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*JULY*

*TACOMA RAIL*

2021

**INTERIM  
FINANCIAL  
REPORT**





# Public Utility Board

MARK PATTERSON  
Chair

CHRISTINE COOLEY  
Vice-Chair

CARLOS M. WATSON  
Secretary

JOE BUSHNELL  
Member

HOLLAND COHEN  
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)  
 July 31, 2021 and July 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>(27,841,806)</u>	<u>(24,527,879)</u>
Total	25,702,171	23,922,451
Construction Work in Progress	<u>6,826,161</u>	<u>3,488,073</u>
Net Capital Assets	32,528,332	27,410,524
<b>CURRENT ASSETS</b>		
Cash & Equity in Pooled Investments	14,564,263	15,260,728
Customer Accounts Receivable	3,752,743	3,097,109
Prepayments	1,599,398	1,629,983
Materials and Supplies Inventory	<u>1,322,941</u>	<u>1,286,867</u>
Total Current Assets	21,239,345	21,274,687
<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>\$55,366,285</u></u>	<u><u>\$49,423,746</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	\$28,791,055	\$23,255,773
Unrestricted	<u>3,105,685</u>	<u>3,352,010</u>
TOTAL NET POSITION	31,896,740	26,607,783
<b>LONG-TERM DEBT, NET OF CURRENT MATURITIES</b>		
State Loans	<u>2,893,722</u>	<u>3,334,502</u>
Total Long-Term Liabilities	2,893,722	3,334,502
<b>CURRENT LIABILITIES</b>		
Accounts Payable	697,945	835,178
Customer Deposits	100,000	40,000
Wages Payable	416,752	417,014
Unemployment and Other Tax Payables	338,962	292,022
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	2,533,370	2,527,894
<b>LONG-TERM LIABILITIES</b>		
On the Job Injury Reserve	710,509	756,186
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	15,611,938	14,587,082
TOTAL LIABILITIES	<u>21,039,030</u>	<u>20,449,478</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>\$55,366,285</u></u>	<u><u>\$49,423,746</u></u>

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

	YEAR TO DATE					
	JULY 2021	JULY 2020	JULY 31 2021	JULY 31 2020	2021/2020 VARIANCE	PERCENT CHANGE
<b>OPERATING REVENUES</b>						
Switching Revenues	\$2,346,630	\$2,135,348	\$16,370,261	\$15,319,278	\$1,050,983	6.9%
Demurrage and Other Operating Revenues	678,206	489,642	4,341,606	3,733,439	608,167	16.3%
Total Operating Revenues	3,024,836	2,624,990	20,711,867	19,052,717	1,659,150	8.7%
<b>OPERATING EXPENSES</b>						
Maintenance of Way and Structures						
Salaries and Wages	84,067	86,786	605,144	646,379	(41,235)	-6.4%
Supplies and Expense	98,563	114,132	676,530	886,476	(209,946)	-23.7%
Mechanical						
Salaries and Wages	183,338	195,879	1,407,726	1,383,021	24,705	1.8%
Supplies and Expense	316,886	353,931	3,183,972	2,687,956	496,016	18.5%
Operations						
Salaries and Wages	748,722	790,204	5,503,434	5,886,647	(383,213)	-6.5%
Supplies and Expense	144,842	97,108	1,011,317	838,796	172,521	20.6%
Administration						
Salaries and Wages	230,861	242,130	1,779,590	1,735,822	43,768	2.5%
Supplies and Expense	312,850	287,751	2,314,500	1,823,716	490,784	26.9%
Taxes - State	46,256	42,195	323,564	285,665	37,899	13.3%
Depreciation	188,716	148,664	1,327,319	1,041,910	285,409	27.4%
Total Operating Expenses	2,355,101	2,358,780	18,133,096	17,216,388	916,708	5.3%
Net Operating Income	669,735	266,210	2,578,771	1,836,329	742,442	40.4%
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Interest Income	9,638	17,987	(153,669)	57,424	(211,093)	-367.6%
Miscellaneous	23,023	77,653	226,189	683,901	(457,712)	-66.9%
Total Non-Operating Revenues	32,661	95,640	72,520	741,325	(668,805)	-90.2%
Contributions - Grants	-	-	8,555	19,587	(11,032)	-56.3%
Total Contributions	-	-	8,555	19,587	(11,032)	-56.3%
Transfers						
City of Tacoma Gross Earnings Tax	(244,600)	(217,610)	(1,667,286)	(1,590,603)	(76,683)	-4.8%
Transfers from (to) other funds	-	-	2,818	(500,000)	502,818	100.6%
Total Transfers	(244,600)	(217,610)	(1,664,468)	(2,090,603)	426,135	20.4%
<b>CHANGE IN NET POSITION</b>	<u>\$457,796</u>	<u>\$144,240</u>	995,378	506,638	488,740	96.5%
<b>TOTAL NET POSITION - JANUARY 1</b>			<u>30,901,362</u>	<u>26,101,145</u>		
<b>TOTAL NET POSITION - JULY 31</b>			<u>\$31,896,740</u>	<u>\$26,607,783</u>		

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



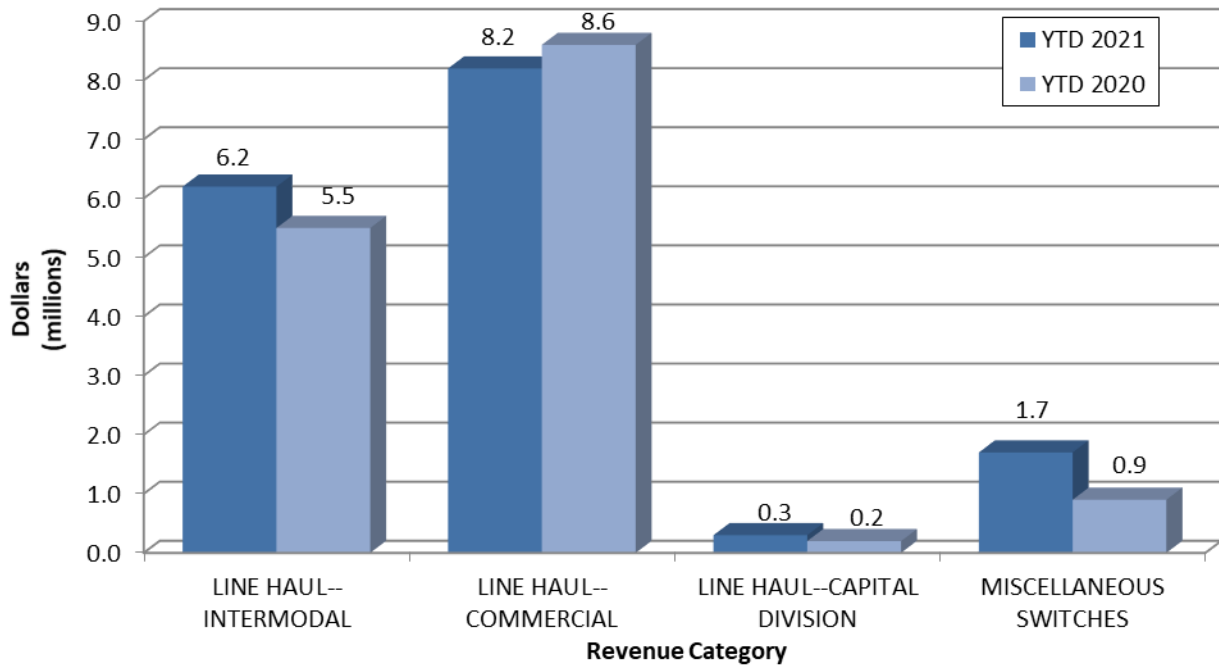
City of Tacoma, Washington  
 Department of Public Utilities  
 Tacoma Rail  
 Summary of Switching Revenues and Switching Activities (Unaudited)  
 July 31, 2021 and July 31, 2020

	July 2021	July 2020	YEAR TO DATE		2021/2020 VARIANCE	PERCENT CHANGE
			July 31, 2021	July 31, 2020		
<b>SWITCHING REVENUES</b>						
LINE HAULS--INTERMODAL	\$875,458	\$752,082	\$6,167,255	\$5,513,901	\$653,354	11.8%
LINE HAULS--COMMERCIAL	1,310,283	1,229,938	8,206,881	8,641,428	(434,547)	-5.0%
LINE HAULS--CAPITAL DIVISION	36,394	30,210	252,997	225,150	27,847	12.4%
MISCELLANEOUS SWITCHES	<u>124,495</u>	<u>123,118</u>	<u>1,743,128</u>	<u>938,799</u>	<u>804,329</u>	85.7%
TOTAL SWITCHING REVENUES	<u>\$2,346,630</u>	<u>\$2,135,348</u>	<u>\$16,370,261</u>	<u>\$15,319,278</u>	<u>\$1,050,983</u>	6.9%
<b>SWITCHING ACTIVITIES (CARS)</b>						
LINE HAULS--INTERMODAL	5,417	4,560	38,173	32,632	5,541	17.0%
LINE HAULS--COMMERCIAL	2,461	2,225	16,586	16,329	257	1.6%
LINE HAULS--CAPITAL DIVISION	62	53	431	395	36	9.1%
MISCELLANEOUS SWITCHES	<u>419</u>	<u>653</u>	<u>3,559</u>	<u>5,003</u>	<u>(1,444)</u>	-28.9%
TOTAL CARS SWITCHED	<u>8,359</u>	<u>7,491</u>	<u>58,749</u>	<u>54,359</u>	<u>4,390</u>	8.1%

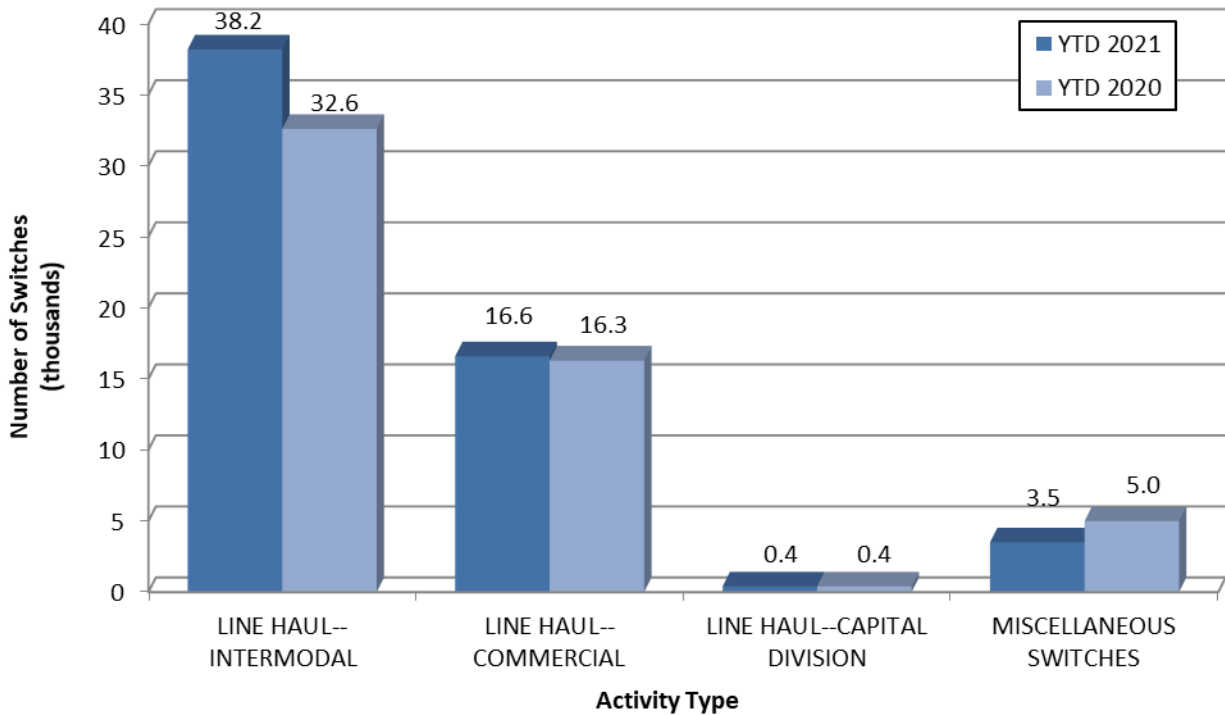
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# Supplemental Data

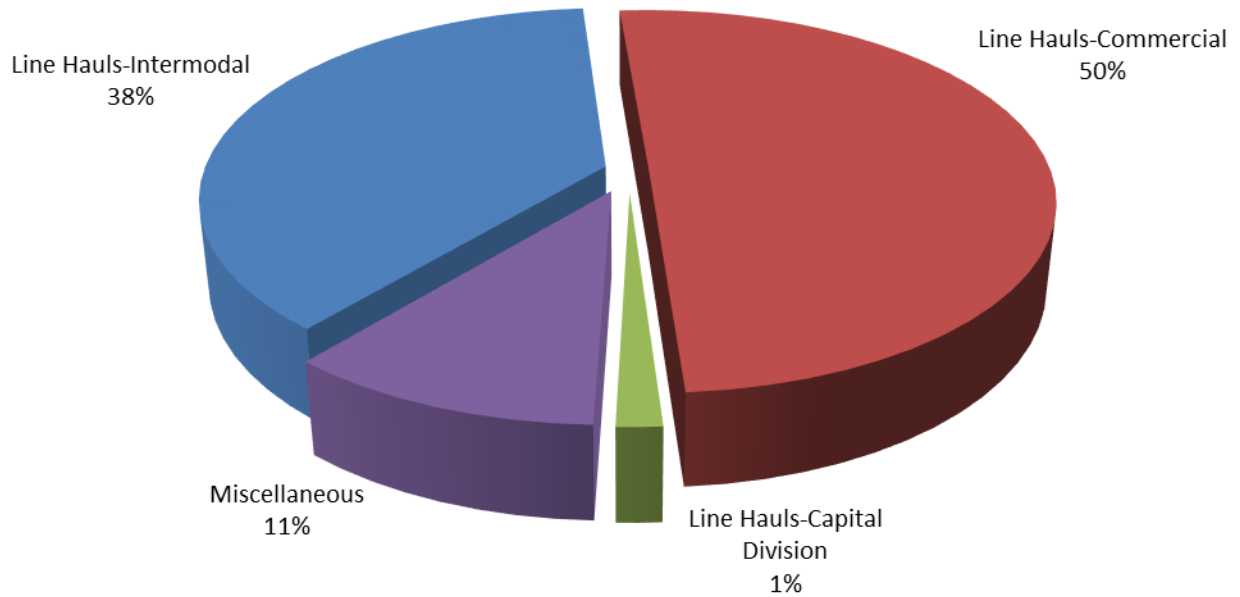
## SWITCHING REVENUES Year to Date - July 2021 & 2020



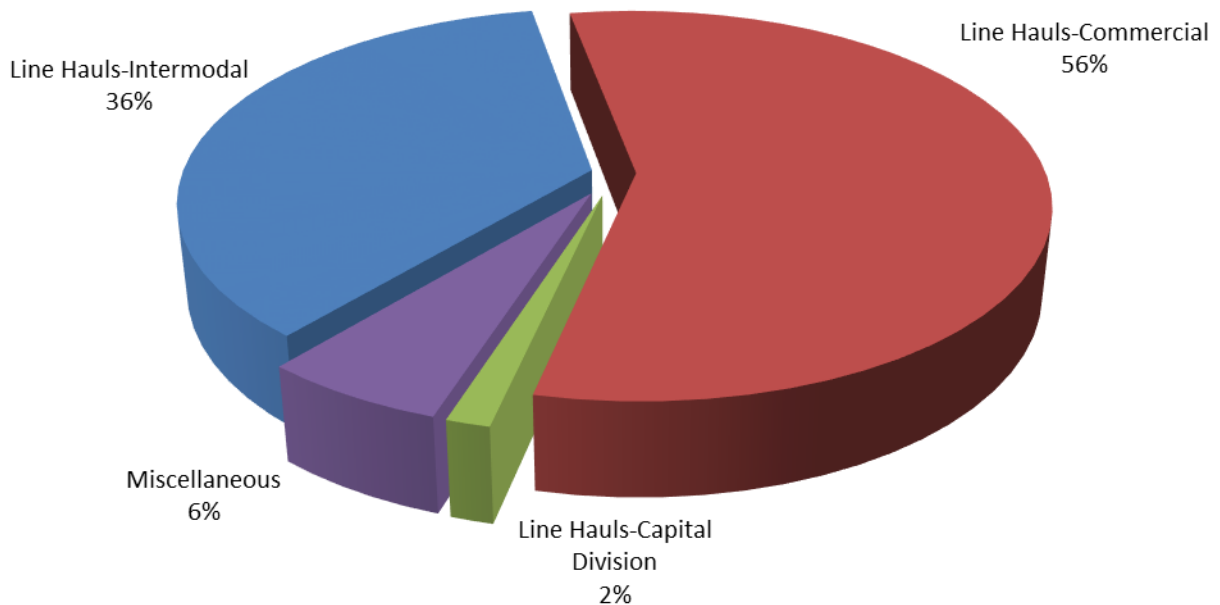
## SWITCHING ACTIVITIES Year to Date - July 2021 & 2020



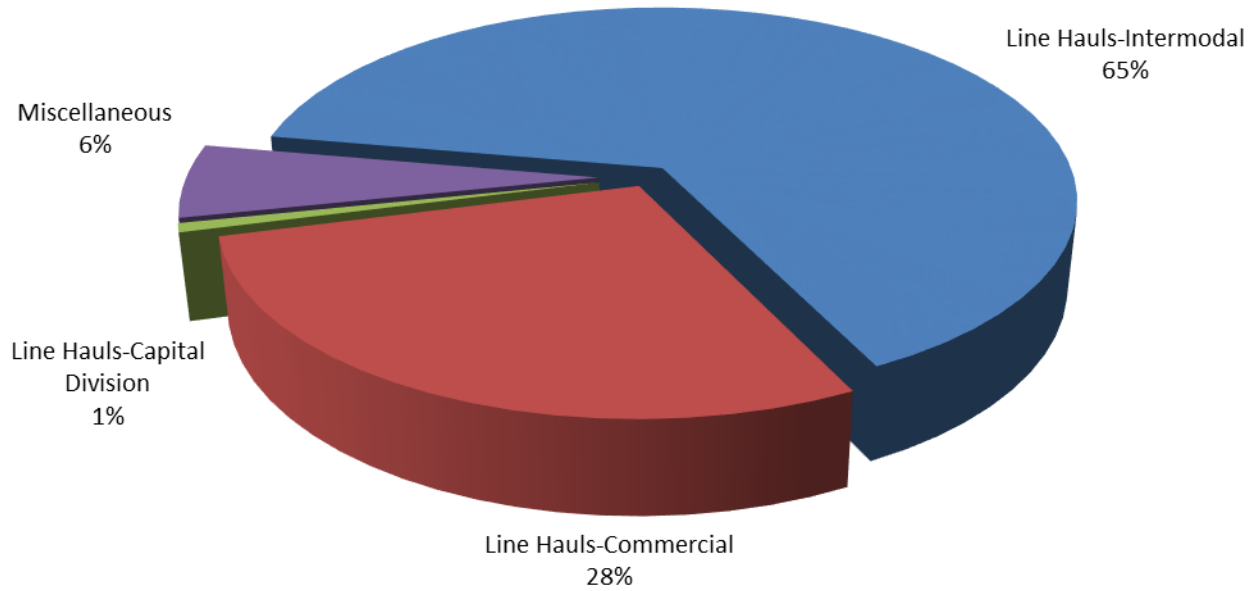
## SWITCHING REVENUES Year to Date - July 2021 (\$16,370,261)



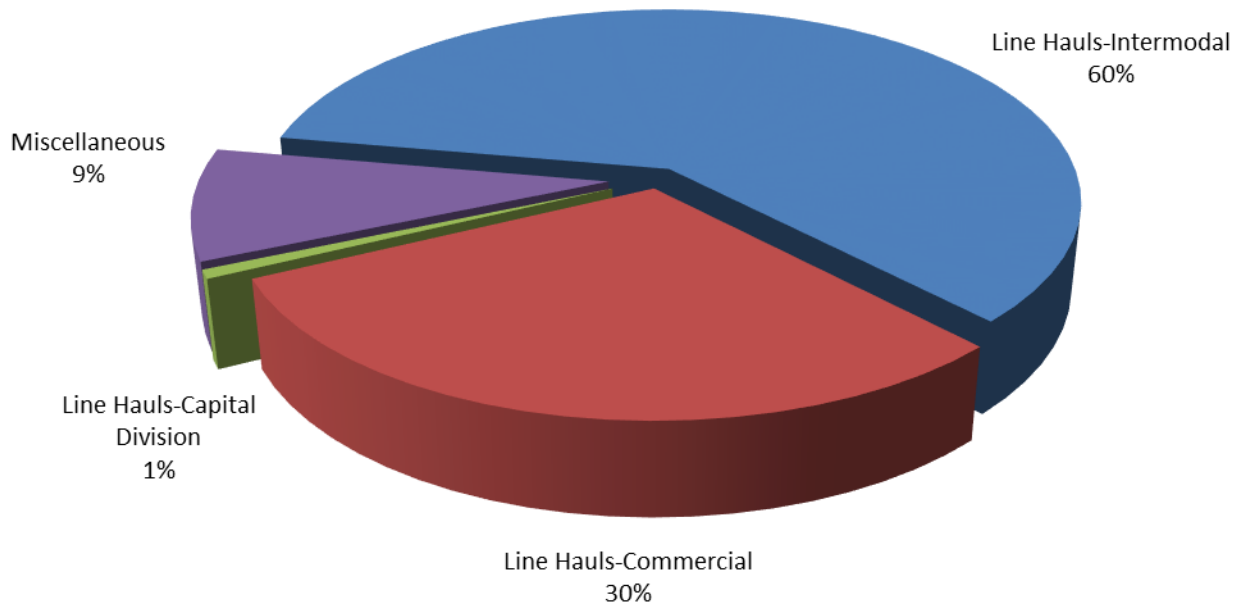
## SWITCHING REVENUES Year to Date - July 2020 (\$15,319,278)



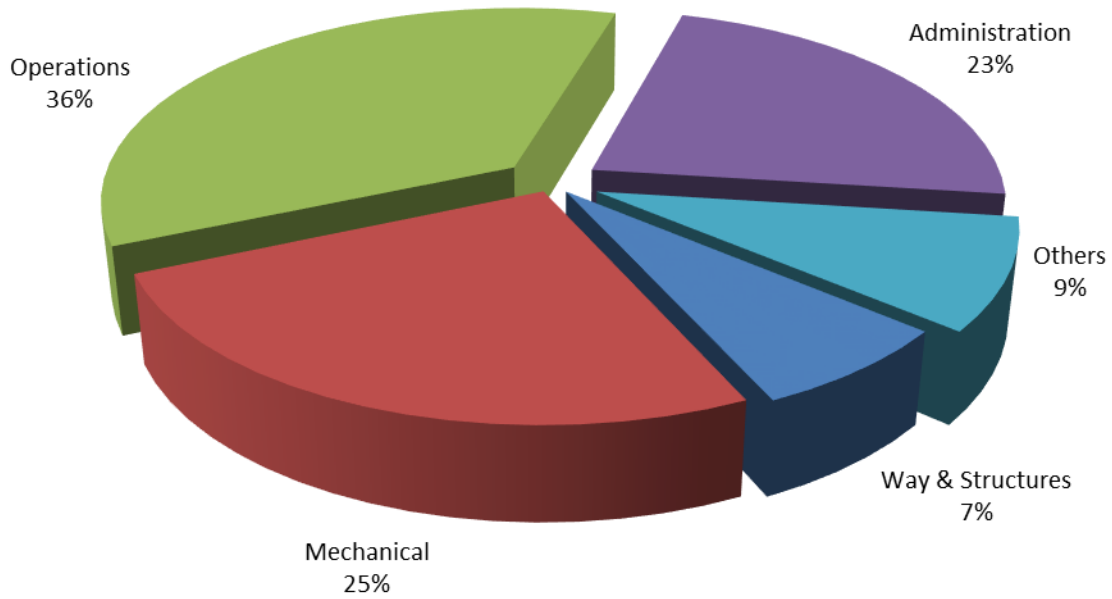
## SWITCHING ACTIVITY Year to Date - July 2021 (58,749 cars)



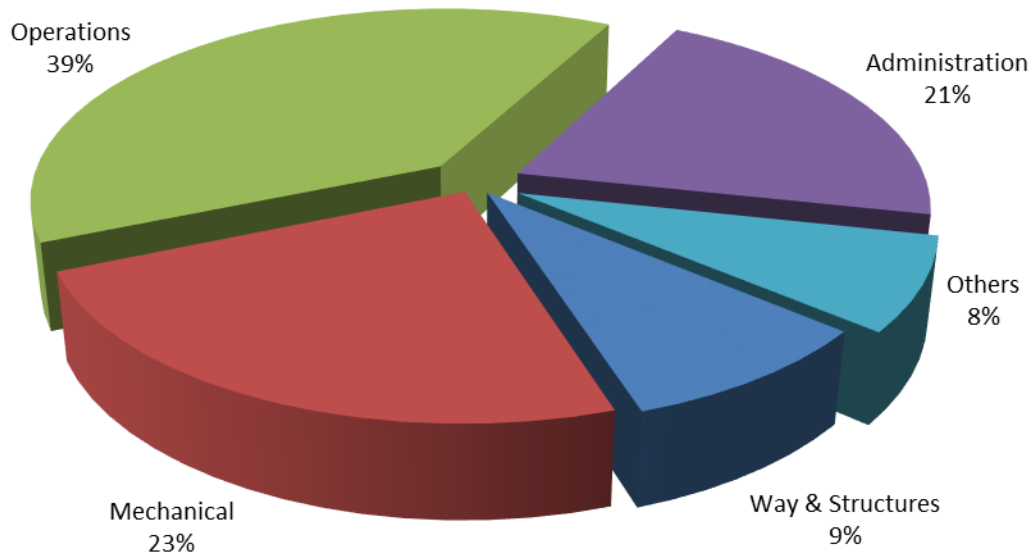
## SWITCHING ACTIVITY Year to Date - July 2020 (54,359 cars)



**TOTAL OPERATING EXPENSES**  
**Year to Date - July 2021 (\$18,133,096)**



**TOTAL OPERATING EXPENSES**  
**Year to Date - July 2020 (\$17,216,388)**





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