

**COUNTY OF MONO**  
**AUDIT REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2008**

**COUNTY OF MONO**  
**AUDIT REPORT**

Table of Contents

	<u>Page</u>
<u>Introductory Section</u>	
Letter of Transmittal .....	1-4
Directory of Public Officials.....	5
<u>Financial Section</u>	
Independent Auditor's Report.....	6-7
Management's Discussion and Analysis (Required Supplementary Information).....	8-17
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets .....	18
Statement of Activities.....	19
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet.....	20
Reconciliation of the Governmental Funds Balance Sheet to the	
Government-Wide Statement of Net Assets – Governmental Activities.....	21
Statement of Revenues, Expenditures and Changes in Fund Balances .....	22
Reconciliation of the Statement of Revenues, Expenditures, and Changes	
in Fund Balances of Governmental Funds to the Government-Wide	
Statement of Activities – Governmental Activities .....	23
Proprietary Funds:	
Statement of Fund Net Assets.....	24
Statement of Revenues, Expenses and Changes in Fund Net Assets .....	25
Statement of Cash Flows .....	26-27
Fiduciary Funds:	
Statement of Fiduciary Net Assets.....	28
Statement of Changes in Fiduciary Net Assets.....	29
Notes to Financial Statements.....	30-57
Required Supplementary Information:	
Budgetary Comparison Schedule:	
General Fund.....	58
Road Fund.....	59
Bioterrorism Fund.....	60
Schedule of Funding Progress .....	61
Note to Required Supplementary Information.....	62

**COUNTY OF MONO**  
**AUDIT REPORT**

Table of Contents

	<u>Page</u>
Combining and Individual Fund Statements and Schedules:	
Nonmajor Governmental Funds	
Definition .....	63
Combining Balance Sheet.....	64-68
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	69-73
Nonmajor Enterprise Funds:	
Definition .....	74
Combining Statement of Fund Net Assets.....	75
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets .....	76
Combining Statement of Cash Flows .....	77
Investment Trust Funds:	
Definition .....	78
Combining Statement of Fiduciary Net Assets.....	79
Combining Statement of Changes in Fiduciary Net Assets .....	80
 <u>Statistical Section (Unaudited)</u>	
Comparative Schedules:	
Tax Levies and Collections – General Fund Secured Roll .....	81
Property Tax Allocation Collection.....	82-83
Distribution of Pooled Property Tax.....	84
Tax Collections .....	85
Triple Flip .....	86
Miscellaneous Statistical Information.....	87-88

## **INTRODUCTORY SECTION**



# DEPARTMENT OF FINANCE AUDITOR-CONTROLLER COUNTY OF MONO

P.O. BOX 556, BRIDGEPORT, CALIFORNIA 93517  
(760) 932-5490 • FAX (760) 932-5491

*Brian Muir*  
*Finance Director*

*Roberta Reed*  
*Assistant Finance Director*  
*Auditor-Controller*

*Stacey Westerlund*  
*Payroll Manager*

Honorable Board of Supervisors  
County of Mono  
Bridgeport, California 93517

Members of the Board:

The Comprehensive Annual Financial Report of the County of Mono for the fiscal year ended June 30, 2008, is hereby submitted in accordance with Section 25253 of the Government Code. We believe the data, as presented, is accurate in all material aspects and this report presents fairly the financial position and results of operations of the County's various funds. It also includes necessary and appropriate disclosures and supplementary data to enable the reader to fully understand the overall County financial position.

## ACCOUNTING AND BUDGETARY POLICIES

The County maintains accounting controls, which comprise the plan of organization, all methods and procedures designed to safeguard assets, and the reliability of financial records for financial statement presentation. These controls include the system 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 the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

In accordance with provisions of Section 29000 and 29143 inclusive, of the Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares and adopts a budget for each fiscal year. Budgetary control for expenditures is maintained at the object level for all budgetary units except for fixed assets, which are controlled on the fund level. The expenditure side of the budget is enacted into law through the passage of an appropriation resolution. This resolution constitutes the maximum authorization to spend during the fiscal year and cannot be exceeded except by subsequent amendment of the budget by the Board of Supervisors. Unexpended appropriations at the end of the fiscal year lapse.

#### THE REPORTING ENTITY AND ITS SERVICES

This report includes all the funds and account groups for which the County's Board of Supervisors has oversight responsibility. This oversight responsibility includes, but is not limited to, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

The County provides a full range of local government functions that includes Public Protection, Public Ways and Facilities, Health and Sanitation, Social Services, Education, Culture and Recreation, and General Services.

#### GENERAL GOVERNMENT FUNCTIONS

Revenues from all Governmental fund type sources totaled \$51,714,565 in 2007-08, an increase of 13.34 percent from 2006-07. The amount of variance from the prior fiscal year is shown in the following tabulation. For fiscal year 2007-08 this variance is less than last year due to the slow down in development and growth in Mono County.

Sources: FY 2007-08	Amount	Percent of Total	Increase (Decrease) from FY 2006-07
Taxes and assessments	24,321,646	47.03%	3,571,881
Licenses and permits	474,010	0.92%	(283,214)
Fines, forfeitures and penalties	1,220,771	2.36%	322,080
Use of money and property	653,598	1.26%	(334,029)
Intergovernmental	20,395,207	39.44%	3,865,355
Charges for current services	4,129,702	7.99%	(754,526)
Other revenue	519,631	1.00%	(300,843)
TOTAL	51,714,565	100.00%	6,086,704

Expenditures for all Governmental fund type functions totaled \$48,296,775 an increase of 10.59 percent over 2006-07. The amount of variance from the prior fiscal year is shown in the following tabulation. The highest single increase is in Public Protection. This can be accounted for by the addition of new positions in various departments included in Public Protection and being fully staffed for the entire year as well as new grant revenues hence expenditures.

Sources: FY 2007-08	Amount	Percent of Total	Increase (Decrease) from FY 2005-06
General Government	9,068,771	18.78%	(839,522)
Public Protection	15,896,345	32.91%	3,388,446
Public Ways and Facilities	6,710,723	13.89%	1,034,139
Health and Sanitation	9,207,028	19.06%	1,745,401
Public Assistance	4,100,128	8.49%	(2,190,548)
Education	33,072	0.07%	5,744
Recreation and Culture	1,125,991	2.33%	303,858
Capital Outlay	2,154,717	4.46%	1,175,480
<b>TOTAL</b>	<b>48,296,775</b>	<b>100.00%</b>	<b>4,622,998</b>

At June 30, 2008, the Governmental fund types unreserved fund balance of \$15,018,361 was composed of the following:

General Fund	\$12,558,591
Road Fund	(313,879)
Special Revenue	(582,818)
Other Governmental	3,356,467

While not reserved by law, Board of Supervisor policy designated reserves for future liabilities for retirees and mandatory employer costs. In this fiscal year, these funds were removed from the treasury and placed in trust with a fiscal agent for this purpose. Not included in these Governmental Fund type balances, is \$41,334,934 of capital assets reported in governmental funds; and long-term liabilities, such as capital leases and compensated absences, not included in governmental fund types reflect \$(1,341,882) and \$(3,126,475), respectively, thus making the net assets \$56,652,197 for governmental activities.

## CASH MANAGEMENT

Cash temporarily idle during the fiscal year was invested with the County Treasury pooled cash. This investment is composed of deposits and investments allowed by California Government Code and the Mono County investment policy. This pooled cash 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, Corporate Bonds and the State Local Agency Investment Fund (LAIF).

## **CAPITAL ASSETS RELATED TO GOVERNMENTAL ACTIVITIES**

The capital assets related to governmental activities of the County are those fixed assets used in the performance of its general government functions. As of June 30, 2008, the amount in the general fixed asset account group of the County was \$43,995,882. This amount represents the book value of the assets. Of this amount, \$5,589,952 is non-depreciable.

## **INDEPENDENT AUDIT**

Section 25250 of the Government Code requires the County to annually have made by an independent Certified Public Accountant, a careful and complete audit of the accounts and records of all offices of the County. This requirement has been complied with and the independent auditor's opinion has been included in this report.

## **PROSPECTS FOR THE FUTURE**

Mono County, along with most California counties, continues to fight the "budget battle" with slower growing revenues failing to keep up with increasing costs of providing services. The County has not yet realized all revenues associated with development and growth, but the demand for services is already present and the increased costs reflect that demand.

Respectfully submitted this 9th day of January, 2009,

  
BRIAN MUIR  
DIRECTOR OF FINANCE  
AUDITOR-CONTROLLER  
COUNTY OF MONO



**COUNTY OF MONO**  
**DIRECTORY OF PUBLIC OFFICIALS**  
JUNE 30, 2008

DEPARTMENT	DEPARTMENT OFFICIAL
Assessor	Jody Henning
Board of Supervisors	
District #1	Tom Farnetti
District #2	Duane "Hap" Hazard
District #3	Vikki Magee-Bauer, Chairman
District #4	William Reid, Vice-Chairman
District #5	Byng Hunt
Clerk-Recorder	Lynda Roberts
County Counsel	Marshall Rudolph
County Administrative Officer	David Wilbrecht
District Attorney	George Booth
Finance Director	Brian Muir
Health and Human Services Director	Tom Wallace
Health Officer	Richard Johnson, MD
Combined Court	Edward Forstenzer
Mental Health	Ann Gimpel
Probation	Beverlee Bryant
Public Health Director	Lynda Salcido
Public Works	Evan Nikirk
Sheriff-Coroner	Richard Scholl
Superintendent of Schools	Catherine Hiatt
Social Services	Edward Zylman

## FINANCIAL SECTION



BARTIG, BASLER & RAY, LLP

A GALLINA LLP COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

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

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, as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the County of Mono, California. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the 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, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued under separate cover, our report dated January 9, 2009, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

The Management's Discussion and Analysis and the other required supplementary information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Mono's basic financial statements. The accompanying information identified in the table of contents as introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

BARTIG, BASLER & RAY, LLP  
A Gallina LLP Company

A handwritten signature in cursive script that reads "Bartig Basler & Ray, LLP".

Roseville, California  
January 9, 2009

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# COUNTY OF MONO

## Management Discussion and Analysis

In this section of the County of Mono (County) annual financial report, County management discusses financial results for the fiscal year ended June 30, 2008. It should be read in conjunction with the transmittal letter at the front of this report and the County's financial statements following this section.

### I. FINANCIAL HIGHLIGHTS

- The County's overall assets exceeded its liabilities at the close of the most recent fiscal year by \$56,264,036 (net assets). Of this amount, \$12,948,203 is unrestricted for governmental activities and may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$4,671,594 from the June 30, 2007, report. This increase is a result of a combination of factors, mainly the increase in property taxes. Overall assets, (less the capital assets) increase 17.70% while at the same time liabilities decreased 3.26%. These changes were primarily a result of increased tax revenues and the payment of debt.
- As of June 30, 2008, the County's governmental funds reported combined ending fund balances of \$20,716,779 an increase of \$3,251,733 in comparison with the prior year. This increase resulted not only from overall revenues exceeding overall expenditures, but from the consolidation of funds and increasing reserves.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$12,558,591, or 34.61% of total general fund expenditures.
- The County's total long-term obligations in the Solid Waste Program (Enterprise Activity) increased by \$89,253 during the current fiscal year. The key factor in this increase was the increased liability for closure/post closure costs, being offset by the repayment of notes payable and certificates of participation.

### II. OVERVIEW OF THE FINANCIAL STATEMENTS

#### A. New Financial Report Model

The County of Mono adopted a new financial reporting model in Fiscal Year 2002 that is designed to demonstrate government accountability by presenting both a long-term and a near-term view of its finances. This model is prescribed by Statement Number 34 of the Government Accounting Standard Board (GASB 34). This model is comprised of three parts: 1) Management Discussion and Analysis which provides the financial highlights; 2) The County's basic financial statements, which consist of the Government-Wide financial statements; the Fund financial statements and the Notes to the financial statements; 3) Required Supplementary Information.

#### B. Government-Wide Financial Statements

The government-wide financial statements provide an overview of the County's finances, in a manner similar to a private-sector business, that is, using the accrual basis of accounting. The

# COUNTY OF MONO

## Management Discussion and Analysis

financial statements demonstrate Mono County 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.

The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the fiscal year. All changes in net assets 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; earned but unused vacation leave).

Both of these 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 activity of the County includes the Mono County Solid Waste Program.

### C. 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** account for functions essentially alike 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.

The County maintains 46 individual governmental funds in addition to numerous fiduciary funds (agency & investment trust). On the financial statements for governmental funds information is presented separately for three major funds: the General Fund, the Road Fund, and the Solid Waste Closure Fund. Data from the other governmental funds are aggregated into a single

# COUNTY OF MONO

## Management Discussion and Analysis

column. However, data for each of these non-major governmental funds is provided in the combining statements located in the Required Supplemental Information section of this report.

**Proprietary funds** are of two types. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its solid waste program. Internal service funds are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for telephone services, fleet services, unemployment self-insurance, retirement, and dental/vision self-insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds statements provide the same type of information as the part of government-wide financial statements pertaining to business-type activities, only in more detail. The County's three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for 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.

### D. Notes to the Financial Statements

The **Notes to the Financial Statements** provide additional information that is essential to a full understanding of the information provided in the financial statements.

### E. Required Supplementary Information

In addition to the basic financial statements, this report presents Required Supplementary Information that includes budgetary comparisons for the General Fund and the major funds and combining statements for the aggregated non-major funds.

## III. FINANCIAL ANALYSIS COUNTY-WIDE

This is the third year that the County has incorporated GASB Statement No. 34 into its financial records. The County made certain fund classification adjustments during this fiscal year. The result of these reclassifications lowered certain current assets. Prior year assets and liabilities are shown below for the purpose of providing comparative data on a countywide level. Comparison of the current year to the prior year will be slightly misleading as certain funds were removed from governmental funds to fiduciary funds. Most notable the trust for retirements and the



# COUNTY OF MONO

## Management Discussion and Analysis

County PERS obligation were the funds removed from the Countywide governmental assets.

### Condensed Statement of Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 26,230,211	\$ 24,260,293	\$ 5,156,326	\$ 2,455,073	\$ 31,386,537	\$ 26,715,366
Capital assets	41,334,934	39,350,048	2,660,948	1,628,578	43,995,882	40,978,626
Total Assets	<u>67,565,145</u>	<u>63,610,341</u>	<u>7,817,274</u>	<u>4,083,651</u>	<u>75,382,419</u>	<u>67,693,992</u>
Current and other liabilities	5,014,654	5,035,519	102,918	226,135	5,117,572	5,261,654
Long term liabilities	5,898,294	6,487,497	8,102,517	8,014,311	14,000,811	14,501,808
Total Liabilities	<u>10,912,948</u>	<u>11,523,016</u>	<u>8,205,435</u>	<u>8,240,446</u>	<u>19,118,383</u>	<u>19,763,462</u>
Invested in capital assets, net	39,993,052	37,627,570	2,360,948	2,509,853	42,354,000	40,137,423
Restricted	3,710,942	6,784,593	1,127,648	1,196,022	4,838,590	7,980,615
Unrestricted	12,948,203	7,675,162	(3,876,757)	(7,862,670)	9,071,446	(187,508)
Total Net Assets	<u>56,652,197</u>	<u>52,087,325</u>	<u>(388,161)</u>	<u>(4,156,795)</u>	<u>56,264,036</u>	<u>47,930,530</u>
Total Liabilities and Net Assets	<u>\$ 67,565,145</u>	<u>\$ 63,610,341</u>	<u>\$ 7,817,274</u>	<u>\$ 4,083,651</u>	<u>\$ 75,382,419</u>	<u>\$ 67,693,992</u>

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.

Restricted net assets represent resources that are subject to external restrictions on how they may be used.

Unrestricted Governmental net assets represent 22.86% of the total net assets and may be used to meet the County's ongoing obligations to citizens and creditors.

Beside the amount invested in capital assets, the County has no externally imposed constraints on the use of its net assets.

# COUNTY OF MONO

## Management Discussion and Analysis

The following table presents the activities that accounted for the changes in net assets.

Statement of Activities

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
<b>Program revenues:</b>						
Fees, Fines & Charges for Services	\$ 5,902,852	\$ 6,540,143	\$ 2,259,317	\$ 1,484,856	\$ 8,162,169	\$ 8,024,999
Operating grants	20,415,810	14,507,788	42,347	231,934	20,458,157	14,739,722
Capital grants	447,126	2,022,064	285,388	--	732,514	2,022,064
<b>General revenues:</b>						
Property taxes	20,791,208	17,884,541	--	--	20,791,208	17,884,541
Sales and use taxes	516,356	545,151	--	--	516,356	545,151
Other taxes	3,014,082	2,320,073	--	--	3,014,082	2,320,073
Other revenue	399,699	679,632	42,988	32,428	442,687	712,060
Interest/Investment earnings	654,723	1,000,756	192,671	92,260	847,394	1,093,016
Total Revenues	52,141,856	45,500,148	2,822,711	1,841,478	54,964,567	47,341,626
<b>Expenses:</b>						
General government	8,425,426	9,851,006	--	--	8,425,426	9,851,006
Public protection	15,634,354	12,920,892	--	--	15,634,354	12,920,892
Public ways and facilities	9,506,978	8,123,592	--	--	9,506,978	8,123,592
Health and Sanitation	9,181,517	7,523,482	--	--	9,181,517	7,523,482
Public assistance	3,689,946	3,434,551	--	--	3,689,946	3,434,551
Education	33,072	27,328	--	--	33,072	27,328
Culture and recreation	741,657	868,505	--	--	741,657	868,505
Interest and fiscal charges	--	--	212,908	218,052	212,908	218,052
Solid Waste Landfill	--	--	2,812,372	2,369,582	2,812,372	2,369,582
Airport	--	--	34,982	--	34,982	--
Cemeteries	--	--	1,367	--	1,367	--
Campgrounds	--	--	18,394	--	18,394	--
Total Expenses	47,212,950	42,749,356	3,080,023	2,587,634	50,292,973	45,336,990
Change in net assets before transfers	4,928,906	2,750,792	(257,312)	(746,156)	4,671,594	2,004,636
Transfers	(133,804)	(794,474)	133,804	794,474	--	--
Change in net assets	4,795,102	1,956,318	(123,508)	48,318	4,671,594	2,004,636
Net assets, beginning	51,857,095	50,131,007	(264,653)	(4,205,113)	51,592,442	45,925,894
Net assets, ending	\$ 56,652,197	\$ 52,087,325	\$ (388,161)	\$ (4,156,795)	\$ 56,264,036	\$ 47,930,530

The following are highlights of significant factors that affected the governmental and business activities and contributed to the decrease in net assets:

- In an effort to consolidate and streamline the County financial statements according to GASB 34, various funds were reclassified or closed. Details fund restatements do to the various reclassifications and closures can be found in Note 2 of the financial statements.
- Capital assets for governmental activities increased by \$4,040,417 in fiscal year 2007-08; however, due to changes in depreciation, the net increase to capital assets for governmental activities is only \$440,377. Details of these changes in assets and depreciation can be found in Note 5 of the financial statements.

# COUNTY OF MONO

## Management Discussion and Analysis

### IV. FINANCIAL ANALYSIS OF FUNDS

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

**Governmental funds.** The general government functions are included in the General, Special Revenue, and Capital Project 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, unreserved 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, 2008, the County's governmental funds reported combined ending fund balances of \$20,716,779, an increase of \$3,251,733 in comparison with the prior year. The increase is partially comprised over-all revenues exceeding over-all expenditures. Approximately 72.5% of the total governmental fund balance (\$15,018,361) constitutes unreserved 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 has been committed: 1) to reflect inventories and the amount due from other funds that are long-term in nature and thus do not represent available spendable resources, 2) to liquidate contractual commitments of the prior period and 3) to provide fund for any type of disaster.

The general fund is the main operating fund of the County. At June 30, 2008, unreserved fund balance of the general fund was \$12,558,591 while total fund balance reached \$18,019,946. As measures of the general fund's liquidity, it is useful to note that unreserved fund balance represents 34.6% percent of total fund expenditures, while total fund balance represents 49.7% percent of that same amount.

The Road fund had an unreserved fund deficit of \$313,879, while the total fund balance reached a deficit of \$76,816 this year. These deficits were caused by state revenue cuts. As certain expenditures are mandatory to maintain the integrity of county road systems, the general fund will step in to fill the gap.

The Bioterrorism fund is a major fund this year. At June 30, 2008, the unreserved fund balance showed a deficit of \$582,818. This situation is due to delays in funding this expenditure grant once the expenditures have been made. The general fund covers this fund while waiting for reimbursement.

Revenues for government functions totaled approximately \$51,714,565 for fiscal year 2007-08, which represents an increase of 13.3% from fiscal year 2006-07. A significant increase, 17.21% (\$3,571,881), represents tax revenues. Another significant increase was 35.8% in fines, forfeitures and penalties.

# COUNTY OF MONO

## Management Discussion and Analysis

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 2008		FY 2007		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Taxes	\$ 24,321,646	47.03%	\$ 20,749,765	45.48%	\$ 3,571,881	17.21%
Licenses and permits	474,010	0.92%	757,224	1.66%	(283,214)	-37.40%
Fines, forfeitures & penalties	1,220,771	2.36%	898,691	1.97%	322,080	35.84%
Use of money & property	653,598	1.26%	987,627	2.16%	(334,029)	-33.82%
Intergovernmental	20,395,207	39.44%	16,529,852	36.23%	3,865,355	23.38%
Charges for services	4,129,702	7.99%	4,884,228	10.70%	(754,526)	-15.45%
Other	519,631	1.00%	820,474	1.80%	(300,843)	-36.67%
Total	\$ 51,714,565	100%	\$ 45,627,861	100%	\$ 6,086,704	13.34%

Significant changes for major revenue sources are explained below.

- Taxes – Tax revenues include sales taxes and property taxes that have benefited from the booming economic activities of the prior year.
- Fines, forfeitures and penalties – Mono County fines have increased. These revenues are derived from criminal activity within the County.
- Decreases in many of the revenue categories correlate directly with the down turn in the economy. Interest rates are down, new construction has dwindled directly affecting building permits and charges associated with the planning process. Licenses and fees are also down due to a change in the timing of reporting revenues for business and animal licenses.
- Use of money and property – In spite of increased tax collections and higher cash balances, falling interest rates has lowered interest returns.

# COUNTY OF MONO

## Management Discussion and Analysis

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

**Expenditures Classified by Function - Governmental Funds**

	FY 2008		FY 2007		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
General government	\$ 9,068,771	18.78%	\$ 9,908,296	24.36%	\$ (839,525)	-8.47%
Public protection	15,896,345	32.91%	12,507,899	30.75%	3,388,446	27.09%
Public ways and facilities	6,710,723	13.89%	5,676,584	13.96%	1,034,139	18.22%
Health and sanitation	9,207,028	19.06%	7,461,627	18.35%	1,745,401	23.39%
Public assistance	4,100,128	8.49%	3,290,676	8.09%	809,452	24.60%
Education	33,072	0.07%	27,328	0.07%	5,744	21.02%
Culture and recreation	1,125,991	2.33%	822,133	2.02%	303,858	36.96%
Capital outlay	2,154,717	4.46%	979,237	2.41%	1,175,480	120.04%
Total Expenditures	\$ 48,296,775	100%	\$ 40,673,780	100%	\$ 7,622,995	18.74%

Significant changes for major functions are explained below.

- General government – \$839,525 decrease in expenditures resulted mainly from the employee vacancies in spite of increases in salaries and health benefits. A majority of departments maintained status quo in expenditures except for these line items.
- Public Protection – \$3,388,446 increase in expenditures resulted mainly from increases in salaries, health benefits and staffing levels.
- Public assistance – FY 2007-08 saw an increase in Public Assistance expenditures in the amount of \$809,452. Public assistance can fluctuate widely depending the need in any particular year. While there are normal salary and benefit increases as in all departments, the bulk of expenditures is reflected in the needs of the community at any given time.
- Capital Outlay increased significantly. This increase is directly attributable to the purchase of real property for current use and future development of county facilities.

**Proprietary funds.** The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. These funds include the Mono County Solid Waste Program; and three internal service funds which are presented in aggregate: Workers' Compensation, Liability Insurance and Group Medical. Factors affecting the financial results of these funds were discussed earlier in the business-type activities of Mono County as they were budgeted for within the General fund.

# COUNTY OF MONO

## Management Discussion and Analysis

### V. GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, actual revenues were more than budgetary estimates by \$5,069,050. Actual expenditures were less than budgetary estimates by \$5,332,424. The net effect of both over-realization of revenues and under-utilization of appropriations resulted in a favorable variance of \$10,401,474, leaving a positive budgetary fund balance going into FY 2008-09.

### VI. CAPITAL ASSETS AND DEBT ADMINISTRATION

#### A. Capital Assets

The County's investment in capital assets for its governmental type activities as of June 30, 2008, amounts to \$41,334,934 (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 net investment in capital assets for the current period was 7%. The current year depreciation is 4,922,067.

Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 5,589,952	\$ 2,313,842	\$ 233,335	\$ --	\$ 5,823,287	\$ 2,313,842
Structures & improvements	7,307,469	7,928,373	1,549,750	986,363	8,857,219	8,914,736
Equipment	3,215,786	2,955,243	442,212	642,215	3,657,998	3,597,458
Infrastructure	22,243,014	26,152,590	--	--	22,243,014	26,152,590
Construction in progress	2,978,713	--	435,651	--	3,414,364	--
Total	<u>\$ 41,334,934</u>	<u>\$ 39,350,048</u>	<u>\$ 2,660,948</u>	<u>\$ 1,628,578</u>	<u>\$ 43,995,882</u>	<u>\$ 40,978,626</u>

The County, pursuant to GASB 34, elected to completely report its general infrastructure assets beginning July 1, 2003, and hired a consultant to value the infrastructure. The County has maintained and updated this initial valuation as necessary to keep current. Further details can be found in Note 5 of the financial statements. Important to note, assets are valued at their acquisition cost and not as market value or replacement cost.

# **COUNTY OF MONO**

## **Management Discussion and Analysis**

### **B. Long-Term Debt**

At June 30, 2008, the County had total long-term debt outstanding of \$5,716,882 consisting primarily of \$1,341,882 in capitalized lease obligations, and \$4,075,000 in certificates of participation payable. Additional information on the County's long-term liabilities can be found in Note 6 of the financial statements.

### **I. Economic Factors and 2008-09 Budget and Rates**

- The unemployment rate for Mono County is currently 7.9 percent. This rate was not adjusted for seasonal employment. This compares consistently to the state's average unemployment rate of 7.6 percent in June 2008 and the United States unemployment rate at 6.0 percent.
- Property tax growth is expected to continue growing in 2008-09; however at a much slower rate than the County recently experienced. With only one major property due for reassessment and new development slowing down, growth will come mainly from property value increase.
- Sales tax and vehicle license fee revenues are expected to remain status quo due to the funding swaps for the repayment of State debt.
- The 2008-09 budget projects a 10% increase in health costs (6 months) included in benefits as a result of the escalating health costs nationwide. It also projects increases for the County contribution for employee retirement. Also included was a 2% increase for providing post employment benefits.

These factors plus others were considered in preparing the County's budget for the 2008-2009 fiscal year.

During the current fiscal year, the unreserved governmental activities monies increased to \$12,558,591. The County placed \$4,225,000 into reserve during the current fiscal year and proposes to add \$600,000 in FY 2008-09. The remainder is scheduled for appropriation for spending in the 2008-09 fiscal year budget including an appropriation for contingencies.

### **II. Request 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**



# COUNTY OF MONO

## Statement of Net Assets June 30, 2008

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
<u>ASSETS</u>			
Cash and investments	\$ 17,406,726	\$ 206,312	\$ 17,613,038
Cash with fiscal agent	50,174	1,127,648	1,177,822
Restricted cash	--	3,340,707	3,340,707
Accounts receivable	844,617	199,632	1,044,249
Due from other governments	3,600,708	480,972	4,081,680
Taxes receivable	957,900	--	957,900
Deposits with others	2,735,394	--	2,735,394
Prepaid expenses	195,306	--	195,306
Inventories	238,329	2,112	240,441
Internal balances	201,057	(201,057)	--
Capital assets:			
Nondepreciable	8,568,665	668,986	9,237,651
Depreciable, net	32,766,269	1,991,962	34,758,231
Total Assets	<u>\$ 67,565,145</u>	<u>\$ 7,817,274</u>	<u>\$ 75,382,419</u>
<u>LIABILITIES</u>			
Accounts payable	\$ 1,834,801	\$ 10,841	\$ 1,845,642
Salaries and benefits payable	2,141,084	58,308	2,199,392
Interest payable	--	33,769	33,769
Unearned revenue	1,038,769	--	1,038,769
Long-Term Liabilities:			
Portion due or payable within one year:			
Certificates of participation, net of amortized discount	--	150,000	150,000
Capital leases	407,768	--	407,768
Loan payable	--	33,333	33,333
Liability for compensated absences	616,726	8,569	625,295
Claims liability	1,472,782	--	1,472,782
Portion due or payable after one year:			
Certificates of participation, net of amortized discount	--	3,821,745	3,821,745
Capital leases	934,114	--	934,114
Loan payable	--	266,667	266,667
Liability for compensated absences	2,466,904	34,276	2,501,180
Closure/post-closure liability	--	3,787,927	3,787,927
Total Liabilities	<u>10,912,948</u>	<u>8,205,435</u>	<u>19,118,383</u>
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	39,993,052	2,360,948	42,354,000
Restricted for:			
Legally segregated taxes, grants and fees	3,336,160	--	3,336,160
Debt service and capital projects	374,782	1,127,648	1,502,430
Unrestricted	12,948,203	(3,876,757)	9,071,446
Total Net Assets	<u>56,652,197</u>	<u>(388,161)</u>	<u>56,264,036</u>
Total Liabilities and Net Assets	<u>\$ 67,565,145</u>	<u>\$ 7,817,274</u>	<u>\$ 75,382,419</u>

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and  
Changes in Net Assets

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (3,816,550)	\$ --	\$ (3,816,550)
(9,543,003)	--	(9,543,003)
(4,802,887)	--	(4,802,887)
944,599	--	944,599
(2,785,190)	--	(2,785,190)
(13,025)	--	(13,025)
(431,106)	--	(431,106)
<u>(20,447,162)</u>	<u>--</u>	<u>(20,447,162)</u>
--	(760,650)	(760,650)
--	258,942	258,942
--	1,357	1,357
--	7,380	7,380
<u>--</u>	<u>(492,971)</u>	<u>(492,971)</u>
<u>(20,447,162)</u>	<u>(492,971)</u>	<u>(20,940,133)</u>
20,791,208	--	20,791,208
516,356	--	516,356
2,688,435	--	2,688,435
325,647	--	325,647
654,723	192,671	847,394
399,699	42,988	442,687
(133,804)	133,804	--
<u>25,242,264</u>	<u>369,463</u>	<u>25,611,727</u>
4,795,102	(123,508)	4,671,594
<u>51,857,095</u>	<u>(264,653)</u>	<u>51,592,442</u>
<u>\$ 56,652,197</u>	<u>\$ (388,161)</u>	<u>\$ 56,264,036</u>

**BASIC FINANCIAL STATEMENTS –  
FUND FINANCIAL STATEMENTS**

# COUNTY OF MONO

## Balance Sheet Governmental Funds June 30, 2008

	General	Road	Bio Terrorism	Other Governmental	Total
<u>Assets</u>					
Cash and investments	\$ 14,016,482	\$ --	\$ --	\$ 3,359,195	\$ 17,375,677
Cash with fiscal agent	50,174	--	--	--	50,174
Accounts receivable	793,132	30,831	--	20,654	844,617
Due from other governments	1,198,961	1,454,433	467,729	479,585	3,600,708
Taxes receivable	957,900	--	--	--	957,900
Deposits with others	2,735,394	--	--	--	2,735,394
Prepays	165,964	--	1,320	28,022	195,306
Inventories	1,266	237,063	--	--	238,329
Due from other funds	1,446,891	--	--	--	1,446,891
Total Assets	<u>\$ 21,366,164</u>	<u>\$ 1,722,327</u>	<u>\$ 469,049</u>	<u>\$ 3,887,456</u>	<u>\$ 27,444,996</u>
<u>Liabilities</u>					
Accounts payable	\$ 448,719	\$ 1,309,056	\$ 190	\$ 76,836	\$ 1,834,801
Salaries and benefits payable	1,861,380	200,553	3	79,148	2,141,084
Due to other funds	--	289,534	583,945	372,355	1,245,834
Unearned revenue	1,036,119	--	--	2,650	1,038,769
Deferred revenue	--	--	467,729	--	467,729
Total Liabilities	<u>3,346,218</u>	<u>1,799,143</u>	<u>1,051,867</u>	<u>530,989</u>	<u>6,728,217</u>
<u>Fund Balances</u>					
Reserved:					
Imprest cash	570	--	--	--	570
Inventory	1,266	237,063	--	--	238,329
Other	5,459,519	--	--	--	5,459,519
Unreserved:					
Undesignated, reported in:					
General fund	12,558,591	--	--	--	12,558,591
Special revenue funds	--	(313,879)	(582,818)	3,119,265	2,222,568
Capital projects funds	--	--	--	237,202	237,202
Total Fund Balances	<u>18,019,946</u>	<u>(76,816)</u>	<u>(582,818)</u>	<u>3,356,467</u>	<u>20,716,779</u>
Total Liabilities and Fund Balances	<u>\$ 21,366,164</u>	<u>\$ 1,722,327</u>	<u>\$ 469,049</u>	<u>\$ 3,887,456</u>	<u>\$ 27,444,996</u>

The accompanying notes are an integral part of these financial statements.

## COUNTY OF MONO

### Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets - Governmental Activities June 30, 2008

Fund Balance - total governmental funds (page 20)	\$ 20,716,779
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	41,334,934
Deferred revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the government funds.	467,729
Internal service funds are used by the County to charge the cost of unemployment insurance, dental insurance, fleet services and telephone services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	31,049
Long-term liabilities, including capital leases, are not due and payable in the current period, and therefore are not reported in the governmental funds.	
Capital leases	(1,341,882)
Claims liability	(1,472,782)
Compensated absences	<u>(3,083,630)</u>
Net assets of governmental activities (page 18)	<u>\$ 56,652,197</u>

The accompanying notes are an integral part of these financial statements.

# COUNTY OF MONO

## Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2008

	General	Road	Bio Terrorism	Other Governmental	Total
Revenues:					
Taxes	\$ 24,126,013	\$ --	\$ --	\$ 195,633	\$ 24,321,646
Licenses and permits	468,190	5,820	--	--	474,010
Fines, forfeitures and penalties	750,672	47,865	--	422,234	1,220,771
Use of money and property	564,603	3,907	(11,212)	96,300	653,598
Intergovernmental	13,591,390	3,199,499	6,847	3,597,471	20,395,207
Charges for services	2,832,643	1,268,534	--	28,525	4,129,702
Other revenues	296,495	1,410	--	221,726	519,631
Total Revenues	<u>42,630,006</u>	<u>4,527,035</u>	<u>(4,365)</u>	<u>4,561,889</u>	<u>51,714,565</u>
Expenditures:					
Current:					
General government	9,007,003	--	--	61,768	9,068,771
Public protection	13,626,341	--	550,396	1,719,608	15,896,345
Public ways and facilities	980,730	5,559,818	--	170,175	6,710,723
Health and sanitation	8,169,477	--	--	1,037,551	9,207,028
Public assistance	3,403,528	--	--	696,600	4,100,128
Education	33,072	--	--	--	33,072
Recreation and culture	1,064,140	--	--	61,851	1,125,991
Capital outlay	--	--	--	2,154,717	2,154,717
Total Expenditures	<u>36,284,291</u>	<u>5,559,818</u>	<u>550,396</u>	<u>5,902,270</u>	<u>48,296,775</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,345,715</u>	<u>(1,032,783)</u>	<u>(554,761)</u>	<u>(1,340,381)</u>	<u>3,417,790</u>
Other Financing Sources (Uses):					
Transfers in	985,799	550,000	4,940	3,754,288	5,295,027
Transfers out	(4,382,467)	--	(32,106)	(1,014,258)	(5,428,831)
Total Other Financing Sources (Uses)	<u>(3,396,668)</u>	<u>550,000</u>	<u>(27,166)</u>	<u>2,740,030</u>	<u>(133,804)</u>
Net Changes in Fund Balances	2,949,047	(482,783)	(581,927)	1,399,649	3,283,986
Fund Balances, Beginning of Year, as restated	<u>15,070,899</u>	<u>405,967</u>	<u>(891)</u>	<u>1,956,818</u>	<u>17,432,793</u>
Fund Balances, End of Year	<u>\$ 18,019,946</u>	<u>\$ (76,816)</u>	<u>\$ (582,818)</u>	<u>\$ 3,356,467</u>	<u>\$ 20,716,779</u>

The accompanying notes are an integral part of these financial statements.

## COUNTY OF MONO

### Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities - Governmental Activities For the Year Ended June 30, 2008

Net change to fund balance - total governmental funds (page 22) \$ 3,283,986

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 assets adjustments	\$ 5,743,040	
Less: current year depreciation	<u>(4,922,067)</u>	820,973

Revenues in the statement of activities that do not provide current  
financial resources are not reported as revenues in the funds. 467,729

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 governmental funds.

Change in compensated absences	(70,162)
Change in claims liability	278,769

Internal service funds are used by management to charge the costs of  
certain activities to individual funds. The net revenue of  
certain activities of the internal service funds is reported with  
governmental activities. 13,807

Change in net assets of governmental activities (page 19) \$ 4,795,102

The accompanying notes are an integral part of these financial statements.

# COUNTY OF MONO

## Statement of Fund Net Assets Proprietary Funds June 30, 2008

	<u>Business-Type Activities - Enterprise Funds</u>			Governmental Activities
	Solid Waste	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
<u>ASSETS</u>				
Current Assets:				
Cash and investments	\$ 118,540	\$ 87,772	\$ 206,312	\$ 31,049
Cash with fiscal agent	1,127,648	--	1,127,648	--
Accounts receivable	199,632	--	199,632	--
Due from other governments	--	480,972	480,972	--
Inventory	--	2,112	2,112	--
Total Current Assets	<u>1,445,820</u>	<u>570,856</u>	<u>2,016,676</u>	<u>31,049</u>
Noncurrent Assets:				
Restricted cash in Treasury	3,340,707	--	3,340,707	--
Capital assets:				
Non-depreciable	333,683	335,303	668,986	--
Depreciable, net	1,365,992	625,970	1,991,962	--
Total Noncurrent Assets	<u>5,040,382</u>	<u>961,273</u>	<u>6,001,655</u>	<u>--</u>
Total Assets	<u>\$ 6,486,202</u>	<u>\$ 1,532,129</u>	<u>\$ 8,018,331</u>	<u>\$ 31,049</u>
<u>LIABILITIES</u>				
Current Liabilities:				
Accounts payable	\$ 8,821	\$ 2,020	\$ 10,841	\$ --
Salaries and benefits payable	58,308	--	58,308	--
Interest payable	33,769	--	33,769	--
Due to other funds	--	201,057	201,057	--
Certificates of participation	150,000	--	150,000	--
Loan payable	33,333	--	33,333	--
Liability for compensated absences	8,569	--	8,569	--
Total Current Liabilities	<u>292,800</u>	<u>203,077</u>	<u>495,877</u>	<u>--</u>
Noncurrent Liabilities:				
Certificates of participation, net of amortized discount	3,821,745	--	3,821,745	--
Loan payable	266,667	--	266,667	--
Liability for compensated absences	34,276	--	34,276	--
Closure and postclosure liability	3,787,927	--	3,787,927	--
Total Noncurrent Liabilities	<u>7,910,615</u>	<u>--</u>	<u>7,910,615</u>	<u>--</u>
Total Liabilities	<u>8,203,415</u>	<u>203,077</u>	<u>8,406,492</u>	<u>--</u>
<u>NET ASSETS</u>				
Invested in capital assets, net of related debt	1,399,675	961,273	2,360,948	--
Restricted for debt service and capital projects	1,127,648	--	1,127,648	--
Unrestricted	<u>(4,244,536)</u>	<u>367,779</u>	<u>(3,876,757)</u>	<u>31,049</u>
Total Net Assets	<u>(1,717,213)</u>	<u>1,329,052</u>	<u>(388,161)</u>	<u>31,049</u>
Total Liabilities and Net Assets	<u>\$ 6,486,202</u>	<u>\$ 1,532,129</u>	<u>\$ 8,018,331</u>	<u>\$ 31,049</u>

The accompanying notes are an integral part of these financial statements.



# COUNTY OF MONO

## Statement of Revenues, Expenses and Changes in Fund Net Assets Proprietary Funds For the Year Ended June 30, 2008

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Operating Revenues:				
Charges for services	\$ 2,222,283	\$ 37,034	\$ 2,259,317	\$ 78,369
Total Operating Revenues	<u>2,222,283</u>	<u>37,034</u>	<u>2,259,317</u>	<u>78,369</u>
Operating Expenses:				
Salaries and benefits	\$ 698,316	\$ --	\$ 698,316	\$ --
Services and supplies	1,511,003	50,786	1,561,789	65,687
Closure and postclosure costs	248,380	--	248,380	--
Depreciation and amortization	354,673	3,957	358,630	--
Total Operating Expenses	<u>2,812,372</u>	<u>54,743</u>	<u>2,867,115</u>	<u>65,687</u>
Operating Income (Loss)	<u>(590,089)</u>	<u>(17,709)</u>	<u>(607,798)</u>	<u>12,682</u>
Non-Operating Revenue (Expenses):				
Interest income	197,920	(5,249)	192,671	1,125
Interest expense	(212,908)	--	(212,908)	--
Operating grants	42,347	--	42,347	--
Miscellaneous revenue	42,988	--	42,988	--
Total Non-Operating Revenue (Expenses)	<u>70,347</u>	<u>(5,249)</u>	<u>65,098</u>	<u>1,125</u>
Income (Loss) Before Transfers and Contributions	(519,742)	(22,958)	(542,700)	13,807
Capital contributions	--	285,388	285,388	--
Transfers in	74,607	73,239	147,846	--
Transfers out	<u>--</u>	<u>(14,042)</u>	<u>(14,042)</u>	<u>--</u>
Change in Net Assets	(445,135)	321,627	(123,508)	13,807
Net Assets - Beginning of Year, as restated	<u>(1,272,078)</u>	<u>1,007,425</u>	<u>(264,653)</u>	<u>17,242</u>
Net Assets - End of Year	<u>\$ (1,717,213)</u>	<u>\$ 1,329,052</u>	<u>\$ (388,161)</u>	<u>\$ 31,049</u>

The accompanying notes are an integral part of these financial statements.

# COUNTY OF MONO

## Statement of Cash Flows Proprietary Funds For the Year Ended June 30, 2008

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash receipts from customers	\$ 2,473,062	\$ 37,034	\$ 2,510,096	\$ --
Cash receipts from internal fund services provided	--	--	--	78,369
Cash paid to suppliers for goods and services	(1,647,771)	(53,417)	(1,701,188)	(65,687)
Cash paid to employees for services	(673,262)	--	(673,262)	--
Net Cash Provided (Used) by Operating Activities	152,029	(16,383)	135,646	12,682
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfers in (out)	74,607	59,197	133,804	--
Interfund loans	--	(510,177)	(510,177)	--
Operating grants	42,347	--	42,347	--
Miscellaneous	49,322	--	49,322	--
Principal repayments	(178,335)	--	(178,335)	--
Interest payments	(208,270)	--	(208,270)	--
Net Cash Provided (Used) by Noncapital Financing Activities	(220,329)	(450,980)	(671,309)	--
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Capital grants	--	627,181	627,181	--
Purchase of capital assets	(432,104)	(101,968)	(534,072)	--
Net Cash Provided (Used) by Capital and Related Financing Activities	(432,104)	525,213	93,109	--
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received (paid)	197,920	(5,249)	192,671	1,125
Net Cash Provided (Used) by Investing Activities	197,920	(5,249)	192,671	1,125
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(302,484)	52,601	(249,883)	13,807
<b>Cash and Cash Equivalents, Beginning of Year</b>	4,889,379	35,171	4,924,550	17,242
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 4,586,895</u>	<u>\$ 87,772</u>	<u>\$ 4,674,667</u>	<u>\$ 31,049</u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Fund Net Assets</b>				
Cash and investments	\$ 118,540	\$ 87,772	\$ 206,312	\$ 31,049
Cash with fiscal agent	1,127,648	--	1,127,648	--
Restricted cash in Treasury	3,340,707	--	3,340,707	--
<b>Total Cash and Cash Equivalents</b>	<u>\$ 4,586,895</u>	<u>\$ 87,772</u>	<u>\$ 4,674,667</u>	<u>\$ 31,049</u>

continued

The accompanying notes are an integral part of these financial statements.

# COUNTY OF MONO

## Statement of Cash Flows (continued) Proprietary Funds For the Year Ended June 30, 2008

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating income (loss)	\$ (590,089)	\$ (17,709)	\$ (607,798)	\$ 12,682
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	354,673	3,957	358,630	--
Changes in assets and liabilities:				
(Increase) decrease in:				
Receivables	250,779	#REF!	#REF!	--
Increase (decrease) in:				
Accounts payable	(136,768)	(2,631)	(139,399)	--
Accrued salaries and benefits	12,474	--	12,474	--
Closure and postclosure liability	248,380	--	248,380	--
Liability for compensated absences	12,580	--	12,580	--
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 152,029</u>	<u>#REF!</u>	<u>#REF!</u>	<u>\$ 12,682</u>

The accompanying notes are an integral part of these financial statements.

# COUNTY OF MONO

## Statement of Fiduciary Net Assets June 30, 2008

	Investment Trust Fund	Agency Funds	Postemployment Healthcare Trust Fund	Total
<u>Assets</u>				
Pooled cash and investments	\$ 26,410,817	\$ 2,476,173	\$ --	\$ 28,886,990
Cash with fiscal agent	--	--	2,673,951	2,673,951
Total Assets	<u>\$ 26,410,817</u>	<u>\$ 2,476,173</u>	<u>\$ 2,673,951</u>	<u>\$ 31,560,941</u>
<u>Liabilities</u>				
Agency funds held for others	\$ --	\$ 2,476,173	\$ --	\$ 2,476,173
Total Liabilities	<u>--</u>	<u>2,476,173</u>	<u>--</u>	<u>2,476,173</u>
<u>Net assets</u>				
Net assets held in trust for investment pool participants	26,410,817	--	--	26,410,817
Net assets held in trust for postemployment healthcare benefits	<u>--</u>	<u>--</u>	<u>2,673,951</u>	<u>2,673,951</u>
Total Net Assets	<u>\$ 26,410,817</u>	<u>\$ --</u>	<u>\$ 2,673,951</u>	<u>\$ 29,084,768</u>

The accompanying notes are an integral part of these financial statements.

# COUNTY OF MONO

## Statement of Changes in Fiduciary Net Assets For the Year Ended June 30, 2008

	Investment Trust Fund	Postemployment Healthcare Trust Fund
<u>Additions</u>		
Contributions to pooled investments	\$ 53,258,143	\$ --
Employer contributions	--	2,673,000
Revenue from use of money and property	1,259,119	951
Total Additions	54,517,262	2,673,951
<u>Deductions</u>		
Distributions from pooled investments	51,060,347	--
Total Deductions	51,060,347	--
Change in net assets	3,456,915	2,673,951
Net Assets - Beginning of Year	22,953,902	--
Net Assets - End of Year	\$ 26,410,817	\$ 2,673,951

The accompanying notes are an integral part of these financial statements.

## **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 statements and information contained in this document.

# COUNTY OF MONO

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

### Note 1: Summary of Significant Accounting Policies

#### A. **The Reporting Entity**

The County operates under an Administrator-Board of Supervisors form of government and provides the following services: public protection, public ways and facilities, health and sanitation, public assistance, education, culture and recreation, and general services.

The accounting methods and procedures adopted by the County conform to generally accepted accounting principles as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable under the criteria set by Governmental Accounting Standards Board (GASB) Statement No. 14 and amended by GASB Statement No. 39.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are in substance, part of the government's operations. Blended component units are an extension of the County and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County. Each component unit has a June 30<sup>th</sup> year end.

#### Blended Component Units

There are three entities which meet the criteria of a blended component unit. These dependent districts 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.

#### Discretely Presented Component Units

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

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

#### Note 1: **Summary of Significant Accounting Policies** (continued)

##### **B. Basis of Presentation**

###### *Government-Wide Financial Statements*

The statement of net assets and statement of activities display information about the primary government (the County) and its blended 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.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. 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.

When both restricted and unrestricted net assets are available, restricted resources are used only after the unrestricted resources are depleted.

###### *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 services, result from exchange transactions associated with the principal activity of the fund. 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.



## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

#### Note 1: **Summary of Significant Accounting Policies** (continued)

##### B. **Basis of Presentation** (continued)

###### *Fund Financial Statements* (continued)

The County reports the following major governmental funds:

- The *General Fund* 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 and recreation and cultural services.
- The *Road Fund* is used to account for revenues and expenditures necessary to carry out basic governmental activities of the County that relate to public ways not accounted through other funds.
- The *Bioterrorism Fund* is used primarily to account for the bioterrorism grant programs.

The County reports the following major enterprise fund:

- The *Mono County Solid Waste Fund* is used to account for revenues and expenses necessary to carryout basic governmental activities of the County that relate to sanitation and are not accounted for through other funds.

The County reports the following additional fund types:

- *Internal Service Funds* account for the County's wellness programs on a cost-reimbursement basis.
- 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.
- The *Agency Funds* account for assets held by the County as an agent for various local governments.
- The *Postemployment Healthcare Trust Fund* accounts for assets held by the County to fund postemployment healthcare costs.

# COUNTY OF MONO

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

### Note 1: **Summary of Significant Accounting Policies** (continued)

#### C. **Basis of Accounting**

The government-wide, proprietary, agency 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 tax 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. 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 financial sources.

For its business-type activities and enterprise funds, the County has elected under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board, the Accounting Principles Board or any Accounting Research Bulletins issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

#### Note 1: Summary of Significant Accounting Policies (continued)

##### D. **Encumbrances**

The County does not use encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

##### E. **Cash and Investments**

The County pools cash and investments with the County Treasurer. Investments are stated at amortized cost.

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 to be cash equivalents.

In accordance with authorized investment laws, the County Treasurer invests in higher quality securities including various variable rate securities, such as federal agency notes, negotiable certificates of deposit and highly rated corporate medium-term note floating rate instruments. These securities are reported at cost on the balance sheet. They are included in the aggregate total for U.S. government agencies, negotiable certificates of deposit and corporate notes in Note 4 on Cash and Investments.

##### F. **Restricted Cash**

Restricted cash consists of pooled cash and investments held to finance closure and postclosure costs as required by state and federal laws and regulations.

##### G. **Inventory**

Inventory is valued at cost. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed. Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

##### H. **Receivables**

The County uses a 60-day time period for recognizing accruals in the government funds. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

# COUNTY OF MONO

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

### Note 1: **Summary of Significant Accounting Policies** (continued)

#### I. **Capital Assets**

Capital assets (including infrastructure) are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain (infrastructure) general fixed assets consisting of certain improvements including roads, bridges, water/sewer, lighting system, drainage systems, and flood control. 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) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

The estimated useful lives are as follows:

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

The County has five networks of infrastructure assets – roads, water/sewer, lighting, drainage, and flood control.

#### J. **Deferred Revenue and Unearned Revenue**

Governmental funds report deferred revenue in connection with receivables not considered available to liquidate liabilities of the current period. Governmental and enterprise funds report unearned revenue in connection with resources that have been received, but not yet earned.

#### K. **Compensated Absences**

Under the terms of union contracts, County employees are granted vacation and sick leave in varying amounts depending upon their respective bargaining unit. In the event of termination or death, an employee, or the employee's estate, is compensated for 100 percent of accumulated vacation. In the event of an employee's death or retirement, an employee, or the employee's estate, is compensated for accumulated sick leave in varying amounts from zero percent to 100 percent depending on the employee's bargaining unit and length of service. Comparing current and prior year balances with their respective payouts, it has been determined that approximately 20% of the accumulated balance is paid out the following year.

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

#### Note 1: **Summary of Significant Accounting Policies** (continued)

##### **L. 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 fund balance reserve account in 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.

##### **M. Property Tax Revenue**

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.

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).

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.

Property taxes are accrued as receivables in the period when they are levied. Property tax revenues are recognized when they become available. “Available” means due, or past due, and receivable within the current period and collected or expected to be collected soon enough thereafter to be used to pay liabilities for the current period. This period was 90 days from the end of the fiscal year.

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

#### Note 1: **Summary of Significant Accounting Policies** (continued)

##### **N. Grant Revenues**

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

##### **O. 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.

#### Note 2: **Restatements of Fund Balance/Net Assets**

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 net assets or fund balances in the government-wide and fund statements.

##### **Fund Reclassifications**

The Liability and Worker's Compensation internal service funds were combined with the General Fund.

The Solid Waste Closure special revenue fund was combined with the Solid Waste Operating enterprise fund.

The Airport and Campgrounds special revenue funds were reclassified to enterprise funds. The airport's capital assets were transferred from the governmental activities to the newly established enterprise fund.

The Cemeteries agency fund was reclassified to an enterprise fund.

##### **Capital Assets**

The County adjusted the beginning balance of the Airport Fund to account for capital assets obtained by the County prior to July 1, 2007 and not reflected in the prior year's audited balance.

# COUNTY OF MONO

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

### Note 2: Restatements of Fund Balance/Net Assets (continued)

#### Other Adjustments

The County adjusted the beginning fund balances of the General Fund and Various Restricted Grants funds to properly recognize revenue in governmental trust funds acting as pass-throughs for advances of intergovernmental revenue.

The County adjusted the beginning net assets balance of the Solid Waste Fund after identifying a revenue transaction that was recorded twice.

A summary of the restatements of Fund Balance/Net Assets is as follows:

	Net Assets/ Fund Balance, as previously reported June 30, 2007	Fund Reclassifications	Adjustments		Net Assets/ Fund Balance, as restated July 1, 2007
			Capital Assets	Other	
Government-Wide Statements:					
Governmental Activities	\$ 52,087,325	\$ (4,110,340)	\$ 2,422,466	\$ 1,457,644	\$ 51,857,095
Business-type Activities	(4,156,795)	4,027,648	96,428	(231,934)	(264,653)
Fund Statements:					
Governmental:					
General Fund	11,803,666	1,742,486	--	1,524,747	15,070,899
Solid Waste Closure	3,116,651	(3,116,651)	--	--	--
Airport	111,123	(111,123)	--	--	--
Campgrounds	4,609	(4,609)	--	--	--
Various Restricted Grants	1,268,147	--	--	(67,103)	1,201,044
Enterprise:					
Solid Waste	(4,156,795)	3,116,651	--	(231,934)	(1,272,078)
Airport	--	877,957	96,428	--	974,385
Campgrounds	--	4,609	--	--	4,609
Cemeteries	--	28,431	--	--	28,431
Internal Service Funds:					
Liability	259,236	(259,236)	--	--	--
Workers' Compensation	(251,059)	251,059	--	--	--

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

Note 3: **Deficit Fund Balance/Retained Earnings**

The following funds had deficit fund balances/net assets at June 30, 2008, as follows:

<u>Fund</u>	<u>Deficit</u>
Special Revenue Funds:	
Road	\$ 76,816
Tobacco	17,318
Bio Terrorism	582,818
Geothermal	1,710
Capital Project Funds:	
County Parks	137,580
Enterprise Funds:	
Solid Waste	1,717,213

These deficits are anticipated to be recovered through future years' revenues.

Note 4: **Cash and Investments**

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. Cash and investments for most County activities are included in the investment pool. Interest earned on the investment pool is distributed to the participating funds using a formula based on the average daily cash balance of each fund.

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

The County investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield, and public trust.



## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

Note 4: **Cash and Investments** (continued)

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.

At June 30, 2008, total County cash and investments were as follows:

Cash on hand	\$ 308,358
Imprest cash	820
Deposits in bank	<u>(2,172,708)</u>
Total	<u>(1,863,530)</u>
Investments:	
In Treasurer's pool	51,704,265
With fiscal agents external to the pool	<u>3,851,773</u>
	<u>55,556,038</u>
Total Cash and Investments	<u>\$ 53,692,508</u>

Cash and investments were reported in the Basic Financial Statements as follows:

Governmental activities	\$ 17,456,900
Business-type activities	4,674,667
Investment trust fund	26,410,817
Agency funds	2,476,173
Postemployment healthcare trust fund	<u>2,673,951</u>
Total	<u>\$ 53,692,508</u>

# COUNTY OF MONO

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

### Note 4: Cash and Investments (continued)

#### Investments

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.

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
Banker's Acceptances	180 days	40%	30%
Commercial Paper - Selected Agencies	270 days	40%	10%
Commercial Paper - Other Agencies	270 days	40%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Non-negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	1 year	None	None
Medium-Term Corporate Notes	5 years	30%	None
Money Market Mutual Funds	N/A	N/A	N/A
Local Agency Investment Fund (LAIF)	5 years	N/A	N/A
California Asset Management Program	N/A	None	None

At June 30, 2008, the County had the following investments:

	Interest Rates	Maturities	Par	Cost	Fair Value	WAM (Years)
Investments in Investment Pool						
Federal Agency Issues - Coupon	3.7% - 5.2%	03/30/09 - 10/23/12	\$ 33,000,000	\$ 33,947,406	\$ 33,556,330	2.93
Medium Term Corporate Bonds	4.4% - 5.0%	10/27/09 - 12/01/10	10,000,000	10,264,080	10,256,782	1.87
LAIF	Variable	On Demand	7,492,779	7,492,779	7,492,779	0.00
Total investments in investment pool			<u>\$ 50,492,779</u>	<u>\$ 51,704,265</u>	<u>\$ 51,305,891</u>	2.30
Cash with Fiscal Agents						
Primary Government:						
Money Market Mutual Funds	Variable	On Demand	\$ 1,177,822	\$ 1,177,822	\$ 1,177,822	
Postemployment Healthcare Trust Fund:						
Money Market Mutual Funds	Variable	On Demand	2,673,951	2,673,951	2,673,951	
Total cash with fiscal agent			<u>\$ 3,851,773</u>	<u>\$ 3,851,773</u>	<u>\$ 3,851,773</u>	

The fair value of the investments is obtained by the County's safekeeping agent. At June 30, 2008, the difference between the cost and fair value of cash and investments was not material (fair value was 99.2% of carrying value). Therefore, an adjustment to fair value was not required.

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

#### Note 4: **Cash and Investments** (continued)

##### Interest Rate Risk

The County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with its investment policy.

##### Credit Risk

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 have credit limits on government agency securities.

##### Concentration of Credit Risk

At June 30, 2008, in accordance with State law and the County's Investment Policy, the County did not have 5% or more of its net investment in commercial paper, corporate bonds or medium term notes of a single organization, nor did it have 10% or more of its net investment in any one money market mutual fund. Investments in obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises are exempt from these limitations.

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool's fair value at June 30, 2008.

	<u>S&amp;P</u>	<u>Moody's</u>	<u>% of Portfolio</u>
U.S. Governmental Agencies	AAA	Aaa	65.36%
Corporate Notes - 36962GZ31	AAA	Aaa	9.90%
Corporate Notes - 36962G2S2	AAA	Aaa	9.90%
Local Agency Investment Fund (LAIF)	Unrated	Unrated	14.84%
Total			<u>100.00%</u>

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

#### Note 4: **Cash and Investments** (continued)

##### Custodial Credit Risk

For investments and deposits held with fiscal agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year end, the County's investment pool and cash with fiscal agents had no securities 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 Agency Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute.

At June 30, 2008, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$7,492,779, which approximates fair value and is the same as value of the pool shares which is determined on an amortized cost basis. The total amount invested by all public agencies in PMIA on that day was \$70 million. Of that amount, 14.72% was invested in structured notes and asset-backed securities, and the remaining 85.28% was invested in other non-derivative financial products.

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

Note 4: **Cash and Investments** (continued)

**County Investment pool Condensed Financial Statements**

The following represents a condensed statement of net assets and changes in net assets for the Treasurer's investment pool as of June 30, 2008:

**Statement of Net Assets**

Net assets held for pool participants	<u>\$ 49,839,915</u>
Equity of external pool participants	\$ 26,410,817
Equity of internal pool participants	<u>23,429,098</u>
Total net assets	<u>\$ 49,839,915</u>

**Statement of Changes in Net Assets**

Net assets at July 1, 2007	50,698,730
Net change in investments by pool participants	<u>(858,815)</u>
Net assets at June 30, 2008	<u>\$ 49,839,915</u>

# COUNTY OF MONO

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

### Note 5: Capital Assets

Capital asset activity for the year ended June 30, 2008, was as follows:

	Restated Balance July 1, 2007	Additions	Deletions	Transfers & Adjustments	Balance June 30, 2008
<b>Governmental Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 4,550,222	\$ 1,039,730	\$ --	\$ --	\$ 5,589,952
Construction in progress	--	2,978,713	--	--	2,978,713
Total capital assets, not being depreciated	<u>4,550,222</u>	<u>4,018,443</u>	<u>--</u>	<u>--</u>	<u>8,568,665</u>
Capital assets, being depreciated:					
Infrastructure	83,327,069	--	--	--	83,327,069
Structures and improvements	12,192,156	223,335	--	--	12,415,491
Equipment	14,223,009	1,240,598	(1,441,959)	--	14,021,648
Total capital assets, being depreciated	<u>109,742,234</u>	<u>1,463,933</u>	<u>(1,441,959)</u>	<u>--</u>	<u>109,764,208</u>
Less accumulated depreciation for:					
Infrastructure	(57,174,479)	(3,909,576)	--	--	(61,084,055)
Structures and improvements	(4,955,654)	(152,368)	--	--	(5,108,022)
Equipment	(11,267,766)	(860,123)	1,322,027	--	(10,805,862)
Total accumulated depreciation	<u>(73,397,899)</u>	<u>(4,922,067)</u>	<u>1,322,027</u>	<u>--</u>	<u>(76,997,939)</u>
Total capital assets, being depreciated, net	<u>36,344,335</u>	<u>(3,458,134)</u>	<u>(119,932)</u>	<u>--</u>	<u>32,766,269</u>
Governmental activities capital assets, net	<u>\$ 40,894,557</u>	<u>\$ 560,309</u>	<u>\$ (119,932)</u>	<u>\$ --</u>	<u>\$ 41,334,934</u>
<b>Business-Type Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 233,335	\$ --	\$ --	\$ --	\$ 233,335
Construction in progress	--	435,651	--	--	435,651
Total capital assets, not being depreciated	<u>233,335</u>	<u>435,651</u>	<u>--</u>	<u>--</u>	<u>668,986</u>
Capital assets, being depreciated:					
Structures and improvements	\$ 1,908,034	\$ --	\$ --	\$ --	\$ 1,908,034
Equipment	1,704,542	98,421	(36,901)	24,036	1,790,098
Total capital assets, being depreciated	<u>3,612,576</u>	<u>98,421</u>	<u>(36,901)</u>	<u>24,036</u>	<u>3,698,132</u>
Less accumulated depreciation for:					
Structures and improvements	(304,135)	(54,149)	--	--	(358,284)
Equipment	(1,062,327)	(314,022)	30,567	(2,104)	(1,347,886)
Total accumulated depreciation	<u>(1,366,462)</u>	<u>(368,171)</u>	<u>30,567</u>	<u>(2,104)</u>	<u>(1,706,170)</u>
Total capital assets, being depreciated, net	<u>2,246,114</u>	<u>(269,750)</u>	<u>(6,334)</u>	<u>21,932</u>	<u>1,991,962</u>
Business-type activities capital assets, net	<u>\$ 2,479,449</u>	<u>\$ 165,901</u>	<u>\$ (6,334)</u>	<u>\$ 21,932</u>	<u>\$ 2,660,948</u>

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

Note 5: **Capital Assets** (continued)

At July 1, 2007, the County made the following restatements to capital assets:

Governmental Activities:

Capital assets - June 30, 2007	\$ 39,350,048
Unrecorded additions from prior years	2,395,380
Reclassification of airport fund to business-type activity	<u>(850,871)</u>
Capital assets, restated - July 1, 2007	<u><u>\$ 40,894,557</u></u>

Business-Type Activities:

Capital assets - June 30, 2007	\$ 1,628,578
Reclassification of airport fund to business-type activity	<u>850,871</u>
Capital assets, restated - July 1, 2007	<u><u>\$ 2,479,449</u></u>

### **Depreciation**

Depreciation expense was charged to governmental functions as follows:

General government	\$ 114,207
Public protection	284,996
Public ways and facilities	4,285,305
Health and sanitation	112,260
Public assistance	33,540
Recreation and culture	<u>91,759</u>
Total Depreciation Expense - Governmental Functions	<u><u>\$ 4,922,067</u></u>

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

Solid Waste	\$ 354,673
Airport	<u>3,957</u>
Total Depreciation Expense - Business-Type Functions	<u><u>\$ 358,630</u></u>

# COUNTY OF MONO

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

### Note 6: Long-Term Liabilities

The following is a summary of long-term liabilities transactions for the year ended June 30, 2008:

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008	Due Within One Year
<b>Governmental Activities</b>					
Capital leases payable	\$ 1,722,478	\$ --	\$ (380,596)	\$ 1,341,882	\$ 407,768
Compensated absences	3,013,468	70,162	--	3,083,630	616,726
Claims liability	1,751,551	166,294	(445,063)	1,472,782	1,472,782
<b>Total Governmental Activities</b>					
Long-term liabilities	<u>\$ 6,487,497</u>	<u>\$ 236,456</u>	<u>\$ (825,659)</u>	<u>\$ 5,898,294</u>	<u>\$ 2,497,276</u>
<b>Business-type Activities</b>					
Certificates of participation	\$ 4,220,000	\$ --	(145,000)	\$ 4,075,000	\$ 150,000
Less: unamortized discount	(108,836)	--	5,581	(103,255)	--
Loans payable	333,335	--	(33,335)	300,000	33,333
Compensated absences	30,265	12,580	--	42,845	8,569
Landfill postclosure cost	3,539,547	248,380	--	3,787,927	--
<b>Total Business-type Activities</b>					
Long-term liabilities	<u>\$ 8,014,311</u>	<u>\$ 260,960</u>	<u>\$ (172,754)</u>	<u>\$ 8,102,517</u>	<u>\$ 191,902</u>

Claims and judgments will be paid from the general fund. Compensated absences are generally liquidated by several of the County's funds, including the general fund and several special revenue funds.

As of June 30, 2008, annual debt service requirements to maturity are as follows:

Year Ending June 30	Business-Type Activities			
	Loan Payable		Certificates of Participation	
	Principal	Interest	Principal	Interest
2009	\$ 33,333	\$ --	\$ 150,000	\$ 202,615
2010	33,333	--	155,000	196,615
2011	33,333	--	160,000	190,415
2012	33,333	--	170,000	183,855
2013	33,333	--	175,000	176,630
2014-2018	133,335	--	1,010,000	752,592
2019-2023	--	--	1,300,000	462,263
2024-2028	--	--	955,000	102,113
	<u>\$ 300,000</u>	<u>\$ --</u>	<u>\$ 4,075,000</u>	<u>\$ 2,267,098</u>



# COUNTY OF MONO

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

### Note 6: Long-Term Liabilities (continued)

Long-term liabilities at June 30, 2008, consisted of the following:

	Date of Issue	Date of Maturity	Interest Rates	Principal Installments	Issue Amount	Outstanding at June 30, 2008
<u>Business-type activities</u>						
2001 Series A Certificates of Participation (to finance closure of four County's landfills)	11/01	05/04 - 05/26	2.50 - 5.25%	\$130,000 - \$335,000	\$ 5,125,000	\$ 4,075,000
Note Payable (to finance capital improvements at the Bridgeport Landfill facility)	01/02	06/03 - 06/13	0.00%	\$33,333	<u>500,000</u>	<u>300,000</u>
Total business-type activities					<u>\$ 5,625,000</u>	<u>\$ 4,375,000</u>

### Note 7: Capital Leases

The County has entered into certain capital lease agreements under which the related buildings and equipment will become the property of the County when all terms of the lease agreements are met.

The following is a summary of equipment leased under capital lease agreements by the County as of June 30, 2008:

	Stated Interest Rate	Present Value of Remaining Payments as of June 30, 2008
Building	5.15% - 6.07%	\$ 492,733
Telephone system	5.15%	235,233
Various equipment and vehicles	4.95% - 7.94%	<u>613,916</u>
		<u>\$ 1,341,882</u>

The cost of buildings and equipment under capital leases are as follows:

Building	\$ 794,200
Telephone system	793,491
Various equipment and vehicles	1,387,090
Less: accumulated amortization	<u>(1,337,994)</u>
Total	<u>\$ 1,636,787</u>

# COUNTY OF MONO

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

### Note 7: Capital Leases (continued)

As of June 30, 2008, future minimum lease payments under capital leases were as follows:

Year Ending June 30:	
2009	\$ 468,231
2010	436,818
2011	256,391
2012	76,960
2013	56,021
2014-2018	<u>265,410</u>
Total Future Minimum Lease Payments	1,559,831
Less: Interest	<u>(217,949)</u>
Present Value of Minimal Lease Payments	<u>\$ 1,341,882</u>

### Note 8: 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 \$3,787,927 reported as closure and postclosure liability in the Enterprise Fund at June 30, 2008, represents the cumulative amount reported to date based on the following estimated percentages of capacity applied to the estimated closure and postclosure care costs:

Landfill Site	Estimated Closure Costs	Estimated Postclosure Costs	Total Estimated Cost	Estimated Total Capacity (Cubic Yards)	Estimated Capacity Used (Cubic Yards)	Estimated Percentage of Capacity Used through June 30, 2008	Estimated Landfill Closure and Postclosure Liability at June 30, 2008
Benton	\$ 527,016	\$ 709,399	\$ 1,236,415	76,578	17,532	22.89%	\$ 283,069
Benton Crossing	2,907,134	1,673,232	4,580,366	2,301,600	930,901	40.45%	1,852,567
Bridgeport	851,399	727,088	1,578,487	320,804	69,849	21.77%	343,686
Chalfant	475,290	709,399	1,184,689	107,564	32,856	30.55%	361,870
Pumice Valley	1,407,806	870,024	2,277,830	347,112	104,630	30.14%	686,606
Walker	<u>720,013</u>	<u>702,079</u>	<u>1,422,092</u>	<u>340,716</u>	<u>62,324</u>	18.29%	<u>260,130</u>
Total	<u>\$ 6,888,658</u>	<u>\$ 5,391,221</u>	<u>\$ 12,279,879</u>	<u>3,494,374</u>	<u>1,218,092</u>	34.86%	<u>\$ 3,787,927</u>

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

Note 8: **Closure and Postclosure Liability** (continued)

The County will recognize the remaining estimated cost of closure and postclosure care of \$8,491,952 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 2008.

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, 2008, cash and investments of \$3,340,707 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 9: **Defined Benefit Pension Plan**

A. **Plan Description**

The County contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by statute. Copies of PERS' annual financial report may be obtained from their executive office – 400 Q Street – Sacramento, CA 95814.

B. **Funding Policy**

Active plan members in PERS are required to contribute 8 percent (9 percent for safety employees) of their annual covered salary. The County is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the PERS Board of Administration. The required employer contribution rate for fiscal year 2007/2008 was 7 percent for miscellaneous employees and 9 percent for safety employees. The contribution requirements of the plan are established by State statute and the employer contribution rate is established and may be amended by PERS.

# COUNTY OF MONO

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

### Note 9: **Defined Benefit Pension Plan** (continued)

#### C. **Annual Pension Cost**

For the fiscal year ended June 30, 2008, the County's annual pension cost of \$3,555,327 for PERS was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 2005, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75 percent investment rate of return (net of administrative expenses); (b) projected annual salary increases that vary by age, service, and type of employment; and (c) 3.25 percent per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3.0 percent.

The actuarial value of the County's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a 15-year period depending on the size of the investment gains and/or losses. The County's excess assets are being amortized as a level percentage of projected payroll on a closed basis. There is an average of 26 years remaining in the amortization period at June 30, 2005 (the valuation date) under the miscellaneous plan.

#### Three Year Trend Information for PERS

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2006	2,545,816	100%	--
June 30, 2007	2,502,820	100%	--
June 30, 2008	3,555,327	100%	--

### Note 10: **Employee Benefits**

#### **Post-Employment Benefits**

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, employees hired after this date shall be eligible to receive County contributions into an Internal Revenue Code Section 401(a) Plan established by the County. Currently, 148 employees meet the eligibility requirements for the pre-2002 hire health care retirement benefits. During the year,

# COUNTY OF MONO

## Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

### Note 10: Employee Benefits (continued)

#### Post-Employment Benefits (continued)

expenditures of \$1,202,608 were recognized for post-employment health care. The County has a two-part system for acknowledging this liability. 1) The County budgets for current retirees, with any excess transferred to a trust account for future retiree health expenses; and 2) the County sets aside 3% of each employee's salary into this same trust to match the 3% maximum payable under the 401(a) plan with any excess being reserve for liability for those retiring under the pre-2002 hire date post-retirement plan.

The actuarial value of the County's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a two to five year period depending on the size of the investment gains and/or losses. The County's excess assets are being amortized as a level percentage of projected payroll on a closed basis. There are averages of 25 years and 14 years remaining in the amortization period at June 30, 2004 (the valuation date) under the miscellaneous and safety plans respectively.

### Note 11: Interfund Transactions

<u>Transfer from</u>	<u>Transfer to</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Road Fund	\$ 550,000	Transfer to Road fund.
	Bioterrorism Fund	4,940	
	Nonmajor Governmental Funds	3,754,288	Includes \$3.4 million for capital projects.
	Nonmajor Enterprise Funds	73,239	
Bioterrorism Fund	General	32,106	
Nonmajor Governmental Funds	General Fund	939,651	Includes \$875,891 reimbursement from outside entity for purchase of land.
	Solid Waste Fund	74,607	
Nonmajor Enterprise Funds	General Fund	<u>14,042</u>	
	Total	<u>\$ 5,442,873</u>	

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

#### Note 11: **Interfund Transactions** (continued)

The composition of interfund balances as of June 30, 2008, are as follows:

##### ***Due to/from other funds:***

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Road	\$ 289,534
	Bioterrorism Fund	583,945
	Nonmajor Governmental Funds	372,355
	Nonmajor Enterprise Funds	201,057
		<u>\$ 1,446,891</u>

The above balances were transferred to cover cash deficits.

#### Note 12: **Net Assets/Fund Balances**

The government-wide and business-type activities fund financial statements utilize a net assets presentation. Net assets are categorized as invested capital assets (net of related debt), restricted and unrestricted.

- *Invested in Capital Assets, Net of Related Debt* – This category groups all capital assets, including infrastructure, into one component of net assets. 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 Assets* – 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 Assets* – This category represents net assets of the County, not restricted for any project or other purpose.

Restricted net assets in the business-type activities of \$1,127,648 are for cash held for debt service payments.

In the fund financial statements, reserves and designations segregate portions of fund balance that are either not available or have been earmarked for specific purposes. The various reserves and designations are established by actions of the Board and management and can be increased, reduced or eliminated by similar actions.

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

#### Note 12: **Net Assets/Fund Balances** (continued)

As of June 30, 2008, reservations of fund balance are described below:

The term “reserved” is used to indicate that a portion of reported fund balance is (1) legally restricted to a specific use or (2) not available for appropriation or expenditure. The County’s management will sometimes designate portions of unreserved (available) fund balance based on tentative future spending plans.

Designated portions of fund balance represent financial resources legally available for uses other than those tentatively planned.

The County has “reserved” fund balances as follows:

- Reserve for Imprest Cash was created to represent the portion of the fund balance that is not available for expenditure because the County maintains various levels of revolving funds for daily operations.
- Reserve for Inventory was created to represent the portion of the fund balance that is not available for expenditure because the County expects to use these resources within the next budgetary period.
- Reserve for Encumbrances was created to represent encumbrances outstanding at the end of the fiscal year, based on purchase orders and contracts signed by the County but not completed as of the close of the fiscal year.
- Reserve for Loans and Advances was created to represent long-term receivables and interfund loans not available to finance current year expenditures.
- Reserve for General was created to represent the portion of fund equity the County expects to use for unpredicted future events.

#### Note 13: **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 Risk Management Funds (internal service funds) to account for and finance its uninsured risks of loss for general liability and workers’ compensation. Under this program, the Risk Management Funds provide coverage for 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. Trindel Insurance Fund (JPA) is classified as a claims-servicing or account pool, which results in the County retaining the risk of loss and being considered self-insured with regard to liability coverage for the first \$100,000 of general liability per occurrence. The

## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

#### Note 13: **Risk Management** (continued)

County maintains reserves on hand with the Trindel Insurance Fund for all known claims as calculated by the actuary and a prudent reserve for the deductibles for future claims.

The County also belongs to another larger JPA called the County Supervisors Association of California Excess Insurance Authority (CSACEIA). CSACEIA, along with other commercial carriers, increases the coverage for general liability to \$15 million. Also, CSACEIA, along with other commercial carriers, covers replacement cost on property 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.

All funds of the County participate in the program and make payments to the Risk Management funds based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. The claims liability of \$1,472,782 reported in the government-wide statements at June 30, 2008, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Estimates of the liabilities for incurred (both reported and unreported) but unpaid claims are actuarially determined. Liabilities are based on the estimated cost of settling the claims.

Changes in the County's claims liability amount for the fiscal years ending June 30, 2007 and 2008, 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>
2007	\$ 1,816,299	\$ 852,292	\$ 917,040	\$ 1,751,551
2008	1,751,551	166,294	445,063	1,472,782



## COUNTY OF MONO

### Notes to the Financial Statements For the Fiscal Year Ended June 30, 2008

Note 13: **Risk Management** (continued)

The County is also involved in various cases in which there is a reasonable possibility of loss. All of the cases in excess of the \$100,000 retained liability limit are covered by excess insurance coverage. In accordance with Government Auditing Standards Board Statement No. 10, these cases have not been accrued in the financial statements.

Note 14: **Joint Agencies**

The CSAC Excess Insurance Authority is a joint powers authority organized for the purpose to develop and fund excess insurance programs for member counties. The Authority operates public entity risk pools for workers' compensation, comprehensive liability, property, medical malpractice, and pool purchases excess insurance and services for members. The Authority is under the control and direction of a board of directors consisting of representatives of the fifty member counties.

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

Note 15: **Commitments and Contingencies**

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 16: **New Accounting Pronouncements**

The Governmental Accounting Standards Board (GASB) recently released new accounting and financial reporting standards. GASB Statement No. 45, *Accounting and Financial Reporting by Employers of Postemployment Benefits Other than Pensions (OPEB)*, may have a significant impact on the County's financial reporting process.

GASB Statement No. 45 establishes standards for the measurement, recognition and display of OPEB expenses/expenditures, related assets and liabilities, note disclosures, and if applicable, required supplementary information in the financial reports of state and local government employers. GASB Statement No. 45 will be effective for the fiscal year ending June 30, 2009.

## **REQUIRED SUPPLEMENTARY INFORMATION**

# COUNTY OF MONO

## Budgetary Comparison Schedule General Fund For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 18,548,198	\$ 21,158,198	\$ 24,126,013	\$ 2,967,815
Licenses and permits	623,000	609,100	468,190	(140,910)
Fines, forfeits and penalties	504,506	504,506	750,672	246,166
Revenue from use of money and property	649,692	529,692	564,603	34,911
Aid from other governments	12,828,984	11,743,288	13,591,390	1,848,102
Charges for services	2,974,199	2,938,225	2,832,643	(105,582)
Miscellaneous revenue	74,057	77,947	296,495	218,548
Total Revenues	<u>36,202,636</u>	<u>37,560,956</u>	<u>42,630,006</u>	<u>5,069,050</u>
Expenditures:				
Current:				
General government	11,771,039	12,374,123	9,007,003	3,367,120
Public protection	14,406,577	14,911,886	13,626,341	1,285,545
Public way and facilities	935,036	935,109	980,730	(45,621)
Health and sanitation	8,412,834	8,396,086	8,169,477	226,609
Public assistance	3,899,758	3,904,759	3,403,528	501,231
Education	32,762	33,072	33,072	--
Recreation and cultural services	997,800	1,061,680	1,064,140	(2,460)
Total Expenditures	<u>40,455,806</u>	<u>41,616,715</u>	<u>36,284,291</u>	<u>5,332,424</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,253,170)</u>	<u>(4,055,759)</u>	<u>6,345,715</u>	<u>10,401,474</u>
Other Financing Sources (Uses):				
Transfers in	3,016,694	(3,011,194)	985,799	3,996,993
Transfers out	<u>(8,765,951)</u>	<u>(9,437,951)</u>	<u>(4,382,467)</u>	<u>5,055,484</u>
Total Other Financing Sources (Uses)	<u>(5,749,257)</u>	<u>(12,449,145)</u>	<u>(3,396,668)</u>	<u>9,052,477</u>
Net Change in Fund Balances	(10,002,427)	(16,504,904)	2,949,047	19,453,951
Budgetary Fund Balances - Beginning of Year, as restated	<u>15,070,899</u>	<u>15,070,899</u>	<u>15,070,899</u>	<u>--</u>
Budgetary Fund Balances - End of Year	<u>\$ 5,068,472</u>	<u>\$ (1,434,005)</u>	<u>\$ 18,019,946</u>	<u>\$ 19,453,951</u>

# COUNTY OF MONO

## Budgetary Comparison Schedule Road Fund For the Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Licenses and permits	\$ 10,000	\$ 10,000	\$ 5,820	\$ (4,180)
Fines, forfeits and penalties	35,000	35,000	47,865	12,865
Revenue from use of money and property	2,000	2,000	3,907	1,907
Aid from other governments	2,149,900	2,149,900	3,199,499	1,049,599
Charges for services	880,500	880,500	1,268,534	388,034
Other revenues	--	--	1,410	1,410
Total Revenues	<u>3,077,400</u>	<u>3,077,400</u>	<u>4,527,035</u>	<u>1,449,635</u>
Expenditures:				
Current:				
Public way and facilities	<u>3,721,675</u>	<u>3,721,675</u>	<u>5,559,818</u>	<u>(1,838,143)</u>
Total Expenditures	<u>3,721,675</u>	<u>3,721,675</u>	<u>5,559,818</u>	<u>(1,838,143)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(644,275)</u>	<u>(644,275)</u>	<u>(1,032,783)</u>	<u>(388,508)</u>
Other Financing Sources (Uses):				
Transfers in	<u>--</u>	<u>550,000</u>	<u>550,000</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>--</u>	<u>550,000</u>	<u>550,000</u>	<u>--</u>
Net Change in Fund Balances	(644,275)	(94,275)	(482,783)	(388,508)
Fund Balances - Beginning of Year	<u>405,967</u>	<u>405,967</u>	<u>405,967</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ (238,308)</u>	<u>\$ 311,692</u>	<u>\$ (76,816)</u>	<u>\$ (388,508)</u>

# COUNTY OF MONO

## Budgetary Comparison Schedule Bioterrorism Fund For the Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Revenue from use of money and property	\$ --	\$ --	\$ (11,212)	\$ (11,212)
Aid from other governments	545,237	524,504	6,847	(517,657)
Total Revenues	<u>545,237</u>	<u>524,504</u>	<u>(4,365)</u>	<u>(528,869)</u>
Expenditures:				
Current:				
Public protection	484,737	459,034	550,396	(91,362)
Total Expenditures	<u>484,737</u>	<u>459,034</u>	<u>550,396</u>	<u>(91,362)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>60,500</u>	<u>65,470</u>	<u>(554,761)</u>	<u>(620,231)</u>
Other Financing Sources (Uses):				
Transfers in	--	--	4,940	4,940
Transfers out	(11,147)	(11,147)	(32,106)	(20,959)
Total Other Financing Sources (Uses)	<u>(11,147)</u>	<u>(11,147)</u>	<u>(27,166)</u>	<u>(16,019)</u>
Net Change in Fund Balances	49,353	54,323	(581,927)	(620,231)
Fund Balances - Beginning of Year	<u>(891)</u>	<u>(891)</u>	<u>(891)</u>	<u>--</u>
Fund Balances - End of Year	<u>\$ 48,462</u>	<u>\$ 53,432</u>	<u>\$ (582,818)</u>	<u>\$ (620,231)</u>

# COUNTY OF MONO

## Required Supplementary Information For the Year Ended June 30, 2008

### Schedule of Funding Progress

The tables below shows a three-year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll as of June 30:

#### Funded Status of Plan Safety and Miscellaneous (\$ amount in thousands)

<u>Actuarial Valuation Date</u>	<u>Entry Age Actuarial Accrued Liability</u>	<u>Actuarial Asset Value</u>	<u>Underfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Underfunded Actuarial Liability as Percentage of Covered Payroll</u>
<u>Miscellaneous Plan</u>						
06/30/05	\$ 44,423	\$ 39,391	\$ 5,032	88.7%	\$ 10,108	49.8%
06/30/06	51,646	42,556	9,090	82.4%	10,742	84.6%
06/30/07	56,757	46,802	9,955	82.5%	12,538	79.4%

#### Safety Plan

This information is no longer available for the Safety Plan. Information is available on a pooled-basis only and can be obtained from CalPERS, P.O. Box 942709, Sacramento, CA 94229-2709.

## COUNTY OF MONO

### Note to Required Supplementary Information For the Year Ended June 30, 2008

#### **BUDGETARY BASIS OF ACCOUNTING**

##### General Budget Policies

By State law, the County Board of Supervisors must approve a tentative budget no later than June 30 of each year, and adopt a final budget no later than August 30. A public hearing must be conducted to receive comments prior to adoption. However, due to the lateness of the adoption of the State budget, the County by resolution R03-058 has extended these periods to August 10 and October 2, respectively.

From the effective date of the budget, which is adopted and controlled at the departmental 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 resolution during the fiscal year. Department heads may, upon approval of the Auditor-Controller, 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 basic financial statements. Appropriations lapse at year end.

Budgets are adopted for the general fund and most special revenue funds. 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. The County does not adopt a budget for the Solid Waste Closure Fund.

Individual fund budgetary comparisons are not presented at the detail budget unit level due to their excessive length. A separate publication presenting this information is available.

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**



## **NONMAJOR GOVERNMENTAL FUNDS**

---

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trust or for major capital projects) that are legally restricted to expenditures for particular purposes.

Capital Project Funds are used to account for the financial resources to be used for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

---

# COUNTY OF MONO

## Combining Balance Sheet Nonmajor Governmental Funds June 30, 2008

	Special Revenue			
	Geothermal	Fish and Game	Tobacco	Well Abandonment
<u>Assets</u>				
Cash and investments	\$ --	\$ 30,327	\$ --	\$ 63,493
Accounts receivable	--	--	--	--
Due from other governments	--	--	89,122	--
Prepays	--	--	1,052	22,001
	<u>--</u>	<u>--</u>	<u>1,052</u>	<u>22,001</u>
Total Assets	<u>\$ --</u>	<u>\$ 30,327</u>	<u>\$ 90,174</u>	<u>\$ 85,494</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ --	\$ --	\$ 628	\$ --
Salaries and benefits payable	--	--	18,799	--
Due to other funds	1,710	--	88,065	--
Unearned revenue	--	--	--	--
	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Liabilities	<u>1,710</u>	<u>--</u>	<u>107,492</u>	<u>--</u>
Fund Balance				
Unreserved:				
Undesignated	(1,710)	30,327	(17,318)	85,494
	<u>(1,710)</u>	<u>30,327</u>	<u>(17,318)</u>	<u>85,494</u>
Total Fund Balances	<u>(1,710)</u>	<u>30,327</u>	<u>(17,318)</u>	<u>85,494</u>
Total Liabilities and Fund Balances	<u>\$ --</u>	<u>\$ 30,327</u>	<u>\$ 90,174</u>	<u>\$ 85,494</u>

continued

# COUNTY OF MONO

## Combining Balance Sheet (continued) Nonmajor Governmental Funds June 30, 2008

	Special Revenue			
	Emergency Medical Services	Major Thoroughfare	Mitigation Fee	County Service Areas
<u>Assets</u>				
Cash and investments	\$ 163,423	\$ 57,467	\$ 106,114	\$ 1,259,811
Accounts receivable	--	--	--	--
Due from other governments	--	--	--	--
Prepays	--	--	--	--
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 163,423</u>	<u>\$ 57,467</u>	<u>\$ 106,114</u>	<u>\$ 1,259,811</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ --	\$ --	\$ --	\$ --
Salaries and benefits payable	--	--	--	--
Due to other funds	--	--	--	--
Unearned revenue	--	--	--	--
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund Balance				
Unreserved:				
Undesignated	<u>163,423</u>	<u>57,467</u>	<u>106,114</u>	<u>1,259,811</u>
Total Fund Balances	<u>163,423</u>	<u>57,467</u>	<u>106,114</u>	<u>1,259,811</u>
Total Liabilities and Fund Balances	<u>\$ 163,423</u>	<u>\$ 57,467</u>	<u>\$ 106,114</u>	<u>\$ 1,259,811</u>

continued

# COUNTY OF MONO

## Combining Balance Sheet (continued) Nonmajor Governmental Funds June 30, 2008

	Special Revenue				
	June Lake Storm Drain	Developer Fees	Mental Health Services Act	Various Restricted Grant Funds	Total Special Revenue
<u>Assets</u>					
Cash and investments	\$ 75,904	\$ 1,522	\$ 141,123	\$ 1,058,699	\$ 2,957,883
Accounts receivable	--	--	--	20,444	20,444
Due from other governments	--	--	379,673	10,790	479,585
Prepays	--	--	1,450	3,519	28,022
	<u>75,904</u>	<u>1,522</u>	<u>522,246</u>	<u>1,093,452</u>	<u>3,485,934</u>
Total Assets	<u>\$ 75,904</u>	<u>\$ 1,522</u>	<u>\$ 522,246</u>	<u>\$ 1,093,452</u>	<u>\$ 3,485,934</u>
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable	\$ --	\$ --	\$ 6,251	\$ 43,217	\$ 50,096
Salaries and benefits payable	--	--	26,431	33,918	79,148
Due to other funds	--	--	145,000	--	234,775
Unearned revenue	--	--	--	2,650	2,650
	<u>--</u>	<u>--</u>	<u>177,682</u>	<u>79,785</u>	<u>366,669</u>
Total Liabilities	<u>--</u>	<u>--</u>	<u>177,682</u>	<u>79,785</u>	<u>366,669</u>
Fund Balance					
Unreserved:					
Undesignated	75,904	1,522	344,564	1,013,667	3,119,265
	<u>75,904</u>	<u>1,522</u>	<u>344,564</u>	<u>1,013,667</u>	<u>3,119,265</u>
Total Fund Balances	<u>75,904</u>	<u>1,522</u>	<u>344,564</u>	<u>1,013,667</u>	<u>3,119,265</u>
Total Liabilities and Fund Balances	<u>\$ 75,904</u>	<u>\$ 1,522</u>	<u>\$ 522,246</u>	<u>\$ 1,093,452</u>	<u>\$ 3,485,934</u>

continued

# COUNTY OF MONO

## Combining Balance Sheet (continued) Nonmajor Governmental Funds June 30, 2008

	Capital Projects		
	Miscellaneous Capital Improvements	County Parks	Flashing Yellow Beacons
<u>Assets</u>			
Cash and investments	\$ 201,667	\$ --	\$ --
Accounts receivable	210	--	--
Due from other governments	--	--	--
Prepays	--	--	--
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 201,877</u>	<u>\$ --</u>	<u>\$ --</u>
<u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts payable	\$ 26,740	\$ --	\$ --
Salaries and benefits payable	--	--	--
Due to other funds	--	137,580	--
Unearned revenue	--	--	--
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>26,740</u>	<u>137,580</u>	<u>--</u>
Fund Balance			
Unreserved:			
Undesignated	<u>175,137</u>	<u>(137,580)</u>	<u>--</u>
	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>175,137</u>	<u>(137,580)</u>	<u>--</u>
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$ 201,877</u>	<u>\$ --</u>	<u>\$ --</u>

continued

# COUNTY OF MONO

## Combining Balance Sheet (continued) Nonmajor Governmental Funds June 30, 2008

	Capital Projects		
	Impact Fees - Crowley Lake Area	Total Capital Projects	Total
<u>Assets</u>			
Cash and investments	\$ 199,645	\$ 401,312	\$ 3,359,195
Accounts receivable	--	210	20,654
Due from other governments		--	479,585
Prepays	--	--	28,022
Total Assets	<u>\$ 199,645</u>	<u>\$ 401,522</u>	<u>\$ 3,887,456</u>
<u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts payable	\$ --	\$ 26,740	\$ 76,836
Salaries and benefits payable	--	--	79,148
Due to other funds	--	137,580	372,355
Unearned revenue	--	--	2,650
Total Liabilities	<u>--</u>	<u>164,320</u>	<u>530,989</u>
Fund Balance			
Unreserved:			
Undesignated	<u>199,645</u>	<u>237,202</u>	<u>3,356,467</u>
Total Fund Balances	<u>199,645</u>	<u>237,202</u>	<u>3,356,467</u>
Total Liabilities and Fund Balances	<u>\$ 199,645</u>	<u>\$ 401,522</u>	<u>\$ 3,887,456</u>

# COUNTY OF MONO

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended June 30, 2008

	Special Revenue			
	Geothermal	Fish and Game	Tobacco	Well Abandonment
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ --
Fines, forfeitures and penalties	--	4,322	2,166	--
Use of money and property	--	1,300	(7,518)	2,873
Intergovernmental	44,497	--	145,713	--
Charges for services	--	--	--	--
Miscellaneous	--	--	69,790	31,798
Total Revenues	<u>44,497</u>	<u>5,622</u>	<u>210,151</u>	<u>34,671</u>
Expenditures:				
Current:				
General government	--	--	--	--
Public protection	--	8,477	--	--
Public ways and facilities	46,207	--	--	--
Health and sanitation	--	--	320,878	132,725
Public assistance	--	--	--	--
Recreation	--	--	--	--
Capital outlay	--	--	--	--
Total Expenditures	<u>46,207</u>	<u>8,477</u>	<u>320,878</u>	<u>132,725</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,710)</u>	<u>(2,855)</u>	<u>(110,727)</u>	<u>(98,054)</u>
Other Financing Sources (Uses):				
Transfers in	--	--	191,893	116,500
Transfers out	--	--	(14,881)	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>177,012</u>	<u>116,500</u>
Net Change in Fund Balances	(1,710)	(2,855)	66,285	18,446
Fund Balances - Beginning of Year, as restated	<u>--</u>	<u>33,182</u>	<u>(83,603)</u>	<u>67,048</u>
Fund Balances - End of Year	<u>\$ (1,710)</u>	<u>\$ 30,327</u>	<u>\$ (17,318)</u>	<u>\$ 85,494</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, 2008

	Special Revenue			
	Emergency Medical Services	Major Thoroughfare	Mitigation Fee	County Service Areas
Revenues:				
Taxes	\$ --	\$ --	\$ --	\$ 195,633
Fines, forfeitures and penalties	165,972	--	--	--
Use of money and property	3,431	2,290	4,228	47,378
Intergovernmental	--	--	--	--
Charges for services	--	--	--	28,525
Miscellaneous	--	--	--	6
Total Revenues	<u>169,403</u>	<u>2,290</u>	<u>4,228</u>	<u>271,542</u>
Expenditures:				
Current:				
General government	--	--	--	61,768
Public protection	--	--	--	--
Public ways and facilities	--	--	--	--
Health and sanitation	44,975	--	--	--
Public assistance	--	--	--	--
Recreation	--	--	--	--
Capital outlay	--	--	--	--
Total Expenditures	<u>44,975</u>	<u>--</u>	<u>--</u>	<u>61,768</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>124,428</u>	<u>2,290</u>	<u>4,228</u>	<u>209,774</u>
Other Financing Sources (Uses):				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	124,428	2,290	4,228	209,774
Fund Balances - Beginning of Year, as restated	<u>38,995</u>	<u>55,177</u>	<u>101,886</u>	<u>1,050,037</u>
Fund Balances - End of Year	<u>\$ 163,423</u>	<u>\$ 57,467</u>	<u>\$ 106,114</u>	<u>\$ 1,259,811</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, 2008

	Special Revenue				
	June Lake Storm Drain	Developer Fees	Mental Health Services Act	Various Restricted Grant Funds	Total Special Revenue
Revenues:					
Taxes	\$ --	\$ --	\$ --	\$ --	\$ 195,633
Fines, forfeitures and penalties	--	--	--	249,774	422,234
Use of money and property	3,024	--	9,104	23,295	89,405
Intergovernmental	--	--	631,556	1,525,459	2,347,225
Charges for services	--	--	--	--	28,525
Miscellaneous	--	1,522	7,068	54,055	164,239
Total Revenues	<u>3,024</u>	<u>1,522</u>	<u>647,728</u>	<u>1,852,583</u>	<u>3,247,261</u>
Expenditures:					
Current:					
General government	--	--	--	--	61,768
Public protection	--	--	--	1,711,131	1,719,608
Public ways and facilities	--	--	65,620	58,348	170,175
Health and sanitation	--	--	538,973	--	1,037,551
Public assistance	--	--	--	156,600	156,600
Recreation	--	--	--	61,851	61,851
Capital outlay	--	--	--	--	--
Total Expenditures	<u>--</u>	<u>--</u>	<u>604,593</u>	<u>1,987,930</u>	<u>3,207,553</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,024</u>	<u>1,522</u>	<u>43,135</u>	<u>(135,347)</u>	<u>39,708</u>
Other Financing Sources (Uses):					
Transfers in	--	--	--	49,257	357,650
Transfers out	--	--	(22,199)	(101,287)	(138,367)
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>(22,199)</u>	<u>(52,030)</u>	<u>219,283</u>
Net Change in Fund Balances	3,024	1,522	20,936	(187,377)	258,991
Fund Balances - Beginning of Year, as restated	<u>72,880</u>	<u>--</u>	<u>323,628</u>	<u>1,201,044</u>	<u>2,860,274</u>
Fund Balances - End of Year	<u>\$ 75,904</u>	<u>\$ 1,522</u>	<u>\$ 344,564</u>	<u>\$ 1,013,667</u>	<u>\$ 3,119,265</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, 2008

	Capital Projects		
	Miscellaneous Capital Improvements	County Parks	Flashing Yellow Beacons
Revenues:			
Taxes	\$ --	\$ --	\$ --
Fines, forfeitures and penalties	--	--	--
Use of money and property	--	--	--
Intergovernmental	1,053,527	121,500	75,219
Charges for services	--	--	--
Miscellaneous	--	--	--
Total Revenues	<u>1,053,527</u>	<u>121,500</u>	<u>75,219</u>
Expenditures:			
Current:			
General government	--	--	--
Public protection	--	--	--
Public ways and facilities	--	--	--
Health and sanitation	--	--	--
Public assistance	540,000	--	--
Recreation	--	--	--
Capital outlay	<u>2,153,790</u>	<u>927</u>	<u>--</u>
Total Expenditures	<u>2,693,790</u>	<u>927</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,640,263)</u>	<u>120,573</u>	<u>75,219</u>
Other Financing Sources (Uses):			
Transfers in	3,091,638	305,000	--
Transfers out	<u>(875,891)</u>	<u>--</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>2,215,747</u>	<u>305,000</u>	<u>--</u>
Net Change in Fund Balances	575,484	425,573	75,219
Fund Balances - Beginning of Year, as restated	<u>(400,347)</u>	<u>(563,153)</u>	<u>(75,219)</u>
Fund Balances - End of Year	<u>\$ 175,137</u>	<u>\$ (137,580)</u>	<u>\$ --</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, 2008

	Capital Projects		
	Impact Fees - Crowley Lake Area	Total Capital Projects	Total
Revenues:			
Taxes	\$ --	\$ --	\$ 195,633
Fines, forfeitures and penalties	--	--	422,234
Use of money and property	6,895	6,895	96,300
Intergovernmental	--	1,250,246	3,597,471
Charges for services	--	--	28,525
Miscellaneous	57,487	57,487	221,726
Total Revenues	<u>64,382</u>	<u>1,314,628</u>	<u>4,561,889</u>
Expenditures:			
Current:			
General government	--	--	61,768
Public protection	--	--	1,719,608
Public ways and facilities	--	--	170,175
Health and sanitation	--	--	1,037,551
Public assistance	--	540,000	696,600
Recreation	--	--	61,851
Capital outlay	--	2,154,717	2,154,717
Total Expenditures	<u>--</u>	<u>2,694,717</u>	<u>5,902,270</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>64,382</u>	<u>(1,380,089)</u>	<u>(1,340,381)</u>
Other Financing Sources (Uses):			
Transfers in	--	3,396,638	3,754,288
Transfers out	--	(875,891)	(1,014,258)
Total Other Financing Sources (Uses)	<u>--</u>	<u>2,520,747</u>	<u>2,740,030</u>
Net Change in Fund Balances	64,382	1,140,658	1,399,649
Fund Balances - Beginning of Year, as restated	<u>135,263</u>	<u>(903,456)</u>	<u>1,956,818</u>
Fund Balances - End of Year	<u>\$ 199,645</u>	<u>\$ 237,202</u>	<u>\$ 3,356,467</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.

---

# COUNTY OF MONO

## Combining Statement of Fund Net Assets Nonmajor Enterprise Funds June 30, 2008

	<u>Airport</u>	<u>Campgrounds</u>	<u>Cemeteries</u>	<u>Total</u>
<u>Assets</u>				
Current Assets:				
Pooled cash and investments	\$ --	\$ 14,284	\$ 73,488	\$ 87,772
Due from other governments	480,972	--	--	480,972
Inventory	2,112	--	--	2,112
Total Current Assets	<u>483,084</u>	<u>14,284</u>	<u>73,488</u>	<u>570,856</u>
Noncurrent Assets:				
Capital assets:				
Nondepreciable	335,303	--	--	335,303
Depreciable, net	625,970	--	--	625,970
Total Noncurrent Assets	<u>961,273</u>	<u>--</u>	<u>--</u>	<u>961,273</u>
Total Assets	<u>\$ 1,444,357</u>	<u>\$ 14,284</u>	<u>\$ 73,488</u>	<u>\$ 1,532,129</u>
<u>Liabilities</u>				
Current Liabilities:				
Accounts payable	\$ 314	\$ 1,706	\$ --	\$ 2,020
Due to other funds	201,057	--	--	201,057
Total Liabilities	<u>201,371</u>	<u>1,706</u>	<u>--</u>	<u>203,077</u>
<u>Net Assets</u>				
Invested in capital assets	961,273	--	--	961,273
Unrestricted	281,713	12,578	73,488	367,779
Total Net Assets	<u>1,242,986</u>	<u>12,578</u>	<u>73,488</u>	<u>1,329,052</u>
Total Liabilities and Net Assets	<u>\$ 1,444,357</u>	<u>\$ 14,284</u>	<u>\$ 73,488</u>	<u>\$ 1,532,129</u>

# COUNTY OF MONO

## Combining Statement of Revenues, Expenses and Changes in Fund Net Assets Nonmajor Enterprise Funds For the Year Ended June 30, 2008

	<u>Airport</u>	<u>Campgrounds</u>	<u>Cemeteries</u>	<u>Total</u>
Operating Revenues:				
Charges for services	\$ 8,536	\$ 25,774	\$ 2,724	\$ 37,034
Total Operating Revenues	<u>8,536</u>	<u>25,774</u>	<u>2,724</u>	<u>37,034</u>
Operating Expenses:				
Salaries and benefits	--	--	--	--
Services and supplies	31,025	18,394	1,367	50,786
Depreciation	3,957	--	--	3,957
Total Operating Expenses	<u>34,982</u>	<u>18,394</u>	<u>1,367</u>	<u>54,743</u>
Operating Income (Loss)	<u>(26,446)</u>	<u>7,380</u>	<u>1,357</u>	<u>(17,709)</u>
Non-Operating Revenues (Expenses):				
Interest income (expense)	(8,438)	589	2,600	(5,249)
Operating grants	--	--	--	--
Total Non-Operating Revenues	<u>(8,438)</u>	<u>589</u>	<u>2,600</u>	<u>(5,249)</u>
Income (Loss) Before Contributions and Transfers	(34,884)	7,969	3,957	(22,958)
Capital contributions	285,388	--	--	285,388
Transfers in	32,139	--	41,100	73,239
Transfers out	(14,042)	--	--	(14,042)
Change in Net Assets	268,601	7,969	45,057	321,627
Net Assets - Beginning of Year, as restated	<u>974,385</u>	<u>4,609</u>	<u>28,431</u>	<u>1,007,425</u>
Net Assets - End of Year	<u>\$ 1,242,986</u>	<u>\$ 12,578</u>	<u>\$ 73,488</u>	<u>\$ 1,329,052</u>

# COUNTY OF MONO

## Combining Statement of Cash Flows Nonmajor Enterprise Funds For the Year Ended June 30, 2008

	<u>Airport</u>	<u>Campgrounds</u>	<u>Cemeteries</u>	<u>Total</u>
<b>CASH FLOWS FROM</b>				
<b>OPERATING ACTIVITIES:</b>				
Cash receipts from customers	\$ 8,536	\$ 25,774	\$ 2,724	\$ 37,034
Cash paid to suppliers for goods and services	<u>(33,231)</u>	<u>(18,819)</u>	<u>(1,367)</u>	<u>(53,417)</u>
Net Cash Provided (Used) by Operating Activities	<u>(24,695)</u>	<u>6,955</u>	<u>1,357</u>	<u>(16,383)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING</b>				
<b>ACTIVITIES</b>				
Transfers in (out)	18,097	--	41,100	59,197
Interfund loans	<u>(510,177)</u>	<u>--</u>	<u>--</u>	<u>(510,177)</u>
Net Cash Provided (Used) by Investing Activities	<u>(492,080)</u>	<u>--</u>	<u>41,100</u>	<u>(450,980)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED</b>				
<b>FINANCING ACTIVITIES</b>				
Capital grants	627,181	--	--	627,181
Purchase of capital assets	<u>(101,968)</u>	<u>--</u>	<u>--</u>	<u>(101,968)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>525,213</u>	<u>--</u>	<u>--</u>	<u>525,213</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received (paid)	<u>(8,438)</u>	<u>589</u>	<u>2,600</u>	<u>(5,249)</u>
Net Cash Provided (Used) by Investing Activities	<u>(8,438)</u>	<u>589</u>	<u>2,600</u>	<u>(5,249)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>--</u>	<u>7,544</u>	<u>45,057</u>	<u>52,601</u>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>--</u>	<u>6,740</u>	<u>28,431</u>	<u>35,171</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><u>\$ --</u></u>	<u><u>\$ 14,284</u></u>	<u><u>\$ 73,488</u></u>	<u><u>\$ 87,772</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating income (loss)	\$ (26,446)	\$ 7,380	\$ 1,357	\$ (17,709)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	3,957	--	--	3,957
Changes in assets and liabilities:				
Increase (decrease) in:				
Payables	<u>(2,206)</u>	<u>(425)</u>	<u>--</u>	<u>(2,631)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (24,695)</u></u>	<u><u>\$ 6,955</u></u>	<u><u>\$ 1,357</u></u>	<u><u>\$ (16,383)</u></u>

## **INVESTMENT TRUST FUNDS**

---

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

---



# COUNTY OF MONO

## Combining Statement of Fiduciary Net Assets Investment Trust Funds June 30, 2008

	<u>Local Districts</u>	<u>School Funds</u>	<u>Total</u>
<u>Assets</u>			
Pooled cash and investments	<u>\$ 5,159,707</u>	<u>\$ 21,251,110</u>	<u>\$ 26,410,817</u>
Total Assets	<u><u>\$ 5,159,707</u></u>	<u><u>\$ 21,251,110</u></u>	<u><u>\$ 26,410,817</u></u>
<u>Net Assets</u>			
Net assets held in trust for investment pool participants	<u><u>\$ 5,159,707</u></u>	<u><u>\$ 21,251,110</u></u>	<u><u>\$ 26,410,817</u></u>

# COUNTY OF MONO

## Combining Statement of Changes in Fiduciary Net Assets Investment Trust Funds For the Year Ended June 30, 2008

	Local Districts	School Districts	Total
Additions			
Contributions	\$ 18,778,706	\$ 34,479,437	\$ 53,258,143
Revenue from use of money and property	<u>330,440</u>	<u>928,679</u>	<u>1,259,119</u>
Total Additions	19,109,146	35,408,116	54,517,262
Deductions:			
Distribution from pooled investment	<u>18,625,148</u>	<u>32,435,199</u>	<u>51,060,347</u>
Change in net assets	483,998	2,972,917	3,456,915
Beginning net assets held in trust for pool participants	<u>4,675,709</u>	<u>18,278,193</u>	<u>22,953,902</u>
Ending net assets held for pool participants	<u>\$ 5,159,707</u>	<u>\$ 21,251,110</u>	<u>\$ 26,410,817</u>

**STATISTICAL SECTION (UNAUDITED)**

# COUNTY OF MONO

## Tax Levies and Collections General Fund Secured Roll 1992-93 through 2007-08

<u>Fiscal Year</u>	<u>Tax Levy</u>	<u>Current Taxes Collected</u>	<u>Percent of Levy</u>	<u>Delinquent Collections</u>	<u>Total Collections</u>	<u>Percent of Levy Collected</u>
1992-93	\$ 5,677,052	\$ 5,939,621	103.30%	\$ 255,980	\$ 6,195,601	107.75%
1993-94	4,841,678	5,066,272	104.64%	217,070	5,283,342	109.12%
1994-95	5,047,309	5,372,192	106.44%	228,890	5,601,082	110.97%
1995-96	4,962,551	5,024,418	101.19%	238,335	5,262,753	106.12%
1996-97	5,309,141	5,243,350	98.76%	156,743	5,400,093	101.71%
1997-98	5,977,025	5,236,546	87.61%	175,404	5,411,950	90.55%
1998-99	6,120,181	5,420,929	88.57%	185,983	5,606,912	91.61%
1999-00	6,420,655	5,699,096	88.77%	166,327	5,865,423	91.35%
2000-01	6,880,850	6,464,711	93.95%	139,088	660,379	95.97%
2001-02	7,073,947	6,992,736	98.85%	151,339	7,144,075	100.99%
2002-03	8,271,224	8,307,872	100.44%	250,939	8,558,811	103.48%
2003-04	8,426,505	8,523,576	101.15%	69,133	8,592,709	101.97%
2004-05	9,536,891	9,449,034	99.08%	58,669	9,507,703	99.69%
2005-06	11,362,185	10,892,350	95.86%	85,125	10,977,475	96.61%
2006-07	13,630,827	13,805,122	101.28%	122,857	13,927,980	102.18%
2007-08	15,706,796	16,120,226	102.63%	85,260	16,205,486	103.17%

# COUNTY OF MONO

## Property Tax Value Allocation Collection 1992-93 through 2007-08

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Total</u>
1992-93	\$ 1,475,079,312	\$ 235,660,094	\$ 1,710,739,406
1993-94	1,528,919,793	242,890,893	1,771,810,686
1994-95	1,596,913,764	231,701,331	1,828,615,095
1995-96	1,592,321,372	215,419,598	1,807,740,970
1996-97	1,597,912,626	224,837,451	1,822,750,077
1977-98	1,632,980,213	225,309,948	1,858,290,161
1998-99	1,676,009,395	229,640,519	1,905,649,914
1999-00	1,779,593,856	229,350,947	2,008,944,803
2000-01	1,989,414,352	196,039,081	2,185,453,433
2001-02	2,215,280,910	224,479,974	2,439,760,884
2002-03	2,430,999,676	252,782,477	2,683,782,153
2003-04	2,762,004,268	265,105,692	3,027,109,960
2004-05	3,085,979,775	267,934,406	3,353,914,181
2005-06	3,550,462,443	260,084,308	3,810,546,751
2006-07	4,278,126,257	281,570,435	4,559,696,692
2007-08	5,015,813,891	302,045,338	5,317,859,229

**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**  
**2008-09**

<b><u>TAX AREAS 51-00 THRU 51-13/ 51-19 THRU 51-33</u></b>	<b><u>PERCENTAGE</u></b>
PROP 13 (1% Limit)	1.0000000
ESUSD BOND Current	0.0419542
ESUSD BOND Redemption	0.0793192
<b>TOTAL</b>	<b>1.1212733</b>
<b><u>TAX AREAS: 51-14 THRU 51-18</u></b>	
PROP 13 (1% Limit)	1.0000000
ESUSD BOND Current	0.0419542
ESUSD BOND Redemption	0.0793192
June Lake PUD Bond	0.0000000
<b>TOTAL</b>	<b>1.1212733</b>
<b><u>TAX AREAS: 10-00, 10-02, 10-03, 10-04, 10-06, 10-08, 10-11, 10-12</u></b>	
PROP 13 (1% Limit)	1.0000000
Mammoth Unified Bond '98, '00 & '01	0.0000000
Mammoth-Kern SFID	0.0000000
Southern Mono Hospital Bond Redemption	0.0480845
Southern Mono Hospital Bond Current	0.0188305
<b>TOTAL</b>	<b>1.0669150</b>
<b><u>TAX AREAS: 10-01, 10-05, 10-07, 10-09, 10-10</u></b>	
PROP 13 (1% Limit)	1.0000000
Mammoth-Kern SFID	0.0000000
Mammoth County Water Improv. Bond #2	0.0000000
Southern Mono Hospital Bond Redemption	0.0480845
Southern Mono Hospital Bond Current	0.0188305
Mammoth Unified Bond '98, '00 & '01	0.0000000
<b>TOTAL</b>	<b>1.0669150</b>
<b><u>TAX AREAS: 10-13, 59-00, 59-05, 59-07, 59-12</u></b>	
PROP 13 (1% Limit)	1.0000000
Mammoth Unified Bond '98, '00 & '01	0.0000000
Southern Mono Hospital Bond Redemption	0.0480845
Southern Mono Hospital Bond Current	0.0188305
<b>TOTAL</b>	<b>1.0669150</b>
<b><u>TAX AREAS: 60-00</u></b>	
PROP 13 (1% Limit)	1.0000000
Round Valley Bond (Determined by Inyo County)	0.0000000
Bishop HS Bond (Determined by Inyo County)	0.0000000
Southern Mono Hospital Bond Redemption	0.0480845
Southern Mono Hospital Bond Current	0.0188305
	<b>1.0669150</b>
<b><u>TAX AREAS: 60-01 THRU 60-06</u></b>	
PROP 13 (1% Limit)	1.0000000
Round Valley Bond (Determined by Inyo County)	0.0000000
Bishop HS Bond (Determined by Inyo County)	0.0000000
<b>TOTAL</b>	<b>1.0000000</b>

# COUNTY OF MONO

## Distribution of Pooled Property Tax 1992-93 through 2007-08

Fiscal Year	County	Town of Mammoth Lakes	Schools and ERAF	Special Districts	Total
1992-93	38.10%	2.93%	31.80%	27.17%	100.00%
1993-94	32.52%	3.02%	41.18%	23.28%	100.00%
1994-95	31.89%	3.03%	41.52%	23.56%	100.00%
1995-96	31.17%	3.96%	42.34%	22.53%	100.00%
1996-97	32.41%	3.07%	42.67%	21.85%	100.00%
1997-98	33.60%	3.05%	41.27%	22.08%	100.00%
1998-99	31.86%	3.06%	41.28%	23.80%	100.00%
1999-00	31.70%	3.19%	41.04%	24.07%	100.00%
2000-01	31.45%	3.58%	40.40%	24.57%	100.00%
2001-02	30.97%	3.64%	40.79%	24.60%	100.00%
2002-03	30.75%	3.74%	40.79%	24.72%	100.00%
2003-04	30.51%	3.89%	40.64%	24.96%	100.00%
2004-05	30.32%	4.00%	40.51%	25.17%	100.00%
2005-06	30.04%	4.17%	42.01%	23.78%	100.00%
2006-07	29.78%	4.29%	41.84%	24.08%	100.00%
2007-08	29.60%	4.43%	40.06%	25.91%	100.00%

# COUNTY OF MONO

## Tax Collections 1992-93 through 2007-08

Fiscal Year	General Fund		Secured and Unsecured			
	Secured	Unsecured	Town of Mammoth	School Districts and Augmentation	Special Districts	Totals
				Fund		
1992-93	\$ 5,939,621	\$ 862,128	\$ 522,068	\$ 6,716,833	\$ 5,361,881	\$ 19,402,531
1993-94	5,066,272	755,388	540,072	6,802,385	5,701,810	18,865,927
1994-95	5,372,192	741,145	577,391	8,161,950	5,785,370	20,638,048
1995-96	5,024,418	682,488	759,583	8,283,649	4,268,796	19,018,934
1996-97	5,243,350	729,092	583,068	7,768,595	472,288	14,796,393
1997-98	5,448,545	719,526	571,570	7,730,443	4,451,114	18,921,198
1998-99	5,582,040	731,930	588,337	7,930,027	4,572,566	19,404,900
1999-00	5,778,043	723,824	647,065	8,306,363	4,794,903	20,250,198
2000-01	6,264,163	616,687	782,357	8,817,667	5,238,415	21,719,289
2001-02	7,073,947	695,136	825,121	7,085,768	5,591,710	21,271,682
2002-03	7,534,894	772,978	953,355	11,204,067	6,080,626	26,545,920
2003-04	8,523,576	807,741	1,158,647	12,615,367	6,936,400	30,041,730
2004-05*	9,449,034	706,107	1,348,916	13,642,275	7,916,718	33,063,050
2005-06*	11,455,149	765,220	1,592,687	16,021,241	9,067,830	38,902,127
2006-07	12,910,660	894,463	2,295,078	18,389,553	11,787,382	46,277,136
2007-08	14,515,638	870,916	2,624,774	22,147,747	12,860,888	53,019,963

*\* Triple-Flip Adjustments not recognized in these figures*

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**

**Triple Flip  
2007-08**

	<u>COUNTY</u>			<u>TOWN</u>			<u>SPECIAL DISTRICTS</u>
	Sales Tax	<u>VLF</u>	<u>ERAF III</u>	Sales Tax	<u>VLF</u>	<u>ERAF III</u>	<u>ERAF III</u>
<b>2004-05</b>	96,378	943,697	(92,964)	456,945	415,538	(217,497)	(890,482)
<b>2005-06</b>	101,279	1,074,952	(92,964)	501,959	517,229	(217,497)	(983,446)
<b>2006-07</b>	134,817	1,289,321	--	679,429	628,899	--	--
<b>2007-08</b>	148,749	1,494,755	--	518,443	744,745	--	--

SB 1096 adopted by the State in FY 2003 and implemented in FY 2004 is measure whereby Sales Taxes and Vehicle License Fees are "swapped" for property taxes. This is in the wake of the State obtaining debt reduction bonds using sales tax revenue as the funding source. These are manual adjustments made to property tax revenue and based upon projections from the state and "trued up" the following year. Funds are taken from ERAF to fill the revenue gaps. ERAF III is a swap from political subdivisions to back-fill the sales tax and VLF taken from ERAF. ERAF III is only in effect for FY 2004-05 and 2005-06.

# COUNTY OF MONO

## Miscellaneous Statistical Information

June 30, 2008

<b>County Date of Formation:</b>	April 21, 1861	
<b>Form of Government:</b>	General Law County under California Constitution 1849	
<b>Area:</b>	3,030 Square Miles	
<b>County Road Mileage:</b>	684.42	
<b>Fire Protection:</b>	No county-wide fire district, each community has its own special fire protection district	
<b>Public Protection:</b>	County Sheriff/Jail	
	Number of Stations	3
	Number of Employees	47
<b>County Employees:</b>	Full-Time <i>(Includes Public Protection Employees)</i>	288
	Part-Time	30
	Total	<b>318</b>
<b>Elections:</b>	Registered Voters	6,355
	Number of Votes Cast Last General Election	3,251
	Percentage of Registered Voters Voting	51.16%

<b>Population:</b>	<b><u>FY Year</u></b>	<b><u>County</u></b>	<b><u>Incorporated</u></b>	<b><u>Total</u></b>
	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
	1991		***	10,243
	1992		***	10,403
	1993		***	10,365
	1994		***	11,179
	1995		***	10,745
	1996		***	10,550
	1997		***	10,410
	1998		***	10,022
	1999		***	10,223
	2000		***	10,293

**COUNTY OF MONO**  
**Miscellaneous Statistical Information**  
**June 30, 2008**

<b>Population: (Continued)</b>	<b><u>FY Year</u></b>	<b><u>County</u></b>	<b><u>Incorporated</u></b>	<b><u>Total</u></b>
<i>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

\*\*\* No Data Kept for these years