
August 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)
August 31, 2021 and August 31, 2020

ASSETS	August		Increase
	2021	2020	(Decrease)
Current assets:			
Cash and equity in pooled investments	\$ 52,470,778	\$ 51,547,421	\$ 923,357
GASB 31 market rate adjustment	878,555	339,831	538,724
Accounts receivable, net	4,774,623	4,199,101	575,522
Accrued unbilled revenue	3,607,376	3,555,989	51,387
Restricted cash and equity in pooled investments:			
Debt service funds	2,337,688	2,381,819	(44,131)
Customer deposits	32,454	41,884	(9,430)
Construction funds	-	2,640,075	(2,640,075)
Total restricted cash and equity in pooled investments	<u>2,370,142</u>	<u>5,063,778</u>	<u>(2,693,636)</u>
Total current assets	<u>64,101,474</u>	<u>64,706,120</u>	<u>(604,646)</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	70,691,736	70,668,403	23,333
Machinery and equipment	57,224,792	55,447,729	1,777,063
Computer software	4,927,552	5,137,760	(210,208)
Less: accumulated depreciation	(118,706,119)	(118,708,853)	2,734
Construction in progress	11,163,581	4,515,706	6,647,875
Total capital assets, net	<u>89,924,718</u>	<u>81,683,921</u>	<u>8,240,797</u>
Other noncurrent assets:			
Net pension asset	1,065,425	-	1,065,425
Total noncurrent assets	<u>90,990,143</u>	<u>83,793,421</u>	<u>9,306,222</u>
Total assets	<u>157,201,117</u>	<u>148,499,541</u>	<u>8,701,576</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>\$ 160,654,285</u>	<u>\$ 156,465,416</u>	<u>\$ 4,188,869</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)
August 31, 2021 and August 31, 2020

	August		Increase
LIABILITIES	2021	2020	(Decrease)
Current liabilities:			
Accounts payable	\$ 2,637,400	\$ 1,756,180	\$ 881,220
Accrued wages payable and compensated absences	908,245	862,171	46,074
Accrued taxes payable	424,991	371,315	53,676
Customer deposits	77,342	81,536	(4,194)
Accrued landfill postclosure care costs	694,674	858,999	(164,325)
Current portion of long-term debt	578,746	567,500	11,246
Total current liabilities	5,321,398	4,497,701	823,697
Current payable from restricted assets:			
Deposits payable	34,243	43,721	(9,478)
Accrued revenue bond interest payable	601,436	612,783	(11,347)
Current portion of long-term debt	1,736,250	1,702,500	33,750
Total liabilities payable from restricted assets	2,371,929	2,359,004	12,925
Noncurrent liabilities:			
Long-term debt - revenue bonds, net	54,047,054	57,027,874	(2,980,820)
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	72,180,506	81,648,523	(9,468,017)
Total liabilities	79,873,833	88,505,228	(8,631,395)
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	140,222	229,240	(89,018)
Total deferred inflows of resources	11,490,076	8,369,520	3,120,556
NET POSITION			
Net investment in capital assets	42,350,693	33,691,382	8,659,311
Restricted for:			
Debt service	2,109,502	2,176,036	(66,534)
Net pension asset	1,065,425	-	1,065,425
Unrestricted	23,764,756	23,723,250	41,506
Total net position	69,290,376	59,590,668	9,699,708
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 160,654,285</u>	<u>\$156,465,416</u>	<u>\$ 4,188,869</u>

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

	Month of August		Year-to-Date August		% Chg
	2021	2020	2021	2020	
OPERATING REVENUES					
Residential collection	\$ 3,018,488	\$ 2,744,186	\$22,301,395	\$21,274,625	5%
Commercial collection	3,451,008	2,850,250	23,912,598	21,863,032	9%
Disposal revenues	1,139,836	1,008,092	7,978,873	6,536,263	22%
Salvage revenues	96,969	22,550	474,020	179,435	164%
Other operating revenues	11,194	57,906	149,843	240,544	-38%
Total operating revenues	7,717,495	6,682,984	54,816,729	50,093,899	9%
OPERATING EXPENSES					
Commercial collection	479,270	367,235	3,839,359	3,368,677	14%
Onsite operations	690,840	734,331	5,541,731	5,406,805	2%
Residential collection	866,837	739,547	7,479,007	6,866,466	9%
Other collection services	1,448,230	1,451,108	11,410,211	10,170,785	12%
Support services	1,387,757	1,214,989	10,582,347	10,586,430	0%
Depreciation	517,767	479,668	3,978,269	3,887,931	2%
Total operating expenses	5,390,701	4,986,878	42,830,924	40,287,094	6%
Net operating income	2,326,794	1,696,106	11,985,805	9,806,805	22%
NONOPERATING REVENUES (EXPENSES)					
Investment income	38,171	77,747	350,263	666,667	-47%
Rental income	383	-	12,847	2,021	536%
Operating grant	24,048	40,652	223,048	91,373	144%
Interest expenses and other related costs	(200,479)	(204,262)	(1,603,832)	(1,634,996)	2%
Amortization of premium and refunding gain	61,948	65,890	495,586	527,122	-6%
Other revenues/expenses	2,269	3,978	31,604	10,293	207%
Process from sale disposal of capital assets	-	-	88,978	63,451	40%
Total nonoperating revenue (expenses)	(73,660)	(15,995)	(401,506)	(274,069)	-46%
Net income before transfers	2,253,134	1,680,111	11,584,299	9,532,736	22%
Transfers - gross earnings taxes	(615,247)	(540,931)	(4,362,069)	(4,064,749)	-7%
CHANGE IN NET POSITION	<u>\$ 1,637,887</u>	<u>\$ 1,139,180</u>	7,222,230	5,467,987	32%
NET POSITION - JANUARY 1			62,068,146	54,122,681	
NET POSITION - AUGUST 31			<u>\$69,290,376</u>	<u>\$59,590,668</u>	

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