- CHELAN COUNTY -

MONTHLY FINANCIAL REPORT

AUGUST 2014

CHELAN COUNTY GENERAL FUND

The General fund is Chelan County's major operating fund. It has a budget of almost $34 million and is comprised of administrative functions, building and planning permits, Sheriff's operations, juvenile housing, criminal prosecution, and the courts.

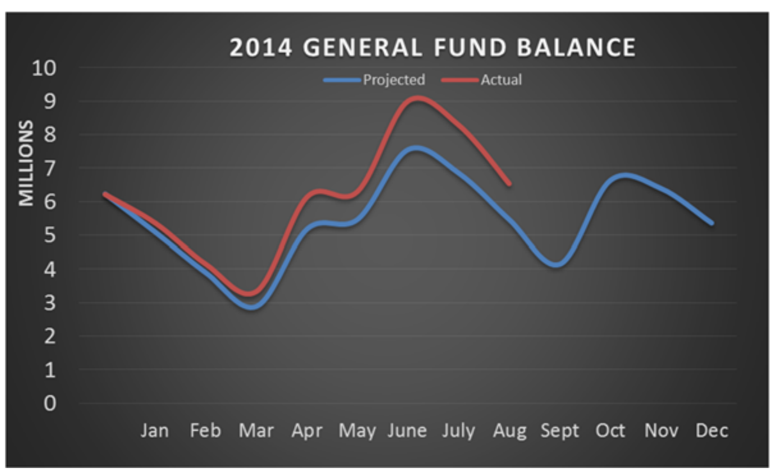
REVENUE: To get a picture of the economic and operational functions that drive revenue, the General fund revenues have been categorized by major revenue source and projected based on prior year history. Current revenues are compared with projections to determine how major revenue sources are being received in light of their 2014 budget. Sales tax revenues continue to come in strong through August as they are now 14% over projection year-to-date. The majority of General Fund revenues are coming in at or above budget. Building and Planning fees and Probation Services are well above projections. The Wenatchee Court billings are lagging by one month compared to prior year's billings but should catch up by the end of the year. Recording fees are slower than they have been in over a decade. This continues to point to few real estate transactions as these make up the bulk of the recording fees.

Revenue Category	Year-To-Date Projected	Actual	Variance
Property Tax	6,187,227	6,290,524	103,297
Sales Tax	3,678,536	4,199,870	521,334
Prop. Tax Penalty & Interest	643,663	638,491	**(5,172)**
Building and Planning Fees	782,809	1,009,675	226,866
PILT	2,313,500	2,608,906	295,406
PUD Privilege Tax	1,100,000	1,246,269	146,269
Liquor X & P	44,116	74,990	30,874
Wenatchee Court	145,163	121,521	**(23,643)**
Law Enforcement Contracts	1,690,847	1,821,379	130,533
Recording Fees	106,757	80,695	**(26,062)**
Motor Vehicle Licensing	297,614	290,168	**(7,446)**
Probation Services	162,544	228,151	65,607
Interfund Payments	937,504	979,128	41,624
Court Fines	476,458	486,052	9,594
Treasury Interest	116,026	126,418	10,392
Grants\Entitlements	1,410,659	1,442,487	31,828
Other *	1,179,315	1,410,644	231,330
Total	**21,272,737**	**23,055,370**	**1,782,633**

EXPENDITURES: Expenditures are projected in a similar way as revenues, but expenditures are spent more evenly than revenues are received. Salaries and Wages are currently running over projection, much of which is related to overtime in the Sheriff's Office during the many fires around Chelan County. Fortunately, much of the fire control expenses will eventually be reimbursed. During August, the Board of Commissioners authorized a one-time transfer of $500,000 from the General fund to the Motor Pool fund to solve cash flow and billing cycle issues. This resulted in a large bump in the interfund payments category. The overall General fund expenditure budget is tracking over projection, but budget adjustments have been made to remain under budget.

Expenditure Category	Year-To-Date Projected	Actual	Variance
10 - Salaries & Wages	10,501,416	10,649,550	**148,134**
20 - Personnel Benefits	4,231,458	4,113,824	(117,634)
30 - Supplies	502,492	508,190	**5,698**
40 - Services	3,466,376	3,518,485	**52,109**
50 - Intergovernmental Svcs	244,313	268,673	**24,360**
90 - Interfund Payments	3,094,582	3,673,882	**579,300**
TOTAL	**22,040,637**	**22,732,604**	**691,967**

FUND BALANCE: The General Fund balance chart shows the cyclical nature of the Chelan County's cash flow. The increases in April and October coincide with the due dates of the first and second half of property taxes. The increase in June coincides with the once-a-year PUD Privilege and PILT revenues. The 2014 General Fund budget was conservatively designed to lose $863K. The $500,000 Motor Pool transfer brought the actual fund balance line closer to the projected line. Nonetheless, revenues have been strong during 2014, and the General fund should end up breaking even by the end of the year.



CHELAN COUNTY ~ AUDITOR ~

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Also available online at http://www.co.chelan.wa.us/

ALL CHELAN COUNTY FUNDS

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

CASH BALANCES: 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. If these funds are not able to repay the loans in a reasonable amount of time, the General fund is ultimately responsible to make the lending fund whole. The Natural Resources fund is currently borrowing $677,000 from the REET I and ER&R funds to meet cash flow needs because they are substantially funded by reimbursement grants and do not have the cash to make the initial outflows. The Regional Justice Center (RJC) is borrowing $964,000 from the Criminal Justice Sales Tax and Distressed Counties Tax funds. Over the past couple years, the RJC's billed bed revenues have not kept up with ongoing operating expenses. However, during the first half of 2014, the RJC increased the number of inmates housed at their facilities and their cash flow appears to have leveled out in the last few months. The Motor Pool fund had been borrowing $137,000 from Equipment Rental & Revolving, but after the $500,000 transfer from the General Fund it was able to clear the loan during August. In addition to the existing loans, the Commissioners have proposed the authorization of a loan to the new Flood Control District fund for $205,000. This is expected to be repaid after the new assessment starts in 2015.

BUDGET: August is 66.7% of the way through the calendar year. This percentage is a reasonable benchmark for departments that have 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 verses budget 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		6/30/2014	7/31/2014	8/31/2014
010	General	10,117,243	9,693,566	8,051,690
014	Traffic Safety	44,471	51,457	(31,620)
110	County Roads	6,430,783	5,770,784	4,322,534
119	Ohme Gardens	61,860	71,629	92,372
124	Farm Worker Housing	196,851	206,004	184,187
125	Horticulture Pest & Disease	83,935	91,772	81,737
128	Noxious Weed	39,663	28,140	8,894
140	Cashmere-Dryden Airport	41,215	44,448	43,898
180	Natural Resources	376	145,897	67,576
190	Criminal Justice Tax	744,383	815,897	891,679
301	REET I	511,739	403,699	416,522
405	Wenatchee River Park	58,546	75,636	79,080
410	Expo Center	105,537	115,179	117,518
411	Fair	130,121	132,250	86,167
450	Regional Justice Center	415,927	450,166	409,732
510	ER&R	1,098,033	747,088	1,073,134
526	Health Insurance	2,528,257	2,602,854	2,782,064
530	Motor Pool	6,416	74,901	463,443
535	Unemployment Comp	240,607	246,733	251,622
540	Tort Claims & Insurance	938,369	934,097	921,487

Actual YTD Expenditures and Revenues with Percent of Annual Budget

General Fund Departments		Expenditures		Revenues	
010	Assessor	726,327	60.7%	1,103	3.2%
015	Auditor	741,865	64.5%	488,724	55.0%
020	Community Development	971,716	57.0%	1,056,306	85.7%
030	Civil Service Comm	1,900	17.1%	0	-
040	Clerk	708,139	62.6%	561,279	70.7%
045	Commissioners	454,996	64.1%	8,820,613	86.0%
050	Coroner	146,285	63.4%	15,831	105.5%
052	Information Technology	457,659	63.1%	57,530	50.0%
055	Facilities Maintenance	950,675	62.1%	299,543	50.3%
065	District Court	804,998	62.1%	822,835	64.3%
066	District Court Probation	288,948	64.9%	259,372	88.2%
075	Extension Services	206,961	67.4%	14,833	40.6%
085	Juvenile Services	1,747,984	64.2%	405,241	62.6%
105	Non-Departmental	5,569,262	68.7%	196,552	36.0%
139	Child Support Enforcement	208,578	54.2%	204,002	48.5%
140	Prosecuting Attorney	1,213,810	64.0%	288,676	55.0%
145	Sheriff	6,460,519	68.1%	2,279,571	75.8%
155	Superior Court System	678,642	63.6%	46,561	47.9%
165	Treasurer	393,339	63.2%	946,274	72.2%
170	Property Tax Transfer	0	0.0%	6,290,524	57.0%
General Fund Total		22,732,604	65.4%	23,055,370	69.6%

Other Funds		Expenditures		Revenues	
014	Traffic Safety	222,187	79.3%	284,437	113.8%
110	County Roads	8,318,252	47.7%	7,414,726	45.7%
119	Ohme Gardens	148,950	59.0%	143,348	65.2%
124	Farm Worker Housing	125,175	55.7%	98,838	44.8%
125	Horticulture	74,333	53.4%	99,057	81.4%
128	Noxious Weed	179,130	53.3%	156,236	46.3%
180	Natural Resources	1,961,584	55.4%	1,153,949	33.0%
405	Wenatchee River Park	146,011	60.5%	155,452	80.9%
410	Expo Center	85,222	57.1%	92,974	53.1%
411	Fair	82,079	46.9%	71,168	40.0%
450	Regional Justice Center	5,140,149	63.9%	5,226,621	64.9%
510	ER&R	2,423,976	61.5%	1,749,198	43.5%
530	Motor Pool	762,490	74.9%	1,118,539	118.9%

Accounts Receivable Outstanding - Older than 60 Days

Auditor			
010015-01923	4/8/2014	DSHS - MA	64.00
010015-01927	4/10/2014	Dept of Licensing	2,232.47
Community Development			
010020-00151	6/12/2014	Chelan County Public Works	285.00
Facilities Maintenance			
010055-00050	6/30/2014	Chelan County Fair	1,359.12
Sheriff			
010145-01238	6/4/2014	Rivercom	1,291.21
010145-01246	6/19/2014	Snohomish Co Sheriffs Office	1,488.38
Superior Court			
010155-00041	2/24/2014	AOC	137.30
Public Works			
110001-00680	6/5/2014	PUD No 1 Chelan County	80.00
110001-00685	6/9/2014	AT&T Mobility	8,446.22
401001-02609	6/2/2014	Smith Excavation	353.00
510001-00938	4/7/2014	Chelan Co ER&R	883.70
510001-00957	6/23/2014	Chelan County Coroner	36.16
530001-00501	4/7/2014	Chelan County Coroner	159.49
530001-00555	6/20/2014	Chelan Co Noxious Weed Board	41.31
Horticulture Pest & Disease			
125001-00019	12/31/2013	Douglas County	19,266.58
125001-00021	4/8/2014	Douglas County	10,379.21
Natural Resources			
180001-00884	12/31/2013	Nat Res Conservation Service	17,759.65
180001-00886	12/31/2013	Recreation/Conservation Office	4,377.73
180001-00889	12/31/2013	HCP Tributary Committee	5,154.02
180001-00893	4/11/2014	WA St Dept of Ecology	4.15
180001-00909	6/20/2014	HCP Tributary Committee	116.00
Substance Abuse			
193001-00221	2/4/2014	DSHS	13,701.08
193001-00232	3/28/2014	DSHS	43,143.27
193001-00234	4/8/2014	DSHS	7,241.02
Regional Justice Center			
450001-02717	12/10/2013	Department of Corrections	127.61
450001-02802	4/10/2014	Department of Corrections	50.12
450001-02813	4/10/2014	YWCA	118.75
450001-02837	5/1/2014	Department of Corrections	3,043.80
450001-02845	5/1/2014	City of North Bend	3,290.00
450001-02856	5/13/2014	YWCA	187.25
450001-02873	6/4/2014	YWCA	67.00
450001-02880	6/4/2014	City of North Bend	2,030.00
450001-02888	6/30/2014	Department of Corrections	65,785.84
450001-02891	6/30/2014	Chelan County Motor Pool	120.00
450001-02898	6/30/2014	YWCA	221.00

If any of these outstanding receivables have been paid, will not be paid,or need adjustment, please contact the County Auditor's Office.