



# - CHELAN COUNTY - MONTHLY FINANCIAL REPORT

## OCTOBER 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	10,306,116	10,291,322	(14,794)
Sales Tax	6,138,311	7,494,207	1,355,896
Prop. Tax Penalty & Interest	780,551	670,576	(109,975)
Building and Planning Fees	1,397,489	1,613,475	215,986
PILT	2,600,000	2,767,590	167,590
PUD Privilege	1,200,000	1,180,083	(19,917)
Liquor X & P	114,543	152,312	37,769
Wenatchee Court	186,277	162,645	(23,632)
Law Enforcement Contracts	2,425,233	2,419,864	(5,369)
Recording Fees	124,482	134,027	9,545
Motor Vehicle Licensing	369,620	388,595	18,975
Probation Services	289,383	358,367	68,984
Interfund Payments	1,353,573	1,366,521	12,948
Court Fines	671,040	544,917	(126,122)
Treasury Interest	130,841	169,413	38,572
Grants\Entitlements	2,015,609	1,873,056	(142,553)
Other	1,499,934	2,025,023	525,089
<b>Total</b>	<b>31,603,002</b>	<b>33,611,995</b>	<b>2,008,993</b>

During the first eight months of 2016 sales tax revenue exceeded projections by an average of 30%. The September and October decreases in sales tax (see the chart on the top right) reflect the City of Wenatchee's annexation of the Old Station area and a significant slowing of the Holden Mine project. During October there was a sales tax correction related to the annexed Old Station area that caused October revenue to track negative. Going forward, sales tax should track right below the budgeted projection. Several revenue categories were slightly below projections this month, but overall revenues should remain strong through the end of the year.

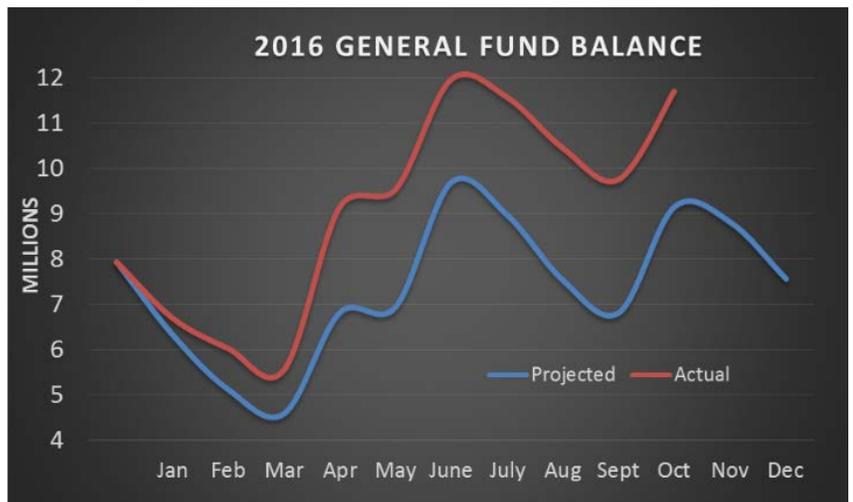
Monthly Sales Tax Revenue										
(amounts expressed in thousands)										
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct
Projected budget	527	727	437	420	617	549	621	737	738	764
Actual revenue	697	991	605	540	869	702	755	851	752	732
Difference	170	264	168	120	251	153	134	114	14	-31
% over projection	32%	36%	38%	28%	41%	28%	22%	15%	2%	-4%

**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	14,105,021	14,081,941	(23,080)
20 - Personnel Benefits	5,747,539	5,485,638	(261,901)
30 - Supplies	722,644	693,510	(29,134)
40 - Services	4,813,809	4,710,711	(103,098)
50 - Intergovernmental Svcs	331,421	258,621	(72,801)
90 - Interfund Payments	4,660,498	4,663,161	2,662
<b>TOTAL</b>	<b>30,380,933</b>	<b>29,893,581</b>	<b>(487,352)</b>

Most General Fund expenditure categories are tracking 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. During October, there was an extra \$150,000 interfund payment to the Regional Justice Center fund to alleviate cash flow issues. This unanticipated expense brought the interfund payments variance slightly over projection.

**General Fund Balance:** The General Fund balance chart below shows the cyclical nature of Chelan County's cash flow. The General Fund balance is currently \$2.5 million more than budgeted. The actual line is expected to move slightly closer to projected line as the year progresses and will likely result in General Fund growth of \$1.5 million at year-end.



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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.

Natural Resources fund is currently borrowing \$831,000 from the REET I fund to cash flow 2016 projects until grant revenues are received.

**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.

Cash Balance of Selected Funds		8/31/2016	9/30/2016	10/31/2016
010	General	12,313,295	10,956,566	13,541,490
014	Traffic Safety	125,759	130,339	137,567
103	Solid Waste Planning	19,832	21,141	39,069
110	County Roads	2,778,666	1,555,698	3,226,446
118	Wenatchee River Park	103,843	115,368	110,396
119	Ohme Gardens	81,871	84,283	71,701
120	Expo Center	279,891	267,544	347,453
121	Fair	284,123	387,746	364,629
124	Farm Worker Housing	35,093	109,701	81,744
125	Horticulture Pest & Disease	33,560	15,220	24,507
128	Noxious Weed	36,891	13,335	75,266
140	Cashmere-Dryden Airport	55,843	58,523	57,552
150	Regional Justice Center	353,338	339,253	337,537
180	Natural Resources	83,871	840	581
190	Criminal Justice Tax	2,589,020	2,635,748	2,705,944
301	REET I	1,320,450	1,227,693	1,034,834
510	ER&R	1,352,783	1,536,702	1,805,409
526	Health Insurance	3,534,110	3,571,416	3,506,329
530	Motor Pool	461,731	479,257	428,280
535	Unemployment Comp	281,072	285,491	289,980
540	Tort Claims & Insurance	992,426	590,327	491,777

Accounts Receivable Outstanding - Older than 60 Days			
<b>Extension</b>			
010075-00238	8/16/2016	Chelan County Parent Ed	365.37
010075-00239	8/16/2016	Public Education Fund	808.88
<b>Public Works</b>			
101001-00605	8/3/2016	RL Stewart Excavating	93.00
101001-00607	8/3/2016	Servicemaster	310.00
<b>Horticulture</b>			
125001-00032	12/31/2015	Theo Collier	310.00
<b>Regional Justice Center</b>			
150001-00422	6/6/2016	Department of Corrections	1,024.07
150001-00439	6/30/2016	Department of Corrections	82.50
150001-00484	8/31/2016	Chelan County Motor Pool	120.50
150001-00488	8/31/2016	Chelan County Roads	11.50
<b>Natural Resources</b>			
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:** October is 83.3% 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. Departments and funds that are tracking high have been highlighted. This does not imply the departments will be over-budget, but suggests the department review their budget to consider whether or not supplemental budget appropriations will be needed before year-end.

Actual YTD Expenditures & Revenues w/ Percent of Annual Budget					
General Fund Departments		Expenditures		Revenues	
010	Assessor	1,025,007	78.4%	1,580	135.0%
015	Auditor	996,728	81.2%	783,780	84.9%
020	Community Develop.	1,326,325	76.3%	1,633,561	99.8%
030	Human Resources	95,285	74.9%	121	100.0%
040	Clerk	1,007,238	83.7%	691,177	107.0%
045	Commissioners	565,409	78.3%	12,491,666	100.4%
050	Coroner	177,101	73.4%	16,550	110.3%
052	Information Technology	717,348	81.1%	104,027	77.6%
055	Facilities Maintenance	1,272,317	78.1%	550,429	81.7%
065	District Court	1,083,657	78.5%	957,898	68.9%
066	District Court Probation	346,047	73.5%	387,809	102.6%
075	Extension Services	187,930	54.7%	20,052	60.8%
085	Juvenile Services	2,332,426	81.7%	542,524	82.3%
105	Non-Departmental	7,157,028	83.1%	440,579	108.3%
139	Child Support Enf.	279,092	79.0%	213,700	53.8%
140	Prosecuting Attorney	1,725,101	80.7%	427,026	82.3%
145	Sheriff	8,089,764	80.6%	2,876,509	89.0%
155	Superior Court System	964,151	81.2%	56,297	58.0%
165	Treasurer	515,626	81.7%	1,125,387	80.3%
170	Property Tax	30,000	100.0%	10,291,322	88.3%
General Fund Total		29,893,581	80.5%	33,611,995	91.7%
Other Funds		Expenditures		Revenues	
014	Traffic Safety	91,166	74.7%	161,214	93.3%
101	Solid Waste	1,485,787	95.2%	1,499,151	95.7%
103	Solid Waste Planning	219,100	95.5%	235,154	77.4%
110	County Roads	9,864,553	69.5%	11,207,186	84.1%
118	Wenatchee River Park	199,093	82.7%	237,317	123.4%
119	Ohme Gardens	169,952	68.2%	195,103	93.6%
120	Expo Center	122,626	71.2%	212,592	117.5%
121	Fair	150,669	75.5%	239,252	123.3%
124	Farm Worker Housing	252,004	70.7%	203,086	67.7%
125	Horticulture	217,950	84.9%	162,875	76.9%
128	Noxious Weed	214,952	74.1%	267,584	85.8%
132	911 Communications	2,672,456	76.4%	2,673,427	76.4%
142	C.R. Drug Task Force	128,408	46.0%	126,078	66.0%
150	Regional Justice Center	6,839,581	81.3%	6,741,363	79.4%
163	Comm. Svc & Housing	575,289	89.5%	504,235	84.7%
180	Natural Resources	2,109,151	52.5%	1,867,653	46.5%
510	ER&R	2,392,955	63.6%	2,641,557	73.3%
530	Motor Pool	899,776	95.1%	766,425	75.3%