TOWN COUNCIL STAFF REPORT

Subject: Approval of Appropriations Limit, Investment Policy, and Annual Budget for Fiscal Year 21-22

Meeting Date: June 16, 2021

Written by: Dan Holler, Town Manager
Rob Patterson, Administrative Services / Finance Director

RECOMMENDATION:
It is recommended that Council take the following actions:

1. Adopt a resolution establishing the Town of Mammoth Lakes appropriations limit for Fiscal Year 21-22.
2. Adopt a resolution reaffirming the Town of Mammoth Lakes Investment Policy for Fiscal Year 21-22.
3. Adopt a resolution reaffirming the Town of Mammoth Lakes Reserve Policy for Fiscal Year 21-22.
4. Adopt a resolution reaffirming the Town of Mammoth Lakes Debt Policy for Fiscal Year 21-22.
5. Adopt a resolution approving the Annual Budget for the Town of Mammoth Lakes for Fiscal Year 21-22, as presented or with Council directed modifications.

APPROPRIATION LIMIT:
The California Constitution sets limits on the amount of Tax Revenues that may be appropriated by a local government. Each year the Town must adopt a resolution setting the appropriation limit that will be applied in the adoption of the budget. The State provides guidelines for the calculation which allow the limit to be adjusted by defined factors. The Town's limit is adjusted by the combination of the change in the County population and the California per Capita Income. Each of these had a slight change from FY20-21 to FY21-22 for a combined change of 1.0450%. The appropriations limit for the Town increased from $27,028,407 to $28,245,641. The Town's appropriation of tax revenues subject to the limit are under the allowed amount.

INVESTMENT POLICY:
Each year the staff reviews the Town's Investment Policy and has the Council take action to reaffirm the policy and to approve any changes. Over time minor adjustments are made to the policy to better meet the needs of the Town to meet regulatory changes, to adopt best practices or to allow added flexibility in managing the Town's portfolio. This policy has two updates for FY21-22 both updating limits for our investment pools. The first update will increase the limit for investments into the Mono County Investment Pool from $5,000,000 to $6,000,000. The only investment in this pool is the Reserve for Economic Uncertainty. With a current balance of $4.9M this fund could exceed the limit with interest earnings updates in the coming year. The Second

update is the limit for investment in Local Agency Investment Fund (LAIF). This is an investment fund offered by the State Treasurer's Office to municipal governments. The Pooled Money Investment Account (PMIA) offers local agencies the opportunity to participate in a major portfolio with professional investment staff at no additional cost. The Town limit is $40,000,000 and staff is recommending an increase to $55,000,000. This increase is based on current balance information and the capital project funds planned for the year that may exceed current limits. No additional changes are necessary for FY21-22.

RESERVE POLICY:

The reserve policy was established several years ago and was tied to, as a percentage, General Fund revenue. Last year when the General Fund revenue was reduced significantly, staff thought it was not prudent to tie reserve to these reduced amounts and established a baseline revenue for the policy. This baseline revenue was $23,000,000 for the first year and maintained the reserve within policy. With the General Fund revenue estimated to be $24.5M for FY21-22, staff has increased the baseline revenue to $24.5M and allocated funds to remain in compliance. The elements of the policy are discussed below.

The Reserve for Economic Uncertainty (REU) was established to minimalize the impact to town services in the event of a long-term revenue shortfall from an economic downturn or other localized event that negatively affects the Town's revenue sources. These localized events could be in the form of a natural disaster that affects the town itself or access to the town. The funding target is 20% of baseline revenue or $4,900,000 for FY21-22. In 3rd quarter FY20-21, staff allocated additional funding to bring the Town into compliance with the policy.

Operating Reserve (OR) is engaged to weather short-term economic impacts or to take advantage of unanticipated funding needs such as grant opportunities, response to damaged facilities, unanticipated short-term declines in revenue or new state and federal cost mandates. The funding target is 5% of baseline revenue ($24,500,000) or roughly $1,225,000. This element is fully funded and in compliance with the policy.

Debt Reserve (DR) was established to provide funding to cover the Town's debts in the event of a long-term revenue shortfall from an economic downturn or other localized event that negatively affects the town's revenue sources. The funding target is 50% of the annual debt service paid by the General Fund. The two bonds that qualify are the Lease Revenue bond for the Police Facility (2015) and the Taxable Judgement Obligation bond for MLLA settlement refinancing (2017). The target funding based on these two obligations is $1,100,000. This reserve is fully funded and in compliance with the policy.

The fourth element of the reserve policy is funding $100,000 to the contingency fund as part of the budgeting process. The contingency reserve is designed to meet smaller unanticipated costs within the operating budget. It may also be used to meet other shortfalls in funding for capital projects. During the development of FY21-22 budget, this line item was restored to full funding after a prior year reduction for budget balancing efforts.

DEBT POLICY:

This Debt Management Policy has been developed to provide guidance in the issuance and management of debt by the Town or any other public agency for which the Town Council sits as its legislative body and is intended to comply with Government Code Section 8855(I), effective on January 1, 2017. The main objectives are to establish conditions for the use of debt; to ensure that debt capacity and affordability are adequately considered; to minimize the Town's interest and issuance costs; to maintain the highest possible credit rating; to provide complete financial disclosure and reporting; and to maintain financial flexibility for the Town.

Debt, properly issued and managed, is a critical element in any financial management program. It assists in the Town's effort to allocate limited resources to provide the highest quality of service and facilities to the public. The Town desires to manage its debt program to promote economic growth and enhance the vitality of the Town for its residents and businesses.

Staff does not recommend any adjustments to the Debt Policy for FY21-22. Council may amend the policy, as it deems appropriate from time to time in the prudent management of the debt of the Town.

BACKGROUND:

The Budget: A Financial, Policy, Management & Planning Tool

The budget is the Town's service work program and financial plan for the year ahead. It is a planning tool used to meet ongoing service requirements, to achieve stated Town Council priorities and policy objectives and is the means to deliver programs desired by residents all within available resources. Although it is important to express the budget in monetary terms because of the need for a common denominator, a budget should be looked upon as more than a just a budget plan for the Fiscal Year.

The budget represents public policy incorporating legislative direction and oversite and administrative and legal controls. Budgeting is the organizing of human resources, equipment, materials, and other resources necessary to implement public policy directives, legal mandates, provide for public enjoyment and quality of life and to ensure public safety. The resources provided through the budget process is the means to achieve these objectives. The budget is also a management tool as it provides a work program designed to accomplish the organizational objectives of Town government. The Strategic Priorities of the Town Council are reflected in the budget as are the ongoing provision of core services and enhanced services and programs delivered to residents and guests. Policy directives and goals often extend beyond a single fiscal year.

The financial plan incorporated into the budget supports the current the fiscal year fiscal requirements, but also looks to maintain future financial stability and meeting future requirements. This includes setting and funding reserve levels, managing ongoing costs that will increase over time such as personnel, and planning for and incrementally funding capital investments. The process incorporates financial plans for major equipment replacement and additions to the Town's fleet. Funding is set aside to maintain and enhance technology systems (hardware and software). Planning for the operational funding of new facilities, maintenance of capital improvements, and

incremental costs of ongoing services such as snow removal from new sidewalks are all considered. The Town's tourism reliant economy and the attraction of federal lands and related activities surrounding the community has created the need to work closely with regional partners at all levels of government. The ability to invest in public amenities and experiences in this landscape is becoming an economic necessity for the Town. The engagement with partners and on the-ground improvements is quickly becoming an area requiring Town fiscal investment and longer-term planning. The budget is the organizational tool used define the resources required for these purposes.

The budget provides management with the scope of services to be performed and the capital improvements to be made during a fiscal year. The budget incorporates a variety of long-range plans such as the General Plan and associated "Elements" such as Housing, Land Use, and Transportation, Parks and Recreation Master Plan, Trails System Maser Plan, and others. The work program is also informed by a number accepted documents, but not formally adopted planning efforts such as Walk, Bike, Ride; Downtown Revitalization; and the Community Housing Action Plan.

The effective period of a budget is one fiscal year: July 1 to June 30. Certain services and activities are required by law and several revenues are restricted for specific purposes. The budget is organized on the basis of funds. A fund is a collection of accounts that record resources together with related requirements for a specific type of activity or objective. The Town maintains hundreds of revenue and expenditure accounts within 40 funds.

It is clear that good government does not run itself; it must be managed. The budget provides management with the scope of services to be performed and the capital improvements to be made during a fiscal year. It also sets the stage for future years. The budget may be the most important managerial tool available to local government, given that almost everything local government does is reflected in the budget. Virtually all governmental activities are funded through the budget, and budgeting and financial management is a continuous process. This makes the budget an effective tool for public officials, provides an effective management resources allocation system, and is used at every level of governmental activity.

Budgetary Basis

The budget is prepared on a line-item (account) basis by fund and department using historical trends, outside agency and consultant information, and management experience. A review of each revenue and expenditure is completed in preparing the budget. The Town's annual operating budget is prepared in conformity with Generally Accepted Accounting Principles (GAAP). The Town's accounting system is organized and operated on a fund basis. As previously mentioned, funds are established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, legal restrictions, or limitations.

All governmental funds are accounted for using the modified accrual basis of accounting in which revenues are recognized when they become measurable and available to finance expenditures of the fiscal period. Expenditures, except for un-matured interest on long-term debt, are recognized in the accounting period in which the liability is incurred. Sales and use taxes, motor vehicle fuel taxes and privilege taxes are considered "measurable revenue" when they are received by the

Town. Revenues earned in the prior fiscal year are considered measurable and available if received by the Town within 60 days after year-end. The accounting records for enterprise and internal service funds are maintained on a full accrual basis. Accordingly, revenues are recognized in the accounting period earned and expenses are recognized in the period incurred. Trust and agency funds are accounted for on a cash basis (these funds are not included in this presentation).

Town Manager Budget Guidelines for Department Heads

Staff did an excellent job navigating the challenges of FY20-21 with statewide and local emergency declaration due to the COVID-19 pandemic. The institution of a statewide stay at home order resulted in a significant decline in economic activity, loss of revenues and uncertain future. This condition required the budget process to be dramatically restructured. As the restrictions gradually reduced in the spring of 2021, the Town returned to near normal operations with a strong surge in visitation and work to support those efforts.

As we look forward to FY21-22, we anticipate a very robust year for the Town's business of recreation tourism. Much of the adjustments made to the FY21-22 budget include additional efforts to mitigate the impact of this visitation and ongoing support, both community and visitors for a successful season.

Department Heads have worked to develop their department budgets to align with these needs as well as support the Town Council strategic planning objectives. This budget reflects, not a return to normal but an adjustment to the new operations expected going forward, reincorporating items that were removed and enhancing staffing where necessary. The Directors remain conservative in their requests and strive for overall efficiency more than just adding resources and expense.

The open discussion and identification of issues, departmental needs, and the willingness to work across departments was demonstrated in the departmental budget discussions was necessary to provide Town Council with the proposed budget. The directions and assumption used to finalize the budget are outlined below.

Budget Assumptions and Direction

The following assumptions and direction were used in developing the FY21-22 Budget:

1. The Reserve for Economic Uncertainty (REU) is retained at or above $4.9 million and represents 20.0% of General Fund baseline revenue ($24.5M). The baseline revenue method was established in FY20-21 and updated to $24.5M for FY21-22 budget year. The REU is fully funded in compliance with the policy.
2. The Operating Reserve is now also tied to the baseline revenue method and represents 5% of the baseline revenue. This amount is $1,225,000 and the OR is fully funded in compliance with the policy.
3. General Fund contingency of $100,000 is funded from operating revenues. This was reduced by $25,000 for FY20-21 and is fully funded for FY21-22.
4. Expense Reductions in response to reduced revenue from COVID-19 impacts have been reintroduced in FY21-22 budget. Items reintroduced include:
    a. Elimination of summer programs - reinstated
    b. Staff Reductions - reinstated where necessary

c. $2.0M in Settlement payment going back to Debt Payment / Future Capital to provide $132k in capital project funding.
d. Paused Vehicle Replacement Loan - reinstated (resolution attached)
e. 50% reduction in Vehicle replacement charges - reinstated
f. 50% reduction in Comprehensive Leave Accrual - reinstated
g. Departmental budget reductions – reinstated where necessary.

5. Continued allocation of $580,000 for Road rehabilitation and related capital projects supported by reserves.
6. Use of Transit reserves to fund budget shortfall for ESTA contract $69,000.
7. Normal employee costs related to merits or other obligated costs are included, with modifications to salary schedules for general employee associations and non-represented employees supporting 2.5% pay adjustment. The general employee increase given up by employees in FY20-21 does result in ongoing savings.
8. Base General Fund operating budget includes $14.5 Million in TOT. This is still a conservative approach to the budgeting this revenue source.
9. Allocation of $75,000 in Measure U and $20,000 in General Fund for a partnership with Mono County to fund Eastern Sierra Sustainable Recreation Coordinator position. This partnership will shift after the first quarter as the current employee will transition to full-time with Mono County.
10. Budget for Measure R and U reflect ongoing costs as previously recommended by Mammoth Lakes Recreation and contractual obligations. Additional recommendations will come forward as appropriate.
11. The budget includes a more robust capital program focused on achieving Town Council Priorities

These assumptions and Council direction provide the base for preparing the final budget.

Personnel Adjustments

The FY21-22 Budget reflects increases in full-time to meet core service staffing levels. Over the past few years strategic steps have been taken to increase full-time staff and reduce reliance on part-time positions. While this has resulted in a net increase in costs, adjustments have minimized the overall cost increases. The net impact is a net increase of eight positions form FY20-21, however a few of the positions will not be staffed for the full fiscal year. This includes the following adjustments:

In Public Works two Maintenance Worker positions were added bringing our winter staffing levels to 11 plus the manager. The number of part-time positions were reduced from six to three. The staffing meets the minimum level of 14 maintenance positions for winter operations. One position is shared with the trails program during the summer.

In Parks Maintenance one new full-time position was added, bringing the full-time positions to 4 maintenance workers and one manager. The number of part-time positions was reduced from seven to five. The part-time staff are all summer seasonal positions. This structure supports winter operations with full-time positions and allocates adequate full and part-time staff across the various parks and facilities in the summer. The work program includes restroom and trash support for the Lakes Basin and other assigned trailheads in cooperation with the Inyo National Forest.

The vacant Recreation Supervisor position is planned to be filled in the last quarter of the Fiscal Year to support the opening of the Community Recreation Center. For FY21-22 the position represents a partial full-time employee, therefor the listing a .3 position.

In engineering an assistant engineer position was held vacant for the majority of FY20-21. The work program for the engineering department required filling this position prior to the end of FY20-21 resulting in the additional position showing in FY21-22. The position was funded in part by savings from adjustments made to vacant positions and the reassignment of previous Director position.

A full-time code enforcement officer was added after the adoption of the FY20-21 in the police department. The position was partially funded through a reduction in part-time and contract positions. The position shows as an increased position in FY21-22.

The creation of the Town's Office of Outdoor Recreation includes one new position. The recruitment process will result in the position being filled less than the full fiscal year.

The overall increase of just under three full-time equivalent part-time positions includes a 0.5 position in Finance, a number of recreation part-time support based on enhanced programing at the Community Recreation Center, and an additional part-time position in the trails program.

As noted above, the FY21-22 Budget includes funding and hiring of positions which were held open through the pandemic as the Town took steps to reduce expenses in FY20-21. Managing personnel through the fiscal year is an ongoing process. Last fiscal year and this year the Town had trouble hiring several part-time employees, resulting in the need to shift to additional full-time positions. This action did have a net increase in expenses, but also added to the service levels provided. Vacant positions are consistently reviewed for opportunities to creatively meet service requirements and where appropriate reduce costs.

Budgetary Focus

The FY21-22 Budget has a focus on Council Priorities. The budget rebuilds and enhances core services which were reduced in FY20-21 due to the COVID-19 pandemic. This is reflected it personnel adjustments discussed above. The Town Council has approved a set of Strategic Priorities and Key Objectives. Funding directed at achieving these priorities is provided in the budget and staff supported work program.

The Budget includes additional funding for housing efforts. The Parcel project grant funding and Town provided infrastructure funding will be used to move the project forward. The Town's development partner is continuing to pursue other funding source for the construction of units with a goal to have new affordable housing available in early 2023. The CIP includes $1.4 million for housing and the Town in cooperation with Mammoth Lakes Housing continues to pursue grant programs for first time home buyers. Efforts are being pursed to address housing needs for families who do not qualify for defined low-income programs, but still not able to find attainable affordable housing.

The FY21-22 Budget reflects substantial investment in recreational amenities and long-term coordination with federal, state, and other partners. The Town's Parks and Recreation Department provides a wide variety of municipal/community recreational programs and facilities. The department coordinates with numerous community sports organizations, provides direct services and programs, supports contracted programs, works with volunteer groups to enhance facilities and services, and maintains all Town recreational facilities. Programs and services extend through the year. This year represents the first year of full operation of the new DiscGolf Course put in place in partnership with local groups and Inyo National Forest. The CIP includes the ongoing construction of the Community Recreation Center which will enhance and expand the Town's recreational programs and services. The program of work includes the reconstruction of a significant portion of the Town Loop Multi Use Path (MUP) system, design work for new MUP segments. Plans for a new "dog park" are proceeding. The Town is working with LADWP to expand the Whitmore Park lease area to at least 50 acres to support a Prob 68 grant to improve this regional park. The CIP continues funding to invest in deferred maintenance of our recreational facilities. The Town's Parks and Recreation programs, services and facilities are coordinated through the Town Council's appointed Recreation Commission.

The partnership with the Mammoth Ranger District of the Inyo National Forest is reflected in the budget. This includes assisting in the service of restrooms and trash management primarily in the Lakes Basin. This work is provided through the Parks Department. The Town's Trails program is funded primarily from Measure R restricted funds, General Funds, grants and donations. The Trails program partners with the non-profit Mammoth Lakes Recreation (MLR) on funding for projects, community outreach and program development. MLR also works with the community to recommend allocation of Measure U restricted funding for arts and culture and other uses. The Trails program is funded to continue maintenance on several Forest Service trails, construction of new trails in the Lakes Basin, under Forest Service approval and grant funded planning work for expanded trails in the Shady Rest/Inyo Craters area. The overall trails program incorporates oversight provide by the Mammoth Trails Committee, created under MLR to focus on the trails program. The efforts are primarily directed through the Mammoth Lakes Trails System Master Plan. Town staff and MLR continue coordinated efforts include pursing new facilities on Town and Forest Service land. The Trails Manager is also coordinating the implementation of an expanded community/trails host program funded by the Town and grants.

The FY21-22 Budget includes the creation of a new Town Office of Outdoor Recreation. The Office is proposed to be staffed with a new position. The primary focus is to improve the planning, coordination, and engagement with the Inyo National Forest and other partners. The Town's economic base is directly tied to the attraction of visitors to our public lands. The coordination between the Town and federal land managers has grown to the point of out stripping the Town's current capacity. At the same time the importance of the relationship has grown substantially. The need for management level ongoing engagement to address visitor-based improvements, information and services is becoming a critical community need. This is reflected in discussions on fire concerns, trash, impacts on trails and other amenities, snow management, expanded Town amenities on Forest Service lands, transit connections and services, housing, overall land management, and partner opportunities for capital invests.

The FY21-22 Budget provides for ongoing funding support to meet regional services. The CIP includes initial funding for an upgraded public safety radio communications system. Investment in the Mammoth Yosemite Airport will continue as the region looks to shift commercial air service to the Inyo County Airport in Bishop this coming winter (21-22). Funding is committed to finalize the design and initiating construction of the Mammoth Arts and Cultural Center (MACC). The project is a partnership with Mammoth Lakes Foundation and will provide a regional level meeting/performing arts facility. Initial efforts to identify a new outdoor events venue to serve the region will move forward this year as well.

Existing Fund Balance Reserves – Projected

Fund Balances are available revenue over expenditures held within specific accounts. These funds can be restricted, committed or undesignated. Restricted fund balances occur within funds that have specific restrictions on the fund itself (Measure R and U). Funds can be committed to specific elements from an unrestricted fund (i.e. Reserve for Economic Uncertainty, Housing, Transit or Tourism Reserves). Undesignated is the term used for funds accumulated in a Fund with no restrictions and not previously committed. These funds would be available for any use necessary and approved by Town Council.

Fund Balance is typically determined after the fiscal year is completed and is based on comparison of revenue and expenditures for that year. Our normal financial presentations include a Fund Balance presentation in the fall of each year following the fiscal year close. Below is an estimation of fund balances based on last year actual balances with an estimate of current year performance. These balances will change from now to the fund balance discussion in October 2021.

Fund Balance Reserves

Fund	Estimated Balance (June 2021)	Planned Chg Budget FY21-22	Est. New Balance (June 2022)
General Fund			
Reserve for Uncertainty (REU)	$ 4,900,000	$ -	$ 4,900,000
Operating Reserve (OR)	$ 1,225,000		$ 1,225,000
Housing Reserve	$ 1,231,632	$ -	$ 1,231,632
Transit Reserve [1]	$ 806,170	$ -	$ 806,170
Tourism Reserve [2]	$ 2,103,565	$ -	$ 2,103,565
Undesignated	$ 3,144,319	$ -	$ 3,144,319
Comprehensive Leave - Fund 101	$ 627,917	$ 116,000	$ 743,917
COVID-19 Response - Fund 105	$ 85	$ -	$ 85
Solid Waste - Fund 205	$ 1,024,138	$ (122,850)	$ 901,288
Gas Tax - Fund 210	$ 1,314,758	$ -	$ 1,314,758
Measure R Trails - Fund 215	$ 497,642	$ -	$ 497,642
Measure R - Fund 216	$ 853,482	$ 62,017	$ 915,499
Measure U - Fund 217 [3]	$ 2,201,287	$ 533,930	$ 2,735,217
Airport - Fund 220	$ 1,736,286	$ -	$ 1,736,286
Housing & Community Development - Fund 245 [5]	$ 1,879,466	$ -	$ 1,879,466
DIF Accounts	$ 1,368,679	$ 206,560	$ 1,575,239

Fund Balance Reserves

Fund	Estimated Balance (June 2021)	Planned Chg Budget FY21-22	Est. New Balance (June 2022)
Assessment Districts	$ 3,246,912	$ (66,933)	$ 3,179,979
Fractional Mello Roos - Fund 858	$ 12,662	$ 24,144	$ 36,806
Vehicle Service - Fund 910 [4]	$ 11,011,412	$ 205,878	$ 11,217,290
Emp 125 Ins Fund 930	$ 760,478	$ -	$ 760,478
Debt Service / Future Capital - Fund 990 [6]	$ 2,012,926	$ 32,963	$ 2,045,889

Notes:
1. Includes $69k committed to ESTA operations for FY21-22
2. Includes $50k committed to LA Kings Payments
3. Includes $2.5M allocated to MACC
4. Includes Debt owed from General Fund ($2.4M est.)
5. Includes $1.4M Set aside for Housing Projects
6. Includes Debt Reserve $1.1M, Communication System set aside $750,000

This is not a complete list of carry over items in fund balance or reserve accounts, just listed items included in FY21-22 budget. A complete list will be provided during Fund Balance discussion in October

FISCAL YEAR 21-22 BUDGET OVERVIEW

Total Revenues - All Funds

Category	FY2018-19 Actuals	FY2019-20 Actuals	FY20-21 Adopted Budget	FY21-22 Proposed Budget	Prior Budget Variance	%	Budget to Last Full Year Variance	%
Transient Occupancy Tax [1]	$ 20,470,488	$ 16,273,104	$ 11,390,000	$ 14,690,000	$ 3,300,000	29.0%	$ (1,583,104)	-9.7%
TBID - Pass through	$ 5,684,769	$ 4,423,263	$ 3,256,200	$ 4,802,458	$ 1,546,258	47.5%	$ 379,195	8.6%
Property Tax	$ 3,803,820	$ 4,054,115	$ 3,827,000	$ 4,214,850	$ 387,850	10.1%	$ 160,735	4.0%
Capital Projects [2]	$ 3,186,457	$ 3,383,438	$ -	$ 23,349,781	$ 23,349,781	100.0%	$ 19,966,343	590.1%
Sales Tax	$ 2,749,036	$ 2,372,657	$ 1,850,000	$ 2,600,000	$ 750,000	40.5%	$ 227,343	9.6%
Other General Fund Revenue	$ 3,259,005	$ 3,046,654	$ 2,279,076	$ 2,407,899	$ 128,823	5.7%	$ (638,755)	-21.0%
Vehicle Service	$ 2,074,787	$ 2,215,366	$ 1,852,040	$ 2,046,584	$ 194,544	10.5%	$ (168,782)	-7.6%
Gas Tax	$ 1,738,957	$ 2,409,893	$ 1,408,856	$ 1,908,856	$ 500,000	35.5%	$ (501,037)	-20.8%
Airport Operations	$ 524,128	$ 709,906	$ 1,099,681	$ 902,034	$ (197,647)	-18.0%	$ 192,128	27.1%
Measure R - Sales Tax	$ 1,683,877	$ 1,558,411	$ 1,000,000	$ 1,300,000	$ 300,000	30.0%	$ (258,411)	-16.6%
Assessment Districts	$ 1,685,005	$ 1,685,974	$ 1,252,600	$ 1,411,808	$ 159,208	12.7%	$ (274,166)	-16.3%
Measure U - Utility Tax	$ 961,191	$ 874,528	$ 870,000	$ 870,000	$ -	0.0%	$ (4,528)	-0.5%
Franchise Fees	$ 910,190	$ 851,036	$ 770,000	$ 812,000	$ 42,000	5.5%	$ (39,036)	-4.6%
Housing and Community Development	$ 598,353	$ 793,137	$ 570,000	$ 570,000	$ -	0.0%	$ (223,137)	-28.1%
Other Revenue	$ 401,578	$ 217,274	$ 478,000	$ 474,000	$ (4,000)	-0.8%	$ 256,727	118.2%
Solid Waste	$ 1,528,528	$ 286,175	$ 210,000	$ 437,500	$ 227,500	108.3%	$ 151,325	52.9%
Development Impact Fees (DIF)	$ 338,210	$ 274,766	$ 128,913	$ 292,000	$ 163,087	126.5%	$ 17,234	6.3%
Total Revenue	$ 51,598,379	$ 45,429,696	$ 32,242,366	$ 63,089,770	$ 30,847,403	67.9%	$ 17,660,073	28.0%

Note

1. TOT revenue includes $14.5M TOT plus Penalties & Interest, Revenue Violations and Penalty & Interest.

2. Capital projects included in FY21-22 vs. being on hold in FY20-21.

Total Appropriations - All Funds

Category	FY2018-19 Actuals	FY2019-20 Actuals	FY20-21 Adopted Budget	FY21-22 Proposed Budget	Prior Budget Variance	%
Operating Expenses - General Fund	$ 24,031,235	$ 28,763,431	$ 21,296,785	$ 24,874,749	$ 3,577,964	16.8%
Tourism Business Improvement District (TBID)	$ 5,698,048	$ 4,395,226	$ 3,256,200	$ 4,802,458	$ 1,546,258	47.5%
Snow Removal & Roads - Gas Tax	$ 3,844,799	$ 3,940,610	$ 4,380,800	$ 4,922,284	$ 541,484	12.4%
Capital Projects	$ 4,172,174	$ 5,881,069	$ -	$ 24,184,781	$ 24,184,781	100.0%
Debt Service / Future Capital	$ 3,246,348	$ 3,146,283	$ 2,801,268	$ 3,239,378	$ 438,110	15.6%
Airport Operations	$ 1,191,540	$ 1,582,926	$ 3,035,329	$ 1,223,083	$ (1,812,246)	-59.7%
Vehicle Service	$ 2,112,586	$ 2,143,365	$ 1,385,545	$ 2,180,705	$ 795,160	57.4%
Assessment Districts	$ 1,411,441	$ 1,533,371	$ 1,256,734	$ 1,604,597	$ 347,863	27.7%
Solid Waste	$ 760,529	$ 734,345	$ 191,075	$ 660,350	$ 469,275	245.6%
Measure R - Sales Tax	$ 1,149,614	$ 2,696,654	$ 996,441	$ 1,241,501	$ 245,060	24.6%
Housing & Community Development	$ 206,678	$ 300,080	$ 570,000	$ 570,000	$ -	0.0%
Measure R - Trails	$ 414,557	$ 428,451	$ 330,000	$ 445,000	$ 115,000	34.8%
Other Expenditures	$ 232,370	$ 268,412	$ 337,000	$ 335,183	$ (1,817)	-0.5%
Measure U - Utility Tax	$ 230,131	$ 1,333,691	$ 412,220	$ 336,070	$ (76,150)	-18.5%
Development Impact Fees (DIF)	$ 133,510	$ 85,967	$ 51,400	$ 97,120	$ 45,720	88.9%
Total Appropriations	$ 48,835,559	$ 57,233,879	$ 40,300,797	$ 70,717,259	$ 30,416,462	75.5%
Less Transfers Out	$ 9,818,540	$ 16,844,069	$ 5,940,048	$ 8,359,012	$ 2,418,964	40.7%
Less Pass-Thru Expenditures	$ 5,698,048	$ 4,395,226	$ 3,256,200	$ 4,802,458	$ 1,546,258	47.5%
Net total Expenditures	$ 33,318,971	$ 35,994,584	$ 31,104,549	$ 57,555,789	$ 26,451,240	85.0%

Town of Mammoth Lakes - Combined Fund Statement
Fiscal Year 21-22

Fund #	Name	Revenue	Transfer In	Total Resources	Expenditures	Transfer Out	Total Appropriations	Change in Fund Balance
100	General Fund	$ 24,724,749	$ 150,000	$ 24,874,749	$ 18,920,664	$ 5,954,085	$ 24,874,749	$ -
101	Comprehensive Leave	$ 116,000	$ -	$ 116,000	$ -		$ -	$ 116,000
105	COVID-19	$ -	$ -	$ -	$ -	$ -	$ -	$ -
205	Solid Waste	$ 437,500	$ 100,000	$ 537,500	$ 260,350	$ 400,000	$ 660,350	$ (122,850)
210	Gas Tax	$ 1,908,856	$ 3,013,428	$ 4,922,284	$ 4,691,770	$ 230,514	$ 4,922,284	$ -
215	Measure R - Trails	$ -	$ 445,000	$ 445,000	$ 295,000	$ 150,000	$ 445,000	$ -
216	Measure R - Sales Tax	$ 1,300,000	$ -	$ 1,300,000	$ 200,250	$ 1,037,733	$ 1,237,983	$ 62,017
217	Measure U - Utility Tax	$ 870,000		$ 870,000	$ 261,070	$ 75,000	$ 336,070	$ 533,930
218	Tourism Business Improvement District (TBID)	$ 4,802,458		$ 4,802,458	$ 4,802,458	$ -	$ 4,802,458	$ -
220	Airport Operations	$ 902,034	$ 321,049	$ 1,223,083	$ 1,223,083	$ -	$ 1,223,083	$ -
240	Long Valley Pit	$ 26,000		$ 26,000	$ 3,000	$ -	$ 3,000	$ 23,000
245	Housing & Community Development	$ 570,000		$ 570,000	$ 570,000	$ -	$ 570,000	$ -
250	Local Transit Committee (LTC)	$ 75,000		$ 75,000	$ 75,183	$ -	$ 75,183	$ (183)
300	Capital Projects	$ 23,349,781	$ 555,514	$ 23,905,295	$ 24,184,781	$ -	$ 24,184,781	$ (279,486)
830	DIF Admin	$ -	$ 11,680	$ 11,680	$ -	$ -	$ -	$ 11,680
831	DIF General Facilities & Equipment	$ 36,000	$ -	$ 36,000	$ -	$ 1,440	$ 1,440	$ 34,560
832	DIF Law Enforcement	$ 8,000	$ -	$ 8,000	$ -	$ 320	$ 320	$ 7,680
833	DIF Storm Drains	$ 30,000	$ -	$ 30,000	$ -	$ 1,200	$ 1,200	$ 28,800
834	DIF Parks & Recreation	$ 32,000	$ -	$ 32,000	$ -	$ 1,280	$ 1,280	$ 30,720
835	DIF Mono County Office of Education - Library	$ 17,000	$ -	$ 17,000	$ 16,320	$ 680	$ 17,000	$ -
836	DIF Streets & Circulation	$ 10,000	$ -	$ 10,000	$ -	$ 400	$ 400	$ 9,600
837	DIF Mono County Office of Education - Child Care	$ 35,000		$ 35,000		$ 1,400	$ 1,400	$ 33,600
838	DIF Fire Facility, Vehicle & Equipment	$ 72,000		$ 72,000	$ 69,120	$ 2,880	$ 72,000	$ -
839	DIF Airport Improvements	$ -	$ -	$ -	$ -	$ -	$ -	$ -
840	DIF Public Art	$ -	$ -	$ -	$ -	$ -	$ -	$ -
841	DIF Transit & Trails	$ 52,000	$ -	$ 52,000	$ -	$ 2,080	$ 2,080	$ 49,920
850	Juniper Ridge	$ 48,000	$ 16,540	$ 64,540	$ 102,300	$ -	$ 102,300	$ (37,760)
852	Bluffs - Debt	$ 218,100		$ 218,100	$ 214,044	$ -	$ 214,044	$ 4,056
853	Bluffs - Operations	$ 165,900	$ 16,820	$ 182,720	$ 182,900	$ -	$ 182,900	$ (180)
854	North Village - CFD	$ 520,438		$ 520,438	$ 518,938	$ -	$ 518,938	$ 1,500
856	Old Mammoth Road -Budget Assessment District	$ 129,800	$ 26,384	$ 156,184	$ 170,494	$ -	$ 170,494	$ (14,310)
857	North Village - Budget Assessment District	$ 50,300	$ 15,256	$ 65,556	$ 92,300	$ -	$ 92,300	$ (26,744)
858	Fractional Mello-Roos - Community Facility District	$ 265,250	$ 75,000	$ 340,250	$ 316,106	$ -	$ 316,106	$ 24,144
859	InLieu Mello-Roos - Community Facility District	$ 2,470	$ -	$ 2,470	$ 900	$ -	$ 900	$ 1,570
860	Transit Facilities - Community Facility District	$ 7,800	$ -	$ 7,800	$ 2,865	$ -	$ 2,865	$ 4,935
861	Mammoth View - Budget Assessment District	$ 3,750	$ -	$ 3,750	$ 3,750	$ -	$ 3,750	$ -
910	Garage Services	$ 1,148,952	$ -	$ 1,148,952	$ 1,373,224	$ 60,000	$ 1,433,224	$ (284,272)
915	Vehicle Replacement	$ 897,631	$ 340,000	$ 1,237,631	$ 747,481	$ -	$ 747,481	$ 490,150
930	Employee Insurance Benefits	$ 257,000	$ -	$ 257,000	$ 257,000	$ -	$ 257,000	$ -
990	Capital/ Debt Service	$ -	$ 3,272,341	$ 3,272,341	$ 2,799,378	$ 440,000	$ 3,239,378	$ 32,963
	Total	**$ 63,089,770**	**$ 8,359,012**	**$ 71,448,782**	**$ 62,354,729**	**$ 8,359,012**	**$ 70,713,741**	**$ 735,040**

Total Labor – All Funds

Labor expense is allocated to funds based on percentage of time each employee is expected to spend working on projects or elements within those funds. As with all the budget process, this is an estimate based on anticipated snow levels, amount of time needed for each capital project or time spend within parks maintenance. Below you will find employee count along with cost of Labor across all funds. Later in the report, you will find a deeper dive into General Fund Labor expense.

Employee Statistics	FY21-22 Budget Count	FY20-21 Budget Count
Full Time Employees	84.3	77.0
Part Time Employees - Measured in Full Time Equivalents (FTE)		
Police	0.3	1.4
Recreation Programs	6.6	3.8
Parks Maintenance	1.6	2.4
Finance	0.5	0.0
Capital Projects	0.4	0.0
Airport Operations	0.9	1.0
Measure R - Trails	1.7	1.0
Roads & Snow Removal	1.5	2.4
Facilities Maintenance	0.3	0.5
Total Part Time Employees (I	13.9	11.1
Total Employee (FTE)	98.2	88.1

Labor Costs - All Funds

Item		FY21-22 Budget Total		FY2020-21 Budget Total	Variance by Item
Salary & Wages	$	7,649,643	$	7,119,806	7.44%
Health Insurance Premiums	$	2,305,296	$	1,840,802	25.23%
PERS Retirement	$	2,863,462	$	2,831,330	1.13%
Comprehensive Leave	$	282,336	$	181,789	55.31%
Other (worker's Comp)	$	583,426	$	439,316	32.80%
	$	13,684,163	$	12,413,043	10.24%
		Variance	$	1,271,120	$ -
		%		10.24%	

Full-Time Staff

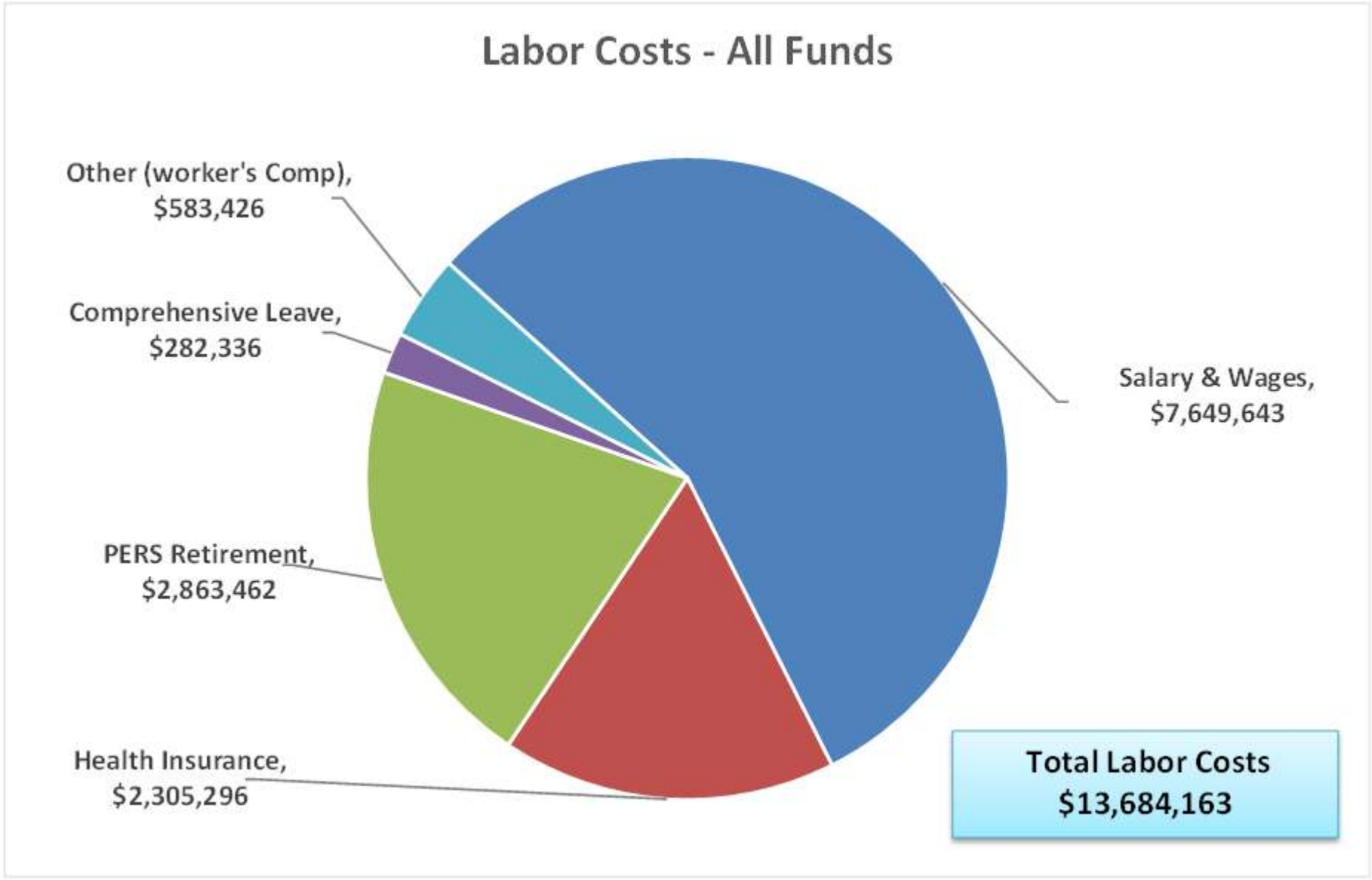
Account	Department	# FTE	Salary	Comp Leave	Health Insurance	457 Contribution	Total Health Ins	Worker's Comp	PERS	Total
100-413	Town Manager	1.9	$ 302,299	$ 13,047	$ 57,128	$ 2,790	$ 59,918	$ 21,022	$ 117,588	$ 513,874
100-414	Town Clerk	2.0	$ 160,727	$ 5,116	$ 61,428	$ 2,400	$ 63,828	$ 11,055	$ 58,627	$ 299,353
100-415	Finance	6.9	$ 559,780	$ 24,541	$ 212,474	$ 8,894	$ 221,368	$ 38,952	$ 188,807	$ 1,033,448
100-417	Personnel	2.0	$ 180,752	$ 5,003	$ 61,428	$ 2,400	$ 63,828	$ 12,383	$ 58,719	$ 320,685
100-420	Police	19.0	$ 2,015,174	$ 75,638	$ 475,836	$ 7,800	$ 483,636	$ 139,378	$ 1,044,683	$ 3,758,509
100-432	Parks & Recreation Programs	3.5	$ 289,387	$ 25,292	$ 97,080	$ 4,800	$ 101,880	$ 20,977	$ 108,761	$ 546,297
100-434	Whitmore Recreation Area	1.1	$ 61,399	$ 5,289	$ 29,671	$ 1,272	$ 30,943	$ 4,446	$ 21,474	$ 123,551
100-438	Parks Maintenance	2.9	$ 178,160	$ 10,884	$ 68,212	$ 3,420	$ 71,632	$ 12,602	$ 66,732	$ 340,010
100-440	Planning	4.4	$ 411,912	$ 19,958	$ 120,117	$ 5,874	$ 125,991	$ 28,789	$ 146,869	$ 733,519
100-442	Building	3.9	$ 189,456	$ 9,160	$ 99,136	$ 4,704	$ 103,840	$ 20,846	$ 109,259	$ 432,561
100-444	Code Compliance	1.0	$ 59,731	$ -	$ 27,300	$ 1,200	$ 28,500	$ 3,982	$ 18,882	$ 111,095
100-445	Housing	1.2	$ 96,684	$ 2,700	$ 39,347	$ 1,422	$ 40,769	$ 6,625	$ 36,225	$ 183,003
100-460	Engineering	3.9	$ 331,055	$ 15,359	$ 73,444	$ 5,245	$ 78,689	$ 23,093	$ 117,639	$ 565,835
100-464	Facilities Maintenance	0.8	$ 42,344	$ 1,135	$ 11,952	$ 900	$ 12,852	$ 2,898	$ 13,744	$ 72,973
100-467	Office of Outdoor Recreation	2.0	$ 209,226	$ 13,421	$ 68,256	$ 2,400	$ 70,656	$ 14,842	$ 76,397	$ 384,542
100-475	Transit	0.3	$ 19,861	$ 1,026	$ 8,066	$ 312	$ 8,378	$ 1,392	$ 7,226	$ 37,883
General Fund Total		56.6	$ 5,107,947	$ 227,569	$ 1,510,875	$ 55,833	$ 1,566,708	$ 363,282	$ 2,191,632	$ 9,457,138
205-490	Solid Waste	0.1	$ 22,753	$ 982	$ 4,300	$ 210	$ 4,510	$ 1,582	$ 8,851	$ 38,678
Solid Waste		0.1	$ 22,753	$ 982	$ 4,300	$ 210	$ 4,510	$ 1,582	$ 8,851	$ 38,678
210-450	Maintenance Streets (May-	5.6	$ 351,040	$ 7,626	$ 134,461	$ 6,720	$ 141,181	$ 23,910	$ 122,340	$ 646,097
210-452	Snow Removal (Oct-April)	7.2	$ 440,974	$ 11,333	$ 172,976	$ 8,604	$ 181,580	$ 30,152	$ 153,979	$ 818,018
210-456	Facilities Maintenance	0.1	$ 5,646	$ -	$ 1,594	$ 120	$ 1,714	$ 386	$ 1,833	$ 9,579
Gas Tax		12.9	$ 797,660	$ 18,959	$ 309,031	$ 15,444	$ 324,475	$ 54,448	$ 278,152	$ 1,473,694
216-438	Whitmore Track/Trails End	0.3	$ 15,113	$ 1,063	$ 7,749	$ 336	$ 8,085	$ 1,078	$ 5,507	$ 30,846
Measure R		0.3	$ 15,113	$ 1,063	$ 7,749	$ 336	$ 8,085	$ 1,078	$ 5,507	$ 30,846

Full-Time Staff - Continued

Account	Department	# FTE	Salary	Comp Leave	Health Insurance	457 Contribution	Total Health Ins	Worker's Comp	PERS	Total
220-471	Airport	3.9	$ 273,859	$ 10,841	$ 113,657	$ 4,668	$ 118,325	$ 18,979	$ 94,979	$ 516,983
220-531	Airport AIP Capital Projects	0.7	$ 83,592	$ 862	$ 17,860	$ 1,080	$ 18,940	$ 5,630	$ 27,320	$ 136,344
Airport		4.5	$ 357,451	$ 11,703	$ 131,517	$ 5,748	$ 137,265	$ 24,609	$ 122,299	$ 653,327
250-540	LTC	0.3	$ 33,909	$ 1,382	$ 9,262	$ 432	$ 9,694	$ 2,353	$ 11,540	$ 58,878
Local Transportation		0.3	$ 33,909	$ 1,382	$ 9,262	$ 432	$ 9,694	$ 2,353	$ 11,540	$ 58,878
300-530	Capital Projects - Streets	0.1	$ 4,172	$ 70	$ 1,153	$ 73	$ 1,226	$ 283	$ 1,341	$ 7,092
300-531	Capital Projects - Other	1.4	$ 143,927	$ 2,690	$ 32,246	$ 2,071	$ 34,317	$ 9,774	$ 47,421	$ 238,129
Capital Projects		1.5	$ 148,099	$ 2,760	$ 33,399	$ 2,144	$ 35,543	$ 10,057	$ 48,762	$ 245,221
856-452	OMR Assessment Snow Removal	0.3	$ 18,567	$ 453	$ 6,777	$ 372	$ 7,149	$ 1,268	$ 6,544	$ 33,981
856-531	OMR Capital	0.0	$ 1,555	$ -	$ 319	$ 24	$ 343	$ 104	$ 492	$ 2,494
857-452	North Village Assessment Snow	0.3	$ 17,433	$ 505	$ 6,542	$ 348	$ 6,890	$ 1,196	$ 6,075	$ 32,099
858-436	Fractional MelloRoos	0.7	$ 47,412	$ 4,125	$ 23,671	$ 888	$ 24,559	$ 3,436	$ 16,618	$ 96,150
Assessment Districts		1.4	$ 84,967	$ 5,083	$ 37,309	$ 1,632	$ 38,941	$ 6,004	$ 29,729	$ 164,724
910-456	Garage Facility Maintenance	6.6	$ 441,910	$ 12,835	$ 159,446	$ 7,920	$ 167,366	$ 30,314	$ 154,399	$ 806,824
Garage Services		6.6	$ 441,910	$ 12,835	$ 159,446	$ 7,920	$ 167,366	$ 30,314	$ 154,399	$ 806,824
Worksheet Total		84.3	$ 7,009,809	$ 282,336	$ 2,202,888	$ 89,699	$ 2,292,587	$ 493,727	$ 2,850,871	$ 12,929,330

Part-Time Staff

Account	Department	Salary	FTE	Health Insurance	PARS	Total
100-410	Town Council	$ 46,305	-	$ 102,408	$ 900	$ 149,613
100-415	Finance	$ 24,401	0.47	$ -	$ 481	$ 24,882
100-420	Police	$ 14,200	0.34	$ -	$ 280	$ 14,480
100-432	Recreation Programs	$ 96,296	2.58	$ -	$ 1,898	$ 98,194
100-434	Whitmore Recreation Area	$ 94,584	2.58	$ -	$ 1,865	$ 96,449
100-438	Parks Maintenance	$ 58,908	1.61	$ -	$ 1,161	$ 60,069
100-464	Facilities	$ 13,852	0.34	$ -	$ 269	$ 14,121
		$ 348,546	7.90	$ 102,408	$ 6,855	$ 457,809
210-452	Temp Snow Removal	$ 80,375	1.50	$ -	$ 1,585	$ 81,959
215-438	Measure R - Trails	$ 78,456	1.52	$ -	$ 1,547	$ 80,002
216-438	Measure R	$ 5,654	0.14	$ -	$ 110	$ 5,764
220-471	Airport Operations	$ 53,868	0.94	$ -	$ 1,062	$ 54,930
300-530	Capital Projects - Streets	$ 1,508	0.04	$ -	$ 29	$ 1,537
300-531	Capital Projects - Other	$ 15,077	0.38	$ -	$ 293	$ 15,370
		$ 16,584	0.42	$ -	$ 322	$ 16,907
858-436	Fractional MelloRoos	$ 56,351	1.49	$ -	$ 1,111	$ 57,462
		$ 639,834	13.9	$ 102,408	$ 12,591	$ 754,833


Labor Costs - All Funds
Other (worker's Comp), $583,426
Comprehensive Leave, $282,336
PERS Retirement, $2,863,462
Health Insurance, $2,305,296
Salary & Wages, $7,649,643
Total Labor Costs $13,684,163

Fund 100 - General Fund

Revenue

The budget revenue projections presented to Council during the tentative budget presentation in May were finalized as most of the analysis had been completed. It is important for staff to provide a review of the changes since last review to provide transparency to the budgeting process. The chart below includes all adjustments to General Fund revenue since the last presentation.

Fund 100 - General Fund

Items adjusted to balance budget

Tentative Budget to Final Budget

Revenue Items

Description		Amount	Notes
Tentative Budget Revenue	**$**	**24,917,079**	
Transfer from Tourism Reserve	$	(50,000)	LA Kings payment is only $50,000 last year. This adjustment is a wash with expenditures below.
Cannabis Business Registration	$	10,000	Increased cost per license $2,000 to $6,000 per year to cover financial and compliance audit. Added one business
CA Mandated Cost Reimbursement	$	(2,000)	Updates based on current year performance
Interest on investment	$	(330)	Reduced expectations to balance budget
Final Budget Revenue	**$**	**24,874,749**	

The most significant adjustment to revenue came was identified during the last discussion with Mammoth Lakes Tourism regarding the final payment to LA Kings for advertising. This payment is reflected in the Town's budget but is funded by the Tourism Reserve. The Town shows a transfer in from the Tourism reserve to cover this payment. In the last discussion it was identified that only $50,000 was paid by MLT in the prior year due to the impacts of COVID-19 and fan visitation. MLT held the additional $50,000 in reserve to pay in the current season. This means only $50,000 will come from Tourism Reserve in FY21-22 to satisfy all payments. This reduction effected both General Fund revenue and expenditures equally.

The final budget involves a review of fees charged by the Town. The review of these fees identified the need to increase the cannabis business tax license for FY21-22. This fee covers the cost to perform annual audits for compliance and financial review. The Town had a 3-year contract with HdL to perform these audits and during contract renewal, the cost to perform these audits increased significantly, $5,000 to $8,275 annually. This increase is beyond what the Town is willing to accept so an RFP for the services will be conducted soon. The Town has increased the fee by $2,000 to $6,000 per business per year to perform these audits for the next year. In addition to the cost increase per business, an additional business was added to the license revenue, both adjustments combined for the $10,000 change in revenue. The State of California occasionally requires the Town to perform review and analysis. In those circumstances, they will reimburse the Town for those efforts. The Town has included this revenue in the budget, but no requests have

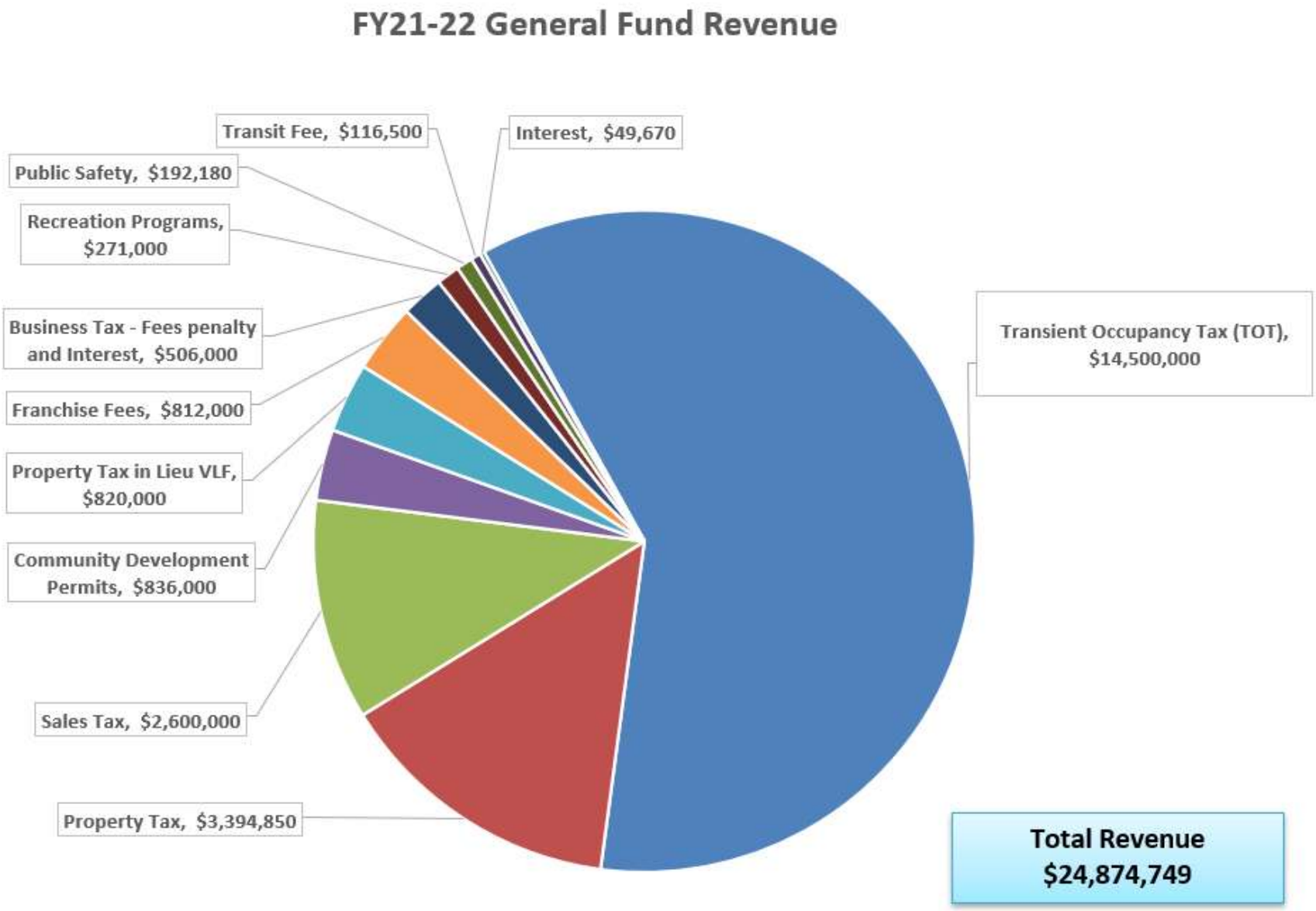
been made for several years so the revenue expectation is being removed. The cumulative effect of these changes reduced General Fund revenue by $42,330 for the final budget. Below is a summary of General Fund revenue noting the variance in revenues from FY20-21 to FY21-22:

Major Revenue Components

Item	FY2018-19 Actual	FY2019-20 Actual	FY20-21 Adopted Budget	FY21-22 Proposed Budget	Variance to FY20-21	% of Total Revenue
Transient Occupancy Tax (TOT)	$ 20,214,779	$ 15,911,859	$ 11,200,000	$ 14,500,000	$ 3,300,000	58.3%
TOT Revenue Violations	$ 103,838	$ 94,039	$ 60,000	$ 60,000	$ -	0.2%
TOT Penalty and Interest	$ 151,872	$ 267,207	$ 130,000	$ 130,000	$ -	0.5%
Total TOT Revenue	$ 20,470,488	$ 16,273,104	$ 11,390,000	$ 14,690,000	$ 3,300,000	59.1%
Property Tax	$ 3,803,820	$ 4,054,115	$ 3,827,000	$ 4,214,850	$ 387,850	16.9%
Sales Tax	$ 2,749,036	$ 2,372,657	$ 1,850,000	$ 2,600,000	$ 750,000	10.5%
Franchise Fees	$ 910,190	$ 851,036	$ 770,000	$ 812,000	$ 42,000	3.3%
Other Revenue						
Building Permits	$ 881,825	$ 623,387	$ 670,000	$ 700,000	$ 30,000	2.8%
Business Tax (New, Renewal, and Penalties)	$ 357,420	$ 360,535	$ 338,000	$ 338,000	$ -	1.4%
Cannabis Tax	$ 115,900	$ 160,539	$ 130,000	$ 130,000	$ -	0.5%
Interest	$ 312,378	$ 353,569	$ 100,000	$ 49,670	$ (50,330)	0.2%
Grant Revenue	$ 421,594	$ 481,925	$ 163,952	$ 100,000	$ (63,952)	0.4%
Misc Revenue	$ 1,509,888	$ 2,393,424	$ 1,056,124	$ 1,240,229	$ 184,105	5.0%
Total Budgeted Revenue (General Fun	$ 31,532,539	$ 27,924,290	$ 20,295,076	$ 24,874,749	$ 4,579,673	100.0%

Key Revenue Components - General Fund

Item		Amount	% of Total Revenue
Transient Occupancy Tax (TOT)	$	14,500,000	58.3%
Property Tax	$	3,394,850	13.6%
Sales Tax	$	2,600,000	10.5%
Community Development Permits	$	836,000	3.4%
Property Tax in Lieu VLF	$	820,000	3.3%
Franchise Fees	$	812,000	3.3%
Business Tax - Fees penalty and Interest	$	506,000	2.0%
Other Revenue	$	271,500	1.1%
Recreation Programs	$	271,000	1.1%
TOT Penalty and Interest	$	190,000	0.8%
Public Safety	$	192,180	0.8%
Transit Fee	$	116,500	0.5%
Interest	$	49,670	0.2%
TBID Revenue 1% TBID to Admin	$	265,049	1.1%
Whitemore Pool County Share 50%	$	50,000	0.2%
Total Budgeted Revenue	**$**	**24,874,749**	**100.0%**


FY21-22 General Fund Revenue
Transit Fee, $116,500
Interest, $49,670
Public Safety, $192,180
Recreation Programs, $271,000
Business Tax - Fees penalty and Interest, $506,000
Franchise Fees, $812,000
Property Tax in Lieu VLF, $820,000
Community Development Permits, $836,000
Sales Tax, $2,600,000
Property Tax, $3,394,850
Transient Occupancy Tax (TOT), $14,500,000
Total Revenue
$24,874,749

FY20-21 General Fund Expenditures

The tentative budget presented to Town Council in May was largely complete with most analysis complete. There were a couple of items identified and some final balancing that have come in since the presentation. The chart below provides a reconciliation from the General Fund expenditures presented in the tentative budget to our final recommendation.

Fund 100 - General Fund

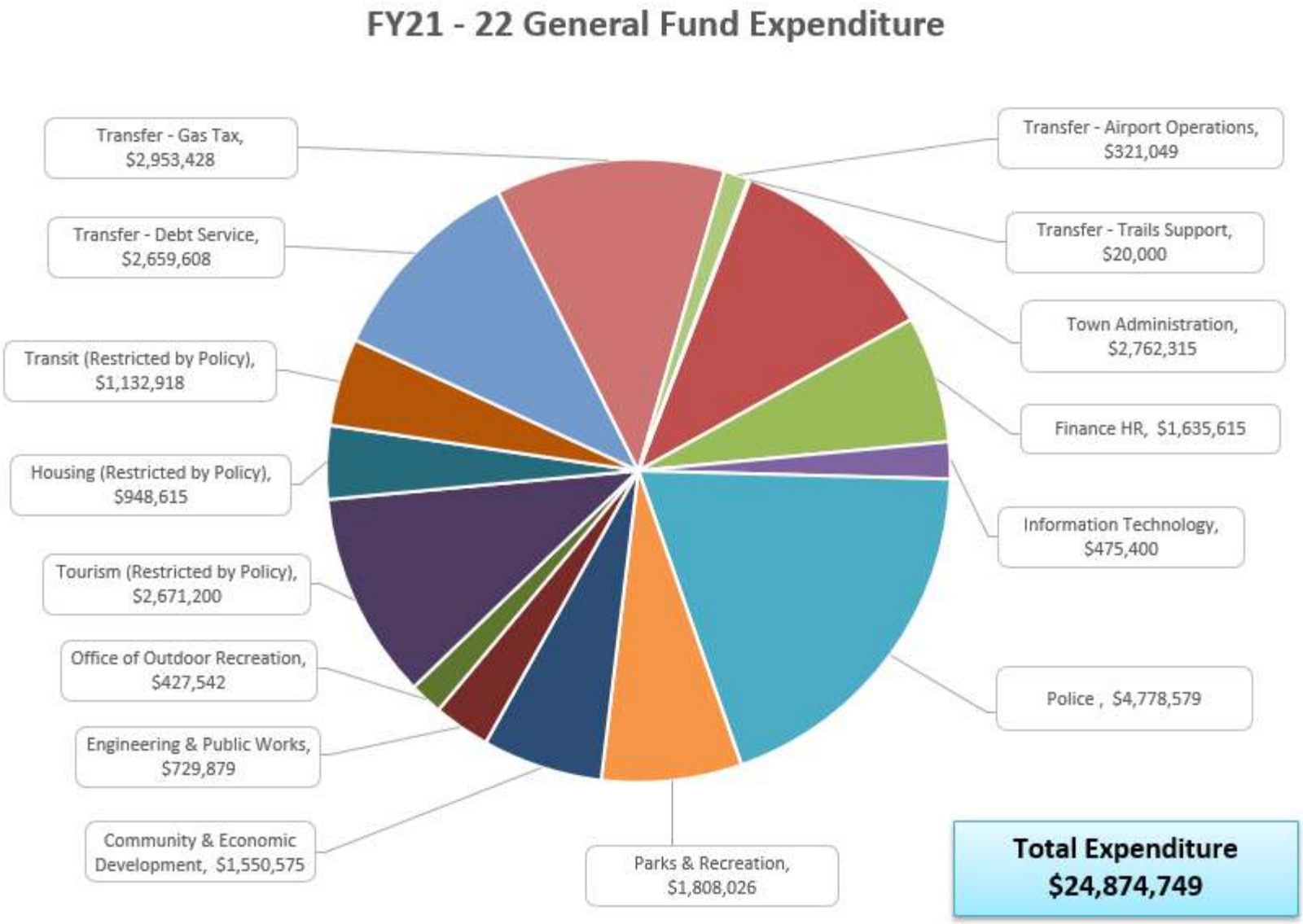
Items adjusted to balance budget

Tentative Budget to Final Budget

Expenditure Items

Description		Amount	Notes
Tentative Budget Expenditures	**$**	**24,905,207**	
Staff updates			
Replaced Finance Manager with Accounting Manager	$	(27,505)	
Worker's comp increase	$	26,405	General fund portion only
Removed two part time Parks added one full-time position	$	58,987	
Department Updates			
Town Attorney	$	(15,000)	Contract Services
Town Clerk	$	(5,000)	Election Costs
Finance	$	(2,500)	Overtime
General Services	$	(7,500)	PIO Support and Postage
Information Technology	$	(20,000)	Contractual Services
Police Department	$	(15,000)	Part-time, training, communications, firearms
Parks & Recreation	$	(15,000)	Equipment - Non Capital
Planning Department	$	(10,000)	Contractual Services
Building Department	$	(5,000)	Contractual Services
Interfund Tranfers			
Gas Tax Support	$	19,693	
Airport Operations Support	$	2,020	
Misc Adjustments			
General Services - Office Rent	$	30,470	Rent increase plus additional space
General Services - CJPIA Liability Insurance	$	38,232	Updated reports from CJPIA pool performance
Misc. Department Updates	$	(33,760)	
Reduced LA Kings Payment from Tourism	$	(50,000)	Last Year had a partial season and paid only half.
Final Budget Expenditures	**$**	**24,874,749**	

Since the tentative budget presentation, we have had a few moving parts within our budget. The 50% reduction in the LA Kings payment was discussed in the revenue section and the corresponding offset in expense reduction is present here. In addition to this update, we received a revised bill for both worker's compensation and general liability insurances. The Town is a member of the California Joint Powers of Insurance Authority (CJPIA) who administers our insurance needs. CJPIA submits an estimate of our portion of the insurance pool across the state. At the end of May they provided an update which increased both worker's comp and general liability insurance noted above. Staff conducted a review of the office rent charges, including new space updated when Mono County vacated portions of our building. The general increases and updated space requirements increased the office rent by $30,470 per year. Staff updates noted above include confirmation of hiring our replacement for the retiring Finance Manager with recognized savings. In addition, staff has upgraded two part-time positions (one summer, one winter) to one full-time for our Parks Maintenance department. We were not receiving any applications for these positions and the conversion to a full-time position would provide a better candidate pool and consistent year-round coverage for the department. The interfund transfer updates were the result of adjustments made within the Gas Tax and Airport budget requiring more support from the General Fund. Finally, leadership was faced with higher expenditures than available revenue and made budget reductions in specific departments. These adjustments are not expected to negatively impact the performance of the department and simply requires a bit more diligence in spending decisions. The chart below shows the graphical representation of each department's expenditure allocation.


FY21 - 22 General Fund Expenditure
Transfer - Gas Tax, $2,953,428
Transfer - Debt Service, $2,659,608
Transit (Restricted by Policy), $1,132,918
Housing (Restricted by Policy), $948,615
Tourism (Restricted by Policy), $2,671,200
Office of Outdoor Recreation, $427,542
Engineering & Public Works, $729,879
Community & Economic Development, $1,550,575
Parks & Recreation, $1,808,026
Police , $4,778,579
Information Technology, $475,400
Finance HR, $1,635,615
Town Administration, $2,762,315
Transfer - Trails Support, $20,000
Transfer - Airport Operations, $321,049
Total Expenditure
$24,874,749

Department Expense Summary

General Fund Expenditures by Department

Department	FY2018-19 Actual	FY2018-19 Actual	FY2020-21 Budget	FY2021-22 Budget	Variance to Prior Year Budget	
DEPT 410 - TOWN COUNCIL	$ 122,945	$ 118,017	$ 141,389	$ 171,613	$ 30,224	21.4%
DEPT 412 - LEGAL SERVICES	$ 185,973	$ 106,568	$ 195,000	$ 185,000	$ (10,000)	-5.1%
DEPT 413 - TOWN ADMINISTRATION	$ 584,281	$ 563,323	$ 601,286	$ 603,874	$ 2,588	0.4%
DEPT 414 - TOWN CLERK	$ 219,575	$ 294,432	$ 308,497	$ 321,853	$ 13,356	4.3%
DEPT 415 - FINANCE	$ 1,094,275	$ 1,092,313	$ 1,230,629	$ 1,287,430	$ 56,801	4.6%
DEPT 416 - GENERAL SERVICES	$ 1,300,584	$ 1,877,094	$ 1,289,326	$ 1,479,975	$ 190,649	14.8%
DEPT 417 - HUMAN RESOURCES	$ 292,705	$ 319,968	$ 324,433	$ 348,185	$ 23,752	7.3%
DEPT 418 - INFORMATION SERVICES	$ 437,277	$ 474,367	$ 448,695	$ 475,400	$ 26,705	6.0%
DEPT 420 - POLICE SERVICES	$ 4,129,531	$ 4,522,510	$ 4,685,746	$ 4,778,579	$ 92,833	2.0%
DEPT 432 - RECREATION PROGRAMS	$ 705,626	$ 624,730	$ 572,969	$ 829,791	$ 275,822	48.1%
DEPT 434 - WHITMORE POOL & REC AREA	$ 201,690	$ 205,918	$ 269,185	$ 327,703	$ 58,518	21.7%
DEPT 438 - PARKS, BLDGS & TRAIL MAINT	$ 578,176	$ 603,037	$ 588,302	$ 650,532	$ 62,230	10.6%
DEPT 440 - PLANNING DIVISION	$ 923,934	$ 924,409	$ 738,908	$ 812,719	$ 138,575	18.8%
DEPT 442 - BUILDING DIVISION	$ 694,624	$ 654,846	$ 710,281	$ 622,061	$ (88,220)	-12.4%
DEPT 444 - CODE COMPLIANCE	$ 117,517	$ 79,841	$ 105,997	$ 115,795	$ 9,798	9.2%
DEPT 445 - HOUSING PROGRAMS & PLANNING	$ 582,600	$ 969,091	$ 728,753	$ 948,615	$ 219,862	30.2%
DEPT 460 - ENG, PUBLIC WORKS & ADMIN	$ 643,819	$ 689,694	$ 579,956	$ 609,785	$ 29,829	5.1%
DEPT 464 - FACILITIES MAINTENANCE	$ 103,937	$ 99,841	$ 120,121	$ 120,094	$ (27)	0.0%
DEPT 467 - OFFICE OF OUTDOOR RECREATION				$ 427,542	$ 427,542	100.0%
DEPT 475 - TRANSIT SERVICES	$ 853,930	$ 897,668	$ 976,979	$ 1,132,918	$ 155,939	16.0%
DEPT 480 - TOURISM & BUSINESS DEVELOPMENT	$ 2,733,915	$ 2,855,864	$ 2,024,600	$ 2,671,200	$ 646,600	31.9%
Sub-Total	**$ 16,506,915**	**$ 17,973,534**	**$ 16,641,052**	**$ 18,920,664**	**$ 2,363,376**	**14.2%**
Transfer Out	$ 7,524,320	$ 10,789,898	$ 4,655,733	$ 5,954,085	$ 1,298,352	27.9%
Total General Fund	**$ 24,031,235**	**$ 28,763,431**	**$ 21,296,785**	**$ 24,874,749**	**$ 3,661,728**	**17.2%**

Fund 205 Solid Waste

The Solid Waste Fund accounts for restricted revenues related to providing solid waste related services and programs and was established in FY18-19. The majority of the solid waste programs and services are provided by Mammoth Disposal under a Solid Waste Franchise Agreement. The Fund supports recycling and trash services for Town facilities, Town clean up, and staff time associated with managing the Solid Waste Franchise agreement and services. The renewal of the Solid Waste Franchise Agreement in FY 19-20 adjusted the franchise fees by 4.5% from 5% to 9.5%. Two percent of the increase was retained in the General Fund and 2.5% percent is deposited in the Solid Waste Fund. The fees deposited here represent an AB939 fee collected under the new franchise agreement and are estimated at $90,000 for FY21-22. AB 939 fees are dedicated to meet recycling mandates by funding facilities and programs to divert waste from landfills and increase recycling efforts. Previously an amount equal to 2% was being received and set aside for to assist in the development of new solid waste facilities, this amount was formally incorporated into the franchise fee with the new agreement. A Solid Waste Parcel fee is levied in Mono County and is shared with the Town under an agreement with the County. Combined fees for the Town are estimated at $100,000 for FY21-22. These fees are restricted to supporting solid waste related services. Over the next few years, the majority of the fee collected from parcels in the Town will

be committed to the Town's solid waste program. A portion of the fee will be retained by the County to oversee, monitor, and take any corrective action related to the closure of the Benton Crossing Landfill.

The fund is also used to account for solid waste, recycling, and diversion related grants. This includes CalRecycle grants. A grant in the amount of $247,500 was received in late FY20-21 and will be accounted for in the fund as it is used in this fiscal year with the budget to be amended to account for actual grant funds received. The grant is a partnership with Mammoth Disposal and the Town. This year the Town will complete the work under an USFS Wood Innovations Grant, which is accounted for in the Fund. The Grant is being used to set the foundation for a biomass plant in the region. The plant design is to provide a system to manage all types of wood waste, green waste/organics and potentially elements of other solid waste. The potential site may include composting and solar power generation. Grant funds of $100,000 are projected.

To accommodate the construction of a new solid waste transfer station by Mammoth Disposal at their current Town location, two lots in the Sierra Business Park were purchased by Town using solid waste revenues. The lots will provide storage space for various bins and carts and related service equipment used by Mammoth Disposal, with the potential to add a bin maintenance shop in the future for such equipment. The site will also provide storage space for the Town. Fees associated with these lots are paid for out of this fund. A capital project will be bid in late FY20-21 and extend into FY21-22. This $400,000 estimated project will add required fencing, paving, drainage and water and sewer laterals. The cost will be shared with the General Fund, with $300,000 allocated from the Solid Waste Fund.

Fund 210 Gas Tax

Gas Tax had only minor adjustments from tentative to final budget with adjustments to workers compensation pool cost flowing to the Gas Tax department. The fund also had some equipment in the prior budget that was paid by 3rd quarter budget review therefore reducing the expenses. In total the expense was increased by $19,693 and since the Gas Tax fund is balanced by General Fund transfer, the revenue was increased by the same amount for FY21-22.

Gas Tax Fund Revenue by Category

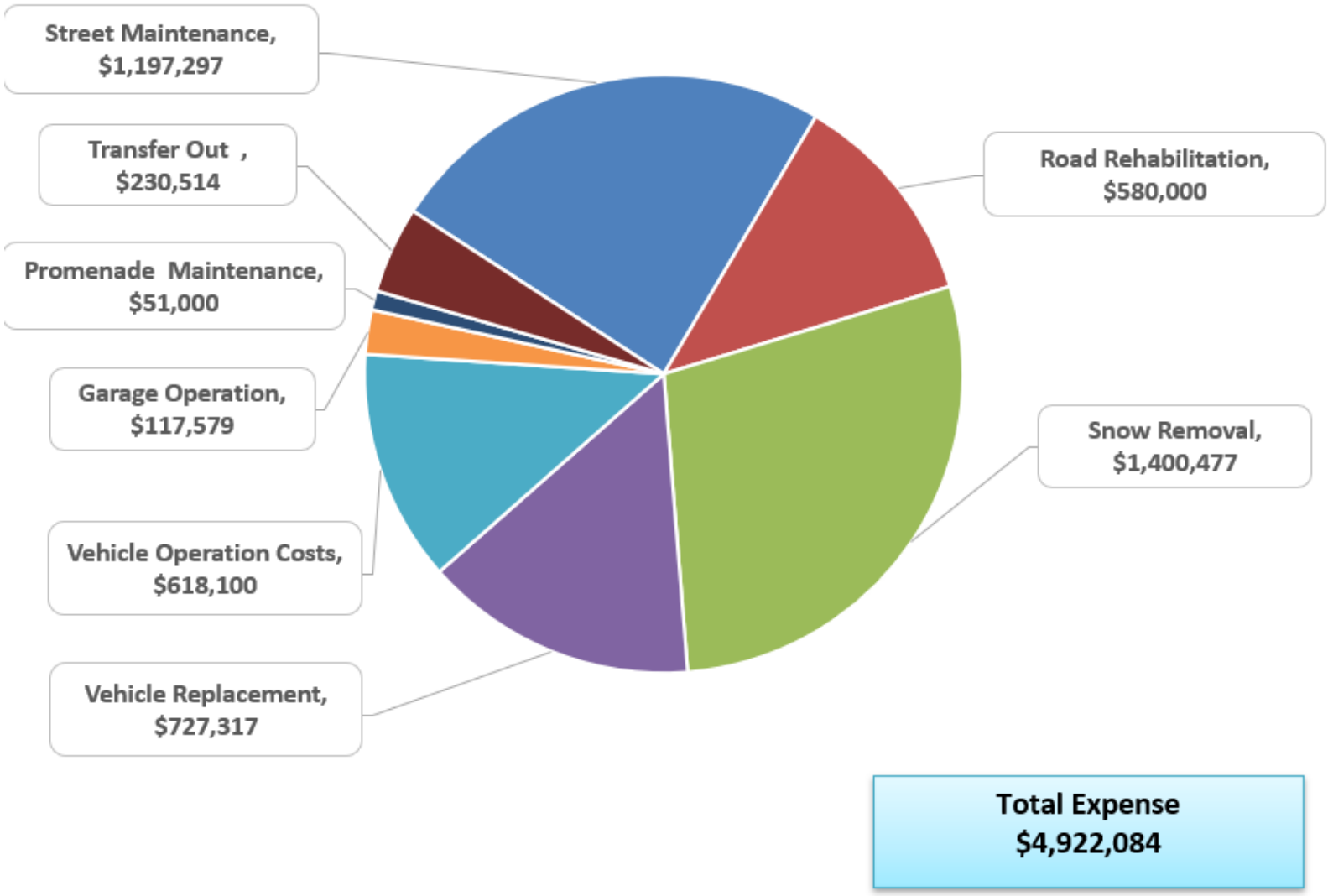
Item	FY2018-19 Actual	FY2019-20 Actual	FY20-21 Budget	FY21-22 Budget	Variance to Prior Year Budget	
Gas Tax	$ 191,381	$ 206,948	$ 230,342	$ 230,342	$ -	0.0%
Gas Tax - Snow Removal	$ 1,280,306	$ 1,999,871	$ 1,000,000	$ 1,500,000	$ 500,000	50.0%
Gas Tax - SB1	$ 152,500	$ 142,612	$ 155,514	$ 155,514	$ -	100.0%
Total Gas Tax	$ 1,624,187	$ 2,349,431	$ 1,385,856	$ 1,885,856	$ 500,000	36.1%
Transfer In - General Fund & Garage Services	2,769,937	2,232,652	2,498,906	3,013,428	$ 514,522	20.6%
Misc Revenue	100,356	26,567	23,000	23,000	$ -	0.0%
Total Revenue Gas Tax	**$ 4,494,480**	**$ 4,608,650**	**$ 3,907,762**	**$ 4,922,284**	**$ 1,014,522**	**26.0%**

Gas Tax Fund Expenditures by Category

Department	FY2018-19 Actual	FY2019-20 Actual	FY20-21 Budget	FY21-22 Budget	Variance to Prior Year Budget	
Street Maintenance	$ 551,201	$ 899,943	$ 718,136	$ 1,197,297	$ 479,161	66.7%
Road Rehabilitation	$ 18,508	$ 69,595	$ 580,000	$ 580,000	$ -	0.0%
Snow Removal	$ 1,220,132	$ 1,120,282	$ 1,282,461	$ 1,400,477	$ 118,016	9.2%
Vehicle Replacement	$ 571,339	$ 668,246	$ 815,227	$ 727,317	$ (87,910)	-10.8%
Vehicle Operation Costs	$ 826,198	$ 650,143	$ 612,600	$ 618,100	$ 5,500	0.9%
Garage Operation	$ 118,241	$ 135,770	$ 113,862	$ 117,579	$ 3,717	3.3%
Promenade Maintenance	$ 76,319	$ 50,796	$ 28,000	$ 51,000	$ 23,000	82.1%
Operational Costs	**$ 3,381,938**	**$ 3,594,775**	**$ 4,150,286**	**$ 4,691,770**	**$ 541,484**	**13.0%**
Transfer Out - Assessment District Snow	$ 125,000	$ 125,000	$ 125,000	$ 75,000	$ (50,000)	-40.0%
Transfer Out - SB1 & Road funds for Capital F	$ 147,021	$ 147,021	$ 147,021	$ 155,514	$ 8,493	5.8%
Total Transfers Outs	**$ 2,203,078**	**$ 2,003,461**	**$ 225,609**	**$ 230,514**	**$ 4,905**	**2.2%**
Total Gas Tax Expenditures	**$ 5,585,016**	**$ 5,598,236**	**$ 4,375,895**	**$ 4,922,284**	**$ 546,389**	**12.5%**

Projected change in Gas Tax Fund Balance **$ -**

FY21-22 Gas Tax Budget



Measure R and U – Restricted Funding

Revenues generated from two voter initiatives commonly referred to as Measure R and Measure U are restricted in use by the language of the initiatives. The Town Council has designated Mammoth Lakes Recreation (MLR) to be the body to take public input on the proposed use of these funds and to make recommendations to Council for consideration. The MLR Board met on May 11, 2021 and held a public hearing to receive public comment and review the proposed budget allocations of Measure R and U funds.

The final budget includes the recommendations provided by MLR. This included ongoing expenses to manage the funds and maintain equipment and facilities secured by Measure R and U expenditures, debt payments and community support. An overview of the recommended budgets by MLR is discussed below.

Fund 215 / 216 – Measure R

Measure R (Fund 216) is budgeted to receive $1,300,000 in Sales Transactions and Use Tax revenues for FY21-22. The fund has operating expenditures of $625,250 for FY21-22 and includes new elements to support recreation in our community. The Community Recreation Center (CRC) is planned to begin operations in FY21-22 and the operational plan includes $75,000 in annual support from Measure R. This support helps reduce the required fees to the public and therefore the affordability of the new center. A request was made to provide $25,000 in support for the new Recreation Officer. The funding was not recommended but, will be reviewed as the job description is finalized, final costs known, and overall approval of the new department by Town Council. This position is anticipated to be assigned as the primary Town staff support working with Mammoth Lakes Recreation. With the new department and CRC expansion, staff is recommending an additional $50,000 in special projects for Measure R, bringing the total to $75,000, which includes the potential funding for the Recreation Office position. The recommendation includes $80,000 for the agreement between MLR and the Town for services. The agreement is not yet finalized. The transfer to Fund 215 Trails was increased by $50,000 to $350,000 in the current budget. The remainder are annual ongoing expenses that were previously approved by Mammoth Lakes Recreation as the recommending body for this measure.

Measure R - Annual Revenue		
Sales Tax: Measure R *	$	1,300,000
Interest on Investments	$	-
Total Annual Revenue	$	1,300,000

Measure R - Annual Expenses		
Transfer to Fund 215 - Trails	$	350,000
MLR Town Agreement - Administration	$	80,000
CRC Support	$	75,000
Special Projects	$	75,000
Whitmore Park Maintenance	$	25,000
Recreation Officer - Partial support	$	-
Trails End Park Maintenance	$	12,000
Audit Services	$	4,250
Equipment Replacement	$	2,000
Equipment Maintenance	$	2,000
Total Annual Expenses	$	625,250

Measure R - Debt Service		
CRC Financing	$	612,733
Measure R - Total Expense	$	1,237,983

Change in Fund Balance	62,017

In October 2017, the Town acquired $5.5 million in debt secured by Measure R for construction of a multi-use facility. The annual payment for this 10-year bond is based on a payment schedule and includes $612,733 for FY21-22. This payment is made from Measure R proceeds bringing total expenditures for Measure R Fund 216 to $1,237,983. The current revenue and expenditure budget should produce a positive fund balance of $62,017 for FY21-22.

Measure R Trails (Fund 215) receives a transfer of $350,000 for trail construction that is allocated staff full-time and part-time trails construction staff, operating expenses, contractual services and projects. A transfer of $75,000 from Fund 217 - Measure U, and $20,000 from Fund 100 provides funding for the shared Recreation Coordinator position between the Town and Mono County. The position was made a full-time County position this past year and the County provides $50,000 in funding. The planning process for the specific trails related budget is reviewed annually by the Mammoth Trails Committee with recommendations made to the MLR Board.

With the creation of the new General Fund department 467 – Office of Outdoor Recreation, many of the trails administrative expenses will be moved to this new department, including the full time

Trails Coordinator position. In prior years, the General Fund has contributed funding to cover this position but in FY21-22, Fund 215 will transfer $150,000 to the General Fund to cover a portion of the salary and benefits for the Trails Manager position, which is also supported by $40,000 of General Fund revenues. The consolidation of positions in in a single department provides a better supervisory relationship for personnel and work program management. Unused restricted funds will be retained in the Trails budget.

Measure R Trails

Revenue		Amount	Notes
Transfer In - Fund 216	$	350,000	Measure R - Trails Construction support
Transfer In - Fund 100	$	20,000	General Fund - support for Eastern Sierra Sustainable Recreation Coordinator
Transfer In - Fund 217	$	75,000	Measure U - support for Eastern Sierra Sustainable Recreation Coordinator
	$	445,000	
Expenditures			
Staff and Labor	$	175,002	Eastern Sierra Sustainable Recreation Coordinator + Part-time staff
Contractual Services	$	103,398	Funds available for contract trails production
Misc Expenses	$	16,600	
Transfer Out - General Fund	$	150,000	Measure R support of Trails Coordinator Postion
	$	445,000	
Change in Fund Balance	$	-	

The Fund has an estimated fund balance of $613,117 that is committed to supporting capital projects within the Trails Program. This year a portion of these funds ($55,000) will be used for environmental planning and the construction of a trail in the Lakes Basin. Trail planning work in the Inyo Crater/Shady Rest area will continue under a State OHV (Off Highway Vehicle) grant. The trail program manages the community/trail host program. The budget includes a $100,000 grant from Mammoth Lakes Tourism to support this effort. The grant is under consideration to be increased to $150,000.

Fund 217 – Measure U

Measure U is projected to receive $870,000 in Utility User Tax charges for FY21-22. This reduction is consistent with the performance experienced in FY20-21, with slightly stronger revenues expected for the new year. The breakdown in revenue is as follows:

Measure U - Annual Revenue		
Utility Tax: Telephone	$	75,000
Utility Tax: Electricity	$	475,000
Utility Tax: Gas	$	320,000
Interest on Investments	$	-
Total Annual Revenue	$	870,000

The approved annual expenditures have a slight increase for FY21-22. The support for the Eastern Sierra Sustainable Recreation Coordinator position as noted above is $75,000 and the support for special event transit has increased from last year by $2,000. As discussed above a request for $25,000 for the new Recreation Officer was made. The funding was not recommended but, will be reviewed as the job description is finalized, final costs known, and overall approval of the new department by Town Council. MLR has requested the $25,000 be placed in special projects increasing that budget to a total of $50,000 for future consideration. The MLR board also made a recommendation to increase programming by $11,600 bringing the total to $177,600. The increase represents unallocated funds from FY20-21. The total of these annual expenses and new additions is $336,070 in the following categories:

Measure U - Annual Expenses FY21-22		
Programming	$	177,600
Recreation Coordinator Position	$	75,000
Recreation Officer - Partial support	$	-
Special Projects	$	50,000
Transit Services	$	20,000
Event Contracts Processing	$	7,220
Audit Services	$	4,250
Equipment Replacement	$	2,000
Total Annual Expenses	$	336,070

Measure U is projected to generate available fund balance of $533,930 from annual revenue over expenditures. Measure U also carries a large fund balance achieved by holding funds in reserve for capital projects for several years. In FY2017-18 this fund contributed $500,000 to the CRC for overall project costs. These funds were transferred from Measure U fund balance into CRC capital project. On May 17, 2017, Town Council approved reserve allocation of $2,500,000 to the Mammoth Arts and Cultural Center (MACC) construction project. These funds where held for several years waiting for the project to reach construction phase. In February 2021, Town Council reallocated $1,500,000 of these funds to the CRC to fully fund the project that was ready to commence. Town Council remains committed to providing $2,500,000 originally allocated to the MACC and therefore $500,000 of the available fund balance for FY21-22 is recommended to be committed to the MACC, bringing the total committed fund balance to $1,500,000 for this project. MLR has requested an update on the MACC project prior to the transfer funds being finalized. This process is planned to continue, as funds are available, until the commitment is restored to the full value. A request from the Mammoth Lakes Foundation to utilize approximately $70,000 of these reserve funds for redesign work is anticipated to be forth coming. In addition to the funds

allocated to capital, the MACC previous discussions have included an annual contribution of up to $300,000 annually for operational expenses, provided by Measure U once the facility is constructed and open to the public.

Fund 218 – Tourism Business Improvement District (TBID)

The TBID fund projections include revenues of $4,802,458 for FY21-22. These numbers were calculated in conjunction with Mammoth Lakes Tourism analysis on years prior to the pandemic. The TBID account is a pass-through account, and the majority of these funds are transferred to Mammoth Lakes Tourism for marketing, advertising, promotion and MLT administration costs. The Town is budgeted to receive 2% of the revenue for collection and administration costs ($96,049). The revenue performance is expected to make a strong recovery from the challenges of the previous year. The fund is not expected to reach the high levels achieved prior to the new agreement and TBID master plan which excludes TBID for the sales of annual passes. Ski lift tickets are still included in the TBID revenue expectations.

Fund 220 – Airport Operations

Airport operations had only minor adjustments from tentative to final budget with adjustments to Worker's compensation expense and labor. In total the expense was increased by $2,020. Staff made the recommendation to retain some of the grant funds currently allocated to FY21-22 to support operations in FY22-23 during the tentative budget presentation. This recommendation is in place for the final budget as it will ease future years as the General Fund is required to fund a greater portion of the operating expenses.

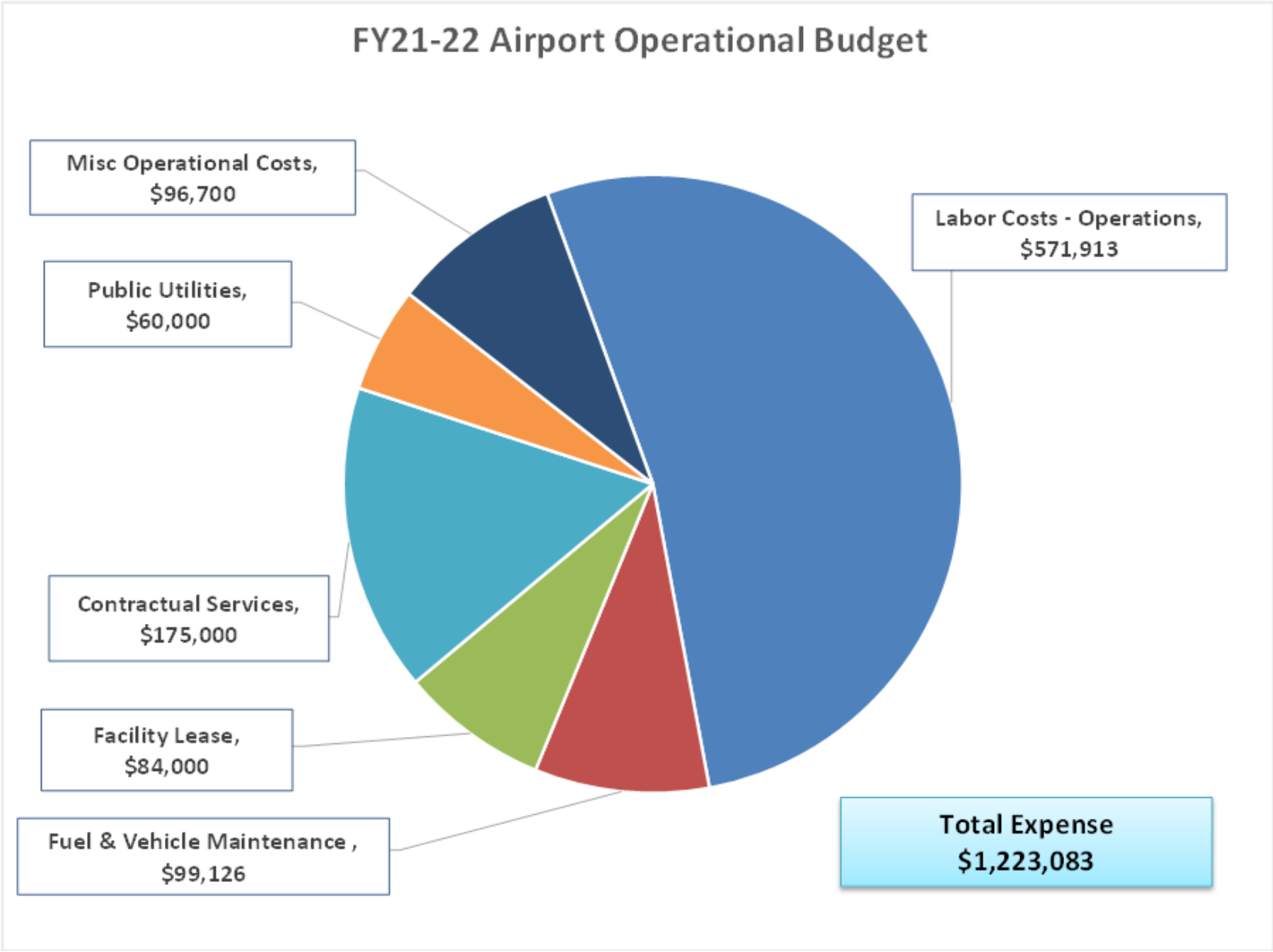
Airport Fund Revenue by Category

Item	FY2018-19 Actual	FY2019-20 Actual	FY2020-21 Budget	FY2021-22 Budget	Variance to Prior Year Budget	
Airport Passenger Facility Fee	$ 80,031	$ 9,060	$ 75,000	$ -	$ (75,000)	-100.0%
Car Rental Fee	$ 139,720	$ 110,510	$ 125,000	$ 20,000	$ (105,000)	-84.0%
Commercial Terminal Rent	$ 123,020	$ 113,749	$ 100,000	$ -	$ (100,000)	-100.0%
Hanger Ground Lease	$ 95,887	$ 97,524	$ 85,000	$ 85,000	$ -	0.0%
FAA: ACIP Grant Entitlements	$ -	$ -	$ 1,935,648	$ 133,134	$ (1,802,514)	-93.1%
FAA: CARES Act			$ 638,781	$ 600,000	$ (38,781)	-6.1%
Other Revenues	$ 55,659	$ 44,607	$ 51,900	$ 63,900	$ 12,000	23.1%
Total Airport Revenue	**$ 494,319**	**$ 375,450**	**$ 3,011,329**	**$ 902,034**	**$ (2,109,295)**	**-70.0%**
Transfer In - General Fund	677,311	291,274	-	321,049	$ 321,049	100.0%
Total Revenue Airport	**$ 1,171,630**	**$ 666,724**	**$ 3,011,329**	**$ 1,223,083**	**$ (1,788,246)**	**-59.4%**

Airport Fund Expenditures by Category

Department	FY2018-19 Actual	FY2019-20 Actual	FY2020-21 Budget	FY2021-22 Budget	Variance to Prior Year Budget	
Labor Costs - Operations	$ 355,929	$ 496,757	$ 534,881	$ 571,913	$ 37,032	6.9%
Fuel & Vehicle Maintenance	$ 104,967	$ 75,048	$ 85,000	$ 99,126	$ 14,126	16.6%
Facility Lease	$ 85,304	$ 46,579	$ 84,000	$ 84,000	$ -	0.0%
Contractual Services	$ 204,007	$ 109,587	$ 175,000	$ 175,000	$ -	0.0%
Public Utilities	$ 39,618	$ 59,583	$ 60,000	$ 60,000	$ -	0.0%
Misc Operational Costs	$ 82,027	$ 65,399	$ 63,750	$ 96,700	$ 32,950	51.7%
Operational Costs	**$ 871,852**	**$ 852,954**	**$ 1,002,631**	**$ 1,086,739**	**$ 84,108**	8.4%
Labor Costs - Capital Projects	$ 4,159	$ 23,401	$ -	$ 136,344	$ 136,344	100.0%
Contractual Services - Capital Projects	$ 9,051	$ 442,487	$ 2,010,648	$ -	$ (2,010,648)	-100.0%
Capital Project Costs	**$ 13,211**	**$ 465,888**	**$ 2,010,648**	**$ 136,344**	**$ (1,874,304)**	-93.2%
Total Airport Expenditures	**$ 885,063**	**$ 1,318,842**	**$ 3,013,279**	**$ 1,223,083**	**$ (1,790,196)**	**-59.4%**

Projected change in Airport Fund Balance **$ -**


FY21-22 Airport Operational Budget
Misc Operational Costs, $96,700
Public Utilities, $60,000
Contractual Services, $175,000
Facility Lease, $84,000
Fuel & Vehicle Maintenance , $99,126
Labor Costs - Operations, $571,913
Total Expense $1,223,083

Fund 240 – Long Valley

This is a small fund and receives minimal revenue from private use of the pit. The pit is located near the Airport and receives clean fill material used to rehabilitate the site, as it was previously a site from which material was removed. The Town has also been working with the Forest Service on the removal and use of old asphalt grindings that were placed in the pit. The removal of this material assists with remediation of the site. Revenues are budgeted at $26,000 with expenditures of $3,000.

Fund 245 – Housing Programs

This fund is used to account for Program Income received by the Town from the payment of past loans and new grants. The budget is estimated with revenue of $570,000 including $500,000 from current HOME grant supporting first time homebuyers with funding assistance and $70,000 from Bristlecone Apartments Home program income. Expenditures are estimated at $570,000, representing funds available for loans and an administration fee provided to Mammoth Lakes Housing. The Town also accounts for Housing in Lieu fees through the balance sheet "trust and agency" accounts and current fees in "trust" are $220,798. The Town also holds a Revolving Loan Fund (RLF), which is fully funded at $600,000. These funds are used to support Mammoth Lakes Housing's program to buy back deed restricted units. This process is used to ensure continued affordability restrictions are in place.

Fund 250 – Local Transportation Commission – LTC

This fund is used to account for revenues and work program as approved by the Local Transportation Commission. The Town anticipates receiving $75,000 in revenues and has appropriated the full amount to implement the approved LTC work program for FY21-22. This commission can be instrumental in securing funds for larger projects within the region.

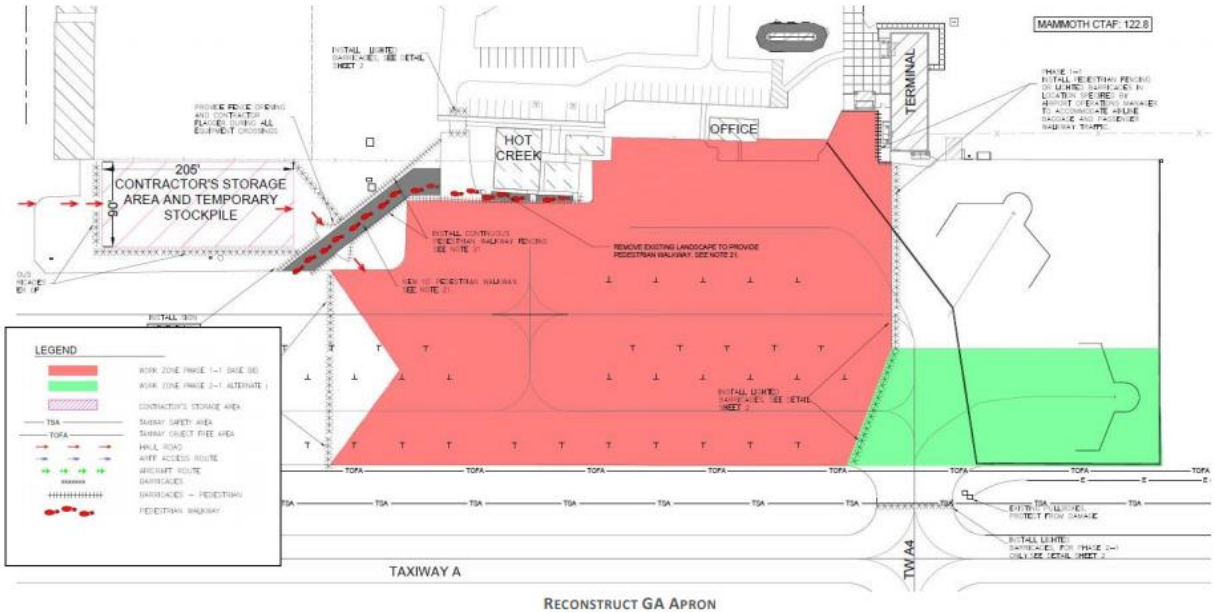
Capital Projects Fund (300)

The Town of Mammoth Lakes Public Works Department currently has several capital improvement projects underway. Funds to support those projects come from a variety of state and local sources. It has been described that the Town does not have a typical approach to funding our CIP and MMP work. As an example, we have no annual General Fund source for CIP projects. The work is pursued based on fund availability as it changes every year. A stated goal of the Department is to do enough work that should funding become available, we are prepared to proceed expeditiously. The Town does typically budget approximately $580,000 each year to improve our roads and infrastructure. This is sometimes carried over to a future year to enable the design and construction of a larger project. Below is a summary of the planned FY21-22 projects as presented with the 5-year CIP presentation on June 2, 2021.

Capital Projects
FY21-22

Project		Total Cost		Revenue	Revenue Source
Reconstruct East General Aviation Apron	$	3,396,398	$	3,396,398	FAA - AIP Grant
Security Gates and Terminal Area Fencing	$	722,343	$	722,343	FAA - AIP Grant
Town Hall Maintenance and Improvements	$	175,000	$	-	Potential 4th qtr. FY20-21
Sierra Business Park Storage Lots	$	400,000	$	400,000	Solid Waste Grant / Future Capital
MACC - Planning Work	$	70,000	$	70,000	Measure U
CRC & Mobility Hub	$	14,831,040	$	14,831,040	Various
Dog Park	$	100,000	$	-	Potential 4th qtr. FY20-21
2021 Streets and MUP Rehabilitation	$	3,100,000	$	3,100,000	STIP Grant & Road Rehab budget
Laurel Mountain Sidewalks, storm drains, lights	$	120,000	$	120,000	STIP Grant
Minaret Multi-Use path (MUP)	$	250,000	$	250,000	STIP Grant
2021 SB1 Project - Meridian Curb & Gutter Replacement	$	160,000	$	160,000	SB1 Funding
Main Street South Side MUP - Town Loop Gap Closure	$	250,000	$	250,000	STIP Grant
Lakes Basin Connector Trails	$	50,000	$	50,000	Trails Program Fund Balance
Shady Rest / Inyo Craters OHV Planning	$	200,000	$	200,000	OHV Green Sticker Program
SR 203 Transit Shelter Replacements	$	330,000	$	330,000	Transit Reserve
SR 203 Crosswalk Updates	$	30,000	$	30,000	HSIP Grant
Project Totals	**$**	**24,184,781**	**$**	**23,909,781**	
Planned Projects - Unfunded			**$**	**275,000**	

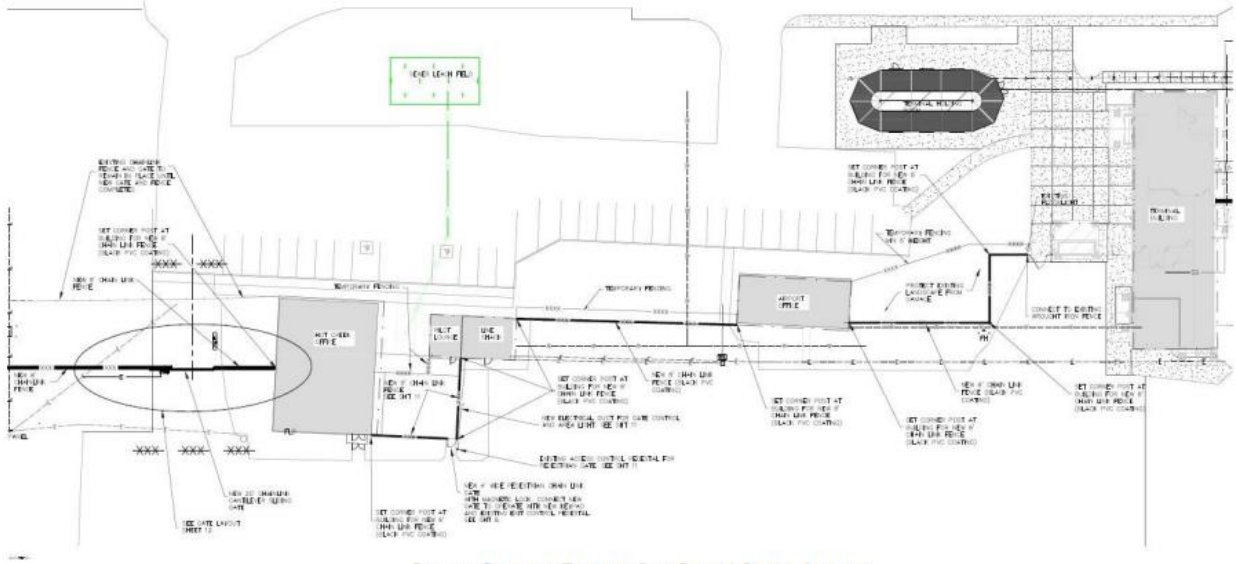
Reconstruct East General Aviation Apron: The project consists of the reconstruction of the East General Aviation Apron (172,000 sq. ft.) west of the terminal apron, including grading, drainage, paving, marking, and tie downs. The project may include as an Additive Alternate reconstruct East General Aviation Apron (39,000 sq. ft.) south of the terminal apron, including grading, drainage, paving, and marking. This project will be fully funded by the Airport Improvement Program of the Federal Aviation Administration (F.A.A.). The Town has received $3,396,398 in funding cover the construction contract, administration, construction management, design and engineering work. The alternate work shown below (green) will be awarded and completed at the same time as the base bid (red).



RECONSTRUCT GA APRON

Security Gates and Terminal Area Fencing: The project generally consists of the furnishing and installation of a new 8-foot chain link fence with two 20-foot-wide single cantilever gates with

operators and controls and two pedestrian gates, and a security camera system at the Mammoth Yosemite Airport. This project has a total budget of $722,343 and will be fully funded by the Airport Improvement Program of the Federal Aviation Administration (F.A.A.)



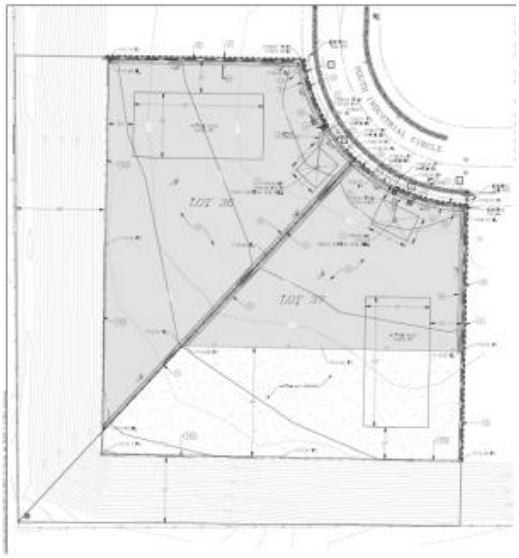
SECURITY GATES AND TERMINAL AREA FENCING PROJECT LOCATION

Town Hall Maintenance and Improvements: The Town has occupied its current lease space for over 30 years. The Town leases its administrative office space and the Council Chambers in Suite Z. These spaces are in need of significant improvements ranging from flooring, paint and drywall patching, ADA improvements, technology and other minor improvements. With the development of new Town Hall indefinitely on hold improvements need to be made to provide a suitable work environment and place for Council, Commissions, non-profits, and other organizations to meet with the community. Administrative meeting spaces are in state of poor repair and do not represent the Town well when meeting with the community, developers, and other organizations. The project is estimated at $175,000 and is unfunded but likely funded during 4th qtr. FY20-21 budget amendments.

Sierra Business Park Storage Lots: The Town of Mammoth Lakes ones 2 parcels (Lots 36&37) in the Sierra Business Park located along HWY 395 across from the airport. These parcels are zoned for industrial uses and are intended to be used in the near term for storage only. In order to be used the lots need to be developed in accordance with Mono County and the Sierra Business Park HOA standards. This includes standardized concrete walls and gates, chain link fences, paving and storm water infrastructure. More complex uses of the site may require additional utility work to support electrical, water, and sewer. The Town will permit Mammoth Disposal to use a portion of the lot for long/short term storage of recycling bins and dumpster. The remainder of the lot will be used to store inert materials and equipment currently stored at Whitmore Park and the Town Corporate Yard. Construction Project with total budget of $400,000 funded with $300,000 from Solid Waste fund and $100,000 from Fund 990 – Future Capital.



Aerial View of the Towns Parcels



PROPOSED CONSTRUCTION PLANS FOR THE TOWNS PARCELS

Mammoth Arts & Culture Center (MACC): The Mammoth Lakes Foundation has been working diligently for a few years to design and develop a performing arts center. Significant progress has been made and designs are being reworked to provide a facility that meets the communities needs and fits within the budget. The projects propose to provide theater space and seating to support film, lectures, musical performances, live theater production, and other community activities. The Town has been asked to participate financially in the design, construction, and long-term management aspects of the project. Staff is recommending allocations from Measure U to support the Foundation in the development of this project. Plan Specification & Engineering project with an estimated budget of $70,000 funded from Measure U.

Community Recreation Center & Mobility Hub: Located at Mammoth Creek Park the proposed Community Recreation Center or CRC will be a fabric tensile structure enclosing an Olympic size ice rink that will operate from November to April, and in the summer, durable sport tiles are envisioned to cover the rink area creating a 20,000 sq. foot Mammoth RecZone. Combined with community driven and professionally branded programming, the year-round community recreation center will be the recreation destination that the entire community and our many visitors to Mammoth Lakes will enjoy. The project will include an expanded parking area with 118 spaces. Mobility elements such as a transit pull-out and shelter, clean air and electric vehicle parking, and bike parking will be included in the new lot. On February 17, 2021, the Town Council awarded the construction contract to Hamel Contractors Inc. At the same meeting, the Council authorized staff to purchase the Sprung Structure, Chiller, and other appearances. Finally budget adjustments were authorized to complete the associated parking lot and mobility elements.



Community Recreation Center Project Costs		
Element	**Amount**	**Percentage**
Construction Contract	$8,884,008	59.90%
Construction Management, Material Testing, Architectural services	$150,000	1.01%
TOML Purchases (including)	$3,124,032	21.06%
Sprung Structure ($2,765,000)		
Dasherboards ($162,000)		
Chiller ($181,032)		
Scoreboard ($16,000)		
Previous Admin., Engineering & Design, Permits	$1,873,000	12.63%
Minor Mobility Hub	$800,000	5.39%
Total	$14,831,040	100%

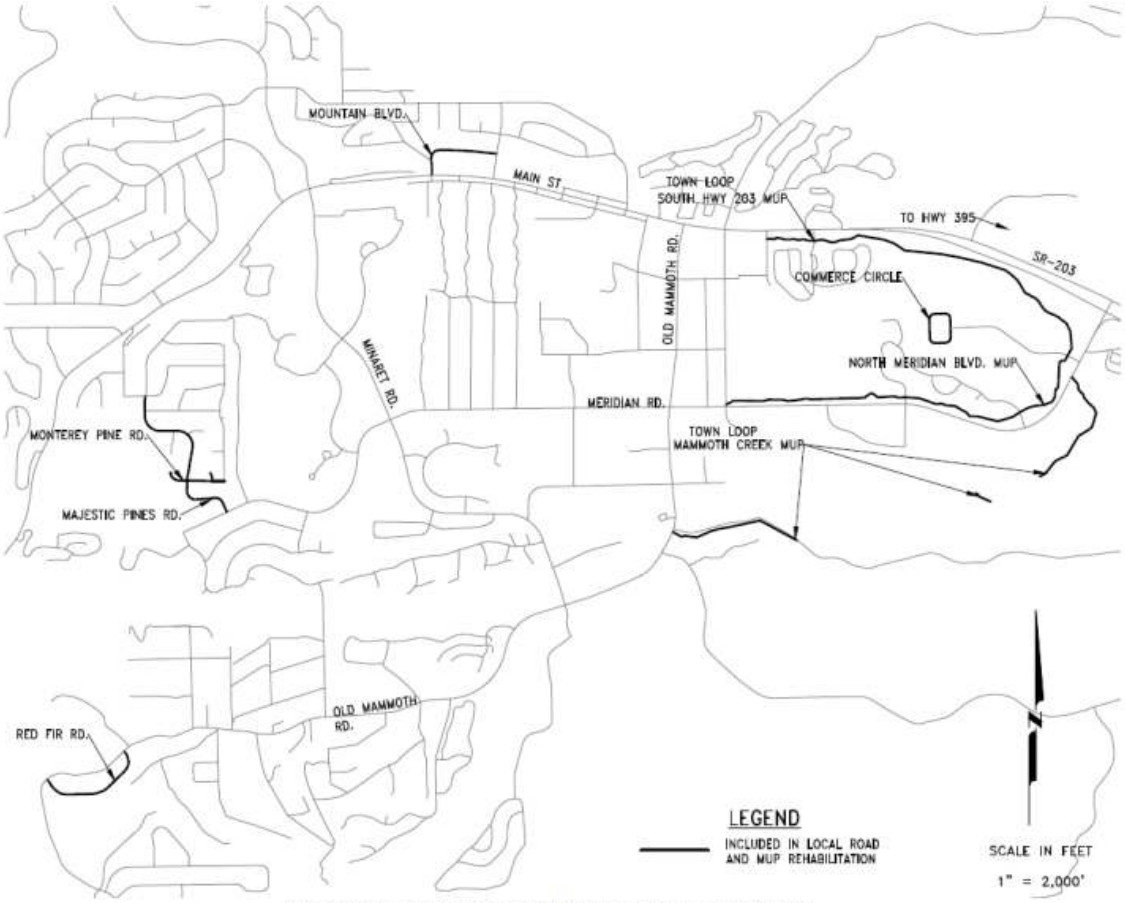
Community Recreation Center Funding Sources		
Source	**Amount**	**Percentage**
General Fund	$1,040,000	7.01%
Measure R Reserves	$4,130,000	27.85%
Measure U Reserves	$1,590,000	10.72%
Measure R Bonds	$5,500,000	37.08%
Raise the Roof (Scoreboard)	$16,000	0.11%
Parks DIF	$275,000	1.85%
Fractional Mello Roos	$464,400	3.13%
Measure U MACC Reserves	$1,500,000	10.11%
Transit Reserves	$315,640	2.13%
Total	$14,831,040	100%

Dog Park: Residents and visitors to Mammoth have long asked for the development of a community dog park. Staff is currently evaluating potential locations and once secured will develop a plan to provide this amenity. At this time such a facility is envisioned to include a fenced area, green space, water, restrooms, trash receptacles including dog waste bags, and parking. These improvements will provide a safe location for off-leash play. The project is estimated at $175,000 and is unfunded but likely funded during 4th qtr. FY20-21 budget amendments. Staff is also pursing limited grant funding for the project.

2021 Streets and MUP Rehabilitation Project: The 2021 Street and MUP Rehabilitation Project Includes rehabilitation of the numerous roads and MUP's. The locations were determined using data collected and entered into the Town's Street Saver Database. This software evaluates the Towns Pavement Condition Index for each and identifies the best treatment options to improve the overall condition index for the Town. These outputs are evaluated and confirmed with field visits from the Street Maintenance Department. Staff is working with utility companies to provide an

opportunity to make repairs/upgrades while the road is open. The following road segments are scheduled to receive treatments this summer (21/22). Total budget for the project is $3,100,000 funded by $400,000 Gas Tax (Road Rehab) and $2.7M STIP Grant.

Road / MUP	Segment	Treatment
Mountain Blvd	Sierra to Main Street	Pulverize 10" AC pavement/native w/ cement powder and recompact, HMA 3.5"
Commerce Circle	Complete Loop	Cold plane 2.5"-3.5" and recompact base, HMA 5.5"
Majestic Pines Rd	Meridian Blvd to Kelly Rd	Pulverize 10" AC pavement/native w/ cement powder and recompact, HMA 3.5"
Monterey Pines Rd	Southerly E-W section	Cold plane 3.5" AC Pavement, crack seal & crack membrane. HMA 3.5"
Red Fir Rd	Entire Length	Cold plane 3.5" AC Pavement, crack seal & crack membrane. HMA 3.5"
North Meridian Blvd. MUP	As shown on map	Complete Reconstruction
Town Loop MUP Segments	As shown on map	Complete Reconstruction



2021 STREET AND MUPS REHABILITATION PROJECT LOCATION MAP

2021 SB1 Project (Meridian Curb and Gutter Replacement): Over the last 3 years the Town has used SB1 funds to make repairs to the curb, gutter and sidewalk along the north side of Meridian Boulevard from Majestic Pines to Lodestar Drive and from Sierra Star Parkway to Obsidian Residence Club driveway. For 2021/22 staff is proposing to continue working on repairs to the curb and gutter along the north side of Meridian Boulevard to finish the gap between Lodestar Drive and Sierra Star Parkway. This work will be funded with the annual SB1 allocation of $160,000.

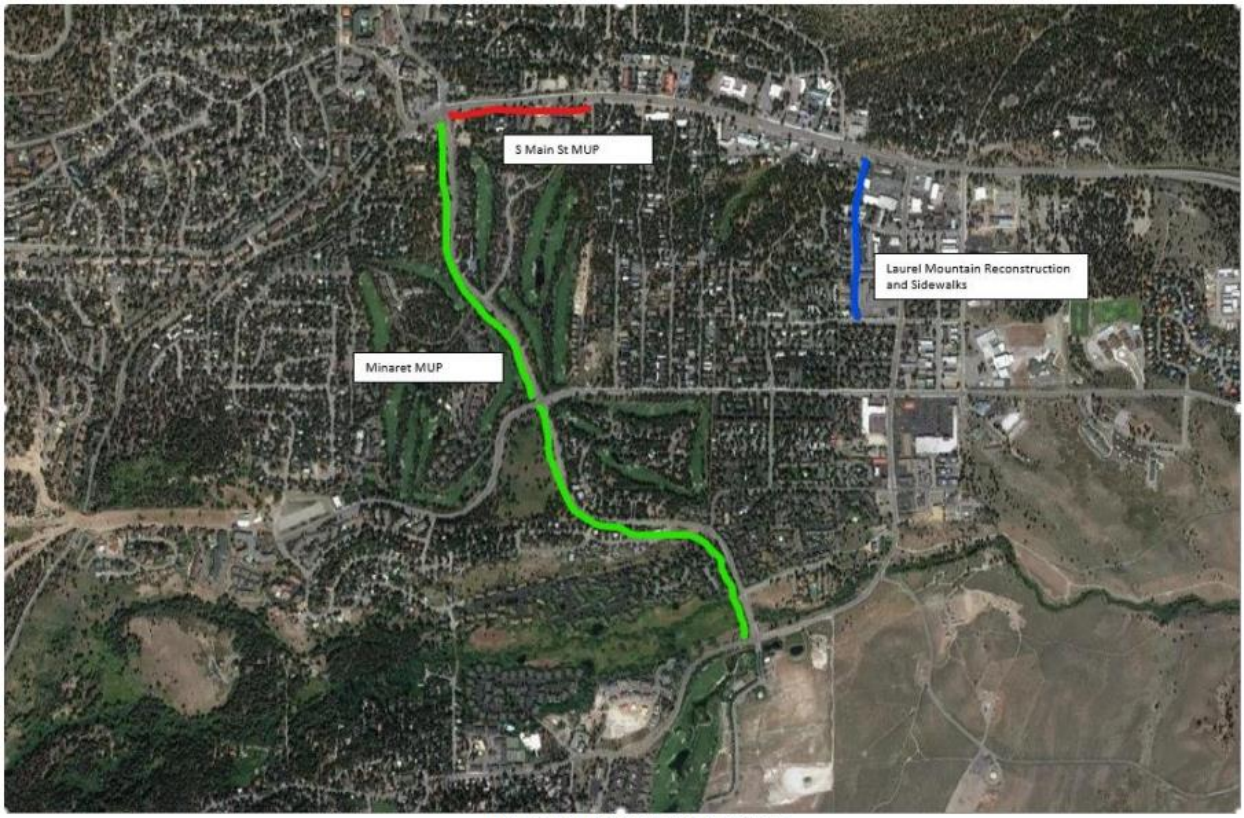
Design (PS&E) Projects

The Town is working to develop three shovel ready projects. The funding for these efforts was programmed into the State Transportation Improvement Program. The work will include project design including plans, specifications, and engineering (PS&E). These projects will kick off in FY21-22 and put the Town in a position to receive grant, or other construction funding if the opportunity arises.

Laurel Mountain Sidewalks (Storm Drain, Streetlights): Project is located on Laurel Mountain Rd in the Town of Mammoth Lakes. The project limits are Main Street (SR203) and Sierra Nevada Road. Improvements include sidewalk on the east side of the road, streetlights, curb and gutter, bike lanes, storm drain and pavement reconstruction. This project will serve the new parcel development and the existing residents. The project will be designed to work with and compliment the new development at the parcel, recently constructed Main Street sidewalks, the new transit shelter across from Laurel Mountain on Main Street, and the Highway Safety Improvement Program (HSIP) crosswalk upgrades. Planning project will have an estimated cost of $120,000 and is funded by STIP grant.

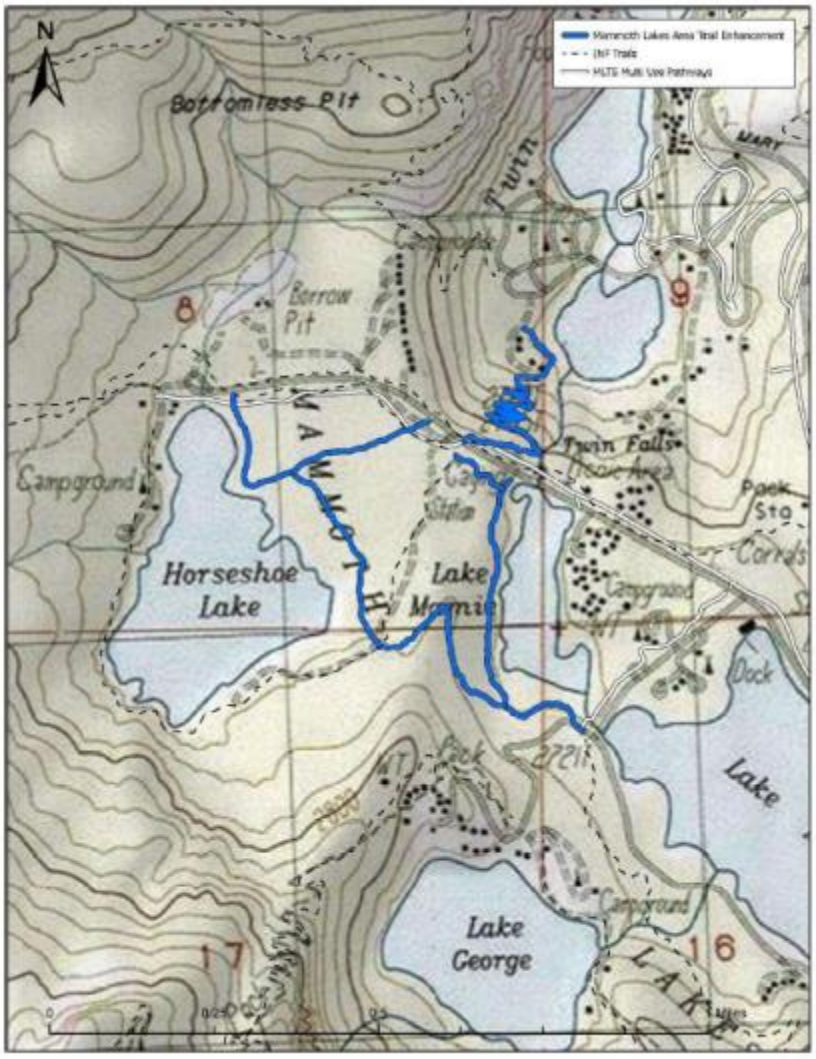
Minaret Multi-Use Path (MUP): The proposed Minaret Road multi-use path (MUP) will be located on the west side on Minaret Road from Lake Mary Road to Old Mammoth Road. The proposed 7200 LF of path will connect the Old Mammoth MUP to the Lakes Basin Trail MUP and other existing and future pedestrian and bicycle facilities. The Minaret Road MUP Project (project) will construct a separated Class I MUP that is physically separated from the roadway and provides for additional non-motorized modes of travel. The project will include signage and wayfinding, drainage improvements, and intersection lighting as needed. Planning project will have an estimated cost of $250,000 and is funded by STIP grant.

Main Street South Side MUP Gap Closure (Town Loop): The Main Street MUP will close a gap between the Lakes Basin Path and the Town Loop MUP located at Callahan Way. The project is located on the south side of SR203 within the Caltrans ROW. The project includes 1700LF of separated ADA compliant asphalt multiuse path, drainage improvements, slope protection, transit improvements, lighting, signage and wayfinding, and other supportive infrastructure. The project provides better connectivity, continuity, and mobility for non-motorized users. The project provides a significantly safer option than the existing conditions. The project will include design of trail wayfinding signage that will extend into the existing Main Street sidewalk project as recommended by the Trails Manager. Planning project will have an estimated cost of $250,000 and is funded by STIP grant.



LOCATION OF PROPOSED DESIGN PROJECTS

Lakes Basin Connector Trails: Town of Mammoth Lakes proposes to construct approximately 2.5 miles of multi-use, nonmotorized U.S. Forest Service system trail(s) to provide additional recreation opportunities and connect users to popular destination features and facilities in the Lakes Basin cirque. These soft surface trails will help to mitigate existing improvised use trails. The new trails will be supported by appropriate signage and wayfinding. The project is funded by a $50,000 allocation from the Trails Program Fund Balance.



LOCATION OF LAKES BASIN CONNECTOR TRAILS

Shady Rest / Inyo Craters OHV Planning: In an effort to engage with OHV users and opportunities in the Shady Rest Inyo Craters sub-region, TOML applied for and was awarded a three-year planning grant from the California State Parks Off-Highway Motor Vehicle Division Grant Program in 2020. The TOML, in partnership with Inyo National Forest – Mammoth Ranger District and Mono County, is using the California OHV planning grant funds for on-the-ground planning and environmental review (NEPA/CEQA) in order to optimize existing OHV trail facilities that serve a wide spectrum of user groups and to consider enhanced opportunities for trails and sustainable recreation in the Shady Rest Inyo Craters sub-region. Total budget for the project is $200,000 funded by OHV Green Sticker grant.

SR 203 Transit Shelter Replacements (Post Office & Fire Station #1): Project will replace two existing transit shelters that were originally constructed by CalTrans. The new shelters will be consistent with TOML Standards, ADA and match newly constructed infrastructure. The existing shelters are in a poor state and are past their useful life. The new shelters will be consistent with

the new shelters recently installed with the Main Street Sidewalk Projects. Both shelters are located on the north side of SR203. One is located to the west of the post office driveway the other just east of the Fire Station near the intersection of Forest Trail. Total budget for the project is $330,000 funded from Transit Reserves.

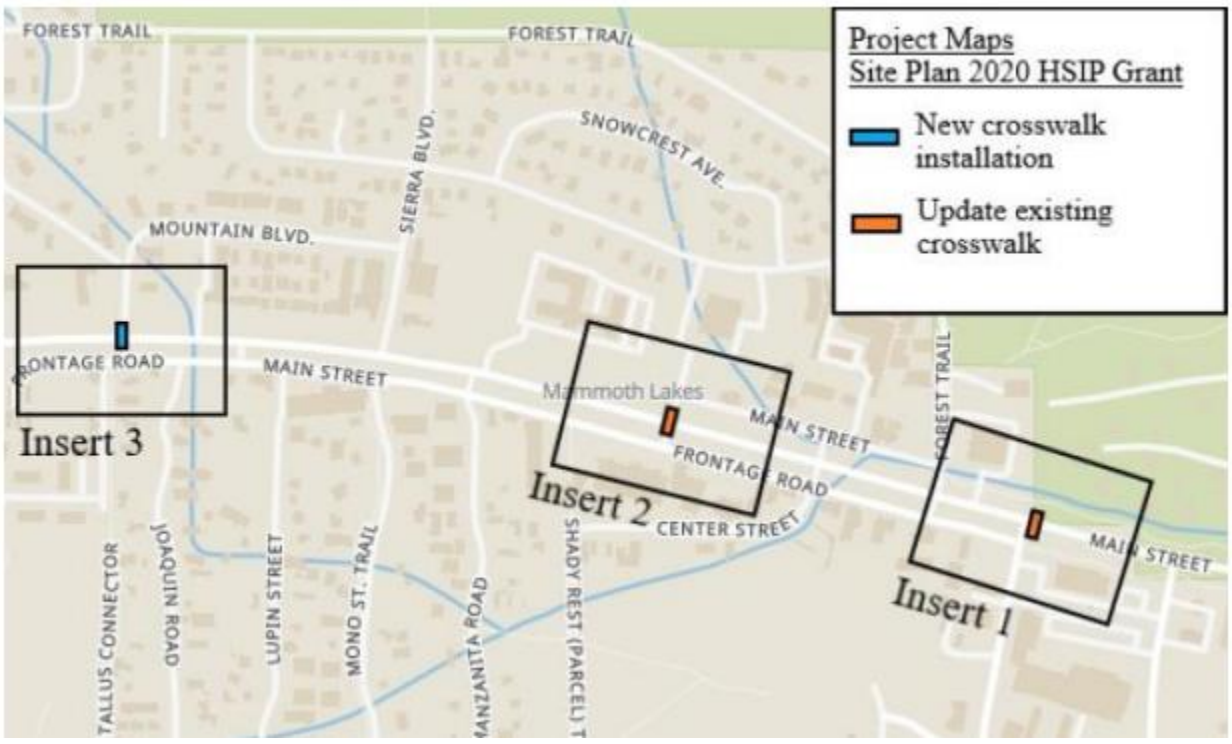


EXISTING TRANSIT SHELTER - 203 @ POST OFFICE



EXISTING TRANSIT SHELTER - 203 @ FIRE STATION

SR 203 Crosswalk Upgrades / HSIP: The Town of Mammoth Lakes submitted and was awarded a $191,400 Highway Safety Improvement Grant (HSIP) to upgrade crosswalks along SR203. The grant provides funding to upgrade two pedestrian activated crosswalk beacons (Laurel Mountain and Post Office) with RRFD signalization. A third new RRFD beacon will be installed at Mountain Blvd. The project is located within the Town of Mammoth Lakes along Main Street (SR203). Design work will begin in 21/22 with construction scheduled for 22/23. This work will be coordinated with other design and construction efforts in the area. Total budget for this project is $30,000 funded from HSIP grant.



Development Impact Fees Fund (830 - 841)

The fees are restricted to capital projects and as fees come in and an appropriate project is moving forward, the budget will be amended based on actual funds received and passed through upon request from the proper agencies. The Town retains 4% of all funds received for administrative purposes. Currently 10 of the funds have anticipated revenues and expenditures see chart below:

Development Impact Fees

Fund	Fee Description	Budgeted Revenue	Town Administration Fees
830	Town Admin Overhead	$ 11,680	$ -
831	General Facilities & Equipment	$ 36,000	$ 1,440
832	Law Enforcement	$ 8,000	$ 320
833	Storm Drains	$ 30,000	$ 1,200
834	Parks and Recreation	$ 32,000	$ 1,280
835	MCOE - Library	$ 17,000	$ 680
836	Streets & Circulation	$ 10,000	$ 400
837	MCOE - Child Care	$ 35,000	$ 1,400
838	Fire Facilities, Vehicles & Equipment	$ 72,000	$ 2,880
841	Transit and Trails	$ 52,000	$ 2,080
	Total	$ 303,680	$ 11,680

Budget Assessment Districts Fund (850 - 861)

There are a number of assessment districts within the Town. The District provides and ensures the continued maintenance, servicing, administration, and operation of various improvements and associated appurtenances located within the public right-of-way. The improvements include the installation, upgrade, construction, or reconstruction of irrigation and landscaping, street lighting, streets, sidewalks and driveways, curb and gutter, drainage facilities, and snowmelt tubing systems.

The Town contracts with NBS to perform annual Engineer's reports on each of the assessment districts. These reports outline current fund balance against anticipated maintenance and capital improvement projects. If a variance exists between available funds and anticipated needs, a district assessment is recommended.

Fund Balance - Assessment Districts

As of June 30,2021

Assessment District			FY21-22 Assessment per Unit
Fund 850 - Juniper Ridge	**$**	**160,394**	**$ 1,200 - Per Lot**
Purpose - Maintenance of landscaping, ornamental street lighting, street signs, snow stakes, and the decorative walls at the entrance.			
Budget - Total Budget $102,300 for FY21-22 with Town contributing $12,500 for Snow Removal leaving $89,800 remaining. Total of 40 lots within the district with a maximum assessment per lot of $1,200 totalling $48,000. This will leave a remaining $41,800 which is a planned use of fund balance.			
Fund 852 - Bluffs	**$**	**706,463**	**Avg $2,760 per lot**
Purpose - Debt Service for the development costs of the Bluff's Subdivision.			
Budget - Debt Service payment for FY21-22 is $214,044. Total 79 residentials lots in the district.			
Fund 853 - Bluffs Maintenance	**$**	**204,297**	**$ 2,100 - Per Lot**
Purpose - Roadway, drainage, sewer, power, street light, telephone, television cable and gas line improvements on streets within the Bluff's subdivision and between subdivision entrances.			
Budget - Total Budget $182,900 for FY21-22 with Town contributing $17,000 for Snow Removal leaving $165,900 remaining. Maximum assessment per lot is $2,100 charged to 79 residential lots.			
Fund 854 - North Village	**$**	**591,715**	**Avg $1,002 per parcel**
Purpose - Debt Service for the District improvements include the installation, upgrade, construction, or reconstruction of irrigation and landscaping, street lighting, streets, sidewalks and driveways, curb and gutter, drainage facilities, and snowmelt tubing systems and appurtenant facilities. **Budget** - Debt Service payment for FY21-22 is $518,938. Total 518 units in the district.			
Fund 856 - Old Mammoth Road	**$**	**819,570**	**$17.56 - Per Linear Foot**
Purpose - Maintenance of irrigation and landscaping, street lighting, streets, sidewalks and driveways, curb and gutter, drainage facilities, and snowmelt tubing systems and limited appurtenant services.			
Budget - Total Budget $175,800 for FY21-22 with Town contributing $46,000 for Snow Removal leaving $129,800 remaining. Total District linier front footage is 7,390.210 resulting in a charge of $17.56 per linear foot.			

Assessment District			FY21-22 Assessment per Unit
Fund 857 - Village Benefit	**$**	**607,676**	**Various Rates see in Budget**
Purpose - Maintenance of irrigation and landscaping, street lighting, streets, sidewalks and driveways, curb and gutter, drainage facilities, and snowmelt tubing systems and appurtenant facilities.			
Budget - Total Budget $92,300 for FY21-22 with Town contributing $42,000 for Snow Removal leaving $50,300 remaining. Total of 532 parcels in the district with the following rates: Condominium - $70.27 - $117.12 per unit, Commercial / Gondola - $.09 per square foot, Appartment and Hotel - $70.27 per room.			
Fund 858 - CFD 2004-01 (Fractional Use)	**$**	**12,662**	**Avg - $752 per parcel**
Purpose - Finance the costs and expenses of providing enhanced services and facilities to the Town including police protection services, criminal justice, recreation program operations and maintenance, library services, museums, culteral faciltiies, parks, parkways and various other facilities and equipment.			
Budget - Total Budget $200,000 for contribution Incremental Town Services for FY21-22. Total district parcels is 286 with 266 units with a levy amount from $571.44 - 1,142.88 for a average of $752 per parcel.			
Fund 859 - DIF in Lieu Mello Roos Tax	**$**	**23,132**	**$2,634 - per one parcel**
Purpose - Developer's have the option to pay an annual assessment rather than pay Development Impact Fees upfront. These fees may be used for public benefit facilities. The Town currently has one property within this assessment district.			
Budget - Total Budget $2,634 for FY21-22. Total of 1 parcel in the district			
Fund 860 - Transit Facilities	**$**	**39,780**	**Avg $180 per parcel**
Purpose - Contributes to the town-wide transit system.			
Budget - Total Budget $17,500 for FY21-22. Estimate of total units in the district is 97.			
Fund 861 - Mammoth View	**$**	**81,223**	**$11.48 - Per Special Benefit Point**
Purpose - The improvements maintained by the District include Viewpoint Road, the Viewpoint condominium emergency access area located to the north of the Viewpoint condominiums, sidewalks fronting the District along Main Street, Mountain Boulevard, and Alpine Circle, and appurtenant facilities.			
Budget - Total Budget $3,750 for FY21-22. Total of 326.41 Special Benefit Points for a total of $11.48 per Special Benefit Point			

Fractional Mello Roos Fund (858)

This Fund has $340,250 in anticipated revenues for FY21-22 generated by charges for estimated tax revenue ($185,000), facility fees ($80,000), Transfer-In ($75,000) and Interest ($250). The Transfer-In is an allocation from Measure R to support Ice Rink and CRC operations. The tax revenue is received from fractional ownership projects and was put in place to offset the loss of TOT revenue from such projects. The district was created to provide enhanced levels of service for designated Town Services. FY04-05 services are used as a baseline for service, meaning these funds cannot be used for services below the baseline. Due to the reduction of service areas following the MLLA legal settlement, these funds are not available for use in most service areas. The one exception has been recreation where new amenities have been constructed providing levels of service beyond the baseline and therefore an opportunity to use the funds.

This fund has a budgeted expenditure of $316,106 for FY21-22 leaving a projected fund balance of $24,144. Some key expenditures include $153,612 in personnel cost for ice rink / CRC, $50,000 for public utilities, $47,000 in facility lease, $30,000 for contract commitments (Maintenance and Snow Removal) and $7,750 allocated to Trails End Park maintenance.

Fund 910 – Garage Services

The Vehicle Service Fund, also referred to as the Garage, is used to track cost of maintenance for our vehicle fleet. The garage staff is comprised of four mechanics, two mechanic trainees, and one fleet superintendent. The staff maintains all vehicles in the Town's fleet, including most repairs, fuel, and periodic maintenance. When work is performed on a vehicle, the department where that vehicle is assigned will be charged the cost of repair including staff time. This type of an account is known as internal service fund where expenses are covered by work performed for other departments. The list of estimated charges, within the FY21-22 budget are listed below:

Garage Services

Budgeted Fuel and Repairs

Fund / Department	Description		Garage Services
100-416	General Fund - General Services	$	30,000
100-420	General Fund - Police	$	75,000
100-434	General Fund - Whitmore Rec Area	$	18,000
100-438	General Fund - Parks Maintenance	$	53,000
210-454	Gas Tax - Summer Equipment	$	80,000
210-455	Gas Tax - Winter Equipment	$	160,000
220-471	Airport - Operations	$	40,000
		$	456,000

In addition to internal service, this department services outside entities that use our repair and fuel services. These outside agencies include Eastern Sierra Transit Authority, Schools, Fire, and some county vehicles. The fund has projected revenues of $1,148,530 and expenditure of $1,425,396 for FY21-22. These expenditures include a transfer out to Gas Tax of $60,000 to cover 50% of maintenance for the garage facility. The proposed budget is a deficit of $276,444 for the year and staff is recommending we review actual performance at each quarter for possible adjustment. This fund used to also contain the vehicle replacement program and some funding for that program may have masked the discrepancies between revenue and the expense to deliver services. If billing proves insufficient to cover expenses, additional funds will be transferred from General Fund to cover the shortfall and a thorough review of staff and billing practices will determine the root cause.

Fund 915 – Vehicle Replacement

As stated above, this is a new fund for FY21-22 separating vehicle replacement from garage services. When a piece of equipment is added to the fleet, a calculation of future replacement is

made based on expected lifespan and future replacement costs. The vehicle is assigned to a division which is charged to specific funds and departments who use the vehicle. The chart includes the original price of the vehicle, year of acquisition, expected replacement cost, (incremented by 3% annually), accrued fund balance, cash available, years in service, years remaining, and unamortized replacement amount. This amount is divided by the years of life remaining to determine the annual charge by department. This charge will build a fund necessary to replace the vehicle when needed. The fleet is managed to maximize life of vehicles and equipment and therefore most of our vehicles exceed a traditional expected lifespan. Actual replacement is based on the condition of the vehicle and adequate fund balance for that specific vehicle. The vehicle replacement fund contains both cash and debt as it was used as part of the stabilization of the Town's finances after the MLLA settlement agreement. The General Fund makes an annual payment of $340,000 to pay back the internal loan which should be paid off in the next seven years. The difference between accrued fund balance and available cash is the unpaid loan. Below is a list of charges for the FY21-22 budget along with an example of the replacement calculations.

Vehicle Replacement

Lifecycle replacement program

Fund / Department	Description		Vehicle Replacement
100-416	General Fund - General Services	$	43,202
100-420	General Fund - Police	$	58,850
100-434	General Fund - Whitmore Rec Area	$	16,203
100-438	General Fund - Parks Maintenance	$	47,934
210-454	Gas Tax - Summer Equipment	$	166,793
210-455	Gas Tax - Winter Equipment	$	560,524
220-471	Airport - Operations	$	4,126
858-436	Mello Roos - Multi Use Facility	$	3,376
		$	897,631

Division 5 - Administration

Fixed Assets Vehicle & Equipment Depreciation Analysis of each vehicle							Unrestricted CASH						
Veh. #	Div	Description	Original Cost	Fiscal Year Entered Replacement Program	Calculated Replacement Cost	7/1/2021 Set Aside Fund Balance	7/1/2021 Unrestricted Available Balance	As of 7/1/2020 Balance Required for Full Replacement	Years In Service	Expected Life (Years)	Years Remaining	Fiscal Year 20/21 Department Charge
					Increment 3% annually			as of 6/30/2021				
0501	5	Ford Expedition SUV	$ 28,014	FY 2016-17	$ 32,780	$ 13,515	$ 10,191	$ 19,265	4	12	8	$ 2,409
0502	5	Ford Explorer SUV 2018	$ 30,000	FY 2017-18	$ 32,780	$ 8,284	$ 6,568	$ 24,496	3	12	9	$ 2,723
0503	5	Ford Explorer SUV 2018	$ 30,000	FY 2017-18	$ 32,780	$ 8,284	$ 6,568	$ 24,496	3	12	9	$ 2,723
0504	5	Ford Escape SUV 2015	$ 12,930	FY 2018-19	$ 31,830	$ 4,774	$ 3,247	$ 27,056	2	12	10	$ 2,706
0505	5	Ford Escape SUV 2015	$ 14,008	FY 2018-19	$ 31,830	$ 4,774	$ 3,247	$ 27,056	2	12	10	$ 2,706
0506	5	Ford Escape SUV 2017	$ 14,008	FY 2018-19	$ 31,830	$ 4,774	$ 3,247	$ 27,056	2	12	10	$ 2,706
0507	5	Ford Explorer SUV 2016	$ 23,705	FY 2018-19	$ 37,130	$ 5,836	$ 3,788	$ 31,294	2	12	10	$ 3,130

Vehicle Replacement Fund

Division / Description	7/1/2021 Set Aside Fund Balance	(Gas Tax) 7/1/2021 Restricted Available Balance	7/1/2021 Unrestricted Available Balance	Total Cash	Funded Ratio
		Restricted CASH	Unrestricted CASH		
Division 1 - Public Works - Summer / Winter	$ 6,230,256	$ 2,089,270	$ 3,485,654	$ 5,574,924	89.5%
Division 2 - Parks Maintenance	$ 719,683	$ -	$ 457,575	$ 457,575	63.6%
Division 4 - Police Vehicles	$ 595,144	$ -	$ 500,947	$ 500,947	84.2%
Division 5 - Administration	$ 229,065	$ -	$ 128,236	$ 128,236	56.0%
Division 7 - Summer Roads	$ 627,437	$ 62,840	$ 142,708	$ 205,548	32.8%
Division 8 - Winter Roads	$ 2,837,811	$ 1,130,087	$ 1,259,219	$ 2,389,306	84.2%
Division 18 - Transit Services	$ 785,798	$ -	$ 354,146	$ 354,146	45.1%
Fuel Tank Replacement Fund	$ 85,436		$ 8,742	$ 8,742	10.2%
Total Vehicle Replacement	$ 12,110,631	$ 3,282,197	$ 6,337,227	$ 9,619,424	79.4%
			Outstanding Balance of Loan	$ 2,491,207	

While estimates of vehicle lifecycle are used to determine accrual rate for replacement, actual vehicle replacement is determined by both vehicle condition and maintenance cost. Since the tentative budget presentation, staff has been working to leverage the CAPP II Block grant listed below to reduce the overall size of the fleet with some key replacements. Based on these condition parameters and these new updates, staff is recommending the following replacements for FY21-22

Planned Vehicle Replacement - FY21-22

Unit	Description	Available Replacement Funds	Replacement Unit	Estimated Replacement Cost	Notes
PD39	Ford Expedition SUV	$ 63,860	Ford Expedition SUV	$ 63,860	
PD03	Ford Exployer SUV (Intercepter)	$ 56,781	Ford Expedition SUV	$ 63,860	Retain PD03 for Code Enforcement Position
		$ 120,641		$ 127,720	
	Cash needed (from annual $340,000 General Fund debt payment)			$ 7,079	
Grant supported replacements					
IE01	Ice Edger	$ 7,247	Zamboni Model EZIII Edger	Inc in price below	
IS02	Olympia Ice Surfacer	$ 49,044	Zamboni Model 552 Electric	$ 190,871	All Electric
PD08	Ford Crown Victoria	$ 56,149	Ford Expedition SUV	$ 63,860	Replace (2) Ford 500 transport vehicles, plus old Crown Vic with one patrol unit
L002	Cat Loader	$ 351,295	Cat Loader	$ 445,000	Retain L002 for Airport replacing Michigan Loader
SW04	Sweeper	$ 265,575		$ 286,866	Replacing oldest in the fleet.
V003 - V006	(4) - Parks & Recreation Cutaway vans	$ 18,171	(1) - Ford Transit Van - 15 passenger	$ 55,000	Replacing four 2006 vans with one van
		$ 747,481		$ 1,041,597	
	CAPP II Block Grant - Great Basin Unified Air Pollution Control District			$ 264,089	
	Cash needed (from annual $340,000 General Fund debt payment)			$ 30,027	

The CAPP II Block Grant from the Great Basin Unified Air Pollution Control District listed above is only a portion of the grant funding offered to the Town, as the grant was provided on March 8, 2021, for $364,089. The Town plans on offering a wood stove replacement program to be developed in FY21-22 for at least $100,000 in grant funds available to our community. Staff is currently evaluating the condition of our street sweepers for possible replacement with funding from the grant and replacement funds.

Fund 990 – Debt Service / Future Capital

The Town has a variety of debt including the bond for the police station and the bond payment for the MLLA settlement. The chart below reflects the debt payments made to external entities. The Town also has an inter-fund loan between the General Fund and the Vehicle Replacement (Garage) Fund. The repayment of this internal loan was extended two years to free up General Fund resources during FY20-21 budget cycle. Staff recommends the repayment of this loan to continue starting in FY21-22 budget, effectively pausing the repayment for only one year. This payment is reflected in the final budget and a resolution reinstating the payments is included with this budget

adoption. The outstanding balance of this loan is $2,491,207 with approximately seven years remaining on the term. A summary of the Town's operating debt service is as follows:

Town of Mammoth Lakes - Debt Schedule

DEBT	PURPOSE	INITIAL DEBT AMOUNT	ANNUAL PAYMENT FY20-21	TERM	END DATE	INTEREST RATE	SOURCE OF PAYMENT
Lease Revenue Bond (2015)	Refinance COP and Police Facility Funding	$ 3,550,000	$ 314,608	15 Years	FY2029-30	3.51%	General Fund Fund 100
Installment Sales Agreement (2017)	Multi Use Facility	$ 5,500,000	$ 612,733	10 Years	FY2027-28	2.23%	Measure R Fund 216
Taxable Judgment Obligation Bonds (2017)	MLLA Debt	$ 23,995,000	$ 1,867,037	18 Years	FY2035-36	1.750% increasing 0.25% each Year to a maximum interest rate of 4.375%	General Fund Fund 100
CFD 2001-1 Refunding Bonds, (2016)	North Village Development	$ 6,626,919	$ 512,838	17 Years	FY2033-34	3.31%	North Village Assessment District Fund 854
2004 Reassessment Refunding Bonds	Bluff's Development	$ 2,704,934	$ 208,394	19 Years	FY2023-24	4.40%	Bluffs Assessment District Fund 852
Total		**$ 42,376,853**	**$ 3,515,610**				
	General Fund Debt		**$ 2,181,645**				
	Measure R Debt		**$ 612,733**				
	Assessment District Debt		**$ 721,232**				

This fund also includes a future capital component for technology improvement or minor facility improvements. The tentative budget included an update of Fund 205 solid waste including a capital project to improve the storage sites the Town purchased in the Industrial Park. This construction project has a benefit to the Town and therefore requires some funding from the General Fund to complete the project. In FY20-21 the annual $2M MLLA settlement payment transferred into the fund, was reduced to by approximately $132,000. Staff is recommending the full $2M transfer be reinstated this year. The additional funding is used to meet smaller capital project requirements or equipment replacement. FY21-22 staff is recommending a transfer of $100,000 from the future capital portion of this fund to support the project improving lots at the Sierra Business Park. The $100,000 recommended transfer will leave an increase in fund balance of $32,963 for FY21-22.

CONCLUSION

This concludes our annual budget process for FY21-22. In total, the Town's budget is comprised of $71,448,782 in total resources (Revenue and Transfer In) and $70,713,711 in total appropriations leaving a positive change in fund balance of $735,040 across 40 Funds. Attached to the staff report is a line item detail of the proposed budget. Staff has put considerable effort in delivering a thorough and thoughtful budget through a collaborative process including town leadership as well as Council direction. Once a final budget is adopted, staff will begin work on a budget book to aid in public understanding of our budget details along with department goals and objectives for FY21-22.

Staff is committed to working within the Towns' financial limits and the policy direction provided by Town Council as we provide services to our community.