



City Council Agenda Memo

Crest Hill, IL

Meeting Date: July 18, 2022
Submitter: Jim Marino, City Administrator
Department: Administration
Agenda Item: Approval of Video Gaming Machine License Fee

Summary: At the July 5, 2022, City Council meeting staff was asked to research the ordinance establishing a Video Gaming Machine License Fee. A question was raised about whether the business owner or the video gaming terminal operator is responsible for paying the license fee.

After researching the Video Gaming Act, Mike Stiff determined that the Act states that the fee “shall be shared equally” between the terminal operator and the applicable licensed establishment. The language in the attached ordinance matches the language in the Act. Based on this, Mike does not believe the city can place a higher burden on the terminal operator to pay the fee versus the business owner.

Staff’s recommendation is to implement a \$250 annual fee per video gaming machine, as allowed by Illinois state statute. This would be a new source of revenue. Currently, the city does not charge establishments who have video gaming machines on their business premises a per video gaming machine fee. As of January 2022, there are one hundred and seven (107) video gaming machines that are operational within twenty (20) establishments in the City. This new fee would result in \$26,750, annually.

Recommended Council Action: Approve an ordinance establishing a Video Gaming Machine License Fee in the amount of \$250 per video gaming machine.

Financial Impact:

Funding Source:

Budgeted Amount: For Fiscal Year 2022~2023, the city has budgeted revenue of \$26,750.

Attachments: Ordinance, video gaming revenue reports