
***November
2019***

***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)
November 30, 2019 and November 30, 2018

ASSETS	November		Increase
	2019	2018	(Decrease)
Current assets:			
Cash and equity in pooled investments	\$ 48,496,787	\$ 41,298,348	\$ 7,198,439
Accounts receivable, net	3,309,666	2,940,859	368,807
Accrued unbilled revenue	3,592,069	3,329,619	262,450
Restricted cash and equity in pooled investments:			
Debt service funds	4,231,271	3,391,075	840,196
Customer deposits	42,446	60,875	(18,429)
Construction funds	3,201,575	4,139,334	(937,759)
Total restricted cash and equity in pooled investments	7,475,292	7,591,284	(115,992)
Total current assets	62,873,814	55,160,110	7,713,704
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	61,767,413	-
Landfill infrastructure	68,074,220	68,182,486	(108,266)
Machinery and equipment	54,676,982	53,018,830	1,658,152
Computer software	5,135,219	5,051,881	83,338
Less: accumulated depreciation	(115,603,965)	(111,758,284)	(3,845,681)
Construction in progress	3,549,010	834,533	2,714,477
Total capital assets, net	80,454,642	79,952,622	502,020
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	84,804,358	84,675,772	128,586
Total assets	147,678,172	139,835,882	7,842,290
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	\$ 150,744,789	\$ 145,242,555	\$ 5,502,234

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)
November 30, 2019 and November 30, 2018

LIABILITIES	November		Increase
	2019	2018	(Decrease)
Current liabilities:			
Accounts payable	\$ 1,830,895	\$ 917,668	\$ 913,227
Accrued wages payable and compensated absences	134,038	413,636	(279,598)
Accrued taxes payable	293,968	289,661	4,307
GASB 31 market rate adjustment	268,582	285,726	(17,144)
Customer deposits	72,738	25,786	46,952
Accrued landfill postclosure care costs	946,999	875,997	71,002
Total current liabilities	3,547,220	2,808,474	738,746
Current payable from restricted assets:			
Deposits payable	44,149	58,242	(14,093)
Accrued revenue bond interest payable	1,279,570	1,331,076	(51,506)
Current portion of long-term debt	2,160,000	2,060,000	100,000
Total liabilities payable from restricted assets	3,483,719	3,449,318	34,401
Noncurrent liabilities:			
Long-term debt - revenue bonds, net	59,823,762	62,729,968	(2,906,206)
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	78,419,269	86,712,465	(8,293,196)
Total liabilities	85,450,208	92,970,257	(7,520,049)
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	296,005	385,025	(89,020)
Total deferred inflows of resources	11,153,603	8,497,246	2,656,357
NET POSITION			
Net investment in capital assets	30,728,450	28,168,964	2,559,486
Restricted for:			
Debt service	5,061,201	4,723,150	338,051
Net pension asset	2,240,216	-	2,240,216
Unrestricted	16,111,111	10,882,938	5,228,173
Total net position	54,140,978	43,775,052	10,365,926
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 150,744,789</u>	<u>\$ 145,242,555</u>	<u>\$ 5,502,234</u>

City of Tacoma
Environmental Services Department
Solid Waste Management
Statement of Revenues, Expenses, and change in Net Position (Unaudited)
November 30, 2019 and November 30, 2018

	Month of November		Year-to-Date November		% Chg
	2019	2018	2019	2018	
OPERATING REVENUES					
Residential collection	\$2,279,401	\$2,201,691	\$ 26,561,492	\$ 25,078,214	6%
Commercial collection	2,334,632	1,835,007	29,656,233	27,359,246	8%
Disposal revenues	852,318	793,835	10,358,779	10,039,599	3%
Salvage revenues	14,431	29,400	272,380	350,033	-22%
Other operating revenues	103,782	98,303	534,162	450,186	19%
Total operating revenues	5,584,564	4,958,236	67,383,046	63,277,278	6%
OPERATING EXPENSES					
Commercial collection	430,537	458,208	4,980,591	4,452,402	12%
Onsite operations	691,068	609,158	7,164,524	7,283,593	-2%
Residential collection	884,537	842,737	9,112,421	8,606,258	6%
Other collection services	1,081,006	1,139,850	13,620,846	13,393,532	2%
Support services	1,250,124	1,203,782	13,424,026	12,131,835	11%
Depreciation	471,033	472,535	5,108,102	5,197,391	-2%
Total operating expenses	4,808,305	4,726,270	53,410,510	51,065,011	5%
Net operating income	776,259	231,966	13,972,536	12,212,267	14%
NONOPERATING REVENUES (EXPENSES)					
Investment income	97,756	78,340	1,074,404	721,974	49%
Rental income	-	4,043	20,924	48,607	-57%
Operating grant	-	-	-	118,310	-100%
Interest expenses and other related costs	(213,262)	(221,846)	(2,346,782)	(2,429,218)	3%
Amortization of premium and refunding gain	69,631	73,199	765,936	805,184	-5%
Other revenues/expenses	425	382	4,391	146,892	-97%
Gain on sale/disposal of capital assets	-	-	46,500	268,592	-83%
Total nonoperating revenue (expenses)	(45,450)	(65,882)	(434,627)	(319,659)	-36%
Net income before transfers	730,809	166,084	13,537,909	11,892,608	14%
Transfers - to other funds	-	-	(79,000)	-	N/A
Transfers - gross earnings taxes	(446,566)	(446,280)	(5,467,590)	(5,161,462)	-6%
CHANGE IN NET POSITION	284,243	(280,196)	7,991,319	6,731,146	19%
NET POSITION - JANUARY 1			46,149,659	37,043,906	
NET POSITION - NOVEMBER 30			<u>\$ 54,140,978</u>	<u>\$ 43,775,052</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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