

City of Lawrence

Sales Tax Audit Committee

March 15, 2011 minutes

MEMBERS Ted Boyle, Jon King, Charlie Sedlock, Tim Bateman, Keith
PRESENT: Yehle, Chair
MEMBERS ABSENT: None
STAFF PRESENT: David L. Corliss, City Manager
Casey Toomay, Budget Manager
Ed Mullins, Finance Director
PUBLIC PRESENT: Chad Lawhorn

The meeting was called to order at 4:00 by Yehle.

Members were asked to provide updated roster information to Toomay or Bobbie Walthall in the City Manager's Office so it can be updated on the web. Yehle and Sedlock were asked to let Walthall know if they are interested in being reappointed to the committee upon expiration of their terms in April.

The meeting from the meeting on September 2, 2010 were reviewed. A motion to approve minutes was made by King, seconded by Boyle. The motion passed 5-0.

Toomay walked the committee through the draft 2010 annual report and list of expenditures for the infrastructure sales tax and transit sales tax.

The numbers are unaudited and subject to change but as of December 31, 2010, proceeds from the three City sales and use taxes received and receipted to the general fund totaled \$7,332,156. Proceeds were transferred to the appropriate funds as follows:

- Proceeds from the 0.30% sales tax received as of December 31, 2010, totaled \$3,999,351.
 - \$3,499,351 has been transferred to the Capital Improvement Reserve Fund for infrastructure;
 - \$500,000 has been transferred to the Equipment Reserve Fund for fire apparatus
- Proceeds from the 0.20% sales tax received as of December 31, 2010, totaled \$2,666,232 and were transferred to the Transit Fund for operating costs;
- Proceeds from the 0.05% sales tax received as of December 31, 2010, totaled \$666,560 and were transferred to the Equipment Reserve Fund for transit equipment purchases;

As of December 31, 2010, expenditures were as follows:

- \$3,999,351 of the 0.30% sales tax was spend on the following projects:

| | |
|--------------------------------|-----------|
| Residential street maintenance | \$500,000 |
| Ladder 2 | 500,000 |

| | |
|--|-------------|
| Engine 6 | 500,000 |
| Burroughs Creek | 77,882 |
| Kasold, 23 rd to 31 st | 3,632,091 |
| 5 th and Maple Pump Station | 100,000 |
| TOTAL | \$5,309,973 |

The difference between the revenues and expenditures was paid from carryover from prior years.

- A total of \$5,010,276 was spent on transit from all funds in 2010. The expenditures were paid from federal, state, and local funds as follows:
 - \$2,961,780 of expenses were paid with proceeds from the 0.20% sales tax, fare box receipts, bus pass sales, and motor vehicle taxes;
 - \$2,398,824 of expenditures were paid with federal and state grants;
- None of the 0.05% sales tax was spent in 2010. Corliss explained that these funds will carry forward to be spent as matching funds for state and federal grants for bus purchases or other capital needs.

The committee reviewed the map showing the fire apparatus by station and reviewed replacement needs.

King asked about bike paths and whether the Kasold project would include one. Corliss explained that a multi use path that connects to the bike path along the SLT was planned.

Corliss explained how our the City was conservative by design when projecting sales tax collections in 2008, and how we are still exceeding projections. However, with the economy and high gas prices, future collections may be closer to those projections.

A motion was made by King to adopt the report, with a few minor changes, and forward it and the list of expenditures on to the City Commission. The motion was seconded by Sedlock, and passed 5-0.

The next meeting was tentatively scheduled for August 23, 2011 at 4:00 p.m. in the City Manager's Conference room at City Hall.

A motion was made by Sedlock to adjourn. It was seconded by King and passed 5-0. The meeting adjourned at 5:00 pm.