

CITY OF WARRENVILLE

MEMORANDUM

To: Mayor and City Council
From: Dawn Grivetti, Executive Assistant / Deputy Clerk and Staff Liaison to the Warrenville Friends of the 4th Committee 
Subject: Warrenville Friends of the 4th Funding Request
Date: January 21, 2025

Introduction

The Warrenville Friends of the 4th Committee is requesting additional funding in FY 2026 as outlined in **Attachment A**. In addition, **Attachment B** provides historical financial data and analysis of the City's funding, including actual revenue and expenses of the two-day Independence Day Celebration.

Background

The City of Warrenville has been sponsoring Fourth of July events for over 40 years. The Warrenville Friends of the 4th Committee, a not-for-profit group of volunteers, was established to plan and effectuate Independence Day activities for the City and its citizens. The City grants funding to the Committee from the Hotel Tax Fund in support of the events. Grant funds are established to provide for city services as well as event expenses. City services may include Public Works and Police staffing, portable toilets and wash stations, and golf carts. Event expenses may include fireworks, stage rental, entertainment, beverage fees, parade costs, and more. The City has budgeted a flat rate for city services while the sponsorship grant for event expenses has increased over the years to account for rising costs of fireworks contracts and entertainment expenses.

City Funding

Table 1 of Attachment B shows the City's budgeted funds specific to Fourth of July events from calendar year (CY) 2010 through CY 2024. In that time, the City has consistently budgeted \$11,000 in Hotel Tax grant funds for city services. In CY 2010, the City budgeted \$24,000 in grant funds and increased the amount to \$30,000 in 2018. In the fall of 2021, the Friends of the 4th Committee began annual requests for additional funding to offset not only the loss of not having the event in CY 2020 and 2021 due to COVID-19, but also the continued rising costs of fireworks and entertainment.

Table 2 shows how budgeted funds have been used to pay fireworks contract fees and to provide discretionary funds for event expenses. For liability reasons, the City contracts with the pyrotechnic agency for the annual fireworks displays. Either a one-year or three-year contract is typically approved. Currently, Friends of the 4th has approved a proposal for a three-year contract for CY 2026 – 2029 in the annual amount of \$28,000. This is at or below similar contracts for neighboring communities. The remaining discretionary funds are provided to reimburse the Friends of the 4th Committee for event expenses. Not all expenses are covered by these funds.

Analysis

Table 3 shows actual revenue and expenses for the Independence Day event for the past four calendar years. Event revenues include City funds as well as donations received before and during the event and event generated revenue from vendor fees, beverage sales and parade entries. Event expenses include fireworks, stage and equipment rental, entertainment fees, beverage fees and parade costs. In each year displayed, Friends of the 4th has experienced a net gain in revenues to add to their cash on hand, while the City cost for in kind city services committed to the event have also increased to over \$30,000 annually. The overage in city service expenses not covered by the Hotel Tax Fund is covered by the General Fund and budgeted through payroll expenses. As with any outdoor event, in times of inclement weather, revenues can go down while fees may remain the same.

As of November 2024, the Friends of the 4th Committee has a balance of \$30,327 cash on hand, however according to the Committee, approximately \$30,000 is needed before the start of the event to pay entertainer fees, stage rental, beverage fees, etc.

Conclusion

Staff requests Council direction to increase the amount of the Sponsorship Grant to include the Friends of the 4th Committee's request for \$10,000 in additional funding to accommodate rising costs of fireworks displays and entertainment. Staff is also seeking City Council's direction to evaluate an increase in the amount of City Services budgeted for the various community events in the Hotel Tax Fund to better reflect the true cost of city provided services.

Staff Recommendations

- 1) Approve Warrenville Friends of the 4th Committee's request for additional funding by directing staff to increase the budgeted Sponsorship Grant for the event in the Hotel Tax Fund to \$40,000 in FY 2026.
- 2) Direct staff to evaluate an increase in the budgeted City Services in Hotel Tax Fund to better represent actual costs for FY 2026 and beyond.

Attachment A



INDEPENDENCE DAY CELEBRATION 2025

November 12, 2024

Warrenville City Council
3S58 Manning Avenue
Warrenville, IL 60555

Dear City Council,

The Warrenville Friends of the 4th Committee has one mission, to give the Warrenville community a wonderful two day experience. We have been able to accomplish that goal through the generosity of the Warrenville City Council. Your additional financial support in 2024 of \$10,000 on top of the City providing the Committee with \$30,000 for expenses plus \$11,000 in City services has helped immensely.

The Committee's total expenses for our celebration in 2024 was \$62,698. Our income was \$68,734 placing \$6036 into our reserves from 2024 mostly due to the generosity of local vendors. The Committee was hopeful that additional revenues this year would offset the cost of a new fireworks contract which is estimated at \$27,000 to \$30,000 for the celebration in 2025.

Along with fireworks pricing the stage costs are going up as again as well. The Committee was frugal with other expenses and I would like to thank my Chairmen for squeezing the most out of their budgets. The parade costs were \$8930, our entertainment costs were \$7680 for the stage, and \$11,656 for the bands all up from 2023 and sure to be up in 2025 due to inflation. The issue is that any severe weather, which has been an issue the past three years in a row, the Committee would have to pay parade, entertainment, stage and band costs even if they might be canceled. Any additional financial support will allow us to handle these issues without wiping out our reserves.

Therefore, the Warrenville Friends of the 4th Committee respectfully requests from City Council an additional \$10,000, the same funding that was provided to the Committee in 2024 which created such a memorable experience for our community. We are continuing to improve other revenue streams to offset costs. This will allow parade, entertainment, and fireworks to continue to be at the high level. The Committee looks forward to your communication on this matter.

Sincerely;

A handwritten signature in black ink that reads 'Colin A. Wilkie'.

Colin A. Wilkie; *Director, Warrenville Friends of the 4th Committee*

Attachment B

Independence Day Celebration Hotel Tax Grant Budgeting History FY 2011 Thru FY 2025

4th of July Celebration Calendar Year	CITY Fiscal Year	BUDGETED FUNDS (event specific)			
		City Services	Sponsorship Grant	Additionally Requested	Total Budgeted
2024	2025	\$11,000	\$30,000	\$10,000	\$51,000
2023	2024	\$11,000	\$30,000	\$10,000	\$51,000
2022	2023	\$11,000	\$30,000	\$10,000	\$51,000
2021	2022	\$11,000	\$30,000	\$0	\$41,000
2020	2021	\$11,000	\$30,000	\$0	\$41,000
2019	2020	\$11,000	\$30,000	\$0	\$41,000
2018	2019	\$11,000	\$30,000	\$0	\$41,000
2017	2018	\$11,000	\$24,000	\$0	\$35,000
2016	2017	\$11,000	\$24,000	\$0	\$35,000
2015	2016	\$11,000	\$24,000	\$0	\$35,000
2014	2015	\$11,000	\$24,000	\$0	\$35,000
2010-2013	2011-2014	\$11,000	\$24,000	\$0	\$35,000

Table 1

CITY Fiscal Year	City Grant Funds (Grant + Add'l)	Fireworks Contract Expense	Discretionary Event Expense
2025	\$40,000	\$24,000	\$16,000
2024	\$40,000	\$24,000	\$16,000
2023	\$40,000	\$24,000	\$16,000
2022	\$30,000	\$20,000	\$10,000
2021	\$30,000	\$0	no event
2020	\$30,000	\$16,000	\$14,000
2019	\$30,000	\$13,500	\$16,500
2018	\$24,000	\$14,000	\$10,000
2017	\$24,000	\$13,000	\$11,000
2016	\$24,000	\$13,000	\$11,000
2015	\$24,000	\$13,000	\$11,000
2011-2014	\$24,000	\$12,500	\$11,500

Table 2

**Independence Day Celebration
Revenue and Expense Analysis**

	CY 2021 (FY 2022)	CY 2022 (FY 2023)	CY 2023 (FY2024)	CY 2024 (FY2025)
Event Revenues				
City Hotel Tax Grant	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
City Add'l Funds Requested (Hotel Tax Fund)	\$ -	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Outside Donations and Tips	\$ 2,293.16	\$ 5,123.00	\$ 3,193.00	\$ 2,428.00
Friends of the 4th Event Generated Revenue (vendor fees, beverage sales, political parade entries, etc)	\$ -	\$ 18,765.00	\$ 20,602.00	\$ 26,844.00
		No festival this year		
Event Expenses				
Fireworks pd by City	\$ 20,000.00	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00
Event Expenses pd by Friends of the 4th (stage & sound, entertainment, beverage fees, parade costs, etc.)	\$ -	\$ 33,602.00	\$ 35,964.00	\$ 38,698.00
		Fireworks only this year		
Friends of the 4th Net Gain/Loss:	\$ 2,293.16	\$ 6,286.00	\$ 3,831.00	\$ 6,036.00
City Services Budgeted - Hotel Tax Fund	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00
Actual Expenses (staffing, port-o-lets, golf carts)		\$ 31,890.20	\$ 31,185.97	\$ 32,249.12
Expenses Paid From General Fund		\$ 20,890.20	\$ 20,185.97	\$ 21,249.12

Table 3

* Friends of the 4th Committee Cash on Hand \$ 30,327.00 (as of Nov 7, 2024)
 Cash Needed Before Start of Event- approx. \$ 30,030.00
 (entertainment contracts, stage rent, etc)