

CITY OF CHEROKEE, OKLAHOMA

Fiscal Year 2022/2023 Annual Budget

BUDGET MEMO

May 11, 2022

The 2022 / 2023 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 ~\$69k in tax revenues.
- Water, Sewer & Trash rates have been budgeted to increase 9.1% based off of the CPI increase of 9.1% from March of 2021 to March of 2022. This will account for an additional ~\$102k in revenue.
- Proposed Capital requests are detailed in the budget totaling \$2,364,954

	<u>Capital Outlay</u>	<u>Funding source</u>
General Government	\$ 70,000	Operations
Police Department	-	
Fire Department	-	
Economic Development Dept.	25,000	Hotel/Motel Restricted Cash Funds & Operations
Library Department	2,000	Resticted Cash, Donation received in FY22.
Streets Department	1,300,086	Grants, Restricted Cash Funds & Utility Funds
Swimming Pool Department	-	
Parks Department	-	
Airport Department	3,800	FAA Cares Grant
Cemetery Department	1,500	Resticted Cash, Donation received in FY22.
Emergency Services Department	33,568	Restricted Cash
CDA Admin Department	-	
Water Department	844,000	Grants, Restricted Funds & Operations
Sewer Department	85,000	Operations
TOTAL CAPITAL OUTLAY	\$ 2,364,954	

- Debt Service included in the budget are detailed below:

	<u>CDA:</u>	<u>Special Revenue Fund</u>
<u>Water Department:</u>		
RO Water Plant - OWRB	\$ 90,990	
<u>Sewer Department:</u>		
OWRB - Sewer Lagoons	80,744	
<u>Police Department:</u>		
Vehicle Leases	\$	33,568
Total Debt Service:	\$ 171,734	\$ 33,568

This budget projects a loss of <\$589,635> for the fiscal year. However, after excluding the budgeted use of Restricted and previously appropriated funds, the loss projected for FY23 is <\$239.>

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 2022 / 2023 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

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CITY OF CHEROKEE, OKLAHOMA
Fiscal Year 2022 / 2023 Annual Budget

BUDGET SUMMARY

	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	TRANSFERS	Net Change	ENDING BALANCE
GENERAL FUND	\$ 813,287	\$ 843,793	\$ (830,773)	\$ -	\$ 13,020	\$ 826,307
ENTERPRISE FUNDS						
Development Authority	\$ 773,573	\$ 1,449,975	\$ (1,874,810)	\$ -	\$ (424,835)	\$ 348,738
SPECIAL REVENUE FUNDS	\$ 181,835	\$ 1,431,554	\$ (1,609,374)	\$ -	\$ (177,820)	\$ 4,015
GRAND TOTAL ALL FUNDS	\$ 1,768,695	\$ 3,725,322	\$ (4,314,957)	\$ -	\$ (589,635)	\$ 1,179,060

City of Cherokee, Oklahoma
Development Authority
Fiscal Year 2022 / 2023 Annual Budget

	ACTUAL 2020-2021	APPROVED AMENDED BUDGET 2021-2022	PROJECTED ACTUAL 2021-2022	PROPOSED BUDGET 2022-2023
OPERATING REVENUES				
Water Revenues	\$ 542,737	\$ 550,000	\$ 637,653	\$ 630,000
Rate Increase - 9.1%	-	90,000	-	57,330
Sewer Revenues	201,770	200,000	226,602	220,000
Rate Increase - 9.1%	-	30,000	-	20,020
Trash Revenues	268,797	270,000	283,394	275,000
Rate Increase - 9.1%	-	14,000	-	25,025
RV Park Rental	138	6,000	4,905	5,000
Penalties	18,445	4,000	2,376	3,000
Fees & Charges	4,599	4,500	3,773	3,500
Grant Income - REAP - waterline to Elementary school	-	-	-	100,000
Electric Utility Fund Grant Income	-	100,000	100,000	100,000
Other Revenues	-	13,000	29,610	100
TOTAL OPERATING REVENUES	1,036,486	1,281,500	1,288,313	1,438,975
OPERATING EXPENSES				
Administration Department				
Personal Services	91,176	99,633	109,467	116,819
Materials and Supplies	5,051	5,500	4,624	5,000
Other Services and Charges	81,924	87,500	99,956	90,000
Total Administration Department	178,151	192,633	214,047	211,819
RV Park Department				
Other Services and Charges	6,215	1,000	447	2,500
Total RV Park Department	6,215	1,000	447	2,500
Water Department				
Personal Services	150,044	160,000	147,074	167,286
Materials and Supplies	9,872	8,000	10,147	12,500
Other Services and Charges	113,999	155,000	173,705	175,000
Capital Outlay	-	692,850	383,993	844,000
Debt Service:	6,298	-	-	-
RO Water Plant (OWRB 2005)-matures Sept. 2026	-	90,990	90,990	90,990
Total Water Department	280,213	1,106,840	805,909	1,289,776
Sewer Department				
Materials and Supplies	2,027	100	-	100
Other Services and Charges	3,078	8,500	6,908	7,000
Capital Outlay	-	58,000	6,900	85,000
Debt Service -2015 OWRB \$2.64M; 2.27%; 30 yrs-Lagoon	72,611	80,744	80,744	80,744
Total Sewer Department	77,716	147,344	94,552	172,844

City of Cherokee, Oklahoma
Development Authority
Fiscal Year 2022 / 2023 Annual Budget

	ACTUAL 2020-2021	APPROVED AMENDED BUDGET 2021-2022	PROJECTED ACTUAL 2021-2022	PROPOSED BUDGET 2022-2023
Trash Department				
Other Services & Charges - 3% increase in FY23	186,416	192,500	192,108	197,871
Total Trash Department	186,416	192,500	192,108	197,871
TOTAL OPERATING EXPENDITURES	728,711	1,640,317	1,307,063	1,874,810
OPERATING INCOME (LOSS)	307,775	(358,817)	(18,750)	(435,835)
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	30,749	27,000	10,919	11,000
TOTAL OTHER FINANCING SOURCES (USES)	30,749	27,000	10,919	11,000
INCOME (LOSS) BEFORE TRANSFERS	338,524	(331,817)	(7,831)	(424,835)
TRANSFERS IN				
General Fund	-	-	-	-
Other	-	-	-	-
Total transfers in	-	-	-	-
TRANSFERS OUT				
General Fund	-	-	-	-
C.D.A.	(3,377)	-	-	-
Capital Projects	(50,000)	-	-	-
Special Revenue Fund	(6,050)	-	-	-
Total transfers out	(59,427)	-	-	-
NET INCOME	279,097	(331,817)	(7,831)	(424,835)
BEGINNING RETAINED EARNINGS-estimated	519,372	798,469	798,469	773,573
ENDING RETAINED EARNINGS-estimated	798,469	466,652	790,638	348,738

City of Cherokee, Oklahoma
General Fund
Fiscal Year 2022 / 2023 Annual Budget

	APPROVED				
	ACTUAL	AMENDED	PROJECTED	PROPOSED	
	2020-2021	BUDGET	ACTUAL	BUDGET	
		2021-2022	2021-2022	2022-2023	
OPERATING REVENUES:					
Sales tax - 2%	\$ 379,816	\$ 355,635	352,365	\$ 317,129	*90%
Use Tax	146,565	126,529	158,337	142,503	*90%
Franchise Tax	105,028	118,537	107,509	96,758	*90%
Beverage Tax	59,664	55,090	62,639	56,375	*90%
Tobacco Tax	5,696	5,233	5,255	4,730	*90%
Hotel Tax	6,743	6,436	7,185	6,467	*90%
Fines and Forfeitures	45,298	25,000	26,004	23,000	
Fire Revenues	9,552	1,000	-	-	
Library Revenue	27,717	17,000	15,000	15,000	
Licenses & Permits	6,785	7,000	8,453	5,000	
Oil & Gas Revenues	29,791	35,000	63,803	25,000	
Grants	53,928	4,763	5,641	4,000	
Interest	296	250	355	300	
Donations - Fire	-	110,000	110,572	-	
Pocket Park	100	-	-	-	
ARPA Grant	-	130,030	135,250	130,031	
Other Revenue	105,332	35,000	41,561	17,500	
TOTAL OPERATING REVENUES	982,311	1,032,503	1,099,929	843,793	
OPERATING EXPENSES					
General Government					
Personal Services	103,214	110,000	118,770	114,859	
Materials and Supplies	16,027	12,500	7,827	10,000	
Other Services and Charges	187,507	275,000	227,052	230,000	
Capital Outlay - Computers	-	7,380	137,411	70,000	
Total General Government	306,748	404,880	491,060	424,859	
Police Department					
Personal Services	163,031	185,000	178,650	211,152	
Materials and Supplies	3,780	3,000	2,623	5,000	
Other Services and Charges	16,782	15,000	10,943	12,500	
Capital Outlay- Computers	-	941	941	-	
Debt Service - Vehicle Leases-pd from Emerg Srv	-	33,568	-	-	
Total Police Department	183,593	237,509	193,157	228,652	
Fire Department					
Personal Services	29,338	23,326	25,040	23,188	
Materials and Supplies	428	1,000	-	500	
Other Services and Charges	7,468	7,500	8,372	8,500	
Capital Outlay	-	4,750	4,750	-	
Total Fire Department	37,234	36,576	38,162	32,188	

City of Cherokee, Oklahoma
General Fund
Fiscal Year 2022 / 2023 Annual Budget

	ACTUAL 2020-2021	APPROVED AMENDED BUDGET 2021-2022	PROJECTED ACTUAL 2021-2022	PROPOSED BUDGET 2022-2023
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	52,557	67,470	67,545	73,074
Materials and Supplies	18,589	25,000	36,675	25,000
Other Services and Charges	19,033	25,000	18,095	20,000
Capital Outlay- Computers		2,000	-	2,000
Total Library Department	90,179	119,470	122,315	120,074
TOTAL EXPENDITURES	642,754	823,435	869,694	830,773
REVENUES OVER (UNDER) EXPENDITURES	339,557	209,068	230,235	13,020
OTHER FINANCING SOURCES (USES)				
Depreciation Expense	(206,244)	-	-	-
Sale of Assets	-	-	-	-
Transfers-in				
Capital Projects	-	-	-	-
CDA	-	-	-	-
Special Revenue	-	-	-	-
Other	-	-	-	-
Total transfers in	-	-	-	-
Transfers-out	146,567	(150,000)	-	-
Special Revenue			-	-
Total transfers out	146,567	(150,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(59,677)	(150,000)	-	-
REVENUES AND OTHER SOURCES OVER (UNDER EXPENDITURES AND OTHER USES	279,880	59,068	230,235	13,020
BEGINNING FUND BALANCE-estimated	381,978	661,858	661,858	813,287
ENDING FUND BALANCE-estimated	661,858	720,926	892,093	826,307

City of Cherokee, Oklahoma
Special Revenue Fund
Fiscal Year 2022 / 2023 Annual Budget

	ACTUAL 2020-2021	APPROVED AMENDED BUDGET 2021-2022	PROJECTED ACTUAL 2021-2022	PROPOSED BUDGET 2022-2023	
OPERATING REVENUES					
Sales Tax - Emergency Services - 1/4%	47,477	65,000	48,709	43,838	*90%
Sales Tax - Parks & Streets - 1%	189,908	180,000	194,839	175,355	*90%
Gasoline Excise Tax	2,574	2,500	2,703	2,433	*90%
Motor Vehicle Tax	10,954	11,000	11,973	10,776	*90%
Cemetery Income	8,073	12,000	13,971	8,000	
Cemetery Income-Capital Improvements (12.5%)		1,750	1,673	1,000	
Cemetery Donation	-	55,036	55,036	-	
Airport Income	11,019	2,000	3,481	6,000	
Airport Income - fuel sales	12,152	5,750	7,091	5,750	
Swimming Pool Income	13,432	8,000	8,000	8,000	
Grant Income - Grant	29,822	150,000	-	-	
Grant Income - Airport		143,599	197,636	-	
Grant Income - Sidewalk Grant	-	847,465	-	1,170,077	**
Interest Income	86	400	384	325	
Other income	6,553	2,000	-	-	
TOTAL OPERATING REVENUES	332,050	1,510,663	545,496	1,431,554	
OPERATING EXPENSES					
Emergency Services					
Materials and Supplies	-	9,000	-	-	
Other Services and Charges	8,071	-	9,016	9,500	
Debt Service - Police Vehicle Leases	7,066	-	33,568	33,568	
Capital Outlay	-	-	4,694	-	
Total Emergency Services	15,137	9,000	47,278	43,068	
Streets Department					
Personal Services	98,004	125,000	105,271	114,502	
Materials and Supplies	7,718	13,000	8,465	8,500	
Other Services and Charges	19,167	50,000	40,373	42,500	
Capital Outlay	-	1,340,895	25,060	1,300,086	**
Total Streets Department	124,889	1,528,895	179,169	1,465,588	
Parks Department					
Personal Services	27,648	23,519	17,982	36,418	
Materials and Supplies	9,262	2,500	1,617	2,000	
Other Services and Charges	30,487	37,500	27,988	25,000	
Capital Outlay	-	83,000	83,000	-	
Total Parks Department	67,397	146,519	130,587	63,418	

City of Cherokee, Oklahoma
Special Revenue Fund
Fiscal Year 2022 / 2023 Annual Budget

	ACTUAL 2020-2021	APPROVED AMENDED BUDGET 2021-2022	PROJECTED ACTUAL 2021-2022	PROPOSED BUDGET 2022-2023
Airport Department				
Materials and Supplies - Fuel for sale	6,035	2,500	19,553	8,500
Other Services and Charges	6,557	5,000	8,576	8,500
Capital Outlay- grant	-	135,019	180,058	3,800
Total Airport Department	12,592	142,519	208,187	20,800
Cemetery Department				
Materials and Supplies			295	
Other Services and Charges	13,271	15,000	1,436	15,000
Capital Outlay	-	-	7,920	1,500
Total Cemetery Department	13,271	15,000	9,651	16,500
TOTAL EXPENDITURES	233,286	1,841,933	574,872	1,609,374
OTHER FINANCING SOURCES (USES)				
Transfer In - General Fund	(107,746)	150,000	-	-
Transfer In - Capital Project Fund	-	-	-	-
Transfer In- CDA	16,050	-	-	-
Transfers Out to General Fund-Emergency Services	(35,445)	-	-	-
Transfers Out- CDA	(10,000)	-	-	-
Transfers Out - Special Revenue Fund	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(137,141)	150,000	-	-
Net Income	(38,377)	(181,270)	(29,376)	(177,820)
BEGINNING FUND BALANCE-estimated	267,383	229,006	229,006	181,835
ENDING FUND BALANCE-estimated	229,006	47,736	199,630	4,015

RESOLUTION NO. 2022-04

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHEROKEE, OKLAHOMA, AND THE CHEROKEE DEVELOPMENT AUTHORITY ADOPTING AND APPROVING ITS FY2022-2023 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, 2023 (FY 2022) 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 2023 General Fund Budget and related budgets on the 8th day of June 2022 with the total resources available in the amount of \$5,546,286.00 and total appropriations in the amount of \$4,314,659.00, 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 2023, from one-line item to another, one object category to another within the same department, or from

one department to another within a fund, without further approval by the City of Cherokee/Cherokee Development Authority. All other budget amendments must be approved by the City of Cherokee/Cherokee Development Authority.

Section 3. All supplemental appropriations or decreases in the total appropriations of a fund shall be adopted at a meeting of the City Council/Board of Trustees and filed with the State Auditor and Inspector.

Section 4. Be it further provided that the Mayor/Chairman, City Manager/Trust Manager and City Clerk/Trust Secretary are hereby authorized to take any and all additional actions as may be required for the implementation of these budgets.

Dated this 8th day of June 2022.

CHEROKEE DEVELOPMENT AUTHORITY



Kolby Arnold, Chairman

(Seal)

ATTEST:



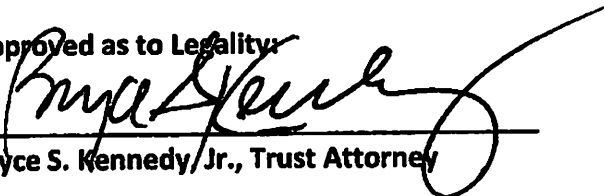
Amber K. Wilhite, Trust Secretary

Approved as to Content:



Chad Roach, Trust Manager

Approved as to Legality:



Bryce S. Kennedy, Jr., Trust Attorney

Dated this 8th day of June 2022.



THE CITY OF CHEROKEE, OKLAHOMA

Kolby Arnold
Kolby Arnold, Mayor

ATTEST:

Amber K. Wilhite
Amber K. Wilhite, City Clerk

Approved as to Content:

Chad Roach
Chad Roach, City Manager

Approved as to Legality:

Bryce S. Kennedy, Jr.
Bryce S. Kennedy, Jr., City Attorney

CHEROKEE MESSENGER & REPUBLICAN

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I, Kylee Weve 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:

1st insertion: May 26, 2022 Publication Fee.....\$ 189.50

Kylee Weve
Authorized agent

2nd insertion:

3rd insertion:

4th insertion:

SUBSCRIBED and sworn to before me this 26th day of May, 2022 by Heather Gilley.

Heather Gilley
Notary Public

Commission # 19011457, Expires: November 13, 2023



Published in the Cherokee Messenger and Republican Thursday, May 26, 2022 11

Legal Notice

In accordance with Section 17-208, Title 11, Oklahoma Statutes, notice is hereby given the proposed City of Cherokee Fiscal Year 2021/2022 Annual Budget will be considered at a public hearing on Wednesday, June 8, 2022 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 2021/2022 Annual Budget will be adopted during a meeting of the City Council on June 8, 2022.

CITY OF CHEROKEE, OKLAHOMA Fiscal Year 2022 / 2023 Annual Budget BUDGET SUMMARY

	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	TRANSFERS	Net Change	ENDING BALANCE
GENERAL FUND	\$ 813,287	\$ 843,793	(\$ 830,773)	(\$ -)	(\$ 13,020)	\$ 828,307
Revenues						
Taxes		\$ 561,120				
License & Permits		\$ 5,000				
Intergovernmental		\$ 62,842				
Grants		\$134,031				
Fines		\$ 23,000				
Other Revenues		\$ 57,800				
Expenditures						
General Government			(\$ 424,859)			
Police Department			(\$ 228,652)			
Fire Department			(\$ 32,188)			
Economic Development			(\$ 25,000)			
Library Department			(\$ 120,074)			
ENTERPRISE FUNDS						
Development Authority	\$ 773,573	\$ 1,449,975	(\$ 1,874,810)	--	(\$ 424,835)	\$ 348,738
Revenues						
Water		\$ 687,330				
Sewer		\$ 240,020				
Trash		\$ 300,025				
Penalties, Fees & Charges		\$ 6,500				
Grant Income		\$ 200,000				
Other Revenue		\$ 16,100				
Expenses						
Administration Department			(\$ 211,819)			
RV Park Department			(\$ 2,500)			

Water Department.....	(1,289,776)
Sewer Development.....	(\$ 172,844)
Trash Department.....	(\$ 197,871)

SPECIAL REVENUE

FUNDS	\$ 181,835	\$ 1,431,554	(\$ 1,609,374)	--	(\$ 177,820)	\$ 4,015
Revenues						
Taxes		\$ 232,402				
Charges for Services.....		\$ 28,750				
Grant Income		\$ 1,170,077				
Interest Income		\$ 325				
Expenses						
Emergency Department.....			(\$ 43,068)			
Street Department.....			(\$ 1,465,588)			
Parks Department.....			(\$ 63,418)			
Airport.....			(\$ 20,800)			
Cemetery.....			(\$ 18,500)			

GRAND TOTAL

ALL FUNDS	\$ 1,768,695	\$ 3,725,322	(\$ 4,314,957)	--	(\$ 589,635)	\$ 1,179,060
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