



- CHELAN COUNTY - MONTHLY FINANCIAL REPORT

OCTOBER 2017

Current-year 2017 data reflects financial data posted as of November 13, 2017. Amounts could change later as journal entries occur for prior months.

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	10,522,798	10,714,807	192,009
Sales Tax	6,304,759	6,142,896	(161,863)
Prop. Tax Penalty & Interest	703,355	671,706	(31,649)
Building and Planning Fees	1,585,274	1,605,746	20,473
Liquor X & P	196,776	173,449	(23,327)
Law Enforcement Contracts	2,667,794	2,616,175	(51,619)
Recording Fees	123,932	136,109	12,177
Motor Vehicle Licensing	370,530	394,243	23,713
Probation Services	327,215	331,082	3,867
Interfund Payments	1,361,323	1,387,109	25,787
Court Fines	547,466	536,927	(10,539)
Treasury Interest	143,191	248,651	105,460
Grants\Entitlements	1,961,481	1,917,724	(43,757)
Other	1,578,505	1,770,108	191,603
Total	32,665,212	32,820,438	155,226

October sales tax was just under \$634,000. For the sixth month in a row, sales tax came in under budget (\$761,842), and under the amount received in the previous year (\$732,443). Sales tax receipts are -2.6% below budget for the year-to-date. The County is currently projecting a deficit of just over \$1.1 million for the year. The 2017 budget assumed a deficit of \$812,760. The decline in sales tax is likely the result of changes in retail sales throughout the year as well as the impact of recent annexations.

Some of the categories with negative variances are expected to catch up by the end of the year. 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.

All expenditure categories are under budget through October.

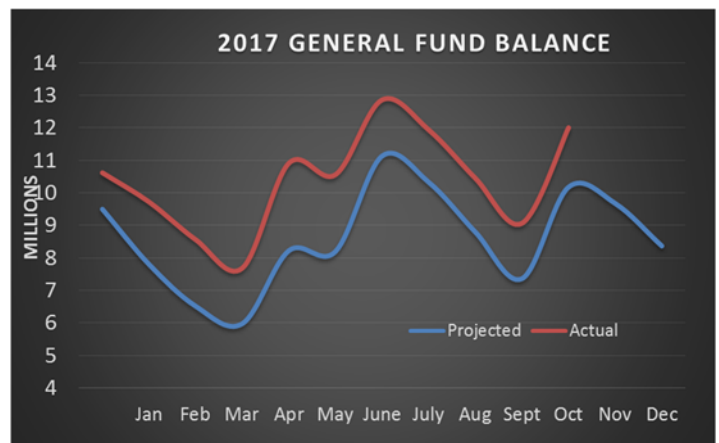
Expenditure Category	Year-To-Date		
	Projected	Actual	Variance
10 - Salaries & Wages	14,865,430	14,775,632	(89,797)
20 - Personnel Benefits	6,027,454	5,754,190	(273,264)
30 - Supplies	805,428	801,209	(4,219)
40 - Services	5,137,008	5,049,596	(87,411)
50 - Intergovernmental Svcs	276,402	254,848	(21,554)
90 - Interfund Payments	4,873,866	4,800,435	(73,432)
TOTAL	31,985,588	31,435,910	(549,678)

It is expected the Personnel Benefits line item will be closer to budget by year-end as benefit rate hikes that took effect mid-year continue, and year-end conversion of excess leave to VEBA accounts occurs, for eligible employees. With the increase in General Fund deficit, including October monthly activity, the level of expenditures will be monitored 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 ahead of budget and expenditures are slower than usual, the General Fund balance is above the projection but the positive gap is declining.

The General Fund balance is currently \$1,800,000 more than the projection. The actual line is expected to move closer to the projected line as year-end bills are paid and contracts and purchases are closed-out between now and the end of the year.



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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		8/31/2017	9/30/2017	10/31/2017
010	General	12,387,191	10,883,777	13,932,972
014	Traffic Safety	211,754	218,179	225,035
103	Solid Waste Planning	151,629	141,790	148,451
110	County Roads	1,946,786	1,413,770	3,596,997
118	Wenatchee River Park	145,272	157,244	161,738
119	Ohme Gardens	77,687	78,381	70,259
120	Expo Center	363,146	381,864	423,891
121	Fair	356,304	434,277	403,407
124	Farm Worker Housing	98,769	67,605	39,012
125	Horticulture Pest & Disease	5,456	701	45,986
128	Noxious Weed	68,772	47,300	108,079
140	Cashmere-Dryden Airport	4,245	241	430
150	Regional Justice Center	397,088	304,792	331,845
180	Natural Resources	184	850	238,389
190	Criminal Justice Tax	2,506,450	2,385,742	2,609,168
301	REET I	634,987	125,892	741,483
510	ER&R	2,190,338	2,082,451	1,887,584
526	Health Insurance	3,440,297	3,532,791	3,681,328
530	Motor Pool	490,844	440,262	467,939
535	Unemployment Comp	290,169	293,647	297,207
540	Tort Claims & Insurance	898,225	479,301	358,080

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

Natural Resources fund is currently borrowing \$721,400 from the REET I fund to provide resources until reimbursement of billed projects later in the year.

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			
Auditor			
010015-02445	7/3/2017	ESD-June 2017 Recording	62.00
Sheriff			
010145-01576	7/12/2017	WA Traf Safety Comm/Emphasis P	516.10
010145-01587	8/31/2017	US DOJ Reimb/Bullet Proof Vest	974.54
Public Works			
101001-1053	8/3/2017	Dryden July-Lake Wenatchee St Pa	27.00
County Roads			
110001-01006	7/17/2017	Charter Comm. ROW Permit	315.00
Wenatchee River County Park			
118001-00018	8/29/2017	Migrant Housing Camp	200.00
Noxious Weed			
128001-00174	7/11/2017	Mark & Vanessa Long	682.80
Regional Justice Center			
150001-00751	8/31/2017	YWCA-August 2017 Billing	12.75
Natural Resources			
180001-00994	12/31/2014	WA St Dept of Ecology	12,192.99
Criminal Justice Sales Tax			
190001-00002	8/23/2017	US DOJ-BVP Grant	2,429.47
If any of these outstanding receivables have been paid, will not be paid, or need adjustment, please contact the County Auditor's Office.			

Budget: October is 83.3% 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 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	1,037,978	77.4%	3,064	261.9%
015	Auditor	1,064,364	85.5%	684,825	70.3%
020	Community Develop.	1,475,577	75.6%	1,638,707	91.4%
025	Fire Prevention & Invest.	43,340	62.7%	2,050	-
030	Human Resources	127,660	77.3%	145	100.0%
040	Clerk	1,045,473	82.8%	693,613	102.2%
045	Commissioners	566,300	81.1%	11,245,392	86.3%
050	Coroner	187,286	76.6%	14,874	99.2%
052	Information Technology	689,756	75.6%	126,977	77.5%
055	Facilities Maintenance	1,299,009	77.3%	567,900	82.9%
065	District Court	1,132,967	80.5%	925,718	78.3%
066	District Court Probation	414,340	79.7%	370,098	87.2%
075	Extension Services	252,783	71.5%	23,003	75.4%
085	Juvenile Services	2,418,758	81.2%	528,155	77.6%
105	Non-Departmental	7,438,041	81.7%	306,952	71.4%
139	Child Support Enf.	288,935	78.6%	221,863	54.1%
140	Prosecuting Attorney	1,820,661	82.0%	453,980	78.8%
145	Sheriff	8,543,880	81.2%	3,032,795	88.8%
155	Superior Court System	1,084,908	83.6%	59,499	63.6%
165	Treasurer	503,896	81.4%	1,206,021	88.5%
170	Property Tax	-	0.0%	10,714,807	89.9%
General Fund Total		31,435,910	80.6%	32,820,438	86.7%
Other Funds		Expenditures		Revenues	
014	Traffic Safety	90,507	34.6%	196,220	75.1%
101	Solid Waste	1,785,238	61.7%	2,004,711	69.3%
103	Solid Waste Planning	83,849	18.9%	187,934	42.4%
110	County Roads	12,194,615	64.3%	12,031,561	63.4%
118	Wenatchee River Park	205,717	79.0%	274,103	105.2%
119	Ohme Gardens	193,906	68.9%	210,659	74.9%
120	Expo Center	122,472	48.4%	196,923	77.8%
121	Fair	185,080	67.8%	251,582	92.1%
124	Farm Worker Housing	269,586	64.2%	168,394	40.1%
125	Horticulture	171,520	77.5%	185,164	83.6%
128	Noxious Weed	260,410	68.2%	291,170	76.3%
132	911 Communications	2,650,086	74.4%	2,650,722	74.5%
142	C.R. Drug Task Force	198,501	43.7%	161,660	35.6%
150	Regional Justice Center	6,941,930	82.9%	6,868,354	82.0%
163	Comm. Svc & Housing	546,668	68.3%	479,371	59.9%
180	Natural Resources	3,593,741	78.7%	3,285,238	72.0%
510	ER&R	2,603,682	44.8%	2,517,223	43.3%
530	Motor Pool	902,980	60.1%	776,805	51.7%