
APRIL

TACOMA WATER

2024

**INTERIM
FINANCIAL
REPORT**



Public Utility Board

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SCOTT DEWHIRST

Water Superintendent

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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.

Reclassification: Changes have been made to prior period account classifications as needed to conform to the current period presentation format.

Statements of Net Position (Unaudited)	1
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)	4
Summary of Revenues and Billings (Unaudited)	5
Summary of Water Billed (Unaudited)	6
Supplemental Data	8

City of Tacoma, Washington
Department of Public Utilities
Tacoma Water
Statements of Net Position (Unaudited)
April 30, 2024 and April 30, 2023

	APRIL 30,	
	2024	2023
ASSETS		
UTILITY PLANT		
Water Plant in Service	\$1,309,484,968	\$1,276,585,752
Less Depreciation and Amortization	<u>(388,644,707)</u>	<u>(366,175,443)</u>
Total	920,840,261	910,410,309
Right to Use Lease and Subscription Assets	1,450,336	52,613
Less - Accumulated Amortization	<u>(729,997)</u>	<u>(32,156)</u>
Total	720,339	20,457
Construction Work in Progress	<u>33,771,986</u>	<u>26,430,550</u>
Net Utility Plant	<u>955,332,586</u>	<u>936,861,316</u>
NON-UTILITY PROPERTY	492,963	492,963
RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
Regional Water Supply System Operating Fund	2,785,856	777,686
Provision for Debt Payment	9,219,836	14,019,242
Customer Water Main Deposits	3,786,520	3,699,458
Water Supply Forum Fund	599,752	605,362
Special Bond Reserves	17,436,554	21,698,607
Water Customer Contribution Fund	729,773	1,036,199
Water Capital Reserves	21,473,580	21,057,930
Water System Development Charge	<u>63,463,538</u>	<u>75,944,883</u>
Total Restricted Assets	119,495,409	138,839,367
CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	59,033,774	55,908,834
Grant Loan Fund	207,693	398,815
Customers' Deposits	279,501	215,847
Receivables:		
Customers	6,478,921	7,100,859
Accrued Unbilled Revenues	8,329,250	6,771,474
Others	1,939,256	1,676,940
BABs Interest Subsidies	1,479,404	(257,282)
Provision for Uncollectible Accounts	(1,705,055)	(2,172,587)
Materials and Supplies	5,688,927	6,048,295
Prepayments	<u>2,559,029</u>	<u>2,538,216</u>
Total Current Assets	<u>84,290,700</u>	<u>78,229,411</u>
TOTAL ASSETS	<u>1,159,611,658</u>	<u>1,154,423,057</u>
OTHER ASSETS		
Regulatory Assets - Surcharges	3,611,910	3,383,793
Net Pension Asset	<u>-</u>	<u>14,152,644</u>
Total Other Assets	3,611,910	17,536,437
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized Losses on Refunding Bonds	87,583	364,789
Deferred Outflows for Pensions	17,038,690	7,782,163
Deferred Outflows for OPEB	<u>1,333,332</u>	<u>1,806,572</u>
Total Deferred Outflows	18,459,605	9,953,524
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$1,181,683,173</u>	<u>\$1,181,913,018</u>

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

	APRIL 30,	
	2024	2023
NET POSITION		
Net Investment in Capital Assets	\$603,709,779	\$556,429,386
Restricted for:		
Water Capital Reserves	19,238,221	18,343,565
Water System Development Charge	27,888,091	40,369,436
Debt Service Funds	2,968,571	6,609,106
Pension Asset	-	14,152,644
Unrestricted	60,908,514	41,482,010
TOTAL NET POSITION	714,713,176	677,386,147
LIABILITIES		
LONG-TERM DEBT		
Revenue Bonds Outstanding:		
2005 Water Revenue Bonds Refunding	-	5,000
2009 Water Revenue Bonds	76,775,000	76,775,000
2010 Water Revenue Bonds	72,620,000	74,985,000
2013 Water Revenue Bonds Refunding	-	74,355,000
2015 Water Refunding Bonds, Series A	2,025,000	3,960,000
2024 Water Revenue Bonds Refunding	63,800,000	-
2010 RWSS Revenue Bonds, Series A	-	355,000
2010 RWSS Revenue Bonds, Series B	44,245,000	44,245,000
2013 RWSS Refunding Bonds	-	49,935,000
2024 RWSS Revenue Bonds Refunding	28,970,000	-
Total Outstanding Revenue Bonds	288,435,000	324,615,000
Plus: Unamortized Bond Premium	14,514,323	5,295,288
Net Outstanding Revenue Bonds	302,949,323	329,910,288
PWTF Pre-Construction Loans	-	53,363
PWTF Construction Loans	6,813,545	8,285,559
State Drinking Water Loans	40,708,481	44,778,674
Total Long-Term Debt	350,471,349	383,027,884
CURRENT LIABILITIES		
Salaries and Wages Payable	925,357	618,979
Purchases and Contracts Payable	2,359,158	2,839,967
Interest Expense Accrued	6,251,265	7,410,136
Taxes Accrued	2,232,755	1,891,003
Customers' and Contractors' Deposits	349,081	268,164
Current Lease and Subscription Liability	340,952	14,098
Current Portion of Long-Term Debt	13,813,651	14,953,204
Current OPEB Liability	118,965	-
Other Current Liabilities	4,144,580	4,063,315
Current Accrued Compensated Absences	366,960	355,143
Total Current Liabilities	30,902,724	32,414,009
LONG-TERM LIABILITIES		
Muckleshoot Agreements	4,798,533	4,986,314
Customer Advances for Construction	8,930,542	11,138,123
Long Term Lease and Subscription Liability	215,422	6,789
Unearned Revenue	6,172,201	5,743,074
Other Long-Term Liabilities	3,324,271	6,568,403
Pension Liability	13,200,837	-
OPEB Liability	4,145,257	5,350,651
Long-Term Accrued Compensated Absences	3,302,639	3,196,288
Total Long-Term Liabilities	44,089,702	36,989,642
TOTAL LIABILITIES	425,463,775	452,431,535
DEFERRED INFLOWS OF RESOURCES		
Unamortized Gains on Refunding of Bonds	4,499,857	-
Rate Stabilization	35,575,447	35,575,447
Deferred Inflows for Pensions	312,516	16,189,221
Deferred Inflows for OPEB	1,118,402	330,668
Total Deferred Inflows	41,506,222	52,095,336
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$1,181,683,173	\$1,181,913,018

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City of Tacoma, Washington
Department of Public Utilities
Tacoma Water
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)
April 30, 2024 and April 30, 2023

			YEAR TO DATE		2024 OVER (UNDER) 2023	PERCENT CHANGE
	APRIL 2024	APRIL 2023	APRIL 30, 2024	APRIL 30, 2023		
OPERATING REVENUES						
Sales of Water	\$8,087,126	\$7,356,837	\$30,520,334	\$29,793,884	\$726,450	2.4%
Other Operating Revenues	679,785	731,463	2,615,657	2,772,727	(157,070)	-5.7%
Contract Resource Obligation Revenue	970,439	456,028	2,375,077	1,878,223	496,854	26.5%
Total Operating Revenues	9,737,350	8,544,328	35,511,068	34,444,834	1,066,234	3.1%
OPERATING EXPENSES						
Production Expense:						
Source of Supply	339,255	308,302	1,358,797	1,422,691	(63,894)	-4.5%
Water Treatment	953,870	1,005,498	3,787,741	4,062,250	(274,509)	-6.8%
Total Production Expense	1,293,125	1,313,800	5,146,538	5,484,941	(338,403)	-6.2%
Power Pumping Expense	-	103,722	255,551	376,319	(120,768)	-32.1%
Transmission and Storage Expense	463,482	343,851	1,660,354	1,514,838	145,516	9.6%
Distribution Expense	1,813,381	1,466,788	7,182,213	6,804,642	377,571	5.5%
Customer Accounting and Consumer Service	526,543	487,691	2,129,512	2,096,558	32,954	1.6%
Taxes	542,419	724,645	2,025,667	1,985,543	40,124	2.0%
Depreciation and Amortization	2,472,327	2,441,458	9,889,871	9,762,044	127,827	1.3%
Administrative and General	1,453,464	1,543,340	6,282,672	6,160,637	122,035	2.0%
Total Operating Expenses	8,564,741	8,425,295	34,572,378	34,185,522	386,856	1.1%
OPERATING INCOME (LOSS)	1,172,609	119,033	938,690	259,312	679,378	262.0%
NON-OPERATING REVENUES (EXPENSES)						
Interest Income	553,713	420,672	2,166,840	1,559,012	607,828	39.0%
Operating Grant	-	-	-	158,133	(158,133)	-100.0%
Gain on Sale/Disposal of Capital Asset	84,150	-	84,150	3,936,600	(3,852,450)	-97.9%
Others	(19,403)	35,149	(836,267)	102,273	(938,540)	-917.7%
Transfer from Other Government	-	-	10,580,728	-	10,580,728	NA
Interest on Long-Term Debt	(1,142,567)	(1,207,366)	(4,714,795)	(4,830,060)	115,265	2.4%
Interest on Long-Term Debt BABs Sub	(247,703)	(247,703)	(990,812)	(990,812)	-	0.0%
Amortization Of Debt Premium	216,543	60,063	600,992	240,251	360,741	150.2%
Total Non-Operating Revenues (Expenses)	(555,267)	(939,185)	6,890,836	175,397	6,715,439	3828.7%
Net Income (Loss) Before Capital Contributions and Transfers	617,342	(820,152)	7,829,526	434,709	7,394,817	1701.1%
Capital Grants and Contributions:						
Cash	349,222	905,895	1,480,731	2,583,499	(1,102,768)	-42.7%
Capital Grants	-	409,674	-	264,403	(264,403)	-100.0%
Donated Fixed Assets	-	-	78,355	126,674	(48,319)	-38.1%
Federal BABs Subsidies	301,820	301,820	1,207,281	1,207,281	-	0.0%
Transfers:						
City Gross Earnings Tax	(732,346)	(640,222)	(2,703,708)	(2,907,317)	203,609	7.0%
CHANGE IN NET POSITION	\$536,038	\$157,015	7,892,185	1,709,249	6,182,936	361.7%
NET POSITION - JANUARY 1			706,820,991	675,676,898	31,144,093	
TOTAL NET POSITION - APRIL 30			\$714,713,176	\$677,386,147	\$37,327,029	5.5%

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 Water
Summary of Revenues and Billings (Unaudited)
April 30, 2024 and April 30, 2023

	APRIL 2024	APRIL 2023	YEAR TO DATE		2024 OVER (UNDER) 2023	PERCENT CHANGE
			APRIL 30, 2024	APRIL 30, 2023		
SALES OF WATER						
Residential and Domestic	\$5,986,717	\$5,054,128	\$22,499,085	\$20,263,576	\$2,235,509	11.0%
Commercial and Industrial	1,855,711	1,491,134	6,853,492	6,380,018	473,474	7.4%
Special Rate	110,583	659,475	465,506	2,515,594	(2,050,088)	-81.5%
Wholesale	<u>134,115</u>	<u>152,100</u>	<u>702,251</u>	<u>634,696</u>	<u>67,555</u>	10.6%
Total	<u><u>\$8,087,126</u></u>	<u><u>\$7,356,837</u></u>	<u><u>\$30,520,334</u></u>	<u><u>\$29,793,884</u></u>	<u><u>\$726,450</u></u>	2.4%
BILLINGS (NUMBER OF MONTHS BILLED)						
Residential and Domestic	105,659	109,627	412,874	412,402	472	0.1%
Commercial and Industrial	6,732	6,670	27,422	27,023	399	1.5%
Wholesale	<u>12</u>	<u>18</u>	<u>71</u>	<u>77</u>	<u>(6)</u>	-7.8%
Total	<u><u>112,403</u></u>	<u><u>116,315</u></u>	<u><u>440,367</u></u>	<u><u>439,502</u></u>	<u><u>865</u></u>	0.2%

City of Tacoma, Washington
Department of Public Utilities
Tacoma Water
Summary of Water Billed (Unaudited)

	MILLION GALLONS, TOTAL				MILLION GALLONS, AVERAGE DAILY	
	APRIL 2024	APRIL 2023	YEAR TO DATE		APRIL 2024	APRIL 2023
			APRIL 30, 2024	APRIL 30, 2023		
WATER BILLED						
Residential and Domestic	547.66	546.05	2,238.95	2,189.51	18.26	18.20
Commercial and Industrial	226.22	198.69	915.61	834.55	7.54	6.62
Special Rate	8.57	516.40	47.54	1,935.52	0.29	17.21
Wholesale	40.36	42.56	185.61	181.64	1.35	1.42
	<u>822.81</u>	<u>1,303.70</u>	<u>3,387.71</u>	<u>5,141.22</u>	<u>27.44</u>	<u>43.45</u>

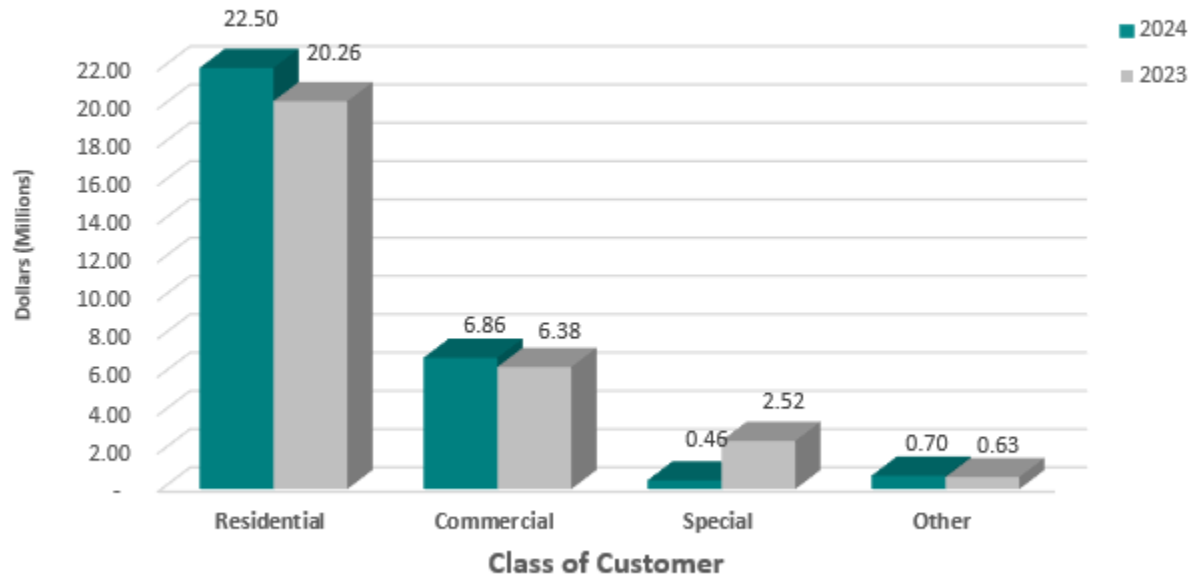
NOTE: For conversion purposes, there are approximately 748 gallons in every 100 cubic feet of water.

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Supplemental Data

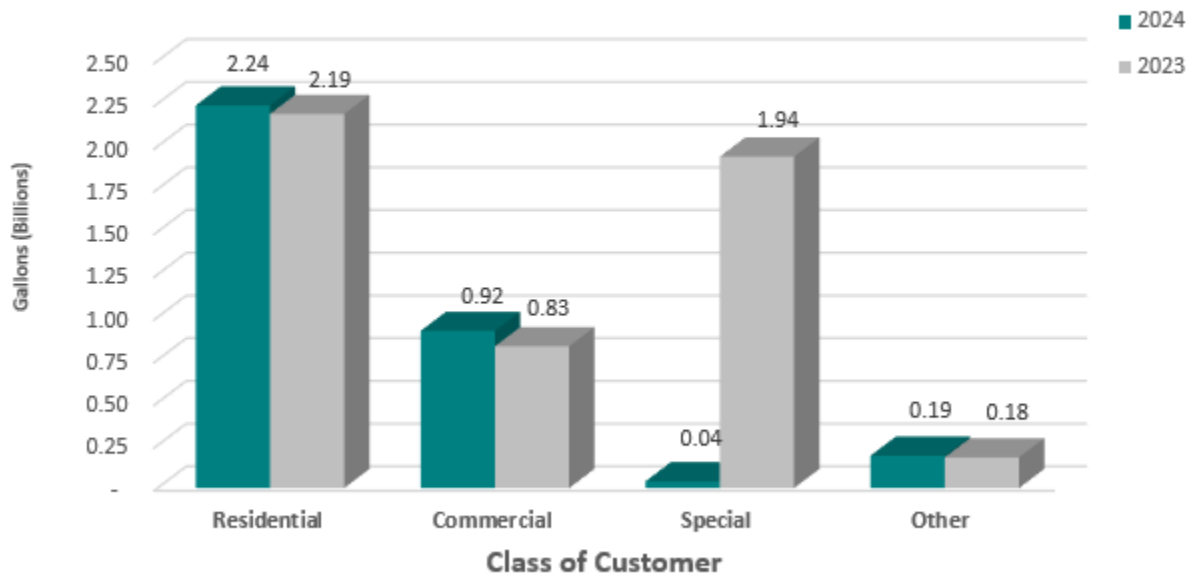
WATER SALES

Year to Date - April 2024 & 2023

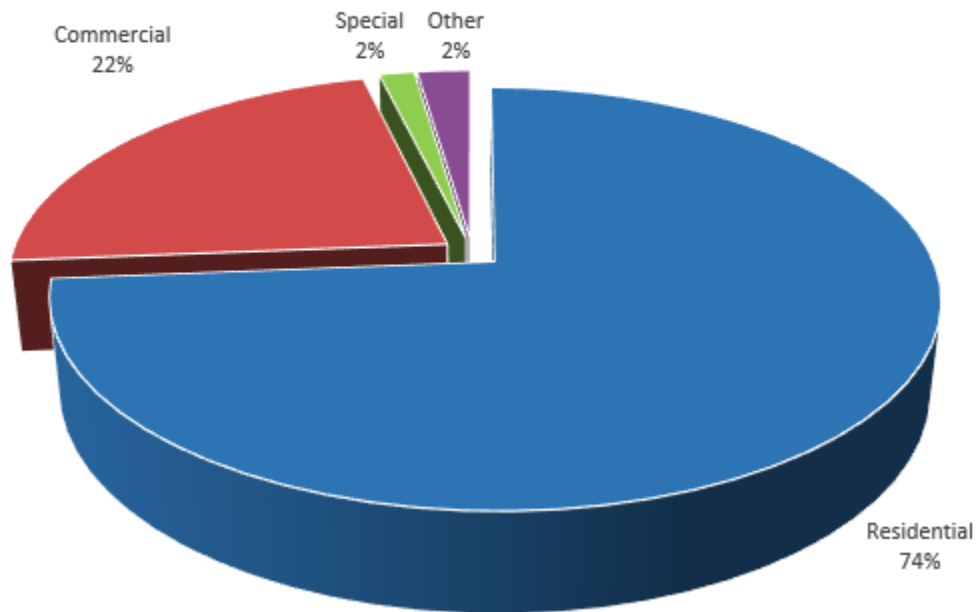


WATER CONSUMPTION

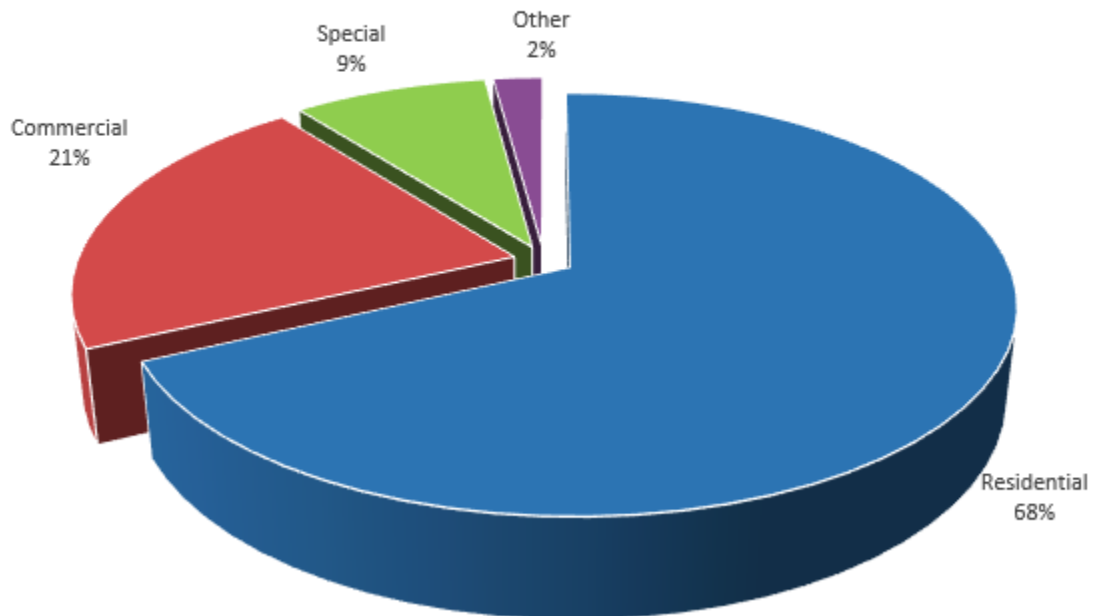
Year to Date - April 2024 & 2023



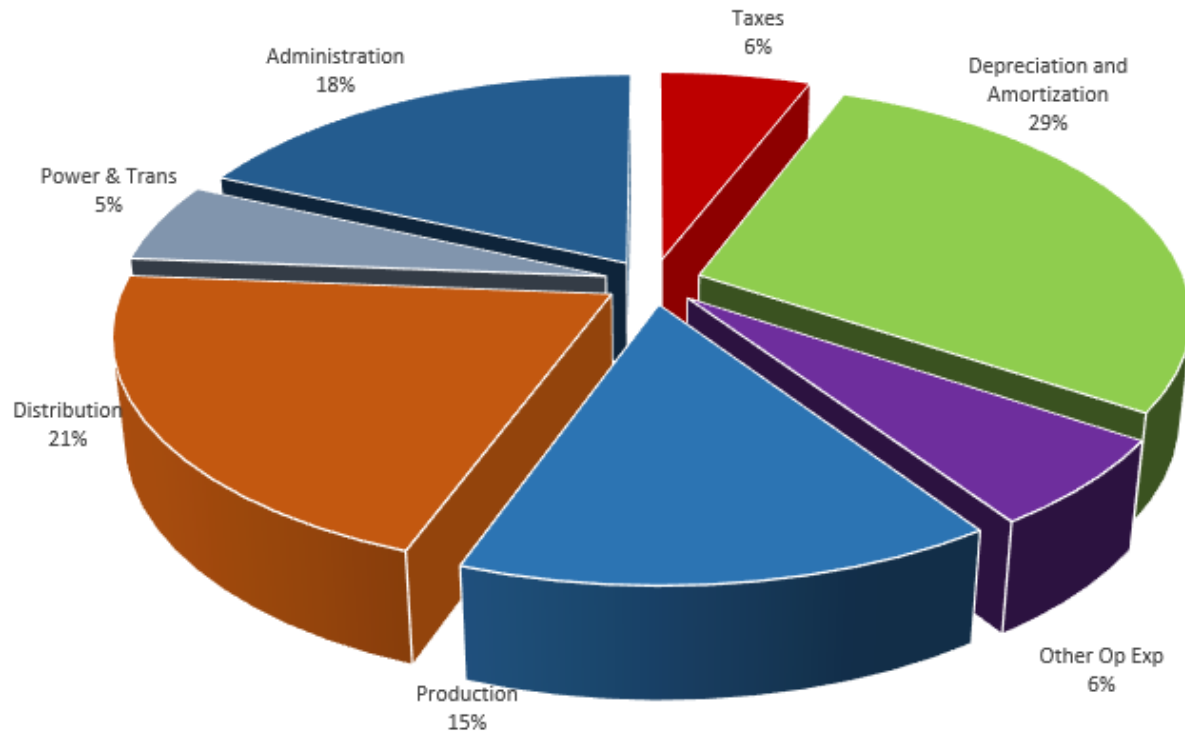
WATER SALES
Year to Date - April 2024
(\$30,520,334)



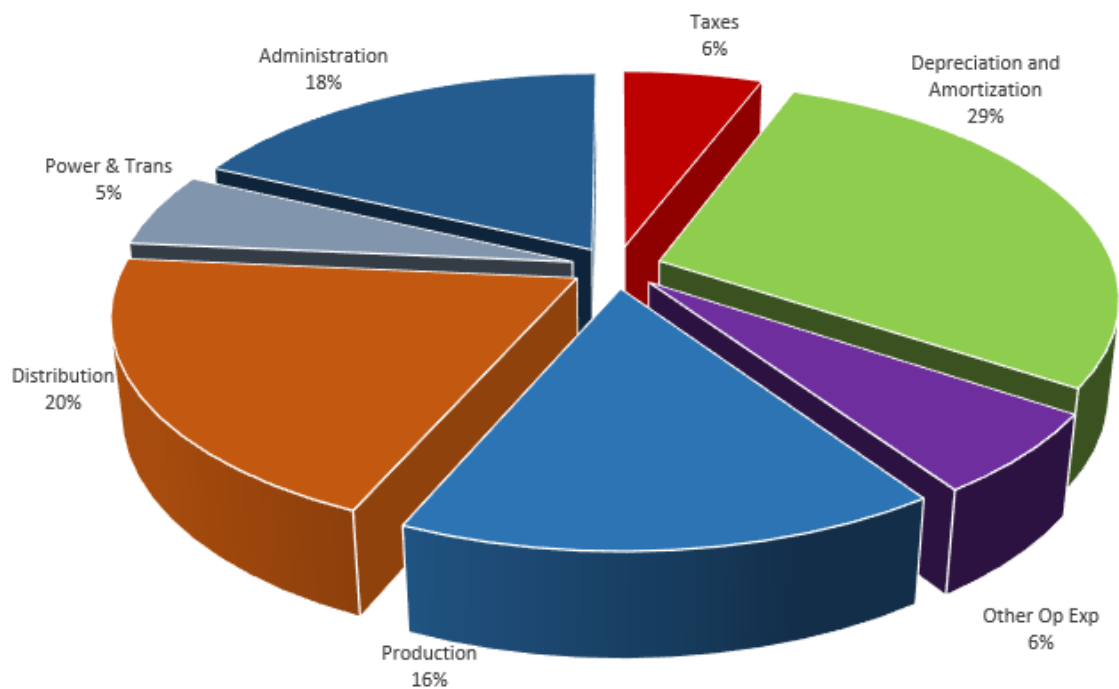
WATER SALES
Year to Date - April 2023
(\$29,793,884)



TOTAL OPERATING EXPENSES
Year to Date - April 2024
(\$34,572,378)



TOTAL OPERATING EXPENSES
Year to Date - April 2023
(\$34,185,522)



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