



EL DORADO CITY COMMISSION - WORK SESSION AGENDA
CITY HALL – 220 E. FIRST AVENUE
July 23, 2025 - 5:00 PM

Work Session Discussion Items:

- a. Proposed 2026 Budget Discussion

Regular Agenda Preview:

- a. Items to be Placed on the Consent Agenda
 - i. Meeting Minutes
- b. Items to be Placed on the Regular Agenda

Reports:

- a. City Commission Reports
- b. City Manager Report

2026 Proposed Budget

EL DORADO
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Budget Goals

- Maintain current services while exploring opportunities for service enhancement.
- Minimize the mill levy increase needed to fund increased expenses.
- Provide utility rates that address ongoing maintenance needs.
- Maintain AA- bond rating.

Assessed Valuation

- The estimated Assessed Valuation for the 2026 Budget is as follows:

Total Assessed Valuation	\$129,685,561
Neighborhood Revitalization Program	- \$2,412,695
TIF	- \$886,388
Estimated Valuation	= \$126,386,478
Value of 1 Mill	\$126,386

Mill Levy

- The Revenue Neutral Rate is the number of mills necessary to provide the same revenue in the proposed budget year as in the current year.

	Mill Levy	Revenue
Revenue Neutral Rate	55.669	\$7,035,782
Recommended Mill Levy	57.801	\$7,305,237
Current Mill Levy	58.417	\$7,383,091
Published Mill Levy to Exceed RNR	61.000	\$7,709,546

Proposed Mill Levy

	Mill Levy	Revenue
General Fund	48.849	\$6,173,816
Library	5.000	\$631,954
Debt Service	2.460	\$310,907
Industrial Mill Levy	0.905	\$114,383
Airport	0.587	\$74,215
Total	57.801	\$7,305,275

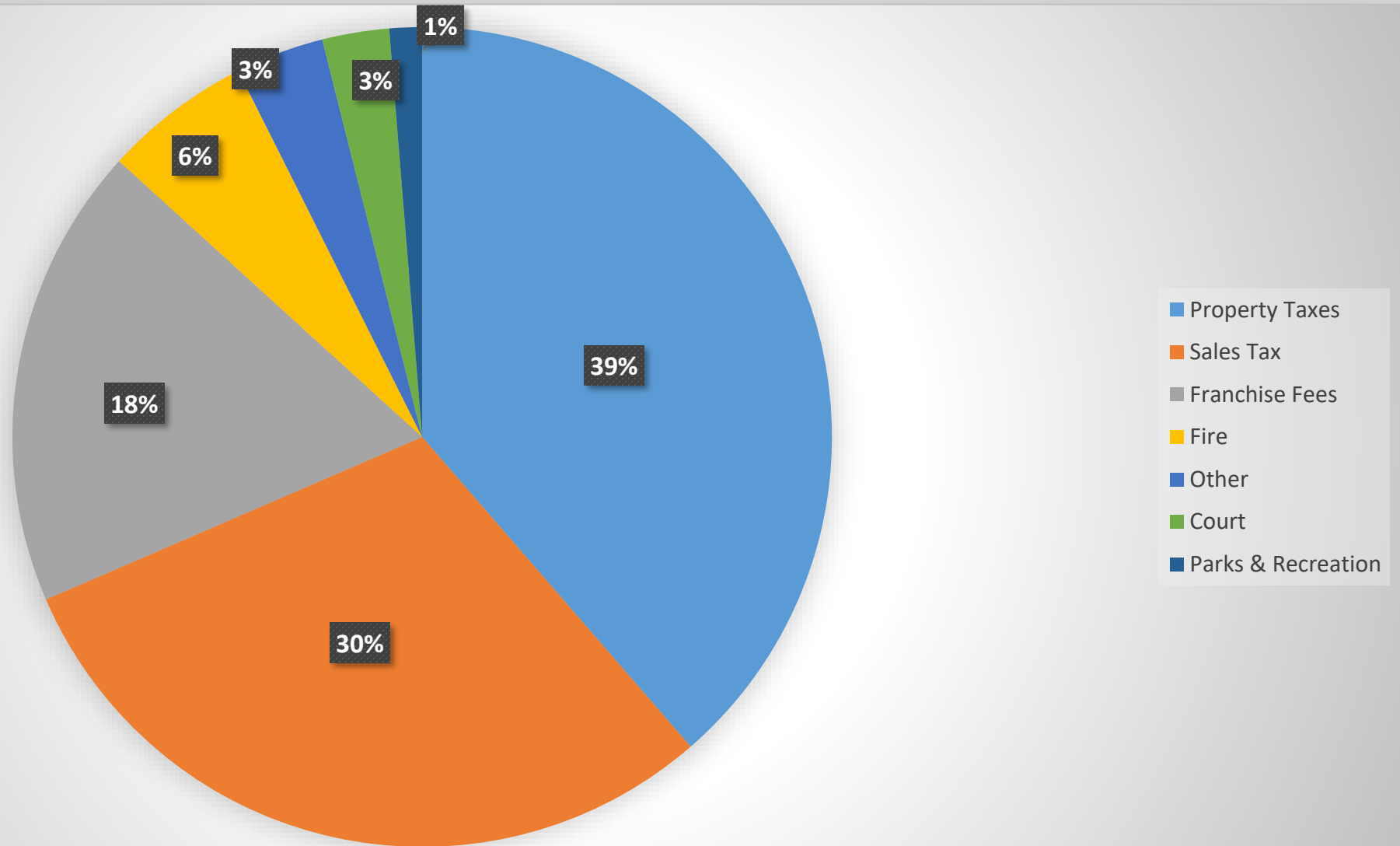
How does this affect my property tax bill?

Current Mill Levy of 58.417 mills	
Assessed Valuation	\$250,000
Rate to Calculate Assessed Value for Residential Property	11.5%
Subtotal	\$28,750
Multiply by Mill Levy	58.417
Subtotal	\$1,679,489
Divide by 1,000 = City's Share of the Property Tax Bill	\$1,679

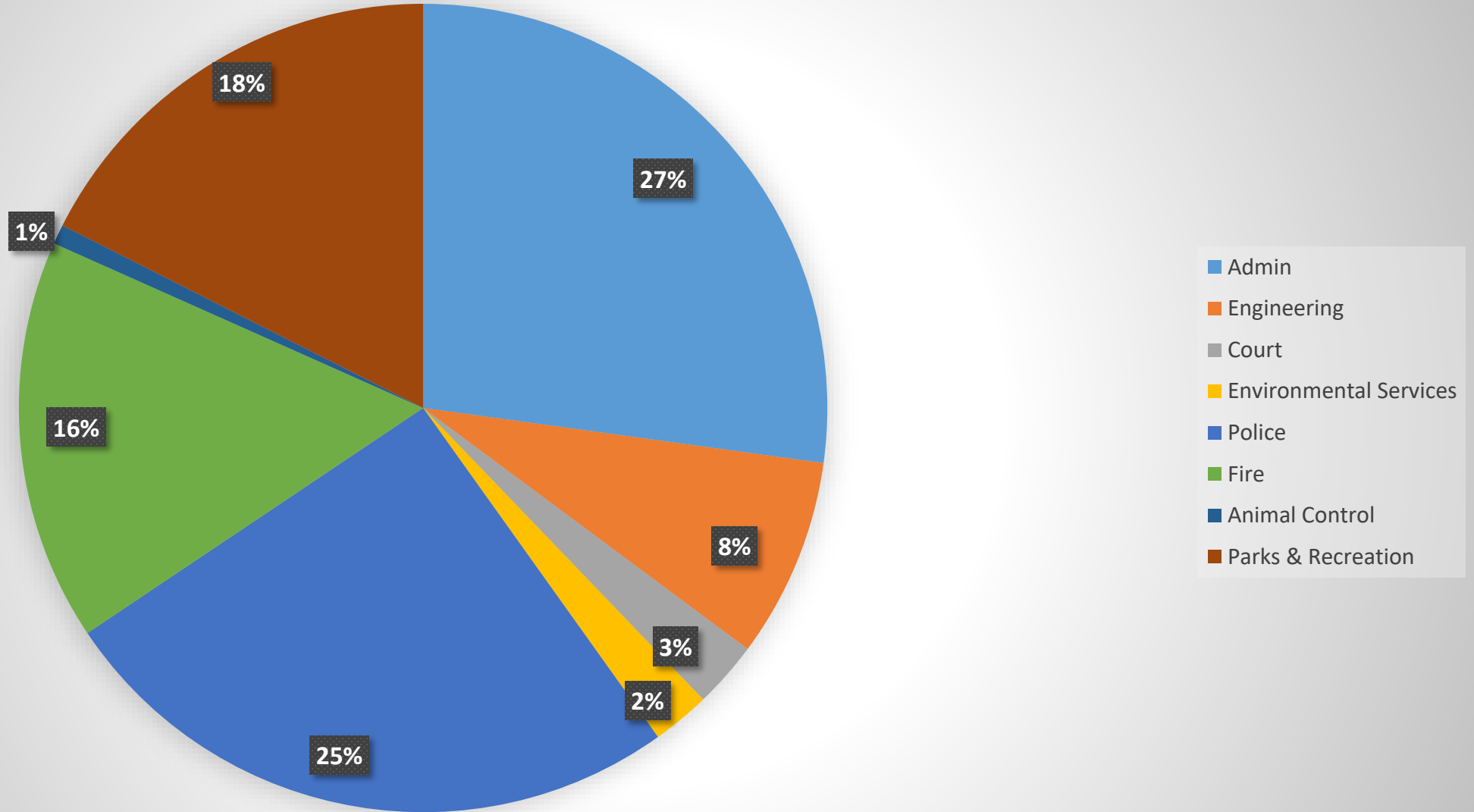
Revenue Neutral Rate of 55.669 mills	
Assessed Valuation	\$250,000
Rate to Calculate Assessed Value for Residential Property	11.5%
Subtotal	\$28,750
Multiply by Mill Levy	55.669
Subtotal	\$1,600,484
Divide by 1,000 = City's Share of the Property Tax Bill	\$1,600

Proposed Mill Levy of 57.801 mills	
Assessed Valuation	\$250,000
Rate to Calculate Assessed Value for Residential Property	11.5%
Subtotal	\$28,750
Multiply by Mill Levy	57.801
Subtotal	\$1,661,779
Divide by 1,000 = City's Share of the Property Tax Bill	\$1,662

Revenues: General Fund



Expenses: General Fund



General Fund Highlights

- Increased fees for Judge, Prosecutor and Probation Officer – \$178,000 (Increase of \$27,000)
- Prisoner Care Costs - \$90,000 (Increase of \$50,000)
- Taser contract - \$27,500
- Mobile Radio Replacement Plan (Fire) - \$12,000
- Recreation Supplies – \$63,500 (Increase of \$11,500)
- Pool Maintenance and Chemicals - \$40,000 (Increase of \$8,000)
- Building and Equipment Reserve - \$1,000,000 (This amount will change based on the fund balance at the end of 2026)
- Recommended Salary Adjustments - \$528,372 (Compensation Study)
 - Other Options: 85% - \$445,708 or 75% - \$390,915
- Fund Balance Requirement - \$2,800,000

General Fund Highlights

- Other Options:
 - Three Additional Firefighters - \$250,662 (\$83,554 per shift)
 - Additional Detective – \$98,000 (Includes benefits and taxes)
 - Additional Cemetery Operator - \$84,000 (Includes benefits and taxes)
 - El Dorado Main Street - \$90,000 (Increase of \$60,000)
 - Recreation Specialist - \$80,000 (Includes benefits and taxes)
 - Residential Tree Removal Program - \$20,000

Mill Levy Funds Continued

Airport

- Debt will be paid off in 2025
- Includes a transfer of \$75,000 for upcoming projects
- Fund Balance Requirement - \$82,000, current balance \$190,000, staff plan to spend this down by \$80,000
- Salary Study - \$20,953
 - Other Options - 85% - \$17,813 or 75% - \$15,701

Library

- Charter Ordinance requires the city to provide 5 mills to Bradford Memorial Library

Mill Levy Funds Continued

Debt Service

- Projected bond and interest payments in 2026 are \$1,617,320
- Revenues in addition to the mill levy include \$513,000 in Special Assessments, and payment for BG Stadium in the amount of \$125,000
- Fund Balance Requirement is \$500,000, current Fund Balance is \$1,500,000, staff plan to spend this down by \$500,000

Industrial Mill Levy

- Industrial Mill Levy is used to provide funding to El Dorado Inc., by contract, the city provides \$68,500 per year plus up to one mill in matching funds
- Excess funds are used as economic development incentives
- Fund Balance requirement is \$15,000, current balance is \$130,000.

Enterprise Funds

Enterprise Funds

Water

- Increase of 8% in water use fees and 1% for the base charge. This is estimated to increase the average water bill approximately \$0.95 per month.
- \$360,000 – Capital Improvement Projects
- \$200,000 – Annual Maintenance
- \$25,000 – Increase in O&M charges for the lake
- \$100,000 – Transfer to Equipment Reserve
- \$3,900,000 – Current Fund Balance, staff plan to spend that down by \$560,000 through the CIP items
- Salary Study - \$69,049
 - Other options - 85% - \$58,718 or 75% - \$47,787

Sewer

- Increase of 3% in sewer use fees and 1% for the base charge. This is estimated to increase the average water bill approximately \$0.75 per month.
- \$260,000 – Capital Improvement Projects
- \$200,000 – Annual Maintenance
- \$100,000 – Transfer to Equipment Reserve
- \$1,500,000 – Current Fund Balance, staff plan to spend that down to \$460,000 through the CIP items
- Salary Study - \$39,061
 - Other options - 85% - \$32,726 or 75% - \$28,529

Enterprise Funds Continued

Refuse

- Increase of \$1 for residential customers and 20% for commercial customers.
- \$40,000 – Capital Improvement Projects
- There is no transfer scheduled to equipment reserve because the fund balance has not been built to financial policy requirement.
- Current fund balance is approximately \$180,000, the minimum required by policy is \$247,000.
- Salary Study - \$39,574
 - Other options - 85% - \$34,366 or 75% - \$29,667

CNG

- Fund balance is \$13,000, minimum required by policy is \$8,000
- There are no other significant changes.

Other Funds

Other Funds

Streets

- No major changes.
- No required fund balance.
- Salary Study - \$38,564
 - Other options – 85% - \$32,773 or 75% - \$28,930

Stormwater

- Transfer of \$10,000 to Equipment Reserve for Enterprise Vehicle Lease
- Fund balance is approximately \$300,000; balance is being built up to assist with an upcoming stormwater project.
- Salary Study – Stormwater fund does not have any employees affected by the study.

Other Funds

Tourism

- Increase of \$15,000 in expenses for GoldFest, 250th, and World Cup. This will require spending down fund balance.
- Addition of the Assistant position in 2025 will spend fund balance down by approximately \$75,000.
- Current fund balance is approximately \$500,000, required balance is \$60,000
- Salary Study - \$14,914
 - Other options – 85% - \$12,671 or 75% - \$11,185

Data Processing

- \$15,000 increase for Windows 11, server and PC replacement expenses.
- The transfer of software costs from other departments to IT to better track software utilized by the city. Revenues from those funds will also be transferred to cover those costs.
- No fund balance required.
- Salary Study – \$109,348
 - Other options – 85% - \$93,235 or 75% - \$85,374

Questions

- What do you want to do with the mill levy?
- Would you like to add any of the items not included?
- What compensation option would you prefer?