
MAY

TACOMA POWER

2019

**FINANCIAL
REPORT**



Public Utility Board

WOODROW JONES

Chair

KAREN LARKIN

Vice-Chair

BRYAN FLINT

Secretary

MARK PATTERSON

Member

CHRISTINE COOLEY

Member

JACKIE FLOWERS

Director of Utilities

CHRIS ROBINSON

Power Superintendent/COO

ANDREW CHERULLO

Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES, LIGHT DIVISION

Doing Business As

TACOMA POWER

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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 POWER

STATEMENTS OF NET POSITION - May 31, 2019 AND May 31, 2018

| ASSETS AND DEFERRED OUTFLOWS | 2019 | 2018 |
|---|---------------------|---------------------|
| UTILITY PLANT | | |
| Electric Plant in Service | \$2,118,872,713 | \$2,062,467,533 |
| Less Depreciation and Amortization | (1,115,599,516) | (1,071,641,330) |
| Total | 1,003,273,197 | 990,826,203 |
| Construction Work in Progress | 60,480,150 | 51,918,461 |
| Net Utility Plant | 1,063,753,347 | 1,042,744,664 |
| NON-UTILITY PROPERTY | 182,051 | 182,051 |
| RESTRICTED ASSETS | | |
| Cash and Equity in Pooled Investments: | | |
| Provision for Debt Service | 12,105,563 | 12,599,212 |
| Special Bond Reserves | 4,997,639 | 4,997,639 |
| Wynoochee Reserve - State of Washington | 2,658,868 | 2,610,245 |
| Fish and Wildlife Reserves | 23,905,359 | - |
| Total Restricted Assets | 43,667,429 | 20,207,096 |
| CURRENT ASSETS | | |
| Cash and Equity in Pooled Investments: | | |
| Current Fund | 142,143,153 | 157,160,386 |
| Customers' and Contractors' Deposits | 2,648,748 | 2,707,332 |
| Conservation Loan Fund | 3,753,049 | 3,640,537 |
| Rate Stabilization Fund | 48,000,000 | 48,000,000 |
| Receivables: | | |
| Customers | 21,691,652 | 19,359,613 |
| Accrued Unbilled Revenue | 30,730,773 | 30,701,425 |
| Others | 10,889,687 | 11,267,932 |
| Provision for Uncollectibles | (1,328,340) | (1,029,658) |
| Materials and Supplies | 6,819,907 | 7,360,550 |
| Prepayments and Other | 10,669,110 | 6,352,491 |
| Total Current Assets | 276,017,739 | 285,520,608 |
| OTHER ASSETS | | |
| Regulatory Asset - Conservation | 49,018,205 | 48,442,664 |
| Net Pension Asset | 15,506,238 | - |
| Conservation Loan Fund Receivables | 2,602,072 | 2,628,273 |
| Total Other Assets | 67,126,515 | 51,070,937 |
| Total Assets | 1,450,747,081 | 1,399,725,356 |
| DEFERRED OUTFLOWS | | |
| Deferred Outflow for Pensions | 19,885,557 | 38,426,742 |
| Deferred Outflow for OPEB | 957,357 | - |
| Total Deferred Outflows | 20,842,914 | 38,426,742 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS..... | \$1,471,589,995 | \$1,438,152,098 |

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

| NET POSITION, LIABILITIES AND DEFERRED INFLOWS | 2019 | 2018 |
|---|------------------------|------------------------|
| NET POSITION | | |
| Net Investment in Capital Assets | \$608,239,358 | \$630,547,413 |
| Restricted for: | | |
| Wynoochee Reserve - State of Washington | 2,658,868 | 2,610,245 |
| Fish and Wildlife Reserves | 23,905,359 | - |
| Debt Service | 3,902,081 | 4,206,250 |
| Net Pension Asset | 15,506,238 | - |
| Unrestricted | 215,441,169 | 224,735,078 |
| TOTAL NET POSITION | 869,653,073 | 862,098,986 |
| LONG-TERM DEBT | | |
| 2010B Electric System Refunding Bonds | 147,070,000 | 147,070,000 |
| 2010C Electric System Refunding Bonds | 24,185,000 | 24,185,000 |
| 2013A Electric System Rev & Refunding Bonds | 96,125,000 | 105,490,000 |
| 2013B Electric System Rev & Refunding Bonds | 35,620,000 | 35,620,000 |
| 2017 Electric System Revenue Bonds | 70,575,000 | 70,575,000 |
| Total Bonded Indebtedness | 373,575,000 | 382,940,000 |
| Less: Unamortized Bond Premiums | 22,503,678 | 24,091,941 |
| Net Bonded Indebtedness | 396,078,678 | 407,031,941 |
| Line of Credit | 55,250,000 | 250,000 |
| Total Long-Term Debt | 451,328,678 | 407,281,941 |
| CURRENT LIABILITIES | | |
| Salaries and Wages Payable | 1,968,390 | 5,468,055 |
| Taxes and Other Payables | 12,916,916 | 13,147,523 |
| Purchases and Transmission of Power Accrued | 13,667,051 | 10,736,416 |
| Interest Payable | 8,203,482 | 8,392,962 |
| Customers' Deposits | 2,626,127 | 2,753,146 |
| Current Portion of Long-Term Debt | 9,365,000 | 10,095,000 |
| Current Accrued Compensated Absences | 1,091,328 | 1,044,235 |
| Total Current Liabilities | 49,838,294 | 51,637,337 |
| LONG-TERM LIABILITIES | | |
| Long-Term Accrued Compensated Absences | 9,821,955 | 9,398,115 |
| Net OPEB Liability | 12,272,355 | - |
| Net Pension Liability | - | 36,687,245 |
| Other Long-Term Liabilities | 4,221,625 | 15,143,610 |
| Total Long-Term Liabilities | 26,315,935 | 61,228,970 |
| TOTAL LIABILITIES | 527,482,907 | 520,148,248 |
| DEFERRED INFLOWS | | |
| Deferred Inflow for Pensions | 26,395,236 | 7,904,864 |
| Deferred Inflow for OPEB | 58,779 | - |
| Rate Stabilization | 48,000,000 | 48,000,000 |
| Total Deferred Inflows | 74,454,015 | 55,904,864 |
| TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS | \$1,471,589,995 | \$1,438,152,098 |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
May 31, 2019 AND May 31, 2018

| | May 2019 | May 2018 |
|---|----------------------|--------------------|
| OPERATING REVENUES | | |
| Sales of Electric Energy | \$33,750,701 | \$32,384,767 |
| Other Operating Revenues | 1,521,171 | 1,770,008 |
| Click! Network Operating Revenues | 2,155,264 | 2,150,361 |
| Total Operating Revenue | <u>37,427,136</u> | <u>36,305,136</u> |
| OPERATING EXPENSES | | |
| Production Expense | | |
| Hydraulic Power Production | 2,954,220 | 2,844,544 |
| Other Production Expense | 593,279 | 515,163 |
| Total Expense Power Produced | 3,547,499 | 3,359,707 |
| Purchased Power | 13,519,189 | 9,720,243 |
| Total Production Expense | 17,066,688 | 13,079,950 |
| Transmission Expense | 2,434,369 | 2,594,455 |
| Distribution Expense | 3,370,966 | 2,085,222 |
| Click! Network Commercial Operations Expense | 1,784,071 | 2,087,622 |
| Customer Accounts Expense (CIS) | 987,306 | 1,062,687 |
| Conservation and Other Customer Assistance | 1,631,481 | 1,249,730 |
| Taxes | 1,370,256 | 1,723,089 |
| Depreciation | 4,033,935 | 4,898,867 |
| Administrative and General | 3,707,926 | 1,751,263 |
| Total Operating Expenses | <u>36,386,998</u> | <u>30,532,885</u> |
| OPERATING INCOME (LOSS) | <u>1,040,138</u> | <u>5,772,251</u> |
| NON-OPERATING REVENUES (EXPENSES) | | |
| Interest Income | 429,140 | 299,889 |
| Contribution to Family Need | (41,667) | (8,333) |
| Other Net Non-Op Revenues and Deductions | 580,415 | 375,942 |
| Interest on Long-Term Debt | (1,752,634) | (1,689,835) |
| Amort. of Debt Related Costs | 129,158 | 134,639 |
| Interest Charged to Construction | - | 187,277 |
| Total Non-Operating Revenues (Expenses) | <u>(655,588)</u> | <u>(700,421)</u> |
| Net Income (Loss) Before Capital Contributions and Transfers | 384,550 | 5,071,830 |
| Capital Contributions | | |
| Cash | 529,846 | 463,639 |
| Donated Fixed Assets | 34,727 | - |
| BABs and CREBs Interest Subsidies | 329,553 | 329,553 |
| Transfers | | |
| City Gross Earnings Tax | (2,868,732) | (2,776,960) |
| CHANGE IN NET POSITION | <u>(\$1,590,056)</u> | <u>\$3,088,062</u> |
| TOTAL NET POSITION - January 1 | | |
| TOTAL NET POSITION - May 31 | | |

| YEAR TO DATE | | | |
|----------------------|----------------------|-----------------------|-------------------|
| May 31, 2019 | May 31, 2018 | 2019/2018 VARIANCE | PERCENT CHANGE |
| \$192,412,363 | \$188,851,008 | \$3,561,355 | 1.9% |
| 8,013,827 | 7,530,804 | 483,023 | 6.4% |
| 10,836,409 | 10,742,141 | 94,268 | 0.9% |
| 211,262,599 | 207,123,953 | 4,138,646 | 2.0% |
| 15,036,971 | 10,072,550 | 4,964,421 | 49.3% |
| 2,526,444 | 2,401,278 | 125,166 | 5.2% |
| 17,563,415 | 12,473,828 | 5,089,587 | 40.8% |
| 72,745,904 | 54,715,242 | 18,030,662 | 33.0% |
| 90,309,319 | 67,189,070 | 23,120,249 | 34.4% |
| 15,469,057 | 14,111,794 | 1,357,263 | 9.6% |
| 14,991,559 | 13,113,713 | 1,877,846 | 14.3% |
| 8,928,898 | 10,213,633 | (1,284,735) | -12.6% |
| 5,442,075 | 5,546,340 | (104,265) | -1.9% |
| 7,742,131 | 6,178,865 | 1,563,266 | 25.3% |
| 8,928,931 | 9,124,667 | (195,736) | -2.1% |
| 20,625,736 | 23,455,943 | (2,830,207) | -12.1% |
| 16,987,805 | 14,026,596 | 2,961,209 | 21.1% |
| 189,425,511 | 162,960,621 | 26,464,890 | 16.2% |
| 21,837,088 | 44,163,332 | (22,326,244) | -50.6% |
| 3,371,854 | 2,770,703 | 601,151 | 21.7% |
| (208,333) | (41,667) | (166,666) | 400.0% |
| 1,189,525 | 716,825 | 472,700 | 65.9% |
| (8,807,925) | (8,519,140) | (288,785) | 3.4% |
| 645,788 | 673,196 | (27,408) | -4.1% |
| - | 403,538 | (403,538) | -100.0% |
| (3,809,091) | (3,996,545) | 187,454 | -4.7% |
| 18,027,997 | 40,166,787 | (22,138,790) | -55.1% |
| 2,484,301 | 5,736,771 | (3,252,470) | -56.7% |
| 98,187 | 52,805 | 45,382 | 85.9% |
| 1,553,460 | 1,647,766 | (94,306) | -5.7% |
| (15,942,656) | (15,675,816) | (266,840) | 1.7% |
| 6,221,289 | 31,928,313 | (25,707,024) | -80.5% |
| 863,431,784 | 830,170,673 | 33,261,111 | 4.0% |
| <u>\$869,653,073</u> | <u>\$862,098,986</u> | <u>7,554,087</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 POWER

SUMMARY OF REVENUES AND BILLINGS
May 31, 2019 AND May 31, 2018

| | For the month of May 2019 | For the month of May 2018 |
|---|------------------------------|------------------------------|
| OPERATING REVENUE | | |
| Sales of Electric Energy | | |
| Residential | \$15,104,861 | \$14,039,346 |
| Commercial | 2,729,138 | 2,485,091 |
| General | 10,956,235 | 10,123,935 |
| Contract Industrial | 2,001,781 | 1,990,488 |
| Public Street and Highway Lighting | 107,726 | (678,130) |
| Sales to Other Electric Utilities | 33,868 | 35,381 |
| Total Sales to Customers | 30,933,609 | 27,996,111 |
| Bulk Power Sales | 2,817,092 | 4,388,656 |
| Total Sales of Electric Energy | 33,750,701 | 32,384,767 |
| Other Operating Revenue | | |
| Rentals and Leases from Elect. Property | 182,115 | 538,756 |
| Wheeling | 867,813 | 807,659 |
| Service Fees and Other | 471,243 | 423,593 |
| Telecommunications Revenue | 2,155,264 | 2,150,361 |
| Total Other Operating Revenues | 3,676,435 | 3,920,369 |
| TOTAL OPERATING REVENUES | <u>\$37,427,136</u> | <u>\$36,305,136</u> |
| BILLINGS (Number of Months Billed) | | |
| Residential | 171,729 | 159,225 |
| Commercial | 18,734 | 16,845 |
| General | 2,667 | 2,536 |
| Contract Industrial | 2 | 2 |
| Public Streets and Highway Lighting | 1,138 | 1,119 |
| Sales to Other Electric Utilities | 1 | 1 |
| TOTAL BILLINGS | <u>194,271</u> | <u>179,728</u> |

| YEAR TO DATE | | | |
|-----------------|-----------------|-----------------------|-------------------|
| May 31, 2019 | May 31, 2018 | 2019/2018 VARIANCE | PERCENT CHANGE |
| \$92,442,058 | \$87,444,243 | \$4,997,815 | 5.7% |
| 13,628,036 | 13,178,912 | 449,124 | 3.4% |
| 54,277,647 | 52,167,986 | 2,109,661 | 4.0% |
| 9,345,495 | 9,146,249 | 199,246 | 2.2% |
| 661,993 | (495,606) | 1,157,599 | 233.6% |
| 217,691 | 210,980 | 6,711 | 3.2% |
| 170,572,920 | 161,652,764 | 8,920,156 | 5.5% |
| 21,839,443 | 27,198,244 | (5,358,801) | -19.7% |
| 192,412,363 | 188,851,008 | 3,561,355 | 1.9% |
| 1,375,047 | 1,243,642 | 131,405 | 10.6% |
| 4,502,671 | 4,188,221 | 314,450 | 7.5% |
| 2,136,109 | 2,098,941 | 37,168 | 1.8% |
| 10,836,409 | 10,742,141 | 94,268 | 0.9% |
| 18,850,236 | 18,272,945 | 577,291 | 3.2% |
| \$211,262,599 | \$207,123,953 | \$4,138,646 | 2.0% |
| 817,219 | 791,369 | 25,850 | 3.3% |
| 82,806 | 79,687 | 3,119 | 3.9% |
| 12,714 | 12,636 | 78 | 0.6% |
| 10 | 10 | - | 0.0% |
| 4,814 | 4,791 | 23 | 0.5% |
| 5 | 5 | - | 0.0% |
| 917,568 | 888,498 | 29,070 | 3.3% |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

GROSS GENERATION REPORT - May 31, 2019 AND May 31, 2018

| | For the month of May 2019 | For the month of May 2018 |
|---|------------------------------|------------------------------|
| KWH GENERATED, PURCHASED AND INTERCHANGED - Gross | | |
| Generated - LaGrande | 24,651,000 | 32,183,000 |
| Generated - Alder | 14,461,000 | 20,509,000 |
| TOTAL NISQUALLY | 39,112,000 | 52,692,000 |
| Generated - Cushman No. 1 | 2,658,000 | 7,478,000 |
| Generated - Cushman No. 2 | 1,323,000 | 9,668,000 |
| TOTAL CUSHMAN | 3,981,000 | 17,146,000 |
| Generated - Mossyrock | 42,618,000 | 97,378,000 |
| Generated - Mayfield | 29,504,000 | 59,950,000 |
| TOTAL COWLITZ | 72,122,000 | 157,328,000 |
| Generated - Wynoochee | - | - |
| Generated - Hood Street | 360,700 | 391,300 |
| Tacoma's Share of Priest Rapids | 2,427,000 | 2,497,000 |
| Tacoma's Share of GCPHA | 39,200,000 | 39,063,000 |
| TOTAL KWH GENERATED - TACOMA SYSTEM | 157,202,700 | 269,117,300 |
| Purchased Power | | |
| BPA Slice Contract | 224,086,000 | 282,464,000 |
| BPA Block Contract | 118,602,000 | 115,494,000 |
| Interchange Net | (148,709,500) | (312,677,000) |
| TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED | 351,181,200 | 354,398,300 |
| Losses | 4,668,044 | 3,561,588 |
| Baldi Replacement | 18,375 | 18,938 |
| Ketron | 14,960 | 16,514 |
| NT PC Mutuals Schedules | (2,160,000) | (2,026,000) |
| PC Mutual Inadvertent | 89,310 | 43,324 |
| TACOMA SYSTEM FIRM LOAD | 353,811,889 | 356,012,664 |
| Maximum Kilowatts (System Firm Load) | 612,661 | 598,803 |
| Average Kilowatts (System Firm Load) | 475,554 | 478,512 |
| PIERCE COUNTY MUTUAL LOAD | 97,663,000 | 96,408,000 |
| KWH BILLED | | |
| Residential Sales | 153,356,975 | 146,229,963 |
| Commercial Sales | 29,157,732 | 26,856,730 |
| General | 160,988,208 | 153,503,489 |
| Contract Industrial | 41,675,160 | 42,755,760 |
| Public Street and Highway Lighting | 916,001 | (14,683,224) |
| Sales to Other Electric Utilities | 555,300 | 605,700 |
| TOTAL FIRM | 386,649,376 | 355,268,418 |
| Bulk Power Sales | 220,486,000 | 330,804,000 |
| TOTAL KWH BILLED | 607,135,376 | 686,072,418 |

| YEAR TO DATE | | | |
|----------------|-----------------|-----------------------|-------------------|
| May 31 2019 | May 31 2018 | 2019/2018 VARIANCE | PERCENT CHANGE |
| 124,058,000 | 189,293,000 | (65,235,000) | -34.5% |
| 73,125,000 | 124,526,000 | (51,401,000) | -41.3% |
| 197,183,000 | 313,819,000 | (116,636,000) | -37.2% |
| 36,827,000 | 47,368,000 | (10,541,000) | -22.3% |
| 51,398,000 | 75,142,000 | (23,744,000) | -31.6% |
| 88,225,000 | 122,510,000 | (34,285,000) | -28.0% |
| 301,434,000 | 522,859,000 | (221,425,000) | -42.3% |
| 248,054,000 | 387,469,000 | (139,415,000) | -36.0% |
| 549,488,000 | 910,328,000 | (360,840,000) | -39.6% |
| 10,066,000 | 12,918,000 | (2,852,000) | -22.1% |
| 1,414,383 | 1,527,500 | (113,117) | -7.4% |
| 9,558,000 | 13,489,000 | (3,931,000) | -29.1% |
| 63,546,000 | 75,171,000 | (11,625,000) | -15.5% |
| 919,480,383 | 1,449,762,500 | (530,282,117) | -36.6% |
| 947,692,000 | 1,256,818,000 | (309,126,000) | -24.6% |
| 706,933,000 | 688,406,000 | 18,527,000 | 2.7% |
| (439,056,250) | (1,257,190,833) | 818,134,583 | 65.1% |
| 2,135,049,133 | 2,137,795,667 | (2,746,534) | -0.1% |
| 13,702,636 | 21,013,617 | (7,310,981) | -34.8% |
| 114,180 | 336,453 | (222,273) | -66.1% |
| 146,289 | 161,327 | (15,038) | -9.3% |
| (14,657,000) | (14,781,000) | 124,000 | 0.8% |
| 598,149 | 435,287 | 162,862 | 37.4% |
| 2,134,953,387 | 2,144,961,351 | (10,007,964) | -0.5% |
| 683,598,000 | 667,893,000 | 15,705,000 | 2.4% |
| 1,013,417,632 | 992,142,282 | 21,275,350 | 2.1% |
| 150,537,122 | 147,575,029 | 2,962,093 | 2.0% |
| 837,952,111 | 825,760,242 | 12,191,869 | 1.5% |
| 194,124,000 | 201,222,780 | (7,098,780) | -3.5% |
| 4,980,759 | (11,003,297) | 15,984,056 | 145.3% |
| 3,712,500 | 3,780,900 | (68,400) | -1.8% |
| 2,204,724,124 | 2,159,477,935 | 45,246,189 | 2.1% |
| 1,604,436,000 | 1,424,510,000 | 179,926,000 | 12.6% |
| 3,809,160,124 | 3,583,987,935 | 225,172,189 | 6.3% |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
CLICK! NETWORK
COMMERCIAL OPERATIONS

OPERATIONAL SUMMARY - May 31, 2019

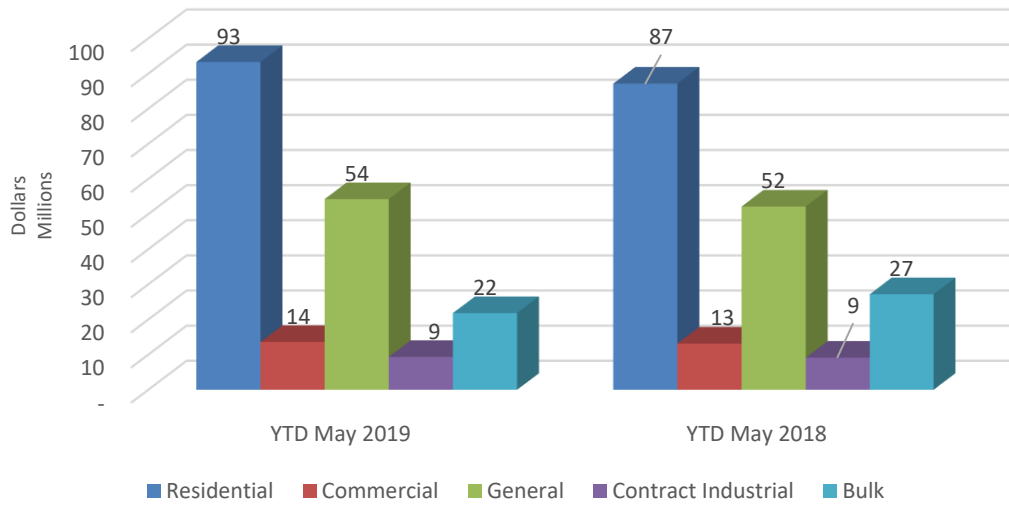
| | May 2019 | May 2018 |
|---|-------------------|--------------------|
| TELECOMMUNICATIONS REVENUE | | |
| CATV | \$1,358,102 | \$1,420,089 |
| Broadband | 79,867 | 88,476 |
| ISP | 693,935 | 619,088 |
| Interdepartmental | 23,360 | 22,708 |
| Total Operating Revenue | <u>2,155,264</u> | <u>2,150,361</u> |
| TELECOMMUNICATIONS EXPENSE-COMMERCIAL | | |
| Administration & Sales Expense | | |
| Salaries & Wages Expense | 194,981 | 293,464 |
| General Expense | 24,716 | 24,218 |
| Contract Services | 1,053,101 | 1,058,206 |
| IS & Intergovernmental Services | 124,633 | 135,114 |
| Fleet Services | 294 | 899 |
| Capitalized A & G Expense | (1,569) | (6,003) |
| Total Admin. & Sales Expense | <u>1,396,156</u> | <u>1,505,898</u> |
| Operations & Maintenance Expense | | |
| Salaries & Wages Expense | 324,359 | 469,792 |
| General Expense | 14,357 | 31,266 |
| Contract Services | 23,932 | 62,929 |
| IS & Intergovernmental Services | 1,605 | 4,632 |
| Fleet Services | 27,448 | 20,706 |
| New Connect Capital | (3,786) | (7,601) |
| Total Oper. & Maint. Expense | <u>387,915</u> | <u>581,724</u> |
| Total Telecommunications Expense | 1,784,071 | 2,087,622 |
| Net Revenues (Expenses) Before Taxes and Depreciation and Amortization | 371,193 | 62,739 |
| Taxes | 291,706 | 296,847 |
| Depreciation and Amortization | <u>142,546</u> | <u>192,665</u> |
| | 434,252 | 489,512 |
| NET OPERATING REVENUES (EXPENSES) | <u>(\$63,059)</u> | <u>(\$426,773)</u> |

| YEAR TO DATE | | | |
|----------------|----------------|-----------------------|-------------------|
| May 31 2019 | May 31 2018 | 2019/2018 VARIANCE | PERCENT CHANGE |
| \$6,867,439 | \$7,125,498 | (\$258,059) | -3.6% |
| 407,329 | 440,526 | (\$33,197) | -7.5% |
| 3,438,682 | 3,062,647 | \$376,035 | 12.3% |
| 122,959 | 113,470 | \$9,489 | 8.4% |
| 10,836,409 | 10,742,141 | 94,268 | 0.9% |
| 890,252 | 1,310,923 | (420,671) | -32.1% |
| 202,486 | 176,733 | 25,753 | 14.6% |
| 5,359,748 | 5,529,527 | (169,779) | -3.1% |
| 593,245 | 683,358 | (90,113) | -13.2% |
| 2,750 | 2,136 | 614 | 28.7% |
| (10,975) | (18,716) | 7,741 | -41.4% |
| 7,037,506 | 7,683,961 | (646,455) | -8.4% |
| 1,440,364 | 2,002,742 | (562,378) | -28.1% |
| 73,321 | 130,952 | (57,631) | -44.0% |
| 276,906 | 319,318 | (42,412) | -13.3% |
| 8,996 | 14,640 | (5,644) | -38.6% |
| 124,338 | 100,903 | 23,435 | 23.2% |
| (32,533) | (38,883) | 6,350 | -16.3% |
| 1,891,392 | 2,529,672 | (638,280) | -25.2% |
| 8,928,898 | 10,213,633 | (1,284,735) | -12.6% |
| 1,907,511 | 528,508 | 1,379,003 | 260.9% |
| 1,473,476 | 1,479,822 | (6,346) | -0.4% |
| 718,041 | 955,632 | (237,591) | -24.9% |
| 2,191,517 | 2,435,454 | (243,937) | |
| (\$284,006) | (\$1,906,946) | \$1,622,940 | -85.1% |

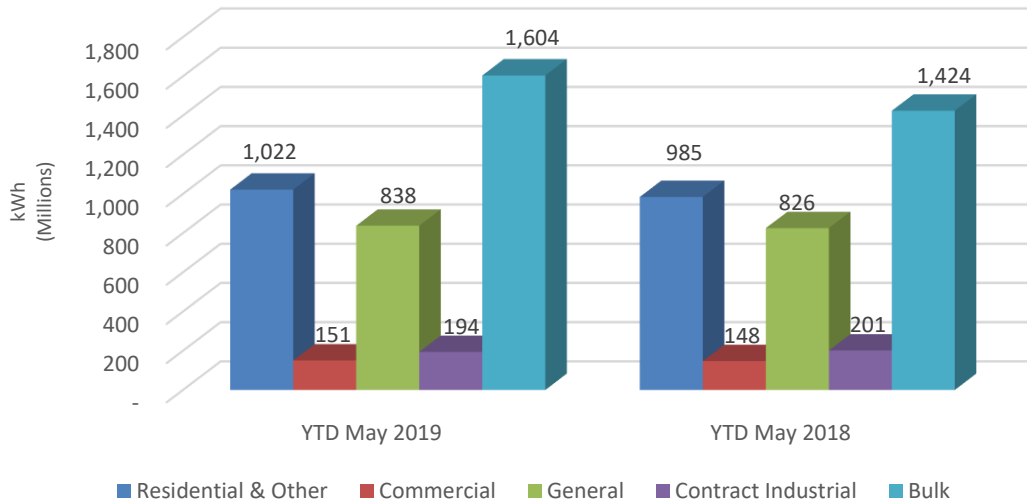
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Supplemental Data

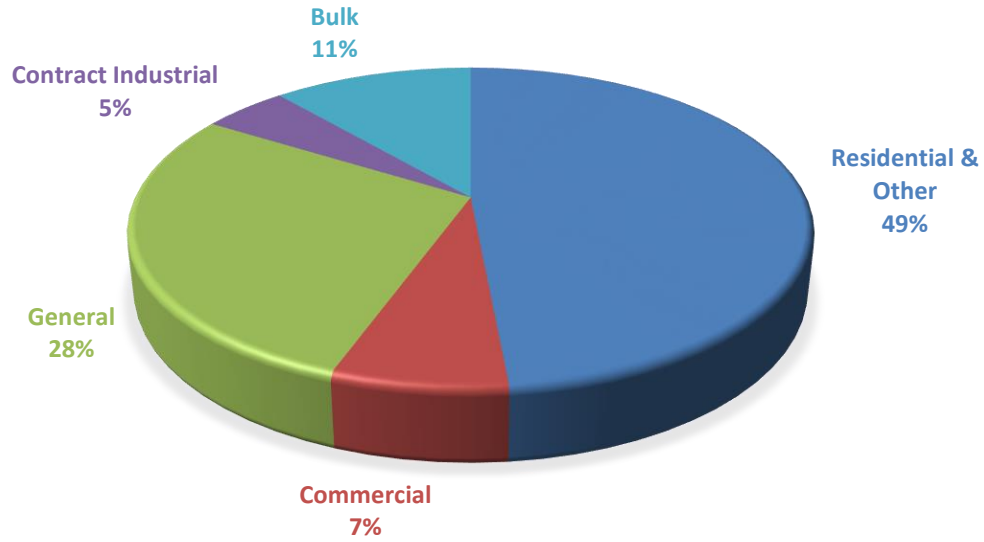
Sales of Electric Energy Year to Date - May 2019 & 2018



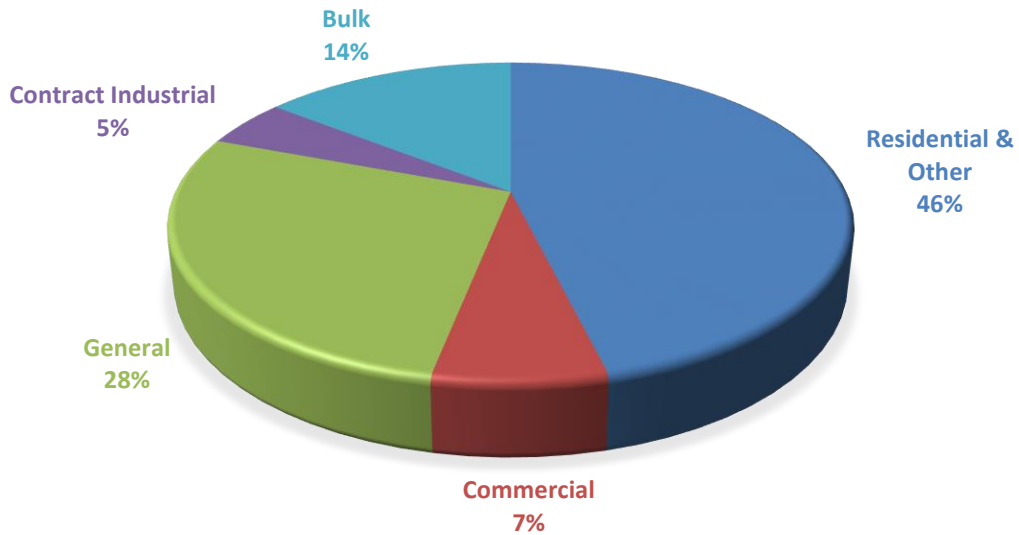
Total Power Billed Year to Date - May 2019 & 2018



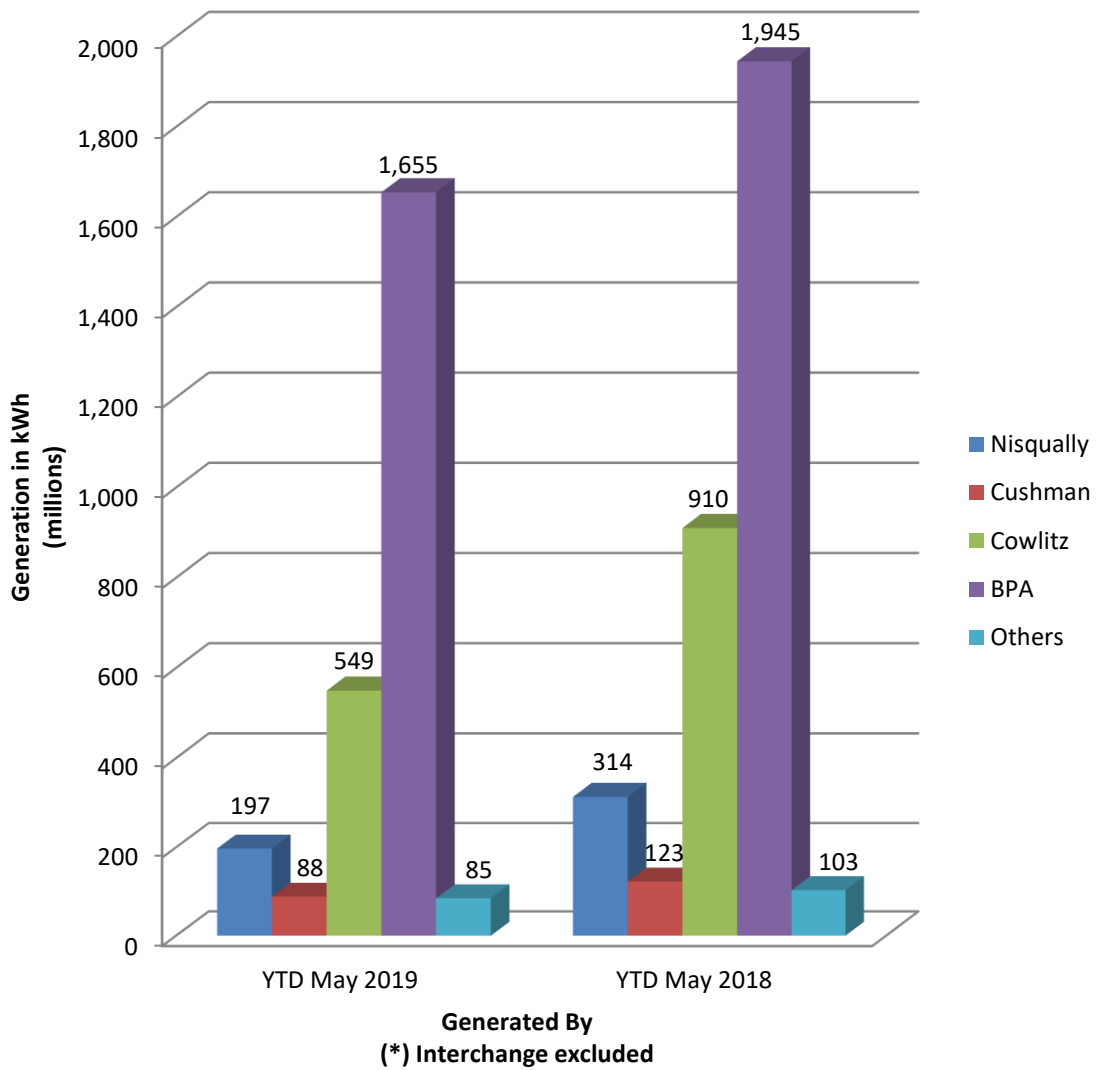
**SALES OF ELECTRIC ENERGY
YEAR TO DATE - MAY 2019 (\$192,412,363)**



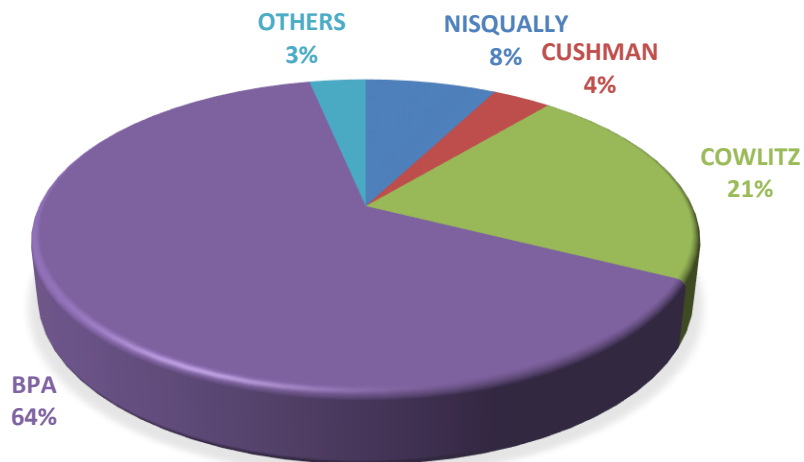
**SALES OF ELECTRIC ENERGY
YEAR TO DATE - MAY 2018 (\$188,851,008)**



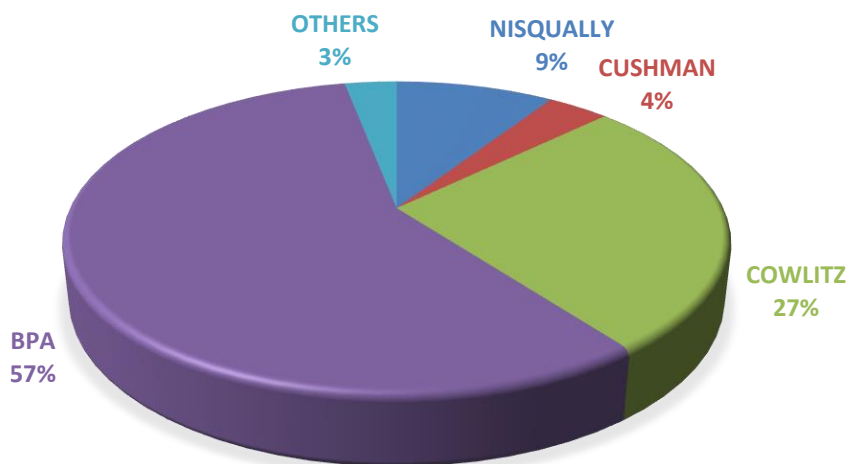
Power Sources (*) Year to Date May 2019 & 2018



POWER SOURCES (*) **YEAR TO DATE - MAY 2019**

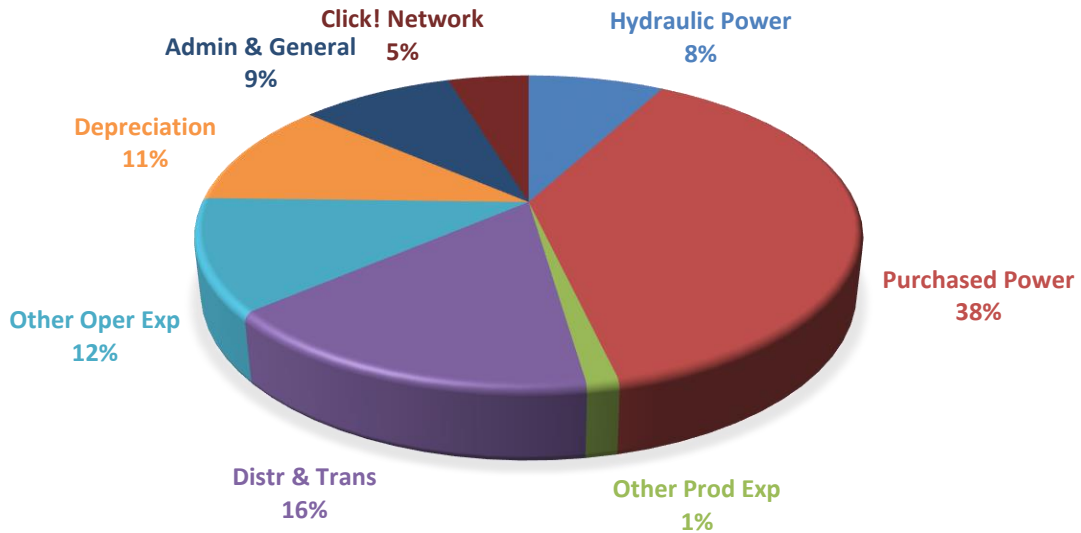


POWER SOURCES (*) **YEAR TO DATE - MAY 2018**

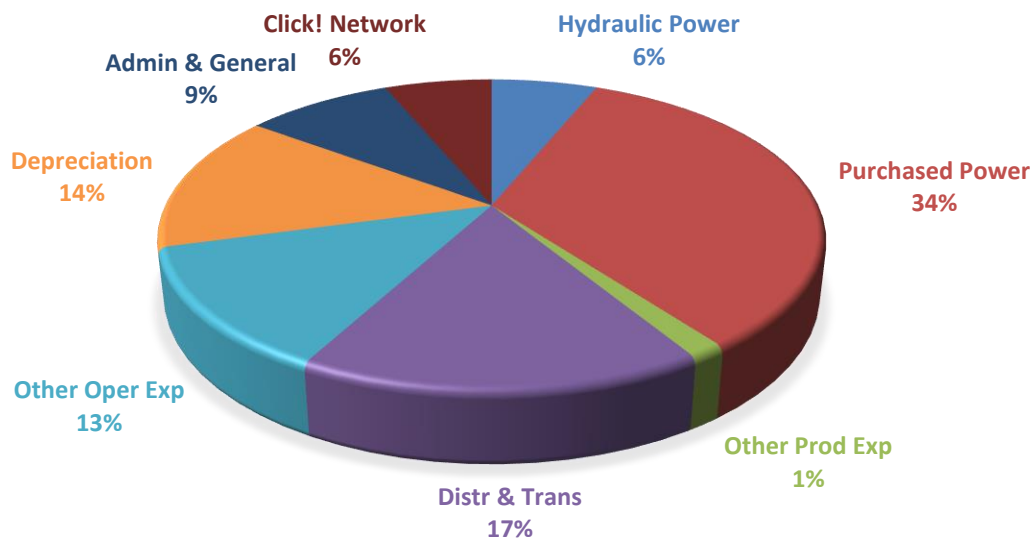


(*) Interchange excluded

TOTAL OPERATING EXPENSES *
YEAR TO DATE - MAY 2019 (\$189,425,511)



TOTAL OPERATING EXPENSES *
YEAR TO DATE - MAY 2018 (\$162,960,621)



* City Gross Earnings Taxes are not included in Total Operating Expenses.

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MAY

TACOMA WATER

2019

**FINANCIAL
REPORT**



Public Utility Board

WOODROW JONES

Chair

KAREN LARKIN

Vice-Chair

BRYAN FLINT

Secretary

MARK PATTERSON

Member

CHRISTINE COOLEY

Member

JACKIE FLOWERS

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

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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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| Summary of Water Billed | 7 |
| Supplemental Data | 10 |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA WATER
STATEMENTS OF NET POSITION

| | May 31, | |
|---|------------------------|------------------------|
| | 2019 | 2018 |
| ASSETS | | |
| UTILITY PLANT | | |
| Water Plant in Service | \$1,123,926,671 | \$1,102,061,536 |
| Less Depreciation and Amortization | <u>(268,968,791)</u> | <u>(248,470,243)</u> |
| Total | 854,957,880 | \$853,591,293 |
| Construction Work in Progress | <u>14,920,280</u> | <u>16,281,008</u> |
| Net Utility Plant | <u>869,878,160</u> | <u>\$869,872,301</u> |
| NON-UTILITY PROPERTY | 492,963 | 492,963 |
| RESTRICTED ASSETS | | |
| Cash and Equity in Pooled Investments: | | |
| 2010 Construction Fund | 1,376,522 | 15,467,792 |
| 2013 Construction Fund | 17,018,971 | 16,192,285 |
| Regional Water Supply System Operating Fund | 891,615 | 1,219,692 |
| Provision for Debt Payment | 18,867,844 | 18,558,074 |
| Customer Water Main Deposits | 3,375,164 | 3,307,876 |
| Water Supply Forum Fund | 466,106 | 386,401 |
| Special Bond Reserves | 22,111,401 | 22,105,676 |
| Water Customer Contribution Fund | 323,274 | 580,930 |
| Water Capital Reserves | 38,565,680 | 36,017,821 |
| Water System Development Charge | <u>70,418,726</u> | <u>64,936,204</u> |
| Total Restricted Assets | 173,415,303 | 178,772,751 |
| CURRENT ASSETS | | |
| Cash and Equity in Pooled Investments: | | |
| Current Fund | 60,627,560 | 55,873,839 |
| Customers' Deposits | 310,252 | 316,945 |
| Receivables: | | |
| Customers | 4,600,643 | 4,219,600 |
| Accrued Unbilled Revenues | 5,930,220 | 5,457,221 |
| Others | 841,214 | 496,075 |
| Provision for Uncollectible Accounts | (369,875) | (356,744) |
| Materials and Supplies | 2,494,417 | 2,380,986 |
| Prepayments | <u>1,812,018</u> | <u>1,038,431</u> |
| Total Current Assets | <u>76,246,449</u> | <u>69,426,353</u> |
| TOTAL ASSETS | <u>1,120,032,875</u> | <u>1,118,564,368</u> |
| OTHER ASSETS | | |
| Regulatory Assets - Public Fire Protection Fees | - | 141,693 |
| Regulatory Assets - Surcharges | 1,666,026 | 939,076 |
| Net Pension Asset | <u>3,438,481</u> | <u>-</u> |
| Total Other Assets | 5,104,507 | 1,080,769 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Unamortized Losses on Refunding Bonds | 1,098,165 | 1,285,410 |
| Deferred Outflows for Pensions | 4,409,587 | 8,671,039 |
| Deferred Outflows for OPEB | <u>295,709</u> | <u>-</u> |
| Total Deferred Outflows | 5,803,461 | 9,956,449 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | <u>\$1,130,940,843</u> | <u>\$1,129,601,586</u> |

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

| | May 31, | |
|--|------------------------|------------------------|
| | 2019 | 2018 |
| NET POSITION | | |
| Net Investment in Capital Assets | \$443,879,383 | \$442,289,361 |
| Restricted for: | | |
| Water Capital Reserves | 33,935,293 | 30,908,429 |
| Water System Development Charge | 34,843,278 | 29,360,757 |
| Debt Service Funds | 8,955,945 | 8,459,172 |
| Pension Asset | 3,438,481 | - |
| Unrestricted | 58,691,511 | 47,725,375 |
| TOTAL NET POSITION | 583,743,891 | 558,743,094 |
| 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 | 17,790,000 | 21,890,000 |
| 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 | 10,820,000 | 12,340,000 |
| 2010 RWSS Revenue Bonds, Series A | 1,655,000 | 1,955,000 |
| 2010 RWSS Revenue Bonds, Series B | 44,245,000 | 44,245,000 |
| 2013 RWSS Refunding Bonds | 57,710,000 | 59,400,000 |
| Total Outstanding Revenue Bonds | 358,340,000 | 365,950,000 |
| Plus: Unamortized Bond Premium | 9,937,243 | 11,412,562 |
| Net Outstanding Revenue Bonds | 368,277,243 | 377,362,562 |
| PWTF Pre-Construction Loans | 480,435 | 640,609 |
| PWTF Construction Loans | 16,834,030 | 19,370,627 |
| State Drinking Water Loans | 61,381,554 | 65,612,800 |
| Total Long-Term Debt | 446,973,262 | 462,986,598 |
| CURRENT LIABILITIES | | |
| Salaries and Wages Payable | 456,286 | 1,242,921 |
| Purchases and Contracts Payable | 687,684 | 879,579 |
| Interest Expense Accrued | 9,911,899 | 10,098,902 |
| Taxes Accrued | 1,774,559 | 1,526,541 |
| Customers' and Contractors' Deposits | 344,494 | 343,380 |
| Current Portion of Long-Term Debt | 14,710,633 | 13,554,949 |
| Other Current Liabilities | 3,284,642 | 3,220,234 |
| Current Accrued Compensated Absences | 244,160 | 229,834 |
| Total Current Liabilities | 31,414,357 | 31,096,340 |
| LONG-TERM LIABILITIES | | |
| Muckleshoot Agreements | 6,412,903 | 6,585,519 |
| Customer Advances for Construction | 6,443,084 | 7,620,022 |
| Unearned Revenue | 7,334,173 | 7,318,131 |
| Other Long-Term Liabilities | 1,159,127 | 7,545,668 |
| Pension Liability | - | 8,278,522 |
| OPEB Liability | 3,780,897 | - |
| Long-Term Accrued Compensated Absences | 2,197,439 | 2,068,503 |
| Total Long-Term Liabilities | 27,327,623 | 39,416,365 |
| TOTAL LIABILITIES | 505,715,242 | 533,499,303 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Rate Stabilization | 35,575,447 | 35,575,447 |
| Deferred Inflows for Pensions | 5,853,098 | 1,783,742 |
| Deferred Inflows for OPEB | 53,165 | - |
| Total Deferred Inflows | 41,481,710 | 37,359,189 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION | \$1,130,940,843 | \$1,129,601,586 |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA WATER
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

| | MAY 2019 | MAY 2018 |
|--|--------------------|--------------------|
| OPERATING REVENUES | | |
| Sales of Water | \$6,730,470 | \$5,689,937 |
| Other Operating Revenues | 911,080 | 823,221 |
| Contract Resource Obligation Revenue | 476,169 | 571,715 |
| Total Operating Revenues | <u>8,117,719</u> | <u>7,084,873</u> |
| OPERATING EXPENSES | | |
| Production Expense: | | |
| Source of Supply | 592,206 | 767,733 |
| Water Treatment | 552,923 | 531,529 |
| Total Production Expense | 1,145,129 | 1,299,262 |
| Power Pumping Expense | 49,593 | 37,350 |
| Transmission and Storage Expense | 186,327 | 208,998 |
| Distribution Expense | 1,308,911 | 1,100,796 |
| Customer Accounting and Consumer Service | 433,178 | 405,521 |
| Taxes | 367,235 | 297,791 |
| Depreciation | 2,105,468 | 3,278,020 |
| Administrative and General | 782,173 | 912,906 |
| Total Operating Expenses | <u>6,378,014</u> | <u>7,540,644</u> |
| OPERATING INCOME (LOSS) | 1,739,705 | (455,771) |
| NON-OPERATING REVENUES (EXPENSES) | | |
| Interest Income | 413,894 | 304,527 |
| Miscellaneous | 12,928 | (1,189) |
| Interest on Long-Term Debt | (1,299,867) | (1,348,865) |
| Interest on Long-Term Debt BABs Sub | (300,220) | (298,938) |
| Amortization Of Debt Premium | 102,307 | 110,934 |
| Interest Charged to Construction | (6,349) | (101,537) |
| Total Non-Operating Revenues (Expenses) | <u>(1,077,307)</u> | <u>(1,335,068)</u> |
| Net Income (Loss) Before Capital Contributions and Transfers | 662,398 | (1,790,839) |
| Capital Contributions: | | |
| Cash | 625,632 | 489,713 |
| Donated Fixed Assets | - | 905,104 |
| Federal BABs Subsidies | 300,220 | 298,938 |
| Transfers: | | |
| City Gross Earnings Tax | (654,999) | (517,175) |
| CHANGE IN NET POSITION | <u>\$933,251</u> | <u>(\$614,259)</u> |
| NET POSITION - JANUARY 1 | | |
| TOTAL NET POSITION - MAY 31 | | |

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

| YEAR TO DATE | | 2019 OVER (UNDER) 2018 | PERCENT CHANGE |
|-----------------|-----------------|---------------------------------|-------------------|
| MAY 31, 2019 | MAY 31, 2018 | | |
| \$30,663,384 | \$29,555,880 | \$1,107,504 | 3.7% |
| 4,772,694 | 4,581,230 | 191,464 | 4.2% |
| 2,015,486 | 1,859,541 | 155,945 | 8.4% |
| 37,451,564 | 35,996,651 | 1,454,913 | 4.0% |
| 2,774,088 | 3,033,630 | (259,542) | -8.6% |
| 2,745,458 | 2,771,089 | (25,631) | -0.9% |
| 5,519,546 | 5,804,719 | (285,173) | -4.9% |
| 299,518 | 209,698 | 89,820 | 42.8% |
| 877,809 | 929,377 | (51,568) | -5.5% |
| 5,995,181 | 5,618,158 | 377,023 | 6.7% |
| 2,138,364 | 2,154,299 | (15,935) | -0.7% |
| 1,813,182 | 1,786,896 | 26,286 | 1.5% |
| 10,524,823 | 11,695,605 | (1,170,782) | -10.0% |
| 5,389,327 | 4,625,252 | 764,075 | 16.5% |
| 32,557,750 | 32,824,004 | (266,254) | -0.8% |
| 4,893,814 | 3,172,647 | 1,721,167 | 54.3% |
| 3,146,576 | 2,715,396 | 431,180 | 15.9% |
| 47,059 | (3,518) | 50,577 | -1437.7% |
| (6,576,713) | (6,744,840) | 168,127 | -2.5% |
| (1,501,100) | (1,494,698) | (6,402) | 0.4% |
| 511,534 | 554,669 | (43,135) | -7.8% |
| (32,311) | 112,690 | (145,001) | -128.7% |
| (4,404,955) | (4,860,301) | 455,346 | -9.4% |
| 488,859 | (1,687,654) | 2,176,513 | -129.0% |
| 2,712,743 | 3,786,451 | (1,073,708) | -28.4% |
| 358,085 | 1,108,068 | (749,983) | -67.7% |
| 1,501,100 | 1,494,698 | 6,402 | 0.4% |
| (3,055,253) | (2,675,104) | (380,149) | 14.2% |
| 2,005,534 | 2,026,459 | (20,925) | -1.0% |
| 581,738,357 | 556,716,635 | 25,021,722 | |
| \$583,743,891 | \$558,743,094 | \$25,000,797 | 4.5% |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA WATER
SUMMARY OF REVENUES AND BILLINGS

| | MAY 2019 | MAY 2018 |
|------------------------------------|---------------------------|---------------------------|
| SALES OF WATER | | |
| Residential and Domestic | \$4,341,770 | \$3,635,270 |
| Commercial and Industrial | 1,635,341 | 1,368,441 |
| Special Rate | 583,498 | 554,804 |
| Sales to Other Utilities | <u>169,861</u> | <u>131,422</u> |
| Total | <u><u>\$6,730,470</u></u> | <u><u>\$5,689,937</u></u> |
| | | |
| BILLINGS (NUMBER OF MONTHS BILLED) | | |
| Residential and Domestic | 93,521 | 83,355 |
| Commercial and Industrial | 6,835 | 6,393 |
| Sales to Other Utilities | <u>17</u> | <u>15</u> |
| Total | <u><u>100,373</u></u> | <u><u>89,763</u></u> |

| YEAR TO DATE | | 2019 OVER (UNDER) 2018 | PERCENT CHANGE |
|---------------------|---------------------|---------------------------------|-------------------|
| MAY 31, 2019 | MAY 31, 2018 | | |
| \$20,243,392 | \$19,416,789 | \$826,603 | 4.3% |
| 6,879,329 | 6,484,699 | 394,630 | 6.1% |
| 2,714,319 | 2,633,538 | 80,781 | 3.1% |
| 826,344 | 1,020,854 | (194,510) | -19.1% |
| <u>\$30,663,384</u> | <u>\$29,555,880</u> | <u>\$1,107,504</u> | 3.7% |
| 489,895 | 475,895 | 14,000 | 2.9% |
| 33,436 | 32,533 | 903 | 2.8% |
| 80 | 75 | 5 | 6.7% |
| <u>523,411</u> | <u>508,503</u> | <u>14,908</u> | 2.9% |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA WATER
SUMMARY OF WATER BILLED

| | MILLION GALLONS, TOTAL | | | |
|---------------------------|------------------------|-----------------|-----------------|-----------------|
| | MAY 2019 | MAY 2018 | YEAR TO DATE | |
| | | | MAY 31, 2019 | MAY 31, 2018 |
| WATER BILLED | | | | |
| Residential and Domestic | 601.97 | 499.47 | 2,679.64 | 2,568.29 |
| Commercial and Industrial | 280.17 | 216.36 | 1,109.25 | 1,012.24 |
| Special Rate | 490.97 | 477.46 | 2,272.93 | 2,264.47 |
| Sales to Other Utilities | 58.10 | 47.16 | 296.37 | 263.41 |
| | <u>1,431.21</u> | <u>1,240.45</u> | <u>6,358.19</u> | <u>6,108.41</u> |

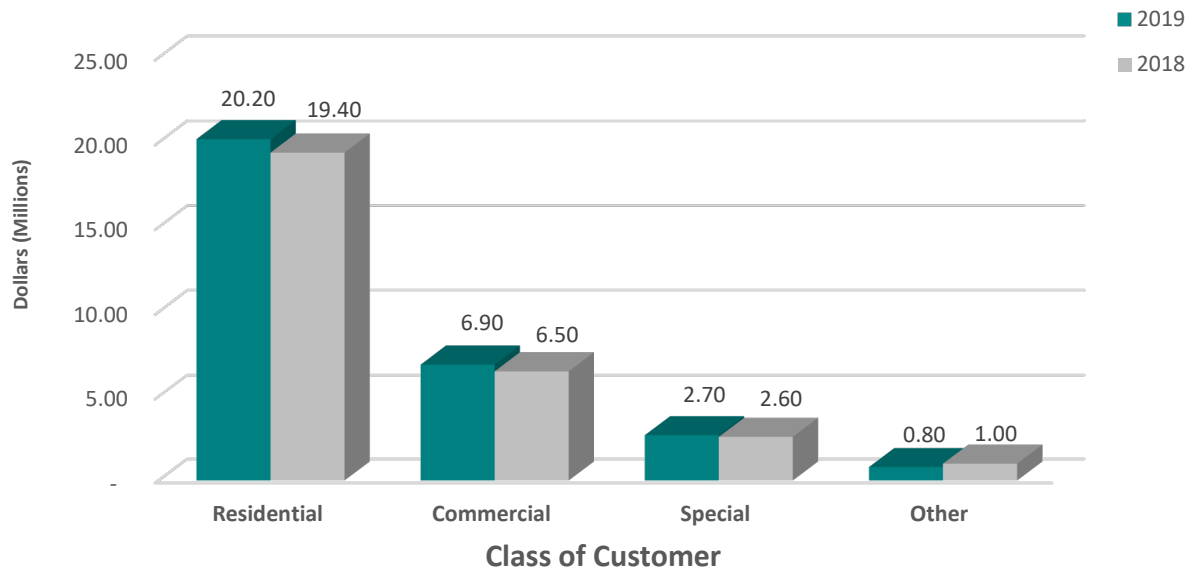
NOTE: For conversion purposes, there are approximately 748 gallons in every 100 cubic feet of water.

| MILLION GALLONS, AVERAGE DAILY | |
|--------------------------------|---------------------|
| MAY 2019 | MAY 2018 |
| 19.42 | 16.11 |
| 9.04 | 6.98 |
| 15.84 | 15.40 |
| <u>1.87</u> | <u>1.52</u> |
| <u><u>46.17</u></u> | <u><u>40.01</u></u> |

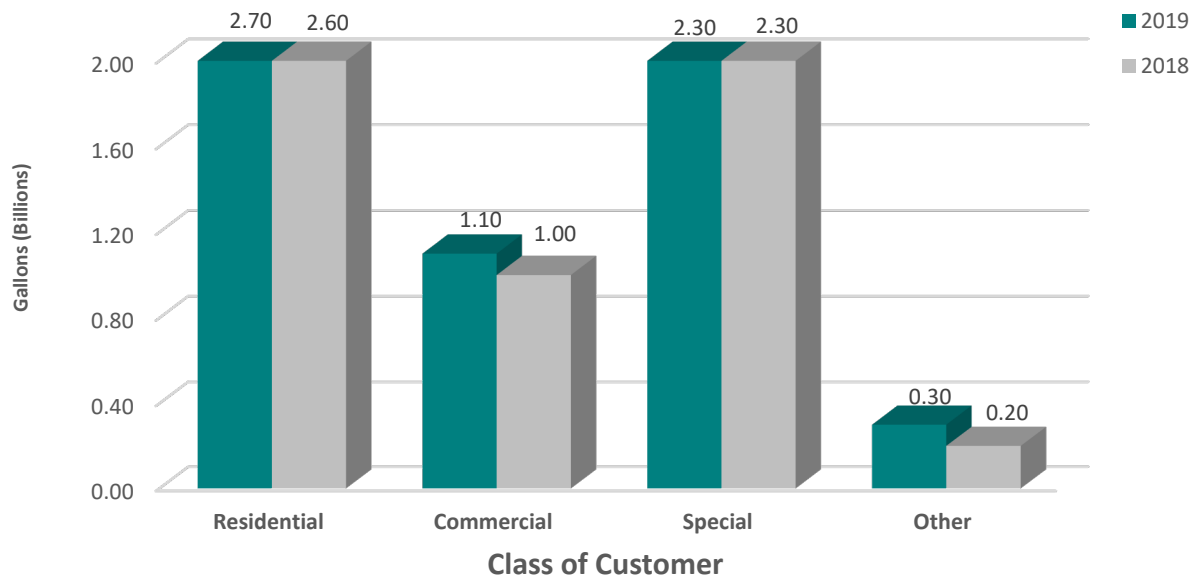
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Supplemental Data

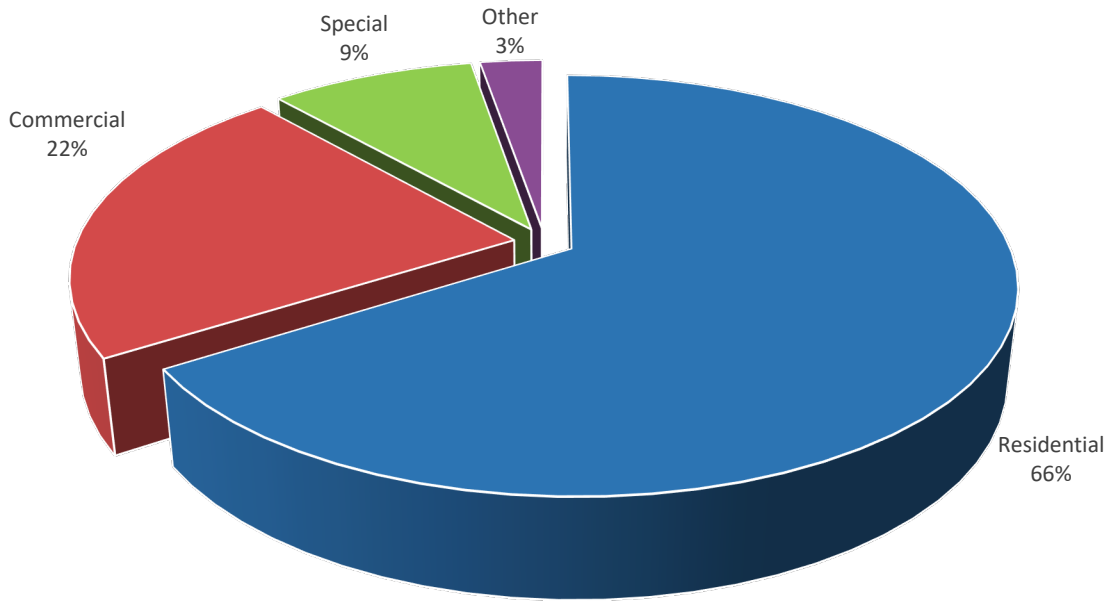
WATER SALES Year to Date - May 2019 & 2018



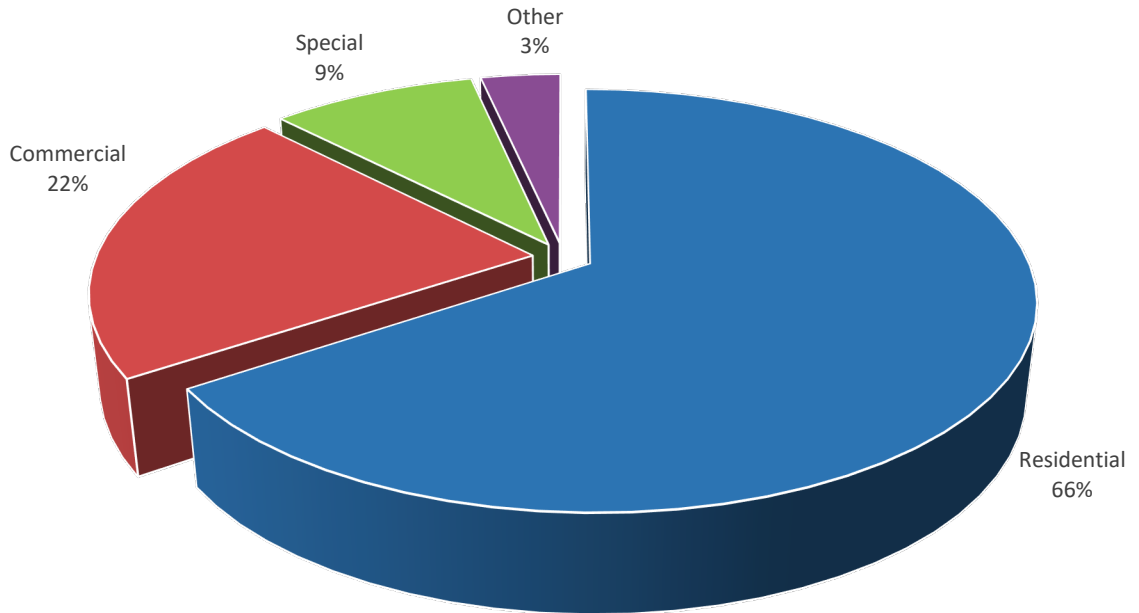
WATER CONSUMPTION Year to Date - May 2019 & 2018



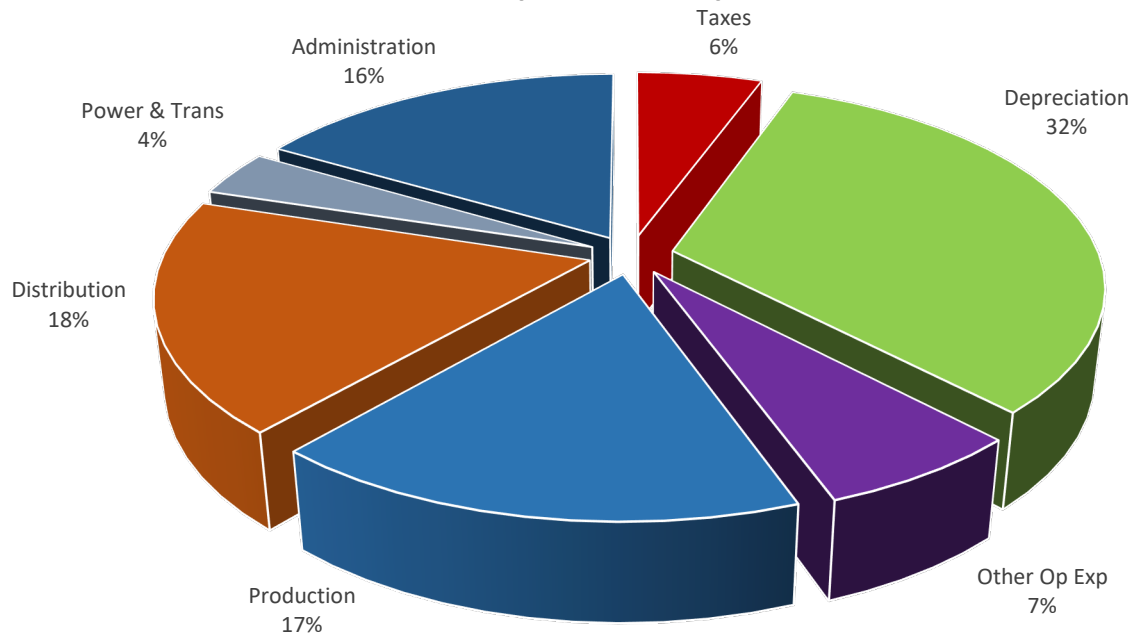
WATER SALES
Year to Date - May 2019
(\$30,663,384)



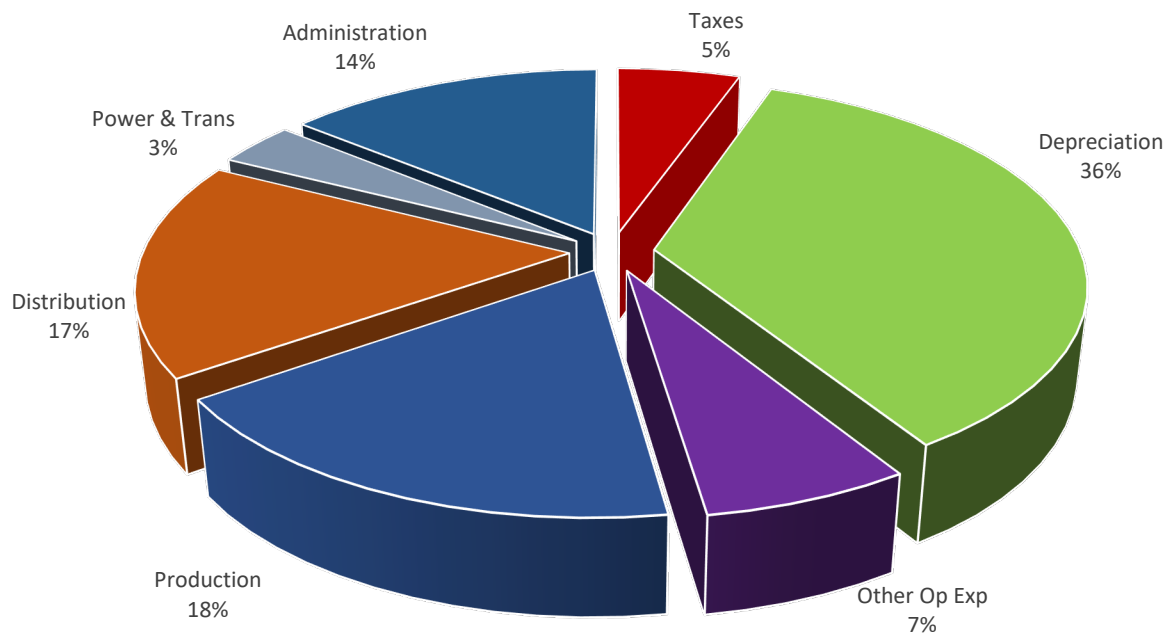
WATER SALES
Year to Date - May 2018
(\$29,555,880)



TOTAL OPERATING EXPENSES
Year to Date - May 2019
(\$32,557,750)



TOTAL OPERATING EXPENSES
Year to Date - May 2018
(\$32,824,004)



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MAY

TACOMA RAIL

2019

**FINANCIAL
REPORT**



Public Utility Board

WOODROW JONES

Chair

KAREN LARKIN

Vice-Chair

BRYAN FLINT

Secretary

MARK PATTERSON

Member

CHRISTINE COOLEY

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

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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Statements of Revenues, Expenses and Changes in Net Position.....3

Supplemental Data8

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF NET POSITION

| ASSETS | <u>MAY 31,</u> <u>2019</u> | <u>MAY 31,</u> <u>2018</u> |
|--|-------------------------------|-------------------------------|
| CAPITAL ASSETS | | |
| Road and Equipment Property..... | \$47,174,783 | \$46,585,758 |
| Less Accumulated Depreciation..... | <u>(22,530,860)</u> | <u>(20,782,466)</u> |
| Total..... | 24,643,923 | 25,803,292 |
| Construction Work in Progress..... | <u>1,422,948</u> | <u>386,634</u> |
| Net Capital Assets..... | 26,066,871 | 26,189,926 |
| CURRENT ASSETS | | |
| Cash & Equity in Pooled Investments..... | 13,505,788 | 10,621,201 |
| Customer Accounts Receivable..... | 3,960,854 | 3,351,875 |
| Prepayments..... | 1,079,277 | 473,495 |
| Materials and Supplies Inventory..... | <u>1,221,593</u> | <u>1,233,065</u> |
| Total Current Assets..... | 19,767,512 | 15,679,636 |
| DEFERRED OUTFLOWS | | |
| Deferred Outflows for OPEB..... | <u>993,546</u> | <u>-</u> |
| TOTAL ASSETS..... | <u><u>\$46,827,929</u></u> | <u><u>\$41,869,562</u></u> |

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

| | MAY 31, 2019 | MAY 31, 2018 |
|--|---------------------|---------------------|
| NET POSITION AND LIABILITIES | | |
| NET POSITION | | |
| Net Investment in Capital Assets..... | \$21,089,306 | \$20,392,117 |
| Unrestricted..... | 1,520,842 | 9,109,397 |
| TOTAL NET POSITION..... | 22,610,148 | 29,501,514 |
| LONG-TERM DEBT, NET OF CURRENT MATURITIES | | |
| State Loans..... | 4,157,315 | 4,977,559 |
| Total Long-Term Liabilities..... | 4,157,315 | 4,977,559 |
| CURRENT LIABILITIES | | |
| Accounts Payable..... | 614,947 | 523,816 |
| Wages Payable..... | 189,499 | 576,987 |
| Unemployment and other Tax Payables..... | 379,722 | 311,063 |
| Volume Incentive Payable..... | 750,001 | - |
| Current Portion of Long Term Debt..... | 820,250 | 820,250 |
| Current Portion of Compensated Absences..... | 118,329 | 112,418 |
| Total Current Liabilities..... | 2,872,748 | 2,344,534 |
| LONG-TERM LIABILITIES | | |
| On the Job Injury Reserve..... | 836,300 | 836,788 |
| Long-Term Portion of Compensated Absences..... | 1,064,965 | 1,011,762 |
| Other Contingent Liability..... | 2,320,000 | - |
| Other Post Employment Benefits..... | 12,179,967 | - |
| Incurred but not Reported Claims..... | 496,684 | 3,197,405 |
| Total Long-Term Liabilities..... | 16,897,916 | 5,045,955 |
| TOTAL LIABILITIES..... | 23,927,979 | 12,368,048 |
| DEFERRED INFLOWS | | |
| Deferred Inflows for OPEB..... | 289,802 | - |
| TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS..... | | |
| | <u>\$46,827,929</u> | <u>\$41,869,562</u> |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

| | MAY 2019 | MAY 2018 |
|---|------------------|------------------|
| OPERATING REVENUES | | |
| Switching Revenues..... | \$2,789,648 | \$2,366,348 |
| Demurrage and Other Operating Revenues..... | 667,950 | 463,570 |
| Total Operating Revenues..... | 3,457,598 | 2,829,918 |
| OPERATING EXPENSES | | |
| Maintenance of Way and Structures..... | | |
| Salaries and Wages..... | 85,381 | 76,530 |
| Supplies and Expense..... | (67,225) | 133,188 |
| Mechanical..... | | |
| Salaries and Wages..... | 201,271 | 152,695 |
| Supplies and Expense..... | 455,752 | 350,513 |
| Operations..... | | |
| Salaries and Wages..... | 884,954 | 784,571 |
| Supplies and Expense..... | 131,801 | 139,484 |
| Administration..... | | |
| Salaries and Wages..... | 216,417 | 224,198 |
| Supplies and Expense..... | 610,098 | 275,316 |
| Taxes - State..... | 48,177 | 39,588 |
| Depreciation..... | 146,903 | 144,789 |
| Total Operating Expenses..... | 2,713,529 | 2,320,872 |
| Net Operating Income..... | 744,069 | 509,046 |
| NON-OPERATING REVENUES (EXPENSES) | | |
| Interest Income..... | 21,887 | 11,764 |
| Miscellaneous..... | 77,645 | 77,433 |
| Total Non-Operating Revenues..... | 99,532 | 89,197 |
| Contributions - Grants..... | - | - |
| Total Contributions..... | - | - |
| Transfers | | |
| City of Tacoma Gross Earnings Tax..... | (284,570) | (233,529) |
| CHANGE IN NET POSITION..... | \$559,031 | \$364,714 |
| TOTAL NET POSITION - JANUARY 1..... | | |
| TOTAL NET POSITION - MAY 31..... | | |

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

| YEAR TO DATE | | | |
|-----------------|-----------------|-----------------------|-------------------|
| MAY 31, 2019 | MAY 31, 2018 | 2019/2018 VARIANCE | PERCENT CHANGE |
| \$12,373,788 | \$11,234,073 | \$1,139,715 | 10.1% |
| 2,494,655 | 2,007,109 | 487,546 | 24.3% |
| 14,868,443 | 13,241,182 | 1,627,261 | 12.3% |
| 441,258 | 377,149 | 64,109 | 17.0% |
| 415,928 | 693,293 | (277,365) | -40.0% |
| 982,197 | 771,697 | 210,500 | 27.3% |
| 1,754,208 | 1,533,800 | 220,408 | 14.4% |
| 4,274,875 | 3,976,156 | 298,719 | 7.5% |
| 550,408 | 574,221 | (23,813) | -4.1% |
| 1,085,227 | 1,121,997 | (36,770) | -3.3% |
| 1,963,269 | 1,437,923 | 525,346 | 36.5% |
| 208,341 | 186,326 | 22,015 | 11.8% |
| 734,623 | 723,943 | 10,680 | 1.5% |
| 12,410,334 | 11,396,505 | 1,013,829 | 8.9% |
| 2,458,109 | 1,844,677 | 613,432 | 33.3% |
| 162,529 | 104,621 | 57,908 | 55.4% |
| 391,187 | 487,168 | (95,981) | -19.7% |
| 553,716 | 591,789 | (38,073) | -6.4% |
| 12,718 | - | 12,718 | 100.0% |
| 12,718 | - | 12,718 | 100.0% |
| (1,228,108) | (1,102,327) | (125,781) | 11.4% |
| 1,796,435 | 1,334,139 | 462,296 | 34.7% |
| 20,813,713 | 28,167,375 | | |
| \$22,610,148 | \$29,501,514 | | |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

SUMMARY OF SWITCHING REVENUES AND SWITCHING ACTIVITIES
MAY 31, 2019 AND MAY 31, 2018

| | May 2019 | May 2018 |
|-----------------------------------|---------------------------|---------------------------|
| SWITCHING REVENUES | | |
| LINE HAULS--INTERMODAL..... | \$1,147,986 | \$945,766 |
| LINE HAULS--COMMERCIAL..... | 1,429,258 | 1,220,195 |
| LINE HAULS--CAPITAL DIVISION..... | 49,020 | 48,450 |
| MISCELLANEOUS SWITCHES..... | <u>163,384</u> | <u>151,937</u> |
| TOTAL SWITCHING REVENUES..... | <u><u>\$2,789,648</u></u> | <u><u>\$2,366,348</u></u> |

SWITCHING ACTIVITIES (CARS)

| | | |
|-----------------------------------|----------------------|---------------------|
| LINE HAULS--INTERMODAL..... | 6,695 | 5,582 |
| LINE HAULS--COMMERCIAL..... | 2,748 | 2,431 |
| LINE HAULS--CAPITAL DIVISION..... | 86 | 85 |
| MISCELLANEOUS SWITCHES..... | <u>1,145</u> | <u>773</u> |
| TOTAL CARS SWITCHED..... | <u><u>10,674</u></u> | <u><u>8,871</u></u> |

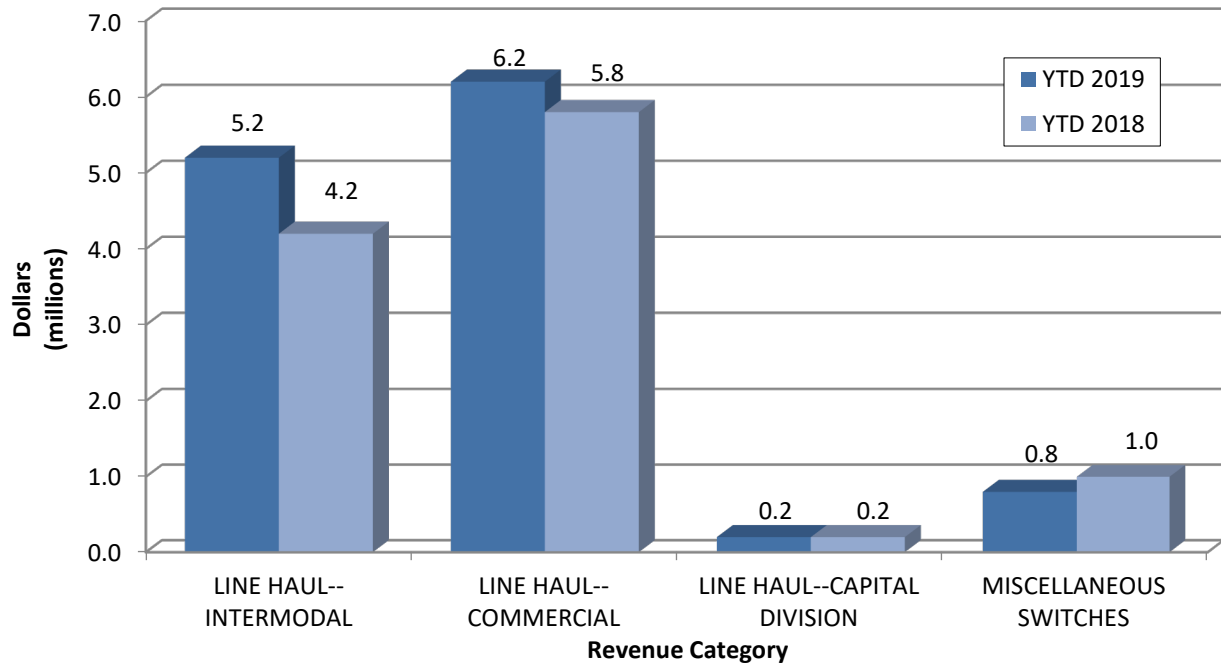
| YEAR TO DATE | | | |
|---------------------|---------------------|-----------------------|-------------------|
| May 31, 2019 | May 31, 2018 | 2019/2018 VARIANCE | PERCENT CHANGE |
| \$5,128,837 | \$4,238,862 | \$889,975 | 21.0% |
| 6,234,010 | 5,792,215 | 441,795 | 7.6% |
| 182,400 | 185,430 | (3,030) | -1.6% |
| 828,541 | 1,017,566 | (189,025) | -18.6% |
| <u>\$12,373,788</u> | <u>\$11,234,073</u> | <u>\$1,139,715</u> | <u>10.1%</u> |
| 30,515 | 25,078 | 5,437 | 21.7% |
| 13,210 | 11,368 | 1,842 | 16.2% |
| 320 | 343 | (23) | -6.7% |
| 4,997 | 6,279 | (1,282) | -20.4% |
| <u>49,042</u> | <u>43,068</u> | <u>5,974</u> | <u>13.9%</u> |

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Supplemental Data

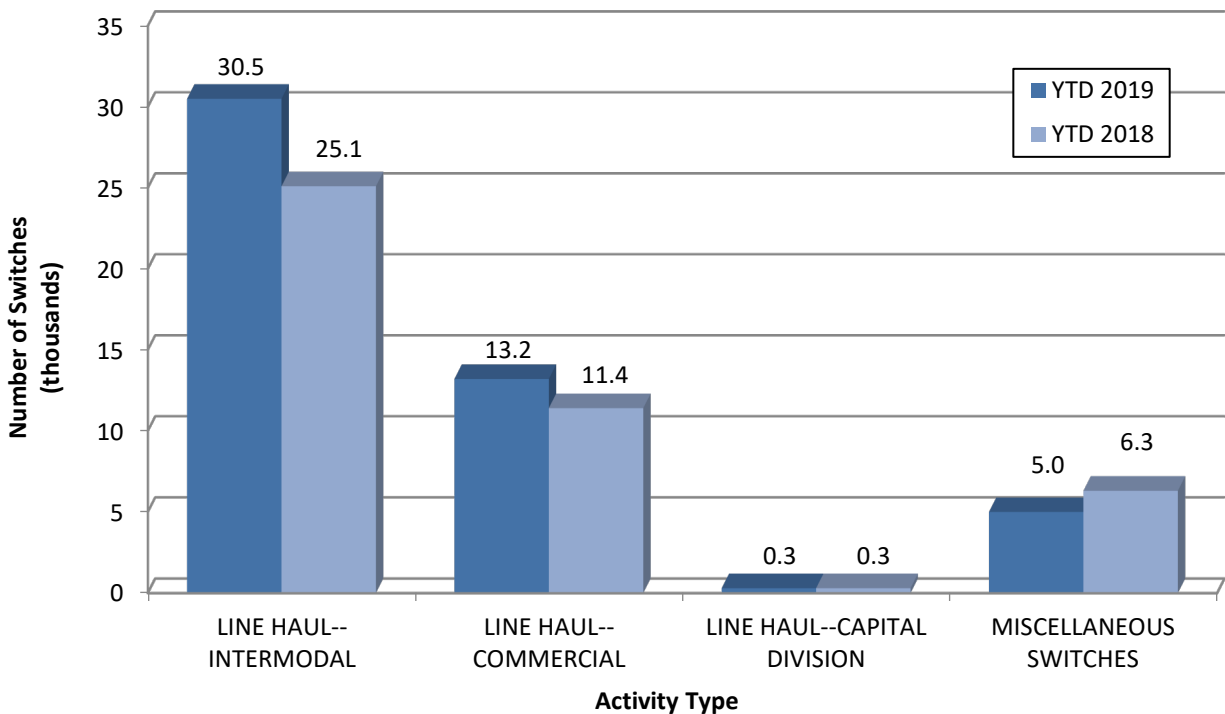
SWITCHING REVENUES

Year to Date - May 2019 & 2018

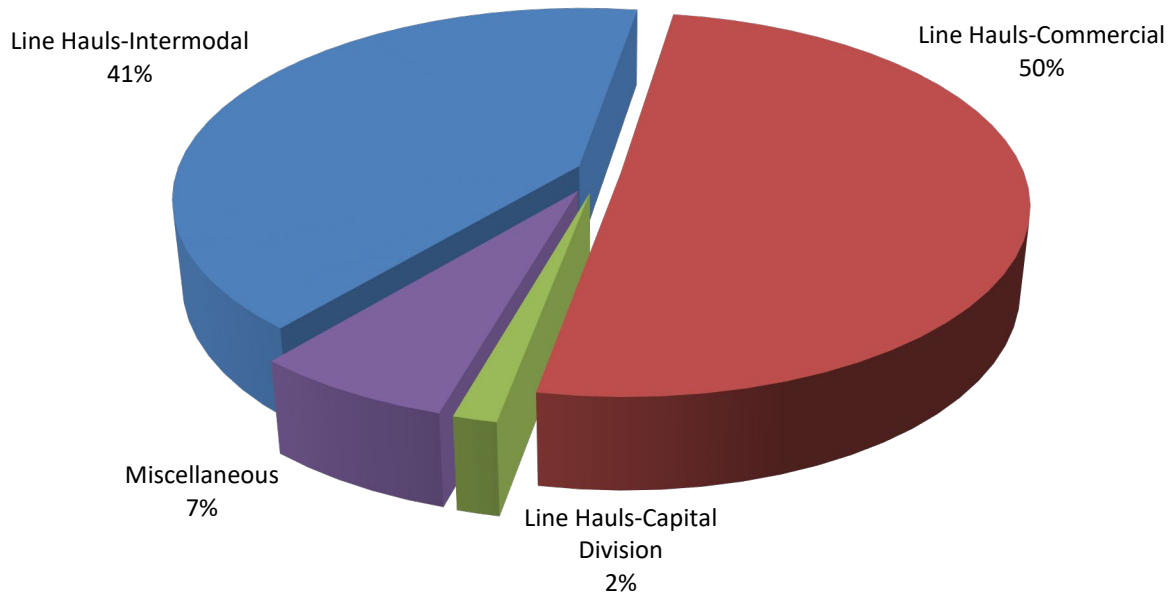


SWITCHING ACTIVITIES

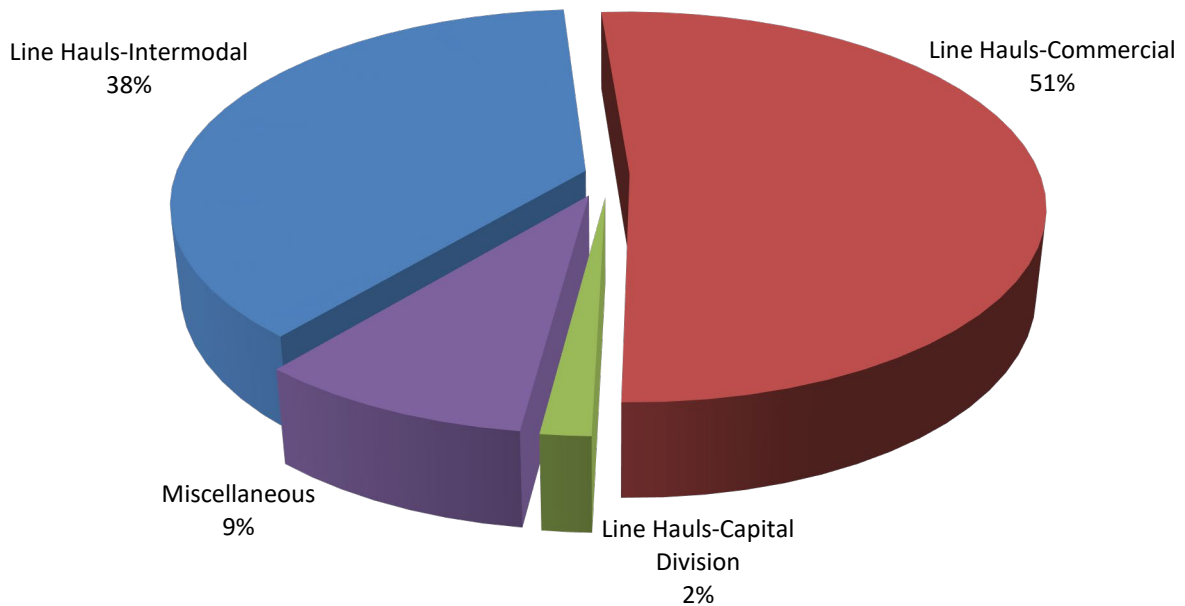
Year to Date - May 2019 & 2018



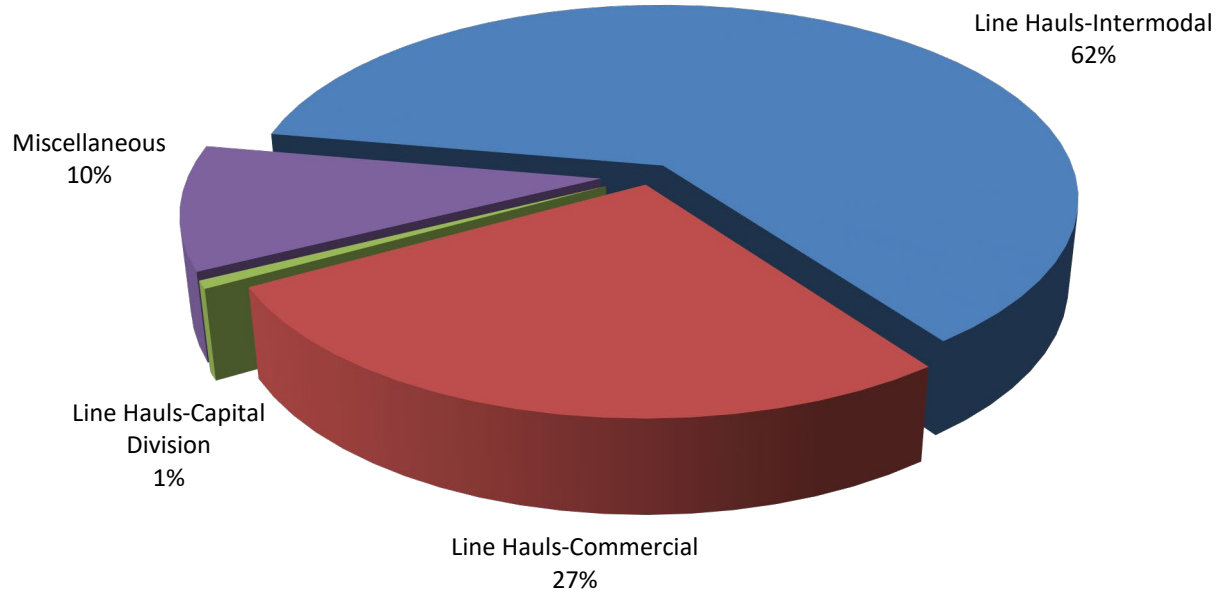
SWITCHING REVENUES
Year to Date - May 2019 (\$12,373,788)



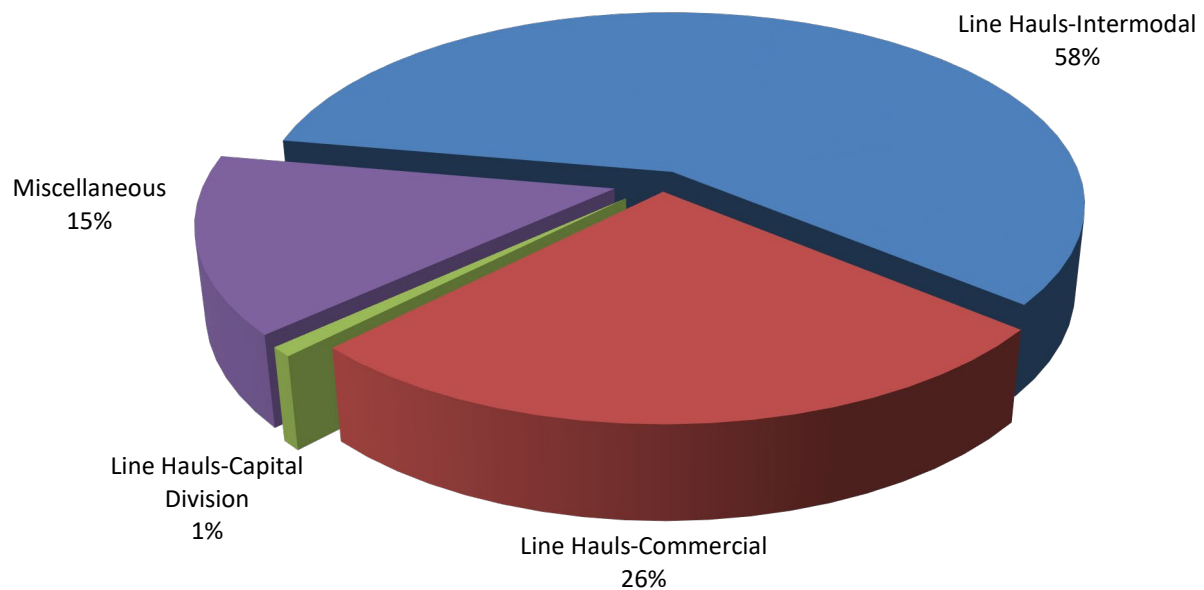
SWITCHING REVENUES
Year to Date - May 2018 (\$11,234,073)



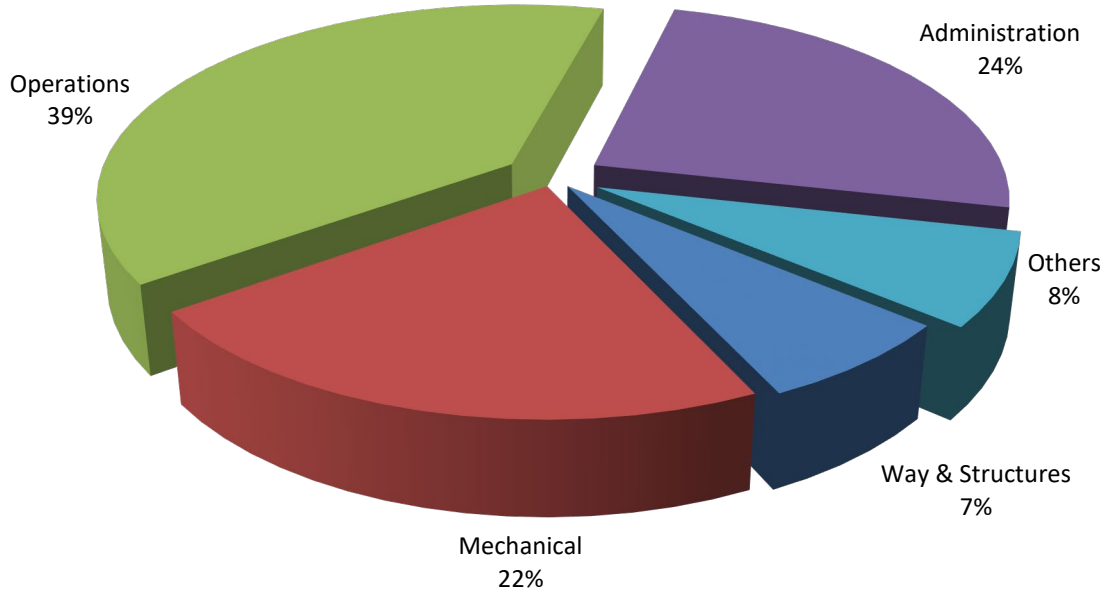
SWITCHING ACTIVITY
Year to Date - May 2019 (49,042 cars)



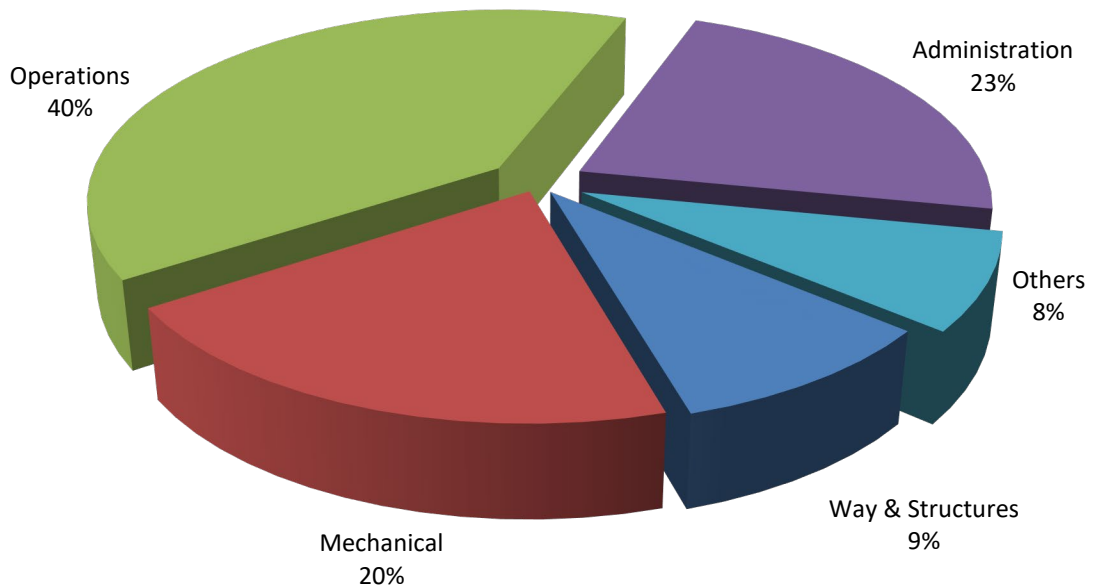
SWITCHING ACTIVITY
Year to Date - May 2018 (43,068 cars)



TOTAL OPERATING EXPENSES
Year to Date - May 2019 (\$12,410,334)



TOTAL OPERATING EXPENSES
Year to Date - May 2018 (\$11,396,505)





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MAY

FLEET SERVICES FUND

2019

**FINANCIAL
REPORT**



Public Utility Board

WOODROW JONES

Chair

KAREN LARKIN

Vice-Chair

BRYAN FLINT

Secretary

MARK PATTERSON

Member

CHRISTINE COOLEY

Member

JACKIE FLOWERS

Director of Utilities

DON ASHMORE

Utilities Fleet Manager

ANDREW CHERULLO

Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES

FLEET SERVICES FUND

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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.

Statement of Net Position1

Statement of Revenues, Expenses, and Changes in Net Position3

Supplemental Data6

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
FLEET SERVICES FUND

STATEMENTS OF NET POSITION
MAY 31, 2019 AND MAY 31, 2018

| | <u>2019</u> | <u>2018</u> |
|--|----------------------------|----------------------------|
| ASSETS | | |
| FIXED | | |
| Office Furniture and Equipment | \$616,901 | \$616,901 |
| Stores and Shop Equipment | 719,411 | 719,411 |
| Transportation Equipment | 47,629,202 | 44,425,903 |
| Power-Operated Equipment | 16,490,855 | 16,723,965 |
| Accumulated Depreciation | <u>(39,342,490)</u> | <u>(38,676,161)</u> |
| Total Fixed Assets | 26,113,879 | 23,810,019 |
| Construction Work in Progress | <u>1,328,617</u> | <u>1,803,638</u> |
| Net Fixed Assets | 27,442,496 | 25,613,657 |
| CURRENT | | |
| Current Fund Cash & Equity in Pooled Investments | 16,044,236 | 18,113,154 |
| Materials and Supplies | <u>344,152</u> | <u>310,578</u> |
| Total Current Assets | 16,388,388 | 18,423,732 |
| OTHER ASSETS | | |
| Net Pension Asset | <u>367,979</u> | <u>-</u> |
| TOTAL ASSETS | <u>44,198,863</u> | <u>44,037,389</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Deferred Outflows for Pension | <u>471,904</u> | <u>915,881</u> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS. | <u><u>\$44,670,767</u></u> | <u><u>\$44,953,270</u></u> |

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

| | <u>2019</u> | <u>2018</u> |
|---|----------------------------|----------------------------|
| NET POSITION AND LIABILITIES | | |
| NET POSITION | | |
| Net Investment in Capital Assets | \$27,442,496 | \$25,613,657 |
| Restricted for: | | |
| Tacoma Power | 18,095,346 | 18,095,346 |
| Tacoma Water | 7,199,933 | 7,199,933 |
| Tacoma Rail | 981,147 | 981,147 |
| Net Pension Asset | 367,979 | - |
| Unrestricted | <u>(10,498,014)</u> | <u>(8,482,566)</u> |
| TOTAL NET POSITION | 43,588,887 | 43,407,517 |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Accounts Payable & Other | 175,868 | 123,667 |
| Wages Payable | <u>72,931</u> | <u>149,577</u> |
| Total Current Liabilities | 248,799 | 273,244 |
| LONG-TERM LIABILITIES | | |
| Employee Vacation and Sick Leave Accrual | 206,696 | 209,679 |
| Net Pension Liability | <u>-</u> | <u>874,422</u> |
| Total Long-term Liabilities | 206,696 | 1,084,101 |
| TOTAL LIABILITIES | <u>455,495</u> | <u>1,357,345</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Deferred Inflows for Pension | <u>626,385</u> | <u>188,408</u> |
| TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS | <u>\$44,670,767</u> | <u>\$44,953,270</u> |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
FLEET SERVICES FUND

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
MAY 31, 2019 AND MAY 31, 2018

| | MAY 2019 | MAY 2018 |
|---|-------------|-------------|
| OPERATING REVENUE | | |
| Maintenance Revenue | \$270,365 | \$163,248 |
| Capital Recovery | 307,892 | 221,016 |
| Administrative Overhead | 117,746 | 111,227 |
| Fuel and Fuel Loading | 5,638 | 7,174 |
| Pool Car Rental | 13,175 | 11,560 |
| Total Operating Revenue | 714,816 | 514,225 |
| OPERATING EXPENSES | | |
| Repairs and Servicing | | |
| Shop Operations | 188,917 | 216,975 |
| Outside Services | 19,661 | 112 |
| Total Repairs and Servicing | 208,578 | 217,087 |
| Stores Operations | 25,845 | 31,311 |
| Administration | 112,923 | 117,834 |
| Depreciation | 326,838 | 298,778 |
| Total Operating Expenses | 674,184 | 665,010 |
| OPERATING INCOME | 40,632 | (150,785) |
| NON-OPERATING REVENUES (EXPENSES) | | |
| Interest Income | 4,864 | 8,833 |
| Gain (Loss) on Disposition of Equipment | 103,202 | - |
| Sale of Scrap | 1,300 | - |
| Total Non-Operating Revenues (Expenses) | 109,366 | 8,833 |
| CHANGE IN NET POSITION | \$149,998 | (\$141,952) |
| TOTAL NET POSITION - JANUARY 1 | | |
| TOTAL NET POSITION - MAY 31 | | |

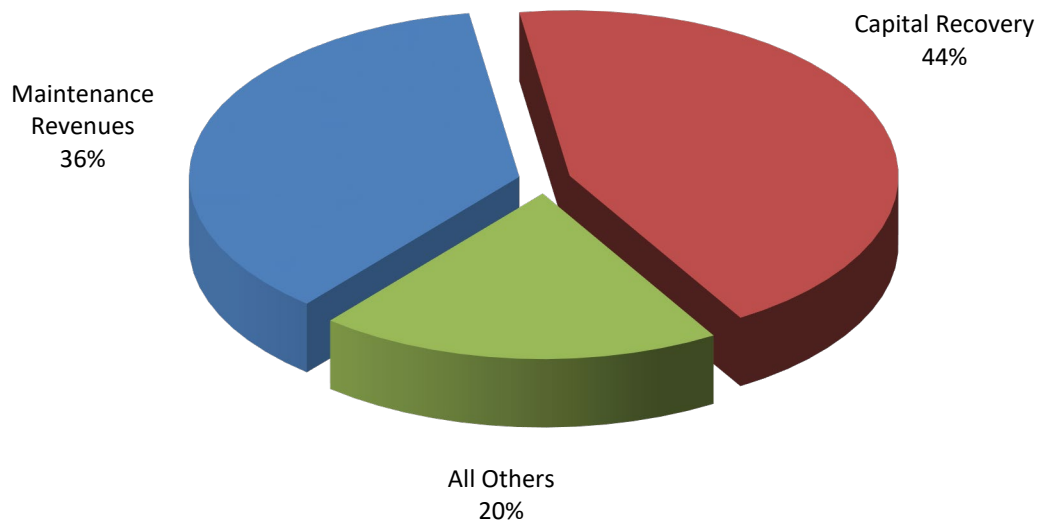
These statements should be read in conjunction with the Notes to the Financial Statements contained in the previous year-end Financial Report.

| YEAR TO DATE | | | |
|---------------------|---------------------|-----------------------|-------------------|
| MAY 2019 | MAY 2018 | 2019/2018 VARIANCE | PERCENT CHANGE |
| \$1,266,523 | \$806,994 | \$459,529 | 56.9% |
| 1,521,885 | 1,052,911 | 468,974 | 44.5% |
| 611,867 | 556,877 | 54,990 | 9.9% |
| 25,237 | 27,127 | (1,890) | -7.0% |
| 49,211 | 46,676 | 2,535 | 5.4% |
| 3,474,723 | 2,490,585 | 984,138 | 39.5% |
| 1,009,677 | 1,005,184 | 4,493 | 0.4% |
| 21,608 | 28,868 | (7,260) | -25.1% |
| 1,031,285 | 1,034,052 | (2,767) | -0.3% |
| 116,348 | 142,638 | (26,290) | -18.4% |
| 644,505 | 667,672 | (23,167) | -3.5% |
| 1,583,709 | 1,493,080 | 90,629 | 6.1% |
| 3,375,847 | 3,337,442 | 38,405 | 1.2% |
| 98,876 | (846,857) | 945,733 | 111.7% |
| 122,518 | 154,212 | (31,694) | -20.6% |
| 103,202 | 33,231 | 69,971 | 210.6% |
| 1,300 | - | 1,300 | 100.0% |
| 227,020 | 187,443 | 39,577 | 21.1% |
| 325,896 | (659,414) | \$985,310 | 149.4% |
| 43,262,991 | 44,066,931 | | |
| <u>\$43,588,887</u> | <u>\$43,407,517</u> | | |

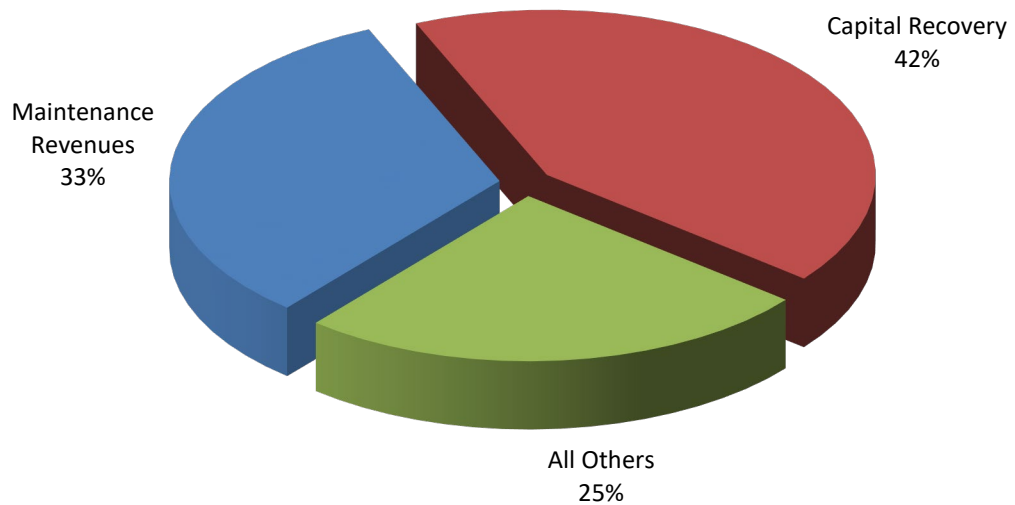
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Supplemental Data

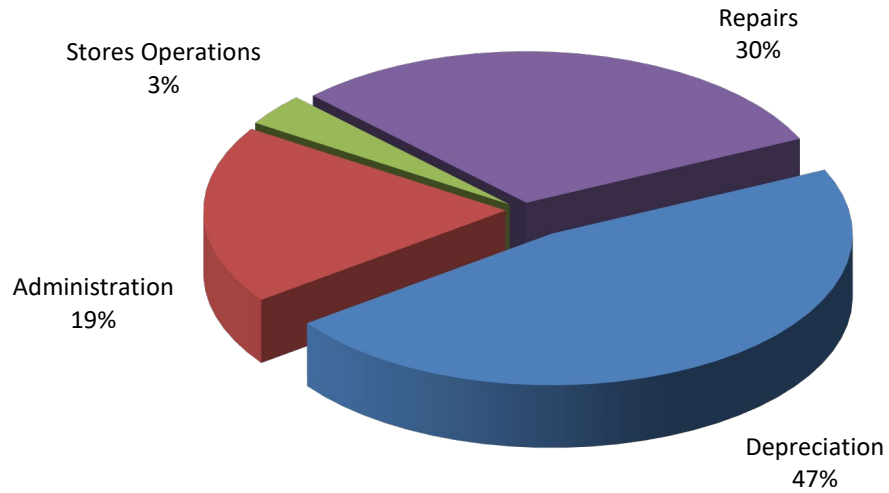
TOTAL OPERATING REVENUES
Year to Date - May 2019 (\$3,474,723)



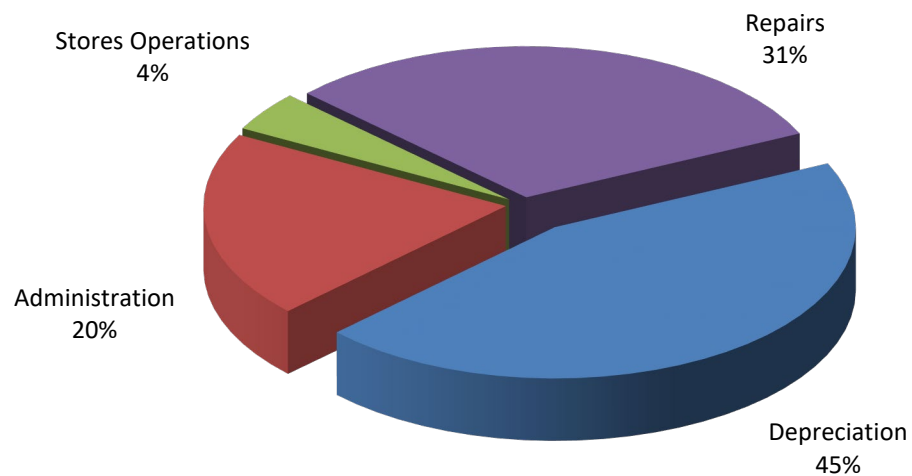
TOTAL OPERATING REVENUES
Year to Date - May 2018 (\$2,490,585)



TOTAL OPERATING EXPENSES
Year to Date - May 2019 (\$3,375,847)



TOTAL OPERATING EXPENSES
Year to Date - May 2018 (\$3,337,442)





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MAY

SELF-INSURANCE CLAIM FUND

2019

**FINANCIAL
REPORT**



Public Utility Board

WOODROW JONES

Chair

KAREN LARKIN

Vice-Chair

BRYAN FLINT

Secretary

MARK PATTERSON

Member

CHRISTINE COOLEY

Member

JACKIE FLOWERS

Director of Utilities

CHRIS ROBINSON

Power Superintendent/COO

ANDREW CHERULLO

Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES

SELF-INSURANCE CLAIM FUND

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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.

| | |
|---|---|
| Statements of Net Position | 1 |
| Statements of Revenues, Expenses and Changes in Net Position..... | 2 |

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
SELF-INSURANCE CLAIM FUND

STATEMENTS OF NET POSITION – MAY 31, 2019 AND MAY 31, 2018

| | <u>2019</u> | <u>2018</u> |
|---|---------------------------|---------------------------|
| ASSETS | | |
| CURRENT | | |
| Cash and Equity in Pooled Investments | <u>\$8,267,518</u> | <u>\$7,443,328</u> |
| TOTAL ASSETS | <u><u>\$8,267,518</u></u> | <u><u>\$7,443,328</u></u> |
| NET POSITION AND LIABILITIES | | |
| NET POSITION | | |
| Restricted: | | |
| Interfund Contributions | <u>\$3,541,376</u> | <u>\$2,149,280</u> |
| TOTAL NET POSITION | <u>3,541,376</u> | <u>2,149,280</u> |
| CURRENT LIABILITIES | | |
| Accounts Payable Claims | 4,717,064 | 5,289,639 |
| Accounts Payable Claims Handling | 9,078 | 1,884 |
| Tax-related Payables | <u>-</u> | <u>2,525</u> |
| TOTAL LIABILITIES | <u>4,726,142</u> | <u>5,294,048</u> |
| TOTAL NET POSITION AND LIABILITIES | <u><u>\$8,267,518</u></u> | <u><u>\$7,443,328</u></u> |

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

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
SELF-INSURANCE CLAIM FUND

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
MAY 31, 2019 AND MAY 31, 2018

| | MAY 2019 | MAY 2018 |
|---|------------------|--------------------|
| INCOME | | |
| Premiums | \$153,333 | \$128,333 |
| Interest | 14,584 | 8,483 |
| TOTAL INCOME | 167,917 | 136,816 |
| EXPENSES | | |
| Claims | 7,956 | (1,707,384) |
| Litigation Expense and Settlements | (16,459) | 285 |
| Incidental and Administrative Expense | 7,710 | 11,917 |
| TOTAL EXPENSES | (793) | (1,695,182) |
| CHANGE IN NET POSITION | <u>\$168,710</u> | <u>\$1,831,998</u> |
| TOTAL NET POSITION - JANUARY 1 | | |
| TOTAL NET POSITION - MAY 31 | | |

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

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
SELF-INSURANCE CLAIM FUND

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
MAY 31, 2019 AND MAY 31, 2018

| YEAR-TO-DATE | | | |
|--------------|-------------|-----------------------|-------------------|
| MAY 2019 | MAY 2018 | 2019/2018 VARIANCE | PERCENT CHANGE |
| \$766,667 | \$2,341,667 | (\$1,575,000) | -67.3% |
| 110,512 | 82,246 | 28,266 | 34.4% |
| 877,179 | 2,423,913 | (1,546,734) | -63.8% |
| (309,280) | 1,318,279 | (1,627,559) | -123.5% |
| 287,242 | 20,106 | 267,136 | 1328.6% |
| 53,531 | 86,656 | (33,125) | -38.2% |
| 31,493 | 1,425,041 | (1,393,548) | -97.8% |
| 845,686 | 998,872 | (153,186) | -15.3% |
| 2,695,690 | 1,150,408 | 1,545,282 | |
| \$3,541,376 | \$2,149,280 | \$1,392,096 | |

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

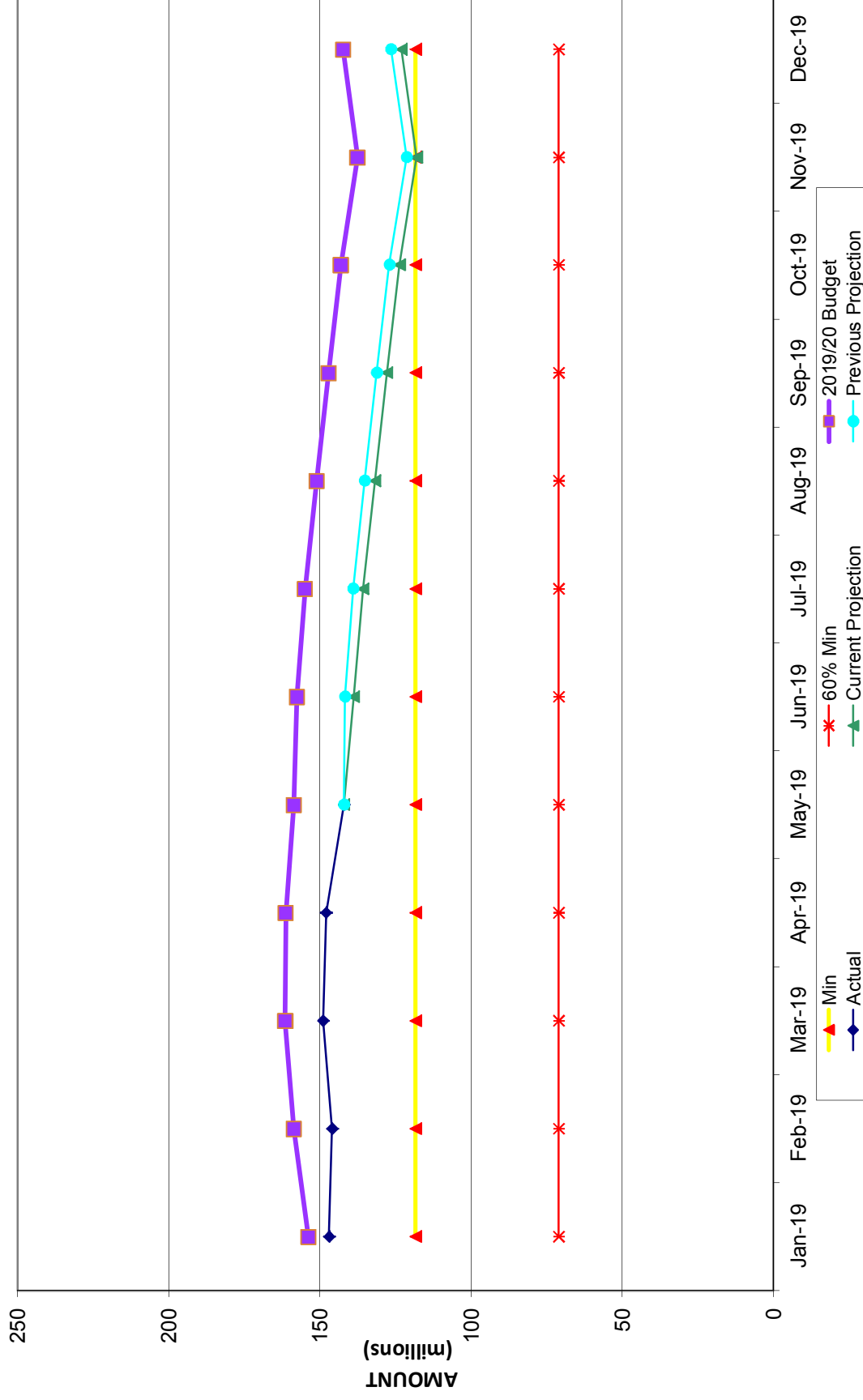


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TACOMA POWER

CURRENT FUND BALANCED BUDGET CASH PROJECTIONS

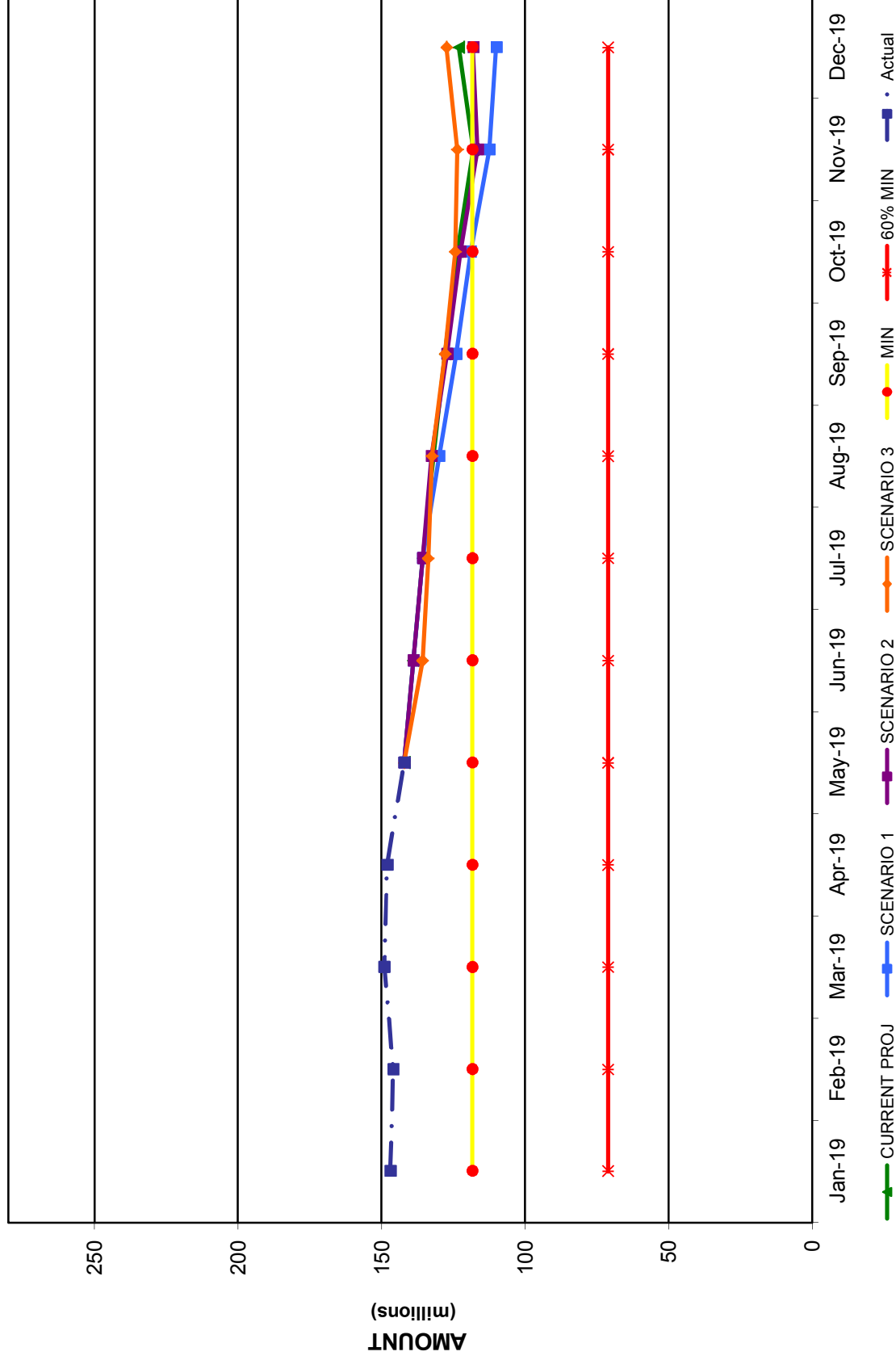
Estimated Cash for 2019-2020



TACOMA POWER

CURRENT FUND CASH PROJECTIONS

Actual ^(a) and Estimated Cash* for 2019-2020



TACOMA POWER
2019-2020 BALANCED BUDGET CASH PROJECTION
(000's omitted)

| | May-19 | May-19 | Jun-19 | Jul-19 | Aug-19 |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|
| | Estimate | Actual | | | |
| Beginning Cash Balance (4) | 148,003 | 148,003 | 142,117 | 138,895 | 135,665 |
| Cash In | | | | | |
| Retail Sales | 31,026 | 30,934 | 28,602 | 27,159 | 27,220 |
| Wholesale Sales | 3,091 | 2,817 | 3,132 | 4,342 | 2,595 |
| Telecommunications | 2,241 | 2,155 | 2,230 | 2,209 | 2,198 |
| Other Revenue | 2,192 | 2,818 | 2,192 | 2,192 | 2,192 |
| Total Cash In | 38,550 | 38,724 | 36,156 | 35,902 | 34,205 |
| Cash Out | | | | | |
| Personnel Costs | 10,697 | 11,653 | 7,131 | 7,131 | 7,131 |
| Debt Service | 2,488 | 2,533 | 2,488 | 2,488 | 2,488 |
| Taxes | 4,981 | 4,497 | 4,689 | 4,378 | 4,347 |
| BPA Purchases | 11,121 | 12,377 | 11,494 | 11,690 | 11,389 |
| Wholesale Purchases | 2,532 | 2,270 | 2,885 | 2,754 | 1,954 |
| Supplies, Other Services & Charges | 6,955 | 6,385 | 6,955 | 6,955 | 6,955 |
| Capital Outlay | 3,736 | 3,701 | 3,736 | 3,736 | 3,736 |
| Total Cash Out | 42,510 | 43,416 | 39,378 | 39,132 | 38,000 |
| Net | (3,960) | (4,692) | (3,222) | (3,230) | (3,795) |
| Change in A/R | | 1,685 | | | |
| Change in A/P | | (2,879) | | | |
| Ending Cash Balance | 144,043 | 142,117 | 138,895 | 135,665 | 131,870 |

The accompanying notes are an integral part of these cash projections.
TACOMA POWER
2019-2020 CURRENT FUND CASH PROJECTIONS

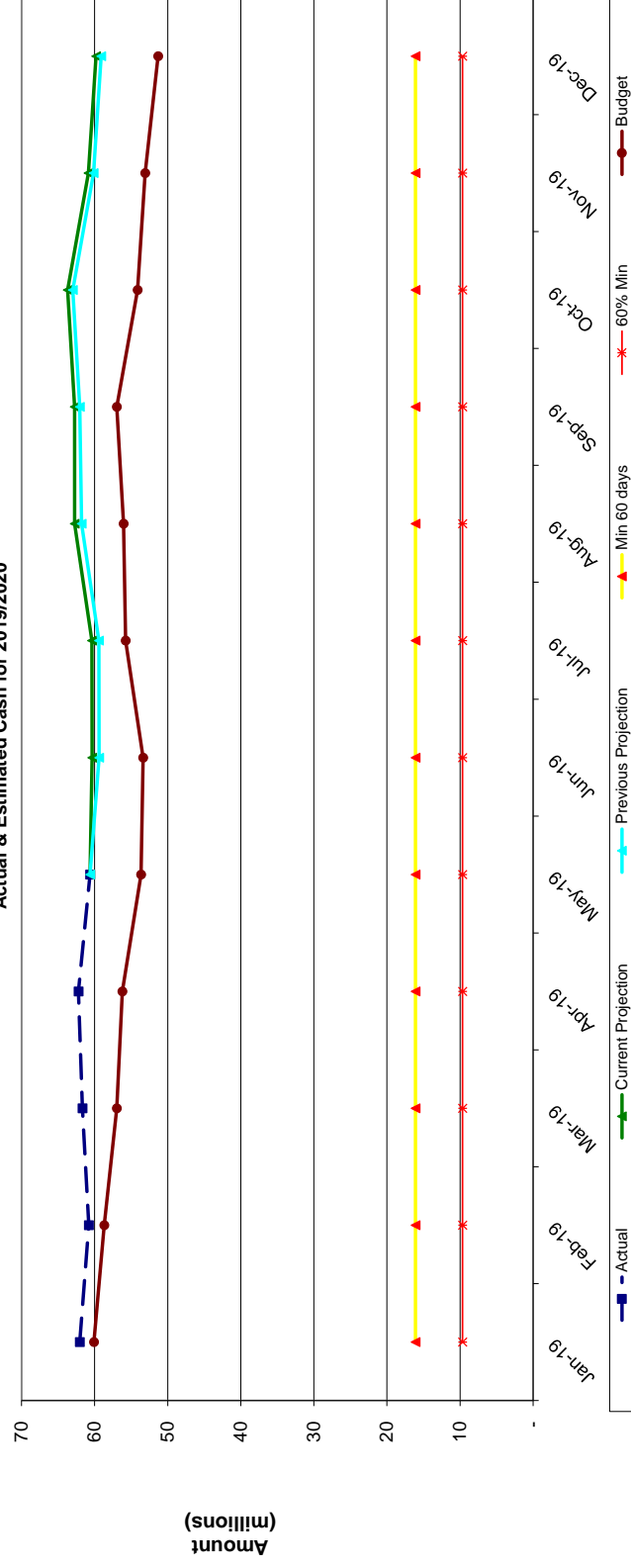
Notes:

1. While this projection is based primarily on historic patterns, it is factored by actual revenue and expense elements when known or when they can reasonably be estimated.
2. Based on Public Utility Board and City Council resolutions, the Division should maintain a minimum cash working capital balance of approximately \$118.4 million (90 days) in the 2019/2020 biennium. Due to seasonal fluctuations, however, the Division may on occasion drop below this recommended level. The cash balance in any month should never be allowed to drop more than 40% below the recommended level (\$71.0 million).
3. Commitments: These projections are based on the 2019/2020 budget.
4. "Actual" cash and investment balance as of April 1st, 2019.
5. BPA Purchase information provided by Power Management May 3, 2019.
BPA billings are net of Wynoochee and LaGrande/Cushman billing credits.
6. The Capital Outlay projection is based on the 2019/2020 budget.
7. Regular debt service includes the interest and principal payments on all outstanding Electric System Revenue and Refunding bonds.
8. Retail revenue in this projection is based on the Retail Sales and Forecast provided by the Rates, Planning and Analysis division.
9. On the Current Fund Cash Projections graph the most recent projection is labeled "CURRENT PROJ." Also shown are three scenarios based on estimated wholesale power sales revenues under current forward wholesale market prices and the following streamflow conditions:
 - Scenario 1 represents critical water conditions for 12 months followed by adverse water conditions.
 - Scenario 2 represents adverse water conditions.
 - Scenario 3 represents average water conditions.
10. Wholesale Sale/Purchase information provided by Power Management on May 9, 2019.

Significant Changes:

BPA Purchases were more than projected by \$1.3 million predominantly due to the timing of payments

TACOMA WATER CURRENT FUND CASH PROJECTIONS Actual & Estimated Cash for 2019/2020



TACOMA WATER
2019/2020 CURRENT FUND CASH PROJECTIONS
(000's omitted)

| | May-19 Estimate | May-19 Actual | Jun-19 Estimate | Jul-19 Estimate | Aug-19 Estimate |
|------------------------------------|--------------------|------------------|--------------------|--------------------|--------------------|
| Beginning Cash Balance | 62,215 | 62,215 | 60,627 | 60,343 | 60,376 |
| Cash In | | | | | |
| Water Sales | 6,115 | 7,033 | 7,683 | 7,836 | 10,521 |
| Interest | 23 | 164 | 23 | 23 | 23 |
| Other Revenue | 312 | 192 | 312 | 312 | 312 |
| BABs Subsidies | 231 | 232 | 231 | 231 | 231 |
| Total Cash In | 6,681 | 7,621 | 8,249 | 8,402 | 11,087 |
| Cash Out | | | | | |
| Personnel Costs | 3,255 | 2,876 | 2,170 | 2,170 | 2,170 |
| Supplies, Other Services & Charges | 2,406 | 1,936 | 2,406 | 2,406 | 2,406 |
| Taxes | 824 | 977 | 1,205 | 1,042 | 1,390 |
| Debt Service | 2,206 | 2,212 | 2,206 | 2,205 | 2,205 |
| Capital Outlay | 546 | (168) | 546 | 546 | 546 |
| Total Cash Out | 9,237 | 7,833 | 8,533 | 8,369 | 8,717 |
| Change in A/R | - | (487) | - | - | - |
| Change in A/P | - | (889) | - | - | - |
| Net Change in Cash | (2,556) | (1,588) | (284) | 33 | 2,370 |
| Ending Cash Balance | 59,659 | 60,627 | 60,343 | 60,376 | 62,746 |

TACOMA WATER

2019/2020 CURRENT FUND CASH PROJECTIONS

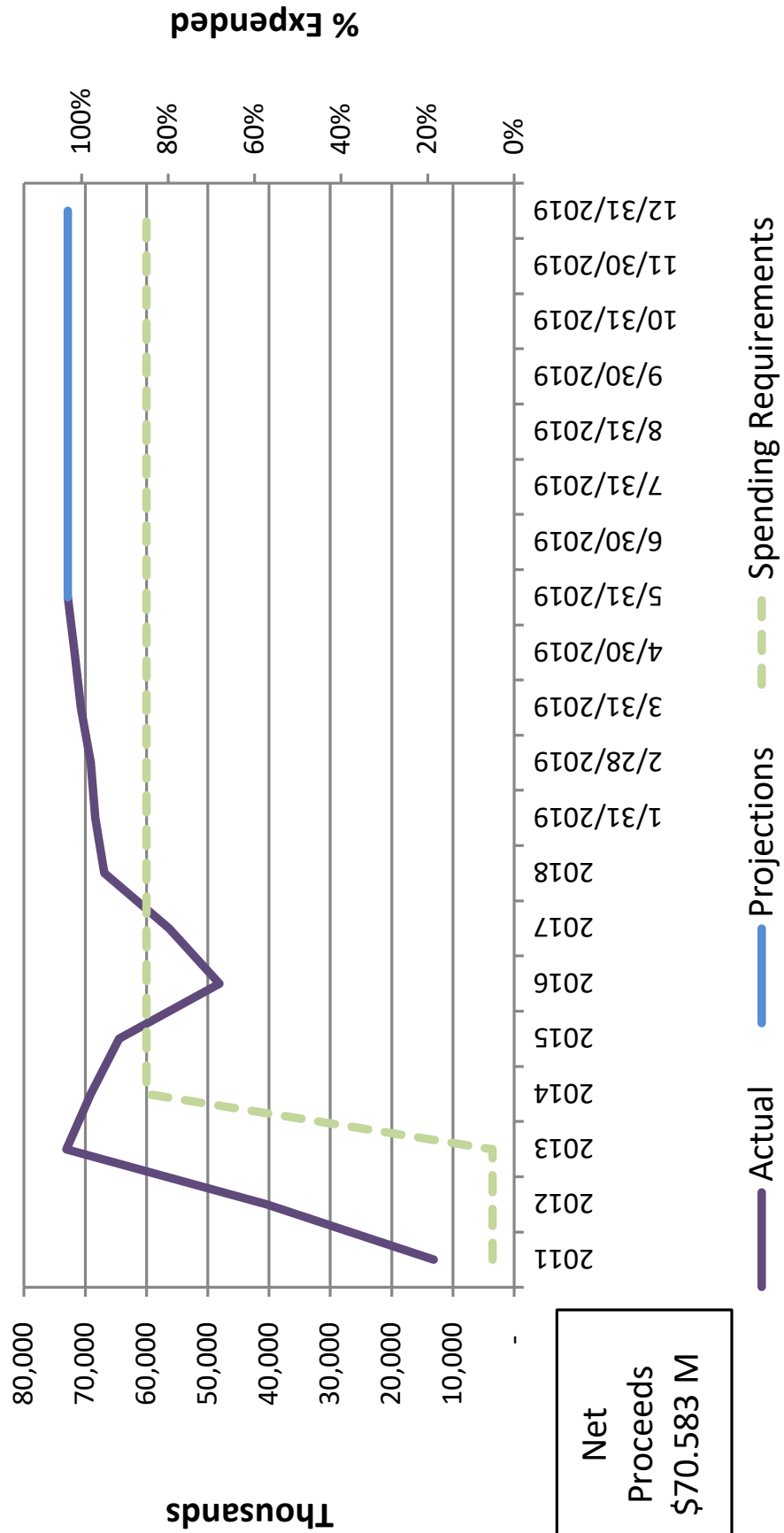
Notes:

1. While this projection is based primarily on historic patterns, it is factored by actual revenue and expense elements when known or when they can reasonably be estimated.
2. Based on City Council Resolution No. 38215, adopted March 8, 2011, the Division should maintain a minimum cash balance equal to 60 days of current expenditures (\$16.098 million in 2019/2020). Due to seasonal fluctuations, however, the Division may on occasion drop below this recommended level. The cash balance in any month should never be allowed to drop more than 40% below the recommended level (\$9.659 million).
3. Projections for changes in A/P and A/R are not provided due to the variable nature of these accounts. In general, a change in A/R is a result of a change in current month billings and collections, both of which are indicators of current and future cash inflows. A change in A/P is a result of a change in current month purchases and payments, both of which are indicators of current and future cash outflows.

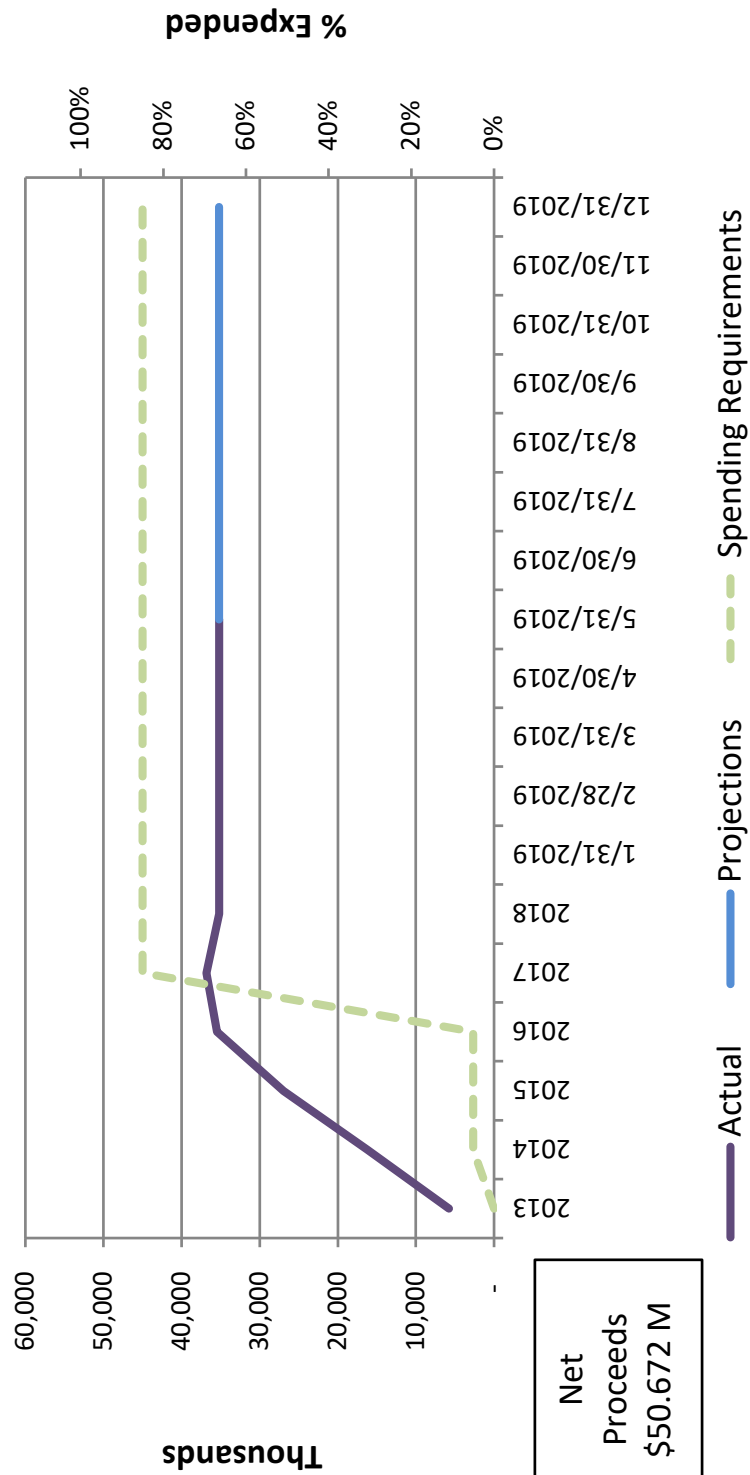
Explanation of Variances and/or Changes in Projections:

1. Water Sales increased \$0.9 million. Of that, Residential sales increased \$0.3 million and Sales to Other Public Utilities increased \$0.6 million.
2. May actuals shown in Capital Outlay include corrections for capital reimbursements posted during the first quarter. Capital Outlay is nearly \$1.4 million lower than anticipated at the end of the first quarter primarily due to a variance between actual and projected spending for the AMI project.

Water 4600-10WC Cumulative Bond Spending



Water 4600-13WC Cumulative Bond Spending



Tacoma Public Utilities
Water Bonds
As of May 31, 2019

| | Water | |
|--------------------------|-----------------------------|-----------------------------|
| | 4600-10WC | 4600-13WC |
| Bond Type | Taxable Build America Bonds | Revenue and Refunding Bonds |
| Issue Date | 8/26/2010 | 5/7/2013 |
| Months Transpired | 106 | 73 |

| | | |
|-----------------------------------|--------------|--------------|
| Construction Fund Proceeds | 70,583,000 | 50,672,000 |
| Interest Income | 3,632,790 | 1,550,110 |
| Period | | |
| 2011 | (13,126,630) | - |
| 2012 | (27,346,085) | - |
| 2013 | (32,598,851) | (5,767,218) |
| 2014 | 4,004,026 | (10,470,130) |
| 2015 | 4,610,670 | (10,684,407) |
| 2016 | 16,395,475 | (8,545,727) |
| 2017 | (8,222,040) | (1,351,277) |
| 2018 | (10,608,527) | 1,615,620 |
| 1/31/2019 | (1,468,621) | - |
| 2/28/2019 | (695,837) | - |
| 3/31/2019 | (1,671,784) | - |
| 4/30/2019 | (1,019,914) | - |
| 5/31/2019 | (1,091,150) | |

| | | |
|-------------------------------|---------------------|---------------------|
| Total Spending | (72,839,268) | (35,203,139) |
| Remaining Bond Balance | 1,376,522 | 17,018,971 |
| Actual % Spent | 103% | 69% |
| Cash Balance | 1,376,522 | 17,018,971 |

4600-10WC

| PROJECT | EST \$\$ | ACT \$\$ | DIFF |
|-------------------------------------|----------|----------|---------|
| Lead Gooseneck Service Renewal | - | 176,301 | 176,301 |
| WDP 2016-48 Tehaleh 198th Ave | - | 264,691 | 264,691 |
| 17/18 MRP: Galvanized Main Projects | - | 186,713 | 186,713 |
| 15/16 Distribution Main Upgrade | - | 145,321 | 145,321 |
| 28 Projects | - | 318,124 | 318,124 |

| | | | |
|-------------------------------|---|-----------|-----------|
| TOTAL Spending vs. Projection | - | 1,091,150 | 1,091,150 |
|-------------------------------|---|-----------|-----------|

4600-13WC

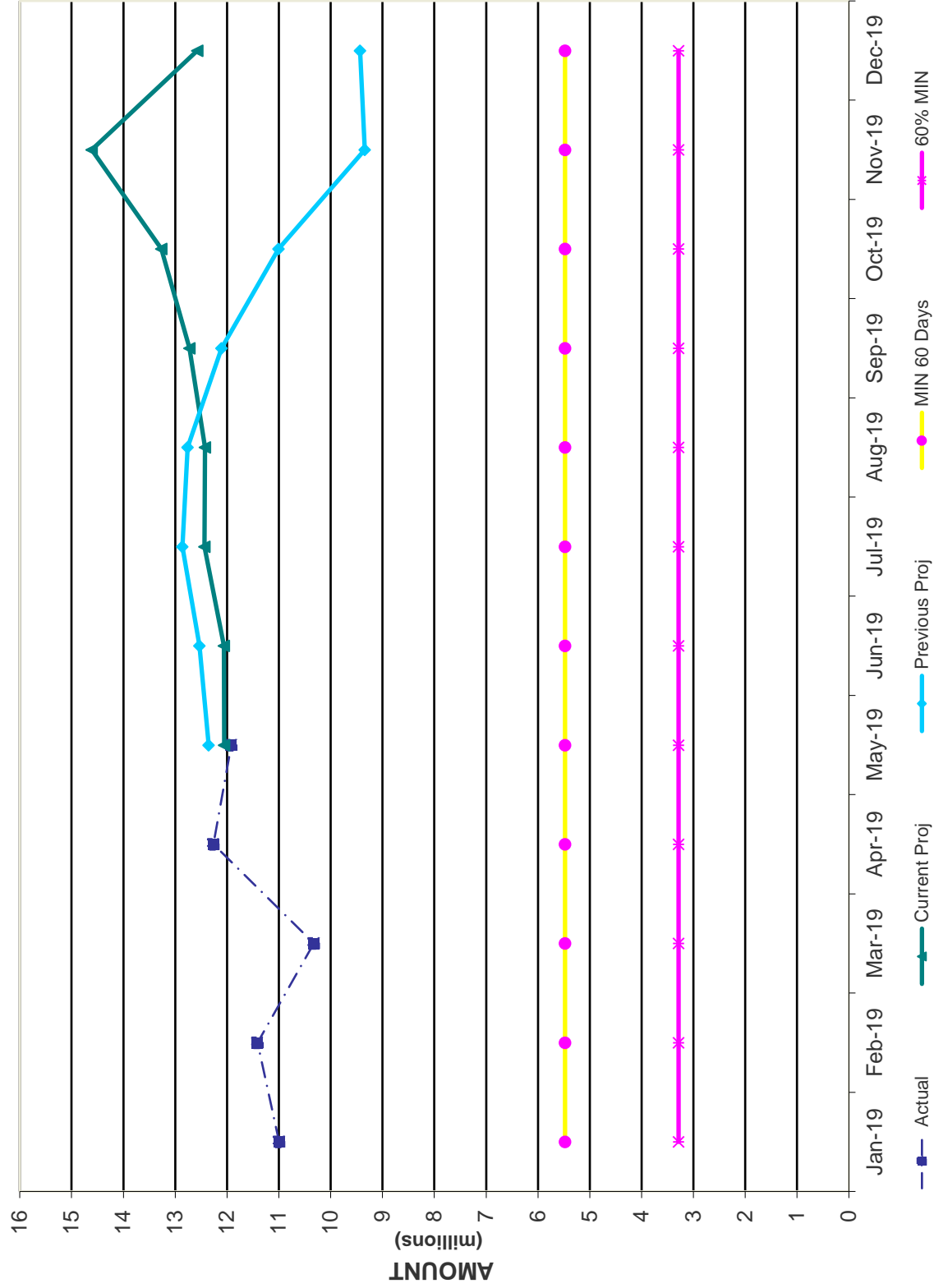
| PROJECT | EST \$\$ | ACT \$\$ | DIFF |
|---------|----------|----------|------|
| | - | - | - |
| | - | - | - |
| | - | - | - |
| | - | - | - |
| | - | - | - |
| | - | - | - |
| | - | - | - |

| | | | |
|-------------------------------|---|---|---|
| TOTAL Spending vs. Projection | - | - | - |
|-------------------------------|---|---|---|

TACOMA RAIL

2019 CURRENT FUND CASH PROJECTIONS

Actual & Estimated Cash



TACOMA RAIL
2019 CURRENT FUND CASH PROJECTIONS
(000's omitted)

| | May-19 Estimate | May-19 Actual | Jun-19 Estimate | Jul-19 Estimate | Aug-19 Estimate |
|--|---------------------|------------------|--------------------|--------------------|--------------------|
| Beginning Cash Balance | \$12,262 | \$12,262 | \$11,920 | \$12,060 | \$12,435 |
| <u>REVENUES (Cash-In)</u> | (1) | | | | |
| Switching Revenue | 2,790 | 2,790 | 2,503 | 2,598 | 2,638 |
| Demurrage Revenue | 250 | 250 | 96 | 96 | 96 |
| Other Revenues | 19 | 15 | 29 | 29 | 29 |
| Lease Revenue | 83 | 74 | 84 | 84 | 90 |
| Interest Income | 20 | 22 | 20 | 20 | 20 |
| Service Maint/Trans Revenue | 394 | 405 | 280 | 200 | 200 |
| Total Revenues | 3,556 | 3,556 | 3,012 | 3,027 | 3,073 |
| <u>EXPENSES (Cash-Out)</u> | (1) | | | | |
| Personnel Costs | 1,750 | 1,746 | 1,307 | 1,307 | 1,307 |
| Taxes | 333 | 333 | 283 | 284 | 288 |
| Supplies, Other Services & Charges | (4) 806 | 693 | 779 | 755 | 645 |
| Assessments | 158 | 167 | 158 | 166 | 166 |
| Debt Service | 116 | 116 | 138 | 90 | 108 |
| Volume Incentive | 292 | 167 | - | - | - |
| Capital Outlay | 309 | 308 | 207 | 50 | 570 |
| Total Expenses | 3,764 | 3,530 | 2,872 | 2,652 | 3,084 |
| Change in AR | (3) | (559) | | | |
| Change in AP | (3) | 191 | | | |
| Net Increase (Decrease) in Cash | (208) | (342) | 140 | 375 | (11) |
| Ending Cash Balance | (2) <u>\$12,054</u> | <u>\$11,920</u> | <u>\$12,060</u> | <u>\$12,435</u> | <u>\$12,424</u> |

The accompanying notes are an integral part of these cash projections.

TACOMA RAIL
2019 CURRENT FUND CASH PROJECTIONS

Notes:

1. While this projection is based primarily on historic patterns, it is factored by actual revenue and expense elements when known or when they can reasonably be estimated.
2. Based on City Council Resolution No. 37101, adopted February 6, 2007, the Division should maintain a minimum cash balance equal to 60 days of current expenditures (\$5.478 million in the 2017/2018). Due to seasonal fluctuations, however, the Division may on occasion drop below this recommended level. The cash balance in any month should never be allowed to drop more than 40% below the recommended level (\$3.287 million).
3. Change in AR and Change in AP are adjustments to the current month's actual cash flows from Revenues and Expenses which factor into the actual ending cash balance. A positive number in Change in AR indicates collections from outstanding accounts receivables exceeded revenues billed in the same month. Conversely, a positive number in Change in AP indicates that payments for goods and services were less than recorded expenses for the same month. The outstanding AR and AP balances at the end of the month will impact the future cash inflows and outflows, respectively.

Significant changes since last projection:

4. The variance in Supplies, Other Services and Charges of (\$113,000) is largely due to the delay of invoices associated with locomotive switches being expensed.

