
AUGUST

TACOMA RAIL

2014

**FINANCIAL
REPORT**



Public Utility Board

WOODROW JONES
Chair

BRYAN FLINT
Vice-Chair

MARK PATTERSON
Secretary

DAVID NELSON
Member

MONIQUE TRUDNOWSKI
Member

WILLIAM A. GAINES
Director of Utilities/CEO

DALE KING
Rail Superintendent

ANDREW CHERULLO
Finance Director

DEPARTMENT OF PUBLIC UTILITIES
CITY OF TACOMA

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES, BELT LINE DIVISION
Doing Business As

TACOMA RAIL

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.

STATEMENTS OF NET POSITION	2 - 3
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	4 - 5
SUMMARY OF SWITCHING REVENUES AND SWITCHING ACTIVITIES	6 - 7
SUPPLEMENTAL DATA	9 - 13

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF NET POSITION

ASSETS	AUGUST 31,	
	2014	2013
CAPITAL ASSETS		
Road and Equipment Property	\$33,510,101	\$30,682,702
Less Accumulated Depreciation	(15,998,163)	(14,928,091)
Total	17,511,938	15,754,611
Construction Work in Progress	2,616,122	892,158
Net Capital Assets	20,128,060	16,646,769
SPECIAL FUNDS		
Cash and Equity in Pooled Investments:		
Debt Service Funds	43,403	43,402
Total Special Funds	43,403	43,402
CURRENT ASSETS		
Cash & Equity in Pooled Investments	8,395,073	5,834,265
Customer Accounts Receivable	3,267,025	2,611,646
Grants Receivable	200,000	-
Prepayments	2,003,791	2,012,724
Materials and Supplies Inventory.....	869,473	668,836
Total Current Assets	14,735,362	11,127,471
TOTAL ASSETS	\$34,906,825	\$27,817,642

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2013 Annual Report.

NET POSITION AND LIABILITIES	AUGUST 31,	
	2014	2013
NET POSITION		
Net Investment in Capital Assets.....	\$15,549,087	\$13,985,406
Restricted for:		
Debt Service	43,403	43,403
Unrestricted	10,350,958	8,293,365
TOTAL NET POSITION	25,943,448	22,322,174
LONG-TERM DEBT, NET OF CURRENT MATURITIES		
2006 Senior Lien Revenue Bond	548,332	771,620
State Loans.....	3,656,257	1,604,467
Total Long-Term Liabilities	4,204,589	2,376,087
CURRENT LIABILITIES		
Accounts Payable	579,636	344,834
Customer Deposits	45,900	54,300
Wages Payable	187,942	158,562
Unemployment and other Tax Payables	262,383	188,562
Volume Incentive Payable	333,333	333,334
Current Portion of Long Term Debt	374,384	285,275
Interest Payable	5,437	7,417
Current Portion of Compensated Absences	77,505	83,098
Total Current Liabilities	1,866,520	1,455,382
LONG-TERM LIABILITIES		
On the Job Injury Reserve	712,238	621,056
Long Term Portion of Compensated Absences	697,546	747,880
Other Long-Term Liabilities	1,482,484	295,063
Total Long-Term Liabilities	2,892,268	1,663,999
TOTAL LIABILITIES	8,963,377	5,495,468
TOTAL NET POSITION AND LIABILITIES	\$34,906,825	\$27,817,642

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

	AUGUST 2014	AUGUST 2013
	<u> </u>	<u> </u>
OPERATING REVENUES		
Switching Revenues	\$2,457,848	\$2,033,222
Demurrage and Other Operating Revenues	277,782	140,024
Total Operating Revenues	<u>2,735,630</u>	<u>2,173,246</u>
OPERATING EXPENSES		
Maintenance of Way and Structures		
Salaries and Wages	83,004	59,177
Supplies and Expense	162,144	117,842
Mechanical		
Salaries and Wages	143,919	122,517
Supplies and Expense	199,228	212,674
Operations		
Salaries and Wages	855,876	747,712
Supplies and Expense	94,268	116,644
Administration		
Salaries and Wages	174,774	180,147
Supplies and Expense	382,983	151,932
Taxes - State	35,582	19,904
Depreciation	89,105	79,944
Total Operating Expenses	<u>2,220,883</u>	<u>1,808,493</u>
Net Operating Income	514,747	364,753
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	5,762	4,119
Miscellaneous	66,673	73,872
Interest Expense	(2,719)	(3,708)
Total Non-Operating Revenues	<u>69,716</u>	<u>74,283</u>
Contributions - Grants	200,000	-
Total Contributions	<u>200,000</u>	<u>-</u>
Transfers		
City of Tacoma Gross Earnings Tax	(206,984)	(151,437)
CHANGE IN NET POSITION	<u>\$577,479</u>	<u>\$287,599</u>
TOTAL NET POSITION - JANUARY 1		
TOTAL NET POSITION - AUGUST 31		

These statements should be read in conjunction with the Management Discussion and Analysis in the June 2014 Financial Report.

YEAR TO DATE

<u>AUGUST 31,</u> <u>2014</u>	<u>AUGUST 31,</u> <u>2013</u>	<u>2014/2013</u> <u>VARIANCE</u>	<u>PERCENT</u> <u>CHANGE</u>
\$17,736,259	\$16,664,288	\$1,071,971	6.4%
<u>1,663,134</u>	<u>1,702,811</u>	<u>(39,677)</u>	-2.3%
19,399,393	18,367,099	1,032,294	5.6%
643,997	602,610	41,387	6.9%
969,279	854,928	114,351	13.4%
938,136	902,113	36,023	4.0%
<u>1,525,790</u>	<u>1,515,718</u>	<u>10,072</u>	0.7%
5,832,556	5,532,021	300,535	5.4%
761,261	972,711	(211,450)	-21.7%
1,385,604	1,347,866	37,738	2.8%
2,318,712	2,795,897	(477,185)	-17.1%
280,548	304,461	(23,913)	-7.9%
<u>712,843</u>	<u>639,554</u>	<u>73,289</u>	11.5%
15,368,726	15,467,879	(99,153)	-0.6%
4,030,667	2,899,220	1,131,447	39.0%
45,705	2,975	42,730	1436.3%
551,657	593,239	(41,582)	-7.0%
<u>(24,011)</u>	<u>(31,835)</u>	<u>7,824</u>	-24.6%
573,351	564,379	8,972	1.6%
<u>700,000</u>	<u>-</u>	<u>700,000</u>	100.0%
700,000	-	700,000	100.0%
(1,578,749)	(1,491,395)	(87,354)	5.9%
3,725,269	1,972,204	\$1,753,065	88.9%
<u>22,218,179</u>	<u>20,349,970</u>		
<u>\$25,943,448</u>	<u>\$22,322,174</u>		

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

SUMMARY OF SWITCHING REVENUES AND SWITCHING ACTIVITIES

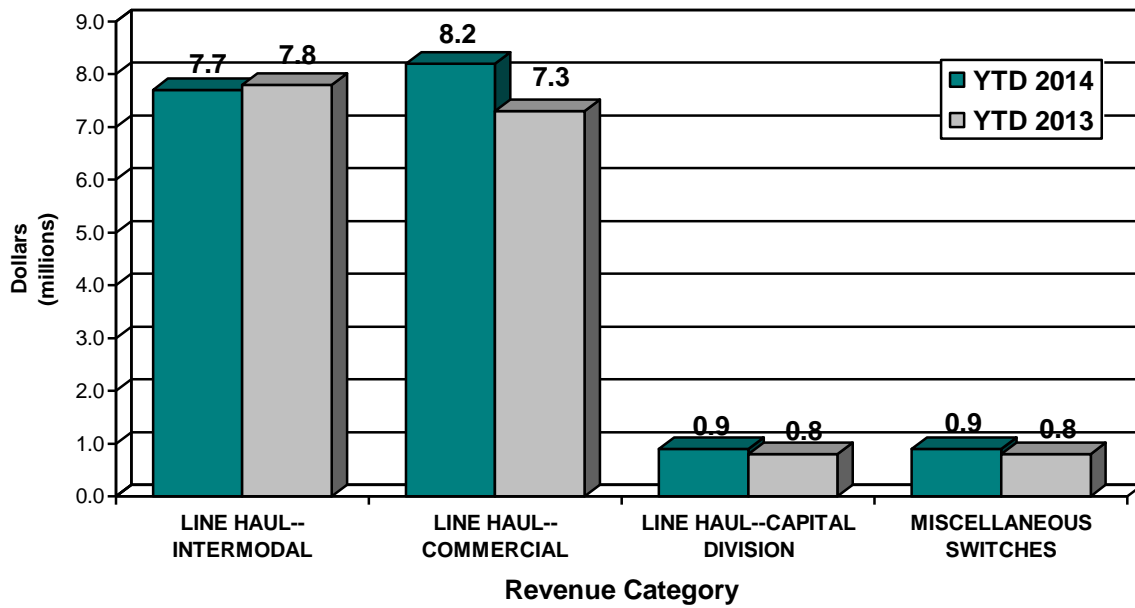
	<u>AUGUST 2014</u>	<u>AUGUST 2013</u>
SWITCHING REVENUES		
LINE HAULS--INTERMODAL	\$1,007,545	\$951,875
LINE HAULS--COMMERCIAL	1,175,534	934,896
LINE HAULS--CAPITAL DIVISION	129,028	89,126
MISCELLANEOUS SWITCHES	<u>145,741</u>	<u>57,325</u>
TOTAL SWITCHING REVENUES	<u><u>\$2,457,848</u></u>	<u><u>\$2,033,222</u></u>
 SWITCHING ACTIVITIES (CARS)		
LINE HAULS--INTERMODAL	6,443	5,574
LINE HAULS--COMMERCIAL	3,065	2,295
LINE HAULS--CAPITAL DIVISION	287	198
MISCELLANEOUS SWITCHES	<u>222</u>	<u>164</u>
TOTAL CARS SWITCHED	<u><u>10,017</u></u>	<u><u>8,231</u></u>

YEAR TO DATE			
<u>AUGUST 31,</u> <u>2014</u>	<u>AUGUST 31,</u> <u>2013</u>	<u>2014/2013</u> <u>VARIANCE</u>	<u>PERCENT</u> <u>CHANGE</u>
\$7,671,754	\$7,765,787	(\$94,033)	-1.2%
8,213,001	7,328,516	884,485	12.1%
925,035	759,306	165,729	21.8%
<u>926,469</u>	<u>810,679</u>	<u>115,790</u>	14.3%
<u>\$17,736,259</u>	<u>\$16,664,288</u>	<u>\$1,071,971</u>	6.4%
45,316	43,572	1,744	4.0%
21,844	20,796	1,048	5.0%
2,063	1,689	374	22.1%
<u>1,812</u>	<u>1,198</u>	<u>614</u>	51.3%
<u>71,035</u>	<u>67,255</u>	<u>3,780</u>	5.6%

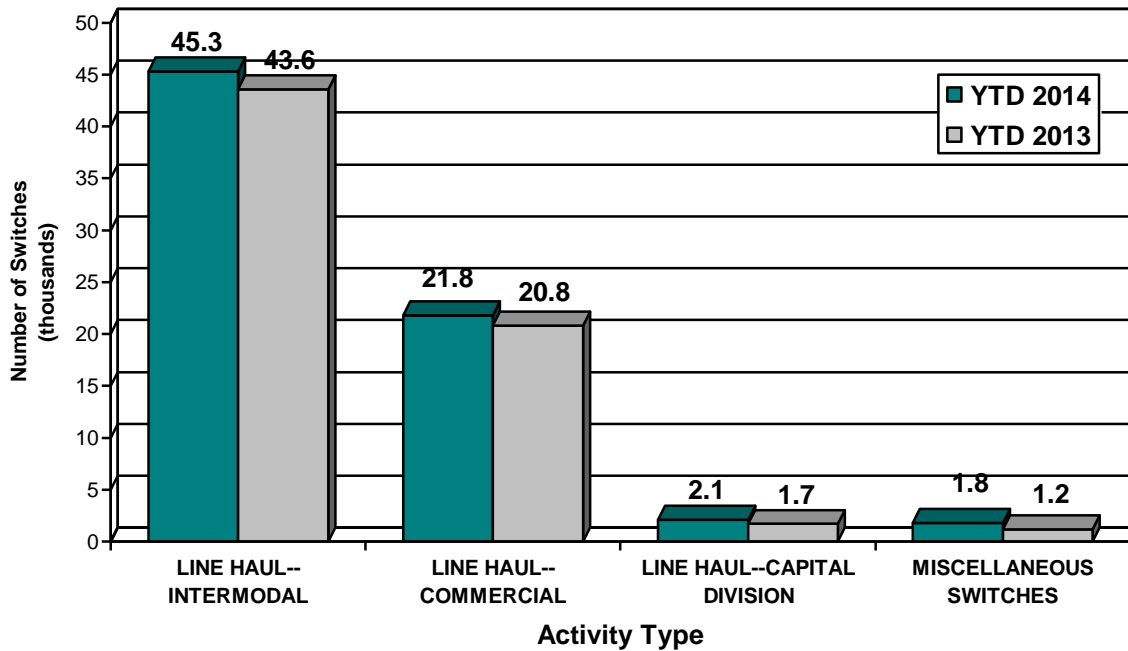
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Supplemental Data

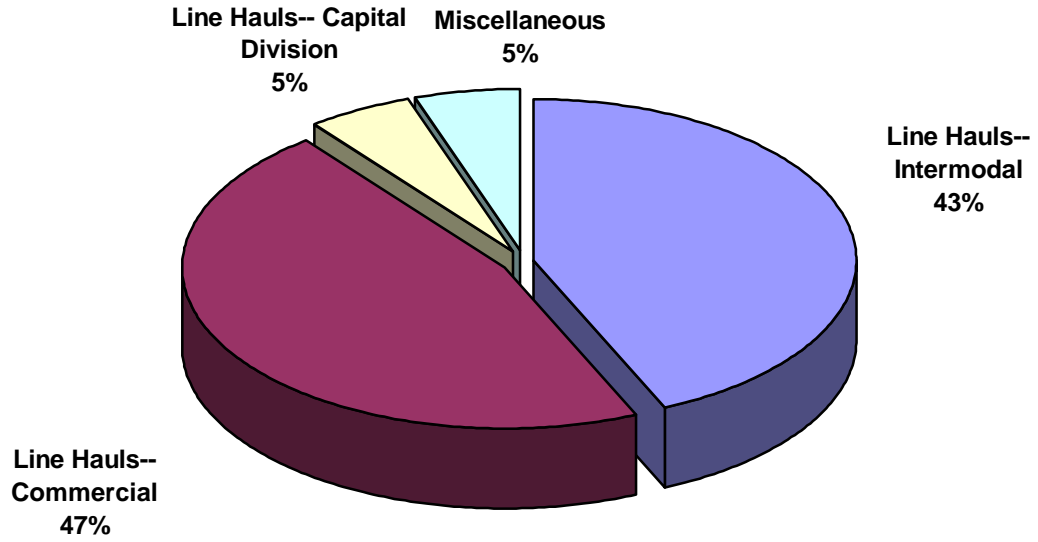
SWITCHING REVENUES
Year to Date - August 2014 & 2013



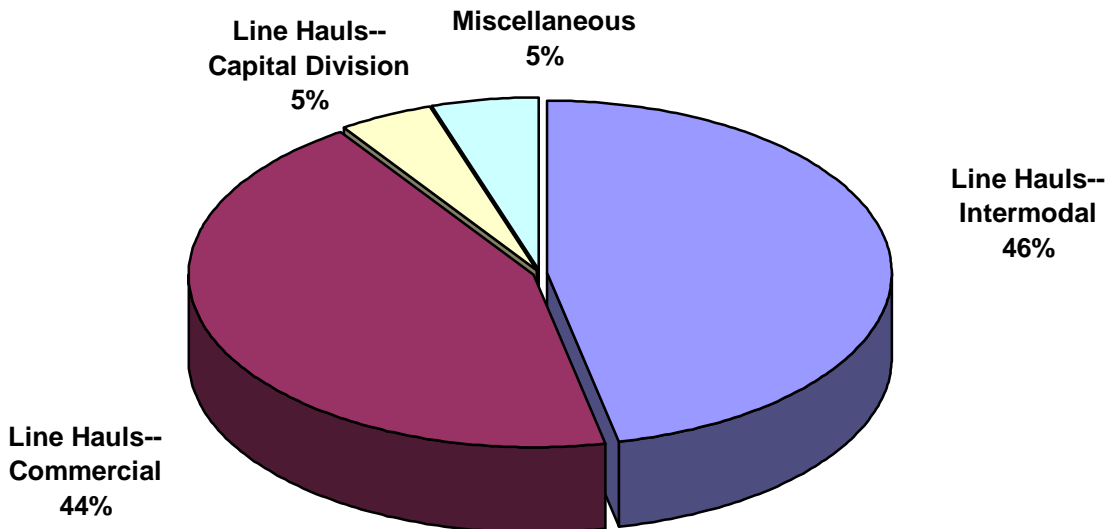
SWITCHING ACTIVITIES
Year to Date - August 2014 & 2013



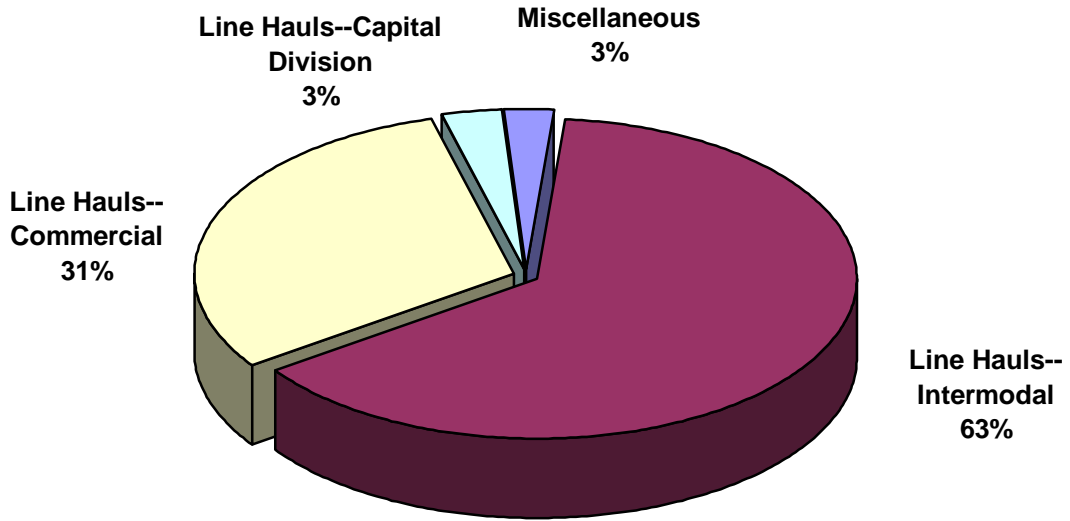
SWITCHING REVENUES
Year to Date - August 2014 (\$17,736,259)



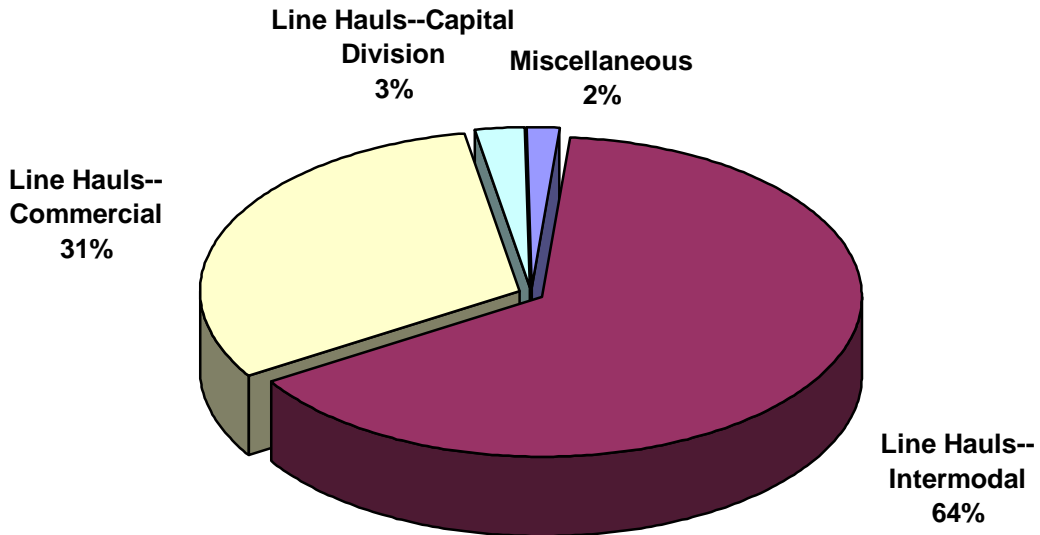
SWITCHING REVENUES
Year to Date - August 2013 (\$16,664,288)



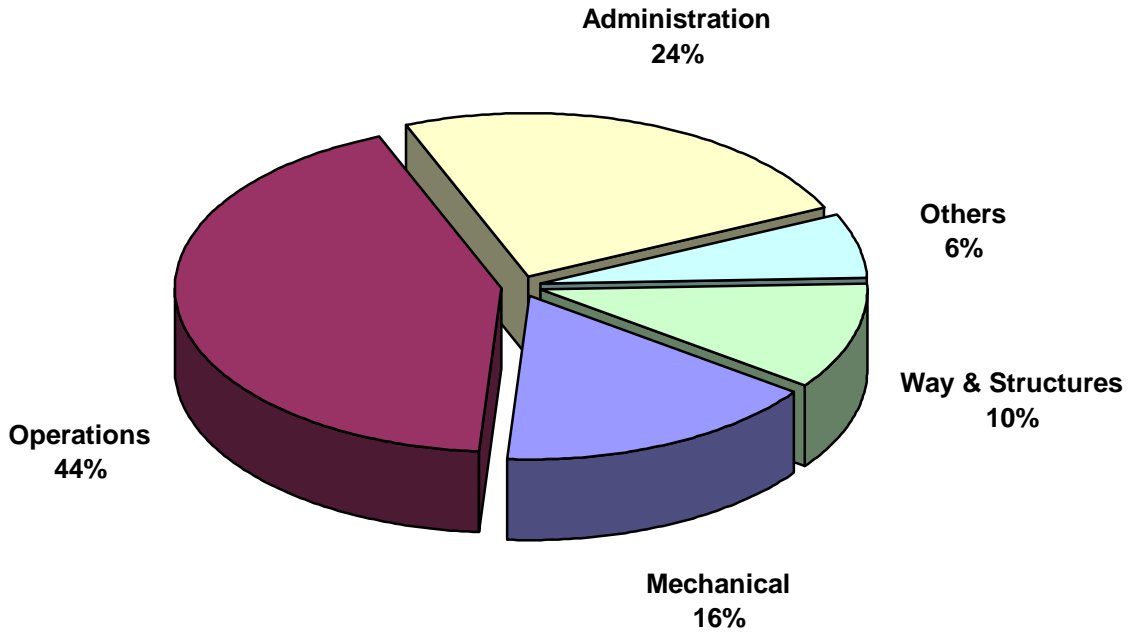
SWITCHING ACTIVITY
Year to Date - August 2014 (71,035 cars)



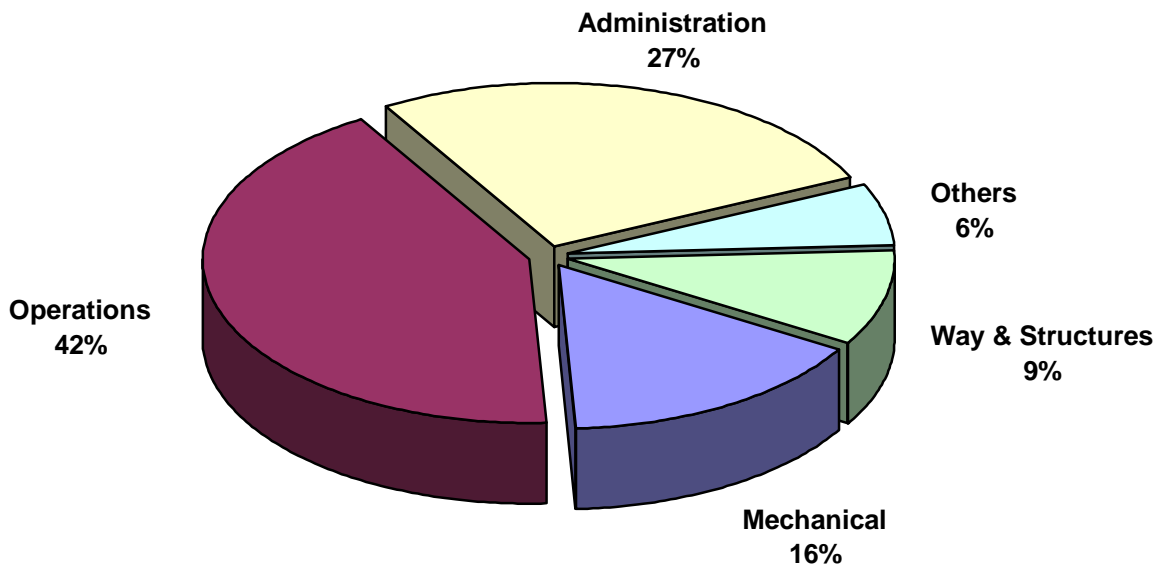
SWITCHING ACTIVITY
Year to Date - August 2013 (67,255 cars)



TOTAL OPERATING EXPENSES
Year to Date - August 2014 (\$15,368,726)



TOTAL OPERATING EXPENSES
Year to Date - August 2013 (\$15,467,879)





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