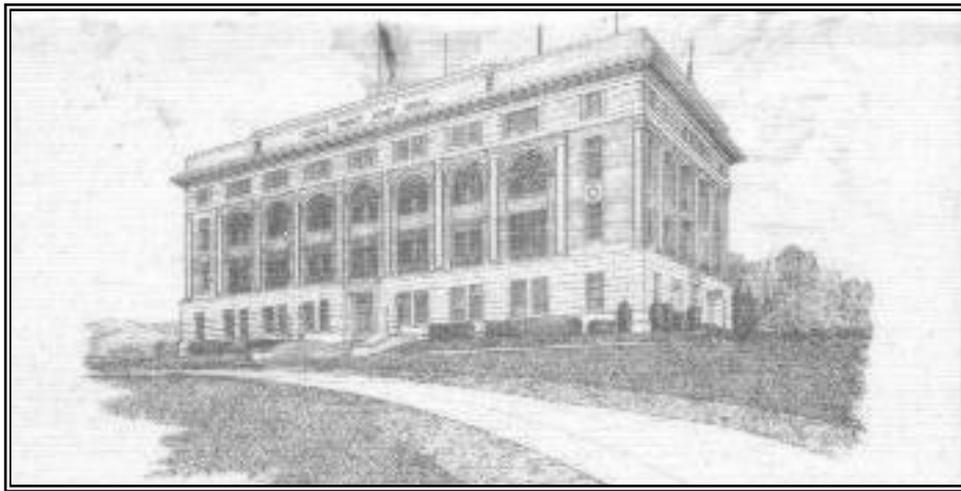

2003 Financial Report



CHELAN COUNTY

WASHINGTON

Fiscal Year Ended December 31, 2003

ANNUAL REPORT

COUNTY OF CHELAN

0097
MCAG No.

Submitted pursuant to RCW 43.09.200

to the

STATE AUDITOR'S OFFICE

FOR THE FISCAL YEAR ENDED: DECEMBER 31, 2003

Certified correct this 29th day of May, 2004 to the best of my knowledge and belief:


SIGNATURE

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CHELAN COUNTY, WASHINGTON
Third class County
January 1, 2003 Through December 31, 2003

CHELAN COUNTY, WASHINGTON

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CHELAN COUNTY, WASHINGTON

Directory of Officials

| Position | Name | Term | Expiration |
|--------------------------------|---------------|------|---------------|
| <u>Board of Commissioners:</u> | | | |
| District 1 | Ron Walter | 4 | December 2004 |
| District 2 | Keith Goehner | 4 | December 2006 |
| District 3 | Buell Hawkins | 4 | December 2004 |

Other County Officials:

| | | | |
|----------------------|------------------|---|---------------|
| Assessor | Russell Griffith | 4 | December 2006 |
| Auditor | Evelyn L. Arnold | 4 | December 2006 |
| Clerk | Siri A. Woods | 4 | December 2006 |
| Coroner | Gina Fino | 4 | December 2006 |
| Prosecuting Attorney | Gary A. Riesen | 4 | December 2006 |
| Sheriff | Mike Harum | 4 | December 2006 |
| Treasurer | David Griffiths | 4 | December 2006 |

District Court Judges:

| | | |
|------------------|---|---------------|
| Alicia Nakata | 4 | December 2006 |
| Thomas C. Warren | 4 | December 2006 |

Superior Court Judges:

| | | |
|-----------------|---|---------------|
| Chip Small | 4 | December 2004 |
| Lesley Allan | 4 | December 2004 |
| John E. Bridges | 4 | December 2004 |

Appointed Officers:

| | |
|---|--------------|
| Director of Public Works/ County Engineer | Greg Pezoldt |
| Director of Planning & Building | Larry Angell |
| Department of Information Manager | Fred Hart |
| Juvenile Center Administrator | Philip Jans |
| Building Maintenance Supervisor | Pat DuLac |
| Motor Pool Manager | Fred Stehr |
| Fair Manager | Steve Gear |

Members of Legislature:

| | | |
|-------------------------------------|--|---|
| <u>Legislative District</u> 12th | <u>State Senator</u> Linda Evans Parlette | <u>State Representatives</u> Cary Condotta Mike Armstrong |
|-------------------------------------|--|---|

Mailing Address
Chelan County Auditor
Chelan County Courthouse
Washington and Orondo Streets
P. O. Box 400
Wenatchee, WA 98807

MANAGEMENT'S DISCUSSION AND ANALYSIS

Chelan County's discussion and analysis presents the readers of the County's annual financial report a narrative overview and analysis of the County's financial performance during the fiscal year that ended on December 31, 2003. We encourage readers to consider the information presented here in conjunction with the County's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- The assets of Chelan County exceeded its liabilities at the close of the most recent fiscal year by \$35,424,596. Of this amount, \$25,489,729 may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$3,682,954.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balance of \$19,321,086, an increase of \$2,559,629 in comparison with the prior year. Approximately 92% of the total amount, \$17,726,504, is available for spending at the government's discretion.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$2,970,554, or 12 percent of total general fund expenditures.
- The County's total debt increased by \$1,674,680 (9%) during the current fiscal year. This was due, in part, to the issuance of \$3,445,000 general obligation bonds.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction of Chelan County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic statements themselves.

Government-wide Statements. The government-wide financial statements are designed to provide readers with a broad overview of Chelan County's finances, in a manner similar to a private-sector business.

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 showing how the government's net assets changed during the most recent 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 and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, accounts receivable, and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from

other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, security of persons & property, utilities & environment, transportation, economic environment, mental health & physical health, and culture and recreation. The business-type activities of the County include Solid Waste, Wenatchee River County Park, Fair, Public Education, and Regional Justice Center.

The County has no separately identified component units included in the government-wide financial statements.

The government-wide financial statements can be found on pages 12-13.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Chelan County, like other state and local governments uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The County maintains 39 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, County Roads special revenue funds, and the Master Plan Construction debt service fund, all of which are considered to be major funds. Data from the other 36 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its governmental funds in accordance with state law on a fund level. A budgetary comparison statement has been provided for the general fund, major special revenue fund, and major debt service fund.

The basic governmental fund financial statements can be found on pages 14-19 of this report.

Proprietary funds. Chelan County maintains two different types of proprietary funds. 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, Wenatchee River County Park, Fair, Public Education, and Regional Justice Center. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal services funds to account for its fleet of vehicles and for its insurance administration. Because both of these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Regional Justice Center as a major fund, and aggregate all other nonmajor proprietary funds of the County. All internal service funds are aggregated into a single presentation in the basic proprietary fund financial statements. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 20-23 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. 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 own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 24-25 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-53 of this report.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental and proprietary funds are presented immediately following the notes to the financial statements. Combining and individual statements and schedules can be found on pages 54-119 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Chelan County, assets exceeded liabilities by \$35,424,596 at the close of the most recent fiscal year.

By far, the largest portion of the County's net assets (45 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. 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 pay repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Chelan County's Net Assets

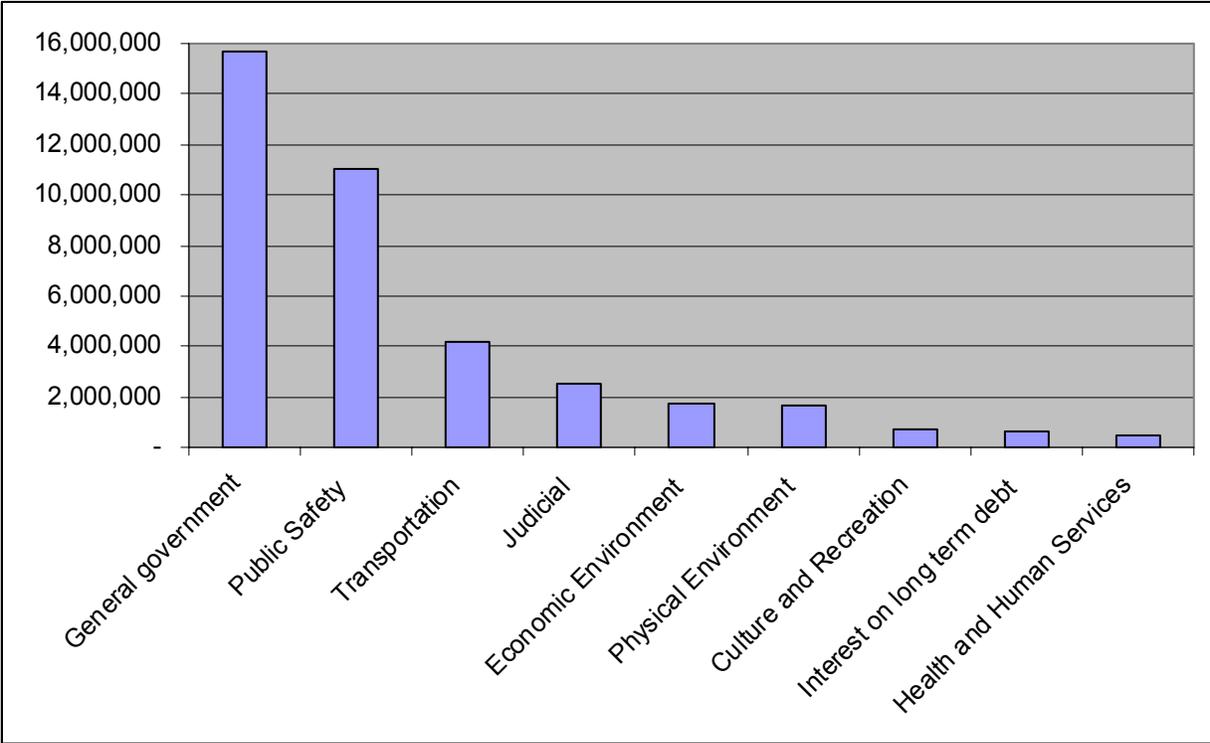
| | Governmental Activities | Business-Type Activities | Total |
|---|------------------------------------|-------------------------------------|--------------|
| Current & other assets | 30,586,522 | 1,350,523 | 31,937,046 |
| Capital Assets (net of depreciation) | 25,490,390 | 2,489,266 | 27,979,656 |
| Total assets | 56,076,913 | 3,839,789 | 59,916,702 |
| Long-term liabilities | 18,390,345 | 239,415 | 18,629,760 |
| Other liabilities | 5,048,741 | 813,604 | 5,862,345 |
| Total liabilities | 23,439,086 | 1,053,019 | 24,492,106 |
| Net Assets: | | | |
| Invested in capital assets net of related debt | 5,982,622 | 2,357,662 | 8,340,284 |
| Restricted | 1,594,582 | - | 1,594,582 |
| Unrestricted | 25,060,621 | 429,108 | 25,489,729 |
| Total net assets | 32,637,826 | 2,786,770 | 35,424,596 |

Chelan County's Changes in Net Assets

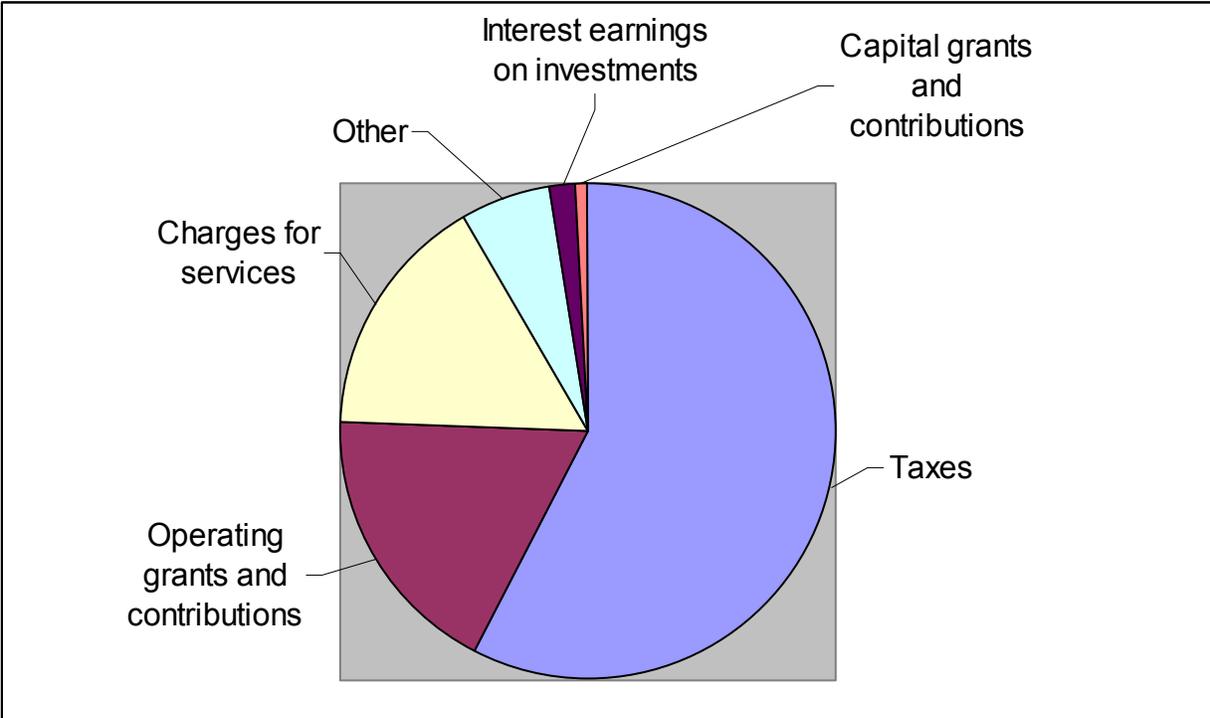
| | Governmental Activities | Business-Type Activities | Total |
|--|------------------------------------|-------------------------------------|--------------|
| Revenues | | | |
| Program revenues: | | | |
| Charges for services | 6,659,064 | 4,003,914 | 10,662,979 |
| Operating grants and contributions | 7,523,707 | 2,446,887 | 9,970,594 |
| Capital grants and contributions | 362,022 | - | 362,022 |
| General revenues: | | | |
| Taxes | 23,956,714 | 48,167 | 24,004,881 |
| Interest earnings on investments | 622,193 | 7,684 | 629,877 |
| Other | 2,520,597 | 90,037 | 2,610,634 |
| Total Revenues | 41,644,298 | 6,596,690 | 48,240,987 |
| Program Expenses | | | |
| General government | 15,704,699 | - | 15,704,699 |
| Public Safety | 2,518,104 | - | 2,518,104 |
| Judicial | 11,039,550 | - | 11,039,550 |
| Physical Environment | 1,665,874 | - | 1,665,874 |
| Transportation | 4,032,318 | - | 4,032,318 |
| Health and Human Services | 491,423 | - | 491,423 |
| Economic Environment | 1,772,667 | - | 1,772,667 |
| Culture and Recreation | 678,752 | - | 678,752 |
| Solid Waste | - | 918,952 | 918,952 |
| Regional Justice Center | - | 4,642,425 | 4,642,425 |
| Other | - | 486,114 | 486,114 |
| Interest on long term debt | 607,156 | - | 607,156 |
| Total Expenditures | 38,510,542 | 6,047,492 | 44,558,034 |
| Excess (deficiency) of revenues over (under) expenses | 3,133,756 | 549,198 | 3,682,954 |
| Transfers | 535,398 | (535,398) | - |
| Change in net assets | 3,669,154 | 13,800 | 3,682,954 |
| Net assets as of January 1 | 29,015,983 | 2,772,970 | 31,788,953 |
| Prior Period Adjustment | (47,310) | - | (47,310) |
| Net assets as of January 1 - Restated | 28,968,672 | 2,772,970 | 31,741,642 |
| Net assets as of December 31 | 32,637,827 | 2,786,770 | 35,424,596 |

Governmental Activities. Governmental activities increased Chelan County's net assets by \$3,669,154, thereby accounting for 99.6 percent of the total growth in the net assets of the County.

Expenses – Governmental Activities

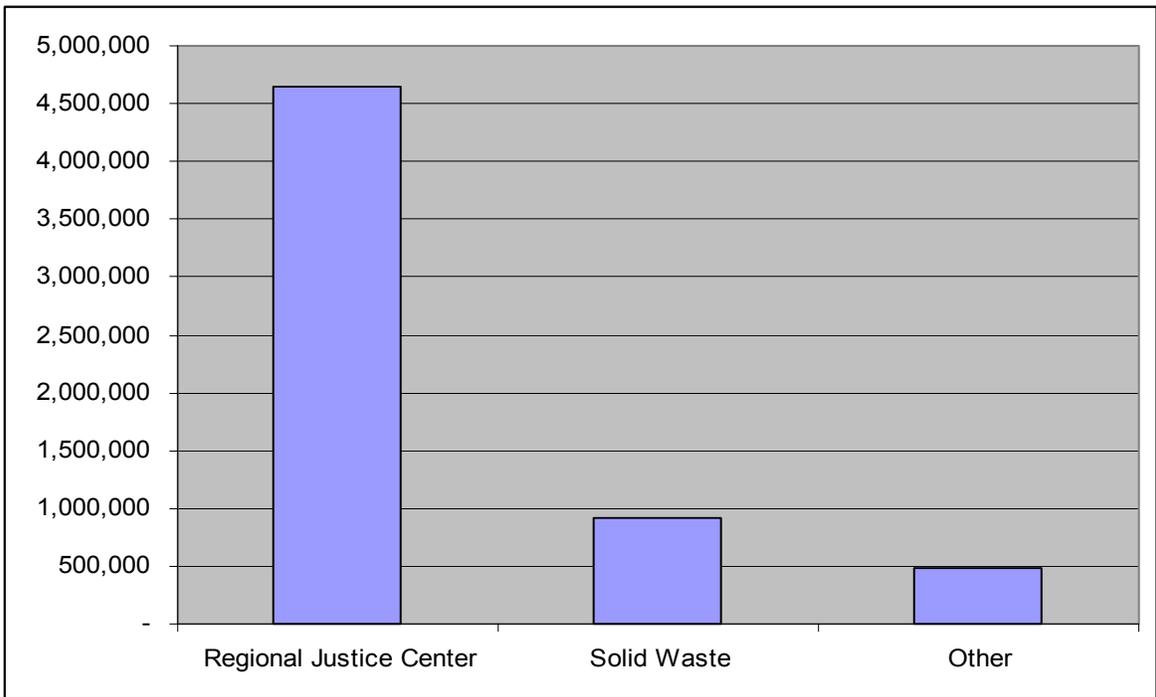


Revenues by Source – Governmental Activities

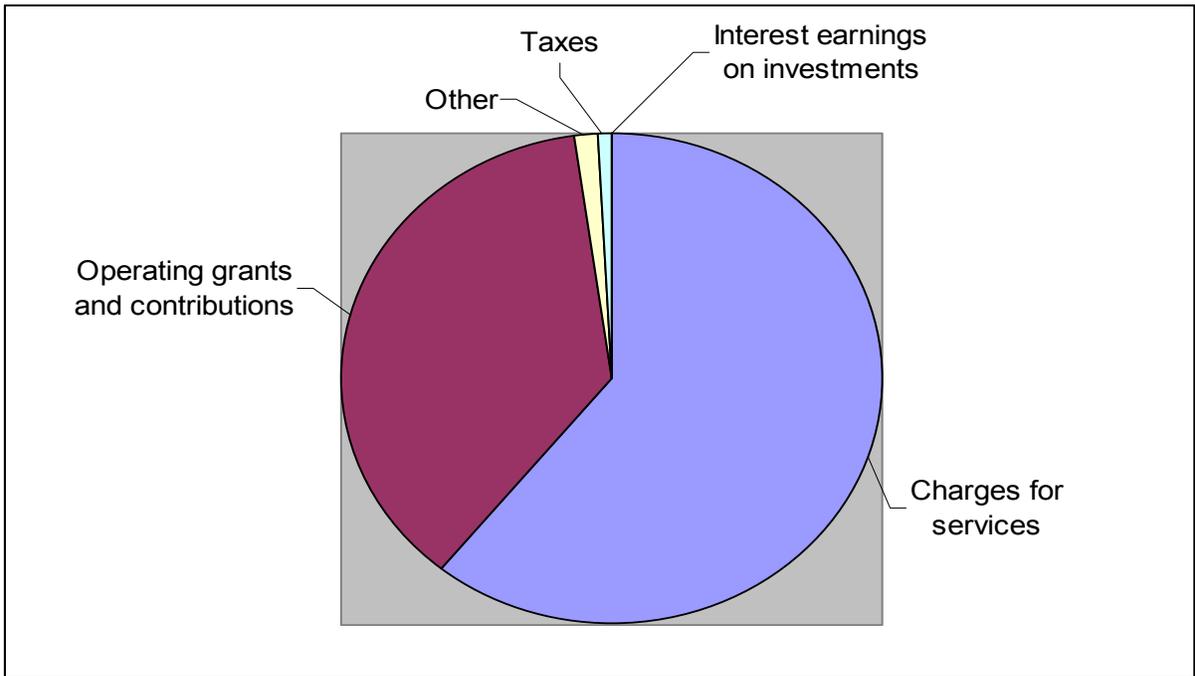


Business-type Activities. Business-type activities increased Chelan County's net assets by \$13,800, accounting for 0.4 percent of the total growth in the government's net assets.

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, Chelan County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The General, County Roads, and Master Plan Construction funds made up the County's major funds during the most recent fiscal year. Together these three funds account for 60 percent of total governmental fund assets and 60 percent of total government fund balance.

The focus of Chelan 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 a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$19,321,086, an increase of \$2,559,629 in comparison with the prior year. Approximately 92% of this total amount (\$17,726,504) constitutes unreserved fund balance, which is available for spending within the designated funds. The remainder of fund balance (\$1,594,582) is reserved to indicate that it is not available for new spending because it has already been committed to debt service payments in the Juvenile Building Debt Service Fund.

The general fund is the chief operating fund of Chelan County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$2,970,554. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 12 percent of total general fund expenditures, while total fund balance represents 12 percent of the same amount.

The fund balance of Chelan County's general fund decreased by \$685,308 during the current fiscal year.

The fund balance of the County Roads special revenue fund increased by \$545,410 during the current fiscal year.

The fund balance of the Master Plan Construction debt service fund increased by \$3,085,340 during the current fiscal year because it was a new fund during 2003 and did not have an existing fund balance.

Proprietary funds. Chelan County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Solid Waste Fund at the end of the year amounted to \$206,475. The total reduction in net assets for this fund was \$19,432.

Unrestricted net assets of the Regional Justice Center at the end of the year amounted to \$(68,880). The total reduction in net assets for this fund was \$142,608.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget were relatively minor (\$819,806 increase in appropriations) and can be briefly summarized as follows:

| Department | Amount of Increase | Explanation |
|------------------------|--------------------|--|
| Planning | 50,000 | Increased for additional professional services. |
| Clerk | 24,970 | Increased for additional supplies and extra help. |
| Facilities Maintenance | 83,000 | Increased for additional maintenacne projects and extra help. |
| District Court | 6,600 | Increased for additional services and fees. |
| Extension | 31,835 | Increased for mostly extra help and travel. |
| Non-Departmental | 222,819 | Increased for an additional transfer to the Regional Justice Center. |
| Prosecuting Attorney | 3,000 | Increased for additional equipment. |
| Sheriff | 383,582 | Increased for mostly other services, equipment, and extra help. |
| Superior Court | 14,000 | Increased for additional services. |
| Total | 819,806 | |

Of this increase, \$462,184 was to be funded out of miscellaneous increases in various charges for services. The remaining \$357,622 was to be budgeted from available fund balance.

CAPITAL ASSET ANS DEBT ADMINISTRATION

Capital Assets. Chelan County's investment in capital assets for its governmental and business-type activities as of December 31, 2003, amounts to \$27,979,656 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, highways, and bridges. The total increase in the County's investment in capital assets for the current fiscal year was 7.5 percent (a 7 percent increase for governmental activities and a 10 percent increase for business-type activities).

Major capital asset events during the current fiscal year included the following:

- \$1,498,001 of infrastructure assets was recognized in accordance with GASB 34.
- \$345,880 was expended by Solid waste for the Dryden landfill closure.
- Various large equipment purchases were made by the Equipment Rental & Revolving fund.

Chelan County's Capital Assets (net of depreciation)

| | Governmental Activities | | Business-Type Activities | | Total | |
|-----------------------------------|-------------------------|-------------------|--------------------------|------------------|-------------------|-------------------|
| | 2003 | 2002 | 2003 | 2002 | 2003 | 2002 |
| Land | 1,924,703 | 1,816,231 | 353,976 | 8,096 | 2,278,679 | 1,824,327 |
| Buildings & Structures | 14,519,533 | 14,759,471 | 1,507,005 | 1,557,246 | 16,026,538 | 16,316,718 |
| Improvements other than buildings | 7,565,112 | 6,785,061 | 99,943 | 103,083 | 7,665,055 | 6,888,144 |
| Machinery & Equipment | 1,481,042 | 0 | 528,342 | 591,340 | 2,009,384 | 591,340 |
| Total | 25,490,390 | 23,360,764 | 2,489,266 | 2,259,765 | 27,979,656 | 25,620,528 |

Additional information on the County's capital assets can be found in note 6 on pages 38-39.

Long-term Debt. At the end of the current fiscal year, Chelan County had total bonded debt outstanding of \$17,994,421. The total amount of this debt is backed by the full faith and credit of the government.

Chelan County's total bonded debt increased by \$1,677,031 (10 percent) during the current fiscal year. The key factor in this increase was the issuance of \$3,445,000 general obligation bonds.

During the current fiscal year, the government refinanced some of its existing debt to take advantage of favorable interest rates. The County issued \$3,315,000 of refunding bonds that were placed in an irrevocable trust with an additional \$1,500,000 to pay off \$4,325,000 of the 1997 General Obligation Bond issue. See note 11(c) on page 48 for further information.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Chelan County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chelan County Auditor's Office, PO Box 400, Wenatchee, WA 98807. Financial information requests can also be emailed to accounting@co.chelan.wa.us

CHELAN COUNTY, WASHINGTON

Description of Basic Financial Statements

BASIC FINANCIAL STATEMENTS

The basic financial statements and note disclosure comprise the minimum acceptable fair presentation in conformity with Generally Accepted Accounting Principles (GAAP). The basic financial statements are designed to be "liftable" from the Financial Section of the Annual Financial Report for widespread distribution to users requiring less detailed information than is contained in the full Annual Financial Report. The basic financial statements include:

Government-wide Financial Statements

- (1) **Government-wide Statement of Net Assets** – presents information on all county governmental and business-type assets and liabilities, with the difference reported as net assets.
- (2) **Government-wide Statement of Activities** – presents information on all County governmental and business-type revenues and expenses, with the difference reported as change in net assets.

Fund Financial Statements

- (3) **Balance Sheet – Governmental Funds** – presents the balance sheets for major funds and aggregated amounts for all other governmental funds. It also includes a reconciliation of the balance sheet to the Government-wide Statement of Net Assets.
- (4) **Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds** – presents information for each major fund and aggregated information for all other governmental funds.
- (5) **Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-wide Statement of Activities.**
- (6) **Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual** – presents budget information, along with actual results, on separate statements for each major fund which has a legally adopted budget. Departmental information is included for the General Fund, in accordance with the County's legally adopted budget.
- (7) **Statement of Net Assets – Proprietary Funds** – presents information on all proprietary fund assets and liabilities, with the difference reported as change in net assets for the major enterprise funds and aggregated amounts for all other

enterprise funds, as well as a separate column of information for internal service funds.

- (8) **Statement of Revenues, Expenses, and Changes in Net Assets – Proprietary Funds** – presents information for each major proprietary fund and aggregated information for all other proprietary funds.
- (9) **Statement of Cash Flows – Proprietary Funds** – presents information on the sources and uses of cash for the major enterprise funds, aggregated information for all other enterprise funds, and for internal service funds.
- (10) **Statement of Fiduciary Net Assets** – presents information on private-purpose trust fund and agency fund assets and liabilities, with the difference reported as change in net assets.
- (11) **Statement of Changes in Fiduciary Net Assets** – presents information on additions to and deductions from private-purpose trust funds and agency funds, with the difference reported as change in net assets.
- (12) **Notes to Financial Statements** – presents disclosure and further detailed information to assist the reader in a better understanding of the financial statements and the data presented within them.

CHELAN COUNTY, WASHINGTON

Statement of Net Assets December 31, 2003

| | Primary Government | | Total |
|--|----------------------------|-----------------------------|------------|
| | Governmental Activities | Business-Type Activities | |
| ASSETS | | | |
| Cash and Cash Equivalents | 14,374,866 | 603,474 | 14,978,340 |
| Deposits with Fiscal Agents/Trustees | 3,295,011 | 3,012 | 3,298,023 |
| Investments | 10,104,285 | 422,818 | 10,527,103 |
| Accounts Receivable | 67,470 | 51,882 | 119,352 |
| Taxes Receivable | 646,270 | - | 646,270 |
| Interest Receivable | 21,022 | 543 | 21,565 |
| Due from Other Funds | 787,843 | 17,053 | 804,895 |
| Interfund Loan Receivable | 55,759 | - | 55,759 |
| Due from Other Governments | 556,590 | 251,741 | 808,330 |
| Inventory | 677,407 | - | 677,407 |
| Capital Assets (Net of Accumulated Depreciation): | | | |
| Equipment | 7,565,112 | 528,342 | 8,093,454 |
| Land and Improvements | 1,924,703 | 453,919 | 2,378,622 |
| Buildings | 14,519,533 | 1,507,005 | 16,026,538 |
| Infrastructure | 1,481,042 | - | 1,481,042 |
| Total Capital Assets | 25,490,390 | 2,489,266 | 27,979,656 |
| Total Assets: | 56,076,913 | 3,839,789 | 59,916,702 |
| LIABILITIES | | | |
| Accounts Payable | 870,930 | 288,921 | 1,159,851 |
| Due to Other Funds | 690,044 | 126,231 | 816,276 |
| Interfund Loan Payable | - | 55,759 | 55,759 |
| Due to Other Governments | - | 11,014 | 11,014 |
| Other Accrued Liabilities | 1,664,489 | 326,785 | 1,991,274 |
| Other Payables/Deferred Revenue | 663,219 | - | 663,219 |
| Noncurrent Liabilities: | | | |
| Due Within One Year | 1,160,058 | 4,894 | 1,164,952 |
| Due in More than One Year | 18,390,345 | 239,415 | 18,629,761 |
| Total Liabilities | 23,439,086 | 1,053,019 | 24,492,106 |
| NET ASSETS | | | |
| Invested in Capital Assets, Net of Related Debt | 5,982,622 | 2,357,662 | 8,340,284 |
| Restricted for: | | | |
| Debt Service | 1,594,582 | - | 1,594,582 |
| Unrestricted | 25,060,621 | 429,108 | 25,489,729 |
| Total Net Assets | 32,637,827 | 2,786,770 | 35,424,596 |

The notes to financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Statement of Activities

For the Year Ended December 31, 2003

| Functions/Programs | Expenses | Program Revenue | | | Net (Expense) Revenue and Changes in Net Assets - Primary Government | | |
|--------------------------------|------------|----------------------|------------------------------------|--------------------------------|--|--------------------------|--------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants & Contributions | Governmental Activities | Business-Type Activities | Total |
| Primary Government: | | | | | | | |
| Governmental Activities: | | | | | | | |
| General Government | 15,704,699 | 3,142,742 | 2,093,824 | - | (10,468,134) | - | (10,468,134) |
| Judicial | 2,518,104 | 1,448,838 | 189,473 | - | (879,794) | - | (879,794) |
| Public Safety | 11,039,550 | 570,103 | 2,202,174 | - | (8,267,272) | - | (8,267,272) |
| Physical Environment | 1,665,874 | 48,060 | 1,041,185 | - | (576,628) | - | (576,628) |
| Transportation | 4,032,318 | 121,870 | 1,455,605 | 362,022 | (2,092,821) | - | (2,092,821) |
| Health and Human Services | 491,423 | - | - | - | (491,423) | - | (491,423) |
| Economic Environment | 1,772,667 | 1,169,163 | 225,103 | - | (378,401) | - | (378,401) |
| Culture and Recreation | 678,752 | 158,289 | 316,342 | - | (204,121) | - | (204,121) |
| Interest on Long-Term Debt | 607,156 | - | - | - | (607,156) | - | (607,156) |
| Total Governmental Activities | 38,510,542 | 6,659,064 | 7,523,707 | 362,022 | (23,965,749) | - | (23,965,749) |
| Business-Type Activities: | | | | | | | |
| Solid Waste | 918,952 | 718,523 | 154,212 | - | - | (46,217) | (46,217) |
| Regional Justice Center | 4,642,425 | 2,891,934 | 2,277,819 | - | - | 527,328 | 527,328 |
| Other | 486,114 | 393,457 | 14,856 | - | - | (77,801) | (77,801) |
| Total Business-Type Activities | 6,047,492 | 4,003,914 | 2,446,887 | - | - | 403,310 | 403,310 |
| Total Primary Government | 44,558,034 | 10,662,979 | 9,970,594 | 362,022 | (23,965,749) | 403,310 | (23,562,439) |

13

| | | |
|--------------------------------------|------------|------------|
| General Revenues | | |
| Taxes: | | |
| Property | 12,932,495 | 12,932,495 |
| Sales and Use | 5,033,958 | 5,033,958 |
| Motor Vehicle Fuel Tax | 2,078,464 | 2,078,464 |
| Other Taxes | 3,911,797 | 3,959,964 |
| Interest and Investment Earnings | 622,193 | 629,877 |
| Miscellaneous | 2,520,597 | 2,610,634 |
| Transfers | 535,398 | (535,398) |
| Total General Revenues and Transfers | 27,634,903 | 27,245,393 |
| Change in Net Assets | 3,669,154 | 3,682,954 |
| Net Assets - Beginning | 29,015,983 | 31,788,953 |
| Prior Period Adjustment | (47,310) | (47,310) |
| Net Assets - Beginning, Restated | 28,968,672 | 31,741,642 |
| Net Assets - Ending | 32,637,827 | 35,424,596 |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Balance Sheet
 Governmental Funds
 December 31, 2003

| | General Fund | County Roads | Master Plan Construction | Other Governmental Funds | Total |
|--------------------------------------|------------------|------------------|-----------------------------|--------------------------------|-------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | 710,991 | 5,355,347 | - | 2,651,498 | 8,717,837 |
| Deposits with Fiscal Agents/Trustees | - | 16,949 | 3,239,262 | - | 3,256,211 |
| Investments | 2,992,758 | - | - | 6,362,493 | 9,355,251 |
| Accounts Receivable | 56,488 | 15 | - | 10,967 | 67,470 |
| Taxes Receivable | 398,921 | 238,886 | - | 8,463 | 646,270 |
| Interest Receivable | 12,712 | - | 2,978 | 4,671 | 20,361 |
| Due from Other Funds | 283,793 | 3,344 | - | 46,395 | 333,532 |
| Interfund Loan Receivable | 20,000 | 49,759 | - | 25,000 | 94,759 |
| Due from Other Governments | 446,641 | 3,963 | - | 74,318 | 524,922 |
| Total assets | <u>4,922,304</u> | <u>5,668,264</u> | <u>3,242,240</u> | <u>9,183,806</u> | <u>23,016,613</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts Payable | 213,538 | 89,404 | 156,899 | 326,169 | 786,010 |
| Due to Other Funds | 49,217 | 392,495 | - | 143,603 | 585,315 |
| Interfund Loans Payable | - | - | - | 45,000 | 45,000 |
| Other Accrued Liabilities | 1,290,074 | 286,439 | - | 39,470 | 1,615,984 |
| Other Payables/Deferred Revenue | 398,921 | 255,835 | - | 8,463 | 663,219 |
| Total Liabilities | <u>1,951,750</u> | <u>1,024,173</u> | <u>156,899</u> | <u>562,706</u> | <u>3,695,528</u> |
| Fund balances: | | | | | |
| Reserved for: | | | | | |
| Debt Service | - | - | - | 1,594,582 | 1,594,582 |
| Unreserved, reported in: | | | | | |
| General Fund | 2,970,554 | 4,644,091 | - | - | 7,614,644 |
| Special Revenue Funds | - | - | - | 5,020,585 | 5,020,585 |
| Capital Projects Funds | - | - | 3,085,341 | 2,005,933 | 5,091,274 |
| Total fund balances | <u>2,970,554</u> | <u>4,644,091</u> | <u>3,085,341</u> | <u>8,621,100</u> | <u>19,321,086</u> |
| Total liabilities and fund balances | <u>4,922,304</u> | <u>5,668,264</u> | <u>3,242,240</u> | <u>9,183,806</u> | <u>23,016,614</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets December 31, 2003

Fund balances of governmental funds: 19,321,086

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

Capital Assets net of depreciation have not been included as financial resources in governmental fund activity

| | | |
|------------------------------------|--------------|------------|
| Capital assets | 39,745,187 | |
| Depreciation | (19,630,159) | |
| Capital Assets net of depreciation | | 20,115,028 |

Long-term debt and compensated absences that have not been included in the governmental fund activity

| | | |
|----------------------|--------------|--------------|
| Bonds Payable | (17,994,373) | |
| Compensated Absences | (1,248,037) | |
| Leases Payable | (6,874) | |
| Long-term debt | | (19,249,284) |

Internal service funds are used by management to charge the cost of certain activities, such as equipment management and insurance to individual funds. These assets and liabilities of certain internal service funds are included in governmental activities in the statement of net assets.

| | | |
|-----------------------------|------------|------------|
| Assets | 12,990,272 | |
| Liabilities | (539,275) | |
| Internal service net assets | | 12,450,997 |

Net assets of governmental activities 32,637,827

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2003

| | <u>General Fund</u> | <u>County Roads</u> | <u>Master Plan Construction</u> | <u>Other Governmental Funds</u> | <u>Total</u> |
|--|---------------------|-------------------------|-------------------------------------|---|-------------------|
| REVENUES | | | | | |
| Taxes | 12,431,262 | 4,664,788 | - | 3,686,223 | 20,782,272 |
| Licenses and Permits | 575,042 | - | - | - | 575,042 |
| Intergovernmental Revenues | 5,180,994 | 3,870,879 | - | 1,638,535 | 10,690,407 |
| Charges for Services | 3,466,440 | 44,619 | - | 631,486 | 4,142,544 |
| Fees and Fines | 1,125,787 | - | - | 4,486 | 1,130,273 |
| Investment Earnings | - | - | - | - | - |
| Miscellaneous | 654,361 | (136) | 13,904 | 405,002 | 1,073,130 |
| Total Revenues | <u>23,433,885</u> | <u>8,580,149</u> | <u>13,904</u> | <u>6,365,730</u> | <u>38,393,669</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General Government | 10,644,719 | - | - | 111,670 | 10,756,389 |
| Security of Persons & Property | 10,960,432 | - | - | 791,310 | 11,751,741 |
| Utilities & Environment | 252,292 | - | - | 1,449,578 | 1,701,870 |
| Transportation | - | 6,357,033 | - | 86,453 | 6,443,486 |
| Economic Environment | 1,193,342 | - | - | 728,147 | 1,921,489 |
| Mental Health & Physical Health | 482,209 | - | - | 87,027 | 569,236 |
| Culture and Recreation | 386,472 | - | - | 181,765 | 568,238 |
| Debt Service: | | | | | |
| Principal | - | - | - | 2,257,971 | 2,257,971 |
| Interest and Other Charges | - | - | 62,017 | 595,066 | 657,083 |
| Capital Outlay | 137,870 | 1,666,861 | 311,547 | 602,592 | 2,718,871 |
| Total Expenditures | <u>24,057,336</u> | <u>8,023,894</u> | <u>373,564</u> | <u>6,891,580</u> | <u>39,346,374</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(623,451)</u> | <u>556,255</u> | <u>(359,660)</u> | <u>(525,849)</u> | <u>(952,705)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Capital-Related Debt Issued | - | - | 3,445,000 | - | 3,445,000 |
| Refunding Bonds Issued | 3,315,000 | - | - | - | 3,315,000 |
| Payment to Refunding Escrow Agent | (3,315,000) | - | - | - | (3,315,000) |
| Proceeds From Sale of Capital Assets | 4,558 | 6,071 | - | 1,434 | 12,063 |
| Transfers In | 132,051 | - | - | 195,019 | 327,070 |
| Transfers Out | (217,647) | - | - | (56,416) | (274,064) |
| Other Nonrevenues | 19,182 | (16,917) | - | - | 2,265 |
| Total Other Financing Sources and Uses | <u>(61,857)</u> | <u>(10,846)</u> | <u>3,445,000</u> | <u>140,036</u> | <u>3,512,334</u> |
| Net Change in Fund Balances | <u>(685,308)</u> | <u>545,410</u> | <u>3,085,340</u> | <u>(385,813)</u> | <u>2,559,629</u> |
| Fund Balances - Beginning | 3,655,861 | 4,098,681 | - | 9,006,915 | 16,761,457 |
| Fund Balances - Ending | <u>2,970,554</u> | <u>4,644,091</u> | <u>3,085,341</u> | <u>8,621,100</u> | <u>19,321,086</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended December 31, 2003

Amounts reported for governmental activities in the statement of activities (page 13) are different because:

Net change in fund balances - total governmental funds (page 16) \$ 2,559,629

Governmental funds report capital outlays 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. This is the amount by which capital outlays exceeded depreciation in the current period. 1,967,671

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (1,124,545)

The net revenue of certain activities of internal service funds is reported with governmental activities. 266,398

Change in net assets of governmental activities (page 13) \$ 3,669,154

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Statement of Revenues, Expenditures, and Changes in Fund Balance Budgetary (GAAP Basis) and Actual General Fund

For the Year Ended December 31, 2003

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|-------------------|-------------------|-------------------|--|
| | Original | Final | | |
| Budgetary Fund Balance, January 1 | 4,074,055 | 4,074,055 | 3,655,861 | (418,194) |
| Resources (Inflows): | | | | |
| Taxes | 11,853,501 | 11,853,501 | 12,431,262 | 577,761 |
| Licenses and Permits | 438,400 | 438,400 | 575,042 | 136,642 |
| Intergovernmental Revenues | 4,910,418 | 5,137,604 | 5,180,994 | 43,390 |
| Charges for Services | 3,090,671 | 3,215,107 | 3,466,440 | 251,332 |
| Fees and Fines | 996,390 | 1,002,990 | 1,125,787 | 122,797 |
| Miscellaneous | 632,537 | 736,499 | 654,361 | (82,138) |
| Transfers In | 17,221 | 17,221 | 132,051 | 114,830 |
| Proceeds From Sale of Fixed Assets | - | - | 4,558 | 4,558 |
| Other Nonrevenues | - | - | 19,182 | 19,182 |
| Amounts Available for Appropriation | <u>21,939,138</u> | <u>22,401,322</u> | <u>23,589,675</u> | <u>1,188,353</u> |
| Charges to Appropriations (Outflows) | | | | |
| General Government | | | | |
| Assessor | 1,019,924 | 1,019,924 | 1,010,740 | 9,184 |
| Auditor | 924,520 | 924,520 | 894,511 | 30,009 |
| Board of Equalization | 8,437 | 8,437 | 3,920 | 4,517 |
| Clerk | 830,883 | 855,855 | 820,701 | 35,154 |
| Commissioners | 502,912 | 527,912 | 487,893 | 40,019 |
| Department of Information Services | 740,678 | 740,678 | 711,659 | 29,018 |
| Facilities Maintenance | 1,295,969 | 1,386,099 | 1,362,641 | 23,458 |
| District Court | 920,885 | 927,485 | 890,046 | 37,439 |
| Extension - Travel | - | 10,000 | - | 10,000 |
| Nondepartmental | 1,855,836 | 1,771,499 | 1,636,471 | 135,028 |
| Child Support Enforcement | 422,582 | 422,582 | 392,318 | 30,265 |
| Prosecuting Attorney | 1,179,697 | 1,182,696 | 1,165,461 | 17,236 |
| Superior Court | 802,406 | 816,406 | 811,171 | 5,236 |
| Treasurer | 472,050 | 472,050 | 457,188 | 14,862 |
| Security of Persons & Property | | | | |
| Civil Service Commission | 37,573 | 37,572 | 33,386 | 4,186 |
| District Court Probation | 279,419 | 279,419 | 271,881 | 7,539 |
| Juvenile | 2,438,038 | 2,438,038 | 2,287,930 | 150,109 |
| Nondepartmental - Law Enforcement | 2,241,736 | 2,354,436 | 2,321,421 | 33,015 |
| Sheriff | 5,738,338 | 6,184,764 | 6,045,814 | 138,950 |
| Utilities & Environment | | | | |
| Nondepartmental - Environment | 195,100 | 195,100 | 193,682 | 1,418 |
| Horticulture | 86,522 | 86,521 | 58,610 | 27,912 |
| Economic Environment | | | | |
| Building/Planning | 1,248,155 | 1,298,155 | 1,188,412 | 109,743 |
| Coroner - Welfare | 2,000 | 2,000 | 4,930 | (2,930) |
| Mental Health & Physical Health | | | | |
| Coroner | 165,196 | 165,196 | 154,540 | 10,656 |
| Nondepartmental - Public Health | 327,670 | 327,670 | 327,670 | 0 |
| Culture and Recreation | | | | |
| Extension | 388,775 | 410,611 | 378,268 | 32,343 |
| Nondepartmental - Park | 8,150 | 8,150 | 8,205 | (55) |
| Capital Outlay | 93,160 | 192,642 | 137,870 | 54,772 |
| Transfers Out | 114,590 | 114,590 | 217,647 | (103,057) |
| Total Charges to Appropriations | <u>24,341,201</u> | <u>25,161,007</u> | <u>24,274,983</u> | <u>886,024</u> |
| Budgetary Fund Balance, December 31 | <u>1,671,992</u> | <u>1,314,370</u> | <u>2,970,554</u> | <u>1,656,184</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budgetary (GAAP Basis) and Actual
 County Roads Fund
 For the Year Ended December 31, 2003

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Budgetary Fund Balance, January 1 | 4,686,832 | 4,686,832 | 4,098,681 | (588,151) |
| Resources (Inflows): | | | | |
| Taxes | 4,605,544 | 4,605,544 | 4,664,788 | 59,244 |
| Licenses and Permits | 0 | 0 | 0 | 0 |
| Intergovernmental Revenues | 7,191,220 | 7,191,220 | 3,870,879 | (3,320,341) |
| Charges for Services | 5,000 | 5,000 | 44,619 | 39,619 |
| Fees and Fines | 0 | 0 | 0 | 0 |
| Investment Earnings | 0 | 0 | 0 | 0 |
| Miscellaneous | 1,000 | 1,000 | (136) | (1,136) |
| Transfers In | 0 | 0 | 0 | 0 |
| Proceeds From Sale of Fixed Assets | 0 | 0 | 6,071 | 6,071 |
| Other Nonrevenues | 0 | 0 | 0 | 0 |
| Amounts Available for Appropriation | <u>11,802,764</u> | <u>11,802,764</u> | <u>8,586,220</u> | <u>(3,216,544)</u> |
| Charges to Appropriations (Outflows) | | | | |
| General Government | 0 | 0 | 0 | 0 |
| Security of Persons & Property | 0 | 0 | 0 | 0 |
| Utilities & Environment | 0 | 0 | 0 | 0 |
| Transportation | 6,962,251 | 6,962,251 | 6,357,033 | 605,218 |
| Economic Environment | 0 | 0 | 0 | 0 |
| Mental Health & Physical Health | 0 | 0 | 0 | 0 |
| Culture and Recreation | 0 | 0 | 0 | 0 |
| Capital Outlay | 68,800 | 68,800 | 166,681 | (1,598,061) |
| Transfers Out | 35,000 | 35,000 | 16,917 | 18,083 |
| Road and Street Construction | 4,416,000 | 4,416,000 | 0 | 4,416,000 |
| Total Charges to Appropriations | <u>11,482,051</u> | <u>11,482,051</u> | <u>8,040,811</u> | <u>3,441,240</u> |
| Budgetary Fund Balance, December 31 | <u>5,007,545</u> | <u>5,007,545</u> | <u>4,644,091</u> | <u>(363,454)</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Statement of Net Assets
 Proprietary Funds
 December 31, 2003

| | Business-Type Activities - Enterprise Funds | | | | Governmental |
|---|--|-----------------------|----------------------------------|------------------|------------------------------|
| | Regional | | | Totals | Activities |
| | Solid Waste | Justice Center | Nonmajor Enterprise Funds | | Internal Service Fund |
| ASSETS | | | | | |
| Current Assets: | | | | | |
| Cash and Cash Equivalents | 7,436 | 430,741 | 165,298 | 603,474 | 5,657,029 |
| Deposits with Fiscal Agents/Trustees | 3,012 | - | - | 3,012 | 38,800 |
| Investments | 246,073 | - | 176,746 | 422,818 | 749,034 |
| Accounts Receivable | 48,743 | 3,139 | - | 51,882 | - |
| Interest Receivable | 389 | - | 154 | 543 | 661 |
| Due from Other Funds | 203 | 989 | 15,860 | 17,053 | 454,310 |
| Interfund Loan Receivable | - | - | - | - | 6,000 |
| Due from Other Governments | 33,237 | 205,703 | 12,800 | 251,741 | 31,668 |
| Inventory | - | - | - | - | 677,407 |
| Total Current Assets | <u>339,093</u> | <u>640,572</u> | <u>370,858</u> | <u>1,350,523</u> | <u>7,614,909</u> |
| Noncurrent Assets: | | | | | |
| Capital Assets: (Net of Accumulated Depreciation) | | | | | |
| Equipment | 25,132 | 74,459 | 428,751 | 528,342 | 5,324,670 |
| Land and Improvements | 453,919 | - | - | 453,919 | - |
| Buildings | 541,011 | 827,086 | 138,908 | 1,507,005 | 50,693 |
| Total Noncurrent Assets | <u>1,020,062</u> | <u>901,544</u> | <u>567,660</u> | <u>2,489,266</u> | <u>5,375,363</u> |
| Total Assets | <u>1,359,155</u> | <u>1,542,117</u> | <u>938,518</u> | <u>3,839,789</u> | <u>12,990,272</u> |
| LIABILITIES | | | | | |
| Liabilities: | | | | | |
| Current Liabilities: | | | | | |
| Accounts Payable | 101,025 | 72,196 | 115,700 | 288,921 | 84,919 |
| Due to Other Funds | 12,269 | 109,104 | 4,858 | 126,231 | 104,730 |
| Interfund Loan Payable | - | - | 55,759 | 55,759 | - |
| Due to Other Governments | 11,014 | - | - | 11,014 | - |
| Other Accrued Liabilities | 6,752 | 303,616 | 16,417 | 326,785 | 48,506 |
| Total Current Liabilities | <u>131,060</u> | <u>484,916</u> | <u>192,734</u> | <u>808,710</u> | <u>238,155</u> |
| Noncurrent Liabilities: | | | | | |
| Compensated Absences | 1,558 | 224,536 | 5,548 | 231,642 | 42,636 |
| Leases Payable | - | - | 12,667 | 12,667 | 258,483 |
| Total Noncurrent Liabilities | <u>1,558</u> | <u>224,536</u> | <u>18,215</u> | <u>244,309</u> | <u>301,120</u> |
| Total Liabilities | <u>132,618</u> | <u>709,452</u> | <u>210,949</u> | <u>1,053,019</u> | <u>539,275</u> |
| NET ASSETS | | | | | |
| Invested in Capital Assets, Net of Related Debt | 1,020,062 | 901,544 | 436,055 | 2,357,662 | 5,116,879 |
| Unrestricted | 206,475 | (68,880) | 291,513 | 429,108 | 7,334,118 |
| Total Net Assets | <u>1,226,537</u> | <u>832,665</u> | <u>727,568</u> | <u>2,786,770</u> | <u>12,450,998</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Statement of Revenues, Expenses, and Changes in Net Assets

Proprietary Funds

For the Year Ending December 31, 2003

| | Business-Type Activities | | | Totals | Governmental |
|---|--------------------------|-------------------------------|---------------------------------|------------------|--------------------------|
| | Enterprise Funds | | | | Activities |
| | Solid Waste | Regional Justice Center | Nonmajor Enterprise Funds | | Internal Service Fund |
| OPERATING REVENUES | | | | | |
| Intergovernmental Revenues | 44,290 | 2,277,819 | 151,918 | 2,474,027 | - |
| Charges for Services | 597,923 | 2,419,533 | 268,123 | 3,285,579 | 2,549,971 |
| Fines & Forfeits | - | 15,092 | - | 15,092 | - |
| Miscellaneous | (5,836) | 460,997 | 297,197 | 752,358 | 4,221,297 |
| Total Operating Revenues | <u>636,377</u> | <u>5,173,441</u> | <u>717,238</u> | <u>6,527,056</u> | <u>6,771,268</u> |
| OPERATING EXPENSES | | | | | |
| Salaries | 79,161 | 3,085,361 | 222,847 | 3,387,370 | 464,874 |
| Personnel Benefits | 16,364 | 1,002,284 | 84,791 | 1,103,439 | 108,850 |
| Supplies | 12,369 | 264,644 | 56,580 | 333,593 | 991,426 |
| Other Services & Charges | 553,095 | 358,413 | 302,390 | 1,213,898 | 4,528,512 |
| Intergovernmental/Interfund Services & Taxes | 13,048 | - | 3,653 | 16,702 | - |
| Interfund Payments for Services | 60,040 | 554,793 | 33,414 | 648,248 | 99,343 |
| Depreciation | 21,166 | 50,554 | 49,918 | 121,637 | 1,096,646 |
| Total Operating Expenses | <u>755,244</u> | <u>5,316,049</u> | <u>753,593</u> | <u>6,824,887</u> | <u>7,289,650</u> |
| Operating Income (Loss) | <u>(118,867)</u> | <u>(142,608)</u> | <u>(36,355)</u> | <u>(297,831)</u> | <u>(518,382)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Taxes | 6,171 | - | - | 6,171 | - |
| Interest & Investment Revenue | 5,890 | - | 1,794 | 7,684 | 9,198 |
| Debt Service | - | - | 17,820 | 17,820 | (12,558) |
| Proceeds From Sale of Capital Assets | 30 | - | 11,695 | 11,725 | 168,122 |
| Total Nonoperating Revenues (Expenses) | <u>12,091</u> | <u>-</u> | <u>31,309</u> | <u>43,400</u> | <u>164,761</u> |
| Income (Loss) Before Contributions and Transfers | <u>(106,776)</u> | <u>(142,608)</u> | <u>(5,046)</u> | <u>(254,430)</u> | <u>(353,621)</u> |
| Transfers In | - | - | 50,000 | 50,000 | - |
| Transfers Out | - | - | - | - | (62,161) |
| Capital Contributions | - | - | - | - | 25,212 |
| Other Nonrevenues | 87,344 | - | 800 | 88,144 | 656,968 |
| Change in Net Assets | <u>(19,432)</u> | <u>(142,608)</u> | <u>45,754</u> | <u>(116,287)</u> | <u>266,398</u> |
| Total Net Assets - Beginning | 1,245,969 | 975,273 | 681,814 | 2,903,056 | 12,231,910 |
| Prior Period Adjustment | - | - | - | - | (47,310) |
| Total Net Assets - Beginning, Restated | <u>1,245,969</u> | <u>975,273</u> | <u>681,814</u> | <u>2,903,056</u> | <u>12,184,600</u> |
| Total Net Assets - Ending | <u>1,226,537</u> | <u>832,665</u> | <u>727,568</u> | <u>2,786,770</u> | <u>12,450,998</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2003

| | Business-Type Activities Enterprise Funds | | | Totals | Governmental Activities |
|---|--|-------------------------------|---------------------------------|----------------|----------------------------|
| | Solid Waste | Regional Justice Center | Nonmajor Enterprise Funds | | Internal Service Funds |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Cash Received From Customers and Users | 608,185 | 5,162,034 | 695,102 | 6,465,321 | 6,761,102 |
| Cash Payments to Suppliers | (585,247) | (1,083,838) | (281,115) | (1,950,200) | (5,598,145) |
| Cash Payments to Employees and Retirees | (92,875) | (3,877,076) | (302,946) | (4,272,897) | (492,746) |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | (69,937) | 201,120 | 111,041 | 242,224 | 670,211 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Proceeds From Interfund Loans | - | - | 20,000 | 20,000 | - |
| Principal and Interest Paid on Noncapital Debt | - | - | (4,936) | (4,936) | - |
| Residual Equity Transfer-In | - | - | 50,000 | 50,000 | - |
| Operating Transfers- Other Funds | - | - | - | - | (62,161) |
| Other Non-Operating Receipts | 93,515 | - | 1,541 | 95,056 | 656,968 |
| NET CASH PROVIDED (USED) NONCAPITAL FINANCING ACT | 93,515 | - | 66,605 | 160,119 | 594,807 |
| CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES | | | | | |
| Proceeds From Sale of Equipment | 30 | - | 11,695 | 11,725 | 168,122 |
| Acquisition and Construction of Capital Assets | (345,880) | - | - | (345,880) | (1,702,831) |
| Principal and Interest Payments for Capital Debt | - | - | - | - | (12,558) |
| Capital Contributions | - | - | - | - | 25,212 |
| NET CASH PROVIDED (USED) CAPITAL FINANCING ACTIVITY | (345,850) | - | 11,695 | (334,155) | (1,522,055) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Net Investment Activity | 323,512 | - | (43,074) | 280,439 | 5,834,980 |
| Interest on Investments | 6,095 | - | 1,828 | 7,923 | 16,400 |
| NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES | 329,607 | - | (41,246) | 288,362 | 5,851,381 |
| NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS | 7,336 | 201,120 | 148,095 | 356,550 | 5,594,343 |
| CASH AND CASH EQUIVALENTS, JANUARY 1 | 100 | 229,621 | 17,203 | 246,924 | 62,685 |
| CASH AND CASH EQUIVALENTS, DECEMBER 31 | 7,436 | 430,741 | 165,298 | 603,474 | 5,657,029 |

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET
CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

| | | | | | |
|---|-----------------|----------------|----------------|----------------|------------------|
| Operating Income (Loss) | (118,867) | (142,608) | (36,355) | (297,831) | (518,382) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash provided (Used) Operating Activities: | | | | | |
| Depreciation & amortization of Deferred Charge | 21,166 | 50,554 | 49,918 | 121,637 | 1,096,646 |
| (Increase) Decrease in Accounts Receivable | (4,429) | 112 | - | (4,317) | - |
| (Increase) Decrease in Due From Other Funds/Gov | (23,763) | (11,519) | (22,137) | (57,418) | (10,166) |
| (Increase) Decrease in Inventory/Prepaid Expenses | - | - | - | - | (32,071) |
| Increase (Decrease) in Vouchers/Contracts Payable | 41,580 | (9,561) | 113,080 | 145,098 | (51,077) |
| Increase (Decrease) in Due to Other Funds/Gov | 11,726 | 103,573 | 1,843 | 117,142 | 104,283 |
| Increase (Decrease) in Payables/Other Liabilities | 2,019 | 170,716 | 4,421 | 177,155 | 70,129 |
| Increase (Decrease) in Accrued Emp Leave Benefits | 632 | 39,853 | 271 | 40,756 | 10,849 |
| Total Adjustments | <u>48,930</u> | <u>343,728</u> | <u>147,396</u> | <u>540,054</u> | <u>1,188,593</u> |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | <u>(69,937)</u> | <u>201,120</u> | <u>111,041</u> | <u>242,224</u> | <u>670,211</u> |

CHELAN COUNTY, WASHINGTON

Statement of Fiduciary Net Assets

Fiduciary Funds

December 31, 2003

| | Private-Purpose Trust - Juvenile Donation | Agency Funds |
|----------------------------|--|-----------------------------|
| | <u> </u> | <u> </u> |
| ASSETS | | |
| Cash | - | 6,262,606 |
| Investments | - | 76,314,074 |
| Accounts Receivable | - | 62,541 |
| Taxes Receivable | - | 2,645,727 |
| Assessments Receivable | - | 5,978 |
| Interest Receivable | - | 43,958 |
| Due From Other Funds | - | 14,093 |
| Due From Other Governments | - | 640 |
| Total Assets | <u>-</u> | <u>85,349,617</u> |
| LIABILITIES | | |
| Accounts Payable | - | 488,206 |
| Due to Other Funds | - | 2,712 |
| Due to Other Governments | - | 510 |
| Other Accrued Liabilities | - | 406,926 |
| Deferred Revenue | - | 2,645,727 |
| Custodial Accounts | - | 81,805,537 |
| Total Liabilities | <u>-</u> | <u>85,349,617</u> |
| NET ASSETS | <u>-</u> | |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended December 31, 2003

| | Private Purpose Trust - Juvenile Donation |
|------------------------------------|--|
| ADDITIONS | <u> -</u> |
| DEDUCTIONS | |
| Transfer Out | <u> 972</u> |
| | <u> 972</u> |
| Net assets - beginning of the year | <u> 972</u> |
| Net assets - end of the year | <u> -</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Notes to Financial Statements

January 1, 2003 through December 31, 2003

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CHELAN COUNTY, WASHINGTON

Notes to Financial Statements

January 1, 2003 through December 31, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Chelan County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

A. Reporting Entity

Chelan County, Washington, was incorporated in 1899 and operates under the laws of the State of Washington applicable to third-class counties with commissioner form of government. As required by the generally accepted accounting principles the financial statements present Chelan County - the primary government.

Chelan County is a general purpose government and provides the following services: law enforcement and public safety; juvenile, superior and district court systems; legal prosecution and indigent defense; jails and corrections; construction and maintenance of County roads, bridges, and drainage systems; community planning, development, and code compliance; and parks and recreation activities management. In addition, the County provides general government services such as property assessment, tax services, issuance of permits and licenses, and elections.

B. Government-Wide and Fund Financial Statements

The government-wide and fund financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from the statements. 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 and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Our policy is to allocate indirect costs to a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital

requirements or a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financials statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Preparation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, Chelan County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are 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.

Property taxes, licenses, and interest associated within the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by Chelan County.

Chelan County reports the following major governmental funds:

- The *General Fund* (or Current Expense Fund) is the County's operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *County Roads* fund accounts for the finance, design, construction, and maintenance of Chelan County roads.
- The *Master Plan Construction* fund accounts for the renovation of the County Auditorium Building and the Juvenile Administration Building.

Chelan County reports the following major proprietary funds:

- The *Solid Waste* fund accounts for the operations of solid waste disposal and management.
- The *Regional Justice Center* fund accounts for the operation of the Chelan County Regional Correction Facility.

Additionally, Chelan County reports the following fund types:

- *Internal service funds* account for operations that provide goods or services to other departments or funds of the County or to other governmental units on a cost-reimbursement basis.
- The *Private-Purpose Trust Fund* is used to account for individual donations for Juvenile programs.
- *Agency Funds* are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule the effect of the interfund activity has been eliminated for the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers, 2) operating grants and contributions, and 30 capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. General revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of Solid Waste are from charges for services and state grants, the principal operating revenues of the Fair are from event admission fees and off-season rentals, and the principal operating revenues from the Regional Justice Center are from Chelan County, other governments, and charges for detention services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as needed.

D. Budgetary Information

1. Scope of Budget

Annual appropriated budgets are adopted for general, special revenue, capital project, and proprietary funds on the modified accrual basis of accounting. Budgets for debt service funds are adopted at the level of the individual debt issue and for fiscal periods that correspond to the lives of debt issues.

Annual appropriated budgets are adopted at the fund level. Appropriations for general and special revenue funds lapse at year-end, (except for appropriations for capital outlays, which are carried forward from year to year until fully expended or the purpose of the appropriation has been accomplished or abandoned).

2. Procedures for Adopting the Original Budget

The County's budget procedures are mandated by RCW 36.40. The steps in the budget process are as follows:

By the first Tuesday in September, the County Auditor submits a proposed budget to the County Commission. This budget is based on priorities established by the commission and estimates provided by County departments during the preceding months, and balanced with each department.

The County Commission conducts public hearings on the proposed budget between November and December. The Board makes its adjustments to the proposed budget and adopts by resolution a final balanced budget no later than December 31st.

3. Amending the Budget

Any revisions that alter the total expenditures of the County, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the County Commission. Transfers of appropriations were not material in relation to original appropriations.

When the County Commission determines that it is in the best interest of the County to increase or decrease the appropriation for a particular department, it may do so by resolution approved by one more than the majority after holding a public hearing. Below are some of the material budget amendments by fund.

| Fund | Amount |
|--------------------------------|-------------|
| Drug Enforcement Reserve | \$25,000 |
| Emergency Management | \$79,304 |
| Parent Education | \$15,784 |
| Tourist & Convention | \$80,000 |
| Forest Title III | \$509,074 |
| Juvenile Building Debt | \$1,500,000 |
| R.E.E.T. 1 Capital Improvement | \$122,280 |
| Solid Waste | \$300,000 |
| Regional Justice Center | \$1,320,000 |

The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

The financial statements contain the original and final budget information. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable for the fiscal year.

4. Excess of Expenditures Over Appropriations

The Paths & Trails fund expenditures exceeded appropriations by \$67,000. This fund was not provided a budget in 2004 and it paid for a portion of a public works project from its fund balance.

The PUD Dam Security fund was not budgeted because it was to be closed out in 2003. The closing transfer out caused the fund expenditures to exceed appropriations by \$35,217.

The Master Plan Construction fund expenditures exceeded appropriations by \$111,547. The excess expenditures were covered with its fund balance.

E. Assets, Liabilities and Equities

1. Cash and Cash Equivalents

It is the County's policy to invest all temporary cash surpluses. At December 31, 2003, the treasurer was holding \$21,223,497 in short-term residual investments of surplus cash, which shows as General Funds Investment in Schedule 12. This amount is classified on the balance sheet as cash and cash equivalents in

various funds. The interest on these investments is credited to the Current Expense fund.

The amounts reported as cash and cash equivalents also include compensating balances maintained with certain banks in lieu of payments for services rendered. The average compensating balances maintained during 2003 were approximately \$2,000,000.

The County's cash and cash equivalents are considered to be cash on hand and demand deposits. For purposes of the Statement of Cash Flows, the County does not consider investments to be cash equivalents.

2. Temporary Investments – See Note 4

3. Receivables

Taxes receivable consist of property taxes and related interest and penalties (See Note 5). Accrued interest receivable consists of amounts earned on investments, notes, and contracts at the end of the year.

Special assessments are recorded when levied. Special assessments receivable consist of current and delinquent assessments and related interest and penalties. Deferred assessments on the fund financial statements consist of unbilled special assessments that are liens against the property benefited. As of December 31, 2003, there was \$5,978 of special assessments receivable were delinquent.

Customer accounts receivable consist of amounts owed from private individuals or organizations for goods and services including amounts owed for which billings have not been prepared. Notes and contracts receivable consist of amounts owed on open account from private individuals or organizations for goods and services rendered.

4. Amounts Due to and from Other Funds and Governmental Units, Interfund Loans and Advances Receivable

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund loans receivable/payable" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." A separate schedule of interfund loans receivable and payable is furnished in Note 14.

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 expendable available financial resources.

5. Inventories

Inventories in governmental funds consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. The reserve for inventory is equal to the ending amount of inventory to indicate that a portion of the fund balance is not available for future expenditures. A comparison to market value is not considered necessary.

Inventories in proprietary funds are valued by the FIFO method (which approximates the market value).

6. Capital Assets – See Note 6

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

| Assets | Years |
|------------------------|--------------|
| Buildings & Structures | 31.5 |
| Land Improvements | 10 |
| Machinery & Equipment | 3 - 10 |
| Infrastructure | 20 - 45 |

7. Other Property and Investments – See Note 4

8. Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation leave, sick leave, and compensation time. All vacation pay is accrued when earned in the government-wide, proprietary, and fiduciary fund financial statements.

Vacation pay, which may be accumulated up to 240 hours, is payable upon resignation, retirement or death.

Chelan County allows employees to accumulate up to 960 hours of sick leave after which time it lapses month by month. The County also allows 80 or 120 hours (depending on union status) of compensatory leave after which time it lapses month by month. In addition, any compensatory leave accumulated in excess of 40 or 80 hours (depending on union status) will lapse at year-end. Upon setting an official date of retirement, an employee shall be entitled to convert all accumulated sick leave hours in excess of 720 hours to a maximum of 240 hours to annual leave during the last six months of service. Converted annual leave will not be eligible for buy back as earned annual leave. To be eligible for compensation, all such sick leave earned must be converted to and taken as annual leave prior to retirement.

9. Other Accrued Liabilities

These accounts consist of accrued wages and accrued employee benefits.

10. Long-term Debt – See Note 11

11. Deferred Revenues

This account includes amounts recognized as receivables but not revenues in governmental funds because the revenue recognition criteria have not been met.

12. Fund Reserves and Designations

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Assets

The governmental funds' balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. The details of the difference are as follows:

| | |
|--|-------------------|
| Statement of Net Assets (page 12) | \$ 32,637,827 |
| Balance sheet (page 14) | <u>19,321,086</u> |
| Net difference | \$ 13,316,741 |
| | |
| Net Capital Assets | \$ 20,115,028 |
| Long-term debt and Compensated absences | (19,249,284) |
| Internal Service fund assets & liabilities | <u>12,450,997</u> |
| Net difference | \$ 13,316,741 |

B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental funds' statement of revenues, expenditures, and changes in fund balances include a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. The details of the difference are as follows:

| | |
|--|------------------|
| Statement of Activities (page 13) | \$ 3,669,154 |
| Statement of Revenues, Expenditures, and Changes in Fund Balance (page 16) | <u>2,559,629</u> |
| Net difference | \$ 1,109,525 |
| | |
| Capital Outlay | \$ 1,967,671 |
| Issuance of Long-Term Debt | (1,124,545) |
| Internal Service Fund activity | <u>266,398</u> |
| Net difference | \$ 1,109,525 |

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

There have been no material violations of finance-related legal or contractual provisions. See Note 1(D)(4) - Excess of Expenditures Over Appropriations.

NOTE 4 - DEPOSITS AND INVESTMENTS

A. Deposits

The County's deposits and certificates of deposit are entirely covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

B. Investments

As required by state law, all deposits and investments of the County's funds (except as noted below) are obligations of the U.S. Government, U.S. agency issues, obligations of the state of Washington, general obligations of Washington State municipalities, the State Treasurer's Investment Pool, bankers' acceptances, or certificates of deposit with Washington State banks and savings and loan institutions. Investments of private purpose trust funds are not subject to the preceding limitations. All temporary investments are stated at fair value.

The County's investments are categorized to give an indication of the risk assumed at year-end. The following summary shows the County's investments at year-end categorized by risk. Category 1 includes investments that are either insured, registered or held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or its trust department or agent, but not in the County's name. The County holds only Category 1 type deposits as listed below.

| | Category | | | Carrying Amount | Market Value |
|---|---------------|------|------|--------------------|-----------------|
| | 1 | 2 | 3 | | |
| Repurchase Agreements | \$ - | \$ - | \$ - | \$ - | \$ - |
| U.S. Government Securities | 6,719,730 | - | - | 6,719,730 | 6,892,589 |
| Banker's Acceptances | - | - | - | - | - |
| Certificate of Deposit | 27,025,929 | - | - | 27,025,929 | 27,320,385 |
| Municipal Money Market | 20,263,460 | - | - | 20,263,460 | 20,285,045 |
| Total | \$ 54,009,119 | \$ - | \$ - | \$ 54,009,119 | \$ 54,498,019 |
| Investments not Subject to Categorization: | | | | | |
| Investment in State Treasurer's Investment Pool | | | | 49,826,280 | 49,870,218 |
| Reverse Repurchase Agreements | | | | - | - |
| Other Investments | | | | - | - |
| Total Investments | | | | \$103,835,399 | \$104,368,237 |

NOTE 5 - PROPERTY TAXES

The County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities.

| Property Tax Calendar | |
|------------------------------|---|
| January 1 | Taxes are levied and become an enforceable lien against properties. |
| February 14 | Tax bills are mailed. |
| April 30 | First of two equal installment payments is due. |
| May 31 | Assessed value of property established for next year's levy at 100 percent of market value. |
| October 31 | Second installment is due. |

In governmental funds, property taxes are recorded as a receivable when levied, offset by a deferred revenue. During the year, property tax revenues are recognized when cash is collected. At year-end, property tax revenues are recognized for collections expected to occur within 60 days. No allowance for uncollectible taxes is established because delinquent taxes are considered fully collectible.

The County may levy up to \$1.80 per \$1,000 of assessed valuation for general governmental services, subject to two limitations:

The County's regular levy for 2003 was \$1.54656 per \$1,000 on an assessed valuation of \$4,777,025,233 for a total regular levy of \$7,387,956.

The County is also authorized to levy \$2.25 per \$1,000 of assessed valuation in unincorporated areas for road construction and maintenance. This levy is subject to the same limitations as the levy for general government services. The County's road levy for 2003 was \$1.72538 per \$1,000 on an assessed valuation of \$2,650,140,655 for a total road levy of \$4,572,500.

Washington State Constitution and Washington State law, RCW 84.55.010, limit the rate.

NOTE 6 - CAPITAL ASSETS AND DEPRECIATION

Capital assets activity for the year ended December 31, 2003 was as follows:

| | Beginning Balance 01/01/03 | Increases | Decreases | Ending Balance 12/31/2003 |
|---|---|------------------|------------------|--|
| Governmental Activities | | | | |
| Capital Assets, not being depreciated: | | | | |
| Land | 1,816,231 | 143,612 | 35,140 | 1,924,703 |
| Total capital assets, not being depreciated | 1,816,231 | 143,612 | 35,140 | 1,924,703 |
| Capital assets, being depreciated: | | | | |
| Buildings & Structures | 32,250,566 | 233,717 | 8,594 | 32,475,688 |
| Machinery & Equipment | 15,806,611 | 2,257,543 | 1,404,642 | 16,659,512 |
| Infrastructure | 0 | 1,498,001 | 0 | 1,498,001 |
| Total capital assets being depreciated | 48,057,177 | 3,989,260 | 1,413,236 | 50,633,201 |
| Less accumulated depreciation for: | | | | |
| Buildings & Structures | 17,437,755 | 518,400 | 0 | 17,956,155 |
| Machinery & Equipment | 8,750,986 | 1,457,085 | 1,113,672 | 9,094,400 |
| Infrastructure | 0 | 16,959 | 0 | 16,959 |
| Total accumulated depreciation | 26,188,741 | 1,992,444 | 1,113,672 | 27,067,514 |
| Total capital assets, being depreciated, net | 21,868,436 | 1,996,816 | 299,565 | 23,565,687 |
| Governmental activities capital assets, net | <u>23,684,667</u> | <u>2,140,428</u> | <u>334,705</u> | <u>25,490,390</u> |
| Depreciation expense was charged to functions as follows: | | | | |
| General Government | | 563,313 | | |
| Public Safety | | 114,574 | | |
| Transportation | | 1,180,536 | | |
| Economic environment | | 8,089 | | |
| Culture and recreation | | 125,932 | | |
| Total depreciation - Governmental activities | | <u>1,992,444</u> | | |

| Business-Type Activities | Beginning Balance 01/01/03 | Increases | Decreases | Ending Balance 12/31/2003 |
|--|---|------------------|------------------|--|
| Capital Assets, not being depreciated: | | | | |
| Land | 8,096 | 345,880 | 0 | 353,976 |
| Total capital assets, not being depreciated | 8,096 | 345,880 | 0 | 353,976 |
| Capital assets, being depreciated: | | | | |
| Buildings & Structures | 1,854,032 | 0 | 0 | 1,854,032 |
| Improvements other than buildings | 157,378 | 0 | 0 | 157,378 |
| Machinery & Equipment | 924,188 | 6,000 | 7,407 | 922,781 |
| Total capital assets being depreciated | 2,935,598 | 6,000 | 7,407 | 2,934,191 |
| Less accumulated depreciation for: | | | | |
| Buildings & Structures | 296,786 | 50,241 | 0 | 347,027 |
| Improvements other than buildings | 54,295 | 3,140 | 0 | 57,435 |
| Machinery & Equipment | 332,848 | 68,256 | 6,666 | 394,439 |
| Total accumulated depreciation | 683,930 | 121,637 | 6,666 | 798,901 |
| Total capital assets, being depreciated, net | 2,251,668 | (115,637) | 741 | 2,135,290 |
| Business-type activities capital assets, net | <u>2,259,765</u> | <u>230,242</u> | <u>741</u> | <u>2,489,266</u> |

Depreciation expense was charged to functions as follows:

| | |
|---|----------------|
| Security of persons and property | 50,554 |
| Utilities | 56,040 |
| Culture and recreation | 15,044 |
| Total depreciation - Business-type activities | <u>121,637</u> |

NOTE 7 - PENSION PLANS

Substantially all County full-time and qualifying part-time employees participate in one of the following statewide local government retirement systems administered by the Washington State Department of Retirement Systems under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained from the Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380. The following disclosures are made pursuant to GASB Statement 27, *Accounting for Pensions by State and Local Government Employers*.

Public Employees' Retirement System (PERS) Plans I and 2

Plan Description

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a combination defined benefit/defined contribution plan. Membership in the plan includes elected officials, state employees, employees of the Supreme, Appeals, and Superior courts (other than judges in a judicial retirement system), employees of legislative committees, college and university employees not in national higher education retirement programs, judges of district and municipal courts, non-certificated employees of school districts, and employees of local government. Participants who joined the system by September 30, 1977, are Plan I members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercise an option to transfer their membership to Plan 3. PERS participants joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the option of choosing membership in either PERS Plan 2 or PERS Plan 3. The option must be exercised within 90 days of employment. An employee is reported in Plan 2 until a choice is made. Employees who fail to choose within 90 days default to PERS Plan 3. PERS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. PERS retirement benefit provisions are established in state statute and may be amended only by the State Legislature.

Plan 1 retirement benefits are vested after an employee completes five years of eligible service. Plan I members are eligible for retirement at any age after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The annual pension is two percent of the average final compensation per year of service, capped at 60 percent. The average final compensation is based on the greatest compensation during any 24 eligible consecutive compensation months. If qualified, after reaching age 66 a cost-of-living allowance is granted based on years of service credit and is capped at three percent annually.

Plan 2 retirement benefits are vested after an employee completes five years of eligible service. Plan 2 members may retire at the age of 65 with five years of service, or at age 55 with 20 years of service, with an allowance of two percent per year of service of the average final compensation. The average final compensation is based on the greatest compensation during any eligible consecutive 60-month period. Plan 2 retirements prior to the age of 65 receive reduced benefits. If retirement is at age 55 or older with at least 30 years of service, a 3 percent per year reduction applies; otherwise an actuarial reduction will apply. There is no cap on years of service credit and a cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at three percent annually.

Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. The defined benefit portion provides a benefit calculated at 1 percent of the average final compensation per year of service. The average final compensation is based on the greatest compensation during any eligible consecutive 60 month period. Plan 3 members become eligible for retirement if they have: at least ten years of service; or five years including twelve months that were earned after age 54; or five service credit years earned in PERS Plan 2 prior to June 1, 2003. Plan 3 retirements prior to the age of 65 receive reduced benefits. If retirement is at age 55 or older with at least 30 years of service, a 3 percent per year reduction applies; otherwise an actuarial reduction will apply. There is no cap on years of service credit; and Plan 3 provides the same cost-of-living allowance as Plan 2. The defined contribution portion can be distributed in accordance with an option selected by the member either as a lump sum or pursuant to other options authorized by the Employee Retirement Benefits Board.

There are 1,167 participating employers in PERS. Membership in PERS consisted of the following at September 30, 2002:

| | |
|--|----------------|
| Retirees and Beneficiaries Receiving Benefits | 63,756 |
| Terminated Plan Members Entitled To But Not Yet Receiving Benefits | 19,152 |
| Active Plan Members Vested | 98,994 |
| Active Plan Members Nonvested | 55,191 |
| Total | 237,093 |

Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at six percent and do not vary from year to year. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by state law. PERS Plan 3 defined contribution is a non-contributing plan for employers. Employees who participate in the defined contribution portion of PERS Plan 3 do not contribute to the defined benefit portion of PERS Plan 3. The Employee Retirement Benefits Board sets Plan 3 employee contribution rates. Six rate options are available ranging from 5 to 15 percent; two of the options are graduated rates dependent on the employee's age. The methods used to determine the contribution rates are established under state statute in accordance with Chapters 41.40 and 41.45 RCW.

The required contribution rates expressed as a percentage of current year covered payroll, as of December 31, 2003, were as follows:

| | PERS Plan 1 | PERS Plan 2 | PERS Plan 3 |
|-----------|-------------|-------------|-------------|
| Employer* | 1.40% | 1.40% | 1.40%** |
| Employee | 6.00% | 1.18% | *** |

* The employer rates include the employer administrative expense fee currently set at 0.22%.

** Plan 3 defined benefit portion only.

*** Variable from 5.0% minimum to 15.0% maximum based on rate selected by PERS 3 member.

Both Chelan County and the employees made the required contributions. The County's required contributions for the years ended December 31 were:

| | PERS Plan 1 | PERS Plan 2 | PERS Plan 3 |
|------|-------------|-------------|-------------|
| 2003 | \$ 28,223 | \$ 166,419 | \$ 16,268 |
| 2002 | \$ 34,445 | \$ 223,289 | \$ 652 |
| 2001 | \$ 44,715 | \$ 307,310 | \$ - |

Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plans 1 and 2

Plan Description

LEOFF is a cost-sharing multiple employer defined benefit pension plan. Membership in the plan includes all full time, fully compensated, local law enforcement officers and fire fighters. LEOFF is comprised solely of non-state employees. LEOFF participants who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 are Plan 2 members. LEOFF retirement benefits are financed from a combination of investment earnings, employer and employee contributions, and a special funding situation in which the state pays the remainder through state legislative appropriations. LEOFF retirement benefits provisions are established in state statute and may be amended only by the State Legislature.

Plan 1 retirement benefits are vested after an employee completes five years of eligible service. Plan 1 members are eligible to retire with five years of service at age 50. The benefit per year of service calculated as a percent of final average salary is as follows:

| Term of Service | Percent of Final Average |
|---------------------------|--------------------------|
| 20 or more years | 2.0% |
| 10 but less than 20 years | 1.5% |
| 5 but less than 10 years | 1.0% |

The final average salary is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months' salary within the last 10 years of service. If membership was established in LEOFF

after February 18, 1974, the service retirement benefit is capped at 60 percent of final average salary. A cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index).

Plan 2 retirement benefits are vested after an employee completes five years of eligible service. Plan 2 members may retire at age of 50 with 20 years of service, or at age 53 with five years of service, with an allowance of 2 percent of the final average salary per year of service, with an allowance of 2 percent of the final average salary per year of service. The final average salary is based on the highest consecutive 60 months. Plan 2 retirements prior to the age of 53 are reduced 3 percent for each year that the benefit commences prior to age 53. There is no cap on years of service credit; and a cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at 3 percent annually.

There are 359 participating employers in LEOFF. Membership in LEOFF consisted of the following at September 30, 2002:

| | |
|--|---------------|
| Retirees and Beneficiaries Receiving Benefits | 8,231 |
| Terminated Plan Members Entitled To But Not Yet Receiving Benefits | 398 |
| Active Plan Members Vested | 11,222 |
| Active Plan Members Nonvested | 3,936 |
| Total | 23,787 |

Funding Policy

Starting on July 1, 2000, Plan 1 employers and employees will contribute zero percent as long as the plan remains fully funded. Employer and employee contribution are developed by the Office of the State Actuary to fully fund the plan. Plan 2 employers and employees are required to pay at the level adopted by the Department of Retirement Systems in accordance with 41.45 RCW. All employers are required to contribute at the level required by state law. The Legislature, by means of a special funding arrangement, appropriated money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 1 in accordance with the requirements of the Pension Funding Council. However, this special funding situation is not mandated by the state constitution and this funding requirement could be returned to the employers by a change of statute. The methods used to determine the contribution rates are established under state statute in accordance with chapters 41.26 and 41.45 RCW.

The required contribution rates expressed as a percentage of current year covered payroll, as of December 31, 2003, were as follows:

| | LEOFF Plan 1 | LEOFF Plan 2 |
|----------|---------------------|---------------------|
| Employer | 0.22%* | 3.25%* |
| Employee | 0.00% | 5.05% |
| State | N/A | 2.02% |

* The employer rates include the employer administrative expense fee currently set at 0.22%.

Both Chelan County and the employees made the required contributions. The County's required contributions for the years ended December 31 were:

| | LEOFF Plan 1 | LEOFF Plan 2 |
|------|--------------|--------------|
| 2003 | \$169 | \$84,922 |
| 2002 | \$533 | \$90,995 |
| 2001 | \$403 | \$88,713 |

NOTE 8 - DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan is with an independent plan administrator. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or enforceable emergency.

Compensation deferred under the plan and all income attributable to the plan is solely the property of the County. The County's rights to this property are subject only to the claims of the County's general creditors until paid to the employee or other beneficiary and are not restricted to the benefit provisions under the plan.

It is the opinion of the County's legal counsel that the County has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The County believes that it is highly unlikely that it will use the assets to satisfy claims of general creditors in the future.

Deferred compensation plan investments are recorded at market value, along with the corresponding liability, in the Deferred Compensation agency fund. Chelan County had three plans; the following is the breakdown of the \$6,627,918 between the three plans:

| <u>Plan's Name</u> | <u>Amount</u> |
|--------------------|------------------|
| NACO | \$ 1,359,799 |
| FTJ | \$ 1,023,838 |
| Hartford | <u>4,244,281</u> |
| Total: | \$ 6,627,918 |

NOTE 9 - RISK MANAGEMENT

A. General

Description of the Public Entity Risk Pool:

Chelan County is a member of the Washington Counties Risk Pool (pool). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The pool was formed on August 18, 1988 when counties in the State of Washington joined together by signing an interlocal agreement to pool their self-insured losses and jointly purchase insurance and administrative services. Twenty-five counties have joined the Risk Pool.

The pool allows members to establish a plan of self-insurance, jointly purchase excess or reinsurance and provide related services. All pool joint self-insurance liability coverages, including public officials' errors and omissions, are on an "occurrence" basis. The pool also provides special events/concessionaires optional group purchase insurance coverage for its members.

Members make an annual contribution to fund the pool. The pool acquires reinsurance from unrelated underwriters that are subject to a pool per-occurrence self-insured retention of \$100,000. Members may elect deductible amounts ranging from \$10,000 per occurrence to \$250,000. Members are responsible for the first deductible amounts of each claim, while the pool is responsible for the remaining difference up to the pool's \$100,000 self-insured retention. Reinsurance carriers cover all losses over \$100,000 to the maximum limits of each policy.

Since the pool is a cooperative program, there is a joint liability among the participating members. A retroactive assessment was approved in 1999 for \$6.5 million with payments starting in 1999 and spread over ten years. Chelan County's proportional share of the assessment is approximately 5.5%.

Members contract to remain in the pool for a minimum of five years, and must give notice one year before terminating participation. The interlocal agreement is renewed automatically each year until terminated. Even after termination, a member is still responsible for contributions to the pool for any unresolved, unreported, and in-process claims for the period that it was a signatory to the interlocal agreement.

The pool is fully funded by its member participants. Claims are filed by members with the pool.

The pool is governed by a board of directors that is comprised of one designated representative from each participating member. An executive committee is elected at the annual meeting, and is responsible for conducting the business affairs of the pool.

B. Risk Management

The County maintains insurance against most normal hazards such as torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters.

Claim settlements and loss expenses are accrued in the Tort Claims & Insurance Fund for the estimated settlement value of both reported and unreported claims (up to the aggregate stop-loss). This fund is responsible for collecting interfund premiums from insured funds and departments, for paying claim settlements and for purchasing certain insurance policies. Interfund premiums are assessed on the basis of claims experience and are reported as revenues and expenses or expenditures.

NOTE 10 - LONG-TERM DEBT AND CAPITAL LEASES

A. Long-Term Debt

The County issues general obligation bonds to finance the purchase and construction of buildings. Bonded indebtedness has also been entered into to advance refund general obligation bonds. General obligation bonds have been issued for general government activities and are being repaid from applicable resources. These bonds are set to mature between 2007 and 2023.

General obligation bonds currently outstanding are as follows:

| Purpose | Interest Rate | Amount Outstanding |
|---|-------------------------|---------------------------|
| 1995 G.O. Bonds for purchase of MSC Building, original issue \$335,000 | Variable – 62% of prime | 213,309 |
| 1997 G.O. Bonds for construction of Juvenile Building, original issue \$2,800,000 | 3.75% - 5.45% | 2,155,000 |
| 1998 G.O. Bonds for construction on Fairgrounds, original issue \$9,045,000 | 4.0% - 4.75%, | 2,285,000 |
| 2000 G.O. Bonds for acquisition, construction, and installation of certain public infrastructure improvements, original issue \$4,000,000 | 5.6% | 3,685,000 |
| 2001 G.O Bonds for acquisition and installation of phone system and accounting system, original issue \$404,000 | 4.25% | 336,064 |
| 2002 LTGO E911 Bonds for acquisition and construction of a multi-jurisdictional public safety answering point for use by the County and other governmental agencies, original issue \$2,560,000 | Not to exceed 5.0% | 2,560,000 |
| 2003 LTGO 2003A Bonds to make certain improvements and betterments to certain county facilities, original issue \$3,445,000 | 2.0% - 4.5% | 3,445,000 |
| 2003 LTGO 2003B Refunding Bonds to pay part of the cost of advance refunding the county's 1997 LTGO Bonds, original issue \$3,315,000 | 2.0% - 3.85% | 3,315,000 |
| Total | | 17,994,373 |

The annual debt service requirements to maturity are as follows:

| Year Ending December 31 | Governmental Activities | |
|--------------------------------|--------------------------------|---------------------|
| | Principal | Interest |
| 2004 | \$ 1,019,699 | \$ 639,881 |
| 2005 | 1,377,213 | 696,103 |
| 2006 | 1,434,791 | 645,499 |
| 2007 | 1,482,486 | 580,667 |
| 2008 | 1,545,303 | 546,840 |
| 2009-2013 | 4,564,881 | 2,047,785 |
| 2014-2018 | 3,655,000 | 1,253,098 |
| 2019-2023 | 2,915,000 | 397,140 |
| Total | \$ 17,994,373 | \$ 6,807,014 |

At December 31, 2002, the County has \$1,581,817 available in debt service funds to service the general bonded debt.

B. Changes in Long-Term Liabilities

During the year ended December 31, 2003, the following changes occurred in long-term liabilities:

| | Beginning Balance 01/01/03 | Additions | Reductions | Ending Balance 12/31/03 | Due Within One Year |
|--|----------------------------------|--------------|--------------|-------------------------------|------------------------|
| Governmental Activities: | | | | | |
| Bonds payable | \$ 16,317,342 | \$ 6,760,000 | \$ 5,082,969 | \$ 17,994,373 | \$ 1,019,699 |
| Compensated absences | 1,374,059 | | 83,386 | 1,290,673 | |
| Leases Payable | 220,185 | 47,091 | 1,918 | 265,358 | 140,359 |
| Governmental activity long-term liabilities: | \$ 17,911,586 | \$ 6,807,091 | \$ 5,168,273 | \$ 19,550,404 | \$ 1,160,058 |
| Business-Type Activities: | | | | | |
| Compensated absences | \$ 190,886 | \$ 40,756 | | \$ 231,642 | |
| Leases Payable | \$ 17,561 | | \$ 4,894 | \$ 12,667 | \$ 4,894 |
| Business-type activity long-term liabilities: | \$ 208,447 | \$ 40,756 | \$ 4,894 | \$ 244,309 | \$ 4,894 |

C. Refunded Debt

The County issued \$3,315,000 of general obligation refunding bonds to provide resources to purchase securities that were placed in irrevocable trust. The 2003 refunding issue along with \$1,500,000 from a debt service fund was for the purpose of generating resources for all future debt service payments on \$4,325,000 of the 1997 G.O. Bonds for construction of Juvenile Building. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. This advance refunding was undertaken to reduce total debt service payments over the next 11 years by \$2,293,847 in total payments and resulted in a net present value economic gain of \$1,777,328.

D. Capital Leases

The County has entered into lease agreements for financing equipment and vehicles. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

| Asset | Governmental Activities | Business-Type Activities |
|-------------------------------|----------------------------|-----------------------------|
| Office Equipment | \$ 9,744 | \$ - |
| Tractor | - | 22,451 |
| Vehicles | 519,911 | - |
| Less Accumulated Depreciation | \$ - | \$ 2,649 |
| Total | \$ 529,655 | \$ 19,802 |

The future minimum lease obligation and the net present value of these minimum lease payments as of December 31, 2003 were as follows:

| Year Ending December 31 | Governmental Activities | Business- Type Activities |
|---|----------------------------|------------------------------|
| 2004 | \$ 140,359 | \$ 4,894 |
| 2005 | 100,474 | 4,894 |
| 2006 | 48,882 | 4,894 |
| 2007 | 1,001 | - |
| Less: Interest | \$ 25,359 | \$ 2,015 |
| Present Value of Minimum Lease Payments | \$ 265,357 | \$ 12,667 |

E. Loan to District

In 2002, Chelan County's ER&R fund loaned \$15,000 to the Upper Valley Park and Recreation Service Area District. The loan was to provide the district the funds to open an aquatic center pool and will be repaid before November 1, 2004 with the maintenance and operations tax levy that was approved by the voters of that district.

NOTE 11 – CONTINGENCIES AND LITIGATIONS

Chelan County is named as defendant in a few legal actions. Although the outcome of these lawsuits are not presently known, the County is of the opinion that the present insurance policy and reserves are adequate to cover the potential settlements without adversely affecting the financial viability of the County.

Chelan County participates in several federal and state grant programs. These grants are subject to an annual audit examination which includes compliance with granting

agency terms and provisions, and with pertinent federal and state regulations. Failure to adequately comply with these provisions could result in a requirement to repay funds to the granting agency. Disallowed expenditures cannot be determined at this time, although it is expected that such amounts, if any, to be immaterial.

NOTE 12 - INTERFUND TRANSACTIONS AND BALANCES

A. Due To/From Other Funds

"Due from Other Funds" and "Due to Other Funds" are created from interfund transactions which usually involve the exchange of goods or services in a normal business relationship.

Due from Other Funds and Due to Other Funds as of December 31, 2003 are as follows:

| | Due From Other Funds | | | | | | | | |
|----------------------------------|-----------------------------|--------|-------------------|-------|-------------------|------------|----------|--------|---------|
| | General | County | Nonmajor | Solid | Regional | Nonmajor | Internal | Agency | Total |
| | | Roads | Govern- mental | Waste | Justice Center | Enterprise | Service | | |
| <u>Due To Other Funds</u> | | | | | | | | | |
| General | 693 | 395 | 29,905 | 203 | 989 | 2,825 | 113 | 14,093 | 49,217 |
| County Roads | 32,468 | | | | | | 360,027 | | 392,495 |
| Nonmajor Gov't | 121,997 | | 16,490 | | | 2,010 | 3,106 | | 143,603 |
| Solid Waste | 1,244 | | | | | 11,025 | | | 12,269 |
| Reg. Justice Center | 23,571 | | | | | | 85,533 | | 109,104 |
| Nonmajor Enterprise | 4,562 | 236 | | | | | 60 | | 4,858 |
| Internal Service | 14,772 | | | | | | 5,470 | | 20,242 |
| Agency | | 2,712 | | | | | | | 2,712 |
| Total Transfers | 199,306 | 3,344 | 46,395 | 203 | 989 | 15,860 | 454,310 | 14,093 | 734,501 |

B. Interfund Loans Payable/Receivable

The following table displays interfund loan activity during 2003:

| Borrowing Fund | Lending Fund | Interfund Loans and Advance Payables | | | |
|----------------------|-----------------------------------|--------------------------------------|-----------|------------|------------|
| | | 1/1/2003 | New Loans | Repayments | 12/31/2003 |
| Fair | County Roads | 51,000 | 1,515 | 2,756 | 49,759 |
| Monitor Park | Equipment Rental & Revolving Fund | - | 6,000 | - | 6,000 |
| Emergency Management | Law Enforcement Communication | - | 25,000 | - | 25,000 |
| Farm Worker Housing | General Fund | - | 20,000 | - | 20,000 |
| | Total | \$ 51,000 | \$ 52,515 | \$ 2,756 | \$ 100,759 |

C. Interfund Transfers

The following table displays interfund transfers during 2003:

| | Transfers From | | | | Total |
|---------------------|----------------|-----------------------|------------------|--------|---------|
| | General | Nonmajor Governmental | Internal Service | Agency | |
| Transfers To | | | | | |
| General | | 35,168 | 60,000 | 20,000 | 115,168 |
| Nonmajor Gov't | 177,647 | 16,400 | | 972 | 195,019 |
| Nonmajor Enterprise | 40,000 | 10,000 | | | 50,000 |
| Agency | | -5,152 | 2,161 | 72,520 | 69,529 |
| Total Transfers | 217,647 | 56,416 | 62,161 | 93,492 | 429,716 |

NOTE 13 – JOINT VENTURES

Chelan County does not currently have any joint ventures. However, it is anticipated that it may have a joint venture in 2004.

NOTE 14 - POST RETIREMENT BENEFITS OTHER THAN PENSION BENEFIT

In addition to the pension benefits described in Note 7, the County provides health insurance benefits for retired public safety employees. Substantially all the County's LEOFF 1 employees may become eligible for these benefits if they reach normal retirement age while working for the County. These benefits are provided by the County in order to meet state statutory requirements under the LEOFF 1 system whereby the County will pay for their medical premiums for life.

There are 27 participants eligible to receive these benefits. The County's contributions are financed on a pay-as-you-go basis, i.e., the cost of retiree medical benefits is recognized as an expense as premiums and medical expenses are paid. In 2003, \$176,896 was recognized in the Current Expense Fund for post employment health care.

NOTE 15 – CHANGES IN ACCOUNTING PRINCIPLES

During 2003, the County partially implemented GASB 34, *Basic Financial Statements and Management Discussion and Analysis for States and Local Governments*. The County expects to implement the retroactive infrastructure requirement prior to the 2007 financial statements as required by GASB 34. Infrastructure assets that were acquired or significantly reconstructed during 2003 have been included in the financial statements for governmental activities. See note 6 on page 38.

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CHELAN COUNTY, WASHINGTON

Description of Nonmajor Governmental Funds

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Paths & Trails Reserve: A fund used to account for the state share of revenue on the fuel tax for the paths and trails.

Drug Enforcement Reserve: A fund used to account for financing of ongoing efforts on the investigation and prosecution of illegal drug cases.

Financial Management Reserve: A fund used to account for the revenue received from any grant administrative fees, to be used towards the purchase of a new financial management system, to provide fiscal information to both the officials responsible for the integrity of pending public funds, and to the public & other private sources supplying those funds.

Auditors Operation & Maintenance: A fund used to account for the fees charged for recording in Auditor's office and the cost of maintaining and upgrading system for copying, preserving, and indexing documents recorded in Chelan County.

ORV Educational & Enforcement: A fund used to account for the portion vehicle license revenue designated for the maintenance and law enforcement of Off Road Vehicle recreational activities.

Boating Safety: A fund used to account for the Chelan County portion of state allocation of vessel registration fees for boating safety program.

Ohme Gardens: A fund used to account for the operation of Ohme Gardens, a recreational park facility owned by the State of Washington and operated by Chelan County.

PUD Dam Security: A fund used to track the revenue and expenditures of security provided to the PUD for Rocky Reach Dam.

Sheriff Donation: A separate fund to account for donations to the Sheriff.

Local Law Enforcement Block Grant: A fund to account for this grant receipts and expenditures.

Farm Worker Housing: A fund used to account for the activities for the housing of farm workers at the County's Wenatchee River Park.

Pest Control: A fund used to account for the financing of the pest control activities.

Juvenile Donation: A fund established to account for the individual donations for Juvenile programs.

Noxious Weed Control: A fund used to account for monies from Public Works and Current Expense for noxious weed eradication and control.

Emergency Management: A fund used to account for the financing of coordination of emergencies within Chelan County.

911 Communications: A fund used to account for the 911 program funded by the 911 excise tax on the telephone service within Chelan County.

Regional 911: A fund used to account for the establishment of a new regional 911 center.

Law Enforcement Communications: A fund used to upgrade the law enforcement communications system in conjunction with the implementation RiverCom, the new regional dispatch agency.

Parent Education: A fund used to account for the operation of a divorce support program that is court mandated if children are involved.

Cashmere-Dryden Airport: The fund used to account for the financing of operation of Cashmere-Dryden Airport.

Law Library: A fund used to account for the operation and the upkeep of the Chelan County Law Library.

Veteran's Relief: A fund used to finance emergency financial assistance to veterans and their survivors.

Mental Health & Retardation: A fund used to account for the financing of the County program for mental health and retardation.

Housing Authority: A fund established to reflect the collection of a specific fee that is to be used for the operation and maintenance of low-income housing projects.

Treasurer's Operation & Maintenance: A fund used to account for the Treasurer's fees and costs from sale of foreclosed properties.

Tourist & Convention Fund: A fund used to account for the sales and excise tax on the hotel and motel revenues within Chelan County.

Community Visioning Fund: A fund used to account for the donations and other revenue used to form a vision and plan jointly for the Chelan and Douglas County areas.

Election Reserve Fund: A fund used to account for the financing of the election equipment replacement as mandated by the state statute.

GIS Mapping & Reserve: A fund used to account for expenses on programming and setup of a GIS mapping system.

Natural Resources Program: A fund used to account for the grant revenue and expenditures regarding the natural resources program.

Regional Jail Education: A fund used to account for the grant received from the state for the education of the prisoners.

Forest Title III: A fund used to account for the forest title III monies received from the state.

Distressed Counties Tax Fund: A fund used to account for monies collected from the sales and use tax allocated to "distressed and rural" counties.

NONMAJOR CAPITAL PROJECTS FUNDS

Capital Project Funds are established to account for the financial resources used for the acquisition or construction of major capital facilities. Both revenues and expenditures are budgeted in compliance with procedures established in the Revised Code of Washington 36.40. Modified accrual basis of accounting is applied.

REET I: A fund used to account for the first quarter percent real estate excise tax revenues.

REET II: A fund used to account for the second quarter percent real estate excise tax revenues.

NONMAJOR DEBT SERVICE FUND

Debt Service Funds are established to account for the monies accumulated for both the principals and interests on Chelan County debts.

Juvenile Building Debt Fund: A fund used to accumulate monies for principal and interest on the general obligation debt that will be issued to finance the construction of the new Juvenile detention facility.

CHELAN COUNTY, WASHINGTON

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2003

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund - Juvenile Building Debt | Nonmajor Capital Project Funds | Total |
|--------------------------------------|---|--|---|------------------|
| ASSETS | | | | |
| Cash and Cash Equivalents | 2,557,835 | - | 93,663 | 2,651,498 |
| Investments | 2,850,368 | 1,594,319 | 1,917,806 | 6,362,493 |
| Accounts Receivable | 10,967 | - | - | 10,967 |
| Taxes Receivable | 8,463 | - | - | 8,463 |
| Interest Receivable | 2,367 | 264 | 2,040 | 4,671 |
| Due from Other Funds | 46,395 | - | - | 46,395 |
| Interfund Loans | 25,000 | - | - | 25,000 |
| Due from Other Governments | 74,318 | - | - | 74,318 |
| Total assets | <u>5,575,714</u> | <u>1,594,582</u> | <u>2,013,509</u> | <u>9,183,806</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts Payable | 321,609 | - | 4,561 | 326,169 |
| Due to Other Funds | 140,587 | - | 3,016 | 143,603 |
| Interfund Loan Payable | 45,000 | - | - | 45,000 |
| Other Accrued Liabilities | 39,470 | - | - | 39,470 |
| Other Payables/Deferred Revenue | 8,463 | - | - | 8,463 |
| Total Liabilities | <u>555,129</u> | <u>-</u> | <u>7,576</u> | <u>562,706</u> |
| Fund balances: | | | | |
| Reserved for: | | | | |
| Debt Service | - | 1,594,582 | - | 1,594,582 |
| Unreserved, reported in nonmajor: | 5,020,585 | - | 2,005,933 | 7,026,518 |
| Total fund balances | <u>5,020,585</u> | <u>1,594,582</u> | <u>2,005,933</u> | <u>8,621,100</u> |
| Total liabilities and fund balances | <u>5,575,714</u> | <u>1,594,582</u> | <u>2,013,509</u> | <u>9,183,806</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2003

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund - Juvenile Building Debt Fund | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|--------------------------------------|---|---------------------------------------|---|
| REVENUES | | | | |
| Taxes | 1,720,064 | 1,120,377 | 845,782 | 3,686,223 |
| Intergovernmental Revenues | 1,638,535 | - | - | 1,638,535 |
| Charges for Services | 631,486 | - | - | 631,486 |
| Fees and Fines | 4,486 | - | - | 4,486 |
| Miscellaneous | 364,787 | 17,886 | 22,328 | 405,002 |
| Total Revenues | <u>4,359,357</u> | <u>1,138,263</u> | <u>868,110</u> | <u>6,365,730</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | 111,670 | - | - | 111,670 |
| Security of Persons & Property | 791,310 | - | - | 791,310 |
| Utilities and Environment | 1,449,578 | - | - | 1,449,578 |
| Transportation | 86,453 | - | - | 86,453 |
| Economic Environment | 728,147 | - | - | 728,147 |
| Mental & Physical Health | 87,027 | - | - | 87,027 |
| Culture & Recreation | 181,765 | - | - | 181,765 |
| Debt Service: | | | | |
| Principal | 225,000 | 1,975,000 | 57,971 | 2,257,971 |
| Interest and Other Charges | 340,412 | 232,623 | 22,030 | 595,066 |
| Capital Outlay | 105,598 | - | 496,994 | 602,592 |
| Total Expenditures | <u>4,106,961</u> | <u>2,207,623</u> | <u>576,995</u> | <u>6,891,580</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>252,396</u> | <u>(1,069,360)</u> | <u>291,115</u> | <u>(525,849)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds From Sale of Capital Assets | 1,434 | - | - | 1,434 |
| Transfers In | 195,019 | - | - | 195,019 |
| Transfers Out | (56,416) | - | - | (56,416) |
| Total Other Financing Sources and Uses | <u>140,036</u> | <u>-</u> | <u>-</u> | <u>140,036</u> |
| Net Change in Fund Balances | <u>392,433</u> | <u>(1,069,360)</u> | <u>291,115</u> | <u>(385,813)</u> |
| Fund Balances - Beginning | <u>4,628,153</u> | <u>2,663,943</u> | <u>1,714,819</u> | <u>9,006,915</u> |
| Fund Balances - Ending | <u>5,020,585</u> | <u>1,594,582</u> | <u>2,005,933</u> | <u>8,621,100</u> |

The notes to the financial statements are an integral part of this statement.

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Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2003

| | Paths & Trails | Drug Enforcement Reserve | Financial Management Reserve | Auditor's O&M | ORV Educational & Enforcement |
|--|-------------------------------|---|---|------------------------------|--|
| ASSETS | | | | | |
| Cash and Cash Equivalents | 876 | 19,473 | - | 200 | 97,482 |
| Investments | 19,559 | 29,141 | - | 124,956 | - |
| Accounts Receivable | - | - | - | - | - |
| Taxes Receivable | - | - | - | - | - |
| Interest Receivable | 17 | - | - | 111 | - |
| Due from Other Funds | - | - | - | - | - |
| Interfund Loans Receivable | - | - | - | - | - |
| Due from Other Governments | - | - | - | - | - |
| Total assets | 20,452 | 48,614 | - | 125,268 | 97,482 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts Payable | - | - | - | 1,652 | 127 |
| Due to Other Funds | - | 14 | - | 15,640 | 526 |
| Interfund Loan Payable | - | - | - | - | - |
| Other Accrued Liabilities | - | - | - | 1,245 | (254) |
| Other Payables/Deferred Revenue | - | - | - | - | - |
| Total Liabilities | - | 14 | - | 18,537 | 399 |
| Fund balances: | | | | | |
| Unreserved, reported in nonmajor: | 20,452 | 48,600 | - | 106,731 | 97,082 |
| Total fund balances | 20,452 | 48,600 | - | 106,731 | 97,082 |
| Total liabilities and fund balances | 20,452 | 48,614 | - | 125,268 | 97,482 |

The notes to the financial statements are an integral part of this statement.

| Boating Safety | Ohme Gardens | PUD Dam Security | Sheriff Donation | Local Law Enforcement Block Grant | Farm Worker Housing | Pest Control Internship Program | Juvenile Donation | Noxious Weed Control |
|---------------------------|-------------------------|-----------------------------|-----------------------------|--|------------------------------------|--|------------------------------|-------------------------------------|
| 95,587 | 1,304 | - | 15,039 | - | 98,147 | 7,952 | 972 | 76,563 |
| - | 111,903 | - | - | 18,492 | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | 78 | - | - | 16 | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| <u>95,587</u> | <u>113,285</u> | <u>-</u> | <u>15,039</u> | <u>18,508</u> | <u>98,147</u> | <u>7,952</u> | <u>972</u> | <u>76,563</u> |
| - | 445 | - | - | - | 9,941 | (62) | - | 20,255 |
| 82 | 743 | - | - | - | 1,746 | 62 | - | 4,062 |
| - | - | - | - | - | 20,000 | - | - | - |
| - | 6,547 | - | - | - | - | - | - | 7,661 |
| - | - | - | - | - | - | - | - | - |
| <u>82</u> | <u>7,735</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>31,686</u> | <u>-</u> | <u>-</u> | <u>31,977</u> |
| <u>95,505</u> | <u>105,551</u> | <u>-</u> | <u>15,039</u> | <u>18,508</u> | <u>66,460</u> | <u>7,952</u> | <u>972</u> | <u>44,586</u> |
| <u>95,505</u> | <u>105,551</u> | <u>-</u> | <u>15,039</u> | <u>18,508</u> | <u>66,460</u> | <u>7,952</u> | <u>972</u> | <u>44,586</u> |
| <u>95,587</u> | <u>113,285</u> | <u>-</u> | <u>15,039</u> | <u>18,508</u> | <u>98,147</u> | <u>7,952</u> | <u>972</u> | <u>76,563</u> |

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2003

| | Emergency Management | 911 Communi- cations | Reg. 911 | Law Enforcement Communi- cations | Parent Education | Cashmere- Dryden Airport |
|--------------------------------------|---------------------------------|-------------------------------------|---------------------|---|-----------------------------|---|
| ASSETS | | | | | | |
| Cash and Cash Equivalents | 250 | - | - | 31,439 | 10,682 | 1,019 |
| Investments | 19,192 | 330,691 | - | - | - | 19,416 |
| Accounts Receivable | - | - | - | 3,225 | - | - |
| Taxes Receivable | - | - | - | - | - | - |
| Interest Receivable | 13 | 271 | - | - | - | 17 |
| Due from Other Funds | 23,860 | 6,045 | - | - | - | - |
| Interfund Loans Receivable | - | - | - | 25,000 | - | - |
| Due from Other Governments | 17,936 | - | - | 1,200 | 78 | - |
| Total assets | <u>61,251</u> | <u>337,007</u> | <u>-</u> | <u>60,864</u> | <u>10,760</u> | <u>20,452</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts Payable | 42 | 20,490 | - | - | 3,640 | 110 |
| Due to Other Funds | 820 | - | - | - | 383 | 221 |
| Interfund Loan Payable | 25,000 | - | - | - | - | - |
| Accrued Wages and Benefits | 7,585 | - | - | - | 361 | 549 |
| Other Payables/Deferred Revenue | - | - | - | - | - | - |
| Total Liabilities | <u>33,447</u> | <u>20,490</u> | <u>-</u> | <u>-</u> | <u>4,385</u> | <u>880</u> |
| Fund balances: | | | | | | |
| Unreserved, reported in nonmajor: | 27,804 | 316,517 | - | 60,864 | 6,375 | 19,572 |
| Total fund balances | <u>27,804</u> | <u>316,517</u> | <u>-</u> | <u>60,864</u> | <u>6,375</u> | <u>19,572</u> |
| Total liabilities and fund balances | <u>61,251</u> | <u>337,007</u> | <u>-</u> | <u>60,864</u> | <u>10,760</u> | <u>20,452</u> |

The notes to the financial statements are an integral part of this statement.

| Law Library | Veteran's Relief | Mental Health & Retardation | Housing Authority | Treasurer's Operation & Maintenance | Tourist & Convention | Community Visioning | Election Reserve |
|------------------------|-----------------------------|--|------------------------------|--|-------------------------------------|--------------------------------|-----------------------------|
| 22,553 | 2,118 | 1,628 | 85,181 | 8,776 | 90,429 | 11,662 | 0 |
| - | 103,841 | - | - | 105,731 | 22,198 | - | 67,444 |
| - | - | - | - | - | - | - | 8 |
| 1,300 | 2,661 | 4,502 | - | - | - | - | - |
| - | 91 | - | - | 68 | 19 | - | 59 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 21,881 |
| 23,853 | 108,711 | 6,130 | 85,181 | 114,575 | 112,646 | 11,662 | 89,392 |
| 1,091 | 1,712 | 1,329 | 21,398 | - | 12,533 | - | 12,971 |
| 109 | 133 | - | - | - | 400 | - | 6 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 142 |
| 1,300 | 2,661 | 4,502 | - | - | - | - | - |
| 2,500 | 4,506 | 5,831 | 21,398 | - | 12,933 | - | 13,119 |
| 21,353 | 104,204 | 300 | 63,783 | 114,575 | 99,713 | 11,662 | 76,273 |
| 21,353 | 104,204 | 300 | 63,783 | 114,575 | 99,713 | 11,662 | 76,273 |
| 23,853 | 108,711 | 6,130 | 85,181 | 114,575 | 112,646 | 11,662 | 89,392 |

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2003

| | GIS & Mapping Reserve | Natural Resources Program | Regional Jail Education | Forest Title III | Distressed Counties Tax | Total |
|--------------------------------------|--|--|--|-----------------------------|--|------------------|
| ASSETS | | | | | | |
| Cash and Cash Equivalents | 1,025 | 1,432,247 | 1,000 | 444,233 | - | 2,557,835 |
| Investments | 17,882 | - | 2,828 | - | 1,857,093 | 2,850,368 |
| Accounts Receivable | - | 7,735 | - | - | - | 10,967 |
| Taxes Receivable | - | - | - | - | - | 8,463 |
| Interest Receivable | 16 | - | 2 | - | 1,590 | 2,367 |
| Due from Other Funds | - | 16,490 | - | - | - | 46,395 |
| Interfund Loans Receivable | - | - | - | - | - | 25,000 |
| Due from Other Governments | - | 33,223 | - | - | - | 74,318 |
| Total assets | <u>18,922</u> | <u>1,489,694</u> | <u>3,830</u> | <u>444,233</u> | <u>1,858,683</u> | <u>5,575,714</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts Payable | 311 | 13,512 | 237 | - | 199,875 | 321,609 |
| Due to Other Funds | - | 4,292 | 45 | 111,305 | - | 140,587 |
| Interfund Loan Payable | - | - | - | - | - | 45,000 |
| Accrued Wages and Benefits | - | 15,634 | - | - | - | 39,470 |
| Other Payables/Deferred Revenue | - | - | - | - | - | 8,463 |
| Total Liabilities | <u>311</u> | <u>33,438</u> | <u>282</u> | <u>111,305</u> | <u>199,875</u> | <u>555,129</u> |
| Fund balances: | | | | | | |
| Unreserved, reported in nonmajor: | 18,611 | 1,456,256 | 3,549 | 332,927 | 1,658,808 | 5,020,585 |
| Total fund balances | <u>18,611</u> | <u>1,456,256</u> | <u>3,549</u> | <u>332,927</u> | <u>1,658,808</u> | <u>5,020,585</u> |
| Total liabilities and fund balances | <u>18,922</u> | <u>1,489,694</u> | <u>3,830</u> | <u>444,233</u> | <u>1,858,683</u> | <u>5,575,714</u> |

The notes to the financial statements are an integral part of this statement.

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Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 For the Year Ended December 31, 2003

| | Paths & Trails | Drug Enforcement Reserve | Financial Management Reserve | Auditor's O&M | ORV Educational & Enforcement |
|---|-------------------|--------------------------------|------------------------------------|------------------|-------------------------------------|
| REVENUES | | | | | |
| Taxes | - | - | - | - | - |
| Intergovernmental Revenues | 10,445 | - | - | 50,897 | 139,640 |
| Charges for Services | - | - | (7) | 30,947 | - |
| Fees and Fines | - | 4,486 | - | - | - |
| Miscellaneous | 739 | 14,920 | - | 1,045 | - |
| Total Revenues | <u>11,183</u> | <u>19,406</u> | <u>(7)</u> | <u>82,889</u> | <u>139,640</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General Government | - | - | - | 53,364 | - |
| Security of Persons & Property | - | 34,502 | - | - | 135,936 |
| Utilities and Environment | - | - | - | - | - |
| Transportation | 67,000 | - | - | - | - |
| Economic Environment | - | - | - | - | - |
| Mental & Physical Health | - | - | - | - | - |
| Culture & Recreation | - | - | - | - | - |
| Debt Service: | | | | | |
| Principal | - | - | - | - | - |
| Interest and Other Charges | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - |
| Total Expenditures | <u>67,000</u> | <u>34,502</u> | <u>-</u> | <u>53,364</u> | <u>135,936</u> |
| Excess (Deficiency) of Revenues | | | | | |
| Over (Under) Expenditures | <u>(55,817)</u> | <u>(15,096)</u> | <u>(7)</u> | <u>29,525</u> | <u>3,704</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Sale of Capital Assets | - | - | - | - | - |
| Transfers In | - | - | - | - | - |
| Transfers Out | - | - | 49 | - | - |
| Total Other Financing Sources and Uses | <u>-</u> | <u>-</u> | <u>49</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | <u>(55,817)</u> | <u>(15,096)</u> | <u>42</u> | <u>29,525</u> | <u>3,704</u> |
| Fund Balances - Beginning | <u>76,269</u> | <u>63,696</u> | <u>(42)</u> | <u>77,206</u> | <u>93,378</u> |
| Fund Balances - Ending | <u>20,452</u> | <u>48,600</u> | <u>0</u> | <u>106,731</u> | <u>97,082</u> |

The notes to the financial statements are an integral part of this statement.

| Boating Safety | Ohme Gardens | PUD Dam Security | Sheriff Donation | Local Law Enforcement Block Grant | Farm Worker Housing | Pest Control Internship Program | Juvenile Donation | Noxious Weed Control |
|----------------|-----------------|------------------|------------------|-----------------------------------|---------------------|---------------------------------|-------------------|----------------------|
| - | - | - | - | - | - | - | - | - |
| 31,814 | - | - | - | 5,805 | 213,290 | 5,642 | - | 4,500 |
| - | 119,650 | - | - | - | - | - | - | 135,020 |
| - | - | - | - | - | - | - | - | - |
| - | 24,537 | - | 4,705 | 178 | 57,993 | 9,700 | - | - |
| <u>31,814</u> | <u>144,187</u> | <u>-</u> | <u>4,705</u> | <u>5,983</u> | <u>271,283</u> | <u>15,342</u> | <u>-</u> | <u>139,520</u> |
| - | - | - | - | - | - | - | - | - |
| 19,861 | - | - | 2,872 | 4,464 | - | - | - | - |
| - | - | - | - | - | - | 10,328 | - | 177,869 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | 266,657 | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | 157,084 | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| <u>19,861</u> | <u>157,084</u> | <u>-</u> | <u>2,872</u> | <u>4,464</u> | <u>266,657</u> | <u>10,328</u> | <u>-</u> | <u>177,869</u> |
| <u>11,953</u> | <u>(12,898)</u> | <u>-</u> | <u>1,833</u> | <u>1,519</u> | <u>4,626</u> | <u>5,014</u> | <u>-</u> | <u>(38,349)</u> |
| - | - | - | - | - | 1,434 | - | - | - |
| - | 2,000 | - | - | 1,384 | 60,000 | - | 972 | 53,300 |
| - | - | (35,217) | - | - | - | - | - | - |
| <u>-</u> | <u>2,000</u> | <u>(35,217)</u> | <u>-</u> | <u>1,384</u> | <u>61,434</u> | <u>-</u> | <u>972</u> | <u>53,300</u> |
| <u>11,953</u> | <u>(10,898)</u> | <u>(35,217)</u> | <u>1,833</u> | <u>2,903</u> | <u>66,060</u> | <u>5,014</u> | <u>972</u> | <u>14,951</u> |
| <u>83,553</u> | <u>116,448</u> | <u>35,217</u> | <u>13,206</u> | <u>15,606</u> | <u>400</u> | <u>2,938</u> | <u>-</u> | <u>29,636</u> |
| <u>95,505</u> | <u>105,551</u> | <u>-</u> | <u>15,039</u> | <u>18,508</u> | <u>66,460</u> | <u>7,952</u> | <u>972</u> | <u>44,586</u> |

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 For the Year Ended December 31, 2003

| | Emergency Management | 911 Communica- tions | Regional 911 | Law Enforcement Communica- tions | Parent Ed | Cashmere- Dryden Airport |
|---|-------------------------|----------------------------|-----------------|---|----------------|--------------------------------|
| REVENUES | | | | | | |
| Taxes | - | 399,459 | - | - | - | - |
| Intergovernmental Revenues | 58,329 | 197,141 | - | 17,625 | - | - |
| Charges for Services | - | - | - | 25,800 | 16,370 | - |
| Fees and Fines | - | - | - | - | - | - |
| Miscellaneous | 713 | 146,439 | - | 26,989 | 3,978 | 25,494 |
| Total Revenues | <u>59,042</u> | <u>743,039</u> | <u>-</u> | <u>70,414</u> | <u>20,348</u> | <u>25,494</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General Government | - | - | - | - | - | - |
| Security of Persons & Property | 129,028 | 440,206 | - | 23,950 | - | - |
| Utilities and Environment | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | 19,453 |
| Economic Environment | - | - | - | - | - | - |
| Mental & Physical Health | - | - | - | - | - | - |
| Culture & Recreation | - | - | - | - | 24,681 | - |
| Debt Service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest and Other Charges | - | - | - | - | - | - |
| Capital Outlay | - | 100,202 | - | - | - | - |
| Total Expenditures | <u>129,028</u> | <u>540,408</u> | <u>-</u> | <u>23,950</u> | <u>24,681</u> | <u>19,453</u> |
| Excess (Deficiency) of Revenues | | | | | | |
| Over (Under) Expenditures | <u>(69,986)</u> | <u>202,631</u> | <u>-</u> | <u>46,464</u> | <u>(4,333)</u> | <u>6,041</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Sale of Capital Assets | - | - | - | - | - | - |
| Transfers In | 59,906 | 3,057 | - | 14,400 | - | - |
| Transfers Out | (14,400) | - | 5,152 | - | - | - |
| Total Other Financing Sources and Uses | <u>45,506</u> | <u>3,057</u> | <u>5,152</u> | <u>14,400</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | <u>(24,480)</u> | <u>205,689</u> | <u>5,152</u> | <u>60,864</u> | <u>(4,333)</u> | <u>6,041</u> |
| Fund Balances - Beginning | <u>52,284</u> | <u>110,829</u> | <u>(5,152)</u> | <u>-</u> | <u>10,709</u> | <u>13,532</u> |
| Fund Balances - Ending | <u>27,804</u> | <u>316,517</u> | <u>(0)</u> | <u>60,864</u> | <u>6,375</u> | <u>19,572</u> |

The notes to the financial statements are an integral part of this statement.

| Law Library | Veteran's Relief | Mental Health & Retardation | Housing Authority | Treasurer's Operation & Maintenance | Tourist & Convention | Community Visioning | Election Reserve |
|---------------|------------------|-----------------------------|-------------------|-------------------------------------|----------------------|---------------------|------------------|
| 25,165 | 51,606 | 87,327 | - | - | 254,785 | - | - |
| - | - | - | - | - | - | - | - |
| 28,165 | - | - | 134,503 | 22,355 | - | - | 21,697 |
| - | - | - | - | - | - | - | - |
| 1,216 | 1,296 | - | - | 881 | 2,783 | - | 793 |
| <u>54,546</u> | <u>52,902</u> | <u>87,327</u> | <u>134,503</u> | <u>23,236</u> | <u>257,569</u> | <u>-</u> | <u>22,490</u> |
| 42,235 | - | - | - | 1,949 | - | - | 14,121 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | 72,964 | - | 129,498 | - | 250,880 | 3,769 | - |
| - | - | 87,027 | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | 5,396 |
| <u>42,235</u> | <u>72,964</u> | <u>87,027</u> | <u>129,498</u> | <u>1,949</u> | <u>250,880</u> | <u>3,769</u> | <u>19,517</u> |
| <u>12,311</u> | <u>(20,062)</u> | <u>300</u> | <u>5,004</u> | <u>21,287</u> | <u>6,688</u> | <u>(3,769)</u> | <u>2,973</u> |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | (12,000) | - | - |
| - | - | - | - | - | (12,000) | - | - |
| <u>12,311</u> | <u>(20,062)</u> | <u>300</u> | <u>5,004</u> | <u>21,287</u> | <u>(5,312)</u> | <u>(3,769)</u> | <u>2,973</u> |
| <u>9,042</u> | <u>124,266</u> | <u>-</u> | <u>58,778</u> | <u>93,288</u> | <u>105,025</u> | <u>15,431</u> | <u>73,300</u> |
| <u>21,353</u> | <u>104,204</u> | <u>300</u> | <u>63,783</u> | <u>114,575</u> | <u>99,713</u> | <u>11,662</u> | <u>76,273</u> |

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 For the Year Ended December 31, 2003

| | GIS & Mapping Reserve | Natural Resources Program | Regional Jail Education | Forest Title III | Distressed Counties Tax | Total |
|---|-----------------------------|---------------------------------|-------------------------------|---------------------|-------------------------------|------------------|
| REVENUES | | | | | | |
| Taxes | - | - | - | - | 901,721 | 1,720,064 |
| Intergovernmental Revenues | - | 517,914 | - | 385,493 | - | 1,638,535 |
| Charges for Services | 45 | 96,941 | - | - | - | 631,486 |
| Fees and Fines | - | - | - | - | - | 4,486 |
| Miscellaneous | 204 | 23,455 | 34 | - | 16,697 | 364,787 |
| Total Revenues | <u>249</u> | <u>638,310</u> | <u>34</u> | <u>385,493</u> | <u>918,418</u> | <u>4,359,357</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General Government | - | - | - | - | - | 111,670 |
| Security of Persons & Property | - | - | 491 | - | - | 791,310 |
| Utilities and Environment | - | 763,405 | - | 497,976 | - | 1,449,578 |
| Transportation | - | - | - | - | - | 86,453 |
| Economic Environment | 311 | - | - | - | 4,068 | 728,147 |
| Mental & Physical Health | - | - | - | - | - | 87,027 |
| Culture & Recreation | - | - | - | - | - | 181,765 |
| Debt Service: | | | | | | |
| Principal | - | - | - | - | 225,000 | 225,000 |
| Interest and Other Charges | - | - | - | - | 340,412 | 340,412 |
| Capital Outlay | - | - | - | - | - | 105,598 |
| Total Expenditures | <u>311</u> | <u>763,405</u> | <u>491</u> | <u>497,976</u> | <u>569,480</u> | <u>4,106,961</u> |
| Excess (Deficiency) of Revenues | | | | | | |
| Over (Under) Expenditures | <u>(62)</u> | <u>(125,095)</u> | <u>(458)</u> | <u>(112,482)</u> | <u>348,938</u> | <u>252,396</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Sale of Capital Assets | - | - | - | - | - | 1,434 |
| Transfers In | - | - | - | - | - | 195,019 |
| Transfers Out | - | - | - | - | - | (56,416) |
| Total Other Financing Sources and Uses | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>140,036</u> |
| Net Change in Fund Balances | <u>(62)</u> | <u>(125,095)</u> | <u>(458)</u> | <u>(112,482)</u> | <u>348,938</u> | <u>392,433</u> |
| Fund Balances - Beginning | <u>18,674</u> | <u>1,581,351</u> | <u>4,006</u> | <u>445,410</u> | <u>1,309,870</u> | <u>4,628,153</u> |
| Fund Balances - Ending | <u>18,611</u> | <u>1,456,256</u> | <u>3,549</u> | <u>332,927</u> | <u>1,658,808</u> | <u>5,020,585</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2003

| | R.E.E.T. 1 CAPITAL IMPROVEMENT FUND | R.E.E.T. 2 CAPITAL IMPROVEMENT FUND | Total |
|--------------------------------------|--|--|------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | 48,457 | 45,206 | 93,663 |
| Investments | 198,927 | 1,718,879 | 1,917,806 |
| Interest Receivable | 207 | 1,833 | 2,040 |
| Total assets | <u>247,591</u> | <u>1,765,918</u> | <u>2,013,509</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts Payable | 4,561 | - | 4,561 |
| Due to Other Funds | 1,656 | 1,360 | 3,016 |
| Total Liabilities | <u>6,216</u> | <u>1,360</u> | <u>7,576</u> |
| Fund balances: | | | |
| Unreserved, reported in nonmajor: | <u>241,375</u> | <u>1,764,558</u> | <u>2,005,933</u> |
| Total fund balances | <u>241,375</u> | <u>1,764,558</u> | <u>2,005,933</u> |
| Total liabilities and fund balances | <u>247,591</u> | <u>1,765,918</u> | <u>2,013,509</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003

| | R.E.E.T. 1 CAPITAL IMPROVEMENT FUND | R.E.E.T. 2 CAPITAL IMPROVEMENT FUND | Total |
|--|--|--|------------------|
| REVENUES | | | |
| Taxes | 422,905 | 422,877 | 845,782 |
| Miscellaneous | 1,004 | 21,325 | 22,328 |
| Total Revenues | <u>423,909</u> | <u>444,201</u> | <u>868,110</u> |
| EXPENDITURES | | | |
| Debt Service: | | | |
| Principal | 57,971 | - | 57,971 |
| Interest and Other Charges | 22,030 | - | 22,030 |
| Capital Outlay | 182,699 | 314,295 | 496,994 |
| Total Expenditures | <u>262,700</u> | <u>314,295</u> | <u>576,995</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>161,209</u> | <u>129,906</u> | <u>291,115</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Total Other Financing Sources and Uses | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | <u>161,209</u> | <u>129,906</u> | <u>291,115</u> |
| Fund Balances - Beginning | <u>80,167</u> | <u>1,634,652</u> | <u>1,714,819</u> |
| Fund Balances - Ending | <u>241,375</u> | <u>1,764,558</u> | <u>2,005,933</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Description of Nonmajor Enterprise Funds

NONMAJOR ENTERPRISE FUNDS

Enterprise Funds are funds used to account for the operations that are financed and operated in a manner similar to private business enterprises, where the intent of the County is to recover the costs of goods and services provided to the public through user charges. The full accrual basis of accounting is applied.

Solid Waste Planning: A fund used to account for the grants received from the state for the planning of waste disposal.

Wenatchee River County Park: A fund used to account for the operations of the Wenatchee River County Park.

Fair Fund: A fund to account for the operations of the Chelan County Fair as an economic agent for the County.

Public Education: A fund to account for the sale of educational materials from the Cooperative Extension Office.

CHELAN COUNTY, WASHINGTON

Combining Statement of Net Assets
 Nonmajor Enterprise Funds
 December 31, 2003

| | Solid Waste Planning | Wenatchee River County Park | Fair | Public Education | Total Nonmajor Enterprise Funds |
|---|-------------------------------------|--|----------------|-----------------------------|--|
| ASSETS | | | | | |
| Current Assets: | | | | | |
| Cash and Cash Equivalents | 79,003 | 51,074 | 20,907 | 14,314 | 165,298 |
| Deposits with Fiscal Agents/Trustees | - | - | - | - | - |
| Investments | 176,746 | - | - | - | 176,746 |
| Accounts Receivable | - | - | - | - | - |
| Interest Receivable | 153 | - | 1 | - | 154 |
| Due from Other Funds | 11,025 | 2,010 | 2,825 | - | 15,860 |
| Due from Other Governments | 12,800 | - | - | - | 12,800 |
| Total Current Assets | 279,727 | 53,084 | 23,733 | 14,314 | 370,858 |
| Noncurrent Assets: | | | | | |
| Capital Assets: (Net of Accumulated Depreciation) | | | | | |
| Equipment | 340,059 | 6,000 | 82,693 | - | 428,751 |
| Land and Improvements | - | - | - | - | - |
| Buildings | 88,981 | - | 49,927 | - | 138,908 |
| Total Noncurrent Assets | 429,040 | 6,000 | 132,620 | - | 567,660 |
| Total Assets | 708,767 | 59,084 | 156,353 | 14,314 | 938,518 |
| LIABILITIES | | | | | |
| Liabilities: | | | | | |
| Current Liabilities: | | | | | |
| Accounts Payable | 112,734 | 583 | 2,309 | 73 | 115,700 |
| Due to Other Funds | 775 | 564 | 3,006 | 513 | 4,858 |
| Interfund Loan Payable | - | 6,000 | 49,759 | - | 55,759 |
| Due to Other Governments | - | - | - | - | - |
| Other Accrued Liabilities | 2,807 | 2,356 | 9,621 | 1,633 | 16,417 |
| Total Current Liabilities | 116,315 | 9,503 | 64,696 | 2,220 | 192,734 |
| Noncurrent Liabilities: | | | | | |
| Compensated Absences | 5,454 | - | - | 94 | 5,548 |
| Leases Payable | - | - | 12,667 | - | 12,667 |
| Total Noncurrent Liabilities | 5,454 | - | 12,667 | 94 | 18,215 |
| Total Liabilities | 121,770 | 9,503 | 77,363 | 2,314 | 210,949 |
| NET ASSETS | | | | | |
| Invested in Capital Assets, net of related debt | 316,103 | - | 119,953 | - | 436,055 |
| Unrestricted | 270,894 | 49,581 | (40,963) | 12,000 | 291,513 |
| Total Net Assets | 586,997 | 49,581 | 78,990 | 12,000 | 727,568 |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Combining Statement of Revenues, Expenses, and Changes in Net Assets
 Nonmajor Enterprise Funds
 For the Year Ending December 31, 2003

| | Solid Waste Planning | Wenatchee River County Park | Fair | Public Education | Total |
|---|---------------------------------|--|-----------------|-----------------------------|-----------------|
| OPERATING REVENUES | | | | | |
| Intergovernmental Revenues | 109,922 | - | 41,996 | - | 151,918 |
| Charges for Services | 120,600 | 5,168 | 134,701 | 7,654 | 268,123 |
| Miscellaneous | (2,504) | 139,468 | 146,217 | 14,016 | 297,197 |
| Total Revenues | <u>228,018</u> | <u>144,636</u> | <u>322,914</u> | <u>21,670</u> | <u>717,238</u> |
| OPERATING EXPENSES | | | | | |
| Salaries | 24,442 | 60,372 | 136,441 | 1,591 | 222,847 |
| Personnel Benefits | 5,198 | 27,528 | 51,429 | 636 | 84,791 |
| Supplies | 1,013 | 13,956 | 25,044 | 16,566 | 56,580 |
| Other Services & Charges | 162,241 | 29,971 | 110,179 | - | 302,390 |
| Intergovernmental/Interfund Services & Taxes | 96 | 350 | 3,207 | - | 3,653 |
| Interfund Payments for Services | 6,021 | 2,878 | 24,463 | 53 | 33,414 |
| Depreciation | 34,874 | - | 15,044 | - | 49,918 |
| Total Operating Expenses | <u>233,886</u> | <u>135,055</u> | <u>365,806</u> | <u>18,846</u> | <u>753,593</u> |
| Operating Income (Loss) | <u>(5,868)</u> | <u>9,581</u> | <u>(42,892)</u> | <u>2,823</u> | <u>(36,355)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Interest & Investment Revenue | 1,640 | - | 154 | - | 1,794 |
| Debt Service | - | - | 17,820 | - | 17,820 |
| Proceeds From Sale of Capital Assets | 8,243 | - | 3,452 | - | 11,695 |
| Total Nonoperating Revenues (Expenses) | <u>9,883</u> | <u>-</u> | <u>21,426</u> | <u>-</u> | <u>31,309</u> |
| Income (Loss) Before Contributions and Transfers | <u>4,015</u> | <u>9,581</u> | <u>(21,466)</u> | <u>2,823</u> | <u>(5,046)</u> |
| Transfers In | - | 40,000 | 10,000 | - | 50,000 |
| Other Nonrevenues | 800 | - | - | - | 800 |
| Change in Net Assets | <u>4,815</u> | <u>49,581</u> | <u>(11,466)</u> | <u>2,823</u> | <u>45,754</u> |
| Total Net Assets-Beginning | <u>582,182</u> | <u>-</u> | <u>90,455</u> | <u>9,177</u> | <u>681,814</u> |
| Total Net Assets-Ending | <u>586,997</u> | <u>49,581</u> | <u>78,990</u> | <u>12,000</u> | <u>727,568</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Combining Statement of Cash Flows
 Nonmajor Enterprise Funds
 For the Year Ended December 31, 2003

| | Solid Waste Planning | Wenatchee River County Park | Fair | Public Education | Total |
|---|---------------------------------|--|-----------------|-----------------------------|-----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Cash Received From Customers and Users | 204,993 | 142,626 | 325,813 | 21,670 | 695,102 |
| Cash Payments to Suppliers | (59,501) | (46,008) | (159,548) | (16,058) | (281,115) |
| Cash Payments to Employees and Retirees | (28,393) | (85,544) | (188,508) | (500) | (302,946) |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | 117,099 | 11,074 | (22,244) | 5,112 | 111,041 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Proceeds From Interfund Loans | - | - | 20,000 | - | 20,000 |
| Principal and Interest Paid on Noncapital Debt | - | - | (4,936) | - | (4,936) |
| Transfers-In | - | 40,000 | 10,000 | - | 50,000 |
| Other Non-Operating Receipts | 800 | - | 741 | - | 1,541 |
| NET CASH PROVIDED (USED) NONCAPITAL FINANCING ACT | 800 | 40,000 | 25,805 | - | 66,605 |
| CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES | | | | | |
| Proceeds From Sale of Equipment | 8,243 | - | 3,452 | - | 11,695 |
| Acquisition and Construction of Capital Assets | - | - | - | - | - |
| NET CASH PROVIDED (USED) CAPITAL FINANCING ACTIVITY | 8,243 | - | 3,452 | - | 11,695 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Net Investment Activity | (48,803) | - | 5,729 | - | (43,074) |
| Interest on Investments | 1,664 | - | 164 | - | 1,828 |
| NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES | (47,139) | - | 5,893 | - | (41,246) |
| NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS | 79,003 | 51,074 | 12,906 | 5,112 | 148,095 |
| CASH AND CASH EQUIVALENTS, JANUARY 1 | - | - | 8,001 | 9,202 | 17,203 |
| CASH AND CASH EQUIVALENTS, DECEMBER 31 | 79,003 | 51,074 | 20,907 | 14,314 | 165,298 |

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET
CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

| | | | | | |
|---|----------------|---------------|-----------------|--------------|----------------|
| Operating Income (Loss) | (5,868) | 9,581 | (42,892) | 2,823 | (36,355) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash provided (Used) Operating Activities: | | | | | |
| Depreciation & amortization of Deferred Charge | 34,874 | - | 15,044 | - | 49,918 |
| (Increase) Decrease in Due From Other Funds/Gov | (23,025) | (2,010) | 2,899 | - | (22,137) |
| Increase (Decrease) in Vouchers/Contracts Payable | 109,227 | 583 | 3,221 | 48 | 113,080 |
| Increase (Decrease) in Due to Other Funds/Gov | 643 | 564 | 123 | 513 | 1,843 |
| Increase (Decrease) in Payables/Other Liabilities | 1,070 | 2,356 | (638) | 1,633 | 4,421 |
| Increase (Decrease) in Accrued Emp Leave Benefits | 177 | - | - | 94 | 271 |
| Total Adjustments | <u>122,967</u> | <u>1,493</u> | <u>20,648</u> | <u>2,288</u> | <u>147,396</u> |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | <u>117,099</u> | <u>11,074</u> | <u>(22,244)</u> | <u>5,112</u> | <u>111,041</u> |

The notes to the financial statements are an integral part of this statement.

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CHELAN COUNTY, WASHINGTON

Description of Internal Service Funds

INTERNAL SERVICE FUNDS

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

Equipment Rental and Revolving: A fund used to finance the maintenance and operations of equipment used by County Roads and to finance and control material inventory used in the construction and maintenance of County roads.

Industrial Insurance Fund: A self-insurance fund used to finance injured worker's compensation claims against Chelan County.

Health Insurance Fund: A self-insurance fund used to finance the medical and dental claims and premiums of Chelan County employees.

Unemployment Insurance Fund: A self-insurance fund used to finance unemployment claim settlements and decisions against Chelan County by former employees.

Insurance Administration and Purchasing Fund: A self-insurance fund used to finance the uninsured liability claims and deductible portions of insured liability claims against the County.

CHELAN COUNTY, WASHINGTON

Combining Statement of Net Assets
Internal Service Funds
December 31, 2003

| | <u>Equipment Rental & Revolving</u> | <u>Industrial Insurance</u> | <u>Health Insurance</u> | <u>Unemploy. Comp.</u> | <u>Insurance Admin & Purchasing</u> | <u>Total</u> |
|--|---|---------------------------------|-----------------------------|----------------------------|---|-------------------|
| ASSETS | | | | | | |
| Current Assets: | | | | | | |
| Cash and Cash Equivalents | 5,633,450 | - | 20,579 | 0 | 3,000 | 5,657,029 |
| Deposits with Fiscal Agents/Trustees | - | 38,800 | - | - | - | 38,800 |
| Investments | - | 101,746 | 100,928 | 355,985 | 190,374 | 749,034 |
| Interest Receivable | - | 93 | 91 | 304 | 173 | 661 |
| Due from Other Funds | 369,823 | - | - | - | 84,488 | 454,310 |
| Interfund Loan Receivable | 6,000 | - | - | - | - | 6,000 |
| Due from Other Governments | 31,668 | - | - | - | - | 31,668 |
| Inventory | 677,407 | - | - | - | - | 677,407 |
| Total Current Assets | 6,718,348 | 140,639 | 121,598 | 356,290 | 278,035 | 7,614,909 |
| Noncurrent Assets: | | | | | | |
| Capital Assets: (Net of Accumulated Depreciation) | | | | | | |
| Equipment | 5,324,670 | - | - | - | - | 5,324,670 |
| Buildings | 50,693 | - | - | - | - | 50,693 |
| Total Noncurrent Assets | 5,375,363 | - | - | - | - | 5,375,363 |
| Total Assets | 12,093,710 | 140,639 | 121,598 | 356,290 | 278,035 | 12,990,272 |
| LIABILITIES | | | | | | |
| Liabilities: | | | | | | |
| Current Liabilities: | | | | | | |
| Accounts Payable | 58,403 | 26,516 | - | - | - | 84,919 |
| Due to Other Funds | 18,348 | 1,210 | - | 113 | 85,059 | 104,730 |
| Other Accrued Liabilities | 48,506 | - | - | - | - | 48,506 |
| Total Current Liabilities | 125,258 | 27,725 | - | 113 | 85,059 | 238,155 |
| Noncurrent Liabilities: | | | | | | |
| Compensated Absences | 42,636 | - | - | - | - | 42,636 |
| Lease Purchases | 258,483 | - | - | - | - | 258,483 |
| Total Noncurrent Liabilities | 301,120 | - | - | - | - | 301,120 |
| Total Liabilities | 426,377 | 27,725 | - | 113 | 85,059 | 539,275 |
| NET ASSETS | | | | | | |
| Invested in Capital Assets, Net of Related Debt | 5,116,879 | - | - | - | - | 5,116,879 |
| Unrestricted | 6,550,454 | 112,914 | 121,598 | 356,176 | 192,976 | 7,334,118 |
| Total Net Assets | 11,667,333 | 112,914 | 121,598 | 356,176 | 192,976 | 12,450,998 |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Combining Statement of Revenues, Expenses, and Changes in Net Assets

Internal Service Funds

For the Year Ending December 31, 2003

| | Equipment Rental & Revolving | Industrial Insurance | Health Insurance | Unemployment Compensation | Insurance Admin & Purchasing | Total |
|---|---|---------------------------------|-----------------------------|--------------------------------------|---|-------------------|
| OPERATING REVENUES | | | | | | |
| Charges for Services | 491,284 | 394,141 | 1,554,798 | 109,748 | - | 2,549,971 |
| Miscellaneous | 1,625,929 | 43,925 | 1,822,034 | - | 729,409 | 4,221,297 |
| Total Operating Revenues | <u>2,117,213</u> | <u>438,066</u> | <u>3,376,832</u> | <u>109,748</u> | <u>729,409</u> | <u>6,771,268</u> |
| OPERATING EXPENSES | | | | | | |
| Salaries | 464,874 | - | - | - | - | 464,874 |
| Personnel Benefits | 108,850 | - | - | - | - | 108,850 |
| Supplies | 991,426 | - | - | - | - | 991,426 |
| Other Services & Charges | 165,908 | 395,448 | 3,269,627 | 65,959 | 631,570 | 4,528,512 |
| Interfund Payments for Services | 91,767 | 2,419 | - | 453 | 4,704 | 99,343 |
| Depreciation | 1,096,646 | - | - | - | - | 1,096,646 |
| Total Operating Expenses | <u>2,919,470</u> | <u>397,867</u> | <u>3,269,627</u> | <u>66,412</u> | <u>636,274</u> | <u>7,289,650</u> |
| Operating Income (Loss) | <u>(802,257)</u> | <u>40,198</u> | <u>107,205</u> | <u>43,336</u> | <u>93,136</u> | <u>(518,382)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | | | |
| Interest & Investment Revenue | - | 407 | 1,013 | 3,704 | 4,074 | 9,198 |
| Debt Service | (12,558) | - | - | - | - | (12,558) |
| Proceeds From Sale of Capital Assets | 168,122 | - | - | - | - | 168,122 |
| Total Nonoperating Revenues (Expenses) | <u>155,564</u> | <u>407</u> | <u>1,013</u> | <u>3,704</u> | <u>4,074</u> | <u>164,761</u> |
| Income (Loss) Before Contributions and Transfers | <u>(646,694)</u> | <u>40,605</u> | <u>108,218</u> | <u>47,040</u> | <u>97,209</u> | <u>(353,621)</u> |
| Transfers Out | - | - | (62,161) | - | - | (62,161) |
| Capital Contributions | 25,212 | - | - | - | - | 25,212 |
| Other Nonrevenues | 656,968 | - | - | - | - | 656,968 |
| Change in Net Assets | <u>35,486</u> | <u>40,605</u> | <u>46,058</u> | <u>47,040</u> | <u>97,209</u> | <u>266,398</u> |
| Total Net Assets - Beginning | 11,679,157 | 72,309 | 75,541 | 309,136 | 95,767 | 12,231,910 |
| Prior Period Adjustment | (47,310) | - | - | - | - | (47,310) |
| Total Net Assets - Beginning, Restated | 11,631,847 | 72,309 | 75,541 | 309,136 | 95,767 | 12,184,600 |
| Total Net Assets - Ending | <u>11,667,333</u> | <u>112,914</u> | <u>121,598</u> | <u>356,176</u> | <u>192,976</u> | <u>12,450,998</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended December 31, 2003

| | <u>Equipment Rental & Revolving</u> | <u>Industrial Insurance</u> | <u>Health Insurance</u> | <u>Unemploy. Comp.</u> | <u>Insurance Admin & Purchasing</u> | <u>Total</u> |
|---|---|---------------------------------|-----------------------------|----------------------------|---|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | | |
| Cash Received From Customers and Users | 2,191,535 | 438,066 | 3,376,832 | 109,748 | 644,922 | 6,761,102 |
| Cash Payments to Suppliers | (1,280,879) | (386,017) | (3,296,525) | (66,298) | (568,426) | (5,598,145) |
| Cash Payments to Employees and Retirees | (492,746) | - | - | - | - | (492,746) |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | <u>417,910</u> | <u>52,048</u> | <u>80,307</u> | <u>43,449</u> | <u>76,496</u> | <u>670,211</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | | |
| Operating Transfers- Other Funds | - | - | (62,161) | - | - | (62,161) |
| Other Non-Operating Receipts | 656,968 | - | - | - | - | 656,968 |
| NET CASH PROVIDED (USED) NONCAPITAL FINANCING ACT | <u>656,968</u> | <u>-</u> | <u>(62,161)</u> | <u>-</u> | <u>-</u> | <u>594,807</u> |
| CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES | | | | | | |
| Proceeds From Sale of Equipment | 168,122 | - | - | - | - | 168,122 |
| Acquisition and Construction of Capital Assets | (1,702,831) | - | - | - | - | (1,702,831) |
| Principal and Interest Payments for Capital Debt | (12,558) | - | - | - | - | (12,558) |
| Capital Contributions | 25,212 | - | - | - | - | 25,212 |
| NET CASH PROVIDED (USED) CAPITAL FINANCING ACTIVITY | <u>(1,522,055)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(1,522,055)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| Net Investment Activity | 6,073,352 | (101,746) | (8,800) | (47,297) | (80,528) | 5,834,980 |
| Interest on Investments | 7,275 | 314 | 1,022 | 3,758 | 4,031 | 16,400 |
| NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES | <u>6,080,627</u> | <u>(101,432)</u> | <u>(7,778)</u> | <u>(43,539)</u> | <u>(76,497)</u> | <u>5,851,381</u> |
| NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS | <u>5,633,450</u> | <u>(49,384)</u> | <u>10,368</u> | <u>(90)</u> | <u>(1)</u> | <u>5,594,343</u> |
| CASH AND CASH EQUIVALENTS, JANUARY 1 | <u>0</u> | <u>49,384</u> | <u>10,210</u> | <u>90</u> | <u>3,001</u> | <u>62,685</u> |
| CASH AND CASH EQUIVALENTS, DECEMBER 31 | <u>5,633,450</u> | <u>-</u> | <u>20,579</u> | <u>0</u> | <u>3,000</u> | <u>5,657,029</u> |

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET
CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

| | | | | | | |
|---|------------------|---------------|-----------------|---------------|-----------------|------------------|
| Operating Income (Loss) | (802,257) | 40,198 | 107,205 | 43,336 | 93,136 | (518,382) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash provided (Used) Operating Activities: | | | | | | |
| Depreciation & amortization of Deferred Charge | 1,096,646 | - | - | - | - | 1,096,646 |
| (Increase) Decrease in Due From Other Funds/Gov | 74,322 | - | - | - | (84,488) | (10,166) |
| (Increase) Decrease in Inventory/Prepaid Expenses | (32,071) | - | - | - | - | (32,071) |
| Increase (Decrease) in Vouchers/Contracts Payable | (17,609) | 10,641 | (26,898) | - | (17,211) | (51,077) |
| Increase (Decrease) in Due to Other Funds/Gov | 17,901 | 1,210 | - | 113 | 85,059 | 104,283 |
| Increase (Decrease) in Payables/Other Liabilities | 70,129 | - | - | - | - | 70,129 |
| Increase (Decrease) in Accrued Emp Leave Benefits | 10,849 | - | - | - | - | 10,849 |
| Total Adjustments | <u>1,220,167</u> | <u>11,850</u> | <u>(26,898)</u> | <u>113</u> | <u>(16,640)</u> | <u>1,188,593</u> |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | <u>417,910</u> | <u>52,048</u> | <u>80,307</u> | <u>43,449</u> | <u>76,496</u> | <u>670,211</u> |

The notes to the financial statements are an integral part of this statement.

CHELAN COUNTY, WASHINGTON

Description of Agency Funds

AGENCY FUNDS

Agency Funds are clearing accounts for assets held by Chelan County in its role as custodian and are often offset by an equal related liability.

Regional Jail Prisoner Fund: Fund established to account for money held by the County in a trustee capacity for the inmates at the Regional Jail. The prisoners spend from this money while in jail and collect the balance upon their release.

County Road Retainage Fund: Fund established to account for the retainage fees deducted from county roads projects payment to the constructors prior to project completion.

Casa Program: Fund established to account for the funding from the state to the CASA Program.

Substance Abuse: Fund used to account for the financing of drug rehabilitation programs, most of which comes through the state.

Infrastructure Improvement Project: Fund established to account for the proceeds from the sale of bonds for construction and installation of projects within the county and the purchase and installation of certain equipment related thereto.

LID 85 - 1: Fund established to keep track of the Local Improvement District Bond and assessments.

Chelan Douglas Health District: Fund established to account for the financing of public health services to county residents. The fund is financed by grants from the state and taxes levied on county residents.

Rivercom Construction: Fund established to keep track the construction costs of the new regional 911 center.

Rivercom Maintenance: Fund established to keep track the operating expenses of the new regional 911 center.

North Central Regional Library: A fund to finance the North Central Regional Library.

NCR Automated Reserve Fund: Fund established to fund the North Central Regional Library Automated Project.

NCR Library Building Reserve: Fund established to fund the North Central Regional Library Building Projects.

NCR Library Payroll Reserve: Fund established to fund the North Central Regional Library Payroll.

Link Arbitrage Rebate Tax: Funds established to account for arbitrage rebate tax.

Link LSTGO Bond 1998: Funds established to account for the 1998 Bond issue.

TV District Number 1: Funds established to account for the collection of assessment for the maintenance of the TV District Number One.

State Funds: Fund established to accumulate all the taxes collected for the State of Washington. These monies are later remitted to the State.

NCESD: Fund established to account for the revenues of the North Central Educational Service District.

School Districts: Fund established to account for the revenues collected for the purpose of providing education opportunities for children.

Fire Districts: Funds used to account for the money used for the purpose of fire protection districts which are established for the provision of fire prevention services, fire suppression services, emergency medical services and the protection of life and property in the unincorporated areas of the county.

Cemetery Districts: Funds established to account for the operation and maintenance of cemeteries within respective districts.

Port of Chelan County: A fund established to account for the acquisition, construction, maintenance, operation, development and regulation within the Port District.

Pangborn Field: A fund established to account for the operations and maintenance of the Pangborn Airport.

Lake Chelan Sewer Revenue Bond: Fund established to provide for the acquisition, construction, maintenance, operation, development, reorganization, and regulation of sewer system around Lake Chelan.

Park Districts: Fund established to account for the operation and maintenance of Manson Park.

Upper Valley Parks & Recreation: Fund established to account for the operation and maintenance of Manson Park.

Mosquito Districts: Fund established to keep track of the operations of the mosquito districts.

Water Districts: Funds to account for the acquisition, construction, maintenance, operation, development and regulation of water supply systems.

Irrigation Districts: Funds used to account for the collection of assessments that are used for construction, repair, and improvement of the irrigation lines.

Water Conservancy Board: Funds used to account for the collection of assessments that are used for construction, repair, and improvement of the irrigation lines.

Hospital Districts: Funds established to account for the operation and maintenance of the hospitals.

Cities: Funds used to account for taxes collected for the incorporated areas of the County. Monies collected are remitted to the cities.

County Funds: Funds established to disburse salary and claim payments.

Combining Statement of Fiduciary Net Assets
 Agency Funds
 December 31, 2003

| | Regional Jail Prisoner | County Roads Retainage | CASA | Substance Abuse | Infrastructure Improvement | LID 85-1 |
|----------------------------|---------------------------------------|---------------------------------------|--------------|----------------------------|---------------------------------------|-----------------|
| ASSETS | | | | | | |
| Cash | 8,000 | 34,801 | (1,495) | 2,748 | - | 780 |
| Investments | 11,300 | - | - | - | 200,553 | 15,999 |
| Accounts Receivable | - | - | - | 62,541 | - | - |
| Taxes Receivable | - | - | - | - | - | - |
| Assessments Receivable | - | - | - | - | - | 5,978 |
| Interest Receivable | 1 | 2 | - | - | 176 | 14 |
| Due From Other Funds | - | 14,093 | - | - | - | - |
| Due From Other Governments | - | - | 640 | - | - | - |
| Total Assets | <u>19,301</u> | <u>48,896</u> | <u>(855)</u> | <u>65,289</u> | <u>200,728</u> | <u>22,771</u> |
| LIABILITIES | | | | | | |
| Accounts Payable | 7,236 | - | 1,280 | - | - | - |
| Due to Other Funds | - | 2,712 | - | - | - | - |
| Due to Other Governments | - | - | - | - | - | - |
| Other Accrued Liabilities | 115 | - | - | - | - | - |
| Deferred Revenue | - | - | - | - | - | - |
| Custodial Accounts | 11,950 | 46,183 | (2,135) | 65,289 | 200,728 | 22,771 |
| Total Liabilities | <u>19,301</u> | <u>48,896</u> | <u>(855)</u> | <u>65,289</u> | <u>200,728</u> | <u>22,771</u> |

The notes to the financial statements are an integral part of this statement.

| Chelan/Douglas Health District | Rivercom Construction | Rivercom Maintenance | NCR Library | NCR Automation Reserve | NCR Library Building Reserve | NCR Library Payroll Reserve |
|---|----------------------------------|---------------------------------|------------------------|---------------------------------------|---|--|
| 99,380 | 1,168,966 | 7,005 | 356,993 | - | - | - |
| 665,804 | - | - | 3,534,914 | 549,677 | 2,663,862 | 693,452 |
| - | - | - | - | - | - | - |
| - | - | - | 123,141 | - | - | - |
| - | - | - | - | - | - | - |
| 519 | 1,015 | - | 3,206 | 422 | 2,050 | 548 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 765,704 | 1,169,981 | 7,005 | 4,018,254 | 550,099 | 2,665,912 | 693,999 |
| 42,179 | - | - | 214,544 | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 222,834 | - | - | 28,000 | - | - | - |
| - | - | - | 123,141 | - | - | - |
| 500,691 | 1,169,981 | 7,005 | 3,652,569 | 550,099 | 2,665,912 | 693,999 |
| 765,704 | 1,169,981 | 7,005 | 4,018,254 | 550,099 | 2,665,912 | 693,999 |

Combining Statement of Fiduciary Net Assets
 Agency Funds
 December 31, 2003

| | <u>Link</u> | <u>Link- Arbitrage Rebate Tax</u> | <u>Link Bonds</u> | <u>TV Reception Improvement Dist No 1</u> | <u>State</u> | <u>NCESD</u> |
|----------------------------|------------------|---|-----------------------|---|------------------|-------------------|
| ASSETS | | | | | | |
| Cash | 750,603 | - | - | 1,888 | 721,754 | 234,021 |
| Investments | 4,312,248 | 3,745 | 544,196 | 10,343 | - | 12,389,510 |
| Accounts Receivable | - | - | - | - | - | - |
| Taxes Receivable | - | - | - | - | 776,478 | - |
| Assessments Receivable | - | - | - | - | - | - |
| Interest Receivable | 4,470 | 4 | 566 | 9 | - | 10,833 |
| Due From Other Funds | - | - | - | - | - | - |
| Due From Other Governments | - | - | - | - | - | - |
| Total Assets | <u>5,067,322</u> | <u>3,749</u> | <u>544,762</u> | <u>12,240</u> | <u>1,498,232</u> | <u>12,634,363</u> |
| LIABILITIES | | | | | | |
| Accounts Payable | - | - | - | - | - | - |
| Due to Other Funds | - | - | - | - | - | - |
| Due to Other Governments | - | - | - | - | - | - |
| Other Accrued Liabilities | - | - | - | - | - | - |
| Deferred Revenue | - | - | - | - | 776,478 | - |
| Custodial Accounts | <u>5,067,322</u> | <u>3,749</u> | <u>544,762</u> | <u>12,240</u> | <u>721,754</u> | <u>12,634,363</u> |
| Total Liabilities | <u>5,067,322</u> | <u>3,749</u> | <u>544,762</u> | <u>12,240</u> | <u>1,498,232</u> | <u>12,634,363</u> |

The notes to the financial statements are an integral part of this statement.

| School Districts | Fire Districts | Cemetery Districts | Port of Chelan County | Pangborn Field | Lake Chelan Sewer Revenue Bond | Park Districts |
|-------------------------|-----------------------|---------------------------|------------------------------|-----------------------|---------------------------------------|-----------------------|
| 1,142,984 | 187,879 | 156,907 | 68,991 | 65,556 | 2,044 | 321 |
| 28,262,856 | 1,823,773 | 415,251 | 5,055,506 | - | 1,291,436 | 27,448 |
| - | - | - | - | - | - | - |
| 1,046,252 | 147,984 | 8,681 | 95,037 | - | - | 2,929 |
| - | - | - | - | - | - | - |
| 7,004 | 2,036 | 337 | 2,699 | - | 1,384 | 29 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>30,459,096</u> | <u>2,161,673</u> | <u>581,176</u> | <u>5,222,232</u> | <u>65,556</u> | <u>1,294,865</u> | <u>30,727</u> |
| - | 66,826 | 478 | - | - | - | 9,667 |
| - | - | - | - | - | - | - |
| - | 510 | - | - | - | - | - |
| - | 122,010 | 5,933 | - | - | - | 791 |
| 1,046,252 | 147,984 | 8,681 | 95,037 | - | - | 2,929 |
| 29,412,844 | 1,824,343 | 566,084 | 5,127,195 | 65,556 | 1,294,865 | 17,340 |
| <u>30,459,096</u> | <u>2,161,673</u> | <u>581,176</u> | <u>5,222,232</u> | <u>65,556</u> | <u>1,294,865</u> | <u>30,727</u> |

Combining Statement of Fiduciary Net Assets
 Agency Funds
 December 31, 2003

| | <u>Upper Valley Park and Rec</u> | <u>Mosquito Districts</u> | <u>Water Districts</u> | <u>Irrigation Districts</u> | <u>Water Conservancy Board</u> |
|----------------------------|--------------------------------------|-------------------------------|----------------------------|---------------------------------|--|
| ASSETS | | | | | |
| Cash | 4,233 | 1,613 | 196,757 | 551,901 | 6,715 |
| Investments | 37,121 | - | 1,524,971 | 2,527,589 | - |
| Accounts Receivable | - | - | - | - | - |
| Taxes Receivable | 6,553 | 51 | - | - | - |
| Assessments Receivable | - | - | - | - | - |
| Interest Receivable | 33 | - | 1,386 | 2,300 | - |
| Due From Other Funds | - | - | - | - | - |
| Due From Other Governments | - | - | - | - | - |
| Total Assets | <u>47,940</u> | <u>1,664</u> | <u>1,723,114</u> | <u>3,081,790</u> | <u>6,715</u> |
| LIABILITIES | | | | | |
| Accounts Payable | - | 53 | 26,601 | 115,388 | 3,953 |
| Due to Other Funds | - | - | - | - | - |
| Due to Other Governments | - | - | - | - | - |
| Other Accrued Liabilities | - | - | 15,297 | 11,946 | - |
| Deferred Revenue | 6,553 | 51 | - | - | - |
| Custodial Accounts | 41,387 | 1,560 | 1,681,217 | 2,954,456 | 2,762 |
| Total Liabilities | <u>47,940</u> | <u>1,664</u> | <u>1,723,114</u> | <u>3,081,790</u> | <u>6,715</u> |

The notes to the financial statements are an integral part of this statement.

| <u>Hospitals</u> | <u>Cities</u> | <u>County</u> | <u>Total</u> |
|------------------|----------------|------------------|-------------------|
| 216,796 | 156,169 | 118,297 | 6,262,606 |
| 2,707,996 | - | 7,044,525 | 76,314,074 |
| - | - | - | 62,541 |
| 92,974 | 345,647 | - | 2,645,727 |
| - | - | - | 5,978 |
| 2,914 | - | - | 43,958 |
| - | - | - | 14,093 |
| - | - | - | 640 |
| <u>3,020,680</u> | <u>501,816</u> | <u>7,162,822</u> | <u>85,349,617</u> |
| - | - | - | 488,206 |
| - | - | - | 2,712 |
| - | - | - | 510 |
| - | - | - | 406,926 |
| 92,974 | 345,647 | - | 2,645,727 |
| <u>2,927,706</u> | <u>156,169</u> | <u>7,162,822</u> | <u>81,805,537</u> |
| <u>3,020,680</u> | <u>501,816</u> | <u>7,162,822</u> | <u>85,349,617</u> |

CHELAN COUNTY, WASHINGTON

Schedule of Warrant Activity - Schedule 7
 For the Year Ended December 31, 2003

| FUND NO | NAME | PAYABLE JAN. 1 | ISSUED REPORT YR. | BEGIN OPEN PERIOD | END OPEN PERIOD | NET ISSUE | REDEEMED REPORT YR. | CANCELED REPORT YR. | PAYABLE DEC 31 |
|-------------|----------------------------------|-------------------|----------------------|----------------------|--------------------|-------------|------------------------|------------------------|-------------------|
| 648.001.001 | LINK TRANSIT GENERAL FUND | 207,646 | 4,904,713 | 880,688 | 578,755 | 4,602,780 | 4,823,306 | 2,930 | 286,123 |
| 653.001.001 | NORTH CENTRAL E.S.D. | 318,785 | 5,633,684 | 527,226 | 560,258 | 5,666,716 | 5,720,429 | 23,183 | 208,857 |
| 653.001.003 | N C E.S.D. WORKER'S COMP. TRUST | 8,763 | 2,163,094 | 97,204 | 53,507 | 2,119,397 | 2,150,437 | 0 | 21,420 |
| 653.001.005 | N C COMPENSATED ABSENCES POOL | | 67,589 | 0 | 0 | 67,589 | 67,589 | 0 | 0 |
| 653.001.007 | N C ESD UNEMPLOYMENT COOP | 94,394 | 378,502 | 2,250 | 2,250 | 378,502 | 472,896 | 0 | 0 |
| 654.001.021 | MANSON SD 19 GENERAL | 132,399 | 6,725,784 | 607,124 | 541,917 | 6,660,577 | 6,488,858 | 82,419 | 286,906 |
| 654.001.023 | MANSON SD 19 ASB | 2,806 | 83,643 | 6,395 | 1,820 | 79,068 | 76,370 | 0 | 10,079 |
| 654.001.025 | MANSON SD 19 TRANS VEHICLE | 0 | 78,405 | 0 | 0 | 78,405 | 78,405 | 0 | 0 |
| 654.001.027 | MANSON SD 19 TRUST & AGENCY | 0 | 500 | 0 | 0 | 500 | 500 | 0 | 0 |
| 654.001.035 | MANSON SD 19 CAPITAL PROJECT | 0 | 112,128 | 28,819 | 0 | 83,309 | 106,356 | 5,772 | 0 |
| 654.001.041 | STEHEKIN SD 69 GENERAL | 5,500 | 152,594 | 10,906 | 12,757 | 154,445 | 149,687 | 0 | 8,407 |
| 654.001.055 | STEHEKIN SD 69 CAPITAL PROJECTS | 0 | 848 | 0 | 0 | 848 | 848 | 0 | 0 |
| 654.001.081 | ENTIAT SD 127 GENERAL | 172,615 | 2,534,742 | 194,805 | 190,923 | 2,530,860 | 2,523,639 | 1,891 | 181,827 |
| 654.001.083 | ENTIAT SD 127 ASB | 347 | 54,713 | 5,730 | 8,629 | 57,612 | 54,761 | 294 | 5 |
| 654.001.085 | ENTIAT SD 127 TRANS VEHICLE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 654.001.095 | ENTIAT SD 127 CAPITAL PROJECTS | 2,766 | 33,191 | 2,766 | 2,766 | 33,191 | 35,957 | 0 | 0 |
| 654.001.100 | CHELAN SD 129 GENERAL | 571,707 | 9,906,763 | 761,197 | 843,012 | 9,988,578 | 9,870,420 | 626 | 607,424 |
| 654.001.103 | CHELAN SD 129 ASB | 17,049 | 197,408 | 24,796 | 10,383 | 182,995 | 201,746 | 0 | 12,711 |
| 654.001.105 | CHELAN SD 129 TRANS VEHICLE | 0 | 79,156 | 0 | 0 | 79,156 | 79,156 | 0 | 0 |
| 654.001.115 | CHELAN SD 129 CAPITAL PROJECTS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 654.001.121 | CASHMERE SD 222 GENERAL | 358,680 | 5,017,062 | 425,423 | 427,887 | 5,019,526 | 5,039,286 | 967 | 335,489 |
| 654.001.123 | CASHMERE SD 222 ASB | 16,413 | 272,173 | 49,692 | 14,845 | 237,326 | 262,066 | 1,475 | 25,045 |
| 654.001.125 | CASHMERE SD 222 TRANS VEHICLE | 48,300 | 3,019 | 0 | 0 | 3,019 | 51,319 | 0 | 0 |
| 654.001.135 | CASHMERE SD 222 CAP PROJECTS | 2,621 | 19,248 | 12,005 | 0 | 7,243 | 21,869 | 0 | 0 |
| 654.001.161 | CASCADE SD 228 GENERAL | 339,830 | 5,151,925 | 480,350 | 408,228 | 5,079,803 | 5,070,445 | 2,811 | 418,499 |
| 654.001.163 | CASCADE SD 228 ASB | 15,119 | 204,756 | 16,754 | 9,809 | 197,811 | 204,977 | 484 | 14,414 |
| 654.001.165 | CASCADE SD 228 TRANS VEHICLE | 0 | 97,196 | 0 | 261 | 97,457 | 97,196 | 0 | 0 |
| 654.001.175 | CASCADE SD 228 CAPITAL PROJECT | 0 | 10,040 | 0 | 0 | 10,040 | 10,040 | 0 | 0 |
| 654.001.201 | WENATCHEE SD 246 GENERAL | 1,451,708 | 22,503,898 | 1,789,321 | 1,893,537 | 22,608,114 | 22,394,029 | 70,023 | 1,491,554 |
| 654.001.203 | WENATCHEE SD 246 ASB | 48,066 | 772,929 | 46,612 | 60,461 | 786,778 | 792,459 | 5,869 | 22,667 |
| 654.001.205 | WENATCHEE SD 246 TRANS VEHICLE | 0 | 89,018 | 0 | 0 | 89,018 | 89,018 | 0 | 0 |
| 654.001.215 | WENATCHEE SD 246 CAP PROJECTS | 548 | 7,517,549 | 7,917 | 1,112,272 | 8,621,904 | 6,617,700 | 10,338 | 890,059 |
| 671.001.101 | PORT OF CHELAN COUNTY GENERAL | 71,789 | 6,789,042 | 942,154 | 463,335 | 6,310,223 | 6,731,923 | 11,928 | 116,980 |
| 672.001.101 | PANGBORN FIELD | 55,713 | 1,363,770 | 197,022 | 137,340 | 1,304,088 | 1,392,670 | 0 | 26,813 |
| 692.001.101 | HOSPITAL DISTRICT NO 1 GENERAL | 155,247 | 5,232,554 | 504,422 | 295,406 | 5,023,538 | 5,194,469 | 76,440 | 116,892 |
| 692.001.108 | HOSP DISTRICT NO 1 RHAP FUND | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 692.001.145 | HOSPITAL DIST. NO 1 MEMORIAL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 692.001.147 | HOSP. #1 PLANT AND EQUIPMENT | 0 | 46,926 | 12,483 | 0 | 34,443 | 46,926 | 0 | 0 |
| 692.001.150 | HOSP. #1 EMERG. MEDICAL SERVICES | 261 | 50,201 | 6,259 | 0 | 43,942 | 50,087 | 0 | 375 |
| 692.001.201 | HOSPITAL DISTRICT NO 2 GENERAL | 18,302 | 7,141,418 | 879,733 | 417,400 | 6,679,085 | 6,951,945 | 3,817 | 203,958 |
| 699.001.003 | SALARY FUND | 77,997 | 5,632,319 | 449,624 | 433,756 | 5,616,451 | 5,628,318 | 7,998 | 74,000 |
| 699.001.004 | CLAIMS FUND | 1,765,016 | 53,797,492 | 2,832,375 | 4,011,963 | 54,977,080 | 54,026,562 | 295,349 | 1,240,597 |
| TOTAL: | | 5,960,387 | 154,819,992 | 11,802,052 | 12,493,477 | 155,511,417 | 153,574,664 | 604,614 | 6,601,101 |

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CHELAN COUNTY, WASHINGTON

Schedule of Real and Personal Property
 Taxes (All Tax Supported Funds) Schedule 8
 For the Year Ended December 31, 2003

| FUND | NAME | TAXES RECEIVABLE 1-Jan | ST SCHOOL & OTHER ADJMTS | ADJUSTED TAXES RECEIVABLE | TAX RATE /1000 | TAXES LEVIED REPORT YR | TAXES COLLECTED | TAX ADJUSTMENT INCREASES | TAX ADJUSTMENT DECREASES | TAXES RECEIVABLE 31-Dec |
|-------------|----------------------------|------------------------------|--------------------------------|---------------------------------|----------------------|------------------------------|--------------------|--------------------------------|--------------------------------|-------------------------------|
| 010.001.170 | CURRENT EXPENSE | 420,802 | 10,400 | 431,202 | 1.54656 | 7,384,802 | 7,410,216 | 45,842 | 52,709 | 398,921 |
| 160.001.001 | MENTAL HEALTH | 4,907 | 2 | 4,909 | 0.01808 | 86,265 | 86,588 | 533 | 617 | 4,502 |
| 155.001.001 | VETERAN'S RELIEF | 2,901 | 1 | 2,902 | 0.01069 | 50,977 | 51,169 | 315 | 364 | 2,661 |
| 145.001.001 | LAW LIBRARY | 1,419 | 1 | 1,420 | 0.00523 | 24,855 | 24,951 | 154 | 178 | 1,300 |
| 652.001.005 | STATE SCHOOL | 886,587 | (9,965) | 876,622 | 3.09423 | 14,774,205 | 14,858,653 | 90,151 | 106,077 | 776,248 |
| 652.001.001 | STATE SCHOOL REFUND FUND | 360 | 1 | 361 | 0.00063 | 2,882 | 3,006 | 15 | 22 | 230 |
| 110.001.001 | ROAD DISTRICT GENERAL | 262,710 | 385 | 263,095 | 1.72538 | 4,568,767 | 4,594,285 | 24,047 | 22,738 | 238,886 |
| 644.001.001 | REGIONAL LIBRARY | 133,803 | 49 | 133,852 | 0.49570 | 2,366,921 | 2,375,335 | 14,617 | 16,914 | 123,141 |
| 677.001.110 | UP. VALLEY PARK & REC BOND | 5,028 | | 5,028 | 0.17784 | 84,784 | 84,782 | 527 | 805 | 4,752 |
| 677.001.001 | UP. VALLEY PARK & REC GENL | 0 | 0 | 0 | 0.10000 | 48,845 | 46,990 | 475 | 529 | 1,801 |
| 671.001.101 | PORT DISTRICT GENERAL | 103,889 | 38 | 103,927 | 0.38061 | 1,817,444 | 1,824,544 | 11,206 | 12,996 | 95,037 |
| 681.001.101 | BRAEBURN MOSQUITO DIST | 25 | | 25 | 0.50000 | 1,058 | 1,026 | 0 | 6 | 51 |
| 675.001.101 | MANSON PARK & RECREATION | 2,776 | (20) | 2,756 | 0.17022 | 44,948 | 45,225 | 644 | 194 | 2,929 |
| 692.001.101 | HOSP #1 GENERAL | 18,535 | 10 | 18,545 | 0.38046 | 364,799 | 365,585 | 2,949 | 2,736 | 17,972 |
| 692.001.150 | HOSP #1 EMS | 16,480 | 21 | 16,501 | 0.50000 | 479,408 | 474,897 | 4,158 | 3,498 | 21,672 |
| 692.001.201 | HOSP #2 GENERAL | 29,314 | 28 | 29,342 | 0.43804 | 461,638 | 464,845 | 2,073 | 2,479 | 25,729 |
| 692.001.210 | HOSP # 2 BOND | 501 | | 501 | 0.00000 | 0 | 97 | 0 | 0 | 404 |
| 692.001.260 | HOSP #2 EMERG MEDICAL SVCS | 28,005 | 31 | 28,036 | 0.50000 | 526,914 | 527,318 | 2,393 | 2,828 | 27,197 |
| 656.001.101 | FIRE #1 GENERAL | 60,045 | 99 | 60,144 | 1.48705 | 1,110,951 | 1,108,405 | 4,647 | 7,303 | 60,034 |
| 656.001.110 | FIRE #1 BOND | 17,186 | (45) | 17,141 | 0.39453 | 300,975 | 300,768 | 602 | 1,408 | 16,542 |
| 656.001.301 | FIRE #3 GENERAL | 8,269 | 1 | 8,270 | 0.72538 | 159,611 | 162,082 | 1,320 | 1,218 | 5,901 |
| 656.001.310 | FIRE #3 BOND | 5,308 | | 5,308 | 0.43769 | 93,355 | 94,854 | 279 | 546 | 3,542 |
| 656.001.401 | FIRE #4 GENERAL | 1,217 | 1 | 1,218 | 0.76456 | 23,071 | 23,379 | 25 | 0 | 935 |
| 656.001.410 | FIRE #4 BOND | 957 | | 957 | 0.61714 | 18,486 | 18,683 | 0 | 0 | 760 |
| 656.001.501 | FIRE #5 GENERAL | 7,786 | 31 | 7,817 | 0.49862 | 127,524 | 128,508 | 2,134 | 852 | 8,115 |
| 656.001.601 | FIRE #6 GENERAL | 13,087 | 47 | 13,134 | 0.68142 | 248,480 | 249,637 | 1,468 | 1,142 | 12,303 |
| 656.001.701 | FIRE #7 GENERAL | 12,673 | | 12,673 | 0.55122 | 412,156 | 406,408 | 308 | 2,069 | 16,660 |
| 656.001.710 | FIRE #7 BOND | 6,613 | (1) | 6,612 | 0.15424 | 114,476 | 114,337 | (131) | 535 | 6,085 |
| 656.001.801 | FIRE #8 GENERAL | 7,009 | 33 | 7,042 | 0.55061 | 65,222 | 66,848 | 316 | 629 | 5,103 |
| 656.001.901 | FIRE #9 GENERAL | 6,956 | (13) | 6,943 | 0.70226 | 212,342 | 210,790 | 862 | 532 | 8,825 |
| 656.001.910 | FIRE #9 BOND | 2,565 | (5) | 2,560 | 0.25298 | 76,114 | 75,599 | 284 | 180 | 3,179 |
| 657.001.101 | CEMETERY #1 | 817 | 5 | 822 | 0.08611 | 8,946 | 8,997 | 46 | 93 | 724 |
| 657.001.201 | CEMETERY #2 | 970 | 4 | 974 | 0.10788 | 12,283 | 12,305 | 96 | 65 | 983 |
| 657.001.301 | CEMETERY #3 | 1,090 | 1 | 1,091 | 0.06033 | 24,376 | 24,397 | 108 | 133 | 1,045 |
| 657.001.401 | CEMETERY #4 | 6,682 | 6 | 6,688 | 0.09985 | 105,233 | 105,964 | 472 | 565 | 5,864 |
| 657.001.501 | CEMETERY #5 | 36 | | 36 | 0.06952 | 1,846 | 1,795 | 0 | 22 | 65 |
| 693.001.001 | CASHMERE GENERAL | 49,721 | (97) | 49,624 | 2.97242 | 420,984 | 408,611 | 4,610 | 4,468 | 62,139 |
| 693.001.010 | CASHMERE BOND | 6,851 | | 6,851 | 0.55013 | 76,466 | 73,495 | 275 | 590 | 9,507 |
| 693.001.011 | CHELAN GENERAL | 58,468 | | 58,468 | 2.55308 | 815,624 | 828,398 | 2,616 | 7,013 | 41,297 |

| FUND | NAME | TAXES RECEIVABLE 1-Jan | ST SCHOOL & OTHER ADJMTS | ADJUSTED TAXES RECEIVABLE | TAX RATE /1000 | TAX LEVIED REPORT YR | TAXES COLLECTED | TAX ADJUSTMENT INCREASES | TAX ADJUSTMENT DECREASES | TAXES RECEIVABLE 31-Dec |
|-------------------------|---------------------|------------------------------|--------------------------------|---------------------------------|----------------------|----------------------------|--------------------|--------------------------------|--------------------------------|-------------------------------|
| 693.001.021 | ENTIAT GENERAL | 9,391 | 6 | 9,397 | 2.23003 | 101,117 | 98,801 | 27 | 1,067 | 10,673 |
| 693.001.031 | LEAVENWORTH GENERAL | 21,266 | 2 | 21,268 | 2.05002 | 374,755 | 369,301 | 4,791 | 7,503 | 24,010 |
| 693.001.030 | LEAVENWORTH BOND | 6,377 | 1 | 6,378 | 0.55856 | 99,999 | 99,191 | 1,154 | 1,647 | 6,693 |
| 693.001.041 | WENATCHEE GENERAL | 215,732 | (326) | 215,406 | 2.99331 | 4,303,069 | 4,334,215 | 31,562 | 37,629 | 178,193 |
| 693.001.050 | WENATCHEE BOND | 9,973 | 21 | 9,994 | 0.25746 | 363,447 | 359,093 | 1,300 | 2,511 | 13,137 |
| 654.001.021 | 19 GENERAL | 31,707 | (238) | 31,469 | 1.81557 | 479,519 | 483,879 | 6,860 | 2,082 | 31,887 |
| 654.001.030 | 19 BOND | 40,314 | (298) | 40,016 | 2.23157 | 589,375 | 595,681 | 8,423 | 2,563 | 39,570 |
| 654.001.061 | 70J GENERAL | 430 | | 430 | 0.00000 | 0 | 0 | 0 | 0 | 430 |
| 654.001.081 | 127 GENERAL | 14,951 | 64 | 15,015 | 1.52619 | 174,366 | 174,325 | 473 | 1,649 | 13,880 |
| 654.001.090 | 127 BOND | 24,845 | 93 | 24,938 | 1.91357 | 218,627 | 222,720 | 584 | 2,076 | 19,353 |
| 654.001.100 | 129 GENERAL | 64,889 | (5) | 64,884 | 1.34975 | 1,029,705 | 1,036,246 | (462) | 4,925 | 52,956 |
| 654.001.110 | 129 BOND | 56,517 | (3) | 56,514 | 1.18929 | 907,265 | 912,373 | (397) | 4,326 | 46,683 |
| 654.001.121 | 222 GENERAL | 86,772 | (19) | 86,753 | 2.95200 | 1,069,575 | 1,060,632 | 3,311 | 5,903 | 93,104 |
| 654.001.130 | 222 BOND | 73,738 | (9) | 73,729 | 2.83768 | 1,028,143 | 1,015,855 | 3,212 | 5,629 | 83,600 |
| 654.001.135 | 222 CAPITAL PROJECT | 4,106 | 13 | 4,119 | 0.00000 | 0 | 1,695 | (27) | 17 | 2,380 |
| 654.001.161 | 228 GENERAL | 69,836 | 30 | 69,866 | 1.57555 | 1,487,932 | 1,486,569 | 9,246 | 9,011 | 71,464 |
| 654.001.170 | 228 BOND | 61,918 | 27 | 61,945 | 1.33872 | 1,264,277 | 1,264,818 | 7,820 | 7,682 | 61,542 |
| 654.001.201 | 246 GENERAL | 357,743 | (189) | 357,554 | 3.13679 | 7,034,282 | 7,052,952 | 20,369 | 43,040 | 316,213 |
| 654.001.210 | 246 BOND | 192,808 | (103) | 192,705 | 2.49593 | 5,597,248 | 5,560,019 | 16,396 | 33,140 | 213,190 |
| *** TOTAL ALL FUNDS *** | | 3,571,092 | 116 | 3,535,777 | | 63,640,734 | 63,792,137 | 335,078 | 427,453 | 3,327,794 |

CHELAN COUNTY WASHINGTON

Schedule of Long-Term Debt - Schedule 9
For the Year Ended December 31, 2003

| I.D. NO. AND CLASS DESCRIPTION | DATE OF ORIG ISSUE | DATE OF MATURITY | (1) | (2) | (3) | BARS | REDEEMING FUND NUMBER | (4) |
|--|--------------------------|---------------------|----------------------------------|-----------------------------|-------------------------------|---------------------------|-----------------------------|-------------------------------|
| | | | BEGINNING OUTSTANDING DEBT | AMOUNT ISSUED CURR YR | AMOUNT REDEEMED CURR YR | CODE FOR REDEMPTION | | ENDING OUTSTANDING DEBT |
| CHELAN COUNTY | | | | | | | | |
| 251.11 LTGO BOND | 9/12/1995 | 12/1/2015 | 236,651 | 0 | 23,294 | 591.00.00.000 | 910-001-001 | 213,357 |
| 251.11 LTGO BOND | 3/1/1997 | 3/1/2014 | 6,955,000 | (4,325,000) | 475,000 | 591.00.00.000 | 920-001-001 | 2,155,000 |
| 251.11 LTGO BOND | 12/1/1998 | 12/1/2018 | 2,395,000 | 0 | 110,000 | 591.00.00.000 | 930-001-001 | 2,285,000 |
| 251.11 LTGO BOND | 9/1/2000 | 10/1/2022 | 3,800,000 | 0 | 115,000 | 591.00.00.000 | 940-001-001 | 3,685,000 |
| 251.11 LTGO BOND | 4/1/2001 | 4/1/2011 | 370,691 | 0 | 34,675 | 591.00.00.000 | 950-001-001 | 336,016 |
| 251.11 LTGO BOND | 11/1/2002 | 12/1/2022 | 2,560,000 | 0 | 0 | 591.00.00.000 | 960-001-001 | 2,560,000 |
| 251.11 LTGO BOND | 8/14/2003 | 12/1/2023 | 0 | 3,445,000 | 0 | 591.00.00.000 | 970-001-001 | 3,445,000 |
| 251.15 LTGO REFUNDING | 8/14/2003 | 3/1/2010 | 0 | 3,315,000 | 0 | 591.00.00.000 | 980-001-001 | 3,315,000 |
| TOTAL | | | 16,317,342 | 2,435,000 | 757,969 | | | 17,994,373 |
| LINK | | | | | | | | |
| 251.11 LTGO BOND | 5/1/1998 | 5/1/2013 | 5,205,000 | 0 | 375,000 | 591.00.00.000 | 650-001-001 | 4,830,000 |
| MANSON SCHOOL DISTRICT NO 19 | | | | | | | | |
| 251.15 UTGO REFUNDING BONDS | 6/1/1993 | 12/1/2006 | 720,000 | 0 | 160,000 | 591.00.00.000 | 654-001-030 | 560,000 |
| 251.12 UTGO BONDS | 7/1/1995 | 12/1/2013 | 4,345,000 | 0 | 145,000 | 591.00.00.000 | 654-001-030 | 4,200,000 |
| ENTIAT SCHOOL DISTRICT NO 127 | | | | | | | | |
| 251.15 UTGO REFUNDING BONDS | 12/1/1993 | 12/1/2011 | 125,000 | 0 | 125,000 | 591.00.00.000 | 654-001-090 | 0 |
| 251.15 UTGO REFUNDING BONDS | 8/15/2001 | 12/1/2013 | 1,935,000 | 0 | 15,000 | 591.00.00.000 | 654-001-090 | 1,920,000 |
| CHELAN SCHOOL DISTRICT NO 129 | | | | | | | | |
| 251.15 UTGO REFUNDING BONDS | 7/1/1993 | 12/1/2009 | 5,135,000 | 0 | 5,135,000 | 591.00.00.000 | 654-001-110 | 0 |
| 251.11 UTGO REFUNDING BONDS | 9/2/2003 | 12/1/2009 | 0 | 4,600,000 | 75,000 | 591.00.00.000 | 654-001-110 | 4,525,000 |
| CASHMERE SCHOOL DISTRICT NO 222 | | | | | | | | |
| 251.15 UTGO PARTLY REFUNDED-B | 5/1/1993 | 12/1/2003 | 960,000 | 0 | 960,000 | 591.00.00.000 | 654-001-130 | 0 |
| 251.15 UTGO REFUNDING BONDS | 3/1/1998 | 12/4/2004 | 295,000 | 0 | 10,000 | 591.00.00.000 | 654-001-130 | 285,000 |
| 252.11 LOCAL STATE LOAN PROGRAM | 4/1/2002 | 12/1/2005 | 20,585 | 0 | 5,177 | 591.30.00.000 | 654-001-130 | 15,408 |
| 252.11 LOCAL STATE LOAN PROGRAM | 9/1/2002 | 6/1/2006 | 16,243 | 0 | 5,685 | 591.30.00.000 | 654-001-130 | 10,558 |

| I.D. NO. AND CLASS DESCRIPTION | DATE OF | | (1) | (2) | (3) | BARS | REDEEMING | (4) |
|-----------------------------------|---------------|---------------------|----------------------------------|-----------------------------|-------------------------------|---------------------------|----------------|-------------------------------|
| | ORIG ISSUE | DATE OF MATURITY | BEGINNING OUTSTANDING DEBT | AMOUNT ISSUED CURR YR | AMOUNT REDEEMED CURR YR | CODE FOR REDEMPTION | FUND NUMBER | ENDING OUTSTANDING DEBT |
| CASCADE SCHOOL DISTRICT NO 228 | | | | | | | | |
| 251.15 UTGO REFUNDING BONDS | 4/1/1994 | 12/1/2011 | 6,570,000 | 0 | 530,000 | 591.00.00.000 | 654-001-170 | 6,040,000 |
| 251.15 UTGO REFUNDING BONDS | 3/26/1997 | 12/1/2004 | 344,000 | 0 | 275,000 | 591.00.00.000 | 654-001-170 | 69,000 |
| 251.15 UTGO REFUNDING BONDS | 9/11/1997 | 12/1/2004 | 58,000 | 0 | 49,000 | 591.00.00.000 | 654-001-170 | 9,000 |
| 251.11 LGO BONDS | 6/20/2000 | 12/1/2015 | 1,116,246 | 0 | 62,062 | 591.00.00.000 | 654.001.170 | 1,054,184 |
| WENATCHEE SCHOOL DISTRICT NO 246 | | | | | | | | |
| 251.12 G.O. BONDS PARTLY REFUND | 11/1/1990 | 12/1/2007 | 10,000 | 0 | 10,000 | 591.00.00.000 | 654-001-210 | 0 |
| 251.15 UTGO REFUNDING BONDS | 4/1/1993 | 12/1/2007 | 8,765,000 | 0 | 8,765,000 | 591.00.00.000 | 654-001-210 | 0 |
| 251.15 UTGO REFUNDING BONDS | 1/16/1997 | 6/1/2006 | 3,840,000 | 0 | 670,000 | 591.00.00.000 | 654-001-210 | 3,170,000 |
| 251.15 UTGO REFUNDING BONDS | 2/1/1998 | 12/1/2007 | 3,630,000 | 0 | 430,000 | 591.00.00.000 | 654-001-210 | 3,200,000 |
| 251.11 LGO BONDS | 3/1/2001 | 12/1/2006 | 81,105 | 0 | 18,959 | 591.30.00.000 | 654-001-210 | 62,146 |
| 251.15 UTGO REFUNDING BONDS | 9/1/2002 | 12/1/2005 | 2,335,000 | 0 | 755,000 | 591.00.00.000 | 654-001-210 | 1,580,000 |
| 251.12 UTGO BONDS | 6/6/2002 | 12/1/2021 | 26,700,000 | 0 | 0 | 591.00.00.000 | 654-001-210 | 26,700,000 |
| 251.15 UTGO REFUNDING BONDS | 9/9/2003 | 12/1/2007 | 0 | 7,670,000 | 125,000 | 591.00.00.000 | 654-001-210 | 7,545,000 |
| FIRE DISTRICT NO 1 | | | | | | | | |
| 251.12 UTGO BONDS PARTLY REFUND | 5/1/1994 | 12/1/2014 | 140,000 | 0 | 135,000 | 591.00.00.000 | 656-001-110 | 5,000 |
| 251.15 UTGO REFUNDING BONDS | 7/1/1998 | 12/1/2014 | 2,785,000 | 0 | 25,000 | 591.00.00.000 | 656-001-110 | 2,760,000 |
| 252.11 LOCAL STATE LOAN PROGRAM | 9/12/2003 | 6/1/2013 | 0 | 464,269 | 23,967 | 591.00.00.000 | 656-001-101 | 440,302 |
| FIRE DISTRICT NO 3 | | | | | | | | |
| 251.12 UTGO BONDS | 12/1/1997 | 12/1/2017 | 975,000 | 0 | 45,000 | 591.00.00.000 | 656-001-310 | 930,000 |
| 251.11 LTGO BONDS | 9/19/2001 | 6/1/2011 | 63,797 | 0 | 6,526 | 591.00.00.000 | 656-001-320 | 57,271 |
| FIRE DISTRICT NO 4 | | | | | | | | |
| 251.12 G.O. BONDS | 2/5/2001 | 12/1/2020 | 202,927 | 0 | 6,961 | 591.00.00.000 | 656-001-410 | 195,966 |
| FIRE DISTRICT NO 5 | | | | | | | | |
| 252.11 LOCAL STATE LOAN PROGRAM | 3/13/2003 | 12/1/2007 | 0 | 100,000 | 19,605 | 591.00.00.000 | 656-001-501 | 80,395 |
| FIRE DISTRICT NO 6 | | | | | | | | |
| 251.11 G.O. BONDS | 4/15/1994 | 12/1/2009 | 365,000 | 0 | 45,000 | 591.00.00.000 | 656-001-610 | 320,000 |
| 251.11 LTGO BONDS | 10/8/2003 | 6/1/2008 | 0 | 100,000 | 10,325 | 591.00.00.000 | 656-001-620 | 89,675 |

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CHELAN COUNTY WASHINGTON

Schedule of Long-Term Debt - Schedule 9
 For the Year Ended December 31, 2003

| I.D. NO. AND CLASS DESCRIPTION | DATE OF | | (1) | (2) | (3) | BARS | REDEEMING | (4) |
|------------------------------------|---------------|---------------------|----------------------------------|-----------------------------|-------------------------------|---------------------------|----------------|-------------------------------|
| | ORIG ISSUE | DATE OF MATURITY | BEGINNING OUTSTANDING DEBT | AMOUNT ISSUED CURR YR | AMOUNT REDEEMED CURR YR | CODE FOR REDEMPTION | FUND NUMBER | ENDING OUTSTANDING DEBT |
| FIRE DISTRICT NO 7 | | | | | | | | |
| 251.15 UTGO REFUNDING | 8/1/1998 | 12/1/2011 | 830,000 | 0 | 75,000 | 591.00.00.000 | 656-001-710 | 755,000 |
| 252.11 LOCAL STATE LOAN PROGRAM | 11/1/2001 | 12/1/2004 | 150,950 | 0 | 73,724 | 591.00.00.000 | 656-001-701 | 77,226 |
| FIRE DISTRICT NO 9 | | | | | | | | |
| 251.15 UTGO REFUNDING | 7/1/1998 | 12/1/2014 | 635,000 | 0 | 45,000 | 591.00.00.000 | 656-001-910 | 590,000 |
| CHELAN COUNTY PORT DISTRICT | | | | | | | | |
| 251.12 LTGO BONDS/PARTLY REFD | 3/1/1991 | 3/1/2011 | 120,000 | 0 | 80,000 | 591.00.00.000 | 671-001-110 | 40,000 |
| 251.11 LTGO BONDS | 12/15/1993 | 12/1/2013 | 1,200,000 | 0 | 1,200,000 | 591.00.00.000 | 671-001-110 | 0 |
| 251.11 LTGO BONDS | 4/1/1995 | 12/1/2015 | 65,000 | 0 | 0 | 591.00.00.000 | 671-001-110 | 65,000 |
| 251.11 LTGO BONDS | 6/27/1996 | 12/1/2013 | 925,000 | 0 | 65,000 | 591.00.00.000 | 671-001-110 | 860,000 |
| 251.11 LTGO BONDS | 6/27/1996 | 12/1/2016 | 365,000 | 0 | 0 | 591.00.00.000 | 671-001-110 | 365,000 |
| 251.11 LTGO BONDS | 6/1/1997 | 12/1/2009 | 1,250,000 | 0 | 145,000 | 591.00.00.000 | 671-001-110 | 1,105,000 |
| 251.11 LTGO BONDS | 6/1/1997 | 12/1/2015 | 770,000 | 0 | 0 | 591.00.00.000 | 671-001-110 | 770,000 |
| 251.11.LTGO BONDS | 6/3/2002 | 6/1/2023 | 1,191,050 | 2,205,114 | 0 | 591.00.00.000 | 671-001.110 | 3,396,164 |
| 251.11 LTGO BONDS | 6/3/2002 | 6/1/2023 | 397,017 | 735,038 | 0 | 591.00.00.000 | 671-001-110 | 1,132,055 |
| 251.15 LTGO REFUNDING | 9/25/2003 | 12/1/2013 | 0 | 1,205,000 | 25,000 | | | 1,180,000 |
| LAKE CHELAN SEWER ULID 1998-4 | | | | | | | | |
| 253.12 SEWER ULID BOND | 1/25/1999 | 1/25/2019 | 352,472 | 0 | 21,362 | 591.00.00.000 | 674-001-240 | 331,110 |
| 252.11 EWER REVENUE BONDS | 10/24/2003 | 10/24/2023 | 0 | 250,000 | 0 | 591.00.00.000 | 674-001-250 | 250,000 |
| UPPER VALLEY PARK & REC | | | | | | | | |
| 251.12 UTGO BONDS | 12/15/2000 | 12/1/2020 | 930,000 | 0 | 30,000 | 591.00.00.000 | 677-001-110 | 900,000 |
| LEAVENWORTH MOSQUITO CONTROL DIST. | | | | | | | | |
| 263.44 REVENUE WARRANT | 9/23/2003 | 12/1/2004 | 0 | 8,300 | 0 | 591.00.00.000 | 681-001-201 | 8,300 |
| CHELAN FALLS WATER | | | | | | | | |
| 252.11 REV BONDS | 7/1/1982 | 6/1/2012 | 111,000 | 0 | 10,000 | 591.00.00.000 | 682-001-110 | 101,000 |

| I.D. NO. AND CLASS DESCRIPTION | DATE OF | | (1) | (2) | (3) | BARS | REDEEMING | (4) |
|---|---------------|---------------------|----------------------------------|-----------------------------|-------------------------------|---------------------------|----------------|-------------------------------|
| | ORIG ISSUE | DATE OF MATURITY | BEGINNING OUTSTANDING DEBT | AMOUNT ISSUED CURR YR | AMOUNT REDEEMED CURR YR | CODE FOR REDEMPTION | FUND NUMBER | ENDING OUTSTANDING DEBT |
| MALAGA WATER | | | | | | | | |
| 252.11 REVENUE BOND | 2/11/1999 | 2/11/2029 | 114,037 | 0 | 2,393 | 591.00.00.000 | 682-001-240 | 111,644 |
| 252.11 REVENUE BOND | 8/1/1997 | 8/1/2027 | 367,065 | 0 | 7,879 | 591.00.00.000 | 682-001-250 | 359,186 |
| 253.12 WATER REVENUE BOND ULID | 9/23/1995 | 9/23/1996 | 1,084,941 | 0 | 34,436 | 591.00.00.000 | 682-001-270 | 1,050,505 |
| 252.11 REVENUE BOND | 5/22/2001 | 7/1/2022 | 387,589 | 0 | 12,096 | 591.00.00.000 | 682-001-260 | 375,493 |
| ALPINE WATER DISTRICT | | | | | | | | |
| 253.11 REVENUE BONDS ULID | 6/20/2000 | 7/1/2020 | 609,318 | 0 | 10,357 | 591.00.00.000 | 682-001-430 | 598,961 |
| 263.83 STATE PUBLIC WORKS LOAN | 7/1/2000 | 7/1/2013 | 395,537 | 0 | 24,721 | 591.00.00.000 | 682-001-440 | 370,816 |
| Page 4 of 5 | | | | | | | | |
| PESHASTIN WATER DISTRICT | | | | | | | | |
| 263.83 STATE PUBLIC WORKS LOAN | 7/1/2002 | 7/1/2007 | 185,850 | 871,275 | 4,062 | 591.00.00.000 | 682-001-510 | 1,053,063 |
| 252.11 REVENUE BOND | 9/24/2003 | 9/24/2033 | 0 | 556,000 | 0 | 591.00.00.000 | 682-001-520 | 556,000 |
| CHELAN RIVER ISENHART DOMESTIC STR | | | | | | | | |
| 252.12 REVENUE BONDS | 3/1/2000 | 3/1/1931 | 97,559 | 0 | 2,033 | 591.00.00.000 | 682-001-601 | 95,526 |
| CHELAN FALLS IRRIGATION | | | | | | | | |
| 252.11 IRR DIST. BONDS | 12/1/1992 | 12/1/2003 | 35,000 | 0 | 35,000 | 591.00.00.000 | 683-001-070 | 0 |
| CHELAN RIVER/ISENHART LOAN | | | | | | | | |
| 263.83 LOAN FROM DATED | 3/10/1998 | 7/1/2002 | 335,946 | (64,347) | 21,162 | 591.00.00.000 | 683-001-130 | 250,437 |
| ENTIAT IRRIGATION | | | | | | | | |
| 251.12 G.O. BONDS | 1/1/1974 | 1/1/2013 | 102,000 | 0 | 7,000 | 591.00.00.000 | 683-001-160 | 95,000 |
| ISENHART IRRIGATION | | | | | | | | |
| 263.63 NOTE/LOAN | 3/17/2000 | 3/20/2001 | 45,294 | 0 | 27,732 | 591.00.00.000 | 683-001-301 | 17,562 |
| LOWER SQUILCHUCK IRRIGATION | | | | | | | | |
| 251.12 G.O. BONDS | 1/1/1976 | 1/1/2010 | 25,000 | 0 | 0 | 591.00.00.000 | 683-001-410 | 25,000 |
| 252.11 REVENUE BOND | 12/30/1998 | 12/30/2008 | 152,979 | 0 | 23,662 | 591.00.00.000 | 683-001-410 | 129,317 |
| LOWER STEMILT | | | | | | | | |
| 251.11 GO BOND | 4/7/1980 | 1/1/2011 | 89,000 | 0 | 8,000 | 591.00.00.000 | 683-001-460 | 81,000 |
| 252.11 REV BOND | 8/4/1988 | 1/5/2003 | 3,550 | (300) | 3,250 | 591.00.00.000 | 683-001-460 | 0 |
| 252.15 REV BOND REFUNDING | 8/18/1997 | 8/18/2012 | 71,548 | 0 | 9,950 | 591.00.00.000 | 683-001-460 | 61,598 |

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CHELAN COUNTY WASHINGTON

Schedule of Long-Term Debt - Schedule 9
For the Year Ended December 31, 2003

| I.D. NO. AND CLASS DESCRIPTION | DATE OF | | (1) | (2) | (3) | BARS | REDEEMING | (4) |
|---|---------------|---------------------|----------------------------------|-----------------------------|-------------------------------|---------------------------|----------------|-------------------------------|
| | ORIG ISSUE | DATE OF MATURITY | BEGINNING OUTSTANDING DEBT | AMOUNT ISSUED CURR YR | AMOUNT REDEEMED CURR YR | CODE FOR REDEMPTION | FUND NUMBER | ENDING OUTSTANDING DEBT |
| PESHASTIN IRRIGATION 263.83 LOAN FROM DOE | 7/1/1990 | 1/1/2005 | 21,279 | 0 | 3,885 | 591.00.00.000 | 683-001-570 | 17,394 |
| STEMILT IRRIGATION 253.11 LID NO 3 | 4/1/1978 | 4/1/2008 | 91,564 | 0 | 13,210 | 591.00.00.000 | 683-001-640 | 78,354 |
| 252.11 REVENUE BOND | 10/22/1991 | 12/1/2011 | 84,914 | 0 | 10,649 | 591.00.00.000 | 683-001-625 | 74,265 |
| 263.83 LOAN 0000002 | 8/1/2001 | 8/1/2006 | 20,908 | 5,457 | 0 | 591.00.00.000 | 683-001-601 | 26,365 |
| STEMILT REHABILITATION PROJECT 252.11 REVENUE BONDS | 1/28/1987 | 1/5/2007 | 214,905 | 0 | 27,644 | 591.00.00.000 | 683-001-612 | 187,261 |
| 252.11 REVENUE BONDS | 8/4/1988 | 7/1/2008 | 77,108 | 0 | 18,059 | 591.00.00.000 | 683-001-614 | 59,049 |
| STEMILT LID NO 2 263.83 LOAN 97-78897-070 | 7/31/2000 | 10/1/2018 | 201,633 | 0 | 12,826 | 591.00.00.000 | 683-001-630 | 188,807 |
| WENATCHEE HEIGHTS RECLAMATION 263.83 LOAN NO L9300005 FROM DOE | 8/23/1993 | 7/1/2008 | 127,865 | 0 | 20,075 | 591.00.00.000 | 683-001-703 | 107,790 |
| 252.11 REVENUE BONDS REFUNDED | 6/30/1997 | 6/30/2018 | 479,958 | (479,958) | 0 | 591.00.00.000 | 683-001-710 | 0 |
| 252.11 REVENUE BONDS | 1/16/2003 | 12/30/2018 | 0 | 494,740 | 22,110 | 591.00.00.000 | 683-001-710 | 472,630 |
| WENATCHEE RECLAMATION 252.11 REVENUE BOND | 6/5/1997 | 6/5/2018 | 1,018,106 | 0 | 1,018,106 | 591.00.00.000 | 683-001-780 | 0 |
| 252.11 LOCAL STATE LOAN PROGRAM | 9/1/1998 | 6/1/2003 | 6,088 | 0 | 6,088 | 591.00.00.000 | 683-001-785 | 0 |
| 263.54 LEASE PURCHASE AGRMNT | 3/22/2001 | 3/1/2006 | 111,668 | 0 | 33,039 | 591.00.00.000 | 683-001-751 | 78,629 |
| 252.11 REVENUE BOND | 6/30/2003 | 6/1/2018 | 0 | 945,000 | 33,960 | 591.00.00.000 | 683-001-780 | 911,040 |
| HOSPITAL DISTRICT NO 1 251.41 G.O. BONDS | 12/1/1992 | 12/1/2012 | 1,000,000 | 0 | 1,000,000 | 591.00.00.000 | 692-001-112 | 0 |
| 251.11 LTGO BONDS | 6/21/2002 | 6/21/2008 | 117,628 | 84,521 | 18,267 | 591.00.00.000 | 692-001-114 | 183,882 |
| HOSPITAL DISTRICT NO 2 251.11 LTGO BONDS | 4/1/1993 | 6/1/2008 | 705,000 | 0 | 70,000 | 591.00.00.000 | 692-001-225 | 635,000 |
| 251.11 LTGO BONDS | 4/1/1994 | 12/1/2008 | 500,000 | 0 | 15,000 | 591.00.00.000 | 692-001-230 | 485,000 |
| 251.15 LTGO REFUNDING | 12/1/1998 | 12/1/2013 | 630,000 | 0 | 65,000 | 591.00.00.000 | 692-001-235 | 565,000 |
| 251.11 LTGO BONDS | 3/15/2001 | 12/1/2021 | 1,515,000 | 0 | 140,000 | 591.00.00.000 | 692-001-240 | 1,375,000 |
| TOTAL DISTRICT DEBT FOR 2003 | | | <u>97,056,229</u> | <u>19,750,109</u> | <u>23,550,004</u> | | | <u>93,256,334</u> |

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CHELAN COUNTY, WASHINGTON

Schedule of Limitation of Indebtedness - Schedule 10
As of December 31, 2003

| | |
|--|--------------------------|
| Total Taxable Property Value | <u>\$4,777,025,233</u> |
| 2.5% general purpose limit is allocated between: | <u>119,425,631</u> |
| <i>Up to 1.5% debt without a vote</i> | <u>71,655,378</u> |
| Less: outstanding debt | 18,259,731 |
| Less: excess of debt with a vote | 0 |
| Add: available assets | <u>27,774,162</u> |
| Equals: remaining debt capacity without a vote | <u><u>81,169,810</u></u> |
| <i>Up to 2.5% debt with a vote</i> | <u>47,770,252</u> |
| Less: outstanding debt | 18,259,731 |
| Add: assets available | <u>27,774,162</u> |
| Equals: remaining debt capacity with a vote | <u><u>57,284,683</u></u> |

CHELAN COUNTY, WASHINGTON

Schedule of Cash Activity - Schedule 11
For the Year Ending December 31, 2003

| FUND NO | DESCRIPTION | BEGINNING BALANCE | RECEIPTS | INVESTMENT LIQUIDATED | TRANS-IN | TOTAL AVAILABLE | INVESTMENT ACQUIRED | TRANS-OUT CLAIMS/PAY | OTHER TRANS-OUT | DISB | TOTAL USED | ENDING BALANCE |
|-------------|----------------------------------|----------------------|--------------|--------------------------|-----------|--------------------|------------------------|-------------------------|--------------------|-------------|---------------|-------------------|
| 010.001.000 | TOTAL CURRENT EXPENSE | \$1,795,883 | \$23,401,456 | | \$279,029 | \$25,476,368 | | \$17,623,782 | \$934,122 | \$6,223,824 | \$24,781,728 | \$694,640 |
| 010.001.005 | CURRENT EXPENSE RESERVE | 0 | 31,587 | | 800,000 | 831,587 | 831,587 | | | | 831,587 | 0 |
| | **** GROUP TOTALS**** | 1,795,883 | 23,433,043 | 0 | 1,079,029 | 26,307,955 | 831,587 | 17,623,782 | 934,122 | 6,223,824 | 25,613,315 | 694,640 |
| 110.001.001 | TOTAL COUNTY ROAD | 1 | 8,589,889 | 4,686,831 | 40,176 | 13,316,897 | | 6,877,738 | 45,754 | 1,038,157 | 7,961,649 | 5,355,248 |
| 111.001.001 | PATHS & TRAILS RESERVE | 895 | 11,255 | 66,025 | | 78,175 | 10,298 | 67,000 | | | 77,298 | 877 |
| 112.001.001 | DRUG ENFORCEMENT RESERVE FUND | 9,299 | 18,922 | 20,577 | | 48,798 | 837 | 34,488 | | | 35,325 | 13,473 |
| 113.001.001 | FELONY SEIZURE & FORFEITURE | 171 | | | | 171 | | | 171 | | 171 | 0 |
| 115.001.001 | AUDITOR'S CENTENNIAL O & M FUND | 1,968 | 82,867 | 10,837 | 348 | 96,020 | 60,644 | 26,380 | 3,121 | 5,674 | 95,819 | 201 |
| 116.001.001 | ORV JOINT BOARD | 93,932 | 139,640 | | | 233,572 | | 136,090 | | | 136,090 | 97,482 |
| 117.001.001 | BOATING SAFETY FUND | 84,509 | 31,814 | | | 116,323 | | 20,736 | | | 20,736 | 95,587 |
| 119.001.001 | OHME GARDENS | 4,926 | 145,852 | 51,618 | 664 | 203,060 | 49,618 | 104,420 | | 49,023 | 203,061 | (1) |
| 120.001.001 | CHELAN CO REG JAIL PARK FUND | 35,217 | | | | 35,217 | | | 35,217 | | 35,217 | 0 |
| 122.001.001 | SHERIFF DONATION FUND | 13,206 | 4,705 | | | 17,911 | | 2,872 | | | 2,872 | 15,039 |
| 123.001.001 | LOCAL LAW ENF BLOCK GRANT | 0 | 7,370 | 5,108 | | 12,478 | 7,370 | 5,108 | | | 12,478 | 0 |
| 124.001.001 | FARM WORKER HOUSING | 0 | 272,933 | | 80,187 | 353,120 | | 246,425 | 8,948 | | 255,373 | 97,747 |
| 125.001.001 | PEST CONTROL INTERNSHIP PROGRAM | 2,938 | 15,342 | | | 18,280 | | 10,328 | | | 10,328 | 7,952 |
| 127.001.001 | JUVENILE DONATION FUND | 0 | | | 972 | 972 | | | | | 0 | 972 |
| 128.001.001 | NOXIOUS WEED CONTROL | 37,284 | 192,820 | | 157 | 230,261 | | 135,114 | | 18,584 | 153,698 | 76,563 |
| 130.001.001 | CHELAN COUNTY DEPT. OF EMG. MGT. | 1 | 102,263 | 137,121 | 25,155 | 264,540 | 97,682 | 84,256 | 26,700 | 55,902 | 264,540 | 0 |
| 132.001.001 | 911 COMMUNICATIONS | 92 | 742,900 | 384,506 | 12,289 | 1,139,787 | 590,539 | 545,281 | 3,968 | | 1,139,788 | (1) |
| 134.001.001 | LAW ENFORCEMENT COMMUNICATIONS | 0 | 65,989 | | 14,400 | 80,389 | | 23,950 | 25,000 | | 48,950 | 31,439 |
| 136.001.001 | PARENT EDUCATION | 13,031 | 20,270 | | | 33,301 | | 22,580 | | 38 | 22,618 | 10,683 |
| 140.001.001 | CASHMERE-DRYDEN AIRPORT | 599 | 25,493 | 2,037 | | 28,129 | 7,568 | 19,652 | | | 27,220 | 909 |
| 145.001.001 | LAW LIBRARY | 32,066 | 54,546 | | | 86,612 | | 64,059 | | | 64,059 | 22,553 |
| 155.001.001 | VETERAN'S RELIEF | 8,909 | 52,949 | 12,740 | 659 | 75,257 | 1,342 | 73,562 | 34 | | 74,938 | 319 |
| 160.001.001 | MENTAL HEALTH & RETARDATION | 909 | 87,327 | | | 88,236 | | 86,607 | | | 86,607 | 1,629 |
| 163.001.001 | HOUSING AUTHORITY FUND | 58,778 | 134,503 | | | 193,281 | | 108,101 | | | 108,101 | 85,180 |
| 165.001.001 | TREASURER'S OPERATION & MAINT. | 4 | 23,849 | 175 | | 24,028 | 12,717 | 1,949 | | 585 | 15,251 | 8,777 |
| 170.001.001 | TOURIST & CONVENTION FUND | 59,351 | 257,603 | 23,750 | 500 | 341,204 | 328 | 250,447 | | | 250,775 | 90,429 |
| 173.001.001 | COMMUNITY VISIONING FUND | 15,431 | | | | 15,431 | | 3,769 | | | 3,769 | 11,662 |
| 175.001.001 | ELECTION RESERVE FUND | 795 | 9,704 | 6,393 | | 16,892 | 10,494 | 6,398 | | | 16,892 | 0 |
| 177.001.001 | GIS AND MAPPING RESERVE | 980 | 254 | | | 1,234 | 209 | | | | 209 | 1,025 |
| 180.001.001 | WATERSHED PLANNING GRANT FUND | 1,480,963 | 690,146 | | 527 | 2,171,636 | | 615,929 | | 123,460 | 739,389 | 1,432,247 |
| 185.001.001 | REGIONAL JAIL EDUCATION FUND | 0 | 48 | 709 | | 757 | 48 | 709 | | | 757 | 0 |
| 186.001.001 | FOREST TITLE III FUND | 649,920 | 385,493 | | | 1,035,413 | | 591,180 | | | 591,180 | 444,233 |
| 198.001.001 | DISTRESSED COUNTIES TAX | 0 | 918,519 | 2,028,467 | | 2,946,986 | 2,417,824 | 529,163 | | | 2,946,987 | (1) |
| | ****GROUP TOTALS**** | 2,606,175 | 13,085,265 | 7,436,894 | 176,034 | 23,304,368 | 3,267,518 | 10,694,291 | 148,913 | 1,291,423 | 15,402,145 | 7,902,223 |
| 210.001.001 | JUVENILE BUILDING FINANCE FUND | 0 | 1,185,721 | 2,145,131 | | 3,330,852 | 1,123,228 | 707,623 | | 1,500,000 | 3,330,851 | 1 |
| | ****GROUP TOTALS**** | 0 | 1,185,721 | 2,145,131 | 0 | 3,330,852 | 1,123,228 | 707,623 | 0 | 1,500,000 | 3,330,851 | 1 |
| 301.001.001 | REAL ESTATE EXCISE TAX 1ST | 20,193 | 423,782 | 150,389 | | 594,364 | 287,565 | 258,342 | | | 545,907 | 48,457 |
| 302.001.001 | REAL ESTATE EXCISE TAX 2ND | 7,304 | 444,486 | 1,255,681 | | 1,707,471 | 1,341,369 | 315,938 | 4,958 | | 1,662,265 | 45,206 |
| 303.001.001 | MASTER PLAN CONSTRUCTION FUND | 0 | 3,393,910 | 195,366 | | 3,589,276 | 3,434,628 | 154,649 | 26,923 | | 3,616,200 | (26,924) |
| | ****GROUP TOTALS**** | 27,497 | 4,262,178 | 1,601,436 | 0 | 5,891,111 | 5,063,562 | 728,929 | 31,881 | 0 | 5,824,372 | 66,739 |
| 401.001.001 | SOLID WASTE | 0 | 718,803 | 657,543 | 25,228 | 1,401,574 | 348,693 | 972,616 | 45,685 | 27,244 | 1,394,238 | 7,336 |
| 403.001.001 | SOLID WASTE PLANNING & PROGRAM | 0 | 218,027 | 151,046 | 45,229 | 414,302 | 199,849 | 138,651 | 24,961 | 29,961 | 393,422 | 20,880 |
| 405.001.001 | WENATCHEE RIVER PARK | 0 | 143,654 | | 46,072 | 189,726 | | 115,084 | | 23,567 | 138,651 | 51,075 |
| 410.001.001 | CHELAN COUNTY FAIR | 1 | 364,857 | 170,793 | 1,598 | 537,249 | 165,064 | 362,371 | | | 527,435 | 9,814 |
| 420.001.001 | PUBLIC EDUCATION FUND | 9,202 | 21,670 | | | 30,872 | | 16,558 | | | 16,558 | 14,314 |
| 450.001.001 | REGIONAL JUSTICE CENTER | 228,621 | 5,162,026 | | 19,852 | 5,410,499 | | 3,418,445 | 17,270 | 1,545,186 | 4,980,901 | 429,598 |
| | ****GROUP TOTALS**** | 237,824 | 6,629,037 | 979,382 | 137,979 | 7,984,222 | 713,606 | 5,023,725 | 87,916 | 1,625,958 | 7,451,205 | 533,017 |

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| FUND NO | DESCRIPTION | BEGINNING BALANCE | RECEIPTS | INVESTMENT LIQUIDATED | TRANS-IN | TOTAL AVAILABLE | INVESTMENT ACQUIRED | TRANS-OUT CLAIMS/PAY | OTHER TRANS-OUT | DISB | TOTAL USED | ENDING BALANCE |
|-------------|----------------------------------|-------------------|------------|-----------------------|-----------|-----------------|---------------------|----------------------|-----------------|------------|------------|----------------|
| 510.001.001 | TOTAL ER & R FUND | 0 | 2,990,647 | 6,080,627 | 48,744 | 9,120,018 | 7,275 | 3,264,289 | 2,475 | 212,529 | 3,486,568 | 5,633,450 |
| 525.001.001 | INDUSTRIAL INSURANCE FUND | 49,384 | 438,516 | 16,568 | | 504,468 | 118,314 | 386,154 | | | 504,468 | 0 |
| 526.001.001 | CHELAN COUNTY HEALTH INS FUND | 10,210 | 3,377,854 | 318,824 | | 3,706,888 | 327,624 | 328,078 | 62,161 | 2,968,447 | 3,686,310 | 20,578 |
| 535.001.001 | UNEMPLOYMENT COMP. FUND | 90 | 113,506 | 11,431 | | 125,027 | 58,728 | 66,298 | | | 125,026 | 1 |
| 540.001.001 | TORT CLAIM & INS FUND | 1 | 734,367 | 373,503 | | 1,107,871 | 454,031 | 653,230 | 610 | | 1,107,871 | 0 |
| | ****GROUP TOTALS**** | 59,685 | 7,654,890 | 6,800,953 | 48,744 | 14,564,272 | 965,972 | 4,698,049 | 65,246 | 3,180,976 | 8,910,243 | 5,654,029 |
| 625.001.001 | JUVENILE DONATION FUND | 972 | | | | 972 | | | 972 | | 972 | 0 |
| | ****GROUP TOTALS**** | 972 | 0 | 0 | 0 | 972 | 0 | 0 | 972 | 0 | 972 | 0 |
| 631.001.001 | REGIONAL JAIL PRISONER FUND | 0 | 144,613 | 72,329 | 11,983 | 228,925 | 49,329 | 179,597 | | | 228,926 | (1) |
| 632.001.001 | COUNTY ROAD RETAINANCE FUND | 0 | 61,499 | 63,963 | | 125,462 | 35,366 | | | 55,296 | 90,662 | 34,800 |
| 633.001.001 | COM DEV BLOCK GR PASS THROUGH | 0 | 131,937 | | | 131,937 | | 131,937 | | | 131,937 | 0 |
| 634.001.010 | CASA PROGRAM | 0 | 8,318 | | | 8,318 | | 9,813 | | | 9,813 | (1,495) |
| 635.001.001 | CH-DO COMM NETWORK GRANT | 0 | 50,352 | | | 50,352 | | 50,352 | | | 50,352 | 0 |
| 636.001.001 | SUBSTANCE ABUSE FUND | 59,106 | 646,839 | | | 705,945 | | 703,197 | | | 703,197 | 2,748 |
| 637.001.001 | INFRASTRUCTURE INPROV PROJECT | 378 | 6,390 | 346,721 | | 353,489 | 272,274 | 81,216 | | | 353,490 | (1) |
| 638.001.001 | CDBG - PLANNING | 0 | 190,000 | | | 190,000 | | 190,000 | | | 190,000 | 0 |
| 639.001.001 | LID 85-1 | 0 | 3,577 | 1 | | 3,578 | 2,797 | | | | 2,797 | 781 |
| 640.001.001 | CHELAN DOUGLAS HEALTH DISTRICT | 26,819 | 3,884,854 | 2,655,000 | 75,377 | 6,642,050 | 2,445,981 | 2,557,475 | | 1,539,214 | 6,542,670 | 99,380 |
| 642.001.001 | RIVERCOM CONSTRUCTION FUND | 1 | 23,026 | 2,364,215 | 191,011 | 2,578,253 | 23,027 | 1,327,483 | 58,777 | | 1,409,287 | 1,168,966 |
| 643.001.001 | RIVERCOM 911 MAINTENANCE FUND | 10,807 | | | 38,778 | 49,585 | | 39,108 | 3,472 | | 42,580 | 7,005 |
| 644.001.001 | NORTH CENTRAL REGIONAL LIBRARY | 1,000,949 | 6,846,305 | 914,285 | 61,786 | 8,823,325 | 1,566,615 | 5,829,524 | | 1,070,192 | 8,466,331 | 356,994 |
| 645.001.001 | NCR AUTOMATION RESERVE FUND | 0 | 105,266 | | | 105,266 | 105,266 | | | | 105,266 | 0 |
| 646.001.001 | NCR LIBRARY BUILDING RESERVE | 0 | 592,244 | | | 592,244 | 592,244 | | | | 592,244 | 0 |
| 647.001.001 | NCR LIBRARY PAYROLL RESERVE | 0 | 106,950 | | | 106,950 | 106,950 | | | | 106,950 | 0 |
| 648.001.001 | LINK TRANSIT GENERAL FUND | 407,230 | 7,470,488 | 1,630,856 | 35,839 | 9,544,413 | 784,432 | | 611,799 | 7,111,457 | 8,507,688 | 1,036,725 |
| 649.001.001 | LINK - ARBITRAGE REBATE TAX | 0 | 398 | 35,852 | | 36,250 | 411 | | 35,839 | | 36,250 | 0 |
| 650.001.001 | LINK LSTGO BOND 1998 | 0 | | | 613,786 | 613,786 | | | | 613,786 | 613,786 | 0 |
| 650.001.005 | LINK LSTGO BOND 1998 RESERVE | 0 | 7,267 | 613,701 | 611,495 | 1,232,463 | 618,981 | | 613,483 | | 1,232,464 | (1) |
| | ****GROUP TOTALS**** | 1,505,290 | 20,280,323 | 8,696,923 | 1,640,055 | 32,122,591 | 6,603,673 | 11,099,702 | 1,323,370 | 10,389,945 | 29,416,690 | 2,705,901 |
| 651.001.001 | TV RECEPTION IMPROV. DIST. NO 1 | 1,982 | 2,783 | 354 | | 5,119 | 123 | 3,107 | | | 3,230 | 1,889 |
| | ****GROUP TOTALS**** | 1,982 | 2,783 | 354 | 0 | 5,119 | 123 | 3,107 | 0 | 0 | 3,230 | 1,889 |
| 652.001.001 | STATE REFUND LEVY | 49 | 3,006 | | | 3,055 | | | | 2,999 | 2,999 | 56 |
| 652.001.002 | GUN PERMITS-DEPT. OF LICENSING | 948 | 8,424 | | | 9,372 | | | | 8,787 | 8,787 | 585 |
| 652.001.003 | COMPENSATION FOR WILDLIFE LOSS | 0 | | | | 0 | | | | | 0 | 0 |
| 652.001.004 | STATE FOREST FIRE PROTECTION | 2,428 | 170,415 | | | 172,843 | | | | 170,345 | 170,345 | 2,498 |
| 652.001.005 | STATE SCHOOL | 139,841 | 14,862,068 | | | 15,001,909 | | | | 14,771,507 | 14,771,507 | 230,402 |
| 652.001.006 | STATE PATROL HIGHWAY ACCOUNT | 1,823 | 22,841 | | | 24,664 | | | | 22,428 | 22,428 | 2,236 |
| 652.001.007 | DEATH INVESTN-TOXICOLOGY LAB | 315 | 27,789 | | | 28,104 | | | | 24,913 | 24,913 | 3,191 |
| 652.001.008 | JUDICIAL INFORMATION SYSTEMS | 12,140 | 166,809 | | | 178,949 | | | | 166,114 | 166,114 | 12,835 |
| 652.001.009 | ARCHIVES & RECORDS MGMT DIGITAL | 2,350 | 30,164 | | | 32,514 | | | | 30,103 | 30,103 | 2,411 |
| 652.001.010 | ARCHIVES & RECORDS MANAGEMENT | 2,381 | 30,800 | | | 33,181 | | | | 30,728 | 30,728 | 2,453 |
| 652.001.011 | REAL ESTATE EXCISE TAX | 301,030 | 4,404,851 | | | 4,705,881 | | | | 4,356,603 | 4,356,603 | 349,278 |
| 652.001.012 | WASHINGTON HOUSING TRUST ACCT | 7,178 | 89,669 | | | 96,847 | | | | 90,026 | 90,026 | 6,821 |
| 652.001.013 | STATE MARRIAGE LICENSE | 465 | 9,540 | | | 10,005 | | | | 9,375 | 9,375 | 630 |
| 652.001.014 | FILING FEES-COURT OF APPEALS | 268 | 4,437 | | | 4,705 | | | | 4,455 | 4,455 | 250 |
| 652.001.015 | STATE MAPS & SURVEY FEES | 782 | 9,798 | | | 10,580 | | | | 8,694 | 8,694 | 1,886 |
| 652.001.016 | PSEA - SUPERIOR COURT | 14,124 | 124,264 | | | 138,388 | | | | 128,997 | 128,997 | 9,391 |
| 652.001.017 | PSEA-SHERIFF-FORFEIT PROPERTY | 0 | | | | 0 | | | | | 0 | 0 |
| 652.001.018 | CRIME LABORATORY ANALYSIS FEE | 1,470 | 5,992 | | | 7,462 | | | | 7,086 | 7,086 | 376 |
| 652.001.019 | PSEA - DISTRICT COURT | 68,216 | 934,986 | | | 1,003,202 | | | | 916,993 | 916,993 | 86,209 |
| 652.001.020 | CENTENNIAL D & M SURCHARGE-STATE | 2,381 | 30,802 | | | 33,183 | | | | 30,730 | 30,730 | 2,453 |

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CHELAN COUNTY, WASHINGTON

Schedule of Cash Activity - Schedule 11
For the Year Ending December 31, 2003

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| FUND NO | DESCRIPTION | BEGINNING BALANCE | RECEIPTS | INVESTMENT SALES | TRANS-IN | TOTAL AVAILABLE | INVESTMENT PURCHASED | TRANS-OUT CLAIMS/PAY | OTHER TRANS-OUT | DISB | TOTAL USED | ENDING BALANCE |
|-------------|-------------------------------|-------------------|-------------|------------------|----------|-----------------|----------------------|----------------------|-----------------|-------------|-------------|----------------|
| 652.001.021 | SCHOOL ZONE SAFETY | 666 | 3,156 | | | 3,822 | | | | 3,497 | 3,497 | 325 |
| 652.001.022 | VEHICLE LICENSING FRAUD | 0 | | | | 0 | | | | | 0 | 0 |
| 652.001.023 | EMS & TRAUMA CARE SYSTEMS TR | 4,476 | 60,001 | | | 64,477 | | | | 59,931 | 59,931 | 4,546 |
| 652.001.024 | BUILDING CODE COUNCIL ACCOUNT | 149 | 2,943 | | | 3,092 | | | | 2,944 | 2,944 | 148 |
| 652.001.027 | DNA DATABASE ACCOUNT | 100 | 2,838 | | | 2,938 | | | | 2,719 | 2,719 | 219 |
| 652.001.028 | MORTGAGE LENDING FRAUD PROSEC | | 2,746 | | | 2,746 | | | | 2,315 | 2,315 | 431 |
| 652.001.029 | VITAL RECORDS | | 9,733 | | | 9,733 | | | | 7,609 | 7,609 | 2,124 |
| | ****GROUP TOTALS**** | 563,580 | 21,018,072 | 0 | 0 | 21,581,652 | 0 | 0 | 0 | 20,859,898 | 20,859,898 | 721,754 |
| 653.001.001 | NORTH CENTRAL E.S.D. | 320,029 | 9,285,984 | 1,178,488 | | 10,784,501 | 751,505 | | | 9,823,274 | 10,574,779 | 209,722 |
| 653.001.003 | N C ESD WORKERS' COMP. TRUST | 69,359 | 1,799,758 | 817,450 | | 2,686,567 | 372,840 | | | 2,150,437 | 2,523,277 | 163,290 |
| 653.001.005 | N C COMPENSATED ABSENCES POOL | 0 | 618,566 | 52,510 | | 671,076 | 542,232 | | | 67,589 | 609,821 | 61,255 |
| 653.001.007 | N C ESD UNEMPLOYMENT COOP | 95,930 | 400,187 | 214,600 | | 710,717 | 207,790 | | | 472,896 | 680,686 | 30,031 |
| 654.001.021 | SD 19 GENERAL | 135,151 | 6,813,701 | 639,500 | | 7,588,352 | 567,314 | | 240,000 | 6,488,858 | 7,296,172 | 292,180 |
| 654.001.023 | SD 19 ASB FUND | 2,809 | 74,810 | 22,877 | | 100,496 | 14,046 | | | 76,370 | 90,416 | 10,080 |
| 654.001.025 | SD 19 TRANSPORTATION VEHICLE | 0 | 17,104 | 78,405 | 15,000 | 110,509 | 32,104 | | | 78,405 | 110,509 | 0 |
| 654.001.027 | SD 19 EXPENDABLE TRUST | 0 | 426 | 500 | | 926 | 426 | | | 500 | 926 | 0 |
| 654.001.030 | SD 19 DEBT SERVICE | 3,450 | 597,398 | 290,470 | | 891,318 | 296,832 | | | 589,078 | 885,910 | 5,408 |
| 654.001.035 | SD 19 CAPITAL PROJECTS | 0 | 1,446 | 77,537 | 225,000 | 303,983 | 197,626 | | | 106,356 | 303,982 | 1 |
| 654.001.041 | SD 69 GENERAL | 6,737 | 134,643 | 4,070,606 | | 4,211,986 | 4,052,206 | | | 149,687 | 4,201,893 | 10,093 |
| 654.001.055 | SD 69 CAPITAL PROJECTS | 6 | | 606,600 | | 606,606 | 605,700 | | | 848 | 606,548 | 58 |
| 654.001.061 | SD 70J GENERAL | 0 | | | | 0 | | | | | 0 | 0 |
| 654.001.070 | SD 70J DEBT SERVICE | 0 | | | | 0 | | | | | 0 | 0 |
| 654.001.081 | SD 127 GENERAL | 213,537 | 2,942,477 | 2,820,607 | | 5,976,621 | 2,761,276 | | 34,000 | 3,003,071 | 5,798,347 | 178,274 |
| 654.001.083 | SD 127 ASB | 5,904 | 53,201 | 210,600 | | 269,705 | 204,007 | | | 54,761 | 258,768 | 10,937 |
| 654.001.085 | SD 127 TRANSPORTATION VEHICLE | 0 | 7,049 | | | 7,049 | 7,049 | | | | 7,049 | 0 |
| 654.001.087 | SD 127 TRUST & AGENCY | 0 | | | | 0 | | | | | 0 | 0 |
| 654.001.090 | SD 127 DEBT SERVICE | (1,007) | 224,907 | 1,178,905 | | 1,402,805 | 1,170,323 | | | 228,275 | 1,398,598 | 4,207 |
| 654.001.095 | SD 127 CAPITAL PROJECTS | 2,766 | 3,145 | 33,191 | 34,000 | 73,102 | 37,145 | | | 35,957 | 73,102 | 0 |
| 654.001.100 | SD 129 GENERAL | 585,715 | 10,145,851 | 538,300 | | 11,269,866 | 657,749 | | 125,000 | 9,870,420 | 10,653,169 | 616,697 |
| 654.001.103 | SD 129 ASB | 17,061 | 171,929 | 79,253 | | 268,243 | 53,785 | | | 201,746 | 255,531 | 12,712 |
| 654.001.105 | SD 129 TRANSPORTATION VEHICLE | 0 | 19,990 | 4,157 | 75,000 | 99,147 | 19,990 | | | 79,156 | 99,146 | 1 |
| 654.001.110 | SD 129 DEBT SERVICE | 11,004 | 966,152 | 539,700 | | 1,516,856 | 593,592 | | | 914,192 | 1,507,784 | 9,072 |
| 654.001.115 | SD 129 CAPITAL PROJECTS | 5 | 20,226 | | 50,000 | 70,231 | 70,230 | | | | 70,230 | 1 |
| 654.001.121 | SD 222 GENERAL | 433,851 | 10,114,401 | 1,235,000 | | 11,783,252 | 1,265,000 | | 10,325 | 10,091,217 | 11,366,542 | 416,710 |
| 654.001.123 | SD 222 ASB | 56,126 | 276,505 | 1,797,000 | | 2,129,631 | 1,814,000 | | | 262,066 | 2,076,066 | 53,565 |
| 654.001.125 | SD 222 TRANSPORTATION VEHICLE | 48,508 | 24,634 | 74,005 | | 147,147 | 95,805 | | | 51,319 | 147,124 | 23 |
| 654.001.127 | SD 222 TRUST & AGENCY | 0 | | | | 0 | | | | | 0 | 0 |
| 654.001.130 | SD 222 DEBT SERVICE | (10,309) | 1,020,001 | 3,863,000 | 18,343 | 4,891,035 | 3,848,000 | | | 1,043,836 | 4,891,836 | (801) |
| 654.001.133 | SD 222 NONEXPENDABLE TRUST | 184 | 751 | 733,001 | | 733,936 | 733,351 | | | 538 | 733,889 | 47 |
| 654.001.135 | SD 222 CAPITAL PROJECTS | 29,379 | 1,699 | 4,713 | 4,300 | 40,091 | 5,825 | | 12,318 | 21,869 | 40,012 | 79 |
| 654.001.161 | SD 228 GENERAL | 408,557 | 10,934,498 | 2,241,494 | | 13,584,549 | 2,366,744 | | 122,610 | 10,673,788 | 13,163,142 | 421,407 |
| 654.001.163 | SD 228 ASB | 16,448 | 238,823 | 1,382,847 | | 1,638,118 | 1,418,347 | | | 204,977 | 1,623,324 | 14,794 |
| 654.001.165 | SD 228 TRANSPORTATION VEHICLE | 662 | 42,505 | 1,036,053 | | 1,079,220 | 981,803 | | | 97,196 | 1,078,999 | 221 |
| 654.001.167 | SD 228 TRUST & AGENCY | 0 | | | | 0 | | | | | 0 | 0 |
| 654.001.170 | SD 228 DEBT SERVICE | (45,069) | 1,272,691 | 3,236,720 | 122,610 | 4,586,952 | 3,241,220 | | | 1,345,371 | 4,586,591 | 361 |
| 654.001.175 | SD 228 CAPITAL PROJECTS | 1,928 | 267 | 306,278 | | 308,473 | 298,028 | | | 10,040 | 308,068 | 405 |
| 654.001.201 | SD 246 GENERAL | 2,096,432 | 52,034,233 | 50,419,000 | | 104,549,665 | 51,854,000 | | 52,550 | 50,386,763 | 102,293,313 | 2,256,352 |
| 654.001.203 | SD 246 ASB | 49,953 | 717,421 | 4,509,300 | | 5,276,674 | 4,458,300 | | | 792,459 | 5,250,759 | 25,915 |
| 654.001.205 | SD 246 TRANSPORTATION VEHICLE | 944 | 74,300 | 941,650 | 30,000 | 1,046,894 | 957,650 | | | 89,018 | 1,046,668 | 226 |
| 654.001.207 | SD 246 EXPENDABLE TR | 0 | 90 | | | 90 | 90 | | | | 90 | 0 |
| 654.001.210 | SD 246 DEBT SERVICE | (74,899) | 5,580,386 | 12,830,016 | 22,550 | 18,358,053 | 12,797,016 | | | 5,342,049 | 18,139,065 | 218,988 |
| 654.001.215 | SD 246 CAPITAL PROJECTS | 124,006 | 569,980 | 17,715,633 | | 18,409,619 | 10,901,860 | | | 6,617,700 | 17,519,560 | 890,059 |
| | ****GROUP TOTALS**** | 4,605,157 | 117,202,135 | 115,779,966 | 596,803 | 238,184,061 | 110,252,806 | 0 | 596,803 | 121,422,082 | 232,271,691 | 5,912,370 |

| FUND NO | DESCRIPTION | BEGINNING BALANCE | RECEIPTS | INVESTMENT SALES | TRANS-IN | TOTAL AVAILABLE | INVESTMENT PURCHASED | TRANS-OUT CLAIMS/PAY | OTHER TRANS-OUT | DISB | TOTAL USED | ENDING BALANCE |
|-------------|-------------------------------------|----------------------|------------|---------------------|----------|--------------------|-------------------------|-------------------------|--------------------|-----------|---------------|-------------------|
| 656.001.101 | FIRE NO 1 EXPENSE | 50 | 1,464,829 | 774,588 | 265,091 | 2,504,558 | 862,802 | 1,069,913 | 240,521 | 355,592 | 2,528,828 | (24,270) |
| 656.001.103 | FIRE NO 1 HELICOPTER RESERVE | 0 | 2,490 | 242,958 | 95,552 | 341,000 | 292,255 | | 48,745 | | 341,000 | 0 |
| 656.001.105 | FIRE NO 1 RESERVE | 0 | 4,615 | 532,835 | 240,521 | 777,971 | 537,971 | | 240,000 | | 777,971 | 0 |
| 656.001.107 | FIRE NO 1 HELICOPTER | 1,480 | 108,601 | | 27,887 | 137,968 | | 30,806 | 98,192 | 2,213 | 131,211 | 6,757 |
| 656.001.110 | FIRE NO 1 BOND | 1,768 | 303,447 | 258,591 | | 563,806 | 266,590 | | | 296,757 | 563,347 | 459 |
| 656.001.301 | FIRE NO 3 EXPENSE | 42 | 350,550 | 132,601 | 3,583 | 486,776 | 101,084 | 214,437 | 9,509 | 109,526 | 434,556 | 52,220 |
| 656.001.305 | FIRE NO 3 CONSTRUCTION | 4 | | | | 4 | | | 4 | | 4 | 0 |
| 656.001.310 | FIRE NO 3 BOND | 861 | 95,753 | 168,907 | | 265,521 | 171,410 | | | 94,042 | 265,452 | 69 |
| 656.001.320 | FIRE NO 3 LTGO 2001 BOND | 0 | | | 9,509 | 9,509 | | | | 9,509 | 9,509 | 0 |
| 656.001.401 | FIRE NO 4 EXPENSE | 709 | 29,997 | 12,127 | 2,676 | 45,509 | 21,213 | 18,563 | 4,627 | | 44,403 | 1,106 |
| 656.001.403 | FIRE NO 4 APPARATUS FUND | 0 | 151 | | 4,627 | 4,778 | 4,778 | | | | 4,778 | 0 |
| 656.001.405 | FIRE NO 4 SURPLUS | 0 | 66 | 8,122 | | 8,188 | 5,563 | | 2,625 | | 8,188 | 0 |
| 656.001.410 | FIRE NO 4 DEBT SERVICE | 28 | 18,723 | 7,028 | | 25,779 | 4,535 | | | 18,483 | 23,018 | 2,761 |
| 656.001.501 | FIRE NO 5 EXPENSE | 39,718 | 357,947 | 244,154 | 852 | 642,671 | 280,491 | 316,995 | 706 | 43,498 | 641,690 | 981 |
| 656.001.601 | FIRE NO 6 EXPENSE | 27,783 | 254,824 | 121,858 | 12,068 | 416,533 | 61,500 | 262,673 | 79,078 | 3,453 | 406,704 | 9,829 |
| 656.001.605 | FIRE NO 6 RESERVE | 0 | 2,820 | 144,245 | | 147,065 | 141,961 | | 5,000 | | 146,961 | 104 |
| 656.001.610 | FIRE NO 6 LTGO BOND 1994 | 0 | | | 68,258 | 68,258 | | | | 68,258 | 68,258 | 0 |
| 656.001.615 | FIRE NO 6 EQUIPMENT RESERVE | 0 | 90 | 14,087 | | 14,177 | 7,109 | | 7,068 | | 14,177 | 0 |
| 656.001.617 | FIRE NO 6 DRYDEN LAND PURCHASE | 0 | 99,250 | | | 99,250 | | | | 99,250 | 99,250 | 0 |
| 656.001.620 | FIRE NO 6 2003 LTGO BOND | 0 | | | 10,819 | 10,819 | | | | 10,819 | 10,819 | 0 |
| 656.001.701 | FIRE NO 7 EXPENSE | 31,878 | 545,881 | 363,800 | 24,300 | 965,859 | 236,815 | 522,827 | 137 | 206,081 | 965,860 | (1) |
| 656.001.710 | FIRE NO 7 BOND | 9,622 | 114,367 | 1,522 | | 125,511 | 1,542 | | | 115,172 | 116,714 | 8,797 |
| 656.001.801 | FIRE NO 8 EXPENSE | 84,032 | 117,109 | 112,041 | 100 | 313,282 | 113,484 | 121,367 | | | 234,851 | 78,431 |
| 656.001.901 | FIRE NO 9 EXPENSE | 21,884 | 238,881 | 76,975 | 101,312 | 439,052 | 97,513 | 290,404 | 15,000 | | 402,917 | 36,135 |
| 656.001.907 | FIRE NO 9 RESERVE | 0 | 6,483 | 245,445 | 15,000 | 266,928 | 162,194 | | 100,000 | | 262,194 | 4,734 |
| 656.001.910 | FIRE NO 9 BOND | 10,567 | 75,653 | | | 86,220 | | | | 76,853 | 76,853 | 9,367 |
| | ****GROUP TOTALS**** | 230,426 | 4,192,527 | 3,461,884 | 882,155 | 8,766,992 | 3,370,810 | 2,847,985 | 851,212 | 1,509,506 | 8,579,513 | 187,479 |
| 657.001.101 | CEMETERY NO 1 MAINTENANCE | 11 | 13,650 | 367 | 3,248 | 17,276 | 1 | 14,685 | 2,046 | | 16,732 | 544 |
| 657.001.103 | CEMETERY NO 1 BEAUTIFICATION | 0 | 58 | 3,248 | 2,046 | 5,352 | 2,104 | | 3,248 | | 5,352 | 0 |
| 657.001.201 | CEMETERY NO 2 MAINTENANCE | 53,328 | 21,272 | | | 74,600 | 179 | 8,960 | | | 9,139 | 65,461 |
| 657.001.301 | CEMETERY NO 3 MAINTENANCE | 31,415 | 26,603 | | 1,399 | 59,417 | | 19,782 | | | 19,782 | 39,635 |
| 657.001.401 | CEMETERY NO 4 MAINTENANCE | 65,168 | 138,109 | | 246 | 203,523 | 49,046 | 106,253 | | | 155,299 | 48,224 |
| 657.001.501 | CEMETERY NO 5 MAINTENANCE | 5,881 | 2,552 | | | 8,433 | 112 | 5,280 | | | 5,392 | 3,041 |
| | ****GROUP TOTALS**** | 155,803 | 202,244 | 3,615 | 6,939 | 368,601 | 51,442 | 154,960 | 5,294 | 0 | 211,696 | 156,905 |
| 671.001.101 | PORT OF CHELAN COUNTY GENERAL | 191,496 | 9,136,197 | 1,901,040 | | 11,228,733 | 3,350,231 | | 864,937 | 6,831,477 | 11,046,645 | 182,088 |
| 671.001.110 | PORT BOND REDEMPTION | 14,603 | 4,923 | | 864,937 | 884,463 | | | | 880,580 | 880,580 | 3,883 |
| 672.001.101 | PANGBORN FIELD | 137,806 | 1,347,233 | | | 1,485,039 | | | | 1,392,670 | 1,392,670 | 92,369 |
| | ****GROUP TOTALS**** | 343,905 | 10,488,353 | 1,901,040 | 864,937 | 13,598,235 | 3,350,231 | 0 | 864,937 | 9,104,727 | 13,319,895 | 278,340 |
| 674.001.240 | LAKE CHELAN SEWER ULID 1998-4 | 0 | 291,588 | 21,362 | | 312,950 | 289,543 | | | 21,362 | 310,905 | 2,045 |
| 674.001.250 | LAKE CHELAN SEWER REVENUE BOND 2003 | 0 | 1,001,262 | 105,833 | | 1,107,095 | 1,001,262 | | | 105,833 | 1,107,095 | 0 |
| | ****GROUP TOTALS**** | 0 | 1,292,850 | 127,195 | 0 | 1,420,045 | 1,290,805 | 0 | 0 | 127,195 | 1,418,000 | 2,045 |
| 675.001.101 | MANSON PARK & RECREATION | 8,861 | 510,233 | 346,638 | 11,952 | 877,684 | 162,178 | 705,258 | 9,548 | 380 | 877,364 | 320 |
| 675.001.109 | MANSON PARK-WAPATO LAKE | 0 | 31,545 | | 10,252 | 41,797 | | 31,598 | 10,000 | 200 | 41,798 | (1) |
| 677.001.001 | UPPER VALLEY PARK & REC | 96 | 114,040 | 59,753 | 8,224 | 182,113 | 46,579 | 132,278 | 304 | | 179,161 | 2,952 |
| 677.001.110 | UPPER VALLEY PARK & REC BOND | 0 | 84,964 | | 304 | 85,268 | | | | 83,987 | 83,987 | 1,281 |
| | ****GROUP TOTALS**** | 8,957 | 740,782 | 406,391 | 30,732 | 1,186,862 | 208,757 | 869,134 | 19,852 | 84,567 | 1,182,310 | 4,552 |
| 681.001.101 | BRAE BURN MOSQUITO DISTRICT | 102 | 1,631 | | | 1,733 | | 1,656 | | | 1,656 | 77 |
| 681.001.201 | LEAVENWORTH MOSQUITO CONTROL | 0 | 29,212 | | 2,401 | 31,613 | | 29,578 | | 500 | 30,078 | 1,535 |
| | ****GROUP TOTALS**** | 102 | 30,843 | 0 | 2,401 | 33,346 | 0 | 31,234 | 0 | 500 | 31,734 | 1,612 |

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CHELAN COUNTY, WASHINGTON

Schedule of Cash Activity - Schedule 11
For the Year Ending December 31, 2003

| FUND NO | DESCRIPTION | BEGINNING BALANCE | RECEIPTS | INVESTMENT SALES | TRANS-IN | TOTAL AVAILABLE | INVESTMENT PURCHASED | TRANS-OUT CLAIMS/PAY | OTHER TRANS-OUT | DISB | TOTAL USED | ENDING BALANCE |
|-------------|-----------------------------------|----------------------|-----------|---------------------|----------|--------------------|-------------------------|-------------------------|--------------------|---------|---------------|-------------------|
| 682.001.105 | CHELAN FALLS WATER LOAN RESERVE | 0 | 191 | 15,167 | | 15,358 | 15,039 | | 320 | | 15,359 | (1) |
| 682.001.110 | CHELAN FALLS WTR DEBT SERVICE | 0 | 15,105 | | 320 | 15,425 | | | | 15,425 | 15,425 | 0 |
| 682.001.240 | MALAGA WATER REVENUE BOND 1999 | 0 | | | 7,586 | 7,586 | | | | 7,586 | 7,586 | 0 |
| 682.001.250 | MALAGA WATER PRJ. 1 BOND 1997A | 31,913 | 37,387 | | | 69,300 | | | 7,586 | 27,044 | 34,630 | 34,670 |
| 682.001.255 | MALAGA WTR PROJECT 1 BOND RESERVE | 29,803 | 7,009 | 32,699 | | 69,511 | 69,511 | | | | 69,511 | 0 |
| 682.001.260 | MALAGA WATER REVENUE BOND 2001 | 22,238 | 35,481 | | | 57,719 | | | | 32,981 | 32,981 | 24,738 |
| 682.001.262 | MALAGA WTR REV BD 2001 RESERVE | 0 | 431 | 33,469 | | 33,900 | 33,900 | | | | 33,900 | 0 |
| 682.001.265 | MALAGA WATER TRUST | 5,835 | 1,778 | | | 7,613 | | | | | 0 | 7,613 |
| 682.001.270 | MALAGA WATER ULID NO 1 | 6,157 | 86,516 | 190,445 | | 283,118 | 173,584 | | | 86,328 | 259,912 | 23,206 |
| 682.001.275 | MALAGA WATER ULID NO 1 RESERVE | 0 | 16,780 | 51,122 | | 67,902 | 67,901 | | | | 67,901 | 1 |
| 682.001.280 | MALAGA WATER DISTRICT | 33,434 | 125,105 | | 46 | 158,585 | | 119,609 | | | 119,609 | 38,976 |
| 682.001.285 | MALAGA WATER DISTRICT RESERVE | 0 | 16,539 | 14,816 | | 31,355 | 31,355 | | | | 31,355 | 0 |
| 682.001.290 | MALAGA WATER CAPITAL IMPROVEMENT | 23,498 | 10,232 | 25,715 | | 59,445 | 59,445 | | | | 59,445 | 0 |
| 682.001.292 | MALAGA WATER DIST. - LAUREL HILLS | 10,870 | (8,049) | | | 2,821 | | | | | 0 | 2,821 |
| 682.001.301 | 3 LAKES WATER DISTRICT MAINT. | 27,590 | 57,662 | 175,337 | 11 | 260,600 | 202,892 | 46,746 | | | 249,638 | 10,962 |
| 682.001.401 | ALPINE WATER MAINTENANCE | 1,615 | 32,657 | 11,000 | 20 | 45,292 | 745 | 32,919 | | 6,000 | 39,664 | 5,628 |
| 682.001.415 | ALPINE WATER RESERVE | 0 | 685 | | 11,400 | 12,085 | 12,085 | | | | 12,085 | 0 |
| 682.001.420 | ALPINE WATER ULID NO 1 | 0 | 204,436 | 203,974 | | 408,410 | 302,537 | | 87,160 | | 389,697 | 18,713 |
| 682.001.430 | ALPINE WATER REVENUE BOND 2000 | 0 | | | 47,084 | 47,084 | | | | 47,084 | 47,084 | 0 |
| 682.001.440 | ALPINE WATER PW FISH LAKE LOAN | 0 | | | 28,676 | 28,676 | | | | 28,676 | 28,676 | 0 |
| 682.001.501 | PESHASTIN WATER DISTRICT | 5,488 | 118,951 | 15,852 | 10,558 | 150,849 | 13,815 | 112,533 | 8,063 | 15,532 | 149,943 | 906 |
| 682.001.505 | PWTF WATER SYSTEM IMPROVEMENT | 0 | 1,933,655 | 338,468 | 566,210 | 2,838,333 | 335,104 | 2,471,749 | 8,498 | 4,255 | 2,819,606 | 18,727 |
| 682.001.510 | PESHASTIN WATER PWT LOAN 2002 | 0 | | | 5,563 | 5,563 | | | | 5,563 | 5,563 | 0 |
| 682.001.515 | PESH WATER 2003 CONSTRUCTION | 0 | 557,269 | | | 557,269 | 557,269 | | | | 557,269 | 0 |
| 682.001.520 | PESHASTIN WTR REV BOND 2003 | 0 | | | | 0 | | | | | 0 | 0 |
| 682.001.601 | CH RIVER ISENHART DOMESTIC WTR | 17,173 | 117,789 | | | 134,962 | | 83,788 | 35,271 | 6,108 | 125,167 | 9,795 |
| | ****GROUP TOTALS**** | 215,614 | 3,367,609 | 1,108,064 | 677,474 | 5,368,761 | 1,875,182 | 2,867,344 | 146,898 | 282,582 | 5,172,006 | 196,755 |
| 683.001.001 | BEEHIVE IRRIGATION MAINTENANCE | 10,819 | 16,309 | | 83 | 27,211 | 497 | 13,017 | | 83 | 13,597 | 13,614 |
| 683.001.051 | CHELAN FALLS IRRIGATION MAINT. | 24 | 29,783 | 5,037 | 2,698 | 37,542 | 29,011 | 8,033 | | | 37,044 | 498 |
| 683.001.070 | CHELAN FALLS IRRIG BOND | 36,130 | 458 | | | 36,588 | | | 498 | 36,089 | 36,587 | 1 |
| 683.001.101 | CHELAN RIVER IRRIGATION MAINT. | 12,863 | 63,703 | | 34,271 | 110,837 | | 58,139 | 28,094 | | 86,233 | 24,604 |
| 683.001.110 | CHELAN RIVER IRRIGATION BOND | 375 | 1 | 18 | 999 | 1,393 | 1,394 | | | | 1,394 | (1) |
| 683.001.130 | CHELAN RIVER ISENHART LOAN | 0 | | | 28,094 | 28,094 | | | | 28,094 | 28,094 | 0 |
| 683.001.151 | ENTIAT IRRIGATION MAINTENANCE | 5,286 | 29,707 | 3,589 | 14,536 | 53,118 | 10 | 45,493 | 3,400 | | 48,903 | 4,215 |
| 683.001.160 | ENTIAT IRRIGATION BOND | 0 | 20,025 | 26,239 | 3,400 | 49,664 | 23,239 | | 14,500 | 11,925 | 49,664 | 0 |
| 683.001.201 | GREATER WENATCHEE | 0 | 121,401 | | | 121,401 | | | | 121,401 | 121,401 | 0 |
| 683.001.251 | ICICLE IRRIGATION MAINTENANCE | 99,380 | 671,798 | 19,052 | 2,142 | 792,372 | 106,476 | 685,605 | | | 792,081 | 291 |
| 683.001.262 | ICICLE NDP LOAN REPAYMENT | 0 | 3 | 2,142 | | 2,145 | 3 | | 2,142 | | 2,145 | 0 |
| 683.001.301 | ISENHART IRRIGATION MAINT. | 1,948 | 54,685 | 25,475 | | 82,108 | 23,278 | 25,431 | | 31,200 | 79,909 | 2,199 |
| 683.001.401 | LOWER SQUILCHUCK MAINTENANCE | 19,375 | 57,228 | | | 76,603 | 35,540 | 27,436 | | | 62,976 | 13,627 |
| 683.001.405 | LOWER SQUILCHUCK CONSTRUCTION | 42 | | | | 42 | | | | | 0 | 42 |
| 683.001.410 | LOWER SQUILCHUCK BOND | 1,232 | 17,559 | 17,560 | 13,195 | 49,546 | 17,560 | | 732 | 31,254 | 49,546 | 0 |
| 683.001.415 | LOWER SQUILCHUCK RESERVE | 0 | 274 | 13,195 | 732 | 14,201 | 1,006 | | 13,195 | | 14,201 | 0 |
| 683.001.451 | LOWER STEMILT MAINTENANCE | 147,032 | 160,044 | | 12 | 307,088 | | 137,873 | | | 137,873 | 169,215 |
| 683.001.460 | LOWER STEMILT DEBT SERVICE | 31,196 | 11,486 | | | 42,682 | | | | 28,868 | 28,868 | 13,814 |
| 683.001.465 | LOWER STEMILT CONSTRUCTION 1992 | 211 | | | | 211 | | | | | 0 | 211 |
| 683.001.501 | MILLERDALE IRRIGATION MAINT. | 58,284 | 29,481 | | | 87,765 | 300 | 28,241 | | | 28,541 | 59,224 |
| 683.001.551 | PESHASTIN IRRIGATION MAINT. | 66,689 | 347,176 | 71,256 | | 485,121 | 51,946 | 358,468 | | 21,020 | 431,434 | 53,687 |
| 683.001.570 | PESHASTIN SATE LOAN RESERVE | 0 | 133 | 4,856 | | 4,989 | 130 | | | 4,856 | 4,986 | 3 |
| 683.001.601 | STEMILT IRRIGATION MAINTENANCE | 110,053 | 283,545 | 80,138 | 135 | 473,871 | 137,498 | 163,154 | 88,572 | 20,808 | 410,032 | 63,839 |
| 683.001.605 | STEMILT LOAN RESERVE 2001 | 0 | | | | 0 | | | | | 0 | 0 |
| 683.001.612 | STEMILT 1987 REVENUE BOND | 0 | | | 35,790 | 35,790 | | | | 35,790 | 35,790 | 0 |
| 683.001.614 | STEMILT 1988 REVENUE BOND | 0 | | | 20,802 | 20,802 | | | | 20,802 | 20,802 | 0 |
| 683.001.625 | STEMILT CONSTRUCTION 91-92 | 0 | | | 13,506 | 13,506 | | | | 13,506 | 13,506 | 0 |

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| FUND NO | DESCRIPTION | BEGINNING BALANCE | RECEIPTS | INVESTMENT SALES | TRANS-IN | TOTAL AVAILABLE | INVESTMENT PURCHASED | TRANS-OUT CLAIMS/PAY | OTHER TRANS-OUT | DISB | TOTAL USED | ENDING BALANCE |
|-------------|----------------------------------|----------------------|------------|---------------------|-----------|--------------------|-------------------------|-------------------------|--------------------|------------|---------------|-------------------|
| 683.001.630 | STEMILT LID NO 2 MAINTENANCE | 14,416 | 44,498 | 27,148 | | 86,062 | 39,663 | 19,732 | | 24,951 | 84,346 | 1,716 |
| 683.001.640 | STEMILT LID NO 3 DEBT SERVICE | 0 | | | 18,474 | 18,474 | | | | 18,474 | 18,474 | 0 |
| 683.001.651 | WENATCHEE CHIWAWA MAINTENANCE | 76,152 | 51,461 | | 524 | 128,137 | 521 | 42,492 | | | 43,013 | 85,124 |
| 683.001.701 | WENATCHEE HEIGHTS REC. MAINT. | 17,187 | 197,929 | | 769 | 215,885 | | 79,752 | 77,638 | 16,917 | 174,307 | 41,578 |
| 683.001.703 | WEN HGTS REC. REHAB CONST. | 0 | | | 22,988 | 22,988 | | | | 22,988 | 22,988 | 0 |
| 683.001.705 | WEN HGTS UPPER WHEELER RES O&M | 11,303 | 3,293 | | 11,236 | 25,832 | | 2,022 | 22,988 | | 25,010 | 822 |
| 683.001.707 | WENATCHEE HEIGHTS REC. BOND RES | 0 | 302 | 302 | | 604 | 302 | | 302 | | 604 | 0 |
| 683.001.710 | WEN HGTS REC. REV BOND | 0 | | | 43,709 | 43,709 | | | | 43,709 | 43,709 | 0 |
| 683.001.712 | WEN HGTS REC-SPRING HILL IRRIG | 0 | 12,829 | 17,011 | 22,995 | 52,835 | 35,628 | 12,767 | 693 | 3,746 | 52,834 | 1 |
| 683.001.731 | WEN HTS REC. EMER PROJECT LOAN | 0 | | | | 0 | | | | | 0 | 0 |
| 683.001.751 | WENATCHEE RECLAMATION MAINT. | 3,127 | 1,357,094 | 521,731 | 107,461 | 1,989,413 | 618,538 | 1,164,111 | 164,671 | 38,742 | 1,986,062 | 3,351 |
| 683.001.755 | WENATCHEE REC CAPITAL ASSET | 0 | 5,889 | 107,447 | 90,671 | 204,007 | 96,560 | | 107,447 | | 204,007 | 0 |
| 683.001.780 | WEN REC. REVENUE BOND | 0 | 945,882 | 139,340 | 73,000 | 1,158,222 | 73,882 | | | 1,084,340 | 1,158,222 | 0 |
| 683.001.785 | WRD LOCAL EQUIPMENT FINANCING | 0 | 42 | 6,234 | 1,000 | 7,276 | 1,042 | | 14 | 6,220 | 7,276 | 0 |
| 683.001.790 | WRD COLLISION SELF-INSURANCE | 0 | 365 | 618 | | 983 | 365 | 618 | | | 983 | 0 |
| | ****GROUP TOTALS**** | 723,124 | 4,534,383 | 1,088,388 | 563,222 | 6,909,117 | 1,294,389 | 2,872,384 | 524,886 | 1,665,783 | 6,357,442 | 551,675 |
| 684.001.820 | CH CO WATER CONSERVANCY BOARD | 5,560 | 11,031 | | 206 | 16,797 | | 12,046 | | | 12,046 | 4,751 |
| | ****GROUP TOTALS**** | 5,560 | 11,031 | 0 | 206 | 16,797 | 0 | 12,046 | 0 | 0 | 12,046 | 4,751 |
| 692.001.101 | HOSPITAL DISTRICT NO 1 GENERAL | 166,111 | 6,449,331 | | 1,070,329 | 7,685,771 | | | 1,057,084 | 6,307,286 | 7,364,370 | 321,401 |
| 692.001.103 | HOSP 1 RESTRICTED CASH RESERVE | 0 | 28,496 | 1,231,459 | 305,409 | 1,565,364 | 333,906 | | | 1,231,459 | 1,565,365 | (1) |
| 692.001.106 | HOSPITAL NO 1 - CASCADE MED CNTR | 0 | 1,392 | 652,099 | 839,299 | 1,492,790 | 840,691 | | 652,099 | | 1,492,790 | 0 |
| 692.001.108 | HOSP DIST. NO 1 RHAP FUND | 0 | 840 | 32,867 | | 33,707 | 840 | | 32,867 | | 33,707 | 0 |
| 692.001.110 | HOSPITAL DISTRICT NO 1 BOND | 122 | | | | 122 | | | | | 0 | 122 |
| 692.001.112 | HOSP #1 1992 LTGO BOND | 0 | | | 1,026,276 | 1,026,276 | | | | 1,026,276 | 1,026,276 | 0 |
| 692.001.114 | HOSP #1 2002 LTGO BOND | 0 | | | 22,719 | 22,719 | | | | 22,719 | 22,719 | 0 |
| 692.001.133 | HOSP NO 1 MEDICARE PAYABLE | 0 | | | 150,000 | 150,000 | 150,000 | | | | 150,000 | 0 |
| 692.001.145 | HOSPITAL DIST. NO 1 MEMORIAL | 0 | 36 | 14,955 | | 14,991 | 36 | | 14,955 | | 14,991 | 0 |
| 692.001.147 | HOSP #1 PLANT AND EQUIPMENT | 70,925 | 47 | | | 70,972 | 24,046 | | | 46,926 | 70,972 | 0 |
| 692.001.150 | HOSP #1 EMERG MEDICAL SERVICES | 7,234 | 480,883 | | | 488,117 | | | 426,000 | 50,087 | 476,087 | 12,030 |
| 692.001.201 | HOSPITAL DISTRICT NO 2 GENERAL | 37,459 | 11,190,668 | | 453,665 | 11,681,792 | | | 514,193 | 11,055,486 | 11,569,679 | 112,113 |
| 692.001.205 | HOSPITAL DIST. NO 2 DEPREC RES | 0 | 1,737 | 116,077 | 55,000 | 172,814 | 172,814 | | | | 172,814 | 0 |
| 692.001.208 | HOSPITAL DISTRICT #2 REHAP FUND | 0 | 2,048 | 159,001 | | 161,049 | 161,049 | | | | 161,049 | 0 |
| 692.001.210 | HOSPITAL DIST NO 2 BOND FUND | 3 | 141 | 3,718 | | 3,862 | 3,618 | | | 185 | 3,803 | 59 |
| 692.001.225 | HOSPITAL DIST. #2 1993 LTGO BD | 0 | | | 109,180 | 109,180 | | | | 109,180 | 109,180 | 0 |
| 692.001.230 | HOSPITAL DIST. #2 1994 LTGO BD | 0 | | | 47,200 | 47,200 | | | | 47,200 | 47,200 | 0 |
| 692.001.235 | HOSP #2 1998 LTGO REF BOND | 0 | | | 96,272 | 96,272 | | | | 96,272 | 96,272 | 0 |
| 692.001.240 | HOSPITAL DIST #2 2001 LTGO BD | 0 | | | 206,541 | 206,541 | | | | 206,541 | 206,541 | 0 |
| 692.001.250 | HOSPITAL DISTRICT 2 AMBULANCE | 208 | 1,106 | 46,083 | | 47,397 | 47,304 | | | | 47,304 | 93 |
| 692.001.255 | HOSP #2 EQUIP, IMPROV & REFND | 0 | 172 | 13,385 | | 13,557 | 13,557 | | | | 13,557 | 0 |
| 692.001.260 | HOSP #2 EMS FUND | 3,577 | 530,457 | 541,251 | | 1,075,285 | 529,852 | | 453,234 | | 983,086 | 92,199 |
| 692.001.270 | HOSP #2 SR MEALS RESERVES | 0 | 137 | 10,674 | | 10,811 | 10,811 | | | | 10,811 | 0 |
| | ****GROUP TOTALS**** | 285,639 | 18,687,491 | 2,821,569 | 4,381,890 | 26,176,589 | 2,288,524 | 0 | 4,381,891 | 18,968,158 | 25,638,573 | 538,016 |
| 693.001.001 | CASHMERE | 3,160 | 429,316 | | | 432,476 | | | | 427,854 | 427,854 | 4,622 |
| 693.001.010 | CASHMERE BOND | 425 | 73,495 | | | 73,920 | | | | 73,278 | 73,278 | 642 |
| 693.001.011 | CHELAN | 8,097 | 919,772 | | | 927,869 | | | | 920,025 | 920,025 | 7,844 |
| 693.001.021 | ENTIAT | 3,689 | 113,067 | | | 116,756 | | | | 115,236 | 115,236 | 1,520 |
| 693.001.030 | LEAVENWORTH BOND | 412 | 99,191 | | | 99,603 | | | | 97,680 | 97,680 | 1,923 |
| 693.001.031 | LEAVENWORTH | 7,838 | 419,135 | | | 426,973 | | | | 417,778 | 417,778 | 9,195 |
| 693.001.041 | WENATCHEE | 95,701 | 5,459,622 | | | 5,555,323 | | | | 5,427,933 | 5,427,933 | 127,390 |
| 693.001.050 | WENATCHEE BOND | 2,304 | 359,093 | | | 361,397 | | | | 358,366 | 358,366 | 3,031 |
| | ****GROUP TOTALS**** | 121,626 | 7,872,691 | 0 | 0 | 7,994,317 | 0 | 0 | 0 | 7,838,150 | 7,838,150 | 156,167 |

CHELAN COUNTY, WASHINGTON

Schedule of Cash Activity - Schedule 11
For the Year Ending December 31, 2003

| FUND NO | DESCRIPTION | BEGINNING BALANCE | RECEIPTS | INVESTMENT SALES | TRANS-IN | TOTAL AVAILABLE | INVESTMENT PURCHASED | TRANS-OUT CLAIMS/PAY | OTHER TRANS-OUT | DISB | TOTAL USED | ENDING BALANCE |
|-------------|--------------------------------|----------------------|-------------|---------------------|------------|--------------------|-------------------------|-------------------------|--------------------|-------------|---------------|-------------------|
| 699.001.001 | TRUST ACCOUNT | 6,481 | 83,242 | | 3,711 | 93,434 | | | 296 | 35,822 | 36,118 | 57,316 |
| 699.001.002 | FORECLOSURE SALES TRUST | 6,493 | 25,951 | | | 32,444 | | | | 25,744 | 25,744 | 6,700 |
| 699.001.003 | SALARY FUND | 77,997 | | | 5,640,068 | 5,718,065 | | | 15,747 | 5,628,318 | 5,644,065 | 74,000 |
| 699.001.004 | CLAIMS FUND | 1,765,016 | | | 54,594,225 | 56,359,241 | | | 1,092,082 | 54,026,562 | 55,118,644 | 1,240,597 |
| 699.001.005 | DEFERRED COMPENSATION | 0 | 650,369 | | | 650,369 | | | | 650,369 | 650,369 | 0 |
| 699.001.006 | ADVANCE PERSONAL PROPERTY TAX | 19,888 | 12,396 | | | 32,284 | | | | 14,769 | 14,769 | 17,515 |
| 699.001.007 | ADVANCE REAL PROPERTY TAX | 12,128 | 29,973 | | | 42,101 | | | | 13,449 | 13,449 | 28,652 |
| 699.001.008 | REAL & PERSONAL SUSPENSE | 360 | | | | 360 | | | | 360 | 360 | 0 |
| 699.001.009 | COUNTY TIMBER TAX ACCOUNT | 0 | 96,512 | | | 96,512 | | | | 88,399 | 88,399 | 8,113 |
| | ****GROUP TOTALS**** | 1,888,363 | 898,443 | 0 | 60,238,004 | 63,024,810 | 0 | 0 | 1,108,125 | 60,483,792 | 61,591,917 | 1,432,893 |
| 910.001.001 | CHELAN CO LTGO BOND MSC BLDG | 0 | 29,266 | 0 | 0 | 29,266 | 0 | 0 | 0 | 29,266 | 29,266 | 0 |
| 920.001.001 | CHELAN CO LTGO BOND JUVENILE | 0 | 707,155 | 0 | 0 | 707,155 | 0 | 0 | 0 | 707,155 | 707,155 | 0 |
| 930.001.001 | CHELAN CO LTGO BOND FAIRGROUND | (159,558) | 212,015 | 0 | 0 | 52,457 | 0 | 0 | 0 | 214,915 | 214,915 | (162,458) |
| 940.001.001 | CHELAN CO LTGO BONDS, 2000 | 0 | 313,080 | 0 | 0 | 313,080 | 0 | 0 | 0 | 313,080 | 313,080 | 0 |
| 950.001.001 | CHELAN CO LTGO BONDS, 2001 | 0 | 50,431 | 0 | 0 | 50,431 | 0 | 0 | 0 | 50,431 | 50,431 | 0 |
| 960.001.001 | CHELAN CO LTGO BOND 2002 E911 | 160,352 | | 0 | 0 | 160,352 | 0 | 0 | 0 | 109,715 | 109,715 | 50,637 |
| 970.001.001 | CHELAN CO LTGO BOND 2003A | 0 | 4,546 | 0 | 0 | 4,546 | 0 | 0 | 0 | 0 | 0 | 4,546 |
| 980.001.001 | CHELAN CO LTGO REF BOND 2003B | 0 | 7,694 | 0 | 0 | 7,694 | 0 | 0 | 0 | 0 | 0 | 7,694 |
| | ****GROUP TOTALS**** | 794 | 1,324,187 | 0 | 0 | 1,324,981 | 0 | 0 | 0 | 1,424,562 | 1,424,562 | (99,581) |
| | ****TOTAL FUND CASH**** | 15,383,958 | 268,396,881 | 154,359,185 | 71,326,604 | 509,466,628 | 142,552,215 | 60,234,295 | 11,092,318 | 267,983,628 | 481,862,456 | 27,604,172 |
| 990.002.001 | SURPLUS CASH INVESTED | (10,325,269) | 0 | 113,111,539 | 0 | 102,786,270 | 123,975,598 | 0 | 0 | 0 | 123,975,598 | (21,189,328) |
| | **FINAL NET TOTALS** | 5,058,689 | 268,396,881 | 267,470,724 | 71,326,604 | 612,252,898 | 266,527,813 | 60,234,295 | 11,092,318 | 267,983,628 | 605,838,054 | 6,414,844 |

Schedule of Investment Activity - Schedule 12
 For the Year Ending December 31, 2003

| FUND NO | DESCRIPTION | BEGINNING | INVESTMENT AT COST | | ENDING | ENDING |
|-------------|---------------------------------|--------------|--------------------|-------------|--------------|-----------------|
| | | BALANCE | ACQUIRED | LIQUIDATED | BALANCE | BALANCE |
| | | | | | (At Cost) | (At Fair Value) |
| 010.001.006 | CURRENT EXPENSE RESERVE INVEST | \$ 2,161,172 | \$ 831,587 | \$ - | \$ 2,992,759 | \$ 2,992,759 |
| 110.002.001 | COUNTY ROAD FUND INVESTMENT | 4,686,831 | - | 4,686,831 | - | - |
| 111.002.001 | PATHS & TRAILS RESERVE INVEST | 75,286 | 10,298 | 66,025 | 19,559 | 19,559 |
| 112.002.001 | DRUG ENFORCEMENT RES INVESTMT | 47,586 | 837 | 20,577 | 27,846 | 27,846 |
| 115.002.001 | AUDITORS CENTENNIAL O & M INV | 75,149 | 60,644 | 10,837 | 124,956 | 124,956 |
| 119.002.001 | OHME GARDENS INVESTMENT | 113,783 | 49,618 | 51,618 | 111,783 | 111,783 |
| 123.002.001 | LOCAL LAW ENF BLK GRANT INVEST | 16,230 | 7,370 | 5,108 | 18,492 | 18,492 |
| 130.002.001 | DEPT OF EMERG MGT INVESTMENT | 58,631 | 97,682 | 137,121 | 19,192 | 19,192 |
| 132.002.001 | 911 COMMUNICATIONS INVESTMENT | 124,659 | 590,539 | 384,506 | 330,692 | 330,692 |
| 140.002.001 | CASHMERE-DRYDEN AIRPORT INVEST | 13,885 | 7,568 | 2,037 | 19,416 | 19,416 |
| 155.002.001 | VETERAN'S RELIEF INVESTMENT | 115,238 | 1,342 | 12,740 | 103,840 | 103,840 |
| 165.002.001 | TREAS OPERATION & MTCE INVEST | 93,069 | 12,717 | 175 | 105,611 | 105,611 |
| 170.002.001 | TOURIST & CONVENTION INVESTMT | 45,620 | 328 | 23,750 | 22,198 | 22,198 |
| 175.002.001 | ELECTION RESERVE INVESTMENT | 63,343 | 10,494 | 6,393 | 67,444 | 67,444 |
| 177.002.001 | GIS AND MAPPING RESERVE INVEST | 17,673 | 209 | - | 17,882 | 17,882 |
| 185.002.001 | REGIONAL JAIL EDUCATION INVEST | 3,489 | 48 | 709 | 2,828 | 2,828 |
| 198.002.001 | DISTRESSED COUNTIES TAX INVEST | 1,467,736 | 2,417,824 | 2,028,467 | 1,857,093 | 1,857,093 |
| 210.002.001 | JUVENILE BUILDING FINANCE INV | 2,603,720 | 1,123,228 | 2,145,131 | 1,581,817 | 1,581,817 |
| 301.001.001 | REAL ESTATE EXCISE TAX 1 INV | 61,752 | 287,565 | 150,389 | 198,928 | 198,928 |
| 302.002.001 | REAL ESTATE EXCISE TAX 2ND INV | 1,633,191 | 1,341,369 | 1,255,681 | 1,718,879 | 1,718,879 |
| 303.002.001 | MASTER PLAN CONSTRUCTION INV | - | 3,434,628 | 195,366 | 3,239,262 | 3,239,262 |
| 401.002.001 | SOLID WASTE INVESTMENT | 554,922 | 348,693 | 657,543 | 246,072 | 246,072 |
| 403.002.001 | SOLID WASTE PLANNING INV | 127,943 | 199,849 | 151,046 | 176,746 | 176,746 |
| 410.002.001 | CHELAN COUNTY FAIR INVESTMENT | 5,729 | 165,064 | 170,793 | - | - |
| 510.002.001 | EQUIPMENT AND REVOLVING INVEST | 6,073,352 | 7,275 | 6,080,627 | - | - |
| 525.002.001 | INDUSTRIAL INSURANCE INVEST | - | 118,314 | 16,568 | 101,746 | 101,746 |
| 526.002.001 | CHELAN COUNTY HEALTH INS INVES | 92,128 | 327,624 | 318,824 | 100,928 | 100,928 |
| 535.002.001 | UNEMPLOYMENT COMP. FUND INVEST | \$308,688 | \$58,728 | \$11,431 | \$355,985 | \$355,985 |
| 540.002.001 | TORT CLAIM & INS INVESTMENT | 109,846 | 454,031 | 373,503 | 190,374 | 190,374 |
| 631.002.001 | REG JAIL PRISONER INVESTMENT | 34,301 | 49,329 | 72,329 | 11,301 | 11,301 |
| 632.002.001 | COUNTY ROAD RETAINAGE INVESTMT | 28,597 | 35,366 | 63,963 | - | - |
| 637.002.001 | INFRASTRUCTURE IMP PROJ INVEST | 275,000 | 272,274 | 346,721 | 200,553 | 200,553 |
| 639.002.001 | LID 85-1 INVESTMENT | 13,202 | 2,797 | 1 | 15,998 | 15,998 |
| 640.002.001 | CHELAN DOUGLAS HEALTH INVESTMT | 874,823 | 2,445,981 | 2,655,000 | 665,804 | 665,804 |
| 642.002.001 | RIVERCOM CONST INVESTMENT | 2,341,188 | 23,027 | 2,364,215 | - | - |
| 644.002.001 | NCR LIBRARY GENERAL INVESTMENT | 2,882,583 | 1,566,615 | 914,285 | 3,534,913 | 3,534,913 |
| 645.002.001 | NCR LIB AUTO RESERVE INVESTMT | 444,411 | 105,266 | - | 549,677 | 549,677 |
| 646.002.001 | NCR LIB BUILDING RES INVESTMT | 2,071,618 | 592,244 | - | 2,663,862 | 2,663,862 |
| 647.002.001 | NCR LIBRARY PAYROLL RES INVEST | 586,502 | 106,950 | - | 693,452 | 693,452 |
| 648.002.001 | CH-DO PTBA DISTRICT INVESTMENT | 5,158,673 | 784,432 | 1,630,856 | 4,312,249 | 4,312,249 |
| 649.002.001 | LINK ARBITRAGE REBATE TAX INV | 39,186 | 411 | 35,852 | 3,745 | 3,745 |
| 650.002.005 | LINK LSTGO BOND 1998 RES INV | 538,917 | 618,981 | 613,701 | 544,197 | 544,197 |
| 651.001.002 | TV DISTRICT #1 INVESTMENT | 10,574 | 123 | 354 | 10,343 | 10,343 |
| 653.001.002 | NORTH CENTRAL E.S.D. INVESTMENT | 3,604,972 | 751,505 | 1,178,488 | 3,177,989 | 3,177,989 |
| 653.001.004 | N C ESD WORKERS COMP TR INVEST | 6,374,825 | 372,840 | 817,450 | 5,930,215 | 5,930,215 |
| 653.001.006 | NC COMPENSATED ABSENCES INVEST | - | 542,232 | 52,510 | 489,722 | 489,722 |
| 653.001.008 | NC ESD UNEMPLOYMT COOP INVEST | 2,798,394 | 207,790 | 214,600 | 2,791,584 | 2,791,584 |
| 654.001.022 | SD 19 GENERAL INVESTMT | 1,079,657 | 567,314 | 639,500 | 1,007,471 | 1,007,471 |
| 654.001.024 | SD 19 ASB INVESTMENT | 36,160 | 14,046 | 22,877 | 27,329 | 27,329 |
| 654.001.026 | SD 19 TRANS VEH INVEST | 87,239 | 32,104 | 78,405 | 40,938 | 40,938 |
| 654.001.028 | SD 19 EXPEND TRUST INVEST | 36,044 | 426 | 500 | 35,970 | 35,970 |
| 654.001.031 | SD 19 DEBT SERVICE INV | 32,978 | 296,832 | 290,470 | 39,340 | 39,340 |
| 654.001.036 | SD 19 CAP PROJ INVEST | 10,813 | 197,626 | 77,537 | 130,902 | 130,902 |
| 654.001.042 | SD 69 GENERAL INVEST | 341,300 | 4,052,206 | 4,070,606 | 322,900 | 322,900 |
| 654.001.056 | SD 69 CAP PROJ INVEST | 50,700 | 605,700 | 606,600 | 49,800 | 49,800 |
| 654.001.082 | SD 127 GENERAL INVESTMT | 223,500 | 2,761,276 | 2,820,607 | 164,169 | 164,169 |
| 654.001.084 | SD 127 ASB INVESTMENT | 18,600 | 204,007 | 210,600 | 12,007 | 12,007 |
| 654.001.086 | SD 127 TRANS VEH INVEST | 65,351 | 7,049 | - | 72,400 | 72,400 |
| 654.001.088 | SD 127 EXPEND TR INVEST | - | - | - | - | - |
| 654.001.091 | SD 127 DEBT SERV INVEST | \$72,700 | \$1,170,323 | \$1,178,905 | \$64,118 | \$64,118 |

Schedule of Investment Activity - Schedule 12
 For the Year Ending December 31, 2003

| FUND NO | DESCRIPTION | BEGINNING BALANCE | INVESTMENT AT COST | | ENDING BALANCE (At Cost) | ENDING BALANCE (At Fair Value) |
|-------------|--------------------------------|----------------------|--------------------|------------|--------------------------------|--------------------------------------|
| | | | ACQUIRED | LIQUIDATED | | |
| 654.001.096 | SD 127 CAP PROJ INVEST | \$14,572 | \$37,145 | \$33,191 | \$18,526 | \$18,526 |
| 654.001.102 | SD 129 GENERAL INVESTMT | 776,929 | 657,749 | 538,300 | 896,378 | 896,378 |
| 654.001.104 | SD 129 ASB INVESTMENT | 145,652 | 53,785 | 79,253 | 120,184 | 120,184 |
| 654.001.106 | SD 129 TRAN VEH INVEST | 56,390 | 19,990 | 4,157 | 72,223 | 72,223 |
| 654.001.111 | SD 129 DEBT SERV INVEST | 77,662 | 593,592 | 539,700 | 131,554 | 131,554 |
| 654.001.116 | SD 129 CAP PROJ INVEST | - | 70,230 | | 70,230 | 70,230 |
| 654.001.122 | SD 222 GENERAL INVEST | - | 1,265,000 | 1,235,000 | 30,000 | 30,000 |
| 654.001.124 | SD 222 ASB INVESTMENT | 140,000 | 1,814,000 | 1,797,000 | 157,000 | 157,000 |
| 654.001.126 | SD 222 TRANS VEH INV | - | 95,805 | 74,005 | 21,800 | 21,800 |
| 654.001.128 | SD 222 EXPENDABLE TRUST INVEST | - | | | - | - |
| 654.001.131 | SD 222 DEBT SERV INV | 15,000 | 3,848,000 | 3,863,000 | - | - |
| 654.001.134 | SD 222 NONEXPEND TRUST INVEST | 61,000 | 733,351 | 733,001 | 61,350 | 61,350 |
| 654.001.136 | SD 222 CAP PROJ INV | - | 5,825 | 4,713 | 1,112 | 1,112 |
| 654.001.162 | SD 228 GENERAL INVEST | - | 2,366,744 | 2,241,494 | 125,250 | 125,250 |
| 654.001.164 | SD 228 ASB INVESTMENT | 94,000 | 1,418,347 | 1,382,847 | 129,500 | 129,500 |
| 654.001.166 | SD 228 TRAN VEH INVEST | 115,500 | 981,803 | 1,036,053 | 61,250 | 61,250 |
| 654.001.171 | SD 228 DEBT SERV INV | 84,500 | 3,241,220 | 3,236,720 | 89,000 | 89,000 |
| 654.001.176 | SD 228 CAP PROJ INVEST | 30,500 | 298,028 | 306,278 | 22,250 | 22,250 |
| 654.001.202 | SD 246 GENERAL INV | 2,275,000 | 51,854,000 | 50,419,000 | 3,710,000 | 3,710,000 |
| 654.001.204 | SD 246 ASB INVEST | 445,000 | 4,458,300 | 4,509,300 | 394,000 | 394,000 |
| 654.001.206 | SD 246 TRANS VEH INV | 72,000 | 957,650 | 941,650 | 88,000 | 88,000 |
| 654.001.208 | SD 246 EXP TR INVEST | 7,562 | 90 | | 7,652 | 7,652 |
| 654.001.211 | SD 246 DEBT SERV INV | 166,000 | 12,797,016 | 12,830,016 | 133,000 | 133,000 |
| 654.001.216 | SD 246 CAP PROJ INV | 26,467,328 | 10,901,860 | 17,715,633 | 19,653,555 | 19,792,245 |
| 656.001.102 | FIRE NO 1 EXPENSE INVESTMENT | 153,778 | 862,802 | 774,588 | 241,992 | 241,992 |
| 656.001.104 | FIRE NO 1 HELICOPTER RES INV | 218,382 | 292,255 | 242,958 | 267,679 | 267,679 |
| 656.001.106 | FIRE NO 1 RESERVE INVESTMENT | 389,261 | 537,971 | 532,835 | 394,397 | 394,397 |
| 656.001.111 | FIRE NO 1 BOND INVESTMENT | 167,683 | 266,590 | 258,591 | 175,682 | 175,682 |
| 656.001.302 | FIRE NO 3 EXPENSE INVESTMENT | 70,899 | 101,084 | 132,601 | 39,382 | 39,382 |
| 656.001.306 | FIRE NO 3 CONST INVESTMENT | - | | | - | - |
| 656.001.311 | FIRE NO 3 BOND INVESTMENT | 37,988 | 171,410 | 168,907 | 40,491 | 40,491 |
| 656.001.402 | FIRE NO 4 EXPENSE INVESTMENT | 33,727 | 21,213 | 12,127 | 42,813 | 42,813 |
| 656.001.404 | FIRE NO 4 APPARATUS INVESTMENT | 10,700 | 4,778 | | 15,478 | 15,478 |
| 656.001.406 | FIRE NO 4 SURPLUS INVESTMENT | 5,469 | 5,563 | 8,122 | 2,910 | 2,910 |
| 656.001.411 | FIRE NO 4 DEBT SERVICE INVEST | 2,500 | 4,535 | 7,028 | 7 | 7 |
| 656.001.502 | FIRE NO 5 EXPENSE INVESTMENT | \$126,336 | \$280,491 | \$244,154 | \$162,673 | \$162,673 |
| 656.001.602 | FIRE NO 6 EXPENSE INVESTMENT | \$60,416 | \$61,500 | \$121,858 | \$58 | \$58 |
| 656.001.606 | FIRE NO 6 RESERVE INVESTMENT | 138,376 | 141,961 | 144,245 | 136,092 | 136,092 |
| 656.001.616 | FIRE NO 6 EQUIP RES INVESTMENT | 6,984 | 7,109 | 14,087 | 6 | 6 |
| 656.001.702 | FIRE NO 7 EXPENSE INVESTMENT | 222,589 | 236,815 | 363,800 | 95,604 | 95,604 |
| 656.001.711 | FIRE NO 7 BOND INVESTMENT | 1,515 | 1,542 | 1,522 | 1,535 | 1,535 |
| 656.001.802 | FIRE NO 8 EXPENSE INVESTMENT | 111,485 | 113,484 | 112,041 | 112,928 | 112,928 |
| 656.001.902 | FIRE NO 9 EXPENSE INVESTMENT | 12,038 | 97,513 | 76,975 | 32,576 | 32,576 |
| 656.001.908 | FIRE NO 9 RESERVE INVESTMENT | 144,723 | 162,194 | 245,445 | 61,472 | 61,472 |
| 657.001.102 | CEMETERY NO 1 MAINT INVESTMENT | 366 | 1 | 367 | - | - |
| 657.001.104 | CEM NO 1 BEAUTIFICATION INVEST | 1,144 | 2,104 | 3,248 | - | - |
| 657.001.202 | CEMETERY NO 2 MAINT INVESMENT | 15,075 | 179 | | 15,254 | 15,254 |
| 657.001.402 | CEMETERY NO 4 MAINT INVESTMENT | 341,406 | 49,046 | | 390,452 | 390,452 |
| 657.001.502 | CEMETERY NO 5 MAINT INVESTMENT | 9,433 | 112 | | 9,545 | 9,545 |
| 671.001.102 | PORT GENERAL INVESTMENT | 3,532,563 | 3,350,231 | 1,901,040 | 4,981,754 | 4,981,754 |
| 674.001.241 | LK CHELAN SEWER ULID 98-4 INV | 127,825 | 289,543 | 21,362 | 396,006 | 396,006 |
| 674.001.251 | LK CHELAN SEWER REV BD INVEST | | 1,001,262 | 105,833 | 895,429 | 895,429 |
| 675.001.102 | MANSON PARK & REC INVESTMENT | 211,908 | 162,178 | 346,638 | 27,448 | 27,448 |
| 677.001.002 | UPPER VALLEY PARK & REC INVEST | 50,295 | 46,579 | 59,753 | 37,121 | 37,121 |
| 682.001.106 | CHELAN FALLS WTR LN RES INVEST | 14,774 | 15,039 | 15,167 | 14,646 | 14,646 |
| 682.001.256 | MALAGA WTR PROJ 1 BD RES INVES | | 69,511 | 32,699 | 36,812 | 36,812 |
| 682.001.263 | MALAGA WTR REV BD 2001 RES INV | 33,302 | 33,900 | 33,469 | 33,733 | 33,733 |
| 682.001.271 | MALAGA WATER ULID NO 1 INVEST | 86,131 | 173,584 | 190,445 | 69,270 | 69,270 |
| 682.001.276 | MALAGA WATER ULID NO 1 RES INV | 49,376 | 67,901 | 51,122 | 66,155 | 66,155 |
| 682.001.286 | MALAGA WATER DIST RES INVESTMT | 14,743 | 31,355 | 14,816 | 31,282 | 31,282 |

Schedule of Investment Activity - Schedule 12
For the Year Ending December 31, 2003

| FUND NO | DESCRIPTION | BEGINNING BALANCE | INVESTMENT AT COST | | ENDING BALANCE (At Cost) | ENDING BALANCE (At Fair Value) |
|-------------|----------------------------------|----------------------|--------------------|---------------|--------------------------------|--------------------------------------|
| | | | ACQUIRED | LIQUIDATED | | |
| 682.001.291 | MALAGA WTR CAP IMP INVESTMENT | | 59,445 | 25,715 | 33,730 | 33,730 |
| 682.001.302 | 3 LAKES WATER MAINT INVESTMENT | 215,361 | 202,892 | 175,337 | 242,916 | 242,916 |
| 682.001.402 | ALPINE WATER MTCE INVESTMENT | 61,146 | 745 | 11,000 | 50,891 | 50,891 |
| 682.001.416 | ALPINE WATER RESERVE INVESTMT | 44,470 | 12,085 | | 56,555 | 56,555 |
| 682.001.421 | ALPINE WATER ULID NO 1 INVEST | 102,656 | 302,537 | 203,974 | 201,219 | 201,219 |
| 682.001.502 | PESHASTIN WATER INVESTMENT | 2,039 | 13,815 | 15,852 | 2 | 2 |
| 682.001.506 | PWTF WATER SYSTEM IMP INVESTMENT | 133,501 | 335,104 | 338,468 | 130,137 | 130,137 |
| 682.001.516 | PESHASTIN WATER 2003 CONST INV | | 557,269 | | 557,269 | 557,269 |
| 683.001.002 | BEEHIVE MTCE INVESTMENT | 41,982 | 497 | | 42,479 | 42,479 |
| 683.001.052 | CHELAN FALLS IRR MAINT INVEST | 36,401 | 29,011 | 5,037 | 60,375 | 60,375 |
| 683.001.102 | CHELAN RIVER MAINT INVESTMENT | - | | | - | - |
| 683.001.111 | CHELAN RIVER IRR BOND INVESTMT | | 1,394 | 18 | 1,376 | 1,376 |
| 683.001.152 | ENTIAT IRRIGATION MTCE INVEST | 3,579 | 10 | 3,589 | - | - |
| 683.001.161 | ENTIAT IRRIGATION BOND INVEST | \$47,638 | \$23,239 | \$26,239 | \$44,638 | \$44,638 |
| 683.001.252 | ICICLE IRRIG MAINT INVESTMENT | \$511,076 | \$106,476 | \$19,052 | \$598,500 | \$598,500 |
| 683.001.263 | ICICLE NDP LOAN REPAY INV | 2,139 | 3 | 2,142 | - | - |
| 683.001.302 | ISENHART IRR MAINT INVESMENT | 18,020 | 23,278 | 25,475 | 15,823 | 15,823 |
| 683.001.402 | LOWER SQUILCHUCK MTCE INVEST | 21,435 | 35,540 | | 56,975 | 56,975 |
| 683.001.411 | LOWER SQUILCHUCK BOND INVESTMT | - | 17,560 | 17,560 | - | - |
| 683.001.416 | LOWER SQUILCHUCK RESERVE INVE | 24,151 | 1,006 | 13,195 | 11,962 | 11,962 |
| 683.001.502 | MILLERDALE IRR MAINT INVESTMT | 25,332 | 300 | | 25,632 | 25,632 |
| 683.001.552 | PESHASTIN IRRIG MAINT INVESTMT | 169,045 | 51,946 | 71,256 | 149,735 | 149,735 |
| 683.001.571 | PESHSTATE LOAN RESERVE INVEST | 15,051 | 130 | 4,856 | 10,325 | 10,325 |
| 683.001.602 | STEMILT MAINTENANCE INVESTMENT | - | 137,498 | 80,138 | 57,360 | 57,360 |
| 683.001.631 | STEMILT LID 2 MAINT INVESTMENT | 79,448 | 39,663 | 27,148 | 91,963 | 91,963 |
| 683.001.652 | WEN CHIWAHA MAINTENANCE INVEST | 18,751 | 521 | | 19,272 | 19,272 |
| 683.001.708 | WEN HGTS REC BOND RES INVESTMT | 25,448 | 302 | 302 | 25,448 | 25,448 |
| 683.001.713 | WEN HGTS-SPRING HILL IRR INV | 11,504 | 35,628 | 17,011 | 30,121 | 30,121 |
| 683.001.752 | WENATCHEE REC MAINT INVESTMENT | 633,682 | 618,538 | 521,731 | 730,489 | 730,489 |
| 683.001.756 | WENATCHEE REC SURPLUS INVEST | 508,083 | 96,560 | 107,447 | 497,196 | 497,196 |
| 683.001.781 | WEN REC REVENUE BOND INVESTMT | 92,770 | 73,882 | 139,340 | 27,312 | 27,312 |
| 683.001.786 | WRD LOCAL EQUIP FINANCING INV | 5,192 | 1,042 | 6,234 | - | - |
| 683.001.791 | WRD SELF-INSURANCE INVESTMENT | 30,859 | 365 | 618 | 30,606 | 30,606 |
| 692.001.104 | HOSP 1 RESTRICTED CASH RES INV | 2,583,656 | 333,906 | 1,231,459 | 1,686,103 | 1,686,103 |
| 692.001.107 | HOSP NO 1 - WENATCHEE INVESTMT | 21,425 | 840,691 | 652,099 | 210,017 | 210,017 |
| 692.001.109 | HOSP DIST NO 1 RHAP INVESTMENT | 82,997 | 840 | 32,867 | 50,970 | 50,970 |
| 692.001.134 | HOSP NO 1 MEDICARE PAY INVEST | | 150,000 | | 150,000 | 150,000 |
| 692.001.146 | HOSPITAL #1 MEMORIAL INVESTMENT | 14,918 | 36 | 14,955 | (1) | - |
| 692.001.148 | HOSP #1 PLANT & EQUIP INVEST | - | 24,046 | | 24,046 | 24,046 |
| 692.001.206 | HOSP DIST #2 DEPREC RES INVEST | 115,501 | 172,814 | 116,077 | 172,238 | 172,238 |
| 692.001.209 | HOSP #2 RHAP INVESTMENT | 158,212 | 161,049 | 159,001 | 160,260 | 160,260 |
| 692.001.211 | HOSPITAL DISTRICT #2 BOND INV | 3,508 | 3,618 | 3,718 | 3,408 | 3,408 |
| 692.001.251 | HOSP DIST #2 AMBULANCE INVEST | 45,535 | 47,304 | 46,083 | 46,756 | 46,756 |
| 692.001.256 | HOSP #2 EQUIP & IMPROV INVEST | 13,318 | 13,557 | 13,385 | 13,490 | 13,490 |
| 692.001.261 | HOSP #2 EMS INVESTMENT | 191,349 | 529,852 | 541,251 | 179,950 | 179,950 |
| 692.001.271 | HOSP #2 SR MEALS RES INVESTMT | 10,621 | 10,811 | 10,674 | 10,758 | 10,758 |
| | *****TOTAL FUND INVESTMENTS***** | 94,453,043 | 142,552,215 | 154,359,185 | 82,646,073 | 82,784,764 |
| 990.002.001 | GENERAL FUNDS INVESTMENT | 10,325,269 | 123,975,598 | 113,111,539 | 21,189,328 | 21,223,497 |
| 168 FUNDS | *****TOTAL ALL INVESTMENTS***** | \$104,778,312 | \$266,527,813 | \$267,470,724 | \$103,835,401 | 104,008,261 |

CHELAN COUNTY, WASHINGTON

Schedule of Expenditures of Federal Awards - Schedule 16
 For the Year Ended December 31, 2003

| 1 | 2 | 3 | 4 |
|--|---------------------------|-----------------------------------|---------------------------------|
| Grantor/ Pass-Through Grantor/ Program Title | Federal CFDA Number | Other Identification Number | Current Year Expenditures |
| U.S. Department of Agriculture | | | |
| Passed Through WA Treasurer | | | |
| Federal Forest Yield | 10.665 | N/A | 1,101,521 |
| Passed Through WA Bureau of Land Management | | | |
| Forest Title III | 10.665 | N/A | 497,976 |
| Total CFDA Number | 10.665 | | <u>1,599,497</u> |
| Passed Through WA Supt of Public Instruction | | | |
| School Breakfast Program | 10.553 | 04-246-9777 | 13,417 |
| Total CFDA Number | 10.553 | | <u>13,417</u> |
| Passed Through WA Supt of Public Instruction | | | |
| National School Lunch Program | 10.555 | 04-246-9777 | 20,831 |
| Total CFDA Number | 10.555 | | <u>20,831</u> |
| Total U.S. Dept of Agriculture | | | <u><u>1,633,745</u></u> |
| U.S. Department of Commerce | | | |
| Passed Through WA Interagency Comm. for Outdoor Rec. | | | |
| CRP 584 SRFB | 11.438 | NA06FP0201 | 19,523 |
| Peshastin Irrigation Dam | 11.438 | 99-1615D | 1,655 |
| SRFB Channel Migration | 11.438 | 00-1742N | 72,955 |
| Total CFDA Number | 11.438 | | <u>94,133</u> |
| Total U.S. Department of Commerce | | | <u><u>94,133</u></u> |
| U.S. Department of Housing & Urban Development | | | |
| Passed Through WA Dept of Community Trade & Economic Development | | | |
| Community Development Block Grant | 14.228 | 01-64021-041 | 131,937 |
| Community Development Block Grant | 14.228 | 01-64021-068 | 190,000 |
| Total CFDA Number | 14.228 | | <u>321,937</u> |
| Total U.S. Dept. of Housing & Urban Development | | | <u><u>321,937</u></u> |
| U.S. Department of the Interior | | | |
| Taylor Grazing | 15.227 | N/A | 219 |
| Total CFDA Number | 15.227 | | <u>219</u> |
| S/W-837 | 15.228 | 10131-3-G104 | 5,155 |
| S/W-838-Chelan | 15.228 | 10131-3-G105 | 9,152 |
| Total CFDA Number | 15.228 | | <u>14,307</u> |
| Total U.S. Dept of the Interior | | | <u><u>14,526</u></u> |
| U.S. Department of Justice | | | |
| Passed through WA Military Department | | | |
| Emergency Management - ODP | 16.007 | E03-310 | 6,746 |
| Department of Homeland Security | 16.007 | E03-313 | 9,842 |
| Total CFDA Number | 16.007 | | <u>16,588</u> |
| Bulletproof Vest Partnership | 16.607 | 3017301 | 5,031 |
| Total CFDA Number | 16.607 | | <u>5,031</u> |
| COPS in School | 16.710 | 2000-SHWX-0682 | 65,996 |
| COPS MORE01 | 16.710 | 2001-CMWX-0434 | 69,097 |
| COPS Homeland Security Overtime | 16.710 | 2003-OMWX-0226 | 12,875 |
| Total CFDA Number | 16.710 | | <u>147,968</u> |

CHELAN COUNTY, WASHINGTON

Schedule of Expenditures of Federal Awards - Schedule 16
 For the Year Ended December 31, 2003

| 1 | 2 | 3 | 4 |
|--|---------------------------|-----------------------------------|---------------------------------|
| Grantor/ Pass-Through Grantor/ Program Title | Federal CFDA Number | Other Identification Number | Current Year Expenditures |
| Local Law Enforcement Block Grant | 16.592 | 2002-LBBX-1204 | 975 |
| Local Law Enforcement Block Grant | 16.592 | 2001-LBBX-4278 | 2,105 |
| Total CFDA Number | 16.592 | | <u>3,080</u> |
| Passed Through WA Dept of Community Trade & Economic Development | | | |
| JAIBG | 16.523 | 0263-16180 | 30,135 |
| Total CFDA Number | 16.523 | | <u>30,135</u> |
| Stop Grant | 16.558 | F02-30302-039 | 8,707 |
| Stop Grant - Violence Against Women | 16.588 | F02-30302-038 | 17,414 |
| Total CFDA Number | 16.588 | | <u>26,121</u> |
| Violence Against Women | 16.590 | 2002-WEBX-0026 | 99,016 |
| Total CFDA Number | 16.590 | | <u>99,016</u> |
| SCAAP | 16.606 | N/A | 32,577 |
| Total CFDA Number | 16.606 | | <u>32,577</u> |
| Passed through WA Dept of Corrections | | | |
| Violent Offender Incarceration and Truth-in-Sentencing | 16.586 | CSEC 5316 & 5760 | 107,608 |
| Total CFDA Number | 16.586 | | <u>107,608</u> |
| Passed through WA Association of Sheriffs | | | |
| Methamphetamine Initiative | 16.710 | 2001-CKWX-0177 | 89,088 |
| Total CFDA Number | 16.710 | | <u>89,088</u> |
| Passed through WA Dept of Social & Health Services | | | |
| Marijuana Eradication | 16.999 | C010603GSC | 4,000 |
| Total CFDA Number | 16.999 | | <u>4,000</u> |
| Total U. S. Dept of Justice | | | <u><u>561,212</u></u> |
| U.S. Department of Transportation | | | |
| Passed Through WA Traffic Safety Commission | | | |
| Traffic Safety Commission | 20.604 | N/A | 9,453 |
| Total CFDA Number | 20.604 | | <u>9,453</u> |
| Passed Through WA State Military Department | | | |
| EMA - Hazard Material | 20.703 | E03-111 | 3,600 |
| Total CFDA Number | 20.703 | | <u>3,600</u> |
| Total U.S. Department of Transportation | | | <u><u>13,053</u></u> |
| U.S. Department of Energy | | | |
| Subbasin Planning-Entiat | 81.021 | SBWW21 | 4,850 |
| Total CFDA Number | 81.021 | | <u>4,850</u> |
| Subbasin Planning-Lake Chelan | 81.032 | SBWW32 | 5,617 |
| Total CFDA Number | 81.032 | | <u>5,617</u> |
| Subbasin Planning-Wenatchee | 81.059 | SBWW59 | 9,242 |
| Total CFDA Number | 81.059 | | <u>9,242</u> |
| NCW RC & D | 81.031234N | 03-1234N | 13,226 |
| State Salmon Recovery Planning | 81.031234N | 03-1234N | 754 |
| Total CFDA Number | 81.031234N | | <u>13,980</u> |
| Total U.S. Department of Energy | | | <u><u>33,689</u></u> |

CHELAN COUNTY, WASHINGTON

Schedule of Expenditures of Federal Awards - Schedule 16
 For the Year Ended December 31, 2003

| 1 | 2 | 3 | 4 |
|--|---------------------------|-----------------------------------|---------------------------------|
| Grantor/ Pass-Through Grantor/ Program Title | Federal CFDA Number | Other Identification Number | Current Year Expenditures |
| Federal Emergency Management Agency | | | |
| Passed Through WA Military Department | | | |
| Emergency Management - FEMA | 83.552 | E03-129 | 16,112 |
| Total CFDA Number | 83.552 | | <u>16,112</u> |
| Natural Hazards Mitigation Plan | 83.557 | E04-023 | 9,822 |
| Total CFDA Number | | | <u>9,822</u> |
| Total Federal Emergency Management Agency | | | <u><u>25,934</u></u> |
| U.S. Department of Education | | | |
| Passed Through 21st Century Learning Center | | | |
| Strengthening Families Program | 84.287A | N/A | 1,500 |
| Total CFDA Number | 84.287A | | <u>1,500</u> |
| Total U.S. Department of Education | | | <u>1,500</u> |
| U.S. Department of Health and Human Services | | | |
| Passed Through WA Dept of Social and Health Services | | | |
| Child Support Enforcement - PA | 93.563 | N/A | 258,931 |
| Child Support Enforcement - Clerk | 93.563 | N/A | 116,980 |
| Total CFDA Number | 93.563 | | <u>375,911</u> |
| Passed Through WA Dept of Social & Health Services | | | |
| SAPT Prevention | 93.959 | 7517/8274 | 69,349 |
| TANF Fed Staff | 93.959 | 7517/8274 | 29,838 |
| SAPT Grant in Aid | 93.959 | 7517/8274 | 77,628 |
| SAPT ADATSA Outpatient | 93.959 | 7517/8274 | 45,849 |
| VRDE PSEA SSI | 93.959 | 7517/8274 | 1,135 |
| Passed Through The Center for Alcohol & Drug Treatment | | | |
| Prevention Strategies | 93.959 | | 11,513 |
| Total CFDA Number | 93.959 | | <u>235,312</u> |
| Total U.S. Dept of Health and Human Services | | | <u>611,223</u> |
| Total Federal Assistance | | | <u><u>3,310,952</u></u> |

The notes to the schedule of financial assistance are an integral part of this schedule.

CHELAN COUNTY, WASHINGTON

Schedule of State & Local Financial Assistance - Schedule 16

For the Year Ended December 31, 2003

| 1 | 2 | 3 |
|---|--------------------------|------------------------------|
| Grantor/ Program Title | Identification Number | Current Year Expenditures |
| Washington State | | |
| 1/2 Prosecutor's Salary | RCW 36.17.020 | 46,097 |
| Witness Payments | RCW 10.46.230 | 1,541 |
| CASA/GAL Program | ICA-2003-512 | 7,678 |
| Total Washington State | | <u>55,315</u> |
| Department of Agriculture | | |
| State Horticulture | IA-02-17-05 | 5,240 |
| Total Department of Agriculture | | <u>5,240</u> |
| Department of Fish & Wildlife | | |
| Lead Entity Grant | 38020187 | 36,294 |
| Lead Entity Grant | 03-1023 | 28,566 |
| Watershed Planning | G0000075 | 124,864 |
| Water Storage Study | G0200125 | 230,239 |
| Stream Gauging OP & Maint | G0300047 | 14,631 |
| Stream Gauging | G0400123 | 12,855 |
| Conservation Easement | SO1-63200-001 | 15,486 |
| Total Dept of Fish & Wildlife | | <u>462,935</u> |
| Department of Ecology | | |
| Water Quality Supp. Funding | G0300129 | 84,430 |
| Total Department of Ecology | | <u>84,430</u> |
| Department of Social & Health Services | | |
| Child Support - Clerks | N/A | 22,837 |
| Support Enforcement | 1507-23929 | 133,389 |
| VRDE Grant in Aid | 7517/8274 | 294,644 |
| VRDE ADATSA Assessment | 7517/8274 | 34,453 |
| VRDE Detoxification | 7517/8274 | 89,859 |
| GFS TANF Services | 7517/8274 | 1,254 |
| Living Stipend | 7517/8274 | 31,616 |
| CJ Treat | 7517/8274 | 20,372 |
| JRA/Diagnostics | 0263-14295 | 39,231 |
| JRA/Detention | 0263-14295 | 16,830 |
| JRA/CJS | 0163-04958 | 89,699 |
| JRA/SSODA | 0163-04958 | 22,505 |

CHELAN COUNTY, WASHINGTON

Schedule of State & Local Financial Assistance - Schedule 16

For the Year Ended December 31, 2003

| 1 | 2 | 3 |
|---|---|------------------------------|
| Grantor/ Program Title | Identification Number | Current Year Expenditures |
| BECCA/AOC | 0363-29920 | 49,077 |
| CRC/DCFS/DSHS | 0363-29920 | 277,079 |
| JRA/CDDA | 0163-04958 | 56,246 |
| JRA/CJAA | 0163-04958 | 49,097 |
| 3900 Program | 0163-03781 | 38,652 |
| Community Network | N/A | 50,352 |
| Total Dept of Social & Health Services | | <u>1,317,191</u> |
| Department of Transportation | | |
| WSDOT | DC9974/CRP561 | 3,546 |
| Rural Arterial Program | 0495-02/CRP525 | 180,756 |
| CAPA | N/A | 258,264 |
| Wapato Point | N/A | 10,622 |
| DOE - LTCA | G0200195/SWP | 117,396 |
| DOE - WRRMLC | C0200006/SW | 12,081 |
| DOE - WRRMLC | C0400027/SW | 9,375 |
| CRP 569 RAP | 0499-02/CRP 569 | 55,554 |
| CRP 572 RAP | 0400-02/CRP 572 | 83,611 |
| Total Department of Transportation | | <u>731,205</u> |
| Parks & Recreation Commission | | |
| Snowmobile | Wr200/02-73 | 6,770 |
| Total Parks & Recreation Commission | | <u>6,770</u> |
| Inter-Agency Commission for Outdoor Recreation | | |
| Interagency Comm for ORV | 01-1034E | 125,227 |
| Total IAC for Outdoor Recreation | | <u>125,227</u> |
| Department of Community Trade & Economic Development | | |
| Growth Management | s02-63000-031 | 38,833 |
| Total Dept of Community Trade & Economic Development | | <u>38,833</u> |
| | <u>TOTAL STATE ASSISTANCE</u> | <u>2,827,147</u> |
| | TOTAL STATE & LOCAL ASSISTANCE | <u><u>2,827,147</u></u> |

The accompanying notes to the schedule of financial assistance are an integral part of this schedule.

CHELAN COUNTY, WASHINGTON

Notes to the Schedules of Financial Assistance
January 1, 2003 Through December 31, 2003

NOTE 1 - BASIS OF ACCOUNTING

The Schedule of Financial Assistance is prepared on the same basis of accounting as the County's financial statements. The County uses the accrual basis of accounting for all funds except the governmental fund types, expendable trust funds and agency funds, which use the modified accrual basis of accounting. The modified accrual basis differs from the accrual basis in the following ways:

1. Purchases of capital assets are considered expenditures.
2. Redemption of long-term debt are considered expenditures when due.
3. Revenues are recognized only when they become both measurable and available to finance expenditures of the current period.
4. Inventories and prepaid items are reported as expenditures purchased.
5. Interest on long-term debt is not accrued but is recorded as an expenditure when due.

NOTE 2 - PROGRAM COSTS

The amounts shown as current year expenditures represent only state/federal portion of the program costs. Actual program costs, including the county's portion, may be more than shown.

NOTE 3 - NOT APPLICABLE (N/A)

The County was unable to obtain other identification number.

NOTE 4 – SCAAP Grant

The Regional Justice Center is a partnership between Chelan County, Douglas County and the City of Wenatchee. Douglas County and the City of Wenatchee are also applicants and show their proportionate share on their Schedule 16.

The grantor, the Department of Justice, is on a fiscal year ending June 30th. Because of that, there is an estimation in the second half of the year's expenditures. The percentage of illegal inmates for the second half of the year is estimated at the same percentage as the first half of the year, and the percentage of the total cost to come up with the total grant payment is estimated as half of the first part of the years percentage.

For 2003, Chelan County reported \$32,577 Douglas County will report \$7,897 and the City of Wenatchee will report \$8,885 in expenditures.

CHELAN COUNTY, WASHINGTON

Annual Report on Public Works Projects - Schedule 17
For the Year January 1, 2003 through December 31, 2003

| <u>County Roads Project Number</u> | <u>Total Project Budget</u> | <u>Prior Years Completion</u> | <u>Current Year Budget</u> | <u>Current Year Actual</u> | <u>Project Life-To-Date</u> | <u>Remaining Budget</u> |
|--|-------------------------------------|---------------------------------------|------------------------------------|------------------------------------|---------------------------------|-----------------------------|
| 513 | 90,000 | - | 3,500 | 3,323 | 3,323 | 86,677 |
| 525 | 1,617,000 | 119,175 | 1,617,000 | 204,849 | 324,024 | 1,292,976 |
| 537 | 38,000 | 85,549 | 38,000 | 108,759 | 194,308 | (156,308) |
| 541 | 428,000 | | 428,000 | - | 57,081 | 370,919 |
| 549 | 160,000 | 210,653 | 15,000 | 13,522 | 224,176 | (64,176) |
| 559 | 2,554,000 | - | 10,000 | 17,136 | 17,136 | 2,536,864 |
| 561 | 49,000 | 26,547 | 49,000 | 4,738 | 31,284 | 17,716 |
| 565 | 215,000 | 250,078 | 400 | 387 | 250,465 | (35,465) |
| 569 | 425,000 | 86,763 | 374,000 | 34,284 | 121,048 | 303,952 |
| 572 | 1,920,000 | 77,673 | 155,000 | 32,480 | 110,152 | 1,809,848 |
| 584 | 121,000 | 10,018 | 116,000 | 13,531 | 23,549 | 97,451 |
| 585 | 1,328,000 | 117 | 34,000 | - | 117 | 1,327,883 |
| 587 | 117,000 | - | 50,000 | 135,000 | 135,000 | (18,000) |
| 589 | 1,650,000 | 246,011 | 120 | 120 | 246,132 | 1,403,868 |
| 590 | 15,000 | - | 15,000 | 15,000 | 15,000 | - |
| 591 | 195,000 | 762 | 125,000 | 125,155 | 125,916 | 69,084 |
| 593 | 175,000 | - | 175,000 | 26,582 | 26,582 | 148,418 |
| 594 | 1,720,000 | - | 370,000 | 384,753 | 384,753 | 1,335,247 |
| 595 | 35,000 | - | 35,000 | 57,328 | 57,328 | (22,328) |
| 596 | 265,000 | - | 200,000 | 195,831 | 195,831 | 69,169 |
| 597 | 575,000 | - | 75,000 | 7,306 | 7,306 | 567,694 |
| 588 | 10,000 | - | 10,000 | 10,000 | 10,000 | - |
| 582 | 445,000 | - | 245,000 | 236,624 | 236,624 | 208,376 |
| 598 | 50,000 | - | 2,115 | 2,115 | 2,115 | 47,885 |
| 599 | | - | | 39,861 | 39,861 | (39,861) |
| 600 | | - | 900 | 890 | 890 | (890) |

CHELAN COUNTY, WASHINGTON

Schedule of Labor Relations Consultant – Schedule 19
 For the Year Ended December 31, 2003

Has your government engaged labor relations consultants? X Yes No

If yes, please provide the following information for each consultant(s):

| | |
|---|--|
| Name of the Firm: | Jeffers, Danielson, Sonn & Aylward, P. S. |
| Name of Consultant: | Stanley A. Bastian |
| Business Address: | P. O. Box 1688 Wenatchee, WA 98807 |
| Amount Paid To Consultant During Fiscal Year: | \$27,881.01 |
| Terms And Conditions, As Applicable, Including: | |
| Rates (E.G., Hourly, Etc.) | \$210.00/hour |
| Maximum Compensation Allowed: | Not applicable |
| Duration Of Services: | ongoing as needed |
| Services Provided: | Labor Negotiation with Chelan County employees unions |

| | | | |
|---|---|--------------|---------------|
| Certified Correct this | <u> 29th </u> day of | <u> May </u> | <u> 2004 </u> |
| to the best of my knowledge and belief: | | | |
| Signature: |  | | |
| Name: | Bradley J. Posenjak | | |
| Title: | Financial Services Manager | | |