



# - CHELAN COUNTY - MONTHLY FINANCIAL REPORT

## AUGUST 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	6,571,876	6,796,914	225,038
Sales Tax	4,636,430	6,009,650	1,373,221
Prop. Tax Penalty & Interest	645,217	575,079	(70,138)
Building and Planning Fees	1,101,354	1,320,655	219,301
PILT	2,559,163	2,767,590	208,427
PUD Privilege	1,200,000	1,180,083	(19,917)
Liquor X & P	79,672	105,482	25,810
Wenatchee Court	143,354	126,253	(17,101)
Law Enforcement Contracts	1,818,924	1,835,155	16,231
Recording Fees	99,503	103,859	4,356
Motor Vehicle Licensing	301,100	316,325	15,225
Probation Services	227,489	291,638	64,149
Interfund Payments	987,743	1,010,392	22,650
Court Fines	510,718	444,765	(65,953)
Treasury Interest	115,935	139,694	23,759
Grants\Entitlements	1,541,814	1,490,638	(51,176)
Other	1,191,232	1,651,386	460,154
<b>Total</b>	<b>23,731,524</b>	<b>26,165,559</b>	<b>2,434,035</b>

During the first seven months of 2016, sales tax revenue exceeded projections by an average of 32%. Much of this excess is due to the Holden Mine project and various construction projects around the County. At the end of May, the City of Wenatchee officially annexed the Old Station area. The effects on Chelan County's sales tax revenues will not be fully realized until September. Even though August sales tax revenues still exceeded projection, the difference was much less than previous months (see the chart on the top right). The effect on sales tax collection due to the annexation

could be between \$50,000 and \$120,000 per month. Experience of the upcoming months will provide a better estimate on the ongoing effect of the annexation.

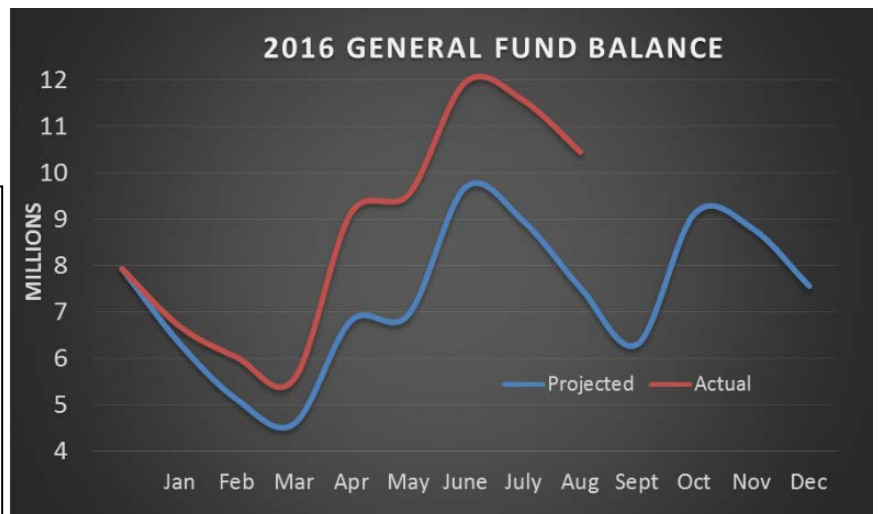
Monthly Sales Tax Revenue (amounts expressed in thousands)								
	Jan	Feb	Mar	Apr	May	June	July	Aug
Projected budget	527	727	437	420	617	549	621	737
Actual revenue	697	991	605	540	869	702	755	851
Difference	170	264	168	120	251	153	134	114
% over projection	32%	36%	38%	28%	41%	28%	22%	15%
Expected difference based on average % over projection:								238

**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 2016 expenditures in relation to the original budget.

Expenditure Category	Year-To-Date		
	Projected	Actual	Variance
10 - Salaries & Wages	11,230,467	11,187,862	(42,605)
20 - Personnel Benefits	4,582,826	4,376,483	(206,343)
30 - Supplies	590,051	557,325	(32,726)
40 - Services	3,867,807	3,781,693	(86,114)
50 - Intergovernmental Svcs	255,600	208,896	(46,703)
90 - Interfund Payments	3,605,806	3,530,383	(75,423)
<b>TOTAL</b>	<b>24,132,557</b>	<b>23,642,643</b>	<b>(489,914)</b>

All General Fund expenditure categories are tracking well under budget. This pattern of underspending the projection is typical since each department is not legally allowed to exceed their total budget without requesting additional appropriations from the County Commissioners.

**General Fund Balance:** The General Fund balance is currently \$2.9 million more than projected. The actual line is expected to move closer to projected line as the year progresses and could likely result in General Fund growth of \$2 million at year-end.



 **CHELAN COUNTY**  
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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 and October 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 \$501,000 from the REET I fund to cash flow 2016 projects until grant revenues come in.

**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			
District Court Probation			
010066-00031	5/4/2016 City of Wenatchee	6,386.50	
Public Works			
101001-00487	5/5/2016 Servicemaster	486.00	
101001-00529	6/2/2016 Servicemaster	384.00	
110001-00876	6/2/2016 Frontier Communications	945.00	
110001-00889	6/30/2016 Frontier Communications	315.00	
Horticulture			
125001-00032	12/31/2015 Theo Collier	310.00	
Regional Justice Center			
150001-00420	6/6/2016 City of Leavenworth	773.88	
150001-00421	6/6/2016 Department of Corrections	89.26	
150001-00422	6/6/2016 Department of Corrections	1,045.52	
150001-00439	6/30/2016 Department of Corrections	82.50	
Natural Resources			
180001-00994	12/31/2014 WA St Dept of Ecology	12,192.99	
If any of these outstanding receivables have been paid, will not be paid, or need adjustment, please contact the County Auditor's Office.			

**Budget:** August is 66.7% 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 (right) is provided for department heads to evaluate if they are over or under the straight-line benchmark.

Cash Balance of Selected Funds		6/30/2016	7/31/2016	8/31/2016
010	General	13,832,993	13,295,021	12,313,295
014	Traffic Safety	147,196	151,374	125,759
103	Solid Waste Planning	-	3,931	19,832
110	County Roads	3,929,780	3,330,667	2,778,666
118	Wenatchee River Park	74,756	87,457	103,843
119	Ohme Gardens	47,979	72,834	81,871
120	Expo Center	240,903	277,673	279,891
121	Fair	288,415	290,199	284,123
124	Farm Worker Housing	88,259	60,537	35,093
125	Horticulture Pest & Disease	40,513	45,521	33,560
128	Noxious Weed	68,623	56,020	36,891
140	Cashmere-Dryden Airport	54,487	54,954	55,843
150	Regional Justice Center	273,261	370,658	353,338
180	Natural Resources	517	69	83,871
190	Criminal Justice Tax	2,426,655	2,507,670	2,589,020
301	REET I	1,253,385	966,611	1,320,450
510	ER&R	1,749,594	1,433,428	1,352,783
526	Health Insurance	3,537,727	3,497,643	3,534,110
530	Motor Pool	436,987	429,724	461,731
535	Unemployment Comp	282,038	286,584	281,072
540	Tort Claims & Insurance	1,118,370	997,056	992,426

Actual YTD Expenditures & Revenues w/ Percent of Annual Budget				
General Fund Departments		Expenditures		Revenues
010	Assessor	823,049	62.9%	1,300 111.1%
015	Auditor	828,069	67.4%	638,680 69.2%
020	Community Develop.	1,033,781	59.4%	1,337,366 81.7%
030	Human Resources	76,738	60.3%	121 100.0%
040	Clerk	801,850	66.7%	548,756 85.0%
045	Commissioners	450,165	62.3%	10,728,812 86.2%
050	Coroner	143,352	59.4%	16,550 110.3%
052	Information Technology	571,284	64.6%	74,051 55.3%
055	Facilities Maintenance	1,008,241	61.9%	422,872 62.7%
065	District Court	872,403	63.2%	777,543 55.9%
066	District Court Probation	282,765	60.0%	310,028 82.0%
075	Extension Services	143,771	41.9%	10,340 31.3%
085	Juvenile Services	1,849,929	64.8%	431,331 65.4%
105	Non-Departmental	5,513,720	64.0%	370,425 91.1%
139	Child Support Enf.	222,049	62.9%	213,700 53.8%
140	Prosecuting Attorney	1,381,907	64.6%	305,687 58.9%
145	Sheriff	6,448,738	64.3%	2,200,008 68.1%
155	Superior Court System	768,570	64.7%	55,985 57.6%
165	Treasurer	422,263	66.9%	925,092 66.0%
170	Property Tax	0	0.0%	6,796,914 58.3%
General Fund Total		23,642,643	63.7%	26,165,559 71.4%
Other Funds		Expenditures		Revenues
014	Traffic Safety	90,777	74.4%	149,017 86.2%
110	County Roads	7,846,335	55.3%	8,093,167 60.8%
118	Wenatchee River Park	146,536	60.9%	177,877 92.5%
119	Ohme Gardens	131,523	52.8%	160,548 77.0%
120	Expo Center	95,133	55.2%	113,814 62.9%
121	Fair	106,873	53.6%	69,331 35.7%
124	Farm Worker Housing	184,398	51.7%	86,353 28.8%
125	Horticulture	188,972	73.6%	138,024 65.2%
128	Noxious Weed	169,025	58.3%	180,832 58.0%
132	911 Communications	1,902,985	54.4%	2,167,739 61.9%
142	C.R. Drug Task Force	103,630	37.1%	122,826 64.3%
150	Regional Justice Center	5,445,231	64.7%	5,389,916 63.4%
180	Natural Resources	1,478,939	36.8%	896,049 22.3%
510	ER&R	2,182,364	58.0%	2,105,985 58.4%
530	Motor Pool	757,631	80.1%	577,827 56.8%