

Executive / PMC Financial Reports
October 31, 2018

Statement of Financial Position

- Other Current Assets – PMC: The Federal Income Tax Receivable of \$24,910 is what the IRS owes us (this is a result of a reporting error from Edward Jones). Larson Gross resubmitted the 2014 990 in October. We are waiting for the IRS to respond and issue our refund.
- Net Assets: The Net Income of -\$171,407.69 is the difference between revenues and expenses for both the Plant Materials Center and the Executive Board.

PMC Net Income:	-\$256,497.20 (7/1/18 – 10/31/18)
Executive Net Income:	\$ 85,089.51 (7/1/18 – 10/31/18)
	-\$171,407.69

This number is negative because expenses exceeded revenue. Summer and fall months are a negative cash flow for the PMC – our cash flow will become positive in December/January once plants are shipped.

Executive Operations Profit and Loss

- Expenses:
 - Travels, Meals and Meetings (\$7,454.48) – These expenses are higher due to the NACD Meeting, Board of Director Meeting and Area Meetings.
 - Consulting Services (\$12,902.66) –
 - Martin Flynn – forgot to invoice us in June, so we paid them \$6,000 (\$3,000 for June and \$3,000 for October)
 - WACD has a contract with NRCS for a training in December. WACD had to prepay for the hotel (\$6,700) Lori is working with NRCS to finalize the billing and will submit it next month.

Plant Materials Center Profit and Loss

- Revenues: Unrealized Gain/Loss – this number reflects the stock market performance.
- Expenses:
 - Farm and Nursery Supplies – This number is larger due to the timing of the invoices – we are still on track for the fiscal year.
 - Field Wages – we started processing willows orders earlier this year.
- Net Income: This shows our net income for the year as -\$3,089.61. I asked Larson Gross about this and Keaton said “To pay for something out of retained earnings simply means that it is an unbudgeted item in which the Board is okay with not balancing the budget for this specific item in the current year. From the accounting side, it is not possible to post a current year expense directly to retained earnings. It must be recorded in the year incurred. So even with the Board’s approval, it should still show up in the 6/30/19 accounting system as an expense.”

Washington Association of Conservation Districts
Statement of Financial Position
October 31, 2018

ASSETS		
<u>Current Assets - PMC</u>		
PMC Checking (Skagit State)	\$ 33,417.47	
PMC Savings (Skagit State)	259,459.97	
PMC Savings (Edward Jones)	28,479.80	
Total PMC Current Assets		321,357.24
<u>Current Assets - EXEC</u>		
WACD Checking (Wells Fargo)	71,979.82	
WACD Savings (Wells Fargo)	163,221.81	
Total EXEC Current Assets		235,201.63
<u>Other Current Assets - PMC</u>		
Federal Income Tax Receivable	24,910.00	
Inventory Value (June 30 2018)	98,981.28	
Total Other Current Assets		123,891.28
<u>Aged Receivables - PMC</u>		
PMC Accounts Receivable	32,989.65	
Total PMC Aged Receivable		32,989.65
<u>Accounts Receivables - EXEC</u>		
WACD Accounts Receivable	32,215.00	
Total WACD Accounts Receivable		32,215.00
<u>Prepaid Expenses - EXEC</u>		
Prepaid Expenses (Exec)	2,550.00	
Total EXEC Prepaid Expense		2,550.00
Total Current Assets		748,204.80
<u>Property and Equipment - PMC</u>		
Machinery (PMC)	326,418.27	
Automobiles (PMC)	7,200.00	
Computer Equipment (PMC)	5,406.95	
Pole Building (PMC)	14,794.65	
Accum. Depreciation-Machinery	(250,487.99)	
Accum. Depreciation - Auto	(5,393.24)	
Accum. Depreciation-Computers	(3,224.11)	
Accum. Depreciation-Buildings	(2,465.26)	
Total Property and Equipment - PMC		92,249.27
<u>Property and Equipment - EXEC</u>		
Automobiles (EXEC)	22,466.30	
Accum. Depreciation - Auto	(22,466.30)	
Total Property and Equipment - EXEC		0.00
Total Property and Equipment		92,249.27
<u>Long Term Investments - PMC</u>		
Long Term Invt (Edward Jones)	1,052,762.88	

For Management Purposes Only

Washington Association of Conservation Districts
Statement of Financial Position
October 31, 2018

ASSETS

<u>Current Assets - PMC</u>		
PMC Checking (Skagit State)	\$ 30,410.32	
PMC Savings (Skagit State)	259,459.97	
PMC Savings (Edward Jones)	<u>28,479.80</u>	
Total PMC Current Assets		318,350.09
<u>Current Assets - EXEC</u>		
WACD Checking (Wells Fargo)	71,979.82	
WACD Savings (Wells Fargo)	<u>163,221.81</u>	
Total EXEC Current Assets		235,201.63
<u>Other Current Assets - PMC</u>		
Federal Income Tax Receivable	24,910.00	
Inventory Value (June 30 2018)	<u>98,981.28</u>	
Total Other Current Assets		123,891.28
<u>Aged Receivables - PMC</u>		
PMC Accounts Receivable	<u>35,383.30</u>	
Total PMC Aged Receivable		35,383.30
<u>Accounts Receivables - EXEC</u>		
WACD Accounts Receivable	<u>31,585.00</u>	
Total WACD Accounts Receivable		31,585.00
<u>Prepaid Expenses - EXEC</u>		
Prepaid Expenses (Exec)	<u>2,550.00</u>	
Total EXEC Prepaid Expense		<u>2,550.00</u>
Total Current Assets		746,961.30
<u>Property and Equipment - PMC</u>		
Machinery (PMC)	326,418.27	
Automobiles (PMC)	7,200.00	
Computer Equipment (PMC)	5,406.95	
Pole Building (PMC)	14,794.65	
Accum. Depreciation-Machinery	(250,487.99)	
Accum. Depreciation - Auto	(5,393.24)	
Accum. Depreciation-Computers	(3,224.11)	
Accum. Depreciation-Buildings	<u>(2,465.26)</u>	
Total Property and Equipment - PMC		92,249.27
<u>Property and Equipment - EXEC</u>		
Automobiles (EXEC)	22,466.30	
Accum. Depreciation - Auto	<u>(22,466.30)</u>	
Total Property and Equipment - EXEC		<u>0.00</u>
Total Property and Equipment		92,249.27
<u>Long Term Investments - PMC</u>		
Long Term Invt (Edward Jones)	<u>1,052,762.88</u>	

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Washington Association of Conservation Districts
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Total Long Term Investments	1,052,762.88
Total Assets	\$ 1,891,973.45

LIABILITIES AND NET ASSETS

Current Liabilities - PMC

Accounts Payable (PMC)	\$ 243.35	
Accrued Vacation (PMC)	24,824.31	
Customer Deposit (Plants) 2019	196,951.91	
Federal Taxes (941 - Office)	2,833.94	
Federal Taxes (943 - Nursery)	3,215.65	
FUTA Taxes (Federal)	61.61	
SUTA Taxes (State)	36.76	
L&I Taxes	1,142.81	
Unrecognized Tax Benefit Liabi	73,000.00	
Washington Sales Tax	240.13	
Total PMC Current Liabilities		302,550.47

Current Liabilities - EXEC

SUTA Taxes (EXEC)	5.52	
L&I Taxes (EXEC)	62.40	
Accrued Vacation (EXEC)	6,752.03	
Total WACD Current Liabilities		6,819.95
Total Current Liabilities		309,370.42

Net Assets

Unrestricted Net Assets

Unrestricted Net Assets	622,513.84	
Net Income*	(172,207.69)	
Total Unrestricted Net Assets		450,306.15

Restricted Net Assets - EXEC

Educational Funds	12,424.10	
Total WACD Restricted Net Assets		12,424.10

Restricted Net Assets - PMC

Operating Reserves	384,600.00	
Retained Earnings Reserves	60,983.39	
Capital/Depreciation Reserves	466,496.89	

Prior Year Inventory Adjustment - PMC

Prior Year Inventory	207,792.50	
Total PMC Restricted Net Assets		1,119,872.78

Total Liabilities & Net Assets	\$ 1,891,973.45
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*Net Income is the difference between the revenue and expenses
(YEAR TO DATE ACTUALS) as shown on the Income Statement
Compared with Budget for Executive Operations and the Plant Materials Center

Executive Operations
Profit and Loss
October 31, 2018

	Actuals for Oct. 31, 2018	Budget October 2018	Year to Date Actual	Fiscal Year Budget	% of Budget
Revenues					
Annual Meeting	\$ 8,290.00	\$ 11,000.00	\$ 8,540.00	\$ 74,500.00	11.46
District Dues	0.00	18,500.00	176,880.00	169,000.00	104.66
Interest Income	8.32	5.00	33.00	60.00	55.00
Other Income	0.00	0.00	130.00	500.00	26.00
Executive Operations	0.00	0.00	0.00	75,000.00	0.00
NACD Meeting	1,102.00	1,500.00	12,821.00	20,000.00	64.11
NRCS Contract	0.00	0.00	0.00	22,900.00	0.00
WSCC Contract	3,450.00	4,000.00	14,250.00	76,100.00	18.73
Release of Restricted Income	0.00	0.00	0.00	3,500.00	0.00
Total Revenues	12,850.32	35,005.00	212,654.00	441,560.00	48.16
Expenses					
Advertising/Promotions	0.00	0.00	0.00	500.00	0.00
Communications	335.59	800.00	1,827.45	15,500.00	11.79
Education & Registrations	353.00	1,000.00	428.00	3,500.00	12.23
Employee Medical Benefits	977.37	1,045.00	4,042.88	12,850.00	31.46
Insurance Expense	9.66	191.00	38.64	2,300.00	1.68
IT Support & Technology	266.89	500.00	2,955.47	6,000.00	49.26
Licenses & Memberships	775.00	0.00	775.00	900.00	86.11
Office Supplies	283.29	125.00	795.00	1,500.00	53.00
Bank / Credit Card Charges	99.54	101.00	197.35	250.00	78.94
Wages (Staff)	12,166.68	12,325.00	51,590.25	161,610.00	31.92
Employee Retirement	0.00	369.75	0.00	4,848.30	0.00
Payroll Tax - FICA/Med.	930.76	925.00	3,944.23	11,865.00	33.24
Payroll Tax - FUTA	0.00	0.00	0.00	124.00	0.00
Payroll Tax - I.&I	37.89	35.25	146.60	490.00	29.92
Payroll Tax - SUTA	5.52	15.00	28.20	251.00	11.24
Postage	51.28	12.50	76.16	150.00	50.77
Travel, Meals & Meetings	7,454.48	2,000.00	13,520.07	60,000.00	22.53
Printing	0.00	0.00	1,124.42	2,000.00	56.22
Office Rent	1,094.00	1,125.00	4,433.00	13,500.00	32.84
Lobbying Services	0.00	600.00	0.00	21,600.00	0.00
Consulting Services	12,902.66	3,000.00	34,106.21	43,300.00	78.77
Sponsorship Expenses	0.00	0.00	0.00	500.00	0.00
NACD Meeting	2,334.67	15,000.00	5,164.22	20,000.00	25.82
Annual Meeting Expenses	250.54	50.00	250.54	46,000.00	0.54
Automobile Expense	1,073.32	0.00	1,435.40	1,500.00	95.69
Automobile Insurance	0.00	0.00	0.00	650.00	0.00
Wages - Accrued Vacation	744.19	0.00	1,485.40	0.00	0.00
Total Expenses	42,146.33	39,219.50	128,364.49	431,688.30	29.74
Other Income					
Total Other Income	0.00	0.00	0.00	0.00	0.00
Net Income	\$ (29,296.01)	\$ (4,214.50)	\$ 84,289.51	\$ 9,871.70	853.85

Executive Operations
Income Statement
For the Four Months Ending October 31, 2018

	Monthly Total October 2018	Monthly Total October 2017	Current FY 7/1/18 - 10/31/18	Previous FY 7/1/17 - 10/31/17
Revenues				
Annual Meeting	\$ 8,290.00	\$ 11,467.50	\$ 8,540.00	\$ 13,540.00
District Dues	0.00	18,480.00	176,880.00	149,280.00
Interest Income	8.32	9.08	33.00	25.04
Other Income	0.00	0.00	130.00	120.00
Tribal Outreach	0.00	0.00	0.00	100.00
NACD Meeting	1,102.00	0.00	12,821.00	0.00
WSCC Contract	3,450.00	0.00	14,250.00	0.00
Total Revenues	<u>12,850.32</u>	<u>29,956.58</u>	<u>212,654.00</u>	<u>163,065.04</u>
Expenses				
Accounting Expenses	0.00	0.00	0.00	2,452.50
Advertising/Promotions	0.00	0.00	0.00	100.00
Communications	335.59	177.84	1,827.45	1,503.18
Education & Registrations	353.00	0.00	428.00	0.00
Employee Medical Benefits	977.37	517.27	4,042.88	1,868.98
Insurance Expense	9.66	0.00	38.64	28.98
IT Support & Technology	266.89	139.90	2,955.47	550.90
Licenses & Memberships	775.00	0.00	775.00	0.00
Office Supplies	283.29	50.08	795.00	373.57
Bank / Credit Card Charges	99.54	0.00	197.35	0.00
Wages (Staff)	12,166.68	3,248.96	51,590.25	12,848.16
Payroll Tax - FICA/Med.	930.76	248.54	3,944.23	982.87
Payroll Tax - L&I	37.89	19.53	146.60	72.33
Payroll Tax - SUTA	5.52	8.12	28.20	32.12
Postage	51.28	9.30	76.16	29.46
Travel, Meals & Meetings	7,454.48	1,621.13	13,520.07	19,373.65
Printing	0.00	0.00	1,124.42	399.50
Office Rent	1,094.00	1,010.00	4,433.00	4,375.00
Lobbying Services	0.00	0.00	0.00	5,250.00
Consulting Services	12,902.66	0.00	34,106.21	8,755.68
Consultant Reimbursements	0.00	0.00	0.00	563.03
NACD Meeting	2,334.67	0.00	5,164.22	0.00
Annual Meeting Expenses	250.54	48.28	250.54	48.28
Automobile Expense	1,073.32	69.12	1,435.40	69.12
Wages - Accrued Vacation	744.19	147.68	1,485.40	221.52
Total Expenses	<u>42,146.33</u>	<u>7,315.75</u>	<u>128,364.49</u>	<u>59,898.83</u>
Other Income				
Net Income	<u>\$ (29,296.01)</u>	<u>\$ 22,640.83</u>	<u>\$ 84,289.51</u>	<u>\$ 103,166.21</u>

Plant Material Center
Profit and Loss
October 31, 2018

	Actuals for Oct. 31, 2018	Budget October 2018	Year to Date Actual	Fiscal Year Budget	% of Budget
Revenues					
PMC - Brokered Plants	\$ 0.00	\$ 0.00	\$ 0.00	\$ 45,000.00	0.00
PMC - Contract Growing	0.00	0.00	0.00	7,000.00	0.00
PMC - Plant Sales	16,557.00	8,000.00	16,557.00	950,000.00	1.74
PMC - Plug Sales	0.00	0.00	0.00	5,000.00	0.00
CC Payments to WACD	0.00	0.00	875.00	0.00	0.00
PMC - Interest Income	17.96	10.00	194.18	450.00	43.15
PMC - Other Income	0.00	0.00	0.00	750.00	0.00
PMC - Packaging/Storage Fee	0.00	0.00	0.00	700.00	0.00
PMC - Shipping Charges Reimb	373.10	0.00	373.10	34,500.00	1.08
PMC - Finance Income	0.00	0.00	64.50	0.00	0.00
PMC - Unrealized Gain/Loss	(53,593.91)	0.00	(29,882.04)	0.00	0.00
Total Revenues	(36,645.85)	8,010.00	(11,818.26)	1,043,400.00	(1.13)
Expenses					
Accounting Expenses	0.00	0.00	15,400.00	20,000.00	77.00
Advertising/Promotions	190.00	350.00	694.00	2,500.00	27.76
Bank / Credit Card Charges	247.69	75.00	289.36	1,000.00	28.94
Brokered Stock	54.25	0.00	554.25	35,000.00	1.58
Chemicals	1,174.68	0.00	42,835.34	42,000.00	101.99
Cleaning Supplies	19.32	0.00	138.08	1,000.00	13.81
Cold Storage	0.00	0.00	0.00	2,000.00	0.00
Communications	109.45	275.00	434.66	3,000.00	14.49
Education & Registrations	79.83	0.00	79.83	3,000.00	2.66
Employee Medical Benefits	5,192.75	4,926.75	18,020.58	60,600.00	29.74
Equipment Rental	0.00	0.00	759.50	0.00	0.00
Executive Operations	0.00	0.00	0.00	75,000.00	0.00
Farm/Nursery Supplies	3,144.81	500.00	3,548.02	12,000.00	29.57
Fertilizer	0.00	0.00	0.00	10,000.00	0.00
Fuel	222.97	200.00	1,617.62	5,000.00	32.35
Insurance Expense	372.62	1,000.00	1,490.48	6,500.00	22.93
IT Support & Technology	335.63	0.00	637.29	4,000.00	15.93
Lease Payment	0.00	0.00	0.00	1.00	0.00
Licenses & Memberships	80.00	150.00	525.22	1,400.00	37.52
Office Supplies	115.56	275.00	451.83	2,000.00	22.59
Packaging Supplies	0.00	0.00	0.00	20,000.00	0.00
Payroll Tax - FICA/Medicare	2,717.22	2,400.00	7,981.94	42,500.00	18.78
Payroll Tax - FUTA	61.61	25.00	61.61	2,000.00	3.08
Payroll Tax - L&I	883.61	1,500.00	1,815.59	20,000.00	9.08
Payroll Tax - SUTA	36.76	150.00	97.99	1,200.00	8.17
Postage	50.00	50.00	158.55	500.00	31.71
Real Estate Tax Expense	1,781.88	1,875.00	1,781.88	3,750.00	47.52
Repair & Maintenance -Bldg	263.12	0.00	268.50	5,000.00	5.37
Repair & Maintenance - Equip.	390.16	700.00	996.59	7,000.00	14.24
Seeds	4,936.17	11,000.00	30,028.45	57,000.00	52.68
Shipping - Inbound	19.03	0.00	19.03	1,600.00	1.19
Shipping - Outbound	314.83	250.00	314.83	30,000.00	1.05
Taxes - B&O Tax	0.00	200.00	0.00	6,500.00	0.00
Transplants	0.00	0.00	0.00	55,000.00	0.00
Travel, Meals & Meetings	595.87	50.00	689.06	5,000.00	13.78
Utilities	266.50	500.00	1,518.08	10,500.00	14.46
Managment Fee (State of WA)	0.00	0.00	13.51	200.00	6.76
Investment Management Fees	1,169.66	1,125.00	4,733.27	13,500.00	35.06
Wages - Field	10,736.02	8,000.00	21,946.42	192,500.00	11.40
Wages - Staff	24,787.37	24,037.50	82,398.59	278,387.00	29.60
Employee Retirement	0.00	696.00	0.00	8,351.61	0.00
Wages - Accrued Vacation	1,179.21	0.00	(3,412.49)	0.00	0.00

For Management Purposes Only

Plant Material Center
Profit and Loss
October 31, 2018

	Actuals for Oct. 31, 2018	Budget October 2018	Year to Date Actual	Fiscal Year Budget	% of Budget
Depreciation Expense	1,447.87	0.00	5,791.48	0.00	0.00
Total Expenses	<u>62,976.45</u>	<u>60,310.25</u>	<u>244,678.94</u>	<u>1,046,489.61</u>	23.38
Net Income	\$ <u>(99,622.30)</u>	\$ <u>(52,300.25)</u>	\$ <u>(256,497.20)</u>	\$ <u>(3,089.61)</u>	8,301.93

Plant Materials Center
Income Statement
For the Four Months Ending October 31, 2018

	Monthly Total October 2018	Monthly Total October 2017	Current FY 7/1/18 - 10/31/18	Previous FY 7/1/17 - 10/31/17
Revenues				
PMC - Plant Sales	\$ 16,557.00	\$ 5,773.12	\$ 16,557.00	\$ 5,683.12
CC Payments to WACD	0.00	0.00	875.00	0.00
PMC - Interest Income	17.96	9.29	194.18	178.78
PMC - Other Income	0.00	0.00	0.00	303.12
PMC - Packaging/Storage Fee	0.00	30.00	0.00	30.00
PMC - Shipping Charges Reimb	373.10	247.75	373.10	247.75
PMC - Finance Income	0.00	(165.18)	64.50	1,154.60
PMC - Unrealized Gain/Loss	(53,593.91)	6,639.21	(29,882.04)	30,488.38
Total Revenues	(36,645.85)	12,534.19	(11,818.26)	38,085.75
Expenses				
Accounting Expenses	0.00	0.00	15,400.00	2,452.50
Advertising/Promotions	190.00	352.00	694.00	1,002.00
Bank / Credit Card Charges	247.69	0.00	289.36	0.00
Brokered Stock	54.25	0.00	554.25	0.00
Chemicals	1,174.68	0.00	42,835.34	35,555.01
Cleaning Supplies	19.32	12.36	138.08	188.78
Communications	109.45	70.19	434.66	1,011.94
Education & Registrations	79.83	0.00	79.83	49.99
Employee Medical Benefits	5,192.75	6,595.52	18,020.58	26,382.08
Equipment Rental	0.00	0.00	759.50	0.00
Farm/Nursery Supplies	3,144.81	178.07	3,548.02	4,996.41
Fuel	222.97	96.54	1,617.62	550.50
Insurance Expense	372.62	731.33	1,490.48	1,822.34
IT Support & Technology	335.63	0.00	637.29	1,475.46
Licenses & Memberships	80.00	80.00	525.22	301.00
Office Supplies	115.56	268.37	451.83	578.19
Packaging Supplies	0.00	0.00	0.00	2,598.16
Payroll Tax - FICA/Medicare	2,717.22	1,829.08	7,981.94	7,564.97
Payroll Tax - FUTA	61.61	5.75	61.61	37.45
Payroll Tax - L&I	883.61	530.63	1,815.59	2,391.79
Payroll Tax - SUTA	36.76	43.03	97.99	180.25
Postage	50.00	62.15	158.55	110.90
Real Estate Tax Expense	1,781.88	1,760.89	1,781.88	1,760.89
Repair & Maintenance -Bldg	263.12	0.00	268.50	0.00
Repair & Maintenance - Equip.	390.16	618.18	996.59	1,403.66
Seeds	4,936.17	10,201.44	30,028.45	28,316.83
Shipping - Inbound	19.03	0.00	19.03	0.00
Shipping - Outbound	314.83	204.20	314.83	204.20
Taxes - B&O Tax	0.00	0.00	0.00	61.42
Travel, Meals & Meetings	595.87	132.15	689.06	2,117.87
Utilities	266.50	350.97	1,518.08	1,484.44
Management Fee (State of WA)	0.00	0.00	13.51	30.95
Investment Management Fees	1,169.66	928.05	4,733.27	3,732.69
Wages - Field	10,736.02	2,551.47	21,946.42	15,066.31
Wages - Staff	24,787.37	21,357.96	82,398.59	83,821.88
Wages - Accrued Vacation	1,179.21	171.36	(3,412.49)	(968.61)
Depreciation Expense	1,447.87	1,579.05	5,791.48	6,316.20
Total Expenses	62,976.45	50,710.74	244,678.94	232,598.45
Net Income	\$ (99,622.30)	\$ (38,176.55)	\$ (256,497.20)	\$ (194,512.70)

For Management Purposes Only