

Department of Community Affairs
City of East Point Hotel-Motel Tax Complaint Investigation
Preliminary Report of Findings and Recommendations

BACKGROUND

Two complaints regarding the alleged failure by the City of East Point to comply with the expenditure requirements of the Hotel-Motel Tax law were submitted to the Department of Community Affairs (DCA) before the statutory deadline of June 1, 2019. In response to such complaints, the Hotel-Motel Tax Performance Review Board is required to conduct a thorough and complete investigation of the applicable local government's expenditures of Hotel-Motel Tax revenue and its compliance with related state laws and regulations. The findings resulting from this investigation must be documented by the Performance Review Board in a written report that includes appropriate evaluations, judgements, and recommendations. The recommendations in the report regarding corrective action to be taken by the local government must then be submitted to the Commissioner of DCA for consideration and approval.

As the State administrative agency providing investigative and technical support for the Performance Review Board, DCA's Office of Research conducted an investigation and developed this *Preliminary Report of Findings and Recommendations* for consideration by the Performance Review Board prior to their December 3, 2019 Meeting. Any changes deemed appropriate by the Performance Review Board will be made by the Office of Research prior to Final Report submission.

TERMINOLOGIES

"51(b)" as used herein refers to specific tax authorization O.C.G.A. 48-13-51(b);
"City", "Cities", or "The City" as used herein refer to the City of East Point;
"Complaints" as used herein refers to the Complaints filed against the City by June 1, 2019;
"DMO" means Destination Marketing Organization as defined in GA Hotel-Motel Tax law;
"HMT Law" or "Laws" or "GA Law" refer herein to GA's O.C.G.A. 48-13-51 et al.;
"Report" or "Reports" as used herein refer to the mandated Hotel-Motel Tax Reports to DCA;
"Tax" or "Tax Expenditures" as used herein refer to the HMT tax applicable to Authorization 51(b);
"TCT" means promoting Tourism, Conventions, and Trade shows;
"Team" as used herein refers to DCA's Investigative Team for this Complaint;
"TPD" means Tourism Product Development.

INVESTIGATION SUMMARY

DCA received two separate complaints often referring to the same articles or council sessions. Duplicate complaints have been combined into one Complaint Item. Each Complaint Item and its relevance will be further addressed in this *Preliminary Report*.

ITEM	RELEVANCE	DESCRIPTION
Complaint Item 1	Considered	Expenditures on "Wednesday Wind Down" events
Complaint Item 2	Not Considered	Expenditures on "Legends Live Weekend"
Complaint Item 3	Considered	Expenditures to repair and construct a Government Center
Complaint Item 4	Not Considered	Transfer of approximately \$1.7 million (3%) to the general fund
Complaint Item 5	Considered	Expenditures on the "Sickle Cell Race"
Complaint Item 6	Not Considered	The City's funding of "Soccer in the Streets"
Complaint Item 7	Not Considered	The City's funding of the "Jazz Festival"

Effective May 1, 2011, the City of East Point levied an eight percent (8%) Hotel-Motel Tax authorized by the Official Code of Georgia Annotated (O.C.G.A.) 48-13-51(b).

This code section has the following spending restrictions:

1. 48-13-51(b)(A) "**In each fiscal year during which a tax is collected** under paragraph (2) or (3) of this subsection, **an amount equal to not less than 50 percent of the total amount of taxes collected that exceed the amount of taxes that would be collected at the rate of 5 percent shall be expended for promoting tourism, conventions, and trade shows by the destination marketing organization** designated by the county or municipality levying the tax;"
2. 48-13-51(b)(B) "**The remaining amount of taxes collected that exceed the amount of taxes that would be collected at the rate of 5 percent which are not otherwise expended under subparagraph (A) of this paragraph shall be expended for tourism product development.**"
3. 48-13-51(b)(6) "A county or municipality levying a tax pursuant to this subsection shall expend an **amount equal to the amount of total taxes collected under this subsection which would have been collected at a rate of 5 percent in accordance with the provisions of paragraph (3) of subsection (a) of this Code section.**"
4. 48-13-51(a)(3) "Notwithstanding the provisions of paragraph (1) of this subsection, a county (within the territorial limits of the special district located within the county) or municipality may levy a tax under this Code section at a rate of 5 percent. A county or municipality levying a tax pursuant to this paragraph **shall expend (in each fiscal year during which the tax is collected under this paragraph (3)) an amount equal to the amount by which the total taxes collected under this Code section exceed the taxes which would be collected at a rate of 3 percent for the purpose of: (A) promoting tourism, conventions, and trade shows; (B) supporting a facility owned or operated by**

a state authority for convention and trade show purposes or any other similar or related purposes; (C) supporting a facility owned or operated by a local government or local authority for convention and trade show purposes or any other similar or related purposes, if a written agreement to provide such support was in effect on January 1, 1987, and if such facility is substantially completed and in operation prior to July 1, 1987; (D) supporting a facility owned or operated by a local government or local authority for convention and trade show purposes or any other similar or related purposes if construction of such facility is funded or was funded prior to July 1, 1990, in whole or in part by a grant of state funds or is funded on or after July 1, 1990, in whole or substantially by an appropriation of state funds; (E) supporting a facility owned by a local government or local authority for convention and trade show purposes and any other similar or related purposes if construction of such facility is substantially funded or was substantially funded on or after February 28, 1985, by a special county 1 percent sales and use tax authorized by Article 3 of Chapter 8 of this title, as amended and if such facility was substantially completed and in operation prior to December 31, 1993; or (F) for some combination of such purposes. **Amounts so expended shall be expended only through a contract or contracts with the state, a department of state government, a state authority, a convention and visitors bureau authority created by local Act of the General Assembly for a municipality, or a private sector nonprofit organization, or through a contract or contracts with some combination of such entities, except that amounts expended for purposes (C) and (D) may be so expended in any otherwise lawful manner.**

CATEGORY	PROPORTION	PERCENTAGE	NOTES
TCT (1)	2.0/8.0	25.00%	State, State Dept., State Authority, State Created CVB, or 501c(6)
TCT (2)	1.5/8.0	18.75%	O.C.G.A. defined 501c(6) organization only
TPD/ TCT (2)	1.5/8.0	18.75%	Tourism Product Development; Otherwise TCT (2)
Total Restricted	5.0/8.0	62.50%	Expended on either TCT or TPD
Unrestricted	3.0/8.0	37.50%	General fund expenditures for any legal purpose

The DCA Commissioner's initial notification to the City of East Point of the complaint filing included a list of documents and information needed for the complaint investigation.

The City provided partial records of the requested documentation by the requested deadline of July 17, 2019. The missing records, as well as additional documentation, were requested in a follow up letter with a second deadline of August 15, 2019. Excerpts from the digitally submitted information are included in the Report's Appendix. The City of East Point had a 10-day opportunity to respond to this *Preliminary Report of Findings and recommendations* prior to the Final Report submission to the Performance Review Board.

The City's response allowed the Team to review the City's audited financial statements, applicable contracts for services, receipts and accounting records, budgets and council minutes. The Team's focus has been to determine how the City paid for specific events, and how restricted funds are allocated to outside organizations and City funds. Subsequent to such document reviews, the Team conducted in-person interviews with East Point City officials involved in the allocation of restricted Hotel-Motel Tax revenue.

The complaint requires a careful review of the specific expenditure requirements legal under the City's lawfully adopted authorization O.C.G.A. 48-13-51(b) as itemized above. The legal wording has significant impact on several of the Complaint allegations. DCA does not "interpret" the law or provide legal advice. However, a clear *recognition* of what the law says, and what it does not say, is critical to an appropriate determination of the spending restrictions. Each individual complaint allegation requires close attention and alignment to select pertinent wording in the law.

Members of the City of East Point officials interviewed (individually) were:

Honorable Deana Holiday- Ingraham, Mayor
Lolita Grant, Finance Director
Frederick Gardiner, City Manager

Members of outside organizations interviewed (in a group format) were:

ATL Airport District Destination Marketing Organization
Cookie Smoak, Executive Director
LaShanta Taylor, VP of Finance

The following pages address each Complaint Item raised to DCA and mentioned above.

Complaint Item 1

Complaint Item 1 Alleges:

“According to City Council minutes of April 16, 2018, Mayor and Council voted to approve the Wednesday Wind Down event in the amount of \$30,000 from Hotel/Motel Taxes”

“Concert series for citizens (\$30,000)”

City of East Point Response to Complaint Item 1:

“The City used the funds to pay for advertisement of its summer musical performance developed to attract visitors and promote tourism to the City. In accordance with section 48-13-51(b) funds to be used to plan, conduct or participate in programs of information and publicity designed to attract or advertise tourism, conventions or trade shows meet the qualifications for Hotel/Motel Fund usage.”

DCA Investigation of Complaint Item 1:

Expenditures on the Wednesday Wind Down events by the City of East Point potentially conflict with HMT Law in two ways.

Firstly, receipts submitted by the City demonstrate that restricted Hotel-Motel Tax dollars are expended directly by the City for the purpose of TCT. O.C.G.A. 48-13-51(a)(3) indicates that the City is not an eligible recipient of restricted TCT funds.

Secondly, a portion of the promotional funds being spent by the City was spent on the “Staging” of the event. An example of one of the invoices is included in **Appendix A**. The established precedent is that promotional funds cannot pay for the event itself. During interviews with City officials, DCA learned that the City was under the impression “staging” meant preparation and promotion rather than paying for the physical stage. It is not in DCA’s purview to determine if “staging” can be considered a promotional activity, however, these funds were identified as TCT and were spent by the City rather than an eligible organization as defined by O.C.G.A. 48-13-51(a)(3).

DCA Finding- Complaint Item 1:

Expenditures on the Wednesday Wind Down event totaling **\$23,365** are out of compliance with HMT Law defining the eligible recipients of TCT restricted funds.

Complaint Item 2

Complaint Item 2 Alleges:

“Per City Council Minutes of January 22, 2019, Mayor and Council voted to approve \$22,000 Sponsorship of Legends Live Weekend” using Hotel and Motel Taxes.”

City of East Point Response to Complaint Item 2:

Not provided

DCA Investigation of Complaint Item 2:

DCA did not consider this part of the investigation as it occurred outside of the most recently completed fiscal year.

DCA Finding- Complaint Item 2:

Not Considered

Complaint Item 3

Complaint Item 3 Alleges:

“City Auditorium roof repair”

“Construction of a Government Center Building”

“Improvement and renovations of City buildings”

“I am concerned that that the City is using Hotel/Motel Tax Money to the wi-fi at the new City Hall building as well as CCTV and server room upgrades, which all may qualify as capital projects, but do not seem to be related to tourism.”

City of East Point Response to Complaint Item 3:

“The City has plans to renovate its existing auditorium to host conventions, reunions and other tourism events. Therefore, funds were expended to repair a leaking roof. In accordance with Section 41-13-51(b) this is an allowable expenditure.”

“The City constructed a multi-purpose City Hall in which it plans to lease out meeting space and use for operations. In addition, the front steps have been constructed similar to an amphitheater to host events and promote tourism and trade shows. The City also has plans to renovate the auditorium and old City Hall to allow for other tourism, conventions and/or trade shows. Construction costs were allocated for Hotel/Motel Funds based upon usage. In accordance with Section 48-13-51 funds expended to create or expand physical attractions which are available and open to the public and improve the visitors experience qualifies as Hotel/Motel expenditures.”

DCA Investigation of Complaint Item 3:

These complaint inquiries are all in reference to Tourism Product Development (TPD) expenditures with restricted HMT funds. The eligibility of the City Auditorium, Government Center Building and City Hall projects depend on the below excerpt:

O.C.G.A. 48-13-50.2(6) "Tourism product development" means the expenditure of funds for the creation or expansion of physical attractions which are available and open to the public and which improve destination appeal to visitors, support visitors' experience, and are used by visitors. Such expenditures may include capital costs and operating expenses. Tourism product development may include:

- (A) Lodging for the public for no longer than 30 consecutive days to the same customer;*
- (B) Overnight or short-term sites for recreational vehicles, trailers, campers, or tents;*
- (C) Meeting, convention, exhibit, and public assembly facilities;*
- (D) Sports stadiums, arenas, and complexes;*
- (E) Golf courses associated with a resort development that are open to the general public on a contract or fee basis;*
- (F) Racing facilities, including dragstrips, motorcycle racetracks, and auto or stock car racetracks or speedways;*
- (G) Amusement centers, amusement parks, theme parks, or amusement piers;*
- (H) Hunting preserves, trapping preserves, or fishing preserves or lakes;*
- (I) Visitor information and welcome centers;*
- (J) Wayfinding signage;*
- (K) Permanent, nonmigrating carnivals or fairs;*
- (L) Airplanes, helicopters, buses, vans, or boats for excursions or sightseeing;*
- (M) Boat rentals, boat party fishing services, rowboat or canoe rentals, horse shows, natural wonder attractions, picnic grounds, river-rafting services, scenic railroads for amusement, aerial tramways, rodeos, water slides, or wave pools;*
- (N) Museums, planetariums, art galleries, botanical gardens, aquariums, or zoological gardens;*
- (O) Parks, trails, and other recreational facilities; or*
- (P) Performing arts facilities.*

Documentation submitted by the complaints reference City Council meetings in Fiscal Years 2015 and 2016, outside the scope of the investigation. Additionally, a complaint references the capital improvement program in the Fiscal Year 2019 budget to fund technological improvements at the City Hall. During interviews, City officials discussed the renovation and repurposing of buildings on the historic block to create a new Government Center including a welcome center, auditorium and city hall. The City maintains that it did not spend any restricted Hotel-Motel Tax revenue on these projects in the year in question, Fiscal Year 2018, other than the City Auditorium.

As reported by the City, the only TPD project that received restricted Hotel-Motel Tax funds in Fiscal Year 2018 was the City Auditorium renovation. This included four expenditures on roofing repairs to Legend Roofing Co totaling \$149,491. Based on discussions with the City

Manager, this was one of the necessary improvements to the facility in order to resume hosting events. The City hopes to host events such as weddings, reunions and dance performances and stated it will be the only venue of its size in the immediate area.

DCA requested all receipts for TPD expenditures in the initial complaint letter, follow-up letter, and during interviews with City Officials. The \$149,491 in TPD expenditures represents about 3% of total revenue, where 18.75% of total revenue is eligible for TPD projects. Restricted funds not spent on TPD in the fiscal year in which they are collected, are otherwise required to be spent on TCT by an eligible 501(c)6 organization. The Finance Director indicated during the interviews that the additions to the Hotel-Motel Fund balance in Fiscal Year 2018 of \$705,876 represents the remainder of the City's TPD funds and will be spent on capital projects in future years.

The City also provided documentation of a fund transfer to the "Center" fund totaling \$1,211,646, or 25% of revenue. According to statements from city officials and Fiscal Year 2018 financial reports, this portion of revenue had not yet been spent. However, it appears to represent additional TPD expenditures for a total of almost 40% of revenue. Tables demonstrating how revenue is distributed between different purposes are provided in **Appendix B**. This includes a Fiscal Year 2018 Breakdown provided by the City, expenditure list, and record of the referenced fund transfer.

DCA Finding- Complaint Item 3:

The repairs of the City Auditorium could be appropriate based on the previously provided definition in O.C.G.A. 48-13-50.2(6). The Complaint Item also raised concerns about expenditures on the ongoing construction and renovation of the Government Center. Significant fund balances in the Center Fund and Hotel-Motel Fund containing restricted Hotel-Motel Tax dollars make it difficult to determine firm percentages going towards TPD on an annual basis, though significantly more than the mandated 18.75% appear to be allocated towards TPD related projects.

Complaint Item 4

Complaint Item 4 Alleges:

"An additional transfer of \$1.7 million from the Hotel Tax Fund to the General Fund"

City of East Point Response to Complaint Item 4:

"Section 48-13-51(b) allows 37.5% of Hotel/Motel proceeds to be used for any legal general fund purpose in the city, county or consolidated government. Therefore, the city considers the transfer of these funds to be in compliance with section 48-13-51(b)"

DCA Investigation of Complaint Item 4:

The first three pennies of the Hotel-Motel Tax are unrestricted for the general fund. This Complaint Item is in reference to Fiscal Year 2017, where the City transferred \$1,684,381

(37.5%) from the Hotel-Motel Fund to the General Fund. A summary of the City's Statement of Revenues, Expenditures and Fund Balances is included in **Appendix C**.

DCA Finding- Complaint Item 4:

Not Considered

Complaint Item 5

Complaint Item 5 Alleges:

"According to the City Council Meeting Minutes of February 18, 2019 the Mayor and Council voted to use \$45,000 of Hotel/Motel Tax Money to provide "a lump sum cash donation" to the Sickle Cell Foundation of Georgia for their 2019 Sickle Cell Road Race/Walk. While the City has given cash and in-kind donations to this event in the past, they have done so from the General Fund and the cash amount has not exceeded \$15,000 per year. I am skeptical that the event would even cost this much to put on since they are charging an entrance fee in addition to soliciting other donations. This seems to be a donation to the organization which would violate the Gratuities Clause in addition to being an improper use of the Hotel/Motel Tax dollars."

City of East Point Response to Complaint Item 5:

"The Sickle Cell Foundation Race is a 37-year State of Georgia event that draws participants and tourism from around the State as well as the Country. Funds were used to advertise and support the event. In accordance with Section 48-13-51(b) these are qualifying events since the funds were expended to participate in a program designed to attract tourism to the City. Therefore, the City considers this a proper use of Hotel/ Motel Funds"

DCA Investigation of Complaint Item 5:

The council meeting referenced in the complaint is regarding Fiscal Year 2019 allocation. As DCA opened the investigation, the Team requested a list of all Destination Marketing Organizations (DMO) receiving TCT funds. The provided documentation made clear the Sickle Cell Foundation of GA received restricted Hotel-Motel Tax revenue in Fiscal Year 2018 and previous years. While funds were spent on tourism related projects according to receipts submitted to DCA, \$11,473 was spent directly by the Sickle Cell Foundation of GA. Receipts indicating how money was allocated to promote the event are provided in **Appendix D**.

The Sickle Cell Foundation of GA is a 501(c)3 non-profit organization and is not an eligible recipient of restricted HMT funds as defined by O.C.G.A 48-13-50.2(3).

O.C.G.A 48-13-50.2(3) "Private sector nonprofit organization" means a chamber of commerce, a convention and visitors bureau, a regional travel association, or any other private group organized for similar purposes which is exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1986; provided, however, that a county or municipality which has prior to April 1, 1990, contracted for a required expenditure under this Code section with a private group which is exempt from federal income tax under provisions of Section 501(c) of the

Internal Revenue Code other than Section 501(c)(6) may continue to contract for required expenditures with such a private group.”

The Team also spoke with the other DMO receiving TCT funds in order to understand their involvement with the promotion of the Sickie Cell Road Race and other events held by the City. The ATL Airport District DMO received 18.75% of total revenue, \$908,735 in Fiscal Year 2018. Discussions with the City and the DMO clarified that an additional \$18,527 was spent by the DMO in advertising for the Race.

DCA Finding- Complaint Item 5:

The Sickie Cell Foundation of GA was ineligible to receive the \$11,473 provided for the promotion of the Sickie Cell Race. Records provided by the City explaining how TCT funds are allocated to DMOs indicated that 18.75% is reserved for this purpose. According to O.C.G.A. 48-13-51(b), 43.75% of total HMT revenue must be spent on TCT “*through a contract or contracts with the state, a department of state government, a state authority, a convention and visitors bureau authority created by local Act of the General Assembly for a municipality, or a private sector nonprofit organization, or through a contract or contracts with some combination of such entities.*” The Table in **Appendix B** demonstrates how the City distributed funds in Fiscal Year 2018, with 6.5/8.0% going to the City and 1.5/8.0% going to the DMO.

Complaint Item 6

Complaint Item 6 Alleges:

“Local soccer fields (\$75,000)”

City of East Point Response to Complaint Item 6:

“The City partnered with the Soccer in the Streets, Inc. to construct a soccer field near the East Point MARTA Station to host soccer events. The construction of this venue will improve destination appeal and support visitors’ experience of soccer leagues and their supports. Funds were used in accordance with Section 48-13-51(b) and therefore are allowable expenditures.”

DCA Investigation of Complaint Item 6:

The Council vote occurred in Fiscal Year 2019. The project was discussed during interviews, though construction had not started during Fiscal Year 2018.

DCA Finding- Complaint Item 6:

Not Considered

Complaint Item 7**Complaint Item 7 Alleges:**

“Use Hotel/Motel Tax funding in an amount not to exceed \$20,000 for the East Point Jazz Festival.”

City of East Point Response to Complaint Item 7:

“The City expended funds to advertise the event to draw tourism to the City. In accordance with Section 48-13-51(b) advertisement of events that promote tourism events are qualifying expenditures.”

DCA Investigation of Complaint Item 7:

The Council vote and magazine article on the funding of the East Point Jazz festival were in Fiscal Year 2019 and are out of the scope of this investigation. The performance was discussed in interviews, and the City states that the article was an error. No receipts were requested or provided as the fiscal year was ongoing at the start of the investigation.

DCA Finding- Complaint Item 7:

Not Considered.

INVESTIGATIVE TEAM CONCLUSIONARY ACKNOWLEDGEMENTS

1. Due to the City of East Point's proximity to Atlanta's Hartsfield-Jackson Airport, the City benefits enormously from Hotel-Motel Tax revenues well in disproportion to the City's jurisdictional size. Funneling the large amount of DMO required dollars into their 48-13-51(b) required categories every year truly presents a challenge.
2. The table provided by the City's finance department which gives a monthly summary of Hotel-Motel Tax revenues is not in compliance with the spending restrictions in O.C.G.A. 48-13-51(b).
3. Beginning in 2015, the City began accumulating a fund balance in the Hotel-Motel Fund totaling \$4,170,380 in Fiscal Year 2018.
4. No receipts were provided by the City for \$1,917,524 in restricted HMT funds. The City stated that no other expenditures were made during Fiscal Year 2018 with these funds. These dollars were added to the fund balances of the Center Fund and the Hotel-Motel Tax Fund, as demonstrated in records provided by the City and the Comprehensive Annual Financial Reports. This can not be independently verified until Fiscal Year 2019 financial records are available.

Appendix A

13

In Concert Productions, Inc.

680 Wharton Circle, SW
Suite C
Atlanta, GA 30336

Invoice

Date	Invoice #
4/30/2018	10629P

Bill To
City of East Point East Point, GA 30344

SL 100 Sound / Lighting
Load in: 5/23/18
Load out: 5/23/18
Attn: Erin Rodgers

P.O. No.	Terms	Due Date	Rep	Job ID
72787	See Message Below	5/4/2018	JPR	10629P-SL 100 / So...
Qty	Description	Rate	Amount	
	Production Services, per Agreement - Balance payment for May 2018 event. ANY ADDITIONS, CHANGES, LOSSES AND/OR DAMAGES WILL BE BILLED SEPARATELY. TERMS: Payment due in full on 5/23/2018 We charge a 3.5% service fee for orders paid with a credit card. Thank you.	2,400.00	2,400.00	
Thank you for choosing us for your production needs!				
		Subtotal	\$2,400.00	
		Sales Tax (8.9%)	\$0.00	
		Total	\$2,400.00	
		Payments/Credits	\$0.00	
		Balance Due	\$2,400.00	

Interest of 1.5% per month will be imposed on all past due charges.
ICP accepts MC, Visa, Discover, and American Express.

MAY 11 '18 PM 4:51

PAID

Phone #	Fax #	E-mail
404-355-7943	404-350-9045	jay@icpatlanta.com

Appendix B

City of East Point
 Georgia Department of Community Affairs
 Hotel/Motel
 Project/Contractor Information Schedule (PCIS)
 Reconciliation
 For The Period Ending 6/30/2018

Sickle Cell Annual Road Race/Walk

<u>Date</u>	<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
6/1/2018	Sickle Cell Foundation of Georgia, Inc	\$ 11,473.00	Signage, Palm Cards brochures, team shirts
3/30/2018	Atl Airport District Destination Marketing Organ.	\$ 18,527.00	On air and digital advertisement and Banners
	Total	\$ 30,000.00	

Auditorium Repairs

7/14/2017	Legend Roofing Co	\$ 50,000.00	Roof Repair
8/3/2017	Legend Roofing Co	\$ 50,000.00	Roof Repair
9/10/2001	Legend Roofing Co	\$ 37,700.00	Roof Repair
9/18/2017	Legend Roofing Co	\$ 11,791.58	Roof Repair
	Total	\$ 149,491.58	

Wednesday Wine Downs

6/21/2018	Entercom Communication	\$ 5,700.00	Advertising
5/3/2018	Entercom Communication	\$ 5,000.00	Advertising
5/17/2018	In Concert Production	\$ 2,400.00	Staging
6/21/2018	In Concert Production	\$ 2,400.00	Staging
		\$ 2,400.00	Staging
		\$ 2,400.00	Staging
	Martino White	\$ 245.95	Post Cards
5/3/2018	Morgan III, Homer	\$ 150.00	Advertising
	Advertising That Works	\$ 245.00	Banners
		\$ 985.00	Banners
		\$ 1,440.00	Banners
	Total	\$ 23,365.95	

DMO

6/30/2018	Atl Air Dist. Dest	\$ 83,354.67
		\$ (20,844.10)
6/11/2018	Atl Air Dist. Dest	\$ 84,055.00
5/14/2018	Atl Air Dist. Dest	\$ 89,409.06
4/20/2018	Atl Air Dist. Dest	\$ 71,795.14
3/8/2018	Atl Air Dist. Dest	\$ 77,092.53
2/16/2018	Atl Air Dist. Dest	\$ 2,626.16
1/22/2018	Atl Air Dist. Dest	\$ 62,514.02
1/8/2018	Atl Air Dist. Dest	\$ 78,386.49
4/28/4780	Atl Air Dist. Dest	\$ 4,691.58
11/14/2017	Atl Air Dist. Dest	\$ 78,094.51
10/31/2017	Atl Air Dist. Dest	\$ 133,455.43
10/30/2017	Atl Air Dist. Dest	\$ 21,115.07
9/22/2017	Atl Air Dist. Dest	\$ 70,446.83
7/6/2017	Atl Air Dist. Dest	\$ 72,542.30
	Total	\$ 908,734.69

Appendix B

City of East Point
Georgia Department of Community Affairs
Hotel/Motel
Project/Contractor Information Schedule (PCIS)
Reconciliation
For The Period Ending 6/30/2018

	Grand Total	
Sickle Cell Annual Road Race/Walk	\$ 30,000.00	Tourism Promotion
Auditorium Repairs	\$ 149,491.58	Facility/Operational Support
Wednesday Wine Downs	\$ 23,365.95	Tourism Promotion
DMO	\$ 908,734.69	Tourism Promotion
Total	<u>\$ 1,111,592.22</u>	

City of East Point
 Monthly Summary of Hotel - Motel Tax Revenues
 For the Year Ending December 2018

Prepared by FH
 9/19/2018

	Taxable Revenues	Less Dealer Rebate	Hotel/Motel Revenues (8%)	Hotel/Motel Revenues (8%) less Rebate	City of East Point (3%)	City of East Point (2%)	City of East Point 1.5%	DMO (1.5%)	Payment Received
July	\$ 4,841,706.52	\$ (11,620.09)	\$ 387,336.52	\$ 375,716.43	\$ 140,893.66	\$ 93,929.11	\$ 70,446.83	\$ 70,446.83	\$ 375,716.42
August	\$ 4,586,097.30	\$ (11,006.64)	\$ 366,887.78	\$ 355,881.14	\$ 133,455.43	\$ 88,970.29	\$ 66,727.71	\$ 66,727.71	\$ 355,881.16
September	\$ 5,372,652.25	\$ (12,894.38)	\$ 429,385.66	\$ 416,504.08	\$ 156,189.03	\$ 104,126.02	\$ 78,094.51	\$ 78,094.51	\$ 412,715.13
October	\$ 5,265,819.59	\$ (12,637.96)	\$ 421,265.57	\$ 418,061.29	\$ 156,772.98	\$ 104,515.32	\$ 78,386.49	\$ 78,386.49	\$ 418,061.28
November	\$ 4,287,080.63	\$ (9,558.36)	\$ 342,966.45	\$ 333,408.09	\$ 125,028.03	\$ 83,352.02	\$ 62,514.02	\$ 62,514.02	\$ 333,408.08
December	\$ 4,749,797.14	\$ (10,096.49)	\$ 379,983.77	\$ 369,887.28	\$ 138,707.73	\$ 92,471.82	\$ 69,353.87	\$ 69,353.87	\$ 369,887.05
January	\$ 5,287,089.41	\$ (11,806.98)	\$ 422,967.15	\$ 411,160.17	\$ 154,185.06	\$ 102,790.04	\$ 77,092.53	\$ 77,092.53	\$ 403,809.95
February	\$ 4,809,220.63	\$ (10,522.53)	\$ 383,981.80	\$ 382,907.43	\$ 143,590.29	\$ 95,726.86	\$ 71,795.14	\$ 71,795.14	\$ 390,257.12
March	\$ 6,131,949.59	\$ (13,707.66)	\$ 490,555.97	\$ 476,848.31	\$ 178,818.12	\$ 119,212.08	\$ 89,409.06	\$ 89,409.06	\$ 478,949.65
April	\$ 5,711,665.29	\$ (13,694.79)	\$ 456,493.66	\$ 448,293.38	\$ 168,110.02	\$ 112,073.35	\$ 84,055.01	\$ 84,055.01	\$ 448,293.38
May	\$ 5,326,793.50	\$ (12,784.30)	\$ 426,143.48	\$ 413,359.18	\$ 155,009.69	\$ 103,339.80	\$ 77,504.85	\$ 77,504.85	\$ 413,359.18
June	\$ 5,652,620.71	\$ (13,566.30)	\$ 452,209.66	\$ 446,246.54	\$ 166,709.32	\$ 111,139.55	\$ 83,354.67	\$ 83,354.67	\$ 446,246.58
Total	\$ 62,022,492.56	\$ (143,896.48)	\$ 4,960,177.47	\$ 4,848,273.32	\$ 1,817,469.37	\$ 1,211,646.24	\$ 908,734.69	\$ 908,734.69	\$ 4,846,584.98

Average	\$ 5,168,541.05	\$ (11,991.37)	\$ 413,348.12	\$ 404,022.78	\$ 151,455.78	\$ 100,970.52	\$ 75,727.89	\$ 75,727.89	\$ 403,882.08
---------	-----------------	----------------	---------------	---------------	---------------	---------------	--------------	--------------	---------------

Variance

DMO Payments									
July	\$ 70,446.83								
August	\$ 133,455.43								
September	\$ 78,094.51								
October	\$ 78,386.49								
November	\$ 62,514.02								
December	\$ 2,626.16								
January	\$ 77,092.53								
February	\$ 71,795.14								
March	\$ 89,409.06								
April	\$ 84,055.01								
May	\$ 77,504.85								
June	\$ 83,354.67								
Total	\$ 908,734.70	\$ 846,224.13	\$ 83,354.67	\$ 929,578.80	\$ 20,844.10	\$ 908,734.70	\$ 846,224.13	\$ 83,354.67	\$ 929,578.80
Per G/L									
Less Prior Year Pymts									
Variance	\$ 908,734.70	\$ 846,224.13	\$ 83,354.67	\$ 929,578.80	\$ 20,844.10	\$ 908,734.70	\$ 846,224.13	\$ 83,354.67	\$ 929,578.80

Appendix B

City of East Point (3%)		Fiscal Year	2018
\$ 140,893.66	Account number		
\$ 133,455.43	Fund		Hotel/Motel Fund
\$ 156,189.03	Department		Non Departmental
\$ 156,772.98	Division		Admin. Alloc.
\$ 125,028.03	Activity basic		Other Financing Uses
\$ 138,707.73	Sub activity		Interfund Transfers
\$ 154,185.06	Element		Transfers-to Government
\$ 143,590.29	Object		General fund
\$ 178,818.12	Original budget		1,575,000
\$ 168,110.02	Actual expenditures - current		.00
\$ 155,009.69	Actual expenditures - ytd		1,817,469.37
\$ 166,709.32	Unposted expenditures		.00
<u>\$ 1,817,469.37</u>	Encumbered amount		.00
	Unposted encumbrances		.00
	Pre-encumbrance amount		.00
	Total expenditures & encumbrance		1,817,469.37
	Unencumbered balance		242,469.37-

FUND 275 Hotel/Motel Fund

		Transfers-to Government / General fund			
6536	13/18	AJ	06/30/18	JE 100 379	155,009.69
6595	14/18	AJ	06/30/18	JE 100 404	70,097.91
6092	11/18	AJ	05/31/18	JE 100 326	168,110.02
5714	10/18	AJ	04/30/18	JE 100 261	178,818.12
5118	09/18	AJ	03/31/18	JE 100 237	143,590.29
4429	08/18	AJ	02/28/18	JE 100 202	154,185.06
3863	07/18	AJ	01/31/18	JE 100 179	138,707.73
3343	06/18	AJ	12/31/17	JE 100 153	125,028.03
3065	05/18	AJ	11/30/17	JE 100 124	156,772.98
2281	04/18	AJ	10/31/17	JE 100 093	156,189.03
1877	03/18	AJ	09/30/17	JE 100 061	133,455.43
1208	02/18	AJ	08/31/17	JE100037	140,893.66
994	01/18	AJ	07/31/17	JE100012	96,611.42
				ACCOUNT TOTAL	.00 1,817,469.37
				FUND TOTAL	.00 1,817,469.37
				GRAND TOTAL	.00 1,817,469.37

Appendix B

City of East Point (2%)	Fiscal Year	2018
	Account number	
	Fund	Hotel/Motel Fund
	Department	Non Departmental
	Division	Admin. Alloc.
	Activity basic	Other Financing Uses
	Sub activity	Interfund Transfers
	Element	Transfers-to Government
	Object	Center
\$ 93,929.11	Original budget	1,050,000
\$ 88,970.29	Actual expenditures - current	.00
\$ 104,126.02	Actual expenditures - ytd	1,211,646.24
\$ 104,515.32	Unposted expenditures	.00
\$ 83,352.02	Encumbered amount	.00
\$ 92,471.82	Unposted encumbrances	.00
\$ 102,790.04	Pre-encumbrance amount	.00
\$ 95,726.86	Total expenditures & encumbrance	1,211,646.24
\$ 119,212.08	Unencumbered balance	161,646.24
\$ 112,073.35		
\$ 103,339.80		
\$ 111,139.55		
<u>\$ 1,211,646.24</u>		

FUND 275 Hotel/Motel Fund

		Transfers-to Government / Center		
6535	13/18 AJ 06/30/18 JE 180 378			103,339.80
6585	14/18 AJ 06/30/18 JE 180 404			38,690.96
6091	11/18 AJ 05/31/18 JE 180 305			112,073.35
5713	10/18 AJ 04/30/18 JE 180 280			119,212.08
5119	09/18 AJ 03/31/18 JE 180 235			263,265.50
4431	08/18 AJ 02/28/18 JE 180 193			77,092.53
3861	07/18 AJ 01/31/18 JE 180 178			63,353.87
3342	06/18 AJ 12/31/17 JE 180 152			62,514.02
3064	05/18 AJ 11/30/17 JE 180 123			78,386.49
2275	04/18 AJ 10/31/17 JE 180 094			78,094.51
1376	03/18 AJ 09/30/17 JE 180 062			66,727.71
1209	02/18 AJ 08/31/17 JE180038			70,446.93
995	01/18 AJ 07/31/17 JE180013			72,458.57
	ACCOUNT TOTAL	.00		1,211,646.24
	FUND TOTAL	.00		1,211,646.24
	GRAND TOTAL	.00		1,211,646.24

Appendix C

Hotel/Motel Tax Fund Combining Statement of Revenues, Expenditures and Changes in Fund Balances FY15-FY18								
	2015		2016		2017		2018	
Total Revenue	\$3,708,205		\$4,239,485		\$4,491,681		\$4,846,584	
General Gov Expenditures	\$378,391	10.20%	\$829,131	19.56%	\$853,666	19.01%	\$1,111,592	22.94%
Tourism Expenditure	\$22,915	0.62%	\$0	0.00%	\$0	0.00%	\$202,857	4.19%
DMO Payments	\$278,520	7.51%	\$794,903	18.75%	\$842,190	18.75%	\$908,735	18.75%
Other	\$76,956	2.08%	\$34,228	0.81%	\$11,476	0.26%	\$0	0.00%
Excess of Revenue Over Expenditures	\$3,329,814	89.80%	\$3,410,354	80.44%	\$3,638,015	80.99%	\$3,734,992	77.06%
Transfers Out	\$2,085,865	56.25%	\$2,301,243	54.28%	\$2,526,571	56.25%	\$3,029,116	62.50%
General Fund	\$1,390,577	37.50%	\$1,534,162	36.19%	\$1,684,381	37.50%	\$1,817,469	37.50%
Capital Projects/Center Fund	\$695,288	18.75%	\$767,081	18.09%	\$842,190	18.75%	\$1,211,646	25.00%
Net Change in Fund Balances	\$1,243,949	33.55%	\$1,109,111	26.16%	\$1,111,444	24.74%	\$705,876	14.56%
Beginning Balance	\$0		\$1,243,949		\$2,353,060		\$3,464,504	
Ending Balance	\$1,243,949		\$2,353,060		\$3,464,504		\$4,170,380	

EAST POINT USA • INTERNATIONAL CITY • COMMUNITY OF THE FUTURE

ORGANIZATION	ACCOUNT	INVOICE NUMBER	AMOUNT	DESCRIPTION
27575205232230	073073	SCFGX04141	11,473.00	ANNUAL ROAD RACE/WALK
Check No.	2094254	TOTAL	****11,473.00	

PLEASE DETACH BEFORE DEPOSITING

THIS CHECK IS VOID WITHOUT A BLUE AND GREEN BACKGROUND AND AN ARTIFICIAL WATERMARK ON THE BACK - HOLD AT AN ANGLE TO VIEW



11:24
1210

CHECK **2094254**

DATE 06/14/2018

AMOUNT
******11,473.00**

PAY ELEVEN THOUSAND FOUR HUNDRED SEVENTY THREE AND 00/100 DOLLARS *****

TO THE ORDER OF SICKLE CELL FOUNDATION OF GA, INC.
2391 BENJAMIN E. MAYS DR., SW
ATLANTA GA 30311

AUTHORIZED SIGNATURE

BORDER CONTAINS MICROPRINTING



⑈ 2094254⑈ ⑆061101375⑆ 69 1010 3952⑈

