

Memorandum

City of Lawrence

Finance Department

To: Dave Corliss, City Manager
From: Ed Mullins, Finance Director
Date: January 28, 2011
Subject: Sales Tax Distribution

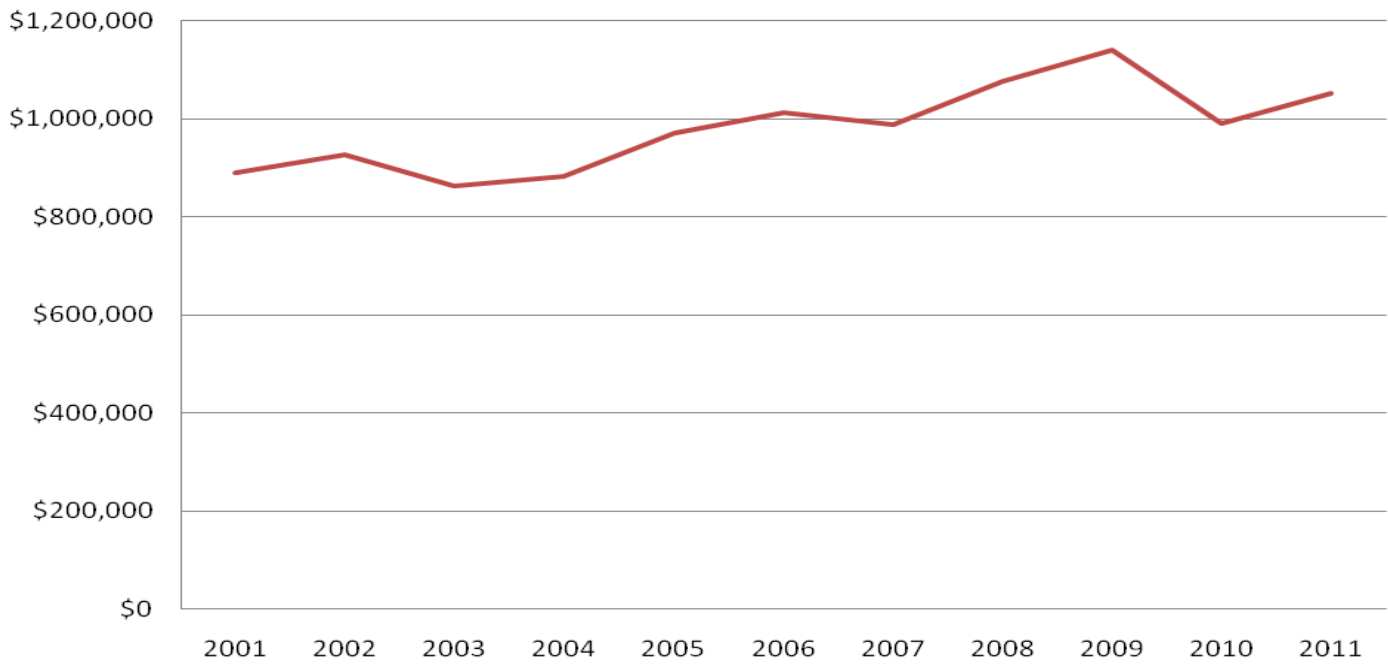
The City of Lawrence has recently received its January sales tax distribution. The distribution is the result of retail sales from mid-November to mid-December. The distribution of \$2,495,062 is \$162,000 more than the prior year distribution for the same month. It also includes \$2,046 from the Free State Transportation Development District and \$9,690 from the Oread District. The distribution also includes additional amounts that will be paid to the Oread Tax Increment Financing District.

The January distribution is considered prior year revenue. As a result, total 2010 sales/use tax was \$29,497,160 or approximately 96% of budget. A projection of current year sales tax revenue will be made at the end of the first quarter. However, for 2011 sales taxes to equal the budget, sales tax distributions will need to increase by 2.5% over 2010. A summary of the latest city sales/use tax distribution is shown in the table below.

Sales/Use Tax	Budget	Month	Year to Date	% of Budget
City 1%	14,106,600	1,136,407	1,136,407	8.1%
Infrastructure .3%	4,018,800	340,922	340,922	8.5%
Transit .2%	2,677,500	227,282	227,282	8.5%
Transit Eq. .05%	668,100	56,820	56,820	8.5%
County 1%	8,619,000	721,896	721,896	8.4%

A spreadsheet showing total monthly sales tax distributions since 2001 is [attached](#). Additional sales tax information is provided in the tables and graphs below.

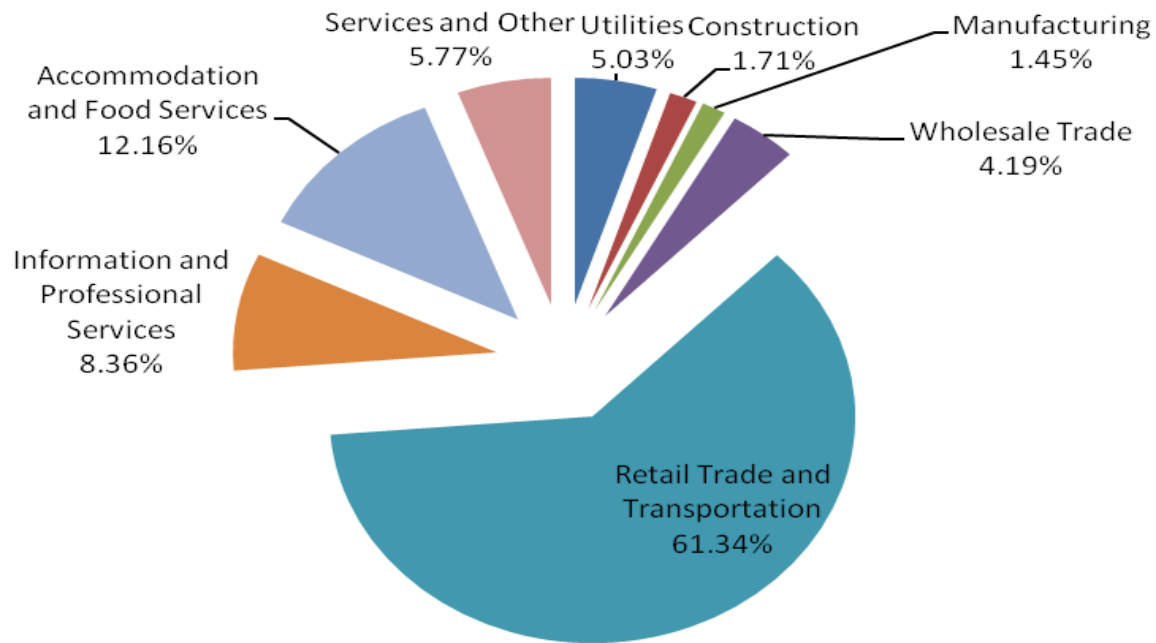
January 1% City Sales Tax



City of Lawrence Jan 1.55% Sales Tax by NAICS

NAICS Description	Jan 2010		2006-2008
	Amount	Percent	Percent
22 Utilities	82,071	5.03%	2.05%
23 Construction	27,890	1.71%	2.31%
31-33 Manufacturing	23,707	1.45%	1.59%
42 Wholesale Trade	68,392	4.19%	3.26%
44-49 Retail Trade and Transportation	1,000,926	61.34%	61.85%
51-62 Information and Professional Services	136,429	8.36%	9.27%
71-72 Accommodation and Food Services	198,357	12.16%	13.86%
81-99 Services and Other	94,111	5.77%	<u>5.81%</u>
	<u>1,631,883</u>	100.00%	100.00%

January Sales Tax by NAICS



City of Lawrence Monthly sales/use tax budget variance

Month	1% City Sales/Use	Budget	Over (Under)	County Sales/Use	Budget	Over (Under)	.55% City Sales/Use	Budget	Over (Under)
January	1,136,407	1,118,626	17,781	721,896	686,315	35,581	625,023	584,031	40,992
February		1,223,208			748,581			636,894	
March		1,191,524			722,324			622,752	
April		1,097,464			665,435			572,049	
May		1,186,533			720,793			620,704	
June		1,187,494			733,187			619,135	
July		1,087,714			659,149			569,900	
August		1,215,187			742,034			636,870	
September		1,151,821			704,781			602,095	
October		1,285,826			790,907			666,067	
November		1,150,229			710,800			599,059	
December		1,210,974			734,694			634,844	
	1,136,407	14,106,600	17,781	721,896	8,619,000	35,581	625,023	7,364,400	40,992