

**Chelan County Levy Audit Follow-up
 Status of Work Completed
 May 30, 2019**

NOTE: Refer to our original levy audit issued in November 2018 for a complete explanation of each requirement.

| Requirement | Topic | Work Completed on Requirement | Completed / Pending Completion | Future Follow-up? |
|-------------|-------------------------------|---|--------------------------------|--|
| 1 | Tax Roll Certification | <p>The Chelan County Assessor (Assessor) provided the Chelan County Treasurer (Treasurer) and Chelan County Auditor (Auditor) with a copy of the “Chelan County 2018 Levies for 2019 Taxes” report as her certification of the tax roll on February 17, 2019. The report contains the individual taxing district’s levy rates and aggregate rate per tax code area.</p> <p>The report does not contain a statement of certification, the date and the Assessor’s signature, or proof of receipt by the Treasurer. In addition, the document does not include the real and personal property assessed values and tax amounts for each taxing district levying property tax within the county. (RCW 84.52.080)</p> <p>The abstract of the tax roll the Assessor provided to the Auditor did not contain the tax amounts for each taxing district levying property tax within the county.</p> <p>The Assessor must take the following actions:</p> <ul style="list-style-type: none"> • Certify the tax roll to the Treasurer on or before January 15. The certification must include the following: <ul style="list-style-type: none"> ○ Language that states the Assessor is certifying the tax roll to the Treasurer. (RCW 84.52.080 lists a certification statement) ○ The Assessor’s signature and the date. ○ Proof of receipt by the Treasurer. (This could be accomplished by having the Treasurer sign the certification and the Assessor keeps a copy.) | Pending Completion | <p>Yes</p> <p>To determine if the Assessor has met the requirement, the Department expects the Assessor to provide:</p> <ul style="list-style-type: none"> • A copy of the Assessor’s certification to the Treasurer of the tax roll, for the 2020 tax year. • A copy of the abstract of the tax roll report provided to the Auditor, for the 2020 tax year. |

Chelan County Levy Audit Follow-up
Status of Work Completed
May 30, 2019

NOTE: Refer to our original levy audit issued in November 2018 for a complete explanation of each requirement.

| Requirement | Topic | Work Completed on Requirement | Completed / Pending Completion | Future Follow-up? |
|-------------|--|--|--------------------------------|-------------------|
| | | <ul style="list-style-type: none"> ○ Real and personal property assessed values, tax amounts, and levy rates for each taxing district levying property tax within the county. (The Certification of Levies Report, provided to the Department for the 2018 Levy Audit, includes this information.) ● Provide the Auditor with an abstract of the tax roll that includes the tax amounts for each taxing district levying property tax within the county. | | |
| 2 | Port of Chelan | <p>The Assessor used the correct previous year's levy amount, prior year's levy rate, and highest lawful levy amount to calculate the Port of Chelan's (Port) levy limitations, for the 2019 tax year.</p> <p>The Assessor stated the Port chose not to levy for the underlevy amount, but did not provide supporting documents, such as correspondence with the district.</p> | Completed | No |
| 3 | Manson Park and Recreation District | <p>The Assessor used the statutory maximum levy rate approved by the voters in the Manson Park and Recreation District to calculate the district' statutory maximum dollar amount, for the 2019 tax year.</p> | Completed | No |

Chelan County Levy Audit Follow-up
Status of Work Completed
May 30, 2019

NOTE: Refer to our original levy audit issued in November 2018 for a complete explanation of each requirement.

| Requirement | Topic | Work Completed on Requirement | Completed / Pending Completion | Future Follow-up? |
|-------------|----------------|--|--------------------------------|---|
| 4 | City of Chelan | <p>The Assessor did not calculate the City of Chelan (CC) statutory maximum levy rate correctly, for the 2019 tax year. The incorrect statutory maximum rate did not result in a levy error.</p> <p>The statutory maximum rate for the CC must be calculated by beginning with \$3.60, then subtracting the current year's levy rates for the North Central Regional Library (NCRL) and Fire District No. 7 (FD7). This calculation must be completed every year.</p> <p>The correct statutory maximum levy rate, for the 2019 tax year, is \$2.3861034145. It is unlikely that this will be the statutory maximum rate for the 2020 tax year. The rate will only stay the same if the levy rates for the NCRL and FD7 do not change from the previous year.</p> <p>The Assessor must take the following actions:</p> <ul style="list-style-type: none"> • Calculate the CC statutory maximum levy rate every year. • Calculate the CC statutory maximum levy rate for the 2020 tax year as follows: <ul style="list-style-type: none"> ○ Determine the levy rates for FD7 and the NCRL, for the 2020 tax year. ○ Subtract the 2020 levy rates for FD7 and NCRL from \$3.60. This is the statutory maximum levy rate for the CC, for the 2020 tax year. | Pending Completion | <p>Yes</p> <p>To determine if the Assessor has met the requirement, the Department expects the Assessor to provide:</p> <ul style="list-style-type: none"> • A copy of the CC levy calculation worksheet, for the 2020 tax year. • The Department will use the tax roll certification requested in Requirement No. 1 to determine the levy rates for FD7 and NCRL, for the 2020 tax year. |

**Chelan County Levy Audit Follow-up
 Status of Work Completed
 May 30, 2019**

NOTE: Refer to our original levy audit issued in November 2018 for a complete explanation of each requirement.

| Requirement | Topic | Work Completed on Requirement | Completed / Pending Completion | Future Follow-up? |
|-------------|-------------------|---|--------------------------------|---|
| 5 | City of Wenatchee | <p>The 2018 Chelan County Levy Audit determined there was a \$306.76 underlevy for the City of Wenatchee (CW), for the 2018 tax year. The Assessor stated the CW chose not to levy for the underlevy amount.</p> <p>The Assessor used the correct previous year's levy rate in the levy calculations, for the 2019 tax year, but did not use the correct highest lawful levy amount.</p> <p>The Assessor did not calculate the CW statutory maximum levy rate correctly, for the 2019 tax year. The statutory maximum rate for the CW must be calculated by beginning with \$3.60, subtracting the current year's levy rates for the North Central Regional Library (NCRL) and Fire District No. 1 (FD1), then add \$.225 for the fire fighters pension fund. This calculation must be completed every year.</p> <p>The correct statutory maximum levy rate, for the 2019 tax year, is \$2.1038054358. It is unlikely that this will be the statutory maximum rate for the 2020 tax year. The rate will only stay the same if the levy rates for the NCRL and FD1 do not change from the previous year.</p> <p>The Assessor must take the following actions:</p> <ul style="list-style-type: none"> Calculate the CW statutory maximum levy rate every year. | Pending Completion | <p>Yes</p> <p>To determine if the Assessor has met the requirement, the Department expects the Assessor to provide:</p> <ul style="list-style-type: none"> A copy of the CW levy calculation worksheet, for the 2020 tax year. The Department will use the tax roll certification requested in Requirement No. 1 to determine the levy rates for FD1 and NCRL, for the 2020 tax year. |

**Chelan County Levy Audit Follow-up
 Status of Work Completed
 May 30, 2019**

NOTE: Refer to our original levy audit issued in November 2018 for a complete explanation of each requirement.

| Requirement | Topic | Work Completed on Requirement | Completed / Pending Completion | Future Follow-up? |
|-------------|-----------------------|--|--------------------------------|-------------------|
| | | <ul style="list-style-type: none"> • Calculate the CW statutory maximum levy rate for the 2020 tax year as follows: <ul style="list-style-type: none"> ○ Determine the levy rates for FD1 and the NCRL, for the 2020 tax year. ○ Subtract the 2020 levy rates for FD1 and NCRL from \$3.60, then add \$.225 for the fire fighters pension fund. This is the statutory maximum levy rate for the CW, for the 2020 tax year. | | |
| 6 | Tax Code Areas | The Assessor stated the three parcels with incorrect tax code areas have been corrected. She informed the taxing districts affected of the issue, and made the necessary corrections in the levy calculations for those districts. | Completed | No |

**Chelan County Levy Audit Follow-up
 Status of Work Completed
 May 30, 2019**

NOTE: Refer to our original levy audit issued in November 2018 for a complete explanation of each requirement.

| Recommendation | Topic | Work Completed on Recommendation | Completed / Pending Completion | Future Follow-up? |
|----------------|--|--|--------------------------------|-------------------|
| 1 | Cashmere School District No. 222 | The Assessor did not add any refund amounts for Cashmere School District No. 222 to a levy that wasn't valid. | Completed | No |
| 2 | Certification of Budget Amounts by County Legislative Authority | <p>The Department requested the county legislative authority's certification of budget requests. The Assessor provided the Department with Resolution No. 17, Certification of 2018 Levies for 2019 Tax, dated February 28, 2019. This document states it is prepared pursuant to RCW 84.52.080, the tax roll statute, and is certified by the Assessor to the county legislative authority. The document contains a listing of the taxing districts within Chelan County and the amount of funds levied by the Assessor.</p> <p>The Assessor did not supply the Department with the county legislative authority's certification of budget requests to her office as required in RCW 84.52.070.</p> | Completed | No |