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***April 2021***

***SOLID WASTE MANAGEMENT***

***INTERIM FINANCIAL REPORT***



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***Prepared by the City of Tacoma - Finance Department***



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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. Immaterial differences may occur due to rounding.*

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# Management's Discussion and Analysis

The management discussion and analysis (MD&A) is prepared for quarter-end reports: March, June, September, and December. Please refer to the prior quarter-end MD&A for interim months.

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# Interim Financial Statements

**City of Tacoma**  
**Environmental Services Department**  
**Solid Waste Management**  
**Statement of Net Position (Unaudited)**  
**April 30, 2021 and April 30, 2020**

	April		Increase
<b>ASSETS</b>	<b>2021</b>	<b>2020</b>	<b>(Decrease)</b>
Current assets:			
Cash and equity in pooled investments	\$ 50,966,653	\$ 51,324,410	\$ (357,757)
GASB 31 market rate adjustment	878,555	339,831	538,724
Accounts receivable, net	4,622,100	4,017,509	604,591
Accrued unbilled revenue	3,607,376	3,555,989	51,387
Restricted cash and equity in pooled investments:			
Debt service funds	1,966,979	2,165,660	(198,681)
Customer deposits	18,324	46,209	(27,885)
Construction funds	-	2,626,164	(2,626,164)
Total restricted cash and equity in pooled investments	<u>1,985,303</u>	<u>4,838,033</u>	<u>(2,852,730)</u>
Total current assets	<u>62,059,987</u>	<u>64,075,772</u>	<u>(2,015,785)</u>
Noncurrent assets:			
Restricted cash and equity in pooled investments:			
Bond reserves	2,109,500	2,109,500	-
Capital assets:			
Land	2,855,763	2,855,763	-
Buildings	61,767,413	61,767,413	-
Landfill infrastructure	70,679,126	70,668,403	10,723
Machinery and equipment	55,979,505	54,194,670	1,784,835
Computer software	4,927,552	5,137,760	(210,208)
Less: accumulated depreciation	(118,353,835)	(116,772,670)	(1,581,165)
Construction in progress	9,522,424	4,207,790	5,314,634
Total capital assets, net	<u>87,377,948</u>	<u>82,059,129</u>	<u>5,318,819</u>
Other noncurrent assets:			
Net pension asset	1,065,425	-	1,065,425
Total noncurrent assets	<u>88,443,373</u>	<u>84,168,629</u>	<u>6,384,244</u>
Total assets	<u>152,612,860</u>	<u>148,244,401</u>	<u>4,368,459</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows - other post employment benefits	292,262	206,337	85,925
Deferred outflows - pensions	3,160,906	7,759,538	(4,598,632)
Total deferred outflows of resources	<u>3,453,168</u>	<u>7,965,875</u>	<u>(4,512,707)</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><u>\$ 156,066,028</u></u>	<u><u>\$ 156,210,276</u></u>	<u><u>\$ (144,248)</u></u>

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



**City of Tacoma**  
**Environmental Services Department**  
**Solid Waste Management**  
**Statement of Net Position (Unaudited)**  
**April 30, 2021 and April 30, 2020**

	April		Increase
LIABILITIES	2021	2020	(Decrease)
Current liabilities:			
Accounts payable	\$ 1,891,359	\$ 2,242,311	\$ (350,952)
Accrued wages payable and compensated absences	480,167	1,791,292	(1,311,125)
Accrued taxes payable	388,458	371,004	17,454
Customer deposits	92,943	81,814	11,129
Accrued landfill postclosure care costs	694,674	858,999	(164,325)
Current portion of long-term debt	1,350,413	1,324,167	26,246
Total current liabilities	4,898,014	6,669,587	(1,771,573)
Current payable from restricted assets:			
Deposits payable	20,440	48,109	(27,669)
Accrued revenue bond interest payable	1,002,395	1,021,310	(18,915)
Current portion of long-term debt	964,583	945,833	18,750
Total liabilities payable from restricted assets	1,987,418	2,015,252	(27,834)
Noncurrent liabilities:			
Long-term debt - revenue bonds, net	54,265,174	57,261,762	(2,996,588)
Long-term accrued landfill postclosure care costs	13,740,678	14,006,977	(266,299)
Long-term accrued compensated absences	1,418,746	1,215,225	203,521
Net pension liability	-	6,556,061	(6,556,061)
Pension withdrawal liability	437,420	437,420	-
Net OPEB liability	2,536,608	2,404,966	131,642
Total noncurrent liabilities	72,398,626	81,882,411	(9,483,785)
Total liabilities	79,284,058	90,567,250	(11,283,192)
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Rate stabilization	7,000,000	7,000,000	-
Deferred inflows - OPEB	289,731	278,819	10,912
Deferred inflows - pensions	4,060,123	861,461	3,198,662
Deferred inflows - gain on refunding bonds	169,894	258,913	(89,019)
Total deferred inflows of resources	11,519,748	8,399,193	3,120,555
<b>NET POSITION</b>			
Net investment in capital assets	38,784,462	33,032,450	5,752,012
Restricted for:			
Debt service	2,109,501	4,578,017	(2,468,516)
Net pension asset	1,065,425	-	1,065,425
Unrestricted	23,302,834	19,633,366	3,669,468
Total net position	65,262,222	57,243,833	8,018,389
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	<u>\$ 156,066,028</u>	<u>\$ 156,210,276</u>	<u>\$ (144,248)</u>

**City of Tacoma**  
**Environmental Services Department**  
**Solid Waste Management**  
**Statement of Revenues, Expenses, and change in Net Position (Unaudited)**  
**April 30, 2021 and April 30, 2020**

	Month of April		Year-to-Date April		% Chg
	2021	2020	2021	2020	
<b>OPERATING REVENUES</b>					
Residential collection	\$ 3,029,753	\$ 3,346,072	\$11,208,746	\$10,434,504	7%
Commercial collection	2,955,952	2,989,634	11,732,845	11,149,165	5%
Disposal revenues	1,083,028	436,074	3,800,161	3,001,910	27%
Salvage revenues	48,784	16,200	188,530	86,914	117%
Other operating revenues	18,600	8,367	70,731	89,803	-21%
Total operating revenues	7,136,117	6,796,347	27,001,013	24,762,296	9%
<b>OPERATING EXPENSES</b>					
Commercial collection	476,234	393,586	1,955,626	1,819,236	7%
Onsite operations	679,654	706,712	2,735,662	2,612,361	5%
Residential collection	971,836	866,941	3,593,692	3,246,115	11%
Other collection services	1,620,481	1,452,207	5,658,905	4,611,569	23%
Support services	1,428,344	1,465,618	5,419,532	5,258,401	3%
Depreciation	502,638	487,798	1,941,657	1,951,748	-1%
Total operating expenses	5,679,187	5,372,862	21,305,074	19,499,430	9%
Net operating income	1,456,930	1,423,485	5,695,939	5,262,866	8%
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	47,751	86,436	196,110	362,206	-46%
Rental income	383	-	1,532	2,021	-24%
Interest expenses and other related costs	(200,479)	(204,262)	(801,916)	(817,948)	2%
Amortization of premium and refunding gain	61,948	65,890	247,793	263,561	-6%
Other revenues/expenses	(82)	2,263	2,624	5,512	-52%
Process from sale disposal of capital assets	-	49,901	3,800	49,901	-92%
Total nonoperating revenue (expenses)	(90,479)	228	(350,057)	(134,747)	-160%
Net income before transfers	1,366,451	1,423,713	5,345,882	5,128,119	4%
Transfers - gross earnings taxes	(565,301)	(556,235)	(2,151,806)	(2,006,967)	-7%
<b>CHANGE IN NET POSITION</b>	<u>\$ 801,150</u>	<u>\$ 867,478</u>	<u>3,194,076</u>	<u>3,121,152</u>	<u>2%</u>
<b>NET POSITION - JANUARY 1</b>			62,068,146	54,122,681	
<b>NET POSITION - APRIL 30</b>			<u>\$65,262,222</u>	<u>\$57,243,833</u>	

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

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