

AGENDA ITEM SUMMARY

August 18, 2015

City Council

STAFF

Kelly DiMartino, Assistant City Manager
Loren Scheu, Financial Coordinator

SUBJECT

First Reading of Ordinance No. 092, 2015, Appropriating Prior Year Reserves and Unanticipated Revenue in the General Fund for Cultural Development and Programming Activities, Tourism Programming, and the Fort Collins Convention and Visitors Bureau.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate \$392,184 of which \$123,448 is for 2015 Cultural Development and Programming Activities (Fort Fund), \$38,007 is for 2015 Tourism Programming (Fort Fund), and \$230,729 is for 2015 Fort Collins Convention and Visitors Bureau (CVB) activities from Unanticipated Revenue (Lodging Tax) and Prior Year Reserves (unspent appropriations) in the General Fund Lodging Tax Reserves. Lodging Taxes for 2014 were estimated at \$975,000 and actual Lodging Tax revenues collected equaled \$1,304,612.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

Section 25-44 of the City Code requires that 75% of the total lodging tax receipts be used for the promotion of convention and visitor activities and 25% of receipts be used for cultural development and programming activities. Actual revenue collected is appropriated based on this allocation formula and any excess revenue and budget savings are reserved for these activities in the General Fund balance.

CITY FINANCIAL IMPACTS

Lodging Tax	75%		25%		Total
	Promote Convention & Visitor Activities		Promote Cultural Development & Programming		
	Convention & Visitors Bureau 70%	Fort Fund (Tourism Programming) 5%	Fort Fund (Cultural Development & Programming) 25%		
Unanticipated Lodging Tax	230,729	16,480	82,403		329,612
Unspent Appropriations	0	21,527	41,045		62,572
Total	230,729	38,007	123,448		392,184

ORDINANCE NO. 092, 2015
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING PRIOR YEAR RESERVES AND UNANTICIPATED
REVENUE IN THE GENERAL FUND FOR CULTURAL DEVELOPMENT
AND PROGRAMMING ACTIVITIES, TOURISM PROGRAMMING, AND THE FORT
COLLINS CONVENTION AND VISITORS BUREAU

WHEREAS, Section 25-244 of the Code of the City of Fort Collins requires that lodging tax revenue is to be allocated as follows: 75% for the promotion of convention and visitor activities and 25% for cultural development and programming activities; and

WHEREAS, Lodging Taxes were estimated at \$975,000 for 2014, this amount was appropriated and all but \$62,572, was spent in 2014; and

WHEREAS, at the end of 2014, a total of \$1,304,612 in Lodging Tax revenues had been collected and the unspent portions lapsed into the General Fund Reserves for Lodging Tax programs and activities; and

WHEREAS, unanticipated Lodging Tax revenue in the amount of \$329,612 held in the General Fund Reserves is to be appropriated for each of the Lodging Tax programs and activities as follows; and

- Cultural Development and Programming \$ 82,403
- Tourism Programming \$ 16,480
- Fort Collins Convention and Visitors Bureau \$ 230,729

WHEREAS, unexpended 2014 appropriations of Lodging Tax revenue in the amount of \$62,572 have lapsed and were returned to the General Fund, and are to be appropriated for Lodging Tax programs and activities based on the use specified when they were first appropriated, as follows:

- Cultural Development and Programming \$ 41,045
- Tourism Programming \$ 21,527

WHEREAS, Article V, Section 9 of the City Charter permits the City Council to appropriate by ordinance at any time during the fiscal year such funds for expenditure as may be available from reserves accumulated in prior years, notwithstanding that such reserves were not previously appropriated; and

WHEREAS, Article V, Section 9 of the City Charter permits the City Council to make supplemental appropriation by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, does not exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, City staff has determined that the appropriation of the revenue as described herein will not cause the total amount appropriated in the General Fund to exceed the current estimate of actual and anticipated revenues to be received in that fund during any fiscal year; and

WHEREAS, the City wishes to appropriate all funds allocated for Cultural Development and Programming, Tourism Programming, and the Fort Collins Convention and Visitors Bureau.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That there is hereby appropriated for expenditure from prior year reserves in the General Fund the total sum of ONE HUNDRED TWENTY THREE THOUSAND FOUR HUNDRED FORTY EIGHT DOLLARS (\$123,448) for Cultural Development and Programming activities.

Section 2. That there is hereby appropriated for expenditure from prior year reserves in the General Fund the total sum of THIRTY EIGHT THOUSAND SEVEN DOLLARS (\$38,007) for the Tourism Programming.

Section 3. That there is hereby appropriated for expenditure from prior year reserves in the General Fund the total sum of TWO HUNDRED THIRTY THOUSAND SEVEN HUNDRED TWENTY NINE DOLLARS (\$230,729) for the Fort Collins Conventions and Visitors Bureau.

Introduced, considered favorably on first reading, and ordered published this 18th day of August, A.D. 2015, and to be presented for final passage on the 1st day of September, A.D. 2015.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 1st day of September, A.D. 2015.

Mayor

ATTEST:

City Clerk