is budgeted at over \$4 million. It is budgeted based on the number of residential, small commercial and large commercial customers, plus a projected growth factor, and the respective rates. Residential and small commercial customers receive once a week pick up since the City switched to the cart system. Recycling carts are also provided and the usage has been significant.

The large commercial customers have dumpsters and are billed on volume based on their choice of dumpster capacity and frequency of service. The City bills the customers on the monthly utility bill along with charges for electric, water, and sewer.

**Purchase of Water:** Our water department purchases water from Beaver Water District (BWD). Beaver Water District was formed in the 1960s by the cities of Fayetteville, Springdale, Rogers, and Bentonville. The district has intake facilities on Beaver Lake, which is a Corps of Engineers lake. The district treats the water and pumps it to the four cities, which may then use it and, if they choose, sell it to wholesale customers. The cost for purchased water, budgeted by our water utilities manager based on history and our rapid growth, is a little more than \$4.7 million for 2020.

**Franchise Fees:** Since the City operates its own electric department, a franchise fee is paid from the electric department to the general fund similar to a franchise fee that the general fund would receive from an electric utility. In the past, it has been a flat amount that had not changed for several years, but it is now computed as a percentage of revenue similar to other franchise fee amounts. Other typical franchise fees for natural gas, cable TV, and telephone services are also included.

**Public Works Maintenance Projects:** This is the total cost within public works for maintenance of such items as the electric system, water lines, streets, traffic signals, and street signs.

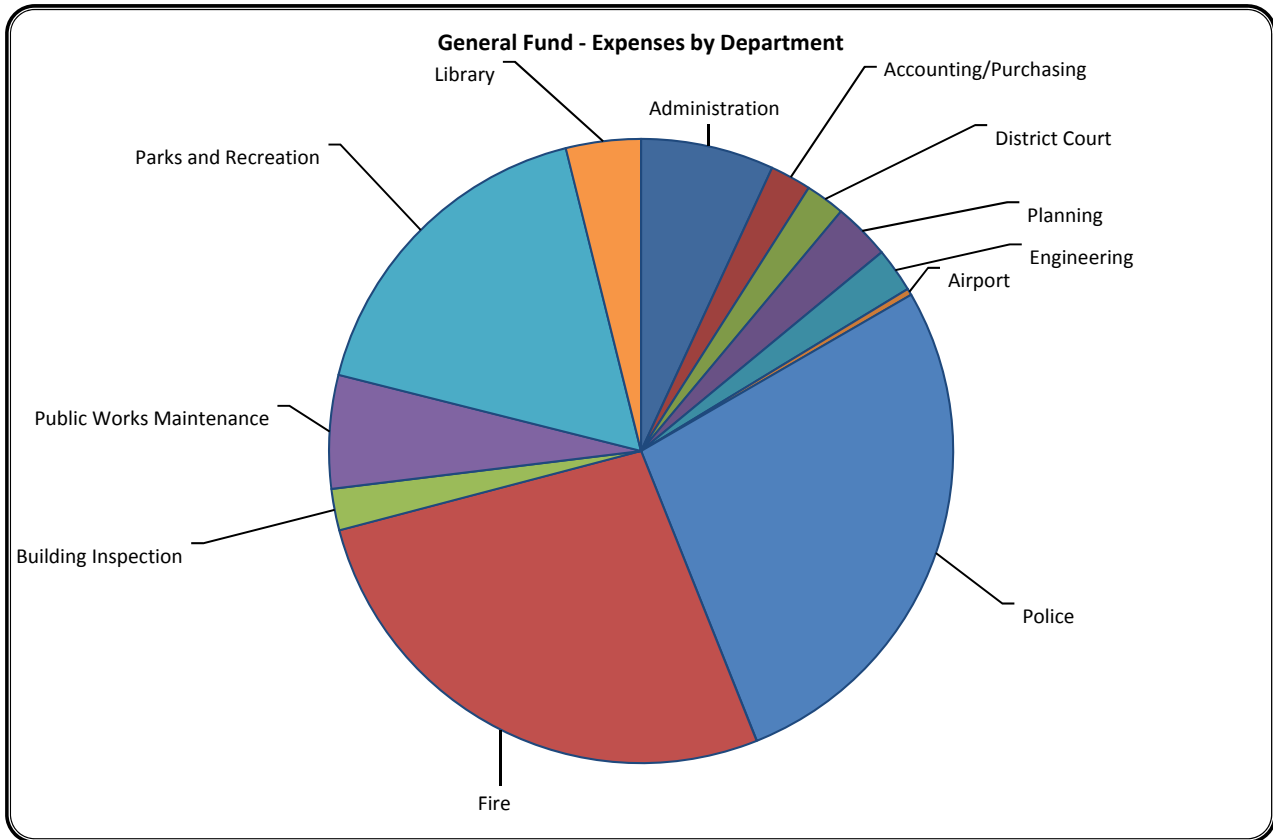
**Legal & Professional:** These are fees for legal costs when outside attorneys are required for various cases, auditors, architects, engineering studies, rates studies, and other similar costs. This category is budgeted for an increase 29% from 2019 due to studies, consultants, contractors identified as needed in various departments throughout the City for 2020.

**Supplies & Materials:** This category includes minor equipment, computers, operating and office supplies, postage, safety expense and miscellaneous items. This category is budgeted for an increase of 2.31% from 2019.

**Other Services:** This category includes insurance, training and dues/subscriptions. This category is budgeted for an increase of 6.94% from 2019 due to increased insurance costs and training costs.

## BUDGET SUMMARY

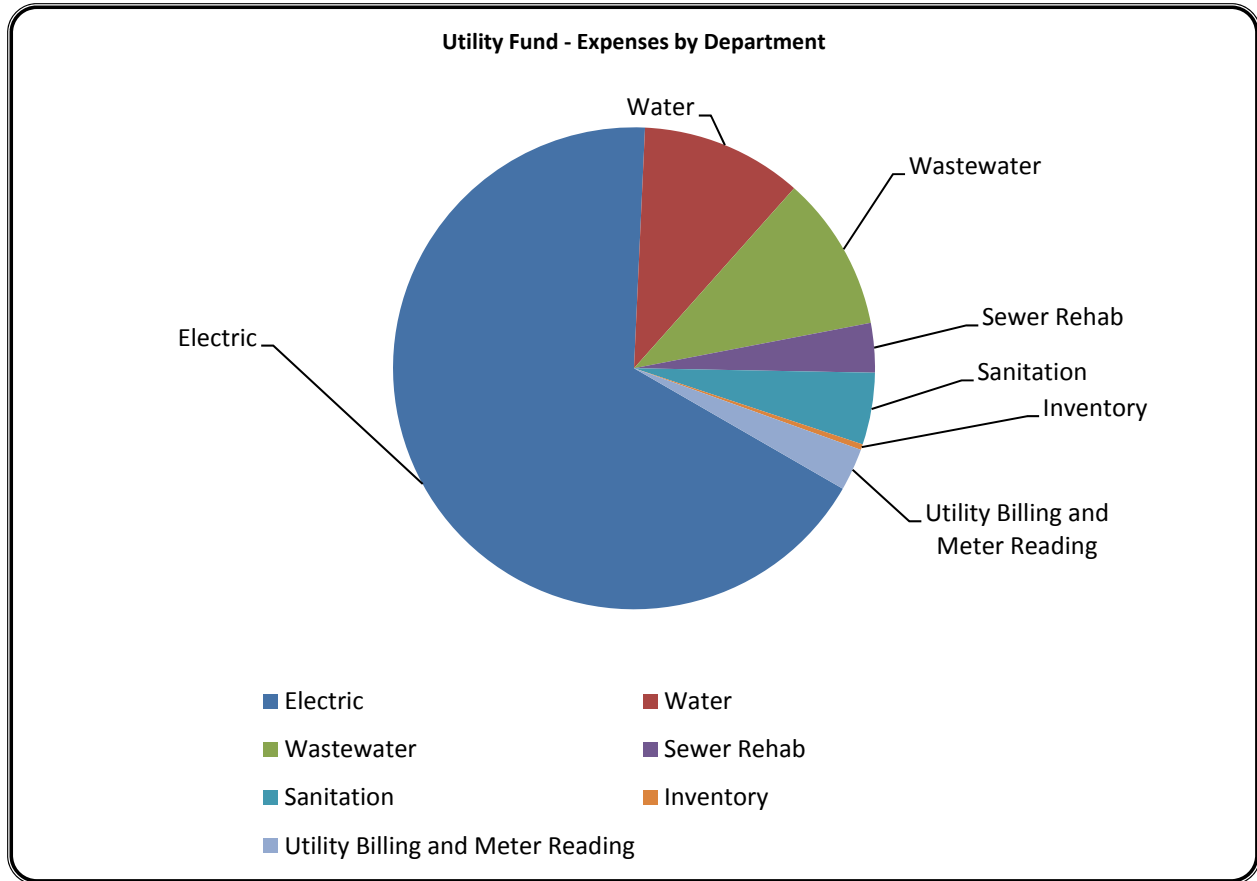
### BUDGETED EXPENDITURES BY DEPARTMENT



### General Fund - Expenditures by Department

Administration	\$	3,421,283	6.90%
Accounting/Purchasing		1,052,113	2.12%
District Court		1,012,685	2.04%
Planning		1,460,081	2.95%
Engineering		1,136,761	2.29%
Airport		171,350	0.35%
Police		13,534,425	27.31%
Fire		13,359,268	26.95%
Building Inspection		1,063,580	2.15%
Public Works Maintenance		2,908,832	5.87%
Parks and Recreation		8,523,248	17.20%
Library		1,922,950	3.88%
	\$	<u>49,566,576</u>	<u>100.00%</u>

## BUDGET SUMMARY



### Utility Fund - Expenditures by Department

Electric	\$ 63,228,257	67.39%
Water	10,173,468	10.84%
Wastewater	9,767,957	10.41%
Sewer Rehab	3,106,154	3.31%
Sanitation	4,523,411	4.82%
Inventory	357,950	0.38%
Utility Billing and Meter Reading	2,661,389	2.84%
	<u>\$ 93,818,586.00</u>	<u>100.00%</u>

## BUDGET SUMMARY

### DEBT

The City has four outstanding revenue bonds in the Utility Fund and a sales and use tax bond issue.

The Revenue bonds are comprised of various issues for the purpose of acquiring, constructing, equipping, renovating, expanding, and refurbishing additions and improvements to the City's electric, water and sewer system (the "System"). Revenue bonds outstanding at December 31, 2019, were as follows:

	Interest Rates	Final Maturity Date	Principal at December 31, 2019
Revenue bonds, Series 2006A	2.25	2028	3,903,446
Revenue bonds, Series 2006B	2.4-4.25%	2025	1,080,000
Revenue bonds, Series 2000	2.75%	2023	1,221,474
Revenue bonds, Series 1998	2.75%	2021	198,090
			6,403,010

**Combined Electric, Water and Sewer Revenue Bonds, Series 2006A** – On January 10, 2006, the City issued \$ 9,708,500 in Combined Electric, Water and Sewer Revenue bonds for the purpose of design and construction of the Beaver Transmission water line. The bonds are not a general obligation of the City, but are secured by a pledge of, and are payable from, revenues of the System. The City has entered into an agreement with the ADFA whereby ADFA agreed to purchase up to the par amount of the bonds. The bonds will be issued in increments that correspond to the construction activity. This issue is subordinate to the S Series 2005, Series 1999, Series 1999, and Series 1992 bonds. The bonds bear interest at 2.25% and the City is required to pay the bond service (ADFA) a servicing fee of 1% per annum on the outstanding principal of the bonds.

**Combined Electric, Water and Sewer Revenue Bonds, Series 2006B** – On April 1, 2006, the City issued \$2,600,000 in Combined Electric, Water and Sewer Revenue bonds for the purpose of planning, design, and construction of a water tank. The bonds are not a general obligation of the City, but are secured by a pledge of, and are payable from, revenues of the System. The bonds will be issued in increments that correspond to the construction activity. The bonds are subordinate to the Series 2005, Series 1999, Series 1999, and Series 1992 bonds. The bonds bear interest at 2.4-4.25%.

**Combined Electric, Water and Sewer Revenue Bonds, Series 2000** – On June 13, 2000, the City issued \$5,500,000 in Combined Electric, Water, and Sewer Revenue bonds for the purpose of planning, design, construction, and/or rehabilitation of the wastewater treatment facilities. The bonds are not a general obligation of the City, but are secured by a pledge of, and are payable from, revenues of the System. The City has entered into an agreement with the Arkansas Development Finance Authority ("ADFA") whereby ADFA agreed to purchase up to the par amount of the bonds. The bonds will be issued in increments that correspond to the construction activity. The bonds are subordinate to the Series 1999, Series 1998 and Series 1992 bonds. The bonds bear interest at 2.75% and the City is required to pay the bond service (ADFA) a servicing fee of 1% per annum on the outstanding principal of the bonds.

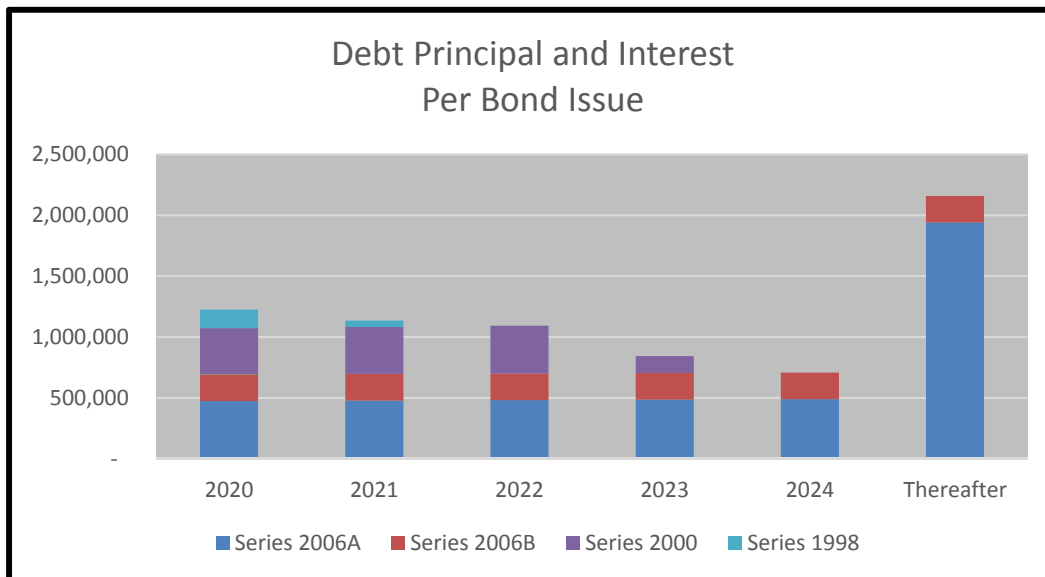
**Combined Electric, Water and Sewer Revenue Bonds, Series 1998** – On October 27, 1998, the City issued \$2,150,000 in Combined Electric, Water, and Sewer Revenue bonds for the purpose of planning, design, and construction of wastewater treatment facilities. The bonds are not a general obligation of the City, but are secured by a pledge of, and are payable from, revenues of the System. The City has entered into an agreement with the Arkansas Department Finance Authority ("ADFA") whereby ADFA agreed to purchase up to the par amount of the bonds. The bonds will be issued in increments that correspond to the

## BUDGET SUMMARY

construction activity. The bonds are subordinate to the Series 1999 and Series 1992 bonds. The bonds bear interest at 2.75% and the City is required to pay the bond service (ADFA) a servicing fee of 1% per annum on the outstanding principal of the bonds.

Annual debt service requirements to maturity for revenue bonds as of December 31, 2020 are as follows:

ANNUAL DEBT SERVICE REQUIREMENTS FOR 2020 BUDGET				
	TOTAL	PRINCIPAL	INTEREST	SERVICE FEES
2020	1,277,548	1,036,555	188,492	52,501
2021	1,179,164	978,641	156,916	43,607
2022	1,131,208	962,371	132,349	36,488
2023	870,609	745,861	97,133	27,615
2024	730,562	634,285	73,915	22,362
THEREAFTER	2,275,027	2,047,032	184,309	43,686
	<u>7,464,118</u>	<u>6,403,010</u>	<u>833,114</u>	<u>226,259</u>

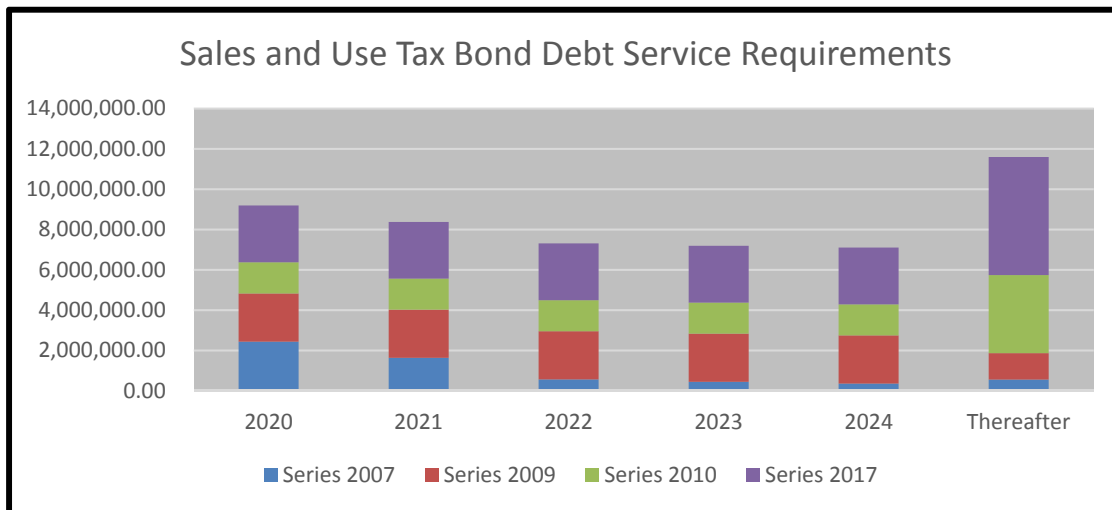




## BUDGET SUMMARY

**Sales and Use Tax Bond, Series 1, 2, 3 and 4** – On November 15, 2007, the City issued \$36,335,000 and for the purpose of street construction, park and recreation capital, police and fire capital, and the municipal airport. Series 2 was issued on December 1, 2009 in the amount of \$30,295,996. The City had not planned to issue Series 2 until October of 2010 but due to the progress made in Streets, Parks and Airport, along with the financial market, it was decided the timing needed to be expedited. Series 3 was issued on November 23, 2010 and was \$21,505,000 and was for Streets. Series 4 was issued on April 25, 2017 and the proceeds were \$ 20,979,950 for Street and \$ 3,214,854 for Police. The bonds are secured by a pledge of, and are payable from, the capital tax. The debt services requirements are as follows:

Annual Debt Service Requirements for 2020 Budget			
	Total	Principal	Interest
2020	9,187,405.50	6,605,000.00	2,582,405.50
2021	8,375,450.50	6,095,000.00	2,280,450.50
2022	7,312,715.50	5,350,000.00	1,962,715.50
2023	7,213,610.50	5,560,000.00	1,653,610.50
2024	7,130,648.00	5,765,000.00	1,365,648.00
Thereafter	11,641,510.52	9,360,000.00	2,281,510.52



All bond obligations of the Utility Fund are payable solely from and collateralized by a pledge of the net revenues derived from the operation of the utilities. The City is required to maintain separate bond fund accounts, meet certain debt service requirements, and adhere to various operating requirements as stipulated in the bond agreements.

The State of Arkansas has a statutory limit on the principal amount of debt. The limit for a municipality is 25% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. For Bentonville the assessed value of \$1,234,405,510 produces a limit of \$308,601,377. The City currently has no long-term debt that counts against that limit because the loans are not general obligations of the City but are secured by revenues.

## BUDGET SUMMARY

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### SUMMARIES BY FUND

The following pages show tables, for three years, for all funds combined and for each fund that makes up the total.

The major factor in the large amounts in Services & Charges is that the Utility Fund includes purchases of water and electricity for sale by City operated water and electric departments.

The funds for Fire Impact Fee, Water Capacity Fee, and Wastewater Capacity Fee were set up in 2005 as separate funds to account in a clearer manner for the fees that were approved for those purposes.

The summaries show revenue and expenses broken into several categories or classification. They are explained briefly below.

#### **REVENUES BY CATEGORY**

The revenues are divided into categories as follows:

<b>Taxes</b>	Includes city sales taxes, the city's share of county sales taxes, use taxes, franchise fees, property taxes, state turn back, and voluntary property taxes
<b>Licenses and Permits</b>	Includes building, electrical, plumbing and mechanical permits, and other smaller items of a similar nature
<b>Intergovernmental Revenue</b>	Payments and grants from federal, state, and county government
<b>Charge for Services</b>	Includes revenue from utility bills, ambulance charges, parks concessions, street cuts, grave openings, street cuts, and a few other smaller ones.
<b>Special Assessments and Fines</b>	Includes capacity and impact fees, court fines, warrant fines, etc.
<b>Interest</b>	Reflects interest earnings on the City's investments.
<b>Other Income</b>	Comprised of revenue sources such as contributions/donations, recoveries of bad debts, etc. that do not fit the other categories
<b>Other Financing Sources</b>	May include bank loans, bond proceeds, transfers-in, funded depreciation, proceeds from the state revolving loan fund, etc.

## BUDGET SUMMARY

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### **EXPENSES BY CLASSIFICATION**

The expenses are divided into categories as follows:

<b>Salaries and Wages</b>	Includes salaries, wages, premium pay, certificate pay and other compensation
<b>Benefits</b>	Includes benefits such as retirement, health insurance premiums, etc.
<b>Supplies and Materials</b>	Includes uniforms, petroleum products, office supplies, minor equipment, chemical and janitorial and lab supplies, postage, etc.
<b>Professional Services</b>	Used to account for contract for professional services such as legal, audit, architectural, engineering, rate studies, and other professional fees
<b>Property Services</b>	Includes utilities, communication, repairs to buildings and equipment, computer repair, and cleaning and janitorial services
<b>Other Services</b>	Includes insurance, travel and training, dues and subscriptions, employment ads and publication of public notices and ordinances and resolutions
<b>Cost of Goods</b>	Includes purchase of water and electricity for resale, and franchise fees paid from utility departments to the General Fund
<b>Capital</b>	Reflects costs for land, buildings, infrastructure, vehicles, heavy equipment and machinery, etc.
<b>Debt Service</b>	Includes principal and interest payments on debts, fiscal agent fees, lease payments, amortization and depreciation
<b>Transfers – Departmental</b>	Includes transfers within a fund to another department in that fund
<b>Transfers Out - Funds</b>	May include transfers from one fund to another
<b>Technology Maintenance/Minor Equipment</b>	Includes technology maintenance fees, software fees, new software and computer equipment

## BUDGET SUMMARY

### 2020 BUDGET ALL FUNDS

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ 53,533,109	\$ 49,381,561	\$ 54,524,461	\$ 5,142,900	10.4%
Licenses & Permits	1,750,675	1,237,960	1,247,600	9,640	0.8%
Intergovernmental Revenue	3,830,881	271,878	287,307	15,429	5.7%
Charge for Services	106,557,598	100,474,524	100,397,721	(76,803)	-0.1%
Special Assessments/Fines	3,821,076	2,283,370	2,283,370	-	0.0%
Interest/Rent	1,024,658	50,315	403,783	353,468	702.5%
Other Income	3,068,875	133,500	129,900	(3,600)	-2.7%
<b>Total Revenues</b>	<b>173,586,872</b>	<b>153,833,108</b>	<b>159,274,142</b>	<b>5,441,034</b>	<b>3.5%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	28,364,371	30,722,555	33,055,041	2,332,486	7.6%
Benefits	11,500,657	12,830,893	14,358,060	1,527,167	11.9%
Supplies & Materials	4,216,949	4,562,117	4,667,330	105,213	2.3%
Professional Services	3,859,007	4,405,557	5,671,777	1,266,220	28.7%
Technology Maintenance/Minor Equipment	1,382,294	2,012,012	2,440,531	428,519	21.3%
Property Services	4,669,488	4,844,046	4,970,981	126,935	2.6%
Other Services	1,308,473	1,655,556	1,770,477	114,921	6.9%
Utility Cost of Goods	67,306,160	67,551,256	65,278,125	(2,273,131)	-3.4%
<b>Total Operations and Maintenance</b>	<b>122,607,399</b>	<b>128,583,992</b>	<b>132,212,322</b>	<b>3,628,330</b>	<b>2.8%</b>
<b>Capital Expenditures</b>					
Capital	28,488,788	16,182,383	14,094,553	(2,087,830)	-12.9%
Set-asides - Capital Items	-	2,545,000	1,898,319	(646,681)	-25.4%
<b>Total Capital Expenditures</b>	<b>28,488,788</b>	<b>18,727,383</b>	<b>15,992,872</b>	<b>(2,734,511)</b>	<b>-14.6%</b>
<b>Other</b>					
Debt Service	14,176,635	12,771,904	12,340,282	(431,622)	-3.4%
Depreciation/Amortization	7,150,007	-	-	-	-
<b>Total Other</b>	<b>21,326,642</b>	<b>12,771,904</b>	<b>12,340,282</b>	<b>(431,622)</b>	<b>-3.4%</b>
<b>Total Expenditures</b>	<b>172,422,829</b>	<b>160,083,279</b>	<b>160,545,476</b>	<b>462,197</b>	<b>0.3%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	1,186,184	1,800,000	250,000	(1,550,000)	-86.1%
Use of Reserves	-	5,452,725	2,148,000	(3,304,725)	-60.6%
Donated Infrastructure (non-cash item)	3,150,912	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Transfers In	121,350	90,510	72,122	(18,388)	-20.3%
Transfers Out	(444,592)	(90,510)	(72,122)	18,388	-20.3%
<b>Total Other Financing Sources and Uses</b>	<b>4,013,854</b>	<b>7,252,725</b>	<b>2,398,000</b>	<b>(4,854,725)</b>	<b>-66.9%</b>
<b>Net</b>	<b>\$ 5,177,897</b>	<b>\$ 1,002,554</b>	<b>\$ 1,126,666</b>	<b>\$ 124,112</b>	<b>12.4%</b>

# BUDGET SUMMARY

## 2020 BUDGET GENERAL FUND

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ 38,025,528	\$ 35,063,672	\$ 38,962,063	\$ 3,898,391	11.1%
Licenses & Permits	1,749,610	1,237,960	1,247,600	9,640	0.8%
Intergovernmental Revenue	2,261,476	271,878	287,307	15,429	5.7%
Charge for Services	6,350,695	6,613,249	6,809,778	196,529	3.0%
Special Assessments/Fines	495,928	498,370	498,370	-	0.0%
Interest/Rent	312,876	50,315	263,747	213,432	424.2%
Other Income	1,098,293	93,500	89,900	(3,600)	-3.9%
<b>Total Revenues</b>	<b>50,294,406</b>	<b>43,828,944</b>	<b>48,158,765</b>	<b>4,329,821</b>	<b>9.9%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	19,956,255	21,685,306	23,408,571	1,723,265	7.9%
Benefits	8,018,782	8,911,599	10,130,196	1,218,597	13.7%
Supplies & Materials	2,424,248	2,872,723	2,952,408	79,685	2.8%
Professional Services	3,043,968	3,130,434	3,640,217	509,783	16.3%
Technology Maintenance/Minor Equipment	960,124	1,392,761	1,789,397	396,636	28.5%
Property Services	2,075,086	2,138,660	2,339,880	201,220	9.4%
Other Services	872,809	1,117,639	1,184,156	66,517	6.0%
Utility Cost of Goods	-	-	-	-	-
<b>Total Operations and Maintenance</b>	<b>37,351,272</b>	<b>41,243,122</b>	<b>45,444,825</b>	<b>4,195,703</b>	<b>10.2%</b>
<b>Capital Expenditures</b>					
Capital	8,288,196	7,994,875	4,121,751	(3,873,124)	-48.4%
Set-asides - Capital Items	-	-	-	-	-
<b>Total Capital Expenditures</b>	<b>8,288,196</b>	<b>7,994,875</b>	<b>4,121,751</b>	<b>(3,873,124)</b>	<b>-48.4%</b>
<b>Other</b>					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>45,639,468</b>	<b>49,243,997</b>	<b>49,566,576</b>	<b>322,579</b>	<b>0.7%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	1,186,184	1,800,000	250,000	(1,550,000)	-86.1%
Use of Reserves	-	4,152,725	1,698,000	(2,454,725)	-59.1%
Donated Infrastructure (non-cash item)	-	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>1,186,184</b>	<b>5,952,725</b>	<b>1,948,000</b>	<b>(4,004,725)</b>	<b>-67.3%</b>
<b>Net</b>	<b>\$ 5,841,122</b>	<b>\$ 537,672</b>	<b>\$ 540,189</b>	<b>\$ 2,517</b>	<b>0.5%</b>



## BUDGET SUMMARY

### 2020 BUDGET UTILITY FUND

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	1,065	-	-	-	--
Intergovernmental Revenue	150,121	-	-	-	--
Charge for Services	100,153,341	93,834,275	93,560,943	(273,332)	-0.3%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	133,578	-	133,578	133,578	--
Other Income	955,258	40,000	40,000	-	0.0%
<b>Total Revenues</b>	<b>101,393,363</b>	<b>93,874,275</b>	<b>93,734,519</b>	<b>(139,756)</b>	<b>-0.1%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	7,241,775	7,830,047	8,334,679	504,632	6.4%
Benefits	2,968,418	3,373,268	3,636,916	263,648	7.8%
Supplies & Materials	1,688,180	1,535,244	1,553,222	17,978	1.2%
Professional Services	754,508	1,161,278	1,931,060	769,782	66.3%
Technology Maintenance/Minor Equipment	405,595	590,816	615,135	24,319	4.1%
Property Services	2,195,096	2,217,175	2,157,739	(59,436)	-2.7%
Other Services	408,390	499,407	542,121	42,714	8.6%
Utility Cost of Goods	67,306,160	67,551,258	65,278,125	(2,273,131)	-3.4%
<b>Total Operations and Maintenance</b>	<b>82,946,122</b>	<b>84,758,491</b>	<b>84,048,997</b>	<b>(709,494)</b>	<b>-0.8%</b>
<b>Capital Expenditures</b>					
Capital	8,304,838	7,269,508	8,490,000	1,220,492	16.8%
Set-asides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>8,304,838</b>	<b>7,269,508</b>	<b>8,490,000</b>	<b>1,220,492</b>	<b>16.8%</b>
<b>Other</b>					
Debt Service	2,769,475	2,771,904	1,279,589	(1,492,315)	-53.8%
Depreciation/Amortization	7,150,007	-	-	-	--
<b>Total Other</b>	<b>9,919,482</b>	<b>2,771,904</b>	<b>1,279,589</b>	<b>(1,492,315)</b>	<b>-53.8%</b>
<b>Total Expenditures</b>	<b>101,170,442</b>	<b>94,799,903</b>	<b>93,818,586</b>	<b>(981,317)</b>	<b>-1.0%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	1,300,000	450,000	(850,000)	-65.4%
Donated Infrastructure (non-cash item)	3,150,912	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	121,350	90,510	72,122	(18,388)	-20.3%
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>3,272,262</b>	<b>1,390,510</b>	<b>522,122</b>	<b>(868,388)</b>	<b>-62.5%</b>
<b>Net</b>	<b>\$ 3,495,183</b>	<b>\$ 464,882</b>	<b>\$ 438,055</b>	<b>\$ (26,827)</b>	<b>-5.8%</b>

# BUDGET SUMMARY

## 2020 BUDGET TRANSPORTATION AND STREET FUND

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ 4,446,889	\$ 4,317,889	\$ 4,501,705	\$ 183,816	4.3%
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	1,419,284	-	-	-	-
Charge for Services	53,562	27,000	27,000	-	0.0%
Special Assessments/Fines	-	-	-	-	-
Interest/Rent	22,487	-	6,460	6,460	-
Other Income	1,015,324	-	-	-	-
<b>Total Revenues</b>	<b>6,957,546</b>	<b>4,344,889</b>	<b>4,535,165</b>	<b>190,276</b>	<b>4.4%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	1,166,341	1,207,202	1,311,791	104,589	8.7%
Benefits	513,457	546,026	590,948	44,922	8.2%
Supplies & Materials	124,521	154,150	161,700	7,550	4.9%
Professional Services	60,531	113,845	100,500	(13,345)	-11.7%
Technology Maintenance/Minor Equipment	16,575	28,435	35,999	7,564	26.6%
Property Services	399,306	488,211	473,362	(14,849)	-3.0%
Other Services	29,274	38,510	44,200	5,690	14.8%
Utility Cost of Goods	-	-	-	-	-
<b>Total Operations and Maintenance</b>	<b>2,310,005</b>	<b>2,576,379</b>	<b>2,718,500</b>	<b>142,121</b>	<b>5.5%</b>
<b>Capital Expenditures</b>					
Capital	6,118,841	918,000	1,482,802	564,802	61.5%
Setasides - Capital Items	-	760,000	113,319	(646,681)	-85.1%
<b>Total Capital Expenditures</b>	<b>6,118,841</b>	<b>1,678,000</b>	<b>1,596,121</b>	<b>(81,879)</b>	<b>-4.9%</b>
<b>Other</b>					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>8,428,846</b>	<b>4,254,379</b>	<b>4,314,621</b>	<b>60,242</b>	<b>1.4%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	-
Use of Reserves	-	-	-	-	-
Donated Infrastructure (non-cash item)	-	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-	-
Sale of Capital Assets	19,537	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	(90,510)	(72,122)	18,388	-20.3%
<b>Total Other Financing Sources and Uses</b>	<b>19,537</b>	<b>(90,510)</b>	<b>(72,122)</b>	<b>18,388</b>	<b>-20.3%</b>
<b>Net</b>	<b>\$ (1,451,763)</b>	<b>\$ -</b>	<b>\$ 148,422</b>	<b>\$ 148,422</b>	<b>-</b>

## BUDGET SUMMARY

### 2020 BUDGET FIRE IMPACT FUND

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	439,908	300,000	300,000	-	0.0%
Interest/Rent	69	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<b>439,977</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>	<b>0.0%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Setasides - Capital Items	-	300,000	300,000	-	0.0%
<b>Total Capital Expenditures</b>	<b>-</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>	<b>0.0%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>-</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>	<b>0.0%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ 439,977</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>--</b>

## BUDGET SUMMARY

### 2020 BUDGET WATER CAPACITY FUND

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	228,820	-	-	-	--
Interest/Rent	27	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<b>228,847</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ 228,847</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>--</b>

## BUDGET SUMMARY

### 2020 BUDGET WASTEWATER/SEWER CAPACITY FUND

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	326,156	-	-	-	--
Interest/Rent	99	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<u>326,255</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Set-asides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Net</b>	<u><u>\$ 326,255</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>--</u></u>



## BUDGET SUMMARY

### 2020 BUDGET PARKS IMPACT FUND

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	1,611,607	900,000	900,000	-	0.0%
Interest/Rent	-	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<u>1,611,607</u>	<u>900,000</u>	<u>900,000</u>	<u>-</u>	<u>0.0%</u>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Setasides - Capital Items	-	900,000	900,000	-	0.0%
<b>Total Capital Expenditures</b>	<u>-</u>	<u>900,000</u>	<u>900,000</u>	<u>-</u>	<u>0.0%</u>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Total Expenditures</b>	<u>-</u>	<u>900,000</u>	<u>900,000</u>	<u>-</u>	<u>0.0%</u>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	(444,592)	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<u>(444,592)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Net</b>	<u>\$ 1,167,015</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>--</u>

## BUDGET SUMMARY

### 2020 BUDGET POLICE IMPACT FUND

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	611,175	500,000	500,000	-	0.0%
Interest/Rent	50	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<b>611,225</b>	<b>500,000</b>	<b>500,000</b>	<b>-</b>	<b>0.0%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Set-asides - Capital Items	-	500,000	500,000	-	0.0%
<b>Total Capital Expenditures</b>	<b>-</b>	<b>500,000</b>	<b>500,000</b>	<b>-</b>	<b>0.0%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>-</b>	<b>500,000</b>	<b>500,000</b>	<b>-</b>	<b>0.0%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ 611,225</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>--</b>

## BUDGET SUMMARY

### 2020 BUDGET LIBRARY IMPACT FUND

Description	2018 Actual	2019 Budget	2020 Request	Change In Dollars	Change In Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charge for Services	-	-	-	-	-
Special Assessments/Fines	107,482	85,000	85,000	-	0.0%
Interest/Rent	-	-	-	-	-
Other Income	-	-	-	-	-
<b>Total Revenues</b>	<b>107,482</b>	<b>85,000</b>	<b>85,000</b>	<b>-</b>	<b>0.0%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	-
Benefits	-	-	-	-	-
Supplies & Materials	-	-	-	-	-
Professional Services	-	-	-	-	-
Technology Maintenance/Minor Equipment	-	-	-	-	-
Property Services	-	-	-	-	-
Other Services	-	-	-	-	-
Utility Cost of Goods	-	-	-	-	-
<b>Total Operations and Maintenance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	-
Setasides - Capital Items	-	85,000	85,000	-	0.0%
<b>Total Capital Expenditures</b>	<b>-</b>	<b>85,000</b>	<b>85,000</b>	<b>-</b>	<b>0.0%</b>
<b>Other</b>					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>-</b>	<b>85,000</b>	<b>85,000</b>	<b>-</b>	<b>0.0%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	-
Use of Reserves	-	-	-	-	-
Donated Infrastructure (non-cash item)	-	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net</b>	<b>\$ 107,482</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

## BUDGET SUMMARY

### 2020 BUDGET DEBT SERVICE FUND

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ 11,060,692	\$ 10,000,000	\$ 11,060,693	\$ 1,060,693	10.6%
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	145,453	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<b>11,206,145</b>	<b>10,000,000</b>	<b>11,060,693</b>	<b>1,060,693</b>	<b>10.6%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Set-asides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Other</b>					
Debt Service	11,407,160	10,000,000	11,060,693	1,060,693	10.6%
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>11,407,160</b>	<b>10,000,000</b>	<b>11,060,693</b>	<b>1,060,693</b>	<b>10.6%</b>
<b>Total Expenditures</b>	<b>11,407,160</b>	<b>10,000,000</b>	<b>11,060,693</b>	<b>1,060,693</b>	<b>10.6%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ (201,015)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>--</b>

## BUDGET SUMMARY

### FUND BALANCE

The fund balances shown below are based on estimated results at the end of the 2019 fiscal year. It uses budgeted revenues and expenses for 2020.

Several years ago, the Council passed a resolution that the City should try and maintain a fund balance of at least 10% of O and M. Since the General Fund transfers money into Street, and Parks and Library Funds were closed and are now departments in General, this year's chart is more condensed than previous years. In total, a 10% fund balance requirement has been achieved and exceeded. The Impact/Capacity funds are omitted since the entire balance is restricted.

The City is currently undergoing an evaluation and discussion regarding our fund balance policy to reflect a higher minimum standard and a process to evaluate projects that can be accomplished with excess reserves.

	General	Street	Utility	Other Aggregate	Total
December 31, 2019 (Estimate)	60,537,322	5,440,789	244,349,843	5,978,017	310,327,954
2020 Adopted Budget					
Revenues	48,408,765	4,535,165	93,806,641	11,785,000	146,750,571
Expenses	49,566,576	4,386,743	93,818,586	11,785,000	147,771,905
Net	(1,157,811)	148,422	(11,945)	-	(1,021,334)
December 31, 2020 (Estimate)	59,379,511	5,589,211	244,337,898	5,978,017	309,306,620
Fund Balance Target					
10% of O & M	4,544,483	290,394	8,532,859	1,178,500	13,367,736
Cushion	54,835,028	5,298,817	235,805,039	4,799,517	295,938,884

## BUDGET SUMMARY

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Fund Balance is defined by the following formula:

FUND BALANCE FORMULA	
+ OR -	Beginning Balance
+	Cash
+	Investments
+	Accounts Receivable
=	Total Sources
-	Accounts Payable
-	Escrows
=	Total Uses
-	Roll Forwards of Prior Budget
=	Fund Balance - Ending
-	10% of O and M
=	Cushion

PROJECTED FUND BALANCE	
	Fund Balance - Ending
+	Revenues
-	Expenses
=	Projected Fund Balance



## BUDGET SUMMARY

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### BASIS OF ACCOUNTING AND BUDGETING

#### BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (*i.e.*, revenues and other financing sources) and decreases (*i.e.*, expenditures and other financing uses) in net current assets.

All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (*i.e.*, net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (*e.g.*, revenues) and decreases (*e.g.*, expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (*i.e.*, when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, city and county sales tax, grants, entitlements and donations. Revenues from property taxes are recognized in the period for which the taxes are levied. Revenues from city and county sales taxes are recognized in the period for which the transaction occurred that is subject to the tax. Revenues from grants, entitlements, and donations are recognized when all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the period the resources, are required to be used or the period when use is first permitted, matching requirements and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenues from non-exchange transactions must also be available before they can be recognized.

The accrual basis of accounting is utilized by proprietary fund types and pension trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The City reports deferred revenue on its combined balance sheet. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

## BUDGET SUMMARY

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### BASIS OF BUDGETING

Each year the Finance Director projects revenues (sources of cash) for the coming year. The annual operating budget balances operating expenditures with operating revenues, and provides for adequate maintenance of capital, plant, and equipment including timely replacement.

The City budgets for governmental funds, which include the General Fund and Special Revenue Funds based on the modified accrual basis of accounting. Under this method, revenues are recognized in the period they become measurable and available to finance expenditures of the period and expenditures (expenses) are recorded when incurred with the exception of principal and interest on long term debt, which are recorded when due.

Exceptions to the modified accrual basis of accounting are as follows:

- Encumbrances lapse at the end of year. Either a payable exists at the end of the year or the money comes from the following year's budget.
- Grant revenue is not recorded until it is earned. If the City receives money in advance (which is rare), it is deferred revenue until earned.
- Sales and use taxes are recorded as revenue in the year they are remitted to the State, which makes them one month behind the period they are actually earned.
- Project length (continuing appropriation or projects that span more than one year) budgets adopted during the year are considered to reduce funds available in the year funds were originally appropriated.
- Overspending of project length (continuing appropriation or projects that span more than one year) budgets is considered to reduce funds available.
- The closeout of unspent project length (continuing appropriation or projects that span more than one year) budgets is considered to increase funds available.

The budgets for the proprietary fund, Utility Fund, are prepared using the accrual basis of accounting, with exceptions listed below. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

- Capital outlay is budgeted as an expenditure in the year purchased.
- Proceeds from the issuance of debt are considered to be sources of cash in the revenues, not an increase in liabilities. These proceeds are reclassified at the end of the year.
- Principal payments are shown as expenditures rather than reductions of the liability. Again, they are a use of cash and reclassified at the end of the year.
- Grants obtained for the construction of assets are considered to be revenues, not capital contributions.
- Receipts of long-term receivables are considered to be revenues, not reductions of the receivable.
- Gains or losses on the early retirement of debt are considered to increase or decrease the funds available in the year in which they occur and are not capitalized and amortized over the life of the bonds.
- Interest earned on escrowed cash and investments is not considered to be revenue for budget purposes.
- Inter-fund loans set up as draw-downs are considered to be 100% outstanding at the commencement of the loan

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## BUDGET SUMMARY

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### BUDGET PROCESS

The annual budget document is the result of a lengthy process that involves employees from crew leaders through all levels of management, the Mayor, and the City Council. Council discussion is open and citizens are welcome to attend and to offer their comments to the Mayor and the Council. A copy of the final document is placed in the City library and other copies are mailed to various interested parties. A summary of the process is presented below.

#### **May – June**

The Finance Director reviews the process from the prior year. Any resulting improvements in the process and the forms are identified and the budget manual is updated accordingly.

#### **July**

A meeting is held with all department heads and appropriate personnel from Administration to kick off the process. Revisions to the budget manual are distributed and reviewed. Forms are explained and questions are answered. Key guidance regarding assumptions that apply throughout the City is provided. The key calendar dates are discussed and the process begins.

#### **August**

Department heads prepare their initial requests in accordance with the guidelines. All requests for personal computers and related items must be routed through the Systems Group Manager to ensure compliance with the policy and the overall direction the City is headed with technology. Requests for Travel & Training and for Minor Equipment must be supported using the comments feature built into the software.

Finance staff provides staffing costs utilizing features of our software. A copy of the live files is copied to the budget module, variables such as retirement contribution rate, insurance costs, and others are changed as appropriate, new positions and upgrades are inserted, and budget figures are produced. The information is distributed to department heads to review the data.

Budgets are prepared based on existing staffing levels. Any new positions requested are submitted on individual forms that are available on-line on the City network. Funds for such positions are excluded from the original budget draft. Personnel requests must be routed through the Human Resources Manager for review of the job description, grade level, benefits, etc.

#### **September**

Department heads finish entering O & M requests into the budget file during the first part of September. Personnel and capital requests are due a couple of weeks later. This delay provides Finance staff time to review the O & M requests, and gives the department heads additional time to complete the detailed requests for personnel and capital. Budget review meetings involving the Mayor, Director of Finance and Administration, and department heads begin in late September. The purpose of these meetings is to review in detail the requests for O & M, personnel and capital. Checklists are made for items to be reviewed further, and for additional information to be provided before the budget is presented to the Council. Decisions are made on which items will be recommended to the Council for approval and those that will not. Items are reviewed to make sure that the amount requested is justified based on history, trends and plans for the coming year.

#### **October**

During October, meetings with the Mayor continue. Meetings conclude around mid-October to allow time for material to be prepared for distribution to the council prior to budget discussions that begin in November.

Goals and objectives, and prior year accomplishments are submitted to the Mayor for review. Summary explanations of changes from the budget for the previous year are prepared for significant changes.

A list of new positions requested is prepared for the Council. The list shows the position, the department, the costs, justification for each request, and other pertinent information. A similar list is prepared for capital items. It indicates the cost and whether the item is new or a replacement.

## BUDGET SUMMARY

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### **November**

The budget is distributed to the Council before the first meeting in November (State law requires the Mayor to submit the budget to the Council on or before December 1). Open meetings are held on a schedule the Council deems necessary to review the requests. The meetings are typically held following regularly scheduled meetings of the Committee of the Whole (Monday nights before regular meetings on Tuesday), and regular Council meetings held the 2<sup>nd</sup> and 4<sup>th</sup> Tuesday each month. The Council may call special meetings if warranted, but that is not usually necessary for budget discussions. The Director of Finance and Administration presents the budget for each department. The department heads are present to participate in the discussion of major projects or discussions that are more complex. If necessary, follow-up items are identified for further review and reconsideration at the next meeting.

### **December**

Meetings continue into December (if necessary) with the target date of December 15 as the latest date for the budget to be adopted. (The 2016 budget was adopted on November 24.) State law requires the governing body to adopt the budget on or before February 1 each year. Since at least 1995 the city budget has been adopted in December. After the budget is adopted, copies of the budget figures are sent to each department and the final publication process takes place.

### **January**

The budget goes into effect and departments carry out their operations as approved. Monthly reports are printed and issued with departmental reviews and reports on progress, and exceptions, made to the Mayor and the Council. Each month summary reports are posted to the City's web site.

A memo is sent to all departments asking for a critique of the just completed budget process. Responses are reviewed and put into the file for use in the process, which will begin again in May.

### **Budget Adjustments**

Budget adjustments may be done during the year. Department heads have the authority to submit a budget adjustment request to the Director of Finance and Administration for approval if the adjustment only affects O & M and are within their approved total for O & M. The Director of Finance and Administration may present the request to the Mayor if the request seems unusual or noteworthy. The Mayor may choose to take any request to the Council if it is one that may be unusual or highly visible.

There are four different types of budget adjustments that must be presented to the City Council for approval. Those four are:

- any adjustment that changes personnel accounts,
- any adjustment that changes capital accounts,
- any adjustment that moves money from one department to another, and
- any adjustment that reduces fund balance.

In any of those cases, a budget adjustment form and related documentation are submitted and that item is placed on a regular Council agenda along with other items of business.

This following sample table lists the sequence of actions or events, with dates, on the City Budget Calendar. Each year this list is updated for the current year. This table is included in the Budget Manual, which is revised and reviewed with all Department Heads each July.

## BUDGET SUMMARY

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### MAJOR BUDGET CALENDAR EVENTS



### **BUDGET SCHEDULE - 2020**

DATE	RESPONSIBLE	DESCRIPTION
July 23	Dept Heads/Managers	Begin preparing budget requests
August 31	Dept Heads/Managers	Finish entering requests
September 13	Finance Director	Roll current payroll file into budget work file
September 20	Dept Heads/Managers	Review budgets for completeness and accuracy
September 25	Mayor/Finance Director	Begin budget reviews with Dept Heads/Managers
October 4	Mayor/Finance Director	Complete budget reviews
October 12	Dept Heads/Managers	Submit narratives for accomplishments, goals and objectives, and organization chart updates
October 19	Finance Director	Complete initial budget draft
October 29	Mayor/Finance Director	Distribute draft budget
Nov 12	Council	Workshop and public hearings
Nov 25	Council	Workshop and public hearings - if necessary
Nov 26	Council	Adopt Budget
January 1	All employees	Operate under approved budget for new year

## **BUDGET SUMMARY**

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### **FINANCIAL POLICIES**

The City operates under certain policies with respect to revenues, expenditures, debt, cash management, etc. The primary policies are listed below. The City will review these policies every 5 years (at a minimum).

The City defines a balanced budget as one where the total sum of money a government collects in a year is equal to the amount it spends on goods, services, and debt service.

#### **REVENUE POLICY**

- The City will strive to maintain a broad and diversified revenue base that will equitably distribute the burden of supporting City services and will protect the City from short-term fluctuations in any one revenue source.
- The City will actively support economic and industrial development recruitment and retention efforts to provide for a solid revenue base.
- The City will maintain timely collection systems and implement necessary enforcement strategies to collect revenues from available sources.
- The City will establish user fees and charges for services, when feasible, at levels related to the cost of providing the services. The City will review the fees and charges on a periodic basis to determine modifications needed to keep pace with the cost of providing the services.
- The City will project revenues on a conservative basis so that actual revenues will consistently meet or exceed budgeted revenues.
- The City will maintain a budgetary control system and will prepare reports that compare actual revenues to budgeted amounts.

#### **EXPENDITURE POLICY**

- Basic and essential services provided by the City will receive first priority for funding.
- The City will strive to establish performance measurements for all departments, when feasible. These measures will reflect the demand, workload capability, and projected outcomes for the department to accomplish its objectives.
- The City will work to adopt a balanced budget, in which anticipated revenues equal or exceed the budgeted expenditures. However, if this is not accomplished, the City may utilize unallocated fund balance, in excess of the 10% minimum required by city policy, to balance the annual budget.
- The City will maintain a budgetary control system to ensure adherence to the adopted budget and will prepare periodic reports that compare actual expenditures to budgeted amounts.
- The City will refrain from budgeting non-recurring or one-time revenue for ongoing expenses.
- The City will provide access to medical, dental, life, and long-term disability insurance for its employees. The cost for these benefits will be a shared responsibility between the City and its employees.
- The City will provide access to appropriate retirement plans for its employees. The City will make contributions for eligible employees at the percentage defined for each of the respective retirement plans.



## BUDGET SUMMARY

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### DEBT POLICY

- The City will maintain a policy of full disclosure on financial reports and bond prospectus.
- The City will communicate with bond rating agencies and continually strive for improvements in the City's bond rating.
- The City will pay for all capital projects and capital improvements on a pay-as-you-go basis using current revenues whenever possible and practical. If a project or improvements cannot be financed with current revenues, debt will be considered.
- The City will refrain from issuing debt for a period in excess of the expected useful life of the capital project.
- The City will use special assessment revenue or other self-supporting bonds instead of general obligation bonds, when feasible.
- The City will seek refinancing of outstanding debt if it is determined that the City will benefit by reduced interest expense over the remaining life of the debt.
- The City will require that total annual payments for debt service not exceed 25% of total operating revenues.
- The City will comply with state law that limits the amount of debt to 20% of the total assessed value for tax purposes of real and personal property as determined by the most recent tax assessment.

### RESERVE POLICY

- The City will maintain a minimum fund balance of at least 10% of current year operating expenditures. If existing reserves exceed the required level, such funds may be used to balance the budget or to meet needs that may arise during the year.
- The City will use monies from the 10% reserve only in times of emergency or fiscal and economic hardship.
- The fund balance in excess of the 10% reserve can only be reduced by City Council approval of a budget adjustment.

### INVESTMENT AND CASH MANAGEMENT POLICY

- Investments made by the City will be in conformance with all requirements of the State of Arkansas and City ordinances.
- All investments will address safety, liquidity, and yield, in that order of priority.
- The City will diversify its investments by maturity date to protect against market fluctuations.
- The City will purchase securities from qualified institutions and will attempt to obtain the highest available rates.
- Interest earned from investment of available funds will be distributed to funds according to ownership of the investments and are reflected in the annual budget.
- The City will deposit all receipts on a timely basis.

## BUDGET SUMMARY

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### **CAPITAL IMPROVEMENT POLICY**

- The City Council will adopt a five-year Capital Improvements Plan (CIP). It will serve as a plan to provide for the orderly maintenance, replacement, and expansion of capital assets. Each year after budget adoption, the CIP will be reviewed and revised to reflect the impact of the adopted budget and to add a year to the CIP.
- Each year the new CIP will serve as the base for preparation of the budget for the coming year. Deviations from the CIP can be requested in the budget but there must be an explanation for the change.
- The replacement of existing capital that is worn out, broken, or costly to maintain will not be deferred except in unusual circumstances. The costs to defer would usually result in greater total expenditures over time.
- Vehicles are considered for replacement in accordance with established guidelines on age and/or miles.
- The CIP identifies long-range capital projects and capital improvements of all types that will be coordinated with the annual operating budget to maintain full utilization of available revenue sources.
- While reviewing and updating the CIP, the City will seek to identify all viable capital projects and capital improvements required during the subsequent five-year period. These projects and improvements will be prioritized by year. Future operating costs associated with a project or an improvement will also be given consideration in the establishment of priorities.
- The City will seek Federal, State, and other funding to assist in financing capital projects and capital improvements.
- The City will incorporate the reasonable findings and recommendations of various City Boards, Commissions, Committees, and Citizen task forces, as they relate to the establishment of projects and project priorities.

### **FINANCIAL REPORTING POLICY**

- The City's accounting system will maintain records in accordance with accounting standards and principles outlined in the Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB), and the State of Arkansas.
- The City will employ an independent accounting firm to perform an annual audit of the City's finances, and make the annual audit available to all required and interested parties. The audit shall be completed and submitted to the State of Arkansas within 210 days of the close of the fiscal year.
- The City will produce monthly and quarterly financial statements reporting the current period's activity for all funds maintained by the City.
- The City will prepare an annual budget document that provides a basic understanding of the City's planned financial operations for the coming fiscal year. Copies of the budget will be made available to all interested parties and opportunities will be provided for citizen input prior to final decisions on the budget.
- The annual budget document will be posted to the City's web site.
- The City will seek annually to qualify for the Government Finance Officers Association's (GFOA) Distinguished Budget Presentation Award.

## FUNDS AND DEPARTMENTS

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### GENERAL FUND

The General Fund is the general operating fund of the city. It is used to account for all financial resources except those that must be accounted for in another fund. The General Fund accounts for the normal recurring activities of the City such as general government, fire, police, planning, etc. These activities are funded principally by sales and property taxes from individuals and businesses, franchise fees, and from other governmental units.

As approved by the City Council, transfers may be made to the Street Fund, Parks and Recreation Fund, and Library Fund to support the operations of those departments.

The pages in this section present a summary for each department that operates as part of the General Fund. The information includes a brief statement of the task of the department, some accomplishments for the past year, and goals and objectives for the budget year, and an organization chart. Also provided are explanations for some of the expenses, and a financial summary showing the information for the past two years and the budget year, along with the change in dollars and percent from the previous year to the budget year.

The following departments are included in the General Fund:

- Administration
- Accounting and Purchasing
- District Court
- Planning
- CDBG (Community Development Block Grant)
- Engineering
- Airport
- Police
- Fire
- Building Inspection
- Public Works Maintenance
- Parks Recreation
- Library

## FUNDS AND DEPARTMENTS

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### ACCOUNTING AND PURCHASING

#### **TASK**

To provide support to all departments for accounting, purchasing, and payroll.

#### **2019 ACCOMPLISHMENTS**

- Completed the 2018 audit.
- Won the Certificate for Achievement for Excellence in Financial Reporting awarded by the GFOA.
- Successfully led the City through the first live year of new financial software.

#### **2020 GOALS & OBJECTIVES**

- Complete the 2019 audit.
- Continue to participate in GFOA Award Programs.
- Continue with implementation of Payroll/Human Resources software conversion.
- Conduct annual Purchasing training.
- Move all employees, except Public Safety, to be operational on ExecuTime and attendance software.

## FUNDS AND DEPARTMENTS

### ACCOUNTING AND PURCHASING

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	2,974	-	-	-	--
<b>Total Revenues</b>	<u>2,974</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	571,276	534,992	574,081	39,089	7.3%
Benefits	182,571	220,928	241,300	20,372	9.2%
Supplies & Materials	22,123	18,960	20,170	1,210	6.4%
Professional Services	52,999	69,600	75,200	5,600	8.0%
Technology Maintenance/Minor Equipment	51,273	148,905	125,007	(23,898)	-16.0%
Property Services	398	600	600	-	0.0%
Other Services	10,015	14,555	15,755	1,200	8.2%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<u>890,655</u>	<u>1,008,540</u>	<u>1,052,113</u>	<u>43,573</u>	<u>4.3%</u>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Set-asides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Total Expenditures</b>	<u>890,655</u>	<u>1,008,540</u>	<u>1,052,113</u>	<u>43,573</u>	<u>4.3%</u>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Net</b>	<u>\$ (887,681)</u>	<u>\$ (1,008,540)</u>	<u>\$ (1,052,113)</u>	<u>\$ (43,573)</u>	<u>4.3%</u>

#### **Budget Summary**

- Salaries and Wages are up due to the fact that a COLA of 1.6% and 1.4% merit raise were budgeted for 2020.
- Benefits are up 9.2% due to increases in costs of the insurance.
- Professional Services are up due to increase in budget for finance related consultations and research.

## FUNDS AND DEPARTMENTS

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### ADMINISTRATION

#### **TASK**

To provide overall guidelines in the operations of city departments and to provide support to all departments for personnel, technology, and other administrative functions.

#### **2019 ACCOMPLISHMENTS**

- Obtained the GFOA Distinguished Budget Presentation Award for the 21st consecutive year.
- Continued to experience a decline in Workers Compensation compensable claims despite adding additional personnel in higher risk areas - Fire, Police, and Parks.
- Conducted 7 Manager Training Programs
- Revised part of the City's Personnel Policy.
- Facilitated real estate transactions to meet departmental needs
- Provided risk management policies and strategies to City departments as required, and distributed regular informational e-mails to City staff regarding important legal subjects

#### **2020 GOALS & OBJECTIVES**

- Obtain the Distinguished Budget Presentation Award from the GFOA
- Conduct "Manager Training" 6 times in 2020 (every other month)
- Conduct "Department-Level" Safety Training with selected departments monthly during 2019
- Continue to provide quality legal advice and services to City officials and department managers in an effort to ensure observance and adherence to Federal laws, State codes, and City ordinances.
- Provide on-going training to department heads and employees concerning the Arkansas Freedom of Information Act, laws for municipal purchasing and other pertinent topics.
- Review all contracts, agreements, leases, and other such documents for legal soundness in keeping with the City's goals and objectives.
- Prepare resolutions and ordinances for the Council agenda's to be acted upon by the Council.



## FUNDS AND DEPARTMENTS

### ADMINISTRATION

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ 36,570,079	\$ 33,679,260	\$ 37,467,023	\$ 3,787,763	11.2%
Licenses & Permits	46,534	45,000	46,534	1,534	3.4%
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	245,165	10,400	196,522	186,122	1789.6%
Other Income	140,683	-	-	-	--
<b>Total Revenues</b>	<b>37,002,461</b>	<b>33,734,660</b>	<b>37,710,079</b>	<b>3,975,419</b>	<b>11.8%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	1,285,211	1,481,781	1,603,988	122,207	8.2%
Benefits	491,900	578,210	591,334	13,124	2.3%
Supplies & Materials	53,793	48,950	68,400	19,450	39.7%
Professional Services	144,522	167,700	302,800	135,100	80.6%
Technology Maintenance/Minor Equipment	165,106	202,845	306,286	103,441	51.0%
Property Services	175,222	145,300	167,000	21,700	14.9%
Other Services	149,896	203,785	215,975	12,190	6.0%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>2,465,650</b>	<b>2,828,571</b>	<b>3,255,783</b>	<b>427,212</b>	<b>15.1%</b>
<b>Capital Expenditures</b>					
Capital	1,406,049	285,000	165,500	(119,500)	-41.9%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>1,406,049</b>	<b>285,000</b>	<b>165,500</b>	<b>(119,500)</b>	<b>-41.9%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>3,871,699</b>	<b>3,113,571</b>	<b>3,421,283</b>	<b>307,712</b>	<b>9.9%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ 33,130,762</b>	<b>\$ 30,621,089</b>	<b>\$ 34,288,796</b>	<b>\$ 3,667,707</b>	<b>12.0%</b>

### **Budget Summary**

- Revenue is up due to increases in franchise fees, property taxes and sales taxes from economic growth.
- Salaries and Wages are up due to the fact that a COLA of 1.6% and 1.4% merit raise were budgeted for 2020, a new Economic Development and Communication Director Position added mid-year in 2019, a new part-time Human Resource Specialist was added and funds were increased to utilize more hours for an existing part-time employee.
- Benefits are up due to the fact that the City's Health Insurance premium was increased and new positions/expanded positions talked about above.

## FUNDS AND DEPARTMENTS

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- Supplies and Materials are up due to new supplies for new/expanded positions talked about above.
- Professional Services are up due to an increase in software maintenance, a need for a benefits consultant and funds for a salary/benefits survey.
- Property Services are up due to an increase cost in communication budget regarding phone and internet line usage.

## FUNDS AND DEPARTMENTS

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### AIRPORT

#### **TASK**

To operate the municipal airport to best serve its users, and to seek to improve the service and facilities through grants and other options that are available.

NOTE: The airport has no city staff but is operated through a contract with a Fixed Base Operator (FBO) and under the direction of the Airport Advisory Board. Various employees assist with day to day operations when necessary.

#### **2019 ACCOMPLISHMENTS**

- Completed runway rehabilitation.
- Completed taxiway connections to the turf runway.
- Completed hangar infrastructure improvements to the West side of the airport.
- Completed the west terminal circular apron construction for completed additional West side parking lot.
- Completed design Wetland Removal Area.

#### **2020 GOALS & OBJECTIVES**

- Complete construction of tunnel.
- Complete construction of the East Parallel Taxiway Extension – North.
- Complete construction of Runway 18 Turnaround.
- Complete design of the East Parallel Taxiway Extension – South.
- Complete removal of excess dirt on West side.

## FUNDS AND DEPARTMENTS

### AIRPORT

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ 79,856	\$ 97,565	\$ 19,577	\$ (77,988)	-79.9%
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	1,934,198	-	-	-	--
Charge for Services	13,580	13,795	13,580	(215)	-1.6%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	67,225	39,915	67,225	27,310	68.4%
Other Income	49,461	49,000	49,000	-	0.0%
<b>Total Revenues</b>	<b>2,144,320</b>	<b>200,275</b>	<b>149,382</b>	<b>(50,893)</b>	<b>-25.4%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	51,866	54,750	53,000	(1,750)	-3.2%
Professional Services	60,000	70,000	60,000	(10,000)	-14.3%
Technology Maintenance/Minor Equipment	1,762	-	2,350	2,350	--
Property Services	29,673	34,700	44,200	9,500	27.4%
Other Services	4,624	9,800	11,800	2,000	20.4%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>147,925</b>	<b>169,250</b>	<b>171,350</b>	<b>2,100</b>	<b>1.2%</b>
<b>Capital Expenditures</b>					
Capital	2,514,206	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>2,514,206</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>2,662,131</b>	<b>169,250</b>	<b>171,350</b>	<b>2,100</b>	<b>1.2%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ (517,811)</b>	<b>\$ 31,025</b>	<b>\$ (21,968)</b>	<b>\$ (52,993)</b>	<b>-170.8%</b>

### Budget Summary

- Revenues are down due to a new Flight Center being located on private property and the City cannot record sales tax that is attributable to the airport due to lack of data.
- Property Services is up as the City budgets to begin contracting for mowing services for the airport in 2020 for the first time.

## FUNDS AND DEPARTMENTS

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### BUILDING INSPECTION

#### **TASK**

To issue permits and collect fees for building, electrical, and plumbing permits, to review building plans, conduct field inspections of construction, and to insure that all work conforms to the City's codes to provide safe housing.

#### **2019 ACCOMPLISHMENTS**

- Implemented the eTrakit software to accept online building permit applications and allow for electronic staff reviews.
- Contracted with Selectron Technologies to set up a texting application that allows builders and contractors to schedule, reschedule, and cancel inspections and review inspection results at any time. Application to go live early 2020.

#### **2020 GOALS & OBJECTIVES**

- Develop a more efficient Code Enforcement Policy to allow officers to work with property owners to remedy property maintenance violations.
- Implement the ability to accept online payments within eTrackit for building permits.

## FUNDS AND DEPARTMENTS

### BUILDING INSPECTION

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	1,688,610	1,188,500	1,188,500	-	0.0%
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	55,927	34,000	54,000	20,000	58.8%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	4,990	-	-	-	--
<b>Total Revenues</b>	<b>1,749,527</b>	<b>1,222,500</b>	<b>1,242,500</b>	<b>20,000</b>	<b>1.6%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	495,977	555,771	543,817	(11,954)	-2.2%
Benefits	189,173	247,405	263,641	16,236	6.6%
Supplies & Materials	29,006	33,700	31,400	(2,300)	-6.8%
Professional Services	40,740	59,360	79,360	20,000	33.7%
Technology Maintenance/Minor Equipment	31,998	41,155	42,902	1,747	4.2%
Property Services	29,634	44,200	34,000	(10,200)	-23.1%
Other Services	22,911	33,460	33,460	-	0.0%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>839,439</b>	<b>1,015,051</b>	<b>1,028,580</b>	<b>13,529</b>	<b>1.3%</b>
<b>Capital Expenditures</b>					
Capital	24,144	75,105	35,000	(40,105)	-53.4%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>24,144</b>	<b>75,105</b>	<b>35,000</b>	<b>(40,105)</b>	<b>-53.4%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>863,583</b>	<b>1,090,156</b>	<b>1,063,580</b>	<b>(26,576)</b>	<b>-2.4%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ 885,944</b>	<b>\$ 132,344</b>	<b>\$ 178,920</b>	<b>\$ 46,576</b>	<b>35.2%</b>

#### **Budget Summary**

- Revenue was held flat for the year as an increase in budgeted revenue was unwarranted at this time.
- Salaries and Wages are down due to position changes within the department during the year had one position move to another department and a new position added at a lower cost.
- Benefits are up due to employees moving from single to family insurance during the year and other general increases in health insurance rates.



## FUNDS AND DEPARTMENTS

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- Professional Services are up due to an increase in contract mowing for certain code enforcement related services and for new credit card fees related to a new online payment method implemented during the year.

## FUNDS AND DEPARTMENTS

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### DISTRICT COURT

#### **TASK**

To administer the schedule and other activities necessary for the municipal judge and staff to conduct the judicial processes assigned.

#### **2019 Accomplishments**

- Decreased paper file storage through use of outside company to facilitate bulk scanning and then transferring these electronic files to Questys program for storage.
- Awarded a \$15,000 grant to be used toward training costs for DWI Court Team for sixth consecutive year.
- Managed \$15,000 grant – submitting required forms and documentation for reimbursement.
- Continued facilitating Mediation Program for Small Claims and Civil cases saving time spent resolving cases in court and resulting in greater satisfaction among parties to lawsuits.
- Managed state grant funding for pilot Mediation Program.
- Implemented on-line case resolution software in an effort to both provide an additional option for the public to resolve citations and to reduce the number of cases with active warrants.
- Started programs to allow resolution of Warrants via use of District Court email address designated for this purpose. This allows best use of District Court staff and provides a convenient way for people who are not local to resolve old warrants.
- Started program to allow defendants to request payment extensions via use of District Court email address designated for this purpose. This allows for better allocation of District Court staff resources and gives people ability to requests extensions on payments at their convenience.
- Enhanced ability to help people in person at District Court windows by adding computers and reconfiguring office structure.
- Began process of automating the issuance of Failure to Appear Warrants which, when completed, will save a significant amount of staff hours by making it possible to issue multiple warrants by one simple software setting.

#### **2020 Goals and Objectives**

- Complete credit card and JusticeWeb interface project– allowing payments to be directly applied through our case management software
- Continue bulk scanning of paper files dating from the 1990s forward in an effort to eliminate storage of all closed cases, keeping only paperwork for cases as required under state statute.
- Continue efforts toward paperless possibilities of District Court.
- Increase growth of pilot Mediation Program.
- Coordinate additional training opportunities for DWI Court Team.
- Ongoing evaluation of best use of staff resources, office efficiency and office-wide best practices.
- Continue and expand project to clear a significant number of pending older warrants with a focus on warrants 2009 and older.
- Promote use of on-line case resolution software.
- Continue to leverage the automation capabilities of our case management software.
- Begin investigating ways in which the District Court can reduce the number of Warrants issued by increasing compliance on the part of those who frequent our Court.
- Continue staff training that will focus on uniformity of process, cross training and enhanced customer service.
- Develop a comprehensive training manual for new hires.

## FUNDS AND DEPARTMENTS

### DISTRICT COURT

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	83,399	46,330	47,760	1,430	3.1%
Charge for Services	51,296	51,810	51,272	(538)	-1.0%
Special Assessments/Fines	418,439	418,870	418,870	-	0.0%
Interest/Rent	62	-	-	-	--
Other Income	19,238	25,000	15,000	(10,000)	-40.0%
<b>Total Revenues</b>	<b>572,434</b>	<b>542,010</b>	<b>532,902</b>	<b>(9,108)</b>	<b>-1.7%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	433,887	474,454	421,191	(53,263)	-11.2%
Benefits	182,358	204,458	216,964	12,506	6.1%
Supplies & Materials	14,142	30,475	29,500	(975)	-3.2%
Professional Services	36,990	57,500	57,000	(500)	-0.9%
Technology Maintenance/Minor Equipment	56,476	76,060	62,150	(13,910)	-18.3%
Property Services	36,298	40,650	45,950	5,300	13.0%
Other Services	24,622	29,930	29,930	-	0.0%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>784,773</b>	<b>913,527</b>	<b>862,685</b>	<b>(50,842)</b>	<b>-5.6%</b>
<b>Capital Expenditures</b>					
Capital	14,302	50,000	150,000	100,000	200.0%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>14,302</b>	<b>50,000</b>	<b>150,000</b>	<b>100,000</b>	<b>200.0%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>799,075</b>	<b>963,527</b>	<b>1,012,685</b>	<b>49,158</b>	<b>5.1%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ (226,641)</b>	<b>\$ (421,517)</b>	<b>\$ (479,783)</b>	<b>\$ (58,266)</b>	<b>13.8%</b>

### **Budget Summary**

- Salaries and Wages are down as the budget was adjusted this year for actual results in previous years.
- Benefits are up due to the fact that the City's Health Insurance premium was increased.
- Capital Expenditures is up due to the budgeted replacement of 5 heating and air units.

## FUNDS AND DEPARTMENTS

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### ENGINEERING

#### **TASK**

To provide advice and technical expertise to assist elected officials, planning commission, public agencies, and citizens in understanding key issues and priorities. To review development plans, maintain design and construction specifications, conduct field inspections of construction, and insure all work conforms to City codes to provide quality developments and growth consistent with our long-term commitment to economic vitality and environmental integrity.

#### **2019 Accomplishments**

- Completed 3,223 inspections.
- 51 Large Scale Development projects accepted as complete.
- Completed update of Bentonville GPS Monument Network.
- Completed design and bid of Little Sugar Streambank and Wetland Restoration Project.
- Completed design of miscellaneous sidewalk improvements.
- Completed design of miscellaneous drainage improvements to assist Street Department.

#### **2020 GOALS & OBJECTIVES**

- Oversee and guide the City Wide Drainage Study.
- Manage Capital Improvement Projects for street, drainage, and signal improvements.
- Continue to design miscellaneous sidewalk improvements.
- Continue to design miscellaneous drainage improvements.

## FUNDS AND DEPARTMENTS

### ENGINEERING

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	1,900	-	-	-	--
Intergovernmental Revenue	6,083	-	-	-	--
Charge for Services	3,552	-	4,595	4,595	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<b>11,535</b>	<b>-</b>	<b>4,595</b>	<b>4,595</b>	<b>--</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	506,377	596,021	632,358	36,337	6.1%
Benefits	193,661	254,485	260,511	6,026	2.4%
Supplies & Materials	10,330	22,500	25,502	3,002	13.3%
Professional Services	51,896	102,605	76,040	(26,565)	-25.9%
Technology Maintenance/Minor Equipment	8,301	17,150	24,900	7,750	45.2%
Property Services	11,292	13,850	17,450	3,600	26.0%
Other Services	8,089	21,600	20,000	(1,600)	-7.4%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>789,946</b>	<b>1,028,211</b>	<b>1,056,761</b>	<b>28,550</b>	<b>2.8%</b>
<b>Capital Expenditures</b>					
Capital	228,025	100,000	80,000	(20,000)	-20.0%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>228,025</b>	<b>100,000</b>	<b>80,000</b>	<b>(20,000)</b>	<b>-20.0%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>1,017,971</b>	<b>1,128,211</b>	<b>1,136,761</b>	<b>8,550</b>	<b>0.8%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ (1,006,436)</b>	<b>\$ (1,128,211)</b>	<b>\$ (1,132,166)</b>	<b>\$ (3,955)</b>	<b>0.4%</b>

#### **Budget Summary**

- Salaries and Wages are up due to the fact that a COLA of 1.6% and 1.4% merit raise were budgeted for 2020.
- Professional Services are down due to not budgeting for 3<sup>rd</sup> party Engineering services for 2020.

## FUNDS AND DEPARTMENTS

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### FIRE

#### **TASK**

To provide fire protection, advanced life support ambulance service, and other emergency services for the citizens of Bentonville and surrounding rural areas.

#### **2019 ACCOMPLISHMENTS**

- Station # 7 was constructed in the SW portion of the City.
- Hired 12 new personnel for the staffing of Station # 7.
- New fire truck specifications were developed, and the truck was ordered.
- Received new rescue truck from previous year.
- Hired two new full-time fire inspectors for the Fire Marshal's office.
- Purchased and installed five power cots and loading system for the frontline ambulances.
- Increased paramedic pay from \$6,500.00 to \$10,000.00 per year.
- Developed a plan to raise the fire department staffing over the next five years.
- Contracted with third party to assist with 2020 SAFER Grant.
- Ordered and implemented new cancer prevention fire gear and policy.
- Completed our officer ride out program with Little Rock FD.
- Added five Toughbook computers to the ambulances for patient care reporting.
- Developing response models for the City when the fire department meets certain staffing levels.

#### **2020 GOALS & OBJECTIVES**

- Receive fire truck that was ordered in 2019, and certify it as an Advanced Life Support (ALS) fire truck through the Arkansas Department of Health.
- Order another fire truck and certify it as an (ALS) fire truck through the Arkansas Department of Health.
- Submit SAFER Grant for increasing firefighter staffing levels.
- Hire 14 new line firefighters
- Establish specifications for replacement aerial.
- Identify direction for new city radio system.
- Develop plans for a training center.
- Implement a Firefighter Health Program
- Develop new specifications for two new ambulances and order.
- Establish a new Pre-paramedic academy to prepare EMT's that wish to advance to Paramedic.

## FUNDS AND DEPARTMENTS

### FIRE

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ 1,030,670	\$ 971,847	\$ 1,075,757	\$ 103,910	10.7%
Licenses & Permits	7,945	-	7,945	7,945	--
Intergovernmental Revenue	12,787	7,238	12,988	5,750	79.4%
Charge for Services	1,524,103	1,688,000	1,524,103	(163,897)	-9.7%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	15,323	13,000	13,000	-	0.0%
<b>Total Revenues</b>	<b>2,590,828</b>	<b>2,680,085</b>	<b>2,633,793</b>	<b>(46,292)</b>	<b>-1.7%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	5,262,732	6,016,006	6,717,793	701,787	11.7%
Benefits	2,301,997	2,662,713	3,170,024	507,311	19.1%
Supplies & Materials	458,636	632,779	700,764	67,985	10.7%
Professional Services	254,635	295,650	327,465	31,815	10.8%
Technology Maintenance/Minor Equipment	137,294	216,040	193,425	(22,615)	-10.5%
Property Services	481,636	370,950	393,405	22,455	6.1%
Other Services	223,791	256,097	248,033	(8,064)	-3.1%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>9,120,721</b>	<b>10,450,235</b>	<b>11,750,909</b>	<b>1,300,674</b>	<b>12.4%</b>
<b>Capital Expenditures</b>					
Capital	702,151	3,570,000	1,608,359	(1,961,641)	-54.9%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>702,151</b>	<b>3,570,000</b>	<b>1,608,359</b>	<b>(1,961,641)</b>	<b>-54.9%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>9,822,872</b>	<b>14,020,235</b>	<b>13,359,268</b>	<b>(660,967)</b>	<b>-4.7%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	56,431	1,500,000	-	(1,500,000)	-100.0%
Use of Reserves	-	1,850,450	1,360,000	(490,450)	-26.5%
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>56,431</b>	<b>3,350,450</b>	<b>1,360,000</b>	<b>(1,990,450)</b>	<b>-59.4%</b>
<b>Net</b>	<b>\$ (7,175,613)</b>	<b>\$ (7,989,700)</b>	<b>\$ (9,365,475)</b>	<b>\$ (1,375,775)</b>	<b>17.2%</b>

### **Budget Summary**

- Salaries and Wages are up due to the fact that a COLA of 1.6% and 1.4% merit raise were budgeted for 2020 and the budgeted hiring of 14 Firefighters.
- Benefits are up due to the fact that the City's Health Insurance premium was increased and the budget for new employees noted above.
- Capital Expenditures are down due to a Fire Station being budgeted in 2019 and not in 2020.



## FUNDS AND DEPARTMENTS

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### LIBRARY

#### **TASK**

To engage our community, encourage discovery and promote literacy by offering lifelong learning opportunities.

#### **2019 ACCOMPLISHMENTS**

- The Library selected 211 Café to lease the café space inside BPL; it opened in October.
- BPL hosted “A Visit with Delia Owens,” *NY Times* bestselling author of *Where the Crawdads Sing* with 290 in attendance. In partnership with the Arkansas Center for the Book at the Arkansas State Library, the presentation was part of “If All Arkansas Read the Same Book” statewide tour. As a Bentonville Literature Festival event, a special reception was sponsored by the Bentonville Library Foundation.
- Bentonville’s Literature Festival was reimagined in its fifth year to provide seasonal opportunities for readers of all ages to celebrate good stories and art. More than 600 people connected with authors and illustrators at BPL.
- BPL presented its Second Annual Bentonville GeekCon, featuring Free Comic Book Day. The event realized record-number attendance with 3,615 people visiting the library, and was considered an ‘official event’ by Children’s Book Week!
- BPL’s Summer Reading Club participation increased in program attendance and physical checkouts / digital downloads. Registration and hours reported decreased from previous years for various reasons, including new reporting software.
- BPL was a designated site for Bentonville Schools’ and Aramark’s Summer Feeding Program. More than 7,360 free lunches were served to youth, with 1,160 Snack Packs distributed on Fridays by the Second Street Pantry Missions.
- The Library debuted twelve new iPads for checkout and added new telescopes to meet high demand, bringing our inventory to seven telescopes.
- BPL expanded its shelving layout to make room for more materials.
- BPL reupholstered several furnishings for patrons in the adult area. Innovative Business Furniture donated a new conference table to the Library.
- The Library was one of fifty sites selected to host *Thinking Money for Kids*, a national traveling exhibit scheduled for display in spring 2021.
- BPL’s Tech Card program continues into its sixth year and began offering services to Adult Education students at Northwest Arkansas Community College (NWACC). The Walmart ROC Team again partnered for packet assembly and the group provided Volunteerism Always Pays (VAP) grant funds to the Bentonville Library Foundation to sponsor next year’s tech card program.
- The Library continued volunteer opportunities for junior partners, teens, adults, program presenters and corporate groups. BPL’s service hours were included in the City of Bentonville’s Volunteer Community of the Year application.
- During the summer, BPL volunteers participated in Walmart Gives NWA. The pilot project allowed Walmart to match volunteer hours with a gift of \$12,299.75. The funds purchased iPad stations for teens and tweens, plus other library furnishings, through the Bentonville Library Foundation.
- The Library began work on its strategic plan to guide library programs, services and operations for the next three years. Feedback from patrons, staff and support groups was gathered through online surveys, open house sessions and facilitated group meetings. A summary document was shared with the Library Advisory Board and staff. Goals and activities accomplished in 2019 include: café amenity reinstated, expanded shelving for more books, added technology and eBooks, increased the number of programs for all ages, plus improved marketing procedures.
- BPL’s children’s librarian was nationally recognized with the 2019 Peggy Sullivan Award for Public Library Administrators Supporting Services to Children award by the American Library Association.

## FUNDS AND DEPARTMENTS

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- BPL librarians and library specialists continued leadership at local, state and national levels. These accomplishments include: professional publications in *Arkansas Libraries* journal, executive board participation and conference attendance.
- In 2019, library visits and circulation reached new heights! The Library recorded 725,056 checkouts, a significant increase over 2018. Physical material checkouts increased 5% and eBook downloads grew 24%. Library visits increased to 319,697, demonstrating 6% growth. Program attendance totaled 65,021, with growth in children's and adults' regular program attendance.

### **2020 GOALS & OBJECTIVES**

- BPL will continue work on its strategic plan guiding library programs, services and operations for the next three years. Ongoing feedback from patrons, support groups and staff will inform Library goals.
- BPL will implement procedures for ecommerce and meeting room management.
- BPL will debut new Discovery Kits, adding to its "Library of Things" that patrons can checkout, to include: STREAM, hobbies, technology and other subjects for all ages.
- Bentonville Public Library will host the Arkansas State Archives traveling exhibit, "Territorial Arkansas: The Wild Western Frontier." The exhibit explores the history of Arkansas Territory through the collections of the Arkansas State Archives. The library will host the exhibit in June of 2020 in coordination with the Summer Reading Program, *Imagine Your Story – Arkansas!*
- BPL will plan ahead to host *Thinking Money for Kids*, a national traveling exhibit, scheduled for spring 2021.
- BPL will continue to present signature library events for our community, such as Bentonville's Literature Festival, GeekCon and other annual initiatives.
- BPL will continue to offer quality services and programs children, teenagers, adults and families.
- Library staff will continue to offer outreach activities and partnerships with community organizations to broaden the library's reach in our community.
- BPL will continue collection development, in the form of physical materials and digital resources, to support the educational and life-enriching needs of our library patrons.
- Librarians will continue to implement standards that promote stewardship of resources, such as the Materials Recovery Program, and adapt services to change and grow with our community.
- Library administration will continue to partner with the Friends of the Library and the Bentonville Library Foundation for supplementary funding sources supporting collections and special projects and collections to complement the City's budget.
  - Library staff will continue to focus on facility maintenance to keep the library building and grounds in excellent condition

## FUNDS AND DEPARTMENTS

### LIBRARY

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	2,700	12,150	11,250	(900)	-7.4%
Charge for Services	-	-	-	-	--
Special Assessments/Fines	53,213	55,000	55,000	-	0.0%
Interest/Rent	-	-	-	-	--
Other Income	7,790	6,500	12,900	6,400	98.5%
<b>Total Revenues</b>	<b>63,703</b>	<b>73,650</b>	<b>79,150</b>	<b>5,500</b>	<b>7.5%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	830,620	896,314	905,284	8,970	1.0%
Benefits	251,330	279,078	300,106	21,028	7.5%
Supplies & Materials	227,512	233,000	231,575	(1,425)	-0.6%
Professional Services	20,534	34,250	35,250	1,000	2.9%
Technology Maintenance/Minor Equipment	187,364	196,690	215,038	18,348	9.3%
Property Services	76,470	83,520	98,585	15,065	18.0%
Other Services	23,470	37,750	38,800	1,050	2.8%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>1,617,300</b>	<b>1,760,602</b>	<b>1,824,638</b>	<b>64,036</b>	<b>3.6%</b>
<b>Capital Expenditures</b>					
Capital	-	38,250	98,312	60,062	157.0%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>-</b>	<b>38,250</b>	<b>98,312</b>	<b>60,062</b>	<b>157.0%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>1,617,300</b>	<b>1,798,852</b>	<b>1,922,950</b>	<b>124,098</b>	<b>6.9%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ (1,553,597)</b>	<b>\$ (1,725,202)</b>	<b>\$ (1,843,800)</b>	<b>\$ (118,598)</b>	<b>6.9%</b>

#### **Budget Summary**

- Benefits are up due to an increase in the City's health insurance premium and employees changing from single to family insurance.
- Property Services are up due addition of cellar data for Ipad's in the communication budget, to an increase in software maintenance fees and increase in building maintenance.

## FUNDS AND DEPARTMENTS

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### PUBLIC WORKS MAINTENANCE

#### **TASK**

The Public Works Maintenance Department through its dedicated employees provides responsive, thorough and efficient facility maintenance, grounds maintenance and custodial services. We also provide essential cemetery services to families and individuals with compassion and dignity.

#### **2019 ACCOMPLISHMENTS**

- Purchased property located at SW Aviation and SW 24th Street for a Public Works Maintenance Facility.
- Selected Hight Jackson as the design firm for architectural services for maintenance facility.
- Selected C.R. Crawford Construction to oversee construction of maintenance facility.

#### **2020 GOALS & OBJECTIVES**

- Construction on maintenance facility scheduled to begin in February 2020.
- 1,100 feet of perimeter privacy fence to be constructed on the north end of city cemetery.
- Design and site development for a columbarium and committal shelter on the south end of the city cemetery.
- Complete construction of the city maintenance facility in December 2020.

## FUNDS AND DEPARTMENTS

### PUBLIC WORKS MAINTENANCE

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	65,612	33,000	37,000	4,000	12.1%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	424	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<b>66,036</b>	<b>33,000</b>	<b>37,000</b>	<b>4,000</b>	<b>12.1%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	1,063,772	1,202,090	1,375,000	172,910	14.4%
Benefits	444,738	523,095	626,922	103,827	19.8%
Supplies & Materials	182,419	182,750	162,350	(20,400)	-11.2%
Professional Services	284,909	366,500	427,000	60,500	16.5%
Technology Maintenance/Minor Equipment	-	13,500	6,750	(6,750)	-50.0%
Property Services	133,931	165,100	169,500	4,400	2.7%
Other Services	6,383	20,810	26,810	6,000	28.8%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>2,116,152</b>	<b>2,473,845</b>	<b>2,794,332</b>	<b>320,487</b>	<b>13.0%</b>
<b>Capital Expenditures</b>					
Capital	128,415	2,132,000	114,500	(2,017,500)	-94.6%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>128,415</b>	<b>2,132,000</b>	<b>114,500</b>	<b>(2,017,500)</b>	<b>-94.6%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>2,244,567</b>	<b>4,605,845</b>	<b>2,908,832</b>	<b>(1,697,013)</b>	<b>-36.8%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	2,000,000	-	(2,000,000)	-100.0%
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>2,000,000</b>	<b>-</b>	<b>(2,000,000)</b>	<b>-100.0%</b>
<b>Net</b>	<b>\$ (2,178,531)</b>	<b>\$ (2,572,845)</b>	<b>\$ (2,871,832)</b>	<b>\$ (298,987)</b>	<b>11.6%</b>

#### **Budget Summary**

- Salaries and Wages are up due to the fact that a COLA of 1.6% and 1.4% merit raise were budgeted for 2020 and an adjustment of budgeted salaries to previous actual amounts.
- Benefits are up because the City's Health Insurance premium was increased and an adjustment of budgeted benefits to previous actual amounts.
- Professional Services are up due to increase in contract mowing services.
- Capital Expenditures is down due to a new facility being budgeted in 2019 and not in 2020.

## FUNDS AND DEPARTMENTS

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### PARKS AND RECREATION

#### **TASK**

The mission of Bentonville Parks and Recreation is to “Enrich lives through recreation, leisure and culture.”

#### **2019 Accomplishments:**

- Parks and Recreation hosted recreation programs that included more than 500,000 participants and produced more than 4.4M in gross revenue.
- Completed installation of acoustical panels in the Community Center Natatorium.
- Completed construction and opened the new Citizens Park Tennis Complex.
- Completed construction and opened the new Citizens Park Inclusive Playground.
- Completion of new 3.5 mile Applegate Trail.

#### **2020 Goals and Objectives:**

- Completion of the Quilt of Parks Master Plan.
- Completion of the Bicycle and Pedestrian Master Plan
- Completion of the 8<sup>th</sup> Street Gateway Park Master Plan.
- Complete the design and begin construction on Old Tiger Park Improvements.
- Complete the project design and bid the 28<sup>th</sup> Street Park Project.
- Completion of Memorial Park Ballfield Improvements Project.

## FUNDS AND DEPARTMENTS

### PARKS AND RECREATION

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charge for Services	3,824,999	3,976,101	4,163,328	187,227	4.7%
Special Assessments/Fines	-	-	-	-	-
Interest/Rent	-	-	-	-	-
Other Income	738,254	-	-	-	-
<b>Total Revenues</b>	<b>4,563,253</b>	<b>3,976,101</b>	<b>4,163,328</b>	<b>187,227</b>	<b>4.7%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	2,568,876	2,621,709	2,716,359	94,650	3.6%
Benefits	845,427	863,253	991,540	128,287	14.9%
Supplies & Materials	800,894	946,179	915,541	(30,638)	-3.2%
Professional Services	1,415,951	1,430,805	1,694,833	264,028	18.5%
Technology Maintenance/Minor Equipment	26,237	52,840	50,450	(2,390)	-4.5%
Property Services	611,093	738,800	758,030	19,230	2.6%
Other Services	123,059	132,010	140,558	8,548	6.5%
Utility Cost of Goods	-	-	-	-	-
<b>Total Operations and Maintenance</b>	<b>6,391,537</b>	<b>6,785,596</b>	<b>7,267,311</b>	<b>481,715</b>	<b>7.1%</b>
<b>Capital Expenditures</b>					
Capital	2,715,259	837,375	1,255,937	418,562	50.0%
Set-asides - Capital Items	-	-	-	-	-
<b>Total Capital Expenditures</b>	<b>2,715,259</b>	<b>837,375</b>	<b>1,255,937</b>	<b>418,562</b>	<b>50.0%</b>
<b>Other</b>					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>9,106,796</b>	<b>7,622,971</b>	<b>8,523,248</b>	<b>900,277</b>	<b>11.8%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	1,129,753	300,000	250,000	(50,000)	-16.7%
Use of Reserves	-	-	338,000	338,000	-
Donated Infrastructure (non-cash item)	-	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>1,129,753</b>	<b>300,000</b>	<b>588,000</b>	<b>288,000</b>	<b>96.0%</b>
<b>Net</b>	<b>\$ (3,413,790)</b>	<b>\$ (3,346,870)</b>	<b>\$ (3,771,920)</b>	<b>\$ (425,050)</b>	<b>12.7%</b>

#### **Budget Summary**

- Revenues are up to due to an increase in recreational activities and an adjustment for non-resident fees for programs.
- Salaries and Wages are up because a COLA of 1.6% and 1.4% merit raise were budgeted for 2020.
- Benefits are up due to the fact that the City's Health Insurance premium was increased and for an adjustment of budgeted benefits to previous actual amounts.



## FUNDS AND DEPARTMENTS

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- Professional Services are up significantly an increase contract amounts for Swim Instructors due to the popularity of our swimming programs and other costs associated with contractors for recreation programs.

## FUNDS AND DEPARTMENTS

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### PLANNING

#### **TASK**

To provide advice and technical expertise to assist elected officials, the planning commission, public agencies, and citizens in understanding key issues and priorities. To continue to focus our efforts on a long-term commitment to economic vitality, environmental integrity, and development design quality.

#### **2019 ACCOMPLISHMENTS**

- Adopted amendments to the Subdivision Code and Zoning Code to accommodate the changing development environment.
- Established and began promotion of the Great Neighborhoods Partnership program, including program criteria, offerings, informational materials, and a block party trailer. Five neighborhoods have registered as program partners.
- Gave away 800 trees to Bentonville residents through two tree giveaway events, one in the spring and one in the fall.
- Established a 2020 Census Complete Count Committee to ensure a more accurate population count of Bentonville in the 2020 Census.

#### **2020 GOALS & OBJECTIVES**

- Develop orientation guides for new Planning Commissioners and Board of Adjustment members.
- Become an American Planning Association Ambassador to bring knowledge of the planning process to the community.
- Establish a Community Plan Implementation Committee to prioritize and guide implementation of the Bentonville Community Plan.
- Aggressively promote resident participation in the 2020 Census since this population count impacts federal funding available at the local level and provides data essential in long-range planning.

## FUNDS AND DEPARTMENTS

### PLANNING

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	77,968	66,725	74,900	8,175	12.3%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	25,000	-	-	-	--
<b>Total Revenues</b>	<b>102,968</b>	<b>66,725</b>	<b>74,900</b>	<b>8,175</b>	<b>12.3%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	364,528	573,830	634,883	61,053	10.6%
Benefits	154,010	217,262	249,560	32,298	14.9%
Supplies & Materials	13,139	28,500	28,900	400	1.4%
Professional Services	237,040	322,012	304,107	(17,905)	-5.6%
Technology Maintenance/Minor Equipment	39,157	52,960	46,356	(6,604)	-12.5%
Property Services	61,374	69,350	78,600	9,250	13.3%
Other Services	45,684	75,765	82,675	6,910	9.1%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>914,932</b>	<b>1,339,679</b>	<b>1,425,081</b>	<b>85,402</b>	<b>6.4%</b>
<b>Capital Expenditures</b>					
Capital	41,810	110,255	35,000	(75,255)	-68.3%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>41,810</b>	<b>110,255</b>	<b>35,000</b>	<b>(75,255)</b>	<b>-68.3%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>956,742</b>	<b>1,449,934</b>	<b>1,460,081</b>	<b>10,147</b>	<b>0.7%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ (853,774)</b>	<b>\$ (1,383,209)</b>	<b>\$ (1,385,181)</b>	<b>\$ (1,972)</b>	<b>0.1%</b>

### Budget Summary

- Salaries and Wages are up because a COLA of 1.6% and 1.4% merit raise were budgeted for 2020 and other salary adjustments during the year.
- Benefits are up due to the fact that the City's Health Insurance premium was increased.

## FUNDS AND DEPARTMENTS

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### POLICE

#### **TASK**

To make citizens and visitors feel free of the fear of crime, and safe from crime and disorder.

#### **2019 Accomplishments**

- Completed construction and brought new Communications, Criminal Investigations Center and Emergency Operations Center online.
- Repurposed former Criminal Investigations area for Operations Staff.
- Repurposed former Fitness area for a dedicated Patrol Briefing Room.
- Repurposed former Computer Forensics area for a Media and Public Affairs Office.
- Added 3 Police Officers in 2019 Budget.
- Added 2 Dispatchers in 2019 Budget.
- Added 1 police officer position midyear to partner with the legal department and create a city investigator.
- Added 1 police officer position midyear to partner with the district court and enhance a bailiff position.

#### **2020 Goals**

- Continue building repurposing efforts with the set-up of a Lieutenant's Office in the former Center.
- Add 1 Police Officer in 2020 Budget.
- Add 1 Lieutenant's position to the Administration Division in 2020 Budget.
- Add 1 Admin Tech in 2020 Budget in partnership with Engineering and District Court as a geese dog handler/bailiff.
- Work toward a new city wide AWINS compatible radio system.
- Upgrade/replace Mobile Dispatch Terminals in patrol cars.
- Complete set up of new computer forensics lab with budgeted furnishings.
- Make employee training and development a priority, recognizing the number of staff members that are new to us.

## FUNDS AND DEPARTMENTS

### POLICE

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ 344,923	\$ 315,000	\$ 399,706	\$ 84,706	26.9%
Licenses & Permits	4,621	4,460	4,621	161	3.6%
Intergovernmental Revenue	215,309	206,160	215,309	9,149	4.4%
Charge for Services	733,658	749,818	887,000	137,182	18.3%
Special Assessments/Fines	24,276	24,500	24,500	-	0.0%
Interest/Rent	-	-	-	-	-
Other Income	94,580	-	-	-	-
<b>Total Revenues</b>	<b>1,417,367</b>	<b>1,299,938</b>	<b>1,531,136</b>	<b>231,198</b>	<b>17.8%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	6,572,999	6,732,338	7,283,817	551,479	8.2%
Benefits	2,781,617	2,860,712	3,218,294	357,582	12.5%
Supplies & Materials	560,388	640,180	685,306	45,126	7.0%
Professional Services	443,752	154,452	201,162	46,710	30.2%
Technology Maintenance/Minor Equipment	255,156	374,616	713,783	339,167	90.5%
Property Services	428,065	431,640	532,560	100,920	23.4%
Other Services	230,081	282,077	320,360	38,283	13.6%
Utility Cost of Goods	-	-	-	-	-
<b>Total Operations and Maintenance</b>	<b>11,272,058</b>	<b>11,476,015</b>	<b>12,955,282</b>	<b>1,479,267</b>	<b>12.9%</b>
<b>Capital Expenditures</b>					
Capital	513,835	796,890	579,143	(217,747)	-27.3%
Setasides - Capital Items	-	-	-	-	-
<b>Total Capital Expenditures</b>	<b>513,835</b>	<b>796,890</b>	<b>579,143</b>	<b>(217,747)</b>	<b>-27.3%</b>
<b>Other</b>					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>11,785,893</b>	<b>12,272,905</b>	<b>13,534,425</b>	<b>1,261,520</b>	<b>10.3%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	-
Use of Reserves	-	302,275	-	(302,275)	-100.0%
Donated Infrastructure (non-cash item)	-	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>302,275</b>	<b>-</b>	<b>(302,275)</b>	<b>-100.0%</b>
<b>Net</b>	<b>\$ (10,368,526)</b>	<b>\$ (10,670,692)</b>	<b>\$ (12,003,289)</b>	<b>\$ (1,332,597)</b>	<b>12.5%</b>

### **Budget Summary**

- Salaries and Wages are up due to the fact that a COLA of 1.6% and 1.4% merit raise were budgeted for 2020 and the budgeted addition of two new police officers.
- Benefits are up because the City's Health Insurance premium was increase and the new positions stated above.
- Technology is up due to all police vehicle laptops (MDTs) needing replaced during the 2020 budget cycle.

## FUNDS AND DEPARTMENTS

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- Capital Expenditures are down since last year more vehicles and equipment were needed for new officers than the current year.

## FUNDS AND DEPARTMENTS

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### UTILITY FUND

The Utility Fund is used to account for activities that are similar to those that may be found in the private sector. It is financed primarily through user charges from both residential and commercial customers. The activities include the departments associated with the Electric, Water, Sewer, and Wastewater systems of the city. Other departments, in addition to those mentioned, are Utility Director, Inventory, Utility Billing & Collection, Meter Reading, and Sanitation. The last one listed is not a staffed, operational department, but reflects revenue and expenses related to the city's contract with a waste disposal company.

The pages in this section present a two-page summary for each department that operates as part of the Utility Fund. The first page for each department provides a brief statement of the task of the department, some accomplishments for the past year, goals and objectives for the budget year, and a simple organization chart. The second page for each department shows a financial summary showing the information for the last two years and the budget year, including the change in dollars and percent from the previous year to the budget year. That is followed by explanations for the more significant changes.

The following departments are in the Utility Fund:

- Electric
- Water
- Wastewater
- Sewer Rehab
- Sanitation/Trash
- Inventory
- Billing and Collection
- Meter Reading



## FUNDS AND DEPARTMENTS

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### BILLING AND COLLECTION

#### **TASK**

To provide courteous service to customers, and to accurately maintain all billing records, issue utility bills, and collect money due to the city.

#### **2019 Accomplishments**

- Updated the billing cycle boundaries to close the balance from 14, 13, 49, and 24 percent to 25, 27, 23, and 25 percent respectively.
- Mailed out 3.2% fewer bills even with active accounts growing 6.4%, through paperless billing initiatives.
- Increased customer awareness to and knowledge of Invoice Cloud website tools resulting in 47.5% more AutoPay and 53% more Paperless customers.
- Continue to increase email addresses on file that resulted in 28.9% more e-notifications sent.

#### **2020 Goals & Objectives**

- Further, utilize relationship with Invoice Cloud to implement pay by text, increase Paperless accounts, and reduce checks processed.
- With new cycle boundaries in place add/combine/split/delete routes to balance out route sizes in each cycle.
- Use social media to enhance citizen knowledge of recycling and how to avoid contaminating the recycling stream.
- Continue to educate Representatives on the Biller Portal and Customer Portal to provide improved customer assistance.
- Continue to identify meters for change out and bring new locations into the automated meter system.

## FUNDS AND DEPARTMENTS

### BILLING AND COLLECTION

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	939,346	886,800	901,331	14,531	1.6%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	63,313	40,000	40,000	-	0.0%
<b>Total Revenue</b>	<b>1,002,659</b>	<b>926,800</b>	<b>941,331</b>	<b>14,531</b>	<b>1.6%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	775,997	854,869	895,242	40,373	4.7%
Benefits	296,497	364,264	358,850	(5,414)	-1.5%
Supplies & Materials	717,887	262,170	271,885	9,715	3.7%
Professional Services	414,261	481,710	592,420	110,710	23.0%
Technology Maintenance/Minor Equipment	269,414	348,805	406,997	58,192	16.7%
Property Services	42,565	53,880	55,795	1,915	3.6%
Other Services	8,647	21,000	20,700	(300)	-1.4%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>2,525,268</b>	<b>2,386,698</b>	<b>2,601,889</b>	<b>215,191</b>	<b>9.0%</b>
<b>Capital Expenditures</b>					
Capital	6,351	59,500	59,500	-	0.0%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>6,351</b>	<b>59,500</b>	<b>59,500</b>	<b>-</b>	<b>0.0%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	496,531	-	-	-	--
<b>Total Other</b>	<b>496,531</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>3,028,150</b>	<b>2,446,198</b>	<b>2,661,389</b>	<b>215,191</b>	<b>8.8%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ (2,025,491)</b>	<b>\$ (1,519,398)</b>	<b>\$ (1,720,058)</b>	<b>\$ (200,660)</b>	<b>13.2%</b>

#### **Budget Summary**

- Salaries and Wages are up due to the fact that a COLA of 1.6% and 1.4% merit raise were budgeted for 2020 and a new meter reading position.
- Professional Services is up largely due to an increase in credit card fees due to increased customer use of credit cards and the budgeted expense of a sanitation consultant.
- Technology is up due to increased software maintenance as the City converts software. For a period of time the City will be charged maintenance on both software's.

## FUNDS AND DEPARTMENTS

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### ELECTRIC

#### **TASK**

To provide and maintain a safe, reliable and efficient source of electrical power; to be responsive to electrical emergencies and outages; and to represent the City of Bentonville in a courteous manner.

#### **2019 Accomplishments**

- Continue to provide 99.999% reliability rate.
- Established a new Utility Board for the City of Bentonville.
- Began coordination with WMT for the new campus. This includes large electric relocations and additions.
- Installed new fiber run to Substation "F". This is the first run of the new fiber loop and established the materials, specs, and details.
- Began doing all electric inspections.
- Began in-house safety program.
- Began streetlight LED conversions.
- Completed approximately 60 large underground projects including multiple apartment buildings and subdivisions.
- Added over 1,400 new electric meters. A 6% increase from 2018.
- Permitted numerous residential/commercial solar installations.
- Assisted Siloam Springs with rebuilds after the tornado.

#### **2020 Goals & Objectives**

- Begin the training of and conducting monthly meeting of the Utility Board.
- Continue the implementation of LED lighting throughout the City.
- Implement the Text Power program that will allow reporting of an outage via text.
- Conduct a system wide master plan and establish a 10-yr capital plan.
- Conduct a cost of use analysis.
- Design and implement Phase I of the City of Bentonville Fiber Loop.
- Complete design/construction of fiber installation infrastructure to "F" Sub.
- Coordinate with consultants for the design of a relocated substation, expansion of a substation, transmission line relocation, and OH to UG conversion of transmission/distribution lines all associated with the WMT campus project.
- Keep up with all the development that is continuing throughout Bentonville.

## FUNDS AND DEPARTMENTS

### ELECTRIC

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	68,657,646	64,610,394	63,831,004	(779,390)	-1.2%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	101,768	-	101,768	101,768	--
Other Income	293,451	-	-	-	--
<b>Total Revenues</b>	<b>69,052,865</b>	<b>64,610,394</b>	<b>63,932,772</b>	<b>(677,622)</b>	<b>-1.0%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	3,106,188	3,382,208	3,738,986	356,778	10.5%
Benefits	1,202,375	1,366,563	1,495,300	128,737	9.4%
Supplies & Materials	381,460	425,980	452,650	26,670	6.3%
Professional Services	155,045	221,550	274,720	53,170	24.0%
Technology Maintenance/Minor Equipment	72,014	112,835	109,444	(3,391)	-3.0%
Property Services	928,665	876,484	758,172	(118,312)	-13.5%
Other Services	187,475	195,375	218,975	23,600	12.1%
Utility Cost of Goods	50,523,093	52,430,364	49,585,010	(2,845,354)	-5.4%
<b>Total Operations and Maintenance</b>	<b>56,556,315</b>	<b>59,011,359</b>	<b>56,633,257</b>	<b>(2,378,102)</b>	<b>-4.0%</b>
<b>Capital Expenditures</b>					
Capital	5,509,588	3,607,500	6,595,000	2,987,500	82.8%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>5,509,588</b>	<b>3,607,500</b>	<b>6,595,000</b>	<b>2,987,500</b>	<b>82.8%</b>
<b>Other</b>					
Debt Service	1,071,422	1,075,893	-	(1,075,893)	-100.0%
Depreciation/Amortization	2,825,519	-	-	-	--
<b>Total Other</b>	<b>3,896,941</b>	<b>1,075,893</b>	<b>-</b>	<b>(1,075,893)</b>	<b>-100.0%</b>
<b>Total Expenditures</b>	<b>65,962,844</b>	<b>63,694,752</b>	<b>63,228,257</b>	<b>(466,495)</b>	<b>-0.7%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	300,000	300,000	--
Donated Infrastructure (non-cash item)	461,385	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>461,385</b>	<b>-</b>	<b>300,000</b>	<b>300,000</b>	<b>--</b>
<b>Net</b>	<b>\$ 3,551,406</b>	<b>\$ 915,642</b>	<b>\$ 1,004,515</b>	<b>\$ 88,873</b>	<b>9.7%</b>

#### **Budget Summary**

- Revenues are down slightly due to a cool summer in the previous year causing revenue forecast to be lower.
- Salaries and Wages are up due to the fact that a COLA of 1.6% and 1.4% merit raise were budgeted for 2020 and the addition of 3 new employees to help manage the growing workload.
- Benefits are up due to the fact that the City's Health Insurance premium was increased and for the employees noted above.
- Professional Services is up for the budgeted expense of a rate study.
- Other Services is up due to a general increase in property insurance for the City.

## FUNDS AND DEPARTMENTS

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### INVENTORY

#### **TASK**

To purchase, organize and maintain an appropriate inventory for all materials needed for construction operations by the City of Bentonville public works departments.

#### **2019 Accomplishments:**

- Successful year-end physical inventory
- Implementation of new software
- Maintaining a large inventory with success

#### **2020 Goals/Objectives:**

- Increase knowledge and understanding of material
- Continue to reduce costs by negotiating competitive bids
- Continue with the ongoing implementation of new software

## FUNDS AND DEPARTMENTS

### INVENTORY

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	161,045	175,501	180,403	4,902	2.8%
Benefits	60,909	63,719	76,851	13,132	20.6%
Supplies & Materials	35,573	31,600	31,500	(100)	-0.3%
Professional Services	1,733	9,322	10,500	1,178	12.6%
Technology Maintenance/Minor Equipment	13,431	27,570	20,796	(6,774)	-24.6%
Property Services	12,014	22,800	24,100	1,300	5.7%
Other Services	8,085	6,000	13,800	7,800	130.0%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>292,790</b>	<b>336,512</b>	<b>357,950</b>	<b>21,438</b>	<b>6.4%</b>
<b>Capital Expenditures</b>					
Capital	39,549	7,000	-	(7,000)	-100.0%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>39,549</b>	<b>7,000</b>	<b>-</b>	<b>(7,000)</b>	<b>-100.0%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	116,706	-	-	-	--
<b>Total Other</b>	<b>116,706</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>449,045</b>	<b>343,512</b>	<b>357,950</b>	<b>14,438</b>	<b>4.2%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	25,763	26,846	1,083	4.2%
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>25,763</b>	<b>26,846</b>	<b>1,083</b>	<b>4.2%</b>
<b>Net</b>	<b>\$ (449,045)</b>	<b>\$ (317,749)</b>	<b>\$ (331,104)</b>	<b>\$ (13,355)</b>	<b>4.2%</b>

### Budget Summary

- Benefits is up to an employee going from single insurance to family insurance during the year

## FUNDS AND DEPARTMENTS

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### SANITATION

#### **TASK**

The Sanitation department provides for recording revenue and expenses associated with the provision of trash service in the city. There are no personnel assigned to this department. The two departments of Billing & Collection and Accounting and Purchasing perform necessary tasks, with assistance as required from various departments.

#### **2019 ACCOMPLISHMENTS**

N/A

#### **2020 GOALS & OBJECTIVES**

N/A



## FUNDS AND DEPARTMENTS

### SANITATION

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	4,988,006	4,543,645	4,986,789	443,144	9.8%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	3,176	-	3,176	3,176	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<b>4,991,182</b>	<b>4,543,645</b>	<b>4,989,965</b>	<b>446,320</b>	<b>9.8%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	17,651	35,301	35,301	-	0.0%
Utility Cost of Goods	4,542,597	4,134,545	4,488,110	353,565	8.6%
<b>Total Operations and Maintenance</b>	<b>4,560,248</b>	<b>4,169,846</b>	<b>4,523,411</b>	<b>353,565</b>	<b>8.5%</b>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>4,560,248</b>	<b>4,169,846</b>	<b>4,523,411</b>	<b>353,565</b>	<b>8.5%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ 430,934</b>	<b>\$ 373,799</b>	<b>\$ 466,554</b>	<b>\$ 92,755</b>	<b>24.8%</b>

#### **Budget Summary**

- Revenues are up due to growth in the City.
- Utility Cost of Goods is likewise up based on this increased revenue.

## FUNDS AND DEPARTMENTS

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### SEWER REHAB

#### **TASK**

To provide citizens of Bentonville prompt professional service in the collection of wastewater in an environmentally sound manner.

#### **2019 ACCOMPLISHMENTS**

- Increased our sewer system by 5 miles making our total sewer system 311 miles of pipe.
- Hydro cleaned over a million feet of sewer main.
- Televised 120,000' of sewer main.
- Cleared and made accessible over 9 miles of offsite easements along our sanitary sewer mains.
- Conducted over 1,100 meetings involving 81 active and 57 completed new development projects relating to providing or construction sewer services.
- Upgraded a position in our sewer department to Construction Inspectors to assist with the overwhelming demand associated with new developments.
- Participated in Bentonville running events by operating the watering station.

#### **2020 GOALS & OBJECTIVES**

- Reduce inflow and infiltration.
- Identify sources of fats, oils, and grease.
- Update/Correct our GIS Map.
- Repair/Replace sewer main deficiencies.
- Improve and update our department literature.
- Improve our customer outreach.

## FUNDS AND DEPARTMENTS

### SEWER REHAB

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	3,760.00	-	-	-	--
Charge for Services	25,126	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	1,417	-	1,417	1,417	--
Other Income	575,871	-	-	-	--
<b>Total Revenues</b>	<b>606,174</b>	<b>-</b>	<b>1,417</b>	<b>1,417</b>	<b>--</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	816,795	781,812	822,184	40,372	5.2%
Benefits	361,538	376,769	429,730	52,961	14.1%
Supplies & Materials	76,455	108,300	122,300	14,000	12.9%
Professional Services	2,487	6,900	615,250	608,350	8816.7%
Technology Maintenance/Minor Equipment	1,800	19,600	2,000	(17,600)	-89.8%
Property Services	189,694	314,100	313,036	(1,064)	-0.3%
Other Services	27,304	39,800	44,537	4,737	11.9%
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>1,476,073</b>	<b>1,647,281</b>	<b>2,349,037</b>	<b>701,756</b>	<b>42.6%</b>
<b>Capital Expenditures</b>					
Capital	317,137	350,000	210,000	(140,000)	-40.0%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>317,137</b>	<b>350,000</b>	<b>210,000</b>	<b>(140,000)</b>	<b>-40.0%</b>
<b>Other</b>					
Debt Service	547,114	547,266	547,117	(149)	0.0%
Depreciation/Amortization	1,185,502	-	-	-	--
<b>Total Other</b>	<b>1,732,616</b>	<b>547,266</b>	<b>547,117</b>	<b>(149)</b>	<b>0.0%</b>
<b>Total Expenditures</b>	<b>3,525,826</b>	<b>2,544,547</b>	<b>3,106,154</b>	<b>561,607</b>	<b>22.1%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	1,320,342	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	121,350	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>1,441,692</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ (1,477,960)</b>	<b>\$ (2,544,547)</b>	<b>\$ (3,104,737)</b>	<b>\$ (560,190)</b>	<b>22.0%</b>

#### **Budget Summary**

- Salaries and Wages are up due to the fact that a COLA of 1.6% and 1.4% merit raise were budgeted for 2020.
- Benefits are up due to the fact that the City's Health Insurance premium was increased and an adjustment to due to the benefit forecast for that department.

## FUNDS AND DEPARTMENTS

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### WASTEWATER

#### **TASK**

To protect the public health and environment through effective treatment of wastewater.

#### **2019 ACCOMPLISHMENTS**

- At the end of 2018 installation of the new PWTech Volute Screw Press was completed. The press replaced an obsolete and maintenance intensive Belt Press. Production using the screw press began. January 15th 2019. The old belt press required constant personnel presence during operation. The new screw press requires approximately 1 hour/day of personnel labor in a 13 hour run, mostly to move the truck and clean-up once the pressing operation is complete. It has an audible alarms system and automatic shut down for emergencies. A polymer cost increase is offset by a significant reduction in water usage and flexibility in operator work assignments. The new screw press produces a much drier sludge, which in turn reduces biosolids hauling expenses. Attached is a comparison of the belt press and the screw press results.
- In 2019, 36 year old clarifier drive, gear boxes, catwalks, sweeps and motors were replaced. In 2017 one of the gear boxes failed requiring an emergency repair. New catwalks have grating in place of metal diamond plate, providing better traction during wet and winter weather. The new sweeps have a spiral sweep mechanism on the bottom that forces sludge to the center of the tank faster for removal. The area around the gear drive is configured to be maintenance friendly allowing personnel a safer work environment.
- In 2019 old linoleum flooring in the administration building was replaced with tile. Linoleum flooring required 3 hours waxing and buffing at least every other day. Annual wax removal and re-wax took a total of 4 days to complete. Now personnel just need to sweep and mop, freeing up several hours per week for employees to perform other operational duties.
- In 2019 Operations and Maintenance teamed up to replace the membranes in digesters #1 and #2. Membranes supply diffused oxygen to biosolids to continue breaking down solids before dewatering. Constant air pressure applied to the membranes makes replacement necessary every 5 years. At the next scheduled membrane maintenance, replacement of the existing PVC components will be required because they are becoming brittle due to more than 15 years of constant pressure and high temperature.
- In 2019, we replaced the 36 year old Lakeside Aeration Rotors with new Lakeside Rotors, energy efficient motors, bearing and gear boxes. Each aeration basin has 4 rotors to supply oxygen to the water. Attached photos show the deterioration of the replaced equipment. The new rotors should last another 30 years with proper maintenance and operation.
- In 2019, Wastewater personnel removed the maintenance intensive and unreliable influent grit classifier and installed a more efficient classifier without internal bearings and the requirement of addition of sand to form a foundation for grit removal. Grit removal from the influent flow has increased and less maintenance is required.

## FUNDS AND DEPARTMENTS

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### **2020 GOALS & OBJECTIVES**

- Incorporate Facility name change to Bentonville Water Resource Recovery Facility (WRRF).
- Continue to explore options for future plant expansion and upgrades.
- Investigate sustainable options for disposal of Bentonville biosolids and green waste.
- Build on our water environmental education program for local classrooms and interested citizens.
- Replace faulty in-plant analytical equipment.
- Replace Grit Chamber drive, gear boxes, catwalks, sweeps and motors.
- Upgrade and replace leaking roofs on 4 facility buildings.
- Removal of Rice Road Lift Station; flow will gravity to Grammercy Lift Station.

## FUNDS AND DEPARTMENTS

### WASTEWATER

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	1,065.00	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	13,921,254	13,355,000	13,608,362	253,362	1.9%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	10,454	-	10,453	10,453	--
Other Income	8,014	-	-	-	--
<b>Total Revenues</b>	<b>13,940,787</b>	<b>13,355,000</b>	<b>13,618,815</b>	<b>263,815</b>	<b>2.0%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	1,069,326	1,150,944	1,124,370	(26,574)	-2.3%
Benefits	486,396	509,422	554,614	45,192	8.9%
Supplies & Materials	272,669	507,444	500,987	(6,457)	-1.3%
Professional Services	143,269	392,476	344,850	(47,626)	-12.1%
Technology Maintenance/Minor Equipment	12,120	16,600	33,999	17,399	104.8%
Property Services	477,461	298,106	351,800	53,694	18.0%
Other Services	52,958	79,316	75,753	(3,563)	-4.5%
Utility Cost of Goods	5,934,191	5,760,030	5,916,084	156,054	2.7%
<b>Total Operations and Maintenance</b>	<b>8,448,390</b>	<b>8,714,338</b>	<b>8,902,457</b>	<b>188,119</b>	<b>2.2%</b>
<b>Capital Expenditures</b>					
Capital	1,543,197	2,305,508	865,500	(1,440,008)	-62.5%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>1,543,197</b>	<b>2,305,508</b>	<b>865,500</b>	<b>(1,440,008)</b>	<b>-62.5%</b>
<b>Other</b>					
Debt Service	418,469	418,602	-	(418,602)	-100.0%
Depreciation/Amortization	752,660	-	-	-	--
<b>Total Other</b>	<b>1,171,129</b>	<b>418,602</b>	<b>-</b>	<b>(418,602)</b>	<b>-100.0%</b>
<b>Total Expenditures</b>	<b>11,162,716</b>	<b>11,438,448</b>	<b>9,767,957</b>	<b>(1,670,491)</b>	<b>-14.6%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	1,300,000	-	(1,300,000)	-100.0%
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>1,300,000</b>	<b>-</b>	<b>(1,300,000)</b>	<b>-100.0%</b>
<b>Net</b>	<b>\$ 2,778,071</b>	<b>\$ 3,216,552</b>	<b>\$ 3,850,858</b>	<b>\$ 634,306</b>	<b>19.7%</b>

### Budget Summary

- Benefits are up due to the fact that the City's Health Insurance premium was increased.
- Technology is up due to a budgeted expense for improvements to the SCADA system.
- Property Services is up due to increase in Building and Grounds Maintenance items.

## FUNDS AND DEPARTMENTS

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### WATER

#### **Task**

"The mission of Bentonville's Water Utilities dedicated staff is to serve as water and wastewater professionals, providing consistent, reliable and sustainable services for the citizens of Bentonville, AR." Bentonville's water utility staff remains steadfast in assuring the citizens, businesses and guests we serve that quality plans are developed, proper water and wastewater infrastructure is installed and that the future of the water utilities has a solid foundation for generations to come. We are committed to hold true to a high standard of conduct from our team, which will be reflected in the operation and maintenance of Bentonville's water utilities systems. We will pursue avenues and set standards that will ensure Bentonville's water and wastewater systems will function properly and provide quality service for today's population and projected growth. Bentonville's water utilities team is ready to assist you today, tomorrow and into the future.

#### **2019 ACCOMPLISHMENTS**

- Water purchased daily average 11,243,000.
- Water purchased max day 15,520,000.
- Increased our water system by 5 miles making our total water system 330 miles of pipe.
- Completed 11,357 utility locates with a high day of 137.
- Pulled 983 water samples from our water system.
- Completed the complete inside and outside renovation of the Downtown Water Tank.
- Completed over 4,500 work orders pertaining to our water system, sanitary sewer system and water meter maintenance.
- Conducted over 1,100 meetings involving 81 active and 57 completed new development projects relating to providing or constructing water service.
- Manage a Cross Connection Control program that includes almost 6,000 backflow devices.
- Upgraded a position in our water department to Construction Inspectors to assist with the overwhelming demand associated with new developments.
- Participated in Bentonville running events by operating the watering station.

#### **2020 GOALS & OBJECTIVES**

- Reduce unaccounted for water.
- Update/Correct our GIS Map.
- Improve our leak detection infrastructure.
- Improve our meter reporting network.
- Maintain and improve water quality.
- Maintain and improve our water storage facilities.
- Improve and update our department literature.
- Improve our customer outreach.
- Improve our customer interaction through social media and our website.



## FUNDS AND DEPARTMENTS

### WATER

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	146,361	-	-	-	--
Charge for Services	11,621,963	10,438,436	10,233,457	(204,979)	-2.0%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	16,763	-	16,762	16,762	--
Other Income	14,609	-	-	-	--
<b>Total Revenues</b>	<b>11,799,696</b>	<b>10,438,436</b>	<b>10,250,219</b>	<b>(188,217)</b>	<b>-1.8%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	1,312,424	1,484,713	1,573,494	88,781	6.0%
Benefits	560,703	692,531	721,571	29,040	4.2%
Supplies & Materials	184,136	199,750	173,900	(25,850)	-12.9%
Professional Services	37,713	49,320	93,320	44,000	89.2%
Technology Maintenance/Minor Equipment	36,816	65,406	41,899	(23,507)	-35.9%
Property Services	544,697	651,805	654,836	3,031	0.5%
Other Services	104,270	122,615	133,055	10,440	8.5%
Utility Cost of Goods	6,306,279	5,226,317	5,288,921	62,604	1.2%
<b>Total Operations and Maintenance</b>	<b>9,087,038</b>	<b>8,492,457</b>	<b>8,680,996</b>	<b>188,539</b>	<b>2.2%</b>
<b>Capital Expenditures</b>					
Capital	889,016	940,000	760,000	(180,000)	-19.1%
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>889,016</b>	<b>940,000</b>	<b>760,000</b>	<b>(180,000)</b>	<b>-19.1%</b>
<b>Other</b>					
Debt Service	732,470	730,143	732,472	2,329	0.3%
Depreciation/Amortization	1,773,089	-	-	-	--
<b>Total Other</b>	<b>2,505,559</b>	<b>730,143</b>	<b>732,472</b>	<b>2,329</b>	<b>0.3%</b>
<b>Total Expenditures</b>	<b>12,481,613</b>	<b>10,162,600</b>	<b>10,173,468</b>	<b>10,868</b>	<b>0.1%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	150,000	150,000	--
Donated Infrastructure (non-cash item)	1,369,185	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	64,747	45,276	(19,471)	-30.1%
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>1,369,185</b>	<b>64,747</b>	<b>195,276</b>	<b>130,529</b>	<b>201.6%</b>
<b>Net</b>	<b>\$ 687,268</b>	<b>\$ 340,583</b>	<b>\$ 272,027</b>	<b>\$ (68,556)</b>	<b>-20.1%</b>

#### Budget Summary

- In the 2020 budget the department of Public Works Director was moved to the Water Department.
- Revenue is down based upon projections.
- Salaries and Wages are up due to the fact that a COLA of 1.6% and 1.4% merit raise were budgeted for 2020, the addition of one new employee and the moving of the Public Works Director budget into the Water Department.

## FUNDS AND DEPARTMENTS

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- Benefits are up due to the fact that the City's Health Insurance premium was increased and the position and changes noted above.
- Professional Services is up due to the budgeting of an EPA required risk assessment and emergency response plan for the water system.

## FUNDS AND DEPARTMENTS

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### OTHER FUNDS

This section includes the Street Fund, Fire Impact Fee, Parks Impact Fee, Water Capacity Fee, and Wastewater Capacity Fee and the Debt Service Fund. Most of these are Special Revenues Funds and are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. A good example is state turnback funds for streets. Those funds cannot be used for any other function. Each of these funds has such restricted funds, which may be supplemented by transfers from the General Fund upon approval of the City Council.

There is one department in each of these funds. The pages in this section present a summary for each of those departments. The information includes a brief statement of the task of the department, some accomplishments for the past year, goals and objectives for the budget year, and an organization chart. Also provided are explanations for some of the expenses, and a financial summary showing information for the past two years and the budget year, along with the change in dollars and percent from the previous year to the budget year.

This section also includes information for capacity and impact fees. Until 2005, these were reported within the respective departments, but reporting and tracking was a bit cumbersome. Now we are keeping each of these in separate “departments” and funds are transferred as appropriate to their “target” departments as they are used in accordance with the provisions of the purpose of the fees.

The Debt Service Fund is new and will track 80% of the capital penny as well as related principal, interest, and service fees.

## FUNDS AND DEPARTMENTS

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### FIRE IMPACT FEES

**TASK**

To account for Fire Impact Fees.

**2019 ACCOMPLISHMENTS**

N/A

**2020 GOALS & OBJECTIVES**

N/A

**BUDGET SUMMARY**

These funds can only be used for capital items related to new growth. The fees are collected at the time a Certificate of Occupancy is issued, and are transferred to the Fire Department when qualifying expenses are incurred. Fees are as follows:

**RESIDENTIAL (PER UNIT)**

- |                         |       |
|-------------------------|-------|
| • SF Detached           | \$318 |
| • All Other Residential | \$200 |

**NON-RESIDENTIAL-** (Per 1000 sf/per room (Hotel/Motel/Resort Hotel) Commercial/Retail Centers

- |              |       |
|--------------|-------|
| • Commercial | \$357 |
| • Office     | \$135 |
| • Industrial | \$ 47 |

## FUNDS AND DEPARTMENTS

### FIRE IMPACT FEES

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	439,908	300,000	300,000	-	0.0%
Interest/Rent	69	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<b>439,977</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>	<b>0.0%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Set-asides - Capital Items	-	300,000	300,000	-	0.0%
<b>Total Capital Expenditures</b>	<b>-</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>	<b>0.0%</b>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Total Expenditures</b>	<b>-</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>	<b>0.0%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ 439,977</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>--</b>

## FUNDS AND DEPARTMENTS

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### PARKS IMPACT FEES

**TASK**

To account for Park Impact Fees.

**2019 ACCOMPLISHMENTS**

N/A

**2020 GOALS & OBJECTIVES**

N/A

**BUDGET SUMMARY**

These funds can only be used for capital items related to new growth. Parks Impact Fees were passed by City Council in July of 2006.

The fees are collected at the time a Certificate of Occupancy is issued, and are transferred to the Parks Department when qualifying expenses are incurred. Fees are as follows:

RESIDENTIAL (PER UNIT)

- |                         |        |
|-------------------------|--------|
| • SF Detached           | \$2192 |
| • All Other Residential | \$1381 |

## FUNDS AND DEPARTMENTS

### PARKS IMPACT FEES

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	1,611,607	900,000	900,000	-	0.0%
Interest/Rent	-	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<u>1,611,607</u>	<u>900,000</u>	<u>900,000</u>	<u>-</u>	<u>0.0%</u>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Set-asides - Capital Items	-	900,000	900,000	-	0.0%
<b>Total Capital Expenditures</b>	<u>-</u>	<u>900,000</u>	<u>900,000</u>	<u>-</u>	<u>0.0%</u>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Total Expenditures</b>	<u>-</u>	<u>900,000</u>	<u>900,000</u>	<u>-</u>	<u>0.0%</u>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	(444,592)	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<u>(444,592)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Net</b>	<u>\$ 1,167,015</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>--</u>



## FUNDS AND DEPARTMENTS

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### POLICE IMPACT FEES

**TASK**

To account for Police Impact Fees.

**2019 ACCOMPLISHMENTS**

N/A

**2020 GOALS & OBJECTIVES**

N/A

**BUDGET SUMMARY**

These funds can only be used for capital items related to new growth. Police Impact Fees were passed by City Council in July of 2016.

The fees are collected at the time a Certificate of Occupancy is issued, and are transferred to the Police Department when qualifying expenses are incurred. Fees are as follows:

**RESIDENTIAL (PER UNIT)**

- |                         |       |
|-------------------------|-------|
| • SF Detached           | \$546 |
| • All Other Residential | \$344 |

**NON-RESIDENTIAL**

- |              |       |
|--------------|-------|
| • Commercial | \$615 |
| • Office     | \$233 |
| • Industrial | \$ 81 |

## FUNDS AND DEPARTMENTS

### POLICE IMPACT FEES

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	611,175	500,000	500,000	-	0.0%
Interest/Rent	50	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<u>611,225</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>0.0%</u>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Set-asides - Capital Items	-	500,000	500,000	-	0.0%
<b>Total Capital Expenditures</b>	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>0.0%</u>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Total Expenditures</b>	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>0.0%</u>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Net</b>	<u><u>\$ 611,225</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>--</u></u>

## FUNDS AND DEPARTMENTS

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### LIBRARY IMPACT FEES

**TASK**

To account for Library Impact Fees.

**2019 ACCOMPLISHMENTS**

N/A

**2020 GOALS & OBJECTIVES**

N/A

**BUDGET SUMMARY**

These funds can only be used for capital items related to new growth. Library Impact Fees were passed by City Council in July of 2016.

The fees are collected at the time a Certificate of Occupancy is issued, and are transferred to the Library Department when qualifying expenses are incurred. Fees are as follows:

**RESIDENTIAL (PER UNIT)**

- |                         |       |
|-------------------------|-------|
| • SF Detached           | \$178 |
| • All Other Residential | \$112 |

## FUNDS AND DEPARTMENTS

### LIBRARY IMPACT FEES

Description	2018 Actual	2019 Budget	2020 Request	Change In Dollars	Change In Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charge for Services	-	-	-	-	-
Special Assessments/Fines	107,482	85,000	85,000	-	0.0%
Interest/Rent	-	-	-	-	-
Other Income	-	-	-	-	-
<b>Total Revenues</b>	<b>107,482</b>	<b>85,000</b>	<b>85,000</b>	<b>-</b>	<b>0.0%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	-
Benefits	-	-	-	-	-
Supplies & Materials	-	-	-	-	-
Professional Services	-	-	-	-	-
Technology Maintenance/Minor Equipment	-	-	-	-	-
Property Services	-	-	-	-	-
Other Services	-	-	-	-	-
Utility Cost of Goods	-	-	-	-	-
<b>Total Operations and Maintenance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	-
Set-asides - Capital Items	-	85,000	85,000	-	0.0%
<b>Total Capital Expenditures</b>	<b>-</b>	<b>85,000</b>	<b>85,000</b>	<b>-</b>	<b>0.0%</b>
<b>Other</b>					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>-</b>	<b>85,000</b>	<b>85,000</b>	<b>-</b>	<b>0.0%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	-
Use of Reserves	-	-	-	-	-
Donated Infrastructure (non-cash item)	-	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net</b>	<b>\$ 107,482</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

## FUNDS AND DEPARTMENTS

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### WATER CAPACITY FEES

**TASK**

To account for Water Capacity Fees.

**2019 ACCOMPLISHMENTS**

N/A

**2020 GOALS & OBJECTIVES**

N/A

**BUDGET SUMMARY**

These fees were discontinued at the end of 2016 by vote of the City Council. They are still presented since the 2018 Actual amounts are necessary for reconciliation purposes.

## FUNDS AND DEPARTMENTS

### WATER CAPACITY FEES

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	228,820	-	-	-	--
Interest/Rent	27	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<u>228,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Net</b>	<u><u>\$ 228,847</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>--</u></u>

## FUNDS AND DEPARTMENTS

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### WASTEWATER CAPACITY FEES

**TASK**

To account for Wastewater Capacity Fees.

**2019 ACCOMPLISHMENTS**

N/A

**2020 GOALS & OBJECTIVES**

N/A

**BUDGET SUMMARY**

These fees were discontinued at the end of 2016 by vote of the City Council. They are still presented since the 2018 Actual amounts are necessary for reconciliation purposes.



## FUNDS AND DEPARTMENTS

### WASTEWATER CAPACITY FEES

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	326,156	-	-	-	--
Interest/Rent	99	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<u>326,255</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Other</b>					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>--</u>
<b>Net</b>	<u><u>\$ 326,255</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>--</u></u>

## FUNDS AND DEPARTMENTS

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### STREET

#### **TASK**

To maintain city streets in good condition, to keep the streets passable in inclement weather, and to keep them clean.

#### **2019 ACCOMPLISHMENTS**

- Completed 2.5 miles of street mill and inlay.
- Completed 2 miles of drainage ditch cleanout.
- Placed 469 tons of riprap in drainage ditches.
- Placed 1,041 tons of asphalt for repairs of street cuts/potholes.
- Placed 150 Cubic Yards of Concrete to repair/replace curbs and sidewalks.
- Placed approximately 4,000 gallons of salt brine for pre-treatment on the streets.
- Placed 86 tons of salt on streets for ice removal.

#### **2020 GOALS & OBJECTIVES**

- Manage Master Street Plan revisions.
- Continue to maintain and improve city wide drainage ways.
- Maintain and improve city streets using industry wide best practices.
- Maintain and improve city sidewalks.
- Complete 4 miles of street mill and inlay.
- Continue to support other city departments on in-house projects.
- Continue to apply more cost efficient and effective methods for increasing infrastructure life expectancy.

## FUNDS AND DEPARTMENTS

### STREET

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ 4,446,889	\$ 4,317,889	\$ 4,501,705	\$ 183,816	4.3%
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	1,419,284	-	-	-	-
Charge for Services	53,562	27,000	27,000	-	0.0%
Special Assessments/Fines	-	-	-	-	-
Interest/Rent	22,487	-	6,460	6,460	-
Other Income	1,015,324	-	-	-	-
<b>Total Revenues</b>	<b>6,957,546</b>	<b>4,344,889</b>	<b>4,535,165</b>	<b>190,276</b>	<b>4.4%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	1,166,341	1,207,202	1,311,791	104,589	8.7%
Benefits	513,457	546,026	590,948	44,922	8.2%
Supplies & Materials	124,521	154,150	161,700	7,550	4.9%
Professional Services	60,531	113,845	100,500	(13,345)	-11.7%
Technology Maintenance/Minor Equipment	16,575	28,435	35,999	7,564	26.6%
Property Services	399,306	488,211	473,362	(14,849)	-3.0%
Other Services	29,274	38,510	44,200	5,690	14.8%
Utility Cost of Goods	-	-	-	-	-
<b>Total Operations and Maintenance</b>	<b>2,310,005</b>	<b>2,576,379</b>	<b>2,718,500</b>	<b>142,121</b>	<b>5.5%</b>
<b>Capital Expenditures</b>					
Capital	6,118,841	918,000	1,482,802	564,802	61.5%
Setasides - Capital Items	-	760,000	113,319	(646,681)	-85.1%
<b>Total Capital Expenditures</b>	<b>6,118,841</b>	<b>1,678,000</b>	<b>1,596,121</b>	<b>(81,879)</b>	<b>-4.9%</b>
<b>Other</b>					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>8,428,846</b>	<b>4,254,379</b>	<b>4,314,621</b>	<b>60,242</b>	<b>1.4%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	-
Use of Reserves	-	-	-	-	-
Donated Infrastructure (non-cash item)	-	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-	-
Sale of Capital Assets	19,537	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	(90,510)	(72,122)	18,388	-20.3%
<b>Total Other Financing Sources and Uses</b>	<b>19,537</b>	<b>(90,510)</b>	<b>(72,122)</b>	<b>18,388</b>	<b>-20.3%</b>
<b>Net</b>	<b>\$ (1,451,763)</b>	<b>\$ -</b>	<b>\$ 148,422</b>	<b>\$ 148,422</b>	<b>-</b>

#### Budget Summary

- Salaries and Wages are up due to the fact that a COLA of 1.6% and 1.4% merit raise were budgeted for 2020.
- Benefits are up due to the fact that the City's Health Insurance premium was increased.
- Capital is up due to an expanded street overlay budget for 2020.

## FUNDS AND DEPARTMENTS

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### DEBT SERVICE FUND

**TASK**

To account for 80% of the receipts on the capital penny as well as the principal, interest, and service fees on the bond money.

**2019 ACCOMPLISHMENTS**

N/A

**2020 GOALS & OBJECTIVES**

N/A

## FUNDS AND DEPARTMENTS

### DEBT SERVICE FUND

Description	2018 Actual	2019 Budget	2020 Request	Change in Dollars	Change in Percent
<b>Revenues</b>					
Taxes	\$ 11,060,692	\$ 10,000,000	\$ 11,060,693	\$ 1,060,693	10.6%
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	145,453	-	-	-	--
Other Income	-	-	-	-	--
<b>Total Revenues</b>	<b>11,206,145</b>	<b>10,000,000</b>	<b>11,060,693</b>	<b>1,060,693</b>	<b>10.6%</b>
<b>Expenditures</b>					
<b>Operations and Maintenance</b>					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
<b>Total Operations and Maintenance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Capital Expenditures</b>					
Capital	-	-	-	-	--
Set-asides - Capital Items	-	-	-	-	--
<b>Total Capital Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Other</b>					
Debt Service	11,407,160	10,000,000	11,060,693	1,060,693	10.6%
Depreciation/Amortization	-	-	-	-	--
<b>Total Other</b>	<b>11,407,160</b>	<b>10,000,000</b>	<b>11,060,693</b>	<b>1,060,693</b>	<b>10.6%</b>
<b>Total Expenditures</b>	<b>11,407,160</b>	<b>10,000,000</b>	<b>11,060,693</b>	<b>1,060,693</b>	<b>10.6%</b>
<b>Other Financing Sources and Uses</b>					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>--</b>
<b>Net</b>	<b>\$ (201,015)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>--</b>

## CAPITAL

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### CAPITAL INTRODUCTION

As a part of the budget process, a separate form is completed to request any capital item. To qualify as a capital item the cost must be at least \$5,000 and the item must have an expected useful life of more than one year. The capital request form is available to our department heads in electronic form on our network. The form provides information on whether the item is a replacement or additional item, the cost, an explanation of why the item is needed, information on the item (if any) being replaced, and other pertinent information to justify the request. Each department ranks its requests by priority to enable the Mayor and Director of Finance and Administration to have a better understanding of the priorities if items must be cut or placed on the “not recommended” list.

In August of 2003, voters approved an additional “one-cent” sales tax with the funds dedicated to capital needs. The tax was effective October 1, 2003, and would have expired September 30, 2013, with at least seventy percent of it dedicated to streets for the first seven and one-half years. In August of 2007, a special election was held that extended the tax for 25 years and authorizes the City to issue up to \$110 million in bonds. The first series was issued in November of 2007 in the amount of \$36.3 million. 80% of the capital penny will be used for debt service. Based on current spending of the first series, series two was issued in December of 2009 and series three was issued in November of 2010.

In addition, there are capacity/impact funds for police, parks, library, wastewater/sewer, water, and fire that can only be spent in those respective departments on capital that can be attributed to new growth in the City.

Prioritizing capital projects when faced with limited resources is always challenging for cities. The City of Bentonville takes an analytical approach when reviewing the list of requests.

- Can the project be funded with capacity/impact fees? If so, that money would be used first.
- Is there other money available to assist with funding such as development agreements, grants, sharing ventures with interested parties, set asides from prior years, or regular operating revenues? Debt is not looked to first unless the scope of the project(s) is of such a magnitude that debt is the only solution.

A list of the requested capital items is presented on the following pages. The list is then supplemented by an explanation of significant and non-recurring capital requests.

# CAPITAL

## LIST OF CAPITAL ITEMS

Department	Description	Requested	Type	Vehicle Replacement Information
Building Inspection Total		\$ 35,000.00		
Public Works Maintenance	(1) Grasshopper zero turn	\$ 15,000.00	Replacement	
Public Works Maintenance	(1) Hustler mower	\$ 15,000.00	Replacement	
Public Works Maintenance	(1) Grasshopper ride on blower	\$ 10,000.00	Replacement	
Public Works Maintenance	3/4 Ton 4x4 Crew Cab with box beds	\$ 37,250.00	Replacement	(5020-43) 2008 Ford F250 Super Duty Crew Cab 4X4 with 86,443 miles
Public Works Maintenance	3/4 Ton 4x4 Crew Cab with box beds	\$ 37,250.00	Replacement	(5020-63) 2008 Ford F350 Super Duty Single Cab 4X4 with 66,500
Public Works Maintenance Total		\$ 114,500.00		
Parks and Recreation	Austin Bagget Curb / Street Improvements	\$ 50,000.00	Additional	
Parks and Recreation	BCC - Dolphin Pool Cleaner Replacement	\$ 8,500.00	Replacement	
Parks and Recreation	Coughlin Property Construction Management	\$ 50,000.00	Additional	
Parks and Recreation	Coughlin Property Design	\$ 200,000.00	Additional	
Parks and Recreation	Durham Park Play Structure	\$ 45,000.00	Replacement	
Parks and Recreation	Bella Vista Lake Play Structure	\$ 150,000.00	Replacement	
Parks and Recreation	Memorial - Soccer Field 9 Re crown Grade Sod	\$ 45,000.00	Replacement	
Parks and Recreation	Memorial - Tennis Courts Resurface	\$ 20,000.00	Replacement	
Parks and Recreation	Old Tiger Track Improvements	\$ 188,000.00	Additional	
Parks and Recreation	Park Springs Column Repair	\$ 13,000.00	Replacement	
Parks and Recreation	Phillips Bathroom Epoxy	\$ 6,000.00	Replacement	
Parks and Recreation	Phillips Park Toilet and Sink Replacement	\$ 15,000.00	Replacement	
Parks and Recreation	Phillips Restroom Toilet & Lavatory Replacement	\$ 11,437.00	Replacement	
Parks and Recreation	Seal and Stripe Parking Lots (NE A Memorial Wildwood & Ba	\$ 15,000.00	Replacement	
Parks and Recreation	Aerator - Attachment for Mowers	\$ 6,500.00	Additional	
Parks and Recreation	Edger - 2 x 60 Front Mount Power Lift Edger	\$ 6,500.00	Additional	
Parks and Recreation	Equipment - Confined Space (Hoist/Gas Meter/Fan	\$ 7,500.00	Additional	
Parks and Recreation	Mower - 72" Zero Turn Mower	\$ 12,500.00	Replacement	
Parks and Recreation	Pressure Washer / Trailer Combo	\$ 11,500.00	Replacement	
Parks and Recreation	Sprayer - Chemical Sprayer	\$ 56,000.00	Replacement	
Parks and Recreation	Sprayer - Turf Tank Line Sprayer	\$ 50,000.00	Additional	
Parks and Recreation	Trailer - Enclosed Trailer - Facilities	\$ 6,000.00	Additional	
Parks and Recreation	Trailer - Tools/Set up for Facilities Trailer	\$ 10,000.00	Additional	
Parks and Recreation	UTV	\$ 12,000.00	Replacement	
Parks and Recreation	Verticutter	\$ 11,500.00	Additional	
Parks and Recreation	Crew Cab Truck w Flat Bed - Ballfields	\$ 37,000.00	Replacement	(5020-17) 2008 Ford F-350 with 47,000 miles
Parks and Recreation	1 Ton 4 Door Crew Cab w Dump Bed	\$ 42,000.00	Replacement	(5020-25) 2009 Ford F-350 W/Dump Bed 4X4 V8 with 42,805
Parks and Recreation	1/2 Ton Pick Up - 2WD	\$ 25,000.00	Replacement	(5030-01) - Dodge 1/2 Ton Truck with 50,898 miles
Parks and Recreation	Lift Truck with Down Riggers and Boom	\$ 145,000.00	Replacement	(5030-18) - 2004 International 4300 Lift Truck with 30,009 miles
Parks and Recreation Total		\$ 1,255,937.00		
Library	Office Copier	\$ 11,000.00	Replacement	
Library	Coin Op for public copier	\$ 6,000.00	Replacement	
Library	Bibliotheca Self-Check w/ bill+coin op	\$ 81,312.00	Replacement	
Library Total		\$ 98,312.00		
General Fund Total		\$ 4,121,751.00		



## CAPITAL

Transportation and Street	City wide drainage / Downtown Drainage TBD	\$	75,000.00	Improvement	
Transportation and Street	City Wide Street Overlay Program	\$	700,000.00	Improvement	
Transportation and Street	12 yd w/Belly Plow & Spreader	\$	230,000.00	Replacement	(3810-14) 2007 8yd Dump Truck 50,210 miles
Transportation and Street	12 yd w/Belly Plow & Spreader	\$	230,000.00	Replacement	(3810-04) 2002 10yd Dump Truck 58,710 miles
Transportation and Street	F550 Single Cab 4x4 for weight requirement for plow/spread	\$	70,000.00	Replacement	(3810-08) 2004 F250 64 753 miles
Transportation and Street	F550 Single Cab 4x4 for weight requirement for plow/spread	\$	70,000.00	Replacement	(3810-30) 2006 Chevy 3500 62534 miles
Transportation and Street	Traffic Video Server New	\$	15,000.00	Additional	
Transportation and Street	Traffic Domain Server Replacement	\$	8,000.00	Replacement	
Transportation and Street	Traffic Video Server Replacement	\$	30,000.00	Replacement	
Transportation and Street	(3) Preemption 8th Street Signals - 19	\$	19,002.00	Replacement	
Transportation and Street	(4) Edge Connect Video Processors - \$8 752	\$	8,760.00	Additional	
Transportation and Street	(8) Edge Cards - \$27,000	\$	27,040.00	Additional	
Transportation and Street Total		\$	1,482,802.00		

# CAPITAL

Depatment	Description	Requested	Type	Vehicle Replacement Information
Electric	Easements Purchases	50,000.00	Additional	
Electric	I Sub Upgrades	300,000.00	Improvements	
Electric	General Scada Upgrades	50,000.00	Improvements	
Electric	Carroll Purchases	50,000.00	Additional	
Electric	Overhead Primary Construction	670,000.00	Improvements	
Electric	Fiber Installation - Phase I (5w Section Of Town)	1,100,000.00	Additional	
Electric	Underground Primary Construction	3,000,000.00	Additional	
Electric	L&G Focus Meters	300,000.00	Additional	
Electric	Street Lights - Lighting Of Roadways	260,000.00	Additional	
Electric	Shelving For Utility Complex	30,000.00	Additional	
Electric	Chipper	100,000.00	Replacement	
Electric	Walk Behind Grapple (Backyard Equipment)	50,000.00	Additional	
Electric	Jarraffe (Tree Trimming)	160,000.00	Additional	
Electric	Substation Electronic Equipment	50,000.00	Additional	
Electric	Additional Pmi Voltage Recorders	20,000.00	Additional	
Electric	Vactor Truck	350,000.00	Replacement	(3010-77) 2007 Sterling LT7500 Vactor Truck with 57,000 Miles
Electric	Pick-Up	45,000.00	Replacement	(3010-28) 2006 Chevrolet Silverado 1500 with 61,511 miles
Electric	Hardware Upgrade And Replacement For City Wide Surveying Equipment (1/3 Split)	10,000.00	Replacement	
Electric Total		6,595,000.00		
Water	Water Storage Tank Maintenance Agreement	350,000.00	Additional	
Water	I Street Pump Replacement	25,000.00	Replacement	
Water	Hardware Upgrade And Replacement For City Wide Surveying Equipment (1/3 Split)	10,000.00	Replacement	
Water	Replacement And New Ami Meters	130,000.00	Additional/Replacement	
Water	Large Ami Meters Replacement And New Additional Large Meters	130,000.00	Additional/Replacement	(3020-09) 2009 Tandem Axle Dump Turck with 24,933 Miles
Water	Dump Truck	115,000.00	Replacement	
Water Total		760,000.00		
Wastewater	Grit Chamber Drive Sweep Catwalk And Installation	285,000.00	Replacement	
Wastewater	Roof Repairs	146,000.00	Replacement	
Wastewater	New Wet Well And Connections For Lift Station #9 Rice Road	230,000.00	Additional	
Wastewater	Stainless Steel Ladder For Digestor #4	20,000.00	Additional	
Wastewater	Wastewater Influent Forcemain Sewer Line From Mckissic	16,500.00	Additional	
Wastewater	Replace Phosphorus Analyzers For Ditches And Effluent	86,000.00	Replacement	
Wastewater	Buchi Distillation System	20,000.00	Additional	
Wastewater	Scada System Upgrades	52,000.00	Improvements	
Wastewater	Scada Replacement Server	10,000.00	Replacement	
Wastewater Total		865,500.00		
Sewer Rehab	Manhole Rebuild Replacement And Relining	55,000.00	Replacement	
Sewer Rehab	Mini-Excavator	60,000.00	Replacement	Replacing An Existing 2006 Mini-Excavator That Has 2281 Hours
Sewer Rehab	Tractor	60,000.00	Replacement	Replacing An Existing 2004 40 Hp Tractor That Has 1265.4 Hours
Sewer Rehab	1/2 Ton 4X4 Pickup Truck	35,000.00	Additional	
Sewer Rehab Total		210,000.00		
Billing and Collection	Mi.Tech Handheld With Install Kit	6,500.00	Additional	
Billing and Collection	Full Size Short Bed 4X4 Pickup Truck	23,000.00	Replacement	(3540-13) 2012 Ford F150with 90,976 Miles
Billing and Collection	Cisco Network Switching	30,000.00	Additional	
Utility Biling and Meter Reading Total		59,500.00		
Grand Total		8,490,000.00		

## CAPITAL

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### SIGNIFICANT AND NON-RECURRING CAPITAL ITEMS EXPLANATIONS

The capital items listed on the previous pages were discussed individually with the respective department heads in meetings with the Mayor prior to meetings with City Council. They were also covered individually during budget meetings with the Council. Below is a more detailed explanation of capital items that are non-recurring and are considered significant.

Fire	Replace 1999 Model Fire Truck	\$ 660,000.00
	Replace (145-0031) 1999 E-One Cyclone II Class 1 pumper with 36,000 mi/57,755 hrs.	
Fire	Replace Ambulance	\$ 350,000.00
	Replace (2020-26) 2013 Excellance Type I Ambulance on a Ford F-450 with 55,500 miles	
Fire	Replace Ambulance	\$ 350,000.00
	Replace (2020-25) 2013 Excellance Type I Ambulance on a Ford F-450 with 49,000 miles	
Parks and Recreation	Design of 28th Street Park	\$ 200,000.00
	Design for a new park in the southwest part of town	
Street	Replace Belly Plow and Spreader	\$ 230,000.00
	Replace (3810-14) 2007 8yd Dump Truck 50,210 miles	
Street	Replace Belly Plow and Spreader	\$ 230,000.00
	Replace (3810-04) 2002 10yd Dump Truck 58,710 miles	
Electric	Phase 1 Fiber Installation	\$ 1,100,000.00
	Phase 1 of a City-Wide fiber installation to connect all City Facilities and Equipment (such as Stop Lights, Electric sub-stations, etc...) to a redundant fiber system	
Electric	Street Lights - Lighting Of Roadways	\$ 260,000.00
	Project to begin converting City Street Lights to LED lighting	
Electric	Vactor Truck	\$ 350,000.00
	Replace (3010-77) 2007 Sterling LT7500 Vactor Truck with 57,000 Miles	
Wastewater	Grit Chamber Drive Sweep Catwalk And Installation	\$ 285,000.00
	Replacement of Grit Chamber Drive Sweep Catwalk for our Wastewater Plant	
Wastewater	New Wet Well And Connections For Lift Station #9 Rice Road	\$ 230,000.00
	Lift Station #9 improvements that include new wet well and corresponding connections	

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## CAPITAL

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### EFFECTS OF CAPITAL ON OPERATING BUDGET

Most of the capital items will not materially affect operating budgets because they are replacements for current items or they are infrastructure. Others, such as vehicles, will have no material effect on O & M. The following departmental summaries will briefly address those that have some impact, although most are not significant. Most are for new items of equipment that will add insurance, fuel, and/or routine maintenance expenses.

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#### **Administration**

No major changes in O & M are anticipated in conjunction with the capital projects.

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#### **Planning**

No major changes in O & M are anticipated in conjunction with the trees project. However, the growth of trees does cause staffing levels in parks and public works maintenance to increase.

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#### **Engineering**

No major changes in O & M are anticipated in conjunction with the drainage projects.

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#### **Airport**

No major changes in O & M are anticipated in conjunction with the capital projects. FAA grants have been ongoing for years and only minor fluctuations have occurred in O and M.

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#### **Fire**

With the construction of Fire Station 7 we anticipate an increase in personnel and operating/maintenance costs for the operation of the facility. We also anticipate a one-time capital cost for fire equipment to be located at the facility.

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#### **Police**

No major changes in O & M are anticipated in conjunction with the capital.

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#### **Parks and Recreation**

Due to the expansion of the Parks, additional mowers and equipment will increase O & M costs somewhat for routine maintenance, fuel, etc. The significant item noted above (28<sup>th</sup> Street Park Design – Coughlin Property) will add maintenance costs to the City once the park is built although a timeframe has not been approved yet.

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#### **Public Works Maintenance**

No major changes in O & M are anticipated in conjunction with the capital.

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#### **Library**

No major changes in O & M are anticipated in conjunction with the capital.

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#### **Street**

No major changes in O & M are anticipated in conjunction with the capital projects. Most of the projects are one time capital outlays with little O and M required.

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#### **Electric**

No major changes in O & M are anticipated in conjunction with the capital. The Fiber system noted above, once complete, will require more maintenance than the current system due to its increased scope of capacity.

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#### **Utility Billing**

The network equipment is a shared cost with Administration and will not have an effect on the O and M.

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#### **Sewer Rehab**

No major changes in O & M are anticipated in conjunction with the capital projects. Most of the items are routine in nature as we consistently improve and rebuilt the sewer lines around the City.

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#### **Wastewater**

No major changes are anticipated in O and M due to the capital.

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#### **Water**

No major changes in O & M are anticipated in conjunction with the capital projects.

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## STAFFING

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### PERSONNEL INTRODUCTION

In the initial budget presented to the Council, personnel dollars for all departments are based on existing staffing and new positions. The Accounting Department utilizes our software to compute the amounts. Live payroll files are copied into the budget module. Related variables are updated for the coming year for retirement, FICA, insurance, and similar variables. Each department head is responsible for reviewing information for his/her department, and either verifying it or seeing that it is corrected.

A separate form is completed, as a part of the budget process, to request any changes in personnel staffing, whether for additional positions or upgrades. The form provides information on why the position is needed, which alternatives have been considered, and the costs, including all benefits and associated costs. The Human Resources Manager reviews those requests. If the position classification requested does not exist, a simple salary "survey" is done, a job description prepared, and the position is assigned to a grade in the pay plan.

The succeeding pages present the following information:

- A staffing table for 2020
- A schedule of key personnel
- Organization chart

## STAFFING

### Personnel Requests (all requests were approved)

#### Governmental Funds - Personnel Additions

Full-Time Additions		
<u>Department</u>	<u>Position</u>	<u>Salary</u>
Police	Police Officer II	\$43,659.00
Police	Police Lieutenant	\$60,327.00
Police	Administrative Technician (Goose Dog Handler/Part-time Balliff)	\$45,000.00
Fire	(3) Firefighter I/Paramedic	\$47,780 (Each)
Fire	(11) Firefighter I/EMT	\$37,764 (Each)
Street	Construction Inspector (ROW Permit Officer)	\$46,738.00

Part-Time Additions		
<u>Department</u>	<u>Position</u>	<u>Salary</u>
Library	P/T Library Clerk IV	\$14,040.00
Administration	Part-time HR Specialist	\$22,017.74
Engineering	Part-time Admin Assistant	\$22,017.74

Position Upgrades		
<u>Department</u>	<u>From/To Position</u>	<u>Salary Increase</u>
Parks & Recreation	From Recreation Worker to Urban Forester	\$7,241.00
Transportation	From Transportation Foreman to Assistant Street Manager	\$5,700.00
Transportation	From Administrative Assistant to Systems Technician	\$4,000.00

#### Enterprise Funds - Personnel Additions

Full-Time Additions		
<u>Department</u>	<u>Position</u>	<u>Salary</u>
Billing and Collection	Utility Billing Clerk II	\$31,824.00
Water	Technical Supervisor	\$63,076.00
Electric	Electric Technician II	\$58,760.00
Electric	Electric Technician II	\$58,760.00
Electric	1st Class Lineman	\$68,723.00

Transfer		
<u>From Department</u>	<u>To Department</u>	<u>Position</u>
Wastewater	Sewer	Pre-Treatment Technician

## STAFFING

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### STAFFING CHANGES

For 2020, the City Council approved a Cost of Living Adjustment (COLA) of 1.6% and 1.4% merit raise.

#### **Administration**

A new part-time Human Resource Specialist was requested to help with onboarding due to our growth in Parks and Recreation seasonal programs and other growth throughout the City.

#### **Police Department**

Police requested two additional Police Officers. The City's population continues to grow and increases the demands on public safety.

The position of Administration Technician was also created to be a Goose Dog Handler/Part-time Balliff. This position was needed to provide more safety at the City's Airport (due to geese population and plane safety) and to provide coverage for our District Court as a Balliff.

#### **Fire Department**

Fire Department requested the addition of 13 Firefighters. The Fire Departments coverage area and density continues to grow increase demands on public safety.

#### **Public Library**

A new part-time Library Clerk was requested to help with growth with usage and programs at the Public Library.

#### **Engineering**

A new Part-time Administrative Assistant was requested to help the department with workload.

#### **Parks and Recreation**

Parks and Recreation requested to upgrade a position from Recreation Worker to Urban Forester. This position will re-allocate a position to allow for focus on a needed area in the City.

#### **Street and Transportation**

A new Right-of-Way Permit Officer was requested to help the department management construction growth in the City.

A Transportation Foreman was requested to be upgrade to an Assistant Street Manager to better align title with responsibilities.

An Administrative Assistant was upgraded to Systems Technician to better utilize the position and manage the growing workload in Transportation.

#### **Electric Department**

Electric Department requested two Electric Technicians and one Lineman. The Electric Technicians would help the engineering team with Electric with their current workload while the line will help the maintenance team.

#### **Water Department**

Water Department requested one Technical Supervisor to help the department develop their planning and review area of their department.

#### **Wastewater Department**

Wastewater Department requested to transfer one Pre-Treatment Technician to the Sewer Department to better align the position with responsibilities.

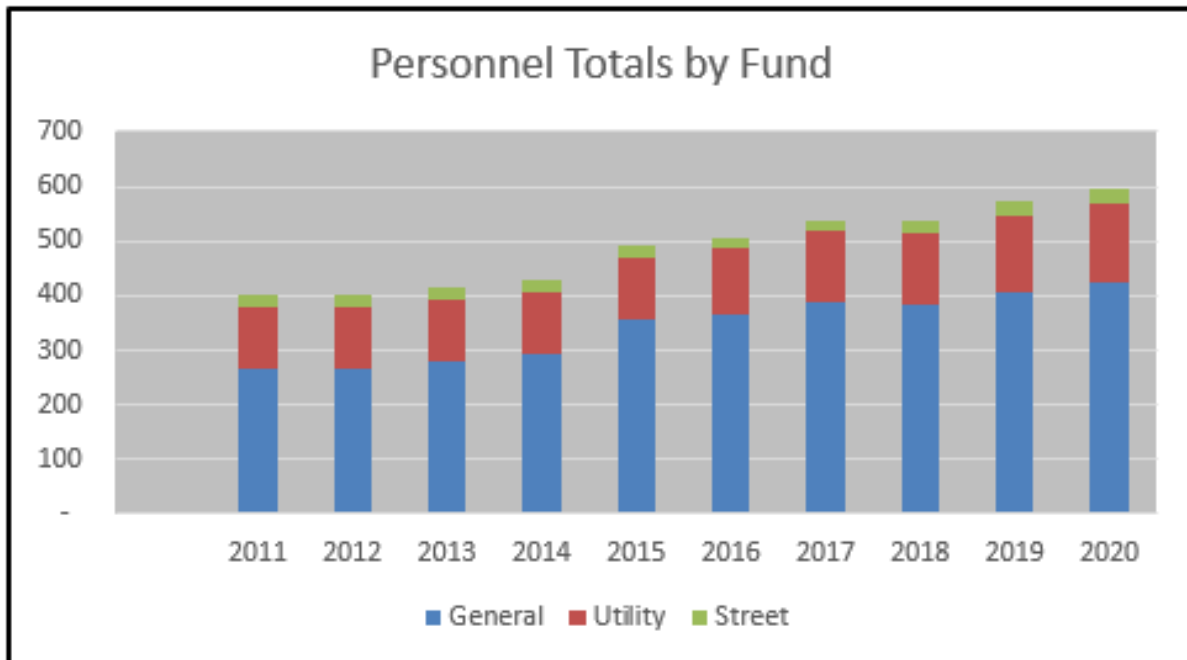


## STAFFING

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### FULL TIME EQUIVALENTS (FTEs)

The following graph shows the FTE strength by fund as shown in the table on the next page. The growth trend is clearly shown as employees have been added to be able to maintain service levels as our population grew from around 15,000 in 1995 to over 48,000 today.



## STAFFING

### FULL TIME EQUIVALENTS (FTEs)

<b>Authorized - Total FTEs</b>				
<b>Year</b>	<b>2018</b>	<b>2019</b>	<b>Change</b>	<b>2020</b>
<b>General Fund</b>				
Administration	17.0	18.5	0.5	19.0
Accounting	8.0	8.0	-	8.0
District Court	11.5	11.5	(0.5)	11.0
Parks	72.0	74.0	-	74.0
Public Works Maintenance	30.5	31.5	-	31.5
Library	25.0	25.5	0.5	26.0
Police	110.0	115.0	3.0	118.0
Fire	84.0	98.0	14.0	112.0
Building Inspection	8.0	9.0	-	9.0
Planning	7.5	7.5	-	7.5
Engineering	8.0	9.0	0.5	9.5
<b>Fund Total</b>	<b>381.5</b>	<b>407.5</b>	<b>18.0</b>	<b>425.5</b>
<b>Utility Fund</b>				
Electric	42.0	45.0	3.0	48.0
Sewer	15.0	15.0	1.0	16.0
Water	28.0	31.0	1.0	32.0
Wastewater	25.0	25.0	(1.0)	24.0
Inventory Warehouse	4.0	4.0	-	4.0
Utility Billing/Collection	19.0	20.0	1.0	21.0
<b>Fund Total</b>	<b>133.0</b>	<b>140.0</b>	<b>5.0</b>	<b>145.0</b>
<b>Street</b>	<b>24.0</b>	<b>25.0</b>	<b>1.0</b>	<b>26.0</b>
<b>City Total</b>	<b>538.5</b>	<b>572.5</b>	<b>24.0</b>	<b>596.5</b>

## STAFFING

### FULL TIME EQUIVALENTS (FTEs)

	Full-time	Other	Total
<b>Administration</b>			
Administrative Assistant	1.0		1.0
GIS Coordinator	1.0		1.0
GIS Tech	2.0		2.0
Human Resources Specialist	1.0	0.5	1.5
Human Resources Manager	1.0		1.0
Part-time Courier		0.5	0.5
Staff Attorney	1.0		1.0
Paralegal	1.0		1.0
Deputy Staff Attorney	1.0		1.0
Mayor	1.0		1.0
Secretary to the Mayor	1.0		1.0
Network Administrator	1.0		1.0
Systems Administrator	1.0		1.0
Systems Manager	1.0		1.0
Systems Technician	4.0		4.0
<b>Department Total</b>	<b>18.0</b>	<b>1.0</b>	<b>19.0</b>
<b>Accounting and Purchasing</b>			
Accountant	1.0		1.0
Accounting Specialist III (Accounts Payable)	2.0		2.0
Accounting Specialist III (Payroll Clerk)	1.0		1.0
Assistant Finance Director	1.0		1.0
Finance Director	1.0		1.0
Purchasing Agent	2.0		2.0
<b>Department Total</b>	<b>8.0</b>	<b>-</b>	<b>8.0</b>
<b>District Court</b>			
Chief Court Clerk	1.0		1.0
Chief Deputy Court Clerk	1.0		1.0
Deputy Court Clerk	6.0		6.0
Part Time Court Clerk		0.5	0.5
Probation Officer	1.0		1.0
Probation Officer/Bailiff	2.0		2.0
<b>Department Total</b>	<b>11.0</b>	<b>0.5</b>	<b>11.5</b>

## STAFFING

### FULL TIME EQUIVALENTS (FTEs)

	Full-time	Other	Total
<b>Fire</b>			
Fire Battalion Chief	3.0		3.0
Deputy Fire Battalion Chief	3.0		3.0
Division Chief - Fire Marshall	1.0		1.0
Division Chief - Training	1.0		1.0
Fire Chief	1.0		1.0
Fire Inspector	3.0		3.0
Firefighter	84.0		84.0
Fire Captains	15.0		15.0
Secretary	1.0		1.0
<b>Department Total</b>	<b>112.0</b>	<b>-</b>	<b>112.0</b>
<b>Police</b>			
Animal Control Officer	3.0		3.0
Dispatch Supervisor	1.0		1.0
Dispatchers	20.0		20.0
Lead Dispatchers	3.0		3.0
Police Chief	1.0		1.0
Police Corporal	8.0		8.0
Police Lieutenant	3.0		3.0
Police Officers	67.0		67.0
Police Sergeant	5.0		5.0
Administrative Technicians	5.0		5.0
Secretary	2.0		2.0
<b>Department Total</b>	<b>118.0</b>	<b>-</b>	<b>118.0</b>
<b>Building Inspection</b>			
Building Inspector	2.0		2.0
Chief Building Official	1.0		1.0
Chief Building Inspector	1.0		1.0
Code Enforcement Officer	1.0		1.0
Building Permit Clerk	2.0		2.0
Building Plan Examiner	1.0		1.0
Building Permit Administrator	1.0		1.0
<b>Department Total</b>	<b>9.0</b>	<b>-</b>	<b>9.0</b>

## STAFFING

### FULL TIME EQUIVALENTS (FTEs)

	Full-time	Other	Total
<b>Planning</b>			
Community Development Director	1.0		1.0
Economic Development Manager	1.0		1.0
Summer Intern		0.5	0.5
Planning Services Manager	1.0		1.0
Planner	3.0		3.0
Administrative Assistant	1.0		1.0
<b>Department Total</b>	<b>7.0</b>	<b>0.5</b>	<b>7.5</b>
<b>Engineering</b>			
City Engineer	1.0		1.0
Administrative Assistant	-	0.5	0.5
System Technician	1.0		1.0
Construction Inspector	3.0		3.0
Engineering Project Manager	1.0		1.0
Staff Engineer	2.0		2.0
Stormwater Coordinator	1.0		1.0
<b>Department Total</b>	<b>9.0</b>	<b>0.5</b>	<b>9.5</b>
<b>Electric</b>			
Electric Manager - Special Projects	1.0		1.0
Engineering Director	1.0		1.0
Administrative Assistant	2.0		2.0
Apprentice Powerline Electrician	3.0		3.0
Assistant Elec Utility Manager	2.0		2.0
Construction Coordinator	1.0		1.0
Safety Compliance Officer	1.0		1.0
Engineering Technician	2.0		2.0
Heavy Equipment Operator	2.0		2.0
Electric Technician	3.0	2.0	5.0
Powerline Electrician	3.0		3.0
Tree Trimmer	3.0		3.0
Field Electric Supervisor	5.0		5.0
1st Class Powerline Electrician	16.0	1.0	17.0
<b>Department Total</b>	<b>45.0</b>	<b>3.0</b>	<b>48.0</b>

## STAFFING

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### FULL TIME EQUIVALENTS (FTEs)

	Full-time	Other	Total
<b>Sewer Rehab</b>			
Assistant Manager	1.0		1.0
Crew Leader	4.0		4.0
Collection Foreman	1.0		1.0
System Specialist I	10.0		10.0
<b>Department Total</b>	<b>16.0</b>	<b>-</b>	<b>16.0</b>
<b>Water</b>			
Administrative Technician	1.0		1.0
Crew Leader	5.0		5.0
Distribution Inspector	2.0		2.0
Distribution Operator	2.0		2.0
Distribution Specialist	8.0		8.0
Field Operations Supervisor	1.0		1.0
Foreman	1.0		1.0
Line Locator	3.0		3.0
Manager	1.0		1.0
Meter Technician	2.0		2.0
New Service Coordinator	1.0		1.0
Public Works Director	1.0		1.0
Technical Supervisor	1.0		1.0
Water Utility Systems Technician	1.0		1.0
Secretary	2.0		2.0
<b>Department Total</b>	<b>32.0</b>	<b>-</b>	<b>32.0</b>
<b>Wastewater</b>			
Compost Foreman	1.0		1.0
Lab Technician	3.0		3.0
Lab/Pretreatment Supervisor	1.0		1.0
Maintenance Foreman	1.0		1.0
Maintenance Technician	1.0		1.0
Manager	1.0		1.0
Operations Foreman	1.0		1.0
Operator	14.0		14.0
Secretary	1.0		1.0
<b>Department Total</b>	<b>24.0</b>	<b>-</b>	<b>24.0</b>

## STAFFING

### FULL TIME EQUIVALENTS (FTEs)

	Full-time	Other	Total
<b>Inventory</b>			
Warehouse Assistant	1.0		1.0
Warehouse Worker	3.0		3.0
<b>Department Total</b>	<b>4.0</b>	<b>-</b>	<b>4.0</b>
<b>Billing/Collection</b>			
Customer Account Representative	8.0		8.0
Billing and Collection Manager	1.0		1.0
Meter Reader	7.0		7.0
Meter Reading Foreman	1.0		1.0
Utility Service Representative	1.0		1.0
Accounting Specialist	1.0		1.0
Utility Billing Analyst	1.0	1.0	2.0
<b>Department Total</b>	<b>20.0</b>	<b>1.0</b>	<b>21.0</b>
<b>Street</b>			
Crew Leader	4.0		4.0
Construction Inspector (ROW Permit Officer)	1.0		1.0
Heavy Equipment Operator	12.0		12.0
Mechanic	1.0		1.0
Secretary	2.0		2.0
Sign Shop Technician	1.0		1.0
Street Manager	1.0		1.0
Traffic Signal Technician	2.0		2.0
Transportation Technician	1.0		1.0
Transportation Director	1.0		1.0
<b>Department Total</b>	<b>26.0</b>	<b>-</b>	<b>26.0</b>



## STAFFING

### FULL TIME EQUIVALENTS (FTEs)

	Full-time	Other	Total
<b>Parks Public Works Maintenance</b>			
Assistant Manager	1.0		1.0
Crew Leader	6.0		6.0
Custodians	14.0		14.0
Heavy Equipment Operator	1.0		1.0
Seasonal Groundkeeper	-	0.5	0.5
Maintenance Worker	7.0		7.0
Mechanic	1.0		1.0
PW Maintenance Supervisor	1.0		1.0
<b>Department Total</b>	<b>31.0</b>	<b>0.5</b>	<b>31.5</b>
<b>Parks</b>			
Parks and Rec Director	1.0		1.0
Parks Maint Supervisor	1.0		1.0
Recreation Program Supervisor	4.0		4.0
Recreation Program Manager	1.0		1.0
Heavy Equipment Operator	1.0		1.0
Secretary	2.0		2.0
Horticultrist	2.0		2.0
Crew Leader	4.0		4.0
Maintenance Worker	10.0		10.0
Facility Maintenance Technician	4.0		4.0
Recreation Specialist	4.0		4.0
Part-Time and Seasonal Workers		40.0	40.0
<b>Department Total</b>	<b>34.0</b>	<b>40.0</b>	<b>74.0</b>
<b>Library</b>			
Director	1.0		1.0
Librarian	4.0		4.0
Library Clerk Part Time		13.0	13.0
Library Specialist	7.0		7.0
Secretary	1.0		1.0
<b>Department Total</b>	<b>13.0</b>	<b>13.0</b>	<b>26.0</b>
<b>City Total</b>	<b>537.0</b>	<b>60.0</b>	<b>597.0</b>

## STAFFING

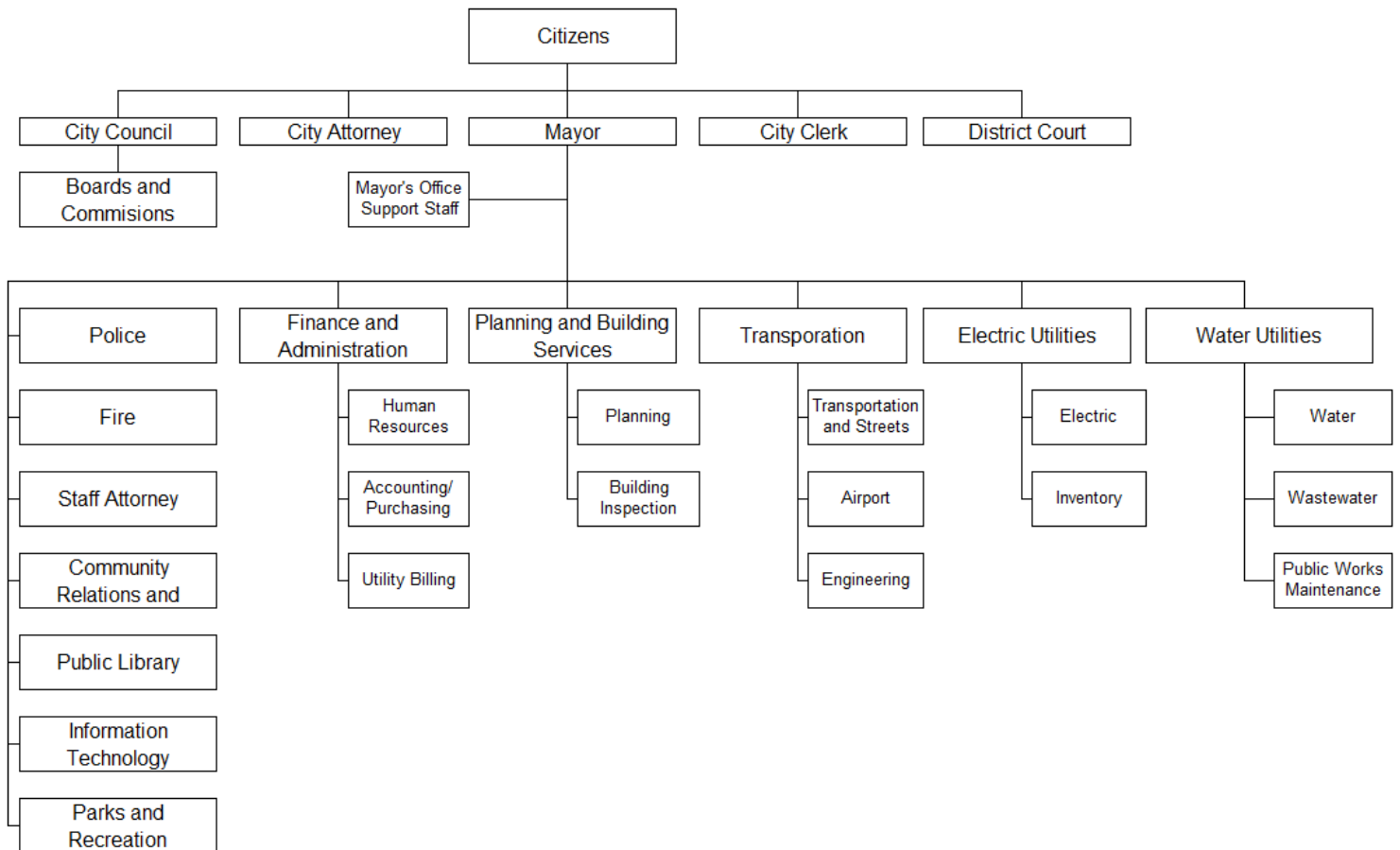
### SCHEDULE OF KEY PERSONNEL

POSITION	NAME	PHONE
Mayor	Stephanie Orman	479-271-5966
Community Relations and Economic Development Director	Debbie Griffin	479-271-2028
Community Development Director	Ellen Norvell	479-271-5993
Chief Building Inspector	Lance Blasi	479-271-3125
Parks & Recreation Director	David Wright	479-271-6813
Maintenance Supervisor	Crant Osborne	479-271-6826
Finance Director	Jake Harper	479-271-6781
Human Resources Coordinator	Ed Wheeler	479-271-3191
Assistant Finance Director	Jessica Thurman	479-418-8649
Billing and Collection Manager	Gary Wilson	479-271-3104
Systems Manager	Jonathan Rogers	479-271-5911
District Judge	Ray Bunch	479-271-5923
Fire Chief	Brent Boydston	479-271-3155
Library Director	Hadi Dudley	479-271-3194
Police Chief	Jon Simpson	479-271-3172
Staff Attorney	Camille Thompson	479-271-5914
Transportation Director	Dennis Birge	479-271-5964
Street Manager	Tony Davis	479-271-3130
Public Works Director	Mike Bender	479-271-6720
Wastewater Manager	Nancy Busen	479-271-3160
Water Utilities Manager	Preston Newbill	479-271-3142
Public Works Maint. Manager	Bart Mahony	479-271-3109
Engineering Director	Travis Matlock	479-271-6720
Asst Electric Utility Manager	Wayman Thurman	479-271-5943
Asst Electric Utility Manager	Doug Charest	479-271-5985
City Engineer	Dan Weese	479-254-2024

## STAFFING

### CITY ORGANIZATION CHART

The organization chart for the City is shown below.



## APPENDIX

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### ELECTRIC RATES

#### Residential Electric Rates

	Winter: November through April	Summer: May - October
Monthly Facilities Charge	\$12.70	\$12.70
First 800 kWh used per month	\$.1086 per kWh	\$.1086 per kWh
Over 800 kWh used per month	\$.0824 per kWh	\$.0998 per kWh
Minimum Charge	\$12.70 per month	\$12.70 per month

#### Commercial Electric Rates

	Winter: November through April	Summer: May - October
Monthly Facilities Charge	\$13.80	\$13.80
First 2,000 kWh used per month	\$.1170 per kWh	\$.1170 per kWh
Next 2,000 kWh used per month	\$.0872 per kWh	\$.1170 per kWh
Minimum Charge	\$13.80 per month	\$13.80 per month

#### Medium Electric Rates

	Winter: November through April	Summer: May - October
Monthly Facilities Charge	\$13.80	\$13.80
Demand Charge (All kW)	\$7.25/kW	\$7.25/kW
Energy Charge	\$0.0684 per kWh	\$0.0721 per kWh
Minimum Bill	\$183.75 per month	\$183.75 per month

#### Large Power Electric Rates

Demand Charge	All kW	\$7.25 per kW
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#### Energy Charge:

First 200 kWh per kW of billing demand	\$0.0712 per kWh
Over 200 kWh per kW of billing demand	\$0.0655 per kWh

#### Minimum monthly charge:

The highest of the following:

- (a) \$725.00 or
- (b) The maximum demand charge established during the preceding eleven (11) months.

Discount of three percent of metered kWh when supplied at primary distribution voltage and only one transformer bank is installed.

## APPENDIX

### WATER AND WASTEWATER RATES

#### Water

<b>Residential Water</b>	<b><u>Inside City</u></b>	<b><u>Outside City</u></b>
Up to 4,000 gallons	\$3.27	\$3.89
Next 6,000 gallons	\$3.74	\$4.46
Over 10,000 gallons	\$5.41	\$6.46
Safe Water Fee	\$0.30	\$0.30
Outside City Service Charge	-	\$4.00

<b>Commercial Water</b>	<b><u>Inside City</u></b>	<b><u>Outside City</u></b>
All Consumption	\$3.74	\$4.46
Safe Water Fee	\$0.30	\$0.30
Outside City Service Charge	-	\$4.00

<b>Irrigation</b>	<b><u>Inside City</u></b>	<b><u>Outside City</u></b>
All Consumption	\$4.39	\$5.24
Safe Water Fee	\$0.30	\$0.30
Outside City Service Charge	-	\$4.00

<b>Wastewater</b>	<b><u>Inside City</u></b>	<b><u>Outside City</u></b>
Residential All Consumption	\$7.69	\$9.23
Outside City Service Charge	-	\$4.00
Commercial All Consumption	\$8.22	\$9.86
Outside City Service Charge	-	\$4.00

#### Meter Rates:

<b><u>Meter Size</u></b>	<b>Water</b>		<b>Wastewater</b>	
	<b><u>Domestic</u></b>	<b><u>Irrigation</u></b>	<b><u>Residential</u></b>	<b><u>Commercial</u></b>
5/8"	\$7.71	\$8.89	\$13.41	\$14.33
1"	\$19.28	\$22.50	\$44.16	\$47.19
1 1/2"	\$83.55	\$96.41	\$164.05	\$175.31
2"	\$89.98	\$103.91	\$175.15	\$187.17
3"	\$134.97	\$155.32	\$257.30	\$274.95
4"	\$385.63	\$444.55	\$721.32	\$770.81
6"	\$835.54	\$964.08	\$1,553.89	\$1,660.50

## APPENDIX

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### SANITATION RATES

Sanitation service is provided once each week for residential and small commercial service, and as scheduled for individual dumpster service. The City provides residential customers two cart, one for refuse and one for recycling. Small commercial customers are provided with one cart for refuse.

Customer	Type Charge
Residential	\$13.89 per Month
Small Commercial	\$17.39 per Month
Large Commercial – Dumpsters	\$4.87 per Cu Yd.



## APPENDIX

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### CENSUS DATA

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The information on the following page is from the U.S. Census Bureau, Special Census 2006. In 2005, the City Council authorized staff to contract with the Census Bureau to conduct a special census.

For a special census, the Census Bureau is responsible for testing and identifying the persons who will work on the enumeration process; and the City paid the Census Bureau a fee and also paid for the workers that performed the Special Census.

The enumeration began in March 2006, with expectations for a new population of at least 28,000 to be certified as a result. Results were certified to the State of Arkansas in July, 2006 and the City's population had increased to 28,621. The state turnback, which is a per capita payment in both the General Fund and the Street Fund, was increased accordingly.

By the end of 2007, the additional revenue covered the cost of the special census.

The regular federal census in 2010 will set our official population for the following years and it is estimated to be 35,301.



# APPENDIX

## CENSUS DATA

Census Data of Bentonville, Arkansas 2010

Subject	Number	Percent	Subject	Number	Percent
SEX AND AGE			White; American Indian and Alaska Native [3]	294	0.8
Total population	35,301	100	White; Asian [3]	181	0.5
Under 5 years	3,247	9.2	White; Black or African American [3]	122	0.3
5 to 9 years	3,274	9.3	White; Some Other Race [3]	134	0.4
10 to 14 years	2,903	8.2	Race alone or in combination with one or more other races: [4]		
15 to 19 years	2,305	6.5	White	29,520	83.6
20 to 24 years	2,105	6	Black or African American	1,036	2.9
25 to 29 years	3,380	9.6	American Indian and Alaska Native	775	2.2
30 to 34 years	3,268	9.3	Asian	3,214	9.1
35 to 39 years	3,042	8.6	Native Hawaiian and Other Pacific Islander	134	0.4
40 to 44 years	2,608	7.4	Some Other Race	1,559	4.4
45 to 49 years	2,391	6.8	HISPANIC OR LATINO		
50 to 54 years	1,827	5.2	Total population	35,301	100
55 to 59 years	1,325	3.8	Hispanic or Latino (of any race)	3,074	8.7
60 to 64 years	1,109	3.1	Mexican	1,982	5.6
65 to 69 years	771	2.2	Puerto Rican	144	0.4
70 to 74 years	536	1.5	Cuban	54	0.2
75 to 79 years	457	1.3	Other Hispanic or Latino [5]	894	2.5
80 to 84 years	345	1	Not Hispanic or Latino	32,227	91.3
85 years and over	408	1.2	HISPANIC OR LATINO AND RACE		
Median age (years)	30.6	( X )	Total population	35,301	100
16 years and over	25,369	71.9	Hispanic or Latino	3,074	8.7
18 years and over	24,329	68.9	White alone	1,527	4.3
21 years and over	23,214	65.8	Black or African American alone	26	0.1
62 years and over	3,142	8.9	American Indian and Alaska Native alone	19	0.1
65 years and over	2,517	7.1	Asian alone	17	0
Male population	17,282	49	Native Hawaiian and Other Pacific Islander alone	9	0
Under 5 years	1,670	4.7	Some Other Race alone	1,318	3.7
5 to 9 years	1,711	4.8	Two or More Races	158	0.4
10 to 14 years	1,448	4.1	Not Hispanic or Latino	32,227	91.3
15 to 19 years	1,182	3.3	White alone	27,193	77
20 to 24 years	982	2.8	Black or African American alone	850	2.4
25 to 29 years	1,660	4.7	American Indian and Alaska Native alone	417	1.2
30 to 34 years	1,665	4.7	Asian alone	2,919	8.3
35 to 39 years	1,545	4.4	Native Hawaiian and Other Pacific Islander alone	69	0.2
40 to 44 years	1,328	3.8	Some Other Race alone	48	0.1
45 to 49 years	1,137	3.2	Two or More Races	731	2.1
50 to 54 years	900	2.5	RELATIONSHIP		
55 to 59 years	598	1.7	Total population	35,301	100
60 to 64 years	496	1.4	In households	35,043	99.3
65 to 69 years	319	0.9	Householder	13,253	37.5
70 to 74 years	223	0.6	Spouse [6]	7,059	20
75 to 79 years	179	0.5	Child	11,815	33.5
80 to 84 years	116	0.3	Own child under 18 years	10,301	29.2
85 years and over	123	0.3	Other relatives	1,313	3.7
Median age (years)	30	( X )	Under 18 years	482	1.4
16 years and over	12,195	34.5	65 years and over	192	0.5
18 years and over	11,666	33	Nonrelatives	1,603	4.5
21 years and over	11,111	31.5	Under 18 years	126	0.4
62 years and over	1,248	3.5	65 years and over	21	0.1
65 years and over	960	2.7	Unmarried partner	758	2.1

# APPENDIX

## CENSUS DATA

Census Data of Bentonville, Arkansas 2010

Subject	Number	Percent	Subject	Number	Percent
Female population	18,019	51	In group quarters	258	0.7
Under 5 years	1,577	4.5	Institutionalized population	179	0.5
5 to 9 years	1,563	4.4	Male	57	0.2
10 to 14 years	1,455	4.1	Female	122	0.3
15 to 19 years	1,123	3.2	Noninstitutionalized population	79	0.2
20 to 24 years	1,123	3.2	Male	30	0.1
25 to 29 years	1,720	4.9	Female	49	0.1
30 to 34 years	1,603	4.5	HOUSEHOLDS BY TYPE		
35 to 39 years	1,497	4.2	Total households	13,253	100
40 to 44 years	1,280	3.6	Family households (families) [7]	9,137	68.9
45 to 49 years	1,254	3.6	With own children under 18 years	5,558	41.9
50 to 54 years	927	2.6	Husband-wife family	7,059	53.3
55 to 59 years	727	2.1	With own children under 18 years	4,121	31.1
60 to 64 years	613	1.7	Male householder, no wife present	542	4.1
65 to 69 years	452	1.3	With own children under 18 years	336	2.5
70 to 74 years	313	0.9	Female householder, no husband present	1,536	11.6
75 to 79 years	278	0.8	With own children under 18 years	1,101	8.3
80 to 84 years	229	0.6	Nonfamily households [7]	4,116	31.1
85 years and over	285	0.8	Householder living alone	3,326	25.1
Median age (years)	31.3	( X )	Male	1,470	11.1
16 years and over	13,174	37.3	65 years and over	163	1.2
18 years and over	12,663	35.9	Female	1,856	14
21 years and over	12,103	34.3	65 years and over	669	5
62 years and over	1,894	5.4	Households with individuals under 18 years	5,855	44.2
65 years and over	1,557	4.4	Households with individuals 65 years and over	1,837	13.9
RACE			Average household size	2.64	( X )
Total population	35,301	100	Average family size [7]	3.21	( X )
One Race	34,412	97.5	HOUSING OCCUPANCY		
White	28,720	81.4	Total housing units	14,693	100
Black or African American	876	2.5	Occupied housing units	13,253	90.2
American Indian and Alaska Native	436	1.2	Vacant housing units	1,440	9.8
Asian	2,936	8.3	For rent	783	5.3
Asian Indian	2,038	5.8	Rented, not occupied	22	0.1
Chinese	186	0.5	For sale only	324	2.2
Filipino	100	0.3	Sold, not occupied	41	0.3
Japanese	18	0.1	For seasonal, recreational, or occasional use	94	0.6
Korean	56	0.2	All other vacants	176	1.2
Vietnamese	275	0.8	Homeowner vacancy rate (percent) [8]	4.2	( X )
Other Asian [1]	263	0.7	Rental vacancy rate (percent) [9]	11.8	( X )
Native Hawaiian and Other Pacific Islander	78	0.2	HOUSING TENURE		
Native Hawaiian	17	0	Occupied housing units	13,253	100
Guamanian or Chamorro	17	0	Owner-occupied housing units	7,419	56
Samoan	7	0	Population in owner-occupied housing units	21,306	( X )
Other Pacific Islander [2]	37	0.1	Average household size of owner-occupied units	2.87	( X )
Some Other Race	1,366	3.9	Renter-occupied housing units	5,834	44
Two or More Races	889	2.5	Population in renter-occupied housing units	13,737	( X )

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six

Source: U.S. Census Bureau, 2010 Census.

## APPENDIX

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### BUDGET GLOSSARY

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#### A

**Account Group:** A self-balancing set of accounts, which are not a fund or a fiscal entity. General Fixed Assets Account Group and General Long-Term Debt Account Group are such examples.

**Accounting System:** Records and procedures that discover, record, classify, and report information on the financial position and operations of a governmental unit or any of its funds.

**Accrual Accounting:** A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.

**Ad Valorem:** Latin for “value of”. Refers to the tax assessed against real property (land and buildings) and personal property (equipment and furniture).

**ADFA:** Arkansas Development Finance Authority is an agency of the state that provides low interest loans to local governments for public works projects such as water system infrastructure, wastewater plants, etc.

**Agency Fund:** A fund consisting of resources received and held by the governmental unit as an agent for others.

**AHTD:** Arkansas Highway and Transportation Department.

**AML:** The Arkansas Municipal League is an organization in Arkansas that serves all member cities with assistance in various areas, such as insurance, investments, legal issues, legislative items, etc.

**Amortization:** Gradual reduction, redemption, or liquidation of the balance of an account, according to a specified schedule of times and amounts. Provision for the extinguishment of a debt by means of a debt service fund.

**AMR:** Automatic Meter Reading refers to technology that precludes manual reading of an electric meter or a water meter.

**APERS:** Arkansas Public Employees Retirement System.

**Appraised Value:** An estimate of value for the purpose of taxation. (Property values are established by the Benton County Assessor).

**Appropriation:** An authorization made by the City Council that permits the City to incur obligations and to make expenditures of resources.

**Appropriation Ordinance:** The official enactment, by City Council, to legally authorize City staff to obligate and expend resources.

**Assets:** Probable future economic benefits obtained or controlled by a particular entity as a result of past transactions or events.

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**Assessment Ratio:** The ratio at which a tax rate is applied to a tax base. The assessment ratio is currently set at 20%.

### B

**Balance Sheet:** A basic financial statement, usually accompanied by appropriate disclosures that describe the basis of accounting used in its preparation and presentation of a specified date the entity's assets, liabilities and the equity of its owners. Also known as a Statement of Financial Condition.

**Balanced Budget:** A budget where the total sum of money a government collects in a year is equal to the amount it spends on goods, services and debt service.

**Basis of Accounting:** The timing of recognition, that is, when the effects of transactions or events should be recognized for financial reporting purposes. For example, the effects of transactions or events can be recognized on an accrual basis (that is, when the transactions or events take place), or on a cash basis (that is, when cash is received or paid). Basis of accounting is an essential part of measurement focus because of a particular timing of recognition is necessary to accomplish a particular measurement focus.

**Bond:** A written promise to pay a specified sum of money, called the face value or principal amount, on a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate. The interest payments and the repayment of the principal are detailed in a bond ordinance.

**Bonded Debt:** That portion of indebtedness represented by outstanding bonds.

**Budget:** A financial plan, for a specified period, of operations that matches all planned revenues and expenditures with the services provided the residents of the City.

**Budget Calendar:** The schedule of key dates that the City follows in the preparation and adoption of the budget.

**Budget Document:** The instrument used by the budget-making authority to present a comprehensive financial plan of operations to the City Council.

**Budget Message:** A general discussion of the proposed budget as presented in writing by the Mayor to the City Council. The message contains an explanation of the principal budget items and recommendations regarding the financial policy for the coming year.

**Budgetary Basis of Accounting:** The method used to determine when revenues and expenditures are recognized for budgetary purposes.

**Budgetary Control:** The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

**BWD: Beaver Water District.** This is the supplier of wholesale water for the City of Bentonville and several other cities in northwest Arkansas. The water is taken out of Beaver Lake, a Corp of Engineers lake that was formed in 1960 by a dam on the White River.

**CAD:** Computer Aided Design.

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**Capacity/Impact Fees:** A fee charged by the City to developers/builders as partial compensation for the cost of providing additional facilities or services needed as a result of new development (e.g., facilities for expanding water capacity, facilities for expanding wastewater capacity, fire protection facilities and equipment, etc.).

**Capital Budget:** A budget that deals with large expenditures for capital items normally financed by borrowing. Usually capital items have long-range returns, useful life spans, are relatively expensive, and have physical presence such as buildings, roads, sewage systems, etc.

**Capital Equipment:** Generally, equipment with an expected life of more than one year and costing at least \$5,000.

**Capital Improvement Fund:** A fund created to accumulate revenues from current taxes levied for major repairs and maintenance to fixed assets of a nature not specified at the time the revenues are levied.

**Capital Improvement Program:** A plan for purchasing capital expenditures over a period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have part and specifies the full resources estimated to be available to finance the projected expenditures.

**Capital Outlay:** Expenditures that result in the acquisition of or addition to fixed assets.

**Capital Projects Fund:** A fund created to account for financial resources to be used for the acquisition or the construction of major capital facilities or equipment.

**Capital Setaside:** A designation of funds from the current year project to be earmarked for a future project in either the current year or subsequent years.

**CDBG:** Community Development Block Grant provides federal funding for qualifying projects.

**CERT:** Community Emergency Response Team.

**CIP:** Capital Improvement Program (see above).

**City Charter:** The document of a city that is similar to a constitution, which establishes the City's government structure and provides for the distribution of powers and duties among the various branches of government.

**City Council:** The eight (8) elected council members collectively acting as the legislative and policy making body of the City.

**COLA:** An annual increase in pay, the Cost of Living Adjustment is typically based on the Consumer Price Index. An annual item for consideration by the City Council during the budget process.

**Construction Work In Progress:** The cost of construction work that has been started but not completed.

**Contingency Fund:** Funds set aside for unforeseen expenses of uncertain amounts or funds set aside for known expenses, such as salary increases, but uncertain amounts.

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**Contractual Services:** The costs related to services performed for the City by individuals, businesses, or utilities.

**Contributed Capital:** Capital received from investors for stock, equal to capital stock plus paid-in capital, NOT that capital received from earnings or donations. Also called Paid-in Capital.

**CPI:** Consumer Price Index.

**Current Asset:** An asset that one can reasonably expect to convert into cash, sell, or consume in operations within a single operating cycle, or within a year if more than one cycle is completed each year.

**Current Liability:** An obligation whose liquidation is expected to require the use of existing resources classified as current assets, or the creation of other current liabilities.

**Current Financial Resources Measurement Focus:** Measurement focus according to which the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable (spendable) financial resources. The current financial resources measurement focus is unique to accounting and financial reporting for state and local governments and used solely for reporting the financial position and results of operations of governmental funds.

**Current Taxes:** Taxes levied and due within one year.

### D

**DEA:** The Drug Enforcement Agency is a branch of the Federal government.

**Debt Service:** Expenditures for principal and interest on outstanding bond issues.

**Debt Service Fund:** A fund established to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

**Deferred Revenue:** Resource inflows that do not yet meet the criteria for revenue recognition. Unearned amounts are always reported as deferred revenue. In governmental funds, earned amounts also are reported as deferred revenue until they are available to liquidate liabilities of the current period.

**Deficit:** The difference between revenues and expenses when revenues are less.

**Delinquent Taxes:** Taxes that remain unpaid after the date on which a penalty for nonpayment is attached.

**Department:** A major administrative organizational unit of the City, which indicates overall management responsibility for one or more activities.

**Depreciation:** Expiration in the service life of fixed assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy, and obsolescence.

**Designated Fund:** Funds created to account for assets set aside for a specific purpose.

**DFA:** Director of Finance and Administration.

## APPENDIX

### E

**Effectiveness:** Effectiveness data enables decision-makers to see that quality does not suffer as productivity increases, and that constituents are satisfied with services.

**EMS:** Emergency Medical Service, provided by the Fire Department staff and ambulance fleet.

**Encumbrance:** The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

**Enterprise Fund:** A fund established to account for operations of the water, sewer, and electric systems. It is operated in a manner similar to private business enterprises where the intent is cost recovery.

**Estimated Revenue:** The amount of projected revenues to be collected during the fiscal year.

**EWS:** Electric, Water, and Sewer.

**Exempt:** Personnel not eligible to receive overtime pay as determined by the Fair Labor Standards Act (FLSA).

**Expendable Trust Fund:** A governmental fiduciary fund held in a trustee capacity by a governmental agency that accounts for assets and activities restricted to a specific purpose in accordance to formal intent. The principal of the fund can be expended towards only the activity specified, e.g., Unemployment Compensation Fund, Employee Benefits Fund, etc.

**Expenditure:** Accounts that are kept on either the accrual basis or modified accrual basis of accounting and designates the cost of goods delivered or services rendered, whether paid or unpaid, including expenses and capital outlays.

**Expense:** Charges incurred for operation, maintenance, interest, and other charges that will benefit the current year.

### F

**FBO:** Fixed Base Operator. This person is contracted to be in charge of day-to-day operations of the airport.

**FEMA:** Federal Emergency Management Agency.

**Fiduciary:** Person or organization who is responsible for the administration of property owned by others. Corporate management is a fiduciary with respect to corporate assets that are beneficially owned by the stockholders and creditors. Similarly, a trustee is the fiduciary of a trust and partners owe fiduciary responsibility to each other and to their creditors.

**Fiduciary Fund:** Any fund held by a governmental unit as an agent or trustee.

**FIRM:** Flood Insurance Rate Map.

**Fiscal Year:** A 12-month period to which the Annual Budget applies. The City of Bentonville's fiscal year corresponds to the calendar year.

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**Fixed Asset:** Long-term assets that are intended to be held or used, such as land, buildings, machinery, furniture, and other equipment.

**FLSA:** Fair Labor Standards Act.

**Franchise Fee:** A fee paid by utilities for use of public property in providing services to the citizens of the city.

**FTE (Full-Time Equivalent Position):** A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a summer lifeguard working for four months, or 690 hours, would be equivalent to .33 FTE.

**Fund:** A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities, or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**Fund Accounting:** A governmental accounting system that is organized and operated on a fund basis.

**Fund Balance:** Fund equity available for appropriation.

**Fund Equity:** The excess of assets over liabilities. A portion of the equity may be reserved or designated; the remainder is Fund Balance.

**Fund Type:** In governmental accounting, all funds are classified into eight fund types: General, Special Revenue, Debt Service, Capital Projects, Special Assessment, Enterprise, Internal Service, and Trust and Agency.

## G

**GAAP:** Generally Accepted Accounting Principles as determined through common practice or as promulgated by the Governmental Accounting Standards Board, Financial Accounting Standards Board, or various other accounting standard setting bodies.

**GASB:** Governmental Accounting Standards Board. According to the GASB web site: The mission of the Governmental Accounting Standards Board is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

**General Fixed Assets Account Group:** A self-balancing group of accounts set up to account for the general fixed assets of a governmental unit.

**General Fund:** The fund used to account for all financial resources except those required to be accounted for in another fund.

**General Obligation Bonds:** Bonds that finance a variety of public projects, which pledge the full faith, and credit of the City.



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**GFOA:** The Government Finance Officers Association (GFOA) is the professional association of state/provincial and local finance officers in the United States and Canada, which has served the public finance profession since 1906.

**GIS:** Geographic Information System is a system that links spatial data contained within a database to a mapping platform. It enables the user to create “smart maps” or to map information contained within the database.

**Goals:** Broad, general statements of each department’s desired social or organizational outcomes.

**Governmental Fund:** A generic classification adopted by the National Council on Governmental Accounting to refer to all funds other than proprietary and fiduciary funds. General fund, special revenue funds, capital projects funds, debt service funds, and special assessment funds are all examples of governmental fund types.

**GPS:** Global Positioning System equipment allows users to map objects on the ground using a network of satellites that send signals to the receiver. This technology allows for quick, sub-meter accuracy in mapping. The information that is gathered can then be instantly downloaded to an AutoCAD or GIS platform.

**Grant:** A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed the grantee.

### I

**Infrastructure:** The underlying permanent foundation or basic framework.

**Interest Earnings:** The earnings from available funds invested during the year in U.S. Treasury Bonds, Government agencies, and Certificates of Deposits.

**Intergovernmental Revenues:** Revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

**Internal Service Funds:** Funds established to finance and account for services and commodities furnished by a designated department to other departments within a single governmental unit or to other governmental units. Amounts expended by the fund are restored thereto, either from operating earnings or by transfers from other funds, so that the original fund capital is kept intact.

**Investments:** Securities, bonds, and real property (land or buildings) held for the production of revenues in the form of interest, dividends, rentals, or lease payments. The term does not include fixed assets used in the normal course of government operations.

**ISDN:** Integrated Services Digital Network. A set of communications standards to allow one wire or fiber to carry voice, digital network services, and video.

**IS:** Information Systems.

**ISTEA:** The Intermodal Surface Transportation Efficiency Act. This Federal Transportation Appropriation passed in 1991 mandated that a portion of federal transportation funds be earmarked for alternative modes of transportation and transportation enhancement programs.

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### L

**LAN:** Local Area Network is a group of computers hooked together to form a network. For example, our computers in City Hall are connected to form a Local Area Network.

**Liabilities:** Debts or other legal obligations arising out of transactions in the past that must be liquidated renewed or refunded at some future date.

**Line Items:** Expenditure classifications established to account for approved appropriations. Line item budgets for all departments are available upon request.

**Long-Term Debt:** Unmatured debt, with a maturity of more than one year after the date of issuance, of a government expected to be repaid from government funds. An average repayment schedule is 20 years.

**LOPFI:** The Local Option Police and Fire retirement plan is the statewide system that includes our firefighters.

### M

**Maintenance:** All materials or contract expenditures covering the repair and upkeep of City buildings, machinery and equipment, systems, and land.

**Materials and Supplies:** Expendable materials and operating supplies necessary to conduct departmental activity.

**Measurement Focus:** The objective of a measurement, that is, what is being expressed in reporting an entity's financial performance and position. A particular measurement focus is accomplished by considering not only which resources are measured (for example, financial or economic resources), but also when the effects of transactions or events involving those resources are recognized (the basis of accounting). The measurement focus of government-wide financial statements, proprietary fund financial statements, and fiduciary fund financial statements is economic resources. The measurement focus of governmental fund financial statements is current financial resources.

**Modified Accrual Accounting:** A basis of accounting in which revenues are recognized in the accounting period when they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

### N

**NACA:** Northwest Arkansas Conservation Authority. This organization was formed by several cities in northwest Arkansas with the intent to develop a regional wastewater facility.

**Net Current Assets:** Current assets minus current liabilities. Also called working capital.

**NEXTEA:** This term was used for the new Transportation Bill before it was passed into law. It was actually passed as TEA 21, meaning Transportation Efficiency Act for the 21<sup>st</sup> Century. It is essentially the same concept as ISTEA with changes primarily made in the appropriation formulas.

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**NFPA:** National Fire Protection Association.

**Non-operating Expense:** Proprietary fund expenses incurred in performance of activities not directly related to supplying the basic service by a governmental enterprise.

**Non-operating Income:** Proprietary fund income that is not derived from the basic operation of such enterprises.

### O

**O & M:** Operations and Maintenance.

**Objective:** An objective is a decision about the amount of progress to be made within a specified period. It states in measurable and quantitative terms the results to be achieved within a specified time and plans the incremental steps to achieve the goal.

**Operating Budget:** Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing acquisition, spending, and service delivery activities of a government are controlled. The use of an annual operating budget is usually required by law.

**Operating Costs:** Outlays for such current period items as expendable supplies, contractual services, and utilities.

**Operating Transfer:** Legally authorized interfund transfers from a fund receiving revenue to the fund that makes expenditures.

**Ordinance:** A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

**Other Financing Source:** An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends. The use of the other financing sources category is limited to items so classified by GAAP.

**Other Financing Use:** A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends. The use of the other financing uses category is limited to items so classified by GAAP.

### P

**Part-Time:** Part-time employees work less than 30 hours per week and are not entitled to full-time employee benefits.

**PCA:** Power Cost Adjustment. A portion of the charge on a customer's electric bill.

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**Performance Measures:** Specific quantitative measures of work performed within an activity or program. They may also measure results obtained through an activity or program.

**Personnel Services:** The costs associated with compensating employees for their labor. This includes salaries, wages, FICA, retirement contributions, health, dental, life, disability, unemployment insurance, and Workers' Compensation coverage.

**POA:** Property Owners Association.

**Productivity:** Unit cost (productivity data) enables decision-makers to measure efficiency, as opposed to total expenditures. Productivity unit costs can also be used to quickly estimate the cost of adding more service, or the savings to be realized from reductions in service.

**Property Taxes:** Used to describe all revenues received in a period from current taxes, delinquent taxes, penalties, and interest on delinquent taxes. Property taxes are levied on both real and personal property according to the property's valuation and tax rate.

**Proprietary Funds:** Funds that focus on the determination of 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.

**Public Hearing:** The portions of open meetings held to present evidence and provide information on both sides of an issue.

## R

**Reserve:** An account that records a portion of the fund equity that must be segregated for some future use and which is not available for further appropriation or expenditure.

**Retained Earnings:** The accumulated earnings of an enterprise or internal service fund that have been retained in the fund and that are not reserved for any specific purpose.

**Revenue:** Funds that the government receives as income.

**Revenue Bonds:** Bonds whose principal and interest are payable exclusively from a revenue source pledged as the payment source before issuance.

**Revenue Recognition:** A method of determining whether or not income has met the conditions of being earned and realized or is realizable.

**RFID:** Radio Frequency Identification is a system that utilizes small computer chips to identify and track items such as packages, library books, etc.

**Risk Management:** An organized attempt to protect a government's assets against accidental loss in the most economic method.

**RLF:** Revolving Loan Fund is a source of low cost loans from the state for public works projects such as wastewater plants, water lines, sewer lines, etc.

**R.O.W. or ROW:** Right-of-way for infrastructure.

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### S

**SCADA:** Supervisory Control and Data Acquisition. These are automated systems used in our water, electric and wastewater operations, that collect data, detect problems, and provide some ability to take corrective and/or controlling actions from a central location rather than having to have an employee go to the actual site. A SCADA system may also include alarms and automatic dialing of key personnel in emergencies.

**Special Assessment:** A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

**Special Revenue Fund:** A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or for major capital projects) that are legally restricted to expenditures for specified purposes.

**SRO:** School Resource Officer is an officer assigned to a local school to serve as a liaison between the school and the City, and to establish a rapport with the students to help reduce crime.

**SRT:** Special Response Team is a unit within the Police Department that has special equipment and training to meet unusual needs that may arise, such as a hostage situation or a mass shooting.

**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. The amount paid is on a per capita basis.

**SWEPCO:** Southwest Electric Power Company is the company that sells electricity to the City of Bentonville for resale to our customers through our electric system.

### T

**T-1:** A high-speed digital network.

**Tax Base:** The total value of all real and personal property in the City as of January 1 each year.

**Tax Levy:** The resultant product when the tax rate is multiplied by the tax base.

**TEA 21:** The Transportation Efficiency Act for the 21<sup>st</sup> Century is a federal act to provide funds to communities to aid in transportation improvements.

**TIF:** Tax Increment Financing is a way for governments (usually municipal authorities) to help finance new capital projects by taking advantage of expected property tax. A city, for example, may designate as a TIF district a plot of land that is planned to be redeveloped. Then the city can borrow against expected increased tax revenues to build infrastructure such as sewers and transportation services.

**Trust Fund:** A fund where there is a fiduciary relationship calling for a trustee to hold the title to assets, usually monetary, for the benefit of the beneficiary.

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### U

**Unreserved Fund Balance:** The amount remaining in a fund that is not reserved for some future use and which is available for further appropriation or expenditure.

### W

**W.S.** Abbreviation used within the City to mean Water and Sewer.