Mono County

BUDGET 101

County Budget Explained

Special Message from The Chair

Before we begin explaining the budget, here's a small message from the Chair of the Board of Supervisors, Jennifer Kreitz.

As Chair of the Mono County Board of Supervisors, I am honored to represent a county known not only for its extraordinary natural beauty, but also for the strength, independence, and dedication of its people. Our communities are diverse, our challenges are unique, and our shared commitment to responsible governance brings us together.

The Board of Supervisors strives to listen, lead thoughtfully, and make decisions that support the long-term health of our residents, environment, and local economy. This website is one of the ways we stay connected—offering information, services, and opportunities to engage with your county government.

We welcome your participation and value your voice as we work together to serve Mono County today and for generations to come.

Welcome to Budget 101!

What is the Purpose of this Document?

The purpose of this document is to help residents better understand their local government and the decisions that affect everyone who lives in Mono County.

This guide explains how Mono County funds and delivers services to its residents. Every county service comes with costs, whether it involves building a new jail, maintaining roads, improving parks, or providing public safety and community programs. These costs include purchasing equipment, maintaining facilities, managing operations, and supporting the staff who keep services running. None of this is possible without a carefully planned and well-managed budget.

Each year, Mono County prepares a comprehensive budget document, known as the Budget Book, which provides detailed financial information for all county departments and is available online to the public. While the Budget Book is an important resource, it is also a lengthy, data-rich document that can be difficult to navigate and understand.

To make the budgeting process more accessible, we created this guide to explain the county's finances in a clear and straightforward way. Our goal is to help residents better understand how public funds are collected, allocated, and used to support the services and programs that benefit the community.

What you will find in Budget 101

This guide offers insight into the County's organizational structure, the sources of its funding, and how those resources are invested back into the community. We invite you to explore this information and gain a better understanding of how your local government works. After all, we are your county government, and we work on behalf of the residents we serve.

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Levels of Government

Overview

Before diving into county finances, it helps to understand how local government fits into the larger picture.

The United States operates under a system of shared powers between the federal government and the individual states. Within each state are counties, which are responsible for many local services and functions that directly affect residents' daily lives. There are more than 3,000 counties across the United States, varying greatly in size and population—some even have fewer than 100 residents.

With approximately 13,200 residents, Mono County is the 55th most populous of California's 58 counties. Only Modoc, Alpine, and Sierra Counties have smaller populations, making Mono County one of the state's most rural and scenic regions.

Despite its relatively small population, Mono County covers a vast area of approximately 3,030 square miles. Remarkably, about 94 percent of that land—roughly 2,845 square miles—is publicly owned. This unique landscape presents both opportunities and challenges in providing services across such a large geographic area.

Mono County's seat of government is in Bridgeport, which has the highest-elevation county seat in California. Bridgeport is also notable for being one of the few county seats in California that is not located within an incorporated city.

Understanding these unique characteristics helps explain how Mono County operates and why its budgeting and service-delivery needs differ from those of more densely populated counties.

The National Hierarchy

Federal Government

The United States

Covers Social Security, Medicare, national defense, big projects.

State Government

The State of California

Covers education, state freeways, state parks, and funding county public assistance programs

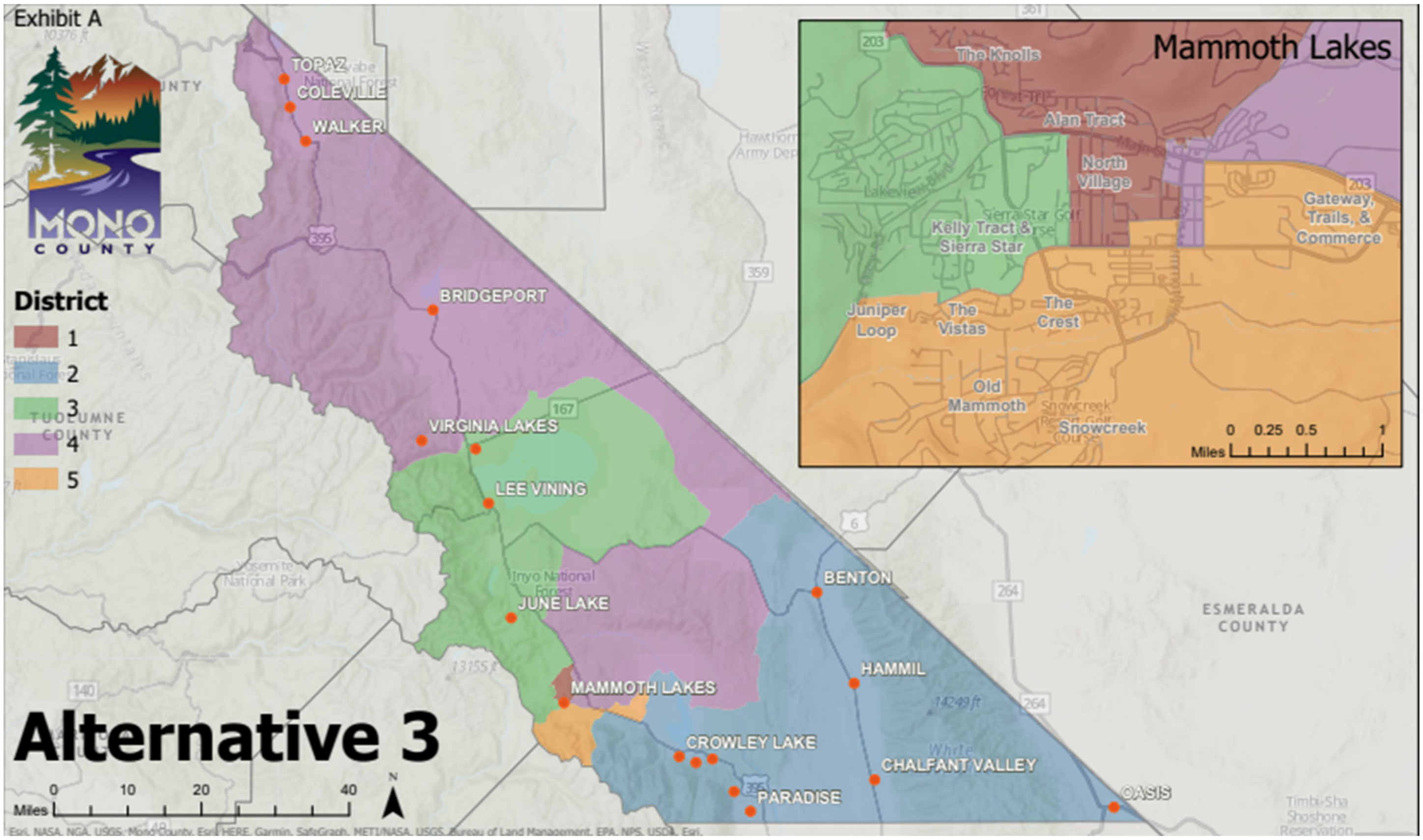
County Government

Mono County

Covers local services like road repairs, public saftey, housing support, health services, and social services.

The 5 Districts

Mono County is divided into five supervisorial districts, numbered 1 through 5. These districts lines are geographically redrawn every ten years in line with the county's population changes reported by the U.S. Consus. The Mono County Board of Supervisors last drew district boundaries in December 2021 following the 2020 U.S. Census. The new supervisorial district map was adopted on December 14, 2021, and took effect in time for the 2022 elections.



Mono County has one incorporated municipality, the Town of Mammoth Lakes, which serves as the county's primary population center and economic hub. Located near Mammoth Mountain, it is the only incorporated town within the county. Beyond Mammoth Lakes, Mono County is home to more than 20 unincorporated communities and populated places spread across its vast landscape. Because approximately 94 percent of the county's land is publicly owned, most residents outside of Mammoth Lakes live in small, rural communities. Many of these settlements are located along the US 395 corridor, including Topaz, Coleville, Walker, Bridgeport, Mono City, Lee Vining, June Lake, and the Crowley area communities of Long Valley, McGee Creek, Hilton Creek, Aspen Springs, and Sunny Slopes. Additional communities are found along the US 6 corridor in the Tri-Valley area, including Benton, Hammil, and Chalfant. Other mountain communities such as Swall Meadows, Paradise, Twin Lakes, and Virginia Lakes further contribute to the unique character and geographic diversity of Mono County.

Mono County is home to two federally recognized tribal communities: the Bridgeport Indian Colony, located in Bridgeport, and the Benton Paiute Reservation, home to the Utu Utu Gwaitu Paiute Tribe, located in Benton. The county is also home to the Mono Lake Kutzadika'a Tribe, whose ancestral homeland is the Mono Basin. While not yet federally recognized, the Tribe continues to actively pursue federal recognition and plays an important role in preserving the region's cultural heritage, traditions, and historical connections to the land.

County Governance

The Board of Supervisors

Mono County is governed by a five-member Board of Supervisors. Each of the County's five supervisorial districts elects one Supervisor to serve a four-year term. While the Board is headquartered in Bridgeport, most Supervisors maintain offices within their respective districts.

The Board of Supervisors establishes the County's priorities and provides overall policy direction for County government and its departments. Serving as the primary forum for addressing community needs and concerns, the Board works to build consensus among residents and align available County resources with local priorities. In addition to setting policy and overseeing County operations, the Board also serves as the Appeals Board for decisions made by the Planning Commission.

The County's Powers

Counties derive their authority from the State of California to protect the health, safety, and welfare of residents. This authority includes adopting local ordinances, managing land use, providing public services, and collecting certain taxes and fees. The Mono County Board of Supervisors serves as the county's legislative body and establishes county policies, adopts the budget, and enacts local ordinances. However, county actions must comply with state and federal laws.

Mono County serves the community in many ways. Through elected officials, it administers and enforces state laws, assesses property, collects taxes, records public documents, and issues certain licenses and permits. Through appointed boards, commissions, and staff, the county provides parks, libraries, emergency management, public assistance programs, public health services, and election administration. For public safety, county departments work closely with the Sheriff's Office, Probation Department, District Attorney, Public Defender, and state courts. The county also maintains roads in unincorporated areas, oversees land-use planning and building permits, enforces local codes, and provides a variety of health and human services.

The County Administrative Office

The County Administrative Office (CAO) provides leadership, coordination, and administrative support for County operations, working closely with the Board of Supervisors and County departments to implement Board direction and advance County priorities.

The CAO is responsible for developing and managing the County budget, coordinating cross-departmental initiatives, and supporting both daily operations and long-range planning efforts. The office reviews and monitors County programs, services, and budgets; helps guide major initiatives, strategic priorities, and special projects; and represents the County in regional, state, and federal matters.

Working collaboratively with department heads across the organization, the CAO helps ensure projects move forward efficiently, County services are effectively delivered, and Board priorities are successfully implemented.

The CAO's Office also plays a key role in emergency preparedness, response, and recovery efforts, while partnering closely with Human Resources/Risk Management and other departments to support County employees and organizational needs. The Director of Human Resources/Risk Management reports directly to the CAO.
At its core, the CAO's Office serves as a central coordinating function for County government supporting departments, fostering collaboration across the organization, and helping translate the Board's vision into meaningful results for Mono County residents and communities.

Board of Supervisors (from left): District 1, Chair Jennifer Kreitz; District 3, Vice Chair Paul McFarland; District 5, Lynda Salcido; District 4, John Peters; District 2, Chair Pro-Tem Rhonda Duggan

Budget Basics

Making "Cents" of it all

A budget is a plan for how money comes in and how it is spent. It helps governments use taxpayer dollars and other funding sources responsibly to provide important public services.

Think of county budgeting like managing your own finances. You earn money (income) and deposit it into your bank account. Then you pay necessary expenses such as housing, food, and transportation. If money remains after those expenses, you can save it for future needs or unexpected costs.

For the county, income is called revenue, and spending is called expenditure. Money set aside for future needs or emergencies is called reserves or fund balance. When revenues exceed expenditures, the county has a surplus. When expenditure exceeds revenues, the county has a deficit.

Just as a household may use savings or reduce spending when expenses are higher than income, counties may use reserves, reduce expenditures, delay projects, pursue additional funding sources, or make other budget adjustments to maintain a balanced budget. The goal is to provide essential services while maintaining adequate reserves for emergencies and unexpected expenses.

One important difference from a household budget is that much of a county's funding is restricted by law, voter-approved measures, grant requirements, or other regulations and can only be used for specific purposes.

In simple terms, a county budget is an annual financial plan that outlines projected revenues and expenditures for county operations. Its key components include revenues, expenditures, fund balance, and both mandatory and discretionary spending. Unlike a business, a county budget is not designed to generate profits. Instead, it is designed to provide public services while maintaining fiscal stability.

The budget must be balanced each year using available resources:

Total Budgeted Expenditures = Current Revenues + Available Fund Balance + Other Financing Sources

Key Budget Terms

Revenues ($)

Money coming into the county from sources such as property taxes, sales taxes, transient occupancy taxes (TOT), fees for services, state and federal funding, and grants.

Expenditure ($)

Money spent to provide public services and support county operations, including employee salaries and benefits, public safety services, health and human services, building maintenance, infrastructure, and road repairs.

Fund Balance ($)

The accumulated difference between revenues and expenditures from prior years. Fund balance serves as the county's financial cushion and may be used to address emergencies, cash-flow needs, one-time projects, or economic downturns. Some fund balances are restricted and may only be used for specific purposes.

County Funds

Not all county money can be spent the same way. County finances are organized into several different funds based on legal requirements and intended use.

General Fund

The General Fund is the county's primary operating fund. It accounts for financial resources that are not required to be reported in another fund. The General Fund is primarily supported by revenues such as property taxes, sales taxes, fees, and other unrestricted funding sources.

General Fund dollars are typically used to support countywide services such as:

- General administration
- Sheriff's Office and public safety services
- District Attorney and Probation services
- Elections
- Planning and building services
- Public health and other general government functions
- Special Revenue Funds

Special Revenue Funds are used to account for revenues that are legally restricted or committed to specific purposes. These funds help ensure that money designated for a particular program or service is used only for that purpose.

Special Revenue Funds are commonly supported by dedicated taxes, fees, assessments, state and federal grants, and other restricted revenue sources.

Examples may include:

- Road maintenance and transportation programs
- Behavioral Health services
- Public Health programs
- Housing and community development programs
- Environmental and resource management programs
- Capital Projects Funds

Capital Projects Funds are used to account for the acquisition, construction, renovation, or major improvement of county facilities and infrastructure. These projects often span multiple fiscal years and involve significant investments.

Capital projects may be financed through grants, dedicated transportation revenues, transfers from other funds, available fund balance, or other approved funding sources.

Examples include:

- County facility renovations
- Major building repairs and upgrades
- Bridge and infrastructure improvements
- Park development projects
- Large-scale technology and equipment upgrades

Understanding these different funds is important because each fund has its own rules governing how money can be collected, budgeted, and spent.

Revenue Sources

- Property Taxes
- Transient Occupancy Tax (TOT)
- Sales Taxes
- State and Federal Grants
- Fees for Services and Permits
- Licenses and Franchises
- Fines and Penalties
- Interest Earnings
- Other Miscellaneous Revenues
- Fund Balance (prior-year savings used when needed)

Mono County's Primary Discretionary Revenue Sources

Mono County's two primary discretionary revenue sources are Property Tax and Transient Occupancy Tax (TOT). Together, these revenues form the foundation of the County's General Fund and help support essential public services and day-to-day operations.

Property Tax

Property tax is Mono County's largest and most stable source of locally generated revenue. Property taxes are assessed on real property based on its taxable value. Under California's Proposition 13, the general property tax rate is limited to 1% of assessed value, plus any voter-approved indebtedness. Assessed values may increase by up to 2% annually unless a property changes ownership or undergoes new construction, which may trigger reassessment at current market value.

The County collects property taxes on behalf of all taxing entities within its jurisdiction, including schools, special districts, and local governments. A portion of the total property tax collected is allocated to Mono County and deposited into the General Fund, where it supports critical public services such as public safety, health and human services, elections, planning, and general government operations.

Property tax is considered a reliable revenue source because it tends to remain relatively stable during economic fluctuations and provides a predictable funding base for County services.

VISUALIZING YOUR PROPERTY TAX DOLLAR

Think of your property tax dollar as a single dollar bill:

- **Mono County Services:** 37 cents
- **County Schools & Library:** 33 cents
- **Town of Mammoth Lakes:** 5 cents
- **All Other Special Districts:** 25 cents

Each penny strengthens the community, enhancing our schools, maintaining infrastructure, and ensuring essential services for every resident. Together, we build a more prosperous Mono County, one budget at a time.

Transient Occupancy Tax (TOT)

Transient Occupancy Tax (TOT) is the County's second-largest source of locally generated discretionary revenue. TOT is paid by visitors who stay in lodging accommodations for 30 days or less, including hotels, motels, short-term vacation rentals, campgrounds, and other transient lodging facilities.

Because Mono County's economy is closely tied to tourism and outdoor recreation, TOT revenue is an important indicator of visitor activity and economic conditions. Unlike property tax, TOT revenues can fluctuate based on seasonal visitation patterns, weather conditions, economic trends, and tourism demand.

TOT revenues help offset the impacts of tourism on County services and infrastructure. These funds support a wide range of governmental functions, including road maintenance, public safety, community services, facility operations, and other essential County programs.

Grants

Grants are a significant source of funding for many County programs and services. These funds typically come from state or federal agencies and are awarded for specific purposes or projects. Because grant funds are restricted, the County can only use them for the activities and services authorized by the grant agreement.

Mono County relies on state and federal grants to support a variety of programs, including public health services, behavioral health programs, child support services, emergency management, housing initiatives, transportation projects, and efforts to address homelessness.

Summary

Property Tax and Transient Occupancy Tax (TOT) are Mono County's two most important discretionary revenue sources. Property tax provides a stable and predictable revenue base that supports ongoing County operations, while TOT generates flexible revenue that reflects the strength of the local tourism economy and visitor activity.

In addition to these locally generated revenues, state and federal grants provide critical funding for many County programs and services. Unlike Property Tax and TOT, grant funds are typically restricted and may only be used for specific purposes authorized by the granting agency. These funds support essential services such as public health, behavioral health, child support services, emergency management, housing initiatives, transportation projects, and homelessness programs.

Together, discretionary local revenues and restricted grant funding enable Mono County to maintain fiscal stability, invest in community priorities, and deliver a wide range of services that benefit both residents and visitors.

Fixed Vs Discretionary

What makes the County's budget different from a household budget is who decides how the money can be spent. While individuals have broad discretion over their personal finances, counties must comply with federal and state laws, grant requirements, voter-approved measures, and other legal restrictions.

As a result, a portion of the County's budget is considered restricted or non-discretionary, meaning the funds must be used for specific programs, services, or projects. Examples include state and federal grants, dedicated transportation funds, and revenues that are legally restricted to particular purposes.

The remaining portion of the budget consists primarily of discretionary General Fund revenues, such as property taxes and Transient Occupancy Tax (TOT). These are among the most flexible funding sources available to the County. The Board of Supervisors determines how these funds are allocated among competing priorities, including public safety, health and human services, infrastructure, community programs, and general government operations.

Because discretionary revenues represent only a portion of the County's total budget, the Board must carefully balance community needs, service demands, and long-term fiscal sustainability when making budget decisions.

Fixed (Non-Discretionary) Funds

A portion of Mono County's budget consists of funds that are restricted by federal or state law, voter-approved measures, grant requirements, or other legal obligations. These funds must be used for specific programs, services, or projects and cannot be redirected for other purposes.

For example, state and federal grants may be designated for public health, behavioral health, transportation, emergency management, housing programs, or other specific services. The Board of Supervisors cannot simply move these funds to another program, even if other needs exist elsewhere in the County.

While the County does not control how these funds are allocated, it can advocate for policies and funding decisions at the state and federal levels that benefit Mono County residents and support local priorities.

Discretionary Funds

Discretionary funds are among the most important resources available to support local priorities. Discretionary funds primarily come from sources such as Property Tax and Transient Occupancy Tax (TOT), which are deposited into the General Fund.

Each County department develops and submits budget requests based on its operational needs and service priorities. During the annual budget process, departments may request General Fund support to maintain existing services, address emerging needs, or fund new initiatives.

Because discretionary funding is limited and demand often exceeds available resources, departments must clearly demonstrate the need for funding and how it supports the County's strategic priorities. The County Administrative Officer and budget staff review these requests and make recommendations to the Board of Supervisors, which ultimately determines how discretionary funds are allocated among competing needs.

This process helps ensure that limited General Fund resources are invested in the services and programs that provide the greatest benefit to Mono County residents.

The Budget Lifecycle

Budget Development

The County's budget process takes just over seven months and involves ongoing collaboration between the budget team, department heads, fiscal staff, and the Board of Supervisors.

The process begins in February with a budget kick-off, where staff establish priorities, timelines, and key milestones for the upcoming fiscal year.

In March, County departments submit and review their initial budget requests with fiscal staff and the County Administrative Office (CAO).

In April, the fiscal staff and Budget team refine inconsistencies found during the March reviews.

In May, department requests and revenue projections are presented to the Board of Supervisors for discussion and direction during the Budget Workshop.

In June, the Board adopts a preliminary budget, which serves as an interim spending plan for the start of the new fiscal year on July 1st.

Throughout the summer, budget estimates are refined as year-end financial results from the prior fiscal year become clearer. Adjustments are made to reflect updated revenues, expenditures, and fund balance projections.

In September, after public hearings and further Board deliberation, the final budget is adopted. This establishes the County's official spending plan for the fiscal year.

After adoption, staff focus on implementing the budget, closing out prior-year financial records, completing reporting requirements, and preparing for the next annual budget cycle.