

PUD NO 1 OF SKAGIT COUNTY
STATEMENT OF NET POSITION (Unaudited)
AS OF DECEMBER 31, 2017

	<u>2016</u>	<u>2017</u>
ASSETS		
CURRENT ASSETS		
CASH AND INVESTMENTS	\$ 4,409,582	\$ 6,248,704
ACCOUNTS RECEIVABLE (NET)	3,584,021	3,446,464
INVENTORY	1,507,917	1,566,708
PREPAID EXPENSES	227,461	303,835
OTHER CURRENT AND ACCRUED ASSETS	170,613	194,499
TOTAL CURRENT ASSETS	9,899,594	11,760,210
RESTRICTED ASSETS		
CASH AND INVESTMENTS	6,493,836	7,245,727
TOTAL RESTRICTED ASSETS	6,493,836	7,245,727
NONCURRENT ASSETS		
INVESTMENTS	3,640,759	1,970,280
PRECONSTRUCTION COSTS	767,753	1,838,430
LUD ASSESSMENTS RECEIVABLE	948,322	716,359
OTHER NON-CURRENT ASSETS	0	0
CAPITAL ASSETS		
NON OPERATING PROPERTY	29,521	29,521
LAND AND LAND RIGHTS	579,821	579,821
EARTHEN IMPOUNDING RESERVOIR	12,375,489	12,375,489
PLANT	202,657,604	202,657,604
EQUIPMENT	10,813,419	10,813,419
CONSTRUCTION IN PROGRESS	6,070,441	21,885,723
ACCUMULATED DEPRECIATION	(70,416,142)	(75,526,132)
TOTAL NONCURRENT ASSETS	167,466,987	177,340,514
TOTAL ASSETS	\$ 183,860,417	\$ 196,346,451
DEFERRED OUTFLOWS OF RESOURCES		
DEFERRED OUTFLOWS RELATED TO PENSIONS	1,136,027	1,136,027
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 1,136,027	\$ 1,136,027

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STATEMENT OF NET POSITION (Unaudited)
AS OF DECEMBER 31, 2017

	<u>2016</u>	<u>2017</u>
LIABILITIES		
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	\$ 2,132,091	\$ 1,175,080
ACCRUED TAXES PAYABLE	147,250	159,078
CUSTOMER DEPOSITS	168,854	149,213
ACCRUED INTEREST ON DEBT	187,607	332,888
BONDS AND LOANS PAYABLE	2,934,307	2,947,205
COMPENSATED ABSENCES	888,729	937,671
CUSTOMER ADVANCES FOR CONSTRUCTION	129,566	149,166
RETAINAGE PAYABLE	255,310	131,584
OTHER CURRENT LIABILITIES	251	250
TOTAL CURRENT LIABILITIES	6,843,965	5,982,136
NONCURRENT LIABILITIES		
OTHER POSTEMPLOYMENT BENEFITS	1,285,524	1,285,524
REVENUE BONDS OUTSTANDING, NET	10,189,817	13,050,235
PUBLIC WORKS TRUST FUND LOANS	7,525,123	6,168,922
DRINKING WATER STATE REV FUND LOANS	4,895,556	8,221,375
TOTAL NONCURRENT LIABILITIES	23,896,020	28,726,055
NET PENSION LIABILITY	6,078,187	6,078,187
TOTAL LIABILITIES	\$ 36,818,172	\$ 40,786,378
DEFERRED INFLOWS OF RESOURCES		
DEFERRED INFLOWS RELATED TO PENSIONS	105,213	105,213
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 105,213	\$ 105,213
NET POSITION		
INVESTED IN CAPITAL ASSETS NET OF DEBT	\$ 136,565,350	\$ 129,253,190
RESTRICTED ASSETS	6,493,836	7,245,727
UNRESTRICTED ASSETS	5,013,873	20,091,970
TOTAL NET POSITION	\$ 148,073,059	\$ 156,590,886

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PUD NO 1 OF SKAGIT COUNTY
REVENUES, EXPENSES AND CHANGES IN NET POSITION (Unaudited)
FOR TWELVE MONTHS ENDING DECEMBER 31, 2017

	2016 <u>4th Qtr Actual</u>	2017 <u>4th Qtr Actual</u>	2017 <u>4th Qtr Budget</u>	Actual to Budget <u>favorable (unfavorable)</u>	
OPERATING REVENUE					
RESIDENTIAL-MULTIPLE	\$ 13,355,049	\$ 14,824,954	\$ 14,534,000	\$ 290,954	102%
COMMERCIAL-INDUSTRIAL-FARMS-FIRE PROTECTION	4,554,616	5,021,636	4,754,000	267,636	106%
GOVERNMENTAL	559,801	570,320	574,000	(3,680)	99%
RESALE	59,261	117,043	100,000	17,043	117%
IRRIGATION	<u>395,956</u>	<u>660,065</u>	<u>465,000</u>	<u>195,065</u>	142%
TOTAL WATER SALES	18,924,683	21,194,018	20,427,000	767,018	104%
OTHER WATER REVENUES	401,456	295,898	250,288	45,610	118%
BROADBAND REVENUES, NET OF COSTS	<u>13,006</u>	<u>13,722</u>	<u>10,000</u>	<u>3,722</u>	137%
TOTAL OPERATING REVENUES	<u>19,339,145</u>	<u>21,503,638</u>	<u>20,687,288</u>	<u>816,350</u>	104%
OPERATING EXPENSES					
SUPPLY	787,604	684,728	846,300	161,572	81%
TREATMENT	1,713,345	1,970,555	2,142,892	172,337	92%
TRANSMISSION AND DISTRIBUTION	2,323,610	1,881,771	2,006,514	124,743	94%
PURCHASED TELECOMMUNICATIONS SVCS	34,234	34,908	27,000	(7,908)	129%
CUSTOMER ACCOUNTS	1,225,267	1,537,989	1,631,474	93,485	94%
ADMINISTRATIVE AND GENERAL	4,238,713	4,164,487	5,288,881	1,124,394	79%
UTILITY TAXES	956,602	1,049,052	1,029,000	(20,052)	102%
DEPRECIATION EXPENSE	<u>4,740,895</u>	<u>5,109,990</u>	<u>5,046,904</u>	<u>(63,086)</u>	101%
TOTAL OPERATING EXPENSES	<u>16,020,270</u>	<u>16,433,481</u>	<u>18,018,965</u>	<u>1,585,484</u>	91%
OPERATING INCOME (LOSS)	<u>3,318,875</u>	<u>5,070,157</u>	<u>2,668,323</u>	<u>2,401,834</u>	190%
NON OPERATING REVENUE					
INTEREST INCOME	47,461	134,795	63,000	71,795	214%
INTEREST AND PENALTY INCOME ON LUDS	36,768	37,225	34,000	3,225	109%
MISCELLANEOUS INCOME	31,311	36,274	35,000	1,274	104%
GAINS ON CAPITAL ASSET DIPOSITIONS	<u>42,684</u>	<u>19,476</u>	<u>0</u>	<u>19,476</u>	100%
TOTAL NON OPERATING REVENUE	<u>158,224</u>	<u>227,770</u>	<u>132,000</u>	<u>95,770</u>	173%
NON OPERATING EXPENSE					
MISCELLANEOUS EXPENSE	16,443	94,061	2,200	(91,861)	4275%
INTEREST ON DEBT, NET	<u>400,758</u>	<u>470,408</u>	<u>580,909</u>	<u>110,501</u>	81%
TOTAL NON OPERATING EXPENSE	<u>417,201</u>	<u>564,469</u>	<u>583,109</u>	<u>18,640</u>	97%
INCOME (LOSS) BEFORE CONTRIBUTIONS	<u>3,059,898</u>	<u>4,733,458</u>	<u>2,217,214</u>	<u>2,516,244</u>	213%
CAPITAL CONTRIBUTIONS					
NON DONATED PLANT	123,850	390,300	240,000	150,300	163%
DONATED PLANT	880,379	699,172	500,000	199,172	140%
SYSTEM DEVELOPMENT FEES	1,341,132	1,552,681	1,020,000	532,681	152%
SERVICES	367,340	523,113	400,000	123,113	131%
PIPE REPLACEMENT	591,860	619,102	600,000	19,102	103%
LOCAL UTILITY DISTRICTS	269,796	0	175,000	(175,000)	0%
GRANTS	<u>47,410</u>	<u>0</u>	<u>397,500</u>	<u>(397,500)</u>	0%
TOTAL CAPITAL CONTRIBUTIONS	<u>3,621,767</u>	<u>3,784,367</u>	<u>3,332,500</u>	<u>451,867</u>	114%
CHANGE IN NET POSITION	6,681,665	8,517,825	<u>\$ 5,549,714</u>	<u>\$ 2,968,111</u>	153%
NET POSITION, JANUARY 1	<u>141,391,394</u>	<u>148,073,061</u>			
NET POSITION, SEPTEMBER 30	<u>\$ 148,073,059</u>	<u>\$ 156,590,886</u>			

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PUD NO 1 OF SKAGIT COUNTY
OPERATING REVENUES AND EXPENSE TRACKING (Unaudited)
FOR TWELVE MONTHS ENDING DECEMBER 31, 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	\$ 18,237,055	\$ 20,438,429	\$ 19,704,000	\$ 734,429	104%
FIDALGO/SIMILK	422,306	430,809	430,000	809	100%
CEDARGROVE	88,294	87,616	86,000	1,616	102%
ROCKPORT	30,365	30,102	32,000	(1,898)	94%
MOUNTAIN VIEW	9,911	10,092	11,000	(908)	92%
ALGER/SAMISH	71,881	102,242	70,000	32,242	146%
POTLATCH	42,740	41,873	45,000	(3,127)	93%
SKAGIT VIEW VILLAGE	36,395	37,100	37,000	100	100%
MARBLEMOUNT	15,736	15,755	12,000	3,755	131%
TOTAL WATER SALES	<u>18,954,683</u>	<u>21,194,018</u>	<u>20,427,000</u>	<u>767,018</u>	104%
OTHER OPERATING REVENUE					
MISC SERVICE CHARGES AND CONTRACTS	400,905	295,347	250,000	45,347	118%
WATER TESTING SALES	551	551	288	263	191%
BROADBAND SERVICES, NET OF COSTS	13,006	13,722	10,000	3,722	137%
TOTAL OTHER OPERATING REVENUE	<u>414,462</u>	<u>309,620</u>	<u>260,288</u>	<u>49,332</u>	119%
TOTAL OPERATING REVENUE	<u>19,369,145</u>	<u>21,503,638</u>	<u>20,687,288</u>	<u>816,350</u>	104%
OPERATING EXPENSES					
SALARIES/WAGES/BENEFITS	7,783,932	7,756,038	8,467,702	711,664	92%
WATER PURCHASED FROM OTHERS	272,720	224,834	185,000	(39,834)	122%
ELECTRICITY PURCHASED FOR PUMPING	489,324	443,489	524,500	81,011	85%
CHEMICALS FOR TREATMENT	342,485	463,949	402,050	(61,899)	115%
GENERAL SUPPLIES AND SERVICES	1,616,881	1,532,269	1,820,247	287,978	84%
UTILITIES	130,523	178,340	163,170	(15,170)	109%
POSTAGE AND SHIPPING	96,201	95,930	89,060	(6,870)	108%
EQUIP MAINT CONTRACTS	15,758	20,548	26,800	6,252	77%
PURCHASED TELECOMMUNICATIONS SVCS	34,234	32,682	27,000	(5,682)	121%
MEMBERSHIPS	60,647	80,354	74,952	(5,402)	107%
ACQUIRED PROFESSIONAL SERVICES	329,978	450,921	677,200	226,279	67%
EQUIPMENT AND VEHICLE EXPENSE	155,582	156,096	175,000	18,904	89%
INSURANCE EXPENSE	410,094	440,317	339,380	(100,937)	130%
ADVERTISING EXPENSE	14,072	19,868	21,000	1,132	95%
BAD DEBT EXPENSE	44,647	36,077	30,000	(6,077)	120%
MISCELLANEOUS EXPENSES	3,284	0	0	0	0%
UTILITY TAXES	956,602	1,049,052	1,029,000	(20,052)	102%
TRANSFERS TO CONSTRUCTION IN PROGRESS	(1,714,412)	(1,657,275)	(1,080,000)	577,275	153%
TOTAL OPERATING EXPENSES	<u>11,042,552</u>	<u>11,323,491</u>	<u>12,972,061</u>	<u>1,648,570</u>	87%
NET OPERATING INCOME BEFORE DEPRECIATION AND OPEB COSTS	<u>\$ 8,326,593</u>	<u>\$ 10,180,147</u>	<u>\$ 7,715,227</u>	<u>\$ 2,464,920</u>	132%

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