

SLT figuring out how to spend surplus funds

By Kathryn Reed

Tourists are rediscovering South Lake Tahoe. While that might be evident by the number of vehicles on the roads, it is even more pronounced when looking at the city's coffers.

When the City Council convenes March 15 the five electeds will be tasked with allocating the revenue surplus of \$5.4 million – a 16 percent increase over this year's fiscal budget.

The hotel tax for the first quarter of this fiscal year, which started Oct. 1, is 20 percent higher than what it was 2014. Even if revenues stay flat the rest of the 2015-16 year, it will generate \$2.3 million more than the previous fiscal year, according to city documents.

Earlier this year the council gave staff direction regarding how to allocate the projected revenue surplus. Tuesday's meeting is about approving the game plan.

"This is the single largest mid-year appropriation of funds that the city has made since the Great Recession," City Manager Nancy Kerry told *Lake Tahoe News*.

She said it reflects the increase in tax revenues, which include hotel, sales and property taxes, as well as reducing expenses, most notably health care costs.

The bulk of the money – \$1.5 million – is expected to be used to repave roads. About the same amount is being allocated to the community play fields, where a soccer field will be installed close to where the field at Lake Tahoe Community College is located.

Moving the public works yard from Rufus Allen Boulevard to the

industrial area will cost \$1 million.

The airport will get more than \$600,000 worth of improvements, which include a new heating and air conditioning system, making it compliant with the Americans with Disability Act, as well as renovating the facility to make it more like a visitors' center than its current vacant, open waste of space lobby-like area.

While the city and El Dorado County have not come to an agreement regarding ownership of the property where the senior center is located, the city plans to set aside \$100,000 to upgrade that facility.

Kerry stressed that all of this money is one-time funds.

"With capital needs, community investment and operations, we are tackling all of these things a little at a time," Kerry said.

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Notes:

· The City Council meets March 15 at 9am at Lake Tahoe Airport.