

City of Bull Shoals Budget 11/18/2025

Addressing Tracy Pape's Questions: The meeting primarily focuses on answering questions submitted by Tracy Pape regarding the city's proposed budget for 2026. These questions cover various aspects of revenue, expenses, and budget allocations across different departments.

Set-Aside Percentage: Discussion revolves around the change in the set-aside percentage from a perceived 10% to 5%. The reasoning is attributed to both declining revenue and increasing expenses (wages and insurance). The administration emphasizes a commitment to real numbers and sewer system repairs.

Revenue Estimates: Pape questions the low estimates for city revenue, particularly county turnback's. The response highlights that budgets are estimates and it's preferable to underestimate revenue and overestimate expenses.

Insurance Reimbursements: Questions arise about insurance reimbursement line items, with explanations provided regarding reallocation of funds and better accounting practices.

Legal Fees: A significant portion of the discussion centers on legal fees, with discrepancies found in the budget document provided to Pape. The need to increase the legal fees budget for 2026 is identified due to pending lawsuits.

Solid Waste Contract: Pape questions the low budgeted amount for the solid waste contract. It's clarified that the expense was moved to the solid waste fund and broken down by department.

Personnel Costs: The group discusses personnel costs in the police and fire departments, including salaries, insurance, and LOPFI contributions. Adjustments are made to reflect current staffing levels and anticipated expenses.

Equipment Expenses: The fire department's equipment budget is revisited, with a decision to increase it to \$5,000 based on input regarding life-saving equipment needs.

Realignment of Expenses: Several questions are answered by explaining that expenses were realigned to the correct department or fund.

Water and Sewer Audit: The group discusses the water and sewer audit, noting that they have already budgeted for the audit and have money set aside to pay for it.

Water Tower Maintenance: The group discusses the water tower maintenance fee, noting that they may not be charged the fee until 2027.

Water and Sewer Finances: The group discusses the water and sewer finances, noting that they are in the red for \$11,637. They decide to reduce the annual maintenance agreement for water from \$26,000 to \$14,000 to balance the budget.

Conclusions:

Need for Clear Communication: The meeting underscores the importance of clear and accurate communication regarding the budget. The group decides to create a detailed document addressing Pappy's questions point by point, providing specific explanations and justifications for budget decisions.

Budget Adjustments: Several adjustments are made to the proposed budget based on the discussion, including increasing the legal fees budget, adjusting personnel costs, and modifying the fire department's equipment budget.

Commitment to Fiscal Responsibility: The group emphasizes a commitment to fiscal responsibility, aiming to create a realistic and balanced budget that avoids overestimation of revenue and underestimation of expenses.

Balanced Budget: The group is able to balance the budget by reducing the annual maintenance agreement for water from \$26,000 to \$14,000.



Randal Bolen

Budget Chair