



# - CHELAN COUNTY - MONTHLY FINANCIAL REPORT

## JULY 2016

The General fund is Chelan County's major operating fund. It has a budget of \$37 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 2016 General fund projected budget contrasted with actual expenditures and revenues.

**General Fund Revenue:** To get a picture of the economic and operational functions that drive revenue, the General fund revenues have been categorized by major revenue source and projected based on a five year history.

Revenue Category	Year-To-Date		
	Projected	Actual	Variance
Property Tax	6,495,247	6,716,024	220,778
Sales Tax	3,899,287	5,158,940	1,259,654
Prop. Tax Penalty & Interest	601,404	528,133	(73,272)
Building and Planning Fees	946,974	1,164,052	217,078
PILT	2,559,163	2,767,590	208,427
PUD Privilege	1,200,000	1,180,083	(19,917)
Liquor X & P	79,667	105,482	25,815
Wenatchee Court	119,145	108,547	(10,598)
Law Enforcement Contracts	1,768,399	1,774,086	5,688
Recording Fees	86,109	86,200	91
Motor Vehicle Licensing	262,134	273,052	10,918
Probation Services	196,729	257,378	60,648
Interfund Payments	914,577	893,559	(21,018)
Court Fines	440,370	379,690	(60,680)
Treasury Interest	109,466	131,579	22,113
Grants\Entitlements	1,428,857	1,378,291	(50,565)
Other	1,052,275	1,423,788	371,513
<b>Total</b>	<b>22,159,802</b>	<b>24,326,474</b>	<b>2,166,672</b>

Sales tax revenue is exceeding expectations by well over \$1 million. Beginning next month, the variance is expected to start declining as the County will begin to realize the effects of the Old Station annexation. It is estimated to have a negative impact to Chelan County's general fund by approximately \$500,000 during the last half of 2016 and \$1 million in 2017.

June and July were strong months for Building permits. The amounts collected in these months were 55% above their projections. Increases in building permit revenue

point to a growing local economy. The increases can also foreshadow increased sales tax and property tax revenues.

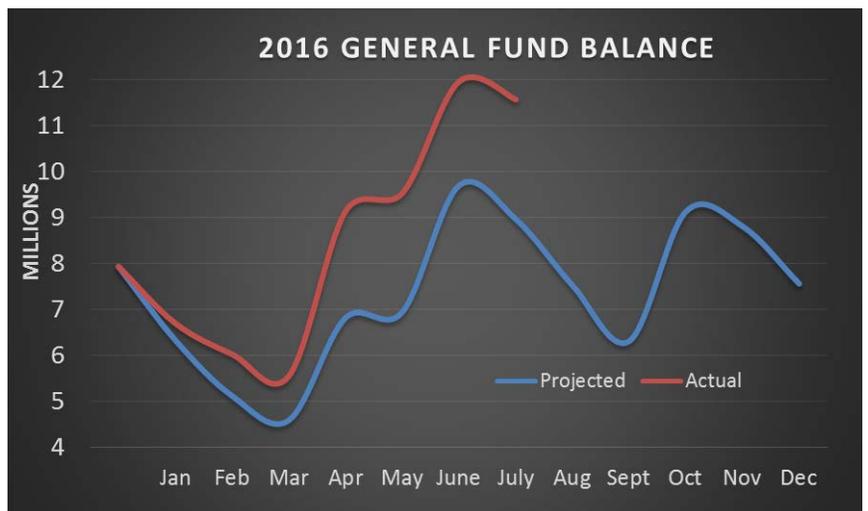
**General Fund Expenditures:** Expenditures are projected in a similar manner as revenues, but expenditures are spent more evenly than revenues are received. The variances below reflect current 2016 expenditures in relation to the original budget.

Expenditure Category	Year-To-Date		
	Projected	Actual	Variance
10 - Salaries & Wages	9,784,713	9,777,443	(7,270)
20 - Personnel Benefits	4,004,190	3,814,257	(189,933)
30 - Supplies	527,434	504,984	(22,450)
40 - Services	3,349,659	3,295,837	(53,821)
50 - Intergovernmental Svcs	225,409	184,034	(41,375)
90 - Interfund Payments	3,229,201	3,106,132	(123,068)
<b>TOTAL</b>	<b>21,120,605</b>	<b>20,682,688</b>	<b>(437,918)</b>

All General Fund expenditure categories are tracking under budget. This pattern of underspending the projection is typical since each department is not legally allowed to exceed their total budget without requesting additional appropriations from the County Commissioners. This trend is expected to carry on throughout the remainder of the year.

**General Fund Balance:** The General Fund balance chart below shows the cyclical nature of Chelan County's cash flow. Increases in April and October coincide with the due dates of the first and second half of property taxes. In June the cycle is at its highest due to the once-a-year PUD privilege and Federal PILT revenues.

The fund balance is currently \$2.6 million more than projected. As noted earlier, sales tax revenue is anticipated to underperform in the last 5 months of 2016. Therefore, the actual line is expected to move closer to projected line as the year progresses and could likely result in General Fund growth of \$1.5 million at year-end.



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**Cash Balances:** The General fund has a healthy cash balance and is in better financial condition than it has ever been. Its cash balance trend over the past three months closely mirrors the cycle displayed in the fund balance graph on the previous page. Until property taxes are collected in April each year, the General and County Roads funds live off their accumulated cash balance.

**Interfund Loans:** Despite the healthy cash balance in the General fund, there are several funds that borrow cash from other funds to meet operational needs.

Solid Waste Planning fund is currently borrowing \$18,234 from Equipment Rental & Revolving fund to finance the Moderate Risk Waste Facility.

Regional Justice Center fund is currently borrowing \$15,000 from Distressed Counties Tax fund to meet cash flow needs due to an ongoing downturn in contract bed revenue.

Natural Resources fund is currently borrowing \$771,000 from the REET I fund to cash flow 2016 projects until grant revenues come in.

**Accounts Receivable:** Each department has the responsibility to bill and track their own accounts receivables. The chart below shows outstanding receivables older than 60 days.

Cash Balance of Selected Funds		5/31/2016	6/30/2016	7/31/2016
010	General	11,094,398	13,832,993	13,295,021
014	Traffic Safety	144,004	147,196	151,374
103	Solid Waste Planning	-	-	3,931
110	County Roads	4,112,664	3,929,780	3,330,667
118	Wenatchee River Park	68,671	74,756	87,457
119	Ohme Gardens	39,651	47,979	72,834
120	Expo Center	220,010	240,903	277,673
121	Fair	284,444	288,415	290,199
124	Farm Worker Housing	69,594	88,259	60,537
125	Horticulture Pest & Disease	56,034	40,513	45,521
128	Noxious Weed	88,246	68,623	56,020
140	Cashmere-Dryden Airport	53,312	54,487	54,954
150	Regional Justice Center	904	273,261	370,658
180	Natural Resources	83,667	517	69
190	Criminal Justice Tax	2,132,579	2,426,655	2,507,670
301	REET I	1,569,990	1,253,385	966,611
510	ER&R	1,813,141	1,749,594	1,433,428
526	Health Insurance	3,693,258	3,537,727	3,497,643
530	Motor Pool	438,331	436,987	429,724
535	Unemployment Comp	277,652	282,038	286,584
540	Tort Claims & Insurance	946,442	1,118,370	997,056

**Budget:** July is 58.3% of the way through the calendar year. This percentage is a reasonable benchmark for departments with even expenditures throughout the year. The actual YTD expenditures and revenues chart is provided for department heads to evaluate if they are over or under the straight-line benchmark.

Accounts Receivable Outstanding - Older than 60 Days			
<b>District Court Probation</b>			
010066-00031	5/4/2016	City of Wenatchee	6,386.50
<b>Sheriff</b>			
010145-01454	4/20/2016	WA St Traffic Safety Comm	909.90
010145-01460	5/2/2016	Leavenworth Nutcracker Museum	253.14
<b>Superior Court</b>			
010155-00065	5/17/2016	AOC Financial	494.60
<b>Public Works</b>			
101001-00408	3/7/2016	Rumann Construction	38.00
101001-00424	4/5/2016	Blaydes LLC	216.00
101001-00444	4/5/2016	Rumann Construction	20.00
101001-00464	5/5/2016	Blaydes LLC	220.00
101001-00487	5/5/2016	Servicemaster	486.00
101001-00499	5/5/2016	Waste Management	75,381.00
<b>Horticulture</b>			
125001-00032	12/31/2015	Theo Collier	310.00
<b>Natural Resources</b>			
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	710,019	54.3%	1,050	89.7%
015	Auditor	741,853	60.4%	575,360	62.3%
020	Community Develop.	896,436	51.5%	1,180,858	72.1%
030	Human Resources	66,991	52.7%	0	-
040	Clerk	696,688	57.9%	473,092	73.2%
045	Commissioners	389,830	57.5%	9,853,180	79.2%
050	Coroner	124,267	51.5%	7,210	48.1%
052	Information Technology	506,020	57.2%	70,526	52.6%
055	Facilities Maintenance	856,586	52.6%	378,062	56.1%
065	District Court	769,280	55.7%	665,227	47.8%
066	District Court Probation	253,519	53.8%	267,689	70.8%
075	Extension Services	119,306	34.7%	8,424	25.5%
085	Juvenile Services	1,618,312	56.7%	378,877	57.4%
105	Non-Departmental	4,817,446	56.3%	315,574	77.6%
139	Child Support Enf.	193,989	54.9%	213,700	53.8%
140	Prosecuting Attorney	1,210,099	56.6%	285,367	55.0%
145	Sheriff	5,672,874	56.5%	2,040,833	63.2%
155	Superior Court System	672,625	56.7%	56,401	58.1%
165	Treasurer	366,548	58.1%	839,020	59.9%
170	Property Tax	0	0.0%	6,716,024	57.6%
<b>General Fund Total</b>		<b>20,682,688</b>	<b>55.9%</b>	<b>24,326,474</b>	<b>66.4%</b>
Other Funds		Expenditures		Revenues	
014	Traffic Safety	60,777	49.8%	144,632	83.7%
110	County Roads	6,580,611	46.4%	7,777,456	58.4%
118	Wenatchee River Park	123,617	51.3%	139,459	72.5%
119	Ohme Gardens	108,959	43.7%	129,060	61.9%
120	Expo Center	79,915	46.4%	100,408	55.5%
121	Fair	40,515	20.3%	54,859	28.3%
124	Farm Worker Housing	138,449	38.9%	69,945	23.3%
125	Horticulture	172,797	67.3%	137,164	64.7%
128	Noxious Weed	145,955	50.3%	177,779	57.0%
132	911 Communications	1,640,939	46.9%	1,641,305	46.9%
142	C.R. Drug Task Force	99,578	35.7%	110,440	57.8%
150	Regional Justice Center	4,743,472	56.4%	4,713,150	55.5%
180	Natural Resources	1,225,191	30.5%	730,438	18.2%
510	ER&R	2,005,988	53.4%	1,737,905	48.2%
530	Motor Pool	705,226	74.5%	497,264	48.9%