
SEPTEMBER

TACOMA POWER

2019

**INTERIM
FINANCIAL
REPORT**



Public Utility Board

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DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

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CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES, LIGHT DIVISION

Doing Business As

TACOMA POWER

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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.

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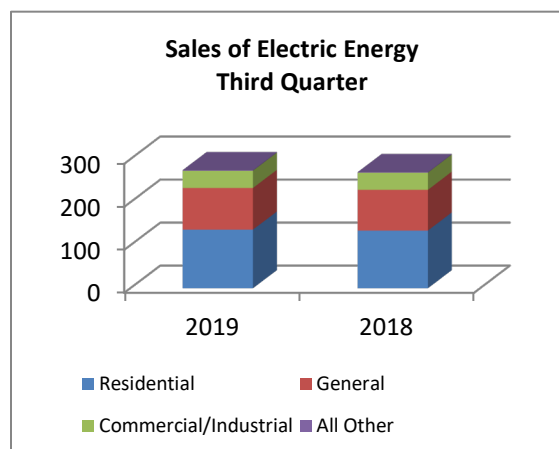
Management's Discussion and Analysis

Summary

Tacoma Power's operating income at the end of the third quarter of 2019 was \$9.0 million compared to \$52.7 million a year earlier. Operating revenues decreased \$8.1 million (2.3%) compared to the prior year. Operating expenses increased \$35.6 million (12.0%). Non-operating expenses increased in total \$1.2 million (16.5%) resulting in net income of \$529,000 in 2019 compared to \$45.4 million in 2018.

Revenues

In the third quarter of 2019, total electric energy sales decreased \$9.0 million compared with the same period a year earlier. The following table summarizes the impacts of rate and volume changes on sales of electric energy by customer class as of September 2019. There was an approximate overall rate increase of 2% effective April 1, 2019.



Customer Class	Changes Related To:		
	Rate	Volume	YTD Increase
Residential	\$ 3,293,408	\$ (1,132,622)	\$ 2,160,786
Commercial	283,772	(340,465)	(56,693)
General	2,564,849	(455,654)	2,109,195
Contract Industrial	707,503	(479,324)	228,179
Public Street and Highway Lighting	4,682,890	(4,678,399)	4,491
Sales to Other Utilities	16,417	(8,027)	8,390
Bulk Power Sales	(16,777,501)	3,341,304	(13,436,197)
Total	\$ (5,228,662)	\$ (3,753,187)	\$ (8,981,849)

Expenses

Third quarter 2019 operating expenses were \$331.5 million, up \$35.6 million (12.0%) from 2018.

Hydraulic Power Production increased \$6.4 million. Services provided by Washington Department of Fish and Wildlife represents \$4.2 million of the increase of which \$2.1 million of that was due to the timing of invoices for services provided in the prior year. Salaries and wages increased \$1.3 million and contributions to the Fleet replacement funds increased \$637,000. The remaining variance is spread across multiple functional accounts and are not directly attributed to a specific event

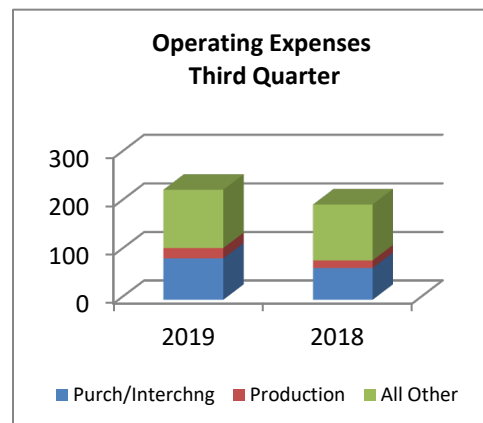
Purchased Power increased \$20.3 million. Overall, prices have increased in the 3rd quarter compared to last year. The regional industry price index shows prices have increased an average of \$8/mWh, or 36%. Purchase volume is also up because streamflows are down. In 2018 Energy Conservation Agreement (ECA) credits were received in the amount of \$6.2 million. In 2019, no credits have been received resulting in an increase of purchased power expense of \$6.2 million. Receipt of these funds is cyclical, resulting in a greater amount recovered in the even years of Tacoma Power's biennium. Other portfolio purchases increased \$11.5 million, BPA slice contract purchases increased \$1.8 million, and renewable energy certificates increased \$1.1 million.

Distribution Expenses increased \$2.7 million. Salaries and wages increased \$1.6 million, contributions to the fleet replacement funds increased \$607,000, and fleet maintenance increased \$571,000.

Click! Network Commercial Operations decreased \$2.1 million. Salaries, wages, and benefits accounted for \$1.8 million of the decrease due to a reduction in staff. The remaining \$300,000 is spread across multiple functional accounts to include advertising, internal assessments, and operating supplies. The changes within each of these areas are minimal and not directly attributed to a specific event.

Conservation and Other Customer Assistance increased \$2.3 million. Increases in assessments from TPU communications accounted for \$1.0 million of the change while \$729,000 is due to an increase of the amortization of deferred conservation costs. Professional services increased \$387,000 primarily due to studies and research projects.

Advertising for customer energy programs outreach increased \$161,000. The remaining increase of \$23,000 is spread across multiple functional accounts and not directly attributed to a specific event.



Capital Contributions

Cash from capital contributions decreased \$2.9 million. In 2018, Puget Sound Energy was billed \$3.6 million for the utility installation at the Taylor substation. This project was completed in 2018.

Request for Information

Power financial statements are designed to provide a general overview of the Division's finances, as well as to demonstrate the Division's accountability to its customers, investors, creditors, and other interested parties. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City of Tacoma, Finance Department, 747 Market Street, Room 132, Tacoma, WA 98402-2773.

City of Tacoma, Washington
Department of Public Utilities
Tacoma Power
Statements of Net Position (Unaudited)
September 30, 2019 and September 30, 2018

ASSETS AND DEFERRED OUTFLOWS	2019	2018
UTILITY PLANT		
Electric Plant in Service	\$2,142,794,656	\$2,067,114,627
Less Depreciation and Amortization	(1,128,132,075)	(1,085,882,746)
Total	1,014,662,581	981,231,881
Construction Work in Progress	49,387,928	75,032,224
Net Utility Plant	1,064,050,509	1,056,264,105
 NON-UTILITY PROPERTY	 182,051	 182,051
 RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
Provision for Debt Service	11,945,835	12,607,026
Special Bond Reserves	4,997,639	4,997,639
Wynoochee Reserve - State of Washington	2,677,834	2,624,815
Fish and Wildlife Reserves	24,075,884	-
Total Restricted Assets	43,697,192	20,229,480
 CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	127,770,661	144,608,669
Customers' and Contractors' Deposits	2,730,659	2,693,608
Conservation Loan Fund	3,950,016	3,729,431
Rate Stabilization Fund	48,000,000	48,000,000
Receivables:		
Customers	15,046,214	16,453,492
Accrued Unbilled Revenue	30,730,773	30,701,425
Others	9,204,259	7,592,957
Provision for Uncollectibles	(2,254,799)	(1,204,031)
Materials and Supplies	6,350,706	6,823,684
Prepayments and Other	10,387,772	6,390,390
Total Current Assets	251,916,261	265,789,625
 OTHER ASSETS		
Regulatory Asset - Conservation	47,282,206	47,838,202
Net Pension Asset	15,506,238	-
Conservation Loan Fund Receivables	2,417,192	2,535,278
Total Other Assets	65,205,636	50,373,480
 Total Assets	 1,425,051,649	 1,392,838,741
 DEFERRED OUTFLOWS		
Deferred Outflow for Pensions	19,885,557	38,426,742
Deferred Outflow for OPEB	957,357	-
Total Deferred Outflows	20,842,914	38,426,742
 TOTAL ASSETS AND DEFERRED OUTFLOWS	 <u>\$1,445,894,563</u>	 <u>\$1,431,265,483</u>

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

NET POSITION, LIABILITIES AND DEFERRED INFLOWS	2019	2018
NET POSITION		
Net Investment in Capital Assets	\$609,053,151	\$644,605,411
Restricted for:		
Wynoochee Reserve - State of Washington	2,677,834	2,624,815
Fish and Wildlife Reserves	24,075,884	-
Debt Service	7,023,749	7,571,250
Net Pension Asset	15,506,238	-
Unrestricted	187,892,053	204,721,016
TOTAL NET POSITION	846,228,909	859,522,492
LONG-TERM DEBT		
2010B Electric System Refunding Bonds	147,070,000	147,070,000
2010C Electric System Refunding Bonds	24,185,000	24,185,000
2013A Electric System Rev & Refunding Bonds	96,125,000	105,490,000
2013B Electric System Rev & Refunding Bonds	35,620,000	35,620,000
2017 Electric System Revenue Bonds	70,575,000	70,575,000
Total Bonded Indebtedness	373,575,000	382,940,000
Less: Unamortized Bond Premiums	21,987,048	23,553,384
Net Bonded Indebtedness	395,562,048	406,493,384
Line of Credit	-	250,000
Total Long-Term Debt	395,562,048	406,743,384
CURRENT LIABILITIES		
Salaries and Wages Payable	4,213,127	3,704,649
Taxes and Other Payables	12,563,866	13,707,067
Purchases and Transmission of Power Accrued	13,252,895	11,554,486
Interest Payable	4,922,086	5,035,776
Customers' Deposits	2,675,354	2,724,560
Current Portion of Long-Term Debt	64,615,000	10,095,000
Current Accrued Compensated Absences	1,091,328	1,044,235
Total Current Liabilities	103,333,656	47,865,773
LONG-TERM LIABILITIES		
Long-Term Accrued Compensated Absences	9,821,955	9,398,115
Net OPEB Liability	12,272,355	-
Net Pension Liability	-	36,687,245
Other Long-Term Liabilities	4,221,625	15,143,610
Total Long-Term Liabilities	26,315,935	61,228,970
TOTAL LIABILITIES	525,211,639	515,838,127
DEFERRED INFLOWS		
Deferred Inflow for Pensions	26,395,236	7,904,864
Deferred Inflow for OPEB	58,779	-
Rate Stabilization	48,000,000	48,000,000
Total Deferred Inflows	74,454,015	55,904,864
TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS	\$1,445,894,563	\$1,431,265,483

City of Tacoma, Washington
Department of Public Utilities
Tacoma Power
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)
September 30, 2019 and September 30, 2018

	<u>September 2019</u>	<u>September 2018</u>
OPERATING REVENUES		
Sales of Electric Energy	\$27,569,458	\$26,358,916
Other Operating Revenues	1,449,701	1,276,249
Click! Network Operating Revenues	<u>2,068,805</u>	<u>2,055,070</u>
Total Operating Revenue	<u>31,087,964</u>	<u>29,690,235</u>
OPERATING EXPENSES		
Production Expense		
Hydraulic Power Production	4,329,607	3,474,517
Other Production Expense	<u>524,752</u>	<u>474,003</u>
Total Expense Power Produced	4,854,359	3,948,520
Purchased Power	<u>11,608,999</u>	<u>11,530,158</u>
Total Production Expense	16,463,358	15,478,678
Transmission Expense	3,313,156	3,147,092
Distribution Expense	2,747,290	1,892,414
Click! Network Commercial Operations Expense	1,621,464	1,813,328
Customer Accounts Expense (CIS)	569,974	1,339,493
Conservation and Other Customer Assistance	1,437,641	1,253,102
Taxes	2,509,532	2,067,758
Depreciation	4,017,415	4,380,164
Administrative and General	<u>3,072,940</u>	<u>2,436,283</u>
Total Operating Expenses	<u>35,752,770</u>	<u>33,808,312</u>
OPERATING INCOME (LOSS)	<u>(4,664,806)</u>	<u>(4,118,077)</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	398,532	328,188
Contribution to Family Need	(41,667)	(8,333)
Other Net Non-Op Revenues and Deductions	61,284	271,541
Interest on Long-Term Debt	(1,752,818)	(1,679,088)
Amort of Debt Related Costs	129,158	134,639
Interest Charged to Construction	<u>(311)</u>	<u>263,224</u>
Total Non-Operating Revenues (Expenses)	<u>(1,205,822)</u>	<u>(689,829)</u>
Net Income (Loss) Before Capital Contributions and Transfers	(5,870,628)	(4,807,906)
Capital Contributions		
Cash	657,715	578,674
Donated Fixed Assets	64,340	17,406
BABs and CREBs Interest Subsidies	329,553	329,553
Transfers		
City Gross Earnings Tax	(2,323,985)	(2,672,154)
Transfers from (to) Other Funds	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u><u>(\$7,143,005)</u></u>	<u><u>(\$6,554,427)</u></u>
 TOTAL NET POSITION - January 1		
 TOTAL NET POSITION - September 30		

YEAR TO DATE			
September 30, 2019	September 30, 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$306,743,175	\$315,725,024	(\$8,981,849)	-2.8%
14,507,392	13,727,090	780,302	5.7%
19,262,411	19,123,934	138,477	0.7%
<u>340,512,978</u>	<u>348,576,048</u>	<u>(8,063,070)</u>	-2.3%
28,241,208	21,887,022	6,354,186	29.0%
4,677,328	4,254,095	423,233	9.9%
32,918,536	26,141,117	6,777,419	25.9%
121,100,015	100,795,953	20,304,062	20.1%
154,018,551	126,937,070	27,081,481	21.3%
27,986,629	25,540,449	2,446,180	9.6%
26,105,722	23,445,677	2,660,045	11.3%
15,883,791	18,025,415	(2,141,624)	-11.9%
10,795,933	10,361,478	434,455	4.2%
13,554,774	11,275,921	2,278,853	20.2%
16,434,883	15,864,997	569,886	3.6%
36,718,561	41,059,326	(4,340,765)	-10.6%
30,028,756	23,371,514	6,657,242	28.5%
331,527,600	295,881,847	35,645,753	12.0%
<u>8,985,378</u>	<u>52,694,201</u>	<u>(43,708,823)</u>	-82.9%
5,050,654	4,033,128	1,017,526	25.2%
(375,000)	(75,000)	(300,000)	-400.0%
1,554,702	1,440,609	114,093	7.9%
(15,843,902)	(15,285,192)	(558,710)	-3.7%
1,162,419	1,211,753	(49,334)	-4.1%
(5,264)	1,415,140	(1,420,404)	-100.4%
<u>(8,456,391)</u>	<u>(7,259,562)</u>	<u>(1,196,829)</u>	-16.5%
528,987	45,434,639	(44,905,652)	-98.8%
4,824,889	7,680,600	(2,855,711)	-37.2%
293,058	185,437	107,621	58.0%
2,749,079	2,835,476	(86,397)	-3.0%
(25,598,888)	(26,753,175)	1,154,287	4.3%
-	(31,158)	31,158	100.0%
(17,202,875)	29,351,819	(46,554,694)	-158.6%
<u>863,431,784</u>	<u>830,170,673</u>	<u>33,261,111</u>	4.0%
<u>\$846,228,909</u>	<u>\$859,522,492</u>	<u>(\$13,293,583)</u>	

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 Power
Summary of Revenues and Billings (Unaudited)
September 30, 2019 and September 30, 2018

	For the month of September 2019	For the month of September 2018
OPERATING REVENUE		
Sales of Electric Energy		
Residential	\$10,474,103	\$10,862,480
Commercial	2,189,091	2,113,336
General	10,127,179	9,742,743
Contract Industrial	2,077,135	2,092,374
Public Street and Highway Lighting	201,832	90,059
Sales to Other Electric Utilities	32,145	31,569
Total Sales to Customers	25,101,485	24,932,561
Bulk Power Sales	2,467,973	1,426,355
Total Sales of Electric Energy	27,569,458	26,358,916
Other Operating Revenue		
Rentals and Leases from Elect. Property	80,618	95,217
Wheeling	842,634	813,750
Service Fees and Other	526,449	367,282
Telecommunications Revenue	2,068,805	2,055,070
Total Other Operating Revenues	3,518,506	3,331,319
 TOTAL OPERATING REVENUES	 \$31,087,964	 \$29,690,235
 BILLINGS (Number of Months Billed)		
Residential	140,963	149,287
Commercial	15,177	15,362
General	2,180	2,290
Contract Industrial	2	2
Public Streets and Highway Lighting	1,040	1,095
Sales to Other Electric Utilities	1	1
 TOTAL BILLINGS	 159,363	 168,037

YEAR TO DATE			
September 30, 2019	September 30, 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$136,516,612	\$134,355,826	\$2,160,786	1.6%
22,308,717	22,365,410	(56,693)	-0.3%
96,726,598	94,617,403	2,109,195	2.2%
17,644,279	17,416,100	228,179	1.3%
1,034,457	1,029,966	4,491	0.4%
341,835	333,445	8,390	2.5%
274,572,498	270,118,150	4,454,348	1.6%
32,170,677	45,606,874	(13,436,197)	-29.5%
306,743,175	315,725,024	(8,981,849)	-2.8%
2,701,557	2,610,276	91,281	3.5%
7,758,432	7,434,095	324,337	4.4%
4,047,403	3,682,719	364,684	9.9%
19,262,411	19,123,934	138,477	0.7%
33,769,803	32,851,024	918,779	2.8%
<u>\$340,512,978</u>	<u>\$348,576,048</u>	<u>(\$8,063,070)</u>	-2.3%
1,430,312	1,442,602	(12,290)	-0.9%
145,604	144,932	672	0.5%
22,807	23,264	(457)	-2.0%
18	18	-	0.0%
8,465	8,389	76	0.9%
9	9	-	0.0%
<u>1,607,215</u>	<u>1,619,214</u>	<u>(11,999)</u>	-0.7%

City of Tacoma, Washington
Department of Public Utilities
Tacoma Power
Gross Generation Report (Unaudited)
September 30, 2019 and September 30, 2018

	For the month of September 2019	For the month of September 2018
KWH GENERATED, PURCHASED AND INTERCHANGED - Gross		
Generated - LaGrande	15,872,000	17,783,000
Generated - Alder	9,597,000	10,389,000
TOTAL NISQUALLY	<u>25,469,000</u>	<u>28,172,000</u>
Generated - Cushman No 1	9,881,000	9,646,000
Generated - Cushman No 2	15,154,000	13,642,000
TOTAL CUSHMAN	<u>25,035,000</u>	<u>23,288,000</u>
Generated - Mossyrock	34,673,000	35,619,000
Generated - Mayfield	23,644,000	22,469,000
TOTAL COWLITZ	<u>58,317,000</u>	<u>58,088,000</u>
Generated - Wynoochee	<u>-</u>	<u>356,000</u>
Generated - Hood Street	<u>354,100</u>	<u>175,900</u>
Tacoma's Share of Priest Rapids	<u>1,125,000</u>	<u>1,406,000</u>
Tacoma's Share of GCPHA	<u>25,281,000</u>	<u>25,248,000</u>
TOTAL KWH GENERATED - TACOMA SYSTEM	135,581,100	136,733,900
Purchased Power		
BPA Slice Contract	122,110,000	130,299,000
BPA Block Contract	112,360,000	109,416,000
Interchange Net	<u>(29,612,500)</u>	<u>(40,321,000)</u>
TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED	340,438,600	336,127,900
Losses	2,880,541	1,912,111
Baldi Replacement	15,097	16,087
Ketron	13,677	13,707
NT PC Mutuals Schedules	(2,106,000)	(2,076,000)
PC Mutual Inadvertent	<u>(447,703)</u>	<u>(6,650,039)</u>
TACOMA SYSTEM FIRM LOAD	<u>340,794,212</u>	<u>329,343,766</u>
Maximum Kilowatts (System Firm Load)	679,097	610,302
Average Kilowatts (System Firm Load)	473,325	457,422
PIERCE COUNTY MUTUAL LOAD	92,246,000	91,749,000
KWH BILLED		
Residential Sales	100,861,921	105,347,384
Commercial Sales	23,210,606	22,529,922
General	150,469,168	146,669,868
Contract Industrial	43,996,140	45,331,620
Public Street and Highway Lighting	718,588	609,187
Sales to Other Electric Utilities	<u>528,300</u>	<u>540,000</u>
TOTAL FIRM	319,784,723	321,027,981
Bulk Power Sales	<u>63,025,000</u>	<u>50,441,000</u>
TOTAL KWH BILLED	<u><u>382,809,723</u></u>	<u><u>371,468,981</u></u>

YEAR TO DATE			
September 30, 2019	September 30, 2018	2019/2018 VARIANCE	PERCENT CHANGE
192,332,000	274,834,000	(82,502,000)	-30.0%
113,516,000	173,729,000	(60,213,000)	-34.7%
305,848,000	448,563,000	(142,715,000)	-31.8%
51,784,000	65,235,000	(13,451,000)	-20.6%
68,600,000	96,577,000	(27,977,000)	-29.0%
120,384,000	161,812,000	(41,428,000)	-25.6%
461,547,000	733,902,000	(272,355,000)	-37.1%
349,292,000	510,965,000	(161,673,000)	-31.6%
810,839,000	1,244,867,000	(434,028,000)	-34.9%
10,066,000	14,861,000	(4,795,000)	-32.3%
2,670,083	1,901,700	768,383	40.4%
16,008,000	21,849,000	(5,841,000)	-26.7%
205,411,000	227,058,000	(21,647,000)	-9.5%
1,471,226,083	2,120,911,700	(649,685,617)	-30.6%
1,565,338,000	1,978,675,000	(413,337,000)	-20.9%
1,147,011,000	1,116,951,000	30,060,000	2.7%
(658,581,000)	(1,664,113,333)	1,005,532,333	60.4%
3,524,994,083	3,552,424,367	(27,430,284)	-0.8%
28,005,635	34,634,638	(6,629,003)	-19.1%
176,635	401,851	(225,216)	-56.0%
199,430	212,802	(13,372)	-6.3%
(22,932,000)	(22,884,000)	(48,000)	-0.2%
737,395	(4,055,616)	4,793,011	118.2%
3,531,181,178	3,560,734,042	(29,552,864)	-0.8%
1,060,825,000	1,053,535,000	7,290,000	0.7%
1,434,479,512	1,446,675,008	(12,195,496)	-0.8%
242,241,400	245,986,000	(3,744,600)	-1.5%
1,454,663,055	1,461,702,245	(7,039,190)	-0.5%
369,089,460	379,534,980	(10,445,520)	-2.8%
7,719,487	(2,179,239)	9,898,726	454.2%
5,728,500	5,869,800	(141,300)	-2.4%
3,513,921,414	3,537,588,793	(23,667,379)	-0.7%
2,071,370,000	1,929,974,000	179,926,000	9.3%
5,585,291,414	5,467,562,793	117,728,621	2.2%

City of Tacoma, Washington
Department of Public Utilities
Tacoma Power
Statements of Cash Flows (Unaudited)
September 30, 2019 and September 30, 2018

	YEAR TO DATE	
	September 30, 2019	September 30, 2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash from Customers	\$352,067,870	\$360,726,705
Cash Paid to Suppliers	(190,470,871)	(159,246,827)
Cash Paid to Employees	(93,045,438)	(89,123,798)
Taxes Paid	(17,667,976)	(16,725,565)
Conservation Loans	216,226	89,990
Net Cash from Operating Activities	51,099,811	95,720,505
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfer Out for Gross Earnings Tax	(25,598,888)	(26,753,175)
Transfer to Other Funds	-	(31,158)
Transfer to Family Need Fund	(375,000)	(75,000)
Net Cash from Non-Capital Financing Activities	(25,973,888)	(26,859,333)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Expenditures	(32,191,236)	(57,946,825)
Principal Payments on Long-Term Debt	(10,095,000)	(11,575,000)
Interest Paid	(20,993,371)	(20,004,674)
BABs and CREBs Interest Subsidies	2,749,079	2,835,476
Contributions in Aid of Construction	4,824,889	7,680,600
Net Cash from Capital and Related Financing Activities	(55,705,639)	(79,010,423)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	5,050,654	4,033,128
Other Net Non-Op Revenues and Deductions	1,554,702	1,440,609
Net Cash from Investing Activities	6,605,356	5,473,737
Net Increase Change in Cash and Equity in Pooled Investments	(23,974,360)	(4,675,514)
Cash and Equity in Pooled Investments at January 1	250,122,888	223,936,702
Cash and Equity in Pooled Investments at September 30	226,148,528	\$219,261,188

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

	September 30, 2019	September 30, 2018
Reconciliation of Net Operating Income to Net Cash From Operating Activities:		
Net Operating Income	\$8,985,378	\$52,694,201
Adjustments to reconcile net operating income to net cash from operating activities:		
Depreciation	36,718,561	41,059,326
Amortization of Regulatory Assets	6,903,395	6,174,786
Cash from changes in operating assets and liabilities:		
Accounts Receivable and Unbilled Revenue	11,554,892	12,150,657
Conservation Loans Receivable	216,226	89,990
Interfund Receivables	1,845,652	1,820,401
Inventory, Materials and Supplies, and Other	493,928	581,108
Taxes and Other Payables	(14,938,928)	(14,440,351)
Purchased Power Payable	730,386	(1,664,590)
Salaries and Wages Payable	1,844,733	1,712,486
Customers' Deposits	(32,654)	(66,446)
Regulatory Assets - Conservation	(3,014,485)	(4,323,602)
Interfund Payables	(207,273)	(67,461)
Total Adjustments	42,114,433	43,026,304
Net Cash from Operating Activities	<u>\$51,099,811</u>	<u>\$95,720,505</u>

**Reconciliation of Cash and Equity in Pooled
Investments to Balance Sheet:**

Cash and Equity in Pooled Investments in Special Funds	\$43,697,192	\$20,229,480
Cash and Equity in Pooled Investments in Operating Funds	<u>182,451,336</u>	<u>199,031,708</u>
Cash and Equity in Pooled Investments at September 30	<u>\$226,148,528</u>	<u>\$219,261,188</u>

City of Tacoma, Washington
Department of Public Utilities
Click! Network
Commercial Operations
Operational Summary (Unaudited)
September 30, 2019

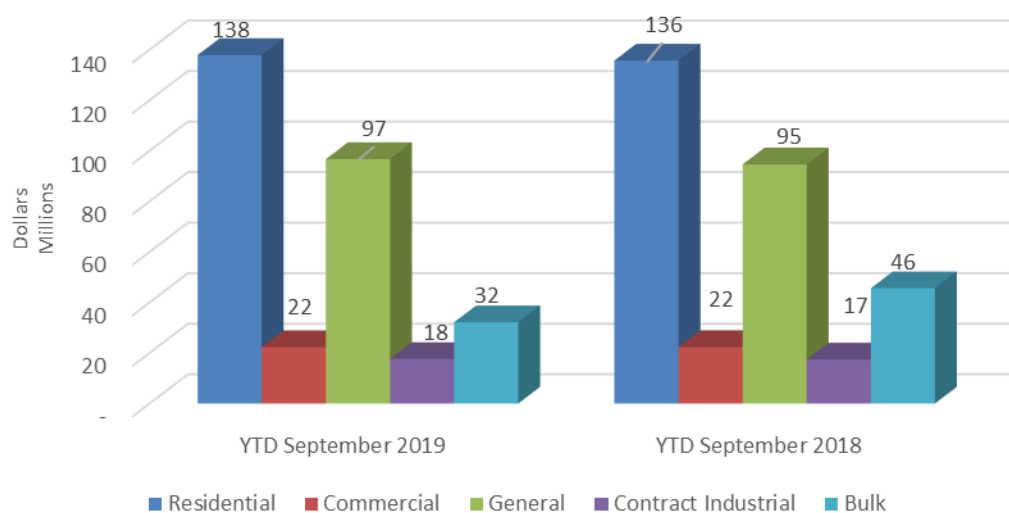
	September 2019	September 2018
TELECOMMUNICATIONS REVENUE		
CATV	\$1,269,012	\$1,330,621
Broadband	84,071	88,790
ISP	692,362	614,185
Interdepartmental	23,360	21,474
Total Operating Revenue	<u>2,068,805</u>	<u>2,055,070</u>
TELECOMMUNICATIONS EXPENSE-COMMERCIAL		
Administration & Sales Expense		
Salaries & Wages Expense	143,304	219,677
General Expense	40,338	39,306
Contract Services	1,041,776	1,052,827
IS & Intergovernmental Services	107,816	119,152
Fleet Services	257	234
Capitalized A & G Expense	(674)	(3,932)
Total Admin & Sales Expense	<u>1,332,817</u>	<u>1,427,264</u>
Operations & Maintenance Expense		
Salaries & Wages Expense	208,299	325,873
General Expense	13,039	23,369
Contract Services	53,201	29,301
IS & Intergovernmental Services	2,473	1,616
Fleet Services	15,829	16,158
New Connect Capital	(4,194)	(10,253)
Total Oper & Maint Expense	<u>288,647</u>	<u>386,064</u>
Total Telecommunications Expense	1,621,464	1,813,328
Net Revenues (Expenses) Before Taxes and Depreciation and Amortization	447,341	241,742
Taxes	278,147	281,173
Depreciation and Amortization	<u>142,269</u>	<u>188,912</u>
	420,416	470,085
NET OPERATING REVENUES (EXPENSES)	<u>\$26,925</u>	<u>(\$228,343)</u>

YEAR TO DATE			
September 30, 2019	September 30, 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$12,088,313	\$12,595,353	(\$507,040)	-4.0%
732,605	795,014	(62,409)	-7.9%
6,210,309	5,515,589	694,720	12.6%
231,184	217,978	13,206	6.1%
<u>19,262,411</u>	<u>19,123,934</u>	<u>138,477</u>	0.7%
1,502,747	2,319,862	(817,115)	-35.2%
350,720	330,848	19,872	6.0%
9,719,239	9,865,254	(146,015)	-1.5%
1,068,716	1,198,318	(129,602)	-10.8%
4,017	6,361	(2,344)	-36.8%
(21,335)	(25,955)	4,620	17.8%
<u>12,624,104</u>	<u>13,694,688</u>	<u>(1,070,584)</u>	-7.8%
2,374,039	3,482,010	(1,107,971)	-31.8%
131,912	258,936	(127,024)	-49.1%
579,313	479,057	100,256	20.9%
19,405	23,852	(4,447)	-18.6%
212,222	161,866	50,356	31.1%
(57,204)	(74,994)	17,790	23.7%
<u>3,259,687</u>	<u>4,330,727</u>	<u>(1,071,040)</u>	-24.7%
15,883,791	18,025,415	(2,141,624)	-11.9%
3,378,620	1,098,519	2,280,101	207.6%
2,607,604	2,626,535	(18,931)	-0.7%
<u>1,287,734</u>	<u>1,710,677</u>	<u>(422,943)</u>	-24.7%
3,895,338	4,337,212	(441,874)	
<u>(\$516,718)</u>	<u>(\$3,238,693)</u>	<u>\$2,721,975</u>	84.0%

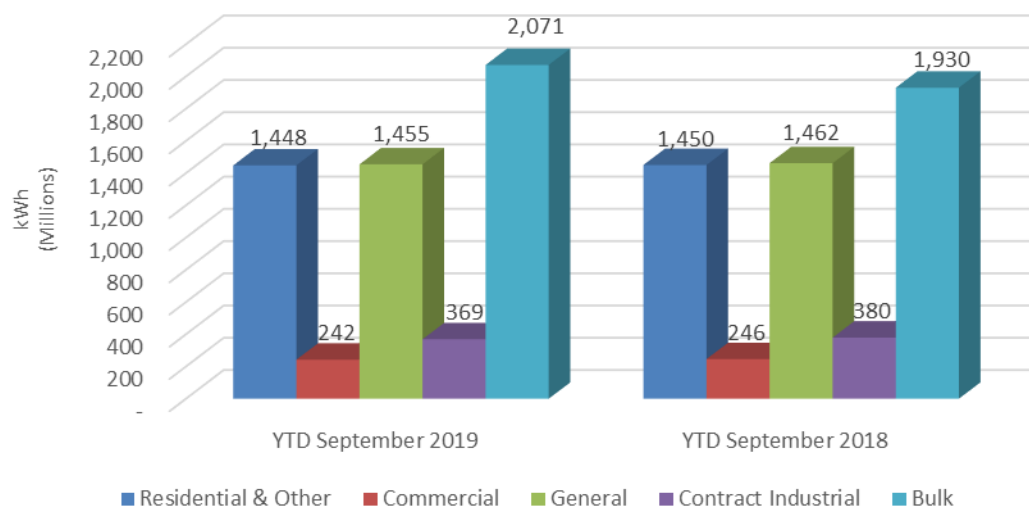
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Supplemental Data

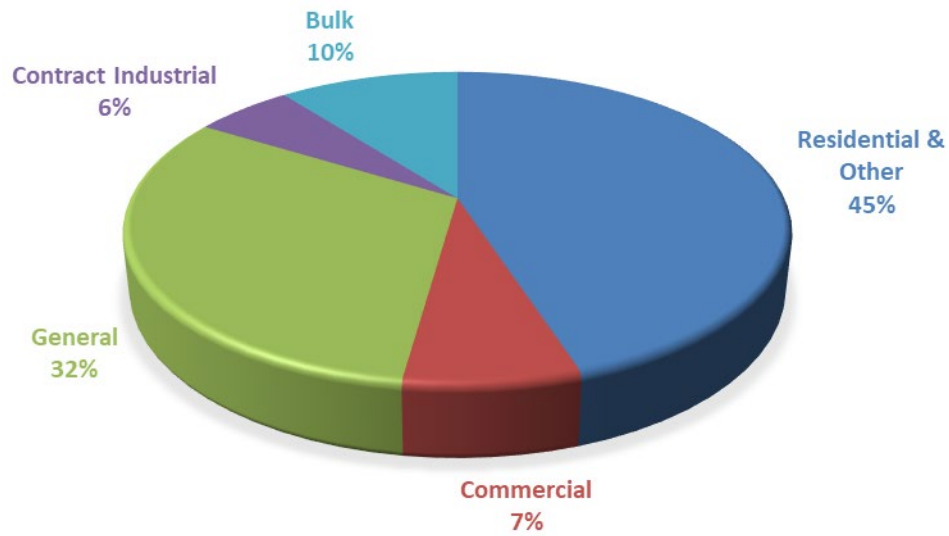
Sales of Electric Energy Year to Date - September 2019 & 2018



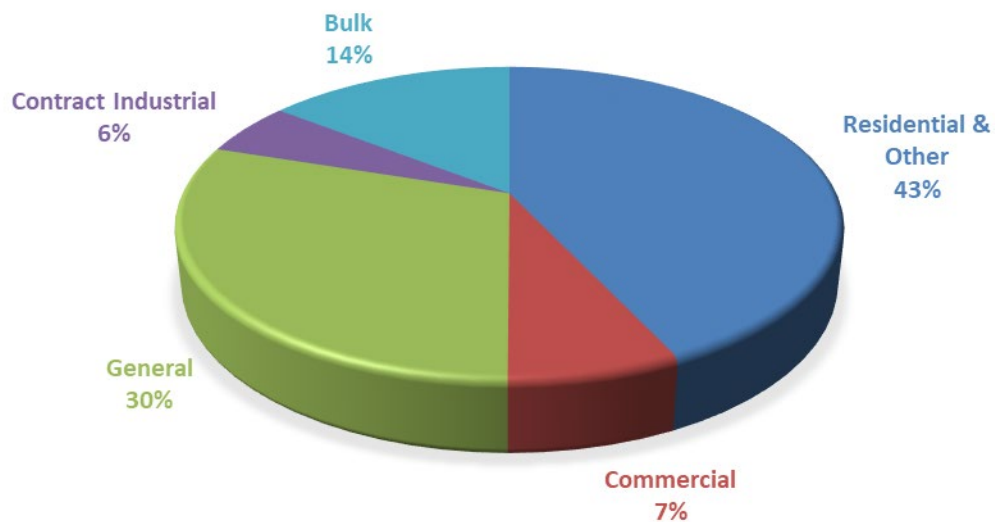
Total Power Billed Year to Date - September 2019 & 2018



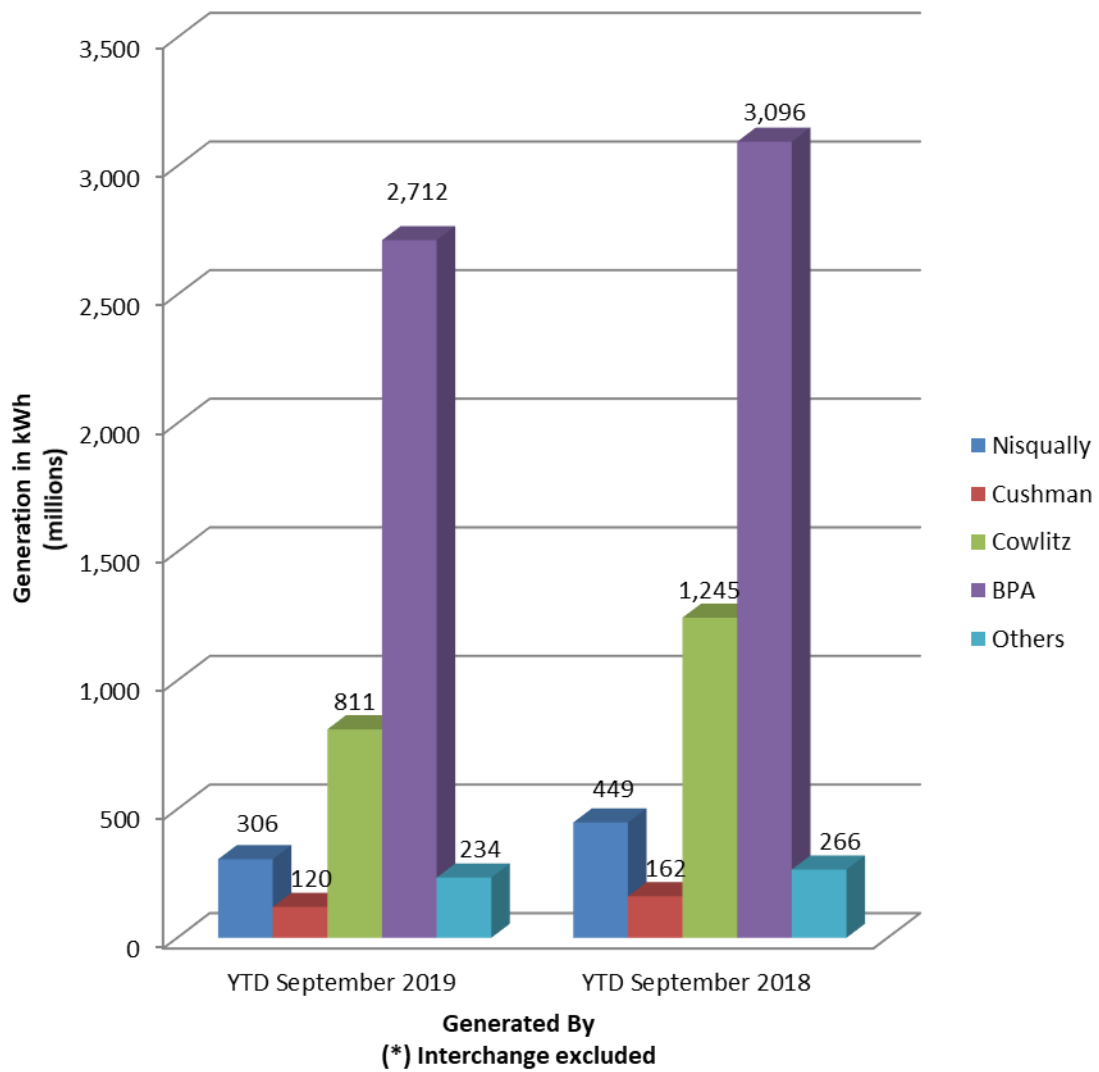
**SALES OF ELECTRIC ENERGY
YEAR TO DATE - SEPTEMBER 2019 (\$306,743,175)**



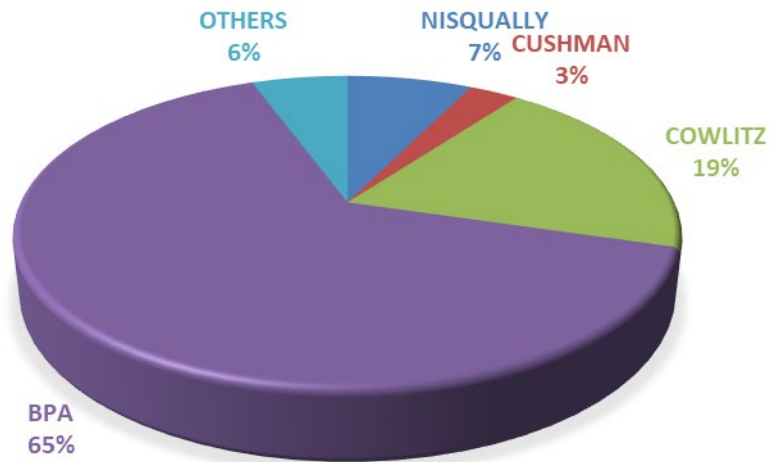
**SALES OF ELECTRIC ENERGY
YEAR TO DATE - SEPTEMBER 2018 (\$315,725,024)**



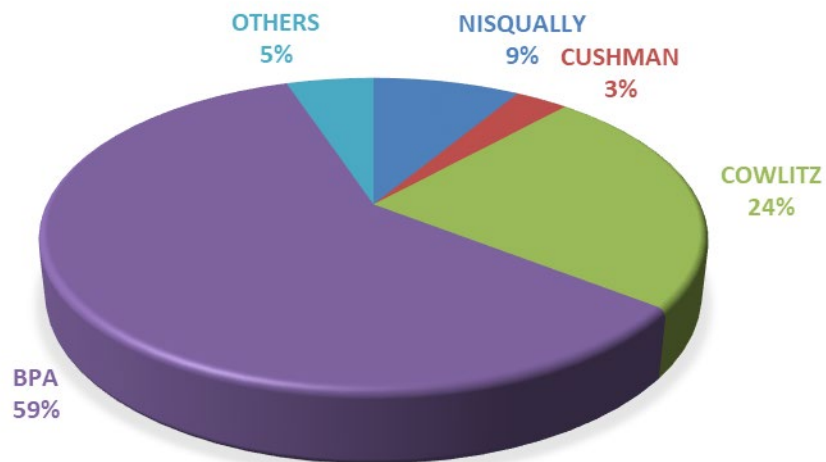
Power Sources (*) Year to Date September 2019 & 2018



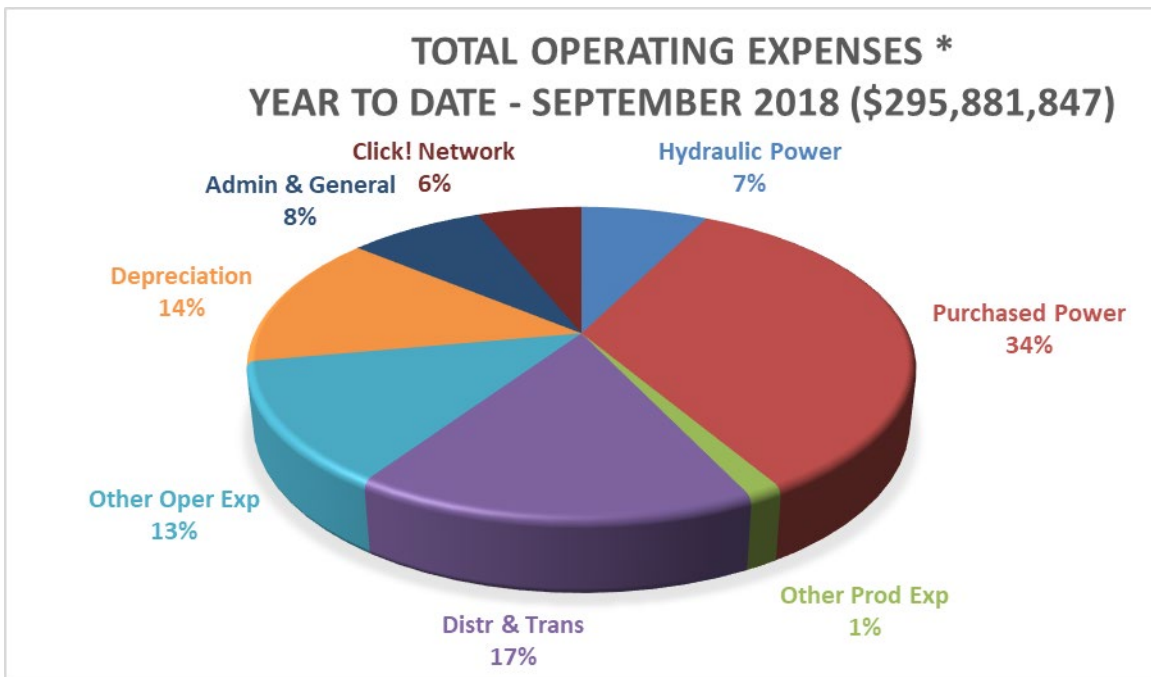
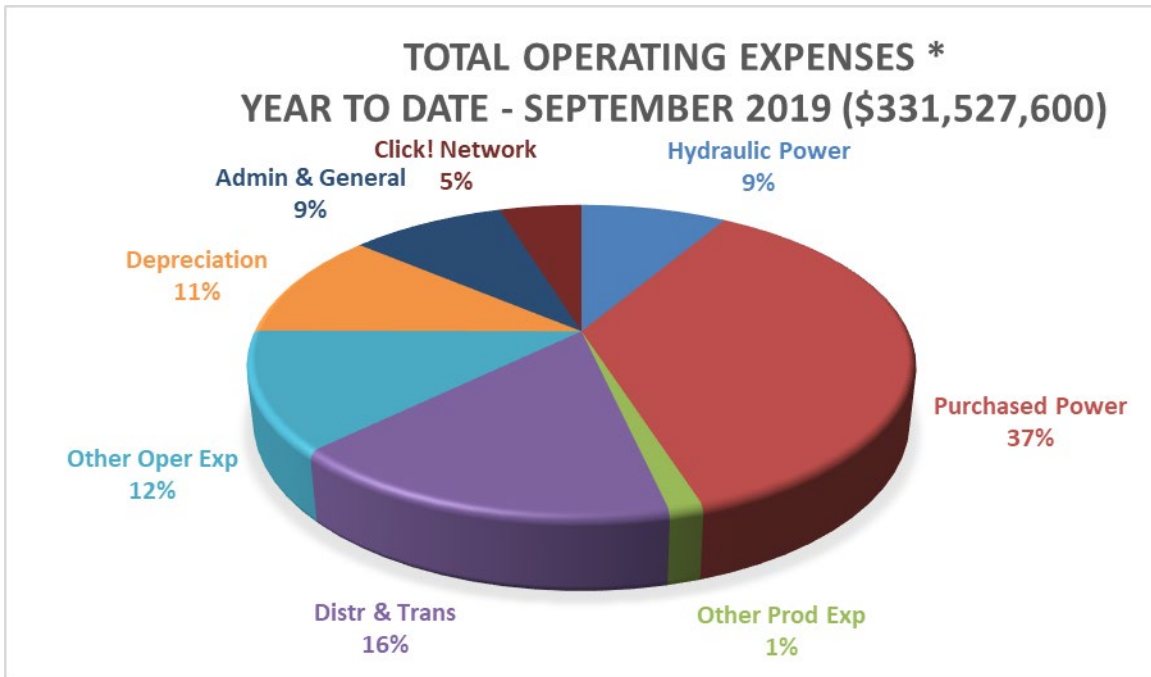
POWER SOURCES (*)
YEAR TO DATE - SEPTEMBER 2019



POWER SOURCES (*)
YEAR TO DATE - SEPTEMBER 2018



(*) Interchange excluded



* City Gross Earnings Taxes are not included in Total Operating Expenses.

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