

TOWN OF ARNETT, OKLAHOMA

Fiscal Year 2023 / 2024 Annual Budget

BUDGET MEMO

May 22, 2023

The 2023/2024 Annual Budget for the Town of Arnett is presented, as attached, for approval by the Council in accordance with the Oklahoma Municipal Budget Act.

The budget includes the following highlights for fiscal year:

- ◆ We are showing a **loss between all funds of about <\$5,621>**. This is due to a 90% budgeting of recurring tax revenues and the conservative nature of the budget. Should the Town collect tax revenues at 100%; this would represent ~35,000 in additional revenues. See below for capital outlay projects and funding sources.
- ◆ The budget includes water rate increase of 15%. The water & sewer department is showing a profit margin of 1.4%, excluding capital outlay. Including the trash department, the APFA is showing a profit margin of 15.3%, excluding capital outlay. For long term sustainability and future capital purchases, we recommend profit margins from 25-35%. In order to achieve a 25% profit margin, the Town would need to increase water rates an additional 31.9%.
- ◆ The budget includes employee hourly raises equating to a total of \$2.00 per hour for each full time employee. The estimated costs of these raises is approximately \$21K annually.
- ◆ Proposed Capital requests are detailed in the budget totaling \$1,249,407

	<u>Capital Outlay</u>	<u>Funding source</u>
General Government	\$ 25,000	Operations 15K; grant 10K
Street Department	83,832	Grant 75K; Operations 8,832
Parks Department	10,000	Operations & donations
Water Department	1,130,575	Loan 800K, Grant/other funding 330,575
	1,249,407	

In accordance with Section 17-208, Title 11, Oklahoma Statutes, notice is hereby given that the proposed fiscal year 2023 / 2024 budget will be considered at a public hearing on June 1, 2023 at 6:30 pm at Arnett Town Hall.

Copies of the proposed budget are available for review in the Office of the Town Clerk, Arnett, OK.

The Town of Arnett 2023-2024 Annual Budget will be adopted by resolution during a special meeting of the Town Council on Thursday, June 1st, 2023 at 7pm at Arnett Town Hall.

The legal level of control for the Town's 2023 / 2024 budget is established at the Department level. Additional detail is provided for analysis purposes only.

If you have any questions, please contact Dacia Phillips, CPA.

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State Auditor
and Inspector

In accordance with Section 17-208, Title 11, Oklahoma Statutes, notice is hereby given that the proposed fiscal year 2023 / 2024 budget will be considered at a public hearing on Thursday, June 1st, 2023 at 6:30 p.m at Arnett Town Hall. Copies of the proposed budget are available for review in the Office of the Town Clerk, 219 E. Renfrow, Arnett, OK.

The Town of Arnett 2023-2024 Annual Budget will be adopted by resolution during a special meeting of the Town Board on Thursday, June 1st, 2023 at 7pm at Arnett Town Hall.

TOWN OF Arnett, OKLAHOMA
Fiscal Year 2023 - 2024 Annual Budget

BUDGET SUMMARY

	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	TRANSFERS	Net Change	ENDING BALANCE
GENERAL FUND	\$ 660,570	\$ 410,922	\$ (464,270)	\$ (17,000)	\$ (70,348)	\$ 590,222
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ENTERPRISE FUNDS						
Public Facilities Authority	279,729	1,401,123	(1,353,876)	17,000	64,247	343,976
TOTAL ENTERPRISE FUNDS	\$ 279,729	\$ 1,401,123	\$ (1,353,876)	\$ 17,000	\$ 64,247	\$ 343,976
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SPECIAL REVENUE FUNDS						
Fire Fund	\$ 22,101	\$ 7,005	\$ (6,600)	\$ -	\$ 405	\$ 22,506
Cemetery Fund	32,220	1,075	(1,000)	-	75	32,295
TOTAL SPECIAL REVENUE FUNDS	\$ 54,321	\$ 8,080	\$ (7,600)	\$ -	\$ 480	\$ 54,801
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GRAND TOTAL ALL FUNDS	\$ 994,620	\$ 1,820,125	\$ (1,825,746)	\$ -	\$ (5,621)	\$ 988,999

**Town of Arnett
General Fund Budget
For the Year Ended June 30, 2024**

	ACTUAL 2021/2022	APPROVED BUDGET FY 2022/2023	PROJECTED YTD 2022/2023	PROPOSED BUDGET 2023/2024	
OPERATING REVENUES					
Sales tax	\$ 187,668	\$ 164,962	\$ 235,853	\$ 212,268	** 90%
Use tax	34,052	29,990	35,255	31,730	** 90%
Cigarette tax	1,463	1,418	1,492	1,343	** 90%
Alcohol beverage tax	43,591	40,148	44,197	39,777	** 90%
Gasoline excise tax	881	968	880	792	** 90%
Motor vehicle tax	3,879	3,539	3,514	3,163	** 90%
Franchise tax	22,622	25,265	28,332	25,499	** 90%
Licenses and permits	25	100	971	100	
Police Fines & Animal Control	784	1,500	706	750	
Rental income	875	750	300	300	
Royalties	2,422	1,000	3,066	2,000	
Cemetery	7,000	5,000	4,230	4,500	
Fire - Bldg Rental	25	200	540	200	
Grants - REAP/OEDA	-	50,000	40,000	75,000	
Grants - ARPA funds	42,005	42,005	42,403	-	
Grant - Emergency Sirens	-	-	-	10,000	
Other Revenue	3,938	1,000	7,773	1,000	
TOTAL OPERATING REVENUES	351,230	367,845	449,512	408,422	
OPERATING EXPENSES					
<u>Administration Department</u>					
Personal Services	1,750	2,728	1,716	2,728	
Other Services and Charges	1,550	2,500	4,108	4,500	
Capital Outlay	-	-	10,064	-	
Total Administration Department	3,300	5,228	15,888	7,228	
<u>General Government</u>					
Personal Services	93,550	73,003	78,200	87,928	
Materials and Supplies	16,488	20,000	16,428	18,000	
Other Services and Charges	110,372	120,000	103,556	110,000	
Capital Outlay	23,100	-	-	25,000	
Total General Government	243,510	213,003	198,184	240,928	
<u>City Clerk Department</u>					
Personal Services	28,309	62,521	59,854	72,282	
Other Services and Charges	186	1,000	-	-	
Total City Clerk Department	28,495	63,521	59,854	72,282	
<u>City Attorney</u>					
Other Services and Charges	4,300	6,000	4,350	6,000	
Total City Attorney	4,300	6,000	4,350	6,000	
<u>Police Department</u>					
Other Services and Charges	27,545	30,000	26,646	30,000	
Total Police Department	27,545	30,000	26,646	30,000	
<u>Fire Department</u>					
Personal Services	1,560	2,000	1,800	2,000	
Materials and Supplies	4,823	3,000	2,785	3,000	
Other Services and Charges	4,832	3,000	7,006	7,000	
Total Fire Department	11,215	8,000	11,591	12,000	

**Town of Arnett
General Fund Budget
For the Year Ended June 30, 2024**

	ACTUAL 2021/2022	APPROVED BUDGET FY 2022/2023	PROJECTED YTD 2022/2023	PROPOSED BUDGET 2023/2024
Street Department				
Other Services and Charges	607	1,000	2,773	1,000
Capital Outlay	-	60,000	40,000	83,832
Total Street Department	607	61,000	42,773	84,832
Parks Department				
Other Services and Charges	303	3,500	193	500
Capital Outlay	1,998	-	-	10,000
Total Parks Department	2,301	3,500	193	10,500
Cemetery				
Other Services and Charges	275	500	-	500
Total Cemetery Department	275	500	-	500
TOTAL EXPENDITURES	321,548	390,752	359,479	464,270
REVENUES OVER (UNDER) EXPENDITURES	29,682	(22,907)	90,033	(55,848)
OTHER FINANCING SOURCES (USES)				
Interest income	1,087	5,000	2,219	2,500
Transfers-out	(8,187)	(84,010)	-	(17,000)
Transfers-in	-	-	42,000	-
Net transfers	(7,100)	(79,010)	44,219	(14,500)
TOTAL OTHER FINANCING SOURCES (USES)	(7,100)	(79,010)	44,219	(14,500)
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	22,582	(101,917)	134,252	(70,348)
BEGINNING FUND BALANCE	496,790	618,570	519,372	660,570
ENDING FUND BALANCE	\$ 519,372	\$ 516,653	\$ 653,624	\$ 590,222

**Town of Arnett
Public Facilities Authority
For the Year Ended June 30, 2024**

	ACTUAL 2021/2022	APPROVED BUDGET FY 2022/2023	PROJECTED YTD 2022/2023	PROPOSED BUDGET 2023/2024
OPERATING REVENUES				
Water Revenues	\$ 116,552	\$ 105,000	\$ 110,824	\$ 102,900
15% Rate Increase	-	5,250	-	15,435
Sewer Revenues	35,301	34,000	35,102	34,400
0% Rate Increase	-	1,700	-	-
Trash Revenues	103,552	100,000	102,258	100,213
0% Rate Increase	-	5,000	-	-
Penalty Revenues	-	2,000	2,362	2,300
Rental Income	13,922	13,500	14,111	14,000
Grant Revenue - CDBG	65,000	-	-	-
Grant Revenue/Other Funding - for Waterlines	-	-	-	330,575 *
Loan Proceeds OWRB - Forgivable loan	-	-	-	800,000 *
Other Revenues	-	1,000	2,608	1,000
TOTAL OPERATING REVENUES	334,327	267,450	267,265	1,400,823
OPERATING EXPENSES				
Arnett Public Facilities Authority				
Personal Services	15,133	22,531	-	-
Materials and Supplies	1,481	1,500	1,987	1,500
Other Services and Charges	7,172	7,500	9,092	7,500
Capital Outlay	36,053	-	6,040	-
Total Public Facilities Authority	59,839	31,531	17,119	9,000
Water Department				
Personal Services	102,541	109,533	121,261	135,301
Materials and Supplies	4,443	5,500	21,191	5,500
Other Services and Charges	7,620	7,500	9,030	7,500
Capital Outlay - AMI	67,675	-	2,500	-
Capital Outlay - ARPA funds	-	84,010	17,806	-
Capital Outlay - Waterline Replacement	-	-	-	1,130,575
Total Water Department	182,279	206,543	171,788	1,278,876
Trash Department				
Other Services & Charges	59,335	64,000	60,136	64,000
Total Trash Department	59,335	64,000	60,136	64,000
Sewer Department				
Materials and Supplies	717	1,000	-	1,000
Other Services and Charges	683	1,000	852	1,000
Total Sewer Department	1,400	2,000	852	2,000
TOTAL OPERATING EXPENDITURES	302,853	304,074	249,895	1,353,876
OPERATING INCOME (LOSS)	31,474	(36,624)	17,370	46,947
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	697	300	1,422	300
Transfers in/(out) - General Fund -ARPA	8,187	84,010	-	17,000
TOTAL OTHER FINANCING SOURCES (USES)	8,884	84,310	1,422	17,300
NET INCOME	40,358	47,686	18,792	64,247
BEGINNING RETAINED EARNINGS	249,720	279,729	290,078	279,729
ENDING RETAINED EARNINGS	\$ 290,078	\$ 327,415	\$ 308,870	\$ 343,976

Town of Arnett
 Public Facilities Authority
 For the Year Ended June 30, 2024

	ACTUAL 2021/2022	APPROVED BUDGET FY 2022/2023	PROJECTED YTD 2022/2023	PROPOSED BUDGET 2023/2024
GROSS PROFIT BY DEPARTMENT - excluding capital outlay				
Water & Sewer Revenues	151,853	145,950	145,926	152,735
APFA Expenses excluding Trash	183,679	208,543	172,640	150,301
<i>Gross Profit</i>	<u>(31,826)</u>	<u>(62,593)</u>	<u>(26,714)</u>	<u>2,434</u>
<i>Gross Profit %</i>	-21%	-43%	-18%	1.6%
Trash Revenues	103,552	105,000	102,258	100,213
Trash Expenses	59,335	64,000	60,136	64,000
<i>Gross Profit</i>	<u>44,217</u>	<u>41,000</u>	<u>42,122</u>	<u>36,213</u>
<i>Gross Profit %</i>	43%	39%	41%	36%
Total APFA Revenues	255,405	250,950	248,184	252,948
Total APFA Expenses	243,014	272,543	232,776	214,301
<i>Gross Profit</i>	<u>12,391</u>	<u>(21,593)</u>	<u>15,408</u>	<u>38,647</u>
	5%	-9%	6%	15.3%

Town of Arnett
 Fire Department Fund
 For the Year Ended June 30, 2024

	ACTUAL 2021/2022	APPROVED BUDGET FY 2022/2023	PROJECTED YTD 2022/2023	PROPOSED BUDGET 2023/2024
OPERATING REVENUES				
Donations	2,450	1,000	1,332	1,000
Grant Revenue	4,763	4,500	10,053	4,500
Rental Income	800	500	360	500
Miscellaneous Revenue	11,860	1,000	6,979	1,000
TOTAL OPERATING REVENUES	19,873	7,000	18,724	7,000
OPERATING EXPENSES				
Fire Department				
Materials and Supplies	1,516	1,500	4,025	1,500
Other Services and Charges	3,646	5,100	8,362	5,100
TOTAL EXPENDITURES	5,162	6,600	12,387	6,600
REVENUES OVER (UNDER) EXPENDITURES	14,711	400	6,337	400
OTHER FINANCING SOURCES (USES)				
Interest Income	8	5	77	5
TOTAL OTHER FINANCING SOURCES (USES)	8	5	77	5
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	14,719	405	6,414	405
BEGINNING FUND BALANCE	1,288	17,629	18,034	22,101
ENDING FUND BALANCE	\$ 16,007	\$ 18,034	\$ 24,448	\$ 22,506

Town of Arnett
 Cemetery Fund
 For the Year Ended June 30, 2024

	ACTUAL 2021/2022	APPROVED BUDGET FY 2022/2023	PROJECTED YTD 2022/2023	PROPOSED BUDGET 2023/2024
OPERATING REVENUES				
Lot Sales	400	125	-	-
Donations	75	100	-	-
Gravesite Open/Close	1,900	1,500	1,110	1,000
TOTAL OPERATING REVENUES	2,375	1,725	1,110	1,000
OPERATING EXPENSES				
Cemetery Department				
Other Services and Charges	271	1,000	934	1,000
Total Cemetery Department	271	1,000	934	1,000
TOTAL EXPENDITURES	271	1,000	934	1,000
REVENUES OVER (UNDER) EXPENDITURES	2,104	725	176	-
OTHER FINANCING SOURCES (USES)				
Interest Income	19	25	96	75
TOTAL OTHER FINANCING SOURCES (USES)	19	25	96	75
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,123	750	272	75
BEGINNING FUND BALANCE	29,721	31,389	31,844	32,220
ENDING FUND BALANCE	\$ 31,844	\$ 32,139	\$ 32,116	\$ 32,295

BUDGET ADOPTION RESOLUTION

**TOWN OF ARNETT, OKLAHOMA
RESOLUTION NO. 2022-10**

A RESOLUTION APPROVING THE TOWN OF ARNETT, OKLAHOMA BUDGET FOR THE FISCAL YEAR 2023-2024 AND ESTABLISHING BUDGET AMENDMENT AUTHORITY

WHEREAS, The Town of Arnett has adopted the provisions of the Oklahoma Municipal Budget Act (the Act) in 11 O.S. Sections 17-201 through 17-216; and

WHEREAS, The Chief Executive Officer has prepared a budget for the fiscal year ending June 30, 2024 (FY 2023-2024) consistent with the Act; and

WHEREAS, The Act in section 17-215 provides for the chief executive officer of the Town, 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 budget has been formally presented to the Town Board of Trustees at least 30 days prior to the start of the fiscal year in compliance with Section 17-205; and

WHEREAS, The Town Board of Trustees has conducted a Public Hearing at least 15 days prior to the start of the fiscal year, and published notice of the Public Hearing in compliance with Section 17-208 of the Act; and

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN BOARD OF TRUSTEES OF THE TOWN OF ARNETT, OKLAHOMA:

SECTION 1. The Town Board of Trustees does hereby adopt the FY 2023-2024 Budget on the 1st day of June 2023 with total resources available in the amount of \$1,133,893 and total fund/departmental appropriations in the amount of \$471,870. Legal appropriations (spending/encumbering limits) are hereby established as follows:

Fund: Department	Appropriation Amount
General Fund:	
Administration	\$7,228
General Government	240,928
City Clerk	72,282
City Attorney	6,000
Police Department	30,000
Fire Department	12,000
Street Department	84,832
Parks Department	10,500
Cemetery	500
Fire Fund	6,600
Cemetery Fund	1,000

SECTION 2. The Arnett Board of Trustees does hereby authorize the Town Clerk to transfer any unexpended and unencumbered appropriations, at any time throughout FY 2023-2024, from one line item to another, one object category to another within a department, or one department to another within a fund, without further approval by the Arnett Board of Trustees.

SECTION 3. All supplemental appropriations or decrease in the total appropriation of a fund shall be adopted at a meeting of the Arnett Board of Trustees and filed with the State Auditor and Inspector.

SECTION 4. Be it further provided that the Town Clerk is hereby authorized to take any and all actions as may be required for the implementation of these budgets.

ADOPTED BY THE TOWN BOARD OF TRUSTEES OF THE TOWN OF ARNETT this 1st day of June, 2023.

TOWN OF ARNETT, OKLAHOMA

[Handwritten Signature]
Mayor

ATTEST:

[Handwritten Signature]
Clerk



BUDGET ADOPTION RESOLUTION

**TOWN OF ARNETT, OKLAHOMA
ARNETT PUBLIC FACILITIES AUTHORITY
RESOLUTION NO. 2022-11**

A RESOLUTION OF THE ARNETT PUBLIC FACILITIES AUTHORITY, ARNETT, OKLAHOMA APPROVING THE ARNETT PUBLIC FACILITIES AUTHORITY BUDGET FOR THE FISCAL YEAR 2023-2024 AND ESTABLISHING BUDGET AMENDMENT AUTHORITY

WHEREAS, The Town of Arnett has adopted the provisions of the Oklahoma Municipal Budget Act (the Act) in 11 O.S. Sections 17-201 through 17-216; and

WHEREAS, The Chief Executive Officer has prepared a budget for the fiscal year ending June 30, 2024 (FY 2023-2024) consistent with the Act; and

WHEREAS, The Act in section 17-215 provides for the chief executive officer of the Authority, 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 budget has been formally presented to the Arnett Public Facilities Authority governing body at least 30 days prior to the start of the fiscal year in compliance with Section 17-205; and

WHEREAS, The Arnett Public Facilities Authority governing body has conducted a Public Hearing at least 15 days prior to the start of the fiscal year, and published notice of the Public Hearing in compliance with Section 17-208 of the Act; and

NOW, THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF THE ARNETT PUBLIC FACILITIES AUTHORITY, ARNETT, OKLAHOMA:

SECTION 1. The Trustees of the Arnett Public Facilities Authority does hereby adopt the FY 2023-2024 Budget on the 1st day of June 2023 with total resources available in the amount of \$1,680,852 and total fund/departmental appropriations in the amount of \$1,353,876. Legal appropriations (spending/encumbering limits) are hereby established as follows:

Fund: Department	Appropriation Amount
Arnett Public Facilities Authority	
Arnett Public Facilities Authority	\$9,000
Water Department	1,278,876
Trash Department	64,000
Sewer Department	9,000

SECTION 2. The Trustees does hereby authorize the Town Clerk to transfer any unexpended and unencumbered appropriations, at any time throughout FY 2023-2024, from one line item to another, one object category to another within a department, or one department to another within a fund, without further approval by the Arnett Board of Trustees.

SECTION 3. All supplemental appropriations or decrease in the total appropriation of a fund shall be adopted at a meeting of the Arnett Board of Trustees and filed with the State Auditor and Inspector.

SECTION 4. Be it further provided that the Town Clerk is hereby authorized to take any and all actions as may be required for the implementation of these budgets.

**ADOPTED BY THE TOWN BOARD OF TRUSTEES OF THE ARNETT DEVELOPMENT
AUHTORITY this 1st day of June, 2023.**

TOWN OF ARNETT, OKLAHOMA

Misty M. Mengel
Mayor

ATTEST:

Sharon Stevens
Clerk



Northwest Oklahoman

Invoice 10989 Publication of the FY23-24 Budget S

6/21/2023

11027

112.50

PAYMENT RECORD

Town of Arnett

112.50



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Rev 6r