

Board backs plan to reduce visitors bureau tax collection

By Nick Baptista / The Valley Springs News / June 21, 2023

How to divide Calaveras County's room tax money received plenty of attention last week as the Board of Supervisors took its first look at the 2023-2024 recommended budget.

At the center of discussion was whether to trim the county's annual \$400,000 contribution to the Calaveras Visitors Bureau to help fund the Calaveras County Chamber of Commerce and a countywide park master plan.

The room tax, officially called the Transient Occupancy Tax, is a 12 percent surcharge on the rate for short-term rentals such as hotel and motel rooms.

The county expects to collect nearly \$2.7 million in tax by the end of this fiscal year and conservatively projects it will see \$2.45 million in fiscal year 2023-2024.

The initial recommended budget had the sheriff's office, public works and fire districts each receiving \$612,500, with \$400,000 going to the visitors bureau and \$212,500 earmarked for the county's general fund to help reduce a \$9.3 million structural deficit.

However, in talks with the county's administrative office, the visitors bureau agreed to a one-year reduction of their allocation to \$275,000 to help fund a \$50,000 request from the Chamber of Commerce and \$75,000 for the countywide park master plan study.

"This investment will create another mechanism to promote economic development and prosperity in our county," Chamber President Sherri Reusche told the board at the June 13 meeting about the \$50,000 chamber request.

Much of the chamber's effort will go toward promoting the west end of Calaveras County, she added.

The visitors bureau earlier this year received heat from some board members for overlooking the west side of the county and communities of Mokelumne Hill, Valley Springs and West Point in its marketing efforts.

County Executive Officer Teresa Hitchcock commended the visitors bureau on working with the county on the issue of distributing TOT monies.

Board Chairman Gary Tofanelli cautioned his fellow board members that this was only a one-year solution and next year it's likely the chamber will ask for a continuance of funding.

Tom Hix of Copper Valley Development Partners and Morgan Grace, owner of Gold Rush Tour Co., spoke on behalf of the visitors bureau and said most of the dollars spent by the bureau go toward marketing the county, thus increasing the amount of tourism, generating more money for local businesses and also raising more funds the county collects through the room tax.

Supervisor Benjamin Stopper made the recommendation to maintain the three shares of \$612,500, going to the sheriff's office, public works and fire district, with \$275,000 earmarked for the visitors bureau, \$50,000 to the chamber and \$75,000 for the park master plan study. Supervisors Amanda Folendorf, Jack Garamendi and Tofanelli agreed. Supervisor Martin Huberty recused himself from this discussion because he is the executive director of the visitors bureau.

Overall, the county is looking at a total budget of nearly \$328 million, an increase of \$719,000 over the previous fiscal year and a General Fund budget of more than \$80 million, which does not include funds from the state or federal governments. The structural deficit is being reduced from 9.3 million to slightly less than \$2.3 million.