



To: Community Promotion and Tourism Committee
From: Scott Niehaus, Village Manager
Date: August 1, 2018
Subject: Hotel/Motel Tax Expenditures for Fiscal Year 2019

Attached for your review is a Historical Budget Analysis regarding proposed Hotel/Motel Tax expenditures for FY 2019 (Attachment 1). Below is a financial summary of Hotel/Motel Tax revenue and expenditures for FY17, the FY18 budget, FY18 year-end estimate, and the FY19 proposed budget.

	ACTUAL	BUDGET	YE EST	PROPOSED BUDGET
	FY 2017	FY18	FY18	FY19
Hotel/Motel Revenues	2,044,210	2,153,180	2,153,180	2,153,180
<i>Year to Year Increase</i>				<i>0.00%</i>
Hotel/Motel Expenditures	2,092,807	2,249,170	2,085,260	2,101,030
<i>Year to Year Increase</i>				<i>-6.59%</i>
				<i>Compares to FY18 Budget</i>
Fund Balance	1,111,816	983,333	1,179,736	1,231,886
<i>% of expenditures</i>	<i>63.01%</i>	<i>48.52%</i>	<i>51.48%</i>	<i>58.63%</i>

As shown above, based on current year-to-date collections, FY19 revenues are projected to have no change (0.00%) compared to the FY18 budget. The FY19 budget request is \$148,140 (-6.59%) less than the FY18 budget. The significant decrease in the FY19 budget is due to a diligent effort on Village staff's part to review expenditure history.

Significant increases to the Hotel Motel fund included in the FY19 budget include \$9,900 for salaries and benefits, \$10,000 for a one-time upgrade to the employee intranet, \$7,300 for repairs and improvements to the Historical Museum, \$7,500 for banners, \$6,000 for miscellaneous overtime for community events, and \$3,870 for miscellaneous grants.

Significant decreases to the Hotel Motel fund included in the FY19 budget are \$8,740 for printing, mailing, and postage costs associated with the reduction of issues of the Lombard Pride, \$5,000 for winter decorations, \$8,470 for DuPage Convention & Visitors' Bureau payments, \$27,500 for Lilac Town Centre personnel expenses, \$5,000 electronic communication and marketing, and \$125,000 that was included in FY18 for the public information notification signage.

Staff will be in attendance at the Committee meeting on August 6, 2018 to review the proposed Hotel/Motel Tax expenditures.