
***August
2019***

***SOLID WASTE MANAGEMENT
INTERIM FINANCIAL REPORT***



Prepared by the City of Tacoma - Finance Department

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. Immaterial differences may occur due to rounding.

Management’s Discussion and Analysis..... 3

Interim Financial Statements 5

Statement of Net Position (Unaudited) 6

Statement of Revenues, Expenses, and change in Net Position (Unaudited) 8

This page intentionally left blank.

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.

This page intentionally left blank.

Interim Financial Statements

City of Tacoma
Environmental Services Department
Solid Waste Management
Statement of Net Position (Unaudited)
August 31, 2019 and August 31, 2018

	August		Increase
ASSETS	2019	2018	(Decrease)
Current assets:			
Cash and equity in pooled investments	\$ 47,557,316	\$ 39,953,914	\$ 7,603,402
Accounts receivable, net	2,860,573	3,733,258	(872,685)
Accrued unbilled revenue	3,592,069	3,329,619	262,450
Restricted cash and equity in pooled investments:			
Debt service funds	3,506,972	2,210,538	1,296,434
Customer deposits	46,738	70,519	(23,781)
Construction funds	3,539,128	4,120,948	(581,820)
Total restricted cash and equity in pooled investments	7,092,838	6,402,005	690,833
Total current assets	61,102,796	53,418,796	7,684,000
Noncurrent assets:			
Restricted cash and equity in pooled investments:			
Bond reserves	2,109,500	4,723,150	(2,613,650)
Capital assets:			
Land	2,855,763	2,855,763	-
Buildings	61,767,413	61,774,244	(6,831)
Landfill infrastructure	68,074,220	67,541,082	533,138
Machinery and equipment	54,095,355	52,499,920	1,595,435
Computer software	5,125,884	5,090,833	35,051
Less: accumulated depreciation	(114,193,536)	(110,386,461)	(3,807,075)
Construction in progress	2,668,829	971,192	1,697,637
Total capital assets, net	80,393,928	80,346,573	47,355
Other noncurrent assets:			
Net pension asset	2,240,216	-	2,240,216
Total other noncurrent assets	2,240,216	-	2,240,216
Total noncurrent assets	84,743,644	85,069,723	(326,079)
Total assets	145,846,440	138,488,519	7,357,921
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - other post employment benefits	193,712	-	193,712
Deferred outflows - pensions	2,872,905	5,406,673	(2,533,768)
Total deferred outflows of resources	3,066,617	5,406,673	(2,340,056)
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 148,913,057	\$ 143,895,192	\$ 5,017,865

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)
August 31, 2019 and August 31, 2018

LIABILITIES	August		Increase
	2019	2018	(Decrease)
Current liabilities:			
Accounts payable	\$ 2,061,877	\$ 853,741	\$ 1,208,136
Accrued wages payable and compensated absences	729,096	718,559	10,537
Accrued taxes payable	320,782	348,205	(27,423)
GASB 31 market rate adjustment	268,582	285,776	(17,194)
Customer deposits	94,634	31,063	63,571
Accrued landfill postclosure care costs	946,999	875,997	71,002
Current portion of long-term debt	540,000	515,000	25,000
Total current liabilities	4,961,970	3,628,341	1,333,629
Current payable from restricted assets:			
Deposits payable	47,999	66,787	(18,788)
Accrued revenue bond interest payable	639,784	665,538	(25,754)
Current portion of long-term debt	1,620,000	1,545,000	75,000
Total liabilities payable from restricted assets	2,307,783	2,277,325	30,458
Noncurrent liabilities:			
Long-term debt - revenue bonds, net	60,010,399	62,927,309	(2,916,910)
Long-term accrued landfill postclosure care costs	14,777,976	15,478,017	(700,041)
Long-term accrued compensated absences	1,206,341	1,105,686	100,655
Net pension liability	-	5,161,926	(5,161,926)
Net OPEB liability	2,611,190	2,236,868	374,322
Total noncurrent liabilities	78,605,906	86,909,806	(8,303,900)
Total liabilities	85,875,659	92,815,472	(6,939,813)
DEFERRED INFLOWS OF RESOURCES			
Rate stabilization	7,000,000	7,000,000	-
Deferred inflows - OPEB	44,229	-	44,229
Deferred inflows - pensions	3,813,369	1,112,221	2,701,148
Deferred inflows - gain on refunding bonds	318,260	407,278	(89,018)
Total deferred inflows of resources	11,175,858	8,519,499	2,656,359
NET POSITION			
Net investment in capital assets	30,256,397	27,809,933	2,446,464
Restricted for:			
Debt service	5,516,688	4,723,150	793,538
Net pension asset	2,240,216	-	2,240,216
Unrestricted	13,848,239	10,027,138	3,821,101
Total net position	51,861,540	42,560,221	9,301,319
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 148,913,057</u>	<u>\$ 143,895,192</u>	<u>\$ 5,017,865</u>

City of Tacoma
Environmental Services Department
Solid Waste Management
Statement of Revenues, Expenses, and change in Net Position (Unaudited)
August 31, 2019 and August 31, 2018

	Month of August		Year-to-Date August		% Chg
	2019	2018	2019	2018	
OPERATING REVENUES					
Residential collection	\$ 2,263,730	\$ 2,481,282	\$ 19,120,017	\$ 18,266,439	5%
Commercial collection	2,355,317	3,128,293	21,233,143	20,482,159	4%
Disposal revenues	1,029,034	1,026,243	7,628,808	7,334,859	4%
Salvage revenues	17,584	35,492	211,676	269,932	-22%
Other operating revenues	20,149	117,216	242,748	283,268	-14%
Total operating revenues	5,685,814	6,788,526	48,436,392	46,636,657	4%
OPERATING EXPENSES					
Commercial collection	454,735	397,676	3,505,101	3,155,660	11%
Onsite operations	692,546	668,611	5,152,686	5,339,995	-4%
Residential collection	777,929	879,026	6,286,453	6,219,564	1%
Other collection services	1,096,999	1,192,617	10,251,460	9,960,044	3%
Support services	1,177,541	1,208,957	9,540,926	8,652,546	10%
Depreciation	464,030	472,535	3,697,673	3,779,786	-2%
Total operating expenses	4,663,780	4,819,422	38,434,299	37,107,595	4%
Net operating income	1,022,034	1,969,104	10,002,093	9,529,062	5%
NONOPERATING REVENUES (EXPENSES)					
Investment income	102,180	74,189	771,223	485,879	59%
Rental income	-	383	20,924	40,521	-48%
Interest expenses and other related costs	(213,262)	(221,846)	(1,706,996)	(1,769,082)	4%
Amortization of premium and refunding gain	69,631	73,199	557,045	585,588	-5%
Other revenues/expenses	383	1,858	3,198	144,988	-98%
Gain on sale/disposal of capital assets	-	3,000	-	268,110	-100%
Total nonoperating revenue (expenses)	(41,068)	(69,217)	(354,606)	(243,996)	-45%
Net income before transfers	980,966	1,899,887	9,647,487	9,285,066	4%
Transfers - to other funds	-	-	(1,000)	-	N/A
Transfers - gross earnings taxes	(497,500)	(546,591)	(3,934,606)	(3,768,751)	-4%
CHANGE IN NET POSITION	<u>483,466</u>	<u>1,353,296</u>	5,711,881	5,516,315	4%
NET POSITION - JANUARY 1			46,149,659	37,043,906	
NET POSITION - AUGUST 31			<u>\$ 51,861,540</u>	<u>\$ 42,560,221</u>	

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

This page intentionally left blank.



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.