
APRIL

TACOMA WATER

2021

**INTERIM
FINANCIAL
REPORT**



Public Utility Board

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Member

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Director of Utilities

SCOTT DEWHIRST

Water Superintendent

ANDREW CHERULLO

Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

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City of Tacoma, Washington
Department of Public Utilities, Water Division
Doing Business as

Tacoma Water

Table of Contents

Note: These financial statements are interim, unaudited reports prepared primarily for the use of management. Not all transactions reported in these statements have been recorded on the full accrual basis of accounting or in accordance with generally accepted accounting principles.

Reclassification: Changes have been made to prior period account classifications as needed to conform to the current period presentation format.

Statements of Net Position (Unaudited)	1
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)	4
Summary of Revenues and Billings (Unaudited)	5
Summary of Water Billed (Unaudited)	6
Supplemental Data	8

City of Tacoma, Washington
 Department of Public Utilities
 Tacoma Water
 Statements of Net Position (Unaudited)
 April 30, 2021 and April 30, 2020

	APRIL 30,	
	2021	2020
SSETS		
UTILITY PLANT		
Water Plant in Service	\$1,186,344,223	\$1,146,988,152
Less Depreciation and Amortization	(323,131,729)	(289,875,884)
Total	863,212,494	857,112,268
Construction Work in Progress	33,006,031	17,723,246
Net Utility Plant	896,218,525	874,835,514
NON-UTILITY PROPERTY	492,963	492,963
RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
2013 Construction Fund	287	7,251,616
Regional Water Supply System Operating Fund	891,915	907,870
Provision for Debt Payment	13,605,522	13,829,359
Customer Water Main Deposits	3,569,304	3,459,073
Water Supply Forum Fund	623,420	616,826
Special Bond Reserves	21,690,340	22,117,233
Water Customer Contribution Fund	2,275,182	973,263
Water Capital Reserves	41,802,371	40,641,281
Water System Development Charge	76,813,183	73,928,228
Total Restricted Assets	161,271,524	163,724,749
CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	62,660,422	69,922,206
Grant Loan Fund	500,706	-
Customers' Deposits	131,439	310,362
Receivables:		
Customers	7,588,366	5,504,978
Accrued Unbilled Revenues	5,922,259	5,818,438
Others	787,169	1,186,673
BABs Interest Subsidies	1,509,101	1,505,901
Provision for Uncollectible Accounts	(2,306,373)	(409,258)
Materials and Supplies	3,070,846	2,910,592
Prepayments	2,089,329	1,889,881
Total Current Assets	81,953,264	88,639,773
TOTAL ASSETS	1,139,936,276	1,127,692,999
OTHER ASSETS		
Regulatory Assets - Surcharges	3,626,040	1,989,662
Net Pension Asset	1,636,678	-
Total Other Assets	5,262,718	1,989,662
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized Losses on Refunding Bonds	739,279	926,524
Deferred Outflows for Pensions	4,855,703	12,149,265
Deferred Outflows for OPEB	597,712	471,177
Total Deferred Outflows	6,192,694	13,546,966
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$1,151,391,688	\$1,143,229,627

These statements should be read in conjunction with the Notes to the Financial Statements contained in the previous year-end Financial Report.

	APRIL 30,	
	2021	2020
NET POSITION		
Net Investment in Capital Assets	\$483,687,475	\$453,495,331
Restricted for:		
Water Capital Reserves	38,129,995	36,010,894
Water System Development Charge	41,237,736	38,352,781
Debt Service Funds	5,891,845	5,719,706
Pension Asset	1,636,678	-
Unrestricted	<u>62,544,791</u>	<u>69,421,790</u>
TOTAL NET POSITION	633,128,520	603,000,502
LIABILITIES		
LONG-TERM DEBT		
Revenue Bonds Outstanding:		
2005 Water Revenue Bonds Refunding	5,000	5,000
2009 Water Revenue Bonds	76,775,000	76,775,000
2010 Water Revenue Bonds Refunding	-	13,530,000
2010 Water Revenue Bonds	74,985,000	74,985,000
2013 Water Revenue Bonds Refunding	74,355,000	74,355,000
2015 Water Refunding Bonds, Series A	7,560,000	9,230,000
2010 RWSS Revenue Bonds, Series A	1,030,000	1,345,000
2010 RWSS Revenue Bonds, Series B	44,245,000	44,245,000
2013 RWSS Refunding Bonds	54,030,000	55,920,000
2020 Water Revenue Bonds Refunding	<u>8,667,758</u>	<u>-</u>
Total Outstanding Revenue Bonds	341,652,758	350,390,000
Plus: Unamortized Bond Premium	<u>7,423,904</u>	<u>8,679,598</u>
Net Outstanding Revenue Bonds	349,076,662	359,069,598
PWTF Pre-Construction Loans	160,087	320,261
PWTF Construction Loans	11,760,836	14,297,433
State Drinking Water Loans	<u>52,919,062</u>	<u>57,150,308</u>
Total Long-Term Debt	413,916,647	430,837,600
CURRENT LIABILITIES		
Salaries and Wages Payable	527,717	2,534,335
Purchases and Contracts Payable	1,582,456	1,660,140
Interest Expense Accrued	7,713,677	8,109,653
Taxes Accrued	1,794,417	1,892,575
Customers' and Contractors' Deposits	178,729	343,185
Current Portion of Long-Term Debt	15,457,074	15,046,423
Other Current Liabilities	3,905,529	3,828,955
Current Accrued Compensated Absences	<u>300,025</u>	<u>237,357</u>
Total Current Liabilities	31,459,624	33,652,623
LONG-TERM LIABILITIES		
Muckleshoot Agreements	6,080,198	6,244,496
Customer Advances for Construction	10,136,908	7,878,567
Unearned Revenue	7,051,544	7,219,973
Other Long-Term Liabilities	1,077,759	1,133,998
Pension Liability	-	10,264,957
OPEB Liability	3,675,963	3,565,886
Long-Term Accrued Compensated Absences	<u>2,700,222</u>	<u>2,136,217</u>
Total Long-Term Liabilities	30,722,594	38,444,094
TOTAL LIABILITIES	476,098,865	502,934,317
DEFERRED INFLOWS OF RESOURCES		
Rate Stabilization	35,575,447	35,575,447
Deferred Inflows for Pensions	6,237,055	1,348,807
Deferred Inflows for OPEB	<u>351,801</u>	<u>370,554</u>
Total Deferred Inflows	42,164,303	37,294,808
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$1,151,391,688</u>	<u>\$1,143,229,627</u>

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City of Tacoma, Washington
Department of Public Utilities
Tacoma Water
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)
April 30, 2021 and April 30, 2020

	YEAR TO DATE				2021 OVER (UNDER) 2020	PERCENT CHANGE
	APRIL 2021	APRIL 2020	APRIL 30, 2021	APRIL 30, 2020		
OPERATING REVENUES						
Sales of Water	\$7,648,123	\$8,500,081	\$27,532,071	\$26,842,364	\$689,707	2.6%
Other Operating Revenues	569,141	526,860	2,485,729	2,564,670	(78,941)	-3.1%
Contract Resource Obligation Revenue	408,021	402,914	1,692,537	1,888,265	(195,728)	-10.4%
Total Operating Revenues	<u>8,625,285</u>	<u>9,429,855</u>	<u>31,710,337</u>	<u>31,295,299</u>	<u>415,038</u>	<u>1.3%</u>
OPERATING EXPENSES						
Production Expense:						
Source of Supply	180,268	435,297	1,073,789	1,656,722	(582,933)	-35.2%
Water Treatment	541,641	767,548	3,034,225	2,873,567	160,658	5.6%
Total Production Expense	<u>721,909</u>	<u>1,202,845</u>	<u>4,108,014</u>	<u>4,530,289</u>	<u>(422,275)</u>	<u>-9.3%</u>
Power Pumping Expense	40,108	56,220	191,482	253,012	(61,530)	-24.3%
Transmission and Storage Expense	278,752	133,207	1,068,274	542,450	525,824	96.9%
Distribution Expense	1,446,183	1,459,322	5,413,792	5,384,055	29,737	0.6%
Customer Accounting and Consumer Service	482,369	476,035	1,882,628	1,835,906	46,722	2.5%
Taxes	461,970	502,452	1,615,384	1,613,625	1,759	0.1%
Depreciation	2,306,070	2,146,186	9,333,882	8,570,166	763,716	8.9%
Administrative and General	1,674,357	1,043,210	5,886,979	4,453,344	1,433,635	32.2%
Total Operating Expenses	<u>7,411,718</u>	<u>7,019,477</u>	<u>29,500,435</u>	<u>27,182,847</u>	<u>2,317,588</u>	<u>8.5%</u>
OPERATING INCOME (LOSS)	1,213,567	2,410,378	2,209,902	4,112,452	(1,902,550)	-46.3%
NON-OPERATING REVENUES (EXPENSES)						
Interest Income	191,196	342,584	(2,508,966)	91,371	(2,600,337)	-2845.9%
Miscellaneous	4,057	(135,185)	2,059,472	349,843	1,709,629	488.7%
Interest on Long-Term Debt	(1,262,145)	(1,338,156)	(5,051,490)	(5,352,628)	301,138	5.6%
Interest on Long-Term Debt BABs Sub	(247,703)	(247,703)	(990,812)	(990,812)	-	0.0%
Amortization Of Debt Premium	82,181	92,464	328,723	369,855	(41,132)	-11.1%
Total Non-Operating Revenues (Expenses)	<u>(1,232,414)</u>	<u>(1,285,996)</u>	<u>(6,163,073)</u>	<u>(5,532,371)</u>	<u>(630,702)</u>	<u>-11.4%</u>
Net Income (Loss) Before Capital Contributions and Transfers	(18,847)	1,124,382	(3,953,171)	(1,419,919)	(2,533,252)	-178.4%
Capital Contributions:						
Cash	305,384	385,597	1,986,596	1,754,904	231,692	13.2%
Donated Fixed Assets	-	-	278,368	972,944	(694,576)	-71.4%
Federal BABs Subsidies	301,820	301,180	1,207,281	1,204,720	2,561	0.2%
Transfers:						
City Gross Earnings Tax	(648,810)	(721,188)	(2,456,112)	(2,328,709)	(127,403)	-5.5%
Transfer from (to) Other Funds	3,519	-	120	-	120	NA
CHANGE IN NET POSITION	<u>(\$56,934)</u>	<u>\$1,089,971</u>	<u>(2,936,918)</u>	<u>183,940</u>	<u>(3,120,858)</u>	<u>-1696.7%</u>
NET POSITION - JANUARY 1			636,065,438	602,816,562	33,248,876	
TOTAL NET POSITION - APRIL 30			<u>\$633,128,520</u>	<u>\$603,000,502</u>	<u>\$30,128,018</u>	<u>5.0%</u>

These statements should be read in conjunction with the Notes to the Financial Statements contained in the previous year-end Financial Report.

City of Tacoma, Washington
 Department of Public Utilities
 Tacoma Water
 Summary of Revenues and Billings (Unaudited)
 April 30, 2021 and April 30, 2020

	APRIL 2021	APRIL 2020	YEAR TO DATE		2021 OVER (UNDER) 2020	PERCENT CHANGE
			APRIL 30, 2021	APRIL 30, 2020		
SALES OF WATER						
Residential and Domestic	\$5,344,712	\$6,185,738	\$18,954,187	\$18,272,715	\$681,472	3.7%
Commercial and Industrial	1,543,707	1,562,571	5,574,586	5,650,822	(76,236)	-1.3%
Special Rate	583,552	623,799	2,342,224	2,369,997	(27,773)	-1.2%
Wholesale	176,152	127,973	661,074	548,830	112,244	20.5%
Total	<u>\$7,648,123</u>	<u>\$8,500,081</u>	<u>\$27,532,071</u>	<u>\$26,842,364</u>	<u>\$689,707</u>	2.6%
BILLINGS (NUMBER OF MONTHS BILLED)						
Residential and Domestic	113,931	132,485	412,424	404,657	7,767	1.9%
Commercial and Industrial	6,828	7,873	28,263	27,657	606	2.2%
Wholesale	23	24	90	77	13	16.9%
Total	<u>120,782</u>	<u>140,382</u>	<u>440,777</u>	<u>432,391</u>	<u>8,386</u>	1.9%

City of Tacoma, Washington
 Department of Public Utilities
 Tacoma Water
 Summary of Water Billed (Unaudited)
 April 30, 2021 and April 30, 2020

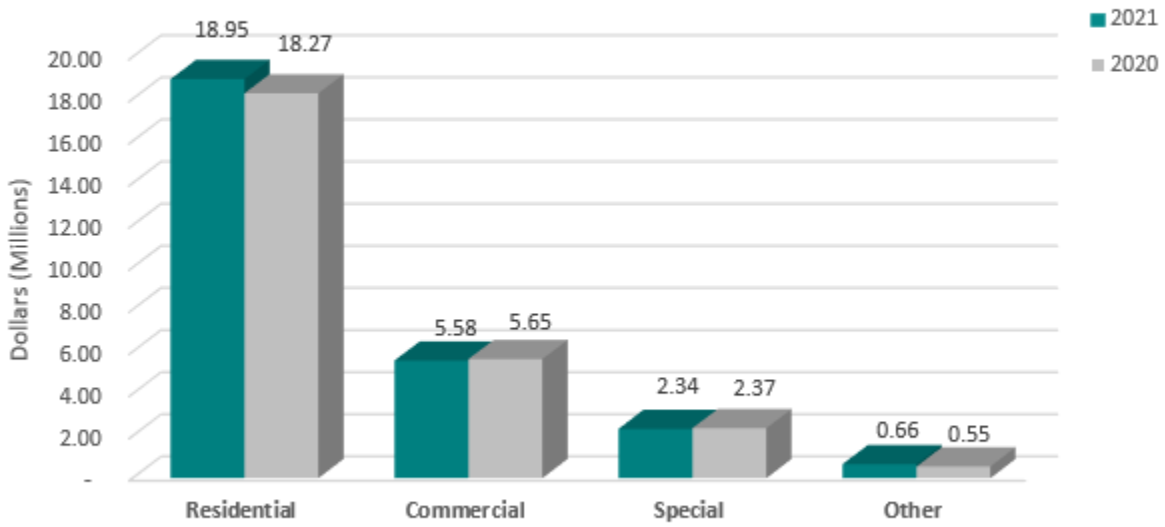
	MILLION GALLONS, TOTAL				MILLION GALLONS, AVERAGE DAILY	
	APRIL 2021	APRIL 2020	YEAR TO DATE		APRIL 2021	APRIL 2020
			APRIL 30, 2021	APRIL 30, 2020		
WATER BILLED						
Residential and Domestic	617.66	693.04	2,272.37	2,117.30	20.59	23.09
Commercial and Industrial	234.27	203.53	809.68	814.13	7.81	6.78
Special Rate	477.34	512.90	1,886.68	1,956.95	15.91	17.10
Wholesale	59.69	41.69	219.05	179.49	1.99	1.39
	<u>1,388.96</u>	<u>1,451.16</u>	<u>5,187.78</u>	<u>5,067.87</u>	<u>46.30</u>	<u>48.36</u>

NOTE: For conversion purposes, there are approximately 748 gallons in every 100 cubic feet of water.

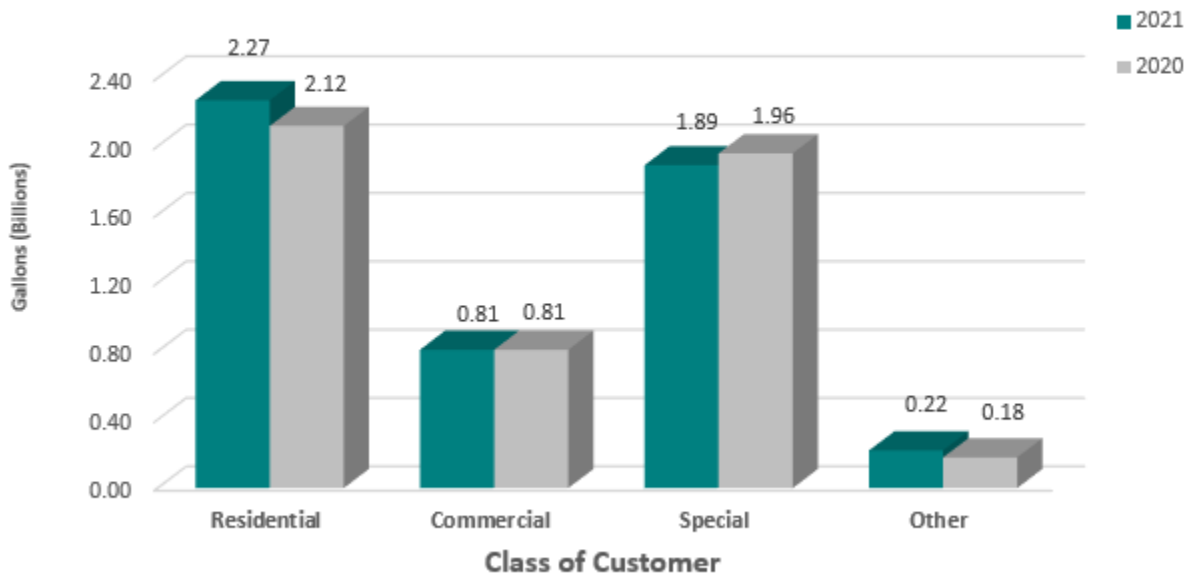
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Supplemental Data

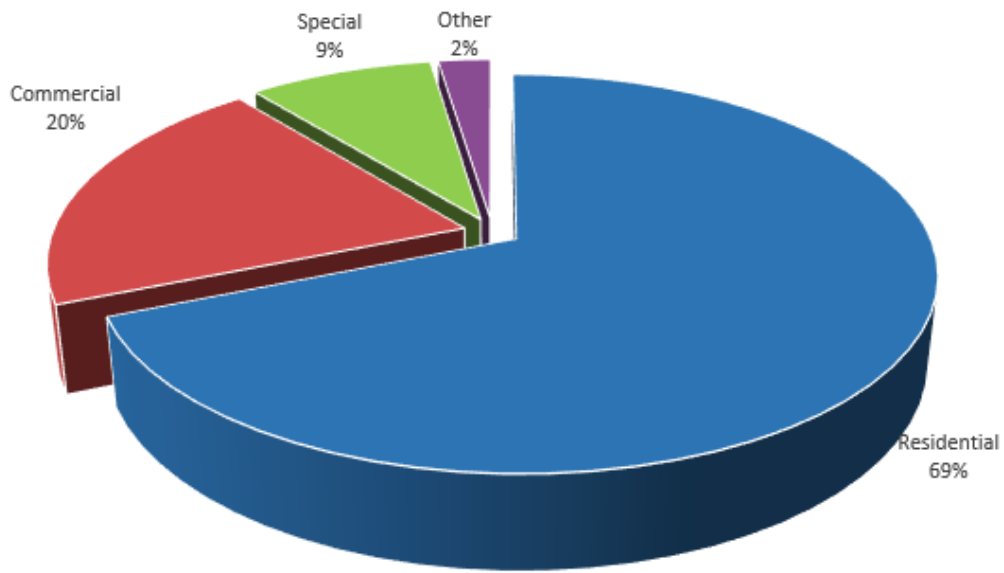
WATER SALES Year to Date - April 2021 & 2020



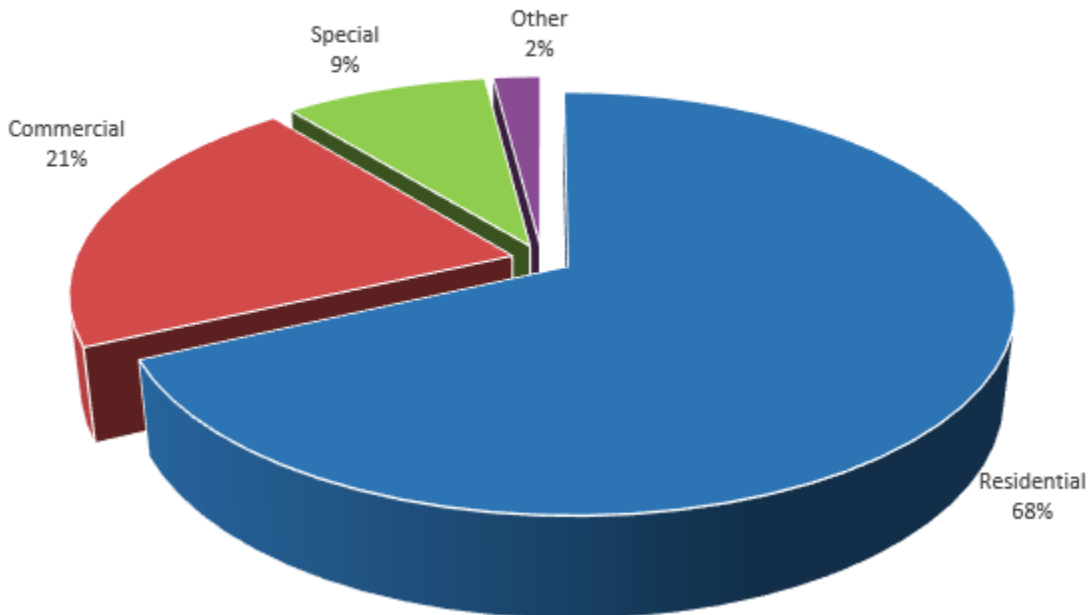
WATER CONSUMPTION Year to Date - April 2021 & 2020



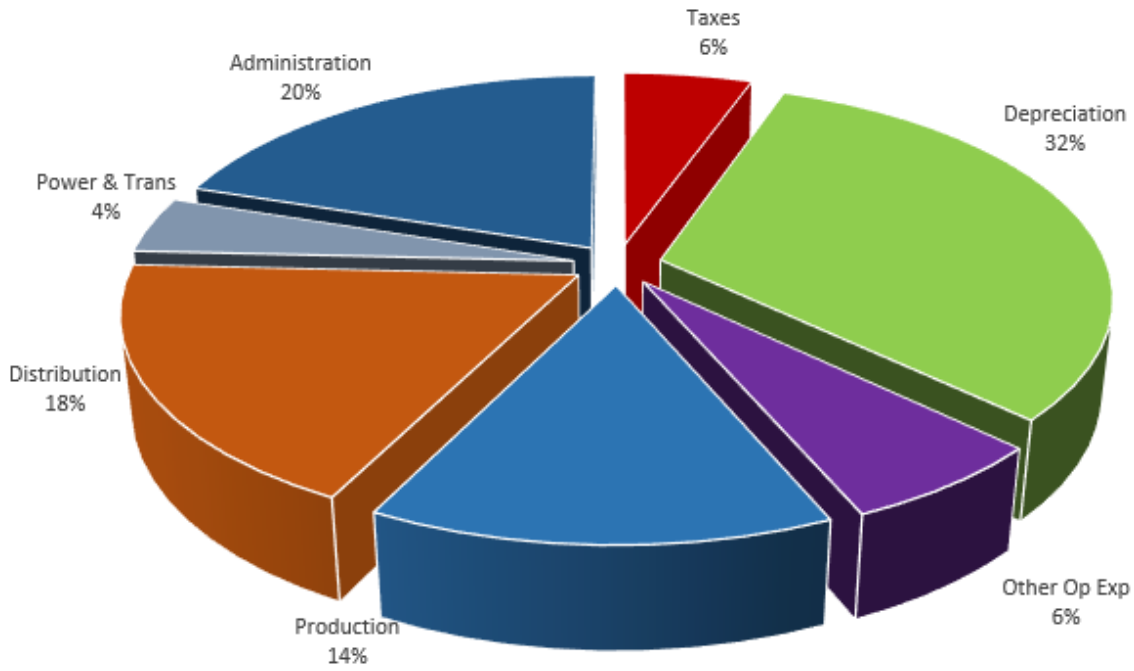
WATER SALES
Year to Date - April 2021
(\$27,532,071)



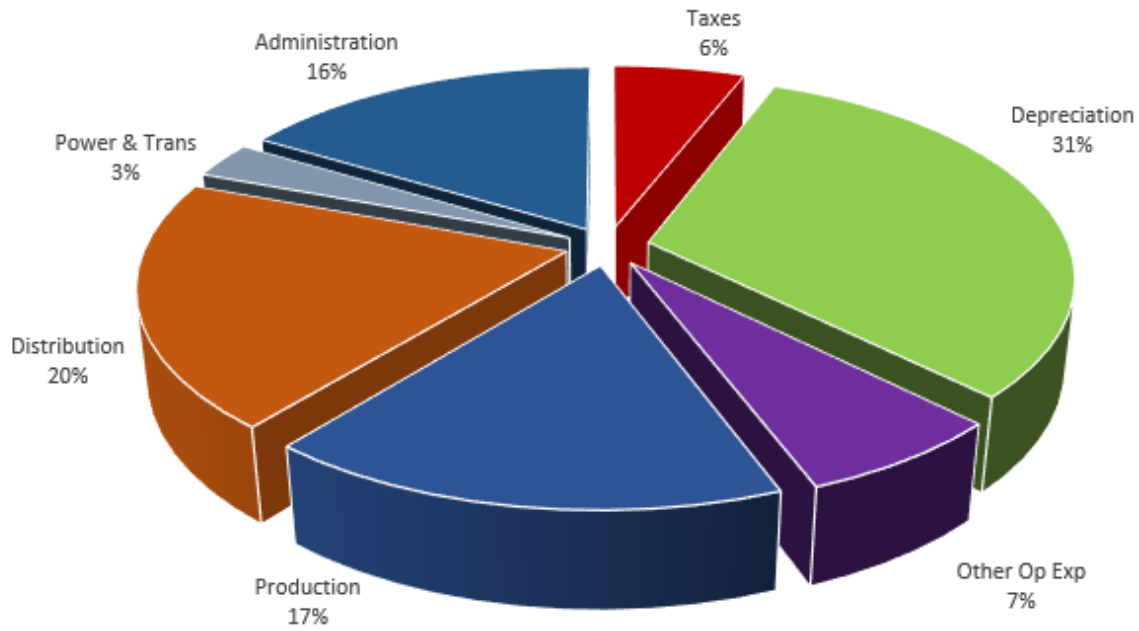
WATER SALES
Year to Date - April 2020
(\$26,842,364)



TOTAL OPERATING EXPENSES
Year to Date - April 2021
(\$29,500,435)



TOTAL OPERATING EXPENSES
Year to Date - April 2020
(\$27,182,847)



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