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**OCTOBER**

***TACOMA RAIL***

**2019**

**INTERIM  
FINANCIAL  
REPORT**





# Public Utility Board

KAREN LARKIN

Chair

BRYAN FLINT

Vice-Chair

MARK PATTERSON

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Member

CARLOS M. WATSON

Member

JACKIE FLOWERS

Director of Utilities

DALE KING

Rail Superintendent

ANDREW CHERULLO

Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

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CITY OF TACOMA, WASHINGTON  
DEPARTMENT OF PUBLIC UTILITIES, BELT LINE DIVISION

TACOMA RAIL

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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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City of Tacoma, Washington  
Department of Public Utilities  
Tacoma Rail  
Statements of Net Position (Unaudited)  
October 31, 2019 and October 31, 2018

<b>ASSETS</b>	<u>2019</u>	<u>2018</u>
<b>CAPITAL ASSETS</b>		
Road and Equipment Property	\$47,028,504	\$46,585,758
Less Accumulated Depreciation	<u>(23,175,705)</u>	<u>(21,506,618)</u>
Total	23,852,799	25,079,140
Construction Work in Progress	<u>1,929,467</u>	<u>670,204</u>
Net Capital Assets	25,782,266	25,749,344
<b>CURRENT ASSETS</b>		
Cash & Equity in Pooled Investments	15,855,026	12,523,860
Customer Accounts Receivable	3,499,910	3,168,161
Prepayments	891,525	297,968
Materials and Supplies Inventory	<u>1,201,247</u>	<u>1,249,325</u>
Total Current Assets	21,447,708	17,239,314
<b>DEFERRED OUTFLOWS</b>		
Deferred Outflows for OPEB	<u>993,546</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u><u>\$48,223,520</u></u>	<u><u>\$42,988,658</u></u>

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

<b>NET POSITION AND LIABILITIES</b>	<b>2019</b>	<b>2018</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$21,288,026	\$20,434,860
Unrestricted	3,192,753	10,611,397
<b>TOTAL NET POSITION</b>	<b>24,480,779</b>	<b>31,046,257</b>
<b>LONG-TERM DEBT, NET OF CURRENT MATURITIES</b>		
State Loans	3,673,990	4,494,234
<b>Total Long-Term Liabilities</b>	<b>3,673,990</b>	<b>4,494,234</b>
<b>CURRENT LIABILITIES</b>		
Accounts Payable	703,300	537,411
Customer Deposits	40,000	-
Wages Payable	618,134	571,109
Unemployment and other Tax Payables	341,327	296,488
Volume Incentive Payable	250,000	83,334
Current Portion of Long Term Debt	820,250	820,250
Current Portion of Compensated Absences	118,329	112,418
<b>Total Current Liabilities</b>	<b>2,891,340</b>	<b>2,421,010</b>
<b>LONG-TERM LIABILITIES</b>		
On the Job Injury Reserve	825,993	817,990
Long-Term Portion of Compensated Absences	1,064,965	1,011,762
Other Contingent Liability	2,320,000	-
Other Post Employment Benefits	12,179,967	-
Incurred but not Reported Claims	496,684	3,197,405
<b>Total Long-Term Liabilities</b>	<b>16,887,609</b>	<b>5,027,157</b>
<b>TOTAL LIABILITIES</b>	<b>23,452,939</b>	<b>11,942,401</b>
<b>DEFERRED INFLOWS</b>		
Deferred Inflows for OPEB	289,802	-
<b>TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS</b>	<b>\$48,223,520</b>	<b>\$42,988,658</b>

City of Tacoma, Washington  
Department of Public Utilities  
Tacoma Rail  
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)  
October 31, 2019 and October 31, 2018

	OCTOBER 2019	OCTOBER 2018
<b>OPERATING REVENUES</b>		
Switching Revenues	\$2,414,622	\$2,249,837
Demurrage and Other Operating Revenues	618,002	469,681
Total Operating Revenues	3,032,624	2,719,518
<b>OPERATING EXPENSES</b>		
Maintenance of Way and Structures		
Salaries and Wages	84,009	85,867
Supplies and Expense	222,999	169,746
Mechanical		
Salaries and Wages	191,643	175,765
Supplies and Expense	623,140	438,966
Operations		
Salaries and Wages	847,414	854,725
Supplies and Expense	11,813	124,645
Administration		
Salaries and Wages	238,128	202,490
Supplies and Expense	285,214	270,388
Taxes - State	41,022	38,025
Depreciation	146,401	144,998
Total Operating Expenses	2,691,783	2,505,615
Net Operating Income	340,841	213,903
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest Income	27,263	16,800
Miscellaneous	74,103	84,169
Total Non-Operating Revenues	101,366	100,969
Contributions - Grants	4,271	-
Total Contributions	4,271	-
Transfers		
City of Tacoma Gross Earnings Tax	(250,719)	(225,639)
<b>CHANGE IN NET POSITION</b>	<b>\$195,759</b>	<b>\$89,233</b>
<b>TOTAL NET POSITION - JANUARY 1</b>		
<b>TOTAL NET POSITION - OCTOBER 31</b>		



YEAR TO DATE			
OCTOBER 31, 2019	OCTOBER 31, 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$24,843,406	\$23,060,306	\$1,783,100	7.7%
5,302,936	4,343,956	958,980	22.1%
30,146,342	27,404,262	2,742,080	10.0%
853,595	759,808	93,787	12.3%
1,070,280	1,254,099	(183,819)	-14.7%
1,912,774	1,645,713	267,061	16.2%
4,100,400	3,336,955	763,445	22.9%
8,443,716	8,168,637	275,079	3.4%
1,135,959	1,246,754	(110,795)	-8.9%
2,160,518	2,133,471	27,047	1.3%
3,453,674	3,061,298	392,376	12.8%
418,383	384,100	34,283	8.9%
1,530,176	1,448,095	82,081	5.7%
25,079,475	23,438,930	1,640,545	7.0%
5,066,867	3,965,332	1,101,535	27.8%
288,107	178,520	109,587	61.4%
771,020	896,811	(125,791)	-14.0%
1,059,127	1,075,331	(16,204)	-1.5%
33,439	112,306	(78,867)	-70.2%
33,439	112,306	(78,867)	-70.2%
(2,492,367)	(2,274,087)	(218,280)	-9.6%
3,667,066	2,878,882	788,184	27.4%
20,813,713	28,167,375		
<u>\$24,480,779</u>	<u>\$31,046,257</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 Rail  
Summary of Switching Revenues and Switching Activities (Unaudited)  
October 31, 2019 and October 31, 2018

	October 2019	October 2018
<b>SWITCHING REVENUES</b>		
LINE HAULS--INTERMODAL	\$940,086	\$955,552
LINE HAULS--COMMERCIAL	1,290,262	1,066,395
LINE HAULS--CAPITAL DIVISION	41,040	38,760
MISCELLANEOUS SWITCHES	<u>143,234</u>	<u>189,130</u>
TOTAL SWITCHING REVENUES	<u><u>\$2,414,622</u></u>	<u><u>\$2,249,837</u></u>
 <b>SWITCHING ACTIVITIES (CARS)</b>		
LINE HAULS--INTERMODAL	5,621	5,713
LINE HAULS--COMMERCIAL	2,397	2,137
LINE HAULS--CAPITAL DIVISION	72	68
MISCELLANEOUS SWITCHES	<u>1,153</u>	<u>1,132</u>
TOTAL CARS SWITCHED	<u><u>9,243</u></u>	<u><u>9,050</u></u>

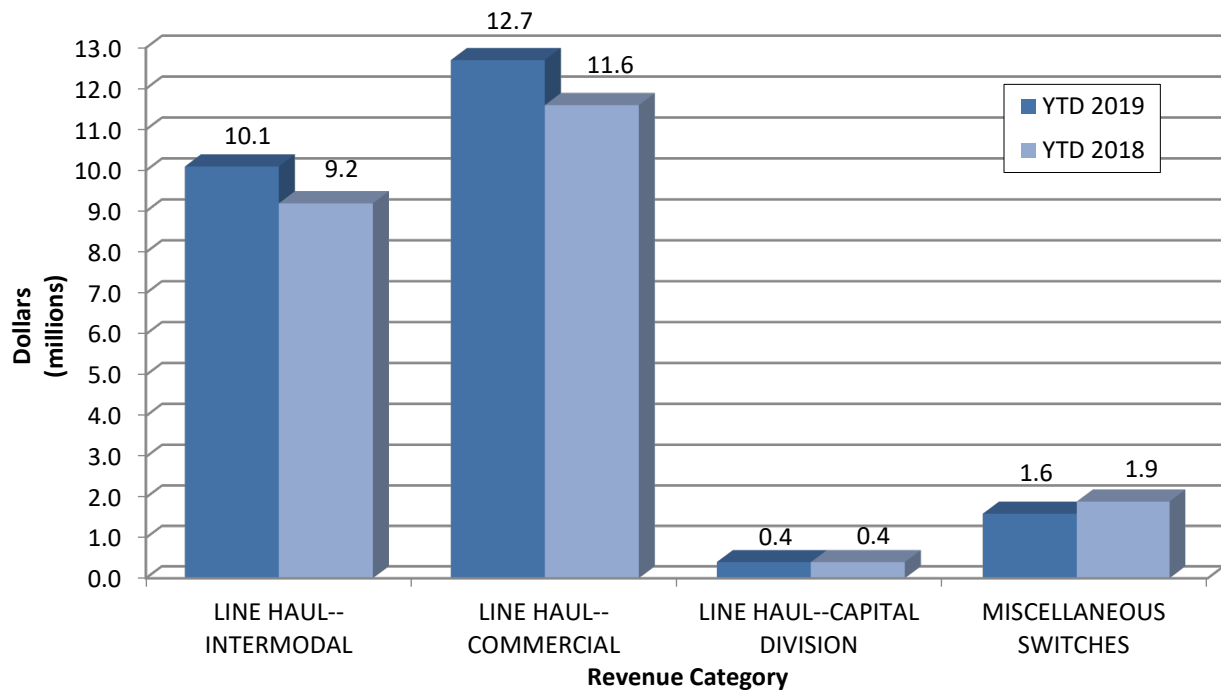
YEAR TO DATE			
October 31, 2019	October 31, 2018	2019/2018 VARIANCE	PERCENT CHANGE
\$10,147,404	\$9,171,334	\$976,070	10.6%
12,734,542	11,651,592	1,082,950	9.3%
387,030	359,503	27,527	7.7%
<u>1,574,431</u>	<u>1,877,877</u>	<u>(303,446)</u>	-16.2%
<u><u>\$24,843,407</u></u>	<u><u>\$23,060,306</u></u>	<u><u>\$1,783,101</u></u>	7.7%
59,971	54,175	5,795	10.7%
26,315	23,085	3,230	14.0%
679	648	31	4.8%
<u>9,900</u>	<u>11,203</u>	<u>(1,303)</u>	-11.6%
<u><u>96,865</u></u>	<u><u>89,111</u></u>	<u><u>7,753</u></u>	8.7%

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# Supplemental Data

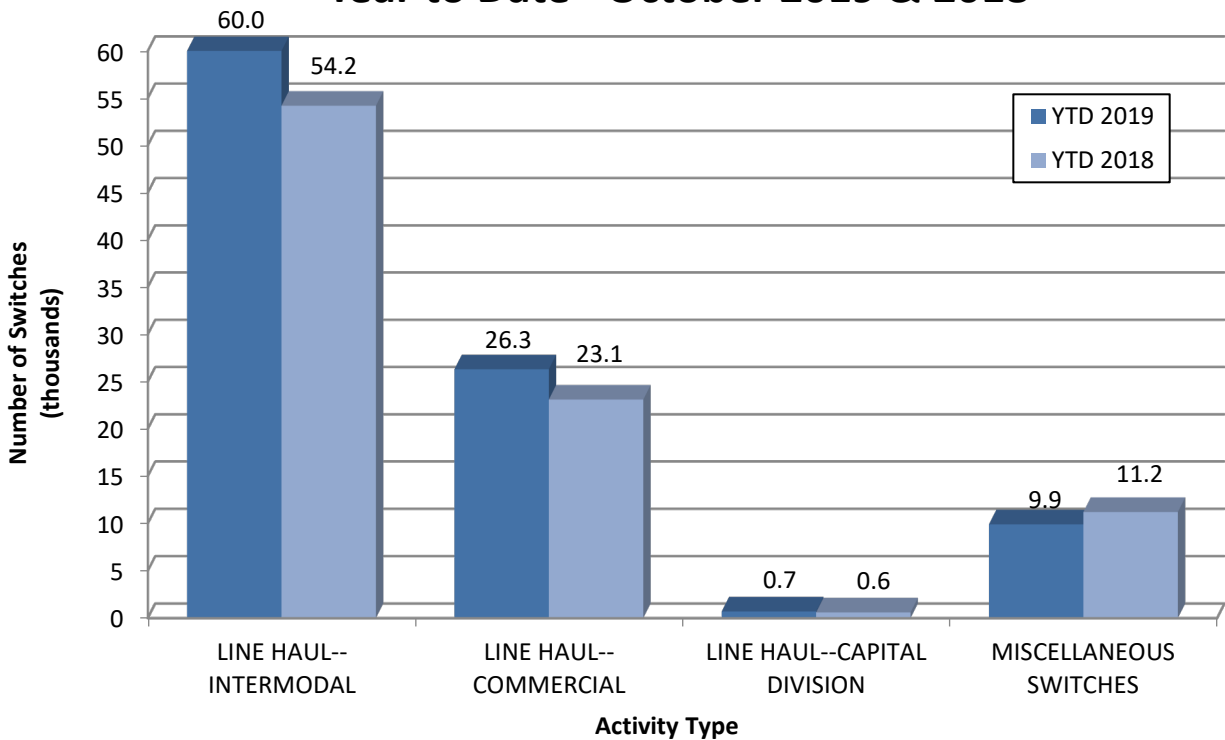
## SWITCHING REVENUES

### Year to Date - October 2019 & 2018

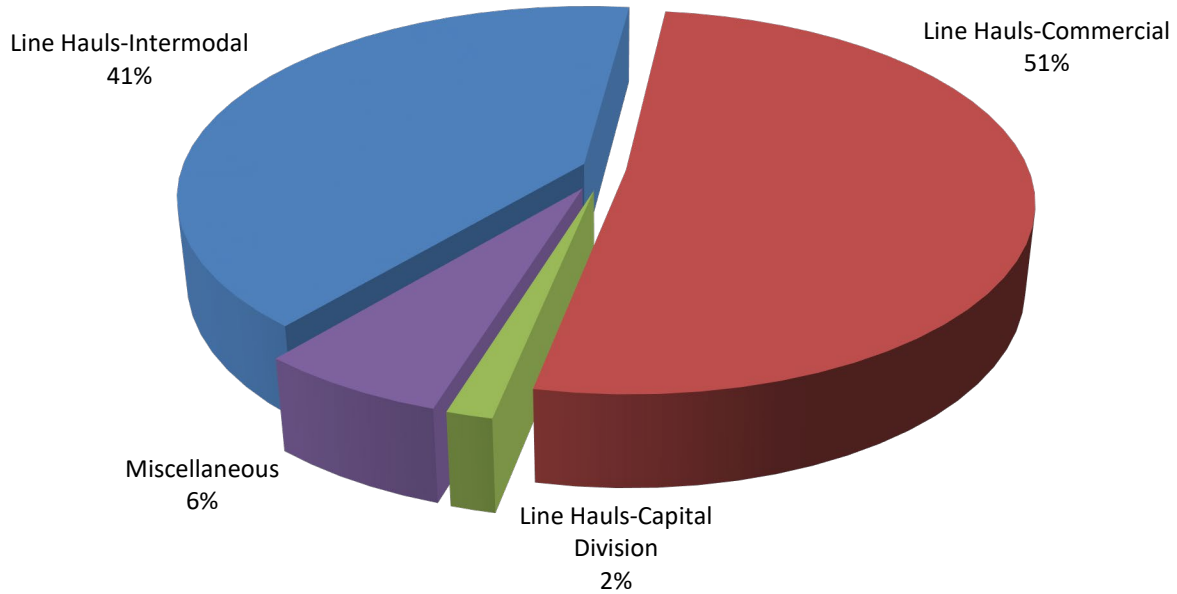


## SWITCHING ACTIVITIES

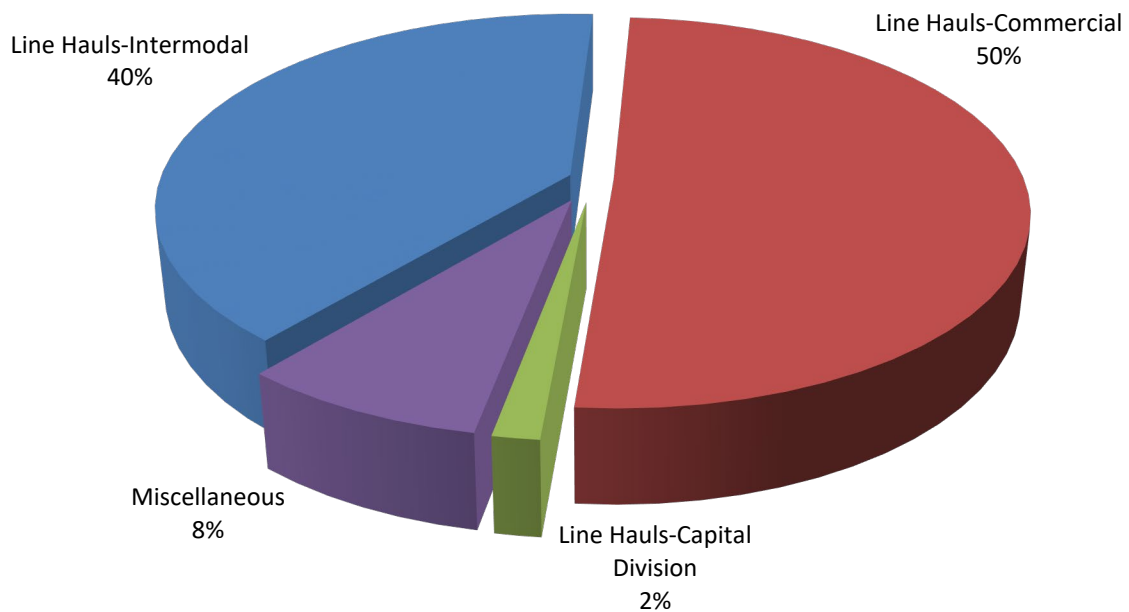
### Year to Date - October 2019 & 2018



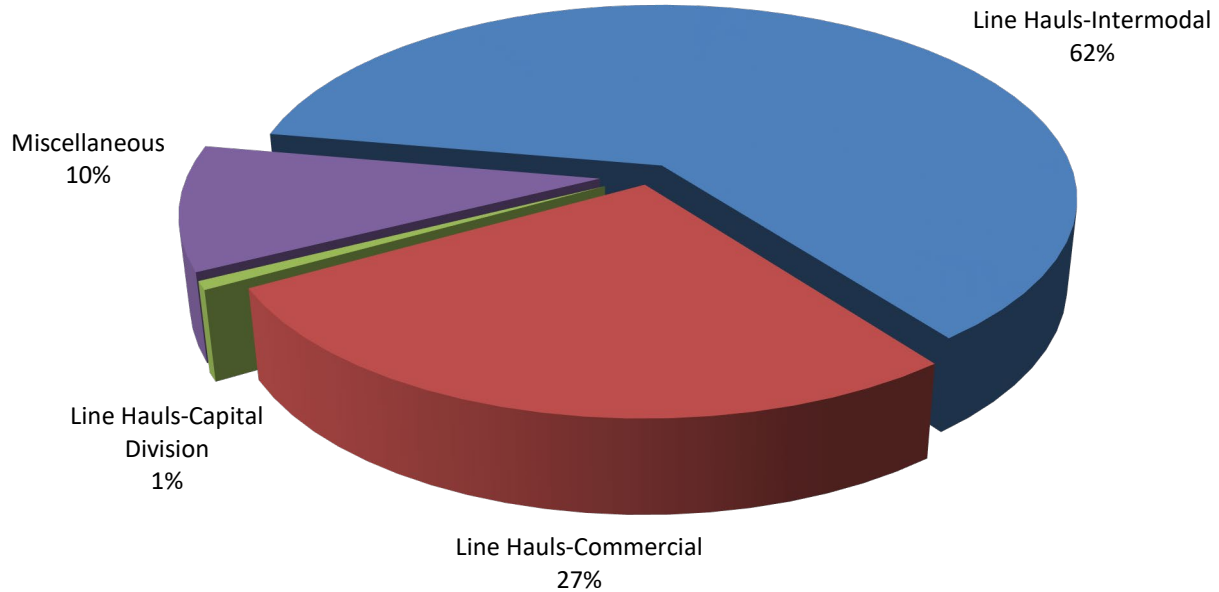
**SWITCHING REVENUES**  
**Year to Date - October 2019 (\$24,843,407)**



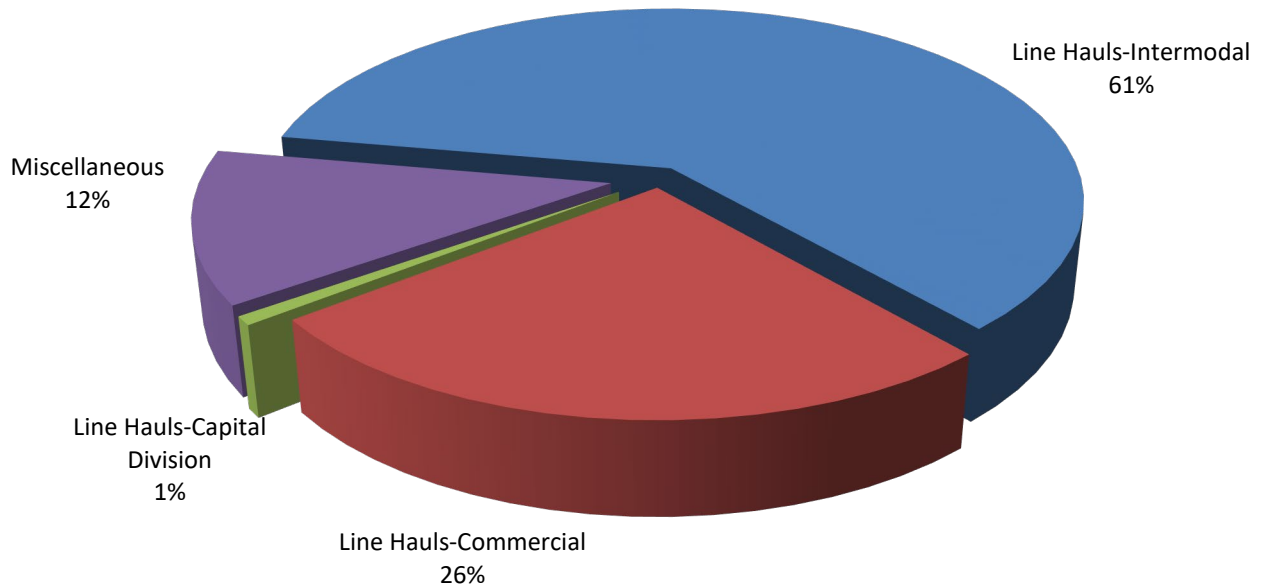
**SWITCHING REVENUES**  
**Year to Date - October 2018 (\$23,060,306)**



**SWITCHING ACTIVITY**  
**Year to Date - October 2019 (96,865 cars)**

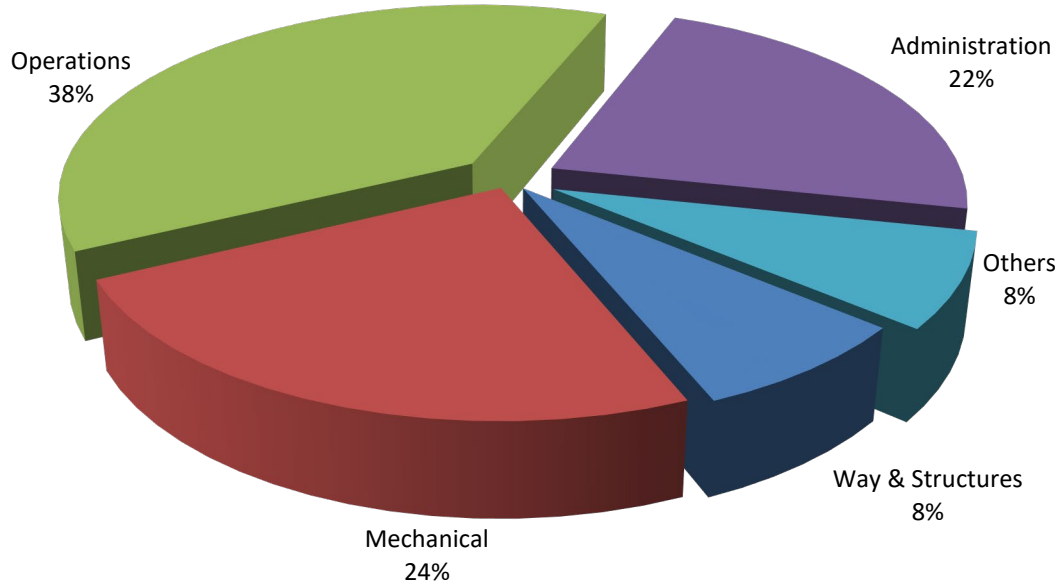


**SWITCHING ACTIVITY**  
**Year to Date - October 2018 (89,111 cars)**

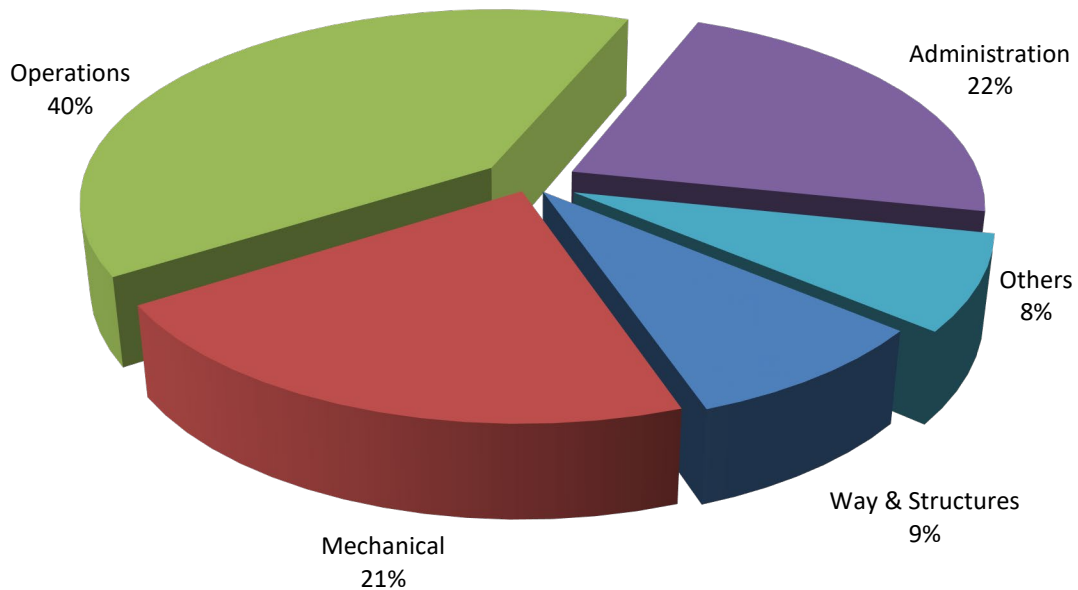




**TOTAL OPERATING EXPENSES**  
**Year to Date - October 2019 (\$25,079,475)**



**TOTAL OPERATING EXPENSES**  
**Year to Date - October 2018 (\$23,438,930)**





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