

**PUD NO 1 OF SKAGIT COUNTY**  
**STATEMENT OF NET POSITION (Unaudited)**  
**AS OF JUNE 30, 2018**

	<u>2017</u>	<u>2018</u>
<b>ASSETS</b>		
CURRENT ASSETS		
CASH AND INVESTMENTS	\$ 3,181,571	\$ 5,538,022
CUSTOMER ACCOUNTS RECEIVABLE (NET)	2,886,047	2,965,575
ACCOUNTS RECEIVABLE, OTHER	191,934	34,208
MATERIALS INVENTORY	1,765,054	1,588,099
PREPAID EXPENSES	110,600	60,337
OTHER CURRENT ASSETS	184,213	170,288
TOTAL CURRENT ASSETS	8,319,419	10,356,529
RESTRICTED ASSETS		
CASH AND INVESTMENTS	7,670,219	9,934,427
TOTAL RESTRICTED ASSETS	7,670,219	9,934,427
NONCURRENT ASSETS		
INVESTMENTS	3,637,757	3,151,985
LUD ASSESSMENTS RECEIVABLE	806,899	659,020
PRECONSTRUCTION COSTS	957,939	1,907,130
OTHER NON-CURRENT ASSETS	35,053	24,463
CAPITAL ASSETS		
NON OPERATING PROPERTY	29,521	29,521
LAND AND LAND RIGHTS	579,821	2,186,152
EARTHEN IMPOUNDING RESERVOIR	12,375,489	12,375,489
CONSTRUCTION IN PROGRESS	12,084,601	15,552,575
PLANT	203,729,449	211,127,174
EQUIPMENT	9,859,376	11,577,113
ACCUMULATED DEPRECIATION	(73,046,989)	(77,429,877)
TOTAL NONCURRENT ASSETS	171,048,916	181,160,745
TOTAL ASSETS	\$ 187,038,554	\$ 201,451,701
DEFERRED OUTFLOWS OF RESOURCES		
DEFERRED OUTFLOWS RELATED TO PENSIONS	1,136,027	717,153
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 1,136,027	\$ 717,153

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**AS OF JUNE 30, 2018**

	<u>2017</u>	<u>2018</u>
<b>LIABILITIES</b>		
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	\$ 1,233,841	\$ 1,763,818
RETAINAGE PAYABLE	215,897	97,891
TAXES PAYABLE	163,161	188,363
CUSTOMER DEPOSITS	156,882	157,463
ACCRUED INTEREST ON DEBT	211,361	302,697
BONDS AND LOANS PAYABLE	1,587,304	1,857,507
OTHER CURRENT LIABILITIES	144,816	234,638
TOTAL CURRENT LIABILITIES	<u>3,713,262</u>	<u>4,602,377</u>
NONCURRENT LIABILITIES		
OTHER POSTEMPLOYMENT BENEFITS	1,285,524	1,110,315
COMPENSATED ABSENCES	625,569	601,858
REVENUE BONDS OUTSTANDING, NET	10,182,516	13,042,935
PUBLIC WORKS TRUST FUND LOANS	7,273,840	5,992,639
DRINKING WATER STATE REV FUND LOANS	7,531,206	10,417,620
TOTAL NONCURRENT LIABILITIES	<u>26,898,655</u>	<u>31,165,367</u>
NET PENSION LIABILITY	6,078,187	4,189,495
TOTAL LIABILITIES	<u>\$ 36,690,104</u>	<u>\$ 39,957,239</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
DEFERRED INFLOWS RELATED TO PENSIONS	105,213	906,074
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>\$ 105,213</u>	<u>\$ 906,074</u>
<b>NET POSITION</b>		
INVESTED IN CAPITAL ASSETS NET OF DEBT	\$ 128,652,589	\$ 130,966,620
RESTRICTED ASSETS	7,670,219	9,934,427
UNRESTRICTED ASSETS	15,056,456	20,404,494
TOTAL NET POSITION	<u>\$ 151,379,264</u>	<u>\$ 161,305,541</u>

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**PUD NO 1 OF SKAGIT COUNTY**  
**OPERATING REVENUES AND EXPENSE TRACKING (Unaudited)**  
**FOR SIX MONTHS ENDING JUNE 30, 2018**

	2017 <u>YTD Actual</u>	2018 <u>YTD Actual</u>	2018 <u>YTD Budget</u>	Actual to Budget <u>favorable (unfavorable)</u>	
<b>OPERATING REVENUE</b>					
<b>WATER SALES</b>					
JUDY SYSTEM	\$ 9,163,917	\$ 10,069,553	\$ 10,075,703	\$ (6,150)	100%
FIDALGO/SIMILK	185,566	212,906	223,844	(10,938)	95%
CEDARGROVE	41,525	45,945	45,109	836	102%
ROCKPORT	13,994	16,269	16,230	39	100%
MOUNTAIN VIEW	3,818	4,342	5,192	(850)	84%
ALGER/SAMISH	32,480	13,157	38,884	(25,727)	34%
POTLATCH	20,260	24,208	23,026	1,182	105%
SKAGIT VIEW VILLAGE	16,881	19,031	19,266	(235)	99%
MARBLEMOUNT	6,834	6,942	6,972	(30)	100%
TOTAL WATER SALES	<u>9,485,275</u>	<u>10,412,353</u>	<u>10,454,226</u>	<u>(41,873)</u>	100%
<b>OTHER OPERATING REVENUE</b>					
MISC SERVICE CHARGES	150,216	165,369	125,346	40,023	132%
BROADBAND SERVICES, NET OF COSTS	4,842	7,370	(766)	8,136	-962%
TOTAL OTHER OPERATING REVENUE	<u>155,058</u>	<u>172,739</u>	<u>124,580</u>	<u>48,159</u>	139%
TOTAL OPERATING REVENUE	<u>9,640,333</u>	<u>10,585,092</u>	<u>10,578,806</u>	<u>6,286</u>	100%
<b>OPERATING EXPENSES</b>					
SALARIES/WAGES/BENEFITS	3,725,652	4,069,290	4,275,042	205,752	95%
WATER PURCHASED FROM OTHERS	80,067	79,678	92,500	12,822	86%
ELECTRICITY PURCHASED FOR PUMPING	131,804	131,145	242,250	111,105	54%
CHEMICALS FOR TREATMENT	185,661	226,299	213,275	(13,024)	106%
GENERAL SUPPLIES AND SERVICES	462,717	460,668	591,032	130,364	78%
UTILITIES	76,144	97,859	95,656	(2,203)	102%
POSTAGE AND SHIPPING	45,290	31,227	47,480	16,253	66%
EQUIP MAINT CONTRACTS	8,781	9,366	9,276	(90)	101%
PURCHASED TELECOMMUNICATIONS SVCS	16,527	14,837	19,551	4,714	76%
MEMBERSHIPS	39,719	38,792	41,535	2,743	93%
TECHNOLOGY/SCADA/SUPPORT	101,203	240,323	231,446	(8,877)	104%
PROFESSIONAL SERVICES	147,624	140,368	312,501	172,133	45%
TRAVEL AND TRAINING	91,245	43,504	117,936	74,432	37%
EQUIPMENT AND VEHICLE EXPENSE	55,116	69,858	97,090	27,232	72%
INSURANCE EXPENSE	186,048	182,794	223,542	40,748	82%
ADVERTISING EXPENSE	18,969	14,867	19,550	4,683	76%
BAD DEBT EXPENSE	13,777	21,038	15,000	(6,038)	140%
HEALTH PERMITS	34,010	34,010	34,265	255	99%
MISCELLANEOUS EXPENSES	38,283	41,466	32,820	(8,646)	0%
UTILITY TAXES	472,249	511,046	522,783	11,737	98%
TRANSFERS TO CONSTRUCTION IN PROGRESS	(581,489)	(612,435)	(500,000)	112,435	122%
TOTAL OPERATING EXPENSES	<u>5,349,397</u>	<u>5,846,000</u>	<u>6,734,530</u>	<u>888,530</u>	87%
<b>NET OPERATING INCOME BEFORE DEPRECIATION AND OPEB COSTS</b>	<u>\$ 4,290,936</u>	<u>\$ 4,739,092</u>	<u>\$ 3,844,276</u>	<u>\$ 894,816</u>	123%

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**PUD NO 1 OF SKAGIT COUNTY**  
**REVENUES, EXPENSES AND CHANGES IN NET POSITION (Unaudited)**  
**FOR SIX MONTHS ENDING JUNE 30, 2018**

	2017 <u>2nd Qtr Actual</u>	2018 <u>2nd Qtr Actual</u>	2018 <u>2nd Qtr Actual</u>	Actual to Budget favorable (unfavorable)	
<b>OPERATING REVENUE</b>					
RESIDENTIAL-MULTIPLE	\$ 6,842,182	\$ 7,456,164	\$ 7,590,217	\$ (134,053)	98%
COMMERCIAL-INDUSTRIAL-FARMS-FIRE PROTECTION	2,262,739	2,441,253	2,427,325	13,928	101%
GOVERNMENTAL	242,941	267,808	287,852	(20,044)	93%
RESALE	38,902	45,387	40,121	5,266	113%
IRRIGATION	<u>95,335</u>	<u>201,741</u>	<u>108,711</u>	<u>93,030</u>	186%
TOTAL WATER SALES	9,482,099	10,412,353	10,454,226	(41,873)	100%
OTHER WATER REVENUES	153,391	165,369	125,346	40,023	132%
BROADBAND REVENUES, NET OF COSTS	<u>4,842</u>	<u>7,370</u>	<u>(766)</u>	<u>8,136</u>	-962%
TOTAL OPERATING REVENUES	<u>9,640,332</u>	<u>10,585,092</u>	<u>10,578,806</u>	<u>6,286</u>	100%
<b>OPERATING EXPENSES</b>					
SUPPLY	209,935	197,955	395,064	197,109	50%
TREATMENT	842,111	1,035,474	1,102,709	67,235	94%
TRANSMISSION AND DISTRIBUTION	449,511	402,785	592,501	189,716	68%
PURCHASED TELECOMMUNICATIONS SVCS	16,526	15,228	27,602	12,374	55%
CUSTOMER ACCOUNTS	728,273	817,580	855,188	37,608	96%
ADMINISTRATIVE AND GENERAL	2,630,790	2,865,932	3,238,683	372,751	88%
UTILITY TAXES	472,249	511,046	522,783	11,737	98%
DEPRECIATION EXPENSE	<u>2,513,044</u>	<u>2,497,263</u>	<u>2,468,450</u>	<u>(28,813)</u>	101%
TOTAL OPERATING EXPENSES	<u>7,862,439</u>	<u>8,343,263</u>	<u>9,202,980</u>	<u>859,717</u>	91%
OPERATING INCOME (LOSS)	<u>1,777,893</u>	<u>2,241,829</u>	<u>1,375,826</u>	<u>866,003</u>	163%
<b>NON OPERATING REVENUE</b>					
INTEREST INCOME	57,965	135,883	39,100	96,783	348%
INTEREST AND PENALTY INCOME ON LUDS	11,647	14,821	16,352	(1,531)	91%
MISCELLANEOUS INCOME	22,045	15,292	22,500	(7,208)	68%
GAINS ON CAPITAL ASSET DIPOSITIONS	<u>1,991</u>	<u>26,519</u>	<u>0</u>	<u>26,519</u>	100%
TOTAL NON OPERATING REVENUE	<u>93,648</u>	<u>192,515</u>	<u>77,952</u>	<u>114,563</u>	247%
<b>NON OPERATING EXPENSE</b>					
MISCELLANEOUS EXPENSE	776	83	400	317	21%
INTEREST ON DEBT, NET	<u>238,481</u>	<u>297,116</u>	<u>390,415</u>	<u>93,299</u>	76%
TOTAL NON OPERATING EXPENSE	<u>239,257</u>	<u>297,199</u>	<u>390,815</u>	<u>93,616</u>	76%
INCOME (LOSS) BEFORE CONTRIBUTIONS	<u>1,632,284</u>	<u>2,137,145</u>	<u>1,062,963</u>	<u>1,074,182</u>	201%
<b>CAPITAL CONTRIBUTIONS</b>					
NON DONATED PLANT	162,100	210,119	150,000	60,119	140%
DONATED PLANT	229,052	665,606	200,000	465,606	333%
SYSTEM DEVELOPMENT FEES	733,522	850,991	550,000	300,991	155%
SERVICES	240,944	237,703	204,000	33,703	117%
PIPE REPLACEMENT	308,302	311,820	288,026	23,794	108%
GRANTS	<u>0</u>	<u>0</u>	<u>30,000</u>	<u>(30,000)</u>	0%
TOTAL CAPITAL CONTRIBUTIONS	<u>1,673,920</u>	<u>2,276,239</u>	<u>1,422,026</u>	<u>854,213</u>	160%
<b>CHANGE IN NET POSITION</b>	3,306,204	4,413,384	<u>\$ 2,484,989</u>	<u>\$ 1,928,395</u>	178%
NET POSITION, JANUARY 1	<u>148,073,061</u>	<u>156,892,157</u>			
NET POSITION, JUNE 30	<u>\$ 151,379,265</u>	<u>\$ 161,305,541</u>			

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