

PUD NO 1 OF SKAGIT COUNTY
STATEMENT OF NET POSITION (Unaudited)
AS OF SEPTEMBER 30, 2017

	<u>2016</u>	<u>2017</u>
ASSETS		
CURRENT ASSETS		
CASH AND INVESTMENTS	\$ 8,589,554	\$ 9,095,840
ACCOUNTS RECEIVABLE (NET)	1,202,587	1,688,902
ACCRUED UNBILLED REVENUES	1,278,280	1,572,498
INVENTORY	1,523,792	1,615,739
PREPAID INSURANCE	339,402	376,189
OTHER CURRENT AND ACCRUED ASSETS	204,206	177,940
TOTAL CURRENT ASSETS	13,137,821	14,527,108
RESTRICTED ASSETS		
CASH AND INVESTMENTS	6,607,968	4,916,049
GRANTS AND FED STIMULUS RECEIVABLE	16,529	15,800
TOTAL RESTRICTED ASSETS	6,624,497	4,931,849
NONCURRENT ASSETS		
PRELIM SURVEY AND INVESTIGATION	639,005	1,186,721
LUD ASSESSMENTS RECEIVABLE	774,891	768,355
CAPITAL ASSETS		
NON OPERATING PROPERTY	29,521	29,521
LAND AND LAND RIGHTS	579,821	579,821
PLANT	201,211,128	215,852,722
EQUIPMENT	9,743,322	9,859,376
CONSTRUCTION IN PROGRESS	13,941,378	16,877,684
COMPLETED CONST NOT CLASSIFIED	1,053,248	0
ACCUMULATED DEPRECIATION	(69,819,472)	(74,322,429)
TOTAL NONCURRENT ASSETS	158,152,844	170,831,772
TOTAL ASSETS	\$ 177,915,162	\$ 190,290,729
DEFERRED OUTFLOWS OF RESOURCES		
DEFERRED OUTFLOWS RELATED TO PENSIONS	562,579	1,136,027
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 562,579	\$ 1,136,027

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STATEMENT OF NET POSITION (Unaudited)
AS OF SEPTEMBER 30, 2017

	<u>2016</u>	<u>2017</u>
LIABILITIES		
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	\$ 685,275	\$ 635,143
CUSTOMER DEPOSITS	162,934	157,847
ACCRUED TAXES PAYABLE	123,258	104,755
ACCRUED INTEREST ON DEBT	140,732	325,258
BONDS AND LOANS PAYABLE	2,668,285	3,589,789
COMPENSATED ABSENCES	812,519	909,590
CUSTOMER ADVANCES FOR CONSTRUCTION	65,624	144,066
RETAINAGE PAYABLE	12,916	119,860
OTHER DEFERRED CREDITS	250	1,000
TOTAL CURRENT LIABILITIES	4,671,793	5,987,307
NONCURRENT LIABILITIES		
OTHER POSTEMPLOYMENT BENEFITS	1,018,703	1,285,524
UNAMORTIZED DEBT PREMIUMS	34,168	14,643
UNAMORTIZED DEBT EXPENSE	(155,395)	(3,693)
REVENUE BONDS OUTSTANDING	10,167,917	9,004,329
PUBLIC WORKS TRUST FUND LOANS	8,977,123	6,168,922
DRINKING WATER STATE REV FUND LOANS	1,445,816	8,221,375
TOTAL NONCURRENT LIABILITIES	21,488,331	24,691,099
NET PENSION LIABILITY	4,783,347	6,078,187
TOTAL LIABILITIES	\$ 30,943,471	\$ 36,756,593
DEFERRED INFLOWS OF RESOURCES		
DEFERRED INFLOWS RELATED TO PENSIONS	713,799	105,213
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 713,799	\$ 105,213
NET POSITION		
INVESTED IN CAPITAL ASSETS NET OF DEBT	\$ 133,466,891	\$ 141,772,421
RESTRICTED ASSETS	6,624,497	4,931,849
UNRESTRICTED ASSETS	6,729,082	7,860,680
TOTAL NET POSITION	\$ 146,820,470	\$ 154,564,950

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PUD NO 1 OF SKAGIT COUNTY
REVENUES, EXPENSES AND CHANGES IN NET POSITION (Unaudited)
FOR NINE MONTHS ENDING SEPTEMBER 30, 2017

	2016 <u>3rd Qtr Actual</u>	2017 <u>3rd Qtr Actual</u>	2017 <u>3rd Qtr Budget</u>	Actual to Budget favorable (unfavorable)	
OPERATING REVENUE					
RESIDENTIAL-MULTIPLE	\$ 9,931,419	\$ 11,150,530	\$ 10,869,067	\$ 281,463	103%
COMMERCIAL-INDUSTRIAL-FARMS-FIRE PROTECTION	3,312,649	3,751,506	3,508,736	242,770	107%
GOVERNMENTAL	399,630	439,970	429,582	10,388	102%
RESALE	61,699	91,851	77,950	13,901	118%
IRRIGATION	<u>310,194</u>	<u>538,480</u>	<u>365,539</u>	<u>172,941</u>	147%
TOTAL WATER SALES	14,015,592	15,972,338	15,250,874	721,464	105%
OTHER WATER REVENUES	294,298	220,640	185,888	34,752	119%
BROADBAND REVENUES, NET OF COSTS	9,359	10,439	9,750	689	107%
TOTAL OPERATING REVENUES	<u>14,319,250</u>	<u>16,203,417</u>	<u>15,446,512</u>	<u>756,905</u>	105%
OPERATING EXPENSES					
SUPPLY	473,429	470,652	634,725	164,073	74%
TREATMENT	1,211,235	1,401,145	1,607,175	206,030	87%
TRANSMISSION AND DISTRIBUTION	1,730,597	1,474,590	1,513,451	38,861	97%
PURCHASED TELECOMMUNICATIONS SVCS	24,367	25,901	23,250	(2,651)	111%
CUSTOMER ACCOUNTS	928,983	1,129,696	1,223,610	93,914	92%
ADMINISTRATIVE AND GENERAL	2,751,675	3,271,453	3,966,684	695,231	82%
UTILITY TAXES	724,299	771,423	772,472	1,049	100%
DEPRECIATION EXPENSE	<u>3,591,793</u>	<u>3,788,485</u>	<u>3,785,178</u>	<u>(3,307)</u>	100%
TOTAL OPERATING EXPENSES	<u>11,436,377</u>	<u>12,333,345</u>	<u>13,526,545</u>	<u>1,193,200</u>	91%
OPERATING INCOME (LOSS)	<u>2,882,872</u>	<u>3,870,072</u>	<u>1,919,967</u>	<u>1,950,105</u>	202%
NON OPERATING REVENUE					
INTEREST INCOME	63,999	92,184	47,250	44,934	195%
INTEREST AND PENALTY INCOME ON LUDS	18,331	16,726	25,506	(8,780)	66%
MISCELLANEOUS INCOME	<u>24,894</u>	<u>45,230</u>	<u>26,253</u>	<u>18,977</u>	172%
TOTAL NON OPERATING REVENUE	<u>107,223</u>	<u>154,140</u>	<u>99,009</u>	<u>55,131</u>	156%
NON OPERATING EXPENSE					
MISCELLANEOUS EXPENSE	1,801	778	1,647	869	47%
INTEREST ON DEBT, NET	294,325	354,614	441,681	87,067	80%
OTHER TAXES	<u>13,842</u>	<u>54,233</u>	<u>17,153</u>	<u>(37,080)</u>	316%
TOTAL NON OPERATING EXPENSE	<u>309,969</u>	<u>409,626</u>	<u>460,481</u>	<u>50,855</u>	89%
INCOME (LOSS) BEFORE CONTRIBUTIONS	<u>2,680,127</u>	<u>3,614,586</u>	<u>1,558,495</u>	<u>2,056,091</u>	232%
CAPITAL CONTRIBUTIONS					
NON DONATED PLANT	185,430	332,600	180,000	152,600	185%
DONATED PLANT	596,259	514,191	375,000	139,191	137%
SYSTEM DEVELOPMENT FEES	1,078,158	1,156,264	765,000	391,264	151%
PIPE REPLACEMENT	433,466	458,932	450,420	8,512	102%
SERVICES	288,431	415,317	300,000	115,317	138%
LOCAL UTILITY DISTRICTS	0	0	175,000	(175,000)	0%
GRANTS	<u>47,409</u>	<u>0</u>	<u>35,510</u>	<u>(35,510)</u>	0%
TOTAL CAPITAL CONTRIBUTIONS	<u>2,629,154</u>	<u>2,877,303</u>	<u>2,280,930</u>	<u>596,373</u>	126%
CHANGE IN NET POSITION	5,309,281	6,491,889	<u>\$ 3,839,425</u>	<u>\$ 2,652,464</u>	169%
NET POSITION, JANUARY 1	<u>141,511,189</u>	<u>148,073,061</u>			
NET POSITION, SEPTEMBER 30	<u>\$ 146,820,470</u>	<u>\$ 154,564,950</u>			

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PUD NO 1 OF SKAGIT COUNTY
OPERATING REVENUES AND EXPENSE TRACKING (Unaudited)
FOR NINE MONTHS ENDING SEPTEMBER 30, 2017

	2016 <u>YTD Actual</u>	2017 <u>YTD Actual</u>	2017 <u>YTD Budget</u>	Actual to Budget <u>favorable (unfavorable)</u>	
OPERATING REVENUE					
WATER SALES					
JUDY SYSTEM	\$ 13,512,383	\$ 15,421,407	\$ 14,708,880	\$ 712,527	105%
FIDALGO/SIMILK	283,002	299,061	322,366	(23,305)	93%
CEDARGROVE	65,649	73,487	64,560	8,927	114%
ROCKPORT	22,814	25,436	23,979	1,457	106%
MOUNTAIN VIEW	7,492	8,972	8,228	744	109%
ALGER/SAMISH	55,270	66,699	52,411	14,288	127%
POTLATCH	29,125	32,089	33,783	(1,694)	95%
SKAGIT VIEW VILLAGE	28,014	31,725	27,777	3,948	114%
MARBLEMOUNT	11,844	13,461	8,890	4,571	151%
TOTAL WATER SALES	<u>14,015,592</u>	<u>15,972,338</u>	<u>15,250,874</u>	<u>721,464</u>	105%
OTHER OPERATING REVENUE					
MISC SERVICE CHARGES AND CONTRACTS	293,939	220,161	185,672	34,489	119%
WATER TESTING SALES	359	479	216	263	222%
BROADBAND SERVICES, NET OF COSTS	9,359	10,439	9,750	689	107%
TOTAL OTHER OPERATING REVENUE	<u>303,658</u>	<u>231,079</u>	<u>195,638</u>	<u>35,441</u>	118%
TOTAL OPERATING REVENUE	<u>14,319,250</u>	<u>16,203,417</u>	<u>15,446,512</u>	<u>756,905</u>	105%
OPERATING EXPENSES					
SALARIES/WAGES/BENEFITS	5,717,656	5,800,663	6,350,772	550,109	91%
GENERAL SUPPLIES AND SERVICES	1,020,781	1,147,919	1,364,900	216,981	84%
WATER PURCHASED FROM OTHERS	168,484	160,780	138,753	(22,027)	116%
ELECTRICITY PURCHASED FOR PUMPING	289,469	295,060	393,381	98,321	75%
CHEMICALS FOR TREATMENT	214,313	333,720	301,533	(32,187)	111%
UTILITIES	83,569	128,103	122,367	(5,736)	105%
POSTAGE AND SHIPPING	70,890	69,555	66,798	(2,757)	104%
EQUIP MAINT CONTRACTS	13,000	13,730	20,097	6,367	68%
PURCHASED TELECOMMUNICATIONS SVCS	24,367	20,705	23,250	2,545	89%
MEMBERSHIPS	44,253	58,173	56,214	(1,959)	103%
ACQUIRED PROFESSIONAL SERVICES	172,392	283,270	507,903	224,633	56%
EQUIPMENT AND VEHICLE EXPENSE	107,034	111,864	131,253	19,389	85%
INSURANCE EXPENSE	283,883	299,421	254,532	(44,889)	118%
ADVERTISING EXPENSE	10,448	24,627	24,642	15	100%
BAD DEBT EXPENSE	16,712	24,705	22,500	(2,205)	110%
MISCELLANEOUS EXPENSES	3,284	0	0	0	0%
UTILITY TAXES	724,299	771,423	772,472	1,049	100%
TRANSFERS TO CONSTRUCTION IN PROGRESS	(1,120,250)	(998,857)	(810,000)	188,857	123%
TOTAL OPERATING EXPENSES	<u>7,844,585</u>	<u>8,544,860</u>	<u>9,741,367</u>	<u>1,196,507</u>	88%
NET OPERATING INCOME BEFORE DEPRECIATION AND OPEB COSTS	<u>\$ 6,474,665</u>	<u>\$ 7,658,557</u>	<u>\$ 5,705,145</u>	<u>\$ 1,953,412</u>	134%

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