



AGENDA

BOARD OF SUPERVISORS, COUNTY OF MONO STATE OF CALIFORNIA

Regular Meetings: The First, Second, and Third Tuesday of each month. Location of meeting is specified just below.

MEETING LOCATION Board Chambers, 2nd Fl., County Courthouse, 278 Main St., Bridgeport, CA 93517

Regular Meeting May 14, 2019

TELECONFERENCE LOCATIONS:

1) First and Second Meetings of Each Month: Mammoth Lakes CAO Conference Room, 3rd Floor Sierra Center Mall, 452 Old Mammoth Road, Mammoth Lakes, California, 93546; 2) Third Meeting of Each Month: Mono County Courthouse, 278 Main, 2nd Floor Board Chambers, Bridgeport, CA 93517.

Board Members may participate from a teleconference location. Note: Members of the public may attend the open-session portion of the meeting from a teleconference location, and may address the board during any one of the opportunities provided on the agenda under Opportunity for the Public to Address the Board.

NOTE: In compliance with the Americans with Disabilities Act if you need special assistance to participate in this meeting, please contact Shannon Kendall, Clerk of the Board, at (760) 932-5533. Notification 48 hours prior to the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting (See 42 USCS 12132, 28CFR 35.130).

Full agenda packets are available for the public to review in the Office of the Clerk of the Board (Annex I - 74 North School Street, Bridgeport, CA 93517). Any writing distributed less than 72 hours prior to the meeting will be available for public inspection in the Office of the Clerk of the Board (Annex I - 74 North School Street, Bridgeport, CA 93517). **ON THE WEB:** You can view the upcoming agenda at <http://monocounty.ca.gov>. If you would like to receive an automatic copy of this agenda by email, please subscribe to the Board of Supervisors Agendas on our website at <http://monocounty.ca.gov/bos>.

UNLESS OTHERWISE SPECIFIED BY TIME, ITEMS SCHEDULED FOR EITHER THE MORNING OR AFTERNOON SESSIONS WILL BE HEARD ACCORDING TO AVAILABLE TIME AND PRESENCE OF INTERESTED PERSONS. PUBLIC MAY COMMENT ON AGENDA ITEMS AT THE TIME THE ITEM IS HEARD.

9:00 AM Call meeting to Order

Pledge of Allegiance

1. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

on items of public interest that are within the subject matter jurisdiction of the Board.
(Speakers may be limited in speaking time dependent upon the press of business)

and number of persons wishing to address the Board.)

2. **RECOGNITIONS - NONE**

3. **COUNTY ADMINISTRATIVE OFFICE**

CAO Report regarding Board Assignments

Receive brief oral report by County Administrative Officer (CAO) regarding work activities.

4. **DEPARTMENT/COMMISSION REPORTS**

5. **CONSENT AGENDA**

(All matters on the consent agenda are to be approved on one motion unless a board member requests separate action on a specific item.)

A. Reappointments to Mono County First 5 Commission

Departments: Clerk of the Board

The First 5 Mono County Executive Director requests that the Mono County Board of Supervisors reappoint to the Mono County Children and Families Commission: Dr. Stacey Adler, PhD, to serve an indefinite term, or until she no longer holds the position of Superintendent of Schools; Berta Jimenez to serve a three-year term commencing June 3, 2019 and expiring June 4, 2022.

Recommended Action: Reappoint Berta Jimenez and Dr. Stacey Adler to the First 5 Mono County Children and Families Commission.

Fiscal Impact: None.

B. Allocation List Amendment: Behavioral Health Department

Departments: Behavioral Health

In October of 2018, Mono County Behavioral Health had three employees who met the criteria to move into the next level related to their current job. Two Case Manager I's met the qualifications to become Case Manager II's and our employee who is currently an FTS III met the qualifications to be moved into an FTS IV position.

Recommended Action: Adopt proposed resolution R19-____, Authorizing the County Administrative Officer to amend the list of allocated positions to add one fiscal and technical specialist (FTS) IV position and two case manager II positions and to delete one FTS III position and two case manager I positions within the Department of Behavioral Health.

Fiscal Impact: There is no fiscal impact to the Mono County General Fund. The annual cost of the promoted positions is \$261,888 (\$144,098 for salary; \$117,790 for benefits). These changes were included in the Department's budget and are funded with a combination of Mental Health Services Act, Realignment and service billing revenues.

C. Mobile Power Screen Purchase

Departments: Public Works - Solid Waste

Proposed purchase of an Ultra 3Way from Ultra Screen as the selected responsible bidder in response to the solicitation for a mobile power screen needed to produce wood-chip feedstock for the Bridgeport Shop biomass boiler.

Recommended Action: Authorize Public Works Department Director to purchase an Ultra 3Way mobile power screen from Ultra Screen on behalf of the County in an amount not to exceed \$123,000.

Fiscal Impact: Total cost would be \$123,000 from the Solid Waste Enterprise Fund, which is included in its FY 2018-2019 budget.

D. Women, Infants and Children (WIC) Program Prerequisite Contract Application Documents

Departments: Public Health

(Amber Hise) - The California State WIC Program is requesting that the California Rights Laws Attachment (DGS OLS 04) and Contractor Certification Clauses (CCC 04/2017) forms are signed prior to bringing the FFY 2020-2022 WIC Contract to the Board for consideration and signature. These signed forms will be included as part of the complete contract packet to bring forward at a future date.

Recommended Action: Authorize the Board of Supervisors Chairperson to sign the prerequisite contract application documents for FFY 2020-2022 for the California Department of Public Health (CDPH) Women, Infants, and Children (WIC) Program.

Fiscal Impact: None.

E. MOU between Caltrans and Mono County Regarding Unanticipated Maintenance Activities

Departments: Public Works

This item will modernize an existing MOU between Caltrans and Mono County to include current standards and protocols. The MOU enables mutual assistance between Caltrans and the County (upon consent by the offering agency), as needed during emergency situations.

Recommended Action: Ratify MOU between the County and Caltrans, authorizing the Director of Public Works to enter the MOU on behalf of the County.

Fiscal Impact: None. No monies are anticipated to change hands pursuant to this MOU - it is intended for in-kind services only.

6. CORRESPONDENCE RECEIVED

All items listed are located in the Office of the Clerk of the Board, and are available for review. Direction may be given to staff regarding, and/or the Board may discuss, any item of correspondence listed on the agenda.

A. GBUAPCD 2018-2019 Mammoth Lakes PM10 and Meterological Summary

The Great Basin Unified Air Pollution Control District (GBUAPCD) finalized the data to complete the 2018-2019 air monitoring year of March 16, 2018 to March 15, 2019, and provided a report.

B. California SWRCB Order Approving Petitions for Temporary Urgency Change

An order from the California State Water Resources Control Board (SWRCB) to the Los Angeles Department of Water and Power (LADWP) approving LADWP's petitions for temporary urgency change of licenses 10191 and 10192 (Applications 8042 and 8043) in Rush, Lee Vining, Parker, and Walker Creeks.

7. REGULAR AGENDA - MORNING

A. Letter to FERC and Resolution Regarding Premium Energy's Application for the Owens Valley Pumped Storage Project

Departments: CDD

15 minutes

(Wendy Sugimura) - Proposed comment letter to the Federal Energy Regulatory Commission (FERC) and Board Resolution opposing the Owens Valley Pumped Storage Project

Recommended Action: 1. Approve and authorize the Board Chair to sign the comment letter to FERC on the Owens Valley Pumped Storage project with any desired modifications, and direct staff to submit via the FERC online system. 2. Adopt Resolution R19-__ with any desired modifications and, if desired, direct staff to submit as a comment on the FERC online system. 3. Provide staff any other desired direction.

Fiscal Impact: None at this time.

B. Consideration of Change to the Mono County Cannabis Business Tax for cultivators to change the timing of tax return filing and/or payment

Departments: Finance

20 minutes (5 minutes presentation, 15 minutes discussion)

(Janet Dutcher) - Cannabis Cultivators are expressing concerns about the ability to pay a quarterly tax based on the square footage of canopy in advance of revenues realized after harvesting their crops. This item will discuss a potential option to amend the Mono County Cannabis Business Tax to change the quarterly tax filing and/or payment process for cultivators only, as required by the current ordinance.

Recommended Action: Receive staff comments about changing the filing requirements for cultivators, hear from members of the public, and provide feedback and direction to staff about consensus to amend the existing cannabis business tax ordinance (Chapter 3.30 of the Mono County Code).

Fiscal Impact: We cannot estimate the fiscal impact accurately at this time. Changing the ordinance involves the use of County staff time. Switching from quarterly tax filings to annually complicates the square footage calculation, risks miscalculations in the amount of tax, and increases the cost of tax administration. Deferring payment may increase collectibility offset with an increase in the cost of tax administration by adding an additional tax collection process.

C. FY 2019-2020 Budget Update

Departments: Finance

20 minutes

(Janet Dutcher) - Finance will update the Board about the FY 2019-2020 budget development and process.

Recommended Action: Receive information and provide direction to staff, if desired.

Fiscal Impact: None.

D. Mono County Audit Reports for FY 2017-2018

Departments: Finance

30 minutes (20 minute presentation, 10 minutes discussion)

(Janet Dutcher) - Presentation of the Comprehensive Annual Financial Report (CAFR) and the Single Audit Report.

Recommended Action: Hear brief presentation of the annual audit reports, ask questions and provide feedback and direction to staff, if desired.

Fiscal Impact: None.

E. Resolution to Promote Investments in Young Children and Families from Prenatal to Three

Departments: First 5

15 minutes

(Molly DesBaillets) - A resolution to prioritize and invest in Prenatal-to-Three efforts to promote a healthy start at birth, support for families with infants and toddlers and high-quality care and learning environments.

Recommended Action: Adopt proposed resolution R19-____, Signing on to the Call to Action of the National Collaborative for Infants and Toddlers (NCIT) and the National Association of Counties (NACo) to prioritize and invest in prenatal-to-three

efforts that promote a healthy start at birth, support for families with infants and toddlers and high quality care and learning environments.. Provide any desired direction to staff.

Fiscal Impact: None at this time, except a request to commit to allocating and leveraging funds in the next County budget cycle.

8. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

on items of public interest that are within the subject matter jurisdiction of the Board. (Speakers may be limited in speaking time dependent upon the press of business and number of persons wishing to address the Board.)

9. CLOSED SESSION

A. Closed Session - Human Resources

CONFERENCE WITH LABOR NEGOTIATORS. Government Code Section 54957.6. Agency designated representative(s): Stacey Simon, Dave Wilbrecht, Dave Butters, Janet Dutcher, and Anne Larsen. Employee Organization(s): Mono County Sheriff's Officers Association (aka Deputy Sheriff's Association), Local 39 - majority representative of Mono County Public Employees (MCPE) and Deputy Probation Officers Unit (DPOU), Mono County Paramedic Rescue Association (PARA), Mono County Public Safety Officers Association (PSO), and Mono County Sheriff Department's Management Association (SO Mgmt). Unrepresented employees: All.

B. Closed Session - Public Employment

PUBLIC EMPLOYMENT. Government Code section 54957. Title: County Administrative Officer (CAO).

C. Closed Session - Existing Litigation

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION. Paragraph (1) of subdivision (d) of Government Code section 54956.9. Name of case: *Cox v. Padilla*, Sacramento Superior Court Case No. 34-2019-80003090.

D. Closed Session - Exposure to Litigation

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code section 54956.9. Number of potential cases: two.

10. BOARD MEMBER REPORTS

The Board may, if time permits, take Board Reports at any time during the meeting and not at a specific time.

ADJOURN



**OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS**

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

Departments: Clerk of the Board

TIME REQUIRED

SUBJECT Reappointments to Mono County
First 5 Commission

**PERSONS
APPEARING
BEFORE THE
BOARD**

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

The First 5 Mono County Executive Director requests that the Mono County Board of Supervisors reappoint to the Mono County Children and Families Commission: Dr. Stacey Adler, PhD, to serve an indefinite term, or until she no longer holds the position of Superintendent of Schools; Berta Jimenez to serve a three-year term commencing June 3, 2019 and expiring June 4, 2022.

RECOMMENDED ACTION:

Reappoint Berta Jimenez and Dr. Stacey Adler to the First 5 Mono County Children and Families Commission.

FISCAL IMPACT:

None.

CONTACT NAME: Scheereen Dedman

PHONE/EMAIL: x5538 / sdedman@mono.ca.gov

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|---|
| <p>Click to download</p> <p> Staff Report</p> |
|---|

History

| Time | Who | Approval |
|--------------------|------------------------------|----------|
| 4/26/2019 11:14 AM | County Administrative Office | Yes |
| 5/6/2019 10:54 AM | County Counsel | Yes |

4/26/2019 8:46 AM

Finance

Yes



May 14, 2019

Stacey Adler, PhD
Commission Chair
Mono County Superintendent
of Schools

Ms. Helen Nunn
Assistant Clerk-Recorder-Registrar of Voters
P.O. Box 715
Bridgeport, CA 93517

RE: BOS Re-Appointments of Bertha Jimenez and Stacey Adler, PhD to the First 5 Mono County Children and Families Commission

Jeanne Sassin
Teacher
Lee Vining Elementary School

Dear Ms. Nunn:

The First 5 Mono County Executive Director respectfully requests that the Board of Supervisors re-appoint Berta Jimenez to the First 5 Mono County Children and Families Commission to serve a three-year term, commencing June 3, 2019, and expiring June 4, 2022; and Dr. Stacey Adler, Superintendent of Schools, until she no longer holds the position of Superintendent of Schools.

Bertha Jimenez
Case Manager III
Mono County Behavioral
Health

In accordance with Mono County Code Chapter 7.90.050, Ms. Jimenez will serve under the following membership category: *A person responsible for management of the following county functions: children's services, public health services, behavioral health services, social services and tobacco and other substance abuse prevention and treatment services* and Dr. Adler will serve under the following membership category: *one member shall be the county superintendent of schools, as an educator specializing in early childhood development.*

Kristin Wilson, MD
Pediatrician
Mammoth Lakes Hospital

Thank you for your consideration of this request.

Respectfully,

Molly DesBaillets
Executive Director
First 5 Mono County

cc: Bob Gardner, First 5 Mono County Chair
Christy Milovich, Mono County Counsel

Tim Alpers
Mono County Board of
Supervisors

Rick Johnson, MD
Mono County Health Officer

Megan Leplat
Indian Child Welfare Act
Representative
Utu Utu Gwaiutu Piaute Tribe

*Providing leadership in sustaining a network of support for all children, ages 0 through 5 years, and their families.
Partnering with the community to improve outcomes in children's health, safety and learning.*

Molly DesBaillets MA

P.O. Box 130 w Mammoth Lakes, CA 93546
760-924-7626 w 760-934-8443 (fax) w mdesbaillets@monocoe.org monokids.org



OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

Departments: Behavioral Health

TIME REQUIRED

SUBJECT Allocation List Amendment:
Behavioral Health Department

**PERSONS
APPEARING
BEFORE THE
BOARD**

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

In October of 2018, Mono County Behavioral Health had three employees who met the criteria to move into the next level related to their current job. Two Case Manager I's met the qualifications to become Case Manager II's and our employee who is currently an FTS III met the qualifications to be moved into an FTS IV position.

RECOMMENDED ACTION:

Adopt proposed resolution R19-___, Authorizing the County Administrative Officer to amend the list of allocated positions to add one fiscal and technical specialist (FTS) IV position and two case manager II positions and to delete one FTS III position and two case manager I positions within the Department of Behavioral Health.

FISCAL IMPACT:

There is no fiscal impact to the Mono County General Fund. The annual cost of the promoted positions is \$261,888 (\$144,098 for salary; \$117,790 for benefits). These changes were included in the Department's budget and are funded with a combination of Mental Health Services Act, Realignment and service billing revenues.

CONTACT NAME: Robin Roberts

PHONE/EMAIL: 760-924-1740 / Rroberts@mono.ca.gov

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|---------------------------------------|
| Click to download |
| Staff report |
| Resolution (rev'd ss) |

History

| Time | Who | Approval |
|-------------------|------------------------------|-----------------|
| 5/9/2019 11:32 AM | County Administrative Office | Yes |
| 5/8/2019 2:16 PM | County Counsel | Yes |
| 5/8/2019 4:37 PM | Finance | Yes |



MONO COUNTY BEHAVIORAL HEALTH DEPARTMENT

COUNTY OF MONO

P. O. BOX 2619 MAMMOTH LAKES, CA 93546 (760) 924-1740 FAX: (760) 924-1741

TO: Mono County Board of Supervisors
FROM: Robin K. Roberts, Behavioral Health Director
DATE: May 14, 2019

SUBJECT:

Add one FTS IV FTE position to the Allocation List for Behavioral Health; remove one FTSIII from Allocation List

Add two Case Manager II FTE positions to the Allocation List for Behavioral Health; remove one Case Manager I position from Allocation List.

RECOMMENDATION:

Adopt proposed resolution authorizing the County Administrative Officer to amend the County of Mono List of Allocated Positions to add one FTS IV and two case manager II positions and delete one FTS III and two case manager I positions in the Department of Behavioral Health.

DISCUSSION:

Adding these three positions to the Allocation List allows Mono County Behavioral Health to promote staff who have met the requirements of the new level and who have received employee evaluations recommend their being promoted. All changes have been budgeted for and will be funded through a combination of the Mental Health Services Act, Realignment and revenue from billing for service provision.

FISCAL IMPACT:

There is no fiscal impact to the Mono County General Fund.

Case Manager II: \$46,143.00 salary, \$26,302.00 Benefits: Total \$72,445.00

Case Manager II: \$46,143.00 salary, \$34,459.00 Benefits: Total \$80,602.00

FTS IV position: \$51,812.00 salary, Benefits \$57,029.00: Total \$108,841.00

All the above was included in the Behavioral Health 2018/2019 budget

SUBMITTED BY:

Robin K. Roberts, Director of Behavioral Health, Contact: 760.924.1740



R19-__

**A RESOLUTION OF THE MONO COUNTY BOARD OF SUPERVISORS
AUTHORIZING THE COUNTY ADMINISTRATIVE OFFICER TO AMEND THE
COUNTY OF MONO LIST OF ALLOCATED POSITIONS TO ADD ONE FTS IV AND
TWO CASE MANAGER II POSITIONS AND DELETE ONE FTS III AND TWO CASE
MANAGER I POSITIONS IN THE DEPARTMENT OF BEHAVIORAL HEALTH**

WHEREAS, the County of Mono maintains a list of County job classifications, the pay ranges or rates for those job classifications, and the number of positions allocated by the Board of Supervisors for each of those job classifications on its List of Allocated Positions (or “Allocation List”); and,

WHEREAS, the Allocation List identifies approved vacancies for recruitment and selection by Human Resources and implements collective bargaining agreements related to job classifications and pay rates; and,

WHEREAS, the County seeks to provide public services in the most efficient and economical manner possible, which at times requires the modification of the job classifications on the Allocation List; and

WHEREAS, it is currently necessary to amend the Allocation List as part of maintaining proper to amend the Allocation List as part of maintaining proper accounting for hiring employees to perform public services.

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF MONO RESOLVES that:

SECTION ONE: The County Administrative Officer is authorized to amend the County of Mono List of Allocated Positions to reflect the following changes:

Increase the allocation of full-time permanent FTS IV positions by one (1) (new total of one (1).) Salary range \$48,812-\$59,332.

Reduce the allocation of full-time permanent FTS III positions by one (1) (new total of zero (0).) Salary range \$44,222-\$53,752.

SECTION TWO: The County Administrative Officer is authorized to amend the County of Mono List of Allocated Positions to reflect the following changes:

Increase the allocation of full-time permanent Case Manager II positions by two (2) (new total of two (2).) Salary range \$43,143-\$52,441.

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Reduce the allocation of full-time permanent Case Manager I positions by one (1) (new total of one (1).) Salary range of \$41,064-\$49,914.

PASSED, APPROVED and ADOPTED this ____ day of May 2019, by the following vote, to wit:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAIN:**

John Peters, Chair
Mono County Board of Supervisors

ATTEST:

APPROVED AS TO FORM:

Scheereen Dedman
Clerk of the Board

Stacey Simon
County Counsel



**OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS**

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

Departments: Public Works - Solid Waste

TIME REQUIRED

SUBJECT Mobile Power Screen Purchase

**PERSONS
APPEARING
BEFORE THE
BOARD**

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Proposed purchase of an Ultra 3Way from Ultra Screen as the selected responsible bidder in response to the solicitation for a mobile power screen needed to produce wood-chip feedstock for the Bridgeport Shop biomass boiler.

RECOMMENDED ACTION:

Authorize Public Works Department Director to purchase an Ultra 3Way mobile power screen from Ultra Screen on behalf of the County in an amount not to exceed \$123,000.

FISCAL IMPACT:

Total cost would be \$123,000 from the Solid Waste Enterprise Fund, which is included in its FY 2018-2019 budget.

CONTACT NAME: Justin Nalder

PHONE/EMAIL: 760-932-5453 / jnalder@mono.ca.gov

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|--|
| Click to download |
| Staff Report |
| Mobile Power Screen RFB Results |
| Mobile Power Screen Request for Bids |

History

| Time | Who | Approval |
|--------------------|------------------------------|----------|
| 5/10/2019 12:39 PM | County Administrative Office | Yes |

5/10/2019 9:55 AM

County Counsel

Yes

5/10/2019 8:55 AM

Finance

Yes



MONO COUNTY DEPARTMENT OF PUBLIC WORKS

POST OFFICE BOX 457 • 74 NORTH SCHOOL STREET • BRIDGEPORT, CALIFORNIA 93517
760.932.5440 • Fax 760.932.5441 • monopw@mono.ca.gov • www.monocounty.ca.gov

To: Honorable Chair and Members of the Board of Supervisors
From: Justin Nalder, Solid Waste Superintendent
Date: May 14, 2019
Subject: Selected Bid from Mobile Power Screen RFB

Recommended Action:

Authorize Public Works Department Director to purchase an Ultra 3Way mobile power screen on behalf of the County in an amount not to exceed \$123,000.00.

Fiscal Impact:

Total cost would be \$123,000.00 from the Solid Waste Enterprise Fund.

Discussion:

In accordance with Mono County Code section 3.04.040(C), a formal bid process is required for the purchase of equipment or supplies that are estimated to exceed \$50,000.00. On March 21, 2019 a Request for Bids (RFB) was distributed for a mobile power screen. Only one bid was received in response. The RFB and the Bid Response are attached.

Following review of the Bid Response, Solid Waste Division staff has determined that the Ultra Plant – Ultra 3Way custom screener, as quoted in the RFB, is the mobile power screen that would best serve the County's needs.

This unit can be easily transported to all County landfills and transfer stations that stockpile wood product, will significantly reduce the manpower and time required to process chips, can separate the product into distinct sizes needed, and is the preferred design type of our staff operators.

Mobile power screens are not typical “off the shelf” products and are typically selected based on the specific needs of the user, hence the limited bid response. Solid Waste Division staff has researched several manufacturers with expertise in manufacturing specialized equipment to assist the County in developing/designing a single piece of equipment that will best serve its multiple needs considering performance, features, and cost.

History/Need

The screen is needed to process wood chips that are produced at six separate landfill/transfer station locations. These wood chips support the County's woodchip feedstock program that provides fuel to the biomass boiler installed at the County's Road Shop in Bridgeport.

The County was awarded grant funds by the Sierra Nevada Conservancy (SNC) to acquire and install the biomass boiler. The boiler currently heats various county-owned buildings at the Bridgeport Road Shop campus. The boiler presents a unique opportunity to transform green waste into heat, but the boiler has proven finicky in the exact type of material that it can utilize without creating maintenance problems. In

Board of Supervisors
RE: Future Solid Waste Programs/Services
May 14, 2019
Page 2 of 2

order to produce that exact type of material, the Solid Waste Division has identified the need for this additional piece of equipment.

Currently, the Solid Waste Division uses a stationary rock screen with a fabricated grate on the top. Although effective, this approach is not efficient due to screening limitations which require us to chip the product twice to limit oversized chips. Staff must expend significantly more equipment hours to run the process twice, and the rock screen itself is meanwhile diverted from other important tasks.

A mobile power screen is necessary to address the above issues and ensure dedicated equipment is available to produce the specific product (feedstock) necessary for the biomass boiler's continued operation. The unit must be able to process biomass waste at County Landfills and Transfer Stations into three different sizes and process up to 48 yards of raw biomass material per hour. It must also include a feed hopper that can control the flow of materials conveyed from the chipper, and a conveyer that extends 7.5 feet above ground level so that chips can be loaded directly into the County's collection/transport bin which will be taken to the Bridgeport Road Shop boiler. The proposed purchase includes all of the above.

If you have any questions regarding this item, please contact me at (760) 932-5453 or jnalder@mono.ca.gov.

Respectfully submitted,



Justin Nalder
Solid Waste Superintendent

EQUIPMENT BID FORM

MONO COUNTY DEPARTMENT OF PUBLIC WORKS

I. BID ITEM.

The Solid Waste Division of the County of Mono is soliciting bids for a **mobile power screen** (delivered and assembled as provided herein) for the production of woodchip biomass feedstock.

II. MINIMUM BID SPECIFICATIONS.

| DESCRIPTION Please place a "checkmark" in the appropriate column to indicate whether your bid complies with the following specifications. | COMPLY | EXCEPTION |
|--|---------------|------------------|
| POWER SCREEN ENGINE | | |
| <ul style="list-style-type: none"> 50 HP diesel engine rating (max.) | | |
| MOBILITY | | |
| <ul style="list-style-type: none"> Tow-ready trailer (not self-propelled) with a 2" or 2 5/16" ball hitch receiver Road Lights | | |
| SCREEN | | |
| <ul style="list-style-type: none"> 40 square-foot screening area (min.) Double screen intervals at 2" and 1/2" for three products (fines/mediums/large) | | |
| OUTPUT | | |
| <ul style="list-style-type: none"> 10 tons per hour (min.) Three product conveyors (fines/mediums/large) Conveyor for medium product must be able to convey product to a height of 7.5' | | |
| INPUT | | |
| <ul style="list-style-type: none"> Belt feed hopper | | |

III. EXCEPTIONS.

Please explain all exceptions identified in Section II above. Please attach additional sheets if necessary. _____

IV. DELIVERY.

Bids should include delivery of the equipment specified on this Equipment Bid Form to the address below and (if necessary) any assembly costs to ensure equipment is operational.

Benton Crossing Landfill
 899 Pit Road
 Crowley Lake, CA 93546

Proposals related to delivery and assembly shall be entered in Section IV of this Equipment Bid Form.

V. BID PROPOSAL.

I agree to furnish Mono County with the equipment, as well as the delivery and assembly thereof, specified on this Equipment Bid Form for the prices indicated below:

| | |
|---|----|
| 1. SUBTOTAL for mobile power screen: | \$ |
| 2. 7.25% SALES TAX for mobile power screen: | \$ |
| 3. DELIVERY to Mono County's Benton Crossing Landfill (address provided above): | \$ |
| 4. ALL OTHER FEES (assembly, representative travel, etc.): | \$ |
| 5. TOTAL | \$ |

VI. BIDDER INFORMATION.

Dealer/Manufacturer/Seller Name: _____

Contact Name: _____

Address: _____

City / State / Zip: _____

Phone Number: _____ Fax Number: _____

VI. BID SUBMITTAL AND BID DEADLINE.

Please submit your bid in a SEALED, OPAQUE envelope labeled with "Mobile Power Screen RFB" and the name of the Bidder printed on the outside of the envelope to one of the following addresses:

| | |
|--|----------------------|
| If by U.S. Mail, FedEx, UPS, other carriers: | If by Hand Delivery: |
|--|----------------------|

| | |
|--|--|
| <p>Mono County Solid Waste Division ATTN: Mobile Power Screen RFB P.O. Box 715 Bridgeport, CA 93517</p> | <p>Mono County Solid Waste Division ATTN: Mobile Power Screen RFB 74 School Street Bridgeport, CA 93517</p> |
|--|--|

Bids received via US Mail or other private carrier that are unsealed will not be considered. Also, bids received via facsimile (fax) transmission or electronic mail will not be considered.

PLEASE BE ADVISED that, despite information and assurances from mail services/carriers, "overnight delivery" by the U.S. Postal Service, UPS, FedEx, and other carriers may actually require two days to deliver to Bridgeport, California due to the remote location of central Mono County. Therefore, prospective bidders are encouraged to submit/mail their bids well in advance of the below Bid Submission Deadline.

BID SUBMISSION DEADLINE: All bids must be received by Mono County on April 16, 2019, no later than 10:30 AM.

VII. SELECTION PROCESS.

Mono County reserves the right to amend this RFQ by addendum before the Bid Submission Deadline. Following the Bid Submission Deadline, all bids received, whether accepted or rejected, will be tabulated and made available for public inspection for 45 days. In all cases, Mono County reserves the right to award an agreement for the purchase of equipment (with or without exceptions) or reject all bids and not make any award. The award of an agreement for the purchase of equipment (if any) shall be made by the Mono County purchasing agent to the responsible bidder submitting the quote that is most advantageous to and conforms to the needs of Mono County, as determined by the Mono County purchasing agent in his or her sole discretion. In the event that an agreement is awarded to a bidder that did not provide the lowest quote, the specific reason(s) for awarding an agreement to a bidder with a higher quote shall be documented. In determining whether to award an agreement for the purchase of equipment (if any), the purchasing agent shall take into consideration the quality offered and its conformity with the specifications, the delivery and discount terms and conditions of the bid, and other information and data required to prove the bidder's responsibility.

VIII. CERTIFICATION

In submitting this bid proposal form, I understand and agree that Mono County reserves the right to reject any and all bids and/or reject any and all items of such bids and/or waive any exceptions/irregularities in any bid proposal form received. By signing this bid proposal form, I agree that the equipment specified above will be delivered within 120 days of receipt of a Mono County purchase order. I certify that I am an authorized agent for the above manufacturer/dealership.

IX. QUESTIONS

Please refer all questions regarding this Equipment Bid Form or the specifications contained herein to Justin Nalder, Mono County Solid Waste Superintendent, at (760) 932-5440 or jnalder@mono.ca.gov.



OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

Departments: Public Health

TIME REQUIRED

PERSONS APPEARING BEFORE THE BOARD Amber Hise

SUBJECT Women, Infants and Children (WIC)
Program Prerequisite Contract
Application Documents

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

The California State WIC Program is requesting that the California Rights Laws Attachment (DGS OLS 04) and Contractor Certification Clauses (CCC 04/2017) forms are signed prior to bringing the FFY 2020-2022 WIC Contract to the Board for consideration and signature. These signed forms will be included as part of the complete contract packet to bring forward at a future date.

RECOMMENDED ACTION:

Authorize the Board of Supervisors Chairperson to sign the prerequisite contract application documents for FFY 2020-2022 for the California Department of Public Health (CDPH) Women, Infants, and Children (WIC) Program.

FISCAL IMPACT:

None.

CONTACT NAME: Amber Hise

PHONE/EMAIL: (760) 924-4613 / ahise@mono.ca.gov

SEND COPIES TO:

Amber Hise Kim Bunn Sandra Pearce

Signatures required on the following documents: 1 copy of California Civil Rights Laws Attachment (DGS OLS 04); 1 copy of Contractor Certification Clauses (CCC 04/2017).

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

Click to download

[BOS Staff Report](#)

[CA Civil Rights Attachment](#)

[Contractor Certification Clauses](#)

History

| Time | Who | Approval |
|-------------------|------------------------------|-----------------|
| 5/8/2019 10:58 AM | County Administrative Office | Yes |
| 5/6/2019 3:54 PM | County Counsel | Yes |
| 5/8/2019 5:30 PM | Finance | Yes |



MONO COUNTY HEALTH DEPARTMENT

Public Health

P.O. BOX 476, BRIDGEPORT, CA 93517 PHONE (760) 932-5580 • FAX (760) 932-5284
P.O. BOX 3329, MAMMOTH LAKES, CA 93546 PHONE (760) 924-1830 • FAX (760) 924-1831

Date: May 14, 2019
To: Honorable Board of Supervisors
From: Amber Hise, Women Infants and Children (WIC) Program Director
Subject: Women Infants and Children (WIC) Program Prerequisite Contract Application Documents

Recommendation:

Authorize the Board of Supervisors' Chairperson to sign the prerequisite contract application documents for FFY 2020-2022 for the California Department of Public Health (CDPH) Women, Infants, and Children (WIC) Program. Signatures required on the following documents:

- 1 copy of California Civil Rights Laws Attachment (DGS OLS 04)
- 1 copy of Contractor Certification Clauses (CCC 04/2017)

Discussion:

This year, the California State WIC Program is requesting that the California Rights Laws Attachment (DGS OLS 04) and Contractor Certification Clauses (CCC 04/2017) forms are signed prior to bringing the FFY 2020-2022 WIC Contract to the Board for consideration and signature. These signed forms will be included as part of the complete contract packet to bring forward at a future date.

The California State WIC Program is a nutrition education program, federally funded by the United States Department of Agriculture (USDA) and serves low income families that are at or below 185% of the poverty level. The WIC program is designed to provide supplemental resources to eligible individuals at nutritionally vulnerable times of life and to help reduce the risk of medical problems because of a lack of nutritious foods or information about nutrition. Pregnant woman, children 0-5 years of age and postpartum women are provided supplemental healthy food options, nutrition education, breastfeeding education and support as well as referrals to health care and other services the county provides. The Mono County WIC Program was established in 2010, serving over 250 families since that time.

Fiscal Impact/Budget Projections:

There is no fiscal impact to the General Fund.

For questions regarding this item, please call Amber Hise, WIC Director, at (760) 924-4613.

Reviewed by Sandra Pearce, Public Health Director, (760) 924-1818.

Pursuant to Public Contract Code section 2010, a person that submits a bid or proposal to, or otherwise proposes to enter into or renew a contract with, a state agency with respect to any contract in the amount of \$100,000 or above shall certify, under penalty perjury, at the time the bid or proposal is submitted or the contract is renewed, all of the following:

1. **CALIFORNIA CIVIL RIGHTS LAWS:** For contracts executed or renewed after January 1, 2017, the contractor certifies compliance with the Unruh Civil Rights Act (Section 51 of the Civil Code) and the Fair Employment and Housing Act (Section 12960 of the Government Code); and
2. **EMPLOYER DISCRIMINATORY POLICIES:** For contracts executed or renewed after January 1, 2017, if a Contractor has an internal policy against a sovereign nation or peoples recognized by the United States government, the Contractor certifies that such policies are not used in violation of the Unruh Civil Rights Act (Section 51 of the Civil Code) or the Fair Employment and Housing Act (Section 12960 of the Government Code).

CERTIFICATION

| | |
|---|---|
| I, the official named below, certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct. | <i>Federal ID Number</i> 95-6005661 |
| <i>Proposer/Bidder Firm Name (Printed)</i> Mono County Health Dept WIC Program | |
| <i>By (Authorized Signature)</i> | |
| <i>Printed Name and Title of Person Signing</i> John Peters, Chairperson, Board of Supervisors | |
| <i>Date Executed</i> 05/14/2019 | <i>Executed in the County and State of</i> Mono California |

CCC 04/2017

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

| | | |
|---|--|--|
| <i>Contractor/Bidder Firm Name (Printed)</i> Mono County Health Department WIC Program | | <i>Federal ID Number</i> 95-6005661 |
| <i>By (Authorized Signature)</i> | | |
| <i>Printed Name and Title of Person Signing</i> John Peters, Chairperson, Board of Supervisors | | |
| <i>Date Executed</i> 04/14/2019 | <i>Executed in the County of</i> Mono | |

CONTRACTOR CERTIFICATION CLAUSES

1. **STATEMENT OF COMPLIANCE:** Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 11102) (Not applicable to public entities.)

2. **DRUG-FREE WORKPLACE REQUIREMENTS:** Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the

certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that Contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations,

or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.3.

8. GENDER IDENTITY: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.35.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.

2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.

2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.



**OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS**

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

Departments: Public Works

TIME REQUIRED

SUBJECT MOU between Caltrans and Mono
County Regarding Unanticipated
Maintenance Activities

**PERSONS
APPEARING
BEFORE THE
BOARD**

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

This item will modernize an existing MOU between Caltrans and Mono County to include current standards and protocols. The MOU enables mutual assistance between Caltrans and the County (upon consent by the offering agency), as needed during emergency situations.

RECOMMENDED ACTION:

Ratify MOU between the County and Caltrans, authorizing the Director of Public Works to enter the MOU on behalf of the County.

FISCAL IMPACT:

None. No monies are anticipated to change hands pursuant to this MOU - it is intended for in-kind services only.

CONTACT NAME: Tony Dublino

PHONE/EMAIL: 760.932.5459 / tdublino@mono.ca.gov

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|------------------------------|
| Click to download |
| Staff Report |
| MOU |

History

| Time | Who | Approval |
|-------------------|------------------------------|----------|
| 5/8/2019 10:43 AM | County Administrative Office | Yes |

5/8/2019 2:38 PM

County Counsel

Yes

5/8/2019 5:02 PM

Finance

Yes



MONO COUNTY DEPARTMENT OF PUBLIC WORKS

POST OFFICE BOX 457 • 74 NORTH SCHOOL STREET • BRIDGEPORT, CALIFORNIA 93517
760.932.5440 • Fax 760.932.5441 • monopw@mono.ca.gov • www.monocounty.ca.gov

Date: May 14, 2019
To: Honorable Board of Supervisors
From: Tony Dublino, Director of Public Works
Subject: MOU with Caltrans for Unanticipated Maintenance Activities

Recommended Action:

Authorize the Public Works Director to enter into the Memorandum of Understanding (MOU) on behalf of the County.

Fiscal Impact:

None.

Discussion:

The proposed MOU provides the framework through which the County and the California Department of Transportation (Caltrans) will provide each other assistance for emergency maintenance activities that may arise from time to time. The MOU does not obligate either party to provide assistance; rather, assistance is provided only “to the extent that equipment and/or personnel are available.” The MOU contemplates assistance based on the parties’ historic needs for services such as rock blasting, tree removals, storage of materials, striping, and “any other work deemed appropriate and/or necessary.” In addition, the MOU will authorize and establish a process for the County (and its subcontractors) to assist Caltrans with snow removal during extreme conditions on Tioga Pass.

If you have any questions regarding this item, please contact Tony Dublino at tdublino@mono.ca.gov or (760) 932-5459.

Respectfully submitted,

Tony Dublino / Director of Public Works

**MEMORANDUM OF UNDERSTANDING BETWEEN THE CALIFORNIA
DEPARTMENT OF TRANSPORTATION AND THE COUNTY OF MONO
REGARDING UNANTICIPATED MAINTENANCE ACTIVITIES**

This Memorandum of Understanding (“MOU”) is between the California Department of Transportation, an agency of the State of California (hereinafter “Caltrans”), and the County of Mono, a political subdivision of the State of California (hereinafter “Mono County”). Hereinafter, Caltrans and Mono County may be referred to individually as a “Party” and collectively as the “Parties”.

ARTICLE I – BACKGROUND AND OBJECTIVES

The objective of this MOU is to document the Parties’ relationship and establish the standards, terms, and conditions under which the Parties agree to authorize each other to assist with “unanticipated maintenance activities,” as that term is defined herein. In addition, this MOU addresses the transfer of services and property among and between the Parties in the event either Party is in need.

Nothing in this MOU shall require a Party to obligate or transfer funds to another Party. Specific work projects or activities that involve the transfer of funds between the Parties will require execution of separate agreements and be contingent upon the availability of appropriated funds. Such agreements must be independently authorized by appropriate statutory authority; this MOU does not provide such authority. Negotiation, execution, and administration of each such agreement must comply with all applicable statutes and regulations.

ARTICLE II – STATEMENT OF WORK

- A. Mono County will, in compliance with Caltrans form STD. 013A (a copy of which is attached hereto), to be completed with each emergency event:
 - 1. To the extent that equipment and/or personnel are available, provide Caltrans assistance with various emergency projects including, but not limited to, rock blasting, tree removals, storage of materials, rock slope scaling, striping, and any work deemed appropriate and/or necessary by the Parties to ensure the safety of the traveling public during said emergencies.
 - 2. Perform emergency management at or above the same operating and safety standards as established by Caltrans.
 - 3. Provide equipment at Mono County’s expense, including daily operation, maintenance, and repair or replacement costs, when emergency services are provided. Mono County will ensure inspection of equipment for United States Department of Labor, Occupational Safety and Health Administration (“OSHA”) compliance and suitability. Mono County employees will be covered by Mono County’s current workers compensation insurance policy.
- B. Caltrans will, in compliance with Caltrans form STD. 013A, to be completed with each emergency event:
 - 1. To the extent that equipment and/or personnel are available, provide Mono County with assistance with various emergency projects including, but not limited to, rock

blasting, tree removals, storage of materials, rock slope scaling, striping, and any work deemed appropriate and/or necessary by the Parties to ensure the safety of the traveling public during said emergencies.

2. Perform emergency management at or above the same operating and safety standards as established by Mono County.
 3. Provide equipment at Caltrans expense, including daily operation, maintenance, and repair or replacement costs, when emergency services are provided. Caltrans will ensure inspection of equipment for OSHA compliance and suitability. Caltrans employees will be covered by Caltrans' current workers compensation insurance policy.
- C. Management staff of both Parties will work together and share the responsibility of coordinating emergency operations and work scheduling between Caltrans and Mono County personnel and employees.

ARTICLE III – CONDITIONS OF AGREEMENT

- A. The Parties shall not provide each other false information; the provision or giving of false information by either Party will be considered a breach of conditions and be grounds for termination of this MOU.
- B. Mono County shall exercise emergency operations subject to the supervision of a Caltrans Deputy District Director of Maintenance or his/her designee, and shall comply with all applicable state, county and municipal laws, ordinances, regulations, codes, and the terms and conditions of this MOU. Failure to do so may result in the immediate suspension of the permitted activity and/or the termination of this MOU.
- C. Caltrans shall exercise emergency operations subject to the supervision of the Mono County Public Works Director or his/her designee, and shall comply with all applicable State, county and municipal laws, ordinances, regulations, codes, and the terms and conditions of this MOU. Failure to do so may result in the immediate suspension of the permitted activity and/or the termination of this MOU.
- D. If any provision of this MOU shall be found to be invalid or unenforceable, the remainder of this MOU shall not be affected and the other provisions of this MOU shall be valid and be enforced to the fullest extent permitted by law.
- E. In planning coordinated work, the lead agency, whether Caltrans or Mono County, will be responsible for making all necessary contacts and arrangements with other federal, state, or local agencies to secure required inspections, permits, licenses, etc. necessary to perform the work by the assisting agency, described in this MOU.
- F. Failure to comply with any of the terms and conditions of this MOU by either Party may result in the immediate suspension of the permitted activity and/or termination of this MOU.
- G. This MOU may be terminated at the discretion of the Caltrans' Deputy District Director of Maintenance or the Mono County Public Works Director upon 24 hours' notice, or without

notice, if damage to resources or facilities is threatened or occurs, notwithstanding any other term or condition of this MOU.

- H. This MOU is made upon the express condition that Caltrans, its agents and employees shall be free from all liabilities and claims for damages and/or suits for or by reason of any injury, injuries, death, or damage to any person or persons or property of any kind whatsoever, whether to the person or property of Mono County, its agents or employees, or third parties, from any cause or causes whatsoever while in or upon said premises or any part thereof during the term of this MOU or occasioned by any occupancy or use of said premises or any activity carried out by Mono County in connection herewith. Likewise, this MOU is made upon the express condition that Mono County, its agents, officials and employees shall be free from all liabilities and claims for damages and/or suits for or by reason of any injury, injuries, death, or damage to any person or persons or property of any kind whatsoever, whether to the person or property of Caltrans, its agents, or employees, or third parties, from any cause or causes whatsoever while in or upon said premises of any part thereof during the term of this MOU or occasioned by any occupancy or use of said premises or any activity carried out by Caltrans in connection herewith.
- I. The person named or designated herein as being in charge of the permitted activity on-site must have full authority to make any decision about the activity and must remain on-site. He/she shall be responsible for all individuals with Caltrans involved with emergency operations in Mono County. Mono County will designate, in writing, an individual responsible that will be on-site during operations.
- J. This MOU may not be transferred or assigned without the prior written consent of both Parties.

ARTICLE IV – KEY OFFICIALS

- A. Key officials are essential to ensure maximum coordination and communication between the Parties and the work being performed. They are:
 - 1. For Caltrans
 - Teresa Erlwein P.E.
 - Deputy District Director, Maintenance and Operations
 - Caltrans District 9
 - 500 South Main Street, Bishop, CA 93514
 - Email terry.erylwein@dot.ca.gov
 - Phone 760-872-0650
 - 2. For Mono County Public Works Department:
 - Tony Dublino, Director
 - Mono County Public Works
 - P.O. Box 457
 - Bridgeport, CA 93517
 - E-mail: tdublino@mono.ca.gov
 - Telephone: (760) 932-5459
 - Facsimile: (760) 932-5441

- B. Changes in Key Officials – Neither Party may make any permanent change in a key official without providing written notice to the other Party reasonably in advance of the proposed change.

ARTICLE V – PRIOR APPROVAL

- A. Both Parties shall complete and sign a STD. 013A prior to the commencement of any emergency work contemplated by the Parties as being within the scope of this MOU.

ARTICLE VI – MODIFICATION AND TERMINATION

- A. Only a written instrument executed by the Party may modify this MOU.
- B. Except in the event of damage to resources or facilities is threatened or occurs, as described in Article III. G, either Party may terminate this MOU without cause and at-will by providing the other Party with thirty (30) days advance written notice. In the event that one Party provides the other Party with notice of its intention to terminate, the Parties will meet promptly to discuss the reasons for the notice and to try to resolve their differences.

ARTICLE VII – STANDARD CLAUSES

- A. Equal Employment Opportunity – During the performance of this MOU, the Parties will strive to maintain a diverse workforce and to provide equal employment opportunities (“EEO”) to all applicants, employees, clients, and customers, without regard to race, religious creed, color, national origin, ancestry, age, disability (physical or mental), medical condition (cancer and genetic characteristics), genetic information, marital status, sex (including pregnancy, childbirth, or related medical condition), gender, gender identity, gender expression, sexual orientation, political affiliation, or military and veteran status (Government Code sections 12920 and 19702 et seq.) Caltrans has a “Zero Tolerance” policy for EEO-related discrimination and/or harassment.
- B. Public Information Release – Both Parties will provide information to the public regarding work performed under this MOU to the extent required by law.

ARTICLE VIII – SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this MOU on the date(s) set forth below.

FOR CALTRANS:

Signature: Stephen Wingard
Name: for Teresa Erlwein
Title: Deputy District Director, Maintenance and Operations
Date: 3/14/2019

FOR MONO COUNTY:

Signature: _____
Name: _____
Title: _____
Date: _____



**OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS**

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

TIME REQUIRED

SUBJECT GBUAPCD 2018-2019 Mammoth
Lakes PM10 and Meterological
Summary

**PERSONS
APPEARING
BEFORE THE
BOARD**

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

The Great Basin Unified Air Pollution Control District (GBUAPCD) finalized the data to complete the 2018-2019 air monitoring year of March 16, 2018 to March 15, 2019, and provided a report.

RECOMMENDED ACTION:

FISCAL IMPACT:

CONTACT NAME:

PHONE/EMAIL: /

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|------------------------|
| Click to download |
| Report |

History

| Time | Who | Approval |
|-------------------|------------------------------|----------|
| 5/9/2019 11:32 AM | County Administrative Office | Yes |
| 5/8/2019 2:20 PM | County Counsel | Yes |
| 5/8/2019 4:59 PM | Finance | Yes |



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537
760-872-8211 Fax: 760-872-6109

May 7, 2019

Nolan Bobroff
Assistant Planner
Town of Mammoth Lakes
P.O. Box 1609
Mammoth Lakes, CA 93546

RE: 2018-2019 Mammoth Lakes PM10 and Meteorological Summary

Dear Mr. Bobroff:

The Great Basin Unified Air Pollution Control District (District) has monitored air quality in the Town of Mammoth Lakes since 1984. We recently finalized the data completing the 2018-2019 air monitoring year ending March 15, 2019. We are pleased to provide you this summary of air quality measurements recorded by the District between March 16, 2018 and March 15, 2019. The PM10 data presented are from two different monitors. On August 15, 2018 the District's primary PM10 monitor failed (1:1 day FDMS). From August 16, 2018 through March 15, 2019, data from the District's secondary monitor (1:3 day Partisol) is presented. In addition, the District has been testing a new continuous T640x PM monitor in Mammoth since September 2018, but the data are still being evaluated and are not presented here.

During this period, the Federal PM10 standard (150 $\mu\text{g}/\text{m}^3$ for a 24-hour average) was exceeded on four (4) days, all related to wildfire smoke. State PM10 standards (50 $\mu\text{g}/\text{m}^3$ for a 24-hour average) were exceeded on eighteen (18) days. Twelve (12) of these State exceedances were due to wildfire smoke impacts from the Lions and Ferguson Fires which impacted the region between late-July and mid-August 2018. There were six (6) exceedances of the State standard during the winter months. The winter-time exceedances were analyzed and deemed to be caused by local sources, primarily woodburning stoves, though road cinders may have had a minor contributing impact. Exceedance days and PM10 levels are listed in Table 1 for the 2018-2019 air monitoring year. An exceedance summary comparing the 2018-2019 monitoring year with the past nine (9) years is shown in Table 2.

Two wildfires complexes contributed to elevated PM10 levels in Mammoth during the summer months of 2018, the Lions Fire and the Ferguson Fire. The Lions Fire began as a lightning strike on June 11, 2018 at the south end of the Minaret Range, approximately six miles WSW of Mammoth. The fire grew in intensity and extent and by late June smoke impacts were observed in Mammoth. The fire continued into early September. Smoke impacts were compounded by the Ferguson Fire which started July 13, 2018 on the west side of Yosemite National Park. The most severe smoke impacts to Mammoth were the last week of July and the first week of August. The

Ferguson Fire grew to 96,901 acres, and the Lions Fire grew to 13,347 acres. Figure 1 shows the Lions Fire as viewed from Minaret Summit on June 24, 2018.

Figure 2 shows the daily average PM10 values between July and September 2018, highlighting the wildfire PM10 impacts in late-July and early-August. Figure 3 shows the daily average PM10 values for the entire monitoring year, superimposed on the prior three monitoring years for comparative purposes.

Figure 4 shows that historically, large-scale wildfires in the Mammoth Lakes area have been relatively infrequent events, though the past six summers have been impacted by wildfire smoke. The figure shows the daily average PM10 during July-September for years since 1992. As shown in Figure 4, the maximum summer wildfire PM10 concentration in 2018 outranked all previous monitored years in Mammoth. Prior to the Lions Fire and Ferguson Fire of 2018, the Town was impacted by significant smoke from the Empire Fire and other Yosemite-area fires in 2017, the Owens River Fire in 2016, the Rough Fire in 2015, the French and King Fires in 2014, and the Aspen and Rim Fires in 2013. The figure indicates wildfire smoke has impacted the Town in twelve (12) summers since 1992 and each of the past six (6) summers.

Please contact me with any questions you may have.

Thank you,

A handwritten signature in blue ink, appearing to read "Phillip L. Kiddoo", is written over the typed name and title below it.

Phillip L. Kiddoo
Air Pollution Control Officer

Table 1. Town of Mammoth Lakes Federal and State PM10 exceedances: March 16, 2018 - March 15, 2019.

| Date | PM10 Average ($\mu\text{g}/\text{m}^3$) | Federal PM10 Exceedance | State PM10 Exceedance |
|---|---|-------------------------|-----------------------|
| **6/25/2018 | 143 | No | Yes |
| **6/26/2018 | 116 | No | Yes |
| **7/28/2018 | 74 | No | Yes |
| **7/31/2018 | 151 | Yes | Yes |
| **8/1/2018 | 83 | No | Yes |
| **8/2/2018 | 308 | Yes | Yes |
| **8/3/2018 | 261 | Yes | Yes |
| **8/4/2018 | 180 | Yes | Yes |
| **8/6/2018 | 86 | No | Yes |
| **8/7/2018 | 68 | No | Yes |
| **8/9/2018 | 60 | No | Yes |
| **8/18/2018 | 56 | No | Yes |
| 12/10/2018 | 67 | No | Yes |
| 12/13/2018 | 54 | No | Yes |
| 12/19/2018 | 61 | No | Yes |
| 1/3/2019 | 57 | No | Yes |
| 1/24/2019 | 75 | No | Yes |
| 2/11/2019 | 51 | No | Yes |
| **Bolded and starred denotes wildfire smoke. | | | |

Table 2. Comparison of Federal and State PM10 exceedances with the prior nine monitoring years.

| Air Monitoring Year | Federal PM10 Exceedances (>150 $\mu\text{g}/\text{m}^3$) | State PM10 Exceedances (>50 $\mu\text{g}/\text{m}^3$) |
|---------------------|---|--|
| 09-10 | 0 | 25 |
| 10-11 | 0 | 36 |
| 11-12 | 0 | 5 |
| 12-13 | 0 | 19 |
| 13-14 | 2 | 17 |
| 14-15 | 0 | 3 |
| 15-16 | 0 | 20 |
| 16-17 | 0 | 21 |
| 17-18 | 0 | 6 |
| 18-19 | 4 | 18 |



Figure 1. Lions Fire as viewed from Minaret Vista on June 24, 2018.
Photo courtesy InciWeb, <https://inciweb.nwcg.gov/incident/photograph/5850/73/79007>

Summer 2018 Wildfire Smoke impacts on the Town of Mammoth Lakes

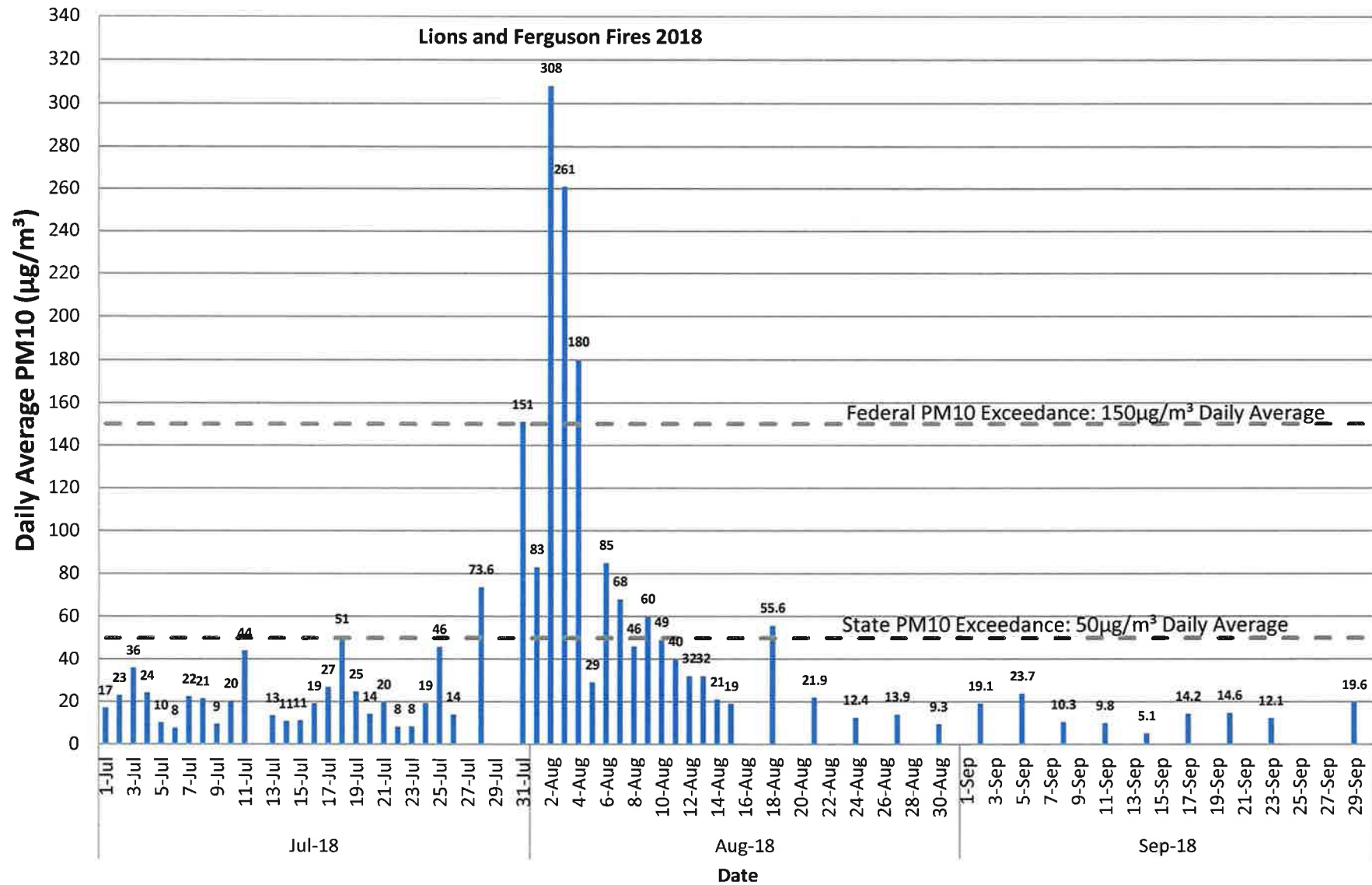


Figure 2: Summer 2018 Wildfire Smoke Impacts on the Town of Mammoth Lakes.



Town of Mammoth Lakes - PM10 March 16, 2018 - March 15, 2019

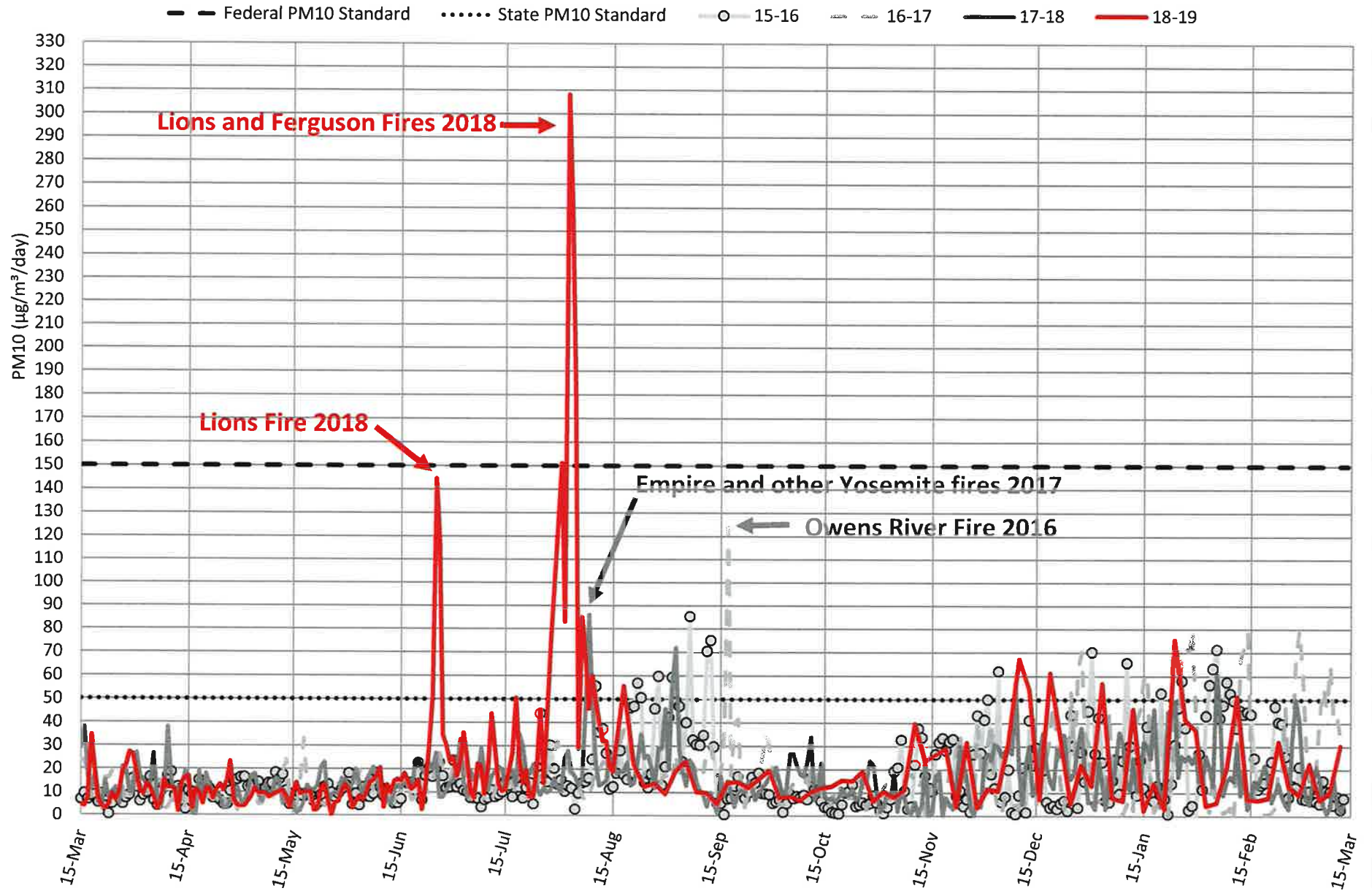


Figure 3: Town of Mammoth Lakes - PM10, March 16, 2018 - March 15, 2019.

Town of Mammoth Lakes Wildfire Season PM10 June-September, 1992-2018

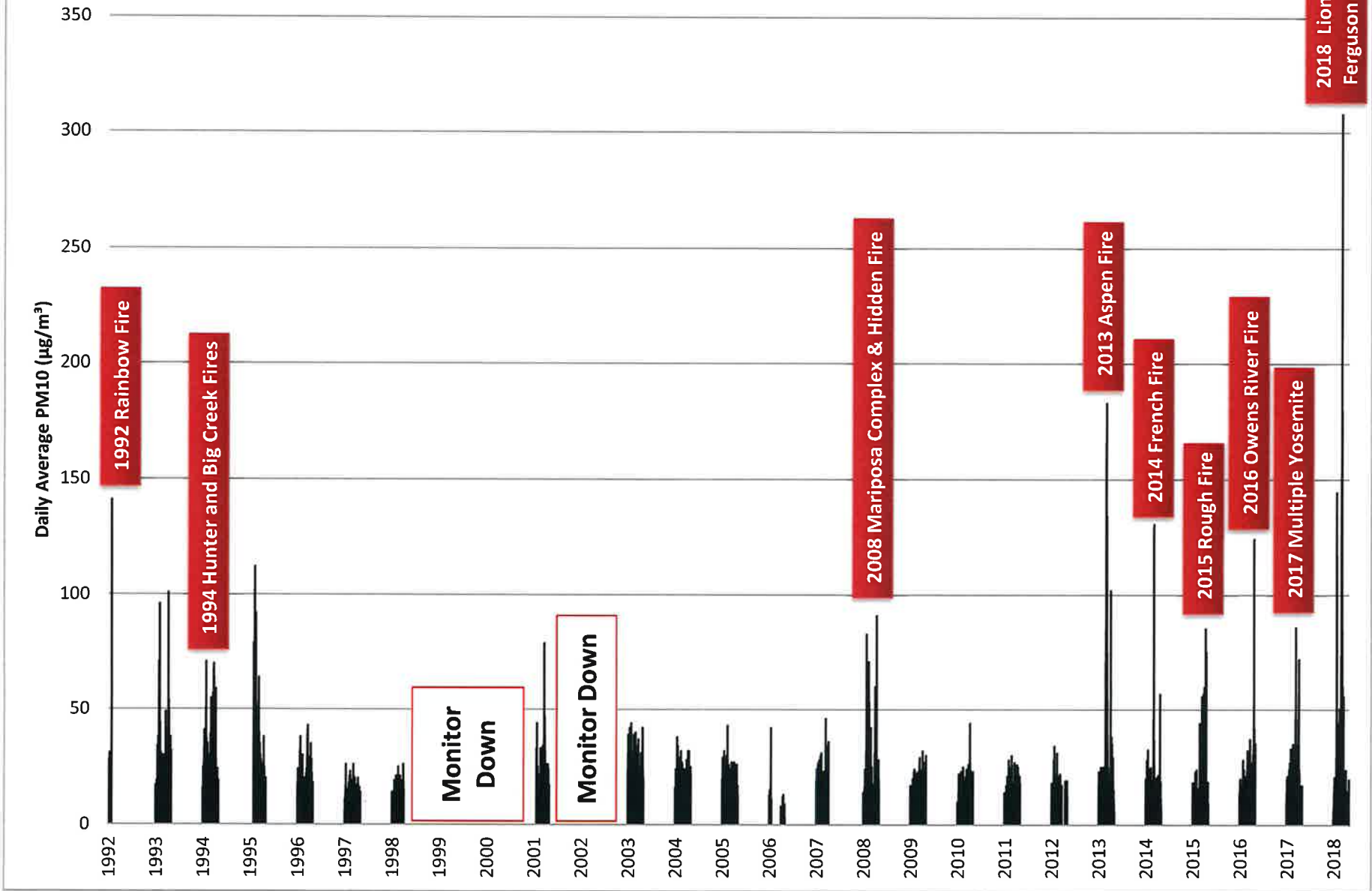


Figure 4: Town of Mammoth Lakes Wildfire Season PM10, June-September, 1992-2018.



**OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS**

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

TIME REQUIRED

SUBJECT California SWRCB Order Approving
Petitions for Temporary Urgency
Change

**PERSONS
APPEARING
BEFORE THE
BOARD**

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

An order from the California State Water Resources Control Board (SWRCB) to the Los Angeles Department of Water and Power (LADWP) approving LADWP's petitions for temporary urgency change of licenses 10191 and 10192 (Applications 8042 and 8043) in Rush, Lee Vining, Parker, and Walker Creeks.

RECOMMENDED ACTION:

FISCAL IMPACT:

CONTACT NAME:

PHONE/EMAIL: /

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|------------------------|
| Click to download |
| Letter |
| Order |

History

| Time | Who | Approval |
|-------------------|------------------------------|----------|
| 5/9/2019 11:32 AM | County Administrative Office | Yes |
| 5/8/2019 2:18 PM | County Counsel | Yes |
| 5/8/2019 4:59 PM | Finance | Yes |



GAVIN NEWSOM
GOVERNOR



JARED BLUMENFELD
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

APR 16 2019

In Reply Refer to:
SM: A008042 and
A008043

Clarence Martin
City of Los Angeles
Department of Water and Power
300 Mandich Street
Bishop, CA 93514
clarence.martin@ladwp.com

Dear Mr. Martin:

ORDER APPROVING PETITIONS FOR TEMPORARY URGENCY CHANGE OF LICENSES
10191 AND 10192 (APPLICATIONS 8042 AND 8043) OF CITY OF LOS ANGELES,
DEPARTMENT OF WATER AND POWER

The enclosed Order approves the petitions for temporary urgency change for Licenses 10191 and 10192. Please review the conditions of the Order and retain the Order with your licenses.

If you have any questions, please contact Steve Marquez at (916) 341-5350 or by email at steve.marquez@waterboards.ca.gov. Written correspondence should be addressed as follows: State Water Resources Control Board, Division of Water Rights, Attn: Steve Marquez, P.O. Box 2000, Sacramento, CA 95812-2000.

Sincerely,

ORIGINAL SIGNED BY:

Scott McFarland, Senior
Petition and Licensing Unit
Division of Water Rights

Enclosure: Order

ec (w/enclosure): Mono Basin Distribution List

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

1001 I Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 | www.waterboards.ca.gov

STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD

DIVISION OF WATER RIGHTS

In the Matter of Licenses 10191 and 10192 (Applications 8042 and 8043)

Los Angeles Department of Water and Power

ORDER APPROVING TEMPORARY URGENCY CHANGES

SOURCES: Rush Creek, Lee Vining Creek, Parker Creek, and Walker Creek

COUNTY: Mono

BY THE DEPUTY DIRECTOR FOR WATER RIGHTS:

1.0 SUBSTANCE OF THE TEMPORARY URGENCY CHANGE PETITIONS

On January 24, 2019, the State Water Resources Control Board (State Water Board) received Temporary Urgency Change Petitions (TUCPs) pursuant to California Water Code section 1435 from the Los Angeles Department of Water and Power (LADWP) requesting approval of temporary changes to its water right Licenses 10191 and 10192 (Applications 8042 and 8043).

On March 22, 2019, the State Water Board received proposed amendments to the TUCPs from LADWP. With the amended TUCPs, LADWP requests authorization to temporarily deviate from Stream Restoration Flow requirements as outlined in the State Water Board's Decision 1631 (D-1631) and Order 98-05 for Rush, Lee Vining, Parker, and Walker Creeks and instead follow the Stream Ecosystem Flows (SEFs) in the Draft Amended Licenses 10191 and 10192. The purpose of the temporary changes to the flow requirements is to collect data, and to test and evaluate the effects on resources from the implementation of the SEFs. The proposed amendments to the TUCPs will cover the appropriate water-year type starting from the approval date of this Order until September 30, 2019.

The temporary flow changes and the amended TUCPs are supported by the California Trout, Inc. (CalTrout), the Mono Lake Committee (MLC), and the State Water Board-approved stream monitoring team (Stream Scientists).

The temporary flow modifications proposed by LADWP will not increase LADWP's annual export of 16,000 acre-feet¹ as specified in D-1631.

2.0 BACKGROUND

2.1 State Water Board Decision 1631, Orders WR 98-05 and WR 98-07, and Licenses 10191 and 10192

In Decision 1631 (D-1631), the State Water Board modified Licenses 10191 and 10192 for the purpose of establishing instream flow requirements below LADWP's points of diversion on four affected streams tributary to Mono Lake. The decision also established conditions to protect public trust resources at

¹ 16,000 acre-feet may be exported annually when Mono Lake elevation is at or above 6,380 feet and below 6,391 feet.

Mono Lake. State Water Board Orders WR 98-05 and WR 98-07 (Orders) amended D-1631. Pursuant to D-1631 and the subsequent Orders, LADWP is required to conduct fisheries studies and stream monitoring activities until the program (or elements thereof) is terminated by the State Water Board. LADWP has been conducting fisheries studies and stream monitoring for over 20 years. These activities are conducted by the Stream Scientists who: (a) oversee implementation of the stream monitoring and restoration program, and (b) evaluate the results of the monitoring program and recommend modifications as necessary. In the Stream Scientists' April 30, 2010 *Synthesis of Instream Flow Recommendations Report* (Synthesis Report), they recommended modification of the flow regime and other aspects of the Mono Basin stream monitoring and restoration program.

2.2 Description of the Temporary Urgency Changes

The basis of temporary changes to the flow requirements is to allow LADWP to collect data, and to test and evaluate the effects on resources from the implementation of the SEFs, as identified in the *Mono Basin Operations Plan Under The Amended TUCP*, dated March 22, 2019. The TUCPs request the following temporary changes:

1. Rush Creek - The Mono Basin's April 1st forecast for Runoff Year (RY) 2019-2020 is projected to be either an Extreme-Wet, Wet, or Wet/Normal water-year type. Rush Creek's SEFs will be set to the appropriate water-year type and follow either Table 1A for an Extreme-Wet, Table 1B for a Wet, or Table 1C for a Wet/Normal water-year type (see Tables on pages 6-8).
2. Lee Vining Creek – The SEFs for Lee Vining Creek will follow Table 2A for an Extreme-Wet, Wet, or Wet/Normal water-year type (see Table on page 9).
3. Parker Creek – All flow will be continuously bypassed.
4. Walker Creek - All flow will be continuously bypassed.

It has been noted that the current infrastructure may not allow LADWP to deliver the magnitude of flows and duration for Rush Creek's SEFs listed in Tables 1A, 1B, and 1C when flows exceed 380 cubic feet per second (cfs). LADWP also acknowledged that Lee Vining Creek's flows listed in Table 2A will be implemented to the extent that the current infrastructure and upstream operations allows and operate to ensure flows in Lee Vining Creek do not drop below the minimum specified flows as outlined in Table 2A. An exception to the flows in Table 2A will be made in September 2019 during fish monitoring activities where Lee Vining Creek flows will be set to 28 cfs for up to two weeks in order to ensure the safety of the Stream Scientists and LADWP biologists performing the fish monitoring activities.

LADWP will communicate with Mono Basin parties (MLC, CalTrout, California Department of Fish and Wildlife), the Stream Scientists, and the State Water Board during the TUCP's authorized period to coordinate and gain input as SEFs proceed. Specifically, a conference call will be scheduled within a reasonable time of the April runoff forecast to discuss final water year type, operations plan, address questions, and Stream Scientist input that may result from the operations plan. LADWP will also provide reasonable communication to update parties, answer questions, and address unforeseen challenges as SEFs are delivered according to the April 1 forecast for RY 2019-20.

3.0 COMPLIANCE WITH CALIFORNIA ENVIRONMENTAL QUALITY ACT

LADWP, as Lead Agency pursuant to the California Environmental Quality Act (CEQA), prepared a Notice of Exemption for the *Mono Basin Temporary Operation Petition to State Water Resources Control Board* on January 3, 2019. LADWP found that the change is categorically exempt from CEQA, as the project is for the use of existing facilities with negligible or no expansion of existing use, for the purpose of maintaining fish and wildlife habitat areas, maintaining stream flows, and protecting fish and wildlife resources. (14 Cal. Code Regs. § 15301(i).)

The State Water Board has reviewed the information submitted by LADWP and has determined that the petitions qualify for an exemption under CEQA. The State Water Board will issue a Notice of Exemption for the temporary urgency change petitions.

4.0 PUBLIC NOTICE OF TEMPORARY URGENCY CHANGE PETITIONS

On April 5, 2019, the State Water Board issued a public notice of the temporary urgency changes pursuant to Water Code section 1438, subdivision (a). The comment period expires on May 6, 2019. Pursuant to Water Code section 1438, subdivision (b)(1), LADWP is required to publish the notice in a newspaper having a general circulation and published within the counties where the points of diversion are located. LADWP published the notice on April 4, 2019 in the Mammoth Times. The State Water Board posted the notice of the temporary urgency changes and the TUCPs (and accompanying materials) on its website and distributed the notice through its electronic notification system. Pursuant to Water Code section 1438(a), the State Water Board may issue a temporary urgency change order in advance of the required notice period.

5.0 COMMENTS REGARDING THE TEMPORARY URGENCY CHANGE PETITIONS

On January 22, 2019, LADWP copied the initial TUCPs to interested parties including the California Department of Fish and Wildlife, CalTrout, MLC, and the Stream Scientists. On February 1, 2019, MLC commented on the proposed TUCPs. MLC recommended that the State Water Board approve implementation of the interim SEFs for 180 days with the option for renewal. MLC also recommended that all elements of draft Licenses 10191 and 10192 terms and conditions 11 (Stream Ecosystem Flows) including tables, 12 (Grant Lake Operations), and 15 (Annual Operations Plan) including the collaborative planning, Stream Scientists input, and monthly reporting elements be implemented. MLC stated that interim implementation of the SEFs in 2019 will benefit the restoration of Rush, Lee Vining, Walker, and Parker Creeks and help with Grant Lake Reservoir management as well.

On February 6, 2019, a Mono Lake stakeholders meeting/conference call was held at the State Water Board's office which initiated the discussion on the TUCPs and action items for the coordination and resubmittal of amended TUCPs. On March 14, 2019, LADWP discussed the proposed amendments to the TUCPs in a conference call with the MLC, CalTrout, and Stream Scientists and there was a consensus to support the amended TUCPs. On March 22, 2019, LADWP submitted the amended TUCPs to the State Water Board.

6.0 CRITERIA FOR APPROVING THE PROPOSED TEMPORARY URGENCY CHANGES

Water Code section 1435 provides that a permittee or licensee who has an urgent need to change the point of diversion, place of use, or purpose of use from that specified in the permit or license may petition for a conditional temporary change order. The State Water Board's regulations set forth the filing and other procedural requirements applicable to TUCPs (Cal. Code Regs., tit. 23, §§ 805, 806.) The State Water Board's regulations also clarify that requests for changes to permits or licenses other than changes in point of diversion, place of use, or purpose of use may be filed, subject to the same filing and procedural requirements that apply to changes in point of diversion, place of use, or purpose of use. (*Id.*, § 791, subd. (e))

Before approving a temporary urgency change, the State Water Board must make the following findings:

1. The Petitioner has an urgent need to make the proposed change;
 2. The proposed change may be made without injury to any other lawful user of water;
 3. The proposed change may be made without unreasonable effect upon fish, wildlife, or other instream beneficial uses; and
 4. The proposed change is in the public interest.
- (Wat. Code, § 1435, subd. (b)(1-4).)

6.1 Urgency of the Proposed Change

Under Water Code section 1435, subdivision (c), an “urgent need” means “the existence of circumstances from which the State Water Board may in its judgment conclude that the proposed temporary change is necessary to further the constitutional policy that the water resources of the state be put to beneficial use to the fullest extent of which they are capable and that waste of water be prevented” However, the State Water Board shall not find the need urgent if it concludes that the petitioner has failed to exercise due diligence in petitioning for a change pursuant to other appropriate provisions of the Water Code. (Ibid.)

In this case, there is an urgent need for the proposed change in the license conditions regarding fish flows for the purpose of furthering protection of public trust resources.

6.2 No Injury to Any Other Lawful User of Water

There are no known lawful users of water that will be affected by the proposed changes to instream flows. Accordingly, granting these TUCPs will not result in injury to any other lawful users of water

6.3 No Unreasonable Effect upon Fish, Wildlife, or Other Instream Beneficial Uses

As described above, MLC have indicated that the temporary urgency will benefit the restoration of Rush, Lee Vining, Walker, and Parker Creeks and help with Grant Lake Reservoir management. No other fish or wildlife resources are implicated by the proposed change; accordingly, the proposed change will not have unreasonable effects upon fish and wildlife resources.

6.4 The Proposed Change is in the Public Interest

The proposed change would assist LADWP in maintaining the fishery resources in good condition. Maintenance of the fishery is in the public interest.

In light of the above, I find in accordance with Water Code section 1435, subdivision (b)(4) that the proposed change is in the public interest, including findings to support change order conditions imposed to ensure that the change is in the public interest.

Pursuant to Water Code section 1439, the State Water Board shall supervise diversion and use of water under this temporary change order for the protection of all other lawful users of water and instream beneficial uses.

7.0 STATE WATER BOARD DELEGATION OF AUTHORITY

On June 5, 2012, the State Water Board adopted Resolution 2012-0029, delegating to the Deputy Director for Water Rights the authority to act on petitions for temporary urgency change. This Order is adopted pursuant to the delegation of authority in section 4.4.1 of Resolution 2012-0029.

8.0 CONCLUSIONS

The State Water Board has adequate information in its files to make the evaluation required by Water Code section 1435.

I conclude that, based on the available evidence:

1. The Petitioner has an urgent need to make the proposed changes;
2. The proposed changes will not operate to the injury of any other lawful user of water;

3. The proposed changes, with conditions set forth in this Order, will not have an unreasonable effect upon fish, wildlife, or other instream beneficial uses; and
4. The proposed changes are in the public interest.

ORDER

NOW, THEREFORE, IT IS ORDERED THAT: the petitions filed by the LADWP for temporary urgency changes in Licenses 10191 and 10192 are approved, and this approval is effective from the date of this Order to September 30, 2019. All existing terms and conditions in Licenses 10191 and 10192 remain in effect, except as temporarily amended by the following terms.

1. For protection of fish in Rush and Lee Vining Creeks, LADWP shall bypass flow below the point of diversion at the flows specified in the tables below for the appropriate water year type. The SEFs provided under this requirement shall remain in the stream channel and not be diverted for any other use.
2. LADWP shall submit to the Deputy Director for Water Rights on a monthly basis a written report that summarizes all activities conducted to ensure compliance with the requirements of this Order. The first monthly report is due at the end of the first complete month of this Order. LADWP shall submit a final report summarizing overall compliance with this Order no later than November 1, 2019.
3. This Order does not authorize any act that results in the taking of a threatened or endangered species, or any act that is now prohibited, or becomes prohibited in the future, under either the California Endangered Species Act (Fish and Game Code sections 2050 to 2097) or the federal Endangered Species Act (16 U.S.C.A. sections 1531 to 1544). If a "take" will result from any act authorized under this Order, the licensee shall obtain authorization for an incidental take permit prior to construction or operation. Licensee shall be responsible for meeting all requirements of the applicable Endangered Species Act for the temporary urgency change authorized under this Order.
4. The State Water Board shall supervise the diversion and use of water under this Order for the protection of legal users of water and instream beneficial uses and for compliance with the conditions. Petitioner shall allow representatives of the State Water Board reasonable access to the project works to determine compliance with the terms of this Order.
5. The State Water Board reserves jurisdiction to supervise the temporary urgency changes under this Order, and to coordinate or modify terms and conditions, for the protection of vested rights, fish, wildlife, instream beneficial uses and the public interest as future conditions may warrant.
6. The temporary urgency changes authorized under this Order shall not result in creation of a vested right, even of a temporary nature, but shall be subject at all times to modification or revocation in the discretion of the State Water Board. The temporary urgency changes approved in this Order shall automatically expire September 30, 2019, unless earlier revoked.

STATE WATER RESOURCES CONTROL BOARD

ORIGINAL SIGNED BY:

Erik Ekdahl, Deputy Director
Division of Water Rights

Dated: APR 16 2019

TABLE 1A: RUSH CREEK STREAM ECOSYSTEM FLOWS FOR EXTREME-WET YEARS

| Hydrograph Component | Timing | Flow Requirement | Ramping Rate |
|----------------------------------|--|---|--|
| Spring Baseflow | April 1 – April 30 | 40 cfs | Maximum: 10% or 10 cfs* |
| Spring Ascension | May 1 – May 15 | 40 cfs ascending to 80 cfs | Target: 5% Maximum: 25% |
| Spring Bench | May 16 – June 11 | 80 cfs | Maximum: 20% |
| Snowmelt Ascension | June 12 – June 22 | 80 cfs ascending to 220 cfs | Target: 10% Maximum: 20% |
| Snowmelt Bench | June 23 – August 10 | 220 cfs | Maximum Ascending: 20% Maximum Descending: 10% or 10 cfs* |
| Snowmelt Flood and Snowmelt Peak | Starting between June 23 and July 19 with the 5-day peak between June 29 and July 29 | 220 cfs ascending to 750 cfs, 750 cfs for 5 days, 750 cfs descending to 220 cfs | Target Ascending: 20% Maximum Ascending: 40% Maximum Descending: 10% or 10 cfs* |
| Medium Recession (Node) | August 11 – August 25 | 220 cfs descending to 87 cfs | Target: 6% Maximum: 10% or 10 cfs* |
| Slow Recession | August 26 – September 30 | 87 cfs descending to 30 cfs | Target: 3% Maximum: 10% or 10 cfs* |
| Fall and Winter Baseflow | October 1 – March 31 | 27 cfs target (25 cfs minimum and 29 cfs maximum) | Maximum: 10% or 10 cfs* |
| | | | * whichever is greater |

TABLE 1B: RUSH CREEK STREAM ECOSYSTEM FLOWS FOR WET YEARS

| Hydrograph Component | Timing | Flow Requirement | Ramping Rate |
|----------------------------------|---|---|---|
| Spring Baseflow | April 1 – April 30 | 40 cfs | Maximum: 10% or 10 cfs* |
| Spring Ascension | May 1 – May 15 | 40 cfs ascending to 80 cfs | Target: 5% Maximum: 25% |
| Spring Bench | May 16 – June 11 | 80 cfs | Maximum: 20% |
| Snowmelt Ascension | June 12 – June 19 | 80 cfs ascending to 170 cfs | Target: 10% Maximum: 20% |
| Snowmelt Bench | June 20 – August 1 | 170 cfs | Maximum Ascending: 20% Maximum Descending: 10% or 10 cfs* |
| Snowmelt Flood and Snowmelt Peak | Starting between June 20 and July 8 with the 5-day peak between June 27 and July 19 | 170 cfs ascending to 650 cfs, 650 cfs for 5 days, 650 cfs descending to 170 cfs | Target Ascending: 20% Maximum Ascending: 40% Maximum Descending: 10% or 10 cfs* |
| Medium Recession (Node) | August 2 – August 15 | 170 cfs descending to 71 cfs | Target: 6% Maximum: 10% or 10 cfs* |
| Slow Recession | August 16 – September 13 | 71 cfs descending to 30 cfs | Target: 3% Maximum: 10% or 10 cfs* |
| Summer Baseflow | September 14 – September 30 | 30 cfs target 28 cfs minimum | Maximum: 10% or 10 cfs* |
| Fall and Winter Baseflow | October 1 – March 31 | 27 cfs target 25 cfs minimum and 29 cfs maximum | Maximum: 10% or 10 cfs* |
| | | | * whichever is greater |

TABLE 1C: RUSH CREEK STREAM ECOSYSTEM FLOWS FOR WET/NORMAL YEARS

| Hydrograph Component | Timing | Flow Requirement | Ramping Rate |
|----------------------------------|---|---|---|
| Spring Baseflow | April 1 – April 30 | 40 cfs | Maximum: 10% or 10 cfs* |
| Spring Ascension | May 1 – May 15 | 40 cfs ascending to 80 cfs | Target: 5% Maximum: 25% |
| Spring Bench | May 16 – June 11 | 80 cfs | Maximum: 20% |
| Snowmelt Ascension | June 12 – June 18 | 80 cfs ascending to 145 cfs | Target: 10% Maximum: 20% |
| Snowmelt Bench | June 19 – July 23 | 145 cfs | Maximum Ascending: 20% Maximum Descending: 10% or 10 cfs* |
| Snowmelt Flood and Snowmelt Peak | Starting between June 19 and July 1 with the 3-day peak between June 26 and July 10 | 145 cfs ascending to 550 cfs, 550 cfs for 3 days, 550 cfs descending to 145 cfs | Target Ascending: 20% Maximum Ascending: 40% Maximum Descending: 10% or 10 cfs* |
| Medium Recession (Node) | July 24 – August 4 | 145 cfs descending to 69 cfs | Target: 6% Maximum: 10% or 10 cfs* |
| Slow Recession | August 5 – September 1 | 69 cfs descending to 30 cfs | Target: 3% Maximum: 10% or 10 cfs* |
| Summer Baseflow | September 2 – September 30 | 30 cfs target 28 cfs minimum | Maximum: 10% or 10 cfs* |
| Fall and Winter Baseflow | October 1 – March 31 | 27 cfs target 25 cfs minimum and 29 cfs maximum | Maximum: 10% or 10 cfs* |
| | | | * whichever is greater |

TABLE 2A LEE VINING CREEK STREAM ECOSYSTEM FLOWS

| Timing: April 1 – September 30 | | | | | | | Year-type: Extreme/Wet, Wet, Wet/Normal, Normal, Dry/Normal II | | | |
|---|---|-----|-----|-----|-----|-----|--|-----|-----|-----|
| Maximum ramping at the beginning and end of this period is 20%. | | | | | | | | | | |
| Inflow | Flow Requirement | | | | | | | | | |
| 30 cfs or less | Licensee shall bypass inflow. | | | | | | | | | |
| 31 – 250 cfs | Licensee shall bypass flow in the amount corresponding to inflow which is displayed as blocks of 10 cfs (left-hand vertical column) and 1 cfs increments within such blocks (top horizontal row). | | | | | | | | | |
| | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 30 | | 30 | 30 | 30 | 30 | 30 | 31 | 32 | 33 | 34 |
| 40 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 |
| 50 | 35 | 36 | 37 | 38 | 39 | 40 | 41 | 42 | 43 | 44 |
| 60 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 | 53 | 54 |
| 70 | 55 | 56 | 57 | 58 | 59 | 60 | 61 | 62 | 63 | 64 |
| 80 | 60 | 61 | 62 | 63 | 64 | 65 | 66 | 67 | 68 | 69 |
| 90 | 70 | 71 | 72 | 73 | 74 | 75 | 76 | 77 | 78 | 79 |
| 100 | 75 | 76 | 77 | 78 | 79 | 80 | 81 | 82 | 83 | 84 |
| 110 | 85 | 86 | 87 | 88 | 89 | 90 | 91 | 92 | 93 | 94 |
| 120 | 95 | 96 | 97 | 98 | 99 | 100 | 101 | 102 | 103 | 104 |
| 130 | 100 | 101 | 102 | 103 | 104 | 105 | 106 | 107 | 108 | 109 |
| 140 | 110 | 111 | 112 | 113 | 114 | 115 | 116 | 117 | 118 | 119 |
| 150 | 120 | 121 | 122 | 123 | 124 | 125 | 126 | 127 | 128 | 129 |
| 160 | 130 | 131 | 132 | 133 | 134 | 135 | 136 | 137 | 138 | 139 |
| 170 | 135 | 136 | 137 | 138 | 139 | 140 | 141 | 142 | 143 | 144 |
| 180 | 145 | 146 | 147 | 148 | 149 | 150 | 151 | 152 | 153 | 154 |
| 190 | 155 | 156 | 157 | 158 | 159 | 160 | 161 | 162 | 163 | 164 |
| 200 | 160 | 161 | 162 | 163 | 164 | 165 | 166 | 167 | 168 | 169 |
| 210 | 170 | 171 | 172 | 173 | 174 | 175 | 176 | 177 | 178 | 179 |
| 220 | 180 | 181 | 182 | 183 | 184 | 185 | 186 | 187 | 188 | 189 |
| 230 | 190 | 191 | 192 | 193 | 194 | 195 | 196 | 197 | 198 | 199 |
| 240 | 195 | 196 | 197 | 198 | 199 | 200 | 201 | 202 | 203 | 204 |
| 250 | 200 | | | | | | | | | |
| 251 cfs and greater | Licensee shall bypass inflow. | | | | | | | | | |



OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

Departments: CDD

TIME REQUIRED 15 minutes

**PERSONS
APPEARING
BEFORE THE
BOARD** Wendy Sugimura

SUBJECT Letter to FERC and Resolution
Regarding Premium Energy's
Application for the Owens Valley
Pumped Storage Project

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Proposed comment letter to the Federal Energy Regulatory Commission (FERC) and Board Resolution opposing the Owens Valley Pumped Storage Project

RECOMMENDED ACTION:

1. Approve and authorize the Board Chair to sign the comment letter to FERC on the Owens Valley Pumped Storage project with any desired modifications, and direct staff to submit via the FERC online system. 2. Adopt Resolution R19-__ with any desired modifications and, if desired, direct staff to submit as a comment on the FERC online system. 3. Provide staff any other desired direction.

FISCAL IMPACT:

None at this time.

CONTACT NAME: Wendy Sugimura

PHONE/EMAIL: 760-924-1814 / wsugimura@mono.ca.gov

SEND COPIES TO:

Jason Canger, Michael Draper

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|------------------------------|
| Click to download |
| staff report |
| Resolution |
| Letter |

History**Time**

5/10/2019 1:11 PM

5/10/2019 12:19 PM

5/10/2019 8:57 AM

Who

County Administrative Office

County Counsel

Finance

Approval

Yes

Yes

Yes

Mono County Community Development Department

PO Box 347
Mammoth Lakes, CA 93546
760.924.1800, fax 924.1801
commdev@mono.ca.gov

Planning Division

PO Box 8
Bridgeport, CA 93517
760.932.5420, fax 932.5431
www.monocounty.ca.gov

Date: May 14, 2019

To: **Honorable Mono County Board of Supervisors**

From: Michael Draper, CDD Analyst
Jason Canger, Deputy County Counsel
Wendy Sugimura, Director

Re: **Owens Valley Pumped Storage Project Comment Letter and Resolution**

RECOMMENDATION

1. Authorize the Board Chair to sign the comment letter to FERC on the Owens Valley Pumped Storage project with any desired modifications, and direct staff to submit via the FERC online system.
2. Approve Resolution R19-__ with any desired modifications and, if desired, direct staff to submit as a comment on the FERC online system.
3. Provide staff any other desired direction.

FISCAL IMPACT

Currently there is no fiscal impact to the County.

DISCUSSION

The staff report from the May 7, 2019, Board of Supervisors meeting contains background on this project. At that meeting, the Board directed staff to draft a comment letter on the project for submittal, and to also draft a Resolution for Board approval.

The comment letter is general, which is consistent with the early nature of the process. If the project is accepted for processing by FERC and a more concerted effort is required, re-allocation of staff time and County resources can be considered to support effective participation.



R19-__

**A RESOLUTION OF THE MONO COUNTY
BOARD OF SUPERVISORS OPPOSING
THE OWENS VALLEY PUMPED STORAGE PROJECT**

WHEREAS, Mono County is aware that Premium Energy, LLC, has filed a preliminary permit application with the Federal Energy Regulatory Commission (FERC) for the Owens Valley Pumped Storage Project (FERC Docket No. P-14984); and

WHEREAS, the County is supportive of renewable energy generation and reduction of greenhouse gas emissions, as indicated by the approved capacity of a 30 MW geothermal energy plant, waivers of County fees for residential-scale energy efficiency and alternative energy projects, and the adopted Mono County Resource Efficiency Plan, which is the equivalent of a Climate Action Plan; and

WHEREAS, the proposed project concept includes establishing new reservoirs in the John Muir Wilderness in the Inyo National Forest, which was initially designated under the 1964 Wilderness Act; and

WHEREAS, critical habitat and populations of endangered species listed under the Endangered Species Act are within the project area, such as the Sierra Nevada bighorn sheep and Owens tui chub, or proximate to the project area, such as the Sierra Nevada yellow-legged frog and Yosemite toad; and

WHEREAS, the proposed project concept includes new dams and reservoirs potentially impacting stream segments eligible to be designated as Wild and Scenic Rivers as well as impeding a currently free-flowing stream, specifically Lower Rock Creek; and

WHEREAS, the proposed project concept triggers a number of other severe and unmitigable environmental impacts including, but not limited to, visual degradation to a designated State Scenic Highway (U.S. Highway 395) and public viewsheds; degradation or loss of sensitive vegetation communities, riparian habitat, and a vibrant fishery; degradation or loss of recreational activities such as world-class mountain biking and rock climbing, as well as hiking and fishing; and disruption to and degradation of winter range and migration corridors for the Round Valley mule deer herd; and

WHEREAS, the proposed project location incurs significant safety threats and hazard risks, such as an active earthquake fault zone and historic avalanche paths; and

WHEREAS, the proposed project concept includes penstocks and other infrastructure on private lands designated Estate Residential in the community of Swall Meadows, which would be under Mono County permitting jurisdiction and energy generation projects are not permitted uses within said land use designation; and

1 **WHEREAS**, Mono County General Plan policies seek to prevent conflict between the
2 environment and hydroelectric power generation uses; site facilities so that they are not easily
3 visible from scenic highways or important visual areas; install new energy transmission lines
4 underground for scenic and wildfire prevention purposes; and prohibit projects significantly
5 impacting habitat for sensitive, listed or candidate threatened or endangered species, important
6 spawning areas or other fishery values, key recreational resources, or viability for hydrologic
7 research purposes unless a statement of overriding considerations is made through the
8 Environmental Impact Report (EIR) process; and

9 **WHEREAS**, existing transmission infrastructure that the proposed project intends to
10 connect with is unlikely to have the capacity for a project of this size and scale, and therefore
11 upgrades would be required that would be expensive, significantly expand the project concept,
12 and include additional unknown and possibly severe environmental impacts; and

13 **WHEREAS**, the communities of Swall Meadows and Paradise are voicing intense and
14 passionate opposition to the proposed project even at this early stage, and are circulating a
15 community petition against the proposed project; and

16 **WHEREAS**, interested parties, stakeholders, residents, and jurisdictions having authority
17 were not timely notified of this application.

18 **NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF**
19 **MONO RESOLVES** that:

20 **SECTION ONE:** The proposed Owens Valley Pumped Storage Project results in
21 impermissible activities in designated wilderness and severe and numerous environmental
22 impacts, and therefore the Federal Energy Regulatory Commission (FERC) should find the
23 preliminary permit application to be deficient and without merit, and not accept the application
24 for filing.

25 **SECTION TWO:** If FERC accepts the permit for processing and/or issues the
26 preliminary permit, a local meeting for public input must be held in southern Mono County to
27 ensure access to accurate project information and provide a forum for the residents and
28 stakeholders impacted by the proposed project to voice opinions directly to FERC staff and
29 decision makers.

30 **SECTION THREE:** The proposed project involves development on private lands and is
31 therefore subject to Mono County land use permitting authority, the regulations and policies of
32 the Mono County General Plan and County Code, and compliance with the California
Environmental Quality Act (CEQA).

SECTION FOUR: The applicant, Premium Energy, LLC, has been duly notified of
County and community opposition, the extraordinary barriers to the project, and the high
financial risk of continuing to study and develop the proposed project concept.

SECTION FIVE: Large-scale pumped storage projects are not viable in Mono County
due to impacts to scenic viewsheds and the natural environment, and therefore the County has no
interest in exploring alternative locations. The citizens of our great nation should not be forced to
choose between renewable energy and the environment.

1 **PASSED, APPROVED and ADOPTED** this ____ day of _____, 2018, by the
2 following vote, to wit:

3 **AYES:**

4 **NOES:**

5 **ABSENT:**

6 **ABSTAIN:**

7
8
9
10
11 _____
12 John Peters, Chair
13 Mono County Board of Supervisors

14 **ATTEST:**

14 **APPROVED AS TO FORM:**

15
16
17 _____
18 Clerk of the Board

17 _____
18 County Counsel



Jennifer Halferty ~ District One Fred Stump ~ District Two Bob Gardner ~ District Three
John Peters ~ District Four Stacy Corless ~ District Five

BOARD OF SUPERVISORS COUNTY OF MONO

P.O. BOX 715, BRIDGEPORT, CALIFORNIA 93517
(760) 932-5533 • FAX (760) 932-5531
Shannon Kendall, Clerk of the Board

May 10, 2019

VIA FERC E-FILING SYSTEM

Kyle Olcott
Federal Energy Regulatory Commission
Division of Hydropower Licensing
888 First Street NE
Washington, DC 20426

RE: Premium Energy Holdings, LLC's Application for a Preliminary Permit for the Owens Valley Pumped Storage Project, FERC Docket No. P-14984

Dear Mr. Olcott,

The Mono County Board of Supervisors ("Board") appreciates the opportunity to provide the Federal Energy Regulatory Commission ("FERC") preliminary comments on Premium Energy Holdings, LLC's ("Premium") Application for a Preliminary Permit for the Owens Valley Pumped Storage Project, FERC Docket No. P-14984 (collectively, "Premium's Application"). As explained in more detail below, Premium's Application involves a project that is inconsistent with several federal, state, and local laws and policies related to the proposed project location and that will result in several significant impacts to Mono County communities, residents, and environmental resources. Accordingly, the Board has grave concerns with Premium's Application, and therefore requests that FERC not accept Premium's Application for filing at this preliminary stage to prevent any further review or consideration of a poorly conceived project with only limited benefits.

In the first instance, FERC should not accept Premium's Application for filing because it fails to conform adequately to FERC regulatory requirements for applications for preliminary permits. 18 C.F.R. § 4.32(e). Mono County's review of Premium's Application identified several deficiencies with the application. FERC regulations require applicants for preliminary permits to identify "[e]very other political subdivision in the general area of the project that there is reason to believe would likely be interested in, or affected by, the application." 18 C.F.R. § 4.32(a)(iv). Although Premium's Application identifies several political subdivisions and tribes, it fails to identify the following political subdivisions likely interested in and/or affected by Premium's Application: (i) the Town of Mammoth Lakes; (ii) the Wheeler Crest Community Services District; (iii) the Mammoth Lakes Fire Protection District; (iv) Mammoth Community Water District; (v) Paradise Fire Protection District; (vi) Wheeler Crest Fire Protection District;

Mr. Kyle Olcott

RE: Premium Energy Application for Preliminary Permit, FERC Docket No. P-14984

May 10, 2019

Page 2 of 5

(vii) Hilton Creek Community Services District; (viii) Long Valley Fire Protection District; and (ix) Great Basin Unified Air Pollution Control District. Applications for preliminary permits must also include maps that show, among other things, “[a]reas within or in the vicinity of the proposed project boundary which are included in or have been designated for study for inclusion in the National Wild and Scenic Rivers System” and “[a]reas within the project boundary that, under the provisions of the Wilderness Act have been” “[d]esignated as wilderness area[.]” 18 C.F.R. § 4.81(d)(4),(5)(i). Lower Rock Creek, one of the streams that Premium’s Application identifies as providing water to the proposed project, has been designated for study for inclusion in the National Wild and Scenic Rivers System. Similarly, Premium’s Application proposes to locate several of the project reservoirs in areas designated as wilderness areas, specifically the John Muir Wilderness Area. Exhibit 3 of Premium’s Application fails to include any map that identifies or otherwise accounts for the status of Lower Rock Creek as a potential Wild and Scenic River and that the proposed project will be located in the John Muir Wilderness Area. In light of these deficiencies, Premium’s Application does not “adequately conform” to FERC requirements for applications for preliminary permits. 18 C.F.R. § 4.32(e). Accordingly, the Board strongly urges FERC to not accept for filing Premium’s Application, 18 C.F.R. § 4.32(d), and instead treat it as deficient and, if ultimately necessary, reject it as patently deficient. 18 C.F.R. § 4.32(e)(1).

In addition to the above regulatory deficiencies, Mono County has identified the following barriers to implementation and operation of Premium’s proposed project given the location and impacts to environmental resources that will be difficult, if not impossible, for Premium to overcome:

1. Location in John Muir Wilderness Area. As explained above, Premium’s project reservoirs would be located within the John Muir Wilderness Area, which covers 652,793 acres and stretches 100 miles along the crest of the Sierra Nevada Mountain Range (Attachment A). This wilderness area was initially designated in 1964, expanded in 1984, and expanded again in 2009 to its current area. As stated in the Wilderness Act, the intent of wilderness is to “assure that an increasing population, accompanied by expanding settlement and growing mechanization, does not occupy and modify all areas... leaving no lands designated for preservation and protection in their natural condition... [and] to secure for the American People of present and future generations the benefits of an enduring resource of wilderness.” 16 U.S.C. § 1131(a). The Act further defines wilderness as “an area of undeveloped Federal land retaining its primeval character and influence, without permanent improvements or human habitation, which is protected and managed so as to preserve its natural conditions...” 16 U.S.C. § 1131(c). The Wilderness Act prohibits any commercial enterprise, structure, or installation within any wilderness area, and motorized equipment and equipment used for mechanical transport is also prohibited. 16 U.S.C. § 1133(c). The John Muir Wilderness is managed by the U.S. Inyo National Forest and U.S. Sierra National Forest, and provides recreation opportunities to approximately 30 million people living within a few hours’ drive.

2. Impacts to Eastern Sierra Environment and Natural Resources. Several Eastern Sierra environmental and natural resources would be impacted by Premium’s proposed project, including:

Mr. Kyle Olcott

RE: Premium Energy Application for Preliminary Permit, FERC Docket No. P-14984

May 10, 2019

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- Species listed as endangered under the federal Endangered Species Act (ESA), 16 U.S.C. 1531 et seq., as well as their designated critical habitat located directly within Premium's proposed project area, including Sierra Nevada Bighorn Sheep (*Ovis canadensis sierra*) and Owens tui chub (*Gila bicolor ssp. snyderi*);
- Designated critical habitat that support species listed as endangered and threatened under the ESA located within close proximity to the Premium's proposed project area, including Sierra Nevada yellow-legged frog (*Rana sierra*) and Yosemite toad (*Anaxyrus canorus*);
- Winter range and migration corridors for the Round Valley mule deer herd;
- Lower Rock Creek, a free-flowing stream with four segments designated for study for as part of the National Wild and Scenic River System, with sensitive vegetation communities, riparian habitat, and a vibrant trout fishery;
- Surface and groundwater flows due to the size and scale of the project;
- Recreational resources, such as the world-class fishing, hiking and mountain biking trails, nature and wildlife viewing and photography on Lower Rock Creek, and rock climbing in the Owens River Gorge; and
- Viewsheds within the corridor of U.S. Highway 395, which has been designated a California State Scenic Highway.

3. Private Lands Located in Mono County. Premium's proposed project appears to necessarily cross private lands in Mono County, and therefore triggers the County's jurisdictional authority such that the proposed project would be subject to the County's land use planning laws. Specifically, these private lands have been designated or zoned "Estate Residential," and renewable energy projects are not a permissible use within such areas. In addition, the Mono County General Plan Conservation/Open Space Element contains goals, objectives, and policies specific to the damaging effects of water storage and diversion for hydroelectric power generation; renewable energy generation within the County; power generation impacts on the environment and public health and safety; impacts of electrical transmission lines and water conveyance pipelines; and energy transmission and distribution lines that would apply to Premium's proposed project (Attachment B).

4. Significant Safety Issues. The location of Premium's proposed project also includes significant safety threats and hazard risks (Attachment C):

- Premium's proposed project is located within an active earthquake fault zone, the Round Valley Fault. FERC recently required modifications to existing dams in the community of June Lake, CA, just 45 miles north of the proposed project location, due to concerns of seismic activity;
- Premium's proposed project would be located within an historic avalanche path; and
- The above-ground energy transmission lines proposed in Premium's Application pose a significant wildlife risk. Given recent wildfires throughout the State of

Mr. Kyle Olcott

RE: Premium Energy Application for Preliminary Permit, FERC Docket No. P-14984

May 10, 2019

Page 4 of 5

California, and specifically the 2015 Round Valley Fire that burned structures and caused significant property damage within the proposed project location, residents of surrounding communities are opposed to above-ground energy transmission lines. As a result, Mono County requires new utility lines to be installed underground (Attachment B).

5. Threats to Neighborhood Character and Quality of Life. Premium's proposed project poses a significant threat to the neighborhood character and quality of life to residents of the Paradise and Swall Meadows Communities. Intense community concern and opposition to Premium's proposed project already exists even at this early stage, and the County expects significant objections to continue. A petition from area residents is currently being circulated for signatures and should be submitted to FERC soon.

6. Necessary Changes to Existing Transmission Infrastructure. The existing energy transmission infrastructure that Premium's Application proposes to connect to is unlikely to support the anticipated scale of energy generation by the proposed project. Significant overhauling and expansion of the energy transmission infrastructure would likely be required, resulting in an expensive project with additional environmental impacts over an area broader than otherwise represented in Premium's Application.

In light of the above significant barriers and concerns raised by Premium's Application, the Board suggests that Premium reconsider moving forward with its proposed project. If Premium is committed to pursuing renewable energy projects, the Board recommends that Premium consider alternative projects such as selecting an alternative proposed project location that is closer to end users or, at least, that is less environmentally sensitive; funding the installation of solar panels on residential homes throughout the Eastern Sierra; or investing in efforts to change the behavior and habits of customers in order to reduce energy consumption. The Board suggests that all of these options are reasonable alternatives given the significant risk of community impacts and environmental degradation that Premium's proposed project asks this area of the Eastern Sierra to bear.

At this time, however, the Board strongly urges FERC not to accept for filing Premium's Application because it fails to adequately conform to FERC regulatory requirements and poses too great a risk to the Eastern Sierra communities and natural environment where Premium proposes to locate its project. If, however, FERC decides to accept Premium's Application for filing, the Board requests that FERC direct Premium to serve copies of its application on the U.S. Department of the Interior and the U.S. Army Corps of Engineers. 18 C.F.R. § 4.32(b)(1). Finally, and arguably most important, the Board requests that any and all decisions or approvals related to Premium's Application and its proposed project be made at a local meeting in southern Mono County. Such a meeting will be critical to provide accurate project information and to receive the comments and concerns of residents interested in and impacted by Premium's proposed project. The Board requests assurance that no decision will be made without FERC or Premium first holding a local meeting.

Mr. Kyle Olcott

RE: Premium Energy Application for Preliminary Permit, FERC Docket No. P-14984

May 10, 2019

Page 5 of 5

Thank you for your time and consideration of the Board's comments. Should you have any question regarding our comments or wish to discuss our concerns further, please contact Mono County Community Development Director Wendy Sugimura at (760) 924-1814 or wsugimura@mono.ca.gov.

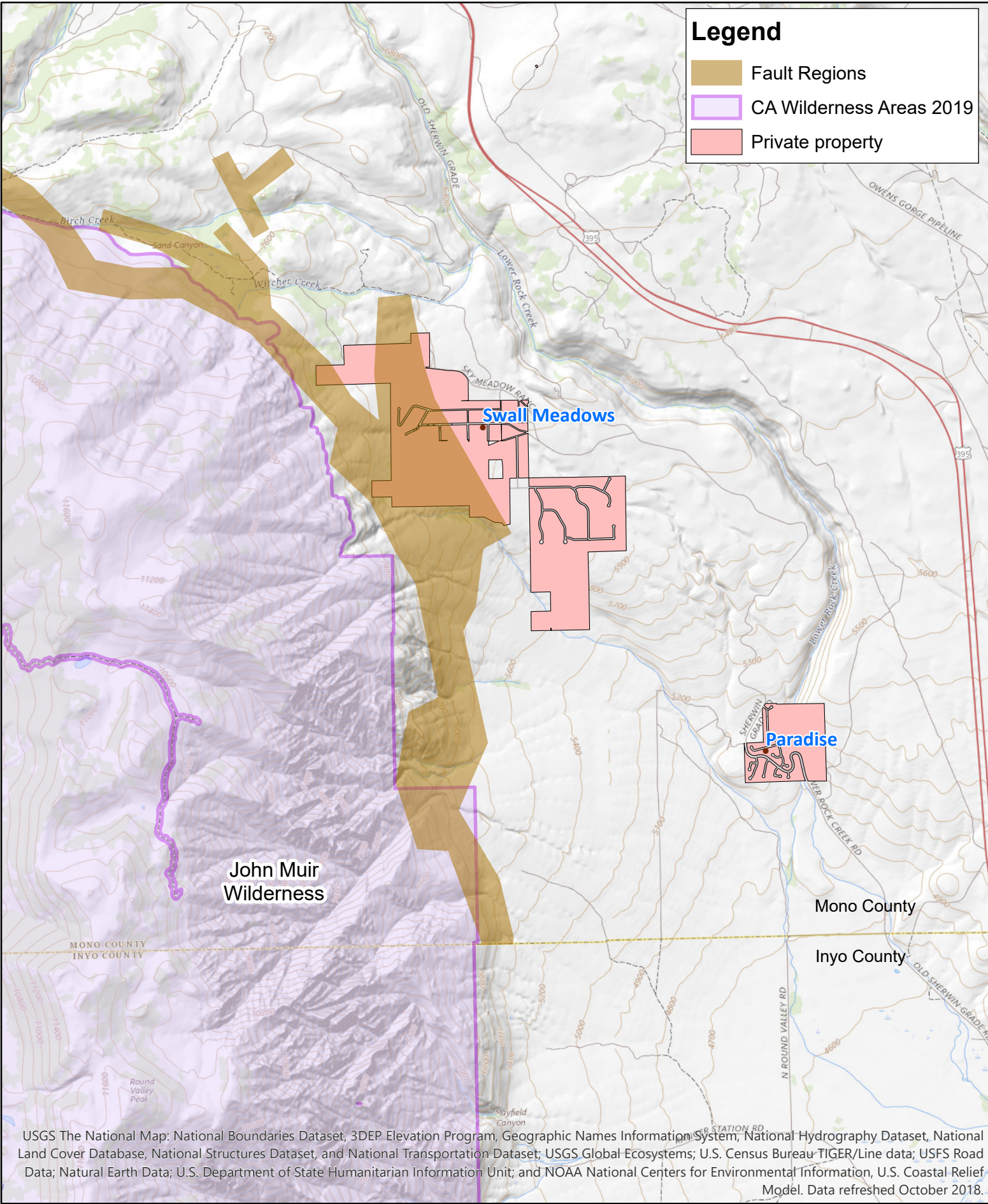
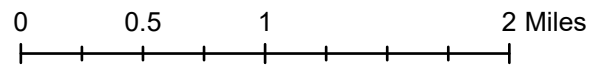
Sincerely,

John Peters
Chair, Mono County Board of Supervisors

Attachments: A. John Muir Wilderness map
B. Mono County General Plan regulations
C. Mono County Area Hazards map

cc: Premium Energy Holdings, LLC (via email only)
Inyo National Forest (via email only)
Sierra National Forest (via email only)
U.S. Bureau of Land Management (via email only)
California Natural Resources Agency (via email only)
California Department of Fish and Wildlife (via email only)
California Energy Commission (via email only)
Great Basin Unified Air Pollution Control District (via email only)
Town of Mammoth Lakes (via email only)
Wheeler Crest Community Services District (via email only)
Mammoth Lakes Fire Protection District (via email only)
Paradise Fire Protection District (via email only)
Wheeler Crest Fire Protection District (via email only)
Hilton Creek Community Services District (via email only)
Long Valley Fire Protection District (via email only)
Inyo County Board of Supervisors (via email only)
Inyo County Water Department (via email only)
Bishop City Council (via email only)
Los Angeles Department of Water and Power (via email only)
The Sierra Club (via email only)
Friends of the Inyo (via email only)
Owens Valley Committee (via email only)

Attachment A



Legend

- Fault Regions
- CA Wilderness Areas 2019
- Private property

USGS The National Map: National Boundaries Dataset, 3DEP Elevation Program, Geographic Names Information System, National Hydrography Dataset, National Land Cover Database, National Structures Dataset, and National Transportation Dataset; USGS Global Ecosystems; U.S. Census Bureau TIGER/Line data; USFS Road Data; Natural Earth Data; U.S. Department of State Humanitarian Information Unit; and NOAA National Centers for Environmental Information, U.S. Coastal Relief Model. Data refreshed October 2018.

ATTACHMENT B

MONO COUNTY GENERAL PLAN, LAND USE ELEMENT

Chapter 11 – Utilities

11.010.F. Utility Distribution Lines for All Other Infrastructure

All other types of utility distribution lines shall be installed underground, unless the applicant has obtained a Director Review Permit with Notice for overhead installation, in the manner specified in Chapter 31, Director Review Processing. For projects that require a use permit, the application for overhead utility lines shall be processed as part of the use permit application. Projects located in the County right of way shall also require an encroachment permit from the Public Works Department.

Prior to considering issuance of a permit, planning staff shall work with the applicant to site and design the project in a manner that avoids or minimizes the use and impact of overhead lines. Consideration should be given to combining lines and co-locating with other applicable facilities whenever possible. If LAND USE ELEMENT II-265 Land Use Element – 2018 overhead installation is necessary, all of the criteria in Section 11.010D 1-4 shall be evaluated to provide justification, at least one finding must be made, and anticipated impacts shall be avoided, minimized, or mitigated to the extent possible. In addition, the following requirements shall be applied:

1. Within Scenic Highway corridors, a variance (see Ch. 33, Variance Processing) and/or deviation authorization from the California PUC is required prior to approval of overhead construction; and
2. In County rights of way other than Scenic Highway corridors, a use permit must be obtained prior to allowing overhead construction.

Estate Residential Land Use Designation

INTENT: The “ER” designation is intended to permit large-lot, single-family dwelling units with ancillary rural uses in areas adjacent to developed communities. Small-scale agriculture is permitted.

PERMITTED USES

- Single-family dwelling
- Small-scale agriculture
- Accessory buildings and uses¹
- Manufactured home used as a single-family dwelling²
- Animals and pets (see Animal Standards Section 04.270)
- Home occupations (see Home Occupation regulations, Section 04.290)
- Accessory Dwelling Unit (as prescribed in Chapter 16, Development Standards – Accessory Dwelling Unit)
- Transitional and Supportive Housing⁵
- Outdoor cultivation of a maximum of six mature and 12 immature cannabis plants under the Compassionate Use Act.

USES PERMITTED SUBJECT TO DIRECTOR REVIEW (Director Review Processing, Ch. 31)

None stated

USES PERMITTED SUBJECT TO USE PERMIT (Use Permit Processing, Ch. 32)

- Recreational amenities, e.g., art galleries, country clubs and golf courses
- Kennel
- Construction of an accessory building prior to construction of the main building
- Mobile-home parks (see Dev. Standards – Mobile Homes & Mobile-home Parks, Ch. 17)
- Manufactured housing subdivision (see Ch. 18)
- Short-term rentals (fewer than 30 consecutive days) in compliance with Chapter 25 of the Land Development Regulations (set forth in Section VI of this Land Use Element) and with a valid Short-Term Rental Activity Permit and in compliance with all operational requirements of Chapter 5.65 of the Mono County Code and any applicable area plan policies (e.g., see June Lake Area Plan, see Objective 13.M.).

ATTACHMENT B

DEVELOPMENT STANDARDS

| | | |
|--|---|--|
| Minimum Parcel Size: | 1 acre ⁴ | |
| Minimum District Area: | 5 acres | |
| Minimum Lot Dimensions: | Width – 60' Depth – 100' | |
| Maximum Lot Coverage: | 40% | |
| Minimum Setbacks: | | |
| Front: 50' | Rear: 30' ^{sl} | Side: 30' ^{sl} |
| See Table 04.120 for other provisions. | | |
| Building Density: | 1 du/lot and an Accessory Dwelling Unit (see Ch. 16, Development Standards – Accessory Dwelling Units). | |
| Population Density: | Maximum population density is 5.02 persons per five acres or approximately one person per acre. | |
| Maximum Building Height: | 35' | See Table 04.010 for other provisions. |

NOTES

1. Accessory buildings and uses customarily incidental to any of the permitted uses are permitted only when located on the same lot and constructed simultaneously with or subsequent to the main building
2. Provided that the unit is fewer than 10 years old and meets the criteria set forth in Section 04.280. When there are two mobile homes on the same parcel, they must: 1) comply with the Accessory Dwelling Unit requirements (see Ch. 16); or 2) comply with State standards for a mobile-home park and obtain a use permit from the County (see Ch. 17, Mobile Homes and RV Parks).
3. Uses may have been omitted from the list of those specified, hence the Commission may find other uses to be similar and not more obnoxious or detrimental to the public health, safety and welfare. See explanation of interpreting "similar uses" (Ch. 04, Uses not listed as permitted).
4. Lots requiring individual septic systems are subject to minimum dimensions as determined by the Lahontan Regional Water Quality Control Board.
5. Transitional and Supportive Housing projects are permitted in the same manner as other residential housing.

SEE ALSO

Land Development Regulations –
Ch. 04 Development Standards – General
Ch. 06 Development Standards – Parking
Table 04.010 Building Heights
Table 04.120 Minimum Yards

FOOTNOTES

sl. State Law requirement

MONO COUNTY GENERAL PLAN, CONSERVATION/OPEN SPACE ELEMENT

II. ISSUES/OPPORTUNITIES/CONSTRAINTS, VISUAL RESOURCES

4. The visual impacts of utility corridors and overhead utility lines have become an issue both in community areas and undeveloped areas. The Public Utilities Commission (PUC) regulates transmission lines; the County has authority over some distribution lines. The Mono County General Plan currently requires underground utility lines unless certain findings can be made and a use permit is approved for overhead lines (see Chapter 11 of the Land Use Element).

ATTACHMENT B

Policy 20.C.2. Future development shall be sited and designed to be in scale and compatible with the surrounding community and/or natural environment,

Action 20.C.2.a. Utilize the General Plan design guidelines (see appendices) for residential, commercial, and industrial development projects. At a minimum, the following development standards shall apply:

k. All new utilities shall be installed underground, in conformity with applicable provisions of the Mono County General Plan (see Chapter 11 of the Land Use Element);

Action 20.C.2.i. Require visually compatible drainage improvements in scenic highway corridors, and comply with the requirements of applicable agencies such as the CDFW, Lahontan Regional Water Quality Control Board, and Army Corps of Engineers. When feasible, do not place streams in underground drainage structures.

Policy 20.C.3. Proposed transmission and distribution lines shall be designed and sited to minimize impacts to natural and visual resources.

Action 20.C.3.a. Install utilities underground in conformity with Chapter 11 of the Land Use Element and the Mono County Code.

Action 20.C.3.c. Pursue the establishment of underground utility districts within scenic highway corridors as a mechanism to place existing overhead lines underground.

III. POLICIES, ENERGY RESOURCES & RESOURCE EFFICIENCY

GOAL 10. Protect the natural resources of Mono County from the potentially damaging effects of water storage and diversions for hydroelectric power generation.

Objective 10.A.

Prevent conflict between the environment and hydroelectric power generation uses.

Policy 10.A.1. All hydroelectric power generation projects located on land under Mono County jurisdiction shall require a use permit.¹

Objective 10.B.

Water diversions for hydroelectric power generation shall not occur on any stream that already has more than 20% of its length that is not contained in a wilderness area affected by water diversions or in a watershed that already has more than 25% of its average annual inflow diverted.

Policy 10.B.1. Mono County shall cooperate with the CDFW, State Water Resources Control Board, the BLM, the USFS, and the Federal Energy Regulatory Commission, in assessing impacts to streams from existing and proposed hydroelectric power generation, diversion for consumptive use, or other uses.

Action 10.B.1.a. Mono County shall develop, as part of its hydrologic database, information on water diversions (see the Water Resources Section of this Element).

Policy 10.B.2. The County shall consult with those federal and state decision-making bodies having the authority to grant permits for hydroelectric plants.

Objective 10.C.

Water diversions for hydroelectric power generation shall not be permitted to occur on any stream when credible scientific evidence indicates potential significant impacts to habitat for sensitive, listed or candidate threatened or endangered species; important spawning areas or other fishery values; key recreational resources; or viability for hydrologic research purposes, unless a statement of overriding considerations is made through the EIR process.

¹Only those retrofit projects that entail major revisions to or replacement of the primary components of the system (i.e., penstock, generator, diversion structure, etc.) shall require a use permit.

ATTACHMENT B

Policy 10.C.1. Mono County shall cooperate with the CDFW, US Fish and Wildlife Service, the BLM, and the USFS in assessing potentially sensitive surface water resources.

Action 10.C.1.a. Mono County shall develop, as part of its hydrologic database, information on water resources and areas that should be protected (see the Water Resources Section of this Element).

Policy 10.C.2. The County shall provide input to those federal and state decision-making bodies having the authority to grant permits for hydroelectric plants regarding criteria to be evaluated prior to issuing or denying permission to develop further the hydroelectric potential of already impacted streams and watersheds.

Objective 10.D.

Hydroelectric facilities shall be sited so that they are not easily visible from scenic highways or important visual areas.

Policy 10.D.1. Project conditions shall require compliance with all applicable provisions of the Conservation/Open Space Element.

GOAL 11. Encourage appropriately scaled renewable energy generation for use within the county.

Objective 11.A. Increase renewable energy generation that is consistent with the county's visual and aesthetic qualities and values.

Policy 11.A.1. Support and incentivize residential and nonresidential distributed renewable energy generation.

Action 11.A.1.a. Pursue installation of solar photovoltaic systems, power purchase agreements, or solar collective programs to meet all or part of the electrical energy requirements of County-owned or -leased buildings.

Action 11.A.1.b. Continue offering and promoting incentives (e.g., streamlined permitting, prescriptive designs, fee waivers/reductions) to encourage installation of photovoltaic systems on new or existing buildings.

Action 11.A.1.c. Continue offering workshops and information for residents and businesses to provide resources and permitting assistance for those interested in adding renewable energy systems to their properties.

Policy 11.A.2. Encourage community-scale (<3 MW) renewable energy development on suitable lands, such as a biomass co-generation facility if sufficient supply becomes available.

Action 11.A.2.a. Support the development of appropriately sited community-scale renewable energy systems that meet critical evaluation criteria, such as environmental standards, sensitive species, financial feasibility, and transmission capacity.

Action 11.A.2.b. Work with utility providers, regulatory agencies, and local stakeholders to develop technical, environmental, and social feasibility.

Policy 11.A.3. Oppose commercial-scale (e.g., >3MW) solar and wind energy projects in Mono County on non-county public lands to protect visual, recreational, and wildlife habitat and biological resources, and the noise environment, and ensure projects on private lands protect these resources.

Action 11.A.3.a. Where pre-empted by state law or other jurisdictional authority, work with applicable agencies to avoid, minimize, and mitigate impacts to the environmental, visual, recreational, wildlife habitat and noise environment within the county.

ATTACHMENT B

Action 11.A.3.b. Ensure (or for non-county public lands advocate) for no adverse project impacts to the visual, recreational, and noise environment in Mono County.

Action 11.A.3.b. Ensure (or for non-county public lands advocate) for no adverse project impacts to biological resources and wildlife habitat in Mono County, including sage grouse habitat and wind energy development impacts to migratory birds.

GOAL 13. Regulate use of other energy resources for power generation to ensure that environmental impacts and impacts to public health and safety are minimal.

Objective 13.A.

During the course of evaluating any power generation project under the jurisdiction of Mono County, the California Energy Commission shall be consulted.

Policy 13.A.1. Mono County Community Development Department shall solicit assistance from the CEC for the purposes of reviewing proposed power generation facilities.

Objective 13.B.

Power generation facilities shall not adversely impact the visual resources, recreational resources, and noise environment in Mono County.

Policy 13.B.1. Project conditions shall require compliance with all applicable provisions of the Conservation/Open Space Element and the Noise Element.

Objective 13.C.

Emissions from the operation of power plants shall not adversely impact wildlife habitat, residents, or visitors and shall not constitute a hazard to public health and safety.

Policy 13.C.1. Project conditions shall require compliance with all applicable provisions of the Conservation/Open Space Element and the Safety Element.

GOAL 14. Minimize the visual, environmental, and public health and safety impacts of electrical transmission lines and fluid conveyance pipelines.

Objective 14.A.

Electrical transmission and distribution lines and fluid conveyance pipelines shall meet the utility needs of the public and be designed to minimize disruption of aesthetic quality. See also Chapter 11 of the Land Use Element.

Policy 14.A.1. New major steel-tower electrical transmission facilities shall be consolidated with existing steel-tower transmission facilities except where there are technical or overload constraints or where there are social, aesthetic, significant economic, or other overriding concerns.

Action 14.A.1.a. Require selection of rights of way to preserve the natural landscape and minimize conflict with present and planned uses of land on which they are to be located.

Action 14.A.1.b. Encourage the joint use of transmission and pipeline corridors to reduce the total number of corridors and service and access roads required.

Action 14.A.1.c. Require the coordination of siting efforts so that other comparable utility uses can share rights of way in a common corridor where feasible.

Action 14.A.1.d. The County shall adopt a proactive position in the future siting of transmission and pipeline corridors by working with utilities and project proponents to specify those locations where transmission corridors are acceptable.

ATTACHMENT B

Action 14.A.1.e. Cooperate with the USFS and BLM in planning the use of utility corridors.

Policy 14.A.2. At the expense of the project proponent, comprehensive and detailed planning studies, including review of all feasible alternatives, shall demonstrate a clear need for new transmission lines or fluid conveyance pipelines, prior to the siting of these facilities.

Policy 14.A.3. New transmission or distribution lines or fluid pipelines shall be buried when such burial does not create unacceptable environmental impacts or the potential to contaminate shallow groundwater resources.

Policy 14.A.4. Where burial is not possible, transmission facilities and fluid pipelines shall be located in relation to existing slopes such that topography and/or natural cover provide a background where possible.

Policy 14.A.5. Transmission line rights of way shall avoid crossing hills or other high points at the crests. To avoid placing a transmission tower at the crest of a ridge or hill, space towers below the crest or in a saddle to carry the line over the ridge or hill. The profiles of facilities should not be silhouetted against the sky.

Policy 14.A.6. Where transmission line rights of way cross major highways or rivers, the transmission line towers shall be carefully placed for minimum visibility.

Policy 14.A.7. Avoid diagonal alignments of transmission lines through agricultural fields to minimize their visibility.

Policy 14.A.8. Require location of access and construction roads so that natural features are preserved and erosion is minimized. Use existing roads to the extent possible.

Policy 14.A.9. Require that materials used to construct transmission towers harmonize with the natural surroundings. Self-protecting bare steel and other types of non-reflective surfaces are appropriate in many areas. Towers constructed of material other than steel, such as concrete, aluminum, or wood should be considered. Coloring of transmission line towers to blend with the landscape should be considered.

Policy 14.A.10. Above-ground transmission lines shall be non-specular wire construction.

Objective 14.B.

Transmission and distribution lines shall not adversely impact wildlife, fisheries, or public health and safety.

Policy 14.B.1. New transmission or distribution lines shall avoid open expanses of water, wetland, and sagebrush steppe, particularly those heavily used by birds. They shall also avoid nesting and rearing areas.

Policy 14.B.2. Avoid the placement of transmission or distribution lines through crucial wildlife habitats such as deer fawning and migration areas, and sage grouse lekking and brood-rearing habitat.

Policy 14.B.3. Design transmission lines to minimize hazards to raptors and other large birds, and require the installation of anti-perching devices when overhead placement in sensitive habitat is unavoidable.

Policy 14.B.4. Where burial is not possible, overhead transmission lines shall provide a maintenance and fire safety plan.

ATTACHMENT C

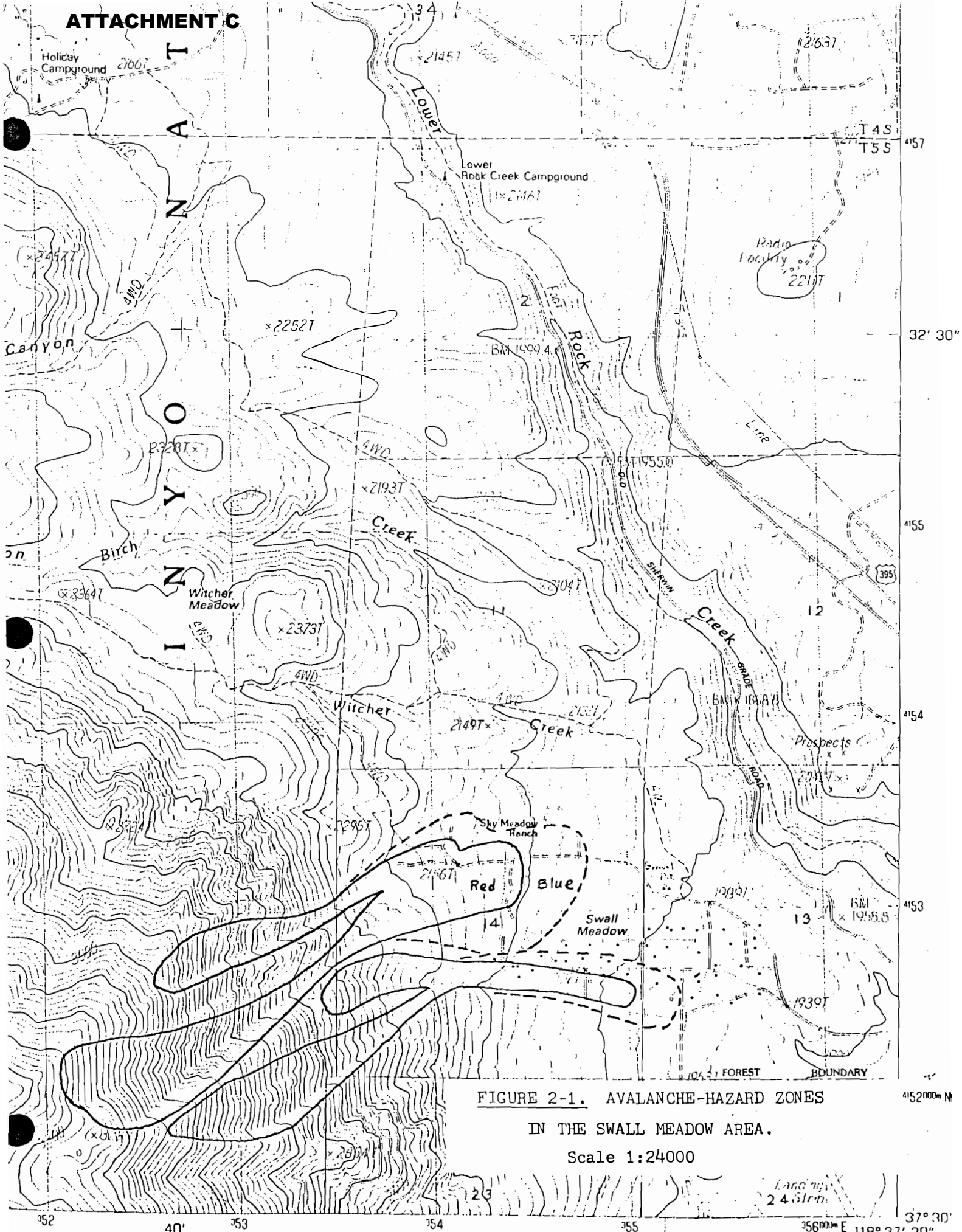


FIGURE 2-1. AVALANCHE-HAZARD ZONES

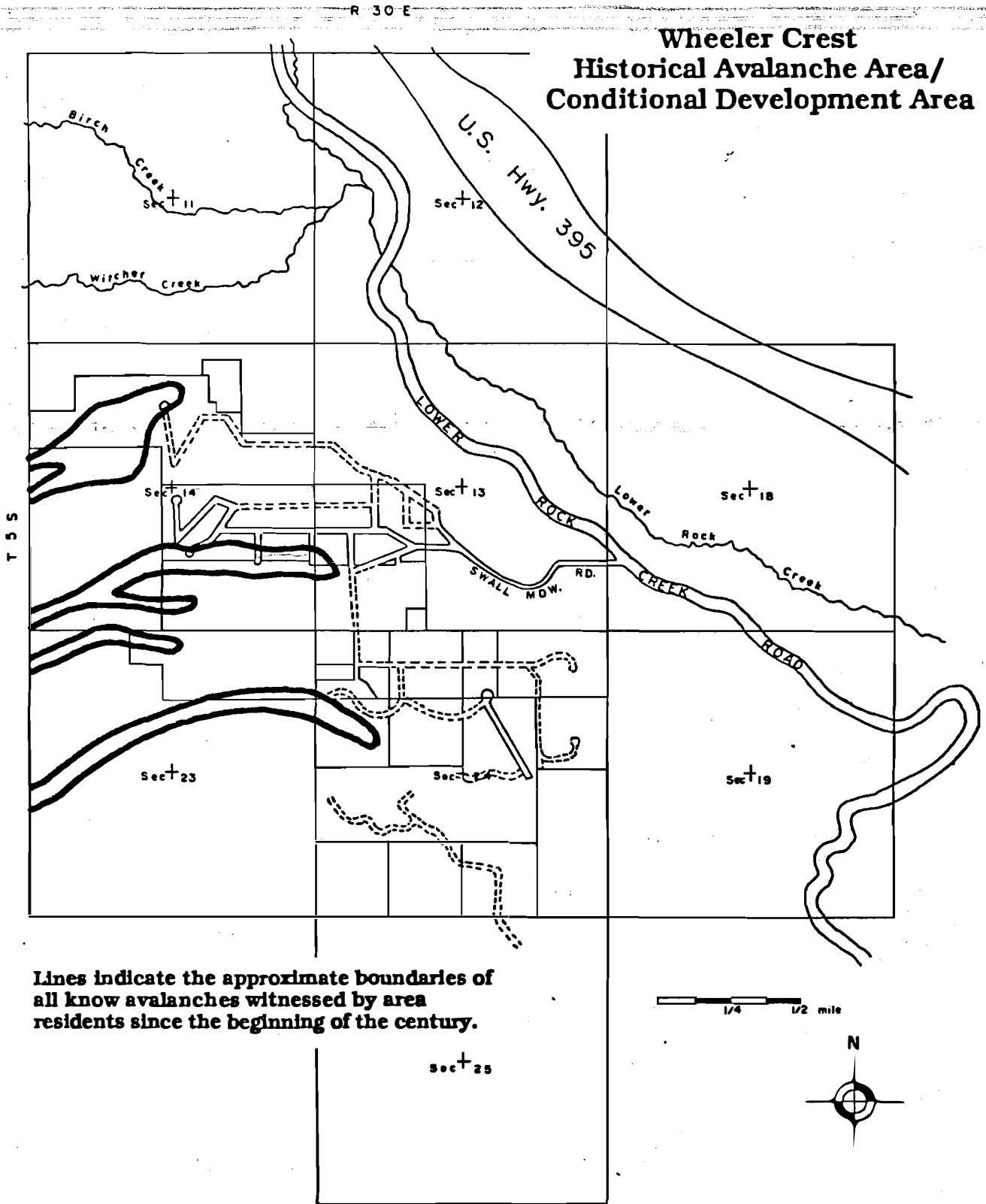
IN THE SWALL MEADOW AREA.

Scale 1:24000

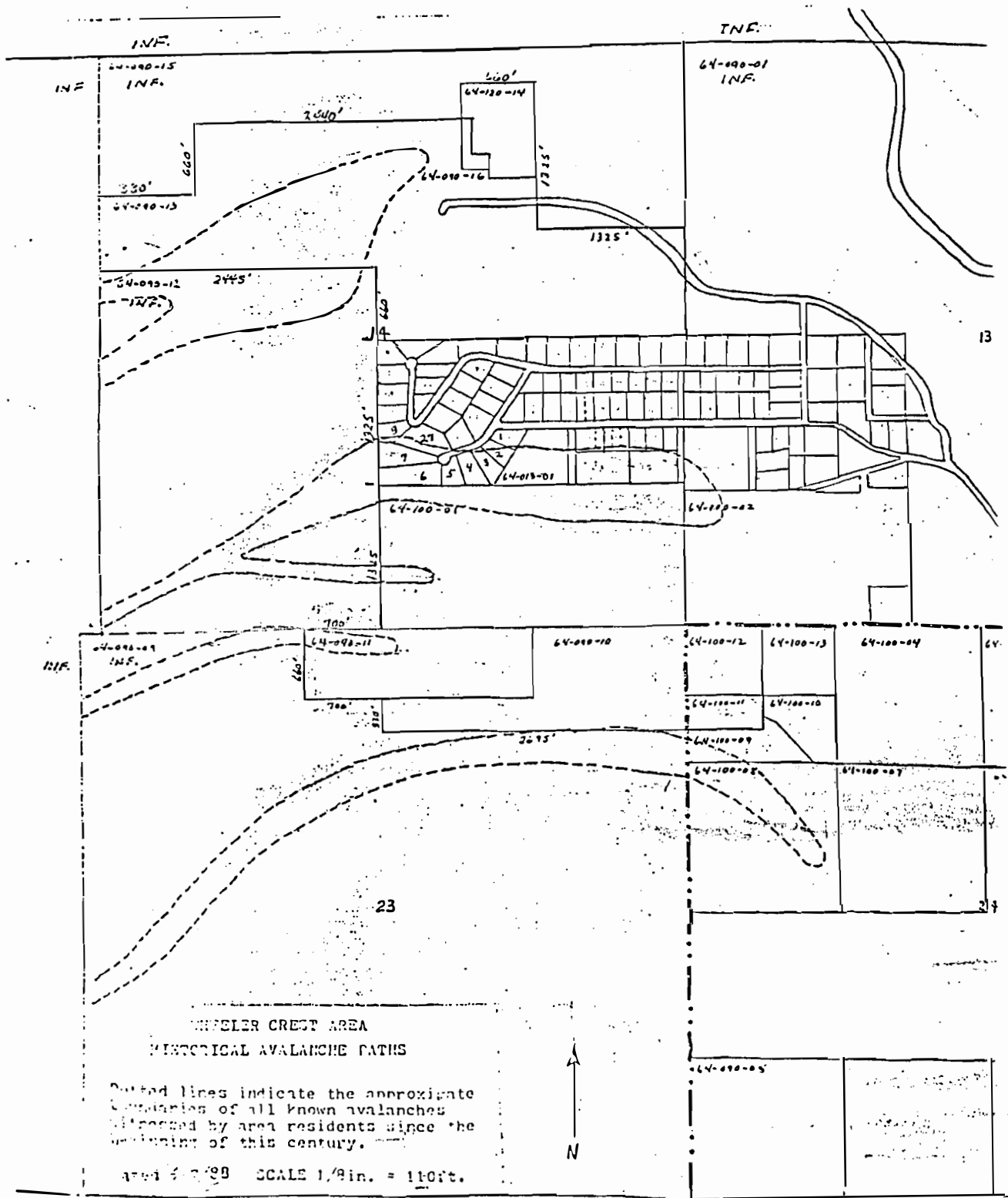
4152000m N

37° 30' 36000m E 118° 37' 30"

Wheeler Crest Historical Avalanche Area/ Conditional Development Area



WHEELER CREST CONDITIONAL DEVELOPMENT AREA



WHEELER CREST AREA
HISTORICAL AVALANCHE PATHS

Dotted lines indicate the approximate boundaries of all known avalanches impacted by area residents since the beginning of this century.

April 2, 1999 SCALE 1/8" = 110ft.



OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

Departments: Finance

TIME REQUIRED 20 minutes (5 minutes presentation, 15 minutes discussion) **PERSONS APPEARING BEFORE THE BOARD** Janet Dutcher

SUBJECT Consideration of Change to the Mono County Cannabis Business Tax for cultivators to change the timing of tax return filing and/or payment

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Cannabis Cultivators are expressing concerns about the ability to pay a quarterly tax based on the square footage of canopy in advance of revenues realized after harvesting their crops. This item will discuss a potential option to amend the Mono County Cannabis Business Tax to change the quarterly tax filing and/or payment process for cultivators only, as required by the current ordinance.

RECOMMENDED ACTION:

Receive staff comments about changing the filing requirements for cultivators, hear from members of the public, and provide feedback and direction to staff about consensus to amend the existing cannabis business tax ordinance (Chapter 3.30 of the Mono County Code).

FISCAL IMPACT:

We cannot estimate the fiscal impact accurately at this time. Changing the ordinance involves the use of County staff time. Switching from quarterly tax filings to annually complicates the square footage calculation, risks miscalculations in the amount of tax, and increases the cost of tax administration. Deferring payment may increase collectibility offset with an increase in the cost of tax administration by adding an additional tax collection process.

CONTACT NAME: Janet Dutcher

PHONE/EMAIL: 760-932-5494 / jdutcher@mono.ca.gov

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

Click to download

[staff report](#)

History

| Time | Who | Approval |
|-------------------|------------------------------|-----------------|
| 5/8/2019 10:41 AM | County Administrative Office | Yes |
| 5/6/2019 3:53 PM | County Counsel | Yes |
| 5/8/2019 4:58 PM | Finance | Yes |



DEPARTMENT OF FINANCE AUDITOR-CONTROLLER COUNTY OF MONO

Stephanie M. Butters
Assistant Finance Director
Auditor-Controller

Janet Dutcher, CPA, CGFM
Director of Finance

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Bridgeport, California 93517
(760) 932-5490
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Date: May 14, 2019

To: Honorable Board of Supervisors

From: Janet Dutcher, Finance Director

Subject: Potential Change to the Mono County Cannabis Business Tax for cultivators
To change the timing of tax return filing and/or payment

Action Requested:

Receive staff comments about changing the filing requirements for cultivators, hear from members of the public, and provide feedback and direction to staff about consensus to amend the existing cannabis business tax ordinance.

Background:

On February 13, 2018, your Board gave direction to staff to move forward with an ordinance to place a commercial cannabis tax measure on the ballot. The ordinance adopted on March 9, 2018 and added as Ordinance 18-02, Chapter 3.30 to Title 3 of the Mono County Code, reflects the tax policy decisions from your Board, including:

- A general tax containing no restriction on its appropriation and available for any general governmental purpose.
- The tax applies to the unincorporated area in Mono County and excludes commercial cannabis activities occurring within the jurisdictional limits of the Town of Mammoth Lakes.
- The method of taxing cultivators is a dollar value per square footage of canopy.
- The method of taxing non-cultivators is a percentage of gross receipts.

The table below summarizes the initial and maximum rates by license type.

| LICENSE TYPE | METHOD OF TAXATION | INITIAL RATE | MAXIMUM RATE |
|---|---------------------------|--------------|--------------|
| Cultivator: indoor, artificial lighting | Per square foot of canopy | \$2.00 | \$3.00 |
| Cultivator: indoor, mixed lighting | | \$1.50 | \$2.50 |
| Cultivator: outdoor, natural lighting | | \$0.50 | \$1.50 |
| Cultivator: nursery | | \$0.50 | \$1.00 |
| Testing laboratory | Gross receipts | 1% | 2.5% |
| Retailer | | 4% | 8% |
| Distribution | | 2% | 4% |
| Manufacturing | | 2.5% | 4% |

Voters approved Measure D and the ordinance became effective July 1, 2018. The Community Development Department accepts and approves an operator’s Cannabis Use and Operation Permit. Once the operating permit is approved, the cannabis business tax is imposed and is to be paid, in arrears, on a quarterly basis by the last day of the month following the close of each calendar quarter.

Discussion:

Regarding cannabis cultivators, the tax due each calendar quarter uses the square footage of the operator’s permitted space for growing mature and/or immature plants. The amount due each quarter is 25% of the tax rate applied to the square footage. Your Board ultimately selected a canopy type tax for cultivators because it provides the County with a predictable consistent revenue stream stable enough for budgeting purposes from which to fund recurring costs associated with the impact of cultivation. One consideration discussed at the time was whether cultivators would produce enough resources from each year’s harvest to pay the tax. To offset this concern, your Board set the initial canopy tax low enough, 50 cents to \$2.00 per square foot depending on the type of lighting, to make the tax burden more affordable for new operators and ease entry into this new market.

Cultivators, both outside of Mono County and within, may have expressed concerns over a tax collection process which is quarterly because most of their expenditures take place at the beginning of the cultivation season, with revenues being realized in the later months of the year after the harvest season. The first year of operations immediately following permit approval is especially difficult for an operator if the permit approval process proves to be especially costly. **One accommodation your Board may want to consider is whether to change the quarterly tax filing process for cultivators only to an annual process with one tax return due sometime after harvest.**

This agenda item is to obtain public comment and direction from your Board about whether the Mono County Cannabis Business tax ordinance should be amended. One option is to require instead an annual tax filing from cultivators, due and payable January 31 each year or some other month as the Board may choose, in place of the quarterly tax filings required by the current

ordinance. This option should allow cultivators enough time after harvest to have been compensated for the sale of their crops.

Finance anticipates elimination of the quarterly tax filings would overly complicate the square footage calculation. The current ordinance provides for a waiver process where a cultivator can request the Tax Administrator to establish a square footage calculation reflecting the cultivation of less than the fully permitted space. The cannabis tax also only applies to those months in which the operator is engaged in cultivation. Switching to an annual tax filing may facilitate the loss of contemporaneously historical information Finance needs to ensure the tax is accurately calculated. **Finance would recommend the Board consider keeping the quarterly tax filing requirement for cultivators but defer payment of the taxes until the filing of the tax return for the quarter ended December 31 and due January 31.**

Any option to defer payment of the taxes defers cash flow to the County from the earlier months to later in the year and likewise imposes some risk of collection if an operator should cease operations or fail to generate enough harvest proceeds to cover the taxes. It should be noted that such a risk of collection is not necessarily eliminated with a quarterly filing process.

Depending on today's direction, Finance with assistance from County Counsel, would return with a proposed amendment to the existing ordinance.

Fiscal Impact:

We cannot estimate the fiscal impact accurately at this time. Changing the ordinance involves the use of County staff time. Switching from quarterly tax filings to annually likely complicates the square footage calculation, risks miscalculations in the amount of tax, and increases the cost of tax administration. Deferring payment may increase collectability offset by an increase in the cost of tax administration by adding an additional tax collection process.

3.30.010 - Title.

This chapter shall be known as the cannabis business tax ordinance.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.020 - Authority and purpose.

The purpose of this chapter is to adopt a tax, for revenue purposes, pursuant to Sections 37101 and 37100.5 of the California Government Code, upon cannabis businesses that engage in business in the county. The cannabis business tax is levied based upon business gross receipts and square footage of plant canopy. It is not a sales and use tax, a tax upon income, or a tax upon real property.

The cannabis business tax is a general tax enacted solely for general governmental purposes of the county and not for specific purposes. All of the proceeds from the tax imposed by this chapter shall be placed in the county's general fund and be available for any legal county purpose.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.030 - Intent.

The intent of this chapter is to levy a tax on all cannabis businesses that operate in the county, regardless of whether such business would have been legal at the time this chapter was adopted. Nothing in this chapter shall be interpreted to authorize or permit any business activity that would not otherwise be legal or permissible under laws applicable to the activity at the time the activity is undertaken.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.040 - Definitions.

The following words and phrases shall have the meanings set forth below when used in this chapter:

- A. "Business" shall include all activities engaged in or caused to be engaged in within the unincorporated area of the county, including any commercial or industrial enterprise, trade, profession, occupation, vocation, calling, or livelihood, whether or not carried on for gain or profit, but shall not include the services rendered by an employee to his or her employer.
- B. "Cannabis" means all parts of the plant cannabis sativa linnaeus, cannabis indica, or cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" also means marijuana as defined by Section 11018 of the California Health and Safety Code and is not limited to medical cannabis.
- C. "Cannabis business" means any business activity involving cannabis, including but not limited to cultivating, transporting, distributing, manufacturing, compounding, converting, processing, preparing, storing, packaging, delivering, testing, dispensing, retailing and wholesaling of cannabis, of cannabis products or of ancillary products and accessories, whether or not carried on for gain or profit.
- D. "Cannabis business tax" or "business tax," means the tax due pursuant to this chapter for engaging in cannabis business in the unincorporated area of the county.
- E. "Cannabis product" means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product. "Cannabis product" also means marijuana products as defined by Section 11018.1 of the California Health and Safety Code and is not limited to medical cannabis products.
- F. "Canopy" means all areas occupied by any portion of a cannabis plant whether contiguous or noncontiguous on any one site. When plants occupy multiple horizontal planes (as when plants are placed on shelving above other plants) each plane shall be counted as a separate canopy area.
- G. "Commercial cannabis cultivation" means cultivation in the course of conducting a cannabis business.
- H. "County permit" means a permit issued by the county to a person to authorize that person to operate or engage in a cannabis business.
- I. "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis and includes, but is not limited to, the operation of a nursery.
- J. "Employee" means each and every person engaged in the operation or conduct of any business, whether as owner, member of the owner's family, partner, associate, agent, manager or solicitor, and each and every other person employed or working in such business for a wage, salary, commission, barter or any other form of compensation.
- K. "Engaged in business as a cannabis business" means the commencing, conducting, operating, managing or carrying on of a cannabis business, whether done as owner, or by means of an officer, agent, manager, employee, or otherwise, whether operating from a fixed location in the unincorporated area of the county or coming into the unincorporated area of the county from an outside location to engage in such activities. A person shall be deemed engaged in business within the unincorporated area of the county if:
 - 1. Such person or person's employee maintains a fixed place of business within the unincorporated area of the county for the benefit or partial benefit of such person;
 - 2. Such person or person's employee owns or leases real property within the unincorporated area of the county for business purposes;
 - 3. Such person or person's employee regularly maintains a stock of tangible personal property in the unincorporated area of the county for sale in the ordinary course of business;

4. Such person or person's employee regularly conducts solicitation of business within the unincorporated area of the county; or
5. Such person or person's employee performs work or renders services in the unincorporated area of the county.

The foregoing specified activities shall not be a limitation on the meaning of "engaged in business."

- L. "Evidence of doing business" means evidence such as, without limitation, use of signs, circulars, cards or any other advertising media, including the use of internet or telephone solicitation, or representation to a government agency or to the public that such person is engaged in a cannabis business in the unincorporated area of the county.
- M. "Fiscal year" means July 1 through June 30 of the following calendar year.
- N. "Gross receipts," except as otherwise specifically provided, means, whether designated a sales price, royalty, rent, commission, dividend, or other designation, the total amount (including all receipts, cash, credits and property of any kind or nature) received or payable for sales of goods, wares or merchandise or for the performance of any act or service of any nature for which a charge is made or credit allowed (whether such service, act or employment is done as part of or in connection with the sale of goods, wares, merchandise or not), without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, losses or any other expense whatsoever. However, the following shall be excluded from gross receipts:
 1. Cash discounts where allowed and taken on sales;
 2. Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;
 3. Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;
 4. Receipts derived from the occasional sale of used, obsolete or surplus trade fixtures, machinery or other equipment used by the taxpayer in the regular course of the taxpayer's business;
 5. Cash value of sales, trades or transactions between departments or units of the same business;
 6. Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a subsequent year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected they shall be included in the amount of gross receipts for the period when they are recovered;
 7. Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded when in excess of one dollar;
 8. Amounts collected for others where the business is acting as an agent or trustee and to the extent that such amounts are paid to those for whom collected. These agents or trustees must provide the finance department with the names and the addresses of the others and the amounts paid to them. This exclusion shall not apply to any fees, percentages, or other payments retained by the agent or trustees.
- O. "Lighting" means a source of light that is primarily used for promoting the biological process of plant growth. Lighting does not include sources of light that primarily exist for the safety or convenience of staff or visitors to the facility, such as emergency lighting, walkway lighting, or light admitted via small skylights, windows or ventilation openings.
- P. "Nursery" means a facility or part of a facility that is used only for producing clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.
- Q. "Person" means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, whether organized as a nonprofit or for-profit entity, and includes the plural as well as the singular number.
- R. "Sale" means and includes any sale, exchange, or barter.
- S. "State" means the State of California.
- T. "State license," "license," or "registration" means a state license issued pursuant to California Business & Professions Code Sections 19300, et seq. or other applicable state law.
- U. "Tax administrator" means the finance director of the County of Mono or his or her designee.
- V. "Testing laboratory" means a cannabis business that (i) offers or performs tests of cannabis or cannabis products, (ii) offers no service other than such tests, (iii) sells no products, excepting only testing supplies and materials, (iv) is accredited by an accrediting body that is independent from all other persons involved in the cannabis industry in the state and (v) is registered with the State Department of Public Health.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.050 - Tax imposed.

- A. Beginning July 1, 2018, there is imposed upon each person who is engaged in business as a cannabis business a cannabis business tax regardless if the business has been issued a permit to operate lawfully in the unincorporated area of the county or is operating unlawfully.
- B. The initial rate of the cannabis business tax shall be as follows:
 1. For every person who is engaged in commercial cannabis cultivation in the unincorporated area of the county:
 - a. Two dollars annually per square foot of canopy space in a facility that uses exclusively artificial lighting.
 - b. One dollar and fifty cents annually per square foot of canopy space in a facility that uses a combination of natural and supplemental artificial lighting.
 - c. Fifty cents annually per square foot of canopy space in a facility that uses no artificial lighting.
 - d. Fifty cents annually per square foot of canopy space for any nursery.

For purposes of this subsection B, the square feet of canopy space for a business shall be rebuttably presumed to be the maximum square footage of canopy allowed by the business's county permit for commercial cannabis cultivation, or, in the absence of a county permit, the square footage shall be the maximum square footage of canopy for commercial cannabis cultivation allowed by the state license type. Should a county permit be issued to a business which cultivates only for certain months of the year, the county shall

prorate the tax as to sufficiently reflect the period in which cultivation is occurring at the business. In no case shall canopy square footage which is authorized by the county commercial cannabis permit but not utilized for cultivation be deducted for the purpose of determining the tax for cultivation, unless the tax administrator is informed in writing and authorizes such reduction for the purpose of relief from the tax prior to the period for which the space will not be used, that such space will not be used.

2. For every person who engages in the operation of a testing laboratory: One percent of gross receipts.
 3. For every person who engages in the retail sales of cannabis as a retailer (dispensary) or non-store front retailer (delivery) or microbusiness (retail sales): Four percent of gross receipts.
 4. For every person who engages in a cannabis distribution business: Two percent of gross receipts.
 5. For every person who engages in a cannabis manufacturing, processing, or microbusiness (non-retail), or any other type of cannabis business not described in subsection (B)(1), (2), (3) or (4): Two and one-half percent of gross receipts.
- C. The county board of supervisors may, by resolution or ordinance, adjust the rate of the cannabis business tax. However, in no event may the county board of supervisors set any adjusted rate that exceeds the maximum rate calculated pursuant to subsection D of this section for the date on which the adjusted rate will commence.
- D. The maximum rate shall be calculated as follows:
1. For every person who is engaged in commercial cannabis cultivation in the unincorporated area of the county:
 - a. Through June 30, 2021, the maximum rate shall be:
 - i. Three dollars annually per square foot of canopy space in a facility that uses exclusively artificial lighting.
 - ii. Two dollars annually per square foot of canopy space in a facility that uses a combination of natural and supplemental artificial lighting.
 - iii. One dollar and fifty cents annually per square foot of canopy space in a facility that uses no artificial lighting.
 - iv. One dollar annually per square foot of canopy space for any nursery.
 - b. On July 1, 2021 and on each July 1 thereafter, the maximum annual tax rate per square foot of each type of canopy space shall increase by the percentage change between January of the calendar year prior to such increase and January of the calendar year of the increase in the Consumer Price Index ("CPI") for all urban consumers in the Western Region as published by the United States Government Bureau of Labor Statistics. However, no CPI adjustment resulting in a decrease of any tax imposed by this subsection shall be made nor shall the total amount of the tax exceed the maximum rates set forth in this subsection D.
 2. For every person who engages in the operation of a testing laboratory, the maximum tax rate shall not exceed two and one-half percent of gross receipts.
 3. For every person who engages in the retail sales of cannabis as a retailer (dispensary) or non-store front retailer (delivery business), or microbusiness (retail sales activity) the maximum tax rate shall not exceed eight percent of gross receipts.
 4. For every person who engages in a cannabis distribution business, the maximum tax rate shall not exceed four percent of gross receipts.
 5. For every person who engages in a cannabis manufacturing, processing, or microbusiness (non-retail activity) or any other type of cannabis business not described in subsection (D)(1), (2), (3) or (4), the maximum tax rate shall not exceed four percent of gross receipts.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.060 - Reporting and remittance of tax.

- A. The cannabis business tax imposed by this chapter shall be paid, in arrears, on a quarterly basis. For commercial cannabis cultivation, the tax due for each calendar quarter shall be based on the square footage of the business's canopy space during the quarter and the rate shall be twenty-five percent of the applicable annual rate. For all other cannabis businesses activities, the tax due for each calendar quarter shall be based on the gross receipts for the quarter.
- B. Each person owing cannabis business tax for a calendar quarter shall, no later than the last day of the month following the close of the calendar quarter, file with the tax administrator a statement of the tax owed for that calendar quarter and the basis for calculating that tax. The tax administrator may require that the statement be submitted on a form prescribed by the tax administrator. The tax for each calendar quarter shall be due and payable on that same date as the statement for the calendar quarter is due.
- C. Upon cessation of a cannabis business, tax statements and payments shall be immediately due for all calendar quarters up to the calendar quarter during which cessation occurred.
- D. The tax administrator may, at his or her discretion, establish shorter report and payment periods for any taxpayer as the tax administrator deems necessary to ensure collection of the tax. The tax administrator may also require that a deposit, to be applied against the taxes for a calendar quarter, be made by a taxpayer at the beginning of that calendar quarter. In no event shall the deposit required by the tax administrator exceed the tax amount he or she projects will be owed by the taxpayer for the calendar quarter. The tax administrator may require that a taxpayer make payments via a cashier's check, money order, wire transfer, or similar instrument.
- E. For purposes of this section, the square feet of canopy space for a business shall be rebuttably presumed to be no less than the maximum square footage of canopy allowed by the business's county permit for commercial cannabis cultivation, or, in the absence of a county permit, the square footage shall be the maximum square footage of canopy for commercial cannabis cultivation allowed by the state license type. In no case shall canopy square footage which is authorized by the permit or license but not utilized for cultivation be excluded from taxation unless the tax administrator is informed in writing, prior to the period for which the space will not be used, that such space will not be used.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.070 - Payments and communications—Timely remittance.

Whenever any payment, statement, report, request or other communication is due, it must be received by the tax administrator on or before the final due date. A postmark will not be accepted as timely remittance. If the due date would fall on a Saturday, Sunday or a holiday, the due date shall be the next regular business day on which the county is open to the public.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.080 - Payment—When taxes deemed delinquent.

Unless otherwise specifically provided under other provisions of this chapter, the taxes required to be paid pursuant to this chapter shall be deemed delinquent if not received by the tax administrator on or before the due date as specified in Sections 3.30.060 and 3.30.070.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.090 - Notice not required by the county.

The county may as a courtesy send a tax notice to the business. However, the tax administrator is not required to send a notice of assessment pursuant to Section 3.30.240, a notice of delinquency pursuant to Section 3.30.220, or any other tax notice or bill to any person subject to the provisions of this chapter. Failure to send any tax notice or bill shall not affect the validity of any tax or penalty due under the provisions of this chapter.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.100 - Penalties and interest.

- A. Any person who fails or refuses to pay any cannabis business tax required to be paid pursuant to this chapter on or before the due date shall pay penalties and interest as follows:
 - 1. A penalty equal to ten percent of the amount of the tax, in addition to the amount of the tax, plus interest on the unpaid tax calculated from the due date of the tax at the rate of one percent per month.
 - 2. If the tax remains unpaid for a period exceeding one calendar month beyond the due date, an additional penalty equal to twenty-five percent of the amount of the tax, plus interest at the rate of one percent per month on the unpaid tax and on the unpaid penalties.
 - 3. Interest shall be applied at the rate of one percent per month on the first day of the month for the full month and will continue to accrue monthly on the tax and penalty until the balance is paid in full.
- B. Whenever a check or electronic payment is submitted in payment of a cannabis business tax and the payment is subsequently returned unpaid by the bank for any reason, the taxpayer will be liable for the tax amount due plus any fees, penalties and interest as provided for in this section, and any other amount allowed under state law.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.110 - Refunds and credits.

- A. No refund shall be made of any tax collected pursuant to this chapter, except as provided in Section 3.30.120.
- B. No refund of any tax collected pursuant to this chapter shall be made because of the discontinuation, dissolution, or other termination of a business.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.120 - Refunds and procedures.

- A. Whenever the amount of any cannabis business tax, penalty or interest has been overpaid, paid more than once, or has been erroneously collected or received by the county under this chapter, it may be refunded to the claimant who paid the tax provided that a written claim for refund is filed with the tax administrator within one year of the date the tax was originally due and payable.
- B. The tax administrator, his or her designee or any other county officer charged with the administration of this chapter shall have the right to examine and audit all the books and business records of the claimant in order to determine the eligibility of the claimant to the claimed refund. No claim for refund shall be allowed if the claimant refuses to allow such examination of claimant's books and business records after request by the tax administrator to do so.
- C. In the event that the cannabis business tax was erroneously paid, and the error is attributable to the county, the county shall refund the amount of tax erroneously paid up to one year from when the error was identified.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.130 - Personal cultivation not taxed.

The provisions of this chapter shall not apply to personal cannabis cultivation as defined in the "Medicinal and Adult Use Cannabis Regulation and Safety Act." This chapter shall not apply to personal use of cannabis that is specifically exempted from state licensing requirements, that meets the definition of personal use or equivalent terminology under state law, and for which the individual receives no compensation whatsoever related to that personal use.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.140 - Administration of the tax.

- A. It shall be the duty of the tax administrator to collect the taxes, penalties, fees, and perform the duties required by this chapter.
- B. For purposes of administration and enforcement of this chapter generally, the tax administrator may from time to time promulgate such administrative interpretations, rules, and procedures consistent with the purpose, intent, and express terms of this chapter as he or she deems necessary to implement or clarify such provisions or aid in enforcement.
- C. The tax administrator may take such administrative actions as needed to administer the tax, including but not limited to:
 - 1. Provide to all cannabis business taxpayers forms for the reporting of the tax;
 - 2. Provide information to any taxpayer concerning the provisions of this chapter;
 - 3. Receive and record all taxes remitted to the county as provided in this chapter;
 - 4. Maintain records of taxpayer reports and taxes collected pursuant to this chapter;

5. Assess penalties and interest to taxpayers pursuant to this chapter;
6. Determine amounts owed and enforce collection pursuant to this chapter.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.150 - Appeal procedure.

Any taxpayer aggrieved by any decision of the tax administrator with respect to the amount of tax, interest, penalties and fees, if any, due under this chapter may appeal to the county board of supervisors by filing a notice of appeal with the clerk of the board within thirty days of the serving or mailing of the notice of delinquency pursuant to [Section 3.30.220](#) or notice of assessment pursuant to [Section 3.30.240](#). The clerk of the board, or his or her designee, shall fix a time and place for hearing such appeal, and the clerk of the board, or his or her designee, shall give notice in writing to such operator at the last known place of address. The finding of the county board of supervisors shall be final and conclusive and shall be served upon the appellant in the manner prescribed by this chapter for service of notice. Any amount found to be due shall be immediately due and payable upon the service of the notice.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.160 - Enforcement—Action to collect.

Any taxes, penalties and/or fees required to be paid under the provisions of this chapter shall be deemed a debt owed to the county. Any person owing money to the county under the provisions of this chapter shall be liable in an action brought in the name of the county for the recovery of such debt. The provisions of this section shall not be deemed a limitation upon the right of the county to bring any other action including criminal, civil and equitable actions, based upon the failure to pay the tax, penalties and/or fees imposed by this chapter or the failure to comply with any of the provisions of this chapter.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.170 - Apportionment.

If a business subject to the tax is operating both within and outside the unincorporated area of the county, it is the intent of the county to apply the cannabis business tax so that the measure of the tax fairly reflects the proportion of the taxed activity actually carried on in the unincorporated area of the county. To the extent federal or state law requires that any tax due from any taxpayer be apportioned, the taxpayer may indicate said apportionment on his or her tax return. The tax administrator may promulgate administrative procedures for apportionment as he or she finds useful or necessary.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.180 - Constitutionality and legality.

This tax is intended to be applied in a manner consistent with the United States and California Constitutions and state law. None of the tax provided for by this chapter shall be applied in a manner that causes an undue burden upon interstate commerce, a violation of the equal protection or due process clauses of the Constitutions of the United States or the State of California or a violation of any other provision of the California Constitution or state law. If a person believes that the tax, as applied to him or her, is impermissible under applicable law, he or she may request that the tax administrator release him or her from the obligation to pay the impermissible portion of the tax.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.190 - Audit and examination of premises and records.

- A. For the purpose of ascertaining the amount of cannabis business tax owed or verifying any representations made by any taxpayer to the county in support of his or her tax calculation, the tax administrator shall have the power to inspect any location where commercial cannabis cultivation occurs and to audit and examine all books and records (including, but not limited to bookkeeping records, state and federal income tax returns, and other records relating to the gross receipts of the business) of persons engaged in cannabis businesses. In conducting such investigation, the tax administrator shall have the power to inspect any equipment, such as computers or point of sale machines, that may contain such records.
- B. It shall be the duty of every person liable for the collection and payment to the county of any tax imposed by this chapter to keep and preserve, for a period of at least four years, all records as may be necessary to determine the amount of such tax as he or she may have been liable for the collection of and payment to the county, which records the tax administrator or his/her designee shall have the right to inspect at all reasonable times.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.200 - Other licenses, permits, taxes, fees or charges.

- A. Nothing contained in this chapter shall be deemed to repeal, amend, be in lieu of, replace or in any way affect any requirements for any permit or license required by, under or by virtue of any provision of any other chapter of this code or any other ordinance or resolution of the county, nor be deemed to repeal, amend, be in lieu of, replace or in any way affect any tax, fee or other charge imposed, assessed or required by, under or by virtue of any other chapter of this code or any other ordinance or resolution of the county. Any references made or contained in any other chapter of this code to any licenses, license taxes, fees, or charges, or to any schedule of license fees, shall be deemed to refer to the licenses, license taxes, fees or charges, or schedule of license fees, provided for in other chapter of this code.
- B. The tax administrator may revoke or refuse to renew the license required by [Chapter 5.04](#) of this code, any other chapter of this code or any other ordinance or resolution of the county for any business that is delinquent in the payment of any tax due pursuant to this chapter or that fails to make a deposit required by the tax administrator pursuant to [Section 3.30.060](#).

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.210 - Payment of tax does not authorize unlawful business.

- A. The payment of a cannabis business tax required by this chapter, and its acceptance by the county, shall not entitle any person to carry on any cannabis business unless the person complies with all of the requirements of this code and all other applicable state laws.
- B. No tax paid under the provisions of this chapter shall be construed as authorizing the conduct or continuance of any illegal or unlawful business, or any business in violation of any local or state law.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.220 - Deficiency determinations.

If the tax administrator is not satisfied that any statement filed as required under the provisions of this chapter is correct, or that the amount of tax is correctly computed, he or she may compute and determine the amount to be paid and make a deficiency determination upon the basis of the facts contained in the statement or upon the basis of any information in his or her possession or that may come into his or her possession within three years of the date the tax was originally due and payable. One or more deficiency determinations of the amount of tax due for a period or periods may be made. When a person discontinues engaging in a business, a deficiency determination may be made at any time within three years thereafter as to any liability arising from engaging in such business whether or not a deficiency determination is issued prior to the date the tax would otherwise be due. Whenever a deficiency determination, a notice of deficiency shall be given to the person concerned in the same manner as notices of assessment are given under Section 3.30.240.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.230 - Failure to report—Nonpayment, fraud.

- A. Under any of the following circumstances, the tax administrator may make and give notice of an assessment of the amount of tax owed by a person under this chapter at any time:
 - 1. If the person has not filed a complete statement required under the provisions of this chapter;
 - 2. If the person has not paid the tax due under the provisions of this chapter;
 - 3. If the person has not, after demand by the tax administrator, filed a corrected statement, or furnished to the tax administrator adequate substantiation of the information contained in a statement already filed, or paid any additional amount of tax due under the provisions of this chapter; or
 - 4. If the tax administrator determines that the nonpayment of any business tax due under this chapter is due to fraud, a penalty of twenty-five percent of the amount of the tax shall be added thereto in addition to penalties and interest otherwise stated in this chapter and any other penalties allowed by law.
- B. The notice of assessment shall separately set forth the amount of any tax known by the tax administrator to be due or estimated by the tax administrator, after consideration of all information within the tax administrator's knowledge concerning the business and activities of the person assessed, to be due under each applicable section of this chapter, and shall include the amount of any penalties or interest accrued on each amount to the date of the notice of assessment.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.240 - Tax assessment—Notice requirements.

The notice of assessment shall be served upon the person either by personal delivery, or by a deposit of the notice in the United States mail, postage prepaid thereon, addressed to the person at the address of the location of the business or to such other address as he or she shall register with the tax administrator for the purpose of receiving notices provided under this chapter; or, should the person have no address registered with the tax administrator for such purpose, then to such person's last known address. For the purposes of this section, a service by mail is complete at the time of deposit in the United States mail.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.250 - Tax assessment—Hearing, application and determination.

Within thirty days after the date of service of the notice of assessment, the person may apply in writing to the tax administrator for a hearing on the assessment. If application for a hearing before the county is not made within the time herein prescribed, the tax assessed by the tax administrator shall become final and conclusive. Within thirty days of the receipt of any such application for hearing, the tax administrator shall cause the matter to be set for hearing before him or her no later than thirty days after the receipt of the application, unless a later date is agreed to by the tax administrator and the person requesting the hearing. Notice of such hearing shall be given by the tax administrator to the person requesting such hearing not later than five days prior to such hearing. At such hearing said applicant may appear and offer evidence why the assessment as made by the tax administrator should not be confirmed and fixed as the tax due. After such hearing the tax administrator shall determine and, if applicable, reassess the proper tax to be charged and shall give written notice to the person in the manner prescribed in Section 3.30.240 for giving notice of assessment.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.260 - Relief from taxes—Disaster relief.

- A. If a business is unable to comply with any tax requirement due to a disaster, the business may notify the tax administrator of this inability to comply and request relief from the tax requirement.
- B. The tax administrator, in its sole discretion, may provide written relief from the cannabis business tax requirement for businesses whose operations have been impacted by a disaster if such tax liability does not exceed five thousand dollars. If such tax liability is five thousand one dollars or more than such relief shall only be approved by the county board of supervisors.
- C. Temporary relief from the cannabis tax may be provided for a reasonable amount of time as determined by the tax administrator in order to allow the business time to recover from the disaster.
- D. The tax administrator may require that certain conditions be followed in order for a business to receive temporary relief from the cannabis business tax requirement.
- E. A business shall not be subject to an enforcement action for a violation of a cannabis business requirement in which the licensee has received temporary relief from the tax

administrator.

- F. For purposes of this section, "disaster" means fire, flood, storm, tidal wave, earthquake, or similar public calamity, whether or not resulting from natural causes.
- G. The business shall notify the tax administrator in writing of its request for temporary relief from imposition of the tax requirement pursuant to subsection A of this section. The request shall clearly indicate why relief is requested, the time period for which the relief is requested, a description of the disaster justifying relief, and the reasons relief is needed for the specified amount of time;
- H. The business will grant the tax administrator access to the location where the business has been impacted due to a disaster.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.270 - Conviction for violation—Taxes not waived.

The conviction and punishment of any person for failure to pay the required tax shall not excuse or exempt such person from any civil action for the tax debt unpaid at the time of such conviction. No civil action shall prevent a criminal prosecution for any violation of the provisions of this chapter or of any state law requiring the payment of all taxes.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.280 - Violation deemed misdemeanor.

Any person violating any of the provisions of this chapter shall be guilty of a misdemeanor.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.290 - Severability.

If any provision of this chapter, or its application to any person or circumstance, is determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this chapter or the application of this chapter to any other person or circumstance and, to that end, the provisions hereof are severable.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.300 - Remedies cumulative.

All remedies and penalties prescribed by this chapter or which are available under any other provision of the Mono County Code and any other provision of law or equity are cumulative. The use of one or more remedies by the county shall not bar the use of any other remedy for the purpose of enforcing the provisions of this chapter.

(Ord. No. 18-02, § 1, 3-9-2018)

3.30.310 - Amendment or repeal.

This chapter may be repealed or amended by the county board of supervisors without a vote of the people to the extent allowed by law. However, as required by Article XIII C of the California Constitution, voter approval is required for any amendment that would increase the rate of any tax levied pursuant to this chapter. The people of the County of Mono affirm that the following actions shall not constitute an increase of the rate of a tax:

- A. The restoration of the rate of the tax to a rate that is no higher than that set by this chapter, if the county board of supervisors has acted to reduce the rate of the tax;
- B. An action that interprets or clarifies the methodology of the tax, or any definition applicable to the tax, so long as interpretation or clarification (even if contrary to some prior interpretation or clarification) is not inconsistent with the language of this chapter; or
- C. The collection of the tax imposed by this chapter even if the county had, for some period of time, failed to collect the tax.
- D. The adjustment of the tax in accordance with the provisions of subsections C. and D. of Section 3.30.050.

(Ord. No. 18-02, § 1, 3-9-2018)



**OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS**

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

Departments: Finance

TIME REQUIRED 20 minutes

PERSONS APPEARING BEFORE THE BOARD Janet Dutcher

SUBJECT FY 2019-2020 Budget Update

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Finance will update the Board about the FY 2019-2020 budget development and process.

RECOMMENDED ACTION:

Receive information and provide direction to staff, if desired.

FISCAL IMPACT:

None.

CONTACT NAME: Janet Dutcher

PHONE/EMAIL: 760-932-5494 / jdutcher@mono.ca.gov

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|--|
| Click to download |
| Staff report - budget update |

History

| Time | Who | Approval |
|--------------------|------------------------------|----------|
| 5/10/2019 12:39 PM | County Administrative Office | Yes |
| 5/10/2019 9:32 AM | County Counsel | Yes |
| 5/9/2019 3:34 PM | Finance | Yes |



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*

Date: May 14, 2019
To: Honorable Board of Supervisors
From: Janet Dutcher, Finance Director
Subject: FY 2019-2020 Budget Update

Action Requested: Receive information and provide direction to staff if desired.

Discussion:

This is the last of three budget updates with your Board.

Budget development activity over the last month include the following:

- The Finance Director completed one-on-one meetings with all Departments to review their budgets, ask questions and make changes.
- General Fund discretionary revenue estimates are updated and summarized below.
- Workforce calculations are complete and summarized below.
- Discretionary requests for General Fund appropriations from community groups, organizations and jurisdictions are submitted and summarized below.
- The General Fund Department requested budget is deficit by \$4,107,739. A summary recap is provided below.
- We continue to work on strategies to reduce this deficit to \$3,000,000, which is 51% less than the FY 2018-19 budget deficit.

GF Discretionary Revenue – We estimate an increase in GF budgeted discretionary revenue of 2.67% (prior year was 2.8%) as follows:

| Budgeted Amounts | FY 2018-2019 | FY 2018-2019 | Change | % |
|--|---------------------|---------------------|------------------|--------------|
| Property Taxes | \$18,328,000 | \$19,018,000 | \$690,000 | 3.76 |
| TOT ¹ | 2,625,000 | 2,625,000 | -- | -- |
| Sales taxes | 630,000 | 680,000 | 50,000 | 7.94 |
| VLF | 1,628,000 | 1,697,000 | 69,000 | 4.24 |
| Fines and penalties | 807,000 | 827,000 | 20,000 | 2.48 |
| Interest | 75,000 | 110,000 | 35,000 | 46.67 |
| Federal PILT | 1,250,000 | 1,300,000 | 50,000 | 4.0 |
| A87 | 1,547,000 | 1,547,000 | -- | -- |
| Excess ERAF | 700,000 | 500,000 | (200,000) | (28.57) |
| Other | 598,000 | 638,000 | 40,000 | 6.69 |
| Total Discretionary Revenues - GF | \$28,188,000 | \$28,942,000 | \$754,000 | 2.67% |

¹ This represents 9% of the 12% TOT rate. Paramedics (EMS) receives 2% and Tourism receives 1%.

Workforce Results – This year’s workforce calculations use the new OpenGov compensation modeling software considered far more precise than previous years. Prior year data for comparison purposes is not available. Currently, County-wide workforce calculations are:

| | General Fund | | Non-General Fund | |
|---|---------------------|-------------|---------------------|----------------|
| | | % | | % |
| Base salary | \$13,934,000 | 53.67 | \$6,410,000 | 55.48 |
| Salary adjustments (scheduled COLAs, MCPE salary adjustments) | 325,000 | 1.25 | 271,000 | 2.35 |
| Add-on pay | 882,000 | 3.40 | 184,000 | 1.59 |
| PERS – normal cost | 2,111,000 | 8.13 | 678,000 | 5.87 |
| PERS – unfunded liability | 2,973,000 | 11.45 | 1,120,000 | 9.69 |
| PERS – pension bonds | 147,000 | 0.57 | -- | -- |
| Health care | 3,435,000 | 13.23 | 1,906,000 | 16.50 |
| Retiree health care | 1,390,000 | 5.35 | 628,000 | 5.44 |
| 401(a) County contribution | 222,000 | 0.86 | 124,000 | 1.07 |
| Cell phone, auto allowance, and uniform stipends | 136,000 | 0.52 | 50,000 | 0.43 |
| Other | 407,000 | 1.56 | 183,000 | 1.58 |
| Total Workforce | \$25,961,000 | 100% | \$11,554,000 | 100.00% |
| Total Appropriations¹ | \$40,771,000 | | \$42,434,000 | |
| % WF TO Spending | 64% | | 27% | |

¹ Excludes appropriations for capital project and debt service funds.

The following one-time budget savings were achieved in the past month.

- State Unemployment (SUI): Annual budgets usually set this at 3 percent of wages. However, the County has enough funds on hand to pay these costs until July 1, 2020. Therefore, the rate was set at 0 percent for FY 2019-2020, saving \$635,000.
- Retiree Health: This funds life-time medical commitments which annually cost the County \$1,759,000. When combined with a fiscal policy of contributing an extra \$1 million to our PARS OPEB trust, the budget sets this at 16 percent of wages. The County has excess funds of \$741,000 available to reduce the Retiree Health rate down to 9.2 percent, for one year only. This saves the General Fund \$1,030,000 and Non-GF \$463,000.

The general fund budget currently includes the vacant positions noted below. Some of these positions have on-going recruitments in place.

| POSITION | DEPARTMENT | Default Allocation | SALARY | BENEFITS | TOTAL |
|--|---------------------------|--------------------|-------------------|-------------------|---------------------|
| ANIMAL SHELTER ATTENDANT | ANIMAL CONTROL | 46.15% | \$ 14,160 | \$ 2,411 | \$ 16,571 |
| APPRAISER II | ASSESSOR | 100.00% | 62,441 | 55,420 | 117,860 |
| ASSISTANT COUNTY ADMINISTRATIVE OFFICER | CAO (funded for 9 months) | 100.00% | 91,633 | 62,461 | 154,094 |
| COMMUNICATIONS DIRECTOR | CAO (funded for 9 months) | 100.00% | 64,143 | 50,521 | 114,664 |
| VICTIM/WITNESS ADVOCATE | DISTRICT ATTORNEY | 100.00% | 47,589 | 49,629 | 97,219 |
| ELECTIONS ASSISTANT | ELECTIONS | 25.00% | 10,629 | 1,804 | 12,433 |
| PARAMEDIC II | EMS | 50.00% | 31,690 | 23,924 | 55,614 |
| IT SPECIALIST II | INFORMATION TECHNOLOGY | 100.00% | 72,421 | 43,431 | 115,852 |
| DEPUTY PROBATION OFFICER I | PROBATION | 100.00% | 45,728 | 73,722 | 119,449 |
| ENGINEER TECHNICIAN III | PUBLIC WORKS | 100.00% | 67,245 | 57,507 | 124,752 |
| FISCAL TECHNICAL SPEC II (IV on allocation list) | PUBLIC WORKS | 8.00% | 3,365 | 3,726 | 7,091 |
| FISCAL TECHNICAL SPEC II (IV on allocation list) | PUBLIC WORKS | 28.50% | 11,988 | 13,272 | 25,260 |
| DEPUTY SHERIFF II | SHERIFF | 100.00% | 94,835 | 76,147 | 170,982 |
| DEPUTY SHERIFF II | SHERIFF | 100.00% | 84,922 | 46,309 | 131,231 |
| JAIL SERGEANT | SHERIFF | 100.00% | 68,692 | 65,080 | 133,772 |
| PUBLIC SAFETY OFFICER I | SHERIFF | 100.00% | 48,014 | 37,977 | 85,991 |
| UNDERSHERIFF | SHERIFF | 100.00% | 149,000 | 106,775 | 255,775 |
| | | | \$ 968,495 | \$ 770,117 | \$ 1,738,612 |

GF Discretionary requests for funding – The requests listed below are considered discretionary spending upon which the Board traditionally has made annual budgetary decisions about concerning whether to fund and at what amount. Requests received for FY 2019-2020, along with historical balances are presented.

| Request | FY 2017-18 Approved | FY 2018-19 Approved | FY 2019-20 Requested |
|--|------------------------|------------------------|-------------------------|
| EMS Expansion in the Tri-Valley | \$ - | \$ 200,000 | \$ 302,500 |
| Sheriff - 2 DSA I positions | - | - | 344,614 |
| Jail - 2 PSO I positions | - | - | 176,166 |
| Economic Development - TBID consulting | - | - | 60,000 |
| Property tax admin refunds to fire districts | 20,000 | 20,000 | 20,000 |
| Tri-Valley share - OVGWMA | 23,000 | 23,000 | 23,000 |
| Wheeler Crest share - OVGWMA | 23,000 | 23,000 | 23,000 |
| First Five - home visiting program | - | - | 150,000 |
| Affordable housing | - | 200,000 | 200,000 |
| Tourism - film commission marketing support | 5,000 | 5,000 | 5,000 |
| Tourism - CA State Fair exhibit | 5,000 | 5,000 | 5,000 |
| Local Program funding | 20,000 | 20,000 | 30,000 |
| Air Service subsidy | 35,632 | 50,000 | 100,000 |
| Historical Societies | 6,000 | 6,000 | 6,000 |
| Interagency Visitor Center - contribution | 5,000 | 5,000 | 5,000 |
| Community Arts Grant | 10,000 | 10,000 | 15,000 |
| Youth Sports | 8,000 | 8,000 | 8,000 |
| Fish Enhancement | 108,837 | 103,737 | 128,737 |
| Senior Center | 167,847 | 180,937 | 205,256 |
| | \$ 437,316 | \$ 859,674 | \$ 1,807,273 |

GF Structural Deficit – Current the GF budget deficit has been reduced from \$5,320,269 for \$4,107,739. We summarize the General Fund deficit for further discussion as follows:

| General Fund FY 2019-2020 Working Budget | Amended Budget FY 2018-19 | Base Budget | Proposed as of April 9, 2019 | Requested as of May 14, 2019 |
|---|------------------------------|----------------|---------------------------------|---------------------------------|
| REVENUES: | | | | |
| Discretionary | \$ 28,188,050 | \$ 28,520,850 | \$ 28,520,850 | \$ 28,942,416 |
| Program | 8,040,131 | 7,480,866 | 7,763,480 | 7,720,601 |
| CCP | 684,754 | 684,754 | 684,754 | - |
| Total Revenues | 36,912,935 | 36,686,470 | 36,969,084 | 36,663,017 |
| EXPENDITURES | 43,066,878 | 39,560,670 | 42,289,353 | 40,770,756 |
| NET DEFICIT | \$ (6,153,943) | \$ (2,874,200) | \$ (5,320,269) | \$ (4,107,739) |

We are looking forward on the calendar at these key dates that are rapidly approaching:

- May 13-24 – Finalize budgets and publish budget workshop materials
- May 28 and 29 – Budget workshop with the Board, Departments, CAO and Finance



**OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS**

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

Departments: Finance

TIME REQUIRED 30 minutes (20 minute presentation, 10 minutes discussion) **PERSONS APPEARING BEFORE THE BOARD** Janet Dutcher

SUBJECT Mono County Audit Reports for FY 2017-2018

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Presentation of the Comprehensive Annual Financial Report (CAFR) and the Single Audit Report.

RECOMMENDED ACTION:

Hear brief presentation of the annual audit reports, ask questions and provide feedback and direction to staff, if desired.

FISCAL IMPACT:

None.

CONTACT NAME: Janet Dutcher

PHONE/EMAIL: 760-932-5494 / jdutcher@mono.ca.gov

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|---|
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| Staff report |
| Mono County CAFR - 2017-18 |
| Mono County Single Audit Report - 2017-18 |

History

| Time | Who | Approval |
|--------------------|------------------------------|----------|
| 4/26/2019 11:17 AM | County Administrative Office | Yes |
| 5/6/2019 3:54 PM | County Counsel | Yes |

5/8/2019 4:58 PM

Finance

Yes



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

Date: May 14, 2019
To: Honorable Board of Supervisors
From: Janet Dutcher, Finance Director
Subject: Mono County Audit Reports for FY 2017-2018

Action Requested: Hear brief presentation of the annual audit reports and provide feedback and direction to staff, if desired.

Discussion:

Each year, an audit of the County-wide financial statements is required along with a separate compliance audit of our Federally funded programs. After 19 years engaging the same external audit firm, the County selected new auditors, Price Paige & Company out of Clovis, CA, to conduct this year's external financial and compliance audits. Selecting new auditors means obtaining a fresh new look at the County's internal control system, processes, and accounts from independent professionals having no familiarity with Mono County. As such, this year's audit examined a greater volume of transactions and documents and involved interviewing a greater number of County employees.

The County has once again received an unmodified opinion (the best kind you can get) from the independent audit firm of Price Paige & Company. This is the auditor's attestation that the financial statements prepared by Finance Department staff are presented fairly and in conformity with generally accepted accounting principles (GAAP) for governments. The auditors determined last year's two material weaknesses have been corrected and no new findings were identified.

Staff will present a brief summary of the County's annual audit reports, including financial highlights from the reports. Your Board will have the opportunity to engage in discussion, ask questions and request a more in-depth presentation on any element of the financial reports.

Fiscal Impact:

None. Because of timely filing with the California State Controller's Office and the Federal Clearinghouse for Audits, the County's future federal and state funding streams are not impacted as a result of these audits. Additionally, continuing disclosure requirements for the County's 2018 Certificates of Participation – Civic Center have been met by submitting the audit report to the appropriate regulatory agencies.

COUNTY OF MONO
STATE OF CALIFORNIA

Comprehensive Annual Financial Report

For the Year Ended June 30, 2018



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
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March 29, 2019

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, 2018, 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. Price Paige & Company, 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, 2018.

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 centrally located on the eastern side of the Sierra Nevada Mountains. The County has an area of 3,049 square miles and a total population of 13,822 (*as of January 1, 2018, California Department of Finance*). 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 38.5 percent of all employment is directly associated with this industry. Annually, more than 1.5 million visitors stay in Mono County on average for three days, generating \$369.6 million for the local economy and \$16 million in local taxes. Most 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. Mammoth Lakes, together with June Lake, is Mono County's most visited destination and is home to one of the largest ski resorts in North America.

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 for all eligible residents County-wide. 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 where the Board of Supervisors is the appointing authority.

The County employed 285 full-time equivalent employees in FY 2017-2018 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 balanced budget by October 2 of each fiscal 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. Unencumbered annual appropriations lapse at year-end. The legal level of control for appropriations is exercised at the budget unit 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. Prior to adoption of the budgets, a public hearing is held to receive comments.

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 tax sourced revenue sustained steep reductions through the economic downturn and its aftermath, declining \$1.9 million, or 10.7%, from its peak. Since that time, assessed values have nearly recovered to pre-2008 levels. Property and real property transfer taxes since fiscal year 2012-2013 have increased at rates between 1.96% and 2.73%. This growth is anticipated to continue into fiscal year 2018-2019 and fiscal year 2019-2020. The delinquency rate associated with current secured property tax collections is at its lowest in history, dropping from 11.1% at June 30, 2010 to 0.6% at June 30, 2018. Sales tax collections increased 2% in 2018 and are estimated to continue increasing at this rate. 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 \$3.5 million, an increase of 5.5%. Program revenues essential to departments' ability to maintain public services continues to hold steady. Building permit activity is 37% 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 several initiatives in FY 2017-2018 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 2017-2018:

- Total property tax collections increased to 99.4%, from 97.3%, of total billed in FY 2017-2018.
- The Board of Supervisors approved proceeding with the Mono County Civic Center project, which consists of the construction of a 33,000 square foot County Administrative Office Building in Mammoth Lakes. The project will consolidate all County departments currently providing services in leased space at Sierra Center Mall and Minaret Mall. Co-locating these departments in a single building increases efficiency and effectiveness of County operations and greatly improves the convenience, safety, and confidentiality of services to the public.
- A Request for Proposals from Design-Build Entities for the Mono County Civic Center project was distributed on February 26, 2018, and the successful proposal was submitted by Roebbelen Contracting of El Dorado Hills. A Design-Build Contract between Mono County and Roebbelen Contracting was finalized in August 8, 2018, with a contract limit of \$20,500,000. Construction is expected to start in April 2019, and the project is estimated to be available for occupancy in March 20210.
- On December 20, 2018, the County issued \$19,940,000 of Certificates of Participation, Series 2018 A for the purpose of financing construction of the Mono County Civic Center described above. The certificates were issued at a premium of \$2,266,117, for a total net proceeds of \$20,500,000, net of costs of issuance and capitalized interest.
- Successfully negotiated a new contract with the Mono County Public Safety Officers' Association.
- Initiated pre-construction planning activities, including completion of the real estate diligence, for a new jail facility in Bridgeport, funded with an award of \$25 million coming from SB 844 State grant monies.
- Completed the initial grant cycle for a Community Development Block Grant to fund a childcare program operated by the Mono County First-Five Commission. Towards the end of the fiscal year, Mono County received news the child care initiative would be funded for another three years with the award of an additional Community Development Block Grant of \$500,000.
- Renewed our issuer rating of AA3 from Moody's. In Mid-November 2018, received a credit rating of AA- long-term rating on the County's series 2018A certificates of participation with an outlook of stable.
- Utilized approximately \$600,000 of SB 1 gas tax funding to complete a 2018 pavement preservation project with roads and treatments selected based on the pavement management system.
- Clerk/Recorder's Office implemented SB 2, Affordable Housing Act fee assessed on certain recorded documents.

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. With the fiscal year 2016-17, the County established an economic stabilization reserve within the General Fund balance for the purpose of accumulating resources to offset future revenue losses during the next recession. The balance of the reserve at June 30, 2018, is \$1,805,192. A contingency appropriation of 1% of General Fund appropriations is included in each year's budget 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 annual growth in property values since 2014 has averaged 2.21% 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

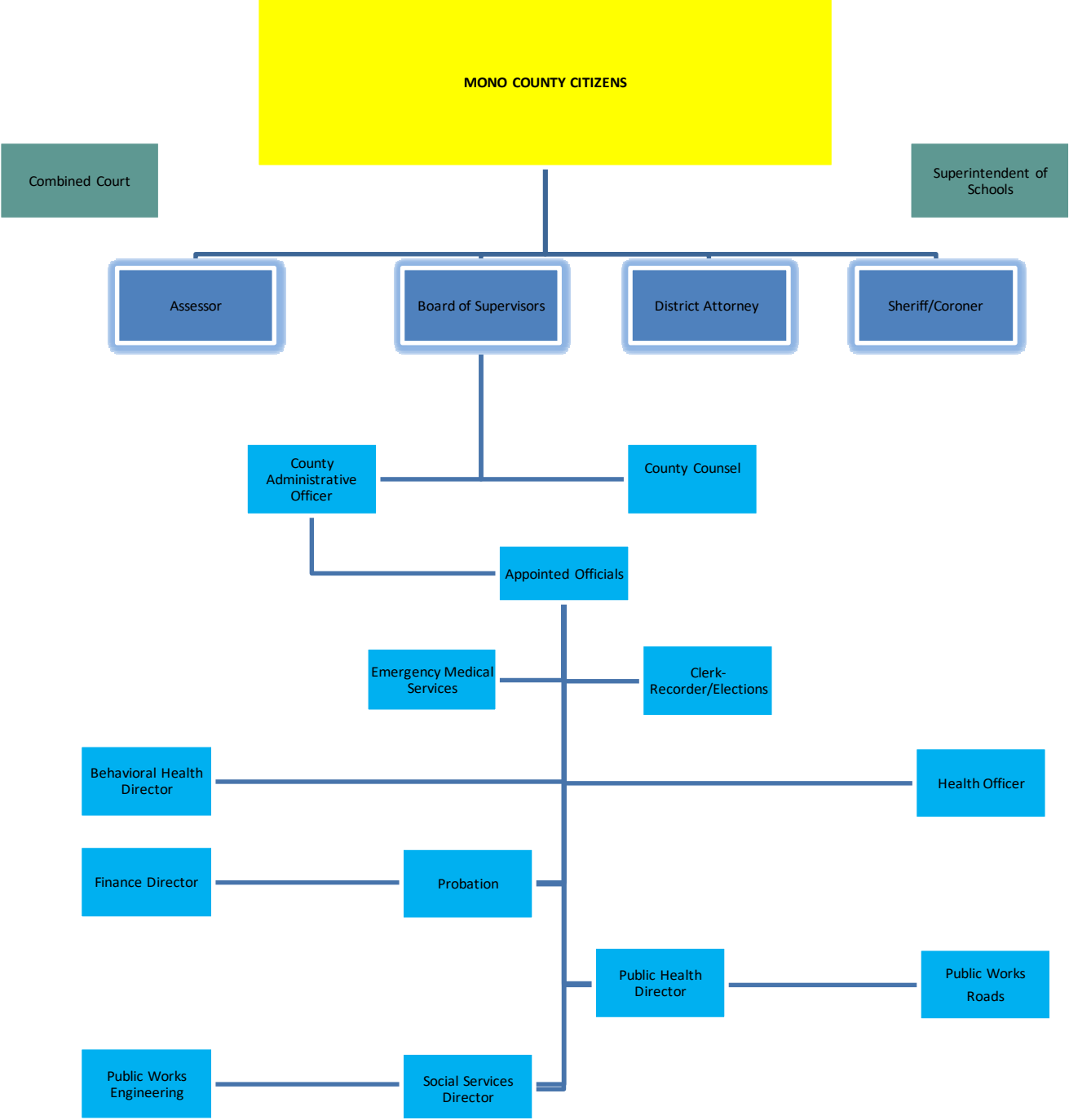
The preparation of this CAFR was achieved through the combined efforts of numerous individuals. We are especially grateful to the Finance Department staff for their outstanding efforts and many hours, which helped us further our objectives of timely and accurate financial reporting. We would also like 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 29th day of March, 2019,



JANET DUTCHER, CPA, CGFM
Finance Director
County of Mono

Mono County Organization Chart Elected and Appointed Officials



COUNTY OF MONO
DIRECTORY OF PUBLIC OFFICIALS
March 27, 2019

| DEPARTMENT | DEPARTMENT OFFICIAL |
|-----------------------------------|--------------------------|
| ELECTED OFFICIALS | |
| Assessor | Barry Beck |
| Board of Supervisors | |
| District #1 | Jennifer Halferty |
| District #2 | Fred Stump |
| District #3 | Bob Gardner |
| District #4 | John Peters, Chair |
| District #5 | Stacy Corless |
| District Attorney | Tim Kendall |
| Sheriff- Coroner | Ingrid Braun |
| Combined Court | Mark G. Magit |
| 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 |
| Social Services Director | Kathy Peterson |

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To 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, California (the "County"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County'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.

Auditor's 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 General 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 auditor's 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 County'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 County'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.

677 Scott Avenue
Clovis, CA 93612

tel 559.299.9540

fax 559.299.2344

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, California as of June 30, 2018, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion on pages 5-16, schedule of changes in net pension liability and related ratios – agent plan on page 79, schedule of pension plan contributions – agent plan on page 80, schedule of proportionate share of the net pension liability and related ratios as of the measurement date and schedule of contributions – cost sharing plan on page 81, schedule of changes in net OPEB liability and related ratios on page 82, and analysis and budgetary comparison information on pages 84–90 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 and other auditors 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 statistics 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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.

Emphasis of Matter

Implementation of New Accounting Standard

As disclosed in Note 8 of the financial statements, the City implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. Our opinion is not modified with respect to this matter.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2019, on our consideration of the County of Mono California'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.

Price Pange & Company

Clovis, California
March 29, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

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COUNTY OF MONO

Management's Discussion and Analysis June 30, 2018

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, 2018. 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 \$20,925,563 at June 30, 2018 and decreased from the prior year by \$16,251,733 (43.71%), primarily due to the implementation of GASB Statement 75 requiring the reporting of the County's other postemployment benefits (OPEB) liability.
- The County's overall assets exceeded its liabilities at the close of the most recent fiscal year by \$20,925,563 (net position). Of this amount, \$41,410,563 is invested in Capital Assets net of debt; \$24,601,796 is restricted for various programs; and (\$45,086,796) is unrestricted for governmental activities. The unrestricted deficit is due to the implementation of GASB Statement 68 which requires the reporting of the net pension liability and the implementation of GASB Statement 75 which requires the reporting of the other postemployment benefits liability. Together, these liabilities totaled \$68.7 million at June 30, 2018.
- As of June 30, 2018, the County's governmental funds reported combined ending fund balances of \$38,235,330, an increase of \$2,987,238, or 8.47%, in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the governmental type funds was \$8,370,850, or 16.02% of total general government expenditures, a 97.25% increase in unassigned fund balance from last year.
- Total long-term liabilities in the Solid Waste enterprise fund decreased by \$278,345 during the fiscal year. Closure/post closure costs increased by \$244,617. The net pension liability is included and decreased by \$63,099 from the prior fiscal year. Advances from other funds and refunded certificates of participation decreased by \$440,200 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 \$465,000 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.

COUNTY OF MONO

Management's Discussion and Analysis June 30, 2018

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.

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 287 individual funds, including 193 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.

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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.

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, schedule of changes in net OPEB liability, and schedule of the County's OPEB contributions 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.

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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.

| | Governmental Activities | | Business-Type Activities | | Total | |
|----------------------------------|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Current and other assets | \$ 48,687,648 | \$ 48,694,317 | \$ 7,011,697 | \$ 6,407,888 | \$ 55,699,345 | \$ 55,102,205 |
| Capital assets | 35,091,522 | 35,036,545 | 6,319,041 | 6,591,060 | 41,410,563 | 41,627,605 |
| Total Assets | <u>83,779,170</u> | <u>83,730,862</u> | <u>13,330,738</u> | <u>12,998,948</u> | <u>97,109,908</u> | <u>96,729,810</u> |
| Deferred outflows of resources | | | | | | |
| Deferred pensions | 15,768,377 | 10,588,868 | 223,588 | 219,142 | 15,991,965 | 10,808,010 |
| Current and other liabilities | 2,824,149 | 2,438,834 | 644,187 | 614,746 | 3,468,336 | 3,053,580 |
| Long term liabilities | 74,863,143 | 54,102,836 | 10,803,695 | 11,056,698 | 85,666,838 | 65,159,534 |
| Total Liabilities | <u>77,687,292</u> | <u>56,541,670</u> | <u>11,447,882</u> | <u>11,671,444</u> | <u>89,135,174</u> | <u>68,213,114</u> |
| Deferred inflows of resources | | | | | | |
| Deferred pensions | 2,997,182 | 2,109,352 | 43,954 | 38,058 | 3,041,136 | 2,147,410 |
| Net investment in capital assets | 35,091,522 | 35,036,545 | 6,319,041 | 6,591,060 | 41,410,563 | 41,627,605 |
| Restricted | 24,597,148 | 20,397,419 | 4,648 | 4,648 | 24,601,796 | 20,402,067 |
| Unrestricted | (40,825,597) | (19,765,256) | (4,261,199) | (5,087,120) | (45,086,796) | (24,852,376) |
| Total Net Position | <u>\$ 18,863,073</u> | <u>\$ 35,668,708</u> | <u>\$ 2,062,490</u> | <u>\$ 1,508,588</u> | <u>\$ 20,925,563</u> | <u>\$ 37,177,296</u> |

Statement of Activities

The County's net position was \$20,925,563 as of June 30, 2018, a decrease of \$16,251,733, or 43.71%, during the fiscal year, primarily due to the implementation of GASB Statement 75 requiring the reporting of the County's other postemployment benefits (OPEB) 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. As of June 30, 2018, 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 \$24,601,796 or 117.57% of total net position is comprised of the following resources:

- Road projects – 6.69% of total net position
- Health and social services – 44.32% of total net position
- County service areas – 7.78% of total net position
- Community development – 4.67% of total net position
- Grant programs – 36.52% of total net position
- Endowment – .02% of total net position

During the fiscal year ended June 30, 2018, restricted net position increased \$4,199,729 or 20.58%.

Unrestricted net position (deficit) is (\$45,086,796) or (215.46%) of total net position. Most of the deficit is due to financial reporting for the *net pension liability* and *other postemployment benefits*.

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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) had a decrease in net position of \$16,,251,733, or 43.71%, to \$20,925,563 for the year ended June 30, 2018.

Statement of Activities

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|---------------|--------------------------|--------------|---------------|---------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Program revenues: | | | | | | |
| Fees, Fines & Charges for Services | \$ 8,041,468 | \$ 6,816,510 | \$ 3,134,756 | \$ 3,064,851 | \$ 11,176,224 | \$ 9,881,361 |
| Operating grants | 21,850,588 | 20,243,272 | 40,000 | 62,799 | 21,890,588 | 20,306,071 |
| Capital grants | 647,828 | 598,587 | 28,411 | 464,976 | 676,239 | 1,063,563 |
| General revenues: | | | | | | |
| Property taxes | 21,328,513 | 20,369,909 | -- | -- | 21,328,513 | 20,369,909 |
| Sales and use taxes | 597,335 | 585,375 | -- | -- | 597,335 | 585,375 |
| Other taxes | 3,548,347 | 3,349,252 | -- | -- | 3,548,347 | 3,349,252 |
| Interest/Investment earnings | 563,358 | 300,085 | 95,128 | 59,468 | 658,486 | 359,553 |
| Total Revenues | 56,577,437 | 52,262,990 | 3,298,295 | 3,652,094 | 59,875,732 | 55,915,084 |
| Expenses: | | | | | | |
| General government | 12,018,816 | 10,149,677 | -- | -- | 12,018,816 | 10,149,677 |
| Public protection | 18,607,098 | 18,037,087 | -- | -- | 18,607,098 | 18,037,087 |
| Public ways and facilities | 6,067,474 | 6,465,642 | -- | -- | 6,067,474 | 6,465,642 |
| Health and Sanitation | 9,663,773 | 8,568,557 | -- | -- | 9,663,773 | 8,568,557 |
| Public assistance | 5,234,293 | 4,628,204 | -- | -- | 5,234,293 | 4,628,204 |
| Education | 25,566 | 41,847 | -- | -- | 25,566 | 41,847 |
| Recreation and culture | 103,700 | 104,422 | -- | -- | 103,700 | 104,422 |
| Interest and fiscal charges | 57,046 | 182,838 | -- | -- | 57,046 | 182,838 |
| Solid Waste Landfill | -- | -- | 2,308,561 | 2,490,582 | 2,308,561 | 2,490,582 |
| Airport | -- | -- | 359,609 | 326,819 | 359,609 | 326,819 |
| Campgrounds | -- | -- | 35,237 | 32,240 | 35,237 | 32,240 |
| Cemeteries | -- | -- | 15,899 | 14,828 | 15,899 | 14,828 |
| Total Expenses | 51,777,766 | 48,178,274 | 2,719,306 | 2,864,469 | 54,497,072 | 51,042,743 |
| Change in net position before transfers | 4,799,671 | 4,084,716 | 578,989 | 787,625 | 5,378,660 | 4,872,341 |
| Transfers | 25,087 | (13,980) | (25,087) | 13,980 | -- | -- |
| Change in net position | 4,824,758 | 4,070,736 | 553,902 | 801,605 | 5,378,660 | 4,872,341 |
| Net position - beginning | 35,668,708 | 29,134,647 | 1,508,588 | 706,983 | 37,177,296 | 29,841,630 |
| Prior period adjustment | (21,630,393) | 2,463,325 | -- | -- | (21,630,393) | 2,463,325 |
| Net position - beginning, as restated | 14,038,315 | 31,597,972 | 1,508,588 | 706,983 | 15,546,903 | 32,304,955 |
| Net position, ending | \$ 18,863,073 | \$ 35,668,708 | \$ 2,062,490 | \$ 1,508,588 | \$ 20,925,563 | \$ 37,177,296 |

Analysis of Governmental Activities

Governmental Activities increased the County's net position by \$4,799,671 before transfers, an increase of \$714,955 over the prior year, offsetting 29.53% of the County's total decrease in net position. Business-type activities contributed to the decrease in net position by \$578,989 before transfers, and offsetting 3.56% of the County's total decrease in net position. The remaining total decrease in net position is a result from prior period adjustments in the amount of \$21,630,393, or 133.10% of the total decrease in net position. The reduction in net position of \$21,630,393 is comprised of the following and mainly attributable to the implementation of GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB):

- Reclassification of outstanding balance of long-term notes payable previously reported as accounts payable - \$96,473\
- Remove the prior year net OPEB Asset - (\$5,394,695)
- Record the net OPEB Liability - (\$19,440,386)
- Record the deferred outflows of resources (OPEB) - \$3,108,215

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Revenues: Revenues for the County's governmental activities had an overall increase from the prior year of \$4,314,447, or 8.26%, to \$56,577,437. 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 increased overall by \$2,881,515, or 10.42%, from the prior year to \$30,539,884. Of the total increase, \$1,224,958 represents Fees, Fines and Charges for Services; \$1,607,316 represents Operating Grants, and \$49,241 represents Capital Grants.

General Revenues include property taxes, sales and use taxes, other taxes/revenues, and interest/investment earnings. General revenues increased by \$1,432,932, or 5.82%, from the prior year to \$26,037,553. 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 \$3,599,492, or 7.47%. Approximately \$2.9 million is the result of increases in salaries and benefits.

Analysis of Business-Type Activities

Business-type activities change in net position before transfers was \$578,989 as of June 30, 2018. The change in net position before transfers offsets 3.55% of the County's total decrease in net position.

Revenues for the County's Business-Type Activities had a decrease from the prior year of \$353,799 before transfers, or 9.69%, to \$3,298,295. Expenses decreased over the prior year by \$145,163, or 5.07%, to \$2,719,306, attributable mainly to a reduction in expenses in the Solid Waste program.

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, 2018, the County's governmental funds reported combined ending fund balances of \$38,235,330, an increase of \$2,987,238, or 8.47%, 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, \$2,798,485, consists of amounts that are not spendable in form or are legally or contractually required to be maintained intact and consists of:
 - Advances - \$564,013
 - Prepaid expenses - \$94,649
 - Inventories - \$340,633
 - Loans Receivable - \$1,799,190
- Restricted fund balance, \$23,309,748, 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:

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- Road projects - \$1,642,730
 - Health and social services - \$10,655,938
 - County service areas - \$1,914,676
 - Community development - \$528,728
 - Grant programs - \$8,567,676
- Committed fund balance, \$200,987, consists of amounts that have been committed to specific purposes by the Board of Supervisors and consists of amounts committed to:
 - Revolving Loan Fund - \$200,987
 - Assigned fund balance, \$3,555,260, represents amounts intended for use as determined by the Board of Supervisors and consists of amounts assigned to:
 - Eliminate projected FY 18/19 budgetary deficit - \$1,522,579
 - Capital projects - \$1,662,165
 - Debt service - \$193,569
 - Fish enhancement - \$47,399
 - Tourism - \$129,548
 - Unassigned fund balance, \$8,370,850, represents the residual classification for the General Fund and negative amounts from other governmental funds, if any.

Unassigned fund balance represents approximately 21.89% (an increase 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, 2018, unassigned fund balance of the general fund was \$8,783,159 while total fund balance reached \$13,107,982. As measures of this fund's liquidity, it is useful to note that unassigned fund balance represents 26.53% of total fund expenditures, while total fund balance represents 67.01% 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 15.46%, or \$3,365,216, to \$25,127,348, after restatement, with the following significant changes:

- The Realignment Fund had a fund balance of \$7,330,030 which was all restricted. This was a \$1.15 million increase over the prior year.

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- The Mental Health Services Act Fund had a fund balance of \$6,555,157, an increase of \$814,436 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 \$412,309 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.

Revenues:

Revenues for governmental funds totaled \$55,515,378 for fiscal year 2017-18, which represents an increase of 7.67% from fiscal year 2016-17.

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 2018 | | FY 2017 | | Change | |
|--------------------------------|---------------|------------|---------------|------------|--------------|-------------|
| | Amount | % of Total | Amount | % of Total | Amount | % of Change |
| Taxes | \$ 25,474,195 | 45.89% | \$ 24,304,536 | 47.14% | \$ 1,169,659 | 4.81% |
| Licenses and permits | 658,000 | 1.19% | 608,659 | 1.18% | 49,341 | 8.11% |
| Fines, forfeitures & penalties | 1,275,822 | 2.30% | 958,741 | 1.86% | 317,081 | 33.07% |
| Use of money & property | 588,642 | 1.06% | 354,810 | 0.69% | 233,832 | 65.90% |
| Intergovernmental | 22,210,916 | 40.01% | 20,553,809 | 39.86% | 1,657,107 | 8.06% |
| Charges for services | 4,737,441 | 8.53% | 4,009,240 | 7.78% | 728,201 | 18.16% |
| Other | 570,362 | 1.03% | 768,820 | 1.49% | (198,458) | -25.81% |
| Total | \$ 55,515,378 | 100% | \$ 51,558,615 | 100% | \$ 3,956,763 | 7.67% |

- 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 governmental funds increased by \$1,169,659 or 4.81%, 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 an increase of \$49,341, or 8.11% over the prior fiscal year.
- Use of money and property – Better interest rates, prudent investing and higher cash balances resulted in higher earnings for 2017-18, resulting in an increase of \$233,832, or 65.9% over the prior fiscal year.
- Intergovernmental Revenues – These types of revenues increased by \$1,657,107, or 8.06% and are primarily from federal and state funding sources.
- Charges for services – An increase of \$728,201, or 18.16%, in these types of revenues can be partly attributed to an increase in use of services, late penalties and fees on property tax revenue, and general administration service fees.

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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 2018 | | FY 2017 | | Change | |
|--|---------------|------------|---------------|------------|--------------|-------------|
| | Amount | % of Total | Amount | % of Total | Amount | % of Change |
| General government | \$ 11,519,055 | 22.04% | \$ 10,663,979 | 22.74% | \$ 855,076 | 8.02% |
| Public protection | 19,205,112 | 36.75% | 17,473,535 | 37.26% | 1,731,577 | 9.91% |
| Public ways and facilities | 4,780,243 | 9.15% | 4,117,296 | 8.78% | 662,947 | 16.10% |
| Health and sanitation | 9,586,446 | 18.34% | 8,634,747 | 18.41% | 951,699 | 11.02% |
| Public assistance | 5,171,201 | 9.90% | 4,791,676 | 10.22% | 379,525 | 7.92% |
| Education | 25,566 | 0.05% | 41,847 | 0.09% | (16,281) | -38.91% |
| Debt Service, Principal | 887,853 | 1.70% | 798,573 | 1.70% | 89,280 | 11.18% |
| Debt service, Interest and other costs | 57,570 | 0.11% | 88,791 | 0.19% | (31,221) | -35.16% |
| Capital outlay | 1,024,792 | 1.96% | 286,063 | 0.61% | 738,729 | 258.24% |
| Total Expenditures | \$ 52,257,838 | 100% | \$ 46,896,507 | 100% | \$ 5,361,331 | 11.43% |

- General government – An increase of \$855,076, or 8.02%, 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 \$1,731,577, or 9.91% and includes increases in salary and benefits and services and supplies.
- Public ways and facilities – Many road and transportation projects are grant funded. There was a \$662,947, or 16.1%, increase in public ways and facilities expenditures. Nearly all of this increase results from the use of Senate Bill 1, new gas tax monies, to improve local roads.
- Public assistance – FY 2017-18 saw an 7.92% increase over the prior fiscal year, or \$379,525. 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 \$553,902 after transfers in the current fiscal year to \$2,062,490. The solid waste enterprise fund increased their net position by \$882,118, decreasing their deficit net position from the prior fiscal year. The airport enterprise fund decreased their net position from the prior fiscal year by \$346,407, primarily due to a reduction in capital contributions received.
- The total net position of internal service funds increased by \$1,970,776 from \$2,190,495 to \$4,161,271 primarily due to an increase in charges for services that resulted from rate recalculations, which includes a component to fund replacement of capital assets in the future.

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General Fund Budgetary Highlights

The Board adopted their initial budget September 12, 2017, after much hard work and public hearings. This initial adopted budget allowed for revenues of \$36,252,033 and expenditures of \$41,913,188. The gap was met through prior year fund balance. A mid-year budget review occurred in February 2018 that resulted in an overall decrease to fund balance in the General Fund of \$127,787. As of June 30, 2018, the final budget for general fund revenues was \$36,351,782 and expenditures, \$42,119,146. The overall budget changes throughout the fiscal year for the general fund resulted in an increase of \$99,749 in revenues and an increase in expenditures of \$205,958.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its Governmental Activities, as of June 30, 2018, totals \$35,091,522 (net of accumulated depreciation). This investment in capital assets includes land, structures and improvements, equipment, infrastructure and construction in progress. The total increase in the County's governmental net investment in capital assets for the current period was \$54,977, or 0.16% (net of accumulated depreciation). Current depreciation for governmental type funds is \$2,289,535. Business-type function assets had a decrease of \$272,019, or 4.13%. Business-type activities total \$354,019 in current year depreciation and total assets net of depreciation is \$6,319,041.

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, 2018, total CIP increased by \$443,603, consisting of \$369,068 in transfers due to project completion and transfers/disposals and \$812,671 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 | |
|---------------------------|-------------------------|---------------|--------------------------|--------------|---------------|---------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Land | \$ 6,793,617 | \$ 6,793,617 | \$ 328,423 | \$ 328,423 | \$ 7,122,040 | \$ 7,122,040 |
| Construction in progress | 1,895,624 | 1,452,021 | -- | -- | 1,895,624 | 1,452,021 |
| Infrastructure | 94,921,931 | 94,283,897 | 463,141 | 463,141 | 95,385,072 | 94,747,038 |
| Structures & improvements | 19,023,057 | 18,621,557 | 7,812,944 | 7,730,944 | 26,836,001 | 26,352,501 |
| Equipment | 18,742,832 | 18,026,793 | 1,532,463 | 1,532,463 | 20,275,295 | 19,559,256 |
| Intangibles | 1,148,577 | 1,148,577 | -- | -- | 1,148,577 | 1,148,577 |
| Accumulated Depreciation | (107,434,116) | (105,289,917) | (3,817,930) | (3,463,911) | (111,252,046) | (108,753,828) |
| Total | \$ 35,091,522 | \$ 35,036,545 | \$ 6,319,041 | \$ 6,591,060 | \$ 41,410,563 | \$ 41,627,605 |

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.

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Debt Administration

At June 30, 2018, the County Governmental activities had total long-term liabilities outstanding of \$74,863,143:

| | Long Term Liabilities | | | | | |
|--|------------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Pension obligation bonds | \$ 696,600 | \$ 1,459,500 | \$ -- | \$ -- | \$ 696,600 | \$ 1,459,500 |
| Notes payable | 271,026 | 150,229 | -- | -- | 271,026 | 150,229 |
| Compensated absences | 2,941,849 | 3,042,040 | 53,869 | 51,440 | 2,995,718 | 3,093,480 |
| Net pension liability | 50,886,605 | 46,661,293 | 957,935 | 1,021,034 | 51,844,540 | 47,682,327 |
| Net OPEB liability | 16,902,308 | 19,440,386 | -- | -- | 16,902,308 | 19,440,386 |
| Claims liability | 3,164,755 | 2,940,003 | -- | -- | 3,164,755 | 2,940,003 |
| Refunded certificates of participation | -- | -- | 1,945,900 | 2,182,700 | 1,945,900 | 2,182,700 |
| Loan payable | -- | -- | -- | -- | -- | -- |
| Landfill postclosure cost | -- | -- | 7,845,991 | 7,601,374 | 7,845,991 | 7,601,374 |
| Total | <u>\$ 74,863,143</u> | <u>\$ 73,693,451</u> | <u>\$ 10,803,695</u> | <u>\$ 10,856,548</u> | <u>\$ 85,666,838</u> | <u>\$ 84,549,999</u> |

Total governmental long-term liabilities increased by \$20,760,307, or 38.37%, during the fiscal year ended June 30, 2018 largely in part to adjustments in net pension liability and the implementation of GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB). Claims liability also increased by \$224,752, or 7.64%, over the prior fiscal year.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

- The County’s Net Position decreased by \$16,251,733, after restatements, from 2016-17 to 2017-18.
- The unemployment rate for Mono County annualized for 2017 was 4.4% and for 2018 was 3.9%. The State’s average unemployment rate as of Dec 2018 was 4.1%. The unemployment rate for Mono County dropped by .5% when compared to 2017. 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 4.23% from the 2017 to the 2018 total roll value.
- In 2017-18, 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. A salary survey was completed in 2018-19 and the results are being analyzed. A 5% increase in salaries is included in the 2018-19 budget in anticipation of the survey’s results.
- For 2018-19, the employer payment of the PERS unfunded liability will increase by \$540,651, or 18.62% from the previous year. The lump sum payment due in 2018-19 for the unfunded liability is \$3,443,958.
- For revenue, transient occupancy tax (TOT) again reached an all-time high of over \$3.5 million for the fiscal year ended June 30, 2018 due to tourism, a major economic industry in Mono County. The cost of living adjustment for property taxes effective 1-1-2018 is set at 2% creating cautious optimism for the future.

These factors plus others were considered in preparing the County’s budget for the 2018-19 fiscal year.

COUNTY OF MONO

Management's Discussion and Analysis June 30, 2018

The 2018-19 adopted budget is sufficient to:

- Provide core services including public safety, public health, community safety net services, road and infrastructure repairs and improvements, community and economic development services and governance and administration;
- Contribute \$50,000 towards the Mono County/Town of Mammoth Lakes shared Recreation position;
- Invest in Public Works staff positions to enhance the County's ability to replace the old, run down hospital building with a new jail that will provide educational programs to inmates and medical services to both inmates and community members by leveraging \$25 million in in grant funds from the Board of State and Community Corrections;
- Utilize State and Federal Construction funds from Senate Bill #1 and other road improvement funds totaling almost \$3 million to execute the 5-year Road Capital Improvement Plan. Current year projects include Eastside Lane and Hackney Dr. in Antelope Valley, Convict Lake Road, Airport Road, fog seal and stripping on various roads, slurry seal in Mono City and Benton Crossing Road, and South Landing Road overlay;
- Replace the recently retired Community Development Director and add an Assistant Planner to help absorb the increasing workload from an improving economy and new Cannabis regulations;
- Provide \$300,000 to continue improvements to the County emergency radio system that is used by law enforcement, fire departments and emergency medical responders;
- Facilitate implementation of the results of the salary survey by appropriating an additional 5% to salaries and benefits;
- Replace the failing, countywide telephone system;
- Stock fish during the summer months to enhance the outdoor experience for our tourists and residents;
- Provide funding for Senior services at the current level; and
- Fund emergency medical services at the current level.

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, 2018

| | Primary Government | | Totals |
|---|----------------------------|-----------------------------|----------------------|
| | Governmental Activities | Business-Type Activities | |
| ASSETS | | | |
| Cash and investments | \$ 35,549,309 | \$ 3,352,999 | \$ 38,902,308 |
| Cash with fiscal agent | 45,413 | - | 45,413 |
| Restricted cash | - | 3,433,881 | 3,433,881 |
| Accounts receivable | 448,683 | 222,534 | 671,217 |
| Due from other governments | 5,175,146 | 171 | 5,175,317 |
| Taxes receivable | 996,208 | - | 996,208 |
| Deposits with others | 3,773,417 | - | 3,773,417 |
| Prepaid expense | 94,649 | - | 94,649 |
| Inventories | 340,633 | 2,112 | 342,745 |
| Loans receivable | 1,799,190 | - | 1,799,190 |
| Other assets - Other Post Employment Benefits | - | - | - |
| Internal balances | 465,000 | (465,000) | - |
| Capital assets: | | | |
| Nondepreciable | 8,689,240 | 328,423 | 9,017,663 |
| Depreciable, net | 26,402,282 | 5,990,618 | 32,392,900 |
| Total Assets | <u>83,779,170</u> | <u>12,865,738</u> | <u>96,644,908</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred amounts related to pensions | 13,066,336 | 223,588 | 13,289,924 |
| Deferred amounts related to OPEB | 2,702,041 | - | 2,702,041 |
| | <u>15,768,377</u> | <u>223,588</u> | <u>15,991,965</u> |
| LIABILITIES | | | |
| Accounts payable | 1,622,676 | 138,533 | 1,761,209 |
| Salaries and benefits payable | 1,141,999 | 26,741 | 1,168,740 |
| Interest payable | 4,801 | 13,913 | 18,714 |
| Deposits from others | 800 | - | 800 |
| Unearned revenue | 53,873 | - | 53,873 |
| Long-term liabilities: | | | |
| Portion due or payable within one year | 5,165,144 | 295,342 | 5,460,486 |
| Portion due or payable after one year | 69,697,999 | 10,508,353 | 80,206,352 |
| Total Liabilities | <u>77,687,292</u> | <u>10,982,882</u> | <u>88,670,174</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred amounts related to pensions | 2,269,962 | 43,954 | 2,313,916 |
| Deferred amounts related to OPEB | 727,220 | - | 727,220 |
| | <u>2,997,182</u> | <u>43,954</u> | <u>3,041,136</u> |
| NET POSITION | | | |
| Net investment in capital assets | 35,091,522 | 6,319,041 | 41,410,563 |
| Restricted | 24,597,148 | 4,648 | 24,601,796 |
| Unrestricted | (40,825,597) | (4,261,199) | (45,086,796) |
| Total Net Position | <u>\$ 18,863,073</u> | <u>\$ 2,062,490</u> | <u>\$ 20,925,563</u> |

See accompanying notes to the basic financial statements.

COUNTY OF MONO
Statement of Activities
For the Year Ended June 30, 2018

| 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 | \$ 12,018,816 | \$ 3,486,850 | \$ 385,235 | \$ - |
| Public protection | 18,607,098 | 1,636,585 | 5,412,928 | 71,752 |
| Public ways and facilities | 6,067,474 | 558,351 | 3,615,260 | 432,525 |
| Health and sanitation | 9,663,773 | 2,020,388 | 7,014,694 | - |
| Public assistance | 5,234,293 | 339,294 | 5,420,045 | 143,551 |
| Education | 25,566 | - | 2,426 | - |
| Recreation and culture | 103,700 | - | - | - |
| Interest on long-term debt | 57,046 | - | - | - |
| Total Governmental Activities | <u>51,777,766</u> | <u>8,041,468</u> | <u>21,850,588</u> | <u>647,828</u> |
| Business-Type Activities | | | | |
| Solid Waste | 2,308,561 | 3,079,007 | 20,000 | - |
| Airport | 359,609 | 7,954 | 20,000 | 28,411 |
| Campgrounds | 35,237 | 42,339 | - | - |
| Cemeteries | 15,899 | 5,456 | - | - |
| Total Business-type Activities | <u>2,719,306</u> | <u>3,134,756</u> | <u>40,000</u> | <u>28,411</u> |
| Total Primary Government | <u>\$ 54,497,072</u> | <u>\$ 11,176,224</u> | <u>\$ 21,890,588</u> | <u>\$ 676,239</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

Net (Expense) Revenue and
Changes in Net Position

| Primary Government | | | |
|----------------------------|---------------------------------|----------------|--|
| Governmental Activities | Business- Type Activities | Total | |
| | | | FUNCTION / PROGRAM ACTIVITIES |
| | | | Primary Government |
| | | | Governmental Activities: |
| \$ (8,146,731) | \$ - | \$ (8,146,731) | General government |
| (11,485,833) | - | (11,485,833) | Public protection |
| (1,461,338) | - | (1,461,338) | Public ways and facilities |
| (628,691) | - | (628,691) | Health and sanitation |
| 668,597 | - | 668,597 | Public assistance |
| (23,140) | - | (23,140) | Education |
| (103,700) | - | (103,700) | Recreation and culture |
| (57,046) | - | (57,046) | Interest on long-term debt |
| (21,237,882) | - | (21,237,882) | Total Governmental Activities |
| | | | Business-Type Activities |
| - | 790,446 | 790,446 | Solid Waste |
| - | (303,244) | (303,244) | Airport |
| - | 7,102 | 7,102 | Campgrounds |
| - | (10,443) | (10,443) | Cemeteries |
| - | 483,861 | 483,861 | Total Business-type Activities |
| (21,237,882) | 483,861 | (20,754,021) | Total Primary Government |
| | | | GENERAL REVENUES AND TRANSFERS |
| | | | Taxes: |
| 21,328,513 | - | 21,328,513 | Property |
| 597,335 | - | 597,335 | Sales and use |
| 3,548,347 | - | 3,548,347 | Transient occupancy |
| 563,358 | 95,128 | 658,486 | Unrestricted investment earnings |
| 25,087 | (25,087) | - | Transfers |
| 26,062,640 | 70,041 | 26,132,681 | Total General Revenues |
| 4,824,758 | 553,902 | 5,378,660 | CHANGES IN NET POSITION |
| 14,038,315 | 1,508,588 | 15,546,903 | Net Position - Beginning of Year, restated |
| \$ 18,863,073 | \$ 2,062,490 | \$ 20,925,563 | 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, 2018

| | General | Road | Realignment | Mental Health Services Act |
|---|----------------------|---------------------|---------------------|-------------------------------|
| ASSETS | | | | |
| Cash and investments | \$ 10,060,681 | \$ 1,244,265 | \$ 6,821,376 | \$ 6,390,819 |
| Accounts receivable | 299,698 | 5,216 | - | - |
| Due from other governments | 2,452,455 | 545,484 | 513,910 | 203,253 |
| Taxes receivable | 996,208 | - | - | - |
| Due from other funds | 131,326 | - | - | - |
| Advances to other funds | 564,013 | - | - | - |
| Prepaid expenses | 68,665 | - | - | - |
| Inventories | 1,266 | 339,367 | - | - |
| Loans receivable | 887,327 | - | - | - |
| | <u>15,461,639</u> | <u>2,134,332</u> | <u>7,335,286</u> | <u>6,594,072</u> |
| Total Assets | <u>\$ 15,461,639</u> | <u>\$ 2,134,332</u> | <u>\$ 7,335,286</u> | <u>\$ 6,594,072</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 613,850 | \$ 81,461 | \$ - | \$ 8,028 |
| Salaries and benefits payable | 832,999 | 70,774 | - | 30,887 |
| Due to other funds | - | - | - | - |
| Advances from other funds | - | - | - | - |
| Deposits from others | 800 | - | - | - |
| Unearned revenues | 10,300 | - | - | - |
| | <u>1,457,949</u> | <u>152,235</u> | <u>-</u> | <u>38,915</u> |
| Total Liabilities | <u>1,457,949</u> | <u>152,235</u> | <u>-</u> | <u>38,915</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenues | 895,708 | - | 5,256 | - |
| | <u>895,708</u> | <u>-</u> | <u>5,256</u> | <u>-</u> |
| FUND BALANCES | | | | |
| Nonspendable | 1,521,271 | 339,367 | - | - |
| Restricted | - | 1,642,730 | 7,330,030 | 6,555,157 |
| Committed | - | - | - | - |
| Assigned | 2,803,552 | - | - | - |
| Unassigned | 8,783,159 | - | - | - |
| | <u>13,107,982</u> | <u>1,982,097</u> | <u>7,330,030</u> | <u>6,555,157</u> |
| Total Fund Balances | <u>13,107,982</u> | <u>1,982,097</u> | <u>7,330,030</u> | <u>6,555,157</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 15,461,639</u> | <u>\$ 2,134,332</u> | <u>\$ 7,335,286</u> | <u>\$ 6,594,072</u> |

See accompanying notes to the basic financial statements.

| Other Governmental | Total | |
|-----------------------|----------------------|---|
| | | ASSETS |
| \$ 9,197,308 | \$ 33,714,449 | Cash and investments |
| 143,715 | 448,629 | Accounts receivable |
| 1,460,044 | 5,175,146 | Due from other governments |
| - | 996,208 | Taxes receivable |
| 149,909 | 281,235 | Due from other funds |
| - | 564,013 | Advances to other funds |
| 25,984 | 94,649 | Prepaid expenses |
| - | 340,633 | Inventories |
| 911,863 | 1,799,190 | Loans receivable |
| <u>\$ 11,888,823</u> | <u>\$ 43,414,152</u> | Total Assets |
| | | LIABILITIES |
| \$ 884,303 | \$ 1,587,642 | Accounts payable |
| 196,141 | 1,130,801 | Salaries and benefits payable |
| 281,235 | 281,235 | Due to other funds |
| 99,013 | 99,013 | Advances from other funds |
| - | 800 | Deposits from others |
| 43,573 | 53,873 | Unearned revenues |
| <u>1,504,265</u> | <u>3,153,364</u> | Total Liabilities |
| | | DEFERRED INFLOWS OF RESOURCES |
| <u>1,124,494</u> | <u>2,025,458</u> | Unavailable revenues |
| | | FUND BALANCES |
| 937,847 | 2,798,485 | Nonspendable |
| 7,781,831 | 23,309,748 | Restricted |
| 200,987 | 200,987 | Committed |
| 751,708 | 3,555,260 | Assigned |
| (412,309) | 8,370,850 | Unassigned |
| <u>9,260,064</u> | <u>38,235,330</u> | Total Fund Balances |
| <u>\$ 11,888,823</u> | <u>\$ 43,414,152</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, 2018

| | |
|--|----------------------|
| Fund balance - total governmental funds | \$ 38,235,330 |
| 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. | |
| Deferred outflow amounts related to pensions | 13,035,777 |
| Deferred outflow amounts related to OPEB | 2,702,041 |
| Deferred inflow amounts related to pensions | (2,269,962) |
| Deferred inflow amounts related to OPEB | (721,213) |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds | |
| | 33,266,633 |
| Unavailable revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds. | |
| | 2,025,458 |
| 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. | |
| | 4,161,271 |
| 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 | (696,600) |
| Loans payable | (271,026) |
| Compensated absences | (2,941,849) |
| Net pension liability | (50,755,678) |
| Net OPEB liability | (16,902,308) |
| Interest payable | (4,801) |
| Net position of governmental activities | <u>\$ 18,863,073</u> |

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, 2018

| | General | Road | Realignment | Mental Health Services Act |
|--|----------------------|---------------------|---------------------|----------------------------|
| REVENUES | | | | |
| Taxes | \$ 25,245,348 | \$ - | \$ - | \$ - |
| Licenses and permits | 340,140 | 14,266 | - | - |
| Fines, forfeitures and penalties | 1,069,705 | 68,870 | - | - |
| Use of money and property | 294,989 | 11,181 | 96,833 | 88,013 |
| Intergovernmental | 3,515,808 | 3,092,334 | 3,536,647 | 1,819,686 |
| Charges for services | 3,404,115 | 474,465 | - | - |
| Other revenues | 28,383 | 167 | - | - |
| Total Revenues | <u>33,898,488</u> | <u>3,661,283</u> | <u>3,633,480</u> | <u>1,907,699</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 11,329,341 | - | - | - |
| Public protection | 17,548,604 | - | 7,722 | - |
| Public ways and facilities | - | 4,101,159 | - | - |
| Health and sanitation | 4,011,176 | - | - | 1,093,263 |
| Public assistance | 172,746 | - | - | - |
| Education | 25,566 | - | - | - |
| Debt service: | | | | |
| Principal | 21,169 | - | - | - |
| Interest and other related costs | 2,800 | - | - | - |
| Capital outlay | - | - | - | - |
| Total Expenditures | <u>33,111,402</u> | <u>4,101,159</u> | <u>7,722</u> | <u>1,093,263</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>787,086</u> | <u>(439,876)</u> | <u>3,625,758</u> | <u>814,436</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from issuance of debt | 224,000 | - | - | - |
| Proceeds from sale of capital assets | - | - | - | - |
| Transfers in | 1,558,679 | 1,019,418 | - | - |
| Transfers out | (2,947,743) | - | (2,474,705) | - |
| Total Other Financing Sources and (Uses) | <u>(1,165,064)</u> | <u>1,019,418</u> | <u>(2,474,705)</u> | <u>-</u> |
| NET CHANGES IN FUND BALANCES | (377,978) | 579,542 | 1,151,053 | 814,436 |
| Fund Balances, Beginning of Year, restated | <u>13,485,960</u> | <u>1,402,555</u> | <u>6,178,977</u> | <u>5,740,721</u> |
| FUND BALANCE, END OF THE YEAR | <u>\$ 13,107,982</u> | <u>\$ 1,982,097</u> | <u>\$ 7,330,030</u> | <u>\$ 6,555,157</u> |

See accompanying notes to the basic financial statements.

| Other Governmental | Total | |
|-----------------------|----------------------|--|
| | | REVENUES |
| \$ 228,847 | \$ 25,474,195 | Taxes |
| 303,594 | 658,000 | Licenses and permits |
| 137,247 | 1,275,822 | Fines, forfeitures and penalties |
| 97,626 | 588,642 | Use of money and property |
| 10,246,441 | 22,210,916 | Intergovernmental |
| 858,861 | 4,737,441 | Charges for services |
| 541,812 | 570,362 | Other revenues |
| <u>12,414,428</u> | <u>55,515,378</u> | Total Revenues |
| | | EXPENDITURES |
| | | Current: |
| 189,714 | 11,519,055 | General government |
| 1,648,786 | 19,205,112 | Public protection |
| 679,084 | 4,780,243 | Public ways and facilities |
| 4,482,007 | 9,586,446 | Health and sanitation |
| 4,998,455 | 5,171,201 | Public assistance |
| - | 25,566 | Education |
| | | Debt service: |
| 866,684 | 887,853 | Principal |
| 54,770 | 57,570 | Interest and other related costs |
| 1,024,792 | 1,024,792 | Capital outlay |
| <u>13,944,292</u> | <u>52,257,838</u> | Total Expenditures |
| | | Excess (Deficiency) of Revenues Over |
| <u>(1,529,864)</u> | <u>3,257,540</u> | (Under) Expenditures |
| | | OTHER FINANCING SOURCES (USES) |
| 21,750 | 245,750 | Proceeds from issuance of debt |
| 13,775 | 13,775 | Proceeds from sale of capital assets |
| 3,785,984 | 6,364,081 | Transfers in |
| <u>(1,471,460)</u> | <u>(6,893,908)</u> | Transfers out |
| | | Total Other Financing Sources and |
| <u>2,350,049</u> | <u>(270,302)</u> | (Uses) |
| | | NET CHANGES IN FUND BALANCES |
| 820,185 | 2,987,238 | Fund Balances, Beginning of Year, restated |
| <u>8,439,879</u> | <u>35,248,092</u> | |
| <u>\$ 9,260,064</u> | <u>\$ 38,235,330</u> | 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, 2018

| | | |
|--|--------------------|---------------------|
| Net change to fund balances - total governmental funds | | \$ 2,987,238 |
| 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 | 1,648,813 | |
| Less: current year depreciation | <u>(2,152,330)</u> | (503,517) |
| 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. | | 287,333 |
| 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. | | 4,782,691 |
| 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. | | |
| Proceeds from issuance of long-term debt | (245,750) | |
| Principal repayments | <u>887,853</u> | 642,103 |
| 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 | 100,191 | |
| Change in accrued interest | <u>524</u> | 100,715 |
| Changes to the net OPEB liability and OPEB 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. | | 1,404,684 |
| 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. | | (6,847,265) |
| 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>1,970,776</u> |
| Change in net position of governmental activities | | <u>\$ 4,824,758</u> |

See accompanying notes to the basic financial statements.

COUNTY OF MONO

Statement of Fund Net Position

Proprietary Funds

June 30, 2018

| | Business-Type Activities - Enterprise Funds | | | Governmental | |
|--|---|---------------------|---------------------------|------------------------|---------------------|
| | Solid Waste | Airport | Nonmajor Enterprise Funds | Internal Service Funds | |
| ASSETS | | | | | |
| Current Assets: | | | | | |
| Cash and investments | \$ 3,122,036 | \$ 119,630 | \$ 111,333 | \$ 3,352,999 | \$ 1,834,860 |
| Cash with fiscal agent | - | - | - | - | 45,413 |
| Accounts receivable | 222,534 | - | - | 222,534 | 54 |
| Due from other governments | 171 | - | - | 171 | - |
| Deposits with others | - | - | - | - | 3,773,417 |
| Inventory | - | 2,112 | - | 2,112 | - |
| Total Current Assets | <u>3,344,741</u> | <u>121,742</u> | <u>111,333</u> | <u>3,577,816</u> | <u>5,653,744</u> |
| Noncurrent Assets: | | | | | |
| Restricted cash in Treasury | 3,433,881 | - | - | 3,433,881 | - |
| Capital assets: | | | | | |
| Non-depreciable | 52,800 | 275,623 | - | 328,423 | - |
| Depreciable, net | 843,453 | 5,147,165 | - | 5,990,618 | 1,824,889 |
| Total Noncurrent Assets | <u>4,330,134</u> | <u>5,422,788</u> | <u>-</u> | <u>9,752,922</u> | <u>1,824,889</u> |
| Total Assets | <u>7,674,875</u> | <u>5,544,530</u> | <u>111,333</u> | <u>13,330,738</u> | <u>7,478,633</u> |
| DEFERRED OUTFLOWS | | | | | |
| Deferred amounts related to pensions | <u>223,588</u> | <u>-</u> | <u>-</u> | <u>223,588</u> | <u>30,559</u> |
| LIABILITIES | | | | | |
| Current Liabilities: | | | | | |
| Accounts payable | 134,950 | 1,081 | 2,502 | 138,533 | 35,034 |
| Salaries and benefits payable | 26,741 | - | - | 26,741 | 11,198 |
| Interest payable | 13,913 | - | - | 13,913 | - |
| Advances from other funds | 195,000 | - | - | 195,000 | - |
| Refunded certificates of participation | 245,200 | - | - | 245,200 | - |
| Compensated absences | 50,142 | - | - | 50,142 | - |
| Claims liability | - | - | - | - | 3,164,755 |
| Total Current Liabilities | <u>665,946</u> | <u>1,081</u> | <u>2,502</u> | <u>669,529</u> | <u>3,210,987</u> |
| Noncurrent Liabilities: | | | | | |
| Advances from other funds | 270,000 | - | - | 270,000 | - |
| Refunded certificates of participation | 1,700,700 | - | - | 1,700,700 | - |
| Compensated absences | 3,727 | - | - | 3,727 | - |
| Closure and post closure liability | 7,845,991 | - | - | 7,845,991 | - |
| Net pension liability | 957,935 | - | - | 957,935 | 130,927 |
| Total Noncurrent Liabilities | <u>10,778,353</u> | <u>-</u> | <u>-</u> | <u>10,778,353</u> | <u>130,927</u> |
| Total Liabilities | <u>11,444,299</u> | <u>1,081</u> | <u>2,502</u> | <u>11,447,882</u> | <u>3,341,914</u> |
| DEFERRED INFLOWS | | | | | |
| Deferred amounts related to pensions | <u>43,954</u> | <u>-</u> | <u>-</u> | <u>43,954</u> | <u>6,007</u> |
| NET POSITION | | | | | |
| Net investment in capital assets | 896,253 | 5,422,788 | - | 6,319,041 | 1,266,395 |
| Restricted | - | - | 4,648 | 4,648 | - |
| Unrestricted | (4,486,043) | 120,661 | 104,183 | (4,261,199) | 2,894,876 |
| Total Net Position | <u>\$ (3,589,790)</u> | <u>\$ 5,543,449</u> | <u>\$ 108,831</u> | <u>\$ 2,062,490</u> | <u>\$ 4,161,271</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, 2018

| | Business-Type Activities - Enterprise Funds | | | Governmental |
|--|---|---------------------|---------------------------|------------------------|
| | Solid Waste | Airport | Nonmajor Enterprise Funds | Internal Service Funds |
| OPERATING REVENUES | | | | |
| Charges for services | \$ 3,063,176 | \$ 6,754 | \$ 47,795 | \$ 3,117,725 |
| Total Operation Revenues | <u>3,063,176</u> | <u>6,754</u> | <u>47,795</u> | <u>3,117,725</u> |
| OPERATING EXPENSES | | | | |
| Salaries and benefits | 774,217 | - | - | 774,217 |
| Services and supplies | 1,164,867 | 38,505 | 51,136 | 1,254,508 |
| Closure and post closure costs | 244,617 | - | - | 244,617 |
| Depreciation and amortization | 32,915 | 321,104 | - | 354,019 |
| Total Operating Expenses | <u>2,216,616</u> | <u>359,609</u> | <u>51,136</u> | <u>2,627,361</u> |
| OPERATING INCOME (LOSS) | <u>846,560</u> | <u>(352,855)</u> | <u>(3,341)</u> | <u>490,364</u> |
| NON-OPERATING REVENUES (EXPENSES) | | | | |
| Interest income | 91,672 | 3,124 | 1,532 | 96,328 |
| Interest expense | (91,945) | - | - | (91,945) |
| Operating grants | 20,000 | 20,000 | - | 40,000 |
| Miscellaneous | 15,831 | - | - | 15,831 |
| Gain (loss) on sale of capital assets | - | - | - | - |
| Total Non-Operating Revenues (Expenses) | <u>35,558</u> | <u>23,124</u> | <u>1,532</u> | <u>60,214</u> |
| Income (Loss) Before Capital Contributions and Transfers | 882,118 | (329,731) | (1,809) | 550,578 |
| Capital contributions | - | 28,411 | - | 28,411 |
| Transfers in | - | - | 20,000 | 20,000 |
| Transfers out | - | (45,087) | - | (45,087) |
| CHANGE IN NET POSITION | <u>882,118</u> | <u>(346,407)</u> | <u>18,191</u> | <u>553,902</u> |
| Net Position, Beginning of Year | <u>(4,471,908)</u> | <u>5,889,856</u> | <u>90,640</u> | <u>1,508,588</u> |
| NET POSITION, END OF YEAR | <u>\$ (3,589,790)</u> | <u>\$ 5,543,449</u> | <u>\$ 108,831</u> | <u>\$ 2,062,490</u> |

See accompanying notes to the basic financial statements.

COUNTY OF MONO

Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2018

| | Business-Type Activities - Enterprise Funds | | | Total Enterprise Funds | Governmental |
|--|---|------------|---------------------------------|------------------------------|------------------------------|
| | Solid Waste | Airport | Nonmajor Enterprise Funds | | Internal Service Funds |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Cash receipts from customers | \$ 3,172,753 | \$ 6,754 | \$ 51,829 | \$ 3,231,336 | \$ - |
| Cash receipts from internal fund services provided | - | - | - | - | 4,465,618 |
| Cash paid to employees for services | (819,360) | - | - | (819,360) | (347,637) |
| Cash paid to suppliers for goods and services | (1,139,949) | (51,565) | (51,087) | (1,242,601) | (2,950,123) |
| Net Cash Provided (Used) by Operating Activities | 1,213,444 | (44,811) | 742 | 1,169,375 | 1,167,858 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Payment on advances from other funds | (195,000) | - | - | (195,000) | - |
| Miscellaneous receipts | 15,831 | - | - | 15,831 | 82,282 |
| Operating grants | 20,000 | 20,000 | - | 40,000 | - |
| Net transfers from (to) other funds | - | (16,676) | 20,000 | 3,324 | 554,914 |
| Repayment of debt not attributable to capital purposes | (236,800) | - | - | (236,800) | - |
| Interest paid | (93,638) | - | - | (93,638) | - |
| Net Cash Provided (Used) by Noncapital Financing Activities | (489,607) | 3,324 | 20,000 | (466,283) | 637,196 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | |
| Capital grants | - | - | - | - | - |
| Payments related to the acquisition of capital assets | (82,000) | - | - | (82,000) | (995,755) |
| Proceeds from the sale of capital assets | - | - | - | - | 51,464 |
| Net Cash Provided (Used) by Capital and Related Financing Activities | (82,000) | - | - | (82,000) | (944,291) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Interest received | 91,672 | 3,124 | 1,532 | 96,328 | 20,559 |
| Net Cash Provided by Investing Activities | 91,672 | 3,124 | 1,532 | 96,328 | 20,559 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 733,509 | (38,363) | 22,274 | 717,420 | 881,322 |
| Cash and Cash Equivalents, Beginning of Year | 5,822,408 | 157,993 | 89,059 | 6,069,460 | 998,951 |
| Cash and Cash Equivalents, End of Year | \$ 6,555,917 | \$ 119,630 | \$ 111,333 | \$ 6,786,880 | \$ 1,880,273 |
| Reconciliation of Cash and Cash Equivalents to the Statement of Fund Net Position | | | | | |
| Cash and investments | \$ 3,122,036 | \$ 119,630 | \$ 111,333 | \$ 3,352,999 | \$ 1,834,860 |
| Cash with fiscal agent | - | - | - | - | 45,413 |
| Restricted cash in Treasury | 3,433,881 | - | - | 3,433,881 | - |
| Total Cash and Cash Equivalents | \$ 6,555,917 | \$ 119,630 | \$ 111,333 | \$ 6,786,880 | \$ 1,880,273 |

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) | \$ 846,560 | \$ (352,855) | \$ (3,341) | \$ 490,364 | \$ 1,261,613 |
| Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities | | | | | |
| Depreciation | 32,915 | 321,104 | - | 354,019 | 437,205 |
| Changes in assets and liabilities | | | | | |
| Receivables | 109,577 | - | 4,034 | 113,611 | 946 |
| Deposits with others | - | - | - | - | (574,380) |
| Deferred outflows | (4,446) | - | - | (4,446) | 37,925 |
| Accounts payable | 24,918 | (13,060) | 49 | 11,907 | (31,700) |
| Accrued salaries and benefits | 14,077 | - | - | 14,077 | 5,542 |
| Claims liability | - | - | - | - | 224,752 |
| Closure and postclosure liability | 244,617 | - | - | 244,617 | - |
| Liability for compensated absences | 2,429 | - | - | 2,429 | - |
| Net pension liability | (63,099) | - | - | (63,099) | (188,158) |
| Deferred inflows | 5,896 | - | - | 5,896 | (5,887) |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 1,213,444</u> | <u>\$ (44,811)</u> | <u>\$ 742</u> | <u>\$ 1,169,375</u> | <u>\$ 1,167,858</u> |

See accompanying notes to the basic financial statements.

COUNTY OF MONO

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2018

| | <u>Investment Trust</u> | <u>Agency</u> |
|---|-----------------------------|--------------------|
| ASSETS | | |
| Pooled Cash and investments | \$ 43,603,090 | \$ 6,277,636 |
| Total Assets | <u>43,603,090</u> | <u>6,277,636</u> |
| LIABILITIES | | |
| Agency funds held for others | <u>-</u> | <u>6,277,636</u> |
| Total Liabilities | <u>-</u> | <u>6,277,636</u> |
| NET POSITION | | |
| Net position held in trust for investment pool participants | <u>43,603,090</u> | <u>-</u> |
| Total Net Position | <u><u>\$ 43,603,090</u></u> | <u><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, 2018

| | <u>Investment Trust</u> |
|--------------------------------------|-----------------------------|
| ADDITIONS | |
| Contributions | \$ 75,501,900 |
| Investment income | <u>660,413</u> |
| Total Additions | <u>76,162,313</u> |
| DEDUCTIONS | |
| Distributions | <u>73,654,858</u> |
| Total Deductions | <u>73,654,858</u> |
| CHANGE IN NET POSITION | 2,507,455 |
| Net Position, Beginning of Year | <u>41,095,635</u> |
| NET POSITION, END OF THE YEAR | <u><u>\$ 43,603,090</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.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

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, 2018

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. Operations includes the permitting, monitoring and maintenance of the County's three active landfills, as well as three closed landfills, and implementation of 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, 2018

- 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, certain licensing of installed software applications, and other technology items, self-insurance programs, and the County's motor pool which purchases and maintains vehicles. Department user fees include a capital replacement charge, if applicable, to provide financing for replacing internally utilized assets at the end of their respective useful lives.
- 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, 2018

D. Cash and Investments

The County follows the practice of pooling cash and investments of all funds with the County Treasurer except for cash and investments managed by fiscal agents under separate agreements. Interest earned on bank balances and investments is allocated to the various funds on a quarterly basis using each fund's average daily cash balances for those funds entitled to receive interest with all remaining interest deposited in the County's General Fund.

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 as investment earnings in the year in which the change occurred. The fair value of investments is determined annually.

The County Treasurer's Pool values participants' shares on an amortized cost basis meaning the Pool distributes income to participants based on their relative participation during the period. Actual daily activity is transacted on a dollar-for-dollar basis and only a withdrawal from the pool of a size that jeopardizes pool participants would result in a withdrawal at fair value. During the fiscal year ended June 30, 2018, the County has not provided or obtained any legally binding guarantees to support the value of pool shares.

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 \$52,723 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

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

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 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 |

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

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. The County has recorded deferred outflows and inflows or resources related to pensions and other postemployment benefits (OPEB), which are discussed in more detail in footnotes 7 and 8, respectively.

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.

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2018

- *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.

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.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

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.

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. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the County's OPEB Plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

| | |
|---------------------|-------------------------------|
| Valuation Date: | January 1, 2016 |
| Measurement Date: | June 30, 2017 |
| Measurement Period: | July 1, 2016 to June 30, 2017 |

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

R. 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.

S. 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, 2018:

GASB Statement No. 75 – In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this statement is to 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. This statement is effective for periods beginning after June 15, 2017. The County implemented this statement as of July 1, 2017.

GASB Statement No. 81 – In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. 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. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016. The County has determined that this statement is not applicable.

GASB Statement No. 85 – In March 2017, GASB issued Statement No. 85, *Omnibus 2017*. 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]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The County implemented this statement as of July 1, 2017.

GASB Statement No. 86 – In May 2017, GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. 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. The requirements of this Statement are effective or reporting periods beginning after June 15, 2017. The County has determined that this statement is not applicable.

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. 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

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2018

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. 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.

GASB Statement No. 88 – *Certain Disclosures Related to debt, including Direct Borrowings and Direct Placements* is effective for periods beginning after June 15, 2018. The objective of this Statement is to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt.

GASB Statement No. 89 – *Accounting for Interest Cost Incurred before the End of a Construction Period* is effective for periods beginning after December 15, 2019. The objectives of this statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs.

GASB Statement No. 90 – *Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61* is effective for reporting periods beginning after December 15, 2018. The objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

NOTE 2: CASH AND INVESTMENTS

Total County cash and investments at June 30, 2018 were as follows:

| | | |
|---|----|--------------------------|
| Imprest cash | \$ | 770 |
| Cash on hand | | 437 |
| Deposits in bank | | 5,594,532 |
| Deposits held by fiscal agents external to the pool | | 45,413 |
| | | <u>5,641,152</u> |
| Investments: | | |
| In Treasurer's pool | | 86,621,176 |
| Total Cash and Investments | \$ | <u><u>92,262,328</u></u> |

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2018

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

| | |
|-----------------------|----------------------|
| Primary government | \$ 42,381,602 |
| Investment trust fund | 43,603,090 |
| Agency funds | 6,277,636 |
| | <u>\$ 92,262,328</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.

| 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 | 20% | None |

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2018

At June 30, 2018, the County had the following investments:

| | Interest Rates | Maturities | Par | Fair Value | WAM (Years) |
|--------------------------------------|----------------|------------------|----------------------|----------------------|-------------|
| Investments in Investment Pool | | | | | |
| Federal Agency Issues - Coupon | 1.06%-2.7% | 11/19/18-4/11/23 | \$ 38,775,000 | \$ 38,746,674 | 2.60 |
| U.S. Treasuries | 1.375%-1.625% | 9/30/18 -6/30/19 | 4,500,000 | 4,487,288 | 0.65 |
| Medium Term Corporate Bonds | 1.55%-5.45% | 7/13/18-4/28/23 | 8,500,000 | 8,653,220 | 2.61 |
| Negotiable Certificates of Deposit | 1.05%-3.0% | 7/23/18-4/28/23 | 13,675,000 | 13,674,388 | 2.54 |
| Municipal Bonds | 1.25%-4.75% | 8/1/18-4/1/22 | 6,955,000 | 7,070,284 | 1.35 |
| Treasury Loans | 1.25%-2.5% | 10/3/18-8/1/22 | 294,484 | 294,484 | 3.11 |
| LAIF | Variable | On-Demand | 1,051,322 | 1,051,322 | 0.00 |
| CAMP | Variable | On-Demand | 12,643,516 | 12,643,516 | 0.00 |
| Total investments in investment pool | | | <u>\$ 86,394,322</u> | <u>\$ 86,621,176</u> | 1.98 |

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.

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, 2018.

| | Quality Rating Range | % of Portfolio |
|------------------------------------|----------------------|----------------|
| Federal Agency Issues - Coupon | Aaa to Aa1 | 44.49% |
| U.S. Treasuries | Aaa | 5.27% |
| Medium Term Corporate Bonds | Aaa to A2 | 9.90% |
| Negotiable Certificates of Deposit | Unrated | 15.77% |
| Municipal Bonds | Aa1 to A2 | 8.12% |
| Treasury Loans | Unrated | 0.35% |
| LAIF | Unrated | 14.86% |
| CAMP | Unrated | 1.24% |
| Total | | <u>100.00%</u> |

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2018

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 Farm Credit Bank | Federal Agency Obligations | 8.07% | \$ 6,993,946 |
| Federal Home Loan Bank | Federal Agency Obligations | 6.97% | 6,041,213 |
| Federal Home Loan Mortgage Corporation | Federal Agency Obligations | 7.24% | 6,274,330 |
| Federal National Mortgage Association | Federal Agency Obligations | 22.18% | 19,212,208 |

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, 2018, unnecessarily exposed to custodial credit risk.

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 \$1,051,322. The total amount invested by all public agencies in LAIF at June 30, 2018, was \$88.8 billion, the majority of which is invested in non-derivative financial products. The average maturity of PMIA investments was 183 days as of June 30, 2018. 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 OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

California Asset Management Program

The County Treasurer's Pool maintains an investment in the California Asset Management Program (CAMP). On June 30, 2018, the County's investment to CAMP was \$12,643,517. The weighted average to maturity of CAMP investments was 35 days as of June 30, 2018. The Board of Trustees, which is made up of experienced local government directors and treasurers, has oversight responsibility for CAMP. The value of the pool shares in CAMP, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the County Treasurer's portion of the pool. CAMP's investment policy does not permit the purchase of asset-backed securities (Government Code 53601(n)), but does permit the purchase commercial paper 53601(h), which can include asset-backed commercial paper.

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, 2018:

Statement of Net Position

| | |
|---|----------------------|
| Net position held for pool participants | <u>\$ 92,216,915</u> |
| Equity of external pool participants | \$ 43,603,090 |
| Equity of internal pool participants | <u>48,613,825</u> |
| Total net position | <u>\$ 92,216,915</u> |

Statement of Changes in Net Position

| | |
|--|----------------------|
| Net position at July 1, 2017 | \$ 84,939,059 |
| Net change in investments by pool participants | <u>7,277,856</u> |
| Net position at June 30, 2018 | <u>\$ 92,216,915</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.
- 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.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

The County's investments measured at fair value as of June 30, 2018 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 | \$ 38,746,674 | \$ - | \$ 38,746,674 | \$ - |
| U.S. Treasuries | 4,487,288 | - | 4,487,288 | - |
| Medium Term Corporate Bonds | 8,653,220 | - | 8,653,220 | - |
| Negotiable Certificates of Deposit | 13,674,388 | - | 13,674,388 | - |
| Municipal Bonds | 7,070,284 | - | 7,070,284 | - |
| Total investments measured at fair value | 72,631,854 | \$ - | \$ 72,631,854 | \$ - |
| Investments measured at amortized cost: | | | | |
| Treasury Loans | 294,484 | | | |
| LAIF | 1,051,322 | | | |
| CAMP | 12,643,516 | | | |
| Total investments in Investment Pool | \$ 86,621,176 | | | |

NOTE 3: **INTERFUND TRANSACTIONS**

The composition of interfund balances as of June 30, 2018, is as follows:

Due to/from other funds:

| Receivable Fund | Payable Fund | Amount |
|-----------------------------|-----------------------------|-------------------|
| General Fund | Nonmajor Governmental Funds | \$ 131,326 |
| Nonmajor Governmental Funds | Nonmajor Governmental Funds | 149,909 |
| | | <u>\$ 281,235</u> |

The above balances reflect temporary loans to cover cash deficits at June 30.

Advances to/from other funds:

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

| Receivable Fund | Payable Fund | Amount |
|-----------------|-----------------------------|-------------------|
| General Fund | Nonmajor Governmental Funds | \$ 99,013 |
| | Solid Waste Fund | 465,000 |
| | | <u>\$ 564,013</u> |

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2018

In 2018, the County's General Fund advanced \$99,013 to complete funding of the County's Revolving Loan Fund at the maximum amount of \$300,000, as authorized by Resolution 15-81. The Revolving Loan Fund is established to purchase deed-restricted properties and thereby preserve affordable housing units. Of the maximum of \$300,000 established for the program, \$200,987 is funded from the County's Housing Mitigation Fund, and the remaining \$99,013 is advanced by the County's General Fund. The advance is to be repaid upon termination of the Revolving Loan Fund program.

The Solid Waste advances from the County's General Fund represent two interest-free loans provided. 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, 2018, was \$240,000.

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, 2018, was \$225,000.

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 | \$ 650,000 |
| | Nonmajor Governmental Funds | 1,777,743 |
| | Nonmajor Enterprise Funds | 20,000 |
| | Internal Service Funds | 500,000 |
| | | <u>2,947,743</u> |
| Realignment Fund | General Fund | 1,217,995 |
| | Nonmajor Governmental Funds | 1,201,796 |
| | Internal Service Funds | 54,914 |
| | | <u>2,474,705</u> |
| Nonmajor Governmental Funds | General Fund | 340,684 |
| | Nonmajor Governmental Funds | 1,130,776 |
| | | <u>1,471,460</u> |
| Airports | Roads | 45,087 |
| | Total | <u>\$ 6,938,995</u> |

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018, was as follows:

| | Balance July 1, 2017 | Additions | Transfers & Adjustments | Retirements | Balance June 30, 2018 |
|--|-------------------------|---------------------|----------------------------|--------------------|--------------------------|
| Governmental Activities | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 6,793,617 | \$ -- | \$ -- | \$ -- | \$ 6,793,617 |
| Construction in progress | 1,452,021 | 812,671 | (343,004) | (26,064) | 1,895,624 |
| Total capital assets, not being depreciated | <u>8,245,638</u> | <u>812,671</u> | <u>(343,004)</u> | <u>(26,064)</u> | <u>8,689,241</u> |
| Capital assets, being depreciated: | | | | | |
| Infrastructure | 94,283,897 | 638,034 | -- | -- | 94,921,931 |
| Structures and improvements | 18,621,557 | 58,496 | 343,004 | -- | 19,023,057 |
| Equipment | 18,026,793 | 1,161,561 | -- | (445,522) | 18,742,832 |
| Intangibles | 1,148,577 | -- | -- | -- | 1,148,577 |
| Total capital assets, being depreciated | <u>132,080,824</u> | <u>1,858,091</u> | <u>343,004</u> | <u>(445,522)</u> | <u>133,836,397</u> |
| Less accumulated depreciation for: | | | | | |
| Infrastructure | (80,408,901) | (1,362,112) | -- | -- | (81,771,013) |
| Structures and improvements | (8,886,829) | (495,562) | -- | -- | (9,382,391) |
| Equipment | (14,858,977) | (729,886) | -- | 445,336 | (15,143,527) |
| Intangibles | (1,135,210) | (1,975) | -- | -- | (1,137,185) |
| Total accumulated depreciation | <u>(105,289,917)</u> | <u>(2,589,535)</u> | <u>--</u> | <u>445,336</u> | <u>(107,434,116)</u> |
| Total capital assets, being depreciated, net | <u>26,790,907</u> | <u>(731,444)</u> | <u>343,004</u> | <u>(186)</u> | <u>26,402,281</u> |
| Governmental activities capital assets, net | <u>\$ 35,036,545</u> | <u>\$ 81,227</u> | <u>\$ --</u> | <u>\$ (26,250)</u> | <u>\$ 35,091,522</u> |
| Business-Type Activities | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 328,423 | \$ -- | \$ -- | \$ -- | \$ 328,423 |
| Total capital assets, not being depreciated | <u>328,423</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>328,423</u> |
| Capital assets, being depreciated: | | | | | |
| Infrastructure | 463,141 | -- | -- | -- | 463,141 |
| Structures and improvements | 7,730,944 | 82,000 | -- | -- | 7,812,944 |
| Equipment | 1,532,463 | -- | -- | -- | 1,532,463 |
| Total capital assets, being depreciated | <u>9,726,548</u> | <u>82,000</u> | <u>--</u> | <u>--</u> | <u>9,808,548</u> |
| Less accumulated depreciation for: | | | | | |
| Infrastructure | -- | (23,430) | -- | -- | (23,430) |
| Structures and improvements | (1,912,172) | (328,887) | -- | -- | (2,241,059) |
| Equipment | (1,551,739) | (1,702) | -- | -- | (1,553,441) |
| Total accumulated depreciation | <u>(3,463,911)</u> | <u>(354,019)</u> | <u>--</u> | <u>--</u> | <u>(3,817,930)</u> |
| Total capital assets, being depreciated, net | <u>6,262,637</u> | <u>(272,019)</u> | <u>--</u> | <u>--</u> | <u>5,990,618</u> |
| Business-type activities capital assets, net | <u>\$ 6,591,060</u> | <u>\$ (272,019)</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ 6,319,041</u> |

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

Depreciation

Depreciation expense was charged to governmental functions as follows:

| | | |
|---|----|-------------------------|
| General government | \$ | 111,628 |
| Public protection | | 141,405 |
| Public ways and facilities | | 1,733,044 |
| Health and sanitation | | 61,334 |
| Public assistance | | 1,219 |
| Recreation and culture | | 103,700 |
| Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the asset | | <u>437,205</u> |
| Total Depreciation Expense - Governmental Functions | \$ | <u><u>2,589,535</u></u> |

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

| | | |
|--|----|-----------------------|
| Solid Waste | \$ | 32,915 |
| Airport | | <u>321,104</u> |
| Total Depreciation Expense - Business-Type Functions | \$ | <u><u>354,019</u></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, 2018 was \$1,059,723. 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, 2018, is as follows:

| Year Ending June 30: | Governmental Activities |
|-------------------------|----------------------------|
| <u>2019</u> | <u>1,102,112</u> |
| 2020 | 579,493 |
| 2021 | 299,182 |
| 2022 | 320,125 |
| 2023 | 342,534 |
| | <u><u>\$ 2,643,446</u></u> |

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

The following is a summary of long-term liabilities transactions for the year ended June 30, 2018:

| | Balance July 1, 2017 (Restated) | Additions | Retirements | Balance June 30, 2018 | Due Within One Year |
|--|---------------------------------------|----------------------|------------------------|--------------------------|------------------------|
| Governmental Activities | | | | | |
| Pension obligation bonds | \$ 1,459,500 | \$ - | \$ (762,900) | \$ 696,600 | \$ 116,300 |
| Notes payable | 150,229 | 245,750 | (124,953) | 271,026 | 111,329 |
| Compensated absences | 3,042,040 | 1,737,383 | (1,837,574) | 2,941,849 | 1,772,760 |
| Net pension liability | 46,661,293 | 8,473,419 | (4,248,107) | 50,886,605 | - |
| Net OPEB liability | 19,440,386 | 2,424,073 | (4,962,151) | 16,902,308 | - |
| Claims liability | 2,940,003 | 847,846 | (623,094) | 3,164,755 | 3,164,755 |
| Total Governmental Activities | | | | | |
| Long-term liabilities | <u>\$ 73,693,451</u> | <u>\$ 13,728,471</u> | <u>\$ (12,558,779)</u> | <u>\$ 74,863,143</u> | <u>\$ 5,165,144</u> |
| Business-type Activities | | | | | |
| Refunded certificates of participation | \$ 2,182,700 | \$ - | \$ (236,800) | \$ 1,945,900 | \$ 245,200 |
| Net pension liability | 1,021,034 | 30,728 | (93,827) | 957,935 | - |
| Compensated absences | 51,440 | 45,737 | (43,308) | 53,869 | 50,142 |
| Landfill postclosure cost | 7,601,374 | 244,617 | - | 7,845,991 | - |
| Total Business-type Activities | | | | | |
| Long-term liabilities | <u>\$ 10,856,548</u> | <u>\$ 321,082</u> | <u>\$ (373,935)</u> | <u>\$ 10,803,695</u> | <u>\$ 295,342</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, 2018, annual debt service requirements to maturity are as follows:

| Year Ending June 30 | Governmental Activities | | | |
|------------------------|-------------------------|------------------|-------------------|------------------|
| | Bonds Payable | | Notes Payable | |
| | Principal | Interest | Principal | Interest |
| 2019 | \$ 116,300 | \$ 30,921 | \$ 111,329 | \$ 5,333 |
| 2020 | 127,200 | 25,412 | 44,220 | 3,718 |
| 2021 | 138,800 | 19,390 | 45,332 | 2,605 |
| 2022 | 151,100 | 12,823 | 46,472 | 1,465 |
| 2023 | 163,200 | 6,628 | 23,673 | 296 |
| | <u>\$ 696,600</u> | <u>\$ 95,174</u> | <u>\$ 271,026</u> | <u>\$ 13,417</u> |

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

| Year Ending June 30 | Business-Type Activities | |
|------------------------|-------------------------------|---------------------|
| | Certificates of Participation | |
| | Principal | Interest |
| 2019 | \$ 245,200 | \$ 328,680 |
| 2020 | 253,400 | 326,360 |
| 2021 | 266,400 | 328,490 |
| 2022 | 279,100 | 329,760 |
| 2023 | 286,700 | 325,388 |
| 2024-2025 | 615,100 | 655,048 |
| | <u>\$ 1,945,900</u> | <u>\$ 2,293,726</u> |

Long-term debt at June 30, 2018, consisted of the following:

| | Date of Issue | Date of Maturity | Interest Rates | Annual Principal Installments | Original Issue Amount | Outstanding at June 30, 2018 |
|--|------------------|---------------------|-------------------|-------------------------------------|-----------------------------|---------------------------------|
| <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 | \$ 696,600 |
| Notes Payable (to purchase Innoprise Accounting System) | 2/15 - 3/18 | 6/30/2019 | 1.25% | \$10,903 - \$43,536 | \$ 356,302 | \$ 68,195 |
| Notes Payable (to purchase elections equipment) | 07/17 | 8/1/2022 | 2.50% | \$21,169 - \$23,673 | \$ 224,000 | \$ 202,831 |
| <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 | 1,945,900 |

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 \$7,845,991 reported as closure and postclosure liability in the Solid Waste Fund at June 30, 2018, 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, 2018

| 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, 2018 | Landfill Closure and Postclosure Liability at June 30, 2018 |
|-----------------|-------------------------|-----------------------------|----------------------|--|----------------------------------|---------------------------------------|---|---|
| Benton Crossing | \$ 4,688,439 | \$ 2,232,899 | \$ 6,921,338 | 2,253,100 | 792,135 | 1,460,965 | 64.84% | \$ 4,487,964 |
| Pumice Valley | 1,969,863 | 1,778,551 | 3,748,414 | 347,112 | 229,066 | 118,046 | 34.01% | 1,274,767 |
| Walker | 1,595,919 | 1,202,002 | 2,797,921 | 340,716 | 275,299 | 65,417 | 19.20% | 537,200 |
| Benton* | -- | 777,020 | 777,020 | -- | -- | -- | 100.00% | 465,500 |
| Bridgeport* | -- | 960,967 | 960,967 | -- | -- | -- | 100.00% | 606,000 |
| Chalfant* | -- | 752,542 | 752,542 | -- | -- | -- | 100.00% | 474,560 |
| Total | <u>\$ 8,254,221</u> | <u>\$ 7,703,980</u> | <u>\$ 15,958,201</u> | <u>2,940,928</u> | <u>1,296,500</u> | <u>1,644,428</u> | <u>55.92%</u> | <u>\$ 7,845,991</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 \$7,167,742 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 2018. 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, 2018, cash and investments of \$3,433,881 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.

Benefits Provided

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2018

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, 2018, 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 | 10.445% | 10.445% | 10.445% |
| Status | Open | Open | Open |

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

| | Safety | | | | |
|---|--|---------------------------------|----------------------------|------------------------------|--------------------------|
| | Peace Officer Tier 1 | Peace Officer Tier 2 | Sheriff Tier 1 | Sheriff Tier 2 | Fire 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 | 19.723% | 19.723% | 19.723% | 16.842% | 19.723% |
| Status | Open | Open | Open | Open | Open |
| | Fire Tier II | Peace Officer Pepra - Tier 3 | Sherif Pepra - Tier 3 | Fire Pepra - Tier 3 | |
| Hire Date | On or after July 1, 2007/ 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 | 15.928% | 11.990% | 11.990% | 11.990% | |
| Status | Open | Open | Open | Open | |

Employees Covered

At June 30, 2018, 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 | 314 |
| Inactive employees entitled to but not yet receiving benefits | 213 |
| Active employees | 188 |
| | 715 |

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, 2018

For the year ended June 30, 2018, contributions recognized as part of pension expense for the plan were as follows:

| | Employer Contributions | | |
|----------------------------------|------------------------|---------------------|---------------------|
| | Total | Miscellaneous | Safety |
| Governmental activities: | | | |
| Governmental funds | \$ 4,218,785 | \$ 2,655,875 | \$ 1,562,910 |
| Motor Pool Internal Service fund | 29,322 | 29,322 | - |
| Total governmental activities | 4,248,107 | 2,685,197 | 1,562,910 |
| Business type activities | | | |
| Solid Waste fund | 93,827 | 93,827 | - |
| | <u>\$ 4,341,934</u> | <u>\$ 2,779,024</u> | <u>\$ 1,562,910</u> |

Pension Liabilities

As of June 30, 2018, 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 | \$ 50,755,678 | \$ 30,663,512 | \$ 20,092,166 |
| Motor Pool ISF | 130,927 | 130,927 | - |
| Total governmental activities | 50,886,605 | 30,794,439 | 20,092,166 |
| Business type activities | | | |
| Solid Waste fund | 957,935 | 957,935 | - |
| Total Mono County | 51,844,540 | <u>\$ 31,752,374</u> | <u>\$ 20,092,166</u> |
| Courts | 1,994,500 | | |
| | <u>\$ 53,839,040</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, 2017, using an annual actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 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, 2018

| Plan | Plan's Proportion to Total Pool @ June 30, 2016 | Plan's Proportion to Total Pool @ June 30, 2017 | Plan's Proportionate Share of Net Pension Liability |
|--------|---|---|---|
| Safety | 0.33674% | 0.33626% | \$ 20,092,166 |

Actuarial Assumptions

The total pension liabilities in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions:

| | Miscellaneous | Safety |
|---------------------------|---|----------------------|
| Valuation Date | June 30, 2016 | June 30, 2016 |
| Measurement Date | June 30, 2017 | June 30, 2017 |
| Actuarial Cost Method | Entry-Age Normal Cost Method | |
| Actuarial Assumptions: | | |
| Discount Rate | 7.15% | 7.15% |
| 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, 2016 valuation were based on the results of the 2010 actuarial experience study for the period 1997 to 2011. 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 7.15% for each Plan. This rate is 0.50% lower than the previous year and reflects the CalPERS Board of Administration decision on December 21, 2016, to lower the discount rate. 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 7.15 percent discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. 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

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2018

excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a 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.

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 | 47.0% | 4.90% | 5.38% |
| Global Fixed Income | 19.0% | 0.80% | 2.27% |
| Inflation Sensitive | 6.0% | 0.60% | 1.39% |
| Private Equity | 12.0% | 6.60% | 6.63% |
| Real Estate | 11.0% | 2.80% | 5.21% |
| Infrastructure and Forestland | 3.0% | 3.90% | 5.36% |
| Liquidity | 2.0% | -0.40% | -0.90% |
| 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, 2018

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, 2017 | \$ 97,796,416 | \$ 67,554,831 | \$ 30,241,585 |
| Changes in the year: | | | |
| Service cost | 2,205,881 | - | 2,205,881 |
| Interest on total pension liability | 7,115,841 | - | 7,115,841 |
| Changes of assumptions | 5,573,635 | - | 5,573,635 |
| Differences between expected and actual experience | (2,310,234) | - | (2,310,234) |
| Contributions from the employer | - | 2,775,636 | (2,775,636) |
| Contributions from employees | - | 886,827 | (886,827) |
| Net Investment Income | - | 7,484,204 | (7,484,204) |
| Benefit payments, including refunds of employee contributions | (5,104,325) | (5,104,325) | - |
| Administrative expense | - | (99,651) | 99,651 |
| Proportional differences between County Courts shares | (88,346) | (61,027) | (27,319) |
| Net Changes | 7,392,452 | 5,881,664 | 1,510,788 |
| Balance at June 30, 2018 | \$ 105,188,868 | \$ 73,436,495 | \$ 31,752,373 |

The County's share of the Miscellaneous Plan determined at June 30, 2018 is 94.0898 percent of the Plan's total pension liability and fiduciary net position. The remaining 5.9102 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 | 6.15% | 6.15% | 6.15% |
| Net Pension Liability | \$ 45,128,935 | \$ 30,294,321 | \$ 75,423,256 |
| Current Discount Rate | 7.15% | 7.15% | 7.15% |
| Net Pension Liability | \$ 31,752,373 | \$ 20,092,166 | \$ 51,844,539 |
| 1% Increase | 8.15% | 8.15% | 8.15% |
| Net Pension Liability | \$ 20,642,522 | \$ 11,752,413 | \$ 32,394,935 |

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

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, 2018, the County recognized pension expense of \$6,737,517. Pension expense represents the change in the net pension liability during the measurement period, adjusted for the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

At June 30, 2018, 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 | \$ 4,890,690 | \$ - |
| Changes in assumptions | 6,339,494 | 236,935 |
| Differences between actual and expected experiences | 212,943 | 1,512,447 |
| Adjustment due to differences in proportions | 162,895 | 564,534 |
| Net differences between projected and actual earnings on pension plan investments | 1,683,903 | - |
| Total | <u>\$ 13,289,925</u> | <u>\$ 2,313,916</u> |

The deferred outflows of resources of \$4,890,690 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 | \$ 1,990,637 |
| 2019 | 3,480,682 |
| 2020 | 1,552,076 |
| 2021 | (938,076) |
| | <u>\$ 6,085,319</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, 2018

employees hired after this date are eligible to receive County contributions into an Internal Revenue Code Section 401(a) Plan established by the County.

At June 30, 2018, the following employees were covered by the benefit terms of the plan:

| | |
|--|-----|
| Retirees and beneficiaries receiving benefits | 173 |
| Terminated plan members entitled to but not yet receiving benefits | - |
| Active plan members | 29 |
| | 202 |

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). During the fiscal year ended June 30, 2018, the County contributed \$2,702,041 to the OPEB plan. Of this amount, the County paid \$1,702,041 to retirees during the year and \$1,000,000 to the OPEB trust.

Net OPEB Liability

The County's net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2016.

Actuarial assumptions – The total OPEB liability in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions:

| | |
|---------------------------|--|
| Valuation date | January 1, 2016 |
| Measurement date | June 30, 2017 |
| Actuarial assumptions: | |
| Discount rate | 6.25% |
| Inflation | 2.50% |
| Investment rate of return | 6.25% ⁽¹⁾ |
| Mortality | Based on the 2014 CalPERS experience study and reflect the anticipation of improvement in future mortality (rates include a projection to 2028 using Scale BB) |
| Pre-retirement turnover | Withdrawal based on employees terminating within one year for an employee with five years of service. |
| Healthcare cost trends | Based on the "Getzen" model published by the Society of Actuaries. For non-medicare - 5.25% for 2019 and 2020, decreasing to an ultimate rate of 4.5% in 2070 and later years. For medicare - 5.75% for 2019 and 2020, decreasing to an ultimate rate of 4.5% in 2085 and later years. |

(1) Same as discount rate. Plan assets projected to be sufficient to pay all benefits from trust.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

The long-term expected rate of return on OPEB 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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Expected Real Rate of Return |
|--------------|-------------------|------------------------------|
| Equities | 60.00% | 7.92% |
| Fixed income | 35.00% | 5.00% |
| Cash | 5.00% | 3.27% |
| | <u>100.00%</u> | |

Discount Rate

The discount rate used to measure the total OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that the County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

| | Total OPEB Liability | Fiduciary Net Position | Net OPEB Liability |
|----------------------------------|----------------------|------------------------|----------------------|
| Balances at June 30, 2017 | \$ 34,066,578 | \$ 14,626,192 | \$ 19,440,386 |
| Changes in the year: | | | |
| Service cost | 338,631 | - | 338,631 |
| Interest on total OPEB liability | 2,085,442 | - | 2,085,442 |
| Benefit payments | (2,108,215) | (2,108,215) | - |
| Contributions from employer | - | 3,108,215 | (3,108,215) |
| Net investment income | - | 1,853,936 | (1,853,936) |
| Net changes | <u>315,858</u> | <u>2,853,936</u> | <u>(2,538,078)</u> |
| Balances at June 30, 2018 | <u>\$ 34,382,436</u> | <u>\$ 17,480,128</u> | <u>\$ 16,902,308</u> |

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the County if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate for measurement period ended June 30, 2017:

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

| | 1% Decrease (5.25%) | Discount Rate (6.25%) | 1% Increase (7.25%) |
|--------------------|------------------------|--------------------------|------------------------|
| Net OPEB liability | \$ 21,027,946 | \$ 16,902,308 | \$ 13,465,131 |

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents what the County's net OPEB liability would be if it were calculated using a healthcare cost trend that is one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

| | 1% Decrease in Healthcare Cost Trend Rate | Current Healthcare Cost Trend Rate | 1% Increase in Healthcare Cost Trend Rate |
|--------------------|---|--|---|
| Net OPEB liability | \$ 12,926,738 | \$ 16,902,308 | \$ 21,678,266 |

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2018, the County recognized OPEB expense of \$1,297,355. As of June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| OPEB contributions subsequent to measurement date | \$ 2,702,041 | \$ - |
| Net differences between projected and actual earnings on OPEB plan investments | - | 727,219 |
| | <u>\$ 2,702,041</u> | <u>\$ 727,219</u> |

The \$2,702,041 reported as a deferred outflow of resources related to OPEB contributions subsequent to the June 30, 2017 measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2019. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as expense as follows:

| | |
|-----------------------|-------------------|
| Years ending June 30, | |
| 2019 | \$ 181,805 |
| 2020 | 181,805 |
| 2021 | 181,805 |
| 2022 | 181,805 |
| | <u>\$ 727,220</u> |

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 9: **NET POSITION/FUND BALANCES**

Fund balances at June 30, 2018 were classified as follows:

| | General Fund | Road Fund | Realignment Fund | Mental Health Services Act | Other Governmental Funds | Total |
|---|----------------------|---------------------|---------------------|-------------------------------|--------------------------------|----------------------|
| Nonspendable: | | | | | | |
| Advances to other funds | \$ 564,013 | \$ - | \$ - | \$ - | \$ - | \$ 564,013 |
| Prepays and inventory | 69,931 | 339,367 | - | - | 25,984 | 435,282 |
| Loans Receivable | 887,327 | - | - | - | 911,863 | 1,799,190 |
| Total Nonspendable | <u>1,521,271</u> | <u>339,367</u> | <u>-</u> | <u>-</u> | <u>937,847</u> | <u>2,798,485</u> |
| Restricted for: | | | | | | |
| Road projects | - | 1,642,730 | - | - | - | 1,642,730 |
| Health and social services | - | - | - | 6,555,157 | 4,100,781 | 10,655,938 |
| County service areas | - | - | - | - | 1,914,676 | 1,914,676 |
| Community development | - | - | - | - | 528,728 | 528,728 |
| Grant programs | - | - | 7,330,030 | - | 1,237,646 | 8,567,676 |
| Total Restricted | <u>-</u> | <u>1,642,730</u> | <u>7,330,030</u> | <u>6,555,157</u> | <u>7,781,831</u> | <u>23,309,748</u> |
| Committed: | | | | | | |
| Revolving loan fund | - | - | - | - | 200,987 | 200,987 |
| Assigned: | | | | | | |
| Eliminate projected FY 18/19 budgetary deficit | 1,522,579 | - | - | - | - | 1,522,579 |
| Capital projects | 1,104,026 | - | - | - | 558,139 | 1,662,165 |
| Debt service | - | - | - | - | 193,569 | 193,569 |
| Fish enhancement | 47,399 | - | - | - | - | 47,399 |
| Tourism | 129,548 | - | - | - | - | 129,548 |
| Total Assigned | <u>2,803,552</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>751,708</u> | <u>3,555,260</u> |
| Unassigned | <u>8,783,159</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(412,309)</u> | <u>8,370,850</u> |
| Total Fund Balance | <u>\$ 13,107,982</u> | <u>\$ 1,982,097</u> | <u>\$ 7,330,030</u> | <u>\$ 6,555,157</u> | <u>\$ 9,260,064</u> | <u>\$ 38,235,330</u> |

During this year's budget process, the County Board of Supervisors re-established a general reserve of \$2,218,959 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.

Net Position from governmental activities as of June 30, 2018 was restricted for the following purposes:

| | |
|----------------------------|----------------------|
| Road projects | \$ 1,642,730 |
| Health and social services | 10,904,340 |
| County service areas | 1,914,676 |
| Community development | 1,149,824 |
| Grant programs | 8,985,578 |
| | <u>\$ 24,597,148</u> |

COUNTY OF MONO

Notes to the Basic Financial Statements For the Year Ended June 30, 2018

Net position from business-type activities as of June 30, 2018 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, 2018, as follows:

| <u>Fund</u> | <u>Deficit</u> | <u>Management's Plan(s)</u> |
|-------------------------------|----------------|--|
| Special Revenue Funds: | | |
| Bioterrorism | \$ 120,325 | 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. |
| Disaster Assistance Fund | 153,921 | 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. |
| Enterprise Funds: | | |
| Solid Waste | 3,589,790 | 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, 2018

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. Also, during the fiscal year ended June 30, 2018, the county implemented GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As a result, the County restated the net position as of June 30, 2017 to reflect the prior period costs related to the implementation of the net OPEB liability and to eliminate the OPEB asset accumulated as a result of prior reporting standards replaced by GASB Statement 75.

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>Other Governmental Funds</u> |
| Fund balance / net position, June 30, 2017, after reclassification | \$ 35,668,708 | \$ 8,193,177 |
| Corrections: | | |
| Reclassify outstanding balance of long-term notes payable previously reported as accounts payable | 96,473 | 246,702 |
| Net OPEB asset | (5,394,695) | - |
| Net OPEB liability | (19,440,386) | - |
| Deferred outflows of resources (OPEB) | 3,108,215 | - |
| Total corrections | <u>(21,630,393)</u> | <u>246,702</u> |
| Fund balance / net position, July 1, 2017, after reclassification and as restated | <u>\$ 14,038,315</u> | <u>\$ 8,439,879</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, 2018

The County holds a deposit with Trindel Insurance from which claims are paid. At June 30, 2018, the balance of the deposit was \$3,773,417. 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, 2018 is \$3,164,755.

Changes in the County's claims liability amount for the fiscal years ending June 30, 2018 and, 2017 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> |
|--------------------------|--|---|------------------------|--------------------------------------|
| 2017 | \$ 1,658,334 | \$ 3,021,103 | \$ (1,739,434) | \$ 2,940,003 |
| 2018 | 2,940,003 | 847,846 | (623,094) | 3,164,755 |

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.

No other commitments were made by the County as part of the Williamson Act contracts. For the fiscal year ended June 30, 2018, the Williamson Act Lands Program tax abatements were approximately \$63,800.

COUNTY OF MONO

Notes to the Basic Financial Statements
For the Year Ended June 30, 2018

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.

NOTE 12: SUBSEQUENT EVENT

On December 20, 2018, the County issued \$19,940,000 of Certificates of Participation, Series 2018 A for the purpose of financing construction of a Mono County Civic Center located within the Town of Mammoth Lakes. The certificates were issued at a premium of \$2,266,117, for a total net proceeds of \$20,500,000, net of costs of issuance and capitalized interest to fund interest payments on the debt for 21 months during construction. Debt repayment terms include a 30-year repayment term beginning October 1, 2020 and ending October 1, 2048, with interest accruing at an average annual rate of 3.9956%, resulting in average annual debt service of \$1,275,800.

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REQUIRED SUPPLEMENTARY INFORMATION

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COUNTY OF MONO

Required Supplementary Information
For the Year Ended June 30, 2018

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, 2018 (June 30, 2017) | June 30, 2017 (June 30, 2016) | June 30, 2016 (June 30, 2015) | June 30, 2015 (June 30, 2014) |
| Total Pension Liability | | | | |
| Service cost | \$ 2,205,881 | \$ 2,051,985 | \$ 2,249,307 | \$ 2,502,844 |
| Interest on total pension liability | 7,115,841 | 7,049,937 | 6,751,199 | 6,656,474 |
| Changes of assumptions | 5,573,635 | - | (1,548,943) | - |
| Differences between expected and actual experience | (2,310,234) | (546,942) | (1,521,848) | - |
| Proportional differences between County and Court shares | (88,346) | (1,025,139) | (481,953) | - |
| Benefit payments, including refunds of employee contributions | (5,104,325) | (4,871,095) | (4,719,903) | (4,502,141) |
| Net change in total pension liability | 7,392,452 | 2,658,746 | 727,859 | 4,657,177 |
| Total pension liability, beginning | 97,796,416 | 95,137,670 | 94,409,811 | 89,752,634 |
| Total pension liability, ending | \$ 105,188,868 | \$ 97,796,416 | \$ 95,137,670 | \$ 94,409,811 |
| Plan Fiduciary Net Position | | | | |
| Contributions - employer | \$ 2,775,636 | \$ 2,484,077 | \$ 2,408,009 | \$ 2,568,003 |
| Contributions - employee | 886,827 | 853,869 | 904,733 | 1,305,551 |
| Net investment income | 7,484,204 | 356,637 | 1,518,061 | 10,459,289 |
| Benefit payments, including refunds of employee contributions | (5,104,325) | (4,871,095) | (4,719,903) | (4,502,141) |
| Proportional differences between County and Court shares | (61,027) | (1,118,338) | - | - |
| Administrative expense | (99,651) | (41,913) | (77,107) | - |
| Net change in plan fiduciary net position | 5,881,664 | (2,336,763) | 33,793 | 9,830,702 |
| Plan fiduciary net position, beginning | 67,554,831 | 69,891,594 | 69,857,801 | 60,027,099 |
| Plan fiduciary net position, ending | \$ 73,436,495 | \$ 67,554,831 | \$ 69,891,594 | \$ 69,857,801 |
| Net pension liability, ending | \$ 31,752,373 | \$ 30,241,585 | \$ 25,246,076 | \$ 24,552,010 |
| Plan fiduciary net percentage as a percentage of the total pension liability | 69.81% | 69.08% | 73.46% | 73.99% |
| Covered payroll | \$ 11,475,219 | \$ 11,631,908 | \$ 12,381,959 | \$ 12,796,381 |
| Net pension liability as a percentage of covered payroll | 276.70% | 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, 2018

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, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 |
| Actuarially determined contribution | \$ 2,408,009 | \$ 2,779,024 | \$ 2,484,077 | \$ 2,408,009 |
| Contributions in relation to the actuarially determined contributions | 2,408,009 | 2,779,024 | 2,484,077 | 2,408,009 |
| Contributions deficiency (excess) | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | \$ 11,475,219 | \$ 11,647,209 | \$ 11,631,908 | \$ 12,381,959 |
| Contributions as a percentage of covered payroll | 20.98% | 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, 2014 Funding Valuation Report |
| Asset valuation method | Market value of assets. See the June 30, 2014 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 2011. |
| Mortality | The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries. |

COUNTY OF MONO

Required Supplementary Information
For the Year Ended June 30, 2018

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, 2018 (June 30, 2017) | 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 | 0.33626% | 0.33674% | 0.32974% | 0.18612% |
| Proportionate share of the net pension liability | \$ 20,092,166 | \$ 17,440,742 | \$ 13,586,740 | \$ 11,581,122 |
| Covered payroll | \$ 5,079,832 | \$ 4,741,246 | \$ 5,575,424 | \$ 5,969,340 |
| Proportionate share of the net pension liability as percentage of covered payroll | 395.53% | 367.85% | 243.69% | 194.01% |
| Plan fiduciary net position as a percentage of the total pension liability | 70.76% | 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.

**As restated.

Schedule of Pension Plan Contributions

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

| | Safety Plans | | | |
|--|-----------------------|---------------|---------------|---------------|
| | Reporting Fiscal Year | | | |
| | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 |
| Last 10 fiscal years* | | | | |
| Actuarially determined contribution | \$ 1,741,323 | \$ 1,562,910 | \$ 1,414,648 | \$ 1,451,026 |
| Contributions related to the actuarially determined contribution | 1,741,323 | 1,562,910 | 1,414,648 | 1,451,026 |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - |
| County's covered payroll | \$ 5,079,832 | \$ 4,741,246 | \$ 5,575,424 | \$ 5,969,340 |
| Contributions as a percentage of covered payroll | 34.28% | 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, 2018

Other Post-Employment Benefits (OPEB)

Schedule of Changes in Net OPEB Liability and Related Ratios

| | <u>2018(1)</u> |
|---|-----------------------------|
| Total OPEB liability | |
| Service cost | \$ 338,631 |
| Interest | 2,085,442 |
| Benefit payments | <u>(2,108,215)</u> |
| Net change in total OPEB liability | 315,858 |
| Total OPEB liability - beginning | <u>34,066,578</u> |
| Total OPEB liability - ending (a) | <u><u>\$ 34,382,436</u></u> |
| | |
| Plan fiduciary net position | |
| Contributions - employer | \$ 3,108,215 |
| Net investment income | 1,853,936 |
| Benefit payments | <u>(2,108,215)</u> |
| Net change in plan fiduciary net position | 2,853,936 |
| Plan fiduciary net position - beginning | <u>14,626,192</u> |
| Plan fiduciary net position - ending (b) | <u><u>\$ 17,480,128</u></u> |
| | |
| Net OPEB liability - ending (a) - (b) | <u><u>\$ 16,902,308</u></u> |
| Plan fiduciary net position as a percentage of the total OPEB liability | 50.84% |
| Covered payroll | \$ 3,115,400 |
| Net OPEB liability as a percentage of covered-employee payroll | 542.54% |

(1) Fiscal year 2018 was the first year of implementation of GASB 75; therefore, only one year is shown.

(2) The OPEB plan is a closed plan with no new members eligible for participation. Therefore, covered payroll and the net OPEB liability as a percentage of covered-employee payroll were not applicable.

Schedule of the County's OPEB Contributions

| | <u>2018(1)</u> |
|--|----------------|
| Actuarially determined contribution | \$ 2,064,918 |
| Contributions in relation to the actuarially determined contribution | 2,702,041 |
| Contribution deficiency (excess) | (637,123) |
| Covered payroll | \$ 3,115,400 |
| Contributions as a percentage of covered payroll | 86.7% |

(1) Fiscal year 2018 was the first year of implementation of GASB 75; therefore, only one year is shown.

COUNTY OF MONO

Required Supplementary Information
For the Year Ended June 30, 2018

Notes to OBEP Schedules

| | |
|---|--|
| Valuation date: | January 1, 2016 |
| Methods and assumptions used to determine Contribution rates: | |
| Actuarial cost method | Entry age normal |
| Amortization method | Level percentage of payroll |
| Amortization period | 22 years |
| Asset valuation method | Market value of assets |
| Inflation | 2.50% |
| Healthcare cost trend rates | Non-Medicare – 5.25% for 2019 and 2020, decreasing to an ultimate rate of 4.50% in 2070 and later years. Medicare – 5.50% for 2019 and 2020, decreasing to an ultimate rate of 4.50% in 2085 and later years. |
| Investment rate of return | 6.25% net of OPEB plan investment expense, including inflation. |
| Mortality | 2014 CalPERS experience study |

COUNTY OF MONO

Budgetary Comparison Schedule

General Fund

For the Year Ended June 30, 2018

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|----------------------------------|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 23,153,000 | \$ 23,153,000 | \$ 24,949,712 | \$ 1,796,712 |
| Licenses and permits | 321,500 | 321,500 | 340,140 | 18,640 |
| Fines, forfeitures and penalties | 697,375 | 697,375 | 1,069,705 | 372,330 |
| Use of money and property | 192,113 | 192,113 | 242,266 | 50,153 |
| Intergovernmental | 5,218,359 | 5,227,654 | 4,778,673 | (448,981) |
| Charges for services | 4,125,168 | 4,125,168 | 4,678,660 | 553,492 |
| Other revenues | 10,500 | 10,500 | 25,730 | 15,230 |
| Other financing sources | 224,000 | 224,000 | 224,000 | - |
| Transfers in | 2,310,018 | 2,400,472 | 1,558,679 | (841,793) |
| Total Revenues | <u>36,252,033</u> | <u>36,351,782</u> | <u>37,867,565</u> | <u>1,515,783</u> |
| Expenditures | | | | |
| General government | | | | |
| Board of Supervisors | 515,459 | 515,459 | 486,893 | 28,566 |
| Administrative Officer | 1,280,317 | 1,280,317 | 1,095,106 | 185,211 |
| Department of Finance | 2,406,158 | 2,406,158 | 2,187,697 | 218,461 |
| General Fund Operating Transfers | 3,434,468 | 3,616,890 | 3,537,097 | 79,793 |
| Assessor | 1,332,241 | 1,332,241 | 1,082,591 | 249,650 |
| County Counsel | 1,063,061 | 1,063,061 | 1,019,092 | 43,969 |
| Election Division | 275,643 | 275,643 | 170,454 | 105,189 |
| Information Technology | 1,871,516 | 2,051,516 | 1,692,103 | 359,413 |
| IT - Radio | 289,000 | 356,061 | 288,999 | 67,062 |
| Public Works | 1,065,276 | 1,065,276 | 882,740 | 182,536 |
| County Facilities | 2,709,853 | 2,709,853 | 2,489,514 | 220,339 |
| Economic Development | 555,623 | 555,623 | 491,402 | 64,221 |
| Total general government | <u>16,798,615</u> | <u>17,228,098</u> | <u>15,423,688</u> | <u>1,804,410</u> |
| Public protection | | | | |
| County MOE | 765,331 | 765,331 | 765,072 | 259 |
| Public Defender | 718,500 | 768,500 | 711,631 | 56,869 |
| Grand Jury | 8,300 | 8,300 | 4,744 | 3,556 |
| District Attorney - Prosecution | 2,052,450 | 2,056,450 | 1,764,398 | 292,052 |
| Victim/Witness | 123,996 | 133,504 | 132,824 | 680 |
| Sheriff | 5,926,688 | 6,236,529 | 6,211,202 | 25,327 |
| Boating Law Enforcement | 135,650 | 135,650 | 139,581 | (3,931) |
| Search and Rescue | 45,275 | 45,275 | 47,709 | (2,434) |
| Court Security | 547,932 | 547,932 | 401,688 | 146,244 |
| Jail | 3,243,245 | 3,026,245 | 2,716,459 | 309,786 |
| Emergency Services | 256,000 | 255,574 | 175,552 | 80,022 |
| Adult Probation Services | 1,695,410 | 1,715,410 | 1,714,722 | 688 |
| Juvenile Probation Services | 334,007 | 334,007 | 159,788 | 174,219 |
| Agricultural Commissioner | 150,000 | 160,000 | 156,366 | 3,634 |
| County Clerk / Recorder | 722,489 | 722,489 | 750,655 | (28,166) |
| Animal Control | 674,657 | 674,657 | 626,700 | 47,957 |
| Planning & Transportation | 1,700,450 | 1,700,450 | 1,308,097 | 392,353 |

continued

COUNTY OF MONO

Budgetary Comparison Schedule (continued)

General Fund

For the Year Ended June 30, 2018

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|---------------------|---------------------|----------------------|-------------------------------|
| | Original | Final | | |
| Expenditures (continued) | | | | |
| Public protection (continued) | | | | |
| Housing Development | 428,030 | 428,030 | 103,091 | 324,939 |
| Code Enforcement | 216,152 | 216,152 | 135,728 | 80,424 |
| Planning Commission | 16,295 | 16,295 | 15,203 | 1,092 |
| LAFCO | 11,582 | 11,582 | 8,914 | 2,668 |
| Building Inspector | 492,887 | 492,887 | 337,184 | 155,703 |
| Total public protection | <u>20,265,326</u> | <u>20,451,249</u> | <u>18,387,308</u> | <u>2,063,941</u> |
| Health and sanitation | | | | |
| Bridgeport Clinic | 124,500 | 124,500 | - | 124,500 |
| Paramedic Program | 4,241,179 | 4,241,179 | 4,157,791 | 83,388 |
| Total health and sanitation | <u>4,365,679</u> | <u>4,365,679</u> | <u>4,157,791</u> | <u>207,888</u> |
| Public assistance | | | | |
| Veterans' Services Officer | 38,568 | 38,568 | 39,922 | (1,354) |
| Farm Advisor | 25,000 | 25,000 | 25,566 | (566) |
| Total public assistance | <u>63,568</u> | <u>63,568</u> | <u>65,488</u> | <u>(1,920)</u> |
| Contingency | 420,000 | 10,552 | - | 10,552 |
| Total expenditures | <u>41,913,188</u> | <u>42,119,146</u> | <u>38,034,275</u> | <u>4,084,871</u> |
| Net Change in Fund Balances | (5,661,155) | (5,767,364) | (166,710) | 5,600,654 |
| Budgetary Fund Balances - Beginning of Year | <u>10,289,112</u> | <u>10,289,112</u> | <u>10,289,112</u> | <u>-</u> |
| Budgetary Fund Balances - End of Year | <u>\$ 4,627,957</u> | <u>\$ 4,521,748</u> | <u>\$ 10,122,402</u> | <u>\$ 5,600,654</u> |
| <u>Reconciliation of Budgetary Inflows and Outflows to GAAP Revenues and Expenditures</u> | | | | |
| Sources/inflows of resources | | | | |
| Actual amounts available for appropriation from the budgetary comparison schedule | | | | \$ 37,867,565 |
| 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 | | | | 387,608 |
| 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 | | | | (1,262,865) |
| A87 cost reimbursement is a budgetary resource but is not current-year revenue for financial reporting purposes | | | | (1,311,141) |
| Proceeds from issuance of long-term debt are inflows of budgetary resources but are not revenues for financial reporting purposes | | | | (224,000) |
| Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes | | | | (1,558,679) |
| Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds | | | | <u>\$ 33,898,488</u> |

continued

COUNTY OF MONO

Budgetary Comparison Schedule (continued)

General Fund

For the Year Ended June 30, 2018

| | 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 | | | | \$ 38,034,275 |
| 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 | | | | 601,987 |
| 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 | | | | (1,311,141) |
| Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes | | | | (4,213,719) |
| Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental fund | | | | <u>\$ 33,111,402</u> |

COUNTY OF MONO

Budgetary Comparison Schedule

Road Fund

For the Year Ended June 30, 2018

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|------------------|-------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Licenses and permits | \$ 10,000 | \$ 10,000 | \$ 14,266 | \$ 4,266 |
| Fines, forfeitures and penalties | 50,000 | 50,000 | 68,870 | 18,870 |
| Use of money and property | - | - | 11,181 | 11,181 |
| Intergovernmental | 3,266,130 | 3,340,468 | 3,092,334 | (248,134) |
| Charges for services | 435,000 | 435,000 | 474,465 | 39,465 |
| Other revenues | - | - | 167 | 167 |
| Other financing sources | 2,000 | 2,000 | - | (2,000) |
| Transfers in | 720,780 | 756,415 | 1,019,418 | 263,003 |
| Total Revenues | <u>4,483,910</u> | <u>4,593,883</u> | <u>4,680,701</u> | <u>86,818</u> |
| Expenditures | | | | |
| Public ways and facilities | <u>5,834,319</u> | <u>5,589,385</u> | <u>4,101,159</u> | <u>1,488,226</u> |
| Total Expenditures | <u>5,834,319</u> | <u>5,589,385</u> | <u>4,101,159</u> | <u>1,488,226</u> |
| Net Change in Fund Balances | (1,350,409) | (995,502) | 579,542 | 1,575,044 |
| Fund Balances - Beginning of Year | <u>1,402,555</u> | <u>1,402,555</u> | <u>1,402,555</u> | <u>-</u> |
| Fund Balances - End of Year | <u>\$ 52,146</u> | <u>\$ 407,053</u> | <u>\$ 1,982,097</u> | <u>\$ 1,575,044</u> |
| <u>Reconciliation of Budgetary Inflows and Outflows to GAAP Revenues and Expenditures</u> | | | | |
| Sources/inflows of resources | | | | |
| Actual amounts available for appropriation from the budgetary comparison schedule | | | | \$ 4,680,701 |
| Differences - budget to GAAP: | | | | |
| Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes | | | | <u>(1,019,418)</u> |
| Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds | | | | <u>\$ 3,661,283</u> |

COUNTY OF MONO

Budgetary Comparison Schedule

Realignment

For the Year Ended June 30, 2018

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Use of money and property | \$ - | \$ - | \$ 96,833 | \$ 96,833 |
| Intergovernmental | 3,054,969 | 3,054,969 | 3,536,647 | 481,678 |
| Total Revenues | <u>3,054,969</u> | <u>3,054,969</u> | <u>3,633,480</u> | <u>578,511</u> |
| Expenditures | | | | |
| Public protection | 30,750 | 30,750 | 7,722 | 23,028 |
| Transfers out | 3,366,277 | 3,410,927 | 2,474,705 | 936,222 |
| Total Expenditures | <u>3,397,027</u> | <u>3,441,677</u> | <u>2,482,427</u> | <u>959,250</u> |
| Net Change in Fund Balances | (342,058) | (386,708) | 1,151,053 | 1,537,761 |
| Fund Balances - Beginning of Year | <u>6,178,977</u> | <u>6,178,977</u> | <u>6,178,977</u> | <u>-</u> |
| Fund Balances - End of Year | <u>\$ 5,836,919</u> | <u>\$ 5,792,269</u> | <u>\$ 7,330,030</u> | <u>\$ 1,537,761</u> |
| <u>Reconciliation of Budgetary Inflows and Outflows to GAAP Revenues and Expenditures</u> | | | | |
| Uses/outflows of resources: | | | | |
| Actual charges to appropriations from the budgetary comparison schedule above | | | | \$ 2,482,427 |
| Differences - budget to GAAP: | | | | |
| Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes | | | | <u>(2,474,705)</u> |
| Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental fund | | | | <u>\$ 7,722</u> |

COUNTY OF MONO

Budgetary Comparison Schedule
Mental Health Services Act
For the Year Ended June 30, 2018

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|-----------------------------------|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Use of money and property | \$ 35,000 | \$ 35,000 | \$ 88,013 | \$ 53,013 |
| Intergovernmental | 1,603,255 | 1,603,255 | 1,819,686 | 216,431 |
| Total Revenues | <u>1,638,255</u> | <u>1,638,255</u> | <u>1,907,699</u> | <u>269,444</u> |
| Expenditures | | | | |
| Health and sanitation | 1,576,647 | 1,576,647 | 1,093,263 | 483,384 |
| Contingency | 120,000 | 120,000 | - | 120,000 |
| Total Expenditures | <u>1,696,647</u> | <u>1,696,647</u> | <u>1,093,263</u> | <u>603,384</u> |
| Net Change in Fund Balances | (58,392) | (58,392) | 814,436 | 872,828 |
| Fund Balances - Beginning of Year | <u>5,740,721</u> | <u>5,740,721</u> | <u>5,740,721</u> | <u>-</u> |
| Fund Balances - End of Year | <u>\$ 5,682,329</u> | <u>\$ 5,682,329</u> | <u>\$ 6,555,157</u> | <u>\$ 872,828</u> |

COUNTY OF MONO

Required Supplementary Information
For the Year Ended June 30, 2018

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.

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, 2018

| | Special Revenue | | | | |
|---|-------------------|---------------------|---------------------|------------------------------|---------------------|
| | Public Health | Behavioral Health | Social Services | Community Development Grants | Revolving Loan Fund |
| ASSETS | | | | | |
| Cash and investments | \$ 442,517 | \$ 1,013,081 | \$ 2,214,561 | \$ - | \$ 300,000 |
| Accounts receivable | 15,531 | - | 14,847 | - | - |
| Due from other governments | 338,352 | - | 184,027 | 110,962 | - |
| Due from other funds | 149,909 | - | - | - | - |
| Prepaid expenses | 6,468 | - | 18,831 | - | - |
| Loans receivable | - | - | - | 911,863 | - |
| Total Assets | \$ 952,777 | \$ 1,013,081 | \$ 2,432,266 | \$ 1,022,825 | \$ 300,000 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | |
| Liabilities | | | | | |
| Accounts payable | \$ 40,946 | \$ 30,856 | \$ 76,764 | \$ 7,298 | \$ - |
| Accrued salaries and benefits | 58,723 | 28,921 | 92,843 | - | - |
| Due to other funds | - | - | - | 130,765 | - |
| Advances from other funds | - | - | - | - | 99,013 |
| Unearned revenues | 43,573 | - | - | - | - |
| Total Liabilities | 143,242 | 59,777 | 169,607 | 138,063 | 99,013 |
| Deferred inflows of Resources | | | | | |
| Unavailable revenues | 197,703 | - | 50,699 | 110,962 | - |
| Fund Balance | | | | | |
| Nonspendable | 6,468 | - | 18,831 | 911,863 | - |
| Restricted | 605,364 | 953,304 | 2,193,129 | - | - |
| Committed | - | - | - | - | 200,987 |
| Assigned | - | - | - | - | - |
| Unassigned | - | - | - | (138,063) | - |
| Total Fund Balances | 611,832 | 953,304 | 2,211,960 | 773,800 | 200,987 |
| Total Liabilities, Deferred Inflows and Fund Balances | \$ 952,777 | \$ 1,013,081 | \$ 2,432,266 | \$ 1,022,825 | \$ 300,000 |

continued

COUNTY OF MONO

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2018

| | Special Revenue | | | | |
|---|--------------------------------|-------------------|-------------------|------------------|------------------|
| | Disaster Assistance Fund | Geothermal | Bio Terrorism | Fish and Game | Tobacco |
| | ASSETS | | | | |
| Cash and investments | \$ 286,759 | \$ 188,080 | \$ - | \$ 33,583 | \$ 62,497 |
| Accounts receivable | - | 103,645 | - | - | - |
| Due from other governments | 510,134 | 148 | 114,683 | - | - |
| Due from other funds | - | - | - | - | - |
| Prepaid expenses | - | - | - | - | 685 |
| Loans receivable | - | - | - | - | - |
| | <u>\$ 796,893</u> | <u>\$ 291,873</u> | <u>\$ 114,683</u> | <u>\$ 33,583</u> | <u>\$ 63,182</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | |
| Liabilities | | | | | |
| Accounts payable | \$ 440,680 | \$ 103,645 | \$ 5,858 | \$ 3,997 | \$ 8,021 |
| Accrued salaries and benefits | - | - | 7,305 | - | 7,198 |
| Due to other funds | - | - | 150,470 | - | - |
| Advances from other funds | - | - | - | - | - |
| Unearned revenues | - | - | - | - | - |
| Total Liabilities | <u>440,680</u> | <u>103,645</u> | <u>163,633</u> | <u>3,997</u> | <u>15,219</u> |
| Deferred inflows of Resources | | | | | |
| Unavailable revenues | <u>510,134</u> | <u>-</u> | <u>71,375</u> | <u>-</u> | <u>-</u> |
| Fund Balance | | | | | |
| Nonspendable | - | - | - | - | 685 |
| Restricted | - | 188,228 | - | 29,586 | 47,278 |
| Committed | - | - | - | - | - |
| Assigned | - | - | - | - | - |
| Unassigned | (153,921) | - | (120,325) | - | - |
| Total Fund Balances | <u>(153,921)</u> | <u>188,228</u> | <u>(120,325)</u> | <u>29,586</u> | <u>47,963</u> |
| Total Liabilities, Deferred Inflows and Fund Balances | <u>\$ 796,893</u> | <u>\$ 291,873</u> | <u>\$ 114,683</u> | <u>\$ 33,583</u> | <u>\$ 63,182</u> |

continued

COUNTY OF MONO

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2018

| | Special Revenue | | | | |
|---|----------------------------------|-------------------|----------------------------|-----------------------|---------------------------------|
| | Emergency Medical Services | Mitigation Fee | County Service Areas | Development Impact | Various Restricted Grants |
| ASSETS | | | | | |
| Cash and investments | \$ 301,706 | \$ 123,317 | \$ 1,910,252 | \$ 217,183 | \$ 838,051 |
| Accounts receivable | - | - | - | - | 9,692 |
| Due from other governments | - | - | 8,045 | - | 193,693 |
| Due from other funds | - | - | - | - | - |
| Prepaid expenses | - | - | - | - | - |
| Loans receivable | - | - | - | - | - |
| Total Assets | \$ 301,706 | \$ 123,317 | \$ 1,918,297 | \$ 217,183 | \$ 1,041,436 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | |
| Liabilities | | | | | |
| Accounts payable | \$ - | \$ - | \$ 2,470 | \$ - | \$ 15,143 |
| Accrued salaries and benefits | - | - | 1,151 | - | - |
| Due to other funds | - | - | - | - | - |
| Advances from other funds | - | - | - | - | - |
| Unearned revenues | - | - | - | - | - |
| Total Liabilities | - | - | 3,621 | - | 15,143 |
| Deferred inflows of Resources | | | | | |
| Unavailable revenues | - | - | - | - | 183,621 |
| Fund Balance | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | 301,706 | 123,317 | 1,914,676 | 217,183 | 842,672 |
| Committed | - | - | - | - | - |
| Assigned | - | - | - | - | - |
| Unassigned | - | - | - | - | - |
| Total Fund Balances | 301,706 | 123,317 | 1,914,676 | 217,183 | 842,672 |
| Total Liabilities, Deferred Inflows and Fund Balances | \$ 301,706 | \$ 123,317 | \$ 1,918,297 | \$ 217,183 | \$ 1,041,436 |

continued

COUNTY OF MONO

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2018

| | Total Special Revenue | Capital Projects | | | Total Capital Projects |
|---|-----------------------------|--|---------------------------------|----------------------------|------------------------------|
| | | Miscellaneous Capital Improvements | Criminal Justice Facility | Civic Center Project | |
| ASSETS | | | | | |
| Cash and investments | \$ 7,931,587 | \$ 622,953 | \$ 365,699 | \$ 83,500 | \$ 1,072,152 |
| Accounts receivable | 143,715 | - | - | - | - |
| Due from other governments | 1,460,044 | - | - | - | - |
| Due from other funds | 149,909 | - | - | - | - |
| Prepaid expenses | 25,984 | - | - | - | - |
| Loans receivable | 911,863 | - | - | - | - |
| | | | | | |
| Total Assets | <u>\$ 10,623,102</u> | <u>\$ 622,953</u> | <u>\$ 365,699</u> | <u>\$ 83,500</u> | <u>\$ 1,072,152</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | |
| Liabilities | | | | | |
| Accounts payable | \$ 735,678 | \$ 127,689 | \$ 311 | \$ 20,625 | \$ 148,625 |
| Accrued salaries and benefits | 196,141 | - | - | - | - |
| Due to other funds | 281,235 | - | - | - | - |
| Advances from other funds | 99,013 | - | - | - | - |
| Unearned revenues | 43,573 | - | - | - | - |
| Total Liabilities | <u>1,355,640</u> | <u>127,689</u> | <u>311</u> | <u>20,625</u> | <u>148,625</u> |
| Deferred inflows of Resources | | | | | |
| Unavailable revenues | <u>1,124,494</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance | | | | | |
| Nonspendable | 937,847 | - | - | - | - |
| Restricted | 7,416,443 | - | 365,388 | - | 365,388 |
| Committed | 200,987 | - | - | - | - |
| Assigned | - | 495,264 | - | 62,875 | 558,139 |
| Unassigned | (412,309) | - | - | - | - |
| Total Fund Balances | <u>8,142,968</u> | <u>495,264</u> | <u>365,388</u> | <u>62,875</u> | <u>923,527</u> |
| Total Liabilities, Deferred Inflows and Fund Balances | <u>\$ 10,623,102</u> | <u>\$ 622,953</u> | <u>\$ 365,699</u> | <u>\$ 83,500</u> | <u>\$ 1,072,152</u> |

continued

COUNTY OF MONO

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2018

| | <u>Debt Service</u> | |
|---|---------------------|----------------------|
| | <u>Debt Service</u> | |
| | <u>Fund</u> | <u>Total</u> |
| ASSETS | | |
| Cash and investments | \$ 193,569 | \$ 9,197,308 |
| Accounts receivable | - | 143,715 |
| Due from other governments | - | 1,460,044 |
| Due from other funds | - | 149,909 |
| Prepaid expenses | - | 25,984 |
| Loans receivable | - | 911,863 |
| | <hr/> | <hr/> |
| Total Assets | <u>\$ 193,569</u> | <u>\$ 11,888,823</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | |
| Liabilities | | |
| Accounts payable | \$ - | \$ 884,303 |
| Accrued salaries and benefits | - | 196,141 |
| Due to other funds | - | 281,235 |
| Advances from other funds | - | 99,013 |
| Unearned revenues | - | 43,573 |
| Total Liabilities | <hr/> | <hr/> |
| | - | 1,504,265 |
| Deferred inflows of Resources | | |
| Unavailable revenues | <hr/> | <hr/> |
| | - | 1,124,494 |
| Fund Balance | | |
| Nonspendable | - | 937,847 |
| Restricted | - | 7,781,831 |
| Committed | - | 200,987 |
| Assigned | 193,569 | 751,708 |
| Unassigned | - | (412,309) |
| Total Fund Balances | <hr/> | <hr/> |
| | 193,569 | 9,260,064 |
| Total Liabilities, Deferred Inflows and Fund Balances | <u>\$ 193,569</u> | <u>\$ 11,888,823</u> |

COUNTY OF MONO

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2018

| | Special Revenue | | | | |
|--|-------------------|----------------------|---------------------|------------------------------------|---------------------------|
| | Public Health | Behavioral Health | Social Services | Community Development Grants | Revolving Loan Fund |
| REVENUES | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses and permits | 286,793 | - | - | - | - |
| Fines, forfeitures and penalties | 778 | 6,899 | - | - | - |
| Use of money and property | 4,914 | 6,706 | 25,914 | (1,075) | - |
| Intergovernmental | 2,020,719 | 1,791,084 | 3,747,658 | 437,076 | - |
| Charges for services | 272,681 | 103,536 | 126,808 | - | 200,987 |
| Miscellaneous | 1,236 | - | 3,827 | - | - |
| Total Revenues | <u>2,587,121</u> | <u>1,908,225</u> | <u>3,904,207</u> | <u>436,001</u> | <u>200,987</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General government | - | - | - | - | - |
| Public protection | - | - | - | 22,118 | - |
| Public ways and facilities | - | - | - | - | - |
| Health and sanitation | 2,223,617 | 1,616,164 | - | - | - |
| Public assistance | - | - | 4,668,891 | 235,743 | - |
| Debt service | | | | | |
| Principal | - | - | - | - | - |
| Interest and issuance cost | - | - | - | - | - |
| Capital outlay | | | | | |
| - | - | - | - | - | - |
| Total Expenditures | <u>2,223,617</u> | <u>1,616,164</u> | <u>4,668,891</u> | <u>257,861</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>363,504</u> | <u>292,061</u> | <u>(764,684)</u> | <u>178,140</u> | <u>200,987</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Proceeds of long-term debt | - | - | - | - | - |
| Proceeds from sale of capital assets | - | - | - | - | - |
| Transfers in | 22,932 | 92,069 | 1,330,670 | - | - |
| Transfers out | - | (5,211) | (17,721) | (221,785) | - |
| Total Other Financing Sources (Uses) | <u>22,932</u> | <u>86,858</u> | <u>1,312,949</u> | <u>(221,785)</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | 386,436 | 378,919 | 548,265 | (43,645) | 200,987 |
| Fund Balances, Beginning of Year, restated | 225,396 | 574,385 | 1,663,695 | 817,445 | - |
| FUND BALANCES, END OF THE YEAR | <u>\$ 611,832</u> | <u>\$ 953,304</u> | <u>\$ 2,211,960</u> | <u>\$ 773,800</u> | <u>\$ 200,987</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, 2018

| | Special Revenue | | | | |
|--|--------------------------------|-------------------|---------------------|------------------|------------------|
| | Disaster Assistance Fund | Geothermal | Bio Terrorism | Fish and Game | Tobacco |
| | Fund | Geothermal | Terrorism | Game | Tobacco |
| REVENUES | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses and permits | - | - | - | - | - |
| Fines, forfeitures and penalties | - | - | - | 23,825 | - |
| Use of money and property | 8,470 | 4,159 | (1,477) | 287 | 56 |
| Intergovernmental | 445,150 | - | 409,132 | - | 362,043 |
| Charges for services | - | - | - | - | - |
| Miscellaneous | - | 437,426 | - | - | - |
| Total Revenues | <u>453,620</u> | <u>441,585</u> | <u>407,655</u> | <u>24,112</u> | <u>362,099</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General government | - | - | - | - | - |
| Public protection | - | 396,005 | 89,752 | 3,997 | - |
| Public ways and facilities | 679,084 | - | - | - | - |
| Health and sanitation | - | - | 315,581 | - | 326,019 |
| Public assistance | - | - | - | - | - |
| Debt service | | | | | |
| Principal | - | - | - | - | - |
| Interest and issuance cost | - | - | - | - | - |
| Capital outlay | - | - | - | - | - |
| Total Expenditures | <u>679,084</u> | <u>396,005</u> | <u>405,333</u> | <u>3,997</u> | <u>326,019</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(225,464)</u> | <u>45,580</u> | <u>2,322</u> | <u>20,115</u> | <u>36,080</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Proceeds of long-term debt | - | - | - | - | - |
| Proceeds from sale of capital assets | - | - | - | - | - |
| Transfers in | - | - | - | - | - |
| Transfers out | (288,696) | (120,000) | - | - | - |
| Total Other Financing Sources (Uses) | <u>(288,696)</u> | <u>(120,000)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | (514,160) | (74,420) | 2,322 | 20,115 | 36,080 |
| Fund Balances, Beginning of Year, restated | 360,239 | 262,648 | (122,647) | 9,471 | 11,883 |
| FUND BALANCES, END OF THE YEAR | <u>\$ (153,921)</u> | <u>\$ 188,228</u> | <u>\$ (120,325)</u> | <u>\$ 29,586</u> | <u>\$ 47,963</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, 2018

| | Special Revenue | | | | |
|--|----------------------------------|-------------------|---------------------------|-----------------------|---------------------------------|
| | Emergency Medical Services | Mitigation Fee | County Service Area | Development Impact | Various Restricted Grants |
| REVENUES | | | | | |
| Taxes | \$ - | \$ - | \$ 228,847 | \$ - | \$ - |
| Licenses and permits | - | - | - | - | 16,801 |
| Fines, forfeitures and penalties | 103,745 | - | - | - | 2,000 |
| Use of money and property | 3,157 | 1,760 | 30,107 | 3,101 | 11,547 |
| Intergovernmental | - | - | - | - | 1,033,579 |
| Charges for services | - | - | 148,165 | - | 6,684 |
| Miscellaneous | - | - | 17,696 | - | 81,077 |
| Total Revenues | 106,902 | 1,760 | 424,815 | 3,101 | 1,151,688 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General government | - | - | 189,714 | - | - |
| Public protection | - | - | - | - | 1,159,032 |
| Public ways and facilities | - | - | - | - | - |
| Health and sanitation | 626 | - | - | - | - |
| Public assistance | - | - | - | - | 71,703 |
| Debt service | | | | | |
| Principal | - | - | - | - | - |
| Interest and issuance cost | - | - | - | - | - |
| Capital outlay | - | - | - | - | - |
| Total Expenditures | 626 | - | 189,714 | - | 1,230,735 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 106,276 | 1,760 | 235,101 | 3,101 | (79,047) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Proceeds of long-term debt | - | - | - | - | - |
| Proceeds from sale of capital assets | - | - | - | - | 13,775 |
| Transfers in | - | - | - | - | 84,223 |
| Transfers out | - | - | (539,635) | - | (126,662) |
| Total Other Financing Sources (Uses) | - | - | (539,635) | - | (28,664) |
| NET CHANGE IN FUND BALANCES | 106,276 | 1,760 | (304,534) | 3,101 | (107,711) |
| Fund Balances, Beginning of Year, restated | 195,430 | 121,557 | 2,219,210 | 214,082 | 950,383 |
| FUND BALANCES, END OF THE YEAR | \$ 301,706 | \$ 123,317 | \$ 1,914,676 | \$ 217,183 | \$ 842,672 |

continued

COUNTY OF MONO

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2018

| | Total Special Revenue | Capital Projects | | | Total Capital Projects |
|--|-----------------------------|--|---------------------------------|----------------------------|------------------------------|
| | | Miscellaneous Capital Improvements | Criminal Justice Facility | Civic Center Project | |
| REVENUES | | | | | |
| Taxes | \$ 228,847 | \$ - | \$ - | \$ - | \$ - |
| Licenses and permits | 303,594 | - | - | - | - |
| Fines, forfeitures and penalties | 137,247 | - | - | - | - |
| Use of money and property | 97,626 | - | - | - | - |
| Intergovernmental | 10,246,441 | - | - | - | - |
| Charges for services | 858,861 | - | - | - | - |
| Miscellaneous | 541,262 | 550 | - | - | 550 |
| Total Revenues | 12,413,878 | 550 | - | - | 550 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General government | 189,714 | - | - | - | - |
| Public protection | 1,670,904 | - | - | - | - |
| Public ways and facilities | 679,084 | - | - | - | - |
| Health and sanitation | 4,482,007 | - | - | - | - |
| Public assistance | 4,976,337 | - | - | - | - |
| Debt service | | | | | |
| Principal | - | - | - | - | - |
| Interest and issuance cost | - | - | - | - | - |
| Capital outlay | - | 918,110 | 19,557 | 87,125 | 1,024,792 |
| Total Expenditures | 11,998,046 | 918,110 | 19,557 | 87,125 | 1,024,792 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 415,832 | (917,560) | (19,557) | (87,125) | (1,024,242) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Proceeds of long-term debt | - | - | - | - | - |
| Proceeds from sale of capital assets | 13,775 | - | - | - | - |
| Transfers in | 1,529,894 | 857,342 | 300,000 | 150,000 | 1,307,342 |
| Transfers out | (1,319,710) | (130,000) | - | - | (130,000) |
| Total Other Financing Sources (Uses) | 223,959 | 727,342 | 300,000 | 150,000 | 1,177,342 |
| NET CHANGE IN FUND BALANCES | 639,791 | (190,218) | 280,443 | 62,875 | 153,100 |
| Fund Balances, Beginning of Year, restated | 7,503,177 | 685,482 | 84,945 | - | 770,427 |
| FUND BALANCES, END OF THE YEAR | \$ 8,142,968 | \$ 495,264 | \$ 365,388 | \$ 62,875 | \$ 923,527 |

continued

COUNTY OF MONO

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2018

| | <u>Debt Services</u> | |
|--|----------------------|---------------------|
| | <u>Debt Service</u> | |
| | <u>Fund</u> | <u>Total</u> |
| REVENUES | | |
| Taxes | \$ - | \$ 228,847 |
| Licenses and permits | - | 303,594 |
| Fines, forfeitures and penalties | - | 137,247 |
| Use of money and property | - | 97,626 |
| Intergovernmental | - | 10,246,441 |
| Charges for services | - | 858,861 |
| Miscellaneous | - | 541,812 |
| Total Revenues | <u>-</u> | <u>12,414,428</u> |
| EXPENDITURES | | |
| Current | | |
| General government | - | 189,714 |
| Public protection | - | 1,670,904 |
| Public ways and facilities | - | 679,084 |
| Health and sanitation | - | 4,482,007 |
| Public assistance | - | 4,976,337 |
| Debt service | | |
| Principal | 866,684 | 866,684 |
| Interest and issuance cost | 54,770 | 54,770 |
| Capital outlay | - | 1,024,792 |
| Total Expenditures | <u>921,454</u> | <u>13,944,292</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(921,454)</u> | <u>(1,529,864)</u> |
| OTHER FINANCING SOURCES (USES) | | |
| Proceeds of long-term debt | 21,750 | 21,750 |
| Proceeds of long-term debt | - | 13,775 |
| Transfers in | 948,748 | 3,785,984 |
| Transfers out | (21,750) | (1,471,460) |
| Total Other Financing Sources (Uses) | <u>948,748</u> | <u>2,350,049</u> |
| NET CHANGE IN FUND BALANCES | 27,294 | 820,185 |
| Fund Balances, Beginning of Year, restated | 166,275 | 8,439,879 |
| FUND BALANCES, END OF THE YEAR | <u>\$ 193,569</u> | <u>\$ 9,260,064</u> |

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, 2018

| | <u>Campgrounds</u> | <u>Cemeteries</u> | <u>Total</u> |
|-----------------------------|--------------------|-------------------|-------------------|
| ASSETS | | | |
| Current Assets | | | |
| Pooled cash and investments | \$ 79,081 | \$ 32,252 | \$ 111,333 |
| Accounts receivable | - | - | - |
| | <u>79,081</u> | <u>32,252</u> | <u>111,333</u> |
| Total Assets | <u>79,081</u> | <u>32,252</u> | <u>111,333</u> |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Accounts payable | <u>2,492</u> | <u>10</u> | <u>2,502</u> |
| Total Liabilities | <u>2,492</u> | <u>10</u> | <u>2,502</u> |
| NET POSITION | | | |
| Restricted | - | 4,648 | 4,648 |
| Unrestricted | <u>76,589</u> | <u>27,594</u> | <u>104,183</u> |
| Total Net Position | <u>\$ 76,589</u> | <u>\$ 32,242</u> | <u>\$ 108,831</u> |

COUNTY OF MONO

Combining Statement of Revenues, Expenses and Changes in Net Position

Nonmajor Enterprise Funds

For the Year Ended June 30, 2018

| | <u>Campgrounds</u> | <u>Cemeteries</u> | <u>Total</u> |
|--|--------------------|-------------------|-------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 42,339 | \$ 5,456 | \$ 47,795 |
| Total Operating Revenues | <u>42,339</u> | <u>5,456</u> | <u>47,795</u> |
| OPERATING EXPENSES | | | |
| Services and supplies | <u>35,237</u> | <u>15,899</u> | <u>51,136</u> |
| Total Operating Expenses | <u>35,237</u> | <u>15,899</u> | <u>51,136</u> |
| Operating Income (loss) | <u>7,102</u> | <u>(10,443)</u> | <u>(3,341)</u> |
| NON-OPERATING REVENUES (EXPENSES) | | | |
| Interest income (expenses) | <u>1,103</u> | <u>429</u> | <u>1,532</u> |
| Total Non-Operating Revenues | <u>1,103</u> | <u>429</u> | <u>1,532</u> |
| Income (Loss) Before Transfers | 8,205 | (10,014) | (1,809) |
| Transfers In | <u>-</u> | <u>20,000</u> | <u>20,000</u> |
| CHANGE IN NET POSITION | 8,205 | 9,986 | 18,191 |
| Net Position, Beginning of Year | <u>68,384</u> | <u>22,256</u> | <u>90,640</u> |
| NET POSITION, END OF YEAR | <u>\$ 76,589</u> | <u>\$ 32,242</u> | <u>\$ 108,831</u> |

COUNTY OF MONO

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2018

| | <u>Campgrounds</u> | <u>Cemeteries</u> | <u>Total</u> |
|---|-------------------------|--------------------------|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Cash receipts from customers | \$ 45,167 | \$ 6,662 | \$ 51,829 |
| Cash paid to suppliers for goods and services | <u>(35,198)</u> | <u>(15,889)</u> | <u>(51,087)</u> |
| Net Cash Provided (Used) by Operating Activities | <u>9,969</u> | <u>(9,227)</u> | <u>742</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | |
| Transfers received from other funds | - | 20,000 | 20,000 |
| Net Cash Provided by Noncapital Financing | <u>-</u> | <u>20,000</u> | <u>20,000</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Interest received (paid) | 1,103 | 429 | 1,532 |
| Net Cash Used in Capital and Related Financing Activities | <u>1,103</u> | <u>429</u> | <u>1,532</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 11,072 | 11,202 | 22,274 |
| Cash and Cash Equivalents, Beginning of Year | <u>68,009</u> | <u>21,050</u> | <u>89,059</u> |
| Cash and Cash Equivalents, End of Year | <u><u>\$ 79,081</u></u> | <u><u>\$ 32,252</u></u> | <u><u>\$ 111,333</u></u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | |
| Operating income (loss) | \$ 7,102 | \$ (10,443) | \$ (3,341) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | |
| Changes in assets and liabilities: | | | |
| Receivables | 2,828 | 1,206 | 4,034 |
| Payables | 39 | 10 | 49 |
| Net Cash Provided (Used) by Operating Activities | <u><u>\$ 9,969</u></u> | <u><u>\$ (9,227)</u></u> | <u><u>\$ 742</u></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, 2018

| | <u>Copier Pool</u> | <u>Motor Pool</u> | <u>Insurance Pool</u> | <u>Tech Refresh Pool</u> | <u>Total</u> |
|---------------------------------------|--------------------|---------------------|-----------------------|--------------------------|---------------------|
| ASSETS | | | | | |
| Current Assets | | | | | |
| Pooled cash and investments | \$ 51,695 | \$ 1,493,621 | \$ 212,108 | \$ 77,436 | \$ 1,834,860 |
| Cash with fiscal agent | - | - | 45,413 | - | 45,413 |
| Deposits with others | - | - | 3,773,417 | - | 3,773,417 |
| Accounts receivable | - | 54 | - | - | 54 |
| Total Current Assets | <u>51,695</u> | <u>1,493,675</u> | <u>4,030,938</u> | <u>77,436</u> | <u>5,653,744</u> |
| Noncurrent Assets | | | | | |
| Capital assets: | | | | | |
| Depreciable, net | <u>96,923</u> | <u>1,727,966</u> | <u>-</u> | <u>-</u> | <u>1,824,889</u> |
| Total Assets | <u>148,618</u> | <u>3,221,641</u> | <u>4,030,938</u> | <u>77,436</u> | <u>7,478,633</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| Deferred amounts related to pensions | <u>-</u> | <u>30,559</u> | <u>-</u> | <u>-</u> | <u>30,559</u> |
| LIABILITIES | | | | | |
| Current Liabilities | | | | | |
| Accounts payable | 13,274 | 10,365 | 4,853 | 6,542 | 35,034 |
| Salaries and benefits payable | - | 8,327 | 2,871 | - | 11,198 |
| Claims Liability | - | - | 3,164,755 | - | 3,164,755 |
| Total Current Liabilities | <u>13,274</u> | <u>18,692</u> | <u>3,172,479</u> | <u>6,542</u> | <u>3,210,987</u> |
| Long-term Liabilities | | | | | |
| Net pension liability | <u>-</u> | <u>130,927</u> | <u>-</u> | <u>-</u> | <u>130,927</u> |
| Total Liabilities | <u>13,274</u> | <u>149,619</u> | <u>3,172,479</u> | <u>6,542</u> | <u>3,341,914</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Deferred amounts related to pensions | <u>-</u> | <u>6,007</u> | <u>-</u> | <u>-</u> | <u>6,007</u> |
| NET POSITION | | | | | |
| Net investment in capital assets | 96,923 | 1,727,966 | - | - | 1,824,889 |
| Unrestricted | 38,421 | 1,368,608 | 858,459 | 70,894 | 2,336,382 |
| Total Net Position | <u>\$ 135,344</u> | <u>\$ 3,096,574</u> | <u>\$ 858,459</u> | <u>\$ 70,894</u> | <u>\$ 4,161,271</u> |

COUNTY OF MONO

Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2018

| | Copier Pool | Motor Pool | Insurance Pool | Tech Refresh Pool | Total |
|--|-------------------|---------------------|-------------------|----------------------|---------------------|
| OPERATING REVENUES | | | | | |
| Charges for services | 95,170 | 1,508,040 | 2,693,065 | 168,397 | 4,464,672 |
| Total Operating Revenues | 95,170 | 1,508,040 | 2,693,065 | 168,397 | 4,464,672 |
| OPERATING EXPENSES | | | | | |
| Salaries and benefits | - | 66,379 | 130,680 | - | 197,059 |
| Services and supplies | 64,244 | 242,902 | 2,098,503 | 163,146 | 2,568,795 |
| Depreciation | 26,903 | 410,302 | - | - | 437,205 |
| Total Operating Expenses | 91,147 | 719,583 | 2,229,183 | 163,146 | 3,203,059 |
| Operating Income (Loss) | 4,023 | 788,457 | 463,882 | 5,251 | 1,261,613 |
| NON-OPERATING REVENUES (EXPENSES) | | | | | |
| Interest income (expense) | 518 | 16,410 | 2,387 | 1,243 | 20,558 |
| Sale of capital assets | 61 | 51,348 | - | - | 51,409 |
| Miscellaneous | - | 35,926 | 46,356 | - | 82,282 |
| Total Non-Operating Revenues | 579 | 103,684 | 48,743 | 1,243 | 154,249 |
| Income (Loss) Before Transfers | 4,602 | 892,141 | 512,625 | 6,494 | 1,415,862 |
| Transfers in | - | 554,914 | - | - | 554,914 |
| CHANGE IN NET POSITION | 4,602 | 1,447,055 | 512,625 | 6,494 | 1,970,776 |
| Net Position, Beginning of Year | 130,742 | 1,649,519 | 345,834 | 64,400 | 2,190,495 |
| NET POSITION, END OF YEAR | <u>\$ 135,344</u> | <u>\$ 3,096,574</u> | <u>\$ 858,459</u> | <u>\$ 70,894</u> | <u>\$ 4,161,271</u> |

COUNTY OF MONO

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended June 30, 2018

| | Copier Pool | Motor Pool | Insurance Pool | Tech Refresh Pool | Total |
|--|-------------------------|----------------------------|--------------------------|-------------------------|----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Cash receipts from interfund services provided | \$ 95,170 | \$ 1,508,986 | \$ 2,693,065 | \$ 168,397 | \$ 4,465,618 |
| Cash paid to employees for services | - | (219,828) | (127,809) | - | (347,637) |
| Cash paid to suppliers for goods and services | (70,383) | (273,523) | (2,444,188) | (162,029) | (2,950,123) |
| Net Cash Provided (Used) by Operating Activities | <u>24,787</u> | <u>1,015,635</u> | <u>121,068</u> | <u>6,368</u> | <u>1,167,858</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Net transfers in | - | 554,914 | - | - | 554,914 |
| Other revenues | - | 35,926 | 46,356 | - | 82,282 |
| Net Cash Provided (Used) by Noncapital Financing | <u>-</u> | <u>590,840</u> | <u>46,356</u> | <u>-</u> | <u>637,196</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | |
| Payments related to the acquisition of capital assets | (39,190) | (956,565) | - | - | (995,755) |
| Sale of capital assets | 116 | 51,348 | - | - | 51,464 |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(39,074)</u> | <u>(905,217)</u> | <u>-</u> | <u>-</u> | <u>(944,291)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Interest received (paid) | 519 | 16,410 | 2,387 | 1,243 | 20,559 |
| Net Cash Provided by Investing Activities | <u>519</u> | <u>16,410</u> | <u>2,387</u> | <u>1,243</u> | <u>20,559</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | (13,768) | 717,668 | 169,811 | 7,611 | 881,322 |
| Cash and Cash Equivalents, Beginning of Year | 65,463 | 775,953 | 87,710 | 69,825 | 998,951 |
| Cash and Cash Equivalents, End of Year | <u>\$ 51,695</u> | <u>\$ 1,493,621</u> | <u>\$ 257,521</u> | <u>\$ 77,436</u> | <u>\$ 1,880,273</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | | | | |
| Operating income (loss) provided (used) by operating activities: | \$ 4,023 | \$ 788,457 | \$ 463,882 | \$ 5,251 | \$ 1,261,613 |
| Depreciation | 26,903 | 410,302 | - | - | 437,205 |
| Changes in assets and liabilities | | | | | |
| Accounts receivable | - | 946 | - | - | 946 |
| Deposits with others | - | - | (574,380) | - | (574,380) |
| Deferred outflows | - | 37,925 | - | - | 37,925 |
| Claims liability | - | - | 224,752 | - | 224,752 |
| Accrued salaries and benefits | - | 2,671 | 2,871 | - | 5,542 |
| Payables | (6,139) | (30,621) | 3,943 | 1,117 | (31,700) |
| Net Pension liability | - | (188,158) | - | - | (188,158) |
| Deferred inflows | - | (5,887) | - | - | (5,887) |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 24,787</u> | <u>\$ 1,015,635</u> | <u>\$ 121,068</u> | <u>\$ 6,368</u> | <u>\$ 1,167,858</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.

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COUNTY OF MONO

Combining Statement of Fiduciary Net Position
Investment Trust Fund
June 30, 2018

| | <u>Local Districts</u> | <u>School Funds</u> | <u>Total</u> |
|--|----------------------------|--------------------------|--------------------------|
| ASSETS | | | |
| Pooled cash and investments | \$ 21,360,945 | \$ 22,242,145 | \$ 43,603,090 |
| Total Assets | <u>\$ 21,360,945</u> | <u>\$ 22,242,145</u> | <u>\$ 43,603,090</u> |
| NET POSITION | | | |
| Net position held in trust for investment pool participants | <u>\$ 21,360,945</u> | <u>\$ 22,242,145</u> | <u>\$ 43,603,090</u> |

COUNTY OF MONO

Combining Statement of Changes in Fiduciary Net Position

Investment Trust Fund

For the Year Ended June 30, 2018

| | <u>Local Districts</u> | <u>School Districts</u> | <u>Total</u> |
|---|----------------------------|-----------------------------|----------------------|
| Additions | | | |
| Contributions | \$ 26,536,895 | \$ 48,965,005 | \$ 75,501,900 |
| Investment income | 306,809 | 353,604 | 660,413 |
| | <u>26,843,704</u> | <u>49,318,609</u> | <u>76,162,313</u> |
| Total Additions | | | |
| | 26,843,704 | 49,318,609 | 76,162,313 |
| Deductions: | | | |
| Distribution from pooled investment | <u>23,140,272</u> | <u>50,514,586</u> | <u>73,654,858</u> |
| Change in Net Position | 3,703,432 | (1,195,977) | 2,507,455 |
| Beginning net position held in trust for pool participants | <u>17,657,513</u> | <u>23,438,122</u> | <u>41,095,635</u> |
| Ending net position held for pool participants | <u>\$ 21,360,945</u> | <u>\$ 22,242,145</u> | <u>\$ 43,603,090</u> |

STATISTICAL SECTION (UNAUDITED)

COUNTY OF MONO

Tax Levies and Collections
General Fund Secured Roll
1997-98 through 2017-18

| Fiscal Year | Secured & Unsecured Tax Levy | Current Taxes Collected | Percent of Levy | Delinquent Collections | Total Collections | Percent of Levy Collected |
|-------------|------------------------------|-------------------------|-----------------|------------------------|-------------------|---------------------------|
| 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 | 6,603,799 | 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% |
| 2017-18 | 17,334,675 | 16,920,747 | 97.61% | 363,296 | 17,284,043 | 99.71% |

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

COUNTY OF MONO

Property Tax Value Allocation Collection
1997-98 through 2017-18
AB-8 VALUES

| Fiscal Year | Real Property | | Personal | | Total | |
|-------------|------------------|--------|----------------|---------|------------------|--------|
| | Inc. HOPTR | % Chg | Property | % Chg | | % Chg |
| 1997-98 | \$ 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% |
| 2017-18 | 5,375,320,883 | 2.50% | 401,388,290 | 1.76% | 5,776,709,173 | 2.44% |

**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
2017-18**

| <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 | 0.022504 |
| Mammoth Unified Bond '98, '00 & '01 | 0.029418 |
| Southern Mono Hospital Bond Redemption | 0.017078 |
| Southern Mono Hospital Bond Current | 0.029052 |
| Total | 1.098052 |
| <u>TAX AREAS: 010-001, 010-005, 010-007, 010-009, 010-010</u> | |
| PROP 13 (1% Limit) | 1.000000 |
| Mammoth-Kern SFID | 0.022504 |
| Mammoth Unified Bond '98, '00 & '01 | 0.029418 |
| Southern Mono Hospital Bond Redemption | 0.017078 |
| Southern Mono Hospital Bond Current | 0.029052 |
| Total | 1.098052 |
| <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 | 0.029418 |
| Southern Mono Hospital Bond Redemption | 0.017078 |
| Southern Mono Hospital Bond Current | 0.029052 |
| Total | 1.075549 |
| <u>TAX AREAS: 060-000</u> | |
| PROP 13 (1% Limit) | 1.000000 |
| Round Valley Bond (Determined by Inyo County) | 0.031657 |
| Bishop HS Bond (Determined by Inyo County) | 0.009048 |
| Southern Mono Hospital Bond Redemption | 0.017078 |
| Southern Mono Hospital Bond Current | 0.029052 |
| Total | 1.086836 |
| <u>TAX AREAS: 060-001 THRU 060-006</u> | |
| PROP 13 (1% Limit) | 1.000000 |
| Round Valley Bond (Determined by Inyo County) | 0.031657 |
| Bishop HS Bond (Determined by Inyo County) | 0.009048 |
| Total | 1.040705 |
| <u>Unitary Tax Rate</u> | |
| Unitary 1% Ad Valorem | 1.000000 |
| Unitary Debt Service Rate | 0.356143 |
| Total | 1.356143 |

COUNTY OF MONO

Distribution of Pooled Property Tax
1997-98 through 2017-18

| Fiscal Year | County | Town of Mammoth Lakes | Schools Library and ERAF | Special Districts | Total |
|-------------|--------|-----------------------------|--------------------------------|----------------------|---------|
| 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% |
| 2017-18 | 30.00% | 4.30% | 42.23% | 23.47% | 100.00% |

COUNTY OF MONO
Tax Collections
1997-98 through 2017-18

| Fiscal Year | General Fund | | Secured and Unsecured | | | Totals |
|-------------|---------------------|--------------|-----------------------|---------------------------------|-------------------|------------|
| | County General Fund | | Town of Mammoth | School | Special Districts | |
| | Secured | Unsecured | | Districts and Augmentation Fund | | |
| 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 |
| 2017-18 | 16,137,096 | 1,198,115 | 2,484,903 ** | 24,398,429 ** | 13,556,298 ** | 57,774,841 |

* *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, 2018

| | | |
|---------------------------|---|--------|
| County Date of Formation: | April 21, 1861 | |
| Form of Government: | General Law County under California Constitution 1849 | |
| Area: | 3,049 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 | 43 |
| | Non-Sworn Sheriff/Jail Personnel | 4 |
| | Number of Stations | 3 |
| | Number of Employees | 47 |
| | Percentage of Public Protection Personnel | 16.49% |
| Countywide Employees | Total of Full-time & Part-time | 285 |
| | <i>(Includes Public Protection Employees)</i> | |
| | <i>(Does not include Court Employees)</i> | |
| Elections: | <u>June 5, 2018 Primary Elections</u> | |
| | Number of Registered Voters | 6,169 |
| | Number of Votes Cast Last General Election | 3,458 |
| | Percentage of Registered Voters Voting | 56.05% |
| | <u>November 8, 2016 General Elections</u> | |
| | 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, 2018

| 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 |
| | 2018 | 5,506 | 8,316 | 13,822 |

*** No Data Kept for these years

COUNTY OF MONO
STATE OF CALIFORNIA

SINGLE AUDIT REPORT

FOR THE YEAR ENDED
JUNE 30, 2018

**COUNTY OF MONO
STATE OF CALIFORNIA**

**SINGLE AUDIT REPORT
JUNE 30, 2018**

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Supervisors
County of Mono
Bridgeport, California

We have audited, in accordance with the 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 General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Mono, California (the "County"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 29, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

677 Scott Avenue
Clovis, CA 93612
tel 559.299.9540
fax 559.299.2344

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Price Pange & Company

Clovis, California
March 29, 2019



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Supervisors
County of Mono
Bridgeport, California

Report on Compliance for Each Major Federal Program

We have audited the County of Mono, California's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2018. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the County's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County of Mono, California, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

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Report on Internal Control over Compliance

Management of the County of Mono, California, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Mono, California as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 29, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Price Pange & Company

Clovis, California
March 29, 2019

COUNTY OF MONO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

| <u>Federal Grantor/Pass-Through Grantor/Program Title</u> | <u>Federal CFDA Number</u> | <u>Pass-Through Grantor's Number</u> | <u>Passed Through to Subrecipients</u> | <u>Total Federal Disbursements Expenditures</u> |
|--|----------------------------|--------------------------------------|--|---|
| U.S. Department of Agriculture | | | | |
| Passed through USDA Forest Service: 2017 USDA Forest Service | 10.304 | -- | \$ - | \$ 21,956 |
| Passed through State Department of Public Health: WIC - Women, Infants, and Children (WIC) | 10.557 | -- | - | 284,347 |
| Passed through State Department of Social Services SNAP Cluster State Administrative Matching Grants for Supplemental Nutrition Assistance Program | 10.561 | -- | - | 370,827 |
| Passed through State Controller's Office: Forest Service Schools and Roads Cluster Schools and Roads - Grants to States | 10.665 | PL114-10 | - | 305,470 |
| Total U.S. Department of Agriculture | | | - | <u>982,600</u> |
| U.S. Department of Housing and Urban Development | | | | |
| Passed through State Dept. of Housing and Community Development: Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii | 14.228 | 05-STBG-1384 | - | 608,363 |
| Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii | 14.228 | 10-STBG-6730 | - | 303,500 |
| Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii | 14.228 | 15-CDBG-10576 | 235,744 | 455,935 |
| Subtotal CFDA 14.228 | | | <u>235,744</u> | <u>1,367,798</u> |
| HOME Investment Partnership Program | 14.239 | 13-HOME-8996 | 18,761 | 245,861 |
| HOME Investment Partnership Program | 14.239 | 13-HOME-8996 | - | 324,275 |
| HOME Investment Partnership Program | 14.239 | 06-HOME-2359 | - | 243,052 |
| HOME Investment Partnership Program | 14.239 | 09-HOME-6259 | - | 92,900 |
| Subtotal CFDA 14.239 | | | <u>18,761</u> | <u>906,088</u> |
| Total U.S. Dept. of Housing and Urban Development | | | <u>254,505</u> | <u>2,273,886</u> |
| U.S. Department of the Interior | | | | |
| Bureau of Land Management: Sagegrouse Cooperative Agreement | 15.231 | -- | - | 3,971 |
| Total U.S. Department of the Interior | | | - | <u>3,971</u> |
| U.S. Department of Justice | | | | |
| Direct Program: Adult Drug Court Discretionary Grant Program-BJA | 16.585 | -- | - | 75,200 |
| Passed through Drug Enforcement Administration 2017 Domestic Cannabis Eradication | 16.111 | 2017-31 | - | 4,547 |
| Passed through State Office of Emergency Services: Victim Witness Assistance Program | 16.575 | VW17270260 | - | 128,212 |
| Passed through Board of State and Community Corrections Reducing Racial and Ethnic Disparities | 16.540 | BSCC 394-15 | - | 102,603 |
| Total U.S. Department of Justice | | | - | <u>310,562</u> |
| U.S. Department of Labor | | | | |
| Passed through Employment Development Department via Kern County ETR WIOA Cluster Workforce Investment Act - Adult | 17.258 | -- | - | 10,096 |
| Workforce Investment Act - Youth | 17.259 | -- | - | 10,989 |
| Workforce Investment Act - Dislocated Worker | 17.278 | -- | - | 15,508 |
| Subtotal WIOA Cluster | | | - | <u>36,593</u> |
| Total U.S. Department of Labor | | | - | <u>36,593</u> |

See Notes to the Schedule of Federal Awards.

COUNTY OF MONO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Pass-Through Grantor's Number | Passed Through to Subrecipients | Total Federal Disbursements Expenditures |
|---|---------------------------|-------------------------------------|------------------------------------|--|
| U.S. Department of Transportation | | | | |
| Direct Program: | | | | |
| Airport Improvement Program | 20.106 | 3-06-0119-004-2013 | - | 6,876 |
| Airport Improvement Program | 20.106 | 3-06-0030-009-2013 | - | 9,422 |
| Subtotal CFDA 20.106 | | | - | 16,298 |
| Passed through State Department of Transportation: | | | | |
| Highway Planning and Construction Cluster | | | | |
| Highway Planning and Construction (RSTP Apportionment) | 20.205 | 917000058 | - | 229,725 |
| Total U.S. Department of Transportation | | | - | 246,023 |
| U.S. Department of Health and Human Services | | | | |
| Passed through California Dept. of Aging Via Inyo County | | | | |
| Aging Cluster | | | | |
| Aging Title III Part B | 93.044 | -- | - | 9,854 |
| Aging Title III Part C | 93.045 | -- | - | 35,713 |
| Nutrition Services Incentive Program | 93.053 | -- | - | 7,941 |
| Subtotal Aging Cluster | | | - | 53,508 |
| Passed through State Department of Social Services: | | | | |
| Family Preservation and Support Services | 93.556 | -- | - | 7,422 |
| TANF Cluster | | | | |
| Temporary Assistance for Needy Families | 93.558 | -- | - | 417,605 |
| Child Welfare Services - State Grants | | | | |
| Foster Care - Title IV-E | 93.645 | -- | - | 292,723 |
| Adoption Assistance | 93.659 | -- | - | 31,127 |
| In-Home Supportive Services | 93.667 | -- | - | 58,235 |
| Independent Living | 93.674 | -- | - | 3,842 |
| Subtotal | | | - | 396,855 |
| Passed through California Secretary of State: | | | | |
| Help America Vote Act (HAVA) | 93.618 | -- | - | 1,353 |
| Passed through State Department of Health Services: | | | | |
| Public Health Emergency Preparedness | 93.069 | -- | - | 105,840 |
| Pandemic Flu | | | | |
| Immunization | 93.268 | -- | - | 56,687 |
| Subtotal CDFR 93.268 | | | - | 36,250 |
| Subtotal CDFR 93.268 | | | - | 92,937 |
| Maternal and Child Health Services | | | | |
| California Children's Services | 93.994 | -- | - | 80,436 |
| Health Care Program for Children in Foster Care | 93.767 | -- | - | 115,290 |
| Subtotal CFDA 93.767 | | | - | 3,877 |
| Subtotal CFDA 93.767 | | | - | 119,167 |
| Medicaid Cluster | | | | |
| Medical Assistance Program | 93.778 | -- | - | 300,236 |
| Hospital Emergency Preparedness and Response | | | | |
| Ryan White/HIV Care Formula | 93.889 | -- | - | 104,407 |
| HIV/AIDS Surveillance | 93.917 | -- | - | 46,001 |
| Subtotal CFDA 93.917 | | | - | 3,000 |
| Subtotal CFDA 93.917 | | | - | 49,001 |
| Children's Health and Disability Prevention | 93.767 | -- | - | 9,200 |
| Subtotal | | | - | 861,224 |
| Passed through State Department of Alcohol and Drug Programs: | | | | |
| Block Grants for Prevention and Treatment of Substance Abuse (SAPT) | 93.959 | -- | - | 420,641 |
| Total U.S. Department of Health and Human Services | | | - | 2,158,608 |
| U.S. Department of Homeland Security | | | | |
| Passed through State Office of Emergency Services: | | | | |
| Hazard Mitigation Grant Program | 97.039 | FEMA-4240-DR-CA | - | 164,929 |
| 2017 Emergency Management Performance Grant (EMPG) | 97.042 | -- | - | 127,787 |
| 2017 State Homeland Security Grant | 97.067 | -- | - | 89,990 |
| Total U.S. Department of Homeland Security | | | - | 382,706 |
| Total Expenditures of Federal Awards | | | \$ 254,505 | \$ 6,394,949 |

See Notes to the Schedule of Federal Awards.

COUNTY OF MONO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 – REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the County of Mono. The County of Mono reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is prepared using the modified accrual basis of accounting for program expenditures accounted for in governmental funds and the accrual basis of accounting for expenditures accounted for in proprietary funds, as described in Note 1 of the County's basic financial statements.

NOTE 3 – RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within the County's financial statements. Federal award revenues are reported principally in the County's financial statements as intergovernmental revenues in the General and Special Revenue funds.

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, with the amounts reported in the related federal financial assistance reports.

NOTE 5 - INDIRECT COST RATE

The County of Mono did not elect to use the 10 percent de minimis indirect cost rate as described in 2 CFR §200.414. Uniform Guidance, §200.510(6), requires the County of Mono to disclose whether or not it elected to use the 10 percent de minimis cost rate that §200.414(f) allows for nonfederal entities that have never received a negotiated indirect cost rate.

NOTE 6 – PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from a pass-through entity; the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity. When the County determined that no identifying number is assigned for the program or the County was unable to obtain an identifying number from the pass-through entity, the County has indicated "- " as the pass-through identifying number.

COUNTY OF MONO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 7 – DEPARTMENT OF AGING FEDERAL/STATE SHARE

The California Department of Aging (CDA) requires agencies who receive CDA funding to display state-funded expenditures discretely along with federal expenditures. The County expended the following state and federal amounts under these grants:

| <u>CFDA</u> | <u>Federal Expenditures</u> | <u>State Expenditures</u> |
|-------------|-----------------------------|---------------------------|
| 93.044 | \$ 9,854 | \$ - |
| 93.045 | 35,713 | 35,191 |
| 93.053 | 7,941 | - |
| | <u>\$ 53,508</u> | <u>\$ 35,191</u> |

NOTE 8 – LOANS WITH CONTINUING COMPLIANCE REQUIREMENTS

The programs listed below had federally funded loans outstanding as of July 1, 2017 and June 30, 2018:

| <u>CFDA</u> | <u>Program Title</u> | <u>Amount Outstanding</u> | |
|-------------|---|---------------------------|----------------------|
| | | <u>July 1, 2017</u> | <u>June 30, 2018</u> |
| 14.228 | Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii | \$ 911,863 | \$ 911,863 |
| 14.239 | HOME Investment Partnership Program | <u>660,227</u> | <u>887,327</u> |
| | Total Amount Outstanding | <u>\$ 1,572,090</u> | <u>\$ 1,799,190</u> |

**COUNTY OF MONO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:
 Material weaknesses identified? _____ Yes X No
 Significant deficiencies identified that
 are not considered to be material weaknesses? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X No

FEDERAL AWARDS

Internal control over major programs:
 Material weaknesses identified? _____ Yes X No
 Significant deficiencies identified that
 are not considered to be material weaknesses? _____ Yes X None reported

Type of auditor's report issued on compliance
 for major programs: Unmodified

Any audit findings disclosed that are required
 to be reported in accordance with 2CFR
 section 200.516(a)? _____ Yes X No

IDENTIFICATION OF MAJOR PROGRAMS:

| <u>CFDA Number</u> | <u>Name of Federal Program or Cluster</u> |
|--------------------|---|
| 14.228 | Community Development Block |
| 14.239 | Home Investment Partnerships Program |
| 93.778 | Medical Assistance Program |

Dollar threshold used to distinguish between Type A
 and Type B programs: \$750,000

Auditee qualified as low-risk auditee? _____ Yes X No

**COUNTY OF MONO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018**

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported

**COUNTY OF MONO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018**

FINANCIAL STATEMENT FINDINGS

Finding 2017-001 - LOANS RECEIVABLE (Material Weakness)

Condition: The County did not report loans receivable for various loans issued under the Home Investment Partnership Program (HOME) and Community Development Block Grant (CDBG) federal loan programs when the initial disbursements were made.

Criteria: Upon issuance of federal program loans administered by a third party where the County retains the right to receive repayment from the loan recipient, a loan receivable should be recorded on the County's books.

Cause: The County initially recorded the loan disbursements as expenditures, to satisfy budgeting practices, as opposed to recording them to the balance sheet as loans receivable.

Effect: The County's fund financial statements for the General Fund understated assets and net position by \$335 thousand and the CDBG fund understated assets and net position by \$911 thousand.

Recommendation: The County should review outstanding loans that are funded by Mono County CDBG and HOME loan programs on an annual basis to ensure that all loans are properly reflected on the County's books.

Status: Implemented

Finding 2017-002 - REVENUE RECOGNITION (Material Weakness)

Condition: The County recorded a receipt of funds for payment in lieu of taxes (PILT) as unearned revenue.

Criteria: Generally accepted accounting principles (GAAP) requires that voluntary non-exchange transactions be reported as revenue when received or when all eligibility requirements are first met. Payment in lieu of taxes funding does not carry any eligibility requirements and therefore, the monies should have been reported as revenue upon receipt.

Cause: The County did not properly apply revenue recognition principles when recording this transaction.

Effect: The fund financial statements for the General Fund understated revenues by \$47,357 and beginning fund balance by 1,215,510.

Recommendation: The County should review unearned revenue account balances at year-end to ensure that revenue recognition principles have been properly applied and all earned revenue has been reported in the proper period.

Status: Implemented

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported

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SUPPLEMENTARY SCHEDULES

COUNTY OF MONO
SCHEDULE OF THE CALIFORNIA EMERGENCY MANAGEMENT AGENCY
AND THE DEPARTMENT OF CORRECTIONS AND REHABILITATION GRANTS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2018

| Program | Expenditures Claimed | | | Share of Expenditures Current Year | | |
|--|--------------------------------------|----------------------------------|--------------------------------|------------------------------------|-------------------|-------------------|
| | For the Period Through June 30, 2017 | For the Year Ended June 30, 2018 | Cumulative As of June 30, 2018 | Federal Share | State Share | County Share |
| CaIMMET#MH08.03.0260 | | | | | | |
| Personnel services | \$ 52,000 | \$ 65,000 | \$ 117,000 | \$ - | \$ 65,000 | \$ - |
| Operating expenses | 4,526 | 54,325 | 58,851 | - | 54,325 | - |
| Equipment | - | 589 | 589 | - | 589 | - |
| Total | <u>\$ 56,526</u> | <u>\$ 119,914</u> | <u>\$ 176,440</u> | <u>\$ -</u> | <u>\$ 119,914</u> | <u>\$ -</u> |
| 2016 HSG | | | | | | |
| Personnel services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operating expenses | - | - | - | - | - | - |
| Equipment | 89,990 | - | 89,990 | - | - | - |
| Total | <u>\$ 89,990</u> | <u>\$ -</u> | <u>\$ 89,990</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| 2017 HSG | | | | | | |
| Personnel services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operating expenses | - | - | - | - | - | - |
| Equipment | - | 89,990 | 89,990 | - | - | - |
| Total | <u>\$ -</u> | <u>\$ 89,990</u> | <u>\$ 89,990</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| 2016 EMPG | | | | | | |
| Personnel services | \$ 128,048 | \$ - | \$ 128,048 | \$ - | \$ - | \$ - |
| Personnel services | - | - | - | - | - | - |
| Equipment | - | - | - | - | - | - |
| Total | <u>\$ 128,048</u> | <u>\$ -</u> | <u>\$ 128,048</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| 2017 EMPG | | | | | | |
| Personnel services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operating expenses | - | - | - | - | - | - |
| Equipment | - | 255,574 | 255,574 | 127,787 | - | 127,787 |
| Total | <u>\$ -</u> | <u>\$ 255,574</u> | <u>\$ 255,574</u> | <u>\$ 127,787</u> | <u>\$ -</u> | <u>\$ 127,787</u> |
| FEMA-4301/4305/4308-DR-CA;051-00000 | | | | | | |
| Personnel services | \$ 189,156 | \$ - | \$ 189,156 | \$ - | \$ - | \$ - |
| Operating expenses | 32,340 | - | 32,340 | - | - | - |
| Equipment | 118,712 | - | 118,712 | - | - | - |
| Total | <u>\$ 340,208</u> | <u>\$ -</u> | <u>\$ 340,208</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

COUNTY OF MONO
SCHEDULE OF THE CALIFORNIA EMERGENCY MANAGEMENT AGENCY
AND THE BOARD OF STATE AND COMMUNITY CORRECTIONS GRANTS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2018

| Program | Expenditures Claimed | | | Share of Expenditures Current Year | | |
|---|--------------------------------------|----------------------------------|--------------------------------|------------------------------------|------------------|--------------|
| | For the Period Through June 30, 2017 | For the Year Ended June 30, 2018 | Cumulative As of June 30, 2018 | Federal Share | State Share | County Share |
| Victim/Witness Assistance VW17-270-260 | | | | | | |
| Personnel services | \$ 142,738 | \$ 118,527 | \$ 261,265 | \$ 112,175 | \$ 6,352 | \$ - |
| Operating expenses | 1,528 | 9,685 | 11,213 | - | 9,685 | - |
| Equipment | - | - | - | - | - | - |
| Total | <u>\$ 144,266</u> | <u>\$ 128,212</u> | <u>\$ 272,478</u> | <u>\$ 112,175</u> | <u>\$ 16,037</u> | <u>\$ -</u> |
| Justice Assistance 645-15 | | | | | | |
| Personnel services | \$ 7,937 | \$ - | \$ 7,937 | \$ - | \$ - | \$ - |
| Operating expenses | 74,712 | - | 74,712 | - | - | - |
| Equipment | - | - | - | - | - | - |
| Total | <u>\$ 82,649</u> | <u>\$ -</u> | <u>\$ 82,649</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| R.E.D. BSCC 394-17 | | | | | | |
| Personnel services | \$ 33,991 | \$ 41,885 | \$ 75,876 | \$ 41,885 | \$ - | \$ - |
| Operating expenses | 41,832 | 39,981 | 81,813 | 39,981 | - | - |
| Equipment | - | 20,737 | 20,737 | 20,737 | - | - |
| Total | <u>\$ 75,823</u> | <u>\$ 102,603</u> | <u>\$ 178,426</u> | <u>\$ 102,603</u> | <u>\$ -</u> | <u>\$ -</u> |
| JJCPA | | | | | | |
| Personnel services | \$ 32,652 | \$ 32,652 | \$ 65,304 | \$ - | \$ 32,652 | \$ - |
| Operating expenses | 597 | 85 | 682 | - | 85 | - |
| Equipment | - | - | - | - | - | - |
| Total | <u>\$ 33,249</u> | <u>\$ 32,737</u> | <u>\$ 65,986</u> | <u>\$ -</u> | <u>\$ 32,737</u> | <u>\$ -</u> |
| YOBG | | | | | | |
| Personnel services | \$ 15,500 | \$ 15,500 | \$ 31,000 | \$ - | \$ 15,500 | \$ - |
| Operating expenses | 15,399 | 5,245 | 20,644 | - | 5,245 | - |
| Equipment | - | - | - | - | - | - |
| Total | <u>\$ 30,899</u> | <u>\$ 20,745</u> | <u>\$ 51,644</u> | <u>\$ -</u> | <u>\$ 20,745</u> | <u>\$ -</u> |
| HMGP; FEMA-4240-DR-CA | | | | | | |
| Personnel services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operating expenses | - | - | - | - | - | - |
| Equipment | - | - | - | - | - | - |
| Total | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Personnel services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operating expenses | - | - | - | - | - | - |
| Equipment | - | - | - | - | - | - |
| Total | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Personnel services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Operating expenses | - | - | - | - | - | - |
| Equipment | - | - | - | - | - | - |
| Total | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |



OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

Departments: First 5

TIME REQUIRED 15 minutes

PERSONS APPEARING BEFORE THE BOARD Molly DesBaillets

SUBJECT Resolution to Promote Investments in Young Children and Families from Prenatal to Three

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

A resolution to prioritize and invest in Prenatal-to-Three efforts to promote a healthy start at birth, support for families with infants and toddlers and high-quality care and learning environments.

RECOMMENDED ACTION:

Adopt proposed resolution R19-___, Signing on to the Call to Action of the National Collaborative for Infants and Toddlers (NCIT) and the National Association of Counties (NACo) to prioritize and invest in prenatal-to-three efforts that promote a healthy start at birth, support for families with infants and toddlers and high quality care and learning environments.. Provide any desired direction to staff.

FISCAL IMPACT:

None at this time, except a request to commit to allocating and leveraging funds in the next County budget cycle.

CONTACT NAME: Scheereen Dedman

PHONE/EMAIL: x5538 / sdedman@mono.ca.gov

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|---|
| Click to download |
| <input type="checkbox"/> Staff Report |
| <input type="checkbox"/> NACo Letter |
| <input type="checkbox"/> Resolution |

History

| Time | Who | Approval |
|-------------------|------------------------------|-----------------|
| 5/8/2019 10:44 AM | County Administrative Office | Yes |
| 5/8/2019 2:18 PM | County Counsel | Yes |
| 5/8/2019 4:58 PM | Finance | Yes |



To: Honorable Chair and Members of the Board of Supervisors

From: Molly DesBaillets, Executive Director First 5 Mono County

Date: May 14, 2019

Subject

Resolution to Prioritize and Invest in Prenatal to Three Efforts to Promote a Healthy Start at Birth, Support for Families with Infants and Toddlers and High-Quality Care and Learning Environments

Discussion

First 5 Commission Chair Gardner learned at a recent conference for the National Association of Counties that counties across the nation are committing to supporting families with infants and toddlers. As the Executive Director of First 5 Mono, I am thrilled to bring this item to the Board as it aligns with First 5 Mono's mission to be a leader in a community-oriented and family-centered support network for children prenatal to age five and their families, and is charged with improving outcomes in children's health, safety, and learning. Passing this resolution will demonstrate the County's commitment to improving the lives of families with young children and the vision to measure Mono County's success by the success of our children.

Fiscal Impact

None at this time, but a commitment to allocating and leveraging funds.

Bob Gardner
Commission Chair
Mono County Board of
Supervisors

Stacey Adler, PhD
Commission Vice-Chair
Mono County Superintendent of
Schools

Jeanne Sassin
Commission Secretary
Teacher
Lee Vining Elementary School

Dr. Tom Boo
Mono County Health Officer

Dr. Kristin Collins
Pediatrician
Mammoth Hospital

Bertha Jimenez
Case Manager III
Mono County Behavioral Health

Patricia Robertson
Grant and Financial Associate
Mammoth Lakes Housing

Molly DesBaillets, MA
Executive Director

Providing leadership in sustaining a network of support for all children, ages 0 through 5 years, and their families. Partnering with the community to improve outcomes in children's health, safety and learning.

P.O. Box 130 ♦ Mammoth Lakes, CA 93516
760-924-7626 ♦ 760-934-8443 (fax) ♦ mdesbaillets@monocoe.org monokids.org



Recent brain science shows that the most rapid period of brain development occurs within the first three years of life – developing faster from birth to age three than at any later period, building the foundation for all future learning, behavior and health. Although there are opportunities to intervene later, there is a potential for large gains if investments in quality programs and services are made early.

Counties play a pivotal role in the development of their youngest residents, often working in coordination with community partners to deliver equitable, comprehensive, and complex programming that, together, are critical to the success of young children, families and communities. These programs and services:

- Ensure children have a healthy start in life providing access to prenatal care, immunizations, developmental and behavioral health screenings and consultation, and early intervention services);
- Support families through child welfare and court models, parent education classes, home visiting, and federally mandated programs like WIC, CHIP and Medicaid; and
- Provide access to affordable, high-quality child care and early learning through Early Head Start, child care subsidies, and professional development and training opportunities for caregivers.

Counties are not only responsible for service delivery, but many times are also the catalyst for national, state and local systems change – coordinating intake and referral to a continuum of supports; building data systems that allow agencies to share information and measure progress; coordinating planning and financing to target resources most in need; fostering community and political will to enhance support for investing in infants and toddlers, and creating continuous quality improvement processes to sustain improvements.

This resolution (or proclamation) is an opportunity to demonstrate your county's leadership and commitment to strengthening services, programs, policies and systems vital to the success of all infants and toddlers. Please join the National Collaborative for Infants and Toddlers (NCIT) and National Association of Counties (NACo) in this national effort to ensure families have the support they need to give their infants and toddlers the foundation for a strong start in life by passing this resolution today.

Once your county has passed a resolution, please forward a signed copy to NACo to gain access to additional resources that help to facilitate action for infants and toddlers in your community.

For more information on this effort, please contact
Tracy Steffek, Program Manager for Human Services, at tsteffek@naco.org
Rashida Brown, Associate Program Director for Human Services, at rbrown@naco.org.



RESOLUTION NO. R19-__

A RESOLUTION OF THE MONO COUNTY BOARD OF SUPERVISORS

SIGNING ON TO THE CALL TO ACTION TO PRIORITIZE AND INVEST IN
PRENATAL-TO-THREE EFFORTS THAT PROMOTE A HEALTHY START AT
BIRTH, SUPPORT FOR FAMILIES WITH INFANTS AND TODDLERS AND HIGH-
QUALITY CARE AND LEARNING ENVIRONMENTS BY UTILIZING THE
RESOURCES AVAILABLE THROUGH NACO AND THE NCIT

WHEREAS, Counties routinely provide an array of programs and services to an estimated
16 million children ages birth to three in the United States; and in 2017 about 29 percent of counties
had more than a quarter of all children living in poverty; and

WHEREAS, The most rapid period of brain development occurs within the first years of
life with the brain developing faster from birth to age three than at any later period in life, building
the foundation for all future learning, behavior and health; and as toddlers receive what their
growing brains need, they become healthy children who are confident, empathetic and ready for
school and life; and programs and policies that support healthy development from birth to age three
result in better social, economic and health outcomes and build a more productive workforce that
strengthens our economy now and in the future; and

WHEREAS, Parents are a child's most important caregivers and play the lead role in their
child's healthy development; at the same time, communities and governments can effectively
provide families with an array of comprehensive support at an especially critical time; and

WHEREAS, Programs and policies should start early to ensure healthy beginnings at birth,
support families with infants and toddlers and make high-quality child care and learning
environments more accessible and affordable to all; and

WHEREAS, High-quality child care is often unavailable or unaffordable for parents who
need it, and many families are not connected to networks or early childhood supports that can offer
guidance and confidence to navigate the earliest months and years of their children's lives; and

WHEREAS, Mono County takes pride in its responsibility to protect and enhance the
health, welfare and safety of residents in cost-effective ways and especially for the 430 children birth
to three in the County; and

1 W H E R E A S, Research shows that when we invest in the first three years of a child's life the
2 returns for the community are the highest, and we can reduce the need for more expensive
3 interventions later; and

4 W H E R E A S, Research also shows that high-quality early childhood development programs
5 can deliver an annual return of up to 13 percent per child on upfront costs through better outcomes
6 in education, health, employment and social behavior in the decades that follow; and economists
7 attribute local economic growth and prosperity to high-quality early child care programs; and

8 W H E R E A S, only 50% of Mono County children are school-ready upon entering
9 kindergarten and the County seeks to improve these school readiness rates; and

10 W H E R E A S, the National Association of Counties (NACo) and other national
11 organizations joined the National Collaborative for Infants and Toddlers (NCIT), a project of the
12 Pritzker Children's Initiative (PCI), in a groundbreaking partnership to work with communities and
13 states across the country to focus on early childhood development for young children from birth to
14 three;

15 **NOW, THEREFORE, BE IT RESOLVED** that the Mono County Board of Supervisors does
16 hereby sign on to the call to action to prioritize and invest in prenatal-to-three efforts that promote
17 a healthy start at birth, support for families with infants and toddlers and high-quality care and
18 learning environments and utilize the resources available through NACo and the NCIT to:

- 19 • Be a champion for change by prioritizing and investing in high-quality birth-to-three
20 childcare so children, families and communities can thrive;
- 21 • Designate an early childhood leader with authority to coordinate and maximize County
22 services to optimize child and family outcomes and leverage additional resources;
- 23 • Convene or draw on a diverse team of leaders, decision-makers and community stakeholders
24 committed to early childhood investments;
- 25 • Take an inventory of local programs and services for children and families;
- 26 • Create a plan with measurable outcomes to implement, shift and enhance evidence-based
27 approaches that promote a comprehensive and equitable continuum of care that begins
28 before birth and spans into adulthood, with specific recommendations for children under
29 three and their families;
- 30 • Leverage local, state and federal investments and explore innovative funding strategies and
31 revenue streams to support early childhood programming; and
- 32 • Promote prenatal-to-three policies, best practices and cross coordination to improve child
and family outcomes as well as service delivery and efficacy in government through
streamlined processes.

PASSED, APPROVED and ADOPTED this _____ day of _____, 2019, by the
following vote, to wit:

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AYES:

NOES:

ABSENT:

ABSTAIN:

John Peters, Chair
Mono County Board of Supervisors

ATTEST:

APPROVED AS TO FORM:

Clerk of the Board

County Counsel



**OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS**

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

TIME REQUIRED

SUBJECT Closed Session - Human Resources

**PERSONS
APPEARING
BEFORE THE
BOARD**

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

CONFERENCE WITH LABOR NEGOTIATORS. Government Code Section 54957.6. Agency designated representative(s): Stacey Simon, Dave Wilbrecht, Dave Butters, Janet Dutcher, and Anne Larsen. Employee Organization(s): Mono County Sheriff's Officers Association (aka Deputy Sheriff's Association), Local 39 - majority representative of Mono County Public Employees (MCPE) and Deputy Probation Officers Unit (DPOU), Mono County Paramedic Rescue Association (PARA), Mono County Public Safety Officers Association (PSO), and Mono County Sheriff Department's Management Association (SO Mgmt). Unrepresented employees: All.

RECOMMENDED ACTION:

FISCAL IMPACT:

CONTACT NAME:

PHONE/EMAIL: /

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|--|
| <p>Click to download</p> <p>No Attachments Available</p> |
|--|

History

Time

Who

Approval



**OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS**

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

TIME REQUIRED

SUBJECT Closed Session - Public Employment

**PERSONS
APPEARING
BEFORE THE
BOARD**

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

PUBLIC EMPLOYMENT. Government Code section 54957. Title: County Administrative Officer (CAO).

RECOMMENDED ACTION:

FISCAL IMPACT:

CONTACT NAME:

PHONE/EMAIL: /

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|--|
| <p>Click to download</p> <p>No Attachments Available</p> |
|--|

History

Time

Who

Approval



**OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS**

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

TIME REQUIRED

SUBJECT Closed Session - Existing Litigation

**PERSONS
APPEARING
BEFORE THE
BOARD**

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION. Paragraph (1) of subdivision (d) of Government Code section 54956.9. Name of case: *Cox v. Padilla*, Sacramento Superior Court Case No. 34-2019-80003090.

RECOMMENDED ACTION:

FISCAL IMPACT:

CONTACT NAME: Anne Larsen

PHONE/EMAIL: 760 924-1707 / alarsen@mono.ca.gov

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

| |
|--|
| <p>Click to download</p> <p>No Attachments Available</p> |
|--|

History

| Time | Who | Approval |
|-------------------|------------------------------|----------|
| 4/26/2019 9:31 AM | County Administrative Office | Yes |
| 4/26/2019 9:27 AM | County Counsel | Yes |
| 4/23/2019 3:55 PM | Finance | Yes |



**OFFICE OF THE CLERK
OF THE BOARD OF SUPERVISORS**

REGULAR AGENDA REQUEST

Print

MEETING DATE May 14, 2019

TIME REQUIRED

SUBJECT Closed Session - Exposure to
Litigation

**PERSONS
APPEARING
BEFORE THE
BOARD**

AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code section 54956.9. Number of potential cases: two.

RECOMMENDED ACTION:

FISCAL IMPACT:

CONTACT NAME:

PHONE/EMAIL: /

SEND COPIES TO:

MINUTE ORDER REQUESTED:

YES NO

ATTACHMENTS:

[Click to download](#)

No Attachments Available

History

| Time | Who | Approval |
|--------------------|------------------------------|-----------------|
| 4/11/2019 12:10 PM | County Administrative Office | Yes |
| 5/6/2019 9:31 AM | County Counsel | Yes |
| 5/6/2019 8:51 AM | Finance | Yes |