

CHELAN COUNTY WASHINGTON



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

Prepared by:

Skip Moore – Chelan County Auditor
Brad Posenjak, CPA – Chief Deputy Auditor

CHELAN COUNTY, WASHINGTON

Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2014

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CHELAN COUNTY

~ AUDITOR ~

Skip Moore

June 30, 2015

To the Honorable Board of Commissioners and Citizens of Chelan County:

In accordance with the provision of Chapter 36.22 of the Revised Code of Washington, we are pleased to submit the Comprehensive Annual Financial Report (CAFR) of Chelan County for the fiscal year ended December 31, 2014. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by independent auditors from the Washington State Auditor's Office. The auditor's opinion included in this CAFR is unqualified, which means they believe the financial statements fairly present the financial position of Chelan County in all material respects.

Chelan County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Chelan County's financial statements in conformity with GAAP. As management, we are responsible for the contents of this CAFR and we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Chelan County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Incorporated in 1899, Chelan County is located in the north-central part of the state with the Columbia River forming the eastern border and the crest of the Cascade Mountains forming the western border. Chelan County occupies a land area of 2920 square miles, of which, approximately 90 percent of the geographic area is Wenatchee National Forest. The County's population is approximately 74,300.

Chelan County's organization is prescribed by state law. The citizens elect three Commissioners, three Superior Court Judges, two District Court Judges, an Assessor, Treasurer, Auditor, Prosecutor, Sheriff, Clerk, and a Coroner. These officials provide the citizens with services including police protection; criminal and civil courts; offender incarceration; appraisal of property values for property tax purposes; construction of county roads and other infrastructure; natural resource planning; administration of elections; issuance of motor vehicle licenses; land use planning and building review; as well as development of parks and recreation.

State law (RCW 36.40) establishes the general requirements of Chelan County's budget process and allows the County to use a modified budget calendar from the dates prescribed by the RCW. Development of the budget typically starts in early August when the County Auditor calls for each department's budget estimates. These estimates are turned into the Auditor toward the beginning of September, compiled, and provided to the Commissioners in late September. During October, the Commissioners meet with each elected official and department head to review their individual budgets. The Commissioners adopt a preliminary budget in November and a final budget in December. The budget is formally adopted at the fund level for every fund and at the department level for the General fund.

Chelan County Courthouse, 350 Orondo Avenue, Post Office Box 400, Wenatchee, WA 98807-0400
Phone (509) 667-6800 Fax (509) 667-6818 Website: www.co.chelan.wa.us

Factors Affecting Financial Condition

A majority of Chelan County's revenues are derived from the construction industry. New construction provides increased property taxes as well as a significant portion of the sales tax. Like much of the rest of the nation, in 2008, Chelan County experienced a downturn in the once thriving construction industry. This industry has shown positive signs of growth in the past year. Other major industries located within the county's boundaries consist mainly of agricultural related packing and processing plants and health care facilities. Over the past year a couple major projects within Chelan County have boosted sales tax revenues to record levels.

By policy, the County is required to maintain a minimum year-end fund balance of 8%, but it is the expectation of management that future budgets will be built to balance actual revenues and expenditures to maintain the fund balance at its current 15% level. After running a year-end fund balance of less than 1% of expenditures at the end of 2009, the General fund balance has exceeded its goal with a year-end fund balance that is 23% of expenditures. The 2015 General fund budget has been built to balance the expenditures and revenues to maintain the fund balance at a comfortable level.

The Chelan County Treasurer is empowered by state law to invest cash holdings as directed on behalf of Chelan County and other taxing districts. Investments are made in certificates of deposit, bankers' acceptances, and other authorized investments within guidelines established by the Office of State Treasurer. Much of the County's investments are held at the State Investment Pool.

Other financial policies are revised and adopted annual by the Board of County Commissioners at the recommendation of the Financial Policies Committee. This document includes budgetary, revenue receipting, expenditure, travel, and capital asset policies.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Chelan County for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2013. This was the tenth consecutive year that the county received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We express our appreciation to those who have devoted their time to the preparation of this report; especially the accounting staff in the Chelan County Auditor and Treasurer's offices.

We would also like to express our appreciation to the Board of County Commissioners for their desire to maintain financial stability through the budget process.

Respectfully submitted,



Skip Moore
Chelan County Auditor



Bradley J. Posenjak, CPA
Chief Deputy Auditor



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Chelan County
Washington**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

CHELAN COUNTY, WASHINGTON

List of Elected Officials

CHELAN COUNTY ELECTED OFFICIALS

		<u>Term</u>	<u>Expiration</u>
Board of Commissioners			
District 1	Ron Walter	4	December 31, 2016
District 2	Keith Goehner	4	December 31, 2018
District 3	Doug England	4	December 31, 2016
Assessor	Deanna Walter	4	December 31, 2018
Auditor	Skip Moore	4	December 31, 2018
Clerk	Kim Morrison	4	December 31, 2018
Coroner	Wayne Harris	4	December 31, 2018
Prosecuting Attorney	Douglas Shae	4	December 31, 2018
Sheriff	Brian Burnett	4	December 31, 2018
Treasurer	David Griffiths	4	December 31, 2018
District Court Judges	Nancy Harmon	4	January 13, 2019
	Roy Fore	4	January 13, 2019
Superior Court Judges	T.W. "Chip" Small	4	January 8, 2017
	Lesley Allan	4	January 8, 2017
	Alicia Nakata	4	January 8, 2017



Washington State Auditor's Office

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

June 30, 2015

Board of Commissioners
Chelan County
Wenatchee, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Chelan County, Washington, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Chelan County, Washington, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, County Roads, Regional Justice Center and Natural Resources funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Matters of Emphasis Regarding Change in Accounting Policy

As described in Note 14 to the financial statements, Chelan County reclassified the enterprise funds as special revenue funds. In addition, the business-type activities column was removed from the government-wide financial statements and now all funds in the primary government are classified as governmental funds. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 12 through 15 and information on postemployment benefits other than pensions on page 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying information listed as combining financial statements and supplementary information on pages 53 through 105 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The information identified in the table of contents as the Introduction and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the County. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we will also issue our report dated June 30, 2015, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the County's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Sincerely,



JAN M. JUTTE, CPA, CGFM
ACTING STATE AUDITOR
OLYMPIA, WA

MANAGEMENT'S DISCUSSION AND ANALYSIS

Chelan County's discussion and analysis presents the readers of the County's annual financial report a narrative overview of the County's financial performance during the fiscal year that ended on December 31, 2014. We encourage readers to consider the information presented here in conjunction with the County's financial statements, which immediately follow this section.

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.

The government-wide financial statements are comprised of the statement of net position (assets and liabilities) and the statement of activities (revenues and expenses). These statements present the entire financial position of Chelan County. The government-wide financial statements use full accrual accounting, which reports both current and long-term liabilities and assets. The upper section of the statement of activities shows how general government activities do not support themselves based on charges for services. Rather the lower section of this statement shows the tax revenue that is required to support the general government functions.

The fund financial statements are presented immediately following the government-wide financial statements. There are three categories of the fund financial statements, 1) governmental, 2) proprietary, and 3) fiduciary. 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.

The governmental fund financial statements are prepared using the modified accrual basis of accounting, which does not include long-term liabilities and assets, focusing on current resources. Therefore a reconciliation is provided alongside the government fund financial statements to bridge the differences between the governmental fund financial statements and the government-wide financial statements. The major differences between the two types of financial statements are due to the capitalization and depreciation of assets, recognition of bonds payable, and the inclusion of the internal service net position. The county reports its major funds separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. A budgetary comparison statement is also provided for the general fund and each of the major special revenue funds. Data from the other 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 after the notes to the financial statements.

The proprietary fund financial statements are prepared using the same basis of accounting as the government-wide financial statements. Chelan County's proprietary funds include only internal service funds, which support the county government by accounting for the accumulation of assets for vehicle/equipment replacement and insurance functions. Because these services predominately benefit governmental functions, they have been included with the governmental funds in the government-wide financial statements. Individual fund data for each of the internal service funds is provided in the form of combining statements after the notes to the financial statements.

Fiduciary fund are used to account for resources held for the benefit of parties outside the government, which consists mostly of special purpose districts within Chelan County. 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 notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Chelan County's progress in funding its obligation to provide other post-employment benefits to its LEOFF 1 retirees. Required supplementary information can be found immediately following the notes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

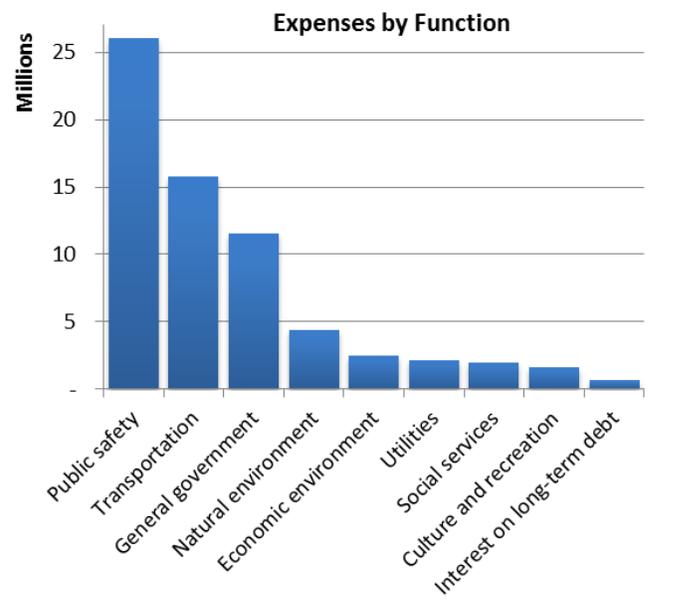
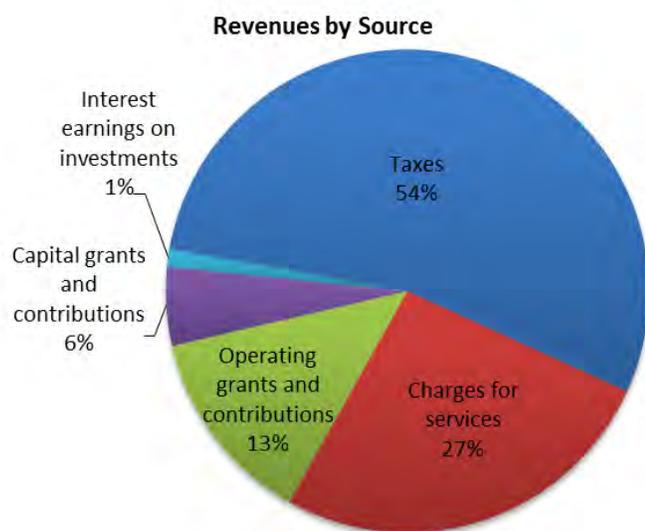
Net position may serve over time as a useful indicator of a government's financial position. In the case of Chelan County, assets exceeded liabilities by \$96,914,765 at the close of the most recent fiscal year. This increased by \$5,194,483 over the previous year. The largest contribution to this growth was the purchase and capitalization of Public Works infrastructure and a large Natural Resources land purchase using grant funds. Some of the self-insurance funds also grew their fund balances from having lower claims than expected during 2014. At the same time, local sales tax and the building industry showed stronger signs of recovery than they have in the past. While these revenues continue to provide increased revenues, general county expenses have been held low ever since the recession 6 years ago.

	2014	2013
Current & other assets	37,955,290	36,061,748
Capital assets (net of depr.)	82,119,496	79,044,480
Total assets	120,074,786	115,106,228
Long-term liabilities	18,335,804	19,160,359
Other liabilities	4,824,217	4,225,585
Total liabilities	23,160,021	23,385,944
Net position:		
Net investment in capital assets	69,087,607	65,232,320
Restricted	14,517,215	13,870,565
Unrestricted	13,309,943	12,617,398
Total net position	96,914,765	91,720,283

Revenues	2014	2013
Program revenues:		
Charges for services	19,006,582	19,844,773
Operating grants and contrib.	9,488,642	8,925,562
Capital grants and contributions	3,806,554	3,442,683
General revenues:		
Taxes	39,045,681	36,810,937
Interest earnings on invest.	838,571	869,364
Total revenues	72,186,030	69,893,319
Program Expenses		
General government	11,589,963	8,881,510
Public safety	26,043,568	28,418,957
Utilities	2,410,244	1,962,210
Transportation	15,774,299	15,304,064
Natural environment	4,414,562	3,855,297
Social services	1,945,330	1,777,641
Economic environment	2,476,334	2,783,933
Culture and recreation	1,619,255	1,462,574
Interest on long term debt	717,991	682,129
Total expenses	66,991,547	65,128,315
Change in net position	5,194,483	4,765,004
Net position as of Jan 1	91,720,283	86,955,279
Net position as of Dec 31	96,914,765	91,720,283

A large portion of the County's net position (71%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure). The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (15%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (14%) may be used to meet the county's general ongoing obligations to citizens and creditors.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental funds. The General fund, County Roads, Regional Justice Center, and Natural Resources funds were the County's major governmental funds. Together these four funds account for 43% of total governmental fund balance.

The General fund is the chief operating fund of Chelan County. At the end of the current fiscal year, unassigned fund balance of the General fund was \$7,617,613, which represents 23% of total General fund expenditures. The fund balance of General fund increased by \$1,391,666 during the current fiscal year and is larger than it has been since Chelan County has had comparable financial statements. The tremendous growth is primarily due to an increase in sales tax revenue driven by a one-time projects within the County. The Holden Mine project, which has generated unprecedented sales tax for the General fund, is not expected to bring in nearly the same amount of sales tax after 2015. The housing industry has also picked up and helped bring in more building permit revenue. These revenue increases combined with holding expenditures tight has built a healthy fund balance for the General fund.

The fund balance of the County Roads special revenue fund decreased by \$1,340,748 during the current fiscal year. Less state and federal transportation funds combined with increased infrastructure capital outlay contributed to the decline in fund balance. Because property taxes in this fund are collected for the explicit purpose of road construction and maintenance, these funds are restricted for that purpose.

The Regional Justice Center fund balance decreased by \$262,811, leaving it with a negative \$989,671 fund balance. This fund balance has been reduced over the past few years due to fewer contracted inmates being housed, which reduced the revenue brought in by this fund. With new housing contracts, slightly smaller expenditures, the rate of loss appear to be slowing. Cash flow is currently being supported by other funds through interfund loans and plans have been made to pay off the loans and return the fund to positive cash flow operations.

The fund balance of the Natural Resources special revenue fund decreased by \$374,665 during the current fiscal year. This fund is mostly operated through grant reimbursements. As fewer grants allow indirect costs to be charged, primarily direct costs are reimbursed and the amount of fund balance has decreased. By the end of 2014, the Natural Resources department needed to take an interfund loan of \$600,000 to cash flow the reimbursement grants it receives.

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual expenditures are generally less than final budgeted expenditures. The main reason for this is that employee turnover and unfilled positions leave budget authority that goes unspent. In addition, since elected officials are legally required to operate within their given budget, they typically spend their budgets conservatively in case something unexpected comes up. The actual revenues were greater than budgeted revenues due to the slight turnaround of the local economy and generally conservative budgeting. Sales tax, building and planning fees, and payments in lieu of tax all came in greater than budgeted.

Differences between the original and the final amended expenditure budget amounted to increases of \$1,453,327. Of this budget increase, \$527,376 was to be funded out of unexpected grants and increased reimbursements. The remaining \$925,951 was to be spent from the available fund balance.

Department	Amount	Explanation
Community Development	70,000	For contractual services. From available fund balance.
IT	19,016	To increase salaries. From available fund balance.
Extension	19,000	For increased salaries and benefits. From available fund balance.
Juvenile	26,272	To increase extra help and overtime. From available fund balance.
Non-Departmental	748,500	For indigent defense, services, and transfers to other funds. From available fund balance.
Prosecuting Attorney	43,163	For increased salaries and benefits. From available fund balance.
Sheriff	527,376	For overtime, extra help, small equipment and helicopter services. From increased grant revenue.
Total	1,453,327	

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. Chelan County's investment in capital assets as of December 31, 2014, amounts to \$82,119,495 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, highways, and bridges. The County's investment in capital assets increased by 4%. The increase was mostly due to a \$1.6 million land purchase by Natural Resources and infrastructure projects such as: \$1.1 million for the Chikamain bridge replacement, \$921,483 for the Chumstick Highway Phase IV, and \$677,608 for the South Wenatchee pedestrian improvement. There was also a \$646,804 addition to the Sheriff's evidence room on the main County campus.

Additional information on the County's capital assets can be found in note 5.

Chelan County's Capital Assets (net of depreciation)		
	2014	2013
Land	5,553,017	3,634,930
Construction in progress	1,562,262	417,847
Other improvements	646,429	807,059
Buildings	27,613,200	27,988,228
Equipment	5,743,540	5,816,939
Infrastructure	41,001,047	40,379,477
Total	82,119,495	79,044,480

Long-term Debt. At the end of the current fiscal year, Chelan County had total bonded debt outstanding of \$13,685,000. The total amount of this debt is backed by the full faith and credit of the government. Chelan County's total bonded debt decreased by \$780,000 (5%) during the current fiscal year. This was due solely to the regularly scheduled bond payments. See note 8 for further information about long term debt.

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

Government-wide Statement of Net Position - presents information on all county assets and liabilities, with the difference reported as net position.

Government-wide Statement of Activities - presents information on all County revenues and expenses, with the difference reported as change in net position.

FUND FINANCIAL STATEMENTS

Balance Sheet - Governmental Funds - presents the balance sheets for major funds and aggregated amounts for all other governmental funds.

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

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.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - presents budget information, along with actual results, on separate statements for the general fund and each major special revenue fund. Departmental information is included for the general fund, in accordance with the County's legally adopted budget.

Statement of Net Position - Proprietary Funds - presents aggregated information on all internal service fund assets and liabilities, with the difference reported as change in net position.

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds - presents aggregated information for all internal service funds.

Statement of Cash Flows - Proprietary Funds - presents aggregated information on the sources and uses of cash for the internal service funds.

Statement of Fiduciary Net Position - presents information on private-purpose trust fund and agency fund assets and liabilities, with the difference reported as change in net position.

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 Position December 31, 2014

Assets

Cash and cash equivalents	23,568,107
Deposits with fiscal agents	107,441
Investments	7,995,094
Accounts receivable	146,945
Property tax receivable	723,789
Court judgements receivable	1,243,554
Due from other governments	2,569,705
Treasurer claim receivable	599,351
Inventory	1,001,304
Capital assets not being depreciated:	
Land	5,553,017
Construction in progress	1,562,262
Capital assets, net of accumulated depreciation:	
Other improvements	646,429
Buildings	27,613,200
Equipment	5,743,540
Infrastructure	41,001,047
Total assets	<u>120,074,786</u>

Liabilities

Accounts payable	1,540,767
Due to other governments	299,680
Accrued payroll liabilities	2,916,329
Deposits payable	67,441
Noncurrent liabilities:	
Due within one year	1,281,191
Due in more than one year	17,054,614
Total liabilities	<u>23,160,021</u>

Net Position

Net investment in capital assets	69,087,607
Restricted for:	
Capital projects	4,912,587
Transportation	3,372,665
Public safety	1,783,646
Natural environment	1,754,354
Economic environment	1,363,429
General government technology	787,798
Judicial improvements	388,098
Health services	154,638
Unrestricted	13,309,943
Total net position	<u>96,914,765</u>

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

CHELAN COUNTY, WASHINGTON

Statement of Activities

For the Year Ended December 31, 2014

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Primary government:						
General government	11,589,963	5,458,003	1,030,384	-	(5,101,576)	
Public safety	26,043,568	8,105,749	2,559,173	-	(15,378,645)	
Utilities	2,410,244	1,953,953	502,588	-	46,297	
Transportation	15,774,299	161,214	754,389	2,160,442	(12,698,254)	
Natural environment	4,414,562	378,543	3,582,551	1,603,660	1,150,192	
Social services	1,945,330	102,466	737,156	-	(1,105,709)	
Economic environment	2,476,334	1,892,226	121,849	-	(462,259)	
Culture and recreation	1,619,255	954,428	200,552	42,452	(421,822)	
Interest on long-term debt	717,991	-	-	-	(717,991)	
Total primary government	66,991,547	19,006,582	9,488,642	3,806,554	(34,689,766)	
General revenues						
Taxes:						
Property						18,517,131
Sales and use						9,239,616
Motor vehicle fuel tax						2,201,024
Emergency communication tax						2,492,938
Federal land PILT						2,608,906
Other taxes						3,986,063
Interest and investment earnings						838,571
Total general revenues						39,884,249
Change in net position						5,194,483
Net position - beginning						91,720,283
Net position - ending						96,914,765

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

CHELAN COUNTY, WASHINGTON

Balance Sheet
 Governmental Funds
 December 31, 2014

	General Fund	County Roads	Regional Justice Center	Natural Resources	Nonmajor Governmental Funds	Total
Assets						
Cash and cash equivalents	7,999,170	4,321,605	241,717	54,486	6,550,679	19,167,657
Deposits with fiscal agents	-	46,417	-	-	21,024	67,441
Investments	351,243	-	-	-	5,393,812	5,745,055
Accounts receivable	39,847	-	625	34,725	71,388	146,585
Property tax receivable	432,890	282,352	-	-	8,547	723,789
Court judgements receivable	1,243,554	-	-	-	-	1,243,554
Due from other funds	109,970	-	1,631	7,710	280,601	399,912
Interfund loan receivable	2,068	-	-	-	1,564,000	1,566,068
Due from other governments	732,358	322,084	274,928	832,873	407,399	2,569,642
Treasurer claim receivable	599,351	-	-	-	-	599,351
Total assets	11,510,451	4,972,458	518,901	929,794	14,297,450	32,229,054
Liabilities						
Accounts payable	197,240	225,145	44,057	316,777	385,115	1,168,334
Due to other funds	156,706	451,057	915	1,350	337,014	947,042
Interfund loan payable	-	-	964,000	600,000	2,068	1,566,068
Due to other governments	38,554	8,580	2,166	208	184,003	233,511
Accrued payroll	1,823,894	381,127	497,434	56,809	77,888	2,837,152
Deposits payable	-	46,417	-	-	21,024	67,441
Total liabilities	2,216,394	1,112,326	1,508,572	975,144	1,007,112	6,819,548
Deferred Inflows of Resources						
Unavailable revenue - property tax	432,890	282,352	-	-	8,547	723,789
Unavailable revenue - court judgements	1,243,554	-	-	-	-	1,243,554
Total deferred inflows of resources	1,676,444	282,352	-	-	8,547	1,967,343
Fund Balances						
Restricted	-	3,577,780	-	-	12,039,312	15,617,092
Committed	-	-	-	-	1,246,545	1,246,545
Unassigned	7,617,613	-	(989,671)	(45,350)	(4,066)	6,578,526
Total fund balances	7,617,613	3,577,780	(989,671)	(45,350)	13,281,791	23,442,163
Total liabilities, fund balances, and deferred inflows of resources	11,510,451	4,972,458	518,901	929,794	14,297,450	32,229,054

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

CHELAN COUNTY, WASHINGTON

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position December 31, 2014

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

Fund balances of governmental funds:		23,442,163
Capital assets are not financial resources, and therefore not reported in the fund financial statements.		
Capital assets	148,546,174	
Depreciation	(70,781,701)	
Capital assets net of depreciation		77,764,474
Deferred inflows of resources that are not available to finance current liabilities are excluded from the government-wide statements.		
Property tax	723,789	
Court judgements	1,243,554	
Deferred inflows of resources		1,967,343
Long-term debt and compensated absences that have not been included in the governmental fund activity		
Bonds payable	(13,685,000)	
Compensated absences	(2,269,136)	
OPEB benefit for LEOFF	(1,917,596)	
Working capital loan for Substance Abuse	(110,394)	
Long-term debt		(17,982,126)
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 the statement of net position.		
Assets	12,594,453	
Liabilities	(871,541)	
Internal service net position		11,722,912
Net position		<u>96,914,765</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 Balances

Governmental Funds

For the Year Ended December 31, 2014

	General Fund	County Roads	Regional Justice Center	Natural Resources	Nonmajor Governmental Funds	Total
Revenues						
Taxes	18,360,778	7,239,775	-	-	7,379,545	32,980,098
Licenses and permits	1,081,357	-	-	-	-	1,081,357
Intergovernmental revenues	6,600,694	5,104,849	55,631	5,032,004	2,681,978	19,475,156
Charges for services	5,507,822	83,734	7,590,426	7,353	3,160,382	16,349,717
Fees and fines	1,561,848	-	18,462	-	28,543	1,608,853
Miscellaneous	1,012,768	21,919	99,622	-	1,152,487	2,286,796
Total revenues	<u>34,125,267</u>	<u>12,450,277</u>	<u>7,764,141</u>	<u>5,039,357</u>	<u>14,402,935</u>	<u>73,781,977</u>
Expenditures						
Current:						
General government	12,400,835	105,553	-	-	228,351	12,734,739
Public safety	17,801,292	-	8,026,952	-	3,624,510	29,452,754
Utilities	-	-	-	-	2,043,949	2,043,949
Transportation	-	9,894,946	-	-	38,703	9,933,649
Natural environment	-	-	-	3,798,696	480,219	4,278,915
Social services	560,945	-	-	-	1,121,336	1,682,281
Economic environment	1,160,367	-	-	-	1,644,809	2,805,176
Culture and recreation	330,756	-	-	-	998,671	1,329,427
Debt Service:						
Principal	30,477	-	-	-	698,319	728,796
Interest and other charges	81,735	-	-	15,804	620,413	717,952
Capital outlay	92,194	3,893,282	-	1,659,522	1,846,188	7,491,186
Total expenditures	<u>32,458,601</u>	<u>13,893,781</u>	<u>8,026,952</u>	<u>5,474,022</u>	<u>13,345,468</u>	<u>73,198,824</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,666,666</u>	<u>(1,443,504)</u>	<u>(262,811)</u>	<u>(434,665)</u>	<u>1,057,467</u>	<u>583,153</u>
Other Financing Sources (Uses)						
Sale of capital assets	-	17,756	-	-	7,600	25,356
Transfers in	315,000	400,000	-	60,000	30,000	805,000
Transfers out	(590,000)	(315,000)	-	-	(400,000)	(1,305,000)
Total other financing sources and uses	<u>(275,000)</u>	<u>102,756</u>	<u>-</u>	<u>60,000</u>	<u>(362,400)</u>	<u>(474,644)</u>
Net change in fund balances	1,391,666	(1,340,748)	(262,811)	(374,665)	695,067	108,509
Fund balances - beginning	6,225,947	4,918,528	(726,860)	329,315	12,586,724	23,333,654
Fund balances - ending	<u>7,617,613</u>	<u>3,577,780</u>	<u>(989,671)</u>	<u>(45,350)</u>	<u>13,281,791</u>	<u>23,442,163</u>

The notes to 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, 2014

Amounts reported in the statement of activities are different because:

Net change in fund balances - total governmental funds		108,509
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.		
Capital outlay	7,791,862	
Disposition of capital assets	(352,910)	
Depreciation expense	<u>(4,319,438)</u>	3,119,514
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Decreases in governmental fund court judgements receivable	(6,399)	
Decreases in governmental fund taxes receivable	<u>(74,700)</u>	(81,099)
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 position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Decreases in governmental fund bonds payable	780,000	
Increase in liability for OPEB benefit for LEOFF	(604,217)	
Contributions toward OPEB benefit for LEOFF	277,588	
Increases in governmental fund compensated absences payable	(538,622)	
Decreases in governmental fund compensated absences payable	<u>464,768</u>	379,517
The net revenue of certain activities of internal service funds is reported on the statement of activities		<u>1,668,042</u>
Change in net position		<u><u>5,194,483</u></u>

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

CHELAN COUNTY, WASHINGTON

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budgetary and Actual

For the Year Ended December 31, 2014

Revenues	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Assessor	34,060	34,060	3,822	(30,238)
Auditor	887,832	887,832	939,161	51,329
Community Development	1,232,557	1,232,557	1,478,813	246,256
Clerk	793,755	793,755	813,815	20,060
Commissioners	10,262,100	10,262,100	11,955,422	1,693,322
Coroner	15,000	15,000	15,832	832
Information Technology	115,060	115,060	115,060	-
Facilities Maintenance	595,945	595,945	596,681	736
District Court	1,278,820	1,278,820	1,312,906	34,086
District Court Probation	294,148	294,148	396,140	101,992
Extension	36,500	36,500	35,459	(1,041)
Juvenile	647,221	647,221	690,394	43,173
Non-Departmental	546,692	546,692	358,547	(188,145)
Child Support Enforcement	420,646	420,646	351,282	(69,364)
Prosecuting Attorney	524,985	524,985	543,418	18,433
Sheriff	2,982,707	3,510,083	3,581,129	71,046
Superior Court	97,217	97,217	88,437	(8,780)
Treasurer	1,310,913	1,310,913	1,390,120	79,207
Taxes	11,029,208	11,029,208	11,195,335	166,127
Traffic Safety	250,050	250,050	386,506	136,456
Total revenues	33,355,416	33,882,792	36,248,279	2,365,487
Expenditures				
Assessor	1,197,553	1,197,553	1,134,342	63,211
Auditor	1,149,516	1,149,516	1,114,983	34,533
Community Development	1,635,656	1,705,656	1,500,570	205,086
Civil Service Commission	11,097	11,097	1,982	9,115
Clerk	1,130,665	1,130,665	1,074,190	56,475
Commissioners	712,087	709,701	692,697	17,004
Coroner	230,788	230,788	235,315	(4,527)
Information Technology	725,213	744,229	718,798	25,431
Facilities Maintenance	1,530,856	1,530,856	1,510,515	20,341
District Court	1,295,762	1,295,762	1,230,232	65,530
District Court Probation	445,284	445,284	441,941	3,343
Extension	306,919	325,919	325,269	650
Juvenile	2,722,666	2,748,938	2,688,000	60,938
Non-Departmental	7,450,763	8,199,263	8,120,290	78,973
Child Support Enforcement	384,801	384,801	320,962	63,839
Prosecuting Attorney	1,852,058	1,897,607	1,856,145	41,462
Sheriff	9,466,722	9,994,098	9,961,014	33,084
Superior Court	1,067,814	1,067,814	1,030,421	37,393
Treasurer	622,558	622,558	586,760	35,798
Taxes	30,000	30,000	30,000	-
Traffic Safety	280,050	280,050	282,187	(2,137)
Total expenditures	34,248,828	35,702,155	34,856,613	845,542
Excess (deficiency) of revenues over (under) expenditures	(893,412)	(1,819,363)	1,391,666	3,211,029
Fund balances - beginning	5,730,000	5,730,000	6,225,947	495,947
Fund balances - ending	4,836,588	3,910,637	7,617,613	3,706,976

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

CHELAN COUNTY, WASHINGTON

County Roads Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	7,093,264	7,093,264	7,239,775	146,511
Intergovernmental revenues	6,459,236	6,459,236	5,104,849	(1,354,387)
Charges for services	14,100	14,100	83,734	69,634
Miscellaneous	5,000	5,000	21,919	16,919
Total revenues	<u>13,571,600</u>	<u>13,571,600</u>	<u>12,450,277</u>	<u>(1,121,323)</u>
Expenditures				
Current:				
General government	13,247	13,247	105,553	(92,306)
Transportation	10,377,436	10,377,436	9,894,946	482,490
Capital outlay	6,820,000	6,820,000	3,893,282	2,926,718
Total expenditures	<u>17,210,683</u>	<u>17,210,683</u>	<u>13,893,781</u>	<u>3,316,902</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,639,083)</u>	<u>(3,639,083)</u>	<u>(1,443,504)</u>	<u>2,195,579</u>
Other Financing Sources (Uses)				
Sale of capital assets	-	-	17,756	17,756
Transfers in	2,640,000	2,640,000	400,000	(2,240,000)
Transfers out	(240,000)	(240,000)	(315,000)	(75,000)
Total other financing sources and uses	<u>2,400,000</u>	<u>2,400,000</u>	<u>102,756</u>	<u>(2,297,244)</u>
Net change in fund balances	(1,239,083)	(1,239,083)	(1,340,748)	(101,665)
Fund balances - beginning	4,780,746	4,780,746	4,918,528	137,782
Fund balances - ending	<u>3,541,663</u>	<u>3,541,663</u>	<u>3,577,780</u>	<u>36,117</u>

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

CHELAN COUNTY, WASHINGTON

Regional Justice Center Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	65,220	65,220	55,631	(9,589)
Charges for services	7,895,253	7,895,253	7,590,426	(304,827)
Fees and fines	10,652	10,652	18,462	7,810
Miscellaneous	80,757	80,757	99,622	18,865
Total revenues	<u>8,051,882</u>	<u>8,051,882</u>	<u>7,764,141</u>	<u>(287,741)</u>
Expenditures				
Current:				
Public safety	8,039,573	8,039,573	8,026,952	12,621
Total expenditures	<u>8,039,573</u>	<u>8,039,573</u>	<u>8,026,952</u>	<u>12,621</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,309</u>	<u>12,309</u>	<u>(262,811)</u>	<u>(275,120)</u>
Fund balances - beginning	-	-	(726,860)	(726,860)
Fund balances - ending	<u>12,309</u>	<u>12,309</u>	<u>(989,671)</u>	<u>(1,001,980)</u>

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

CHELAN COUNTY, WASHINGTON

Natural Resources Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	3,449,916	4,199,916	5,032,004	832,088
Charges for services	5,500	5,500	7,353	1,853
Miscellaneous	20,000	20,000	-	(20,000)
Total revenues	<u>3,475,416</u>	<u>4,225,416</u>	<u>5,039,357</u>	<u>813,941</u>
Expenditures				
Current:				
Natural environment	3,537,320	4,287,320	3,798,696	488,624
Debt Service				
Interest	700	700	15,804	(15,104)
Capital outlay	-	-	1,659,522	(1,659,522)
Total expenditures	<u>3,538,020</u>	<u>4,288,020</u>	<u>5,474,022</u>	<u>(1,186,002)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(62,604)</u>	<u>(62,604)</u>	<u>(434,665)</u>	<u>(372,061)</u>
Other Financing Sources (Uses)				
Transfers in	25,000	25,000	60,000	35,000
Total other financing sources and uses	<u>25,000</u>	<u>25,000</u>	<u>60,000</u>	<u>35,000</u>
Net change in fund balances	<u>(37,604)</u>	<u>(37,604)</u>	<u>(374,665)</u>	<u>(337,061)</u>
Fund balances - beginning	202,416	202,416	329,315	126,899
Fund balances - ending	<u>164,812</u>	<u>164,812</u>	<u>(45,350)</u>	<u>(210,162)</u>

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

CHELAN COUNTY, WASHINGTON

Statement of Net Position
Proprietary Funds
December 31, 2014

	<u>Internal Service Funds</u>
Assets	
Current assets:	
Cash and cash equivalents	4,400,450
Deposits with fiscal agents	40,000
Investments	2,250,039
Accounts receivable	360
Due from other funds	547,215
Due from other governments	63
Inventory	1,001,304
Total current assets	<u>8,239,431</u>
Noncurrent assets:	
Capital assets: net of accumulated depreciation)	
Buildings	26,344
Equipment	4,328,678
Total noncurrent assets	<u>4,355,022</u>
Total assets	<u>12,594,453</u>
Liabilities	
Current liabilities:	
Accounts payable	372,433
Due to other funds	84
Due to other governments	66,169
Accrued payroll liability	79,177
Compensated absences	8,203
Total current liabilities	<u>526,066</u>
Noncurrent liabilities:	
Compensated absences	31,575
Claims reserve	313,900
Total noncurrent liabilities	<u>345,475</u>
Total liabilities	<u>871,541</u>
Net Position	
Investment in capital assets	4,355,021
Unrestricted	7,367,891
Total net position	<u>11,722,912</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 Position
Proprietary Funds
For the Year Ending December 31, 2014

	Internal Service Funds
Operating Revenues	
Charges for services	1,555,943
Miscellaneous	<u>10,296,661</u>
Total operating revenues	<u>11,852,604</u>
Operating Expenses	
Salaries	592,053
Personnel benefits	291,764
Supplies	2,454,058
Other services & charges	6,309,582
Interfund payments for services	173,886
Depreciation	<u>1,001,030</u>
Total operating expenses	<u>10,822,373</u>
Operating income (loss)	1,030,231
Nonoperating Revenues (Expenses)	
Gain on sale of capital assets	<u>137,811</u>
Total nonoperating revenues (expenses)	<u>137,811</u>
Income before transfers	<u>1,168,042</u>
Transfers in	<u>500,000</u>
Change in net position	1,668,042
Net position - beginning	<u>10,054,870</u>
Net position - ending	<u><u>11,722,912</u></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, 2014

	<u>Internal Service Funds</u>
Cash Flows From Operating Activities:	
Cash received from customers and users	11,683,231
Cash payments to suppliers	(9,342,456)
Cash payments to employees and retirees	(867,874)
Net cash provided (used) by operating activities	<u>1,472,901</u>
Cash Flows From Noncapital Financing Activities	
Interfund loan payment received	41,000
Transfer in	500,000
Net cash provided (used) by noncapital financing activities	<u>541,000</u>
Cash Flows From Capital Financing Activities	
Proceeds from sale of capital assets	137,811
Acquisition and construction of capital assets	(956,532)
Net cash provided (used) by capital financing activities	<u>(818,721)</u>
Cash Flows From Investing Activities	
Purchase of investments	(2,001,168)
Net cash provided (used) by investing activities	<u>(2,001,168)</u>
Net increase (decrease) in cash and cash equivalents	(805,988)
Cash and cash equivalents, January 1	<u>5,206,438</u>
Cash and cash equivalents, December 31	<u><u>4,400,450</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	<u>1,030,231</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) operating activities:	
Depreciation	1,001,030
(Increase) decrease in accounts receivable	29,194
(Increase) decrease in due from other funds/gov	(198,567)
(Increase) decrease in inventory	(223,077)
Increase (decrease) in vouchers/contracts payable	(230,599)
Increase (decrease) in due to other funds/gov	48,746
Increase (decrease) in accrued payroll liabilities	13,258
Increase (decrease) in accrued employee leave benefits	2,685
Total adjustments	<u>442,670</u>
Net cash provided (used) by operating activities	<u><u>1,472,901</u></u>

The County did not have any material noncash transactions.

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

CHELAN COUNTY, WASHINGTON

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2014

	<u>Agency Funds</u>
Assets	
Cash	20,111,606
Investments	148,469,780
Deposits with fiscal agents	2,054,332
Accounts receivable	38,630
Taxes receivable	2,933,835
Total assets	<u>173,608,183</u>
Liabilities	
Accounts payable	625,118
Other accrued liabilities	403,158
Custodial accounts	172,579,907
Total liabilities	<u>173,608,183</u>

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

CHELAN COUNTY, WASHINGTON

Notes to the Financial Statements
December 31, 2014

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 financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government.

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 are reported as separate columns in the fund financial 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. The County considers property taxes as available if they are collected within 60 days after year end. 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 (Current Expense) 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 special revenue fund accounts for the finance, design, construction, and maintenance of Chelan County roads. The majority of its funding comes from property taxes, motor vehicle fuel taxes, and state and federal grants.
- The Regional Justice Center fund accounts for the operation of the Chelan County regional correction facility. It receives its funding from providing Jail bed space to other entities as well as the Chelan County General fund.
- The Natural Resources special revenue fund uses revenues from federal, state, and local grants to address environmental issues including water resources, timber, fish, wildlife, and agriculture within Chelan County.

Additionally, Chelan County reports the following fund types:

- Internal service funds account for equipment and fleet management as well as insurance management services to other departments or funds of the County or to other governmental units on a cost-reimbursement basis.
- Agency funds account for the cash balances maintained by the local taxing districts. These funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

As a general rule the effect of the interfund activity has been eliminated for the government-wide financial statements. An exception to this rule is that interfund charges for services are not excluded when elimination would distort the direct costs and program revenues reported for the various functions.

Amounts reported as program revenues include 1) charges to customers, 2) operating grants and contributions, and 3) 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. Operating expenses for 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.

D. Assets, Liabilities and Equities

1. Deposits and Investments

It is the County's policy to invest all temporary cash surpluses. At December 31, 2014, the Treasurer was holding \$26,381,017 in residual investments of surplus cash. 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 general fund.

For purposes of the statement of cash flows, the county considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, banker's acceptances, and certain other government agency obligations. Investments are reported at fair value.

2. Receivables

Taxes receivable consist of property taxes and related interest and penalties (See Note 4). Accrued interest receivable consists of amounts earned on investments, notes, and contracts at the end of the year. Court judgments receivable consist of fines and penalties assessed by the Superior and District Court Judges.

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.

3. Amounts Due To and From Other Funds and Governmental Units, and Interfund Loans Receivable

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “interfund loans receivable/payable”. All other outstanding balances between funds are reported as “due to/from other funds.” A separate schedule of interfund loans receivable and payable is furnished in Note 11.

4. Inventories

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

5. Capital Assets – See Note 5

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported 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, or in the case of infrastructure assets with an initial cost of more than \$100,000. 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.

Costs for additions or improvements to capital assets are capitalized when they increase the effectiveness or efficiency of the asset. The cost for normal maintenance and repairs are not capitalized.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives: Buildings for 31.5 years, land improvements over 10 years, equipment varies between 3 and 10 years; infrastructure between 20 and 45 years.

6. 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 and proprietary 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 or is paid out at year-end (depending on union affiliation). Upon setting an official date of retirement, an employee is paid out all accumulated sick leave hours in excess of 720 hours to a maximum of 240 hours.

The County also allows 80 or 120 hours (depending on union affiliation) of compensatory leave after which time it is paid out month by month. In addition, any compensatory leave accumulated in excess of 40 or 80 hours (depending on union affiliation) is paid out at year-end.

7. Other Accrued Liabilities

These accounts consist of accrued wages, accrued employee benefits, and accrued use tax.

8. Deferred Inflows of Resources

Deferred inflows of resources in the fund financial statements include delinquent taxes and court judgments that are earned, but not yet available under the modified accrual basis of accounting.

9. Fund Balance Classification

Chelan County fund balances are classified into five categories in accordance with Statement 54 from the Governmental Accounting Standards Board: nonspendable, restricted, committed, assigned, and unassigned. Committed, assigned, and unassigned categories are considered to be “unrestricted.”

When expenditures are incurred that could be paid from either restricted, committed, assigned, or unassigned resources, the county uses restricted resources first, committed resources second, assigned resources third, and unassigned resources last.

The fund balance is committed when the Board of County Commissioners commits a revenue source to a specific purpose by formal resolution. The fund balance is assigned when the Board of County Commissioners approve in writing, other than formal resolution, an intended use for a revenue source. The approved budget does not create committed or assigned amounts.

10. Minimum Fund Balance Policy

Maintenance of an adequate fund balance for each fund to ensure sufficient resources for cash flow and to mitigate revenue shortages or emergencies shall be a priority.

The General fund (010), County Roads (110), and Farm Worker Housing (124) funds shall maintain a minimum year-end unrestricted fund balance of 8% of its annual expenditures. In the event the fund balance is not at that level, the county shall create a plan to restore the fund balance to 8% within two years.

The county's long-term fund balance target is a year-end unrestricted fund balance of 15% of annual expenditures.

11. Detailed Fund Balance Constraints

Fund Balances:	Special Revenue Funds						Total
	General Fund	County Roads	Regional Justice Center	Natural Resources	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	
Restricted for:							
Roads & transport	-	3,577,780	-	-	73,920	-	3,651,700
Drug enforcement	-	-	-	-	337,539	-	337,539
Law enforcement	-	-	-	-	1,446,107	-	1,446,107
Archiving	-	-	-	-	392,820	-	392,820
Housing	-	-	-	-	389,462	-	389,462
Pest control	-	-	-	-	80,341	-	80,341
Technology	-	-	-	-	261,419	-	261,419
Weed control	-	-	-	-	9,441	-	9,441
Courts	-	-	-	-	388,098	-	388,098
Veterans	-	-	-	-	159,148	-	159,148
Foreclosure costs	-	-	-	-	133,559	-	133,559
Tourism	-	-	-	-	973,967	-	973,967
Natural resources	-	-	-	-	50,271	-	50,271
Flood control	-	-	-	-	1,671,636	-	1,671,636
Substance abuse	-	-	-	-	105,884	-	105,884
L&J renovation	-	-	-	-	-	653,113	653,113
Capital projects	-	-	-	-	3,200,726	1,711,861	4,912,587
Committed to:							
Drug enforcement	-	-	-	-	17,766	-	17,766
Prisoner activities	-	-	-	-	40,461	-	40,461
Parks & recreation	-	-	-	-	500,950	-	500,950
Education	-	-	-	-	158,486	-	158,486
Airport	-	-	-	-	39,942	-	39,942
Utilities	-	-	-	-	380,514	-	380,514
Elections	-	-	-	-	108,426	-	108,426
Unassigned	7,617,613	-	(989,671)	(45,350)	(4,066)	-	6,578,526
	7,617,613	3,577,780	(989,671)	(45,350)	10,916,817	2,364,974	23,442,163

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

1. Scope of Budget

Annual appropriated budgets are adopted for general, special revenue, debt service, capital project, and proprietary funds on the modified accrual basis of accounting. However, interfund activity is also budgeted and must be removed (see note 2(A)(5) for a reconciliation to GAAP basis). These budgets are adopted at the fund and department levels. Appropriations for all budgeted funds lapse at year-end. Major capital projects are also included in the County's capital financing plan, which carries 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.

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 following excess of expenditures over appropriations were not anticipated in the original 2014 budget and the expenditures occurred late in 2014 after any supplemental budget appropriations could be legally made.

The Coroner department of the General fund had expenditures that exceeded appropriation by \$4,527 due to higher autopsy costs than budgeted. The excess expenditures were covered with the General fund balance.

The Traffic Safety department of the General fund had expenditures that exceeded appropriation by \$2,137 from a higher cost of supplied than anticipated. The excess expenditures were covered with reimbursements from the County Roads fund.

The Solid Waste fund expenses exceeded appropriations by \$71,313 due to a capital purchase that was not originally budgeted. The excess expenditures were covered by its fund balance.

The Sheriff Donation fund expenditures exceeded appropriations by \$3,221 due to increased spending on employee education. The excess expenditures were covered by its fund balance.

The Columbia River Drug Task Force fund expenditures exceeded appropriations by \$28,550 primarily due to increased Sheriff's Office costs that were reimbursed by this fund. The excess expenditures were covered by its fund balance.

The Mental Health fund expenditures exceeded appropriations by \$1,350. This fund operates as a pass-through fund, so the excess expenditures were covered with corresponding revenues received.

The Natural Resources fund expenditures exceeded appropriation by \$1,186,002 due to a large capital asset purchase that was not anticipated when the budget was created. The excess expenditures were covered with grant revenues.

The RJC Prisoner fund expenditures exceeded appropriations by \$19,729 due to increased supplies purchased for the program. The excess expenditures were covered by its fund balance.

5. Reconciliation of Budgetary and Actual Statements

The total revenues and expenditures of the General fund from the Statement of Revenues, Expenditures, and Changes in Fund Balances – Budgetary and Actual do not tie to the total revenues and total expenditures on the Statement of Revenues, Expenditures, and Changes in Fund Balances due to the elimination of interfund activity and separation of other financing sources and uses.

General Fund	Revenues	Expenditures
Budgetary basis	36,248,279	34,856,613
Interfund activity	(1,808,012)	(1,808,012)
Transfers	(315,000)	(590,000)
GAAP basis	34,125,267	32,458,601

NOTE 3 - 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 of December 31, 2014 the County had the following investments:

Investments	Weighted average maturity of Chelan County's own investments	Fair value of Chelan County's own investments	Fair value of investments held by Chelan County as an agent for other local governments	Total
State investment pool	less than 90 days	7,995,094	142,294,543	150,289,637
U.S. government securities	N/A	-	4,380,078	4,380,078
Certificate of deposit	N/A	-	1,735,032	1,735,032
Municipal money market	N/A	-	60,127	60,127
Total		7,995,094	148,469,780	156,464,874

Surplus cash pooled and invested, listed as cash and cash equivalents in the financial statements

See Note 1(D)

State investment pool	less than 90 days	9,658,177
Municipal money market	less than 90 days	1,002,119
Certificate of deposit	16 months	254,282
U.S. government securities	29 months	15,466,439
Total		26,381,017

State investment pool. The Local Government Investment Pool (LGIP) is an unrated 2a-7 like pool, as defined by GASB 31. Accordingly, participants' balances in the LGIP are not subject to interest rate risk, as the weighted average maturity of the portfolio will not exceed 90 days. Per GASB 40 guidelines the balances are also not subject

to custodial credit risk. The credit risk of the LGIP is limited as most investments are either obligations of the US government, government sponsored enterprises, or insured demand deposit accounts and certificates of deposit.

Interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of an investment. Through its investment policy, the County manages its exposure to the risk that the market value of securities in the portfolio will fall due to changes in market interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter-term securities. The policy also states that no single security will be purchased with a maturity date of more than five years from the date of purchase.

Credit risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The state investment pool does not have a credit rating. Chelan County holds municipal bonds with Moody's ratings of A2 and A3. The County also holds federal securities all holding a Moody's rating of Aaa and S&P rating of AA+. Chelan County does not have a policy related to credit risk.

NOTE 4 - 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 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 2014 was \$1.319 per \$1,000 on an assessed valuation of \$8,602,216,676 for a total regular levy of \$11,345,965.

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 2014 was \$1.395 per \$1,000 on an assessed valuation of \$5,049,213,579 for a total road levy of \$7,046,177.

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

NOTE 5 - CAPITAL ASSETS AND DEPRECIATION

Capital assets activity for the year ended December 31, 2014 was as follows:

	Beginning Balance 01/01/2014	Increases	Decreases	Ending Balance 12/31/2014
Capital assets, not being depreciated:				
Land	3,634,930	1,918,087	-	5,553,017
Construction in progress	417,847	1,404,652	260,237	1,562,262
Total capital assets, not being depreciated	<u>4,052,777</u>	<u>3,322,739</u>	<u>260,237</u>	<u>7,115,279</u>
Capital assets, being depreciated:				
Other improvements	2,161,683	-	-	2,161,683
Buildings and structures	53,653,460	720,933	10,892	54,363,501
Machinery and equipment	23,131,773	1,330,603	705,417	23,756,959
Infrastructure	76,113,341	3,420,232	-	79,533,573
Total capital assets being depreciated	<u>155,060,257</u>	<u>5,471,768</u>	<u>716,309</u>	<u>159,815,716</u>
Less accumulated depreciation for:				
Other improvements	1,354,624	160,630	-	1,515,254
Buildings and structures	25,665,232	1,094,873	9,803	26,750,302
Machinery and equipment	17,314,834	1,313,243	614,659	18,013,418
Infrastructure	35,733,864	2,798,662	-	38,532,526
Total accumulated depreciation	<u>80,068,554</u>	<u>5,367,408</u>	<u>624,462</u>	<u>84,811,500</u>
Total capital assets, being depreciated, net	<u>74,991,703</u>	<u>104,360</u>	<u>91,847</u>	<u>75,004,216</u>
Total capital assets, net	<u><u>79,044,480</u></u>	<u><u>3,427,099</u></u>	<u><u>352,084</u></u>	<u><u>82,119,495</u></u>
Depreciation expense was charged to functions as follows:				
General Government		773,221		
Public Safety		546,009		
Utilities		90,032		
Transportation		3,640,044		
Natural Environment		12,216		
Economic environment		53,583		
Culture and recreation		252,303		
Total depreciation		<u><u>5,367,408</u></u>		

NOTE 6 - 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* and No. 50, *Pension Disclosures, an Amendment of GASB Statements No. 25 and No. 27*.

A. Public Employees' Retirement System (PERS) Plans 1, 2 and 3

1. Plan Description

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts (other than judges currently in the Judicial Retirement Systems); employees of legislative committees; community and technical colleges, college and university employees not participating in higher education retirement programs; judges of district and municipal courts; and employees of local governments. PERS retirement benefit provisions are established in Chapters 41.34 and 41.40 RCW and may be amended only by the State Legislature.

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 defined benefit plan with a defined contribution component.

PERS members who joined the system by September 30, 1977 are Plan 1 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 members 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 irrevocable 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. Notwithstanding, PERS Plan 2 and Plan 3 members may opt out of plan membership if terminally ill, with less than five years to live.

PERS is comprised of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

PERS Plan 1 and Plan 2 retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PERS Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' Fiscal Year 2012, the rate was five and one-half percent compounded quarterly. Members in PERS Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon upon separation from PERS-covered employment.

PERS Plan 1 members are vested after the completion of five years of eligible service. PERS Plan 1 members are eligible for retirement 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 monthly benefit is 2 percent of the average final compensation (AFC) per year of service, but the benefit may not exceed 60 percent of the AFC. The AFC is the monthly average of the 24 consecutive highest-paid service credit months.

The monthly benefit is subject to a minimum for retirees who have 25 years of service and have been retired 20 years, or who have 20 years of service and have been retired 25 years. If a survivor option is chosen, the benefit is reduced. Plan 1 members retiring from inactive status prior to the age of 65 may also receive actuarially reduced benefits. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity payable to the age of 60. The allowance amount is \$350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60. A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the allowance amount is 2 percent of the AFC for each year of service reduced by 2 percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is

actuarially reduced to reflect the choice of a survivor option. A cost-of living allowance was granted at age 66 based upon years of service times the COLA amount. This benefit was eliminated by the Legislature effective July 1, 2011. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 members can receive credit for military service while actively serving in the military if such credit makes them eligible to retire. Members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

The survivor of a PERS Plan 1 member who dies after having earned ten years of service credit has the option, upon the member's death, of either a monthly survivor benefit or the lump sum of contributions plus interest.

PERS Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is 2 percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

PERS Plan 2 members who have at least 20 years of service credit and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65.

PERS Plan 2 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions (1) with a benefit that is reduced by 3 percent for each year before age 65 or, (2) with a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2 retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option. The surviving spouse or eligible child(ren) of a PERS Plan 2 member who dies after having earned ten years of service credit has the option of either a monthly benefit or a lump sum payment of the member's contributions plus interest.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. As established by Chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 percent to 15 percent of salaries, based on member choice. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined contribution retirement benefits are dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, PERS Plan 3 investments are made in the same portfolio as that of the PERS 2/3 defined benefit plan. For DRS' fiscal year 2013, PERS Plan 3 employee contributions were \$99.0 million, and plan refunds paid out were \$69.4 million.

The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is 1 percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit, and Plan 3 provides the same cost-of-living allowance as Plan 2.

Effective June 7, 2006, PERS Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service, if twelve months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 by June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Vested Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions and benefits:

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65.

- If they have 30 service credit years and are at least 55 years old, they have the choice of a benefit that is reduced by 3 percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.
- If they have 30 service credit years, are at least 55 years old, and were hired after May 1, 2013, they have the option to retire early by accepting a reduction of 5 percent for each year before age 65.

PERS Plan 3 benefit retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option.

PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is 2 percent of the AFC per year of service. For Plan 3, the monthly benefit amount is 1 percent of the AFC per year of service. These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at 3 percent annually.

PERS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PERS member who dies in the line of service as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

From January 1, 2007 through December 31, 2007, judicial members of PERS were given the choice to elect participation in the Judicial Benefit Multiplier (JBM) Program enacted in 2006. Justices and judges in PERS Plan 1 and Plan 2 were able to make an irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit would be capped at 75 percent of AFC. Judges in PERS Plan 3 could elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of AFC.

Newly elected or appointed justices and judges who chose to become PERS members on or after January 1, 2007, or who had not previously opted into PERS membership, were required to participate in the JBM Program.

There are 1,176 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2013:

Retirees and beneficiaries receiving benefits	85,328
Terminated plan members entitled to but not yet receiving benefits	31,047
Active plan members vested	150,706
Active plan members nonvested	101,191
Total	368,272

2. Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, PERS Plan 2 employer and employee contribution rates, and PERS Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government unit employees, and at 7.5 percent for state government elected officials. 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. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan, and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range from 5 percent to 15 percent.

As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program.

The methods used to determine the contribution requirements 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, 2014 are as follows:

	Members not participating in JBM			Members participating in JBM		
	PERS Plan 1	PERS Plan 2	PERS Plan 3	PERS Plan 1	PERS Plan 2	PERS Plan 3
Employer*	9.21%	9.21%	9.21%	9.21%	9.21%	9.21%
Employee	6.00%	4.92%	***	12.26%	12.30%	7.50%****

* The employer rates include an employer administrative expense fee of 0.18%.

** Plan 3 defined benefit portion only.

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

**** Minimum rate

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

	PERS Plan 1	PERS Plan 2	PERS Plan 3
2014	75,094	1,246,269	317,453
2013	64,287	1,064,582	255,361
2012	64,693	936,695	221,657

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

1. Plan Description

LEOFF was established in 1970 by the Legislature. Membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters and, as of July 24, 2005, emergency medical technicians. LEOFF membership is comprised primarily of non-state employees, with Department of Fish and Wildlife enforcement officers, who were first included prospectively effective July 27, 2003, being an exception. LEOFF retirement benefit provisions are established in Chapter 41.26 RCW and may be amended only by the State Legislature.

LEOFF is a cost-sharing multiple-employer retirement system comprised of two separate defined benefit plans. LEOFF members 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.

Effective July 1, 2003, the LEOFF Plan 2 Retirement Board was established by Initiative 790 to provide governance of LEOFF Plan 2. The Board's duties include adopting contribution rates and recommending policy changes to the Legislature.

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 through state legislative appropriations. Employee contributions to the LEOFF Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' fiscal year 2012, the rate was five and one-half percent compounded quarterly. Members in LEOFF Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest earnings upon separation from LEOFF-covered employment.

LEOFF Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for retirement at the age of 53 with five years of service, or at age 50 with 20 years of service. Plan 2 members receive a benefit of 2 percent of the FAS per year of service (the FAS is based on the highest consecutive 60 months), actuarially reduced to reflect the choice of a survivor option. Members who retire prior to the age of 53 receive reduced benefits. If the member has at least 20 years of service and is age 50, the reduction is 3 percent for each year prior to age 53. Otherwise, the benefits are actuarially reduced for each year prior to age 53. A cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

LEOFF Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 benefit amount is 2 percent of the FAS for each year of service. Benefits are reduced to reflect the choice of survivor option and for each year that the member's age is less than 53, unless the disability is duty-related. If the member has at least 20 years of service and is age 50, the reduction is 3 percent for each year prior to age 53.

A disability benefit equal to 70 percent of their FAS, subject to offsets for workers' compensation and Social Security disability benefits received, is also available to those LEOFF Plan 2 members who are catastrophically disabled in the line of duty and incapable of future substantial gainful employment in any capacity. Effective June 2010, benefits to LEOFF Plan 2 members who are catastrophically disabled include payment of eligible health care insurance premiums.

Members of LEOFF Plan 2 who leave service because of a line of duty disability are allowed to withdraw 150 percent of accumulated member contributions. This withdrawal benefit is not subject to federal income tax. Alternatively, members of LEOFF Plan 2 who leave service because of a line of duty disability may be eligible to receive a retirement benefit of at least 10 percent of FAS and 2 percent per year of service beyond five years. The first 10 percent of the FAS is not subject to federal income tax.

LEOFF Plan 2 retirees may return to work in an eligible position covered by another retirement system, choose membership in that system and suspend their pension benefits, or not choose membership and continue receiving pension benefits without interruption.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 2 member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

Benefits to eligible surviving spouses and dependent children of LEOFF Plan 2 members killed in the course of employment include the payment of eligible health care insurance premiums.

Legislation passed in 2009 provides to the Washington-state-registered domestic partners of LEOFF Plan 2 members the same treatment as married spouses, to the extent that the treatment is not in conflict with federal laws.

LEOFF members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

There are 374 participating employers in LEOFF. Membership in LEOFF consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2013:

Retirees and beneficiaries receiving benefits	10,511
Terminated plan members entitled to but not yet receiving benefits	699
Active plan members vested	16,830
Active plan members nonvested	1,600
Total	29,640

2. Funding Policy

Employer and employee contribution rates are developed by the Office of the State Actuary to fully fund the plans. Starting on July 1, 2000, Plan 1 employers and employees contribute zero percent as long as the plan remains fully funded. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board.

The Legislature, by means of a special funding arrangement, appropriates money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. 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. For DRS' fiscal year 2013, the state contributed \$54.2 million to LEOFF Plan 2.

The methods used to determine the contribution requirements 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, 2014, were as follows:

	LEOFF Plan 2
Employer*	5.23%
Employee	8.41%
State	3.36%

* The employer rates include an employer administrative expense fee of 0.18%.

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

	LEOFF Plan 2
2014	260,369
2013	230,723
2012	210,700

C. Public Safety Employees' Retirement System (PSERS) Plan 2

1. Plan Description

PSERS was created by the 2004 Legislature and became effective July 1, 2006. PSERS retirement benefit provisions have been established by Chapter 41.37 RCW and may be amended only by the State Legislature.

PSERS is a cost-sharing multiple-employer retirement system comprised of a single defined benefit plan, PSERS Plan 2.

PSERS membership includes:

- Full-time employees hired by a covered employer before July 1, 2006, who met at least one of the PSERS eligibility criteria and elected membership during the period of July 1, 2006 to September 30, 2006; and
- Full-time employees, hired on or after July 1, 2006 by a covered employer, that meet at least one of the PSERS eligibility criteria.

A "covered employer" is one that participates in PSERS. Covered employers include the following:

- State of Washington agencies: Department of Corrections, Department of Natural Resources, Gambling Commission, Liquor Control Board, Parks and Recreation Commission, and Washington State Patrol;
- Washington State counties;
- Washington State cities except for Seattle, Tacoma and Spokane; and
- Correctional entities formed by PSERS employers under the Interlocal Cooperation Act.

To be eligible for PSERS, an employee must work on a full-time basis and:

- Have completed a certified criminal justice training course with authority to arrest, conduct criminal investigations, enforce the criminal laws of Washington and carry a firearm as part of the job; or
- Have primary responsibility to ensure the custody and security of incarcerated or probationary individuals; or
- Function as a limited authority Washington peace officer, as defined in RCW 10.93.020; or
- Have primary responsibility to supervise eligible members who meet the above criteria.

PSERS retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the plan accrue interest at a rate specified by the Director of DRS. During DRS' fiscal year 2012, the rate was five and one-half percent compounded quarterly. Members in PSERS Plan 2 can elect to withdraw total employee contributions and interest thereon upon separation from PSERS-covered employment.

PSERS Plan 2 members are vested after completing five years of eligible service.

PSERS members may retire with a monthly benefit of 2 percent of the average final compensation (AFC) at the age of 65 with five years of service, or at the age of 60 with at least 10 years of PSERS service credit, or at age 53 with 20 years of service. The AFC is the monthly average of the member's 60 consecutive highest-paid service credit months. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

PSERS members who retire prior to the age of 60 receive reduced benefits. If retirement is at age 53 or older with at least 20 years of service, a 3 percent per year reduction for each year between the age at retirement and age 60 applies.

PSERS Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The monthly benefit is 2 percent of the AFC for each year of service. The AFC is based on the member's 60

consecutive highest creditable months of service. Benefits are actuarially reduced for each year that the member's age is less than 60 (with ten or more service credit years in PSERS), or less than 65 (with fewer than ten service credit years). There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

PSERS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PSERS member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

There are 75 participating employers in PSERS. Membership in PSERS consisted of the following as of the latest actuarial valuation date for the plan of June 30, 2013:

Retirees and beneficiaries receiving benefits	43
Terminated plan members entitled to but not yet receiving benefits	119
Active plan members vested	4,513
Active plan members nonvested	1,383
Total	6,058

2. Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates. The employer and employee contribution rates for Plan 2 are developed by the Office of the State Actuary to fully fund Plan 2. The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.37 and 41.45 RCW.

The required contribution rates expressed as a percentage of current year covered payroll, as of December 31, 2014, were as follows:

	PSERS Plan 2
Employer*	10.54%
Employee	6.36%

* The employer rates include an employer administrative expense fee of 0.18%.

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

	PSERS Plan 2
2014	196,819
2013	162,250
2012	144,596

NOTE 7 - RISK MANAGEMENT

A. Liability Insurance - Risk Pool

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 Insurance Admin & Purchasing 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. Settlements have not exceeded insurance coverage during the past three years.

Chelan County was one of the twenty-seven county members of the Washington Counties Risk Pool ("Pool") during 2013. The Pool was formed August 18, 1988 when several Washington counties signed an Interlocal (Cooperative) Agreement. It was established to provide its member counties with "joint" programs and services including self-insurance, purchasing of insurance, and contracting for or hiring of personnel to provide administrative services, claims handling and risk management. The Pool operates under Washington's "pooling" laws, more specifically Chapters 48.62 RCW and 82.60 WAC and implemented via Chapter 39.34 RCW. It is overseen by the State Risk Manager and is subject to fiscal audits performed annually by the State Auditor.

New members may be required to pay the Pool modest admittance fees to cover the members' share of organizational expenses and the costs to analyze their loss data and risk profile. Members contract initially to remain in the Pool for at least five years. Counties may terminate their memberships at the conclusion of any Pool fiscal year following the initial term if the county timely files its required advance written notice. Otherwise, the Interlocal Agreement is renewed automatically for another year. Even after termination, a former member remains responsible for reassessments from the Pool for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Agreement.

The Pool is governed by a board of directors consisting of one director (and at least one alternate director) designated by each member county. The Pool's board of directors, made up of both elected and appointed county officials, meets three times each year with the summer meeting being the Annual Meeting. The board of directors is responsible for determining the 3rd-party liability coverage to be offered (approving the insuring agreement or coverage document), the reinsurance program to acquire, the excess insurances to be jointly purchased or offered for optional purchase, and approving the Pool's annual operating budgets and work programs, and the member deposit assessment formulas.

Pool member counties presently acquire \$20 million (with another \$5 million optional) of joint liability coverage on a "per occurrence" basis for 3rd-party bodily injury, personal injury, property damage, errors and omissions, and advertising injury, and includes public officials' errors and omissions. Annually, members select a per occurrence deductible amount of \$10,000, \$25,000, \$50,000, \$100,000, \$250,000 or \$500,000. The initial \$10 million of coverage, less the retention (the greater of the member's deductible or \$100,000), is fully reinsured by superior-rated commercial carriers. The remaining insurance, up to \$15 million, is acquired from superior-rated commercial carriers as "following form" excess insurance. There are no aggregate limits to the payments made for any one member county or all member counties combined.

As an individual county option, the Pool provides property insurance, with composite limits of \$500 million for normal (all other perils) exposures and \$200 million for catastrophe (flood / earthquake) exposures and participant deductibles between \$5,000 and \$50,000. Coverage is for structures, vehicles, mobile equipment, EDP equipment, and equipment breakdown, etc. Participants are responsible for their claims' deductibles. Commercial insurers are responsible for covered losses exceeding the participant deductibles to the maximum limits of the policy.

The Washington Counties Risk Pool is a cooperative program, so there is joint liability amongst its participating members. Contingent liabilities occur when assets are not sufficient to cover liabilities. Pool member counties are required to timely submit their 3rd party liability claims which are handled by the Pool's staff. This includes establishing reserves for both reported and unreported covered events, as well as estimates of the undiscounted future cash payments for losses and related claims adjustment expenses. Deficits resulting from any Pool fiscal year are financed by proportional reassessments against that year's membership. The Pool's reassessments receivable balance as of December 31, 2014 was zero, as no contingent liabilities were known to exist at that time.

B. Self-Insurance

1. Unemployment Compensation

Chelan County reimburses the Employment Security Department for individual unemployment compensation claims. The County pays actual claims on a pay-as-you-go basis.

Claims liability at 12/31/2012	\$ 0
Claims incurred	\$ 45,079
Claims paid	<u>\$ (45,079)</u>
Claims liability at 12/31/2013	\$
Claims incurred	\$ 31,718
Claims paid	<u>\$ (31,718)</u>
Claims liability at 12/31/2014	\$ 0

2. Workers Compensation

Chelan County is self-insured for Workers Compensation claims. The County maintains excess Workers Compensation insurance of \$400,000 per claim for regular employees and \$500,000 per claim for public safety employees.

Claims liability at 12/31/2012	\$ 814,920
Claims incurred	\$ 277,866
Claims paid	<u>\$ (331,164)</u>
Claims liability at 12/31/2013	\$ 761,622
Claims incurred	\$ 278,044
Claims paid	<u>\$ (585,839)</u>
Claims adjustments	<u>\$ (139,927)</u>
Claims liability at 12/31/2014	\$ 313,900

3. Medical Insurance

At the beginning of 2014, Chelan County started self-insuring for medical insurance. Premera provides the administration of the medical insurance claims for the County. The County has a \$100,000 stop-loss policy to mitigate risk of large individual claims. It also maintained an annual aggregate claims limit of \$4,311,338. Per the Washington Administrative Code, the County must maintain a reserve equal to 16 weeks of program expenses. Based on 2014's average weekly medical plan costs, this amount equals \$1,392,486. As of 12/31/2014, the Health Insurance fund was adequately funded with an ending net position of \$2,694,243.

Claims liability at 12/31/2012	\$	0
Claims incurred	\$	2,864,533
Claims paid	\$	(2,864,533)
Claims liability at 12/31/2013	\$	0
Claims incurred	\$	3,627,989
Claims paid	\$	(3,627,989)
Claims liability at 12/31/2014	\$	0

NOTE 8 - LONG-TERM DEBT

A. Long-Term Debt

The County issues general obligation bonds to finance the purchase and construction of buildings and other capital assets. 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 the Criminal Justice Sales Tax, Distressed Counties Tax, and REET funds. These bonds are set to mature between 2022 and 2036. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rate	Amount Outstanding
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%	1,305,000
2003 LTGO 2003A bonds to make improvements to certain county facilities, original issue \$3,445,000	2.0% - 4.5%	1,845,000
2007 LTGO and refunding bonds to advance refund the county's 1998 and 2000 G.O. bonds and \$1,200,000 for technology projects, original issue \$5,735,000	4.0% - 5.0%	2,785,000
2009 LTGO bonds for the law and justice facility renovation, original issue \$8,150,000	2.0% - 5.0%	7,750,000
Total		13,685,000

The annual debt service requirements to maturity are as follows:

Year Ending December 31	Principal	Interest
2015	805,000	621,308
2016	835,000	585,859
2017	870,000	548,852
2018	920,000	509,731
2019	740,000	472,447
2020-2024	3,160,000	1,885,163
2025-2029	2,220,000	1,321,475
2030-2034	2,815,000	721,913
2035-2036	1,320,000	93,765
Total	13,685,000	6,760,513

B. Refunded Debt

In 2003 Chelan County issued the 2003 LTGO 2003A bonds to defease the 1997 LTGO bonds. In 2007 Chelan County issued the 2007 LTGO refunding bonds to defease the 1998 and 2000 G.O bonds. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for defeased bonds are not included in the county's financial statements.

NOTE 9 – CHANGES IN LONG TERM LIABILITIES

During the year ended December 31, 2014, the following changes occurred in long-term liabilities:

	Beginning Balance 01/01/14	Additions	Reductions	Ending Balance 12/31/14	Due Within One Year
Bonds payable	14,465,000	-	780,000	13,685,000	805,000
OPEB benefit for LEOFF	1,590,967	604,217	277,588	1,917,596	-
DSHS Working capital advance	110,394	-	-	110,394	-
Claims reserve	761,622	278,044	725,766	313,900	-
Compensated absences	2,232,376	549,159	472,621	2,308,914	476,191
Long-term liabilities:	19,160,359	1,431,420	2,255,975	18,335,804	1,281,191

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals. At year end, \$39,778 of internal service funds compensated absences are included in the above amounts. The majority of the compensated absences above are liquidated by the General, County Roads, and Regional Justice Center funds. The OPEB benefit for LEOFF is liquidated by the General fund.

NOTE 10 – CONTINGENCIES AND LITIGATIONS

Chelan County is named as defendant in a few legal actions. Although the outcomes 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.

During 2013, one of Chelan County's junior taxing districts incurred a security breach that resulted in fraudulent payroll ACH transactions being processed through the County's banking platform. The unauthorized transactions resulted in a net unrecovered draw of County funds in the amount of \$599,351. The unrecovered draw is currently reflected in the County General fund. An offsetting Claim Receivable has been booked because, although there are no guarantees, the county expects to recover substantially all of the loss pending litigation.

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, will be immaterial.

During 2008 and 2009, Chelan County received a loan of \$773,203 from the Department of Community, Trade and Economic Development (CTED) for the express purpose of the construction of restroom, shower, and laundry facilities for the Monitor Park temporary farm worker camp. Repayment of the non-interest bearing loan principal has been deferred until the change of use, noncompliance with agreement, or until it is fully forgiven on December 31, 2017, whichever occurs first. During 2013, the loan agreement was modified to forgive the loan at a rate of 1/15th per year over the first 5 year period, and a rate of 2/15th per year over the second 5 year period. Upon completion of the deferral period, the entire loan will be forgiven. Since the probability of repayment is remote, loan proceeds were recorded as a capital grant in 2008 and 2009. The potential liability for the unamortized balance on December 31, 2014 was \$309,281.

NOTE 11 - INTERFUND BALANCES AND TRANSFERS

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. The majority of these are due to interfund billing of equipment rental and motor pool charges. Due from other funds and due to other funds as of December 31, 2014 are as follows:

Due To	Due From						Total
	General Fund	County Roads	Regional Justice Center	Natural Resources	Nonmajor governmental	Internal service	
General Fund	-	58,804	702	-	50,464	-	109,970
Regional Justice Center	1,498	-	-	-	49	84	1,631
Natural Resources	5,688	-	-	-	2,022	-	7,710
Nonmajor governmental	-	20	-	-	280,581	-	280,601
Internal service	149,520	392,233	213	1,350	3,899	-	547,215
Total	156,706	451,057	915	1,350	337,014	84	947,127

B. Interfund Loans Payable/Receivable

Interfund loans have arisen from certain funds requiring cash flow to manage their operations. The following table displays interfund loan activity during 2014:

Borrowing Fund	Lending Fund	Interfund Loans and Advances Payable			
		1/1/2014	New Loans	Repayments	12/31/2014
Flood Control	General Fund	-	2,068	-	2,068
Noxious Weed	REET I	-	5,000	5,000	-
Noxious Weed	Equipment Rental & Rev	-	16,000	16,000	-
Natural Resources	Criminal Justice Sales Tax	-	50,000	50,000	-
Natural Resources	Distressed Counties Tax	-	21,000	21,000	-
Natural Resources	REET I	800,000	1,150,000	1,350,000	600,000
Natural Resources	Equipment Rental & Rev	41,000	588,000	629,000	-
Regional Justice Center	Distressed Counties Tax	92,000	372,000	-	464,000
Regional Justice Center	Criminal Justice Sales Tax	500,000	-	-	500,000
Motor Pool	Equipment Rental & Rev	-	137,000	137,000	-
	Total	1,433,000	2,341,068	2,208,000	1,566,068

C. Interfund Transfers

During 2014, interfund transfers were used to move General funds property tax revenues to support Law Library and Natural Resources operations. The General fund also transferred cash to the Motor Pool to keep the internal service fund from having to increase rates too high. REET funds were transferred to County Roads so that an equal portion of the road property tax levy could be shifted to the General fund. County Roads transferred funds to the General fund to support county road traffic safety initiatives by the Sheriff. The following table displays interfund transfers during 2014:

Transfers In	Transfers Out			Total
	General	County Roads	Nonmajor Governmental	
General	-	315,000	-	315,000
County Roads	-	-	400,000	400,000
Natural Resources	60,000	-	-	60,000
Nonmajor governmental	30,000	-	-	30,000
Internal service	500,000	-	-	500,000
Total transfers	590,000	315,000	400,000	1,305,000

NOTE 12 – JOINT VENTURES

A. Rivercom

Chelan County participates in Rivercom, a joint venture, which was created with an interlocal agreement to build and operate a regional 911 communications center. The other participants in this venture include: Douglas County, the City of East Wenatchee and the City of Wenatchee. Rivercom charges the participants a fee based on the volume of calls generated by each participant. The fees are designed to cover Rivercom's costs. In addition to the fees, the participants provide their 911 tax revenues to the organization. Although Chelan County does have an equity interest in Rivercom, the agreement does not explicitly specify a method for measuring each partner's interest. During 2014, Rivercom received total revenues of \$6,370,054 and incurred total expenses of \$4,828,594 resulting in an increase in fund balance of \$1,541,460, and ending fund balance of \$5,950,146. A copy of Rivercom's financial statements can be obtained from Rivercom at: PO Box 3344, Wenatchee, WA 98807 or (509) 662-4650.

NOTE 13 – RELATED ORGANIZATIONS

A. Mosquito Districts

The Chelan County Board of Commissioners appoint the majority of board members for three legally separate mosquito districts. After appointment, the districts are not accountable to Chelan County. Their combined financial information is included with the agency fund combining financial statements.

NOTE 14 – CHANGE IN ACCOUNTING POLICY

For the 2014 financial statements, Chelan County reclassified the enterprise funds as special revenue funds. Some of these funds were not properly classified as enterprise funds, and there was no desire of management to keep any of these funds using the full accrual basis of accounting.

On the fund financial statements, the following funds were incorporated: Regional Justice Center, Solid Waste, Solid Waste Planning, Storm Water, Wenatchee River County Park, Expo Center, Fair, and Public Education. Because full accrual funds report compensated absence balances, the 12/31/2013 unrestricted net position of the enterprise funds does not equal the beginning fund balance of the same funds reported as special revenue.

In addition, the business-type activities column has been removed from the government-wide financial statements and now all funds in the primary government are classified as governmental funds.

NOTE 15 – OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS

A. Plan Description

In addition to the pension benefits described in Note 6, the County provides single-employer defined benefit health insurance for retired public safety employees who are vested in LEOFF 1. All the County's LEOFF 1 employees retired and became eligible for these benefits when they reached normal retirement age while working for the County. There are 22 participants eligible to receive these benefits. The benefits are 100 percent provided by the County in order to meet state statutory requirements under the LEOFF 1 system whereby the County pays for their medical and dental premiums and out-of-pocket medical costs for life.

B. Funding Policy

The County has the authority to establish and amend OPEB contribution policy. The County funds its OPEB obligation 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. For the fiscal year ending December 31, 2014, the County's combined plan contributions were \$277,588.

C. Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost (expense) is calculated based on an annual required contribution of the employer, an amount actuarially determined in accordance within the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB costs for the fiscal year ending December 31, 2014, the amount actually contributed to the plans, and changes in the County's net OPEB obligation:

Annual required contribution	683,672
Interest on net OPEB contribution	63,639
Adjustments to the annual required contribution	<u>(143,094)</u>
Annual OPEB cost/expense	604,217
Contributions made	<u>(277,588)</u>
Increase in the net OPEB obligation	326,629
Net OPEB obligation, beginning of year	<u>1,590,967</u>
Net OPEB obligation, end of year	1,917,596

The County's annual OPEB cost, the contribution, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Costs	Actual Plan Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2014	\$604,217	\$277,588	46%	\$1,917,596
12/31/2013	\$645,415	\$311,650	48%	\$1,590,967
12/31/2012	\$529,892	\$306,057	58%	\$1,257,202

D. Funding Status and Funding Progress

The funded status of the plan as of December 31, 2014, was as follows:

Actuarial accrued liability (AAL)	7,601,327
Actuarial value of plan assets	0
Unfunded actuarial accrued liability	7,601,327
Funded ratio (actuarial value of plan assets / AAL)	0%

E. Methods and Assumptions

Due to the size of the plan (less than 100 participants) the County elected to use the alternative measurement method permitted under GASB Statement No. 45. Actuarial valuations involve estimates of the value of benefits and assumptions about the probability of events far into the future. Calculations are based on the current level of benefits provided by the employer. Actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and as new estimates are made about the future. A single retirement age of 56.24 was assumed for all active members for the purpose of determining the AAL and normal cost. Retirement, disablement, termination, and mortality rates were assumed to follow the LEOFF 1 rates used in the June 30, 2011 actuarial valuation report issued by the Office of the State Actuary (OSA). Healthcare costs and trends were determined by Milliman and used by OSA in the state-wide LEOFF 1 medical study performed in 2013. The results were based on grouped data with 4 active groupings and 4 inactive groupings. The actuarial cost method used to determine the AAL was Projected Unit Credit. Medical inflation rates were expected to start at 7% and generally decreasing to an ultimate rate of 4.6% in 2089. A return on investment earnings rate of 4.0% was assumed. General inflation was projected at 3.0%. General salary increases (including inflation) were projected at 3.75%. The AAL and NOO are amortized on an open basis as a level dollar over 15 years. These assumptions are individually and collectively reasonable for the purposes of this valuation.

CHELAN COUNTY, WASHINGTON

Required Supplementary Information

**LEOFF 1 Retiree Health Insurance Plan
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/2014	0	7,601,327	7,601,327	0%	0	N/A
12/31/2013	0	7,874,055	7,874,055	0%	0	N/A
12/31/2012	0	5,690,805	5,690,805	0%	0	N/A

CHELAN COUNTY, WASHINGTON

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total
Assets			
Cash and cash equivalents	5,685,732	864,947	6,550,679
Deposits with fiscal agents	21,024	-	21,024
Investments	4,481,219	912,593	5,393,812
Accounts receivable	71,388	-	71,388
Property tax receivable	8,547	-	8,547
Due from other funds	280,601	-	280,601
Interfund loan receivable	964,000	600,000	1,564,000
Due from other governments	407,399	-	407,399
Total assets	<u>11,919,910</u>	<u>2,377,540</u>	<u>14,297,450</u>
Liabilities			
Accounts payable	372,549	12,566	385,115
Due to other funds	337,014	-	337,014
Interfund loan payable	2,068	-	2,068
Due to other governments	184,003	-	184,003
Accrued payroll	77,888	-	77,888
Deposits payable	21,024	-	21,024
Total liabilities	<u>994,546</u>	<u>12,566</u>	<u>1,007,112</u>
Deferred Inflows of Resources			
Unavailable revenue - property tax	8,547	-	8,547
Total deferred inflows of resources	<u>8,547</u>	<u>-</u>	<u>8,547</u>
Fund Balances			
Restricted	9,674,338	2,364,974	12,039,312
Committed	1,246,545	-	1,246,545
Unrestricted	(4,066)	-	(4,066)
Total fund balances	<u>10,916,817</u>	<u>2,364,974</u>	<u>13,281,791</u>
Total liabilities, fund balances, and deferred inflows of resources	<u>11,919,910</u>	<u>2,377,540</u>	<u>14,297,450</u>

CHELAN COUNTY, WASHINGTON

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

Nonmajor Governmental Funds

For the Year Ended December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total
Revenues			
Taxes	6,170,540	1,209,005	7,379,545
Intergovernmental	2,639,526	42,452	2,681,978
Charges for services	3,160,382	-	3,160,382
Fees and fines	28,543	-	28,543
Miscellaneous	1,138,341	14,146	1,152,487
Total revenues	<u>13,137,332</u>	<u>1,265,603</u>	<u>14,402,935</u>
Expenditures			
Current:			
General government	228,351	-	228,351
Public safety	3,624,510	-	3,624,510
Utilities	2,043,949	-	2,043,949
Transportation	38,703	-	38,703
Natural environment	480,219	-	480,219
Social services	1,121,336	-	1,121,336
Economic environment	1,644,809	-	1,644,809
Culture and recreation	998,671	-	998,671
Debt service:			
Principal	698,319	-	698,319
Interest and other charges	620,413	-	620,413
Capital outlay	651,098	1,195,090	1,846,188
Total expenditures	<u>12,150,378</u>	<u>1,195,090</u>	<u>13,345,468</u>
Excess (deficiency) of revenues over (under) expenditures	<u>986,954</u>	<u>70,513</u>	<u>1,057,467</u>
Other Financing Sources (Uses)			
Sale of capital assets	7,600	-	7,600
Transfers in	30,000	-	30,000
Transfers out	-	(400,000)	(400,000)
Total other financing sources and uses	<u>37,600</u>	<u>(400,000)</u>	<u>(362,400)</u>
Net change in fund balances	<u>1,024,554</u>	<u>(329,487)</u>	<u>695,067</u>
Fund balances - beginning	9,892,263	2,694,461	12,586,724
Fund balances - ending	<u>10,916,817</u>	<u>2,364,974</u>	<u>13,281,791</u>

CHELAN COUNTY, WASHINGTON

Description of Nonmajor Special Revenue Funds

NONMAJOR SPECIAL REVENUE FUNDS

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

Solid Waste: accounts for the operations of solid waste disposal and management

Solid Waste Planning: accounts for the grants received from the state for the planning of waste disposal.

Storm Water: receives revenue from an assessment on property in the unincorporated areas of Chelan County and grants. The fund is used to aid in the effort to implement the Storm Water Management Plan required by the Clean Water Act and to construct new storm water infrastructure.

Flood Control: accounts for property tax levy funds used to operate and maintain flood control and storm water projects within Chelan County.

Paths & Trails Reserve: accounts for the state share of revenue on the fuel tax for the paths and trails.

Drug Enforcement Reserve: accounts for financing of ongoing efforts on the investigation and prosecution of illegal drug cases.

Felony Seizure and Forfeiture: accounts for the proceeds from felony arrests and forfeiture cases worked by the Chelan County Sheriff's Office.

Auditors Operation & Maintenance: accounts 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: accounts for the portion vehicle license revenue designated for the maintenance and law enforcement of Off Road Vehicle recreational activities.

Boating Safety: accounts for the Chelan County portion of state allocation of vessel registration fees for boating safety program.

Wenatchee River County Park: accounts for the operations of the Wenatchee River County Park.

Ohme Gardens: accounts for the operation of Ohme Gardens, a recreational park facility owned by the State of Washington and operated by Chelan County.

Expo Center: accounts for the operations of the Chelan County Expo Center, which serves as the facilities for the Chelan County Fair.

Fair: accounts for the operations of the Chelan County Fair.

Sheriff Donation: accounts for donations to the Sheriff's department.

Farm Worker Housing: accounts for the activities for the housing of farm workers at the County's Wenatchee River

Horticulture Pest & Disease: accounts for the financing of the pest control activities.

R.E.E.T. Technology: accounts for funds used to develop and implement an automated system for electronic processing of real estate excise tax, set up by House Bill 1240.

Juvenile Donation: accounts for the individual donations for Juvenile programs.

CHELAN COUNTY, WASHINGTON

Description of Nonmajor Special Revenue Funds (continued)

Trial Court Improvement: accounts for the improvement of superior and district court staffing, programs, facilities, or services.

911 Communications: accounts for the 911 program funded by the 911 excise tax on the telephone service within Chelan County.

Parent Education: accounts for the operation of a divorce support program that is court mandated if children are

Public Education: accounts for the sale of educational materials from the Cooperative Extension Office.

Cashmere-Dryden Airport: accounts for the financing of operation of Cashmere-Dryden Airport.

Columbia River Drug Task Force: accounts for the finances of the Columbia River Drug Task Force, a multijurisdictional narcotics control program and task force.

Law Library: accounts for the operation and the upkeep of the Chelan County Law Library.

Veteran's Relief: accounts for the funds used to finance emergency financial assistance to veterans and their survivors.

Mental Health: accounts for the financing of the County program for mental health and retardation.

Community Services and Housing: accounts for 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: accounts for the Treasurer's fees and costs from sale of foreclosed properties.

Tourist & Convention: accounts for the sales and excise tax on the hotel and motel revenues within Chelan County.

Election Reserve: accounts for the financing of the election equipment replacement as mandated by the state statute.

RJC Prisoner: accounts for the grant received from the state for the education of the prisoners.

Forest Title III: accounts for the Forest Title III grant funds received from the state and disbursed to other county funds.

Criminal Justice Sales Tax: accounts for monies collected from the sales and use tax allocated for "criminal justice" purposes.

CASA: accounts for the funding from the state to the Court Appointed Special Advocates (CASA) program.

Substance Abuse: accounts for funds received from the state Department of Social and Health Services and passed through to The Center for Alcohol and Drug Treatment.

Distressed Counties Tax: accounts for funds to be used for public facilities and infrastructure which promote economic development. The revenue comes from a portion of the state sales tax that is distributed to rural counties.

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2014

	Solid Waste	Solid Waste Planning	Storm Water	Flood Control	Paths & Trails	Drug Enforce- ment Reserve	Felony Seizure & Forfeiture
Assets							
Cash and cash equivalents	135,689	75	1,488,877	-	48,638	6,000	9,432
Deposits with fiscal agents	21,024	-	-	-	-	-	-
Investments	111,606	116,938	-	-	25,282	11,766	-
Accounts receivable	71,388	-	-	-	-	-	-
Property tax receivable	-	-	-	-	-	-	-
Due from other funds	20	-	-	-	-	-	-
Interfund loan receivable	-	-	-	-	-	-	-
Due from other governments	38,334	84,033	202,029	-	-	-	-
Total assets	<u>378,061</u>	<u>201,046</u>	<u>1,690,906</u>	<u>-</u>	<u>73,920</u>	<u>17,766</u>	<u>9,432</u>
Liabilities							
Accounts payable	95,168	60,455	14,470	1,567	-	-	-
Due to other funds	859	-	-	-	-	-	-
Interfund loan payable	-	-	-	2,068	-	-	-
Due to other governments	317	-	-	-	-	-	-
Accrued payroll	11,614	9,156	4,800	431	-	-	-
Deposits payable	21,024	-	-	-	-	-	-
Total liabilities	<u>128,982</u>	<u>69,611</u>	<u>19,270</u>	<u>4,066</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources							
Unavailable revenue - property tax	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	-	-	1,671,636	-	73,920	-	9,432
Committed	249,079	131,435	-	-	-	17,766	-
Unrestricted	-	-	-	(4,066)	-	-	-
Total fund balances	<u>249,079</u>	<u>131,435</u>	<u>1,671,636</u>	<u>(4,066)</u>	<u>73,920</u>	<u>17,766</u>	<u>9,432</u>
Total liabilities, fund balances, and deferred inflows of resources	<u>378,061</u>	<u>201,046</u>	<u>1,690,906</u>	<u>-</u>	<u>73,920</u>	<u>17,766</u>	<u>9,432</u>

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2014

	Auditor O&M	ORV Educ. & Enforce- ment	Boating Safety	Wenatchee River County Park	Ohme Gardens	Expo Center	Fair
Assets							
Cash and cash equivalents	261,654	88	103,455	63,612	30,259	198,523	199,335
Deposits with fiscal agents	-	-	-	-	-	-	-
Investments	131,166	-	-	-	39,919	-	-
Accounts receivable	-	-	-	-	-	-	-
Property tax receivable	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Interfund loan receivable	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Total assets	392,820	88	103,455	63,612	70,178	198,523	199,335
Liabilities							
Accounts payable	-	-	3,149	4,646	135	4,479	437
Due to other funds	-	-	-	-	-	-	-
Interfund loan payable	-	-	-	-	-	-	-
Due to other governments	-	-	-	630	-	1,108	126
Accrued payroll	-	-	-	3,595	6,027	9,515	-
Deposits payable	-	-	-	-	-	-	-
Total liabilities	-	-	3,149	8,871	6,162	15,102	563
Deferred Inflows of Resources							
Unavailable revenue - property tax	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund Balances							
Restricted	392,820	-	100,306	-	-	-	-
Committed	-	88	-	54,741	64,016	183,421	198,772
Unrestricted	-	-	-	-	-	-	-
Total fund balances	392,820	88	100,306	54,741	64,016	183,421	198,772
Total liabilities, fund balances, and deferred inflows of resources	392,820	88	103,455	63,612	70,178	198,523	199,335

Sheriff Donation	Farm Worker Housing	Horti- culture Pest & Disease	R.E.E.T. Tech- nology	Juvenile Donation	Noxious Weeds	Trial Court Improve- ment	911 Comm.	Parent Education	Public Education
33,991	175,768	90,349	261,419	907	33,009	256,730	-	7,459	168,317
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	489	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	25,605	-	-	4,742	-	-	-	-
<u>33,991</u>	<u>175,768</u>	<u>115,954</u>	<u>261,419</u>	<u>907</u>	<u>38,240</u>	<u>256,730</u>	<u>-</u>	<u>7,459</u>	<u>168,317</u>
6,114	337	30,601	-	-	12,411	-	-	384	4,894
-	49	1,914	-	-	652	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	849	69	-	-	1	-	-	1,530	106
-	-	3,029	-	-	15,735	-	-	1,184	9,192
-	-	-	-	-	-	-	-	-	-
<u>6,114</u>	<u>1,235</u>	<u>35,613</u>	<u>-</u>	<u>-</u>	<u>28,799</u>	<u>-</u>	<u>-</u>	<u>3,098</u>	<u>14,192</u>
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
27,877	174,533	80,341	261,419	907	9,441	256,730	-	-	-
-	-	-	-	-	-	-	-	4,361	154,125
-	-	-	-	-	-	-	-	-	-
<u>27,877</u>	<u>174,533</u>	<u>80,341</u>	<u>261,419</u>	<u>907</u>	<u>9,441</u>	<u>256,730</u>	<u>-</u>	<u>4,361</u>	<u>154,125</u>
<u>33,991</u>	<u>175,768</u>	<u>115,954</u>	<u>261,419</u>	<u>907</u>	<u>38,240</u>	<u>256,730</u>	<u>-</u>	<u>7,459</u>	<u>168,317</u>

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2014

	Cashmere Dryden Airport	Drug Task Force	Law Library	Veterans Relief	Mental Health	Comm. Services and Housing	Treasurer O&M
Assets							
Cash and cash equivalents	2,193	600	122,389	136,085	2,081	236,695	29,287
Deposits with fiscal agents	-	-	-	-	-	-	-
Investments	39,462	368,033	-	26,999	-	-	108,390
Accounts receivable	-	-	-	-	-	-	-
Property tax receivable	-	-	-	47	8,500	-	-
Due from other funds	-	-	-	-	-	-	-
Interfund loan receivable	-	-	-	-	-	-	-
Due from other governments	-	3,827	-	-	-	-	-
Total assets	41,655	372,460	122,389	163,131	10,581	236,695	137,677
Liabilities							
Accounts payable	565	3,103	2,135	3,936	-	8,979	4,118
Due to other funds	-	31,543	-	-	-	-	-
Interfund loan payable	-	-	-	-	-	-	-
Due to other governments	606	275	-	-	2,081	12,787	-
Accrued payroll	542	-	-	-	-	-	-
Deposits payable	-	-	-	-	-	-	-
Total liabilities	1,713	34,921	2,135	3,936	2,081	21,766	4,118
Deferred Inflows of Resources							
Unavailable revenue - property tax	-	-	-	47	8,500	-	-
Total deferred inflows of resources	-	-	-	47	8,500	-	-
Fund Balances							
Restricted	-	337,539	120,254	159,148	-	214,929	133,559
Committed	39,942	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total fund balances	39,942	337,539	120,254	159,148	-	214,929	133,559
Total liabilities, fund balances, and deferred inflows of resources	41,655	372,460	122,389	163,131	10,581	236,695	137,677

Tourist & Convention	Election Reserve	RJC Prisoner	Forest Title III	Criminal Justice Sales Tax	CASA	Sub-stance Abuse	Distressed Counties Tax	Total
1,168,375	80,604	8,000	72,176	-	11,114	105,884	136,663	5,685,732
-	-	-	-	-	-	-	-	21,024
7,986	20,923	41,300	-	1,111,424	-	-	2,320,025	4,481,219
-	-	-	-	-	-	-	-	71,388
-	-	-	-	-	-	-	-	8,547
-	-	-	-	-	-	-	280,092	280,601
-	-	-	-	500,000	-	-	464,000	964,000
-	8,615	-	-	-	5,444	34,770	-	407,399
<u>1,176,361</u>	<u>110,142</u>	<u>49,300</u>	<u>72,176</u>	<u>1,611,424</u>	<u>16,558</u>	<u>140,654</u>	<u>3,200,780</u>	<u>11,919,910</u>
38,876	1,716	5,859	-	23,747	5,444	34,770	54	372,549
-	-	-	21,905	280,092	-	-	-	337,014
-	-	-	-	-	-	-	-	2,068
163,518	-	-	-	-	-	-	-	184,003
-	-	3,068	-	-	-	-	-	77,888
-	-	-	-	-	-	-	-	21,024
<u>202,394</u>	<u>1,716</u>	<u>8,927</u>	<u>21,905</u>	<u>303,839</u>	<u>5,444</u>	<u>34,770</u>	<u>54</u>	<u>994,546</u>
-	-	-	-	-	-	-	-	8,547
-	-	-	-	-	-	-	-	8,547
973,967	-	-	50,271	1,307,585	11,114	105,884	3,200,726	9,674,338
-	108,426	40,373	-	-	-	-	-	1,246,545
-	-	-	-	-	-	-	-	(4,066)
<u>973,967</u>	<u>108,426</u>	<u>40,373</u>	<u>50,271</u>	<u>1,307,585</u>	<u>11,114</u>	<u>105,884</u>	<u>3,200,726</u>	<u>10,916,817</u>
<u>1,176,361</u>	<u>110,142</u>	<u>49,300</u>	<u>72,176</u>	<u>1,611,424</u>	<u>16,558</u>	<u>140,654</u>	<u>3,200,780</u>	<u>11,919,910</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 For the Year Ended December 31, 2014

	Solid Waste	Solid Waste Planning	Storm Water	Flood Control	Paths & Trails	Drug Enforce- ment Reserve	Felony Seizure & Forfeiture
Revenues							
Taxes	-	-	-	-	-	-	-
Intergovernmental	38,801	112,163	351,624	-	11,005	-	-
Charges for services	1,488,642	114,764	324,170	-	-	-	-
Fees and fines	-	-	-	-	-	5,023	-
Miscellaneous	4,198	9,712	4,867	-	24	11	6,364
Total revenues	<u>1,531,641</u>	<u>236,639</u>	<u>680,661</u>	<u>-</u>	<u>11,029</u>	<u>5,034</u>	<u>6,364</u>
Expenditures							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	9,716	12,546
Utilities	1,438,035	270,834	335,080	-	-	-	-
Transportation	-	-	-	-	15,051	-	-
Natural environment	-	-	-	4,066	-	-	-
Social services	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
Capital Outlay	70,638	225,783	306,486	-	-	-	-
Total expenditures	<u>1,508,673</u>	<u>496,617</u>	<u>641,566</u>	<u>4,066</u>	<u>15,051</u>	<u>9,716</u>	<u>12,546</u>
Excess (deficiency) of revenues over (under) expenditures	<u>22,968</u>	<u>(259,978)</u>	<u>39,095</u>	<u>(4,066)</u>	<u>(4,022)</u>	<u>(4,682)</u>	<u>(6,182)</u>
Other Financing Sources (Uses)							
Sale of capital assets	7,600	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Total other financing sources and uses	<u>7,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>30,568</u>	<u>(259,978)</u>	<u>39,095</u>	<u>(4,066)</u>	<u>(4,022)</u>	<u>(4,682)</u>	<u>(6,182)</u>
Fund balances - beginning	<u>218,511</u>	<u>391,413</u>	<u>1,632,541</u>	<u>-</u>	<u>77,942</u>	<u>22,448</u>	<u>15,614</u>
Fund balances - ending	<u>249,079</u>	<u>131,435</u>	<u>1,671,636</u>	<u>(4,066)</u>	<u>73,920</u>	<u>17,766</u>	<u>9,432</u>

Auditor O&M	ORV Ed. & Enforce- ment	Boating Safety	Wenatchee River County Park	Ohme Gardens	Expo Center	Fair	Sheriff Donation	Farm Worker Housing	Horti- culture Pest & Disease
-	-	-	-	-	-	-	-	-	-
55,516	-	47,088	-	-	-	36,173	-	121,849	-
41,497	-	-	3,061	124,408	-	142,976	-	-	69,075
-	-	-	-	-	-	-	-	-	-
127	-	-	212,501	63,564	205,429	64,206	21,999	110,237	70,806
<u>97,140</u>	<u>-</u>	<u>47,088</u>	<u>215,562</u>	<u>187,972</u>	<u>205,429</u>	<u>243,355</u>	<u>21,999</u>	<u>232,086</u>	<u>139,881</u>
56,706	-	-	-	-	-	-	-	-	-
-	6,036	54,612	-	-	-	-	41,313	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	109,231
-	-	-	-	-	-	-	-	260,940	-
-	-	-	216,280	207,879	134,329	151,608	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
11,751	-	-	-	-	-	-	-	-	29,590
<u>68,457</u>	<u>6,036</u>	<u>54,612</u>	<u>216,280</u>	<u>207,879</u>	<u>134,329</u>	<u>151,608</u>	<u>41,313</u>	<u>260,940</u>	<u>138,821</u>
<u>28,683</u>	<u>(6,036)</u>	<u>(7,524)</u>	<u>(718)</u>	<u>(19,907)</u>	<u>71,100</u>	<u>91,747</u>	<u>(19,314)</u>	<u>(28,854)</u>	<u>1,060</u>
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<u>28,683</u>	<u>(6,036)</u>	<u>(7,524)</u>	<u>(718)</u>	<u>(19,907)</u>	<u>71,100</u>	<u>91,747</u>	<u>(19,314)</u>	<u>(28,854)</u>	<u>1,060</u>
<u>364,137</u>	<u>6,124</u>	<u>107,830</u>	<u>55,459</u>	<u>83,923</u>	<u>112,321</u>	<u>107,025</u>	<u>47,191</u>	<u>203,387</u>	<u>79,281</u>
<u>392,820</u>	<u>88</u>	<u>100,306</u>	<u>54,741</u>	<u>64,016</u>	<u>183,421</u>	<u>198,772</u>	<u>27,877</u>	<u>174,533</u>	<u>80,341</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 For the Year Ended December 31, 2014

	R.E.E.T.			Trial			
	Tech-	Juvenile	Noxious	Court		Parent	Public
	nology	Donation	Weeds	Improve-	911 Comm.	Educ.	Educ.
Revenues							
Taxes	-	-	-	-	2,492,938	-	-
Intergovernmental revenues	9,871	-	50,112	47,845	458,608	-	142,421
Charges for services	8,650	-	8,373	-	-	19,352	178,976
Fees and fines	-	-	-	-	-	-	-
Miscellaneous	-	-	225,939	-	169	699	1,034
Total revenues	<u>18,521</u>	<u>-</u>	<u>284,424</u>	<u>47,845</u>	<u>2,951,715</u>	<u>20,051</u>	<u>322,431</u>
Expenditures							
Current:							
General government	-	-	-	8,489	-	-	-
Public safety	-	-	-	-	2,750,942	-	-
Utilities	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Natural environment	-	-	285,123	-	-	-	-
Social services	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	30,041	258,534
Debt service							
Principal	-	-	-	-	135,000	-	-
Interest and other charges	-	-	-	-	65,773	-	-
Capital Outlay	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>285,123</u>	<u>8,489</u>	<u>2,951,715</u>	<u>30,041</u>	<u>258,534</u>
Excess (deficiency) of revenues over (under) expenditures	<u>18,521</u>	<u>-</u>	<u>(699)</u>	<u>39,356</u>	<u>-</u>	<u>(9,990)</u>	<u>63,897</u>
Other Financing Sources (Uses)							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>18,521</u>	<u>-</u>	<u>(699)</u>	<u>39,356</u>	<u>-</u>	<u>(9,990)</u>	<u>63,897</u>
Fund balances - beginning	<u>242,898</u>	<u>907</u>	<u>10,140</u>	<u>217,374</u>	<u>-</u>	<u>14,351</u>	<u>90,228</u>
Fund balances - ending	<u>261,419</u>	<u>907</u>	<u>9,441</u>	<u>256,730</u>	<u>-</u>	<u>4,361</u>	<u>154,125</u>

Cashmere Dryden Airport	Drug Task Force	Law Library	Veterans Relief	Mental Health	Comm. Services and Housing	Treas- urer's O&M	Tourist & Convention	Election Reserve	RJC Prisoner
-	-	-	576	219,010	-	-	1,159,612	-	-
-	158,267	-	-	83	47,698	-	-	-	90,950
-	-	27,911	-	-	439,620	13,742	-	13,835	135,729
-	23,520	-	-	-	-	-	-	-	-
37,805	90,223	-	26	-	-	105	8	20	4,876
<u>37,805</u>	<u>272,010</u>	<u>27,911</u>	<u>602</u>	<u>219,093</u>	<u>487,318</u>	<u>13,847</u>	<u>1,159,620</u>	<u>13,855</u>	<u>231,555</u>
-	-	65,681	-	-	14,770	6,456	-	10,122	-
-	320,763	-	-	-	-	-	-	-	214,457
23,652	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	72,579	219,093	110,749	-	-	-	-
-	-	-	-	-	373,799	-	1,005,594	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	6,850	-	-	-	-	-	-	-	-
<u>23,652</u>	<u>327,613</u>	<u>65,681</u>	<u>72,579</u>	<u>219,093</u>	<u>499,318</u>	<u>6,456</u>	<u>1,005,594</u>	<u>10,122</u>	<u>214,457</u>
<u>14,153</u>	<u>(55,603)</u>	<u>(37,770)</u>	<u>(71,977)</u>	<u>-</u>	<u>(12,000)</u>	<u>7,391</u>	<u>154,026</u>	<u>3,733</u>	<u>17,098</u>
-	-	-	-	-	-	-	-	-	-
-	-	30,000	-	-	-	-	-	-	-
-	-	30,000	-	-	-	-	-	-	-
<u>14,153</u>	<u>(55,603)</u>	<u>(7,770)</u>	<u>(71,977)</u>	<u>-</u>	<u>(12,000)</u>	<u>7,391</u>	<u>154,026</u>	<u>3,733</u>	<u>17,098</u>
<u>25,789</u>	<u>393,142</u>	<u>128,024</u>	<u>231,125</u>	<u>-</u>	<u>226,929</u>	<u>126,168</u>	<u>819,941</u>	<u>104,693</u>	<u>23,275</u>
<u>39,942</u>	<u>337,539</u>	<u>120,254</u>	<u>159,148</u>	<u>-</u>	<u>214,929</u>	<u>133,559</u>	<u>973,967</u>	<u>108,426</u>	<u>40,373</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 For the Year Ended December 31, 2014

	Forest Title III	Criminal Justice Sales Tax	CASA	Substance Abuse	Distressed Counties Tax	Total
Revenues						
Taxes	-	795,526	-	-	1,502,878	6,170,540
Intergovernmental revenues	104,095	-	65,899	689,458	-	2,639,526
Charges for services	-	-	-	5,601	-	3,160,382
Fees and fines	-	-	-	-	-	28,543
Miscellaneous	-	936	-	-	2,456	1,138,341
Total revenues	<u>104,095</u>	<u>796,462</u>	<u>65,899</u>	<u>695,059</u>	<u>1,505,334</u>	<u>13,137,332</u>
Expenditures						
Current:						
General government	-	-	66,127	-	-	228,351
Public safety	-	214,125	-	-	-	3,624,510
Utilities	-	-	-	-	-	2,043,949
Transportation	-	-	-	-	-	38,703
Natural environment	81,799	-	-	-	-	480,219
Social services	-	-	-	718,915	-	1,121,336
Economic environment	-	-	-	-	4,476	1,644,809
Culture and recreation	-	-	-	-	-	998,671
Debt service						
Principal	-	100,000	-	-	463,319	698,319
Interest and other charges	-	360,184	-	-	194,456	620,413
Capital Outlay	-	-	-	-	-	651,098
Total expenditures	<u>81,799</u>	<u>674,309</u>	<u>66,127</u>	<u>718,915</u>	<u>662,251</u>	<u>12,150,378</u>
Excess (deficiency) of revenues over (under) expenditures	<u>22,296</u>	<u>122,153</u>	<u>(228)</u>	<u>(23,856)</u>	<u>843,083</u>	<u>986,954</u>
Other Financing Sources (Uses)						
Sale of capital assets	-	-	-	-	-	7,600
Transfers in	-	-	-	-	-	30,000
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,600</u>
Net change in fund balances	<u>22,296</u>	<u>122,153</u>	<u>(228)</u>	<u>(23,856)</u>	<u>843,083</u>	<u>1,024,554</u>
Fund balances - beginning	<u>27,975</u>	<u>1,185,432</u>	<u>11,342</u>	<u>129,740</u>	<u>2,357,643</u>	<u>9,892,263</u>
Fund balances - ending	<u>50,271</u>	<u>1,307,585</u>	<u>11,114</u>	<u>105,884</u>	<u>3,200,726</u>	<u>10,916,817</u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Solid Waste	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	23,000	38,801	15,801
Charges for services	1,363,052	1,488,642	125,590
Miscellaneous	24,068	4,198	(19,870)
Total revenues	<u>1,410,120</u>	<u>1,531,641</u>	<u>121,521</u>
Expenditures			
Current:			
Utilities	1,437,360	1,438,035	(675)
Capital outlay	-	70,638	(70,638)
Total expenditures	<u>1,437,360</u>	<u>1,508,673</u>	<u>(71,313)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(27,240)</u>	<u>22,968</u>	<u>50,208</u>
Other Financing Sources (Uses)			
Sale of capital assets	-	7,600	7,600
Total other financing sources and uses	<u>-</u>	<u>7,600</u>	<u>7,600</u>
Net change in fund balances	<u>(27,240)</u>	<u>30,568</u>	<u>57,808</u>
Fund balances - beginning	<u>231,099</u>	<u>218,511</u>	<u>(12,588)</u>
Fund balances - ending	<u><u>203,859</u></u>	<u><u>249,079</u></u>	<u><u>45,220</u></u>

Solid Waste Planning	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	300,601	112,163	(188,438)
Charges for services	114,000	114,764	764
Miscellaneous	1,435	9,712	8,277
Total revenues	<u>416,036</u>	<u>236,639</u>	<u>(179,397)</u>
Expenditures			
Current:			
Utilities	541,054	270,834	270,220
Capital outlay	-	225,783	(225,783)
Total expenditures	<u>541,054</u>	<u>496,617</u>	<u>44,437</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(125,018)</u>	<u>(259,978)</u>	<u>(134,960)</u>
Fund balances - beginning	<u>426,003</u>	<u>391,413</u>	<u>(34,590)</u>
Fund balances - ending	<u><u>300,985</u></u>	<u><u>131,435</u></u>	<u><u>(169,550)</u></u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Storm Water			
Revenues			
Intergovernmental	479,000	351,624	(127,376)
Charges for services	338,000	324,170	(13,830)
Miscellaneous	-	4,867	4,867
Total revenues	<u>817,000</u>	<u>680,661</u>	<u>(136,339)</u>
Expenditures			
Current:			
Utilities	221,912	335,080	(113,168)
Capital outlay	1,063,000	306,486	756,514
Total expenditures	<u>1,284,912</u>	<u>641,566</u>	<u>643,346</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(467,912)</u>	<u>39,095</u>	<u>507,007</u>
Fund balances - beginning	<u>1,657,233</u>	<u>1,632,541</u>	<u>(24,692)</u>
Fund balances - ending	<u><u>1,189,321</u></u>	<u><u>1,671,636</u></u>	<u><u>482,315</u></u>
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Flood Control			
Revenues			
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
Natural environment	70,500	4,066	66,434
Capital outlay	40,000	-	40,000
Total expenditures	<u>110,500</u>	<u>4,066</u>	<u>106,434</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(110,500)</u>	<u>(4,066)</u>	<u>106,434</u>
Other Financing Sources (Uses)			
Transfers in	110,500	-	(110,500)
Total other financing sources and uses	<u>110,500</u>	<u>-</u>	<u>(110,500)</u>
Net change in fund balances	<u>-</u>	<u>(4,066)</u>	<u>(4,066)</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u><u>-</u></u>	<u><u>(4,066)</u></u>	<u><u>(4,066)</u></u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Paths & Trails	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	10,000	11,005	1,005
Miscellaneous	20	24	4
Total revenues	<u>10,020</u>	<u>11,029</u>	<u>1,009</u>
Expenditures			
Current:			
Transportation	59,992	15,051	44,941
Total expenditures	<u>59,992</u>	<u>15,051</u>	<u>44,941</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(49,972)</u>	<u>(4,022)</u>	<u>45,950</u>
Fund balances - beginning	<u>77,425</u>	<u>77,942</u>	<u>517</u>
Fund balances - ending	<u><u>27,453</u></u>	<u><u>73,920</u></u>	<u><u>46,467</u></u>

Drug Enforcement Reserve	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Fees and fines	20,000	5,023	(14,977)
Miscellaneous	-	11	11
Total revenues	<u>20,000</u>	<u>5,034</u>	<u>(14,966)</u>
Expenditures			
Current:			
Public safety	20,000	9,716	10,284
Total expenditures	<u>20,000</u>	<u>9,716</u>	<u>10,284</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(4,682)</u>	<u>(4,682)</u>
Fund balances - beginning	<u>371</u>	<u>22,448</u>	<u>22,077</u>
Fund balances - ending	<u><u>371</u></u>	<u><u>17,766</u></u>	<u><u>17,395</u></u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Felony Seizure & Forfeiture	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Miscellaneous	8,166	6,364	(1,802)
Total revenues	8,166	6,364	(1,802)
Expenditures			
Public safety	15,000	12,546	2,454
Total expenditures	15,000	12,546	2,454
Excess (deficiency) of revenues over (under) expenditures	(6,834)	(6,182)	652
Fund balances - beginning	6,834	15,614	8,780
Fund balances - ending	-	9,432	9,432

Auditor's O&M	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental revenues	65,000	55,516	(9,484)
Charges for services	45,150	41,497	(3,653)
Miscellaneous	250	127	(123)
Total revenues	110,400	97,140	(13,260)
Expenditures			
Current:			
General government	60,309	56,706	3,603
Capital outlay	10,000	11,751	(1,751)
Total expenditures	70,309	68,457	1,852
Excess (deficiency) of revenues over (under) expenditures	40,091	28,683	(11,408)
Fund balances - beginning	350,000	364,137	14,137
Fund balances - ending	390,091	392,820	2,729

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

ORV Educational & Enforcement	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Total revenues	-	-	-
Expenditures			
Current:			
Public safety	6,083	6,036	47
Total expenditures	6,083	6,036	47
Excess (deficiency) of revenues over (under) expenditures	(6,083)	(6,036)	(47)
Fund balances - beginning	5,032	6,124	1,092
Fund balances - ending	(1,051)	88	1,139

Boating Safety	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	69,300	47,088	(22,212)
Total revenues	69,300	47,088	(22,212)
Expenditures			
Current:			
Public safety	65,560	54,612	10,948
Total expenditures	65,560	54,612	10,948
Excess (deficiency) of revenues over (under) expenditures	3,740	(7,524)	(11,264)
Fund balances - beginning	3,231	107,830	104,599
Fund balances - ending	6,971	100,306	93,335

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Wenatchee River County Park	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Charges for services	5,750	3,061	(2,689)
Miscellaneous	186,500	212,501	26,001
Total revenues	<u>192,250</u>	<u>215,562</u>	<u>23,312</u>
Expenditures			
Current:			
Culture and recreation	241,333	216,280	25,053
Total expenditures	<u>241,333</u>	<u>216,280</u>	<u>25,053</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(49,083)</u>	<u>(718)</u>	<u>48,365</u>
Fund balances - beginning	75,000	55,459	(19,541)
Fund balances - ending	<u>25,917</u>	<u>54,741</u>	<u>28,824</u>

Ohme Gardens	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Charges for services	150,817	124,408	(26,409)
Miscellaneous	68,945	63,564	(5,381)
Total revenues	<u>219,762</u>	<u>187,972</u>	<u>(31,790)</u>
Expenditures			
Current:			
Culture and recreation	252,274	207,879	44,395
Total expenditures	<u>252,274</u>	<u>207,879</u>	<u>44,395</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,512)</u>	<u>(19,907)</u>	<u>12,605</u>
Fund balances - beginning	76,485	83,923	7,438
Fund balances - ending	<u>43,973</u>	<u>64,016</u>	<u>20,043</u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Expo Center	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Miscellaneous	175,000	205,429	30,429
Total revenues	<u>175,000</u>	<u>205,429</u>	<u>30,429</u>
Expenditures			
Current:			
Culture and recreation	149,164	134,329	14,835
Total expenditures	<u>149,164</u>	<u>134,329</u>	<u>14,835</u>
Excess (deficiency) of revenues over (under) expenditures	<u>25,836</u>	<u>71,100</u>	<u>45,264</u>
Fund balances - beginning	15,000	112,321	97,321
Fund balances - ending	<u>40,836</u>	<u>183,421</u>	<u>142,585</u>

Fair	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	25,000	36,173	11,173
Charges for services	100,900	142,976	42,076
Miscellaneous	52,000	64,206	12,206
Total revenues	<u>177,900</u>	<u>243,355</u>	<u>65,455</u>
Expenditures			
Current:			
Culture and recreation	174,882	151,608	23,274
Total expenditures	<u>174,882</u>	<u>151,608</u>	<u>23,274</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,018</u>	<u>91,747</u>	<u>88,729</u>
Fund balances - beginning	7,000	107,025	100,025
Fund balances - ending	<u>10,018</u>	<u>198,772</u>	<u>188,754</u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Sheriff Donation	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Miscellaneous	10,000	21,999	11,999
Total revenues	<u>10,000</u>	<u>21,999</u>	<u>11,999</u>
Expenditures			
Current:			
Public safety	38,092	41,313	(3,221)
Total expenditures	<u>38,092</u>	<u>41,313</u>	<u>(3,221)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(28,092)</u>	<u>(19,314)</u>	<u>8,778</u>
Fund balances - beginning	46,458	47,191	733
Fund balances - ending	<u><u>18,366</u></u>	<u><u>27,877</u></u>	<u><u>9,511</u></u>

Farm Worker Housing	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental revenues	131,850	121,849	(10,001)
Miscellaneous	89,000	110,237	21,237
Total revenues	<u>220,850</u>	<u>232,086</u>	<u>11,236</u>
Expenditures			
Current:			
Economic environment	268,412	260,940	7,472
Total expenditures	<u>268,412</u>	<u>260,940</u>	<u>7,472</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(47,562)</u>	<u>(28,854)</u>	<u>18,708</u>
Fund balances - beginning	210,000	203,387	(6,613)
Fund balances - ending	<u><u>162,438</u></u>	<u><u>174,533</u></u>	<u><u>12,095</u></u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Horticulture Pest & Disease	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Charges for services	60,879	69,075	8,196
Miscellaneous	60,879	70,806	9,927
Total revenues	<u>121,758</u>	<u>139,881</u>	<u>18,123</u>
Expenditures			
Current:			
Natural environment	119,661	109,231	10,430
Capital outlay	26,000	29,590	(3,590)
Total expenditures	<u>145,661</u>	<u>138,821</u>	<u>6,840</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(23,903)</u>	<u>1,060</u>	<u>24,963</u>
Fund balances - beginning	<u>60,000</u>	<u>79,281</u>	<u>19,281</u>
Fund balances - ending	<u><u>36,097</u></u>	<u><u>80,341</u></u>	<u><u>44,244</u></u>

R.E.E.T. Technology	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental revenues	-	9,871	9,871
Charges for services	-	8,650	8,650
Total revenues	<u>-</u>	<u>18,521</u>	<u>18,521</u>
Expenditures			
Capital outlay	242,635	-	242,635
Total expenditures	<u>242,635</u>	<u>-</u>	<u>242,635</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(242,635)</u>	<u>18,521</u>	<u>261,156</u>
Fund balances - beginning	<u>242,898</u>	<u>242,898</u>	<u>-</u>
Fund balances - ending	<u><u>263</u></u>	<u><u>261,419</u></u>	<u><u>261,156</u></u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Juvenile Donation			
Revenues			
Total revenues	-	-	-
Expenditures			
Current:			
Public safety	972	-	972
Total expenditures	972	-	972
Excess (deficiency) of revenues over (under) expenditures	(972)	-	972
Fund balances - beginning	972	907	(65)
Fund balances - ending	-	907	907

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Noxious Weed			
Revenues			
Intergovernmental	106,500	50,112	(56,388)
Charges for services	223,201	8,373	(214,828)
Miscellaneous	8,000	225,939	217,939
Total revenues	337,701	284,424	(53,277)
Expenditures			
Current:			
Natural environment	335,939	285,123	50,816
Total expenditures	335,939	285,123	50,816
Excess (deficiency) of revenues over (under) expenditures	1,762	(699)	(2,461)
Fund balances - beginning	11,653	10,140	(1,513)
Fund balances - ending	13,415	9,441	(3,974)

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Trial Court Improvement	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	47,648	47,845	197
Total revenues	47,648	47,845	197
Expenditures			
Current:			
General government	266,902	8,489	258,413
Total expenditures	266,902	8,489	258,413
Excess (deficiency) of revenues over (under) expenditures	(219,254)	39,356	258,610
Fund balances - beginning	219,395	217,374	(2,021)
Fund balances - ending	141	256,730	256,589

911 Communications	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Taxes	2,400,000	2,492,938	92,938
Intergovernmental revenues	800,000	458,608	(341,392)
Miscellaneous	-	169	169
Total revenues	3,200,000	2,951,715	(248,285)
Expenditures			
Current:			
Public safety	3,200,000	2,750,942	449,058
Debt service			
Principal	-	135,000	(135,000)
Interest and other charges	-	65,773	(65,773)
Total expenditures	3,200,000	2,951,715	248,285
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Fund balances - beginning	-	-	-
Fund balances - ending	-	-	-

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Parent Education	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	25,000	-	(25,000)
Charges for services	38,999	19,352	(19,647)
Miscellaneous	27,349	699	(26,650)
Total revenues	<u>91,348</u>	<u>20,051</u>	<u>(71,297)</u>
Expenditures			
Current:			
Culture and recreation	67,748	30,041	37,707
Total expenditures	<u>67,748</u>	<u>30,041</u>	<u>37,707</u>
Excess (deficiency) of revenues over (under) expenditures	<u>23,600</u>	<u>(9,990)</u>	<u>(33,590)</u>
Fund balances - beginning	<u>26,000</u>	<u>14,351</u>	<u>(11,649)</u>
Fund balances - ending	<u><u>49,600</u></u>	<u><u>4,361</u></u>	<u><u>(45,239)</u></u>

Public Education	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	174,159	142,421	(31,738)
Charges for services	90,154	178,976	88,822
Miscellaneous	5,000	1,034	(3,966)
Total revenues	<u>269,313</u>	<u>322,431</u>	<u>53,118</u>
Expenditures			
Current:			
Culture and recreation	266,005	258,534	7,471
Total expenditures	<u>266,005</u>	<u>258,534</u>	<u>7,471</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,308</u>	<u>63,897</u>	<u>60,589</u>
Fund balances - beginning	<u>10,000</u>	<u>90,228</u>	<u>80,228</u>
Fund balances - ending	<u><u>13,308</u></u>	<u><u>154,125</u></u>	<u><u>140,817</u></u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Cashmere-Dryden Airport	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Miscellaneous	37,000	37,805	805
Total revenues	<u>37,000</u>	<u>37,805</u>	<u>805</u>
Expenditures			
Current:			
Transportation	24,332	23,652	680
Total expenditures	<u>24,332</u>	<u>23,652</u>	<u>680</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,668</u>	<u>14,153</u>	<u>1,485</u>
Fund balances - beginning	-	25,789	25,789
Fund balances - ending	<u><u>12,668</u></u>	<u><u>39,942</u></u>	<u><u>27,274</u></u>

Columbia River Drug Task Force	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	150,753	158,267	7,514
Fees and fines	25,000	23,520	(1,480)
Miscellaneous	33,100	90,223	57,123
Total revenues	<u>208,853</u>	<u>272,010</u>	<u>63,157</u>
Expenditures			
Current:			
Public safety	284,063	320,763	(36,700)
Capital outlay	15,000	6,850	8,150
Total expenditures	<u>299,063</u>	<u>327,613</u>	<u>(28,550)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(90,210)</u>	<u>(55,603)</u>	<u>34,607</u>
Fund balances - beginning	467,113	393,142	(73,971)
Fund balances - ending	<u><u>376,903</u></u>	<u><u>337,539</u></u>	<u><u>(39,364)</u></u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Law Library	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Charges for services	31,450	27,911	(3,539)
Total revenues	<u>31,450</u>	<u>27,911</u>	<u>(3,539)</u>
Expenditures			
Current:			
General government	67,741	65,681	2,060
Total expenditures	<u>67,741</u>	<u>65,681</u>	<u>2,060</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(36,291)</u>	<u>(37,770)</u>	<u>(1,479)</u>
Other Financing Sources (Uses)			
Transfers in	30,000	30,000	-
Total other financing sources and uses	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Net change in fund balances	<u>(6,291)</u>	<u>(7,770)</u>	<u>(1,479)</u>
Fund balances - beginning	<u>125,000</u>	<u>128,024</u>	<u>3,024</u>
Fund balances - ending	<u><u>118,709</u></u>	<u><u>120,254</u></u>	<u><u>1,545</u></u>

Veteran's Relief	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Taxes	525	576	51
Miscellaneous	175	26	(149)
Total revenues	<u>700</u>	<u>602</u>	<u>(98)</u>
Expenditures			
Current:			
Economic environment	124,348	72,579	51,769
Total expenditures	<u>124,348</u>	<u>72,579</u>	<u>51,769</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(123,648)</u>	<u>(71,977)</u>	<u>51,671</u>
Fund balances - beginning	<u>225,000</u>	<u>231,125</u>	<u>6,125</u>
Fund balances - ending	<u><u>101,352</u></u>	<u><u>159,148</u></u>	<u><u>57,796</u></u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Mental Health	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Taxes	217,596	219,010	1,414
Intergovernmental	200	83	(117)
Total revenues	<u>217,796</u>	<u>219,093</u>	<u>1,297</u>
Expenditures			
Current:			
Social services	217,743	219,093	(1,350)
Total expenditures	<u>217,743</u>	<u>219,093</u>	<u>(1,350)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>53</u>	<u>-</u>	<u>(53)</u>
Fund balances - beginning	1,000	-	(1,000)
Fund balances - ending	<u>1,053</u>	<u>-</u>	<u>(1,053)</u>

Community Services & Housing	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	58,000	47,698	(10,302)
Charges for services	535,000	439,620	(95,380)
Total revenues	<u>593,000</u>	<u>487,318</u>	<u>(105,682)</u>
Expenditures			
Current:			
General government	20,000	14,770	5,230
Social services	412,000	110,749	301,251
Economic environment	169,000	373,799	(204,799)
Total expenditures	<u>601,000</u>	<u>499,318</u>	<u>101,682</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,000)</u>	<u>(12,000)</u>	<u>(4,000)</u>
Fund balances - beginning	30,000	226,929	196,929
Fund balances - ending	<u>22,000</u>	<u>214,929</u>	<u>192,929</u>

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Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Treasurer's O&M	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Charges for services	25,000	13,742	(11,258)
Miscellaneous	200	105	(95)
Total revenues	<u>25,200</u>	<u>13,847</u>	<u>(11,353)</u>
Expenditures			
Current:			
General government	148,200	6,456	141,744
Total expenditures	<u>148,200</u>	<u>6,456</u>	<u>141,744</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(123,000)</u>	<u>7,391</u>	<u>130,391</u>
Fund balances - beginning	123,000	126,168	3,168
Fund balances - ending	<u><u>-</u></u>	<u><u>133,559</u></u>	<u><u>133,559</u></u>

Tourist & Convention	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Taxes	1,200,000	1,159,612	(40,388)
Miscellaneous	20	8	(12)
Total revenues	<u>1,200,020</u>	<u>1,159,620</u>	<u>(40,400)</u>
Expenditures			
Current:			
Economic environment	1,180,020	1,005,594	174,426
Total expenditures	<u>1,180,020</u>	<u>1,005,594</u>	<u>174,426</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,000</u>	<u>154,026</u>	<u>134,026</u>
Fund balances - beginning	520,000	819,941	299,941
Fund balances - ending	<u><u>540,000</u></u>	<u><u>973,967</u></u>	<u><u>433,967</u></u>

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Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
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Election Reserve	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Charges for services	20,000	13,835	(6,165)
Miscellaneous	50	20	(30)
Total revenues	<u>20,050</u>	<u>13,855</u>	<u>(6,195)</u>
Expenditures			
Current:			
General government	30,016	10,122	19,894
Total expenditures	<u>30,016</u>	<u>10,122</u>	<u>19,894</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,966)</u>	<u>3,733</u>	<u>13,699</u>
Fund balances - beginning	100,000	104,693	4,693
Fund balances - ending	<u>90,034</u>	<u>108,426</u>	<u>18,392</u>

RJC Prisoner	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	70,111	90,950	20,839
Charges for services	103,001	135,729	32,728
Miscellaneous	110	4,876	4,766
Total revenues	<u>173,222</u>	<u>231,555</u>	<u>58,333</u>
Expenditures			
Current:			
Public safety	194,728	214,457	(19,729)
Total expenditures	<u>194,728</u>	<u>214,457</u>	<u>(19,729)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(21,506)</u>	<u>17,098</u>	<u>38,604</u>
Fund balances - beginning	10,000	23,275	13,275
Fund balances - ending	<u>(11,506)</u>	<u>40,373</u>	<u>51,879</u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Forest Title III	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	102,249	104,095	1,846
Total revenues	<u>102,249</u>	<u>104,095</u>	<u>1,846</u>
Expenditures			
Current:			
Natural environment	102,249	81,799	20,450
Total expenditures	<u>102,249</u>	<u>81,799</u>	<u>20,450</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>22,296</u>	<u>22,296</u>
Fund balances - beginning	13,145	27,975	14,830
Fund balances - ending	<u><u>13,145</u></u>	<u><u>50,271</u></u>	<u><u>37,126</u></u>

Criminal Justice Sales Tax	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Taxes	640,000	795,526	155,526
Miscellaneous	2,500	936	(1,564)
Total revenues	<u>642,500</u>	<u>796,462</u>	<u>153,962</u>
Expenditures			
Current:			
Public safety	403,796	214,125	189,671
Debt Service			
Principal	100,000	100,000	-
Interest and other charges	362,184	360,184	2,000
Total expenditures	<u>865,980</u>	<u>674,309</u>	<u>191,671</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(223,480)</u>	<u>122,153</u>	<u>345,633</u>
Fund balances - beginning	1,750,000	1,185,432	(564,568)
Fund balances - ending	<u><u>1,526,520</u></u>	<u><u>1,307,585</u></u>	<u><u>(218,935)</u></u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

CASA	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	70,896	65,899	(4,997)
Total revenues	<u>70,896</u>	<u>65,899</u>	<u>(4,997)</u>
Expenditures			
Current:			
General government	70,896	66,127	4,769
Total expenditures	<u>70,896</u>	<u>66,127</u>	<u>4,769</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(228)</u>	<u>(228)</u>
Fund balances - beginning	<u>-</u>	<u>11,342</u>	<u>11,342</u>
Fund balances - ending	<u><u>-</u></u>	<u><u>11,114</u></u>	<u><u>11,114</u></u>

Substance Abuse	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	1,174,500	689,458	(485,042)
Charges for services	8,500	5,601	(2,899)
Total revenues	<u>1,183,000</u>	<u>695,059</u>	<u>(487,941)</u>
Expenditures			
Current:			
Social services	1,183,405	718,915	464,490
Total expenditures	<u>1,183,405</u>	<u>718,915</u>	<u>464,490</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(405)</u>	<u>(23,856)</u>	<u>(23,451)</u>
Fund balances - beginning	<u>120,000</u>	<u>129,740</u>	<u>9,740</u>
Fund balances - ending	<u><u>119,595</u></u>	<u><u>105,884</u></u>	<u><u>(13,711)</u></u>

CHELAN COUNTY, WASHINGTON

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Distressed Counties Tax	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Taxes	1,320,000	1,502,878	182,878
Miscellaneous	5,000	2,456	(2,544)
Total revenues	<u>1,325,000</u>	<u>1,505,334</u>	<u>180,334</u>
Expenditures			
Current:			
Economic environment	504,477	4,476	500,001
Debt service			
Principal	525,000	463,319	61,681
Interest and other charges	139,828	194,456	(54,628)
Total expenditures	<u>1,169,305</u>	<u>662,251</u>	<u>507,054</u>
Excess (deficiency) of revenues over (under) expenditures	<u>155,695</u>	<u>843,083</u>	<u>687,388</u>
Other Financing Sources (Uses)			
Transfers out	(2,000,000)	-	2,000,000
Total other financing sources and uses	<u>(2,000,000)</u>	<u>-</u>	<u>2,000,000</u>
Net change in fund balances	<u>(1,844,305)</u>	<u>843,083</u>	<u>2,687,388</u>
Fund balances - beginning	<u>2,800,000</u>	<u>2,357,643</u>	<u>(442,357)</u>
Fund balances - ending	<u>955,695</u>	<u>3,200,726</u>	<u>2,245,031</u>

CHELAN COUNTY, WASHINGTON

Description of Nonmajor Capital Projects Funds

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.

R.E.E.T. I: accounts for the first quarter percent real estate excise tax revenues.

R.E.E.T. II: accounts for the second quarter percent real estate excise tax revenues.

Technology Bond Projects: accounts for the proceeds of the 2007 technology bond and the expenditures related to those funds.

L&J Construction: accounts for the bond proceeds used for mechanical and electrical upgrades in the Law and Justice building.

CHELAN COUNTY, WASHINGTON

Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2014

	R.E.E.T. 1 Capital Improvement	R.E.E.T. 2 Capital Improvement	Technology Bond Projects	L&J Construction	Total
Assets					
Cash and cash equivalents	235,183	622,527	7,237	-	864,947
Investments	112,871	110,485	36,124	653,113	912,593
Interfund loan receivable	600,000	-	-	-	600,000
Total assets	<u>948,054</u>	<u>733,012</u>	<u>43,361</u>	<u>653,113</u>	<u>2,377,540</u>
Liabilities					
Accounts payable	12,512	-	54	-	12,566
Total liabilities	<u>12,512</u>	<u>-</u>	<u>54</u>	<u>-</u>	<u>12,566</u>
Fund Balances					
Restricted	935,542	733,012	43,307	653,113	2,364,974
Total fund balances	<u>935,542</u>	<u>733,012</u>	<u>43,307</u>	<u>653,113</u>	<u>2,364,974</u>
Total liabilities and fund balances	<u>948,054</u>	<u>733,012</u>	<u>43,361</u>	<u>653,113</u>	<u>2,377,540</u>

CHELAN COUNTY, WASHINGTON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Capital Projects Funds
 For the Year Ended December 31, 2014

	R.E.E.T. 1 Capital Improvement	R.E.E.T. 2 Capital Improvement	Technology Bond Projects	L&J Construction	Total
Revenues					
Taxes	615,703	593,302	-	-	1,209,005
Intergovernmental	-	42,452	-	-	42,452
Miscellaneous	13,297	183	35	631	14,146
Total revenues	<u>629,000</u>	<u>635,937</u>	<u>35</u>	<u>631</u>	<u>1,265,603</u>
Expenditures					
Capital outlay	1,074,416	113,931	6,384	359	1,195,090
Total expenditures	<u>1,074,416</u>	<u>113,931</u>	<u>6,384</u>	<u>359</u>	<u>1,195,090</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(445,416)</u>	<u>522,006</u>	<u>(6,349)</u>	<u>272</u>	<u>70,513</u>
Other Financing Sources (Uses)					
Transfers out	-	(400,000)	-	-	(400,000)
Total other financing sources and uses	<u>-</u>	<u>(400,000)</u>	<u>-</u>	<u>-</u>	<u>(400,000)</u>
Net change in fund balances	<u>(445,416)</u>	<u>122,006</u>	<u>(6,349)</u>	<u>272</u>	<u>(329,487)</u>
Fund balances - beginning	<u>1,380,958</u>	<u>611,006</u>	<u>49,656</u>	<u>652,841</u>	<u>2,694,461</u>
Fund balances - ending	<u><u>935,542</u></u>	<u><u>733,012</u></u>	<u><u>43,307</u></u>	<u><u>653,113</u></u>	<u><u>2,364,974</u></u>

CHELAN COUNTY, WASHINGTON

Capital Projects Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

R.E.E.T. 1 Capital Improvement	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Taxes	600,000	615,703	15,703
Miscellaneous	2,000	13,297	11,297
Total revenues	<u>602,000</u>	<u>629,000</u>	<u>27,000</u>
Expenditures			
Capital outlay	1,202,125	1,074,416	127,709
Total expenditures	<u>1,202,125</u>	<u>1,074,416</u>	<u>127,709</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(600,125)</u>	<u>(445,416)</u>	<u>154,709</u>
Fund balances - beginning	1,500,000	1,380,958	(119,042)
Fund balances - ending	<u>899,875</u>	<u>935,542</u>	<u>35,667</u>

R.E.E.T. 2 Capital Improvement	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Taxes	600,000	593,302	(6,698)
Intergovernmental	-	42,452	42,452
Miscellaneous	300	183	(117)
Total revenues	<u>600,300</u>	<u>635,937</u>	<u>35,637</u>
Expenditures			
Capital outlay	258,209	113,931	144,278
Total expenditures	<u>258,209</u>	<u>113,931</u>	<u>144,278</u>
Excess (deficiency) of revenues over (under) expenditures	<u>342,091</u>	<u>522,006</u>	<u>179,915</u>
Other Financing Sources (Uses)			
Transfers out	(400,000)	(400,000)	-
Total other financing sources and uses	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
Net change in fund balances	<u>(57,909)</u>	<u>122,006</u>	<u>179,915</u>
Fund balances - beginning	508,000	611,006	103,006
Fund balances - ending	<u>450,091</u>	<u>733,012</u>	<u>282,921</u>

CHELAN COUNTY, WASHINGTON

Capital Projects Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2014

Technology Bond Projects	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Miscellaneous	75	35	(40)
Total revenues	<u>75</u>	<u>35</u>	<u>(40)</u>
Expenditures			
Capital outlay	34,536	6,384	28,152
Total expenditures	<u>34,536</u>	<u>6,384</u>	<u>28,152</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(34,461)</u>	<u>(6,349)</u>	<u>28,112</u>
Fund balances - beginning	50,000	49,656	(344)
Fund balances - ending	<u>15,539</u>	<u>43,307</u>	<u>27,768</u>

L&J Construction	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Miscellaneous	-	631	631
Total revenues	<u>-</u>	<u>631</u>	<u>631</u>
Expenditures			
Capital Outlay	660,000	359	659,641
Total expenditures	<u>660,000</u>	<u>359</u>	<u>659,641</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(660,000)</u>	<u>272</u>	<u>660,272</u>
Fund balances - beginning	660,000	652,841	(7,159)
Fund balances - ending	<u>-</u>	<u>653,113</u>	<u>653,113</u>

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: accounts for the funds used to finance the purchase, maintenance, and repair of equipment and inventory used in fulfilling the objectives of the Public Works Department.

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

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

Motor Pool: accounts for the funds used to manage the operations and maintenance of the Chelan County Motor Pool.

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

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

CHELAN COUNTY, WASHINGTON

Combining Statement of Net Position

Internal Service Funds

December 31, 2014

	Equipment Rental & Revolving	Industrial Insurance	Health Insurance	Motor Pool	Unemploy. Comp.	Insurance Admin & Purchasing	Total
Assets							
Current assets:							
Cash and cash equivalents	1,251,608	691,590	680,784	627,812	257,194	891,462	4,400,450
Deposits with fiscal agents	-	40,000	-	-	-	-	40,000
Investments	-	179,064	2,055,071	-	15,904	-	2,250,039
Accounts receivable	-	-	-	360	-	-	360
Due from other funds	393,459	-	-	153,756	-	-	547,215
Due from other governments	-	-	-	63	-	-	63
Inventory	1,001,304	-	-	-	-	-	1,001,304
Total current assets	2,646,371	910,654	2,735,855	781,991	273,098	891,462	8,239,431
Noncurrent assets:							
Capital assets: (net of accumulated depreciation)							
Buildings	26,344	-	-	-	-	-	26,344
Equipment	3,413,461	-	-	915,217	-	-	4,328,678
Total noncurrent assets	3,439,805	-	-	915,217	-	-	4,355,022
Total assets	6,086,176	910,654	2,735,855	1,697,208	273,098	891,462	12,594,453
Liabilities							
Current liabilities:							
Accounts payable	179,239	86,076	39,185	9,950	-	57,983	372,433
Due to other funds	-	-	-	84	-	-	84
Due to other governments	413	65,756	-	-	-	-	66,169
Accrued payroll liability	59,163	2,427	2,427	15,160	-	-	79,177
Compensated absences	5,073	-	-	3,130	-	-	8,203
Total current liabilities	243,888	154,259	41,612	28,324	-	57,983	526,066
Noncurrent liabilities:							
Compensated absences	19,527	-	-	12,048	-	-	31,575
Claims reserve	-	313,900	-	-	-	-	313,900
Total noncurrent liabilities	19,527	313,900	-	12,048	-	-	345,475
Total liabilities	263,415	468,159	41,612	40,372	-	57,983	871,541
Net Position							
Investment in capital assets	3,439,804	-	-	915,217	-	-	4,355,021
Unrestricted	2,382,957	442,495	2,694,243	741,619	273,098	833,479	7,367,891
Total net position	5,822,761	442,495	2,694,243	1,656,836	273,098	833,479	11,722,912

CHELAN COUNTY, WASHINGTON

Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ending December 31, 2014

	Equipment Rental & Revolving	Industrial Insurance	Health Insurance	Motor Pool	Unemploy. Comp.	Insurance Admin & Purchasing	Total
Operating Revenues							
Charges for services	1,067,351	-	-	488,592	-	-	1,555,943
Miscellaneous	2,236,290	453,192	5,888,718	427,166	75,032	1,216,263	10,296,661
Total operating revenues	3,303,641	453,192	5,888,718	915,758	75,032	1,216,263	11,852,604
Operating Expenses							
Salaries	441,761	20,484	20,483	109,325	-	-	592,053
Personnel benefits	161,942	8,241	82,942	38,639	-	-	291,764
Supplies	2,066,058	-	-	388,000	-	-	2,454,058
Other services and charges	66,720	600,826	4,792,879	38,062	31,718	779,377	6,309,582
Interfund payments for services	94,204	2,951	27,392	42,855	495	5,989	173,886
Depreciation	703,213	-	-	297,817	-	-	1,001,030
Total operating expenses	3,533,898	632,502	4,923,696	914,698	32,213	785,366	10,822,373
Operating income (loss)	(230,257)	(179,310)	965,022	1,060	42,819	430,897	1,030,231
Nonoperating Revenues (Expenses)							
Gain on sale of capital assets	45,560	-	-	92,251	-	-	137,811
Total nonoperating revenues (expenses)	45,560	-	-	92,251	-	-	137,811
Income before transfers	(184,697)	(179,310)	965,022	93,311	42,819	430,897	1,168,042
Transfers in	-	-	-	500,000	-	-	500,000
Change in net position	(184,697)	(179,310)	965,022	593,311	42,819	430,897	1,668,042
Total net position - beginning	6,007,458	621,805	1,729,221	1,063,525	230,279	402,582	10,054,870
Total net position - ending	5,822,761	442,495	2,694,243	1,656,836	273,098	833,479	11,722,912

CHELAN COUNTY, WASHINGTON

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2014

Cash Flows From Operating Activities:

Cash received from customers and users 11,683,231
Cash payments to suppliers (9,342,456)
Cash payments to employees and retirees (867,874)
Net cash provided (used) by operating activities 1,472,901

Cash Flows From Noncapital Financing Activities

Interfund loan payment received 41,000
Transfer in -
Net cash provided (used) by noncapital financing activities 41,000

Cash Flows From Capital Financing Activities

Proceeds from sale of capital assets 137,811
Acquisition and construction of capital assets (956,532)
Net cash provided (used) by capital financing activities (818,721)

Cash Flows From Investing Activities

Purchase of investments (2,001,168)
Net cash provided (used) by investing activities (2,001,168)

Net increase (decrease) in cash and cash equivalents

Cash and cash equivalents, January 1

Cash and cash equivalents, December 31

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:

Operating income (loss) 1,030,231
Adjustments to reconcile operating income (loss) to net cash provided (used) operating activities:
Depreciation 1,001,030
(Increase) decrease in accounts receivable 29,194
(Increase) decrease in due from other funds/gov (198,567)
(Increase) decrease in inventory (223,077)
Increase (decrease) in vouchers/contracts payable 44,989
Increase (decrease) in due to other funds/gov 48,746
Increase (decrease) in accrued payroll liabilities 13,258
Increase (decrease) in accrued employee leave benefits 2,685
Total adjustments 442,670
Net cash provided (used) by operating activities 1,472,901

The County is not aware of any material noncash transactions.

	Equipment Rental & Revolving	Industrial Insurance	Health Insurance	Motor Pool	Unemploy. Comp.	Insurance Admin & Purchasing	Total
Cash received from customers and users	3,281,741	453,192	5,889,418	767,585	75,032	1,216,263	11,683,231
Cash payments to suppliers	(2,357,047)	(924,718)	(4,817,840)	(470,261)	(32,213)	(740,377)	(9,342,456)
Cash payments to employees and retirees	(591,154)	(28,596)	(103,296)	(144,828)	-	-	(867,874)
Net cash provided (used) by operating activities	333,540	(500,122)	968,282	152,496	42,819	475,886	1,472,901
Interfund loan payment received	41,000	-	-	-	-	-	41,000
Transfer in	-	-	-	500,000	-	-	500,000
Net cash provided (used) by noncapital financing activities	41,000	-	-	500,000	-	-	541,000
Proceeds from sale of capital assets	45,560	-	-	92,251	-	-	137,811
Acquisition and construction of capital assets	(587,858)	-	-	(368,674)	-	-	(956,532)
Net cash provided (used) by capital financing activities	(542,298)	-	-	(276,423)	-	-	(818,721)
Purchase of investments	-	(173)	(2,000,980)	-	(15)	-	(2,001,168)
Net cash provided (used) by investing activities	-	(173)	(2,000,980)	-	(15)	-	(2,001,168)
Net increase (decrease) in cash and cash equivalents	(167,758)	(500,295)	(1,032,698)	376,073	42,804	475,886	(805,988)
Cash and cash equivalents, January 1	1,419,366	1,191,885	1,713,482	251,739	214,390	415,576	5,206,438
Cash and cash equivalents, December 31	1,251,608	691,590	680,784	627,812	257,194	891,462	4,400,450
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	(230,257)	(179,310)	965,022	1,060	42,819	430,897	1,030,231
Operating income (loss)	703,213	-	-	297,817	-	-	1,001,030
Adjustments to reconcile operating income (loss) to net cash provided (used) operating activities:	28,854	-	700	(360)	-	-	29,194
Depreciation	(50,754)	-	-	(147,813)	-	-	(198,567)
(Increase) decrease in accounts receivable	(223,077)	-	-	-	-	-	(223,077)
(Increase) decrease in due from other funds/gov	93,085	(369,916)	2,431	(1,188)	-	44,989	(230,599)
(Increase) decrease in inventory	(73)	48,975	-	(156)	-	-	48,746
Increase (decrease) in vouchers/contracts payable	11,086	129	129	1,914	-	-	13,258
Increase (decrease) in due to other funds/gov	1,463	-	-	1,222	-	-	2,685
Increase (decrease) in accrued payroll liabilities	563,797	(320,812)	3,260	151,436	-	44,989	442,670
Increase (decrease) in accrued employee leave benefits	333,540	(500,122)	968,282	152,496	42,819	475,886	1,472,901
Total adjustments							
Net cash provided (used) by operating activities							

CHELAN COUNTY, WASHINGTON

Description of Agency Funds

AGENCY FUNDS

Agency Funds are established to account for assets held by Chelan County acting in the capacity of agent. Agency funds are funds over which the County has no oversight responsibility or financial interdependency. Many independent districts are required by State statute to process all monies through the County Treasurer's office. Such funds do not represent assets of Chelan County. Agency funds are custodial in nature, and therefore do not involve measurement of results of operations. Each independent district is responsible to prepare its own annual

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

LID 85-1: accounts for the local improvement district bond and assessments.

Chelan/Douglas Health District: accounts for the finances of the Chelan Douglas Health District.

NCR Library: accounts for the finances of the North Central Regional Library.

Link: established to account for the finances of the regional public transportation agency.

State Funds: accounts for the accumulation of all the taxes collected for the State of Washington. These monies are later remitted to the State.

NCESD: accounts for the finances of the North Central Educational Service District.

School Districts: accounts for the finances of the school districts within Chelan County.

Fire Districts: accounts for the finances of the fire districts within Chelan County.

Cemetery Districts: accounts for the finances of the cemetery districts within Chelan County.

Port of Chelan County: accounts for the finances of the Port District.

Pangborn Field: accounts for the finances of the Pangborn Airport.

Lake Chelan Sewer Revenue Bond: accounts for the finances of the Lake Chelan sewer revenue bond.

Park Districts: accounts for the finances of Manson Park and the Upper Valley Parks and Recreation districts.

Mosquito Districts: accounts for the finances of the mosquito districts within Chelan County.

Water Districts: accounts for the finances of the water districts within Chelan County.

Irrigation Districts: accounts for the finances of the irrigation districts within Chelan County.

Water Conservancy Board: accounts for the finances of the Water Conservancy Board.

Hospital Districts: accounts for the finances of the hospital districts within Chelan County.

Cities: accounts for taxes collected for the incorporated areas of the County that are remitted to the cities.

County: accounts for the disbursement of the County's salary and claim payments as well as holding County

Combining Statement of Fiduciary Net Position
 Agency Funds
 December 31, 2014

	County Roads Retainage	LID 85-1	Chelan/ Douglas Health Dist	NCR Library	Link	State	NCESD
Assets							
Cash	-	61	5,344	2,449,187	2,098,272	449,134	716,487
Investments	238,346	27,855	945,070	16,412,383	5,107,708	-	15,995,958
Deposits with fiscal agents	-	-	-	-	-	-	-
Accounts receivable	38,630	-	-	-	-	-	-
Taxes receivable	-	-	-	151,933	-	916,149	-
Total assets	<u>276,976</u>	<u>27,916</u>	<u>950,414</u>	<u>19,013,503</u>	<u>7,205,980</u>	<u>1,365,283</u>	<u>16,712,445</u>
Liabilities							
Accounts payable	-	-	4,564	389,210	-	-	-
Accrued payroll liabilities	-	-	171,771	40,465	-	-	-
Custodial accounts	<u>276,976</u>	<u>27,916</u>	<u>774,079</u>	<u>18,583,828</u>	<u>7,205,980</u>	<u>1,365,283</u>	<u>16,712,445</u>
Total liabilities	<u>276,976</u>	<u>27,916</u>	<u>950,414</u>	<u>19,013,503</u>	<u>7,205,980</u>	<u>1,365,283</u>	<u>16,712,445</u>

Combining Statement of Fiduciary Net Position
 Agency Funds
 December 31, 2014

	School Districts	Fire Districts	Cemetery Districts	Port of Chelan County	Pangborn Field	Lake Chelan Sewer Rev Bond	Park Districts
Assets							
Cash	6,529,776	1,883,502	285,481	1,519,496	451,497	18,809	73,525
Investments	91,037,012	3,309,327	684,632	3,124,787	202,177	899,131	142,794
Deposits with fiscal agents	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Taxes receivable	1,086,126	205,865	9,474	95,967	-	-	17,040
Total assets	<u>98,652,914</u>	<u>5,398,694</u>	<u>979,587</u>	<u>4,740,250</u>	<u>653,674</u>	<u>917,940</u>	<u>233,359</u>
Liabilities							
Accounts payable	-	13,675	54	-	-	-	-
Accrued payroll liabilities	-	142,259	7,194	-	-	-	9,125
Custodial accounts	98,652,914	5,242,760	972,339	4,740,250	653,674	917,940	224,234
Total liabilities	<u>98,652,914</u>	<u>5,398,694</u>	<u>979,587</u>	<u>4,740,250</u>	<u>653,674</u>	<u>917,940</u>	<u>233,359</u>

Mosquito Districts	Water Districts	Irrigation Districts	Water Cons. Board	Hospital Districts	Cities	County	Total
97,177	687,496	511,022	1,772	1,126,384	179,142	1,028,042	20,111,606
-	1,791,460	5,478,223	-	3,072,917	-	-	148,469,780
-	-	-	-	-	-	2,054,332	2,054,332
-	-	-	-	-	-	-	38,630
-	-	-	-	148,971	302,310	-	2,933,835
<u>97,177</u>	<u>2,478,956</u>	<u>5,989,245</u>	<u>1,772</u>	<u>4,348,272</u>	<u>481,452</u>	<u>3,082,374</u>	<u>173,608,183</u>
-	210,943	6,672	-	-	-	-	625,118
849	15,140	16,355	-	-	-	-	403,158
<u>96,328</u>	<u>2,252,873</u>	<u>5,966,218</u>	<u>1,772</u>	<u>4,348,272</u>	<u>481,452</u>	<u>3,082,374</u>	<u>172,579,907</u>
<u>97,177</u>	<u>2,478,956</u>	<u>5,989,245</u>	<u>1,772</u>	<u>4,348,272</u>	<u>481,452</u>	<u>3,082,374</u>	<u>173,608,183</u>

Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended December 31, 2014

	Balance January 1	Additions	Deductions	Balance December 31
County Roads Retainage				
Assets				
Cash	-	253,939	253,939	-
Investments	67,418	212,496	41,568	238,346
Accounts receivable	-	88,863	50,233	38,630
Total assets	<u>67,418</u>	<u>555,298</u>	<u>345,740</u>	<u>276,976</u>
Liabilities				
Custodial accounts	67,418	251,125	41,567	276,976
Total liabilities	<u>67,418</u>	<u>251,125</u>	<u>41,567</u>	<u>276,976</u>
LID 85-1				
Assets				
Cash	61	-	-	61
Investments	27,828	27	-	27,855
Total assets	<u>27,889</u>	<u>27</u>	<u>-</u>	<u>27,916</u>
Liabilities				
Custodial accounts	27,889	27	-	27,916
Total liabilities	<u>27,889</u>	<u>27</u>	<u>-</u>	<u>27,916</u>
Chelan/Douglas Health District				
Assets				
Cash	30,119	4,515,247	4,540,022	5,344
Investments	1,051,256	1,153,037	1,259,223	945,070
Total assets	<u>1,081,375</u>	<u>5,668,284</u>	<u>5,799,245</u>	<u>950,414</u>
Liabilities				
Accounts payable	5,209	1,767,274	1,767,919	4,564
Accrued payroll liabilities	164,465	2,592,772	2,585,466	171,771
Custodial accounts	911,701	2,867,926	3,005,548	774,079
Total liabilities	<u>1,081,375</u>	<u>7,227,972</u>	<u>7,358,933</u>	<u>950,414</u>
NCR Library				
Assets				
Cash	689,214	12,902,728	11,142,755	2,449,187
Investments	16,360,865	1,015,668	964,150	16,412,383
Taxes receivable	169,577	151,933	169,577	151,933
Total assets	<u>17,219,656</u>	<u>14,070,329</u>	<u>12,276,482</u>	<u>19,013,503</u>
Liabilities				
Accounts payable	258,115	7,379,253	7,248,158	389,210
Accrued payroll liabilities	30,255	5,190,528	5,180,318	40,465
Custodial accounts	16,931,287	11,982,566	10,330,025	18,583,828
Total liabilities	<u>17,219,657</u>	<u>24,552,347</u>	<u>22,758,501</u>	<u>19,013,503</u>

Link	Balance January 1	Additions	Deductions	Balance December 31
Assets				
Cash	1,202,410	16,015,580	15,119,718	2,098,272
Investments	4,223,793	2,003,915	1,120,000	5,107,708
Total assets	<u>5,426,203</u>	<u>18,019,495</u>	<u>16,239,718</u>	<u>7,205,980</u>
Liabilities				
Custodial accounts	<u>5,426,203</u>	<u>14,891,048</u>	<u>13,111,271</u>	<u>7,205,980</u>
Total liabilities	<u>5,426,203</u>	<u>14,891,048</u>	<u>13,111,271</u>	<u>7,205,980</u>
State				
Assets				
Cash	472,127	32,700,799	32,723,792	449,134
Taxes receivable	1,006,940	916,149	1,006,940	916,149
Total assets	<u>1,479,067</u>	<u>33,616,948</u>	<u>33,730,732</u>	<u>1,365,283</u>
Liabilities				
Custodial accounts	<u>1,479,067</u>	<u>32,858,650</u>	<u>32,972,434</u>	<u>1,365,283</u>
Total liabilities	<u>1,479,067</u>	<u>32,858,650</u>	<u>32,972,434</u>	<u>1,365,283</u>
NCESD				
Assets				
Cash	1,075,125	20,555,243	20,913,881	716,487
Investments	14,213,064	3,870,894	2,088,000	15,995,958
Total assets	<u>15,288,189</u>	<u>24,426,137</u>	<u>23,001,881</u>	<u>16,712,445</u>
Liabilities				
Custodial accounts	<u>15,288,189</u>	<u>21,276,250</u>	<u>19,851,994</u>	<u>16,712,445</u>
Total liabilities	<u>15,288,189</u>	<u>21,276,250</u>	<u>19,851,994</u>	<u>16,712,445</u>
School Districts				
Assets				
Cash	4,734,574	274,123,810	272,328,608	6,529,776
Investments	27,893,765	104,141,925	40,998,678	91,037,012
Taxes receivable	1,161,917	1,086,126	1,161,917	1,086,126
Total assets	<u>33,790,256</u>	<u>379,351,861</u>	<u>314,489,203</u>	<u>98,652,914</u>
Liabilities				
Custodial accounts	<u>33,790,256</u>	<u>365,410,808</u>	<u>300,548,150</u>	<u>98,652,914</u>
Total liabilities	<u>33,790,256</u>	<u>365,410,808</u>	<u>300,548,150</u>	<u>98,652,914</u>

Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended December 31, 2014

Fire Districts	Balance January 1	Additions	Deductions	Balance December 31
Assets				
Cash	1,401,076	13,113,740	12,631,314	1,883,502
Investments	4,361,311	2,717,029	3,769,013	3,309,327
Taxes receivable	226,941	205,865	226,941	205,865
Total assets	<u>5,989,328</u>	<u>16,036,634</u>	<u>16,627,268</u>	<u>5,398,694</u>
Liabilities				
Accounts payable	15,143	4,583,999	4,585,467	13,675
Accrued payroll liabilities	275,680	3,913,361	3,906,782	282,259
Custodial accounts	5,698,506	11,058,065	11,653,811	5,102,760
Total liabilities	<u>5,989,329</u>	<u>19,555,425</u>	<u>20,146,060</u>	<u>5,398,694</u>
 Cemetery Districts				
Assets				
Cash	300,969	1,099,781	1,115,269	285,481
Investments	634,406	850,226	800,000	684,632
Taxes receivable	11,093	9,474	11,093	9,474
Total assets	<u>946,468</u>	<u>1,959,481</u>	<u>1,926,362</u>	<u>979,587</u>
Liabilities				
Accounts payable	51	127,671	127,668	54
Accrued payroll liabilities	7,079	149,159	149,044	7,194
Custodial accounts	939,338	279,369	246,368	972,339
Total liabilities	<u>946,468</u>	<u>556,199</u>	<u>523,080</u>	<u>979,587</u>
 Port of Chelan County				
Assets				
Cash	495,441	21,953,961	20,929,906	1,519,496
Investments	2,980,449	4,433,761	4,289,423	3,124,787
Taxes receivable	105,859	95,967	105,859	95,967
Total assets	<u>3,581,749</u>	<u>26,483,689</u>	<u>25,325,188</u>	<u>4,740,250</u>
Liabilities				
Custodial accounts	3,581,749	23,818,172	22,659,671	4,740,250
Total liabilities	<u>3,581,749</u>	<u>23,818,172</u>	<u>22,659,671</u>	<u>4,740,250</u>

	Balance January 1	Additions	Deductions	Balance December 31
Pangborn Field				
Assets				
Cash	106,970	14,688,869	14,344,342	451,497
Investments	151,123	2,922,014	2,870,960	202,177
Total assets	<u>258,093</u>	<u>17,610,883</u>	<u>17,215,302</u>	<u>653,674</u>
Liabilities				
Custodial accounts	258,093	11,457,071	11,061,490	653,674
Total liabilities	<u>258,093</u>	<u>11,457,071</u>	<u>11,061,490</u>	<u>653,674</u>
 Lake Chelan Sewer Revenue				
Assets				
Cash	21,747	157,905	160,843	18,809
Investments	954,352	897	56,118	899,131
Total assets	<u>976,099</u>	<u>158,802</u>	<u>216,961</u>	<u>917,940</u>
Liabilities				
Custodial accounts	976,099	1,614,996	1,673,155	917,940
Total liabilities	<u>976,099</u>	<u>1,614,996</u>	<u>1,673,155</u>	<u>917,940</u>
 Park Districts				
Assets				
Cash	67,836	1,110,531	1,104,842	73,525
Investments	108,976	147,804	113,986	142,794
Taxes receivable	16,090	17,040	16,090	17,040
Total assets	<u>192,902</u>	<u>1,275,375</u>	<u>1,234,918</u>	<u>233,359</u>
Liabilities				
Accounts payable	9,750	437,818	447,568	-
Accrued payroll liabilities	6,560	209,448	206,883	9,125
Custodial accounts	176,592	1,247,788	1,200,146	224,234
Total liabilities	<u>192,902</u>	<u>1,895,054</u>	<u>1,854,597</u>	<u>233,359</u>
 Mosquito Districts				
Assets				
Cash	99,536	51,563	53,922	97,177
Total assets	<u>99,536</u>	<u>51,563</u>	<u>53,922</u>	<u>97,177</u>
Liabilities				
Accounts payable	-	35,821	35,821	-
Accrued payroll liabilities	1,051	26,803	27,005	849
Custodial accounts	98,486	49,340	51,498	96,328
Total liabilities	<u>99,537</u>	<u>111,964</u>	<u>114,324</u>	<u>97,177</u>

Combining Statement of Changes in Assets and Liabilities

Agency Funds

For the Year Ended December 31, 2014

Water Districts	Balance January 1	Additions	Deductions	Balance December 31
Assets				
Cash	447,889	5,790,247	5,550,640	687,496
Investments	1,245,107	1,016,159	469,806	1,791,460
Total assets	<u>1,692,996</u>	<u>6,806,406</u>	<u>6,020,446</u>	<u>2,478,956</u>
Liabilities				
Accounts payable	11,712	2,910,983	2,711,752	210,943
Accrued payroll liabilities	19,843	201,435	206,138	15,140
Custodial accounts	1,661,441	12,554,342	11,962,910	2,252,873
Total liabilities	<u>1,692,996</u>	<u>15,666,760</u>	<u>14,880,800</u>	<u>2,478,956</u>
Irrigation Districts				
Assets				
Cash	482,492	7,226,992	7,198,462	511,022
Investments	5,167,034	1,846,392	1,535,203	5,478,223
Total assets	<u>5,649,526</u>	<u>9,073,384</u>	<u>8,733,665</u>	<u>5,989,245</u>
Liabilities				
Accounts payable	20,940	3,243,858	3,258,126	6,672
Accrued payroll liabilities	13,705	223,179	220,529	16,355
Custodial accounts	5,614,882	10,545,254	10,193,918	5,966,218
Total liabilities	<u>5,649,527</u>	<u>14,012,291</u>	<u>13,672,573</u>	<u>5,989,245</u>
Water Conservancy District				
Assets				
Cash	3,416	4,719	6,363	1,772
Total assets	<u>3,416</u>	<u>4,719</u>	<u>6,363</u>	<u>1,772</u>
Liabilities				
Accounts payable	-	4,521	4,521	-
Custodial accounts	3,416	4,719	6,363	1,772
Total liabilities	<u>3,416</u>	<u>9,240</u>	<u>10,884</u>	<u>1,772</u>

	Balance January 1	Additions	Deductions	Balance December 31
Hospitals				
Assets				
Cash	568,851	45,864,785	45,307,252	1,126,384
Investments	4,099,833	1,958,656	2,985,572	3,072,917
Taxes receivable	169,883	148,971	169,883	148,971
Total assets	<u>4,838,567</u>	<u>47,972,412</u>	<u>48,462,707</u>	<u>4,348,272</u>
Liabilities				
Custodial accounts	4,838,567	59,336,688	59,826,983	4,348,272
Total liabilities	<u>4,838,567</u>	<u>59,336,688</u>	<u>59,826,983</u>	<u>4,348,272</u>
Cities				
Assets				
Cash	168,562	10,548,889	10,538,309	179,142
Taxes receivable	329,977	302,310	329,977	302,310
Total assets	<u>498,539</u>	<u>10,851,199</u>	<u>10,868,286</u>	<u>481,452</u>
Liabilities				
Custodial accounts	498,539	10,635,748	10,652,835	481,452
Total liabilities	<u>498,539</u>	<u>10,635,748</u>	<u>10,652,835</u>	<u>481,452</u>
County				
Assets				
Cash	931,932	66,622,461	66,526,351	1,028,042
Deposits with fiscal agents	2,313,309	-	258,977	2,054,332
Total assets	<u>3,245,241</u>	<u>66,622,461</u>	<u>66,785,328</u>	<u>3,082,374</u>
Liabilities				
Custodial accounts	3,245,241	377,545	540,412	3,082,374
Total liabilities	<u>3,245,241</u>	<u>377,545</u>	<u>540,412</u>	<u>3,082,374</u>
Total Agency Funds				
Assets				
Cash	13,300,347	549,301,789	542,490,530	20,111,606
Investments	83,540,580	128,290,900	63,361,700	148,469,780
Deposits with fiscal agents	2,313,309	-	258,977	2,054,332
Accounts receivable	-	88,863	50,233	38,630
Taxes receivable	3,198,277	2,933,835	3,198,277	2,933,835
Total assets	<u>102,352,513</u>	<u>680,615,387</u>	<u>609,359,717</u>	<u>173,608,183</u>
Liabilities				
Accounts payable	320,920	20,491,198	20,187,000	625,118
Accrued payroll liabilities	518,638	12,506,685	12,482,165	543,158
Custodial accounts	101,512,959	592,517,497	521,590,549	172,439,907
Total liabilities	<u>102,352,517</u>	<u>625,515,380</u>	<u>554,259,714</u>	<u>173,608,183</u>

CHELAN COUNTY, WASHINGTON

Statistical Section

STATISTICAL SECTION

This part of Chelan County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the county's overall financial health.

Page

Financial Trends

These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.

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Fund Balances of Governmental Funds	109
Changes in Fund Balances of Governmental Funds	110

Revenue Capacity

These schedules contain information to help the reader assess the county's most significant local revenue source, the property tax.

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Property Tax Rates – Direct and Overlapping Governments	112
Principal Property Taxpayers	113
Property Tax Levies and Collections	114

Debt Capacity

These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and the county's ability to issue additional debt in the future.

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Ratios of General Bonded Debt Outstanding	116
Legal Debt Margin Information	117

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place.

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Principal Employers	119

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the county's financial report relates to the services the government provides and the activities it performs.

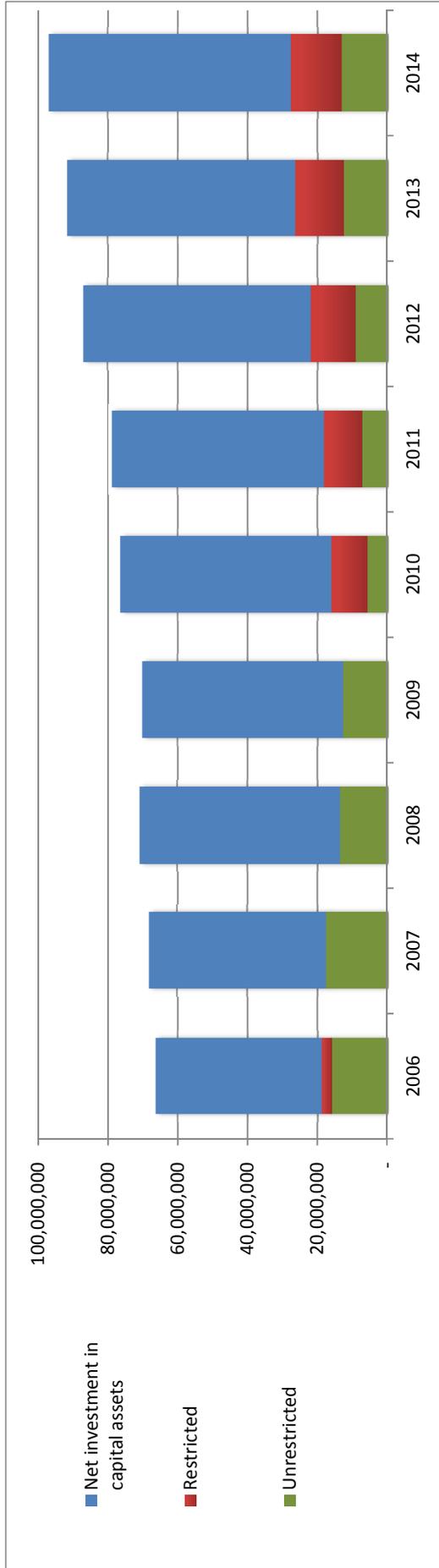
Full-time Equivalent City Government Employees by Function	120
Operating Indicators by Function	121
Capital Asset Statistics by Function	122

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CHELAN COUNTY, WASHINGTON

Net Position by Component
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year								
	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net investment in capital assets	47,362,902	50,471,222	57,244,737	57,244,737	60,387,094	60,387,094	64,897,018	65,232,320	69,087,607
Restricted	3,016,727	-	-	-	10,345,113	10,966,825	12,769,857	13,870,565	14,517,215
Unrestricted	15,962,447	17,534,543	13,599,231	12,851,312	5,748,520	7,386,858	9,265,251	12,617,398	13,309,943
Total net position	66,342,076	68,005,765	70,843,968	70,096,049	76,480,727	78,740,777	86,932,126	91,720,283	96,914,765



Notes:
Due to the defeasance of general obligation bonds in the debt service fund, the restricted portion of net position was removed in 2007.
Prior to 2010 the restricted portion of net position was not properly classified so complete historical information is not available.

CHELAN COUNTY, WASHINGTON

Changes in Net Position

Last Nine Fiscal Years

(accrual basis of accounting)

	Fiscal Year								
	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses									
General government	19,754,481	22,873,199	23,406,320	23,350,394	14,977,336	13,074,908	13,305,276	8,881,509	11,589,963
Public safety	21,622,389	23,904,761	25,618,966	26,574,825	26,241,971	27,889,930	27,265,065	28,418,957	26,043,568
Utilities	1,088,631	1,357,762	1,888,505	1,381,051	1,528,671	1,414,523	1,566,644	1,962,210	2,410,244
Transportation	12,860,070	16,734,747	12,763,691	11,388,104	10,162,953	11,651,801	12,184,649	15,304,064	15,774,299
Natural environment	2,218,962	3,921,161	3,267,209	5,857,814	3,431,739	2,536,994	2,166,320	3,855,296	4,414,562
Social services	466,656	530,354	501,462	1,451,089	1,624,062	1,551,060	1,659,125	1,777,641	1,945,330
Economic environment	2,762,824	3,460,391	5,455,692	3,341,484	2,911,280	3,023,289	2,879,754	2,783,933	2,476,334
Culture and recreation	1,395,983	1,527,759	1,625,474	1,436,421	1,357,485	1,460,702	1,426,973	1,462,575	1,619,255
Interest on long-term debt	544,672	488,311	421,295	466,759	523,852	672,520	639,677	682,129	717,991
Total expenses	62,714,668	74,798,445	74,948,614	75,247,941	62,759,349	63,275,727	63,093,483	65,128,314	66,991,547
Program Revenues									
Charges for services:									
General government	10,902,894	13,034,775	13,035,746	13,808,679	5,851,332	5,623,481	5,508,121	5,543,347	5,458,003
Public safety	8,282,349	9,377,130	10,780,939	12,331,907	10,828,943	11,111,806	9,986,394	9,666,801	8,105,749
Utilities	1,048,184	1,568,913	1,649,101	1,555,568	1,458,488	1,239,716	1,510,191	1,819,812	1,953,953
Transportation	3,659,967	3,884,330	1,063,365	276,378	363,826	333,048	84,913	95,822	161,214
Natural environment	85,411	13,373	22,640	47,771	222,926	342,901	344,126	379,941	378,543
Social services	751	495	210	-	210	198	91	35,572	102,466
Economic environment	1,771,371	1,739,092	1,802,103	1,291,662	1,275,902	1,256,726	1,325,961	1,437,351	1,892,226
Culture and recreation	689,761	679,375	777,241	776,358	857,325	774,520	820,037	866,126	954,429
Operating grants and contributions	5,266,596	11,026,433	10,181,544	15,517,502	10,973,892	8,185,268	7,737,452	8,925,562	9,488,643
Capital grants and contributions	1,551,641	2,324,298	6,682,665	1,287,484	1,717,337	4,297,107	5,277,809	3,442,683	3,806,555
Total program revenues	33,258,925	43,648,214	45,995,554	46,893,309	33,550,181	33,164,771	32,595,095	32,213,017	32,301,781
Total net (expense)/revenue	(29,455,743)	(31,150,231)	(28,953,060)	(28,354,632)	(29,209,168)	(30,110,956)	(30,498,388)	(32,915,297)	(34,689,766)
General Revenues and Other Changes in Net Position									
Taxes									
Property taxes	14,079,978	14,706,768	15,036,880	16,745,569	17,442,036	18,364,467	18,976,216	18,089,545	18,517,131
Sales and use taxes	6,230,355	7,059,665	8,034,200	6,929,205	6,727,803	6,783,250	7,200,137	7,825,514	9,239,616
Motor vehicle fuel tax	2,238,789	2,290,340	2,247,026	2,161,528	2,172,656	2,169,193	2,125,370	2,183,380	2,201,024
Emergency communication tax	-	-	-	-	-	-	2,107,753	2,180,071	2,492,938
Federal land PILT	-	-	-	-	-	-	2,313,538	2,342,695	2,608,906
Other taxes	6,581,513	7,140,336	5,514,782	4,893,209	5,480,333	6,927,740	3,592,957	4,189,733	3,986,063
Interest and investment earnings	1,568,764	1,616,809	958,585	318,136	330,085	158,970	228,210	869,364	838,571
Miscellaneous	47,171	-	-	-	-	270,319	-	-	-
Total general revenues and other changes	30,746,570	32,813,918	31,791,473	31,047,647	32,152,913	34,673,939	36,544,181	37,680,302	39,884,249
Change in Net Position	1,290,827	1,663,687	2,838,413	2,693,015	2,943,745	4,562,983	6,045,793	4,765,005	5,194,483

Notes: The "Emergency Communication Tax" and the "Federal Land PILT" were included in "Other Taxes" until 2012.

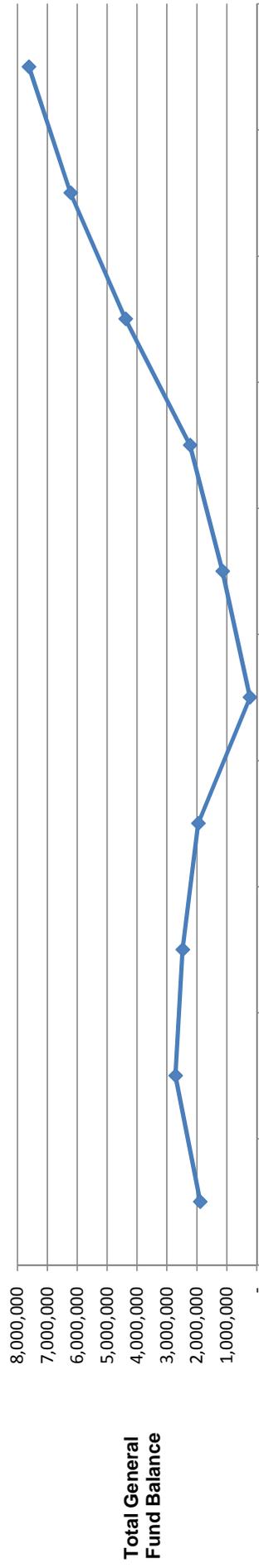
CHELAN COUNTY, WASHINGTON

Fund Balances of Governmental Funds

Last Ten Fiscal Years

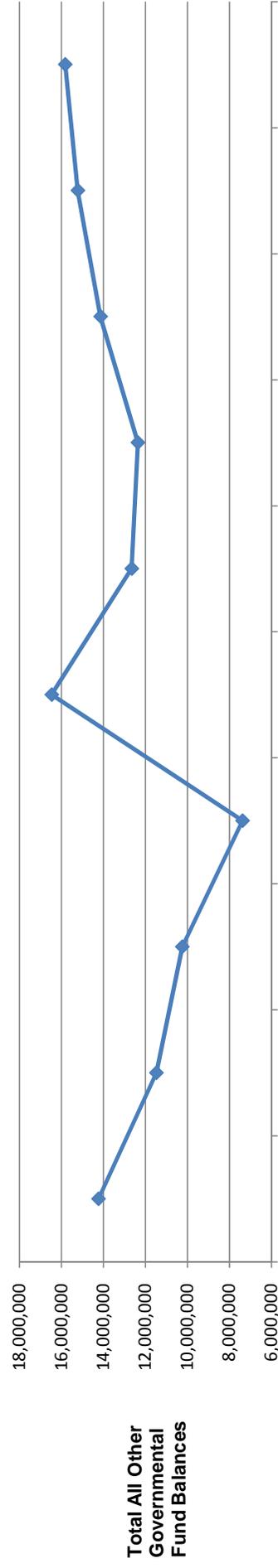
(modified accrual basis of accounting)

General fund	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Unassigned	1,893,826	2,717,995	2,480,438	1,960,442	230,294	1,144,302	2,231,455	4,386,965	6,225,947	7,617,613
Total General fund	1,893,826	2,717,995	2,480,438	1,960,442	230,294	1,144,302	2,231,455	4,386,965	6,225,947	7,617,613



All other governmental funds

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Restricted	-	-	-	-	-	-	12,099,789	13,850,519	14,946,467	15,617,092
Committed	-	-	-	-	-	-	261,346	293,744	280,603	1,246,545
Unassigned	-	-	-	-	-	-	-	-	-	(1,039,087)
Reserved	2,503,099	3,116,728	100,000	-	-	110,394	-	-	-	-
Unreserved, reported in:										
Special revenue funds	9,995,517	7,086,530	7,408,546	4,949,269	6,959,552	9,228,394	-	-	-	-
Capital project funds	1,743,007	1,279,830	2,741,570	2,435,898	9,512,911	3,319,115	-	-	-	-
Total all other governmental funds	14,241,623	11,483,088	10,250,116	7,385,167	16,472,463	12,657,903	12,361,135	14,144,263	15,227,070	15,824,550



Notes: The decrease in 2009 General fund balance is due to a slowing in revenues from the recession. The increase in 2009 all other governmental funds, and the following decrease in 2010, is due to receiving proceeds of bonds issued for the L&J mechanical improvement and spending a large portion of these proceeds in the following year. Chelan County implemented GASB Statement 54 beginning with the 2011 financial statements. This statement changed fund balance terminology, and rather than applying retrospective changes for "all other governmental funds," the fund balances have been reported using the historical terminology.

CHELAN COUNTY, WASHINGTON

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

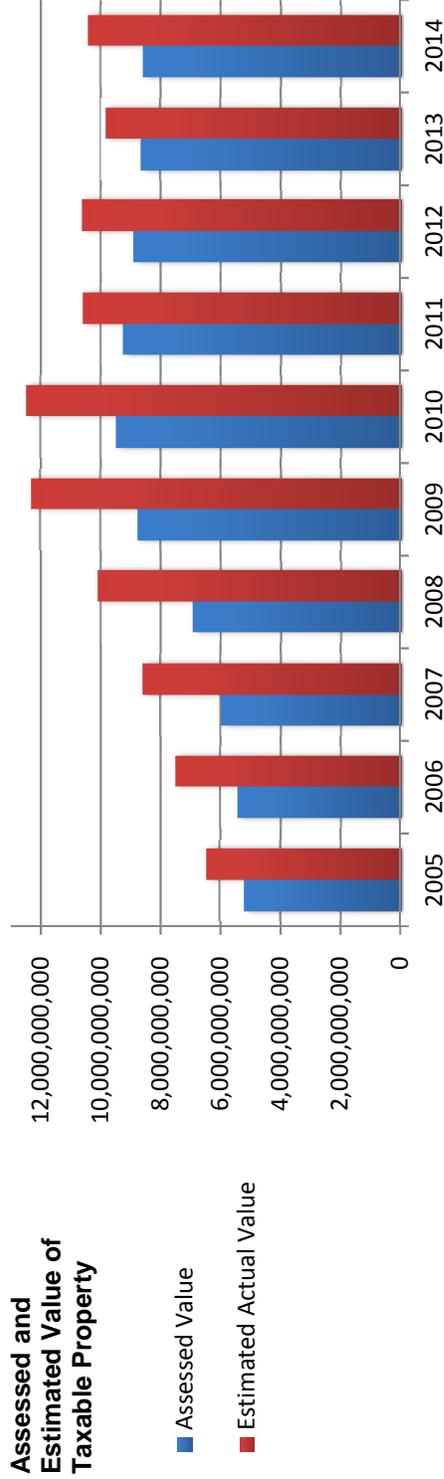
Revenues	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Taxes	23,537,843	24,885,151	26,761,084	25,869,996	25,735,639	26,566,333	28,931,204	30,475,600	30,952,909	32,980,098
Licenses and permits	749,512	832,002	883,035	828,632	606,938	606,264	632,712	686,805	982,410	1,081,357
Intergovernmental revenues	13,915,923	11,861,297	17,855,898	21,150,214	19,170,335	18,773,252	19,707,676	21,174,100	17,730,436	19,475,156
Charges for services	4,650,320	5,383,426	5,591,290	5,244,527	4,950,032	4,996,154	4,908,162	3,522,935	5,998,685	16,349,717
Fees and fines	1,133,455	1,303,721	1,377,250	1,271,913	1,339,310	1,260,675	1,122,267	1,101,984	1,468,854	1,608,853
Miscellaneous	2,018,459	2,286,489	2,858,422	2,517,035	5,645,276	1,898,068	941,162	943,347	1,741,960	2,286,796
Total revenues	46,005,512	46,552,086	55,326,979	56,882,317	57,447,530	54,100,746	56,243,183	57,904,771	58,875,254	73,781,977
Expenditures										
General government	11,414,253	11,744,332	13,142,930	13,966,147	13,815,248	12,665,634	12,729,161	12,007,638	12,072,780	12,734,739
Public safety	15,058,453	14,249,524	15,913,410	16,516,676	17,556,196	17,082,275	18,075,481	18,335,577	19,484,361	29,452,754
Utilities	-	-	-	-	-	-	-	-	-	2,043,949
Transportation	6,206,477	7,987,502	9,643,443	8,331,859	8,661,917	8,243,621	8,552,229	8,758,999	9,861,622	9,933,649
Natural environment	2,297,620	2,217,838	3,925,161	3,343,268	5,893,729	3,466,888	2,598,373	2,153,312	3,705,331	4,278,915
Social services	595,995	552,469	555,406	571,622	1,566,606	1,707,674	1,671,555	1,711,758	2,305,559	1,682,281
Economic environment	2,198,298	2,819,565	3,589,407	6,511,228	3,372,013	2,939,392	3,062,297	2,973,945	1,935,079	2,805,176
Culture and recreation	639,202	655,953	732,406	723,409	579,866	477,722	512,163	505,164	516,217	1,329,427
Debt service:										
Principal	1,279,978	1,330,543	1,507,020	697,697	729,512	751,403	878,375	860,000	755,000	728,796
Interest and other charges	594,889	549,479	538,550	427,180	466,759	523,795	672,434	639,677	682,129	717,952
Capital outlay	6,621,306	6,316,599	6,089,249	9,686,066	5,601,264	9,291,852	6,978,055	6,039,704	4,641,417	7,491,186
Total expenditures	46,906,471	48,423,804	55,636,982	60,775,152	58,243,110	57,150,256	55,730,123	53,985,774	55,959,495	73,198,824
Excess of revenues over (under) expenditures.	(900,959)	(1,871,718)	(310,003)	(3,892,835)	(795,580)	(3,049,510)	513,060	3,918,997	2,915,759	583,153
Other financing sources (uses)										
Sale of capital assets	17,097	15,188	29,256	7,825	16,864	118,958	297,324	9,642	6,031	25,356
Transfers in	466,287	2,606,568	894,892	2,009,029	845,801	1,240,400	467,158	705,158	535,000	805,000
Transfers out	(324,850)	(2,684,402)	(964,892)	(1,508,965)	(865,801)	(1,210,400)	(487,158)	(695,158)	(535,000)	(1,305,000)
General obligation bonds issued	-	-	1,210,000	-	8,150,000	-	-	-	-	-
Refunding bonds issued	-	-	4,525,000	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	57,726	-	5,865	-	-	-	-	-
Payment to refunding escrow agent	-	-	(6,912,508)	-	-	-	-	-	-	-
Total other financing sources (uses)	158,534	(62,646)	(1,160,526)	507,889	8,152,729	148,958	277,324	19,642	6,031	(474,644)
Net change in fund balances	(742,425)	(1,934,364)	(1,470,529)	(3,384,946)	7,357,149	(2,900,552)	790,384	3,938,639	2,921,790	108,509
Debt service as a percentage of noncapital expenditures	4.46%	4.37%	4.02%	2.03%	2.55%	2.50%	3.34%	3.51%	2.88%	2.21%

Notes: The public safety and utilities expenditures increased greatly during 2014 due to the reclassification of enterprise funds as governmental funds.

CHELAN COUNTY, WASHINGTON

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property	Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2005	5,122,190,051	160,288,138	88,765,052	5,193,713,137	3.2458	6,467,886,846	80.3%
2006	5,375,160,737	166,997,635	89,441,177	5,452,717,195	3.1087	7,510,629,745	72.6%
2007	5,878,975,610	187,932,639	87,973,397	5,978,934,852	3.0457	8,590,423,638	69.6%
2008	6,827,144,362	195,716,362	87,499,133	6,935,361,591	2.6827	10,109,856,547	68.6%
2009	8,575,092,121	278,823,141	71,346,757	8,782,568,505	2.3692	12,300,516,113	71.4%
2010	9,288,503,785	308,803,648	84,762,148	9,512,545,285	2.2583	12,483,655,230	76.2%
2011	9,056,290,699	306,332,610	97,793,465	9,264,829,844	2.3959	10,600,491,812	87.4%
2012	8,748,579,943	289,843,144	109,823,182	8,928,599,905	2.5370	10,616,646,736	84.1%
2013	8,477,642,376	276,809,340	108,292,800	8,646,158,916	2.6438	9,814,028,281	88.1%
2014	8,435,340,292	274,947,015	108,070,631	8,602,216,676	2.7145	10,414,305,903	82.6%



Data Sources:
Chelan County Assessor
Washington State Department of Revenue, property tax statistics

CHELAN COUNTY, WASHINGTON

Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Chelan County		Overlapping Rates - Districts							Total Direct and Overlapping Rates
	General Fund	Special Revenue Funds	Total County	Hospital Districts	Fire Districts	Cemetery Districts	School Districts	Miscellaneous Districts	Cities and Towns	
2005	1.5301	1.7260	3.2561	0.8671	0.9287	0.0833	3.1989	0.3416	2.7534	11.4291
2006	1.6114	1.6344	3.2458	0.8308	0.9424	0.0823	3.1105	0.3405	2.7863	11.3384
2007	1.6215	1.4872	3.1087	0.9752	0.9556	0.0813	3.7752	0.3204	2.7165	11.9330
2008	1.5370	1.5088	3.0457	1.0238	0.9993	0.0729	4.1492	0.5248	2.5696	12.3853
2009	1.3844	1.2983	2.6827	0.9024	0.8119	0.0696	3.4134	0.3140	2.1238	10.3177
2010	1.1255	1.2434	2.3689	0.6789	0.6605	0.0614	2.9814	0.2503	2.1017	9.1031
2011	1.0638	1.1944	2.2583	0.6841	0.6854	0.0568	2.8680	0.2441	1.8913	8.6879
2012	1.1183	1.2776	2.3959	0.7586	0.7503	0.0562	2.9586	0.2529	1.8119	8.9845
2013	1.2631	1.3807	2.6438	0.8121	0.8056	0.0606	3.5267	0.2951	2.0984	10.2422
2014	1.2940	1.4205	2.7145	0.8121	0.8172	0.0612	3.6469	0.2954	1.9804	10.3278

Source: Chelan County Assessor's Office

Overlapping rates are those of local governments that apply to property owners within Chelan County. Not all overlapping rates apply to all Chelan County property owners (e.g., the rates for districts apply only to the proportion of the county's property owners whose property is located within the geographic boundaries of the district). Overlapping rates have been averaged within each district category.

CHELAN COUNTY, WASHINGTON

Principal Property Taxpayers - Top Ten
Current Year and Nine Years Ago

Taxpayer	2014			2005		
	2014 Assessed Valuation	Rank	Percentage of Total Taxable Assessed Valuation	2005 Assessed Valuation	Rank	Percentage of Total Taxable Assessed Valuation
Stemilt Growers Inc	84,316,139	1	0.98%	55,551,189	2	1.09%
BNSF Railway Company	53,819,269	2	0.63%	27,466,867	6	0.54%
Trout Blue Chelan Inc	48,707,133	3	0.57%	34,812,109	4	0.68%
Frontier Communication NW	30,434,705	4	0.35%			-
ALCOA Inc	29,996,526	5	0.35%	61,094,105	1	1.20%
Blue Bird Inc	21,741,510	6	0.25%	17,998,852	9	0.35%
Blue Star Growers Inc	19,821,675	7	0.23%			-
Wenatchee Valley Clinic	17,625,534	8	0.20%	31,105,637	5	0.61%
Crunch Pack	16,211,685	9	0.19%			-
Johnson Robert K	14,172,051	10	0.16%			0.00%
Verizon Northwest Inc	-	-	-	43,631,828	3	0.86%
Tree Top Inc	-	-	-	23,235,525	7	0.46%
Dovex Fruit Company	-	-	-	22,120,558	8	0.43%
Longview Fibre Company	-	-	-	13,916,454	10	0.27%
Totals	<u>336,846,227</u>		<u>3.92%</u>	<u>330,933,124</u>		<u>6.50%</u>
Total Taxable Value:	8,602,216,676			5,091,223,678		

Source: Chelan County Assessor

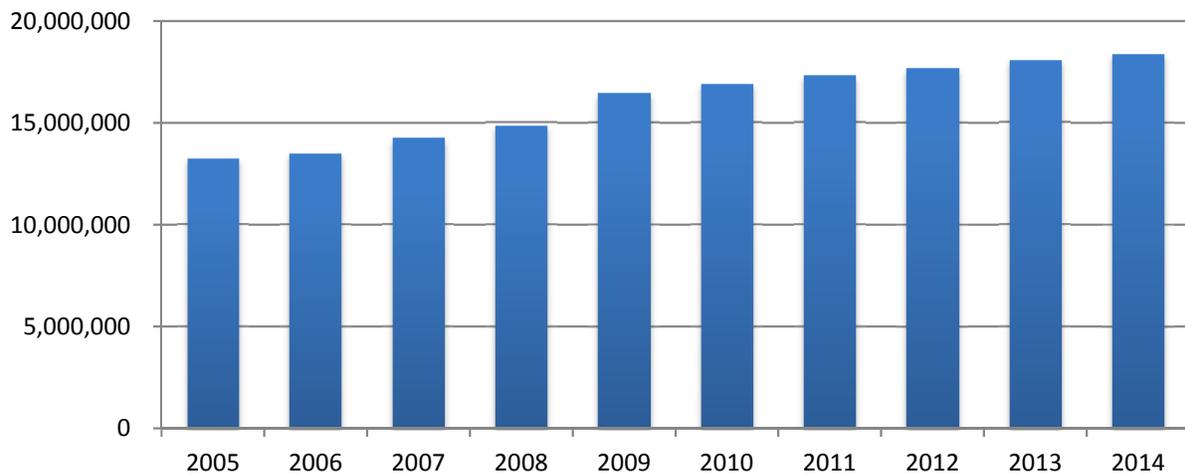
This list does not include lending institutions who are taxed on behalf of individual mortgages they are holding.

CHELAN COUNTY, WASHINGTON

Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	13,233,355	12,982,188	98.10%	251,024	13,233,211	100.00%
2006	13,476,608	13,218,345	98.08%	258,188	13,476,533	100.00%
2007	14,230,327	13,976,296	98.21%	253,981	14,230,277	100.00%
2008	14,838,833	14,415,873	97.15%	422,733	14,838,606	100.00%
2009	16,449,753	15,792,831	96.01%	656,574	16,449,406	100.00%
2010	16,886,851	16,215,755	96.03%	670,703	16,886,458	100.00%
2011	17,287,025	16,672,588	96.45%	607,261	17,279,849	99.96%
2012	17,687,534	17,152,393	96.97%	447,295	17,599,688	99.50%
2013	18,037,920	17,545,988	97.27%	325,950	17,871,938	99.08%
2014	18,392,133	17,930,441	97.49%	Not applicable	17,930,441	97.49%

Total Tax Levy



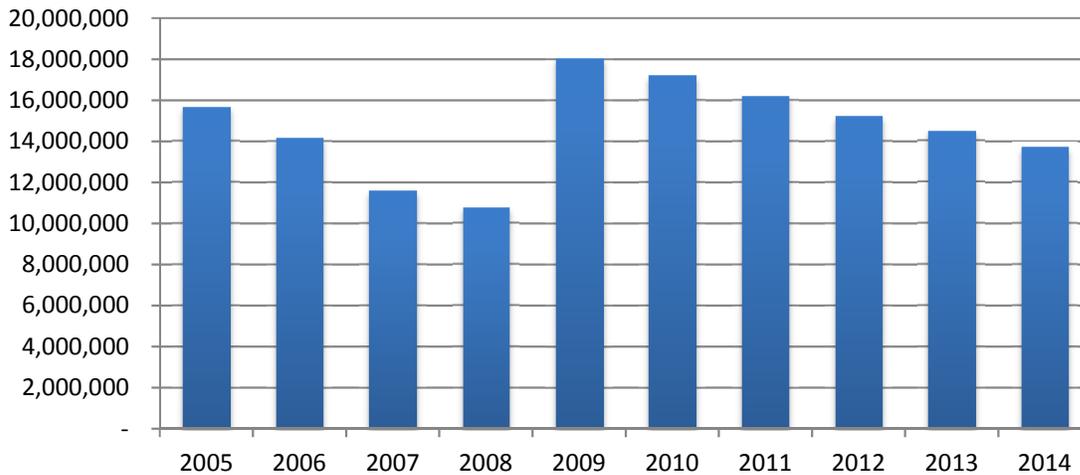
Source: Chelan County Treasurer, tax distribution report
Levy and collections include those of Chelan County's general and special revenue funds.

CHELAN COUNTY, WASHINGTON

Ratio of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Capital Leases	Total Debt Outstanding	Percentage of Personal Income	Per Capita
2005	15,589,502	61,954	15,651,456	0.73%	226
2006	14,153,958	8,432	14,162,390	0.62%	202
2007	11,566,939	5,059	11,571,998	0.47%	163
2008	10,759,242	2,583	10,761,825	0.39%	149
2009	18,069,731	-	18,069,731	0.67%	250
2010	17,203,328	-	17,203,328	0.64%	237
2011	16,205,000	-	16,205,000	0.57%	223
2012	15,220,000	-	15,220,000	0.49%	208
2013	14,465,000	-	14,465,000	0.46%	197
2014	13,685,000	-	13,685,000	0.42%	184

Total Primary Government Debt

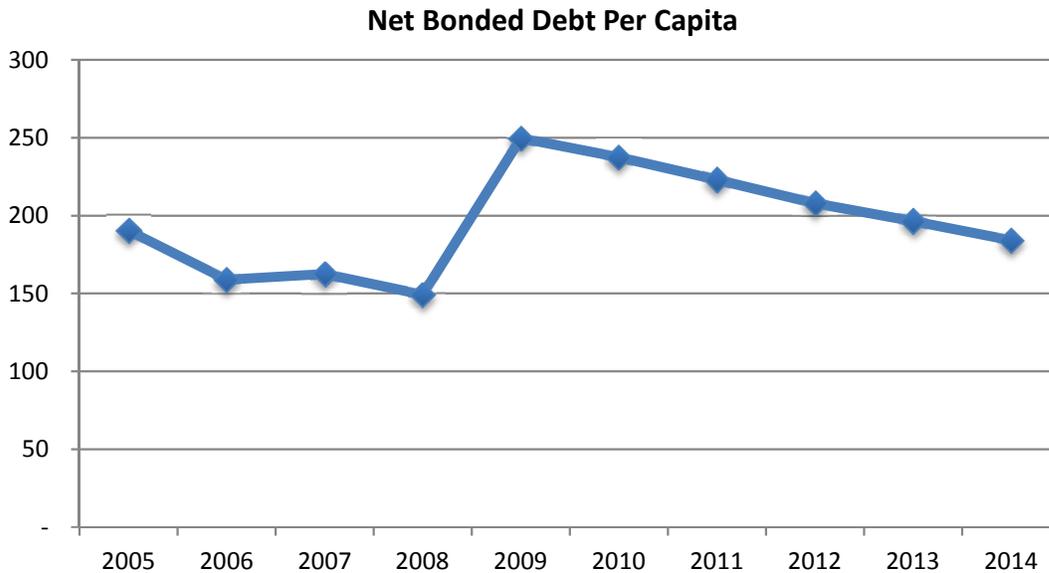


Details regarding the County's outstanding debt can be found in the notes to the financial statements. See the Schedule of Demographic and Economic Statistics for personal income and population data.

CHELAN COUNTY, WASHINGTON

Ratio of General Obligation Bonded Debt Outstanding Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amonts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Net Bonded Debt Per Capita</u>
2005	15,589,502	2,423,099	13,166,403	0.20%	190
2006	14,153,958	3,016,727	11,137,231	0.15%	159
2007	11,566,939	-	11,566,939	0.13%	162
2008	10,759,242	-	10,759,242	0.11%	149
2009	18,069,731	-	18,069,731	0.15%	250
2010	17,203,328	-	17,203,328	0.14%	237
2011	16,205,000	-	16,205,000	0.15%	223
2012	15,220,000	-	15,220,000	0.14%	208
2013	14,465,000	-	14,465,000	0.15%	197
2014	13,685,000	-	13,685,000	0.13%	184



Details regarding the County's outstanding debt can be found in the notes to the financial statements. See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data. Population data can be found in the Schedule of Demographic and Economic Statistics.

CHELAN COUNTY, WASHINGTON

Computation of Legal Debt Margin
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Non-Voted Debt										
Legal debt limit	76,368	81,791	89,684	104,030	131,739	142,688	138,972	133,929	129,692	129,033
Total net debt applicable to limit	1,547	3,013	3,972	6,535	7,577	9,438	7,963	3,940	2,152	(11)
Legal debt margin	<u>74,821</u>	<u>78,778</u>	<u>85,712</u>	<u>97,496</u>	<u>124,161</u>	<u>133,250</u>	<u>131,009</u>	<u>129,989</u>	<u>127,540</u>	<u>129,044</u>

Total net debt applicable to the limit
as a percentage of debt limit 2.03% 3.68% 4.43% 6.28% 5.75% 6.61% 5.73% 2.94% 1.66% -0.01%

Voted and Non-Voted Debt

Legal debt limit	127,280	136,318	149,473	173,384	219,564	237,814	231,621	223,215	216,154	215,055
Total net debt applicable to limit	1,547	3,013	3,972	6,535	7,577	9,438	7,963	3,940	2,152	(11)
Legal debt margin	<u>125,733</u>	<u>133,305</u>	<u>145,501</u>	<u>166,849</u>	<u>211,987</u>	<u>228,375</u>	<u>223,657</u>	<u>219,275</u>	<u>214,002</u>	<u>215,066</u>

Total net debt applicable to the limit
as a percentage of debt limit 1.22% 2.21% 2.66% 3.77% 3.45% 3.97% 3.44% 1.77% 1.00% -0.01%

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed Valuations	<u>8,602,217</u>
Limited Tax General Obligation Debt Capacity (non-voted):	
Legal limit of up to 1.5% on the assessed valuation	129,033
Less: outstanding debt	(13,685)
Add: available assets	<u>13,696</u>
Remaining Debt Capacity (non voted)	<u>129,044</u>
Total General Obligation Debt Capacity (voted and non-voted):	
Legal limit of up to 2.5% on the assessed valuation	215,055
Less: outstanding debt	(13,685)
Add: available assets	<u>13,696</u>
Remaining Debt Capacity (voted and non-voted)	<u>215,066</u>

CHELAN COUNTY, WASHINGTON

Demographic and Economic Statistics Last Ten Fiscal Years

Fiscal Year	Population (1)	Median Age (1)	Personal Income (2)	Per Capita Income (2)	Public School Enrollment (3)	Unemployment Rate (4)
2005	69,200	37.8	2,157,510,000	31,383	12,901	5.9%
2006	70,100	38.0	2,288,833,000	32,916	12,911	5.1%
2007	71,200	38.2	2,476,951,000	35,277	12,883	4.9%
2008	72,100	38.5	2,733,020,000	38,595	12,868	5.6%
2009	72,372	38.8	2,677,376,000	37,352	12,833	8.0%
2010	72,453	39.3	2,696,884,000	37,081	12,726	9.0%
2011	72,700	39.8	2,844,941,000	38,841	12,957	8.5%
2012	73,200	40.1	3,080,541,000	41,848	12,863	7.8%
2013	73,600	40.3	3,153,569,000	42,635	12,996	7.3%
2014	74,300	40.5	3,228,328,000	43,437	13,191	6.3%

Data sources:

(1) Washington State Office of Financial Management <http://www.ofm.wa.gov/pop/>

(2) Bureau of Economic Analysis at <http://www.bea.gov/iTable/index.cfm>

Current year data not available - estimated based on change over prior two years

(3) Washington State Office of Superintendent of Public Instruction at <http://www.k12.wa.us/dataadmin/>

(4) Washington State Employment Security Department at <https://fortress.wa.gov/esd/employmentdata/>
average annual rate, not seasonally adjusted

CHELAN COUNTY, WASHINGTON

Principal Employers

Current Year and Eight Years Ago

Employer (1)	2014			2006		
	Employees	Rank	Percentile of Total County Employment	Employees	Rank	Percentile of Total County Employment
Stemilt Growers, Inc	3,024	1	8.19%	1,402	2	3.95%
Wenatchee Valley Medical Center	1,697	2	4.60%	1,420	1	4.00%
Central Washington Hospital	1,456	3	3.94%	1,352	3	3.81%
Wenatchee School District	1,027	4	2.78%	963	4	2.71%
McDougall & Sons, Inc.	900	5	2.44%	-	-	-
Chelan County PUD #1	640	6	1.73%	658	5	1.85%
Crunch Pak	500	7	1.35%	-	-	-
Custom Apple Packers	497	8	1.35%	-	-	-
Alcoa	465	9	1.26%	-	-	-
Chelan County	446	10	1.21%	590	9	1.66%
Blue Star Growers	405	-	1.10%	412	10	1.16%
Blue Bird, Inc	280	-	0.76%	600	7	1.69%
C&O Nursery	277	-	0.75%	600	8	1.69%
Chelan Fruit, Inc	-	-	0.00%	610	6	1.72%
Total County Employment (2):	36,930			35,528		

Principal Employer data is not available prior to 2006.

Data Sources:

(1) Principal employer data is obtained from the Port of Chelan County. Includes full time and part time employees.

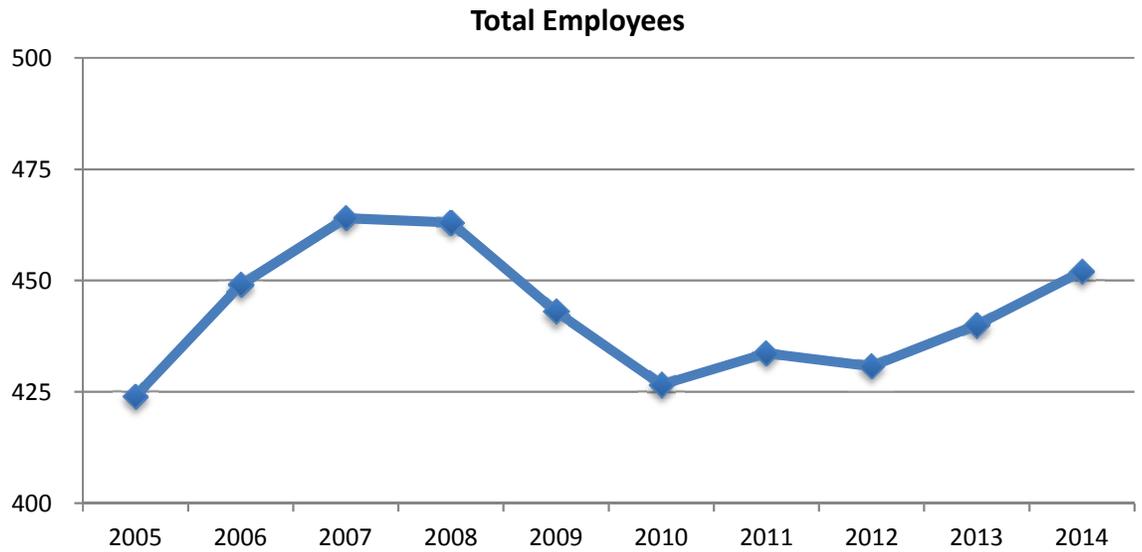
Major differences between years may be due to differences in how business reported their employees to the Port.

(2) Total county employment uses the 3rd quarter data averaged over the past year. From the US Census Bureau at <http://qwexplorer.ces.census.gov/>

CHELAN COUNTY, WASHINGTON

Full-time Equivalent Chelan County Employees by Function Last Ten Fiscal Years

Function	Full-time Equivalent Employees									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government	145	150	151	149	144	139	138	128	136	137
Public safety	186	196	199	201	195	189	189	185	188	193
Utilities	2	3	3	3	3	4	4	4	3	4
Transportation	53	56	63	66	58	58	66	77	76	77
Natural environment	8	7	9	8	11	13	12	12	11	12
Economic environment	21	28	29	27	23	18	18	15	17	19
Culture and recreation	9	9	10	9	9	7	8	9	9	10
Total	424	449	464	463	443	427	434	431	440	452



Notes: Actual paid FTE as of December 31. Obtained from payroll data in the Chelan County Auditor's Office

CHELAN COUNTY, WASHINGTON

Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government										
Total documents recorded by Auditor	27,262	27,939	27,105	22,486	19,767	17,141	17,308	20,319	20,540	16,594
Total vehicle licensing transactions	60,003	57,462	56,119	59,656	66,494	60,917	59,141	60,132	61,024	61,577
General election:										
Number of registered voters	36,185	35,314	35,983	38,650	37,715	37,972	38,562	40,293	39,551	39,836
Number of votes	20,408	23,518	19,174	32,392	20,656	28,071	22,397	32,809	19,718	23,364
Percent of registered voters voting	56.40%	66.60%	53.29%	83.81%	54.77%	73.93%	58.08%	81.43%	49.85%	58.65%
Court administration										
Superior Court cases filed	4,101	4,095	3,920	4,119	3,762	3,607	3,529	3,600	3,580	3,562
Documents filed with Clerk	134,101	156,669	138,171	145,050	123,012	130,480	118,491	122,890	131,108	126,947
District Court filings	19,466	21,958	21,868	20,047	22,841	19,427	20,146	17,431	18,229	19,570
Public safety										
Sheriff										
Total warrants entered	1,972	2,298	2,128	1,957	1,806	1,801	1,829	1,995	2,205	2,190
Total arrests carried out	2,150	2,645	2,330	2,211	2,345	1,292	1,499	1,603	2,350	2,032
Total citations issued	4,721	5,053	5,055	4,072	3,989	3,590	3,377	3,263	3,668	3,715
Concealed weapons permits issued	384	591	533	767	814	765	893	1,269	1,415	1,306
Regional Justice Center										
Total bookings	6,131	7,278	7,224	7,017	6,371	5,672	5,625	4,927	5,066	5,628
Average daily population	332	367	357	358	322	280	303	248	221	265
Meals served	371,328	431,769	431,043	413,910	377,049	306,699	331,259	278,404	241,995	290,131
Juvenile average daily population	23	20	21	21	29	11	11	9	9	11
Transportation										
Miles of county road repaired/preserved	346	177	301	164	41	196	121	57	51	116
Economic environment										
Total residential building permits	441	504	500	375	255	243	233	257	255	292
Total commercial building permits	70	69	60	51	44	42	62	60	63	90

Data sources:

General government data was obtained from the Chelan County Auditor's office
 Judicial data was obtained from the Chelan County Superior Court Clerk and District Court offices.
 Public safety data was obtained from the Chelan County Sheriff, Regional Jail, and Juvenile department.
 Transportation data was obtained from the Public Works department.
 Economic environment data was obtained from the Community Development department.

CHELAN COUNTY, WASHINGTON

Capital Asset Statistics by Function Last Ten Fiscal Years

Function	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Motor pool vehicles	N/A	48	36	26	41	38	39	30	34	37
Public safety										
Sheriff patrol vehicles	N/A	59	66	63	58	60	60	62	59	61
Transportation										
Streets (miles)	N/A	643	655	655	655	655	655	655	655	656
Culture and recreation										
Parks	1	1	1	2	2	2	2	2	2	2

Notes: During 2008, ownership of Ohme Gardens was transferred from Washington State to Chelan County.

Data sources:

General government, public safety, and transportation data was obtained from the Public Works department.

Culture and recreation information was obtained from Chelan County's budget.