

A-Tax requests pared down

By Judy Corley

When the North Myrtle Beach City Council heads to budget retreat on Feb. 25-27, they will face a full agenda of revenue shortfalls and concerns about the economy. In addition to balancing the budget, council will also grapple with declining accommodations tax revenues and a myriad of requests for the money.

Accommodations taxes received for the second quarter of the FY 2008-09 budget showed the tax down 16 percent, according to city finance director Randy Wright speaking at a recent City Council workshop. Local accommodations businesses say the numbers may continue to decline if tourism doesn't bounce back.

On Jan. 21, the Accommodations Tax Committee met and heard from 14 different groups in search of funds including almost all city departments. The committee listened to requests and presentations from the different groups asking for over \$3 million from the coveted 70 percent A-Tax funds. After sifting through the information the committee cut the requests to just over \$1.5 million, reflecting the actual A-Tax money expected to be available in the 70 percent fund in the next fiscal year.

City Council will now take their recommendations and decide how the funds will be divided up during budget retreat.

Some worry this number may not materialize if tourism num-

bers continue to fall and the accompanying accommodations taxes are not collected.

The money in question comes from the City of North Myrtle Beach's share of the state accommodations tax money dolled out to cities and counties. The city is required by law to take 30 percent off the top for marketing and advertising the city to potential visitors. Five percent of the rest of the money goes straight to the city and the 65 percent left is used for expenses incurred by the city and other non-profit groups on behalf of tourism. The city receives the funds quarterly, with July 1 being the beginning of the fiscal year.

The purpose and uses of the 70 percent funds are varied and include providing funding to city departments with increased expenses caused by tourism; management and promotion of events aimed at growing tourism; and for other tourism related expenses and promotions.

The North Myrtle Beach Chamber of Commerce receives the 30 percent funds for advertising and marketing the city outside Horry County and also requests money from the remaining 70 percent fund.

The chamber requested \$595,577 from the fund for FY 2009-10. Their request was reduced to \$521,614 by the committee, a smaller cut than most groups saw.

The chamber came armed and ready to drive home their

point with four staff members attending along with eight members of the board of directors. The board members and staff emphasized the need for the chamber to receive the funds requested.

President and CEO of the chamber, Marc Jordan, told the committee North Myrtle Beach competes with Myrtle Beach for the market share. With increased funds for marketing and advertising Jordan says the chamber can increase tourism numbers.

"We go after the drive market and we think we can take that market," he told the committee. "But we need increased advertising funds to make this happen."

Jordan says the North Myrtle Beach chamber's primary job is to promote the area, build tourism numbers and increase business for its members and the local business community.

Rick Elliott, president of Elliott Realty, warned the committee the 2009 tourism season could decline and more money was needed to promote North Myrtle Beach.

"From a business stand point I can say, without a shadow of a doubt, this will be a difficult year. Business will be off in North Myrtle Beach," he said. "The chamber needs your help. We need more money."

The chamber's marketing and advertising committee chairman, Joyce Thomas of Century 21 Thomas Realty, said if