

WATER & SEWER RATE STUDY

FOR

CENTERTON

WATERWORKS & SEWER COMMISSION

&

CENTERTON UTILITIES

SERVING

CITY OF CENTERTON

& SURROUNDING AREAS

BENTON COUNTY, ARKANSAS

May 2022

Revised October 2022



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1. Introduction

The Centerton Waterworks and Sewer Commission has retained Engineering Services, Inc. to provide an evaluation of the current water and sewer service rates. Using financial information provided by Centerton Utilities on the existing revenues from customers and other sources, and operation, maintenance, debt service, and other expenses, this report will assess the adequacy of current water and sewer rates and project if rate changes may be necessary during the next five years.

The following rate study will examine current water and sewer rates and make comparison to other municipal water and sewer rates from cities in Northwest Arkansas. Centerton Utilities's water and sewer revenues and expenses will be analyzed and projected into the future to estimate income needed to meet projected expenses and maintain adequate debt service coverage ratios. If it is found that rate increases may be necessary, a rate increase strategy will be developed and recommended for implementation.

2. Current Operations

Centerton Utilities operates and maintains a potable water distribution system and sanitary sewer collection system within the City and an Outside the City potable water distribution system. The Outside water system serves predominantly rural areas to the north, west and south but includes a portion of southwest Bella Vista, eastern portions of Gravette (formerly Hiwassee) and a portion of southwest Bentonville. After collection, wastewater is pumped to the Decatur Wastewater Treatment Plant through a 13-mile 18-inch diameter sanitary sewer force main. This study encompasses the finances necessary to provide for the operation and maintenance of the potable water systems and the sanitary sewer collection system.

Centerton Utilities purchases treated water from the Benton/Washington Regional Public Water Authority (Two-Ton). Two-Ton implemented a \$0.36 per 1,000 gallons rate increase on January 1, 2022. Further rate increases are not scheduled or proposed at the time of this writing.

Table 2.1 summarizes the numbers of water customers and sewer customers served by Centerton Utilities for August 2015 and March 2022.

Table 2.1

Customers August 2015 & March 2022			
Customer Classification	Aug-15	Mar-22	Average Growth
Water			
Inside Residential	4045	6972	
Inside Irrigation	457	383	
Outside Residential	1081	1332	
Outside Irrigation	69	14	
Commercial	149	318	
Total Water Customers	5801	9019	6.93%
Sewer			
Inside City	3857	6780	
Inside Without Water Svc.	1	2	
Outside City	1	4	
Outside City Without Water Service		1	
Total Sewer Customers	3859	6787	8.95%

Rate Structure:

Centerton Utilities has employed a single block rate structure for residential water service and irrigation water service both inside and outside of the City. Centerton Utilities also employs a single block rate for sewer service. Centerton Utilities employs the same declining block rate structure for all commercial water service. The declining block rate works such that rates decrease as consumption increases. The justification for this type of rate structure is that the overall operation and maintenance costs per unit volume typically decrease as the volume of usage increases. The advantage for this rate is that it benefits large-volume users which are inherently critical to the continued economic viability of the community. Utility rates should as minimums provide sufficient revenue for operation and maintenance, repayment of debt, provide for planned upgrades in service, fund mandated debt reserve levels and fund depreciation.

Previous Water & Sewer Rates:

Previous Water Rates and Sewer Rates are summarized in Table 2.2 and Table 2.3 respectively. These rates were instituted January 1, 2016.

Table 2.2

Water Rate Recent History				
Rates Effective January 1, 2016		Block Rates (per 1,000 gal.)		
Customer Classification	Minimum Bill	<100,000 gal.	100,000 - 500,000 gal.	> 500,000 gal.
Inside City Residential	\$20.00	\$4.65		
Inside City Irrigation	\$20.00	\$3.65		
Outside City Residential	\$25.00	\$4.95		
Outside City Irrigation	\$25.00	\$3.75		
Double Residence on Single Meter	\$50.25	\$4.95		
All Commercial	\$34.50	\$3.45	\$3.25	\$3.15

Table 2.3

Sewer Rate Recent History			
Rates Effective January 1, 2016		Block Rates (per 1,000 gal.)	
Customer Classification	Minimum Bill	< 300,000 gal.	> 300,000 gal.
Inside City	\$16.76	\$7.99	\$8.57
Outside City	\$18.18	\$9.08	\$9.66
Inside City Residential – w/o water service	\$42.19		
Outside City Residential without water service	\$49.19		

Current Water & Sewer Rates:

Current Water Rates and Sewer Rates became effective January 1, 2022 and are presented in Table 2.4 and Table 2.5 respectively:

Table 2.4

Water Rates Effective January 1, 2022			
Minimum or Base Bill Amounts			
Water Meter Size	Inside Residential	Outside Residential	All Commercial
3/4"	\$ 20.00	\$ 25.00	\$ 34.50
1"	\$ 33.40	\$ 41.75	\$ 57.62
1.5"	\$ 66.60	\$ 83.25	\$ 114.89
2"	\$ 106.60	\$ 133.25	\$ 183.89
3"	\$ 233.40	\$ 291.75	\$ 402.62
4"	\$ 400.00	\$ 500.00	\$ 690.00
6"	\$ 900.00	\$ 1,125.00	\$ 1,552.50
8"	\$ 1,066.00	\$ 1,333.25	\$ 1,839.89
Usage Block Rates (per 1,000 gal.)			
	Usage Block		
Customer Classification	<100,000 gal.	100,000 – 500,000 gal.	> 500,000 gal.
All Residential	\$4.65	\$4.65	\$4.65
Double Residence	\$4.95	\$4.95	\$4.95
All Commercial	\$3.45	\$3.25	\$3.15

Table 2.5

Sewer Rates Effective January 1, 2022		
Minimum or Base Bill Amounts		
Water Meter Size	Inside City	Outside City
3/4"	\$ 16.76	\$ 18.18
1"	\$ 27.99	\$ 30.36
1.5"	\$ 55.81	\$ 60.54
2"	\$ 89.33	\$ 96.90
3"	\$ 195.59	\$ 212.16
4"	\$ 335.20	\$ 363.60
6"	\$ 754.20	\$ 818.10
8"	\$ 893.81	\$ 969.54
Usage Block Rates (per 1,000 gal.)		
	Usage Block	
Customer Classification	< 300,000 gal.	> 300,000 gal.
Inside City	\$7.99	\$8.57
Outside City	\$9.08	\$9.66
Inside City - w/o Water	\$42.19	
Outside City - w/o Water	\$49.19	

Lot Assessment/Capacity Fees

Centerton Utilities has for many years collected a per lot assessment fee of \$325.00 for new water service and \$350.00 for new sewer service for all new lots regardless of how many meters were set or the sizes of the meters. The Water and Sewer Commission chose to revise these fees based on the number and size of all new water meters. These new fees were brought in to effect on January 1, 2022. The Lot Assessment/Capacity Fees are shown in Table 2.6.

Table 2.6

Lot Assessment / Capacity Fees			
Effective January 1, 2022			
Meter Size	Meter Type	Water	Sewer
3/4	Nutating Disk	\$1,428	\$757
1	Nutating Disk	\$2,384	\$1,265
1.5	Nutating Disk	\$4,755	\$2,522
2	Nutating Disk	\$7,610	\$4,037
3	Single jet	\$15,235	\$8,082
3	Compound	\$15,235	\$8,082
3	Turbine	\$16,662	\$8,839
4	Single jet	\$23,801	\$12,627
4	Compound	\$23,801	\$12,627
4	Turbine	\$29,984	\$15,906
6	Single jet	\$47,589	\$25,245
6	Compound	\$47,589	\$25,245
6	Turbine	\$61,867	\$32,820

Water Usage:

Figure 2.1 depicts total water sales by customer class from January 2018 through March 2022. Figure 2.2 presents the monthly total water customers and usage for the same time period. Figure 2.3 depicts average water use percentage by customer class. Table 2.4 summarizes average percentage of total usage by customer classification during this time period.

There appears to be approximately 9% increase in total number of customers during the study period. The growth is almost entirely within the residential classifications. There is virtually no growth in the commercial classification. There is seasonal variation in all customer classifications. This seasonal variation is more pronounced in the irrigation classifications. Residential usage is approximately 80% of total usage. Irrigation usage is approximately 11% and commercial usage is approximately 9%.

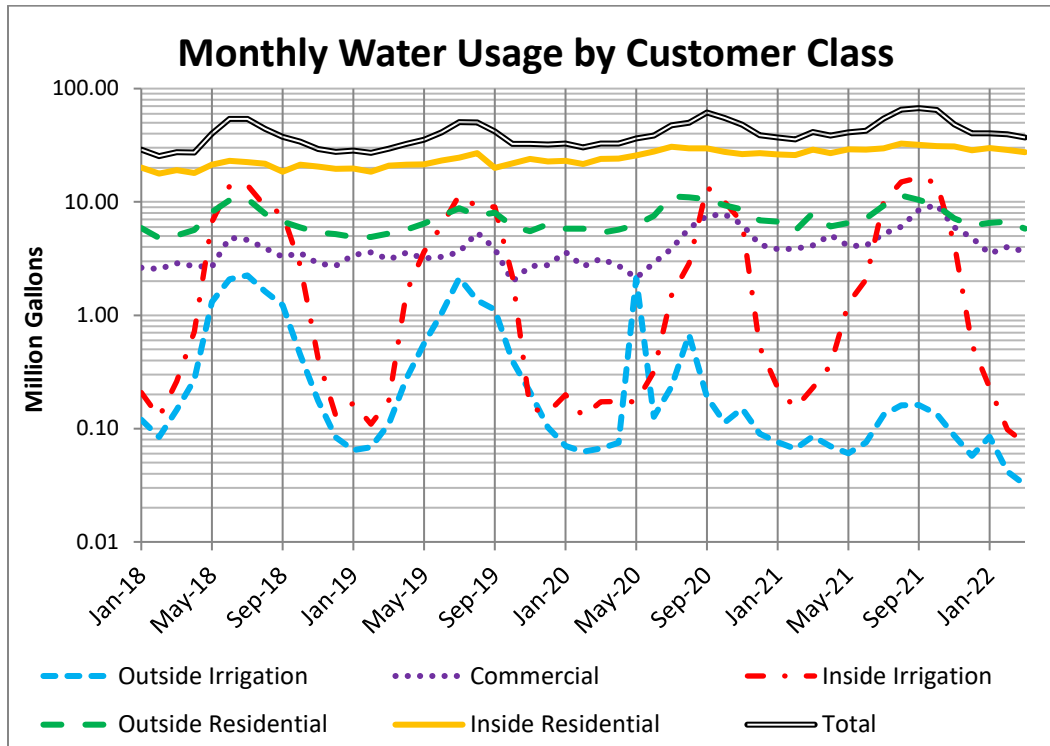
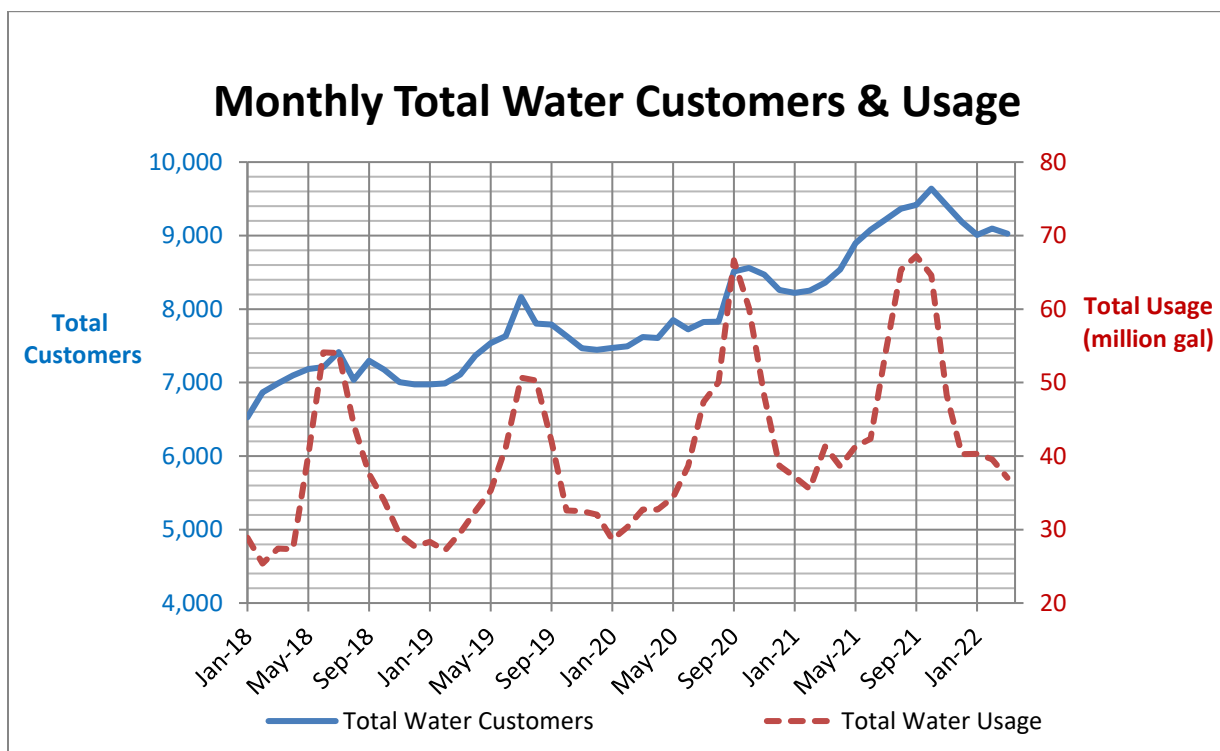
Figure 2.1**Figure 2.2**

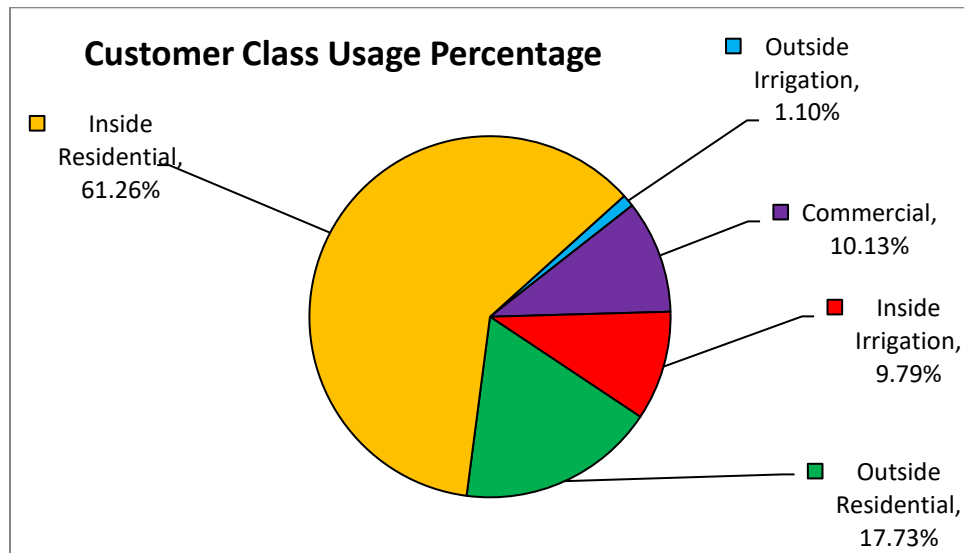
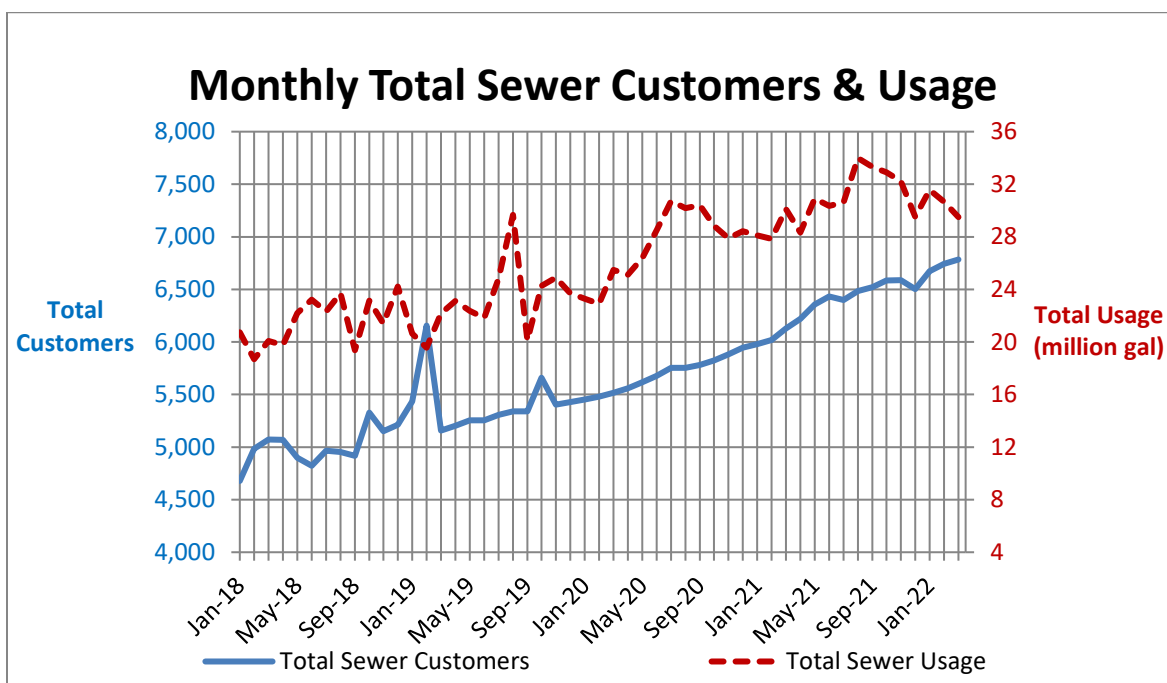
Figure 2.3**Sewer Usage:**

Figure 2.4 presents the number of sewer customers and total usage by month for the study period. The growth rate for sewer customers is approximately 8% for the study period.

Figure 2.4

Comparison of Rates:

Overall average customer usages with corresponding billings at the 2021 water rates and sewer rates are presented in Table 2.7. Centerton water and sewer bills for these average customer usages are compared to bills for the same usage amounts for larger cities in Northwest Arkansas in Table 2.8 and for smaller cities in Northwest Arkansas in Table 2.9. All calculated bill amounts presented in these tables are based on rate information and/or City Ordinances available online for the individual cities.

Table 2.7

Average Customer Usage & Bills		
Customer Classification	Average Usage (Gallons)	Bill @ Current Rates
Water		
Inside City		
Residential	4,441	\$40.65
Irrigation	6,343	\$43.15
Commercial	17,314	\$94.23
Outside City		
Residential	5,865	\$54.03
Irrigation	3,837	\$39.39
Sewer		
Inside Residential	4,633	\$53.78
Outside Residential	11,439	\$122.05
Commercial	17,314	\$155.10

Table 2.8

Comparison of Centerton Water & Sewer Bills to Larger NWA Cities						
Customer Classification	Gallons/ Month	Centerton	Bentonville	Rogers	Springdale	Fayetteville
Water						
Inside City Residential	4,441	\$40.65	\$23.90	\$19.84	\$21.39	\$24.93
Inside City Irrigation	6,343	\$43.15	\$40.33	\$19.84	\$20.13	\$38.54
Outside City Residential	5,559	\$52.52	\$32.44	\$30.72	\$28.67	\$34.63
Outside City Irrigation	8,457	\$56.71	\$58.43	\$30.72	\$30.91	\$56.61
Commercial	17,314	\$94.23	\$73.33	\$68.50	\$68.64	\$72.48
Sewer						
Inside City Residential	4,441	\$52.24	\$47.30	\$35.41	\$21.69	\$41.09
Outside City Residential	5,559	\$71.43	\$54.09	\$53.27	\$28.41	\$63.75
Commercial	17,314	\$155.10	\$168.61	\$97.72	\$70.22	\$94.49

Table 2.9

Comparison of Centerton Water & Sewer Bills to Smaller NWA Cities						
Customer Classification	Gallons/ Month	Centerton	Siloam Springs	Pea Ridge	Prairie Grove	Lincoln
Water						
Inside City Residential	4,441	\$40.65	\$30.81	\$38.75	\$36.25	\$72.67
Inside City Irrigation	6,343	\$43.15	\$39.43	\$50.63	\$49.96	\$92.72
Outside City Residential	5,559	\$52.52	\$50.00	\$53.61	\$63.24	\$111.08
Outside City Irrigation	8,457	\$56.71	\$61.56	\$74.18	\$84.13	\$144.18
Commercial	17,314	\$94.23	\$103.13	\$119.20	\$129.06	\$202.86
Sewer						
Inside City Residential	4,441	\$52.24	\$37.03	\$34.07	\$41.12	\$37.56
Outside City Residential	5,559	\$71.43	\$52.26	\$54.55	\$48.36	\$42.60
Commercial	17,314	\$155.10	\$95.22	\$101.65	\$129.06	\$95.49

3. Factors Impacting Expenses

Current Water Usage:

Records for the study period reveal that Centerton Utilities has billed for 2,065,809,389 gallons of water usage with a monthly average of 40,506,066 gallons. The greatest water expense incurred by Centerton Utilities is the purchase of treated water from Two-Ton. The cost per thousand gallons remains the same no matter the volume. Purchase costs increase as purchase volumes increase. The cost of operating and maintaining a water distribution system are also dependent on the volume of water distributed to customers. As the number of customers increase the purchase of potable water also increases.

Current Sewer Usage:

Records for the study period reveal that Centerton Utilities has billed for 1,323,968,119 gallons of sewer usage with a monthly average of 25,960,159 gallons. The greatest sewer expense incurred by Centerton Utilities is the cost of treatment of the waste by the City of Decatur. Overall treatment costs increase as volumes increase. The cost of operating and maintaining a sewer collection system are also dependent on the volume of water discharged to the sewer system. As the number of customers increase flow to the sewer system also increases.

U.S. Dollar Inflation:

Inflation is a factor that contributes to increased expenses for any business or public utility. The purchasing power of the U.S. Dollar has decreased over the years. The following Consumer Price Index information for January 2012 through February 2022 is published by the U.S. Bureau of Labor Statistics.

Table 3.1

Consumer Price Index (all items) - January 2012 thru February 2022												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601
2013	230.28	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049
2014	233.916	234.781	236.293	237.072	237.9	238.343	238.25	237.852	238.031	237.433	236.151	234.812
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.28	260.388	260.229	260.474
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.310	276.589	277.948	278.802
2022	281.148	283.716										

From the above data it may be surmised that \$1.24 would have been required to purchase items in February 2022 that were purchased for \$1.00 in March 2012. This equates to 2.15% average yearly increase.

Energy Costs:

Table 3.2 presents CPI Electricity price index from January 2012 through February 2022. From March 2012 to February 2022 the average cost of electricity has risen by approximately 22.21%. This equates to a 2.03 % average yearly increase.

Table 3.2

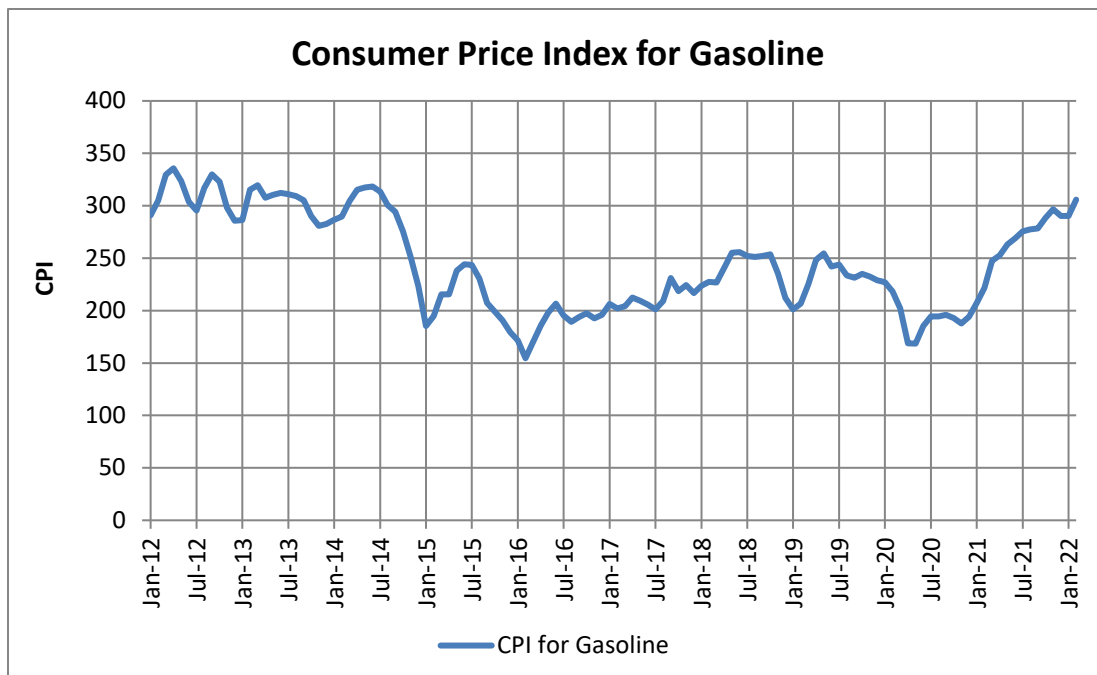
Consumer Price Index - Electricity - January 2012 thru February 2022												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2010	191.083	190.035	193.547	194.839	193.61	192.905	193.589	194.073	193.348	192.971	193.354	194.078
2011	193.374	193.756	195.272	195.768	196.595	195.901	197.761	197.959	198.932	198.892	198.6	198.213
2012	197.833	197.289	196.514	196.761	196.748	196.602	195.257	195.876	196.087	196.589	197.273	197.322
2013	198.349	198.641	198.289	198.831	200.164	200.462	201.333	201.22	202.581	202.603	203.072	203.729
2014	206.278	205.716	208.713	202.92	207.422	208.955	209.72	209.764	208.835	209.188	208.605	210.158
2015	210.956	211.775	210.178	210.345	208.447	209.41	208.761	208.619	208.449	208.015	207.902	207.269
2016	206.126	205.43	206.263	205.651	205.738	206.143	206.965	207.45	209.046	208.487	208.052	208.299
2017	208.369	209.153	209.151	210.359	211.12	211.93	212.708	212.752	213.106	212.275	212.877	213.303
2018	213.28	213.598	213.36	212.715	213.172	212.16	211.46	212.221	211.095	213.434	213.706	215.26
2019	213.832	213.439	213.798	213.833	212.939	211.822	212.943	212.421	212.878	214.081	214.43	214.063
2020	214.946	214.694	214.198	214.356	212.6	212.061	212.688	212.292	214.308	216.839	213.787	214.375
2021	215.242	216.998	216.528	218.627	220.948	226.562	227.672	229.088	229.831	229.641	227.588	227.974
2022	238.183	236.543										

Table 3.3 on the following page presents CPI cost information for gasoline from January 2012 through February 2022. Figure 3.1 presents a graph of the information in Table 3.3. Prices for gasoline exhibit high variability with current prices approaching \$4.00 a gallon for regular grade in our region of the country. Recent history has proved that petroleum prices can rise or fall mercurially in very short periods of time.

Table 3.3

Consumer Price Index - Gasoline - January 2010 thru October 2020												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2010	233.727	227.198	237.356	244.347	246.08	234.214	234.091	235.11	231.819	239.527	244.345	255.319
2011	264.979	270.822	302.574	325.282	336.999	317.543	312.76	311.269	309.018	295.877	292.486	280.713
2012	290.762	305.076	329.78	335.742	323.604	303.747	295.498	316.859	329.898	322.934	298.131	285.606
2013	286.417	315.243	319.523	307.814	310.352	312.212	310.886	309.355	305.299	290.306	280.742	282.773
2014	286.607	289.814	304.464	315.335	317.434	318.334	313.514	300.64	294.222	275.729	251.172	223.404
2015	185.142	194.883	215.442	215.461	238.17	244.226	243.736	230.513	207.239	199.077	190.701	179.496
2016	171.574	154.564	170.356	185.808	198.011	206.681	195.243	189.375	193.817	197.357	192.522	195.915
2017	206.36	201.957	204.217	212.424	209.441	205.881	201.173	209	231.182	218.591	224.227	216.781
2018	223.806	227.42	226.872	240.962	255.096	255.885	252.232	251.367	252.216	253.793	235.381	212.152
2019	201.194	206.749	225.282	248.499	254.551	242.043	244	233.625	231.496	235.168	232.575	228.857
2020	227.01	218.373	202.205	168.891	168.528	185.422	194.397	194.449	195.888	192.792	187.609	193.990
2021	207.406	221.689	247.652	252.603	263.170	268.979	275.656	277.448	278.338	288.501	296.571	290.185
2022	290.416	305.959										

From April 2020 to February 2022 the average cost of gasoline has increased at an approximate annual rate of 38.28%.

Figure 3.1

4. Rate Study Method

The rate study performed within this report will evaluate historical data to analyze revenues and expenses, then project revenues and expenses for a five year period to estimate the adequacy of current rates, and if necessary recommend rate increases all to maintain the financial stability of Centerton Utilities. Centerton Utilities has provided customer and usage data for January 2018 through March 2022, Income Statements for years 2015 through 2021, and a year to date Income Statement through March 2022. The analysis presented in this report is based upon this information. Said Income Statements are presented in the Appendices to this report. This section describes the methods and reasoning that will be used.

Determination of Future Revenue/Expenses:

Projections shown in this report are based on evaluation of income statements provided by Centerton Utilities. Operating revenues are those generated through the sale of service (i.e. water bills and sewer bills). Non-operating revenues come from other sources such as sales tax, interest, transfer payments in, and other sources not associated with sales. Expenses include those incurred through the cost of purchased water and sewage treatment paid to others, operation and maintenance, payments on debt service (principal and interest), taxes and transfer payments out, depreciation, and other miscellaneous expenses.

Basis for Revenue Requirement:

The revenue requirements for a utility vary depending on the nature of the organization. Private utilities are analyzed on an accrual basis. Private utilities must consider a rate of return when analyzing revenue requirements such that there are funds to reimburse investors or stock holders in the respective companies. Public utilities such as the Centerton Water and Sewer Department are non-profit entities. Revenue requirements are analyzed on a cash basis where a rate of return is not a factor.

The Cash Basis approach conforms to most public utility budgetary requirements. A public utility will total its cash expenditures for a period of time to determine required revenues. The cash expenditures of a public utility are typically comprised of:

- Operation & Maintenance Expense
- Taxes or Transfer Payments
- Depreciation Expense*
- Debt Service (Principal + Interest)

*Capital improvements exceeding depreciation can be substituted here when appropriate.

The sum of these expenditures will equal the total expenses and will be one of the determinants for revenue requirements.

Establishing Test Period:

A test period is established for determining future rates. For the purposes of this rate study, a five year projection is used.

Projection of Revenue Requirement:

The revenue requirements determined from the cash basis analysis of the revenue and expenses are projected through the next five years based on current rates. Rate adjustments may be necessary to correct significant deficits.

Coverage Ratio:

The coverage ratio is a measurement of a utility's ability to generate enough cash to cover debt service expenses based on cash flow. The calculation is made by subtracting non-debt related expenses from gross revenue and dividing by debt service expenses. It is commonly recommended and often mandated by financial institutions and government agencies that water and/or sewer utilities set aside at least 10% for debt reserve and that a debt service coverage ratio of 1.10 be maintained. A coverage ratio of less than 1.0 indicates that there is not enough cash generated to cover the debt service (principal and interest). A coverage ratio greater than 1.1 indicates a level of financial stability for a utility.

Establish Recommended Rates:

Based on revenue, expenses, and anticipated requirements for debt coverage projected over the test period, a new rate schedule can be recommended. Depending on the amount of revenue needed, rates changes may be implemented gradually over a period of time to allow the customer to make corresponding gradual adjustments to their personal budgets.

5. Existing Revenues and Expenses

Centerton Utilities has provided yearly Income Statements from 2015 through 2021 and a year to date Income Statement through March 2022. Revenues and expenses for all of 2022 have been projected in part based on the March income statements.

Sources of Revenue:

Sources of income revenue for the Centerton Water and Sewer Department are as follows:

Operating Revenue- This is the amount collected through billing of customers. This is where most of the cash flow is generated. Operating revenue is the one source that is the most easily adjusted to fit the needs of the system.

Non-Operating Revenue- This is the amount from reimbursements, interest income and sales tax revenue. With the exception of the dedicated sales tax rate, these amounts vary from year to year.

Expenses:

Expenses for the Centerton Water and Sewer Department are as follows:

Water Purchases

Wastewater Treatment

Operation and Maintenance

Depreciation

Long Term Debt (Principal and Interest)

Water:

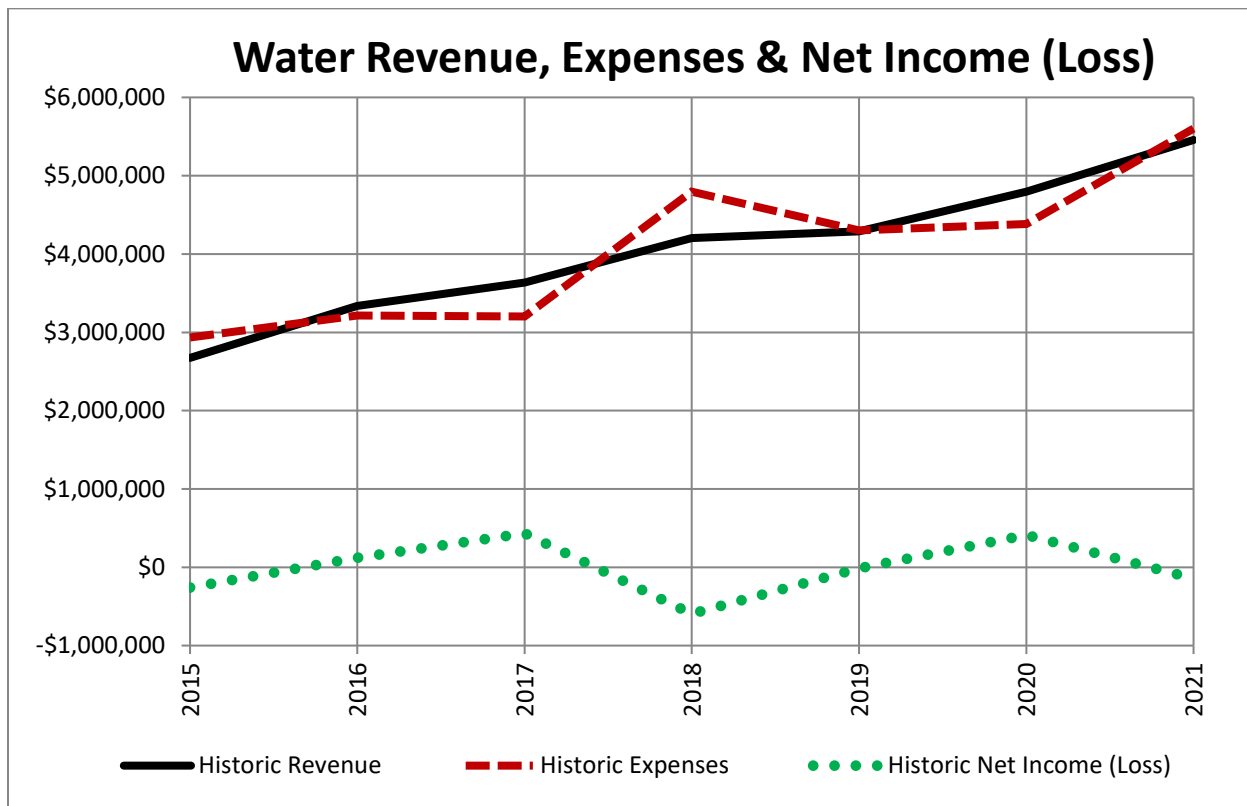
Table 5.1 is a summary of yearly Water revenues and expenses from 2015 through 2021.

Table 5.1

Water Revenue and Expense Summary 2015 thru 2021							
Revenue & Expense	2015	2016	2017	2018	2019	2020	2021
Revenue (Cash received)							
Water billing	\$2,466,746	\$3,051,021	\$3,364,214	\$3,804,704	\$3,717,811	\$4,259,084	\$4,890,180
Miscellaneous	\$195,546	\$279,812	\$261,963	\$367,650	\$360,756	\$495,328	\$565,262
Interest income	\$11,478	\$6,382	\$9,847	\$30,975	\$209,007	\$40,655	\$1,126
Total Revenue (Cash received)	\$2,673,771	\$3,337,215	\$3,636,024	\$4,203,329	\$4,287,574	\$4,795,067	\$5,456,568
Expenses (Cash expended)							
Water purchased	\$900,854	\$1,137,308	\$1,272,841	\$1,705,670	\$1,772,928	\$1,510,805	\$2,131,132
Employee compensation and benefits	\$500,954	\$462,058	\$371,079	\$462,166	\$629,203	\$788,890	\$915,770
Bad debts	-\$9,255	\$0	\$0	\$0	\$22,822	\$0	\$0
Professional services	\$39,537	\$26,418	\$34,640	\$69,085	\$39,820	\$66,385	\$128,957
Utilities and telephone	\$27,030	\$35,845	\$38,119	\$43,441	\$40,839	\$39,218	\$55,465
Repairs and maintenance	\$396,986	\$430,394	\$336,389	\$1,075,106	\$448,125	\$548,931	\$693,514
Vehicles	\$12,864	\$9,181	\$15,054	\$19,283	\$30,024	\$33,133	\$34,241
Insurance, licenses, dues and fees	\$38,183	\$413	\$10,865	\$9,519	\$10,771	\$9,612	\$29,030
Administrative supplies, postage and printing	\$44,559	\$32,501	\$34,363	\$28,661	\$37,395	\$35,551	\$36,959
Miscellaneous and rental	\$18,738	\$17,519	-\$1,587	\$11,290	\$19,654	\$34,086	\$28,839
Amortization	\$0	\$0	\$0	\$200,062	\$0	\$0	\$0.00
Debt Service	\$455,127	\$476,999	\$420,387	\$468,263	\$495,087	\$547,258	\$550,524
Total Expense (Cash expended)	\$2,425,576	\$2,628,637	\$2,532,148	\$4,092,547	\$3,546,668	\$3,613,869	\$4,604,431
Net Income (Cash)	\$248,194	\$708,579	\$1,103,876	\$110,782	\$740,906	\$1,181,198	\$852,137
Debt Service Coverage Ratio	1.55	2.49	3.63	1.24	2.50	3.16	2.55
General Un-restricted Reserves Deposit	\$248,194	\$708,579	\$1,103,876	\$110,782	\$740,906	\$1,181,198	\$852,137
Depreciation	\$508,696	\$585,828	\$670,741	\$705,115	\$755,436	\$781,602	\$997,032
Net Income (Cash) less Depreciation	-\$260,501	\$122,751	\$433,135	-\$594,333	-\$14,530	\$399,596	-\$144,895

The Water Utility operated at loss in 2015, 2018, 2019 and 2021. Rate Increases instituted in 2016 allowed revenues to exceed expenses in 2016 and 2017. The \$761,363.83 cost of replacing all customer water meters caused operation at loss 2018. Operation at minor loss occurred in 2019. Operation at profit in 2020 was overcome by additional expenses for operation at loss in 2021. Figure 5.1 presents a line graph of the total revenue, expenses and net income for 2015 through 2021.

Figure 5.1



Sewer:

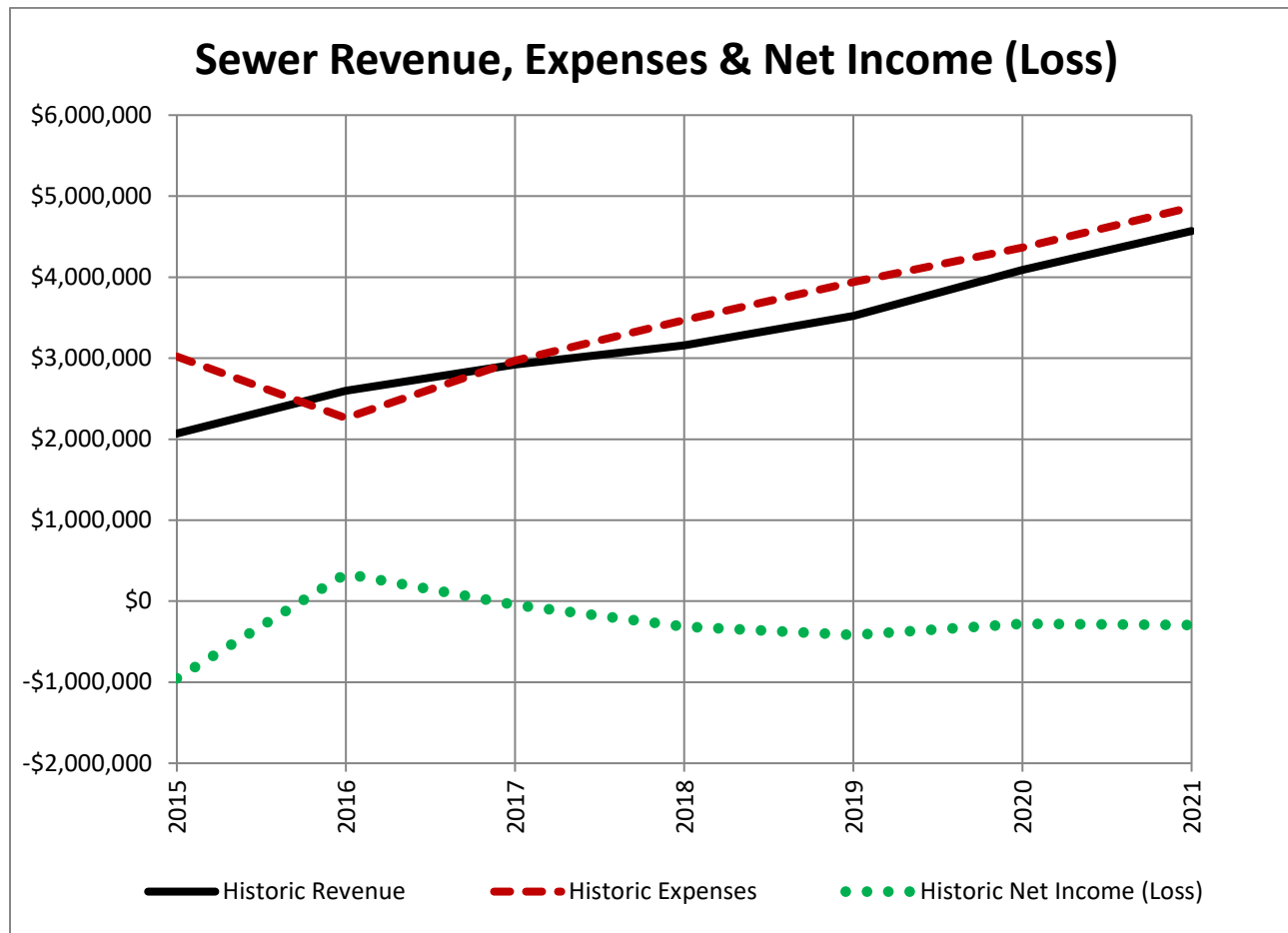
Table 5.2 presents a summary of yearly Sewer revenues, expenses and net income from 2015 through 2021.

Table 5.2

Sewer Revenue and Expense Summary 2015 thru 2021							
Revenue & Expense	2015	2016	2017	2018	2019	2020	2021
Revenue (Cash received)							
Sewer billing	\$1,991,552	\$2,465,760	\$2,806,796	\$3,031,830	\$3,327,671	\$3,806,826	\$4,342,822
Miscellaneous	\$78,528	\$133,517	\$114,940	\$123,411	\$184,925	\$281,355	\$226,898
Interest income	\$0	\$356	\$476	\$2,496	\$9,342	\$0	\$0
Total Revenue (Cash received)	\$2,070,081	\$2,599,633	\$2,922,213	\$3,157,737	\$3,521,938	\$4,088,181	\$4,569,719
Expenses (Cash expended)							
Sewer treatment service	\$1,814,580	\$801,653	\$1,039,804	\$1,105,277	\$1,327,527	\$1,369,916	\$1,534,078
Employee compensation and benefits	\$4,444	\$137,572	\$324,647	\$376,501	\$522,865	\$681,398	\$808,991
Bad debts	\$0	-\$44,592	\$0	\$0	\$26,224	\$0	\$0
Professional services	\$46,421	\$45,024	\$27,785	\$70,884	\$55,907	\$47,457	\$104,278
Utilities and telephone	\$42,827	\$52,026	\$53,325	\$56,804	\$68,242	\$74,315	\$92,466
Repairs and maintenance	\$44,553	\$91,557	\$45,882	\$92,032	\$86,876	\$137,533	\$161,832
Vehicles	\$12,711	\$10,713	\$14,613	\$23,836	\$29,671	\$30,277	\$32,835
Insurance, licenses, dues and fees	\$810	\$7,571	\$9,558	\$9,512	\$10,106	\$9,397	\$27,248
Administrative supplies, postage and printing	\$8,900	\$25,365	\$25,622	\$26,694	\$32,602	\$35,578	\$36,793
Miscellaneous and rental	\$1,115	-\$8,176	\$7,784	\$10,169	\$13,553	\$25,816	\$16,807
Amortization	\$0	\$0	\$0	\$200,062	\$46,095	\$0	\$0
Debt Service	\$628,912	\$663,089	\$871,255	\$922,428	\$1,101,969	\$1,315,645	\$1,232,468
Total Expense (Cash expended)	\$2,605,273	\$1,781,801	\$2,420,274	\$2,894,199	\$3,321,639	\$3,727,333	\$4,047,796
Net Income (Cash)	-\$535,192	\$817,832	\$501,939	\$263,538	\$200,299	\$360,848	\$521,924
Debt Service Coverage Ratio	0.15	2.23	1.58	1.29	1.18	1.27	1.42
General Un-restricted Reserves Deposit	-\$535,192	\$817,832	\$501,939	\$263,538	\$200,299	\$360,848	\$521,924
Depreciation	\$416,205	\$479,313	\$548,787	\$577,242	\$618,083	\$639,493	\$815,749
Net Income (Cash) less Depreciation	-\$951,397	\$338,518	-\$46,848	-\$313,704	-\$417,784	-\$278,645	-\$293,825

The Sewer Utility operated at loss in 2015 primarily because of cost of treatment paid to Bentonville. Revenue was greater than expense in 2016. Operation at loss occurred in 2017 through 2021 apparently due to increased debt service from new bond issues and increased employee compensation and benefits mostly due to additional employees. Figure 5.2 presents the total revenue, total expenses and net income for 2015 through 2021.

Figure 5.2



Long Term Debt:

Centerton Utilities Long-Term Debt consists of a USDA loan for the construction of the rural portions of the water system, the 2014 Sewer Revenue Bond, the 2018 Water and Sewer Revenue Bond, and the 2019 Sewer Revenue Bond which was re-financed into the 2021 Sewer Bond. In addition to the above, two new Water Bonds designated 2022A and 2022B have been created in 2022. Table 5.3 presents the Debt Service Schedule compiled from the bond documents for all the above debts. Debt service amounts from said table will be used in the expense projections for years 2022 through 2026.

Table 5.3

Centerton Utilities										
Debt Service Schedule (revised September 1, 2022)*										
Year	2014 Sewer Bond	USDA Water Loan	2018 Water & Sewer Bond	2019 Sewer Bond**	2021 Sewer Bond	2022A Water Bond	2022B Water Bond	Yearly Total	Water Portion	Sewer Portion
2020	\$565,563	\$60,468	\$973,581	\$263,292				\$1,862,903	\$547,258	\$1,315,645
2021	\$566,163	\$60,468	\$980,111	\$52,969	\$123,282			\$1,782,992	\$550,524	\$1,232,468
2022	\$564,413	\$60,468	\$982,211		\$230,488	\$327,912	\$69,579	\$2,235,070	\$949,065	\$1,286,006
2023	\$567,513	\$60,468	\$978,861		\$232,488	\$650,850	\$143,956	\$2,634,136	\$1,344,705	\$1,289,431
2024	\$565,313	\$60,468	\$980,211		\$229,388	\$649,465	\$143,956	\$2,628,801	\$1,343,995	\$1,284,806
2025	\$562,963	\$60,468	\$976,111		\$226,288	\$652,735	\$143,956	\$2,622,521	\$1,345,215	\$1,277,306
2026	\$562,963	\$60,468	\$971,711		\$233,188	\$650,488	\$143,956	\$2,622,773	\$1,340,767	\$1,282,006
2027	\$567,563	\$60,468	\$972,011		\$231,538	\$652,895	\$143,956	\$2,628,431	\$1,343,325	\$1,285,106
2028	\$566,563	\$60,468	\$971,861		\$229,888	\$649,785	\$143,956	\$2,622,521	\$1,340,140	\$1,282,381
2029	\$656,163	\$60,468	\$971,261		\$227,825	\$651,330	\$143,956	\$2,711,003	\$1,341,385	\$1,369,618
2030	\$563,363	\$60,468	\$975,211		\$230,763	\$652,358	\$143,956	\$2,626,118	\$1,344,387	\$1,281,731
2031	\$566,163	\$60,468	\$972,868		\$228,213	\$652,868	\$143,956	\$2,624,534	\$1,343,726	\$1,280,809
2032	\$563,363	\$60,468	\$974,343		\$230,663	\$652,860	\$143,956	\$2,625,652	\$1,344,456	\$1,281,196
2033	\$565,163	\$60,468	\$975,168		\$232,163	\$652,335	\$143,956	\$2,629,252	\$1,344,343	\$1,284,909
2034	\$566,363	\$60,468	\$974,580		\$228,563	\$651,293	\$143,956	\$2,625,222	\$1,343,007	\$1,282,215
2035	\$567,863	\$60,468	\$972,530		\$229,963	\$649,733	\$143,956	\$2,624,512	\$1,340,422	\$1,284,090
2036	\$563,800	\$60,468	\$973,968		\$231,263	\$652,655	\$143,956	\$2,626,109	\$1,344,063	\$1,282,046
2037	\$564,363	\$60,468	\$972,305		\$227,463	\$649,888	\$143,956	\$2,618,442	\$1,340,464	\$1,277,978
2038	\$564,363	\$60,468	\$974,655		\$228,188	\$651,603	\$143,956	\$2,623,232	\$1,343,354	\$1,279,878
2039	\$563,800	\$60,468	\$975,820		\$233,800	\$652,628	\$143,956	\$2,630,472	\$1,344,962	\$1,285,510
2040	\$567,675	\$60,468	\$970,800		\$229,188	\$647,963	\$143,956	\$2,620,049	\$1,337,787	\$1,282,263
2041	\$565,800	\$60,468	\$971,363		\$229,575	\$652,780	\$143,956	\$2,623,942	\$1,342,886	\$1,281,056
2042	\$567,200	\$60,468	\$975,800		\$229,850	\$651,735	\$143,956	\$2,629,009	\$1,344,059	\$1,284,950
2043	\$562,800	\$60,468	\$971,800		\$230,013		\$793,956	\$2,619,037	\$1,340,324	\$1,278,713
2044	\$576,800	\$60,468	\$971,600		\$230,063		\$792,956	\$2,631,887	\$1,339,224	\$1,292,663
2045	\$566,800	\$30,234	\$520,000				\$795,956	\$1,912,990	\$1,086,190	\$826,800
2046							\$796,875	\$796,875	\$796,875	\$0
2047							\$796,556	\$796,556	\$796,556	\$0

*Compiled from Bond Issue Documents

**2019 Sewer Bond Refinanced into 2021 Sewer Bond

6. Projection of Future Revenues/Expenses

Establishing Test Period:

The test period selected for revenue and expense projections is five years (2022-2026). The financial records provided by the City are for January 2015 through March of 2022.

Revenue Requirement:

A revenue requirement analysis determines the adequacy of current rates and if found necessary, the overall level of rate adjustment needed to provide adequate funding for both operating and capital needs. By analyzing future financial requirements, the Utility can begin planning for expected and unexpected changes. The revenue requirement was analyzed using the “cash basis” as described in Section 4.

New Revenue and Expense:

Capacity fees for water and sewer were brought into effect on January 1, 2022. These fees are based on water service meter size. Said fees must be paid before any new water meter will be installed.

Centerton Utilities has borrowed approximately \$13,000,000.00 to construct major water system improvements in the western part of Centerton. These improvements will include an additional master meter connection to the Two-Ton Water System, several thousand feet of 24-inch ductile iron water mains, connections to existing water mains and a 2,000,000-gallon elevated composite water tank. Actual debt service for this bond issue is now included in the analyses.

Water:

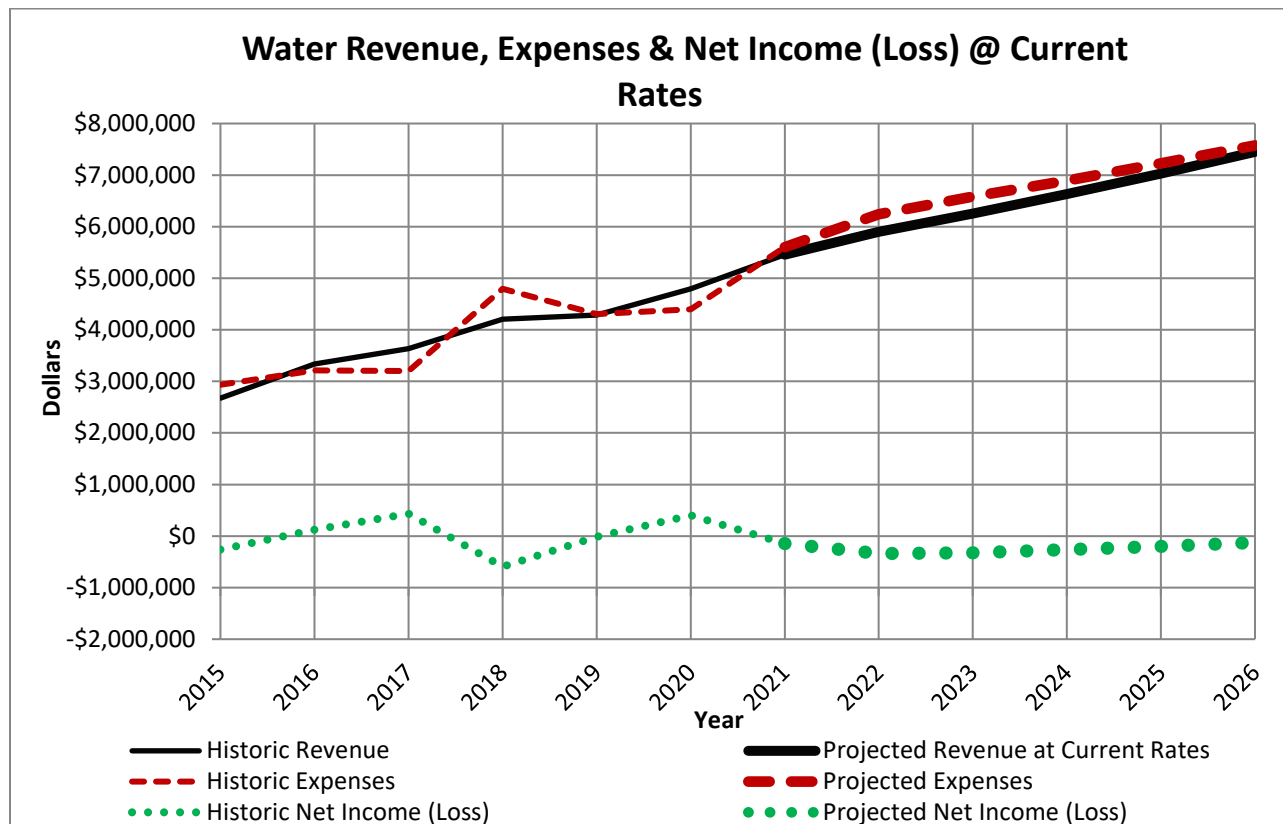
Table 6.1 on the following page presents projected revenue, expenses and net income for 2022 through 2026. The amounts for 2022 are projected from year-to-date income and expenses through July of this year. The amounts for 2023 through 2026 are projected from the 2022 numbers with a conservative assumed growth rate of six percent. With cash basis analysis the Utility will have yearly net income averaging \$967,198.00 for the entire five-year test period. When depreciation is subtracted from net cash income the projections indicate operations at a net loss for the entire five-year test period. Debt service coverage ratios will be above the accepted 1.1 minimum.

Table 6.1

Water Revenue and Expense Projections 2022 thru 2026 at Current Rates						
Revenue & Expense	YTD July 2022	2022	2023	2024	2025	2026
Revenue (Cash received)						
Water Billing	\$2,717,254	\$4,658,151	\$4,937,640	\$5,233,898	\$5,547,932	\$5,880,808
Miscellaneous	\$125,595	\$215,305	\$228,224	\$241,917	\$256,432	\$271,818
Interest income	\$12,470	\$21,378	\$22,660	\$24,020	\$25,461	\$26,989
Capacity Fees	\$586,908	\$1,006,128	\$1,066,496	\$1,130,485	\$1,198,315	\$1,270,213
Total Revenue (Cash received)	\$3,442,227	\$5,900,961	\$6,255,019	\$6,630,320	\$7,028,139	\$7,449,828
Expenses (Cash expended)						
Water Purchased	\$1,402,642	\$2,404,528	\$2,548,800	\$2,701,728	\$2,863,832	\$3,035,662
Employee compensation and benefits	\$581,097	\$996,166	\$1,055,936	\$1,119,292	\$1,186,450	\$1,257,637
Bad debts	\$0	\$0	\$0	\$0	\$0	\$0
Professional services	\$39,257	\$67,297	\$71,335	\$75,615	\$80,152	\$84,961
Utilities and telephone	\$18,672	\$32,009	\$33,929	\$35,965	\$38,123	\$40,410
Repairs and maintenance	\$109,613	\$187,908	\$199,182	\$211,133	\$223,801	\$237,229
Vehicles	\$22,521	\$38,607	\$40,923	\$43,378	\$45,981	\$48,740
Insurance, licenses, dues and fees	\$16,751	\$28,716	\$30,439	\$32,265	\$34,201	\$36,253
Administrative supplies, postage and printing	\$19,225	\$32,958	\$34,935	\$37,031	\$39,253	\$41,608
Miscellaneous and rental	\$41,071	\$70,407	\$74,632	\$79,109	\$83,856	\$88,887
2022 Bond issuance & Bond discount	\$353,275	\$353,275				
Debt Service	\$553,621	\$949,065	\$1,344,705	\$1,343,995	\$1,345,215	\$1,340,767
Total Expense (Cash expended)	\$3,157,743	\$5,160,935	\$5,434,815	\$5,679,512	\$5,940,863	\$6,212,154
Net Income (Cash)	\$284,484	\$740,026	\$820,204	\$950,808	\$1,087,276	\$1,237,674
Debt Service Coverage Ratio		1.78	1.61	1.71	1.81	1.92
Disposition of Net Income (Cash)						
5% Refurbishment & Replacement Account Deposit		\$295,048	\$312,751	\$331,516	\$351,407	\$372,491
General Un-restricted Reserves Deposit	\$284,484	\$444,978	\$507,453	\$619,292	\$735,869	\$865,182
Depreciation	\$629,790	\$1,079,639	\$1,144,418	\$1,213,083	\$1,285,868	\$1,363,020
Net Income (Cash) less Depreciation	-\$345,306	-\$339,613	-\$324,214	-\$262,275	-\$198,591	-\$125,346

Figure 6.1 is a repetition of Figure 5.1 with the addition of the projections for 2022 – 2026.

Figure 6.1



Sewer:

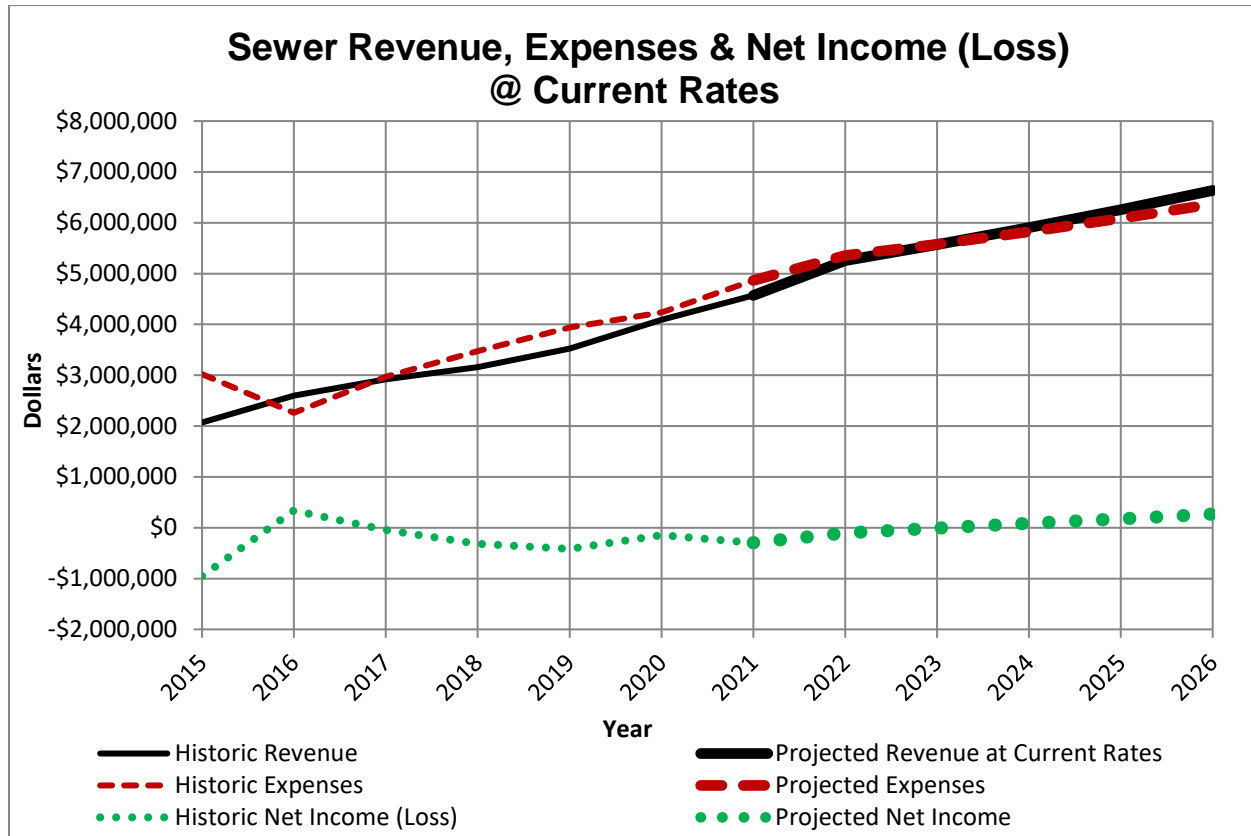
Table 6.2 on the following page presents projected revenue, expenses and net income for 2022 through 2026. The amounts for 2022 are projected from year-to-date income and expenses through July of this year. The amounts for 2023 through 2026 are projected from the 2022 numbers with a conservative assumed growth rate of six percent. With cash basis analysis the Utility will have yearly net income averaging \$962,710.00 for the five-year period. When depreciation is subtracted from net cash income, projections indicate operations at a net loss for 2022, 2023 & 2024. Debt service coverage ratios will be above the accepted 1.1 minimum.

Table 6.2

Sewer Revenue and Expense Projections 2022 thru 2026 at Current Rates						
Revenue / Expense	YTD July 2022	2022	2023	2024	2025	2026
Revenue (Cash received)						
Sewer Billing	\$2,602,753	\$4,461,862	\$4,729,574	\$5,013,348	\$5,314,149	\$5,632,998
Miscellaneous	\$16,900	\$28,971	\$30,710	\$32,552	\$34,505	\$36,576
Interest income	\$0	\$0	\$0	\$0	\$0	\$0
Capacity Fees	\$280,605	\$481,037	\$509,899	\$540,493	\$572,923	\$607,298
Total Revenue (Cash received)	\$2,900,258	\$4,971,871	\$5,270,183	\$5,586,394	\$5,921,578	\$6,276,872
Expenses (Cash expended)						
Sewer treatment service	\$950,720	\$1,629,806	\$1,727,595	\$1,831,250	\$1,941,125	\$2,057,593
Employee compensation and benefits	\$512,421	\$878,436	\$931,142	\$987,011	\$1,046,231	\$1,109,005
Bad debts	\$0	\$0	\$0	\$0	\$0	\$0
Professional services	\$35,701	\$61,202	\$64,874	\$68,767	\$72,893	\$77,266
Utilities and telephone	\$69,671	\$119,436	\$126,602	\$134,199	\$142,251	\$150,786
Repairs and maintenance	\$72,345	\$124,020	\$131,461	\$139,349	\$147,710	\$156,572
Vehicles	\$21,462	\$36,793	\$39,000	\$41,340	\$43,821	\$46,450
Insurance, licenses, dues and fees	\$16,751	\$28,716	\$30,439	\$32,265	\$34,201	\$36,253
Administrative supplies, postage and printing	\$19,219	\$32,947	\$34,924	\$37,019	\$39,240	\$41,594
Miscellaneous and rental	\$39,551	\$67,802	\$71,870	\$76,183	\$80,754	\$85,599
Debt Service	\$750,170	\$1,286,006	\$1,289,431	\$1,284,806	\$1,277,306	\$1,282,006
Total Expense (Cash expended)	\$2,488,012	\$4,265,164	\$4,447,339	\$4,632,188	\$4,825,531	\$5,043,124
Net Income (Cash)	\$412,246	\$706,707	\$822,844	\$954,206	\$1,096,047	\$1,233,748
Debt Service Coverage Ratio		1.55	1.64	1.74	1.86	1.96
Disposition of Net Income (Cash)						
5% Refurbishment & Replacement Account Deposit		\$248,594	\$263,509	\$279,320	\$296,079	\$313,844
General Un-restricted Reserves Deposit	\$412,246	\$458,113	\$559,335	\$674,886	\$799,968	\$919,904
Depreciation	\$515,281	\$883,339	\$936,340	\$992,520	\$1,052,071	\$1,115,196
Net Income (Cash) less Depreciation	-\$103,036	-\$176,633	-\$113,495	-\$38,314	\$43,975	\$118,552

Figure 6.2 is a repetition of Figure 5.2 with the addition of the projections for 2022 – 2026.

Figure 6.2



7. Recommended Rate Schedule

Rate Formulation:

It appears from the analysis presented herein that rate increases are necessary at this time for both water and sewer. Recommended rate increases will be discussed separately for water and sewer.

Water

Centerton Utilities has absorbed a \$0.19/1,000 gallon rate increase in mid-2016 and a \$0.36/1,000 gallon increase at the beginning of 2022 from Two-Ton. There is also a probable \$0.10 increase that will be instituted before 2023. It is recommended that a \$0.65 rate increase be enacted to start January 1, 2023 to account for the previous rate increases that were not passed on to the Utility's customers and the pending rate increase. This rate increase should provide positive net income for 2023 through 2026. Table 7.1 on the following page is a re-working of the above Table 6.1 with the inclusion of the recommended \$0.65/per 1,000-gallon rate increase. Figure 7.1 presents projected revenues, expenses and net income from Table 7.1.

Figure 7.1

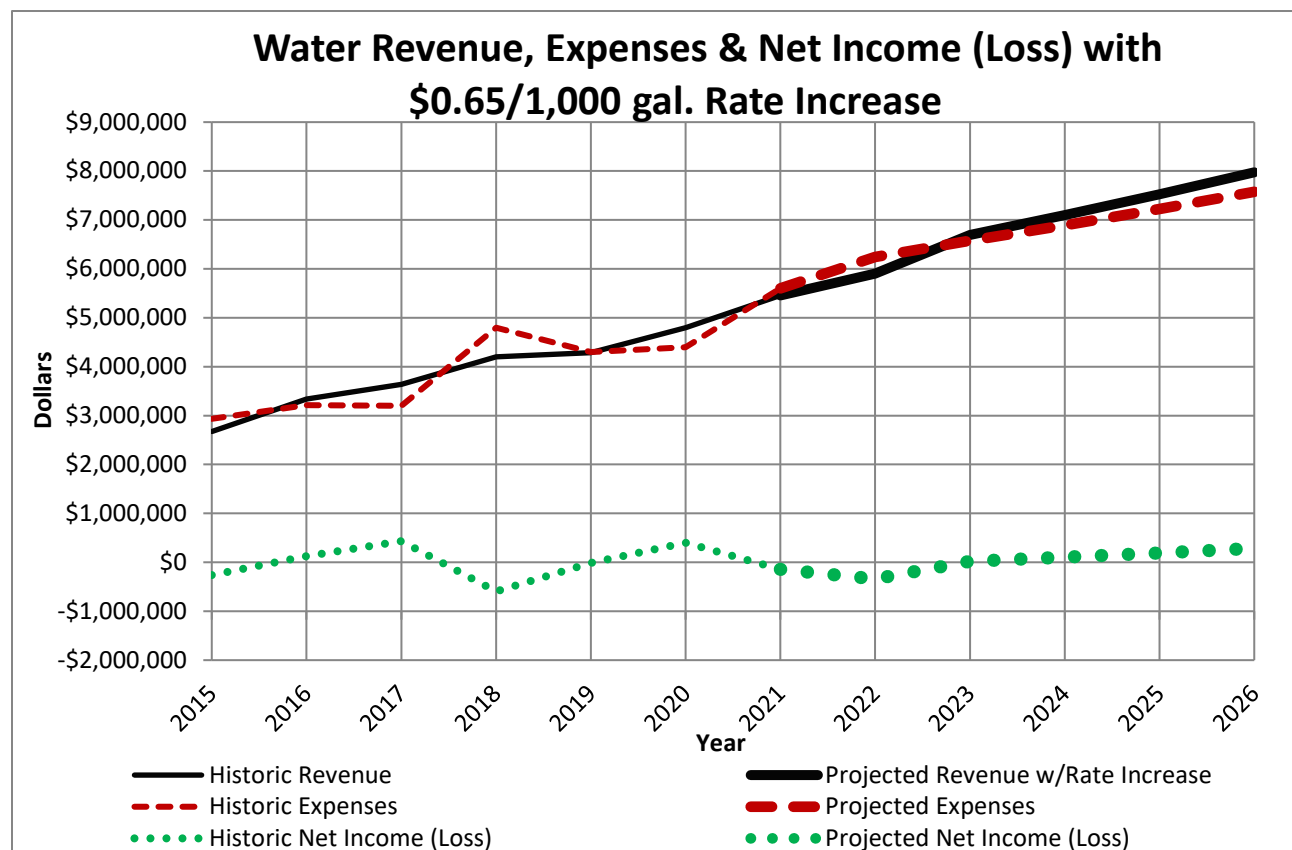


Table 7.1

Water Revenue and Expense Projections 2022 thru 2026 with \$0.65/1,000 gallon Rate Increase						
Revenue & Expense	YTD 07/2022	2022	2023	2024	2025	2026
Revenue (Cash received)						
Water Billing	\$2,717,254	\$4,658,151	\$4,937,640	\$5,233,898	\$5,547,932	\$5,880,808
Miscellaneous	\$125,595	\$215,305	\$228,224	\$241,917	\$256,432	\$271,818
Interest income	\$12,470	\$21,378	\$22,660	\$24,020	\$25,461	\$26,989
Capacity Fees	\$586,908	\$1,006,128	\$1,066,496	\$1,130,485	\$1,198,315	\$1,270,213
Previous Rate Increases From Two-Ton			\$372,339	\$394,679	\$418,360	\$443,462
Pending \$0.10 increase from Two-Ton			\$67,698	\$71,760	\$76,065	\$80,629
Total Revenue (Cash received)	\$3,442,227	\$5,900,961	\$6,695,056	\$7,096,759	\$7,522,565	\$7,973,919
Expenses (Cash expended)						
Water Purchased	\$1,402,642	\$2,404,528	\$2,548,800	\$2,701,728	\$2,863,832	\$3,035,662
Additional Cost from Two-Ton \$0.10 Increase			\$94,400	\$100,064	\$106,068	\$112,432
Employee compensation and benefits	\$581,097	\$996,166	\$1,055,936	\$1,119,292	\$1,186,450	\$1,257,637
Bad debts	\$0	\$0	\$0	\$0	\$0	\$0
Professional services	\$39,257	\$67,297	\$71,335	\$75,615	\$80,152	\$84,961
Utilities and telephone	\$18,672	\$32,009	\$33,929	\$35,965	\$38,123	\$40,410
Repairs and maintenance	\$109,613	\$187,908	\$199,182	\$211,133	\$223,801	\$237,229
Vehicles	\$22,521	\$38,607	\$40,923	\$43,378	\$45,981	\$48,740
Insurance, licenses, dues and fees	\$16,751	\$28,716	\$30,439	\$32,265	\$34,201	\$36,253
Administrative supplies, postage and printing	\$19,225	\$32,958	\$34,935	\$37,031	\$39,253	\$41,608
Miscellaneous and rental	\$41,071	\$70,407	\$74,632	\$79,109	\$83,856	\$88,887
2022 Bond issuance & Bond discount	\$353,275	\$353,275				
Debt Service	\$553,621	\$949,065	\$1,344,705	\$1,343,995	\$1,345,215	\$1,340,767
Total Expense (Cash expended)	\$3,157,743	\$5,160,935	\$5,529,215	\$5,779,576	\$6,046,931	\$6,324,586
Net Income (Cash)	\$284,484	\$740,026	\$1,165,841	\$1,317,183	\$1,475,634	\$1,649,333
Debt Service Coverage Ratio		1.78	1.87	1.98	2.10	2.23
Disposition of Net Income (Cash)						
5% Refurbishment & Replacement Account Deposit		\$295,048	\$334,753	\$354,838	\$376,128	\$398,696
General Un-restricted Reserves Deposit		\$444,978	\$831,088	\$962,345	\$1,099,506	\$1,250,637
Depreciation		\$1,079,639	\$1,144,418	\$1,213,083	\$1,285,868	\$1,363,020
Net Income (Cash) less Depreciation		-\$339,613	\$21,423	\$104,101	\$189,766	\$286,313

Sewer

It is recommended that a \$0.27 rate increase be enacted to start January 1, 2023. This rate increase should allow positive net income for 2023 through 2026. Table 7.2 on the following page is a re-working of Table 6.2 with the inclusion of the recommended \$0.27/per 1,000-gallon rate increase. Figure 7.2 presents projected revenues, expenses and net income from Table 7.2.

Figure 7.2

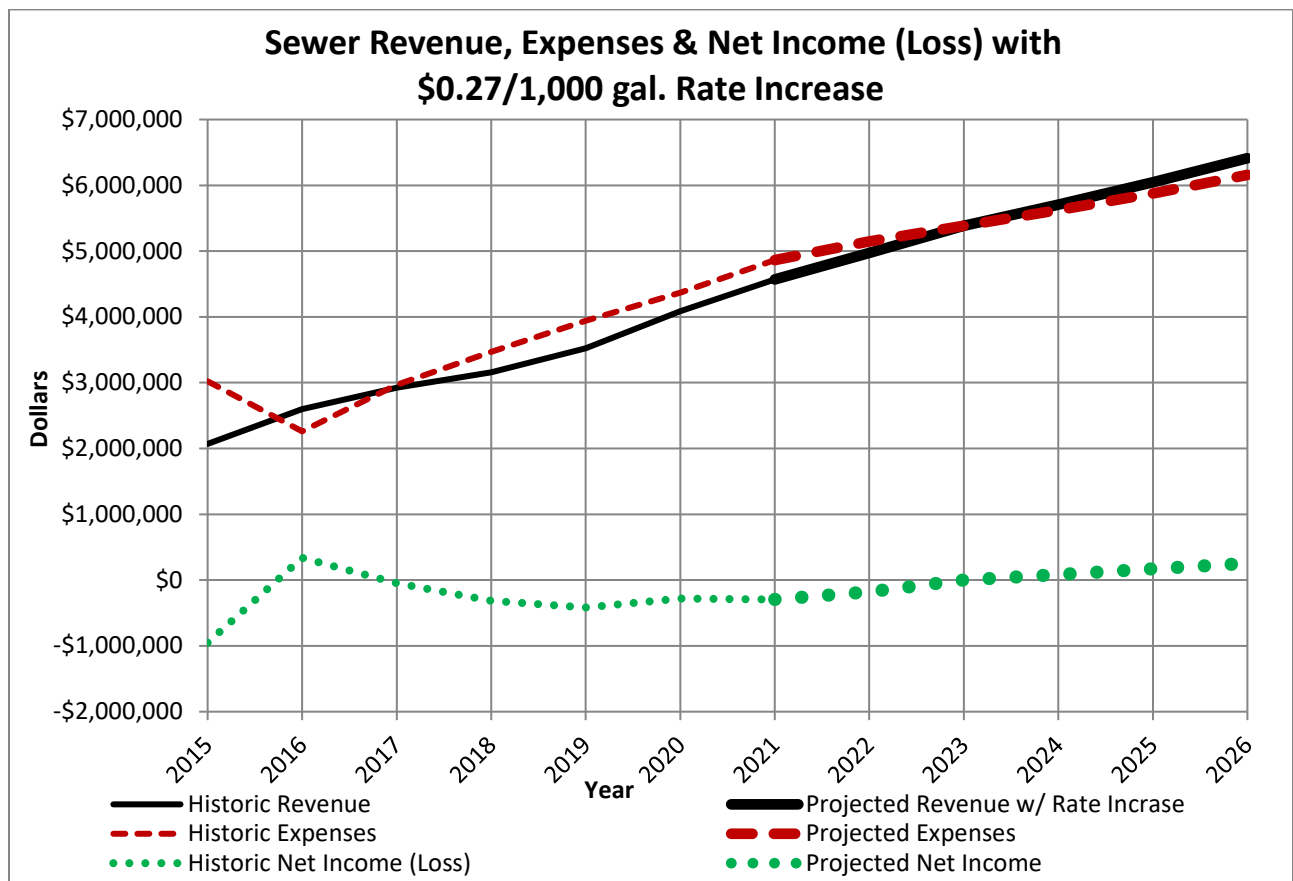


Table 7.2

Sewer Revenue and Expense Projections 2022 thru 2026 with \$0.27 / 1,000 gal. Rate Increase						
Revenue / Expense	YTD 07/2022	2022	2023	2024	2025	2026
Revenue (Cash received)						
Sewer Billing	\$2,602,753	\$4,461,862	\$4,729,574	\$5,013,348	\$5,314,149	\$5,632,998
Miscellaneous	\$16,900	\$28,971	\$30,710	\$32,552	\$34,505	\$36,576
Interest income	\$0	\$0	\$0	\$0	\$0	\$0
Capacity Fees	\$280,605	\$481,037	\$509,899	\$540,493	\$572,923	\$607,298
Income from \$0.27/1000 gal. Rate Increase			\$113,654	\$120,473	\$127,701	\$135,363
Total Revenue (Cash received)	\$2,900,258	\$4,971,871	\$5,383,837	\$5,706,867	\$6,049,279	\$6,412,236
Expenses (Cash expended)						
Sewer treatment service	\$950,720	\$1,629,806	\$1,727,595	\$1,831,250	\$1,941,125	\$2,057,593
Employee compensation and benefits	\$512,421	\$878,436	\$931,142	\$987,011	\$1,046,231	\$1,109,005
Bad debts	\$0	\$0	\$0	\$0	\$0	\$0
Professional services	\$35,701	\$61,202	\$64,874	\$68,767	\$72,893	\$77,266
Utilities and telephone	\$69,671	\$119,436	\$126,602	\$134,199	\$142,251	\$150,786
Repairs and maintenance	\$72,345	\$124,020	\$131,461	\$139,349	\$147,710	\$156,572
Vehicles	\$21,462	\$36,793	\$39,000	\$41,340	\$43,821	\$46,450
Insurance, licenses, dues and fees	\$16,751	\$28,716	\$30,439	\$32,265	\$34,201	\$36,253
Administrative supplies, postage and printing	\$19,219	\$32,947	\$34,924	\$37,019	\$39,240	\$41,594
Miscellaneous and rental	\$39,551	\$67,802	\$71,870	\$76,183	\$80,754	\$85,599
Debt Service	\$750,170	\$1,286,006	\$1,289,431	\$1,284,806	\$1,277,306	\$1,282,006
Total Expense (Cash expended)	\$2,488,012	\$4,265,164	\$4,447,339	\$4,632,188	\$4,825,531	\$5,043,124
Net Income (Cash)	\$412,246	\$706,707	\$936,498	\$1,074,679	\$1,223,748	\$1,369,111
Debt Service Coverage Ratio	1.55	1.55	1.73	1.84	1.96	2.07
Disposition of Net Income (Cash)						
5% Refurbishment & Replacement Account Deposit		\$248,594	\$269,192	\$285,343	\$302,464	\$320,612
General Un-restricted Reserves Deposit	\$412,246	\$458,113	\$667,306	\$789,336	\$921,284	\$1,048,499
Depreciation	\$515,281	\$883,339	\$936,340	\$992,520	\$1,052,071	\$1,115,196
Net Income (Cash) less Depreciation	-\$103,036	-\$176,633	\$158	\$82,159	\$171,677	\$253,915

Future Major Sanitary Sewer Project

Centerton Utilities has commenced preliminary planning for a major sanitary sewer project in the northwest part of town. This project will entail a large pump station, equalization basins, gravity sewer mains and force mains. The project will allow gravity sewer service in un-served areas, greater capabilities for sewage flow handling and pumping to the Decatur Wastewater Plant and lessen the flow handling and pumping loads on the Allen Road pump station. The preliminary cost estimate for this project is \$6,600,000.00. An exact time when construction may start has yet to be determined but could possibly be 2025, 2026 or 2027. It is unknown what interest rates will be in the future. If the interest rate is 6-percent, yearly debt service will be \$516,296.00. An additional rate increase of approximately \$0.85/1,000 gallons may be required to cover the additional debt service. Given the estimated cost of the project being greater than 20-percent of gross revenues, the rate study will have to be updated before the new debt can be incurred to meet the requirements of Act 605.

Debt Service Coverage Ratio:

A debt service coverage ratio is a measurement of an entity's ability to generate sufficient revenue to cover debt service expenses with cash flow. The calculation is made by subtracting non-debt related expenses from gross revenue and dividing the result by debt service expenses. Depreciation, being a non-cash accounting measure, is not included in this calculation. It is commonly recommended and/or required that water and sewer utilities maintain a debt service coverage ratio of at least 1.10. Debt service coverage ratio calculations based on projected revenues and expenses with the proposed rate increases are presented in the following paragraphs.

Water:

Table 7.3 presents the debt service coverage ratio calculation based on projected water revenues and expenses for 2022 through 2026 with the proposed \$0.65 rate increase. Projected coverage ratios are greater than the commonly acceptable minimum of 1.1.

Table 7.3

Water - Projected Debt Service Coverage Ratios 2022-2026					
	Year				
Water	2022	2023	2024	2025	2026
Total Revenue	\$5,900,961	\$6,695,056	\$7,096,759	\$7,522,565	\$7,973,919
Non-Debt Expenses	\$4,211,870	\$4,184,510	\$4,435,581	\$4,701,716	\$4,983,819
Revenue Available for Debt Service	\$1,689,091	\$2,510,546	\$2,661,178	\$2,820,849	\$2,990,100
Debt Service	\$949,065	\$1,344,705	\$1,343,995	\$1,345,215	\$1,340,767
Coverage Ratio	1.78	1.87	1.98	2.10	2.23

Sewer:

Table 7.4 presents the debt service coverage ratio calculation based on projected sewer revenues and expenses for 2022 through 2026 with the proposed \$0.27 rate increase. Projected coverage ratios are greater than the commonly acceptable minimum of 1.1.

Table 7.4

Sewer - Projected Debt Service Coverage Ratios 2022-2026					
	Year				
Sewer	2022	2023	2024	2025	2026
Total Revenue	\$4,971,871	\$5,383,837	\$5,706,867	\$6,049,279	\$6,412,236
Non-Debt Expenses	\$2,979,158	\$3,157,908	\$3,347,382	\$3,548,225	\$3,761,118
Revenue Available for Debt Service	\$1,992,713	\$2,225,929	\$2,359,485	\$2,501,054	\$2,651,117
Debt Service	\$1,286,006	\$1,289,431	\$1,284,806	\$1,277,306	\$1,282,006
Coverage Ratio	1.55	1.73	1.84	1.96	2.07

Combined Water & Sewer:

Table 7.5 presents the debt service coverage ratio calculation based on combined projected water and sewer revenues and expenses for 2022 through 2026 with the proposed \$0.65 and \$0.27 rate increases for water and sewer respectively. Projected coverage ratios are greater than the commonly acceptable minimum of 1.1.

Table 7.5

Combined Water & Sewer - Projected Debt Service Coverage Ratios 2022-2026					
	Year				
Combined Water & Sewer	2022	2023	2024	2025	2026
Total Revenue	\$10,872,832	\$12,078,893	\$12,803,626	\$13,571,844	\$14,386,155
Non-Debt Expenses	\$7,191,028	\$7,342,418	\$7,782,963	\$8,249,941	\$8,744,937
Revenue Available for Debt Service	\$3,681,804	\$4,736,475	\$5,020,663	\$5,321,903	\$5,641,217
Debt Service	\$2,235,071	\$2,634,136	\$2,628,801	\$2,622,521	\$2,622,773
Coverage Ratio	1.65	1.80	1.91	2.03	2.15

Recommended Water Rate and Sewer Rate Structure:

Based on the analyses presented in this report it is recommended that water rates be increased \$0.65/1,000 gallons and sewer rates be increased \$0.27/\$1,000 gallons.

Determining Future Rates:

This report is an update of the original version published in May 2022. Revenue and expense projections for 2022 through 2026 are now based on actual year-to-date through July of 2022 amounts provided by Centerton Utilities. Actual revenue and expense amounts will vary from projections. Information for the 2021 Sewer bond was inadvertently not included in the original analyses. The 2022 water bonds were not issued before the original report was issued and assumed debt service was calculated and used in projections. This updated version now includes actual debt service information for the 2021 Sewer Bond and the 2022 Water Bonds. The net effect of employing projections based on the July 2022 numbers and actual bond debt service amounts warrants the updating of this report.

This updated report concludes the need for increases in water rates and sewer rates. The recommended increases might be considered as minimum amounts required to maintain revenues greater than expenses and depreciation through 2026. These analyses assume that increases will be made to the block usage rates and not the base bills. Some portion of the required additional revenue can be derived from base bill increases if so desired.

Centerton Utilities proposes constructing major upgrades to the sanitary sewer system in the northwest part of town. The purposes of the upgrades are to provide gravity sewer service to an unserved drainage basin in town, greater flow handling and pumping capacity to the Decatur Wastewater Treatment Plant and lessen the flow handling and pumping loads at the Allen Road Pump Station. The preliminary cost estimate for the project is \$6,600,000.00. Construction might begin in 2025, 2026 or 2027. Not knowing when the project will start or what interest rates might be, it is problematic to include with confidence debt service for the upgrade project in the financial projections for this rate study. Assuming that the project will begin in early 2025 and a 6% interest rate, an additional sewer rate increase as large as \$0.85 could be necessary. In order to comply with the requirements of Act 605, given the cost of the project, this rate study will have to be updated to include the debt service for the proposed sewer project and incorporate any other changes from current at the that time financial reports before money can be borrowed.

Engineering Services, Inc. recommends that Centerton Waterworks and Sewer Commission continue to closely monitor and evaluate both water and sewer revenues, expenses, and debt service coverages in order to determine if and when water rates and/or sewer rates should be adjusted in the future. Typically, the longer the passage of time between rate examinations the greater the probable necessary rate increases. It is recommended that the Waterworks and Sewer Commission re-examine water and sewer rates yearly for the foreseeable future.

Appendices

Appendix I

Usage & Customer Breakdown

-Water

-Sewer

[illegible]

Appendix II

Income Statements from Centerton Utilities

End of Year for 2015 – 2021

Year-to-Date July 2022

December 2015 End of Year Income Statement	
	Year to Date
Revenues	
Water Sales	\$ 2,448,381.86
Sewer Sales	1,949,710.72
Water Penalty	83,682.69
Other Revenue-Water	5,193.50
Other Revenue-Sewer	0.00
Revenue-Highfill Repairs	0.00
Billing Adjustments-Water	(23,476.94)
Billing Adjustments-Sewer	0.00
Revenue-Highfill-Monthly Fees	0.00
Lot Assessment	157,056.93
Meter Replacement Income-Water	57,353.94
Bore Fees-Water	16,500.00
Bore Fees-Sewer	0.00
Bore Fees-Water-Highfill	0.00
Bore Fees-Sewer-Highfill	0.00
Tap Fees-Water	37,970.23
Tap Fees-Sewer	0.00
Tap Fees-Water-Highfill	0.00
Tap Fees-Sewer-Highfill	0.00
Rent Income-11681 W. Hwy. 72	0.00
Interest Income-Water	11,478.33
Interest Income-Sewer	0.00
Total Revenues	4,743,851.26
Cost of Sales	
Water Purchased	900,854.30
Sewer Treatment-Bentonville	1,814,579.80
Sewer Treatment-Decatur	0.00
Total Cost of Sales	2,715,434.10
Gross Profit	2,028,417.16
Expenses	
Purchase Discounts	0.00
Contract Labor-Water	0.00
Contract Labor-Sewer	0.00
Water Meter Replacements	259,302.87
Operating Supplies-Sewer	38,443.81
Capital Equip./ Lease-Water	0.00
Capital Equip/Lease-Sewer	0.00
Bore Fees & Refunds-Water	16,700.00
License, Training & Dues-Water	2,782.39
License, Training & Dues-Sewer	810.34

Operating Expense-Water	62,776.51
Operating Expense-Sewer	6,109.16
Repairs-Water	0.00
Repairs-Sewer	0.00
Grounds Maintenance-Water	0.00
Grounds Maintenance-Sewer	0.00
Utility Service Water Tower	58,206.58
Utilities-Water	27,029.57
Utilities-Sewer	42,826.97
Salaries & Wages-Water	410,781.40
Salaries & Wages-Sewer	0.00
Commissioner's Pay	3,375.00
Payroll Taxes-Water	33,172.79
Payroll Taxes-Sewer	0.00
Worker's Comp-Water	0.00
Worker's Comp-Sewer	0.00
Vacation Pay-Water	0.00
Vacation Pay-Sewer	0.00
Empl. Benefits-Uniforms-Water	2,423.86
Empl. Benefits-Uniforms-Sewer	2,756.87
Sick Pay-Water	0.00
Insurance-Employee-Water	49,502.57
Insurance-Employee-Sewer	0.00
Retirement Benefits-Water	3,386.01
Retirement Benefits-Sewer	0.00
Depreciation-Water	659,129.00
Depreciation-Sewer	0.00
Depr.-Donated Assets-Water	265,772.00
Depr.-Donated Assets-Sewer	0.00
Office Supplies-Water	6,110.16
Office Supplies-Sewer	7,056.18
Professional Services-Water	39,536.99
Professional Services-Sewer	46,420.64
Bill Processing-Water	36,585.97
Bill Processing-Sewer	0.00
Software Lease-Water	15,104.40
Software Lease-Sewer	0.00
Postage-Water	1,863.11
Postage-Sewer	1,843.58
Insurance (Veh & Bldg) Water	35,400.42
Insurance (Veh & Bldg) Sewer	0.00
Returned Checks-Water	8,441.70
Returned Checks-Sewer	0.00
Vehicle Expense-Water	12,864.10
Vehicle Expense-Sewer	12,710.71
Fuel-Water	0.00
Fuel-Sewer	0.00
Bank Charges-Water	(29.80)
Bank Charges-Sewer	0.00
Publishing-Water	1,878.66

Publishing Sewer	845.02
Bad Debt Expense	0.00
Bad Debts-Water	(9,255.20)
Bad Debts-Sewer	0.00
Miscellaneous Expense-Water	365.18
Miscellaneous Expense-Sewer	270.00
Theft Loss	0.00
Interest Expense-Water	577,038.50
Interest Expense-Sewer	0.00
Gain/Loss Sale of Assets-Water	(7,022.26)
Gain/Loss Sale of Assets-Sewer	0.00
2018 Bond Issuance Cost-Water	0.00
2018 Bond Issuance cost-sewer	0.00
Total Expenses	2,733,315.76
Net Income	(\$ 704,898.60)

December 2016 End of Year Income Statement	
2016 YT	Year to Date
Revenues	
Water Sales	\$ 3,165,437.52
Sewer Sales	2,416,385.50
Water Penalty	98,748.10
Other Revenue-Water	37,127.69
Other Revenue-Sewer	1,400.00
Revenue-Highfill Repairs	0.00
Billing Adjustments-Water	(163,790.74)
Billing Adjustments-Sewer	0.00
Revenue-Highfill-Monthly Fees	0.00
Lot Assessment	257,934.97
Meter Replacement Income-Water	70,857.20
Bore Fees-Water	7,200.00
Bore Fees-Sewer	0.00
Bore Fees-Water-Highfill	0.00
Bore Fees-Sewer-Highfill	0.00
Tap Fees-Water	35,660.11
Tap Fees-Sewer	3,150.00
Tap Fees-Water-Highfill	0.00
Tap Fees-Sewer-Highfill	0.00
Rent Income-11681 W. Hwy. 72	0.00
Interest Income-Water	6,381.99
Interest Income-Sewer	355.69
Total Revenues	5,936,848.03
Cost of Sales	
Water Purchased	1,137,308.34
Sewer Treatment-Bentonville	92,112.07
Sewer Treatment-Decatur	709,540.80
Total Cost of Sales	1,938,961.21
Gross Profit	3,997,886.82
Expenses	
Purchase Discounts	0.00
Contract Labor-Water	125.00
Contract Labor-Sewer	11,150.00
Water Meter Replacements	218,197.13
Operating Supplies-Sewer	(5,625.45)
Capital Equip./ Lease-Water	0.00
Capital Equip/Lease-Sewer	0.00
Bore Fees & Refunds-Water	3,900.00
License, Training & Dues-Water	2,578.94
License, Training & Dues-Sewer	1,302.16

Operating Expense-Water	144,299.45
Operating Expense-Sewer	76,865.96
Repairs-Water	5,665.98
Repairs-Sewer	9,166.59
Grounds Maintenance-Water	0.00
Grounds Maintenance-Sewer	0.00
Utility Service Water Tower	58,206.58
Utilities-Water	35,844.84
Utilities-Sewer	52,026.25
Salaries & Wages-Water	382,274.27
Salaries & Wages-Sewer	88,455.65
Commissioner's Pay	2,775.00
Payroll Taxes-Water	37,544.70
Payroll Taxes-Sewer	0.00
Worker's Comp-Water	5,648.17
Worker's Comp-Sewer	4,784.20
Vacation Pay-Water	0.00
Vacation Pay-Sewer	0.00
Empl. Benefits-Uniforms-Water	3,205.30
Empl. Benefits-Uniforms-Sewer	3,204.99
Sick Pay-Water	0.00
Insurance-Employee-Water	28,207.20
Insurance-Employee-Sewer	39,740.12
Retirement Benefits-Water	3,790.54
Retirement Benefits-Sewer	0.00
Depreciation-Water	785,138.00
Depreciation-Sewer	0.00
Depr.-Donated Assets-Water	280,003.00
Depr.-Donated Assets-Sewer	0.00
Office Supplies-Water	8,023.54
Office Supplies-Sewer	7,611.27
Professional Services-Water	26,417.87
Professional Services-Sewer	45,023.93
Bill Processing-Water	20,157.96
Bill Processing-Sewer	13,457.01
Software Lease-Water	10,615.11
Software Lease-Sewer	2,591.00
Postage-Water	4,319.82
Postage-Sewer	4,296.43
Insurance (Veh & Bldg) Water	(2,165.52)
Insurance (Veh & Bldg) Sewer	6,268.47
Returned Checks-Water	10,164.05
Returned Checks-Sewer	0.00
Vehicle Expense-Water	9,181.21
Vehicle Expense-Sewer	10,712.81
Fuel-Water	0.00
Fuel-Sewer	0.00
Bank Charges-Water	(859.70)
Bank Charges-Sewer	636.40
Publishing-Water	2,035.53

Publishing Sewer	918.88
Bad Debt Expense	0.00
Bad Debts-Water	0.00
Bad Debts-Sewer	(44,591.98)
Miscellaneous Expense-Water	(4,047.62)
Miscellaneous Expense-Sewer	1,425.00
Theft Loss	0.00
Interest Expense-Water	267,232.10
Interest Expense-Sewer	356,213.50
Gain/Loss Sale of Assets-Water	(388.00)
Gain/Loss Sale of Assets-Sewer	(13,747.50)
2018 Bond Issuance Cost-Water	0.00
2018 Bond Issuance cost-sewer	0.00
Total Expenses	3,019,976.14
Net Income	\$ 977,910.68

December 2017 End of Year Income Statement	
	Year to Date
Revenues	
Water Sales	\$ 3,369,970.24
Sewer Sales	2,754,076.55
Water Penalty	105,439.85
Other Revenue-Water	397.12
Other Revenue-Sewer	0.00
Revenue-Highfill Repairs	0.00
Billing Adjustments-Water	(58,476.08)
Billing Adjustments-Sewer	0.00
Revenue-Highfill-Monthly Fees	0.00
Lot Assessment	224,480.17
Meter Replacement Income-Water	84,045.77
Bore Fees-Water	6,300.00
Bore Fees-Sewer	0.00
Bore Fees-Water-Highfill	0.00
Bore Fees-Sewer-Highfill	0.00
Tap Fees-Water	58,980.00
Tap Fees-Sewer	2,700.00
Tap Fees-Water-Highfill	0.00
Tap Fees-Sewer-Highfill	0.00
Rent Income-11681 W. Hwy. 72	0.00
Interest Income-Water	9,846.81
Interest Income-Sewer	476.13
Total Revenues	6,558,236.56
Cost of Sales	
Water Purchased	1,272,840.66
Sewer Treatment-Bentonville	36,185.21
Sewer Treatment-Decatur	1,003,618.48
Total Cost of Sales	2,312,644.35
Gross Profit	4,245,592.21
Expenses	
Purchase Discounts	61.23
Contract Labor-Water	25.00
Contract Labor-Sewer	1,630.70
Water Meter Replacements	208,461.01
Operating Supplies-Sewer	0.00
Capital Equip./ Lease-Water	0.00
Capital Equip/Lease-Sewer	0.00
Bore Fees & Refunds-Water	12,900.00
License, Training & Dues-Water	4,899.20
License, Training & Dues-Sewer	3,592.34

Operating Expense-Water	68,112.96
Operating Expense-Sewer	44,251.13
Repairs-Water	0.00
Repairs-Sewer	0.00
Grounds Maintenance-Water	0.00
Grounds Maintenance-Sewer	0.00
Utility Service Water Tower	46,889.58
Utilities-Water	38,118.78
Utilities-Sewer	53,325.09
Salaries & Wages-Water	293,668.40
Salaries & Wages-Sewer	240,271.68
Commissioner's Pay	2,700.00
Payroll Taxes-Water	23,936.71
Payroll Taxes-Sewer	19,481.22
Worker's Comp-Water	3,509.64
Worker's Comp-Sewer	3,000.49
Vacation Pay-Water	413.76
Vacation Pay-Sewer	0.00
Empl. Benefits-Uniforms-Water	4,993.00
Empl. Benefits-Uniforms-Sewer	4,661.85
Sick Pay-Water	851.98
Insurance-Employee-Water	37,665.33
Insurance-Employee-Sewer	54,510.86
Retirement Benefits-Water	4,689.73
Retirement Benefits-Sewer	1,370.42
Depreciation-Water	497,448.10
Depreciation-Sewer	407,002.90
Depr.-Donated Assets-Water	173,292.70
Depr.-Donated Assets-Sewer	141,784.30
Office Supplies-Water	8,384.52
Office Supplies-Sewer	6,011.13
Professional Services-Water	34,640.03
Professional Services-Sewer	27,784.93
Bill Processing-Water	24,846.62
Bill Processing-Sewer	18,621.17
Software Lease-Water	5,775.71
Software Lease-Sewer	5,185.72
Postage-Water	1,131.50
Postage-Sewer	989.50
Insurance (Veh & Bldg) Water	5,965.74
Insurance (Veh & Bldg) Sewer	5,965.76
Returned Checks-Water	0.00
Returned Checks-Sewer	0.00
Vehicle Expense-Water	15,054.16
Vehicle Expense-Sewer	14,613.47
Fuel-Water	0.00
Fuel-Sewer	0.00
Bank Charges-Water	(753.52)
Bank Charges-Sewer	976.80
Publishing-Water	1,003.89

Publishing Sewer	1,003.89
Bad Debt Expense	0.00
Bad Debts-Water	0.00
Bad Debts-Sewer	0.00
Miscellaneous Expense-Water	529.63
Miscellaneous Expense-Sewer	617.23
Theft Loss	0.00
Interest Expense-Water	211,918.27
Interest Expense-Sewer	313,162.50
Gain/Loss Sale of Assets-Water	(8,143.00)
Gain/Loss Sale of Assets-Sewer	0.00
2018 Bond Issuance Cost-Water	0.00
2018 Bond Issuance cost-sewer	0.00
Total Expenses	3,092,805.74
Net Income	\$ 1,152,786.47

December 2018 End of Year Income Statement	
	Year to Date
Revenues	
Water Sales	\$ 3,799,260.18
Sewer Sales	2,981,171.93
Water Penalty	101,315.26
Other Revenue-Water	50,918.50
Other Revenue-Sewer	418.50
Revenue-Highfill Repairs	0.00
Billing Adjustments-Water	(45,213.65)
Billing Adjustments-Sewer	0.00
Revenue-Highfill-Monthly Fees	0.00
Lot Assessment	240,585.56
Meter Replacement Income-Water	112,029.30
Bore Fees-Water	19,800.00
Bore Fees-Sewer	0.00
Bore Fees-Water-Highfill	0.00
Bore Fees-Sewer-Highfill	0.00
Tap Fees-Water	59,304.00
Tap Fees-Sewer	2,700.00
Tap Fees-Water-Highfill	0.00
Tap Fees-Sewer-Highfill	0.00
Rent Income-11681 W. Hwy. 72	5,305.77
Interest Income-Water	30,974.75
Interest Income-Sewer	2,495.69
Total Revenues	7,361,065.79
Cost of Sales	
Water Purchased	1,705,670.46
Sewer Treatment-Bentonville	32,701.72
Sewer Treatment-Decatur	1,072,575.66
Total Cost of Sales	2,810,947.84
Gross Profit	4,550,117.95
Expenses	
Purchase Discounts	0.00
Contract Labor-Water	237.89
Contract Labor-Sewer	108.13
Water Meter Replacements	761,363.83
Operating Supplies-Sewer	0.00
Capital Equip./ Lease-Water	17,137.46
Capital Equip/Lease-Sewer	17,137.48

Bore Fees & Refunds-Water	21,200.00
License, Training & Dues-Water	3,366.74
License, Training & Dues-Sewer	3,360.09
Operating Expense-Water	223,119.36
Operating Expense-Sewer	74,786.86
Repairs-Water	0.00
Repairs-Sewer	0.00
Grounds Maintenance-Water	0.00
Grounds Maintenance-Sewer	0.00
Utility Service Water Tower	52,047.43
Utilities-Water	43,441.47
Utilities-Sewer	56,803.80
Salaries & Wages-Water	338,418.44
Salaries & Wages-Sewer	276,887.79
Commissioner's Pay	3,600.00
Payroll Taxes-Water	29,566.77
Payroll Taxes-Sewer	24,191.00
Worker's Comp-Water	0.00
Worker's Comp-Sewer	0.00
Vacation Pay-Water	12,956.49
Vacation Pay-Sewer	0.00
Empl. Benefits-Uniforms-Water	5,571.96
Empl. Benefits-Uniforms-Sewer	5,236.66
Sick Pay-Water	14,073.72
Insurance-Employee-Water	42,506.77
Insurance-Employee-Sewer	58,064.04
Retirement Benefits-Water	17,271.69
Retirement Benefits-Sewer	10,321.51
Depreciation-Water	497,188.05
Depreciation-Sewer	406,791.95
Depr.-Donated Assets-Water	207,927.35
Depr.-Donated Assets-Sewer	170,449.65
Office Supplies-Water	5,371.50
Office Supplies-Sewer	5,293.40
Professional Services-Water	69,085.05
Professional Services-Sewer	70,883.78
Bill Processing-Water	22,504.44
Bill Processing-Sewer	20,615.30
Software Lease-Water	10,072.57
Software Lease-Sewer	8,314.89
Postage-Water	785.31
Postage-Sewer	785.33
Insurance (Veh & Bldg) Water	6,151.95
Insurance (Veh & Bldg) Sewer	6,151.97
Returned Checks-Water	0.00
Returned Checks-Sewer	0.00
Vehicle Expense-Water	19,283.25
Vehicle Expense-Sewer	23,835.77
Fuel-Water	0.00
Fuel-Sewer	0.00

Bank Charges-Water	67.37
Bank Charges-Sewer	615.60
Publishing-Water	1,097.52
Publishing Sewer	1,185.92
Bad Debt Expense	0.00
Bad Debts-Water	0.00
Bad Debts-Sewer	0.00
Miscellaneous Expense-Water	53.00
Miscellaneous Expense-Sewer	53.00
Theft Loss	0.00
Interest Expense-Water	254,357.50
Interest Expense-Sewer	354,335.50
Gain/Loss Sale of Assets-Water	0.00
Gain/Loss Sale of Assets-Sewer	0.00
2018 Bond Issuance Cost-Water	200,061.55
2018 Bond Issuance cost-sewer	200,061.53
Total Expenses	4,676,157.38
Net Income	(\$ 126,039.43)

December 2019 End of Year Income Statement	
	Year to Date
Revenues	
Water Sales	\$ 3,828,920.95
Sewer Sales	3,276,160.89
Water Penalty	103,019.78
Other Revenue-Water	24,490.32
Other Revenue-Sewer	0.00
Revenue-Highfill Repairs	17,477.12
Billing Adjustments-Water	(162,619.64)
Billing Adjustments-Sewer	0.00
Revenue-Highfill-Monthly Fees	53,112.52
Lot Assessment	276,900.00
Meter Replacement Income-Water	106,545.99
Bore Fees-Water	8,000.00
Bore Fees-Sewer	830.00
Bore Fees-Water-Highfill	0.00
Bore Fees-Sewer-Highfill	0.00
Tap Fees-Water	47,975.00
Tap Fees-Sewer	10,350.00
Tap Fees-Water-Highfill	0.00
Tap Fees-Sewer-Highfill	0.00
Rent Income-11681 W. Hwy. 72	0.00
Interest Income-Water	209,006.65
Interest Income-Sewer	9,342.24
Total Revenues	7,809,511.82
Cost of Sales	
Water Purchased	1,772,927.77
Sewer Treatment-Bentonville	0.00
Sewer Treatment-Decatur	1,327,527.36
Total Cost of Sales	3,100,455.13
Gross Profit	4,709,056.69
Expenses	
Purchase Discounts	0.00
Contract Labor-Water	0.00
Contract Labor-Sewer	0.00
Water Meter Replacements	241,090.91
Operating Supplies-Sewer	0.00
Capital Equip./ Lease-Water	13,764.15
Capital Equip/Lease-Sewer	13,764.15
Bore Fees & Refunds-Water	16,000.00
License, Training & Dues-Water	2,934.69
License, Training & Dues-Sewer	2,594.72

Operating Expense-Water	122,358.37
Operating Expense-Sewer	71,111.88
Repairs-Water	0.00
Repairs-Sewer	0.00
Grounds Maintenance-Water	2,680.00
Grounds Maintenance-Sewer	2,000.00
Utility Service Water Tower	52,231.34
Utilities-Water	40,838.83
Utilities-Sewer	68,242.04
Salaries & Wages-Water	462,978.91
Salaries & Wages-Sewer	380,750.39
Commissioner's Pay	3,075.00
Payroll Taxes-Water	41,220.34
Payroll Taxes-Sewer	31,776.25
Worker's Comp-Water	2,391.50
Worker's Comp-Sewer	2,391.50
Vacation Pay-Water	11,576.06
Vacation Pay-Sewer	0.00
Empl. Benefits-Uniforms-Water	8,045.23
Empl. Benefits-Uniforms-Sewer	7,783.87
Sick Pay-Water	21,251.68
Insurance-Employee-Water	53,636.76
Insurance-Employee-Sewer	76,890.58
Retirement Benefits-Water	26,565.45
Retirement Benefits-Sewer	21,735.40
Depreciation-Water	520,642.00
Depreciation-Sewer	425,979.00
Depr.-Donated Assets-Water	234,794.00
Depr.-Donated Assets-Sewer	192,104.00
Office Supplies-Water	9,846.50
Office Supplies-Sewer	9,435.11
Professional Services-Water	39,819.52
Professional Services-Sewer	55,907.28
Bill Processing-Water	26,827.64
Bill Processing-Sewer	22,446.24
Software Lease-Water	14,415.90
Software Lease-Sewer	13,267.49
Postage-Water	720.60
Postage-Sewer	720.59
Insurance (Veh & Bldg) Water	7,836.40
Insurance (Veh & Bldg) Sewer	7,511.67
Returned Checks-Water	0.00
Returned Checks-Sewer	0.00
Vehicle Expense-Water	10,399.22
Vehicle Expense-Sewer	10,046.18
Fuel-Water	19,625.11
Fuel-Sewer	19,625.19
Bank Charges-Water	(425.81)
Bank Charges-Sewer	0.00
Publishing-Water	32.11

Publishing Sewer	134.81
Bad Debt Expense	16,480.00
Bad Debts-Water	14,582.22
Bad Debts-Sewer	17,984.34
Miscellaneous Expense-Water	5,481.63
Miscellaneous Expense-Sewer	0.00
Theft Loss	300.64
Interest Expense-Water	246,300.38
Interest Expense-Sewer	646,087.77
Gain/Loss Sale of Assets-Water	0.00
Gain/Loss Sale of Assets-Sewer	0.00
2018 Bond Issuance Cost-Water	0.00
2018 Bond Issuance cost-sewer	46,095.10
Total Expenses	4,436,702.83
Net Income	\$ 272,353.86

December 2020 Year End Income Statement	
Revenues	
Water Sales	\$4,250,377.33
Sewer Sales	\$3,736,873.82
Water Penalty	\$134,912.16
Other Revenue-Water	\$0.00
Other Revenue-Sewer	\$0.00
Revenue-Highfill Repairs	\$54,195.49
Billing Adjustments-Water	-\$58,749.39
Billing Adjustments-Sewer	\$0.00
Revenue-Highfill-Monthly Fees	\$78,174.79
	\$0.00
	\$2,495.94
Lot Assessment	\$418,800.00
Meter Replacement Income-Water	\$106,868.60
Bore Fees-Water	\$18,855.00
Bore Fees-Sewer	\$0.00
Bore Fees-Water-Highfill	\$0.00
Bore Fees-Sewer-Highfill	\$0.00
Tap Fees-Water	\$94,019.02
Tap Fees-Sewer	\$5,770.00
Tap Fees-Water-Highfill	\$0.00
Tap Fees-Sewer-Highfill	\$0.00
Rent Income-11681 W. Hwy. 72	\$0.00
Interest Income-Water	\$40,655.49
Interest Income-Sewer	\$0.00
Total Revenues	\$8,883,248.25
Cost of Sales	
Water Purchased	\$1,510,804.62
Sewer Treatment-Bentonville	\$290.58
Sewer Treatment-Decatur	\$1,369,625.66
Total Cost of Sales	\$2,880,720.86
Gross Profit	\$6,002,527.39
Expenses	
Purchase Discounts	-\$30.00
Contract Labor-Water	\$0.00
Contract Labor-Sewer	\$0.00
Water Meter Replacements	\$283,063.87
Operating Supplies-Sewer	\$0.00
Capital Equip./ Lease-Water	\$24,290.39
Capital Equip/Lease-Sewer	\$24,290.39
Bore Fees & Refunds-Water	\$32,000.00
License, Training & Dues-Water	\$1,469.50

License, Training & Dues-Sewer	\$1,254.55
Operating Expense-Water	\$148,233.89
Operating Expense-Sewer	\$110,677.58
Repairs-Water	\$0.00
Repairs-Sewer	\$0.00
Grounds Maintenance-Water	\$2,565.00
Grounds Maintenance-Sewer	\$2,565.00
Utility Service Water Tower	\$58,778.10
Utilities-Water	\$39,218.10
Utilities-Sewer	\$74,315.42
Salaries & Wages-Water	\$572,671.23
Salaries & Wages-Sewer	\$454,061.86
Commissioner's Pay	\$3,375.00
Payroll Taxes-Water	\$46,858.70
Payroll Taxes-Sewer	\$37,136.86
Worker's Comp-Water	\$15,773.50
Worker's Comp-Sewer	\$15,773.50
Vacation Pay-Water	\$13,817.88
Vacation Pay-Sewer	\$11,278.34
Empl. Benefits-Uniforms-Water	\$21,792.74
Empl. Benefits-Uniforms-Sewer	\$20,403.60
Sick Pay-Water	\$15,610.97
Insurance-Employee-Water	\$64,625.97
Insurance-Employee-Sewer	\$110,781.97
Retirement Benefits-Water	\$36,051.92
Retirement Benefits-Sewer	\$30,274.74
Depreciation-Water	\$516,931.80
Depreciation-Sewer	\$422,944.20
Depr.-Donated Assets-Water	\$264,670.45
Depr.-Donated Assets-Sewer	\$216,548.55
Office Supplies-Water	\$5,934.27
Office Supplies-Sewer	\$5,960.83
Professional Services-Water	\$66,384.78
Professional Services-Sewer	\$47,456.97
Bill Processing-Water	\$29,098.61
Bill Processing-Sewer	\$29,098.75
Software Lease-Water	\$24,447.66
Software Lease-Sewer	\$24,442.74
Postage-Water	\$517.94
Postage-Sewer	\$517.96
Insurance (Veh & Bldg) Water	\$8,142.54
Insurance (Veh & Bldg) Sewer	\$8,142.55
Returned Checks-Water	\$0.00
Returned Checks-Sewer	\$0.00
Vehicle Expense-Water	\$20,346.52
Vehicle Expense-Sewer	\$17,559.65
Fuel-Water	\$12,786.64
Fuel-Sewer	\$12,717.70
Bank Charges-Water	\$7,914.71
Bank Charges-Sewer	\$0.00

Publishing-Water	\$1,388.07
Publishing Sewer	\$1,388.11
Bad Debts-Water	\$0.00
Bad Debts-Sewer	\$0.00
Miscellaneous Expense-Water	\$350.74
Miscellaneous Expense-Sewer	\$0.00
Theft Loss	\$0.00
Interest Expense-Water	\$313,959.17
Interest Expense-Sewer	\$706,601.93
Gain/Loss Sale of Assets-Water	\$0.00
Gain/Loss Sale of Assets-Sewer	\$0.00
2018 Bond Issuance Cost-Water	
2018 Bond Issuance cost-sewer	
Total Expenses	\$5,039,234.41
Net Income	\$963,292.98

December 2021 Year End Income Statement		
Revenues		
Water Sales		\$4,755,412.77
Sewer Sales		\$4,124,967.44
Water Penalty		\$147,937.18
		-\$1,514.85
Other Revenue-Water		-\$202.50
Other Revenue-Sewer		-\$202.50
Revenue-Highfill Repairs		\$50,748.90
Billing Adjustments-Water		-\$34,006.57
Billing Adjustments-Sewer		
Revenue-Highfill-Monthly Fees		\$69,431.00
		\$120,026.34
Lot Assessment		\$461,500.00
		\$0.01
		\$0.01
Meter Replacement Income-Water		\$114,340.30
Bore Fees-Water		\$33,330.00
Bore Fees-Sewer		
Bore Fees-Water-Highfill		-\$2,500.00
Bore Fees-Sewer-Highfill		
Tap Fees-Water		\$58,048.00
Tap Fees-Sewer		-\$3,650.00
Tap Fees-Water-Highfill		-\$1,500.00
Tap Fees-Sewer-Highfill		
Rent Income-11681 W. Hwy. 72		\$132,995.80
Interest Income-Water		\$1,126.32
Interest Income-Sewer		\$0.00
Total Revenues		\$10,026,287.65
Cost of Sales		
Water Purchased		\$2,131,131.60
Sewer Treatment-Bentonville		
Sewer Treatment-Decatur		\$1,534,077.97
Total Cost of Sales		\$3,665,209.57
Gross Profit		\$6,361,078.08
Expenses		
Purchase Discounts		-\$21.23
Contract Labor-Water		
Contract Labor-Sewer		
Water Meter Replacements		\$455,750.13
Operating Supplies-Sewer		
Capital Equip./ Lease-Water		\$14,759.78
Capital Equip./Lease-Sewer		\$14,759.77
Bore Fees & Refunds-Water		\$41,234.00

License, Training & Dues-Water	\$5,122.50
License, Training & Dues-Sewer	\$3,339.95
Operating Expense-Water	\$176,201.08
Operating Expense-Sewer	\$141,627.98
Repairs-Water	
Repairs-Sewer	
Grounds Maintenance-Water	\$5,569.37
Grounds Maintenance-Sewer	\$5,444.38
Utility Service Water Tower	\$0.00
Utilities-Water	\$55,465.07
Utilities-Sewer	\$92,465.55
Salaries & Wages-Water	\$615,879.67
Salaries & Wages-Sewer	\$504,447.00
Commissioner's Pay	\$3,000.00
Payroll Taxes-Water	\$57,231.02
Payroll Taxes-Sewer	\$46,825.38
	\$63,140.00
	\$51,660.00
Worker's Comp-Water	\$11,557.50
Worker's Comp-Sewer	\$11,557.50
Vacation Pay-Water	\$20,661.08
Vacation Pay-Sewer	\$16,904.52
Empl. Benefits-Uniforms-Water	\$11,349.17
Empl. Benefits-Uniforms-Sewer	\$11,059.97
Sick Pay-Water	\$21,576.30
	\$17,654.98
Insurance-Employee-Water	\$68,921.56
Insurance-Employee-Sewer	\$111,420.05
Retirement Benefits-Water	\$43,953.50
Retirement Benefits-Sewer	\$35,961.95
Depreciation-Water	\$700,331.36
Depreciation-Sewer	\$572,992.64
Depr.-Donated Assets-Water	\$296,700.55
Depr.-Donated Assets-Sewer	\$242,756.45
Office Supplies-Water	\$7,190.60
Office Supplies-Sewer	\$7,140.78
Professional Services-Water	\$128,957.14
Professional Services-Sewer	\$104,278.07
Bill Processing-Water	\$28,844.70
Bill Processing-Sewer	\$28,844.72
Software Lease-Water	\$21,141.21
Software Lease-Sewer	\$16,067.29
Postage-Water	\$923.78
Postage-Sewer	\$807.67
Insurance (Veh & Bldg) Water	\$23,907.85
Insurance (Veh & Bldg) Sewer	\$23,907.88
Returned Checks-Water	
Returned Checks-Sewer	
Vehicle Expense-Water	\$24,675.35
Vehicle Expense-Sewer	\$23,269.63

Fuel-Water	\$9,565.48
Fuel-Sewer	\$9,565.48
Bank Charges-Water	\$6,410.36
Bank Charges-Sewer	
Publishing-Water	\$876.16
Publishing Sewer	\$750.00
Bad Debts-Water	
Bad Debts-Sewer	
Miscellaneous Expense-Water	\$422.12
Miscellaneous Expense-Sewer	\$0.00
Theft Loss	\$0.00
Interest Expense-Water	\$306,633.33
Interest Expense-Sewer	\$674,132.53
Gain/Loss Sale of Assets-Water	
Gain/Loss Sale of Assets-Sewer	
2018 Bond Issuance Cost-Water	
2018 Bond Issuance cost-sewer	
Total Expense	\$5,997,572.61
Net Income	\$363,505.47

Revenue & Expenses - Year to Date July 31, 2022

Revenues	
Water Sales	\$2,651,874.83
Sewer Sales	\$2,495,158.90
Water Penalty	\$87,135.04
Franchise tax collected-B'vill	-\$355.57
Other Revenue-Water	\$0.00
Other Revenue-Sewer	\$0.00
Revenue-Highfill Repairs	\$0.00
Billing Adjustments-Water	-\$21,755.38
Billing Adjustments-Sewer	\$0.00
Revenue-Highfill-Monthly Fees	\$0.00
Revenue-Highfill-Wastewater	\$0.00
Revenue-Highfill-Wastewater	\$107,594.05
Lot Assessment	\$325.00
Capacity Fee-Water	\$586,908.00
Capacity Fee-Sewer	\$280,605.00
Grant Rev-Am. Rescue Act	\$0.00
Meter Replacement Income-Water	\$64,431.30
Bore Fees-Water	\$26,194.00
Bore Fees-Sewer	\$6,550.00
Bore Fees-Water-Highfill	\$0.00
Bore Fees-Sewer-Highfill	\$0.00
Tap Fees-Water	\$35,000.00
Tap Fees-Sewer	\$10,350.00
Tap Fees-Water-Highfill	\$0.00
Tap Fees-Sewer-Highfill	\$0.00
Rent Income-11681 W. Hwy. 72	\$0.00
Reimbursement-Premium Pay-City	\$0.00
Grant-American Rescue Funds	\$0.00
Interest Income-Water	\$12,470.25
Interest Income-Sewer	\$0.00
Total Revenues	\$6,342,485.42
Cost of Sales	
Water	\$1,402,641.54
Sewer	
Sewer	\$950,720.25
Total	\$2,353,361.79
Gross Income	\$3,989,123.63
Expenses	
Purchase Discounts	-\$14.59
Contract Labor-Water	\$0.00
Contract Labor-Sewer	\$0.00
Water Meter Replacements	\$513.35
Operating Supplies-Sewer	\$0.00
Capital Equip./ Lease-Water	\$14,239.10
Capital Equip/Lease-Sewer	\$14,239.18
Bore Fees & Refunds-Water	\$33,234.00
License, Training & Dues-Water	\$2,982.82
License, Training & Dues-Sewer	\$2,482.83

Operating Expense-Water	\$30,757.66
Operating Expense-Sewer	\$70,020.00
Repairs-Water	\$0.00
Repairs-Sewer	\$0.00
Grounds Maintenance-Water	\$2,325.00
Grounds Maintenance-Sewer	\$2,325.00
Utility Service Water Tower	\$42,797.35
Utilities-Water	\$18,671.79
Utilities-Sewer	\$69,671.16
Salaries & Wages-Water	\$431,749.43
Salaries & Wages-Sewer	\$355,781.74
Commissioner's Pay	\$1,800.00
Payroll Taxes-Water	\$36,058.09
Payroll Taxes-Sewer	\$29,502.09
Premium Pay-Water	\$0.00
Premium Pay-Sewer	\$0.00
Worker's Comp-Water	\$0.00
Worker's Comp-Sewer	\$0.00
Vacation Pay-Water	\$14,388.58
Vacation Pay-Sewer	\$11,772.46
Empl. Benefits-Uniforms-Water	\$8,290.65
Empl. Benefits-Uniforms-Sewer	\$8,190.61
Sick Pay-Water	\$14,299.57
Sick Pay-Sewer	\$11,699.66
Insurance-Employee-Water	\$45,863.47
Insurance-Employee-Sewer	\$71,993.65
Retirement Benefits-Water	\$25,664.19
Retirement Benefits-Sewer	\$20,997.97
Depreciation-Water	\$437,062.00
Depreciation-Sewer	\$357,594.00
Depr.-Donated Assets-Water	\$192,727.65
Depr.-Donated Assets-Sewer	\$157,687.35
Office Supplies-Water	\$3,028.53
Office Supplies-Sewer	\$3,022.23
Professional Services-Water	\$39,256.69
Professional Services-Sewer	\$35,701.29
Bill Processing-Water	\$15,674.68
Bill Processing-Sewer	\$15,674.68
Software Lease-Water	\$22,340.08
Software Lease-Sewer	\$24,872.06
Postage-Water	\$522.00
Postage-Sewer	\$522.00
Insurance (Veh & Bldg) Water	\$16,750.82
Insurance (Veh & Bldg) Sewer	\$16,750.83
Returned Checks-Water	\$0.00
Returned Checks-Sewer	\$0.00
Vehicle Expense-Water	\$3,809.19
Vehicle Expense-Sewer	\$2,901.14
Fuel-Water	\$18,711.33
Fuel-Sewer	\$18,561.32
Bank Charges-Water	\$4,051.54
Bank Charges-Sewer	\$0.00
Publishing-Water	\$0.00

Publishing Sewer	\$0.00
Bad Debt Expense	\$0.00
Bad Debts-Water	\$0.00
Bad Debts-Sewer	\$0.00
Miscellaneous Expense-Water	\$440.09
Miscellaneous Expense-Sewer	\$440.09
Theft Loss	\$0.00
Interest Expense-Water	\$251,493.76
Interest Expense-Sewer	\$394,817.89
Gain/Loss Sale of Assets-Water	\$0.00
Gain/Loss Sale of Assets-Sewer	\$0.00
2018 Bond Issuance Cost-Water	\$0.00
2018 Bond Issuance cost-sewer	\$0.00
Bond Issuance Costs-2021 Issue	\$0.00
Bond Issuance Costs-2022 Bonds	\$207,863.17
Bond Discount 2022A & B	\$145,412.00
Total Expenses	\$3,779,985.22
Net Income	\$209,138.41

Appendix III

Cash & Bank Account

End of Year Balances 2020 & 2021

CENTERTON WATER an SEWER COMMISSION 2
General Ledger Trial Balance
As of Dec 31, 2020

Filter Criteria includes: 1) IDs: Multiple IDs. Report order is by ID. Report is printed in Detail Format.

Account ID	Account Description	Debit Amt	Credit Amt
01-1010-00	General Office Change Fun	450.00	
01-1012-00	Petty Cash Fund	450.00	
01-1022-00	Gravett #51771-CA Collecti	20,892.50	
01-1031-00	Gravett CD-28657 USDA D	60,630.01	
01-1040-00	Highfill Security Dep.-3097	4,650.00	
01-1053-00	F & M 2014 Rev Bds 71001	239,742.24	
01-1056-00	Gravett- #520969 2005Bon	33,198.14	
01-1062-00	FNB CD #8037331 Unrest	55,249.66	
01-1063-00	Gravett CD-223375 Unrest	33,008.92	
01-1064-00	Gravett CD-223376 Unres	52,776.65	
01-1067-00	F & M-2018 Bond Fund 13	87,210.25	
01-1070-00	Payroll Clearing Account		7,783.75
01-1071-00	F & M Bank Bond Fund-20	13,583.19	
01-1072-00	F & M 2019 Const. FD-710	0.07	
01-1090-00	Regions-Gen. Rev. 028426	1,906,692.60	
01-1095-00	Regions-Lot Asses 028426	578,579.11	
01-1100-00	Regions-Meter Repl 02842	71,098.67	
01-1105-00	Regions-Sec Dep. Op-0284	149,242.85	
01-1110-00	Regions-Sec Dep LT 0284	583,031.69	
01-1115-00	Regions-Unrest Surp 0284	1,216,835.14	
01-1120-00	Regions-Highfillll Sec Dep-2	135,220.57	
	Total:	5,242,542.26	7,783.75

CENTERTON WATER an SEWER COMMISSION 2
General Ledger Trial Balance
As of Dec 31, 2021

Filter Criteria includes: 1) IDs: Multiple IDs. Report order is by ID. Report is printed in Detail Format.

Account ID	Account Description	Debit Amt	Credit Amt
01-1010-00	General Office Change Fun	450.00	
01-1012-00	Petty Cash Fund	450.00	
01-1022-00	Gravett #51771-CA Collecti	6,528.46	
01-1031-00	Gravett CD-28657 USDA D	60,630.01	
01-1048-00	Regions-Capacity Fees-Wa	528.81	
01-1049-00	Regions-Capacity Fees-Se	528.81	
01-1053-00	F & M 2014 Rev Bds 71001	237,989.87	
01-1056-00	Gravett- #520969 2005Bon	39,241.14	
01-1062-00	FNB CD #8037331 Unrest	55,249.66	
01-1063-00	Gravett CD-223375 Unrest	33,008.92	
01-1064-00	Gravett CD-223376 Unres	52,776.65	
01-1067-00	F & M-2018 Bond Fund 13	83,535.89	
01-1070-00	Payroll Clearing Account		628.78
01-1071-00	F & M Bank Bond Fund-20	13,333.32	
01-1090-00	Regions-Gen. Rev. 028426	1,463,313.90	
01-1095-00	Regions-Lot Asses 028426	1,057,829.11	
01-1100-00	Regions-Meter Repl 02842	182,338.57	
01-1105-00	Regions-Sec Dep. Op-0284	325,402.43	
01-1110-00	Regions-Sec Dep LT 0284	583,031.69	
01-1115-00	Regions-Unrest Surp 0284	1,216,835.14	
01-1120-00	Regions-Highfillll Sec Dep-2	1,533.26	
	Total:	5,414,535.64	628.78

Appendix IV
Capacity Assessment Forms
for submittal to
Arkansas Department of Health
-Financial & Managerial Capacity
-Technical & Operational Capacity

Capacity Assessment Form
Small System Technical Assistant Contract
Financial and Managerial Capacity
(Revised 4/00)

Water System Information

Name of Water System Centerton Waterworks

PWS ID# 004

Contact Name Frank Holzkamper/ Malcolm Attwood

Contact Title Director / Superintendent

Contact Phone (479) 795 -0222

1. How long has the water system been in existence? Since the 1970's

2. How long has it been under the current ownership? Since inception of system.

3. How was the water system started? Initially, as a municipal water system, then in the

2000s a large rural area was purchased from the Benton County Rural Development

Authority.

4. What is the oldest component of the water system? Water lines in the downtown area.
How old is it? 45 - 50 years old.

5. Please list all critical facilities in the water system that, if they fail, would create an immediate public health risk, and the estimated cost of repair or replacement.

Two water towers - Approximately \$ 10,000,000

Pumps to fill towers - Approximately \$2,000,000

6. Are the well sites, plant sites, reservoirs, etc., owned by the water system with conveyable title? _____ Yes x No If no, state the nature of the lease or other arrangement for use. Purchase from Benton/Washington Regional Public Water Authority (BWRPWA)

7. Does the water system have and record all easements? x Yes _____ No

Staffing and Organization

8. Number of full-time employees: 30

9. Number of Part-time employees: 1 Total hours per week 25

10. Does the water system operate and maintain ALL aspects of the system on its own?

☒ Yes ☐ No

11. If no, does the water system contract out all or part of the operation and management of the system? ☐ Part ☐ All

12. What specific items are contracted out? _____

13. If no to 10, does the water system have a valid (written and signed) contract that summarizes the duties and responsibilities of the contractor as described in Question 12 above?

☐ Yes ☐ No ☐ Not Applicable

14. List the names, titles/positions, and years of experience for each person on the water system staff, and any water operator's license they may have by type and grade.

<u>Name</u>	<u>Position</u>	<u>Years</u>	<u>Grade and Type of License</u>
Frank Holzkamper	Director	17	D4, T1, C3
Malcolm Attwood, P.E.	Superintendent	1	D4
James Wiand	Water Supervisor	13	D4, T2, C2
Chad Klingler	Safety/Inspection Supervisor	4	D4, CS2
Matt Rennick	Construction Supervisor	5	D4, C1, CS2
Andy McDowell	WW Collection Sys. Supervisor	5	D2, C1, CS2
Cody Powell	Operator	5	D2, C1, CS2
Lindsey Ryan	Operator	4	D4, CS2
Kenneth Robinson	Operator	3	D1
James Holland	Operator	3	D2
Nick Rangel	Operator	2	D1, CS1
Mark Gold	Operator	2	OIT
Daniel Davis	Operator	2	D1, CS2
Lance Chambers	Operator	1	D1
Frank Lowell	Operator	1	D1
Steven Lunde	Operator	1	OIT
Alan McGillivray	Operator	1	OIT
Perry Lowe	Operator	1	D1, T4, C1
Cody Moseley	Operator	1	OIT
Bradley Moseley	Operator	1	D1, C1

15. Does the staff also operate the wastewater system and/or any other utilities or services?

☒ Yes ☐ No If yes, what? Wastewater Collection System

(no Wastewater Treatment Plant)

16. Does the system have written job descriptions for each position?

☒ Yes ☐ No

17. Who is responsible for policy decisions (*name and title*)?

Frank Holzkamper, Director

18. Please list the type of written policies your water system has that governs its operations:

Examples: Policies that define the conditions for obtaining new service, the water system's responsibility to the customer, customer responsibilities, etc.

Customer Service Policy Manual

19. Who is responsible for ensuring compliance with state regulatory requirements (*name and title*)?

Frank Holzkamper, Director

20. Who is responsible for day-to-day operation of the water system (*name and title*)?

Frank Holzkamper, Director

Malcolm Attwood, P.E., Superintendent

21. What is the process for obtaining or repairing equipment? All new equipment is budgeted, items over \$20,000 are bid out. Repairs are handled locally if they can't be done in-house.

22. Who is responsible for hiring and firing staff? The director and dismissal commission.

23. Does the individual in charge of system operation have other responsibilities unrelated to the water system? ☐ Yes ☒ No

If yes to 23, please describe (or attach) these responsibilities and indicate how much time in an average week is dedicated to the operation on the water system:

24. Type of governing board: Commission, appointed by council.

Number of members on governing board: 3

Does the governing board meet on a regular basis? x Yes No

If yes, how often? On the third Tuesday of each month

25. What are the qualifications for being eligible to be a member of the governing board?

Submitted applications, then the Commission reviews and submits to City Council for approval

26. Are elections held for positions on the governing board? Yes x No

If yes, how often?

27. When was the last time that an election was contested? N/A

28. Name the members of the governing board, occupation and years of service:

<u>Name</u>	<u>Occupation</u>	<u>Years Served</u>
<u>Melvin Coffelt</u>	<u>Farmer</u>	<u>23</u>
<u>Robert Anderson</u>	<u>Retired</u>	<u>21</u>
<u>Donald Casteel</u>	<u>Retired</u>	<u>5</u>

29. What type of compensation/reimbursements do the directors receive?

<u>Y/ N</u>		<u>In By-Laws?</u>	<u>Y/ N</u>
<u>N</u>	<u>Travel Reimbursement</u>		<u> </u>
<u>N</u>	<u>Per diem</u>		<u> </u>
<u>N</u>	<u>Salary</u>		<u> </u>
<u>Y</u>	<u>Other</u> <u>Monthly Meeting Pay of \$75.00</u>		<u>Y</u>

30. How are minutes taken at the Board Meeting?

☒ Tape Recording
☒ Notes by Secretary
☒ Notes by Other Office Staff
____ No minutes taken
____ Other method _____

31. Who sets the agenda for the meeting? Director

32. Does the operator/superintendent provide a monthly report to the board summarizing aspects of system operation, major problems, results of monitoring/testing, etc.?

☒ Yes ☐ No

33. Does the system bookkeeper provide a monthly financial report to the board?

☒ Yes ☐ No

34. Estimated percentage of meetings that have attendees from the general public or customers 2 %.

35. Are the meetings held in a location that is normally open to the public (not a private office or home)? ☒ Yes ☐ No _____ % of the time

36. Are the meetings held in a location that is within the water system's service area?

☒ Yes ☐ No

37. Are the meetings held at a time that is generally acceptable to board members and customers? ☒ Yes ☐ No

38. How are By-Laws changed? By Commission vote and the approval/adoption into

City Code, Title 10 by City Council.

39. Are there any others that participate in the governing or administration of the water system?
☐ Yes ☒ No If yes, please list and describe what role the person(s) has in governing or administering. _____

Ownership

40. Please describe the ownership characteristics of your system (e.g., sole proprietorship, partnership, corporation, mutual, governmental agency) and the name of the owner(s).

Type of ownership: Governmental/Municipal

Name of owner(s) or controlling agency: City of Centerton

41. Please list any public water systems that used to be, or currently are, under the same ownership, along with corresponding dates of ownership.

N/A

42. Please list any public water systems that used to be, or currently are, operated by you under contract for another owner.

Highfill Waterworks - Temporary until they were able to hire qualified staff.

(March 2019 - Nov.2021)

43. **Systems under temporary (e.g., developer) ownership:**

a) Has future ownership been determined?

 Yes No x Not Applicable

(If no to 43(a), please answer "Not Applicable" to Questions 43(b-c) and continue with Question 44.)

b) Who will the future owner be?

 Not Applicable

c) If a future owner has been determined, has the schedule for transfer of ownership from you to the future owner been developed?

 Yes No x Not Applicable

44. **Systems that use, but do not own, land or facilities that are essential to water system operation:** Do you have a valid long-term contract (i.e., lease) between your water system and the owner of the land or facilities essential to the operation of your system?

 Yes No x Not Applicable

If Yes, please indicate the number of years remaining on the lease.

45. **Systems with a single proprietor:** Does your system have a contingency plan for continuing system operation in the event the owner becomes incapable of carrying out his/her responsibilities?

 Yes No x Not Applicable

External Linkages

46. Is your water system or any of the people associated with the water system members of technical or professional societies that are related to water utilities (e.g. American Water Works Association, Arkansas Rural Water Association, Arkansas Municipal League, AWW&WEA, etc.)

 x Yes No

47. If yes, please list associations of which the water system or its personnel are members.

AWW&WEA - Frank Holzkamper and Malcolm Attwood, P.E.

AWWMA - Frank Holzkamper

ARWA - Frank Holzkamper and System

48. Are any staff members active in the society(ies) (i.e. serve as officer or regularly attend meetings)? ☒ Yes ☐ No

49. Does the water system partner, either formally or informally, with another water system(s)? ☒ Yes ☐ No

50. If yes, please list the water system(s) with which partnerships exist and give a brief description of the particular areas of assistance.

Highfill - Operational and supply back-up

Decatur - Wastewater treatment

51. In what ways do you interact with the Arkansas Department of Health in the operation of your water system in a routine year? (check all that apply)

☒ Phone calls to specific contacts at the Department of Health

☒ Emails Letters to the Department of Health

☐ Visit to field office or central office of the Department of Health

☒ Meetings with Department of Health staff

☒ Read Department of Health publications

☒ Through the Sanitary Survey process

☐ Through the enforcement process

☒ Other Monthly reports

☐ No interaction

52. Do you know the names of the personnel at the Department of Health that you deal with most often? ☒ Yes ☐ No

If Yes, who? Adam Parker, Raymond Thompson, Craig Corder, Martin Nutt

53. Is the water system accessible by phone at all times to all customers?
☒ Yes ☐ No What are the customer emergency procedures? _____

When a customer calls the main office after business hours, they are transferred to a
person on-call for after-hours service.

54. Are there regular business hours? ☒ Yes ☐ No If yes, what are they?

8:00 am to 4:30 pm

55. Is there an application form or other formal process to apply for service?

☒ Yes ☐ No

56. Do you serve all qualified applicants within your boundaries? ☒ Yes ☐ No

57. Do you log complaints? ☒ Yes ☐ No

58. How many taste and odor complaints do you receive monthly? Not many.

59. Do you know the basis for these complaints? ☒ Yes ☐ No

Is it controllable? ☐ Yes ☒ No They are usually about chlorine smell/taste.

60. Are there other complaints based on the quality of the water? ☐ Yes ☒ No

If yes, please describe. _____

61. What are the most frequent water quantity complaints? Due to low pressure.

62. How many water quantity complaints does the water system receive monthly? Less than 2

63. Do you know the basis for these complaints? ☒ Yes ☐ No

Is it controllable? ☐ Yes ☒ No

64. What are the most frequent service and billing complaints? Concerning rates.

65. How are customer complaints handled and resolved? The rates were explained.

66. Do you notify customers prior to shutting down the system for repairs?

☒ Yes ☐ No ☐ Sometimes ☐ Only if for more than _____ hours.

Staff Training

67. Are there enough properly licensed operators, as outlined in Arkansas' *Rules and Regulations Pertaining to Water Operator Licensing*, for the operation of your system?

☒ Yes ☐ No

68. What is your plan to acquire the services of enough properly licensed operators to satisfy the Health Departments requirements? _____

Working through the licensing process.

69. Does your system have a continuing education plan for:

System manager(s)?	<u> x </u>	Yes	<u> </u>	No	<u> </u>	Not Applicable
System operator(s)?	<u> x </u>	Yes	<u> </u>	No	<u> </u>	Not Applicable
Other system employees?	<u> x </u>	Yes	<u> </u>	No	<u> </u>	Not Applicable
Governing board members?	<u> x </u>	Yes	<u> </u>	No	<u> </u>	Not Applicable

70. Does the manager of your water system have experience with or training in:

Utility management?	<u> x </u>	Yes	<u> </u>	No	<u> </u>	Not Applicable
Drinking water regulations?	<u> x </u>	Yes	<u> </u>	No	<u> </u>	Not Applicable
Resource management (i.e., personnel, budget, facilities)?	<u> x </u>	Yes	<u> </u>	No	<u> </u>	Not Applicable

71. Please attach documentation for training and continuing education for all system personnel.

See attached.

Record Keeping

72. Are water utility records kept? x Yes No

73. Are water utility records kept segregated from all other businesses or accounts?
 x Yes No

74. What is the primary record keeping method?
 computer manual x combination

75. Are the records accessible to the public during normal business hours?
 x Yes No

76. Are the records easily accessible to personnel (i.e., in a computer database or organized file cabinet)? x Yes No

Planning

77. Do you have a **written** Long-Range Plan as required in the Arkansas *Rules and Regulations Pertaining to Public Water Systems*? Yes x No
Currently in development. Although planning is done annually, a plan has not been submitted.

78. Is the Long-Range Plan used in the calculation of rates? Yes No
In the calculation of reserve account? Yes No

79. Is the Long-Range Plan consistent with:

a) Local land use plans developed by the county in which your system is located?

 Yes No x Not Applicable

b) Local water use plans developed by the county in which your system is located?

 Yes No x Not Applicable

80. If the system's average day demand exceeds 80 percent of rated capacity, do you have a schedule of capital improvements (including costs and time frames) to address the needed additional capacity?

☒ Yes ☐ No ☐ Don't know if exceeds ☐ Not Applicable

81. Do you have a **written** Emergency Plan as required in the *Arkansas Rules and Regulations Pertaining to Public Water Systems*? ☒ Yes ☐ No

82. Does your Emergency Response Plan:

a) Address all of the emergencies that have historically occurred in your service area?

☒ Yes ☐ No ☐ Not Applicable

b) Designate responsible personnel in the event of an emergency?

☒ Yes ☐ No ☐ Not Applicable

c) Contain a clear chain of command, a detailed communication network, and a description of employee responsibilities in the event of an emergency?

☒ Yes ☐ No ☐ Not Applicable

d) Include an inventory of system resources that are available for use during emergencies?

☒ Yes ☐ No ☐ Not Applicable

e) Include a description (location, schematic diagrams, and supplier) of system resources that are available for use during emergencies?

☒ Yes ☐ No ☐ Not Applicable

f) Provide for emergency phone and radio capabilities?

☒ Yes ☐ No ☐ Not Applicable

g) Designate the location of an emergency operations center?

☒ Yes ☐ No ☐ Not Applicable

h) Detail coordination procedures with governmental agencies for health and safety protection and technical, legal, and financial assistance?

☒ Yes ☐ No ☐ Not Applicable

i) Describe public notification procedures?

☒ Yes ☐ No ☐ Not Applicable

j) Detail damage assessment procedures for your facilities?

☐ Yes ☒ No ☐ Not Applicable

k) Detail the procedures used to monitor the progress of repair and restoration efforts?

☐ Yes ☒ No ☐ Not Applicable

l) Describe the manner in which documentation of damage and repairs must be completed?

☐ Yes ☒ No ☐ Not Applicable

m) Provide for follow-up (i.e., resumption of normal service, submission of appropriate reports, etc.) after the emergency has ended?

☐ Yes ☒ No ☐ Not Applicable

- n) **Non-community water systems**: Provide for the cessation of service until the water system is restored in the event of an emergency?

_____ Yes _____ No x Not Applicable

83. Do you have any emergency contract agreements under which your system operates (e.g., emergency water interconnections and alternative sources)?

_____ Yes x No _____ Not Applicable There is not a written contract, but there is an emergency connection to Highfill.

84. Does your system belong to any emergency mutual aid organizations?

 x Yes _____ No _____ Not Applicable

85. Does the water system have a prioritized Capital Improvement and Equipment Replacement Plan? x Yes _____ No

If yes, what time period does it cover? 5 - 10 year(s)

86. Have you identified all system components and facilities that will require construction within the coming five years including the following:

 x New Capital Facilities?
 x Renewal and Replacement Facilities?
_____ Safe Drinking Water Act Facilities?
_____ Non-Facility Costs?
_____ Other(Specify) _____

87. Have funding sources been identified for all identified system components checked in question 86? x Yes _____ No

88. How did your water system finance its last major repair or improvement?

_____ Commercial bank loan
 x Bonded Debt
_____ USDA RD Grant/Loan
_____ Other state or federal loan/grant programs (specify) _____
_____ Bonds
_____ Reserve Account
_____ Surcharge
_____ Personal Capital
_____ Revenue from other activities (specify) _____
_____ Other (Please Specify) _____

89. Please list the names of the public water systems you have identified in the proximity of your water system.

 Bentonville, Highfill, Gravette, and Bella Vista

90. Have you examined the feasibility of:

- a) Incorporating your water system with one of these existing water systems?

_____ Yes x No

- b) Selling ownership of your system to an existing water system?

_____ Yes x No

- c) Contracting for the management or operation of your system with an existing system or satellite management/operations agency?

_____ Yes x No

Budgeting and Revenues

91. Do you have an operating budget?

☒ Yes (Check all that apply) ☐ No
☒ Annual
☐ Quarterly
☐ Monthly
☐ As Needed for Financing or other purposes

92. Does your system have a 5-year budget projection?

☒ Yes ☐ No *Through planning process*

93. Are revenues that are contingent upon a vote of system users excluded from the budget projection? ☒ Yes ☐ No

94. Are projected revenues consistent with the 10-year growth projection for your system?

☒ Yes ☐ No

95. Are projected capital expenses consistent with your system's Capital Improvement and Equipment Replacement Plan? ☒ Yes ☐ No

96. Is your budget used in the calculation of rates? ☒ Yes ☐ No

97. Do your rates fully cover the cost of service?

☒ Yes ☐ No ☐ Don't Know

98. If revenues exceed expenses, what happens to the surplus?

☒ Used for system repairs and replacements
☒ Placed in Fund Balance for contingencies
☐ Rates lowered
☐ Other (Specify) _____

99. If no to 97, what other sources of funding do you use? (Check all that apply)

☐ taxes
☐ fees
☐ funds from other business
☐ personal funds
☐ other (please specify) _____

100. Within the past year did you spend more than budgeted? ☐ Yes ☒ No

If yes, why and by how much? _____

101. If no to 97 or yes to 100, how did you cover the shortfall?

102. What type of special fees does your water system have? How much are they?

☒ Connection Fees \$ 1,200 Based on Meter Size
☒ Impact Fees \$ _____
☐ Stand-by Fees \$ _____
☐ Other (Specify) _____ \$ Varies Depends on Meter Size
 & if Water or Sewer

103. Are revenues being transferred to the General Fund or used for purposes other than the water system? _____ Yes ☒ No

104. Does your system retain budget information for at least two years?

☒ Yes _____ No _____ Not Applicable

105. Do you prepare an annual consolidated financial statement for your system?

☒ Yes _____ No Annual Audit

Rates

106. What type of rate do you have?

☒ Fixed Rate
☐ Variable Rate
☒ Declining Block Rate Commercial Only
☐ Increasing Block Rate
☐ Other (Please Specify _____)

107. What are your average rates for residential, commercial, and industrial on a monthly basis?

Residential (5/8")	Commercial (≥1")	Industrial (≥2")	
\$20.00	\$34.50	N/A	a. Base cost (Minimum Charge)
\$5.65	\$3.45	N/A	b1. Price per thousand gallons (level one) 1 - 99,999
N/A	\$3.25	N/A	b2. Price per thousand gallons (level two) 100,000 - 499,999
N/A	\$3.15	N/A	b3. Price per thousand gallons (level three) >500,000
\$48.25	\$51.75	N/A	c. Cost for 5,000 gallons
			d. Flat Fee

108. What is the number of gallons pumped per month? 50 - 60 million

109. What is the number of gallons sold per month? 35 - 45 million

110. What is the total number of connections?

9,500 Residential 240 Commercial _____ Industrial

111. What are rates based on?

- ☒ Capital Improvement Plan and Annual Budget
☐ Annual Budget Only
☐ Anticipated Needs Next Year
☐ Last Year's Expenses
☐ Cash on Hand
☐ Not Sure
☐ Other (Please Specify _____)

112. What are the dates of the last rate increases?

- 01 / 01 / 2022 Rate Increase Meter Base Rate
03 / 01 / 2019 Rate Increase Equalized potable and irrigation rates

113. How often are the rates reviewed?

- ☐ Annually or more frequently
☒ Every 2 years
☐ When cash is low
☐ When major improvements are needed
☐ Other(Please Specify _____)

114. What resources are used in reviewing and setting rates?

- ☒ Rate Study prepared by consultant
☐ Rate Study prepared in-house
☐ In-house accounting staff prepares review and proposal
☐ PWS operator or manager prepares review and proposal
☒ Engineer prepares review and proposal
☐ Technical Assistance Provider prepares review and proposal
☐ Other _____

115. Is the total customers you serve this year (compared to last year):

- ☒ increasing?
☐ decreasing?
☐ staying the same?
☐ don't know

116. What is the collection rate? 99 % _____ Don't Know

117. Does your system have a **written** policy for notice and termination for non-payment?

- ☒ Yes ☐ No

118. How many disconnects do you average per month? (estimate) 50 - 60

119. Is every connection metered?

- ☒ Yes ☐ No If no, how many are non-metered? _____

120. Do you have a process to check for non-metered connections?

- ☒ Yes ☐ No ☐ Not Applicable

General Financial Condition

121. What were your annual revenues in the last fiscal year? \$10,026,288

122. What were your annual expenses in the last fiscal year? \$9,000,000

123. What is the amount of debt outstanding as of (DATE) 01/01/2022

<u>Type of Debt</u>	<u>Creditors</u>	<u>Avg. Int. Rate</u>	<u>Term</u>	<u>Remaining Principal Due</u>
<u>Water Loan</u>	<u>USDA</u>	<u>4.25 %</u>	<u>40</u>	<u>\$873,094</u>
<u>System Improvements</u>	<u>Mun. Bond</u>	<u>3.75 %</u>	<u>30</u>	<u>\$13,269,123</u>
<u>System Improvements</u>	<u>Mun. Bond</u>	<u>3.50 %</u>	<u>25</u>	<u>\$21,944,838</u>
<u>System Improvements</u>	<u>Mun. Bond</u>	<u>2.00 %</u>	<u>25</u>	<u>\$5,290,812</u>

124. Have you defaulted in any debt repayments in the last 5 years?
_____ Yes x No (If yes, state circumstances and current status.)

125. What grants have you received or applied for in the last year? For what purpose?

Grant Received

Purpose

Reserve Accounts

126. Do you have a reserve account? x Yes _____ No

127. If yes, How do you determine the amount to put into the account?

_____ Fixed Amount

x _____ Percentage of Revenues

_____ Percentage of Expenses

_____ Other (Please Specify) _____

128. If yes to 126 what type(s) of reserve account(s) do you have?

_____ Operation and Maintenance

x _____ Capital Projects

x _____ Debt Service

_____ Other (Please Specify) _____

129. What are the current account balances for any reserve accounts that you have (equipment replacement, debt service reserve, capital reserve, etc.)? _____

\$200,000 - Insured and do not carry on three bonds, Only USDA.

130. Does the water system have cash on hand or ready access to cash in the case of an emergency? x Yes No

If yes, how much? \$ 3,500,000

131. Is emergency reserve funding consistent with your system's Emergency Plan?
 x Yes No Not Applicable

Audits and Other Budget Controls

132. Does the system have a certified audit for a fiscal year end (FYE) within the past 12 months? Yes No x In Process Last FYE

133. Does the governing board review and approve the audit? x Yes No

134. If annual audits are not prepared, does the system prepare any of the following annual financial statements:

 Balance Sheet

 Revenue and Expense (Expenditures)

 Cash Flow

 Comparison of Actual to Budget

 Other (Specify) _____

135. Does your water system have any other budget controls? If yes, describe.

 x Yes (Describe) Restricted customer deposit/restrictions on capacity impact fees
 No

136. If yes to 135, are written reports required as part of budget control efforts?
 x Yes No

137. Does your water system have a means to prevent commingling of revenue sources?
 x Yes No Currently track each line item with multiple bank accounts.

Summary

Please provide any other relevant comments. On staff: Office manager, Book Keeper,

Human Resources Manager Contracted: Accountant

Employee Training Schedule

Set up after March Testing													
<div> <div>Intermediate</div> <div>July 26-28</div> <div>October 11-14</div> <div>June 14-16</div> <div>October 4-6</div> <div>March 16-17</div> </div>													
	Distribution	License Number	Treatment	License Number	WW	WW Industrial	Collection Sys	Plumbing Inspector	Water/Wastewater Management	Hire Date	SSN	Birthdate	Training ID
Director	Frank W Holzkamper	4	08081D4	2	08081T2	3	-----	-----	PI02053	-----			0805HOL
Superintendent	Harvie "Malcolm" Attwood	4	***	-----	-----	1	-----	1	Y	9/3/2021			9110ATT
CS Leader	Andy C McDowell	2	10081D2	-----	-----	1	-----	2 - 3	X	9/21/2025			6305MCD
	Cody L Powell	2	10224D1	-----	-----	1	-----	1	Y	1/9/2017			7039POW
Const. Leader	Matt A Renick	4	10192D4	-----	-----	1	-----	2	X	1/30/2017			6630REN
Loss Prev. Leader	Chad E "Red" Klingler	4	10499D3	-----	-----	1	-----	2	X	6/4/2018			7903KLI
	Lindsey J Ryan	4	10511D3	-----	-----	-----	-----	2	Y	6/4/2018			5802RYA
Water Leader	James A "Butch" Wiand	4	08944D4	2	08944T2	2	-----	2	PI03016	X			6074WIA
	Kenneth W "Will" Robinson	1 - RT 2	10761D1	-----	-----	-----	-----	1	Y	7/8/2019			3917ROB
	James W Holland	2	10751D1	-----	-----	-----	-----	1	-----	9/30/2019			4686HOL
	Mark J Gold	RT 1	-----	-----	-----	1	-----	1	-----	3/2/2020			5866GOL
	Nicholas F Rangel	1	10759D1	-----	-----	1	-----	1 - 2	Y	3/30/2020			3779RAN
	Daniel L Davis	1	10746D1	-----	-----	1	-----	2	-----	8/10/2020			1348DAV
	Lance E Chambers	1	***	-----	-----	-----	-----	1	-----	4/26/2021			9050CHA
	Frank C Lowell	1	***	-----	-----	-----	-----	1	-----	6/14/2021			6960LOW
	Steven M Lunde	RT 1	-----	-----	-----	-----	-----	1	-----	7/6/2021			0482LUN
	Alan S "Shane" McGillivray	RT 1	-----	-----	-----	1	-----	1	-----	7/19/2021			8451MCG
	Perry Y Lowe	1	***	4	10769T4	1	Basic	1	-----	9/7/2021			8188LOW
	Cody S Moseley	RT 1	-----	-----	-----	-----	-----	1	-----	9/7/2021			6846MOS
	Bradley B Moseley	1	10380D1	-----	-----	1	-----	1	-----	11/8/2021			0036MOS

*** Waiting on License Certificate from ADH

**Capacity Assessment Form
Small System Technical Assistant Contract
Technical and Operational Capacity**

Water System Information

Name of Water System Centerton Waterworks

PWS ID# 044

Contact Name Frank Holzkamper/ Malcolm Attwood

Contact Title Director / Superintendent

Contact Phone (479) 795 -0222

Sanitary Survey and Other Related Information

1. When was your last Health Department sanitary survey? August 24, 2021

Who from the water system went with the Health Department inspector during the survey? Frank Holzkamper, Director

2. Since the last survey, have you had major changes in any of the following? No

- a. ☐ Management
- b. ☐ Operators
- c. ☐ Physical changes in the system
- d. ☐ Anything else

3. Do you have a copy of the most recent sanitary survey? ☒ Yes ☐ No

4. Were there any deficiencies found? If yes, how have those deficiencies been corrected?
(Check all that apply) No

- a.) ☐ All deficiencies were corrected within (circle 1)
1 mo. 3 mo. 6 mo. 1 year

b.) ☐ The following water system personnel responded to the Health Department sanitary survey letter? _____

c.) ☐ Some deficiencies have been corrected.

d.) ☐ None of the deficiencies have been corrected.

5. If any deficiencies are still not corrected, why not? _____

6. Do you have copies of other letters or notices from the Health Department? Who reads and follows up on them? Yes, Frank Holzkamper does.

7. Has the system ever been put on public notification for bacteriological violations?
☐ Yes ☒ No

8. List the dates and type of all violations within the last twelve months? _____

9. Does the water system have any special monitoring required by the Health Department, for example, VOCs, raw water sampling, interim monitoring under the Surface Water Treatment Rule (SWTR), etc.? ___ Yes ☒ No

Maps, Drawings and Other Records

10. Please indicate on the following table all facilities for which you have as-built plans, drawings, or maps. Please indicate by using the words "plans," "drawings," and "maps," or some combination thereof.

Facility	Location	Size	Construction Material	Year of Installation
Water Source(s)	Purchased			
Treatment Plant(s)	N/A			
Transmission Mains	N/A			
Distribution Mains	Plans/Maps	2" - 24"	PVC/ Ductile Iron	1970 - 2022
Storage Tanks	Plans/Maps	1.75 MG/3 MG	Steel Concrete	2000, 2016
Pumping Stations	Plans	3000 GPM	Pump Skid	2016
Pressure Zones	N/A			

11. Are your as-built plans, drawings, or maps drawn to scale?
☒ Yes ___ Some (please list) ___ No ___ Not Applicable

12. Has your water system established a procedure to periodically update your as-built plans, drawings, or maps as system elements are changed (i.e., replaced, repaired, or expanded)?

☒ Yes ___ No ___ Not Applicable

If yes, please describe (or attach) your system's procedure.

Any additions or changes to the system are uploaded to both our mapping and GIS system

as soon as they are finished/approved/accepted.

If no, please describe (or attach) how you plan to ensure that as-built drawings will be prepared and maintained for all future facilities.

13. Do you have a map that shows the water system's existing service area?

☒ Yes ☐ No ☐ Not Applicable

14. **New systems and existing systems that are consolidating with another existing system**

Do you have a map that shows the proposed service area of the new or consolidated system?

☐ Yes ☐ No ☒ Not Applicable

15. If your water system is expanding its service boundaries, do you have a map that shows the system's future service area boundaries based on a 10-year growth projection?

☐ Yes ☐ No ☒ Not Applicable

16. Does the water system keep a consulting engineer on retainer to assist with technical issues and problems?

☒ Yes ☐ No

Planning Documents

17. Have you developed:

a.) A 10-year growth projection of the water system service area and customer base that is consistent with local land use plans?

☒ Yes ☐ No ☐ Not Applicable

b.) A 10-year projection of water demand on your system? **Currently in development**

☐ Yes ☒ No ☐ Not Applicable

18. Have you performed a capacity analysis of your system's current water source(s) to meet the 10-year projection of water demand? *(If no, please check "Not Applicable" for Question 19(a-e) and continue with Question 20)*

☒ Yes ☐ No

19. Does your capacity analysis include:

a.) Estimates of the amount of water needed to serve the annual and maximum daily demand over the coming 10-year period?

☒ Yes ☐ No ☐ Not Applicable

b.) A description and yield analysis for each surface water source that is currently being used or that you propose to use to meet the projected water demand on your system?

☒ Yes ☐ No ☐ Not Applicable

All water is purchased. BWRPWA has conducted this study and works closely with USACE

c.) A description of each groundwater source that is currently being used or that you propose to use to meet the projected water demand on your system that includes:

Groundwater levels?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Not Applicable
Drawdown patterns?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Not Applicable
Sustained well yield?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Not Applicable

"Sustained Well Yield" means the amount of water that a well can reliably be expected to produce on a continuous basis without adversely affecting the level of the groundwater in the aquifer.

d.) A description of the existing source-pumping capacity?
☐ Yes ☐ No ☒ Not Applicable

e.) A description of the system's raw and finished water storage capacity?
☐ Yes ☐ No ☒ Not Applicable

20. Has a technical engineering evaluation of your water system facilities been conducted with respect to its capacity to reliably meet current drinking water standards and drinking water standards that are proposed and in the process of being adopted?

☒ Yes Date: May 2021 ☐ No

(If no, please check "Not Applicable" for Question 21(a-e) and continue to question 22.)

21. Does your technical engineering evaluation:

a.) Document the system's ability to comply with the Arkansas waterworks standards?
☒ Yes ☐ No ☐ Not Applicable

b.) Assess all treatment facilities' ability to reliably produce water that meets water quality standards and assess each facility's capacity to meet maximum system demand?
☐ Yes ☐ No ☒ Not Applicable

c.) Assess the existing system storage for its capacity to provide water to maintain 20 pounds per square inch (psi) throughout the distribution system under daily demand fluctuations, peak daily and peak monthly demands?
☒ Yes ☐ No ☐ Not Applicable

d.) Provide a plan for replacement and improvement of the infrastructure components?
☒ Yes ☐ No For improvements to existing system.

e.) If yes, is each infrastructure component scheduled for replacement or repair at a point prior to the end of its projected useful life?
☐ Yes ☒ No

22. Does the system have spare parts on hand for routine repairs for components that are not redundant within the system?

☒ Yes ☐ No

23. Does the system have an emergency plan on file with the Health Department?

☐ Yes ☒ No

Water Source(s)

24. What is the classification of your water source?

- a.) Ground
- b.) Surface (Including Springs)
- c.) Ground Water Under the Direct Influence of Surface Water (Also referred to as a Surface Influenced Well or as a GWUDI Well)
- d.) Ground Purchase
- e.) Surface Purchase
- f.) GWUDI Purchase
- g.) Combination of the Above (describe) _____

25. Does your water system have any emergency connections or sources other than the sources listed above (if yes, please describe)? _____ No ☒ Yes

Describe: Connection with Highfill

26. Do you routinely evaluate the water system's source water quality data to identify any increasing concentration in water quality constituents?

_____ Yes _____ No ☒ Not Applicable

If yes, does the evaluation include anything other than what is performed by the Health Department?

27. If you have identified any water quality constituent with an increasing concentration that has the potential of exceeding an MCL, list the likely source, if known, and the constituent below.

28. Do you have a map that identifies and locates all potential sources of contamination (e.g., waste disposal sites, landfills, animal feedlots, etc.) within the system's service area or in adjacent areas that might impact your system's water source(s)?

_____ Yes _____ No ☒ Not Applicable

29. **New systems:** Has an assessment been conducted of your source water that is consistent with the requirements of Arkansas' Source Water Assessment Plan (SWAP)?

_____ Yes _____ No ☒ Not Applicable

30. Do you have monthly water production records or treatment records that show daily and monthly water production for each source used by your water system?

☒ Yes _____ No _____ Not Applicable

31. Does the system keep records on the number of hours the pumps are run each day?

☒ Yes _____ No _____ Not Applicable

32. What are your systems warning signs of inadequate pumping capacity? _____

Through the use of a SCADA system all operations are monitored/alarmed

How long does it take for the operator to respond to the warning signs? _____

Upon alarm, the response is immediate.

33. Has the Health Department directed the water system to find another water source or find better treatment methods for the current water source?

_____ Yes x No _____ Not Applicable

34. Does the water have taste and odor problems? _____ Yes x No

Secondary standard violations? _____ Yes x No

If yes, please describe, if possible, the source of the problems? _____

35. If yes to 33 or 34, have any treatment methods been investigated and/or implemented to improve the raw water quality? _____ Yes _____ No

If yes, describe the alternatives being considered. _____

Surface Sources:

36. Has your system been through the CPE program or some other optimization program? If some other program, please describe.

_____ Yes _____ No x Not Applicable

Describe: _____

If yes, what were the major limiting factors identified? _____

Ground and Spring Sources:

37. Does the system have maps of the aquifer and aquifer recharge areas?

_____ Yes _____ No x Not Applicable

38. Does the system know of other water systems using the same aquifer?

_____ Yes _____ No x Not Applicable

39. Does the system know the recharge rate of the aquifer and the total water pumped from the aquifer on an annual basis?

_____ Yes _____ No x Not Applicable

Wells:

40. Does the system have the well driller's logs and other construction data for each well?
_____ Yes _____ No x Not Applicable
41. Does the system prepare and keep records of the static, pumping and drawdown levels of its well(s)?
_____ Yes _____ No x Not Applicable

Purchased Sources:

42. Do you have a contract for your purchased water? x Yes _____ No
How long is it for? No limit Is there a limit to the amount of water you purchase?
_____ Yes x No What happens if you need more? _____
-

43. Does the wholesaler meet current drinking water standards?
 x Yes _____ No _____ Don't Know
44. Do both the wholesaler and the purchaser keep a record of master meter readings?
 x Yes _____ No
45. Are these sets of readings compared? x Yes _____ No
46. Who retains the records of the readings? The wholesaler and purchaser
47. Are there any accounts that are past due to the wholesaler? _____ Yes x No
If yes, how much is past due? _____
Have payments consistently been on time during the last 5 years?
 x Yes _____ No
48. Is there a plan for a backup or emergency source of water (describe)?
 x Yes _____ No

Description: A reconnection to Bentonville's system is possible.

Treatment

Describe the system's treatment process units.

Process Unit

Purpose

Example: Chlorinator

Disinfection / Oxidation

All water is purchased. No treatment is done by Centerton Waterworks.

49. Are the systems treatment process units in good physical condition?

Yes No

50. Is the plant manned whenever operational? _____ Yes _____ No

If no, are there any emergency action devices such as alarm systems or automatic dialers in place? Yes No If yes, please list.

51. Has the water system ever violated the Total Coliform Rule? Yes x No

If yes, when, and what was the violation? _____

52. Has the water system ever exceeded Maximum Contaminant Levels (MCLs) for inorganic, organic, radiochemical, or microbiological contaminants? Yes ☒ No ☐

If yes, when, and what was the violation? _____

53. Has the water system ever violated the Surface Water Treatment Rule (e.g., turbidity MCL, CT violation, lack of qualified operator, or other treatment technique violation)?

_____ Yes x No If yes, when, and what was the violation? _____

54. Has the water system received water quality complaints within the last year?

_____ Yes x No The last 5 years? x Yes _____ No
If yes, please describe the nature and frequency of the complaints. _____

Smell of chlorine.

55. Is the chlorine dosing equipment inspected and maintained on a regular basis?

___ Yes ___ No (Look for evidence of maintenance or inspection) What is regular?

Not Applicable

56. Can residual chlorine be detected at taps throughout the distribution system?

 x Yes _____ No

Do you take regular chlorine samples in different parts of the distribution system?

 x Yes _____ No

Do you always have a chlorine residual at the far reaches of the distribution system?

 x Yes _____ No

57 Do you have any treatment for iron, manganese, hard water, etc.

_____ Yes x No

If yes, please describe. _____

58. Is the plant flow rate read or calculated and monitored on a regular basis? N/A

_____ Yes _____ No If yes, by what means? _____

59. Are water quality parameters monitored and used on a regular basis as a means of process control? _____ Yes x No

If yes, please list, and the location of the sample, and parameter being monitored, and the laboratory equipment being used.

Sample Location

Parameter

Equipment

60. How are chemical feed rates adjusted in response to the process control evaluation?
_____ Manually _____ Automatically x Not Applicable

61. Has an evaluation been conducted to document the condition and remaining service life of existing treatment facilities?
_____ Yes _____ No

Distribution, Pumping and Storage

62. Are all water connections metered?
 x Yes _____ No

63. Are all the meters read on a monthly basis?
 x Yes _____ No

64. Does anyone evaluate the readings for possible leaks on the homeowners' side of the meter? x Yes _____ No If yes, are the readings evaluated in the field or in the office? Both. There is monitoring for High/Low/No usage.

65. Does the water system have a properly working master meter?
 x Yes _____ No

66. Is the unaccounted for water calculated each month?
 x Yes _____ No

67. What is the % of unaccounted for water? 35 - 45 %

68. Is an operating pressure of at least 20 psi maintained under all normal service conditions (including times of fire flow if your system is used for fire protection) in your system's distribution system? x Yes _____ No

69. If no to 68, do you have a map that identifies the areas in your distribution system that do not maintain an operating pressure of at least 20 psi?
_____ Yes _____ No

70. Is an operating pressure of at least 5 psi maintained in all transmission lines under all normal service conditions (including times of fire flow if your system is used for fire protection) in your system's transmission lines? x Yes _____ No

71. If no to 70, do you have a map that identifies those transmission lines that do not maintain an operating pressure of at least 5 psi? _____ Yes _____ No

72. Has the water system issued a boiled water notice in the last year? _____ Yes x No.
If yes, what was the cause(s) of the boil water notice(s)? _____

73. Has a pressure survey been conducted on the distribution system?
 x Yes _____ No

74. Has a hydraulic computer analysis been conducted on the transmission and distribution system? x Yes _____ No

75. Does the water system have a cross-connection control program that meets the requirements of the *Rules and Regulations Pertaining to Public Water Systems*?

☒ Yes ☐ No

If yes, please provide a brief description. _____

The water system has a dedicated administrator for backflow prevention handled through our billing system.

If no, describe any plans to meet the requirements, along with any proposed time lines _____

76. Are the system's pumping stations in good physical condition?

☒ Yes ☐ No

77. Are the system's pumping stations able to accomplish their tasks, such as filling tanks?

☒ Yes ☐ No ☐ Not Applicable

If no, please describe _____

78. Are the system's pumping stations equipped with auxiliary power?

☒ Yes ☐ Some ☐ No ☐ Not Applicable

If "some," please list the pump stations and indicate which ones have auxiliary power. _____

79. Is the following information collected on the system's pumping stations:

a.) Pump run time	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Applicable
b.) Pump electrical power usage	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Applicable
c.) Pump starts per day	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Applicable

80. Are the water storage tanks inspected for corrosion or pitting at least every 3 years?

☒ Yes ☐ No If No, how often? _____

81. Does the inspector see any corrosion or pitting in the tanks? ☐ Yes ☒ No

82. Is the tank capacity enough to meet current and projected demand (24 hours of storage at average day demand)? ☒ Yes ☐ No

83. Has an evaluation been conducted to document the condition and remaining service life of existing distribution, pumping and storage facilities? ☐ Yes ☒ No

Technical Knowledge

List the name, license grade and license number for each individual who operates your system.

<u>Name</u>	<u>Grade and Type</u>	<u>License Number</u>
Frank Holzkamper	D4, T2, C3	08081D4, 08081T2
Malcolm Attwood, P.E.	D4	*Waiting on License Certificate from ADH
James Wiand	D4, T2, C2	08944D4, 08944T2
Chad Klingler	D4, CS2	10499D3
Matt Rennick	D4,C1,CS2	10192D4
Andy McDowell	D2, C1, CS2	10081D2
Cody Powell	D2, C1, CS1	10224D1
Lindsey Ryan	D4, CS2	10511D3
Kenneth Robinson	D1	10761D1
James Holland	D2	10751D1
Nick Rangel	D1, CS1	10759D1
Mark Gold	OIT	
Daniel Davis	D1, CS2	10746D1
Lance Chambers	D1	*Waiting on License Certificate from ADH
Frank Lowell	D1	*Waiting on License Certificate from ADH
Steven Lunde	OIT	
Alan McGillivray	OIT	
Perry Lowe	D1, T4, C1	*Waiting on License Certificate from ADH
Cody Moseley	OIT	
Bradley Moseley	D1, C1	10380D1

84. Is an operator(s) accessible at all times? x Yes No

85. Does the water system use remote monitoring devices (e.g., Cl₂ levels, tank levels, turbidity levels, etc.), and are the devices in working order? x Yes (Please list) No

Device

Working Order? (Y/N)

SCADA System monitors everything except Chlorine and Turbidity.

86. Is the operator(s) aware of the EPA proposals for new standards that could affect the water system? ☒ Yes ☐ No

87. Have bacteriological, lead/copper, fluoride, or other water samples taken by the water system, been rejected by the Health Department's laboratories? ☐ Yes ☒ No

If yes, why? _____

88. Does the operator maintain an operations and maintenance manual or document on what needs to be done if he is not there? ☒ Yes ☐ No

89. Does the operator(s) have a back-up? ☒ Yes ☐ No Is the back-up properly licensed? ☒ Yes ☐ No

90. Does your system have a continuing education plan for:

System manager(s)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Applicable
System operator(s)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Applicable
Other system employees?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Applicable
Governing board members?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Not Applicable

91. Does the manager of your water system have experience with or training in:

Utility management?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Applicable
Drinking water regulations?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Applicable
Resource management (i.e., personnel, budget, facilities)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not Applicable

Summary

Please provide any other relevant comments. _____

Appendix V

Critical Equipment Inventory

- Water**
- Sewer**

Centerton Utilities Critical Equipment Inventory - Water										
Highway 72 Water Tanks & Pump Stations										
	Description	Capacity	Function	In Service	Overflow Elevation	Number Installed	Horse Power	Voltage	Phase	Operation/Maintenance
1-A	Composite Elevated Tank - Concrete Pedestal & Welded Steel Bowl	3,000,000 gallons	Gravity flow supply for entire water system	2020						
1-B	MCI Booster Pump Skid			2020						
	Pentair Fairbanks Nijhuis - Mod. 1620 - 8" End Suction Pump	3,000 gpm	Pump Water into 1-A			2	150	460	3	
	Electronics - Variable Frequency Drives		Modulate operation of pumps			2		460	3	
	Electronics - Scada, Controls & Miscellaneous		Controls local & remote operation of pumps							
2-A	Welded Steel Standpipe	1,500,000 gallons								Maintenance Contract with Suez
2-B	FlowTronics Booster Pump Skid									
	Cat # JMM2546T		Pump water from 2A into water system			2	60	460	3	Used as emergency system backup should 1-B be out of service
3	Emergency Generator -Caterpillar Mod # SR4B -Diesel - purchased used 2019	300 KW		2020				480/277	3	Generator exercised weekly
4	Piping & Appurtenances		Water supply from Two-Ton Master Meter to tanks	2020						Up-dated and expanded with construction of 3,000,000 gallon tank

Centerton Utilities Critical Equipment Inventory - Sewer - Lift Stations & Emergency Generators													
Facility		Location			Design Capacity	Function	In Service	Manufacture/ Brand Name	Catalog #/Model # /Serial #	Number Installed	HP / KW	Voltage	Phase
		Latitude	Longitude	Street Address									
1	Allen Road Lift Station			502 Allen Road									
1-A	Main Lift Station	36.363383	-94.275267		2,500 gpm								
	Wet Well Pumps					Pumps Sewage to Decatur WWTP	2015	Pentair	Model D5434MV - 4"	4	150 HP	460	3 Phase
	Electronics - Variable Frequency Drives					Modulates speed/operation of pumps							
	Electronics - Scada, Controls & Miscellaneous					Controls local & remote operation of							
	Radar Level Sensor/Transmitter							Rosemont	Model 5408A1SHA1-E51R	1			
1-B	Re-circulation Lift Station	36.363503	-94.274994			Pumps flow from EQ Basin 1-C to Main pump station 1A or to EQ Basin #2	2021						
	Wet Well Pumps					Refurbished w/ Construction of EQ#2		Pentair	Model 5433MV (T4C1NA) - 4"	2	30 HP	460	3 Phase
1-C	EQ Basin #1												
	Below Grade Concrete Basin w/Aluminum Doom Roof												
	Air Blower					Provides air flow for tank aeration - purchased used	2021	Universal/SBR	Model 624 /100HP / A600	1	100 HP	460	3 Phase
	Radar Level Sensor/Transmitter												
1-D	EQ Basin #2												
	Above grade Concrete Tank w/Aluminum Doom Roof				1,000,000 gallons								
	Dry-Installed AirJet Chopper Pump							Landia	Model MPTK-I 105 30.2 HP 1800	1	30.2 HP	460	3 Phase
	Side Entry Propeller Mixer							Landia	Model POPTR-I 30.2-HP 360	1	30.2 HP	460	3 Phase
	24" Drain Valve w/ Limitorque Operator					Controls Draining EQ Basin #2 to Main Lift Station 1-A		Limitorque	Model MJB191118-09	1	1.03 HP	230	1 Phase
	Air Blower					Provides air flow for tank aeration - purchased used	2021	Universal/SBR	Model 624 /100HP / A600	2	100 HP	460	3 Phase
	Electronics - Controls & Miscellaneous												
	Radar Level Sensor/Transmitter						2021	Rosemont	Model 5408A1SHA1-E51R	1			
1-E	Piping & Appurtenances					Updated with Construction of EQ Basin #2	2021						
1-F	Emergency Generator - Diesel					Exercised Weekly	2015	Kohler	400REOZ/B / SGM32CZ4G	1	450 KW	277/480	3 Phase
2	Ginn Road Lift Station												
2A	Lift Station	36.337478	-94.286342	3516 Ginn Road	2,500 gpm		2021						
	Wet Well Pumps							Pentair	5" - D5436MV	2	150HP	460	3 Phase
	Radar Level Sensor/Transmitter							Emerson	Mod #5408	2			
	Propeller Mixer							Landia	Mod # POD-1	1	5 HP	460	3 Phase
	Aerator							Medora-Grid Bee	Mod# AP500	1			
	Electronics - Variable Frequency Drives												
	Electronics - Scada, Controls & Miscellaneous												
2B	Emergency Generator												
	Generac Mod # SD500 - Diesel					Exercised Weekly	2021		SD0500KG22152D18HPYY2	1	500 KW	277/480	3 Phase
3	Seba Lift Station												
3A	Lift Station	36.373311	-94.309813	1675 Seba Rd			2010						
	Wet Well Pumps							Myers	CAT # 4RC400M2-43	3	40 HP	460	3 Phase
	Electronics - Scada, Controls & Miscellaneous												
3B	Emergency Generator												
	Taylor DS100M3 - Diesel					Exercised Weekly	2010		21828		100 KW	277/480	3 Phase

Centerton Utilities Critical Equipment Inventory - Sewer - Lift Stations & Emergency Generators													
Facility		Location			Design Capacity	Function	In Service	Manufacture/ Brand Name	Catalog #/Model # /Serial #	Number Installed	HP / KW	Voltage	Phase
		Latitude	Longitude	Street Address									
4	Quail Lift Station												
4A	Lift Station						2006						
	Wet Well	36.340510	-94.261915	1170 Hunter's Point									
	Pumps							Myers	Mod # 4VE250M4-23	2	25 HP	230	3 Phase
	Electronics - Scada, Controls & Miscellaneous												
4B	Emergency Generator												
	Generac Mod #SD0080 - Diesel					Exercised Weekly	2006		2081301	SD0080	80 KW	120/240	3 Phase
5	North Regional Lift Station												
5A	Lift Station	36.397690	-94.297570	11519 Walter's Road			2017						
	Wet Well												
	Pumps							Pentair	Model # H4Q2500M3-4	3	25 HP		3 Phase
	Electronics - Scada, Controls & Miscellaneous												
5B	Emergency Generator												
	Cummins Mod# C60N6 - Natural Gas					Exercised weekly	2017		C190519148	1	60 KW	120/240	1 Phase
6	Oaktree Front Lift Station												
6A	Lift Station	36.390394	-94.275609	612 Trailwood Circle			2005						
	Wet Well												
	Pumps							Myers	Serial # 4RH200 H2-A3	3	20 HP	460	3 Phase
	Electronics - Scada, Controls & Miscellaneous												
6B	Emergency Generator												
	Generac Mod# SD0040 - Diesel					Exercised weekly	2005		2092538	1	40 KW	277/480	3 Phase
7	Oaktree Back Lift Station												
7A	Lift Station	36.395792	-94.264362	3520 Oak Tree Drive			2005						
	Wet Well												
	Pumps							Myers	Serial # 4RH200 H2-A3	3	20 HP	460	3 Phase
	Electronics - Scada, Controls & Miscellaneous												
7B	Emergency Generator												
	Generac Mod# SD0040 - Diesel					Exercised weekly	2005		2092537	1	40 KW	277/480	3 Phase
8	Willow Lift Station												
8A	Lift Station	36.352050	-94.266510	521 Poplar Road			2005	Myers	CAT # 4VC200M4-23	2	20 HP	460	3 Phase
	Wet Well												
	Pumps												
	Electronics - Scada, Controls & Miscellaneous												
8B	Emergency Generator												
	Generac Mod# SD0060 - Diesel					Exercised weekly	2005		2086056	1	60 KW	277/480	3 Phase
9	Greenhouse Lift Station												
9A	Lift Station	36.347969	-94.260672	993UTL Little Osage Ave			2015	Myers	Model 4RH200M2-23	3	20 HP		3 Phase
	Wet Well												
	Pumps							Myers	Model 4RH200M2-23	3	20 HP		3 Phase
	Electronics - Scada, Controls & Miscellaneous												
9B	Emergency Generator												
	Generac Mod# SD0060 - Diesel					Exercised weekly	2015		2093367	1	60 KW	277/480	3 Phase

Centerton Utilities Critical Equipment Inventory - Sewer - Lift Stations & Emergency Generators													
Facility		Location			Design Capacity	Function	In Service	Manufacture/ Brand Name	Catalog #/Model # /Serial #	Number Installed	HP / KW	Voltage	Phase
		Latitude	Longitude	Street Address									
10	Diamond Lift Station												
10A	Lift Station	36.376530	-94.305944	1530 Eureka Rd., Lot A			2018						
	Wet Well												
	Pumps							HCP	Serial # 160636771	3	15 HP	208/230	3 Phase
	Electronics - Scada, Controls & Miscellaneous												
10B	Emergency Generator												
	Generac Mod# SD0050 - Diesel					Exercised weekly	2018		3001592800	1	50 KW	208/230	3 Phase
11	Tuscany Lift Station												
11A	Lift Station	36.376474	-94.280134	232 Sicily Drive			2006						
	Wet Well												
	Pumps							Myers	Serial # 10724393	3	15 HP	230	3 Phase
	Electronics - Scada, Controls & Miscellaneous												
11B	Emergency Generator												
	Generac Mod# SD0050 - Diesel					Exercised weekly	2006	SDO050	2083619	1	50 KW	208/230	3 Phase
12	Prairie Brook Lift Station												
12A	Lift Station	36.352764	-94.320522	Blue Bonnet Ln & Snap Dragon Dr									
	Wet Well												
	Pumps							Pentair	Model # HPGB1000M3/4-2	3	10 HP	208/230	3 Phase
	Electronics - Scada, Controls & Miscellaneous												
12B	Emergency Generator					Generator on Backorder							
13	Maple Lift Station												
13A	Lift Station	36.382058	-94.301251	1100 Silver Maple			2018						
	Wet Well												
	Pumps							HCP	Model # 100(150)AFE45.5MT	3	7.5 HP	230	3 Phase
	Electronics - Scada, Controls & Miscellaneous												
13B	Emergency Generator												
	Generac Mod# SD0050 - Diesel					Exercised weekly	2018		3001224217	1	50 KW	208/230	3 Phase
14	Sunrise Lift Station												
	Lift Station	36.386697	-94.297248	1950 Sunrise Circle			2018						
	Wet Well												
	Pumps							Keen	Model # K4RB75M-23	3	7.5 HP	230	1 Phase
	Electronics - Scada, Controls & Miscellaneous												
	Emergency Generator												
	Onan Mod# GD03C - Diesel					Exercised weekly	2018		A170137980	1	50 KW	208/230	3 Phase
15	West End Lift Station												
15A	Lift Station	36.387643	-94.301387	12399 Herbaugh Rd									
	Wet Well												
	Pumps							HCP	Model # 100(150)AFE45.5MT/M3	3	7.5 HP	230	3 Phase
	Electronics - Scada, Controls & Miscellaneous												
	Emergency Generator					Station not equipped with generator							

Centerton Utilities Critical Equipment Inventory - Sewer - Lift Stations & Emergency Generators													
Facility		Location			Design Capacity	Function	In Service	Manufacture/ Brand Name	Catalog #/Model # /Serial #	Number Installed	HP / KW	Voltage	Phase
		Latitude	Longitude	Street Address									
16	McKissic Lift Station												
16A	Lift Station	36.367257	-94.271612	780 Gower Court / Town Vu Road			2005						
	Wet Well												
	Pumps							Myers	CAT # 3RH75M2-23	3	7.5 HP	230	3 Phase
	Electronics - Scada, Controls & Miscellaneous												
16B	Emergency Generator												
	Generac Mod# SC0040 - Diesel					Exercised weekly	2005	3	2080295	1	40 KW	208/230	3 Phase
17	Brookside Lift Station												
17A	Lift Station	36.336981	-94.275675	Brookside Rd & Rainbow Farm Rd									
	Wet Well												
	Pumps							Myers	Model # HPG81000M3/4-2	3	7.5 HP	230	3 Phase
	Electronics - Scada, Controls & Miscellaneous												
17B	Emergency Generator					Generator on Backorder							
	Big Sky Lift Station												
	Lift Station	36.402881	-94.297288	901 Big Horn			2018	2018					
	Wet Well												
	Pumps								Serial # 0040982	3	5.4 HP	230	1 Phase
	Electronics - Scada, Controls & Miscellaneous												
	Emergency Generator												
	Generac Mod# SD0040 - Diesel					Exercised weekly	2018	2018		1	40 KW	120/240	1 Phase
18	The Pines Lift Station												
	Lift Station	36.389689	-94.296356	2203 Roxbury Ave.			2021						
	Wet Well												
	Pumps							Pentair	CAT # S3N500M3/4-4	3	5 HP	230	3 Phase
	Electronics - Scada, Controls & Miscellaneous												
	Emergency Generator												
	Cummins Mod# C30-D6 - Diesel					Exercised weekly	2021		F210943511		30 KW	208/230	3 Phase
19	Trailer Mounted Emergency Generator												
	Taylor Mod# DS185 - Diesel	36.364328	-94.308200	500 Keller Road - Field Operations		Exercised weekly	2012		Y08I212403	1	150 KW	Multiple	3 Phase
	Admin Office Building Emergency Generator												
	Generac Mod# _____ - Natural Gas	36.363469	-94.285186	517 N Main St		Exercised weekly	2021		3007870491	1	48 KW	120/240	1 Phase