

**BUDGET ADOPTION RESOLUTION**

**TOWN OF EAST DUKE, OKLAHOMA  
RESOLUTION NO. 0608-15-01**

**A RESOLUTION APPROVING THE TOWN OF EAST DUKE, OKLAHOMA BUDGET FOR THE FISCAL YEAR 2015 - 2016 AND ESTABLISHING BUDGET AMENDMENT AUTHORITY**

**WHEREAS**, The Town of East Duke 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, 2016 (FY 2015 - 2016) consistent with the Act; and

**WHEREAS**, The Act in section 17-215 provides for the chief executive office of the City, 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 of East Duke governing body at least 30 days prior to the start of the fiscal year in compliance with Section 17-205; and

**WHEREAS**, The Town of East Duke 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 TOWN COUNCIL OF THE  
TOWN OF EAST DUKE, OKLAHOMA:**

**SECTION 1.** The Town Council of the Town of East Duke does hereby adopt the FY 2015 - 2016 Budget on the 8th day of June 2015 with total resources available in the amount of approximately \$1,284,334, and total fund/departmental appropriations in the amount of \$850,038. Legal appropriations (spending/encumbering limits) are hereby established as follows:

<b>Fund: Department</b>	<b>Appropriation Amount</b>
General Fund:	
General government	\$32,000
Fire Department	6,000
Street & Alley Department	4,000
Parks & Recreation Department	1,000

*Dennis Hennessey*



Police Department	54,368
Community Building Department	4,000
Duke Municipal Authority:	
Administration Department	\$55,389
Sewer Department	7,000
Water Department	561,281
Trash Department	65,000

**SECTION 2.** The Town Council does hereby authorize the Town Clerk to transfer any unexpended and unencumbered appropriations, at any time throughout FY 2015 - 2016, 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 Town Board.

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

**TOWN OF EAST DUKE OKLAHOMA**  
**Fiscal Year 2015 / 2016 Annual Budget**

**BUDGET MEMO**

DATE June 8, 2015  
TO Town of East Duke, Council Members  
FROM Tracy Reed, CPA  
RSMeacham CPAs & Advisors  
RE 2015 / 2016 Annual Budget

The FY 2016 Annual Budget for the Town of East Duke 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 2015 / 2016:

- Recurring revenues are budgeted at 90%
- No capital projects are budgeted this year for the GF or for the DMA. However, \$7,000 is included in DMA for anticipated truck repairs.
- Cost-of-living pay increases for full-time employees are budgeted at 3%. This increase is estimated to add \$1,383 in expenses next year.
- The budget includes a 3% rate increase for water and sewer utility services of the Town to cover the cost of providing such services. This increase is budgeted to provide an additional \$20,460 in revenues.
- **A budgeted increase of 5% for trash service is included to help cover the cost of providing these services, including the administration of these services by our City Clerk. Please note, in our experience, municipalities have at least a 15% profit margin on trash, with most having closer to a 35% profit margin. A 5% increase will bring our profit margin to 3% and increase our revenues by \$3,200.**
- Continued debt service payments for the USDA note is budgeted at \$13,296.

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 or Tracy Reed.

In accordance with Section 17-208, Title 11, Oklahoma Statutes, notice is hereby given the the proposed Town of East Duke Fiscal Year 2015 / 2016 Annual Budget will be considered at a public hearing on June 8, 2015, at 6:30 p.m. in the East Duke Town Hall. Copies of the proposed budget are available for review in the Office of the City Clerk, PO Box 340, Duke, OK 73532. Notice is hereby given that the Town of East Duke 2015 / 2016 Annual Budget will be adopted during a meeting of the City Council on June 8, 2015.

**TOWN OF EAST DUKE, OKLAHOMA**  
**Fiscal Year 2015 /2016 Annual Budget**

**BUDGET SUMMARY-PRELIMINARY**

	<b>BEGINNING BALANCE (Estimates)</b>	<b>REVENUES</b>	<b>EXPENSES</b>	<b>Net Change</b>	<b>ENDING BALANCE</b>
<b>GENERAL FUND</b>	\$ 214,318	\$ 105,216	\$ (101,368)	\$ 3,848	\$ 218,166
<b>ENTERPRISE FUNDS</b>					
DMA	\$ 194,105	\$ 770,695	\$ (748,670)	\$ 22,025	\$ 216,130
<b>TOTAL ENTERPRISE FUNDS</b>	\$ 194,105	\$ 770,695	\$ (748,670)	\$ 22,025	\$ 216,130
<b>GRAND TOTAL ALL FUNDS</b>	\$ 408,423	\$ 875,911	\$ (850,038)	\$ 25,873	\$ 434,296

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

	Actual 2013/2014	Amended Budget 2014-2015	Projected YTD 2014-2015	Proposed Budget 2015-2016	
<b>REVENUES</b>					
Sales taxes	\$ 30,448	\$ 29,260	\$ 30,068	\$ 27,061	* 90%
Beverage tax	2,208	2,016	2,263	2,037	* 90%
Franchise taxes	8,779	8,258	10,422	9,380	* 90%
Cigarette tax	366	342	327	294	* 90%
Motor Vehicle tax	3,185	2,903	3,154	2,838	* 90%
Gas Excise Tax	-	-	1,173	1,056	* 90%
License & permits	1,825	750	2,600	2,000	
Investment income	606	500	598	550	
Miscellaneous	-	-	3,851	-	
<b>Total revenues before carryover</b>	<b>47,417</b>	<b>44,029</b>	<b>54,455</b>	<b>45,216</b>	
<b>EXPENDITURES</b>					
<b>General government:</b>					
Personal services	-	-	6,099	-	
Materials & supplies	2,610	4,000	1,490	2,000	
Other services & charges	35,716	31,200	43,018	30,000	
Capital outlay	-	-	1,500	-	
<b>Total general government</b>	<b>38,326</b>	<b>35,200</b>	<b>52,107</b>	<b>32,000</b>	
<b>Animal Control:</b>					
Personal services	950	1,320	-	-	
<b>Total animal control</b>	<b>950</b>	<b>1,320</b>	<b>-</b>	<b>-</b>	
<b>Fire Department:</b>					
Materials & supplies	1,054	1,500	972	1,000	
Other services & charges	1,613	1,000	4,849	5,000	
<b>Total Fire Department</b>	<b>2,667</b>	<b>2,500</b>	<b>5,821</b>	<b>6,000</b>	
<b>Street &amp; Alley:</b>					
Other services & charges	-	-	3,987	4,000	
<b>Total Street &amp; Alley</b>	<b>-</b>	<b>-</b>	<b>3,987</b>	<b>4,000</b>	
<b>Parks &amp; Recreation:</b>					
Other services & charges	-	-	1,080	1,000	
	-	-	1,080	1,000	
<b>Police Department:</b>					
Personal services	43,808	48,893	45,942	49,368	
Materials & supplies	2,709	3,500	3,183	3,500	
Other services & charges	1,008	1,000	1,208	1,500	
<b>Total police department</b>	<b>47,525</b>	<b>53,393</b>	<b>50,333</b>	<b>54,368</b>	
<b>Community Building</b>					
Materials & supplies	-	-	439	500	
Other services & charges	1,395	300	3,829	3,500	
Capital outlay	-	-	-	-	
<b>Total community building</b>	<b>1,395</b>	<b>300</b>	<b>4,268</b>	<b>4,000</b>	
<b>Total expenditures</b>	<b>89,913</b>	<b>92,713</b>	<b>117,596</b>	<b>101,368</b>	

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

	<u>Actual 2013/2014</u>	<u>Amended Budget 2014-2015</u>	<u>Projected YTD 2014-2015</u>	<u>Proposed Budget 2015-2016</u>
Revenue over (under) expenditures	(42,495)	(48,684)	(63,141)	(56,152)
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Operating transfers in/(out)	53,800	50,000	59,333	60,000
Sale of assets	-	-	-	-
Net other financing sources (uses)	<u>53,800</u>	<u>50,000</u>	<u>59,333</u>	<u>60,000</u>
Revenues and other financing sources over (under) expenditures and other uses	<u>11,305</u>	<u>1,316</u>	<u>(3,808)</u>	<u>3,848</u>
Beginning Fund Balance (estimated)	<u>196,992</u>	<u>208,297</u>		<u>214,318</u>
Ending Fund Balance	208,297	209,613		218,166

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

	Actual 2013/2014	Amended Budget 2014-2015	Projected YTD 2014-2015	Proposed Budget 2015-2016
<b><u>Operating revenues:</u></b>				
Charges for services:				
Water charges	\$ 647,863	\$ 600,000	\$ 678,171	\$ 650,000
3% rate increase	-	12,000	-	19,500
Sewer charges	31,174	25,000	33,866	32,000
3% rate increase	-	500	-	960
Sanitation charges	60,758	55,000	65,746	64,000
5% rate increase	-	2,750	-	3,200
Total charges for services	<u>739,795</u>	<u>695,250</u>	<u>777,783</u>	<u>769,660</u>
Miscellaneous	<u>2,553</u>	<u>1,000</u>	<u>982</u>	<u>1,000</u>
Total operating revenues	<u>742,348</u>	<u>696,250</u>	<u>778,764</u>	<u>770,660</u>
Cost of Goods Sold:				
Electricity for Pumps	14,701	17,000	12,499	15,000
Trash Haul	61,802	63,000	61,410	65,000
Water Purchase	353,087	360,000	404,533	400,000
Water Purchase-Lease	<u>8,675</u>	<u>10,000</u>	<u>16,745</u>	<u>15,000</u>
Total Cost of Goods Sold	<u>438,266</u>	<u>450,000</u>	<u>495,188</u>	<u>495,000</u>
<b><u>Gross Profit:</u></b>	<u>304,082</u>	<u>246,250</u>	<u>283,577</u>	<u>275,660</u>
<b><u>Operating expenses:</u></b>				
Administration Department:				
Personal services	19,262	36,159	43,486	37,389
Materials and supplies	13,861	17,000	4,275	5,000
Other services and charges	45,017	59,200	20,540	13,000
Total Administration Department:	<u>78,140</u>	<u>112,359</u>	<u>68,300</u>	<u>55,389</u>
Sewer Department:				
Materials and supplies	<u>467</u>	<u>750</u>	<u>10,449</u>	<u>7,000</u>
Total Sewer Department:	<u>467</u>	<u>750</u>	<u>10,449</u>	<u>7,000</u>
Water Department:				
Personal services	27,392	37,484	29,118	50,985
Materials and supplies	33,677	40,000	23,959	25,000
Other services and charges	38,812	27,000	50,604	42,000
Debt service				
USDA Note	8,643	13,296	13,296	13,296
OWRB Bond (BOK)	2,036	18,425	1,080	-
Capital Outlay	<u>10,014</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Water Department:	<u>120,575</u>	<u>136,206</u>	<u>118,057</u>	<u>131,281</u>
Total operating expenses	<u>199,182</u>	<u>249,314</u>	<u>196,806</u>	<u>193,670</u>
Net operating income (loss)	\$ 104,900	\$ (3,064)	\$ 86,770	\$ 81,990

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

	Actual 2013/2014	Amended Budget 2014-2015	Projected YTD 2014-2015	Proposed Budget 2015-2016
<b>Nonoperating revenue :</b>				
Investment income	-	-	34	35
Grant Income	-	-	-	-
Total nonoperating revenue	-	-	34	35
<b>Net Income (loss) before contributions and transfers</b>	104,900	(3,064)	86,805	82,025
Transfers In from other funds		-		
Transfers to other funds, net	(54,757)	(50,000)	(59,333)	(60,000)
Revenues and other financing sources over (under) expenditures and other uses	50,143	(53,064)	27,471	22,025
Beginning Fund Balance (estimated)	166,370	216,513	216,513	194,105
Ending Fund Balance	216,513	163,449	243,984	216,130

*Excludes Capital Outlay*

Sewer Revenues	31,174	25,500	33,866	32,960
Sewer Expenses	467	750	10,449	7,000
<b>Gross Profit</b>	30,707	24,750	23,417	25,960
GP %	99%	97%	69%	79%
Trash Revenues	60,758	57,750	65,746	67,200
Trash Expenses	61,802	63,000	61,410	65,000
<b>Gross Profit</b>	(1,044)	(5,250)	4,336	2,200
GP %	-2%	-9%	7%	3%
Water Revenues	647,863	612,000	678,171	669,500
Water Expenses	487,025	523,206	551,835	561,281
<b>Gross Profit</b>	160,838	88,794	126,336	108,219
GP %	25%	15%	19%	16%