

Issue Analysis Form



Date: July 14, 2020
Appropriation – Budget
Amendment – Increase in
Transient Occupancy Tax
Rate

Item:

Lead Department(s): Tourism / County Finance

Contact Person(s): Jeff Stoke & Betsy Drewry

Description and Current Status

On June 9, 2020 the Prince George County Board of Supervisors conducted a public hearing to raise the transient occupancy tax rate from 5% to 7%, and approved the rate increase.

The Tourism Fund Lodging Tax Revenue will increase and not the General Fund, as the maximum that may be deposited into the General Fund is a 2% lodging tax. Tourism Fund revenues are expected to increase by a total of \$180,879, with some consideration of COVID-19 impacts.

The adopted FY2021 budget included the lodging tax rate at 5%, so a budget amendment is needed to reflect an increase in revenues and expenditures.

Board Action Requested: Approve budget amendment / increase in Tourism Fund revenues and expenditures. A Draft budget amendment / appropriation is attached for Board consideration.

Appropriation Increase Entry is (FY2021):

Revenues:

0213-10-502-8108-312010 Tourism Local Lodging Tax	\$180,879
TOTAL	\$180,879

Expenditures:

Increase:

0213-08-301-2131-41300 Tourism Part-Time Wages	\$ 74,315
0213-08-301-2131-42100 Tourism FICA (SS & Medicare Tax)	\$ 5,685
0213-08-301-2131-45648 Tourism Contribution to Heritage Center	\$ 13,566
0213-08-301-2131-45652 Tourism Ball Tournaments	\$ 40,000
0213-08-301-2131-46007 Tourism Exit 45 Operations & Maint	\$ 10,000
0213-08-301-2131-49199 Tourism Contingencies	\$ 37,313
TOTAL	\$ 180,879

Government Path

- | | | |
|--|---|--|
| Does this require IDA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require BZA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does This require Planning Commission Action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require Board of Supervisors action? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Does this require a public hearing? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| If so, before what date? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Fiscal Impact Statement

Increases in appropriation of increased transient occupancy (lodging) tax to the Tourism Fund by \$180,879.

Total Increase in FY2020-21 Budget = \$180,879.

County Impact

Allows for increased transfer to the Prince George Regional Heritage Center and for the re-establishment of needed expenditures within the Tourism Fund.

Notes

Board of Supervisors
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia this 14th day of July, 2020:

Present:

Vote:

Donald R. Hunter, Chairman
Alan R. Carmichael, Vice-Chairman
Floyd M. Brown, Jr
Marlene J. Waymack
T. J. Webb

A-5

On motion of _____, seconded by _____, which carried unanimously, the following Resolution was adopted:

RESOLUTION; APPROPRIATION (\$180,879 TRANSIENT
OCCUPANCY TAX INCREASE)

BE IT RESOLVED That the Board of Supervisors of the County of Prince George this 14th day of July, 2020, does hereby authorize the following increase of funds within the 2020-2021 Budget, such line items increased as follows, which monies shall be expended for purposes authorized and approved by the Board of Supervisors of the County of Prince George:

<u>FUND/ORGANIZATION</u>		<u>AMOUNT</u>
<u>Expenditure:</u>		
0213-08-301-2131-41300	Tourism Fund: Part-Time Wages	\$74,315
0213-08-301-2131-42100	Tourism Fund: FICA Taxes	\$ 5,685
0213-08-301-2131-45648	Tourism Fund: Contribution Heritage Center	\$13,566
0213-08-301-2131-45652	Tourism Fund: Ball Tournaments	\$40,000
0213-08-301-2131-46007	Tourism Fund: Exit 45 Maintenance	\$10,000
0213-08-301-2131-49199	Tourism Fund: Contingencies	\$37,313
 <u>Revenue:</u>		
0213-10-502-8108-312010	Tourism Fund: Lodging Tax	\$180,879

A Copy Teste:

Percy C. Ashcraft
County Administrator