

HOTEL OCCUPANCY TAX UPDATE

JANUARY 29, 2024



Hotel Occupancy Tax – November 2023

| | | | | | | |
|-------------------------------|--------------------|------------------|-------------------|--------------------|------------|-------------|
| Hotel Occupancy Tax Fund | | | | | | |
| Month Ended November 30, 2023 | | | | | | |
| | Approved | November | Year-to-date | Year-End | Year-End | Year-End |
| | Budget | w/Encumb | w/Encumb | Estimate | Variance | % Variance |
| | | | | | Fav(Unfav) | Fav(Unfav) |
| Total Revenue | 152,172,894 | 6,327,721 | 34,011,072 | 152,172,894 | 0 | 0.0% |
| TRANSFERS OUT | | | | | | |
| Tfr to Cultural Arts Fund | 14,525,594 | 604,297 | 3,248,057 | 14,525,594 | 0 | 0.0% |

- Total HOT Collections November 2023 = **\$6,327,721**
 - 22.4% towards FY24 Approved Budget of \$152,172,894
- Cultural Arts Fund November 2023 = **\$604,297**



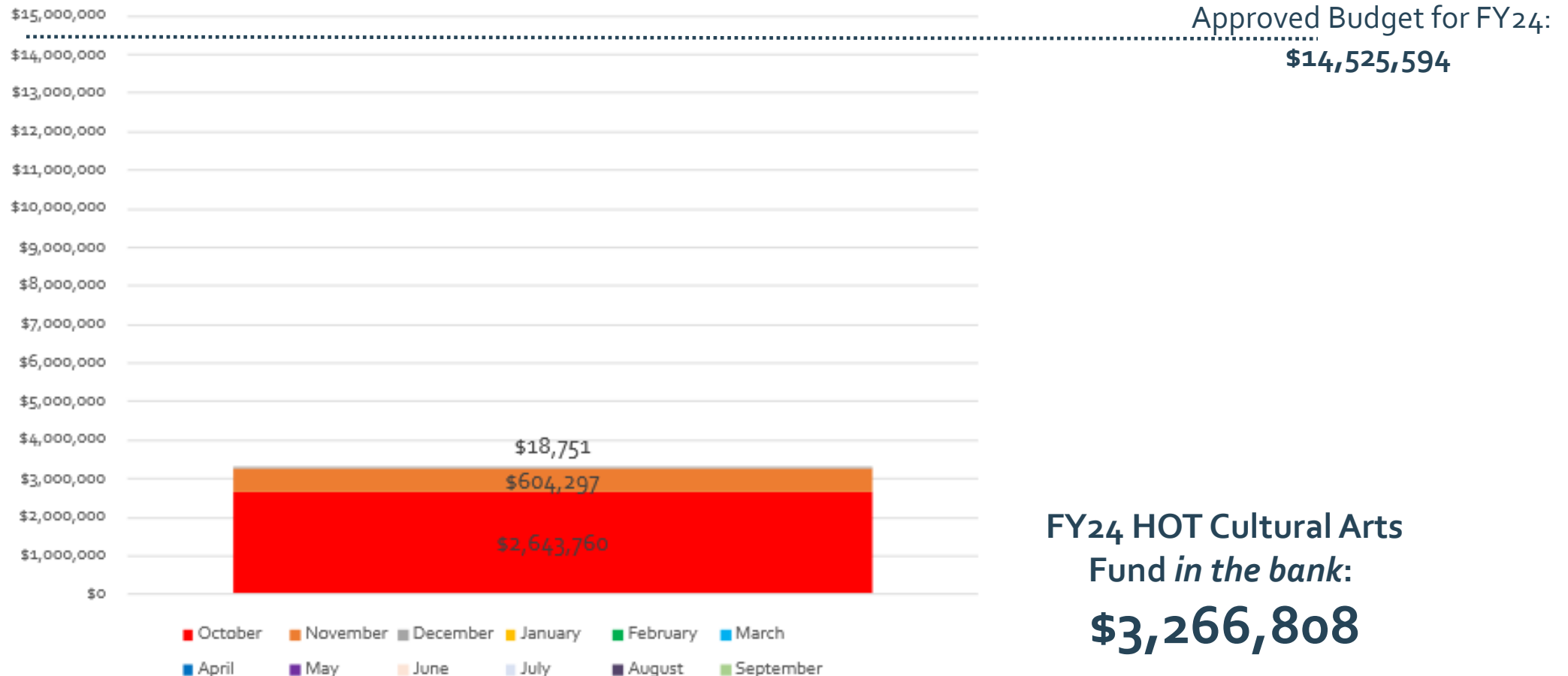
Hotel Occupancy Tax – December 2023

| | | | | | | |
|-------------------------------|-------------|----------|--------------|-------------|------------|------------|
| Hotel Occupancy Tax Fund | | | | | | |
| Month Ended December 31, 2023 | | | | | | |
| | | | | | | |
| | Approved | December | Year-to-date | Year-End | Year-End | Year-End |
| | Budget | w/Encumb | w/Encumb | Estimate | Variance | % Variance |
| | | | | | Fav(Unfav) | Fav(Unfav) |
| Total Revenue | 152,172,894 | 196,344 | 34,207,415 | 152,172,894 | 0 | 0.0% |
| TRANSFERS OUT | | | | | | |
| Tfr to Cultural Arts Fund | 14,525,594 | 18,751 | 3,266,808 | 14,525,594 | 0 | 0.0% |

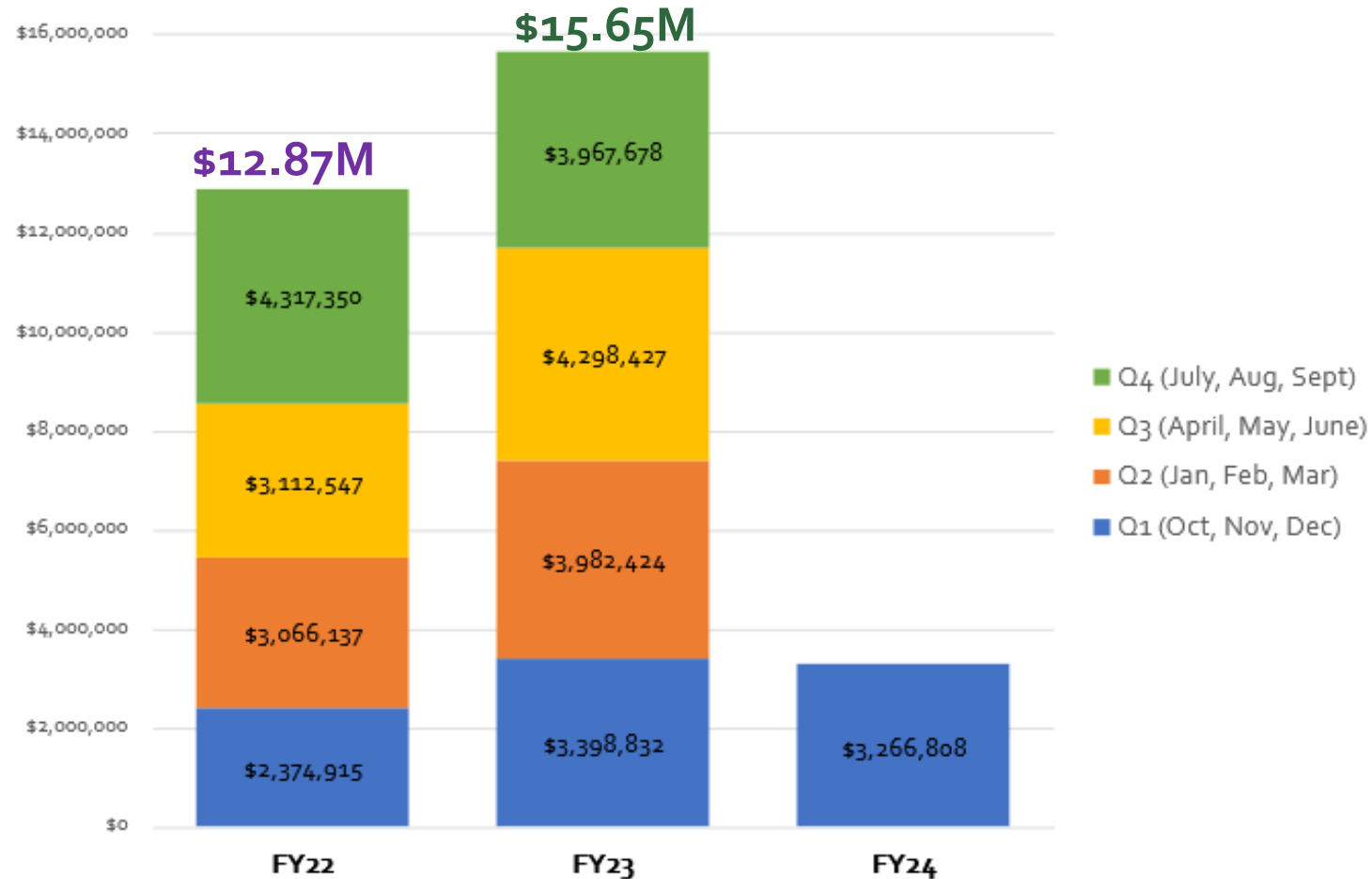
- Total HOT Collections December 2023 = **\$196,344**
 - 22.5% towards FY24 Approved Budget of \$152,172,894
- Cultural Arts Fund December 2023 = **\$18,751**



HOT Cultural Arts Fund - FY24



HOT Collections (FY22-FY24)



How HOT programs work: History

OLD WAY (ESTIMATES)

Grant awards were made based on ESTIMATE of how much we *thought* we would collect during the next fiscal year.

Example –

- COA made a projection about FY2018 (Oct 1 2017 – Sept 30 2018) HOT funds
- Grants launched in May 2017, Award letters went out in August 2017.
- We reported out every month how much was collected (and hoped for the best).
- AC wanted to move to Actuals for years, in case anything unexpected happened.

CURRENT WAY (ACTUALS)

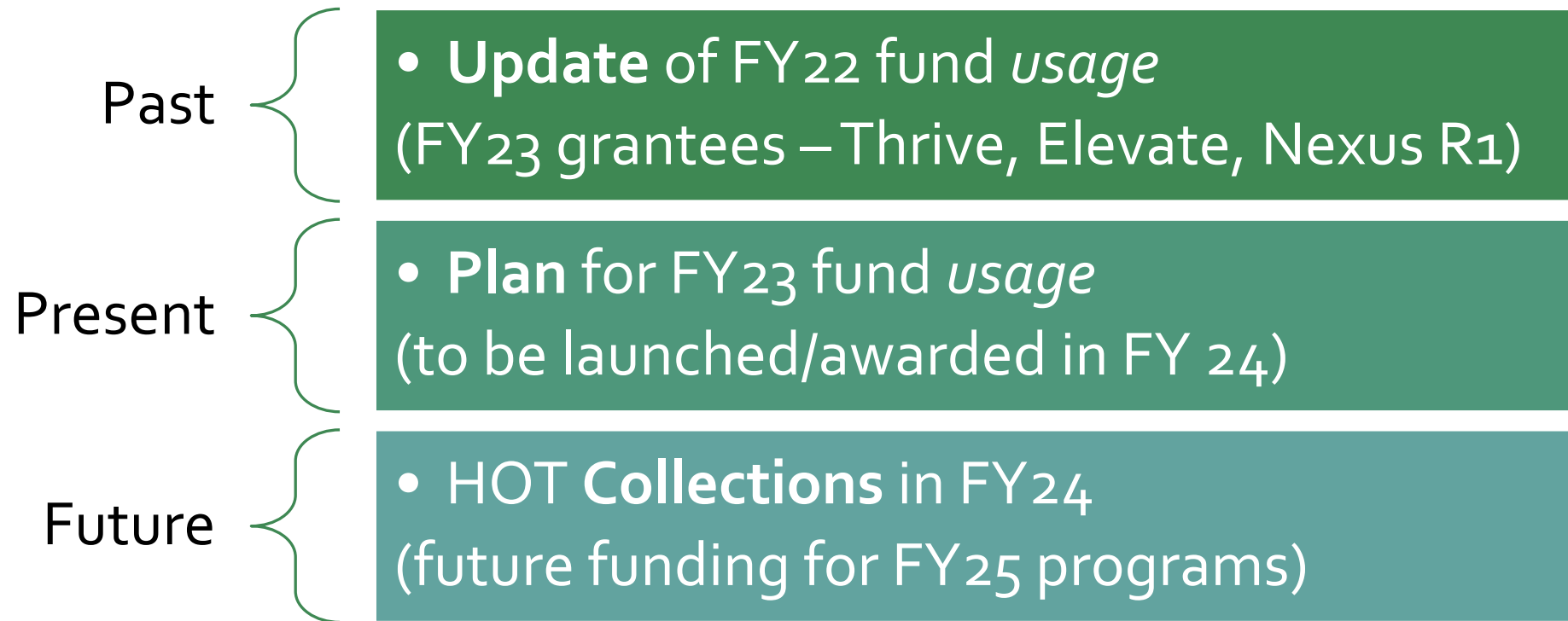
Grant awards are made based on the actual funds we collected in the previous fiscal year.

Example --

- We collected \$12.87 m in FY 2022
- Those FY22 Collections became the FY23 Actuals.
- This allowed staff to accurately budget in FY23 and identify the \$10.4M we were able to grant out to 286 awardees.

How **HOT** works: Usage vs Collections

Right now, staff reports monthly on:





How HOT Spending Works

FY 2024

Report
Out
past

+

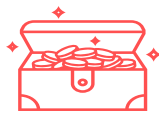
Plan/
Spend
present

+

Collect
future



FY23 Grantee Activities (FY 22 Funds - \$10.4M)



FY23 Collections
(\$15.6M) become
FY24 Actuals



FY24 Actuals
budgeted by COA
Reserves, Salaries, Admin,
Existing Contracts, Programs



FY24 Grant
Programs Launch
(\$13.7 M)



FY24 Grantees
Selected &
Contracted



FY24 Grantees
paid



FY24 Grantees
(FY23 Funds)



FY24 Collections will fund FY25 Grantees



Questions