

TOWN OF EAST DUKE, OKLAHOMA

Fiscal Year 2014 / 2015 Annual Budget

June 2015 Amendments

BUDGET MEMO

June 8, 2015

The amendments to the 2014 / 2015 Annual Budget for the Town of East Duke are presented, as attached, for approval by the Council in accordance with the Oklahoma Municipal Budget Act. The amendments includes the following highlights for the fiscal year:

General Fund: Net decrease of \$18,100

Net Revenue increase of \$29,174

Increases in various categories are based on year-to-date collections. The most notable increase was in Miscellaneous Revenues, primarily related to the nearly \$20k received for insurance claims and \$4k received in grant revenues.

Net Expenditure increase of \$47,274

The change in expenditures are spread across most departments and are based on year-to-date activity. The most notable is in the General Government department and includes an estimated \$25k for repairs, which will primarily be paid for with insurance proceeds.

DMA Fund: Net increase of \$44,975

Net Revenue increase of \$4,025

The increase is a result of higher than expected year-to-date utility revenues, partially offset by an increase in water purchased for resale.

Net Expenditure decrease of \$40,950

The change in expenditures are spread across all departments and are based on year-to-date activity. The reductions include the pay-off of the OWRB note earlier in the year with the use of restricted reserve funds held by our trustee.

The legal level of control for the Town's 2014 / 2015 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 or Russ Meacham, CPA.



TOWN OF EAST DUKE, OKLAHOMA
Fiscal Year 2014 /2015 Annual Budget
June 2015 Amendments
BUDGET SUMMARY

| | BEGINNING BALANCE (Estimates) | REVENUES | EXPENSES | Net Change | ENDING BALANCE |
|-------------------------------|--|-------------------|---------------------|--------------------|---------------------------|
| GENERAL FUND | \$ 208,297 | \$ 123,203 | \$ (139,987) | \$ (16,784) | \$ 191,513 |
| ENTERPRISE FUNDS | | | | | |
| DMA | \$ 184,955 | \$ 745,775 | \$ (753,864) | \$ (8,089) | \$ 176,866 |
| TOTAL ENTERPRISE FUNDS | \$ 184,955 | \$ 745,775 | \$ (753,864) | \$ (8,089) | \$ 176,866 |
| GRAND TOTAL ALL FUNDS | \$ 393,252 | \$ 868,978 | \$ (893,851) | \$ (24,873) | \$ 368,379 |

**Town of East Duke
General Fund
June 2015 Amendments
Budget 2014-2015**

| | Actual 2013-2014 | Approved Budget 2014-2015 | Proposed Amendments June 2015 | Proposed Budget 2014-2015 |
|--|---------------------|---------------------------------|-------------------------------------|---------------------------------|
| REVENUES | | | | |
| Sales taxes | \$ 30,448 | \$ 29,260 | \$ - | \$ 29,260 |
| Beverage tax | 2,208 | 2,016 | 50 | 2,066 |
| Franchise taxes | 8,779 | 8,258 | 500 | 8,758 |
| Cigarette tax | 366 | 342 | (50) | 292 |
| Motor Vehicle tax | 3,940 | 2,903 | 1,000 | 3,903 |
| License & permits | 100 | 750 | (475) | 275 |
| Investment income | 606 | 500 | 75 | 575 |
| Miscellaneous | 1,725 | - | 28,074 | 28,074 |
| Total revenues before carryover | <u>48,173</u> | <u>44,029</u> | <u>29,174</u> | <u>73,203</u> |
| EXPENDITURES | | | | |
| General government: | | | | |
| Personal services | - | - | 4,574 | 4,574 |
| Materials & supplies | 2,610 | 4,000 | (2,500) | 1,500 |
| Other services & charges | 36,039 | 31,200 | 37,000 | 68,200 |
| Capital outlay | - | - | 1,500 | 1,500 |
| Debt Service | - | - | - | - |
| Total general government | <u>38,649</u> | <u>35,200</u> | <u>40,574</u> | <u>75,774</u> |
| Animal Control: | | | | |
| Personal services | 950 | 1,320 | - | 1,320 |
| Total animal control | <u>950</u> | <u>1,320</u> | <u>-</u> | <u>1,320</u> |
| Fire Department: | | | | |
| Materials & supplies | 1,054 | 1,500 | - | 1,500 |
| Other services & charges | 1,613 | 1,000 | 3,000 | 4,000 |
| Total Fire Department | <u>2,667</u> | <u>2,500</u> | <u>3,000</u> | <u>5,500</u> |
| Police Department: | | | | |
| Personal services | 43,808 | 48,893 | - | 48,893 |
| Materials & supplies | 2,709 | 3,500 | - | 3,500 |
| Other services & charges | 1,008 | 1,000 | - | 1,000 |
| Depreciation expense | 2,077 | - | - | - |
| Total police department | <u>49,602</u> | <u>53,393</u> | <u>-</u> | <u>53,393</u> |
| Community Building | | | | |
| Other services & charges | 1,395 | 300 | 3,700 | 4,000 |
| Capital outlay | - | - | - | - |
| Total community building | <u>1,395</u> | <u>300</u> | <u>3,700</u> | <u>4,000</u> |
| Total expenditures | <u>93,263</u> | <u>92,713</u> | <u>47,274</u> | <u>139,987</u> |
| Revenue over (under) expenditures | (45,090) | (48,684) | (18,100) | (66,784) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Operating transfers in/(out) | 53,800 | 50,000 | - | 50,000 |
| Sale of assets | - | - | - | - |
| Net other financing sources (uses) | <u>53,800</u> | <u>50,000</u> | <u>-</u> | <u>50,000</u> |
| Revenues and other financing sources over (under) expenditures and other uses | <u>8,710</u> | <u>1,316</u> | <u>(18,100)</u> | <u>(16,784)</u> |
| Beginning Fund Balance (estimated) | 199,587 | 208,297 | | 208,297 |
| Ending Fund Balance | <u>208,297</u> | <u>209,613</u> | | <u>191,513</u> |

**Town of East Duke
Duke Municipal Authority
June 2015 Amendments
Budget 2014-2015**

| | <u>Actual</u> <u>2013-2014</u> | <u>Approved</u> <u>Budget</u> <u>2014-2015</u> | <u>Proposed</u> <u>Amendments</u> <u>June 2015</u> | <u>Proposed</u> <u>Budget</u> <u>2014-2015</u> |
|-----------------------------------|-----------------------------------|--|--|--|
| <u>Operating revenues:</u> | | | | |
| Charges for services: | | | | |
| Water charges | \$ 647,863 | \$ 600,000 | \$ 30,000 | \$ 630,000 |
| 2% rate increase | | 12,000 | | 12,000 |
| Sewer charges | 31,174 | 25,000 | 5,000 | 30,000 |
| 2% rate increase | | 500 | | 500 |
| Sanitation charges | 60,758 | 55,000 | 3,000 | 58,000 |
| 5% rate increase | | 2,750 | | 2,750 |
| Total charges for services | <u>739,795</u> | <u>695,250</u> | <u>38,000</u> | <u>733,250</u> |
| Miscellaneous | 2,522 | 1,000 | 11,500 | 12,500 |
| Total operating revenues | <u>742,317</u> | <u>696,250</u> | <u>49,500</u> | <u>745,750</u> |
| Cost of Goods Sold: | | | | |
| Electricity for Pumps | 14,701 | 17,000 | - | 17,000 |
| Trash Haul | 61,802 | 63,000 | - | 63,000 |
| Water Purchase | 353,087 | 360,000 | 40,000 | 400,000 |
| Water Purchase-Lease | 8,675 | 10,000 | 5,500 | 15,500 |
| Total Cost of Goods Sold | <u>438,266</u> | <u>450,000</u> | <u>45,500</u> | <u>495,500</u> |
| <u>Gross Profit:</u> | <u>304,051</u> | <u>246,250</u> | <u>4,000</u> | <u>250,250</u> |
| <u>Operating expenses:</u> | | | | |
| Administration Department: | | | | |
| Personal services | 19,262 | 36,159 | 6,500 | 42,659 |
| Materials and supplies | 14,007 | 17,000 | (10,000) | 7,000 |
| Other services and charges | 44,871 | 59,200 | (39,200) | 20,000 |
| Capital Outlay | - | - | - | - |
| Total Administration Department: | <u>78,140</u> | <u>112,359</u> | <u>(42,700)</u> | <u>69,659</u> |
| Sewer Department: | | | | |
| Materials and supplies | 467 | 750 | 9,250 | 10,000 |
| Total Sewer Department: | <u>467</u> | <u>750</u> | <u>9,250</u> | <u>10,000</u> |
| Water Department: | | | | |
| Personal services | 27,392 | 37,484 | - | 37,484 |
| Materials and supplies | 35,511 | 40,000 | (10,000) | 30,000 |
| Other services and charges | 38,812 | 27,000 | 20,000 | 47,000 |
| Debt service | | | | |
| USDA Note | 13,296 | 13,296 | - | 13,296 |
| OWRB Bond (BOK) | 19,036 | 18,425 | (17,500) | 925 |
| Capital Outlay | 10,013 | - | - | - |
| Total Water Department: | <u>144,060</u> | <u>136,206</u> | <u>(7,500)</u> | <u>128,706</u> |
| Total operating expenses | <u>222,667</u> | <u>249,314</u> | <u>(40,950)</u> | <u>208,364</u> |
| Net operating income (loss) | \$ 81,384 | \$ (3,064) | \$ 44,950 | \$ 41,886 |

**Town of East Duke
Duke Municipal Authority
June 2015 Amendments
Budget 2014-2015**

| | <u>Actual 2013-2014</u> | <u>Approved Budget 2014-2015</u> | <u>Proposed Amendments June 2015</u> | <u>Proposed Budget 2014-2015</u> |
|--|-----------------------------|--|--|--|
| <u>Nonoperating revenue :</u> | | | | |
| Investment income | 31 | - | 25 | 25 |
| Grant Income | 0 | - | 0 | - |
| Total nonoperating revenue | <u>31</u> | <u>-</u> | <u>25</u> | <u>25</u> |
| Net Income (loss) before contributions and transfe | 81,416 | (3,064) | 44,975 | 41,911 |
| Transfers In from other funds | - | - | - | - |
| Transfers to other funds, net | <u>(53,800)</u> | <u>(50,000)</u> | <u>-</u> | <u>(50,000)</u> |
| Revenues and other financing sources over (under) expenditures and other uses | <u>27,616</u> | <u>(53,064)</u> | <u>44,975</u> | <u>(8,089)</u> |
| Beginning Fund Balance (estimated) | <u>157,339</u> | <u>184,955</u> | <u>-</u> | <u>184,955</u> |
| Ending Fund Balance | 184,955 | 131,891 | - | 176,866 |

Excludes Capital Outlay

| | | | |
|----------------|----------------|----------------|----------------|
| Sewer Revenues | 31,174 | 25,500 | 30,500 |
| Sewer Expenses | 467 | 750 | 10,000 |
| Gross Profit | <u>30,707</u> | <u>24,750</u> | <u>20,500</u> |
| GP % | 99% | 97% | 67% |
| Trash Revenues | 60,758 | 57,750 | 60,750 |
| Trash Expenses | 61,802 | 63,000 | 63,000 |
| Gross Profit | <u>(1,044)</u> | <u>(5,250)</u> | <u>(2,250)</u> |
| GP % | -2% | -9% | -4% |
| Water Revenues | 647,863 | 612,000 | 642,000 |
| Water Expenses | 520,524 | 523,206 | 561,206 |
| Gross Profit | <u>127,339</u> | <u>88,794</u> | <u>80,794</u> |
| GP % | 20% | 15% | 13% |