

CITY OF CHEROKEE, OKLAHOMA

Fiscal Year 2024/2025 Annual Budget

BUDGET MEMO

June 12, 2024

The 2024 / 2025 Annual Budget for the City of Cherokee is presented, as attached, for approval by the Council in accordance with the Oklahoma Municipal Budget Act. The budget includes the following highlights for the fiscal year:

- Recurring tax revenues been budgeted at 90% of current year projected. If collected at 100%, we'd receive an additional ~\$74k in tax revenues.
- Water, Sewer & Trash rates have been budgeted to increase 3.7%. This will account for an additional ~\$44,215 in revenue.
- Proposed Capital requests are detailed in the budget totaling \$1,324,740

	<u>Capital Outlay</u>	<u>Funding source</u>
Fire Department	2,800	Forestry Grant or Operating
Economic Development Dept.	25,000	Hotel/Motel Restricted Cash Funds & Operations
Streets Department	430,000	Grants, Restricted Cash & Operating
Airport Department	566,940	FAA Grant, Operating
Water Department	300,000	Restricted Funds & Operating
TOTAL CAPITAL OUTLAY	<u>\$ 1,324,740</u>	

- Debt Service included in the budget are detailed below:

	CDA:	
<u>Water Department:</u>		
RO Water Plant - OWRB	\$ 90,318	
<u>Sewer Department:</u>		
OWRB - Sewer Lagoons	80,106	
Total Debt Service:	<u>\$ 170,424</u>	<u>\$ -</u>

This budget projects a loss of <\$234,895> for the FY25. If you exclude the Restricted Funds earned in previous FYs this budget had a net loss of <\$9,895>

Please keep in mind that Oklahoma municipalities have to rely upon tax and utility revenues to provide services to citizens. These revenues must be able to fund current operations and capital outlay, as well as provide reserves for future capital projects.

The legal level of control for the City's 2024 / 2025 budget is established at the Department level. Additional detail is provided for analysis purposes only.

If you have any questions, please contact Russ Meacham, CPA or Tracy Reed, CPA.

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State Auditor
and Inspector

Alfalfa

CITY OF CHEROKEE, OKLAHOMA
Fiscal Year 2024 / 2025 Annual Budget

BUDGET SUMMARY

	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	TRANSFERS	Net Change	ENDING BALANCE
GENERAL FUND	\$ 897,429	\$ 840,516	\$ (871,202)	\$ (146,694)	\$ (177,380)	\$ 720,049
ENTERPRISE FUNDS						
Development Authority	\$ 840,306	\$ 1,284,515	\$ (1,304,313)	\$ -	\$ (19,798)	\$ 820,508
SPECIAL REVENUE FUNDS	\$ 95,599	\$ 1,079,495	\$ (1,263,906)	\$ 146,694	\$ (37,717)	\$ 57,882
GRAND TOTAL ALL FUNDS	\$ 1,833,334	\$ 3,204,526	\$ (3,439,421)	\$ -	\$ (234,895)	\$ 1,598,439

City of Cherokee, Oklahoma
Development Authority
Fiscal Year 2024 / 2025 Annual Budget

	ACTUAL 2022-2023	APPROVED AMENDED BUDGET 2023-2024	PROJECTED ACTUAL 2023-2024	PROPOSED BUDGET 2024-2025
OPERATING REVENUES				
Water Revenues	\$ 652,568	\$ 635,000	\$ 645,035	\$ 645,000
Rate Increase - 3.7%	-	-	-	23,865
Sewer Revenues	241,173	240,000	242,017	240,000
Rate Increase - 3.7%	-	5,000	-	8,880
Trash Revenues	300,390	295,000	311,503	310,000
Rate Increase - 3.7%	-	15,340	-	11,470
RV Park Rental	9,380	12,000	21,027	15,000
Penalties	43	-	5,191	10,000
Fees & Charges	705	100	320	300
Grant Income - REAP	-	-	127,200	-
Grant Income- CDBG	-	95,400	-	-
Loan Proceeds- Water Project	-	1,700,000	-	-
Other Revenues	3,696	3,000	4,392	2,500
TOTAL OPERATING REVENUES	1,207,955	3,000,840	1,356,685	1,267,015
OPERATING EXPENSES				
Administration Department				
Personal Services	117,913	132,500	132,833	150,652
Materials and Supplies	8,904	8,500	7,771	8,500
Other Services and Charges	99,781	102,500	104,377	107,500
Capital Outlay	8,500	-	-	-
Total Administration Department	235,098	243,500	244,981	266,652
RV Park Department				
Other Services and Charges	419	1,000	395	750
Total RV Park Department	419	1,000	395	750
Water Department				
Personal Services	178,720	190,000	192,999	182,315
Materials and Supplies	9,851	20,000	23,664	25,000
Other Services and Charges	147,202	145,000	122,233	130,000
Capital Outlay	341,294	1,944,102	149,283	300,000
Debt Service:				
RO Water Plant (OWRB 2005)-matures Sept. 2026	90,932	90,990	90,882	90,318
Total Water Department	767,999	2,390,092	579,061	727,633
Sewer Department				
Materials and Supplies	271	2,000	1,533	1,750
Other Services and Charges	25,331	5,000	2,219	5,000
Capital Outlay	58,921	-	-	-
Debt Service -2015 OWRB \$2.64M; 2.27%; 30 yrs-Lagoon	81,931	80,744	80,744	80,106
Total Sewer Department	166,454	87,744	84,496	86,856

City of Cherokee, Oklahoma
Development Authority
Fiscal Year 2024 / 2025 Annual Budget

	ACTUAL 2022-2023	APPROVED AMENDED BUDGET 2023-2024	PROJECTED ACTUAL 2023-2024	PROPOSED BUDGET 2024-2025
Trash Department				
Other Services & Charges - 3% increase	202,371	217,500	215,944	222,422
Total Trash Department	202,371	217,500	215,944	222,422
TOTAL OPERATING EXPENDITURES	1,372,341	2,939,836	1,124,877	1,304,313
OPERATING INCOME (LOSS)	(164,386)	61,004	231,808	(37,298)
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	21,875	19,000	19,748	17,500
TOTAL OTHER FINANCING SOURCES (USES)	21,875	19,000	19,748	17,500
INCOME (LOSS) BEFORE TRANSFERS	(142,511)	80,004	251,556	(19,798)
TRANSFERS IN				
General Fund	-	-	-	-
Other	-	-	-	-
Total transfers in	-	-	-	-
TRANSFERS OUT				
General Fund	-	-	-	-
C.D.A.	-	-	-	-
Capital Projects	-	-	-	-
Special Revenue Fund	-	-	-	-
Total transfers out	-	-	-	-
NET INCOME	(142,511)	80,004	251,556	(19,798)
BEGINNING RETAINED EARNINGS-estimated	961,859	819,348	819,348	840,306
ENDING RETAINED EARNINGS-estimated	819,348	899,352	1,070,904	820,508

City of Cherokee, Oklahoma
General Fund
Fiscal Year 2024 / 2025 Annual Budget

	APPROVED				
	ACTUAL	AMENDED	PROJECTED	PROPOSED	
	2022-2023	BUDGET	ACTUAL	BUDGET	
		2023-2024	2023-2024	2024-2025	
OPERATING REVENUES:					
Sales tax - 2%	\$ 405,207	\$ 390,000	380,552	\$ 342,497	*90%
Use Tax	168,226	175,000	181,507	163,356	*90%
Franchise Tax	132,916	115,860	110,158	99,142	*90%
Beverage Tax	59,013	53,925	56,975	51,278	*90%
Tobacco Tax	4,481	3,910	4,005	3,605	*90%
Hotel Tax	6,480	5,702	8,209	7,388	*90%
Fines and Forfeitures	35,078	30,000	33,587	30,000	
Fire Revenues	10,053	9,500	9,994	4,500	
Fire Donations	550	1,200	1,200	750	
Library Revenue	23,935	15,000	22,735	17,500	
Licenses & Permits	5,532	2,500	3,567	3,000	
Oil & Gas Revenues	68,191	35,000	36,096	35,000	
Grant Income	6,952	-	5,000	-	
Interest Income	14,971	65,450	74,040	67,500	
Pocket Park	10,550	-	675	-	
ARPA Grant	140,493	-	-	-	
Other Revenue	109,019	30,000	21,044	15,000	
TOTAL OPERATING REVENUES	1,201,647	933,047	949,344	840,516	
OPERATING EXPENSES					
General Government					
Personal Services	100,003	132,528	133,223	116,470	
Materials and Supplies	35,609	42,500	41,873	42,500	
Other Services and Charges	180,105	205,000	215,988	217,500	
Capital Outlay	67,394	70,000	-	-	
Total General Government	383,111	450,028	391,084	376,470	
Police Department					
Personal Services	197,706	225,000	255,707	279,638	
Materials and Supplies	20,626	15,000	11,819	15,000	
Other Services and Charges	13,811	10,000	9,877	10,000	
Capital Outlay	6,785	-	-	-	
Total Police Department	238,928	250,000	277,403	304,638	
Fire Department					
Personal Services	27,213	30,000	27,044	23,095	
Materials and Supplies	3,811	2,500	4,797	5,000	
Other Services and Charges	10,568	10,000	8,327	10,000	
Capital Outlay	50,507	-	23,830	2,800	
Total Fire Department	92,099	42,500	63,998	40,895	

City of Cherokee, Oklahoma
General Fund
Fiscal Year 2024 / 2025 Annual Budget

	ACTUAL 2022-2023	APPROVED AMENDED BUDGET 2023-2024	PROJECTED ACTUAL 2023-2024	PROPOSED BUDGET 2024-2025
Economic Development				
Other Services and Charges-Main Street	25,000	25,000	25,000	25,000
Total Industrial Park and Economic Development	25,000	25,000	25,000	25,000
Library Department				
Personal Services	65,396	75,000	74,605	81,699
Materials and Supplies	17,855	15,000	15,581	17,500
Other Services and Charges	28,917	27,500	23,947	25,000
Capital Outlay	2,904	-	-	-
Total Library Department	115,072	117,500	114,133	124,199
TOTAL EXPENDITURES	854,210	885,028	871,618	871,202
REVENUES OVER (UNDER) EXPENDITURES	347,437	48,019	77,726	(30,686)
OTHER FINANCING SOURCES (USES)				
Depreciation Expense	-	-	-	-
Sale of Assets	2,175	-	-	-
Transfers-in				
CDA	-	-	-	-
Total transfers in	-	-	-	-
Transfers-out				
CDA	-	-	-	-
Special Revenue	(7,000)	(20,000)	-	(146,694)
Total transfers out	(7,000)	(20,000)	-	(146,694)
TOTAL OTHER FINANCING SOURCES (USES)	(4,825)	(20,000)	-	(146,694)
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	342,612	28,019	77,726	(177,380)
BEGINNING FUND BALANCE-estimated	532,393	875,005	875,005	897,429
ENDING FUND BALANCE-estimated	875,005	903,024	952,731	720,049

City of Cherokee, Oklahoma
Special Revenue Fund
Fiscal Year 2024 / 2025 Annual Budget

	ACTUAL 2022-2023	APPROVED AMENDED BUDGET 2023-2024	PROJECTED ACTUAL 2023-2024	PROPOSED BUDGET 2024-2025	
OPERATING REVENUES					
Sales Tax - Emergency Services - 1/4%	50,651	45,828	47,569	42,812	*90%
Sales Tax - Parks & Streets - 1%	202,604	190,000	190,276	171,248	*90%
Gasoline Excise Tax	1,593	1,912	3,463	3,117	*90%
Motor Vehicle Tax	10,866	9,576	9,913	8,922	*90%
Cemetery Income	11,040	10,000	12,140	10,000	
Cemetery Income-Capital Improvements (12.5%)	1,770	1,500	1,575	1,250	
Cemetery Donation	-	-	-	-	
Airport Income	4,272	3,500	12,948	7,500	
Airport Income - fuel sales	4,930	500	1,231	1,000	
Swimming Pool Income	8,037	8,000	8,000	7,500	
Grant Income - Grant	-	-	-	-	
Grant Income - Airport	-	22,000	22,000	510,246	*
Grant Income - Sidewalk Grant	-	-	-	-	
Grant Income - ODOT	350,000	-	-	315,000	**
Interest Income	459	1,000	1,021	900	
Other income	73,700	-	-	-	
TOTAL OPERATING REVENUES	719,922	293,816	310,136	1,079,495	
OPERATING EXPENSES					
Emergency Services					
Materials and Supplies	-	-	-	-	
Other Services and Charges	9,935	-	2,121	4,000	
Debt Service - Police Vehicle Leases	44,757	55,000	43,661	-	
Capital Outlay	6,501	10,000	9,332	-	
Total Emergency Services	61,193	65,000	55,114	4,000	
Streets Department					
Personal Services	126,139	122,000	126,764	125,398	
Materials and Supplies	1,392	3,000	2,308	5,000	
Other Services and Charges	14,095	15,000	31,344	22,500	
Capital Outlay	378,404	36,000	74,330	430,000	**
Total Streets Department	520,030	176,000	234,746	582,898	
Parks Department					
Personal Services	11,212	37,747	23,162	42,068	
Materials and Supplies	6,229	9,000	15,265	10,000	
Other Services and Charges	38,821	40,000	35,852	37,500	
Capital Outlay	30,765	18,000	18,000	-	
Total Parks Department	87,027	104,747	92,279	89,568	

City of Cherokee, Oklahoma
Special Revenue Fund
Fiscal Year 2024 / 2025 Annual Budget

	ACTUAL 2022-2023	APPROVED AMENDED BUDGET 2023-2024	PROJECTED ACTUAL 2023-2024	PROPOSED BUDGET 2024-2025
Airport Department				
Materials and Supplies - Fuel for sale	3,597	2,500	1,248	1,500
Other Services and Charges	6,886	10,000	9,415	10,000
Capital Outlay- grant	51,345	23,980	28,480	566,940 *
Total Airport Department	61,828	36,480	39,143	578,440
Cemetery Department				
Materials and Supplies	3,859	6,000	6,632	6,500
Other Services and Charges	5,823	7,500	1,404	2,500
Capital Outlay	8,500	-	14,500	-
Total Cemetery Department	18,182	13,500	22,536	9,000
TOTAL EXPENDITURES	748,260	395,727	443,818	1,263,906
OTHER FINANCING SOURCES (USES)				
Transfer In - General Fund	6,000	20,000	16,847	146,694
Transfer In - Capital Project Fund	-	-	-	-
Transfer In- CDA	-	-	-	-
Transfers Out to General Fund-Emergency Services	-	-	-	-
Transfers Out- CDA	-	-	-	-
Transfers Out - Special Revenue Fund	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	6,000	20,000	16,847	146,694
Net Income	(22,338)	(81,911)	(116,835)	(37,717)
BEGINNING FUND BALANCE-estimated	204,775	182,437	182,437	95,599
ENDING FUND BALANCE-estimated	182,437	100,526	65,602	57,882

RESOLUTION NO. 2024-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHEROKEE, OKLAHOMA, AND THE CHEROKEE DEVELOPMENT AUTHORITY ADOPTING AND APPROVING ITS FY2024-2025 BUDGET AND OTHER BUDGETS AND APPROPRIATING THE REVENUES FOR THE STATED PURPOSES AS CONTAINED IN THE BUDGETS; DIRECTING THE MAYOR/CHAIRMAN, CITY MANAGER/TRUST MANAGER AND CITY CLERK/TRUST SECRETARY TO TAKE ANY AND ALL ADDITIONAL ACTIONS AS MAY BE REQUIRED FOR THE IMPLEMENTATION OF THIS BUDGET.

RESOLUTION

WHEREAS, the City of Cherokee has adopted the provisions of the Oklahoma Municipal Budget Act ("Act") in 11 O.S. Sections 17-201 through 17-216;

WHEREAS, the City Manager/Trust Manager, with participation from the Chief Financial Officer ("CFO"), has prepared and presented to the Cherokee City Council and the Cherokee Development Authority, the General Fund and other Budgets for the fiscal year ending June 30, 2024 (FY 2023) consistent with the Act;

WHEREAS, the Act in Section 17-215 provides for the CFO of the City, or designee, as authorized by the governing body, to transfer any unexpended and unencumbered appropriation from one department to another within the same fund; and,

WHEREAS, the City of Cherokee/Cherokee Development Authority have conducted Public Hearings at least 15 days prior to the start of the fiscal year, and published notice of the Public Hearing in substantial compliance with Section 17-208 of the Act; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHEROKEE, OKLAHOMA. AND THE CHAIRMAN AND BOARD OF TRUSTEES OF THE CHEROKEE DEVELOPMENT AUTHORITY, THAT:

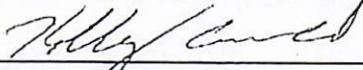
SECTION 1. The City Council of the City of Cherokee and the Chairman and Board of Trustees of the Cherokee Development Authority do hereby adopt the FY 2025 General Fund Budget and related budgets on the 12th day of June 2024 with the total resources available in the amount of \$5,037,860.00 and total appropriations in the amount of \$3,439,421.00, and as further provided by Exhibit A, attached hereto and incorporated herein by reference.

SECTION 2. The City of Cherokee/Cherokee Development Authority do hereby authorize the Chief Financial Officer, with the City Manager/Trust Manager's approval, to transfer any unexpended and unencumbered appropriations, at any time throughout FY 2025, from one-line item to another, one object category to another within the same department, or from

Dated this 12th day of June 2024.

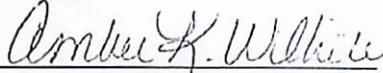


THE CITY OF CHEROKEE, OKLAHOMA



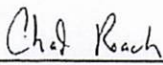
Kolby Arnold, Mayor

ATTEST:



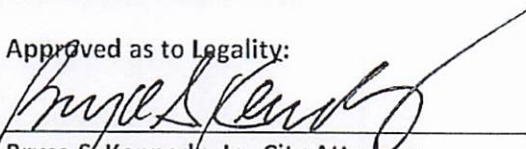
Amber K. Willhite, City Clerk

Approved as to Content:



Chad Roach, City Manager

Approved as to Legality:



Bryce S. Kennedy, Jr., City Attorney

CHEROKEE MESSENGER & REPUBLICAN

Serving Alfalfa County Since 1901

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I, Katie Lehr of lawful age, being duly sworn upon oath, deposes and says: That I am an Authorized Agent of The CHEROKEE MESSENGER & REPUBLICAN, a weekly newspaper printed and published in the city of Cherokee, County of Alfalfa, and state of Oklahoma, and that the advertisement referred to, a true and printed copy is hereunto attached, was published in said CHEROKEE MESSENGER & REPUBLICAN in consecutive Issues on the following dates to wit:

Published in the Cherokee Messenger and Republican, Thursday, May 30, 2024. 11

1st insertion:

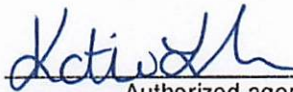
May 30, 2024

2nd insertion:

3rd insertion:

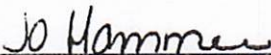
4th insertion:

Publication Fee.....\$ 119.84



Authorized agent

*SUBSCRIBED and sworn to before
me this 30th day of May
2024 by Jo Hammer.*



Notary Public

Commission # 99018368

Expires: November 12, 2027

JO HAMMER

Notary Public - State of Oklahoma

Major County

Commission # 99018368

In accordance with Section 17-208, Title 11, Oklahoma Statutes, notice is hereby given the proposed City of Cherokee Fiscal Year 2024/2025 Annual Budget will be considered at a public hearing on Wednesday, June 12, 2024 at 5:45 p.m. at City Hall located at 112 N. Grand. Copies of the proposed budget are available for review in the Office of the City Clerk, 112 N. Grand, Cherokee, Oklahoma 73728. Notice is hereby given that the City of Cherokee 2024/2025 Annual Budget will be adopted during a meeting of the City Council on June 12, 2024.

CITY OF CHEROKEE, OKLAHOMA
Fiscal Year 2024 / 2025 Annual Budget
BUDGET SUMMARY

	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	TRANSFERS	Net Change	ENDING BALANCE
GENERAL FUND	\$ 897,429	\$ 840,516	\$ (871,202)	(\$146,694)	(\$ 177,380)	\$ 720,049
Revenues						
Taxes		608,600				
License & Permits.....		3,000				
Intergovernmental		58,666				
Grants		-----				
Fines		30,000				
Other Revenues		140,250				
Expenditures						
General Government.....			(376,470)			
Police Department.....			(304,638)			
Fire Department.....			(40,895)			
Economic Development.....			(25,000)			
Library Department.....			(124,199)			
ENTERPRISE FUNDS						
Development Authority	\$ 897,429	\$ 1,284,515	\$ (1,304,313)	—	(\$ 19,798)	\$ 820,508
Revenues						
Water		668,865				
Sewer.....		248,880				
Trash		321,470				
Penalties, Fees & Charges		10,300				
Grant Income		-----				
Other Revenue		35,000				
Expenses						
Administration Department.....			(266,652)			
RV Park Department.....			(750)			
Water Department.....			(727,633)			
Sewer Development.....			(86,856)			
Trash Department.....			(222,422)			
SPECIAL REVENUE FUNDS	\$ 95,999	\$ 1,079,149	\$ (1,263,906)	\$ 146,694	(\$ 37,717)	\$57,882
Revenue						
Taxes		226,099				
Charges for Services.....		27,250				
Grant Income		825,246				
Interest Income		900				
Expenses						
Emergency Department.....			(4,000)			
Street Department.....			(582,898)			
Parks Department.....			(89,568)			
Airport.....			(578,440)			
Cemetery.....			(9,000)			
GRAND TOTAL ALL FUNDS	\$ 1,833,334	\$ 3,204,526	(\$ 3,439,421)	—	\$ (234,895)	\$ 1,598,439