



- CHELAN COUNTY - MONTHLY FINANCIAL REPORT

JANUARY 2015

CHELAN COUNTY GENERAL FUND

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.

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. Current revenues are compared with projections to determine how major revenue sources are being received in light of their 2015 budget. Sales tax had a banner year in 2014 and the 2015 budget was adjusted accordingly. The first month of 2015 shows the

Revenue Category	Year-To-Date		
	Projected	Actual	Variance
Property Tax	40,350	37,289	(3,061)
Sales Tax	460,651	476,750	16,099
Prop. Tax Penalty & Interest	58,608	61,473	2,866
Building and Planning Fees	67,851	121,718	53,868
PILT	0	0	0
PUD Privilege Tax	0	0	0
Liquor X & P	5,448	5,619	170
Wenatchee Court	0	0	0
Law Enforcement Contracts	24,087	2,024	(22,064)
Recording Fees	10,511	10,581	69
Motor Vehicle Licensing	25,577	27,644	2,067
Probation Services	25,549	28,254	2,706
Interfund Payments	0	0	0
Court Fines	49,264	42,683	(6,581)
Treasury Interest	9,690	37,842	28,152
Grants\Entitlements	191,740	183,233	(8,507)
Other	101,846	124,173	22,327
Total	1,071,172	1,159,282	88,111

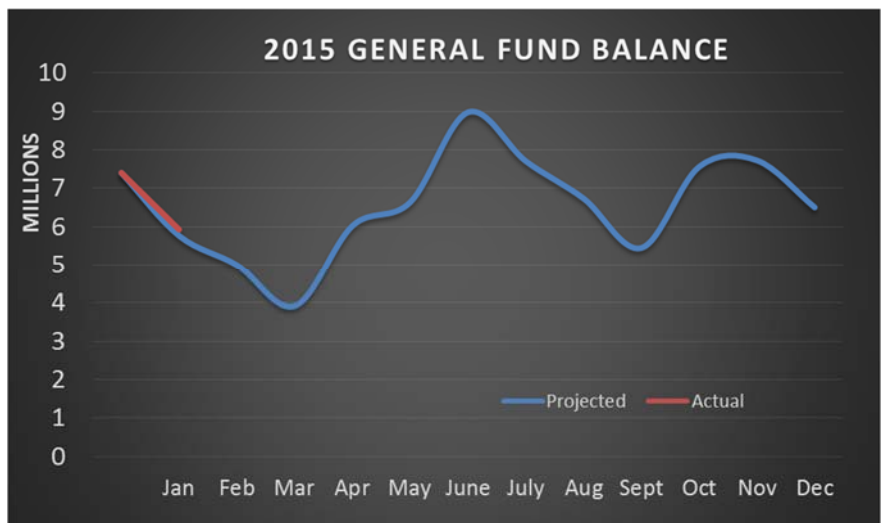
continuation of the positive sales tax trend. There are many questions about the ability of sales tax to remain strong in coming years due to annexation speculation and one-time large projects coming to an end. Revenues in January are slightly more unpredictable than most months. As departments are booking receivables to close out 2014, many January 2015 revenues are not booked as consistently as in most months. It is too early

in the year to speculate on many of the revenue sources, but the building and planning fees are off to a very strong start.

EXPENDITURES: Expenditures are projected in a similar way as revenues, but expenditures are spent more evenly than revenues are received. Salaries and wages are exceeding projection, primarily due to Sheriff's Office overtime incurred working extra patrols for the PUD. These costs will be reimbursed by the PUD. With the exception of salaries, everything else appears to be tracking close or under budget.

Expenditure Category	Year-To-Date		
	Projected	Actual	Variance
10 - Salaries & Wages	1,334,451	1,389,371	54,920
20 - Personnel Benefits	561,882	538,906	(22,976)
30 - Supplies	58,423	33,202	(25,221)
40 - Services	398,104	406,039	7,935
50 - Intergovernmental Svcs	27,444	26,091	(1,353)
90 - Interfund Payments	326,666	318,291	(8,375)
TOTAL	2,706,969	2,711,899	4,930

FUND BALANCE: The General Fund balance chart below shows the cyclical nature of the 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 PILT revenues. The 2015 General Fund budget was designed to lose \$894K. However, the budget is built conservatively, so revenues are likely to exceed budget and expenses are likely to come in under budget. Overall, the 2015 fund balance is expected to break even after the year plays out. The General fund balance is currently larger than it has ever been. This provides some stability for the County in the face of uncertain revenues.





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ALL CHELAN COUNTY FUNDS

In addition to the General Fund, Chelan County has over 50 separate funds that account for resources committed by the Commissioners or reserved by contract for specific purposes.

CASH BALANCES: The General fund has a healthy cash balance and is in better financial condition than it has ever been. The General fund cash balance trend over the past three months closely mirrors the fund balance graph. Until property taxes are collected in April, the General and County Roads funds live off their accumulated cash balance. However, there are several funds outside of the General fund that are currently borrowing cash to meet operational needs.

The Natural Resources fund is currently borrowing \$736,000 from the REET I fund to meet cash flow needs. Natural Resources is reimbursement driven and currently has \$550,000 in receivables that should go toward paying down this balance when received.

The Regional Justice Center (RJC) is borrowing \$964,000 from the Criminal Justice Sales Tax and Distressed Counties Tax funds. In the past, the RJC's billed bed revenues did not kept up with ongoing operating expenses. During 2014 however, the RJC increased the number of inmates housed at their facilities and the rate at which they are losing cash has slowed. The General fund has committed to increase its contribution during 2015 to help alleviate the debt.

A line of credit was approved in 2014 for the new Flood Control District fund. Only \$3,926 was needed to be borrowed from the General Fund as of November, but the amount is expected to grow until the new assessment can be collected in April.

BUDGET: January is 8.3% of the way through the calendar year. This percentage is a reasonable benchmark for departments with even expenditures throughout the year. However, many departments have one-time expenditures at the beginning of the year such as annual software contracts. Therefore, the actual expenditures and revenues chart is provided for department heads to evaluate their own budgetary progress. They should be aware of their own department's budget cycle and the reasons they are over or under the straight-line benchmark.

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.

Accounts Receivable Outstanding - Older than 60 Days			
Sheriff			
010145-01286	10/3/2014	Grant County DEM	7,367.91
Superior Court			
010155-00046	9/22/2014	AOC	2,962.76
Public Works			
530001-00658	10/27/2014	Chelan County Horticulture	475.00
Natural Resources			
180001-00850	11/25/2014	WA St Dept of Ecology	8,429.75
If any of these outstanding receivables have been paid, will not be paid, or need adjustment, please contact the County Auditor's Office.			

Cash Balance of Selected Funds		11/30/2014	12/31/2014	1/31/2015
010	General	9,416,296	8,264,015	7,218,229
014	Traffic Safety	64,642	70,448	14,280
110	County Roads	5,009,853	4,321,505	3,672,273
119	Ohme Gardens	76,612	69,278	62,274
124	Farm Worker Housing	70,958	175,368	173,436
125	Horticulture Pest & Disease	81,918	90,349	75,754
128	Noxious Weed	42,787	33,009	7,589
140	Cashmere-Dryden Airport	41,617	41,655	39,006
180	Natural Resources	431,586	54,486	452
190	Criminal Justice Tax	992,834	1,111,424	1,145,324
301	REET I	112,856	348,054	229,713
405	Wenatchee River Park	76,284	63,312	56,847
410	Expo Center	201,213	190,373	174,753
411	Fair	205,306	199,335	198,772
450	Regional Justice Center	189,036	239,217	317,785
510	ER&R	674,878	1,251,608	1,391,949
526	Health Insurance	2,842,161	2,735,855	2,692,800
530	Motor Pool	618,270	627,812	738,665
535	Unemployment Comp	266,652	273,099	279,376
540	Tort Claims & Insurance	608,464	888,462	830,419

Actual YTD Expenditures & Revenues w/ Percent of Annual Budget					
General Fund Departments		Expenditures		Revenues	
010	Assessor	84,548	6.7%	1,250	106.8%
015	Auditor	111,138	8.9%	30,500	3.4%
020	Community Develop.	111,307	6.6%	123,468	8.6%
030	Civil Service Comm	0	0.0%	0	-
040	Clerk	107,607	9.0%	58,072	7.2%
045	Commissioners	54,681	7.4%	663,550	5.8%
050	Coroner	12,370	5.3%	0	0.0%
052	Information Technology	76,283	9.2%	0	0.0%
055	Facilities Maintenance	86,979	5.5%	0	0.0%
065	District Court	108,184	8.3%	60,278	4.6%
066	District Court Probation	36,118	7.9%	28,449	7.8%
075	Extension Services	18,161	5.3%	15	0.0%
085	Juvenile Services	202,510	7.3%	576	0.1%
105	Non-Departmental	624,612	7.7%	0	0.0%
139	Child Support Enf.	26,003	7.5%	0	0.0%
140	Prosecuting Attorney	166,698	8.4%	10,604	2.1%
145	Sheriff	758,701	7.8%	16,570	0.6%
155	Superior Court System	75,956	6.8%	21,964	22.6%
165	Treasurer	50,044	8.1%	106,699	7.9%
170	Property Tax	0	0.0%	37,289	0.3%
General Fund Total		2,711,899	7.6%	1,159,282	3.3%
Other Funds		Expenditures		Revenues	
014	Traffic Safety	0	0.0%	3,832	2.2%
110	County Roads	443,649	2.7%	228,330	1.4%
118	Wenatchee River Park	5,060	2.1%	3,779	2.0%
119	Ohme Gardens	8,559	3.5%	916	0.4%
120	Expo Center	7,808	5.1%	0	0.0%
121	Fair	2,140	1.1%	0	0.0%
124	Farm Worker Housing	879	0.4%	73	0.0%
125	Horticulture	10,416	6.1%	251	0.2%
128	Noxious Weed	16,343	4.5%	4,421	1.3%
150	Regional Justice Center	625,364	7.9%	675,333	8.0%
180	Natural Resources	56,403	1.3%	44,030	1.0%
510	ER&R	77,857	2.1%	0	0.0%
530	Motor Pool	58,470	5.4%	0	0.0%