

*Be proactive and take part
in your community.*

- ✓ Public Information
- ✓ Questions and Answers

3 PUBLIC FORUMS

Save the Dates!

Thursday, February 11th
at 6:30 p.m.

Thursday, February 18th
at 6:30 p.m.

Monday, February 29th at
6:30 p.m.

2016



FUNDING THE GAP

**SALES TAX
USE TAX**

MUNICIPALITIES

SALES TAX

COUNTIES

SALES TAX

AD VALOREM

STATE APPROPRIATIONS

SCHOOLS

SALES TAX

AD VALOREM

FEDERAL FUNDS

STATE APPROPRIATIONS

SALES TAX VIA CITIES

STATE

SALES TAX

INCOME TAX

GROSS PRODUCTION TAX

MOTOR VEHICLE TAX



Oklahoma

is the only State in the Union that is almost entirely dependent on sales taxes for municipal general operations.

MUNICIPALITIES

SALES TAX

COUNTIES

SALES TAX

AD VALOREM

STATE APPROPRIATIONS

SCHOOLS

SALES TAX

AD VALOREM

FEDERAL FUNDS

STATE APPROPRIATIONS

SALES TAX VIA CITIES

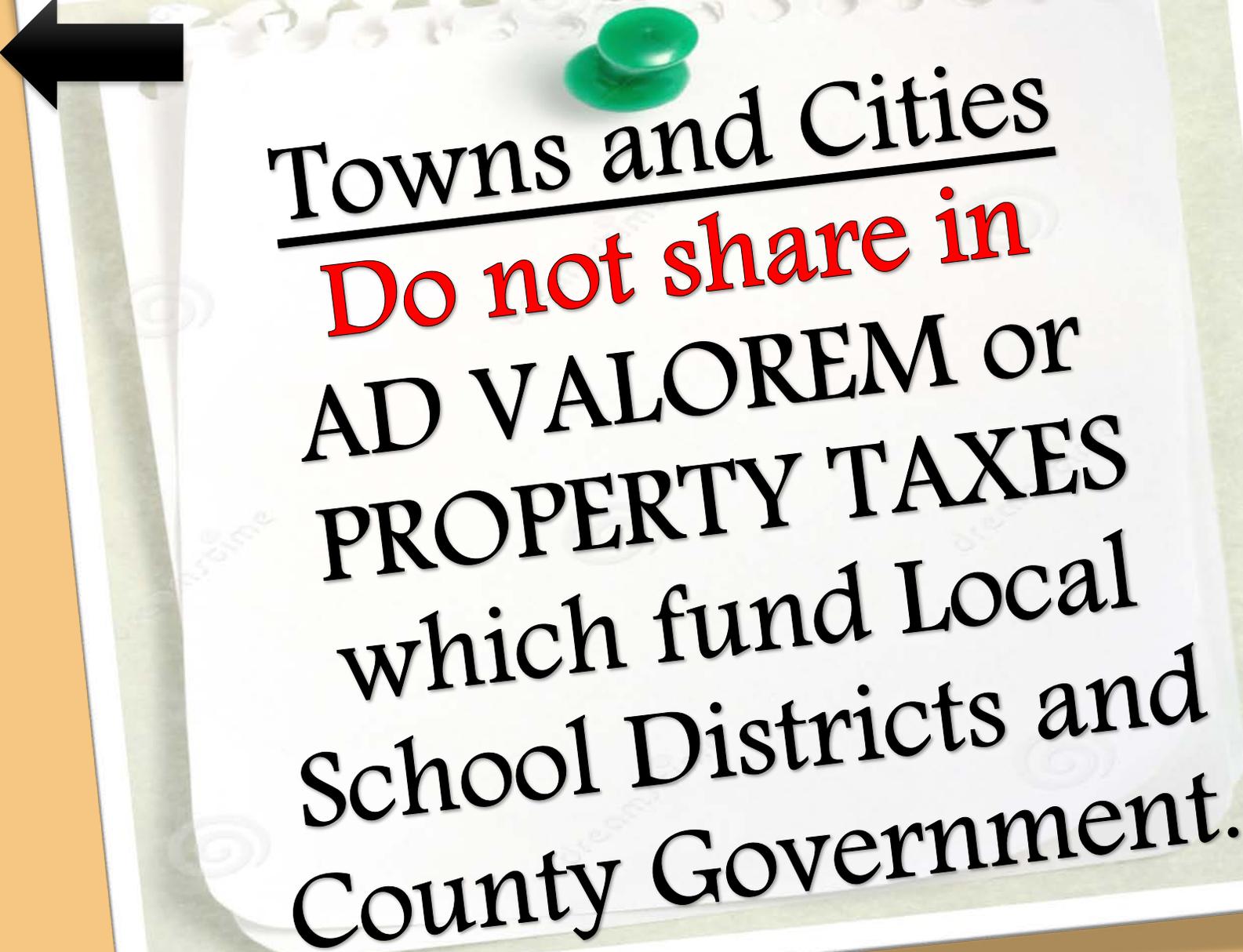
STATE

SALES TAX

INCOME TAX

GROSS PRODUCTION TAX

MOTOR VEHICLE TAX



Towns and Cities
Do not share in
AD VALOREM or
PROPERTY TAXES
which fund Local
School Districts and
County Government.

MOTOR VEHICLE FEES

41% OF STATE HIGHWAY MILES ARE DRIVEN WITHIN MUNICIPALITIES, YET CITIES AND TOWNS ONLY RECEIVE 3.1% OF THE MOTOR VEHICLE FEES.

For every **\$1.00** in motor vehicle fees, Municipalities receive just over **\$0.03**.



BREAKING DOWN SALES TAX

9.75%



4.50%
State of Oklahoma

3.75%
City of Pryor Creek

1.50%
Mayer County



WHAT MAKES THE CITY RUN?



**THE CITY CAN
ONLY BUDGET
90% OF THE
PREVIOUS
YEAR'S
COLLECTIONS
AND ANY FUND
BALANCE.**



MUNICIPAL SERVICES

are funded by Sales Tax

- POLICE & FIRE
- STREETS & DRAINAGE
- CODE ENFORCEMENT
- WATER, SEWER, WASTE
- RECREATION OPPORTUNITIES

**THE
POLICE**



Sales tax



You can only use it if you get it...

**Where do you spend
your money?**

Why does it matter?

BREAKING DOWN SALES TAX DISTRIBUTION WITHIN: The City of Pryor Creek

<i>General Fund</i>	>>>>>	1.625
<i>Street and Drainage</i>	>>>>>	.650
<i>Municipal Utility Department</i>	>>>>>	.500
<i>Capital Outlay</i>	>>>>>	.225
<i>Recreation Center Cash Fund</i>	>>>>>	.250
<i>Sinking Fund – Bond Indebtedness</i>	>>>>>	.500



SINKING FUND – BOND: The ½ cent sale tax for the Sinking Fund for the purpose of paying off bonds of the Recreation Center was changed after the year end. The debt was paid off in November, 2013; however, a vote of the people extended the sales tax for the purpose of funding a new City Hall, street projects and improvements to the Recreation Center (\$7 million bond). The sales tax was extended for the shorter of 15 years or when the bonds are retired. The General Fund can be used in any department with approval by Council. All other funds must be used with designated funds.

BREAKING DOWN SALES TAX DISTRIBUTION WITHIN: The City of Pryor Creek

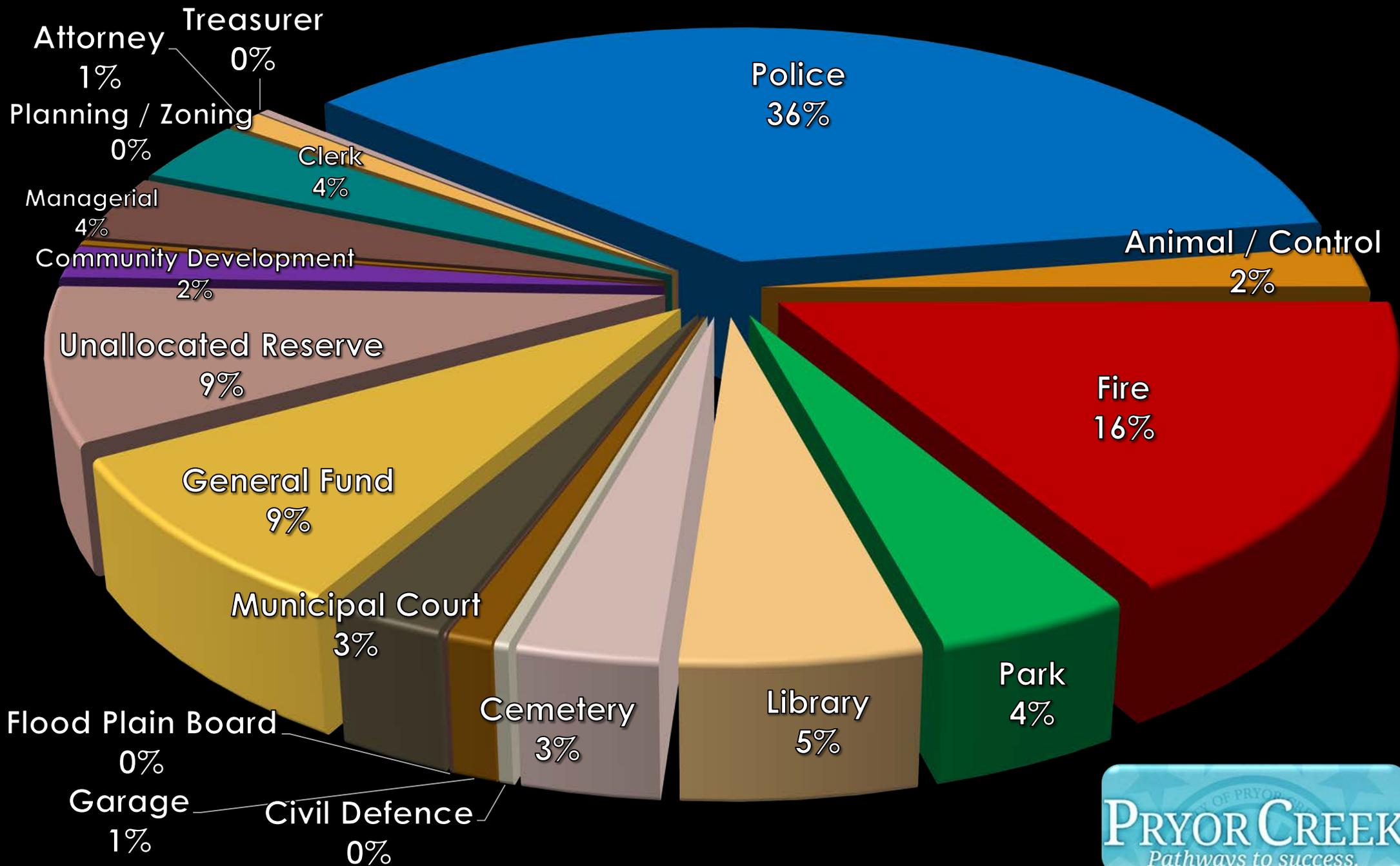
REAL PROPERTY ACQUISITION: The .1 cent sales tax received by the Real Property Acquisition Fund was allocated to the General Fund effective for sales tax earned December 2009 and received in February 2010. This is the only portion of the sales tax that the ordinance allows to be allocated by the Council. This was done due to decreased sales tax in the General Fund due to the downturn in the economy. Effective September 1, 2013 such .1 cent sales tax was transferred to the Capital Outlay Fund.

MUNICIPAL UTILITY DEPARTMENT: The sales tax is recorded in the various funds with exception of the sales tax for the Municipal Utility Department which is recorded in the General Fund and transferred to the Municipal Utility Department. The sales tax in the Municipal Utility Department is restricted.

2015-2016

<u>City of Pryor Creek Budget</u>	<u>Amount</u>	<u>Percent of Budget</u>
General Fund	530,888.00	9%
Unallocated Reserve	550,000.00	9%
Community Development	116,624.00	2%
Planning / Zoning	16,700.00	0%
Managerial	238,732.00	4%
Clerk	227,598.00	4%
Attorney	66,165.00	1%
Treasurer	21,456.00	0%
Police	2,330,445.00	36%
Animal / Control	150,208.00	2%
Fire	1,056,954.00	17%
Park	279,136.00	4%
Library	343,082.00	5%
Cemetery	203,010.00	3%
Civil Defence	21,260.00	0%
Garage	64,854.00	1%
Flood Plain Board	3,900.00	0%
Municipal Court	166,979.00	3%
TOTAL	6,387,991	100%

BUDGET



Sales Tax Totals

SALES TAX COMPARISON

City of Pryor Creek, OK

	2013	2014	2015	2016	2017	2018	2019
January	\$ 662,268.95	\$ 658,062.06	\$ 740,543.77				
February	\$ 586,123.88	\$ 565,505.43	\$ 636,916.53				
March	\$ 618,550.89	\$ 632,444.37	\$ 625,112.00				
April	\$ 660,168.52	\$ 595,445.12	\$ 632,397.91				
May	\$ 668,493.85	\$ 689,595.74	\$ 574,434.03				
June	\$ 695,166.87	\$ 658,498.21	\$ 635,634.75				
July	\$ 642,951.64	\$ 665,441.69	\$ 655,427.10				
August	\$ 588,984.89	\$ 735,229.04	\$ 662,165.39				
September	\$ 623,305.96	\$ 674,441.21	\$ 650,653.18				
October	\$ 613,821.44	\$ 682,906.08	\$ 637,163.60				
November	\$ 604,682.41	\$ 655,413.45	\$ 636,938.17				
December	\$ 733,777.94	\$ 785,335.96	\$ 642,704.26				
Total	\$ 7,698,297.24	\$ 7,998,318.36	\$ 7,730,090.69	\$ -	\$ -	\$ -	\$ -

FISCAL YEAR

	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020
July	\$ 642,951.64	\$ 665,441.69	\$ 655,427.10				
August	\$ 588,984.89	\$ 735,229.04	\$ 662,165.39				
September	\$ 623,305.96	\$ 674,441.21	\$ 650,653.18				
October	\$ 613,821.44	\$ 682,906.08	\$ 637,163.60				
November	\$ 604,682.41	\$ 655,413.45	\$ 636,938.17				
December	\$ 733,777.94	\$ 785,335.96	\$ 642,704.26				
January	\$ 658,062.06	\$ 740,543.77					
February	\$ 565,505.43	\$ 636,916.53					
March	\$ 632,444.37	\$ 625,112.00					
April	\$ 595,445.12	\$ 632,397.91					
May	\$ 689,595.74	\$ 574,434.03					
June	\$ 658,498.21	\$ 635,634.75					
Total	\$ 7,607,075.21	\$ 8,043,806.42	\$ 3,885,051.70				

BREAKING DOWN USE TAX DISTRIBUTION WITHIN: The City of Pryor Creek

USE TAX

The City levies a 3.75 % use tax on personal property purchased outside the city limits but stored, used, or consumed within the City. The use tax is collected by the Oklahoma Tax Commission, which is one month after the tax is received from the vendors. Effective for use tax earned in December 2009 and received in February 2010, the use tax was allocated to the General Fund rather than the Capital Outlay Fund due to the downturn in the economy.



WHY IS THE USE TAX VITAL FOR CITY OPERATIONS?

- **THE CITY NEEDS AT LEAST \$50,000 PER MONTH IN USE TAX FUNDING FOR THE GENERAL FUND TO RUN IN THE BLACK.**
- **THE DECREASE IN FUNDS AS SHOWN IN THE FOLLOWING CHART INDICATES THE NEED FOR REPLACEMENT.**

USE TAX COMPARISON

Use Tax Totals

City of Pryor Creek, OK

	2013	2014	2015	2016	2017	2018	2019
January	\$ 49,498.60	\$ 67,520.43	\$ 53,267.28				
February	\$ 86,209.97	\$ 14,211.05	\$ 64,642.37				
March	\$ 65,872.89	\$ 81,216.06	\$ 46,346.84				
April	\$ 49,140.05	\$ 49,167.04	\$ 45,722.80				
May	\$ 51,496.14	\$ 50,463.73	\$ 108,253.46				
June	\$ 57,591.39	\$ 48,203.22	\$ 31,611.29				
July	\$ 45,585.07	\$ 24,940.14	\$ 40,861.47				
August	\$ 20,958.57	\$ 33,583.63	\$ 1,248.08				
September	\$ 29,081.10	\$ 65,477.59	\$ 35,215.20				
October	\$ 53,932.44	\$ 65,006.50	\$ 38,907.29				
November	\$ 30,579.71	\$ 5,681.25	\$ 22,413.04				
December	\$ 46,631.21	\$ 67,517.27	\$ 33,280.69				
Total	\$ 586,577.14	\$ 572,987.91	\$ 521,769.81	\$ -	\$ -	\$ -	\$ -

FISCAL YEAR

	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020
July	\$ 45,585.07	\$ 24,940.14	\$ 40,861.47				
August	\$ 20,958.57	\$ 33,583.63	\$ 1,248.08				
September	\$ 29,081.10	\$ 65,477.59	\$ 35,215.20				
October	\$ 53,932.44	\$ 65,006.50	\$ 38,907.29				
November	\$ 30,579.71	\$ 5,681.25	\$ 22,413.04				
December	\$ 46,631.21	\$ 67,517.27	\$ 33,280.69				
January	\$ 67,520.43	\$ 53,267.28					
February	\$ 14,211.05	\$ 64,642.37					
March	\$ 81,216.06	\$ 46,346.84					
April	\$ 49,167.04	\$ 45,722.80					
May	\$ 50,463.73	\$ 108,253.46					
June	\$ 48,203.22	\$ 31,611.29					
Total	\$ 537,549.63	\$ 612,050.42	\$ 171,925.77	\$ -	\$ -	\$ -	\$ -

HOW DO WE GENERATE FUNDS TO REPLACE THE USE TAX?

Options.....

- THERE ARE AN ESTIMATED 3,500 LIVE ELECTRIC METERS IN USE.
- CITY ENFORCED UTILITY SERVICE FEES COULD GENERATE AN ESTIMATED \$750,000.00 PER YEAR. (\$62,000. PER MONTH.)

I recommend.....

**THE CITY REPLACE THE USE TAX
WITH A PERMANENT FUNDING
SOURCE AS THIS WOULD ALLOW FOR
THE USE TAX TO FUND FUTURE
PROJECTS AS DEFINED BY THE
CITIZEN ADVISORY COMMITTEE AND
APPROVED BY THE CITY COUNCIL.**



OUR COMMUNITY

*As Mayor, it is my job to be
aware of*

Issues we're facing...



The Pryor Police Department is in need of a new facility. The estimated cost is \$3 million. The Use Tax funds could possibly be used to build or renovate a new facility.



The Castle Building was built in 1942 and opened in May 1942. Billed as a 1,000 seat theater, The Castle Building showed its first movie in May and hurried to open before the Allred Theater. The Castle Building survived the 1942 tornado but closed about 1954. It was purchased in August 1956 by the American Legion for about \$37,500. The building was purchased by the W. A. Graham Estate and given in 1958 to the City of Pryor Creek for use as the Pryor Youth Organization (PYO)'s Teen Town for community youth, housing proms and school dances. The outer store fronts housed a sundry store and ice cream shop, among other businesses.

*The City of
Pryor Creek
cares about
its history!*

PYO BUILDING >>



The Pryor Youth Organization Building is in need of renovation. The Use Tax funds could possibly be used for this project.

The Pocket Park Downtown will become a reality. The Use Tax funds could possibly be used to construct this project.

POCKET PARK



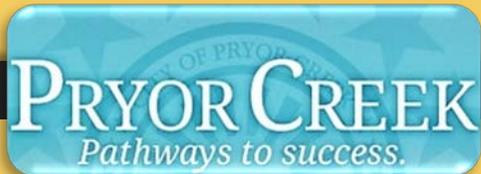
Viable Internet to Citizens of Pryor Creek.

Currently, wireless internet is provided by **GOOGLE** for specific areas of the City.

My goal is to provide **high speed Internet to Homes & Businesses.**

In the works...

➤ **Bicycle / Pedestrian Trail System**
taking Pryor Creek to a new level of
healthy.





BALANCING THE BUDGET & CAPITAL IMPROVEMENT INFRASTRUCTURE

WHAT IS THE PLAN?

Options

**PICK
YOUR
POISON**

Tough decisions...

- VOTE HIGHER SALES TAX**
- TRANSFER FUNDS FROM THE UTILITY DEPARTMENT**
- RAISE FEES**
- REDUCE SERVICES**

THE ISSUES

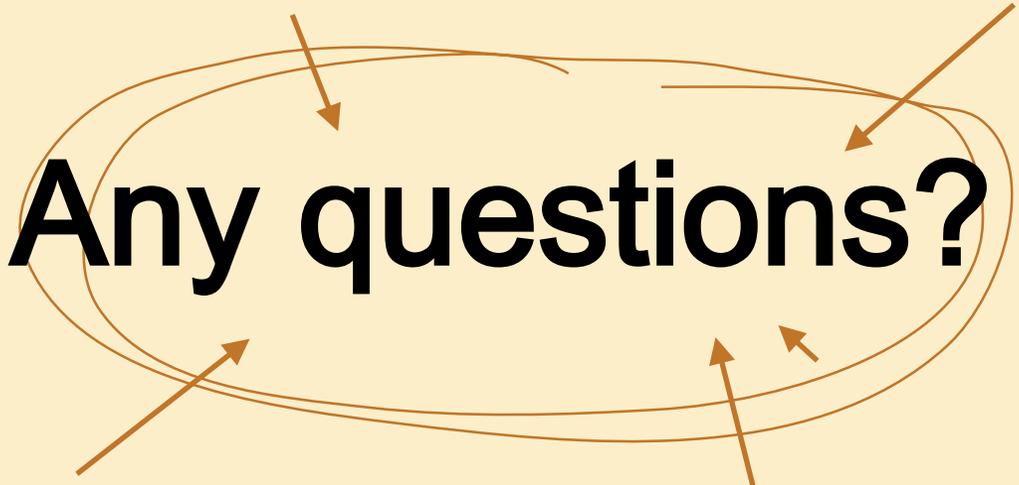
Tough decisions need to be made and addressed ...

- ❑ **NEGLECTED INFRASTRUCTURE**
- ❑ **MAINTENANCE OF STREETS AND BUILDINGS**
- ❑ **HIGHER UTILITY RATES**
- ❑ **HIGH SALES TAX**



**What would YOU
like to SEE and DO
in your
HOMETOWN?**

LET'S TALK!



Any questions?

REVIEW

- ❑ **FUNDING THE GAP**
- ❑ **BREAKING DOWN SALES TAX**
- ❑ **MUNICIPAL SERVICES**
- ❑ **WHERE DO YOU SPEND YOUR MONEY?**
- ❑ **THE CITY BUDGET**
- ❑ **WHAT MAKES THE CITY RUN?**
- ❑ **WHY IS USE TAX VITAL FOR CITY OPERATIONS?**
- ❑ **HOW DO WE GENERATE FUNDS TO REPLACE THE USE TAX?**
- ❑ **OUR COMMUNITY**
- ❑ **USE TAX POSSIBILITIES**
- ❑ **OPTIONS & ISSUES**
- ❑ **WHAT WOULD YOU LIKE TO SEE AND DO?**

**IF YOU HAVE
QUESTIONS,
PLEASE CONTACT
ME AT:**

**tramelj@pryorcreek.org
918-825-4077**



Thanks!