



City of McCall

Local Option Tax (Lodging)

2021 Annual Report



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What We Do

Idaho Code allows for an occupancy tax upon hotel, motel, and other sleeping accommodations rented or leased for a period of thirty (30) days or less. The voters of the City of McCall voted to approve an ordinance that provided that the City of McCall has met the requirements set out in Idaho Code. The City Clerk of the City of McCall is authorized and empowered to administer, regulate, and collect payment of all non-property taxes adopted and imposed by the ordinance. The Clerk shall have all of the powers necessary and proper to carry out the provisions of the ordinance.

The ordinance also calls for a Local Option Tax Commission. The members of the LOT Commission have the responsibility to develop annual budgets and make specific recommendations for the use of the local option non-property tax revenues derived from the taxes assessed pursuant to the ordinance. The LOT Commission annually hosts public meetings prior to making its recommendation to the City Council for the budget for the upcoming fiscal year. At the meetings, the applicants for the LOT revenues present their projects to the LOT Commission. The LOT Commission then deliberates and makes their recommendation to Council. The LOT Commission develops a proposed budget for the use of the LOT revenues to be included in the overall City budget. The chairperson of the LOT Commission attends the City's staff level budget meetings in a capacity equivalent to that of a department head during the annual budget development.

Mission

McCall is a destination resort City that derives a major portion of its economic well-being from businesses catering to the recreational needs of travelers. These visitors and travelers place an undue burden on the taxpayers of the City by inflating the number of people the City is required to provide services for. The local option, non-property tax is an opportunity for McCall to offset the cost-impact of these visitors on the City's infrastructure.





Local Option Tax

Performance Report Selected Projects



Purposes for the use of revenues

- A. Streets, sidewalks and pathways, public transit, pedestrian crosswalks, and transportation
- B. Construction and maintenance of cultural and recreational facilities
- C. Services for community recreational and cultural activities
- D. Parks maintenance, development and beautification
- E. Shelter and/or spay and/or neuter of stray animals found in the city
- F. Local housing program as recommended in the McCall Housing Strategy
- G. Services for McCall marketing, advertising, tourism development and event promotion
- H. Mitigate the effects of tourism on the city that the general fund cannot accommodate

2021 Accomplishments

Projects funded in 2021

| | |
|---|------------|
| City of McCall - Administrative Costs | \$ 14,500 |
| City of McCall - Parks & Rec - Winter Sidewalks, Equipment, Weeds | \$ 171,442 |
| City of McCall - Community Development - Local Housing Initiative | \$ 100,000 |
| Roots Forest School - Trek to the North Pole, Gear & Scholarships | \$ 11,494 |
| Payette Lakes Community Association - After School Program | \$ 10,000 |
| McCall Folklore Society - Bluegrass Camp | \$ 2,000 |
| McCall Youth Hockey Association-Ice Time | \$ 8,000 |
| Manchester Ice and Event Center - Learn to Skate | \$ 10,250 |
| Friends of Payette Avalanche Center - Website and Weather Station | \$ 8,500 |
| Little League of West Central Idaho-Portable Pitching Mounds | \$ 3,500 |
| Valley County Search & Rescue - Utility Trailer for Storage | \$ 10,000 |
| McCall Fire Protection District - Emergency Response UTV | \$ 30,000 |
| McCall Arts & Humanities Council - Cabin Fever | \$ 4,800 |
| McCall Winter Sports Club - Youth Races | \$ 5,200 |
| Valley County Pathways - Nordic Snow Grooming | \$ 5,000 |
| Valley County Recreation - Snowmobile Signage & Snow Removal | \$ 13,400 |
| Payette Lakes Ski Club-Nordic Trail Grooming, Lighting | \$ 35,000 |
| Chamber of Commerce - Fireworks, Event Promotion, Mitigation, Grant | \$ 56,825 |
| McCall Nordic & Biathlon Ski Club-Nordic Races | \$ 7,950 |
| Seven Devils Play Foundry-Marketing & Production Costs | \$ 2,000 |
| McCall Music Society-Summer Music Fest | \$ 3,000 |
| Payette Land Trust-River Basin Initiative and Land Acquisition | \$ 55,000 |
| McCall Ultra Sled Dog Challenge-Tents, Lights, Cots | \$ 4,000 |
| Treasure Valley Transit - Grant Match | \$ 89,000 |
| Central Idaho Mountain Bike Association-Bear Basin Trail | \$ 25,000 |
| McCall Public Library-Construction New Library | \$ 271,790 |





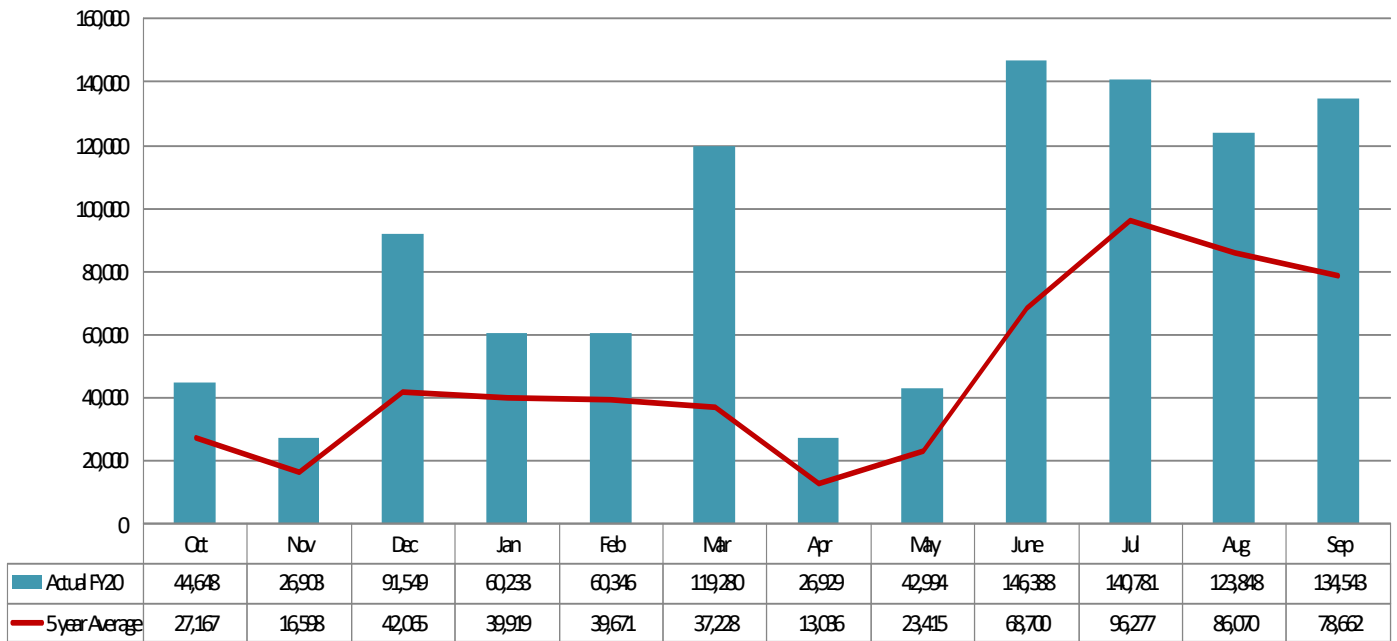
Local Option Tax

Our Finances

Fiscal Year 2021

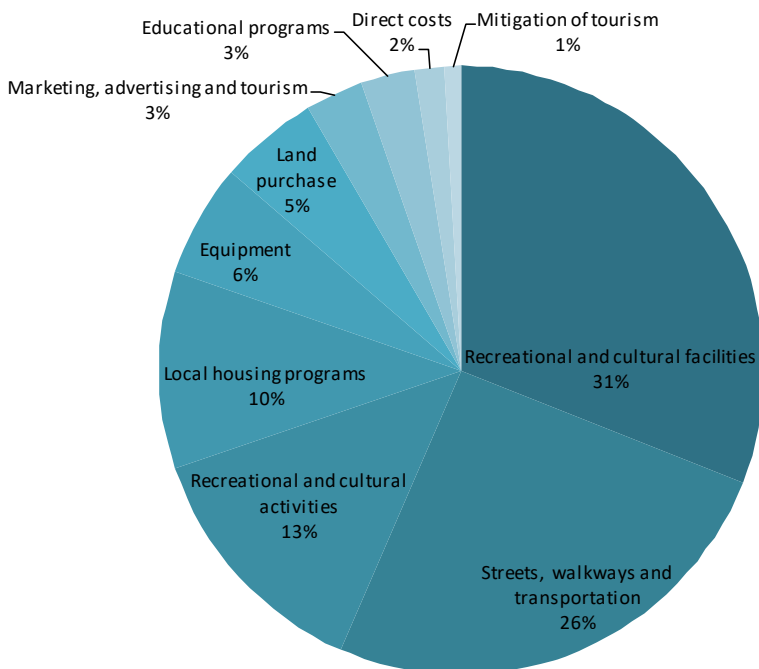


Revenue by Month



Expense by Category

TOGETHER WE MOVE MOUNTAINS
[AND BUILD TRAILS]



| | FY21 |
|---------------------------------------|------------------|
| Recreational and Cultural Facilities | \$296,790 |
| Streets, Walkways and Transportation | \$244,855 |
| Recreational and Cultural Activities | \$126,564 |
| Local Housing Programs | \$100,000 |
| Equipment Leases and Purchases | \$58,092 |
| Land Purchase for Public River Access | \$50,000 |
| Marketing, Advertising and Tourism | \$29,804 |
| Educational Programs | \$28,025 |
| Direct Costs | \$14,500 |
| Mitigation of Tourism | \$9,025 |
| TOTAL | \$957,656 |



Local Option Tax

Looking Forward

What's Next: Projects & Challenges

We want to hear from you!

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FY21 Local Option Tax Commission

Paul Christensen
Leesa Johnson
Diane Sanders
Tabitha Martineau
Todd McKenna
Craig Vroom
Yvette Will

Overview

LOT revenues saw a huge increase in FY21, with revenues topping \$1,000,000 for the first time, a 46% increase over FY20. For Fiscal Year 2022, the Clerks office received 50 LOT funding applications requesting a total of \$1,358,666 for the LOT funds. Of the 50, 26 received priority budgeting, 14 projects were recommended for contingency (4 of which received some priority funding), and 15 projects were not recommended for funding. FY21 funding saw many reallocation requests due to continued cancellation of events. The city council graciously approved these requests, and in a couple of instances unused funds were returned to the city.

Due to the continued uncertainty around the Covid-19 pandemic the FY22 budget was set at \$766,000. Contingency projects were set at \$227,791. Council approved the LOT Commission's project recommendations with a few changes. Due to the large increase in funds received in FY21, a larger increase in the FY23 budget may be considered.

This was the third year under the new 3% LOT ordinance, which is in effect until 2028. The new ordinance passed at the polls by 90%.

The LOT Commissioners and their designations for FY22, are as follows: three years remaining on four year-terms are Todd McKenna - Committee Member, Yvette Will - Business Owner, and Craig Vroom - Committee Member. With two years remaining on a four year term is Diane Sanders - Citizen at Large. For FY23 LOT applications, there will be 3 seats available on the LOT Commission for appointment.

