

CITY OF CHEROKEE, OKLAHOMA

Fiscal Year 2021/2022 Annual Budget

June Amendments

BUDGET MEMO

June 8, 2022

The 2021/2022 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:

CDA: Net Impact - Increase in Fund Balance \$24,127

Revenue decrease of <\$30,000>

- ◆ Decrease of utility revenues of <\$33,000> based on year-to-date collections.
- ◆ Increase in Other Revenues of \$9,000 based on year-to-date collections.

Expense decrease of <\$244,127> consisting largely of:

- ◆ Increase in Administration Department of \$5,367 for personal services expenditures.
- ◆ Decrease in Water Department Capital Outlay of <\$242,850> for projects not completed.
- ◆ Decrease in Sewer Department Capital Outlay of <\$40,000> for projects not completed.

Increase in transfers-out to Special Revenue of \$190,000 for the Ohio Street and Safe Routes to school projects that have been budgeted for.

General Fund: Net Impact - Increase in Fund Balance of \$44,948

Revenue increase of \$113,402 consisting mainly of:

- ◆ Increase in tax revenue of \$44,540 based on projections from actual collections.
- ◆ Increase in Fire revenue of \$9,000 based grant revenues received for Fire Department
- ◆ Increase in Oil & Gas revenue of \$30,000 based on amounts received to date.
- ◆ Increase in Other Revenue of \$30,000 based on year-to-date activity.

Expense increase of \$58,454 consisting largely of:

- ◆ Increase in the Fire Department of \$54,924 based mainly on increased capital outlay of \$46,250 for SCBAs and compressors.
- ◆ Increase in Library Department of \$11,530 mostly related to increase in materials & supplies to date.

Increase in transfers-out to Special Revenue of \$10,000 for street related expenses.

Special Revenue Fund: Net Impact - Increase in Fund Balance \$60,231

Revenue decrease of <\$826,341> consisting of:

- ◆ Decrease in sales tax of <\$10,000> based on year-to-date collections.
- ◆ Increase of \$54,037 of airport grant income because of an FAA Grant received to date.
- ◆ Decrease of <\$847,465> in sidewalk grant income because grant was not received.

Expense decrease of <\$686,572> consisting largely of:

- ◆ Decrease in Street Department of <\$846,534>, which includes a reduction in capital outlay of <\$833,534> of budgeted expenses related to grant income not received above.
- ◆ Increase in the Parks Department of \$63,481 including \$57,000 increase in capital outlay for purchase of utility tractor and compact excavator.
- ◆ Increase in the Airport Department of \$72,981, related to Airport grant project.

Increase in transfers-in of \$200,000. \$190,000 from CDA and \$10,000 from General Fund

The legal level of control for the City's 2021 / 2022 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.



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**State Auditor
and Inspector**

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CITY OF CHEROKEE, OKLAHOMA
Fiscal Year 2021/2022 Annual Budget
June Amendments

BUDGET SUMMARY

	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	TRANSFERS	Net Change	ENDING BALANCE
GENERAL FUND	\$ 661,858	\$ 1,145,905	\$ (881,889)	\$ (160,000)	\$ 104,016	\$ 765,874
ENTERPRISE FUNDS						
Development Authority	\$ 798,469	\$ 1,278,500	\$ (1,396,190)	\$ (190,000)	\$ (307,690)	\$ 490,779
SPECIAL REVENUE FUNDS	\$ 289,901	\$ 684,322	\$ (1,155,361)	\$ 350,000	\$ (121,039)	\$ 168,862
GRAND TOTAL ALL FUNDS	\$ 1,750,228	\$ 3,108,727	\$ (3,433,440)	\$ -	\$ (324,713)	\$ 1,425,515

**City of Cherokee, Oklahoma
Development Authority**

June Amendments

Fiscal Year 2021/2022 Annual Budget

	APPROVED BUDGET 2021-2022	APPROVED AMENDMENTS JANUARY '22	PROPOSED AMENDMENTS JUNE '22	PROPOSED BUDGET 2021-2022
OPERATING REVENUES				
Water Revenues	\$ 550,000	\$ -	\$ -	\$ 550,000
Rate Increase	79,887	10,113	(10,000)	80,000
Sewer Revenues	200,000	-	-	200,000
Rate Increase	82,011	(52,011)	(10,000)	20,000
Trash Revenues	270,000	-	-	270,000
Rate Increase - 5.1%	13,770	230	(13,000)	1,000
RV Park Rental	5,000	1,000	(2,500)	3,500
Penalties	5,000	(1,000)	(2,500)	1,500
Grant Income - REAP - Waterline to Elementary School	85,000	(85,000)	-	-
Electric Utility Fund	100,000	-	-	100,000
Fees & Charges	1,000	3,500	(1,000)	3,500
Other Revenues	100	12,900	9,000	22,000
TOTAL OPERATING REVENUES	1,391,768	(110,268)	(30,000)	1,251,500
OPERATING EXPENSES				
Administration Department				
Personal Services	99,633	-	5,367	105,000
Materials and Supplies	4,000	1,500	500	6,000
Other Services and Charges	77,500	10,000	1,100	88,600
Total Administration Department	181,133	11,500	6,967	199,600
RV Park Department				
Other Services and Charges	7,500	(6,500)	-	1,000
Total RV Park Department	7,500	(6,500)	-	1,000
Water Department				
Personal Services	154,538	5,462	7,500	167,500
Materials and Supplies	12,500	(4,500)	7,000	15,000
Other Services and Charges	135,000	20,000	12,500	167,500
Capital Outlay	545,000	147,850	(242,850)	450,000
Debt Service:	-	-	-	-
RO Water Plant (OWRB 2005)-matures Sept. 2026	90,990	-	-	90,990
Total Water Department	938,028	168,812	(215,850)	890,990

**City of Cherokee, Oklahoma
Development Authority**

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Fiscal Year 2021/2022 Annual Budget

	APPROVED BUDGET 2021-2022	APPROVED AMENDMENTS JANUARY '22	PROPOSED AMENDMENTS JUNE '22	PROPOSED BUDGET 2021-2022
Sewer Department				
Personal Services	-	-	-	-
Materials and Supplies	100	-	-	100
Other Services and Charges	3,500	5,000	-	8,500
Capital Outlay	-	58,000	(40,000)	18,000
Debt Service -2015 OWRB \$2.64M; 2.27%; 30 yrs-Lagoon	80,744	-	3,256	84,000
Total Sewer Department	84,344	63,000	(36,744)	110,600
Trash Department				
Other Services & Charges	190,359	2,141	1,500	194,000
Total Trash Department	190,359	2,141	1,500	194,000
TOTAL OPERATING EXPENDITURES	1,401,364	238,953	(244,127)	1,396,190
OPERATING INCOME (LOSS)	(9,596)	(349,221)	214,127	(144,690)
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	27,000	-	-	27,000
Bad Debt Expense	-	-	-	-
Depreciation	-	-	-	-
Gain on Sale of Assets	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	27,000	-	-	27,000
INCOME (LOSS) BEFORE TRANSFERS	17,404	(349,221)	214,127	(117,690)
TRANSFERS IN				
General Fund	-	-	-	-
Other	-	-	-	-
Total transfers in	-	-	-	-
TRANSFERS OUT				
General Fund	-	-	-	-
Capital Projects	-	-	-	-
Special Revenue Fund	-	-	(190,000)	(190,000)
Total transfers out	-	-	(190,000)	(190,000)
NET INCOME	17,404	(349,221)	24,127	(307,690)
BEGINNING RETAINED EARNINGS-estimated	798,469			798,469
ENDING RETAINED EARNINGS-estimated	815,873			490,779

City of Cherokee, Oklahoma
General Fund

June Amendments

Fiscal Year 2021/2022 Annual Budget

	APPROVED BUDGET 2021-2022	APPROVED AMENDMENTS JANUARY '22	PROPOSED AMENDMENTS JUNE '22	PROPOSED BUDGET 2021-2022	
OPERATING REVENUES					
Sales tax	\$ 335,635	\$ 20,000	\$ 19,365	\$ 375,000	90%
Use Tax	126,529	-	23,471	150,000	90%
Franchise Tax	118,537	-	1,463	120,000	
Beverage Tax	55,090	-	910	56,000	90%
Tobacco Tax	5,233	-	(233)	5,000	90%
Hotel Tax	6,436	-	(436)	6,000	
Fines and Forfeitures	23,000	2,000	2,500	27,500	
Fire Revenues	1,500	(500)	9,000	10,000	
Fire Donations	-	110,000	-	110,000	
Library Revenue	17,000	-	2,000	19,000	
Licenses & Permits	5,000	2,000	-	7,000	
Oil & Gas Revenues	25,000	10,000	30,000	65,000	
Grants	4,000	763	(4,763)	-	
Interest	250	-	125	375	
ARPA Grant	-	130,030	-	130,030	
Other Revenue	17,500	17,500	30,000	65,000	
TOTAL OPERATING REVENUES	740,710	291,793	113,402	1,145,905	
OPERATING EXPENSES					
General Government					
Personal Services	115,542	(5,542)	15,000	125,000	
Materials and Supplies	20,000	(7,500)	(2,500)	10,000	
Other Services and Charges	175,000	100,000	(25,000)	250,000	
Capital Outlay- Computers	6,000	1,380	-	7,380	
Total General Government	316,542	88,338	(12,500)	392,380	
Police Department					
Personal Services	194,988	(9,988)	2,500	187,500	
Materials and Supplies	5,000	(2,000)	2,000	5,000	
Other Services and Charges	27,500	(12,500)	-	15,000	
Capital Outlay- Computer	2,000	(1,059)	-	941	
Debt Service- Paid from Emergency Services	-	33,568	-	33,568	
Total Police Department	229,488	8,021	4,500	242,009	
Fire Department					
Personal Services	23,326	-	3,674	27,000	
Materials and Supplies	1,000	-	-	1,000	
Other Services and Charges	7,500	-	5,000	12,500	
Capital Outlay	-	4,750	46,250	51,000	
Total Fire Department	31,826	4,750	54,924	91,500	

City of Cherokee, Oklahoma
General Fund

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	APPROVED BUDGET 2021-2022	APPROVED AMENDMENTS JANUARY '22	PROPOSED AMENDMENTS JUNE '22	PROPOSED BUDGET 2021-2022
Economic Development				
Other Services and Charges-Main Street	25,000	-	-	25,000
Total Industrial Park and Economic Development	25,000	-	-	25,000
Library Department				
Personal Services	67,470	-	5,030	72,500
Materials and Supplies	15,000	10,000	13,500	38,500
Other Services and Charges	25,000	-	(5,000)	20,000
Capital Outlay- Computers	2,000	-	(2,000)	-
Total Library Department	109,470	10,000	11,530	131,000
TOTAL EXPENDITURES	712,326	111,109	58,454	881,889
REVENUES OVER (UNDER) EXPENDITURES	28,384	180,684	54,948	264,016
OTHER FINANCING SOURCES (USES)				
Depreciation Expense	-	-	-	-
Sale of Assets	-	-	-	-
Transfers-in				
Capital Projects	-	-	-	-
CDA	-	-	-	-
Special Revenue	-	-	-	-
Other	-	-	-	-
Total transfers in	-	-	-	-
Transfers-out	(150,000)	-	(10,000)	(160,000)
Total transfers out	(150,000)	-	(10,000)	(160,000)
TOTAL OTHER FINANCING SOURCES (USES)	(150,000)	-	(10,000)	(160,000)
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(121,616)	180,684	44,948	104,016
BEGINNING FUND BALANCE-estimated	661,858			661,858
ENDING FUND BALANCE-estimated	540,242			765,874

City of Cherokee, Oklahoma
Special Revenue Fund
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	APPROVED BUDGET 2021-2022	APPROVED AMENDMENTS JANUARY '22	PROPOSED AMENDMENTS JUNE '22	PROPOSED BUDGET 2021-2022	
OPERATING REVENUES					
Sales Tax - Emergency Services	42,991	22,009	(20,000)	45,000	90%
Sales Tax - Parks & Streets	171,964	8,036	10,000	190,000	90%
Gasoline Excise Tax	2,292	208	-	2,500	
Motor Vehicle Tax	10,563	437	-	11,000	
Cemetery Income	8,000	4,000	2,000	14,000	
Cemetery Income-Capital Improvements	1,000	750	500	2,250	
Cemetery Donation	-	55,036	-	55,036	
Airport Income	6,000	(4,000)	1,500	3,500	
Airport Fuel Sales	5,750	-	1,250	7,000	
Swimming Pool Income	8,000	-	(2,000)	6,000	
Grant Income- Ohio Street CDBG	150,000	-	-	150,000	
Grant Income - Airport FAA	-	141,168	54,037	195,205	
Grant Income - FAA CARES Grant	-	2,431	-	2,431	
Grant Income - Sidewalk Grant	847,465	-	(847,465)	-	
Electric Utility Fund - Streets	24,163	-	(24,163)	-	
Interest Income	325	75	-	400	
Other income	2,000	-	(2,000)	-	
TOTAL OPERATING REVENUES	1,280,513	230,150	(826,341)	684,322	
OPERATING EXPENSES					
Emergency Services					
Materials & Supplies	-	9,000	14,500	23,500	
Capital Outlay	33,568	(33,568)	5,000	5,000	
Total 911 Services	33,568	(24,568)	19,500	28,500	
Streets Department					
Personal Services	107,314	17,686	-	125,000	
Materials and Supplies	8,500	4,500	(3,000)	10,000	
Other Services and Charges	27,500	22,500	(10,000)	40,000	
Capital Outlay	1,322,523	18,372	(833,534)	507,361	
Total Streets Department	1,465,837	63,058	(846,534)	682,361	
Parks Department					
Personal Services	23,519	-	(3,519)	20,000	
Materials and Supplies	2,000	500	-	2,500	
Other Services and Charges	25,000	12,500	10,000	47,500	
Capital Outlay	65,000	18,000	57,000	140,000	
Total Parks Department	115,519	31,000	63,481	210,000	
Airport Department					
Materials and Supplies	8,500	(6,000)	14,000	16,500	
Other Services and Charges	8,500	(3,500)	3,000	8,000	
Capital Outlay	16,667	118,352	55,981	191,000	
Total Airport Department	33,667	108,852	72,981	215,500	

City of Cherokee, Oklahoma
Special Revenue Fund
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	APPROVED BUDGET 2021-2022	APPROVED AMENDMENTS JANUARY '22	PROPOSED AMENDMENTS JUNE '22	PROPOSED BUDGET 2021-2022
Cemetery Department				
Other Services and Charges	15,000	-	(7,500)	7,500
Capital Outlay	-	-	11,500	11,500
Total Cemetery Department	15,000	-	4,000	19,000
TOTAL EXPENDITURES	1,663,591	178,342	(686,572)	1,155,361
OTHER FINANCING SOURCES (USES)				
Transfer In - General Fund	150,000		10,000	160,000
Transfer In - Capital Project Fund	-	-	-	-
Transfer In- CDA	-	-	190,000	190,000
Transfers Out - General Fund	-	-	-	-
Transfers Out- CDA	-	-	-	-
Transfers Out - Special Revenue Fund	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	150,000	-	200,000	350,000
Net Income	(233,078)	51,808	60,231	(121,039)
BEGINNING FUND BALANCE-estimated	289,901			289,901
ENDING FUND BALANCE-estimated	56,823			168,862