



Board Agenda Background

Date: 3/3/2026
To: Board of County Commissioners
Through: County Manager's Office
From: Colton Rohloff, County Manager
Subject: Work Session: Lodging Tax Workshop

BACKGROUND

The purpose of this work session is to review updated 2026 Lodging Tax revenue projections, current fund balance, and the allocation framework governing Lodging Tax revenues. The Board has previously established a formula allocation that distributes revenues as follows:

- 40% to the Tourism Bureau
- 30% to Childcare Scholarships
- 30% to the Clear Creek Regional Housing Authority (CCHRA)

For 2026, the Lodging Tax budget is \$310,000. Actual 2024 receipts totaled \$298,356. The fund currently reflects:

- Gross Cash Balance: \$333,053.51
- Net Balance (after CCHRA IGA drawdown): \$318,196.51
- Net Balance (after new Childcare drawdown): \$274,839.01

Under the 40/30/30 formula, allocations based on actual receipts equate to approximately:

- \$116,858 to the Tourism Bureau. This allocation is variable and adjusts with actual revenue; it does not automatically require a draw from fund balance.
- \$87,643.50 to Childcare Scholarships, based on the 30% formula share. However, a pending request would increase the childcare allocation to \$131,000. If approved, the difference of \$43,356.50 above the 30% formula share would require a draw from fund balance.
- \$87,643.50 to the Clear Creek Regional Housing Authority under the formula. However, the Housing Authority has a guaranteed minimum annual contribution of \$102,500. At current revenue levels, the formula share falls short of this minimum, and the difference must be covered by a fund balance drawdown.

As currently structured, both the Housing Authority minimum contribution and any increase in the childcare allocation above the 30% formula share, creates structural pressure on the Lodging Tax Fund when revenues remain flat.

This work session is intended to provide the Board with updated financial context and outline the fiscal implications of maintaining current commitments or adjusting allocations for 2026. No formal action is requested at this time.

ATTACHMENT:

1. Lodging Tax Split-2026