

**COUNTY OF MONO
STATE OF CALIFORNIA**

Comprehensive Annual Financial Report

For the Year Ended June 30, 2017



Prepared by the Department of Finance

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INTRODUCTORY SECTION

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DEPARTMENT OF FINANCE AUDITOR-CONTROLLER COUNTY OF MONO

Stephanie M. Butters
Assistant Finance Director
Auditor-Controller

Janet Dutcher, CPA, CGFM
Director of Finance

P.O. Box 556
Bridgeport, California 93517
(760) 932-5490
Fax (760) 932-5491

March 27, 2018

To the Board of Supervisors and Citizens of Mono County:

The Comprehensive Annual Financial Report (CAFR) of the County of Mono (County) for the fiscal year ended June 30, 2017, is hereby submitted in compliance with Section 25250 and 25253 of the Government Code of the State of California.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive internal control framework established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The independent auditor's report is located at the front of the financial section of this report. CliftonLarsonAllen LLP, a firm of licensed certified public accountants, has issued an unmodified ("clean" opinion) on the County's financial statements for the fiscal year ended June 30, 2017.

The Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Incorporated in 1861, Mono County is a rural county located on the eastern side of the Sierra Nevada Mountains. The County has an area of 3,103 square miles and a total population of 13,981 (2016 US Census Statistics). Other than Mammoth Lakes, the County's only incorporated area which boasts a year round population of 7,000, the remainder of the County consists of small communities ranging in population from less than 300 to about 1,200 people. The northern part of the County encompasses the small towns of Topaz, Walker and Coleville. Bridgeport, the County seat, is 35 miles south of these small communities. The central part of the County includes the communities of Lee Vining, June Lakes, Crowley Lake, the Wheeler Crest communities, and of course, Mammoth Lakes. In the southeast sector lie Benton and Chalfont. During periods of heavy recreational usage, the Town of Mammoth Lakes population approaches 35,000.

Approximately 94 percent of Mono County is public land administered by the U.S. Forest Service, the Bureau of Land Management, the State of California, and the Los Angeles Department of Water and Power. The scenic and recreational attributes of this public land help support tourism and recreation as the major industry in the county. Approximately 80 percent of all employment is directly, or indirectly, associated with this industry. Annually, more than 6 million visitor-days of use occur on public lands in Mono County. The majority of these visitors travel to and through the county on the state highway system. Major attractions include Mammoth and June Mountain ski areas, Yosemite National Park, Mono Lake, Devils Postpile National Monument, Bodie State Historic Park, and the many lakes, streams and backcountry attractions accessed through Mono County communities.

The County government functions as a local government body to serve the needs of its residents. As geographical and political subdivisions of the state, counties serve a dual role; providing municipal services in the unincorporated areas and acting as

administrative agents for state and federal government programs and services. As a general-law county, Mono County is bound by state law as to the number and duties of County elected officials. The County has five districts that are approximately equal in population with boundaries adjusted every ten years following the federal census. Policymaking and legislative authority are vested in the County Board of Supervisors (the Board). The Board provides overall direction to the County and its responsibilities include adopting the budget, approving contracts, setting policies and passing ordinances. Board members are elected to four-year staggered terms, and each member represents one of the County's five districts. The County has three elected department heads: Assessor, District Attorney, and Sheriff-Coroner. The County Administrative Officer (CAO) appoints other department heads except for the position of County Counsel for the Board of Supervisors is the appointing authority.

The County employed 281 full-time equivalent employees in FY 2016-2017 in order to provide a full range of services to its residents. The County's principal functions include seven major areas: general government, public protection, public ways and facilities, health and sanitation, public assistance, education and recreation and cultural services. The State and Federal governments mandate certain minimum levels of services in the public assistance and health areas. The majority of services performed by the County are provided for all residents, regardless of whether those residents live in the County's one incorporated town or in the unincorporated areas. Every County resident directly or indirectly benefits from these services.

Included in operations are various component units, which provide specific services County-wide or to distinct geographic areas within the County. The governmental reporting entity consists of the County and its component units. Component units are legally separate organizations for which the Board is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's governing board, and either (i) the County's ability to impose its will on the organization or (ii) the potential for the organization to provide a financial benefit to or impose a financial burden on the County. The following four component units, although legally separate entities, are considered to be part of the primary government for financial reporting purposes: Community Service Area #1 – Crowley, Community Service Area #5 – Bridgeport, Community Service Area #2 – Benton and the County of Mono Economic Development Corporation.

The County is required by State law to adopt a final budget each year. This annual budget serves as the foundation for the County's financial planning and control. Budgets are adopted for most governmental and proprietary funds. The County maintains budgetary controls to assure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. Activities of the general and special revenue funds are included in the annually appropriated budget. Unencumbered annual appropriations lapse at year-end. The legal level of control for appropriations is exercised at the department level within each fund. Appropriations beyond that level may only be adjusted during the year with approval of the Board. Management may make adjustments at their discretion below that level. Such adjustments by the Board and management are reflected in the revised budgetary data presented in the financial statements.

REQUESTS FOR INFORMATION

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Mono County Finance Department, P.O. Box 556, Bridgeport, California 93517.

FINANCIAL AND ECONOMIC INDICATORS

State Government

The County is a political subdivision of the State of California and as such, its government is subject to State subventions and regulations. Therefore, the County's financial health is closely tied to the financial condition of the State government. The County cannot predict whether the State will encounter budgetary difficulties in the current or future fiscal years. The County also cannot predict the impact future budgets will have on the County's finances and operations. Current and future State budgets will be affected by national and State economic conditions and other factors outside the County's control.

Mono County Economy

The Mono County economy is stable and experiencing slow but steady growth. Property and real property transfer taxes since fiscal year 2012-2013 have increased at rates between 1.96% and 2.6%. This growth is anticipated to continue into fiscal year 2017-2018 and fiscal year 2018-2019. The delinquency rate associated with current secured property tax collections is at its lowest in history, dropping from 4.32% at June 30, 2016 to 1.14% at June 30, 2017. Sales tax collections increased 7.94% in 2017 and are estimated to continue increasing at a rate of 4% to 8%. Tourism is a major economic sector in Mono County and represents an important revenue stream. The County also saw continued growth in transient occupancy tax (TOT) with revenues exceeding \$3.3 million, an increase of 9.5%. Program revenues essential to departments' ability to maintain public services continues to hold steady. Building permit activity is 35% of pre-recessionary levels but shows some signs of conservative growth. With several large residential developments in progress, the local economy is expected to improve in the near-term and position the County favorably for future growth.

MAJOR INITIATIVES

The County completed many initiatives in FY 2016-2017 while maintaining core services during the year. The following highlights represent a partial list of the many accomplishments and on-going initiatives of the Mono County organization in FY 2016-2017:

- Total property tax collections increased to 97.12%, from 94%, of total billed in FY 2016-2017. Of the \$1.9 million, or 2.88%, of uncollected taxes remaining, only \$764,000, or 1.14%, was delinquent as of June 30, 2017.
- Automated Form 700 (Economic Disclosure) processing.
- Implemented E-Recording in the Clerk-Recorders Office.
- Continued to refine the selection of alternatives for housing South County Offices.
- Successfully negotiated a new contract with the Mono County Deputy Sheriffs' Association.
- Awarded \$25 million SB 844 State grant to construct a new jail facility in Bridgeport.
- Initiated a Community Development Block Grant to fund ADA improvements to Mono County parks facilities and a childcare program operated by the Mono County First-Five Commission.
- Received an initial issuer rating of AA3 from Moody's.
- Completed system-wide inventory and assessment of all mountaintop and base station infrastructure.
- Sheriff implemented new technology, WatchGuard body-worn cameras that integrate with in-car video.
- Reorganized Emergency Medical Services as a new department. This activity previously was located under Public Health.
- Conducted a three phase Multi-Casualty Incident (MCI) statewide training and exercise.
- Field 165 allegations of child and elder/dependent adult abuse and neglect, of which 111 were investigated. Responded timely to over 95% of all reports. Complied 100% with required face-to-face contacts with CPS/APS clients.
- Conducted review of transient rental policies and enforcement strategies with the Planning Commission, RPAC/CAC and the Board of Supervisors.
- Completed the Thermal Biomass Facility, constructed by Mono County Public Works. This project received a 2017 CSAC Challenge award.
- Completed Stock Drive realignment.

ACCOUNTING AND BUDGETARY POLICIES

The County maintains accounting controls, which are designed to safeguard assets, and the reliability of financial records for financial statement presentation. These controls include systems of authorization and approval, separation of duties, physical control and custody over assets.

Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not

exceed the benefits likely to be delivered and the evaluation of costs and benefits requires estimates and judgments of management. All internal control evaluations occur within this framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The County's budget must balance expenditure appropriations with resources. Any deviation from a balanced budget is not permitted by the California State Government Code, which states: "In the recommended, adopted and final budgets the funding sources shall equal the financing uses" (Government Code 29009). The County establishes a general reserve account striving to maintain a balance at 5% to 15% of annual general fund expenditures. The general reserve is available upon adoption of a resolution by the Board of Supervisors for spending related to natural disasters, public health crisis, destruction of public facilities and other calamities. A contingency appropriation of 1% of General Fund appropriations is included in each year's budget as a means to accommodate unexpected increases in expenditures, which could not have reasonably been anticipated at the time the budget was developed.

The objectives of the County's debt policy include using debt when appropriate and at levels the County can afford. Long-term debt is not to be used to finance ongoing operational costs. Before considering debt financing, other sources of funding such as pay as you go or grant funding is explored. The County uses self-supporting debt first before considering general fund obligated debt. Annual debt service, excluding self-supporting debt, is limited to 7% of annual general fund discretionary revenue. Efforts are undertaken to maintain and improve the County's bond ratings so borrowing costs are minimized and access to credit is preserved.

Cash temporarily idle during the fiscal year was invested with the County Treasury pooled cash. This investment pool is composed of deposits and investments allowed by California Government Code and the Mono County investment policy. The pooled investment concept allows the various funds within the County Treasury to earn interest based on their average daily cash balance. The County, pursuant to the adopted investment policy, invested in United States Government Agency Obligations, California Municipalities, Negotiable Certificates of Deposit (CD), Corporate Bonds and the State Local Agency Investment Fund (LAIF).

PROSPECTS FOR THE FUTURE

Mono County continues to balance moderate increases in tax revenues against keeping up with the costs of providing services. The growth in property values for the past five years has averaged a 6.54% increase. Federal and State revenues have begun to rebound. However, budget challenges are ahead. The County expects increases in personnel costs resulting from salary alignment with the market, health care premium increases and escalation of required pension retirement contributions.

ACKNOWLEDGMENTS

The preparation of this CAFR was achieved through the combined efforts of numerous individuals. We are especially grateful to the Finance Department staff for their outstanding efforts and many hours, which helped us further our objectives of timely and accurate financial reporting. We would also like to thank all the County departments who participated in its preparation and the Board for its leadership, responsibility, and action that ensure the general fiscal health and integrity of the County.

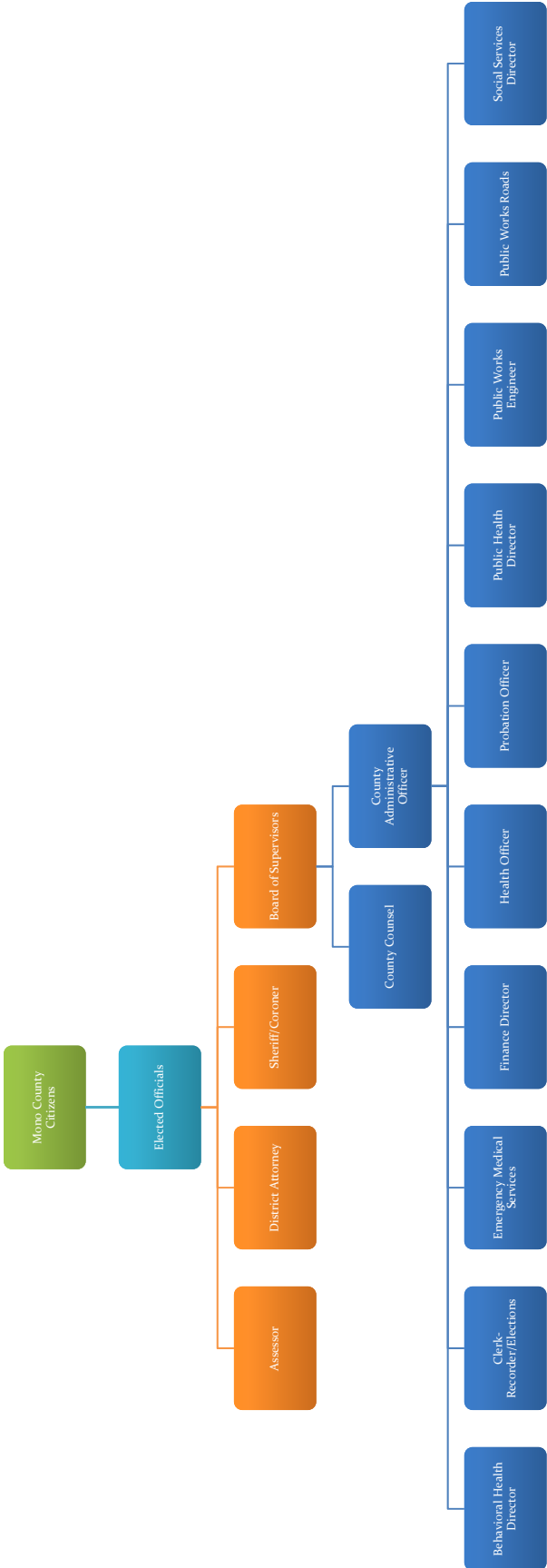
Respectfully submitted this XX day of March, 2018,



JANET DUTCHER, CPA, CGFM
Finance Director
County of Mono

Mono County Organizational Chart

Elected and Appointed Officials



COUNTY OF MONO
DIRECTORY OF PUBLIC OFFICIALS
 March 27, 2018

DEPARTMENT	DEPARTMENT OFFICIAL
ELECTED OFFICIALS	
Assessor	Barry Beck
Board of Supervisors	
District #1	Vacant
District #2	Fred Stump
District #3	Bob Gardner, Chair
District #4	John Peters
District #5	Stacy Corless
District Attorney	Tim Kendall
Sheriff- Coroner	Ingrid Braun
Combined Court	Stan Eller
Superintendent of Schools	Stacey Alder
APPOINTED OFFICIALS	
County Administrative Officer	Leslie Chapman
County Counsel	Stacey Simon
Behavioral Health Director	Robin Roberts
Clerk-Recorder/Clerk of the Board	Shannon Kendall
EMS Chief	Chris Mokracek
Finance Director	Janet Dutcher, CPA, CGFM
Health Officer	Tom Boo, MD
Probation Chief	Karin Humiston
Public Health Director	Sandra Pearce
Public Works Director	Anthony Dublino, interim
Social Services Director	Kathy Peterson

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Honorable Members of the Board of Supervisors
County of Mono
Bridgeport, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Mono, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Honorable Members of the Board of Supervisors
County of Mono

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Mono as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Prior period adjustments

As disclosed in Note 9 to the financial statements, prior period adjustments were recorded for the correction of errors in prior year financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the net pension liability and related ratios and schedule of contributions, schedule of funding progress – other postemployment benefits, and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Members of the Board of Supervisors
County of Mono

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2018 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Roseville, California
March 27, 2018

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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COUNTY OF MONO

Management's Discussion and Analysis June 30, 2017

The management of the County of Mono (County) offers readers of the County's annual financial report this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2017. It should be read in conjunction with the transmittal letter at the front of this report and the County's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The County's net position was \$37,177,296 at June 30, 2017 and exceeded the prior year by \$7,335,666 (24.58%), primarily due to changes in the net pension.
- The County's overall assets exceeded its liabilities at the close of the most recent fiscal year by \$37,177,296 (net position). Of this amount, \$41,627,605 is invested in Capital Assets net of debt; \$20,402,067 is restricted for various programs; and (\$24,852,376) is unrestricted for governmental activities. The unrestricted deficit is due to the implementation of GASB 68 and the required reporting of the net pension liability.
- As of June 30, 2017, the County's governmental funds reported combined ending fund balances of \$35,001,390, an increase of \$7,143,377, or 25.64%, in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the governmental type funds was \$4,243,880, or 9.06% of total general government expenditures, an 8.27% decrease in unassigned fund balance from last year.
- Total long-term liabilities in the Solid Waste enterprise fund increased by \$367,336 during the fiscal year. Closure/post closure costs increased by \$572,211. The net pension liability is included and increased by \$253,722 from the prior fiscal year. Advances from other funds and refunded certificates of participation decreased by \$431,800 due to payments issued.
- In September 2010 and September 2011, the Board of Supervisors authorized interest free inter-fund loans from General Reserves to the Solid Waste Enterprise fund totaling \$1,950,000 to be repaid over 10 years (final payments due 2021 and 2022). The Solid Waste enterprise fund has been making the payments as scheduled and the balance owing to the General Fund is now \$660,000 and is reflected in Internal Balances.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. Required supplementary information is included in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, using accounting methods similar to those of a private-sector business, that is, using the accrual basis of accounting. The financial statements demonstrate Mono County's accountability by showing the extent to which it has met operating objectives efficiently and effectively, using all resources available, and whether it can continue to do so. These statements provide both long-term and short-term information about the County's overall financial status.

The *Statement of Net Position* presents information on all of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

COUNTY OF MONO

Management's Discussion and Analysis June 30, 2017

The *Statement of Activities* presents information on expenses and revenues to show how the government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues are reported as soon as earned and expenses are reported as soon as incurred even though the related cash flows may not take place until future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education and recreation. The business-type activities include the solid waste program, airport fund, cemetery fund and campground fund. In 2009 two internal service funds were created to develop self-sustaining funds for operation and replacement of equipment. These two internal service funds, Motor Pool and Copier Pool, are considered governmental activities. Two more internal service funds were established at the end of fiscal year 2013, the Tech Refresh and Insurance Pool. These two internal service funds provide for the regular updating of County computer equipment and the distribution of insurance costs, both liability and workers' compensation.

Fund Financial Statements

The fund financial statements provide evidence of accountability by demonstrating compliance with budgetary decisions made in public forum. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes stipulated by laws, regulations or policies. The funds of the County are divided into three categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented, for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 255 individual funds, including 186 fiduciary funds, organized according to type (governmental, fiduciary, or proprietary). On the financial statements for governmental funds, information is presented separately for four major funds: General Fund, the Road Fund, the Realignment Fund, and the Mental Health Services Act Fund. Data from the other non-major governmental funds are aggregated into a single column. However, data for each of these non-major governmental funds is provided in the combining statements located in the Other Supplementary Information section of this report.

The County adopts an annual appropriated budget for its General Fund and most special revenue funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with this budget.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The County maintains two different types of proprietary funds: enterprise funds and internal service funds.

COUNTY OF MONO

Management's Discussion and Analysis June 30, 2017

Enterprise funds are included in the government-wide financial statements as business-type. The County uses enterprise funds to account for its solid waste program, airport, cemetery and campground funds.

Internal service funds are included in the government-wide financial statements under governmental activities as they predominantly benefit governmental rather than business-type functions. These funds are used to accumulate and allocate costs internally among the County's various internal functions. The County uses internal service funds to account for its motor pool, copier pool, insurance pool, and tech refresh pool.

Proprietary fund statements provide separate information for solid waste and airport, major enterprise funds. The non-major enterprise funds, cemetery and campground are aggregated into a single column. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the non-major enterprise funds and all of the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds account for resources held for the benefit of parties outside the county government such as special districts and schools. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's programs. In the fiduciary fund category, the County maintains several agencies' funds. The accounting used for fiduciary funds is similar to that used for proprietary funds.

Notes to the Basic Financial Statements

The Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information (RSI) that includes budgetary comparisons for the General Fund and the major special revenue funds. The schedule of changes in net pension liability, schedule of the County's retirement plan contributions and schedule of OPEB funding progress are also presented as RSI.

The combining statements referred to earlier in connection with non-major governmental funds, non-major enterprise funds, internal service funds, and non-major component units are presented immediately following the required supplementary information.

Following the combining statements, an unaudited statistical section is presented for the benefit of the readers of the comprehensive annual financial report. The objectives of the statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to the financial statements, and required supplementary information to understand and assess a government's economic condition.

COUNTY OF MONO

**Management's Discussion and Analysis
June 30, 2017**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial condition. Prior year assets and liabilities are shown below for the purpose of providing comparative data on a government-wide level.

Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 48,694,317	\$ 44,993,534	\$ 6,407,888	\$ 4,861,884	\$ 55,102,205	\$ 49,855,418
Capital assets	35,036,545	37,058,137	6,591,060	6,416,220	41,627,605	43,474,357
Total Assets	<u>83,730,862</u>	<u>82,051,671</u>	<u>12,998,948</u>	<u>11,278,104</u>	<u>96,729,810</u>	<u>93,329,775</u>
Deferred outflows of resources						
Deferred pensions	10,588,868	3,901,710	219,142	59,015	10,808,010	3,960,725
Current and other liabilities	2,438,834	7,388,554	614,746	223,416	3,053,580	7,611,970
Long term liabilities	54,102,836	45,077,438	11,056,698	10,347,379	65,159,534	55,424,817
Total Liabilities	<u>56,541,670</u>	<u>52,465,992</u>	<u>11,671,444</u>	<u>10,570,795</u>	<u>68,213,114</u>	<u>63,036,787</u>
Deferred inflows of resources						
Deferred pensions	2,109,352	4,352,742	38,058	59,341	2,147,410	4,412,083
Net investment in capital assets	35,036,545	37,058,137	6,591,060	6,349,553	41,627,605	43,407,690
Restricted	20,397,419	19,407,068	4,648	30,222	20,402,067	19,437,290
Unrestricted	(19,765,256)	(27,330,558)	(5,087,120)	(5,672,792)	(24,852,376)	(33,003,350)
Total Net Position	<u>\$ 35,668,708</u>	<u>\$ 29,134,647</u>	<u>\$ 1,508,588</u>	<u>\$ 706,983</u>	<u>\$ 37,177,296</u>	<u>\$ 29,841,630</u>

The County's net position was \$37,177,296 as of June 30, 2017, an increase of \$7,335,666, or 24.58%, during the fiscal year, primarily due to changes to net pension liability, as described in the following paragraphs.

Investment in capital assets net of related debt reflects the County's investment in capital assets (i.e. its land, structures and improvements, infrastructure and equipment). The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The only capital related debt, found in the Solid Waste program, was paid in full during the 2016-17 fiscal year. As of June 30, 2017, the County did not have any capital related debt.

Restricted net position represents resources that are subject to external restrictions on how they may be used. The County's restricted net position of \$20,402,067 or 54.88% of total net position is comprised of the following resources:

- Road projects – 4.96% of total net position
- Health and social services – 44.2% of total net position
- County service areas – 10.88% of total net position
- Community development – 3.08% of total net position
- Grant programs – 36.86% of total net position
- Endowment – .02% of total net position

During the fiscal year ended June 30, 2017, restricted net position increased \$964,777 or 4.96%.

Unrestricted net position (deficit) is (\$24,852,376) or (66.85%) of total net position. The majority of the deficit is due to financial reporting for the *net pension liability*.

COUNTY OF MONO

Management's Discussion and Analysis June 30, 2017

The following table presents the activities that accounted for the changes in net position for governmental and business-type activities. The Primary Government (Governmental and Business-type activities) increased net position by \$7,335,666, or 24.58%, to \$37,177,296 for the year ended June 30, 2017.

Statement of Activities

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Program revenues:						
Fees, Fines & Charges for Services	\$ 6,816,510	\$ 6,999,158	\$ 3,064,851	\$ 2,885,906	\$ 9,881,361	\$ 9,885,064
Operating grants	20,243,272	21,422,359	62,799	40,000	20,306,071	21,462,359
Capital grants	598,587	4,054,304	464,976	22,884	1,063,563	4,077,188
General revenues:						
Property taxes	20,369,909	19,992,544	--	--	20,369,909	19,992,544
Sales and use taxes	585,375	643,086	--	--	585,375	643,086
Other taxes	3,349,252	3,058,934	--	--	3,349,252	3,058,934
Interest/Investment earnings	300,085	190,778	59,468	43,356	359,553	234,134
Total Revenues	<u>52,262,990</u>	<u>56,361,163</u>	<u>3,652,094</u>	<u>2,992,146</u>	<u>55,915,084</u>	<u>59,353,309</u>
Expenses:						
General government	10,149,677	8,527,686	--	--	10,149,677	8,527,686
Public protection	18,037,087	17,026,030	--	--	18,037,087	17,026,030
Public ways and facilities	6,465,642	7,655,712	--	--	6,465,642	7,655,712
Health and Sanitation	8,568,557	8,564,376	--	--	8,568,557	8,564,376
Public assistance	4,628,204	4,407,906	--	--	4,628,204	4,407,906
Education	41,847	39,784	--	--	41,847	39,784
Recreation and culture	104,422	104,588	--	--	104,422	104,588
Interest and fiscal charges	182,838	112,476	--	--	182,838	112,476
Solid Waste Landfill	--	--	2,490,582	1,778,162	2,490,582	1,778,162
Airport	--	--	326,819	426,882	326,819	426,882
Campgrounds	--	--	32,240	22,590	32,240	22,590
Cemeteries	--	--	14,828	15,703	14,828	15,703
Total Expenses	<u>48,178,274</u>	<u>46,438,558</u>	<u>2,864,469</u>	<u>2,243,337</u>	<u>51,042,743</u>	<u>48,681,895</u>
Change in net position before transfers	4,084,716	9,922,605	787,625	748,809	4,872,341	10,671,414
Transfers	(13,980)	--	13,980	--	--	--
Change in net position	<u>4,070,736</u>	<u>9,922,605</u>	<u>801,605</u>	<u>748,809</u>	<u>4,872,341</u>	<u>10,671,414</u>
Net position - beginning	29,134,647	22,003,319	706,983	(41,826)	29,841,630	21,961,493
Prior period adjustment	2,463,325	(2,791,277)	--	--	2,463,325	(2,791,277)
Net position - beginning, as restated	<u>31,597,972</u>	<u>19,212,042</u>	<u>706,983</u>	<u>(41,826)</u>	<u>32,304,955</u>	<u>19,170,216</u>
Net position, ending	<u>\$ 35,668,708</u>	<u>\$ 29,134,647</u>	<u>\$ 1,508,588</u>	<u>\$ 706,983</u>	<u>\$ 37,177,296</u>	<u>\$ 29,841,630</u>

Analysis of Governmental Activities

Governmental Activities increased the County's net position by \$4,084,716 before transfers, a decrease of \$5,837,889 over the prior year, accounting for 55.68% of the County's total increase in net position. Business-type activities contributed to the increase in net position by \$787,625 before transfers, and accounts for 10.74% of the County's total increase in net position. The remaining total increase in net position is a prior period adjustment in the amount of \$2,463,325, or 33.58% of the total increase in net position.

Revenues: Revenues for the County's governmental activities had an overall decrease from the prior year of \$4,098,173, or 7.27%, to \$52,262,990. Revenues are divided into two categories: Program Revenues and General Revenues.

Program Revenues includes revenues such as fees, fines, and charges for services as well as operating and capital grants. Program revenues decreased overall by \$4,817,452, or 14.83%, from the prior year to \$27,658,369. Of the total decrease, \$3,013,625 represents road projects funded with capital grants and completed last year. Operating grants decreased by \$1,156,288 mostly due to last year's receipt of disaster assistance.

COUNTY OF MONO

Management's Discussion and Analysis June 30, 2017

General Revenues include property taxes, sales and use taxes, other taxes/revenues, and interest/investment earnings. General revenues increased by \$719,279, or 3.01%, from the prior year to \$24,604,621. Increases occurred in property tax receipts and transient occupancy tax as well as higher earnings on investments.

Expenses: Governmental activities had an increase in total expenses of \$1,739,716, or 3.75%. Approximately \$770,000 is the result of increases in salaries and benefits. Depreciation on governmental assets decreased by approximately \$170,000. The remaining \$1.1 million is an increase in services and supplies.

Analysis of Business-Type Activities

Business-type activities change in net position before transfers was \$787,625 as of June 30, 2017. The change in net position before transfers of \$787,625 accounts for 10.74% of the County's total increase in net position.

Revenues for the County's Business-Type Activities had an increase from the prior year of \$659,948 before transfers, or 22.06%, to \$3,652,094. Expenses increased over the prior year by \$621,132, or 27.69%, to \$2,864,469, attributable mainly to Solid Waste landfill closure/post-closure costs.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with budgetary and legal requirements.

Governmental funds

The County's general governmental functions are contained in the General Fund, Special Revenue, Capital Project and Debt Service Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

At June 30, 2017, the County's governmental funds reported combined ending fund balances of \$35,001,390, an increase of \$7,143,377, or 25.64%, in comparison with the prior year (for more information see Note 9 – Net Position/Fund Balances). The components of fund balance are as follows:

- Nonspendable fund balance, \$2,785,592, consists of amounts that are not spendable in form or are legally or contractually required to be maintained intact and consists of:
 - Advances - \$660,000
 - Prepaid expenses - \$161,556
 - Inventories - \$391,946
 - Loans Receivable - \$1,572,090

- Restricted fund balance, \$19,395,685, consists of amounts with constraints put on their use by externally imposed creditors, grantors, laws, regulations and enabling legislation and consist of amounts restricted to:
 - Road projects - \$1,011,875
 - Health and social services - \$8,342,884
 - County service areas - \$2,219,210
 - Community development - \$598,287
 - Grant programs - \$7,223,429

COUNTY OF MONO

Management's Discussion and Analysis June 30, 2017

- Committed fund balance, \$360,239, consists of amounts that have been committed to specific purposes by the Board of Supervisors and consists of amounts committed to:
 - Disaster assistance (Round Fire) - \$360,239
- Assigned fund balance, \$8,215,994, represents amounts intended for use as determined by the Board of Supervisors and consists of amounts assigned to:
 - Eliminate projected FY 17/18 budgetary deficit - \$5,659,577
 - Capital projects - \$2,469,710
 - Tourism - \$86,707
- Unassigned fund balance, \$4,243,880, represents the residual classification for the General Fund and negative amounts from other governmental funds, if any.

Unassigned fund balance represents approximately 12.12% (a decrease over last year) of the total governmental fund balance, which may be used to meet the County's ongoing obligations to citizens and creditors. The remainder of fund balance is reserved to indicate that it is not available for new spending because it: 1) reflects inventories and the amount due from other funds that are long-term in nature and does not represent spendable resources, 2) liquidates contractual commitments of the prior period, and 3) provides funds for any type of disaster. In addition, funds may not be available to meet general obligations because the terms of the revenue/funds may be restricted, committed, or assigned by Board of Supervisors or other prevailing law.

General Fund

The General Fund is the main operating fund of the County. At June 30, 2017, unassigned fund balance of the general fund was \$4,543,108 while total fund balance reached \$13,485,960. As measures of this fund's liquidity, it is useful to note that unassigned fund balance represents 15.18% of total fund expenditures, while total fund balance represents 33.69% of that same amount.

Other Major Governmental Funds

As compared with the prior year, the total fund balances of the remaining governmental funds increased by 12.45%, or \$2,382,744, to \$21,515,430, after restatement, with the following significant changes:

- The Realignment Fund had a fund balance of \$6,178,977 which was all restricted. This was a \$1.3 million increase over the prior year.
- The Mental Health Services Act Fund had a fund balance of \$5,740,721, an increase of \$844,307 over the prior year. The Mental Health Service Act Fund had an increase in fund balance, all restricted, due to an increase in state revenues received.
- The other major governmental funds unassigned fund balance of negative \$299,228 reflects delays in funding reimbursement for expenditure driven programs once the expenditures have been made. The general fund covers this deficit while waiting for reimbursement.

COUNTY OF MONO

**Management's Discussion and Analysis
June 30, 2017**

Revenues:

Revenues for governmental funds totaled \$51,558,615 for fiscal year 2016-17, which represents a decrease of 11.49% from fiscal year 2015-16.

The following table presents the revenues from various sources as well as increases or decreases from the prior year in the governmental funds.

Revenues Classified by Source - Governmental Funds

Revenue sources	FY 2017		FY 2016		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Taxes	\$ 24,304,536	47.14%	\$ 23,694,564	40.68%	\$ 609,972	2.57%
Licenses and permits	608,659	1.18%	660,820	1.13%	(52,161)	-7.89%
Fines, forfeitures & penalties	958,741	1.86%	907,136	1.56%	51,605	5.69%
Use of money & property	354,810	0.69%	224,169	0.38%	130,641	58.28%
Intergovernmental	20,553,809	39.86%	27,441,774	47.11%	(6,887,965)	-25.10%
Charges for services	4,009,240	7.78%	4,234,113	7.27%	(224,873)	-5.31%
Other	768,820	1.49%	1,087,375	1.87%	(318,555)	-29.30%
Total	\$ 51,558,615	100%	\$ 58,249,951	100%	\$ (6,691,336)	-11.49%

- Taxes – Tax revenues include a multitude of taxes including sales taxes, transient occupancy taxes and property taxes. Mono County relies on tourism to bring in sales tax and transient occupancy taxes and while those numbers fell dramatically in past years due to the economic downturn, we have now seen an increase in these types of revenues. Tax revenues in the general fund increased by \$600,539 or 2.56%, over the prior fiscal year due to the continued gradual recovery of the real estate market, which in turn increased real estate values and therefore county property tax revenues, and increased tourism.
- Licenses and permits – Licenses and permits had a decrease of \$52,161, or 7.89% over the prior fiscal year.
- Use of money and property – Better interest rates and higher cash balances resulted in higher earnings for 2016-17, resulting in an increase of \$130,641, or 58.28% over the prior fiscal year.
- Intergovernmental Revenues – These types of revenues decreased by \$6,887,965, or 25.10%. The biggest decrease was in the Road fund due to the completion of road projects and no further federal and state funding being received.
- Charges for services – A decrease of \$224,873, or 5.31%, in these types of revenues can be partly attributed to a decrease in use of services, reduced late penalties and fees on property tax revenue, and reduced general administration service fees.

COUNTY OF MONO

**Management’s Discussion and Analysis
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Expenditures:

The following table presents expenditures by function compared to prior year’s amounts in the governmental funds.

Expenditures Classified by Function - Governmental Funds

	FY 2017		FY 2016		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
General government	\$ 10,663,979	22.74%	\$ 9,241,315	19.12%	\$ 1,422,664	15.39%
Public protection	17,473,535	37.26%	17,237,927	35.66%	235,608	1.37%
Public ways and facilities	4,117,296	8.78%	7,102,319	14.69%	(2,985,023)	-42.03%
Health and sanitation	8,634,747	18.41%	8,999,912	18.62%	(365,165)	-4.06%
Public assistance	4,791,676	10.22%	4,581,365	9.48%	210,311	4.59%
Education	41,847	0.09%	39,784	0.08%	2,063	5.19%
Debt Service, Principal	798,573	1.70%	647,700	1.34%	150,873	23.29%
Debt service, Interest and other costs	88,791	0.19%	115,754	0.24%	(26,963)	-23.29%
Capital outlay	286,063	0.61%	378,428	0.78%	(92,365)	-24.41%
Total Expenditures	\$ 46,896,507	100%	\$ 48,344,504	100%	\$ (1,447,997)	-3.00%

- General government – An increase of \$1,422,664, or 15.39%, in expenditures partially resulting from filling vacant positions as well as salary increases according to negotiated union contracts and benefit increases such as medical and retirement costs.
- Public protection – This expenditure group had an increase of \$235,608, or 1.37%.
- Public ways and facilities – Many road and transportation projects are grant funded. There was a \$2,985,023, or 42.03%, decrease in public ways and facilities expenditures due primarily to a road projects completed in the prior fiscal year.
- Public assistance – FY 2016-17 saw an 4.59% increase over the prior fiscal year, or \$210,311. Public assistance can fluctuate widely depending upon availability of State and Federal funding and the need in any particular year. While there are normal salary and benefit increases as in all departments, the bulk of expenditures are reflected in the needs of the community at any given time and good management practices.
- Debt service – The County refunded the PERS Side fund late in fiscal year 2012. Every year until the refunded PERS Side fund debt has been repaid there will be a shift between increased principal payments and interest payments. Principal payments will go up and interest payments will go down.

Proprietary Funds

The County’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Enterprise funds include the solid waste program, airport fund, cemetery fund and campground fund. Additionally, there are four internal service funds that are presented in aggregate: Motor Pool, Copier Pool, Tech Refresh Pool and Insurance Pool. Factors affecting the financial results of these funds were discussed earlier in the business-type activities of Mono County.

- The total net position of County enterprise funds increased by \$801,605 after transfers in the current fiscal year to \$1,508,588. The solid waste enterprise fund increased their net position by \$601,936, decreasing their deficit net position from the prior fiscal year. The airport enterprise fund increased their net position from the prior fiscal year by \$189,746, primarily due to capital contributions for the Bryant Field road realignment project.
- The total net position of internal service funds decreased by \$1,139,618 from \$3,330,113 to \$2,190,495 primarily due to changes in the insurance pool within cash balances held with fiscal agents and claims liability increases.

COUNTY OF MONO

**Management's Discussion and Analysis
June 30, 2017**

General Fund Budgetary Highlights

The Board adopted their initial budget September 6, 2016, after much hard work and public hearings. This initial adopted budget allowed for revenues of \$34,419,971 and expenditures of \$39,107,471. The gap was met through prior year fund balance. A mid-year budget review occurred in February 2017 that resulted in no change to fund balance in the General Fund. As of June 30, 2017, the overall budget changes for the general fund resulted in an increase of \$405,425 in revenues and an increase in expenditures of \$248,875.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its Governmental Activities, as of June 30, 2017, totals \$35,036,545 (net of accumulated depreciation). This investment in capital assets includes land, structures and improvements, equipment, infrastructure and construction in progress. The total decrease in the County's governmental net investment in capital assets for the current period was \$2,021,592, or 5.46% (net of accumulated depreciation). Current depreciation for governmental type funds is \$3,123,747. Business-type function assets had an increase of \$174,840, or 2.72%. Business-type activities total \$330,589 in current year depreciation and total assets net of depreciation is \$6,591,060.

The county both purchases and constructs capital assets throughout the year. When a capital project will be completed in a subsequent fiscal year, related current year expenditures are recorded as Construction in progress (CIP). In the year of completion, a project's CIP is allocated to the appropriate capital asset classification(s). As of June 30, 2017, total CIP decreased by \$524,955, consisting of \$820,811 in transfers due to project completion and transfers/disposals and \$295,856 in CIP additions due to new projects. More detailed discussion can be found in Note 4 in the Notes to the Financial Statements section in this report.

Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 6,793,617	\$ 6,793,617	\$ 328,423	\$ 286,135	\$ 7,122,040	\$ 7,079,752
Construction in progress	1,452,021	1,976,976	--	--	1,452,021	1,976,976
Infrastructure	94,283,897	93,754,058	463,141	--	94,747,038	93,754,058
Structures & improvements	18,621,557	18,577,483	7,730,944	7,730,944	26,352,501	26,308,427
Equipment	18,026,793	17,275,185	1,532,463	1,532,463	19,559,256	18,807,648
Intangibles	1,148,577	1,148,577	--	--	1,148,577	1,148,577
Accumulated Depreciation	(105,289,917)	(102,467,759)	(3,463,911)	(3,133,322)	(108,753,828)	(105,601,081)
Total	<u>\$ 35,036,545</u>	<u>\$ 37,058,137</u>	<u>\$ 6,591,060</u>	<u>\$ 6,416,220</u>	<u>\$ 41,627,605</u>	<u>\$ 43,474,357</u>

The County elected to report its general infrastructure assets beginning July 1, 2003, and hired a consultant to value the infrastructure. The County has maintained and updated its initial valuation as necessary to keep current. It is important to note, assets are valued at their acquisition cost and not as a market value or replacement cost.

COUNTY OF MONO

**Management's Discussion and Analysis
June 30, 2017**

Debt Administration

At June 30, 2017, the County Governmental activities had total long-term liabilities outstanding of \$54,102,836:

	Long Term Liabilities					
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Pension obligation bonds	\$ 1,459,500	\$ 2,161,600	\$ --	\$ --	\$ 1,459,500	\$ 2,161,600
Compensated absences	3,042,040	3,192,000	51,440	78,237	3,093,480	3,270,237
Net pension liability	46,661,293	38,065,504	1,021,034	767,312	47,682,327	38,832,816
Claims liability	2,940,003	1,658,334	--	--	2,940,003	1,658,334
Refunded certificates of participation	--	--	2,182,700	2,406,000	2,182,700	2,406,000
Loan payable	--	--	--	66,667	--	66,667
Landfill postclosure cost	--	--	7,601,374	7,029,163	7,601,374	7,029,163
Total	<u>\$ 54,102,836</u>	<u>\$ 45,077,438</u>	<u>\$ 10,856,548</u>	<u>\$ 10,347,379</u>	<u>\$ 64,959,384</u>	<u>\$ 55,424,817</u>

Total governmental long-term liabilities increased by \$9,025,398, or 20.02%, during the fiscal year ended June 30, 2017 largely in part to adjustments in net pension liability. Claims liability also increased by \$1,281,669, or 77.29%, over the prior fiscal year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

- The County's Net Position increased by \$7,335,666, after restatements, from 2015-16 to 2016-17.
- The unemployment rate for Mono County annualized for 2016 was 5.4% and for 2017 was 4.4%. The State's average unemployment rate as of Dec 2017 was 4.5%. The unemployment rate for Mono County dropped by 1% when compared to 2016. Mono County's scenic and recreational attributes help support tourism and recreation which is the major industry and directly affects the employment rate.
- Property tax values have stabilized and are expected to increase at a moderate pace of about 2 to 4% annually. The Assessor continues to monitor Prop 8 values and the delinquency rate continues to decrease as properties affected by the economic downturn are continuing to recover. Total assessed valuations in Mono County increased 2.45% from the 2016 to the 2017 total roll value.
- In 2016-17, certain MOU negotiations resulted in salary adjustments (increases), such as pay increases, COLAs and step-increases, but also included slight increases in employee participation for health benefits.
- For 2017-18, the employer payment of the PERS unfunded liability will increase by \$540,653, or 18.62% from the previous year. In addition to the normal cost rate that will be going up an average of 1% for each employee group, the lump sum payment due for the unfunded liability for 2017-18 is \$815,462.
- Road Funding for 2017-18 is expected to continue to encounter declining transportation related revenues and increasing road maintenance needs, even with the passing of new legislation for an increase in gas tax revenues, SB 1, the Road Maintenance and Rehabilitation Program. A General Fund subsidy of \$650,000 to the County's Road Fund is budgeted for 2017-18 as a way to counter the shortfall, a decrease of \$200,000 from 2016-17.
- For revenue, transient occupancy tax (TOT) again reached an all-time high of over \$3.3 million for the fiscal year ended June 30, 2017 due to tourism, a major economic industry in Mono County. Sales tax continues to look strong with a 3.09% increase in the 2016-17 fiscal year and collections are estimated to increase 3% annually through 2018. The cost of living adjustment for property taxes effective 1-1-2017 is set at 2% creating cautious optimism for the future.

These factors plus others were considered in preparing the County's budget for the 2017-18 fiscal year.

COUNTY OF MONO

Management's Discussion and Analysis June 30, 2017

The 2017-18 adopted budget is sufficient to:

- Provide core services and programs that enhance the quality of life for our citizens and guests;
- Allocate an amount of \$250,000 to the General Fund Reserves to continue towards funding the policy minimum as well as \$660,000 allocated to the Economic Stabilization Fund to fund future personnel actions and/or other unfunded projects;
- Provide for contingencies in the adopted amount of \$420,000;
- Invest approximately \$750,000 in new equipment and equipment repairs to comply with requirements set forth by the California Air Resource Board (CARB);
- Provide funding for a grant match obligation for a new County jail that will provide education programs to inmates and medical services to both inmates and community members;
- Maintain Mono County's commitment to the Senior Services Program and Local Fire Chief's Association; and
- Partially fund the gap caused by reduced road revenues and provide minimal funding for road maintenance and repairs in the contribution amount to the Road Fund of \$650,000.

REQUESTS FOR INFORMATION

This financial report is designed to demonstrate accountability by the Mono County government by providing both a long-term and near-term views of the County's finances. Questions or comments regarding any of the information presented in this report or requests for additional financial information should be addressed to:

Director of Finance
County of Mono
P.O. Box 556
Bridgeport, CA 93517-0556
(760) 932-5490

BASIC FINANCIAL STATEMENTS
GOVERNMENT WIDE FINANCIAL STATEMENTS

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COUNTY OF MONO

Statement of Net Position

June 30, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and investments	\$ 31,327,910	\$ 2,759,381	\$ 34,087,291
Cash with fiscal agent	53,117	74,497	127,614
Restricted cash	-	3,235,582	3,235,582
Accounts receivable	1,196,959	336,316	1,533,275
Due from other governments	4,454,083	-	4,454,083
Taxes receivable	282,924	-	282,924
Deposits with others	3,199,037	-	3,199,037
Prepaid expense	161,556	-	161,556
Inventories	391,946	2,112	394,058
Loans receivable	1,572,090	-	1,572,090
Other assets - Other Post Employment Benefits	5,394,695	-	5,394,695
Internal balances	660,000	(660,000)	-
Capital assets:			
Nondepreciable	8,245,638	328,423	8,574,061
Depreciable, net	26,790,907	6,262,637	33,053,544
Total Assets	<u>83,730,862</u>	<u>12,338,948</u>	<u>96,069,810</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts related to pensions	10,588,868	219,142	10,808,010
LIABILITIES			
Accounts payable	2,008,360	126,626	2,134,986
Salaries and benefits payable	289,118	12,664	301,782
Interest payable	5,325	15,606	20,931
Deposits from others	800	-	800
Unearned revenue	135,231	-	135,231
Long-term liabilities:			
Portion due or payable within one year	5,488,416	264,850	5,753,266
Portion due or payable after one year	48,614,420	10,591,698	59,206,118
Total Liabilities	<u>56,541,670</u>	<u>11,011,444</u>	<u>67,553,114</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to pensions	2,109,352	38,058	2,147,410
NET POSITION			
Net investment in capital assets	35,036,545	6,591,060	41,627,605
Restricted	20,397,419	4,648	20,402,067
Unrestricted	(19,765,256)	(5,087,120)	(24,852,376)
Total Net Position	<u>\$ 35,668,708</u>	<u>\$ 1,508,588</u>	<u>\$ 37,177,296</u>

See accompanying notes to the basic financial statements.

COUNTY OF MONO

Statement of Activities

For the Year Ended June 30, 2017

FUNCTION / PROGRAM ACTIVITIES	Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
General government	\$ 10,149,677	\$ 2,902,867	\$ 1,682,565	\$ -
Public protection	18,037,087	1,470,947	5,418,670	-
Public ways and facilities	6,465,642	495,210	2,069,837	512,397
Health and sanitation	8,568,557	1,822,308	6,130,805	-
Public assistance	4,628,204	125,178	4,940,302	86,190
Education	41,847	-	1,093	-
Recreation and culture	104,422	-	-	-
Interest on long-term debt	182,838	-	-	-
Total Governmental Activities	<u>48,178,274</u>	<u>6,816,510</u>	<u>20,243,272</u>	<u>598,587</u>
Business-Type Activities				
Solid Waste	2,490,582	3,014,267	20,000	-
Airport	326,819	8,525	42,799	464,976
Campgrounds	32,240	39,197	-	-
Cemeteries	14,828	2,862	-	-
Total Business-type Activities	<u>2,864,469</u>	<u>3,064,851</u>	<u>62,799</u>	<u>464,976</u>
Total Primary Government	<u>\$ 51,042,743</u>	<u>\$ 9,881,361</u>	<u>\$ 20,306,071</u>	<u>\$ 1,063,563</u>

GENERAL REVENUES AND TRANSFERS

Taxes:

- Property
- Sales and use
- Transient occupancy
- Unrestricted investment earnings
- Transfers
- Total General Revenues

CHANGES IN NET POSITION

Net Position - Beginning of Year, restated

NET POSITION, END OF YEAR

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and
Changes in Net Position

Primary Government

Governmental Activities	Business- Type Activities	Total
\$ (5,564,245)	\$ -	\$ (5,564,245)
(11,147,470)	-	(11,147,470)
(3,388,198)	-	(3,388,198)
(615,444)	-	(615,444)
523,466	-	523,466
(40,754)	-	(40,754)
(104,422)	-	(104,422)
(182,838)	-	(182,838)
<u>(20,519,905)</u>	<u>-</u>	<u>(20,519,905)</u>
-	543,685	543,685
-	189,481	189,481
-	6,957	6,957
-	(11,966)	(11,966)
<u>-</u>	<u>728,157</u>	<u>728,157</u>
<u>(20,519,905)</u>	<u>728,157</u>	<u>(19,791,748)</u>
20,369,909	-	20,369,909
585,375	-	585,375
3,349,252	-	3,349,252
300,085	59,468	359,553
(13,980)	13,980	-
<u>24,590,641</u>	<u>73,448</u>	<u>24,664,089</u>
4,070,736	801,605	4,872,341
<u>31,597,972</u>	<u>706,983</u>	<u>32,304,955</u>
<u>\$ 35,668,708</u>	<u>\$ 1,508,588</u>	<u>\$ 37,177,296</u>

FUNCTION / PROGRAM ACTIVITIES

Primary Government

Governmental Activities:

General government
Public protection
Public ways and facilities
Health and sanitation
Public assistance
Education
Recreation and culture
Interest on long-term debt
Total Governmental Activities

Business-Type Activities

Solid Waste
Airport
Campgrounds
Cemeteries
Total Business-type Activities

Total Primary Government

GENERAL REVENUES AND TRANSFERS

Taxes:

Property
Sales and use
Transient occupancy
Unrestricted investment earnings
Transfers
Total General Revenues

CHANGES IN NET POSITION

Net Position - Beginning of Year, restated

NET POSITION, END OF YEAR

See accompanying notes to the basic financial statements.

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BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS

COUNTY OF MONO

Balance Sheet

Governmental Funds

June 30, 2017

	General	Road	Realignment	Mental Health Services Act
ASSETS				
Cash and investments	\$ 10,225,917	\$ 771,922	\$ 5,595,634	\$ 5,561,234
Accounts receivable	1,165,825	13,028	-	-
Due from other governments	2,229,018	329,725	730,339	181,060
Taxes receivable	282,924	-	-	-
Due from other funds	133,336	-	-	-
Advances to other funds	660,000	-	-	-
Prepaid expenses	90,847	-	-	3,087
Inventories	1,266	390,680	-	-
Loans receivable	660,227	-	-	-
	<u>15,449,360</u>	<u>1,505,355</u>	<u>6,325,973</u>	<u>5,745,381</u>
Total Assets	<u>\$ 15,449,360</u>	<u>\$ 1,505,355</u>	<u>\$ 6,325,973</u>	<u>\$ 5,745,381</u>
LIABILITIES				
Accounts payable	\$ 841,100	\$ 54,246	\$ -	\$ 3,953
Salaries and benefits payable	227,693	48,554	-	707
Due to other funds	-	-	-	-
Deposits from others	800	-	-	-
Unearned revenues	-	-	-	-
	<u>1,069,593</u>	<u>102,800</u>	<u>-</u>	<u>4,660</u>
Total Liabilities	<u>1,069,593</u>	<u>102,800</u>	<u>-</u>	<u>4,660</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	893,807	-	146,996	-
	<u>893,807</u>	<u>-</u>	<u>146,996</u>	<u>-</u>
FUND BALANCES				
Nonspendable	1,412,340	390,680	-	3,087
Restricted	-	1,011,875	6,178,977	5,737,634
Committed	-	-	-	-
Assigned	7,530,512	-	-	-
Unassigned	4,543,108	-	-	-
	<u>13,485,960</u>	<u>1,402,555</u>	<u>6,178,977</u>	<u>5,740,721</u>
Total Fund Balances	<u>13,485,960</u>	<u>1,402,555</u>	<u>6,178,977</u>	<u>5,740,721</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 15,449,360</u>	<u>\$ 1,505,355</u>	<u>\$ 6,325,973</u>	<u>\$ 5,745,381</u>

See accompanying notes to the basic financial statements.

Other Governmental	Total	
ASSETS		
\$ 8,227,369	\$ 30,382,076	Cash and investments
17,106	1,195,959	Accounts receivable
983,941	4,454,083	Due from other governments
-	282,924	Taxes receivable
168,244	301,580	Due from other funds
-	660,000	Advances to other funds
67,622	161,556	Prepaid expenses
-	391,946	Inventories
911,863	1,572,090	Loans receivable
<u>\$ 10,376,145</u>	<u>\$ 39,402,214</u>	Total Assets
LIABILITIES		
\$ 1,042,327	\$ 1,941,626	Accounts payable
6,508	283,462	Salaries and benefits payable
301,580	301,580	Due to other funds
-	800	Deposits from others
135,231	135,231	Unearned revenues
<u>1,485,646</u>	<u>2,662,699</u>	Total Liabilities
DEFERRED INFLOWS OF RESOURCES		
<u>697,322</u>	<u>1,738,125</u>	Unavailable revenues
FUND BALANCES		
979,485	2,785,592	Nonspendable
6,467,199	19,395,685	Restricted
360,239	360,239	Committed
685,482	8,215,994	Assigned
(299,228)	4,243,880	Unassigned
<u>8,193,177</u>	<u>35,001,390</u>	Total Fund Balances
<u>\$ 10,376,145</u>	<u>\$ 39,402,214</u>	Total Liabilities, Deferred Inflows of Resources and Fund Balances

See accompanying notes to the basic financial statements.

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COUNTY OF MONO

Reconciliation of the Balance Sheet to the Statement of Net Position

Governmental Funds and Activities

June 30, 2017

Fund balance - total governmental funds \$ 35,001,390

Amounts reported for governmental activities in the statement of net position are different because:

Certain amounts are not available to pay for current period expenditures and, therefore, are not reported in the governmental funds.

Other post employment benefit asset	5,394,695
Deferred outflow amounts related to pensions	10,520,384
Deferred inflow amounts related to pensions	(2,097,458)

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds

33,770,150

Unavailable revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.

1,738,125

Internal service funds are used by management to charge the cost of motor pool, copier pool, insurance and other activities to individual funds. The assets, deferred outflows, liabilities and deferred inflows of the internal service funds are included in governmental activities in the statement of net position.

2,190,495

Long-term liabilities, including capital leases, are not due and payable in the current period, and therefore are not reported in the governmental funds.

Bonds payable	(1,459,500)
Compensated absences	(3,042,040)
Net pension liability	(46,342,208)
Interest payable	(5,325)

Net position of governmental activities

\$ 35,668,708

See accompanying notes to the basic financial statements.

COUNTY OF MONO

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2017

	General	Road	Realignment	Mental Health Services Act
REVENUES				
Taxes	\$ 24,095,792	\$ -	\$ -	\$ -
Licenses and permits	314,098	9,976	-	-
Fines, forfeitures and penalties	797,918	57,218	-	-
Use of money and property	158,688	10,987	56,674	55,498
Intergovernmental	4,811,271	2,192,655	3,390,618	1,707,654
Charges for services	2,972,213	426,918	-	-
Other revenues	44,428	-	-	-
Total Revenues	<u>33,194,408</u>	<u>2,697,754</u>	<u>3,447,292</u>	<u>1,763,152</u>
EXPENDITURES				
Current:				
General government	10,440,806	-	-	-
Public protection	15,713,083	-	-	-
Public ways and facilities	-	3,683,714	-	-
Health and sanitation	3,678,113	-	-	898,845
Public assistance	46,849	-	-	-
Education	41,847	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other related costs	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>29,920,698</u>	<u>3,683,714</u>	<u>-</u>	<u>898,845</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,273,710</u>	<u>(985,960)</u>	<u>3,447,292</u>	<u>864,307</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	1,924	-	-
Transfers in	1,481,946	850,000	-	-
Transfers out	<u>(2,458,348)</u>	<u>-</u>	<u>(2,127,222)</u>	<u>(20,000)</u>
Total Other Financing Sources and (Uses)	<u>(976,402)</u>	<u>851,924</u>	<u>(2,127,222)</u>	<u>(20,000)</u>
NET CHANGES IN FUND BALANCES	2,297,308	(134,036)	1,320,070	844,307
Fund Balances, Beginning of Year, restated	<u>11,188,652</u>	<u>1,536,591</u>	<u>4,858,907</u>	<u>4,896,414</u>
FUND BALANCE, END OF THE YEAR	<u><u>\$ 13,485,960</u></u>	<u><u>\$ 1,402,555</u></u>	<u><u>\$ 6,178,977</u></u>	<u><u>\$ 5,740,721</u></u>

See accompanying notes to the basic financial statements.

Other Governmental	Total	
		REVENUES
\$ 208,744	\$ 24,304,536	Taxes
284,585	608,659	Licenses and permits
103,605	958,741	Fines, forfeitures and penalties
72,963	354,810	Use of money and property
8,451,611	20,553,809	Intergovernmental
610,109	4,009,240	Charges for services
724,392	768,820	Other revenues
10,456,009	51,558,615	Total Revenues
		EXPENDITURES
		Current:
193,173	10,633,979	General government
1,760,452	17,473,535	Public protection
433,582	4,117,296	Public ways and facilities
4,057,789	8,634,747	Health and sanitation
4,744,827	4,791,676	Public assistance
-	41,847	Education
		Debt service:
798,573	798,573	Principal
88,791	88,791	Interest and other related costs
286,063	286,063	Capital outlay
12,363,250	46,866,507	Total Expenditures
		Excess (Deficiency) of Revenues Over
(1,907,241)	4,692,108	(Under) Expenditures
		OTHER FINANCING SOURCES (USES)
-	1,924	Proceeds from sale of capital assets
2,821,498	5,153,444	Transfers in
(561,854)	(5,167,424)	Transfers out
		Total Other Financing Sources and
2,259,644	(12,056)	(Uses)
		NET CHANGES IN FUND BALANCES
352,403	4,680,052	Fund Balances, Beginning of Year, restated
7,840,774	30,321,338	
\$ 8,193,177	\$ 35,001,390	FUND BALANCE, END OF THE YEAR

See accompanying notes to the basic financial statements.

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COUNTY OF MONO

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Statement of Activities
Governmental Funds and Activities
For the Year Ended June 30, 2017

Net change to fund balances - total governmental funds		\$	4,680,052
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
Expenditures for general capital assets, infrastructure, and other related capital	714,274		
Less: current year depreciation	<u>(2,662,752)</u>		(1,948,478)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds (unavailable revenues). In the statement of activities, revenues have been reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year.			
			288,050
Pension contributions made subsequent to the measurement date is an expenditure in the governmental funds, but reported as a deferred outflow of resources in the statement of net position.			
			4,218,785
Long-term debt proceeds provide current resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			
Principal repayments			702,100
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.			
Change in compensated absences	149,960		
Change in accrued interest	<u>2,426</u>		152,386
Other post employment benefits are reported as an expenditure when contributions are made in the governmental funds, but are other assets for contributions made in excess of required amounts.			
			966,386
Changes to the net pension liability and pension related deferred outflows or inflows of resources do not provide or require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
			(3,848,927)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds activities is reported with governmental activities.			
			<u>(1,139,618)</u>
Change in net position of governmental activities		\$	<u>4,070,736</u>

See accompanying notes to the basic financial statements.

COUNTY OF MONO

Statement of Fund Net Position

Proprietary Funds

June 30, 2017

	Business-Type Activities - Enterprise Funds			Total Enterprise Funds	Governmental
	Solid Waste	Airport	Nonmajor Enterprise Funds		Internal Service Funds
ASSETS					
Current Assets:					
Cash and investments	\$ 2,512,329	\$ 157,993	\$ 89,059	\$ 2,759,381	\$ 945,834
Cash with fiscal agent	74,497	-	-	74,497	53,117
Accounts receivable	332,282	-	4,034	336,316	1,000
Deposits with others	-	-	-	-	3,199,037
Inventory	-	2,112	-	2,112	-
Total Current Assets	<u>2,919,108</u>	<u>160,105</u>	<u>93,093</u>	<u>3,172,306</u>	<u>4,198,988</u>
Noncurrent Assets:					
Restricted cash in Treasury	3,235,582	-	-	3,235,582	-
Capital assets:					
Non-depreciable	52,800	275,623	-	328,423	-
Depreciable, net	794,368	5,468,269	-	6,262,637	1,266,395
Total Noncurrent Assets	<u>4,082,750</u>	<u>5,743,892</u>	<u>-</u>	<u>9,826,642</u>	<u>1,266,395</u>
Total Assets	<u>7,001,858</u>	<u>5,903,997</u>	<u>93,093</u>	<u>12,998,948</u>	<u>5,465,383</u>
DEFERRED OUTFLOWS					
Deferred amounts related to pensions	219,142	-	-	219,142	68,484
LIABILITIES					
Current Liabilities:					
Accounts payable	110,032	14,141	2,453	126,626	66,734
Salaries and benefits payable	12,664	-	-	12,664	5,656
Interest payable	15,606	-	-	15,606	-
Advances from other funds	195,000	-	-	195,000	-
Refunded certificates of participation	236,800	-	-	236,800	-
Compensated absences	28,050	-	-	28,050	-
Claims liability	-	-	-	-	2,940,003
Total Current Liabilities	<u>598,152</u>	<u>14,141</u>	<u>2,453</u>	<u>614,746</u>	<u>3,012,393</u>
Noncurrent Liabilities:					
Advances from other funds	465,000	-	-	465,000	-
Refunded certificates of participation	1,945,900	-	-	1,945,900	-
Compensated absences	23,390	-	-	23,390	-
Closure and post closure liability	7,601,374	-	-	7,601,374	-
Net pension liability	1,021,034	-	-	1,021,034	319,085
Total Noncurrent Liabilities	<u>11,056,698</u>	<u>-</u>	<u>-</u>	<u>11,056,698</u>	<u>319,085</u>
Total Liabilities	<u>11,654,850</u>	<u>14,141</u>	<u>2,453</u>	<u>11,671,444</u>	<u>3,331,478</u>
DEFERRED INFLOWS					
Deferred amounts related to pensions	38,058	-	-	38,058	11,894
NET POSITION					
Net investment in capital assets	847,168	5,743,892	-	6,591,060	1,266,395
Restricted	-	-	4,648	4,648	-
Unrestricted	(5,319,076)	145,964	85,992	(5,087,120)	924,100
Total Net Position	<u>\$ (4,471,908)</u>	<u>\$ 5,889,856</u>	<u>\$ 90,640</u>	<u>\$ 1,508,588</u>	<u>\$ 2,190,495</u>

See accompanying notes to the basic financial statements.

COUNTY OF MONO

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds			Governmental	
	Solid Waste	Airport	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 2,998,551	\$ 7,325	\$ 42,059	\$ 3,047,935	\$ 2,724,592
Total Operation Revenues	<u>2,998,551</u>	<u>7,325</u>	<u>42,059</u>	<u>3,047,935</u>	<u>2,724,592</u>
OPERATING EXPENSES					
Salaries and benefits	771,984	-	-	771,984	347,590
Services and supplies	1,013,659	28,872	47,068	1,089,599	3,185,582
Closure and post closure costs	572,211	-	-	572,211	-
Depreciation and amortization	32,642	297,947	-	330,589	460,996
Total Operating Expenses	<u>2,390,496</u>	<u>326,819</u>	<u>47,068</u>	<u>2,764,383</u>	<u>3,994,168</u>
OPERATING INCOME (LOSS)	<u>608,055</u>	<u>(319,494)</u>	<u>(5,009)</u>	<u>283,552</u>	<u>(1,269,576)</u>
NON-OPERATING REVENUES (EXPENSES)					
Interest income	58,251	1,465	952	60,668	10,517
Interest expense	(100,086)	-	-	(100,086)	-
Operating grants	20,000	42,799	-	62,799	-
Miscellaneous	15,716	-	-	15,716	81,750
Gain (loss) on sale of capital assets	-	-	-	-	37,691
Total Non-Operating Revenues (Expenses)	<u>(6,119)</u>	<u>44,264</u>	<u>952</u>	<u>39,097</u>	<u>129,958</u>
Income (Loss) Before Capital Contributions and Transfers	601,936	(275,230)	(4,057)	322,649	(1,139,618)
Capital contributions	-	464,976	-	464,976	-
Transfers in	-	-	13,980	13,980	-
CHANGE IN NET POSITION	601,936	189,746	9,923	801,605	(1,139,618)
Net Position, Beginning of Year	<u>(5,073,844)</u>	<u>5,700,110</u>	<u>80,717</u>	<u>706,983</u>	<u>3,330,113</u>
NET POSITION, END OF YEAR	<u>\$ (4,471,908)</u>	<u>\$ 5,889,856</u>	<u>\$ 90,640</u>	<u>\$ 1,508,588</u>	<u>\$ 2,190,495</u>

See accompanying notes to the basic financial statements.

COUNTY OF MONO

Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds			Governmental
	Solid Waste	Airport	Nonmajor Enterprise Funds	Total Enterprise Funds
				Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 2,970,351	\$ 7,325	\$ 38,480	\$ 3,016,156
Cash receipts from internal fund services provided	-	-	-	-
Cash paid to employees for services	(770,164)	-	-	(770,164)
Cash paid to suppliers for goods and services	(1,008,959)	(56,164)	(46,170)	(1,111,293)
Net Cash Provided (Used) by Operating Activities	1,191,228	(48,839)	(7,690)	1,134,699
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payment on advances from other funds	(195,000)	-	-	(195,000)
Miscellaneous receipts	15,716	-	-	15,716
Operating grants	20,000	42,799	-	62,799
Transfers from other funds	-	-	13,980	13,980
Repayment of debt not attributable to capital purposes	(223,300)	-	-	(223,300)
Interest paid	(103,216)	-	-	(103,216)
Net Cash Provided (Used) by Noncapital Financing Activities	(485,800)	42,799	13,980	(429,021)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital grants	-	464,976	-	464,976
Payments related to the acquisition of capital assets	-	(505,430)	-	(505,430)
Repayment of loan used to purchase capital assets	(66,667)	-	-	(66,667)
Proceeds from the sale of capital assets	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(66,667)	(40,454)	-	(107,121)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	58,251	1,465	952	60,668
Net Cash Provided by Investing Activities	58,251	1,465	952	60,668
Net Increase (Decrease) in Cash and Cash Equivalents	697,012	(45,029)	7,242	659,225
Cash and Cash Equivalents, Beginning of Year	5,125,396	203,022	81,817	5,410,235
Cash and Cash Equivalents, End of Year	\$ 5,822,408	\$ 157,993	\$ 89,059	\$ 6,069,460
Reconciliation of Cash and Cash Equivalents to the Statement of Fund Net Position				
Cash and investments	\$ 2,512,329	\$ 157,993	\$ 89,059	\$ 2,759,381
Cash with fiscal agent	74,497	-	-	74,497
Restricted cash in Treasury	3,235,582	-	-	3,235,582
Total Cash and Cash Equivalents	\$ 5,822,408	\$ 157,993	\$ 89,059	\$ 6,069,460

continued

See accompanying notes to the basic financial statements.

COUNTY OF MONO

Statement of Cash Flows (continued)

Proprietary Funds

For the Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Solid Waste	Airport	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating income (loss)	\$ 608,055	\$ (319,494)	\$ (5,009)	\$ 283,552	\$ (1,269,576)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation	32,642	297,947	-	330,589	460,996
Changes in assets and liabilities					
Receivables	(28,200)	-	(3,579)	(31,779)	(1,000)
Deposits with others	-	-	-	-	(304,977)
Deferred outflows	(71,252)	-	-	(71,252)	(22,111)
Accounts payable	4,700	(27,292)	898	(21,694)	41,650
Accrued salaries and benefits	(43,695)	-	-	(43,695)	(15,121)
Claims liability	-	-	-	-	1,281,669
Closure and postclosure liability	572,211	-	-	572,211	-
Liability for compensated absences	(26,797)	-	-	(26,797)	-
Net pension liability	253,722	-	-	253,722	78,483
Deferred inflows	(110,158)	-	-	(110,158)	(21,273)
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,191,228</u>	<u>\$ (48,839)</u>	<u>\$ (7,690)</u>	<u>\$ 1,134,699</u>	<u>\$ 228,740</u>

See accompanying notes to the basic financial statements.

COUNTY OF MONO

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2017

	Investment Trust	Agency
	<u> </u>	<u> </u>
ASSETS		
Pooled Cash and investments	\$ 41,095,635	\$ 6,520,551
	<u> </u>	<u> </u>
Total Assets	<u>41,095,635</u>	<u>6,520,551</u>
LIABILITIES		
Agency funds held for others	-	6,520,551
	<u> </u>	<u> </u>
Total Liabilities	<u>-</u>	<u>6,520,551</u>
NET POSITION		
Net position held in trust for investment pool participants	41,095,635	-
	<u> </u>	<u> </u>
Total Net Position	<u>\$ 41,095,635</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

COUNTY OF MONO

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Year Ended June 30, 2017

	Investment Trust
ADDITIONS	
Contributions	\$ 68,411,998
Investment income	461,946
	<hr/>
Total Additions	68,873,944
	<hr/>
DEDUCTIONS	
Distributions	66,684,133
	<hr/>
Total Deductions	66,684,133
	<hr/>
CHANGE IN NET POSITION	2,189,811
	<hr/>
Net Position, Beginning of Year	38,905,824
	<hr/>
NET POSITION, END OF THE YEAR	<u><u>\$ 41,095,635</u></u>

See accompanying notes to the basic financial statements.

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NOTES TO FINANCIAL STATEMENTS

The notes provided in the financial section of this report are considered an integral and essential part of adequate disclosure and fair presentation of this report. The notes include a Summary of Significant Accounting Policies for the County and other necessary disclosure of pertinent matters relating to the financial position of the County. The notes provide significant insight to the financial statements and are conjunctive to understanding the rationale for presentation of the financial statement and information contained in this document.

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COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County of Mono (the County) conform to accounting principles generally accepted in the United States of America as applicable to governmental entities. The more significant of the County's accounting policies are described below.

A. **The Reporting Entity**

The County is a legal subdivision of the State of California whereby it can exercise the powers specified by the constitution and statutes of the State of California. The County operates under an Administrator-Board of Supervisors form of government with legislative and executive control held by an elected five member Board of Supervisors. Major services provided by the County to its citizens include public protection, public ways and facilities, health and sanitation, public assistance, education, culture and recreation, and general services. In addition, the County administers various special districts governed by the Board and provides services to other special districts governed by independent local boards. These special districts are located within the boundaries of the County and were established under various sections of the California Government Code. The County provides fiscal agent and accounting services to many of these districts.

These financial statements present the County (the primary government) and its component units, entities for which the government considers itself financially accountable. Reporting for component units on the County's financial statements is either blended or discretely presented. Blended component units, although legally separate entities, are in substance, part of the government's operations because the County's Board generally is their governing body. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the County. Each component unit has a June 30th year end.

Blended Component Units

There are four entities which meet the criteria of a blended component unit. These dependent entities are Community Service Districts whose Advisory Boards are governed by the Board of Supervisors. The affected districts are Community Service Area #1 – Crowley; Community Service Area #5 – Bridgeport; and Community Service Area #2 – Benton. The County of Mono Economic Development Corporation is also a blended component unit. The governing body of the Corporation is the County's governing body. The Corporation was formed to assist with financing public improvements of the County.

Discretely Presented Component Units

There are no entities which meet the criteria of a discretely presented component unit.

B. **Basis of Presentation**

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2017

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

Proprietary fund *operating* revenues, such as charges for goods or services are provided by the fund as part of its principal activity and result from exchange transactions. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Operating expenses include the costs of providing services and delivering goods. All other expenses not meeting this definition are reported as nonoperating expenses.

The County reports the following major governmental funds:

- The **General Fund** is the County's primary operating fund and is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as public protection, public ways and facilities, health and sanitation, public assistance, education, recreation and cultural services and general administration.
- The **Road Fund** provides for maintenance and construction of roadways. Revenues consist primarily of the County's share of state highway users tax supplemented by federal and state funds.
- The **Realignment Fund** accounts for State realigned revenues generated from sales taxes and vehicle license fees that are restricted to expenditure for specific social, health, mental health and public safety programs..
- The **Mental Health Services Act Fund** accounts for Proposition 63 funding passed in 2004 to expand and further develop mental health services in the County. It uses state funding to provide services such as wellness center programs, school programs, community garden projects and community social events.

The County reports the following major enterprise funds:

- The **Solid Waste Fund** accounts for revenues and expenses incurred in providing waste collection services at transfer stations throughout the County and waste disposal services at three County landfills. The Division oversees the permitting, monitoring and maintenance of the County's three active landfills, as well as three closed landfills. The Division also oversees and implements recycling programs throughout the County in an effort to maintain and enhance diversion efforts.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

- The **Airport Fund** accounts for the operation and maintenance of the County's two airports that include Bryant Field and Lee Vining Airport. Airport operations include applying for and administering grants to complete Airport Capital Improvement Programs and administration of leases and sub-leases on airport property.

The County reports the following additional fund types:

- **Internal Service Funds** account for financing of goods or services provided by one department to other County departments on a cost reimbursement basis. Activities include the County's copier pool which purchases and maintains copy machines, technology refresh pool which accounts for the replacement of county desktop computers, laptops, servers and other technology items, self-insurance programs, and the County's motor pool which purchases and maintains vehicles.
- The **Investment Trust Fund** accounts for the assets of legally separate entities, which invest in the County Treasurer's investment pool. These entities include school districts, other special districts governed by local boards, regional boards and authorities and pass through funds for tax collections for the County's one incorporated town. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.
- **Agency Funds** account for assets held by the County as an agent for various individuals or other local governments. These funds are custodial in nature and do not involve measurement of results or operations. Such funds have no equity accounts since all assets are due to individuals or entities at some future time.

C. Basis of Accounting

The government-wide, proprietary and investment trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales taxes are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be measurable and available. Licenses, permits, fines, forfeitures, and other revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

Agency funds apply the accrual basis of accounting but do not have a measurement focus.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

D. Cash and Investments

The County follows the practice of pooling cash and investments of all funds with the County Treasurer. In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools* and GASB Statement No. 72, *Fair Value Measurement and Application*, investments generally are stated at fair value in the statement of net position and balance sheet and the corresponding changes in the fair value of investments are recognized in the year in which the change occurred. The fair value of investments is determined annually. Interest earned on pooled investments is apportioned quarterly to certain participating funds based on each fund's respective average daily balance for that quarter with all remaining interest deposited in the County's General Fund.

The investment pool includes both voluntary and involuntary participation from external entities. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer.

For purpose of the statement of cash flows, the proprietary funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less and pooled cash and investments to be cash equivalents.

E. Restricted Cash and Investments

Restricted assets in the enterprise funds represent cash and investments held to finance closure and postclosure costs as required by state and federal laws and regulations.

F. Inventory

Inventories consist of materials and supplies held for consumption and are valued at cost. Inventory consists of expendable supplies held for consumption. The cost is recorded as expenditures at the time individual inventory items are consumed. Inventories in the governmental funds are equally offset by a corresponding nonspendable fund balance amount, which indicates that inventories do not represent expendable available resources.

G. Receivables, Unavailable Revenue and Unearned Revenue

The County uses a 60-day time period for recognizing accruals in the governmental funds. Receivables are reported net of uncollectible amounts. Total uncollectible amounts are related to delinquent property taxes in the amount of \$186,050 and is recorded in the General Fund. Governmental funds report unavailable revenue in connection with these receivables not considered available within the 60-day period. Governmental and enterprise funds report unearned revenue in connection with resources received, but eligibility requirements have not been satisfied.

Certain grant revenues are recognized when specific related expenditures have been incurred. In other grant programs, monies are virtually unrestricted as to purpose of expenditure and are only revocable for failure to comply with prescribed compliance requirements. These revenues are recognized at the time of receipt, or earlier if susceptible to accrual criteria is met. Cash received prior to incurrence of the related expenditure is recorded as unearned revenue.

H. Notes Receivable

The notes receivable balances in the General Fund and the Housing Fund balance sheet consist of loans made with funds provided to the County under the U.S. Department of Housing and Urban Development programs, primarily the

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME). The loans are made to carry out activities for affordable housing, and are reported at the outstanding principle balance.

Generally, notes are deferred with all principal and interest due on the earlier of the due date of the note or sale or transfer of the property. Any repayment of principal or interest applicable to the CDBG and HOME programs is treated as program revenue. A loan committee approves the loans and deferral of payments.

I. Prepaid Expenses/Items and Deposits

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both the government-wide and fund financial statements. Payments made in advance of the receipt of goods or property is recorded as deposits. The cost of prepaid expense is recorded an expense when consumed rather than when purchased. Prepaid expenses and deposits in the governmental fund financial statements are equally offset by a corresponding nonspendable fund balance amount, which indicates that prepaid expenses and deposits do not represent expendable available resources.

J. Capital Assets

Capital assets include land, land improvements, buildings and improvements, machinery and equipment, infrastructure (e.g. roads, bridges, sidewalks, and similar items), and intangible assets (e.g. land easements and computer software). Assets that are purchased or constructed are reported at historical costs or at estimated historical cost is actual cost is not available. Donated capital assets are valued at their estimated acquisition value on the date of donation.

Normal maintenance and repairs are charged to operations when incurred. Betterments and major improvements that significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Capital outlays are recorded as expenditures in the governmental funds and as additions to capital assets in the proprietary and the government-wide financial statements, in accordance with the County's capitalization policy. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets used in operations are depreciated or amortized (assets under capital leases) in the government-wide statements and proprietary funds using the straight-line method over the lesser of the capital lease period or their estimated useful lives.

The estimated useful lives are as follows:

Infrastructure	20 to 50 years
Structures and improvements	20 to 50 years
Equipment	3 to 15 years

The County has four networks of infrastructure assets – roads, lighting, drainage, and flood control.

K. Deferred Outflows/Inflows of Resources

The County recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net position that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position that is applicable to a future reporting period.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

L. Net Position/Fund Balance

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as follows:

- *Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Position* – This category represents net position of the County, not restricted for any project or other purpose.

When both restricted and unrestricted net position are available, the County considers restricted net position to have been depleted before unrestricted net position is applied.

In the fund financial statements, governmental funds report fund balance in the following categories based primarily on the extent to which the county is bound to honor constraints on how specific amounts can be spent:

- *Nonspendable fund balance* – Amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to remain intact.
- *Restricted fund balance* – Amounts with constraints placed on their use that are externally imposed by creditors, grantors, contributors, or laws and regulations of other governments. Constraints may also be imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* – Amounts that can only be used for specific purposes determined by formal action of the Board of Supervisors and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur prior to the end of the reporting period. The amount subject to the constraint may be determined in the subsequent period.
- *Assigned fund balance* – Amounts that are constrained by the County's intent to use resources for specific purposes. Intent can be expressed by the Board of Supervisors or by an official or body designated for that purpose. This is also the classification for residual fund balance in all governmental funds other than the General Fund.
- *Unassigned fund balance* – The residual classification for the County's General Fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if the expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes (i.e., deficit fund balance).

The Board of Supervisors establishes, modifies or rescinds fund balance commitments by passage of a resolution or an ordinance, each resulting in equally binding constraints.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, followed by the committed, assigned and unassigned resources as they are needed.

M. Property Tax Revenue

Property taxes, including tax rates, are regulated by the State and are administered locally by the County. The County is responsible for assessing, collecting and distributing property taxes in accordance with state law. The County's property taxes are levied on July 1 (unsecured roll) and October 1 (secured roll) on assessed values established on the lien date of the previous January 1 for all taxable property located within the County. Taxes are due in one installment (unsecured roll) by July 1 and are subject to late payment penalties if paid after August 31, or two installments (secured roll) due November 1 and February 1, and again subject to late payment penalties if paid after December 10 and April 10, respectively. Additionally, supplemental property taxes are levied on a pro rata basis when changes in assessed valuation occur due to sales transactions or the completion of construction.

All general property taxes are allocated to the various taxing entities per the legislation implementing Article XIII of the California Constitution (commonly referred to as Proposition 13). Property is reappraised from the 1975-76 base year value to current full value upon either (1) a change in ownership or (2) new construction, as of the date of such transaction or completion of construction (only the newly constructed portion of the property is reappraised). General property taxes are based on a flat one percent rate applied to the property's assessed value. Absence the change in valuation described above, taxable values on properties can rise at a maximum rate of two percent per year. The method of allocation used by the County is subject to review by the State of California. The County recognizes property tax revenues in the period for which the taxes are levied subject to the availability criteria in the governmental funds financial statements.

N. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance amount in the applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

O. Compensated Absences

Under the terms of union contracts, the County grants employees vacation and sick leave in varying amounts depending upon their respective bargaining unit. Vacation pay is subject to certain maximum accumulations and is payable upon termination. Sick leave may be accumulated without limitation and is payable upon termination at varying amounts depending on bargaining unit and length of service.

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2017

Because vacation, sick leave and other compensated absence balances do not require the use of current financial resources, no liability is recorded within the governmental funds. However, this liability is reflected in the government-wide statement of net position. In proprietary funds, the liability for compensated absences is recorded in the period that the benefits accrue to employees.

P. Pensions

In the government-wide financial statements, pensions are recognized and disclosed using the accrual basis of accounting regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The County recognizes a net pension liability for each qualified pension plan in which it participated, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, measured as of the County's fiscal year-end or the County's proportionate share thereof in the case of a cost-sharing multiple-employer plan.

Changes in the net pension liability during the period are recorded as pension expense, or as deferred inflows or outflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred inflows or outflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants including retirees, in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they arose.

Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows or outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

Q. Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

R. Implementation of Governmental Accounting Standards Board (GASB) Statements

The requirements of the following GASB Statements are effective for the purpose of implementation, if applicable to the County, for the fiscal year ended June 30, 2017:

GASB Statement No. 77, *Tax Abatement Disclosures*, is effective for fiscal years beginning after December 15, 2015. (FY 2016/17) The objective of this Statement is to provide transparency in financial statements prepared by state and local governments in conformity with generally accepted accounting principles, provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability.

S. Future Pronouncements

The County is currently analyzing its accounting and financial reporting practices to determine the potential impact on the financial statements of the following GASB Statements:

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, is effective for fiscal years beginning after June 15, 2017. (FY 2017/18) The primary objective of this Statement is to

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2017

improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, is effective for reporting periods beginning after December 15, 2015. (FY 2017/18) The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

GASB Statement No. 83, *Certain Asset Retirement Obligations*, is effective for reporting periods beginning after June 15, 2018. (FY 2018/19) The objective of this Statement is to address accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement also requires disclosure of information about the nature of a government's AROs, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets.

GASB Statement No. 84, *Fiduciary Activities*, is effective for reporting periods beginning after December 15, 2018 (FY 2019/20). The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments.

GASB Statement No. 85, *Omnibus*, is effective for reporting periods beginning after June 15, 2017 (FY 2018/19). The objective of this Statement is to address practice issues that have been identified during implementation of application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]).

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, is effective for reporting periods beginning after June 15, 2017 (FY 2018/19). The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

GASB Statement No. 87, *Leases*, is effective for reporting periods beginning after December 15, 2019 (FY 2020/21). The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases; enhancing the comparability of financial statements between governments; and also enhancing the relevance, reliability (representational faithfulness), and consistency of information about the leasing activities of governments.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 2: CASH AND INVESTMENTS

Total County cash and investments at June 30, 2017 were as follows:

Imprest cash	\$	770
Cash on hand		5,026
Deposits in bank		3,866,612
Deposits held by fiscal agents external to the pool		127,614
		<u>4,000,022</u>
Investments:		
In Treasurer's pool		81,066,651
Total Cash and Investments	\$	<u><u>85,066,673</u></u>

Cash and investments were presented in the County's financial statements as follows:

Primary government	\$	37,450,487
Investment trust fund		41,095,635
Agency funds		6,520,551
	\$	<u><u>85,066,673</u></u>

Investments

The County's cash and investments are invested by the County Treasurer, in accordance with investment policy guidelines and California Government Code. The objectives of the policy, in order of priority, include safety of principal, liquidity and yield. The policy addresses the soundness of financial institutions in which the County will deposit funds, types of investment instruments permitted by the California Government Code, and the percentage of the portfolio that may be invested in certain instruments. A copy of the county investment policy is available upon request from the Mono County Treasurer at P.O Box 556, Bridgeport CA 93517-0556. The Treasury Oversight Committee has oversight for all monies deposited into the Treasury Pool. The Committee requires an annual audit to ensure the County's Investment Portfolio complies with its policy and California Government Code Section 53601.

The Board of Supervisors reviews and approves the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the Board of Supervisors every quarter. The report covers the type of investments in the pool, maturity dates, par value, actual costs and fair value.

The table below identifies the investment types that are authorized for the County by the California Government Code or the County's investment policy, where more restrictive. The table also identifies certain provisions of the County's investment policy that address interest rate risk, credit risk, and concentration risk. Not addressed in the table are investments with external agents external to the pool. A separate investment policy governs these investments.

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2017

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Federal Agency Obligations	5 years	None	None
U.S. Treasury Bills	5 years	None	None
Local Agency Bonds and Obligations	5 years	None	None
State of California Notes & Bonds	5 years	None	None
Notes & Bonds of Other 49 States	5 years	None	None
Supranational Bonds	5 years	30%	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper - Selected Agencies	270 days	40%	10%
Commercial or Savings Bank and Credit Union	N/A	30%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Reverse Repurchase Agreements	92 days	20%	None
Medium-Term Corporate Notes	5 years	30%	None
Money Market Mutual Funds	N/A	20%	10%
Local Agency Investment Fund (LAIF)	N/A	None	None
California Asset Management Program	N/A	None	None

At June 30, 2017, the County had the following investments:

	Interest Rates	Maturities	Par	Fair Value	WAM (Years)
Investments in Investment Pool					
Federal Agency Issues - Coupon	1.06%-2.375%	11/19/18-4/27/22	\$ 32,775,000	\$ 32,763,078	3.28
U.S. Treasuries	2.375%	6/30/18	500,000	507,519	1.00
Medium Term Corporate Bonds	1.0%-5.45%	12/15/17-3/15/22	7,000,000	7,176,735	1.96
Negotiable Certificates of Deposit	0.7%-2.35%	8/29/17-5/3/22	10,735,000	10,734,388	1.92
Municipal Bonds	0.0%-4.75%	8/1/17-4/1/22	8,010,000	8,095,708	1.74
Treasury Loans	1.25%	6/30/2019	150,228	150,228	2.00
LAIF	Variable	On-Demand	21,638,995	21,638,995	0.00
Total investments in investment pool			<u>\$ 80,809,223</u>	<u>\$ 81,066,651</u>	1.94

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The general rule is the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County manages its exposure to declines in fair values by purchasing a combination of shorter term and longer-term investments and by timing maturities to provide the necessary cash flow and liquidity needed for operations. The benchmark used by the County is to limit the weighted average maturity (WAM) of its investment portfolio to two years or less in accordance with its investment policy.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law and the County's Investment Policy limit investments in commercial paper to the rating of A1 by Standards & Poor's or P-1 by Moody's Investors Service. State law and the County's Investment Policy also limit investments in corporate bonds to the rating of A by Standard & Poor's and Moody's Investors Service. The County does not impose credit limits on government agency securities.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Concentration of Credit Risk

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of pooled investments at June 30, 2017.

	<u>Quality Rating Range</u>	<u>% of Portfolio</u>
Federal Agency Issues - Coupon	AAA to Aa1	40.41%
U.S. Treasuries	AAA	0.63%
Medium Term Corporate Bonds	AAA to A1	8.85%
Negotiable Certificates of Deposit	Unrated	13.24%
Municipal Bonds	Aa1 to A1	9.99%
Treasury Loans	Unrated	0.19%
LAIF	Unrated	26.69%
Total		<u>100.00%</u>

The County investment policy contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (Other than U.S. Treasury securities, mutual funds or external investment pools) that represent 5 percent or more of the total County pooled investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Percentage Holdings</u>	<u>Amount</u>
Federal National Mortgage Association	Federal Agency Obligations	21.24%	\$ 17,218,458
Federal Home Loan Mortgage Corporation	Federal Agency Obligations	8.97%	7,274,330

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal to at least 110% of the total amount deposited by the public agencies.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in possession of another party. The California Government Code and the County's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments.

The County considered none of its deposits or investments at June 30, 2017, unnecessarily exposed to custodial credit risk.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Local Agency Investment Fund

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF). LAIF is part of the Pooled Money Investment Account (PMIA), an investment pool consisting of funds held by the state in addition to those deposited in LAIF. All PMIA funds are managed by the Investment Division of the State Treasurer's Office. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California Government Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute.

The County's total investment in the Local Agency Investment Fund (LAIF), managed by the Treasurer for the State of California was \$21,638,995. The total amount invested by all public agencies in LAIF at June 30, 2017, was \$77.6 billion, the majority of which is invested in non-derivative financial products. The average maturity of PMIA investments was 194 days as of June 30, 2017. The value of pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis, which is different from the fair value of the pooled treasury's portion in the pool.

County Investment Pool Condensed Financial Statements

The following represents a condensed statement of net position and changes in net position for the Treasurer's investment pool as of and for the fiscal year ended June 30, 2017:

Statement of Net Position

Net position held for pool participants	\$ 84,939,059
Equity of external pool participants	\$ 41,095,635
Equity of internal pool participants	43,843,424
Total net position	<u>\$ 84,939,059</u>

Statement of Changes in Net Position

Net position at July 1, 2016	\$ 77,051,293
Net change in investments by pool participants	7,887,766
Net position at June 30, 2017	<u>\$ 84,939,059</u>

Fair Value Measurements

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy based on the valuation inputs used to measure the fair value of the asset, as follows:

- Level 1: Investments reflect prices quoted in active markets for identical assets.

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2017

- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3: Investments reflect prices based upon unobservable sources which reflect the County's own assumptions about the inputs market participants would use in pricing the asset. Unobservable inputs are developed based on the best information available in the circumstances and may include the County's own data.

The County's investments measured at fair value as of June 30, 2017 are as follows:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments in Investment Pool				
Federal Agency Issues - Coupon	\$ 32,763,078	\$ -	\$ 32,763,078	\$ -
U.S. Treasuries	507,519	-	507,519	-
Medium Term Corporate Bonds	7,176,735	-	7,176,735	-
Negotiable Certificates of Deposit	10,734,388	-	10,734,388	-
Municipal Bonds	8,095,708	-	8,095,708	-
Total investments measured at fair value	59,277,428	\$ -	\$ 59,277,428	\$ -
Investments measured at amortized cost:				
Treasury Loans	150,228			
LAIF	21,638,995			
Total investments in Investment Pool	<u>\$ 81,066,651</u>			

NOTE 3: INTERFUND TRANSACTIONS

The composition of interfund balances as of June 30, 2017, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 133,336
Nonmajor Governmental Funds	Nonmajor Governmental Funds	168,244
		<u>\$ 301,580</u>

The above balances reflect temporary loans to cover cash deficits at June 30 and the time lag between the dates when transactions are recorded and payments are made between funds.

Advances to/from other funds:

Advances to/from other funds represent interfund loans not anticipated to be paid within the subsequent year.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Receivable Fund	Payable Fund	Amount
General Fund	Solid Waste Fund	\$ 660,000
		<u>\$ 660,000</u>

The above represents two interest-free loans provided to the Solid Waste Fund. During the 2010/11 budget year, the Board of Supervisors approved an interest-free loan to the Mono County Solid Waste Enterprise Fund of \$1,200,000, as the Solid Waste Enterprise Fund reorganized and adjusted expenses and revenues (fee restructure). Repayment is amortized over ten (10) years, with zero percent (0%) interest and a repayment amount of \$30,000 quarterly, or \$120,000 annually. Final payment is scheduled for June 30, 2020. The balance of this loan as of June 30, 2017, was \$360,000.

The Board of Supervisors approved a second loan during the 2011/12 budget year for \$750,000. Repayment term is amortized over ten (10) years, with zero percent (0%) interest and a repayment amount of \$18,750 quarterly, or \$75,000 annually. Final payment is scheduled for June 30, 2021. The balance of this loan as of June 30, 2017, was \$300,000.

Transfers:

Transfers are indicative of funding for capital projects, debt service, subsidies of various County operations and re-allocations of special revenues.

Transfer from	Transfer to	Amount
General Fund	Road	\$ 850,000
	Nonmajor Governmental Funds	1,594,368
	Nonmajor Enterprise Funds	13,980
		<u>2,458,348</u>
Realignment Fund	General Fund	1,219,455
	Nonmajor Governmental Funds	907,767
		<u>2,127,222</u>
Mental Health Services Act Nonmajor Governmental Funds	Nonmajor Governmental Funds	20,000
	General Fund	262,491
	Nonmajor Governmental Funds	299,363
		<u>561,854</u>
	Total	<u>\$ 5,167,424</u>

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Additions	Transfers	Retirements	Balance June 30, 2017
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 6,793,617	\$ --	\$ --	\$ --	\$ 6,793,617
Construction in progress	1,976,976	295,856	(804,693)	(16,118)	1,452,021
Total capital assets, not being depreciated	<u>8,770,593</u>	<u>295,856</u>	<u>(804,693)</u>	<u>(16,118)</u>	<u>8,245,638</u>
Capital assets, being depreciated:					
Infrastructure	93,754,058	--	529,839	--	94,283,897
Structures and improvements	18,577,483	44,074	--	--	18,621,557
Equipment	17,275,185	778,343	274,854	(301,589)	18,026,793
Intangibles	1,148,577	--	--	--	1,148,577
Total capital assets, being depreciated	<u>130,755,303</u>	<u>822,417</u>	<u>804,693</u>	<u>(301,589)</u>	<u>132,080,824</u>
Less accumulated depreciation for:					
Infrastructure	(78,484,297)	(1,924,604)	--	--	(80,408,901)
Structures and improvements	(8,381,753)	(505,076)	--	--	(8,886,829)
Equipment	(14,482,215)	(678,351)	--	301,589	(14,858,977)
Intangibles	(1,119,494)	(15,716)	--	--	(1,135,210)
Total accumulated depreciation	<u>(102,467,759)</u>	<u>(3,123,747)</u>	<u>--</u>	<u>301,589</u>	<u>(105,289,917)</u>
Total capital assets, being depreciated, net	<u>28,287,544</u>	<u>(2,301,330)</u>	<u>804,693</u>	<u>--</u>	<u>26,790,907</u>
Governmental activities capital assets, net	<u>\$ 37,058,137</u>	<u>\$ (2,005,474)</u>	<u>\$ --</u>	<u>\$ (16,118)</u>	<u>\$ 35,036,545</u>
Business-Type Activities					
Capital assets, not being depreciated:					
Land	\$ 286,135	\$ 42,288	\$ --	\$ --	\$ 328,423
Total capital assets, not being depreciated	<u>286,135</u>	<u>42,288</u>	<u>--</u>	<u>--</u>	<u>328,423</u>
Capital assets, being depreciated:					
Infrastructure	--	463,141	--	--	463,141
Structures and improvements	7,730,944	--	--	--	7,730,944
Equipment	1,532,463	--	--	--	1,532,463
Total capital assets, being depreciated	<u>9,263,407</u>	<u>463,141</u>	<u>--</u>	<u>--</u>	<u>9,726,548</u>
Less accumulated depreciation for:					
Infrastructure	--	--	--	--	--
Structures and improvements	(1,583,285)	(328,887)	--	--	(1,912,172)
Equipment	(1,550,037)	(1,702)	--	--	(1,551,739)
Total accumulated depreciation	<u>(3,133,322)</u>	<u>(330,589)</u>	<u>--</u>	<u>--</u>	<u>(3,463,911)</u>
Total capital assets, being depreciated, net	<u>6,130,085</u>	<u>132,552</u>	<u>--</u>	<u>--</u>	<u>6,262,637</u>
Business-type activities capital assets, net	<u>\$ 6,416,220</u>	<u>\$ 174,840</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 6,591,060</u>

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$	53,696
Public protection		157,218
Public ways and facilities		2,291,966
Health and sanitation		54,230
Public assistance		1,219
Recreation and culture		104,422
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the asset		<u>460,996</u>
Total Depreciation Expense - Governmental Functions	\$	<u>3,123,747</u>

Depreciation expense was charged to the business-type functions as follows:

Solid Waste	\$	32,642
Airport		<u>297,947</u>
Total Depreciation Expense - Business-Type Functions	\$	<u>330,589</u>

NOTE 5: LONG-TERM LIABILITIES

Operating Leases

The County has commitments under long-term operating lease agreements for office space. Total rent expense under operating lease agreements during the year ended June 30, 2017 was \$1,078,466. The lease with Sierra Center Mall ends October 31, 2019 and future minimum lease payments beyond this date have been removed from the below schedule as the lease is unlikely to be renewed as of that date.

Future minimum lease payments required under these operating leases at June 30, 2017, is as follows:

Year Ending June 30:	Governmental Activities
2018	1,110,820
2019	1,188,577
2020	636,198
2021	680,732
2022	<u>728,383</u>
	<u>\$ 4,344,710</u>

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

The following is a summary of long-term liabilities transactions for the year ended June 30, 2017:

	Balance July 1, 2016	Additions	Retirements	Balance June 30, 2017	Due Within One Year
Governmental Activities					
Pension obligation bonds	\$ 2,161,600	\$ -	\$ (702,100)	\$ 1,459,500	\$ 762,900
Compensated absences	3,192,000	1,601,997	(1,751,957)	3,042,040	1,785,513
Net pension liability	38,065,504	11,826,592	(3,230,803)	46,661,293	-
Claims liability	1,658,334	3,021,103	(1,739,434)	2,940,003	2,940,003
Total Governmental Activities					
Long-term liabilities	<u>\$ 45,077,438</u>	<u>\$ 16,449,692</u>	<u>\$ (7,424,294)</u>	<u>\$ 54,102,836</u>	<u>\$ 5,488,416</u>
Business-type Activities					
Refunded certificates of participation	\$ 2,406,000	\$ -	\$ (223,300)	\$ 2,182,700	\$ 236,800
Loan payable	66,667	-	(66,667)	-	-
Net pension liability	767,312	312,737	(59,015)	1,021,034	-
Compensated absences	78,237	37,091	(63,888)	51,440	28,050
Landfill postclosure cost	7,029,163	572,211	-	7,601,374	-
Total Business-type Activities					
Long-term liabilities	<u>\$ 10,347,379</u>	<u>\$ 922,039</u>	<u>\$ (412,870)</u>	<u>\$ 10,856,548</u>	<u>\$ 264,850</u>

Claims and judgments are paid from the self-insurance fund held by a third party administrator and County funds are charged directly for their appropriate insurance cost. In the Governmental activities, the liabilities for compensated absences and net pension liability are primarily liquidated by the County's general fund and several special revenue funds.

As of June 30, 2017, annual debt service requirements to maturity are as follows:

Year Ending June 30	Governmental Activities	
	Bonds Payable	
	Principal	Interest
2018	\$ 762,900	\$ 52,561
2019	116,300	30,921
2020	127,200	25,412
2021	138,800	19,390
2022	151,100	12,823
2023	163,200	6,628
	<u>\$ 1,459,500</u>	<u>\$ 147,735</u>

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Year Ending June 30	Business-Type Activities	
	Certificates of Participation	
	Principal	Interest
2018	\$ 236,800	\$ 93,638
2019	245,200	83,479
2020	253,400	72,960
2021	266,400	62,089
2022	279,100	50,661
2023-2025	901,800	78,636
	<u>\$ 2,182,700</u>	<u>\$ 441,463</u>

Long-term debt at June 30, 2017, consisted of the following:

	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2017
<u>Governmental activities</u>						
2012 PERS Side Fund Refunding (to refund unfunded accrued liability for the County's retirement plan)	02/12	02/18 - 02/23	4.36%	\$116,300 - \$762,900	\$ 4,612,900	\$ 1,459,500
<u>Business-type activities</u>						
2011 Refunding of COPS 2001A (to refund 2001 Series A Certificates of Participation; to finance closure of four County landfills)	03/11	05/11 - 05/25	4.29%	\$189,000 - \$316,100	3,609,000	2,182,700

NOTE 6: CLOSURE AND POSTCLOSURE LIABILITY

The County of Mono has six landfill sites. State and federal laws and regulations require the County to perform certain closure and postclosure maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfills stop accepting waste, the County reports a portion of these closure and postclosure care costs as an expenditure in each year based on landfill capacity used as of each balance sheet date. The \$7,601,374 reported as closure and postclosure liability in the Solid Waste Fund at June 30, 2017, represents the cumulative amount reported to date based on the following estimated percentages of capacity applied to the estimated closure and postclosure care costs:

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2017

Landfill Site	Estimated Closure Costs	Estimated Postclosure Costs	Total Estimated Cost	Estimated Total Capacity (Cubic Yards)	Remaining Capacity (Cubic Yards)	Estimated Capacity Used (Cubic Yards)	Estimated Percentage of Capacity Used through June 30, 2017	Landfill Closure and Postclosure Liability at June 30, 2017
Benton Crossing	\$ 4,605,540	\$ 2,193,418	\$ 6,798,958	2,253,100	857,732	1,395,368	61.93%	\$ 4,210,665
Pumice Valley	1,935,033	1,747,103	3,682,136	347,112	230,040	117,072	33.73%	1,241,886
Walker	1,567,700	1,180,748	2,748,448	340,716	275,728	64,988	19.07%	524,235
Benton*	--	763,280	763,280	--	--	--	100.00%	490,000
Bridgeport*	--	943,976	943,976	--	--	--	100.00%	636,300
Chalfant*	--	739,232	739,232	--	--	--	100.00%	498,288
Total	<u>\$ 8,108,273</u>	<u>\$ 7,567,757</u>	<u>\$ 15,676,030</u>	<u>2,940,928</u>	<u>1,363,500</u>	<u>1,577,428</u>	<u>53.64%</u>	<u>\$ 7,601,374</u>

* Landfills are closed and tracking of statistics is no longer required or useful. Total estimated costs for closed landfills is the unamortized cost.

The County will recognize the remaining estimated cost of closure and postclosure care of \$7,252,756 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2017. Actual costs may be higher due to inflation, change in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to a trust or pledge future revenues to finance closure and postclosure costs. At June 30, 2017, cash and investments of \$3,235,582 were held as restricted cash for these purposes. The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example) these costs may need to be covered by charges to future landfill users or from future tax revenues. The County has elected to utilize the Pledge of Revenue financial assurance mechanism.

NOTE 7: **EMPLOYEES' RETIREMENT PLAN**

Plan Description

All qualified permanent and probationary employees of Mono County and Mono County Superior Court (non-judicial employees) are eligible to participate in the County's separate Safety (sheriff, emergency medical services and certain district attorney members) or Miscellaneous (all others) Plans. The County's Safety Plan is a cost-sharing multiple-employer defined benefit plan while the Miscellaneous Plan is an agent multiple-employer defined benefit pension plan. The County's Safety and Miscellaneous Plans are part of the California Public Employees Retirement System (CalPERS), a public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and other requirements are established by State statute and County resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

The County's Miscellaneous plan includes the local Court employees. In accordance with the Trial Court Fund Act, Court employees are no longer employees of the County, but of the State instead. The Public Employees Retirement Law (PERL) provides that in counties contracting with CalPERS Board, the trial court and County participate in CalPERS by a joint contract. California law requires the combining of assets and liabilities of a county and a trial court contracting with CalPERS for purposes of setting the employer contribution rates for both the county and the trial court. Additionally, the County and the trial court provide a single benefit package to eligible employees. Accordingly, the Court's proportion of the collective pension amounts have been excluded from the County's net pension liability and related deferred inflows and outflows of resources.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members upon retirement, disability or death of members. Retirement benefits are based on years of service, final average compensation, and retirement age. Employees terminating before accruing five years of retirement service credit forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within a prescribed period. Non-vested employees who terminate service are entitled to withdraw their accumulated contributions plus accrued interest. Employees who terminate service after earning five years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement. Differences between expected and actual experience for vested and non-vested benefits may result in an increase or decrease to pension expense and net pension liability.

Service related disability benefits are provided to safety members and are based on final compensation. Non-service related disability benefits are provided to both safety and miscellaneous members. The benefit is based on final compensation, multiplied by *service*, which is determined as follows:

- *service* is CalPERS credited service, for members with less than 10 years of service or greater than 18.518 years of service; or
- *service* is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service.

Death benefits are based upon a variety of factors including whether the participant was retired or not.

Annual cost-of-living adjustments (COLAs) after retirement are provided in all plans. COLAs are granted to retired members each May based upon the Bureau of Labor Statistics Average Consumer Price Index for All Urban Consumers for the previous calendar year and is subject to a maximum of 2% per annum.

The Plans' provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Miscellaneous		
	Tier 1	Tier 2	Tier 3
Hire Date	Prior to June 1, 2012	On or after June 1, 2012	On or after Jan. 1, 2013
Benefit formula	2.5%@55	2.7%@55	2%@62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55	50-55	52-67
Monthly benefits, as % of eligible compensation	2.00%-2.50%	2.00%-2.75%	1.00%-2.50%
Required employee contribution rates	8%	8%	6.25%
Required employer contribution rates	23.86%	23.86%	23.86%
Status	Open	Open	Open

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

	Safety				
	Peace Officer	Peace Officer	Sheriff	Sheriff	Fire
	Tier 1	Tier 2	Tier 1	Tier 2	Tier 1
Hire Date	Prior to July 1, 2004	Prior to Jan. 1, 2013	Prior to Jan. 1, 2013	On or after Dec. 27, 2012	Prior to July 1, 2007
Benefit formula	3%@50	3%@50	3%@50	3%@55	3%@50
Benefit vesting schedule	5 years of service	5 years of service	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50	50	50	55	50
Monthly benefits, as % of eligible compensation	3.00%	2.50%	3.00%	3.00%	3.00%
Required employee contribution rates	9.00%	9.00%	9.00%	9.00%	9.00%
Required employer contribution rates	19.54%	19.54%	19.54%	16.66%	19.54%
Status	Open	Open	Open	Open	Open
	Fire	Peace Officer	Sheriff	Fire	
	Tier II	Pepra - Tier 3	Pepra - Tier 3	Pepra - Tier 3	
	On or after July 1, 2007/				
Hire Date	Prior to Jan. 1, 2013	On or after Jan 1, 2013	On or after Jan 1, 2013	On or after Jan 1, 2013	
Benefit formula	2%@50	2.7%@57	2.7%@57	2.7%@57	
Benefit vesting schedule	5 years of service	5 years of service	5 years of service	5 years of service	
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life	
Retirement age	50	57	57	57	
Monthly benefits, as % of eligible compensation	2.00%	2.70%	2.70%	2.70%	
Required employee contribution rates	9.00%	11.50%	11.50%	11.50%	
Required employer contribution rates	15.74%	12.08%	12.08%	12.08%	
Status	Open	Open	Open	Open	

Employees Covered

At June 30, 2017, the following employees were covered by the benefit terms for the Miscellaneous Plan. The corresponding data is not available for employees included in the Safety Plan as the plan is a cost-sharing multiple employer plan:

	Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	310
Inactive employees entitled to but not yet receiving benefits	203
Active employees	189
	<u>702</u>

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for all Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

For the year ended June 30, 2017, contributions recognized as part of pension expense for the plan were as follows:

	Employer Contributions		
	Total	Miscellaneous	Safety
Governmental activities:			
Governmental funds	\$ 3,212,298	\$ 1,864,190	\$ 1,348,108
Motor Pool ISF	18,505	18,505	-
Total governmental activities	3,230,803	1,882,695	1,348,108
Business type activities			
Solid Waste fund	59,015	59,015	-
	<u>\$ 3,289,818</u>	<u>\$ 1,941,710</u>	<u>\$ 1,348,108</u>

Pension Liabilities

As of June 30, 2017, the County reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

	Total	Miscellaneous	Safety
Governmental Activities:			
Governmental funds	\$ 46,342,208	\$ 28,901,466	\$ 17,440,742
Motor Pool ISF	319,085	319,085	-
Total governmental activities	46,661,293	29,220,551	17,440,742
Business type activities			
Solid Waste fund	1,021,034	1,021,034	-
Total Mono County	47,682,327	<u>\$ 30,241,585</u>	<u>\$ 17,440,742</u>
Courts	1,870,566		
	<u>\$ 49,552,893</u>		

The County's net pension liability for the Miscellaneous Plan is the plan's liability accounted for separately from all other CalPERS plans. The County's net pension liability for the Safety Plan is the Plan's proportionate share of the net pension liability. The net pension liability of each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2016, using an annual actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures.

For the Safety Plan (a cost-sharing plan), the County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The County's net pension liability and related Plan proportion for the Safety Plan is as follows:

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Plan	Plan's Proportion to Total Pool @ June 30, 2015	Plan's Proportion to Total Pool @ June 30, 2016	Plan's Proportionate Share of Net Pension Liability
Safety	0.32974%	0.33674%	\$ 17,440,742

Actuarial Assumptions

The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2015	June 30, 2015
Measurement Date	June 30, 2016	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	7.65%	7.65%
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	Varies by entry age and service	
Investment Rate of Return	7.50% ⁽¹⁾	7.50% ⁽¹⁾
Mortality	Derived using CalPERS' Membership Data for All Funds	

(1) Net of pension plan investment expenses, including inflation.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2015 valuation were based on the results of the 2010 actuarial experience study for the period 1997 to 2007. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.65% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans ran out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2017

slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-2018 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until there is a change in methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension investment expense and inflation) are developed for each major asset class.

The long-term expected rate of return includes both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Strategic Allocation	Real Return Years 1-10 ⁽¹⁾	Real Return Years 11-60 ⁽²⁾
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	20.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	1.0%	-0.55%	-1.05%
Total	100.0%		

⁽¹⁾ An expected inflation rate of 2.5% used for this period

⁽²⁾ An expected inflation rate of 3.0% used for this period

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Changes in the Net Pension Liability

The changes in the Net Pension Liability for the County's Miscellaneous Plan follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2016	\$ 95,137,670	\$ 69,891,594	\$ 25,246,076
Changes in the year:			
Service cost	2,051,985	-	2,051,985
Interest on total pension liability	7,049,937	-	7,049,937
Differences between expected and actual experience	(546,942)	-	(546,942)
Contributions from the employer	-	2,484,077	(2,484,077)
Contributions from employees	-	853,869	(853,869)
Net Investment Income	-	356,637	(356,637)
Benefit payments, including refunds of employee contributions	(4,871,095)	(4,871,095)	-
Administrative expense	-	(41,913)	41,913
Proportional differences between County Courts shares	(1,025,139)	(1,118,338)	93,199
Net Changes	2,658,746	(2,336,763)	4,995,509
Balance at June 30, 2017	\$ 97,796,416	\$ 67,554,831	\$ 30,241,585

The County's share of the Miscellaneous Plan determined at June 30, 2017 is 94.1749 percent of the Plan's total pension liability and fiduciary net position. The remaining 5.8251 percent of the Plan's total pension liability and fiduciary net position represents the Mono County Superior Court's share.

Sensitivity of the Net Pension Liability to Change in the Discount Rate

The following presents the net pension liability of the County for each Plan, calculated using the discount rate for each Plan, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety	Total
1% Decrease	6.65%	6.65%	6.65%
Net Pension Liability	\$ 42,308,638	\$ 26,408,114	\$ 68,716,752
Current Discount Rate	7.65%	7.65%	7.65%
Net Pension Liability	\$ 30,241,585	\$ 17,440,742	\$ 47,682,327
1% Increase	8.65%	8.65%	8.65%
Net Pension Liability	\$ 20,180,274	\$ 10,079,448	\$ 30,259,722

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

For the year ended June 30, 2017, the County recognized pension expense of \$789,669. Pension expense represents the change in the net pension liability during the measurement period, adjusted the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

At June 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 4,341,934	\$ -
Changes in assumptions	-	889,104
Differences between actual and expected experiences	-	835,650
Adjustment due to differences in proportions	366,514	422,656
Net differences between projected and actual earnings on pension plan investments	6,099,562	-
Total	<u>\$ 10,808,010</u>	<u>\$ 2,147,410</u>

The deferred outflows of resources of \$4,341,934 results from pension contributions made subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2018	\$ (497,841)
2019	509,681
2020	2,718,132
2021	1,588,694
	<u>\$ 4,318,666</u>

NOTE 8: OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

The County administers a postemployment healthcare plan, a single-employer defined benefit post employment healthcare plan. The County established a post employment health benefit (OPEB) trust with the Public Agency Retirement Services (PARS) which is used to accumulate resources to fund future benefits, however it does not represent the activities of the plan. The Plan provides medical, dental and vision insurance benefits to eligible retirees.

The County provides post-retirement health care benefits, in accordance with County employment contracts, to all employees who retire, on a tiered basis. Employees hired prior to January 1, 2002, who have attained the age of 55 and have accrued a minimum of 20 years of service, are entitled to post-retirement health care benefits. (In this category, age and time are tiered between age 50 and 55 with between 5 and 20 years of service depending upon the date of hire). Employees hired after January 1, 2002, are not eligible for post-retirement health care benefits. Instead,

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2017

employees hired after this date are eligible to receive County contributions into an Internal Revenue Code Section 401(a) Plan established by the County. Currently, 175 retirees and 26 employees, not yet retired, meet the eligibility requirements for the pre-2002 hire health care retirement benefits. This is a closed group with no new members added or eligible. The County has a two-part system for acknowledging this liability. 1) The County budgets for the full 3% match of employee salaries to match the 3% maximum payable under the 401(a) plan. The excess not paid to participating employees remains in the retirement trust fund to pay on-going retiree costs. 2) The County budgets for the annual required contribution with payments first going to fund current retiree costs and the remainder in trust to fund future retiree costs.

Funding Policy

The contribution requirements of the plan members and the County are established and may be amended by the County. The contribution is based on the difference between what the County paid directly to or on behalf of eligible employees and the full value of the annual required contributions (ARC). For fiscal year 2016-17, the County contributed \$3,108,215, or 145% of the Annual OPEB cost, to the Post Employment Benefit Plan.

Annual OPEB Cost and Net OPEB Obligation

The annual required contribution (ARC) is an amount actuarially determined in accordance with the parameters of GASB Statement 45 – *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pension*. The County's ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize the unfunded actuarial liability over a period of 30 years.

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation to the Plan:

Annual Required Contribution	\$ 2,064,918
Interest on prior year Net OPEB obligation	(276,769)
Adjustment to ARC	353,680
Annual OPEB cost	<u>2,141,829</u>
Contributions made	<u>(3,108,215)</u>
Change in OPEB benefit	(966,386)
Net OPEB asset - beginning of year	<u>(4,428,309)</u>
Net OPEB asset - end of year	<u>\$ (5,394,695)</u>

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2017

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan (as described in the funding policy above), and the Net OPEB Asset is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Asset</u>
6/30/2015	\$ 1,501,197	172%	\$ 3,311,944
6/30/2016	1,553,266	172%	4,776,826
6/30/2017	2,141,829	145%	5,394,695

Funded Status and Funding Progress

The funded status of the plan, based on an actuarial valuation as of January 1, 2016, the plan's most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 33,863,468
Actuarial value of plan assets	<u>14,369,915</u>
Unfunded actuarial accrued liability (UAAL)	19,493,553
Funded ratio (actuarial value of plan assets/AAL)	42.43%
Covered payroll (active Plan members)	n/a
UAAL as a percentage of covered payroll	n/a

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

In the January 1, 2016 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 6.25% investment rate of return, an inflation rate of 2.5% per year, and assumed medical inflation of 8% graded down to 6% over 9 years. The OPEB plan's unfunded actuarial liability is being amortized by level percent of payroll contributions over 30 years. The remaining amortization period at June 30, 2017, was 21 years.

NOTE 9: NET POSITION/FUND BALANCES

Fund balances at June 30, 2017 were classified as follows:

	General Fund	Road Fund	Realignment Fund	Mental Health Services Act	Other Governmental Funds	Total
Nonspendable:						
Advances to other funds	\$ 660,000	\$ -	\$ -	\$ -	\$ -	\$ 660,000
Prepays and inventory	92,113	390,680	-	3,087	67,622	553,502
Loans Receivable	660,227	-	-	-	911,863	1,572,090
Total Nonspendable	<u>1,412,340</u>	<u>390,680</u>	<u>-</u>	<u>3,087</u>	<u>979,485</u>	<u>2,785,592</u>
Restricted for:						
Road projects	-	1,011,875	-	-	-	1,011,875
Health and social services	-	-	-	5,737,634	2,605,250	8,342,884
County service areas	-	-	-	-	2,219,210	2,219,210
Community development	-	-	-	-	598,287	598,287
Grant programs	-	-	6,178,977	-	1,044,452	7,223,429
Total Restricted	<u>-</u>	<u>1,011,875</u>	<u>6,178,977</u>	<u>5,737,634</u>	<u>6,467,199</u>	<u>19,395,685</u>
Committed:						
Disaster assistance	-	-	-	-	360,239	360,239
Assigned:						
Eliminate projected FY 17/18 budgetary deficit	5,659,577	-	-	-	-	5,659,577
Capital projects	1,784,228	-	-	-	685,482	2,469,710
Tourism	86,707	-	-	-	-	86,707
Total Assigned	<u>7,530,512</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>685,482</u>	<u>8,215,994</u>
Unassigned	<u>4,543,108</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(299,228)</u>	<u>4,243,880</u>
Total Fund Balance	<u>\$ 13,485,960</u>	<u>\$ 1,402,555</u>	<u>\$ 6,178,977</u>	<u>\$ 5,740,721</u>	<u>\$ 8,193,177</u>	<u>\$ 35,001,390</u>

During this year's budget process, the County Board of Supervisors re-established a general reserve of \$1,938,951 in the General Fund. This general reserve is subject to the provisions of Government Code sections 29085, 29086 and 29127, whereby appropriation from the general reserve may be used only in cases of certain emergency situations. Because this stabilization arrangement does not meet the criteria described in GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, to be reported within the restricted or committed fund balance categories, it has been classified as unassigned in these statements.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Net Position from governmental activities as of June 30, 2017 was restricted for the following purposes:

Road projects	\$ 1,011,875
Health and social services	9,016,846
County service areas	2,219,210
Community development	628,863
Grant programs	7,520,625
	<u>\$ 20,397,419</u>

Net position from business-type activities as of June 30, 2017 was restricted for future cemetery maintenance in the amount of \$4,648.

Deficit Fund Equity

The following funds had deficit fund balances/net position at June 30, 2017, as follows:

<u>Fund</u>	<u>Deficit</u>	<u>Management's Plan(s)</u>
Special Revenue Funds:		
Bioterrorism	\$ 122,647	The deficit results from delayed recognition of revenues collected after the measurement period of 60 days. The deficit will be eliminated in the following year when revenues are collected and recognized.
Debt Service Fund	80,427	The Debt Service fund makes payment on Pension Obligation Bonds issued to eliminate the Safety Plan's sidefund with CalPERS. Payments are funded by a contribution rate applied to the salaries in the departments whose employees are active participants in the Plan. Contribution rates were underestimated resulting in this deficit. The deficit will be eliminated by adjusting next year's contribution rate.
Enterprise Funds:		
Solid Waste	4,471,908	The deficit in the Solid Waste Fund results from accelerated closure and postclosure costs that exceed current user fees. The deficit will be eliminated through the collection of future user fees.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

Restatements of Fund Balance / Net Position

Adjustments resulting from errors or a change to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning fund balance / net position. Restatements as of the beginning of the fiscal year were made to correct the reporting of prior year revenues and expenses / expenditures.

The impact of the restatements on the fund balances / net position as previously reported after reclassification is presented below:

	<u>Government-Wide Statements</u>	<u>Governmental Funds</u>	
	<u>Governmental Activities</u>	<u>General</u>	<u>Other Governmental Funds</u>
Fund balance / net position, June 30, 2016, after reclassification	<u>\$ 29,134,647</u>	<u>\$ 9,637,190</u>	<u>\$ 6,928,911</u>
Corrections:			
Reverse deferral of Federal Property Tax In Lieu payments to the following fiscal year	1,215,510	1,215,510	-
Record HOME and CDBG Revolving loans receivable	<u>1,247,815</u>	<u>335,952</u>	<u>911,863</u>
Total corrections	<u>2,463,325</u>	<u>1,551,462</u>	<u>911,863</u>
Fund balance / net position, July 1, 2016, after reclassification and as restated	<u>\$ 31,597,972</u>	<u>\$ 11,188,652</u>	<u>\$ 7,840,774</u>

NOTE 10: RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The County has established an internal service fund (ISF) to account for and finance risks for general liability and workers' compensation. The County retains the risk of loss up to a maximum of \$125,000 for each workers' compensation claim and \$25,000 for each general liability claim, up to four claims per year.

The County is a member of the Trindel Insurance Fund, a joint powers agency, established to provide coverage for workers' compensation and general liability exposures and to pay for the administration of the program. The agreement for the formation of Trindel provides that the system will be self-sustaining through member premiums and will reinsure through a commercial company for claims in excess of self-insured retention. Trindel retains a self-insured retention of \$125,000 for workers' compensation and \$100,000 for general liability. Excess insurance coverage is provided for risk of loss above the self-insured retention. Trindel Insurance Fund is classified as a claims-servicing or account pool, wherein the County retains the risk of loss and is considered self-insured with regard to liability coverage for general and property liability and workers' compensation.

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2017

The County holds a deposit with Trindel Insurance from which claims are paid. At June 30, 2017, the balance of the deposit was \$3,199,037. Each member of Trindel pays an annual premium to the insurance system that is evaluated each year based on the number of personnel, estimated payroll and an experience factor.

The County is a member of the California State Association of Counties Excess Insurance Authority (CSACEIA), a joint powers authority. CSACEIA, along with other commercial carriers, increases the coverage for general liability to \$15 million. In addition, CSACEIA, along with other commercial carriers, covers replacement cost on property up to \$600 million with a \$1,000 deductible per occurrence. CSACEIA is a public entity risk pool currently operating as a common risk management and insurance program. The County pays an annual premium to the Authority for excess insurance coverage. Should actual losses among participants be greater than anticipated, the County will be assessed its pro rata share of the deficiency. Conversely, if the actual losses are less than anticipated, the County will be refunded its pro rata share of the excess. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

Complete audited financial statements for CSACEIA can be obtained from the Authority's Office at 3017 Gold Canal Drive, Suite 300, Rancho Cordova California 95670.

All funds of the County participate in the program and make payments to the Self-Insurance internal service fund based on historical cost and actuarial estimates of the amounts needed to pay prior and current year claims and to allow accrual of estimated incurred but not reported claims. The total historical and actuarially determined claims liability at June 30, 2017 is \$2,940,003.

Changes in the County's claims liability amount for the fiscal years ending June 30, 2017 and, 2016 were as follows:

<u>Fiscal Year Ended</u>	<u>Balance at Beginning of Fiscal Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at End of Fiscal Year</u>
2016	\$ 1,383,097	\$ 1,290,072	\$ (1,014,835)	1,658,334
2017	1,658,334	3,021,103	(1,739,434)	2,940,003

NOTE 11: **COMMITMENTS AND CONTINGENCIES**

Tax Abatements

The County provides property tax abatements through the Williamson Act Lands Program. The Williamson Act Lands Program enrolls land in Williamson Act contracts whereby the land is restricted to agricultural, open space, or recreational uses in exchange for reduced property tax assessments. Participation in the program is voluntary.

Under the provisions of these contracts, land parcels are assessed for property tax purposes at a rate consistent with their actual use, rather than potential market value of the property. The minimum contract is ten years and automatically renews until a nonrenewal or cancellation process is initiated. Under the nonrenewal process, the annual tax assessment increases over a defined period of time until the assessment reflects the market value of the property. Under the cancellation process, a significant one-time cancellation fee is assessed based upon a certain percentage of the unrestricted, current fair market value of the property.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2017

No other commitments were made by the County as part of the Williamson Act contracts. For the fiscal year ended June 30, 2017, the Williamson Act Lands Program tax abatements were approximately \$83,200.

Litigation

The County is involved in several lawsuits. Due to the nature of the cases, County Counsel is unable to estimate at this time the probability of favorable or unfavorable outcomes. Therefore, no provision has been made in the financial statements for a loss contingency.

REQUIRED SUPPLEMENTARY INFORMATION

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COUNTY OF MONO

Required Supplementary Information
For the Year Ended June 30, 2017

Schedule of Changes in net Pension Liability and Related Ratios

Miscellaneous Plan – Agent Multiple-Employer Defined Benefit Pension Plan

Last 10 Fiscal Years*

	Miscellaneous Plan		
	Reporting Fiscal Year		
	(Measurement Date)		
	June 30, 2017 (June 30, 2016)	June 30, 2016 (June 30, 2015)	June 30, 2015 (June 30, 2014)
Total Pension Liability			
Service cost	\$ 2,051,985	\$ 2,249,307	\$ 2,502,844
Interest on total pension liability	7,049,937	6,751,199	6,656,474
Changes of assumptions	-	(1,548,943)	-
Differences between expected and actual experience	(546,942)	(1,521,848)	-
Proportional differences between County and Court shares	(1,025,139)	(481,953)	-
Benefit payments, including refunds of employee contributions	(4,871,095)	(4,719,903)	(4,502,141)
Net change in total pension liability	<u>2,658,746</u>	<u>727,859</u>	<u>4,657,177</u>
Total pension liability, beginning	<u>95,137,670</u>	<u>94,409,811</u>	<u>89,752,634</u>
Total pension liability, ending	<u>\$ 97,796,416</u>	<u>\$ 95,137,670</u>	<u>\$ 94,409,811</u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 2,484,077	\$ 2,408,009	\$ 2,568,003
Contributions - employee	853,869	904,733	1,305,551
Net investment income	356,637	1,518,061	10,459,289
Benefit payments, including refunds of employee contributions	(4,871,095)	(4,719,903)	(4,502,141)
Proportional differences between County and Court shares	(1,118,338)	-	-
Administrative expense	(41,913)	(77,107)	-
Net change in plan fiduciary net position	<u>(2,336,763)</u>	<u>33,793</u>	<u>9,830,702</u>
Plan fiduciary net position, beginning	<u>69,891,594</u>	<u>69,857,801</u>	<u>60,027,099</u>
Plan fiduciary net position, ending	<u>\$ 67,554,831</u>	<u>\$ 69,891,594</u>	<u>\$ 69,857,801</u>
Net pension liability, ending	<u>\$ 30,241,585</u>	<u>\$ 25,246,076</u>	<u>\$ 24,552,010</u>
Plan fiduciary net percentage as a percentage of the total pension liability	69.08%	73.46%	73.99%
Covered payroll	\$ 11,631,908	\$ 12,381,959	\$ 12,796,381
Net pension liability as a percentage of covered payroll	259.99%	203.89%	191.87%

*Fiscal year 2015 (measurement date June 30, 2014) was the first year of implementation. Additional years will be presented as they become available.

COUNTY OF MONO

Required Supplementary Information
For the Year Ended June 30, 2017

Schedule of Pension Plan Contributions

Miscellaneous Plan – Agent Multiple-Employer Defined Benefit Pension Plan

<i>Last 10 Fiscal Years*</i>	Miscellaneous Plans		
	Reporting Fiscal Year		
	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially determined contribution	\$ 2,779,024	\$ 2,484,077	\$ 2,408,009
Contributions in relation to the actuarially determined contributions	2,779,024	2,484,077	2,408,009
Contributions deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 11,647,209	\$ 11,631,908	\$ 12,381,959
Contributions as a percentage of covered payroll	23.86%	21.36%	19.45%

*Fiscal year 2015 (measurement date June 30, 2014) was the first year of implementation. Additional years will be presented as they become available.

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions as of June 30 two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method/period	For details, see June 30, 2013 Funding Valuation Report
Asset valuation method	Market value of assets. See the June 30, 2013 report for details.
Inflation	2.75%
Salary increases	Varies by Entry Age and Service
Payroll growth	3.00%
Investment rate of return	7.50% Net of pension plan investment and administrative expense; includes inflation.
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

COUNTY OF MONO

Required Supplementary Information
For the Year Ended June 30, 2017

Schedule of Proportionate Share of the Net Pension Liability / (Asset) and Related Ratios as of the Measurement Date

Safety Plans – Cost-Sharing Multiple-Employer Defined Benefit Pension Plans

	Safety Plans		
	Reporting Fiscal Year (Measurement Date)		
	June 30, 2017 (June 30, 2016)	June 30, 2016 (June 30, 2015**)	June 30, 2015 (June 30, 2014**)
Last 10 years*			
Proportion of the net pension liability	0.33674%	0.32974%	0.18612%
Proportionate share of the net pension liability	\$ 17,440,742	\$ 13,586,740	\$ 11,581,122
Covered payroll	\$ 4,741,246	\$ 5,575,424	\$ 5,969,340
Proportionate share of the net pension liability as percentage of covered payroll	367.85%	243.69%	194.01%
Plan fiduciary net position as a percentage of the total pension liability	73.60%	78.39%	81.26%

*Fiscal year 2015 (measurement date June 30, 2014) was the first year of implementation.
Additional years will be presented as they become available.

Schedule of Pension Plan Contributions

Safety Plans – Cost-Sharing Multiple-Employer Defined Benefit Pension Plans

	Safety Plans		
	Reporting Fiscal Year		
	June 30, 2017	June 30, 2016	June 30, 2015
Last 10 fiscal years*			
Actuarially determined contribution	\$ 1,562,910	\$ 1,414,648	\$ 1,451,026
Contributions related to the actuarially determined contribution	1,562,910	1,414,648	1,451,026
Contribution deficiency (excess)	\$ -	\$ -	\$ -
County's covered payroll	\$ 4,741,246	\$ 5,575,424	\$ 5,969,340
Contributions as a percentage of covered payroll	32.96%	25.37%	24.31%

*Fiscal year 2015 (measurement date June 30, 2014) was the first year of implementation.
Additional years will be presented as they become available.

**Restated.

COUNTY OF MONO

Required Supplementary Information
For the Year Ended June 30, 2017

Other Post-Employment Benefits (OPEB)

Schedule of Funding Progress

The table below shows an analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll as of June 30 (\$ amount in thousands):

<u>Actuarial Valuation Date</u>	<u>Actuarial Accrued Liability</u>	<u>Actuarial Asset Value</u>	<u>Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Percentage of Covered Payroll</u>
1/1/2010	\$ 27,643	\$ 3,567	\$ 24,076	12.9%	n/a	n/a
1/1/2012	26,703	7,315	19,388	27.4%	n/a	n/a
1/1/2014	25,895	11,908	13,987	46.0%	n/a	n/a
1/1/2016	33,863	14,370	19,493	42.4%	n/a	n/a

COUNTY OF MONO

Budgetary Comparison Schedule

General Fund

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 21,344,000	\$ 21,516,000	\$ 23,816,858	\$ 2,300,858
Licenses and permits	360,400	360,400	314,098	(46,302)
Fines, forfeitures and penalties	617,375	617,375	797,918	180,543
Use of money and property	54,800	54,800	122,553	67,753
Intergovernmental	5,550,796	5,612,346	4,746,926	(865,420)
Charges for services	4,311,895	4,537,237	4,398,271	(138,966)
Other revenues	209,103	155,636	44,428	(111,208)
Transfers in	1,971,602	1,971,602	1,481,946	(489,656)
Total Revenues	<u>34,419,971</u>	<u>34,825,396</u>	<u>35,722,998</u>	<u>897,602</u>
Expenditures				
General government				
Board of Supervisors	517,005	517,005	502,143	14,862
Administrative Officer	909,441	983,848	836,042	147,806
Department of Finance	2,207,065	2,237,065	2,122,728	114,337
General Fund Operating Transfers	3,389,120	3,407,120	3,224,269	182,851
Assessor	1,247,805	1,247,805	983,056	264,749
County Counsel	1,024,144	1,024,144	853,633	170,511
Election Division	223,267	436,117	369,943	66,174
Information Technology	1,709,495	1,760,259	1,668,647	91,612
IT - Radio	307,692	307,692	307,692	-
Public Works	820,663	820,663	773,633	47,030
County Facilities	2,604,716	2,604,716	2,394,582	210,134
Economic Development	472,237	472,237	462,887	9,350
Total general government	<u>15,432,650</u>	<u>15,818,671</u>	<u>14,499,255</u>	<u>1,319,416</u>
Public protection				
County MOE	709,132	709,132	722,968	(13,836)
Public Defender	628,000	678,000	685,109	(7,109)
Grand Jury	8,300	8,300	6,387	1,913
District Attorney - Prosecution	1,908,754	1,908,754	1,738,035	170,719
DA - Justice Administration Grant	236,000	236,000	113,459	122,541
Victim/Witness	143,508	143,508	141,361	2,147
Sheriff	5,461,445	5,461,445	5,138,752	322,693
Boating Law Enforcement	152,821	152,821	131,370	21,451
Search and Rescue	24,225	36,225	38,208	(1,983)
Court Security	553,268	553,268	415,594	137,674
Jail	2,902,450	2,902,450	2,562,303	340,147
Emergency Services	322,096	322,096	333,434	(11,338)
Adult Probation Services	1,567,154	1,567,154	1,480,884	86,270
Juvenile Probation Services	339,507	339,507	154,285	185,222
Agricultural Commissioner	220,000	220,000	200,702	19,298
County Clerk / Recorder	764,218	764,218	556,043	208,175
Animal Control	524,349	525,460	515,375	10,085
Planning & Transportation	1,189,007	1,214,007	1,002,020	211,987

continued

COUNTY OF MONO

Budgetary Comparison Schedule (continued)

General Fund

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Expenditures (continued)				
Public protection (continued)				
Housing Development	789,778	789,778	85,178	704,600
Code Enforcement	139,595	139,595	130,062	9,533
Planning Commission	13,589	13,589	9,936	3,653
LAFCO	10,869	10,869	9,221	1,648
Building Inspector	374,281	432,781	244,439	188,342
Total public protection	<u>18,982,346</u>	<u>19,128,957</u>	<u>16,415,125</u>	<u>2,713,832</u>
Health and sanitation				
Bridgeport Clinic	124,500	124,500	31,037	93,463
Paramedic Program	4,095,968	4,095,968	3,784,844	311,124
Total health and sanitation	<u>4,220,468</u>	<u>4,220,468</u>	<u>3,815,881</u>	<u>404,587</u>
Public assistance				
Veterans' Services Officer	45,617	45,617	46,849	(1,232)
Farm Advisor	43,000	43,000	41,847	1,153
Total public assistance	<u>88,617</u>	<u>88,617</u>	<u>88,696</u>	<u>(79)</u>
Contingency	383,390	99,633	-	99,633
Total expenditures	<u>39,107,471</u>	<u>39,356,346</u>	<u>34,818,957</u>	<u>4,537,389</u>
Net Change in Fund Balances	(4,687,500)	(4,530,950)	904,041	5,434,991
Budgetary Fund Balances - Beginning of Year, restated	<u>9,385,071</u>	<u>9,385,071</u>	<u>9,385,071</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 4,697,571</u>	<u>\$ 4,854,121</u>	<u>\$ 10,289,112</u>	<u>\$ 5,434,991</u>
Reconciliation of Budgetary Inflows and Outflows to GAAP Revenues and Expenditures				
Sources/inflows of resources				
Actual amounts available for appropriation from the budgetary comparison schedule				\$ 35,722,998
Differences - budget to GAAP:				
Revenues from sub-funds combined with the General Fund for financial reporting purposes are not budgeted as available for appropriation for budgetary purposes				368,843
Federal property in lieu of tax is an inflow of budgetary resources in the year following receipt but for financial reporting purposes is reported in the year received				47,357
A87 cost reimbursement is a budgetary resource but is not current-year revenue for financial reporting purposes				(1,462,844)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes				(1,481,946)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds				<u>\$ 33,194,408</u>

continued

COUNTY OF MONO

Budgetary Comparison Schedule (continued)

General Fund

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<u>Reconciliation of Budgetary Inflows and Outflows to GAAP Revenues and Expenditures (Continued)</u>				
Uses/outflows of resources:				
Actual charges to appropriations from the budgetary comparison schedule above				\$ 34,818,957
Differences - budget to GAAP:				
Expenditures from sub-funds combined with the General Fund for financial reporting purposes are not budgeted as charges to appropriations for budgetary purposes				669,746
A87 cost reimbursement reported as a reduction of expenditures for financial reporting purposes but is not budgeted as a charge to appropriations for budgetary purposes				(1,462,844)
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes				<u>(4,105,161)</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental fund				<u>\$ 29,920,698</u>

COUNTY OF MONO

Budgetary Comparison Schedule

Road Fund

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ 10,000	\$ 10,000	\$ 9,976	\$ (24)
Fines, forfeitures and penalties	45,000	45,000	57,218	12,218
Use of money and property	-	-	10,987	10,987
Intergovernmental	2,282,311	2,282,311	2,192,655	(89,656)
Charges for services	500,000	500,000	426,918	(73,082)
Other financing sources	3,000	3,000	1,924	(1,076)
Transfers in	850,000	850,000	850,000	-
Total Revenues	<u>3,690,311</u>	<u>3,690,311</u>	<u>3,549,678</u>	<u>(140,633)</u>
Expenditures				
Public ways and facilities	4,405,762	4,420,262	3,683,714	736,548
Total Expenditures	<u>4,405,762</u>	<u>4,420,262</u>	<u>3,683,714</u>	<u>736,548</u>
Net Change in Fund Balances	(715,451)	(729,951)	(134,036)	595,915
Fund Balances - Beginning of Year	<u>1,536,591</u>	<u>1,536,591</u>	<u>1,536,591</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 821,140</u>	<u>\$ 806,640</u>	<u>\$ 1,402,555</u>	<u>\$ 595,915</u>
Reconciliation of Budgetary Inflows and Outflows to GAAP Revenues and Expenditures				
Sources/inflows of resources				
Actual amounts available for appropriation from the budgetary comparison schedule				\$ 3,549,678
Differences - budget to GAAP:				
Other financing sources are inflows of budgetary resources but are not revenues for financial reporting purposes				(1,924)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes				<u>(850,000)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds				<u>\$ 2,697,754</u>

COUNTY OF MONO

Budgetary Comparison Schedule

Mental Health Services Act

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Use of money and property	\$ 26,067	\$ 26,067	\$ 55,498	\$ 29,431
Intergovernmental	1,225,230	1,225,230	1,707,654	482,424
Total Revenues	<u>1,251,297</u>	<u>1,251,297</u>	<u>1,763,152</u>	<u>511,855</u>
Expenditures				
Health and sanitation	1,250,026	1,550,026	898,845	651,181
Transfers out	-	-	20,000	(20,000)
Total Expenditures	<u>1,250,026</u>	<u>1,550,026</u>	<u>918,845</u>	<u>631,181</u>
Net Change in Fund Balances	1,271	(298,729)	844,307	1,143,036
Fund Balances - Beginning of Year	<u>4,896,414</u>	<u>4,896,414</u>	<u>4,896,414</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 4,897,685</u>	<u>\$ 4,597,685</u>	<u>\$ 5,740,721</u>	<u>\$ 1,143,036</u>

Reconciliation of Budgetary Inflows and Outflows to GAAP Revenues and Expenditures

Uses/outflows of resources:

Actual charges to appropriations from the budgetary comparison schedule above \$ 918,845

Differences - budget to GAAP:

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes

(20,000)

Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental fund

\$ 898,845

COUNTY OF MONO

Budgetary Comparison Schedule

Realignment

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Use of money and property	\$ 20,000	\$ 20,000	\$ 56,674	\$ 36,674
Intergovernmental	3,097,750	3,097,750	3,390,618	292,868
Total Revenues	<u>3,117,750</u>	<u>3,117,750</u>	<u>3,447,292</u>	<u>329,542</u>
Expenditures				
Transfers out	2,769,108	2,769,108	2,127,222	641,886
Total Expenditures	<u>2,769,108</u>	<u>2,769,108</u>	<u>2,127,222</u>	<u>641,886</u>
Net Change in Fund Balances	348,642	348,642	1,320,070	971,428
Fund Balances - Beginning of Year	<u>4,858,907</u>	<u>4,858,907</u>	<u>4,858,907</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 5,207,549</u>	<u>\$ 5,207,549</u>	<u>\$ 6,178,977</u>	<u>\$ 971,428</u>

Reconciliation of Budgetary Inflows and Outflows to GAAP Revenues and Expenditures

Uses/outflows of resources:

Actual charges to appropriations from the budgetary comparison schedule above \$ 2,127,222

Differences - budget to GAAP:

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes

(2,127,222)

Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental fund

\$ -

COUNTY OF MONO

Required Supplementary Information
For the Year Ended June 30, 2017

BUDGETARY BASIS OF ACCOUNTING

In accordance with the provisions of Sections 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year. A tentative budget approved no later than June 30, of each year establishes the legal authority for county spending in the following fiscal year until a final budget is adopted on or before October 2nd. Prior to adoption of the final budget, a public hearing is held to receive comments prior to adoption.

From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein as proposed expenditures become appropriations to the various County departments. However, the legal level of control is the fund level. The Board of Supervisors may amend the budget by a four-fifths majority vote during the fiscal year. Department heads may, upon approval of the Finance Director, make transfers from one object or purpose to another within the same budget unit. All other budget amendments must be approved by the Board. It is this final revised budget that is presented in the required supplementary information section of this financial report. Appropriations lapse at year end.

Budgets are adopted for the General Fund, most special revenue funds, capital project funds and the debt service fund. Accounting principles applied for purposes of developing data on a budgetary basis are materially the same as those used to present financial statements in conformity with GAAP, except that transfers are regarded as inflows of resources for budgetary purposes and not revenues for GAAP financial statement presentation purposes and transfers out are considered outflows of resources for budgetary purposes but not expenditures for GAAP financial statement presentation purposes. Federal payment in lieu of taxes (PILT) revenue is reported in the year received for GAAP financial statement presentation purposes but reported in the following year for budgetary purposes.

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COMBINING AND INDIVIDUAL FUND STATEMENTS

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Project Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including that acquisition or construction of capital facilities and other capital assets.

Debt Service Funds are used to account for and report the accumulation of resources for, and the payment of, general long-term debt principal and interest.

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COUNTY OF MONO

Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2017

	Special Revenue				
	Public Health	Behavioral Health	Social Services	CDBG	Disaster Assistance Fund
ASSETS					
Cash and investments	\$ 215,700	\$ 588,892	\$ 1,726,359	\$ -	\$ 776,461
Accounts receivable	5,706	1,020	320	-	-
Due from other governments	193,783	117,420	75,947	208,292	-
Due from other funds	168,244	-	-	-	-
Prepaid expenses	10,240	14,567	39,803	-	-
Loans receivable	-	-	-	911,863	-
Total Assets	\$ 593,673	\$ 721,899	\$ 1,842,429	\$ 1,120,155	\$ 776,461
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 42,649	\$ 31,830	\$ 125,646	\$ 74,861	\$ 416,222
Accrued salaries and benefits	1,806	1,050	3,252	-	-
Due to other funds	-	-	-	133,336	-
Unearned revenues	135,231	-	-	-	-
Total Liabilities	179,686	32,880	128,898	208,197	416,222
Deferred inflows of Resources					
Unavailable revenues	188,591	114,634	49,836	94,513	-
Fund Balance					
Nonspendable	10,240	14,567	39,803	911,863	-
Restricted	215,156	559,818	1,623,892	-	-
Committed	-	-	-	-	360,239
Assigned	-	-	-	-	-
Unassigned	-	-	-	(94,418)	-
Total Fund Balances	225,396	574,385	1,663,695	817,445	360,239
Total Liabilities, Deferred Inflows and Fund Balances	\$ 593,673	\$ 721,899	\$ 1,842,429	\$ 1,120,155	\$ 776,461

continued

COUNTY OF MONO

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2017

	Special Revenue				
	Geothermal	Bio Terrorism	Fish and Game	Tobacco	Emergency Medical Services
ASSETS					
Cash and investments	\$ 257,252	\$ -	\$ 9,471	\$ 13,201	\$ 195,430
Accounts receivable	-	-	-	-	-
Due from other governments	71,898	175,199	-	-	-
Due from other funds	-	-	-	-	-
Prepaid expenses	-	1,736	-	929	-
Loans receivable	-	-	-	-	-
Total Assets	\$ 329,150	\$ 176,935	\$ 9,471	\$ 14,130	\$ 195,430
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 66,502	\$ 7,517	\$ -	\$ 2,247	\$ -
Accrued salaries and benefits	-	-	-	-	-
Due to other funds	-	168,244	-	-	-
Unearned revenues	-	-	-	-	-
Total Liabilities	66,502	175,761	-	2,247	-
Deferred inflows of Resources					
Unavailable revenues	-	123,821	-	-	-
Fund Balance					
Nonspendable	-	1,736	-	929	-
Restricted	262,648	-	9,471	10,954	195,430
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(124,383)	-	-	-
Total Fund Balances	262,648	(122,647)	9,471	11,883	195,430
Total Liabilities, Deferred Inflows and Fund Balances	\$ 329,150	\$ 176,935	\$ 9,471	\$ 14,130	\$ 195,430

continued

COUNTY OF MONO

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2017

	Special Revenue			
	Mitigation Fee	County Service Areas	Development Impact	Various Restricted Grants
ASSETS				
Cash and investments	\$ 121,557	\$ 2,222,689	\$ 214,082	\$ 951,070
Accounts receivable	-	-	-	10,060
Due from other governments	-	-	-	139,252
Due from other funds	-	-	-	-
Prepaid expenses	-	-	-	347
Loans receivable	-	-	-	-
Total Assets	\$ 121,557	\$ 2,222,689	\$ 214,082	\$ 1,100,729
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ 3,079	\$ -	\$ 24,419
Accrued salaries and benefits	-	400	-	-
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	-	3,479	-	24,419
Deferred inflows of Resources				
Unavailable revenues	-	-	-	125,927
Fund Balance				
Nonspendable	-	-	-	347
Restricted	121,557	2,219,210	214,082	950,036
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	121,557	2,219,210	214,082	950,383
Total Liabilities, Deferred Inflows and Fund Balances	\$ 121,557	\$ 2,222,689	\$ 214,082	\$ 1,100,729

continued

COUNTY OF MONO

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2017

	Total Special Revenue	Capital Projects		Debt Service	Total
		Miscellaneous Capital Improvements	Criminal Justice Facility	Debt Service Fund	
ASSETS					
Cash and investments	\$ 7,292,164	\$ 683,985	\$ 84,945	\$ 166,275	\$ 8,227,369
Accounts receivable	17,106	-	-	-	17,106
Due from other governments	981,791	2,150	-	-	983,941
Due from other funds	168,244	-	-	-	168,244
Prepaid expenses	67,622	-	-	-	67,622
Loans receivable	911,863	-	-	-	911,863
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 9,438,790</u>	<u>\$ 686,135</u>	<u>\$ 84,945</u>	<u>\$ 166,275</u>	<u>\$ 10,376,145</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 794,972	\$ 653	\$ -	\$ 246,702	\$ 1,042,327
Accrued salaries and benefits	6,508	-	-	-	6,508
Due to other funds	301,580	-	-	-	301,580
Unearned revenues	135,231	-	-	-	135,231
Total Liabilities	<u>1,238,291</u>	<u>653</u>	<u>-</u>	<u>246,702</u>	<u>1,485,646</u>
Deferred inflows of Resources					
Unavailable revenues	<u>697,322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>697,322</u>
Fund Balance					
Nonspendable	979,485	-	-	-	979,485
Restricted	6,382,254	-	84,945	-	6,467,199
Committed	360,239	-	-	-	360,239
Assigned	-	685,482	-	-	685,482
Unassigned	(218,801)	-	-	(80,427)	(299,228)
Total Fund Balances	<u>7,503,177</u>	<u>685,482</u>	<u>84,945</u>	<u>(80,427)</u>	<u>8,193,177</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 9,438,790</u>	<u>\$ 686,135</u>	<u>\$ 84,945</u>	<u>\$ 166,275</u>	<u>\$ 10,376,145</u>

COUNTY OF MONO

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2017

	Special Revenue				
	Public Health	Behavioral Health	Social Services	CDBG	Disaster Assistance Fund
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	274,525	-	-	-	-
Fines, forfeitures and penalties	1,019	7,332	-	-	-
Use of money and property	2,401	5,445	16,490	482	8,414
Intergovernmental	2,032,787	998,130	3,318,989	113,779	-
Charges for services	212,965	144,595	116,330	-	-
Miscellaneous	2,641	-	6,580	-	244,751
Total Revenues	<u>2,526,338</u>	<u>1,155,502</u>	<u>3,458,389</u>	<u>114,261</u>	<u>253,165</u>
EXPENDITURES					
Current					
General government	-	-	-	-	-
Public protection	-	-	-	-	-
Public ways and facilities	-	-	-	-	433,582
Health and sanitation	2,492,256	1,384,456	-	-	-
Public assistance	-	-	4,321,968	351,067	-
Debt service					
Principal	-	-	-	-	-
Interest and issuance cost	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	<u>2,492,256</u>	<u>1,384,456</u>	<u>4,321,968</u>	<u>351,067</u>	<u>433,582</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>34,082</u>	<u>(228,954)</u>	<u>(863,579)</u>	<u>(236,806)</u>	<u>(180,417)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	9,219	72,728	1,383,781	-	-
Transfers out	(31,251)	-	(26,735)	(44,612)	-
Total Other Financing Sources (Uses)	<u>(22,032)</u>	<u>72,728</u>	<u>1,357,046</u>	<u>(44,612)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	12,050	(156,226)	493,467	(281,418)	(180,417)
Fund Balances, Beginning of Year	<u>213,346</u>	<u>730,611</u>	<u>1,170,228</u>	<u>1,098,863</u>	<u>540,656</u>
FUND BALANCES, END OF THE YEAR	<u>\$ 225,396</u>	<u>\$ 574,385</u>	<u>\$ 1,663,695</u>	<u>\$ 817,445</u>	<u>\$ 360,239</u>

continued

COUNTY OF MONO

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2017

	Special Revenue				
	Geothermal	Bio Terrorism	Fish and Game	Tobacco	Emergency Medical Services
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines, forfeitures and penalties	-	-	10,216	-	82,538
Use of money and property	2,701	(1,008)	149	148	1,696
Intergovernmental	-	328,820	-	150,000	-
Charges for services	-	-	-	-	-
Miscellaneous	391,955	-	-	-	-
Total Revenues	<u>394,656</u>	<u>327,812</u>	<u>10,365</u>	<u>150,148</u>	<u>84,234</u>
EXPENDITURES					
Current					
General government	-	-	-	-	-
Public protection	375,185	452,607	8,901	-	-
Public ways and facilities	-	-	-	-	-
Health and sanitation	-	-	-	148,471	32,606
Public assistance	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest and issuance cost	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	<u>375,185</u>	<u>452,607</u>	<u>8,901</u>	<u>148,471</u>	<u>32,606</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>19,471</u>	<u>(124,795)</u>	<u>1,464</u>	<u>1,677</u>	<u>51,628</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	31,251	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>31,251</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	19,471	(93,544)	1,464	1,677	51,628
Fund Balances, Beginning of Year	<u>243,177</u>	<u>(29,103)</u>	<u>8,007</u>	<u>10,206</u>	<u>143,802</u>
FUND BALANCES, END OF THE YEAR	<u>\$ 262,648</u>	<u>\$ (122,647)</u>	<u>\$ 9,471</u>	<u>\$ 11,883</u>	<u>\$ 195,430</u>

continued

COUNTY OF MONO

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2017

	Mitigation Fee	County Service Area	Development Impact	Various Restricted Grants
REVENUES				
Taxes	\$ -	\$ 208,744	\$ -	\$ -
Licenses and permits	-	-	-	10,060
Fines, forfeitures and penalties	-	-	-	2,500
Use of money and property	1,266	24,644	2,229	7,906
Intergovernmental	-	-	-	996,709
Charges for services	-	129,882	-	6,337
Miscellaneous	-	11,180	308	66,577
Total Revenues	<u>1,266</u>	<u>374,450</u>	<u>2,537</u>	<u>1,090,089</u>
EXPENDITURES				
Current				
General government	-	193,173	-	-
Public protection	-	-	-	923,759
Public ways and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	71,792
Debt service				
Principal	-	-	-	-
Interest and issuance cost	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>193,173</u>	<u>-</u>	<u>995,551</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,266</u>	<u>181,277</u>	<u>2,537</u>	<u>94,538</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	55,393
Transfers out	-	(206,058)	-	(41,818)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(206,058)</u>	<u>-</u>	<u>13,575</u>
NET CHANGE IN FUND BALANCES	1,266	(24,781)	2,537	108,113
Fund Balances, Beginning of Year	<u>120,291</u>	<u>2,243,991</u>	<u>211,545</u>	<u>842,270</u>
FUND BALANCES, END OF THE YEAR	<u>\$ 121,557</u>	<u>\$ 2,219,210</u>	<u>\$ 214,082</u>	<u>\$ 950,383</u>

continued

COUNTY OF MONO

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2017

	Total Special Revenue	Capital Projects		Debt Services	Total
		Miscellaneous Capital Improvements	Criminal Justice Facility	Debt Service Fund	
REVENUES					
Taxes	\$ 208,744	\$ -	\$ -	\$ -	\$ 208,744
Licenses and permits	284,585	-	-	-	284,585
Fines, forfeitures and penalties	103,605	-	-	-	103,605
Use of money and property	72,963	-	-	-	72,963
Intergovernmental	7,939,214	309,397	203,000	-	8,451,611
Charges for services	610,109	-	-	-	610,109
Miscellaneous	723,992	400	-	-	724,392
Total Revenues	9,943,212	309,797	203,000	-	10,456,009
EXPENDITURES					
Current					
General government	193,173	-	-	-	193,173
Public protection	1,760,452	-	-	-	1,760,452
Public ways and facilities	433,582	-	-	-	433,582
Health and sanitation	4,057,789	-	-	-	4,057,789
Public assistance	4,744,827	-	-	-	4,744,827
Debt service					
Principal	-	-	-	798,573	798,573
Interest and issuance cost	-	-	-	88,791	88,791
Capital outlay	-	168,008	118,055	-	286,063
Total Expenditures	11,189,823	168,008	118,055	887,364	12,363,250
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,246,611)	141,789	84,945	(887,364)	(1,907,241)
OTHER FINANCING SOURCES (USES)					
Transfers in	1,552,372	346,679	-	922,447	2,821,498
Transfers out	(350,474)	(162,692)	-	(48,688)	(561,854)
Total Other Financing Sources (Uses)	1,201,898	183,987	-	873,759	2,259,644
NET CHANGE IN FUND BALANCES	(44,713)	325,776	84,945	(13,605)	352,403
Fund Balances, Beginning of Year	7,547,890	359,706	-	(66,822)	7,840,774
FUND BALANCES, END OF THE YEAR	\$ 7,503,177	\$ 685,482	\$ 84,945	\$ (80,427)	\$ 8,193,177

NONMAJOR ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed primarily through user charges; or where the County has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

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COUNTY OF MONO

Combining Statement of Net Position

Nonmajor Enterprise Funds

June 30, 2017

	<u>Campgrounds</u>	<u>Cemeteries</u>	<u>Total</u>
ASSETS			
Current Assets			
Pooled cash and investments	\$ 68,009	\$ 21,050	\$ 89,059
Accounts receivable	2,828	1,206	4,034
	<u>70,837</u>	<u>22,256</u>	<u>93,093</u>
LIABILITIES			
Current Liabilities			
Accounts payable	2,453	-	2,453
	<u>2,453</u>	<u>-</u>	<u>2,453</u>
NET POSITION			
Restricted	-	4,648	4,648
Unrestricted	68,384	17,608	85,992
	<u>68,384</u>	<u>17,608</u>	<u>85,992</u>
Total Net Position	<u>\$ 68,384</u>	<u>\$ 22,256</u>	<u>\$ 90,640</u>

COUNTY OF MONO

Combining Statement of Revenues, Expenses and Changes in Net Position

Nonmajor Enterprise Funds

For the Year Ended June 30, 2017

	<u>Campgrounds</u>	<u>Cemeteries</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ 39,197	\$ 2,862	\$ 42,059
Total Operating Revenues	<u>39,197</u>	<u>2,862</u>	<u>42,059</u>
OPERATING EXPENSES			
Services and supplies	<u>32,240</u>	<u>14,828</u>	<u>47,068</u>
Total Operating Expenses	<u>32,240</u>	<u>14,828</u>	<u>47,068</u>
Operating Income (loss)	<u>6,957</u>	<u>(11,966)</u>	<u>(5,009)</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest income (expenses)	<u>722</u>	<u>230</u>	<u>952</u>
Total Non-Operating Revenues	<u>722</u>	<u>230</u>	<u>952</u>
Income (Loss) Before Transfers	7,679	(11,736)	(4,057)
Transfers In	<u>-</u>	<u>13,980</u>	<u>13,980</u>
CHANGE IN NET POSITION	7,679	2,244	9,923
Net Position, Beginning of Year	<u>60,705</u>	<u>20,012</u>	<u>80,717</u>
NET POSITION, END OF YEAR	<u>\$ 68,384</u>	<u>\$ 22,256</u>	<u>\$ 90,640</u>

COUNTY OF MONO

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended June 30, 2017

	<u>Campgrounds</u>	<u>Cemeteries</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from customers	\$ 36,824	\$ 1,656	\$ 38,480
Cash paid to suppliers for goods and services	(31,342)	(14,828)	(46,170)
	<u>5,482</u>	<u>(13,172)</u>	<u>(7,690)</u>
Net Cash Provided (Used) by Operating Activities			
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers received from other funds	-	13,980	13,980
Net Cash Provided by Noncapital Financing	<u>-</u>	<u>13,980</u>	<u>13,980</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received (paid)	722	230	952
Net Cash Used in Capital and Related Financing Activities	<u>722</u>	<u>230</u>	<u>952</u>
Net Increase (Decrease) in Cash and Cash Equivalents	6,204	1,038	7,242
Cash and Cash Equivalents, Beginning of Year	<u>61,805</u>	<u>20,012</u>	<u>81,817</u>
Cash and Cash Equivalents, End of Year	<u>\$ 68,009</u>	<u>\$ 21,050</u>	<u>\$ 89,059</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 6,957	\$ (11,966)	\$ (5,009)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
Receivables	(2,373)	(1,206)	(3,579)
Payables	898	-	898
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,482</u>	<u>\$ (13,172)</u>	<u>\$ (7,690)</u>

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

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COUNTY OF MONO

Combining Statement of Net Position

Internal Service Funds

June 30, 2017

	Copier Pool	Motor Pool	Insurance Pool	Tech Refresh Pool	Total
ASSETS					
Current Assets					
Pooled cash and investments	\$ 65,463	\$ 775,953	\$ 34,593	\$ 69,825	\$ 945,834
Cash with fiscal agent	-	-	53,117	-	53,117
Deposits with others	-	-	3,199,037	-	3,199,037
Accounts receivable	-	1,000	-	-	1,000
Total Current Assets	<u>65,463</u>	<u>776,953</u>	<u>3,286,747</u>	<u>69,825</u>	<u>4,198,988</u>
Noncurrent Assets					
Capital assets:					
Depreciable, net	<u>84,692</u>	<u>1,181,703</u>	<u>-</u>	<u>-</u>	<u>1,266,395</u>
Total Assets	<u>150,155</u>	<u>1,958,656</u>	<u>3,286,747</u>	<u>69,825</u>	<u>5,465,383</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amounts related to pensions	<u>-</u>	<u>68,484</u>	<u>-</u>	<u>-</u>	<u>68,484</u>
LIABILITIES					
Current Liabilities					
Accounts payable	19,413	40,986	910	5,425	66,734
Salaries and benefits payable	-	5,656	-	-	5,656
Claims Liability	-	-	2,940,003	-	2,940,003
Total Current Liabilities	<u>19,413</u>	<u>46,642</u>	<u>2,940,913</u>	<u>5,425</u>	<u>3,012,393</u>
Long-term Liabilities					
Net pension liability	<u>-</u>	<u>319,085</u>	<u>-</u>	<u>-</u>	<u>319,085</u>
Total Liabilities	<u>19,413</u>	<u>365,727</u>	<u>2,940,913</u>	<u>5,425</u>	<u>3,331,478</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred amounts related to pensions	<u>-</u>	<u>11,894</u>	<u>-</u>	<u>-</u>	<u>11,894</u>
NET POSITION					
Net investment in capital assets	84,692	1,181,703	-	-	1,266,395
Unrestricted	<u>46,050</u>	<u>467,816</u>	<u>345,834</u>	<u>64,400</u>	<u>924,100</u>
Total Net Position	<u>\$ 130,742</u>	<u>\$ 1,649,519</u>	<u>\$ 345,834</u>	<u>\$ 64,400</u>	<u>\$ 2,190,495</u>

COUNTY OF MONO

Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2017

	Copier Pool	Motor Pool	Insurance Pool	Tech Refresh Pool	Total
OPERATING REVENUES					
Charges for services	91,796	771,724	1,809,322	51,750	2,724,592
Total Operating Revenues	<u>91,796</u>	<u>771,724</u>	<u>1,809,322</u>	<u>51,750</u>	<u>2,724,592</u>
OPERATING EXPENSES					
Salaries and benefits	-	260,687	86,903	-	347,590
Services and supplies	60,589	310,616	2,777,421	36,956	3,185,582
Depreciation	22,587	438,409	-	-	460,996
Total Operating Expenses	<u>83,176</u>	<u>1,009,712</u>	<u>2,864,324</u>	<u>36,956</u>	<u>3,994,168</u>
Operating Income (Loss)	<u>8,620</u>	<u>(237,988)</u>	<u>(1,055,002)</u>	<u>14,794</u>	<u>(1,269,576)</u>
NON-OPERATING REVENUES (EXPENSES)					
Interest income (expense)	323	7,318	2,179	697	10,517
Sale of capital assets	-	37,691	-	-	37,691
Miscellaneous	22	36,955	44,773	-	81,750
Total Non-Operating Revenues	<u>345</u>	<u>81,964</u>	<u>46,952</u>	<u>697</u>	<u>129,958</u>
CHANGE IN NET POSITION	8,965	(156,024)	(1,008,050)	15,491	(1,139,618)
Net Position, Beginning of Year	<u>121,777</u>	<u>1,805,543</u>	<u>1,353,884</u>	<u>48,909</u>	<u>3,330,113</u>
NET POSITION, END OF YEAR	<u>\$ 130,742</u>	<u>\$ 1,649,519</u>	<u>\$ 345,834</u>	<u>\$ 64,400</u>	<u>\$ 2,190,495</u>

COUNTY OF MONO

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended June 30, 2017

	Copier Pool	Motor Pool	Insurance Pool	Tech Refresh Pool	Total
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash receipts from interfund services provided	\$ 91,796	\$ 770,724	\$ 1,809,322	\$ 51,750	\$ 2,723,592
Cash paid to employees for services	-	(238,161)	(89,451)	-	(327,612)
Cash paid to suppliers for goods and services	(46,575)	(273,800)	(1,801,066)	(45,799)	(2,167,240)
Net Cash Provided (Used) by Operating Activities	<u>45,221</u>	<u>258,763</u>	<u>(81,195)</u>	<u>5,951</u>	<u>228,740</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Other revenues	22	36,955	44,773	-	81,750
Net Cash Provided (Used) by Noncapital Financing	<u>22</u>	<u>36,955</u>	<u>44,773</u>	<u>-</u>	<u>81,750</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Payments related to the acquisition of capital assets	(20,340)	(367,542)	-	-	(387,882)
Sale of capital assets	-	37,691	-	-	37,691
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(20,340)</u>	<u>(329,851)</u>	<u>-</u>	<u>-</u>	<u>(350,191)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received (paid)	323	7,318	2,179	697	10,517
Net Cash Provided by Investing Activities	<u>323</u>	<u>7,318</u>	<u>2,179</u>	<u>697</u>	<u>10,517</u>
Net Increase (Decrease) in Cash and Cash Equivalents	25,226	(26,815)	(34,243)	6,648	(29,184)
Cash and Cash Equivalents, Beginning of Year	40,237	802,768	121,953	63,177	1,028,135
Cash and Cash Equivalents, End of Year	<u>\$ 65,463</u>	<u>\$ 775,953</u>	<u>\$ 87,710</u>	<u>\$ 69,825</u>	<u>\$ 998,951</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating income (loss)	\$ 8,620	\$ (237,988)	\$ (1,055,002)	\$ 14,794	\$ (1,269,576)
Adjustments to reconcile operating income (loss) to net cash					
Depreciation	22,587	438,409	-	-	460,996
Changes in assets and liabilities					
Accounts receivable	-	(1,000)	-	-	(1,000)
Deposits with others	-	-	(304,977)	-	(304,977)
Deferred outflows	-	(22,111)	-	-	(22,111)
Claims liability	-	-	1,281,669	-	1,281,669
Accrued salaries and benefits	-	(12,573)	(2,548)	-	(15,121)
Payables	14,014	36,816	(337)	(8,843)	41,650
Net Pension liability	-	78,483	-	-	78,483
Deferred inflows	-	(21,273)	-	-	(21,273)
Net Cash Provided (Used) by Operating Activities	<u>\$ 45,221</u>	<u>\$ 258,763</u>	<u>\$ (81,195)</u>	<u>\$ 5,951</u>	<u>\$ 228,740</u>

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INVESTMENT TRUST FUND

The Investment Trust Fund accounts for the assets of legally separate entities that deposit cash with the County Treasurer. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities and pass through funds for tax collections for cities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.

COUNTY OF MONO

Combining Statement of Fiduciary Net Position

Investment Trust Fund

June 30, 2017

	<u>Local Districts</u>	<u>School Funds</u>	<u>Total</u>
ASSETS			
Pooled cash and investments	<u>\$ 17,657,513</u>	<u>\$ 23,438,122</u>	<u>\$ 41,095,635</u>
 Total Assets	 <u><u>\$ 17,657,513</u></u>	 <u><u>\$ 23,438,122</u></u>	 <u><u>\$ 41,095,635</u></u>
 NET POSITION			
Net position held in trust for investment pool participants	 <u><u>\$ 17,657,513</u></u>	 <u><u>\$ 23,438,122</u></u>	 <u><u>\$ 41,095,635</u></u>

COUNTY OF MONO

Combining Statement of Changes in Fiduciary Net Position

Investment Trust Fund

For the Year Ended June 30, 2017

	<u>Local Districts</u>	<u>School Districts</u>	<u>Total</u>
Additions			
Contributions	\$ 25,200,624	\$ 43,211,374	\$ 68,411,998
Investment income	193,605	268,341	461,946
Total Additions	25,394,229	43,479,715	68,873,944
Deductions:			
Distribution from pooled investment	23,721,380	42,962,753	66,684,133
Change in Net Position	1,672,849	516,962	2,189,811
Beginning net position held in trust for pool participants	15,984,664	22,921,160	38,905,824
Ending net position held for pool participants	<u>\$ 17,657,513</u>	<u>\$ 23,438,122</u>	<u>\$ 41,095,635</u>

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STATISTICAL SECTION (UNAUDITED)

COUNTY OF MONO

**Tax Levies and Collections
General Fund Secured Roll
1992-93 through 2016-17**

<u>Fiscal Year</u>	<u>Secured & Unsecured Tax Levy</u>	<u>Current Taxes Collected</u>	<u>Percent of Levy</u>	<u>Delinquent Collections</u>	<u>Total Collections</u>	<u>Percent of Levy Collected</u>
1992-93	\$ 5,677,052	\$ 5,939,621	103.30%	\$ 255,980	\$ 6,195,601	107.75%
1993-94	4,841,678	5,066,272	104.64%	217,070	5,283,342	109.12%
1994-95	5,047,309	5,372,192	106.44%	228,890	5,601,082	110.97%
1995-96	4,962,551	5,024,418	101.19%	238,335	5,262,753	106.12%
1996-97	5,309,141	5,243,350	98.76%	156,743	5,400,093	101.71%
1997-98	5,977,025	5,236,546	87.61%	175,404	5,411,950	90.55%
1998-99	6,120,181	5,420,929	88.57%	185,983	5,606,912	91.61%
1999-00	6,420,655	5,699,096	88.77%	166,327	5,865,423	91.35%
2000-01	6,880,850	6,464,711	93.95%	139,088	660,379	95.97%
2001-02	7,073,947	6,992,736	98.85%	151,339	7,144,075	100.99%
2002-03	8,271,224	8,307,872	100.44%	250,939	8,558,811	103.48%
2003-04	8,426,505	8,523,576	101.15%	69,133	8,592,709	101.97%
2004-05	9,536,891	9,449,034	99.08%	58,669	9,507,703	99.69%
2005-06	11,362,185	10,892,350	95.86%	85,125	10,977,475	96.61%
2006-07	13,630,827	13,805,122	101.28%	122,857	13,927,980	102.18%
2007-08	15,706,796	16,120,226	102.63%	85,260	16,205,486	103.17%
2008-09	17,388,237	16,726,245	96.19%	145,777	16,872,022	97.03%
2009-10	17,600,670	16,124,835	91.61%	604,423	16,729,257	95.05%
2010-11	16,514,331	14,230,471	86.17%	578,940	14,809,410	89.68%
2011-12	14,392,453	14,296,942	99.34%	505,527	14,802,468	102.85%
2012-13	15,368,593	15,038,334	97.85%	340,237	15,378,571	100.06%
2013-14	15,889,566	14,384,146	90.53%	435,043	14,819,189	93.26%
2014-15	16,152,775	15,713,842	97.28%	205,656	15,919,498	98.56%
2015-16	16,486,505	16,415,898	99.57%	199,666	16,615,564	100.78%
2016-17	16,911,949	16,484,906	97.47%	170,941	16,655,848	98.49%

** Includes all charges, paid and unpaid. Redeemed delinquent taxes now included in taxes collected section.

COUNTY OF MONO

**Property Tax Value Allocation Collection
1992-93 through 2016-17
AB-8 VALUES**

Fiscal Year	Real Property		Personal		Total	
	Inc. HOPTR	% Chg	Property	% Chg		% Chg
1992-93	\$ 1,475,079,312		\$ 235,660,094		\$ 1,710,739,406	
1993-94	1,528,919,793	3.65%	242,890,893	3.07%	1,771,810,686	3.57%
1994-95	1,596,913,764	4.45%	231,701,331	-4.61%	1,828,615,095	3.21%
1995-96	1,592,321,372	-0.29%	215,419,598	-7.03%	1,807,740,970	-1.14%
1996-97	1,597,912,626	0.35%	224,837,451	4.37%	1,822,750,077	0.83%
1977-98	1,632,980,213	2.19%	225,309,948	0.21%	1,858,290,161	1.95%
1998-99	1,676,009,395	2.64%	229,640,519	1.92%	1,905,649,914	2.55%
1999-00	1,779,593,856	6.18%	229,350,947	-0.13%	2,008,944,803	5.42%
2000-01	1,989,414,352	11.79%	196,039,081	-14.52%	2,185,453,433	8.79%
2001-02	2,215,280,910	11.35%	224,479,974	14.51%	2,439,760,884	11.64%
2002-03	2,430,999,676	9.74%	252,782,477	12.61%	2,683,782,153	10.00%
2003-04	2,762,004,268	13.62%	265,105,692	4.88%	3,027,109,960	12.79%
2004-05	3,085,979,775	11.73%	267,934,406	1.07%	3,353,914,181	10.80%
2005-06	3,550,462,443	15.05%	260,084,308	-2.93%	3,810,546,751	13.61%
2006-07	4,278,126,257	20.49%	281,570,435	8.26%	4,559,696,692	19.66%
2007-08	5,015,813,891	17.24%	302,045,338	7.27%	5,317,859,229	16.63%
2008-09	5,554,102,507	10.73%	318,725,408	5.52%	5,872,827,915	10.44%
2009-10	5,634,656,131	1.45%	282,290,022	-11.43%	5,916,946,153	0.75%
2010-11	5,096,159,613	-9.56%	418,506,072	48.25%	5,514,665,685	-6.80%
2011-12	4,964,600,710	-2.58%	413,444,230	-1.21%	5,378,044,940	-2.48%
2012-13	4,957,878,484	-0.14%	360,781,678	-12.74%	5,318,660,162	-1.10%
2013-14	4,911,028,555	-0.94%	383,101,102	6.19%	5,294,129,657	-0.46%
2014-15	4,990,657,506	1.62%	392,756,377	2.52%	5,383,413,883	1.69%
2015-16	5,106,845,276	2.33%	389,673,020	-0.79%	5,496,518,296	2.10%
2016-17	5,244,471,009	2.69%	394,428,705	1.22%	5,638,899,714	2.59%

COUNTY OF MONO
Property Tax Allocation Collection

County Wide Tax Limitation is 1 percent of Full Cash Value of \$1.00 Per Hundred Dollars of Full Cash Value per Proposition 13.

Distribution:

The tax levy generated by the \$1.00 rate is distributed to various taxing agencies using factors based upon tax collections of the three previous years (Local Agencies) and one year for schools (1977-78).
Voter approved debt service is exempt from the 1 percent limitation.

COUNTY OF MONO
TAX RATES
2016-17

<u>TAX AREAS 051-000 THRU 051-013/ 051-019 THRU 051-034</u>	<u>PERCENTAGE</u>
PROP 13 (1% Limit)	1.000000
ESUSD BOND Current	0.060000
Total	1.060000
<u>TAX AREAS: 051-014 THRU 051-018</u>	
PROP 13 (1% Limit)	1.000000
ESUSD BOND Current	0.060000
Total	1.060000
<u>TAX AREAS: 010-000, 010-002, 010-003,010-004, 010-006, 010-008, 010-011, 010-012</u>	
PROP 13 (1% Limit)	1.000000
Mammoth-Kern SFID	0.027345
Mammoth Unified Bond '98, '00 & '01	0.030227
Southern Mono Hospital Bond Redemption	0.014208
Southern Mono Hospital Bond Current	0.029228
Total	1.101007
<u>TAX AREAS: 010-001,010-005,010-007,010-009,010-010</u>	
PROP 13 (1% Limit)	1.000000
Mammoth-Kern SFID	0.027345
Mammoth Unified Bond '98, '00 & '01	0.030227
Southern Mono Hospital Bond Redemption	0.014208
Southern Mono Hospital Bond Current	0.029228
Total	1.101007
<u>TAX AREAS: 010-013, 059-000, 059-005, 059-007, 059-012</u>	
PROP 13 (1% Limit)	1.000000
Mammoth Unified Bond '98, '00 & '01	0.030227
Southern Mono Hospital Bond Redemption	0.014208
Southern Mono Hospital Bond Current	0.029228
Total	1.073662
<u>TAX AREAS: 060-000</u>	
PROP 13 (1% Limit)	1.000000
Round Valley Bond (Determined by Inyo County)	0.032456
Bishop HS Bond (Determined by Inyo County)	0.008974
Southern Mono Hospital Bond Redemption	0.014208
Southern Mono Hospital Bond Current	0.029228
Total	1.084866
<u>TAX AREAS: 060-001 THRU 060-006</u>	
PROP 13 (1% Limit)	1.000000
Round Valley Bond (Determined by Inyo County)	0.032456
Bishop HS Bond (Determined by Inyo County)	0.008974
Total	1.041430
<u>Unitary Tax Rate</u>	
Unitary 1% Ad Valorem	1.000000
Unitary Debt Service Rate	0.348909
Total	1.348909

COUNTY OF MONO

**Distribution of Pooled Property Tax
1992-93 through 2016-17**

<u>Fiscal Year</u>	<u>County</u>	<u>Town of Mammoth Lakes</u>	<u>Schools Library and ERAF</u>	<u>Special Districts</u>	<u>Total</u>
1992-93	38.10%	2.93%	31.80%	27.17%	100.00%
1993-94	32.52%	3.02%	41.18%	23.28%	100.00%
1994-95	31.89%	3.03%	41.52%	23.56%	100.00%
1995-96	31.17%	3.96%	42.34%	22.53%	100.00%
1996-97	32.41%	3.07%	42.67%	21.85%	100.00%
1997-98	33.60%	3.05%	41.27%	22.08%	100.00%
1998-99	31.86%	3.06%	41.28%	23.80%	100.00%
1999-00	31.70%	3.19%	41.04%	24.07%	100.00%
2000-01	31.45%	3.58%	40.40%	24.57%	100.00%
2001-02	30.97%	3.64%	40.79%	24.60%	100.00%
2002-03	30.75%	3.74%	40.79%	24.72%	100.00%
2003-04	30.51%	3.89%	40.64%	24.96%	100.00%
2004-05	30.32%	4.00%	40.51%	25.17%	100.00%
2005-06	30.04%	4.17%	42.01%	23.78%	100.00%
2006-07	29.78%	4.29%	41.84%	24.08%	100.00%
2007-08	29.60%	4.43%	40.06%	25.91%	100.00%
2008-09	29.51%	4.50%	40.01%	25.97%	100.00%
2009-10	29.65%	4.46%	40.18%	25.71%	100.00%
2010-11	29.85%	4.37%	40.37%	25.42%	100.00%
2011-12	29.85%	4.36%	42.06%	23.73%	100.00%
2012-13	29.96%	4.30%	40.18%	25.56%	100.00%
2013-14	30.01%	4.29%	42.22%	23.48%	100.00%
2014-15	30.00%	4.30%	40.54%	25.16%	100.00%
2015-16	29.99%	4.30%	42.21%	23.50%	100.00%
2016-17	29.99%	4.30%	42.22%	23.49%	100.00%

COUNTY OF MONO
Tax Collections
1992-93 through 2016-17

Fiscal Year	General Fund		Secured and Unsecured				Totals
	County General Fund		Town of Mammoth	School	Special Districts		
	Secured	Unsecured		Districts and Augmentation Fund			
1992-93	\$ 5,939,621	\$ 862,128	\$ 522,068	\$ 6,716,833	\$ 5,361,881	\$ 19,402,531	
1993-94	5,066,272	755,388	540,072	6,802,385	5,701,810	18,865,927	
1994-95	5,372,192	741,145	577,391	8,161,950	5,785,370	20,638,048	
1995-96	5,024,418	682,488	759,583	8,283,649	4,268,796	19,018,934	
1996-97	5,243,350	729,092	583,068	7,768,595	472,288	14,796,393	
1997-98	5,448,545	719,526	571,570	7,730,443	4,451,114	18,921,198	
1998-99	5,582,040	731,930	588,337	7,930,027	4,572,566	19,404,900	
1999-00	5,778,043	723,824	647,065	8,306,363	4,794,903	20,250,198	
2000-01	6,264,163	616,687	782,357	8,817,667	5,238,415	21,719,289	
2001-02	7,073,947	695,136	825,121	7,085,768	5,591,710	21,271,682	
2002-03	7,534,894	772,978	953,355	11,204,067	6,080,626	26,545,920	
2003-04	8,523,576	807,741	1,158,647	12,615,367	6,936,400	30,041,730	
2004-05*	9,449,034	706,107	1,348,916	13,642,275	7,916,718	33,063,050	
2005-06*	11,455,149	765,220	1,592,687	16,021,241	9,067,830	38,902,127	
2006-07*	12,910,660	894,463	2,295,078	18,389,553	11,787,382	46,277,136	
2007-08*	14,515,638	870,916	2,624,774	22,147,747	12,860,888	53,019,963	
2008-09*	14,933,794 **	919,168 **	2,653,891 **	23,571,923 **	15,301,520 **	57,380,296	
2009-10*	15,165,933 **	1,260,670 **	2,417,595 **	25,336,531 **	11,152,009 **	55,332,738	
2010-11*	15,209,742 **	2,409,465 **	2,409,465 **	22,262,705 **	12,855,279 **	55,146,657	
2011-12*	14,822,535 **	1,288,349 **	2,355,391 **	22,694,146 **	12,800,764 **	53,961,185	
2012-13*	14,814,123 **	1,122,030 **	2,286,660 **	22,419,290 **	12,544,531 **	53,186,634	
2013-14*	14,697,811 **	1,149,583 **	2,269,698 **	22,354,923 **	12,476,495 **	52,948,509	
2014-15*	14,935,887 **	1,146,281 **	2,341,781 **	21,402,568 **	14,014,837 **	53,841,353	
2015-16*	15,801,348	1,164,420	2,369,745	22,847,929	12,844,465	55,027,908	
2016-17	15,725,094	1,177,187	2,424,093 **	22,859,891 **	14,200,279 **	56,386,544	

* Triple-Flip Adjustments not recognized in these figures

** These figures are based upon the AB-8 Allocation and not actual receipts

The lien or assessment date is the first Monday in January

Taxes may be paid in two installments. First installment is due November 1, and becomes delinquent on December 10, with 10% penalty added.

Second installment is due February 1, and becomes delinquent on April 10, with 10% penalty and \$10.00 per parcel added for costs.

After June 30, property is transferred to the delinquent roll. Beginning July 1, additional penalties of 1% per month for the first year and 1/2% per month thereafter until the property is redeemed. After five years, the property may be sold for taxes due.

COUNTY OF MONO

Miscellaneous Statistical Information June 30, 2017

County Date of Formation:	April 21, 1861	
Form of Government:	General Law County under California Constitution 1849	
Area:	3,030 Square Miles	
County Road Mileage:	684.42	
Fire Protection:	No county-wide fire district, each community has its own special fire protection district	
Public Protection:	Sworn Sheriff/Jail Personnel	44
	Non-Sworn Sheriff/Jail Personnel	4
	Number of Stations	3
	Number of Employees	48
	Percentage of Public Protection Personnel	17.08%
Countywide Employees	Total of Full-time & Part-time	281
	<i>(Includes Public Protection Employees)</i>	
	<i>(Does not include Court Employees)</i>	
	<u>November 8, 2016 General Elections</u>	
Elections:	Number of Registered Voters	6,498
	Number of Votes Cast Last General Election	5,485
	Percentage of Registered Voters Voting	84.41%

COUNTY OF MONO

Miscellaneous Statistical Information

June 30, 2017

Population:	<u>FY Year</u>	<u>County</u>	<u>Incorporated</u>	<u>Total</u>
(Bodie Only)	1879	8,000		8,000
	1910	2,042		2,042
	1920	960		960
	1930	1,360		1,360
	1940	2,299		2,299
	1950	2,115		2,115
	1960	2,213		2,213
	1970	4,016		4,016
	1980	8,577		8,577
	1990		***	10,350
	2000		***	10,293
<i>Department of Finance as of 1/1/**</i>	2001		***	12,799
	2002		***	13,250
	2003		***	13,350
	2004	5,946	7,617	13,563
	2005	5,982	7,667	13,649
	2006	5,880	7,717	13,597
	2007	6,346	7,413	13,759
	2008	6,214	7,413	13,627
	2009	6,318	7,299	13,617
	2010	5,819	8,209	14,028
	2011	5,890	8,286	14,176
	2012	5,819	8,209	14,028
	2013	6,186	8,307	14,493
	2014	6,045	8,098	14,143
	2015	6,285	8,410	14,695
	2016	5,697	8,024	13,721
	2017	5,711	8,002	13,713

*** No Data Kept for these years