
OCTOBER

TACOMA POWER

2019

**FINANCIAL
REPORT**



Public Utility Board

KAREN LARKIN

Chair

BRYAN FLINT

Vice-Chair

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Secretary

CHRISTINE COOLEY

Member

CARLOS M. WATSON

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

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.

Statements of Net Position (Unaudited)	1
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)	3
Summary of Revenues and Billings (Unaudited)	5
Gross Generation Report (Unaudited)	7
Operational Summary (Unaudited)	9
Supplemental Data	12

City of Tacoma, Washington
Department of Public Utilities
Tacoma Power
Statements of Net Position (Unaudited)
October 31, 2019 and October 31, 2018

ASSETS AND DEFERRED OUTFLOWS	2019	2018
UTILITY PLANT		
Electric Plant in Service	\$2,143,786,240	\$2,068,759,165
Less Depreciation and Amortization	<u>(1,131,681,967)</u>	<u>(1,089,890,589)</u>
Total	1,012,104,273	978,868,576
Construction Work in Progress	<u>53,053,298</u>	<u>80,803,234</u>
Net Utility Plant	<u>1,065,157,571</u>	<u>1,059,671,810</u>
 NON-UTILITY PROPERTY	 <u>182,051</u>	 <u>182,051</u>
 RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
Provision for Debt Service	14,366,950	15,126,869
Special Bond Reserves	4,997,639	4,997,639
Wynoochee Reserve - State of Washington	2,682,608	2,628,735
Fish and Wildlife Reserves	<u>24,118,804</u>	<u>-</u>
Total Restricted Assets	<u>46,166,001</u>	<u>22,753,243</u>
 CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	124,520,609	137,590,598
Customers' and Contractors' Deposits	2,731,677	2,699,678
Conservation Loan Fund	4,028,195	3,687,862
Rate Stabilization Fund	48,000,000	48,000,000
Receivables:		
Customers	18,248,009	14,333,252
Accrued Unbilled Revenue	30,730,773	30,701,425
Others	7,478,023	7,865,297
Provision for Uncollectibles	(2,046,223)	(1,272,973)
Materials and Supplies	6,365,662	6,715,185
Prepayments and Other	<u>11,438,228</u>	<u>7,773,143</u>
Total Current Assets	<u>251,494,953</u>	<u>258,093,467</u>
 OTHER ASSETS		
Regulatory Asset - Conservation	47,108,212	47,465,417
Net Pension Asset	15,506,238	-
Conservation Loan Fund Receivables	<u>2,446,734</u>	<u>2,603,775</u>
Total Other Assets	<u>65,061,184</u>	<u>50,069,192</u>
 Total Assets	 <u>1,428,061,760</u>	 <u>1,390,769,763</u>
 DEFERRED OUTFLOWS		
Deferred Outflow for Pensions	19,885,557	38,426,742
Deferred Outflow for OPEB	<u>957,357</u>	<u>-</u>
Total Deferred Outflows	<u>20,842,914</u>	<u>38,426,742</u>
 TOTAL ASSETS AND DEFERRED OUTFLOWS	 <u>\$1,448,904,674</u>	 <u>\$1,429,196,505</u>

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	\$610,289,372	\$648,147,754
Restricted for:		
Wynoochee Reserve - State of Washington	2,682,608	2,628,735
Fish and Wildlife Reserves	24,118,804	-
Debt Service	7,804,166	8,412,500
Net Pension Asset	15,506,238	-
Unrestricted	184,810,911	196,149,080
TOTAL NET POSITION	845,212,099	855,338,069
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	21,857,890	23,418,745
Net Bonded Indebtedness	395,432,890	406,358,745
Line of Credit	-	250,000
Total Long-Term Debt	395,432,890	406,608,745
CURRENT LIABILITIES		
Salaries and Wages Payable	5,666,127	5,089,078
Taxes and Other Payables	12,503,858	11,863,426
Purchases and Transmission of Power Accrued	14,372,578	12,588,517
Interest Payable	6,562,784	6,714,369
Customers' Deposits	2,678,060	2,721,232
Current Portion of Long-Term Debt	64,615,000	10,095,000
Current Accrued Compensated Absences	1,091,328	1,044,235
Total Current Liabilities	107,489,735	50,115,857
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	529,238,560	517,953,572
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	\$1,448,904,674	\$1,429,196,505

City of Tacoma, Washington
Department of Public Utilities
Tacoma Power
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)
October 31, 2019 and October 31, 2018

	October 2019	October 2018
OPERATING REVENUES		
Sales of Electric Energy	\$33,235,166	\$28,611,484
Other Operating Revenues	1,393,255	1,434,975
Click! Network Operating Revenues	2,115,724	2,103,275
Total Operating Revenue	<u>36,744,145</u>	<u>32,149,734</u>
OPERATING EXPENSES		
Production Expense		
Hydraulic Power Production	3,063,866	3,171,012
Other Production Expense	664,400	516,990
Total Expense Power Produced	<u>3,728,266</u>	<u>3,688,002</u>
Purchased Power	<u>12,942,681</u>	<u>11,303,358</u>
Total Production Expense	16,670,947	14,991,360
Transmission Expense	3,143,528	3,107,453
Distribution Expense	3,079,380	2,909,681
Click! Network Commercial Operations Expense	1,669,090	1,845,099
Customer Accounts Expense (CIS)	1,081,771	1,222,506
Conservation and Other Customer Assistance	1,601,005	1,353,819
Taxes	198,681	1,615,431
Depreciation	3,998,553	4,317,580
Administrative and General	3,513,593	2,687,840
Total Operating Expenses	<u>34,956,548</u>	<u>34,050,769</u>
OPERATING INCOME (LOSS)	<u>1,787,597</u>	<u>(1,901,035)</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	412,550	322,788
Contribution to Family Need	(41,667)	(8,333)
Other Net Non-Op Revenues and Deductions	107,776	178,517
Interest on Long-Term Debt	(1,755,579)	(1,733,202)
Amort of Debt Related Costs	129,158	134,639
Interest Charged to Construction	(293)	(66,763)
Total Non-Operating Revenues (Expenses)	<u>(1,148,055)</u>	<u>(1,172,354)</u>
Net Income (Loss) Before Capital Contributions and Transfers	639,542	(3,073,389)
Capital Contributions		
Cash	895,910	535,479
Donated Fixed Assets	6,607	-
BABs and CREBs Interest Subsidies	329,553	329,553
Transfers		
City Gross Earnings Tax	(2,888,422)	(1,976,067)
Transfers from (to) Other Funds	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u><u>(\$1,016,810)</u></u>	<u><u>(\$4,184,424)</u></u>
 TOTAL NET POSITION - January 1		
 TOTAL NET POSITION - October 31		

YEAR TO DATE			
October 31, 2019	October 31, 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$339,978,341	\$344,336,509	(\$4,358,168)	-1.3%
15,900,647	15,162,064	738,583	4.9%
21,378,135	21,227,209	150,926	0.7%
377,257,123	380,725,782	(3,468,659)	-0.9%
31,305,074	25,058,034	6,247,040	24.9%
5,341,728	4,771,085	570,643	12.0%
36,646,802	29,829,119	6,817,683	22.9%
134,042,696	112,099,310	21,943,386	19.6%
170,689,498	141,928,429	28,761,069	20.3%
31,130,156	28,647,902	2,482,254	8.7%
29,185,102	26,355,358	2,829,744	10.7%
17,552,881	19,870,514	(2,317,633)	-11.7%
11,877,704	11,583,984	293,720	2.5%
15,155,779	12,629,741	2,526,038	20.0%
16,633,564	17,480,428	(846,864)	-4.8%
40,717,114	45,376,906	(4,659,792)	-10.3%
33,542,350	26,059,354	7,482,996	28.7%
366,484,148	329,932,616	36,551,532	11.1%
10,772,975	50,793,166	(40,020,191)	-78.8%
5,463,204	4,355,917	1,107,287	25.4%
(416,667)	(83,333)	(333,334)	-400.0%
1,662,479	1,619,127	43,352	2.7%
(17,599,481)	(17,018,394)	(581,087)	-3.4%
1,291,576	1,346,392	(54,816)	-4.1%
(5,557)	1,348,376	(1,353,933)	-100.4%
(9,604,446)	(8,431,915)	(1,172,531)	-13.9%
1,168,529	42,361,251	(41,192,722)	-97.2%
5,720,799	8,216,079	(2,495,280)	-30.4%
299,665	185,437	114,228	61.6%
3,078,632	3,165,029	(86,397)	-2.7%
(28,487,310)	(28,729,242)	241,932	0.8%
-	(31,158)	31,158	100.0%
(18,219,685)	25,167,396	(43,387,081)	-172.4%
863,431,784	830,170,673	33,261,111	4.0%
<u>\$845,212,099</u>	<u>\$855,338,069</u>	<u>(\$10,125,970)</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 (Unaudited)
October 31, 2019 and October 31, 2018

	For the month of October 2019	For the month of October 2018
OPERATING REVENUE		
Sales of Electric Energy		
Residential	\$15,717,717	\$11,725,216
Commercial	2,885,679	2,239,292
General	12,026,538	10,606,071
Contract Industrial	2,035,350	2,029,772
Public Street and Highway Lighting	73,825	140,745
Sales to Other Electric Utilities	30,385	28,677
Total Sales to Customers	32,769,494	26,769,773
Bulk Power Sales	465,672	1,841,711
Total Sales of Electric Energy	33,235,166	28,611,484
Other Operating Revenue		
Rentals and Leases from Elect. Property	190,065	195,343
Wheeling	874,782	840,948
Service Fees and Other	328,408	398,684
Telecommunications Revenue	2,115,724	2,103,275
Total Other Operating Revenues	3,508,979	3,538,250
 TOTAL OPERATING REVENUES	 \$36,744,145	 \$32,149,734
 BILLINGS (Number of Months Billed)		
Residential	206,797	163,270
Commercial	20,667	16,003
General	3,148	2,744
Contract Industrial	2	2
Public Streets and Highway Lighting	883	764
Sales to Other Electric Utilities	1	1
 TOTAL BILLINGS	 231,498	 182,784

YEAR TO DATE			
October 31, 2019	October 31, 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$152,234,329	\$146,081,040	\$6,153,289	4.2%
25,194,397	24,604,702	589,695	2.4%
108,753,136	105,223,475	3,529,661	3.4%
19,679,628	19,445,872	233,756	1.2%
1,108,282	1,170,712	(62,430)	-5.3%
372,220	362,122	10,098	2.8%
307,341,992	296,887,923	10,454,069	3.5%
32,636,349	47,448,586	(14,812,237)	-31.2%
339,978,341	344,336,509	(4,358,168)	-1.3%
2,891,622	2,805,618	86,004	3.1%
8,633,215	8,275,043	358,172	4.3%
4,375,810	4,081,403	294,407	7.2%
21,378,135	21,227,209	150,926	0.7%
37,278,782	36,389,273	889,509	2.4%
<u>\$377,257,123</u>	<u>\$380,725,782</u>	<u>(\$3,468,659)</u>	-0.9%
1,637,109	1,605,872	31,237	1.9%
166,271	160,935	5,336	3.3%
25,955	26,008	(53)	-0.2%
20	20	-	0.0%
9,348	9,153	195	2.1%
10	10	-	0.0%
<u>1,838,713</u>	<u>1,801,998</u>	<u>36,715</u>	2.0%

City of Tacoma, Washington
Department of Public Utilities
Tacoma Power
Gross Generation Report (Unaudited)
October 31, 2019 and October 31, 2018

	For the month of October 2019	For the month of October 2018
KWH GENERATED, PURCHASED AND INTERCHANGED - Gross		
Generated - LaGrande	18,837,000	16,022,000
Generated - Alder	11,075,000	8,528,000
TOTAL NISQUALLY	<u>29,912,000</u>	<u>24,550,000</u>
Generated - Cushman No 1	12,611,000	11,203,000
Generated - Cushman No 2	20,710,000	17,007,000
TOTAL CUSHMAN	<u>33,321,000</u>	<u>28,210,000</u>
Generated - Mossyrock	46,182,000	53,685,000
Generated - Mayfield	34,602,000	34,901,000
TOTAL COWLITZ	<u>80,784,000</u>	<u>88,586,000</u>
Generated - Wynoochee	<u>260,000</u>	<u>11,000</u>
Generated - Hood Street	<u>342,600</u>	<u>302,400</u>
Tacoma's Share of Priest Rapids	<u>1,298,000</u>	<u>1,373,000</u>
Tacoma's Share of GCPHA	<u>14,828,000</u>	<u>14,175,000</u>
TOTAL KWH GENERATED - TACOMA SYSTEM	160,745,600	157,207,400
Purchased Power		
BPA Slice Contract	126,764,000	132,735,000
BPA Block Contract	96,313,000	106,118,000
Interchange Net	24,928,250	(5,584,833)
TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED	408,750,850	390,475,567
Losses	1,619,058	1,478,592
Baldi Replacement	17,857	19,849
Ketron	24,109	23,942
NT PC Mutuals Schedules	(2,725,000)	(2,422,000)
PC Mutual Inadvertent	(16,181)	69,362
TACOMA SYSTEM FIRM LOAD	<u>407,670,693</u>	<u>389,645,312</u>
Maximum Kilowatts (System Firm Load)	829,254	586,445
Average Kilowatts (System Firm Load)	547,944	523,717
PIERCE COUNTY MUTUAL LOAD	125,736,000	115,415,000
KWH BILLED		
Residential Sales	153,102,721	113,641,202
Commercial Sales	30,456,045	23,870,714
General	170,981,375	157,580,718
Contract Industrial	42,649,200	43,417,620
Public Street and Highway Lighting	1,172,531	1,206,873
Sales to Other Electric Utilities	489,600	486,900
TOTAL FIRM	<u>398,851,473</u>	<u>340,204,027</u>
Bulk Power Sales	<u>42,016,000</u>	<u>42,339,000</u>
TOTAL KWH BILLED	<u><u>440,867,473</u></u>	<u><u>382,543,027</u></u>

YEAR TO DATE			
October 31, 2019	October 31, 2018	2019/2018 VARIANCE	PERCENT CHANGE
211,169,000	290,856,000	(79,687,000)	-27.4%
124,591,000	182,257,000	(57,666,000)	-31.6%
335,760,000	473,113,000	(137,353,000)	-29.0%
64,395,000	76,438,000	(12,043,000)	-15.8%
89,310,000	113,584,000	(24,274,000)	-21.4%
153,705,000	190,022,000	(36,317,000)	-19.1%
507,729,000	787,587,000	(279,858,000)	-35.5%
383,894,000	545,866,000	(161,972,000)	-29.7%
891,623,000	1,333,453,000	(441,830,000)	-33.1%
10,326,000	14,872,000	(4,546,000)	-30.6%
3,012,683	2,204,100	808,583	36.7%
17,306,000	23,222,000	(5,916,000)	-25.5%
220,239,000	241,233,000	(20,994,000)	-8.7%
1,631,971,683	2,278,119,100	(646,147,417)	-28.4%
1,692,102,000	2,111,410,000	(419,308,000)	-19.9%
1,243,324,000	1,223,069,000	20,255,000	1.7%
(634,546,750)	(1,669,698,166)	1,035,151,416	62.0%
3,932,850,933	3,942,899,934	(10,049,001)	-0.3%
29,624,693	36,113,230	(6,488,537)	-18.0%
194,492	421,700	(227,208)	-53.9%
223,539	236,744	(13,205)	-5.6%
(25,657,000)	(25,306,000)	(351,000)	-1.4%
721,214	(3,986,254)	4,707,468	118.1%
3,937,957,871	3,950,379,354	(12,421,483)	-0.3%
1,186,561,000	1,168,950,000	17,611,000	1.5%
1,587,582,233	1,560,316,210	27,266,024	1.7%
272,697,445	269,856,714	2,840,731	1.1%
1,625,644,430	1,619,282,963	6,361,467	0.4%
411,738,660	422,952,600	(11,213,940)	-2.7%
8,892,018	(972,366)	9,864,385	1014.5%
6,218,100	6,356,700	(138,600)	-2.2%
3,912,772,887	3,877,792,820	34,980,066	0.9%
2,113,386,000	1,972,313,000	179,926,000	9.1%
6,026,158,887	5,850,105,820	176,053,066	3.0%

City of Tacoma, Washington
Department of Public Utilities
Click! Network
Commercial Operations
Operational Summary (Unaudited)
October 31, 2019

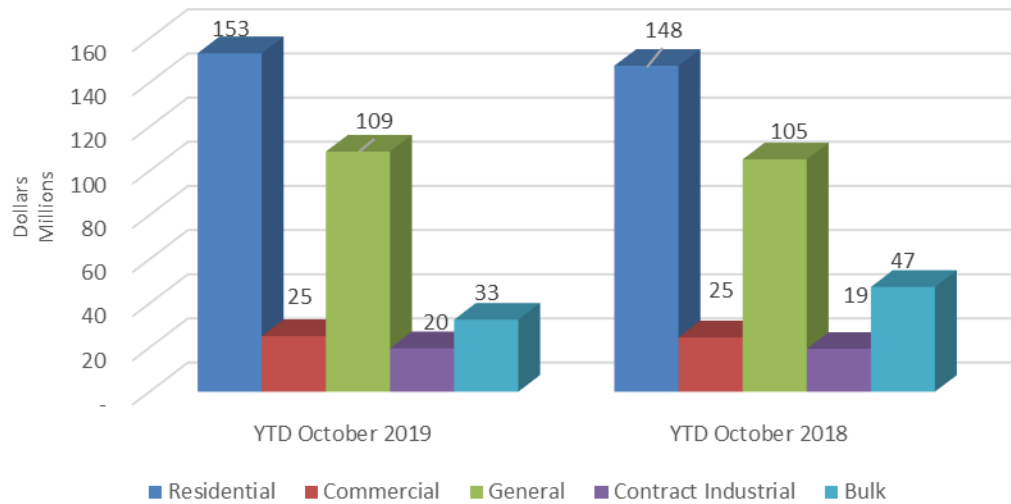
	October 2019	October 2018
TELECOMMUNICATIONS REVENUE		
CATV	\$1,324,858	\$1,381,948
Broadband	80,228	82,893
ISP	688,345	613,026
Interdepartmental	22,293	25,408
Total Operating Revenue	<u>2,115,724</u>	<u>2,103,275</u>
TELECOMMUNICATIONS EXPENSE-COMMERCIAL		
Administration & Sales Expense		
Salaries & Wages Expense	141,938	231,155
General Expense	72,238	29,284
Contract Services	1,027,273	1,047,144
IS & Intergovernmental Services	119,183	131,467
Fleet Services	1,646	208
Capitalized A & G Expense	(137)	(1,055)
Total Admin & Sales Expense	<u>1,362,141</u>	<u>1,438,203</u>
Operations & Maintenance Expense		
Salaries & Wages Expense	233,629	323,335
General Expense	18,355	25,645
Contract Services	44,245	45,693
IS & Intergovernmental Services	2,403	3,344
Fleet Services	17,462	18,521
New Connect Capital	(9,145)	(9,642)
Total Oper & Maint Expense	<u>306,949</u>	<u>406,896</u>
Total Telecommunications Expense	1,669,090	1,845,099
Net Revenues (Expenses) Before Taxes and Depreciation and Amortization	446,634	258,176
Taxes	287,462	289,349
Depreciation and Amortization	<u>142,210</u>	<u>189,291</u>
	429,672	478,640
NET OPERATING REVENUES (EXPENSES)	<u><u>\$16,962</u></u>	<u><u>(\$220,464)</u></u>

YEAR TO DATE			
October 31, 2019	October 31, 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$13,413,171	\$13,977,301	(\$564,130)	-4.0%
812,833	877,907	(65,074)	-7.4%
6,898,654	6,128,615	770,039	12.6%
253,477	243,386	10,091	4.1%
<u>21,378,135</u>	<u>21,227,209</u>	<u>150,926</u>	0.7%
1,644,685	2,551,017	(906,332)	-35.5%
422,958	360,132	62,826	17.4%
10,746,512	10,912,398	(165,886)	-1.5%
1,187,899	1,329,785	(141,886)	-10.7%
5,663	6,569	(906)	-13.8%
(21,472)	(27,010)	5,538	20.5%
<u>13,986,245</u>	<u>15,132,891</u>	<u>(1,146,646)</u>	-7.6%
2,607,668	3,805,345	(1,197,677)	-31.5%
150,267	284,581	(134,314)	-47.2%
623,558	524,750	98,808	18.8%
21,808	27,196	(5,388)	-19.8%
229,684	180,387	49,297	27.3%
(66,349)	(84,636)	18,287	21.6%
<u>3,566,636</u>	<u>4,737,623</u>	<u>(1,170,987)</u>	-24.7%
17,552,881	19,870,514	(2,317,633)	-11.7%
3,825,254	1,356,695	2,468,559	182.0%
2,895,066	2,915,884	(20,818)	-0.7%
1,429,944	1,899,968	(470,024)	-24.7%
<u>4,325,010</u>	<u>4,815,852</u>	<u>(490,842)</u>	
<u>(\$499,756)</u>	<u>(\$3,459,157)</u>	<u>\$2,959,401</u>	85.6%

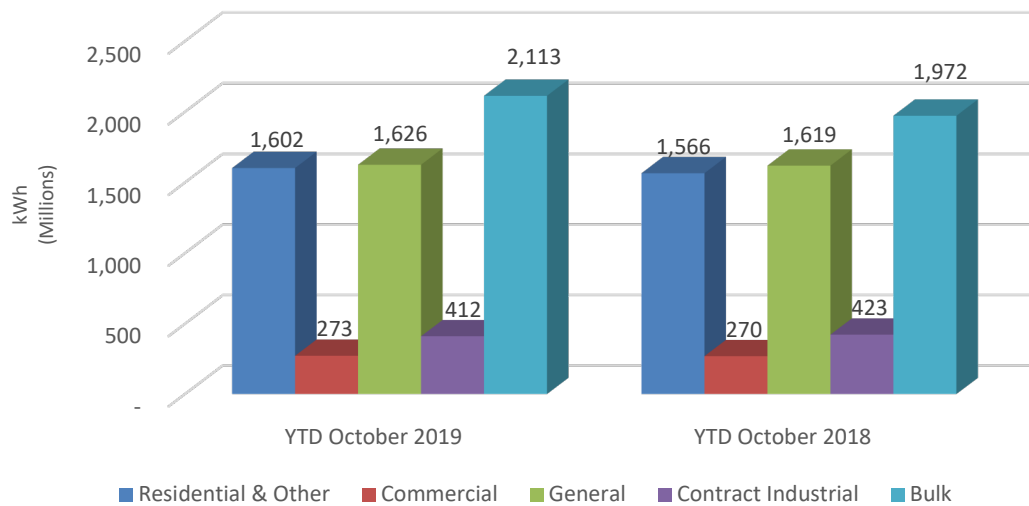
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Supplemental Data

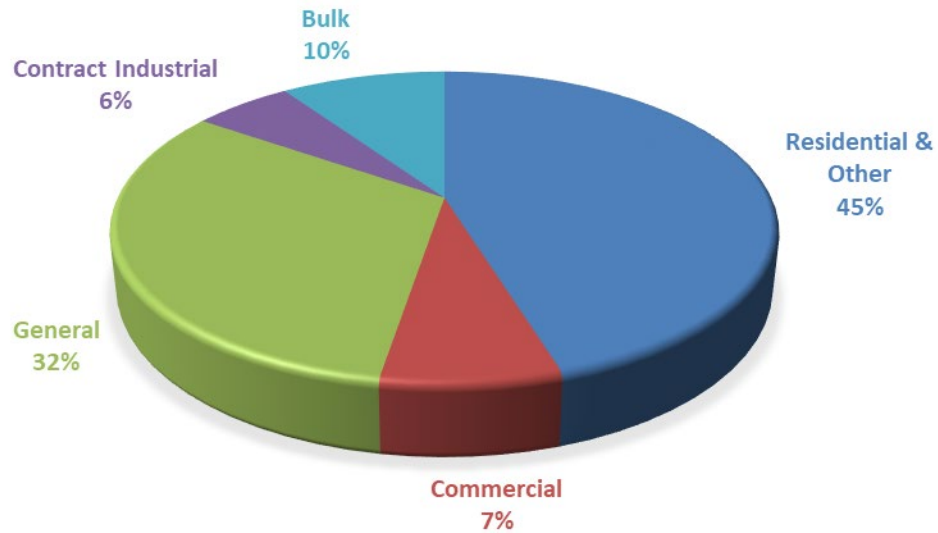
Sales of Electric Energy Year to Date - October 2019 & 2018



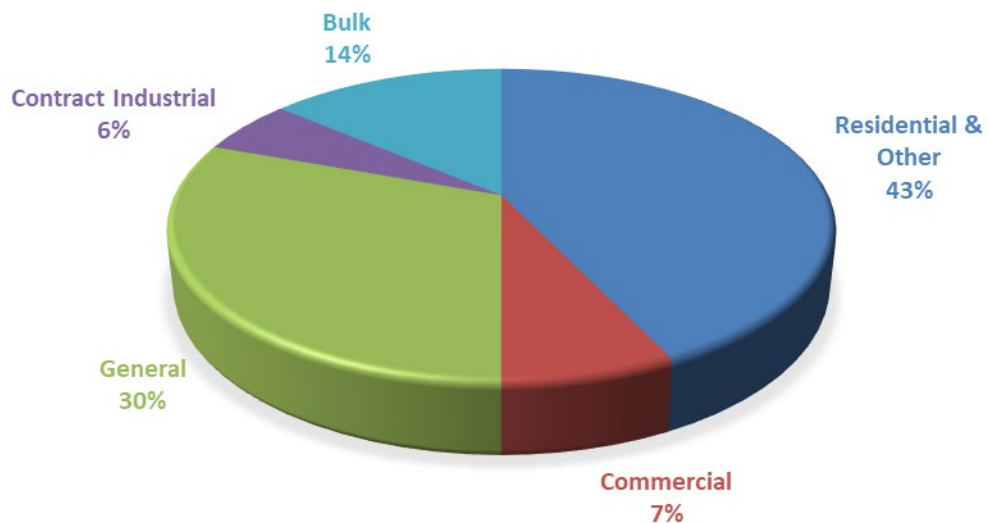
Total Power Billed Year to Date - October 2019 & 2018



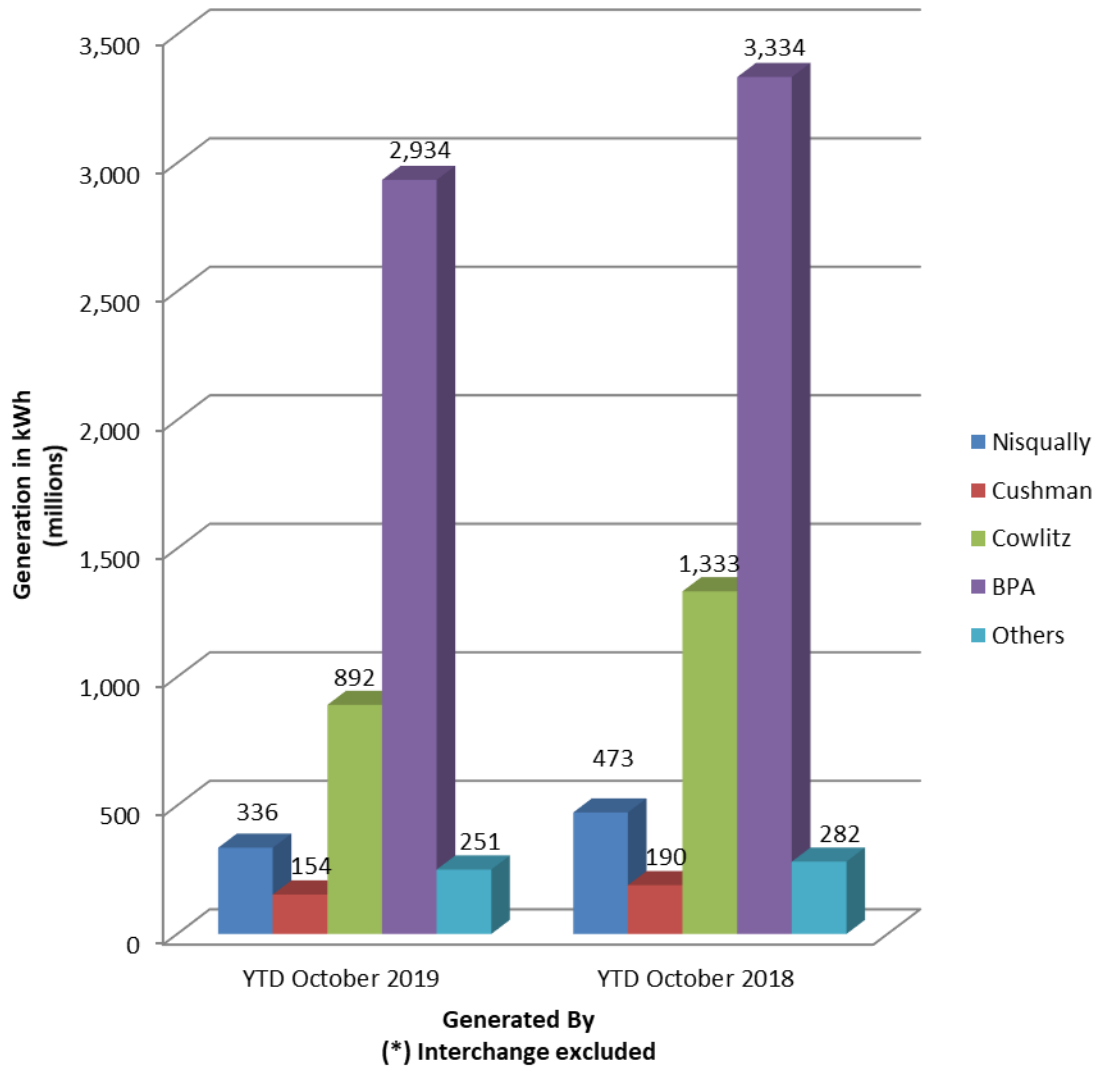
**SALES OF ELECTRIC ENERGY
YEAR TO DATE - OCTOBER 2019 (\$339,978,341)**



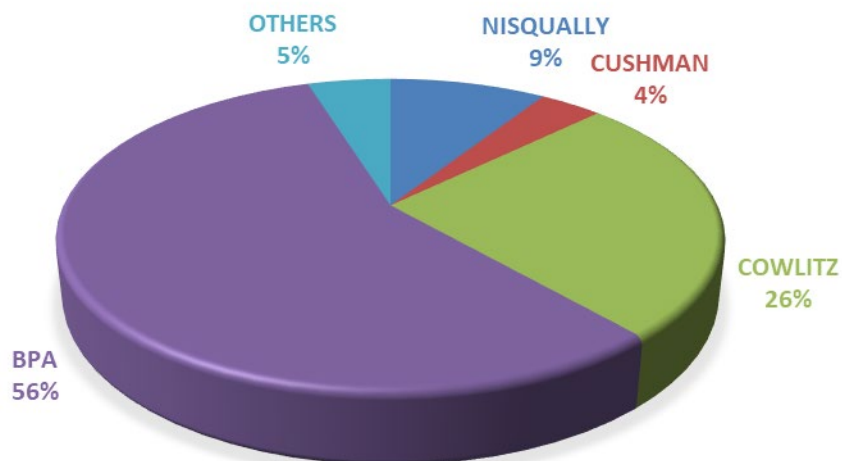
**SALES OF ELECTRIC ENERGY
YEAR TO DATE - OCTOBER 2018 (\$344,336,509)**



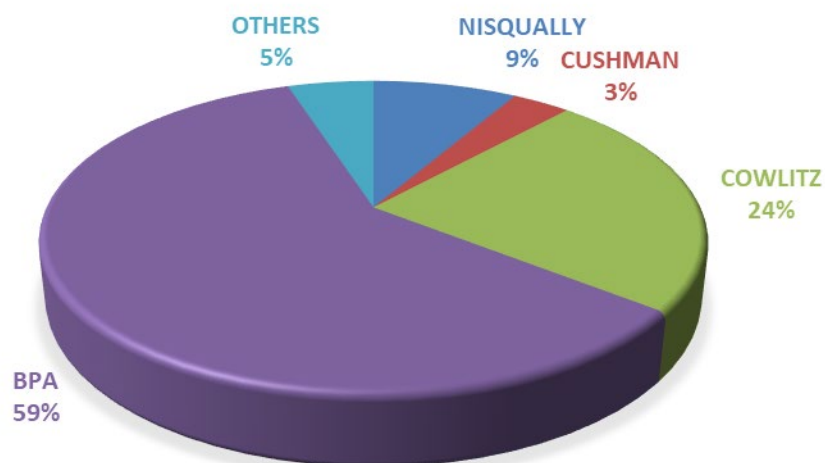
Power Sources (*) Year to Date October 2019 & 2018



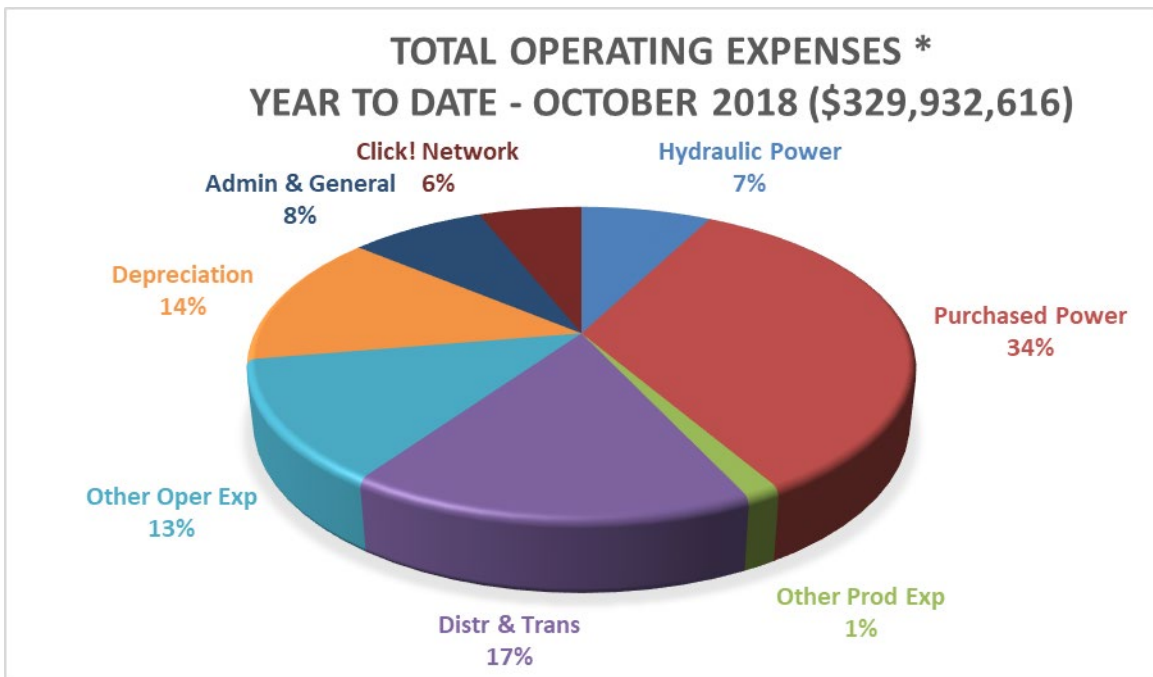
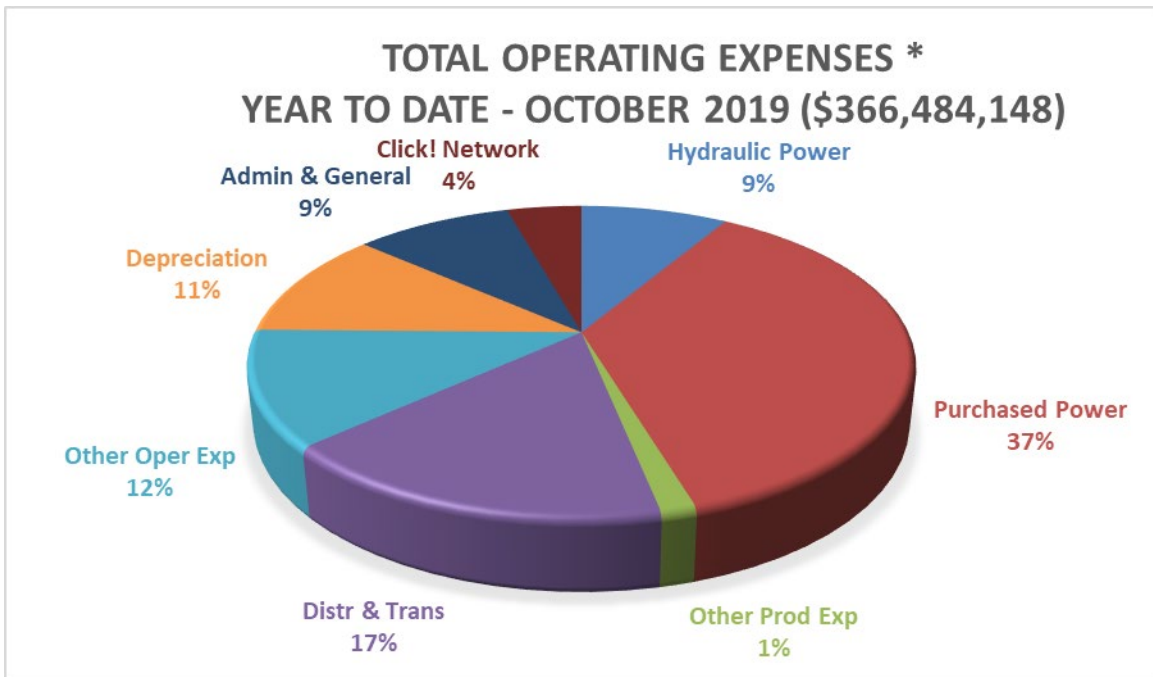
POWER SOURCES (*)
YEAR TO DATE - OCTOBER 2019



POWER SOURCES (*)
YEAR TO DATE - OCTOBER 2018



(*) Interchange excluded



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

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OCTOBER

TACOMA WATER

2019

**FINANCIAL
REPORT**



Public Utility Board

KAREN LARKIN

Chair

BRYAN FLINT

Vice-Chair

MARK PATTERSON

Secretary

CHRISTINE COOLEY

Member

CARLOS M. WATSON

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

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.

Statements of Net Position (Unaudited)	1
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)	3
Summary of Revenues and Billings (Unaudited)	5
Summary of Water Billed (Unaudited)	7
Supplemental Data	10

City of Tacoma, Washington
Department of Public Utilities
Tacoma Water
Statements of Net Position (Unaudited)
October 31, 2019 and October 31, 2018

	October 31,	
	2019	2018
ASSETS		
UTILITY PLANT		
Water Plant in Service	\$1,127,894,423	\$1,109,685,006
Less Depreciation and Amortization	<u>(279,186,944)</u>	<u>(258,390,771)</u>
Total	848,707,479	851,294,235
Construction Work in Progress	<u>21,500,389</u>	<u>19,824,599</u>
Net Utility Plant	<u>870,207,868</u>	<u>871,118,834</u>
NON-UTILITY PROPERTY	492,963	492,963
RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
2009 Construction Fund	28,823	-
2010 Construction Fund	-	10,110,913
2013 Construction Fund	12,977,854	16,306,983
Regional Water Supply System Operating Fund	1,438,820	1,226,266
Provision for Debt Payment	13,571,719	17,738,996
Customer Water Main Deposits	3,420,239	3,349,186
Water Supply Forum Fund	470,167	320,064
Special Bond Reserves	22,114,197	22,107,853
Water Customer Contribution Fund	643,647	624,095
Water Capital Reserves	37,792,236	36,272,955
Water System Development Charge	<u>72,453,724</u>	<u>66,594,033</u>
Total Restricted Assets	164,911,426	174,651,344
CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	70,155,367	64,590,579
Customers' Deposits	308,826	314,190
Receivables:		
Customers	6,021,741	5,938,502
Accrued Unbilled Revenues	5,930,220	5,457,221
Others	1,075,524	2,791,248
BABs Interest Subsidies	1,505,766	1,600,320
Provision for Uncollectible Accounts	(322,224)	(219,687)
Materials and Supplies	2,634,371	2,410,055
Prepayments	<u>1,708,426</u>	<u>1,070,180</u>
Total Current Assets	<u>89,018,017</u>	<u>83,952,608</u>
TOTAL ASSETS	<u>1,124,630,274</u>	<u>1,130,215,749</u>
OTHER ASSETS		
Regulatory Assets - Surcharges	2,056,267	981,105
Net Pension Asset	<u>3,438,481</u>	<u>-</u>
Total Other Assets	5,494,748	981,105
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized Losses on Refunding Bonds	1,020,146	1,207,391
Deferred Outflows for Pensions	4,409,587	8,671,039
Deferred Outflows for OPEB	<u>295,709</u>	<u>-</u>
Total Deferred Outflows	5,725,442	9,878,430
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$1,135,850,464</u>	<u>\$1,141,075,284</u>

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

	October 31,	
	2019	2018
NET POSITION		
Net Investment in Capital Assets	\$446,262,622	\$441,547,329
Restricted for:		
Water Capital Reserves	33,161,849	31,163,563
Water System Development Charge	36,878,277	31,018,586
Debt Service Funds	5,790,924	8,869,836
Pension Asset	3,438,481	-
Unrestricted	71,701,607	64,602,814
TOTAL NET POSITION	597,233,760	577,202,128
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	9,347,691	10,779,875
Net Outstanding Revenue Bonds	367,687,691	376,729,875
PWTF Pre-Construction Loans	320,261	480,435
PWTF Construction Loans	14,297,433	16,834,030
State Drinking Water Loans	57,150,308	61,381,554
Total Long-Term Debt	439,455,693	455,425,894
CURRENT LIABILITIES		
Salaries and Wages Payable	1,325,226	1,176,615
Purchases and Contracts Payable	1,337,503	686,604
Interest Expense Accrued	7,780,795	8,869,160
Taxes Accrued	2,215,901	1,926,327
Customers' and Contractors' Deposits	345,776	353,984
Current Portion of Long-Term Debt	14,710,633	17,786,195
Other Current Liabilities	938,472	3,695,164
Current Accrued Compensated Absences	244,160	229,834
Total Current Liabilities	28,898,466	34,723,883
LONG-TERM LIABILITIES		
Muckleshoot Agreements	6,412,903	6,585,519
Customer Advances for Construction	7,672,227	7,405,737
Unearned Revenue	7,546,873	7,511,981
Other Long-Term Liabilities	1,170,497	4,513,928
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	28,780,836	36,364,190
TOTAL LIABILITIES	497,134,995	526,513,967
DEFERRED INFLOWS OF RESOURCES		
Rate Stabilization	35,575,446	35,575,447
Deferred Inflows for Pensions	5,853,098	1,783,742
Deferred Inflows for OPEB	53,165	-
Total Deferred Inflows	41,481,709	37,359,189
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$1,135,850,464	\$1,141,075,284

City of Tacoma, Washington
Department of Public Utilities
Tacoma Water
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)
October 31, 2019 and October 31, 2018

	OCTOBER 2019	OCTOBER 2018
OPERATING REVENUES		
Sales of Water	\$10,322,946	\$8,512,225
Other Operating Revenues	1,028,148	1,164,934
Contract Resource Obligation Revenue	434,652	372,219
Total Operating Revenues	<u>11,785,746</u>	<u>10,049,378</u>
OPERATING EXPENSES		
Production Expense:		
Source of Supply	591,258	711,564
Water Treatment	576,927	562,144
Total Production Expense	<u>1,168,185</u>	<u>1,273,708</u>
Power Pumping Expense	84,113	34,370
Transmission and Storage Expense	155,817	254,422
Distribution Expense	1,166,798	1,100,478
Customer Accounting and Consumer Service	450,641	491,171
Taxes	541,461	484,633
Depreciation	2,104,674	2,057,529
Administrative and General	981,843	889,091
Total Operating Expenses	<u>6,653,532</u>	<u>6,585,402</u>
OPERATING INCOME (LOSS)	5,132,214	3,463,976
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	419,734	350,108
Miscellaneous	409,136	14,453
Interest on Long-Term Debt	(1,427,691)	(1,321,611)
Interest on Long-Term Debt BABs Sub	(185,959)	(320,064)
Amortization Of Debt Premium	102,307	110,934
Interest Charged to Construction	(27)	71,282
Total Non-Operating Revenues (Expenses)	<u>(682,500)</u>	<u>(1,094,898)</u>
Net Income (Loss) Before Capital Contributions and Transfers	4,449,714	2,369,078
Capital Contributions:		
Cash	373,218	2,505,340
Donated Fixed Assets		221,620
Federal BABs Subsidies	126,425	320,064
Transfers:		
City Gross Earnings Tax	(911,085)	(768,046)
Transfer from (to) Other Funds	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u>\$4,038,272</u>	<u>\$4,648,056</u>
NET POSITION - JANUARY 1		
TOTAL NET POSITION - OCTOBER 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
OCTOBER 31, 2019	OCTOBER 31, 2018		
\$74,439,083	\$73,486,877	\$952,206	1.3%
9,248,606	9,536,287	(287,681)	-3.0%
4,078,892	3,613,158	465,734	12.9%
87,766,581	86,636,322	1,130,259	1.3%
5,728,859	6,294,544	(565,685)	-9.0%
5,855,591	5,623,726	231,865	4.1%
11,584,450	11,918,270	(333,820)	-2.8%
658,138	472,363	185,775	39.3%
1,819,726	1,978,822	(159,096)	-8.0%
12,023,933	11,035,247	988,686	9.0%
4,280,832	4,333,888	(53,056)	-1.2%
4,394,666	4,385,572	9,094	0.2%
21,056,342	22,003,234	(946,892)	-4.3%
9,945,987	9,021,459	924,528	10.2%
65,764,074	65,148,855	615,219	0.9%
22,002,507	21,487,467	515,040	2.4%
5,233,847	4,365,366	868,481	19.9%
1,096,194	268,980	827,214	307.5%
(13,166,030)	(13,375,469)	209,439	1.6%
(3,007,001)	(3,095,018)	88,017	2.8%
1,023,068	1,109,338	(86,270)	-7.8%
(32,338)	429,423	(461,761)	-107.5%
(8,852,260)	(10,297,380)	1,445,120	14.0%
13,150,247	11,190,087	1,960,160	17.5%
5,662,410	9,069,230	(3,406,820)	-37.6%
601,158	3,647,590	(3,046,432)	-83.5%
3,007,001	3,095,018	(88,017)	-2.8%
(6,925,413)	(6,547,590)	(377,823)	-5.8%
-	31,158	(31,158)	NA
15,495,403	20,485,493	(4,990,090)	-24.4%
581,738,357	556,716,635	25,021,722	
\$597,233,760	\$577,202,128	\$20,031,632	3.5%

City of Tacoma, Washington
Department of Public Utilities
Tacoma Water
Summary of Revenues and Billings (Unaudited)
October 31, 2019 and October 31, 2018

	<u>OCTOBER 2019</u>	<u>OCTOBER 2018</u>
SALES OF WATER		
Residential and Domestic	\$7,462,816	\$5,731,550
Commercial and Industrial	2,012,253	1,907,229
Special Rate	617,270	640,580
Wholesale	<u>230,607</u>	<u>232,866</u>
Total	<u><u>\$10,322,946</u></u>	<u><u>\$8,512,225</u></u>
BILLINGS (NUMBER OF MONTHS BILLED)		
Residential and Domestic	135,709	107,078
Commercial and Industrial	8,276	6,976
Wholesale	<u>16</u>	<u>15</u>
Total	<u><u>144,001</u></u>	<u><u>114,069</u></u>

YEAR TO DATE		2019 OVER (UNDER) 2018	PERCENT CHANGE
OCTOBER 31, 2019	OCTOBER 31, 2018		
\$49,537,792	\$48,423,643	\$1,114,149	2.3%
16,847,254	16,626,959	220,295	1.3%
5,732,805	5,700,158	32,647	0.6%
<u>2,321,232</u>	<u>2,736,117</u>	<u>(414,885)</u>	-15.2%
<u>\$74,439,083</u>	<u>\$73,486,877</u>	<u>\$952,206</u>	1.3%
990,876	972,208	18,668	1.9%
67,810	66,852	958	1.4%
<u>157</u>	<u>150</u>	<u>7</u>	4.7%
<u>1,058,843</u>	<u>1,039,210</u>	<u>19,633</u>	1.9%

City of Tacoma, Washington
Department of Public Utilities
Tacoma Water
Summary of Water Billed (Unaudited)
October 31, 2019 and October 31, 2018

	MILLION GALLONS, TOTAL			
	OCTOBER 2019	OCTOBER 2018	YEAR TO DATE	
			OCTOBER 31, 2019	OCTOBER 31, 2018
WATER BILLED				
Residential and Domestic	1,101.28	890.58	7,321.82	7,425.14
Commercial and Industrial	353.26	345.41	2,912.51	2,950.46
Special Rate	504.16	516.95	4,802.23	4,835.36
Wholesale	70.21	70.73	723.31	715.34
	<u>2,028.91</u>	<u>1,823.67</u>	<u>15,759.87</u>	<u>15,926.30</u>

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

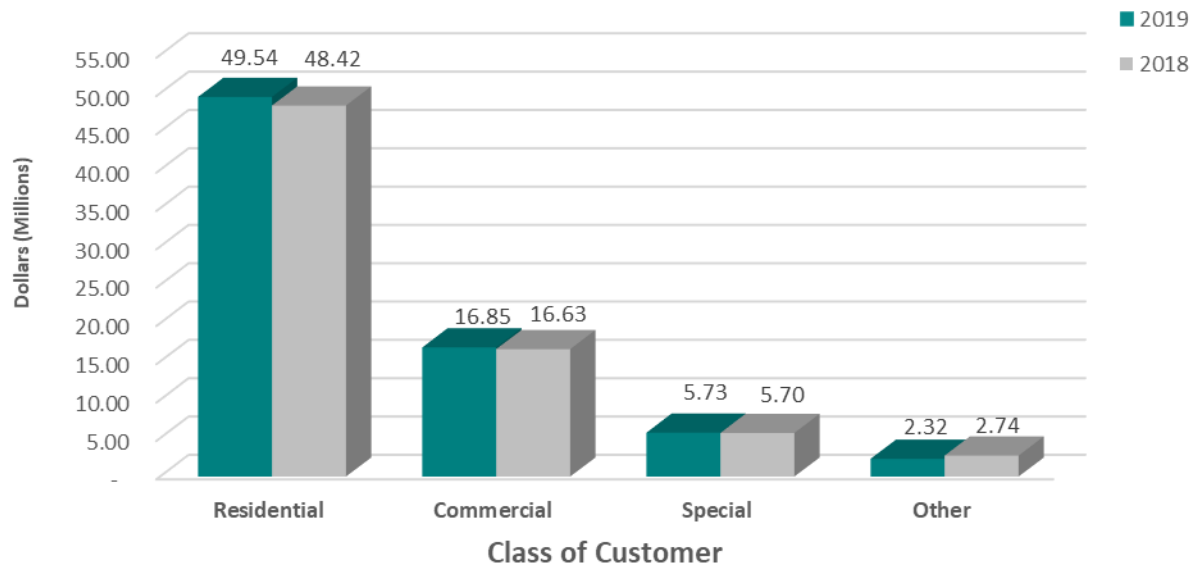
MILLION GALLONS, AVERAGE DAILY

<u>OCTOBER 2019</u>	<u>OCTOBER 2018</u>
26.10	28.73
12.51	11.14
16.98	16.68
<u>2.91</u>	<u>2.28</u>
<u>58.50</u>	<u>58.83</u>

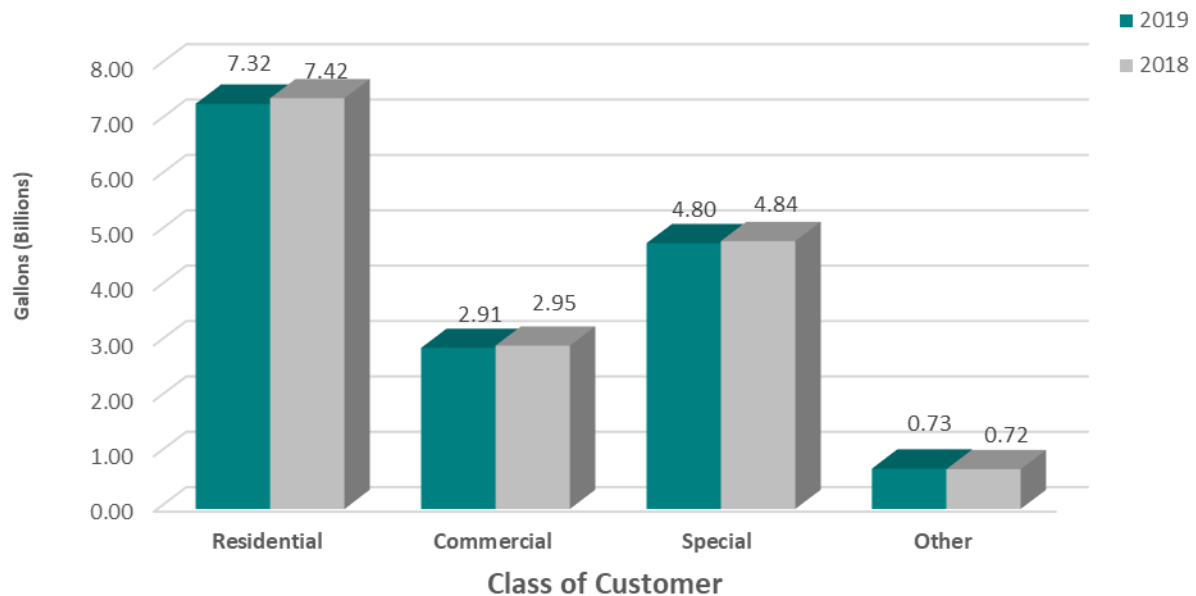
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Supplemental Data

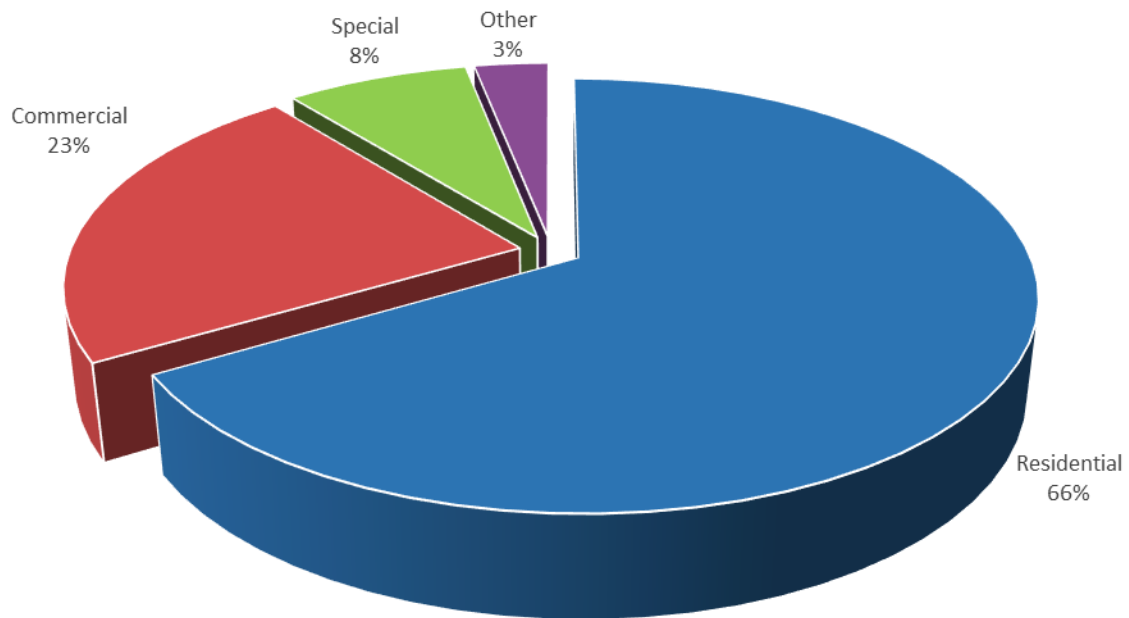
WATER SALES Year to Date - October 2019 & 2018



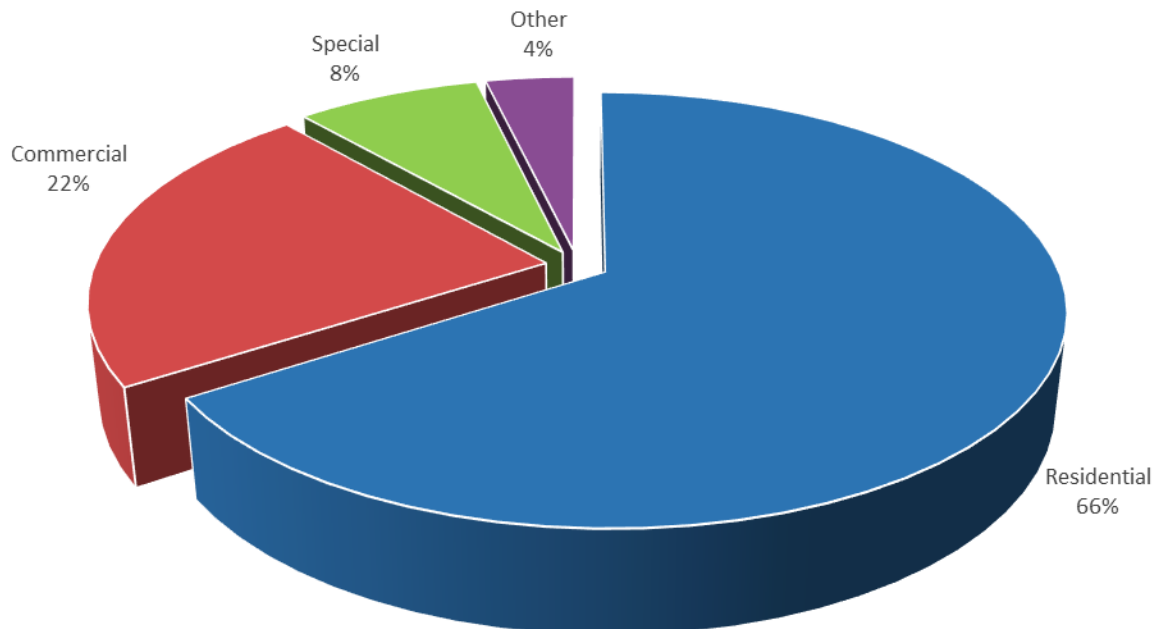
WATER CONSUMPTION Year to Date - October 2019 & 2018



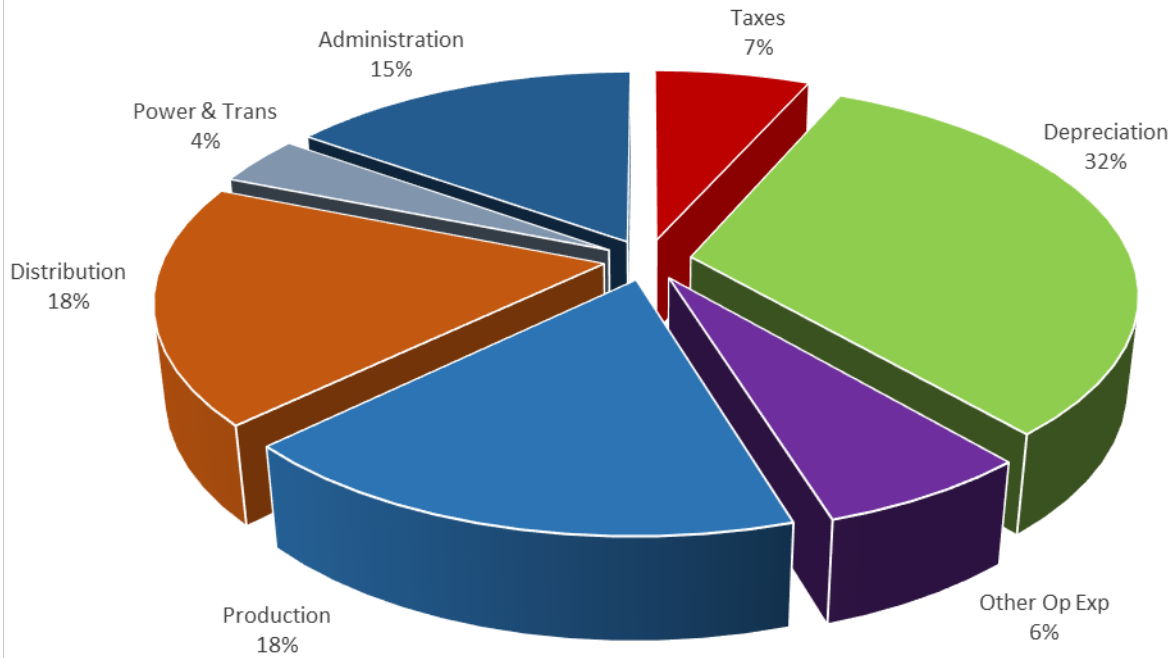
WATER SALES
Year to Date - October 2019
(\$74,439,083)



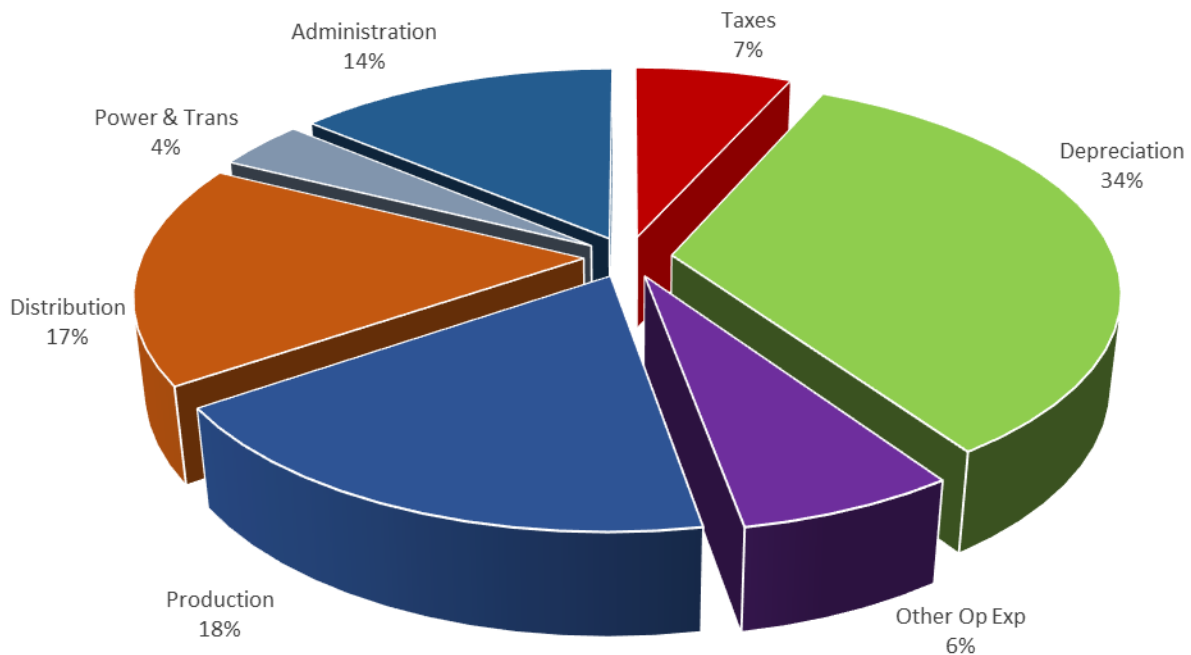
WATER SALES
Year to Date - October 2018
(\$73,486,877)



TOTAL OPERATING EXPENSES
Year to Date - October 2019
(\$65,764,074)



TOTAL OPERATING EXPENSES
Year to Date - October 2018
(\$65,148,855)



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OCTOBER

TACOMA RAIL

2019

**INTERIM
FINANCIAL
REPORT**



Public Utility Board

KAREN LARKIN

Chair

BRYAN FLINT

Vice-Chair

MARK PATTERSON

Secretary

CHRISTINE COOLEY

Member

CARLOS M. WATSON

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

TABLE OF CONTENTS

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Statements of Net Position (Unaudited)1

Statements of Revenues, Expenses and Changes in Net Position (Unaudited)3

Summary of Switching Revenues and Switching Activities (Unaudited).....5

Supplemental Data8

City of Tacoma, Washington
Department of Public Utilities
Tacoma Rail
Statements of Net Position (Unaudited)
October 31, 2019 and October 31, 2018

ASSETS	<u>2019</u>	<u>2018</u>
CAPITAL ASSETS		
Road and Equipment Property	\$47,028,504	\$46,585,758
Less Accumulated Depreciation	<u>(23,175,705)</u>	<u>(21,506,618)</u>
Total	23,852,799	25,079,140
Construction Work in Progress	<u>1,929,467</u>	<u>670,204</u>
Net Capital Assets	25,782,266	25,749,344
CURRENT ASSETS		
Cash & Equity in Pooled Investments	15,855,026	12,523,860
Customer Accounts Receivable	3,499,910	3,168,161
Prepayments	891,525	297,968
Materials and Supplies Inventory	<u>1,201,247</u>	<u>1,249,325</u>
Total Current Assets	21,447,708	17,239,314
DEFERRED OUTFLOWS		
Deferred Outflows for OPEB	<u>993,546</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$48,223,520</u></u>	<u><u>\$42,988,658</u></u>

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

NET POSITION AND LIABILITIES	2019	2018
NET POSITION		
Net Investment in Capital Assets	\$21,288,026	\$20,434,860
Unrestricted	3,192,753	10,611,397
TOTAL NET POSITION	24,480,779	31,046,257
LONG-TERM DEBT, NET OF CURRENT MATURITIES		
State Loans	3,673,990	4,494,234
Total Long-Term Liabilities	3,673,990	4,494,234
CURRENT LIABILITIES		
Accounts Payable	703,300	537,411
Customer Deposits	40,000	-
Wages Payable	618,134	571,109
Unemployment and other Tax Payables	341,327	296,488
Volume Incentive Payable	250,000	83,334
Current Portion of Long Term Debt	820,250	820,250
Current Portion of Compensated Absences	118,329	112,418
Total Current Liabilities	2,891,340	2,421,010
LONG-TERM LIABILITIES		
On the Job Injury Reserve	825,993	817,990
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	16,887,609	5,027,157
TOTAL LIABILITIES	23,452,939	11,942,401
DEFERRED INFLOWS		
Deferred Inflows for OPEB	289,802	-
TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS	\$48,223,520	\$42,988,658

City of Tacoma, Washington
Department of Public Utilities
Tacoma Rail
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)
October 31, 2019 and October 31, 2018

	OCTOBER 2019	OCTOBER 2018
OPERATING REVENUES		
Switching Revenues	\$2,414,622	\$2,249,837
Demurrage and Other Operating Revenues	618,002	469,681
Total Operating Revenues	3,032,624	2,719,518
OPERATING EXPENSES		
Maintenance of Way and Structures		
Salaries and Wages	84,009	85,867
Supplies and Expense	222,999	169,746
Mechanical		
Salaries and Wages	191,643	175,765
Supplies and Expense	623,140	438,966
Operations		
Salaries and Wages	847,414	854,725
Supplies and Expense	11,813	124,645
Administration		
Salaries and Wages	238,128	202,490
Supplies and Expense	285,214	270,388
Taxes - State	41,022	38,025
Depreciation	146,401	144,998
Total Operating Expenses	2,691,783	2,505,615
Net Operating Income	340,841	213,903
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	27,263	16,800
Miscellaneous	74,103	84,169
Total Non-Operating Revenues	101,366	100,969
Contributions - Grants	4,271	-
Total Contributions	4,271	-
Transfers		
City of Tacoma Gross Earnings Tax	(250,719)	(225,639)
CHANGE IN NET POSITION	\$195,759	\$89,233
TOTAL NET POSITION - JANUARY 1		
TOTAL NET POSITION - OCTOBER 31		

YEAR TO DATE			
OCTOBER 31, 2019	OCTOBER 31, 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$24,843,406	\$23,060,306	\$1,783,100	7.7%
5,302,936	4,343,956	958,980	22.1%
30,146,342	27,404,262	2,742,080	10.0%
853,595	759,808	93,787	12.3%
1,070,280	1,254,099	(183,819)	-14.7%
1,912,774	1,645,713	267,061	16.2%
4,100,400	3,336,955	763,445	22.9%
8,443,716	8,168,637	275,079	3.4%
1,135,959	1,246,754	(110,795)	-8.9%
2,160,518	2,133,471	27,047	1.3%
3,453,674	3,061,298	392,376	12.8%
418,383	384,100	34,283	8.9%
1,530,176	1,448,095	82,081	5.7%
25,079,475	23,438,930	1,640,545	7.0%
5,066,867	3,965,332	1,101,535	27.8%
288,107	178,520	109,587	61.4%
771,020	896,811	(125,791)	-14.0%
1,059,127	1,075,331	(16,204)	-1.5%
33,439	112,306	(78,867)	-70.2%
33,439	112,306	(78,867)	-70.2%
(2,492,367)	(2,274,087)	(218,280)	-9.6%
3,667,066	2,878,882	788,184	27.4%
20,813,713	28,167,375		
<u>\$24,480,779</u>	<u>\$31,046,257</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)
October 31, 2019 and October 31, 2018

	October 2019	October 2018
SWITCHING REVENUES		
LINE HAULS--INTERMODAL	\$940,086	\$955,552
LINE HAULS--COMMERCIAL	1,290,262	1,066,395
LINE HAULS--CAPITAL DIVISION	41,040	38,760
MISCELLANEOUS SWITCHES	<u>143,234</u>	<u>189,130</u>
TOTAL SWITCHING REVENUES	<u><u>\$2,414,622</u></u>	<u><u>\$2,249,837</u></u>
 SWITCHING ACTIVITIES (CARS)		
LINE HAULS--INTERMODAL	5,621	5,713
LINE HAULS--COMMERCIAL	2,397	2,137
LINE HAULS--CAPITAL DIVISION	72	68
MISCELLANEOUS SWITCHES	<u>1,153</u>	<u>1,132</u>
TOTAL CARS SWITCHED	<u><u>9,243</u></u>	<u><u>9,050</u></u>

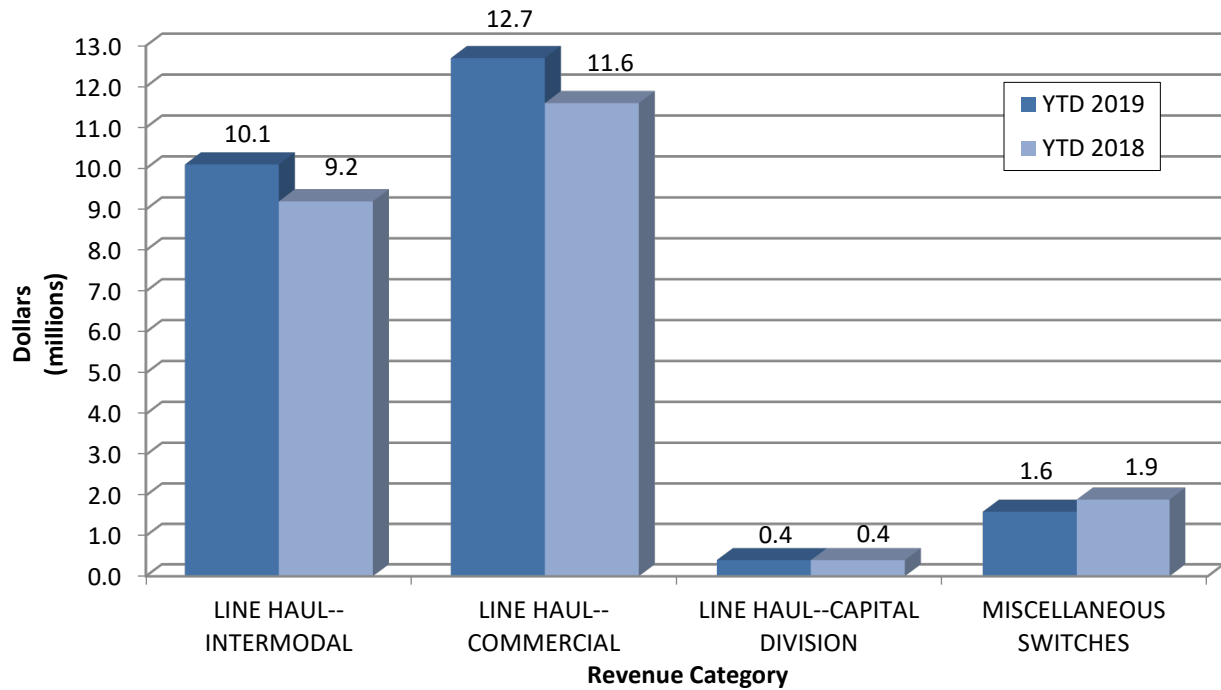
YEAR TO DATE			
October 31, 2019	October 31, 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$10,147,404	\$9,171,334	\$976,070	10.6%
12,734,542	11,651,592	1,082,950	9.3%
387,030	359,503	27,527	7.7%
<u>1,574,431</u>	<u>1,877,877</u>	<u>(303,446)</u>	-16.2%
<u><u>\$24,843,407</u></u>	<u><u>\$23,060,306</u></u>	<u><u>\$1,783,101</u></u>	7.7%
59,971	54,175	5,795	10.7%
26,315	23,085	3,230	14.0%
679	648	31	4.8%
<u>9,900</u>	<u>11,203</u>	<u>(1,303)</u>	-11.6%
<u><u>96,865</u></u>	<u><u>89,111</u></u>	<u><u>7,753</u></u>	8.7%

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Supplemental Data

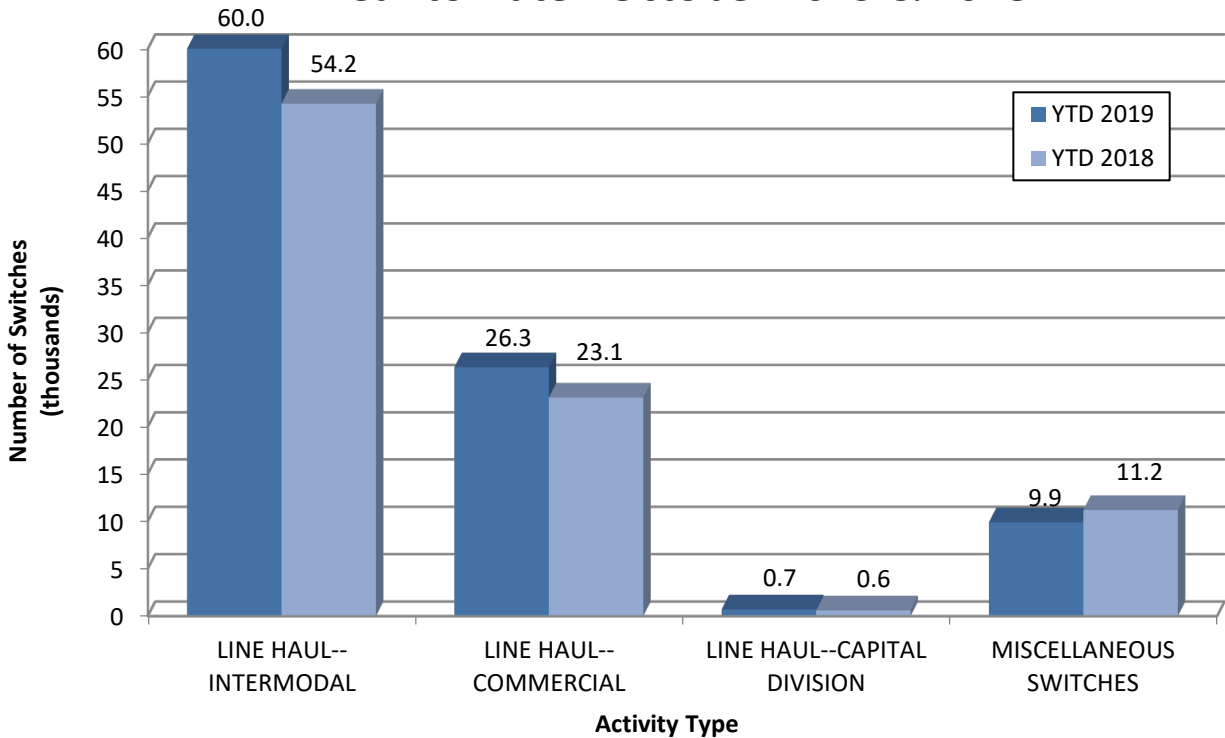
SWITCHING REVENUES

Year to Date - October 2019 & 2018

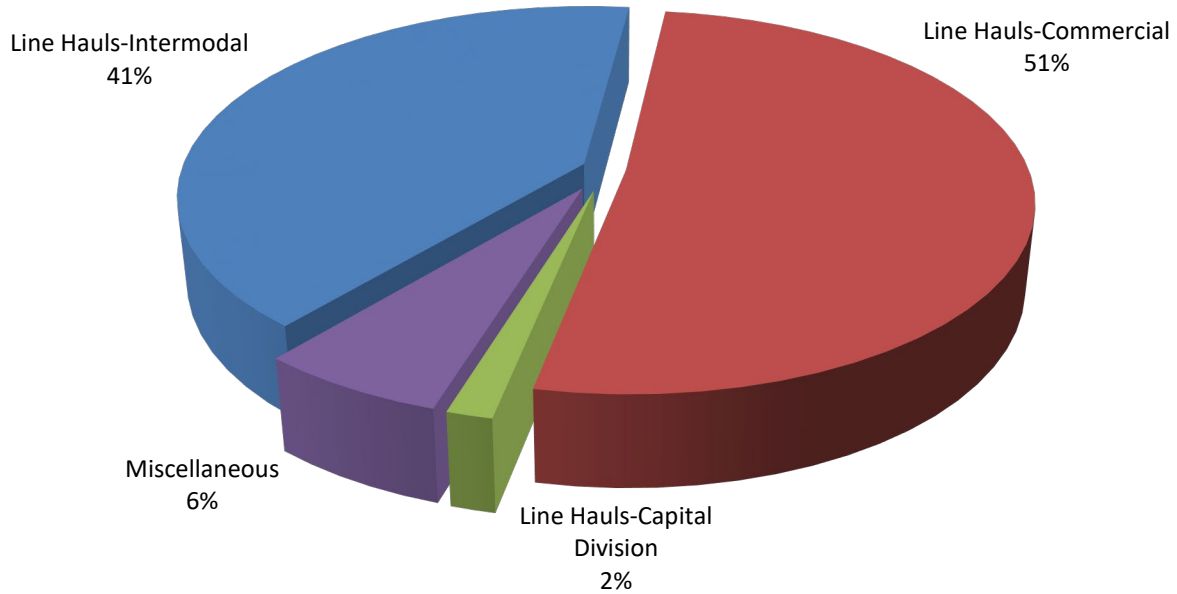


SWITCHING ACTIVITIES

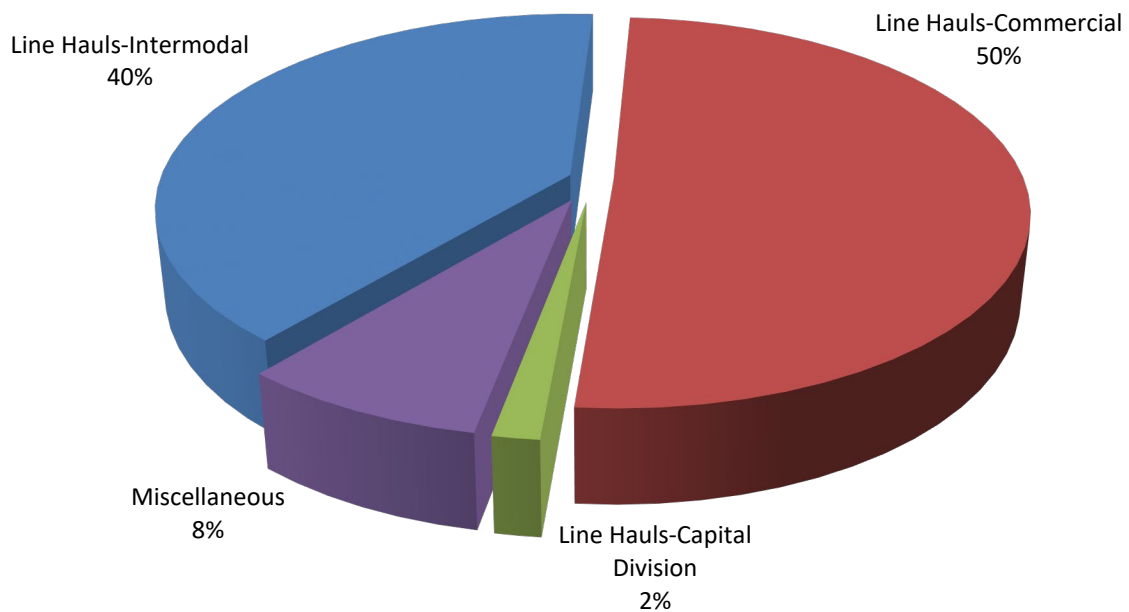
Year to Date - October 2019 & 2018



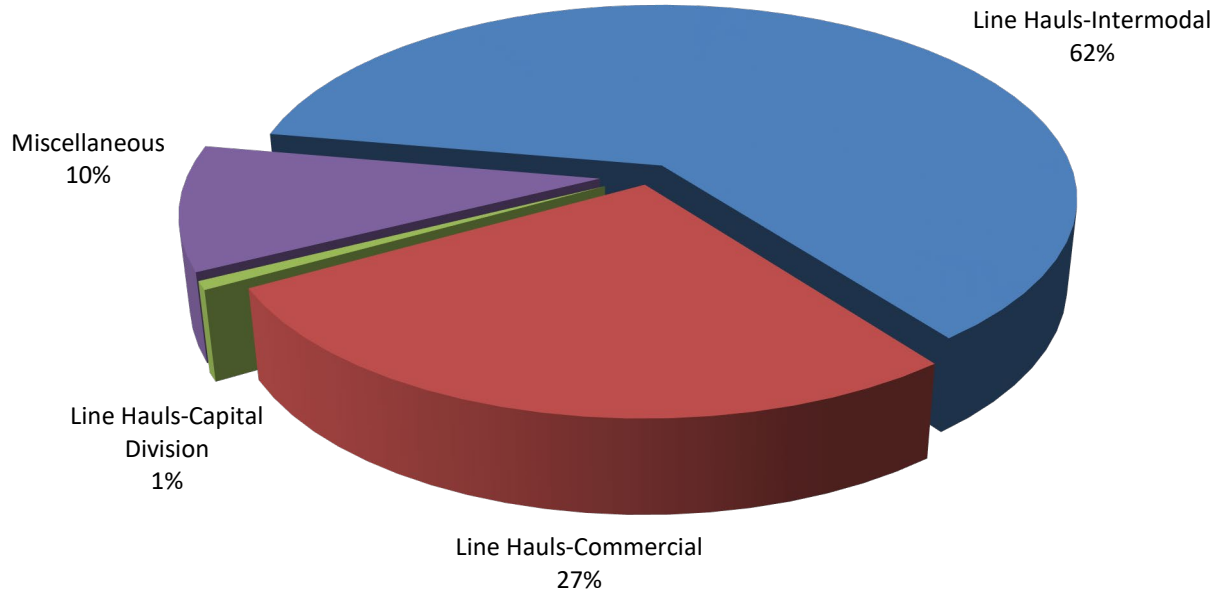
SWITCHING REVENUES
Year to Date - October 2019 (\$24,843,407)



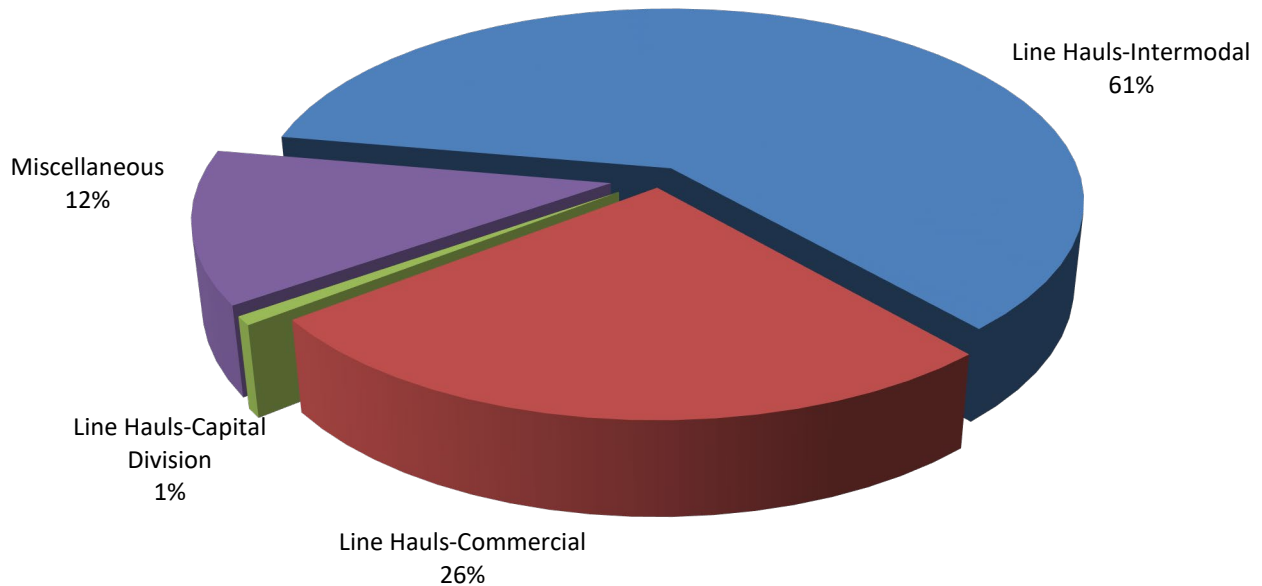
SWITCHING REVENUES
Year to Date - October 2018 (\$23,060,306)



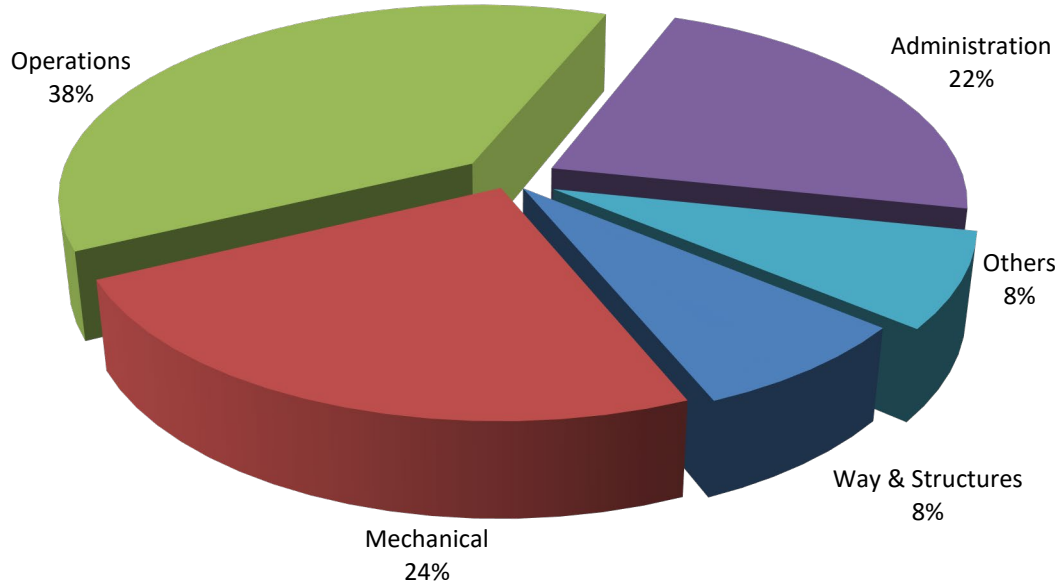
SWITCHING ACTIVITY
Year to Date - October 2019 (96,865 cars)



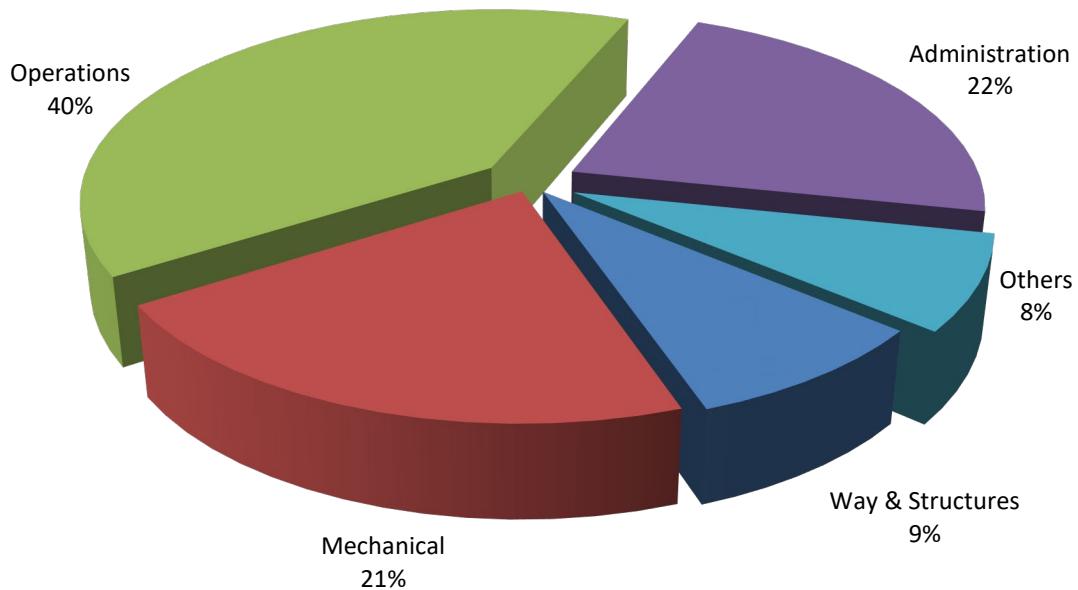
SWITCHING ACTIVITY
Year to Date - October 2018 (89,111 cars)



TOTAL OPERATING EXPENSES
Year to Date - October 2019 (\$25,079,475)



TOTAL OPERATING EXPENSES
Year to Date - October 2018 (\$23,438,930)





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OCTOBER

FLEET SERVICES FUND

2019

**INTERIM
FINANCIAL
REPORT**



Public Utility Board

KAREN LARKIN

Chair

BRYAN FLINT

Vice-Chair

MARK PATTERSON

Secretary

CHRISTINE COOLEY

Member

CARLOS M. WATSON

Member

JACKIE FLOWERS

Director of Utilities

DON ASHMORE

Utilities Fleet Manager

ANDREW CHERULLO

Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES

FLEET SERVICES FUND

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.

Statements of Net Position (Unaudited)1

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

Supplemental Data6

City of Tacoma, Washington
Department of Public Utilities
Fleet Services Fund
Statements of Net Position (Unaudited)
October 31, 2019 and October 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	48,910,318	46,724,372
Power-Operated Equipment	16,556,949	16,749,357
Accumulated Depreciation	<u>(40,928,591)</u>	<u>(39,124,606)</u>
Total Fixed Assets	25,874,988	25,685,435
Construction Work in Progress	<u>864,214</u>	<u>915,283</u>
Net Fixed Assets	26,739,202	26,600,718
CURRENT		
Current Fund Cash & Equity in Pooled Investments	16,902,796	16,392,499
Materials and Supplies	<u>378,180</u>	<u>345,865</u>
Total Current Assets	17,280,976	16,738,364
OTHER ASSETS		
Net Pension Asset	<u>367,979</u>	<u>-</u>
TOTAL ASSETS	<u>44,388,157</u>	<u>43,339,082</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows for Pension	<u>471,904</u>	<u>915,881</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u><u>\$44,860,061</u></u>	<u><u>\$44,254,963</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	\$26,739,202	\$26,600,718
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>(9,671,781)</u>	<u>(10,226,703)</u>
TOTAL NET POSITION	43,711,826	42,650,441
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable & Other	161,374	183,859
Wages Payable	<u>153,780</u>	<u>148,154</u>
Total Current Liabilities	315,154	332,013
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>521,850</u>	<u>1,416,114</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><u>\$44,860,061</u></u>	<u><u>\$44,254,963</u></u>

City of Tacoma, Washington
Department of Public Utilities
Fleet Services Fund
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)
October 31, 2019 and October 31, 2018

	OCTOBER 2019	OCTOBER 2018
OPERATING REVENUE		
Maintenance Revenue	\$247,908	\$208,672
Capital Recovery	307,086	213,684
Administrative Overhead	114,058	112,579
Fuel and Fuel Loading	5,887	6,951
Pool Car Rental	13,964	16,541
Total Operating Revenue	<u>688,903</u>	<u>558,427</u>
OPERATING EXPENSES		
Repairs and Servicing		
Shop Operations	208,486	219,019
Outside Services	206	124
Total Repairs and Servicing	<u>208,692</u>	<u>219,143</u>
Stores Operations	28,144	32,498
Administration	140,693	136,517
Depreciation	322,775	287,498
Total Operating Expenses	<u>700,304</u>	<u>675,656</u>
OPERATING INCOME	(11,401)	(117,229)
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	7,452	6,109
Gain (Loss) on Disposition of Equipment	6,063	-
Sale of Scrap	-	-
Total Non-Operating Revenues (Expenses)	<u>13,515</u>	<u>6,109</u>
CHANGE IN NET POSITION	<u>\$2,114</u>	<u>(\$111,120)</u>
TOTAL NET POSITION - JANUARY 1		
TOTAL NET POSITION - OCTOBER 31		

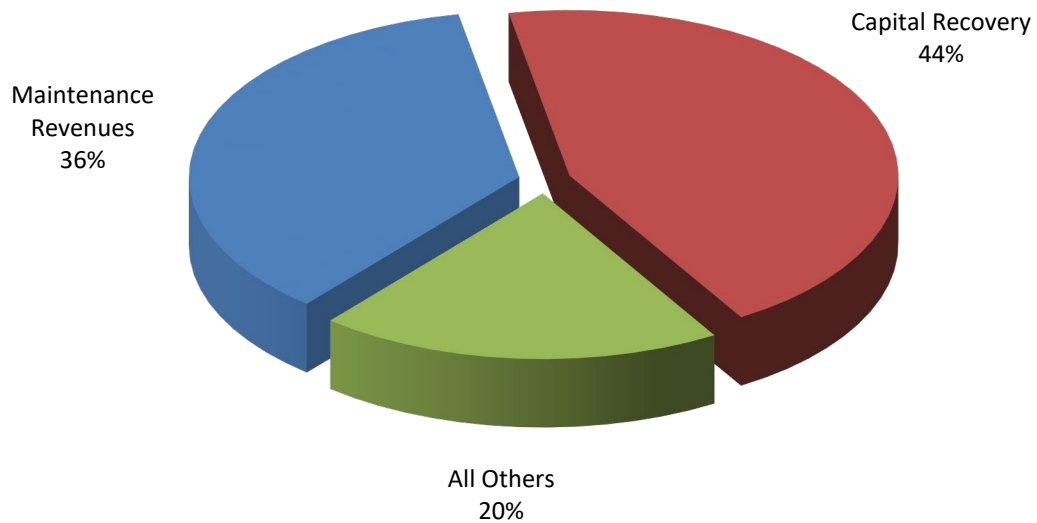
YEAR TO DATE			
OCTOBER 2019	OCTOBER 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$2,478,650	\$1,680,490	\$798,160	47.5%
3,053,136	2,107,022	946,114	44.9%
1,197,770	1,121,358	76,412	6.8%
51,000	55,930	(4,930)	-8.8%
116,774	108,003	8,771	8.1%
6,897,330	5,072,803	1,824,527	36.0%
2,029,700	1,980,432	49,268	2.5%
28,940	47,520	(18,580)	-39.1%
2,058,640	2,027,952	30,688	1.5%
220,273	277,425	(57,152)	-20.6%
1,271,498	1,593,266	(321,768)	-20.2%
3,169,810	2,966,435	203,375	6.9%
6,720,221	6,865,078	(144,857)	-2.1%
177,109	(1,792,275)	1,969,384	-109.9%
161,161	189,354	(28,193)	-14.9%
109,265	185,876	(76,611)	-41.2%
1,300	555	745	134.2%
271,726	375,785	(104,059)	-27.7%
448,835	(1,416,490)	1,865,325	-131.7%
43,262,991	44,066,931		
<u>\$43,711,826</u>	<u>\$42,650,441</u>		

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

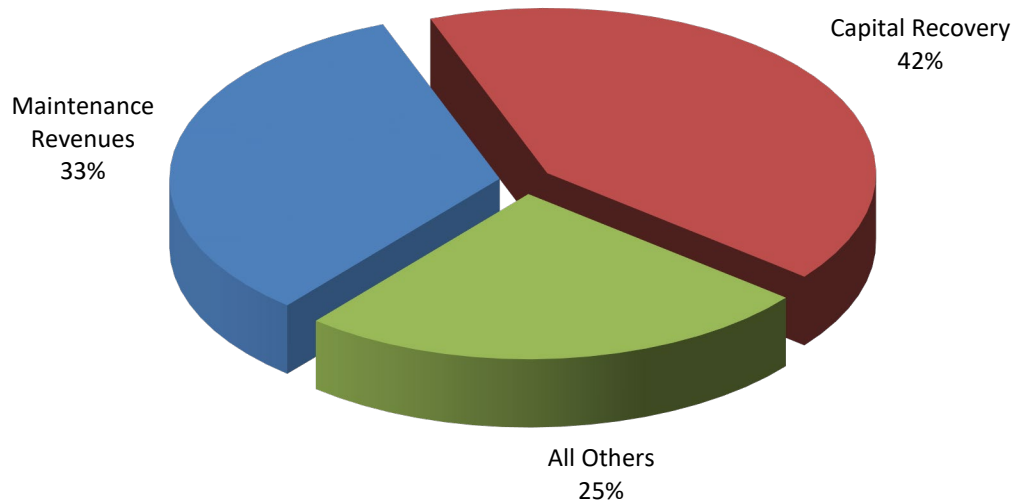
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Supplemental Data

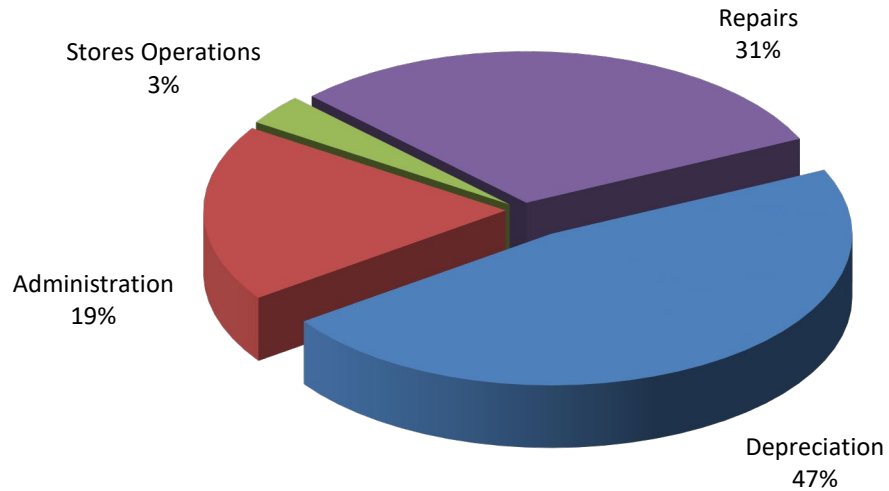
TOTAL OPERATING REVENUES
Year to Date - October 2019 (\$6,897,330)



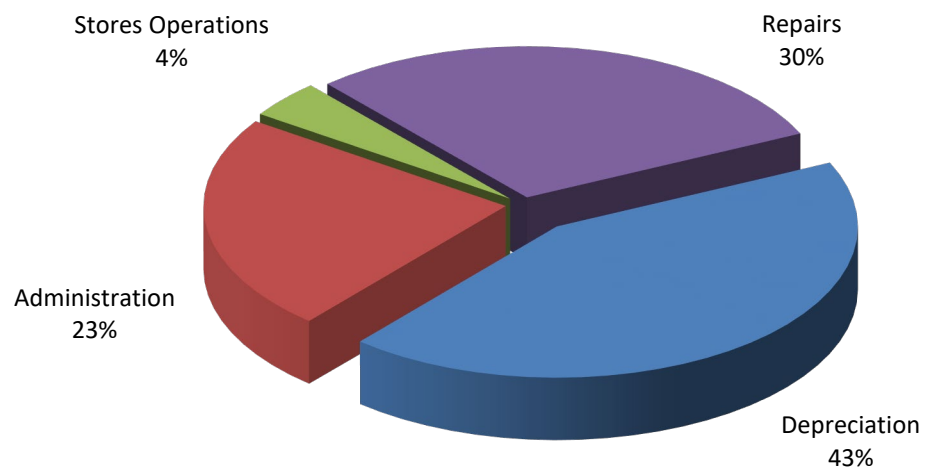
TOTAL OPERATING REVENUES
Year to Date - October 2018 (\$5,072,803)



TOTAL OPERATING EXPENSES
Year to Date - October 2019 (\$6,720,221)



TOTAL OPERATING EXPENSES
Year to Date - October 2018 (\$6,865,078)





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OCTOBER

SELF-INSURANCE CLAIM FUND

2019

**INTERIM
FINANCIAL
REPORT**



Public Utility Board

KAREN LARKIN

Chair

BRYAN FLINT

Vice-Chair

MARK PATTERSON

Secretary

CHRISTINE COOLEY

Member

CARLOS M. WATSON

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

SELF-INSURANCE CLAIM FUND

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.

Statements of Net Position (Unaudited)	1
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)	2

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City of Tacoma, Washington
Department of Public Utilities
Self-Insurance Claim Fund

Statements of Net Position (Unaudited)
October 31, 2019 and October 31, 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
CURRENT		
Cash and Equity in Pooled Investments	<u>\$8,761,126</u>	<u>\$7,828,909</u>
TOTAL ASSETS	<u><u>\$8,761,126</u></u>	<u><u>\$7,828,909</u></u>
 NET POSITION AND LIABILITIES		
NET POSITION		
Restricted:		
Interfund Contributions	<u>\$4,890,623</u>	<u>\$1,561,186</u>
TOTAL NET POSITION	4,890,623	1,561,186
CURRENT LIABILITIES		
Accounts Payable Claims	3,868,619	6,264,230
Accounts Payable Claims Handling	<u>1,884</u>	<u>3,493</u>
TOTAL LIABILITIES	<u>3,870,503</u>	<u>6,267,723</u>
TOTAL NET POSITION AND LIABILITIES	<u><u>\$8,761,126</u></u>	<u><u>\$7,828,909</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 (Unaudited)
October 31, 2019 and October 31, 2018

	OCTOBER 2019	OCTOBER 2018
INCOME		
Premiums	\$153,333	\$128,333
Interest	15,651	11,767
TOTAL INCOME	168,984	140,100
EXPENSES		
Claims	18,486	7,074
Litigation Expense and Settlements	4,961	30,499
Incidental and Administrative Expense	6,352	7,793
TOTAL EXPENSES	29,799	45,366
CHANGE IN NET POSITION	\$139,185	\$94,734
TOTAL NET POSITION - JANUARY 1		
TOTAL NET POSITION - OCTOBER 31		

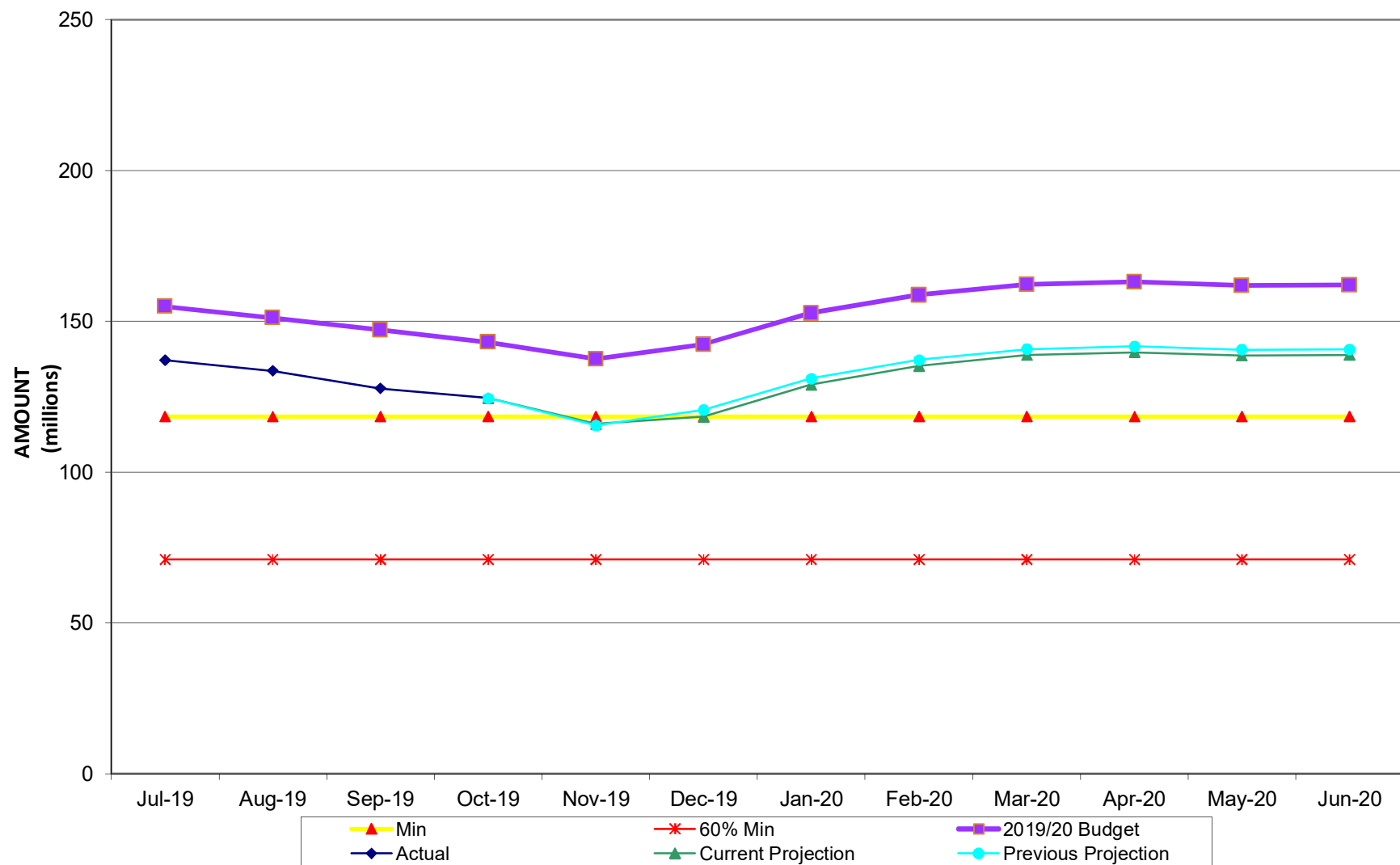
YEAR-TO-DATE			
OCTOBER 2019	OCTOBER 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$1,533,333	\$2,983,333	(\$1,450,000)	-48.6%
187,090	137,172	49,918	36.4%
1,720,423	3,120,505	(1,400,082)	-44.9%
(896,971)	2,450,918	(3,347,889)	-136.6%
328,305	112,181	216,124	192.7%
94,156	146,628	(52,472)	-35.8%
(474,510)	2,709,727	(3,184,237)	-117.5%
2,194,933	410,778	1,784,155	434.3%
2,695,690	1,150,408	1,545,282	
<u>\$4,890,623</u>	<u>\$1,561,186</u>	<u>\$3,329,437</u>	

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

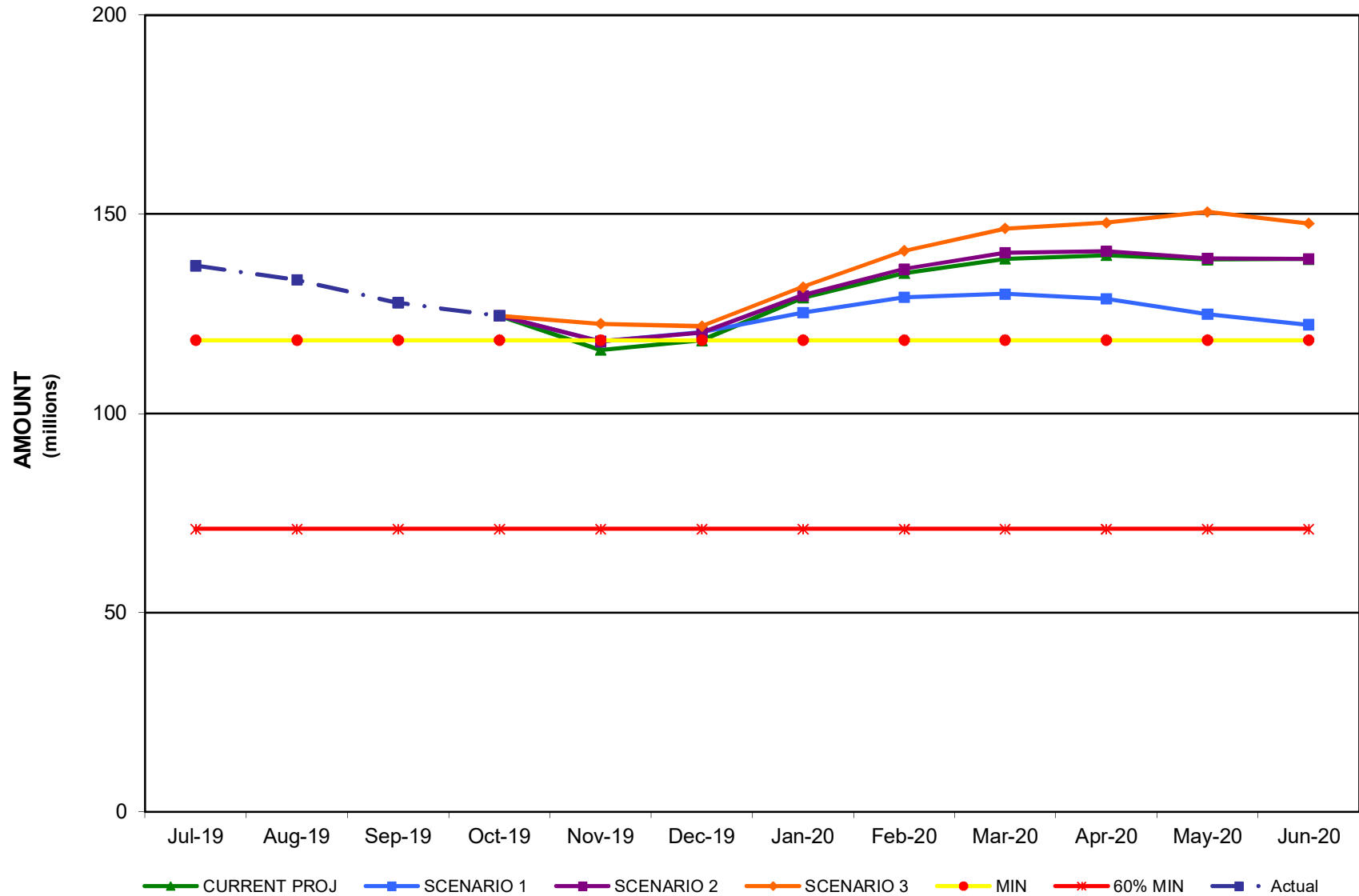


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TACOMA POWER
CURRENT FUND BALANCED BUDGET CASH PROJECTIONS
Estimated Cash for 2019-2020



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)

	Oct-19	Oct-19	Nov-19	Dec-19	Jan-20
	Estimate	Actual			
Beginning Cash Balance (4)	127,744	127,744	124,494	118,349	120,764
Cash In					
Retail Sales	27,106	32,769	29,210	32,638	37,010
Wholesale Sales	1,188	466	2,153	4,245	8,423
Telecommunications	2,170	2,116	2,154	2,149	2,432
Other Revenue	2,192	2,213	2,192	2,192	2,192
Total Cash In	32,656	37,564	35,709	41,224	50,057
Cash Out					
Personnel Costs	7,131	7,441	10,697	7,131	7,131
Debt Service	2,488	2,536	2,488	2,488	2,291
Taxes	3,855	3,683	4,548	4,324	4,991
BPA Purchases	11,532	11,976	11,678	12,626	12,738
Wholesale Purchases	2,643	2,765	1,752	1,549	1,525
Supplies, Other Services & Charges	6,955	7,468	6,955	6,955	6,955
Capital Outlay	3,736	4,796	3,736	3,736	3,736
Total Cash Out	38,340	40,665	41,854	38,809	39,367
Net	(5,684)	(3,101)	(6,145)	2,415	10,690
Change in A/R		(1,782)			
Change in A/P		1,633			
Ending Cash Balance	122,060	124,494	118,349	120,764	131,454

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 October 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 November 7, 2019.

Significant Changes:

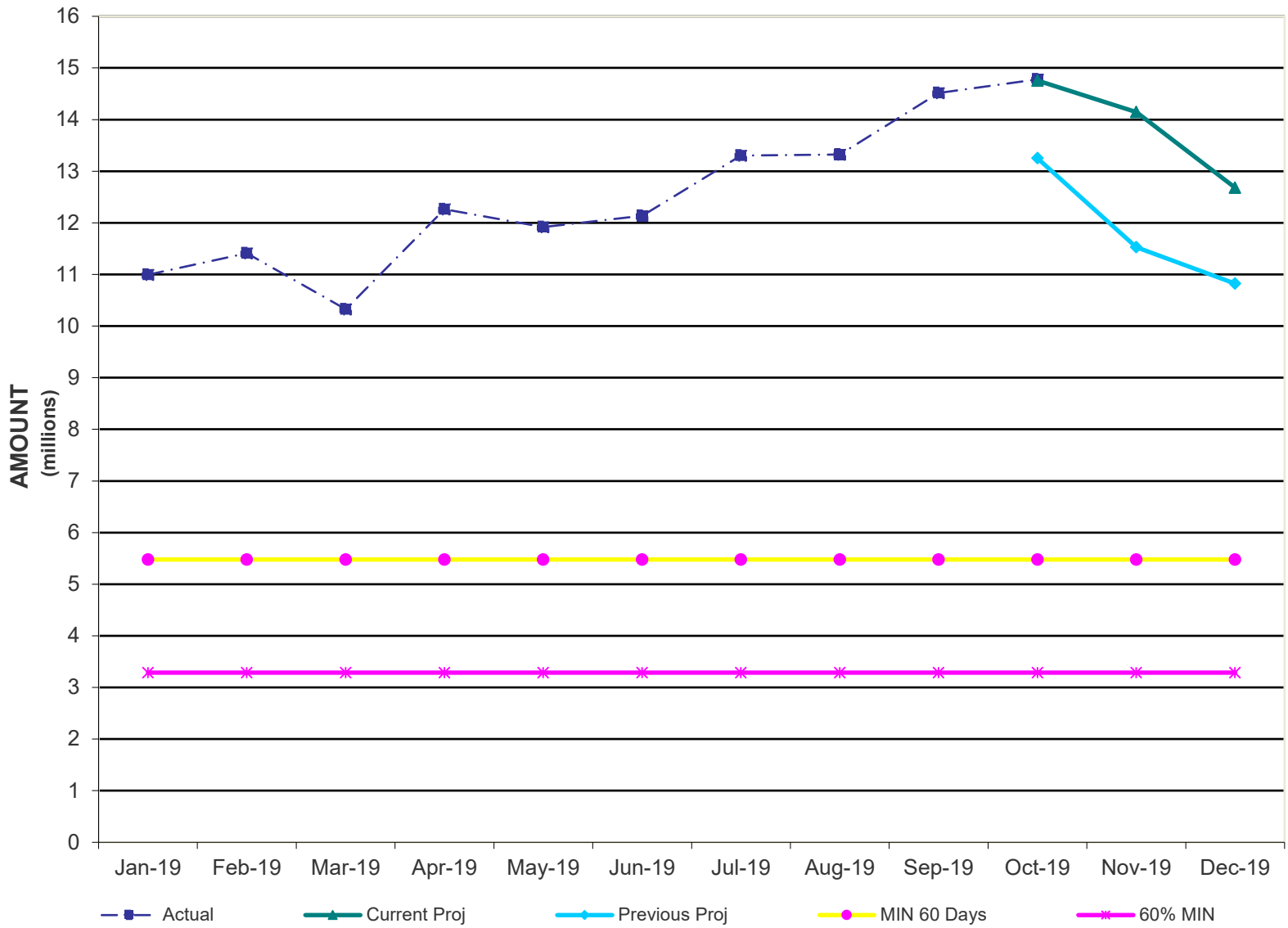
Retail Sales were \$5.7 million more than projected predominantly due to higher than projected consumption in residential, small general, and general rate classes.

Capital outlay came in over estimates by \$1.1 million. These estimates are based on an even spread of the biennial budget and, therefore, will vary from actuals on a monthly basis.

TACOMA RAIL

2019 CURRENT FUND CASH PROJECTIONS

Actual & Estimated Cash



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

	Oct-19 Estimate	Oct-19 Actual	Nov-19 Estimate	Dec-19 Estimate	Jan-20 Estimate
Beginning Cash Balance	\$14,514	\$14,514	\$14,778	\$14,147	\$12,680
<u>REVENUES (Cash-In)</u>	(1)				
Switching Revenue	2,415	2,415	2,219	2,234	2,511
Demurrage Revenue	163	163	100	96	96
Other Revenues	20	10	29	29	29
Lease Revenue	73	72	90	90	95
Interest Income	26	27	17	16	14
Service Maint/Trans Revenue	437	447	350	350	350
Reimbursement/Transfer Ins	4	4	-	-	-
Total Revenues	3,138	3,138	2,805	2,815	3,095
<u>EXPENSES (Cash-Out)</u>	(1)				
Personnel Costs	1,215	1,223	1,749	1,299	1,163
Taxes	292	292	263	264	246
Supplies, Other Services & Charges	979	861	760	853	604
Assessments	164	173	166	166	140
Debt Service	37	37	91	-	-
Volume Incentive	-	-	-	-	42
Capital Outlay	209	209	407	1,700	300
Total Expenses	2,896	2,795	3,436	4,282	2,495
Change in AR	(3)	(216)			
Change in AP	(3)	137			
Net Increase (Decrease) in Cash	242	264	(631)	(1,467)	600
Ending Cash Balance	(2) <u>\$14,756</u>	<u>\$14,778</u>	<u>14,147</u>	<u>12,680</u>	<u>13,280</u>

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

TACOMA RAIL
2019 CURRENT FUND CASH PROJECTIONS

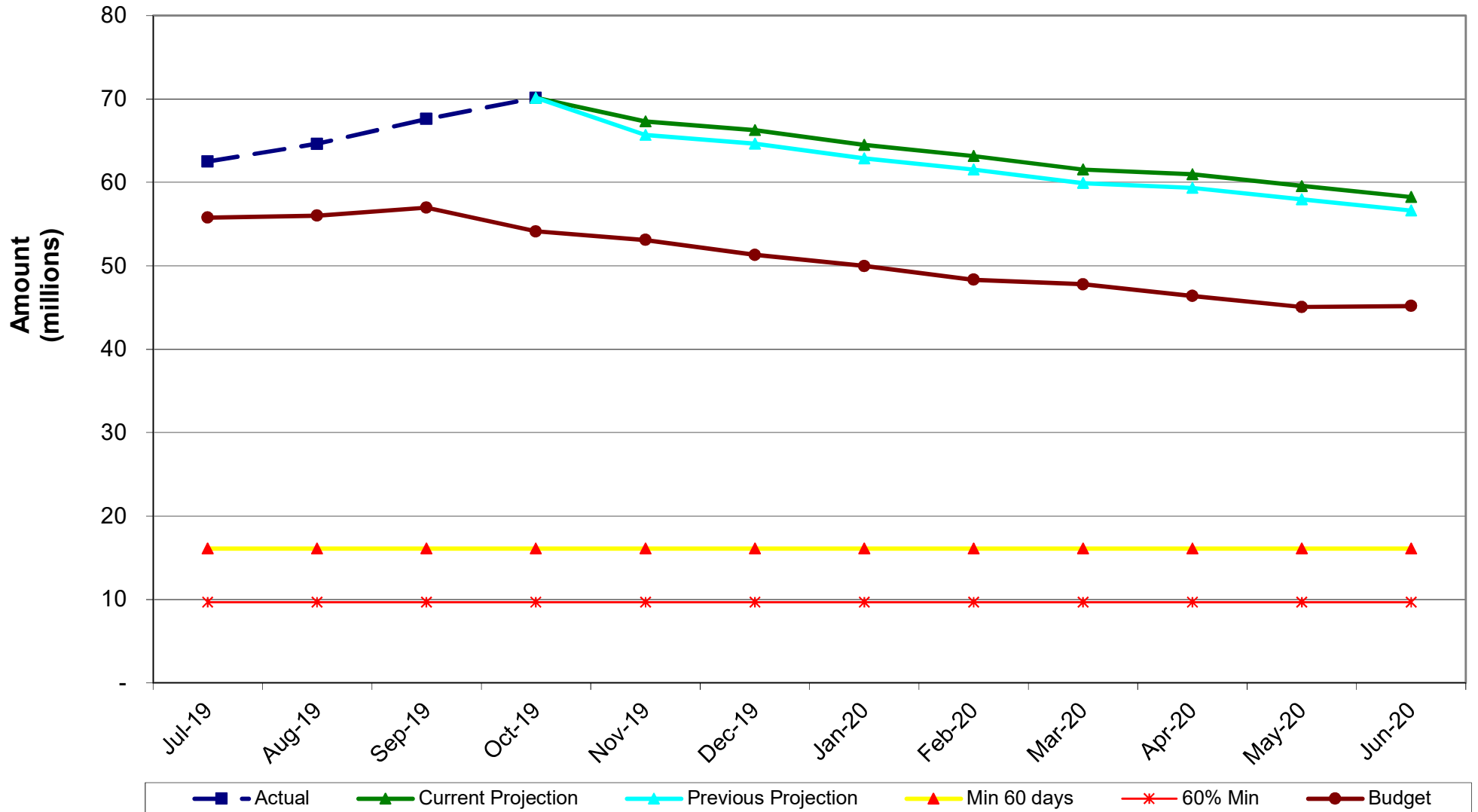
Notes:

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.

TACOMA WATER

CURRENT FUND CASH PROJECTIONS

Actual & Estimated Cash for 2019/2020



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

	Oct-19 Estimate	Oct-19 Actual	Nov-19 Estimate	Dec-19 Estimate	Jan-20 Estimate
Beginning Cash Balance	67,594	67,594	70,155	67,313	66,270
Cash In					
Water Sales	8,888	10,759	5,774	6,801	5,455
Interest	23	173	23	23	27
Other Revenue	312	279	312	312	641
BABs Subsidies	231	98	231	231	231
BABs Subsidy 2010 Bond	-	-	-	-	-
Total Cash In	9,454	11,309	6,340	7,367	6,354
Cash Out					
Personnel Costs	2,170	1,753	3,255	2,170	2,288
Supplies, Other Services & Charges	2,406	2,279	2,406	2,406	2,356
Taxes	1,184	1,105	775	1,087	764
Debt Service	2,200	2,245	2,200	2,201	2,173
Capital Outlay	546	293	546	546	546
Total Cash Out	8,506	7,675	9,182	8,410	8,127
Change in A/R	-	(776)	-	-	-
Change in A/P	-	(297)	-	-	-
Net Change in Cash	948	2,561	(2,842)	(1,043)	(1,773)
Ending Cash Balance	68,542	70,155	67,313	66,270	64,497

TACOMA WATER

2019/2020 CURRENT FUND CASH PROJECTIONS

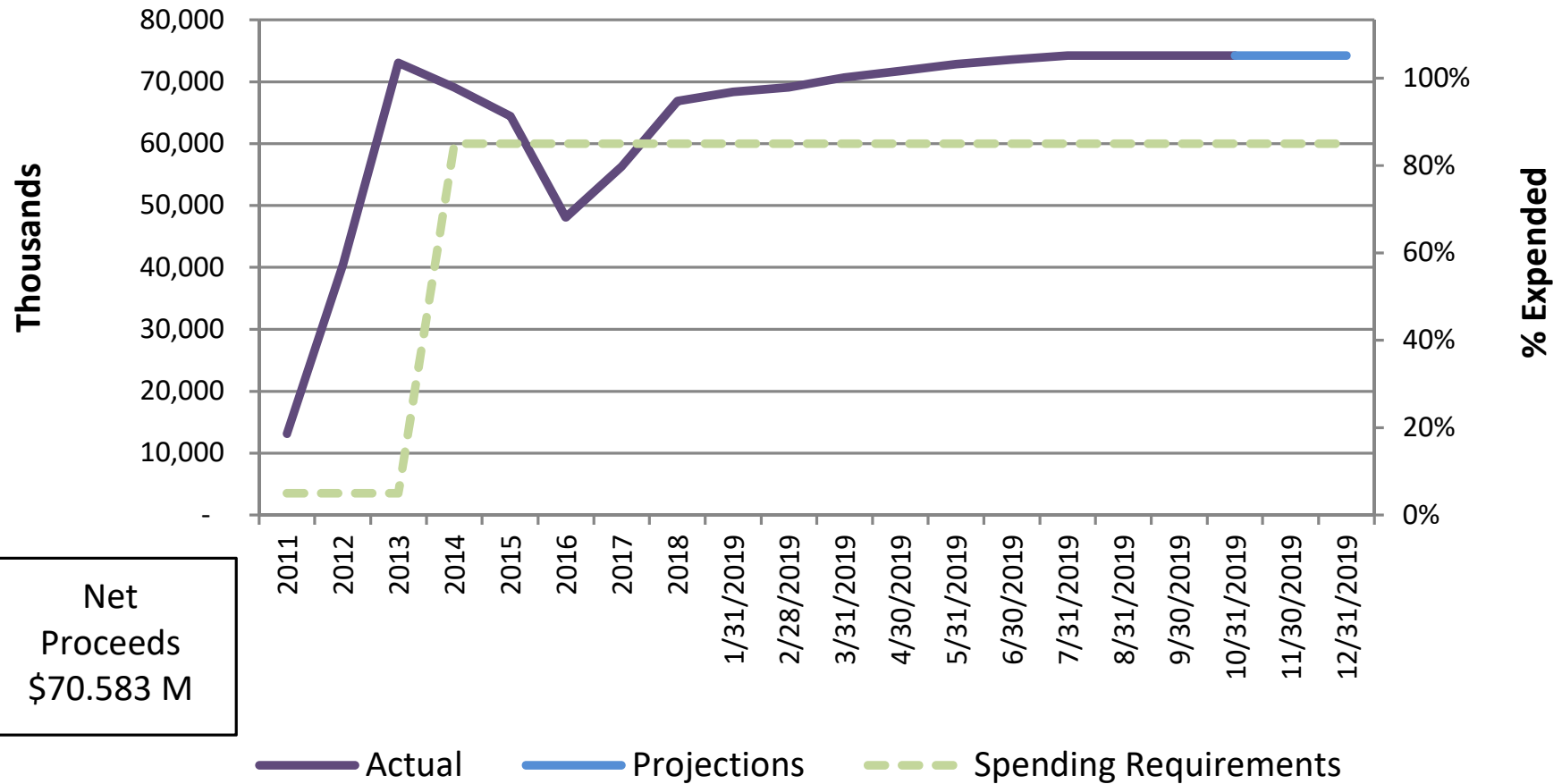
Notes:

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.

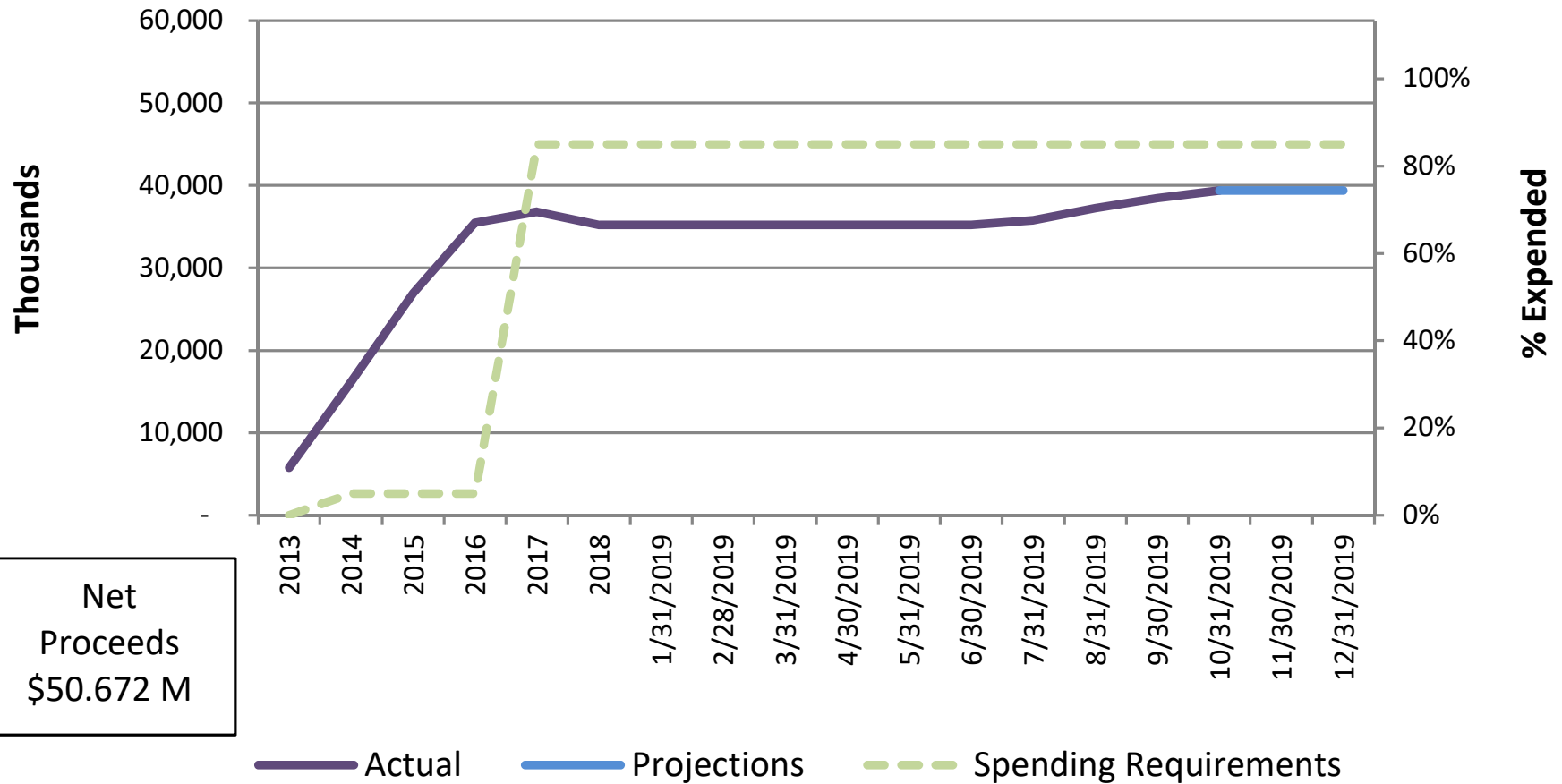
Explanation of Variances and/or Changes in Projections:

1. Water Sales were \$1.9 million more than projected due to higher consumption than projected in Residential rate categories.

Water 4600-10WC Cumulative Bond Spending



Water 4600-13WC Cumulative Bond Spending



Tacoma Public Utilities
Water Bonds
As of October 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	111	78

Construction Fund Proceeds	70,583,000	50,672,000
Interest Income	3,636,718	1,692,316
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)	-
6/30/2019	(693,274)	-
7/31/2019	(684,626)	(541,362)
8/31/2019	(2,550)	(1,527,349)
9/30/2019	-	(1,193,532)
10/31/2019	-	(921,080)

Total Spending	(74,219,718)	(39,386,462)
Remaining Bond Balance	-	12,977,854
Actual % Spent	105%	78%
Cash Balance	-	12,977,854

4600-10WC

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

TOTAL Spending vs. Projection

-	-	-
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4600-13WC

PROJECT	EST \$\$	ACT \$\$	DIFF
Pipeline 4 Swan Creek Crossing	-	270,065	270,065
19/20 Water Service Replace & Renewals	-	256,662	256,662
19/20 MRP: Main Replacement Projects	-	137,616	137,616
Lead Gooseneck Service Renewals	-	115,085	115,085
15/16 Distribution Main Upgrades & Renew	-	97,791	97,791
16 Projects	-	43,861	43,861

TOTAL Spending vs. Projection

-	921,080	921,080
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