

TOWN OF EAST DUKE OKLAHOMA
Fiscal Year 2015 / 2016 Annual Budget
June Amendments
BUDGET MEMO

DATE June 13, 2016

TO Town of East Duke, Council Members

FROM Tracy Reed, CPA
RSMeacham CPAs & Advisors

RE 2015 / 2016 Annual Budget - June Amendments

The amendments to the 2015 / 2016 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

General Fund: Net decrease of \$3,525

Net Revenue increase of \$14,575

- Increases in various categories are based on year-to-date collections. In light of the current economic downturn, the most notable increase was in Sales Tax at \$6,000.

Net Expenditure increase of \$18,100.

- The change in expenditures are spread across most departments and are based on year-to-date activity. The most notable is in the Community Building department and includes an estimated additional \$8k for repairs, which was primarily paid for with insurance proceeds.

DMA Fund: Net decrease of 27,370

Net Revenue increase of \$84,130

- The increase was largely related to the SWODA/REAP grant income received for the water tower project.

Net Expenditure increase of \$129,000

- The largest increase is in the capital outlay of the Water Department of \$110,000. This increase is primarily related to the water tower project, which was funded largely by a REAP grant. Additional changes in expenditures are spread across all departments and are based on year-to-date activity.

The legal level of control for the Town's 2015 / 2016 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.

TOWN OF EAST DUKE, OKLAHOMA
Fiscal Year 2015 /2016 Annual Budget
June Amendments
BUDGET SUMMARY

	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	Net Change	ENDING BALANCE
GENERAL FUND	\$ 214,318	\$ 119,791	\$ (119,468)	\$ 323	\$ 214,641
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ENTERPRISE FUNDS					
DMA	\$ 194,105	\$ 854,825	\$ (860,170)	\$ (5,345)	\$ 188,760
TOTAL ENTERPRISE FUNDS	\$ 194,105	\$ 854,825	\$ (860,170)	\$ (5,345)	\$ 188,760
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GRAND TOTAL ALL FUNDS	\$ 408,423	\$ 974,616	\$ (979,638)	\$ (5,022)	\$ 403,401

**Town of East Duke
General Fund
June Amendments
Budget 2015-2016**

	Actual 2014/2015	Approved Budget 2015-2016	Amendments June 2015-2016	Proposed Budget 2015-2016	
<u>REVENUES</u>					
Sales taxes	\$ 27,774	\$ 27,061	\$ 6,000	\$ 33,061	* 90%
Use taxes	-	-	1,000	1,000	
Beverage tax	2,258	2,037	-	2,037	* 90%
Franchise taxes	9,143	9,380	(400)	8,980	* 90%
Cigarette tax	329	294	50	344	* 90%
Motor Vehicle tax	3,117	2,838	-	2,838	* 90%
Gas Excise Tax	769	1,056	(300)	756	* 90%
License & permits	3,047	2,000	1,000	3,000	
Investment income	597	550	-	550	
Grant Income	4,000	-	3,500	3,500	
Miscellaneous	21,906	-	3,725	3,725	
Total revenues before carryover	72,940	45,216	14,575	59,791	
<u>EXPENDITURES</u>					
General government:					
Materials & supplies	1,904	2,000	-	2,000	
Other services & charges	59,102	30,000	-	30,000	
Capital outlay	-	-	3,000	3,000	
Total general government	61,006	32,000	3,000	35,000	
Fire Department:					
Personal services	900	-	1,000	1,000	
Materials & supplies	821	1,000	-	1,000	
Other services & charges	3,976	5,000	(1,000)	4,000	
Total Fire Department	5,697	6,000	-	6,000	
Street & Alley:					
Materials & supplies	-	-	3,000	3,000	
Other services & charges	3,955	4,000	1,000	5,000	
Total Street & Alley	3,955	4,000	4,000	8,000	
Parks & Recreation:					
Personal services	-	-	100	100	
Other services & charges	945	1,000	-	1,000	
Total Parks & Recreation	945	1,000	100	1,100	
Police Department:					
Personal services	45,857	49,368	-	49,368	
Materials & supplies	2,718	3,500	-	3,500	
Other services & charges	1,309	1,500	2,000	3,500	
Total police department	49,883	54,368	2,000	56,368	

**Town of East Duke
General Fund
June Amendments
Budget 2015-2016**

	<u>Actual 2014/2015</u>	<u>Approved Budget 2015-2016</u>	<u>Amendments June 2015-2016</u>	<u>Proposed Budget 2015-2016</u>
Community Building				
Materials & supplies	356	500	1,000	1,500
Other services & charges	3,408	3,500	8,000	11,500
Capital outlay	-	-	-	-
Total community building	<u>3,764</u>	<u>4,000</u>	<u>9,000</u>	<u>13,000</u>
Total expenditures	<u>125,249</u>	<u>101,368</u>	<u>18,100</u>	<u>119,468</u>
Revenue over (under) expenditures	(52,310)	(56,152)	(3,525)	(59,677)
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating transfers in/(out)	(44,500)	60,000	-	60,000
Sale of assets	-	-	-	-
Net other financing sources (uses)	<u>(44,500)</u>	<u>60,000</u>	<u>-</u>	<u>60,000</u>
Revenues and other financing sources over (under) expenditures and other uses	<u>(7,810)</u>	<u>3,848</u>	<u>(3,525)</u>	<u>323</u>
Beginning Fund Balance (estimated)	<u>208,297</u>	<u>214,318</u>		<u>214,318</u>
Ending Fund Balance	<u>200,487</u>	<u>218,166</u>		<u>214,641</u>

**Town of East Duke
Duke Municipal Authority
June Amendments
Budget 2015-2016**

	<u>Actual</u> 2014/2015	<u>Approved</u> <u>Budget</u> 2015-2016	<u>Amendments</u> <u>June</u> 2015-2016	<u>Proposed</u> <u>Budget</u> 2015-2016
<u>Operating revenues:</u>				
Charges for services:				
Water charges	\$ 641,761	\$ 650,000	\$ (20,000)	\$ 630,000
3% rate increase	-	19,500	-	19,500
Sewer charges	33,958	32,000	-	32,000
3% rate increase	-	960	-	960
Sanitation charges	59,641	64,000	4,000	68,000
5% rate increase	-	3,200	-	3,200
Total charges for services	<u>735,360</u>	<u>769,660</u>	<u>(16,000)</u>	<u>753,660</u>
Grant income	-	-	86,500	86,500
Miscellaneous	37,800	1,000	3,750	4,750
Penalty	-	-	9,750	9,750
Total operating revenues	<u>773,159</u>	<u>770,660</u>	<u>84,000</u>	<u>854,660</u>
Cost of Goods Sold:				
Electricity for Pumps	12,378	15,000	2,500	17,500
Trash Haul	61,190	65,000	-	65,000
Water Purchase	404,282	400,000	(20,000)	380,000
Water Purchase-Lease	15,146	15,000	-	15,000
Total Cost of Goods Sold	<u>492,996</u>	<u>495,000</u>	<u>(17,500)</u>	<u>477,500</u>
<u>Gross Profit:</u>	<u>280,163</u>	<u>275,660</u>	<u>101,500</u>	<u>377,160</u>
<u>Operating expenses:</u>				
Administration Department:				
Personal services	38,133	37,389	1,000	38,389
Materials and supplies	4,196	5,000	-	5,000
Other services and charges	16,343	13,000	1,000	14,000
Total Administration Department:	<u>58,671</u>	<u>55,389</u>	<u>2,000</u>	<u>57,389</u>
Sewer Department:				
Materials and supplies	5,124	7,000	-	7,000
Other services and charges	-	-	3,000	3,000
Capital Outlay	2,896	-	-	-
Total Sewer Department:	<u>8,021</u>	<u>7,000</u>	<u>3,000</u>	<u>10,000</u>
Water Department:				
Personal services	33,863	50,985	11,000	61,985
Materials and supplies	25,149	25,000	3,000	28,000
Other services and charges	37,539	42,000	-	42,000
Debt service				
USDA Note	8,429	13,296	-	13,296
OWRB Bond (BOK)	810	-	-	-
Capital Outlay - water tower & vehicle	6,563	-	110,000	110,000
Total Water Department:	<u>112,354</u>	<u>131,281</u>	<u>124,000</u>	<u>255,281</u>

**Town of East Duke
Duke Municipal Authority
June Amendments
Budget 2015-2016**

	Actual 2014/2015	Approved Budget 2015-2016	Amendments June 2015-2016	Proposed Budget 2015-2016
Depreciation expense	55,657	-	-	-
	55,657	-	-	-
Total operating expenses	234,703	193,670	129,000	322,670
Net operating income (loss)	\$ 45,461	\$ 81,990	\$ (27,500)	\$ 54,490
Nonoperating revenue :				
Investment income	35	35	130	165
Grant Income	-	-	-	-
Total nonoperating revenue	35	35	130	165
Net Income (loss) before contributions and transfers	45,495	82,025	(27,370)	54,655
Transfers In from other funds		-		
Transfers to other funds, net	(44,500)	(60,000)	-	(60,000)
Revenues and other financing sources over (under) expenditures and other uses	995	22,025	(27,370)	(5,345)
Beginning Fund Balance (estimated)	216,513	194,105		194,105
Ending Fund Balance	217,508	216,130		188,760

Excludes Capital Outlay

Sewer Revenues	33,958	25,500		32,960
Sewer Expenses	8,021	750		10,000
Gross Profit	25,938	24,750		22,960
GP %	76%	97%		70%
Trash Revenues	59,641	57,750		71,200
Trash Expenses	61,190	63,000		65,000
Gross Profit	(1,549)	(5,250)		6,200
GP %	-3%	-9%		9%
Water Revenues	641,761	612,000		649,500
Water Expenses	544,160	523,206		667,781
Gross Profit	97,601	88,794		(18,281)
GP %	15%	15%		-3%