- CHELAN COUNTY -

MONTHLY FINANCIAL REPORT

JUNE 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.

	Year-To-Date		
Revenue Category	**Projected**	**Actual**	**Variance**
Property Tax	6,432,259	6,659,289	227,030
Sales Tax	3,277,844	4,403,771	1,125,928
Prop. Tax Penalty & Interest	552,488	478,509	**(73,979)**
Building and Planning Fees	795,261	928,269	133,008
PILT	2,559,163	2,767,590	208,427
PUD Privilege	1,200,000	1,180,083	**(19,917)**
Liquor X & P	72,929	91,910	18,981
Wenatchee Court	102,558	88,928	**(13,630)**
Law Enforcement Contracts	1,263,142	1,192,298	**(70,844)**
Recording Fees	72,421	73,463	1,042
Motor Vehicle Licensing	212,800	229,418	16,618
Probation Services	166,600	223,242	56,643
Interfund Payments	841,410	804,189	**(37,221)**
Court Fines	367,372	318,848	**(48,524)**
Treasury Interest	72,822	102,833	30,011
Grants\Entitlements	1,101,029	974,384	**(126,645)**
Other	837,418	1,211,792	374,374
Total	**19,927,515**	**21,728,816**	**1,801,301**

The entire balances of the PUD Privilege Tax and PILT revenues are received in June, making this a significant month for the General fund. Both of these revenues are received because the PUD and Federal government utilize Chelan County's land, but are exempt from property taxes. Together, these two revenues came in almost $190,000 more than expected. The amount of PUD Privilege is calculated based on the amount of power sales the PUD transacts.

Sales tax revenue is exceeding expectations by well over $1 million. However, beginning in August, the variance is expected to start declining as the County starts to feel the effects of the Old Station annexation. It is estimated to to have a negative impact to Chelan County's general fund by approximately $500,000 in 2016 and $1 million in 2017.

June was a strong month for Building permits and continue to point to a growing local economy.

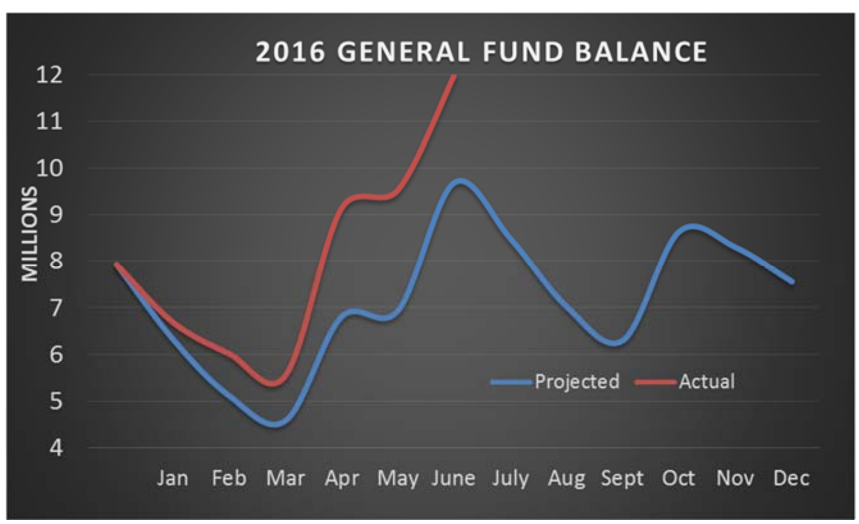
General Fund Expenditures: Expenditures are projected in a similar way as revenues, but expenditures are spent more evenly than revenues are received. The variances below reflect current 2016 expenditures in relation to the original budget.

	Year-To-Date		
Expenditure Category	**Projected**	**Actual**	**Variance**
10 - Salaries & Wages	8,365,280	8,412,686	**47,406**
20 - Personnel Benefits	3,431,177	3,278,024	(153,153)
30 - Supplies	460,580	447,202	(13,377)
40 - Services	2,851,261	2,737,108	(114,153)
50 - Intergovernmental Svcs	202,922	149,172	(53,749)
90 - Interfund Payments	2,852,596	2,667,966	(184,629)
TOTAL	**18,163,815**	**17,692,160**	**(471,655)**

With the exception of the salaries category, most expenditure categories are well under budget. This pattern of underspending the projection is typical since departments are not legally allowed to exceed their total budget without requesting additional appropriations from the County Commissioners.

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 fund balance is currently $2 million more than projected, but is expected to move closer to projection as the year progresses.



CHELAN COUNTY
~ AUDITOR ~
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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 each year, 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 that borrow cash from other funds to meet operational needs.

Solid Waste Planning fund is currently borrowing $18,234 from Equipment Rental & Revolving fund to finance the Moderate Risk Waste Facility.

Regional Justice Center fund is currently borrowing $15,000 from Distressed Counties Tax fund to meet cash flow needs due to an ongoing downturn in contract bed revenue.

Natural Resources fund is currently borrowing $603,000 from the REET I fund to cash flow 2016 projects until grant revenues come in.

Cash Balance of Selected Funds		4/30/2016	5/31/2016	6/30/2016
010	General	10,336,094	11,094,398	13,832,993
014	Traffic Safety	49,832	144,004	147,196
103	Solid Waste Planning	143,218	-	-
110	County Roads	3,740,884	4,112,664	3,929,780
118	Wenatchee River Park	53,985	68,671	74,756
119	Ohme Gardens	29,633	39,651	47,979
120	Expo Center	220,556	220,010	240,903
121	Fair	288,789	284,444	288,415
124	Farm Worker Housing	86,478	69,594	88,259
125	Horticulture Pest & Disease	62,684	56,034	40,513
128	Noxious Weed	72,237	88,246	68,623
140	Cashmere-Dryden Airport	53,178	53,312	54,487
150	Regional Justice Center	103,467	904	273,261
180	Natural Resources	985	83,667	517
190	Criminal Justice Tax	2,287,942	2,132,579	2,426,655
301	REET I	1,603,802	1,569,990	1,253,385
510	ER&R	1,834,482	1,813,141	1,749,594
526	Health Insurance	3,753,464	3,693,258	3,537,727
530	Motor Pool	464,846	438,331	436,987
535	Unemployment Comp	295,621	277,652	282,038
540	Tort Claims & Insurance	957,336	946,442	1,118,370

Budget: June is 50% of the way through the calendar year. This percentage is a reasonable benchmark for departments with even expenditures throughout the year. The actual YTD expenditures and revenues chart (bottom left) is provided for department heads to evaluate if 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 below shows outstanding receivables older than 60 days.

Actual YTD Expenditures & Revenues w/ Percent of Annual Budget					
General Fund Departments		**Expenditures**		**Revenues**	
010	Assessor	611,456	46.7%	650	55.6%
015	Auditor	614,126	50.0%	509,485	55.2%
020	Community Develop.	762,591	43.8%	941,048	57.5%
030	Human Resources	56,561	44.5%	0	-
040	Clerk	596,639	49.6%	408,928	63.3%
045	Commissioners	334,819	49.4%	8,881,708	71.4%
050	Coroner	104,751	43.4%	7,210	48.1%
052	Information Technology	439,889	49.7%	67,002	50.0%
055	Facilities Maintenance	739,248	45.4%	334,911	49.7%
065	District Court	663,879	48.1%	556,016	40.0%
066	District Court Probation	222,819	47.3%	232,625	61.5%
075	Extension Services	90,585	26.4%	4,598	13.9%
085	Juvenile Services	1,385,623	48.5%	279,986	42.5%
105	Non-Departmental	4,082,700	47.7%	254,164	62.5%
139	Child Support Enf.	166,896	47.3%	121,320	30.6%
140	Prosecuting Attorney	1,043,521	48.8%	231,633	44.7%
145	Sheriff	4,875,602	48.6%	1,444,644	44.7%
155	Superior Court System	584,322	49.2%	50,899	52.4%
165	Treasurer	316,132	50.1%	742,701	53.0%
170	Property Tax	0	0.0%	6,659,289	57.1%
General Fund Total		17,692,160	47.8%	21,728,816	59.3%
Other Funds		**Expenditures**		**Revenues**	
014	Traffic Safety	60,777	49.8%	140,454	81.3%
110	County Roads	5,458,014	38.5%	7,139,354	53.6%
118	Wenatchee River Park	99,871	41.5%	103,816	54.0%
119	Ohme Gardens	87,756	35.2%	86,286	41.4%
120	Expo Center	70,065	40.7%	52,368	28.9%
121	Fair	31,174	15.6%	45,549	23.5%
124	Farm Worker Housing	96,475	27.1%	41,660	13.9%
125	Horticulture	150,031	58.4%	109,145	51.5%
128	Noxious Weed	124,330	42.8%	167,625	53.7%
132	911 Communications	1,412,493	40.4%	1,412,031	40.3%
142	C.R. Drug Task Force	92,781	33.2%	108,068	56.6%
150	Regional Justice Center	4,050,971	48.1%	4,039,073	47.5%
180	Natural Resources	921,645	22.9%	364,477	9.1%
510	ER&R	1,908,055	50.7%	1,526,217	42.3%
530	Motor Pool	709,858	75.0%	417,198	41.0%

Accounts Receivable Outstanding - Older than 60 Days			
Auditor			
010015-02215	12/10/2015	Chelan Co Fire Dist No 10	75.00
Sheriff			
010145-01454	4/20/2016	WA St Traffic Safety Comm	909.90
Public Works			
101001-00408	3/7/2016	Rumann Construction	38.00
101001-00424	4/5/2016	Blaydes LLC	216.00
101001-00444	4/5/2016	Rumann Construction	20.00
Horticulture			
125001-00032	12/31/2015	Theo Collier	310.00
125001-00033	12/31/2015	John Trudell	150.00
Regional Justice Center			
150001-00350	3/3/2016	Department of Corrections	2,535.49
150001-00351	3/3/2016	Department of Corrections	86.04
Natural Resources			
180001-00994	12/31/2014	WA St Dept of Ecology	12,192.99
180001-01033	10/16/2015	CCFEG	11,479.17
If any of these outstanding receivables have been paid, will not be paid, or need adjustment, please contact the County Auditor's Office.			