

TOWN OF EAST DUKE OKLAHOMA
Fiscal Year 2016 / 2017 Annual Budget
June Amendments
BUDGET MEMO

DATE June 12, 2017
TO Town of East Duke, Council Members
FROM Tracy Reed, CPA
RSMeacham CPAs & Advisors
RE 2016 / 2017 Annual Budget - June Amendments

The amendments to the 2016 / 2017 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 \$14,875

Net Revenue increase of \$141,475

- Increases in various categories are based on year-to-date collections. The most notable increases were:

Use Tax	8,300	
Franchise Taxes	26,000	
Donations - Park	25,000	
REAP Grant	75,000	<i>for Streets</i>

Net Expenditure increase of \$156,350

- The change in expenditures are spread across most departments and are based on year-to-date activity. The most notable changes were:

General Government	27,250	
Street & Alley	96,500	<i>These improvements are primarily funded with the REAP grant</i>
Parks	40,000	<i>These improvements are primarily funded with donations</i>
Police	(5,900)	
Municipal Court	(2,000)	

DMA Fund: Net increase of \$12,100

Net Revenue increase of \$33,100

- The majority of the increase relates to water revenues received above budgeted amounts.

Net Expenditure increase of \$21,000

- The increase in expenditures is mostly related to the Cost of Goods Sold for Water. The remainder of the changes in the various departments net to \$0.

The legal level of control for the Town's 2016 / 2017 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 2016 - 2017 Annual Budget
June Amendments
BUDGET SUMMARY

	BEGINNING BALANCE (Estimates)	REVENUES	EXPENSES	TRANSFERS	Net Change	ENDING BALANCE
GENERAL FUND	\$ 226,028	\$ 190,470	\$ (253,448)	\$ 47,000	\$ (15,978)	\$ 210,050
ENTERPRISE FUNDS						
DMA	\$ 223,084	\$ 991,035	\$ (879,656)	\$ (47,000)	\$ 64,379	\$ 287,463
TOTAL ENTERPRISE FUNDS	\$ 223,084	\$ 991,035	\$ (879,656)	\$ (47,000)	\$ 64,379	\$ 287,463
SPECIAL REVENUE FUNDS						
GRAND TOTAL ALL FUNDS	\$ 449,112	\$ 1,181,505	\$ (1,133,103)	\$ -	\$ 48,402	\$ 497,514

**Town of East Duke
General Fund
June Amendments
Budget 2016 - 2017**

	Approved Budget 2016-2017	June Amendments 2016-2017	Proposed Budget 2016-2017	
<u>REVENUES</u>				
Sales taxes	\$ 31,661	\$ -	\$ 31,661	* 90%
Use taxes	-	8,300	8,300	
Beverage tax	2,093	-	2,093	* 90%
Franchise taxes	8,928	26,000	34,928	* 90%
Cigarette tax	347	-	347	* 90%
Motor Vehicle tax	2,736	-	2,736	* 90%
Gas Excise Tax	680	-	680	* 90%
License & permits	2,000	675	2,675	
Investment income	550	-	550	
Donations - Park	-	25,000	25,000	
Grant Income - REAP	-	75,000	75,000	
Miscellaneous	-	6,500	6,500	
Total revenues before carryover	48,995	141,475	190,470	
<u>EXPENDITURES</u>				
General government:				
Personal services	-	-	-	
Materials & supplies	2,000	-	2,000	
Other services & charges	2,750	27,250	30,000	
Capital outlay	-	-	-	
Total general government	4,750	27,250	32,000	
Fire Department:				
Personal Services	-	-	-	
Materials & supplies	1,000	-	1,000	
Other services & charges	5,000	-	5,000	
Total Fire Department	6,000	-	6,000	
Street & Alley:				
Materials & supplies	-	-	-	
Other services & charges	4,000	-	4,000	
Capital outlay	-	96,500	96,500	
Total Street & Alley	4,000	96,500	100,500	

**Town of East Duke
General Fund
June Amendments
Budget 2016 - 2017**

	<u>Approved Budget 2016-2017</u>	<u>June Amendments 2016-2017</u>	<u>Proposed Budget 2016-2017</u>
Parks & Recreation:			
Other services & charges	1,000	-	1,000
Capital Outlay		40,000	40,000
Total Parks & Recreation	<u>1,000</u>	<u>40,000</u>	<u>41,000</u>
Police Department:			
Personal services	47,848	-	47,848
Materials & supplies	3,500	500	4,000
Other services & charges	2,000	-	2,000
Capital Outlay - vehicle	20,000	(6,400)	13,600
Total police department	<u>73,348</u>	<u>(5,900)</u>	<u>67,448</u>
Community Building			
Materials & supplies	1,000	-	1,000
Other services & charges	5,000	500	5,500
Total community building	<u>6,000</u>	<u>500</u>	<u>6,500</u>
Municipal Court			
Other services & charges	2,000	(2,000)	-
Total municipal court	<u>2,000</u>	<u>(2,000)</u>	<u>-</u>
Total expenditures	<u>97,098</u>	<u>156,350</u>	<u>253,448</u>
Revenue over (under) expenditures	(48,103)	(14,875)	(62,978)
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in/(out)	47,000	-	47,000
Sale of assets	-	-	-
Net other financing sources (uses)	<u>47,000</u>	<u>-</u>	<u>47,000</u>
Revenues and other financing sources over (under) expenditures and other uses	<u>(1,103)</u>	<u>(14,875)</u>	<u>(15,978)</u>
Beginning Fund Balance (estimated)	<u>220,000</u>		<u>226,028</u>
Ending Fund Balance	218,897		210,050

**Town of East Duke
Duke Municipal Authority
June Amendments
Budget 2016 - 2017**

	Approved Budget 2016-2017	June Amendments 2016-2017	Proposed Budget 2016-2017
<u>Operating revenues:</u>			
Charges for services:			
Water charges - Town	\$ 500,000	\$ 21,000	\$ 521,000
44% rate increase	220,000	-	220,000
Water charges - Centralvue	130,000	-	130,000
3% rate increase	3,900	-	3,900
Sewer charges	33,000	-	33,000
0% rate increase	-	-	-
Sanitation charges	70,000	-	70,000
0% rate increase	-	-	-
Total charges for services	<u>956,900</u>	<u>21,000</u>	<u>977,900</u>
Miscellaneous	1,000	2,300	3,300
Penalty		9,500	9,500
Total operating revenues	<u>957,900</u>	<u>32,800</u>	<u>990,700</u>
Cost of Goods Sold:			
Electricity for Pumps	18,138	5,000	23,138
Trash Haul	61,430	1,000	62,430
Water Purchase-44% increase	532,243	15,000	547,243
Water Purchase-Lease	22,000	-	22,000
Total Cost of Goods Sold	<u>633,811</u>	<u>21,000</u>	<u>654,811</u>
<u>Gross Profit:</u>	<u>324,089</u>	<u>11,800</u>	<u>335,889</u>
<u>Operating expenses:</u>			
Administration Department:			
Personal services	40,141	(2,000)	38,141
Materials and supplies	5,000		5,000
Other services and charges	10,000	(3,000)	7,000
Total Administration Department:	<u>55,141</u>	<u>(5,000)</u>	<u>50,141</u>
Sewer Department:			
Materials and supplies	8,000	(3,500)	4,500
Other services and charges	-	3,500	3,500
Total Sewer Department:	<u>8,000</u>	<u>-</u>	<u>8,000</u>

**Town of East Duke
Duke Municipal Authority
June Amendments
Budget 2016 - 2017**

	<u>Approved Budget 2016-2017</u>	<u>June Amendments 2016-2017</u>	<u>Proposed Budget 2016-2017</u>
Water Department:			
Personal services	59,408	3,000	62,408
Materials and supplies	25,000	2,000	27,000
Other services and charges	42,000	-	42,000
Debt service			
USDA Note	13,296	-	13,296
Capital Outlay	22,000	-	22,000
Total Water Department:	<u>161,704</u>	<u>5,000</u>	<u>166,704</u>
Total operating expenses	<u>224,844</u>	<u>-</u>	<u>224,844</u>
Net operating income (loss)	\$ 99,244	\$ 11,800	\$ 111,044
<u>Nonoperating revenue :</u>			
Investment income	35	300	335
Grant Income	-	-	-
Total nonoperating revenue	<u>35</u>	<u>300</u>	<u>335</u>
Net Income (loss) before contributions and transfers	99,279	12,100	111,379
Transfers In from other funds			
Transfers to other funds, net	<u>(47,000)</u>	<u>-</u>	<u>(47,000)</u>
Revenues and other financing sources over (under) expenditures and other uses	<u>52,279</u>	<u>12,100</u>	<u>64,379</u>
Beginning Fund Balance (estimated)	<u>228,845</u>		<u>223,084</u>
Ending Fund Balance	281,124		287,463

**Town of East Duke
Duke Municipal Authority
June Amendments
Budget 2016 - 2017**

	<u>Approved Budget 2016-2017</u>	<u>June Amendments 2016-2017</u>	<u>Proposed Budget 2016-2017</u>
<u>GROSS PROFIT BY DEPARTMENT - Excludes Capital Outlay</u>			
Sewer Revenues	31,174	25,500	33,000
Sewer Expenses	467	750	8,000
<i>Gross Profit</i>	<u>30,707</u>	<u>24,750</u>	<u>25,000</u>
<i>GP %</i>	99%	97%	76%
Water Revenues	647,863	612,000	874,900
Water Expenses	487,025	523,206	737,085
<i>Gross Profit</i>	<u>160,838</u>	<u>88,794</u>	<u>137,815</u>
<i>GP %</i>	25%	15%	16%
Sewer & Water combined - excluding capital outlay			907,900
			745,085
			<u>162,815</u>
			18%
Trash Revenues	60,758	57,750	70,000
Trash Expenses	61,802	63,000	62,430
<i>Gross Profit</i>	<u>(1,044)</u>	<u>(5,250)</u>	<u>7,570</u>
<i>GP %</i>	-2%	-9%	11%