



- CHELAN COUNTY - MONTHLY FINANCIAL REPORT

FEBRUARY 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. While most revenues categories show small

Revenue Category	Year-To-Date		
	Projected	Actual	Variance
Property Tax	255,071	434,499	179,428
Sales Tax	1,082,742	1,353,927	271,186
Prop. Tax Penalty & Interest	128,401	139,529	11,128
Building and Planning Fees	145,621	223,801	78,180
PILT	0	0	0
PUD Privilege Tax	0	0	0
Liquor X & P	5,448	5,619	170
Wenatchee Court	16,353	15,947	(406)
Law Enforcement Contracts	578,089	602,508	24,418
Recording Fees	20,347	21,555	1,207
Motor Vehicle Licensing	50,939	53,676	2,737
Probation Services	50,568	55,285	4,717
Interfund Payments	16,922	60,000	43,078
Court Fines	106,600	84,322	(22,278)
Treasury Interest	21,169	42,294	21,124
Grants\Entitlements	348,456	282,102	(66,354)
Other	227,241	165,602	(61,639)
Total	3,053,967	3,540,664	486,697

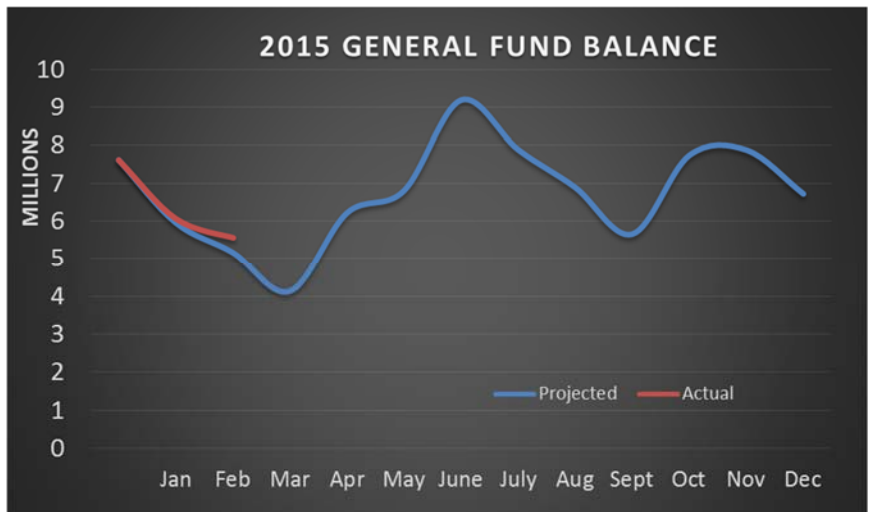
variances from projection from month to month, the majority will end up balancing out with projection by the end of the year. Sales tax and building and planning fees, however, are proving to be very strong through February and could very easily stay at these higher levels throughout the year. Building and planning fees are up, which gives hope that the building industry is continuing to strengthen. February sales tax revenue is the result of the December 2014 sales. This was the largest single month of sales tax Chelan County has ever received. According to the County Treasurer, the

increase is primarily due to the Holden Mine project and hydro-power related projects. Nonetheless, there are many questions about the ability of sales tax to remain strong in 2016 and beyond due to the City of Wenatchee annexation proposal and some large one-time projects coming to an end.

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. Interfund payments are tracking over projections due to a transfer from the General fund to Natural Resources being transacted sooner than expected.

Expenditure Category	Year-To-Date		
	Projected	Actual	Variance
10 - Salaries & Wages	2,667,109	2,761,791	94,682
20 - Personnel Benefits	1,076,772	1,070,005	(6,767)
30 - Supplies	136,154	140,177	4,023
40 - Services	869,478	816,756	(52,721)
50 - Intergovernmental Svcs	55,956	52,182	(3,774)
90 - Interfund Payments	701,067	757,113	56,046
TOTAL	5,506,535	5,598,024	91,489

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.





CHELAN COUNTY
~ AUDITOR ~
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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 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. The General fund has a healthy cash balance and is in better financial condition than it has ever been. 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 \$630,000 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. For 2015 the General fund increased its contribution for Chelan County inmates and there are plans to increase contract rates for all inmates housed in the coming years. These revenue increases should help alleviate the RJC's debt.

A line of credit was approved in 2014 for the new Flood Control fund. Only \$3,926 was borrowed from the General Fund, and that amount was paid off in February as some flood control assessments came in with early property taxes.

BUDGET: February is 16.7% 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 on the next page shows outstanding receivables older than 60 days.

Cash Balance of Selected Funds		12/31/2014	1/31/2015	2/28/2015
010	General	8,264,015	7,218,229	6,509,519
014	Traffic Safety	70,448	14,280	18,726
110	County Roads	4,321,505	3,672,273	3,783,103
118	Wenatchee River Park	63,312	56,847	52,752
119	Ohme Gardens	69,278	62,274	54,723
120	Expo Center	190,373	174,753	165,905
121	Fair	199,335	198,772	196,624
124	Farm Worker Housing	175,368	173,436	171,698
125	Horticulture Pest & Disease	90,349	75,754	74,510
128	Noxious Weed	33,009	7,589	5,005
140	Cashmere-Dryden Airport	41,655	39,006	42,084
150	Regional Justice Center	239,217	317,785	286,659
180	Natural Resources	54,486	452	113,426
190	Criminal Justice Tax	1,111,424	1,145,324	950,721
301	REET I	348,054	229,713	248,485
510	ER&R	1,251,608	1,391,949	1,152,425
526	Health Insurance	2,735,855	2,692,800	2,761,052
530	Motor Pool	627,812	738,665	560,488
535	Unemployment Comp	273,099	279,376	275,293
540	Tort Claims & Insurance	888,462	830,419	815,385

Actual YTD Expenditures & Revenues w/ Percent of Annual Budget					
General Fund Departments		Expenditures		Revenues	
010	Assessor	176,276	13.9%	1,450	123.9%
015	Auditor	213,655	17.1%	71,450	8.1%
020	Community Develop.	233,197	13.9%	225,702	15.7%
030	Civil Service Comm	0	0.0%	0	-
040	Clerk	201,086	16.8%	139,191	17.3%
045	Commissioners	114,777	15.5%	1,564,571	13.7%
050	Coroner	27,997	12.0%	0	0.0%
052	Information Technology	145,563	17.6%	0	0.0%
055	Facilities Maintenance	224,832	14.1%	0	0.0%
065	District Court	190,970	14.7%	135,891	10.3%
066	District Court Probation	72,582	16.0%	55,647	15.2%
075	Extension Services	32,724	9.5%	512	1.4%
085	Juvenile Services	425,216	15.4%	61,599	9.5%
105	Non-Departmental	1,304,428	16.1%	54,519	14.3%
139	Child Support Enf.	52,145	15.0%	0	0.0%
140	Prosecuting Attorney	325,330	16.5%	22,319	4.5%
145	Sheriff	1,585,933	16.2%	638,626	21.6%
155	Superior Court System	175,740	15.7%	22,819	23.5%
165	Treasurer	95,573	15.4%	202,868	15.0%
170	Property Tax	0	0.0%	343,499	3.0%
General Fund Total		5,598,024	15.7%	3,540,664	10.2%
Other Funds		Expenditures		Revenues	
014	Traffic Safety	0	0.0%	8,277	4.9%
110	County Roads	1,122,734	6.7%	715,350	4.5%
118	Wenatchee River Park	11,461	4.8%	5,565	2.9%
119	Ohme Gardens	17,622	7.2%	2,946	1.4%
120	Expo Center	18,034	11.8%	2,262	1.3%
121	Fair	4,816	2.6%	0	0.0%
124	Farm Worker Housing	6,805	3.0%	453	0.2%
125	Horticulture	14,160	8.2%	2,938	1.9%
128	Noxious Weed	37,924	10.4%	13,073	3.7%
150	Regional Justice Center	1,224,801	15.4%	1,339,681	15.9%
180	Natural Resources	116,951	2.7%	85,520	2.0%
510	ER&R	322,012	8.7%	350,690	9.6%
530	Motor Pool	220,881	20.5%	67,591	7.4%

Accounts Receivable Outstanding - Older than 60 Days

Sheriff				Natural Resources			
010145-01299	12/11/2014	US Marshal	294.96	180001-00950	11/25/2014	WA St Dept of Ecology	9,936.33
010145-01312	12/31/2014	PUD #2 of Grant County	37.05	180001-00961	12/31/2014	WA St Dept of Ecology	20,004.30
010145-01316	12/31/2014	PUD #1 of Chelan County	404.77	180001-00962	12/31/2014	WA St Dept of Ecology	7,413.82
010145-01318	12/31/2014	Colville Tribe Police Dept	447.50	180001-00965	12/31/2014	WA St Dept of Ecology	167,081.26
Public Works				180001-00969	12/31/2014	Recreation/Conservation Office	35,251.63
110001-00743	12/31/2014	US Forest Service	355.00	180001-00971	12/31/2014	WA St Dept of Ecology	795.14
401001-02789	12/4/2014	Leavenworth Pest Control	60.00	180001-00973	12/31/2014	Recreation/Conservation Office	83,324.15
401001-02796	12/4/2014	Servicemaster	129.00	180001-00974	12/31/2014	HCP Tributary Committee	0.02
401001-02815	12/31/2014	Fred Dowdy Co Inc	258.00	180001-00983	12/31/2014	Bonneville Power Admin	136,492.26
401001-02822	12/31/2014	Precise Carpeting & Painting	20.00	180001-00984	12/31/2014	WA St Dept of Ecology	17,427.60
401001-02823	12/31/2014	Renovation Masters LLC	176.00	180001-00985	12/31/2014	WA St Dept of Ecology	62,658.59
401001-02825	12/31/2014	Servicemaster	434.00	180001-00986	12/31/2014	WA St Dept of Ecology	956.32
403001-00368	12/8/2014	WA St Dept of Ecology	41,807.10	180001-00987	12/31/2014	WA St Dept of Ecology	2,944.92
403001-00370	12/31/2014	WA St Dept of Ecology	42,225.76	180001-00988	12/31/2014	WA St Dept of Ecology	1,718.08
430001-00030	12/31/2014	WA St Dept of Ecology	33,433.82	180001-00989	12/31/2014	WA St Dept of Ecology	272.04
530001-00709	12/31/2014	Chelan County DIS	5.72	180001-00990	12/31/2014	WA St Dept of Ecology	253.82
530001-00714	12/31/2014	Chelan County Auditor	202.80	180001-00991	12/31/2014	Dept of Natural Resources	12,192.99
Regional Justice Center				180001-00992	12/31/2014	Nat Res Conservation Service	15,999.02
450001-03094	12/31/2014	Chelan County Commissioners	1,076.00	180001-00993	12/31/2014	Chelan Co Current Expense	6,752.21
				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.