
NOVEMBER

TACOMA WATER

2021

**INTERIM
FINANCIAL
REPORT**



Public Utility Board

MARK PATTERSON

Chair

CHRISTINE COOLEY

Vice-Chair

CARLOS M. WATSON

Secretary

HOLLAND COHEN

Member

JOHN O'LOUGHLIN

Member

JACKIE FLOWERS

Director of Utilities

SCOTT DEWHIRST

Water Superintendent

ANDREW CHERULLO

Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

This page intentionally left blank

City of Tacoma, Washington
Department of Public Utilities, Water Division
Doing Business as

Tacoma Water

Table of Contents

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.

Reclassification: Changes have been made to prior period account classifications as needed to conform to the current period presentation format.

Statements of Net Position (Unaudited)	1
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)	4
Summary of Revenues and Billings (Unaudited)	5
Summary of Water Billed (Unaudited)	6
Supplemental Data	8

City of Tacoma, Washington
Department of Public Utilities
Tacoma Water
Statements of Net Position (Unaudited)
November 30, 2021 and November 30, 2020

	NOVEMBER 30,	
	2021	2020
ASSETS		
UTILITY PLANT		
Water Plant in Service	\$1,201,190,997	\$1,169,058,135
Less Depreciation and Amortization	(336,798,352)	(314,733,418)
Total	864,392,645	854,324,717
Construction Work in Progress	40,368,165	31,256,304
Net Utility Plant	904,760,810	885,581,021
NON-UTILITY PROPERTY	492,963	492,963
RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
2013 Construction Fund	-	1,669,080
Regional Water Supply System Operating Fund	206,876	941,893
Provision for Debt Payment	16,912,003	16,986,545
Customer Water Main Deposits	3,590,954	3,533,888
Water Supply Forum Fund	625,806	621,979
Special Bond Reserves	21,691,810	21,688,936
Water Customer Contribution Fund	2,053,420	2,083,281
Water Capital Reserves	35,545,163	35,641,372
Water System Development Charge	78,434,597	75,714,874
Total Restricted Assets	159,060,629	158,881,848
CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	64,157,859	68,506,109
Grant Loan Fund	497,985	-
Customers' Deposits	121,846	239,100
Receivables:		
Customers	9,523,378	6,686,842
Accrued Unbilled Revenues	5,922,259	5,818,438
Others	416,013	140,456
BABs Interest Subsidies	1,810,922	1,810,921
Provision for Uncollectible Accounts	(3,389,558)	(1,348,254)
Materials and Supplies	3,195,768	2,861,771
Prepayments	2,000,527	1,708,918
Total Current Assets	84,256,999	86,424,301
TOTAL ASSETS	1,148,571,401	1,131,380,133
OTHER ASSETS		
Regulatory Assets - Surcharges	3,479,544	3,564,203
Net Pension Asset	1,636,678	-
Total Other Assets	5,116,222	3,564,203
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized Losses on Refunding Bonds	630,052	817,297
Deferred Outflows for Pensions	4,855,703	12,149,265
Deferred Outflows for OPEB	597,712	471,178
Total Deferred Outflows	6,083,467	13,437,740
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$1,159,771,090	\$1,148,382,076

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

	NOVEMBER 30,	
	2021	2020
NET POSITION		
Net Investment in Capital Assets	\$499,734,224	\$466,128,753
Restricted for:		
Water Capital Reserves	31,872,787	31,489,991
Water System Development Charge	42,859,150	40,139,427
Debt Service Funds	8,135,426	8,063,233
Pension Asset	1,636,678	-
Unrestricted	66,378,076	73,909,802
TOTAL NET POSITION	650,616,341	619,731,206
LIABILITIES		
LONG-TERM DEBT		
Revenue Bonds Outstanding:		
2005 Water Revenue Bonds Refunding	5,000	5,000
2009 Water Revenue Bonds	76,775,000	76,775,000
2010 Water Revenue Bonds	74,985,000	74,985,000
2013 Water Revenue Bonds Refunding	74,355,000	74,355,000
2015 Water Refunding Bonds, Series A	7,560,000	9,230,000
2010 RWSS Revenue Bonds, Series A	1,030,000	1,345,000
2010 RWSS Revenue Bonds, Series B	44,245,000	44,245,000
2013 RWSS Refunding Bonds	54,030,000	55,920,000
2020 Water Revenue Bonds Refunding	8,667,758	13,157,516
Total Outstanding Revenue Bonds	341,652,758	350,017,516
Plus: Unamortized Bond Premium	6,739,413	7,923,125
Net Outstanding Revenue Bonds	348,392,171	357,940,641
PWTF Pre-Construction Loans	106,725	160,088
PWTF Construction Loans	9,757,572	11,760,836
State Drinking Water Loans	48,848,868	52,919,062
Total Long-Term Debt	407,105,336	422,780,627
CURRENT LIABILITIES		
Salaries and Wages Payable	730,580	582,119
Purchases and Contracts Payable	1,420,798	1,789,126
Interest Expense Accrued	8,776,577	8,923,312
Taxes Accrued	1,671,937	1,484,276
Customers' and Contractors' Deposits	188,875	293,593
Current Portion of Long-Term Debt	14,655,877	15,095,421
Other Current Liabilities	488,185	478,623
Current Accrued Compensated Absences	300,025	237,357
Total Current Liabilities	28,232,854	28,883,827
LONG-TERM LIABILITIES		
Muckleshoot Agreements	6,080,198	6,244,496
Customer Advances for Construction	11,950,750	8,978,937
Unearned Revenue	6,147,754	7,357,863
Other Long-Term Liabilities	1,097,369	1,143,252
Pension Liability	-	10,264,957
OPEB Liability	3,675,963	3,565,886
Long-Term Accrued Compensated Absences	2,700,222	2,136,217
Total Long-Term Liabilities	31,652,256	39,691,608
TOTAL LIABILITIES	466,990,446	491,356,062
DEFERRED INFLOWS OF RESOURCES		
Rate Stabilization	35,575,447	35,575,447
Deferred Inflows for Pensions	6,237,055	1,348,807
Deferred Inflows for OPEB	351,801	370,554
Total Deferred Inflows	42,164,303	37,294,808
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$1,159,771,090	\$1,148,382,076

This page has been left blank intentionally.

City of Tacoma, Washington
Department of Public Utilities
Tacoma Water
Statements of Revenues, Expenses and Changes in Net Position (Unaudited)
November 30, 2021 and November 30, 2020

			YEAR TO DATE		2021 OVER (UNDER) 2020	PERCENT CHANGE
	NOVEMBER 2021	NOVEMBER 2020	NOVEMBER 30, 2021	NOVEMBER 30, 2020		
OPERATING REVENUES						
Sales of Water	\$6,617,544	\$5,596,603	\$90,800,007	\$84,967,509	\$5,832,498	6.9%
Other Operating Revenues	650,191	518,137	6,691,995	6,387,031	304,964	4.8%
Contract Resource Obligation Revenue	402,836	417,258	4,812,862	4,414,541	398,321	9.0%
Total Operating Revenues	<u>7,670,571</u>	<u>6,531,998</u>	<u>102,304,864</u>	<u>95,769,081</u>	<u>6,535,783</u>	6.8%
OPERATING EXPENSES						
Production Expense:						
Source of Supply	279,061	337,026	3,084,932	4,087,965	(1,003,033)	-24.5%
Water Treatment	850,885	749,124	8,964,276	8,385,200	579,076	6.9%
Total Production Expense	<u>1,129,946</u>	<u>1,086,150</u>	<u>12,049,208</u>	<u>12,473,165</u>	<u>(423,957)</u>	-3.4%
Power Pumping Expense	45,084	68,907	570,820	662,877	(92,057)	-13.9%
Transmission and Storage Expense	351,235	98,354	3,532,646	1,552,144	1,980,502	127.6%
Distribution Expense	1,473,983	1,357,460	14,982,754	14,851,251	131,503	0.9%
Customer Accounting and Consumer Service	462,545	399,574	4,987,424	4,867,511	119,913	2.5%
Taxes	362,717	276,739	5,261,254	4,826,660	434,594	9.0%
Depreciation	2,294,390	2,140,305	25,436,279	23,578,667	1,857,612	7.9%
Administrative and General	<u>1,446,444</u>	<u>1,155,143</u>	<u>14,956,663</u>	<u>11,770,364</u>	<u>3,186,299</u>	27.1%
Total Operating Expenses	<u>7,566,344</u>	<u>6,582,632</u>	<u>81,777,048</u>	<u>74,582,639</u>	<u>7,194,409</u>	9.6%
OPERATING INCOME (LOSS)	104,227	(50,634)	20,527,816	21,186,442	(658,626)	-3.1%
NON-OPERATING REVENUES (EXPENSES)						
Investment Income (Loss)	136,207	231,645	(1,479,468)	2,032,054	(3,511,522)	-172.8%
Miscellaneous	134,292	(47,650)	2,586,280	441,739	2,144,541	485.5%
Interest on Long-Term Debt	(1,255,995)	(1,246,662)	(13,865,241)	(14,405,995)	540,754	3.8%
Interest on Long-Term Debt BABs Sub	(247,704)	(280,066)	(2,732,187)	(2,757,098)	24,911	0.9%
Amortization Of Debt Premium	82,181	92,464	903,988	1,017,101	(113,113)	-11.1%
Total Non-Operating Revenues (Expenses)	<u>(1,151,019)</u>	<u>(1,250,269)</u>	<u>(14,586,628)</u>	<u>(13,672,199)</u>	<u>(914,429)</u>	-6.7%
Net Income (Loss) Before Capital						
Contributions and Transfers	(1,046,792)	(1,300,903)	5,941,188	7,514,243	(1,573,055)	-20.9%
Capital Contributions:						
Cash	431,640	380,579	5,739,421	6,209,327	(469,906)	-7.6%
Donated Fixed Assets	938,175	-	7,187,123	1,169,848	6,017,275	514.4%
Federal BABs Subsidies	301,820	334,184	3,327,474	3,349,186	(21,712)	-0.6%
Transfers:						
City Gross Earnings Tax	(567,777)	(461,195)	(7,644,423)	(7,171,334)	(473,089)	-6.6%
Transfer from (to) Other Funds	<u>-</u>	<u>5,843,374</u>	<u>120</u>	<u>5,843,374</u>	<u>(5,843,254)</u>	-100.0%
CHANGE IN NET POSITION	<u>\$57,066</u>	<u>\$4,796,039</u>	<u>14,550,903</u>	<u>16,914,644</u>	<u>(2,363,741)</u>	-14.0%
NET POSITION - JANUARY 1			636,065,438	602,816,562	33,248,876	
TOTAL NET POSITION - NOVEMBER 30			<u>\$650,616,341</u>	<u>\$619,731,206</u>	<u>\$30,885,135</u>	5.0%

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 Water
Summary of Revenues and Billings (Unaudited)
November 30, 2021 and November 30, 2020

	NOVEMBER 2021	NOVEMBER 2020	YEAR TO DATE		2021 OVER (UNDER) 2020	PERCENT CHANGE
			NOVEMBER 30 2021	NOVEMBER 30 2020		
SALES OF WATER						
Residential and Domestic	\$4,343,295	\$3,658,547	\$62,261,304	\$58,945,154	\$3,316,150	5.6%
Commercial and Industrial	1,538,699	1,153,747	19,386,978	17,377,656	2,009,322	11.6%
Special Rate	618,063	622,275	6,826,400	6,524,188	302,212	4.6%
Wholesale	<u>117,487</u>	<u>162,034</u>	<u>2,325,325</u>	<u>2,120,511</u>	<u>204,814</u>	9.7%
Total	<u>\$6,617,544</u>	<u>\$5,596,603</u>	<u>\$90,800,007</u>	<u>\$84,967,509</u>	<u>\$5,832,498</u>	6.9%
BILLINGS (NUMBER OF MONTHS BILLED)						
Residential and Domestic	85,558	74,679	1,097,169	1,072,624	24,545	2.3%
Commercial and Industrial	6,476	5,267	76,250	72,459	3,791	5.2%
Wholesale	<u>20</u>	<u>22</u>	<u>238</u>	<u>238</u>	<u>-</u>	0.0%
Total	<u>92,054</u>	<u>79,968</u>	<u>1,173,657</u>	<u>1,145,321</u>	<u>28,336</u>	2.5%

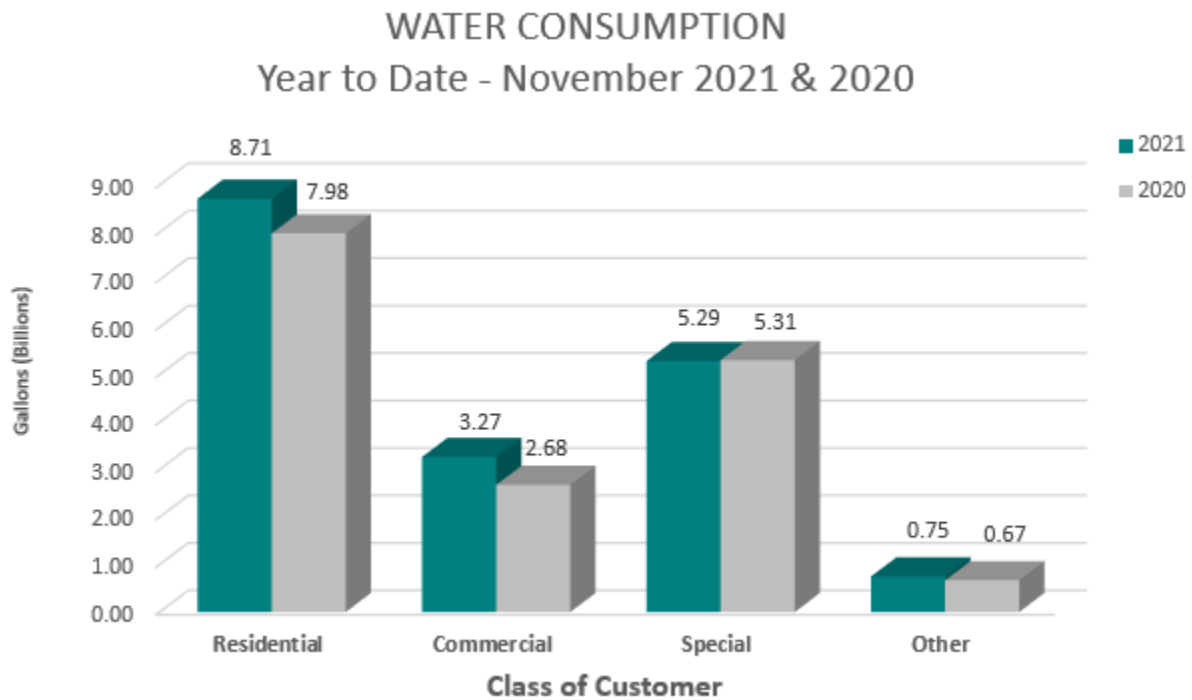
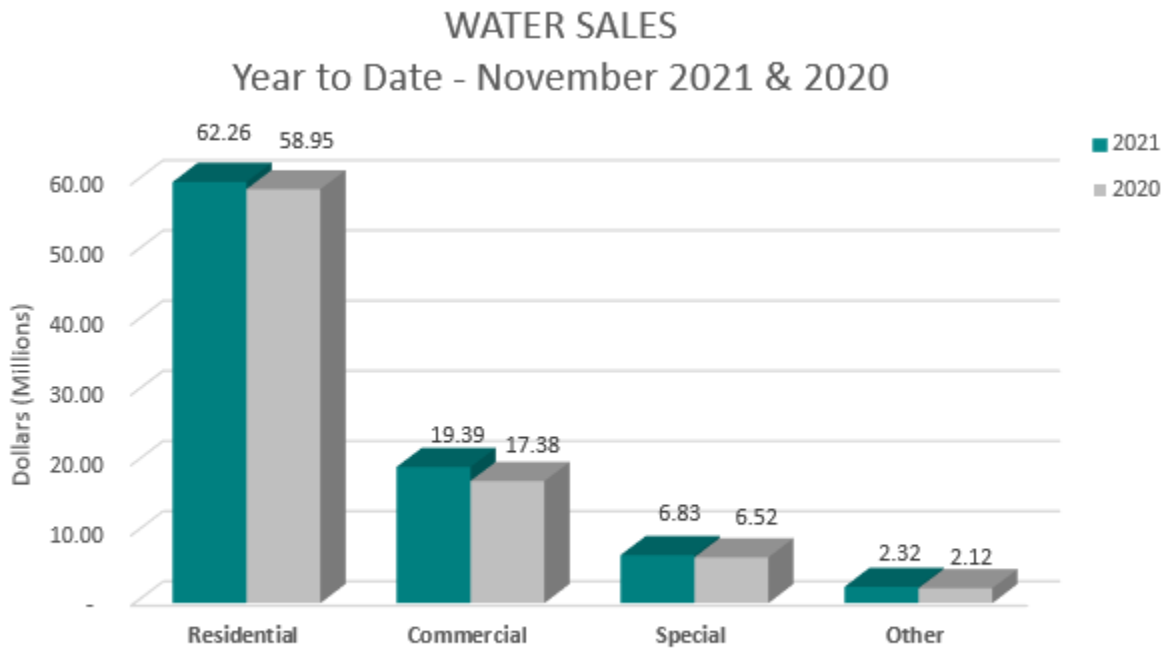
City of Tacoma, Washington
Department of Public Utilities
Tacoma Water
Summary of Water Billed (Unaudited)

	MILLION GALLONS, TOTAL				MILLION GALLONS, AVERAGE DAILY	
	NOVEMBER 2021	NOVEMBER 2020	YEAR TO DATE		NOVEMBER 2021	NOVEMBER 2020
			NOVEMBER 30, 2021	NOVEMBER 30, 2020		
WATER BILLED						
Residential and Domestic	560.93	462.04	8,707.13	7,981.59	18.70	15.40
Commercial and Industrial	255.56	162.95	3,272.88	2,682.81	8.52	5.43
Special Rate	350.91	479.59	5,291.25	5,315.21	11.70	15.99
Wholesale	<u>32.11</u>	<u>53.54</u>	<u>751.29</u>	<u>665.31</u>	<u>1.07</u>	<u>1.78</u>
	<u>1,199.51</u>	<u>1,158.12</u>	<u>18,022.55</u>	<u>16,644.92</u>	<u>39.99</u>	<u>38.60</u>

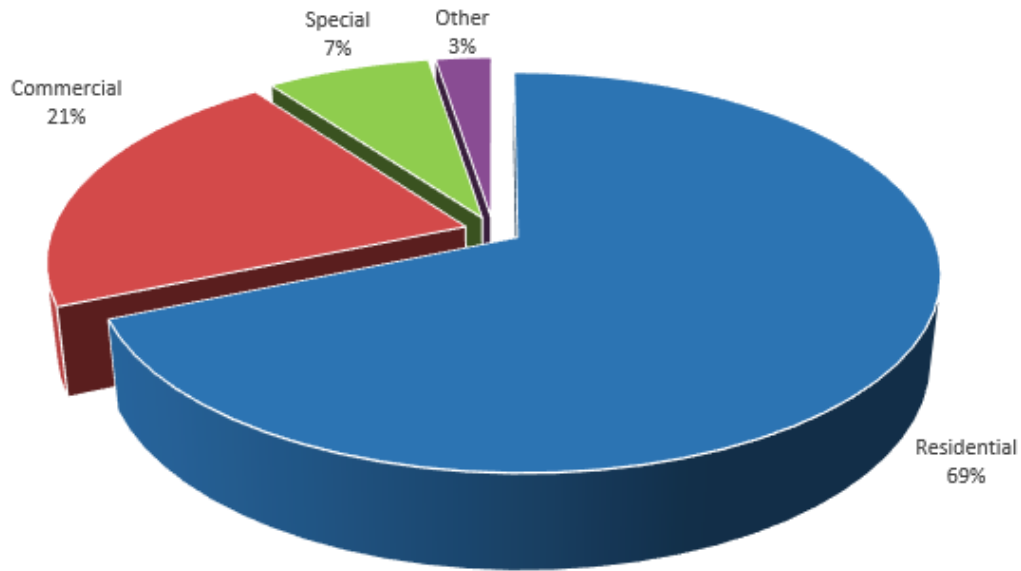
NOTE: For conversion purposes, there are approximately 748 gallons in every 100 cubic feet of water.

This page intentionally left blank

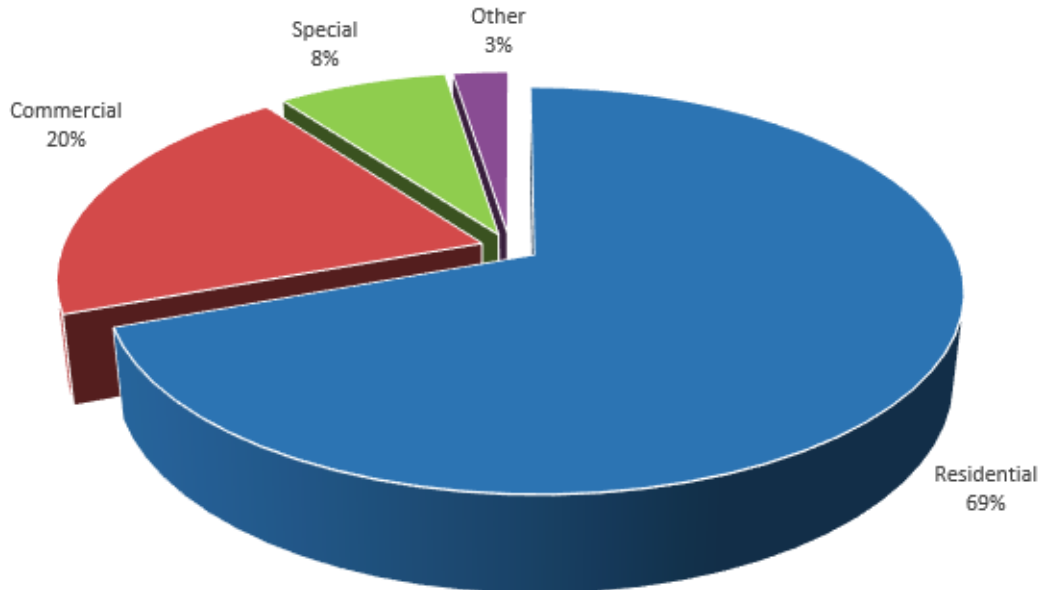
Supplemental Data



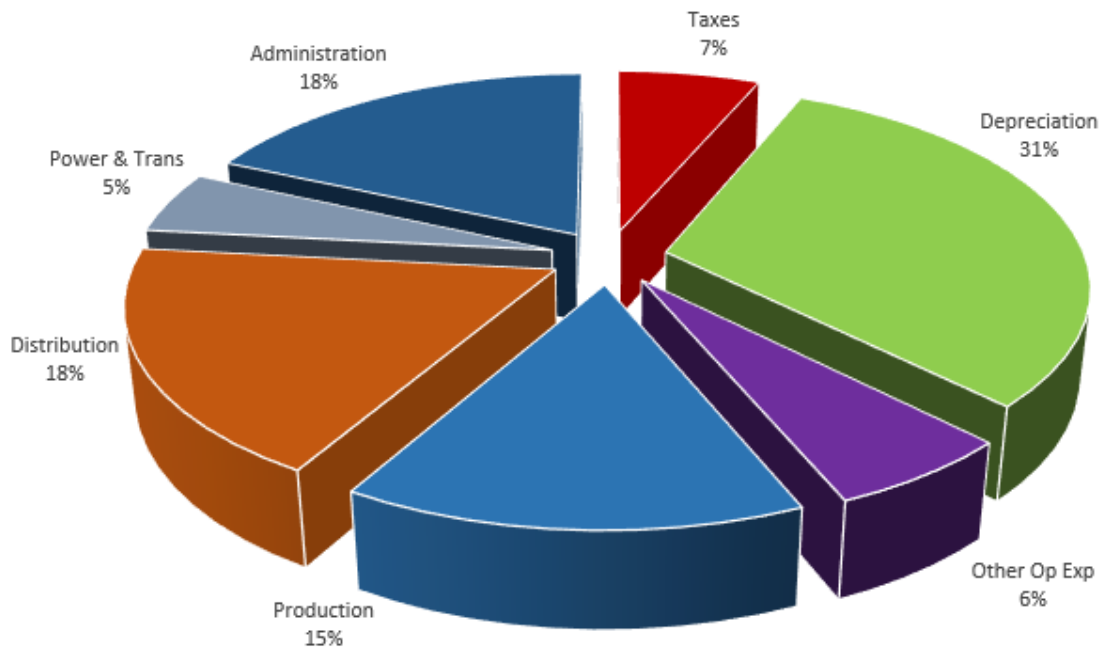
WATER SALES
Year to Date - November 2021
(\$90,800,007)



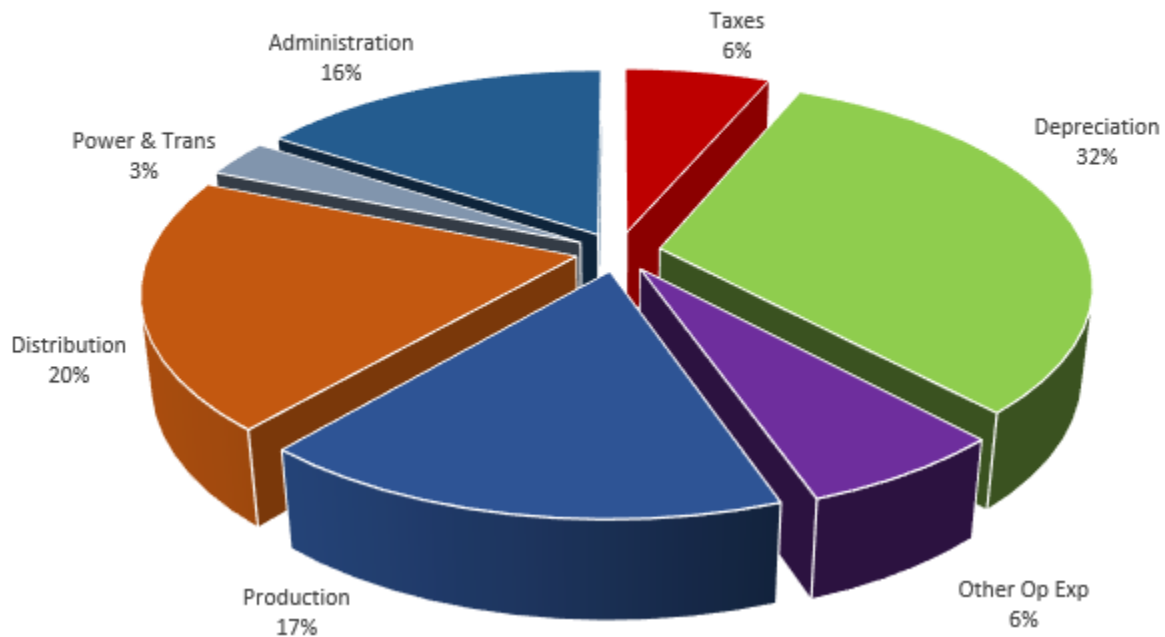
WATER SALES
Year to Date - November 2020
(\$84,967,509)



TOTAL OPERATING EXPENSES
Year to Date - November 2021
(\$81,777,048)



TOTAL OPERATING EXPENSES
Year to Date - November 2020
(\$74,582,639)



This page intentionally left blank



The City of Tacoma does not discriminate on the basis of disability in any of its programs, activities, or services. To request this information in an alternative format or to request a reasonable accommodation, please contact the City Clerk's Office at (253) 591-5505. TTY or speech to speech users please dial 711 to connect to Washington Relay Services.