



TOT DISTRICT IMPROVEMENT FUND

BUDGET POLICY

REV 1 - DECEMBER 2024



BACKGROUND

On September 27, 2022, the Inyo County Board of Supervisors repealed the Transient Occupancy Tax (TOT) Operator Allowance. Upon repeal, the funds which were previously retained by TOT Operators will instead be remitted to the County as part of their TOT remittal and placed in an assigned fund, herein referred to as the TOT District Improvement Fund (TOTDIF).

These funds are reserved for the purpose of investing in initiatives which improve the experience of residents and visitors throughout the County. The funds may be used for a wide variety of projects, including but not limited to, infrastructure, tourism and marketing efforts, or other community-oriented projects.

METHODOLOGY

- 4% of all TOT collected from remitters will be deposited into a stand-alone TOT District Improvement Fund.
- TOT will be tracked based on the Supervisorial District in which it was collected and reviewed on an annual basis as the next Fiscal Year's budget is being developed.
- A report showing existing fund balance and annual revenue received by District will be made available annually or upon request.
- Regardless of the amount of revenue realized, each District will be guaranteed a minimum base TOTDIF allocation of \$5,000 each year.
- If a District does not generate at least \$5,000, the funds necessary to make up the difference between the dollar amount realized and \$5,000 will come from the highest grossing District's allocation.

USAGE GUIDELINES

- This policy becomes effective on December 10, 2024 and remains effective until repealed or replaced by the Inyo County Board of Supervisors.
- The TOTDIF funds will be used for community projects, tourism-related activities, or other efforts which generally enhance the experience of residents and visitors.
- Funds are reserved for use within the District from which they are collected. However, any District Supervisor may support spending any portion of their funds on a project which benefits another District or the County as a whole.
- TOTDIF funds may be allocated during the normal budget process for use each fiscal year, or held in reserve to accumulate for future use within the District. The Board, by 4/5ths vote, may allocate TOTDIF funds outside of the regular budget process.
- Projects may be one-time, and/or sustainment in nature.
- Funds may be requested on an annual basis, and used to support one-time or ongoing project concepts, including but not limited to:

- Outside Agency Contributions that delivery community benefits
 - Support for County-led project or initiative
 - Dedication of funds to a Community Project Sponsorship Program (CPSP) or Grants in Support Program (GISP)
- Funds may never be used to support salaries, political, or campaign related activities