

CITY OF CHEROKEE, OKLAHOMA

Fiscal Year 2015/ 2016 Annual Budget

June Amendments

BUDGET MEMO

June 8, 2016

The 2015/2016 Budget Amendments for the City of Cherokee are presented, as attached, for approval by the Council in accordance with the Oklahoma Municipal Budget Act, and include the following highlights:

CDA: Net Impact - Increase in Fund Balance \$5,000

Revenue increase of \$45,000 consisting mainly of:

Increase in Water and Trash revenues based on year-to-date billings.

Expense increase, based on year-to-date expenses, of \$95,000 consisting of:

Increase in Administration Department expenses of \$10,000.

Increase in Water Department expenses of \$85,000.

Decrease in transfers-out of \$55,000 to the General Fund.

General Fund: Net Impact - Decrease in Fund Balance of \$303,010

Revenue decrease of \$18,010 consisting mainly of:

Decrease in Sales & Use taxes of \$35,000 and \$4,000, respectively, based on year-to-date collections.

Increase in Oil & Gas revenues of \$15,000 and Other revenue of \$12,750 based on year-to-date collections.

Expense increase of \$280,000 consisting largely of:

Increase in Administration of \$150,000 for the new building.

Increase in Police and Fire departments of \$35,000 and 95,000, respectively based on year-to-date expenses.

The police department increase consists of capital outlay for the Tahoe and the bunkhouse.

The fire department increase consists primarily of \$75,000 from Emergency Services for the new building.

Increase in net transfers out of \$5,000.

Special Revenue Fund: Net Impact - Increase in Fund Balance \$74,255

Revenue increase of \$9,765 consisting of:

Increase in various revenue categories based on year-to-date collections, most notably Cemetery at \$4,000.

Expense decrease of \$114,610 consisting largely of:

Decrease in Parks of \$198,610 primarily due to the removal of a pool bathhouse at \$250,000.

Increase in the Airport department of \$65,000 in Capital Outlay.

Increase of \$19,000 in Cemetery based on year-to-date expenses.

Increase in transfers-out of \$50,120 to the General Fund, primarily for the new building (\$75k).

The legal level of control for the City's 2015 / 2016 budget is established at the Department level. Additional detail is provided for analysis purposes only.

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

CITY OF CHEROKEE, OKLAHOMA

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BUDGET SUMMARY

	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	TRANSFERS	Net Change	ENDING BALANCE
GENERAL FUND	\$ 318,934	\$ 719,707	\$ (1,033,335)	\$ 54,800	\$ (258,828)	\$ 60,106
ENTERPRISE FUNDS						
Development Authority	\$ 216,483	\$ 3,883,150	\$ (3,842,096)	\$ (119,800)	\$ (78,746)	\$ 137,737
SPECIAL REVENUE FUNDS	\$ 313,288	\$ 784,681	\$ (1,007,240)	\$ 65,000	\$ (157,559)	\$ 155,729
GRAND TOTAL ALL FUNDS	\$ 848,705	\$ 5,387,539	\$ (5,882,671)	\$ -	\$ (495,133)	\$ 353,572

City of Cherokee
Development Authority
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	ACTUAL 2014/2015	APPROVED BUDGET 2015/2016	PROPOSED AMENDMENTS JUNE 2016	PROPOSED BUDGET 2015/2016
OPERATING REVENUES				
Water Revenues	\$ 621,759	\$ 575,000	\$ 30,000	\$ 605,000
Rate Increase - 3%	-	18,000	-	18,000
Sewer Revenues	125,247	155,000	-	155,000
Rate Increase - \$7/per customer -OWRB Loan requirement	-	71,400	-	71,400
Trash Revenues	208,738	200,000	15,000	215,000
Rate Increase - 10%	-	20,000	-	20,000
RV Park Rental	141,250	100,000	-	100,000
Penalties	20,371	21,000	-	21,000
Grant Income - CDBG - Sewer Lagoons	-	489,500	-	489,500
Loan Proceeds - OWRB - Lagoon	-	2,150,000	-	2,150,000
Other Revenues	2,314	31,500	-	31,500
TOTAL OPERATING REVENUES	1,119,679	3,831,400	45,000	3,876,400
OPERATING EXPENSES				
Administration Department				
Personal Services		35,000	-	35,000
Materials and Supplies		5,000	-	5,000
Other Services and Charges	3,953	80,000	10,000	90,000
Capital Outlay		-	-	-
Total Administration Department	3,953	120,000	10,000	130,000
RV Park Department				
Personal Services	-	-	-	-
Materials and Supplies	28,598	-	-	-
Other Services and Charges	271,822	55,000	-	55,000
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total RV Park Department	300,420	55,000	-	55,000
Water Department				
Personal Services	204,282	200,000	25,000	225,000
Materials and Supplies	45,947	36,500	30,000	66,500
Other Services and Charges	144,830	130,000	10,000	140,000
Capital Outlay	-	36,020	45,000	81,020
Debt Service	22,768	130,000	(25,000)	105,000
Total Water Department	417,827	532,520	85,000	617,520
Sewer Department				
Personal Services	-	-	-	-
Materials and Supplies	109	-	-	-
Other Services and Charges	1,497	15,000	-	15,000
Capital Outlay - Lagoons (OWRB Loan + CDBG grant)	2,323	2,639,500	-	2,639,500
Capital Outlay - Lift Station	-	100,000	-	100,000
Debt Service -OWRB \$1.8M; 3.5%; 45 yrs - Lagoons	-	83,676	-	83,676
Total Sewer Department	3,929	2,838,176	-	2,838,176
Trash Department				
Other Services & Charges - Estimated 23% increase in FY16	180,770	201,400	-	201,400
Total Trash Department	180,770	201,400	-	201,400
TOTAL OPERATING EXPENDITURES	906,899	3,747,096	95,000	3,842,096

**City of Cherokee
Development Authority
June Amendments**

Fiscal Year 2015/ 2016 Annual Budget

	ACTUAL 2014/2015	APPROVED BUDGET 2015/2016	PROPOSED AMENDMENTS JUNE 2016	PROPOSED BUDGET 2015/2016
OPERATING INCOME (LOSS)	212,780	84,304	(50,000)	34,304
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	7,209	6,750	-	6,750
Other Income	-	-	-	-
Depreciation	(110,022)	-	-	-
Gain on Sale of Assets	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(102,813)	6,750	-	6,750
INCOME (LOSS) BEFORE TRANSFERS	109,967	91,054	(50,000)	41,054
TRANSFERS IN				
General Fund	357,530	200	-	200
Total transfers in	357,530	200	-	200
TRANSFERS OUT				
General Fund	-	(175,000)	55,000	(120,000)
Total transfers out	-	(175,000)	55,000	(120,000)
NET INCOME	467,497	(83,746)	5,000	(78,746)
BEGINNING RETAINED EARNINGS	121,685	216,483		216,483
ENDING RETAINED EARNINGS	589,182	132,737		137,737

Gross Profit excluding capital outlay:

Water Revenues	621,759	618,000		623,000
Water Expenses	417,827	225,000		536,500
	203,932	393,000		86,500
	33%	64%		14%
Sewer Revenues	125,247	191,400		226,400
Sewer Expenses	1,606	185,176		198,676
	123,640	6,224		27,724
	99%	3%		12%
Trash Revenues	208,738	220,000		235,000
Trash Expenses	180,770	221,400		201,400
	27,968	(1,400)		33,600
	13%	-1%		14%
RV Park Revenues	141,250	110,000		100,000
RV Park Expenses	-	-		55,000
	141,250	110,000		45,000
	100%	100%		45%

City of Cherokee

General Fund

June Amendments

Fiscal Year 2015/ 2016 Annual Budget

	ACTUAL 2014/2015	APPROVED BUDGET 2015/2016	PROPOSED AMENDMENTS JUNE 2016	PROPOSED BUDGET 2015/2016	
OPERATING REVENUES					
Sales tax	\$ 614,102	\$ 460,797	\$ (35,000)	\$ 425,797	*90%
Use Tax	47,549	44,092	(4,000)	40,092	*90%
Franchise Tax	105,282	97,345	(5,000)	92,345	*90%
Beverage Tax	32,793	30,901	-	30,901	*90%
Tobacco Tax	12,180	9,181	-	9,181	*90%
Hotel Tax	24,398	16,202	(2,500)	13,702	*90%
Fines and Forfeitures	21,830	16,000	1,500	17,500	
Fire Revenues	-	4,200	-	4,200	
Library Revenue	19,957	18,000	-	18,000	
Licenses & Permits	1,558	1,500	(750)	750	
Oil & Gas Revenues	174,632	15,000	15,000	30,000	
Grants	8,969	4,300	(10)	4,290	
Interest	3,002	200	-	200	
Donations	1,050	-	-	-	
Other Revenue	71,769	20,000	12,750	32,750	
TOTAL OPERATING REVENUES	1,139,070	737,717	(18,010)	719,707	
OPERATING EXPENSES					
General Government					
Personal Services	157,305	85,000	-	85,000	
Materials and Supplies	3,434	6,000	-	6,000	
Other Services and Charges	272,525	230,000	-	230,000	
Condemnation Expense	-	50,000	-	50,000	
Capital Outlay - FY16=Building	5,000	11,600	150,000	161,600	
Total General Government	438,264	382,600	150,000	532,600	
Police Department					
Personal Services	297,134	177,000	-	177,000	
Materials and Supplies	8,410	3,000	-	3,000	
Other Services and Charges	32,078	27,000	-	27,000	
Capital Outlay	-	-	35,000	35,000	
Total Police Department	337,622	207,000	35,000	242,000	
Fire Department					
Personal Services	31,896	18,000	10,000	28,000	
Materials and Supplies	3,651	5,000	-	5,000	
Other Services and Charges	11,800	15,500	10,000	25,500	
Capital Outlay	4,484	33,235	75,000	108,235	
Total Fire Department	51,831	71,735	95,000	166,735	
Economic Development					
Other Services and Charges	25,000	-	-	-	
Total Industrial Park and Economic Development	25,000	-	-	-	

**City of Cherokee
General Fund**

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	ACTUAL 2014/2015	APPROVED BUDGET 2015/2016	PROPOSED AMENDMENTS JUNE 2016	PROPOSED BUDGET 2015/2016
Library Department				
Personal Services	50,738	50,000	-	50,000
Materials and Supplies	7,972	5,000	-	5,000
Other Services and Charges	41,625	37,000	-	37,000
Total Library Department	100,335	92,000	-	92,000
TOTAL EXPENDITURES	953,052	753,335	280,000	1,033,335
REVENUES OVER (UNDER) EXPENDITURES	186,018	(15,618)	(298,010)	(313,628)
OTHER FINANCING SOURCES (USES)				
Transfers-in				
Capital Projects	-	-	-	-
CDA	-	175,000	(55,000)	120,000
Special Revenue	194,766	-	135,000	135,000
Total transfers in	194,766	175,000	80,000	255,000
Transfers-out	(382,050)	(115,200)	(85,000)	(200,200)
Total transfers out	(382,050)	(115,200)	(85,000)	(200,200)
TOTAL OTHER FINANCING SOURCES (USES)	(187,284)	59,800	(5,000)	54,800
REVENUES AND OTHER SOURCES OVER (UND EXPENDITURES AND OTHER USES	(1,266)	44,182	(303,010)	(258,828)
BEGINNING FUND BALANCE	549,277	318,934		318,934
ENDING FUND BALANCE	548,011	363,116		60,106

City of Cherokee
Special Revenue Fund
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	ACTUAL 2014/2015	APPROVED BUDGET 2015/2016	PROPOSED AMENDMENTS JUNE 2016	PROPOSED BUDGET 2015/2016	
OPERATING REVENUES					
Sales Tax - Emergency Services	76,763	49,356	-	49,356	*90%
Sales Tax - Parks & Streets	307,051	204,729	3,000	207,729	*90%
Gasoline Excise Tax	2,784	3,063	(3,000)	63	*90%
Motor Vehicle Tax	12,193	11,012	-	11,012	*90%
Cemetery Income	11,070	7,000	4,000	11,000	
Cemetery Income-Capital Improvements	-	1,400	1,500	2,900	
911 Service Income	66,687	-	-	-	
Airport Income	6,120	5,000	1,750	6,750	
Swimming Pool Income	8,657	5,000	2,500	7,500	
Grant Income - FY15=Airport	-	488,272	-	488,272	
Interest Income	48	85	15	100	
Other income	42,474	-	-	-	
TOTAL OPERATING REVENUES	533,846	774,916	9,765	784,681	
OPERATING EXPENSES					
Streets Department					
Personal Services	53,583	90,000	-	90,000	
Materials and Supplies	355	5,100	-	5,100	
Other Services and Charges	35,995	35,000	-	35,000	
Capital Outlay - Truck	-	45,000	-	45,000	
Total Streets Department	89,933	175,100	-	175,100	
Parks Department					
Personal Services	102,623	70,000	-	70,000	
Materials and Supplies	23,003	1,000	2,000	3,000	
Other Services and Charges	43,073	31,000	20,000	51,000	
Capital Outlay - Truck (FY16)	-	15,000	(15,000)	-	
Capital Outlay	-	-	35,000	35,000	
Capital Outlay - Pool Bathhouse	-	250,000	(250,000)	-	
Debt payments (Backhoe)	-	-	9,390	9,390	
Total Parks Department	168,700	367,000	(198,610)	168,390	
Airport Department					
Other Services and Charges	3,906	5,000	-	5,000	
Capital Outlay	-	560,000	65,000	625,000	
Total Airport Department	3,906	565,000	65,000	630,000	
Cemetery Department					
Other Services and Charges	13,731	10,500	15,000	25,500	
Capital Outlay	-	4,250	4,000	8,250	
Total Cemetery Department	13,731	14,750	19,000	33,750	
TOTAL EXPENDITURES	276,270	1,121,850	(114,610)	1,007,240	
OTHER FINANCING SOURCES (USES)					
Transfer In - General Fund	-	-	200,000	200,000	
Transfer In - Capital Project Fund	-	115,000	(115,000)	-	
Transfer In- CDA	-	120	(120)	-	
Transfers Out - General Fund	-	-	(135,000)	(135,000)	
TOTAL OTHER FINANCING SOURCES (USES)	-	115,120	(50,120)	65,000	
Net Income	257,576	(231,814)	74,255	(157,559)	
BEGINNING FUND BALANCE	-	313,288	-	313,288	
ENDING FUND BALANCE	257,576	81,474	-	155,729	