- CHELAN COUNTY -
MONTHLY FINANCIAL REPORT
NOVEMBER 2014

CHELAN COUNTY GENERAL FUND

The General fund is Chelan County's major operating fund. It has an adjusted budget of $35 million and is comprised of administrative functions, building and planning permits, Sheriff's operations, juvenile housing, criminal prosecution, and the courts.

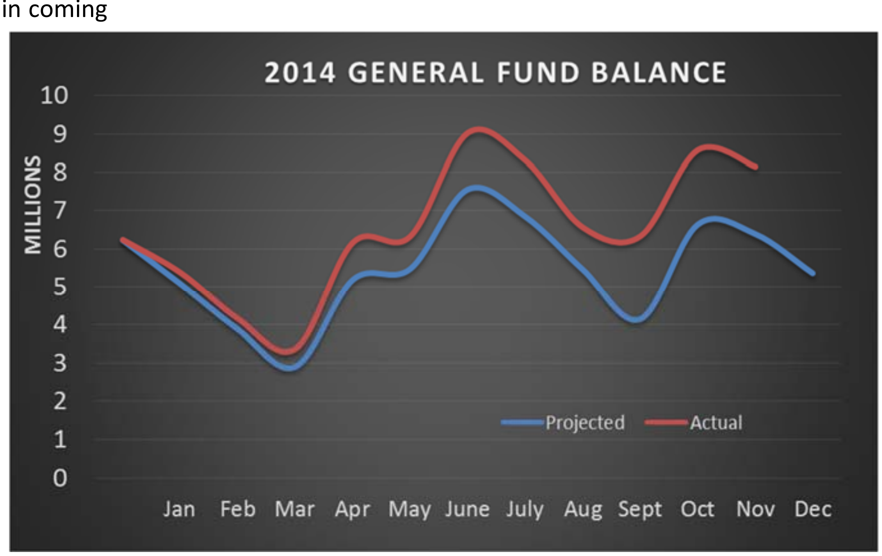
REVENUE: To get a picture of the economic and operational functions that drive revenue, the General fund revenues have been categorized by major revenue source and projected based on a five-year history. Current revenues are compared with projections to determine how major revenue sources are being received in light of their 2014 budget. Sales tax has increasingly exceeded budget projections as the year has progressed and is expected to come in approximately $1 million stronger than budgeted. 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. Still, other revenue sources such as building and planning fees are showing promise of a stronger revenue base. Law enforcement contracts will finish the year above projection due to unbudgeted services provided to Grant County PUD for shoreline patrols.

	Year-To-Date		
Revenue Category	**Projected**	**Actual**	**Variance**
Property Tax	10,957,229	11,100,637	143,409
Sales Tax	5,367,017	6,274,094	907,077
Prop. Tax Penalty & Interest	862,578	808,541	**(54,036)**
Building and Planning Fees	1,091,896	1,332,119	240,223
PILT	2,313,500	2,608,906	295,406
PUD Privilege Tax	1,100,000	1,246,269	146,269
Liquor X & P	62,297	110,381	48,085
Wenatchee Court	226,655	182,339	**(44,316)**
Law Enforcement Contracts	2,262,079	2,641,259	379,180
Recording Fees	145,318	115,540	**(29,779)**
Motor Vehicle Licensing	393,012	385,271	**(7,740)**
Probation Services	222,575	317,695	95,120
Interfund Payments	1,406,256	1,341,292	**(64,964)**
Court Fines	676,533	703,428	26,895
Treasury Interest	139,261	140,840	1,579
Grants\Entitlements	1,995,829	1,894,950	**(100,879)**
Other	1,619,377	1,953,962	334,585
Total	**30,841,410**	**33,157,525**	**2,316,114**

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 reimbursable Sheriff's Office overtime incurred during the summer fires and at the PUD. Interfund payments are high from a one-time transfer of $500,000 from the General fund to the Motor Pool fund to solve cash flow and billing cycle issues. The total General fund expenditures are tracking to exceed the original budget, but supplemental appropriations have been made to keep the fund under budget.

	Year-To-Date		
Expenditure Category	**Projected**	**Actual**	**Variance**
10 - Salaries & Wages	14,611,554	14,856,816	**245,263**
20 - Personnel Benefits	5,823,066	5,654,967	(168,098)
30 - Supplies	716,821	671,127	(45,693)
40 - Services	4,790,575	4,785,179	(5,396)
50 - Intergovernmental Svcs	363,918	350,606	(13,312)
90 - Interfund Payments	4,371,556	4,929,149	**557,593**
TOTAL	**30,677,488**	**31,247,844**	**570,356**

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 2014 General Fund budget was conservatively designed to lose $863K, but strong revenues have kept the actual line well above the projected budget. Overall, the 2014 fund balance should grow by approximately a half-million to around $6.7 million. If this plays out as expected, this fund balance would be larger than it has ever been and would provide some stability for Chelan County in the face of uncertain revenues in the future.



CHELAN COUNTY
~ AUDITOR ~
Skip Moore
Prepared by:
Brad Posenjak, CPA 509-667-6800
Chief Deputy Auditor brad.posenjak@co.chelan.wa.us
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 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. 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 $1,500,000 from four different funds to meet cash flow needs. This fund is reimbursement driven and currently has over $800,000 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. Plans are being discussed to make this fund sustainable again and be able to pay off the debt.

A recent line of credit was approved for the new Flood Control District fund. Only $1,000 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 2015.

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			
010145-01246	6/19/2014	Snohomish Co Sheriffs Office	1,488.38
010145-01268	8/22/2014	WASPC	500.00
010145-01272	9/3/2014	WASPC	1,000.00
010145-01283	9/23/2014	PUD #2 of Grant County	56.39
Superior Court			
010155-00046	9/22/2014	AOC	2,962.76
Public Works			
110001-00685	6/9/2014	AT&T Mobility	8,446.22
401001-02668	8/11/2014	Rumann Construction	20.00
510001-00938	4/7/2014	Chelan Co ER&R	883.70
530001-00501	4/7/2014	Chelan County Coroner	159.49
CASA			
191001-00136	7/15/2014	Regina McDougall, AOC	6,202.99
Regional Justice Center			
450001-02922	7/31/2014	Department of Corrections	62,504.51
450001-02950	8/31/2014	Department of Corrections	62,170.13
450001-02962	8/31/2014	YWCA	256.50
450001-02971	8/31/2014	Skagit County Sheriff	31,330.00
450001-02980	9/30/2014	Department of Corrections	89,311.50
450001-02981	9/30/2014	Douglas County	3,410.00

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		9/30/2014	10/31/2014	11/30/2014
010	General	6,885,851	9,829,958	9,416,296
014	Traffic Safety	52,329	58,748	64,642
110	County Roads	3,496,684	4,598,669	5,009,853
119	Ohme Gardens	97,149	90,418	76,612
124	Farm Worker Housing	174,366	156,060	70,958
125	Horticulture Pest & Disease	71,575	81,034	81,918
128	Noxious Weed	258	62,814	42,787
140	Cashmere-Dryden Airport	42,690	41,470	41,617
180	Natural Resources	8,828	(184,912)	431,586
190	Criminal Justice Tax	965,416	913,160	992,834
301	REET I	410,718	247,468	112,856
405	Wenatchee River Park	90,001	89,702	76,284
410	Expo Center	122,318	195,674	201,213
411	Fair	232,714	231,512	205,306
450	Regional Justice Center	243,044	270,320	189,036
510	ER&R	896,293	874,059	674,878
526	Health Insurance	2,924,791	2,855,917	2,842,161
530	Motor Pool	484,382	571,304	618,270
535	Unemployment Comp	257,791	260,277	266,652
540	Tort Claims & Insurance	638,597	635,727	608,464

BUDGET: November is 91.7% 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.

Actual YTD Expenditures & Revenues w/ Percent of Annual Budget

General Fund Departments		Expenditures		Revenues	
010	Assessor	1,024,406	85.5%	1,122	3.3%
015	Auditor	1,016,992	88.5%	672,652	75.8%
020	Community Develop.	1,359,659	79.7%	1,388,700	112.7%
030	Civil Service Comm	1,927	17.4%	0	-
040	Clerk	972,271	86.0%	746,751	94.1%
045	Commissioners	625,824	88.2%	11,215,958	109.3%
050	Coroner	202,665	87.8%	15,832	105.5%
052	Information Technology	648,723	87.2%	86,295	75.0%
055	Facilities Maintenance	1,332,793	87.1%	448,699	75.3%
065	District Court	1,124,061	86.7%	1,198,883	93.7%
066	District Court Probation	402,012	90.3%	350,104	119.0%
075	Extension Services	289,243	94.2%	24,692	67.6%
085	Juvenile Services	2,434,951	88.6%	572,931	88.5%
105	Non-Departmental	7,409,618	90.5%	266,947	48.8%
139	Child Support Enf.	291,972	75.9%	204,002	48.5%
140	Prosecuting Attorney	1,685,802	88.8%	430,533	82.0%
145	Sheriff	8,971,074	91.9%	3,151,685	96.1%
155	Superior Court System	917,078	85.9%	80,751	83.1%
165	Treasurer	536,774	86.2%	1,200,349	91.6%
170	Property Tax	0	0.0%	11,100,637	100.6%
General Fund Total		31,247,844	88.9%	33,157,525	99.3%

Other Funds		Expenditures		Revenues	
014	Traffic Safety	222,187	79.3%	380,699	152.2%
110	County Roads	12,508,463	71.7%	12,313,032	76.0%
119	Ohme Gardens	196,676	78.0%	183,937	83.7%
124	Farm Worker Housing	257,070	103.5%	123,955	56.1%
125	Horticulture	98,253	67.5%	97,376	80.0%
128	Noxious Weed	250,189	74.5%	263,356	78.0%
180	Natural Resources	3,852,642	89.8%	3,146,803	74.0%
405	Wenatchee River Park	200,294	83.0%	215,548	112.1%
410	Expo Center	115,316	77.3%	202,819	115.9%
411	Fair	145,924	83.4%	243,805	137.0%
450	Regional Justice Center	7,195,691	89.5%	6,958,012	86.4%
510	ER&R	3,047,846	77.4%	2,785,384	69.3%
530	Motor Pool	904,800	88.9%	1,349,173	143.4%