

FY 2025-26 Recommended Budget TRANSIENT OCCUPANCY TAX REVENUE AND ALLOCATION

The FY 2025-26 Recommended General Fund Budget reflects the receipt of \$5,180,000 in Transient Occupancy Tax (TOT) revenue, which is \$461,000 (8.17%) less than the amount included in the FY 2024-25 Adopted Budget of \$5,641,000. In addition, the TOT Fund has a carry-forward balance of \$1,771,189 which means the total amount of TOT resources available is \$6,951,189

The Recommended Budget allocates these resources as follows:

- A transfer of \$3,588,781 from the General Fund to the TOT Fund and the carry-forward balance of \$1,771,189, totaling \$5,359,970, is allocated for TOT Specific Program costs, which include funding for the existing “Civic” programs, Board District Community Service and Neighborhood programs, and the TOT Community Grant Program for FY 2025-26 and FY 2026-27.
 - An allocation of \$1.0 million for FY 2026-27 is included in the FY 2025-26 June Recommended Budget to provide available funding by July 1st for the new program cycle.
- A \$25,000 allocation to the Department of Finance to cover the cost of audits and related costs.
- A \$240,000 allocation to the County Executive Cabinet to cover the costs of administration of Transient Occupancy Tax fund for Civic contracts, Community Services Projects, Board of Supervisor Neighborhood Programs and the Community Grant Program.
- A \$190,000 allocation to the Office of Economic Development for Economic Development and Marketing Activities (\$90,000), Targeted Economic Development & Marketing Support (\$100,000), and Economic Development – Arts Administration (\$75,000)¹.
- A \$164,314 allocation to the Department of Community Development for Property and Business Improvement District.
- The remaining \$971,905 is recommended to be retained in the General Fund and used to cover General Fund Net County Cost needs.

¹ This amount is not included in the total allocated amount to the Office of Economic Development as it is included in the total amount under TOT Specific Program costs.

The following table provides a more detailed comparison of the FY 2024-25 Adopted TOT allocations and the FY 2025-26 June Recommended allocations.

Category	FY2024-25 Adopted	FY2025-26 Recommended	Difference
Transient Occupancy Tax (TOT) Fund Balance			
Beginning Balance	\$1,952,329	\$1,721,189	(231,140)
Interest Income	\$50,000	\$50,000	0
Total TOT Fund Balance:	\$2,002,329	\$1,771,189	(231,140)
TOT Funded Programs			
Program Costs Paid Directly to the TOT Fund			
Sacramento Convention & Visitors Bureau	\$500,000	\$500,000	0
Sports Marketing & Events Support - SCVB	\$70,000	\$70,000	0
Special Events Support	\$100,000	\$100,000	0
American River Parkway Foundation	\$16,000	\$16,000	0
Center for Sacramento History	\$232,000	\$232,000	0
Powerhouse Science Center	\$344,000	\$344,000	0
Sacramento History Museum	\$108,000	\$108,000	0
Cultural Arts Awards	\$369,600	\$369,600	0
Economic Development - Arts Administration *	\$75,000	\$75,000	0
Northern California World Trade Center	\$10,000	\$10,000	0
Greater Sacramento Area Economic Council	\$241,709	\$241,709	0
Sacramento Metropolitan Chamber of Commerce	\$10,000	\$10,000	0
Board of Supervisors – Neighborhood Programs	\$264,528	\$267,584	3,056
Board of Supervisors - Community Services Projects	\$1,024,000	\$1,016,077	(7,923)
Community Grants FY2024-25	\$1,000,000	\$0	(1,000,000)
Community Grants FY2025-26	\$1,000,000	\$1,000,000	0
Community Grants FY2026-27	\$0	\$1,000,000	1,000,000
Subtotal:	\$5,364,838	\$5,359,970	(4,868)
Program Costs Paid to Other Departments			
Finance Department for Audits, etc. (General Fund)	\$25,000	\$25,000	0
County Executive Cabinet - TOT Administration	\$240,000	\$240,000	0
Economic Development & Marketing	\$90,000	\$90,000	0
Economic Development & Marketing: Targeted Support	\$100,000	\$100,000	0
Department of Community Development: Property and Business Improvement District	\$164,314	\$164,314	0
Subtotal:	\$619,314	\$619,314	0
Total TOT Funded Programs:	\$5,984,152	\$5,979,284	(4,868)
General Fund TOT Revenue and Allocation Summary			
Estimated TOT Revenue (General Fund – Non-departmental Revenue)	\$5,641,000	\$5,180,000	(461,000)
Total Transferred to Transient Occupancy Tax (TOT) Fund	\$3,362,509	\$3,588,781	226,272
Total Transferred to Other Departments	\$619,314	\$619,314	0
Total Available to Cover General Net County Cost Needs	\$1,659,177	\$971,905	(687,272)
*This amount is not included in the total allocated amount to the Office of Economic Development as it is included in the total amount under TOT Specific Program costs.			