



# - CHELAN COUNTY - MONTHLY FINANCIAL REPORT

## APRIL 2017

**Prior-year 2016 data reflects financial data posted as of April 30, 2017. Additional audit related year-end entries could occur, impacting prior-year 2016 amounts.**

The General fund is Chelan County's major operating fund. It has a budget of \$37.9 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 2017 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                 | 4,974,469         | 5,172,722         | 198,253          |
| Sales Tax                    | 2,222,625         | 2,465,458         | 242,833          |
| Prop. Tax Penalty & Interest | 307,200           | 280,258           | (26,942)         |
| Building and Planning Fees   | 551,231           | 602,313           | 51,081           |
| Liquor X & P                 | 68,319            | 72,111            | 3,792            |
| Law Enforcement Contracts    | 722,528           | 1,295,585         | 573,057          |
| Recording Fees               | 43,855            | 45,933            | 2,078            |
| Motor Vehicle Licensing      | 129,244           | 135,763           | 6,520            |
| Probation Services           | 129,629           | 129,707           | 78               |
| Interfund Payments           | 496,699           | 547,142           | 50,443           |
| Court Fines                  | 193,627           | 189,041           | (4,586)          |
| Treasury Interest            | 47,401            | 56,075            | 8,674            |
| Grants\Entitlements          | 736,912           | 789,735           | 52,823           |
| Other                        | 578,996           | 726,355           | 147,359          |
| <b>Total</b>                 | <b>11,255,126</b> | <b>12,553,771</b> | <b>1,298,645</b> |

April sales tax was nearly \$430,000. While this is lower than the same month last year, it is still a historically high number and exceeds budget for the month of \$429,000. The amount is reflective of sustained growth in retail sales the last several years. Sales tax revenue has exceeded budget early in the year. However, the impact of past annexations must still be monitored closely.

Revenue categories with negative variances are expected to catch up as the year progresses. These are typically due to the timing of billing cycles that vary from year to year.

**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 2017 expenditures in relation to the budget.

Most expenditure categories are under budget through April.

| Expenditure Category        | Year-To-Date      |                   |                  |
|-----------------------------|-------------------|-------------------|------------------|
|                             | Projected         | Actual            | Variance         |
| 10 - Salaries & Wages       | 5,748,808         | 5,799,512         | 50,704           |
| 20 - Personnel Benefits     | 2,400,696         | 2,264,657         | (136,039)        |
| 30 - Supplies               | 328,612           | 261,937           | (66,675)         |
| 40 - Services               | 1,948,238         | 1,966,536         | 18,297           |
| 50 - Intergovernmental Svcs | 115,275           | 97,597            | (17,678)         |
| 90 - Interfund Payments     | 1,889,748         | 1,866,269         | (23,480)         |
| <b>TOTAL</b>                | <b>12,431,378</b> | <b>12,256,507</b> | <b>(174,871)</b> |

While the "Services" category is running slightly over budget, the General Fund as a whole is well under budget. April is still too early in the year to gauge how any trends might continue throughout the rest 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.

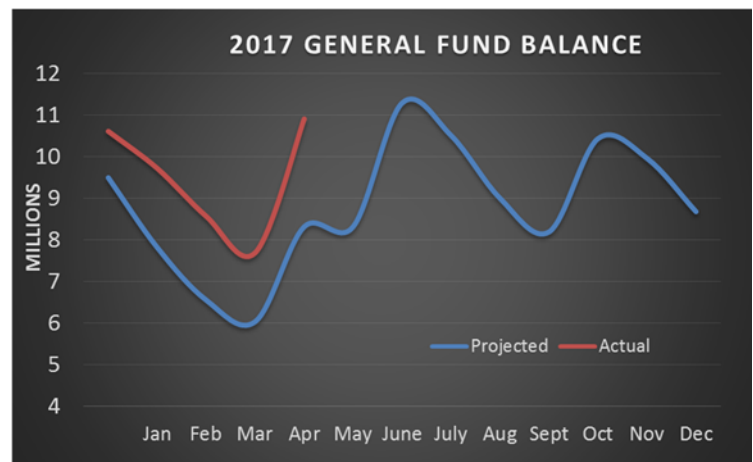
Because year-to-date revenues are strong and expenditures are slower than usual, the General Fund balance is above the projection line and 2017 appears to be off to a good start.

The General Fund balance is currently \$2,000,000 more than projection. The actual line is expected to move slightly closer to the projected line as year-end bills are paid and expenditures for 2017 ramp up.



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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/May and October each year, the General and County Roads funds live off their accumulated cash balance.

| Cash Balance of Selected Funds |                             | 2/28/2017  | 3/31/2017 | 4/30/2017  |
|--------------------------------|-----------------------------|------------|-----------|------------|
| 010                            | General                     | 10,447,040 | 9,387,301 | 12,413,186 |
| 014                            | Traffic Safety              | 221,609    | 231,242   | 236,886    |
| 103                            | Solid Waste Planning        | 36,655     | 92,862    | 84,659     |
| 110                            | County Roads                | 2,252,635  | 1,682,556 | 3,785,663  |
| 118                            | Wenatchee River Park        | 75,663     | 63,465    | 72,308     |
| 119                            | Ohme Gardens                | 36,750     | 30,170    | 29,335     |
| 120                            | Expo Center                 | 326,897    | 318,454   | 311,883    |
| 121                            | Fair                        | 321,002    | 317,976   | 350,155    |
| 124                            | Farm Worker Housing         | 35,745     | 107,834   | 95,842     |
| 125                            | Horticulture Pest & Disease | 8,681      | 66        | 15,939     |
| 128                            | Noxious Weed                | 38,361     | 41,845    | 121,956    |
| 140                            | Cashmere-Dryden Airport     | 67,032     | 65,490    | 67,394     |
| 150                            | Regional Justice Center     | 389,168    | 405,358   | 238,176    |
| 180                            | Natural Resources           | 645        | 514       | 82,210     |
| 190                            | Criminal Justice Tax        | 2,539,408  | 2,581,304 | 2,641,930  |
| 301                            | REET I                      | 870,242    | 840,362   | 1,152,803  |
| 510                            | ER&R                        | 1,785,144  | 2,263,517 | 2,375,124  |
| 526                            | Health Insurance            | 3,544,492  | 3,463,601 | 3,543,474  |
| 530                            | Motor Pool                  | 602,192    | 613,446   | 572,413    |
| 535                            | Unemployment Comp           | 291,145    | 294,417   | 279,905    |
| 540                            | Tort Claims & Insurance     | 614,094    | 778,560   | 775,903    |

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

Natural Resources fund is currently borrowing \$298,300 from the REET I to provide funds until reimbursement of 2016 billed projects and \$263,100 for 2017 projects.

**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  |            |                                 |           |
|---|------------|---------------------------------|-----------|
| <b>Clerk</b>  |            |                                 |           |
| 010040-00912  | 1/11/2017  | Julie Anderson                  | 200.00    |
| 010040-00974  | 2/22/2017  | Julie Anderson                  | 200.00    |
| 010040-00975  | 2/22/2017  | John Beuhler Law Firm           | 200.00    |
| 010040-00976  | 2/22/2017  | JC Brown Law Office             | 200.00    |
| 010040-00977  | 2/22/2017  | Carlson, McMahan & Sealby       | 600.00    |
| 010040-00978  | 2/22/2017  | Central Washington Title Svcs   | 500.00    |
| 010040-00980  | 2/22/2017  | Dodge Forman & Zimmerman PLL    | 500.00    |
| 010040-00981  | 2/22/2017  | Tony Ditommaso                  | 300.00    |
| 010040-00983  | 2/22/2017  | The Moore Law Firm              | 300.00    |
| <b>Superior Court</b>   |            |                                 |           |
| 01055-00072   | 2/7/2017   | AOC                             | 4,848.70  |
| <b>Public Works</b>   |            |                                 |           |
| 101001-00784  | 12/31/2016 | Leavenworth Roofing LLC         | 20.00     |
| 101001-00816  | 2/10/2017  | Leavenworth Roofing LLC         | 60.00     |
| <b>County Roads</b>   |            |                                 |           |
| 110001-00932  | 12/9/2016  | Charter Communications-ROW      | 1,350.00  |
| <b>Horticulture</b>   |            |                                 |           |
| 125001-00032  | 12/31/2015 | Theo Collier                    | 310.00    |
| <b>Noxious Weed</b>   |            |                                 |           |
| 128001-00162  | 2/9/2017   | WA St Dept of Natural Resources | 77.00     |
| <b>Regional Justice Center</b>  |            |                                 |           |
| 150001-00606  | 2/28/2017  | Juvenile Rehab Admin Reg 1      | 170.00    |
| <b>Natural Resources</b>  |            |                                 |           |
| 180001-00994  | 12/31/2014 | WA St Dept of Ecology           | 12,192.99 |
| <b>Motor Pool</b>   |            |                                 |           |
| 530001-01316  | 2/16/2017  | Chelan Co Noxious Weed Board    | 322.00    |
| If any of these outstanding receivables have been paid, will not be paid, or need adjustment, please contact the County Auditor's Office. |            |                                 |           |

**Budget:** April is 33% 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 if they are over or under their straight-line benchmark.

The actual YTD expenditures and revenues chart (below) is provided for department heads to evaluate if they are over or under the straight-line benchmark. This chart is not a comprehensive list of all county funds, rather it displays the most active funds.

| Actual YTD Expenditures & Revenues w/ Percent of Annual Budget |                          |              |       |            |        |
|--|--------------------------|--------------|-------|------------|--------|
| General Fund Departments                                       |                          | Expenditures |       | Revenues   |        |
| 010  | Assessor                 | 420,502      | 31.4% | 15         | 1.3%   |
| 015  | Auditor                  | 425,657      | 34.2% | 232,274    | 23.9%  |
| 020  | Community Develop.       | 568,059      | 28.1% | 622,181    | 34.7%  |
| 030  | Human Resources          | 38,458       | 23.3% | 145        | 100.0% |
| 040  | Clerk                    | 422,591      | 33.5% | 295,720    | 43.6%  |
| 045  | Commissioners            | 225,495      | 32.3% | 2,967,441  | 22.8%  |
| 050  | Coroner                  | 69,894       | 28.6% | 7,362      | 49.1%  |
| 052  | Information Technology   | 259,538      | 28.4% | 45,095     | 27.5%  |
| 055  | Facilities Maintenance   | 489,358      | 29.1% | 220,823    | 32.2%  |
| 065  | District Court           | 451,511      | 32.3% | 325,902    | 27.6%  |
| 066  | District Court Probation | 161,280      | 31.0% | 130,965    | 30.8%  |
| 075  | Extension Services       | 85,078       | 24.1% | 778        | 2.6%   |
| 085  | Juvenile Services        | 954,021      | 32.0% | 171,299    | 25.2%  |
| 105  | Non-Departmental         | 2,974,833    | 33.5% | 160,481    | 37.3%  |
| 139  | Child Support Enf.       | 115,349      | 31.4% | 126,349    | 30.8%  |
| 140  | Prosecuting Attorney     | 728,197      | 33.5% | 116,674    | 20.3%  |
| 145  | Sheriff                  | 3,243,860    | 30.9% | 1,490,270  | 43.6%  |
| 155  | Superior Court System    | 421,399      | 32.5% | 32,618     | 34.9%  |
| 165  | Treasurer                | 201,430      | 32.5% | 434,654    | 31.9%  |
| 170  | Property Tax             | -            | 0.0%  | 5,172,722  | 43.4%  |
| General Fund Total   |                          | 12,256,507   | 31.7% | 12,553,771 | 33.2%  |
| Other Funds  |                          | Expenditures |       | Revenues   |        |
| 014  | Traffic Safety           | 30,169       | 11.5% | 147,733    | 56.5%  |
| 101  | Solid Waste              | 436,576      | 15.1% | 445,391    | 15.4%  |
| 103  | Solid Waste Planning     | 33,518       | 7.6%  | 90,744     | 20.5%  |
| 110  | County Roads             | 3,401,714    | 17.9% | 4,454,884  | 23.5%  |
| 118  | Wenatchee River Park     | 64,236       | 24.7% | 45,805     | 17.6%  |
| 119  | Ohme Gardens             | 52,464       | 18.7% | 24,708     | 8.8%   |
| 120  | Expo Center              | 45,681       | 18.1% | 9,364      | 3.7%   |
| 121  | Fair                     | 24,072       | 8.8%  | 38,600     | 14.1%  |
| 124  | Farm Worker Housing      | 32,952       | 7.8%  | 29         | 0.0%   |
| 125  | Horticulture             | 58,649       | 26.5% | 42,861     | 19.4%  |
| 128  | Noxious Weed             | 91,937       | 24.1% | 138,151    | 36.2%  |
| 132  | 911 Communications       | 1,137,907    | 32.0% | 1,136,620  | 31.9%  |
| 142  | C.R. Drug Task Force     | 114,084      | 25.1% | 39,198     | 8.6%   |
| 150  | Regional Justice Center  | 2,799,544    | 33.4% | 2,752,569  | 32.9%  |
| 163  | Comm. Svc & Housing      | 281,341      | 35.2% | 177,627    | 22.2%  |
| 180  | Natural Resources        | 722,684      | 15.8% | 573,821    | 12.6%  |
| 510  | ER&R                     | 959,996      | 16.5% | 1,043,920  | 18.0%  |
| 530  | Motor Pool               | 371,507      | 24.7% | 290,384    | 19.3%  |