

BUDGET ADOPTION RESOLUTION

TOWN OF ARNETT, OKLAHOMA RESOLUTION NO. 2020-01

A RESOLUTION APPROVING THE TOWN OF ARNETT, OKLAHOMA BUDGET FOR THE FISCAL YEAR 2020-2021 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, 2021 (FY 2020-2021) 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 2020-2021 Budget on the 9th day of June 2020 with total resources available in the amount of \$673,839 and total fund/departamental appropriations in the amount of \$422,075. Legal appropriations (spending/encumbering limits) are hereby established as follows:

Fund: Department	Appropriation Amount
General Fund:	
Administration	\$5,228
General Government	237,795
City Clerk	49,952
City Attorney	6,000
Police Department	30,000
Fire Department	18,000
Street Department	69,000
Fire Fund	5,100
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 2020-2021, from one line item

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State Auditor
and Inspector

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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 9th day of June, 2020.

TOWN OF ARNETT, OKLAHOMA

James Stevens
Mayor

ATTEST:

Marion Stevens
Clerk



BUDGET ADOPTION RESOLUTION
TOWN OF ARNETT, OKLAHOMA
ARNETT PUBLIC FACILITIES AUTHORITY
RESOLUTION NO. 2020-02

A RESOLUTION OF THE ARNETT PUBLIC FACILITIES AUTHORITY, ARNETT, OKLAHOMA APPROVING THE ARNETT PUBLIC FACILITIES AUTHORITY BUDGET FOR THE FISCAL YEAR 2020-2021 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, 2021 (FY 2020-2021) 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 2020-2021 Budget on the 9th day of June 2020 with total resources available in the amount of \$667,886 and total fund/departmental appropriations in the amount of \$175,384. Legal appropriations (spending/encumbering limits) are hereby established as follows:

Fund:	Appropriation
Department	Amount
Arnett Public Facilities Authority	
Arnett Public Facilities Authority	\$61,275
Water Department	50,109
Trash Department	64,000

SECTION 2. The Trustees does hereby authorize the Town Clerk to transfer any unexpended and unencumbered appropriations, at any time throughout FY 2020-2021, 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 9th day of June, 2020.

TOWN OF ARNETT, OKLAHOMA


Mayor

ATTEST:


Clerk



TOWN OF ARNETT, OKLAHOMA

Fiscal Year 2020 / 2021 Annual Budget

BUDGET MEMO

May 18, 2020

The 2020/2021 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:

- ◆ This is an unusual year as the national economy is reeling from COVID-19 coupled with Oklahoma's specific oil/gas reliance. Russell Evans, an economist based at Oklahoma City University, spoke at the City of Oklahoma City council meeting in mid-April 2020 referencing the local economy was already shaky at the start of the 2020 calendar year and the collapse in oil prices has exacerbated the challenges faced by the city and state. It is likely the U.S. economy will shrink 25% to 40% starting in June 2020 and continue through the summer and fall.
- ◆ The New York Times reported on April 24, grocery stores, pharmacies and other sellers of essential items experienced a surge of demand in March 2020, which was outweighed by a steep decline in other categories as businesses shuttered and shoppers restricted their spending. Sales at gas stations, pushed down by low oil prices as well as reduced commuting, fell 17 percent. With sales taxes being the biggest source of revenue for most cities, we will see this plunge in revenue directly as business activity grinds to a halt and consumers stay home. Even as we stretch finances temporarily - by trimming budgets, appropriating funds earmarked for other purposes or passing emergency legislation - the economy recovery is expected to be slow.
- ◆ In light of the above information, we have prepared the following breakdown of sales tax revenue provided by the Oklahoma Tax Commission. We utilized this breakdown in projecting the impact of COVID-19 on the municipality.

Sales Tax Top 5 for Arnett	
Chemical & Allied Products Wholesalers	14%
Industrial Machinery & Equipment Wholesalers	13%
Fuel Dealers	12%
Grocery stores	10%
Consumer Electronics & Appliances Rental	9%
	58%

- ◆ We are showing a **loss between all funds of about <\$48,658>** and a net loss of <48,868> in the General Fund and APFA fund. This is due to a 75% budgeting of sales and use tax revenues (other tax revenues are budgeted at 80%). We recommend limiting capital outlay expenditures only to those being largely funded by grants and those deemed absolutely necessary due to the uncertainty in the economy. See below for capital outlay projects and funding sources.
- ◆ There are no budgeted utility rate increases. Utility revenue collections have been decreased by 8% due to the expected impact of the unemployment related to the pandemic.
- ◆ The budget does not include salary increases for employees for fiscal year 2021.
- ◆ The budget includes one capital outlay project for the street department with a net cost to the Town of \$19,000 for chip and seal of streets. Total project cost is \$69K with offsetting grant revenue of 50K.

- ◆ See the chart below for consideration of collection on tax revenues at tiered percentages and the reflected net gain/(loss) for the fiscal year:

<u>Tax Collections</u>	<u>Net Gain/(Loss)</u>
100%	28,014
90%	(2,944)
85%	(18,422)
80%	(33,901)

- ◆ As of April 30, 2020, the municipality had 330 and 869 days of cash on hand in the General fund and APFA, respectively. This represents the number of days the municipality can support the operating expenses based on the cash balance at April 30, 2020.
- ◆ If fiscal year 2021 proceeds in line with the proposed budget, the municipality will have 195 and 1,025 days of cash on hand in the General fund and H.D.A, respectively, at June 30, 2021.

In accordance with Section 17-208, Title 11, Oklahoma Statutes, notice is hereby given that the proposed fiscal year 2020 / 2021 budget will be considered at a public hearing before June 15, 2020.

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

The Town of Arnett 2020-2021 Annual Budget will be adopted by resolution during a meeting of the Town Council on Tuesday, June 9, 2020 at 9am.

The legal level of control for the Town's 2020 / 2021 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.

In accordance with Section 17-208, Title 11, Oklahoma Statutes, notice is hereby given that the proposed fiscal year 2020 / 2021 budget will be considered at a public hearing on Monday, June 9th, 2020 at 9 a.m. Copies of the proposed budget are available for review in the Office of the Town Clerk, Arnett, OK.

The Town of Arnett 2020-2021 Annual Budget will be adopted by resolution during a special meeting of the Town Board on Tuesday, June 9th, 2020.

TOWN OF Arnett, OKLAHOMA
Fiscal Year 2020 - 2021 Annual Budget

BUDGET SUMMARY

	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	Net Change	ENDING BALANCE
GENERAL FUND	<u>\$ 341,861</u>	<u>\$ 296,503</u>	<u>\$ (415,975)</u>	<u>\$ (119,472)</u>	<u>\$ 222,389</u>
ENTERPRISE FUNDS					
Public Facilities Authority	<u>421,898</u>	<u>245,988</u>	<u>(175,384)</u>	<u>70,604</u>	<u>492,502</u>
TOTAL ENTERPRISE FUNDS	<u>\$ 421,898</u>	<u>\$ 245,988</u>	<u>\$ (175,384)</u>	<u>\$ 70,604</u>	<u>\$ 492,502</u>
SPECIAL REVENUE FUNDS					
Fire Fund	<u>\$ 1,324</u>	<u>\$ 5,110</u>	<u>\$ (5,100)</u>	<u>\$ 10</u>	<u>\$ 1,334</u>
Cemetery Fund	<u>27,841</u>	<u>1,200</u>	<u>(1,000)</u>	<u>200</u>	<u>28,041</u>
TOTAL SPECIAL REVENUE FUNDS	<u>\$ 29,165</u>	<u>\$ 6,310</u>	<u>\$ (6,100)</u>	<u>\$ 210</u>	<u>\$ 29,375</u>
GRAND TOTAL ALL FUNDS	<u>\$ 792,924</u>	<u>\$ 548,801</u>	<u>\$ (597,459)</u>	<u>\$ (48,658)</u>	<u>\$ 744,266</u>

Town of Arnett
General Fund Budget
For the Year Ended June 30, 2021

	ACTUAL 2018/2019	APPROVED BUDGET FY 2019/2020	PROJECTED YTD 2019/2020	PROPOSED BUDGET 2020/2021	
OPERATING REVENUES					
Sales tax	\$ 269,068	\$ 234,222	\$ 208,773	\$ 156,580	** 75%
Use tax	28,287	23,980	23,798	17,849	** 75%
Cigarette tax	2,247	1,837	2,248	1,798	** 80%
Alcohol beverage tax	31,490	28,505	38,345	30,676	** 80%
Gasoline excise tax	1,299	1,184	1,400	1,120	** 80%
Motor vehicle tax	3,535	3,155	3,478	2,782	** 80%
Franchise tax	24,340	23,618	24,553	22,098	** 90%
Licenses and permits	315	100	131	100	
Police Fines & Animal Control	6,245	-	3,637	2,000	
Rental income	390	1,500	557	500	
Royalties	5,414	500	1,392	1,000	
Cemetery	3,356	250	4,110	2,000	
Grants - REAP - Street	25,000	-	-	50,000	
Other Revenue	23,784	10,000	1,226	1,000	
TOTAL OPERATING REVENUES	424,770	328,851	313,648	289,503	
OPERATING EXPENSES					
<u>Administration Department</u>					
Personal Services	2,025	2,500	3,047	2,728	
Materials and Supplies	-	-	-	-	
Other Services and Charges	2,214	2,500	1,483	2,500	
Total Administration Department	4,239	5,000	4,530	5,228	
<u>General Government</u>					
Personal Services	130,683	135,000	145,031	112,795	
Materials and Supplies	-	-	-	-	
Other Services and Charges	141,468	140,000	119,940	125,000	
Capital Outlay	37,625	-	39,787	-	
Total General Government	309,776	275,000	304,758	237,795	
<u>City Clerk Department</u>					
Personal Services	27,545	30,000	28,188	48,952	
Materials and Supplies	-	-	-	-	
Other Services and Charges	738	1,000	122	1,000	
Total City Clerk Department	28,283	31,000	28,310	49,952	
<u>City Attorney</u>					
Other Services and Charges	4,800	4,800	7,560	6,000	
Total City Attorney	4,800	4,800	7,560	6,000	
<u>Police Department</u>					
Personal Services	2,346	2,500	-	-	
Materials and Supplies	-	-	-	-	
Other Services and Charges	28,390	30,000	26,881	30,000	
Total Police Department	30,736	32,500	26,881	30,000	
<u>Fire Department</u>					
Other Services and Charges	19,553	18,000	6,412	18,000	
Total Fire Department	19,553	18,000	6,412	18,000	

Town of Arnett
General Fund Budget
For the Year Ended June 30, 2021

	ACTUAL 2018/2019	APPROVED BUDGET FY 2019/2020	PROJECTED YTD 2019/2020	PROPOSED BUDGET 2020/2021
<u>Street Department</u>				
Capital Outlay	-	-	-	69,000 *
Total Street Department	-	-	-	69,000
 TOTAL EXPENDITURES	 397,387	 366,300	 378,451	 415,975
REVENUES OVER (UNDER) EXPENDITURES	27,383	(37,449)	(64,803)	(126,472)
OTHER FINANCING SOURCES (USES)				
Interest income	2,508	2,500	7,662	7,000
Transfers-out	-	(500)	-	-
Transfers-in	2,422	-	-	-
Net transfers	4,930	2,000	7,662	7,000
TOTAL OTHER FINANCING SOURCES (USES)				
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	32,313	(35,449)	(57,141)	(119,472)
 BEGINNING FUND BALANCE	 555,632	 434,451	 399,002	 341,861
ENDING FUND BALANCE	\$ 587,945	\$ 399,002	\$ 341,861	\$ 222,389

Town of Arnett
Fire Department Fund
For the Year Ended June 30, 2021

	ACTUAL 2018/2019	APPROVED BUDGET FY 2019/2020	PROJECTED YTD 2019/2020	PROPOSED BUDGET 2020/2021
OPERATING REVENUES				
Donations	250	200	1,410	1,000
Grant Revenue	4,000	4,000	4,642	4,000
Rental Income	-	-	120	100
Miscellaneous Revenue	7,307	-	-	-
TOTAL OPERATING REVENUES	11,557	4,200	6,172	5,100
OPERATING EXPENSES				
Fire Department				
Other Services and Charges	8,746	4,200	5,537	5,100
Capital Outlay	2,100	-	-	-
TOTAL EXPENDITURES	10,846	4,200	5,537	5,100
REVENUES OVER (UNDER) EXPENDITURES	711	-	635	-
OTHER FINANCING SOURCES (USES)				
Interest Income	6	5	10	10
Transfers-out	(2,322)	-	-	-
Transfer In	-	500	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(2,316)	505	10	10
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(1,605)	505	645	10
BEGINNING FUND BALANCE	1,619	500	1,005	1,324
ENDING FUND BALANCE	\$ 14	\$ 1,005	\$ 1,650	\$ 1,334

**Town of Arnett
Cemetery Fund
For the Year Ended June 30, 2021**

	ACTUAL 2018/2019	APPROVED BUDGET FY 2019/2020	PROJECTED YTD 2019/2020	PROPOSED BUDGET 2020/2021
OPERATING REVENUES				
Lot Sales	125	125	600	125
Donations	1,300	-	90	-
Gravesite Open/Close	1,044	1,000	900	1,000
TOTAL OPERATING REVENUES	2,469	1,125	1,590	1,125
OPERATING EXPENSES				
Cemetery Department				
Other Services and Charges	1,163	3,000	-	1,000
Total Cemetery Department	1,163	3,000	-	1,000
TOTAL EXPENDITURES	1,163	3,000	-	1,000
REVENUES OVER (UNDER) EXPENDITURES	1,306	(1,875)	1,590	125
OTHER FINANCING SOURCES (USES)				
Interest Income	97	50	95	75
TOTAL OTHER FINANCING SOURCES (USES)	97	50	95	75
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,403	(1,825)	1,685	200
BEGINNING FUND BALANCE	26,156	27,491	26,156	27,841
ENDING FUND BALANCE	\$ 27,559	\$ 25,666	\$ 27,841	\$ 28,041

**Town of Arnett
Public Facilities Authority
For the Year Ended June 30, 2021**

	ACTUAL 2018/2019	APPROVED BUDGET FY 2019/2020	PROJECTED YTD 2019/2020	PROPOSED BUDGET 2020/2021	
OPERATING REVENUES					
Water Revenues	\$ 87,859	\$ 80,000	\$ 98,501	\$ 90,621	*92%
0% Rate Increase	-	-	-	-	
Sewer Revenues	36,992	35,000	36,750	33,810	*92%
0% Rate Increase	-	-	-	-	
Trash Revenues	101,971	95,000	104,942	96,547	*92%
0% Rate Increase	-	-	-	-	
State Fee	1,041	-	1,044	960	*92%
0% Rate Increase	-	-	-	-	
Penalty Revenues	2,718	-	-	-	
Oil & Gas Royalties	39	50	50	50	
Rental Income	11,969	15,000	11,369	15,000	
Grant Revenue	-	-	-	-	
Other Revenues	3,195	5,000	5,884	5,000	
TOTAL OPERATING REVENUES	245,784	230,050	258,540	241,988	
OPERATING EXPENSES					
Arnett Public Facilities Authority					
Personal Services	64,799	67,000	60,569	21,275	
Materials and Supplies	1,436	-	1,211	1,500	
Other Services and Charges	28,727	40,000	27,760	38,500	
Interest Expense	3,325	-	-	-	
Capital Outlay	13,840	-	-	-	
Total Public Facilities Authority	112,127	107,000	89,540	61,275	
Water Department					
Personal Services	-	-	-	50,109	
Total Water Department	-	-	-	50,109	
Trash Department					
Other Services & Charges	89,397	97,000	87,602	64,000	
Total Trash Department	89,397	97,000	87,602	64,000	
TOTAL OPERATING EXPENDITURES	201,524	204,000	177,142	175,384	
OPERATING INCOME (LOSS)	44,260	26,050	81,398	66,604	
NON-OPERATING REVENUES (EXPENSES)					
Interest Income	3,107	4,000	3,281	4,000	
Gain on Sale of Property & Equipment	3,000	-	-	-	
Transfers in/(out) - General Fund	(100)	-	-	-	
TOTAL OTHER FINANCING SOURCES (USES)	6,007	4,000	3,281	4,000	
NET INCOME	50,267	30,050	84,679	70,604	
BEGINNING RETAINED EARNINGS	304,897	355,164	354,929	421,898	
ENDING RETAINED EARNINGS	\$ 355,164	\$ 385,214	\$ 439,608	\$ 492,502	

Town of Arnett
Public Facilities Authority
For the Year Ended June 30, 2021

	ACTUAL 2018/2019	APPROVED BUDGET FY 2019/2020	PROJECTED YTD 2019/2020	PROPOSED BUDGET 2020/2021
<u>GROSS PROFIT BY DEPARTMENT</u> - excluding capital outlay				
Water & Sewer Revenues				124,431
AFFA Expenses excluding Trash				111,384
Gross Profit				<u>13,047</u>
Gross Profit %				10%
Trash Revenues				96,547
Trash Expenses				64,000
Gross Profit				<u>32,547</u>
Gross Profit %				34%

AFFIDAVIT OF PUBLICATION

County of Ellis, State of Oklahoma

Northwest Oklahoman
329 S. Main Street
PO Box 460
Shattuck, OK 73858

I, **Cindy Bentley**, of lawful age, being duly sworn upon oath, deposes and says that I am the Editor of Northwest Oklahoman, a weekly publication that is a "legal newspaper" as that phrase is defined in 25 O.S. § 106, as amended to date, for the City of Shattuck, for the County of Ellis, in the State of Oklahoma. The attachment hereto contains a true and correct copy of what was published in the regular edition of said newspaper, and not in a supplement, in consecutive issues on the following dates:

PUBLICATION DATES:

May 28, 2020

Cindy Bentley, Editor
Cindy Bentley, Editor

Signed and sworn to before me
on this 28 day of May,
2020

Jennifer S. Schnoebelen
Jennifer S. Schnoebelen, Notary Public

My Commission expires: 11.21, 2020

PUBLICATION FEE: \$67.50

BUDGET SUMMARY					
	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	Net Change	ENDING BALANCE
GENERAL FUND	\$ 341,861	\$ 286,503	\$ (415,975)	\$ (119,472)	\$ 222,389
ENTERPRISE FUNDS Public Facilities Authority	421,898	245,988	(175,384)	70,504	492,502
TOTAL ENTERPRISE FUNDS	\$ 421,898	\$ 245,988	\$ (175,384)	\$ 70,504	\$ 492,502
SPECIAL REVENUE FUNDS Fire Fund Cemetery Fund	\$ 1,324 27,841	\$ 5,110 1,200	\$ (5,100) (1,000)	\$ 10 200	\$ 1,334 28,041
TOTAL SPECIAL REVENUE FUNDS	\$ 29,165	\$ 6,310	\$ (6,100)	\$ 210	\$ 29,375
GRAND TOTAL ALL FUNDS	\$ 792,924	\$ 548,801	\$ (597,459)	\$ (48,658)	\$ 744,266

(Published in Northwest Oklahoman one time, May 28, 2020)

TOWN OF ARNETT, OKLAHOMA
Fiscal Year 2020 - 2021 Annual Budget

- PUBLIC NOTICE -

