

City of Bentonville, Arkansas



2023 Annual Budget Report January 1st – December 31st



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CITY OF BENTONVILLE, ARKANSAS

2023 ANNUAL BUDGET REPORT JANUARY 1 – DECEMBER 31

STEPHANIE ORMAN
MAYOR

CITY COUNCIL AND OTHER ELECTED OFFICIALS

NAME	WARD	POSITION
Beckie Seba	1	1
Gayatri Agnew	1	2
Cindy Acree	2	1
Chris Sooter	2	2
Aubrey Patterson	3	1
Bill Burckhart	3	2
Octavio Sanchez	4	1
Holly Hook	4	2
Andrew J. Myers, City Attorney		
Kirby Romines, City Clerk		

Prepared by:

Heather Delhagen
Assistant Finance Director

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 01, 2022

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the **City of Bentonville, Arkansas** for its Annual Budget for the fiscal year beginning **January 1, 2022**. 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, as an operational guide, 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 2020 census population of 93,949, 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 84,161 based on the 2020 Census, and Rogers, population of 69,908. 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 30,104. 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 284,333 and 245,871 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 world-class training for individuals, students, and professionals at any point of their journey into the world of food.

There are several major companies 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. Several 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

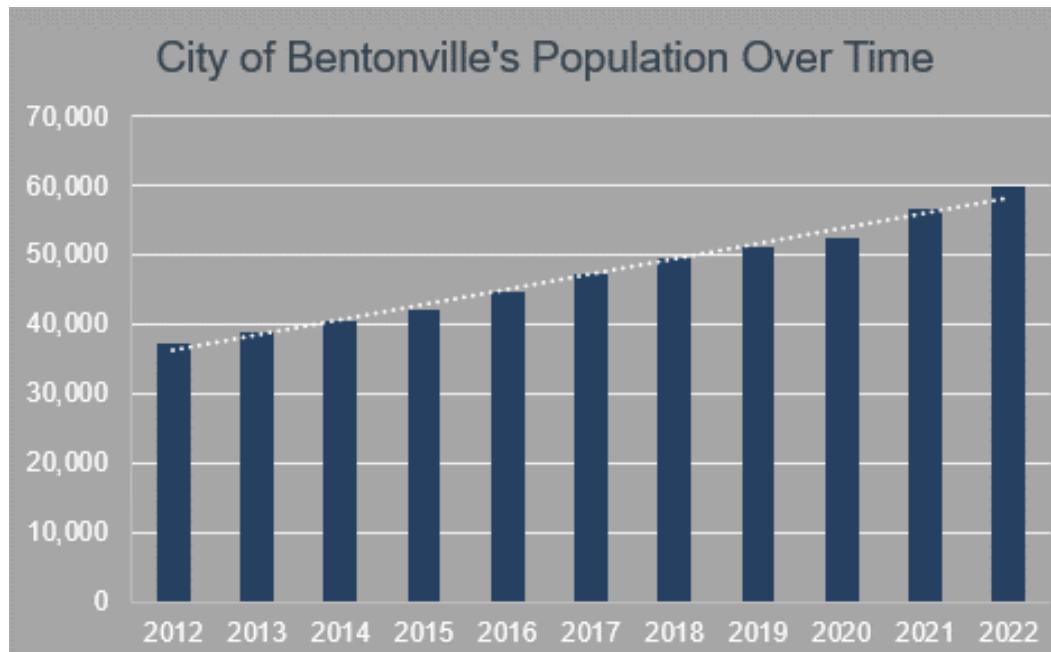
Bentonville is in the area that was part of the 1803 Louisiana Purchase. In November of 1837, a site was designated as the county seat for Benton County. This site was named in honor of Senator Thomas Hart Benton, from Missouri, who worked to have Arkansas admitted as a state. Bentonville was named after 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 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 2020 population was 54,164. 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 2020.

The Fayetteville-Springdale-Rogers Metropolitan Statistical Area grew from 442,308 in 2010 to 548,634 in 2020, 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 2020 census can be seen on pages 176 - 178.



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 54,000 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 with more than 38,000 square feet of space available for patrons and the community. In 2022:

- 42,915 Library Card Holders
- 763,427 Checkout of Materials
- 257,076 Library Visits

BENTONVILLE AT A GLANCE

BENTONVILLE MUNICIPAL AIRPORT – LOUISE M. THADEN FIELD

Bentonville Municipal Airport dedicated its terminal building in June of 2008. This facility is approximately 2,400 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.

Lawrence Plaza, just north of the downtown square, serves as an ice rink during the winter months and a splash park during the summer months. Orchards Parks is where concerts are held during the summer as well as the annual July 4th Fireworks Display. The Downtown Activity Center offers numerous classes for a nominal fee and rooms may be rented by the general public, civic groups, and private organizations. Bikes are also available for rent.

BENTONVILLE AT A GLANCE

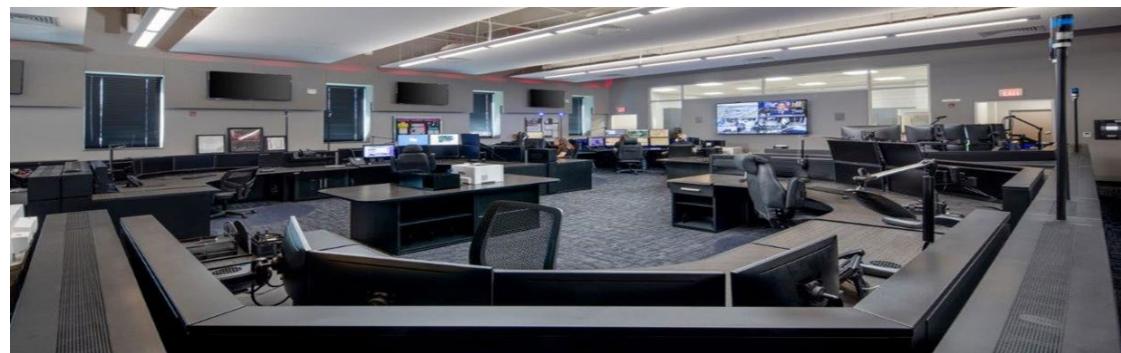
BENTONVILLE POLICE FACILITY

Several blocks further south is the Police Building.



BENTONVILLE EMERGENCY COMMUNICATION & CRIMINAL INVESTIGATIONS CENTER

The Emergency Communications Center is located immediately south of the Police Department's main building and is 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 RESOURCE RECOVERY FACILITY



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.

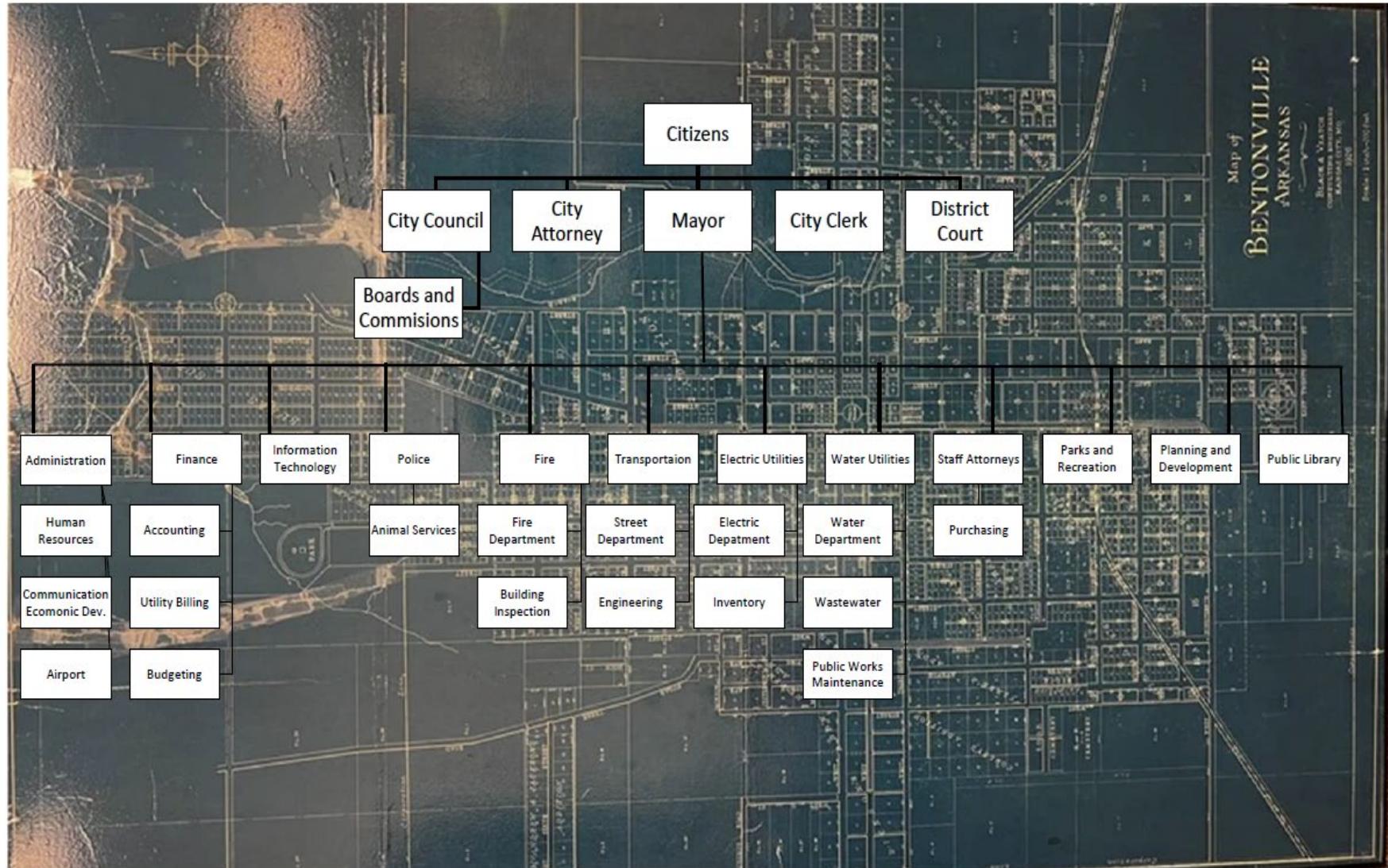
PRINCIPAL EMPLOYERS

With the home offices of Wal-Mart and Sam's Club located here, Bentonville is home to many employees working in those offices and warehouses, and to a growing list of vendors who have established local offices to work closely with Wal-Mart. The table below lists the 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, Inc	300-499
Northwest Health System	300-499
Consumer Testing Laboratories	300-499

BENTONVILLE AT A GLANCE

City of Bentonville Organization Chart 2023



BUDGET MESSAGE

SCHEDULE OF KEY PERSONNEL

POSITION	NAME	PHONE
Mayor	Stephanie Orman	479-271-5966
Director of Administration	Debbie Griffin	479-254-2028
Human Resources Coordinator	Ed Wheeler	479-271-3191
Community Development Director	Tyler Overstreet	479-271-3144
Parks & Recreation Director	David Wright	479-271-6813
Maintenance Supervisor	Scott Mendenhall	479-271-3190
Animal Services Manager	Alison Worley	479-254-2020
Finance Director	Patrick Johndrow	479-271-6781
Assistant Finance Director / Utilities	tbd	
Assistant Finance Director / Budget	Heather Delhagen	479-418-8649
Assistant Finance Director / Accounting	Ashley Long	479-271-3116
Billing and Collection Manager	Gary Wilson	479-271-3104
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	479-271-6882
Library Director	Hadi Dudley	479-271-3194
Police Chief	Ray Shastid	479-271-3180
Staff Attorney	Camille Thompson	479-271-5914
Staff Attorney	Bonnie Bridges	479-254-2036
Purchasing Manager	Gladys Shoemake	479-271-3115
Transportation Director	Dennis Birge	479-271-5964
Street Manager	Tony Davis	479-271-3130
Public Works Director	Mike Bender	479-271-6720
Water Utilities Deputy Director	Preston Newbill	479-271-3140
Water Utilities construction Manager	Kevin Alsup	479-271-3140
Water Utilities Technical Services Manager	Beau Thompson	479-271-3140
Water Resource Facility Manager	Chris Earl	479-271-3160
Engineering Director	Travis Matlock	479-271-6720
Asst Electric Utility Manager	Wayman Thurman	479-271-5943
Asst Electric Utility Manager	Lance Henderson	479-271-5985
City Engineer	Dan Weese	479-254-2024

BUDGET MESSAGE



October 7, 2022

Dear City Council Members,

The FY2023 budget continues a focused effort to provide the personnel, equipment and infrastructure needed to serve our citizens. There is a strong focus on personnel and technology in this budget to meet the needs and quality standards of our growing city.

The guiding principles of public safety, fiscal sustainability, quality of life and economic vitality continue to guide budget recommendations. The City remains financially sound and pragmatic in our mission to serve our citizens as we carry on a reputation of being a good steward of our community's tax dollars.

The development of this budget has been a collaborative effort with detailed input from every department and City of Bentonville Leadership. I want to thank city staff for the hard work, meetings and planning that have gone into the preparation of this proposed annual budget. In addition, I would like to thank City Council in advance for their consideration of the FY2023 budget. Finally, I want to say thank you to our citizens, other elected officials, and board/commission members for their time and effort to make Bentonville a great place to live, work and play.

All My Best,

Stephanie Orman
Mayor of Bentonville

CITY HALL • 305 SW A STREET • BENTONVILLE, AR 72712 • (479) 271-3112
• www.bentonvillear.com •

**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 2023 budget was adopted on November 22, 2022.*

BUDGET MESSAGE

January 1, 2023

To: Members of the City Council

Citizens of Bentonville

From: Heather Delhagen

Assistant Finance Director/Budget

We are pleased to present the City's adopted budget for 2023. This total budget of \$201 million reflects the City's continued growth and City staff's teamwork and collaboration in providing quality services to Bentonville's citizens and customers. We believe the adopted budget reflects a fiscally responsible approach to providing the personnel, equipment and infrastructure needed to serve our citizens while maintaining the City's strong financial position during this time of constant change due to the ongoing Coronavirus (COVID-19) pandemic. This year there was a concerted focus on providing the personnel to support teams across the City that help to make Bentonville the fastest growing cities in the Arkansas.

In 2022, the city continued to build additional growth opportunities. Respectfully, we believe our 2023 budget adequately meets our projections and increased need. We added the necessary capital items to support the demand of growing city as well as an increased staffing to several departments to meet with growth and additional need for services.

This Budget Message section provides an overview of some of the major components of the budget over the years. The other sections in this document outline the budget in much more detail, for the whole City and by specific funds and/or departments.

In conjunction with the City of Bentonville's mission statement and several citywide development plans, our strategic plan brings balance to goals of the city. It is supported by having a solid, responsible, and attainable budget plan in place to act as a roadmap to grow and support the city's annual needs. We begin, by assessing the largest needs of the city and the impact to its citizens. Our department heads work rigorously on reducing any unnecessary spend as they mindfully input their budget needs. We work through assessing any personal additions needed for the coming year and which projects and future expenditures bring the greatest need.

For 2023, our emphasis in the General and Street funds focused on capital items, additional sidewalks, street preservation, Parks Maintenance building repairs, a Library building expansion project, additional police and fire apparatus, Downtown Fiber cable, construction of a Cemetery Colum Barium, flooding prevention project, additional equipment, a new ariel fire truck, a command post vehicle center, as well as additional staffing, and new staffing equipment. Our Utility fund focus was on making enhancements to our city's the wastewater treatment plant, updating water and electric meters, and providing all the utilities necessary from our city's continued growth and expansion.

Lastly, with the lack of a reliable supply chain, product availability has led to longer lead times and constant future planning. The city has been forced to pre-order many pertinent items to keep the city functioning on track. In these times of high demand, the city had to entertain alternative ways to overcome supply chain issues. The city has taken extended life approaches to assets where it can, holding onto operational equipment or vehicles longer. Often times the city purchased smaller comparable vehicles when securing products to meet our growing needs or had to order items with several year lead times. With good foresight and initiative, the City of Bentonville has been fortunate to circumvent any major delays in productivity or services and we will continue to implement these practices into 2023.

BUDGET MESSAGE

PLANNING FOR THE FUTURE

LONG RANGE FINANCIAL PLAN AND FORECAST

The City of Bentonville monitors its growing city by providing guidance to all departments in long range financial planning and fiscal responsibility by:

1. Conducting an annual personnel review that projects out up to three years of anticipated additional staffing needs. Each department presents to the mayor the components of the position and builds a needs assessment presentation that supports the additional needs of the department. The mayor makes the ultimate decision for the city.
2. Each department maintains a three-year capital improvement list, which is also annually reviewed within the long-range budget plan.
3. As part of the capital improvement list, the city has designated a website that defines each current bond issuance project. Please go to www.Bentonvillebond.com for more detailed information or refer to the debt section in this report. (See pages 41-44)
4. Any excess capital penny sales tax dollars collected gets applied toward bond issuances. With the current trend the city is anticipating an early payoff.
5. The city adopted several internal financial policies (see pages 64-66).
6. Other departmental city plans (page 20), give additional information on the future development and planning within the City of Bentonville.

Each Department will list 2022 accomplishments and 2023 goals as outlined in section "Funds and Department" Pages [\(67-187\)](#). This section also includes 2023 budget detail and budget summaries.

THE STRATEGIC PLAN

1. Good Governance
 - A community that promotes aesthetics and quality of life.
 - Attract the type of growth and economic development that will improve our revenue and provide the city with needed funding.
 - Capital investments that will allow current commerce to thrive and attract future commerce.
 - Provide citizens with reliable utility services.
2. Financial Sustainability
 - Create and follow an annual budget for all funds.
 - Maintain adequate Stabilization and Contingency Reserves.
 - Manage city invests with economic responsibility.
 - Prohibit and exclude unnecessary spending.
3. Core Services and Infrastructure
 - Provide effective emergency management within our fire and police departments.
 - Reduce consumption of natural resources.
 - Focus on opportunities to expand and improve our parks.
 - Utility infrastructure projects to support and promote growth and quality of life.
 - A recycling program that will set a new standard of excellence.
 - Provide the citizens modernized free public library resources and community initiatives.
 - A transportation system that enables our citizens and visitors to get where they need to be safely, effectively, and efficiently.

BUDGET MESSAGE

CITY PLANS

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. The Comprehensive Plan is a dynamic document that must change periodically and because of the rapid growth and development needs a complete overhaul at least every five years. Various committees will be set up to address different aspects of the plan. There are numerous other 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, the lead department responsible for them, the date of the most recent revision, and a brief description of the plan.

Connect Bentonville (2021)

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.

Master Street Plan (2021)

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 regarding the future location and function of all roadway systems.

Bentonville Community Plan (2018)

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

Parks Master Plan (2017)

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

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.

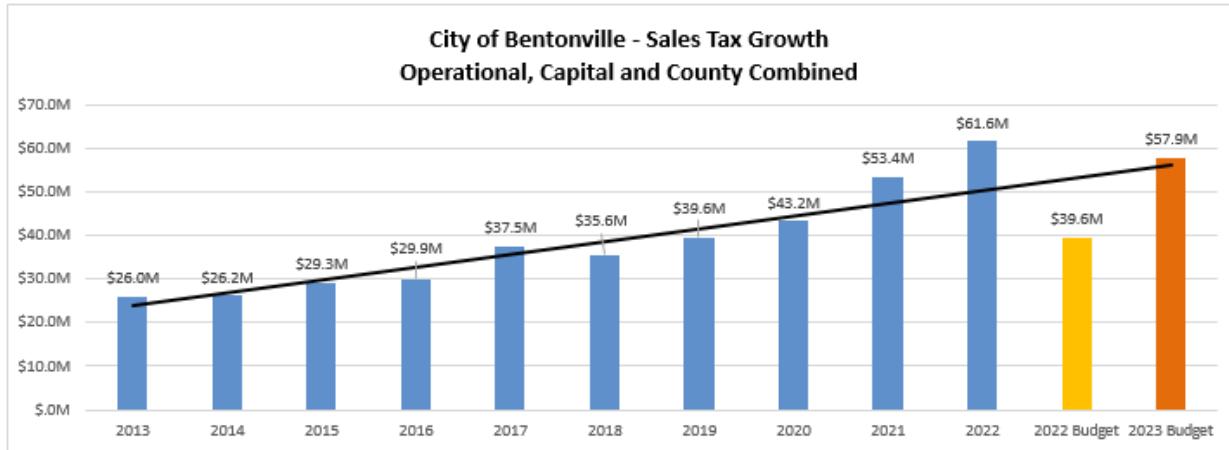
Downtown Master Plan (2004)

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 MESSAGE

SALES TAX REVENUE

The City of Bentonville's largest source of revenue for the General Fund is from Sales Taxes. Over the past decade the city has averaged sales tax growth at approximately 10.10%. The County sales tax that the city receives a portion of has averaged growth of approximately 9.39% over the decade. This is a result of the growing, dynamic area of the country we live in.



The past couple of years has generated concern about how the pandemic may impact sales taxes and the longer term impact it may have for cities. So far in the current year, local sales tax revenue has been steadily higher than anticipated. When the budget was being prepared the city lower sales tax amounts because we accounted for some post Covid leveling in revenues and therefore budgeted conservatively.

General Operating Sales Tax

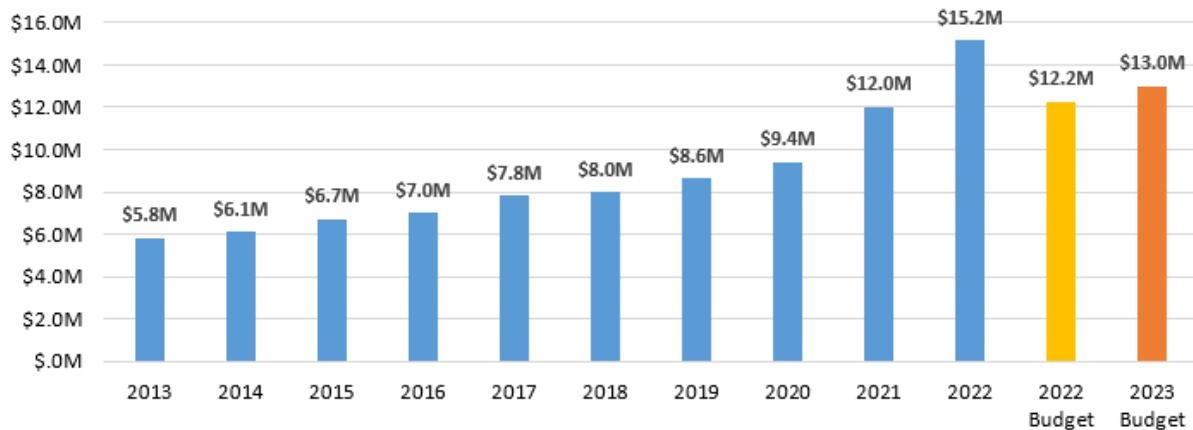


As the City evaluated the current state of sales tax, we determined the appropriate way to estimate revenues was to utilize our 2021 actual results plus the average historical growth rate percentage for the previous nine years (approximately 8.69%).

BUDGET MESSAGE

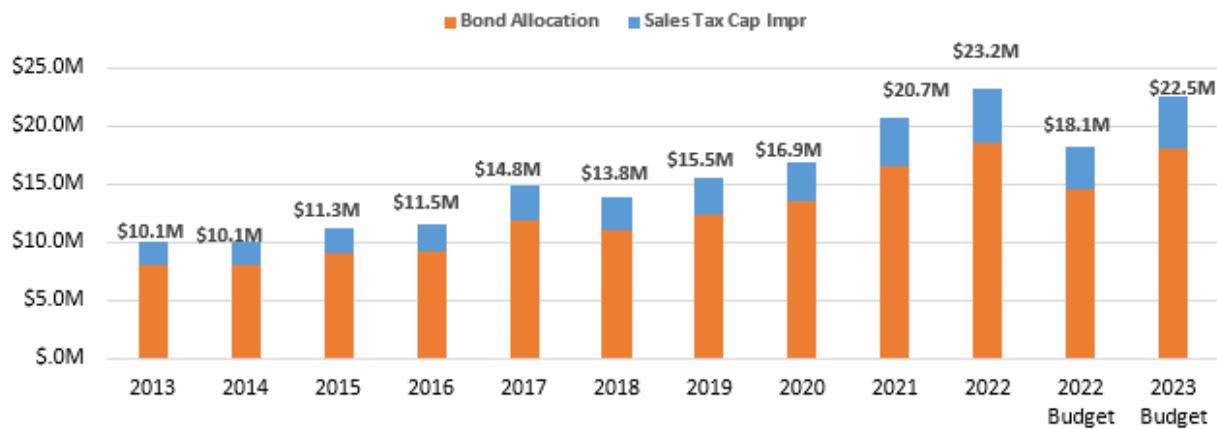
For the County sales tax portion, we utilized our 2021 actual results and averaged the historical percentage for 10 years, decreasing last year's growth as an anomaly. The charts below represent our sales tax growth for the last decade (blue), our 2022 current budgeted amount (yellow), and our 2023 budget amount (orange).

General County Sales Tax



Our Capital Penny Sales Tax is the second .01 cent sales tax that is earmarked for bond payments and capital improvement projects. The 20% of this tax is included in the city General Fund budget, the bond payments for the remaining 80% is included in the debt service budget.

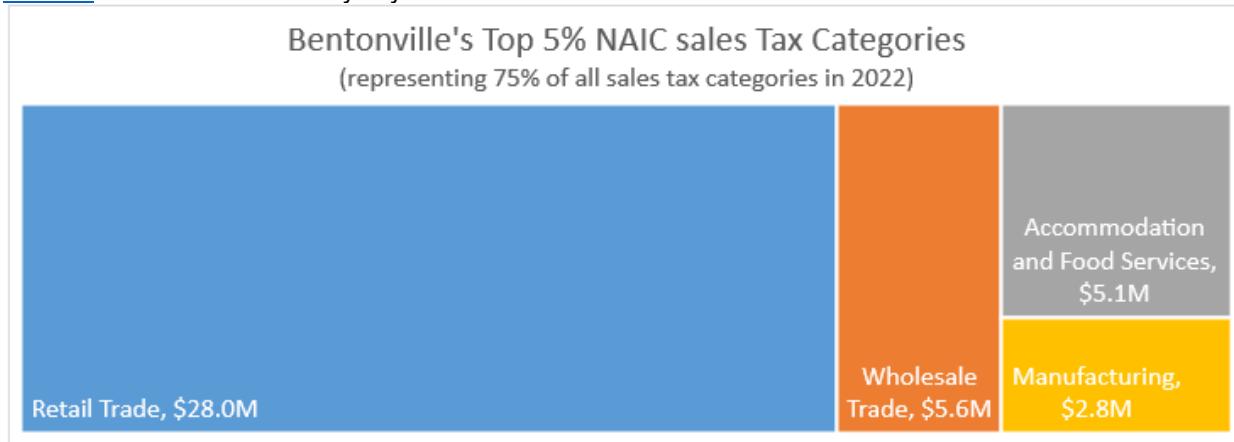
Capital Penny Sales Tax



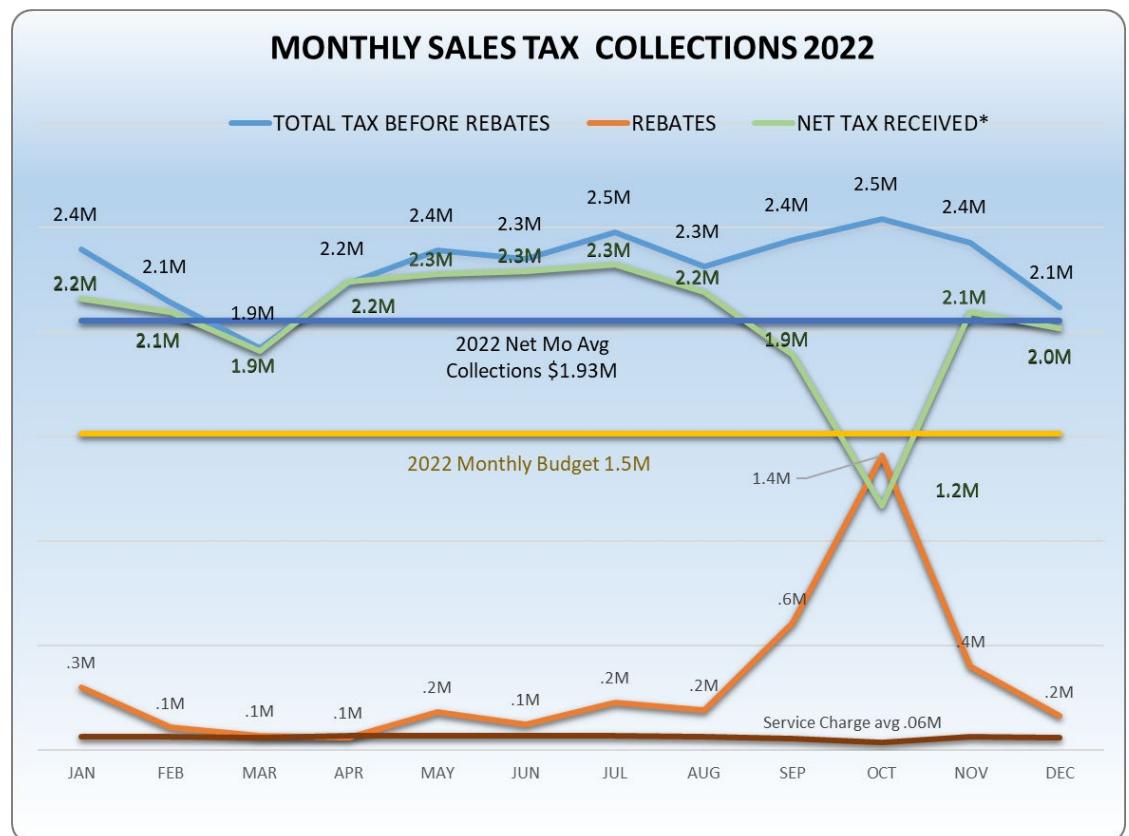
BUDGET MESSAGE

A special monthly breakdown of General Fund Sales Taxes Actuals in 2022

From the gross sales taxes reported, the top 4 NAIC categories for 2022, representing 75% of all sales tax were Retail Trade, Wholesale Trade, Accommodation and Food Services, and Manufacturing for the City of Bentonville. All sales tax NAIC is available on the [AR Department of Finance and Administration website](#) and can be filtered by city.



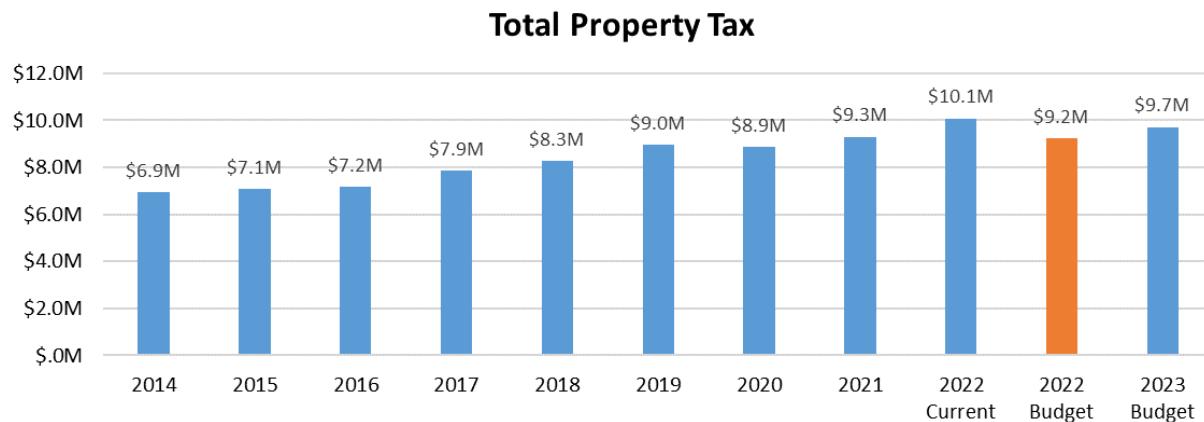
This graph displays our monthly sales tax budget to actuals for 2022. The Blue line represents the sales tax reported for the month, the Green, is the net we received (after the rebates, and state service charges were removed*). The dip in October was a result of an unusual large rebate taken during the month and was not a reflection of lower taxes collected. The blue line is the gross before any reductions.



BUDGET MESSAGE

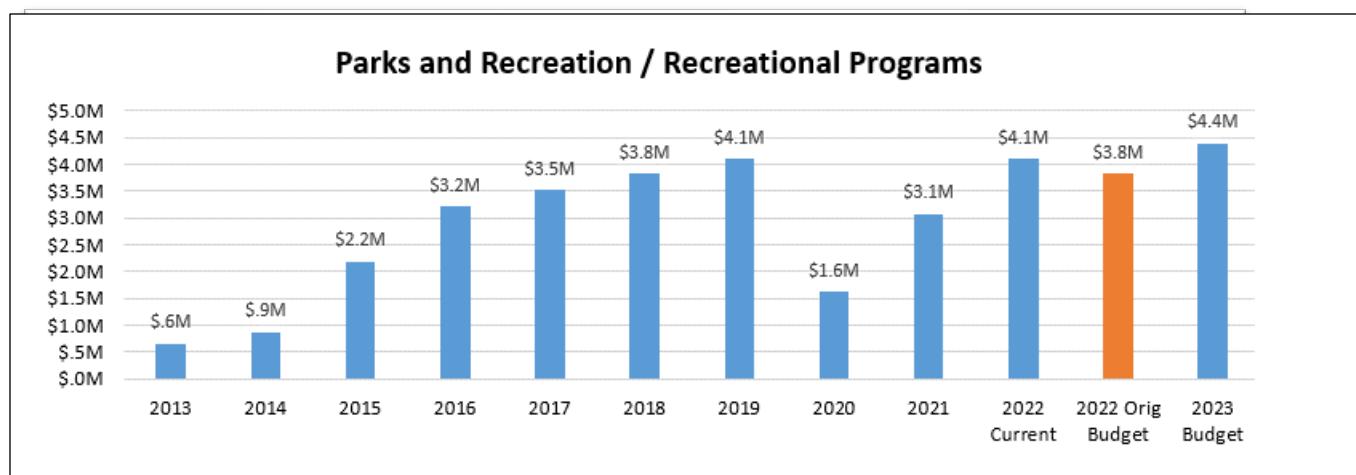
PROPERTY TAX REVENUE

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 an economic slowdown 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 being up, we decided to estimate 2023 property tax using the most recent fiscal year actuals (2021) plus the average historical growth rate percentage for the previous ten years (approximately 4.64%). In 2022, the amount budgeted as revenue in our Governmental Funds for property taxes was \$9,911,049 for 2023, we calculate a proposed budget of \$10,436,757.



PARKS AND RECREATION REVENUE

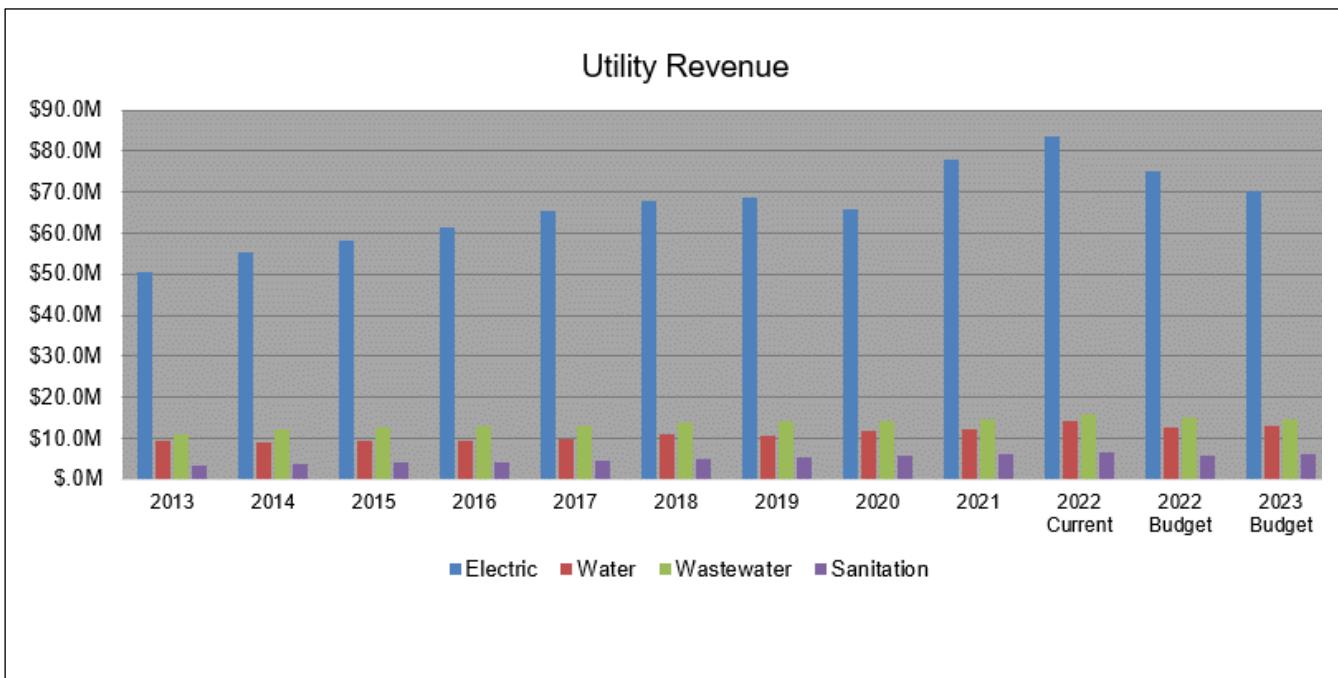
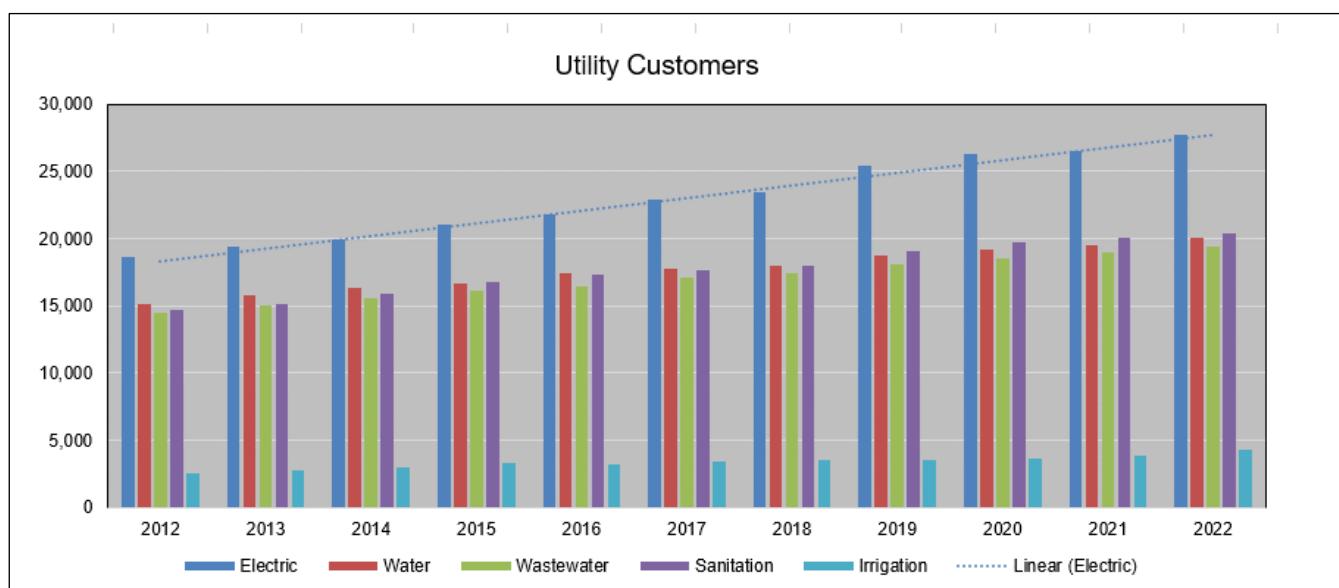
During the 2020 year, the revenue source within the City's governmental funds impacted the most by COVID-19 was the Parks and Recreation revenue. Our recreation programs had to pause immediately including closing our Downtown Activity Center and our Community Center which provides classes and facility access using membership fees and day passes. The city had an approximately \$2.5 million loss in revenue comparing budgeted to actual for 2020. Since then, a majority of the recreation programs had resumed, and the two facilities referenced above re-opened. The 2023 proposed budgeted Parks and Recreational programming and membership fee revenue amount is \$4,380,878, approximately \$152,000 more than the 10-year average historical growth rate.



BUDGET MESSAGE

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 2022. Revenue projections from the Utilities were estimated using information from prepared rate plans and growth rates projected.



BUDGET MESSAGE

PERSONNEL EXPENDITURES

Due to the continual steady growth within the city and the predicted population increase in subsequent years, the city has requested 30 additional full-time positions, including 6 police officers and 6 firefighters, a part-time medical director, an additional building inspector and 4 parks maintenance employees. The city feels like these positions are necessary to help manage and sustain the trajectory of the City's growth in the coming years.

BUDGET AND FINANCE OVERVIEW

The Government Finance Officers Association (GFOA) has over 18,000 members and is the professional association of state/provincial and local finance officers in the United States and Canada and has served the public finance profession since 1906. Government organizations may submit their annual budgets to the GFOA to be considered for the Distinguished Budget Presentation award. Bentonville has received the award for over 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 2023 budget is one of the largest in our history with budgeted revenues, before interdepartmental transfers, of over \$201 million dollars and total expenses of approximately \$197 million dollars. Capital expenditures are over \$31 million dollars. Reserves of over \$9.4 million are budgeted to be used in the current year.

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 estimated budgeted 2023 fund balance for the General Fund is over \$66 million less a 25% SCR reserve.

Series 2017, Series 2021A, and Series 2021B 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 issued in April 2017.

At a special election held on April 13, 2021, voters approved \$266 million in bonds for capital projects and for money to refund existing bonds to be financed by extending the City's 1% sales tax. The 1% sales tax was set to expire in 2032, it will now expire in 2046. In June 2021, the City issued \$84,045,000 in City of Bentonville, Arkansas, Sales and Use Tax Refunding and Improvement Bonds, Series 2021A and Series 2021B. The Series 2021A Bonds were issued for the purpose of advance refunding the City's outstanding Sales and Use Tax Bonds, Series 2017, financing a portion of the costs of street improvements, funding a portion of a debt service reserve, and paying expenses of issuing the Series 2021A Bonds. The Series 2021B Bonds were issued for the purpose of the current refunding of the City's Sales and Use Tax Bonds, Series 2009 and Series 2010, financing all or a portion of the costs of various capital improvements for the City, funding a portion of a debt service reserve and paying expenses of issuing the Series 2021B Bonds. The Series 2021A and Series 2021B Bonds are special obligations payable solely from collections from 1% sales and use tax levied by the City received after the 2021 Bonds were issued.

BUDGET MESSAGE

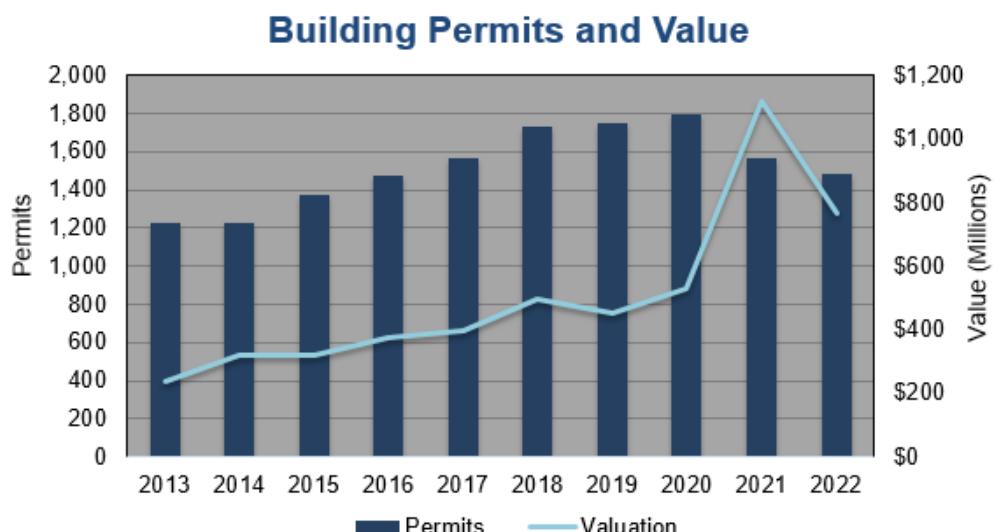
The Series 2021 Bonds are currently being targeted towards the following purposes:

- Refunding the Bonds Current Refunded and the Bonds Advanced Refunded; \$23 million
- Street Improvements, costs of new, and improvements to existing, streets, roads, and bridges, including any curb, gutter, drainage, flood control and related improvements, equipment, and land acquisition to accomplish such improvements, and street lighting, utility adjustments, side paths and traffic signals; \$173.5 million
- Park and Recreation Improvements, costs of new, and improvements to existing park and recreational facilities and improvements and any necessary land acquisition, equipment and parking, drainage, flood control, road, trail, lighting, and utility improvements; \$32.75 million
- Radio Communication Improvements, costs of radio communication equipment, facilities, and apparatus; \$6.6 million
- Police Department Improvements, costs of equipment, apparatus, and new, or improvements to existing, facilities for the police department, including particularly, without limitation, police safety facilities, and any necessary land acquisition, parking, and utilities improvements; \$1.65 million
- Fire Department Improvements, costs of equipment, apparatus and new, or improvements to existing, facilities for the fire department, including particularly, without limitation, fire safety training facilities, including any necessary land acquisition, parking, and utilities improvements; \$3.9 million
- Drainage Improvements, financing all or a portion of the costs of facilities for drainage and flood control and any necessary land and easement acquisition. \$19.75 million
- Library Improvements, for the expansion of and improvements to the Bentonville Public Library, including any necessary land acquisition, equipment, utility adjustments and parking improvements; \$4.975 million

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.

BUILDING AND DEVELOPMENT GROWTH

The city is continuing to experience record building and development. Over the last 5 years the City has seen record years for both permits issued and valuation of the projects for those permits. In 2021, even though the number of building permits declined, the valuation amount doubled as compared to the previous year due to the City's largest employer starting work on building their new campus which will have multiple large buildings and parking decks with an estimated completion date of 2025.



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BUDGET MESSAGE

CITY OF BENTONVILLE FUND STRUCTURE:

CITY OF BENTONVILLE FUND AND DEPARTMENT LISTING

Fund Type:	Fund Classifications:	<i>City of Bentonville Fund Levels:</i>	Departments within Funds
Governmental	General Fund	<i>General Fund:</i>	Administration
			Accounting
			District Court
			Planning
			Engineering
			Airport
			Police
			Fire
			Public Works Maintenance
			Parks and Recreation
Proprietary	Special Revenue	<i>Transportation and Street</i>	Street
			Debt Service Fund
		<i>Impact and Capacity Fund:</i>	Fire Impact Fees
			Police Impact Fees
			Parks Impact Fees
			Library Impact Fees
			Wastewater Capacity Fees
		<i>Utility Fund:</i>	Water Capacity Fees
			Electric
			Water
			Wastewater
			Sewer
			Sanitation
			Inventory
			Utility Billing and Collection
Enterprise			

BUDGET SUMMARY

CITY OF BENTONVILLE FUND STRUCTURE

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 accounts 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 funds 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: Transportation and Street Fund, Impact and Capacity Fees Fund and Debt Service.
 - **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.
 - **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.
 - **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 similar to those often found in the private sector where the measurement focus is upon determination of net income and capital maintenance.

- **ENTERPRISE:** Enterprise funds are a type of proprietary fund, 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. This fund accounts for the City's electric, water, sewer, and wastewater systems whose operations are financed through user charges.

BUDGET SUMMARY

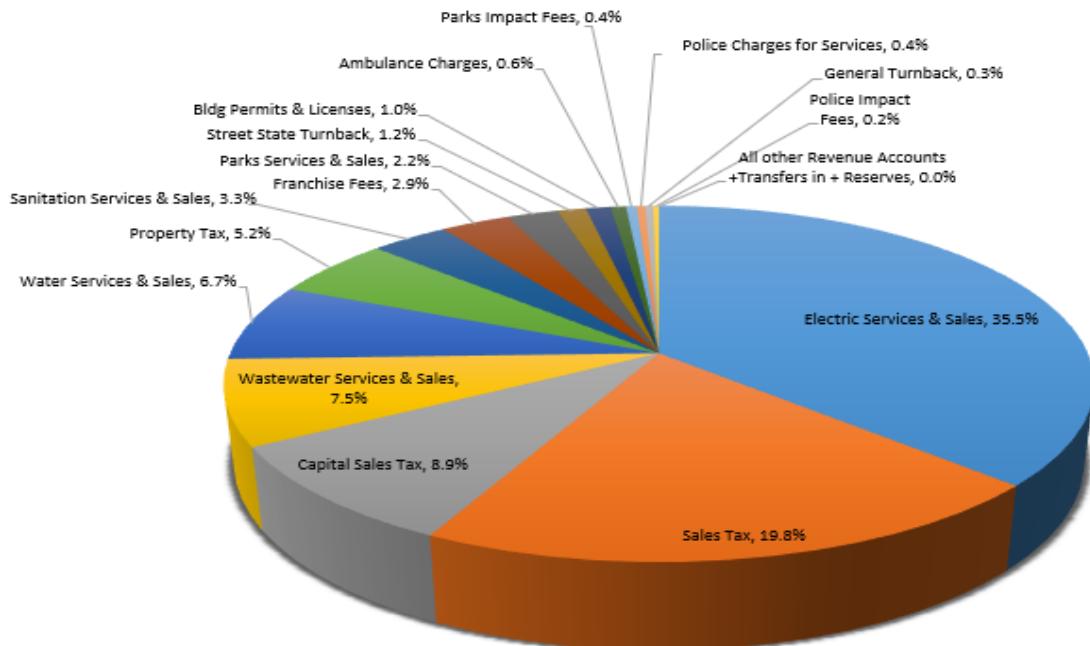
MAJOR REVENUES AND EXPENSES

MAJOR REVENUES BUDGETED

A few revenues comprise a major part of the City's total revenue, excluding reserves and 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. (Note: the 2022 actuals are unaudited as of 3.30.23)

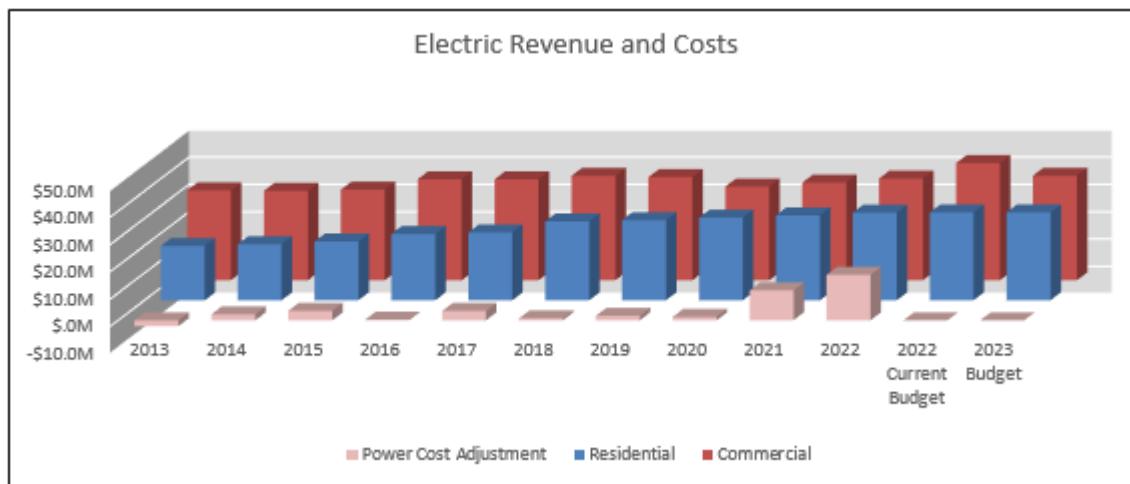
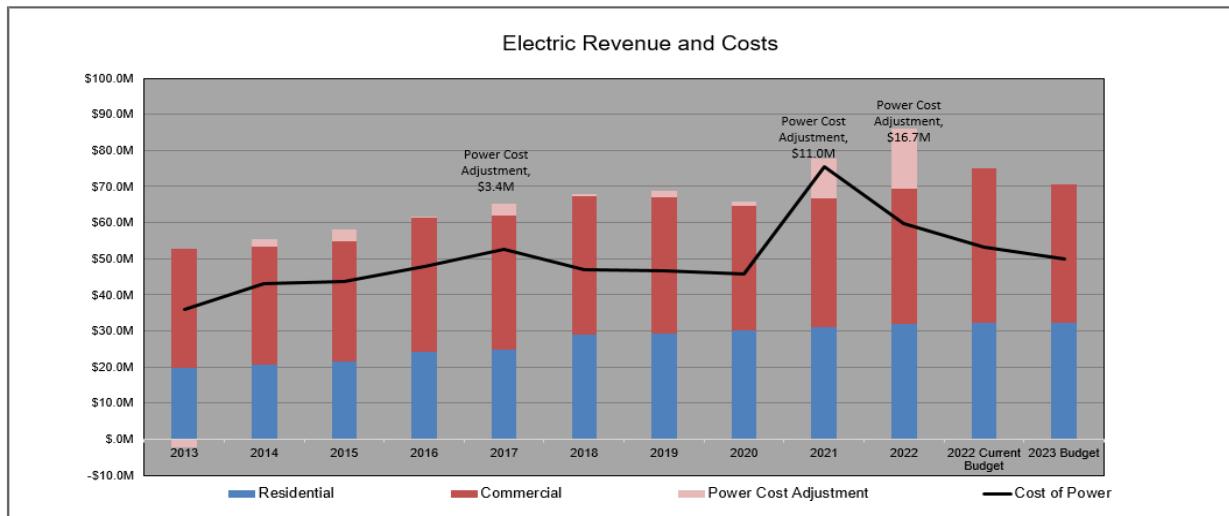
Major Revenue Source	2020 Actuals	2021 Actuals	2022 Budget	2022 Revised Budget	Actual 2022*	2023 Budget	% of Total 2023 Budget
Electric Services & Sales	68,092,502	119,937,294	76,141,673	86,155,224	97,216,415	71,616,251	37%
Sales Tax	29,708,236	36,824,156	33,976,536	33,976,536	43,008,559	40,015,992	21%
Capital Sales Tax	13,531,443	16,536,547	14,496,234	14,496,234	18,571,646	17,972,263	9%
Wastewater Services & Sales	14,687,252	15,008,657	15,477,207	15,477,207	16,294,902	15,109,013	8%
Water Services & Sales	12,579,026	12,946,105	13,049,226	13,049,226	14,156,292	13,587,785	7%
Property Tax	9,530,177	9,991,396	9,911,049	9,911,049	10,862,520	10,436,757	5%
Sanitation Services & Sales	5,799,565	6,312,829	5,799,562	5,799,562	6,825,149	6,609,817	3%
Franchise Fees	5,506,867	5,704,169	5,777,196	5,777,196	6,060,409	5,910,233	3%
Parks Services & Sales	1,622,399	3,064,521	3,819,000	4,019,000	4,096,366	4,380,878	2%
Street State Turnback	1,552,231	1,906,542	2,198,251	2,198,251	2,423,168	2,435,357	1%
Bldg Permits & Licenses	1,776,207	2,590,468	1,598,585	1,598,585	2,126,409	2,105,246	1%
Parks Impact Fees	1,639,822	1,743,758	900,000	900,000	1,550,498	900,000	0%
Ambulance Charges	1,355,913	1,275,599	1,173,442	1,173,442	1,273,122	1,310,608	1%
Police Impact Fees	686,146	1,432,955	500,000	500,000	1,197,770	500,000	0%
General Turnback	516,913	666,299	665,505	665,505	807,962	680,329	0%
Police Charges for Services	624,255	684,815	898,690	898,690	775,340	723,700	0%
Subtotal	169,208,954	236,626,112	186,382,156	196,595,707	227,246,526	194,294,229	100%
Transfer In	100,875	217,623	-	11,856,599	11,849,599	1,502,314	
Reserves	-	-	5,325,000	5,479,925	-	9,456,359	
All other revenue	22,332,305	102,143,227	5,918,580	46,816,005	36,715,102	7,621,616	
Grand Total	191,642,134	338,986,961	197,625,735	260,748,235	275,811,227	212,874,518	

2023 Budget Major Revenues



BUDGET SUMMARY

ELECTRIC – SERVICES & SALES REVENUE - \$71,616,251 (2023 BUDGET). 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. The 2023 decrease in electric sales budget number reflects a more conservative approach, as our 2022 budgeted commercial electric has not come fully back. With more people returning to work in the second half of 2023, we had a slow, but steady climb until the new Walmart campus is fully operating in 2025 and the traditional work footprint returns.

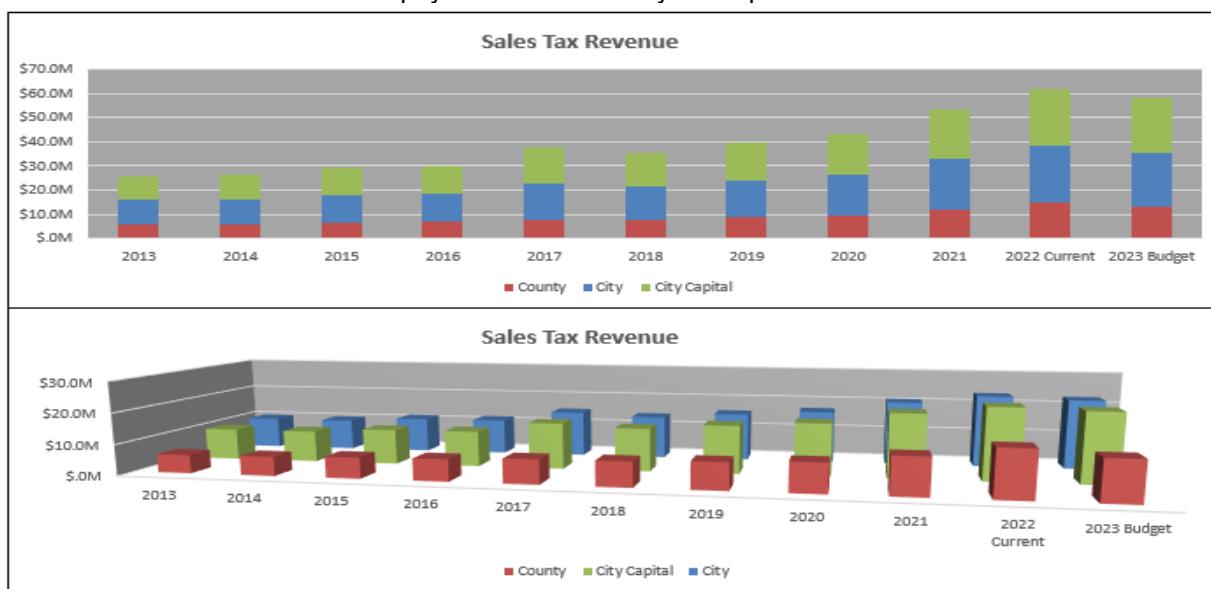


BUDGET SUMMARY

SALES TAXES - \$40,015,992 (2023 BUDGET): There are three different sales taxes that 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 for 2023 at \$22,467,500 in total, but only \$4,493,500 is included in this number. The second sales tax is another local one-cent tax approved in 1983 and accounts for another \$22,467,500. 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 2023 budgeted amount from that tax is \$12,978,780. Growth in the existing City sales tax has varied from 5% to approximately 10% annually, and the growth in the county tax has averaged closer to 10%. 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 19% of this penny and is determined on a per capita basis.

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 was 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 was used for street, police, fire, airport, and parks. Series 4 was issued in July of 2017 and was used for streets and police. At a special election held on April 13, 2021, voters approved \$266 million in bonds to be used for capital projects and for money to refund existing bonds to be financed by extending the City's 1% sales tax. The 1% sales tax was set to expire in 2032, it will now expire in 2046. Series 2021A bonds were issued in June 2021 and is being used for the purpose of advance refunding the City's outstanding Sales and Use Tax Bonds, Series 2017. In addition, Series 2021B were also issued in June 2021 and are being used for the purpose of the current refunding of the City's Sales and Use Tax bonds, Series 2009 and Series 2010, various capital improvements, and helping to fund a portion of the debt service reserve.

CAPITAL SALES TAX – The 2023 budget of \$17,972,263 is 80% of the capital penny and will be retained by the City's Bond Trustee to fund the Debt Service on the 2017 and 2021 Series Bonds. Any excess collections will be used to pay off the bonds early when possible.

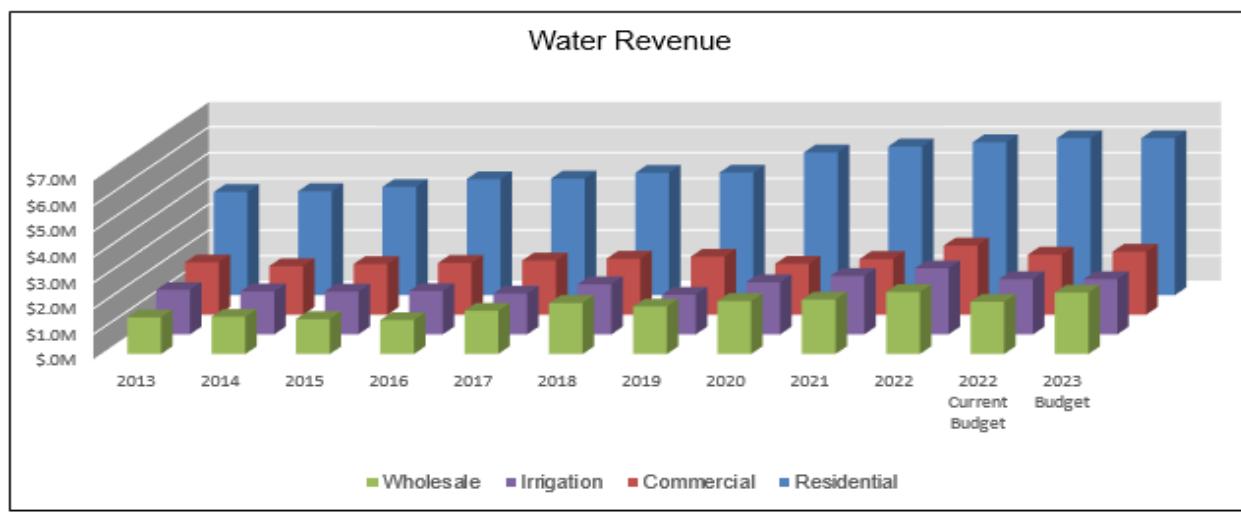
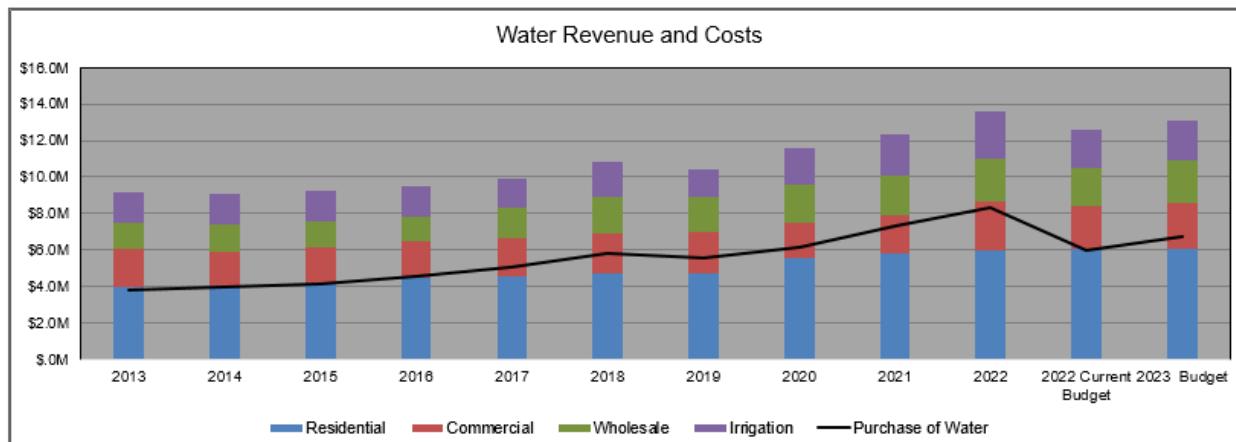


BUDGET SUMMARY

WATER – SERVICES & SALES REVENUE - \$13,077,888 (2023 BUDGET): 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 modifications will benefit each party. Water sales revenue is generally budgeted based on a 10-year average.

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

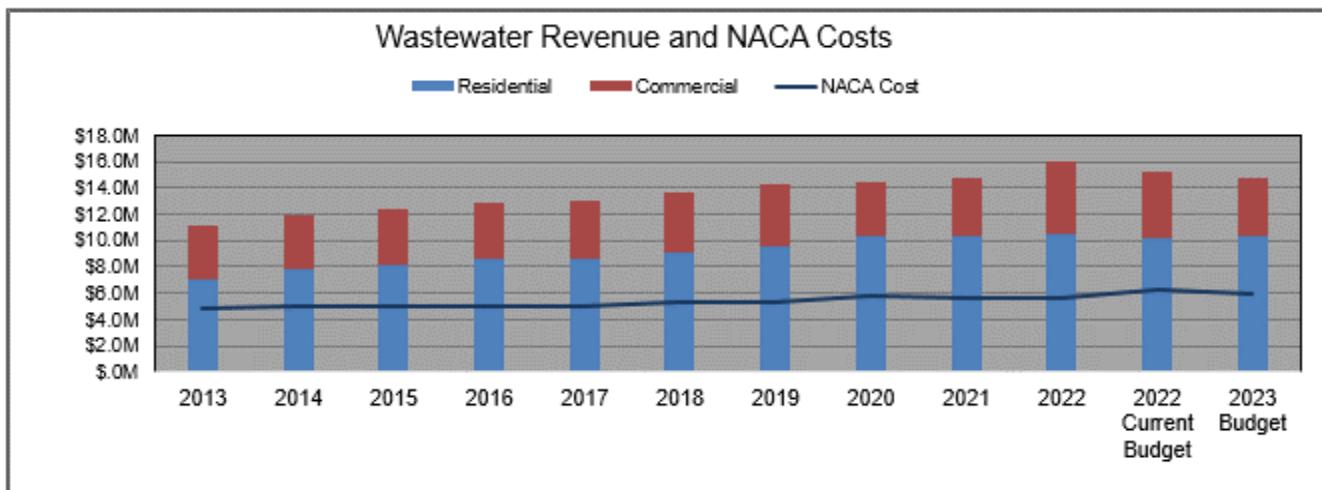
A rate study was done in 2015 to ensure that the City's current rates are adequate to meet revenue requirements of the Water Department. The last study was performed in 2008 and we saw a 4% increase across the board. The 2015 study kept rates the same.



BUDGET SUMMARY

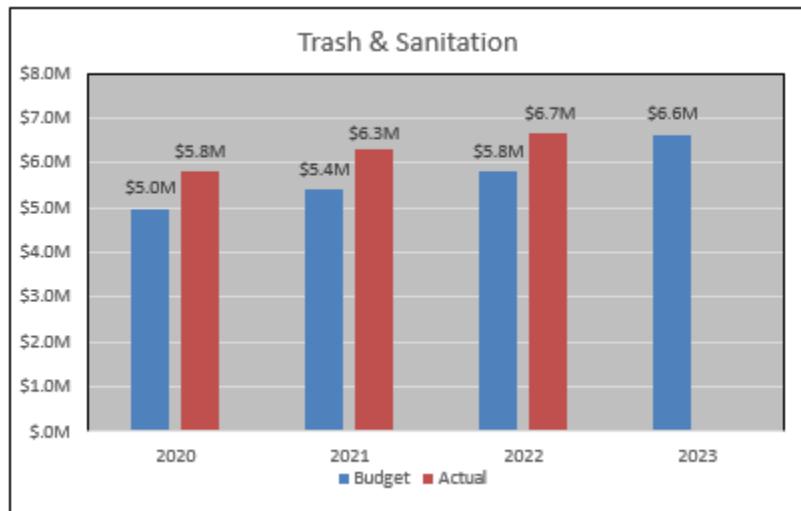
WASTEWATER – SERVICES & SALES REVENUE - \$14,781,074 (2023 Budget): Wastewater sales revenue was formerly based on water revenue and includes residential and commercial charges to customers. Due to the rate study in 2009, the sewer rates were adjusted which made it difficult to project based on water 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 ensure the city is meeting their revenue requirement. There was also a rate increase in 2013. A rate study was completed in 2015 and an adjustment was not done at that time.

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 NACA plant was operational at the end of 2010.



BUDGET SUMMARY

TRASH – SANITATION - \$6,609,817 (2023 BUDGET): 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. The city has 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.

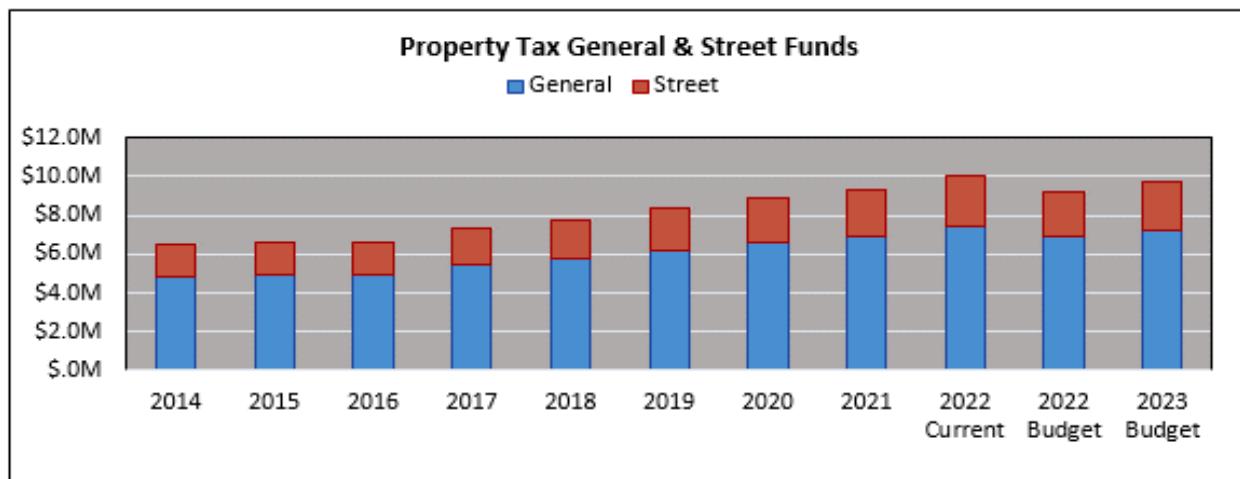


BUDGET SUMMARY

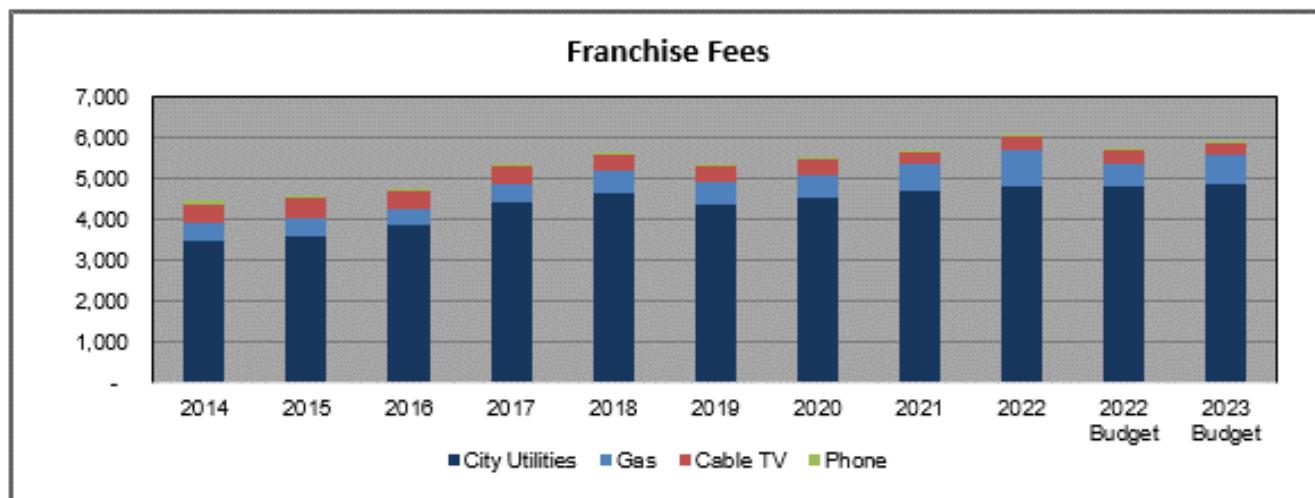
PROPERTY TAXES - \$9,713,167 (2023 Budget): Taxes are collected by Benton County and the City budget amount is based on information provided by Benton County for assessed values. The increase reflects the growth in the City – both in the number of properties and the value of properties.

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

The Street fund receives a portion of a 1.3 mil road tax levied by the County. The County has the authority to levy up to 3.0 mils.



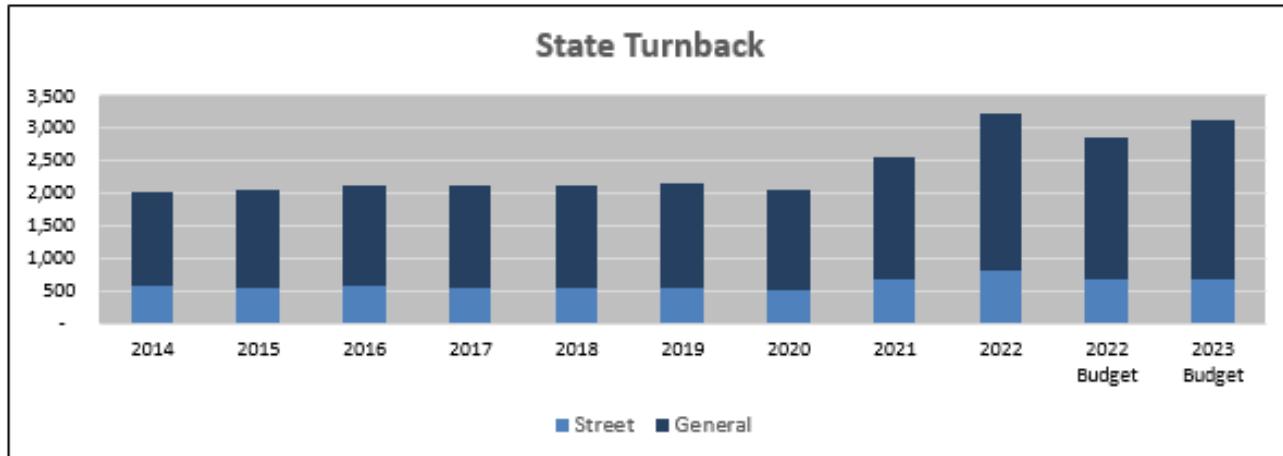
FRANCHISE FEES (ADMIN) - \$5,777,196 (2023 Budget): The franchise fees include payments from telephone, cable TV, and natural gas franchises. The city owned utilities also pay the franchise fees and each utility (Electric, Water, and Wastewater) has their rate set at 5%.



BUDGET SUMMARY

STATE TURNBACK - \$2,863,756 (2023 Budget): 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 \$80.20 per capita.

The General fund amount is \$14.90 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

ALL IMPACT FEE ORDINANCES CAN BE FOUND ONLINE AT:bentonvillemunicipalcodeonline.com under Chapter 46 "Impact 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 are 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.



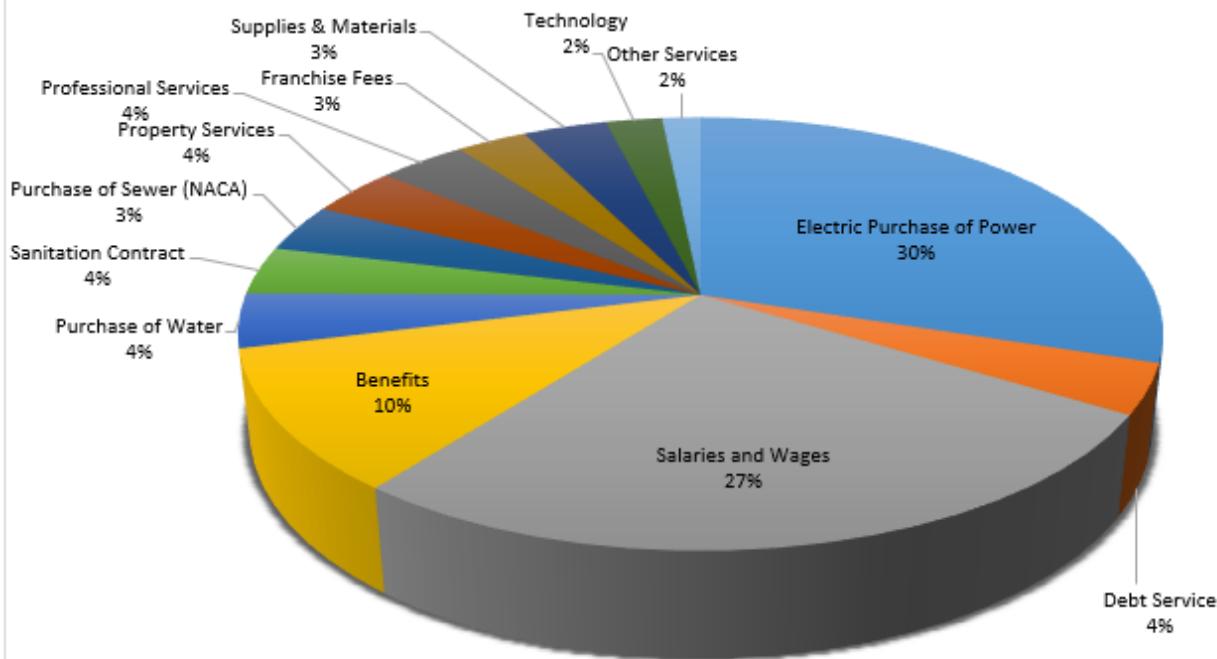
BUDGET SUMMARY

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 2020 and 2021 in addition to the 2022 and 2023 budgeted amounts. (2022 Actuals* unaudited, as of 3/30/23) (Debt service includes bond pmts and interest these are not included in original or revised budgets)

Major Expenses	2020 Actuals	2021 Actuals	2022 Original	2022 Revised	2022 Actuals	2023 Adopted	% of Total 2023 Budget
			Budget	Budget		Budget	
Electric Purchase of Power	45,763,660	75,610,899	53,117,885	53,117,885	64,722,909	50,027,793	30%
Debt Service	13,236,726	9,574,021	16,969,322	16,969,322	30,495,359	6,219,835	4%
Salaries and Wages	32,945,417	35,716,265	40,368,859	41,398,466	39,638,071	44,734,057	27%
Benefits	14,336,294	14,901,768	17,240,526	17,484,643	16,045,415	17,636,885	11%
Purchase of Water	6,183,908	7,326,078	5,954,167	5,954,167	8,355,169	6,745,754	4%
Sanitation Contract	5,274,725	5,719,260	5,274,724	5,274,724	6,210,356	6,004,615	4%
Purchase of Sewer (NACA)	5,796,316	5,675,869	6,210,000	6,210,000	5,688,282	6,000,000	4%
Property Services	4,746,077	4,495,603	5,530,831	5,731,117	5,273,039	6,127,140	4%
Professional Services	5,325,770	5,378,098	5,710,575	7,707,862	5,160,549	6,081,270	4%
Franchise Fees	4,541,975	4,695,032	4,812,306	4,812,306	4,812,306	4,924,665	3%
Supplies & Materials	4,848,435	4,404,336	4,828,165	5,306,597	4,355,776	5,825,482	3%
Technology	2,210,636	1,914,237	3,022,121	3,716,441	2,895,904	3,910,501	2%
Other Services	1,151,281	1,536,661	2,198,739	2,271,330	1,846,689	2,669,242	2%
Subtotal	146,361,219	176,948,124	171,238,220	175,954,861	195,499,823	166,907,239	100%
Capital	18,989,725	16,705,503	23,715,167	122,885,267	49,536,321	31,005,756	
Transfer out	1,742,518	217,623	0	5,521,556	11,849,599	1,502,314	
Interdept & Depreciation	7,732,026	8,810,970	0	0	10,100,467	0	
Grand Total	174,825,489	202,682,221	194,953,387	304,361,684	266,986,210	199,415,308	

2023 Major Expenses Budgeted



BUDGET SUMMARY

PURCHASE OF POWER: Utilities are an area of major expense, especially for electricity. The city is fortunate in having an electric department that benefits the citizens in the form of reasonable, reliable electricity as well as provides a steady cash flow to the city. Power is purchased then sold to the customers. The budget 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. In addition to adding new personnel, our city chose to adopt a 6% merit increase across all city departments in 2023.

DEBT SERVICE: The Debt Service Fund was created 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. 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. 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. In 2023, increases were seen relevant to additional staff and employee turnover.

SANITATION CONTRACT: Sanitation services are contracted to an outside vendor which is covered by related revenue. 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 \$6.7 million for 2023.

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 like 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

SUPPLIES & MATERIALS: This category includes minor equipment, computers, operating and office supplies, postage, safety expense and miscellaneous items.

OTHER SERVICES: This category includes insurance, training, and dues/subscriptions.

BUDGET SUMMARY

DEBT

UTILITY FUND: The City has four outstanding revenue bonds in the Utility Fund and a sales and use tax bond issue. During 2021, the city underwent a rating by S&P Global Ratings and received an AA- rating in relation to the 2021 issuance of the 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 on December 31, 2021, are as follows:

	Interest Rates	Final Maturity Date	Principal at 12/31/2022
Revenue Bonds, Series 2022A	2.01%	10/15/2028	7,680,000.00
Revenue Bonds, Series 2022B	2.44%	10/15/2028	3,020,000.00
			\$ 10,700,000

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. The amount of the 2022 Refinance balance was \$3,040,000.

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%. The amount of the 2022 Refinance balance was \$445,000.

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

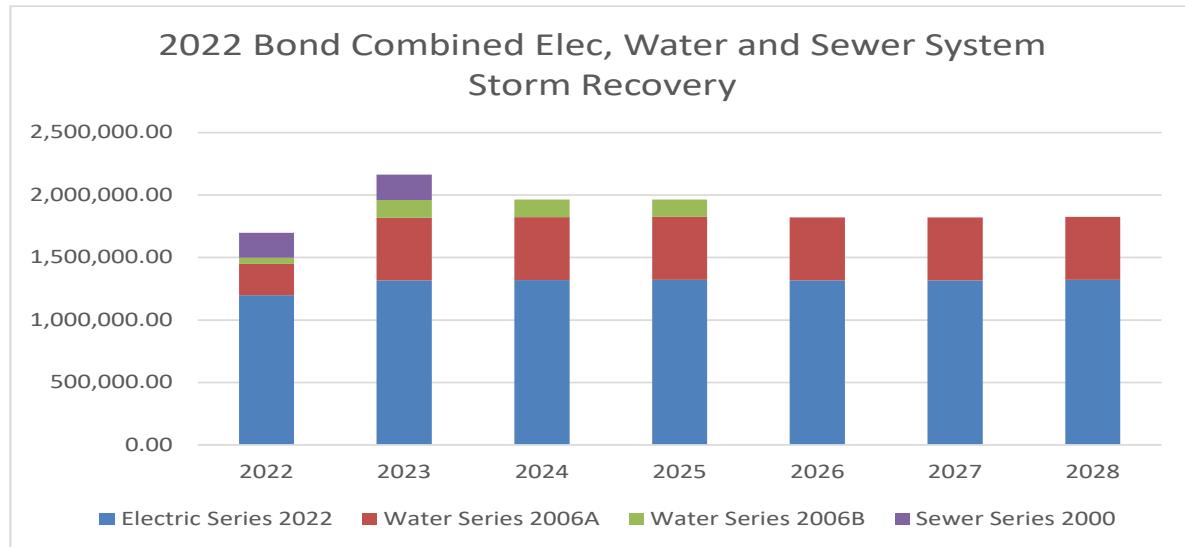
All bond obligations of the Utility Fund are payable solely from and collateralized by a pledge of the net revenues derived from the operation of the utilities. The City is required to maintain separate bond fund accounts, meet certain debt service requirements, and adhere to various operating requirements as stipulated in the bond agreements. The amount of the 2022 Refinance balance was \$395,000.

BUDGET SUMMARY

COMBINED ELECTRIC, WATER AND SEWER REVENUE BONDS, SERIES 2022 – Bentonville experienced a \$16,000,000 increase in its power bill from SWEPCO for the winter storm Uri that occurred in February 2021. The city decided not to pass back the increase to its citizens but absorbed the cost internally. Seeking some relief from the large power bill the city sought relief via a Public Service Commission. The PSC Approval Filed February 4, 2022, and The PSC Order Filed February 8, 2022, statute noted in the documents specifically allows for bonds to be issued for the “sole purpose of paying storm recovery costs related to a storm” that occurred in February 2021 if the PSC adopts a financing order that allows for the issuance of the storm recovery bonds. Additionally, the Commission must issue an emergency storm declaration. Both of those things occurred which allowed the City to issue the 2022 Combined Electric, Water and Sewer System Revenue Bonds. The storm was partially paid for with reserves and \$8,375,000 was the amount financed with the new bond refinancing.

Annual debt service requirements to maturity for revenue bonds as of December 31, 2022, are as follows:

Annual Debt Service Requirements for 2023 Budget				
	Principal	Interest	Total	
2022	\$ 1,555,000	\$ 142,915	\$ 1,697,915	
2023	1,915,000	248,094	2,163,094	
2024	1,760,000	204,142	1,964,142	
2025	1,800,000	163,154	1,963,154	
2026	1,700,000	121,234	1,821,234	
2026	1,740,000	81,796	1,821,796	
2026	1,785,000	41,426	1,826,426	
Total	\$ 12,255,000	\$ 1,002,760	\$ 13,257,760	
Less 2022 payment:	\$ (1,555,000)	\$ (142,915)	\$ (1,697,915)	
Current Outstanding Obligation:	\$ 10,700,000	\$ 859,845	\$ 11,559,845	



BUDGET SUMMARY

GENERAL FUND: SERIES 2017 AND SERIES 2021 BOND ISSUES – On November 15, 2007, the City issued \$36,335,000 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.

At a special election held on April 13, 2021, voters approved \$266 million in bonds for capital projects and for money to refund existing bonds to be financed by extending the City's 1% sales tax. The 1% sales tax was set to expire in 2032, it is now set to expire in 2046. In June 2021, Series 2021A and Series 2021B Bonds were issued for a combined amount of \$84,045,000. The Series 2021A Bonds were issued for the purpose of advance refunding the City's outstanding Series 2017 Bonds, financing a portion of the costs of street improvements, funding a portion of the debt service reserve, and paying expenses of issuing the Series 2021A Bonds. The Series 2021B Bonds were issued for the purpose of the current refunding of the Series 2009 and Series 2010 Bonds, financial all or a portion of the costs of various capital improvements for the City, funding a portion of a debt service reserve and paying expenses of issuing the Series 2021B Bonds. The Series 2021A and Series 2021B Bonds are special obligations payable solely from collections from a 1% sales and use tax levied by the city. The Series 2021 Bonds are currently being targeted towards the following purposes:

- Refunding the Bonds Current Refunded and the Bonds Advanced Refunded (\$23 million).
- Street Improvements (\$173.5 million).
- Park and Recreation Improvements (\$32.75 million).
- Radio Communication Improvements (\$6.6 million).
- Police Department Improvements (\$1.65 million).
- Fire Department Improvements (\$3.9 million).
- Drainage Improvements (\$19.75 million).
- Library Improvements (\$4.975 million).

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.

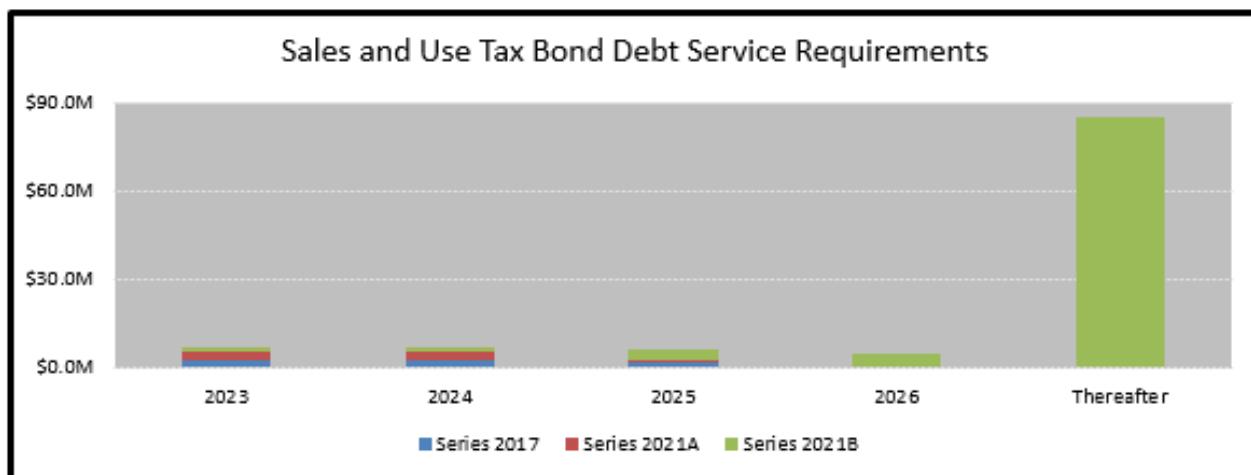
Sales and Use Tax Bonds outstanding on December 31, 2022, are as follows:

	Interest Rates	Maturity Date	Final Principal at 12/31/2022
Sales and Use Tax bonds, Series 2017	2.0% - 5.0%	2027	\$ 6,410,000
Sales and Use Tax bonds, Series 2021A	.032% - 1.1%	2025	5,490,000
Sales and Use Tax bonds, Series 2021B	1.05% - 5.0%	2046	76,575,000
			\$ 88,475,000

BUDGET SUMMARY

Annual debt service requirements to maturity for the sales and use tax bonds as of December 31, 2022, are as follows:

Annual Debt Service Requirements for 2023 Budget			
	Total	Principal	Interest
2023	6,874,335	4,895,000	1,979,335
2024	6,874,960	4,980,000	1,894,960
2025	5,730,173	3,930,000	1,800,173
2026	4,238,805	2,580,000	1,658,805
Thereafter	<u>84,751,640</u>	<u>72,090,000</u>	<u>12,661,640</u>
	\$ 108,469,913	\$ 88,475,000	\$ 19,994,913



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 \$1,435,545,250 produces a limit of \$358,886,313. 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 othersmaller 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 ofbad 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

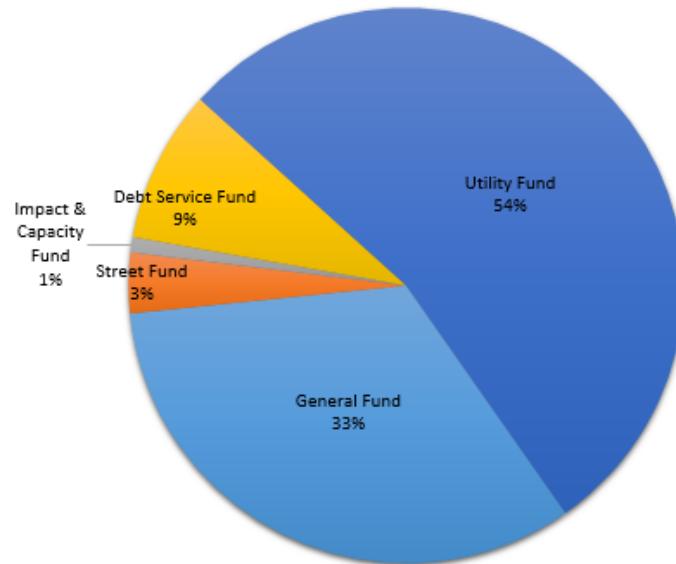
2023 BUDGET ALL CITY FUNDS

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ 74,320,594	\$ 69,705,944	\$ 80,781,868	\$ 11,074,924	15.9%
Licenses & Permits	2,736,857	1,720,965	2,297,565	576,600	33.5%
Intergovernmental Revenue	2,158,296	559,019	553,435	(5,584)	-1.0%
Charge for Services	160,646,267	117,618,532	114,729,830	(2,888,702)	-2.5%
Special Assessments/Fines	4,636,387	2,184,956	2,293,199	108,243	5.0%
Interest/Rent	417,160	352,619	595,884	243,265	69.0%
Other Income	11,252,959	157,701	664,064	506,363	321.1%
Total Revenues	256,168,520	192,300,736	201,915,845	9,615,109	5.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	34,671,847	40,368,860	44,734,057	4,365,197	10.8%
Benefits	14,735,075	17,240,526	17,636,885	396,359	2.3%
Supplies & Materials	4,404,337	4,828,165	5,825,482	997,317	20.7%
Professional Services	5,378,097	5,700,575	6,081,270	380,695	6.7%
Technology Maintenance/Minor Equipment	1,914,237	3,022,121	3,910,501	888,380	29.4%
Property Services	4,502,971	5,540,831	6,127,140	586,309	10.6%
Other Services	1,536,661	2,198,739	2,669,242	470,503	21.4%
Utility Cost of Goods	99,027,138	75,369,082	73,702,827	(1,666,255)	-2.2%
Total Operations and Maintenance	166,170,364	154,268,899	160,687,404	6,418,505	4.2%
Capital Expenditures					
Capital	75,268,143	21,930,167	29,220,756	7,290,589	33.2%
Setasdes - Capital Items	2,136,910	1,785,000	1,785,000	-	0.0%
Total Capital Expenditures	77,405,053	23,715,167	31,005,756	7,290,589	30.7%
Other					
Debt Service	10,554,110	16,969,322	6,219,835	(10,749,488)	-63.3%
Depreciation/Amortization	8,810,970	-	-	-	-
Total Other	19,365,080	16,969,322	6,219,835	(10,749,488)	-63.3%
Total Expenditures	262,940,496	194,953,388	197,912,994	2,959,606	1.5%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	147,688	-	1,502,314	1,502,314	-
Use of Reserves	-	5,325,000	9,456,359	4,131,359	77.6%
Donated Infrastructure (non-cash item)	3,675,053	-	-	-	-
Proceeds from Issuance of Debt	76,416,077	-	-	-	-
Sale of Capital Assets	1,270,314	-	-	-	-
Transfers In	69,934	-	-	-	-
Transfers Out	77,754	-	(1,502,314)	(1,502,314)	-
Total Other Financing Sources and Uses	81,656,820	5,325,000	9,456,359	4,131,359	77.6%
Net	\$ 74,884,844	\$ 2,672,348	\$ 13,459,209	\$ 10,786,861	403.6%

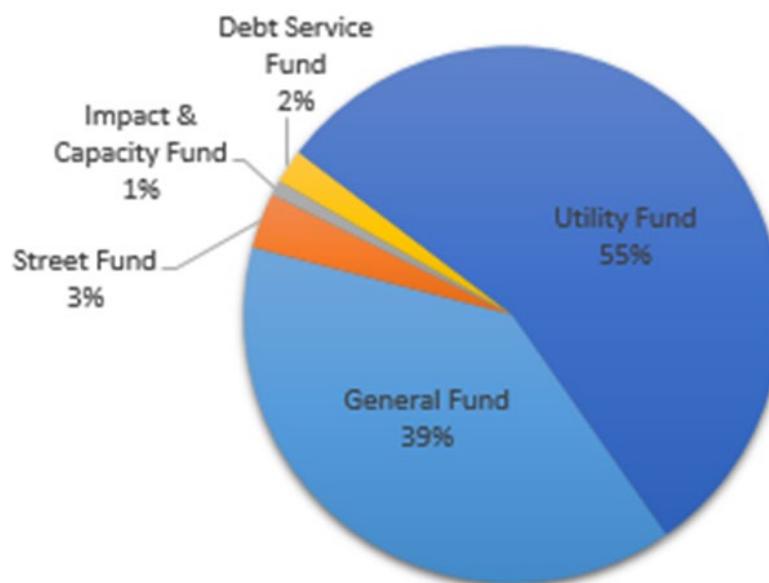
BUDGET SUMMARY

ALL CITY FUNDS

2023 Budget Revenues by Fund



2023 Budget Expenses by Fund



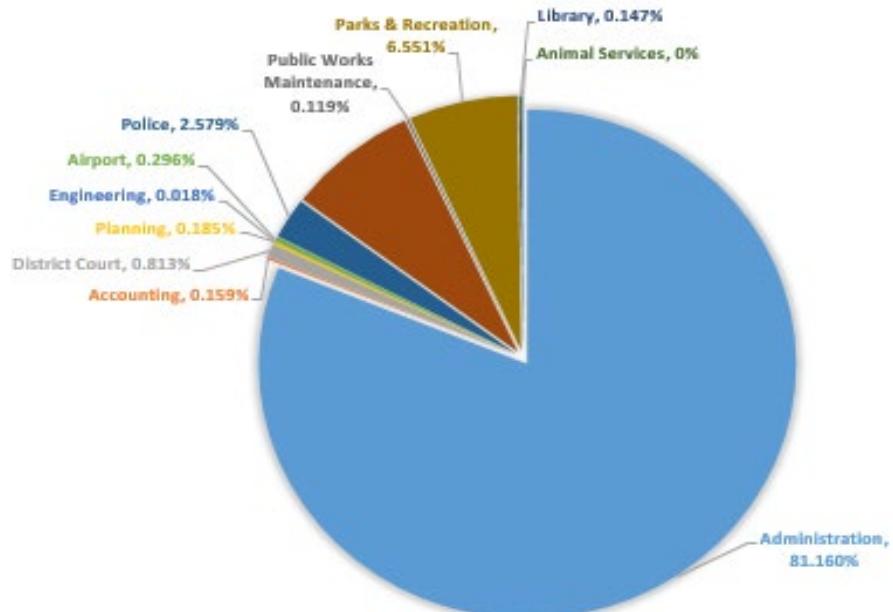
BUDGET SUMMARY

2023 Budget General Fund

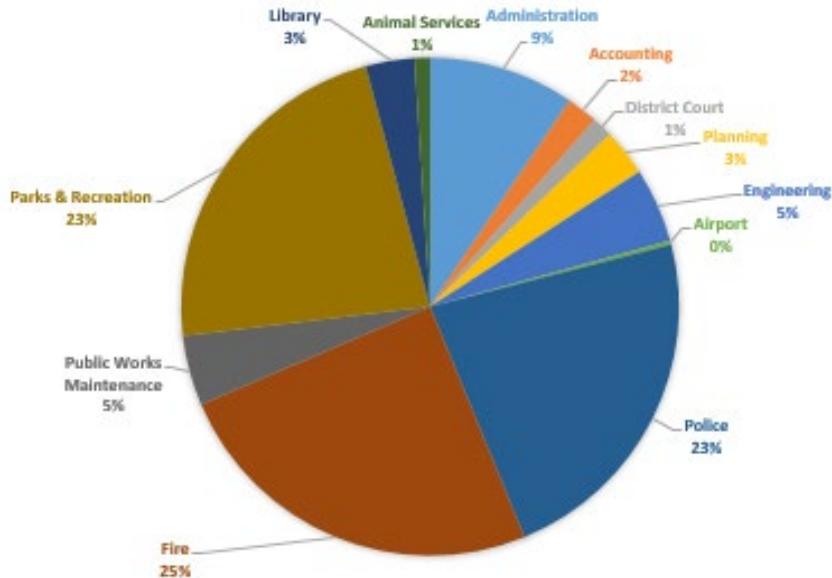
Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ 51,970,277	\$ 49,105,712	\$ 55,788,647	\$ 6,682,935	13.6%
Licenses & Permits	2,718,318	1,720,965	2,280,565	559,600	32.5%
Intergovernmental Revenue	2,059,099	559,019	553,435	(5,584)	-1.0%
Charge for Services	5,414,282	6,199,683	6,755,438	555,755	9.0%
Special Assessments/Fines	485,950	399,956	508,199	108,243	27.1%
Interest/Rent	218,003	229,378	381,335	151,957	66.2%
Other Income	2,385,533	110,000	604,064	494,064	449.1%
Total Revenues	65,251,462	58,324,713	66,871,683	8,546,970	14.7%
Expenditures					
Operations and Maintenance					
Salaries & Wages	24,442,248	28,260,833	31,738,610	3,477,777	12.3%
Benefits	10,403,468	12,162,084	12,530,458	368,374	3.0%
Supplies & Materials	2,361,305	3,110,265	3,827,537	717,272	23.1%
Professional Services	4,060,580	3,943,307	4,332,161	388,854	9.9%
Technology Maintenance/Minor Equipment	1,243,741	1,806,872	2,479,270	672,398	37.2%
Property Services	1,953,099	2,608,005	2,839,197	231,192	8.9%
Other Services	999,006	1,454,398	1,830,562	376,164	25.9%
Utility Cost of Goods	-	-	-	-	-
Total Operations and Maintenance	45,463,549	53,345,764	59,577,794	6,232,030	11.7%
Capital Expenditures					
Capital	9,011,361	9,518,167	17,141,402	7,623,235	80.1%
Setasides - Capital Items	-	-	-	-	-
Total Capital Expenditures	9,011,361	9,518,167	17,141,402	7,623,235	80.1%
Other					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
Total Other	-	-	-	-	-
Total Expenditures	54,474,310	62,863,931	76,719,197	13,855,266	22.0%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	147,688	-	1,502,314	1,502,314	-
Use of Reserves	-	4,825,000	8,701,359	3,876,359	80.3%
Donated Infrastructure (non-cash item)	-	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-	-
Sale of Capital Assets	77,050	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	(69,934)	-	-	-	-
Total Other Financing Sources and Uses	154,804	4,825,000	10,203,673	5,378,673	111.5%
Net	\$ 10,931,356	\$ 285,782	\$ 356,159	\$ 70,377	24.6%

BUDGET SUMMARY

GENERAL FUND 2023 DEPT REVENUE BUDGET



GENERAL FUND 2023 DEPT EXPENSE BUDGET

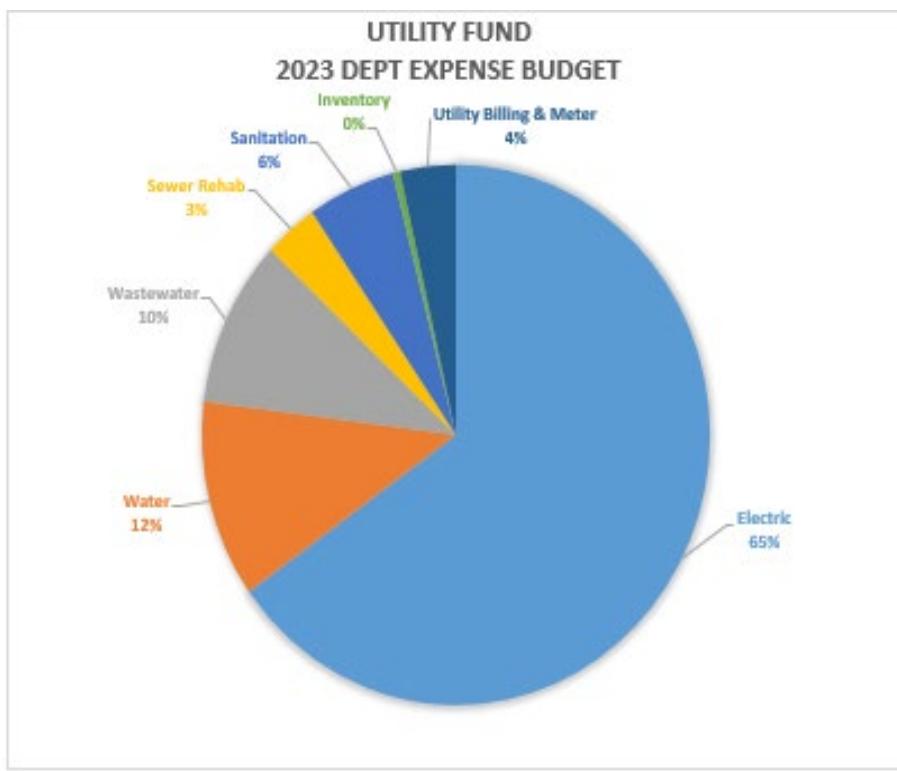
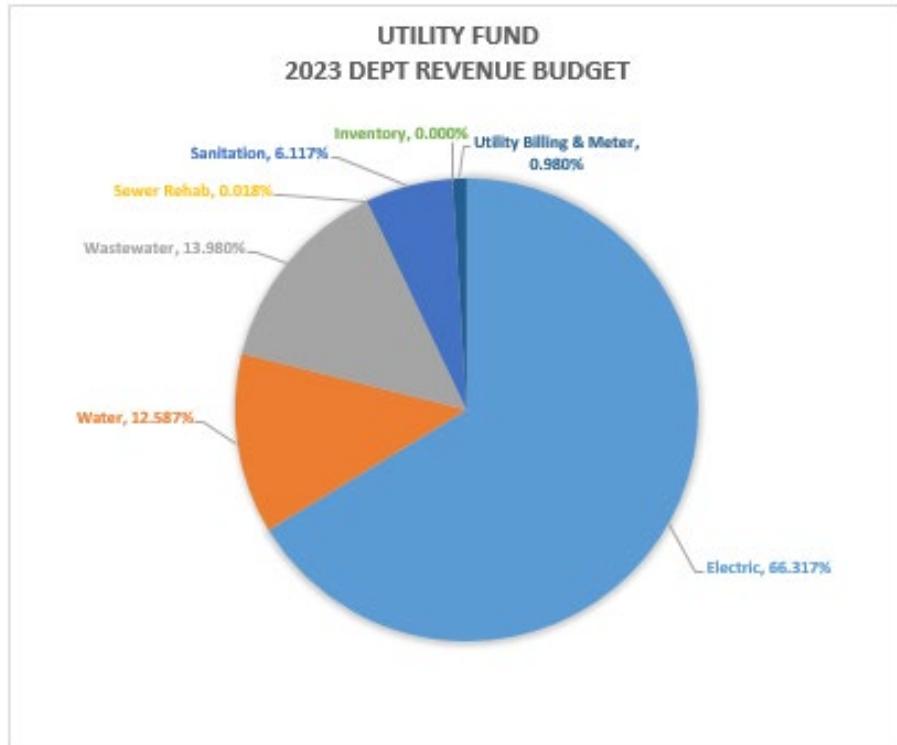


BUDGET SUMMARY

2023 BUDGET UTILITY FUND

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits		1,505	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	155,180,720	111,389,668	107,953,392	(3,436,276)	-3.1%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	138,253	102,262	174,204	71,942	70.4%
Other Income	7,434,193	47,701	60,000	12,299	25.8%
Total Revenues	162,754,671	111,539,631	108,187,596	(3,352,035)	-3.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	8,842,751	10,469,940	11,171,052	701,112	6.7%
Benefits	3,663,186	4,346,454	4,359,087	12,633	0.3%
Supplies & Materials	1,648,354	1,557,400	1,756,695	199,295	12.8%
Professional Services	1,151,077	1,622,126	1,596,007	(26,119)	-1.6%
Technology Maintenance/Minor Equipment	631,154	1,156,977	1,347,599	190,622	16.5%
Property Services	2,030,794	2,440,786	2,440,969	183	0.0%
Other Services	504,077	694,071	773,134	79,063	11.4%
Utility Cost of Goods	99,027,138	75,369,082	73,702,827	(1,666,255)	-2.2%
Total Operations and Maintenance	117,498,531	97,656,836	97,147,370	(509,466)	-0.5%
Capital Expenditures					
Capital	58,510,488	10,497,500	9,415,853	(1,081,647)	-10.3%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	58,510,488	10,497,500	9,415,853	(1,081,647)	-10.3%
Other					
Debt Service	1,174,807	2,473,088	2,163,094	(309,994)	-12.5%
Depreciation/Amortization	8,810,970	-	-	-	--
Total Other	9,985,777	2,473,088	2,163,094	(309,994)	-12.5%
Total Expenditures	185,994,796	110,627,424	108,726,318	(1,901,106)	-1.7%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	500,000	755,000	255,000	51.0%
Donated Infrastructure (non-cash item)	3,675,053	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	69,586	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	3,744,639	500,000	755,000	255,000	51.0%
Net	\$ (19,495,486)	\$ 1,412,207	\$ 216,278	\$ (1,195,329)	-84.7%

BUDGET SUMMARY



BUDGET SUMMARY

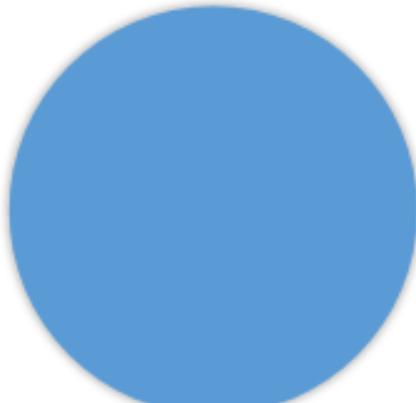
TRANSPORTATION AND STREET FUND 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ 5,813,770	\$ 6,104,998	\$ 7,020,958	\$ 915,960	15.0%
Licenses & Permits	17,034	-	17,000	17,000	-
Intergovernmental Revenue	99,197	-	-	-	-
Charge for Services	51,265	29,181	21,000	(8,181)	-28.0%
Special Assessments/Fines	-	-	-	-	-
Interest/Rent	29,405	20,979	40,345	19,366	92.3%
Other Income	1,433,233	-	-	-	-
Total Revenues	7,443,904	6,155,158	7,099,303	944,145	15.3%
Expenditures					
Operations and Maintenance					
Salaries & Wages	1,386,849	1,638,087	1,824,395	186,308	11.4%
Benefits	668,420	731,988	747,341	15,353	2.1%
Supplies & Materials	187,841	160,500	241,250	80,750	50.3%
Technology Maintenance/Minor Equipment	39,342	58,272	83,631	25,359	43.5%
Professional Services	166,341	135,142	153,102	17,960	13.3%
Property Services	519,078	492,040	846,974	354,934	72.1%
Other Services	33,576	50,270	65,546	15,276	30.4%
Utility Cost of Goods	-	-	-	-	-
Total Operations and Maintenance	3,001,447	3,266,239	3,962,239	695,940	21.3%
Capital Expenditures					
Capital	2,400,074	1,914,500	2,663,500	749,000	39.1%
Setasides - Capital Items	-	-	-	-	-
Total Capital Expenditures	2,400,074	1,914,500	2,663,500	749,000	39.1%
Other					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
Total Other	-	-	-	-	-
Total Expenditures	5,401,521	5,180,799	6,625,739	1,444,940	27.9%
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	1,123,678	-	-	-	-
Transfers In	69,934	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources and Uses	1,193,612	-	-	-	-
Net	\$ 3,235,995	\$ 974,359	\$ 473,564	\$ (500,795)	-51.4%

BUDGET SUMMARY

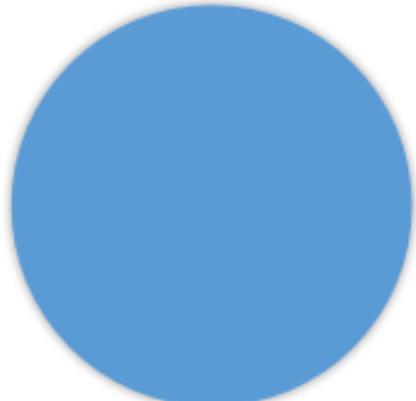
TRANSPORTATION & STREET FUND 2023 BUDGET

STREET FUND 2023 DEPT REVENUE BUDGET



Street, 100%

STREET FUND 2023 DEPT EXPENSE BUDGET



Street, 100%

BUDGET SUMMARY

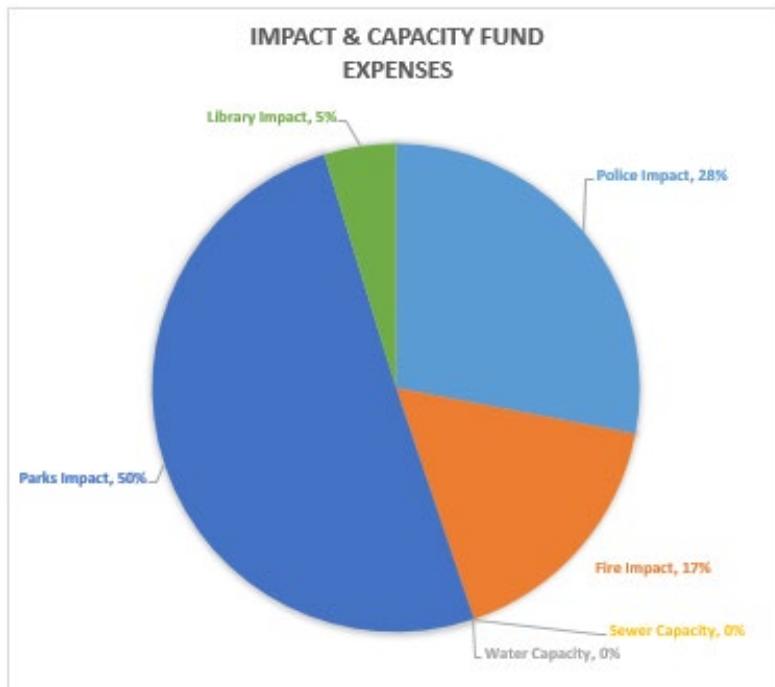
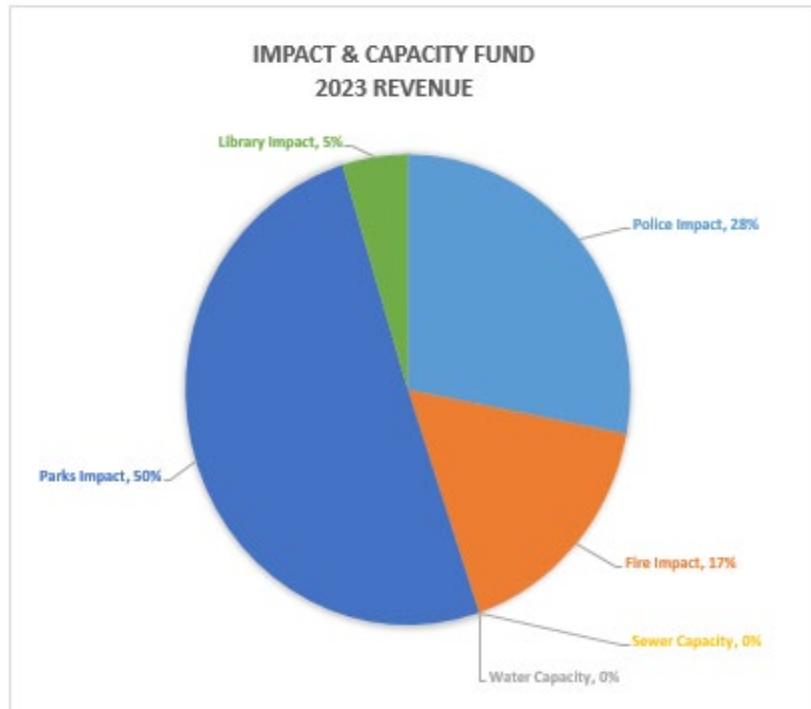
IMPACT & CAPACITY FUND 2023 BUDGET

City of Bentonville
2023 Budget
Impact and Capacity Fees Fund
All Departments

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charge for Services	0	-	-	-	-
Special Assessments/Fines	4,150,437	1,785,000	1,785,000	-	0.0%
Interest/Rent	26,576	-	-	-	-
Other Income	-	-	-	-	-
Total Revenues	4,177,013	1,785,000	1,785,000	-	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	(1)	-	-	-	-
Benefits	1	-	-	-	-
Supplies & Materials	0	-	-	-	-
Professional Services	(1)	-	-	-	-
Technology Maintenance/Minor Equipment	0	-	-	-	-
Property Services	0	-	-	-	-
Other Services	0	-	-	-	-
Utility Cost of Goods	-	-	-	-	-
Total Operations and Maintenance	(0)	-	-	-	-
Capital Expenditures					
Capital	2	-	-	-	-
Setasides - Capital Items	-	1,785,000	1,785,000	-	0.0%
Total Capital Expenditures	2	1,785,000	1,785,000	-	0.0%
Other					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
Total Other	-	-	-	-	-
Total Expenditures	2	1,785,000	1,785,000	-	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	147,688	-	(1,502,314)	(1,502,314)	-
Total Other Financing Sources and Uses	147,688	-	(1,502,314)	(1,502,314)	-
Net	\$ 4,324,700	\$ -	\$ (1,502,314)	\$ (1,502,314)	-

BUDGET SUMMARY

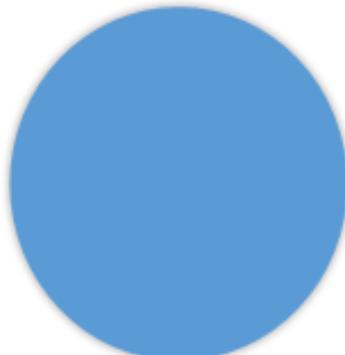
IMPACT & CAPACITY FUND 2023 BUDGET



BUDGET SUMMARY

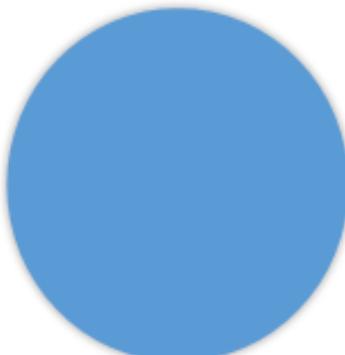
DEBT SERVICE FUND 2023 BUDGET

DEBT SERVICE FUND 2023 REVENUE BUDGET



Debt Service,
100%

DEBT SERVICE FUND 2023 EXPENSE BUDGET



Debt Service,
100%

All Debt Service Taxes go toward Debt Service Payments.

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 apart from 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 drawdowns 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.

FEBRUARY

The Assistant Finance Director & 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.

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.

MARCH - JUNE

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.

JUNE - JULY

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. Department heads finish entering O & M requests into the budget file by July 15. Personnel and capital requests are also due at this time.

The Finance staff reviews the O & M requests and the detailed personnel and capital requests made by the departments.

AUGUST

Budget review meetings involving the Mayor, Finance Director, and department heads begin in July. 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

SEPTEMBER

During September, some meetings with the mayor may continue. Meetings conclude at the end of September to allow time for material to be prepared for distribution to the council prior to the Budget Workshop which takes place in the middle of October.

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.

OCTOBER

The budget is distributed to the Council at the beginning of October (State law requires the mayor to submit the budget to the Council on or before December 1). A day long Budget Workshop with Council members, department heads, and Mayor is held in the middle of the month. This Workshop is facilitated by the Finance Director and is designed to let department heads present their department's budget to Council and allow discussion of major projects and discussions that are more complex. If necessary, follow-up items are identified for further review and changes are made to budget document as discussed in the Workshop.

NOVEMBER

A Budget Committee of the Whole meeting is called prior to the first Council Meeting in November. At the first Council meeting held in November the first request for budget approval is made. If needed a second request for budget approval is made at the second Council meeting held in November. The 2023 budget year is the first year the city budget was adopted in November. Since at least 1995, the City Budget has been adopted in December. State law requires the governing body to adopt the budget on or before February 1 each year. 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 March.

BUDGET SUMMARY

FUND BALANCE POLICY

On June 22, 2021, City Council approved a new formal Fund Balance and Reserve Policy that reflects a higher minimum standard and a process to evaluate projects that can be accomplished with excess reserves. According to the City's Stabilization and Contingency Reserve (SCR) Policy:

- The city will maintain a target balance of at least 25% of current year total operating and capital expenditures in the most recent fiscal budget approved by City Council. 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 25% SCR only in times of emergency or fiscal and economic hardship.
- In the event the SCR is used, City Staff shall present a plan to City Council to replenish the reserve within three to five years. This excludes use of any SCR to support seasonal variations in cash flows.
- The fund balance in excess of the 25% reserve can only be reduced by City Council approval of a budget adjustment.

BUDGET ADJUSTMENTS

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

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

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

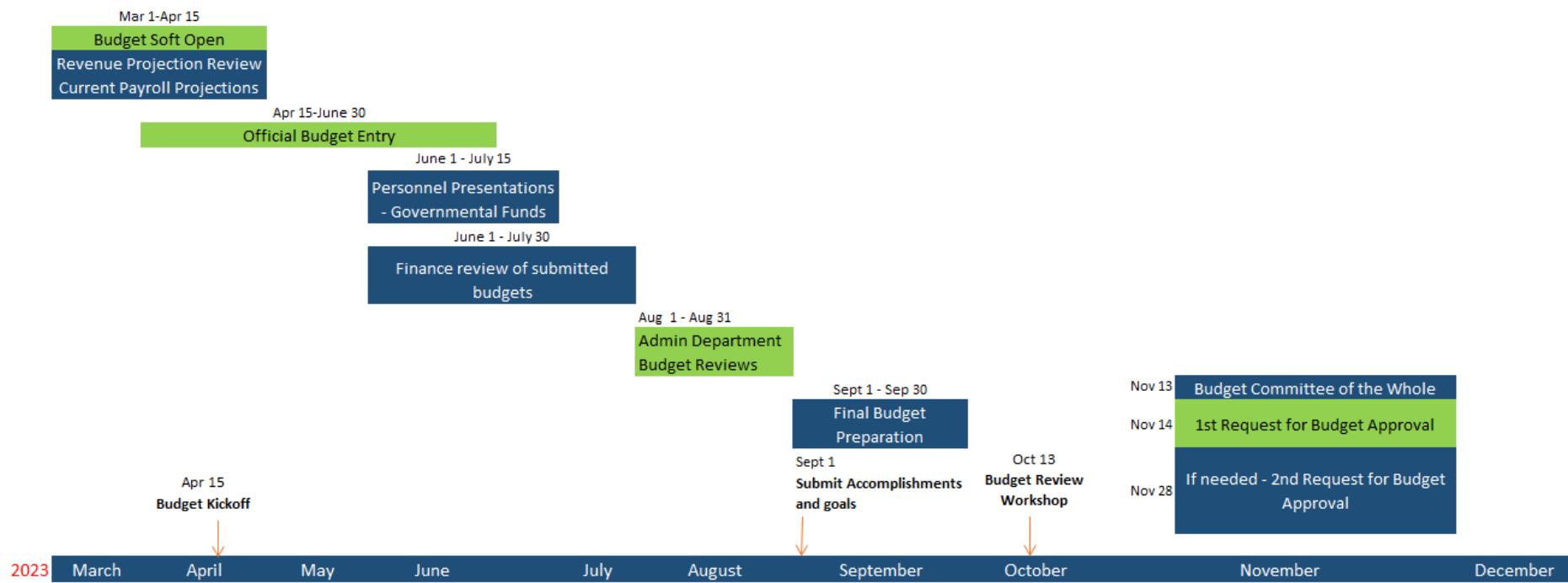
In any of those cases, a budget adjustment form and related documentation are submitted, and that item is placed on a regular Council agenda along with other items of business.

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

BUDGET SUMMARY

BUDGET SCHEDULE

Budget Schedule for Preparation of 2023 Budget



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 (INTERNAL 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 (INTERNAL 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.

DEBT POLICY (INTERNAL 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 more than the expected useful life of the capital project.

BUDGET SUMMARY

- 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.

FUND BALANCE AND STABILIZATION AND CONTINGENCY RESERVE (SCR) POLICY (CITY COUNCIL APPROVED POLICY)

- The city will maintain a target balance of 25% of current year operating and capital expenditures in the most recent fiscal budget approved by City Council. 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 25% reserve only in times of emergency or fiscal and economic hardship.
- In the event the SCR is used, City Staff shall present a plan to City Council to replenish the reserve within three to five years. This excludes use of any SCR to support seasonal variations in cash flows.
- The fund balance in excess of the 25% reserve can only be reduced by City Council approval of a budget adjustment.

CASH MANAGEMENT AND INVESTMENT POLICY (CITY COUNCIL APPROVED 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 ensure that all monies are deposited, properly accounted for, and reconciled in a timely and accurate manner.
- All amounts due to the city are reviewed on an ongoing basis to ensure that the city is collecting payments in a timely manner and work is not being performed for individuals or businesses who have a history of past due accounts or bad debts with the city.
- The City will ensure that all monies are expended in a timely and accurate manner and in accordance with Federal, state, and local law, city policy and industry standards.
- Cash flow is monitored on an ongoing basis to ensure that liquid funds are available to meet upcoming payment obligations.

PURCHASING POLICY (CITY COUNCIL APPROVED POLICY)

- Ensure practices related to the expenditure of City funds are open and competitive, legal, transparent, and fiscally responsible.
- Simplify and standardize items or services being purchased.
- Make the process of purchasing efficient for both internal departments and vendors doing business with the city.
- Eliminate unnecessary or unauthorized purchases.

BUDGET SUMMARY

CAPITAL IMPROVEMENT POLICY (INTERNAL POLICY)

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

FINANCIAL REPORTING POLICY (INTERNAL 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 seek annually to qualify for the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting.
- 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.

General Fund

- Administration
- Accounting
- District Court
- Planning
- Engineering
- Airport
- Police
- Fire
- Public Works Mainenance
- Pars & Recreation
- Library
- Animal Services

FUNDS AND DEPARTMENTS

ADMINISTRATION

OVERVIEW

The Administration division provides overall guidelines in the operations of city departments and to provide support to all departments for personnel, technology, and other administrative functions. It consists of Mayor's office, Human Resources, Legal & Purchasing, and IT departments.

Mayor's office Overview:

The City of Bentonville is a strong mayoral-city council form of government. The principal officer of all Arkansas cities within the mayor/city council form of government is the mayor. It is the mayor's responsibility to keep city government running properly. The mayor oversees the day-to-day operations of the city and supervises department heads. The mayor must submit to city council within the first 90 days of each year a complete report on the financial and administrative activities of the city. The mayor also keeps the governing body advised to the financial condition and future needs of the city and makes recommendations when desirable. The mayor is the ex-officio president of the city council and presides over the meetings of the city council. The mayor is responsible for presenting a balanced budget to city council for approval each year. The mayor's office in the City of Bentonville takes a very active role with public engagement, problem solving and information sharing with the public that fosters trust and mutual respect.

- Presided over bi-monthly City Council meetings.
- Met monthly with both the City of Bentonville Community Council and Youth Council to foster understanding of local government and gain valuable feedback about city concerns.
- Conducted a monthly virtual Coffee with the Mayor where information was provided to the public on various city topics and projects that included a question-and-answer period.
- Presented and oversaw the passing of an annual balanced budget to City Council.
- Met monthly with each department head to ensure personnel, training, budget, customer service and project goals were met, and accomplishments were encouraged for 2022.
- Created a platform to meet regularly with both non-profit and service organizations to encourage the sharing of resources and provide volunteer opportunities to meet community needs.
- Answered phone calls and emails for public concerns 24/7.
- Met regularly with concerned citizens to work together for better solutions to their concerns.
- Took an active role in oversight of the Bentonville line replacement at the Northwest Arkansas Conservation Authority to ensure contractor kept within budget and provided proper testing.
- Conducted with Finance personnel and budget meetings prior to all day budget meeting with all departments to ensure efficiency and accountability in all department budgets when presented to council.
- Spoke at community organizations and events weekly to promote the City of Bentonville and help foster a sense of trust and pride in local government.
- Continued to oversee the Bentonville311.com system put in place by the mayor in 2019. This system helps citizens to better resolution and communication on 21 of their greatest city concerns.

FUNDS AND DEPARTMENTS

Human Resources Overview:

This division's primary purpose is to support the goals and challenges of the City of Bentonville, by providing services that promote a work environment that is characterized by fair treatment of staff, open communications, personal accountability, trust, and mutual respect. They seek and provide solutions to workplace issues that support and optimize the operating principles of the organization. They work to promote, develop, retain, and recruit the best-qualified people, and recognize and encourage the value of diversity in the workplace.

Legal Department Overview:

In 2022, the City of Bentonville Legal Department handled over 5,115 new criminal and traffic violations in Bentonville District Court. The casework of criminal and traffic cases include arraignment, discovery, negotiation with defendants and defense counsel, plea hearings, case preparation and trials. The department reviewed hundreds of criminal cases for probable cause while providing legal and prosecution support for criminal investigations, prepared or reviewed all City contracts and negotiated land transactions. The Legal Department consulted regularly with all City departments to provide guidance and risk management on many complex matters.

The department continued the preparation of numerous ordinances and resolutions for city council meetings. Throughout the year, approximately 266 ordinances, 277 resolutions and 88 miscellaneous agenda items were written and reviewed for items concerning the City of Bentonville.

This year the department maintained its continuous efforts to support and assist all departments, employees and outside programs/relationships including the community. The legal department investigator assisted with numerous requests throughout the city. His diligent work throughout the year has helped provide guidance to enhance customer service and public safety throughout the City of Bentonville.

Information Technology Department Overview:

The City of Bentonville Information Technology (IT) Department provides governance of the city's technological systems, maintenance of the infrastructure and functionality of the systems overall. We partner with our departments to help them get the best from their technology and support their systems and operations so they can provide our citizens economic and reliable services. Here are the main responsibilities within an IT department:

Administration	Technical Support	Communication	Facilities	Security
<ul style="list-style-type: none">Maintain computer infrastructures of the companyAssist new users with computer and software issuesTrain employees on new systemsPerform software updatesRenew licenses and other legal documentsMonitor ongoing contracts with suppliersComplete statutory formsEnsure compliance with quality standardsAssess potential threatsOversee data storage	<ul style="list-style-type: none">Install new software or hardwareResearch and procure IT hardware and suppliesParticipate in IT inventory asset managementAssist in backup and recovery of digital assetsTroubleshoot network issuesCreate work logsProcess documentationConfigure phone systemsInstall video and audio conferencingInstall and configure new printers, copiers, and other equipmentProvide and install cloud-based applications/servicesRepair hardware	<ul style="list-style-type: none">Desk phone systemRemote access softwareWeb conferencingEmailBuilding to building communication (WAN)Wi-FiCable TV servicesInternet services	<ul style="list-style-type: none">Building planningVideo surveillanceBuilding access controlTelevisions & projection systemsConferencing equipment	<ul style="list-style-type: none">FirewallAntivirusIntrusion detection systemsVPN & Multi Factor Authentication

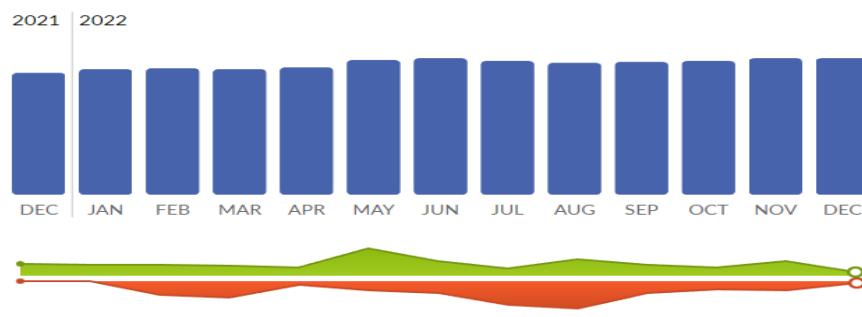
FUNDS AND DEPARTMENTS

2023 ADMINISTRATION ACCOMPLISHMENTS

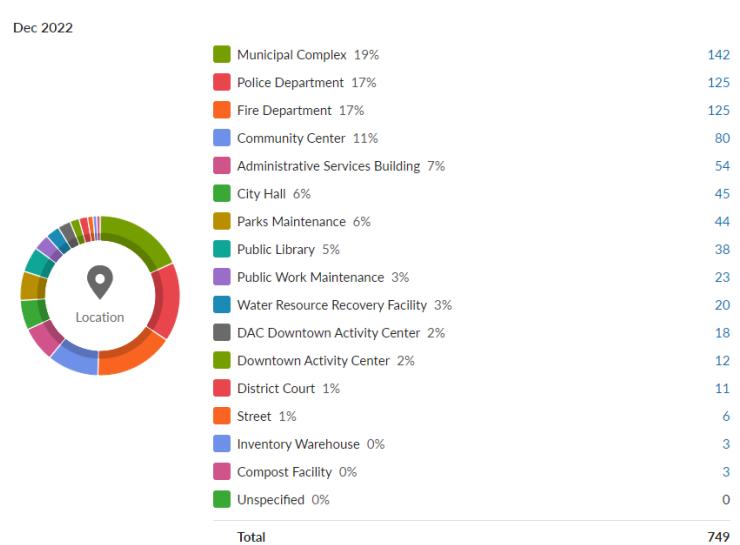
HUMAN RESOURCES DEPARTMENT

Implemented Staff-wide Training on leadership

- Implemented comprehensive orientation for new employees.
- Implemented new human resources software .
- Implemented new hiring procedures.
- Implemented online benefits enrollment.
- Increased onboard/offboarding of staff by 12.6% last 12 months *.
- Received 2,268 job applicants in 2022* .
- Implemented tracking for employee demographics and job sourcing.
- Added Employee Relations staff member to focus to Diversity, Equity, and Inclusion.
- Implemented Company Internal Newsletter.
- Implemented Diversity, Equity, and Inclusion Roadmap.



Number of City Employees by location



FUNDS AND DEPARTMENTS

LEGAL DEPARTMENT

2022 HIGHLIGHTS AN ACCOMPLISHMENTS

- Streamlined the Planning Commission meeting process.
- Completed review and revision of Library Policies and Procedures.
- Successfully settled the Lake Bella Vista case through mediation, saving the city from costly litigation and allowing the park project to proceed.
- Secured historic designation for the Bentonville History Museum property.
- Handled more than 5115 new misdemeanor and traffic violations.
- Prepared 404 misdemeanor and traffic cases for trial.
- Served 119 subpoenas to victims and/or witnesses.
- Issued 570 individual officer witness appearance requests on cases for trial.
- Reviewed 137 cases in preparation for restitution hearings.
- Corresponded with 71 victims to obtain restitution through Court.
- Spoke with 44 individual victims of domestic violence, referring each to the Women's Shelter where 38 victims met with the shelter staff and 3 victims dropped requests to lift no contact orders as a result of meeting with shelter staff.
- Reviewed 99 pre-trial diversion cases.
- Referred 5 cases to pre-file diversion.
- Prepared and reviewed 266 ordinances, 277 resolutions and 88 miscellaneous items for City Council approval.
- Reviewed 307 contracts and other documents through DocuSign.
- Attended 81 Board/Committee Meetings.
- Continued work within the DWI Court Program assisting candidates dedicated to maintaining sobriety.
- Successfully negotiated complex contracts for important capital projects such as the emergency radio system.
- Assisted teaching the Citizen Police Academy specifically regarding the Legal Department and an in-depth training regarding the anatomy of prosecution.
- All legal department personnel attended an on-line virtual zoom training through FBINA regarding compelled statements, Garrity and the impact of changing prosecutorial and political environments.
- Attended a REID Training Course to learn how to assess credibility of information victims and witnesses during interviews.
- Created an overview regarding District Court Funding.
- Presented a Domestic Conflict Safety Awareness Class open to the public along with guest speakers including local attorneys as well as Women's Shelter Staff.
- Attended a full day webinar regarding Trials of the Centuries: Landmark Cases.
- Introduced to new software programs through the Police Department (Officer's Video Software) & District Court (New Court System).
- Attended DWI Court Conference in Little Rock, AR.
- Participated in the National Day of Dialogue.
- Facilitated development improvement meetings.
- Attended American Threat Assessment Professional Class.

FUNDS AND DEPARTMENTS

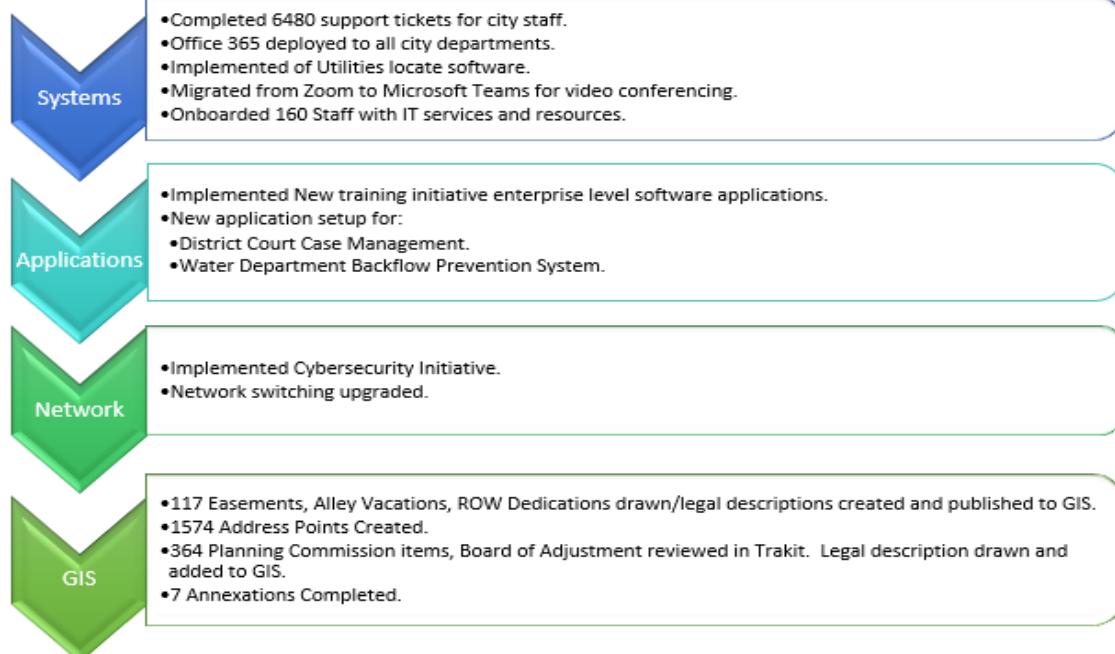
Purchasing Highlights and Accomplishments:

2018	2019	2020	2021	2022
<u>Requisitions Reviewed:</u> 8,343	<u>Requisitions Reviewed:</u> 7,271	<u>Requisitions Reviewed:</u> 6,194	<u>Requisitions Reviewed:</u> 6,851	<u>Requisitions Reviewed:</u> 6,910
<u>Formal Solicitations:</u> 68	<u>Formal Solicitations:</u> 82	<u>Formal Solicitations:</u> 76	<u>Formal Solicitations:</u> 86	<u>Formal Solicitations:</u> 104
<u>P-Card Statements:</u> *Not a Purchasing function in 2018	<u>P-Card Statements:</u> 487	<u>P-Card Statements:</u> 655	<u>P-Card Statements:</u> 882	<u>P-Card Statements:</u> 1094
<u>Contracts Entered:</u> *Not applicable in 2018	<u>Contracts Entered into Munis:</u> 50	<u>Contracts Entered into Munis:</u> 112	<u>Contracts Entered into Munis:</u> 106	<u>Contracts Entered into Munis:</u> 98 <u>Purchase Order Change Orders:</u> Approx. 1200
<small>*Added statistic for 2022</small>				
Munis Users & Support: 217 Munis Users – Purchasing is responsible for Purchasing and P-Card Training for applicable Munis Users, as well as purchasing function Munis Software Support (entering support tickets etc.).				
Surplus: 2021 Test Online Surplus Sale Value: \$233,532.59 (16 assets sold) 2023 Auction Goal: Sell backlog of surplus items online and implement a standardized surplus process to reduce storage of surplus items.				
Vendor Introduction Meetings: Vendor Introduction Meetings in 2021: 2 Vendor Introduction Meetings in 2022: 8 <i>*The Vendor Introduction Meetings were designed and implemented in 2021</i>				
<small>*Numerous contracts written for quotes and professional services not under formal procurement thresholds *Numerous cooperative contracts review for participation</small>				

FUNDS AND DEPARTMENTS

INFORMATION TECHNOLOGY DEPARTMENT

2022 HIGHLIGHTS AN ACCOMPLISHMENTS



Bentonville 311: Custom Built by our GIS Team, Bentonville 311 provides the citizens of Bentonville with a simple online single point of contact for every City department. The new Bentonville 311 system brings openness, innovation, and accountability to the delivery of City services.

311 Concerns COMPLETED in 2022	
Number of Completed 311 Concerns:	Department 311 Concern was assigned to:
1	Airport
558	Code Enforcement
303	Electric
59	Engineering
49	Parks
460	Street
78	Water
49	Other
Total = 1557	



FUNDS AND DEPARTMENTS

2023 ADMINISTRATION

GOALS & OBJECTIVES

MAYOR'S OFFICE

- Maintain fiscal responsibility through an efficient use of city resources and adherence to long-term financial stability objectives in accordance with the city's financial policies.
- Improve and maintain public facilities and infrastructure through continued investment and implementation of sidewalks, trails, parks, utilities, and roads to make sure that we grow responsibly and maintain a high quality of life for all.
- Increase conservation and sustainability initiatives that support the growth of our community while preserving the city's natural resources, minimizing detrimental environmental impacts, and achieving related cost savings.
- Expand mobility and access through a highly connected system that enables safe, convenient access for all types of transportation options - walking, biking, driving, and riding transit.
- Support and promote a high quality of life and a strong economic environment that fosters an innovative environment for commerce, culture, entrepreneurship, and industry.
- Promote enhanced communication and participation in city government through education and public participation.
- Ensure a safe and secure community by fostering a feeling of personal safety and security through a visible, responsive public safety presence and a proactive focus on prevention and intervention.
- Advocate for connected neighborhoods and affordable housing options through bringing organizations, ideas, and resources together to help deliver safe and accessible homes and thriving community spaces.

HUMAN RESOURCES DEPARTMENT

- Hire and train Employee Benefits Coordinator.
- 98% paperless on all HR forms.
- Implement new online assessment for all employees.
- Implement Goal training and establish goals for all departments with online tracking.
- Hire and retain workforce adding nine new positions, 28 additions to current positions, and upgrading 12 positions.
- Conduct at least 4 training sessions for leadership.
- Conduct at least 4 training sessions for soft skills for all employees.
- Recruit and hire new Human Resources Manager upon retirement and provide succession planning for department.

FUNDS AND DEPARTMENTS

2023 ADMINISTRATION

GOALS & OBJECTIVES

(CONTINUED)

LEGAL DEPARTMENT

- Finish Civic Clerk implementation for agendas.
- Streamline the grant review and compliance process.
- Codify professional services.
- Hold Ethics/Training Sessions for Boards and Council members.
- Continue to expand Alternative Sentencing and the Bentonville Pre-Arrest Diversion Program.
- Attend continued training for department staff to expand skills, expertise, and levels of service.
- Attend the ATAP Threat Management Conference.
- Monitor the Legislative Session for bills impacting our city.
- Proactively review Court funding allocations based on the rapid growth of our community.
- Complete micro-mobility ordinances.
- Work to resolve vendor compliance.
- Standardize the lien process.

INFORMATION TECHNOLOGY DEPARTMENT

- Plan & design upgraded access control system (to be implemented in 2024).
- Plan & design upgraded internal phone system (to be implemented in 2024).
- Provide new IT SharePoint Portal to provide information and training to city staff.
- Consolidate and migrate department data to new server system.
- Upgrade firewall systems for key locations.
- Implement Drone Site Scan program.
- Create masterplan for GIS Migration to cloud operations.
- Implement cloud backup solution for online data.

FUNDS AND DEPARTMENTS

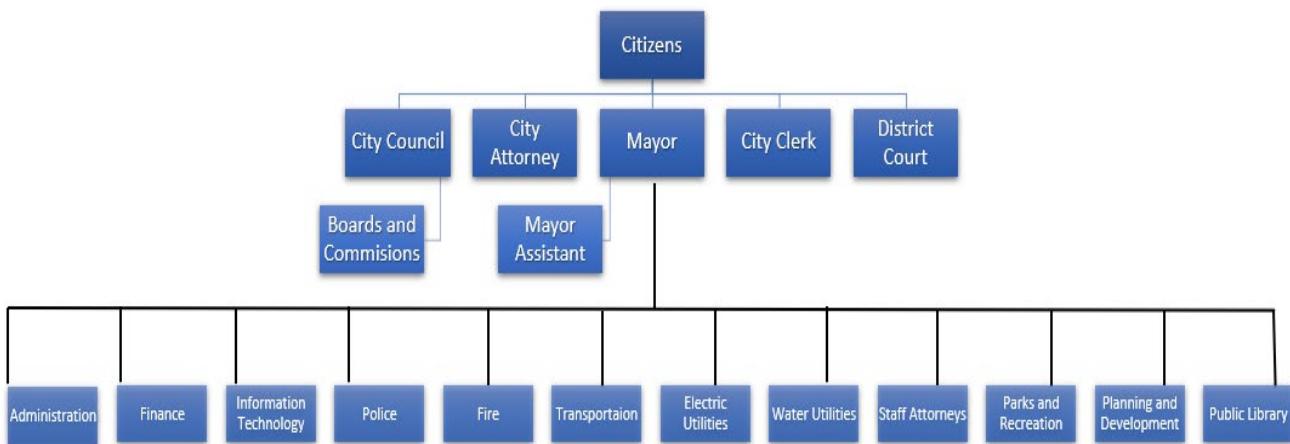
ADMINISTRATION 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ 50,154,358	\$ 47,308,107	\$ 53,873,513	\$ 6,565,406	13.9%
Licenses & Permits	75,360	64,547	75,359	10,812	16.8%
Intergovernmental Revenue	73,378	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	162,828	172,278	323,974	151,696	88.1%
Other Income	179,247	-	-	-	--
Total Revenues	50,645,171	47,544,932	54,272,846	6,727,914	14.2%
Expenditures					
Operations and Maintenance					
Salaries & Wages	1,627,365	2,010,599	2,417,585	406,986	20.2%
Benefits	619,376	624,246	960,935	136,689	16.6%
Supplies & Materials	95,083	92,250	81,150	(11,100)	-12.0%
Technology Maintenance/Minor Equipment	241,481	504,824	650,101	145,277	28.8%
Professional Services	263,415	235,430	294,575	59,145	25.1%
Property Services	166,622	165,866	164,832	(1,034)	-0.6%
Other Services	192,708	290,978	471,616	180,638	62.1%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	3,206,050	4,124,193	5,040,794	916,601	22.2%
Capital Expenditures					
Capital	445,539	2,158,256	2,230,197	71,941	3.3%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	445,539	2,158,256	2,230,197	71,941	3.3%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	3,651,589	6,282,449	7,270,991	988,542	15.7%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	1,950,000	2,073,359	123,359	6.3%
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	-	1,950,000	2,073,359	123,359	6.3%
Net	\$ 46,993,582	\$ 43,212,483	\$ 49,075,214	\$ 5,862,731	13.6%

FUNDS AND DEPARTMENTS

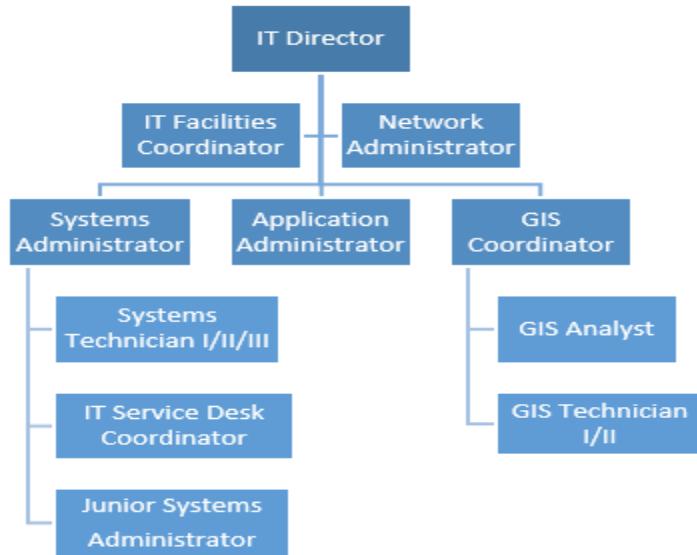
ADMINISTRATION **BUDGET SUMMARY**

- Revenue – Taxes are up compared to the budget the prior year in both property taxes and sales tax.
 - Property taxes have seen an 8.69% increase over our 2022 actual amount, we budgeted 2023 at the 10-year average of 4.64% over the 2021 budget as the city anticipates a continued slow and steady growth in new development.
 - Sales taxes are continuing to increase, consumer spending, inflation, and the increase in Tourism in our city, has been very beneficial for our city. In 2022, the city received \$5million over our budget in general fund sales tax, a 12% year over year increase.
- Salaries and Wages are up due to a 6% merit increase and two new employees (HR benefit coordinator and IT Systems Administrator). Also, three purchasing personnel formerly in the accounting budget were transferred for 2023 into Administration.
- Benefits are up due to new and transferred positions.
- Supplies and Materials are down due to reallocating expenses related to accounting department.
- Professional Services are up 25%: decreased legal counsel \$33k over the reduced 2022 budget; HR consulting fees \$80k, and additional \$8k for 150yr celebration promotional funding.
- Technology Maintenance/Minor Equipment is budgeted to increase 28.4% \$89k increase in cyber security, HR software, New Agenda Software, other increases in various computer expenses.
- Capital expenditures are up 3.3% with the largest expense budgeted for a priority II & III Fiber cable at \$2Mil.
- Reserves of \$2Mil are budgeted to for the Priority II & III Fiber Cable capital expenditure.



FUNDS AND DEPARTMENTS

Information Technology Department Org chart

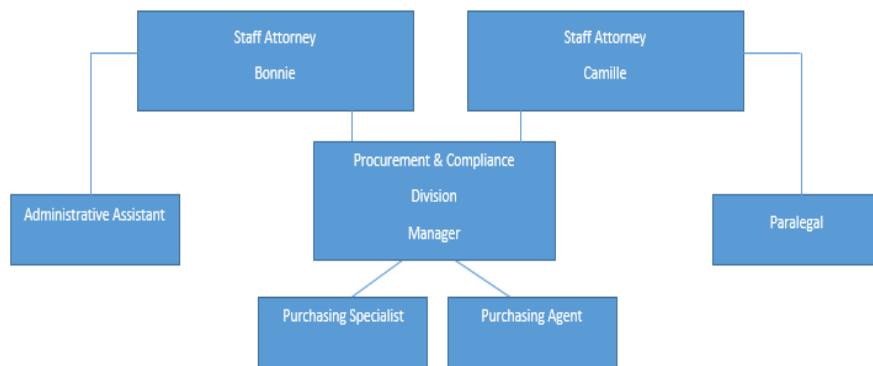


Human Resources Department Org Chart



LEGAL DEPARTMENT ORGANIZATION

Moving Purchasing into Legal for Procurement & Compliance Division



FUNDS AND DEPARTMENTS

ACCOUNTING

OVERVIEW

The Accounting department is responsible for providing accurate, timely and appropriate financial information and budget reports for the City and the public. It oversees the City's operations of the General, Street and Utility Funds. It manages all daily financial transactions, oversees the city payroll, manages all departments' budgets, manages investments, oversees external audit, tracks grants, and provides periodic public financial reviews to city staff, elected officials, the media, and citizens of the community.

The Accounting department administers the financial affairs of the City of Bentonville under the direction of the Finance Director. In 2023, the Accounting Department restructured into a Finance director, three Assistant Finance Directors, two accountants, five accounting specialists and a grant writer. In 2023, the purchasing department moved to the legal/compliance under Administration.

The Accounting office is also responsible for the city's annual GFOA Distinguished Budget report, prepares the Comprehensive Annual Financial Report and Popular Annual Financial Report and the City's Budget Report.

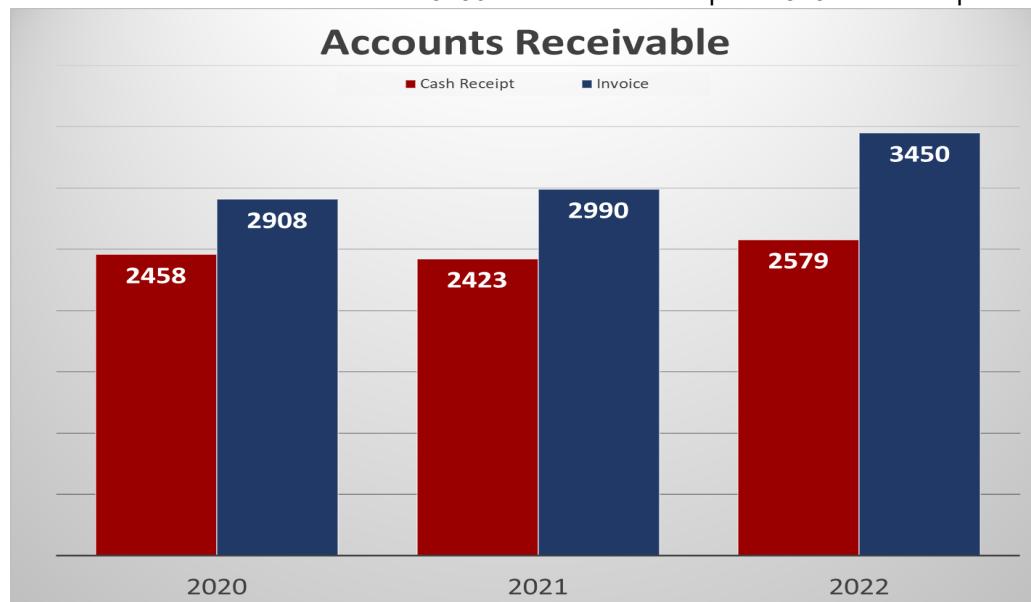


2022 HIGHLIGHTS AND ACCOMPLISHMENTS

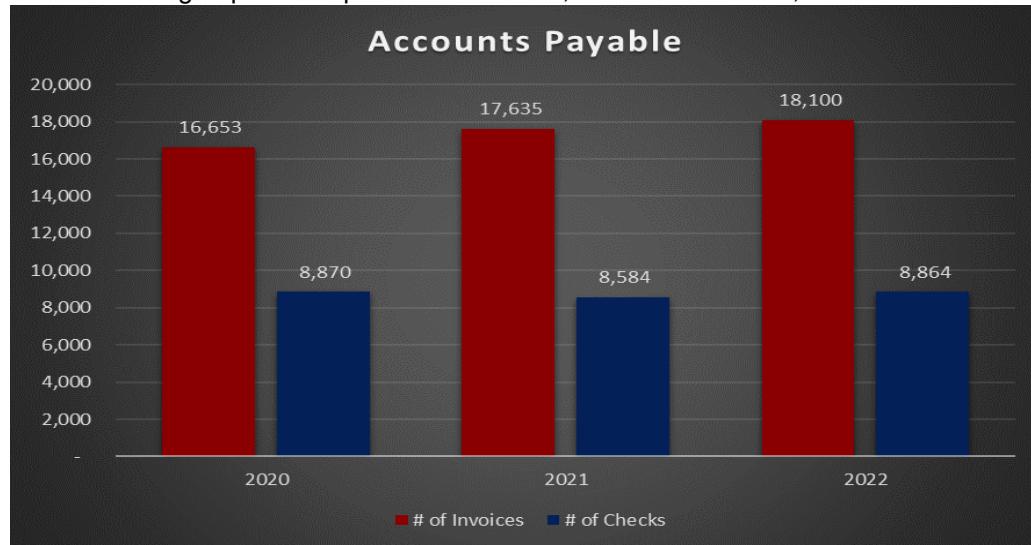
- The Accounting Department and Budget/Finance Team achieved its third GFOA Triple Crown in financial reporting. The teams received all 3 GFOA awards, the Certificate of Achievement for Excellence in Financial Reporting Award, Distinguished Budget Presentation Award, and the Popular Annual Financial Reporting Award. The City of Bentonville was the first City in Arkansas to achieve the Triple Crown recognition from the GFOA.
- This year the departments increased their involvement in creating the 2023 budget. Thoroughly reviewing salaries and eliminating any unnecessary potential expenses. The Budget/Finance team successfully continued to improve the new budget process for the city in which a day long public Budget Review Workshop in the fall of 2022 was held.
- The Accounting team reported over 259 uncashed checks to Unclaimed Property for over \$21k.

FUNDS AND DEPARTMENTS

- Accounts Receivable invoices over 3450 invoices and received 2579 cash receipts in 2022



- Our Accounting department processed over 18,100 invoices and 8,864 checks in 2022.



- The accounting department also provided training lessons for departments on invoicing and year end closeout that improved efficiencies and accountability while influencing internal communication and building stronger relationships with departments.

FUNDS AND DEPARTMENTS

2023 GOALS AND OBJECTIVES

- Continue to participate in GFOA Award Programs.
- Complete the 2022 audit.
- Continue to streamline and improve the budget process:
 - Creating budget reviews quarterly with the departments to track budget spend.
 - Improve department budget accountability: for the 2024 Budget, separate out the 2023 Admin budget into Admin, HR, Legal and IT.
- Improve External Department Communication:
 - Continue to enhance communication to city council, by providing enhanced revenue and expense reviews and presentations.
 - Continue to train and support staff on internal accounting software and procedures. Hold and record informal training sessions to train staff on AR, AP, and Budgeting processes.
- Improve Internal Department Training and Morale:
 - Increase staff development through additional software training resources in Munis, Excel, Word, and other software as needed
 - Hold monthly meeting to review updates, assess status, discuss events, cross train, and hold team building activities.
- Begin implementation of Cash Receipting/Accounts Receivable software conversion.
- Improve grant and budget tracking.
- Improve CIP department coordination
- Explore new software where the accounting department can automate and manage paper documents.
- Continue to be open and transparent to citizens by providing and posting monthly budget reports online.
- Participate in a variety of annual conferences and seminars that serve as both continued education:
 - Tyler Connect Conference to enhance software knowledge of Munis financial system.

FUNDS AND DEPARTMENTS

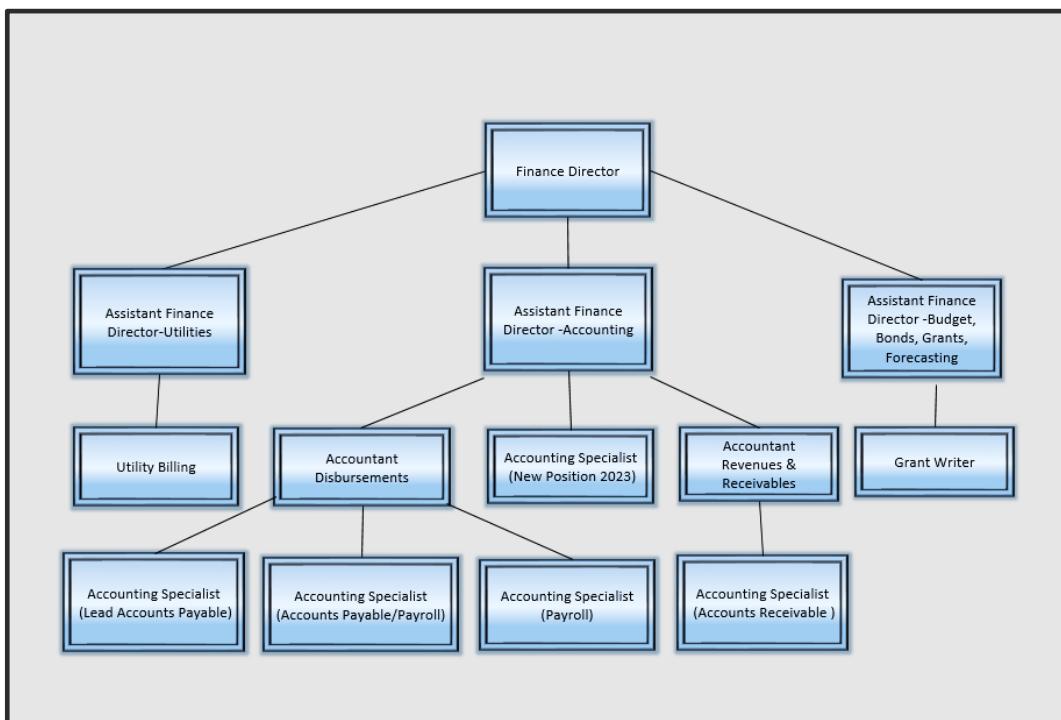
ACCOUNTING 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charge for Services	-	-	-	-	-
Special Assessments/Fines	-	-	-	-	-
Interest/Rent	-	-	-	-	-
Other Income	4,769	-	106,000	106,000	-
Total Revenues	4,769	-	106,000	106,000	-
Expenditures					
Operations and Maintenance					
Salaries & Wages	615,736	869,196	874,171	4,975	0.6%
Benefits	270,415	384,568	363,975	(20,593)	-5.4%
Supplies & Materials	17,030	22,160	25,020	2,860	12.9%
Technology Maintenance/Minor Equipment	129,673	144,482	175,644	31,162	21.6%
Professional Services	56,507	73,500	74,500	1,000	1.4%
Property Services	1,355	1,262	600	(662)	-52.5%
Other Services	31,885	42,750	38,580	(4,170)	-9.8%
Utility Cost of Goods	-	-	-	-	-
Total Operations and Maintenance	1,122,601	1,537,918	1,552,489	14,571	0.9%
Capital Expenditures					
Capital	-	-	-	-	-
Setasides - Capital Items	-	-	-	-	-
Total Capital Expenditures	-	-	-	-	-
Other					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
Total Other	-	-	-	-	-
Total Expenditures	1,122,601	1,537,918	1,552,489	14,571	0.9%
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	\$ (1,117,832)	\$ (1,537,918)	\$ (1,446,489)	\$ 91,429	-5.9%

FUNDS AND DEPARTMENTS

ACCOUNTING **BUDGET SUMMARY**

- Revenues are projected as other income is for the first-year grant proceeds earmarked for the salaries benefits and other expenses pertaining to the new grant writer position. This is a private grant that with a three-year term with future year matching reimbursement requirements.
- Salaries and Wages reflect a 6% merit increase for current staff along with a reduction of three purchasing personnel (transferred to Administration), a new grant writer position, an accounting specialist position, and upgraded assistant finance director positions.
- Supplies and Material are increased due to additional due to replacement printer, desks, chairs, and office equipment needed.
- Technology Maintenance/minor equipment increased due to new positions and accounting conference room monitor/computer setup for small group training/meetings.
- Other services include increased training for staff including software and travel and training conferences for new and existing staff.



FUNDS AND DEPARTMENTS

DISTRICT COURT

OVERVIEW

The Bentonville District Court handles traffic, misdemeanor and ordinance violations from citations issued within the Bentonville area. In addition, Bentonville District Court handles Civil and Small Claims cases when there is proper jurisdiction. The current elected District Judge, Ray Bunch presides over all cases.

The mission of the Bentonville District Court is to administer justice under law equally, impartially, and efficiently in a safe, professional environment with dignity and respect for all, furthering the goal of promoting public safety, trust, and confidence.



2022 ACCOMPLISHMENTS

- The Court has implemented a new case management software that will both benefit the public with ease of access and benefit the clerks with efficiencies of process.
- Applied for and was awarded a \$15,000 grant to be used for training costs for DWI Court Team for ninth consecutive year.
- Applied for and was awarded a grant to be used Civil & Small Claims Mediation program (5th year of this grant & program).
- Continued facilitating and growing Mediation Program for Small Claims and Civil cases saving time spent resolving cases in court and resulting in greater satisfaction among parties to lawsuits. Mediated 10 cases as of 11/2022. Mediated 9 cases in 2021.
- Continued evaluation of safety features and options throughout the building to ensure the safety of staff and patrons.
- Maintained continuity of operations while also adjusting to staffing changes and other side effects of pandemic.
- Ongoing evaluation of creative solutions that allow District Court to offer many online & virtual options to conduct business.
- Maintained usage of on-line case resolution software to both provide an additional option for the public to resolve citations and to reduce the number of cases with active warrants.
- Continued the process of implementing Tyler Municipal Justice software and facilitated "Go-Live" in June 2022.
- Continued project to transfer legacy Bella Vista Police Department cases to the Bella Vista District Court. Transferred 184 cases in 2022. Transferred 334 cases in 2021.
- Filed 6919 new violation in 2022 (through 12/7/22). This is an increase from the 6062 new violations filed in 2021.
- Closed 6002 violation in 2022 (through 12/7/22). Closed 7317 violations in 2021.
- Began the use of a QR Code to streamline court check-in process and had 115 QR scans the first week of use. Decreased time to check-in from approximately 5-7 minutes to 2-3 minutes.
- Issued 2192 Warrant in 2022 to date (12/7/22) up from the 985 Warrants issued in 2021.
- Cleared 1863 Warrants in 2022 to date (12/07/22); Cleared 3113 Warrants in 2021.

FUNDS AND DEPARTMENTS

2023 GOALS AND OBJECTIVES

- Leverage efficiencies of new software and continue to process cases, reduce failures to appear and address the non-payment of court ordered fines & costs.
- Complete remaining "Go-Live" features of Tyler Municipal Justice case management software.
- Fully train staff on features of Municipal Justice case management software.
- Complete project to transfer legacy Bella Vista Police Department cases to the Bella Vista District Court 223 violations remain to be transferred.
- Continue bulk scanning of paper files dating from the 1990s forward 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 (Currently have approximately 6,263 active warrants).
- Continue to promote use of virtual options for case resolution.
- Continue 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 (Currently have approximately 6,263 active warrants and issuing on average 58 warrants/week).
- Continue staff training that will focus on uniformity of process, cross training, and enhanced customer service.
- Develop a comprehensive training manual for new hires.

Performance Measures	Actual 2021	2022_(12/7/22)	Estimated 2023
1. Traffic/Criminal cases filed	6062	6919	7200
2. Civil/Small Claims cases filed	978	667	1000
3. Traffic/Criminal cases closed	7317	6002	7000
4. Warrants issued	985	2192	2400
5. Fines/Costs collected	\$1,344,953	\$1,070,502	\$1,345,000
6. Value of Public Service/ Jail Credit	\$73,525	\$147,194	\$100,000

FUNDS AND DEPARTMENTS

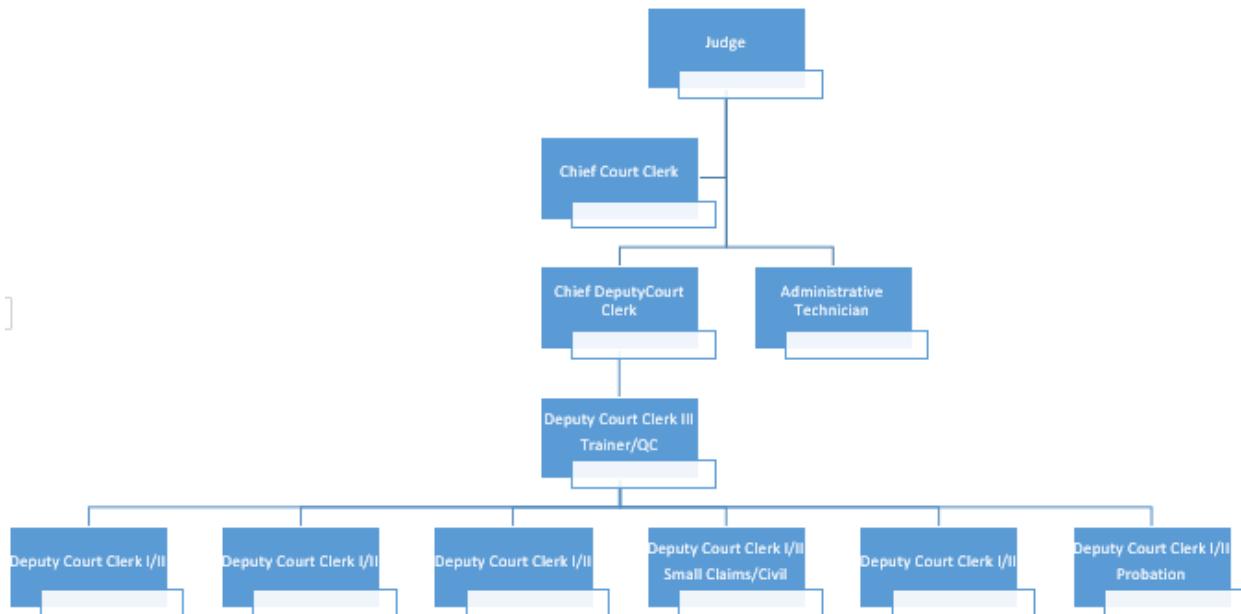
DISTRICT COURT **2023 BUDGET**

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	- -
Licenses & Permits	\$ -	\$ -	\$ -	\$ -	- -
Intergovernmental Revenue	36,533	47,760	47,760	\$ -	0.0%
Charge for Services	66,635	56,298	67,583	11,285	20.0%
Special Assessments/Fines	414,574	338,122	427,969	89,847	26.6%
Interest/Rent	726	700	301	(399)	-57.0%
Other Income	16,516	\$ -	\$ -	\$ -	- -
Total Revenues	534,984	442,880	543,613	100,733	22.7%
Expenditures					
Operations and Maintenance					
Salaries & Wages	394,101	505,520	490,891	(14,629)	-2.9%
Benefits	182,945	228,040	226,313	(1,727)	-0.8%
Supplies & Materials	11,198	34,500	32,550	(1,950)	-5.7%
Technology Maintenance/Minor Equipment	29,572	109,815	101,140	(8,675)	-7.9%
Professional Services	29,637	50,500	46,783	(3,717)	-7.4%
Property Services	30,017	51,650	55,200	3,550	6.9%
Other Services	8,116	28,192	28,312	120	0.4%
Utility Cost of Goods	\$ -	\$ -	\$ -	\$ -	- -
Total Operations and Maintenance	685,586	1,008,217	981,189	(27,028)	-2.7%
Capital Expenditures					
Capital	144,923	\$ -	35,515	35,515	- -
Setasides - Capital Items	\$ -	\$ -	\$ -	\$ -	- -
Total Capital Expenditures	144,923	\$ -	35,515	35,515	- -
Other					
Debt Service	\$ -	\$ -	\$ -	\$ -	- -
Depreciation/Amortization	\$ -	\$ -	\$ -	\$ -	- -
Total Other	\$ -	\$ -	\$ -	\$ -	- -
Total Expenditures	830,509	1,008,217	1,016,704	8,213	0.8%
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	\$ (295,525)	\$ (565,337)	\$ (473,091)	\$ 92,521	-16.4%

FUNDS AND DEPARTMENTS

DISTRICT COURT BUDGET SUMMARY

- Revenues increasing as we see a recovery from the effects of the worldwide pandemic.
- Even with a 6% merit increase, Salaries & wages and benefits are slightly down due to long-term employees leaving the department and were replaced by entry level candidates.
- Technology Maintenance/Minor Equipment down as due to City IT policy changes extending life span of computer from 5 to 6 years.



FUNDS AND DEPARTMENTS

PLANNING

OVERVIEW:

Planning & Zoning is a division of Community Development serving as the staff support to Planning Commission and Board of Adjustments. Staff administers the Zoning Code for rezonings, conditional uses and variances, and the Subdivision Code for large scale developments, preliminary & final plats, and incidental subdivisions. The Planning Department provides 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.

2022 HIGHLIGHTS AND ACCOMPLISHMENTS

SUMMARY												2022					
Development																	
2022 Total Project: 363					2021 Total Projects: 365					Annual Change: -1%							
2022 Total Permits 396					2021 Total Permits: 415					Annual Change: -5%							
Development							Zoning				Permits*						
Preliminary Plat			Final Plats		Lot Split	Property Line Adjustment	Large Scale Development	Waiver Request	Rezonings	Conditional Use	Variance	Outdoor Vendors	Parklets	Signs	Fences		
Projects	Lots	Projects	Lots														
1st Qtr	1		9		17	12	17	3	25	11	19	10	4	50	62		
2nd Qtr	2		1		14	8	23	8	14	12	10	2	1	53	65		
3rd Qtr	3		2		21	13	19	10	12	10	10	3	2	37	33		
4th Qtr	2		2		12	5	9	1	19	4	3	11	0	31	32		
Annual Total	8		14		64	38	68	22	70	37	42	26	7	171	192		

*Through Dec. 1, 2022

Code Enforcement								Goals			
Inspections								Not Started			
Inspections		Managed Cases		Fence Inspections		Nonconforming Signs Removed		Fence Permits		Public Hearing Signs Posted	
Annual Total	1902	479	1056	5	708	183	309				
Projects								12%	47%	41%	
Regulatory								47%	37%	16%	
Events								0%	0%	100%	
Total Goals											46
Goals Completed											20
Goals Achieved											43%

FUNDS AND DEPARTMENTS

PLANNING 2023 BUDGET

SUMMARY

2022

Goals Reached

Projects

- Created online zoning verification form.
- Selected an Impact Fee Study Consultant.
- Converted taxi program to the on-demand service.
- Selected artwork for Creekside Park.
- Prepared plans for Bentonville's 150th Anniversary.
- Hired a planner to reestablish the CDBG program.
- Produced three city newsletters.
- Produced the 2022 Annual Development Report.

Regulatory

- Adopt the 2022 Code Updates.
- Adopt the 2021 ICMA Property Maintenance Code.
- Established the Code Review Committee.

Events

- Participated in National Night Out.
- Promoted City Hall Selfie Day.
- Hosted a Fall Clean the Streets Day.
- Hosted the City Council/Planning Commission Mtg.
- Hosted the Fall Tree Giveaway
- Hosted first-ever City Hall Shred-it Day.
- Hosted Bentonville Connections - 1st Meeting.
- Hosted Bentonville Connections - 2nd Meeting.
- Hosted a Developer's Forum.
- Promoted Public Art at a First Friday.

Additional Accomplishments

- Awarded Tree City USA Designation.
- Awarded Volunteer Community of the Year.
- Awarded the Most Creative #CityHallSelfie.

By the Numbers

Annual
2022 change

Great Neighborhoods Program

Neighborhood Partners:	21	50%
Neighborhood Meetings Attended:	1	--
Block Party Trailer Use:	9	200%
Holiday Decorating Contest Participant	8	14%
Landscaping Award Contest Participant	4	--

Community Improvement/Engagement

Trees Given Away:	1240	43%
Clean-up Kits Distributed:	15	25%
Landscape Awards Given:	5	-17%
Taxi Rides for Elderly and LMI:	446	-64%
City Hall Selfie Posts:	21	17%
Artwork Installed:	1	-50%

Meeting Facilitation

Planning Commission Meetings:	23	0%
Board of Adjustment Meetings:	23	0%
Neighborhood Council Meetings:	11	0%
Public Art Committee Meetings:	13	8%
Tree & Landscape Committee Meeting	11	0%
DEI Task Force Meetings:	4	-60%
Code Review Committee	6	--

FUNDS AND DEPARTMENTS

PLANNING

2023 GOALS AND OBJECTIVES

PROJECTS		2023		
Project Goals	Lead	Target Date	Status	Completion Date
Black Text = Complete		Not Started	3	21%
Blue Text = In Progress		In Progress	11	79%
Red Text = Not Started		Complete	0	0%
		Total	14	100%
1 Produce the 2022 Annual Development Report.	Shelli	3/1/2023	In Progress	
2 Work with Urban3 to complete Economic Analysis.	Shelli	4/1/2023	In Progress	
3 Start offering CPED review for neighborhoods.	Jason	5/1/2023	In Progress	
4 Adopt an ordinance establishing a Special Event Permit.	Shelli/Parks	6/1/2023	In Progress	
5 Reestablish CDBG program.	Tyler	7/1/2023	In Progress	
6 Prepare and adopt a Landscape Manual.	Baylea	7/1/2023	In Progress	
7 Install identification signage for two historic districts.	Baylea	8/1/2023	In Progress	
8 Implement Housing Affordability Work Group Recomme	Tyler/Shelli	8/1/2023	Not Started	
9 Unveil Upper Cut Art Installation	Shelli	9/1/2023	Not Started	
10 Install artwork for 150th anniversary.	Shelli	10/1/2023	In Progress	
11 Complete Impact & Capacity Fee Study.	Shelli	11/1/2023	In Progress	
12 Draft Future Land Use Plan Update.	Shelli	12/1/2023	In Progress	
13 Continue updates to the Bentonville's 150th website.	Shelli/Baylea	12/1/2023	In Progress	
14 Produce three city newsletters.	Shelli	12/1/2023	Not Started	

EVENTS		2023		
Event Goals	Lead	Target Date	Status	Completion Date
Black Text = Complete		Not Started	9	75%
Blue Text = In Progress		In Progress	3	25%
Red Text = Not Started		Complete	0	0%
		Total	12	100%
1 Host Spring Developer's Forum	Tyler/Shelli	4/1/2023	Not Started	
2 Host Bentonville Connections - 1st Meeting.	Baylea	4/27/2023	In Progress	
3 Host a Spring Clean the Streets Day	Baylea	5/1/2023	Not Started	
4 Host the Spring Tree Giveaway	Baylea	5/1/2023	In Progress	
5 Promote City Hall Selfie Day.	Baylea	7/1/2023	Not Started	
6 Host Summer Developer's Forum	Tyler/Shelli	8/1/2023	Not Started	
7 Participate in National Night Out.	Baylea	8/2/2023	Not Started	
8 Host Bentonville Connections - 2nd Meeting.	Baylea	9/28/2023	In Progress	
9 Host second annual City Hall Shred-it Day.	Baylea	10/1/2023	Not Started	
10 Host a Fall Clean the Streets Day.	Baylea	11/1/2023	Not Started	
11 Host the Fall Tree Giveaway	Baylea	11/1/2023	Not Started	
12 Host the Joint City Council/Planning Commission Meetin	Tyler/Shelli	11/1/2023	Not Started	
13 Host Fall Developer's Forum	Tyler/Shelli	12/1/2023	Not Started	

FUNDS AND DEPARTMENTS

PLANNING 2023 BUDGET

Regulatory		2023		
		Not Started	9	56%
		In Progress	7	44%
		Complete	0	0%
		Total	16	100%
Regulatory Goals		Lead	Target Date	Status
1 Incorporate Flood Damage Prevention Code into Municode.		Shelli	2/1/2023	In Progress
2 Repeal Taxi License requirement.		Shelli	3/1/2023	In Progress
3 Revise the Building material standards.		Tyler	3/1/2023	In Progress
4 Adopt Short Term Rental regulations.		Shelli	5/1/2023	In Progress
5 Adopt Business License.		Shelli	5/1/2023	In Progress
6 Improve/incentivize tree preservation options.		Baylea	6/1/2023	In Progress
7 Adopt a small-scale review process.		Jon	6/1/2023	Not Started
8 Adopt the 2023 Code Updates.		Shelli	10/1/2023	Not Started
9 Update the XNA Overlay Districts as needed.		Tyler	12/1/2023	Not Started
10 Clarify which regulations apply in planning area.		Tyler	12/1/2023	Not Started
11 Codify the annexation process.		Shelli	12/1/2023	Not Started
Zoning Code Reforms				
12 Revise PRD/PUD regulations.		Shelli	6/1/2023	Not Started
13 Revise parking ratios and establish parking waiver criteria.		Tyler	8/1/2023	Not Started
14 Establish a Cottage Zoning District.		Shelli	10/1/2023	Not Started
15 Eliminate RZL District, incorporate into existing R districts.		Shelli	12/1/2023	Not Started
16 Eliminate the RC-2 & RC-3 districts.		Shelli	12/1/2023	In Progress

FUNDS AND DEPARTMENTS

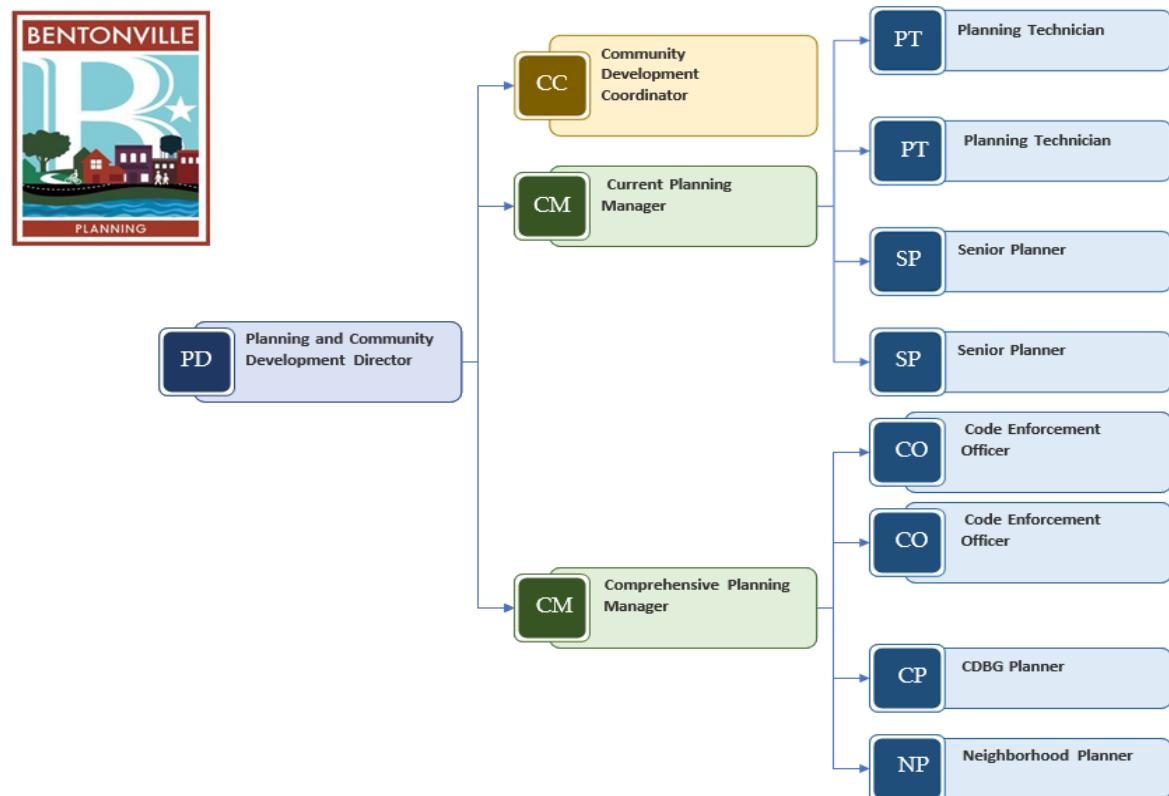
PLANNING 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charge for Services	123,650	114,025	123,650	9,625	8.4%
Special Assessments/Fines	-	-	-	-	-
Interest/Rent	-	-	-	-	-
Other Income	-	-	-	-	-
Total Revenues	123,650	114,025	123,650	9,625	8.4%
Expenditures					
Operations and Maintenance					
Salaries & Wages	724,707	940,994	925,442	(15,552)	-1.7%
Benefits	308,929	409,174	363,462	(45,712)	-11.2%
Supplies & Materials	26,263	48,100	66,340	18,240	37.9%
Technology Maintenance/Minor Equipment	47,075	66,015	64,141	(1,874)	-2.8%
Professional Services	244,058	527,100	738,440	211,340	40.1%
Property Services	42,476	93,200	79,358	(13,842)	-14.9%
Other Services	48,846	109,012	110,567	1,555	1.4%
Utility Cost of Goods	-	-	-	-	-
Total Operations and Maintenance	1,442,354	2,193,595	2,347,750	154,155	7.0%
Capital Expenditures					
Capital	-	55,000	-	(55,000)	-100.0%
Setasides - Capital Items	-	-	-	-	-
Total Capital Expenditures	-	55,000	-	(55,000)	-100.0%
Other					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
Total Other	-	-	-	-	-
Total Expenditures	1,442,354	2,248,595	2,347,750	99,155	4.4%
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	\$ (1,318,704)	\$ (2,134,570)	\$ (2,224,100)	\$ (89,530)	4.2%

FUNDS AND DEPARTMENTS

PLANNING BUDGET SUMMARY

- Charges for Services are projected to increase by 8.4% to remain consistent with 2021 and 2022 actual collections.
 - Staff conducted a rate comparison with surrounding cities and our fees are in line with Rogers, Fayetteville, and Springdale.
- Salaries and Wages and Benefits have decreased by 1.7% and 11.2% respectively due to tenured staff being replaced with new staff members.
- Supplies and Materials have increased by 37.9% for three primary reasons:
 - Code Enforcement Fuel Charges were charged to the Building Inspections Department in 2022. This has been corrected for 2023.
 - 2023 is the City of Bentonville's 150th Anniversary. Funds have been budgeted for promotional materials.
 - The city hosts two annual "Bentonville Connections" events which will have a mailer sent to every resident of the city.
- Professional Services have increased by 40.1% for three primary reasons:
 - The City of Bentonville is updating its Land Use and Strategic Growth Plan in 2023. \$300,000 have been set aside for the project.
 - 2023 is the City's 150th Anniversary. Funds have been set aside for a commissioned art piece and promotional activities.
 - The amount of funding necessary for Ozark Regional Transit to maintain its level of service increased by \$60,000. This increase was offset by placing the City's \$50,000 Taxi Program on hold.



FUNDS AND DEPARTMENTS

ENGINEERING

Overview

The Engineering Department is responsible for the review of development plans, maintain design and construction specifications related to drainage, sidewalk, street, and right-of-way infrastructure. Staff provides technical review for all subdivisions, lot splits, small-scale, and large-scale developments. Engineering inspectors conduct field inspections of construction projects and permits to ensure all work conforms to City codes to provide quality developments. Engineering oversees any/all developments within the Floodplain/Floodway as the City participates in FEMA's Nation Flood Insurance Program. In addition, Engineering Department and the Stormwater Management Program supports Community Development by providing technical specifications, advice, expertise to developers and citizens regarding stormwater management and drainage design criteria. Engineers and Project Managers supervises all street & drainage capital improvement projects.

2022 ACCOMPLISHMENTS

- 73 private development projects reviewed for compliance with Bentonville development standards through November.
- 71 BMP/SWP/PP Initial inspections completed for compliance through November (one-acre or more).
- Supported the Street Department on sidewalk, street, and drainage improvement projects
- SW 7th & C Street Drainage Improvement project has been awarded to contractor.
- Started construction on Walton/Tiger Blvd-12th Street Improvements.
- Completed construction of NE Cub Circle Sidewalk Project.
- Completed construction of SE C Street Sidewalk Project.
- Started construction of SW 8th Street Improvements Phase 3 (S Walton to SW A Street).
- South Main Street & Drainage Improvements is substantially complete.

	2022	2021	2020
PreConstruction (LSD/PP approved for construction)	80	74	56
Active Construction (yearly average)	87	79	80
Engineering Inspections	2122	2255	2836
Sites Complete (site final approved)	33	61	57
Sites Closed (1-YR maintenance inspections approved)	42	44	42

FUNDS AND DEPARTMENTS

- Completed SW 8th Street Improvements Phase 1-2 completed (SW I Street to Walton)



- Started Construction on SW Bright Road



- Water Tower Road Phase I complete



FUNDS AND DEPARTMENTS

ENGINEERING

2023 Goals & Objectives

- Meet Budget Goals for Bond Projects.
- Provide design and management support to Street Department on sidewalk, street, and drainage improvement projects.
- Manage and supervise all drainage and street Capital Improvement Projects.
- Meet average review time of seven (7) days for private development projects.
- Continue to provide street and drainage inspection for all private development projects.



FUNDS AND DEPARTMENTS

ENGINEERING 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits	2,300	2,600	2,600	-	0.0%
Intergovernmental Revenue	-	-	-	-	-
Charge for Services	8,275	8,650	9,500	850	9.8%
Special Assessments/Fines	-	-	-	-	-
Interest/Rent	-	-	-	-	-
Other Income	128,000	-	-	-	-
Total Revenue	138,575	11,250	12,100	850	7.6%
Expenditures					
Operations and Maintenance					
Salaries & Wages	615,774	781,326	836,815	55,489	7.1%
Benefits	232,422	310,986	308,839	(2,147)	-0.7%
Supplies & Materials	13,730	50,700	14,000	(36,700)	-72.4%
Technology Maintenance/Minor Equipment	15,098	30,585	29,175	(1,410)	-4.6%
Professional Services	61,217	68,736	63,845	(4,892)	-7.1%
Property Services	24,007	12,035	11,835	(200)	-1.7%
Other Services	5,667	19,900	19,872	(28)	-0.1%
Utility Cost of Goods	-	-	-	-	-
Total Operations and Maintenance	967,915	1,274,268	1,284,381	10,113	0.8%
Capital Expenditures					
Capital	22,666	1,195,000	2,428,000	1,233,000	103.2%
Setasides - Capital Items	-	-	-	-	-
Total Capital Expenditures	22,666	1,195,000	2,428,000	1,233,000	103.2%
Other					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
Total Other	-	-	-	-	-
Total Expenditures	990,581	2,469,268	3,712,381	1,243,113	50.3%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	-
Use of Reserves	-	1,125,000	2,428,000	1,303,000	115.8%
Donated Infrastructure (non-cash item)	-	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	(69,934)	-	-	-	-
Total Other Financing Sources and Uses	(69,934)	1,125,000	2,428,000	1,303,000	115.8%
Net	\$ (921,940)	\$ (1,333,018)	\$ (1,272,281)	\$ 60,737	-4.6%

FUNDS AND DEPARTMENTS

ENGINEERING

BUDGET SUMMARY

- Reduction of \$35K since no new staff being added for 2023.
- Technology Maintenance & Minor Equipment reduction due to no new equipment needs.
- Engineering Services/Professional Services reduction – completing some work in-house.
- \$700K increase to Capital Expenditures for sidewalk infill projects near schools thought the city.
- Use of Reserves 95% increase for Nutmeg Drainage Repairs.

Transportation Director

Deputy Transportation Director

City Engineer

Staff Engineer	Project Manager	Stormwater Coordinator
Staff Engineer	Project Manager	Project Coordinator
Staff Engineer		Permit/Project Coordinator
		PT Administrative Assistant
		PT Administrative Assistant

Permit/Project Coordinator

FUNDS AND DEPARTMENTS



AIRPORT

OVERVIEW

The Bentonville airport is also called Louis M. Thaden Field. The airport's 5,000-foot asphalt runway makes it an excellent option for general aviation and small-plane travel. Summit Aviation is the airport's FBO.

In 1951 the airport was named after Louise McPhetridge Thaden who was born in Bentonville on November 12, 1905. She was an aviation pioneer and set the women's altitude record, solo endurance record, and speed record in the late 1920s. She was the most famous female American aviator of her time, only after Amelia Earhart.

Louise earned her pilot's certificate in 1928: number 850, signed by Orville Wright. She co-founded, with Earhart, the Ninety-Nines, an international organization for female pilots.

This division's primary purpose is to provide for, maintain and operate the Bentonville Municipal Airport. Its purpose is to keep a facility that offers flight services for pilots to land, base and depart aircraft. The mission is not limited to aircraft services but includes other services or engagements that might provide revenue streams that help financial impact the City of Bentonville general revenues to operate as a self-sufficiently as possible. The airport also serves as an economic catalyst to our community as pilots fly in from all over the country to experience our cities many recreational and cultural activities.

FUNDS AND DEPARTMENTS

2022 HIGHLIGHTS AND ACCOMPLISHMENTS

- Named the coolest airport in the United States by Flying Magazine April 2022.
- Held the UP-Summit event for leaders across the country with focus on air mobility.
- Proclaimed June 5th as Future Mobility Day in Bentonville the first such type of recognition in Arkansas.
- Worked with the local high school to provide space in the old FBO for an aeronautical program for high school students.
- Received two state aeronautical grants totaling \$450,000 for development of hangar space on the west side of the airfield.
- Successful goose removal program with partnership with Police/District Court for a goosedog and handler which control the geese population at the airport.
- Completed the East Taxiway extension project through an FAA funding.
- Completed Runway36 Extension through private funding extending the runway to 5,000 feet.
- Installed the first airplane electrical charging station.
- Installed two motor vehicle charging stations.

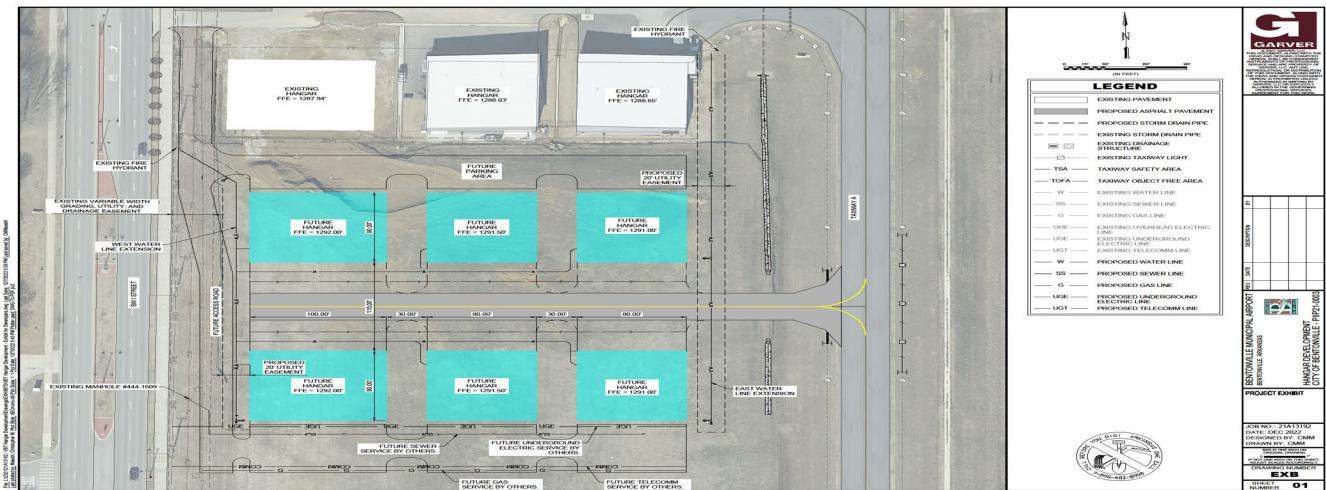


Municipal Airport – Major Milestones

- Runway Extension – 5,000 foot
- Westside Development
- Runway Widening
- Awarded over \$3.5 million in state and federal grants
- CIP (6 year projections)
- Advisory Board Commitment
- Private Partnerships
- Communication
- Ignite Aviation Program
- Goose dog “Maverick”
- Named Coolest Airport in the US

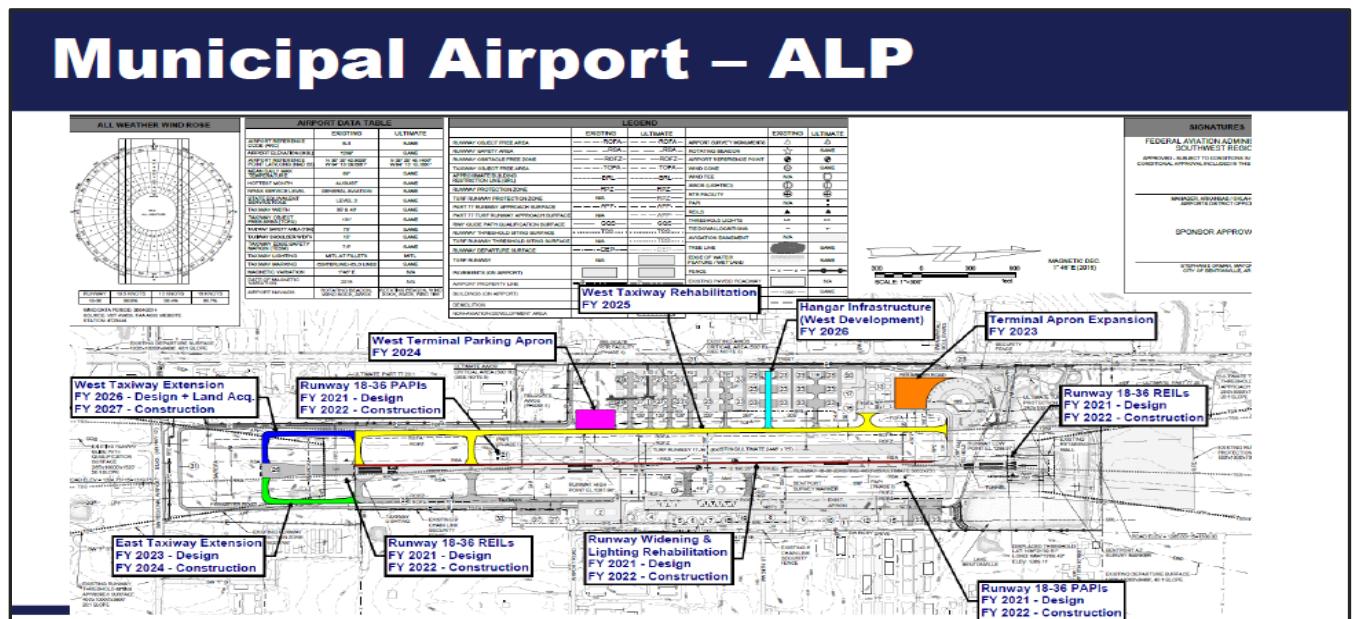


FUNDS AND DEPARTMENTS



2023 GOALS AND OBJECTIVES

- Preconstruction on widening airport to 75 feet Runway 18-36.
- Construction starts on Runway widening 18-36 May 2023.
- Construction complete Runway widening 18-36 June 2023.
- FAA grant closeout Runway widening 18-36 – July 2023.
- Review Statement of Interest and begin lease negotiation for development westside of airport.
- Remove dirt pile on westside of airport for hangar development – March 2023.
- Construction contract VBT Hangar development – February 2023.
- Preconstruction VBT Hangar development – May 2023.
- Construction complete – VBT Hangar development – August 2023.
- Grant Closeout – VBT Hangar development – September 2023.
- Review Statement of Interest and begin lease negotiation for development westside of airport.
- Design complete new fuel farm – January 2023.
- Apply for state grant to construct new fuel farm – April 2023.



FUNDS AND DEPARTMENTS

AIRPORT 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ 38,847	\$ 26,947	\$ 38,846	\$ 11,899	44.2%
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	1,243,222	-	-	-	-
Charge for Services	26,522	18,620	26,521	7,901	42.4%
Special Assessments/Fines	-	-	-	-	-
Interest/Rent	45,661	45,000	45,660	660	1.5%
Other Income	78,005	82,000	87,180	5,180	6.3%
Total Revenues	1,432,257	172,567	198,207	25,640	14.9%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	-
Benefits	-	-	-	-	-
Supplies & Materials	81,113	86,000	90,957	4,957	5.8%
Technology Maintenance/Minor Equipment	-	80	4,135	4,055	5069.3%
Professional Services	55,963	42,000	-	(42,000)	-100.0%
Property Services	22,334	52,700	97,700	45,000	85.4%
Other Services	4,063	7,526	9,326	1,800	23.9%
Utility Cost of Goods	-	-	-	-	-
Total Operations and Maintenance	163,473	188,306	202,118	13,812	7.3%
Capital Expenditures					
Capital	1,220,271	-	-	-	-
Setasides - Capital Items	-	-	-	-	-
Total Capital Expenditures	1,220,271	-	-	-	-
Other					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
Total Other	-	-	-	-	-
Total Expenditures	1,383,744	188,306	202,118	13,812	7.3%
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	\$ 48,513	\$ (15,739)	\$ (3,911)	\$ 11,828	-75.1%

FUNDS AND DEPARTMENTS

AIRPORT BUDGET SUMMARY

- Taxes are up 44.2% due to the increased sales tax on aeronautical.
- Charges for Services up 42.4% due to fuel flowage fee.
- Interest/Rent up 1.5% due to an increase in lease rental income.
- Other income up 6.3% from increase in property tax.
- There are no employees of the Airport Department.
- The increase of 5.8% in Supplies and Maintenance is due to the increase in property taxes for leased buildings.
- Technology and Maintenance increase due to a one-time purchase of a computer switch for fiber for Airport Cameras (7-10-year life expectancy).
- Professional Services is by 100% because the mowing contract was moved under the Property Services category.
- Other Services up 23.9% due to an increase in vehicle insurance policy for courtesy vehicle.



FUNDS AND DEPARTMENTS

POLICE

OVERVIEW

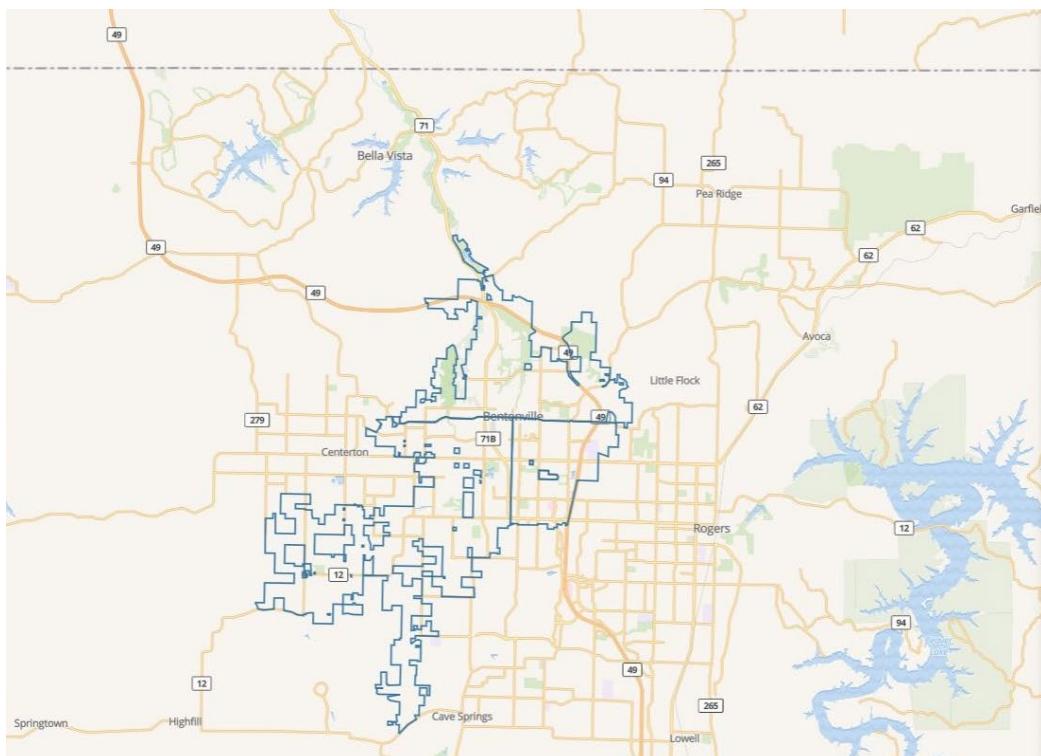


Today, the City of Bentonville Police Department watches over a community of more than 55,000 residents and covers city limits over 34 miles². For 2022, the Police Department had a 130 member staff. Included in this staffing are 92 sworn officers, 25 telecommunicators, and 13 professional staff members.

The Department is comprised of four divisions- Administration, Uniform, Operations, and Criminal Investigations. The Administrative Division oversees are Emergency Communications Center, Records Department, Training, and Professional Standards.

The Uniform Division, often referred to as Patrol, is our largest division within our agency. These men and women strive to make our roadways and neighborhoods safe by enforcing criminal and traffic laws, contacting citizens in need, and patrolling their assigned districts. The Operations Division is a support unit to general operations within the department and includes numerous specialty assignments such as School Resources Officers, Bomb Squad, Animal Services, K9 program, bike team, warrants, etc. Last, is our Criminal Investigation Division that conducts numerous follow-ups on investigations and cases involving crimes against persons and property, narcotics, crime scene and evidence collection and storage, and digital forensics unit.

Making the City of Bentonville a safe place to live, work and visit is our top priority. The Bentonville Citizen Connect website is an additional resource that provides a topographical view of city alerts on recent police, fire, or traffic incidents within the city limits.



Welcome to the Bentonville AR Citizen Connect Site.



The Bentonville Police Department is committed to the principles of 21st Century Policing and working in partnership with our community to create a safe and secure environment for all who live, work, and play in our great city. One of the most valuable resources our local government can provide to you, the residents we serve, is information. This includes information on recent police, fire, or traffic incidents around where you live or work, 311 request for service needs within the city, and additional resources that allow you to view and analyze trends in your area.

This map allows you to search specific areas, Cases/Incidents, and date ranges, all within city limits of Bentonville. Users may also register to receive personalized alerts to track the crime in your neighborhood. Being informed about criminal activity in our community is the first step in preventing future occurrences of crime. Together, we will enhance public safety and improve the quality of life in our community.

Cases - These reflect when officers were dispatched, a report was written, and any investigations have been completed. Some cases that appear may have concluded with an unfounded status indicating that there was not enough evidence of a crime. Specific reports such as ones involving juveniles and ongoing investigations, may not appear as they may be protected by law.

FUNDS AND DEPARTMENTS

POLICE

2022 ACCOMPLISHMENTS

- Recruited, hired, and trained the 6 sworn officers, 1 detective, 1 dispatcher, 2 police clerks approved in the 2022 budget. Despite having challenges overall in law enforcement recruitment and retention, we have been able to keep staffing filled as retirements and resignations occurred throughout the year. See attached organizational charts for 2022-2023.
- With the added personnel approved in 2022 budget, we were able to provide additional patrol officers to further prevent crime, enforce laws, and conduct investigations.
- With the addition of police clerks, it increased our proficiency in our records division and training division with records management, reporting requirements to State and Federal entities, FOIA requests, along with travel and training records overall management.
- Realigned a Sergeant position held by our Bomb Commander -Mike Meadors who retired in 2022. This position was allocated to a Traffic Sergeant to help with span of control with the increased personnel assigned to this unit (6). Lieutenant Luke Rosebaugh assumed the Bomb Commander role in a collateral duty assignment to the Operations Division supervisor role. Corporal Kerry Pippin, EOD K9 handler, was assigned full-time to the bomb squad daily operations previously held by Sgt. Meadors.
- Created a professional standards unit led by a Lieutenant, accreditation manager (sworn officer), and realigned the Training Sergeant and Training Assistant Clerk under the Administration Division.
- Accepted by CALEA to begin the process of Accreditation for our law enforcement and communications center. The accreditation process will include a complete review of all policy and procedures, facilities, and ensure best practices and greater accountability within the agency.
- Started construction of the law enforcement training facility which will include live fire training range, K9 training course, track, approved on 2021 bond extension- approximate completion date is in April 2023. Goal is to continue expanding onto the training facility in future years with a facility that includes large training/community room, gym, conference room with office spaces for future growth, ARMORY, and equipment storage.
- Completed the selection of a public safety radio system RFP and entered into a contract with RACOM/Harris to complete an entirely new public safety radio system-18 months for completion upon contract and currently set to be complete by summer of 2023. This includes addition of three new towers, repurposing a fourth tower, station monitoring at all fire facilities, upgrading our communications center consoles, and fielding of public safety radios. This P25 system will allow full interoperability with surrounding agencies, and we will be considered a part-time AWIN user.
- In-service training has been increased within our department by using train-the-trainers, making training a priority to increase officer development and to meet all State and department training requirements. Each officer has completed new state training requirements to include "Duty to Intervene".
- Increase command staff training to include applications submitted to command staff college and/or FBI National Academy. We have two command staff members with applications in for the FBI National Academy and in process of all Captains, Lieutenants, and Sergeants completing a 3-week FBI LEEDA training leadership course. Furthermore, Sergeants and Lieutenants have been attending a 5-week School of Law Enforcement Supervision course through the Criminal Justice Institute (CJI), along with Arkansas Leader, jointly sponsored by the FBI and CJI.
- Updated the police department website to aid communication to the community. This includes additional ways for the community to notify the department of traffic enforcement request, vacation house watch, and several platforms to commend or file a complaint. Additionally, we launched Citizen Connect, an information tool for the community to provide mapping tools to analyze recent police, fire, or traffic incidents within the city.

FUNDS AND DEPARTMENTS

POLICE **2022 ACCOMPLISHMENTS (CONT)**

- Replaced all aging firearms (rifle and added optics, along with pistols) in January 2022, with additional training provided.
- Removed federal LESO vehicles (MRAP and Humvee) from our inventory. The department added an armored SUV to eliminate government military surplus to increase availability of the equipment for all officers to use if needed and maintain the professional image of the police department.
- Received and equipped a total of 19 vehicles approved for 2022, to include 15 fully equipped patrol vehicles, 1 specialty vehicle, and 3 CID replacement vehicles. This required all items to go to bid based on State procurement having limited options available for purchase.
- Received and trained officers, along with other local and federal agencies, on the virtual simulator (Virtra 300 De-escalation simulator) approved by the 2021 bond extension. This item was received on January 31, 2022, and been utilized for in-service training, citizen police academy, youth academy, and other community engagement.
- Implemented a mental health/officer wellness app that was approved in 2022 budget for all current and retired employees (Cordico Wellness App through Lexipol). This has been a great resource for our officers, telecommunicators, and professional staff. This program will continue to expand in 2023 with peer-to-peer support and increased police chaplain program.
- Expanded community outreach programs to include Coffee with a Cop, Citizens Police Academy, National Night Out, Youth Academy, and our Reserve Program. The youth academy was expanded to 2 weeks with all graduates receiving CPR certification, leadership training, and thorough understanding of law enforcement overall.
- Digital Field Training Officer program to provide increased efficiency, documentation, accountability, and data analysis within the field training program for new officers. This eliminated the need for paper manuals and written daily documentation and is now completed electronically.
- Implementation of Naloxone (Narcan) program which has been distributed to officers and specialty divisions, based on the increase of fentanyl opioid arrest and potential for overdose. We have seen an increase in this drug, in addition to other controlled substances. This implementation included CPR certification for all sworn officers.
- Purchased and received a new drug incinerator through drug funds to dispose of expired controlled medication, controlled substances and other illicit drugs approved for destruction by court order. This saves driving time and manpower where previously we had to send two officers to El Dorado, AR for destruction of these types of substances.
- Assigned two narcotics officers to Federal task force (DEA) and Benton County Drug Unit to address the problem at a regional level to ensure we are focusing investigations and prosecutions on entire criminal enterprises rather than just the individual. We continue to work with other Federal Partners on task force from FBI, US Marshalls, Secret Service, DEA, and Homeland Security.
- Officer request for over 105 Special Events for city sponsored events, races, parades, and other special events; this number does not include events for request for VIP, dignitaries or private functions.

FUNDS AND DEPARTMENTS

Bomb Squad

- Homeland Security Grant Funding Received (2021 Grant Cycle)
- \$790,000.00
- \$600,000.00 – LDV Response Vehicle to replace 2003 Pierce Response Vehicle
- \$185,000.00 – Remotec F6B robot upgraded to Spartan capabilities
- \$5,000.00 – Reserved for future purchase of a drone
- Homeland Security Grant Funding Approved (2022 Grant Cycle)
- \$201,500.00
- \$40,000.00 – Upgrade Powerhawk cutting/opening tool for Remotec robots
- \$20,000.00 – Replace expired body armor (x6)
- \$20,000.00 – Training funds to provide FBI mandated 40 hours of annual specialized training for each bomb technician
- \$10,000.00 – Maintenance funds for any Homeland Security Grant purchased equipment
- \$6,500.00 – Golden Engineering XR150 x-ray generator
- \$105,000.00 – Outfitted 1-ton Response Truck to replace 2015 1-ton Response Truck (Benton County released the 2015 GMC 3500 to the City of Bentonville)
- Bomb Squad Training Received
- Approximately 192 hours of in-house training per bomb technician (1,152 total)
- 40-hour specialized training course per bomb technician (provided by IABTI, FBI & ATF)
- Titan Missile Ranch
- IABTI New Orleans
- Ammunition Burner
- Raven's Challenge
- Bomb Squad Training Provided
- Instructed a 4-hour IED Awareness/Hazmat class, with live explosives demonstration, per NWALETA class
- Assisted FBI with numerous classes in NW Arkansas including homemade explosives
- Community outreach programs
- Youth Police Academy
- Citizen Police Academy
- Robot/Technology Demonstrations
- Threat Assessment/Preparedness Training
- School Presentations
- Bomb Squad Activity 62 documented “activities” including the following:
- Administrative Duties
- Community Outreach
- K9 Sweep/Search
- Operational Standby
- K9 Demonstration
- Specialized Training Provided & Received
- Range Disposal
- Briefings, Presentations & Conferences
- 13 documented “incidents” including the following:
- Explosion/Bombing
- Including Post-Blast Investigation that resulted in identification of homemade explosives (TATP) and subsequent arrest/prosecution of suspects
- Suspicious Package
- Explosives Recovery
- Ammunition/Fireworks Recovery

FUNDS AND DEPARTMENTS

- Bomb Threat
- Precursor Recovery
- Numerous search, support, and standby hours
- Wal-Mart Shareholders
- Bikes Blues BBQ
- Walton Foundation Events
- Dignitary Visits/Summits
- Crystal Bridges/Momentary Events
- Federal Law Enforcement Assistance
- Support large events within Bentonville

Bomb Squad Additional

- Sgt. Michael Meadors retired on Nov. 1st after serving in the law enforcement and fire service for 20+ years, as well as the Bentonville Bomb Squad Commander for 9+ years
- Bentonville Bomb Squad held selection testing in May and Cpl. Charlie Katzakian was selected to fill the 6th position/vacancy and will attend the 6-week Hazardous Devices School in Huntsville, AL during the summer of 2023
- Plans for further grant funding for 2023 will occur and the Bomb Squad will enter the new year fully staffed with five certified bomb technicians (total of 50 years of experience) and one bomb technician assistant

Animal Services:

- The Shelter Manager, Alison Worley, has assisted with the construction of the new Animal Services facility. This was set to open December 2022, however, will be January 2023 before the city receives certificate of occupancy.
- Realigned the Shelter Manager under the Police Department from Parks and Recreation with the Police Department overseeing future shelter operations and employees.
- See attached calls for service and statistical data in reference animal services (provided by Alison Worley)



FUNDS AND DEPARTMENTS

POLICE

Overall, the 2022 efforts and accomplishments of our police department will help the department better support, protect, and serve the community now and into the future.

Bentonville continues to rank in the top 5 safest cities in Arkansas to live in and is a direct reflection of the members of our community and public safety. Law Enforcement is continually looking at ways to improve public safety to include an evidence-based approach to policing, implementation of technology, additional community engagement programs in line with community-oriented policing, and additional personnel with the rapid growth of Bentonville. Crime has grown proportionately to the growth of the city. Even though there could appear to be a reduction in the numbers in the calls for service, the number of violent crimes appears to go up and this is something we must continue to be strategic on enforcement. Additional specialized training and additional officers are needed to deal with these types of calls and investigations for cities experiencing rapid growth, which overall is increasing the workload of officers.

	Accidents	Private	Non-Injury	Hit and Run	Delayed	Injury	Total
2020	209	398	1195	145	150	209	2306
2021	899	277	1072	133	125		2506
2022	2903	*	*	*	*	*	2903
2023							-

Calls for service as of December 31, 2022

Major Challenges for the department continue to be the rapid growth of NW Arkansas, recruiting, and employees that can move here with affordable housing and competitive wages. This continues to be a challenge in all law enforcement, specifically in NW Arkansas, where pay for law enforcement needs to be continually reviewed with the market.

CID Assigned Cases 2022:	Total	Overall Traffic Stops	Number
Victim Refused to Cooperate:	0	2020	7477
Referred:	95	2021	6911
Closed:	85	2022	9454
Cleared by Exception:	300	2023	-
Unfounded:	58	as of December 31, 2022	
Cleared by Arrest:	542	Overall Arrest	Number
Inactive:	467	2020	3278
Active:	212	2021	3605
Grand Total	1759	2022	3313
		2023	-
		as of December 31, 2022	

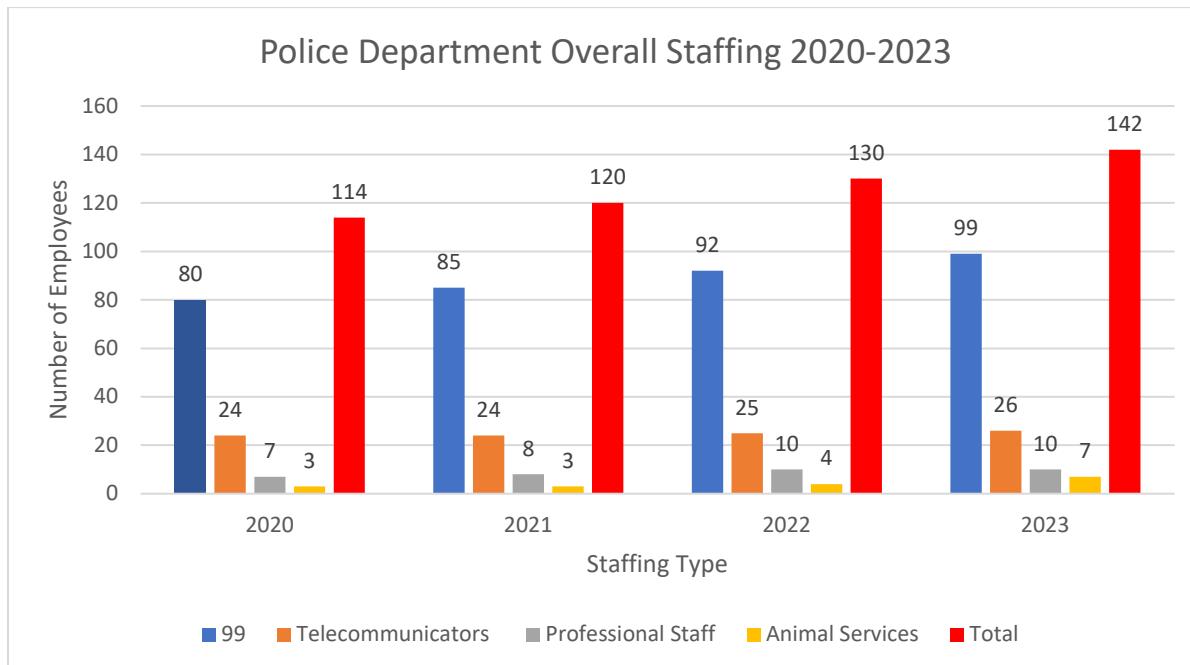
FUNDS AND DEPARTMENTS

Bentonville Police Department Sworn Officers per 1000 (population)			
Data			
Year	Sum of Projected Population	Sum of Officer per 1000	Sum of Number Sworn
2020	54,164	1.48	80
2021	56,734	1.50	85
2022	57,936	1.59	92
2023	60,833	1.63	99

According to the FBI Police Employee Data, nationwide, the rate of sworn officers was 2.4 per 1,000
 FBI recommended average minimum is 1.8 sworn officers per 1,000

Additionally, with any approved positions the process on average takes approximately 9 months before released on their own. This includes 13 weeks in the State Academy, 12 to 16 weeks in the Field Training Program, and additional State and Department training requirements.

This same factor applies to our Emergency Communications center staffing with increased training requirements while battling turnover. The more employees we can retain, the less resources spent on recruiting, testing, backgrounds, and the initial training investment. This would allow the city to implement new programs and produce higher standards for all employees.

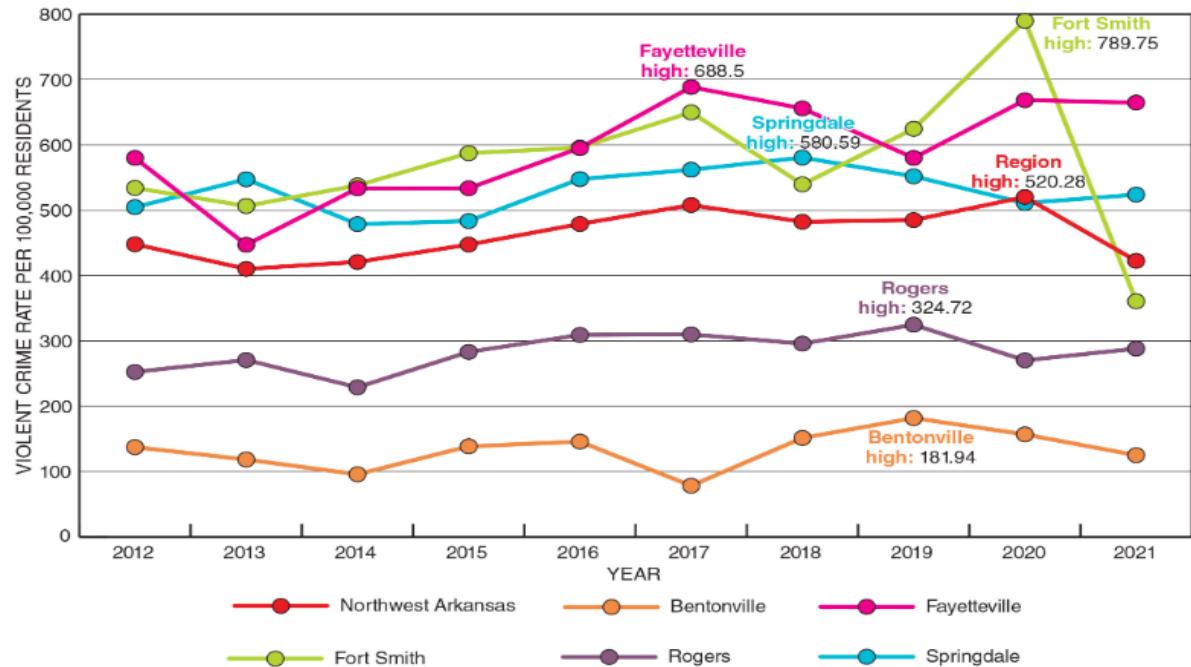


FUNDS AND DEPARTMENTS

Additional Police reference charts:

Northwest Arkansas violent crime rates

The violent crime rate in Northwest Arkansas has changed along with the region's population over the past decade. The following chart shows the rate, calculated by comparing the number of violent crimes with the population, for each year since 2012. The numbers for homicide, rape/sexual assault, robbery and aggravated assault comprised the violent crime recorded. Fayetteville, Springdale, Rogers, Bentonville and Fort Smith combined to make the rate for Northwest Arkansas.



SOURCE: Fayetteville, University of Arkansas, Springdale, Rogers, Bentonville, Fort Smith police departments

NWA Democrat-Gazette/CHRIS SWINDLE



FUNDS AND DEPARTMENTS

POLICE

2023 GOALS AND OBJECTIVES

- Work with the Bentonville School District on the addition of 2 additional School Resource Officers. This will give a total of 7 School Resource Officers funded by the Bentonville School District. This brings the approved sworn officer positions from 6 to 8 for 2023 budget, pending the approval by the City Council.
- Complete the construction and fielding of the Public Safety Radio system. Set to be complete summer of 2023. Train and field all new mobile and portable radios for the system.
- Complete the initial training facility construction and design based on what was approved with the 2021 bond extension.
- Complete proposal approved in 2023 budget for additional evidence storage and shelving systems in our main facility.
- Note 2022- Evidence intake 2861 additional pieces of evidence.
- Recruit, hire and train the 6 new sworn officers, 2 additional school resources officers, and 1 telecommunicator in the first quarter of 2023.
- Emergency Communications Center.
- Meet first year requirements for CALEA accreditation of the communications center.
- In line with the police Field Training Program going digital in 2022, use the same software for training new telecommunicators.
- Enroll and meet APCO Project 33 Accreditation standards for public safety communications training.
- Complete the Animal Services facility with grand opening to the public in February. Animal Services will implement training for all new employees on shelter operations, ordinances, and best practices. They will continue to fund raise and look at a permanent program similar to the library or parks and rec for sources of additional revenue by grants and donations.
- Police Department review all policy and procedures, directives, and guidelines by March 2023 in line with CALEA accreditation standards. This would go to city council for approval following this process. Furthermore, review all facility, evidence, and records management standards and requirements through CALEA accreditation.
- Establish a peer-to-peer program for mental wellness for all officers, adding to the Cordico wellness app implemented in 2022.
- Expand the Crisis Intervention Training program and look at additional grant funding available for potential social worker to assist the police department with this program.
- Civilian personnel assigned to CID- Admin tech would attend an analyst course and second Admin Tech assigned to evidence would attend an evidence room management course.
- Look at adjustment in position with approval by city council on changing a current telecommunicator position to an assistant manager and/or manager in communications center for succession of command or overall training and standards.
- Look at grant funding to replace some older bikes on our bike team with new e-bikes.
- ESGI set to come back for specialized Active Shooter training for the police department and fire department.

FUNDS AND DEPARTMENTS

- Order Command Post that was approved in 2023 budget as a joint effort between the Police Department and Fire Department for future operations, special events, and natural disasters.



- Began the process of the records expansion with current building upgrades in the budget. This would be finished in 2024 and in line with the CIP request for remodeling current spaces for our records division future growth.



FUNDS AND DEPARTMENTS

POLICE **2023 BUDGET**

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ 465,033	\$ 465,033	\$ 495,771	\$ 30,738	6.6%
Licenses & Permits	2,274	2,734	-	(2,734)	-100.0%
Intergovernmental Revenue	579,893	480,000	480,000	-	0.0%
Charge for Services	684,815	898,690	723,700	(174,990)	-19.5%
Special Assessments/Fines	24,510	21,834	25,230	3,396	15.6%
Interest/Rent	-	-	-	-	-
Other Income	131,127	-	-	-	-
Total Revenues	1,887,652	1,868,291	1,724,701	(143,590)	-7.7%
Expenditures					
Operations and Maintenance					
Salaries & Wages	7,487,589	8,418,564	9,392,481	973,917	11.6%
Benefits	3,453,837	3,894,513	3,741,925	(152,588)	-3.9%
Supplies & Materials	573,979	683,180	887,334	204,154	29.9%
Technology Maintenance/Minor Equipment	263,318	362,090	622,031	259,941	71.8%
Professional Services	316,420	278,722	274,222	(4,500)	-1.6%
Property Services	474,771	617,032	653,970	36,938	6.0%
Other Services	292,620	360,106	381,911	21,805	6.1%
Utility Cost of Goods	-	-	-	-	-
Total Operations and Maintenance	12,862,534	14,614,207	15,953,874	1,339,667	9.2%
Capital Expenditures					
Capital	745,073	1,407,010	1,552,206	145,196	10.3%
Setasides - Capital Items	-	-	-	-	-
Total Capital Expenditures	745,073	1,407,010	1,552,206	145,196	10.3%
Other					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
Total Other	-	-	-	-	-
Total Expenditures	13,607,607	16,021,217	17,506,080	1,484,863	9.3%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	-
Use of Reserves	-	250,000	-	(250,000)	-100.0%
Donated Infrastructure (non-cash item)	-	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-	-
Sale of Capital Assets	5,000	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources and Uses	5,000	250,000	-	(250,000)	-100.0%
Net	\$ (11,714,955)	\$ (13,902,926)	\$ (15,781,379)	\$ (1,878,453)	13.5%

FUNDS AND DEPARTMENTS

POLICE BUDGET SUMMARY

- Taxes for State Turnback projected to increase to \$495,771 over the 2022 budget of \$465,033.
- Intergovernmental Revenue is projected to stay flat in the 2023 budget. Intergovernmental Revenue-comes from PSAP (State Reimbursements for Public Safety Answering Points).
- Charge for Services-School Reimbursements SRO program/Federal Task Force Overtime Reimbursements (FBI).
- Special Assessment and Fines (fingerprints/accidents/FOIA/warrants/other fees) .
- Billed Services-Vendor Paid detail (drop from 2022 -\$300,000 to \$215,000 based on analytical data).
- Salaries and Wages are up due to the 6% merit increase and increase in 6 positions.
- Benefits are up due to a projected increase in insurance costs for the department related to added coverage and the additional personnel requested for the 2023 budget year.
- Professional Services is decreased due to the new animal services offering these services.
- Supplies and Materials are increased 29%, mostly due to additional lab and photo, uniform supplies, fuel supplies, custodial supplies, minor equipment, and safety supplies.
- Technology and maintenance has the largest increase at 71%. Multiple license renewals increased costs for investigative purposes and for support of our 911 telecommunications center.
- Property Services has a small decreased. Includes such expenses as BCSO prisoner housing, Police K9 vet services, Towing drug seized vehicles, Autopsy reports, 911 equipment costs, promotional activities.
- Capital Expenditures are up due to 7 police vehicle replacements due to age and mileage and 6 new officer position vehicles. Other items include Trunk storage boxes for new officers, new ratios and a specialty vehicle Command Post, whose cost was split with fire department.
- Capital also includes \$80k for additional sliding shelving in the evidence room, Computer software upgrades to provide better visibility and networking.

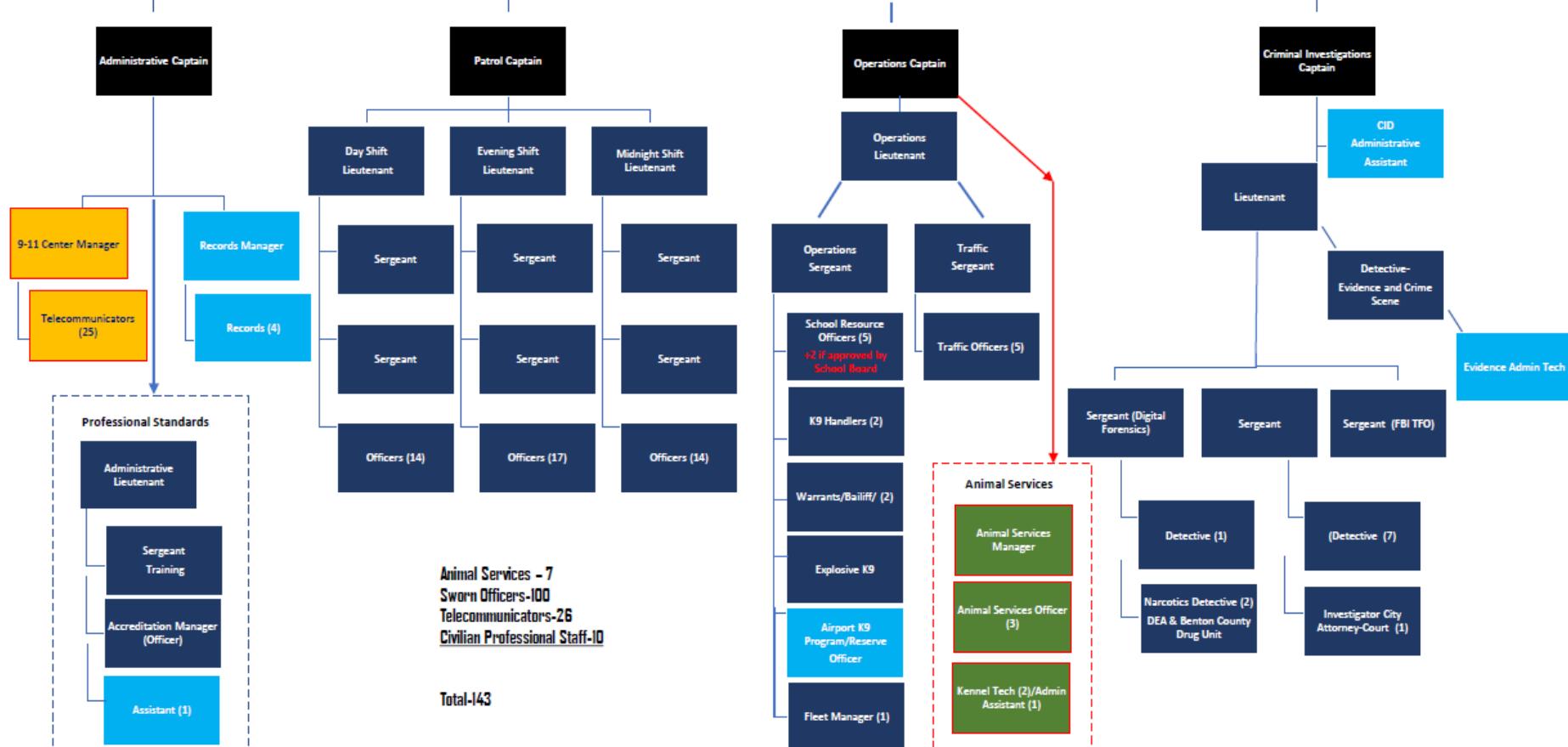


FUNDS AND DEPARTMENTS



2023 Organizational Chart

POLICE



FUNDS AND DEPARTMENTS

FIRE

OVERVIEW



The Bentonville Fire Department is committed to serving the citizens of Bentonville with the superior level of fire protection and emergency medical services.

It is the shared vision of the members of the Bentonville fire department that through active training, maintaining a motivated workforce, and equipping ourselves with the best in equipment and apparatus, we will provide the best protection possible in the field of fire protection, rescue services, and environmental protection for those we serve.

While the fire service is far reaching and multidimensional in services. The one overall goal set forth by the National Fire Protection Agency is to reach an emergency scene within 5 minutes of station notification with the first arriving unit.

2022 ACCOMPLISHMENTS

- Hired nine new personnel and added six additional personnel from a grant provided by the Walton Foundation.
- Hired two additional Fire Inspectors for the Building and Fire Safety Division.
- The Fire Department implemented a bike patrol team for the Bentonville Trail system.
- Bentonville Fire Training Facility was completed with Bond Funds.



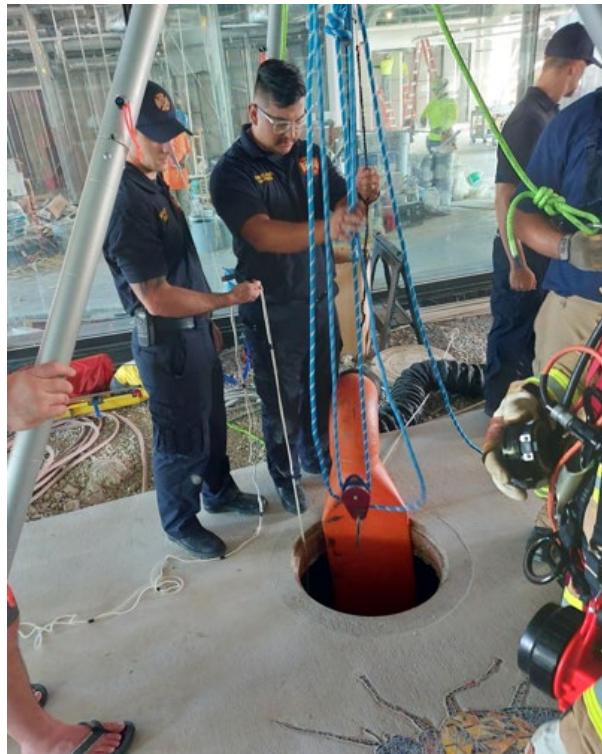
- ESO records management software (RMS) was implemented for both Fire and EMS. All records from previous software were converted into the new system.
- Eight new heart monitors were received and placed in service in December.
- Two new trail and event UTV's were placed in-service for the bike patrol team.

FUNDS AND DEPARTMENTS

2023 GOALS AND OBJECTIVES

- Due to numerous supply chain issues, a few of our specialty vehicles were not able to be completed in 2022. The next four items were all delayed due to the supply chain issues in the country.
- New ladder truck should arrive after the first of the year and will be placed in service upon its arrival.
- New Aircraft Rescue Firefighting (ARFF) apparatus should arrive shortly after the first of the year and will be placed in service upon its arrival.
- Quick Response Apparatus should arrive after the first of the year and will be placed in service upon its arrival.
- An Advanced Life Support Ambulance should arrive by year end and will be placed in service upon its arrival.
- Complete and occupy a 1600 sq. ft. +/- addition to Station 3. The construction has started and should be complete by the end of 2023.
- Fill six new positions on the line staff. This is step 4 of a 5-step plan.
- Fill one new building inspector position.
- Order a new 100' aerial, fire apparatus to replace a 2000 model. Delivery will take 18-24 months.
- Implement an on-line payment option for EMS billing.

Call Type	Goal/Minutes	2021	2022
Fire	5:00 Min	4:53 Min	4:38 Min
EMS/Rescue	5:00 Min	5:11 Min	4:59 Min



FUNDS AND DEPARTMENTS

FIRE 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ 1,312,039	\$ 1,305,625	\$ 1,380,517	\$ 74,892	5.7%
Licenses & Permits	2,638,384	1,651,084	2,202,606	551,522	33.4%
Intergovernmental Revenue	13,259	13,259	14,875	1,616	12.2%
Charge for Services	1,344,964	1,217,414	1,344,181	126,767	10.4%
Special Assessments/Fines	-	-	-	-	-
Interest/Rent	109	-	-	-	-
Other Income	56,964	20,000	333,884	313,884	1569.4%
Total Revenues	5,365,719	4,207,382	5,276,063	1,068,681	25.4%
Expenditures					
Operations and Maintenance					
Salaries & Wages	7,576,132	8,443,923	9,563,929	1,120,006	13.3%
Benefits	3,327,212	3,773,487	3,925,614	152,127	4.0%
Supplies & Materials	483,209	653,235	755,791	102,556	15.7%
Technology Maintenance/Minor Equipment	289,116	246,476	385,847	139,371	56.5%
Professional Services	344,908	422,697	467,465	44,768	10.6%
Property Services	367,148	515,610	554,050	38,440	7.5%
Other Services	217,597	324,107	466,507	142,400	43.9%
Utility Cost of Goods	-	-	-	-	-
Total Operations and Maintenance	12,605,422	14,379,535	16,119,204	1,739,669	12.1%
Capital Expenditures					
Capital	2,567,251	2,564,246	2,880,775	316,529	12.3%
Setasides - Capital Items	-	-	-	-	-
Total Capital Expenditures	2,567,251	2,564,246	2,880,775	316,529	12.3%
Other					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
Total Other	-	-	-	-	-
Total Expenditures	15,172,673	16,943,781	18,999,978	2,056,197	12.1%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	-
Use of Reserves	-	1,050,000	1,500,000	450,000	42.9%
Donated Infrastructure (non-cash item)	-	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-	-
Sale of Capital Assets	72,050	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources and Uses	72,050	1,050,000	1,500,000	450,000	42.9%
Net	\$ (9,734,904)	\$ (11,686,399)	\$ (12,223,915)	\$ (537,516)	4.6%

FUNDS AND DEPARTMENTS

FIRE BUDGET SUMMARY

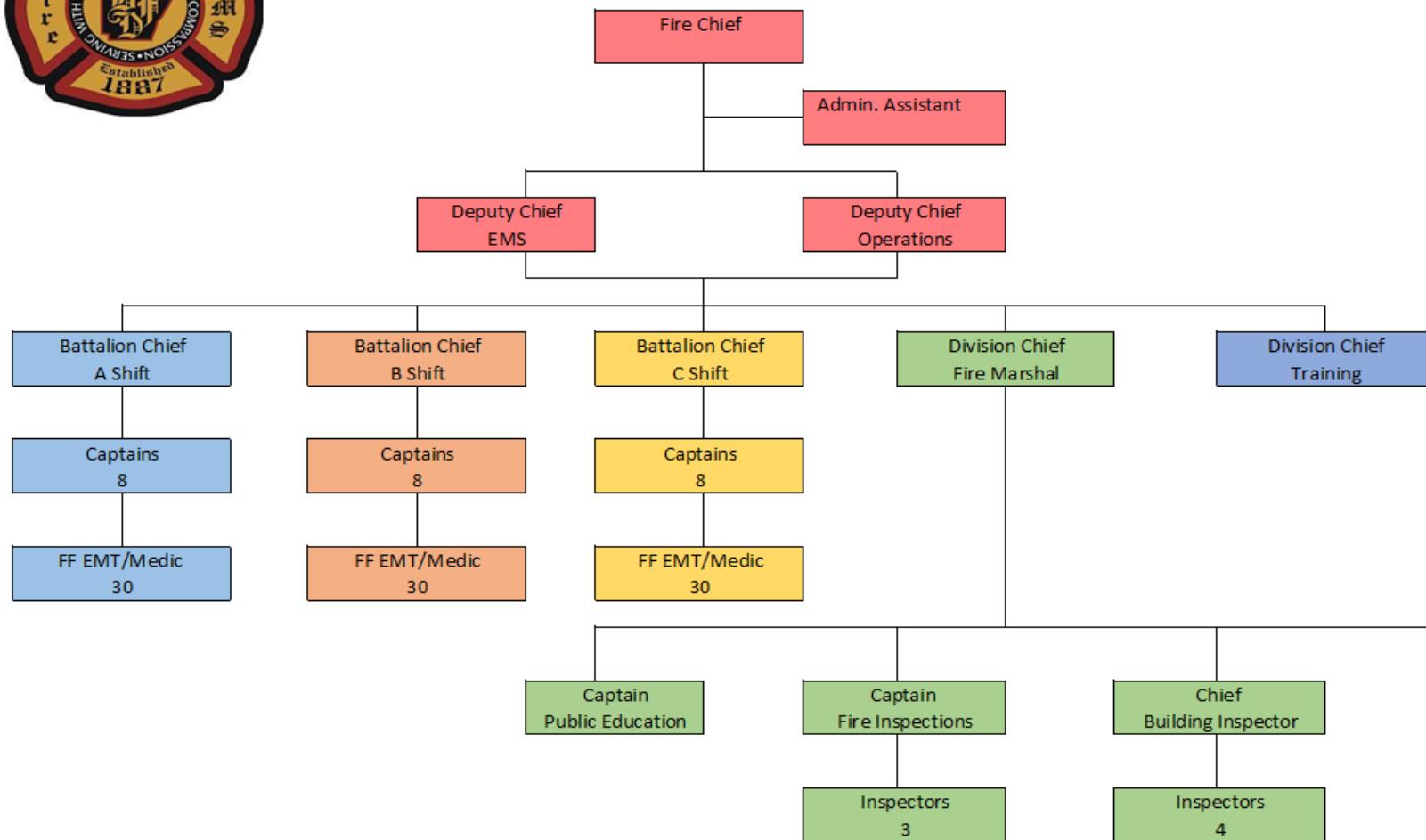
- Licenses and Permits and Charges for Services are both estimated to be up due to a change in the forecasting method used for Building Permits this year. An increase in ambulance fees are also a factor due to inflation.
- Salaries and Wages are up due to the 6% merit and six new Firefighters, and a Fire Inspectors and a part-time medical director are being budgeted for 2023.
- Benefits are up due to a projected increase in insurance costs for the department related to added coverage and the additional personnel requested for the 2023 budget year.
- Professional services 16.6% increase for new staff physicals, background checks, and immunizations for paramedic students.
- Capital Expenditures are up 12.3% due to the addition of a bathroom facility at the fire training facility, additional equipment, and replacement Aerial truck.
- Reserves are being used to fund the replacement Aerial Truck.



FUNDS AND DEPARTMENTS



Bentonville Fire Department 2022 Organizational Structure



FUNDS AND DEPARTMENTS

PUBLIC WORKS MAINTENANCE

OVERVIEW

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

2022 HIGHLIGHTS & ACCOMPLISHMENTS

- June - Started design of a columbarium/committal shelter for the city's cemetery.
- July - Maintenance staff completed a four-year project converting 2,285 fixtures and or bulbs to LED technology at our city facilities.
- October - Completed phase one of a cemetery fence project replacing 611 feet of chain-link fencing with a Cedar privacy fence. Total linear footage to be replaced is 1065 feet.
- November - Secured funding within the department's 2023 budget for construction of the columbarium/committal shelter project that is currently being designed.

2023 GOALS AND OBJECTIVES

- Complete phase two of three on our cemetery fence project installing 400 linear feet of privacy fence.
- Remove and replace mausoleum landscape and reconfigure irrigation system.
- Level and align 400 headstones and continue the weekly mowing and grounds maintenance of the city's 19-acre cemetery with 12,000 graves and over 10,000 headstones.
- Concentrate on a renewed focus of scheduled weekly maintenance for over 35 miles of the city's rights-of-way.
- Perform edging four times per year on over 66 miles of sidewalks and street curb lines.
- Continue the grounds maintenance, facility maintenance and custodial services of our facilities located throughout the City of Bentonville.
- Work with mowing contractors to achieve more thorough and consistent mowing cycles.



FUNDS AND DEPARTMENTS

PUBLIC WORKS MAINTENANCE

- Start and complete construction on the city cemetery's columbarium/committal shelter project.



Bentonville Cemetery - Columbarium
Bentonville, Ar
19 September, 2022



Hight **Jackson**
ASSOCIATES

Historical Cemetery Lot Sales and Funerals

YEAR	INDIVIDUAL SALES	SPACES SOLD	OPEN CLOSE	CREMATIONS
2022	43	114	66	18
2021	70	162	105	37
2020	55	107	65	27

2023 Financial Performance Measures – Cemetery Lot Sales and Funeral Open/Close

LOT SALES

YEAR	BUDGETED	ACTUAL
2023	\$44,425	
2022	\$32,486	\$39,200
2021	\$28,000	\$44,425
2020	\$15,000	\$32,486

OPEN/CLOSE

YEAR	BUDGETED	ACTUAL
2023	\$35,000	
2022	\$34,500	\$33,000
2021	\$28,000	\$49,000
2020	\$22,000	\$34,500

FUNDS AND DEPARTMENTS

PUBLIC WORKS MAINTENANCE 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	94,900	66,986	79,425	12,439	18.6%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	21	-	-	-	--
Other Income	62	-	-	-	--
Total Revenues	94,983	66,986	79,425	12,439	18.6%
Expenditures					
Operations and Maintenance					
Salaries & Wages	971,324	1,103,456	1,187,837	84,381	7.6%
Benefits	447,895	506,406	520,422	14,016	2.8%
Supplies & Materials	134,132	150,500	159,100	8,600	5.7%
Technology Maintenance/Minor Equipment	6,110	13,775	19,875	6,100	44.3%
Professional Services	349,572	431,500	441,500	10,000	2.3%
Property Services	124,743	158,750	154,500	(4,250)	-2.7%
Other Services	17,937	14,025	14,451	426	3.0%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	2,051,713	2,378,412	2,497,684	119,272	5.0%
Capital Expenditures					
Capital	1,422,506	142,000	997,000	855,000	602.1%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	1,422,506	142,000	997,000	855,000	602.1%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	3,474,219	2,520,412	3,494,684	974,272	38.7%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	400,000	400,000	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	-	-	400,000	400,000	--
Net	\$ (3,379,236)	\$ (2,453,426)	\$ (3,015,259)	\$ (561,833)	22.9%

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 lot sales.
- Salaries and Benefits –7.6% increase includes a 6% Merit Raise, adding (2) Full-Time Maintenance Positions for 2023. These positions will be paid for with a \$120,000 reduction within our Professional Services Budget Request.
- Professional Services –Overall Professional Services still has a small 2.3% increase; this is due to several mowing contracts that will need to be re-bid for 2023. We expect potentially large increases due to fuel and labor related inflation. One contractor stated that if they were to re-bid their existing contract today there would be a 25% increase.
- Professional Services–New for 2023 is a \$30,000 contract for a Storm Debris Removal Program for our city's citizens. Parameters for potential contracts such as qualifying weather events and eligible citizens are still being worked out.
- Capital expenditures is budgeted to be up \$800,000 due to design fees for a columbarium and committal shelter. These items will give maintenance staff and funeral homes more consistency and efficiency for funerals. In addition, there are three mowers that are budgeted to be replaced in the current year.
- Other Capital expenditures include \$84,500 plus tax to purchase a 2021 New Holland Backhoe that is currently leased by our department. Purchasing our leased backhoe makes financial sense because a new lease in 2023 will be 60% higher than our existing lease. Also, a quote to purchase a new 2023 backhoe is \$120,000 plus tax.



FUNDS AND DEPARTMENTS

PARKS & RECREATION



OVERVIEW

Bentonville Parks and Recreation's mission is to "Enrich lives through recreation, leisure and culture". We do this by offering public recreation programs and amenities for residents and visitors. Our inventory includes public spaces such as the Downtown Bentonville Square, to passive spaces like Memorial Park and the Bentonville Community Center. In total, we estimate our parks and trail system welcomed more than 3.5 million people in 2022.

2022 ACCOMPLISHMENTS

1. Parks and Recreation continued to witness growth of public recreation programs with more than 140 recreation programs with more than 569,000 participants producing approximately \$4.2MM in revenue.
2. Staff completed feasibility studies and master plans for a new park and recreation maintenance facility and an adult wellness center. The maintenance facility is budgeted for construction for 2023 with a plan to possibly begin construction of a wellness center in 2023.
3. The Orchards Park Dog Park and Playground project concluded with a grand opening on June 25. This investment provided a much-needed destination playground to Orchards Park and



FUNDS AND DEPARTMENTS

provided residents with our second dog park.



4. Parks and Recreation Staff successfully hosted 42 sports tournaments, including the USSSA Fast Pitch Softball World Series. The economic impact of BPR's sports tournament exceeded 3.5 million dollars.

2023 GOALS AND OBJECTIVES

1. Complete construction and successfully open Creekside Park, Little Osage Creek Trail, and Bright Road Project.
2. Complete construction and successfully open Razorback Greenway at Interstate 49, and McKissick Creek Trail projects.
3. Finalize Plans and begin construction on the Town Branch Park Project.
4. Finalize Plans and begin construction on the A Street Promenade Project.
5. Finalize Plans and begin construction on Phillips Park Sports Complex Project.



FUNDS AND DEPARTMENTS

PARKS & RECREATION **2023 BUDGET**

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	- -
Licenses & Permits	-	-	-	-	- -
Intergovernmental Revenue	97,064	-	-	-	- -
Charge for Services	3,064,521	3,819,000	4,380,878	561,878	14.7%
Special Assessments/Fines	-	-	-	-	- -
Interest/Rent	22	-	-	-	- -
Other Income	1,782,379	-	-	-	- -
Total Revenues	4,943,986	3,819,000	4,380,878	561,878	14.7%
Expenditures					
Operations and Maintenance					
Salaries & Wages	3,452,457	4,023,851	4,542,905	519,054	12.9%
Benefits	1,269,328	1,467,829	1,613,246	145,417	9.9%
Supplies & Materials	714,858	1,036,640	1,382,745	346,105	33.4%
Technology Maintenance/Minor Equipment	23,663	33,680	119,795	86,115	255.7%
Professional Services	2,291,434	1,745,622	1,772,706	27,084	1.6%
Property Services	617,764	780,315	856,650	76,335	9.8%
Other Services	133,528	193,666	222,920	29,254	15.1%
Utility Cost of Goods	-	-	-	-	- -
Total Operations and Maintenance	8,513,042	9,281,603	10,510,968	1,229,365	13.2%
Capital Expenditures					
Capital	2,425,230	1,949,155	6,908,919	4,959,764	254.5%
Setasides - Capital Items	-	-	-	-	- -
Total Capital Expenditures	2,425,230	1,949,155	6,908,919	4,959,764	254.5%
Other					
Debt Service	-	-	-	-	- -
Depreciation/Amortization	-	-	-	-	- -
Total Other	-	-	-	-	- -
Total Expenditures	10,338,272	11,230,758	17,419,887	6,189,129	55.1%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	147,688	-	1,500,000	1,500,000	- -
Use of Reserves	-	450,000	2,300,000	1,850,000	411.1%
Donated Infrastructure (non-cash item)	-	-	-	-	- -
Proceeds from Issuance of Debt	-	-	-	-	- -
Sale of Capital Assets	-	-	-	-	- -
Transfers In	-	-	-	-	- -
Transfers Out	-	-	-	-	- -
Total Other Financing Sources and Uses	147,688	450,000	3,800,000	3,350,000	744.4%
Net	\$ (5,846,598)	\$ (6,361,758)	\$ (9,239,009)	\$ (2,277,251)	32.7%

FUNDS AND DEPARTMENTS

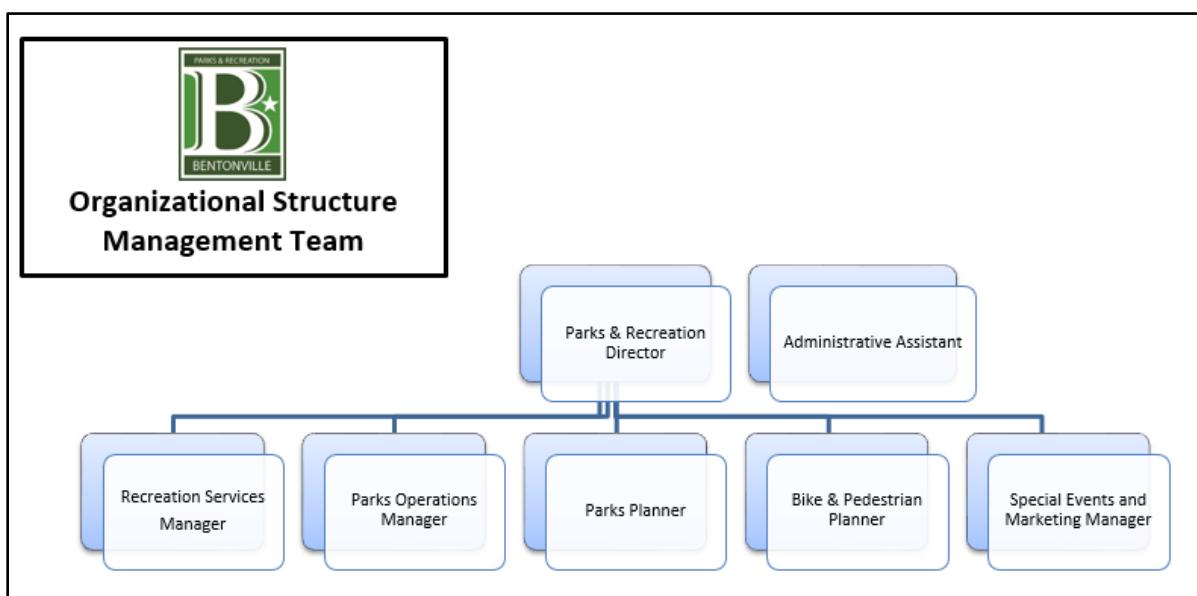
PARKS & RECREATION

BUDGET SUMMARY

- The 2023 Budget accounts for a merit increase up to 6% for current staff, as well as five (5) new positions for the Parks and Recreation Department. Each of these new positions allow for strategic growth due to new facilities.
- Revenues are slated to continue to increase as the department and the industry emerge from the Covid Pandemic. Another year of modest increase should place the department at pre-pandemic revenue numbers.
- Capital Expenses Line Item increased significantly to account for a new Parks and Recreation Maintenance Complex at Memorial Park and a park renovation at Town Branch Park.
- Supplies and Materials and Property Services both witnessed an increase due to rising costs of goods. This increase may also be attributed to in part by increased demand for recreation programs offered by the department.



Bentonville Community Center



FUNDS AND DEPARTMENTS

LIBRARY

OVERVIEW



The mission of Bentonville Public Library (BPL) is to engage our community, encourage discovery and promote literacy by offering lifelong learning opportunities.

In 2022, Bentonville Public Library recorded 763,427 circulations of its collections, including checkouts of physical materials and downloads of digital books. This is BPL's highest circulation ever! Other library milestones include 61,752 holds fulfilled and over 600,000 database hits. Library visitors totaled more than 257,000 with 39,621 patrons attending library programs and over 5,800 new library cards issued.

The library introduced brand new services to the community with the installation of Pickup Lockers at the Library and Community Center. The lockers offer more options for patrons to pick up requested items. The library also launched new payment options for patrons to pay fines online with a credit card, or at BPL using selfCheck terminals that accept cash and credit cards.

BPL participated in many signature events including the Thinking Money for Kids traveling exhibit, Bentonville Together festival, Choose Love event, Northwest Arkansas Community College's Spring Arts and Culture Festival, plus hosted special author visits, book clubs, art activities, the Oceans of Possibilities summer reading program and many, many more library programs for all ages and interests.

Bentonville Public Library was again a designated site for Bentonville Schools' and Aramark's Summer Feeding Program. More than 7,000 free meals were served this summer. In June and July, 4,450 patrons registered to read over 45,478 hours and 124,511 materials were checked out. The return of Bentonville GeekCon, OZ Kids™ Bike & Book Fest and OZ Kids™ Fat Tire Criterium & Fall Fest realized 3,700 attendees to the outdoor celebrations. In addition to community partners and library affiliates, many City of Bentonville teams supported BPL's events, including Fire, Police, Parks and Recreation, Public Works and Transportation departments.

Working with the Mayor of Bentonville, the Library collaborated with the Bentonville Parks department and others on a pilot project to initiate a "Lil' Library in the Park" to broaden access to books and promote literacy. A Bright Idea Award initiative of Mayor Stephanie Orman, BPL's "Lil' Library" will be installed at Lake Bentonville Park soon!

Property improvements were made by Bentonville Public Library in 2022. Train Station upgrades and a historic preservation project were accomplished in collaboration with the Bentonville Legal department and Public Works department. A new entrance to BPL's parking lot was constructed during the Main Street project, in partnership with the City of Bentonville's Transportation Department.

BPL continued work on its expansion plan by completing architectural designs and preconstruction activities which included value engineering the project to align with a \$16,750,000 budget. Approximately 22,795 square feet will be added to expand services and offer new amenities; additionally, renovations and outdoor enhancements will improve the project overall. The library is expected to break ground this spring.

FUNDS AND DEPARTMENTS

ACCOMPLISHMENTS

- Bentonville Public Library installed Pickup Lockers at the Library and Community Center to offer more options for patrons to pick up requested items. The project was funded with grants that were made possible through the American Rescue Plan Act (ARPA) and the CARES Act and distributed by the Arkansas State Library and the Arkansas Department of Finance and Administration.
- The library hosted Thinking Money for Kids, a national traveling exhibit and developed 14 complementary programs, events, services, and specialty offerings to support the unique project. The exhibit was attended by 3,290 patrons, including 670 students visiting from schools/organizations. The museum-quality exhibition was brought to communities nationwide by the FINRA Investor Education Foundation and the American Library Association (ALA) Public Programs Office. BPL was one of fifty libraries selected to host the exhibit.
- Bentonville Public Library hosted a booth at the Bentonville Together Festival to share library resources, take-home craft kits, drop-in stories and a multilingual reading of Eric Carle's The Very Hungry Caterpillar in English, American Sign Language, Chinese, French and Spanish. BPL's booth was visited by more than 500 patrons.
- Bentonville GeekCon was back for 2022! After a break of two years, BPL brought the fun and games to the backyard for the community to enjoy. Marvel and DC fans enjoyed an inflatable Superhero Training Camp, superhero mini-games, photo booth, crafts for all ages, stories and more. Comics and books were given away, thanks to donations from Diamond Comic Distributors and KPMG. The Pizza Party on the Porch was provided by Rotary International – Bentonville Satellite Group. Bentonville GeekCon was sponsored by the Friends of the Bentonville Library. More than 1,200 patrons attended the event.
- Bentonville Public Library collaborated with the Library Foundation, Ozark Outdoor Foundation, and several other community partners to present two festivals that featured books, crafts, music, food, yoga, and special bike activities for children. The outdoor celebrations were attended by over 2,500 people.
- BPL's Summer Reading Club celebrated reading, and more, with Oceans of Possibilities! In June and July, 4,450 participants read more than 44,900 hours with 124,511 materials checked out of the library.
- Bentonville Public Library was again a designated site for Bentonville Schools' and Aramark's Summer Feeding Program. More than 7,000 free meals were served this summer!
- BPL's Tech Card program continued into its ninth year. The Walmart ROC Team provided volunteer support for packet preparation. The project support virtual education opportunities for students in the local service area.
- Local teen volunteers, working on an Eagle Scout project, constructed, and painted three new picnic tables for BPL's backyard; the tables are located near the library's learning gardens.
- Bentonville Public Library participated in the Northwest Arkansas Community College's Spring Arts and Culture Festival for a second year. Library events explored the theme of "interdependence" with virtual storytimes, The Mayor's Book Club, a screen-free family night and local teens shared book talk videos.



FUNDS AND DEPARTMENTS

- BPL supervised an Americans with Disabilities (ADA) remodel project of the Train Station, a city-owned facility. A historic preservation easement was achieved to protect and conserve the property into the future. The Public Works Department also performed minor repairs to assist in the stewardship of the property.
- The library launched new credit card options for patrons to pay fines and fees. Additionally, BPL upgraded its selfCheck terminals and online public catalogs to replace outdated equipment and improve the customers' experience. The selfCheck terminals offer coin, bill, and credit card options for paying fines and fees.



- Working with the Mayor of Bentonville, the Library collaborated with the Bentonville Parks Department and other partners on a pilot project to initiate a "Lil' Library in the Park" to broaden access to books and promote literacy.
- Remote access to work expanded with the purchase of laptops for full-time library staff, using Cares Act funds.
- BPL hosted several author events for adults throughout the year, including Keith O'Brien, Suzanne Woods Fisher, Sean Fitzgibbon, Crescent Dragonwagon, Tim Ernst and more. The sessions were offered in partnership with the Friends of the Bentonville Library and Two Friends Books, among other library supporters.
- Bentonville Public Library hosted a booth at the Choose Love event in partnership with Bentonville Schools to share library resources and offer drop-in crafts. BPL's booth was visited by more than 500 patrons.
- With professional services provided by MSR Design and Flintco, Bentonville Public Library completed architectural designs and preconstruction activities for its expanded facility project. The library presented many sessions for the public, donors, prospective supporters, and civic groups and performed value engineering to align community need with the project budget of \$16,750,000.



- A new entrance to the library's parking lot was constructed during the Main Street project, in partnership with the City of Bentonville's Transportation Department.

FUNDS AND DEPARTMENTS

2023 GOALS AND OBJECTIVES

- Bentonville Public Library will continue work on the facility expansion project, contracting with professionals for design and construction management services, and partnering with the Bentonville Library Foundation for private fundraising support. Upon procurement of funding and approval of contracts, the library will break ground and begin construction.



- Associated facility and grounds projects to benefit the library's expansion are planned such as an HVAC refresh, utility relocation and additional parking lot modifications.
- BPL will participate in the City of Bentonville's sesquicentennial anniversary with special activities to celebrate 150 years.
- BPL will complete the library's strategic plan comprised of key priorities during a three-year period, and gain board support for the plan.
- The library will institute cost-recovery rental fees for meeting room use, as appropriate to policies and procedures.
- Bentonville Public Library will promote its new participation in the State Library's Mockingbird project as an avenue for resource sharing with other Arkansas public libraries.
- BPL will continue to participate in initiatives that celebrate our welcoming community, diversity, and equal access to library resources, as appropriate to our mission.
- Bentonville Library will continue to collaborate with partners to plan, present and implement community events that celebrate literature, art, culture, and other Bentonville values.
- BPL will continue to offer quality services and programs for children, teenagers, adults, and families.
- Library staff will continue to offer outreach activities and partnerships with community organizations to broaden the library's reach in our community, as resources allow.
- 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 eCommerce and the Materials Recovery Program.
- Library staff will continue to focus on facility maintenance to keep the library building and grounds in excellent condition.

FUNDS AND DEPARTMENTS

LIBRARY

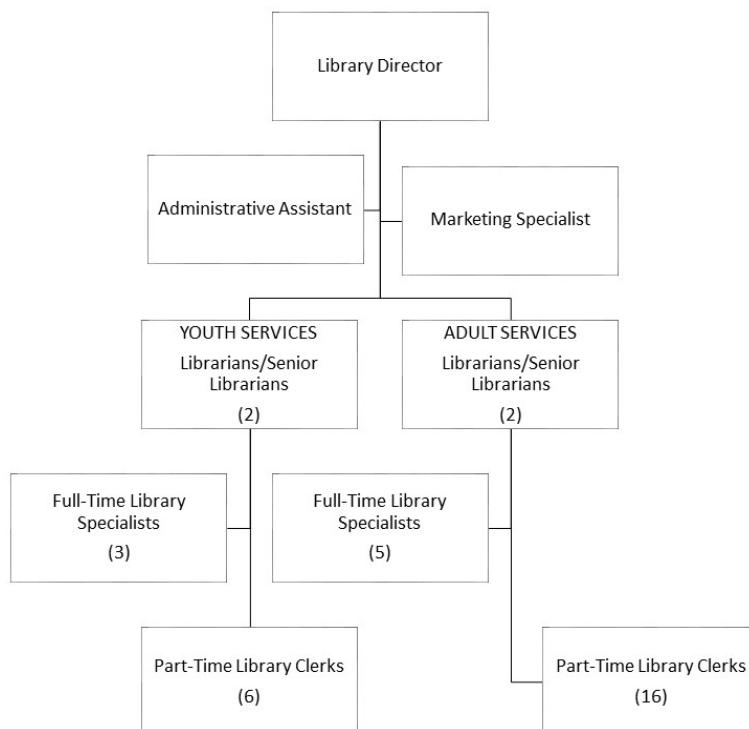
2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	15,750	18,000	10,800	(7,200)	-40.0%
Charge for Services	-	-	-	-	-
Special Assessments/Fines	46,866	40,000	55,000	15,000	37.5%
Interest/Rent	8,636	11,400	11,400	-	0.0%
Other Income	8,134	8,000	21,000	13,000	162.5%
Total Revenues	79,386	77,400	98,200	20,800	26.9%
Expenditures					
Operations and Maintenance					
Salaries & Wages	967,053	1,066,603	1,193,693	127,090	11.9%
Benefits	291,109	323,578	337,161	13,583	4.2%
Supplies & Materials	210,710	223,500	230,950	7,450	3.3%
Technology Maintenance/Minor Equipment	198,635	262,425	295,450	33,025	12.6%
Professional Services	47,549	27,500	49,500	22,000	80.0%
Property Services	81,862	129,985	149,735	19,750	15.2%
Other Services	45,941	59,886	57,750	(2,136)	-3.6%
Utility Cost of Goods	-	-	-	-	-
Total Operations and Maintenance	1,842,859	2,093,477	2,314,239	220,762	10.5%
Capital Expenditures					
Capital	17,902	22,500	108,791	86,291	383.5%
Setasides - Capital Items	-	-	-	-	-
Total Capital Expenditures	17,902	22,500	108,791	86,291	383.5%
Other					
Debt Service	-	-	-	-	-
Depreciation/Amortization	-	-	-	-	-
Total Other	-	-	-	-	-
Total Expenditures	1,860,761	2,115,977	2,423,030	307,053	14.5%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	2,314	2,314	-
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	-	-	2,314	2,314	-
Net	\$ (1,781,375)	\$ (2,038,577)	\$ (2,322,516)	\$ (283,339)	13.9%

FUNDS AND DEPARTMENTS

LIBRARY BUDGET SUMMARY

- Intergovernmental Revenue is a reimbursement award from the State Library scholarship for three qualifying BPL personnel graduate staff.
- Special Assessments/Fines are increasing to current collections.
- Interest/Rent is for the library internal Café annual rental income.
- Other Income represents general Donations.
- Salaries and Wages are up due to a merit of 6% and corrections made for missed projections from prior year.
- Benefits are up due to a projected increase in insurance costs for the department related to missed projections from prior year.
- Technology Maintenance/Minor Equipment is up due to replacements of computers and related equipment as well as increases in annual software costs. Additionally, CARES Act funds provided for the expansion of BPL's eBook collection and allowed for the purchase of laptops supporting remote work options for Library staff.
- Professional Services increased due to additional costs for Courier Services, background checks for volunteers, presenter stipends and marketing & advertising costs.
- Property Services are up due to a planned HVAC refresh project & Train Station maintenance. Additionally, increase in Gas utilities, and communication costs such as security alarm system and copier contracts.
- Other Service increased due to insurance increases with new building expansion.
- Capital expenditures are up due to building expansion, parking lot improvements, and computer network upgrades.



FUNDS AND DEPARTMENTS

ANIMAL SERVICES



OVERVIEW

The mission of the Bentonville Animal Services is to improve and save animal lives by promoting quality care and compassion through adoption and responsible pet ownership.

The Animal Services Department is in the last construction stages of building the new Bentonville Animal Services & Adoption Center. The \$3.5M facility is an estimated 7,000 square feet and will be a one-stop-shop for citizens to adopt an animal, reclaim their lost pet, obtain microchipping services, and provide an outlet for volunteers.

2022 ACCOMPLISHMENTS

- Animal Services continued to hold microchip clinics at Yappy Hours, held once a month, March through May. We microchipped 21 pets and registered 15 pets for free that were already microchipped. Around 200 pet owners attended each event.
- On June 25, 2022, Animal Services partnered with Parks & Recreation for the grand opening and ribbon-cutting of the new Orchards Park Dog Park & Playground. This event included free pet giveaways, food trucks, a dog agility course, and a pets only swimsuit contest.
- On October 25, 2022, City Council approved to amend Chapter 6, Animals, of the city ordinances to reflect the changes that the new facility will bring. City Council also approved the fee structure for the new shelter, including adoption fees, microchip fees, and impounded animal fees.
- We hired two new positions, one Administrative Assistant and one Kennel Technician.

2023 GOALS AND OBJECTIVES

- Train all staff members to be able to microchip pets.
- Increase the number of pets we microchip and register in our system.
- Partner with a local veterinarian to start a spay and neuter program.
- Secure five more facility sponsorships.
- Obtain ten more businesses to be part of the Bentonville Pet-Friendly Business Program.
- Plan and execute at least two more pet-related events to increase awareness for the department while continuing the Yappy Hours and microchipping clinics.
- Hire the remaining open new positions and train all staff members to be able to effectively run the day-to-day operations of the animal shelter.

FUNDS AND DEPARTMENTS

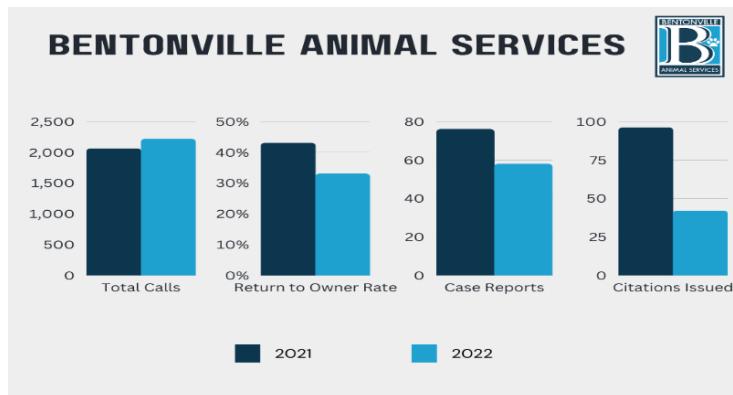
ANIMAL SERVICES **2023 BUDGET**

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	- -
Licenses & Permits	- -	- -	- -	- -	- -
Intergovernmental Revenue	- -	- -	- -	- -	- -
Charge for Services	- -	- -	- -	- -	- -
Special Assessments/Fines	- -	- -	- -	- -	- -
Interest/Rent	- -	- -	- -	- -	- -
Other Income	330	- -	56,000	56,000	- -
Total Revenues	330	- -	56,000	56,000	- -
Expenditures					
Operations and Maintenance					
Salaries & Wages	- -	96,801	312,862	216,061	223.2%
Benefits	- -	39,257	168,565	129,308	329.4%
Supplies & Materials	- -	29,500	101,600	72,100	244.4%
Technology Maintenance/Minor Equipment	- -	32,625	11,935	(20,690)	-63.4%
Professional Services	- -	40,000	108,625	68,625	171.6%
Property Services	- -	29,600	60,767	31,167	105.3%
Other Services	- -	4,250	8,750	4,500	105.9%
Utility Cost of Goods	- -	- -	- -	- -	- -
Total Operations and Maintenance	- -	272,033	773,104	501,071	184.2%
Capital Expenditures					
Capital	- -	25,000	- -	(25,000)	-100.0%
Setasides - Capital Items	- -	- -	- -	- -	- -
Total Capital Expenditures	- -	25,000	- -	(25,000)	-100.0%
Other					
Debt Service	- -	- -	- -	- -	- -
Depreciation/Amortization	- -	- -	- -	- -	- -
Total Other	- -	- -	- -	- -	- -
Total Expenditures	- -	297,033	773,104	476,071	160.3%
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	\$ 330	\$ (297,033)	\$ (717,104)	\$ (420,071)	141.4%

FUNDS AND DEPARTMENTS

ANIMAL SERVICES BUDGET SUMMARY

- The 2022 Budget year is the first year for the Animal Services department. They are hoping to open the new location at the beginning of 2023.
- Salaries/Wages and Benefits contain the new Animal Services Manager position for the entire year and three other new positions which are prorated based upon the anticipated opening date of the Animal Services building.
- Professional Services includes contracts with veterinarians to provide medical care as needed, microchipping, clinic services, and spay/neuter program.
- Capital Expenditures include new network switches for the Animal Services building and a video camera storage server.

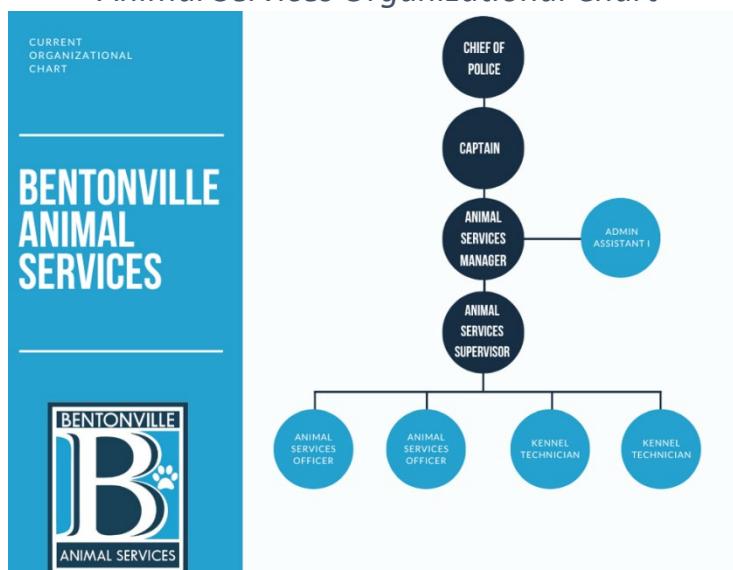


PERFORMANCE MEASURES



	ACTUAL 2021	ACTUAL 2022	ESTIMATED 2023
Total Calls	2,060	2,216	2,500
Dogs Taken to Animal Shelter	215	209	250
Dogs Returned to Owner	93	68	125
Return to Owner (RTO) Rate	43%	33%	50%
Case Reports	76	58	80
Citations Issued	96	42	70

Animal Services Organizational Chart



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 Inventory, Utility Billing & Collection, 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

Utility Fund

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

FUNDS AND DEPARTMENTS

ELECTRIC DEPARTMENT

OVERVIEW

This division is responsible for the design, installation, construction, and maintenance of the electric distribution system within the city limits of Bentonville. Bentonville Electric Utility Department (BEUD) is tasked with providing and maintaining safe, reliable, low cost and efficient electric power to the customers and citizens, to respond to electric emergencies and outages, and to represent the City of Bentonville to the best of our ability. The Inventory Warehouse is also under the jurisdiction of BEUD.

2022 HIGHLIGHTS AND ACCOMPLISHMENTS

1. Maintained 99.998625% reliability (meaning customers had power 99.998625% of the time).
2. Utility Board met every two weeks to allow for shorter approval times.
3. Main WMT Campus projects finalized to allow Campus to be fed from new/expanded substations.
4. Began construction on "I" Sub expansion. Should be finished around the New Year.
5. Removed Overhead infrastructure along 8th St. from Main St. to SE "J" St.
6. Selected AMI vendor to begin replacement of existing system.
7. Began engineering for Phase II fiber infrastructure trunk line.

2023 GOALS AND OBJECTIVES

1. Continue to maintain above 99% reliability.
2. Assist with hiring of Assistant Finance Director – Utilities.
3. Begin change out of existing meters with new AMI enabled meters.
4. Continue review of rates to ensure proper cover.
5. Finalize design of roadway widening and order materials associated with WMT Campus.
6. Finalize design, order materials, begin to make-ready for Phase II of fiber infrastructure trunk line.
7. Finalize engineering and order materials for T-line connection between Subs "G" and "I".
8. Complete engineering and begin construction on in-house feeder extensions per Master Plan.
9. Continue high level of customer service both in engineering and construction portions of BEUD.

PERFORMANCE MEASURES

Performance Measures	2020	2021	2022
Reliability	99.99%	99.99%	99.99%
Meters Set (Res/Commercial)	833	666	764
311s address (street light outages)	709	400	390
LSDs & PPs Designed	84	82	76
Purchase of Power Costs	2020	2021	2022
Power purchase from AEP and SWPA	\$45.8M	\$75.6M	\$59M (to date) (Winter Storm)
Revenue from Electric Sales	2020	2021	2022
Residential and Commercial Electric Revenue	\$64.6M	\$66.8M	\$67.4M (to date)
Inventory Warehouse	2020	2021	2022
Yearly inventory	\$3.98M	\$5.3M	\$6.75M

FUNDS AND DEPARTMENTS

ELECTRIC DEPARTMENT **2023 BUDGET**

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	- -
Licenses & Permits	- -	- -	- -	- -	- -
Intergovernmental Revenue	- -	- -	- -	- -	- -
Charge for Services	119,937,294	76,141,673	71,616,251	(4,525,422)	-5.9%
Special Assessments/Fines	- -	- -	- -	- -	- -
Interest/Rent	97,294	60,000	120,364	60,364	100.61%
Other Income	7,091,567	9,701	10,000	299	3.1%
Total Revenues	127,126,155	76,211,374	71,746,615	(4,464,759)	-5.9%
Expenditures					
Operations and Maintenance					
Salaries & Wages	4,080,765	4,984,749	5,146,177	161,428	3.2%
Benefits	1,564,839	1,901,888	1,864,797	(37,091)	-2.0%
Supplies & Materials	312,351	391,250	437,100	45,850	11.7%
Technology Maintenance/Minor Equipment	133,223	208,563	225,575	17,012	8.2%
Professional Services	167,077	237,055	237,205	150	0.1%
Property Services	731,138	841,056	820,656	(20,400)	-2.4%
Other Services	258,016	293,355	316,203	22,848	7.8%
Utility Cost of Goods	79,060,899	56,529,533	53,550,877	(2,978,656)	-5.3%
Total Operations and Maintenance	86,308,308	65,387,449	62,598,590	(2,788,859)	-4.3%
		74.24%			
Capital Expenditures					
Capital	55,788,637	8,410,000	6,915,000	(1,495,000)	-17.8%
Setasides - Capital Items	- -	- -	- -	- -	- -
Total Capital Expenditures	55,788,637	8,410,000	6,915,000	(1,495,000)	-17.8%
Other					
Debt Service	- -	1,348,000	1,317,632	(30,368)	-2.3%
Depreciation/Amortization	4,046,497	- -	- -	- -	- -
Total Other	4,046,497	1,348,000	1,317,632	(30,368)	-2.3%
Total Expenditures	146,143,442	75,145,449	70,831,222	(4,314,227)	-5.7%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	- -	- -	- -	- -	- -
Use of Reserves	- -	500,000	575,000	75,000	15.0%
Donated Infrastructure (non-cash item)	968,038	- -	- -	- -	- -
Proceeds from Issuance of Debt	- -	- -	- -	- -	- -
Sale of Capital Assets	60,886	- -	- -	- -	- -
Transfers In	- -	- -	- -	- -	- -
Transfers Out	- -	- -	- -	- -	- -
Total Other Financing Sources and Uses	1,028,924	500,000	575,000	75,000	15.0%
Net	\$ (17,988,363)	\$ 1,565,925	\$ 1,490,393	\$ (75,532)	-4.8%

FUNDS AND DEPARTMENTS

ELECTRIC DEPARTMENT BUDGET SUMMARY

- **Charge for Services** – Residential is flat. Commercial Revenue is trending lower than budgeted in 2022, budgeted closer to anticipated 2022 actual in 2023. Commercial revenue expected to continue to raise, just slower than expected. This appears to be driven by the construction of the Walmart Campus. It is not up and running yet, and some of the existing campus is no longer running. Because they are not fully running, the vendor community is not fully up and running. This should not be a long-term trend but will cause for a couple of years of lean budgeting.
- Salaries and Wages are up because a 6% merit increase was adopted and an addition of a position for an Electric Systems Coordinator.
- Benefits are down due to a reduction in overtime costs.
- Technology Maintenance/Minor Equipment is up due to replacements of computers, new position computer, and other related equipment as well as increases in software costs from software licenses originally that were allocated in the IT/Administration budget.
- Utility Cost of Goods is down using the 2022 COS projection.
- Capital Expenditures is down due to less vehicles, reduced the amount of Underground Primary due to lack of inventory that can be installed.
- Reserves of \$575,000 are budgeted to be used for I63/I67 Double Circuit Extension.

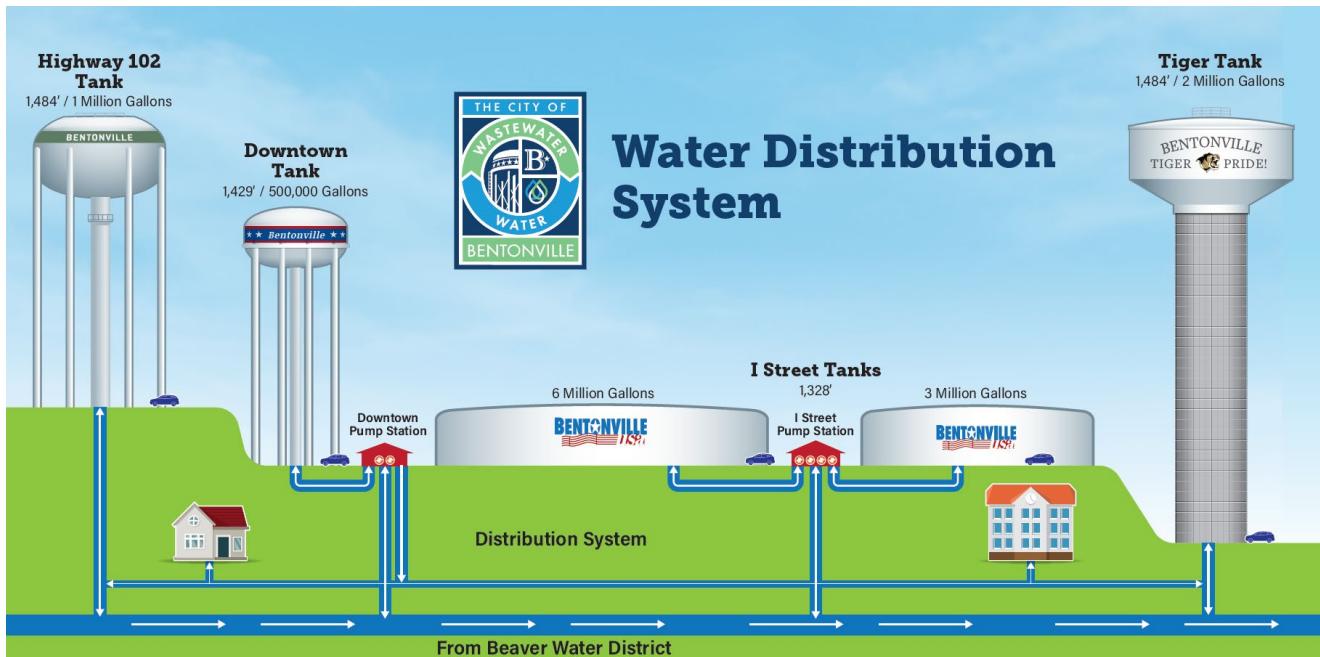


New B Substation

Water Utilities Department

Water Distribution, Sewer Rehab and Wastewater Treatment (WRRF)

This department manages three operations within the city. The Water Distribution component manages, maintenance, and safety of the water distribution system, water storage tanks, pump stations, backflow prevention, meter reading and maintenance, while the Wastewater Collection team manages the operation and maintenance of sewer mains, manholes, pre-treatment program and new service connections. The wastewater treatment (WRRF) component manages the operations, maintenance, NPDES compliance and safety of the Wastewater Treatment Facility, Compost Facility, Biosolids Management, SCADA System and Lift Stations.



FUNDS AND DEPARTMENTS

2022 Highlights & Accomplishments

- The water department team located and repaired 400 water leaks to help with water loss.
- The sewer rehab team completed multiple point repairs on sewer mains, epoxy-lined manholes, and injected holes and cracks in manholes to help I&I to the treatment plant. This reduction in I&I was estimated at around \$181,000 in cost savings to the city.
- The water department tested a new water service line material called Municipex. The testing proved to be a better material for water service line installs. This new material will be added to our specs for future installs.
- The water department tested a new repair coupling called Hymax. The testing showed to improve repair time due to a wider range of O.D. on different pipe materials and only two bolts to tighten the coupling up.
- Bentonville water utilities distributed 5.7 billion gallons of water and 24 million gallons in a single day.
- Changed out the refill valve at I street tanks to an electronically controlled valve.
- Facilitated the wash out and disinfection of all 5 water storage facilities.
- Monitored the completion of the repairs to our I street tanks because of the 2021 winter storm.
- Added Bella Vista flows to Beaver Water's SCADA (This will help them determine demand from our system so they can adjust accordingly.)
- Improved the total AMI system reporting average to 97.26% from 76.1% at this time last year
- Upgraded SCADA computer and Wonderware program at I Street pump station.
- Upgraded chlorine analyzers at Tiger tank and I Street pump station
- Implemented Koterra, a locate ticket prioritization software
- The In-Vessel Composting project has been bid and construction should begin in mid-year 2023. This is a very exciting project that will bring not only state attention, but also national attention for improved methods of composting.
- Our Operations/Maintenance/Lab personnel remained vigilant in operating and maintaining the grounds, buildings, equipment at the WRRF, lift stations and Composting Facility.
- Generators are currently being installed at two (2) of our high usage lift stations. (Vaughn & Rice Rd.)
- Staff personnel replaced all 1042 diffuser membranes in our aerated digesters along with the digester pump piping.
- All NPDES permit requirements for 2022 were accomplished with no violations.
- Valve vault rehabilitation was completed on the Vaughn lift station, we added a much larger valve vault, replaced ductile iron pipe in the wet well with stainless steel pipe and replaced all the discharge piping and valves.
- Wet well rehabilitation was performed on Lexington and Wood Creek lift stations the interior of the wet wells were coated with concrete grout and sprayed with Epoxy 405. This application gives these stations years of life on the concrete structures.
- A new stainless-steel ladder was installed in digester #5, now all five (5) digesters have stainless steel ladders installed for safe and efficient entry into all digesters.
- Ten (10) personnel were able to obtain Certifications in our industry, eight (8) obtained Wastewater Certification and two (2) obtained Solid Waste Masters Certification.
- The Vanadium test method to analyze Nitrite + Nitrate as Nitrogen improved accuracy and precision. We also saved money by using less expensive reagents, equally important is that the new analytical method does not use Cadmium, which is a known carcinogen that endangers human life and the environment.
- Our lab personnel performed 13,620 lab analysis.

FUNDS AND DEPARTMENTS

2023 Goals and Objectives

- Continue to locate and repair leaks to reduce water loss.
- Look for better training options for our crews.
- Lining 1800' of 24" clay sewer line to help with I&I.
- Complete the Water Master Plan
- Improve AMI reporting percentage.
- Complete V3 node replacement and TRL meter swaps.
- Change out meters that have been in use longer than 8 years and are larger than 4".
- Add totalizers to all wholesaler metering locations
- Improve remote capabilities for all crews and locators using mobile devices.
- Obtain Lead and copper service line inventory consistent with federal mandates.
- Run the water and sewer model in-house to make the best decisions for future growth and emergency planning and response.
- Increase GIS accuracy with the help of the new GIS Analyst position to help efficiency of repair work to minimize customer outages and provide easier access to public utility data for all customers, residents, and developers.
- Utilize new and emerging technology to become more efficient throughout development reviews, construction inspection, pretreatment, and cross connection workflows.
- Have a dedicated Professional Engineer on staff for Bentonville Water Utilities
- Grout and coat the wet well at LS #35 Kingsbury and LS #39 Allencroft with Raven 405 epoxy.
- Replace (3) positrons with Limitorque actuators at LS #1 McKissic.
- Remove and replace all wasting disconnects with Non-fusible HD 60A 3P stainless steel disconnects.
- Remove and replace all 200A disconnects with stainless steel disconnects for the pumps at LS #1 McKissic located on the dock.
- Remove and replace all the 30A disconnects with stainless steel disconnects for Turner side pumps at McKissic.
- Clean the wet well at LS #1 McKissic.
- Install new swing arm shocks on LS #60 Campus.
- Replace the cabinet at LS #15 Willow Banks with a stainless steel one and relocate the pedestal for better operation of the wet well lid.
- Meet all NPDES permit requirements.
- Pressure wash all the concrete in the plant.
- Paint inside all outbuildings.
- Replace diffuser membranes in digester #3.
- Replace the grit classifier.
- Complete the In-vessel project for Composting.
- Update the Ammonia distillation system in the laboratory.
- Complete the modelling for Process Intensification Process.

FUNDS AND DEPARTMENTS

Water Utilities Department

Performance Measures

	2020	2021	2022			
Administration						
Water Purchased	\$6,183,908.34	\$6,468,244.95	\$7,639,730.01			
Total Gallons purchased	4,481,093,000	4,699,140,000	4,987,478,000			
Incoming and Outgoing calls	8,571	4,297	5,278			
Total Payments for BWU services	\$265,289.00	\$243,425.00	\$217,500.00			
Purchased Orders Processed		741	817			
Work Orders Created and Closed	6,703	5,691	7,821			
Construction						
Water Distribution						
New 5/8" Service installs	36	31	31			
New Double 5/8" Service installs	21	42	19			
New 1" Service installs	13	31	18			
New 2" Service installs	23	21	22			
Services changed single to double	16	23	14			
Water Leak Repairs	365	300	400			
Fire Hydrants repaired	6	4	22			
4" to 12" taps performed	58	35	30			
Wastewater Collections						
Feet of Sewer mainline installed	1050	480	215			
Feet of Sewer inspected by Camera	11,118' miles	21.04	143,433' miles	27.16	141,243' miles	26.75
Feet of Sewer Hydro Cleaned	1,475,360' 279.42 miles	1,438,045' miles	272.35	1,050,432 189.94 miles		
Manholes replaced	7	1	3			
Manhole repaired by injection	16	11	7			
Manholes Epoxy Lined	19	16	13			
	2020	2021	2022			
Manhole Elevation Adjustments	71	39	40			
Sewer Repairs 5'-20'	56	52	87			
Trenchless Sewer Repairs		5	3			
New Sewer service taps	66	116	64			
Feet of Easement Maintained	50,960' miles	9.65	52,060' miles	9.86	52,060' 9.86 miles	
Operations						
Total Operations' Work Orders	3056	4517	3,563			
New Service Price Checks	233	152	142			
Water Leak Service Calls	422	337	547			
Number of Water Quality Samples	964	878	912			

FUNDS AND DEPARTMENTS

Water Utilities Department

Performance Measures (*continued*)

	2020	2021	2022
<i>Meter</i>			
5/8" and 1" Meters Installed	689	585	776
Meters serviced or changed out	1,534	1,537	1,097
Meters pulled and/or bench tested	147	483	141
Meters Locked or unlocked	364	323	297
Large Meter drops replaced	9	10	17
Hydrant Meters set or pulled	189	158	135
<i>Damage Prevention</i>			
Utility Locates	11,349	11,555	12,127
<i>Cross Connection Program</i>			
New Backflow Assemblies	210	233	351
Number of Backflow Assemblies	4,839	6,187	6,047
<i>Pre-Treatment Program</i>			
Total Grease Control Devices	283	313	376
Grease Control Devices pumped out	438	421	516
Gallons on FOG removed	449,459	401,275	517,276
Pretreatment Monitoring Events	7	37	67
Pretreatment Inspections	130	132	225
<i>Technical Services</i>			
Projects Completed	54	48	54
Feet of new Water line accepted	22,442	33964	35,762
Feet of new Sewer Line accepted	12,430	40,481	30,509
Preconstruction Meetings	61	51	73
New Construction Inspections	1,592	1,348	2,384
Plan Reviews completed	1,216	1492	1944
Inspection Fees Collected	\$17,544.00	\$24,202.00	\$28,417.00

FUNDS AND DEPARTMENTS

Water Utilities Department

Performance Measures (continued)

	2020	2021	2022
<i>Meter</i>			
<i>Water Resource Recovery Facility</i>			
<i>Influent</i>			
Average Treated in Million Gal. per Day	3.05	3.06	3.11
Average <u>Dry Weather</u> in Million Gal. per Day	2.33	2.7	2.53
Yearly Total Gallons Treated	1,114,572,600	1,116,952,700	1,115,079,300
<i>Pounds</i>			
Biochemical Oxygen Demand Daily Average (Pounds)	5,531.14	5,588.96	5,044.00
2020 2021 2022			
Biochemical Oxygen Demand Yearly Total (Pounds)	2,018,866.10	2,040,069.42	1,841,060.00
Total Suspended Solids Daily Average (Pounds)	6,284.81	6,354.57	5,273.00
Total Suspended Solids Yearly Total (Pounds)	2,293,956.14	2,319,418.05	1,924,645.00
Total Phosphorous Daily Average (Pounds)	137.54	163.33	158
Total Phosphorous Yearly Rolling (Pounds)	50,202.08	53,615.65	57,670.00
Ammonia Nitrogen Daily Average (Pounds)	619.44	627.8	537
Ammonia Nitrogen Yearly Total (Pounds)	226,095.29	229,147.67	196,005.00
<i>Compost</i>			
Biosolids Produced (Dry Metric Tons per Year)	558.53	573.03	495.3
Biosolids Composted (Dry Metric Tons per Year)	405.69	573.03	495.3
Biosolids Transported (Dry Metric Tons per Year)	107.33	0	0
Green Waste Collected (Cubic Yards per Year)	11,617.30	12,993.20	12,682.70
Compost Produced (Cubic Yards per Year)	5,188.00	7,621.00	4,776.70
Compost Sold (Amount)	\$36,198.00	\$43,402.00	\$34,772.00
<i>Effluent</i>			
2021 Average Treated in Million Gal. per Day	3.09	3.083	3.115
2021 Average <u>Dry Weather</u> in Million Gal. per Day	2.35	2.68	2.55
2021 Yearly Total Gallons Treated	1,128,860,000	1,125,403,000	1,117,586,100
<i>Pounds</i>			
Biochemical Oxygen Demand Daily Average (Pounds)	110.92	59.08	57
Biochemical Oxygen Demand Yearly Total (Pounds)	40,486.23	21,564.40	20,805.00
Total Suspended Solids Daily Average (Pounds)	103.18	74.49	68
Total Suspended Solids Yearly Total (Pounds)	37,661.61	27,189.90	24,820.00
Total Phosphorous Daily Average (Pounds)	4.09	3.59	3
Total Phosphorous Yearly Rolling (Pounds)	1,788.92	1,312.61	1,095.00
Ammonia Nitrogen Daily Average (Pounds)	1.81	2.56	2
Ammonia Nitrogen Yearly Total (Pounds)	659.08	937.58	730

FUNDS AND DEPARTMENTS

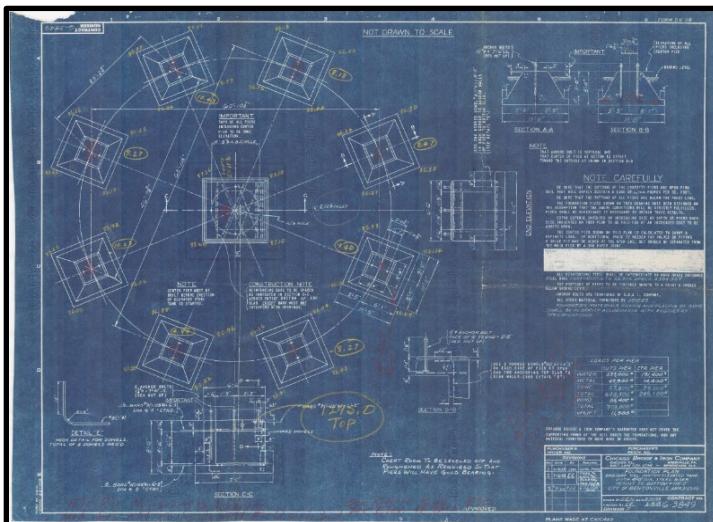
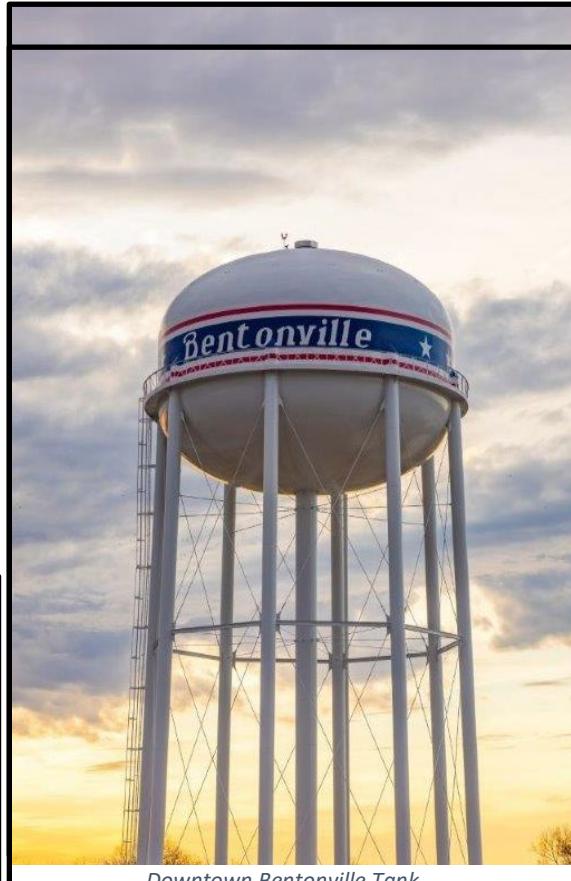
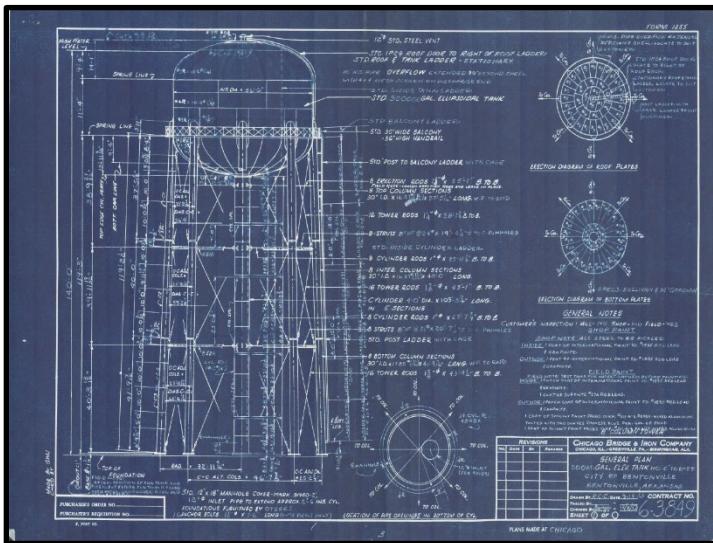
WATER 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	12,946,105	13,049,226	13,587,785	538,559	4.1%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	22,947	16,762	30,118	13,356	79.7%
Other Income	288,717	-	-	-	--
Total Revenues	13,257,769	13,065,988	13,617,903	551,915	4.2%
Expenditures					
Operations and Maintenance					
Salaries & Wages	1,648,785	1,738,072	1,837,315	99,243	5.7%
Benefits	694,151	789,892	768,676	(21,216)	-2.7%
Supplies & Materials	156,124	231,550	227,410	(4,140)	-1.8%
Technology Maintenance/Minor Equipment	35,259	139,943	157,577	17,634	12.6%
Professional Services	19,566	73,620	121,120	47,500	64.5%
Property Services	644,555	678,040	724,740	46,700	6.9%
Other Services	83,782	186,021	184,175	(1,846)	-1.0%
Utility Cost of Goods	7,891,110	6,583,825	7,394,384	810,559	12.3%
Total Operations and Maintenance	11,173,332	10,420,963	11,415,397	994,434	9.5%
Capital Expenditures					
Capital	1,078,466	826,000	808,139	(17,861)	-2.2%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	1,078,466	826,000	808,139	(17,861)	-2.2%
Other					
Debt Service	730,340	732,387	641,442	(90,945)	-12.4%
Depreciation/Amortization	1,924,206	-	-	-	--
Total Other	2,654,546	732,387	641,442	(90,945)	-12.4%
Total Expenditures	14,906,344	11,979,350	12,864,978	885,628	7.4%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	90,000	90,000	--
Donated Infrastructure (non-cash item)	1,765,690	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	8,700	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	1,774,390	-	90,000	90,000	-
Net	\$ 125,815	\$ 1,086,638	\$ 842,925	\$ (243,713)	-22.4%

FUNDS AND DEPARTMENTS

WATER BUDGET SUMMARY

- Revenue is up 4.2% based upon projections for 2023 and a reduction in unaccounted water loss due to efforts in 2022. The projections show growth in the wholesale customers consumption.
- Salaries and Wages are up 7.8% because a Merit of 6% and one new position is being budgeted for 2023. Employees are obtaining licenses and certification as part of our incentive program.
- Technology Maintenance and Minor equipment was increased by 19.8% to facilitate BWU's crews transition to mobile devices and mobile workstations for Damage Prevention Specialist.
- Professional Services is up 64.5% because of a federal mandate to survey all Lead and Copper service lines throughout the city. A consultant is needed to navigate the federal requirements associated with Lead and Copper requirement. There is also one time cost for Water model training to bring the modeling service in-house.
- Utility Cost of Goods is up 12.3% after recognizing a need to budget more for water purchases from Beaver Water District.



FUNDS AND DEPARTMENTS

WASTEWATER **2023 BUDGET**

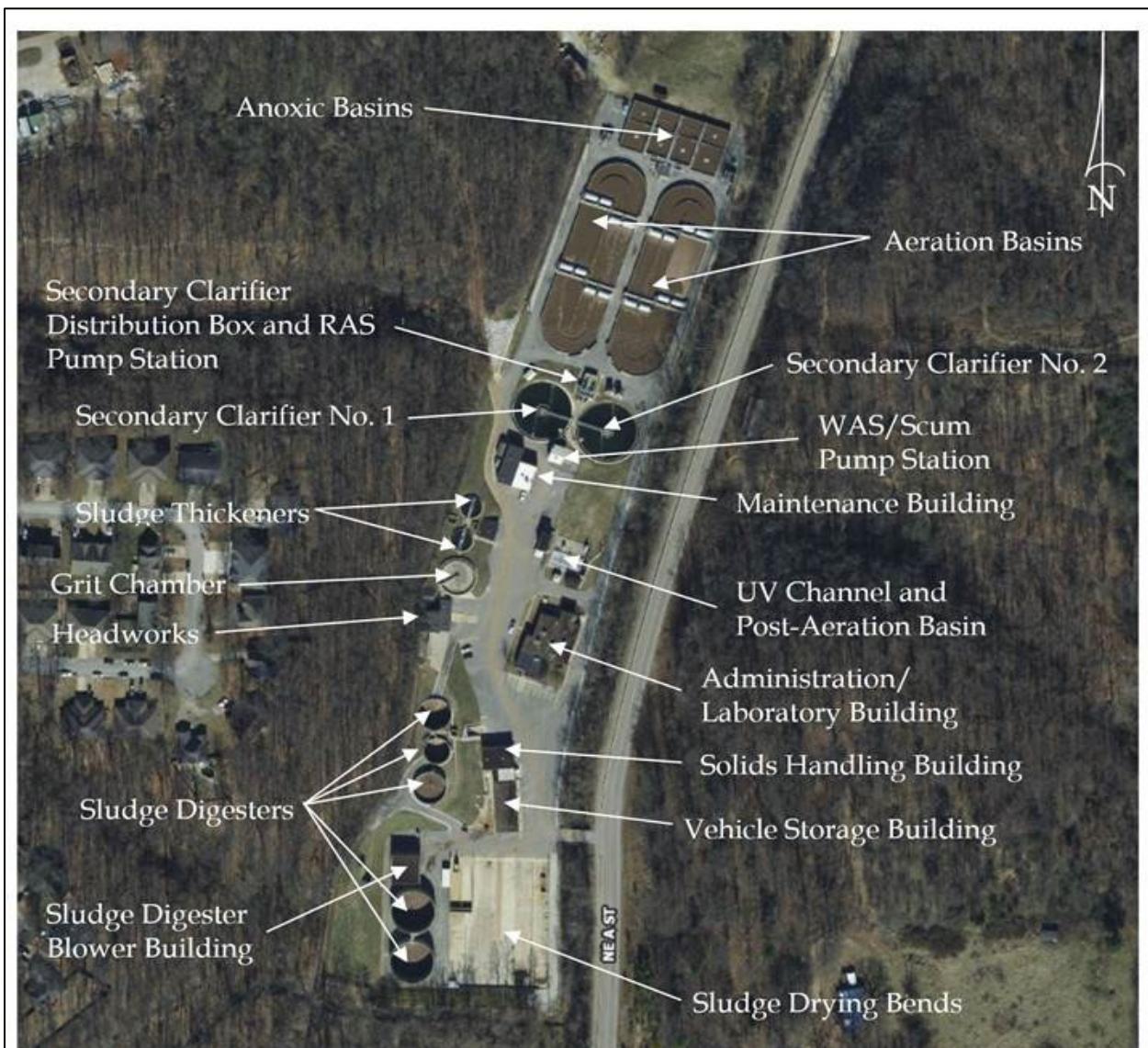
Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	- -
Licenses & Permits	1,505	-	-	-	- -
Intergovernmental Revenue	-	-	-	-	- -
Charge for Services	15,008,657	15,477,207	15,109,013	(368,194)	-2.4%
Special Assessments/Fines	-	-	-	-	- -
Interest/Rent	11,962	20,000	15,562	(4,438)	-22.2%
Other Income	1,123	-	-	-	- -
Total Revenues	15,023,247	15,497,207	15,124,575	(372,632)	-2.4%
Expenditures					
Operations and Maintenance					
Salaries & Wages	1,164,015	1,243,517	1,354,266	110,749	8.9%
Benefits	549,559	571,132	557,351	(13,781)	-2.4%
Supplies & Materials	338,044	506,100	579,760	73,660	14.6%
Technology Maintenance/Minor Equipment	22,105	11,145	15,140	3,995	35.8%
Professional Services	301,949	628,951	441,066	(187,885)	-29.9%
Property Services	366,342	474,850	459,000	(15,850)	-3.3%
Other Services	73,740	100,947	120,099	19,152	19.0%
Utility Cost of Goods	6,355,869	6,981,000	6,752,951	(228,049)	-3.3%
Total Operations and Maintenance	9,171,623	10,517,642	10,279,634	(238,008)	-2.3%
Capital Expenditures					
Capital	390,553	740,500	623,038	(117,462)	-15.9%
Setasides - Capital Items	-	-	-	-	- -
Total Capital Expenditures	390,553	740,500	623,038	(117,462)	-15.9%
Other					
Debt Service	-	-	-	-	- -
Depreciation/Amortization	894,639	-	-	-	- -
Total Other	894,639	-	-	-	- -
Total Expenditures	10,456,815	11,258,142	10,902,672	(355,470)	-3.2%
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	\$ 4,566,432	\$ 4,239,065	\$ 4,221,902	\$ (17,163)	-0.4%

FUNDS AND DEPARTMENTS

WASTEWATER

BUDGET SUMMARY

- Revenues have reflected projected growth. Revenues are conservative because they are based on water use and that has been volatile due to water loss.
- Salaries and wages have increased due to 6% merit raises and certification advancements among personnel.
- We have also experienced significant growth of 14.6% in supplies and material especially in our chemicals, pumps, and petroleum products.
- We had a budget adjustment this year due to the emergency replacement of the Vaughn LS force main piping, valves, check valves and enlargement of the valve vault due to corrosion and future growth in the SW section of Bentonville.
- We had a budget adjustment this year replacing the failing 110' section of McKissic force main pipe in the facility.



FUNDS AND DEPARTMENTS

SEWER REHAB 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	--
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	23,285	-	20,000	20,000	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	(110)	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	23,175	-	20,000	20,000	--
Expenditures					
Operations and Maintenance					
Salaries & Wages	861,865	1,223,136	1,485,885	262,749	21.5%
Benefits	406,208	556,846	635,724	78,878	14.2%
Supplies & Materials	79,100	111,900	124,200	12,300	11.0%
Technology Maintenance/Minor Equipment	4,200	9,950	47,353	37,403	375.9%
Professional Services	39,997	20,000	20,000	-	0.0%
Property Services	213,465	326,300	282,900	(43,400)	-13.3%
Other Services	16,574	59,000	72,200	13,200	22.4%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	1,621,409	2,307,132	2,668,262	361,130	15.7%
Capital Expenditures					
Capital	1,210,973	462,000	840,000	378,000	81.8%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	1,210,973	462,000	840,000	378,000	81.8%
Other					
Debt Service	444,467	392,701	204,020	(188,581)	-48.0%
Depreciation/Amortization	1,347,245	-	-	-	--
Total Other	1,791,713	392,701	204,020	(188,581)	-48.0%
Total Expenditures	4,624,095	3,161,833	3,712,282	550,449	17.4%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees	-	-	-	-	--
Use of Reserves	-	-	90,000	90,000	--
Donated Infrastructure (non-cash item)	941,325	-	-	-	--
Proceeds from Issuance of Debt	-	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	941,325	-	90,000	90,000	--
Net	\$ (3,659,595)	\$ (3,161,833)	\$ (3,602,282)	\$ (440,449)	13.9%

FUNDS AND DEPARTMENTS

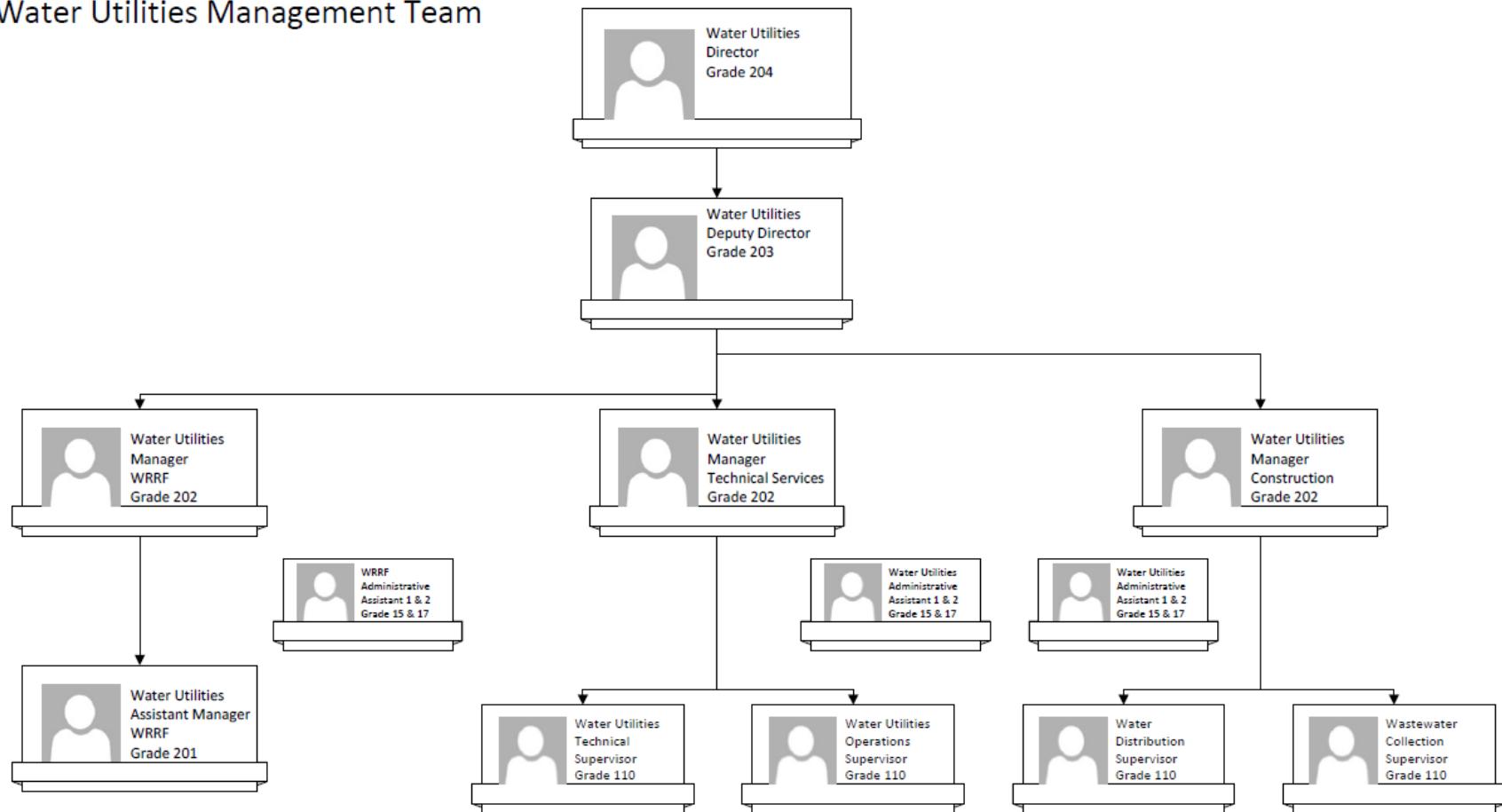
SEWER REHAB BUDGET SUMMARY

- Salaries and Wages are up 18.5% because a Merit of 6% is being budgeted for 2023 and a GIS position is being added and split with Water. Seven positions that were split with water have been corrected in the 2023 budget.
- Technology Maintenance and Minor equipment was increased 330% to facilitate BWU crews' transition to mobile devices and mobile workstations for Damage Prevention Specialist. The increase also includes software upgrade for the utility locate tickets and Pretreatment program.
- Capital Expenditures increased 81.8% due to the lining of 1800' of 24" sewer line and the replacement of an 8" clay line that is 375' in length. Capital expenses also include the replacement of a ½-ton truck, a 1.5-ton crew truck and 13-yard dump truck. The replacements are due to miles and escalated repair cost.
- Other Services increased by 22.4%. Travel and Training was increased due to a rise in staff requiring license maintenance hours and increased travel cost.



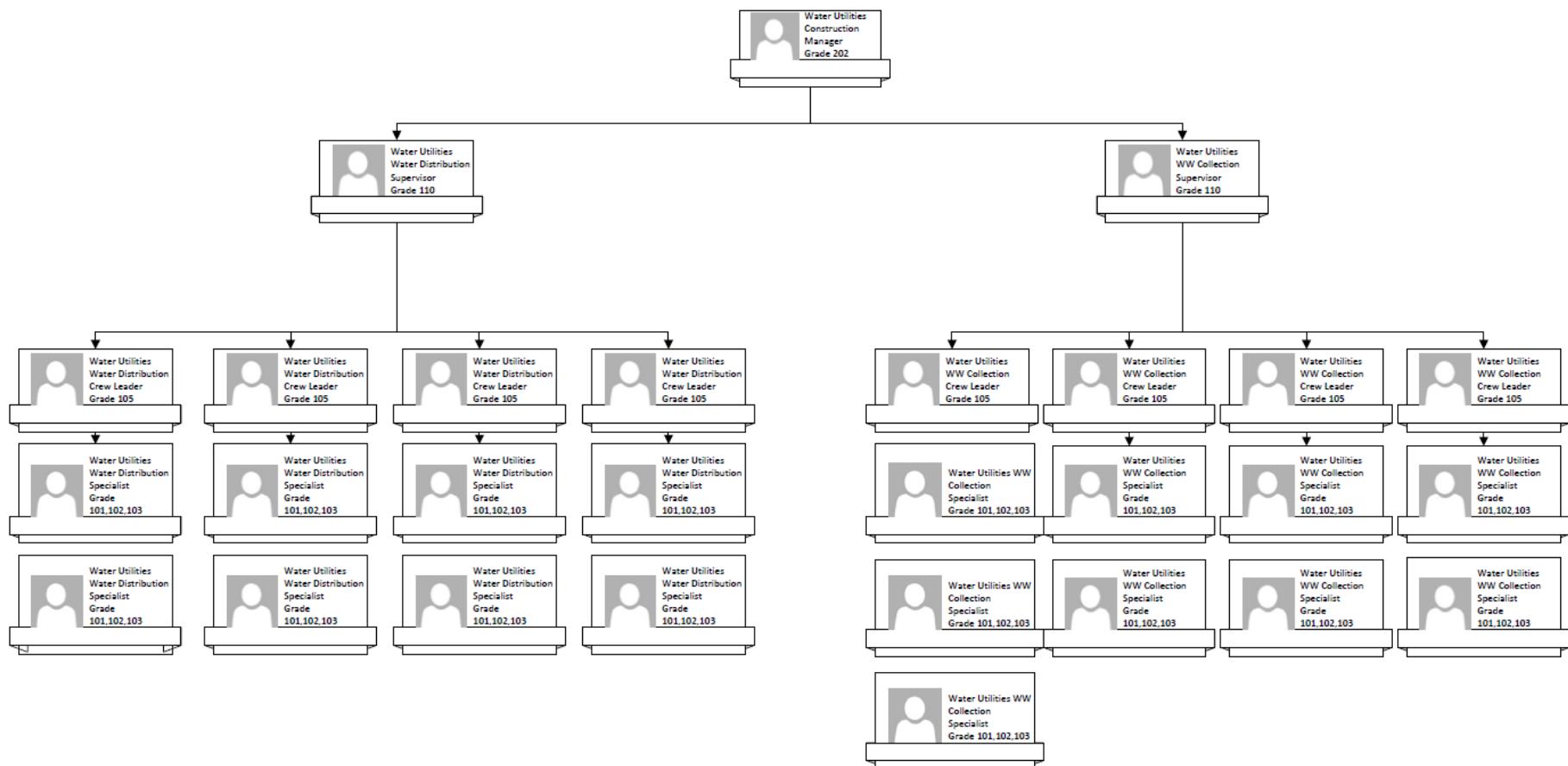
FUNDS AND DEPARTMENTS

2022 Water Utilities Management Team



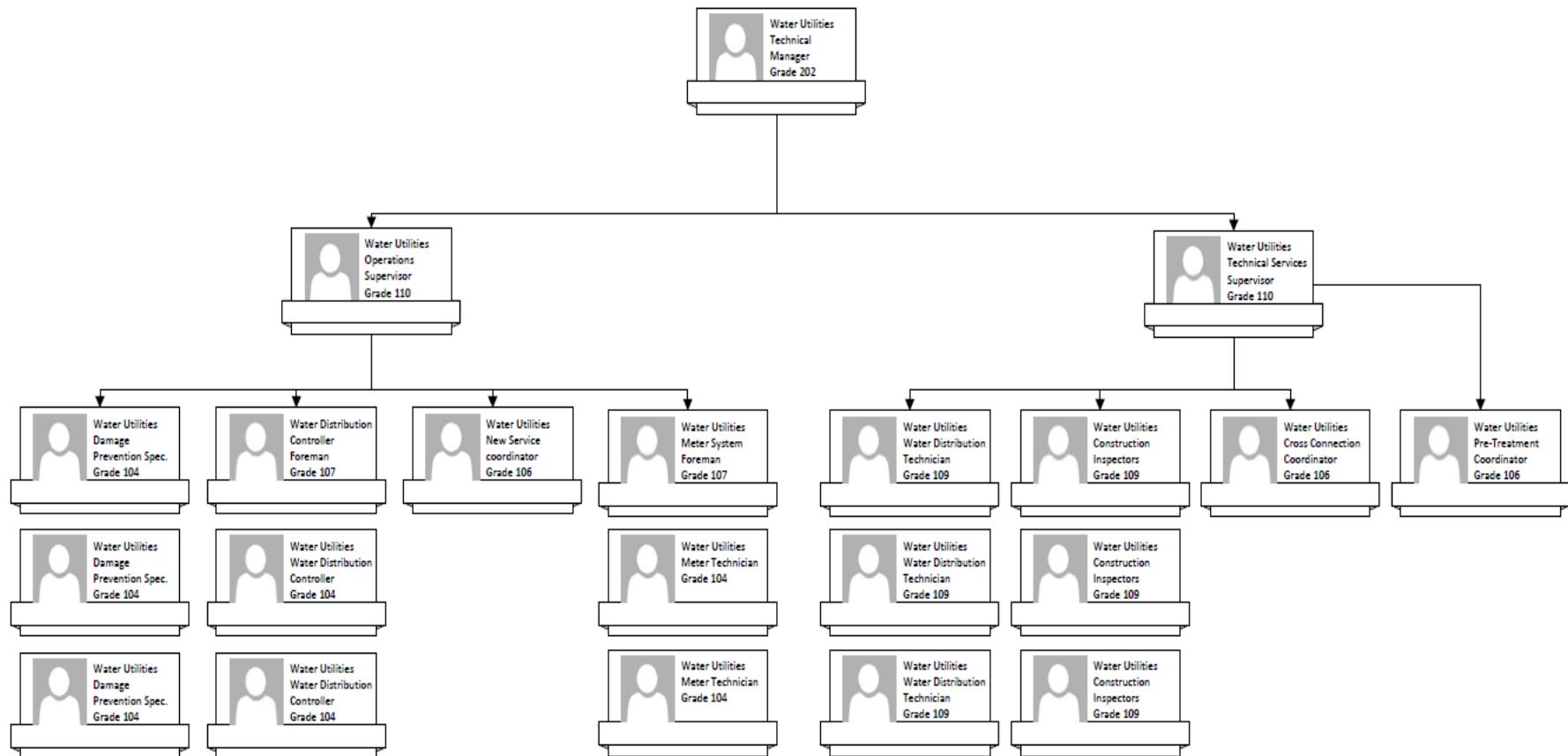
FUNDS AND DEPARTMENTS

Water Utilities Maintenance Team 2022



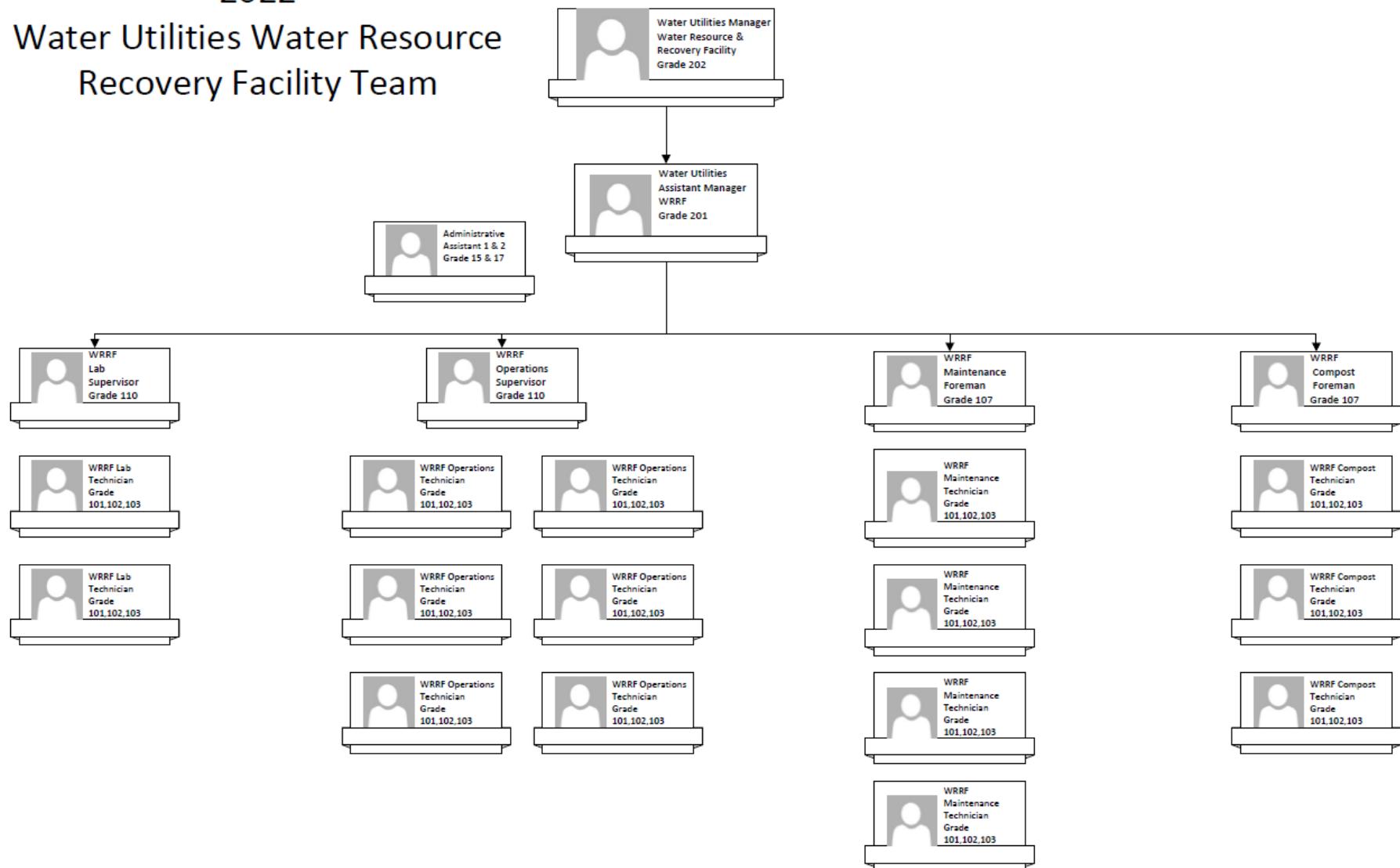
FUNDS AND DEPARTMENTS

Water Utilities Technical Services Team 2022



FUNDS AND DEPARTMENTS

2022 Water Utilities Water Resource Recovery Facility Team



FUNDS AND DEPARTMENTS

SANITATION

OVERVIEW

Sanitation services are provided by a third-party contractor. The Sanitation Department has no personnel assigned to the department. Oversight is provided by the Billing and Collections Manager with the Utility Billing and Collections Department providing all staff for account and customer service tasks and the Accounting Departments completing the financial tasks for the department.

2022 ACCOMPLISHMENTS

- Visited several recycling facilities in Minneapolis, MN as a part of a team from across Northwest Arkansas working to better understand recycling and harmonize recycling across the region.
- Added two City facilities to recycling program.
- Began utilizing social media to educate and encourage effective recycling.

2023 GOALS AND OBJECTIVES

- Distribute two bill inserts encouraging proper recycling.
- Create three social media campaigns to encourage proper recycling.
- Add at least two additional City facilities to the recycling program.
- Continue to work with the Northwest Arkansas Council, Benton County Solid Waste District, and the Cities across the region to improve recycling habits, knowledge of the programs and how to correctly recycle.

<u>Rates</u>	
<u>Customer</u>	<u>Type Charge</u>
Residential	\$16.07 per Month
Small Commercial	\$20.12 per Month
Large Commercial – Dumpsters	\$5.63 per Cu Yd.



<u>Performance Measure</u>	<u>2020</u>	<u>2021</u>	<u>Est 2022</u>	<u>2023 Project</u>
Accounts	19,709	20,078	20,451	20,820
Dumpster Cu Yd/Mo	38,103	42,306	44,065	46,260
Cardboard Cu Yd/Mo	2,856	3,212	3,388	3,560

FUNDS AND DEPARTMENTS

SANITATION **2023 BUDGET**

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	- -
Licenses & Permits	-	-	-	-	- -
Intergovernmental Revenue	-	-	-	-	- -
Charge for Services	6,312,830	5,799,562	6,609,817	810,255	14.0%
Special Assessments/Fines	-	-	-	-	- -
Interest/Rent	6,160	5,500	8,161	2,661	48.4%
Other Income	-	-	-	-	- -
Total Revenues	6,318,990	5,805,062	6,617,978	812,916	14.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	- -
Benefits	-	-	-	-	- -
Supplies & Materials	-	-	-	-	- -
Technology Maintenance/Minor Equipment	-	-	-	-	- -
Professional Services	-	-	10,000	10,000	- -
Property Services	520	10,000	-	(10,000)	-100.0%
Other Services	68,522	28,500	55,000	26,500	93.0%
Utility Cost of Goods	5,719,260	5,274,724	6,004,615	729,891	13.8%
Total Operations and Maintenance	5,788,402	5,313,224	6,069,615	756,391	14.2%
Capital Expenditures					
Capital	-	-	-	-	- -
Setasides - Capital Items	-	-	-	-	- -
Total Capital Expenditures	-	-	-	-	- -
Other					
Debt Service	-	-	-	-	- -
Depreciation/Amortization	-	-	-	-	- -
Total Other	-	-	-	-	- -
Total Expenditures	5,788,402	5,313,224	6,069,615	756,391	14.2%
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	\$ 530,588	\$ 491,838	\$ 548,363	\$ 56,525	11.5%

FUNDS AND DEPARTMENTS

SANITATION BUDGET SUMMARY

- Revenue up due to growth in the city.
- Utility Cost of Goods is up based on the increased revenue.
- Other Services is up due to increase in the Benton County Solid Waste District contribution increased from \$0.50 per person to \$1.00 per person.



FUNDS AND DEPARTMENTS

INVENTORY

OVERVIEW

To provide, maintain and organize inventory for all City of Bentonville department needs. The Inventory Dept. operates and maintains a 16,000-sf warehouse facility containing over 2,000 individual items, 1 ac of open laydown yards, and a fueling facility servicing the entire city fleet.

2022 ACCOMPLISHMENTS

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

2023 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).
- Pave grass area east of Warehouse building to increase lay down area.

PERFORMANCE MEASURES

Inventory Warehouse	2020	2021	2022
Yearly inventory	\$3.98M	\$5.3M	\$6.75M

FUNDS AND DEPARTMENTS

INVENTORY 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	- -
Licenses & Permits	\$ -	\$ -	\$ -	\$ -	- -
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	- -
Charge for Services	\$ -	\$ -	\$ -	\$ -	- -
Special Assessments/Fines	\$ -	\$ -	\$ -	\$ -	- -
Interest/Rent	\$ -	\$ -	\$ -	\$ -	- -
Other Income	\$ -	\$ -	\$ -	\$ -	- -
Total Revenues	\$ -	\$ -	\$ -	\$ -	- -
Expenditures					
Operations and Maintenance					
Salaries & Wages	171,302	193,970	200,102	6,132	3.2%
Benefits	80,359	97,621	83,817	(13,804)	-14.1%
Supplies & Materials	35,169	36,000	42,000	6,000	16.7%
Technology Maintenance/Minor Equipment	8,386	14,230	15,997	1,767	12.4%
Professional Services	3,280	8,000	10,000	2,000	25.0%
Property Services	17,594	20,000	25,000	5,000	25.0%
Other Services	148	6,348	5,148	(1,200)	-18.9%
Utility Cost of Goods	-	-	-	-	- -
Total Operations and Maintenance	316,238	376,169	382,064	5,895	1.6%
Capital Expenditures					
Capital	-	-	110,000	110,000	- -
Setasides - Capital Items	-	-	-	-	- -
Total Capital Expenditures	-	-	110,000	110,000	- -
Other					
Debt Service	-	-	-	-	- -
Depreciation/Amortization	103,234	-	-	-	- -
Total Other	103,234	-	-	-	- -
Total Expenditures	419,472	376,169	492,064	115,895	30.8%
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	\$ (419,472)	\$ (376,169)	\$ (492,064)	\$ (115,895)	30.8%

FUNDS AND DEPARTMENTS

INVENTORY BUDGET SUMMARY

- Salaries and Wages are up with 6% merit increase.
- Supplies and Materials are up 16.7%. Additional funds budgeted for replacement shelves.
- Technology Maintenance/Minor Equipment \$1,700 increase due to IT software reassigned dept expenses.
- Professional Services: HR related maintenance fees (19 checks, etc.).
- Property Services, up \$2k: Various repairs for Gates, fuel pump, cash wash.
- Other Services: Additional PCB training for 3 people.
- Capital Expenditures: \$100,000 for new concrete floor and \$10,000 for new copier.

FUNDS AND DEPARTMENTS

UTILITY BILLING & METER READING

OVERVIEW

The department provides utility account customer services including starting and stopping services, collecting meter readings, generating accurate monthly bills, collecting payments for utility services and other City revenues, answering customer questions in person, on the phone and via email. The city provides electric, water, sewer, and trash/recycling services to 28,778 accounts.

2022 ACCOMPLISHMENTS

- Added Collections Specialist to focus on collection of active and final delinquencies.
- Added an additional Customer Service Representative allowing the Online Accounts.
- Representative to focus on the online communication channels with customers.
- Reduced abandoned calls from 20.3% in 2021 to 13.5% in 2022.
- Increased paperless bills from 29.3% in 2021 to 34.1% in 2022.
- Combined routes in two of four cycles to balance meter reading route sizes.
- Began using the new HR Bamboo software to initiate training and tracking of individual goals.

2023 GOALS AND OBJECTIVES

- Integrate new Key Accounts Representative position into the billing work group focusing on our larger customers and those with more complicated or unique rates.
- Increase paperless customers by utilizing a partnership with Invoice Cloud to sponsor a sweepstakes during first quarter 2023 celebrating the City of Bentonville's 150th birthday.
- Implement dedicated training labs to enhance the department staff's knowledge and to assist with meeting individual goals.
- Implement a scheduled ride-along program for office staff to observe the field staff's duties and challenges.
- Combine and split meter reading routes as needed to balance route sizes.

Performance Measure	2020	2021	Est 2022	2023 Project
Meters Read	610,224	626,053	644,835	664,180
On/Off Work Orders	21,731	23,690	26,059	28,664
New Accounts	366	470	775	800
Payments Processed	\$90,995,518	\$151,657,566	\$117,933,395	\$110,000,000
Credit Cards	\$37,834,920	\$45,271,763	\$52,650,000	\$60,550,000
Returned Checks/drafts	\$60,091	\$94,512	\$105,000	\$100,000
Phone Calls	61,366	56,885	56,400	56,400

FUNDS AND DEPARTMENTS

UTILITY BILLING AND METER READING 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	- -
Licenses & Permits	-	-	-	-	- -
Intergovernmental Revenue	-	-	-	-	- -
Charge for Services	952,549	922,000	1,010,526	88,526	9.6%
Special Assessments/Fines	-	-	-	-	- -
Interest/Rent	-	-	-	-	- -
Other Income	52,786	38,000	50,000	12,000	31.6%
Total Revenue	1,005,335	960,000	1,060,526	100,526	10.5%
Expenditures					
Operations and Maintenance					
Salaries & Wages	916,019	1,086,496	1,147,306	60,810	5.6%
Benefits	368,070	429,075	448,721	19,646	4.6%
Supplies & Materials	727,566	280,600	346,225	65,625	23.4%
Technology Maintenance/Minor Equipment	427,981	773,146	885,958	112,812	14.6%
Professional Services	619,208	654,500	756,616	102,116	15.6%
Property Services	57,180	90,540	128,673	38,133	42.1%
Other Services	3,195	19,900	20,309	409	2.1%
Utility Cost of Goods	-	-	-	-	- -
Total Operations and Maintenance	3,119,218	3,334,257	3,733,809	399,552	12.0%
Capital Expenditures					
Capital	41,859	59,000	119,676	60,676	102.8%
Setasides - Capital Items	-	-	-	-	- -
Total Capital Expenditures	41,859	59,000	119,676	60,676	102.8%
Other					
Debt Service	-	-	-	-	- -
Depreciation/Amortization	495,148	-	-	-	- -
Total Other	495,148	-	-	-	- -
Total Expenditures	3,656,226	3,393,257	3,853,485	460,228	13.6%
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	\$ (2,650,891)	\$ (2,433,257)	\$ (2,792,959)	\$ (359,702)	14.8%

FUNDS AND DEPARTMENTS

UTILITY BILLING AND METER READING

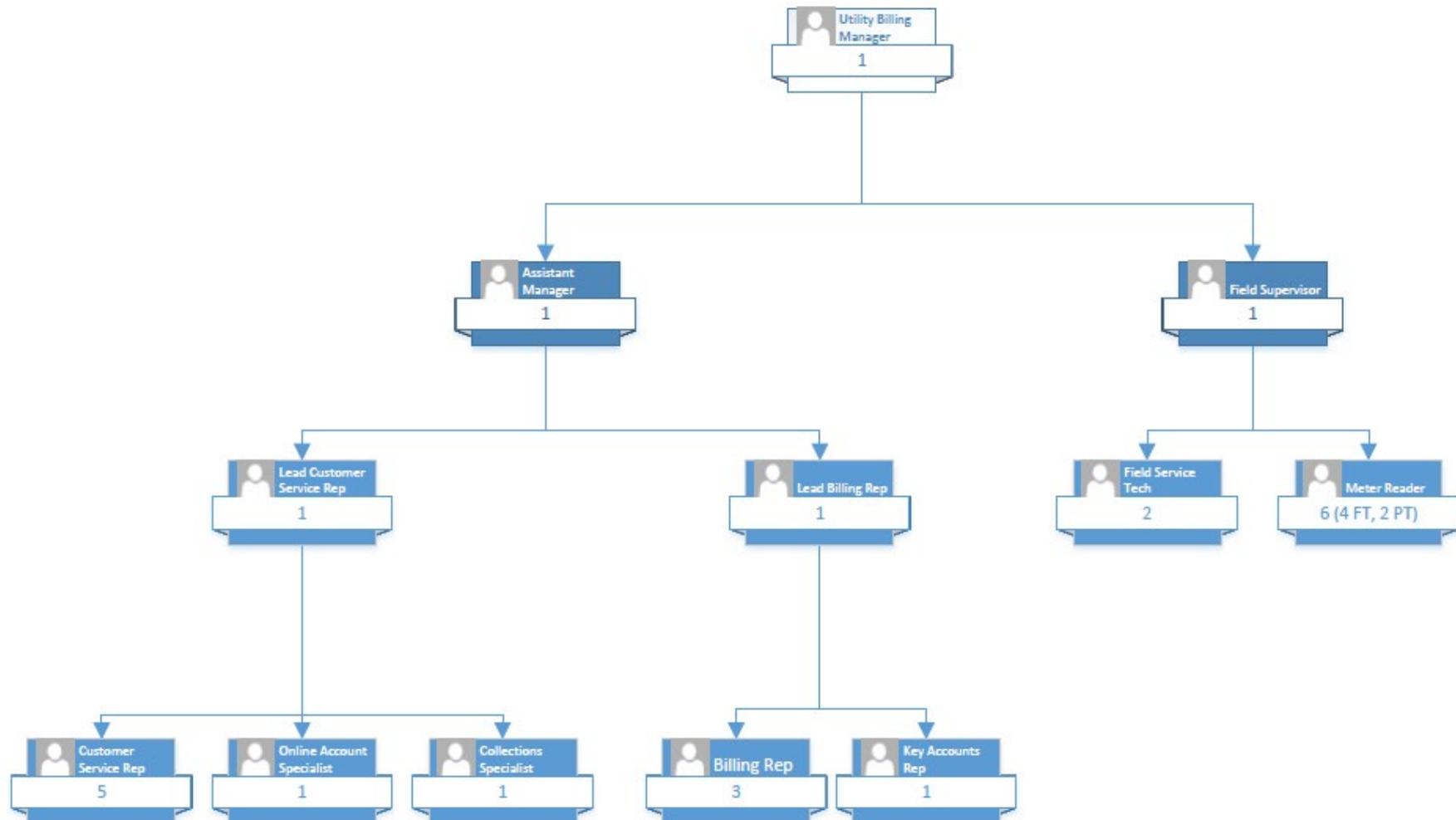
BUDGET SUMMARY

- Salaries and Wages are up due to 6% merit increase and one new position and one upgraded position.
- Benefits are up due to additional staff and added coverage.
- Professional Services is up due to an increase in the Online Utility Exchange costs and increases in the number of customers paying with a credit card.
- Technology Maintenance/Minor Equipment is up due to increases in costs for software and new software and services.
- Property Services is up due primarily to newly budgeted fiber maintenance line item.



FUNDS AND DEPARTMENTS

Utility Billing Organizational Chart



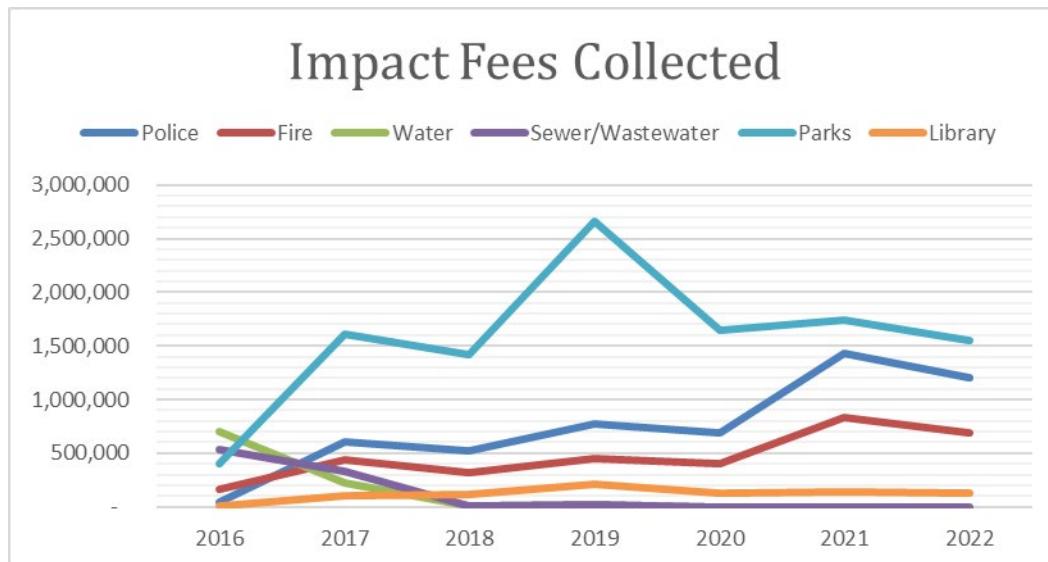
FUNDS AND DEPARTMENTS

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.



FUNDS AND DEPARTMENTS

POLICE IMPACT FEES

OVERVIEW

POLICE – POLICE IMPACT FEE - \$500,000 (2023 Budget): 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.

BUDGET SUMMARY

The budget is set annually at a conservative amount. The amount collected is based on growth. No Police impact fees were spent in 2022.

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 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charge for Services	-	-	-	-	-
Special Assessments/Fines	1,432,955	500,000	500,000	-	0.0%
Interest/Rent	2,530	-	-	-	-
Other Income	-	-	-	-	-
Total Revenues	1,435,485	500,000	500,000	-	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	-
Benefits	-	-	-	-	-
Supplies & Materials	-	-	-	-	-
Technology Maintenance/Minor Equipment	-	-	-	-	-
Professional Services	-	-	-	-	-
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	-	-	-	-	-
Total Other Financing Sources and Uses	-	-	-	-	-
Net	\$ 1,435,485	\$ -	\$ -	\$ -	-

FUNDS AND DEPARTMENTS

FIRE IMPACT FEES

OVERVIEW

FIRE – FIRE IMPACT FEE - \$300,000 (2023 Budget): 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.

BUDGET SUMMARY

The budget is set annually at a conservative amount. The amount collected is based on growth. No Fire Impact Fees were spent in 2022.

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 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charge for Services	-	-	-	-	-
Special Assessments/Fines	832,028	300,000	300,000	-	0.0%
Interest/Rent	2,431	-	-	-	-
Other Income	-	-	-	-	-
Total Revenues	834,459	300,000	300,000	-	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	-
Benefits	-	-	-	-	-
Supplies & Materials	-	-	-	-	-
Technology Maintenance/Minor Equipment	-	-	-	-	-
Professional Services	-	-	-	-	-
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	-	-	-	-	-
Total Other Financing Sources and Uses	-	-	-	-	-
Net	\$ 834,459	\$ -	\$ -	\$ -	-

FUNDS AND DEPARTMENTS

WATER CAPACITY FEES

OVERVIEW

WATER - WATER CAPACITY FEE - \$0 budgeted: 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.

BUDGET SUMMARY

These fees were discontinued at the end of 2016 by vote of the City Council. They are still presented since the 2020 Actual amounts are necessary for reconciliation purposes.

FUNDS AND DEPARTMENTS

WATER CAPACITY FEES 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charge for Services	-	-	-	-	-
Special Assessments/Fines	-	-	-	-	-
Interest/Rent	979	-	-	-	-
Other Income	-	-	-	-	-
Total Revenues	979	-	-	-	-
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	-
Benefits	-	-	-	-	-
Supplies & Materials	-	-	-	-	-
Technology Maintenance/Minor Equipment	-	-	-	-	-
Professional Services	-	-	-	-	-
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	\$ 979	\$ -	\$ -	\$ -	-

FUNDS AND DEPARTMENTS

WASTEWATER CAPACITY FEES

OVERVIEW

WASTEWATER – SEWER/WASTEWATER CAPACITY FEE - \$0 budgeted: 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.

BUDGET SUMMARY

These fees were discontinued at the end of 2016 by vote of the City Council. They are still presented since the 2020 Actual amounts are necessary for reconciliation purposes.

FUNDS AND DEPARTMENTS

WASTEWATER CAPACITY FEES 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	-
Licenses & Permits	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Charge for Services	-	-	-	-	-
Special Assessments/Fines	-	-	-	-	-
Interest/Rent	27	-	-	-	-
Other Income	-	-	-	-	-
Total Revenues	27	-	-	-	-
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	-
Benefits	-	-	-	-	-
Supplies & Materials	-	-	-	-	-
Technology Maintenance/Minor Equipment	-	-	-	-	-
Professional Services	-	-	-	-	-
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	\$ 27	\$ -	\$ -	\$ -	-

FUNDS AND DEPARTMENTS

PARKS & RECREATION IMPACT FEES

OVERVIEW

PARKS - PARKS IMPACT FEE - \$900,000 (2023 Budget): 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.

BUDGET SUMMARY

The budget is set annually at a conservative amount. The amount collected is based on growth. Parks spent \$6,845,638.00 of their impact fee balance in 2022.

Parks improvements included:

Description	Amount
Orchards park	315,768.00
28th Street Park	6,012,275.00
Pickleball Courts Creekside Park	373,952.00
Box Culverts Creekside Park	143,643.00
Collection purchase	<u>3,960.66</u>
Total	<u>6,849,598.66</u>

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 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	- -
Licenses & Permits	- -	- -	- -	- -	- -
Intergovernmental Revenue	- -	- -	- -	- -	- -
Charge for Services	- -	- -	- -	- -	- -
Special Assessments/Fines	1,743,758	900,000	900,000	- -	0.0%
Interest/Rent	19,698	- -	- -	- -	- -
Other Income	- -	- -	- -	- -	- -
Total Revenues	1,763,456	900,000	900,000	- -	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	- -	- -	- -	- -	- -
Benefits	- -	- -	- -	- -	- -
Supplies & Materials	- -	- -	- -	- -	- -
Technology Maintenance/Minor Equipment	- -	- -	- -	- -	- -
Professional Services	- -	- -	- -	- -	- -
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	(147,688)	- -	(1,500,000)	(1,500,000)	- -
Total Other Financing Sources and Uses	(147,688)	- -	(1,500,000)	(1,500,000)	- -
Net	\$ 1,615,768	\$ -	\$ (1,500,000)	\$ (1,500,000)	- -

FUNDS AND DEPARTMENTS

LIBRARY IMPACT FEES

OVERVIEW

LIBRARY – LIBRARY IMPACT FEE - \$85,000 (2023 Budget): 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.

SUMMARY

The budget is set annually at a conservative amount. The amount collected is based on growth. The library spent \$3,90.66 to expand the Library book collection.

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 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	- -
Licenses & Permits	- -	- -	- -	- -	- -
Intergovernmental Revenue	- -	- -	- -	- -	- -
Charge for Services	- -	- -	- -	- -	- -
Special Assessments/Fines	141,696	85,000	85,000	- -	0.0%
Interest/Rent	1,918	- -	- -	- -	- -
Other Income	- -	- -	- -	- -	- -
Total Revenues	143,614	85,000	85,000	- -	0.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	- -	- -	- -	- -	- -
Benefits	- -	- -	- -	- -	- -
Supplies & Materials	- -	- -	- -	- -	- -
Technology Maintenance/Minor Equipment	- -	- -	- -	- -	- -
Professional Services	- -	- -	- -	- -	- -
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	- -	- -	(2,314)	(2,314)	- -
Total Other Financing Sources and Uses	- -	- -	(2,314)	(2,314)	- -
Net	\$ 143,614	\$ -	\$ (2,314)	\$ (2,314)	- -

FUNDS AND DEPARTMENTS

TRANSPORTATION & STREET FUND



DEPARTMENT OVERVIEW

This department manages, coordinates, and maintains right-of-way, streets, sidewalks, drainage, and traffic control within the city limits, as well as in-house pavement and drainage improvements projects. Transportation/Street department maintains over 50 traffic signals along with all street signage and pavement markings. All maintenance is prioritized through the city 311 and Work Order systems. Street Department maintenance crews pretreat the hills, bridges, and overpasses with salt brine solution in the event of winter weather.

2022 ACCOMPLISHMENTS

	2022	2021	2020
311 Issues	>450	401	
Overlay/Seal Projects (miles)	13	10	6.58
Asphalt Pothole Repairs (tons)	210	653	>300
Cleaned/Cleared Ditches (miles)	2.5	2.06	2
Crack Sealing Projects (linear miles)	12	6.9	
Salt Brine (gal)	34,554	12,387	6,087
Salt Applied (tons)	789	203	2520
Curb Repairs (linear feet)	80	107	
Sidewalk Repairs (linear feet)	525	534	

FUNDS AND DEPARTMENTS



2023 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 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ 5,813,770	\$ 6,104,998	\$ 7,020,958	\$ 915,960	15.0%
Licenses & Permits	17,034	-	17,000	17,000	--
Intergovernmental Revenue	99,197	-	-	-	--
Charge for Services	51,265	29,161	21,000	(8,181)	-28.0%
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	29,405	20,979	40,345	19,366	92.3%
Other Income	1,433,233	-	-	-	--
Total Revenues	7,443,904	6,155,158	7,099,303	944,145	15.3%
Expenditures					
Operations and Maintenance					
Salaries & Wages	1,386,849	1,638,087	1,824,395	186,308	11.4%
Benefits	666,420	731,988	747,341	15,353	2.1%
Supplies & Materials	187,841	160,500	241,250	80,750	50.3%
Technology Maintenance/Minor Equipment	39,342	58,272	83,631	25,359	43.5%
Professional Services	166,341	135,142	153,102	17,960	13.3%
Property Services	519,078	492,040	846,974	354,934	72.1%
Other Services	33,576	50,270	65,546	15,276	30.4%
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	3,001,447	3,266,299	3,962,239	959,940	21.3%
Capital Expenditures					
Capital	2,400,074	1,914,500	2,663,500	749,000	39.1%
Setasides - Capital Items	-	-	-	-	--
Total Capital Expenditures	2,400,074	1,914,500	2,663,500	749,000	39.1%
Other					
Debt Service	-	-	-	-	--
Depreciation/Amortization	-	-	-	-	--
Total Other	-	-	-	-	--
Total Expenditures	5,401,521	5,180,799	6,625,739	1,444,940	27.9%
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	1,123,678	-	-	-	--
Transfers In	69,934	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	1,193,612	-	-	-	--
Net	\$ 3,235,995	\$ 974,359	\$ 473,564	\$ (500,795)	-51.4%

FUNDS AND DEPARTMENTS

TRANSPORTATION & STREET FUND BUDGET SUMMARY



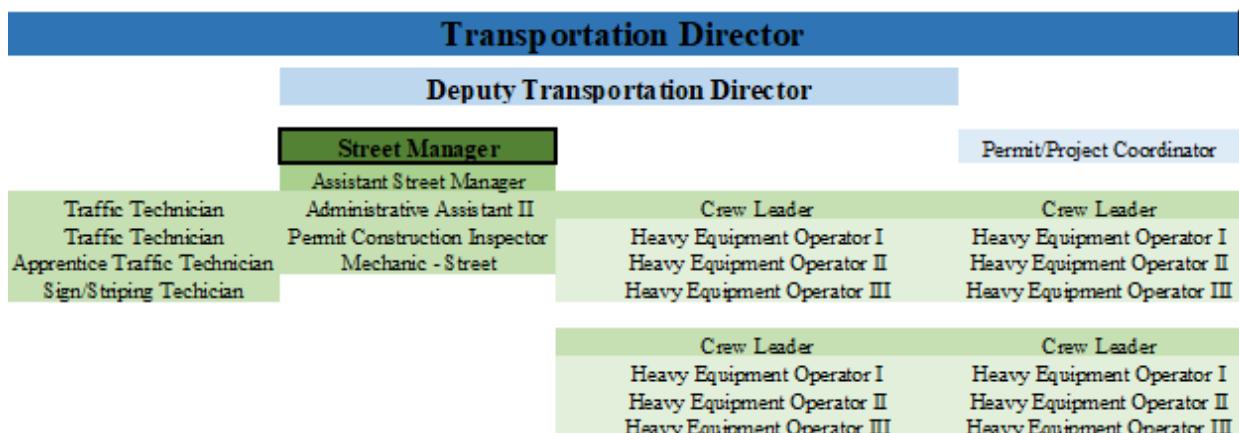
Water Tower Road

- Capital expenditures estimate from increase for the Transportation Wing Expansion Project at \$980K.
- Sidewalk and Drainage Capital moved to Property Services, showing increase for this budgeted maintenance.



Bright Road Extension

TRANSPORTATION AND STREET ORGANIZATIONAL CHART



FUNDS AND DEPARTMENTS

DEBT SERVICE FUND

OVERVIEW

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

2022 ACCOMPLISHMENTS

- Meet all reporting requirements for bond issuance.

2023 GOALS AND OBJECTIVES

- Meet all bond issuance requirements.

FUNDS AND DEPARTMENTS

DEBT SERVICE FUND 2023 BUDGET

Description	2021 Actual	2022 Budget	2023 Request	Change In Dollars	Change In Percent
Revenues					
Taxes	\$ 16,536,547	\$ 14,496,234	\$ 17,972,263	\$ 3,476,029	24.0%
Licenses & Permits	-	-	-	-	--
Intergovernmental Revenue	-	-	-	-	--
Charge for Services	-	-	-	-	--
Special Assessments/Fines	-	-	-	-	--
Interest/Rent	2,122	-	-	-	--
Other Income	-	-	-	-	--
Total Revenues	16,538,669	14,496,234	17,972,263	3,476,029	24.0%
Expenditures					
Operations and Maintenance					
Salaries & Wages	-	-	-	-	--
Benefits	-	-	-	-	--
Supplies & Materials	-	-	-	-	--
Technology Maintenance/Minor Equipment	-	-	-	-	--
Professional Services	-	-	-	-	--
Property Services	-	-	-	-	--
Other Services	-	-	-	-	--
Utility Cost of Goods	-	-	-	-	--
Total Operations and Maintenance	-	-	-	-	--
Capital Expenditures					
Capital	-	-	-	-	--
Setasides - Capital Items	2,136,910	-	-	-	--
Total Capital Expenditures	2,136,910	-	-	-	--
Other					
Debt Service	9,379,303	14,496,234	4,056,741	(10,439,494)	-72.0%
Depreciation/Amortization	-	-	-	-	--
Total Other	9,379,303	14,496,234	4,056,741	(10,439,494)	-72.0%
Total Expenditures	11,516,213	14,496,234	4,056,741	(10,439,494)	-72.0%
Other Financing Sources and Uses					
Use of Impact/Capacity Fees					
Use of Reserves	-	-	-	-	--
Donated Infrastructure (non-cash item)	-	-	-	-	--
Proceeds from Issuance of Debt	2,136,910	-	-	-	--
Sale of Capital Assets	-	-	-	-	--
Transfers In	-	-	-	-	--
Transfers Out	-	-	-	-	--
Total Other Financing Sources and Uses	2,136,910	-	-	-	--
Net	\$ 7,159,366	\$ -	\$ 13,915,523	\$ 13,915,523	--

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 Finance Director 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 authorized 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. At a special election held in April 2021, voters approved \$266 million in bonds for capital projects and for money to refund existing bonds to be financed by extending the City's 1% sales tax. The 1% sales tax was set to expire in 2032, it is now set to expire in 2046. In June 2021, Series 2021A and Series 2021B were issued.

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.

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.. Most are for new items of equipment that will add insurance, fuel, and/or routine maintenance expenses.

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 2023 BUDGET

Department	Description	Additional	Replacement	Upgrade	Grand Total
Administration	Cisco Umbrella Subscription	15,000.00			15,000.00
Administration	Dell Backup Server - split with UB			25,000.00	25,000.00
Administration	Eaton Battery Backup Replacements-Split with UB		6,250.00		6,250.00
Administration	Eaton Battery Backups	6,600.00			6,600.00
Administration	ITAPP - Replacement AS400 - split with UB		29,500.00		29,500.00
Administration	Network Switch Replacements/Upgrades		33,488.00		33,488.00
Administration	Priority Fiber Phase II & III	2,073,358.80			2,073,358.80
Administration	SolarWinds Database Server Drives	5,000.00			5,000.00
Administration	Veeam O365 Backup			36,000.00	36,000.00
Administration Total		2,099,958.80	69,238.00	61,000.00	2,230,196.80
District Court	Network Switch Replacements/Upgrades		15,515.28		15,515.28
District Court	Tyler Tech - TCM	20,000.00			20,000.00
District Court Total		20,000.00	15,515.28		35,515.28
Engineering	Sidewalk - Infill near schools	700,000.00			700,000.00
Engineering	SW Nutmeg Flooding Redesign	1,728,000.00			1,728,000.00
Engineering Total		2,428,000.00			2,428,000.00
Police	(1) Admin replacement vehicle		40,000.00		40,000.00
Police	(1) CID Replacement Unmarked Vehicle. \$35,000 each to include all upfitting		105,000.00		105,000.00
Police	(1) CID replacement vehicle		35,000.00		35,000.00
Police	(1) Patrol Replacement Marked Vehicles - Uniform Division. \$59,000 each to include upfitting		118,000.00		118,000.00
Police	(1) Patrol New Item. Marked Vehicle Addition- Uniform Division. \$59,000 each to include upfitting	354,000.00			354,000.00
Police	(6) New Vehicle Mobile radios (new positions)	28,800.00			28,800.00
Police	Backup Server			28,893.75	28,893.75
Police	Dispatch UPS battery backup replacement batteries		41,400.00		41,400.00
Police	Evidence room in main facility update			80,000.00	80,000.00
Police	IT - VMware Enterprise Upgrade			20,891.38	20,891.38
Police	Network Replacements		19,446.03		19,446.03
Police	Network Storage		116,799.24		116,799.24
Police	Network Upgrades			38,081.79	38,081.79
Police	Replacement body cameras with new cars and replacements		20,000.00		20,000.00
Police	Replacement specialty vehicle -joint purchase with Fire Department for a city Command Post vehicle	450,000.00			450,000.00
Police	Server	28,893.75			28,893.75
Police	Striping, tint, floor mats (10) marked cars			15,000.00	15,000.00
Police	Trunk boxes for marked Patrol/Uniform Division Tahoes 6 addition/2 replacement			12,000.00	12,000.00
Police Total		861,693.75	495,645.27	194,866.92	1,552,205.94
Fire	40hp Outboard Motor			8,760.00	8,760.00
Fire	Amkus Battery Powered Combi Tool			29,310.00	29,310.00
Fire	Bathroom Facility at the Training Facility			150,000.00	150,000.00
Fire	Canon Copier Color including Finisher		15,000.00		15,000.00
Fire	Command Post for Public Safety, this purchase would be split between Fire and Police.	450,000.00			450,000.00
Fire	Drone Tether System			20,718.00	20,718.00
Fire	Elkhart Digital Flow Test Kit			7,031.00	7,031.00
Fire	Fixtures and Furnishings for Station 3 Remodel and expansion			60,000.00	60,000.00
Fire	Gear Lockers			6,480.00	6,480.00
Fire	Lucas CPR Machines			151,600.00	151,600.00
Fire	Multiple Mode Chemical Detector		125,925.00		125,925.00
Fire	Network Switch Replacements/Upgrades		17,102.53		17,102.53
Fire	Positive Pressure fan	16,216.00			16,216.00
Fire	Remodel first floor of City Hall			128,000.00	128,000.00
Fire	Replacement Aerial		1,500,000.00		1,500,000.00
Fire	SCBA Bottles	34,730.00			34,730.00
Fire	Scott Airpacks		29,550.00		29,550.00
Fire	Small truck for building inspector	35,000.00			35,000.00
Fire	Stryker Power Cot and Loading System			79,100.00	79,100.00
Fire	Thermal Imager Camera			16,252.00	16,252.00
Fire Total		535,946.00	1,687,577.53	657,251.00	2,880,774.53

CAPITAL

LIST OF CAPITAL ITEMS

GENERAL FUND 2023 BUDGET

Department	Description	Additional	Replacement	Upgrade	Grand Total
Public Works Maintenance	(1) Grasshopper zero turn mower - \$20,000 , (1) Kubota Zero turn mower - \$20,000, (1) New Holland Backhoe - \$92,000 Purchasing existing leased backhoe which terminates on 12/31/22, Purchase price is \$84,500 + 8.5% = \$91,682		132,000.00		132,000.00
Public Works Maintenance	(Replacement Truck) 3/4 Ton 4X4 extended cab with Utility Bed		65,000.00		65,000.00
Public Works Maintenance	Cemetery Projects - Design South End Collum Barium and Committal Shelter.	800,000.00			800,000.00
Public Works Maintenance Total		800,000.00	197,000.00		997,000.00
Library	Existing parking lot improvements			80,500.00	80,500.00
Library	Fiber Relocation Service (Labor) Required by Owner (SE 4th ST)			10,000.00	10,000.00
Library	Network Upgrades			18,290.91	18,290.91
Library Total				108,790.91	108,790.91
Parks & Recreation	4 Post Vehicle Repair Lift-20,000 LBS (New)			14,000.00	14,000.00
Parks & Recreation	Blower - Buffalo Turbine Blower (New)	18,000.00			18,000.00
Parks & Recreation	Blower - Buffalo Turbine Blower (New-Philps Pk)	18,000.00			18,000.00
Parks & Recreation	CC - Commercial Washer & Dryer Replacement		10,000.00		10,000.00
Parks & Recreation	CC - Dive Blocks			28,000.00	28,000.00
Parks & Recreation	CC - Grates for Pool Gutters			18,000.00	18,000.00
Parks & Recreation	CC - New Citizens Lobby Furniture			44,500.00	44,500.00
Parks & Recreation	CC - Parking Lot Cameras	6,359.00			6,359.00
Parks & Recreation	CC - Pool UV Control System (1)			40,000.00	40,000.00
Parks & Recreation	CC - Pool Lane Lines			13,560.00	13,560.00
Parks & Recreation	CC - Red Slide Leisure Pool			10,000.00	10,000.00
Parks & Recreation	CC - Tennis Court Repair/Recoat - Courts 1 & 2			26,000.00	26,000.00
Parks & Recreation	CC- Custodial Cleaning Machine	5,500.00			5,500.00
Parks & Recreation	CC- Floor Scrubber	5,500.00			5,500.00
Parks & Recreation	Chevrolet Traverse 5030-05 (Replacement)		40,000.00		40,000.00
Parks & Recreation	Connect Bentonville: T1P - Neighborhoods	33,000.00			33,000.00
Parks & Recreation	Connect Bentonville: T2P - Crosswalks	12,000.00			12,000.00
Parks & Recreation	Diagnostic Tablet/Scan Tool (New - Mechanic)	5,000.00			5,000.00
Parks & Recreation	Epoxy Floors - Bark Park & NE A Street RR			6,000.00	6,000.00
Parks & Recreation	Excavator Attachment - Bobcat Tractor	10,000.00			10,000.00
Parks & Recreation	Grapple for Bobcat Tool Cat	5,000.00			5,000.00
Parks & Recreation	Memorial - Concession RR Entry Doors			12,000.00	12,000.00
Parks & Recreation	Memorial - Parking Lot Seal and Stripe			40,000.00	40,000.00
Parks & Recreation	Memorial - Tennis Courts Resurface			25,000.00	25,000.00
Parks & Recreation	Mower - John Deere 8800A Terrain Cut Mower	95,000.00			95,000.00
Parks & Recreation	Mower - Toro 60" Zero Turn Mower (Replic)	16,500.00			16,500.00
Parks & Recreation	Network Replacements		26,000.00		26,000.00
Parks & Recreation	Parks Maintenance Facility Design Fees/Testing	350,000.00			350,000.00
Parks & Recreation	Parks Maintenance Facility Renovation			4,500,000.00	4,500,000.00
Parks & Recreation	Ram 1500 5030-01 (Replacement)		38,000.00		38,000.00
Parks & Recreation	Ram 2500 5030-10 (Replacement)		42,000.00		42,000.00
Parks & Recreation	Ram 3500 5020-17 (Replacement)		48,000.00		48,000.00
Parks & Recreation	Ram 3500 Crew cab (New-Phillips Park)	51,000.00			51,000.00
Parks & Recreation	Ram 3500 Crew Cab 5020-23 (Replacement)		51,000.00		51,000.00
Parks & Recreation	Sidewalk Design/Construction	300,000.00			300,000.00
Parks & Recreation	Snow Plow - Attachment-Parks Truck (New)	6,000.00			6,000.00
Parks & Recreation	Snow Plow - Bobcat Attachment - Snow Plow	7,500.00			7,500.00
Parks & Recreation	SW Bentonville Trail (DC to Shell Road)	500,000.00			500,000.00
Parks & Recreation	Sweeper - Bobcat Attachment - Sweeper	7,500.00			7,500.00
Parks & Recreation	Tire Mounting Machine		4,000.00		4,000.00
Parks & Recreation	Top Dresser-Sports Fields (Replacement)		17,000.00		17,000.00
Parks & Recreation	Town Branch Park	200,000.00			200,000.00
Parks & Recreation	Trailer - Deckover Trailer (New)	10,000.00			10,000.00
Parks & Recreation	UTV - Bobcat Tool Cat UTV (New)	78,000.00			78,000.00
Parks & Recreation	UTV - John Deere UTV (New - Phillips Park)	14,000.00			14,000.00
Parks & Recreation	UTV - Kawasaki Mule UTV-Forestry (New)	16,000.00			16,000.00
Parks & Recreation	Walton Blvd Trail Safety Improvements	60,000.00			60,000.00
Parks & Recreation	Wildwood - Tennis Court Repair			26,000.00	26,000.00
Parks & Recreation Total		1,829,859.00	276,000.00	4,803,060.00	6,908,919.00
Grand Total		8,575,457.55	2,740,976.08	5,824,968.83	17,141,402.46

CAPITAL

LIST OF CAPITAL ITEMS

STREET FUND 2023 BUDGET

Department	Description	Additional	Upgrade	Grand Total
Street	Milling machine attachment for skid steer	29,000.00		29,000.00
Street	TD - Building Expansion -Adding additional bays for Street Department	980,000.00		980,000.00
Street	TD - new rfb for crosswalks		28,000.00	28,000.00
Street	TD - New Water Truck for Asphalt and Grounds maintenance	160,000.00		160,000.00
Street	TD - Retro reflectometer	9,500.00		9,500.00
Street	TD - School Zone Beacon upgrades		10,000.00	10,000.00
Street	TD - Skidsteer for Street Department	90,000.00		90,000.00
Street	TD- New Dump truck	325,000.00		325,000.00
Street	TD Street Preservation Maintenance Overlays/Mastic Seals	1,000,000.00		1,000,000.00
Street	Trailer Attenuator (Crash Pad)	32,000.00		32,000.00
Street Total		2,625,500.00	38,000.00	2,663,500.00

CAPITAL

LIST OF CAPITAL ITEMS

UTILITY FUND 2023 BUDGET

Department	Description	Estimated Cost	Type
Electric	Easements Purchases	\$50,000	Additional
Electric	General SCADA Upgrades	\$100,000	Upgrade
Electric	Carroll Purchases	\$50,000	Additional
Electric	Overhead Primary Construction	\$700,000	Additional
Electric	I63/I67 Double Circuit Extension	\$575,000	Additional
Electric	Transmission Underbuild	\$760,000	Additional
Electric	C70/C13 Rebuild	\$700,000	Additional
Electric	Underground Primary Construction	\$2,600,000	Additional
Electric	L&G Focus Meters	\$300,000	Additional
Electric	Streetlights - Lighting of Roadways	\$350,000	Additional
Electric	Shelving for Utility Complex	\$25,000	Additional
Electric	Substation Electronic Equipment	\$75,000	Additional
Electric	4-Reel Trailer	\$50,000	Additional
Electric	Skid Steer w/ Attachment	\$250,000	Replacement
Electric	New Pick-Up Truck	\$50,000	Additional
Electric	Work Order Software- (Cityworks)	\$250,000	Additional
Electric	Trimble Equipment Upgrade	\$30,000	Upgrade
Electric Total		\$6,915,000	
Water	Water storage tank maintenance agreement	\$350,000	Additional
Water	3mg Tank Mixing Equipment and Installation	\$40,000	Additional
Water	Replacement and new AMI meters	\$150,000	Replacement
Water	Large AMI meters replacement and new	\$150,000	Replacement
Water	Network Switch Replacements/Upgrades	\$8,443	Replacement
Water	Scada SDWAN Appliances	\$19,696	Upgrade
Water	Replacing a 1-ton crew truck with a 1.5-ton truck. KA	\$90,000	Replacement
Water Total		\$808,139	
Wastewater	Storm Shelter for Compost	\$8,900	Upgrade
Wastewater	Storage building for compost bags	\$2,500	Replacement
Wastewater	(3) Actuators for McKissic valves	\$26,500	Additional
Wastewater	(10) Disconnect replacement for McKissic Lift Station	\$23,000	Replacement
Wastewater	85 HP pump for McKissic Lift Station	\$90,000	Replacement
Wastewater	Pump for digester cleaning	\$5,000	Upgrade
Wastewater	Buchi Kjeldahl Unit	\$30,000	Replacement
Wastewater	Replacement pump for Grammercy Lift Station	\$35,000	Replacement
Wastewater	SCADA connection to Walmart Campus Lift Station	\$28,000	Additional
Wastewater	Positive displacement vacuum truck	\$350,000	Replacement
Wastewater	New office furniture for Compost	\$8,500	Replacement
Wastewater	Network Switch Replacements/Upgrades	\$15,638	Replacement
Wastewater Total		\$623,038	
Sewer Rehab	CIPP line 1800' of 24" clay sewer line. KA	\$525,000	Replacement
Sewer Rehab	Pipe burst or CIPP line 375' of 8" clay sewer line.	\$75,000	Replacement
Sewer Rehab	Manhole rehab KA	\$75,000	Replacement
Sewer Rehab	additional camera assembly for the portable camera module. KA	\$30,000	Additional
Sewer Rehab	1/2 ton 4x4 pickup unit #3040-13 KA	\$45,000	Replacement
Sewer Rehab	Replacing 2013 a 1-ton crew truck	\$90,000	Replacement
Sewer Rehab Total		\$840,000	
Inventory	New concrete pad at warehouse	\$100,000	Upgrade
Inventory	New copier/printer for warehouse office	\$10,000	Additional
Inventory Total		\$110,000	
Utility Billing & Meter	MR 1/2 Ton, short bed 4x2, replacement vehicle	\$29,000	Replacement
Utility Billing & Meter	Dell Backup Server - split with Admin	\$25,000	Replacement
Utility Billing & Meter	Network Fiber Ring Backbone Redundancy Upgrade Split with Admin	\$29,926	Additional
Utility Billing & Meter	ITAPP - Replacement AS400 - split with admin	\$29,500	Replacement
Utility Billing & Meter	Eaton Battery Backup Replacements-Split with Admin	\$6,250	Replacement
Utility Billing & Meter Total		\$119,676	
	Grand Total	\$9,415,853	

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 2023.
- A list of staffing changes for 2023.
- A staffing table for 2023.

STAFFING

PERSONNEL REQUESTS (ALL REQUESTS WERE APPROVED)

For 2023, the City Council approved a 6 % Merit increase throughout the city.

GOVERNMENTAL FUNDS – PERSONNEL ADDITIONS, AND UPGRADES 2023 BUDGET

City of Bentonville

Governmental Funds – Personnel Additions

Position Additions or Upgrades		
Department	From/To Position	Salary Increase
Human Resources	HR Benefits Specialist	\$41,939
IT	JR Systems Admin	\$52,221
Accounting	AFD/Utilities	\$102,315
Accounting	Grant Writer	\$49,795
Accounting	Accounting Spec II	\$39,354
Accounting	Acctng Mgr upgrade to ASD/Accounting	\$4,101
Police Dept	Police Officer II	\$49,444
Police Dept	Police Officer II	\$49,444
Police Dept	Police Officer II	\$49,444
Police Dept	Police Officer II	\$49,444
Police Dept	Police Officer II	\$49,444
Police Dept	Police Officer II	\$49,444
Police Dept	Police Officer II	\$49,444
Police Dept	Telecommunicator II	\$43,014
Fire Inspections	Building Inspector	\$47,065
Fire Operations	Tactical Rescue Team upgrade	\$5,850
Fire Operations	Tactical Rescue Team upgrade	\$5,850
Fire Operations	TRT/HAZAMT Stipend upgrade	\$9,100
Fire Operations	Firefighter I	\$42,757
Fire Operations	Firefighter I	\$42,757
Fire Operations	Firefighter I	\$42,757
Fire Operations	Firefighter I	\$42,757
Fire Operations	Firefighter I	\$42,757
Fire Operations	Firefighter I	\$42,757
Fire Operations	PT Medical Director	\$60,000
Fire Operations	Job Family Bldg Inspector upgrade	\$5,845
PwM	(2) Public Works Maintenance III	\$66,892
Parks Maintenance	Parks Maint Worker I	\$31,640
Parks Maintenance	Parks Maint Worker II	\$34,114
Parks Maintenance	Parks Maint Worker III	\$36,791
Parks Maintenance	Horticulturist	\$47,065
Parks Recreation	Community Event Mgr	\$68,915
Public Library	Specialist II to III upgrade	\$5,500
Public Library	Specialist II to III upgrade	\$5,500
Position Transfers		
From Department	To Department	Position
Accounting	Administration/Legal	Purchasing Manger
Accounting	Administration/Legal	Purchasing Specialist II
Accounting	Administration/Legal	Purchasing Specialist II
Police	Animal Services	Animal Services Supervisor
Police	Animal Services	Animal Services Officer
Police	Animal Services	Animal Services Officer

STAFFING

City of Bentonville
2023 Budget
Enterprise Funds - Personnel Additions

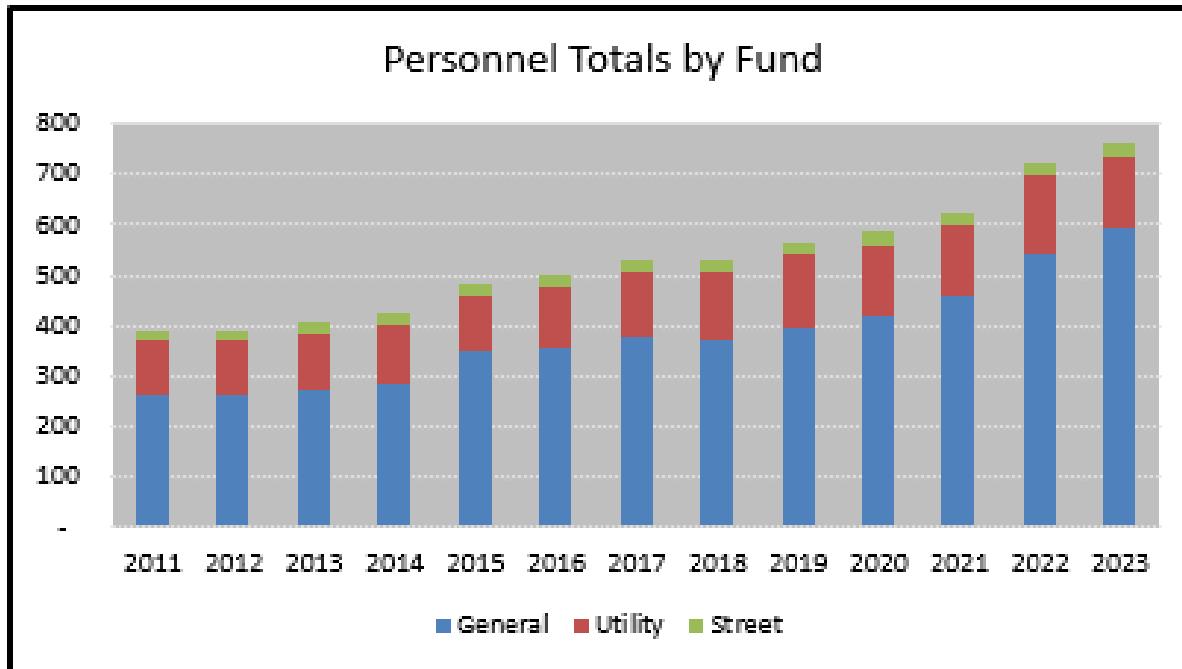
Full-Time Additions		
<u>Department</u>	<u>Position</u>	<u>Salary</u>
Electric Dept	Electric Systems Coord	\$76,671
Water/Sewer	GIS Analyst	\$61,204
Utility Billing	Key Account Rep	\$41,939

Upgrades		
<u>Department</u>	<u>Position</u>	<u>Salary</u>
WWRF	Maint Foreman to Supv	\$10,000
Utility Billing	Asst Billing Manager	\$6,250

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 35,000 in 2010 to a population of close to 55,000 in 2020.



STAFFING

FULL TIME EQUIVALENTS (FTEs)

Authorized - Total FTEs						
Year	2020	2021	2022	Change	2023*	
General Fund						
Administration	19	18	25	14	38	
Accounting	8	10	13	-4	9	
District Court	11	9	11	-1	10	
Planning	8	8	10	13	23	
Engineering	10	8	12	3	14	
Police	118	115	128	2	130	
Fire	112	113	139	-8	131	
Public Works Maintenance	32	20	22	3	25	
Parks	74	115	140	11	151	
Library	26	37	38	1	38	
Animal Services	0	0	4	2	6	
Fund Total	417	462	540	35	575	
Utility Fund						
Electric	48	48	56	-1	55	
Sewer Rehab	16	15	16	-4	12	
Water	32	29	36	4	40	
Wastewater	24	22	22	0	22	
Inventory Warehouse	4	3	3	1	4	
Utility Billing/Collection	21	21	25	4	28	
Fund Total	145	138	158	4	161	
Street	26	26	26	-1	25	
City Total	588	626	724	38	761	

*2023 Active Employee count

*2023 Building Inspection was combined into the Fire Department.

*Purchasing moved from Accounting to Administration

STAFFING

ACTIVE EMPLOYEES*

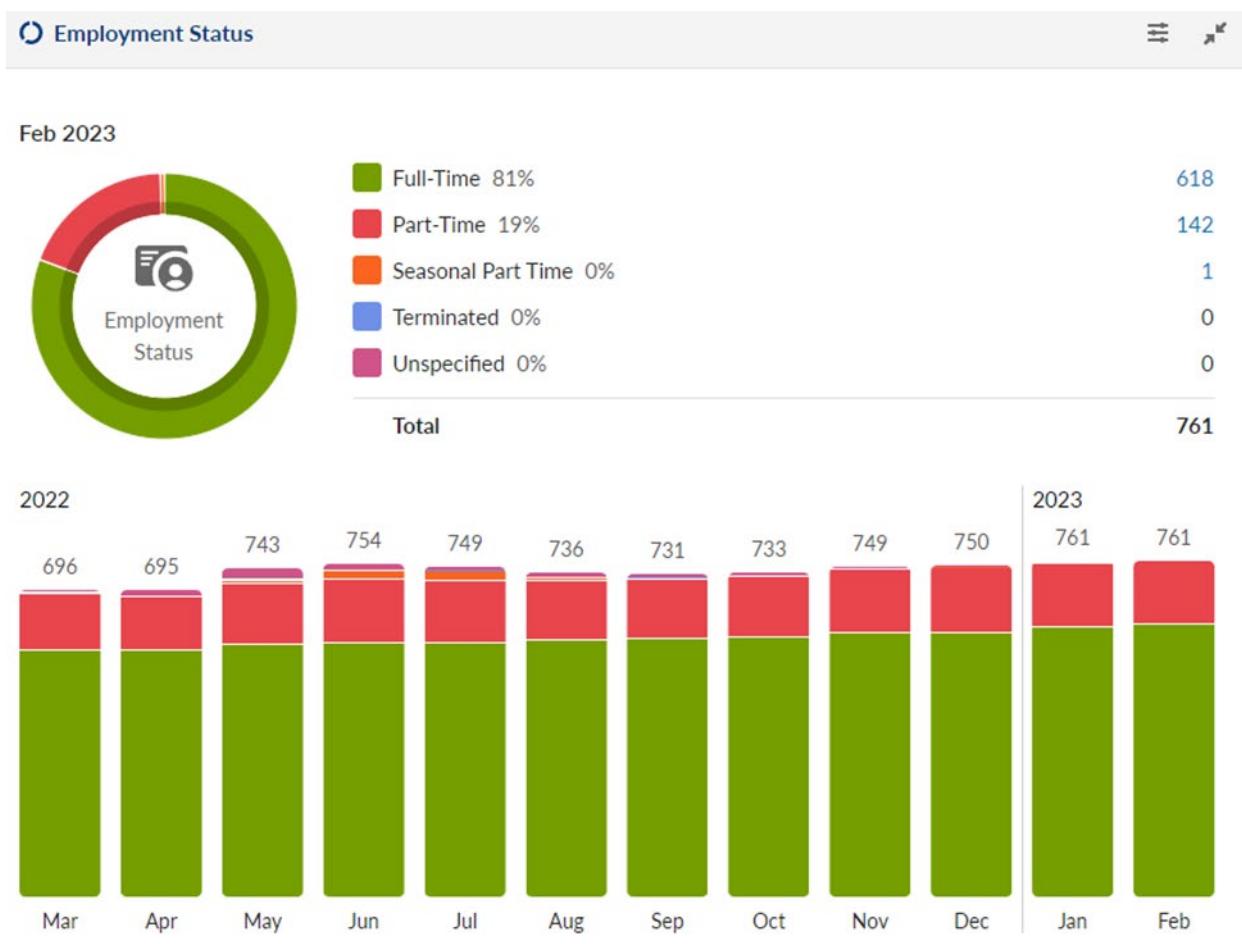
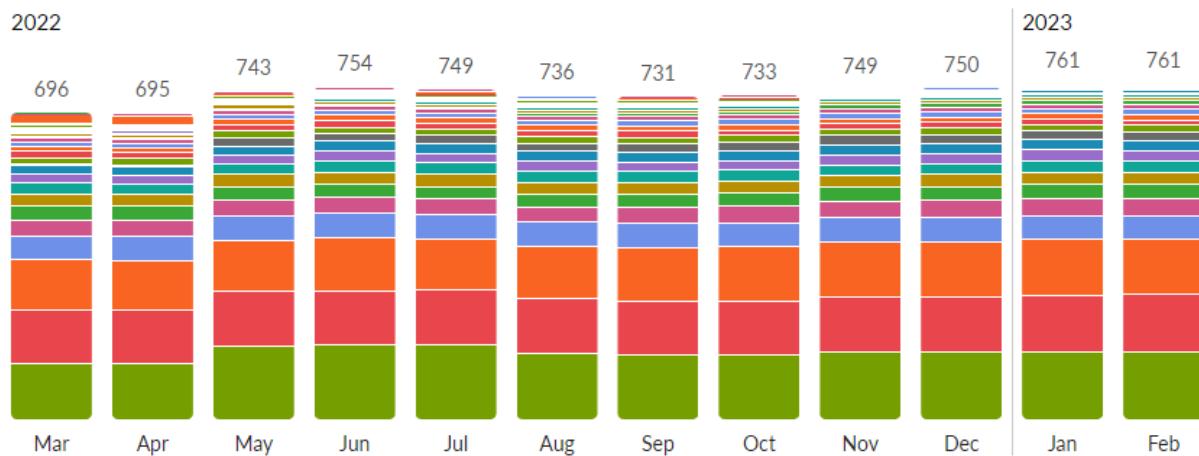


Parks & Recreation	20%	151
Police	17%	130
Fire	16%	124
Electric	7%	55
Public Library	5%	38
Water Department	4%	32
Utility Billing & Collections	4%	28
Street Department	3%	25
Public Works Maintenance	3%	25
Planning	3%	23
WRRF	2%	19
Engineering	2%	14
Administration	2%	13
Information Technology	2%	13
Sewer Department	2%	12
District Court	1%	10
Water	1%	8
Building Inspection	1%	7
Accounting	1%	6
Animal Services	1%	6
Human Resources	1%	5
Inventory	1%	4
Legal	1%	4
Purchasing	0%	3
Wastewater Department	0%	3
Finance	0%	2
Accounts Payable	0%	1
Unspecified	0%	0
Accounts Receivable	0%	0
Parks and Recreation	0%	0
Library	0%	0
Total		761

Active as of 2/16/2023

STAFFING

EMPLOYEES BY CLASSIFICATION



APPENDIX

ELECTRIC RATES:

Electric

Residential

Facilities Charge	\$14.70
First 800 kWh Winter	\$0.09710 per kWh
Over 800 kWh Winter	\$0.08837 per kWh
First 800 kWh Summer	\$0.10870 per kWh
Over 800 kWh Summer	\$0.10627 per kWh
Minimum Bill	\$14.70

Residential Solar Metering

Facilities Charge	\$14.70
First 800 kWh Winter	\$0.09710 per kWh
Over 800 kWh Winter	\$0.08837 per kWh
First 800 kWh Summer	\$0.10870 per kWh
Over 800 kWh Summer	\$0.10627 per kWh
All kWh Credit	(\$0.05715) per kWh

Small Commercial (Demand less than 50kW)

Facilities Charge	\$19.80
First 2,000 kWh Winter	\$0.10294 per kWh
Over 2,000 kWh Winter	\$0.09301 per kWh
First 2,000 kWh Summer	\$0.11700 per kWh
Over 2,000 kWh Summer	\$0.11700 per kWh
Minimum Bill	\$19.80

Small Commercial Solar Metering

Facilities Charge	\$19.80
First 2,000 kWh Winter	\$0.10294 per kWh
Over 2,000 kWh Winter	\$0.09301 per kWh
First 2,000 kWh Summer	\$0.11700 per kWh
Over 2,000 kWh Summer	\$0.11700 per kWh
All kWh Credit	(\$0.05715) per kWh

Mid-Commercial (Demand more than 50 kW and less than 200 kW)

Facilities Charge	\$30.00
Demand Charge	\$9.35 per kW
Energy Charge Winter Season	\$0.06238 per kWh
Energy Charge Summer Season	\$0.06608 per kWh
Minimum Charge	\$263.75

APPENDIX

ELECTRIC RATES:

Mid-Commercial Solar Metering

Facilities Charge	\$30.00
Demand Charge	\$9.35 per kW
Energy Charge Winter Season	\$0.06238 per kWh
Energy Charge Summer Season	\$0.06608 per kWh
All kWh Credit	(\$0.05715) per kWh

Large Power (Demand is more than 200 kW)

Demand Charge	\$8.25 per kW
Consumption Charge	\$0.06488 per kWh
Minimum Charge	\$825.00

Large Power Solar Metering

Demand Charge	\$8.25 per kW
Consumption Charge	\$0.06488 per kWh
All kWh Credit	(\$0.05715) per kWh

Rent Lights

100W - LED equivalent	\$6.91/month
250W - LED equivalent	\$12.06/month
1,000W - Flood LED Equivalent	\$27.68/month

Power Cost Adjustment

The Power Cost Adjustment (PCA) is reflected as a line item in the electric portion of your utility bill. The PCA is primarily due to the monthly fluctuation in the costs to generate and deliver the electricity used that are charged by the Utility's provider. These fluctuating costs are not included on the rates and are passed through to the customer. The utility does not earn additional revenue from the PCA.

An estimated portion of the fuel cost is included in the rates, however as the costs to produce and supply energy, primarily driven by the variability in the cost of fuel, the PCA ensures the full cost to provide electricity is recovered and available to pay for the power that is provided.

APPENDIX

SANITATION RATES

Garbage

Residential

Monthly Charge

Trash and Recycle	\$16.07
Additional Trash	\$ 8.05
Additional Recycle	\$ 0.00
Delivery Fee for Additional Trash	\$45.00

Commercial

Monthly Charge

Trash Cart Only	\$20.12
Recycle Cart	\$20.12
Additional Trash	\$ 8.05
Additional Recycle	\$ 0.00
Delivery Fee for Additional Trash	\$45.00

Dumpster Matrix

Pick-up/Week Size: Cubic Yard	1	2	3	4	5	6
2-Yard	\$48.80	\$97.60	\$146.40	\$195.20	\$244.00	\$292.80
4-Yard	\$97.60	\$195.20	\$292.80	\$390.40	\$488.00	\$585.60
6-Yard	\$146.40	\$292.80	\$439.20	\$585.60	\$732.00	\$878.40
8-Yard	\$195.20	\$390.40	\$585.60	\$780.80	\$976.00	\$1,171.20

Cardboard Matrix

Pick-up/Week Size: Cubic Yard	1	2	3	4	5	6
2-Yard	\$41.68	\$83.36	\$125.04	\$166.72	\$208.40	\$250.08
4-Yard	\$83.36	\$166.72	\$250.08	\$333.44	\$416.80	\$500.16
6-Yard	\$125.04	\$250.08	\$375.12	\$500.16	\$625.20	\$750.24
8-Yard	\$166.72	\$333.44	\$500.16	\$666.88	\$833.60	\$1,000.32

APPENDIX

WATER AND WASTEWATER RATES

Water

All water rates also include a mandated 'Safe Water Fee' of \$0.40 per month. In addition the water rate includes a \$4.00 per month additional charge per meter for customers outside City Limits.

Residential

Facility Charge

3/4" & 5/8" - \$7.71	3" - \$134.97
1" - \$19.28	4" - \$385.63
1½" - \$83.55	6" - \$835.54
2" - \$89.98	

Consumption Costs

Inside City

0 - 4,000 gallons	\$3.66 per 1,000 gallons
4,000 - 10,000 gallons	\$4.01 per 1,000 gallons
Over 10,000 gallons	\$5.51 per 1,000 gallons

Outside City

0 - 4,000 gallons	\$4.38 per 1,000 gallons
4,000 - 10,000 gallons	\$4.80 per 1,000 gallons
Over 10,000 gallons	\$6.60 per 1,000 gallons

Commercial

Facility Charge

3/4" & 5/8" - \$7.71	3" - \$134.97
1" - \$19.28	4" - \$385.63
1½" - \$83.55	6" - \$835.54
2" - \$89.98	

Consumption Costs

Inside City - \$3.84 per 1,000 gallons
Outside City - \$4.59 per 1,000 gallons

APPENDIX

Irrigation

Facility Charge

3/4" & 5/8" - \$10.14	3" - \$177.16
1" - \$25.66	4" - \$507.06
1½" - \$109.97	6" - \$1,099.64
2" - \$118.52	

Consumption Costs

Inside City - \$4.81 per 1,000 gallons
Outside City - \$5.76 per 1,000 gallons

Wastewater

Residential

Facility Charge

3/4" & 5/8" - \$13.41	3" - \$257.30
1" - \$44.16	4" - \$721.32
1½" - \$164.05	6" - \$1,553.89
2" - \$175.15	

Consumption Costs

Inside City - \$7.69 per 1,000 gallons
Outside City - \$9.23 per 1,000 gallons

Commercial

Facility Charge

3/4" & 5/8" - \$14.33	3" - \$274.95
1" - \$47.19	4" - \$770.81
1½" - \$175.31	6" - \$1,660.50
2" - \$187.17	

Consumption Costs

Inside City - \$8.22 per 1,000 gallons
Outside City - \$9.86 per 1,000 gallons

APPENDIX

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					
First 4,000 gallons of water	4.00	4.00	4.00	4.00	4.00
Next 6,000 gallons of water	3.91	N/A	N/A	N/A	N/A
Over 10,000 gallons of water	4.48	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	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

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	\$16.07 per Month
Small Commercial	\$20.12 per Month
Large Commercial – Dumpsters	\$ 5.63 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	20,286				
Uniformed Employees	127	Lift Stations	62				
<u>Police Protection</u>				Avg Daily Flow (Gallons)	3,129,000		
Stations	1	Miles of Sewer Line	586				
Sworn Officers	92	Sewer Manholes	6877				
<u>Public Education System</u>							
<u>Parks and Recreation</u>				Elementary	13		
Parks Acreage	342	Middle	5				
Number of Parks	21	Junior High	4				
Number of Trails	28	High School	2				
Baseball/Softball Fields	20	Certified Teachers	1,375				
Soccer Fields/Football Fields	16	Total Staff	2,303				
Tennis Courts	22	Enrollment	18,605				
Basketball Courts	5	<u>Building Permits</u>					
Swimming Pools/Splash Parks	4	Year	Number	Value			
Ice Rink	1	2022	1481	766,583,022			
Indoor Recreation Center	2	2021	1562	1,117,303,480			
		2020	1797	529,200,000			
		2019	1750	454,000,000			
<u>Streets</u>				2018	1732	500,000,000	
Miles City Roads and Streets	313	2017	1562	395,100,000			
Traffic Signals	56	2016	1471	372,728,437			
		2015	1375	321,885,167			
		2014	1227	321,836,524			
<u>Water</u>				2013	1225	237,944,732	
Meters	20,286	2012	1253	222,071,462			
Irrigation Meters	4,648	<u>Benton County - Rate of Unemployment</u>					
Beaver Water Pumping		Year	Rate				
Capacity (Gallons)	80,000,000	2022					
Pumping Capacity to		2021					
Bentonville/Rogers	36,000,000	2020					
Average Daily Use (Gallons)	12,800,000	2019					
Storage Capacity	12,500,000	2018					
Miles of Water Lines	372	2017					
Fire Hydrants	3,513	2016					
<u>Electric</u>				2015	3.4		
Meters	27,611	2014					
Substations	9	2013					
Miles of Distribution Lines	1031.5	2012					

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 set our official population for the past few years at 35,301. The recent regular federal census in 2020 set our estimated official population at 54,164 and this will be the amount used for budget purposes in subsequent years.

Population, Census, April 1, 2020	54,164
Population, Census, April 1, 2010	35,301
Age and Sex	
Persons under 5 years, percent	▲ 7.7%
Persons under 18 years, percent	▲ 28.2%
Persons 65 years and over, percent	▲ 8.2%
Female persons, percent	▲ 49.3%
Race and Hispanic Origin	
White alone, percent	▲ 78.5%
Black or African American alone, percent (a)	▲ 3.5%
American Indian and Alaska Native alone, percent (a)	▲ 0.7%
Asian alone, percent (a)	▲ 12.2%
Native Hawaiian and Other Pacific Islander alone, percent (a)	▲ 0.1%
Two or More Races, percent	▲ 3.5%
Hispanic or Latino, percent (b)	▲ 10.2%
White alone, not Hispanic or Latino, percent	▲ 70.2%
Population Characteristics	
Veterans, 2015-2019	1,939
Foreign born persons, percent, 2015-2019	15.5%
Housing	
Housing units, July 1, 2019, (V2019)	X
Owner-occupied housing unit rate, 2015-2019	54.2%
Median value of owner-occupied housing units, 2015-2019	\$232,600
Median selected monthly owner costs -with a mortgage, 2015-2019	\$1,602
Median selected monthly owner costs -without a mortgage, 2015-2019	\$483
Median gross rent, 2015-2019	\$955
Building permits, 2020	X
Families & Living Arrangements	
Households, 2015-2019	18,223
Persons per household, 2015-2019	2.67
Living in same house 1 year ago, percent of persons age 1 year+, 2015-2019	81.3%
Language other than English spoken at home, percent of persons age 5 years+, 2015-2019	13.4%

APPENDIX

CENSUS DATA (CONTINUED)

Computer and Internet Use	
 Households with a computer, percent, 2015-2019	94.1%
 Households with a broadband Internet subscription, percent, 2015-2019	72.3%
Education	
 High school graduate or higher, percent of persons age 25 years+, 2015-2019	93.9%
 Bachelor's degree or higher, percent of persons age 25 years+, 2015-2019	50.2%
Health	
 With a disability, under age 65 years, percent, 2015-2019	5.2%
 Persons without health insurance, under age 65 years, percent	 6.0%
Economy	
 In civilian labor force, total, percent of population age 16 years+, 2015-2019	69.7%
 In civilian labor force, female, percent of population age 16 years+, 2015-2019	60.3%
 Total accommodation and food services sales, 2012 (\$1,000) 	111,160
 Total health care and social assistance receipts/revenue, 2012 (\$1,000) 	173,590
 Total manufacturers shipments, 2012 (\$1,000) 	135,262
 Total retail sales, 2012 (\$1,000) 	1,024,175
 Total retail sales per capita, 2012 	\$26,752
Transportation	
 Mean travel time to work (minutes), workers age 16 years+, 2015-2019	17.0
Income & Poverty	
 Median household income (in 2019 dollars), 2015-2019	\$80,392
 Per capita income in past 12 months (in 2019 dollars), 2015-2019	\$41,169
 Persons in poverty, percent	 7.6%
 BUSINESSES	
Businesses	
 Total employer establishments, 2019	
 Total employment, 2019	
 Total annual payroll, 2019 (\$1,000)	
 Total employment, percent change, 2018-2019	
 Total nonemployer establishments, 2018	
 All firms, 2012	3,922
 Men-owned firms, 2012	1,880
 Women-owned firms, 2012	1,300
 Minority-owned firms, 2012	391
 Nonminority-owned firms, 2012	3,295
 Veteran-owned firms, 2012	326
 Nonveteran-owned firms, 2012	3,279
 GEOGRAPHY	
Geography	
 Population per square mile, 2010	1,128.3
 Land area in square miles, 2010	31.29

APPENDIX

CENSUS DATA (CONTINUED)

[About datasets used in this table](#)

Value Notes

 Estimates are not comparable to other geographic levels due to methodology differences that may exist between different data sources.

Some estimates presented here come from sample data, and thus have sampling errors that may render some apparent differences between geographies statistically indistinguishable. Click the Quick Info  icon to the left of each row in TABLE view to learn about sampling error.

The vintage year (e.g., V2021) refers to the final year of the series (2020 thru 2021). Different vintage years of estimates are not comparable.

Fact Notes

- (a) Includes persons reporting only one race
- (c) Economic Census - Puerto Rico data are not comparable to U.S. Economic Census data
- (b) Hispanics may be of any race, so also are included in applicable race categories

Value Flags

- Either no or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest or upper interval of an open ended distribution.
- F Fewer than 25 firms
- D Suppressed to avoid disclosure of confidential information
- N Data for this geographic area cannot be displayed because the number of sample cases is too small.
- FN Footnote on this item in place of data
- X Not applicable
- S Suppressed; does not meet publication standards
- NA Not available
- Z Value greater than zero but less than half unit of measure shown

QuickFacts data are derived from: Population Estimates, American Community Survey, Census of Population and Housing, Current Population Survey, Small Area Health Insurance Estimates, Small Area Income and Poverty Estimates, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits.

Information obtained from www.census.gov.

APPENDIX

GLOSSARY

A

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.

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.

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.

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.

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

Assessed Valuation: A value set upon real estate and personal property, usually based on the estimated market value, by the County Assessor for the purpose of levying property taxes. The assessment ratio depends on the classification of the property, such as residential, commercial, utilities, etc.

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

Audit: Auditing refers to a systematic independent examination of books, accounts, documents, and vouchers of an organization to ascertain how the financial statements present a true and fair view of the concern. It also attempts to ensure that the books of accounts are properly maintained as required by law.

B

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

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

APPENDIX

GLOSSARY (CONTINUED)

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.

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 Adoption: Formal action by the City Council, which sets the total expenditure limit for the fiscal year.

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

Budget Document: The compilation of the individual departmental spending plans for the various funds, along with supporting schedules, tables, and graphs which, in total, comprise the annual revenue and expenditure plan.

Budget Message: A general discussion of the proposed budget as presented in writing by the Finance Director 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

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 Assets: Assets with a cost of \$5,000 or greater and an estimated useful life of at least one year. Capital assets include land, building, improvements, equipment, and infrastructure assets such as roads, bridges, storm sewers, and similar items.

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 Expenditures: Funds used by an entity to acquire or upgrade physical assets such as property, industrial buildings, or equipment. This type of outlay is made by cities to maintain to increase the scope of their operations. These expenditures can include everything from repairing a roof to building a brand-new facility.

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 (CIP): 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.

Carryover: Encumbered or otherwise previously obligated expenditure authority moved from one fiscal year to another through the budget process to cover the timing of those obligated expenditures.

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: An amount set aside for unforeseen expenses of uncertain amounts or funds set aside for known expenses, such as salary increases, but uncertain amounts.

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.

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

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

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

Current Taxes: Taxes levied and due within one year.

D

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.

APPENDIX

GLOSSARY (CONTINUED)

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: An individual section within the city government having a specialized function or activity and a separate spending plan.

Depreciation: An accounting method of allocating the cost of a tangible asset over its useful life.

E

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 proprietary fund type used to account for financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Expenditure: A decrease in the net financial resources of the City due to the acquisition of goods and services.

F

FBO: Fixed Base Operator. This person is contracted to oversee day-to-day operations of the airport.

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: Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Financial Policy: A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs, and capital investment. A financial policy provides an agreed-upon set of principles for the planning and programming of governmental budgets and their funding.

Fiscal Year: A period of twelve (12) consecutive months establishing the beginning and the ending of financial transactions. The City of Bentonville's fiscal year corresponds to the calendar year.

APPENDIX

GLOSSARY (CONTINUED)

Fixed Asset: Assets of long-term nature that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

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

Full-Time Equivalent Position (FTE): Employee positions, which are authorized in the adopted budget, to be filled during the year. One FTE is equivalent to a 40-hour per week position. For example, a summer lifeguard working for four months, or 690 hours, would be equivalent to .33 FTE.

Fund: An accounting device established to control receipt and disbursement of income from sources set aside to support specific activities or attain certain objectives. Each fund is treated as a distinct fiscal entity with a self-balancing set of accounts.

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

Fund Balance: The difference between a fund's total assets and liabilities. A positive fund balance is generally an accumulation of actual revenues which have exceeded actual expenditures. Fund balance in each fund may have up to five classifications as outlined in GASB Statement 54.

- **Nonspendable Fund Balance:** The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. This would include items not expected to be converted to cash including inventories and prepaid amounts. It may also include the long-term amount of loans and receivables, as well as property acquired for resale and the corpus (principal) of a permanent fund.
- **Restricted Fund Balance:** The restricted fund balance classification should be reported when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed Fund Balance:** The committed fund balance classification reflects specific purposes pursuant to constraints imposed by formal action of City Council.
- **Assigned Fund Balance:** The assigned fund balance classification reflects amounts that are constrained by the government's intent to be used for specific purposes but meet neither the restricted nor committed forms of constraint.
- **Unassigned Fund Balance:** The unassigned fund balance classification is the residual classification for the general fund only. It is also where *negative residual amounts for all other governmental funds* would be reported.

Fund Classification: One of three broad categories (governmental, proprietary, and fiduciary) used to classify fund types.

Fund Type: One of 11 classifications into which all individual funds can be categorized. Governmental fund types include the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Fund, and Permanent Funds. Proprietary fund type includes enterprise funds and internal service funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

G

GAAP: Generally Accepted Accounting Principles are a common set of accounting principles, standards, and procedures that entities must follow in compiling financial statements.

APPENDIX

GLOSSARY (CONTINUED)

GASB: The Governmental Accounting Standards Board is the independent, private sector organization that establishes accounting and financial reporting standards for U.S. state and local governments that follow GAAP.

General Fund: A fund set up to account for the ordinary operations of a governmental unit that are financed from taxes and other general revenues. All transactions not accounted for in some other fund are accounted for in this fund.

Governmental Fund Type: Funds generally used to account for tax-supported activities. There are five different types of governmental fund: the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, and Permanent Funds.

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: Funds which account for functions reported as governmental activities in the government-wide financial statements.

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

Grant: A contribution by a government or other organization to support a particular function. Typically, these contributions are made to local governments from state or federal governments.

Infrastructure: Facilities that support the continuance and growth of a community. Examples include roads, water lines, sewers, public buildings, and parks.

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 collected from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

Internal Service Funds: A proprietary fund type that is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, on a cost-reimbursement basis.

Investments: Securities, bonds, and real property (land or buildings) held for the production

APPENDIX

GLOSSARY (CONTINUED)

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.

Inter-fund Transfer: Movement of resources between two funds (i.e., An inter-fund transfer would include the transfer of operating resources from the General Fund to the Street Fund to provide the resources necessary to complete street related projects).

L

Liabilities: A liability is a financial obligation, debt, claim, or potential loss.

Long-Term Debt: Debt with a maturity of more than one year after date of issuance.

M

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

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 which is a mixture of accrual accounting and cash basis accounting. Expenditures are recognized when the liability is incurred, and revenues are recognized when they become available and measurable.

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.

O

O & M: Operations and Maintenance.

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

Operating Budget: The annual budget and process that provides a financial plan for the operation of government and the provision of services for the year. The use of an annual operating budget is usually required by law.

Ordinance: A formal legislative enactment by the governing board of a municipality. If it is not

APPENDIX

GLOSSARY (CONTINUED)

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.

Operating Impact: Costs of a capital project that will affect the day-to-day operating and maintenance costs of a municipality after it is completed. An example is a new completed park will require staff and landscaping to maintain the capital investment.

Organization Chart: A flowchart or picture representation of the employee positions within an organization.

P

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

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 and fringe benefits.

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 ~~or~~recovery), financial position, and cash flows.

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

Purchase Order: A document issued to authorize a vendor or vendors to deliver specified merchandise or render a specified service for a stated estimated price. Outstanding purchase orders are called encumbrances.

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: Financial resources derived from business-like activities. Examples include taxes, user charges, and monies received from other levels of government.

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

APPENDIX

GLOSSARY (CONTINUED)

Revenue Recognition: A method of determining whether income has met the conditions of being earned and realized or is realizable.

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.

Resolution: An order of a legislative body requiring less formality than an ordinance or statute.

S

Sales Tax: The tax placed on the value of goods sold within the city. The rate is set by majority vote of the people. The tax is collected by the State and is distributed to local taxing authorities.

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 governmental fund type used to account for revenues from specific taxes or other earmarked sources that (by law) are designated to finance particular activities of government.

Stabilization and Contingency Reserve (SCR) Fund: A portion of each of the General Fund, Street Fund, and Utility Fund balances that have been committed by the City Council for the applicable fiscal year.

State 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.

T

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.

Transfers In/Out: Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

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.