

Memorandum

City of Lawrence

Finance Department

To: Dave Corliss, City Manager
From: Ed Mullins, Finance Director
Date: July 27, 2011
Subject: Sales Tax Distribution

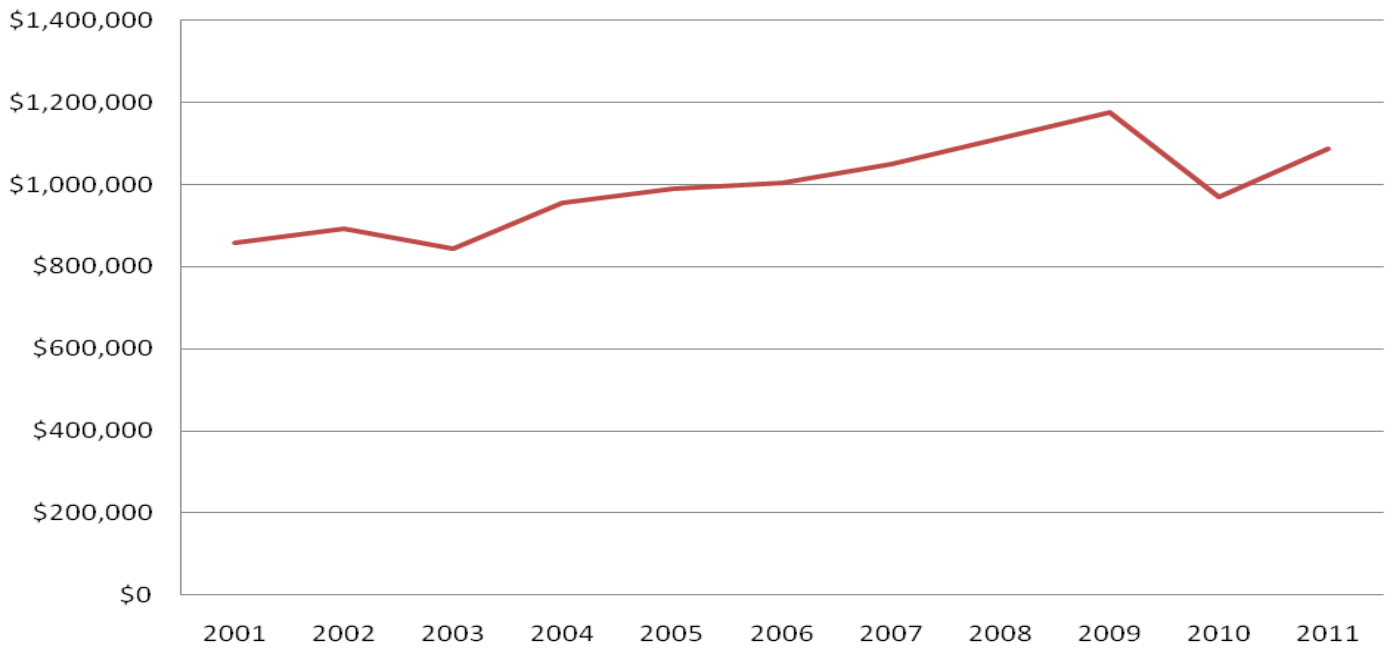
The City of Lawrence has recently received its July sales tax distribution. The distribution is the result of retail sales from mid-May to mid-June. The distribution of \$2,650,422 is \$381,000 more than the prior year distribution for the same month. It also includes \$5,804 from the Free State Transportation Development District and \$7,294 from the Oread District. The distribution also includes other amounts that will be paid to the Oread Tax Increment Financing District.

Based upon trend projection of sales tax receipts over recent years, the 2011 overall sales and use tax distribution is estimated at \$30,000,000. This amount is \$90,000 below the 2011 budget. It is recommended that a conservative forecast be used due to increasing energy and fuel costs, as well as relatively high unemployment. 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%	13,852,260	1,214,009	8,125,130	58.7%
Infrastructure .3%	4,155,675	364,203	2,437,540	58.7%
Transit .2%	2,770,450	242,802	1,625,026	58.7%
Transit Eq. .05%	692,615	60,700	406,256	58.7%
County 1%	8,619,000	755,609	5,093,313	59.1%

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

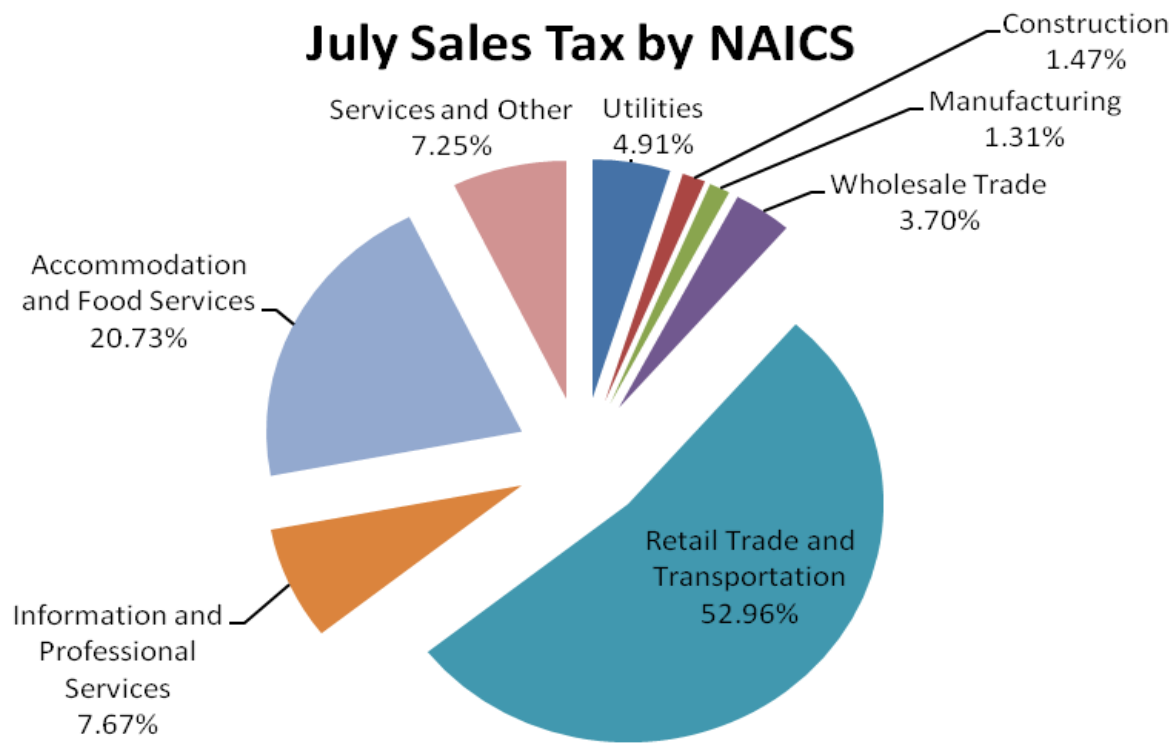
July 1% City Sales Tax



City of Lawrence 1.55% Sales Tax by NAICS

NAICS Description	July 2011		July 2010
	Amount	Percent	Percent
22 Utilities	88,422.44	4.91%	8.27%
23 Construction	26,477.17	1.47%	1.94%
31-33 Manufacturing	23,582.72	1.31%	1.48%
42 Wholesale Trade	66,516.16	3.70%	3.89%
44-49 Retail Trade and Transportation	953,198.75	52.96%	55.76%
51-62 Information and Professional Services	138,105.86	7.67%	8.75%
71-72 Accommodation and Food Services	258,032.10	20.73%	14.79%
81-99 Services and Other	130,421.98	7.25%	5.12%
	1,684,757.18	100.00%	100.00%

July 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	1,098,457	37,950	721,896	686,315	35,581	625,023	604,202	20,821
February	1,267,892	1,201,154	66,738	787,436	748,581	38,855	697,339	658,890	38,449
March	1,203,912	1,170,041	33,871	756,633	722,324	34,309	662,152	644,259	17,893
April	961,217	1,077,677	(116,460)	603,965	665,435	(61,470)	528,669	591,805	(63,136)
May	1,170,749	1,165,140	5,609	738,176	720,793	17,383	643,193	642,141	1,772
June	1,170,944	1,166,083	4,861	729,598	733,187	(3,589)	644,020	640,518	3,502
July	1,214,009	1,068,103	145,906	755,609	659,149	96,460	667,705	589,582	78,123
August		1,193,278			742,034			658,865	
September		1,131,054			704,781			622,889	
October		1,262,642			790,907			689,071	
November		1,129,491			710,800			619,748	
December		1,189,140			734,694			656,770	
	8,125,130	13,852,260	178,475	5,093,313	8,619,000	157,529	4,468,821	7,618,740	97,424

City of Lawrence Monthly sales/use tax projection variance

Month	1% City Sales/Use	Projection	Over (Under)	County Sales/Use	Projection	Over (Under)	.55% City Sales/Use	Projection	Over (Under)
January	1,136,407	1,136,407	0	721,896	721,896	0	625,023	625,023	0
February	1,267,892	1,267,892	0	787,436	787,436	0	697,339	697,339	0
March	1,203,912	1,203,912	0	756,633	756,633	0	662,152	662,152	0
April	961,217	1,042,115	(80,898)	603,965	670,068	(66,103)	528,669	573,163	(44,494)
May	1,170,749	1,194,372	(23,623)	738,176	732,230	5,946	643,913	656,904	(12,991)
June	1,170,944	1,171,429	(485)	729,598	763,215	(33,617)	644,020	644,286	(266)
July	1,214,009	832,581	252,395	755,609	744,072	11,537	667,705	457,920	138,818

August	0	1,251,740			720,451			688,457	
September	0	1,105,934			717,702			608,263	
October	0	1,232,965			808,213			678,131	
November	0	1,047,143			718,253			575,929	
December	0	1,121,616			767,269			616,889	
	8,125,130	13,608,106	147,389	5,093,313	8,907,438	(82,237)	4,468,821	7,484,456	81,067