

City of Bentonville, Arkansas



2021 Annual Budget Report **January 1st – December 31st**



Table of Contents

Introduction	Page
Table of Contents	2
City Council and Other Elected Officials	4
Distinguished Budget Presentation Award	5
Mission Statement	6
Bentonville at a Glance	7
Principal Employers	14
Organizational Chart	15
Schedule of Key Personnel	16
Budget Message	
Message from the Mayor	17
Message from the Finance Director	18
Budget Summary	
Fund Structure	25
Funds and Department Listing	26
Major Revenues and Expenses	27
Debt	40
Summaries by Fund	44
Fund Balance	57
Basis of Accounting and Budgeting	58
Budget Process	60
Budget Schedule	63
Financial Policies	64
Funds and Departments	
General Fund	
General Fund Introduction	67
Accounting & Purchasing	68
Administration	71
Airport	74
Building Inspection	77
District Court	80
Engineering	83
Fire	86
Library	89
Public Works Maintenance	93
Parks and Recreation	96
Planning	99
Police	103
Utility Fund	
Utility Fund Introduction	106
Billing and Collection	107
Electric	110

Table of Contents

<u>Inventory</u>	<u>113</u>
<u>Sanitation</u>	<u>116</u>
<u>Sewer Rehab</u>	<u>119</u>
<u>Wastewater</u>	<u>122</u>
<u>Water</u>	<u>125</u>
Other Funds	
<u>Other Funds Introduction</u>	<u>129</u>
Capacity and Impact Fees	
<u>Fire Impact Fees</u>	<u>130</u>
<u>Parks and Recreation Impact Fees</u>	<u>132</u>
<u>Police Impact Fees</u>	<u>134</u>
<u>Library Impact Fees</u>	<u>136</u>
<u>Water Capacity Fees</u>	<u>138</u>
<u>Wastewater Capacity Fees</u>	<u>140</u>
<u>Transportation and Street</u>	<u>142</u>
<u>Debt Service</u>	<u>145</u>
Capital	
<u>Capital Introduction</u>	<u>147</u>
<u>List of Capital Items</u>	<u>148</u>
<u>Significant and Non-Recurring Capital Item Explanations</u>	<u>152</u>
<u>Effects of Capital on Operating Budgets</u>	<u>153</u>
Staffing	
<u>Personnel Introduction</u>	<u>154</u>
<u>Personnel Requests</u>	<u>155</u>
<u>Staffing Changes</u>	<u>157</u>
<u>Full Time Equivalents (FTEs)</u>	<u>158</u>
Appendix	
<u>Electric Rates</u>	<u>166</u>
<u>Water and Wastewater Rates</u>	<u>167</u>
<u>Sanitation Rates</u>	<u>168</u>
<u>Miscellaneous Statistical Data</u>	<u>169</u>
<u>Census Data</u>	<u>170</u>
<u>Glossary</u>	<u>173</u>

CITY OF BENTONVILLE, ARKANSAS

**2021 ANNUAL BUDGET REPORT
JANUARY 1 – DECEMBER 31**

**STEPHANIE ORMAN
MAYOR**

CITY COUNCIL AND OTHER ELECTED OFFICIALS

NAME	WARD	POSITION
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		
Kirby Romines, City Clerk		

Prepared by:

Jake Harper
Director of Finance & Administration

Lindsey Hood
Financial Analyst

Visit our website at Bentonvillear.com



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Bentonville

Arkansas

For the Fiscal Year Beginning

January 1, 2020

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, 2020**. 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.

BENTONVILLE AT A GLANCE

LOCATION

Bentonville, the county seat for Benton County, is located in the northwest corner of Arkansas and spans an area of 33.97 square miles. 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 87,590, 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 81,125 based on the 2010 Census, and Rogers, population of 68,669. 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 28,872. The local area offers good hunting, fishing, camping, and hiking.

Benton and Washington counties have historically experienced strong economic development with lower unemployment rates than the national average and growing population estimates of 279,141 and 239,187 respectively.

Northwest Arkansas Community College is located in Bentonville and offers multiple opportunities for education after high school. In 2017, Northwest Arkansas Community College added the Brightwater Culinary School to help transform the college's culinary arts program and provide word-class training for individuals, students and professionals at any point of their journey into the world of food.

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 attractive place to live and work. The Northwest Arkansas National Airport, just a few miles to the

BENTONVILLE AT A GLANCE

southwest, opened in November of 1998 and has had a significant impact on continued growth in the area.

The U.S Census Bureau has recognized the City of Bentonville as the 5th fastest growing large city in the United States in May of 2020. With ongoing announcements of a variety of new housing options and businesses along with an inspiring entrepreneurial spirit, a focus on expansive trail systems, and beautiful trees and natural open spaces for all to enjoy, the City continues to receive awards and recognition as one of the best places in the United States to live, work, and play.



HISTORY

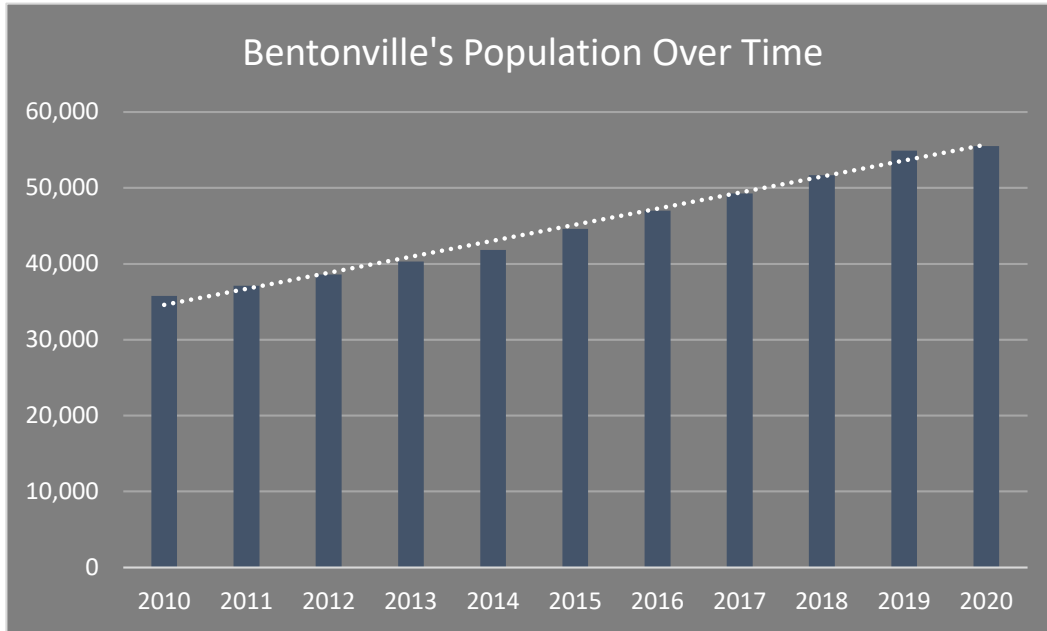
Bentonville is in the area that was part of the 1803 Louisiana Purchase. In November of 1837, a site was designated as the county seat for Benton County. This site was named in honor of Senator Thomas Hart Benton, from Missouri, who worked to have Arkansas admitted as a state. Bentonville was named after the county and became 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, 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. From the 1930's to the present, many changes have occurred. Bentonville, once primarily an agricultural community, has grown into a thriving business and tourist community. In May of 1950, Sam Walton opened Walton's 5 and 10 store on the Bentonville Square. Now Walmart is the number one retailer in the country with significant positioning internationally.

BENTONVILLE AT A GLANCE

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 City's population growth has averaged about 7% annually and according to the most recent census, the 2019 population was 54,909. The following chart shows the rapid population change from the figure of approximately 35,000 people in 2010 to a population of close to 55,000 in 2019.

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. Demographic information from the 2010 census can be seen on [page 170](#).



BENTONVILLE AT A GLANCE

CITY FACILITIES

CITY HALL

City Hall is located at 305 SW A Street. This building, which opened originally as the Community Development Building in January 2006, replaced a historic structure that was built as a church, served as a library and was later home to the Police Department. The building houses:

- The Mayor's Office
- The Planning Department
- Code Enforcement
- Building Inspection
- GIS
- Fire Marshalls/Inspection



BENTONVILLE CENTRAL FIRE STATION

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 PUBLIC LIBRARY

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.

- 42,615 Library Card Holders
- 752,056 Checkout of Materials



BENTONVILLE AT A GLANCE

LOUISE M. THADEN FIELD

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.



PARKS AND RECREATION



The Parks and Recreation Maintenance Department office is at Memorial Park which is east of downtown and its main office is located 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 4th 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

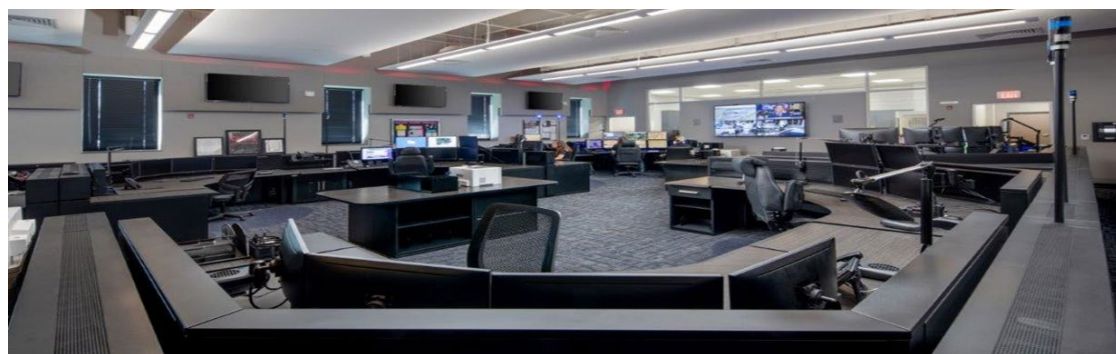
BENTONVILLE POLICE FACILITY

Several blocks further south is the Police Building. It was modified in 2009 to add additional space for the detectives.



BENTONVILLE EMERGENCY COMMUNICATION & CRIMINAL INVESTIGATIONS CENTER

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 AT A GLANCE

PUBLIC WORKS FACILITY



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

WASTEWATER TREATMENT PLANT



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.

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

ADMINISTRATIVE SERVICES BUILDING



The Administrative Services Building opened in February of 2021 and is located at 1000 SW 14 Street. The building was purchased by the City and renovated to house Utility Billing, Information Systems, Human Resources, Accounting, Purchasing and the Finance/Budget Office.

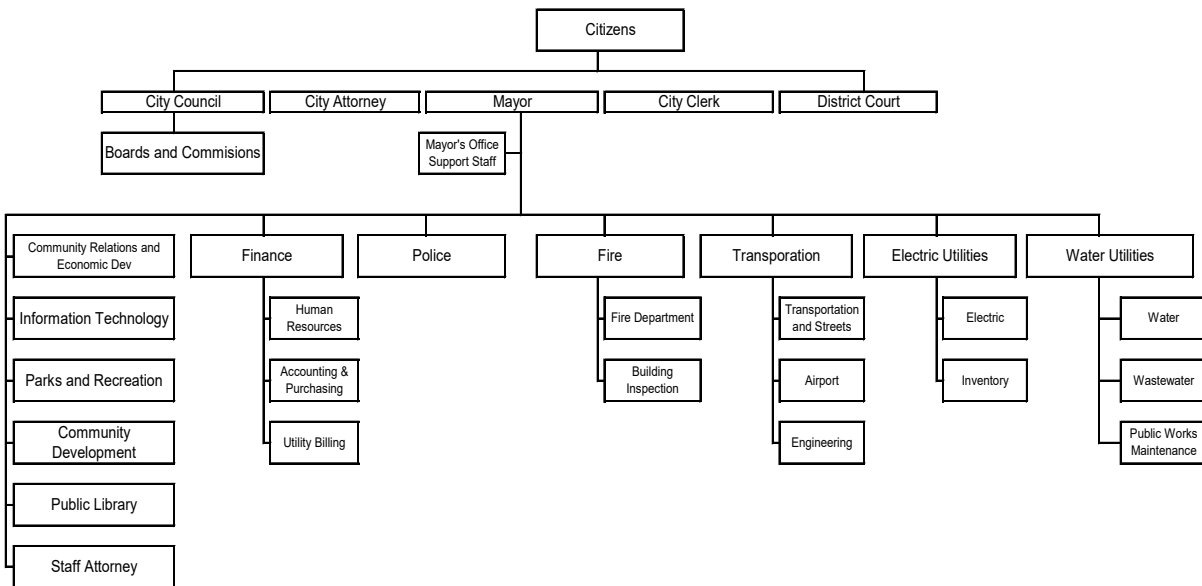
PRINCIPAL EMPLOYERS

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

Employer	Employees
Wal-Mart/Sam's Club	2500+
Mercy Health System of Northwest Arkansas	1000-2499
Bentonville School District	1000-2499
Northwest Arkansas Community College	500-999
Benton County	500-999
Cognizant	500-999
City of Bentonville, Arkansas	500-999
Arvest Bank Group	300-499
Northwest Health System	300-499
Consumer Testing Laboratories	300-499

BENTONVILLE AT A GLANCE

ORGANIZATIONAL CHART



BENTONVILLE AT A GLANCE

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
Parks & Recreation Director	David Wright	479-271-6813
Maintenance Supervisor	Scott Mendenhall	479-271-3190
Finance Director	Jake Harper	479-271-6781
Human Resources Manager	Ed Wheeler	479-271-3191
Assistant Finance Director	Jessica Thurman	479-418-8649
Billing and Collection Manager	Gary Wilson	479-271-3104
Purchasing Manager	Gladys Shoemake	479-271-3115
Information Technology Director	Dennis Hayes	479-271-3127
District Judge	Ray Bunch	479-271-5923
Fire Chief	Brent Boydston	479-271-3155
Chief Building Inspector	Lance Blasi	479-271-3125
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
City Engineer	Dan Weese	479-254-2024
Water Utilities 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
Electric Utility Director	Travis Matlock	479-271-6720
Inventory Manager	Amy Blood	479-271-5930

BUDGET MESSAGE



October 29, 2020

Dear City Council Members,

As we submit the City of Bentonville's 2021 Budget, I want to acknowledge that 2020 has been a challenging year. I am, however, truly inspired by the resiliency that has been shown by our City Staff and the Community. This budget responsibly maintains public safety, repairs and builds needed infrastructure, provides better services and finds greater efficiencies in all departments with a fiscally sound approach. It takes the assets we have and pushes them to be maximized to their full potential.

Looking forward to 2021, this budget enables the City to continue serving our Citizens with a high quality of life while adjusting to a pragmatic revenue forecast that takes into account the continuing growth of our population and the lingering challenges associated with a world-wide pandemic.

This budget is the result of dedicated teamwork and consideration from each of the City's department heads to maintain costs while providing the highest level of services to our residents.

I would like to thank City Staff for the preparation of this budget and to thank the City Council in advance for their consideration of the 2021 Budget. In addition, I want to thank our Citizens and Other Elected Officials for their time and effort to make Bentonville a great place to live, work and play.

All my best,
Stephanie Orman Mayor

**This budget was 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 2021 budget was adopted on November 24, 2020.*

BUDGET MESSAGE

January 1, 2021

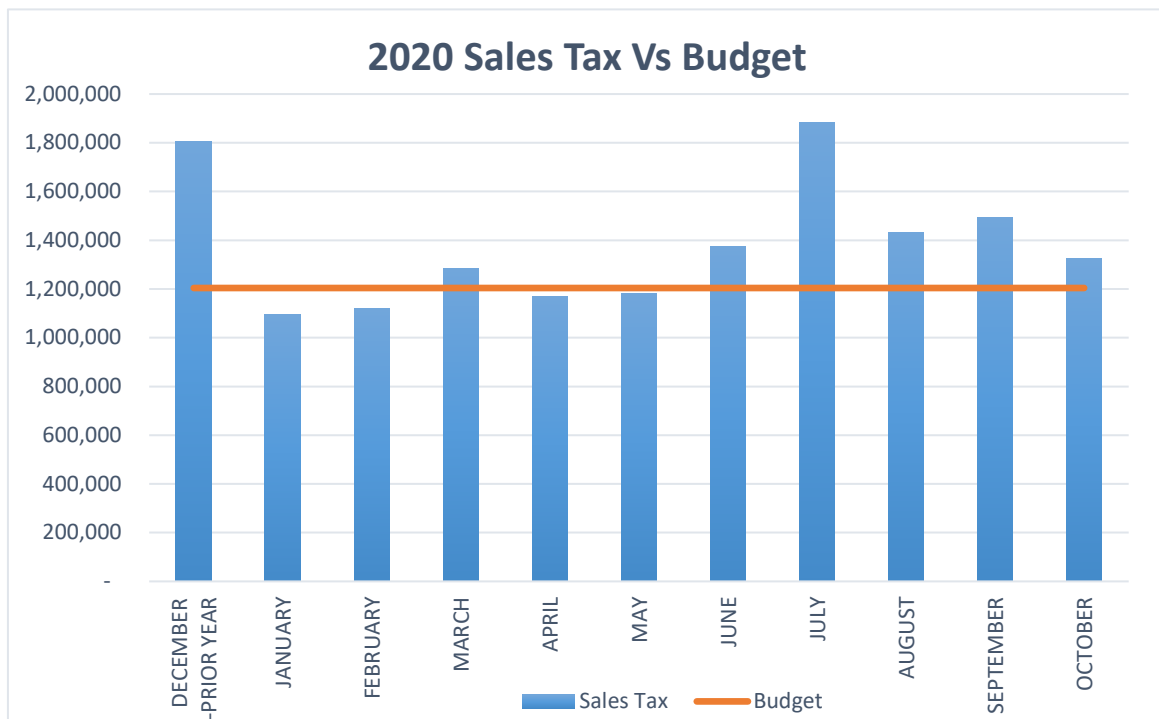
To: Members of the City Council
Citizens of Bentonville

From: Jake Harper
Finance Director

The 2021 Budget was developed during a year of uncertainty for our City, State and Country. Our budget process started in July 2020 which was just 3 months from the start of the Covid-19 Pandemic. The timing of the pandemic and our budget process impacted our decision making process in significant ways including estimating sales tax revenues, property tax revenue, utility revenue and evaluating expenditures such as needed new personnel requests. This budget message focuses on those revenues that are potentially significantly impacted by the pandemic.

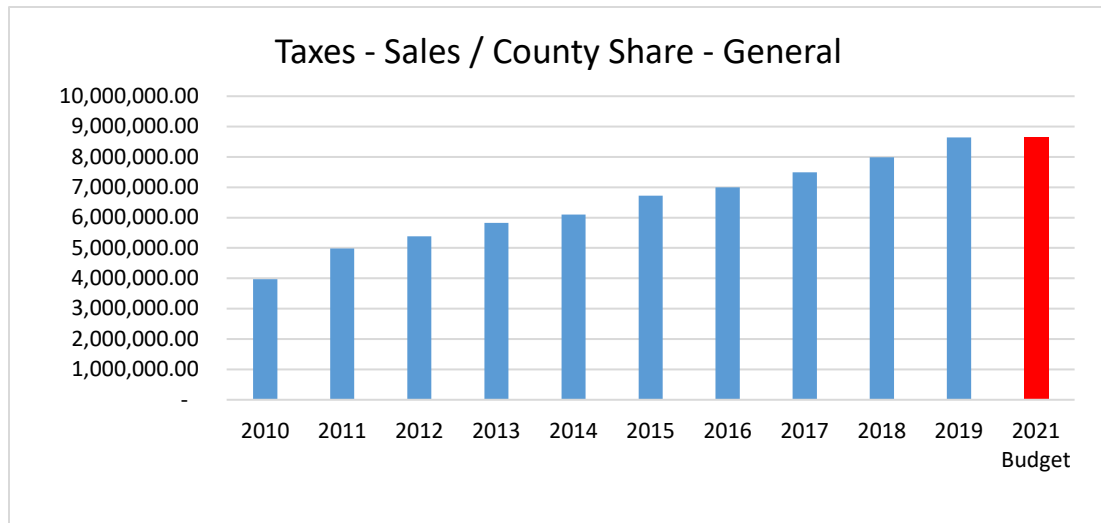
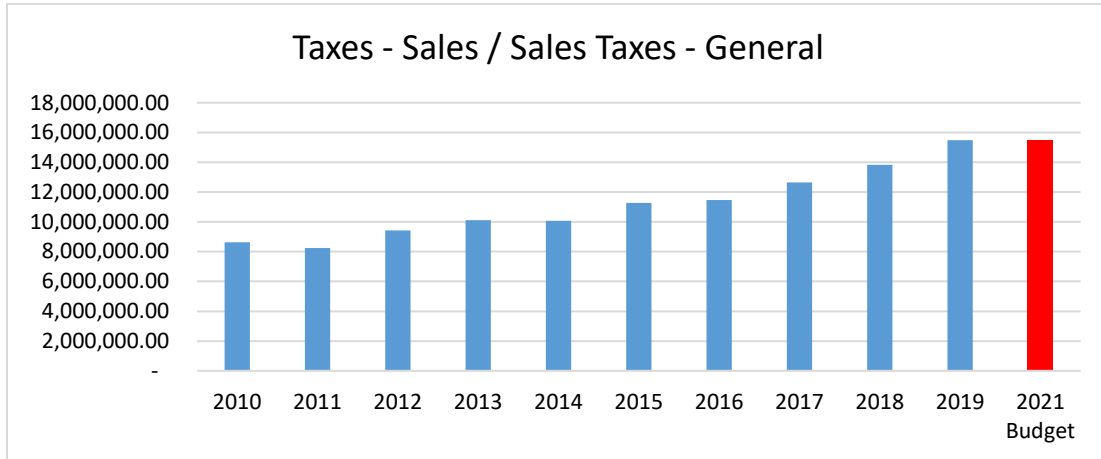
SALES TAX REVENUE

Over the past decade the City has average sales tax growth at approximately 6%. The County sales tax that the City receives a portion of has averaged growth of approximately 9% over the decade. This is a result of the growing, dynamic area of the country we live in. The pandemic though had many cities concerned about immediate (2020) impact on sales tax and on longer term (2021-2022) impact on sales tax. As the City was developing this budget, there was considerable concern from economists that local sales tax could be down 10-20% through the end of the year. As the budget was being prepared the City did experience sales tax amounts under budget for 4 out of 6 months at the beginning of the year. The remaining year was above expectations related to budget. The graph below displays our sales tax budget (orange line) compared to our sales tax actual (blue bars).



BUDGET MESSAGE

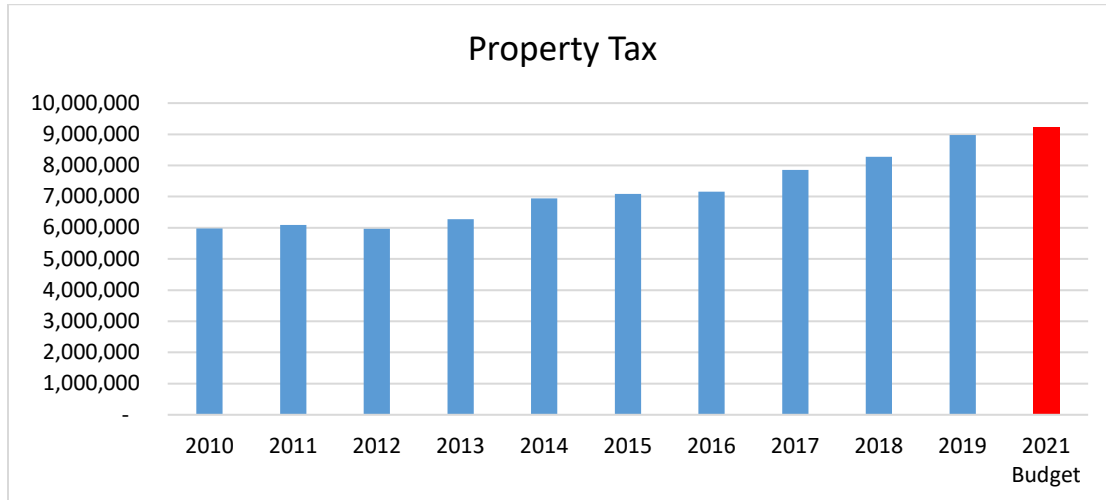
As the City evaluated the current state of sales tax we determined the appropriate way to estimate revenues was to utilize our 2019 actual results as our 2021 budget. We also did this for our County sales tax portion. The charts below represent our sales tax growth for the last decade (blue) and our 2021 budget amount (red).



PROPERTY TAX REVENUE

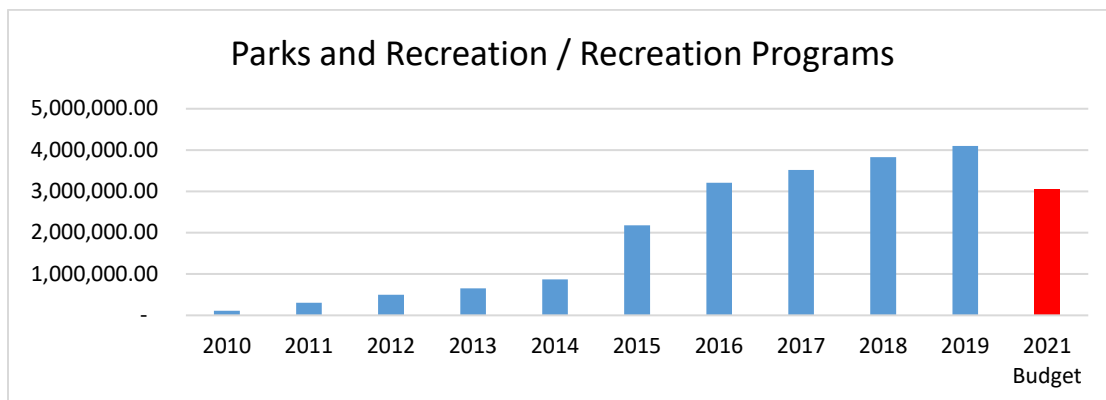
Property tax has seen positive growth over the last 10 years as our population has grown in both Bentonville and Benton County. Property Tax in Arkansas is due in October for the previous year. When there is potential for the economic slowdown is on the horizon we might see an impact in property tax the year after the initial slowdown starts. With construction still increasing in Bentonville and our population growth still we decided to estimate property tax using the most recent fiscal year (2019) and 5% growth. The amount budgeted as revenue in our Governmental Funds for property taxes was \$9,224,270.

BUDGET MESSAGE



PARKS AND RECREATION REVENUE

In the City's Governmental Funds, the most immediately impacted revenue type due to Covid-19 was our Parks and Recreation Revenue. Our recreation programs had to pause immediately including closing our Downtown Activity Center and our Community Center which provided classes and facility access using membership fees and day passes. At the time of budget preparation, the City had estimated a 1.6 million loss in revenue comparing budgeted to actual for 2020. It was still unknown on the 2021 impact of Covid-19 on this revenue type, the Parks and Recreation estimated programming and membership fees and estimated a Parks and Recreation revenue amount of \$3,043,715 which is \$1,119,613 less than the original 2020 budget.



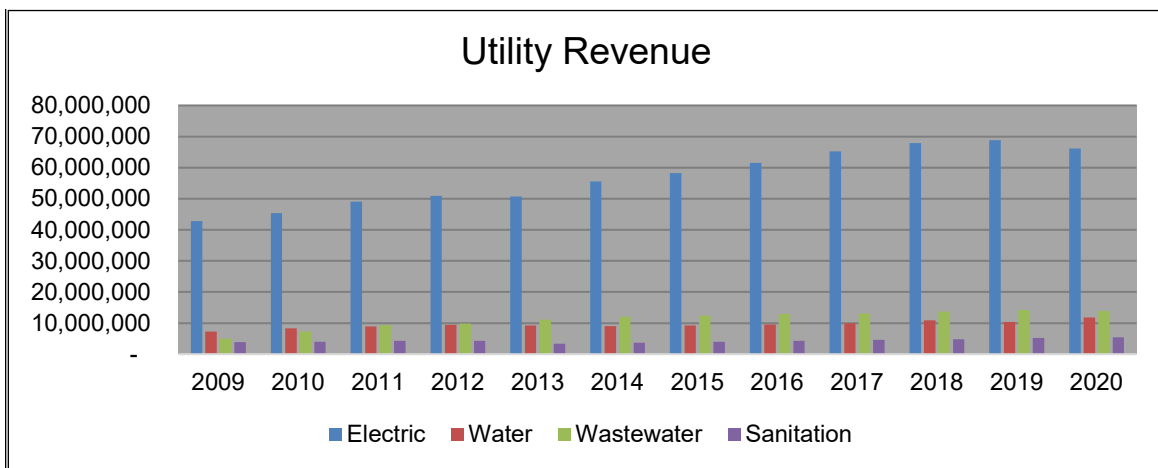
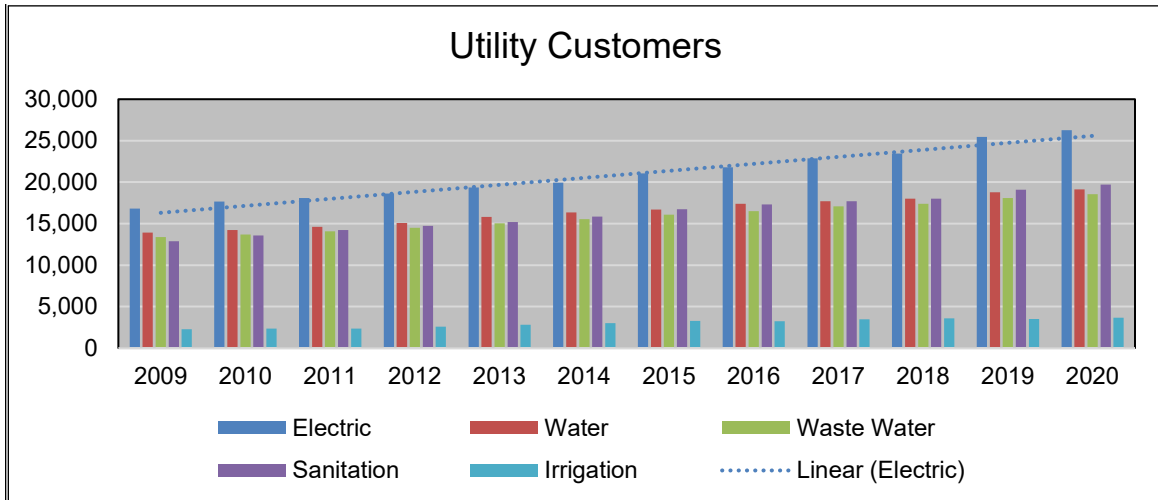
UTILITY REVENUE

One of the largest impacts that Covid-19 has had in the City has been the impact on our Utility Revenues due to changes in our commercial customers. The pandemic caused both a temporary closure of some commercial businesses due to state restrictions and more long-term change in work from home policies for the City's largest employer and other businesses located in the City's service area.

Despite the pandemic our Utility Customers and Utility Revenue continued its growth or stayed level through the end of 2020. Revenue projections from the Utilities were estimated using information from

BUDGET MESSAGE

prepared rate plans and growth rates projected. Due to the complexity of the pandemic and other factors included weather, it was determined to maintain a consistent revenue projection for 2021 in lieu of trying to estimate impacts of work from home adjustments.



PERSONNEL EXPENDITURES

Due to Covid-19 and its potential impact on revenues, the City decided to minimize new personnel in the Governmental Funds. For this year the City did not add any new full-time personnel and only converted one employee from part-time to full-time and that was for the Public Works Maintenance department. The Utility fund added 2 full-time personnel; one for the Water Department and one for the Utility Billing Department.

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

BUDGET MESSAGE

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 2021 budget is one of the largest in our history with budgeted revenues, before interdepartmental transfers, of over \$166 million dollars and total expenses of more than \$168 million dollars. Capital expenditures are over \$17.4 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 for the General Fund is over \$50 million.

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:

- 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

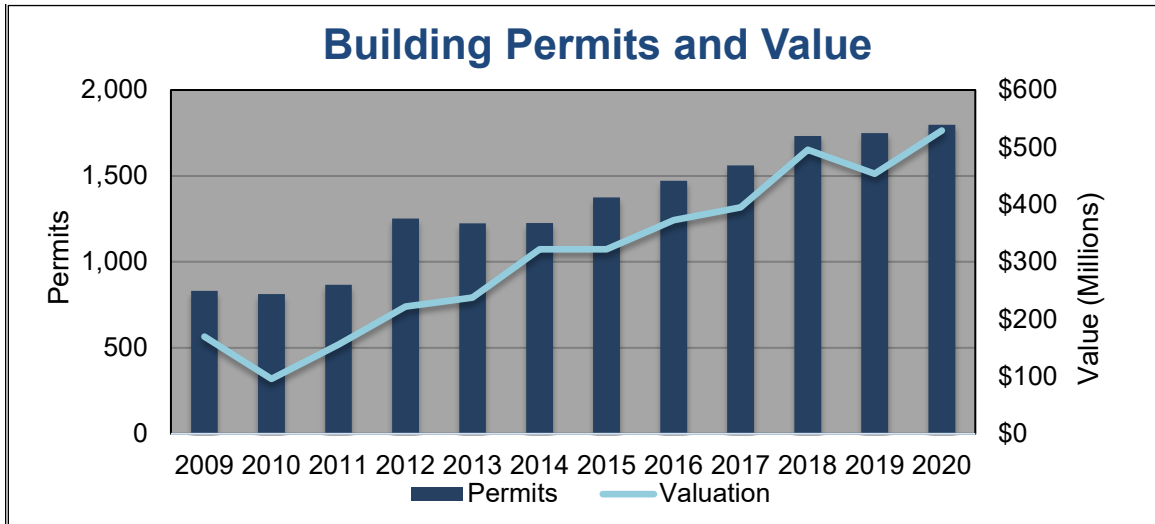
If sales tax collections continue the trend over the next several years, it is the City's intent to have early pay offs on the bonds with the stepped up collections.

At the end of 2020, 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.

BUILDING AND DEVELOPMENT GROWTH

The City is continuing to experience record building and development. Over the last 4 years the City has seen record years for both permits issued and valuation of the projects for those permits. In 2020, we continued with our 4th straight year of valuations exceeding \$450 million.

BUDGET MESSAGE



PLANNING FOR THE FUTURE

Our department managers have identified accomplishments for 2020 and goals for 2021 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.

BUDGET MESSAGE

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.

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.

BUDGET SUMMARY

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:** 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

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

BUDGET SUMMARY

MAJOR REVENUES AND EXPENSES

MAJOR REVENUES BUDGETED

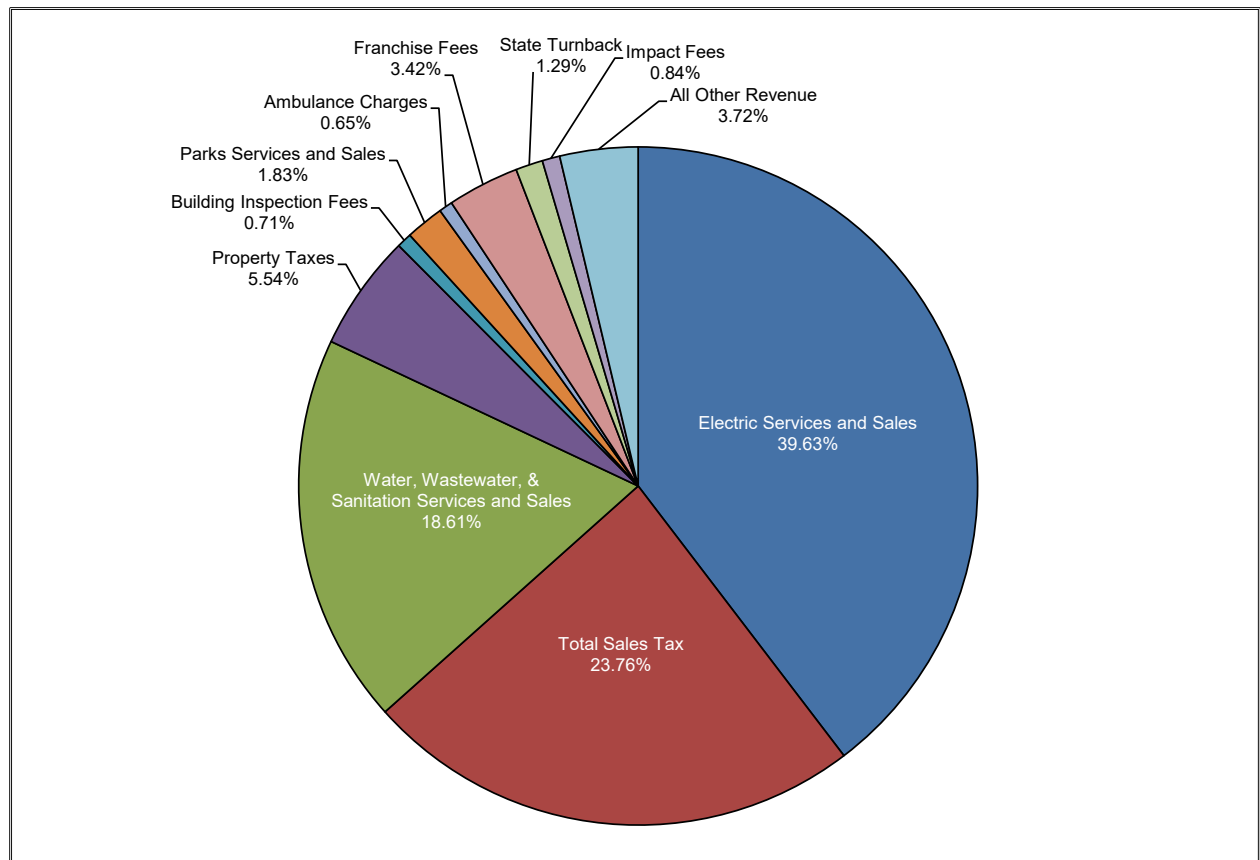
A few revenues comprise a major part of the City's total revenue, excluding transfers. The table below shows each one that has been budgeted over \$500,000, the percentage that each is of the total, and the cumulative total and percentage. The last row in the table is a total of all other revenues, each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

	<u>2021 Budget</u>	<u>% of Total</u>	<u>Cumulative Amount</u>	<u>Cumulative % of Total</u>
Electric Services & Sales	\$ 66,046,031	39.63%	\$ 66,046,031	39.63%
Sales Tax	27,215,316	16.33%	93,261,347	55.97%
Capital Sales Tax	12,380,335	7.43%	105,641,682	63.40%
Water Services & Sales	11,730,504	7.04%	117,372,186	70.44%
Wastewater Services & Sales	13,887,562	8.33%	131,259,748	78.77%
Sanitation	5,395,836	3.24%	136,655,584	82.01%
Property Tax	9,224,270	5.54%	145,879,854	87.54%
Franchise Fees	5,697,275	3.42%	151,577,129	90.96%
General Turnback	558,085	0.33%	152,135,214	91.30%
Street State Turnback	1,598,330	0.96%	153,733,544	92.26%
Ambulance Charges	1,082,114	0.65%	154,815,658	92.90%
Bldg Permits & Licenses	1,188,500	0.71%	156,004,158	93.62%
Parks Programs	3,043,715	1.83%	159,047,873	95.44%
Parks Impact Fees	900,000	0.54%	159,947,873	95.98%
Police Impact Fees	500,000	0.30%	160,447,873	96.28%
Fire Impact Fees	-	0.00%	160,447,873	96.28%
Library Impact Fees	-	0.00%	160,447,873	96.28%
Debt Issuance	-	0.00%	160,447,873	96.28%
Water Capacity	-	0.00%	160,447,873	96.28%
Sewer Capacity	-	0.00%	160,447,873	96.28%
Subtotal	160,447,873	96.28%		
All Other Revenue	6,190,837	3.72%	166,638,710	100.00%
Total Revenue	\$ 166,638,710	100.00%	\$ 166,638,710	

BUDGET SUMMARY

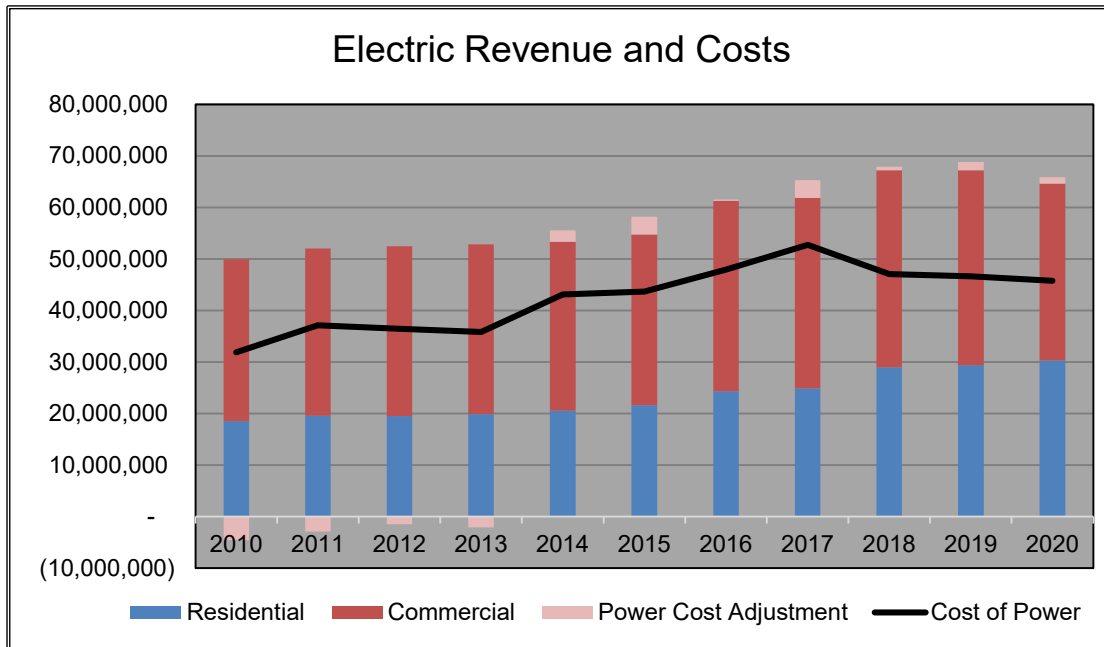
The next table shows the same revenue sources, but in addition to the 2021 Budget amounts, it shows, in the same order, the corresponding figures for 2019 Actual and 2020 Budget. Following that table and graph are comments on selected 2021 budgeted major revenues, especially those that are large and those that might not be self-explanatory.

	<u>2019 ACTUAL</u>	<u>2020 BUDGET</u>	<u>2021 BUDGET</u>	<u>CHANGE</u>	<u>PERCENT</u>
Electric Services & Sales	\$ 70,130,578	\$ 63,831,004	\$ 66,046,031	\$ 2,215,027	3.5%
Sales Tax	27,215,318	25,649,945	27,215,316	1,565,371	6.1%
Capital Sales Tax	12,380,335	11,060,692	12,380,335	1,319,643	11.9%
Water Services & Sales	11,051,408	10,233,457	11,730,504	1,497,047	14.6%
Wastewater Services & Sales	14,493,719	13,608,362	13,887,562	279,200	2.1%
Sanitation Services & Sales	5,397,460	4,986,789	5,395,836	409,047	8.2%
Property Tax	8,973,078	8,508,634	9,224,270	715,636	8.4%
Franchise Fees	5,368,133	5,324,953	5,697,275	372,322	7.0%
General Turnback	558,086	559,043	558,085	(958)	-0.2%
Street State Turnback	1,598,330	1,580,660	1,598,330	17,670	1.1%
Ambulance Charges	1,541,483	1,522,711	1,082,114	(440,597)	-28.9%
Bldg Permits & Licenses	1,651,261	1,188,500	1,188,500	-	0.0%
Parks Services & Sales	4,101,678	4,163,328	3,043,715	(1,119,613)	-26.9%
Parks Impact Fees	2,657,755	900,000	900,000	-	0.0%
Police Impact Fees	767,661	500,000	500,000	-	0.0%
Fire Impact Fees	-	-	-	-	n/a
Library Impact Fees	-	-	-	-	n/a
Debt Issuance	-	-	-	-	n/a
Water Capacity	-	-	-	-	n/a
Sewer Capacity	-	-	-	-	n/a
Subtotal	167,886,283	153,618,078	160,447,873	6,829,795	4.4%
All Other Revenue	10,865,523	5,656,066	6,190,837	534,771	9.5%
Total Revenue	\$ 178,751,806	\$ 159,274,144	\$ 166,638,710	\$ 7,364,566	4.6%



BUDGET SUMMARY

ELECTRIC – SERVICES & SALES REVENUE - \$66,046,031: 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.



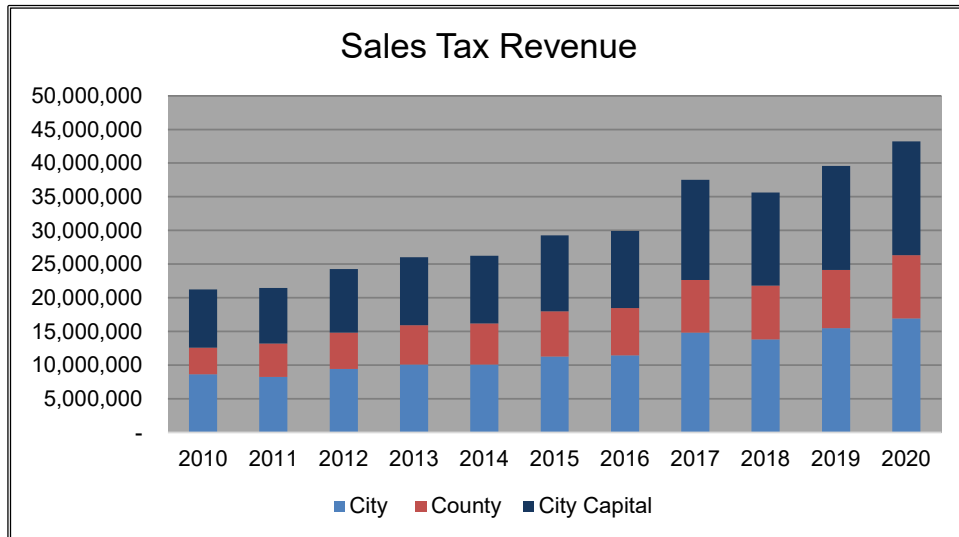
SALES TAXES - \$27,235,316: There are three different sales taxes are included in the amount shown. One is a local one-cent sales tax that was originally approved for ten years by citizens in a special election in August 2003, with an effective date of October 1, 2003. In August of 2007, a special election 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 \$15,475,418 in total but only \$3,095,083 is included in this number. The second sales tax is another local one-cent tax approved in 1983 and accounts for another \$15,475,418. 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 \$8,644,814. 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.

BUDGET SUMMARY

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 - \$12,380,335: 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 2009, 2010 and 2017 Series Bonds. Any excess collections will be used to pay off the bonds early when possible.



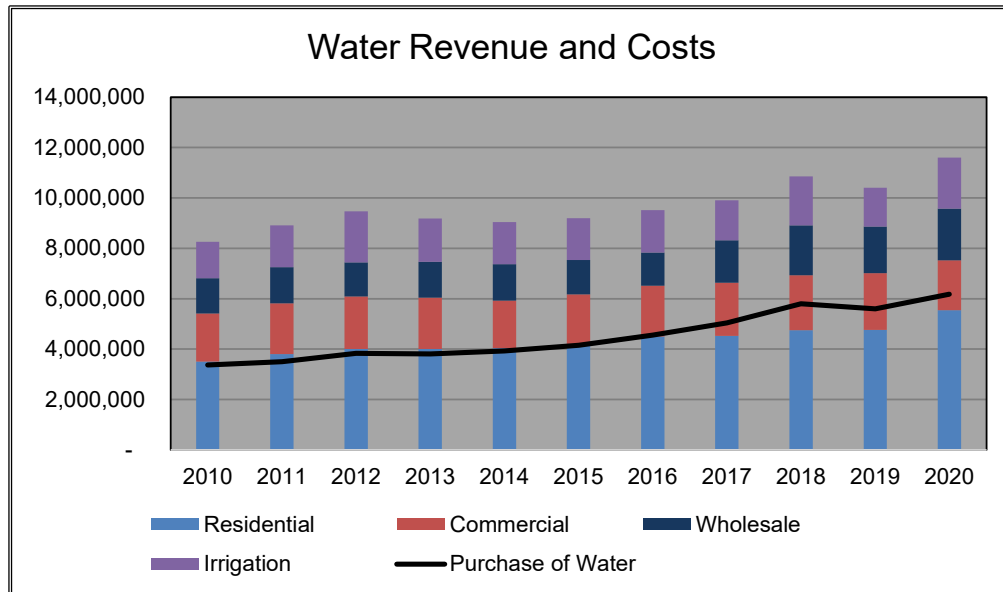
WATER – SERVICES & SALES REVENUE - \$11,730,504: Water Sales Revenue includes residential, commercial, irrigation, a large wholesale customer (Bella Vista), and two small wholesale customers. With the growth of Bella Vista and Bentonville, the wholesale contract was modified in December 2005. One major 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 a 14.6% increase from 2020 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 State for water storage in Beaver Reservoir, a Corps of Engineers lake. BWD has a treatment place 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.

BUDGET SUMMARY

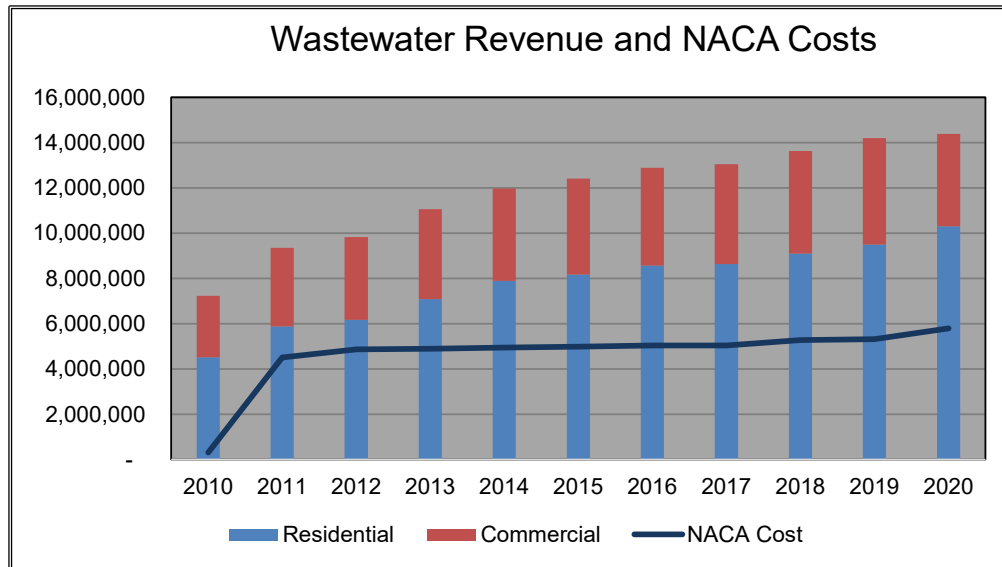


WASTEWATER – SERVICES & SALES REVENUE - \$13,887,562: Wastewater sales revenue was formerly based on water revenue and includes residential and commercial charges to customers. Due to the rate study in 2009, the sewer rates were adjusted which made it difficult to project based on water results. Rates 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.

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.

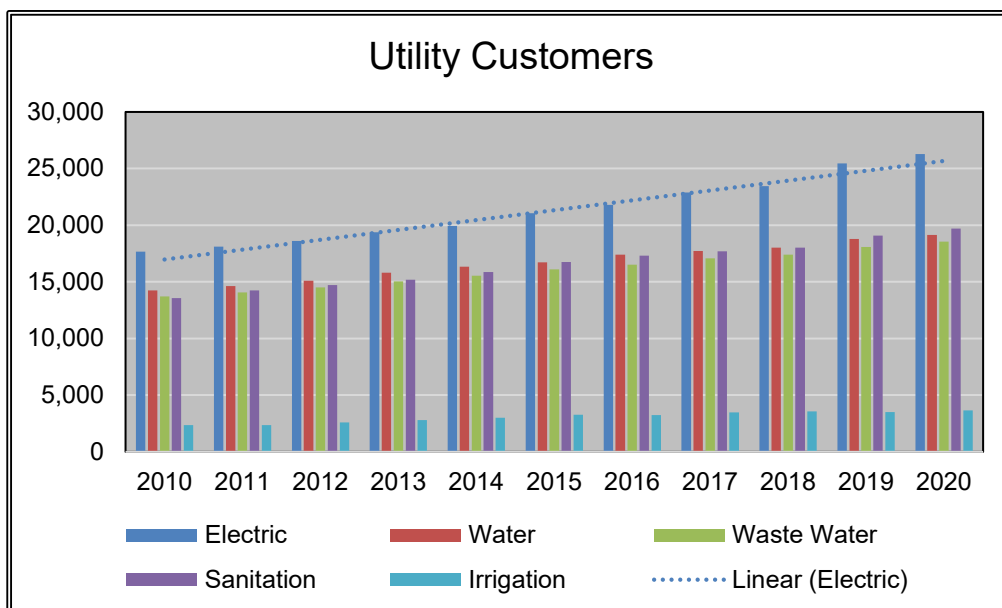
BUDGET SUMMARY



TRASH – SANITATION - \$5,395,836: 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.

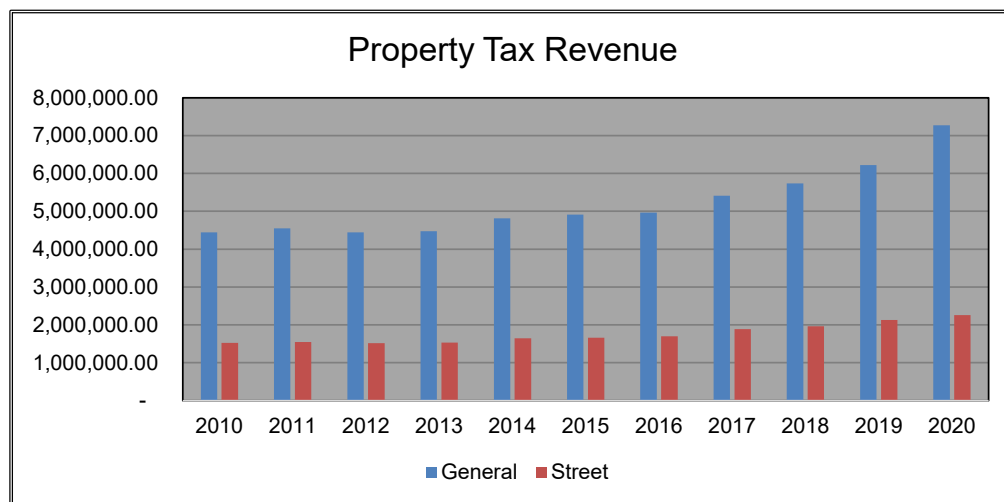


BUDGET SUMMARY

PROPERTY TAXES - \$9,224,270: 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.

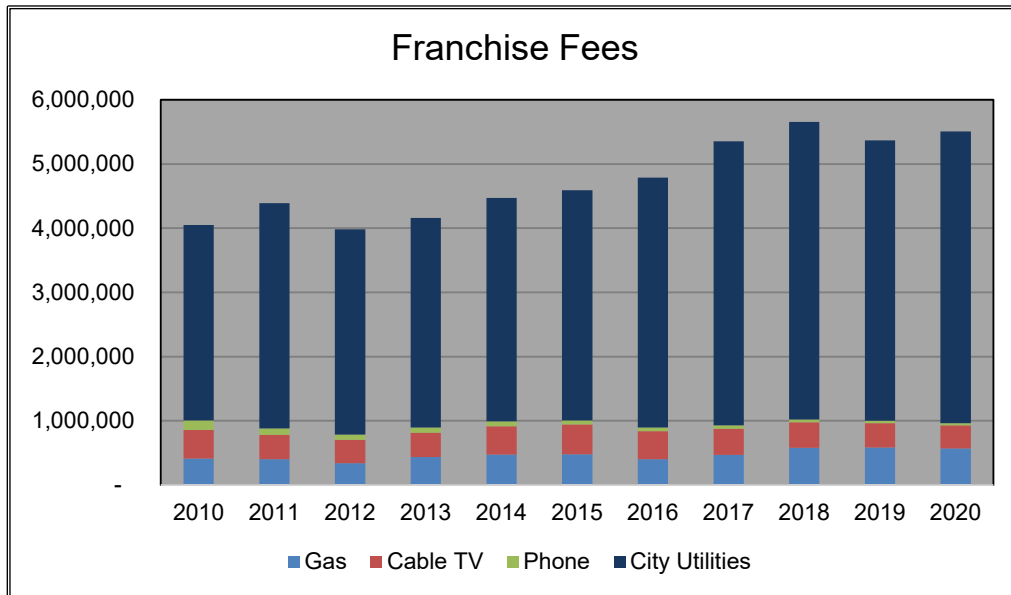
The property tax on real and personal property goes into the General Fund. The tax which is five mills on 20% of the assessed valuation of the property is the maximum allowed by State law for general city operations. The Benton County assessor appraises the property and these are reviewed periodically. 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 mills. 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.



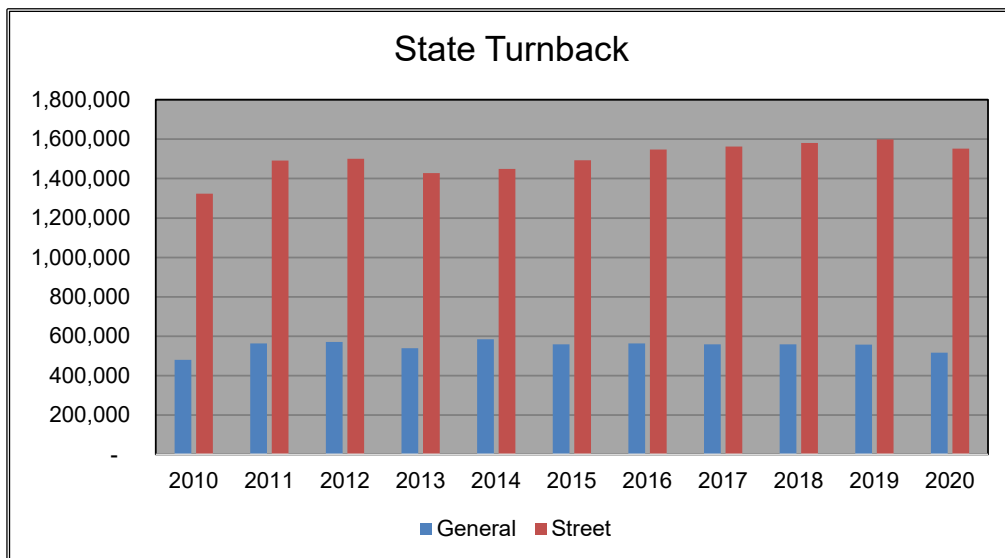
FRANCHISE FEES (ADMIN) - \$5,697,275: The franchise fees include payments from telephone, cable TV, and natural gas franchises. The City owned utilities also pay the franchise fees and each utility (Electric, Water, and Wastewater) has their rate set at 5%.

BUDGET SUMMARY



STATE TURNBACK - \$2,156,415: 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 2021 in the street fund the amount is \$74.20 per capita.

The General fund amount is \$14.84 per capita. 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 - 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 \$318.

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 Parks Impact Fee for a single-family residence is \$2,192.

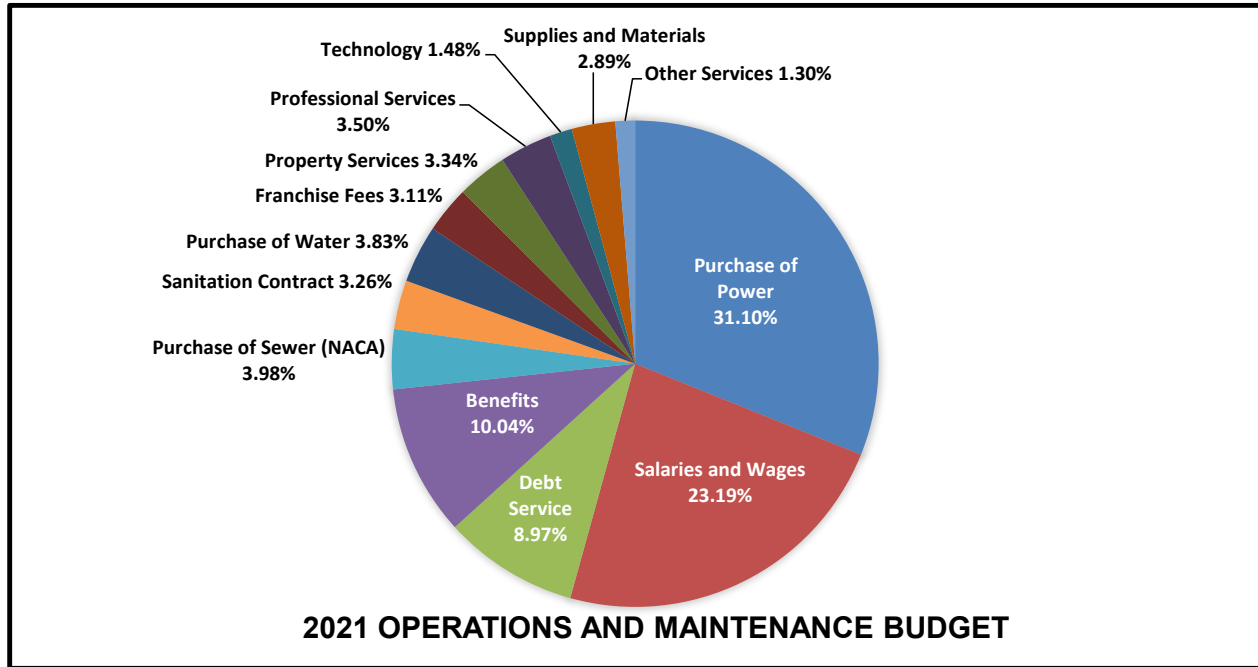
POLICE – POLICE IMPACT FEE - \$500,000: This fee was reinstated in 2016. Currently, police is adding additional space due to growth and these will help fund the addition. The Police Impact Fee for a single-family residence is \$546.

LIBRARY – LIBRARY IMPACT FEE - \$85,000: These fees were also reinstated in 2016 and will be used for capital and collections. The Library Impact Fee for a single-family residence is \$178.

BUDGET SUMMARY

MAJOR EXPENSES BUDGETED

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 the years of 2018 and 2019 in addition to the 2020 and 2021 budgeted amounts.



Description	2018 Actual	2019 Actual	2020 Budget	2021 Budget	% of Total O & M
Purchase of Power	\$ 47,052,813	46,620,073	\$ 46,426,730	\$ 46,900,122	31.10%
Salaries and Wages	28,364,371	30,520,994	33,055,041	34,969,235	23.19%
Debt Service	14,176,635	16,173,808	12,340,282	13,529,570	8.97%
Benefits	11,500,657	12,989,166	14,358,060	15,141,637	10.04%
Purchase of Sewer (NACA)	5,274,161	5,316,167	5,238,167	6,000,000	3.98%
Sanitation Contract	4,542,597	4,913,131	4,488,110	4,911,654	3.26%
Purchase of Water	5,803,494	5,595,129	4,788,198	5,769,785	3.83%
Franchise Fees	4,633,095	4,365,856	4,336,920	4,695,032	3.11%
Property Services	4,669,488	4,294,864	4,970,981	5,031,914	3.34%
Professional Services	3,859,007	4,341,970	5,671,777	5,272,847	3.50%
Technology	1,382,294	1,675,407	2,440,531	2,237,040	1.48%
Supplies and Materials	4,216,949	4,472,055	4,667,330	4,363,314	2.89%
Other Services	8,458,480	1,532,196	1,770,477	1,966,468	1.30%
O & M Total	143,934,041	142,810,816	144,552,604	150,788,618	
Capital	28,488,788	26,300,252	15,992,872	17,485,032	
Total without Transfers	\$ 172,422,829	\$ 169,111,068	\$ 160,545,476	\$ 168,273,650	

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

BUDGET SUMMARY

customers. The budgeted amount for power purchases for 2021 is approximately \$47 million. The increase reflects continued growth of both residential and commercial accounts along with rising fuel costs.

SALARY AND WAGES: As with most municipalities, or most service organizations, a major expense category is the cost of staff. For 2021, Salary and Wages are nearly \$35 million dollars, making up 23.19% of O & M. A COLA of 1.3% and 1.7% merit raise were budgeted for 2021.

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 Sales and Use Tax Bonds. 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 3%.

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 \$4.9 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 \$5.7 million for 2021.

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.

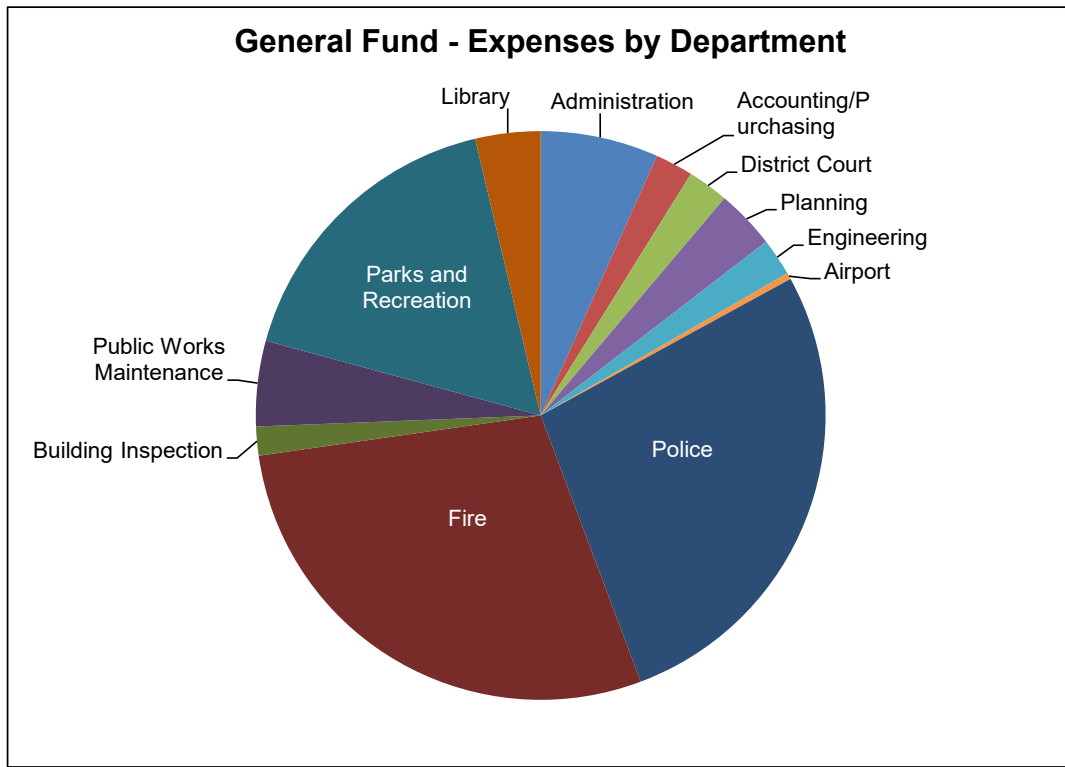
PUBLIC WORKS MAINTENANCE CONTRACT: This is the total cost within public works for maintenance of such items as the electric system, water lines, streets, traffic signals, and street signs.

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. The budgeted amount for legal and professional services for 2021 is approximately \$5.3 million.

SUPPLIES & MATERIALS: This category includes minor equipment, computers, operating and office supplies, postage, safety expense and miscellaneous items. This category is budgeted for a decrease of 6.5% from 2020.

OTHER SERVICES: This category includes insurance, training and dues/subscriptions. This category is budgeted for an increase of 11.1% from 2020 due to increased insurance costs and training costs.

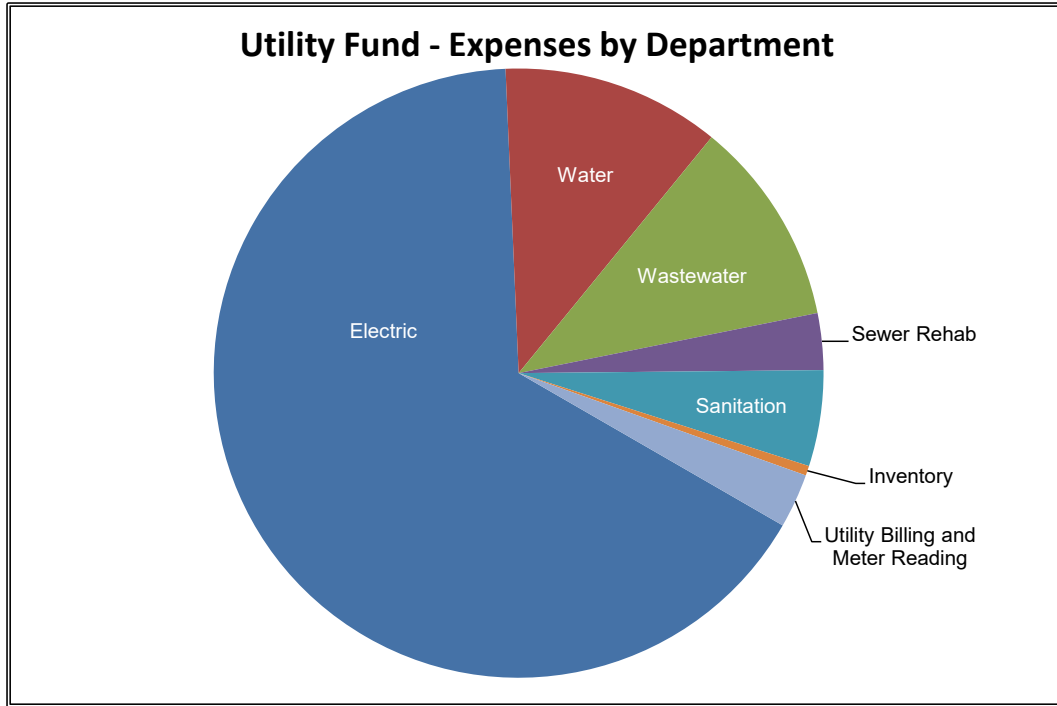
BUDGET SUMMARY



General Fund - Expenditures by Department

Administration	\$ 3,441,471	6.69%
Accounting/Purchasing	1,104,353	2.15%
District Court	1,194,122	2.32%
Planning	1,733,516	3.37%
Engineering	1,097,569	2.13%
Airport	184,759	0.36%
Police	14,017,272	27.26%
Fire	14,628,474	28.45%
Building Inspection	844,262	1.64%
Public Works Maintenance	2,498,140	4.86%
Parks and Recreation	8,775,588	17.07%
Library	1,901,225	3.70%
Total	\$ 51,420,751	100.00%

BUDGET SUMMARY



Utility Fund - Expenditures by Department

Electric	\$	64,808,514	65.98%
Water		11,383,572	11.59%
Wastewater		10,738,491	10.93%
Sewer Rehab		2,952,542	3.01%
Sanitation		5,002,834	5.09%
Inventory		506,844	0.52%
Utility Billing and Meter Reading		<u>2,829,714</u>	<u>2.88%</u>
Total	\$	<u>98,222,511</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. During 2021, before this report was issued, the city underwent a rating by S&P Global Ratings and received an A-rating in relation to upcoming 2021 issuance of Sales and Use Tax Bonds.

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, 2020, were as follows:

	Interest Rates	Final Maturity Date	Principal at 12/31/2020
Revenue Bonds, Series 2006A	2.50%	2028	\$ 3,515,224
Revenue Bonds, Series 2006B	5.2% - 5.9%	2025	925,000
Revenue Bonds, Series 2000	2.75%	2023	870,678
Revenue Bonds, Series 1998	2.75%	2021	50,320
			\$ 5,361,222

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 2.50% 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 5.2% to 5.9%.

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

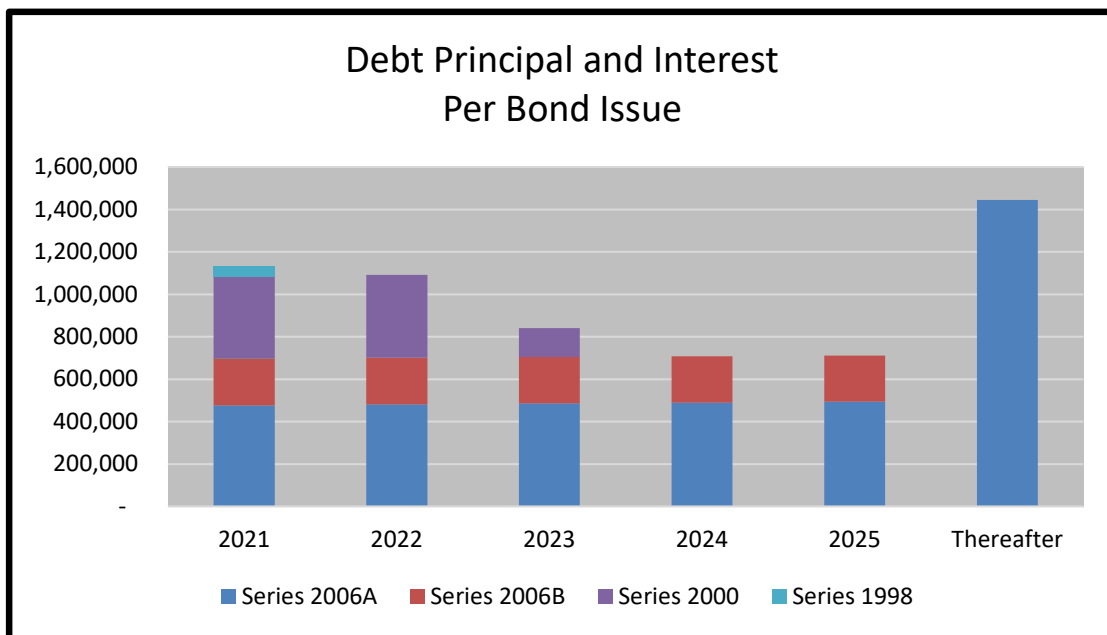
BUDGET SUMMARY

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 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 2021 Budget					
	Total	Principal	Interest	Service Fees	
2021	\$ 1,132,845	\$ 975,929	\$ 156,916	\$ 43,607	
2022	1,092,066	962,371	129,695	36,488	
2023	840,822	743,689	97,133	27,615	
2024	708,200	634,285	73,915	22,362	
2025	711,124	658,678	52,446	17,933	
Thereafter	1,444,218	1,386,270	57,948	25,753	
	<hr/>				
	\$ 5,929,275	\$ 5,361,222	\$ 568,053	\$ 173,758	



BUDGET SUMMARY

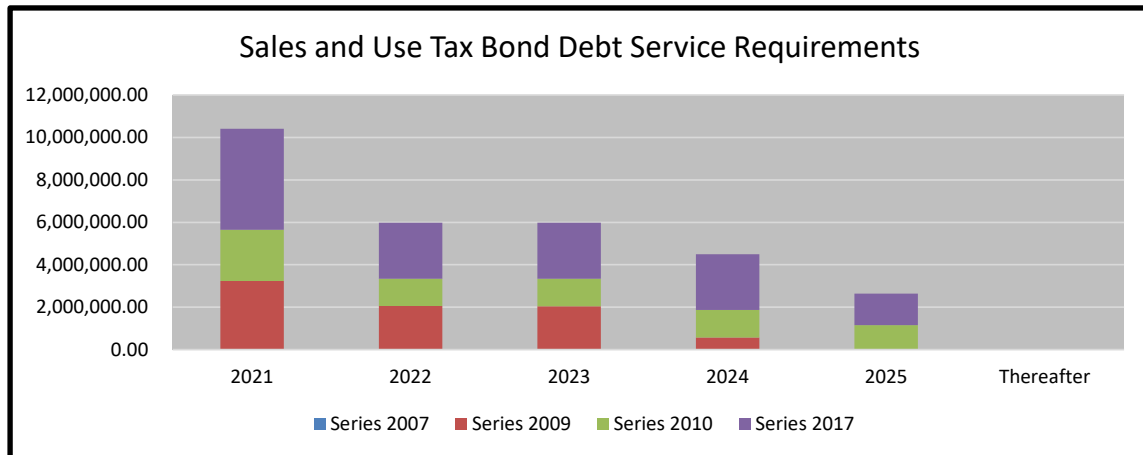
SERIES 2007, SERIES 2009, SERIES 2010 AND SERIES 2017 BOND ISSUE– On November 15, 2007, the City issued \$36,335,000 and for the purpose of street construction, park and recreation capital, police and fire capital, and the municipal airport. During 2020, the City retired the principal of the outstanding bond. 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.

	<u>Interest Rates</u>	<u>Final Maturity Date</u>	<u>Principal at 12/31/2020</u>
Sales and Use Tax bonds, Series 2009	4.0% - 5.0%	2027	\$ 7,265,000
Sales and Use Tax bonds, Series 2010	2.0% - 4.0%	2027	6,830,000
Sales and Use Tax bonds, Series 2017	2.0% - 5.0%	2027	13,105,000
			<u>\$ 27,200,000</u>

Annual debt service requirements to maturity for the sales and use tax bonds as of December 31, 2020 are as follows:

Annual Debt Service Requirements for 2021 Budget				
	Total	Principal	Interest	
2021	\$ 10,409,071	\$ 9,470,000	\$ 939,071	
2022	5,986,789	5,350,000	636,789	
2023	5,981,433	5,560,000	421,433	
2024	4,479,659	4,260,000	219,659	
2025	2,639,878	2,560,000	79,878	
Thereafter	-	-	-	
	<u>\$ 29,496,830</u>	<u>\$ 27,200,000</u>	<u>\$ 2,296,830</u>	

BUDGET SUMMARY



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 \$1,324,081,290 produces a limit of \$331,020,323. 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

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:

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

BUDGET SUMMARY

EXPENSES BY CLASSIFICATION

The expenses are divided into categories as follows:

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

BUDGET SUMMARY

2021 BUDGET ALL FUNDS

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ 58,003,583	\$ 54,524,461	\$ 58,707,130	\$ 4,182,669	7.7%
Licenses & Permits	1,805,507	1,247,600	1,313,023	65,423	5.2%
Intergovernmental Revenue	1,237,535	287,307	255,749	(31,558)	-11.0%
Charge for Services	108,938,749	100,397,721	103,291,777	2,894,056	2.9%
Special Assessments/Fines	4,608,462	2,283,372	2,283,372	-	0.0%
Interest/Rent	1,778,070	415,183	404,129	(11,054)	-2.7%
Other Income	2,379,900	118,500	383,530	265,030	223.7%
Total Revenues	178,751,806	159,274,144	166,638,710	7,364,566	4.6%
Expenditures					
Operations and Maintenance					
Salaries & Wages	30,520,994	33,055,041	34,969,235	1,914,194	5.8%
Benefits	12,989,166	14,358,060	15,141,637	783,577	5.5%
Supplies & Materials	4,472,055	4,667,330	4,363,314	(304,016)	-6.5%
Professional Services	4,341,970	5,671,777	5,272,847	(398,930)	-7.0%
Technology Maintenance/Minor Equipment	1,675,407	2,440,531	2,237,040	(203,491)	-8.3%
Property Services	4,294,864	4,970,981	5,031,914	60,933	1.2%
Other Services	1,532,196	1,770,477	1,966,468	195,991	11.1%
Utility Cost of Goods	66,810,357	65,278,125	68,276,593	2,998,468	4.6%
Total Operations and Maintenance	126,637,009	132,212,322	137,259,048	5,046,726	3.8%
Capital Expenditures					
Capital	26,300,252	14,094,553	15,700,032	1,605,479	11.4%
Setasides - Capital Items	-	1,898,319	1,785,000	(113,319)	-6.0%
Total Capital Expenditures	26,300,252	15,992,872	17,485,032	1,492,160	9.3%
Other					
Debt Service	16,173,808	12,340,282	13,529,570	1,189,288	9.6%
Depreciation/Amortization	7,428,439	-	-	-	--
Total Other	23,602,247	12,340,282	13,529,570	1,189,288	9.6%
Total Expenditures	176,539,508	160,545,476	168,273,650	7,728,174	4.8%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	7,494,392	250,000	140,000	(110,000)	-44.0%
Use of Reserves	-	2,148,000	1,850,000	(298,000)	-13.9%
Donated Infrastructure (non-cash item)	2,432,863	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	1,768,373	72,122	100,832	28,710	39.8%
Transfers Out	(5,521,936)	(72,122)	(100,832)	(28,710)	39.8%
Total Other Financing Sources and Uses	6,173,692	2,398,000	1,990,000	(408,000)	-17.0%
Net	\$ 8,385,990	\$ 1,126,668	\$ 355,060	\$ (771,608)	-68.5%

BUDGET SUMMARY

2021 BUDGET GENERAL FUND

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ 40,930,851	\$ 38,962,063	\$ 41,505,217	\$ 2,543,154	6.5%
Licenses & Permits	1,805,507	1,247,600	1,313,023	65,423	5.2%
Intergovernmental Revenue	695,029	287,307	255,749	(31,558)	-11.0%
Charge for Services	6,884,606	6,809,778	5,286,069	(1,523,709)	-22.4%
Special Assessments/Fines	489,001	498,372	498,372	-	0.0%
Interest/Rent	805,964	275,147	243,482	(31,665)	-11.5%
Other Income	2,169,427	78,500	344,750	266,250	339.2%
Total Revenues	53,780,385	48,158,767	49,446,662	1,287,895	2.7%
Expenditures					
Operations and Maintenance					
Salaries & Wages	21,585,609	23,408,571	24,064,297	655,726	2.8%
Benefits	9,093,886	10,130,196	10,496,715	366,519	3.6%
Supplies & Materials	2,492,069	2,952,408	2,735,596	(216,812)	-7.3%
Professional Services	3,297,775	3,640,217	3,398,081	(242,136)	-6.7%
Technology Maintenance/Minor Equipment	1,164,565	1,789,397	1,472,756	(316,641)	-17.7%
Property Services	1,908,074	2,339,880	2,300,816	(39,064)	-1.7%
Other Services	1,034,668	1,184,156	1,236,787	52,631	4.4%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	40,576,646	45,444,825	45,705,048	260,223	0.6%
Capital Expenditures					
Capital	14,237,115	4,121,751	5,715,703	1,593,952	38.7%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	14,237,115	4,121,751	5,715,703	1,593,952	38.7%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	54,813,761	49,566,576	51,420,751	1,854,175	3.7%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	7,494,392	250,000	140,000	(110,000)	-44.0%
Use of Reserves	-	1,698,000	1,850,000	152,000	9.0%
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	28,808	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	(451,400)	-	-	-	--
Total Other Financing Sources and Uses	7,071,800	1,948,000	1,990,000	42,000	2.2%
Net	\$ 6,038,424	\$ 540,191	\$ 15,911	\$ (524,280)	-97.1%

BUDGET SUMMARY

2021 BUDGET UTILITY FUND

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	102,022,689	93,560,943	97,984,708	4,423,765	4.7%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	289,277	133,576	133,133	(443)	-0.3%
Other Income	160,068	40,000	38,780	(1,220)	-3.1%
Total Revenues	102,472,034	93,734,519	98,156,621	4,422,102	4.7%
Expenditures					
Operations and Maintenance					
Salaries & Wages	7,718,604	8,334,679	9,513,202	1,178,523	14.1%
Benefits	3,345,165	3,636,916	3,980,604	343,688	9.4%
Supplies & Materials	1,818,759	1,553,222	1,472,593	(80,629)	-5.2%
Professional Services	933,792	1,931,060	1,755,660	(175,400)	-9.1%
Technology Maintenance/Minor Equipment	498,487	615,135	700,599	85,464	13.9%
Property Services	1,954,569	2,157,739	2,252,996	95,257	4.4%
Other Services	461,025	542,121	679,501	137,380	25.3%
Utility Cost of Goods	66,810,357	65,278,125	68,276,593	2,998,468	4.6%
Total Operations and Maintenance	83,540,758	84,048,997	88,631,748	4,582,751	5.5%
Capital Expenditures					
Capital	8,259,992	8,490,000	8,441,529	(48,471)	-0.6%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	8,259,992	8,490,000	8,441,529	(48,471)	-0.6%
Other					
Debt Service	2,739,677	1,279,589	1,149,234	(130,355)	-10.2%
Depreciation/Amortization	7,428,439	-	-	-	--
Total Other	10,168,116	1,279,589	1,149,234	(130,355)	-10.2%
Total Expenditures	101,968,866	93,818,586	98,222,511	4,403,925	4.7%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	450,000	-	(450,000)	-100.0%
Donated Infrastructure (non-cash item)	2,432,863	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	24,063	-	-	-	--
Transfers In	-	72,122	100,832	28,710	39.8%
Transfers Out	-	-	(31,667)	(31,667)	--
Total Other Financing Sources and Uses	2,456,926	522,122	69,165	(452,957)	-86.8%
Net	\$ 2,960,094	\$ 438,055	\$ 3,275	\$ (434,780)	-99.3%

BUDGET SUMMARY

2021 BUDGET TRANSPORTATION AND STREET FUND

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ 4,692,396	\$ 4,501,705	\$ 4,821,577	\$ 319,872	7.1%
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	542,506	-	-	-	--
Charge for Services	31,454	27,000	21,000	(6,000)	-22.2%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	40,363	6,460	27,514	21,054	325.9%
Other Income	50,405	-	-	-	--
Total Revenues	5,357,124	4,535,165	4,870,091	334,926	7.4%
Expenditures					
Operations and Maintenance					
Salaries & Wages	1,216,781	1,311,791	1,391,736	79,945	6.1%
Benefits	550,115	590,948	664,318	73,370	12.4%
Supplies & Materials	161,227	161,700	155,125	(6,575)	-4.1%
Professional Services	110,403	100,500	119,106	18,606	18.5%
Technology Maintenance/Minor Equipment	12,355	35,999	63,685	27,686	76.9%
Property Services	432,221	473,362	478,102	4,740	1.0%
Other Services	36,503	44,200	50,180	5,980	13.5%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	2,519,605	2,718,500	2,922,252	203,752	7.5%
Capital Expenditures					
Capital	2,566,233	1,482,802	1,542,800	59,998	4.0%
Setasides - Capital Items	-	113,319	-	(113,319)	-100.0%
Total Capital Expenditures	2,566,233	1,596,121	1,542,800	(53,321)	-3.3%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	5,085,838	4,314,621	4,465,052	150,431	3.5%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	1,768,373	-	-	-	--
Transfers Out	-	(72,122)	(69,165)	2,957	-4.1%
Total Other Financing Sources and Uses	1,768,373	(72,122)	(69,165)	2,957	-4.1%
Net	\$ 2,039,659	\$ 148,422	\$ 335,874	\$ 187,452	126.3%

BUDGET SUMMARY

2021 BUDGET IMPACT AND CAPACITY FEE FUND FIRE IMPACT FEES

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	447,110	300,000	300,000	-	0.0%
Interest/Rent	5,633	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	452,743	300,000	300,000	-	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	300,000	300,000	-	0.0%
Total Capital Expenditures	-	300,000	300,000	-	0.0%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	-	300,000	300,000	-	0.0%
Other Financing Sources and Uses					
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	(1,472,649)	-	-	-	--
Total Other Financing Sources and Uses	(1,472,649)	-	-	-	--
Net	\$ (1,019,906)	\$ -	\$ -	\$ -	--

BUDGET SUMMARY

2021 BUDGET IMPACT AND CAPACITY FEE FUND WATER CAPACITY FEES

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	20,490	-	-	-	--
Interest/Rent	1,315	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	21,805	-	-	-	--
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	-	-	-	-	--
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	-	-	-	-	--
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ 21,805	\$ -	\$ -	\$ -	--

BUDGET SUMMARY

2021 BUDGET IMPACT AND CAPACITY FEE FUND WASTEWATER CAPACITY FEES

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	14,243	-	-	-	--
Interest/Rent	3,946	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	18,189	-	-	-	--
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	-	-	-	-	--
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	-	-	-	-	--
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ 18,189	\$ -	\$ -	\$ -	--

BUDGET SUMMARY

2021 BUDGET IMPACT AND CAPACITY FEE FUND PARKS AND RECREATION IMPACT FEES

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	2,657,755	900,000	900,000	-	0.0%
Interest/Rent	20,273	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	2,678,028	900,000	900,000	-	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	900,000	900,000	-	0.0%
Total Capital Expenditures	-	900,000	900,000	-	0.0%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	-	900,000	900,000	-	0.0%
Other Financing Sources and Uses					
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	(327,849)	-	-	-	--
Total Other Financing Sources and Uses	(327,849)	-	-	-	--
Net	\$ 2,350,179	\$ -	\$ -	\$ -	--

BUDGET SUMMARY

2021 BUDGET IMPACT AND CAPACITY FEE FUND POLICE IMPACT FEES

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	767,661	500,000	500,000	-	0.0%
Interest/Rent	7,296	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	774,957	500,000	500,000	-	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	500,000	500,000	-	0.0%
Total Capital Expenditures	-	500,000	500,000	-	0.0%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	-	500,000	500,000	-	0.0%
Other Financing Sources and Uses					
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	(1,953,064)	-	-	-	--
Total Other Financing Sources and Uses	(1,953,064)	-	-	-	--
Net	\$ (1,178,107)	\$ -	\$ -	\$ -	--

BUDGET SUMMARY

2021 BUDGET IMPACT AND CAPACITY FEE FUND LIBRARY IMPACT FEES

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	212,202	85,000	85,000	-	0.0%
Interest/Rent	1,562	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	213,764	85,000	85,000	-	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	85,000	85,000	-	0.0%
Total Capital Expenditures	-	85,000	85,000	-	0.0%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	-	85,000	85,000	-	0.0%
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ 213,764	\$ -	\$ -	\$ -	--

BUDGET SUMMARY

2021 BUDGET DEBT SERVICE FUND

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ 12,380,336	\$ 11,060,693	\$ 12,380,336	\$ 1,319,643	11.9%
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	167,633	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	12,547,969	11,060,693	12,380,336	1,319,643	11.9%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	-	-	-	-	--
Other					
Debt Service	13,434,131	11,060,693	12,380,336	1,319,643	11.9%
Depreciation/Amortization	-	-	-	-	--
Total Other	13,434,131	11,060,693	12,380,336	1,319,643	11.9%
Total Expenditures	13,434,131	11,060,693	12,380,336	1,319,643	11.9%
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ (886,162)	\$ -	\$ -	\$ -	--

BUDGET SUMMARY

FUND BALANCE

The fund balances shown below are based on estimated results at the end of the 2020 fiscal year. It uses budgeted revenues and expenses for 2021. Fund Balance is the excess of assets over liabilities. A portion of the fund balance may be reserved or designated; the remainder is Unassigned Fund Balance.

According to internal City 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.

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. This evaluation and a new formal Fund Balance and Reserve Policy is anticipated to be approved by City Council in 2021.

	General	Street	Utility	Total Operating Funds	Other Aggregate
December 31, 2020 (Estimate)	62,906,166	6,111,621	259,093,707	62,906,166	33,071,596
2021 Adopted Budget					
Revenues	49,446,662	4,870,091	98,156,621	49,446,662	14,165,336
Expenses	<u>51,420,751</u>	<u>4,465,052</u>	<u>98,222,511</u>	<u>51,420,751</u>	<u>14,165,336</u>
Net	(1,974,089)	405,039	(65,890)	(1,974,089)	-
December 31, 2021 (Estimate)	60,932,077	6,516,660	259,027,817	60,932,077	33,071,596
Fund Balance Target					
10% of O & M	<u>5,142,075</u>	<u>446,505</u>	<u>9,822,251</u>	<u>5,142,075</u>	*
Cushion	55,790,002	6,070,155	249,205,566	55,790,002	*

*Other Aggregate includes Capital Projects Fund, Debt Service Fund, Impact and Capacity Fee Fund and Court Fund. These Funds are primarily holding funds for assets and liabilities for specific purposes and contain no operating resources. Due to the nature of these funds, a Fund Balance Target and Cushion are not calculated.

BUDGET SUMMARY

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

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.

BUDGET SUMMARY

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.

BUDGET SUMMARY

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.

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 2nd and 4th 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,

BUDGET SUMMARY

- 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

MAJOR BUDGET CALENDAR EVENTS



BUDGET SCHEDULE FOR PREPARATION OF 2021 BUDGET

DATE	RESPONSIBLE	DESCRIPTION
July 30	Dept. Heads/Managers	Begin preparing budget request
August 14	Finance Director	Distribute payroll list to departments
August 31	Dept. Heads/Managers	Finish entering budget request
August 31	Dept. Heads/Managers	Submit Personal Request forms to HR
August 31	Dept. Heads/Managers	Confirm Payroll List to Finance Director
September 11	Dept. Heads/Managers	Submit narratives for accomplishments, goals and objectives
September 14	Finance Director	Rolls current payroll file into budget work file
September 21	Dept. Heads/Managers	Review budgets for completeness and accuracy
September 28	Mayor/Finance Director	Begin budget reviews with the Dept. heads/Managers
October 9	Mayor/Finance Director	Complete budget reviews
October 19	Finance Director	Complete initial budget draft
October 29	Mayor/Finance Director	Distribute draft budget
November 9	Council	Workshop and public hearings
November 10	Council	Workshop and public hearings – if necessary
November 24	Council	Adopt Budget
January 1	All Employees	Operate Under Approved budget for New Year

BUDGET SUMMARY

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

FINANCIAL POLICIES

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.

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

BUDGET SUMMARY

FINANCIAL POLICIES

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

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

ACCOUNTING AND PURCHASING

TASK

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

2020 ACCOMPLISHMENTS

- Completed the 2019 audit.
- Won the Certificate for Achievement for Excellence in Financial Reporting awarded by the GFOA.
- Completed implementation of Payroll software conversion. This includes the move of all employees, except Public Safety, to be operational on ExecuTime time and attendance software.

2021 GOALS AND OBJECTIVES

- Complete the 2020 audit.
- Continue to participate in GFOA Award Programs.
- Complete implementation of Advanced Scheduling for time and attendance software for Public Safety.
- Begin implementation of Cash Receipting/Accounts Receivable software conversion.
- Relocation to new Administrative Services Building.

FUNDS AND DEPARTMENTS

ACCOUNTING & PURCHASING 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	3,185	-	-	-	--
Total Revenues	3,185	-	-	-	--
Expenditures					
Operations and Maintenance					
Salaries & Wages	518,800	574,081	603,919	29,838	5.2%
Benefits	214,726	241,300	267,050	25,750	10.7%
Supplies & Materials	14,562	20,170	16,010	(4,160)	-20.6%
Professional Services	66,425	75,200	63,500	(11,700)	-15.6%
Technology Maintenance/Minor Equipment	110,361	125,007	136,182	11,175	8.9%
Property Services	-	600	1,112	512	85.3%
Other Services	7,895	15,755	16,580	825	5.2%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	932,769	1,052,113	1,104,353	52,240	5.0%
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	-	-	-	-	--
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	932,769	1,052,113	1,104,353	52,240	5.0%
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ (929,584)	\$ (1,052,113)	\$ (1,104,353)	\$ (52,240)	5.0%

FUNDS AND DEPARTMENTS

ACCOUNTING & PURCHASING BUDGET SUMMARY

- Salaries and Wages are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted for 2021.
- Benefits are up 10.7% mainly due to a projected increase in insurance costs for the department related to added coverage.
- Professional Services are down 15.6% as budget was allocated to higher prioritized areas.

FUNDS AND DEPARTMENTS

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.

2020 ACCOMPLISHMENTS

- Obtained the GFOA Distinguished Budget Presentation Award for the 22nd consecutive year.
- Continued to experience a decline in Workers Compensation compensable claims despite adding additional personnel in higher risk areas - Fire, Police, and Parks.
- Provided risk management policies and strategies to City departments as required, and distributed regular informational e-mails to City staff regarding important legal subjects

2021 GOALS & OBJECTIVES

- Obtain the Distinguished Budget Presentation Award from the GFOA
- Conduct "Manager Training"
- Focus on a Salary Study and Benefits Study to align the City's long-term planning with a competitive job market
- Focus on expanding training to topics and development areas needed within the City
- 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.
- 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 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ 39,396,303	\$ 37,467,023	\$ 39,900,369	\$ 2,433,346	6.5%
Licenses & Permits	58,720	46,534	60,000	13,466	28.9%
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	754,683	196,522	177,782	(18,740)	-9.5%
Other Income	136,777	-	-	-	--
Total Revenues	40,346,483	37,710,079	40,138,151	2,428,072	6.4%
Expenditures					
Operations and Maintenance					
Salaries & Wages	1,435,818	1,603,988	1,651,405	47,417	3.0%
Benefits	542,532	591,334	602,295	10,961	1.9%
Supplies & Materials	46,628	68,400	71,050	2,650	3.9%
Professional Services	186,121	302,800	279,025	(23,775)	-7.9%
Technology Maintenance/Minor Equipment	156,647	306,286	304,174	(2,112)	-0.7%
Property Services	162,945	167,000	162,366	(4,634)	-2.8%
Other Services	161,647	215,975	209,656	(6,319)	-2.9%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	2,692,338	3,255,783	3,279,971	24,188	0.7%
Capital Expenditures					
Capital	609,585	165,500	161,500	(4,000)	-2.4%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	609,585	165,500	161,500	(4,000)	-2.4%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	3,301,923	3,421,283	3,441,471	20,188	0.6%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	3,740,830	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	(451,400)	-	-	-	--
Total Other Financing Sources and Uses	3,289,430	-	-	-	--
Net	\$ 40,333,990	\$ 34,288,796	\$ 36,696,680	\$ 2,407,884	7.0%

FUNDS AND DEPARTMENTS

ADMINISTRATION BUDGET SUMMARY

- Revenue – Taxes are up compared to the budget the prior year in both property taxes and sales tax.
 - Property tax was estimated to increase by 5% from the actual results of the last full fiscal year (2019).
 - Due to Covid-19 the City decided to budget sales tax receipts as the same as actual results of the last full fiscal year (2019).
- Salaries and Wages are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted for 2021.
- Benefits are up mainly due to a projected increase in insurance costs for the department related to added coverage.
- Professional Services are down 7.9% as budget was allocated to higher prioritized areas.

FUNDS AND DEPARTMENTS

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.

2020 ACCOMPLISHMENTS

- Completed construction of NE taxiway extension.
- Completed design of the SE taxiway extension.
- Completed Hangar Infrastructure Improvements to the west side of the Airport.
- Completed construction of Runway 18 Turnaround.

2021 GOALS AND OBJECTIVES

- Complete construction of Tunnel.
- Complete construction of the South East Parallel Taxiway Extension
- Complete removal of excess dirt on west side of the Airport.

FUNDS AND DEPARTMENTS

AIRPORT 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ 26,948	\$ 19,577	\$ 19,577	\$ -	0.0%
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	392,627	-	-	-	--
Charge for Services	18,620	13,580	13,580	-	0.0%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	45,197	67,225	60,000	(7,225)	-10.7%
Other Income	71,247	49,000	75,000	26,000	53.1%
Total Revenues	554,639	149,382	168,157	18,775	12.6%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	69,305	53,000	53,000	-	0.0%
Professional Services	54,356	60,000	100,000	40,000	66.7%
Technology Maintenance/Minor Equipment	-	2,350	16	(2,334)	-99.3%
Property Services	26,605	44,200	22,700	(21,500)	-48.6%
Other Services	4,863	11,800	9,043	(2,757)	-23.4%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	155,129	171,350	184,759	13,409	7.8%
Capital Expenditures					
Capital	341,896	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	341,896	-	-	-	--
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	497,025	171,350	184,759	13,409	7.8%
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ 57,614	\$ (21,968)	\$ (16,602)	\$ 5,366	-24.4%

FUNDS AND DEPARTMENTS

AIRPORT BUDGET SUMMARY

- Revenues are up due to (\$26,000 in Other Income) related to budgeting for property taxes for non-public hangers.
- Professional Services are up 66.7% due to the City began contracting for mowing services at the Airport in 2020.
- Property Services is down 48.6% due to in the prior year the contract for mowing services was included in this line item, but has been re-classified to the Professional Services line item for 2021.

FUNDS AND DEPARTMENTS

BUILDING INSPECTION

TASK

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

2020 ACCOMPLISHMENTS

Unavailable

2021 GOALS AND OBJECTIVES

Unavailable

FUNDS AND DEPARTMENTS

BUILDING INSPECTION 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	1,651,261	1,188,500	1,188,500	-	0.0%
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	103,483	54,000	34,000	(20,000)	-37.0%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	17,426	-	-	-	--
Total Revenues	1,772,170	1,242,500	1,222,500	(20,000)	-1.6%
Expenditures					
Operations and Maintenance					
Salaries & Wages	548,350	543,817	458,660	(85,157)	-15.7%
Benefits	224,158	263,641	206,565	(57,076)	-21.6%
Supplies & Materials	29,647	31,400	34,250	2,850	9.1%
Professional Services	70,107	79,360	20,000	(59,360)	-74.8%
Technology Maintenance/Minor Equipment	30,567	42,902	56,803	13,901	32.4%
Property Services	27,324	34,000	41,692	7,692	22.6%
Other Services	24,814	33,460	26,292	(7,168)	-21.4%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	954,967	1,028,580	844,262	(184,318)	-17.9%
Capital Expenditures					
Capital	33,897	35,000	-	(35,000)	-100.0%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	33,897	35,000	-	(35,000)	-100.0%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	988,864	1,063,580	844,262	(219,318)	-20.6%
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ 783,306	\$ 178,920	\$ 378,238	\$ 199,318	111.4%

FUNDS AND DEPARTMENTS

BUILDING INSPECTION BUDGET SUMMARY

- Revenue was held flat for the year as an increase in budgeted revenue was unwarranted at this time.
- Salaries/Wages and Benefits are down due to the transfer of the Code Enforcement staff to the Planning budget as part of a reorganization that moved Building Inspection/Permitting functions under the management of the Fire Department.
- Professional Services is down related to the reorganization mentioned above as the mowing related to Code Enforcement was moved to planning

FUNDS AND DEPARTMENTS

DISTRICT COURT

TASK

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

2020 ACCOMPLISHMENTS

- Applied for and was awarded a \$15,000 grant to be used for training costs for DWI Court Team for seventh consecutive year.
- Applied for and was awarded a grant to be used Civil & Small Claims Mediation program (3rd year of this grant & program).
- 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.
- Implemented multiple safety features throughout the office to ensure the safety of staff and patrons.
- Maintained continuity of operations while also adjusting staffing and standard operating procedure during the pandemic.
- Implemented creative solutions that allowed District Court to offer many online & virtual options to conduct business during the pandemic.
- Increased usage of 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.
- Completed process of automating the issuance of Failure to Appear Warrants which saves a significant amount of staff hours by making it possible to issue multiple warrants by one simple software setting.
- Began the process of investigating software options since the announcement in February of the impending end of support for current software.

2021 GOALS AND OBJECTIVES

- Choose and begin implementation of new case management software.
- Facilitate conversion of data from old case management software to new software.
- Create training for staff on features of new 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.
- Continue to promote use of on-line case resolution software and other virtual options for case resolution.
- Begin investigating ways in which the District Court can reduce the number of Warrants issued by increasing compliance on the part of the people 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 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	42,906	47,760	47,760	-	0.0%
Charge for Services	60,198	51,272	53,794	2,522	4.9%
Special Assessments/Fines	407,178	418,872	418,872	-	0.0%
Interest/Rent	1,003	-	-	-	--
Other Income	26,909	15,000	250,000	235,000	1566.7%
Total Revenues	538,194	532,904	770,426	237,522	44.6%
Expenditures					
Operations and Maintenance					
Salaries & Wages	441,709	421,191	428,003	6,812	1.6%
Benefits	201,152	216,964	206,710	(10,254)	-4.7%
Supplies & Materials	23,039	29,500	26,800	(2,700)	-9.2%
Professional Services	33,856	57,000	50,500	(6,500)	-11.4%
Technology Maintenance/Minor Equipment	54,717	62,150	58,214	(3,936)	-6.3%
Property Services	24,558	45,950	46,150	200	0.4%
Other Services	17,277	29,930	27,745	(2,185)	-7.3%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	796,308	862,685	844,122	(18,563)	-2.2%
Capital Expenditures					
Capital	8,500	150,000	350,000	200,000	133.3%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	8,500	150,000	350,000	200,000	133.3%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	804,808	1,012,685	1,194,122	181,437	17.9%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	100,000	100,000	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	100,000	100,000	--
Net	\$ (266,614)	\$ (479,781)	\$ (323,696)	\$ 156,085	-32.5%

FUNDS AND DEPARTMENTS

DISTRICT COURT BUDGET SUMMARY

- Revenues are up primarily to use of \$250,000 in state automation funds to offset the cost of new software are utilized. The new software expenditure is located in capital assets which explains that increase.
- Salaries and Wages are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted for 2021.

FUNDS AND DEPARTMENTS

ENGINEERING

TASK

To provide advice and technical expertise to assist elected officials, planning commission, public agencies, and citizens in understanding key issues and prioritizing projects. To review development plans, maintain design and construction specifications, conduct field inspections, 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 sustainability.

2020 ACCOMPLISHMENTS

- 36 projects accepted as complete through July.
- \$8M in donated assets through July.
- Supported the Street Department on sidewalk improvements, street improvements, and drainage projects.
- Completed Phase I of the City Wide Drainage Study.
- Supported the preparation of the Master Street Plan.
- Completed Water tower Road and Battlefield Drainage Studies.
- Supported the revised flood mapping for Little Osage Creek Tributary II.
- Partnered with private developers to start implementation of regional detention ponds.

2021 GOALS AND OBJECTIVES

- Oversee and guide the Phase II of City Wide Drainage Study.
- Continue development of a regional detention network.
- Manage Capital Improvement Projects for street, drainage, and signal improvements.
- Supported the Street Department on sidewalk improvements, street improvements, and drainage projects.

FUNDS AND DEPARTMENTS

ENGINEERING 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	5,200	-	-	-	--
Intergovernmental Revenue	60,060	-	-	-	--
Charge for Services	6,045	4,595	5,295	700	15.2%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	29,408	-	-	-	--
Total Revenues	100,713	4,595	5,295	700	15.2%
Expenditures					
Operations and Maintenance					
Salaries & Wages	546,684	632,358	626,658	(5,700)	-0.9%
Benefits	212,798	260,511	248,188	(12,323)	-4.7%
Supplies & Materials	14,522	25,502	21,700	(3,802)	-14.9%
Professional Services	68,424	76,040	66,806	(9,234)	-12.1%
Technology Maintenance/Minor Equipment	13,280	24,900	17,782	(7,118)	-28.6%
Property Services	17,548	17,450	15,535	(1,915)	-11.0%
Other Services	19,391	20,000	20,900	900	4.5%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	892,647	1,056,761	1,017,569	(39,192)	-3.7%
Capital Expenditures					
Capital	216,878	80,000	80,000	-	0.0%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	216,878	80,000	80,000	-	0.0%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	1,109,525	1,136,761	1,097,569	(39,192)	-3.4%
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ (1,008,812)	\$ (1,132,166)	\$ (1,092,274)	\$ 39,892	-3.5%

FUNDS AND DEPARTMENTS

ENGINEERING BUDGET SUMMARY

- Salaries and Wages remaining mostly flat as new employees with lower costs have offset the COLA and Merit raises.

FUNDS AND DEPARTMENTS

FIRE

TASK

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

2020 ACCOMPLISHMENTS

- 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.
- Ordered 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.
- 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.
- Transitioned the Building Department into the Fire Department, Fire Marshal's Division.
- Placed first ALS Engine in service.
- In preparation for the bond initiative announced in early 2020, the fire department participated in identifying the direction of the new city radio system, and developed plans for a training center.

2021 GOALS AND OBJECTIVES

- Place second ALS Engine into service.
- Place two new, upgraded ALS ambulances into service.
- Order a replacement aerial.
- Implement full changes in the Building and Fire Safety Division.
- Begin preliminary work for Station 3 expansion.
- Implement the "Standards of Response Coverage" to guide future deployments and tactical operations.
- Implement new firefighter fitness program.
- Order two new ambulances.
- Develop our drone program.
- Implement the mass communication system for large gatherings.

FUNDS AND DEPARTMENTS

FIRE 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ 1,107,893	\$ 1,075,757	\$ 1,125,312	\$ 49,555	4.6%
Licenses & Permits	85,803	7,945	60,000	52,055	655.2%
Intergovernmental Revenue	12,989	12,988	12,989	1	0.0%
Charge for Services	1,549,480	1,524,103	1,090,110	(433,993)	-28.5%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	126	-	-	-	--
Other Income	75,719	13,000	13,000	-	0.0%
Total Revenues	2,832,010	2,633,793	2,301,411	(332,382)	-12.6%
Expenditures					
Operations and Maintenance					
Salaries & Wages	5,608,205	6,717,793	6,872,576	154,783	2.3%
Benefits	2,536,152	3,170,024	3,128,520	(41,504)	-1.3%
Supplies & Materials	537,583	700,764	536,532	(164,232)	-23.4%
Professional Services	255,650	327,465	331,241	3,776	1.2%
Technology Maintenance/Minor Equipment	215,554	193,425	270,454	77,029	39.8%
Property Services	269,038	393,405	381,085	(12,320)	-3.1%
Other Services	237,183	248,033	242,913	(5,120)	-2.1%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	9,659,365	11,750,909	11,763,321	12,412	0.1%
Capital Expenditures					
Capital	3,331,399	1,608,359	2,865,153	1,256,794	78.1%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	3,331,399	1,608,359	2,865,153	1,256,794	78.1%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	12,990,764	13,359,268	14,628,474	1,269,206	9.5%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	1,472,649	-	-	-	--
Use of Reserves	-	1,360,000	1,750,000	390,000	28.7%
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	1,472,649	1,360,000	1,750,000	390,000	28.7%
Net	\$ (8,686,105)	\$ (9,365,475)	\$ (10,577,063)	\$ (1,211,588)	12.9%

FUNDS AND DEPARTMENTS

FIRE BUDGET SUMMARY

- Charges for Services are estimated to be down related to Benton County taking over some ambulance service areas that were previously contracted out to be serviced by the City.
- Salaries and Wages are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted.
- Supplies and Materials is down because the previous year had equipment that was purchased that was not a recurring expense
- Technology Maintenance/Minor Equipment is up due to a scheduled replacement of laptops (Toughbooks) for Fire Department vehicles.
- Capital Expenditures are up due to the proposed purchase of a replacement fire engine at a budgeted cost of \$1,750,000.

FUNDS AND DEPARTMENTS

LIBRARY

TASK

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

2020 ACCOMPLISHMENTS

- BPL responded to the COVID-19 Pandemic in various ways to protect the health and safety of staff and patrons, as well as help reduce the spread of the COVID-19 virus in our community.
- BPL closed to the public March 16; essential staff worked from home and on-site as conditions allowed during the public closure.
- Librarians developed and implemented a comprehensive plan for phased reopening with specific protocols for staff workflows and patron use. BPL's "COVID-19 Procedure Manual" is considered a best practice for our local situation and was endorsed by the Library Advisory Board.
- Facility modifications were made; public spaces and staff work areas were adapted; supplies and materials were purchased.
- The Library offered self-service pickup and returns on the front veranda, a new and convenient service for patrons. Debuted May 18, the option continued well after re-opening the facility June 9.
- On June 9, BPL re-opened its facility to the public in a phased capacity with established protocols.
- The Library expanded its ebook collection with Overdrive and added Advantage titles to its offerings for Bentonville patrons.
- The Library added Access Videos as a new streaming service and Binge Box videos for checkout.
- The Library began offering Xpress Bags; the service features a bag full of library resources carefully curated by library staff based on patrons' needs and interests.
- BPL was a designated site for Bentonville Schools' and Aramark's Summer Feeding Drive-Thru Program during the spring and summer months.
- Library staff began offering Stories Online with BPL, digital book talks and other programs in a virtual environment.
- Library staff offered a more streamlined approach to obtaining library cards, allowing patrons to complete the entire process virtually, improving the customer experience.
- BPL's Summer Reading Club was a virtual program this year with readers logging hours through a new program provided by the Arkansas State Library with CARES Act funding made possible by the Institute of Museum and Library Services.
- BPL completed several property maintenance projects: repainted all metal fixtures and exterior furniture and sealed the veranda.
- BPL's Tech Card program continues into its seventh year and began a new streamlined service approach for Bentonville School students which significantly reduced material cost. The Walmart ROC Team provided Volunteerism Always Pays (VAP) grant funds to the Bentonville Library Foundation to sponsor this year's tech card program.
- The Library debuted new Discovery Kits, adding to its "Library of Things" for patron checkout, to include: STREAM, hobbies, technology and other subjects for all ages. The collection was made unavailable in the spring due to COVID-19 conditions.

FUNDS AND DEPARTMENTS

- The existing library property and facility were purchased for \$1.00 by the City of Bentonville from the Bentonville Library Foundation to streamline property ownership and simplify options for the Library's future expansion.
- BPL contracted with MSR Design to launch a Needs Assessment study to assess the need for expansion that aligns with population growth, school enrollment and city development. The study will include several public engagement techniques to gather a wide cross-section of public opinions.

2021 GOALS AND OBJECTIVES

- BPL will complete its Needs Assessment study identifying how the library can expand in the future. The Needs Assessment will provide quantitative and qualitative data so city leadership may make informed decisions about the library's growth.
- BPL will upgrade its server, integrated library system, mobile app, meeting room management tool, event calendar, ecommerce and undergo a LED lighting conversion.
- BPL will prepare to host Thinking Money for Kids, a national traveling exhibit, when it is re-scheduled for display.
- BPL will continue to offer quality services and programs for children, teenagers, adults and families as COVID-19 conditions allow.
- Library staff will continue to offer outreach activities and partnerships with community organizations to broaden the library's reach in our community, as conditions allow.
- As appropriate to COVID-19 conditions, 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 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 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	18,900	11,250	27,450	16,200	144.0%
Charge for Services	-	-	-	-	--
Special Assessments/Fines	55,336	55,000	55,000	-	0.0%
Interest/Rent	4,149	11,400	5,700	(5,700)	-50.0%
Other Income	24,503	1,500	6,750	5,250	350.0%
Total Revenues	102,888	79,150	94,900	15,750	19.9%
Expenditures					
Operations and Maintenance					
Salaries & Wages	911,206	905,284	925,647	20,363	2.2%
Benefits	276,912	300,106	273,843	(26,263)	-8.8%
Supplies & Materials	214,688	231,575	213,500	(18,075)	-7.8%
Professional Services	22,170	35,250	25,250	(10,000)	-28.4%
Technology Maintenance/Minor Equipment	188,826	215,038	228,958	13,920	6.5%
Property Services	88,066	98,585	97,725	(860)	-0.9%
Other Services	41,846	38,800	53,802	15,002	38.7%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	1,743,714	1,824,638	1,818,725	(5,913)	-0.3%
Capital Expenditures					
Capital	33,399	98,312	82,500	(15,812)	-16.1%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	33,399	98,312	82,500	(15,812)	-16.1%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	1,777,113	1,922,950	1,901,225	(21,725)	-1.1%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	60,000	60,000	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	300	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	300	-	60,000	60,000	--
Net	\$ (1,673,925)	\$ (1,843,800)	\$ (1,746,325)	\$ 97,475	-5.3%

FUNDS AND DEPARTMENTS

LIBRARY BUDGET SUMMARY

- Salaries and Wages are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted.
- Other Services is up due to an increase in expected property insurance costs for the library facility and for training funds budgeted related to scholarships received for current staff members to continue educational tracks related to library services.

FUNDS AND DEPARTMENTS

PUBLIC WORKS MAINTENANCE

TASK

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

2020 ACCOMPLISHMENTS

- Hight Jackson Associates completed design of a 12,789 Sq. Ft. Public Works Maintenance Annex, consisting of administrative offices as well as open equipment bays.
- C.R. Crawford began construction in August 2020 with completion in June of 2021.
- Maintenance staff completed year two of a four-year commitment to convert city facilities to LED bulbs and fixtures with approximately 40% of facilities now LED.

2021 GOALS AND OBJECTIVES

- Construction completion on the Public Works Maintenance Annex in June 2021.
- 1,100 feet of perimeter privacy fence constructed on the north end of Bentonville Cemetery in April 2021.
- Convert and re-wire 693 fixtures in the Bentonville Library from fluorescent fixtures to LED.

FUNDS AND DEPARTMENTS

PUBLIC WORKS MAINTENANCE 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	62,925	37,000	56,000	19,000	51.4%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	806	-	-	-	--
Other Income	11,381	-	-	-	--
Total Revenues	75,112	37,000	56,000	19,000	51.4%
Expenditures					
Operations and Maintenance					
Salaries & Wages	1,270,199	1,375,000	1,124,528	(250,472)	-18.2%
Benefits	542,473	626,922	515,730	(111,192)	-17.7%
Supplies & Materials	162,216	162,350	143,600	(18,750)	-11.5%
Professional Services	322,321	427,000	441,500	14,500	3.4%
Technology Maintenance/Minor Equipment	7,122	6,750	5,582	(1,168)	-17.3%
Property Services	119,273	169,500	169,500	-	0.0%
Other Services	12,134	26,810	13,200	(13,610)	-50.8%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	2,435,738	2,794,332	2,413,640	(380,692)	-13.6%
Capital Expenditures					
Capital	821,334	114,500	84,500	(30,000)	-26.2%
Set-asides - Capital Items	-	-	-	-	--
Total Capital Expenditures	821,334	114,500	84,500	(30,000)	-26.2%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	3,257,072	2,908,832	2,498,140	(410,692)	-14.1%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	18,992	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	18,992	-	-	-	--
Net	\$ (3,162,968)	\$ (2,871,832)	\$ (2,442,140)	\$ 429,692	-15.0%

FUNDS AND DEPARTMENTS

PUBLIC WORKS MAINTENANCE BUDGET SUMMARY

- Charges for services is up due to increasing projected revenue based upon actual results of the City's cemetery.
- Salaries/Wages and Benefits are down significantly as eleven janitors were transferred to the Parks and Recreation department to better manage the maintenance of the City's Community Center.

FUNDS AND DEPARTMENTS

PARKS & RECREATION

TASK

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

2020 ACCOMPLISHMENTS

- Completed the Memorial Park Baseball Fields Improvement project by installing artificial turf on the five (5) baseball fields.
- Completed the All American Trail extension at Slaughter Pen Mountain Bike Park.
- Completed the Lake Bentonville Park Renovation Project and reopened to the public on October 23.
- Completed the “Quilt of Parks” – the Master Plan for Bentonville Parks and Recreation’s public spaces in Downtown Bentonville.
- Completed the Master Plan for the 8th Street Gateway Park and acquired additional funding to move forward with park construction design.
- Completed trail safety improvements by installing RRFB trail crossing signage on the Razorback Greenway and a new HAWK crossing on SE Moberly.
- Worked with Arkansas Department of Transportation for an improved tunnel design and construction as part of the new interchange where the Razorback Greenway intersects with Interstate 49.

2021 GOALS AND OBJECTIVES

- Complete and reopen the trail / tunnel improvement project at Interstate 49
- Make final presentation and seek approval for the City-wide Bicycle and Pedestrian Master Plan.
- Complete construction of the Old Tiger Track renovation project.
- Construct new dog park and playground project at Orchards Park.
- Work with community partners to add parking and improve the safety of the tunnel at Slaughter Pen Mountain Bike Park.
- Finalize design and begin construction on the 28th Street Park / Trail Project.
- Finalize design projects at 8th Street Gateway Park, Dave Peel Park and The Commons Plaza.

FUNDS AND DEPARTMENTS

PARKS & RECREATION 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	4,101,678	4,163,328	3,043,715	(1,119,613)	-26.9%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	1,673,873	-	-	-	--
Total Revenues	5,775,551	4,163,328	3,043,715	(1,119,613)	-26.9%
Expenditures					
Operations and Maintenance					
Salaries & Wages	2,613,115	2,716,359	3,143,873	427,514	15.7%
Benefits	921,353	991,540	1,264,692	273,152	27.5%
Supplies & Materials	836,872	915,541	897,420	(18,121)	-2.0%
Professional Services	1,863,455	1,694,833	1,458,737	(236,096)	-13.9%
Technology Maintenance/Minor Equipment	49,248	50,450	25,700	(24,750)	-49.1%
Property Services	678,259	758,030	720,970	(37,060)	-4.9%
Other Services	171,969	140,558	193,271	52,713	37.5%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	7,134,271	7,267,311	7,704,663	437,352	6.0%
Capital Expenditures					
Capital	1,882,933	1,255,937	1,070,925	(185,012)	-14.7%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	1,882,933	1,255,937	1,070,925	(185,012)	-14.7%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	9,017,204	8,523,248	8,775,588	252,340	3.0%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	327,849	250,000	80,000	(170,000)	-68.0%
Use of Reserves	-	338,000	-	(338,000)	-100.0%
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	9,516	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	337,365	588,000	80,000	(508,000)	-86.4%
Net	\$ (2,904,288)	\$ (3,771,920)	\$ (5,651,873)	\$ (1,879,953)	49.8%

FUNDS AND DEPARTMENTS

PARKS & RECREATION BUDGET SUMMARY

- Revenues are down significantly due to Covid-19 and its impact on the Parks and Recreation industry.
- Salaries/Wages and Benefits are up due to the transfer of janitorial staff from the Public Works Department.
- Professional Services is down due to the decrease in programs being operated due the impact of Covid-19 on Parks and Recreation activities.

FUNDS AND DEPARTMENTS

PLANNING

TASK

To provide advice and technical expertise to assist elected officials, the planning commission members, board of adjustment members, 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.

2020 ACCOMPLISHMENTS

CODE ENFORCEMENT

- Conducted 1051 property maintenance inspections as of November 1.
- Responded to 223 cases in Bentonville311 as of November 1.
- Managed 478 total cases as of November 1.

PLANNING

- Processed over 365 planning applications, up from 250 in 2019.
- Processed 20 outdoor vendor permits.
- Processed 180 sign permits.
- Adopted amendments to the Zoning and Development codes to accommodate the changing development environment.

COMPREHENSIVE PLANNING

- Established and began promotion of the Great Neighborhoods Partnership program, including program criteria, offerings, informational materials, and a block party trailer. Seven neighborhoods have registered as program partners.
- Continued to promote the 2020 Census.
- Gave away 870 trees to Bentonville residents through two tree giveaway events, one in the spring and one in the fall.
- Received the Tree City USA Designation for the 22nd consecutive year.
- Organized a city-wide Fall Clean the Streets Day, engaging 63 volunteers.
- Coordinated four ward meetings to provide an opportunity for citizens to learn more about the city and meet city staff and officials.
- Assisted in the approval and coordination of three public art installations Universal Inseparability at the Corner at Park Springs Park, Open Heart in the Roundabout at Bright Road, and Almost Forgotten Osage Prairie at Osage Park at Lake Bentonville.
- Became an American Planning Association Ambassador to bring knowledge of the planning process to the community and planned several education events.
- Established the Neighborhood Advisory Committee.
- Initiated the Zoning and Development Code Diagnostic study.
- Adopted bylaws for Public Art Advisory Committee.
- Developed the "Build up Bentonville" initiative in response to the COVID-19 pandemic.

FUNDS AND DEPARTMENTS

2021 GOALS AND OBJECTIVES

CODE ENFORCEMENT

- Actively respond to and maintain 311 issues.
- Continue to patrol the city and respond to citizens' complaints in a timely manner.

PLANNING

- Develop orientation guides for new Planning Commissioners and Board of Adjustment members.
- Develop training program for Planning Commissioners and Board of Adjustment members.

COMPREHENSIVE PLANNING

- Establish a Community Plan Implementation Committee to prioritize and guide implementation of the Bentonville Community Plan.
- Expand the Great Neighborhoods Partnership with a Great Neighborhood Award and an annual event.
- Research Business License Program.
- Implement Special Event Permits.
- Research Short Term Rental Licensing and Regulations.

FUNDS AND DEPARTMENTS

PLANNING 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	82,575	74,900	82,575	7,675	10.2%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	133	-	-	-	--
Total Revenues	82,708	74,900	82,575	7,675	10.2%
Expenditures					
Operations and Maintenance					
Salaries & Wages	489,722	634,883	764,935	130,052	20.5%
Benefits	207,058	249,560	326,295	76,735	30.7%
Supplies & Materials	30,157	28,900	38,700	9,800	33.9%
Professional Services	218,692	304,107	371,300	67,193	22.1%
Technology Maintenance/Minor Equipment	37,233	46,356	51,404	5,048	10.9%
Property Services	69,064	78,600	92,537	13,937	17.7%
Other Services	50,008	82,675	88,345	5,670	6.9%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	1,101,934	1,425,081	1,733,516	308,435	21.6%
Capital Expenditures					
Capital	15,251	35,000	-	(35,000)	-100.0%
Set-asides - Capital Items	-	-	-	-	--
Total Capital Expenditures	15,251	35,000	-	(35,000)	-100.0%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	1,117,185	1,460,081	1,733,516	273,435	18.7%
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ (1,034,477)	\$ (1,385,181)	\$ (1,650,941)	\$ (265,760)	19.2%

FUNDS AND DEPARTMENTS

PLANNING BUDGET SUMMARY

- Salaries/Wages and Benefits is up due to the transfer of 2 code enforcement officers from the Building Inspection department. Other lines that were impacted by this transfer include supplies and materials, professional services and other services.

FUNDS AND DEPARTMENTS

POLICE

TASK

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

2020 ACCOMPLISHMENTS

- Continued building repurposing efforts with the set-up of a Lieutenant's Office in the former Dispatch Center Continued building repurposing efforts with the set-up of a new Patrol Briefing Room.
- Added 1 Lieutenant's position to the Administration Division.
- Continued work toward a new city wide P25 compatible radio system.
- Began plans for a Range/Training Center.
- Initiated and Implemented a Body Worn Camera Program and Policy.
- Upgraded/replaced Mobile Dispatch Terminals in patrol cars.
- Upgraded Digiticket citation system.
- Assisted in City Animal Shelter planning.
- Filled Animal Services Supervisor position.
- Completed set up of new computer forensics lab with budgeted furnishings.
- Made employee training and development a priority.

2021 GOALS AND OBJECTIVES

- Continue work toward a new city wide AWINS compatible radio system.
- Partner with FD for a mass notification system.
- Implement software to organize and track internal matters and use of force issues.
- Revise Police Department Policy Manual to meet full State Accredited ALEAP standard.
- Expand Community Outreach Programs.
- Make employee training and development a priority.

FUNDS AND DEPARTMENTS

POLICE 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ 399,707	\$ 399,706	\$ 459,959	\$ 60,253	15.1%
Licenses & Permits	4,523	4,621	4,523	(98)	-2.1%
Intergovernmental Revenue	167,547	215,309	167,550	(47,759)	-22.2%
Charge for Services	899,602	887,000	907,000	20,000	2.3%
Special Assessments/Fines	26,487	24,500	24,500	-	0.0%
Interest/Rent	-	-	-	-	--
Other Income	98,866	-	-	-	--
Total Revenues	1,596,732	1,531,136	1,563,532	32,396	2.1%
Expenditures					
Operations and Maintenance					
Salaries & Wages	7,201,801	7,283,817	7,464,093	180,276	2.5%
Benefits	3,214,572	3,218,294	3,456,827	238,533	7.4%
Supplies & Materials	512,850	685,306	683,034	(2,272)	-0.3%
Professional Services	136,198	201,162	190,222	(10,940)	-5.4%
Technology Maintenance/Minor Equipment	301,010	713,783	317,487	(396,296)	-55.5%
Property Services	425,394	532,560	549,444	16,884	3.2%
Other Services	285,641	320,360	335,040	14,680	4.6%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	12,077,466	12,955,282	12,996,147	40,865	0.3%
Capital Expenditures					
Capital	6,942,043	579,143	1,021,125	441,982	76.3%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	6,942,043	579,143	1,021,125	441,982	76.3%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	19,019,509	13,534,425	14,017,272	482,847	3.6%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	1,953,064	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	1,953,064	-	-	-	--
Net	\$ (15,469,713)	\$ (12,003,289)	\$ (12,453,740)	\$ (450,451)	3.8%

FUNDS AND DEPARTMENTS

POLICE BUDGET SUMMARY

- Taxes are up related to the allocation of turnback funds received from the state related to police pension costs. The projected increase to match 2019 actual is \$60,000.
- Salaries and Wages are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted.
- Technology is down since a large project was done in 2020 to replace laptops in police vehicles and this project did not reoccur in 2021.
- Capital Expenditures are up due to police vehicle replacements due to age and mileage.

FUNDS AND DEPARTMENTS

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

UTILITY BILLING & 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.

2020 ACCOMPLISHMENTS

- Maintained operations throughout the COVID-19 pandemic.
- Implemented an emergency extension policy to assist during extraordinary circumstances such as the COVID-19 pandemic.
- Filled the additional Billing Representative position to help manage the growth in accounts and ensure continued accuracy in billing.
- Mailed out 1.25% fewer bills even with active accounts growing 3.25%, through paperless billing initiatives.
- Implemented Online Bank Direct to process roughly 850 monthly transactions electronically that used to be handled manually via check.

2021 GOALS AND OBJECTIVES

- Fill an additional Meter Reader position to help manage the increase in accounts as well as the increase in work orders due to manual reading, shutoffs, and account rollovers.
- Move into the new Administrative Building that will house Utility Billing office and drive thru as well as Meter under one roof.
- Begin Phase Three of the City's transition to Tyler Technologies software.
- Expand current relationship with Invoice Cloud to include payment kiosks at certain City facilities to allow customers flexibility of making payments at convenient locations.

FUNDS AND DEPARTMENTS

BILLING AND COLLECTION 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	926,453	901,331	924,775	23,444	2.6%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	54,681	40,000	38,780	(1,220)	-3.1%
Total Revenue	981,134	941,331	963,555	22,224	2.4%
Expenditures					
Operations and Maintenance					
Salaries & Wages	824,248	895,242	970,689	75,447	8.4%
Benefits	322,560	358,850	395,510	36,660	10.2%
Supplies & Materials	660,368	271,885	275,043	3,158	1.2%
Professional Services	458,239	592,420	559,025	(33,395)	-5.6%
Technology Maintenance/Minor Equipment	265,420	406,997	430,743	23,746	5.8%
Property Services	38,545	55,795	69,884	14,089	25.3%
Other Services	9,623	20,700	19,320	(1,380)	-6.7%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	2,579,003	2,601,889	2,720,214	118,325	4.5%
Capital Expenditures					
Capital	49,323	59,500	109,500	50,000	84.0%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	49,323	59,500	109,500	50,000	84.0%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	491,260	-	-	-	--
Total Other	491,260	-	-	-	--
Total Expenditures	3,119,586	2,661,389	2,829,714	168,325	6.3%
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ (2,138,452)	\$ (1,720,058)	\$ (1,866,159)	\$ (146,101)	8.5%

FUNDS AND DEPARTMENTS

BILLING AND COLLECTION BUDGET SUMMARY

- Salaries and Wages are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted for 2021 and a new meter reading position.
- Professional Services is down largely due to budgeted expense of a sanitation consultant that was for 2020 but not repeated in 2021.

FUNDS AND DEPARTMENTS

ELECTRIC DEPARTMENT

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.

2020 ACCOMPLISHMENTS

- Continued to provide 99.999% reliability rate.
- Completed training for Utility Board. Ethics/Finance/Utility Billing/Water/Wastewater/Water Recover/Electric/Inventory.
- Implemented Text Power. Ability to report a power outage via text feature on mobile phone.
- Addressed over 720 Street Light 311-Tickets.
- Continued upgrading street lights to LED. Hired contractor to assist with change out.
- Conducted 10-yr system master plan.
- Conducted cost of service analysis.
- Completed Priority 1 fiber design. Awaiting on material for construction.
- Worked with WMT concerning solution for powering the new Campus. Coordinated with consultant to finalize a solution to begin design.
- Permitted numerous residential/commercial solar installations.
- Assisted Kingfisher, OK and Blackwell, OK with rebuilds after ice storm around Oklahoma City.

2021 GOALS AND OBJECTIVES

- Begin Utility Board reviewing of utility items and begin as a voting body.
- Complete engineering plans for Substation "I".
- Implement new electric rates based on cost of service analysis.
- Construct Priority 1 Fiber loop.
- Finalize design of WMT Campus electric design. Order large ticket items. Begin construction at substations for upgrades.
- Begin engineering and construction of capital improvements based on system master plan.
- Hire contractor to assist with capital improvements.
- Purchase CECC lines along Morning Star Rd. and take over accounts extending service into SW portion of town.
- Keep up with all the development that is continuing throughout Bentonville.

FUNDS AND DEPARTMENTS

ELECTRIC DEPARTMENT 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	70,130,578	63,831,004	66,046,031	2,215,027	3.5%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	227,292	101,768	84,489	(17,279)	-16.98%
Other Income	78,380	-	-	-	--
Total Revenues	70,436,250	63,932,772	66,130,520	2,197,748	3.4%
Expenditures					
Operations and Maintenance					
Salaries & Wages	3,411,168	3,738,986	4,468,591	729,605	19.5%
Benefits	1,368,731	1,495,300	1,651,143	155,843	10.4%
Supplies & Materials	565,052	452,650	406,150	(46,500)	-10.3%
Professional Services	212,007	274,720	237,120	(37,600)	-13.7%
Technology Maintenance/Minor Equipment	128,249	109,444	165,503	56,059	51.2%
Property Services	799,398	758,172	791,072	32,900	4.3%
Other Services	223,460	218,975	273,813	54,838	25.0%
Utility Cost of Goods	49,817,046	49,585,010	50,350,122	765,112	1.5%
Total Operations and Maintenance	56,525,111	56,633,257	58,343,514	1,710,257	3.0%
Capital Expenditures					
Capital	5,131,188	6,595,000	6,465,000	(130,000)	-2.0%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	5,131,188	6,595,000	6,465,000	(130,000)	-2.0%
Other					
Debt Service	1,071,102	-	-	-	--
Depreciation/Amortization	2,981,116	-	-	-	--
Total Other	4,052,218	-	-	-	--
Total Expenditures	65,708,517	63,228,257	64,808,514	1,580,257	2.5%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	300,000	-	(300,000)	-100.0%
Donated Infrastructure (non-cash item)	346,907	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	44,781	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	(31,667)	(31,667)	--
Total Other Financing Sources and Uses	391,688	300,000	(31,667)	(331,667)	-110.6%
Net	\$ 5,119,421	\$ 1,004,515	\$ 1,290,339	\$ 285,824	28.5%

FUNDS AND DEPARTMENTS

ELECTRIC DEPARTMENT BUDGET SUMMARY

- Charges for Services are up based upon growth in the City.
- Salaries and Wages are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted for 2021 and the a mid-year adjustment for lineman salaries due to the current job market for lineman.
- Benefits are up due to the adjustment in pay noted above.
- Professional Services decreased primarily due to a 2020 Rate Study that was not recurring in 2021.
- Technology Maintenance/Minor Equipment is up due to maintenance fees for a new software that the department is utilizing and an increase in cost from outage management software.
- Other Services is up due to a general increase in property insurance for the City.

FUNDS AND DEPARTMENTS

INVENTORY

TASK

To provide, maintain and organize inventory for all City of Bentonville department needs.

2020 ACCOMPLISHMENTS

- Maintain inventory accuracy.
- Preventing dead stock or non-movable material.
- Maintaining a large inventory with success.

2021 GOALS AND OBJECTIVES

- Increase knowledge, understanding and training of material
- Continue to reduce costs by negotiating competitive bids
- Increase productivity and reduce overall costs by pulling material for city crews (new software implementation must happen first).

FUNDS AND DEPARTMENTS

INVENTORY 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	-	-	-	-	--
Other Income	576	-	-	-	--
Total Revenues	576	-	-	-	--
Expenditures					
Operations and Maintenance					
Salaries & Wages	174,054	180,403	191,788	11,385	6.3%
Benefits	73,174	76,851	79,279	2,428	3.2%
Supplies & Materials	23,188	31,500	39,000	7,500	23.8%
Professional Services	2,529	10,500	8,000	(2,500)	-23.8%
Technology Maintenance/Minor Equipment	19,622	20,796	11,929	(8,867)	-42.6%
Property Services	4,308	24,100	20,500	(3,600)	-14.9%
Other Services	4,798	13,800	6,348	(7,452)	-54.0%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	301,673	357,950	356,844	(1,106)	-0.3%
Capital Expenditures					
Capital	-	-	150,000	150,000	--
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	-	-	150,000	150,000	--
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	110,579	-	-	-	--
Total Other	110,579	-	-	-	--
Total Expenditures	412,252	357,950	506,844	148,894	41.6%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	26,846	37,498	10,652	39.7%
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	-	26,846	37,498	10,652	39.7%
Net	\$ (411,676)	\$ (331,104)	\$ (469,346)	\$ (138,242)	41.8%

FUNDS AND DEPARTMENTS

INVENTORY BUDGET SUMMARY

- Salaries and Wages are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted for 2021.

FUNDS AND DEPARTMENTS

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 & Purchasing perform necessary tasks, with assistance from various departments.

2020 ACCOMPLISHMENTS

- N/A

2021 GOALS AND OBJECTIVES

- N/A

FUNDS AND DEPARTMENTS

SANITATION 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	5,397,460	4,986,789	5,395,836	409,047	8.2%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	10,307	3,176	6,212	3,036	95.6%
Other Income	-	-	-	-	--
Total Revenues	5,407,767	4,989,965	5,402,048	412,083	8.3%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	11,680	11,680	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	5,000	5,000	--
Other Services	17,651	35,301	74,500	39,199	111.0%
Utility Cost of Goods	4,913,131	4,488,110	4,911,654	423,544	9.4%
Total Operations and Maintenance	4,930,782	4,523,411	5,002,834	479,423	10.6%
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	-	-	-	-	--
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	4,930,782	4,523,411	5,002,834	479,423	10.6%
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ 476,985	\$ 466,554	\$ 399,214	\$ (67,340)	-14.4%

FUNDS AND DEPARTMENTS

SANITATION BUDGET SUMMARY

- Revenues are up due to growth in the City.
- Utility Cost of Goods is likewise up based on this increased revenue.
- Other Services has increased due to a request by the Benton County Solid Waste District to help offset revenue decreases in their programs so that the programs can stay available for citizens.

FUNDS AND DEPARTMENTS

SEWER REHAB

TASK

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

2020 ACCOMPLISHMENTS

- Increased our sewer system by over 2 miles making our total sewer system approximately 315 miles of pipe.
- Hydro cleaned almost 1.5 million feet (approximately 280 miles) of sewer main.
- Video inspected a little over 21 miles of sewer main.
- The Nomad Sewer Main Extension project began adding over 9,000 linear feet of sewer main which will allow us to better serve additional growth in the southwest part of town. This project should be completed in 2021.
- Over 9.5 miles of offsite easements along our sanitary sewer mains were cleared and made accessible.

2021 GOALS AND OBJECTIVES

- Complete the Nomad Sewer Main Extension project.
- Reduce inflow and infiltration.
- Identify sources of fats, oils, and grease.
- Repair/Replace sewer main line deficiencies.
- Improve and update our department literature.
- Improve our customer outreach.

FUNDS AND DEPARTMENTS

SEWER REHAB 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	23,071	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	(10,132)	1,417	-	(1,417)	-100.0%
Other Income	261	-	-	-	--
Total Revenues	13,200	1,417	-	(1,417)	-100.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	698,609	822,184	1,063,951	241,767	29.4%
Benefits	371,718	429,730	547,159	117,429	27.3%
Supplies & Materials	83,421	122,300	104,300	(18,000)	-14.7%
Professional Services	2,607	615,250	21,250	(594,000)	-96.5%
Technology Maintenance/Minor Equipment	16,019	2,000	6,150	4,150	207.5%
Property Services	176,359	313,036	322,900	9,864	3.2%
Other Services	28,076	44,537	58,400	13,863	31.1%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	1,376,809	2,349,037	2,124,110	(224,927)	-9.6%
Capital Expenditures					
Capital	247,191	210,000	395,000	185,000	88.1%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	247,191	210,000	395,000	185,000	88.1%
Other					
Debt Service	534,367	547,117	433,432	(113,685)	-20.8%
Depreciation/Amortization	1,236,309	-	-	-	--
Total Other	1,770,676	547,117	433,432	(113,685)	-20.8%
Total Expenditures	3,394,676	3,106,154	2,952,542	(153,612)	-4.9%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	724,384	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	(42,557)	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	681,827	-	-	-	--
Net	\$ (2,699,649)	\$ (3,104,737)	\$ (2,952,542)	\$ 152,195	-4.9%

FUNDS AND DEPARTMENTS

SEWER REHAB BUDGET SUMMARY

- Salaries/Wages and Benefits are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted for 2021 and due to a realignment of budgeted for personnel that has the Water Department and Sewer Department cost-sharing more employees.
- Professional Services is down due to a master plan that was budgeted in 2020 that is not recurring in 2021.

FUNDS AND DEPARTMENTS

WASTEWATER

TASK

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

2020 ACCOMPLISHMENTS

- Concluded 15% contingency plan for WRRF upgrade with Hawkins-Weir Engineering, Inc.
- Purchased and installed new process control Phosphorous sensors.
- Stainless steel ladder for Digester #4 purchased and on site for installation.
- Roof replacement on Vehicle storage, Administration, Blower and Solids Handling buildings with 20 year guaranteed material.
- Components for grit chamber replacement purchased and on site. Installation scheduled for July 2021.

2021 GOALS AND OBJECTIVES

- Roof repair at McKissic Lift Station.
- In-Vessel Composting Preliminary Engineering and Pilot Study.
- Replace Front End Loader at Compost.
- Replace 2008 High Mileage Lift Station Truck.
- Replace Auger and Grinder at McKissic Lift Station.
- Replace Operations 2005 pickup truck.
- Upgrade technology in training room.

FUNDS AND DEPARTMENTS

WASTEWATER 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	14,493,719	13,608,362	13,887,562	279,200	2.1%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	27,171	10,453	17,853	7,400	70.8%
Other Income	8,999	-	-	-	--
Total Revenues	14,529,889	13,618,815	13,905,415	286,600	2.1%
Expenditures					
Operations and Maintenance					
Salaries & Wages	1,090,493	1,124,370	1,211,987	87,617	7.8%
Benefits	535,988	554,614	594,002	39,388	7.1%
Supplies & Materials	314,124	500,987	468,450	(32,537)	-6.5%
Professional Services	222,530	344,850	682,285	337,435	97.8%
Technology Maintenance/Minor Equipment	11,840	33,999	23,627	(10,372)	-30.5%
Property Services	323,805	351,800	371,500	19,700	5.6%
Other Services	63,588	75,753	92,611	16,858	22.3%
Utility Cost of Goods	5,972,668	5,916,084	6,680,000	763,916	12.9%
Total Operations and Maintenance	8,535,036	8,902,457	10,124,462	1,222,005	13.7%
Capital Expenditures					
Capital	2,055,513	865,500	614,029	(251,471)	-29.1%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	2,055,513	865,500	614,029	(251,471)	-29.1%
Other					
Debt Service	418,408	-	-	-	--
Depreciation/Amortization	816,518	-	-	-	--
Total Other	1,234,926	-	-	-	--
Total Expenditures	11,825,475	9,767,957	10,738,491	970,534	9.9%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	16,596	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	16,596	-	-	-	--
Net	\$ 2,721,010	\$ 3,850,858	\$ 3,166,924	\$ (683,934)	-17.8%

FUNDS AND DEPARTMENTS

WASTEWATER BUDGET SUMMARY

- Revenues are up due to growth in the City.
- Salaries and Wages are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted for 2021 and a new Assistant Manager position being added.
- Professional Services is up primarily due to \$200,000 for a feasibility study to turn wastewater flow from the City facility to the NACA treatment facility and \$60,000 for a rate study.
- Utility Cost of Goods is up to recognize the need to budget more for treatment services from the NACA treatment plant.

FUNDS AND DEPARTMENTS

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 and wastewater 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.

2020 ACCOMPLISHMENTS

- Utility relocation associated with the ARDOT project BB0903 Hwy 71 Interchange improvements. This consisted of relocating approx. 800' of water line.
- SUEZ contractors we're on site at the "I" street booster pump station this spring. They conducted a washout and inspection of the 3 million gallon ground storage tank. BWU and SUEZ have a multi-year agreement for maintenance and upkeep of Bentonville's water storage tanks. Collaborative efforts to ensure water quality and asset life.
- Manage a Cross Connection Control program that includes almost 6,000 backflow devices
- Water Rate Analysis - Conducted a water rate analysis and financial plan to make sure the water utility will be financially stable.
- Improve our Automated Meter Infrastructure, we've spent a lot of time determining the issues and developing a plan to improve the communication of our network of devices.
- Water Meter Performance – we have been identifying and replacing water meters that are not registering all of the consumption.
- Improve our water system, our field crews work every day repairing leaks, upgrading water services and repairing fire hydrants.
- AWIA 2018 Risk Assessment and Emergency Response Plan – EPA's America Water Infrastructure Act of 2018 requires water utilities perform a risk assessment and emergency response plan. We are working through this project and have a completion date of 12/31/2020.
- Improve our Wastewater Collection System - Our crews have done a great job maintaining our collection system. The cleaning, televising, manhole lining and sewer main repairs have all contributed to a better performing collection system.
- Pre-Treatment program works every day to monitor and manage the quality and consistency of the wastewater associated with our Commercial customers.
- New Development – the technical team spends a lot of man hours to monitor, assist and coordinate the new developments within Bentonville. Due to the work that is put in these projects will perform at a very high level with minimal maintenance for several years.
- GIS Mapping - We have made a conscious effort to improve the accuracy of the water and sewer systems shown on our GIS site. Due to the work of several folks within our department the GIS map is more accurate today than a year ago.
- Collection System Model – Due to a partnership we started a project this year that has been a goal for a long time. We are starting to collect data within our wastewater collection system

FUNDS AND DEPARTMENTS

that will provide us with capacity information. The lack of or excess capacity will allow us to better plan for needed upgrades or improvements within our collection system. This information will be vital as we plan for the future and additional growth.

- Nomad Sewer Interceptor – this project consist of installing 9,243 feet of sanitary sewer line varying between 12” and 24” in diameter from Nomad Creek and going northeast to Morningstar Road. This sewer main extension will allow us to better serve additional growth in the Southwest part of town.

2021 GOALS AND 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.
- Reduce inflow and infiltration.
- Identify sources of fats, oils, and grease.
- Repair/Replace sewer main deficiencies.

FUNDS AND DEPARTMENTS

WATER 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	11,051,408	10,233,457	11,730,504	1,497,047	14.6%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	34,639	16,762	24,579	7,817	46.6%
Other Income	17,171	-	-	-	--
Total Revenues	11,103,218	10,250,219	11,755,083	1,504,864	14.7%
Expenditures					
Operations and Maintenance					
Salaries & Wages	1,520,032	1,573,494	1,606,196	32,702	2.1%
Benefits	672,994	721,571	713,511	(8,060)	-1.1%
Supplies & Materials	172,606	173,900	179,650	5,750	3.3%
Professional Services	35,880	93,320	236,300	142,980	153.2%
Technology Maintenance/Minor Equipment	57,337	41,899	62,647	20,748	49.5%
Property Services	612,154	654,836	672,140	17,304	2.6%
Other Services	113,829	133,055	154,509	21,454	16.1%
Utility Cost of Goods	6,107,512	5,288,921	6,334,817	1,045,896	19.8%
Total Operations and Maintenance	9,292,344	8,680,996	9,959,770	1,278,774	14.7%
Capital Expenditures					
Capital	776,777	760,000	708,000	(52,000)	-6.8%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	776,777	760,000	708,000	(52,000)	-6.8%
Other					
Debt Service	715,800	732,472	715,802	(16,670)	-2.3%
Depreciation/Amortization	1,792,657	-	-	-	--
Total Other	2,508,457	732,472	715,802	(16,670)	-2.3%
Total Expenditures	12,577,578	10,173,468	11,383,572	1,210,104	11.9%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	150,000	-	(150,000)	-100.0%
Donated Infrastructure (non-cash item)	1,361,572	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	5,243	-	-	-	--
Transfers In	-	45,276	63,334	18,058	39.9%
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	1,366,815	195,276	63,334	(131,942)	-67.6%
Net	\$ (107,545)	\$ 272,027	\$ 434,845	\$ 162,818	59.9%

FUNDS AND DEPARTMENTS

WATER BUDGET SUMMARY

- Revenue is up based upon projections.
- Salaries and Wages are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted for 2021.
- Professional Services is up primarily a Western Corridor Water connection analysis and easement acquisition.
- Utility Cost of Goods is up to recognize the need to budget more for water purchases from Beaver Water District.

FUNDS AND DEPARTMENTS

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 will track 80% of the capital penny as well as related principal, interest, and service fees.

FUNDS AND DEPARTMENTS

FIRE IMPACT FEES

TASK

To account for Fire Impact fees.

2020 ACCOMPLISHMENTS

- N/A

2021 GOALS AND OBJECTIVES

- N/A

BUDGET SUMMARY

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

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 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	447,110	300,000	300,000	-	0.0%
Interest/Rent	5,633	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	452,743	300,000	300,000	-	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	300,000	300,000	-	0.0%
Total Capital Expenditures	-	300,000	300,000	-	0.0%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	-	300,000	300,000	-	0.0%
Other Financing Sources and Uses					
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	(1,472,649)	-	-	-	--
Total Other Financing Sources and Uses	(1,472,649)	-	-	-	--
Net	\$ (1,019,906)	\$ -	\$ -	\$ -	--

FUNDS AND DEPARTMENTS

PARKS & RECREATION IMPACT FEES

TASK

To account for Parks & Recreation Impact fees.

2020 ACCOMPLISHMENTS

- N/A

2021 GOALS AND OBJECTIVES

- N/A

BUDGET SUMMARY

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

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

RESIDENTIAL (PER UNIT):

- | | |
|-------------------------|---------|
| • SF Detached | \$2,192 |
| • All Other Residential | \$1,381 |

FUNDS AND DEPARTMENTS

PARKS & RECREATION IMPACT FEES 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	2,657,755	900,000	900,000	-	0.0%
Interest/Rent	20,273	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	2,678,028	900,000	900,000	-	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	900,000	900,000	-	0.0%
Total Capital Expenditures	-	900,000	900,000	-	0.0%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	-	900,000	900,000	-	0.0%
Other Financing Sources and Uses					
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	(327,849)	-	-	-	--
Total Other Financing Sources and Uses	(327,849)	-	-	-	--
Net	\$ 2,350,179	\$ -	\$ -	\$ -	--

FUNDS AND DEPARTMENTS

POLICE IMPACT FEES

TASK

To account for Police Impact fees.

2020 ACCOMPLISHMENTS

- N/A

2021 GOALS AND 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: (Per 1000 sf/per room (Hotel/Motel/Resort Hotel) Commercial/Retail Centers

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

FUNDS AND DEPARTMENTS

POLICE IMPACT FEES 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	767,661	500,000	500,000	-	0.0%
Interest/Rent	7,296	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	774,957	500,000	500,000	-	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	500,000	500,000	-	0.0%
Total Capital Expenditures	-	500,000	500,000	-	0.0%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	-	500,000	500,000	-	0.0%
Other Financing Sources and Uses					
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	(1,953,064)	-	-	-	--
Total Other Financing Sources and Uses	(1,953,064)	-	-	-	--
Net	\$ (1,178,107)	\$ -	\$ -	\$ -	--

FUNDS AND DEPARTMENTS

LIBRARY IMPACT FEES

TASK

To account for Library Impact fees.

2020 ACCOMPLISHMENTS

- N/A

2021 GOALS AND OBJECTIVES

- N/A

BUDGET SUMMARY

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

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 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	212,202	85,000	85,000	-	0.0%
Interest/Rent	1,562	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	213,764	85,000	85,000	-	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	85,000	85,000	-	0.0%
Total Capital Expenditures	-	85,000	85,000	-	0.0%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	-	85,000	85,000	-	0.0%
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ 213,764	\$ -	\$ -	\$ -	--

FUNDS AND DEPARTMENTS

WATER CAPACITY FEES

TASK

To account for Water Capacity fees.

2020 ACCOMPLISHMENTS

- N/A

2021 GOALS AND 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 2019 Actual amounts are necessary for reconciliation purposes.

FUNDS AND DEPARTMENTS

WATER CAPACITY FEES 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	20,490	-	-	-	--
Interest/Rent	1,315	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	21,805	-	-	-	--
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	-	-	-	-	--
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	-	-	-	-	--
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ 21,805	\$ -	\$ -	\$ -	--

FUNDS AND DEPARTMENTS

WASTEWATER CAPACITY FEES

TASK

To account for Water Capacity fees.

2020 ACCOMPLISHMENTS

- N/A

2021 GOALS AND 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 2019 Actual amounts are necessary for reconciliation purposes.

FUNDS AND DEPARTMENTS

WASTEWATER CAPACITY FEES 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	14,243	-	-	-	--
Interest/Rent	3,946	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	18,189	-	-	-	--
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	-	-	-	-	--
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	-	-	-	-	--
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ 18,189	\$ -	\$ -	\$ -	--

FUNDS AND DEPARTMENTS

TRANSPORTATION & STREET FUND

TASK

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

2020 ACCOMPLISHMENTS

- Completed 6.58 miles of roads sealed/overlaid.
- Repaired over 300 street cuts.
- Cleaned 2 miles of drainage ditches.
- Sealed 2.6 miles of street crack.
- Added 2 new traffic signals.
- Added 1 set of pedestrian crosswalk signals.
- Placed 3,087 Gal of Salt Brine – 1800 Cyds of Salt applied on roadways.

2021 GOALS AND OBJECTIVES

- Continue to maintain and improve city wide drainage ways.
- Maintain and improve city streets using industry wide best practices.
- Maintain and improve city sidewalk and trail infrastructure.
- Continue to support other city departments on in-house projects.
- Continue to apply more cost efficient and effective methods for maintaining street infrastructure.

FUNDS AND DEPARTMENTS

TRANSPORTATION & STREET FUND 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ 4,692,396	\$ 4,501,705	\$ 4,821,577	\$ 319,872	7.1%
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	542,506	-	-	-	--
Charge for Services	31,454	27,000	21,000	(6,000)	-22.2%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	40,363	6,460	27,514	21,054	325.9%
Other Income	50,405	-	-	-	--
Total Revenues	5,357,124	4,535,165	4,870,091	334,926	7.4%
Expenditures					
Operations and Maintenance					
Salaries & Wages	1,216,781	1,311,791	1,391,736	79,945	6.1%
Benefits	550,115	590,948	664,318	73,370	12.4%
Supplies & Materials	161,227	161,700	155,125	(6,575)	-4.1%
Professional Services	110,403	100,500	119,106	18,606	18.5%
Technology Maintenance/Minor Equipment	12,355	35,999	63,685	27,686	76.9%
Property Services	432,221	473,362	478,102	4,740	1.0%
Other Services	36,503	44,200	50,180	5,980	13.5%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	2,519,605	2,718,500	2,922,252	203,752	7.5%
Capital Expenditures					
Capital	2,566,233	1,482,802	1,542,800	59,998	4.0%
Setasides - Capital Items	-	113,319	-	(113,319)	-100.0%
Total Capital Expenditures	2,566,233	1,596,121	1,542,800	(53,321)	-3.3%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	5,085,838	4,314,621	4,465,052	150,431	3.5%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	1,768,373	-	-	-	--
Transfers Out	-	(72,122)	(69,165)	2,957	-4.1%
Total Other Financing Sources and Uses	1,768,373	(72,122)	(69,165)	2,957	-4.1%
Net	\$ 2,039,659	\$ 148,422	\$ 335,874	\$ 187,452	126.3%

FUNDS AND DEPARTMENTS

TRANSPORTATION & STREET FUND BUDGET SUMMARY

- Salaries/Wages and Benefits are up due to the fact that a COLA of 1.3% and 1.7% merit raise were budgeted for 2021 and an adjustment in our budget calculations.
- Technology is up due to a Wireless communications/Signal Monitor system maintenance fees that were new in 2021.

FUNDS AND DEPARTMENTS

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 bon money.

2020 ACCOMPLISHMENTS

- N/A

2021 GOALS AND OBJECTIVES

- N/A

FUNDS AND DEPARTMENTS

DEBT SERVICE FUND 2021 BUDGET

Description	2019 Actual	2020 Budget	2021 Request	Change in Dollars	Change in Percent
Revenues					
Taxes	\$ 12,380,336	\$ 11,060,693	\$ 12,380,336	\$ 1,319,643	11.9%
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	167,633	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	12,547,969	11,060,693	12,380,336	1,319,643	11.9%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Professional Services	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	-	-	-	-	--
Other					
Debt Service	13,434,131	11,060,693	12,380,336	1,319,643	11.9%
Depreciation/Amortization	-	-	-	-	--
Total Other	13,434,131	11,060,693	12,380,336	1,319,643	11.9%
Total Expenditures	13,434,131	11,060,693	12,380,336	1,319,643	11.9%
Other Financing Sources and Uses					
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	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	-	-	--
Net	\$ (886,162)	\$ -	\$ -	\$ -	--

CAPITAL

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

GENERAL FUND

Department	Description	Estimated Cost	Type	Vehicle Replacement Information
Administration	Avigilon Video Camera Software Upgrade	\$ 8,000	Upgrade	
Administration	Veeam O365 Backup	\$ 11,000	Additional	
Administration	Cisco Umbrella Subscription	\$ 13,000	Additional	
Administration	Windows DataCenter Server Software	\$ 14,500	Additional	
Administration	Backup Server	\$ 15,000	Additional	
Administration	Office 365 G1 License	\$ 45,000	Additional	
Administration	Cityhall Fiber Switch for new fiber backbone	\$ 55,000	Additional	
Administration Total		\$ 161,500		
District Court	Case management software	\$ 350,000	Additional	
District Court Total		\$ 350,000		
Engineering	Pedestrian/Sidewalk Improvements	\$ 80,000	Additional	
Engineering Total		\$ 80,000		
Police Department				(2010-95) 2011 Chevrolet Tahoe 5W4-Miles 76,486
	Operations Truck	\$ 40,000	Replacement	
Police Department				
	Animal Services Truck	\$ 25,000	Replacement	(2010-119) 2008 Ford F150 -Miles 50,574
Police Department	Animal Services Truck	\$ 25,000	Replacement	(2010-13) 2012 Ford F150-Miles 91,426
Police Department				(2010-18) 2013 Chevrolet Tahoe PPV-Miles 108,969
	Unmarked Vehicles	\$ 30,000	Replacement	
Police Department				(2010-33) 2013 Chevrolet Tahoe PPV-Miles 92,240
	Unmarked Vehicles	\$ 30,000	Replacement	
Police Department				(2010-38) 2014 Chevrolet Tahoe PPV-Miles 106,533
	Unmarked Vehicles	\$ 30,000	Replacement	
Police Department				(2010-96) 2011 Chevrolet Tahoe 5W4-Miles 76,826
	Marked Vehicle/Uniform Division	\$ 52,000	Replacement	
Police Department				(2010-28) K-9 Vehicle 2013 Chevrolet Tahoe PPV-Miles 88,117
Police Department	Marked Vehicle/Uniform Division	\$ 52,000	Replacement	(2010-29) K-9 Vehicle 2013 Chevrolet Tahoe PPV-Miles 60,826
Police Department	Marked Vehicle/Uniform Division	\$ 52,000	Replacement	(2010-11) 2012 Chevrolet Tahoe 5W4-Miles 109,414
Police Department	Marked Vehicle/Uniform Division	\$ 52,000	Replacement	(2010-23) 2013 Chevrolet Tahoe PPV-Miles 105,176
Police Department	Marked Vehicle/Uniform Division	\$ 52,000	Replacement	(2010-24) 2013 Chevrolet Tahoe PPV-Miles 110,273
Police Department	Marked Vehicle/Uniform Division	\$ 52,000	Replacement	(2010-25) 2013 Chevrolet Tahoe PPV-Miles 107,944
Police Department	Marked Vehicle/Uniform Division	\$ 52,000	Replacement	(2010-26) 2013 Chevrolet Tahoe PPV-Miles 115,674
Police Department	Marked Vehicle/Uniform Division	\$ 52,000	Replacement	(2010-21) 2013 Chevrolet Tahoe PPV-Miles 89,327
Police Department	Marked Vehicle/Uniform Division	\$ 52,000	Replacement	(2010-20) 2013 Chevrolet Tahoe PPV-Miles 104,847
Police Department	Marked Vehicle/Uniform Division	\$ 52,000	Replacement	
Police Department	Radio Gateway & Server Monitoring	\$ 5,200	Additional	
Police Department	Avigilon Licensing	\$ 5,600	Additional	
Police Department	(1) Animal Services truck bed box	\$ 8,000	Additional	
Police Department	Striping, tint (10) marked cars	\$ 10,000	Additional	
Police Department	PSAP Call Recorder Server Hardware	\$ 15,000	Additional	
Police Department	Arbitrator Video Storage	\$ 18,000	Additional	
Police Department	(14) Mobile radio replacements	\$ 21,000	Replacement	
Police Department	(5) Panasonic In-Car Camera Replacements, \$7,000 each	\$ 35,000	Replacement	
Police Department	Mass notification system	\$ 50,000	Additional	
Police Department	PSAP Call Recorder Replacement	\$ 50,000	Replacement	
Police Department	2 Cisco UCS Servers	\$ 103,325	Replacement	
	This includes \$5000 in installation services.			
Police Department Total		\$ 1,021,125		

CAPITAL

LIST OF CAPITAL ITEMS

GENERAL FUND

Department	Description	Estimated Cost	Type	Vehicle Replacement Information
Fire Department	Mass Notification System	\$ 50,000	Additional	
Fire Department	Chevrolet Tahoe	\$ 50,000	Replacement	(2020-23) 2013 Chevrolet Tahoe-Miles 48,500/2,485 hrs
Fire Department	AAMSCO ID Machine	\$ 6,975	Additional	
Fire Department	Communication headsets for the two last remaining front line fire trucks.	\$ 13,500	Additional	
Fire Department	Rescue air bags	\$ 18,368	Replacement	
Fire Department	Scott Airpacks	\$ 19,650	Additional	
Fire Department	Drone	\$ 36,000	Additional	
Fire Department	Replace a LP 12 to LP 15 Heart Monitor	\$ 38,360	Replacement	
Fire Department	Zoll Z-Vent portable ventilators	\$ 67,300	Replacement	
Fire Department	Expansion of Station 3	\$ 95,000	Additional	
Fire Department	Ambulance	\$ 360,000	Replacement	(2020-37) 2016 Excellance Ambulance-Miles 35,000/3,150 hrs
Fire Department	Ambulance	\$ 360,000	Replacement	(2020-29) 2015 Excellance Ambulance-Miles 81,000/6,000 hrs
Fire Department	E-One Ariel	\$ 1,750,000	Replacement	(145-0013) 1999 E-One-Miles 74,500/4,670 hrs
Fire Department Total		\$ 2,865,153		
Public Works Maintenance	Replacement 1 Ton dump truck for 1997 F Series dump Truck with 29,545 miles.	\$ 45,000	Replacement	(5020-41) 1997 F Series Dump Truck - Miles 29,545
Public Works Maintenance	Stand on skid steer replaces 2001 cab skid steer	\$ 39,500	Replacement	
Public Works Maintenance Total		\$ 84,500		
Parks and Recreation	2009 Ford F-150 5030-20 (Replacement)	\$ 23,000	Replacement	(5030-20) 2009 Ford F-150 - Miles 51,383
Parks and Recreation	2010 Ford F-350 Quad Cab 5020-28 (Replacement)	\$ 37,000	Replacement	(5020-28) 2010 Ford F-350 Quad Cab - Miles 87,450
Parks and Recreation	2005 GMC F-1500 5030-25 (Replacement) W/Utility Bed	\$ 45,000	Replacement	(5030-25) 2005 GMC F-1500 - Miles 109,340
Parks and Recreation	18" Ryan Jr Sod Cutter (Replacement)	\$ 6,630	Replacement	
Parks and Recreation	Toro SprayMaster Lean-to-Steer Spreader (Replacement)	\$ 9,384	Replacement	
Parks and Recreation	BCC Floor Scrubbers 2X \$5000 (Replacement)	\$ 10,000	Replacement	
Parks and Recreation	Toro 30" Stand-On Aerator E-Depth (Replacement)	\$ 10,150	Replacement	
Parks and Recreation	Toro 5000 Series 60" Zero Turn Mower (Replacement)	\$ 12,199	Replacement	
Parks and Recreation	Facility Maintenance UTV (New)	\$ 14,000	Additional	
Parks and Recreation	Seal and Stripe Parking Lots (NE A, Memorial, Wildwood & Bark Park)	\$ 15,000	Replacement	
Parks and Recreation	Wildwood Roof	\$ 15,000	Replacement	
Parks and Recreation	BCC - Community Rooms Re-carpet	\$ 16,000	Replacement	
Parks and Recreation	BCC - Red and Blue Slides	\$ 16,000	Replacement	
Parks and Recreation	Memorial - Tennis Courts Resurface	\$ 20,000	Replacement	
Parks and Recreation	DAC - Admin Furniture	\$ 20,000	Replacement	
Parks and Recreation	Wildwood Paint and Roof	\$ 21,000	Replacement	
Parks and Recreation	Woods TBW 180 15' Finish Mower (Replacement)	\$ 21,300	Replacement	
Parks and Recreation	BCC - Seal and Stripe Parking Lot	\$ 22,500	Replacement	
Parks and Recreation	John Deere HPX615E Gator x2 (Replacement)	\$ 23,662	Replacement	
Parks and Recreation	Memorial - Soccer Field 9 Re-crown	\$ 45,000	Replacement	
Parks and Recreation	Memorial Park Playground - Fall Surface Replacement	\$ 50,000	Replacement	
Parks and Recreation	Orchards Park Dog Park/Playground	\$ 80,000	Additional	
Parks and Recreation	BCC - Epoxy Floor - Pool Deck	\$ 101,000	Replacement	
Parks and Recreation	Memorial Park Bridge/Stream Redesign	\$ 150,000	Additional	
Parks and Recreation	Merchants Infield Renovations: Natural	\$ 287,100	Additional	
Parks and Recreation Total		\$ 1,070,925		
Library	Bibliotheca Self-Check w/ bill+coin op	\$ 82,500	Additional	
Library Total		\$ 82,500		

CAPITAL

LIST OF CAPITAL ITEMS

STREET FUND

Department	Description	Estimated Cost	Type	Vehicle Replacement Information
Transportation and Streets	Asphalt trailer	\$ 15,000	Additional	
Transportation and Streets	Asphalt double drum steel roller	\$ 45,000	Replacement	
Transportation and Streets	Video Processors for Signals	\$ 54,800	Additional	
Transportation and Streets	City wide drainage / Downtown Drainage TBD	\$ 75,000	Additional	
Transportation and Streets	Wheeled Excavator	\$ 250,000	Additional	
Transportation and Streets	Vac Sweeper	\$ 250,000	Replacement	(3810-18) 2007 GMC Cab and Chassis - Miles 39,823
Transportation and Streets	City Wide Street Overlay Program SAP	\$ 853,000	Additional	
Transportation and Streets Total		\$ 1,542,800		

CAPITAL

LIST OF CAPITAL ITEMS

UTILITY FUND

Department	Description	Estimated Cost	Type	Vehicle Replacement Information
Electric	Truck	\$ 55,000	Replacement	(3010-28) 2006 Chevy 1500 - Miles 67,084
Electric	Truck	\$ 55,000	Replacement	(3010-50) 2010 Ford F-350 - Miles 51,040
Electric	Shelving for Utility Complex	\$ 25,000	Additional	
Electric	Easements Purchases	\$ 50,000	Additional	
Electric	Carroll Purchases	\$ 50,000	Additional	
Electric	General SCADA Upgrades	\$ 100,000	Additional	
Electric	Substation Electronic Equipment	\$ 100,000	Additional	
Electric	Futura Computer Software	\$ 150,000	Additional	
Electric	Street Lights - Lighting of Roadways	\$ 260,000	Additional	
Electric	L&G Focus Meters	\$ 300,000	Additional	
Electric	Vactor Truck - Replace 3010-77	\$ 400,000	Replacement	
Electric	Overhead Primary Construction	\$ 670,000	Additional	
Electric	Fiber Installation - Phase I & II	\$ 1,100,000	Additional	
Electric	Underground Primary Construction	\$ 3,150,000	Additional	
Electric Total		\$ 6,465,000		
Water	1/2 ton 4 wheel drive full size pickup	\$ 35,000	Replacement	(3020-23) 2014 Ford F-150 - 91,000 Miles
Water	1/2 ton 4 wheel drive full size pickup	\$ 35,000	Replacement	(3020-14) 2010 Ford F-150 - 50,000 Miles
Water	Leak Detection Logger Kit	\$ 10,000	Additional	
Water	Leak detection correlation system	\$ 18,000	Additional	
Water	Replacement and new AMI meters	\$ 130,000	Additional/Replacement	
Water	Large AMI meters replacement and new	\$ 130,000	Additional/Replacement	
Water	Water storage tank maintenance agreement	\$ 350,000	Additional	
Water Total		\$ 708,000		
Wastewater	Operation: Replace Ops Truck (2005 Dodge Dakota)	\$ 35,000	Replacement	(3030-10) 2005 Dodge Dakota - Miles 37,608
Wastewater	Maintenance: Replace Lift Station Truck (2012 Silverado 4X4)	\$ 50,029	Replacement	(3030-18) 2012 Chevy Silverado - 144,479 Miles
Wastewater	Roof Repair At Mckissic Lift Station	\$ 12,000	Replacement	
Wastewater	Auger For Mckissic Ls Bar Screen	\$ 15,000	Additional	
Wastewater	Gorator Pump (Influent Grit Chamber)	\$ 30,000	Additional	
Wastewater	Spare Influent Grit Pump			
Wastewater	Grinder For Mckissic Ls Bar Screen	\$ 47,000	Replacement	
Wastewater	Lift Station #35 Kingsbury (Pump Upgrade Necessary)	\$ 50,000	Replacement	
Wastewater	Compost: Front-End Loader Replacement 2011 Year Model 9,199 Hours	\$ 175,000	Replacement	
Wastewater	Compost: In-Vessel Composting Preliminary Engineering And Pilot Testing	\$ 200,000	Additional	
Wastewater Total		\$ 614,029		
Sewer Rehab	Quickzoom Camera	\$ 20,000	Additional	
Sewer Rehab	manhole rebuild, replacement and relining. This is necessary to reduce infiltration that is associated to our existing manholes	\$ 65,000	Replacement	
Sewer Rehab	portable CCTV operating system	\$ 90,000	Additional	
Sewer Rehab	replacement of our 2009 combo vacuum sewer cleaning truck. This purchase will be close to \$500,000 so we are proposing to set aside funds for this future purchase	\$ 220,000	Additional	
Sewer Rehab Total		\$ 395,000		
Inventory	To concrete the East side of our yard	\$ 150,000	Additional	
Inventory Total		\$ 150,000		
Billing and Collection	Meter Truck	\$ 24,000	Replacement	(3540-13) 2012 Ford F150-Miles 102,493
Billing and Collection	Meter Truck	\$ 24,000	Replacement	(3540-14) 2013 Chevrolet Silverado-Miles 102,106
Billing and Collection	MR Mi.Tech handheld with install kit	\$ 6,500	Replacement	
Billing and Collection	Cisco Network Switching	\$ 10,000	Additional	
Billing and Collection	Office 365 G1 License	\$ 20,000	Additional	
Billing and Collection	Additional full size short bed 4x4 ext cab pickup truck with tool box and new secondary equipment.	\$ 25,000	Additional	
Billing and Collection Total		\$ 109,500		
Grand Total		\$ 8,441,529		

CAPITAL

SIGNIFICANT AND NON-RECURRING CAPITAL ITEM 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.

District Court	Case management software	\$ 350,000
Fire Department	Ambulance	\$ 360,000
	Replace (2020-37) 2016 Excellence Ambulance-Miles 35,000/3,150 hrs	
Fire Department	Ambulance	\$ 360,000
	Replace (2020-29) 2015 Excellence Ambulance-Miles 81,000/6,000 hrs	
Fire Department	E-One Ariel	\$ 1,750,000
	Replace (145-0013) 1999 E-One-Miles 74,500/4,670 hrs	
Parks and Recreation	Merchants Infield Renovations: Natural	\$ 287,100
Transportation and Streets	Wheeled Excavator	\$ 250,000
Transportation and Streets	Vac Sweeper	\$ 250,000
	Replace (3810-18) 2007 GMC Cab and Chassis - Miles 39,823	
Transportation and Streets	City Wide Street Overlay Program SAP	\$ 853,000
Electric	Street Lights - Lighting of Roadways	\$ 260,000
Electric	L&G Focus Meters	\$ 300,000
Electric	Vactor Truck - Replace 3010-77	\$ 400,000
Electric	Overhead Primary Construction	\$ 670,000
Electric	Fiber Installation - Phase I & II	\$ 1,100,000
Electric	Underground Primary Construction	\$ 3,150,000
Water	Water storage tank maintenance agreement	\$ 350,000
Sewer Rehab	Replacement of our 2009 combo vacuum sewer cleaning truck. This purchase will be close to \$500,000 so we are proposing to set aside funds for this future purchase	\$ 220,000

CAPITAL

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.

Administration

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

Court

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

Engineering

No major changes in O & M are anticipated in conjunction with the pedestrian/sidewalk improvements projects.

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.

Fire

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

Police

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

Parks and Recreation

No major changes in O & M are anticipated in conjunction with the capital purchases. The expenditure noted should not increase the maintenance of the fields.

Public Works Maintenance

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

Library

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

Street

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

Electric

No major changes in O & M are anticipated in conjunction with the capital purchases. The lighting system improvements should help reduce power costs as the replacement of more street lights to LED occurs.

Utility Billing

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

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.

Wastewater

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

Water

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

STAFFING

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:

- Personnel requests for 2021
- A list of staffing changes for 2021
- A staffing table for 2021

STAFFING

PERSONNEL REQUESTS (ALL REQUESTS WERE APPROVED)

GOVERNMENTAL FUNDS – PERSONNEL ADDITIONS 2021 BUDGET

Position Upgrades		
<u>Department</u>	<u>From/To Position</u>	<u>Salary Increase</u>
Public Works Maintenance	From Part-time Maintenance worker to Full-time Maintenance Worker II	\$20,914

Transfer		
<u>From Department</u>	<u>To Department</u>	<u>Position</u>
Building Inspection	Planning Department	Code Enforcement Officers

STAFFING

PERSONNEL REQUESTS (ALL REQUESTS WERE APPROVED)

ENTERPRISE FUNDS – PERSONNEL ADDITIONS 2021 BUDGET

Full-Time Additions		
<u>Department</u>	<u>Position</u>	<u>Salary</u>
Billing and Collection	Meter Reader II	\$43,607
Water	Assistant Manager	\$74,859

Position Upgrades		
<u>Department</u>	<u>From/To Position</u>	<u>Salary Increase</u>
Inventory	From Warehouse Worker to Crew Leader	\$6,855

STAFFING

STAFFING CHANGES

For 2021, the City Council approved a Cost of Living Adjustment (COLA) of 1.3% and 1.7% merit raise.

PUBLIC WORKS MAINTENANCE

A part-time Maintenance Worker was upgraded to full-time Maintenance Worker II to help manage growth of maintenance of City properties.

PLANNING

Planning requested that two Code Enforcement Office transfer from the Building Inspection Department.

BILLING AND COLLECTION

Billing and Collection requested a new position for a Meter Reader II that was planned as part of rate study.

WATER DEPARTMENT

Water Department requested an Assistant Manager be added to help manage the growth and complexity within the water industry.

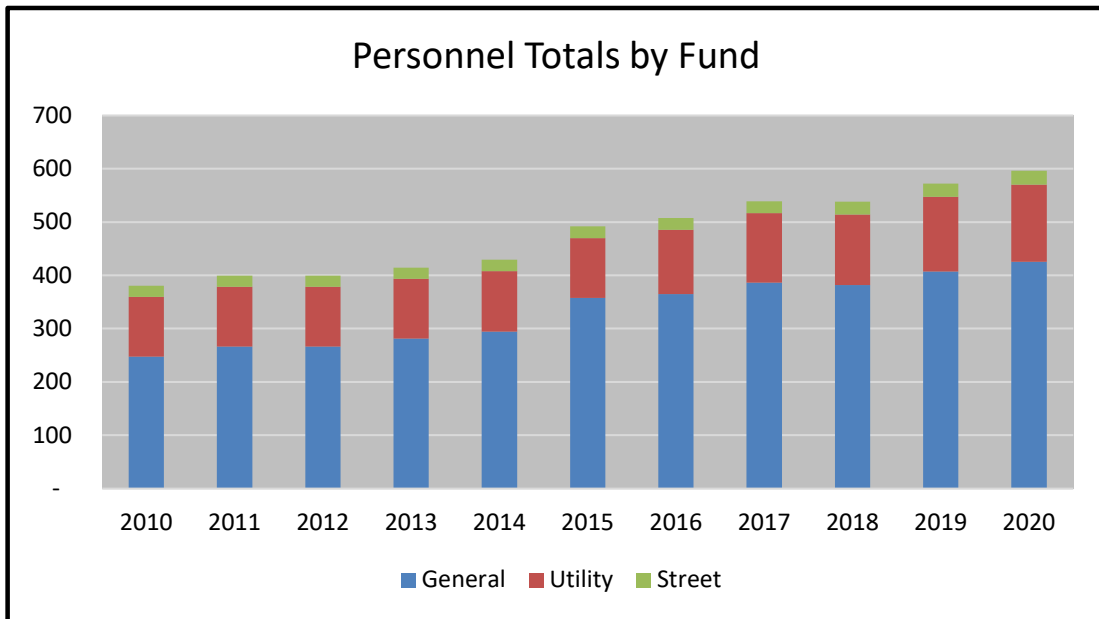
INVENTORY

Inventory requested that a Warehouse Worker be upgraded to a Crew Leader so that duties and responsibilities could properly be aligned within the Inventory Department.

STAFFING

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 54,000 today.



STAFFING

FULL TIME EQUIVALENTS (FTEs)

Authorized - Total FTEs				
Year	2019	2020	Change	2021
General Fund				
Administration	18.5	19.0	(1.5)	17.5
Accounting	8.0	8.0	2.0	10.0
District Court	11.5	11.0	(2.5)	8.5
Parks	74.0	74.0	41.0	115.0
Public Works Maintenance	31.5	31.5	(11.5)	20.0
Library	25.5	26.0	11.0	37.0
Police	115.0	118.0	(3.0)	115.0
Fire	98.0	112.0	1.0	113.0
Building Inspection	9.0	9.0	1.0	10.0
Planning	7.5	7.5	0.5	8.0
Engineering	9.0	9.5	(1.5)	8.0
Fund Total	407.5	425.5	36.5	462.0
Utility Fund				
Electric	45.0	48.0	-	48.0
Sewer	15.0	16.0	(1.0)	15.0
Water	31.0	32.0	(3.0)	29.0
Wastewater	25.0	24.0	(2.0)	22.0
Inventory Warehouse	4.0	4.0	(1.0)	3.0
Utility Billing/Collection	20.0	21.0	(0.5)	20.5
Fund Total	140.0	145.0	(7.5)	137.5
Street	25.0	26.0	-	26.0
City Total	572.5	596.5	29.0	625.5

STAFFING

FULL TIME EQUIVALENTS (FTEs)

	Full-time	Other	Total
Administration			
Administrative Assistant	1.0		1.0
GIS Analyst	1.0		1.0
GIS Coordinator	1.0		1.0
GIS Tech	1.0		1.0
Human Resources Specialist	1.0	0.5	1.5
Human Resources Manager	1.0		1.0
Staff Attorney	1.0		1.0
Paralegal	1.0		1.0
Mayor	1.0		1.0
Executive Assistant	1.0		1.0
Application Administrator	1.0		1.0
Network Administrator	1.0		1.0
IT Director	1.0		1.0
Systems Technician	4.0		4.0
Department Total	17.0	0.5	17.5
Accounting and Purchasing			
Accountant	1.0		1.0
Accounting Specialist III (Accounts Payable)	2.0		2.0
Accounting Specialist III (Payroll Clerk)	1.0		1.0
Accounting Specialist III (Purchasing)	1.0		1.0
Accounting Specialist III (Accounts Receivable)	1.0		1.0
Assistant Finance Director	1.0		1.0
Financial Analyst	1.0		1.0
Finance Director	1.0		1.0
Purchasing Manager	1.0		1.0
Department Total	10.0	-	10.0
District Court			
Chief Court Clerk	1.0		1.0
Chief Deputy Court Clerk	1.0		1.0
Deputy Court Clerk	5.0		5.0
Part Time Court Clerk		0.5	0.5
Probation Officer/Bailiff	1.0		1.0
Department Total	8.0	0.5	8.5

STAFFING

FULL TIME EQUIVALENTS (FTEs)

	Full-time	Other	Total
Fire			
Assistant Fire Marshall/Paramedic	2.0		2.0
Fire Battalion Chief	3.0		3.0
Battalion Chief/Paramedic	2.0		2.0
Deputy Fire Chief/Paramedic	2.0		2.0
Division Chief - Fire Marshall	1.0		1.0
Division Chief - Training	1.0		1.0
Fire Chief	1.0		1.0
Fire Inspector	2.0		2.0
Firefighter	76.0		76.0
Fire Captains	21.0		21.0
Administrative Assistant	2.0		2.0
Department Total	113.0	-	113.0
Police			
Animal Control Supervisor	1.0		1.0
Animal Control Officer	2.0		2.0
Telecommunications Manager	1.0		1.0
Dispatchers	17.0		17.0
Telecommunications Supervisors	3.0		3.0
Police Chief	1.0		1.0
Police Captains	4.0		4.0
Police Clerk	3.0		3.0
Police Corporal	19.0		19.0
Police Lieutenant	6.0		6.0
Police Officers	42.0		42.0
Police Records Supervisor	1.0		1.0
Police Sergeant	11.0		11.0
Trainer	1.0		1.0
Administrative Technicians	3.0		3.0
Executive Assistant	1.0		1.0
Department Total	115.0	-	115.0
Building Inspection			
Building Inspector	4.0		4.0
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
Department Total	10.0	-	10.0

STAFFING

FULL TIME EQUIVALENTS (FTEs)

	Full-time	Other	Total
Planning			
Community Development Director	1.0		1.0
Economic Development Director	1.0		1.0
Comprehensive Planning Manager	1.0	-	1.0
Planning Services Manager	1.0		1.0
Senior Planner	3.0		3.0
Planning Technician	1.0		1.0
Department Total	8.0	-	8.0
Engineering			
City Engineer	1.0		1.0
Administrative Assistant	-	-	-
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
Department Total	8.0	-	8.0
Electric			
Electric CAD Technician	1.0		1.0
Electric Director	1.0		1.0
Administrative Assistant	2.0		2.0
Apprentice Electric Engineering Tech	1.0		1.0
Apprentice Lineman	6.0		6.0
Assistant Elec Utility Manager	2.0		2.0
Construction Coordinator	1.0		1.0
Safety Compliance Officer	1.0		1.0
Engineering Technician	3.0		3.0
New Service Coordinator	1.0		1.0
Electric Field Supervisor	2.0		2.0
Electric Technician	4.0	-	4.0
Tree Trimmer	3.0		3.0
Electric Crew Leaders	6.0		6.0
Journeyman Electrician	14.0	-	14.0
Department Total	48.0	-	48.0

STAFFING

FULL TIME EQUIVALENTS (FTEs)

	Full-time	Other	Total
Sewer Rehab			
Assistant Manager - Construction	1.0		1.0
Crew Leader	4.0		4.0
Constuction Inspector	1.0		1.0
Collection Supervisor	1.0		1.0
Pre-Treatment Technician	1.0		1.0
System Specialist I	7.0		7.0
Department Total	15.0	-	15.0
Water			
Administrative Technician	1.0		1.0
Assistant Manger - Technical Services	1.0		1.0
Constuction Inspector	1.0		1.0
Crew Leader	4.0		4.0
Distribution Supervisor	1.0		1.0
Distribution Controller	2.0		2.0
Distribution Specialist	6.0		6.0
Operations Supervisor	1.0		1.0
Damage Prevention Specialsit	3.0		3.0
Manager	1.0		1.0
Meter Technician	2.0		2.0
New Service Coordinator	1.0		1.0
Water Utilities Director	1.0		1.0
Technical Supervisor	1.0		1.0
Water Utility Systems Technician	1.0		1.0
Administrative Assistant	2.0		2.0
Department Total	29.0	-	29.0
Wastewater			
Compost Attendant	3.0		3.0
Lab Technician	2.0		2.0
Lab/Pretreatment Supervisor	1.0		1.0
Maintenance Foreman	1.0		1.0
Maintenance Technician	5.0		5.0
Manager	1.0		1.0
Operations Supervisor	1.0		1.0
Treatment Operator	7.0		7.0
Administrative Assistant	1.0		1.0
Department Total	22.0	-	22.0

STAFFING

FULL TIME EQUIVALENTS (FTEs)

	Full-time	Other	Total
Inventory			
Manager	1.0		1.0
Crew Leader	1.0		1.0
Warehouse Worker	1.0		1.0
Department Total	3.0	-	3.0
Billing/Collection			
Customer Account Representative	6.0		6.0
Billing and Collection Manager	1.0		1.0
Meter Reader	7.0	0.5	7.5
Meter Reading Foreman	1.0		1.0
Customer Account Supervisor	1.0		1.0
Utility Billing Analyst	4.0	-	4.0
Department Total	20.0	0.5	20.5
Street			
Crew Leader	4.0		4.0
Construction Inspector (ROW Permit Officer)	1.0		1.0
Heavy Equipment Operator	12.0		12.0
Engineer Project Permit Coordinator	1.0		1.0
Mechanic	1.0		1.0
Administrative Assistant	1.0		1.0
Sign Shop Technician	1.0		1.0
Street Manager	1.0		1.0
Assistant Manager	1.0		1.0
Traffic Signal Technician	2.0		2.0
Transportation Director	1.0		1.0
Department Total	26.0	-	26.0

STAFFING

FULL TIME EQUIVALENTS (FTEs)

	Full-time	Other	Total
Parks Public Works Maintenance			
Assistant Manager	1.0		1.0
Crew Leader	3.0		3.0
Custodians	7.0		7.0
Custodial Foreman	1.0		1.0
Facilities Maintenance Tech	1.0		1.0
Maintenance Manager	1.0	-	1.0
Maintenance Worker	5.0		5.0
Mechanic	1.0		1.0
Department Total	20.0	-	20.0
Parks			
Animal Services Manager	1.0	-	1.0
Parks and Rec Director	1.0		1.0
Parks Maint Foreman	1.0		1.0
Crew Leader Custodian	1.0		1.0
Custodian	8.0		8.0
Recreation Program Supervisor	4.0		4.0
Recreation Program Manager	1.0		1.0
Parks and Rec Planner	1.0		1.0
Parks Foreman	1.0		1.0
Administrative Assistant	2.0		2.0
Horticultrist	2.0		2.0
Crew Leader	3.0		3.0
Maintenance Worker	11.0		11.0
Maintenance Manager	1.0		1.0
Turf Maintenance Specialist	1.0		1.0
Urban Forester	1.0		1.0
Facility Maintenance Technician	4.0		4.0
Recreation Specialist	4.0		4.0
Part-Time and Seasonal Workers		67.0	67.0
Department Total	48.0	67.0	115.0
Library			
Director	1.0		1.0
Librarian	4.0		4.0
Library Clerk Part Time		24.0	24.0
Library Specialist	7.0		7.0
Administrative Assistant	1.0		1.0
Department Total	13.0	24.0	37.0
City Total	533.5	92.5	626.0

APPENDIX

ELECTRIC RATES

RESIDENTIAL

Facilities Charge \$12.70

First 800 kWh \$0.1086 per kWh

Over 800 Winter Season \$0.0824 per kWh

Over 800 Summer Season \$0.0998 per kWh

Minimum Bill \$12.70

SMALL COMMERCIAL (DEMAND LESS THAN 50kW)

Facilities Charge \$13.80

First 2,000 kWh \$0.1170 per kWh

Over 2,000 kWh Winter Season \$0.0872 per kWh

Over 2,000 kWh Summer Season \$0.1170 per kWh

Minimum Bill \$13.80

MID-COMMERCIAL (DEMAND MORE THAN 50 kW AND LESS THAN 200 kW)

Facilities Charge \$13.80

Demand Charge \$7.35 per kW

Energy Charge Winter Season \$0.0684 per kWh

Energy Charge Summer Season \$0.0721 per kWh

Minimum Charge \$183.75

APPENDIX

WATER AND WASTEWATER RATES

	Per 1,000 gallons				
	Water			Wastewater	
	Residential	Irrigation	Commercial	Residential	Commercial
Inside City monthly usage rates					
First 4,000 gallons of water	3.29	N/A	N/A	N/A	N/A
Next 6,000 gallons of water	3.76	N/A	N/A	N/A	N/A
Over 10,000 gallons of water	5.43	N/A	N/A	N/A	N/A
All Consumption	N/A	4.41	3.76	7.69	8.22
Outside City monthly usage rates	4.00	4.00	4.00	4.00	4.00
First 4,000 gallons of water	3.91	N/A	N/A	N/A	N/A
Next 6,000 gallons of water	4.48	N/A	N/A	N/A	N/A
Over 10,000 gallons of water	6.48	N/A	N/A	N/A	N/A
All Consumption	N/A	5.26	4.48	9.23	9.86

	Rate per Month			
	Water	Irrigation	Wastewater	
			Residential	Commercial
Meter rates				
5/8" meter	7.71	8.89	13.41	14.33
3/4" meter	7.71	8.89	13.41	14.33
1" meter	19.28	22.50	44.16	47.19
1-1/2" meter	83.55	96.41	164.05	175.31
2" meter	89.98	103.91	175.15	187.17
3" meter	134.97	155.32	257.30	274.95
4" meter	385.63	444.55	721.32	770.81
6" meter	835.54	964.08	1,553.89	1,660.50

APPENDIX

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.

<u>CUSTOMER</u>	<u>TYPE CHARGE</u>
Residential	\$13.89 per Month
Small Commercial	\$17.39 per Month
Large Commercial – Dumpsters	\$ 4.87 per Cu Yd.

APPENDIX

MISCELLANEOUS STATISTICAL DATA

Incorporated – January 1873

Form of Government – Mayor/Council

Area – 31.5 square miles

<u>Fire Protection</u>		<u>Wastewater</u>	
Stations	7	Meters	18,081
Uniformed Employees	97	Lift Stations	46
		Avg Daily Flow (Gallons)	3,129,000
<u>Police Protection</u>		<u>Public Education System</u>	
Stations	1	Elementary	13
Uniformed Employees	83	Middle	5
<u>Parks and Recreation</u>		Junior High	4
Parks Acreage	341	High School	2
Number of Parks	20	Certified Staff	1,244
Number of Trails	28	Total Staff	2,270
Baseball/Softball Fields	20	Enrollment	18,040
Soccer Fields/Football Fields	16		
Tennis Courts	22		
Basketball Courts	5	<u>Building Permits</u>	
Swimming Pools/Splash Parks	4	<u>Year</u>	<u>Number</u> <u>Value</u>
Ice Rink	1	2020	1797 529,200,000
Indoor Recreation Center	2	2019	1750 454,000,000
		2018	1732 500,000,000
		2017	1562 395,100,000
		2016	1471 372,728,437
		2015	1375 321,885,167
<u>Streets</u>		2014	1227 321,836,524
Miles City Roads and Streets	296	2013	1225 237,944,732
Traffic Signals	52	2012	1253 222,071,462
		2011	866 155,488,400
<u>Water</u>		<u>Benton County - Rate of Unemployment</u>	
Meters	18,011	<u>Year</u>	<u>Rate</u>
Irrigation Meters	3,571	2020	3.5
Beaver Water Pumping		2019	2.3
Capacity (Gallons)	80,000,000	2018	2.6
Pumping Capacity to		2017	3.1
Bentonville/Rogers	36,000,000	2016	2.6
Average Daily Use (Gallons)	10,958,904	2015	3.4
Storage Capacity	10,500,000	2014	3.9
Miles of Water Lines	336.69	2013	4.4
Fire Hydrants	1500+	2012	4.8
		2011	7.4
<u>Electric</u>			
Meters	23,448		
Substations	9		
Miles of Distribution Lines	989		

APPENDIX

CENSUS DATA

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 (CONTINUED)

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 (CONTINUED)

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 percentages may add to more than 100 percent because of rounding.
Source: U.S. Census Bureau, 2010 Census.

APPENDIX

GLOSSARY

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.

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.

APPENDIX

GLOSSARY (CONTINUED)

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.

C

CAD: Computer Aided Design.

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.

APPENDIX

GLOSSARY (CONTINUED)

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.

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

APPENDIX

GLOSSARY (CONTINUED)

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.

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.

APPENDIX

GLOSSARY (CONTINUED)

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.

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.

APPENDIX

GLOSSARY (CONTINUED)

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

Fund Balance: The excess of assets over liabilities. A portion of the fund balance may be reserved or designated; the remainder is Unassigned 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.

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.

APPENDIX

GLOSSARY (CONTINUED)

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 fiberoptic 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.

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.

APPENDIX

GLOSSARY (CONTINUED)

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 21st Century. It is essentially the same concept as ISTEA with changes primarily made in the appropriation formulas.

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.

APPENDIX

GLOSSARY (CONTINUED)

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.

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

APPENDIX

GLOSSARY (CONTINUED)

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.

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.

APPENDIX

GLOSSARY (CONTINUED)

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 21st 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.

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.