

Anticipated FY2019 Budget Amendment

Topics

- Budget Impact of SB942
 - FY2019 Impact
 - Longer-term Impact
- State Budget Update
- Structure of New Tourism Entity

Update – SB942

Update on SB942

- General and Capital Improvement Funds
- Tourism Fund

General & Capital Improvement Funds 1% Sales Tax (Excludes Groceries)

Increased Revenues:

- Increase Sales Tax \$4,000,000

Increased Expenses:

- Restore CIP Transfer due to Real Estate Reduction \$1,200,000
- Restore Health Insurance Reduction \$ 200,000
- Increase CIP Transfer \$2,600,000

Tourism Budget

\$2 Lodging Taxes (\$1,100,000)

50% New Historic Triangle Marketing
Fund (\$550,000)

50% Additional Revenue to County Tourism
Fund (\$550,000)

Longer-Term Financial Impacts

Real Permanent Revenue Impact as of FY2020

Increase Sales Tax	\$4,000,000
Real Estate Revenue Loss	(1,400,000)
Dominion Power Closure	<u>(1,000,000)</u>
	<u>\$ 1,600,000</u>

Priorities for Long-Term Financial Planning

- Reduce Reliance on Year-End Surplus for CIP Funding
- Increase General Fund Transfer for Future CIP to Reduce Impact of 20 Year Debt Service Commitment

State Budget Update

Update on State Budget

- State budget passed June 1, 2018
- York County School Division & County analyzing to determine the impact on the July Budget Amendment

New Tourism Structure

Participating Localities (SB942)

- James City County
- York County
- City of Williamsburg

Working together to establish the *Tourism Council of the Greater Williamsburg Chamber and Tourism Alliance (the “Council”)*

General Principles and Goals

- Continuity of Williamsburg area tourism marketing programs must be preserved
- Implement WADMC Marketing Plan through December 2018
- 2019 will be a transition year
- Additional resources will require new strategies and plans

General Principles and Goals

- New Office of Historic Triangle Marketing and Promotion (the “Office”) will be in charge of all regionally funded tourism promotion activities.

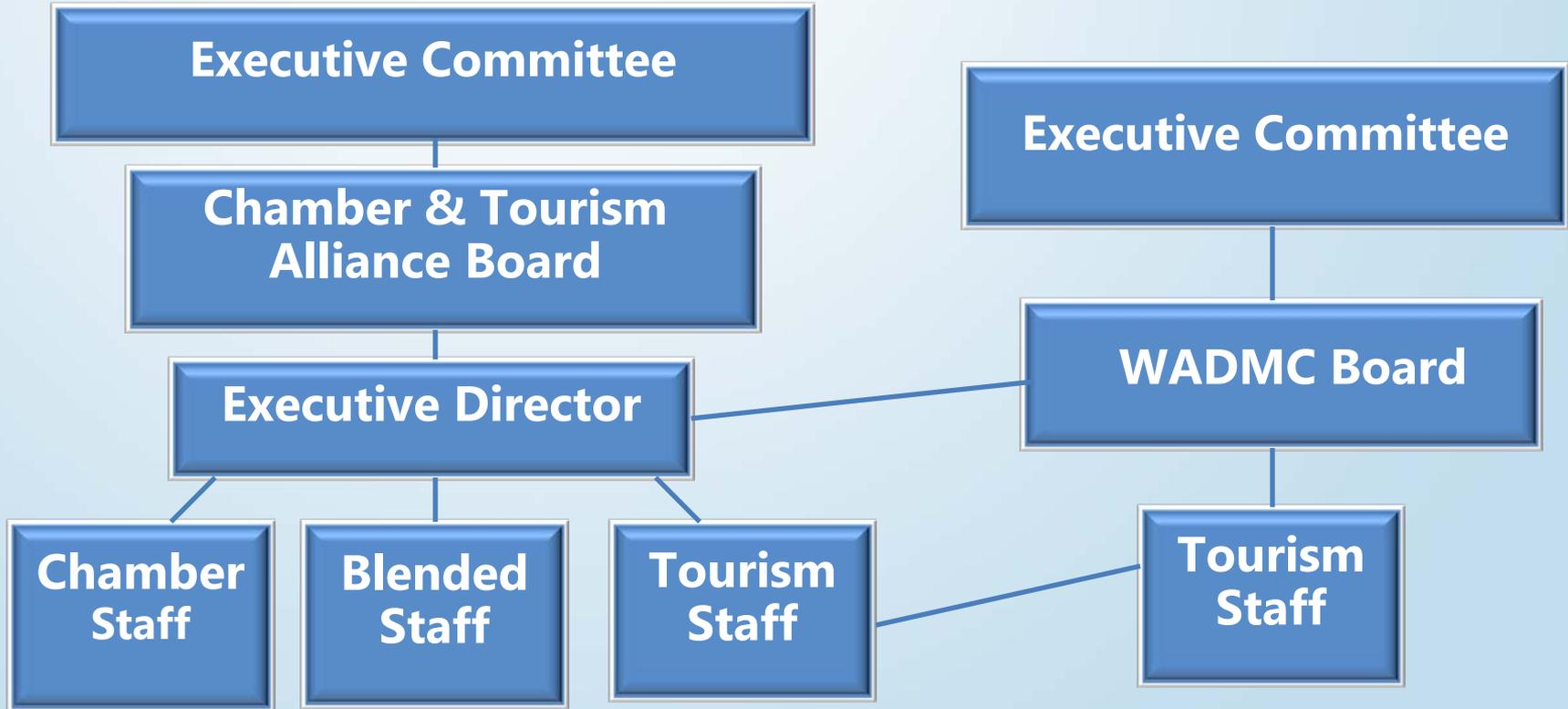
General Principles and Goals

- Tourism promotion will include enhanced marketing and product development.
- Public Policy and Finance Committee will oversee tax dollars. A majority will be elected officials from the three localities.

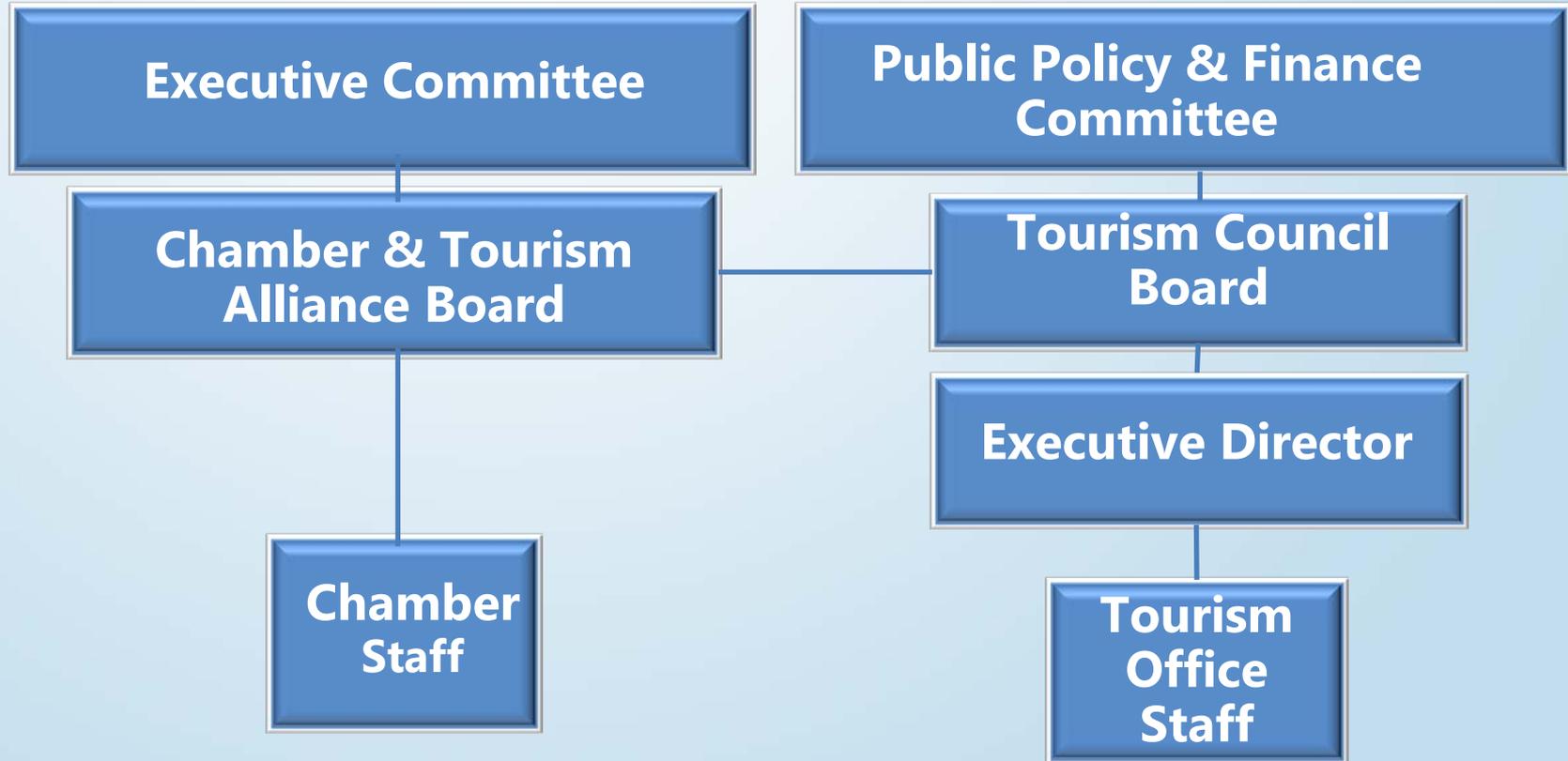
General Principles and Goals

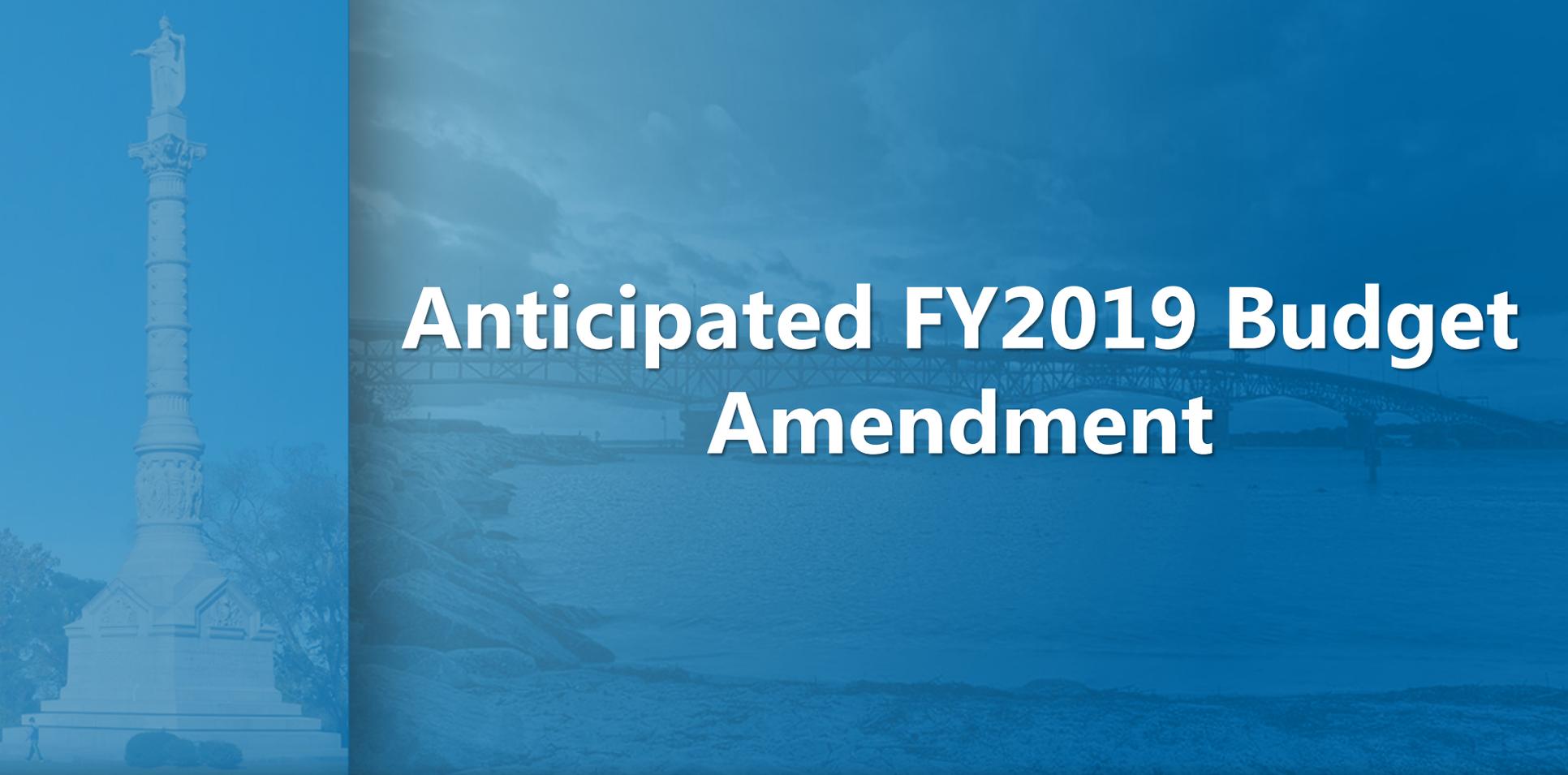
- Ad Hoc Task Force will function until new organization is operational.
- Stronger tourism promotion metrics require a baseline econometric study.

Current Structure



New Structure (Draft)





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