

TOWN OF BUFFALO, OKLAHOMA
Fiscal Year 2017 / 2018 Annual Budget

BUDGET MEMO

DATE: May 10, 2017
Updated June 7, 2017

TO: Town of Buffalo Trustees

FROM: Tracy Reed, CPA
RSMeacham CPAs & Advisors

RE: 2017 / 2018 Annual Budget

The 2017 / 2018 Annual Budget for the Town of Buffalo 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 revenues are budgeted at 90%, as indicated. If collected, that will generate about \$340,000.
- ❖ Utility Rate increases in the amount of the current CPI (2.2%) are included for all utility services and all Utility Improvement Fees. These rate increases are expected to generate approximately an additional \$15,500 in revenues.
- ❖ No pay increases are included for any employees. However, an increase of \$100/month for insurance and an increase of 0.5% in retirement contributions is included for all full-time employees in Personal Services in each department. This is expected to add \$23,700 in expense in the current year.
- ❖ The budget includes moving one employee from the Trash department to the Water department.
- ❖ The budget includes the addition of a part-time employee in the Trash department. This is expected to add an additional expenses of \$12,000 this year.
- ❖ The budget includes a CDBG grant (and corresponding expense) in the amount of \$168,000 to fully fund the replacement of 8 blocks of waterlines.
- ❖ Engineering fees of \$200,000 for the water & sewer system improvements is budgeted in FY18.

- ❖ General Fund capital improvements include:

Town Hall Upgrades	\$ 10,000
New Water Lines (paid with CDBG grant)	168,000

- ❖ PWA capital improvements include:

Engineering Fees for Water & Sewer line replacement	\$ 200,000
Grapple Bucket for Skid Steer	1,800
	<u>\$ 201,800</u>

TOWN OF BUFFALO, OKLAHOMA

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BUDGET MEMO

- ❖ This budget projects an overall loss of <\$63,356> for fiscal year 2018.
- ❖ *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.*

In accordance with Section 17-208, Title 11, Oklahoma Statutes, the fiscal year 2017 / 2018 budget was initially presented to Council on May 10, 2017 for consideration.

The legal level of control for the City's 2017 / 2018 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.

BUDGET ADOPTION RESOLUTION – FUND-BASED BUDGET

**TOWN OF BUFFALO, OKLAHOMA
RESOLUTION NO. 2017-03**

A RESOLUTION APPROVING THE TOWN OF BUFFALO, OKLAHOMA BUDGET FOR THE FISCAL YEAR 2017-2018 AND ESTABLISHING BUDGET AMENDMENT AUTHORITY

WHEREAS, The Town of Buffalo 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, 2018 (FY 2017-2018) consistent with the Act; and

WHEREAS, The Act in section 17-215 provides for the chief executive office 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 BUFFALO, OKLAHOMA:

SECTION 1. The Town Board of Trustees does hereby adopt the FY 2017-2018 Budget on the 7th day of June 2017 with total resources available in the amount of \$3,102,953 and total fund/departamental appropriations in the amount of \$1,015,750. Legal appropriations (spending/encumbering limits) are hereby established as follows:

Fund:	Appropriation Amount
Department	
General Fund:	
General government	\$224,800
Street & Alley	58,750
Fire	35,000
Cemetery	2,000
Golf Course	94,700
Pool	20,000
Parks	11,000
Airport	7,500
Library	23,000
Code Enforcement	250
Economic Development	47,550
Sewer	46,750
Water	347,650
Trash	58,000
Buffalo Public Works Fund:	\$206,800

A Certified Copy


Town Clerk

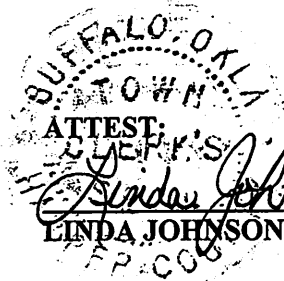
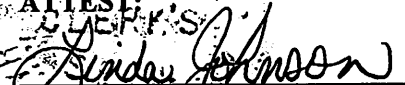
SECTION 2. The Buffalo Board of Trustees does hereby authorize the Town Administrator to transfer any unexpended and unencumbered appropriations, at any time throughout FY 2017-2018, from one line item to another, one object category to another within a department, or one department to another within a fund, without further approval by the Buffalo 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 Buffalo Board of Trustees and filed with the State Auditor and Inspector.

ADOPTED BY THE TOWN BOARD OF TRUSTEES OF THE TOWN OF BUFFALO this 7th day of June, 2017.

TOWN OF BUFFALO, OKLAHOMA


LEWIS CARPENTER, Mayor


ATTEST:

LINDA JOHNSON, Clerk

Town of Buffalo Budget Summary**AFFIDAVIT OF PUBLICATION**

Buffalo Weekly News
201 N. Hoy • P.O. Box 396
Buffalo, Oklahoma 73834

STATE OF OKLAHOMA }
 } §
COUNTY OF HARPER }

I, Kayla Williams, of lawful age, being duly sworn, on oath, deposes and says:

That I am the publisher of Buffalo Weekly News, a weekly publication that is a "legal newspaper" as that phrase is defined in 25 O.S. § 106, printed and published in Buffalo, Oklahoma for the County of Harper, in the State of Oklahoma, and that the attachment hereto contains a true and correct copy of what was actually published in said legal newspaper in consecutive issues on the following dates to wit:

1st Insertion: MAY 31st, 2017

2nd Insertion: _____

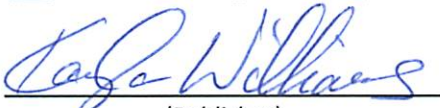
3rd Insertion: _____

4th Insertion: _____

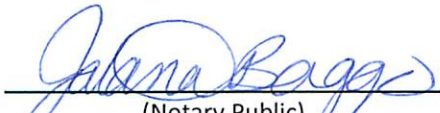
That said newspaper has been published continuously and uninterrupted in said county during a period of one hundred and four consecutive weeks prior to the publication of the attached notice or advertisement; that it has been admitted to the United States mail as second-class mail matter; that it has a general paid circulation, and publishes news of general interest of the State of Oklahoma governing legal publications.

PUBLICATION FEE: **\$39.85**

107 Words 17 Lines 2 Columns 2 Issues


(Publisher)

Subscribed and sworn to before me on this 31st day of May, 2017.


(Notary Public)

My Commission expires: November 8, 2018

Commission Number: 10009445

Jatana Baggs
Notary Public, State of Oklahoma
Commission # 10009445
My Commission Expires 11-8-18

(Published in Buffalo Weekly News on May 31st, 2017)

In accordance with Section 17-208, Title 11, Oklahoma Statutes, notice is hereby given that the proposed Town of Buffalo Fiscal Year 2017 / 2018 Annual Budget will be considered at a public hearing held Wednesday, June 7, 2017 at 6:00 pm at the High Plains RC & D Building located at 818 N. Hoy, Buffalo, OK. Copies of the proposed budget are available for review in the Office of the Town Clerk, 610 N. Hoy St, Buffalo, Oklahoma 73834.

Notice is hereby given that the Town of Buffalo 2017 / 2018 Annual Budget will be adopted during a meeting of the Board of Trustees on June 7, 2017.

TOWN OF BUFFALO, OKLAHOMA
Fiscal Year 2017 / 2018 Annual Budget

	BUDGET SUMMARY					
	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	TRANSFERS	Net Change	ENDING BALANCE
GENERAL FUND	\$ 1,531,346	\$ 787,863	\$ (822,750)	\$ -	\$ (34,877)	\$ 1,496,459
ENTERPRISE FUNDS (Public Works Authority)	\$ 619,213	\$ 164,531	\$ (206,800)	\$ -	\$ (42,269)	\$ 576,944
GRAND TOTAL ALL FUNDS	\$ 2,150,559	\$ 952,349	\$ (1,029,550)	\$ -	\$ (77,156)	\$ 2,073,403

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TOWN OF BUFFALO, OKLAHOMA
Fiscal Year 2017 / 2018 Annual Budget

BUDGET SUMMARY

	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	TRANSFERS	Net Change	ENDING BALANCE
GENERAL FUND	\$ 1,531,346	\$ 955,863	\$ (976,950)	\$ -	\$ (21,087)	\$ 1,510,259
ENTERPRISE FUNDS						
Public Works Authority	\$ 619,213	\$ 164,531	\$ (206,800)	\$ -	\$ (42,269)	\$ 576,944
GRAND TOTAL ALL FUNDS	\$ 2,150,559	\$ 1,120,394	\$ (1,183,750)	\$ -	\$ (63,356)	\$ 2,087,203

Town of Buffalo
General Fund Budget
Fiscal Year 2017 / 2018 Annual Budget

	Actual 2015-2016	BUDGET FY 2016-2017	PROJECTED 2016-2017	PROPOSED BUDGET 2017-2018	
OPERATING REVENUES					
Sales tax	248,806	227,435	240,393	216,354	** 90%
Use Tax	21,509	23,737	15,475	13,927	** 90%
Franchise Tax	47,774	45,544	53,346	48,011	** 90%
Beverage Tax	49,600	46,710	47,386	42,647	** 90%
Tobacco Tax	3,036	2,777	2,815	2,534	** 90%
Swimming Pool & Park Fees	4,482	2,000	3,388	2,500	
Motor Vehicle & Gas Excise Tax	11,539	10,908	18,744	16,870	** 90%
Royalty Income	2,697	1,000	254	250	
Cemetery	6,651	4,000	5,149	4,000	
Rental revenues	17,051	17,000	19,460	17,000	
Golf Course	20,231	15,000	15,113	15,000	
Fire Department	133,013	5,000	21,228	3,800	
Library	4,798	5,000	6,238	5,000	
Licenses & Permits	996	1,000	1,445	1,000	
Grants					
Airport - FAA; Overlay (90/10 match)-carryover to FY16	655,709	-	-	-	
REAP - Water upgrade; Town Hall Roof	3,080	84,164	84,164	-	
Grant - CDBG (ODOC) - Water Project	-	-	-	168,000	
Other Revenue	524	6,000	47,611	4,000	
UTILITY REVENUES					
Water	182,546	180,000	185,639	180,000	
Rate Increase - 2.2%		2,196	-	3,960	
Sewer	55,923	55,000	58,517	55,000	
Rate Increase - 2.2%		668	-	1,210	
Trash	154,556	150,000	156,029	150,000	
Rate Increase - 2.2%		1,840	-	3,300	
TOTAL OPERATING REVENUES	1,624,521	886,979	982,395	954,363	
OPERATING EXPENSES					
General Government					
Personal Services	142,556	150,000	151,551	155,800	
Materials and Supplies	4,810	15,000	3,701	4,000	
Other Services and Charges	46,320	55,000	53,713	55,000	
Capital Outlay	4,001	-	559	-	
Town Hall Upgrades		-	-	10,000	
Total General Government	197,686	220,000	209,524	224,800	
Street & Alley Department					
Personal Services	28,860	35,000	32,507	36,750	
Materials and Supplies	4,565	5,000	9,430	10,000	
Other Services and Charges	13,165	15,000	11,619	12,000	
Capital Outlay		6,000	-	-	
Total Street & Alley Department	46,590	61,000	53,555	58,750	
Fire Department					
Personal Services	2,732	5,000	3,248	5,000	
Materials and Supplies	23,083	5,000	14,282	15,000	
Other Services and Charges	6,850	5,000	18,714	15,000	
Capital Outlay		98,750	93,570	-	
Total Fire Department	32,665	113,750	129,815	35,000	
Cemetery Department					
Other Services and Charges	4,229	2,000	1,113	2,000	
Capital Outlay-preparation of addition-carryover to FY16			-	-	
Total Cemetery Department	4,229	2,000	1,113	2,000	

Town of Buffalo
General Fund Budget
Fiscal Year 2017 / 2018 Annual Budget

	Actual 2015-2016	BUDGET FY 2016-2017	PROJECTED 2016-2017	PROPOSED BUDGET 2017-2018
Golf Course Department				
Personal Services	37,630	38,000	33,687	47,700
Materials and Supplies	48,564	7,000	4,967	7,000
Other Services and Charges	29,901	20,000	40,922	40,000
Capital Outlay	48,609	81,326	81,920	-
Total Golf Course Department	164,703	146,326	161,496	94,700
Pool Department				
Personal Services	10,408	10,000	10,408	10,500
Materials and Supplies	4,876	5,000	5,000	5,000
Other Services and Charges	2,621	4,000	4,472	4,500
Total Pool Department	17,906	19,000	19,880	20,000
Parks Department				
Personal Services	-	-	-	-
Materials and Supplies	649	-	326	1,000
Other Services and Charges	9,349	1,000	7,466	10,000
Capital Outlay - Trailer	10,818	10,000	-	-
Total Parks Department	20,816	11,000	7,791	11,000
Airport Department				
Materials and Supplies	43	-	427	500
Other Services and Charges	65,675	12,000	7,000	7,000
Capital Outlay-Overlay Project (FAA Grant)-carryover to FY16	522,945	-	-	-
Total Airport Department	588,664	12,000	7,427	7,500
Library Department				
Personal Services	8,968	10,000	8,719	9,000
Materials and Supplies	5,082	5,000	6,655	7,000
Other Services and Charges	4,438	6,000	6,805	7,000
Capital Outlay	17	-	-	-
Total Library Department	18,505	21,000	22,178	23,000
Animal Control / Code Enforcement Department				
Materials and Supplies	21	100	110	150
Other Services and Charges	24	2,500	71	100
Total Animal Control / Code Enforcement Department	45	2,600	180	250
Economic Development Department				
Personal Services	41,845	45,000	42,641	46,550
Other Services and Charges	215	1,000	641	1,000
Capital Outlay	-	-	-	-
Total Economic Development Department	42,061	46,000	43,282	47,550
Sewer Department				
Personal Services	38,379	40,000	37,406	41,750
Materials and Supplies	-	250	-	-
Other Services and Charges	5,202	5,000	4,401	5,000
Capital Outlay	-	1,000	-	-
Total Sewer Department	43,581	46,250	41,807	46,750

**Town of Buffalo
General Fund Budget
Fiscal Year 2017 / 2018 Annual Budget**

	Actual 2015-2016	BUDGET FY 2016-2017	PROJECTED 2016-2017	PROPOSED BUDGET 2017-2018
Water Department				
Personal Services	49,181	56,000	53,204	101,150
Materials and Supplies	12,112	7,500	18,489	18,500
Other Services and Charges	61,487	50,000	54,342	60,000
Capital Outlay		85,919	85,919	168,000
Total Water Department	122,780	199,419	211,953	347,650
Trash Department				
Personal Services	34,677	40,000	38,047	12,000
Materials and Supplies	12,476	10,000	7,705	8,000
Other Services and Charges	45,128	45,000	36,560	38,000
Capital Outlay	459	-	-	-
Total Trash Department	92,740	95,000	82,312	58,000
TOTAL EXPENDITURES	1,392,971	995,345	992,314	976,950
REVENUES OVER (UNDER) EXPENDITURES	231,550	(108,366)	(9,919)	(22,587)
OTHER FINANCING SOURCES (USES)				
Interest	1,657	1,500	1,628	1,500
Transfers-out to PWA for debt service		-	-	-
Total other financing sources (uses)	1,657	1,500	1,628	1,500
TOTAL OTHER FINANCING SOURCES (USES)	1,657	1,500	1,628	1,500
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	233,207	(106,866)	(8,291)	(21,087)
BEGINNING FUND BALANCE	1,176,864	1,500,000	1,500,000	1,531,346
ENDING FUND BALANCE	1,410,071	1,393,134	1,491,709	1,510,259

Gross Profit Calculations: excludes Capital Outlay

Water Revenues	182,546	182,196	185,639	183,960
Water Expenses-including Transfer Out for Debt Service	(122,780)	(113,500)	(126,034)	(179,650)
Gross Profit	59,766	68,696	59,605	4,310
Gross Profit %	33%	38%	32%	2%
Sewer Revenues	55,923	55,668	58,517	56,210
Sewer Expenses	(43,581)	(45,250)	(41,807)	(46,750)
Gross Profit	12,342	10,418	16,711	9,460
Gross Profit %	22%	19%	29%	17%

Sewer & Water Combined:

Revenues	238,468	237,864	244,157	240,170
Expenses	(166,361)	(158,750)	(167,841)	(226,400)
Gross Profit	72,108	79,114	76,316	13,770
Gross Profit %	30%	33%	31%	6%

Trash Revenues	154,556	151,840	156,029	153,300
Trash Expenses	(92,281)	(95,000)	(82,312)	(58,000)
Gross Profit	62,275	56,840	73,717	95,300
Gross Profit %	40%	37%	47%	62%

Town of Buffalo
Public Works Authority Budget
Fiscal Year 2017 / 2018 Annual Budget

	Actual 2015-2016	BUDGET FY 2016-2017	PROJECTED 2016-2017	PROPOSED BUDGET 2017-2018
OPERATING REVENUES				
Utility improvement Fees		150,000		
Sewer	\$ 51,033	-	\$ 52,405	52,500
Water	60,569	-	62,083	62,000
Trash	44,808	-	45,619	46,000
Rate Increase - 2.2%		1,800	-	3,531
Miscellaneous Revenues		-	297	-
OWRB - Water Storage	94,500	-	-	-
Loan Proceeds		500,000	-	-
TOTAL OPERATING REVENUES	250,910	651,800	160,404	164,031
OPERATING EXPENSES				
Materials and Supplies	3,894	6,500	4,711	5,000
Other Services and Charges	23,090	-	5,285	-
Capital Improvements	-	25,141	40,300	-
Water Meters - replacements (600)	34,880	-	-	-
Water Storage Tank Project (OWRB Grant)	118,154	-	51,875	-
Sewer Line Construction	33,302	-	-	-
Grapple Bucket for Skid Steer	-	-	-	1,800
Engineering Fees for Water & Sewer System Improvements Project	-	-	-	200,000
Water & Sewer System Improvements	-	1,000,000	-	-
Debt Service - \$4,600,000, 3.5%, 40 yrs - estimated	-	132,000	-	-
TOTAL OPERATING EXPENDITURES	213,320	1,163,641	102,171	206,800
OPERATING INCOME (LOSS)	37,590	(511,841)	58,233	(42,769)
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	525	500	516	500
TOTAL OTHER FINANCING SOURCES (USES)	525	500	516	500
INCOME (LOSS) BEFORE OPERATING	38,115	(511,341)	58,749	(42,269)
OPERATING TRANSFERS IN				
From General Fund for Debt Service		-	-	-
Total transfers in	-	-	-	-
NET INCOME	38,115	(511,341)	58,749	(42,269)
BEGINNING RETAINED EARNINGS	548,534	590,000	590,000	619,213
ENDING RETAINED EARNINGS	586,649	78,659	648,749	576,944

Town of Buffalo
Capital Outlay Detail & Special Requests
Fiscal Year 2017 / 2018 Annual Budget

	REQUESTED CAPITAL OUTLAY 2017-2018	BUDGETED CAPITAL OUTLAY 2017-2018	NOTES:
<u>General Fund:</u>			
General Government			
Capital Outlay			
Town Hall Upgrades	10,000	10,000	
Increase in Insurance & Retirement Contributions	3,800	3,800	<i>Included in Personal Services</i>
Total General Government	<u>13,800</u>	<u>13,800</u>	
Street Department			
Capital Outlay			
Increase in Insurance & Retirement Contributions	1,750	1,750	<i>Included in Personal Services</i>
Total Street Department	<u>1,750</u>	<u>1,750</u>	
Fire Department			
Capital Outlay			
Total Fire Department	<u>-</u>	<u>-</u>	
Cemetery Department			
Capital Outlay	-	-	
Total Cemetery Department	<u>-</u>	<u>-</u>	
Golf Course Department			
Capital Outlay		-	
Additional Health Insurance expense	9,700	9,700	<i>Included in Personal Services; added family coverage</i>
Total Golf Course Department	<u>9,700</u>	<u>9,700</u>	
Pool Department			
Capital Outlay	-	-	
Total Pool Department	<u>-</u>	<u>-</u>	
Parks Department			
Capital Outlay			
Total Parks Department	<u>-</u>	<u>-</u>	
Airport Department			
Capital Outlay	-	-	
Total Airport Department	<u>-</u>	<u>-</u>	
Library Department			
Capital Outlay	-	-	
Total Library Department	<u>-</u>	<u>-</u>	
Animal Control / Code Enforcement Department			
Capital Outlay	-	-	
Total Animal Control/Code Enforcement Department	<u>-</u>	<u>-</u>	

Town of Buffalo
Capital Outlay Detail & Special Requests
Fiscal Year 2017 / 2018 Annual Budget

	REQUESTED CAPITAL OUTLAY 2017-2018	BUDGETED CAPITAL OUTLAY 2017-2018	NOTES:
Economic Development			
Capital Outlay			
Increase in Insurance & Retirement Contributions	1,550	1,550	<i>Included in Personal Services</i>
Total Economic Development	<u>1,550</u>	<u>1,550</u>	
Sewer Department			
Capital Outlay			
Increase in Insurance & Retirement Contributions	1,750	1,750	<i>Included in Personal Services</i>
Total Sewer Department	<u>1,750</u>	<u>1,750</u>	
Water Department			
Capital Outlay			
New Water Lines-8 blocks (CDBG Grant)	168,000	168,000	<i>paid with CDBG grant; Ryburn Construction</i>
Increase in Insurance & Retirement Contributions	5,150	5,150	<i>Included in Personal Services</i>
Transfer Trash full-time employee to Water Dept	40,000	40,000	<i>Included in Personal Services</i>
Total Water Department	<u>213,150</u>	<u>213,150</u>	
Trash Department			
Capital Outlay	-	-	
Hire Part-time Trash driver (\$10/hr @ 20 hrs/week)	12,000	12,000	<i>Included in Personal Services</i>
Transfer Full-time Employee to Water Dept	(40,000)	(40,000)	<i>Included in Personal Services</i>
Total Trash Department	<u>(28,000)</u>	<u>(28,000)</u>	
Total General Fund	<u>\$ 213,700</u>	<u>\$ 213,700</u>	

Buffalo Public Works Authority:

BPWA Operations Department			
Capital Outlay	-	-	
Water & Sewer System Line Replacements-Engineering Fees	200,000	200,000	
Grapple Bucket for skid steer	1,800	1,800	
Total BPWA Operations Department	<u>201,800</u>	<u>201,800</u>	
Total Buffalo Public Works Authority	<u>\$ 201,800</u>	<u>\$ 201,800</u>	
Total Town of Buffalo Capital Outlay	<u>\$ 415,500</u>	<u>\$ 415,500</u>	