

**VILLAGE OF BARTLETT**

**COMMITTEE AGENDA**

**MAY 18, 2021**

**FINANCE & GOLF, CHAIRMAN DEYNE**

Video Gaming Terminal License Update



# Memorandum

**To:** Scott Skyrcki, Assistant Village Administrator  
**From:** Joey Dienberg, Management Analyst  
**Date:** 5/11/2021  
**Re:** Video Gaming Terminal License Update

Staff was asked to look at what we charge in comparison to other communities for a terminal fee. Currently, the Village of Bartlett charges a fee of \$250 per machine in the first year and \$500 per machine every year after to the establishment. The vendor is required to have a village sticker on each machine. The village then keeps those numbers on file. Non-home rule communities are capped by the State at \$25.

<b>Municipality</b>	<b>Fees</b>
*Antioch	\$25 Per Terminal
<b>Bartlett</b>	<b>\$250 per machine the first year, \$500 per machine every year after that charged to the establishment.</b>
<b>Bartlett (Recommended Changes)</b>	<b>\$250 per machine charged to the establishment, \$750 per year charged to the terminal operator.</b>
Carol Stream	\$500 per machine charged to the establishment, \$500 per year charged to the terminal operator.
Elk Grove Village	No fee per terminal. Video gaming license required for each establishment with at least one terminal. License fee is \$1,000 per year plus \$500 nonrefundable application fee.
Hanover Park	The annual tax for each of the first five video gaming terminals shall be \$1,000 The annual tax for each of any additional or replacement video gaming terminal(s) shall be \$1,500.
Hoffman Estates	\$400
Lake Zurich	The terminal fee is \$25. The gaming license is \$2,600 which is in addition to the liquor license fee.
Mount Prospect	\$1,000 per terminal per year.
*Prospect Heights	\$25
Rolling Meadows	\$1,000 per machine.
Streamwood	\$150 annual.
West Dundee	\$250 per Machine and \$1,000 per establishment.
Wheeling	\$1,000 per year.

\*Denotes non-home rule community

The Village of Bartlett has the authority to mandate that the terminal operator be responsible for paying a portion of the terminal fee as a part of their terminal operator license, which would take the burden of a raised fee off of the businesses. Staff is recommending the fee be raised to a total of \$1,000 split between the terminal operator (\$750) and the establishment (\$250). Currently, terminal operators and establishments split 65% of the total revenue 50/50 and the village receives 5% of the total revenue.

The chart below outlines the total revenue to the establishment and terminal operator as well as the revenue brought to the village by each business:

Business	Number of Terminals	Avg. Annual Revenue Establishment	Avg. Annual Revenue Terminal Operator	Total Avg. Annual Village Revenue Current	Total Avg. Annual Village Revenue Recommended Changes
Stella's Place	6	\$253,300.99	\$253,300.99	\$41,969.38	\$44,969.38
Betty's Bistro	6	\$235,852.84	\$235,852.84	\$39,285.05	\$42,285.05
Shelby's	6	\$185,808.15	\$185,808.15	\$31,585.87	\$34,585.87
Bracht's Place	6	\$125,363.88	\$125,363.88	\$22,286.75	\$25,286.75
Bannerman's	6	\$108,182.26	\$108,182.26	\$19,643.42	\$22,643.42
Lucky Star (Cadillac Ranch)	6	\$91,149.82	\$91,149.82	\$17,023.05	\$20,023.05
May's Lounge	6	\$80,582.98	\$80,582.98	\$15,397.38	\$18,397.38
Wee-Dee's	6	\$76,458.19	\$76,458.19	\$14,762.80	\$17,762.80
Gambit's	6	\$73,652.88	\$73,652.88	\$14,331.21	\$17,331.21
O'Hare Pub and Restaurant	6	\$52,809.65	\$52,809.65	\$11,124.56	\$14,124.56
Pasta Mia	6	\$43,612.73	\$43,612.73	\$9,709.65	\$12,709.65
120 Live	6	\$41,044.93	\$41,044.93	\$9,314.60	\$12,314.60
McMae's Tavern and Grill	3	\$20,399.62	\$20,399.62	\$4,638.40	\$6,138.40
The Still Bar & Grill	3	\$20,266.87	\$20,266.87	\$4,617.98	\$6,117.98
One Taco Dos Tequilas	6	\$12,720.86	\$12,720.86	\$4,957.06	\$7,957.06
TL's Four Seasons	4	\$11,267.33	\$11,267.33	\$3,733.44	\$5,733.44
Ambrosia Greek Eatery (MT Foods)	4	\$9,427.35	\$9,427.35	\$3,450.36	\$5,450.36

The chart below represents the revenue to the village under the current structure compared to the recommended changes:

Fee	Total Number of Machines	Fee/Terminal (Combined)	Total Fee Revenue/Year	Total Avg Gaming Revenue/Year	Total Avg Revenue/Year
Current	91	\$ 500.00	\$ 45,500.00	\$221,830.97	\$267,830.97
Recommended	91	\$ 1,000.00	\$ 91,000.00	\$221,830.97	\$313,830.97

**Requested Action:**

Staff is recommending raising the total fee for video gaming to \$1,000 and requiring that it is split between the terminal operator (\$750) and the establishment (\$250).