

**2017-18 Budget Variance Summary**

**Wages**

Budget Item	\$ Variance to 2016-17	% Variance to 2016-17	Notes:
Staff Wages	\$ 108,834.00	15%	Added one FTYR Staff Position (office manager, promoted one position to FTYR in MLCC, hired new MLCC director at higher rate than previous, budgeted staff 4% performance increases, increased payroll taxes by 15%

**Benefits**

Budget Item	\$ Variance to 2016-17	% Variance to 2016-17	Notes:
Staff Health Insurance (Anthem Blue Cross)	\$ 12,000.00	17%	Added one new FTYR position, increased premium costs
401k Matching Fund	\$ 6,000.00	33%	Increased participation in 401k program

**Overhead**

Budget Item	\$ Variance to 2016-17	% Variance to 2016-17	Notes:
Legal Services	\$ (50,220.00)	-71%	Most TBID renewal legal costs paid in 16-17
Commercial Auto Insurance	\$ (5,035.00)	-55%	Insurance for auto and D&O separated out to individual line items this year
Workers Comp Insurance	\$ (1,800.00)	-29%	Based on ACTUAL spend in fiscal 2016-17
Office Electricity	\$ (600.00)	-11%	Based on ACTUAL spend in fiscal 2016-17
Phones - Landlines (VOiP)	\$ (900.00)	-16%	Based on ACTUAL spend in fiscal 2016-17
Postage	\$ 6,750.00	300%	increased demand for printed Visitor Guide, Local Mailings (TBID related)
Office Supplies	\$ 2,400.00	200%	Based on ACTUAL spend in fiscal 2016-17
Storage Unit Rent	\$ 2,700.00	141%	Increased rental cost
Bank Charges	\$ (240.00)	-27%	Based on ACTUAL spend in fiscal 2016-17
Building Repairs and Maintenance	\$ 3,750.00	750%	Need to replace one of two furnaces
Depreciation Expense	\$ (1,500.00)	-20%	Based on ACTUAL spend in fiscal 2016-17
Gasoline	\$ 600.00	20%	Based on ACTUAL spend in fiscal 2016-17
Staff Uniforms	\$ 500.00	33%	Uniform needs for additional staff
IT Support	\$ (900.00)	-17%	Based on ACTUAL spend in fiscal 2016-17
Property Taxes	\$ (150.00)	-38%	Based on ACTUAL spend in fiscal 2016-17
Bad Debt Expense	\$ (960.00)	-80%	Based on ACTUAL spend in fiscal 2016-17
Vehicles Lease	\$ 3,600.00	60%	Need for two new MLT Vehicles
Employee, Ambassador & Blogger Passes	\$ 11,500.00	0%	Broken out to stand alone line in 2017-18

**Marketing**

Budget Item	\$ Variance to 2016-17	% Variance to 2016-17	Notes:
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<b>BUDGET CREATION STEPS</b>	Air Subsidy (Mea A)	\$ 161,903.80	61%	TBID budget can only cover the portion of the air subsidy that is utilized by visitors. This is 80% of the air subsidy. The remaining 20% is utilized by locals and needs to be paid from Measure A.
<ul style="list-style-type: none"> <li>· 2017-2018 Strategy Meeting with MLT BOD</li> <li>· Campaigns key learnings from research</li> <li>· Research marketing and travel trends</li> <li>· Review and optimize organizational goals</li> <li>· Create plan to support strategy</li> <li>· Layout budget</li> </ul>	Research (Mea A)	\$ 12,500.00	81%	<p>Useability study testing new website as 'in-market' resource</p> <p>Destimetrics occupancy reporting was developed in 2016-2017</p>
<b>2016-2017 BUDGET INITIATIVES</b>	Branding/Promotional Items (Mea A)	\$ 13,834.38	92%	<p>Combined TBID and Measure A spending under Measure A.</p> <p>Local marketing is a new initiative in 2017-2018 for more promotional presence within Mammoth Lakes.</p> <p>Trade show booth needs new images.</p>
<ul style="list-style-type: none"> <li>· Combine Marketing &amp; Interactive Depts</li> <li>· Clean up code of accounts</li> <li>· Further define expenditures</li> </ul>	Contract Services (Mea A)	\$ 41,494.64	25%	New contract is being negotiated for airlines marketing agency for 41k.
	Dues and Subscribtions (Mea A)	\$ 2,589.50	20%	Increased support of CalTravel Association, the advocacy arm of the tourism in the state of California.
	Lodging (Mea A)	\$ 18,225.00	152%	Increased estimation of daily night rate including taxes from \$200 to \$325. \$200 benchmark was grossly underestimated in 2016-2017. Base rates (without taxes, resort fees and parking) were on average \$235.
	Gas Mileage (Mea A)	\$ (2,800.00)	-70%	Gas estimation high in 2016-2017 based on actual budget.
	Flights (Mea A)	\$ (1,237.49)	-18%	Reduced travel obligations for air meetings in Chicago and Seattle
	Incidentals (Mea A)	\$ (5,474.54)	-88%	Local marketing initiatives were previously coded under incidentals. Campaign elements have been broken out to specific executions, aka newspaper, radio, etc.
	Air Subsidy (TBID)	\$ (292,400.00)	-15%	TBID budget can only cover the portion of the air subsidy that is utilized by visitors. This is 80% of the air subsidy. The remaining 20% is utilized by locals and needs to be paid from Measure A.

	Research (TBID)	\$ 46,175.00	44%	<p>As more media is executed, more research is required to measure.</p> <p>A 3rd season of media buying for fall increases the ad awareness and ROI study for research.</p> <p>Also introduced conversion/ROI research of owned channels (website, social, trade shows, visitor guide) to measure effectiveness.</p>
	Printing (TBID)	\$ 56,939.11	58%	<p>Increased visitation to the area has resulted in increased demand for visitor tools.</p> <p>Town maps have increased from an annual order of 20k to close to 200k/year.</p> <p>Visitor Guide demand continues to increase in-market but also in the planning phase.</p> <p>MLT has 2 additional printed pieces in-market: Eastern Sierra Fishing Map and Eastern Sierra Fall Colors Map. These pieces are cooperative pieces purchased by MLT, Mono County, Inyo County and Bishop.</p> <p>Road banners for town may be an additional line item absorbed by MLT. Currently, this project is housed with the TOML Recreation Committee.</p>
	Collateral Distribution (TBID)	\$ 9,009.74	23%	<p>Visitor guide fulfillment moving to 3rd party. The increased demand for visitor guides in the pre-arrival, trip planning phase has increased over 100% from 4,800/year to close to 10,000/year</p>
	Guide Books (TBID)	\$ (20,000.00)	-57%	<p>The demand/industry trend for content online/social has increased and dollars needed to be refocused to reflect.</p>
	Newspaper (TBID)	\$ 10,500.00	<b>New line item</b>	<p>Designating dollars to seasonal marketing. Local marketing was previously included in incidental line item.</p>
	Radio (TBID)	\$ 245,000.00	<b>New line item</b>	<p>Designating dollars to seasonal marketing. Local marketing was previously included in incidental line item.</p> <p>Previously, MeringCarson numbers were previously lumped under display line item and then breakouts were line itemed in July/August.</p>

	Television (TBID)	\$ 3,600.00	New line item	Designating dollars to seasonal marketing. Local marketing was previously included in incidental line item.
	Giveaway Promotion (TBID)	\$ 800.00	19%	Increased costs in legal support of giveaways
	Out of Home (TBID)	\$ 255,700.00	New line item	Previously, MeringCarson numbers were previously lumped under display line item and then media breakouts were line itemed in July/August.
	Domestic Consumer Shows/Experiential (TBID)	\$ 103,200.00	391%	Previously, MeringCarson numbers were previously lumped under display line item and then media breakouts were line itemed in July/August.  This year's experiential expenditures will increase from \$12,500 to \$25,000 for the Virtual Reality execution at trade shows. This will support the creative layout, staff set-up/breakdown and execution, equipment rentals
	Travel and Entertainment - Other (TBID)	\$ 42,500.00	New line item	Previously, MeringCarson numbers were previously lumped under display line item and then breakouts were line itemed in July/August.
	Lodging (TBID)	\$ 7,000.00	81%	Increased estimation of total daily night rate (including taxes, resort fees, parking) from \$200 to \$325. \$200 benchmark was grossly underestimated in 2016-2017. Base rates (without taxes, resort fees and parking) were on average \$235.  Increased number of representatives at Fred Hall Show in Long Beach  Added additional commitment - SD Marathon
	Gas Mileage (TBID)	\$ (500.00)	-29%	Reflecting actual expenditure from high travel periods.
	Flights (TBID)	\$ 600.00	New line item	New line item this year to account for tight travel schedules.
	incidentals (TBID)	\$ 1,430.00	New line item	Based on 2016-2017 actuals
	Website Development & Maintenance (TBID)	\$ 22,370.53	17%	Increasing customization of site through hero video, component based pages and aligning more with MLT brand.
	Search Engine Optimization (SEO) (TBID)	\$ 21,300.00	New line item	Previously combined with code 66050, which also included Search Engine Marketing (SEM).
	Content (TBID)	\$ (17,500.00)	-12%	Needed heavier content support during the 1st year of website launch.

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	Search Engine Marketing (SEM) (TBID)	\$	228,700.00	1074%	The categories SEO and SEM were combined in the previous budget.
	Display, Native, Video Advertising (TBID)	\$	198,965.24	12%	Increase in overall budget that allowed for fall media campaign wave.
	Hardware/Software (TBID)	\$	283.89	38%	Moved Adobe licensing from overhead to this line item
					Previously, MeringCarson numbers were previously lumped under display line item and then breakouts were line itemed in July/August.
	Social Media (TBID)	\$	220,628.00	2918%	Increased in-house social media support by 20k to reflect the demand for trip planning for social channels.

Sales	Budget Item	\$ Variance to 2016-17	% Variance to 2016-17	Notes:
	MLT Branded Promo items (Mea A)	\$5,000	50%	Anticipated increase in the amount of promo items/swag to be used international with the increase in MLT activity
	International Travel Shows (Mea A)	\$10,000	23%	MLT is looking to becoming active in the Indian and Canadian Markets; this increase is reflective of an active presence for 2017/18
	Domestic Travel Shows (Mea A)	\$1,500	20%	MLT is looking to be more active with Ski Clubs, and Group business for 2017/18
	Membership and Dues (Mea A)	\$1,900	17%	New Memberships with VisitUSA / UK, and SF Travel
	FAM Trips (TBID)	\$12,500	78%	Anticipated cost increases from an overall increase in the number of FAM's coming to ML; anticipated solo ownership of FAM costs with MMSA possibly inactive
	Supplies / Shipping (Mea A)	\$3,500	33%	Increase in the amounts of Vacation Planners, and promo items shipped to international markets
	Promotional Native Language Videos (TBID)	\$30,000	<b>New Line Item</b>	Creation of 3 new native language videos to promote ML; Mandarin, German, Portuguese
	Agency Fee (Mea A)	\$62,500.00	116%	Anticipated 100% ownership of 4 contracts currently shared with MMSA: China, Korea, UK, Australia; addition of New Zealand for travel trade; year round messaging for Australia for travel trade / pr (previous winter only)
	Agency Fee (TBID)	\$62,500.00	116%	Anticipated 100% ownership of 4 contracts currently shared with MMSA: China, Korea, UK, Australia; addition of New Zealand for travel trade; year-round messaging for Australia for travel trade / pr (previous winter only)

