



# - CHELAN COUNTY - MONTHLY FINANCIAL REPORT

## FEBRUARY 2016

The General fund is Chelan County's major operating fund. It has a budget of \$37 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 2016 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	332,224	393,981	61,757
Sales Tax	1,254,326	1,687,899	433,574
Prop. Tax Penalty & Interest	133,762	133,224	(538)
Building and Planning Fees	172,266	195,254	22,989
Liquor X & P	7,263	13,490	6,227
Wenatchee Court	17,236	18,307	1,071
Law Enforcement Contracts	50,526	1,725	(48,801)
Recording Fees	22,405	20,802	(1,603)
Motor Vehicle Licensing	52,761	56,357	3,596
Probation Services	53,423	60,172	6,749
Interfund Payments	146,332	130,937	(15,396)
Court Fines	105,319	76,910	(28,409)
Treasury Interest	27,606	25,760	(1,847)
Grants\Entitlements	331,727	291,482	(40,245)
Other	204,754	437,539	232,784
<b>Total</b>	<b>2,911,929</b>	<b>3,543,839</b>	<b>631,910</b>

February sales tax was almost \$1 million. This is much larger than any single-month sales tax revenue the county has ever received. The increase is largely due to a single large agricultural machinery purchase as well as an increased level of residential, commercial, and school construction. The first couple months of 2016 sales tax have exceeded expectations. However, when the Old Station area is officially annexed by the City of Wenatchee, it will probably have a negative impact to Chelan County of approximately \$500,000 in 2016 and \$1 million in 2017.

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 way as revenues, but expenditures are spent more evenly than revenues are received. The variances below reflect current 2016 expenses in relation to the original budget.

Every expenditure category is under budget through February.

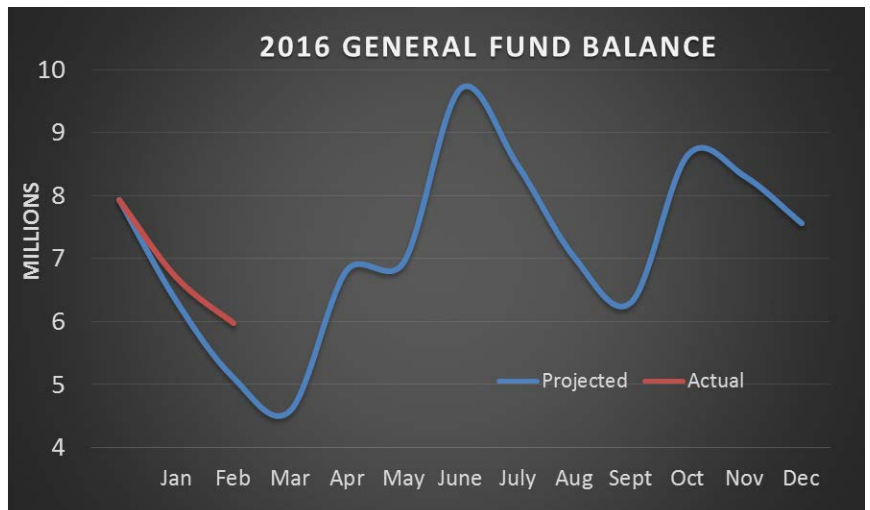
Expenditure Category	Year-To-Date		
	Projected	Actual	Variance
10 - Salaries & Wages	2,740,283	2,734,155	(6,128)
20 - Personnel Benefits	1,144,350	1,063,689	(80,660)
30 - Supplies	146,983	103,960	(43,022)
40 - Services	876,185	810,338	(65,847)
50 - Intergovernmental Svcs	61,491	49,724	(11,767)
90 - Interfund Payments	753,210	690,028	(63,182)
<b>TOTAL</b>	<b>5,722,502</b>	<b>5,451,894</b>	<b>(270,607)</b>

**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.

The 2016 General Fund budget was designed to lose \$370K. However, the budget is typically built conservatively, so most revenues are likely to exceed budget and expenses are likely to come in under budget.

Because of the upcoming Old Station Annexation, the County expects to underperform on sales tax revenues during the last six months of this year. The actuals are well above projection after two months, but the lines on the graph below will probably come back together by the end of the year.

Looking ten months ahead, the Old Station Annexation will have a large impact on 2017 sales tax revenue. Without new revenue sources, this may make for a difficult budgeting season. Fortunately, the General fund balance is currently larger than it has ever been, which provides some stability for the County in the face of uncertain revenues.



**Skip Moore**

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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, the General and County Roads funds live off their accumulated cash balance.

**Interfund Loans:** Despite the healthy cash balance in the General fund, there are several funds currently borrowing cash to meet operational needs.

Solid Waste Planning fund is borrowing \$66,723 from the Equipment Rental and Revolving fund for the construction of the Moderate Risk Waste Facility.

Noxious Weed fund is borrowing \$3,000 from the General fund to meet cash flow needs until their assessment revenue comes in with April property taxes.

Natural Resources fund is borrowing \$416,000 from the REET I fund. Of this total loan amount, \$188,506 is to cash flow 2015 projects and \$227,494 is to cash flow 2016 projects.

**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. The actual expenditures and revenues chart below is provided for department heads to evaluate if they are over or under the straight-line benchmark.

Cash Balance of Selected Funds		12/31/2015	1/31/2015	2/29/2015
010	General	9,561,789	8,305,542	7,581,548
014	Traffic Safety	67,519	69,461	72,928
103	Solid Waste Planning	-	-	63,882
110	County Roads	3,178,439	2,402,140	1,581,729
118	Wenatchee River Park	62,169	60,198	57,522
119	Ohme Gardens	42,111	34,893	30,092
120	Expo Center	261,223	251,119	241,255
121	Fair	276,761	273,232	267,452
124	Farm Worker Housing	121,620	117,473	112,646
125	Horticulture Pest & Disease	30,757	68,907	57,275
128	Noxious Weed	49,772	4,764	952
140	Cashmere-Dryden Airport	47,786	53,610	59,752
150	Regional Justice Center	304,865	194,078	117,196
180	Natural Resources	828	157,635	181,421
190	Criminal Justice Tax	1,956,326	2,029,686	2,114,428
301	REET I	1,191,492	1,241,178	1,270,573
510	ER&R	1,217,931	1,074,776	1,296,700
526	Health Insurance	3,630,414	3,606,315	3,764,459
530	Motor Pool	555,830	541,699	560,935
535	Unemployment Comp	294,432	283,080	287,250
540	Tort Claims & Insurance	833,367	813,474	799,466

**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.

Actual YTD Expenditures & Revenues w/ Percent of Annual Budget				
General Fund Departments	Expenditures		Revenues	
010 Assessor	176,489	13.5%	0	0.0%
015 Auditor	188,878	15.4%	78,912	8.5%
020 Community Develop.	241,993	13.9%	196,948	12.0%
030 Civil Service Comm	18,467	14.5%	0	-
040 Clerk	206,606	17.2%	150,340	23.3%
045 Commissioners	120,345	17.7%	1,908,691	15.3%
050 Coroner	29,623	12.3%	7,210	48.1%
052 Information Technology	144,925	16.4%	7,049	5.3%
055 Facilities Maintenance	225,836	13.9%	86,301	12.8%
065 District Court	220,030	15.9%	158,750	11.4%
066 District Court Probation	76,126	16.2%	60,610	16.0%
075 Extension Services	9,426	2.7%	0	0.0%
085 Juvenile Services	441,783	15.5%	63,812	9.7%
105 Non-Departmental	1,271,374	14.9%	111,545	27.4%
139 Child Support Enf.	53,373	15.1%	0	0.0%
140 Prosecuting Attorney	348,587	16.3%	38,469	7.4%
145 Sheriff	1,401,738	14.0%	61,161	1.9%
155 Superior Court System	176,289	14.9%	26,946	27.7%
165 Treasurer	100,007	15.9%	193,114	13.8%
170 Property Tax	0	0.0%	393,981	3.4%
<b>General Fund Total</b>	<b>5,451,894</b>	<b>14.7%</b>	<b>3,543,839</b>	<b>9.7%</b>
Other Funds	Expenditures		Revenues	
014 Traffic Safety	0	0.0%	5,409	3.1%
110 County Roads	1,145,431	8.1%	691,943	5.2%
118 Wenatchee River Park	17,591	7.3%	8,367	4.4%
119 Ohme Gardens	16,662	6.7%	4,901	2.4%
120 Expo Center	18,009	11.1%	1,046	0.6%
121 Fair	7,019	3.5%	250	0.1%
124 Farm Worker Housing	9,321	2.6%	490	0.2%
125 Horticulture	25,768	12.2%	3,659	1.7%
128 Noxious Weed	33,581	11.6%	16,571	5.3%
132 911 Communications	540,982	15.5%	540,710	15.4%
142 C.R. Drug Task Force	25,106	9.0%	34,198	17.9%
150 Regional Justice Center	1,332,887	15.8%	1,315,850	15.5%
180 Natural Resources	116,216	2.9%	35,595	0.9%
510 ER&R	460,964	12.3%	72,684	2.0%
530 Motor Pool	83,050	7.8%	3,568	0.5%

Accounts Receivable Outstanding - Older than 60 Days			
<b>Auditor</b>			
010015-02202	12/10/2015	Stehekin School District	86.00
010015-02215	12/10/2015	Chelan Co Fire Dist No 10	75.00
<b>Clerk</b>			
010040-00819	11/16/2015	City of Wenatchee	555.80
<b>Commissioners</b>			
193001-00277	7/8/2015	DSHS	25,477.58
193001-00288	10/21/2015	DSHS	24,915.86
193001-00289	10/21/2015	DSHS	28,916.50
193001-00290	10/21/2015	DSHS	16,023.44
193001-00298	2/23/2016	DSHS	32,474.15
<b>Superior Court</b>			
010155-00057	6/26/2015	AOC	114.35
010155-00062	12/3/2015	AOC	953.20
<b>Public Works</b>			
101001-00330	12/2/2015	Servicemaster	331.00
101001-00360	12/31/2015	Servicemaster	359.00
110001-00822	12/1/2015	Frontier Communications	630.00
530001-00956	12/2/2015	CC District Court Probation	147.40
<b>Horticulture</b>			
125001-00032	12/31/2015	Theo Collier	310.00
125001-00033	12/31/2015	John Trudell	150.00
<b>Regional Justice Center</b>			
150001-00234	10/7/2015	Department of Corrections	4,244.48
150001-00253	10/31/2015	YWCA	115.75
150001-00262	11/30/2015	Department of Corrections	6,187.50
150001-00285	12/23/2015	Department of Corrections	2,773.09
150001-00286	12/23/2015	Department of Corrections	265.25
150001-00289	12/31/2015	Department of Corrections	102,960.00
150001-00311	12/31/2015	YWCA	47.50
<b>Natural Resources</b>			
180001-00994	12/31/2014	WA St Dept of Ecology	12,192.99
180001-01033	10/16/2015	CCFEG	11,479.17
180001-01044	11/19/2015	WA St Dept of Ecology	1,980.26
180001-01052	12/31/2015	WA St Dept of Ecology	138,581.73
If any of these outstanding receivables have been paid, will not be paid, or need adjustment, please contact the County Auditor's Office.			