Memorandum
City of Lawrence
City Manager's Office

To: Diane Stoddard, Interim City Manager
From: Laura Warner, Accountant
CC: Bryan Kidney, Finance Director
Casey Toomay, Assistant City Manager
Date: July 29, 2015
Subject: 2015 Sales Tax Distributions

The City of Lawrence has recently received its July sales tax and its share of County sales tax distribution. The distribution is the result of retail sales from mid-March to mid-April. The distribution of $2,882,846 is $37,231 more than the prior year distribution for the same month. It also includes $8,501 from the Free State Transportation Development District (TDD), $11,627 from the Oread TDD and $460 for the 9th & New Hampshire TDD. The distribution also includes other amounts that will be paid to the Oread Tax Increment Financing District.

A summary of the latest city sales/use tax distribution is shown in the table below.

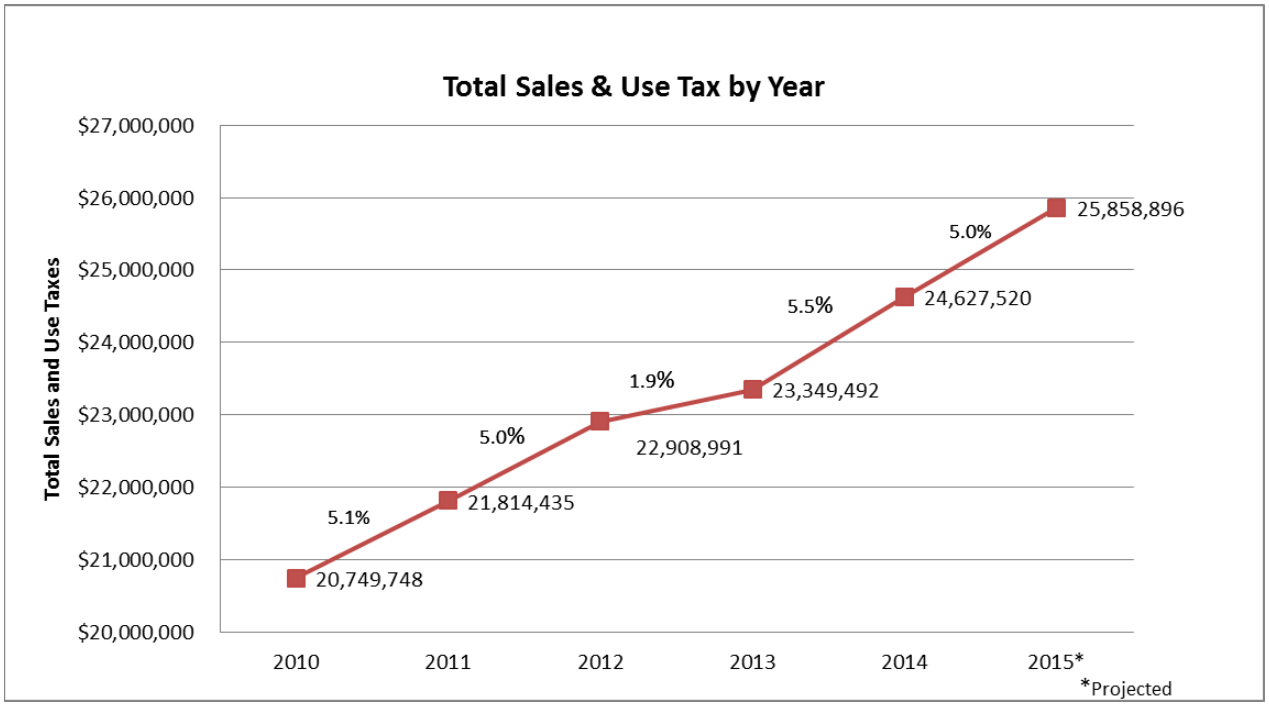
	2015			
Sales/Use Tax	Budget	Month	Year to Date	% of Budget
City 1%	15,891,468	1,312,610	9,527,390	60.0%
Infrastructure .3%	4,767,440	393,783	2,858,216	60.0%
Transit .2%	3,178,294	262,522	1,905,477	60.0%
Transit Eq. .05%	794,573	65,630	476,367	60.0%
Sub Total Sales/use	24,631,775	2,034,545	14,767,450	60.0%
County 1%	9,988,784	827,713	6,026,828	60.3%
TOTAL	34,620,559	2,862,258	20,794,278	60.1%

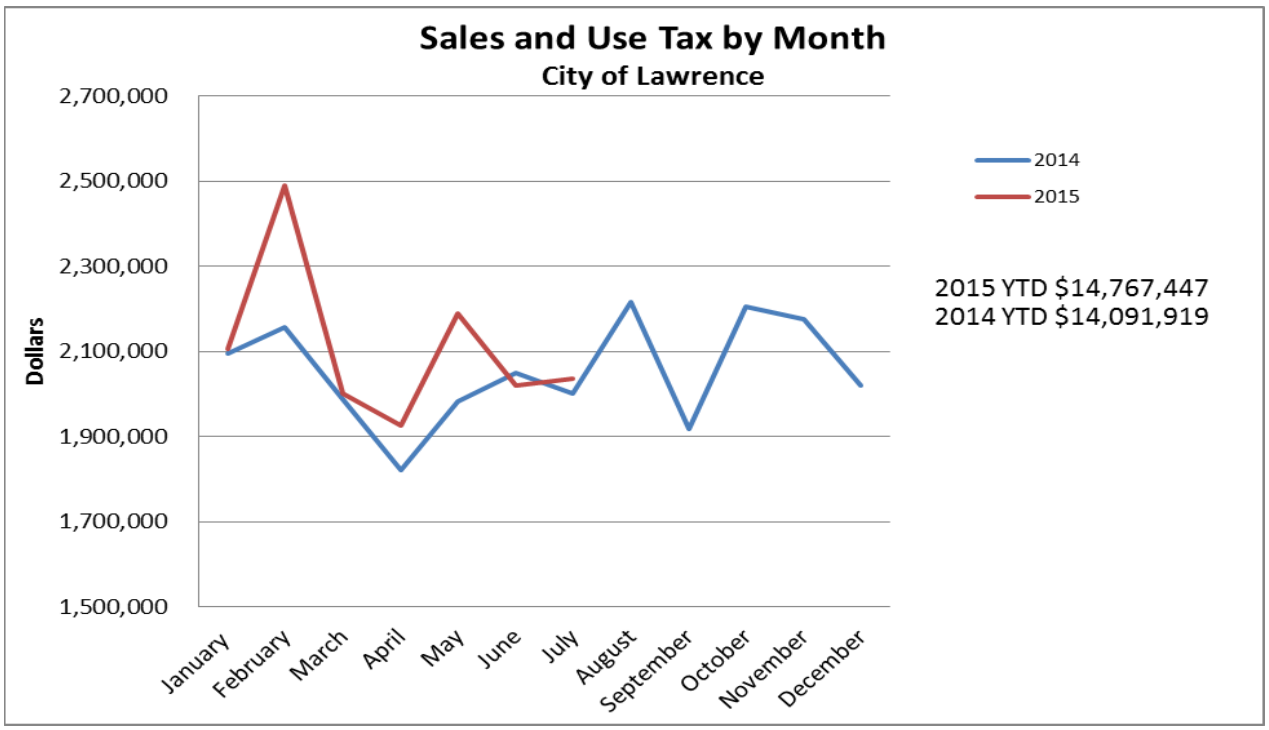
The year-to-date sales tax receipts started the year on a high note with well above average receipts for holiday sales in 2014 collected by the City in January and February of 2015. However, since the first of the year the sales tax collections for February through July are only slightly higher than prior year collections.

The 2015 revised budget reflects a total increase of 5% over 2014 actuals. At the end of July, we are at 4.8% year-to-date over 2014 and our 5% revised budget doesn't appear as conservative as we once thought. Staff will continue to monitor sales and recommend adjustments to budget if it appears projections through 2015 continue to drop below the 5% revised budget amount for the year.

The first graph on the following page shows the history of total sales and uses tax by year and a total $25.9 million projected in 2015 for total sales and use tax based on the 5% estimate.

The second graph is a month-to-month graph showing the increases from prior year for each month.





Month	1% City Sales/Use	Budget	Over (Under)	County Sales/Use	Budget	Over (Under)	.55% City Sales/Use	Budget	Over (Under)
January	1,358,413	1,352,506	5,907	873,735	837,816	35,919	747,128	743,877	3,251
February	1,605,992	1,391,489	214,503	1,003,637	864,551	139,086	883,297	765,319	117,978
March	1,290,965	1,283,288	7,677	812,046	800,343	11,703	710,032	705,808	4,224
April	1,242,934	1,174,689	68,245	777,799	739,968	37,831	683,615	646,079	37,536
May	1,412,802	1,278,347	134,455	890,132	814,806	75,326	777,043	703,091	73,952
June	1,303,674	1,321,616	(17,942)	841,766	842,887	(1,121)	717,022	726,889	(9,867)
July	1,312,610	1,291,942	20,668	827,713	815,681	12,032	721,937	710,568	11,369
August		1,430,158			896,453			786,587	
September		1,236,921			787,075			680,307	
October		1,422,558			896,447			782,407	
November		1,403,750			874,935			772,063	
December		1,304,204			817,822			717,312	
TOTAL	**9,527,390**	**15,891,468**	**433,513**	**6,026,828**	**9,988,784**	**310,776**	**5,240,074**	**8,740,307**	**238,443**