

TOWN COUNCIL STAFF REPORT

Title: Presentation of Pre-Audit Financial Results for Fiscal Year 23-24, Fund Balance, Projects and Continuing Commitments.

Meeting Date: November 20, 2024

Prepared by: Rob Patterson, Town Manager

RECOMMENDATION:

Staff Recommends the Town Council receive the pre-audit actual financial presentation for Fiscal Year 23-24 and adopt the resolution amending the FY24-25 budget as recommended on Attachment A

BACKGROUND:

Fund balance is the difference between revenue generated and expenses incurred in a particular fund. These balances can grow if generated revenue exceeds expenses or decline in a planned use of fund balance or an unexpected economic downturn. Any available fund balance is retained in the fund where it was generated, if restricted, or can be allocated to other funds if unrestricted. Most of the discussion around staff recommendations are for General Fund, unrestricted, fund balance and use to support strategic Town Council initiatives.

An audit of the Town's financial transactions is completed by an independent auditor each fiscal year. In preparation for the audit, staff works to finalize all financial transactions and in doing so prepares a pre-audit actual for Town Council to consider. This provides the Council with an opportunity to review the prior year-end balances, to ratify adjustments to fund balances, to carry over funds for encumbrances, and review staff recommendations on remaining balances. The pre-audit financials are included in this report. The report provides an overview of all the Town's funds with information provided as appropriate and staff recommendation for allocation of existing fund balances. The overview will provide the Council with a "snapshot" of the Town's financial position by fund as of June 30, 2024.

ANALYSIS/DISCUSSION:

The review of our financial performance always begins with General Fund. Most of the activity is captured in this fund as it provides financial support for Town operations and can provide funding for the shortfall of other restricted funds throughout the year. Transient Occupancy Tax, the main driver of General Fund revenue, had another strong performance year in FY23-24 with \$27.67M received against a budget of \$18.0M. This unallocated revenue is available for allocation by Town Council to fund projects with one-time funding to further strategic priorities and our Capital Improvement Program (CIP). Funds are allocated throughout the year as part of regular budget updates. These one-time contributions are a way to fund projects without incurring ongoing annual expenditures within the operating budget.

As stated above, review of fund balances involves a review of both revenue and expenditures to determine how all financial transactions impacted fund balance for the year. While the revenue was very strong for FY23-24, and expenses were kept within or close to budget, the fund balance for General Fund increased by \$2,602,266. The Town Council did allocate realized revenues and expenses during the year

so this final increase in fund balance does not capture the entire community benefit realized in FY23-24. In total, through these quarterly budget reviews, the Town Council allocated a total of \$15,325,500 in General Fund through the quarterly review process.

General Fund Allocated during Quarterly Presentations

Financial Presentation	Unallocated TOT Budget	Other Revenue Realized	One-Time Allocations (Projects, Programs, and Acquisitions)	Committed Reserves (Housing, Transit, Tourism)
Quarter 1 - December 6, 2023			\$ 3,644,400	\$ -
Quarter 2 - March 20, 2024	\$ 5,000,000		\$ 4,600,000	\$ 1,557,600
Quarter 3 - May 15, 2024	\$ 2,000,000		\$ 1,376,900	\$ 623,100
Quarter 4 - September 4, 2024	\$ 2,400,000	\$ 3,524,500	\$ 2,775,900	\$ 747,600
Total Allocation	\$ 9,400,000	\$ 3,524,500	\$ 12,397,200	\$ 2,928,300
Total General Fund Allocated in FY23-24				\$ 15,325,500

It is customary through prudent financial analysis that some funds are unallocated to provide a cushion for unforeseen events. It is not until the final review of the year, where pre-audit analysis is completed that any additional funds are available. As noted above, in FY23-24, there was a balance of \$3,644,400 available from FY22-23, which was recommended for allocation during the fund balance discussion last year. This year another \$2,845,586 is available and recommended for allocation in this presentation. Staff will make recommendations based on Town Council strategic priorities and key objectives.

Fund Balance - General Fund

As of June 30, 2024

Fund 100 - General Fund	Balance
Total Fund Balance as of 6/30/2023	\$ 15,058,115
Net change to fund Balance from FY 23-24 Activity	\$ 2,602,266
Projected Fund Balance as of 6/30/2024	\$ 17,660,381
Reserve for Economic Uncertainty (REU) - Committed	\$ 6,343,767
Operating Reserve (OR) - Committed	\$ 1,500,000
Debt Reserve (DR) - Committed	\$ 1,100,000
Housing Reserve - Assigned	\$ 1,331,817
Transit Reserve - Assigned	\$ 2,635,231
Tourism Reserve - Assigned	\$ 1,903,981
Unrestricted Fund Balance FY23-24	\$ 2,845,586

This fund balance of \$2,845,586 does not include items listed above as Un-spensible, Committed, or Assigned as they are not available for use of fund balance. However, the balance does include items committed in the prior year, by contract, project, or other allocation, to be expended in FY24-25. These items are identified below and will require the fund balance necessary to cover those expenditures to be reserved for such purposes. The carryover commitments are listed below and the total of \$150,000 will reduce available fund balance to \$2,695,586.

Carry Over Commitments FY23-24	
Item	Amount
ESCCRP - Fuel Reduction Project - 100-413-43031	\$ 150,000
Total Carry over from prior year	\$ 150,000
Available Fund Balance from FY23-24 Activity	\$ 2,695,586

The carryover for the fuels reduction project is a part of commitment made earlier in FY23-24 that was not paid until the new year (August 2024). Since these funds were allocated for this purpose, staff is carrying over the funding to cover these expenditures.

Staff Recommendations

There are a few one-time funding needs that staff are recommending for Council consideration. They include General Fund support for Housing NOW! programs, Future Capital, critical staff acquisition and training, equipment purchases and other expenses. Projects are listed below in order of priority.

Housing Now! – Small Site Development

The Town has been successful in addressing the needs of our lowest income earners with the restricted funding opportunities provided by State grants. These elements were key in the development of the first two phases of the Parcel. However, these programs are limited to 80% of Area Median Income (AMI) which is not a large percentage of the need within our community. The Town also has the desire to increase long-term housing through home ownership. Our target AMI is 150% to 200% and the bulk of the success in these areas is our Bridge Program but that is a one unit, one family approach. Our small site development seeks to obtain land for building larger scale projects. Our typical subsidy per unit in the Bridge Program is \$150,000 for which the Town obtains a deed restriction for the contribution of those funds. The Town does have a number of opportunities to build with recently acquired land as well as phase 3 of the Parcel. Staff is actively seeking a partnership to build these units within the affordability and subsidy level that is achievable. The goal is to generate \$7.0M in funding for this element of Housing Now! over the next 6 months. To that end, staff is recommending four sources of funding to achieve that goal. The first three elements are \$1.0M allocated from the General Fund, \$1.3M from the Tourism reserve, and \$1.2M from the Housing reserve. These three allocations are recommended in this fund balance presentation and will generate half of the goal. The remaining funds can be allocated from the Housing Now! – undesignated fund balance, currently with \$5.6M in available funds. Staff would recommend this once a suitable plan is developed with an effective partnership for construction.

Future Capital – MACC Construction for DSA oversight

The Division of State Architects (DSA) provides design and construction oversight for K-12 schools, community colleges, and various other state owned or state leased facilities to ensure that they comply with all structural, accessibility, and fire and life safety codes. The MACC design was completed earlier this year to meet original design goals while remaining affordable for construction in our area. However, during the due diligence phase of review, a concern was raised that this project could qualify for this oversight based on the fact it was funded by school bond for construction. The grant of \$7.5M from

Kern Community College District (KCCD) is a key element in our ability to construct as designed. When DSA oversight is required, the cost of construction can increase by as much as 30% due to the higher classification of safety the building will require and the onsite construction review. We continue to work with DSA to determine if this is required; however, staff are recommending we set aside \$1,350,000 to cover these additional costs. Our desire is to secure necessary funding and move forward with the purchase and sale agreement to obtain the property and prepare bid documents for construction. The anticipated cost escalation is roughly 5% per year so any delays are costly.

Police Recruits

Staffing levels within the Police Department have always been right at the minimum required to maintain the schedule the Town desires. This minimum staffing does not allow for any long-term absences, due to illness or otherwise. We have experienced these types of events and are currently operating at a 20-hour per day schedule. Previously we could attract a lateral police officer to fill vacant positions; however, this is becoming more competitive, and we are less likely to obtain the resources when we need them. The decision to seek the position of Police Recruit will have many benefits. We are able to look at local candidates who may already have deep connections to the community and likely already have local housing. They also obtain training for a career; one they may not be able to obtain on their own and they would remain committed to our organization for the opportunity. The process takes approximately one year to complete academy training and finish on the job training with our Field Training Officers. This is not a quick process to solve our staffing issues, but an approach we believe will build stability in the Department. Staff is recommending \$145,000 be allocated to this process, which will include a portion of the wages and academy costs for three recruits, related to FY24-25 budget cycle. Staff will include the remaining cost in the next operational budget.

Airport Equipment

The Airport is in need of two vehicles to replace several existing and beyond end-of-life equipment. Historically the Airport has funded equipment through grant activities with the FAA. They have also received vehicles that were handed down from other departments as they were replaced through the Town's vehicle replacement program. Because of those actions, there are very few vehicles at the Airport that are a part of our traditional replacement program. The recommendation here is to fund one new pickup truck and a general command vehicle for response and staff transportation. Once these vehicles are acquired, they will be a part of the vehicle replacement program, similar to recent acquisitions. Staff is recommending \$125,000 be allocated for the purchase of these vehicles.

Maintenance Contract – Main Street Landscaping

This last summer, the Town completed a landscaping project for Main Street. We expect this work to need an annual refresh as we bring things back to standards, deal with winterization of all irrigation systems and general care and maintenance. This plan also includes mowing and landscaping work at Mammoth Creek Park (CRC). Staff did a request for proposals with the one responsive bidder quoting \$75,000 per year. The recommendation is to fund the efforts for FY24-25 and include in the annual budget process moving forward.

Staff Recommendations

One Time Funding and Project Recommendations

Item	Amount
Future Capital - MACC for DSA oversight	\$ 1,350,000
Housing Now! - Small Site Development - Home Ownership 150% - 200% AMI	\$ 1,000,000
3 Recruits through the Police Academy	\$ 145,000
Maintenance Contract for Main Street (FY24-25 only)	\$ 75,000
Airport Equipment (Pickup Truck and Command Vehicle)	\$ 125,000
Total One Time Funding and Project Recommendations	\$ 2,695,000
Total Staff Recommendations	\$ 2,695,000
Remaining Unassigned Fund Balance FY23-24	\$ 586

Other Reserve funds held in General Fund

Town Council has also committed some of the reserve accounts (Housing, Transit, and Tourism) that are listed below and will be discussed in the reserve account discussion below. These items only effect the available reserve account balance and have no impact on the available fund balance listed above.

Reserve Account Carry Over Commitments FY23-24

Item	Amount
Housing Reserve - Carry Over - Detail included in Housing Reserve Reconciliation	\$ 10,000
Transit Reserve - Carry Over - Detail included in Transit Reserve Reconciliation	\$ -
Tourism Reserve - Carry Over - Detail included in Tourism Reserve Reconciliation	\$ 350,000
	\$ 360,000

Housing Reserve

This reserve account is considered "Assigned Fund Balance" within the General Fund and is included in the overall fund balance of \$17,660,381 listed above. The housing reserve was established to provide funding for housing projects and is based on the normal allocation of TOT for housing which is .85 points or 6.54% of TOT collected. The housing reserve receives this same rate of allocation on any TOT received above the adopted budget for the fiscal year. Below is a reconciliation of the housing reserve for FY23-24. This reconciliation includes a carryover or allocation of \$10,000 from the prior year. The \$10,000 deed monitoring program invoice is still outstanding at the time of this report. The unallocated reserve balance of \$1,321,817 is available for Town Council allocation to Housing programs. Staff is recommending \$1.2M of those available funds be allocated to Housing Now! Parcel phase 3 or small site development to support home ownership in the 150% - 200% AMI. The narrative for this allocation was described above where a similar recommendation was made from available General Fund.

Housing Reserve

As of June 30, 2024

Item	Amount
FY22-23 Housing Reserve Fund Balance	\$ 922,528
General Fund Contribution - Housing FY23-24	
General Fund TOT Budget = \$18,000,000	
Housing Allocation (revenue) calculated as $+\$18.0M / 13 * .85 =$	\$ 1,176,923
Excess TOT \$9,666,700 over budget provided additional allocation	\$ 632,053
Total FY23-24 Revenue for Housing	\$ 1,808,976
Expenditures	
Housing NOW! - Transferred to Housing Programs Fund 245	\$ 810,694
Budget Transfer - Unallocated Housing Revenue (\$585,694)	
Rental Subsidy - year 1 - 50% (\$225,000)	
MLH Contract	\$ 336,000
Staff Time	\$ 174,379
BAE Urban Economics - STR Analysis	\$ 40,525
Bigwood #91 Escrow	\$ 16,950
Insurance Deductible - 550 Mono St I101	\$ 10,000
TOML for Clerk Services	\$ 10,000
Advertising & Legal Notices	\$ 1,139
	<u>\$ 1,399,687</u>
Housing Expenditures FY23-24 YTD	\$ 1,399,687
Projected Housing Reserve Fund Balance	\$ 1,331,817
Carry over or Anticipated Items	
Deed Monitoring Program - For FY23-24	\$ 10,000
	<u>\$ 10,000</u>
Available Housing Reserve Fund Balance	\$ 1,321,817
Staff Recommendation	
Housing Now! - Small Site Development - Home Ownership 150% - 200% AMI	\$ 1,200,000
Available Housing Reserve Fund Balance	\$ 121,817

Transit Reserve

This reserve account is considered "Assigned Fund Balance" within the General Fund and is included in the overall fund balance of \$17,660,381 listed above. The transit reserve was established to provide funding for transit projects and is based on the normal allocation of TOT for transit which is .85 points or 6.54% of TOT collected. The transit reserve receives this same rate of allocation on any TOT received above the adopted budget for the fiscal year. Below is a reconciliation of the transit reserve for FY23-24. This reconciliation has no carryover of anticipated items to include. The reserve balance of \$2,782,422 remains available for Town Council allocation to transit related items. The Eastern Sierra

Transit Authority (ESTA), which provides public transportation services within the Town, is requesting an allocation of funds to replace their aging fleet of buses. The recommendation is for the replacement of 6 buses with an approximate cost of \$4.8M. Staff is recommending an allocation of \$2.3M from available transit reserves for this purpose. ESTA will use these funds, combined with their own reserve and other grant funds to complete the purchase.

Transit Reserve
As of June 30, 2024

Item	Amount
FY22-23 Transit Reserve Fund Balance	\$ 1,920,069
General Fund Contribution - Transit FY23-24	
General Fund TOT Budget = \$18,000,000	
Transit Allocation (revenue) calculated as +\$18.0M / 13 * .85 =	\$ 1,176,923
Transit Fee (Actual)	\$ 147,191
	\$ 1,324,114
Excess TOT \$9,666,700 over budget provided additional allocation	\$ 632,053
Total FY23-24 Revenue for Transit	\$ 1,956,167
Expenditures:	
ESTA Contract	\$ 1,089,283
Public Utilities	\$ 2,953
Street Sign Replacement	\$ -
Transit Building Maintenance	\$ 1,339
Supplies	\$ 240
	\$ 1,093,815
Transit Expenditures FY23-24 YTD	\$ 1,093,815
Projected Transit Reserve Fund Balance	\$ 2,782,422
Carry over or Anticipated Items	\$ -
Available Transit Reserve Fund Balance	\$ 2,782,422
Staff Recommendation	
Capital Funding for Bus replacement in the Town of Mammoth Lakes	\$ 2,300,000
Available Housing Reserve Fund Balance	\$ 482,422

Tourism Reserve

This reserve account is considered “Assigned Fund Balance” within the General Fund and is included in the overall fund balance of \$8,780,650 listed above. The tourism reserve was established to provide

funding for tourism expenditures and is based on the normal allocation of TOT for tourism which is 2.35 points or 18.08% of TOT collected. The tourism reserve receives this same rate of allocation on any TOT received above the adopted budget for the fiscal year. Below is a reconciliation of the tourism reserve for FY23-24. This reconciliation includes a carryover of \$350,000 from the prior year and previous Town Council action in FY23-24. On October 5, 2022, Town Council authorized \$300,000 from this reserve be allocated to a three-year sponsorship agreement with the LA Kings; \$100,000 remains in carry over. In September 2024, the Town Council authorized \$200,000 for a Destination Management Plan from these available funds. The reserve balance of \$1,553,981 remains available for Town Council allocation. Staff is recommending \$1.3M of those available funds be allocated to Housing Now! Parcel phase 3 or small site development to support home ownership in the 150% - 200% AMI. The narrative for this allocation was described above where a similar recommendation was made from available General Fund and Housing Reserve. In total, staff is recommending \$3.5M for this important Housing Now! initiative.

Tourism Reserve

As of June 30, 2024

Item	Amount
FY22-23 Tourism Reserve Fund Balance	\$ 1,137,147
General Fund Contribution - Tourism FY23-24	
General Fund TOT Budget = \$18,000,000	
Tourism Allocation (revenue) calculated as +\$18.0M / 13 *2.35 =	\$ 3,253,846
	\$ 3,253,846
Excess TOT \$9,666,700 over budget provided additional allocation	\$ 1,747,442
Total FY23-24 General Fund Revenue for Tourism	\$ 5,001,288
Expenditures:	
Mammoth Lakes Tourism Contract	\$ 1,725,000
Housing NOW! - Program Support - Transferred to Fund 245 - Housing Programs	\$ 1,093,800
Budget Transfer - Unallocated Tourism Revenue (\$868,800)	
Rental Subsidy - year 1 - 50% (\$225,000)	
MLT Payment for Air Service Subsidy	\$ 450,000
Payment to Chamber of Commerce	\$ 300,000
OCR World Championships - Community Support	\$ 200,000
Tree Lighting - Capital Projects	\$ 115,000
MLT Payment for Trail Hosts	\$ 100,000
MLT Payment to LA Kings per contract	\$ 100,000
Litigation Support	\$ 63,654
MLT Payment to Fish Stocking	\$ 50,000
Street Animation - Snowflakes	\$ 27,000
TOML for Clerk Services	\$ 10,000
	\$ 4,234,454
Tourism Expenditures FY23-24	\$ 4,234,454
Projected Tourism Reserve Fund Balance	\$ 1,903,981
Carry over or Anticipated Items	
New LA Kings Sponsorship agreement for CRC - Using Carry over from previous contract	\$ 100,000
Litigation Reserve	\$ 50,000
Destination Management Plan (4th qtr review)	\$ 200,000
	\$ 350,000
Available Tourism Reserve Fund Balance	\$ 1,553,981
Staff Recommendation	
Housing Now! - Small Site Development - Home Ownership 150% - 200% AMI	\$ 1,300,000
Available Housing Reserve Fund Balance	\$ 253,981

Other Key Funds

Fund 105 – Emergency Response

In the fourth quarter of FY2019-20 the Town established a new fund, 105 – COVID-19 Response, to track the funding used to fight this health emergency. There were a number of revenue sources used to start the fund and staff have tracked the expenses and reimbursement through this fund. In 2022 staff renamed this fund for use on all emergency response accounting. The current balance of \$74,022 is a combination of general fund support and reimbursement from various agencies. Below is a reconciliation of this fund for the prior year as expenses and reimbursement were realized from the winter storm 2023 response. Staff recommends the fund balance remain in this fund for future emergency response that may be necessary.

Emergency Response

As of June 30, 2024

Item	Amount
FY22-23 Emergency Response Fund Balance	\$ 54,345
Revenue	
Insurance Reimbursement	\$ 1,236,536
Transfers in	\$ 136,000
FEMA Reimbursement	\$ 21,304
State Grant - Emergency Response	\$ 5,326
Total FY23-24 Revenue for Emergency Response	\$ 1,399,165
Expenditures:	
Storm Road Repair	\$ 598,359
Storm Traffic Signal Repair	\$ 418,826
Storm Airport Emergency Repair	\$ 213,751
Special Operational	\$ 75,265
Storm Emergency Response	\$ 73,287
	\$ 1,379,488
Total FY23-24 Expenditures for Emergency Response	\$ 1,379,488
Projected Fund Balance for Emergency Response	\$ 74,022
Carry over or Anticipated Items	\$ -
Available Fund Balance for Emergency Response	\$ 74,022

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. Solid Waste Parcel fees levied in Mono County were previously shared with the Town to assist in post closure costs of the Benton Crossing Landfill; however, in FY21-22 the agreement expired and no funds from this parcel tax were shared with the Town in FY23-24. Staff has negotiated a new agreement that will return a portion of the revenue to the Town in FY24-25. This fund has an available balance of \$1,093,701 with no carryover commitments. These funds are restricted in use to support recycling efforts and solid waste related services.

Solid Waste Fund 205

As of June 30, 2024

Item	Amount	
FY22-23 Solid Waste Fund Balance	\$	902,296
Revenue		
Cal Recycle Grant	\$	210,352
AB939 Fee Collected (Recycling) - Waste Connection	\$	134,128
Interest on Investments	\$	39,566
Facility Rental	\$	14,400
Total FY23-24 Revenue for Solid Waste	\$	398,446
Expenditures:		
Disposal Fees	\$	93,821
Recycling	\$	48,686
Special Operational	\$	34,473
Staff Time	\$	11,942
Sierra Business Park - Owners Association - HOA	\$	9,948
Machinery & Equip - Capital	\$	5,688
Education and Outreach	\$	1,583
Advertising & Legal Services	\$	900
	\$	207,042
Total FY23-24 Expenditures for Solid Waste	\$	207,042
Projected Solid Waste Fund Balance	\$	1,093,701
Carry over or Anticipated Items		
	\$	-
Available Solid Waste Fund Balance	\$	1,093,701

Fund 210 – Gas Tax

Gas Tax fund is designed to capture the cost of road maintenance and snow removal. As the name implies, the major source of funding is California State Gas Tax. The tax revenue covers approximately 50% of snow removal cost for the Town. In addition, some portion of tax revenue funds road projects and updates. The snow removal reimbursement is delayed a year as reporting and reconciliation is provided by the State. The Town will continue to budget a normal year for snow and a normal year for snow removal gas tax as to avoid a whipsaw effect of this variable revenue stream. In addition to the snow removal support, the engineering team has been busy this last year with significant road projects, some of which were funded from Gas Tax. The reconciliation below shows, in summary, the revenue and expenditures of this fund and any funds allocated by previous Town Council action have been moved to capital projects, meaning no carry over is identified. The current balance of \$2,425,424 is available for future road projects or up-front funding of a heavy snow year. There is no carry over items or staff recommendations for this fund.

Gas Tax - Fund 210

As of June 30, 2024

Item	Amount
FY22-23 Gas Tax Fund Balance	\$ 2,425,011
Revenue	
General Fund Support	\$ 3,388,020
Gas Tax - Snow Removal	\$ 1,724,600
Gas Tax - Road	\$ 230,958
Gas Tax - SB1	\$ 184,168
Snow Management & Charges for Services	\$ 123,097
Interest on Investments	\$ 115,163
Garage Services Support	\$ 72,119
Refunds and Rebates	\$ 57
Total FY23-24 Revenue for Gas Tax	\$ 5,838,183
Expenditures:	
Snow Removal	\$ 2,128,818
Winter Equipment - Garage	\$ 1,479,364
Street Maintenance	\$ 1,343,377
Summer Equipment - Garage	\$ 741,973
Garage Operations	\$ 144,239
	\$ 5,837,770
Total FY23-24 Expenditure for Gas Tax	\$ 5,837,770
Projected Gas Tax Fund Balance	\$ 2,425,424
Carry over or Anticipated Items	
	\$ -
Available Gas Tax Fund Balance	\$ 2,425,424

Fund 215 – Measure R Trails

This fund is one of two that account for our Measure R restricted funds. The revenue from this fund comes from an annual allocation from Measure R – Sales Tax. In addition to these annual commitments, an additional \$250,000 in one-time funds for capital projects were committed at Council direction in FY23-24. There is a planned use of fund balance with ongoing trails construction as outlined in the Trails System Master Plan. The plan includes concepts the team develops into prioritized projects. The available fund balance at the close of FY23-24 is \$842,947 with no identified carryover commitments.

Measure R - Trails - Fund 215

As of June 30, 2024

Item	Amount	
FY22-23 Measure R - Trails Fund Balance	\$	526,758
Revenue		
Measure R - Support for Trails	\$	300,000
Measure R - Support Future Trail Construction	\$	250,000
Interest on Investments	\$	39,831
Total FY23-24 Revenue for Measure R - Trails	\$	589,831
Expenditures:		
Contract Work	\$	121,246
Staff Time	\$	114,097
Supplies	\$	25,533
Signage Maintenance	\$	10,254
Training & Meetings	\$	2,460
Membership Dues	\$	25
	\$	273,615
Total FY23-24 Expenditure for Measure R - Trails	\$	273,615
Projected Measure R - Trails Fund Balance	\$	842,974
Carry over or Anticipated Items		
	\$	-
Available Measure R - Trails Fund Balance	\$	842,974

Fund 216 – Measure R

This fund is one of two that account for our Measure R restricted funds. This fund provides debt service payments for the Community Recreation Center (CRC), support for the Town’s Office of Outdoor Recreation and other recreation related projects. In FY22-23, the Town requested funds that would normally support Whitmore and Trails End Park be transferred to Fund 858 in support of the CRC operations. This transfer of \$112,000 contributes to the operational expenses. The Town absorbed the expense previously committed from Measure R for the maintenance of those parks in the General Fund. The projected balance in this fund is \$3,172,993 with no carry over commitments. This remaining available fund balance remains open to MLR recommendation and Town Council action to commit to recreation-based projects.

Measure R - Fund 216

As of June 30, 2024

Item	Amount
FY22-23 Measure R Fund Balance	\$ 2,562,677
Revenue	
Sales Tax	\$ 2,189,571
Grant Reimbursement - MLR Sherwin Trail Planning	\$ 349,747
Interest on Investments	\$ 155,545
General Fund Support - Sherwin Trail Planning	\$ 50,000
Total FY23-24 Revenue for Measure R	\$ 2,744,863
Expenditures:	
CRC - Debt Service	\$ 613,482
Capital Project - CRC Interior	\$ 350,000
Measure R - Trails	\$ 300,000
Stantec Consulting Services	\$ 263,326
Measure R - Trails (Future Construction)	\$ 250,000
CRC - Operations Support	\$ 112,000
Mammoth Lakes Recreation	\$ 100,500
Measure R - Office of Outdoor Trails Manager	\$ 100,000
Measure R - Office of Outdoor Recreation Manager	\$ 25,000
Town Clerk Fees	\$ 10,000
Supplies - Recreation Programs	\$ 4,516
Audit Services	\$ 4,500
Salaries - Parks Maintenance	\$ 1,223
	\$ 2,134,547
Total FY23-24 Expenditure for Measure R	\$ 2,134,547
Projected Measure R Fund Balance	\$ 3,172,993
Carry over or Anticipated Items	
	\$ -
Available Measure R Fund Balance	\$ 3,172,993

Fund 217 – Measure U

This fund finished the year with a restricted fund balance of \$3,393,400 with some carryover commitments from prior Town Council action. The Town Council had previously committed \$2.5M to MACC construction. This original commitment was increased by \$300,000 as part of the FY22-23 budget review and again by \$300,000 for the FY23-24 budget allocation. As the MACC construction is getting closer to reality, Town Council made additional commitments of \$1.0M from available fund balance during the FY24-25 budget process. In total \$2.8M remains in the fund balance committed to this project. With the carryover considered, the remaining unallocated balance of \$593,400 remains

available to MLR recommendation and Town Council action to commit to mobility, recreation, and arts & culture-based projects.

Measure U - Fund 217

As of June 30, 2024

Item	Amount
FY22-23 Measure U Fund Balance	\$ 3,019,684
Revenue	
Utility Tax - Electricity	\$ 968,494
Utility Tax - Gas	\$ 240,119
Interest on Investments	\$ 221,683
Utility Tax - Telephone	\$ 79,074
Grant Refund	\$ 13,074
Total FY23-24 Revenue for Measure U	\$ 1,522,445
Expenditures:	
Programming Allocations	\$ 427,550
Capital Project - Outdoor Ampitheater	\$ 300,000
Capital Project - MACC	\$ 300,000
Measure U - Office of Outdoor Recreation Coordinator	\$ 75,000
Measure U - Office of Outdoor Recreation Manager	\$ 25,000
Measure U - Support Edison Theater	\$ 15,000
Audit Services	\$ 4,500
Recreation Supplies	\$ 1,638
	\$ 1,148,688
Total FY23-24 Expenditure for Measure U	\$ 1,148,688
Projected Measure U Fund Balance	\$ 3,393,440
Carry over or Anticipated Items	
Prior Allocation - Performing Arts Auditorium (MACC) construction	\$ 1,800,000
Allocation of FY24-25 Operational hold aside to MACC construction	\$ 300,000
Allocation of Fund Balance per FY24-25 adopted budget to MACC construction	\$ 700,000
	\$ 2,800,000
Available Measure U Fund Balance	\$ 593,440

Fund 220 – Airport Restricted Revenue Fund

This Restricted Revenue fund means that part of the funding revenue comes from charges to external users for goods and services. This fund receives support and ongoing commitment from the General Fund and FAA grant revenues. This fund consists of activity from Airport Operations, Air Subsidy commitments, as well as Airport Capital Projects. All funds transferred to the Airport remain in this fund, designated for future capital projects. In FY23-24, the operational support normally provided by General Fund was covered, in part, by the FAA grant funding. During the pandemic, the FAA generously

provided over \$3.2M in operational funding for MMH. In FY23-24, these contributions and the operational performance provided \$146,110, recommended for capital projects.

Fund Balance - Airport Restricted Revenue Fund

As of June 30, 2024

Fund 220 - Airport Operating Fund	Balance	
Operating Expenses	\$	1,519,419
Operating Revenue	\$	317,698
General Fund Allocation - Airport Operations	\$	943,007
General Fund Allocation - Maintenance and Equipment	\$	140,000
FAA Grant Operations ACRGP	\$	300,000
Interest	\$	104,823
Operating Revenue Total	\$	1,805,529
Carry over or Anticipated Items		
Airport Equipment - In transit	\$	140,000
Transfer to Capital Projects	\$	146,110
Operating Fund Balance	\$	-

The Town Council has contributed Tourism Reserve support for air service subsidy. Staff is accounting for this allocation in fund 220 as a committed fund balance. Below is a reconciliation of transactions for air service subsidy funded by the Town. The majority of subsidy is provided by Mammoth Lakes Tourism (MLT) with additional contributions made from partners like Inyo and Mono Counties.

Fund 220 - Air Service Subsidy	Balance	
Air Service Subsidy Balance - FY22-23	\$	500,000
Revenue		
Transfer in from Tourism Reserve	\$	450,000
Expenditures		
Air Subsidy - Advanced Air 23/24 Season	\$	300,000
Air Subsidy - BIH Winter 23/24 Season	\$	196,000
	\$	496,000
Air Subsidy Fund Balance	\$	454,000

The Airport performed extensive work on capital projects for FY23-24, working on six projects resulting in capital project expenditure of \$454,450. These projects are funded using AIP Grant Revenue, Restricted Passenger Facility Charge (PFC), and use of fund balance. The cumulative effect of this project work and grant revenue brings the capital reserve to \$1,735,415, with an overall fund balance of \$2,329,415.

Fund 220 - Airport Capital Projects		
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Prior Capital Reserve - FY22-23	\$	1,659,855
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Funding Sources - Capital Project Revenue		Amount
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AIP 48 - Grant - AWOS	\$	248,989
AIP 52 Terminal and GA Parking	\$	108,701
AIG 51 Accrual	\$	26,210
	\$	383,900

Excess Revenue from Operations (Transferred from Operations at	\$	146,110
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Funds Available for Projects	\$	2,189,865
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Project Description		Amount
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Staff Cost not tied to specific project	\$	6,251
AIP 48 - Relocate and Upgrade AWOS (Activity Code 94242)	\$	275,421
AIP 52 - Terminal and GA Parking Lot Reconstruction (Activity Cod	\$	36,645
AIP 23-02 - Multipurpose Building Design (Activity Code 94244)	\$	98,850
Advertising	\$	1,080
Undesignated Engineering Services	\$	4,818
Pavement Maintenance Analysis April 2024	\$	28,911
Sage Grouse Analysis	\$	2,475
Total Expenditures for Projects and Acquisitions	\$	454,450

Remaining Capital Reserve for future projects	\$	1,735,415
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Total Airport Fund Balance	\$	2,329,415
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Airport Fund Balance		
Operating Fund Balance - Carry Over	\$	140,000
Air Subsidy Funds	\$	454,000
Unrestricted Capital Funds	\$	1,735,415

Fund 245 – Housing Programs

The Housing Program fund has been used for several years to track grant funding for first time buyers and Mammoth Lakes Housing buyback program for deed restricted properties. In FY20-21, staff adjusted the fund to include other housing programs and has recommended that all housing related allocations be transferred to this fund for better tracking. With this change, along with a strong commitment to Town Council priorities to address community housing needs, Town Council has allocated unprecedented funding for this purpose. Staff has developed the Housing Now! Initiative which is a multi-program approach to meet local housing needs. This includes subsidized sales of deed restricted property, as well as acquisition of land for development, housing development and funding of partnership projects. The reconciliation below shows some traditional elements of the fund and additional General Fund contributions and their designated projects.

Housing Programs - Fund 245

As of June 30, 2024

Item	Amount
FY22-23 Housing Programs Fund Balance	\$ 13,959,444
Revenue	
Transfer In - General Fund	\$ 5,300,000
Transfer In - Tourism Reserve	\$ 1,093,800
Transfer In - Housing Reserve	\$ 810,694
Interest on Investments	\$ 650,204
In Lieu Affordable Housing	\$ 352,608
Bridge Loan Revenue 167 Meadow Lane #33	\$ 344,000
CDBG Grant Revenue	\$ 338,399
Bristlecone Apartments - Excess Cash Flow	\$ 172,211
Parcel Misc	\$ 27,778
Total FY23-24 Revenue for Housing Programs	\$ 9,089,694
Expenditures:	
Town Programs	
Town Program - Transfer to Capital Projects - Parcel	\$ 7,816,737
Town Program - 449 Sierra Manor Rd #12	\$ 666,983
Town Program - 1629 Majestic Pines Dr #91	\$ 561,921
Town Program - 1629 Majestic Pines Dr #101	\$ 473,172
Town Program - MLH Housing Project Innsbruck Lodge	\$ 400,000
Town Program - 362 Chaparral	\$ 353,796
Town Program - 377 Manzanita Purchase	\$ 353,248
Deed Restriction Monitoring	\$ 10,350
Town Program - Home Inspections	\$ 700
Town Program - Bigwood #91	\$ (877)
	\$ 10,636,030
CDBG	
CDBG - Salaries	\$ 71
CDBG - Home Buyer Assistance	\$ 144,550
CDBG - Playground - Park at the Parcel	\$ 194,709
CDBG - Grant Admin - MLH	\$ 8,538
	\$ 347,867
Total FY23-24 Expenditure for Housing Programs	\$ 10,983,897
Projected Housing Now! Fund Balance	\$ 12,065,241

Committed Elements of Fund Balance		
CDBG Program Income	\$	88,864
HOME Program Income	\$	190,305
Mammoth Lakes Housing - Access Apartments	\$	2,200,000
Bridge Program	\$	2,188,291
Revolving Loan Fund	\$	1,048,128
Employee Housing	\$	453,676
Creative Housing	\$	454,001
PLHA - Grant Program	\$	(198,000)
Placemates	\$	450,000
Housing NOW! Unallocated Program Funds	\$	5,189,976
Total Allocated in Fund Balance		\$ 12,065,241

Fund 858 – Fractional Mello Roos

This fund finished the year with a restricted fund balance of \$152,564. As the Community Recreation Center (CRC) completed its first year of operation, there were significant differences in the activity within this fund. This activity resulted in a growth of fund balance of \$110,000 for the year. As the CRC enters its second year of operation, staff expects a continued evolution of both revenue potential and refinement of operational expenses. To accommodate this evolving performance, staff is not recommending any allocation or adjustment to the fund balance.

Fractional Mello CFD 2004-1 - Fund 858

As of June 30, 2024

Item	Amount	
FY22-23 Fractional Mello CFD 2004-1 Fund Balance	\$	42,696
Revenue		
Operational - Fees and Charges	\$	362,569
Tax Assessment	\$	208,428
CRC Support - General Fund	\$	123,678
CRC Support - Measure R	\$	112,000
Corporate Sponsorship	\$	75,000
Community Donations	\$	27,850
Misc Revenue	\$	7,625
Interest on Investments	\$	4,899
Total FY23-24 Revenue for Fractional Mello CFD 2004-1	\$	922,049
Expenditures:		
Community Recreation Center		
Staff Time	\$	351,039
Public Utilities	\$	130,717
Machinery & Equipment - Non Capital	\$	80,142
Snow Removal	\$	71,077
Consulting - Ice Rink Management	\$	50,000
Supplies	\$	32,760
Maintenance	\$	30,879
Training & Printing	\$	25,831
Equipment Maintenance Agreements	\$	17,682
Misc Expenses	\$	9,386
Advertising & Legal	\$	7,490
Vehicle Charges	\$	5,179
	\$	812,181
Total FY23-24 Expenditure for Fractional Mello CFD 2004-1	\$	812,181
Estimated Current Fund Balance for FY23-24	\$	152,564
Carry over or Anticipated Items		
	\$	-
Estimated Available Fund Balance for Fractional Mello CFD 2004-1	\$	152,564

Assessment Districts

These districts exist to provide a funding source for improvement projects and maintenance of the property within the special district. These districts are reviewed on an annual basis considering the total funds available and the anticipated projects or maintenance needs. NBS consulting group performs an annual review of each district in order to recommend district assessments based on projected needs for

the coming year. Below is a chart of the current assessment district and their individual balances as of June 30, 2024.

Fund Balance - Assessment Districts

As of June 30, 2024

Assessment District	Balance
Fund 850 - Juniper Ridge	\$ 63,006
Purpose - Maintenance of landscaping, ornamental street lighting, street signs, snow stakes , and the decorative walls at the entrance.	
Fund 852 - Bluffs	\$ (3,196)
Purpose - Debt Service for the development costs of the Bluff's Subdivision.	
Fund 853 - Bluffs Maintenance	\$ 515,651
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.	
Fund 854 - North Village	\$ 674,048
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.	
Fund 856 - Old Mammoth Road	\$ 743,348
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.	
Fund 857 - Village Benefit	\$ 698,687
Purpose - Maintenance of irrigation and landscaping, street lighting, streets, sidewalks and driveways, curb and gutter, drainage facilities, and snowmelt tubing systems and appurtenant facilities.	
Fund 858 - CFD 2004-01 (Fractional Use)	\$ 152,564
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, cultural facilities, parks, parkways and various other facilities and equipment.	
Fund 859 - DIF in Lieu Mello Roos Tax	\$ 28,508
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.	

Assessment District	Balance	
Fund 860 - Transit Facilities	\$	98,587
Purpose - Contributes to the town-wide transit system.		
Fund 861 - Mammoth View	\$	87,588
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.		
Fund 862 - TOML Maintenance CFD	\$	44,058
Purpose - To finance the costs of plowing and removal of snow, and maintenance of curbs/sidewalks, landscapes and streetlights and related appurtenances, within or adjacent to the CFD		

Development Impact Fee Accounts

Development Impacts Fees continue to be recorded through the permit process within the Community Development Department. All funds collected are restricted for specific use intended under the Development Impact Fee schedule. The Town has experienced a growth in construction resulting in significant permit revenue for the Town. Below is the balance of each account as of June 30, 2024.

Fund Balance - DIF Accounts

As of June 30, 2024

The Development Impact Fees have been adopted to defray the cost of new development impacts on existing infrastructure that cannot be accommodated by the existing community. The fees are only for the reasonable incremental cost of new facilities that are required as the result of new development.		
	Estimated Fund Balance (Year End)	
Developmental Impact Fees		
Fund 830 - DIF Town Admin Overhead	\$	169,350
Purpose - This fee covers the cost of general administration of the article and any resolution adopted pursuant hereto. Administrative overhead includes, but is not limited to, performance of accounting tasks associated herewith, supervision and handling of funds, preparation and/or updating of master facilities plans, capital financing plans, justification reports and special studies related to development impact fee funded projects.		
Fund 831 - DIF General Facilities & Equipment	\$	393,517
Purpose - A development impact fee is established for general facilities, vehicles, equipment, and new town administrative offices.		
Fund 832 - DIF Law Enforcement	\$	10,011
Purpose - A development impact fee is hereby established for police facilities, vehicles, and equipment.		

Developmental Impact Fees	Estimated Fund Balance (Year End)	
Fund 833 - DIF Storm Drains	\$	342,433
Purpose - A development impact fee is established for storm drainage facilities.		
Fund 834 - DIF Parks and Recreation	\$	293,877
Purpose - A development impact fee is established for park land, parks, and recreation facilities.		
Fund 835 - DIF MCOE - Library	\$	308,358
Purpose - The Town collects the fees on behalf of the MCOE and the Town does not have jurisdiction over the amount or use of the fee.		
Fund 836 - DIF Streets & Circulation	\$	150,842
Purpose - This fee is the pro-rata share for new development for street infrastructure projects to maintain a circulation level LOS D for streets and intersections as described in the General Plan EIR.		
Fund 837 - DIF MCOE Childcare	\$	9,148
Purpose - The Town collects the fees on behalf of the MCOE and the Town does not have jurisdiction over the amount or use of the fee.		
Fund 838 - DIF Fire Facilities, Vehicles & Equipment	\$	71,251
Purpose - This fee is for new apparatus and Fire Station. The Town collects the fee on behalf of the Mammoth Lakes Fire Protection District and the Town does not have jurisdiction over the amount or use of the fee.		
Fund 838 - Airport Improvements	\$	15,710
Purpose - This fee is for updates to Airport facilities to support additional population. The Town no longer collects the fee per the 2015 DIF Study. Recommend the existing balance be used for a suitable project.		
Fund 840 - Public Art	\$	70,746
Purpose - This fee is to develop and maintain a visual arts program for residents and visitors, adding economic vitality to the community. This fee has been temporarily reduced since 2015 to provide staff time to evaluate and update the program.		
Fund 841 - DIF Transit & Trails	\$	733,286
Purpose - A development impact fee is established for trail construction and transit facilities.		

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. Typically,

the cost charged for services covers the expense incurred in Fund 910. There are two significant occurrences in this fund for FY23-24. The first is a full rebuild software that tracks both maintenance work and parts inventory. As a part of this project, staff rebuilt the inventory and removed any obsolete parts that remained in inventory resulting in a shrink associated with this purge. The second significant factor was the analysis of billing rate that occurred as part of the budget process for FY24-25. The previous billing rate of \$108 per hour had not been updated in several years. As a result, the cost of operating this department was not being recouped through the normal billing process. The rate has subsequently been increased to \$125 per hour starting in July 2024. Below is a reconciliation of all activity in this fund for FY23-24.

Garage Services - Fund 910

As of June 30, 2024

Item	Amount
FY22-23 Garage Services Fund Balance	\$ 3,316,208
Revenue	
Garage Services - ESTA	\$ 577,098
Garage Services - County	\$ 30,544
Garage Services - MLFPD	\$ 49,096
Garage Services - Schools	\$ 100,067
Garage Services - Round Valley	\$ 6,154
Internal Departments - Charges for Services	\$ 440,416
Interest on Investments	\$ 116,583
Total FY23-24 Revenue for Garage Services	\$ 1,319,957
Expenditures:	
Staff Time	\$ 1,080,516
Fuel	\$ 412,018
Parts	\$ 335,785
Facility & Training	\$ 99,576
Supplies & Uniform	\$ 12,366
Machinery & Equipment - Non Capital	\$ 39,800
	\$ 1,980,061
Total FY23-24 Expenditure for Garage Services	\$ 1,980,061
Projected Garage Service Fund Balance	\$ 2,656,105
Allocated Items	
Fuel & Parts Inventory	\$ 760,082
Accounts Receivable	\$ 199,851
Contracts and Long Term Liability	\$ 655,935
	\$ 1,615,868
Unallocated Garage Services Fund Balance	\$ 1,040,237.45

Fund 915 – Vehicle Replacement Fund

The vehicle replacement fund was new for FY21-22, separating vehicle replacement from garage services. This change was made to separate two diverse but equally important motor pool functions and provide clarity on the cost of operations for the unit. The vehicle replacement portion supports the purchase of a replacement vehicle once the existing piece of equipment has reached end of useful life. This is accomplished using a calculation to estimate required annual set aside to cover future replacement costs based on expected lifespan, original vehicle costs and annual CPI increases. The vehicle is assigned to a division which charges specific funds and departments who use the vehicle.

In FY23-24, the Town paid off all outstanding debt borrowed from this fund. That simplified the balance, removing any outstanding debt that was being held against the vehicles and only available cash remains in the accounting.

Vehicle Replacement - Fund 915

As of June 30, 2024

Item	Amount
FY22-23 Vehicle Replacement Fund Balance	\$ 10,837,779
Revenue	
Vehicle Replacement Charges	\$ 922,674
General Fund - Debt Payment Transfer In	\$ 501,977
Interest on Investments	\$ 273,364
General Fund - Addition to Fleet	\$ 160,000
Refunds & Rebates	\$ 70,000
Sale of Fixed Assets	\$ 5,903
Total FY23-24 Revenue for Vehicle Replacement	\$ 1,933,919
Expenditures:	
Vehicle Purchases	\$ 2,571,393
Additions to the Fleet	\$ 272,578
	<u>\$ 2,843,972</u>
Total FY23-24 Expenditure for Vehicle Replacement	\$ 2,843,972
Projected Vehicle Replacement Fund Balance	\$ 9,927,726
Allocated Items	
Vehicle Replacement	\$ 9,927,726
Unrestricted Cash - (\$9,927,725.66)	
Outstanding Balance - Internal Loan - (\$0)	
	<u>\$ 9,927,726</u>

Fund 980 – Future Capital Reserve

This fund was created in FY23-24 by separating elements of Fund 990. In previous years, fund 990 contained both debt service activities and a fund balance for future capital. As the complexity of tracking in future capital has increased, a separation of these elements has become necessary. To accomplish this separation, the fund balance committed for future capital was transferred from fund 990 to fund 980 in FY23-24. Below is a reconciliation of these activities as well as the specific elements contained in the balance. While these elements may be committed, they may be reallocated based on Town Council direction.

Future Capital - Fund 980

As of June 30, 2024

Item	Amount
FY22-23 Future Capital Balance	\$ -
Revenue	
Transfer In - Fund 990 - Creation of Fund	\$ 8,281,271
Total FY23-24 Revenue for Future Capital	\$ 8,281,271
Expenditures:	
Debt Service Payment - MLLA Settlement	\$ -
Total FY23-24 Expenditure for Future Capital	\$ -
Future Capital Fund Balance	\$ 8,281,271
Allocated Items	
Town Facility Damage	\$ 1,627,250
Future Capital - Undesignated	\$ 3,813,019
Capital Project Contingency	\$ 1,000,000
TBID Project Match	\$ 500,000
Child Care - Set aside funding.	\$ 400,000
SHARP Project	\$ 101,530
Parks Deferred Maintenance	\$ 42,612
Capital Funds - Dog Park project - use of Future Capital	\$ 252,523
Solid Waste - Capital Project	\$ 365,445
Creating Future Capital Fund Bond Reserve	\$ 178,892
	\$ 8,281,271
Unallocated Future Capital Fund Balance	\$ -

Fund 990 – Debt Service

With the adjustment noted above, this fund is now designated only to pay our annual debt service requirements. The majority of the debt service payments are from the General Fund; however, both Measure R and Measure U contribute to debt service annually. The required funds are transferred into fund 990 and all payments are made from the same account. The reconciliation below shows some activity remaining from FY23-24 that were intended for future capital. The remaining balances were transferred to fund 980 as noted above. In future years, the reconciliation should be simplified to show only transfers in and payments out for debt service activity. There is a remaining balance in Fund 990 associated with the debt defeasance of the police facility. This is due to timing as the funds were available in FY23-24 but not expended until FY24-25.

Debt Service - Fund 990

As of June 30, 2024

Item	Amount
FY22-23 Debt Service Balance	\$ 5,445,560
Revenue	
Transfer In - GF - Debt Payment MLLA Settlement	\$ 2,000,000
Transfer In - GF - Future Capital - Undesignated	\$ 1,671,900
Transfer In - GF - Town Hall Bond Reserve	\$ 1,450,000
Transfer In - GF - Town Hall Bond Payment Reserve	\$ 1,335,000
Transfer In - Measure R - Multi Use Facility	\$ 613,482
Transfer In - GF - Debt Payment - Vehicle Loan	\$ 340,000
Transfer In - GF - Debt Payment - Police Facility	\$ 314,900
Transfer In - GF - Debt Defeasance - Police Facility	\$ 165,000
Franchise Fee - Solid Waste	\$ 128,651
Interest Income	\$ 10,658
Transfer In - GF - Loan Fees and Monitoring	\$ 5,000
Total FY23-24 Revenue for Debt Service	\$ 8,034,590.32
Expenditures:	
Transfer Out - Separation of Future Capital Fund 980	\$ 8,281,271
Debt Service Payment - MLLA Settlement	\$ 1,871,109
Debt Service Payment - Multi Use Facility	\$ 613,482
Transfer Out - Vehicle Loan	\$ 340,000
Debt Service Payment - Police Facility	\$ 315,846
Transfer Out - Capital Project Closeout	\$ 104,850
Loan Fees	\$ 8,320
	\$ 11,534,878
Total FY23-24 Expenditure for Debt Service	\$ 11,534,878.03
Projected Debt Service Fund Balance	\$ 1,945,272.28
Allocated Items	
Debt Defeasance of PD building - July 2024	\$ 1,424,870
Debt Reserve for FY24-25	\$ 353,345
Debt Defeasance of PD building - July 2024	\$ (154,327)
Accounts Receivable	\$ 11,322
2017 Judgement (Debt Service)	\$ 1,409
Unallocated Debt Service Fund Balance	\$ (0.00)

Conclusion

The Town of Mammoth Lakes remains in a strong financial position from the continued revenue growth provided by visitation and conservative budget practices to provide strategic funding for one-time projects. This fiscal discipline remains the cornerstone of our success and ability to invest in our community.

OPTIONS ANALYSIS

Option 1: Staff recommends the Town Council receive the pre-audit actual financial presentation for Fiscal Year 23-24 and adopt the resolution amending the FY24-25 budget as recommended on Attachment A.

Option 2: Council provide alternate direction on staff recommendations and direct staff to bring back appropriately amended budget adjustments for future Council adoption.

FINANCIAL CONSIDERATIONS:

The Town has adequate resources to meet unknown financial needs, including reserve funds that are committed to specific work program areas. All these actions are taken together to meet the needs of the Town in providing public services.