ADMINISTRATION

Kristine Tallent
Assistant City Administrator/CFO
Finance & Administration

Dr. Ken Moore
Mayor

Eric S. Stuckey
City Administrator

HISTORIC
FRANKLIN
TENNESSEE

Date: February 2, 2018

To: Members of the Budget & Finance Committee

From: Kristine Tallent, Assistant City Administrator/CFO

Re: Status of FY 2018 Hotel/Motel Audit

As you will recall, the City's FY 2018 Budget funded an audit of Hotel/Motel fees due for the period of 2014-2017 and was performed jointly with Williamson County. This memorandum is a summary of the audit results and the status of the collection of fees due to the City.

Summary of Results

Individual hotel audits, prepared by the accounting firm of Allen McGhee and Associates, were completed for 24 hotels located within the City of Franklin.   Below is a summary of the results:

Number of Hotel Audits Performed	24
Total Amount Due to City	$191,262.00
Average Amount Due per Audit	$7,969.25
Median Amount Due per Audit	$2,003.50
# of Hotels Owing < $5,000	16 or 67% of total # of audits performed

As a whole, there were no widespread deficiencies noted by the auditors in their reports. Twenty two of the hotels were deemed "compliant" by auditing standards. The sum of two audits with the highest amounts due to the City resulted in fees due of $100,494, or 52% of the total amount due from all twenty four audits of $191,262. The median amount due per audit was approximately $2,000.

Status of Collections

As of 2/1/18, 16 hotels have paid amounts due to the City or did not owe additional amounts. The remaining hotels have received invoices from the City's Revenue Management Department along with a delinquent letter after 30 days. If amounts remain unpaid after another 30 day period, the Law Department will take over collection efforts.

I appreciate the collaboration between the Revenue Management office, Law Department, Williamson County Finance Department and the accounting firm of Allen McGhee and Associates to complete the FY 2018 audit. Please let me know if you have further questions.