

Mammoth Lakes Town Council Agenda Action Sheet

Title: Federal Budget and Visitation impacts to Budget Forecast

Council Meeting Date: 6/4/2025

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Tourism

Recommended Motion: **No Action** - Receive staff presentation on potential impacts from Federal Budget adjustments and Visit California visitation forecast to anticipate impacts to FY25-26 Operating Budget.

Summary: The Town has been monitoring the impacts of federal agencies like the U.S. Forest Service and the potential impact to our recreation-based economy. In some instances, the Town budget has provided necessary resources to ensure the visitor experience does not suffer as a result. As we close the FY25-26 budget development, the Town Council has asked for an update on potential impacts from funding disruptions, within current programs as well as forecast impacts to visitation from general customer sentiment.

The analysis performed earlier this year highlighted a few programs where the Town budget is dependent on federal dollars. While the bulk of the dependency was at the County level, through program services, some housing grant programs may be impacted.

The Town has also provided funds to hire staff that are currently unavailable to our federal partners. These positions provide services that have a direct impact on the visitor experience and are critical to continued service delivery model. While these impacts are considered temporary, there is a risk that these cuts may have a long-term impact on our budget.

In addition to the agency impacts, some key federal programs have recently encountered administrative challenges, impacting fund availability, that have a direct impact on projects ongoing in Town. A key example is the funding freeze for awarded forest thinning grants for Whitebark Institute's Eastern Sierra Climate & Communities Resilience Project (ESCCRP). The work had been planned, bid, and awarded based on grants that were awarded to the project. In order to maintain the effort, and vendors performing the work, the Town provided the funds to continue the project.

Visit California has provided multiple updates to its forecast for the upcoming travel season. Staff from Mammoth Lakes Tourism (MLT) will provide an update on consumer sentiment from the global economy, to understand how this may affect our FY25-26 budget.