



City of Enid
401 W. Owen K. Garriott Road
Enid, Oklahoma 73701
580-234-0400

BOARD OF COMMISSIONERS

NOTICE OF REGULAR STUDY SESSION

Mayor and Board of Commissioners of the City of Enid, Oklahoma, the Trustees of the Enid Municipal Authority, a Public Trust, and the Trustees of the Enid Economic Development Authority, a Public Trust

Notice is hereby given that the Mayor and Board of Commissioners of the City of Enid, Oklahoma, the Trustees of the Enid Municipal Authority, a Public Trust, and the Trustees of the Enid Economic Development Authority, a Public Trust, will meet in regular session at 5:00 p.m. on the 16th day of June, 2015, in the Lower Level Conference Room of the City Administration Building, located at 401 W. Owen K. Garriott Road in said city, and the agenda for said meeting is as follows:

- AGENDA -

REGULAR STUDY SESSION AGENDA

1. **CALL TO ORDER/ROLL CALL.**
2. **AT THE COMMISSIONERS' REQUEST, DISCUSS ANY ITEM OF CONCERN ON THE REGULAR SESSION AGENDA OF JUNE 16, 2015.**
3. **DISCUSS DEBT FINANCING COMPROMISE.**
4. **CURT ROGGOW LEGISLATIVE UPDATE.**
5. **DISCUSS HB 1875 OTC RETENTION SERVICE FEES.**
6. **DISCUSS STORAGE AND PARKING OF COMMERCIAL MOTOR VEHICLES.**
7. **DISCUSS GRASS PARKING LOTS.**
8. **ADJOURN.**

City Commission Study Session

5.

Meeting Date: 06/16/2015

Submitted By: Ashley Keim, Executive Assistant

SUBJECT:

DISCUSS HB 1875 OTC RETENTION SERVICE FEES.

BACKGROUND:

Special City of Enid Projects Presentation:
June 9, 2015.

- The Oklahoma State Legislature passed HB 1875 on May 16, 2014 in the 2014 session.
- The House vote was 91-3 and the Senate vote was 40-0.
- The Oklahoma Tax Commission has retained 1% of the Oklahoma municipality's net sales tax to fund statewide collection, distribution, and auditing expenses.
- Two years of discussion with the Oklahoma Tax Commission and the Oklahoma Municipal League determined that the OTC could operate effectively by retaining ½% of 1% of the municipality's net sales tax. Current financial technology was the primary reason behind the decrease.
- Joan Riley was the chair of the OML Legislative Lobby Committee during this process.
- The new retention rate of ½ of 1% will begin on July 1, 2015.

\$324,281.00 City of Enid annual sales tax retention and use tax retention service fee to OTC for FYE 2012-2013.

\$310,098.00 City of Enid annual sales tax retention and use tax retention service fee to OTC for FYE 2013-2014.

\$ 12,920.00 Approximate lower cost to COE of the monthly retention fee to the OTC.
\$7,365.00 General Fund Operating Revenue: 2% of 3.5% of COE Sales Tax Revenue
\$5,555.00 1.5% of 3.5% of COE Sales Tax Revenue: 1% to Enid Municipal Authority for Water Debt, .25% for Fire & Police Public Safety Tax, .25% for School Bond Tax.

RECOMMENDATION

The sales tax revenue increase (2% of the 3.5% or .57%) due to lowering the retention fee to ½% from 1% will be a windfall increase to the COE beginning on July 1, 2015. These funds (approximately \$7,365.00 per month) could be placed in a separate EMA account to allow the COE to save the money to fund Special Projects in the future as recommended by the COE Staff and approved by the City Commission. These funds could be used for smaller Capital Improvements as they become available. The City Commission would then vote on additional Special Projects as each project is completed.

These funds would not be used for General Fund purposes.

PRESENTER:

Bill Shewey, Mayor.
