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*JULY*

*TACOMA RAIL*

2020

**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  
Doing Business As

TACOMA RAIL

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*Note: These financial statements are interim, unaudited reports prepared primarily for the use of management. Not all transactions reported in these statements have been recorded on the full accrual basis of accounting or in accordance with generally accepted accounting principles.*

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City of Tacoma, Washington  
Department of Public Utilities  
Tacoma Rail  
Statements of Net Position (Unaudited)  
July 31, 2020 and July 31, 2019

<b>ASSETS</b>	2020	2019
<b>CAPITAL ASSETS</b>		
Road and Equipment Property	\$48,450,330	\$47,179,212
Less Accumulated Depreciation	(24,527,879)	(22,824,667)
Total	23,922,451	24,354,545
Construction Work in Progress	3,488,073	1,585,821
Net Capital Assets	27,410,524	25,940,366
<b>CURRENT ASSETS</b>		
Cash & Equity in Pooled Investments	15,260,728	14,778,008
Customer Accounts Receivable	3,097,109	3,769,580
Grants Receivable	-	3,381
Prepayments	1,629,983	1,027,304
Materials and Supplies Inventory	1,286,867	1,218,788
Total Current Assets	21,274,687	20,797,061
<b>DEFERRED OUTFLOWS</b>		
Deferred Outflows for OPEB	738,535	993,546
<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES</b>	<b>\$49,423,746</b>	<b>\$47,730,973</b>

*The accompanying notes are an integral part of these financial statements.*

<b>NET POSITION AND LIABILITIES</b>	<u>2020</u>	<u>2019</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$23,255,773	\$21,190,220
Unrestricted	<u>3,352,010</u>	<u>2,603,996</u>
TOTAL NET POSITION	26,607,783	23,794,216
<b>LONG-TERM DEBT, NET OF CURRENT MATURITIES</b>		
State Loans	<u>3,334,502</u>	<u>3,929,896</u>
Total Long-Term Liabilities	3,334,502	3,929,896
<b>CURRENT LIABILITIES</b>		
Accounts Payable	835,178	544,351
Customer Deposits	40,000	-
Wages Payable	417,014	340,507
Unemployment and Other Tax Payables	292,022	354,751
Volume Incentive Payable	-	625,000
Current Portion of Long-Term Debt	820,250	820,250
Current Portion of Compensated Absences	<u>123,430</u>	<u>118,329</u>
Total Current Liabilities	2,527,894	2,803,188
<b>LONG-TERM LIABILITIES</b>		
On the Job Injury Reserve	756,186	852,255
Long-Term Portion of Compensated Absences	1,110,871	1,064,965
Pension Withdrawal Liability	2,354,440	2,320,000
OPEB Liability	9,947,627	12,179,967
Incurred but not Reported Claims	<u>417,958</u>	<u>496,684</u>
Total Long-Term Liabilities	14,587,082	16,913,871
TOTAL LIABILITIES	<u>20,449,478</u>	<u>23,646,955</u>
<b>DEFERRED INFLOWS</b>		
Deferred Inflows for OPEB	<u>2,366,485</u>	<u>289,802</u>
<b>TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS</b>	<u><u>\$49,423,746</u></u>	<u><u>\$47,730,973</u></u>

City of Tacoma, Washington  
Department of Public Utilities  
Tacoma Rail  
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)  
July 31, 2020 and July 31, 2019

	<u>JULY</u> <u>2020</u>	<u>JULY</u> <u>2019</u>
<b>OPERATING REVENUES</b>		
Switching Revenues	\$2,135,348	\$2,602,756
Demurrage and Other Operating Revenues	<u>489,642</u>	<u>594,971</u>
Total Operating Revenues	2,624,990	3,197,727
<b>OPERATING EXPENSES</b>		
Maintenance of Way and Structures		
Salaries and Wages	86,786	85,750
Supplies and Expense	114,132	102,887
Mechanical		
Salaries and Wages	195,879	189,537
Supplies and Expense	353,931	401,804
Operations		
Salaries and Wages	790,204	841,502
Supplies and Expense	97,108	89,917
Administration		
Salaries and Wages	242,130	204,226
Supplies and Expense	287,751	162,596
Taxes - State	42,195	43,973
Depreciation	<u>148,664</u>	<u>146,903</u>
Total Operating Expenses	2,358,780	2,269,095
Net Operating Income	266,210	928,632
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest Income	17,987	24,856
Miscellaneous	<u>77,653</u>	<u>72,856</u>
Total Non-Operating Revenues	95,640	97,712
Contributions - Grants	<u>-</u>	<u>3,381</u>
Total Contributions	-	3,381
Transfers		
City of Tacoma Gross Earnings Tax	(217,610)	(263,635)
Transfers to other funds	<u>-</u>	<u>-</u>
Total Transfers	(217,610)	(263,635)
<b>CHANGE IN NET POSITION</b>	<u><u>\$144,240</u></u>	<u><u>\$766,090</u></u>
<b>TOTAL NET POSITION - JANUARY 1</b>		
<b>TOTAL NET POSITION - JULY 31</b>		



YEAR TO DATE			
JULY 31 2020	JULY 31 2019	2020/2019 VARIANCE	PERCENT CHANGE
\$15,319,278	\$17,500,071	(\$2,180,793)	-12.5%
3,733,439	3,588,834	144,605	4.0%
19,052,717	21,088,905	(2,036,188)	-9.7%
646,379	603,797	42,582	7.1%
886,476	637,148	249,328	39.1%
1,383,021	1,359,563	23,458	1.7%
2,687,956	2,561,469	126,487	4.9%
5,886,647	5,943,315	(56,668)	-1.0%
838,796	770,485	68,311	8.9%
1,735,822	1,482,358	253,464	17.1%
1,823,716	2,463,204	(639,488)	-26.0%
285,665	294,506	(8,841)	-3.0%
1,041,910	1,028,429	13,481	1.3%
17,216,388	17,144,274	72,114	0.4%
1,836,329	3,944,631	(2,108,302)	-53.4%
57,424	210,485	(153,061)	-72.7%
683,901	539,176	144,725	26.8%
741,325	749,661	(8,336)	-1.1%
19,587	29,168	(9,581)	-32.8%
19,587	29,168	(9,581)	-32.8%
(1,590,603)	(1,742,957)	152,354	8.7%
(500,000)	-	(500,000)	N/A
(2,090,603)	(1,742,957)	(347,646)	-19.9%
506,638	2,980,503	(2,473,865)	-83.0%
26,101,145	20,813,713		
\$26,607,783	\$23,794,216		

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

City of Tacoma, Washington  
 Department of Public Utilities  
 Tacoma Rail  
 Summary of Switching Revenues and Switching Activities (Unaudited)  
 July 31, 2020 and July 31, 2019

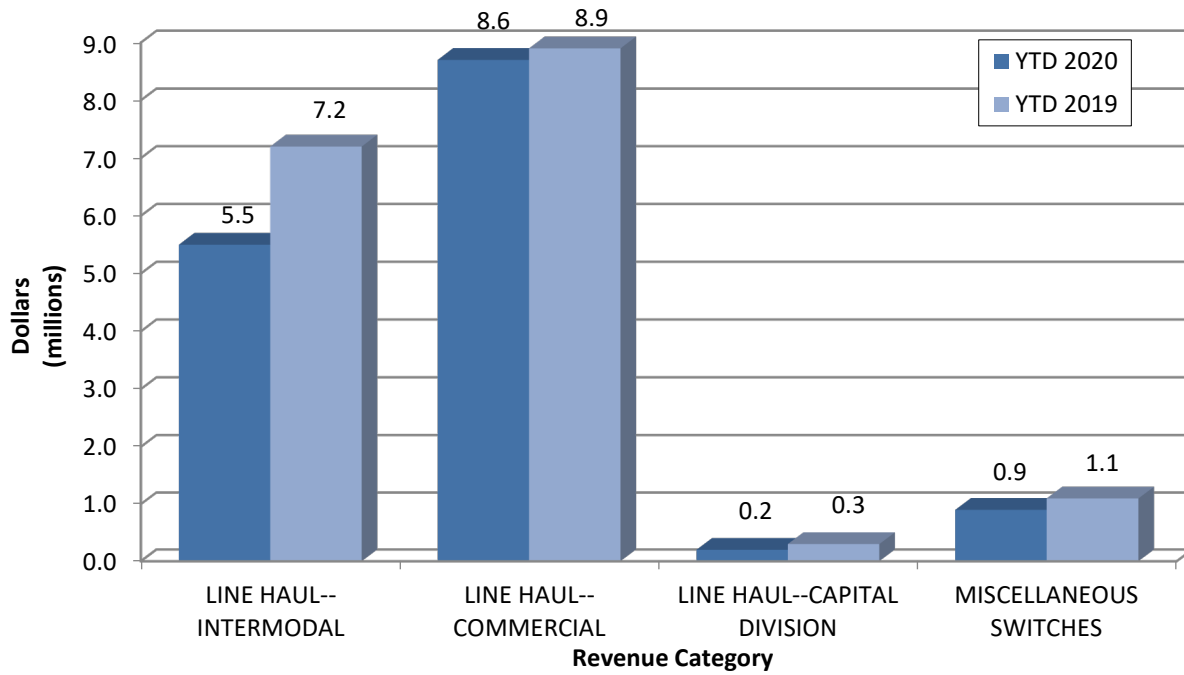
	<u>July 2020</u>	<u>July 2019</u>
<b>SWITCHING REVENUES</b>		
LINE HAULS--INTERMODAL	\$752,082	\$1,076,274
LINE HAULS--COMMERCIAL	1,229,938	1,337,512
LINE HAULS--CAPITAL DIVISION	30,210	50,730
MISCELLANEOUS SWITCHES	<u>123,118</u>	<u>138,240</u>
TOTAL SWITCHING REVENUES	<u><u>\$2,135,348</u></u>	<u><u>\$2,602,756</u></u>
<b>SWITCHING ACTIVITIES (CARS)</b>		
LINE HAULS--INTERMODAL	4,560	6,300
LINE HAULS--COMMERCIAL	2,225	2,535
LINE HAULS--CAPITAL DIVISION	53	89
MISCELLANEOUS SWITCHES	<u>653</u>	<u>851</u>
TOTAL CARS SWITCHED	<u><u>7,491</u></u>	<u><u>9,775</u></u>

YEAR TO DATE			
July 31, 2020	July 31, 2019	2020/2019 VARIANCE	PERCENT CHANGE
\$5,513,901	\$7,230,516	(\$1,716,615)	-23.7%
8,641,428	8,869,816	(228,388)	-2.6%
225,150	272,460	(47,310)	-17.4%
<u>938,799</u>	<u>1,127,279</u>	<u>(188,480)</u>	-16.7%
<u><u>\$15,319,278</u></u>	<u><u>\$17,500,071</u></u>	<u><u>(\$2,180,793)</u></u>	-12.5%
32,632	42,749	(10,117)	-23.7%
16,329	18,511	(2,182)	-11.8%
395	478	(83)	-17.4%
<u>5,003</u>	<u>7,017</u>	<u>(2,014)</u>	-28.7%
<u><u>54,359</u></u>	<u><u>68,755</u></u>	<u><u>(14,396)</u></u>	-20.9%

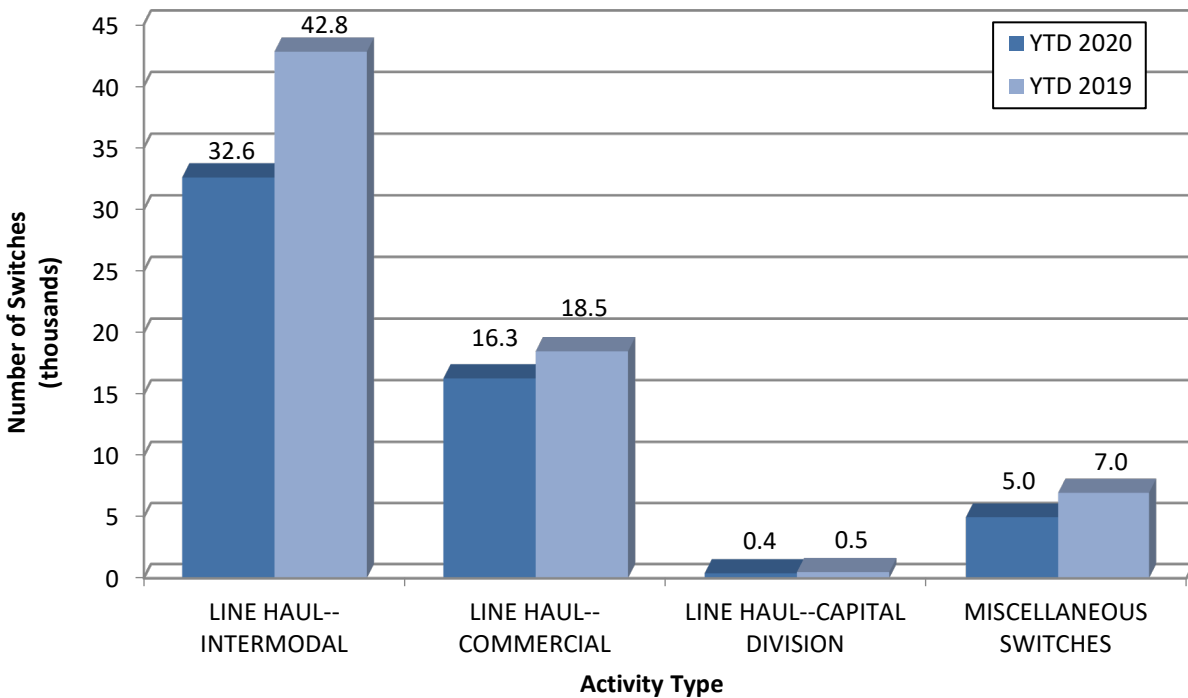
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# Supplemental Data

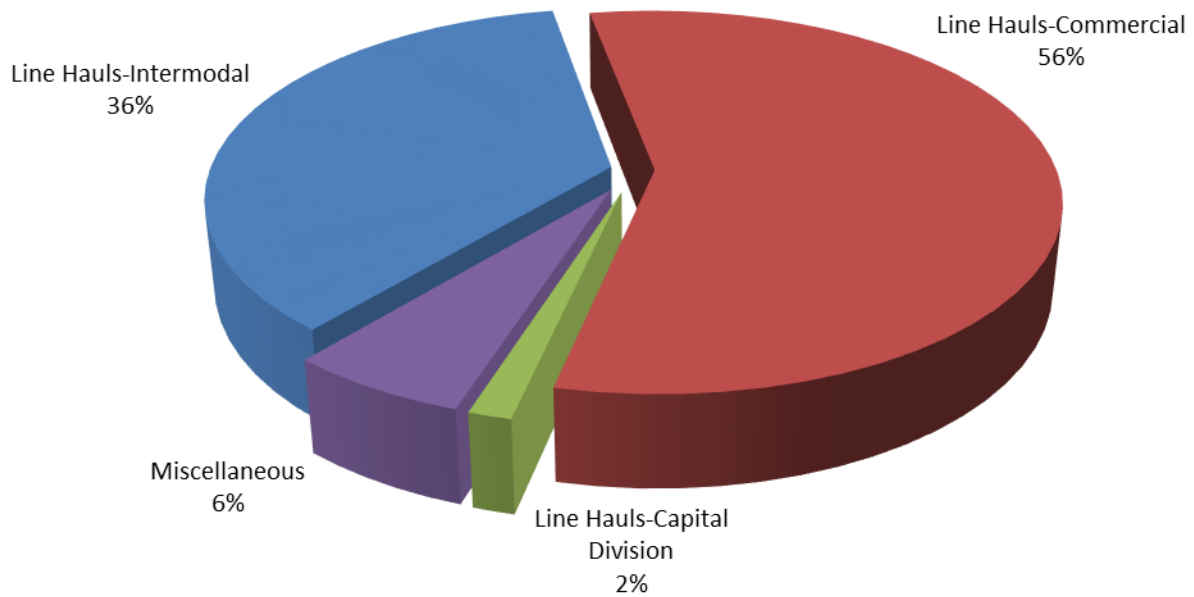
## SWITCHING REVENUES Year to Date - July 2020 & 2019



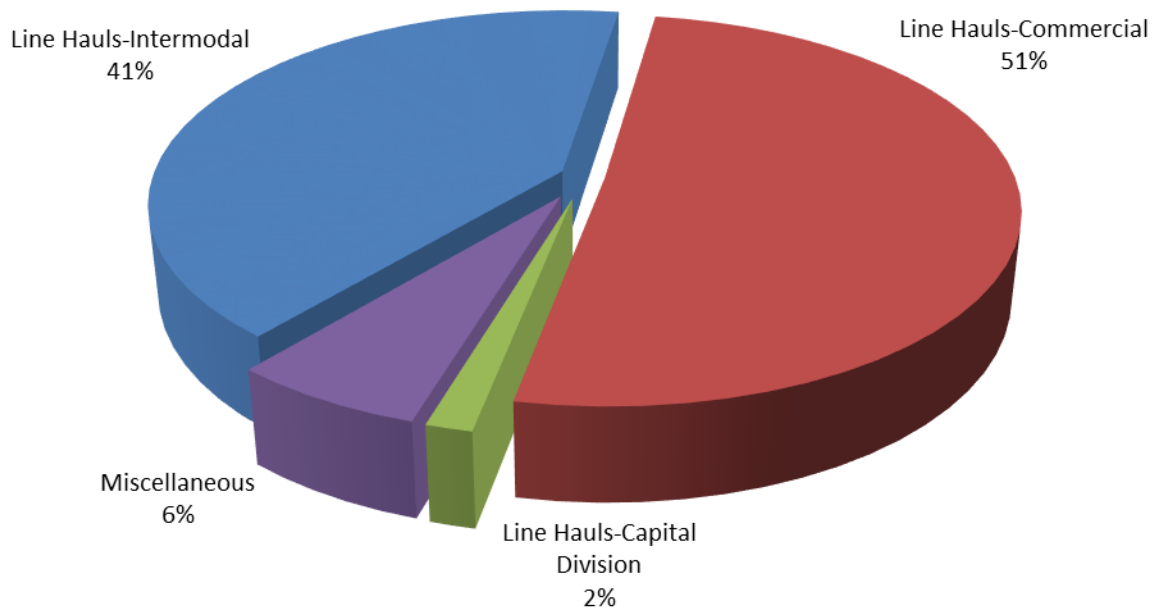
## SWITCHING ACTIVITIES Year to Date - July 2020 & 2019



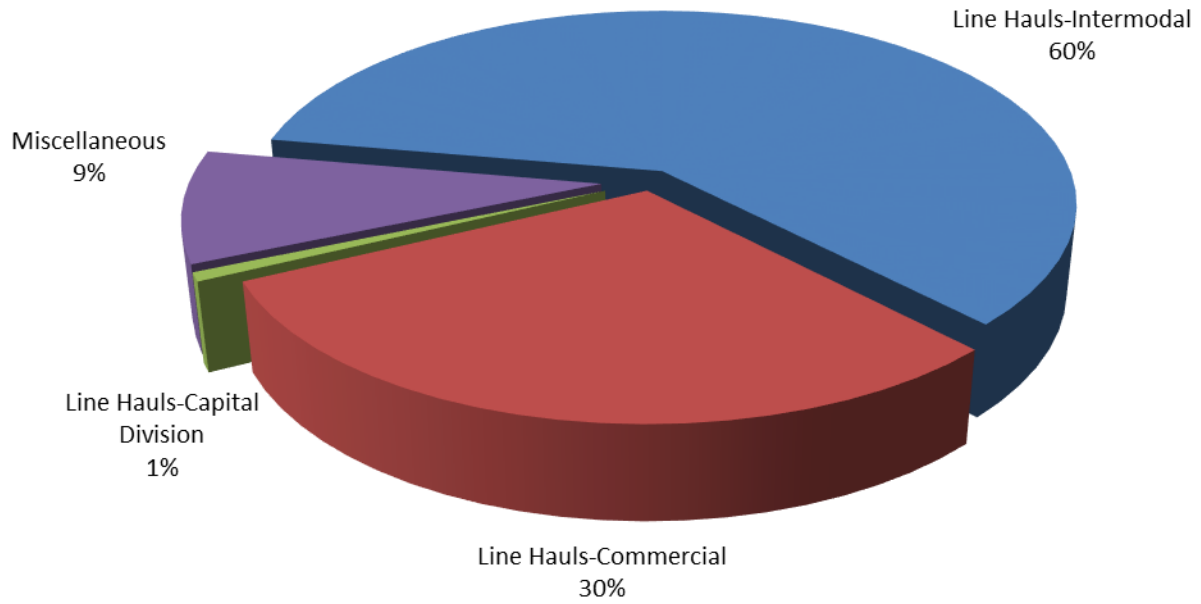
## SWITCHING REVENUES Year to Date - July 2020 (\$15,319,278)



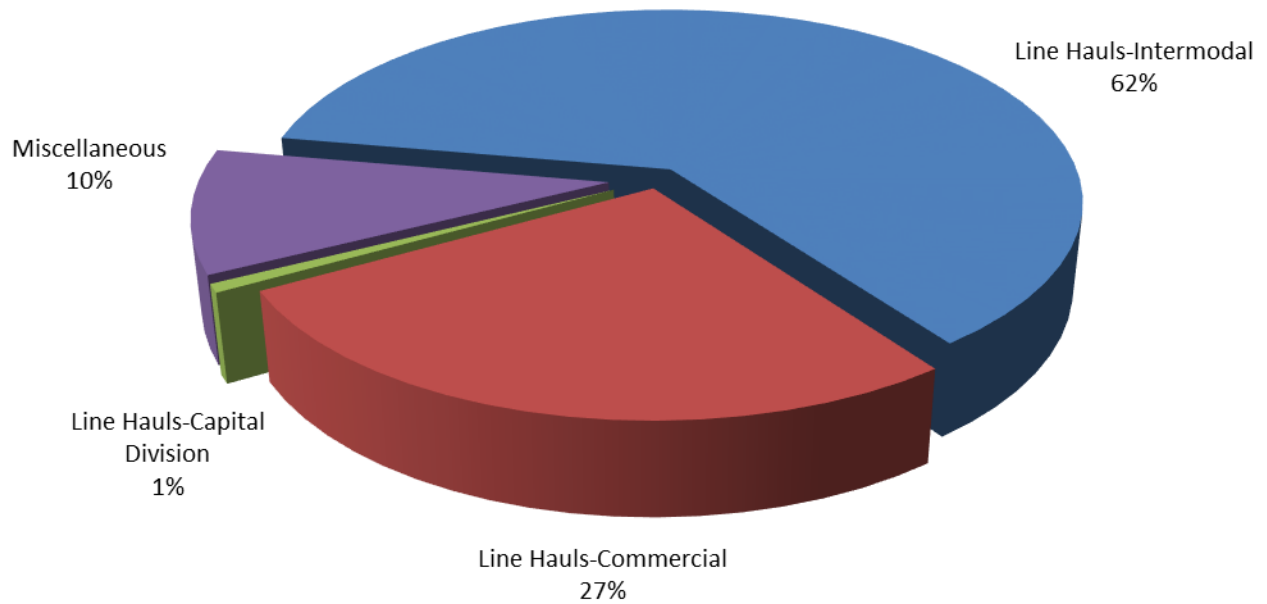
## SWITCHING REVENUES Year to Date - July 2019 (\$17,500,071)



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

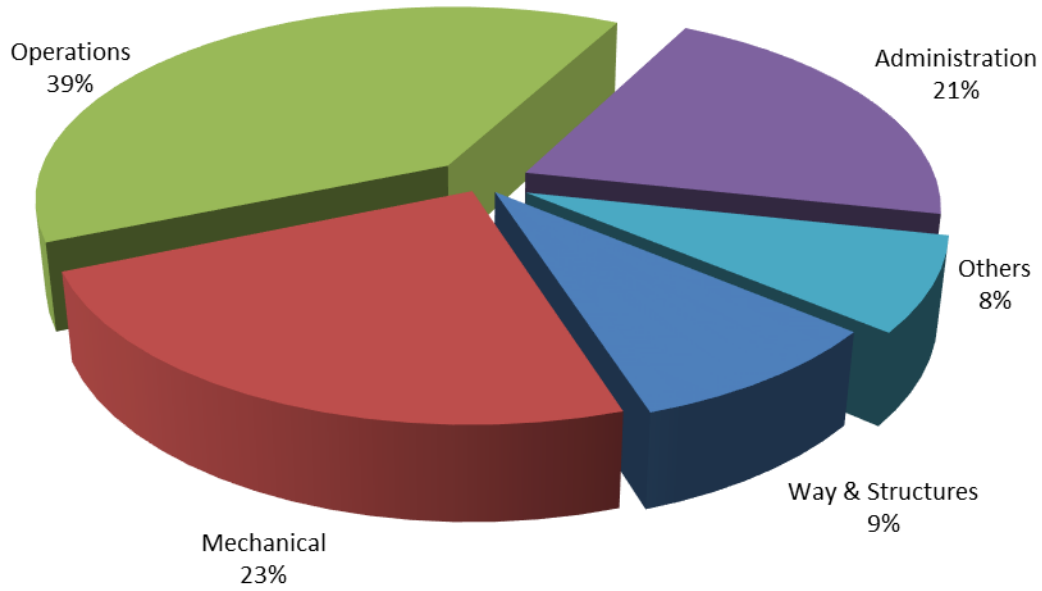


**SWITCHING ACTIVITY**  
**Year to Date - July 2019 (68,755 cars)**

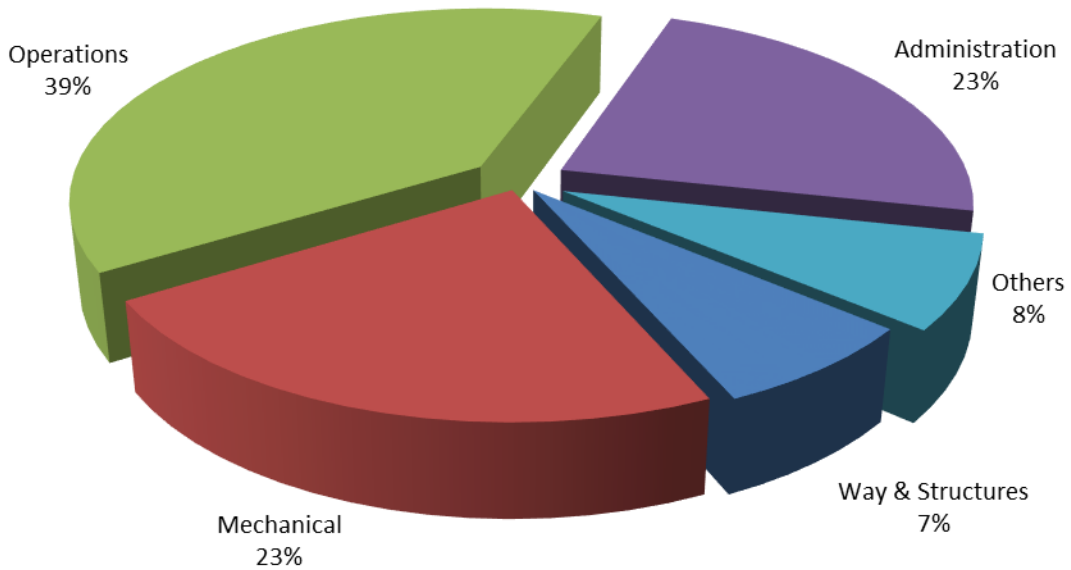




**TOTAL OPERATING EXPENSES**  
**Year to Date - July 2020 (\$17,216,388)**



**TOTAL OPERATING EXPENSES**  
**Year to Date - July 2019 (\$17,144,274)**





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.