
May 2021

SOLID WASTE MANAGEMENT

INTERIM FINANCIAL REPORT



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)
May 31, 2021 and May 31, 2020

ASSETS	May		Increase
	2021	2020	(Decrease)
Current assets:			
Cash and equity in pooled investments	\$ 52,439,845	\$ 51,115,635	\$ 1,324,210
GASB 31 market rate adjustment	878,555	339,831	538,724
Accounts receivable, net	4,422,869	3,782,316	640,553
Accrued unbilled revenue	3,607,376	3,555,989	51,387
Restricted cash and equity in pooled investments:			
Debt service funds	2,360,375	2,407,260	(46,885)
Customer deposits	26,685	40,766	(14,081)
Construction funds	-	2,630,010	(2,630,010)
Total restricted cash and equity in pooled investments	<u>2,387,060</u>	<u>5,078,036</u>	<u>(2,690,976)</u>
Total current assets	<u>63,735,705</u>	<u>63,871,807</u>	<u>(136,102)</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	(118,856,473)	(117,260,468)	(1,596,005)
Construction in progress	11,229,114	4,493,243	6,735,871
Total capital assets, net	<u>88,582,000</u>	<u>81,856,784</u>	<u>6,725,216</u>
Other noncurrent assets:			
Net pension asset	1,065,425	-	1,065,425
Total noncurrent assets	<u>89,647,425</u>	<u>83,966,284</u>	<u>7,790,641</u>
Total assets	<u>155,492,630</u>	<u>147,838,091</u>	<u>7,654,539</u>
DEFERRED OUTFLOWS OF RESOURCES			
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>
TOTAL ASSETS AND DEFERRED			
OUTFLOWS OF RESOURCES	<u>\$ 158,945,798</u>	<u>\$ 155,803,966</u>	<u>\$ 3,141,832</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)
May 31, 2021 and May 31, 2020

	May		Increase (Decrease)
LIABILITIES	2021	2020	
Current liabilities:			
Accounts payable	\$ 3,572,801	\$ 2,277,147	\$ 1,295,654
Accrued wages payable and compensated absences	559,156	1,051,406	(492,250)
Accrued taxes payable	364,687	325,394	39,293
Customer deposits	82,819	92,054	(9,235)
Accrued landfill postclosure care costs	694,674	858,999	(164,325)
Current portion of long-term debt	1,157,496	1,135,000	22,496
Total current liabilities	6,431,633	5,740,000	691,633
Current payable from restricted assets:			
Deposits payable	29,019	42,616	(13,597)
Accrued revenue bond interest payable	1,202,874	1,225,572	(22,698)
Current portion of long-term debt	1,157,500	1,135,000	22,500
Total liabilities payable from restricted assets	2,389,393	2,403,188	(13,795)
Noncurrent liabilities:			
Long-term debt - revenue bonds, net	54,210,644	57,203,290	(2,992,646)
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	72,344,096	81,823,939	(9,479,843)
Total liabilities	81,165,122	89,967,127	(8,802,005)
DEFERRED INFLOWS OF RESOURCES			
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	162,475	251,495	(89,020)
Total deferred inflows of resources	11,512,329	8,391,775	3,120,554
NET POSITION			
Net investment in capital assets	40,243,380	33,089,009	7,154,371
Restricted for:			
Debt service	1,893,629	2,156,188	(262,559)
Net pension asset	1,065,425	-	1,065,425
Unrestricted	23,065,913	22,199,867	866,046
Total net position	66,268,347	57,445,064	8,823,283
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 158,945,798</u>	<u>\$155,803,966</u>	<u>\$ 3,141,832</u>

City of Tacoma
Environmental Services Department
Solid Waste Management
Statement of Revenues, Expenses, and change in Net Position (Unaudited)
May 31, 2021 and May 31, 2020

	Month of May		Year-to-Date May		% Chg
	2021	2020	2021	2020	
OPERATING REVENUES					
Residential collection	\$ 2,545,343	\$ 2,544,531	\$13,754,090	\$12,979,035	6%
Commercial collection	2,885,329	2,264,816	14,618,174	13,413,982	9%
Disposal revenues	1,008,795	806,206	4,808,956	3,808,116	26%
Salvage revenues	62,706	24,916	251,237	111,829	125%
Other operating revenues	32,053	77,723	102,782	167,526	-39%
Total operating revenues	6,534,226	5,718,192	33,535,239	30,480,488	10%
OPERATING EXPENSES					
Commercial collection	407,086	399,055	2,362,712	2,218,290	7%
Onsite operations	732,963	696,836	3,468,625	3,309,196	5%
Residential collection	854,977	954,654	4,448,668	4,200,769	6%
Other collection services	1,473,341	1,283,063	7,132,245	5,894,632	21%
Support services	1,189,045	1,225,951	6,608,579	6,484,353	2%
Depreciation	502,638	487,798	2,444,295	2,439,546	0%
Total operating expenses	5,160,050	5,047,357	26,465,124	24,546,786	8%
Net operating income	1,374,176	670,835	7,070,115	5,933,702	19%
NONOPERATING REVENUES (EXPENSES)					
Investment income	39,127	80,629	235,237	442,835	-47%
Rental income	383	-	1,915	2,021	-5%
Operating grant	175,000	50,721	175,000	50,721	245%
Interest expenses and other related costs	(200,479)	(204,262)	(1,002,395)	(1,022,210)	2%
Amortization of premium and refunding gain	61,948	65,890	309,741	329,451	-6%
Other revenues/expenses	22,874	313	25,498	5,825	338%
Process from sale disposal of capital assets	57,578	12,550	61,378	62,451	-2%
Total nonoperating revenue (expenses)	156,431	5,841	(193,626)	(128,906)	-50%
Net income before transfers	1,530,607	676,676	6,876,489	5,804,796	18%
Transfers - gross earnings taxes	(524,482)	(475,445)	(2,676,288)	(2,482,413)	-8%
CHANGE IN NET POSITION	<u>\$ 1,006,125</u>	<u>\$ 201,231</u>	4,200,201	3,322,383	26%
NET POSITION - JANUARY 1			62,068,146	54,122,681	
NET POSITION - MAY 31			<u>\$66,268,347</u>	<u>\$57,445,064</u>	

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