



- CHELAN COUNTY - MONTHLY FINANCIAL REPORT

AUGUST 2015

The General fund is Chelan County's major operating fund. It has a budget of \$35 million and is comprised of administrative functions, building and planning permits, Sheriff's operations, juvenile housing, criminal prosecution, and the courts. The revenue and expenditure charts below display the 2015 General fund projected budget contrasted with actual expenditures and revenues.

General Fund Revenue: Sales tax revenue was \$120,000 above projection in August. Much of this activity is due to the Holden Mine project and new construction. While sales tax is strong in 2015, the potential annexation of the entire Old Station area could have a negative impact of \$1 million 2016 sales tax revenue.

Revenue Category	Year-To-Date		
	Projected	Actual	Variance
Property Tax	6,389,243	6,470,293	81,050
Sales Tax	4,023,195	4,589,445	566,250
Prop. Tax Penalty & Interest	636,613	599,564	(37,049)
Building and Planning Fees	926,377	1,185,746	259,369
PILT	2,600,000	2,413,278	(186,722)
PUD Privilege	1,200,000	1,194,446	(5,554)
Liquor X & P	51,974	78,328	26,354
Wenatchee Court	137,997	122,691	(15,306)
Law Enforcement Contracts	1,782,442	1,855,938	73,496
Recording Fees	87,678	108,437	20,759
Motor Vehicle Licensing	296,976	301,747	4,771
Probation Services	214,681	241,291	26,610
Interfund Payments	744,568	938,149	193,581
Court Fines	484,017	494,907	10,890
Treasury Interest	117,740	114,512	(3,228)
Grants\Entitlements	1,544,361	1,536,405	(7,956)
Other	1,256,766	1,357,170	100,404
Total	22,494,629	23,602,348	1,107,719

Building and planning fees have also been above expectations. However, these revenues seemed to have slowed over July and August. An increased rate of new construction and remodel permits have driven these revenues above budget this year.

PILT and PUD privilege tax are two major revenues that the county received back in June. PILT is typically distributed by the US Department of the Interior in one June payment. This year, 92% of the funds were distributed in June and the remaining 8% might not be distributed until February 2016.

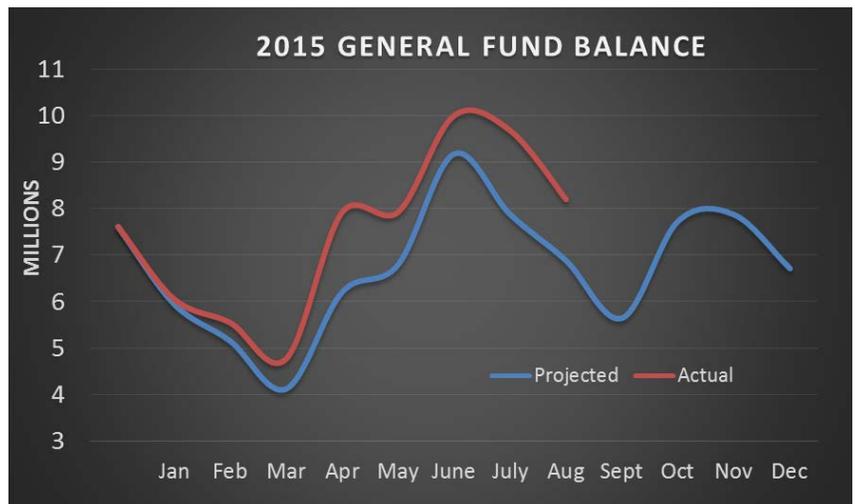
Interfund payments appear to be strong, but will balance out next month as the Regional Justice Center has been paying monthly, rather than quarterly, as originally projected.

General Fund Expenditures: Salaries are tracking above projection due to additional work in the Sheriff's Office at the PUD and the local fires. These additional overtime expenses haven't been or will be reimbursed to offset the expenses. The variance below reflects current spending in relation to the original budget. Supplemental budget appropriations are adopted by the Commissioners to keep the General fund within its legal budget authority when spending exceeds the original budget. All other expenditure categories appear to be well under budget through August. However, many of these categories will probably come closer to projection as the year progresses.

Expenditure Category	Year-To-Date		
	Projected	Actual	Variance
10 - Salaries & Wages	10,929,128	11,114,824	185,696
20 - Personnel Benefits	4,336,916	4,259,987	(76,929)
30 - Supplies	565,978	545,808	(20,170)
40 - Services	3,711,815	3,530,904	(180,912)
50 - Intergovernmental Svcs	251,092	224,609	(26,483)
90 - Interfund Payments	3,422,452	3,339,367	(83,085)
TOTAL	23,217,381	23,015,499	(201,883)

General Fund Balance: As displayed on the graph below, the General fund balance is tracking higher than the projected budget. While some of this is due to timing issues that will bring the actual line closer to the projected line, much of the difference is due to strong sales tax and building fees.

The 2015 budget was built to lose \$900,000 because revenues and expenditures are typically budgeted conservatively. This conservative budget practice results in a positive \$1 million swing. Based on the trends of the first eight months, the General fund should end up breaking even or possibly growing slightly at the end of 2015.



Skip Moore

Prepared by:
Brad Posenjak, CPA 509-667-6800
 Chief Deputy Auditor brad.posenjak@co.chelan.wa.us

Also available online at <http://www.co.chelan.wa.us/>

Interfund Loans: While the General fund is doing better than ever, there are three funds that are currently borrowing cash to meet operational needs.

The Solid Waste Planning fund needed to borrow \$121,267 from the Equipment Rental and Revolving fund to cover invoices to construct the Moderate Risk Waste Facility. Solid Waste Planning will receive reimbursement from a Washington State Department of Ecology grant. The cash from this reimbursement will relieve the need for the loan.

The Natural Resources fund is currently borrowing \$286,000 from the REET I fund to cash flow 2015 projects. Natural Resources operates largely on grant reimbursements that can take up to a year to receive after the expense has been incurred. Any borrowing related to 2014 expenses has been fully paid off.

The Regional Justice Center (RJC) is borrowing \$992,000 from the Criminal Justice Sales Tax and Distressed Counties Tax funds. The General fund increased its contribution for Chelan County inmates during 2015. Contract rates will increase for all inmates housed in 2016. These revenue increases should help alleviate the RJC's debt.

Cash Balances: Most of Chelan County's funds have strong cash balances. However, as noted earlier regarding interfund loans, the cash in those three funds does not belong to them.

Cash Balance of Selected Funds		6/30/2015	7/31/2015	8/31/2015
010	General	11,335,828	10,758,924	9,484,557
014	Traffic Safety	101,252	109,122	83,896
103	Solid Waste Planning	83,304	-	-
110	County Roads	6,180,213	2,642,656	1,746,213
118	Wenatchee River Park	66,711	73,688	91,314
119	Ohme Gardens	52,588	60,614	66,222
120	Expo Center	156,249	191,926	200,194
121	Fair	218,185	226,898	215,369
124	Farm Worker Housing	139,164	173,148	144,996
125	Horticulture Pest & Disease	70,386	56,159	38,095
128	Noxious Weed	34,292	33,120	14,047
140	Cashmere-Dryden Airport	59,131	58,405	58,303
150	Regional Justice Center	323,072	222,552	283,708
180	Natural Resources	161,247	107,511	49,694
190	Criminal Justice Tax	1,633,449	1,470,109	1,518,445
301	REET I	895,489	988,333	1,051,313
510	ER&R	1,038,620	872,703	987,566
526	Health Insurance	2,886,597	3,013,469	3,216,254
530	Motor Pool	339,088	370,958	346,431
535	Unemployment Comp	271,046	275,339	279,294
540	Tort Claims & Insurance	1,155,857	1,124,429	1,131,426

Budget: August is 66.7% through the year. This can be used as a guideline for departments that have even expenditures throughout the year. However, most departments do not receive their revenue evenly from month-to-month.

Accounts Receivable Outstanding - Older than 60 Days			
Clerk			
010040-00803	6/9/2015	Office of Support Enforcement	13,476.00
Commissioners			
193001-00267	4/16/2015	DSHS	1,584.02
Juvenile			
010085-01476	6/12/2015	DCFS - DSHS	18,848.00
Superior Court			
010155-00057	6/26/2015	AOC	114.35
Public Works			
401001-02789	12/4/2014	Leavenworth Pest Control	60.00
401001-02823	12/31/2014	Renovation Masters LLC	176.00
403001-00371	6/19/2015	WA St Dept of Ecology	53,156.96
101001-00009	2/5/2015	Leavenworth Pest Control	136.00
101001-00030	3/5/2015	Leavenworth Pest Control	100.00
101001-00060	4/2/2015	Leavenworth Pest Control	40.00
101001-00061	4/2/2015	Renovation Masters LLC	1,187.00
101001-00086	5/4/2015	Leavenworth Pest Control	37.00
101001-00092	5/4/2015	Renovation Masters LLC	495.00
101001-00119	6/1/2015	Mason Roofing & Construction	483.00
101001-00122	6/1/2015	Renovation Masters LLC	313.00
101001-00124	6/1/2015	Servicemaster	95.00
Horticulture			
125001-00026	4/14/2015	Douglas County	16,730.30
125001-00028	4/14/2015	North Yakima Conservation Dis	1,931.33
Noxious Weeds			
128001-00132	6/4/2015	Mark & Vanessa Long	271.00
Regional Justice Center			
150001-00099	5/12/2015	Department of Corrections	318.60
150001-00100	5/12/2015	Department of Corrections	858.15
150001-00101	5/12/2015	Department of Corrections	241.20
150001-00102	5/12/2015	Department of Corrections	2,658.91
150001-00121	5/31/2015	Community Action Council	67.75
150001-00145	6/30/2015	YWCA	146.25
Natural Resources			
180001-00994	12/31/2014	WA St Dept of Ecology	12,192.99
If any of these outstanding receivables have been paid, will not be paid, or need adjustment, please contact the County Auditor's Office.			

Actual YTD Expenditures & Revenues w/ Percent of Annual Budget				
General Fund Departments		Expenditures		Revenues
010	Assessor	792,869	62.5%	2,050 175.2%
015	Auditor	736,470	58.9%	508,397 57.4%
020	Community Develop.	971,424	57.9%	1,194,877 83.0%
030	Civil Service Comm	10,358	93.3%	0 -
040	Clerk	776,593	64.8%	575,679 71.7%
045	Commissioners	496,352	67.0%	9,048,197 79.1%
050	Coroner	148,084	63.7%	14,870 99.1%
052	Information Technology	533,757	64.6%	70,488 55.0%
055	Facilities Maintenance	1,022,762	63.2%	374,526 62.2%
065	District Court	818,567	62.5%	831,982 63.2%
066	District Court Probation	289,824	63.7%	258,499 70.6%
075	Extension Services	180,921	52.8%	13,557 38.2%
085	Juvenile Services	1,781,336	64.5%	375,424 58.1%
105	Non-Departmental	5,303,759	65.5%	179,683 47.1%
139	Child Support Enf.	216,103	62.4%	178,879 45.0%
140	Prosecuting Attorney	1,312,204	64.6%	287,951 57.6%
145	Sheriff	6,514,440	66.6%	2,283,462 77.3%
155	Superior Court System	711,450	62.9%	49,823 51.3%
165	Treasurer	398,225	64.1%	883,712 65.3%
170	Property Tax	0	0.0%	6,470,293 56.8%
General Fund Total		23,015,499	64.4%	23,602,348 67.9%

Other Funds		Expenditures		Revenues
014	Traffic Safety	90,594	72.1%	164,041 96.3%
110	County Roads	11,703,061	70.0%	9,400,689 59.3%
118	Wenatchee River Park	139,374	58.2%	163,567 85.1%
119	Ohme Gardens	134,345	54.5%	123,846 58.1%
120	Expo Center	86,188	56.4%	105,093 61.8%
121	Fair	78,769	42.2%	67,918 36.5%
124	Farm Worker Housing	176,249	78.1%	133,741 57.7%
125	Horticulture	114,996	67.0%	80,156 52.1%
128	Noxious Weed	189,283	51.9%	175,482 50.1%
150	Regional Justice Center	5,330,008	67.0%	5,464,359 64.7%
180	Natural Resources	1,047,038	24.2%	998,550 23.4%
510	ER&R	2,036,066	55.1%	1,736,234 47.7%
530	Motor Pool	815,148	75.5%	542,107 59.1%