
October 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)
October 31, 2021 and October 31, 2020

ASSETS	October		Increase
	2021	2020	(Decrease)
Current assets:			
Cash and equity in pooled investments	\$ 52,181,193	\$ 51,293,085	\$ 888,108
GASB 31 market rate adjustment	878,555	339,831	538,724
Accounts receivable, net	4,678,979	4,591,378	87,601
Accrued unbilled revenue	3,607,376	3,555,989	51,387
Restricted cash and equity in pooled investments:			
Debt service funds	3,124,480	2,865,019	259,461
Customer deposits	41,086	38,528	2,558
Construction funds	-	2,645,943	(2,645,943)
Total restricted cash and equity in pooled investments	3,165,566	5,549,490	(2,383,924)
Total current assets	64,511,669	65,329,773	(818,104)
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	57,788,299	54,752,763	3,035,536
Computer software	4,927,552	5,137,760	(210,208)
Less: accumulated depreciation	(119,447,722)	(118,695,635)	(752,087)
Construction in progress	11,668,178	6,125,991	5,542,187
Total capital assets, net	90,251,219	82,612,458	7,638,761
Other noncurrent assets:			
Net pension asset	1,065,425	-	1,065,425
Total noncurrent assets	91,316,644	84,721,958	8,704,186
Total assets	157,937,813	150,051,731	7,886,082
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	3,453,168	7,965,875	(4,512,707)
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 161,390,981</u>	<u>\$ 158,017,606</u>	<u>\$ 3,373,375</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)
October 31, 2021 and October 31, 2020

	October		Increase
	2021	2020	(Decrease)
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 1,453,166	\$ 2,217,754	\$ (764,588)
Accrued wages payable and compensated absences	486,587	454,812	31,775
Accrued taxes payable	402,311	388,777	13,534
Customer deposits	52,372	80,757	(28,385)
Accrued landfill postclosure care costs	694,674	858,999	(164,325)
Current portion of long-term debt	192,913	189,167	3,746
Total current liabilities	3,282,023	4,190,266	(908,243)
Current payable from restricted assets:			
Deposits payable	43,056	53,083	(10,027)
Accrued revenue bond interest payable	1,002,394	1,021,307	(18,913)
Current portion of long-term debt	2,122,083	2,080,833	41,250
Total liabilities payable from restricted assets	3,167,533	3,155,223	12,310
Noncurrent liabilities:			
Long-term debt - revenue bonds, net	53,937,994	56,910,930	(2,972,936)
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	72,071,446	81,531,579	(9,460,133)
Total liabilities	78,521,002	88,877,068	(10,356,066)
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	125,384	214,403	(89,019)
Total deferred inflows of resources	11,475,238	8,354,683	3,120,555
NET POSITION			
Net investment in capital assets	43,186,924	35,135,900	8,051,024
Restricted for:			
Debt service	2,109,503	1,872,379	237,124
Net pension asset	1,065,425	-	1,065,425
Unrestricted	25,032,889	23,777,576	1,255,313
Total net position	71,394,741	60,785,855	10,608,886
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 161,390,981</u>	<u>\$158,017,606</u>	<u>\$ 3,373,375</u>

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

	Month of October		Year-to-Date October		% Chg
	2021	2020	2021	2020	
OPERATING REVENUES					
Residential collection	\$ 2,859,501	\$ 2,820,712	\$ 27,906,665	\$ 26,807,757	4%
Commercial collection	3,143,626	3,188,851	29,670,537	27,912,775	6%
Disposal revenues	1,069,188	882,817	10,121,547	8,264,489	22%
Salvage revenues	87,504	20,823	650,476	220,475	195%
Other operating revenues	23,422	10,486	234,682	264,426	-11%
Total operating revenues	7,183,241	6,923,689	68,583,907	63,469,922	8%
OPERATING EXPENSES					
Commercial collection	402,765	458,058	4,579,665	4,240,799	8%
Onsite operations	718,395	895,452	6,999,676	7,088,383	-1%
Residential collection	800,644	1,065,901	9,044,450	8,535,284	6%
Other collection services	1,500,303	1,425,438	14,405,561	12,938,155	11%
Support services	1,465,440	1,314,997	13,276,990	13,281,696	0%
Depreciation	516,550	465,865	5,011,368	4,832,919	4%
Total operating expenses	5,404,097	5,625,711	53,317,710	50,917,236	5%
Net operating income	1,779,144	1,297,978	15,266,197	12,552,686	22%
NONOPERATING REVENUES (EXPENSES)					
Investment income	37,039	63,846	424,495	797,928	-47%
Rental income	383	-	13,613	2,021	574%
Operating grant	-	-	223,048	91,373	144%
Interest expenses and other related costs	(200,479)	(204,262)	(2,004,790)	(2,043,520)	2%
Amortization of premium and refunding gain	61,948	65,890	619,483	658,903	-6%
Other revenues/expenses	24	396	31,625	11,077	186%
Proceeds from sale/ disposal of capital assets	-	-	216,635	157,608	37%
Loss on sale/disposal of capital assets	-	-	-	(420,856)	100%
Total nonoperating revenue (expenses)	(101,085)	(74,130)	(475,891)	(745,466)	36%
Net income before transfers	1,678,059	1,223,848	14,790,306	11,807,220	25%
Transfers - gross earnings taxes	(576,232)	(568,407)	(5,463,711)	(5,144,046)	-6%
CHANGE IN NET POSITION	<u>\$ 1,101,827</u>	<u>\$ 655,441</u>	9,326,595	6,663,174	40%
NET POSITION - JANUARY 1			62,068,146	54,122,681	
NET POSITION - OCTOBER 31			<u>\$ 71,394,741</u>	<u>\$ 60,785,855</u>	

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



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