

# Memorandum

## City of Lawrence

### Finance Department

DATE: May 11, 2017  
TO: Sales Tax Audit Committee  
FROM: Nate Blum, Senior Accountant/Fiscal Analyst  
RE: Update on 2016 Sales Taxes

#### Background

In 2016, the decision was made to no longer deposit sales tax revenues into the City's General Operating Fund before transferring proceeds out to the appropriate funds. Instead, revenues are now being recorded in the appropriate fund.

#### Revenues

As of December 31, 2016, proceeds from the three City sales and use taxes were received and receipted as follows:

- Proceeds from the 0.30% sales tax, totaling \$5,346,156, were recorded in the Capital Improvement Reserve Fund for infrastructure;
- Proceeds from the 0.20% sales tax, totaling \$3,723,909, were recorded in the Transit Fund for operating costs (fare box and other transit revenues totaled \$467,843).
- Proceeds from the 0.05% sales tax, totaling \$731,221, were recorded in the Capital Improvement Reserve Fund for transit capital purchases.

#### Expenditures

As of December 31, 2016, expenditures were as follows:

- \$5,333,137 of the 0.30% sales tax has been spent on the following projects:

Residential Street Maintenance	\$800,036
5th & Maple Pump Station	\$2,241,983
Bob Billings Pkwy - Kasold to Wakarusa	\$1,631,652
Kasold - Bob Billings Pkwy to 6th	\$29,235
9 <sup>th</sup> & Kentucky Intersection	\$116,052
19th - Iowa to Naismith	\$223,000
City share of 11th & Mississippi repair	\$150,000
SCBA/PASS Fire Equipment	\$141,179
TOTAL	\$5,333,137

- A total of \$6,068,258 has been spent on transit from all funds in 2016. The expenditures were paid from federal, state, and local funds as follows:
  - \$3,123,293 of expenses (including encumbrances) were paid with proceeds from the 0.20% sales tax, fare box receipts and bus pass sales;
  - \$2,944,965 of expenditures (not including encumbrances) were paid with federal and state grants;
- None of the 0.05% sales tax has been spent in 2016. These funds will be spent as matching funds for state and federal grants for bus purchases or other capital needs, including a permanent bus transfer facility. As of December 31, 2016, the balance is \$5,617,758. At the end of 2016, the balance was transferred to the Transit Fund from the City's Equipment and Capital Improvement Reserve funds in preparation for future capital expenditures.

# Infrastructure Sales Tax Plan

## Actual 2016 - Budgeted 2019

### December 2016

RESOURCES		Unaudited	Budget	Projected	Budget	Budget	
Capital Improvement Reserve Fund		2016	2017	2017	2018	2019	
Infrastructure Sales Tax		\$5,346,156	\$5,277,368	\$5,070,000	\$5,202,000	\$5,337,000	
SALES TAX EXPENSES (total proj. cost)		Unaudited	Budget***	Projected	Budget***	Budget***	Needed From
Capital Improvement Reserve Fund		2016	2017*	2017	2018*	2019*	other sources**
Residential Street Maintenance and Traffic Calming	multiple	\$800,036	\$800,000	\$800,000	\$800,000	\$1,300,000	
Residential Curb Replacement						400,000	
Sidewalk, bike & ADA					\$0	600,000	
Pavement Marking Paint (PW1216)	PW1216						
Burroughs Creek Trail	PW0829						
Kasold - 23rd to 31st - (\$4,878,411)							
Engineering							
R/W	TX0902						
Construction	PW0903						\$1,000,000 STP in 2011 CIP
5th and Maple Pump Station - (\$7,000,000)							
Engineering ( includes 23rd and Ousdahl)							
R/W	PW1016						
Construction	PW1133	\$2,241,984					\$2,828,784 \$2,000,000 GO Debt
BBP - Iowa to Kasold - (\$1,800,000)							
Engineering							
R/W	PW1225						\$534,347 400000 Utilities
Construction							
Wakarusa -Research to Oread West(\$1,100,000)							
Engineering							
R/W	PW1202						1,000,000 GO bond 2012 (Oread to Research) Utilities
Construction							\$1,007,857
Iowa and 23rd St. Intersection Improvements (\$4,056,000)							
Engineering							
R/W	PW1208						1,750,000 KDOT 500,000(GO Bonds in 14) 325,000 depot money
Construction							\$2,351,724
Wakarusa through Inverness/Legends (\$2,200,000)							
Engineering							
R/W	PW1301						
Construction	PW1341						\$282,392 0 Utilities; in 2014 CIP
6th and Iowa Intersection Improvements (\$50,000)							\$50,000 in 2013 CIP
19th and Ousdahl Intersection	PW1611						\$0 *reimbursement expected from KU \$150,000 & KDOT \$650,000
Haskell Rail Trail Improvements (\$220,000)	PW1342						\$180,100 \$175,000 State TE Grant; in 2014 CIP
31st Street, East of Ousdahl (\$280,000)	PW1436						\$18,231 general fund in 2014
9th & Kentucky Intersection, Signal & Sidewalk Imp	PW 1303	\$116,052	\$0				0 in 2014 CIP, G.O. debt note issued in 2014
GWV & Bob Billings Pkwy. Improvements (\$770,000)	PW1316						\$245,566
BBP-Wakarusa to Foxfire Rebuild (\$1,200,000)	PW1345						
Foxfire to GWV significant rehab							
Engineering							
R/W							
Construction							\$237,927 0 Utilities
East Ninth Project (\$3,500,000)							\$3,500,000 \$3,500,000 GO Debt
BBP - Kasold to Wakarusa (\$2,750,000)	PW1503						
Engineering							
R/W		\$1,631,652					\$1,118,348 1,350,000 GO Debt
Construction							
Kasold - BBP to 6th (\$5,477,000)	PW1505	\$29,235					
Engineering			\$4,500,000	\$4,500,000	\$1,000,000		\$750,000 Utilities; \$400,000 KDOT/GO Debt
R/W							
Construction							
Wakarusa -Inverness/Legends to 6th (\$3,996,010)			\$2,500,000	\$1,900,000	\$0	\$0	\$2,096,010 \$750,000 Utilities
Engineering							
R/W							
Construction							
Wakarusa - Research Parkway to 18th (\$2,601,000)							
Engineering							
R/W							
Construction							\$1,440,000 bonds
9th Street Repair						\$0	
Kasold - Clinton Pkwy to HyVee						\$1,000,000	
23rd Mill Overlay Iowa to Ousdahl					\$200,000		
23rd street Haskell Bridge to East City Limits							
Klink projects \$500,000)							
19th - Iowa to NeSmith -(\$2,700,000)							
Engineering	PW1535	\$223,000					
R/W							
Construction			\$1,942,000	\$2,650,000			-\$1,892,000 \$500,000 Utilities
Massachusetts & 13th Turn Lane Improvements					\$50,000		
27th St Bridge							
City share of 11th and Mississippi St. repair	PW1417/PW153	\$150,000					-\$1,000
Bicycle Pedestrian improvements			\$200,000	\$200,000	\$200,000	\$0	\$424,322
Subtotal Capital Improvement Reserve Fund		\$5,191,959	\$8,000,000	\$9,342,000	\$4,900,000	\$3,300,000	\$15,421,340
Revenue over Expenditures		\$154,197	-\$2,722,632	-\$4,272,000	\$302,000	\$2,037,000	
Beginning Balance		\$4,253,590	\$2,791,929	\$4,407,787	\$135,787	\$437,787	
Unencumbered Ending Balance Dec 31		\$4,407,787	\$69,296	\$135,787	\$437,787	\$2,474,787	

  

RESOURCES		Unaudited	Budget	Projected	Budget	Budget	
Equipment Reserve Fund		2016	2017	2017	2018	2019	
Infrastructure Sales Tax		\$0	\$0	\$500,000	\$500,000	\$500,000	
SALES TAX EXPENSES (total proj. cost)		Unaudited	Budget	Projected	Budget	Budget	Needed From
Equipment Reserve Fund		2016	2017*	2017	2018*	2019*	other sources**
Fire Apparatus							
Unit 630 - Ladder - (\$1,205,591)							\$705,591
Unit 629 - Engine - (\$651,065)							\$151,065
Unit 615 - Quint - Replaced w/ Engine PUC - (\$847,967)							\$347,967
Radio Replacement (\$1,000,000) encumbered 2011, spent in 2012							\$0
Street Paint Machine (\$55,000)							\$0
Unit 612 - Quint - (\$1,023,000)							\$773,000
Unit 636 - Hazmat - eliminated & replaced with Engine PUC							\$0
Fire Apparatus							
2018-2022 CIP							
634 Replacement Investigation Unit 1	FM2126CIP						
Training Burn Tower Replacement	FM1703CIP				\$0		
Apparatus Bay Exhaust System	FM1807CIP				\$200,000		
Personal Protective Equipment Alt Set	FM1807CIP					\$0	
645 Replacement Rescue 5	FM1920CIP					\$540,000	
Unit 614 - Quint - (\$1,116,000)							\$0
portable radios	FM2009CIP						\$616,000
SCBA/PASS		\$141,179					
Unit 626 - Tender - (\$675,000)		\$0					\$675,000
Unit 641 - Quint - (\$1,302,000)	FM1817CIP				\$825,000		\$477,000
Subtotal Equipment Reserve Fund		\$141,179	\$0	\$0	\$1,025,000	\$540,000	\$3,745,623
Equipment Reserve Revenue over Expenses		-\$141,179	\$0	\$500,000	-\$525,000	-\$40,000	
Beginning Balance		\$334,003	\$92,824	\$192,824	\$692,824	\$167,824	
Unencumbered Ending Balance Dec 31		\$192,824	\$92,824	\$692,824	\$167,824	\$127,824	

  

TOTALS		Unaudited	Budget	Projected	Budget	Budget	Needed From
All Funds		2016	2017*	2017	2018*	2019*	other sources**
Total Revenue		\$5,346,156	\$5,277,368	\$5,570,000	\$5,702,000	\$5,837,000	
Total Expenses - All Funds		\$5,333,138	\$8,000,000	\$9,342,000	\$5,925,000	\$3,840,000	\$19,166,963
Total Revenues over Expenses - All Funds		\$13,018	-\$2,722,632	-\$3,772,000	-\$223,000	\$1,997,000	
Unencumbered Fund Balance Forward Jan 1 - All Funds		\$4,587,593	\$3,117,565	\$4,600,611	\$828,611	\$605,611	
Unencumbered Ending Balance Dec 31 - All Funds		\$4,600,611	\$394,932	\$828,611	\$605,611	\$2,602,611	

\* expenses do not reflect total project cost. Instead, only the project expenses to be funded with proceeds from the Infrastructure Sales Tax are shown here.  
 \*\* Other sources include state and/or federal aid, as well as cash from other funds or other reserve funds, debt financing, etc.  
 \*\*\*2017-2019 estimated expenses include CPI

**City of Lawrence**  
**Infrastructure Sales Tax - 0.3 Percent**  
**Expenditures by Project**  
**December 2016**

Project Name	Project No	Vendor	Funding Source	Expenditures	Description
<b>Residential Street Maintenance and Traffic Calming</b>					
	PW1507	J Warren Co Inc	Capital Improve Reserve	-	6th & Champion Traffic Signal
	PW1604	Sunflower Paving Inc	Capital Improve Reserve	800,000	2016 Microsurfacing, Patch, Overlay
	PW1604	Douglas County District Court	Capital Improve Reserve	36	Statutory Bond - J Warren - 6th & Champion; Traffic Signal
				<b>800,036</b>	
<b>5th &amp; Maple Pump Station</b>					
	PW1133	US Bank	Capital Improve Reserve	414.78	CDW GOVERNMENT-881 ROUTER
	PW1133	United Rentals Trench Safety	Capital Improve Reserve	7,679	Recovery Safety Wench
	PW1133	Neenah Foundry Co	Capital Improve Reserve	3,000	Manhole covers and frame
	PW1133	Nowak Construction Co Inc	Capital Improve Reserve	2,230,889	Maple Street Drainage Storm Sewer Public Improvement
				<b>2,241,983</b>	
<b>Bob Billings Pkwy - Kasold to Wakarusa</b>					
	PW1503	Douglas County Register of Deeds	Capital Improve Reserve	149	Temporary construction easement
	PW1503	McGrew Real Estate Office Building Partnership LLC	Capital Improve Reserve	6,000	Easement payment for 1501 Kasold Drive
	PW1503	Five Star Quality Care	Capital Improve Reserve	700	Ped easement
	PW1503	Sunflower Paving Inc	Capital Improve Reserve	1,595,270	Microsurfacing, Patch, Overlay
	PW1503	BG Consultants Inc	Capital Improve Reserve	29,533	Engineering Services
				<b>1,631,652</b>	
<b>Kasold - Bob Billings Pkwy to 6th</b>					
	PW1505	Lawrence Journal World	Capital Improve Reserve	319	Legal Advertising
	PW1505	Cook Flatt & Strobel Engineers	Capital Improve Reserve	28,916	Engineering Services
				<b>29,235</b>	
<b>19th - Iowa to Naismith</b>					
	PW1535	Keller & Associates	Capital Improve Reserve	2,000	Appraisals for 19th and Ousdahl Intersection
	PW1535	Professional Engineering Consultants - Topeka	Capital Improve Reserve	221,000	Field Check Plans, Final design of intersection
				<b>223,000</b>	
<b>City Share of 11th and Mississippi St. Repair</b>					
	PW1417	King's Construction Co Inc	Capital Improve Reserve	150,000	HERE Public Improvements
				<b>150,000</b>	
<b>9th &amp; Kentucky Intersection, Signal &amp; Sidewalk Improvements</b>					
	PW1303	BG Consultants Inc	Capital Improve Reserve	\$ 116,052	Bob Billings Parkway Corridor Improvements
				<b>116,052</b>	
<b>Fire Apparatus</b>					
	N/A	Feld, Ed M Equipment Co Inc	Equipment Reserve	141,179	85 Self Contained Breathing Apparatus (SCBA) and related equipment
				<b>141,179</b>	
<b>Total Capital Improvement Reserve Fund 202</b>				<b>5,191,957</b>	
<b>Total Equipment Reserve Fund 205</b>				<b>141,179</b>	
<b>Total All Funds</b>				<b>\$ 5,333,136</b>	

**City of Lawrence**  
**Public Transportation Fund 210**  
**Expenditures by Vendor**  
**December 2016**

<b>Vendor</b>	<b>Encumbrances</b>	<b>Expenditures</b>	<b>Description</b>
BOSS Inc	-	161	Annual Maintenance on Network Management
Brinks	991	8,009	Courier services to transport transit bus fares to US Bank
Central Maintenance Fund	-	695	City Garage - maintenance charges on transit vehicles
Central Power Systems & Services Inc	-	9,290	Dual Power Inverter Module (DIPM)
Electronics Supply Co Inc	-	99	Server Room Battery Backup Maintenance
Envisio Solutions Inc	566	-	Strategic Planning Software
Hick's Classic Concrete Inc	-	8,591	Concrete work for bus benches at twelve (12) sites throughout the city
Integrated Solutions Group Inc	-	36	Barracuda Spam Filter Annual Maintenance Update
Johnson County Transit	120,000	120,000	K-10 Connector funding
Koerner, Wendy	-	156	Travel advance - Apr 18-20, 2016 FTA Title VI training workshop - Wichita, KS
Laser Logic Inc	-	59	Printer maintenance and copies
Lawrence Journal World	-	45	Ads -public notice
League of Kansas Municipalities	-	14	Standard Traffic Ordinance (STO) 2016 Edition for all departments
MHC Kenworth Olathe	-	2,397	Parts (air compressors, filters, etc.) for public transit buses
MV Public Transportation Inc	322,856	2,067,759	Public transportation services
Nelson/Nygaard Consulting Associates Inc	11,281	38,719	Professional services for Transit Comprehensive Operations Analysis
OpenGov Inc	1,891	-	Budget Software
Payroll	-	85,437	Staff salaries & benefits
			Travel to Phoenix, AZ Feb 28-Mar 3, 2016 American Public Transportation Assoc.
Pearson, Serena	-	121	Conference
SHI International Corp	-	1,017	Annual Maintenance and Microsoft software - transit office
Sirius Computer Solutions Inc	-	981	Ironport Subscription renewal and computer software
Staples Business Advantage	-	58	Office supplies
The Novak Consulting Group Inc	2,091	-	Strategic Planning
University of Kansas Parking & Transit	301,122	538,354	Fuel charges & facility lease for transit service and maintenance activities
US Bank	-	2,192	Membership renewal, travel expenses, advertisements
Various Vendors	(522,520)	43	Transit operational supplies and maintenance
Verizon Wireless	-	781	Cell phone charges
<b>Total</b>	<b>\$ 238,278</b>	<b>\$ 2,885,015</b>	
<b>Total Encumbrances &amp; Expenditures</b>		<b>\$ 3,123,293</b>	

**City of Lawrence**  
**Public Transportation - Federal and State Grants Fund 611**  
**Expenditures by Vendor**  
**December 2016**

<b>Vendor</b>	<b>Expenditures</b>	<b>Description</b>
Bob's Janitorial Service & Supply Inc	15,159	Transit shelter cleaning
Central Power Systems & Services Inc	37,160	Dual Power Inverter Module (DIPM)
Community Transportation Association	710	Annual membership to Community Transportation Association
Copy Co	873	Printing of 900 updated T Lift manuals
Formgraphics Inc	1,648	Printing of summer student bus pass and tickets
James Printing Company	516	Printing of 2017 monthly bus passes
Kansas BG Inc	6,100	Purchase DPF emissions system servicing
Kansas Braille Transcription Institute	213	Eight (8) copies of Braille transit guide
Kansas Public Radio	1,667	Public Transit radio programming underwriting
Kennedy Glass Inc	597	Glass repairs to transit shelter
Kimble and Sons Construction	200	Rental of tilt-bed trailer
Koerner, Wendy	150	Travel to Wichita, KS Apr 18-20, 2016 FTA Title VI training
Laser Logic Inc	808	Printers for transit facility
Lawrence Journal World	49	AD - Lawrence Transit public notice
Luminator Mass Transit LLC	15,601	Destination signs for five (5) newly acquired used 30' Gillig buses
Master's Transportation Inc	59,500	Purchase of five (5) used Gillig 30' heavy-duty buses
MHC Kenworth Olathe	11,147	Filters, fuel injectors, air compressor and catalyst for transit buses
Midwest Bus Corporation	2,725	Five (5) bike racks for transit vehicles
MV Public Transportation Inc	2,330,032	Public transportation services
Printing Solutions of Kansas Inc	789	Printing of posters, decals, bus passes and punch cards
		Professional services to develop the 2016 TIGER grant application Lawrence Transit and
Professional Engineering Consultants - Topeka	49,500	University of Kansas
SHI International Corp	210	Microsoft Windows server and software assurance
Sign D Sign	8,765	Printing of Lawrence Transit bus graphics
Snap Promotions LLC	297	100 Very Kool cooling towels printed with the T logo
Staples Business Advantage	495	Miscellaneous office supplies
TFMComm Inc	6,563	Trunking fees, annual maintenance, and radio repairs
		Purchase of Gillig bus parts for 1998 buses purchased from Masters Transportation that
		originally came from Topeka Metro. Parts are being purchased at a fraction (25%) of the original
Topeka Metropolitan Transit Authority	26,381	cost
Trapeze Software Group Inc	12,500	Annual maintenance for software
UMC Print	9,523	Printing of single ride tickets and transit route guides
Uni Computers, Inc	198	One (1) year of unlimited backup for MV server
University of Kansas Parking & Transit	130,950	Facility Lease
US Bank	8,284	Membership renewal and staff travel expenses
Payroll	205,655	Staff salaries & benefits
<b>Total Expenditures</b>	<u>2,944,965</u>	