Annual Report

PUD #1 of Ferry County

MCAG No. 1778

Submitted pursuant to RCW 43.09.230

To the

Office of the State Auditor

For the fiscal year ended December 31, 2019

Certified correct this 20th day of December 2020 to the best of my knowledge:

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MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

The following discussion and analysis is designed to provide an overview of Public Utility District No. 1 of Ferry County's (the District) financial activity, to assist the public in focusing on the significant financial issues facing the District, and to identify changes in the District's financial position.

The District is a municipal corporation of the State of Washington and was established in 1936 and began operations in 1945. At that time, the system served 300 customers. In 2019 the system served an average of 3,530 customers. The District is an electricity-only utility with distribution and limited 34.5 KV transmission system. The District purchases all electricity from the Bonneville Power Administration (BPA) as a full-requirements customer. A three-member Board of Commissioners locally elected to six-year terms governs the District.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial report includes this Management's Discussion and Analysis, Basic Financial Statements with accompanying notes, and Supplemental Information. The District conforms to generally accepted accounting principles as applicable to proprietary funds of public utility districts operated in the State of Washington. The District uses the Uniform Systems of Accounts as prescribed by the United States Department of Agriculture Rural Utilities Service (RUS). The District's financial statements are presented on an accrual basis of accounting. Accrual accounting recognizes revenues when earned and expenses when they are incurred, regardless of when cash is received or paid.

- The *Statement of Net Position* presents information on the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and equity (net position) at year end. It also provides information about the nature and amounts of investment in resources (assets) and the District's obligations to its creditors (liabilities).

- The *Statement of Revenue, Expenses and Changes in Net Position* accounts for the year's revenue and expense transactions. This statement measures the District's operations over the past year and may be used to determine if the District has been successful in recovering its costs through rates and other charges.

- The *Statement of Cash Flows* provides information on the District's cash receipts and disbursements during the year. This statement reports changes in cash resulting from operations, investing, and financing activities.

- The *Notes to the Financial Statements* provide additional information that is an integral part of the financial statements. This information includes the disclosure of significant accounting policies, financial activities, risks, commitments, obligations, and subsequent events.

- The *Required Supplemental Information* provides additional information on the District's state pension plan. It includes information about the District's Proportionate Share of the Net Pension Liability of the full plan as well as the District's contributions to the plan.

FINANCIAL ANALYSIS OF THE DISTRICT

Net Position. In 2019, the District's Net Position improved by $300.6 thousand; at year end it totaled approximately $18.35 million.

Assets/Liabilities & Deferred Outflows/Deferred Inflows. The District's Total Assets increased by $169.95 thousand while District Liabilities declined in 2019 by over $139.4 thousand. The change in the District Assets was a result of increases in Cash & Cash Equivalents as well as Notes Receivables and Accounts Receivables. The decline in liabilities consisted of a significant reduction to Pension Liability even though Current Liabilities reflected an increase. These factors in combination with an increase to the Deferred Pension Inflows resulted in the above-mentioned increase to Net Position.

Cash and Cash Equivalents. District Cash and Cash Equivalents continued to rise to $3.0 million; a $385.9 thousand increase.

Revenues/Expenses. Operating Revenues increased only slightly by about $18.8 thousand during 2019. This was the result of an increase to Energy Sales while other Operating Revenues remained constant from 2018 levels. Non-Operating Revenues increased by about $151.02 thousand. An increase to Interest Income from raising interest rates as well as an increase in Contributed Capital from increased construction both accounted for this. Operating Expenses also increased but by only $38.0 thousand. The District saw an increase to all operating expense categories which totaled approximately $130.26 thousand. However, they were offset by a decline of $92.29 thousand to Operations and Maintenance Expenses.

The Board continued to pay strict attention to retail sales and monitor cost reserves throughout 2019. Because of the efforts of Commissioners and staff, the District's financial position continued to improve.

The following *Selected Financial Information* provides a two-year comparison of key financial information for the District.

SELECTED FINANCIAL INFORMATION

	2019	2018	Increase (Decrease)
Total Capital Assets	12,147,046	12,270,619	(123,573)
Total Current Assets	8,074,892	7,781,369	293,523
Total Assets	20,221,938	20,051,988	169,950
Total Deferred Outflows	186,716	186,397	319
Total Long-term Liabilities	828,205	1,013,519	(185,314)
Total Current Liabilities	837,686	791,780	45,906
Total Liabilities	1,665,891	1,805,299	(139,408)
Total Deferred Inflows	397,614	388,537	9,077
Net Investment in Capital Assets	12,147,046	12,235,209	(88,163)
Restricted Assets	231,126	508,063	(276,937)
Unrestricted Assets	5,966,978	5,301,277	665,701
Total Net Position	18,345,150	18,044,549	300,601
Cash & Cash Equivalents	3,003,588	2,617,686	385,902
Total Energy Sales	6,640,735	6,616,899	23,836
Other Electric Revenue	132,078	137,109	(5,031)
Total Operating Revenues	6,772,814	6,754,008	18,806
Cost of Purchased Power	2,784,809	2,774,414	10,395
O&M Expenses	1,327,399	1,419,688	(92,289)
Customer Service Expenses	505,900	464,125	41,775
G&A, Taxes and Other Expenses	1,378,624	1,305,467	73,157
Depreciation and Amortization	851,996	847,059	4,937
Total Operating Expenses	6,848,727	6,810,753	37,974
Non-Operating Revenues	439,367	288,343	151,024
Income before Contributions, Special & Extraordinary Items and Transfers	139,208	92,168	47,040
Contributions	300,160	196,175	103,985
Special & Extraordinary Items	-	-	-
Transfers	-	-	-
Prior Year Adjustments	(62,853)		(62,853)
Change in Net Position	363,454	231,598	131,856
Year End Net Position	18,345,150	18,044,549	300,601

See Note 3 Utility Plant and Depreciation for capital assets.

SIGNIFICANT LONG-TERM DEBT

As of December 31, 2019, the District had no long-term debt outstanding. See Note 5.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's ratepayers, investors, and other readers with a general overview of the District's finances and to show the District's accountability for money it receives. If you have questions about this report or need additional information, contact the District's Auditor at Public Utility District No. 1 of Ferry County, P.O. Box 1039, Republic, WA 99166.

PUD No. 1 of Ferry County

Statement of Net Position

For the period ending December 31, 2019

Assets	2019
Current Assets	
Cash and Cash Equivalents	3,003,588
Receivables (Net)	
Notes Receivable	516,217
Accounts Receivable	1,110,833
Inventories	371,212
Prepayments	29,955
Other Current Assets	2,646,550
Restricted Assets	
Bond Reserve	600
Customer Deposits	165,412
Revolving Loan and Grant Fund	230,526
Total Current Assets	**8,074,892**
Assets Being Depreciated	
Plant	25,586,219
Buildings	953,220
Machinery and Equipment	3,251,718
Assets Not Being Depreciated	
Land	200,484
Construction Work in Progress	29,570
Retirement Work in Progress	0
Less Accumulated Depreciation	
Less Accumulated Depreciation	(17,874,166)
Capital Assets (Net)	**12,147,046**
Total Non-Current Assets	**12,147,046**
Deferred Outflows	
Pension Related Outflows	186,716
Total Deferred Outflows	**186,716**
Total Assets & Deferred Outflows	**20,408,655**

PUD No. 1 of Ferry County

Statement of Net Position

For the period ending December 31, 2019 Continued

Liabilities

Current Liabilities	
Accounts Payable	454,227
Customer Deposits	165,412
Accrued Taxes	138,619
Accrued Payroll	79,428
Total Current Liabilities	**837,686**
Non-current Liabilities	
Compensated Absences	264,306
Net Pension Liability	563,899
Total Non-Current Liabilities	**828,205**
Deferred Inflows	
Pension Related Inflows	397,614
Total Deferred Inflows	**397,614**
Total Liabilities and Deferred Inflows	**2,063,504**

Net Position

Net Investment in Capital Assets	**12,147,046**
Restricted Assets	**231,126**
Unrestricted Assets	**5,966,978**
Total Net Position	**18,345,150**
Total Net Position and Liabilities	**20,408,655**

Notes to Financial Statements are an integral part of this statement

PUD No. 1 of Ferry County

Statement of Revenue, Expenses, and Changes in Net Position

For the period ending December 31, 2019

	2019
Total Energy Sales	6,640,735
Income from Plant Leased to Others	67,910
Other Revenue	64,169
Total Operating Revenue	**6,772,814**
Cost of Purchased Power	2,784,809
Operating Expense	491,434
Maintenance Expense	835,965
Customer Services	505,900
General & Administrative Services	1,013,388
Depreciation & Amortization Expense	851,996
Interest on Short-term Debt	0
Taxes Other than Income Taxes	365,236
Total Operating Expenses	**6,848,727**
Operating Income (Loss)	**(75,914)**
Income from Non-Utility Operations	(650)
Interest and Dividend Income	132,742
Gains/Losses from Disposition of Property	7,115
Contributed Capital	300,160
Interest on Long-term Debt	0
Non-Operating Revenues (Expenses)	**439,367**
Change in Net Position	**363,454**
Total Net Position Beginning of Year	**18,044,549**
Prior Period Adjustments to Net Position (See Financial Notes)	**(62,853)**
Change in Net Position	**363,454**
Total Net Position End of Year	**18,345,150**

Notes to Financial Statements are an integral part of this statement

PUD No. 1 of Ferry County

Statement of Cash Flows

For the period ending December 31, 2019

	2019
Cash Flows from Operating Activities	
Receipts from Customers	6,646,064
Payments to Employees & Suppliers	(6,214,111)
Cash Flows from Operating Activities	431,953
Cash Flows from Capital & Related Financing Activities	
Proceeds from Grants	0
Capital Contributions	300,160
Purchase of Capital Assets	(650,712)
Principal Paid on Capital Debt	(35,410)
Proceeds/Loss from Disposition of Property	7,115
Cash Flows from Capital & Related Financing Activities	(378,847)
Cash Flows from Investing Activities	
Interest and Dividends	132,414
Cash Out to Restricted Investment Funds	222,157
Cash Flows from Investing Activities	354,571
Net Increase (Decrease) in Cash & Cash Equivalents	407,678
Cash & Cash Equivalents Beginning of Year	2,617,686
Prior Period Adjustment	(21,776)
Adjusted Cash & Cash Equivalents Beginning of Year	2,595,910
Cash & Cash Equivalents End of Year	3,003,588
Net Increase (Decrease) to Cash & Cash Equivalents	407,678

Notes to Financial Statements are an integral part of this statement

PUD No. 1 of Ferry County

Statement of Cash Flows

Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities

For the period ending December 31, 2019

	2019
Operating Income	(75,914)
Adjustments to Reconcile Net Operating Revenues to Cash Provided (Used) by Operating Activities:	
Depreciation & Amortization Expense	851,996
Change in Operating Assets and Liabilities:	
Accounts Receivable	(153,855)
Materials & Supplies	21,428
Prepayments	1,692
Notes Receivable	(33,777)
Other Current Assets	54,780
Deferred Outflow of Resources	(319)
Accounts Payable	(69,024)
Compensated Absences	42,289
Accrued Payroll & Accrued Taxes	11,833
Pensions	(227,603)
Deferred Inflows of Resources	9,077
Miscellaneous	(650)
Change in Assets and Liabilities	(344,129)
Net Cash Provided by Operating Activities	**431,953**

Notes to Financial Statements are an integral part of this statement

FERRY COUNTY P.U.D. NO. 1
NOTES TO THE FINANCIAL STATEMENTS

January 1, 2019 through December 31, 2019

These notes are an integral part of the accompanying financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Public Utility District No. 1 of Ferry County conform to generally accepted accounting principles as applicable to proprietary funds of public utility districts operated in the State of Washington. (See note 3 – Utility Plant and Depreciation regarding historical departure from GAAP.) The District is governed by an elected three-member Board of Commissioners and is operated by various management personnel as prescribed by Chapter 54 RCW - Public Utility Districts. The following is a summary of the more significant policies:

A. Reporting Entity.

Public Utility District No. 1 of Ferry County is a municipal corporation of Washington State. The District was organized to provide utility services to its owners, the people who formed the District, on a nonprofit, cost-of-service basis. The Board of Commissioners consists of three elected officials and is responsible for the legislative and fiscal control of the District. The financial statements include all funds of the District over which the Board of Commissioners exercises operating control.

B. Basis of Accounting and Presentation

The accounting records of the District are maintained in accordance with methods prescribed by the State Auditor under the authority of Chapter 43.09 RCW. The District uses the Uniform System of Accounts as prescribed by the United States Department of Agriculture Rural Utilities Service (RUS).

The District uses the full-accrual basis of accounting where revenues are recognized when earned and expenses are recognized when incurred. Capital asset purchases of greater than $1,000 are capitalized and long-term liabilities are accounted for in the appropriate funds. Unbilled service receivables are not material and are not accrued.

The District distinguishes between operating revenues and expenses from non-operating ones. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a district’s principal ongoing operations. The principal operating revenues of the district are charges to customers for electricity energy sales. The district also recognizes as operating revenue utility plant leased to others, and other revenue. Operating expenses for the district include cost of purchased power, operating expenses, maintenance expenses, customer service expenses, general and administration expenses, depreciation and amortization expense, and taxes. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

With respect to proprietary activities, the District has elected to apply all applicable GASB pronouncements.

C. Cash and Cash Equivalents

The District considers all cash investments (including restricted assets) to be cash equivalents.

D. Utility Plant and Depreciation-See Note 3

E. Restricted Funds

In accordance with debt covenants, grantors, contributors, and certain laws and regulations from external agencies, separate restricted funds may be required to be established. The assets held in these funds are designated for specific uses. There is one bond reserve kept for the annual debt service payment for the District's BIA land lease. Customer deposits are required by law to be available for refund. A Revolving Loan and Grant Fund was established for economic development and is overseen by a board that generally consists of the elected Commissioners of the District and three other persons representing customers of the District. The Revolving Loan and Grant Fund can only be used for loans or grants for economic development projects as per the RCW establishing these funds. There were no new loans or grants during 2019 from this fund. The restricted funds as of December 31, 2019 are listed below.

	2019
Bond Reserves	600
Customer Deposits	165,412
Revolving Loan and Grant Fund	230,526
Payables from Current Restricted Assets	-165,412
Total Restricted Funds	231,126

Reserve Funds

The Utility's Board of Commissioners has created restrictions on asset use by ng reserve funds. Though not imposed externally as the assets noted above, they are assets designated for specific use only. These funds are reflected as Other Current Assets since they are reserved for such specific use and would require board action to change the designated use. The Vacation, Sick Leave, and Storm Fund was established by Board resolution as a way of "self-insuring" against leave liabilities and major catastrophes. Use of this Fund requires specific Board approval. The Board's goal is to have funding at a level to ensure adequate monies for future potential storm damages. The current monies in this fund are $2,500,000. The High-Cost Line Extension Fund was designated for low interest loans to customers for high-cost line extensions by resolution in 2014; there were two new loans granted in 2019 for a total of $91,366. The Reserve Fund – Transportation and Operating Equipment is for the sole purpose of future replacement needs in these areas. The funding comes from the sale of surplus equipment. The reserved funds as of December 31, 2019 are listed below.

	2019
Vacation, Sick Leave, and Storm Fund	2,500,000
High-Cost Line Extension Fund	139,288
Transportation & Operation Equip Fund	0
Total Reserved Funds	2,639,288

F. Receivables

Customer accounts receivable consist of amounts owed from private individuals or organizations for goods and services. Once a year, the Board of Commissioners authorizes the write-off of the uncollectible receivable accounts. In addition, the District annually assesses future uncollectable accounts and maintains an allowance for them. As of December 31, 2019, the balance was $30,000.

G. Inventories

Inventories are valued at average cost which approximates the market value.

H. Investments

The District investments are stated at fair market value as of December 31, 2019. The District does not have any derivatives. See Note 2.

I. Compensated Absences

The District offers a single personal leave bank to be used for vacation, sick and/or family leave purposes. The District accrues its direct liability for personal leave benefits as they are earned by the employee and places a limitation of 1200 hours on the potential leave accumulation. For employees hired on or after April 1, 2011, the accrued Personal Leave shall not exceed 700 hours.

Beginning in January 2018, as required by Washington State RCW 49.46.210 and WAC 296-128-600 thru 296-128-770, all part-time or seasonal employees not qualifying for the District's person leave, now accrue paid sick leave at one hour of paid leave for every 40 hours worked.

The costs of both benefit accruals are expensed monthly as employee payroll overhead. The District has established a vacation, sick leave, and storm fund to fully cover these direct and estimated liabilities.

Compensated absences for personal leave and sick leave as of December 31, 2019 amounted to $ 264,306.

J. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

K. Construction Financing

The District has no cost sharing agreement or other long-term financing agreements currently in place.

L. Purchase Commitments

The District is a full-requirements preference customer of the Bonneville Power Administration (BPA) which operates under the authority of the U.S. Department of Energy. The BPA supplies the sole source of the District's power under a contract agreement that was approved by the District's Board of Commissioners October 1, 2011 and continuing through September 30, 2028.

The District is a member of Energy Northwest (formerly known as Washington Public Power

Supply System) and has participant rights and obligations relative to this membership. See Note 11.

M. Other Contingencies

The District is subject to various claims, possible legal actions, and other matters arising out of the normal course of business. When it is possible to make a reasonable estimate of the District's liability with respect to probable claims, an appropriate provision is made. Although the ultimate outcome of litigation against the District cannot be determined, management intends to continually defend all claims against the District and believes the District is adequately reserved for all known events.

NOTE 2 - DEPOSITS AND INVESTMENTS

A. Deposits

The District's deposits are entirely covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the State. The FDIC currently insures the first $250,000 of the District's deposits at each financial institution. Deposit balances over $250,000 are insured by the collateral pool. State statutes provide for additional amounts to be assessed on a pro rata basis to financial institutions in the collateral pool if the pool's funds would be insufficient to cover a loss. As of year-end, the carrying amount of the District's demand deposits was $ 2,866,524.

B. Investments

At year end, the District had the following investments and maturities:

2019

		Investment Maturities (in Years)	
Investment Type	**Fair Value**	**Less Than 1**	**1-5**
Federal Home Loan Bank	$ 99,934	$ 99,934	$ 0
Federal National Mortgage Association	99,895	99,895	0
RFCSP Strip Principal	207,172	207,172	0
State Investment Pool	1,953,319	0	0
Washington Federal Certificate of Deposit	818,619	0	818,619

The State Investment Pool is a 2a7-like pool. The fair value of the pool is determined by the pool's share price. The District has no regulatory oversight for the pool, which is governed by the State Finance Committee and is administered by the State Treasurer. The pool is audited annually by the State Auditor General, an independently elected public official.

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the District diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer. The District coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years from the purchase date.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the system will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the system's securities lending policy, $ 407,001 was held by the counterparty that was acting as the system's agent in securities lending transactions.

Credit Risk. State law and District policy limit investments to those authorized by State statutes including commercial paper and bonds issued by the State or any local government in the State, which have, at the time of investment, one of the three highest ratings of a nationally recognized rating agency. The District further limits its holdings in commercial paper to 10% of the portfolio and 10% per issuer, and local government bonds to 25% of the portfolio and 10% per issuer. At year end, the District held no investments in commercial paper or local government bonds. Additionally, the District limits its investments in mutual funds to amounts needed for arbitrage purposes only.

Credit quality distribution for investments, with credit exposure as a percentage of total investments are as follows at year end:

2019

Investment Type	Rating	Percentage
Federal Home Loan Bank	AA+	3%
Federal National Mortgage Association	AA+	3%
RFCSP Strip Principal	AA+	7%
State Investment Pool	Not Rated	61%
Washington Federal Certificate of Deposit	Not Rated	26%

Concentration of Credit Risk. The District diversifies its investments by security type and institution.

- 100% of the District's portfolio may be invested in US Treasury notes, bonds or certificates, US Government sponsored corporations, or the State investment pool.

- 50% of the portfolio may be invested in certificates of deposit with no more than 10% held by any one issuer and not exceeding 20% of the issuer's net worth.

- 25% of the portfolio may be invested in banker's acceptances (10% per issuer), State or local government bonds (10% per issuer) and repurchase agreements (25% per dealer).

- 10% of the portfolio may be invested in commercial paper and other authorized investments.

At year end, 6% was held in US Treasury securities, less than ten percent of the District's investments were held in a RFCSP Strip Principal, 61% at the State Investment Pool, and 26% was invested in certificates of deposit. Such concentration is permitted by the District's investment policy.

Fair Value. The District has adopted GASB Statement No. 72, *Fair Value Measurement and Application*; investments are measured at fair value on a recurring basis. *Recurring* fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period.

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District does not have any investments that are measured using Level 3 inputs.

Fair value measurements of the District's investments on December 31, 2019 included US Treasury securities valued at $407,001 based on quoted market prices of Level 1 inputs.

NOTE 3 - UTILITY PLANT AND DEPRECIATION

Capital assets are defined by the District as assets with initial individual cost of more than $1,000 and an estimated useful life in excess of five years.

Major expenses for capital assets, including capital leases and major repairs that increase useful life expectancy are capitalized. Maintenance, repairs, and minor renewals are accounted for as expenses when incurred.
Prior to 2011, the District historically accounted for its assets using USDA's Rural Utilities Services (RUS) reporting guidelines. Customer contributions in aid of construction were not included in the recorded cost of plant assets following these RUS guidelines. This method of accounting for Utility Plant capital assets is a departure from generally accepted accounting principles (GAAP). Per GAAP accounting regulations Utility Plant should be recorded at full cost and depreciated over its useful life. This departure from GAPP has resulted in an understatement of the District's Utility Plant and thus an understatement to the correlating accumulated depreciation expense accounts. To give perspective on the effect of this departure, the 2009 contributions in aid totaled $124,332 and in 2010 $220,211. In 2007 & 2008 during higher construction years the contribution dollars amounted to $382,395 and $582,971, respectively. Since 2011, the has District accounted for its assets using the GAAP regulations. Though the differences in these two accounting methods would be considered immaterial a disclosure of this departure is required.

The original cost of operating property retired or otherwise disposed of and the cost of removal, less salvage, is charged to accumulated depreciation. However, in the case of the sale of a significant operating unit or system, the original cost is removed from the utility plant accounts, accumulated depreciation is charged with the accumulated depreciation related to the property sold, and the net gain or loss on disposition is credited or charged to income.

Capital assets are depreciated using the straight-line method within useful life guidelines as established by the Rural Utilities Service:

Assets	Estimated Life-Years
Buildings	33.33
Equipment-Shop	16.67
Transportation	10.00
Computer Hardware	6.25
Distribution-Poles	25.03
Transmission Plant	36.39

PUD No. 1 of Ferry County

Utility Plant Activity

For the period ended December 31, 2019

	Beginning Balance	Prior Period Increase	Prior Period Decrease	Increase	Decrease	Ending Balance
Utility Plant Not Being Depreciated						
Land	200,484	-	-	-	-	200,484
Construction Work in Progress	68,353	-	-	597,943	636,725	29,570
Retirement Work in Progress	1,055	-	-	195,494	196,549	0
Total Utility Plant Not Being Depreciated	269,892	-	-	793,437	833,274	230,055
Utility Plant Being Depreciated						
Buildings	947,261	-	-	94,457	88,498	953,220
Equipment	3,308,518	-	109,609	91,650	38,840	3,251,718
Distribution Plant	23,437,747	-	-	707,731	169,982	23,975,496
All Other Utility Plant	136,198	-	-	-	-	136,198
Transmission Plant	1,473,269	-	-	1,256	-	1,474,525
Total Utility Plant Being Depreciated	29,302,993	-	109,609	895,094	297,320	29,791,157
Total Utility Plant	29,572,885	-	109,609	1,688,531	1,130,595	30,021,212
Less Accumulated Depreciation For:						
Transmission Plant	972,596			45,381	-	1,017,977
Distribution Plant	12,953,462			763,191	217,651	13,499,003
General Plant	1,775,125	187	37,001	58,079	22,483	1,773,907
Equipment	1,493,313	-	82,204	146,835	16,649	1,541,295
All other Plant	39,467			2,517	-	41,984
Total Accumulated Depreciation	17,233,963	187	119,204	1,016,004	256,783	17,874,166
Total Utility Plant Being Depreciated, Net	12,069,030	(187)	(9,595)	(120,910)	40,537	11,916,992
TOTAL UTILITY PLANT, NET	12,338,922	(187)	(9,595)	672,527	873,811	12,147,046

Notes to Financial Statements are an integral part of this statement

NOTE 4 – CONSTRUCTION WORK IN PROGRESS

Construction in progress, representing expenditures to date on projects which are not fully completed for electrical plant or unitized to plant accounts, totals $ 29,570 as of December 31, 2019. (See Note 3 – Utility Plant and Depreciation regarding historical departure from GAAP)

NOTE 5 - LONG-TERM DEBT

In 2007-2008, The Washington State Community Revitalization Board (CERB) provided the District $39,400 in grant funds and a 0% interest loan of $354,600 payable in equal installments over ten years beginning in January 2010. The grant and loan funds were used to assist in financing the upgrade 7 ½ miles of distribution line to Columbia River Carbonates (CRC). In an agreement with CRC, CRC made a one-time payment of $60,000 and annual payments of $21,883 to the District which substantially offset the loan repayment. CRC represented a new industrial load for the District.

This long-term debt for the District was incurred solely for the construction of electrical lines to service the ultimate consumer. The final payment on this debt was made in 2019.

During the year ended December 31, 2019, the following changes occurred in long-term Liabilities.

ID Number & Class	Date Issued	Date to Mature	Interest Rate	Original Amount	Beginning Balance 1/1/2019	Increase (Decrease) 2019	Principal Paid in 2019	Balances Outstanding as of 12/31/2019	Due Within One Year
CERB	2008	2019	0.00%	354,600	35,410	50	35,460	-	-
Total Debt				354,600	35,410	50	35,460	-	-
Compensated Absences					222,017	42,289		264,306	
Net Pension Liability					791,502	(227,603)		563,899	
Total Long-Term Liabilities				354,600	1,048,929	(185,264)	35,460	828,205	-

NOTE 6 – RESTRICTED ASSETS

The District’s Balance Sheet reports $ 231,126 of restricted assets as of December 31, 2019.

NOTE 7 - PENSION & BENEFIT PLANS

The following table represents the aggregate pension amounts for all plans subject to the requirements of the GASB Statement 68, Accounting and Financial reporting for Pensions for the year 2019:

Aggregate Pension Amounts - All Plans		
Pension Liabilities	$	(563,899)
Deferred Outflows of Resources	$	186,716
Deferred Inflows of Resources	$	(397,614)
Pension Expense (Revenues)	$	(16,907)

All Public Utilities District No. 1 of Ferry County's (District) full-time and qualifying part- time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit retirement plans. The State Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems (DRS), a department within the primary government of the state of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380; or it may be downloaded from the DRS website at www.drs.wa.gov.

Public Employees' Retirement System (PERS)

Plan Description

PERS members include elected officials, state employees, employees of the Supreme, Appeals, and Superior Courts, employees of the legislature, employees of district and municipal courts, employees of local governments, and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS Plans 1 and 2 are defined benefit plans, and PERS Plan 3 is a defined benefit plan with a defined contribution component.

Pension Benefits

PERS Plan 1 provides retirement, disability, and death benefits. Retirement benefits are determined as two percent of the member's average financial compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The Plan was closed to new entrants on September 30, 1977.

Contributions

The **PERS Plan 1**-member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state

Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2018 were as follows:

PERS Plan 1		
Actual Contribution Rates:	**Employer**	**Employee**
January thru December 2019	12.83%	6.00%

The District's actual contributions to the PERS Plan 1 were $78,714 for the year ended December 31, 2019.

Pension Benefits

PERS Plan 2/3 provides retirement, disability, and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and 1 percent of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive months. There is no cap on years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2/3 members hired on or after May 1, 2013, have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

PERS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 Unfunded Actuarial Accrued Liability (UAAL) and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates.

The **PERS Plan 2/3** required contribution rates (expressed as a percentage of covered payroll) for 2019 are as follows:

PERS Plan 2/3			
Actual Contribution Rates:	**Employer 2/3**	**Employee 2**	**Employee 3**
January thru December 2019	12.83%	7.41%	0%

The District's actual contributions to the PERS Plan 2/3 were $123,224 for the year ended December 31, 2019.

Actuarial Assumptions

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2019 with a valuation date as of June 30, 2018. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) *2007 – 2012 Experience Study* and the *2017 Economic Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2018 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2019. Plan liabilities were rolled forward from June 30, 2018 to June 30, 2019, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation:** 2.75% total economic inflation; 3.50% salary inflation
- **Salary Increases:** In addition to the base 3.50% salary inflation assumption, salaries are also expected to grow by promotions and longevity
- **Investment Rate of Return:** 7.40%

Mortality rates were based on the RP-2000 report's Combined Healthy Table and Combined Disabled Table, published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

There were minor changes in methods and assumptions since the last valuation.

- The modeling was updated to reflect providing benefit payments to the date of initial retirement eligibility for terminated vested members who delay application for retirement benefits.
- The COLA programming was updated to reflect legislation signed during the 2018 Legislative Session. This law provides PERS Plan 1 annuitants who are not receiving a basic minimum, alternative minimum, or temporary disability benefit with a one-time permanent 1.5 percent increase to their monthly retirement benefit, not to exceed a maximum of $62.50 per month.

Discount Rate

The discount rate used to measure the total pension liability for all DRS plans was 7.40 percent. To determine that rate, an asset sufficiency test included an assumed 7.50 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long- term expected rate of return, a 7.40 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue being made at contractually required rates (including PERS 2/3, whose rates include a component for the PERS 1 plan liabilities). Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.40 percent was used to determine the total liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on the DRS pension plan investments of 7.40 percent was determined using a building-block method. The Washington State Investment Board (WSIB) used a best estimate of expected future rates of return (expected returns, net of pension plan investment expenses, including inflation) to develop each major asset class. Those expected returns make up one component of WSIBs capital market assumptions. The WSIB uses the capital market assumptions and their target asset allocation to stimulate future investment returns at various future times. The long-term expected rate of return of 7.40 percent approximately equals the median of the stimulated investment returns over a 50-year time horizon, adjusted to remove, or dampen any short-term changes to WSIB's capital market assumptions (CMAs) that aren't expected over the entire 50-year measurement period.

Estimated Rates of Return by Asset Class

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2019, are summarized in the table below. The inflation component used to create the table is 2.20 percent and represents the WSIB's most recent long-term estimate of board economic inflation.

Asset Class	Target Allocation	Percent Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	20.00%	2.20%
Tangible Assets	7.00%	5.10%
Real Estate	18.00%	5.80%
Global Equity	32.00%	6.30%
Private Equity	23.00%	9.30%
Inflation Component		2.20%
Portfolio Long-Term Expected Rate of Return		7.50%
Assumed Investment Expenses		-0.10%
Long-Term Expected Rate of Return, Net of Investment Expenses		7.40%

Sensitivity of the Net Pension Liability:

The table below presents the District's proportionate share of the net pension liability (NPL) calculated using the discount rate of 7.40 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.40 percent) or 1-percentage point higher (8.40 percent) than the current rate.

	PERS Plan 1		
	1.00% Decrease (6.4%)	Current Discount Rate (7.4%)	1.00% Increase (8.4%)
Employer's Proportionate Share of the Net Pension Liability/(Asset)	$ 532,366	$ 425,104	$ 332,040

	PERS Plan 2/3		
	1.00% Decrease (6.4%)	Current Discount Rate (7.4%)	1.00% Increase (8.4%)
Employer's Proportionate Share of the Net Pension Liability/(Asset)	$ 1,064,501	$ 138,795	$ (620,808)

Pension Plan Fiduciary Net Position

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

On December 31, 2018, the District reported a total pension liability of $791,502 for its proportionate share of the net pension liabilities as follows:

	PERS Plan 1	PERS Plan 2/3	Total Plans
Ending Net Pension Liability	$ 425,104	$ 138,795	$ 563,899

There were no employer or employee contributions payable to the Department of Retirement Systems on December 31, 2019.

On June 30, 2019, the District's proportionate share of the collective net pension liabilities were as follows:

	PERS Plan 1	PERS Plan 2/3
Proportionate Share	0.011055%	0.014289%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30, 2019, are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Non-employer Allocations* for all plans.

Pension Expense

For the year ended December 31, 2019, the District recognized pension expense/(revenue) as follows:

	PERS Plan 1	PERS Plan 2/3	Total Plans
Pension Expense/(Revenue)	$ (21,527)	$ 4,620	$ (16,907)

Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the years ending December 31, 2020 and 2019, respectively. On December 31, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PERS 1	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	$ -	$ 28,401
Contributions Subsequent to the Measurement Date	$ 39,590	$ -
Total	$ 39,590	$ 28,401

The average of the expected remaining service lives of all employees in PERS 1 that are provided with pensions through the System (active and inactive) determined at July 1, 2018, the beginning of the measurement period ended June 30, 2019, is 1 year.

	PERS 2/3	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 39,765	$ 29,840
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	$ -	$ 202,029
Changes of Assumptions	$ 3,554	$ 58,234
Changes in Proportion and Difference Between Contributions and Proportionate Share of Contributions	$ 37,933	$ 79,111
Contributions Subsequent to the Measurement Date	$ 65,873	$ -
Total	$ 147,126	$ 369,213

The average of the expected remaining service lives of all employees in PERS 2/3 that are provided with pensions through the System (active and inactive employees) determined at July 1, 2018, the beginning of the measurement period ended June 30, 2019, is 7.10 years.

Deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Years Ended December 31:	PERS Plan 1	PERS Plan 2
2020	$ (6,270)	$ (71,923)
2021	(14,851)	(108,321)
2022	(5,300)	(50,617)
2023	(1,980)	(29,243)
2024	-	(22,231)
Thereafter	-	(5,627)
	$ (28,401)	$ (287,961)

NOTE 8 - DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan is with The Great West Life Assurance Co. of Denver, Colorado. The plan, available to eligible employees, permits them to defer a portion of their compensation until future years. The District provides a fifty-cent-for-one-dollar (50%) match of employee contributions. It is capped at two percent (2%) of employee regular straight-time wages. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. In 2019, the District match consisted of $30,418.

Compensation deferred under the plan and all income attributable to the plan is solely the property of the employee. The District's rights to this property have been amended to exclude these funds from the claims of the District's general creditors.

The District has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor in the implementation of this plan on the behalf of the District's employees.

Subsequently, in April 2020, through the collective bargaining process, the District increased the cap on employee contributions from two percent (2%) to four percent (4%) of employee regular straight-time wages. This increase was extended to all District employees.

NOTE 9 - CONTRACTS WITH ENERGY NORTHWEST

Energy Northwest (ENW), formerly Washington Public Power Supply System (WPPSS), is a Washington municipal corporation operating as a Joint Operating Agency comprised of 27 public utilities and municipalities from numerous regions throughout the state of Washington. (This venture is defined as a Joint Operating Agency, as described in RCW 43.52 – Operating Agencies.)

A. Energy Northwest Nuclear Project No. 2

Nuclear Project No. 2, Columbia Generating Station Nuclear Power Plant (Columbia) was completed and placed in operation on December 13, 1984. It is owned by Energy Northwest and its participants and operated by Energy Northwest. The plant is a 1,207gross MW boiling water nuclear power station located on the Department of Energy's Hanford Reservation north of Richland, Washington. It is currently operating under a Nuclear Regulatory Commission license renewed in May of 2012 for an additional 20 years, extending operation through 2043. All output is provided to the Bonneville Power Administration at the cost of production under a formal net billing agreement in which BPA pays the costs of maintaining and operating the facility.

B. Packwood Lake Hydroelectric Project

The District is a participant in Energy Northwest's Packwood Project, located in the Cascade Mountains south of Mount Rainier. In late 2011, the District signed an agreement with Public Utility District #1 of Clallam County for the sale and purchase of project output and associated environmental attributes. The rights to the District's 1% share of the project are assigned to Clallam County through 2028. In return, Clallam will pay the District's share of project costs directly to ENW, a 10% mark-up of the costs to the District and $15 for each REC provided to Clallam from this assignment. The District received $2,758 in payments during 2019.

NOTE 10 – PRIOR PERIOD ADJUSTMENT

During 2020, the District decreased prior year margin accounts by $62,853. In addition, several Current Assets previously identified as "Restricted" have been recategorized as "Unrestricted." The Selected Financial Information in the Management Discussion and Analysis section of this report properly reflects these adjustments as do the 2019 Financial Statements presented in this report.

Most of these dollars were the result of an audit related to the District's Capital Assets. It was discovered that during 2008 and 2009 that the disposal of numerous capital assets was not properly accounted for. $109,609 of District equipment that was sold at auction or through the standard bid process was not accurately removed from the assets. Adjustments to properly remove these assets along with the respective accumulated depreciation in the amount of $102,250 occurred in 2019. The Utility Plant Activity report in Note 3 reflects these chances. Also identified was an asset in which depreciation was over accelerated in the amount of $16,955. This adjustment was made, and its value will depreciate correctly over the remaining life of the asset.

$31,760 of these monies were to reduce and correct the District's Unrealized Loss on Long-Term Investments so that Investments properly reflect at Fair Market Value and comply with GASB 72 which was also implemented by the District in 2015. The

Unrealized Loss at 2018 year-end should have reflected as only $9,985; prior years were over stated by $21,776.

The District also identified errors in several Current Liability accounts that amounted to a net increase of $118.895. The adjustments were needed to properly reflect Accrued Taxes and Accrued Payroll Liabilities.

In addition, the District received $78,394 of funding from FEMA and WA State Emergency Management as part of the final reimbursement of expenses from the July 2012 Windstorm Disaster.

Several funds identified in prior periods as restricted assets have been reclassified as unrestricted for the 2019 Financial Statements. These funds represent $2,639,288 of the District's Current Assets. Though management does not consider them to be available for general operations, there is no external enabling legislation that restricts them. The 2018 figures were restated to reflect this change in the Selected Financial Information provided in this report for comparative purposes. See Financial Note 1 Section E – Reserved Funds for details.

NOTE 11 - RISK MANAGEMENT

The District maintains an all-risk blanket coverage policy with the Federated Rural Electric Insurance Corporation insuring against most normal hazards and liabilities. It also maintains a commercial umbrella policy, and officers, directors, managers, and corporate indemnification coverage with the same carrier.

Workers compensation insurance coverage is provided by the District through the State of Washington Department of Labor and Industries. Rather than pay monthly insurance premiums, the District has elected to self-insure for unemployment insurance purposes. Claims are filed with, and processed by, the State of Washington Employment Security Department and, upon authentication and payment, are reimbursed by the District. In 2019, the District had no such reimbursements and as of December 31, 2019 estimated liability for potential claims was minimal.

The District, with six other public utility districts, is a member of the Central Washington Public Utilities Unified Insurance Program and Trust, which is a self-insurance program providing medical, dental, life insurance, disability insurance, and similar benefits to member employees and families. Formed by a Declaration of Trust and an Interlocal Agreement under RCW Chapter 39.34, the trust is administered by a board of trustees consisting of an appointed trustee from each of the seven-member districts. Additional information may be obtained by contacting the District.

NOTE 12 – SUBSEQUENT EVENTS

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of a deadly new virus. In the weeks following the declaration, precautionary measures to slow the spread of the virus were ordered. These measures included closing schools, colleges, and universities, cancelling public events, prohibiting public and private gatherings, and requiring people to stay home unless they were leaving for an essential function. As this virus continues to spread, there have been numerous proclamations enacted by the Governor including a moratorium on disconnect of utility services. The length of time these measures will be in place is unknown at this time. In

2019, the District's financial results were not impacted. During 2020, the District has seen no measurable impact to date, but the full extent of any financial impact continues to be monitored.

FERRY COUNTY P.U.D. NO. 1
REQUIRED SUPPLEMENTAL INFORMATION

January 1, 2019 through December 31, 2019

State Sponsored Pension Plans

Schedule of Proportionate Share of the Net Pension Liability
PERS Plan 1
As of June 30, 2019

	2015	2016	2017	2018	2019
Employer's proportion of the net pension liability	0.013941%	0.011923%	0.013067%	0.011907%	0.011055%
Employer's proportionate share of the net pension liability	$ 729,244	$ 640,321	$ 620,039	$ 531,771	$ 425,104
Employer's covered employee payroll	-	-	-	-	-
Employer's proportionate share of the net pension liability as a percentage of the covered employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	59.10%	57.03%	61.24%	63.22%	67.12%

FERRY COUNTY P.U.D. NO. 1
REQUIRED SUPPLEMENTAL INFORMATION

January 1, 2019 through December 31, 2019

Schedule of Proportionate Share of the Net Pension Liability
PERS Plan 2/3
As of June 30, 2019

	2015	2016	2017	2018	2019
Employer's proportion of the net pension liability	0.017998%	0.015297%	0.016807%	0.015212%	0.014289%
Employer's proportionate share of the net pension liability	$643,079	$770,192	$583,963	$259,731	$138,795
Employer's covered employee payroll	1,483,366	1,575,265	1,601,512	1,582,480	1.594.368
Employer's proportionate share of the net pension liability as a percentage of the covered employee payroll	43.35%	48.89%	36.46%	16.41%	8.71%
Plan fiduciary net position as a percentage of the total pension liability	89.20%	85.82%	90.97%	95.77%	97.77%

FERRY COUNTY P.U.D. NO. 1
REQUIRED SUPPLEMENTAL INFORMATION

January 1, 2019 through December 31, 2019

State Sponsored Pension Plans

Schedule of Employer Contributions
PERS Plan 1
As of December 31, 2019

	2015	2016	2017	2018	2019
Statutorily or contractually required contributions	$ 65,558	$ 75,140	$ 78,474	$ 80,093	$ 78,714
Contributions in relation to the statutorily or contractually required contributions	65,558	75,140	78,474	80,093	78,714
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered employer payroll	$ -	$ -	$ -	$ -	$ -
Contributions as a percentage of covered employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%

FERRY COUNTY P.U.D. NO. 1
REQUIRED SUPPLEMENTAL INFORMATION

January 1, 2019 through December 31, 2019

Schedule of Employer Contributions
PERS Plan 2/3
As of December 31, 2019

	2015	2016	2017	2018	2019
Statutorily or contractually required contributions	$ 84,251	$ 98,139	$ 109,866	$ 118,676	$ 123.224
Contributions in relation to the statutorily or contractually required contributions	84,251	98,139	109,866	118,676	123.224
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	
Covered employer payroll	$ 1,483,366	$1,575,265	$ 1,601,512	$1,582,480	$1,594,368
Contributions as a percentage of covered employee payroll	5.68%	6.23%	6.86%	7.50%	7.73%