



CITY OF CANTON

Fiscal Year 2012 Operating Budget Amendment #2

Gene Hobgood, Mayor

Council Members Ward 1:

E.H. "Hooky" Huffman
Bob Rush

Council Members Ward 2:

Bill Bryan
Jack Goodwin

Council Members Ward 3:

John Beresford
Glen Cummins

151 Elizabeth Street
Canton, Georgia 30114
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CITY OF CANTON
HOTEL/MOTEL TAX FUND (275)

Hotel Motel tax revenue went up with the increase from 7% to 8%. One additional line item has been added to cover maintenance supplies at the Theatre for the DDA. The DDA has hired a firm to do the cleanups after performances, with the fees paid out of appropriated money for maintenance and custodial services. An additional \$20,000 has been appropriated from 2011 funds to the DDA, so they can hire a 30 hour a week director to attract new acts into the theater. This will be a one-time investment, with the anticipation that the director will be able to produce enough revenue to cover further salary expenses.

With the change in the hotel motel tax rate from 7% to 8%, the expenditure requirements change as well. The local legislation that went along with this rate change included new specifications for how the money is spent. The collections associated with 3% of the tax must be spent 50/50 for promoting tourism and tourism product development.

CITY OF CANTON
HOTEL/MOTEL TAX REVENUES
FOR THE FISCAL YEAR ENDING 9/30/2012

FUND	SOURCES	REVENUE DESCRIPTIONS	FY2012 APPROVED BUDGET	FY 2012 BUDGET AMENDMENT #2	INCREASE (DECREASE) FROM ORIGINAL
275	314100	HOTEL/MOTEL TAXES	230,000	230,000	-
275	319400	PENALTIES & INTEREST	2,294	2,294	-
275	361000	INTEREST INCOME	767	767	-
275	134220	RESERVES	27,519	47,519	20,000
TOTAL BUDGETED REVENUES:			<u>260,580</u>	<u>280,580</u>	<u>20,000</u>
TOTAL REVENUES AND OTHER SOURCES OF FUNDS:			<u>260,580</u>	<u>280,580</u>	<u>20,000</u>

CITY OF CANTON
HOTEL/MOTEL TAX EXPENDITURES
FOR THE FISCAL YEAR ENDING 9/30/2012

scp 4/24/2012

FUND	FUNCTION	DEPT.	OBJECTS	EXPENDITURE DESCRIPTIONS	FY2012 APPROVED BUDGET	FY 2012 BUDGET AMENDMENT #2	INCREASE (DECREASE) FROM ORIGINAL
275	6140	10	522310	RENTAL OF THEATER FROM DDA	114,236	134,236	20,000
275	6140	10	531000	THEATRE CUSTODIAL AND MAINTENANCE SUPPLIES	12,000	12,000	-
275	6240	10	572000	INTERAGENCY ALLOCATION-TREE CITY	3,500	3,500	-
275	7540	10	572001	INTERAGENCY ALLOCATION-CANTON TOURISM	32,280	32,280	-
275	7540	10	572002	INTERAGENCY ALLOCATION-CC ARTS COUNCIL	10,000	10,000	-
275	7540	10	572003	INTERAGENCY ALLOCATION-CC CHAMBER OF COMMERCE	15,000	15,000	-
275	7540	10	572004	INTERAGENCY ALLOCATION-CC HISTORICAL	5,000	5,000	-
TOTAL EXPENDITURES:					<u>192,016</u>	<u>212,016</u>	<u>20,000</u>
OTHER USES OF FUNDS							
275	2650	15	573000	Transfer to General Fund	68,564	68,564	
					<u>68,564</u>	<u>68,564</u>	<u>-</u>
TOTAL BUDGETED EXPENDITURES:					<u>260,580</u>	<u>280,580</u>	<u>20,000</u>

Memo

To: Mr. Wood
From: Nathan Ingram
CC:
Date: 4/24/2012
Re: Agreement with DDA regarding employee

Mr. Wood,

The attached is the requested "Budget Amendment #2" that will allocate \$20,000 of previous year's Hotel/Motel Tax Fund Balance to the DDA for their employee.

The DDA is prepared to 'argue' their point at the next council meeting, May 3rd. The attached is the 'technical' aspect of the request. Please modify the memorandum as needed; as this is from the City Manager's Office.

Please discuss with me if you have any concerns.

Respectfully,

Nathan Ingram