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*MAY*

*TACOMA RAIL*

2021

**INTERIM  
FINANCIAL  
REPORT**





# Public Utility Board

**BRYAN FLINT**

Chair

**MARK PATTERSON**

Vice-Chair

**CHRISTINE COOLEY**

Secretary

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Member

**JOE BUSHNELL**

Member

**JACKIE FLOWERS**

Director of Utilities

**DALE KING**

Rail Superintendent

**ANDREW CHERULLO**

Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

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CITY OF TACOMA, WASHINGTON  
DEPARTMENT OF PUBLIC UTILITIES, BELT LINE DIVISION  
Doing Business As

# TACOMA RAIL

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*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.*

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City of Tacoma, Washington  
 Department of Public Utilities  
 Tacoma Rail  
 Statements of Net Position (Unaudited)  
 May 31, 2021 and May 31, 2020

<b>ASSETS</b>	<u>2021</u>	<u>2020</u>
<b>CAPITAL ASSETS</b>		
Road and Equipment Property	\$53,543,977	\$48,450,330
Less Accumulated Depreciation	<u>(27,464,374)</u>	<u>(24,230,552)</u>
Total	26,079,603	24,219,778
Construction Work in Progress	<u>6,682,845</u>	<u>3,040,663</u>
Net Capital Assets	32,762,448	27,260,441
<b>CURRENT ASSETS</b>		
Cash & Equity in Pooled Investments	13,173,753	15,160,583
Customer Accounts Receivable	4,499,604	3,070,996
Prepayments	1,705,969	1,691,905
Materials and Supplies Inventory	<u>1,314,645</u>	<u>1,260,154</u>
Total Current Assets	20,693,971	21,183,638
<b>DEFERRED OUTFLOWS</b>		
Deferred Outflows for OPEB	<u>1,598,608</u>	<u>738,535</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>	<u><u>\$55,055,027</u></u>	<u><u>\$49,182,614</u></u>

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

<b>NET POSITION AND LIABILITIES</b>	<u>2021</u>	<u>2020</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$28,833,093	\$23,103,120
Unrestricted	<u>2,567,948</u>	<u>3,071,032</u>
<b>TOTAL NET POSITION</b>	<b>31,401,041</b>	<b>26,174,152</b>
<b>LONG-TERM DEBT, NET OF CURRENT MATURITIES</b>		
State Loans	<u>3,085,800</u>	<u>3,337,072</u>
Total Long-Term Liabilities	3,085,800	3,337,072
<b>CURRENT LIABILITIES</b>		
Accounts Payable	823,685	450,875
Customer Deposits	100,000	40,000
Wages Payable	268,709	650,596
Unemployment and Other Tax Payables	355,764	281,116
Volume Incentive Payable	-	333,333
Current Portion of Long-Term Debt	843,555	820,250
Current Portion of Compensated Absences	<u>136,156</u>	<u>123,430</u>
Total Current Liabilities	2,527,869	2,699,600
<b>LONG-TERM LIABILITIES</b>		
On the Job Injury Reserve	708,373	774,409
Long-Term Portion of Compensated Absences	1,225,403	1,110,871
Pension Withdrawal Liability	2,354,440	2,354,440
OPEB Liability	10,987,505	9,947,627
Incurred but not Reported Claims	<u>334,081</u>	<u>417,958</u>
Total Long-Term Liabilities	15,609,802	14,605,305
<b>TOTAL LIABILITIES</b>	<u>21,223,471</u>	<u>20,641,977</u>
<b>DEFERRED INFLOWS</b>		
Deferred Inflows for OPEB	<u>2,430,515</u>	<u>2,366,485</u>
<b>TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS</b>	<u><u>\$55,055,027</u></u>	<u><u>\$49,182,614</u></u>

City of Tacoma, Washington  
Department of Public Utilities  
Tacoma Rail  
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)  
May 31, 2021 and May 31, 2020

	YEAR TO DATE					
	MAY 2021	MAY 2020	MAY 31 2021	MAY 31 2020	2021/2020 VARIANCE	PERCENT CHANGE
<b>OPERATING REVENUES</b>						
Switching Revenues	\$2,774,888	\$2,014,435	\$11,722,106	\$11,236,983	\$485,123	4.3%
Demurrage and Other Operating Revenues	557,059	532,902	3,045,229	2,781,487	263,742	9.5%
Total Operating Revenues	<u>3,331,947</u>	<u>2,547,337</u>	<u>14,767,335</u>	<u>14,018,470</u>	<u>748,865</u>	<u>5.3%</u>
<b>OPERATING EXPENSES</b>						
Maintenance of Way and Structures						
Salaries and Wages	62,194	94,186	417,414	468,822	(51,408)	-11.0%
Supplies and Expense	77,830	63,383	463,854	646,280	(182,426)	-28.2%
Mechanical						
Salaries and Wages	203,753	209,218	1,024,919	990,087	34,832	3.5%
Supplies and Expense	521,385	333,977	2,394,448	1,921,492	472,956	24.6%
Operations						
Salaries and Wages	786,418	820,468	3,964,836	4,321,122	(356,286)	-8.2%
Supplies and Expense	194,100	120,505	666,265	666,197	68	0.0%
Administration						
Salaries and Wages	242,758	237,407	1,291,246	1,252,764	38,482	3.1%
Supplies and Expense	296,971	290,785	1,680,793	1,624,435	56,358	3.5%
Taxes - State	54,368	41,409	231,760	199,399	32,361	16.2%
Depreciation	189,978	148,664	949,888	744,583	205,305	27.6%
Total Operating Expenses	<u>2,629,755</u>	<u>2,360,002</u>	<u>13,085,423</u>	<u>12,835,181</u>	<u>250,242</u>	<u>1.9%</u>
Net Operating Income	702,192	187,335	1,681,912	1,183,289	498,623	42.1%
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Interest Income	8,780	19,620	(172,244)	21,730	(193,974)	-892.7%
Miscellaneous	51,619	120,535	168,506	530,184	(361,678)	-68.2%
Total Non-Operating Revenues	<u>60,399</u>	<u>140,155</u>	<u>(3,738)</u>	<u>551,914</u>	<u>(555,652)</u>	<u>-100.7%</u>
Contributions - Grants	-	-	4,282	10,377	(6,095)	-58.7%
Total Contributions	<u>-</u>	<u>-</u>	<u>4,282</u>	<u>10,377</u>	<u>(6,095)</u>	<u>-58.7%</u>
Transfers						
City of Tacoma Gross Earnings Tax	(269,788)	(214,839)	(1,185,595)	(1,172,573)	(13,022)	-1.1%
Transfers from (to) other funds	-	-	2,818	(500,000)	502,818	100.6%
Total Transfers	<u>(269,788)</u>	<u>(214,839)</u>	<u>(1,182,777)</u>	<u>(1,672,573)</u>	<u>489,796</u>	<u>29.3%</u>
<b>CHANGE IN NET POSITION</b>	<u>\$492,803</u>	<u>\$112,651</u>	499,679	73,007	426,672	584.4%
<b>TOTAL NET POSITION - JANUARY 1</b>			<u>30,901,362</u>	<u>26,101,145</u>		
<b>TOTAL NET POSITION - MAY 31</b>			<u>\$31,401,041</u>	<u>\$26,174,152</u>		

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



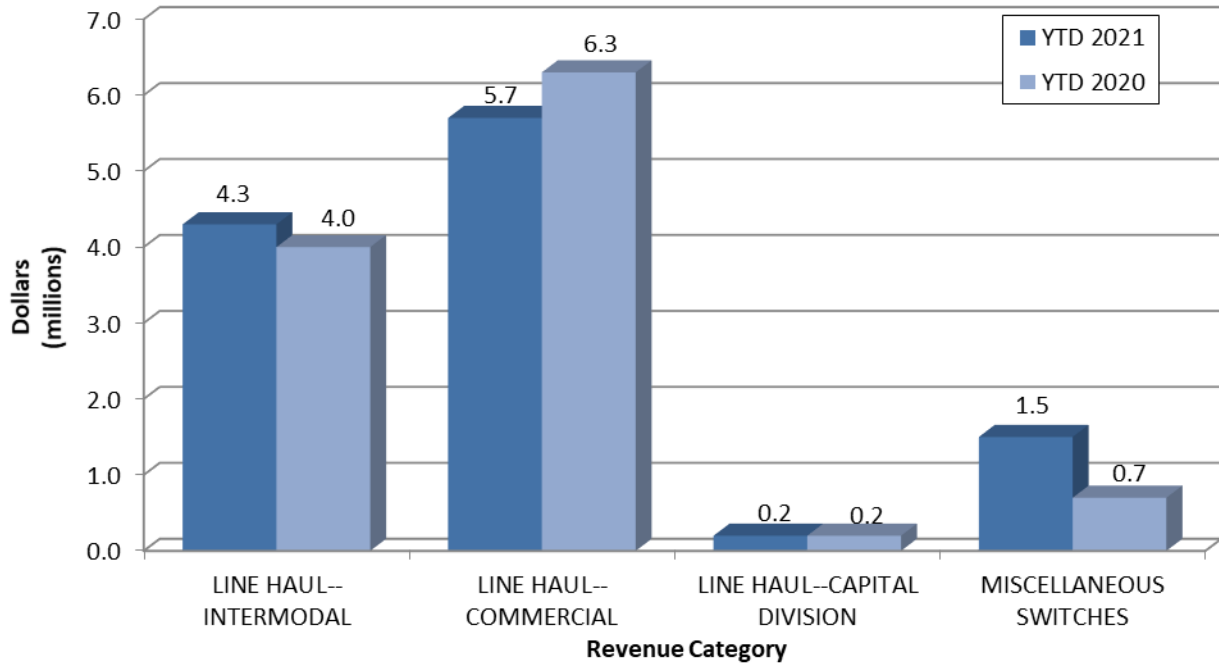
City of Tacoma, Washington  
 Department of Public Utilities  
 Tacoma Rail  
 Summary of Switching Revenues and Switching Activities (Unaudited)  
 May 31, 2021 and May 31, 2020

	May 2021	May 2020	YEAR TO DATE		2021/2020 VARIANCE	PERCENT CHANGE
			May 31, 2021	May 31, 2020		
<b>SWITCHING REVENUES</b>						
LINE HAULS--INTERMODAL	\$1,066,222	\$749,103	\$4,359,702	\$4,039,386	\$320,316	7.9%
LINE HAULS--COMMERCIAL	759,973	1,086,516	5,706,286	6,343,950	(637,664)	-10.1%
LINE HAULS--CAPITAL DIVISION	44,025	22,800	178,448	164,160	14,288	8.7%
MISCELLANEOUS SWITCHES	904,668	156,016	1,477,670	689,487	788,183	114.3%
TOTAL SWITCHING REVENUES	<u>\$2,774,888</u>	<u>\$2,014,435</u>	<u>\$11,722,106</u>	<u>\$11,236,983</u>	<u>\$485,123</u>	4.3%
<b>SWITCHING ACTIVITIES (CARS)</b>						
LINE HAULS--INTERMODAL	6,735	4,362	26,943	23,826	3,117	13.1%
LINE HAULS--COMMERCIAL	2,605	2,063	12,024	12,134	(110)	-0.9%
LINE HAULS--CAPITAL DIVISION	75	40	304	288	16	5.6%
MISCELLANEOUS SWITCHES	576	1,044	2,544	3,733	(1,189)	-31.9%
TOTAL CARS SWITCHED	<u>9,991</u>	<u>7,509</u>	<u>41,815</u>	<u>39,981</u>	<u>1,834</u>	4.6%

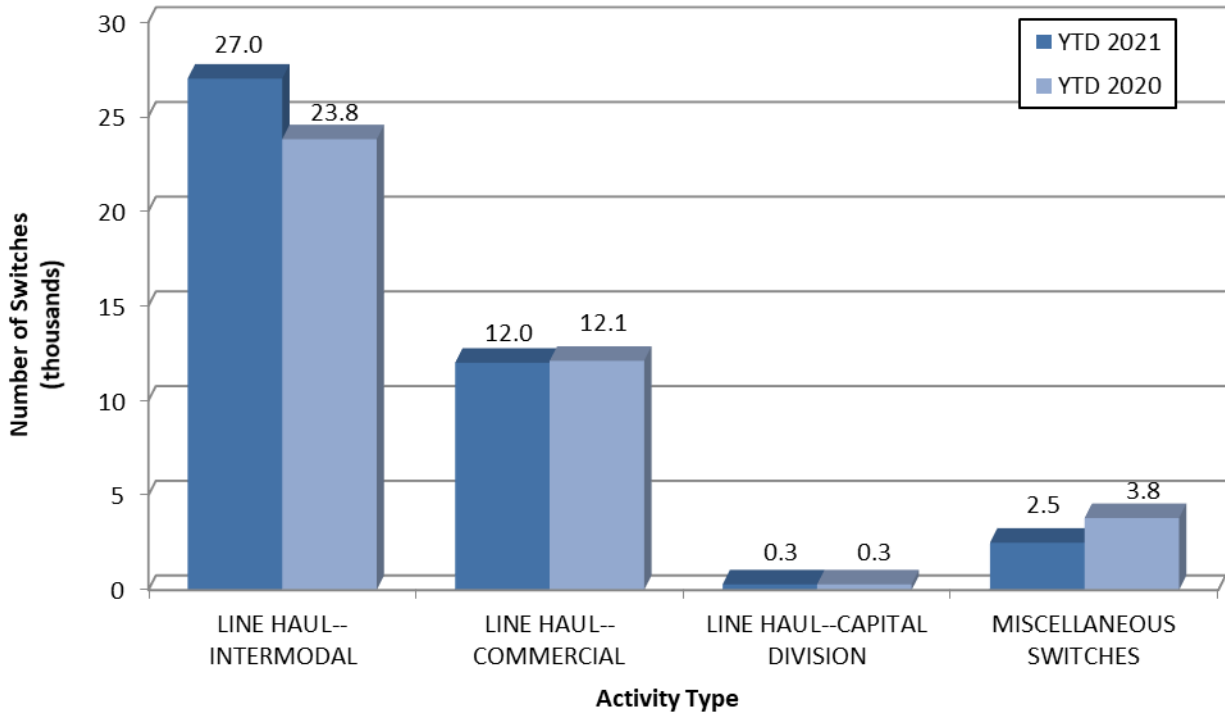
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# Supplemental Data

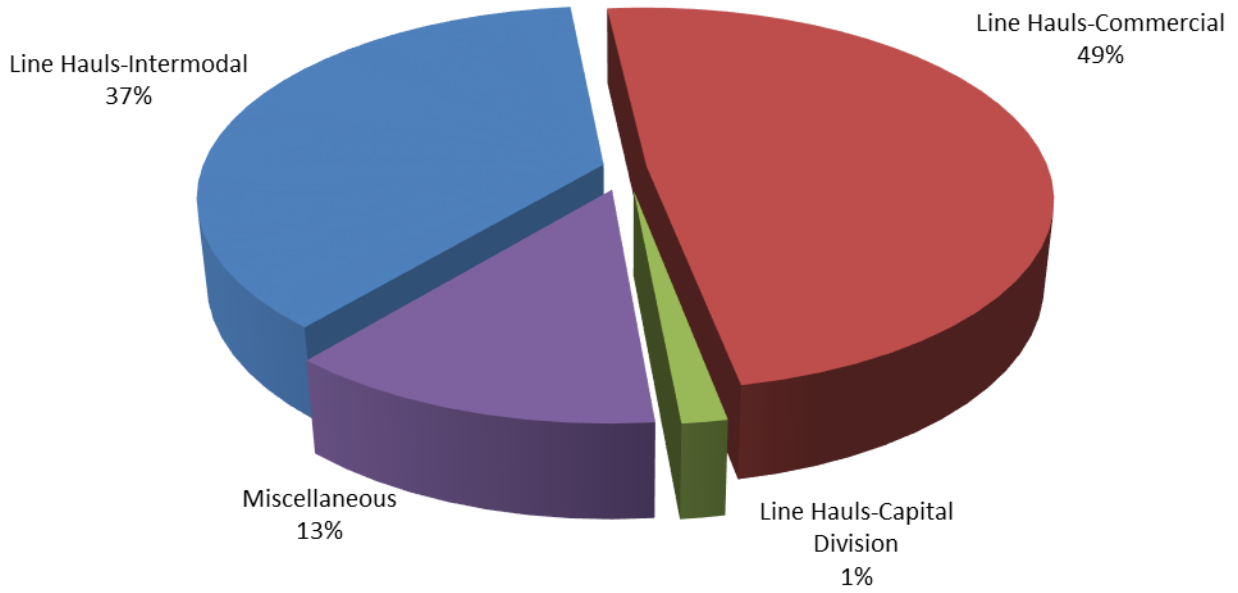
## SWITCHING REVENUES Year to Date - May 2021 & 2020



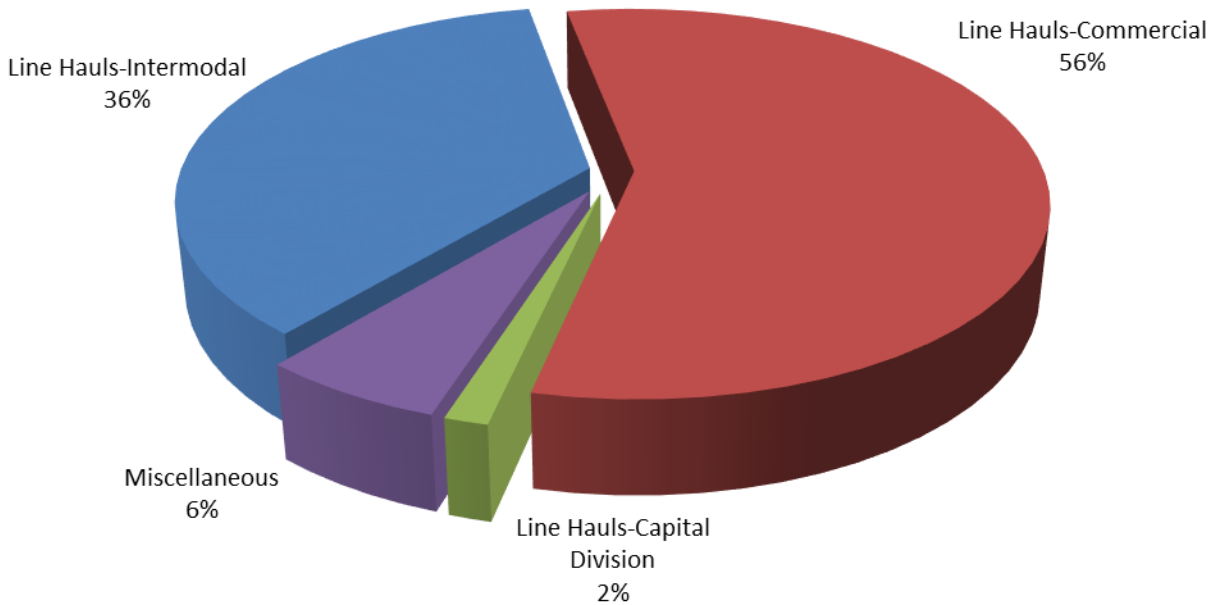
## SWITCHING ACTIVITIES Year to Date - May 2021 & 2020



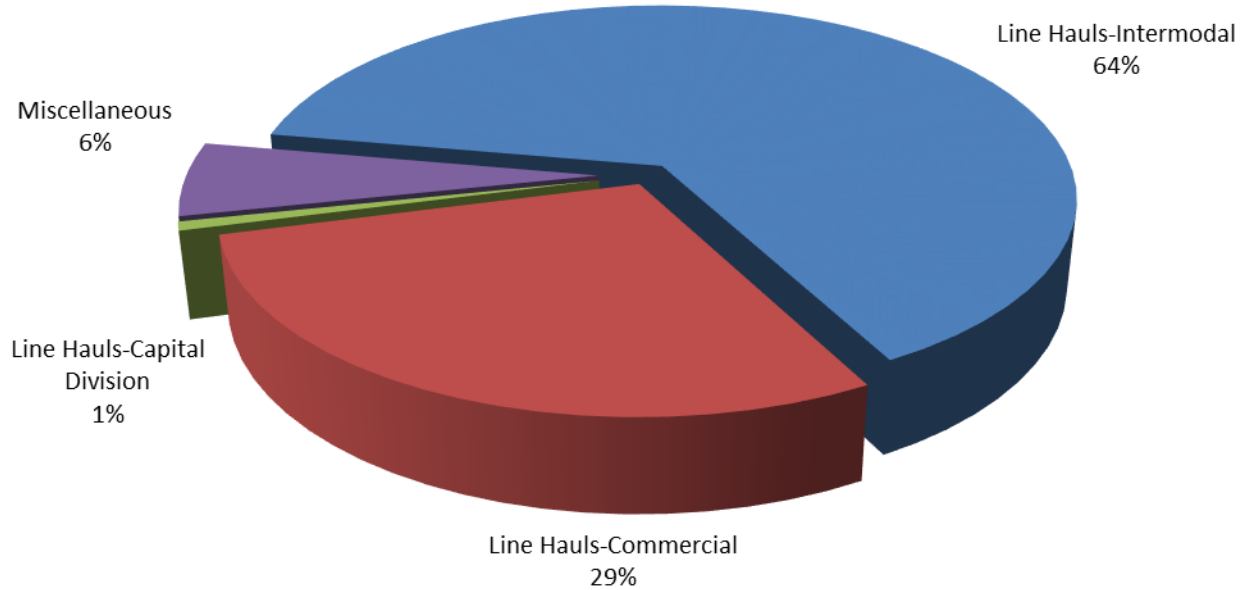
**SWITCHING REVENUES**  
**Year to Date - May 2021 (\$11,722,106)**



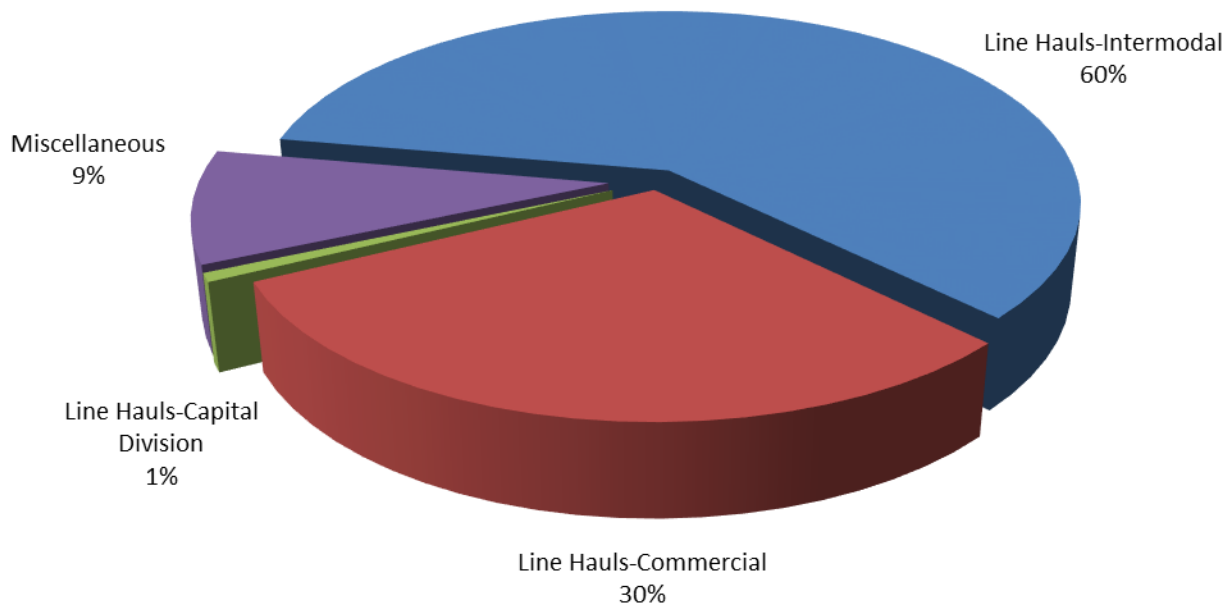
**SWITCHING REVENUES**  
**Year to Date - May 2020 (\$11,236,983)**



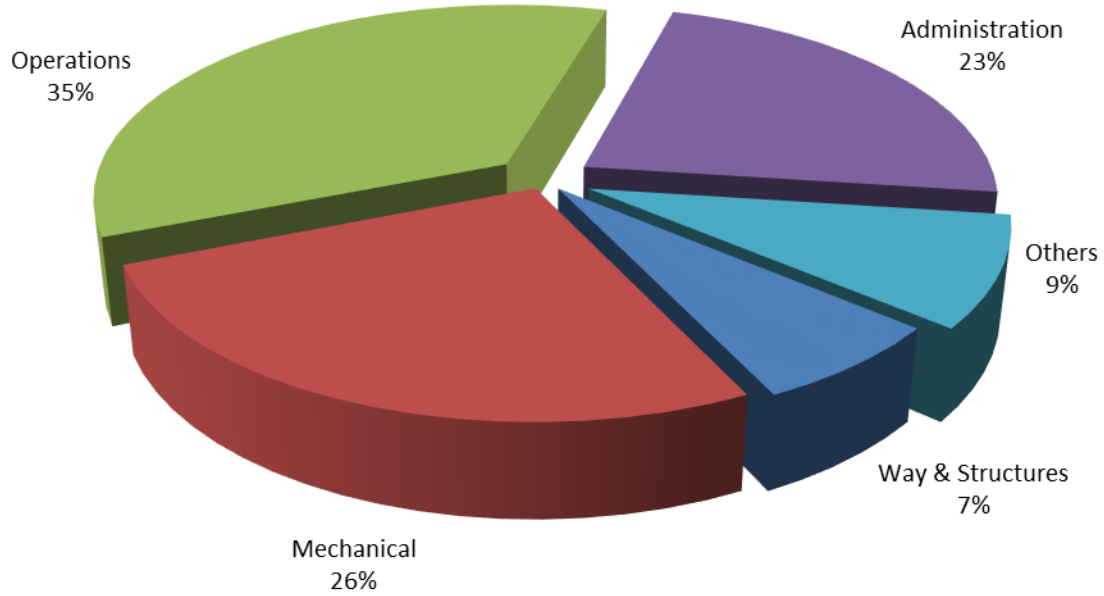
## SWITCHING ACTIVITY Year to Date - May 2021 (41,815 cars)



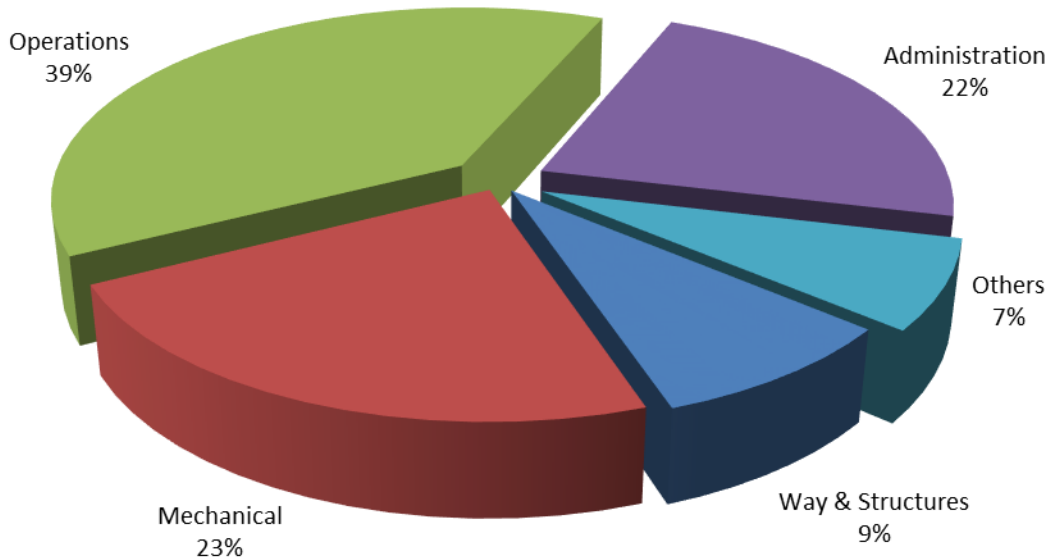
## SWITCHING ACTIVITY Year to Date - May 2020 (39,981 cars)



**TOTAL OPERATING EXPENSES**  
**Year to Date - May 2021 (\$13,085,423)**



**TOTAL OPERATING EXPENSES**  
**Year to Date - May 2020 (\$12,835,181)**





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