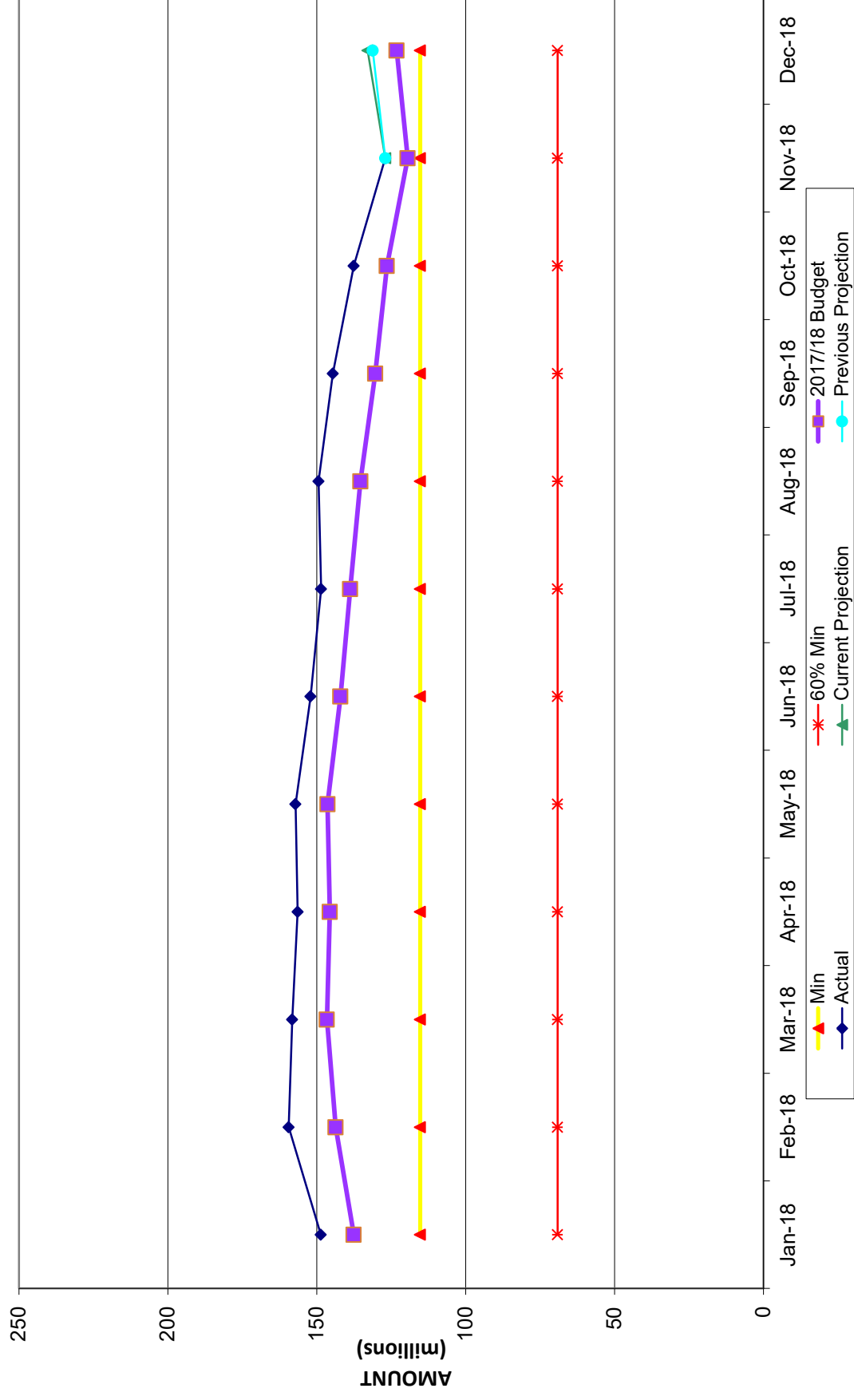


TACOMA POWER

CURRENT FUND BALANCED BUDGET CASH PROJECTIONS

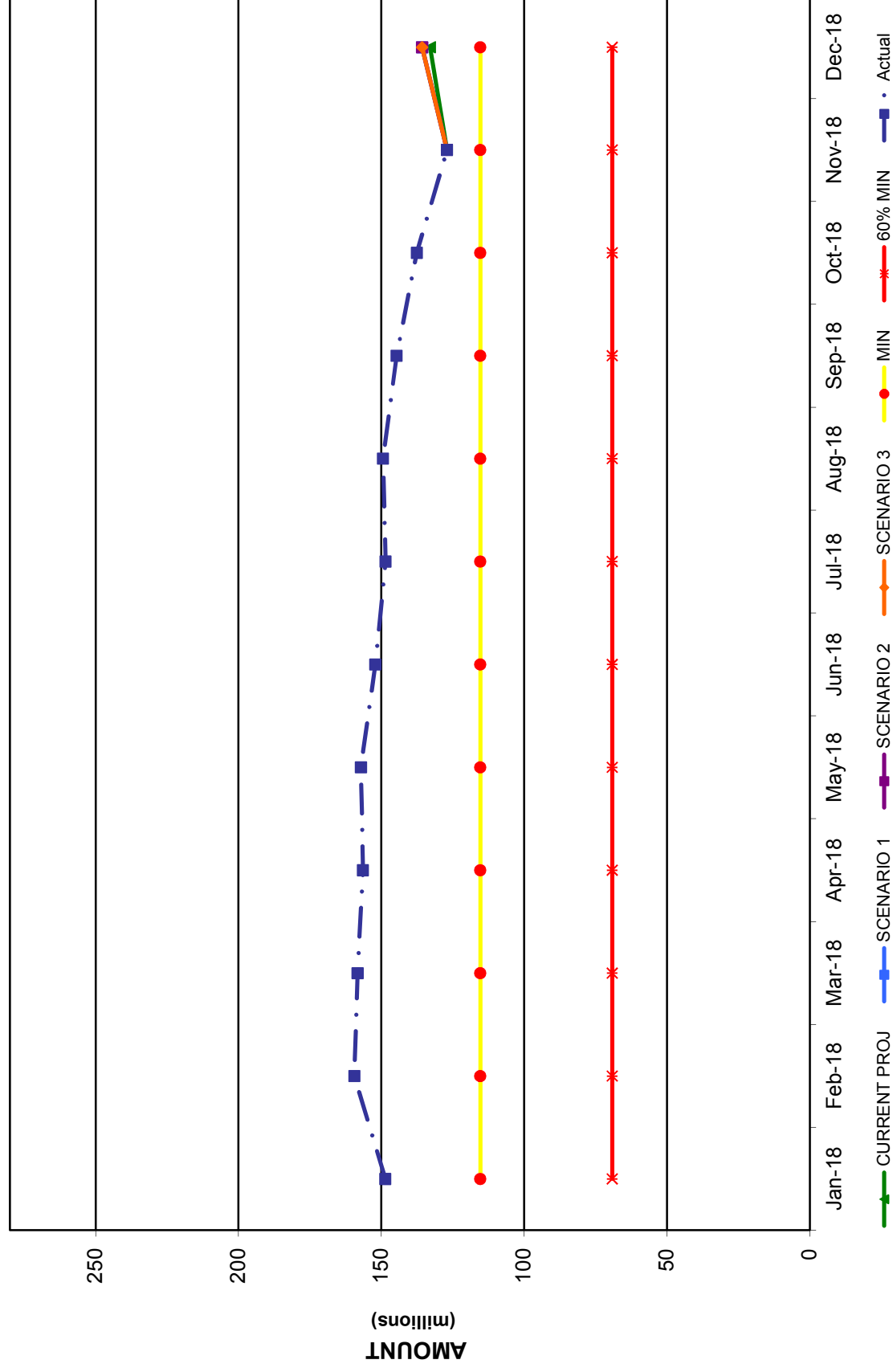
Estimated Cash for 2017-2018



TACOMA POWER

CURRENT FUND CASH PROJECTIONS

Actual and Estimated Cash for 2017-2018



TACOMA POWER
2017-2018 BALANCED BUDGET CASH PROJECTION
(000's omitted)

	Nov-18	Nov-18	Dec-18
	Estimate	Actual	
Beginning Cash Balance (4)	137,564	137,564	126,979
Cash In			
Retail Sales	27,643	27,733	33,903
Wholesale Sales	1,399	1,600	6,967
Telecommunications	2,987	2,059	3,090
Other Revenue	2,017	2,830	2,017
Total Cash In	34,046	34,222	45,977
Cash Out			
Personnel Costs	11,565	11,420	7,710
Debt Service	2,520	2,521	2,520
Taxes	3,987	4,296	4,975
BPA Purchases	11,849	11,245	12,629
Wholesale Purchases	1,942	2,374	2,166
Supplies, Other Services & Charges	6,616	5,133	6,616
Capital Outlay	3,410	6,389	3,410
Total Cash Out	41,889	43,378	40,026
Net	(7,843)	(9,156)	5,951
Change in A/R		(2,708)	
Change in A/P		1,279	
Ending Cash Balance	129,721	126,979	132,930

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

TACOMA POWER

2017-2018 CURRENT FUND CASH PROJECTIONS

Notes:

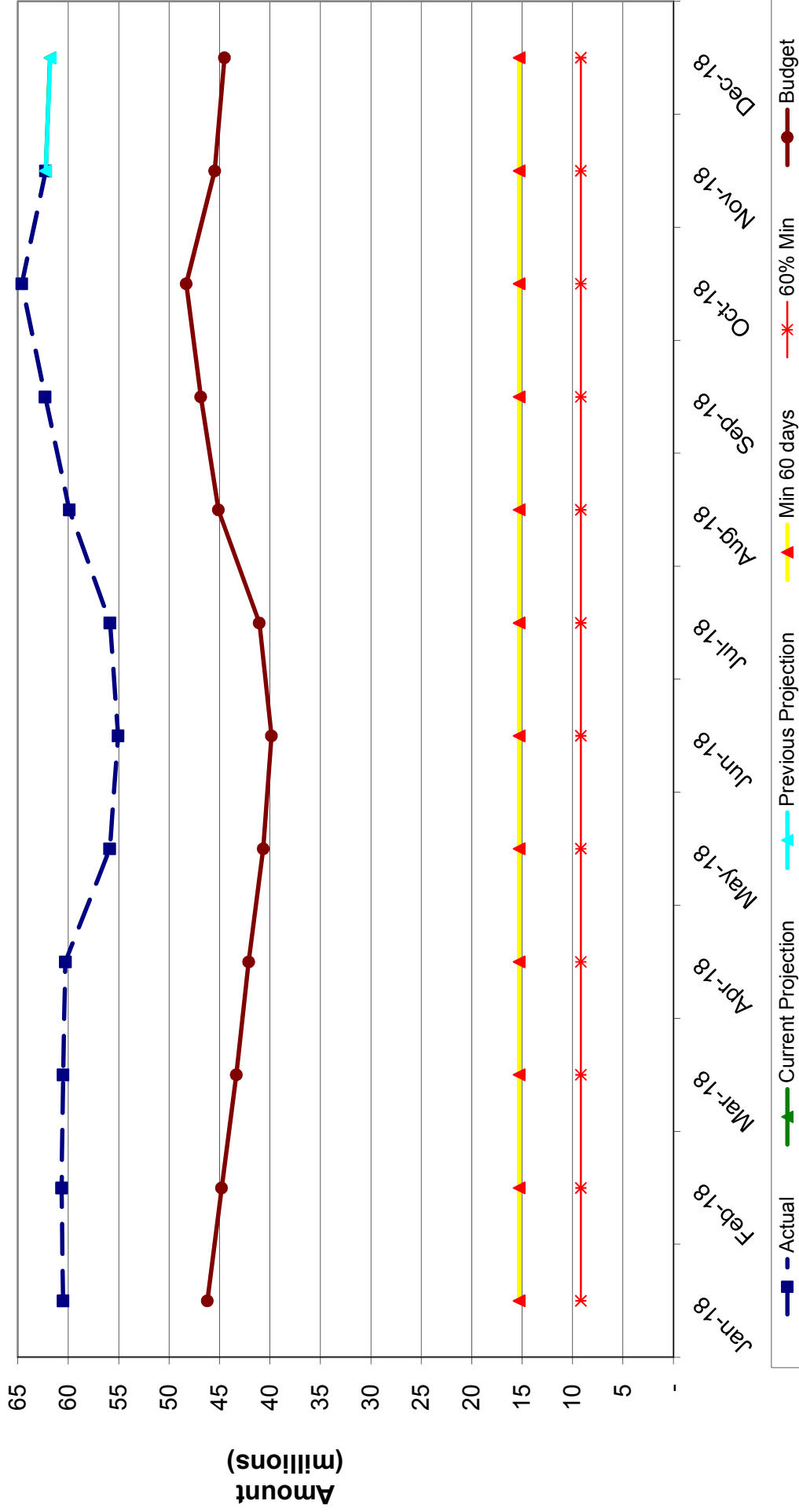
1. While this projection is based primarily on historic patterns, it is factored by actual revenue and expense elements when known or when they can reasonably be estimated.
2. Based on Public Utility Board and City Council resolutions, the Division should maintain a minimum cash working capital balance of approximately \$115.3 million (90 days) in the 2017/2018 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 (\$69.2 million).
3. Commitments: These projections are based on the 2017/2018 budget.
4. "Actual" cash and investment balance as of November 1st, 2018.
5. BPA Purchase information provided by Power Management March 9th, 2017.
BPA billings are net of Wynoochee and LaGrande/Cushman billing credits.
6. The Capital Outlay projection is based on the 2017/2018 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 December 7th, 2018.

Significant Changes:

Supplies, Other Services & Charges were under estimates by (\$1.5 million). These estimates are based on an even spread of the biennial budget and, therefore, will vary from actuals on a monthly basis.

Capital Outlay was \$3.0 million more than estimated for the month of November. The projections are estimates and may differ from actual spending on a monthly basis.

TACOMA WATER CURRENT FUND CASH PROJECTIONS Actual & Estimated Cash for 2017/2018



TACOMA WATER
2017/2018 CURRENT FUND CASH PROJECTIONS
(000's omitted)

	Nov-18 Estimate	Nov-18 Actual	Dec-18 Estimate
Beginning Cash Balance	64,591	64,591	62,254
Cash In			
Water Sales	5,229	5,774	6,096
Public Fire Protection (collected)	231	304	317
Interest	27	140	27
Other Revenue	275	230	281
BABs Subsidies	231	248	231
Total Cash In	5,993	6,696	6,952
Cash Out			
Personnel Costs	3,209	3,348	2,139
Supplies, Other Services & Charges	2,207	3,026	2,063
Taxes	729	1,227	995
Debt Service	2,206	2,233	2,207
Capital Outlay	-	148	-
Total Cash Out	8,351	9,982	7,404
Change in A/R	-	812	-
Change in A/P	-	137	-
Net Change in Cash	(2,358)	(2,337)	(452)
Ending Cash Balance	62,233	62,254	61,802

TACOMA WATER

2017/2018 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 (\$15.964 million in 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 (\$9.578 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:

Water Sales were \$0.5 million more than projected. This was primarily due to increases in residential sales of \$0.3 million, commercial sales of \$0.1 million and wholesale sales of \$0.1 million.

Supplies, Other Services and Charges were \$0.8 million more than estimated for the month.
The projections are estimates and may differ from actual spending on a monthly basis.

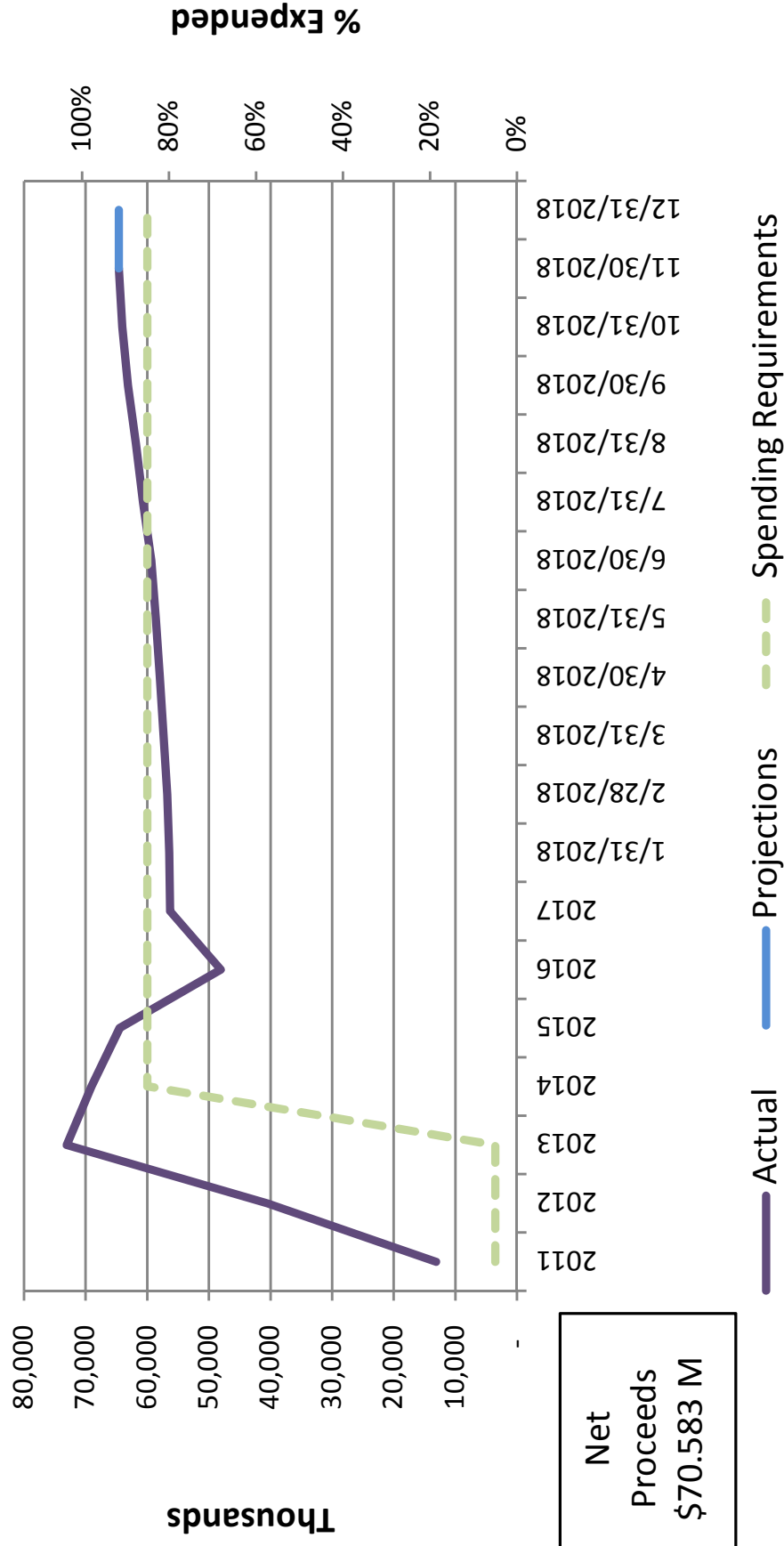
**Tacoma Public Utilities
Water Bonds
As of November 30, 2018**

	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	100	67

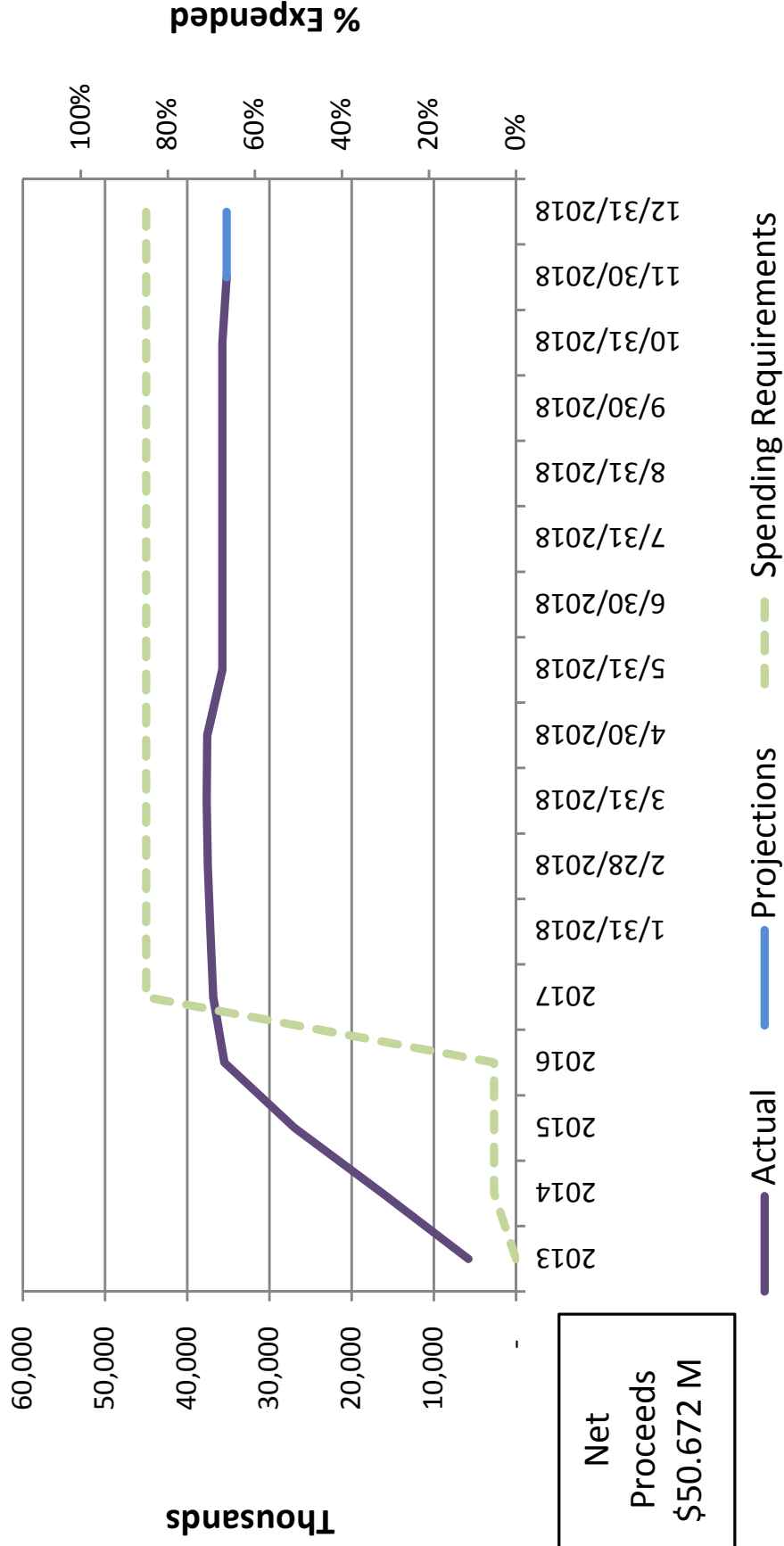
Construction Fund Proceeds	70,583,000	50,672,000
Interest Income	3,582,842	1,381,241
Period		
2011	(13,126,630)	-
2012	(27,346,085)	-
2013	(32,598,851)	(5,767,218)
2014	4,004,026	(10,470,130)
2015	4,610,670	(10,684,407)
2016	16,395,475	(8,545,727)
2017	(8,222,040)	(1,351,277)
1/31/2018	(168,055)	(348,030)
2/28/2018	(300,346)	(333,686)
3/31/2018	(613,003)	(138,780)
4/30/2018	(571,203)	70,011
5/31/2018	(658,344)	1,846,617
6/30/2018	(731,888)	-
7/31/2018	(1,376,664)	-
8/31/2018	(1,144,511)	-
9/30/2018	(1,300,568)	-
10/31/2018	(897,825)	-
11/30/2018	(578,877)	519,488

Total Spending	(64,624,719)	(35,203,139)
Remaining Bond Balance	9,541,123	16,850,102
Actual % Spent	92%	69%
Cash Balance	9,541,123	16,850,102

Water 4600-10WC Cumulative Bond Spending



Water 4600-13WC Cumulative Bond Spending



4600-10WC

PROJECT	EST \$\$		ACT \$\$		DIFF
17/18 Water Service Replace & Renewals	-		112,333		112,333
17/18 MRP: Projects of Opportunity	-		118,326		118,326
15/16 UTS: Various Projects	-		183,111		183,111
17/18 MRP: Galvanized Main Projects	-		274,107		274,107
24 projects	-		(109,000)		(109,000)
	-				-
	-				-

TOTAL Spending vs. Projection

- 578,877 578,877

4600-13WC

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

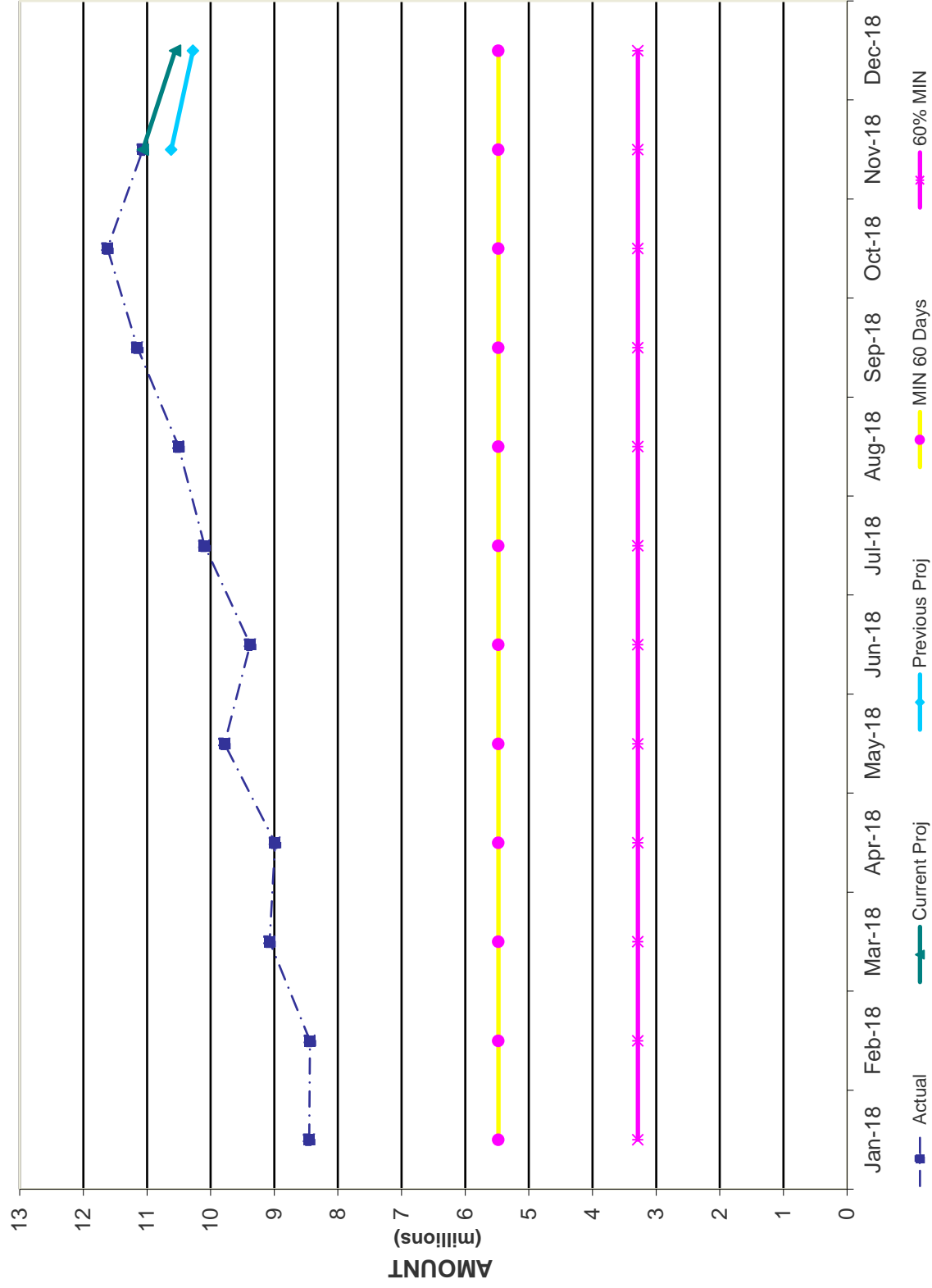
TOTAL Spending vs. Projection

- - -

TACOMA RAIL

2018 CURRENT FUND CASH PROJECTIONS

Actual & Estimated Cash



TACOMA RAIL
2018 CURRENT FUND CASH PROJECTIONS
(000's omitted)

	Nov-18 Estimate	Nov-18 Actual	Dec-18 Estimate
Beginning Cash Balance	\$11,621	\$11,621	\$11,063
<u>REVENUES (Cash-In)</u> (1)			
Switching Revenue	2,202	2,202	2,505
Demurrage Revenue	239	239	100
Other Revenues	18	13	22
Lease Revenue	80	76	86
Interest Income	15	16	8
Service Maint/Trans Revenue	256	264	260
Total Revenues	2,810	2,810	2,981
<u>EXPENSES (Cash-Out)</u> (1)			
Personnel Costs	1,779	1,744	1,217
Taxes	263	263	280
Supplies, Other Services & Charges	649	636	574
Assessments	128	134	140
Debt Service	91	91	74
Volume Incentive	42	42	167
Capital Outlay	415	415	1,036
Total Expenses	3,367	3,325	3,488
Change in AR	(3)	(143)	
Change in AP	(3)	(475)	100
Net Increase (Decrease) in Cash	(1,032)	(558)	(507)
Ending Cash Balance	(2) <u>\$10,589</u>	<u>\$11,063</u>	<u>10,556</u>

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

TACOMA RAIL
2018 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

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

NOVEMBER

TACOMA POWER

2018

**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

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	1 - 2
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CLICK! NETWORK OPERATIONAL SUMMARY	9 - 10
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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

STATEMENTS OF NET POSITION - November 30, 2018 AND November 30, 2017

ASSETS AND DEFERRED OUTFLOWS	2018	2017
UTILITY PLANT		
Electric Plant in Service	\$2,072,804,716	\$2,040,884,699
Less Depreciation and Amortization	(1,092,341,918)	(1,046,405,298)
Total	980,462,798	994,479,401
Construction Work in Progress	80,987,113	38,696,137
Net Utility Plant	1,061,449,911	1,033,175,538
NON-UTILITY PROPERTY	182,051	182,051
RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
2015 Construction Fund	-	6,849
Provision for Debt Service	17,646,712	18,826,832
Special Bond Reserves	4,997,639	4,997,639
Wynoochee Reserve - State of Washington	2,632,485	2,591,970
Total Restricted Assets	25,276,836	26,423,290
CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	127,005,815	149,017,197
Customers' and Contractors' Deposits	2,715,378	2,740,141
Conservation Loan Fund	3,709,066	3,594,571
Rate Stabilization Fund	48,000,000	48,000,000
Receivables:		
Customers	15,858,675	18,123,786
Accrued Unbilled Revenue	30,701,425	28,587,295
Others	9,116,710	13,202,211
Provision for Uncollectibles	(1,311,887)	(3,014,158)
Materials and Supplies	6,821,877	6,754,341
Prepayments and Other	7,047,638	5,680,800
Total Current Assets	249,664,697	272,686,184
OTHER ASSETS		
Regulatory Asset - Conservation	47,597,444	47,995,931
Conservation Loan Fund Receivables	2,561,278	2,632,755
Total Other Assets	50,158,722	50,628,686
Total Assets	1,386,732,217	1,383,095,749
DEFERRED OUTFLOWS		
Deferred Outflow for Pensions	38,426,742	39,469,454
Total Deferred Outflows	38,426,742	39,469,454
TOTAL ASSETS AND DEFERRED OUTFLOWS.....	\$1,425,158,959	\$1,422,565,203

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2017 Annual Report.

NET POSITION, LIABILITIES AND DEFERRED INFLOWS	2018	2017
NET POSITION		
Net Investment in Capital Assets	\$650,060,495	\$608,675,038
Restricted for:		
Wynoochee Reserve - State of Washington	2,632,485	2,591,970
Debt Service	9,253,750	10,610,417
Unrestricted	189,337,605	224,164,609
TOTAL NET POSITION	851,284,335	846,042,034
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	105,490,000	115,585,000
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	382,940,000	393,035,000
Less: Unamortized Bond Premiums	23,284,106	24,827,039
Net Bonded Indebtedness	406,224,106	417,862,039
Line of Credit	250,000	250,000
Total Long-Term Debt	406,474,106	418,112,039
CURRENT LIABILITIES		
Salaries and Wages Payable	1,888,731	4,760,682
Taxes and Other Payables	13,511,714	11,170,072
Purchases and Transmission of Power Accrued	12,624,612	10,643,090
Interest Payable	8,392,962	8,216,415
Customers' Deposits	2,709,430	2,789,096
Current Portion of Long-Term Debt	10,095,000	11,575,000
Current Accrued Compensated Absences	1,044,235	1,075,771
Total Current Liabilities	50,266,684	50,230,126
LONG TERM LIABILITIES		
Long Term Accrued Compensated Absences	9,398,115	9,681,941
Net Pension Liability	36,687,245	34,177,293
Other Long Term Liabilities	15,143,610	14,033,787
Total Long Term Liabilities	61,228,970	57,893,021
TOTAL LIABILITIES	517,969,760	526,235,186
DEFERRED INFLOWS		
Deferred Inflow for Pensions	7,904,864	2,287,983
Rate Stabilization	48,000,000	48,000,000
Total Deferred Inflows	55,904,864	50,287,983
TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS	\$1,425,158,959	\$1,422,565,203

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
November 30, 2018 AND November 30, 2017

	November 2018	November 2017
OPERATING REVENUES		
Sales of Electric Energy	\$29,332,927	\$31,747,015
Other Operating Revenues	1,898,079	1,357,324
Click! Network Operating Revenues	2,058,547	2,216,844
Total Operating Revenue	<u>33,289,553</u>	<u>35,321,183</u>
OPERATING EXPENSES		
Production Expense		
Hydraulic Power Production	2,718,177	1,897,178
Other Production Expense	493,524	432,763
Total Expense Power Produced	<u>3,211,701</u>	<u>2,329,941</u>
Purchased Power	<u>11,985,121</u>	<u>10,598,275</u>
Total Production Expense	15,196,822	12,928,216
Transmission Expense	2,943,629	2,700,286
Distribution Expense	3,163,292	2,386,432
Click! Network Commercial Operations Expense .	1,892,997	1,915,221
Customer Accounts Expense (CIS)	1,116,040	1,276,072
Conservation and Other Customer Assistance ...	1,264,962	1,144,349
Taxes	1,704,073	1,995,908
Depreciation	4,249,583	4,755,198
Administrative and General	<u>3,102,345</u>	<u>2,256,068</u>
Total Operating Expenses	<u>34,633,743</u>	<u>31,357,750</u>
OPERATING INCOME (LOSS)	<u>(1,344,190)</u>	<u>3,963,433</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	303,074	231,662
Contribution to Family Need	(8,333)	(8,333)
Other Net Non-Op Revenues and Deductions	135,402	58,841
Interest on Long-Term Debt	(1,679,074)	(1,539,096)
Amort. of Debt Related Costs	134,639	166,947
Interest Charged to Construction	<u>167,903</u>	<u>108,008</u>
Total Non-Operating Revenues (Expenses) ...	<u>(946,389)</u>	<u>(981,971)</u>
Net Income (Loss) Before Capital Contributions and Transfers	(2,290,579)	2,981,462
Capital Contributions		
Cash	457,156	359,540
Donated Fixed Assets	-	-
BABs and CREBs Interest Subsidies	329,553	329,553
Transfers		
City Gross Earnings Tax	(2,549,863)	(2,279,615)
Transfers from (to) Other Funds	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u>(\$4,053,733)</u>	<u>\$1,390,940</u>
TOTAL NET POSITION - January 1		
TOTAL NET POSITION - November 30		

YEAR TO DATE		2018 OVER (UNDER) 2017	PERCENT CHANGE
November 30, 2018	November 30, 2017		
\$373,669,435	\$359,279,642	\$14,389,793	4.0%
17,060,143	16,778,862	281,281	1.7%
23,285,756	24,314,341	(1,028,585)	-4.2%
414,015,334	400,372,845	13,642,489	3.4%
27,776,211	26,361,664	1,414,547	5.4%
5,264,609	4,929,267	335,342	6.8%
33,040,820	31,290,931	1,749,889	5.6%
124,084,431	123,210,017	874,414	0.7%
157,125,251	154,500,948	2,624,303	1.7%
31,591,531	29,001,814	2,589,717	8.9%
29,518,650	26,359,373	3,159,277	12.0%
21,763,511	22,593,897	(830,386)	-3.7%
12,700,025	13,366,856	(666,831)	-5.0%
13,894,702	12,440,338	1,454,364	11.7%
19,184,501	18,412,206	772,295	4.2%
49,626,489	52,418,936	(2,792,447)	-5.3%
29,161,697	22,675,314	6,486,383	28.6%
364,566,357	351,769,682	12,796,675	3.6%
49,448,977	48,603,163	845,814	1.7%
4,658,991	3,486,973	1,172,018	33.6%
(91,667)	(91,667)	-	0.0%
1,754,528	(1,946,970)	3,701,498	190.1%
(18,697,468)	(18,093,665)	(603,803)	3.3%
1,481,031	4,070,955	(2,589,924)	-63.6%
1,516,279	1,318,197	198,082	15.0%
(9,378,306)	(11,256,177)	1,877,871	-16.7%
40,070,671	37,346,986	2,723,685	7.3%
8,673,235	13,029,576	(4,356,341)	-33.4%
185,437	154,891	30,546	19.7%
3,494,582	3,488,650	5,932	0.2%
(31,279,105)	(29,973,762)	(1,305,343)	4.4%
(31,158)	-	(31,158)	0.0%
21,113,662	24,046,341	(2,932,679)	-12.2%
830,170,673	821,995,693	8,174,980	1.0%
\$851,284,335	\$846,042,034	5,242,301	

These statements should be read in conjunction with the Management Discussion and Analysis in the September 2018 Financial Report.

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

SUMMARY OF REVENUES AND BILLINGS
November 30, 2018 AND November 30, 2017

	For the month of November 2018	For the month of November 2017
OPERATING REVENUE		
Sales of Electric Energy		
Residential	\$13,463,700	\$12,850,857
Commercial	2,295,318	2,230,037
General	9,791,677	9,543,827
Contract Industrial	2,042,088	1,966,023
Public Street and Highway Lighting	105,939	34,619
Sales to Other Electric Utilities	34,149	31,710
Total Sales to Customers	<u>27,732,871</u>	<u>26,657,073</u>
Bulk Power Sales	<u>1,600,056</u>	<u>5,089,942</u>
Total Sales of Electric Energy	<u>29,332,927</u>	<u>31,747,015</u>
Other Operating Revenue		
Rentals and Leases from Elect. Property ...	658,262	119,221
Wheeling	862,215	843,867
Service Fees and Other	377,602	394,236
Telecommunications Revenue	2,058,547	2,216,844
Total Other Operating Revenues	<u>3,956,626</u>	<u>3,574,168</u>
TOTAL OPERATING REVENUES	<u><u>\$33,289,553</u></u>	<u><u>\$35,321,183</u></u>
 BILLINGS (Number of Months Billed)		
Residential	155,492	153,227
Commercial	15,934	15,899
General	2,303	2,367
Contract Industrial	2	2
Public Streets and Highway Lighting	1,087	1,073
Sales to Other Utilities	<u>1</u>	<u>1</u>
TOTAL BILLINGS	<u><u>174,819</u></u>	<u><u>172,569</u></u>

YEAR TO DATE		2018 OVER (UNDER) 2017	PERCENT CHANGE
November 30, 2018	November 30, 2017		
\$159,544,741	\$153,185,494	\$6,359,247	4.2%
26,900,020	26,605,433	294,587	1.1%
115,015,151	109,256,895	5,758,256	5.3%
21,487,960	20,388,753	1,099,207	5.4%
1,276,651	1,086,064	190,587	17.5%
396,271	373,273	22,998	6.2%
324,620,794	310,895,912	13,724,882	4.4%
49,048,641	48,383,730	664,911	1.4%
373,669,435	359,279,642	14,389,793	4.0%
3,463,881	2,846,881	617,000	21.7%
9,137,257	9,191,152	(53,895)	-0.6%
4,459,005	4,740,829	(281,824)	-5.9%
23,285,756	24,314,341	(1,028,585)	-4.2%
40,345,899	41,093,203	(747,304)	-1.8%
\$414,015,334	\$400,372,845	\$13,642,489	3.4%
1,761,364	1,743,124	18,240	1.0%
176,869	175,648	1,221	0.7%
28,311	28,197	114	0.4%
22	22	-	0.0%
10,240	10,324	(84)	-0.8%
11	11	-	0.0%
1,976,817	1,957,326	19,491	1.0%

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

GROSS GENERATION REPORT - November 30, 2018 AND November 30, 2017

	For the month of November 2018	For the month of November 2017
KWH GENERATED, PURCHASED AND INTERCHANGED - Gross		
Generated - LaGrande	12,519,000	38,277,000
Generated - Alder	7,001,000	24,101,000
TOTAL NISQUALLY	<u>19,520,000</u>	<u>62,378,000</u>
Generated - Cushman No. 1	9,922,000	25,007,000
Generated - Cushman No. 2	13,868,000	44,458,000
TOTAL CUSHMAN	<u>23,790,000</u>	<u>69,465,000</u>
Generated - Mossyrock	39,509,000	102,239,000
Generated - Mayfield	33,723,000	77,460,000
TOTAL COWLITZ	<u>73,232,000</u>	<u>179,699,000</u>
Generated - Wynoochee	<u>3,853,000</u>	<u>5,633,000</u>
Generated - Hood Street	<u>336,900</u>	<u>319,579</u>
Tacoma's Share of Priest Rapids	<u>1,762,000</u>	<u>1,587,000</u>
Tacoma's Share of GCPHA	<u>-</u>	<u>-</u>
TOTAL KWH GENERATED - TACOMA SYSTEM	122,493,900	319,081,579
Purchased Power		
BPA Slice Contract	169,605,000	158,857,000
BPA Block Contract	137,329,000	133,730,000
Interchange Net	(683,500)	(164,379,000)
TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED ..	<u>428,744,400</u>	<u>447,289,579</u>
Losses	1,548,253	1,676,422
Baldi Replacement	60,604	315,282
Ketron	27,582	27,361
NT PC Mutuals Schedules	(2,858,000)	(3,106,000)
PC Mutual Inadvertent	95,732	209,281
TACOMA SYSTEM FIRM LOAD	<u>427,618,571</u>	<u>446,411,925</u>
Maximum Kilowatts (System Firm Load)	809,061	794,258
Average Kilowatts (System Firm Load)	593,915	620,017
PIERCE COUNTY MUTUAL LOAD	135,281,000	142,033,000
KWH BILLED		
Residential Sales	137,373,680	140,582,205
Commercial Sales	24,853,771	24,525,510
General	149,072,033	152,894,214
Contract Industrial	44,113,380	44,811,240
Public Street and Highway Lighting	768,360	676,620
Sales to Other Electric Utilities	585,900	574,200
TOTAL FIRM	<u>356,767,124</u>	<u>364,063,989</u>
Bulk Power Sales	<u>39,407,000</u>	<u>202,498,000</u>
TOTAL KWH BILLED	<u><u>396,174,124</u></u>	<u><u>566,561,989</u></u>

YEAR TO DATE		2018 OVER (UNDER) 2017	PERCENT CHANGE
November 30 2018	November 30 2017		
303,375,000	350,722,000	(47,347,000)	-13.5%
189,258,000	200,074,000	(10,816,000)	-5.4%
492,633,000	550,796,000	(58,163,000)	-10.6%
86,360,000	127,537,000	(41,177,000)	-32.3%
127,452,000	203,635,000	(76,183,000)	-37.4%
213,812,000	331,172,000	(117,360,000)	-35.4%
827,096,000	1,107,271,000	(280,175,000)	-25.3%
579,589,000	764,745,000	(185,156,000)	-24.2%
1,406,685,000	1,872,016,000	(465,331,000)	-24.9%
18,725,000	30,022,000	(11,297,000)	-37.6%
2,541,000	2,912,040	(371,040)	-12.7%
24,984,000	25,152,000	(168,000)	-0.7%
241,233,000	228,781,000	12,452,000	5.4%
2,400,613,000	3,040,851,040	(640,238,040)	-21.1%
2,281,015,000	2,266,956,000	14,059,000	0.6%
1,360,398,000	1,382,507,000	(22,109,000)	-1.6%
(1,670,392,666)	(2,207,805,000)	537,412,334	-24.3%
4,371,633,334	4,482,509,040	(110,875,706)	-2.5%
37,661,483	33,963,117	3,698,366	10.9%
482,303	1,005,886	(523,583)	-52.1%
264,326	256,654	7,672	3.0%
(28,164,000)	(27,949,000)	(215,000)	0.8%
(3,890,522)	24,031,832	(27,922,354)	-116.2%
4,377,986,924	4,513,817,529	(135,830,605)	-3.0%
1,304,231,000	1,353,085,000	(48,854,000)	-3.6%
1,697,689,890	1,751,469,493	(53,779,603)	-3.1%
294,710,485	298,854,695	(4,144,210)	-1.4%
1,768,354,996	1,771,455,726	(3,100,730)	-0.2%
467,065,980	467,365,020	(299,040)	-0.1%
(204,007)	23,444,866	(23,648,873)	-100.9%
6,942,600	6,793,200	149,400	2.2%
4,234,559,944	4,319,383,000	(84,823,056)	-2.0%
2,215,902,000	2,533,692,000	(317,790,000)	-12.5%
6,450,461,944	6,853,075,000	(402,613,056)	-5.9%

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

OPERATIONAL SUMMARY - November 30, 2018

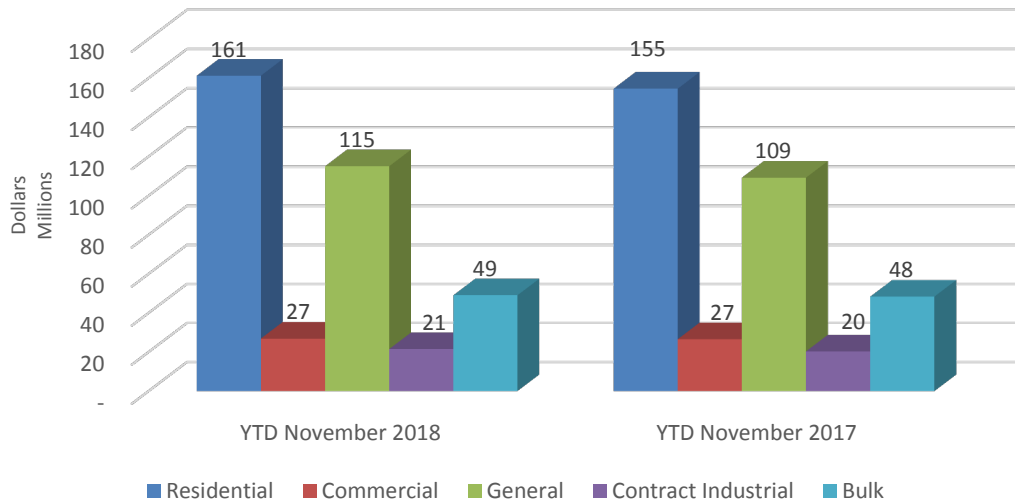
	November 2018	November 2017
TELECOMMUNICATIONS REVENUE		
CATV	\$1,334,328	\$1,499,856
Broadband	82,913	90,572
ISP	615,898	603,702
Interdepartmental	25,408	22,714
Total Operating Revenue	<u>2,058,547</u>	<u>2,216,844</u>
TELECOMMUNICATIONS EXPENSE-COMMERCIAL		
Administration & Sales Expense		
Salaries & Wages Expense	226,438	253,351
General Expense	24,026	46,181
Contract Services	1,094,073	1,022,726
IS & Intergovernmental Services	129,987	116,313
Fleet Services	177	232
Capitalized A & G Expense	(2,899)	(8,330)
Total Admin. & Sales Expense	<u>1,471,802</u>	<u>1,430,473</u>
Operations & Maintenance Expense ...		
Salaries & Wages Expense	340,143	381,226
General Expense	19,987	58,471
Contract Services	55,384	23,403
IS & Intergovernmental Services	2,158	5,315
Fleet Services	11,707	26,968
New Connect Capital	(8,184)	(10,635)
Total Oper. & Maint. Expense	<u>421,195</u>	<u>484,748</u>
Total Telecommunications Expense .	1,892,997	1,915,221
Net Revenues (Expenses) Before Taxes and Depreciation and Amortization	165,550	301,623
Taxes	281,619	299,918
Depreciation and Amortization	<u>188,896</u>	<u>203,469</u>
	470,515	503,387
NET OPERATING REVENUES (EXPENSES)	<u><u>(304,965)</u></u>	<u><u>(201,764)</u></u>

YEAR TO DATE			
November 30 2018	November 30 2017	2018/2017 VARIANCE	PERCENT CHANGE
\$15,311,629	\$16,338,364	(\$1,026,735)	-6.3%
960,820	999,950	(39,130)	-3.9%
6,744,513	6,720,200	24,313	0.4%
268,794	255,827	12,967	5.1%
<u>23,285,756</u>	<u>24,314,341</u>	<u>(1,028,585)</u>	-4.2%
2,777,455	2,913,703	(136,248)	-4.7%
384,158	412,997	(28,839)	-7.0%
12,006,471	12,047,861	(41,390)	-0.3%
1,459,772	1,429,422	30,350	2.1%
6,746	7,322	(576)	-7.9%
(29,909)	(42,736)	12,827	30.0%
<u>16,604,693</u>	<u>16,768,569</u>	<u>(163,876)</u>	-1.0%
4,145,488	4,755,510	(610,022)	-12.8%
304,568	408,849	(104,281)	-25.5%
580,134	469,436	110,698	23.6%
29,354	48,614	(19,260)	-39.6%
192,094	257,665	(65,571)	-25.4%
(92,820)	(114,746)	21,926	19.1%
<u>5,158,818</u>	<u>5,825,328</u>	<u>(666,510)</u>	-11.4%
21,763,511	22,593,897	(830,386)	-3.7%
1,522,245	1,720,444	(198,199)	-11.5%
3,197,503	3,360,521	(163,018)	-4.9%
2,088,864	2,251,761	(162,897)	-7.2%
<u>5,286,367</u>	<u>5,612,282</u>	<u>(325,915)</u>	
<u>(3,764,122)</u>	<u>(3,891,838)</u>	<u>127,716</u>	3.3%

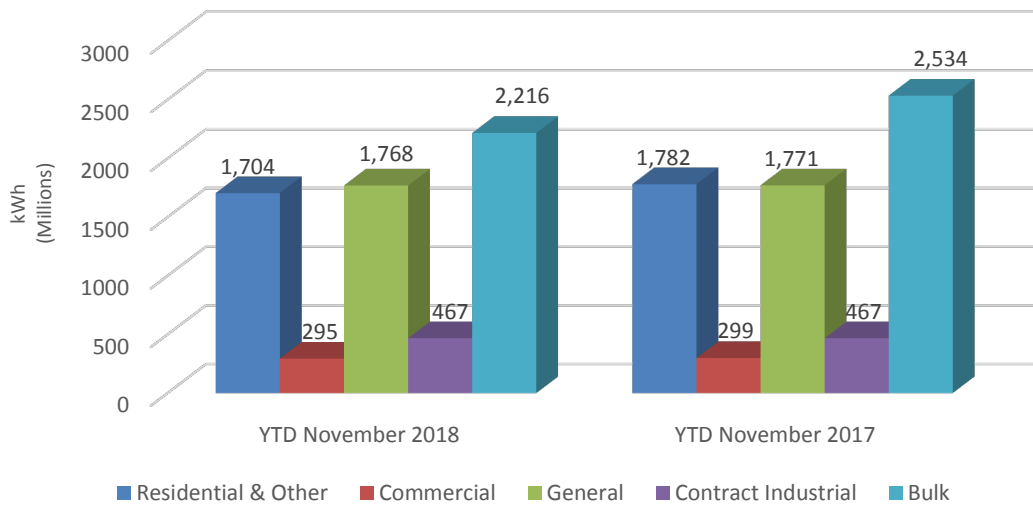
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Supplemental Data

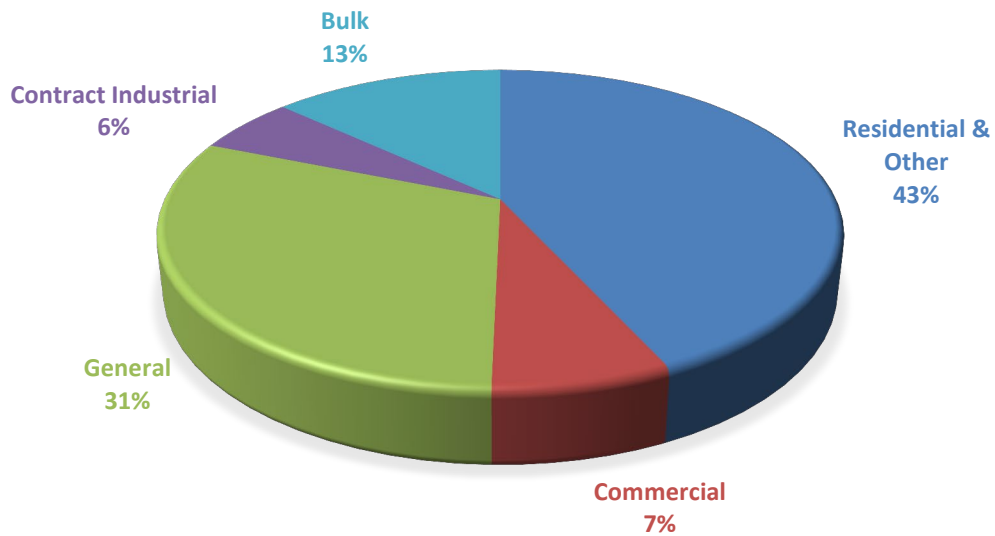
Sales of Electric Energy Year to Date - November 2018 & 2017



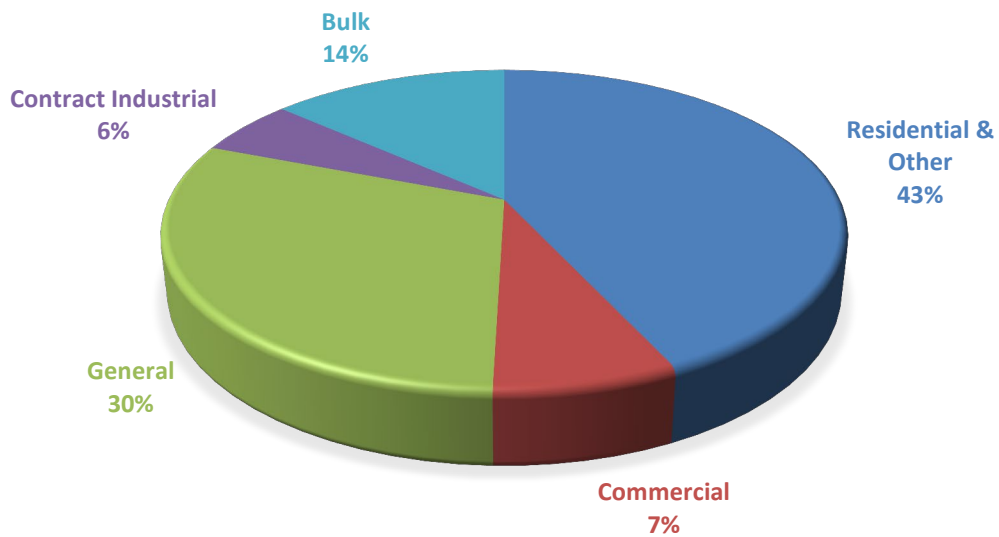
Total Power Billed Year to Date - November 2018 & 2017



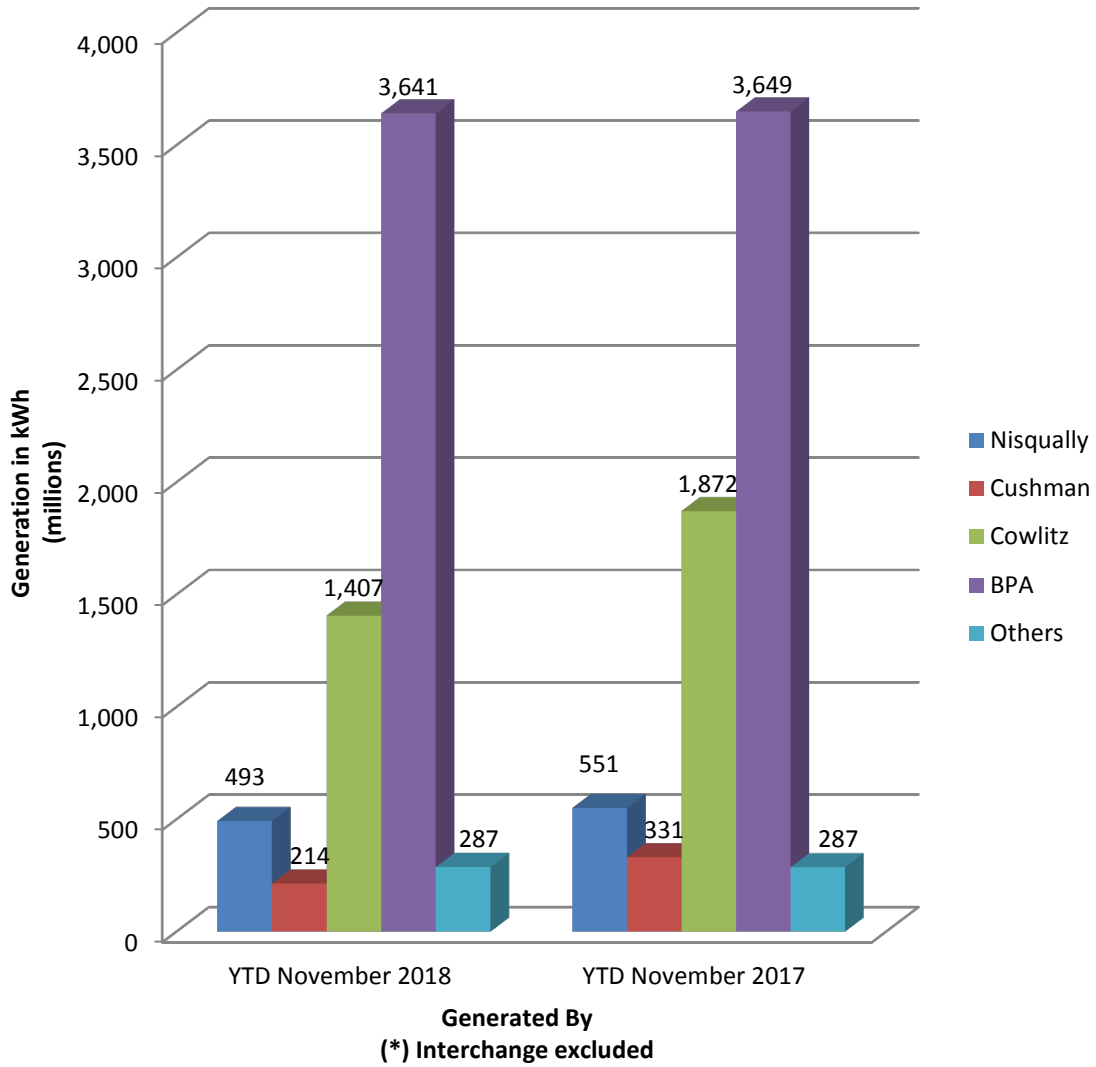
**SALES OF ELECTRIC ENERGY
YEAR TO DATE - NOVEMBER 2018 (\$373,669,435)**



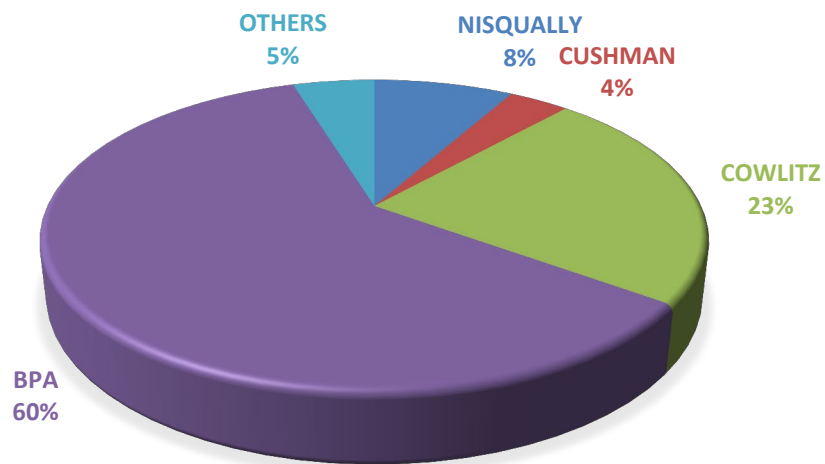
**SALES OF ELECTRIC ENERGY
YEAR TO DATE - NOVEMBER 2017 (\$359,279,642)**



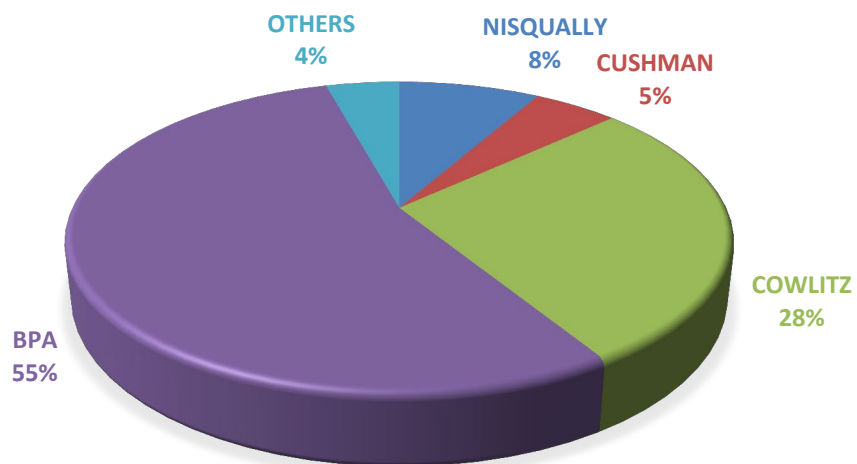
Power Sources (*) Year to Date November 2018 & 2017



POWER SOURCES (*)
YEAR TO DATE - NOVEMBER 2018

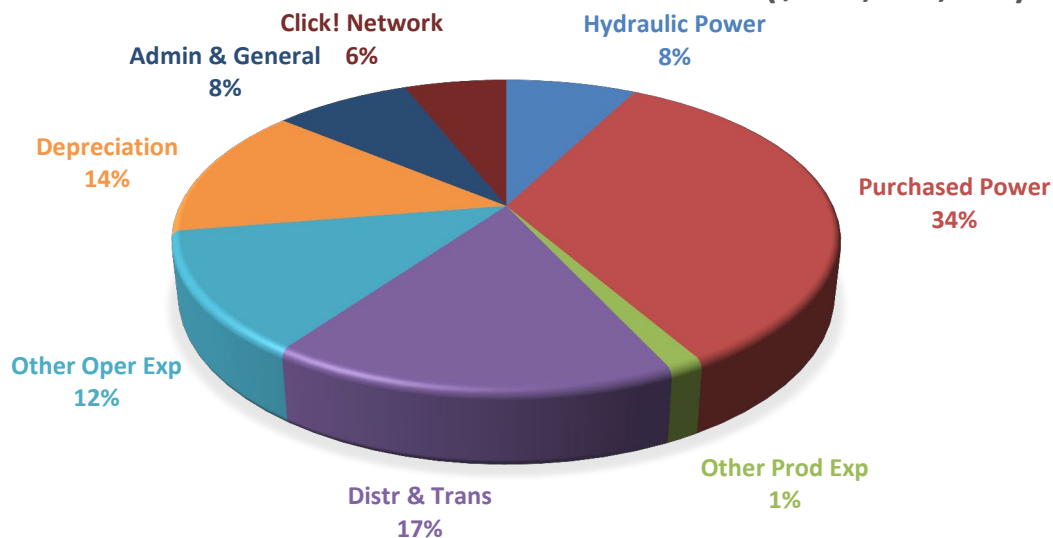


POWER SOURCES (*)
YEAR TO DATE - NOVEMBER 2017

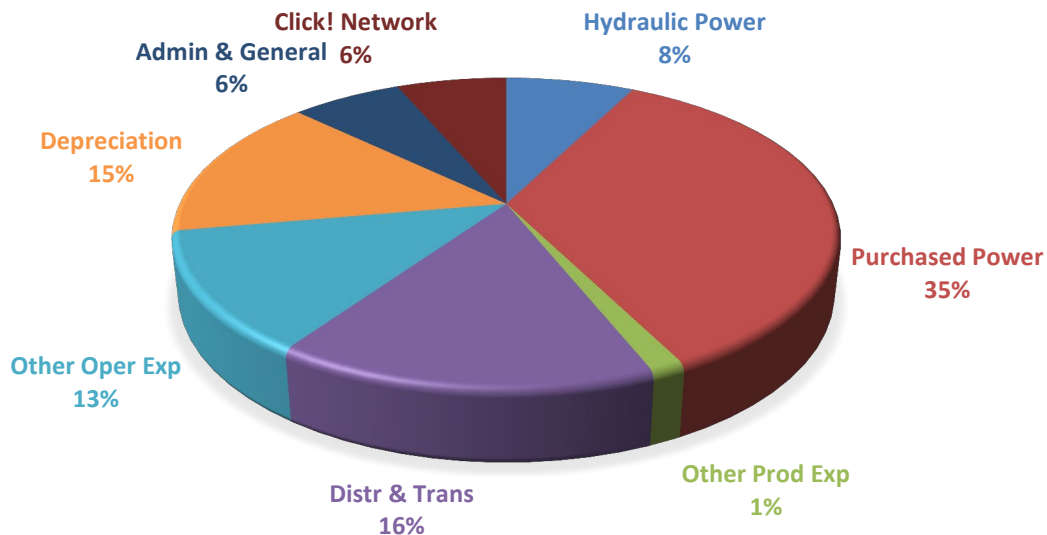


(*) Interchange excluded

TOTAL OPERATING EXPENSES *
YEAR TO DATE - NOVEMBER 2018 (\$364,556,357)



TOTAL OPERATING EXPENSES *
YEAR TO DATE - NOVEMBER 2017 (\$351,769,682)



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



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NOVEMBER

TACOMA WATER

2018

**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

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	1 - 2
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	3 - 4
SUMMARY OF REVENUES AND BILLINGS	5 - 6
SUMMARY OF WATER BILLED	7 - 8
SUPPLEMENTAL DATA	10 - 13

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA WATER

STATEMENTS OF NET POSITION - NOVEMBER 30, 2018 AND NOVEMBER 30, 2017

ASSETS AND DEFERRED OUTFLOWS	<u>2018</u>	<u>2017</u>
UTILITY PLANT		
Water Plant in Service	\$1,111,846,157	\$1,085,769,485
Less Depreciation and Amortization	<u>(260,446,700)</u>	<u>(236,590,432)</u>
Total	851,399,457	849,179,053
Construction Work in Progress	<u>19,545,995</u>	<u>24,508,793</u>
Net Utility Plant	<u>870,945,452</u>	<u>873,687,846</u>
NON-UTILITY PROPERTY	492,963	492,963
RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
2009 Construction Fund	3,298	-
2010 Construction Fund	9,541,123	18,072,998
2013 Construction Fund	16,850,102	15,489,086
Regional Water Supply System Operating Fund	1,130,328	1,134,498
Provision for Debt Payment	15,946,458	16,608,527
Customer Water Main Deposits	3,349,186	3,273,885
Water Supply Forum Fund	320,521	308,661
Special Bond Reserves	22,108,294	22,103,604
Water Customer Contribution Fund	561,608	(350,049)
Water Capital Reserves	36,324,706	29,761,308
Water System Development Charge	<u>68,578,596</u>	<u>61,847,971</u>
Total Restricted Assets	174,714,220	168,250,489
CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	62,254,316	59,770,946
Customers' Deposits	314,027	325,067
Receivables:		
Customers	5,189,706	4,900,683
Accrued Unbilled Revenues	5,457,221	4,797,144
Others	652,065	677,628
BABs Interest Subsidies	1,920,384	1,147,704
Provision for Uncollectible Accounts	(255,673)	(514,460)
Materials and Supplies	2,426,912	2,374,710
Prepayments	<u>1,065,932</u>	<u>898,000</u>
Total Current Assets	<u>79,024,890</u>	<u>74,377,422</u>
TOTAL ASSETS	<u>1,125,177,525</u>	<u>1,116,808,720</u>
OTHER ASSETS		
Regulatory Assets - Public Fire Protection Fees	-	604,130
Regulatory Assets - Surcharges	<u>1,046,603</u>	<u>1,461,667</u>
Total Other Assets	1,046,603	2,065,797
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized Losses on Refunding Bonds	1,191,787	1,379,032
Deferred Outflows for Pensions	<u>8,671,039</u>	<u>8,994,103</u>
Total Deferred Outflows	9,862,826	10,373,135
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u><u>\$1,136,086,954</u></u>	<u><u>\$1,129,247,652</u></u>

These statements should be read in conjunction with the Notes to Financial statements contained in the 2017 Annual Report.

NET POSITION, LIABILITIES AND DEFERRED INFLOWS	2018	2017
NET POSITION		
Net Investment in Capital Assets	\$445,693,195	\$440,924,430
Restricted for:		
Water Capital Reserves	31,215,314	24,172,910
Water System Development Charge	33,003,149	26,272,524
Debt Service Funds	6,404,784	6,952,445
Unrestricted	60,542,790	62,012,421
TOTAL NET POSITION	576,859,232	560,334,730
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	21,890,000	25,825,000
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	12,340,000	13,800,000
2010 RWSS Revenue Bonds, Series A	1,955,000	2,245,000
2010 RWSS Revenue Bonds, Series B	44,245,000	44,245,000
2013 RWSS Refunding Bonds	59,400,000	60,165,000
Total Outstanding Revenue Bonds	365,950,000	372,400,000
Plus: Unamortized Bond Premium	10,653,337	12,180,240
Net Outstanding Revenue Bonds	376,603,337	384,580,240
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	455,299,356	470,204,276
CURRENT LIABILITIES		
Salaries and Wages Payable	442,961	1,112,180
Purchases and Contracts Payable	1,335,632	852,760
Interest Expense Accrued	9,541,674	9,656,082
Taxes Accrued	1,539,936	1,428,467
Customers' and Contractors' Deposits	345,636	357,877
Current Portion of Long-Term Debt	13,554,949	13,334,372
Other Current Liabilities	3,235,130	451,018
Current Accrued Compensated Absences	229,834	269,819
Total Current Liabilities	30,225,752	27,462,575
LONG-TERM LIABILITIES		
Muckleshoot Agreements	6,585,519	6,762,451
Customer Advances for Construction	7,412,665	5,672,355
Unearned Revenue	7,483,831	7,775,457
Other Long-Term Liabilities	4,514,385	4,722,461
Pension Liability	8,278,522	7,788,151
Long-Term Accrued Compensated Absences	2,068,503	2,428,375
Total Long-Term Liabilities	36,343,425	35,149,250
TOTAL LIABILITIES	521,868,533	532,816,101
DEFERRED INFLOWS OF RESOURCES		
Rate Stabilization	35,575,447	35,575,447
Deferred Inflows for Pensions	1,783,742	521,374
Total Deferred Inflows	37,359,189	36,096,821
TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS .	\$1,136,086,954	\$1,129,247,652

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA WATER

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NOVEMBER 30, 2018 AND NOVEMBER 30, 2017

	NOVEMBER 2018	NOVEMBER 2017
OPERATING REVENUES		
Sales of Water	\$5,774,368	\$5,722,450
Other Operating Revenues	878,423	709,702
Contract Resource Obligation Revenue	380,982	341,440
Total Operating Revenues	<u>7,033,773</u>	<u>6,773,592</u>
OPERATING EXPENSES		
Production Expense:		
Source of Supply	1,516,086	598,626
Water Treatment	636,086	611,238
Total Production Expense	<u>2,152,172</u>	<u>1,209,864</u>
Power Pumping Expense	71,327	44,721
Transmission and Storage Expense	378,803	219,150
Distribution Expense	1,286,830	1,150,512
Customer Accounting and Consumer Service ...	420,575	410,196
Taxes	307,094	289,712
Depreciation	2,057,025	2,007,775
Administrative and General	1,010,357	990,157
Total Operating Expenses	<u>7,684,183</u>	<u>6,322,087</u>
OPERATING INCOME (LOSS)	(650,410)	451,505
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	346,699	228,877
Miscellaneous	7,409	(273)
Interest on Long-Term Debt	(1,321,611)	(1,395,495)
Interest on Long-Term Debt BABs Sub	(320,064)	(269,070)
Amortization Of Debt Premium	110,934	119,388
Interest Charged to Construction	(10,232)	38,002
Total Non-Operating Revenues (Expenses)	<u>(1,186,865)</u>	<u>(1,278,571)</u>
Net Income (Loss) Before Capital Contributions and Transfers	(1,837,275)	(827,066)
Capital Contributions:		
Cash	563,990	254,951
Donated Fixed Assets	1,143,709	1,438,844
Federal BABs Subsidies	320,064	269,070
Transfers:		
City Gross Earnings Tax	(533,384)	(516,386)
Transfer from (to) Other Funds	<u>-</u>	<u>51,000</u>
CHANGE IN NET POSITION	<u>(\$342,896)</u>	<u>\$670,413</u>
NET POSITION - JANUARY 1		
TOTAL NET POSITION - NOVEMBER 30		

YEAR TO DATE		2018 OVER (UNDER) 2017	PERCENT CHANGE
NOVEMBER 30 2018	NOVEMBER 30 2017		
\$ 79,261,245	\$ 73,384,058	\$5,877,187	8.0%
10,414,710	9,268,648	1,146,062	12.4%
3,994,140	4,183,469	(189,329)	-4.5%
<u>93,670,095</u>	<u>86,836,175</u>	<u>6,833,920</u>	<u>7.9%</u>
7,810,630	6,528,066	1,282,564	19.6%
6,259,812	5,967,726	292,086	4.9%
<u>14,070,442</u>	<u>12,495,792</u>	<u>1,574,650</u>	<u>12.6%</u>
543,690	502,463	41,227	8.2%
2,357,625	2,262,942	94,683	4.2%
12,322,078	12,614,868	(292,790)	-2.3%
4,754,464	4,527,636	226,828	5.0%
4,692,667	4,284,678	407,989	9.5%
24,060,259	22,037,409	2,022,850	9.2%
10,031,814	9,893,134	138,680	1.4%
<u>72,833,039</u>	<u>68,618,922</u>	<u>4,214,117</u>	<u>6.1%</u>
20,837,056	18,217,253	2,619,803	14.4%
4,712,065	2,923,420	1,788,645	61.2%
276,391	1,217,504	(941,113)	-77.3%
(14,697,080)	(15,003,831)	306,751	-2.0%
(3,415,082)	(3,359,287)	(55,795)	1.7%
1,220,271	1,234,868	(14,597)	-1.2%
419,191	456,868	(37,677)	-8.2%
<u>(11,484,244)</u>	<u>(12,530,458)</u>	<u>1,046,214</u>	<u>-8.3%</u>
9,352,812	5,686,795	3,666,017	64.5%
9,633,220	4,831,568	4,801,652	99.4%
4,791,299	3,308,426	1,482,873	44.8%
3,415,082	3,359,287	55,795	1.7%
(7,080,974)	(6,554,572)	(526,402)	8.0%
<u>31,158</u>	<u>51,000</u>	<u>(19,842)</u>	<u>-38.9%</u>
20,142,597	10,682,504	9,460,093	88.6%
556,716,635	549,652,226	7,064,409	
<u>\$576,859,232</u>	<u>\$560,334,730</u>	<u>\$16,524,502</u>	<u>2.9%</u>

These statements should be read in conjunction with the Management Discussion and Analysis in the September 2018 Financial Report.

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA WATER

SUMMARY OF REVENUES AND BILLINGS
NOVEMBER 30, 2018 AND NOVEMBER 30, 2017

	NOVEMBER 2018	NOVEMBER 2017
SALES OF WATER		
Residential and Domestic	\$3,676,550	\$3,543,079
Commercial and Industrial	1,292,244	1,284,005
Special Rate	617,116	562,687
Sales to Other Utilities	188,458	332,679
Total	<u>\$5,774,368</u>	<u>\$5,722,450</u>

BILLINGS (NUMBER OF MONTHS BILLED)

Residential and Domestic	84,783	83,207
Commercial and Industrial	6,028	6,085
Sales to Other Utilities	14	16
Total	<u>90,825</u>	<u>89,308</u>

YEAR TO DATE		2018 OVER (UNDER) 2017	PERCENT CHANGE
NOVEMBER 30, 2018	NOVEMBER 30, 2017		
\$52,100,193	\$48,519,385	\$3,580,808	7.4%
17,919,203	16,197,081	1,722,122	10.6%
6,317,274	5,783,630	533,644	9.2%
<u>2,924,575</u>	<u>2,883,962</u>	<u>40,613</u>	1.4%
<u>\$79,261,245</u>	<u>\$73,384,058</u>	<u>\$5,877,187</u>	8.0%
1,056,991	1,040,638	16,353	1.6%
72,880	72,031	849	1.2%
<u>164</u>	<u>186</u>	<u>(22)</u>	-11.8%
<u>1,130,035</u>	<u>1,112,855</u>	<u>17,180</u>	1.5%

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA WATER

SUMMARY OF WATER BILLED
NOVEMBER 30, 2018 AND NOVEMBER 30, 2017

	MILLION GALLONS, TOTAL			
	NOVEMBER 2018	NOVEMBER 2017	YEAR TO DATE	
			NOVEMBER 30, 2018	NOVEMBER 30, 2017
WATER BILLED				
Residential and Domestic	514.48	507.42	7,939.62	7,715.13
Commercial and Industrial	205.53	233.21	3,155.99	2,958.50
Special Rate	521.18	507.27	5,356.54	5,210.19
Sales to Other Utilities	63.58	83.28	778.92	851.94
	<u>1,304.77</u>	<u>1,331.18</u>	<u>17,231.07</u>	<u>16,735.76</u>

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

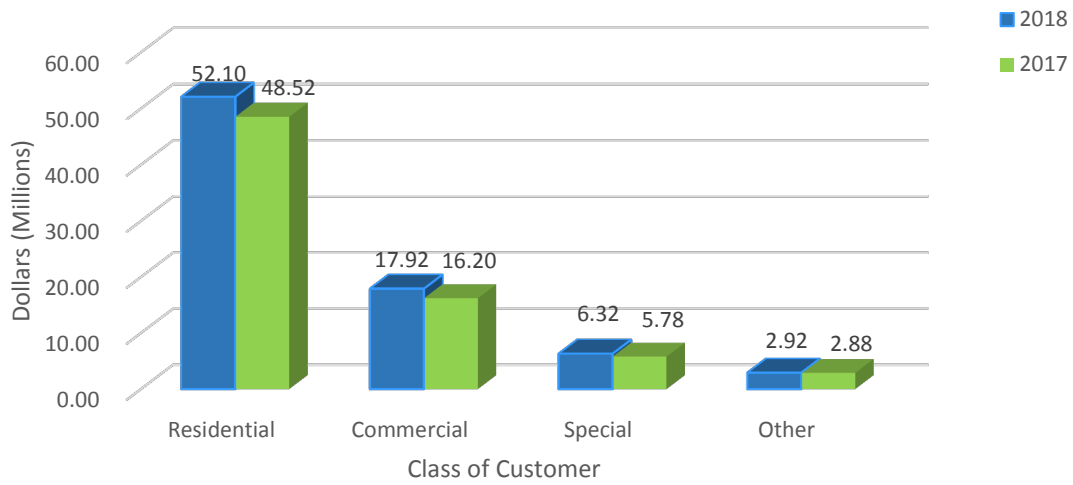
MILLION GALLONS, AVERAGE DAILY

NOVEMBER 2018	NOVEMBER 2017
17.15	16.91
6.85	7.77
17.37	16.91
2.12	2.78
43.49	44.37

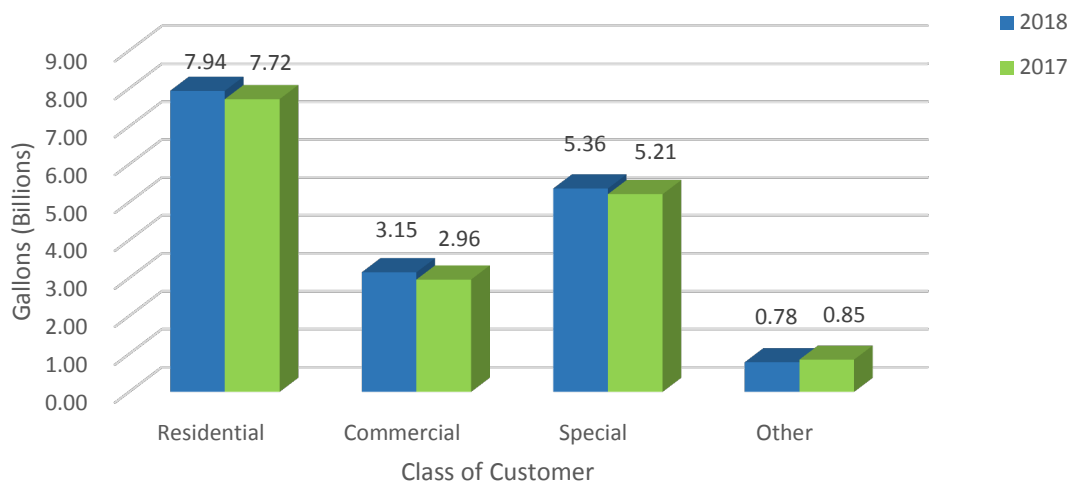
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Supplemental Data

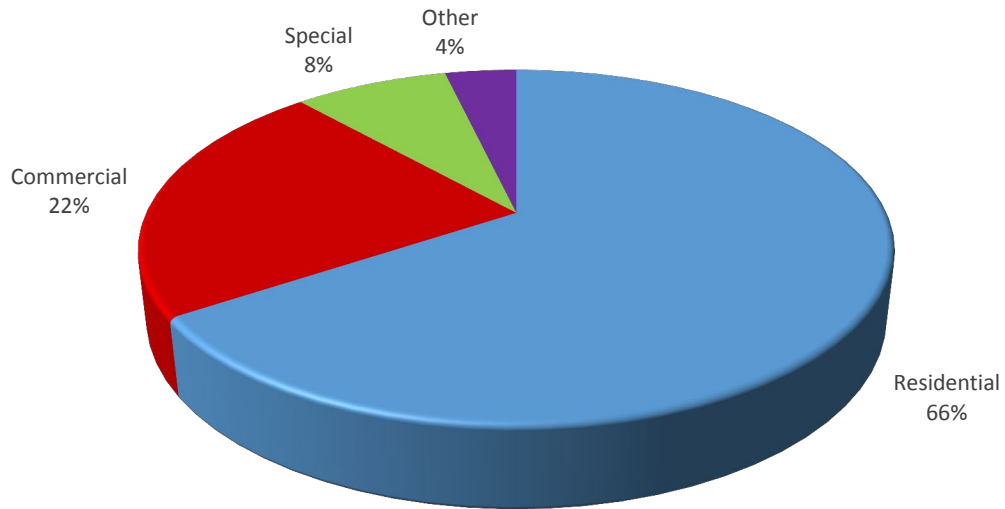
WATER SALES Year to Date - November 2018 & 2017



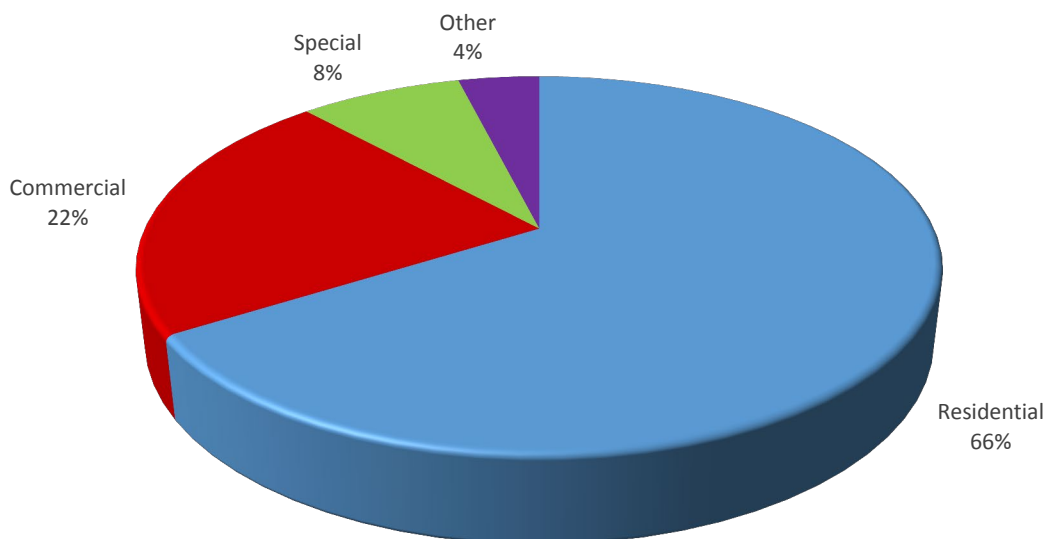
WATER CONSUMPTION Year to Date - November 2018 & 2017



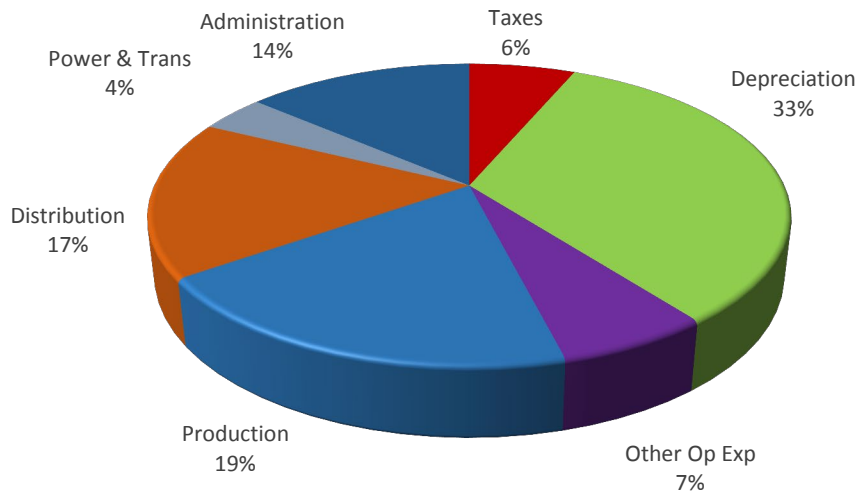
WATER SALES
Year to Date - November 2018
(\$79,261,245)



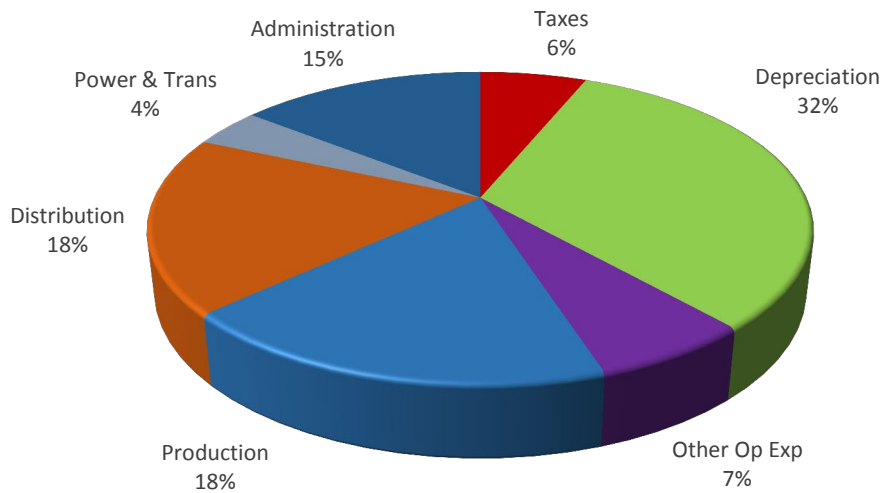
WATER SALES
Year to Date - November 2017
(\$73,384,058)



TOTAL OPERATING EXPENSES
Year to Date - November 2018
(\$72,833,039)



TOTAL OPERATING EXPENSES
Year to Date - November 2017
(\$68,618,922)





The City of Tacoma does not discriminate on the basis of disability in any of its programs, activities, or services. To request this information in an alternative format or to request a reasonable accommodation, please contact the City Clerk's Office at (253) 591-5505. TTY or speech to speech users please dial 711 to connect to Washington Relay Services.

NOVEMBER

TACOMA RAIL

2018

**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
Doing Business As

TACOMA RAIL

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	1 - 2
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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF NET POSITION

ASSETS	NOVEMBER 30,	
	2018	2017
CAPITAL ASSETS		
Road and Equipment Property	\$46,585,758	\$43,727,752
Less Accumulated Depreciation	(21,651,428)	(19,926,056)
Total	24,934,330	23,801,696
Construction Work in Progress	1,084,794	2,990,200
Net Capital Assets	26,019,124	26,791,896
CURRENT ASSETS		
Cash & Equity in Pooled Investments	11,996,810	9,433,190
Customer Accounts Receivable	3,310,820	3,162,135
Prepayments	255,120	1,382,672
Materials and Supplies Inventory.....	1,215,210	1,145,217
Total Current Assets	16,777,960	15,123,214
TOTAL ASSETS	\$42,797,084	\$41,915,110

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2017 Annual Report.

	NOVEMBER 30, 2018	NOVEMBER 30, 2017
NET POSITION AND LIABILITIES		
NET POSITION		
Net Investment in Capital Assets.....	\$20,795,641	\$20,748,170
Unrestricted	10,412,350	9,686,396
TOTAL NET POSITION	31,207,991	30,434,566
LONG-TERM DEBT, NET OF CURRENT MATURITIES		
State Loans.....	4,403,234	5,223,477
Total Long-Term Liabilities	4,403,234	5,223,477
CURRENT LIABILITIES		
Accounts Payable	640,645	443,128
Wages Payable	174,089	566,088
Unemployment and other Tax Payables	295,721	253,586
Volume Incentive Payable	125,001	-
Current Portion of Long Term Debt	820,250	820,250
Current Portion of Compensated Absences	112,418	111,516
Total Current Liabilities	2,168,124	2,194,568
LONG-TERM LIABILITIES		
On the Job Injury Reserve	808,568	817,932
Long Term Portion of Compensated Absences	1,011,762	1,003,644
Other Long-Term Liabilities	3,197,405	2,240,923
Total Long-Term Liabilities	5,017,735	4,062,499
 TOTAL LIABILITIES	 11,589,093	 11,480,544
 TOTAL NET POSITION AND LIABILITIES	 \$42,797,084	 \$41,915,110

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

	NOVEMBER 2018	NOVEMBER 2017
OPERATING REVENUES		
Switching Revenues	\$2,201,635	\$2,154,451
Demurrage and Other Operating Revenues	511,792	393,107
Total Operating Revenues	<u>2,713,427</u>	<u>2,547,558</u>
OPERATING EXPENSES		
Maintenance of Way and Structures		
Salaries and Wages	89,366	72,096
Supplies and Expense	204,724	54,525
Mechanical		
Salaries and Wages	192,697	152,866
Supplies and Expense	297,033	268,892
Operations		
Salaries and Wages	869,771	775,255
Supplies and Expense	113,454	76,009
Administration		
Salaries and Wages	199,276	181,908
Supplies and Expense	273,869	255,697
Taxes - State	38,455	31,971
Depreciation	144,810	132,469
Total Operating Expenses	<u>2,423,455</u>	<u>2,001,688</u>
Net Operating Income	289,972	545,870
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	16,412	8,462
Loss from Disposition of Property	-	-
Miscellaneous	80,150	75,828
Interest Expense	-	-
Total Non-Operating Revenues	<u>96,562</u>	<u>84,290</u>
Contributions - Grants	-	-
Contributions - Others	-	-
Total Contributions	<u>-</u>	<u>-</u>
Transfers		
City of Tacoma Gross Earnings Tax	(224,799)	(234,798)
Total Transfers	<u>(224,799)</u>	<u>(234,798)</u>
CHANGE IN NET POSITION	<u>\$161,735</u>	<u>\$395,362</u>
TOTAL NET POSITION - JANUARY 1		
TOTAL NET POSITION - NOVEMBER 30		

These statements should be read in conjunction with the Management Discussion and Analysis in the September 2018 Financial Report.

YEAR TO DATE			
NOVEMBER 30, 2018	NOVEMBER 30, 2017	2018/2017 VARIANCE	PERCENT CHANGE
\$25,261,941	\$24,429,519	\$832,422	3.4%
4,855,748	3,727,731	1,128,017	30.3%
30,117,689	28,157,250	1,960,439	7.0%
849,174	845,795	3,379	0.4%
1,458,822	1,125,640	333,182	29.6%
1,838,410	1,780,248	58,162	3.3%
3,633,989	2,909,829	724,160	24.9%
9,038,408	8,948,347	90,061	1.0%
1,360,208	1,435,087	(74,879)	-5.2%
2,332,748	2,151,867	180,881	8.4%
3,335,167	3,799,859	(464,692)	-12.2%
422,555	393,053	29,502	7.5%
1,592,904	1,511,906	80,998	5.4%
25,862,385	24,901,631	960,754	3.9%
4,255,304	3,255,619	999,685	30.7%
194,932	113,489	81,443	71.8%
-	(649,715)	-	-100.0%
976,960	953,915	23,045	2.4%
-	(6)	6	-100.0%
1,171,892	417,683	754,209	180.6%
112,306	-	112,306	100.0%
-	36,254	(36,254)	-100.0%
112,306	36,254	76,052	209.8%
(2,498,886)	(2,308,888)	(189,998)	8.2%
(2,498,886)	(2,308,888)	(189,998)	8.2%
3,040,616	1,400,668	\$1,639,948	117.1%
28,167,375	29,033,898		
\$31,207,991	\$30,434,566		

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

SUMMARY OF SWITCHING REVENUES AND SWITCHING ACTIVITIES
NOVEMBER 30, 2018 AND NOVEMBER 30, 2017

	November 2018	November 2017
SWITCHING REVENUES		
LINE HAULS--INTERMODAL	\$980,714	\$781,963
LINE HAULS--COMMERCIAL	1,018,300	1,049,050
LINE HAULS--CAPITAL DIVISION	29,420	26,294
MISCELLANEOUS SWITCHES	173,201	297,144
TOTAL SWITCHING REVENUES	<u>\$2,201,635</u>	<u>\$2,154,451</u>
 SWITCHING ACTIVITIES (CARS)		
LINE HAULS--INTERMODAL	5,788	4,761
LINE HAULS--COMMERCIAL	2,075	2,256
LINE HAULS--CAPITAL DIVISION	52	63
MISCELLANEOUS SWITCHES	1,118	1,560
TOTAL CARS SWITCHED	<u>9,033</u>	<u>8,640</u>

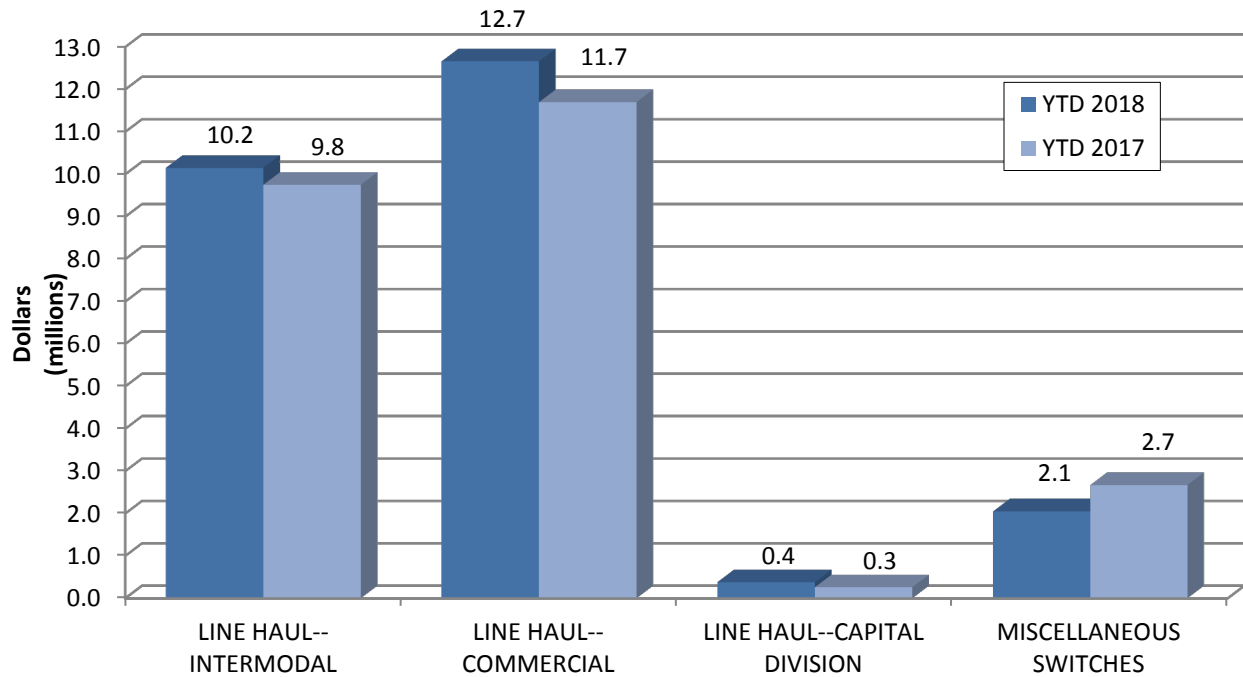
YEAR TO DATE			
November 30, 2018	November 30, 2017	2018/2017 VARIANCE	PERCENT CHANGE
\$10,152,048	\$9,750,184	\$401,864	4.1%
12,669,892	11,738,280	931,612	7.9%
388,923	261,268	127,655	48.9%
2,051,078	2,679,787	(628,710)	-23.5%
<u>\$25,261,941</u>	<u>\$24,429,519</u>	<u>\$832,421</u>	<u>3.4%</u>
59,963	56,584	3,379	6.0%
25,160	25,558	(398)	-1.6%
700	626	74	11.8%
12,321	15,322	(3,001)	-19.6%
<u>98,144</u>	<u>98,090</u>	<u>54</u>	<u>0.1%</u>

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Supplemental Data

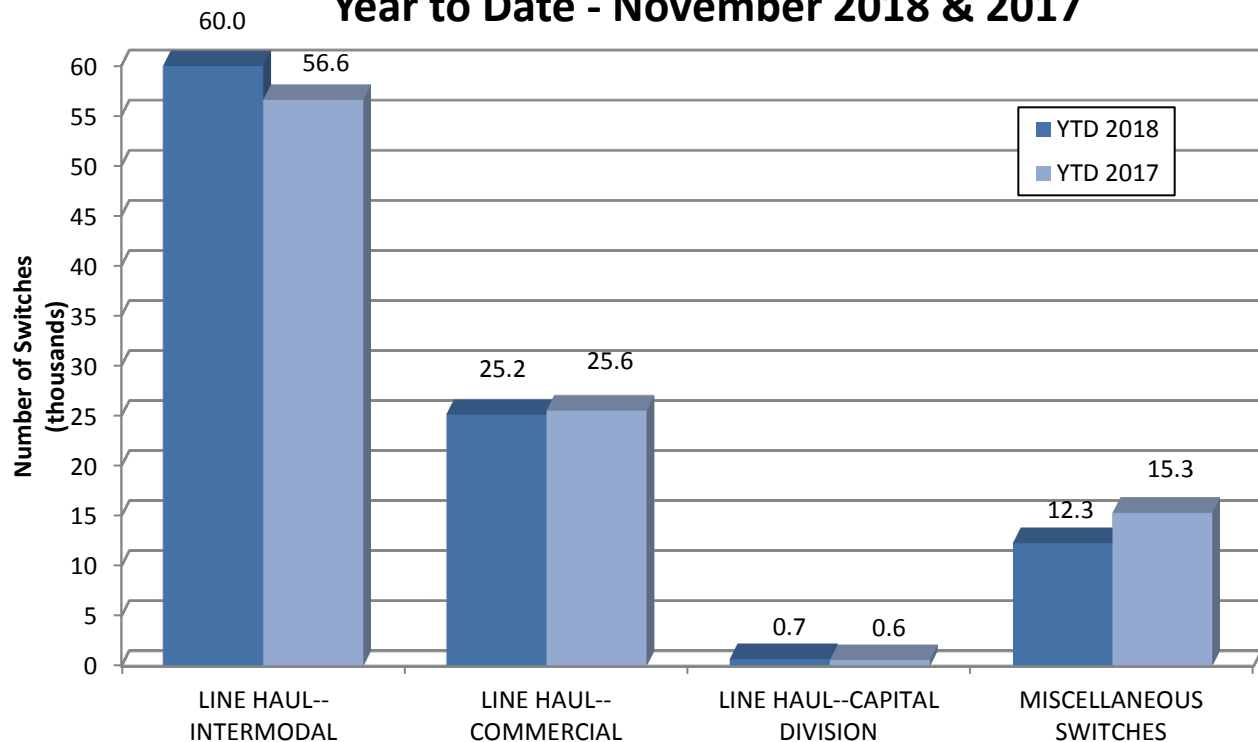
SWITCHING REVENUES

Year to Date - November 2018 & 2017

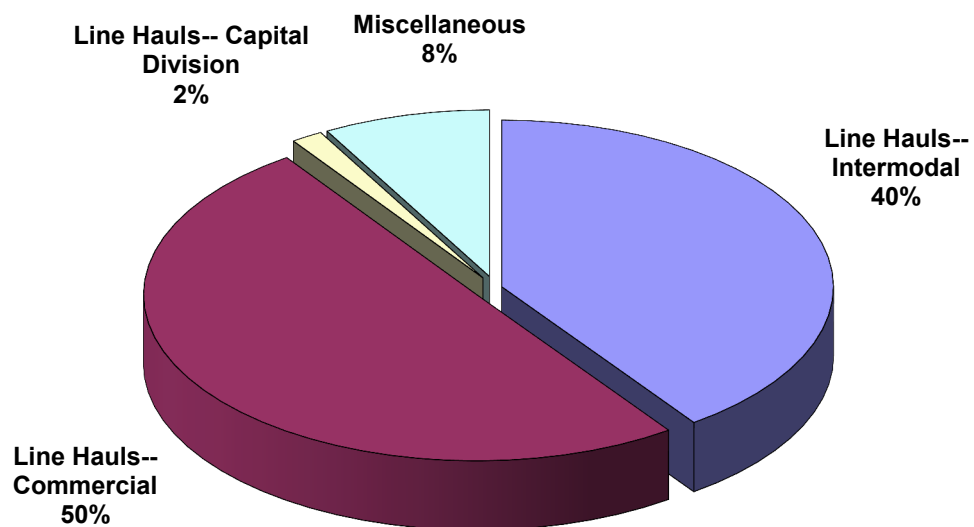


SWITCHING ACTIVITIES

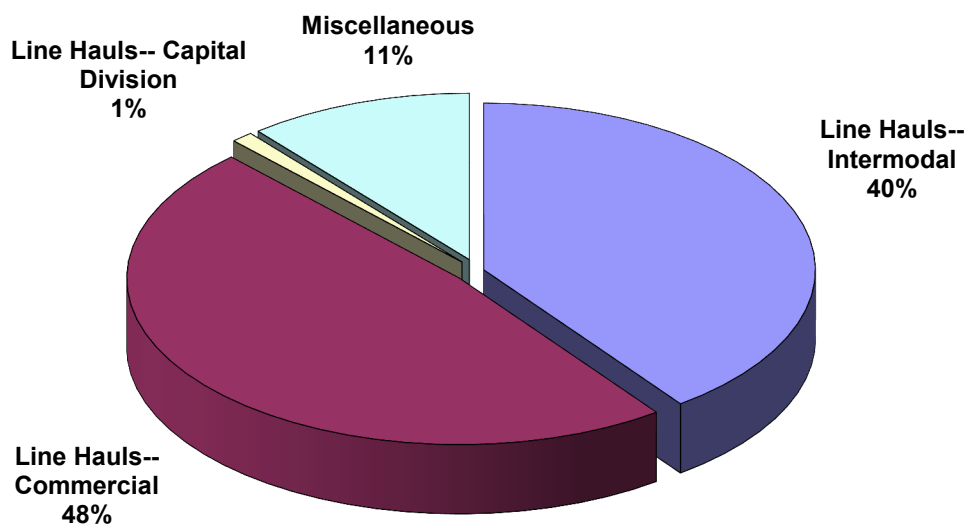
Year to Date - November 2018 & 2017



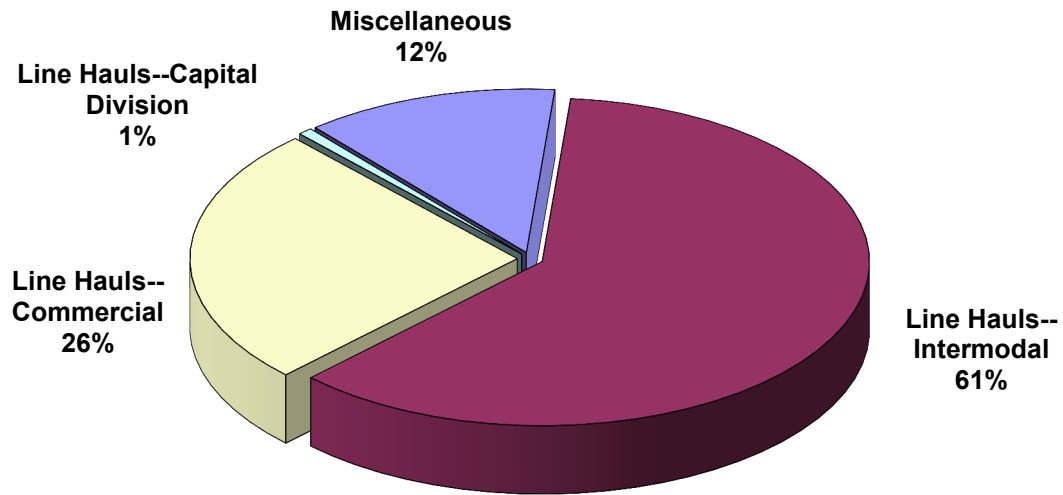
SWITCHING REVENUES
Year to Date - November 2018 (\$25,261,941)



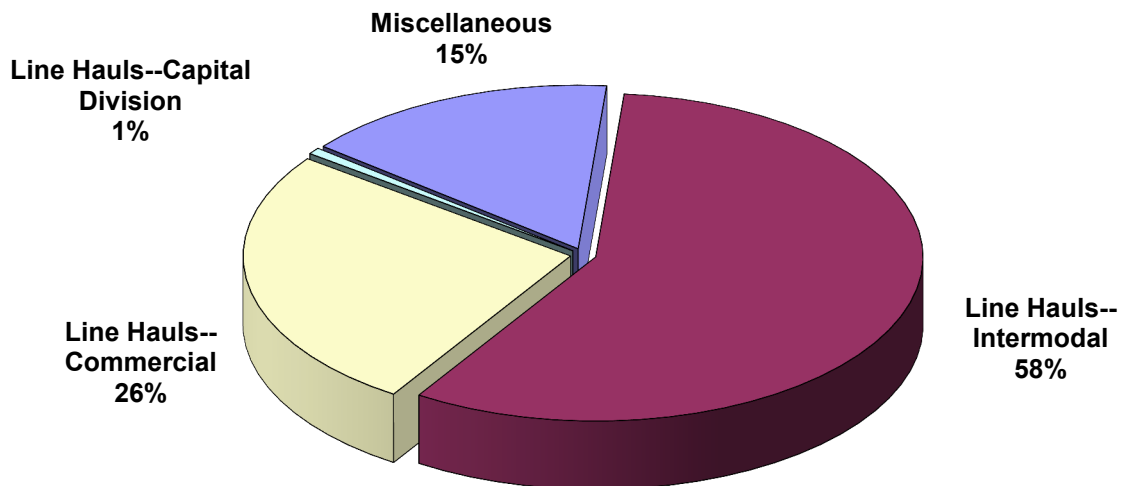
SWITCHING REVENUES
Year to Date - November 2017 (\$24,429,519)



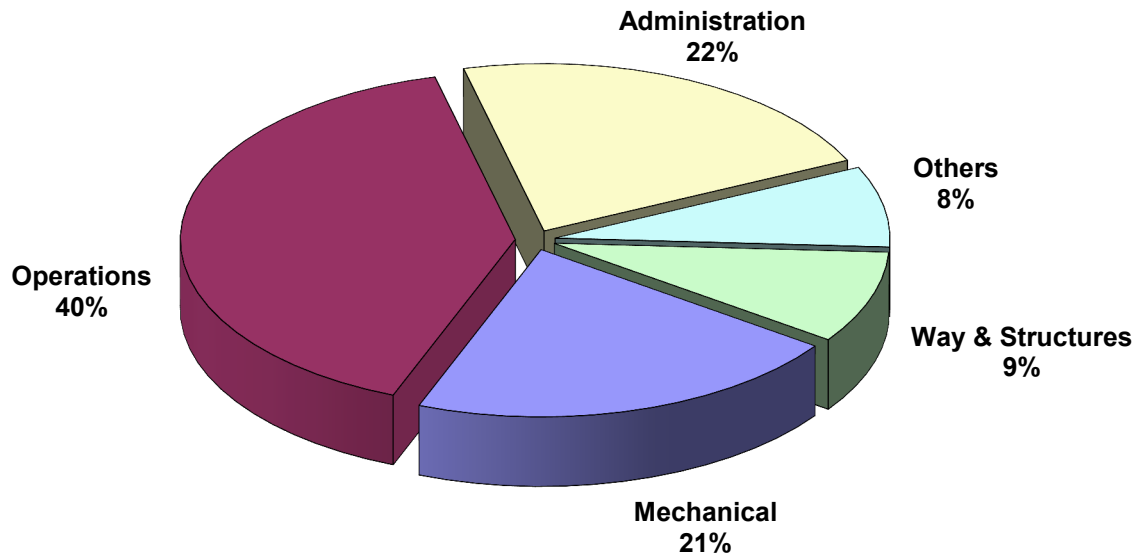
SWITCHING ACTIVITY
Year to Date - November 2018 (98,144 cars)



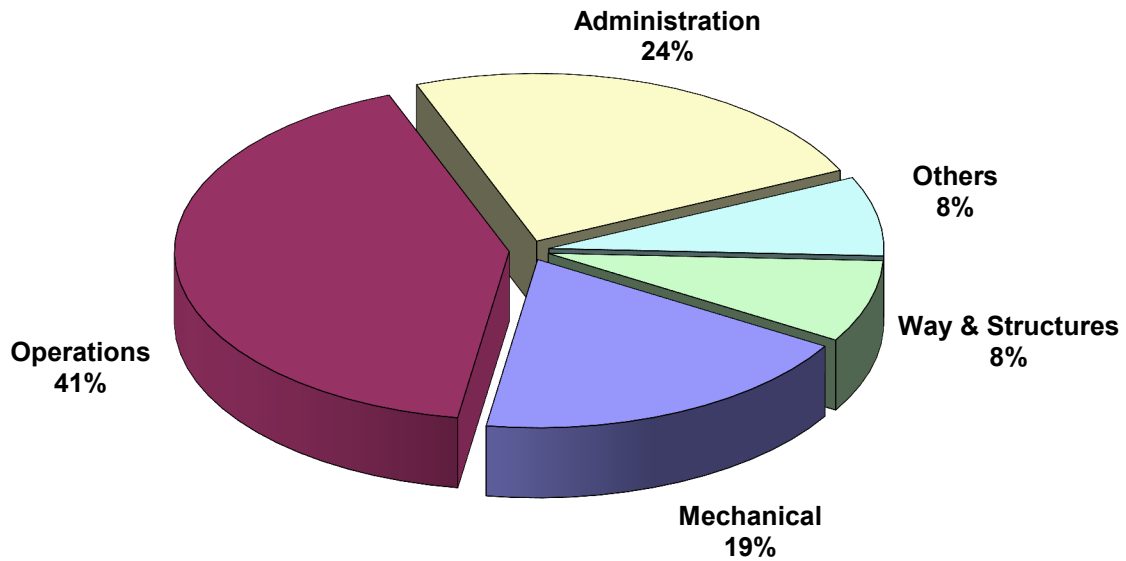
SWITCHING ACTIVITY
Year to Date - November 2017 (98,090 cars)



TOTAL OPERATING EXPENSES
Year to Date - November 2018 (\$25,862,385)



TOTAL OPERATING EXPENSES
Year to Date - November 2017 (\$24,901,631)





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NOVEMBER

FLEET SERVICES FUND

2018

**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

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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	1 - 2
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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
FLEET SERVICES FUND

STATEMENTS OF NET POSITION
NOVEMBER 30, 2018 AND NOVEMBER 30, 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
FIXED		
Office Furniture and Equipment	\$616,901	\$616,901
Stores and Shop Equipment	719,411	719,381
Transportation Equipment	46,737,875	42,380,203
Power-Operated Equipment	16,749,357	16,783,385
Accumulated Depreciation	<u>(39,437,077)</u>	<u>(37,781,926)</u>
Total Fixed Assets	25,386,467	22,717,944
Construction Work in Progress	<u>1,052,994</u>	<u>3,048,912</u>
Net Fixed Assets	26,439,461	25,766,856
CURRENT		
Current Fund Cash & Equity in Pooled Investments	16,405,596	18,890,541
Materials and Supplies	<u>362,355</u>	<u>310,712</u>
Total Current Assets	16,767,951	19,201,253
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows for Pensions	<u>915,881</u>	<u>964,710</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS.....	<u><u>\$44,123,293</u></u>	<u><u>\$45,932,819</u></u>

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2017 Annual Report.

	2018	2017
NET POSITION AND LIABILITIES		
NET POSITION		
Net Investment in Capital Assets	\$26,439,461	\$25,766,856
Restricted for:		
Tacoma Power	18,095,346	18,095,346
Tacoma Water	7,199,933	7,199,933
Tacoma Rail	981,147	981,147
Unrestricted	(9,995,944)	(7,608,927)
TOTAL NET POSITION	42,719,943	44,434,355
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable & Other	60,512	255,486
Wages Payable	70,329	150,692
Total Current Liabilities	130,841	376,178
LONG-TERM LIABILITIES		
Employee Vacation and Sick Leave Accrual	209,679	231,004
Net Pension Liability	874,422	835,359
Total Long-term Liabilities	1,084,101	1,066,363
TOTAL LIABILITIES	1,214,942	1,442,541
DEFERRED INFLOW OF RESOURCES		
Deferred Inflows for Pensions	188,408	55,923
TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS	\$44,123,293	\$45,932,819

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

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
NOVEMBER 30, 2018 AND NOVEMBER 30, 2017

	NOVEMBER 2018	NOVEMBER 2017
OPERATING REVENUE		
Maintenance Revenue	\$242,856	\$152,676
Capital Recovery	323,497	208,217
Administrative Overhead	116,491	116,453
Fuel and Fuel Loading	4,854	4,891
Pool Car Rental	9,161	6,459
Total Operating Revenue	<u>696,859</u>	<u>488,696</u>
OPERATING EXPENSES		
Repairs and Servicing		
Shop Operations	187,798	205,159
Outside Services	1,661	1,076
Total Repairs and Servicing	<u>189,459</u>	<u>206,235</u>
Stores Operations	30,735	28,698
Administration	100,511	119,697
Depreciation	312,470	282,726
Total Operating Expenses	<u>633,175</u>	<u>637,356</u>
OPERATING INCOME	63,684	(148,660)
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	5,818	4,252
Gain (Loss) on Disposition of Equipment	-	4,641
Sale of Scrap	-	-
Total Non-Operating Revenues (Expenses)	<u>5,818</u>	<u>8,893</u>
CHANGE IN NET POSITION	<u>\$69,502</u>	<u>(\$139,767)</u>
TOTAL NET POSITION - JANUARY 1		
TOTAL NET POSITION - NOVEMBER 30		

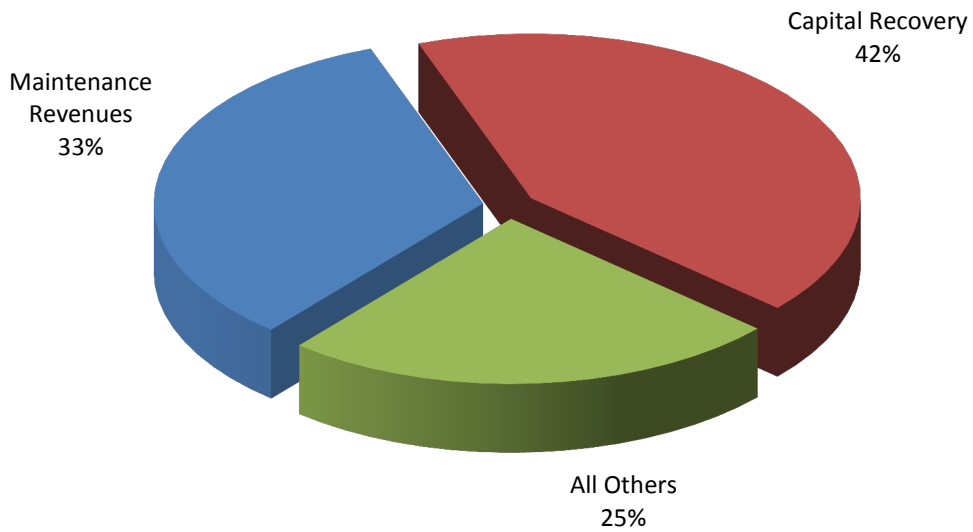
These statements should be read in conjunction with the Management Discussion and Analysis in the September 2018 Financial Report.

YEAR TO DATE			
NOVEMBER 2018	NOVEMBER 2017	2018/2017 VARIANCE	PERCENT CHANGE
\$1,923,345	\$2,003,473	(\$80,128)	-4.0%
2,430,519	2,152,466	278,053	12.9%
1,237,850	1,263,134	(25,284)	-2.0%
60,784	49,875	10,909	21.9%
117,164	102,678	14,486	14.1%
5,769,662	5,571,626	198,036	3.6%
2,168,230	2,358,328	(190,098)	-8.1%
49,181	28,379	20,802	73.3%
2,217,411	2,386,707	(169,296)	-7.1%
308,160	288,917	19,243	6.7%
1,693,777	1,399,756	294,021	21.0%
3,278,905	3,207,731	71,174	2.2%
7,498,253	7,283,111	215,142	3.0%
(1,728,591)	(1,711,485)	(17,106)	1.0%
195,172	112,811	82,361	73.0%
185,876	438,209	(252,333)	-57.6%
555	13,123	(12,568)	-95.8%
381,603	564,143	(182,540)	-32.4%
(1,346,988)	(1,147,342)	(\$199,646)	17.4%
44,066,931	45,581,697		
\$42,719,943	\$44,434,355		

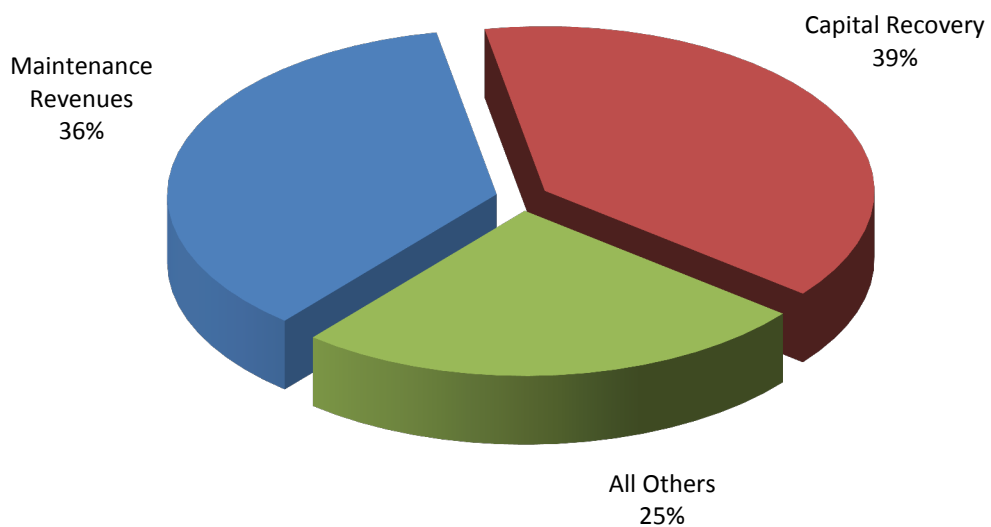
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Supplemental Data

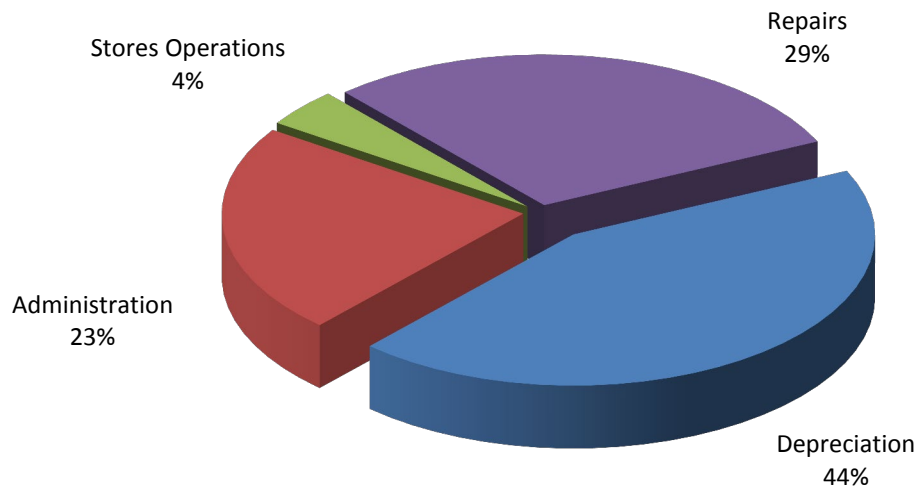
TOTAL OPERATING REVENUES
Year to Date - November 2018 (\$5,769,662)



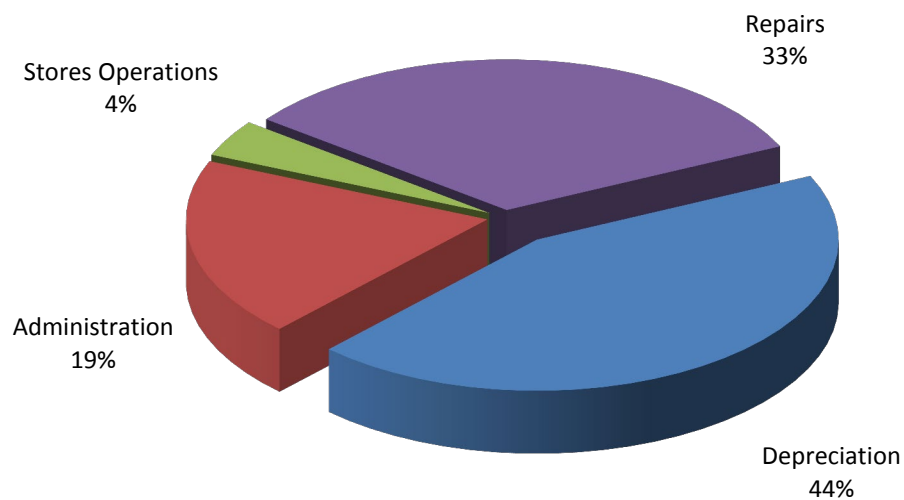
TOTAL OPERATING REVENUES
Year to Date - November 2017 (\$5,571,626)



TOTAL OPERATING EXPENSES
Year to Date - November 2018 (\$7,498,253)



TOTAL OPERATING EXPENSES
Year to Date - November 2017 (\$7,283,111)





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NOVEMBER

SELF-INSURANCE CLAIM FUND

2018

**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

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	1
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	2 - 3

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

STATEMENTS OF NET POSITION - NOVEMBER 30, 2018 AND NOVEMBER 30, 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT		
Cash and Equity in Pooled Investments	<u>\$7,887,737</u>	<u>\$6,982,284</u>
TOTAL ASSETS	<u><u>\$7,887,737</u></u>	<u><u>\$6,982,284</u></u>
NET POSITION AND LIABILITIES		
NET POSITION		
Restricted:		
Interfund Contributions	<u>\$1,598,747</u>	<u>\$1,630,001</u>
TOTAL NET POSITION	<u>1,598,747</u>	<u>1,630,001</u>
CURRENT LIABILITIES		
Accounts Payable Claims	6,264,230	5,345,505
Accounts Payable Claims Handling	<u>24,760</u>	<u>6,778</u>
TOTAL LIABILITIES	<u><u>6,288,990</u></u>	<u><u>5,352,283</u></u>
TOTAL NET POSITION AND LIABILITIES	<u><u>\$7,887,737</u></u>	<u><u>\$6,982,284</u></u>

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2017 Annual Report.

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

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NOVEMBER 30, 2018 AND NOVEMBER 30, 2017

	NOVEMBER 2018	NOVEMBER 2017
INCOME		
Premiums	\$128,333	\$128,333
Interest	11,411	7,036
	<hr/>	<hr/>
TOTAL INCOME	139,744	135,369
 EXPENSES		
Claims	68,370	22,966
Litigation Expense and Settlements	23,123	10,834
Incidental and Administrative Expense	10,690	9,770
	<hr/>	<hr/>
TOTAL EXPENSES	102,183	43,570
	<hr/>	<hr/>
CHANGE IN NET POSITION	\$37,561	\$91,799
	<hr/>	<hr/>
TOTAL NET POSITION - JANUARY 1		
TOTAL NET POSITION - NOVEMBER 30		

These statements should be read in conjunction with the Management Discussion and Analysis in the September 2018 Financial Report.

YEAR-TO-DATE			
NOVEMBER 2018	NOVEMBER 2017	2018/2017 VARIANCE	PERCENT CHANGE
<u>\$3,111,667</u>	<u>\$1,078,333</u>	<u>\$ 2,033,334</u>	188.6%
<u>148,583</u>	<u>98,075</u>	<u>50,508</u>	51.5%
3,260,250	1,176,408	2,083,842	177.1%
2,519,288	1,926,675	592,613	30.8%
135,304	299,934	(164,630)	-54.9%
<u>157,319</u>	<u>126,249</u>	<u>31,070</u>	24.6%
<u>2,811,911</u>	<u>2,352,858</u>	<u>459,053</u>	19.5%
448,339	(1,176,450)	1,624,789	138.1%
<u>1,150,408</u>	<u>2,806,451</u>	<u>(1,656,043)</u>	
<u><u>\$1,598,747</u></u>	<u><u>\$1,630,001</u></u>	<u><u>(\$31,254)</u></u>	



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