
SEPTEMBER

TACOMA POWER

2018

**FINANCIAL
REPORT**



Public Utility Board

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Member

JACKIE FLOWERS
Director of Utilities

CHRIS ROBINSON
Power Superintendent/COO

ANDREW CHERULLO
Finance Director

DEPARTMENT OF PUBLIC UTILITIES

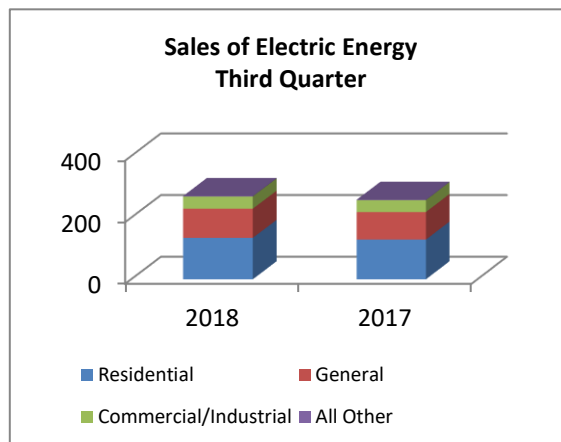
CITY OF TACOMA

Summary

Tacoma Power's operating income at the end of the third quarter of 2018 was \$52.7 million compared to \$45.5 million a year earlier. Operating revenues increased \$14.7 million (4.4%) compared to the prior year. Operating expenses increased \$7.5 million (2.6%). Non-operating expenses decreased in total \$2.4 million (24.6%) resulting in net income of \$45.4 million in 2018 compared to \$35.9 million in 2017.

Revenues

In the third quarter of 2018, total electric energy sales increased \$15.8 million compared with the same period a year earlier. The following table summarizes the impacts of rate and volume changes on sales of electric energy by customer class as of September 2018. There was a 5.9% rate increase effective April 16, 2017 and an additional 5.9% rate increase effective April 1, 2018.



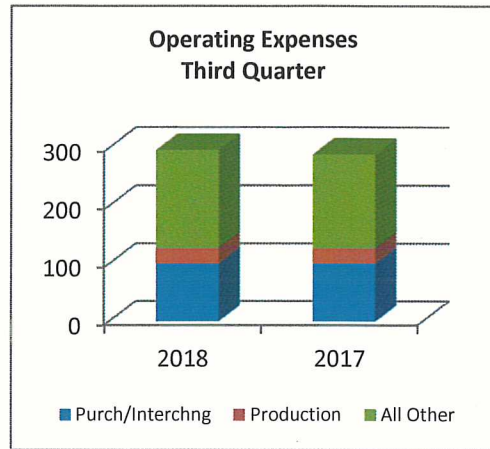
Customer Class	Changes Related To:		
	Rate	Volume	YTD Increase
Residential	\$ 9,308,853	\$ (3,792,404)	\$ 5,516,449
Commercial	564,428	(296,246)	268,182
General	5,135,643	(5,950)	5,129,693
Contract Industrial	890,665	54,211	944,876
Public Street and Highway Lighting	1,130,330	(1,114,880)	15,450
Sales to Other Utilities	12,031	7,836	19,867
Bulk Power Sales	6,462,461	(2,533,232)	3,929,229
Total	\$ 23,504,411	\$ (7,680,665)	\$ 15,823,746

Expenses

Third quarter 2018 operating expenses were \$295.9 million, up \$7.5 million (2.6%) from 2017.

Conservation and Other Customer Assistance increased \$1.1 million. Increases in assessments from market development accounted for \$452,000 of the change while \$535,000 is due to an increase of the amortization of deferred conservation costs. These costs are amortized over a 10 year period and year 9 of 10 was added to the 2018 schedule. The remaining \$113,000 is spread across multiple functional accounts and not attributed to a specific event.

Administrative and General expenses increased \$5.1 million. There was a one-time contribution to the Self Insurance fund in the amount of \$1.7 million to pay out a claim. Salaries and wages increased \$1.5 million due to staffing changes. The remaining \$1.9 million is spread across multiple administrative functional accounts to include Association Dues and Subscriptions, License and Maintenance Fees, Desktop Support, and Professional Services. The changes within each of these areas are minimal and not directly attributed to a specific event.



Capital Contributions

Cash from capital contributions decreased \$4.7 million (38%). In 2018, Puget Sound Energy was billed \$3.6 million for the utility installation at the Taylor substation compared to \$5.5 million in 2017. The remaining decrease of \$2.8 million is primarily due to a reduction in billable new services additions and replacements.

Donated assets increased \$31,000. This is primarily due to new easements being granted for future construction projects.


 Jackie Flowers
 Director of Utilities


 Andrew Cherullo
 Finance Director

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

TACOMA POWER

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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 POWER

STATEMENTS OF NET POSITION - September 30, 2018 AND September 30, 2017

ASSETS AND DEFERRED OUTFLOWS	<u>2018</u>	<u>2017</u>
UTILITY PLANT		
Electric Plant in Service	\$2,067,114,627	\$2,035,146,932
Less Depreciation and Amortization	(1,085,882,746)	(1,037,410,049)
Total	<u>981,231,881</u>	<u>997,736,883</u>
Construction Work in Progress	75,032,224	34,210,991
Net Utility Plant	<u>1,056,264,105</u>	<u>1,031,947,874</u>
NON-UTILITY PROPERTY	<u>182,051</u>	<u>182,051</u>
RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
2013 Construction Fund	-	3
2015 Construction Fund	-	6,978,450
Provision for Debt Service	12,607,026	13,552,480
Special Bond Reserves	4,997,639	4,997,639
Wynoochee Reserve - State of Washington	2,624,815	2,586,708
Total Restricted Assets	<u>20,229,480</u>	<u>28,115,280</u>
CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	144,608,669	175,828,456
Customers' and Contractors' Deposits	2,693,608	2,663,784
Conservation Loan Fund	3,729,431	3,667,564
Rate Stabilization Fund	48,000,000	47,999,676
Receivables:		
Customers	16,453,492	16,888,768
Accrued Unbilled Revenue	30,701,425	28,587,295
Others	7,592,957	9,993,452
Provision for Uncollectibles	(1,204,031)	(2,882,751)
Materials and Supplies	6,823,684	6,861,874
Prepayments and Other	6,390,390	6,255,617
Total Current Assets	<u>265,789,625</u>	<u>295,863,735</u>
OTHER ASSETS		
Regulatory Asset - Conservation	47,838,202	48,209,966
Conservation Loan Fund Receivables	2,535,278	2,608,995
Total Other Assets	<u>50,373,480</u>	<u>50,818,961</u>
 Total Assets	 <u>1,392,838,741</u>	 <u>1,406,927,901</u>
DEFERRED OUTFLOWS		
Deferred Outflow for Pensions	38,426,742	39,469,454
Total Deferred Outflows	<u>38,426,742</u>	<u>39,469,454</u>
 TOTAL ASSETS AND DEFERRED OUTFLOWS.....	 <u>\$1,431,265,483</u>	 <u>\$1,446,397,355</u>

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2017 Annual Report.

NET POSITION, LIABILITIES AND DEFERRED INFLOWS	2018	2017
NET POSITION		
Net Investment in Capital Assets	\$644,605,411	\$597,045,749
Restricted for:		
Wynoochee Reserve - State of Washington	2,624,815	2,586,708
Debt Service	7,571,250	8,681,251
Unrestricted	204,721,016	239,637,278
TOTAL NET POSITION	859,522,492	847,950,986
LONG-TERM DEBT		
2010B Electric System Refunding Bonds	147,070,000	147,070,000
2010C Electric System Refunding Bonds	24,185,000	24,185,000
2013A Electric System Rev & Refunding Bonds	105,490,000	139,885,000
2013B Electric System Rev & Refunding Bonds	35,620,000	35,620,000
2017 Electric System Revenue Bonds	70,575,000	70,575,000
Total Bonded Indebtedness	382,940,000	417,335,000
Less: Unamortized Bond Premiums	23,553,384	27,738,639
Net Bonded Indebtedness	406,493,384	445,073,639
Line of Credit	250,000	250,000
Total Long-Term Debt	406,743,384	445,323,639
CURRENT LIABILITIES		
Salaries and Wages Payable	3,704,649	3,488,108
Taxes and Other Payables	13,707,067	9,865,137
Purchases and Transmission of Power Accrued	11,554,486	11,149,674
Interest Payable	5,035,776	4,871,229
Customers' Deposits	2,724,560	2,916,807
Current Portion of Long-Term Debt	10,095,000	11,575,000
Current Accrued Compensated Absences	1,044,235	1,075,771
Total Current Liabilities	47,865,773	44,941,726
LONG TERM LIABILITIES		
Long Term Accrued Compensated Absences	9,398,115	9,681,941
Net Pension Liability	36,687,245	34,177,293
Other Long Term Liabilities	15,143,610	14,033,787
Total Long Term Liabilities	61,228,970	57,893,021
TOTAL LIABILITIES	515,838,127	548,158,386
DEFERRED INFLOWS		
Deferred Inflow for Pensions	7,904,864	2,287,983
Rate Stabilization	48,000,000	48,000,000
Total Deferred Inflows	55,904,864	50,287,983
TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS	\$1,431,265,483	\$1,446,397,355

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
September 30, 2018 AND September 30, 2017

	September 2018	September 2017
OPERATING REVENUES		
Sales of Electric Energy	\$26,358,916	\$27,745,401
Other Operating Revenues	1,276,249	1,310,446
Click! Network Operating Revenues	2,055,070	2,185,211
Total Operating Revenue	29,690,235	31,241,058
OPERATING EXPENSES		
Production Expense		
Hydraulic Power Production	3,474,517	2,030,767
Other Production Expense	474,003	472,365
Total Expense Power Produced	3,948,520	2,503,132
Purchased Power	11,530,158	10,961,199
Total Production Expense	15,478,678	13,464,331
Transmission Expense	3,147,092	2,756,730
Distribution Expense	1,892,414	1,867,964
Click! Network Commercial Operations Expense .	1,813,328	1,971,699
Customer Accounts Expense (CIS)	1,339,493	1,210,093
Conservation and Other Customer Assistance ...	1,253,102	1,163,900
Taxes	2,067,758	1,982,781
Depreciation	4,380,164	4,737,983
Administrative and General	2,436,283	1,491,416
Total Operating Expenses	33,808,312	30,646,897
OPERATING INCOME (LOSS)	(4,118,077)	594,161
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	328,188	256,285
Contribution to Family Need	(8,333)	(8,333)
Other Net Non-Op Revenues and Deductions	271,541	(432,979)
Interest on Long-Term Debt	(1,679,088)	(1,915,387)
Amort. of Debt Related Costs	134,639	166,947
Interest Charged to Construction	263,224	90,084
Total Non-Operating Revenues (Expenses) ...	(689,829)	(1,843,383)
Net Income (Loss) Before Capital Contributions and Transfers	(4,807,906)	(1,249,222)
Capital Contributions		
Cash	578,674	442,435
Donated Fixed Assets	17,406	131,384
BABs and CREBs Interest Subsidies	329,553	329,553
Transfers		
City Gross Earnings Tax	(2,672,154)	(2,442,781)
Transfers from (to) Other Funds	-	-
CHANGE IN NET POSITION	(\$6,554,427)	(\$2,788,631)
TOTAL NET POSITION - January 1		
TOTAL NET POSITION - September 30		

YEAR TO DATE		2018	
September 30, 2018	September 30, 2017	OVER (UNDER) 2017	PERCENT CHANGE
\$315,725,024	\$299,901,278	\$15,823,746	5.3%
13,727,090	14,040,232	(313,142)	-2.2%
19,123,934	19,917,049	(793,115)	-4.0%
<u>348,576,048</u>	<u>333,858,559</u>	<u>14,717,489</u>	4.4%
21,887,022	21,890,884	(3,862)	0.0%
<u>4,254,095</u>	<u>4,038,536</u>	<u>215,559</u>	5.3%
26,141,117	25,929,420	211,697	0.8%
<u>100,795,953</u>	<u>100,888,642</u>	<u>(92,689)</u>	-0.1%
126,937,070	126,818,062	119,008	0.1%
25,540,449	23,373,806	2,166,643	9.3%
23,445,677	21,959,953	1,485,724	6.8%
18,025,415	18,611,010	(585,595)	-3.1%
10,361,478	11,075,845	(714,367)	-6.4%
11,275,921	10,133,032	1,142,889	11.3%
15,864,997	15,231,329	633,668	4.2%
41,059,326	42,938,151	(1,878,825)	-4.4%
23,371,514	18,222,414	5,149,100	28.3%
<u>295,881,847</u>	<u>288,363,602</u>	<u>7,518,245</u>	2.6%
<u>52,694,201</u>	<u>45,494,957</u>	<u>7,199,244</u>	15.8%
4,033,128	2,994,153	1,038,975	34.7%
(75,000)	(75,000)	-	0.0%
1,440,609	(85,377)	1,525,986	-1787.4%
(15,285,192)	(14,727,172)	(558,020)	3.8%
1,211,753	1,159,354	52,399	-4.5%
1,415,140	1,102,711	312,429	28.3%
<u>(7,259,562)</u>	<u>(9,631,331)</u>	<u>2,371,769</u>	-24.6%
45,434,639	35,863,626	9,571,013	26.7%
7,680,600	12,396,830	(4,716,230)	-38.0%
185,437	154,891	30,546	19.7%
2,835,476	2,829,544	5,932	0.2%
(26,753,175)	(25,289,598)	(1,463,577)	5.8%
<u>(31,158)</u>	<u>-</u>	<u>(31,158)</u>	0.0%
29,351,819	25,955,293	3,396,526	13.1%
<u>830,170,673</u>	<u>821,995,693</u>	<u>8,174,980</u>	1.0%
<u>\$859,522,492</u>	<u>\$847,950,986</u>	<u>11,571,506</u>	

These statements should be read in conjunction with the Management Discussion and Analysis in the September 2018 Financial Report.

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

SUMMARY OF REVENUES AND BILLINGS
September 30, 2018 AND September 30, 2017

	For the month of September 2018	For the month of September 2017
OPERATING REVENUE		
Sales of Electric Energy		
Residential	\$10,862,480	\$10,462,325
Commercial	2,113,336	2,118,025
General	9,742,743	9,858,426
Contract Industrial	2,092,374	1,974,085
Public Street and Highway Lighting	90,059	113,067
Sales to Other Electric Utilities	31,569	29,492
Total Sales to Customers	24,932,561	24,555,420
Bulk Power Sales	1,426,355	3,189,981
Total Sales of Electric Energy	26,358,916	27,745,401
Other Operating Revenue		
Rentals and Leases from Elect. Property ...	95,217	103,321
Wheeling	813,750	817,184
Service Fees and Other	367,282	389,941
Telecommunications Revenue	2,055,070	2,185,211
Total Other Operating Revenues	3,331,319	3,495,657
 TOTAL OPERATING REVENUES	 \$29,690,235	 \$31,241,058
 BILLINGS (Number of Months Billed)		
Residential	149,287	150,142
Commercial	15,362	15,221
General	2,290	2,397
Contract Industrial	2	2
Public Streets and Highway Lighting	1,095	1,084
Sales to Other Utilities	1	1
 TOTAL BILLINGS	 168,037	 168,847

YEAR TO DATE		2018 OVER (UNDER) 2017	PERCENT CHANGE
September 30, 2018	September 30, 2017		
\$134,355,826	\$128,839,377	\$5,516,449	4.3%
22,365,410	22,097,228	268,182	1.2%
94,617,403	89,487,710	5,129,693	5.7%
17,416,100	16,471,224	944,876	5.7%
1,029,966	1,014,516	15,450	1.5%
333,445	313,578	19,867	6.3%
<u>270,118,150</u>	<u>258,223,633</u>	<u>11,894,517</u>	4.6%
<u>45,606,874</u>	<u>41,677,645</u>	<u>3,929,229</u>	9.4%
<u>315,725,024</u>	<u>299,901,278</u>	<u>15,823,746</u>	5.3%
2,610,276	2,582,658	27,618	1.1%
7,434,095	7,515,456	(81,361)	-1.1%
3,682,719	3,942,118	(259,399)	-6.6%
<u>19,123,934</u>	<u>19,917,049</u>	<u>(793,115)</u>	-4.0%
<u>32,851,024</u>	<u>33,957,281</u>	<u>(1,106,257)</u>	-3.3%
<u>\$348,576,048</u>	<u>\$333,858,559</u>	<u>\$14,717,489</u>	4.4%
1,442,602	1,423,881	18,721	1.3%
144,932	143,283	1,649	1.2%
23,264	23,032	232	1.0%
18	18	-	0.0%
8,389	8,480	(91)	-1.1%
<u>9</u>	<u>9</u>	<u>-</u>	0.0%
<u>1,619,214</u>	<u>1,598,703</u>	<u>20,511</u>	1.3%

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

GROSS GENERATION REPORT - September 30, 2018 AND September 30, 2017

	For the month of September 2018	For the month of September 2017
KWH GENERATED, PURCHASED AND INTERCHANGED - Gross		
Generated - LaGrande	17,783,000	15,789,000
Generated - Alder	10,389,000	11,788,000
TOTAL NISQUALLY	28,172,000	27,577,000
Generated - Cushman No. 1	9,646,000	9,693,000
Generated - Cushman No. 2	13,642,000	14,138,000
TOTAL CUSHMAN	23,288,000	23,831,000
Generated - Mossyrock	35,619,000	47,801,000
Generated - Mayfield	22,469,000	28,846,000
TOTAL COWLITZ	58,088,000	76,647,000
Generated - Wynoochee	356,000	930,000
Generated - Hood Street	-	311,422
Tacoma's Share of Priest Rapids	1,406,000	1,540,000
Tacoma's Share of GCPHA	25,248,000	27,436,000
TOTAL KWH GENERATED - TACOMA SYSTEM	136,558,000	158,272,422
Purchased Power		
BPA Slice Contract	130,299,000	146,846,000
BPA Block Contract	109,416,000	112,206,000
Interchange Net	(41,297,000)	(70,206,000)
TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED ..	334,976,000	347,118,422
Losses	1,912,111	2,799,190
Baldi Replacement	16,087	17,004
Ketron	13,707	13,682
NT PC Mutuals Schedules	(2,076,000)	(1,769,000)
PC Mutual Inadvertent	(6,650,039)	(98,518)
TACOMA SYSTEM FIRM LOAD	328,191,866	348,080,780
Maximum Kilowatts (System Firm Load)	610,302	616,792
Average Kilowatts (System Firm Load)	455,822	483,446
PIERCE COUNTY MUTUAL LOAD	91,749,000	95,194,000
KWH BILLED		
Residential Sales	105,347,384	109,599,914
Commercial Sales	22,529,922	23,277,433
General	146,669,868	156,155,757
Contract Industrial	45,331,620	45,028,440
Public Street and Highway Lighting	609,187	2,399,367
Sales to Other Electric Utilities	540,000	526,500
TOTAL FIRM	321,027,981	336,987,411
Bulk Power Sales	51,344,000	89,773,000
TOTAL KWH BILLED	372,371,981	426,760,411

YEAR TO DATE		2018	
September 30	September 30	OVER	PERCENT
2018	2017	(UNDER)	CHANGE
		2017	
274,834,000	288,731,000	(13,897,000)	-4.8%
173,729,000	162,857,000	10,872,000	6.7%
<u>448,563,000</u>	<u>451,588,000</u>	<u>(3,025,000)</u>	-0.7%
65,235,000	88,324,000	(23,089,000)	-26.1%
96,577,000	135,543,000	(38,966,000)	-28.7%
<u>161,812,000</u>	<u>223,867,000</u>	<u>(62,055,000)</u>	-27.7%
733,902,000	951,852,000	(217,950,000)	-22.9%
510,965,000	647,979,000	(137,014,000)	-21.1%
<u>1,244,867,000</u>	<u>1,599,831,000</u>	<u>(354,964,000)</u>	-22.2%
14,861,000	21,182,000	(6,321,000)	-29.8%
1,298,500	2,240,520	(942,020)	-42.0%
21,849,000	22,227,000	(378,000)	-1.7%
227,058,000	214,159,000	12,899,000	6.0%
2,120,308,500	2,535,094,520	(414,786,020)	-16.4%
1,978,675,000	1,975,883,000	2,792,000	0.1%
1,116,951,000	1,145,440,000	(28,489,000)	-2.5%
<u>(1,666,759,333)</u>	<u>(2,018,069,000)</u>	<u>351,309,667</u>	-17.4%
3,549,175,167	3,638,348,520	(89,173,353)	-2.5%
34,634,638	30,489,268	4,145,370	13.6%
401,850	559,165	(157,315)	-28.1%
212,802	208,989	3,813	1.8%
(22,884,000)	(22,319,000)	(565,000)	2.5%
<u>(4,055,616)</u>	<u>23,766,847</u>	<u>(27,822,463)</u>	-117.1%
<u>3,557,484,841</u>	<u>3,671,053,789</u>	<u>(113,568,948)</u>	-3.1%
1,053,535,000	1,092,691,000	(39,156,000)	-3.6%
1,446,675,008	1,490,549,531	(43,874,523)	-2.9%
245,986,000	249,328,620	(3,342,620)	-1.3%
1,461,702,245	1,461,799,442	(97,197)	0.0%
379,534,980	378,289,920	1,245,060	0.3%
(2,179,239)	22,028,555	(24,207,794)	-109.9%
5,869,800	5,726,700	143,100	2.5%
<u>3,537,588,794</u>	<u>3,607,722,768</u>	<u>(70,133,974)</u>	-1.9%
<u>2,134,156,000</u>	<u>2,272,268,000</u>	<u>(138,112,000)</u>	-6.1%
<u>5,671,744,794</u>	<u>5,879,990,768</u>	<u>(208,245,974)</u>	-3.5%

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

STATEMENTS OF CASH FLOWS

	YEAR TO DATE	
	September 30, 2018	September 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash from Customers	\$360,726,705	\$339,880,516
Cash Paid to Suppliers	(159,246,827)	(157,112,985)
Cash Paid to Employees	(89,123,798)	(86,635,325)
Taxes Paid	(16,725,565)	(16,281,628)
Conservation Loans	89,990	(66,525)
Net Cash from Operating Activities	<u>95,720,505</u>	<u>79,784,053</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfer Out for Gross Earnings Tax	(26,753,175)	(25,289,598)
Transfer to Other Funds	(31,158)	-
Transfer to Family Need Fund	(75,000)	(75,000)
Net Cash from Non-Capital Financing Activities ..	<u>(26,859,333)</u>	<u>(25,364,598)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Expenditures	(57,946,825)	(40,219,358)
Proceeds from Long-Term Debt	-	70,575,000
Debt Issuance Costs	-	(242,313)
Principal Payments on Long-Term Debt	(11,575,000)	(12,730,000)
Payments for Early Extinguishment of Debt	-	(80,000,000)
Premium on Sale of Bonds	-	9,881,268
Interest Paid	(20,004,674)	(19,368,848)
BABs and CREBs Interest Subsidies	2,835,476	2,829,544
Contributions in Aid of Construction	7,680,600	12,396,830
Net Cash from Capital and Related Financing Activities	<u>(79,010,423)</u>	<u>(56,877,877)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	4,033,128	2,994,153
Other Net Non-Op Revenues and Deductions	<u>1,440,609</u>	<u>156,936</u>
Net Cash from Investing Activities	<u>5,473,737</u>	<u>3,151,089</u>
Net Increase Change in Cash and		
Equity in Pooled Investments	(4,675,514)	692,667
Cash and Equity in Pooled Investments at January 1 ..	<u>223,936,702</u>	<u>257,582,093</u>
Cash and Equity in Pooled Investments at September 30	<u><u>219,261,188</u></u>	<u><u>\$258,274,760</u></u>

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2017 Annual Report.

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

STATEMENTS OF CASH FLOWS

	September 30, 2018	September 30, 2017
Reconciliation of Net Operating Income to Net Cash From Operating Activities:		
Net Operating Income	\$52,694,201	\$45,494,957
Adjustments to reconcile net operating income to net cash provided by operating activities:		
Depreciation	41,059,326	42,938,151
Amortization of Regulatory Assets	6,174,786	5,639,461
Cash provided from changes in operating assets and liabilities:		
Accounts Receivable and Unbilled Revenue	12,150,657	6,021,958
Conservation Loans Receivable	89,990	(66,525)
Interfund Receivables	1,820,401	2,226,220
Inventory, Materials and Supplies, and Other	581,108	735,599
Taxes and Other Payables	(14,440,351)	(17,592,546)
Purchased Power Payable	(1,664,590)	(1,489,468)
Salaries and Wages Payable	1,712,486	1,651,166
Customers' Deposits	(66,446)	144,412
Regulatory Assets - Conservation	(4,323,602)	(3,778,423)
Interfund Payables	(67,461)	(2,140,909)
Total Adjustments	43,026,304	34,289,096
Net Cash from Operating Activities	\$95,720,505	\$79,784,053
 Reconciliation of Cash and Equity in Pooled Investments to Balance Sheet:		
Cash and Equity in Pooled Investments in Special Funds	\$20,229,480	\$28,115,280
Cash and Equity in Pooled Investments in Operating Funds.....	199,031,708	230,159,480
Cash and Equity in Pooled Investments at September 30	\$219,261,188	\$258,274,760

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
CLICK! NETWORK
COMMERCIAL OPERATIONS

OPERATIONAL SUMMARY - September 30, 2018

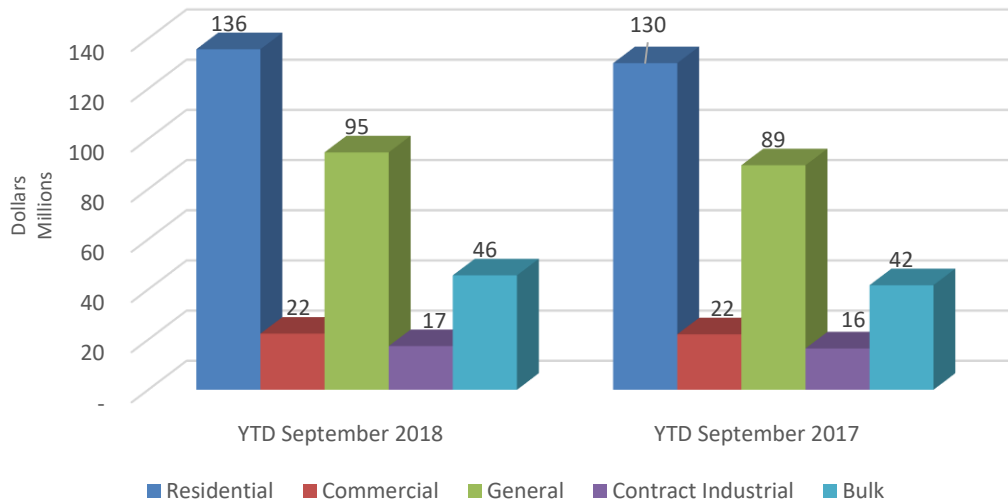
	September 2018	September 2017
TELECOMMUNICATIONS REVENUE		
CATV	\$1,330,621	\$1,468,628
Broadband	88,790	89,277
ISP	614,185	605,568
Interdepartmental	21,474	21,738
Total Operating Revenue	2,055,070	2,185,211
TELECOMMUNICATIONS EXPENSE-COMMERCIAL		
Administration & Sales Expense		
Salaries & Wages Expense	219,677	246,872
General Expense	39,306	39,327
Contract Services	1,052,827	1,118,140
IS & Intergovernmental Services	119,152	126,202
Fleet Services	234	1,221
Capitalized A & G Expense	(3,932)	(2,273)
Total Admin. & Sales Expense	1,427,264	1,529,489
Operations & Maintenance Expense ...		
Salaries & Wages Expense	325,873	397,654
General Expense	23,369	24,254
Contract Services	29,301	19,455
IS & Intergovernmental Services	1,616	2,865
Fleet Services	16,158	17,426
New Connect Capital	(10,253)	(19,444)
Total Oper. & Maint. Expense	386,064	442,210
Total Telecommunications Expense .	1,813,328	1,971,699
Net Revenues (Expenses) Before Taxes and Depreciation and Amortization	241,742	213,512
Taxes	281,173	303,858
Depreciation and Amortization	188,912	203,689
	470,085	507,547
NET OPERATING REVENUES (EXPENSES)	(228,343)	(294,035)

YEAR TO DATE			
September 30 2018	September 30 2017	2018/2017 VARIANCE	PERCENT CHANGE
\$12,595,353	\$13,395,398	(\$800,045)	-6.0%
795,014	815,212	(20,198)	-2.5%
5,515,589	5,495,972	19,617	0.4%
217,978	210,467	7,511	3.6%
<u>19,123,934</u>	<u>19,917,049</u>	<u>(793,115)</u>	-4.0%
2,319,862	2,391,596	(71,734)	-3.0%
330,848	321,910	8,938	2.8%
9,865,254	9,927,850	(62,596)	-0.6%
1,198,318	1,175,431	22,887	1.9%
6,361	6,807	(446)	-6.6%
(25,955)	(30,199)	4,244	14.1%
<u>13,694,688</u>	<u>13,793,395</u>	<u>(98,707)</u>	-0.7%
3,482,010	3,972,544	(490,534)	-12.3%
258,936	306,927	(47,991)	-15.6%
479,057	381,818	97,239	25.5%
23,852	35,980	(12,128)	-33.7%
161,866	210,650	(48,784)	-23.2%
(74,994)	(90,304)	15,310	17.0%
<u>4,330,727</u>	<u>4,817,615</u>	<u>(486,888)</u>	-10.1%
18,025,415	18,611,010	(585,595)	-3.1%
1,098,519	1,306,039	(207,520)	-15.9%
2,626,535	2,759,951	(133,416)	-4.8%
1,710,677	1,844,701	(134,024)	-7.3%
<u>4,337,212</u>	<u>4,604,652</u>	<u>(267,440)</u>	
<u>(3,238,693)</u>	<u>(3,298,613)</u>	<u>59,920</u>	1.8%

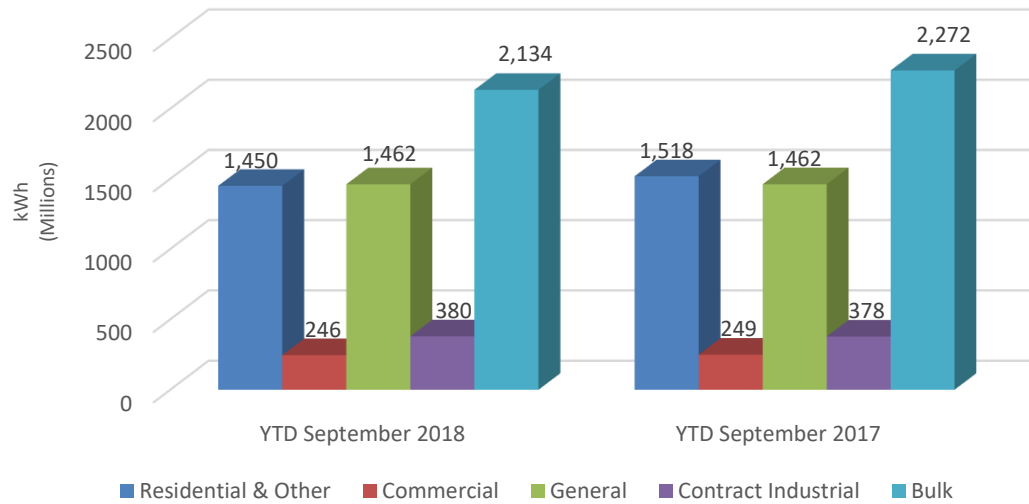
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Supplemental Data

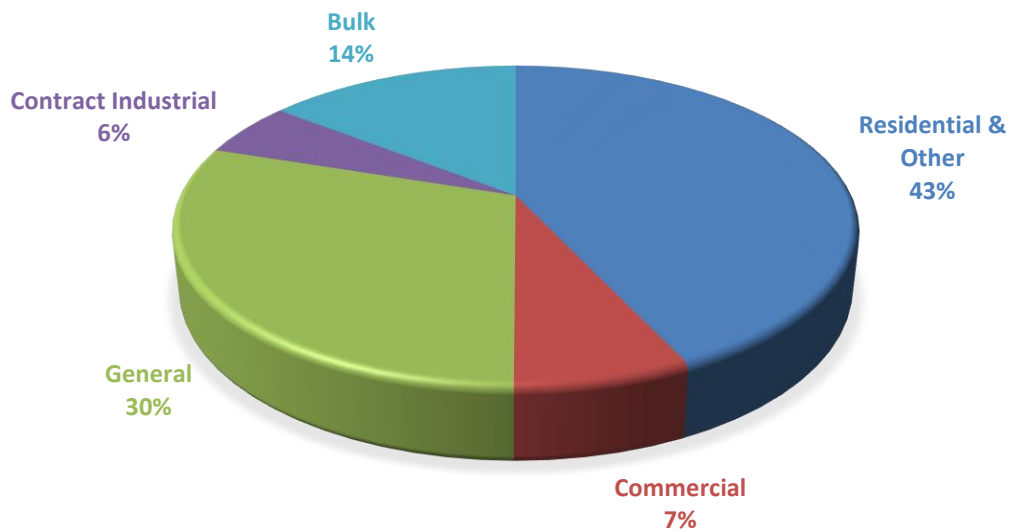
Sales of Electric Energy Year to Date - September 2018 & 2017



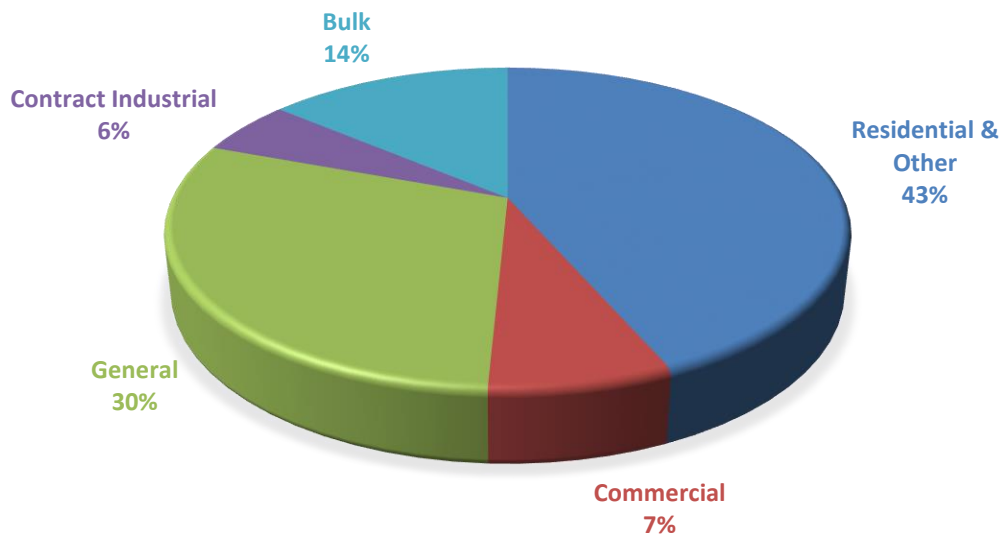
Total Power Billed Year to Date - September 2018 & 2017



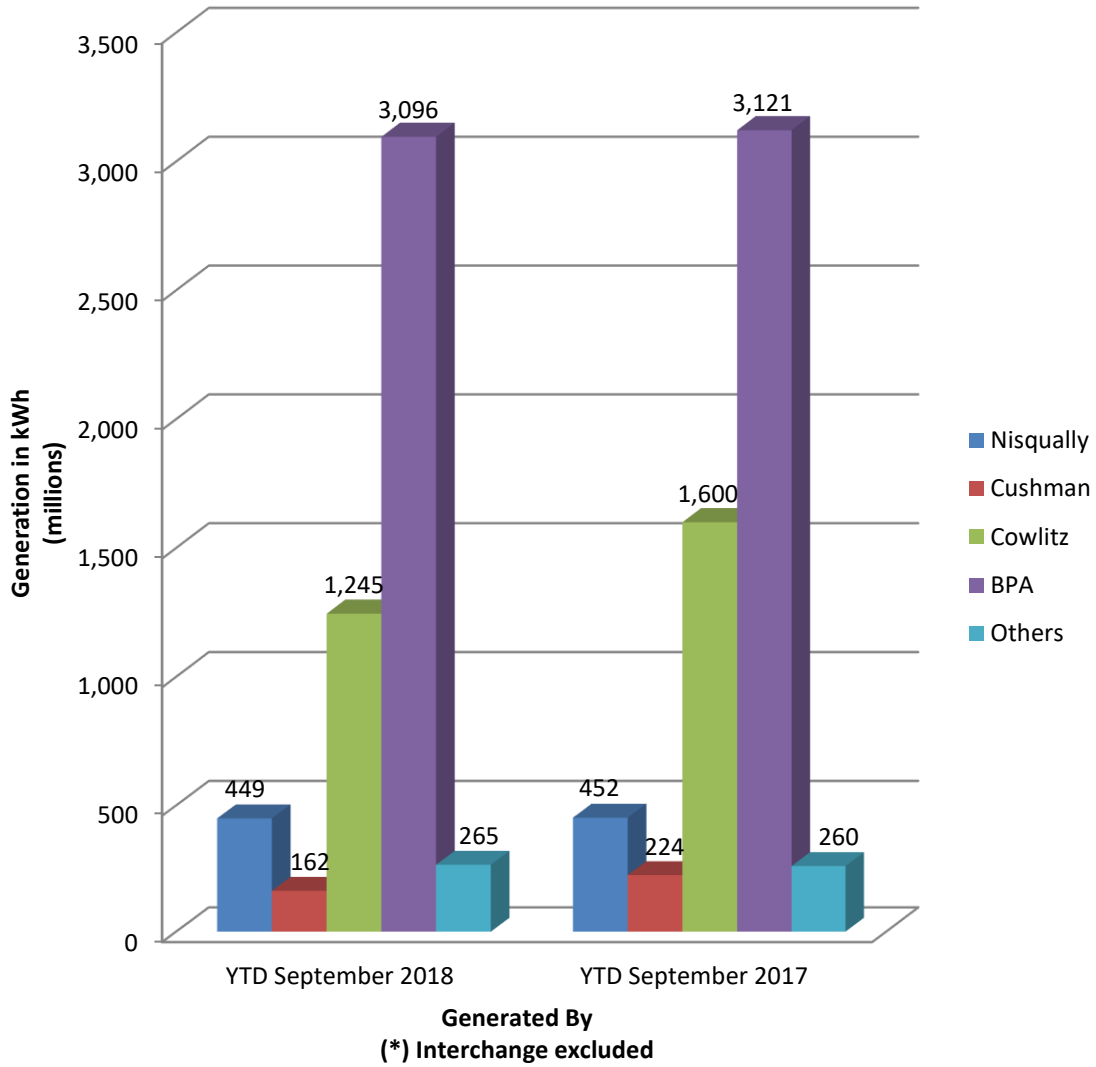
**SALES OF ELECTRIC ENERGY
YEAR TO DATE - SEPTEMBER 2018 (\$315,725,024)**



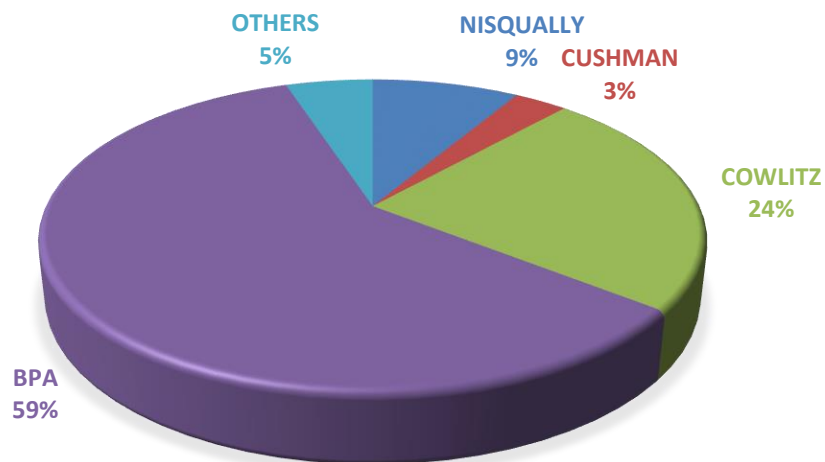
**SALES OF ELECTRIC ENERGY
YEAR TO DATE - SEPTEMBER 2017 (\$299,901,278)**



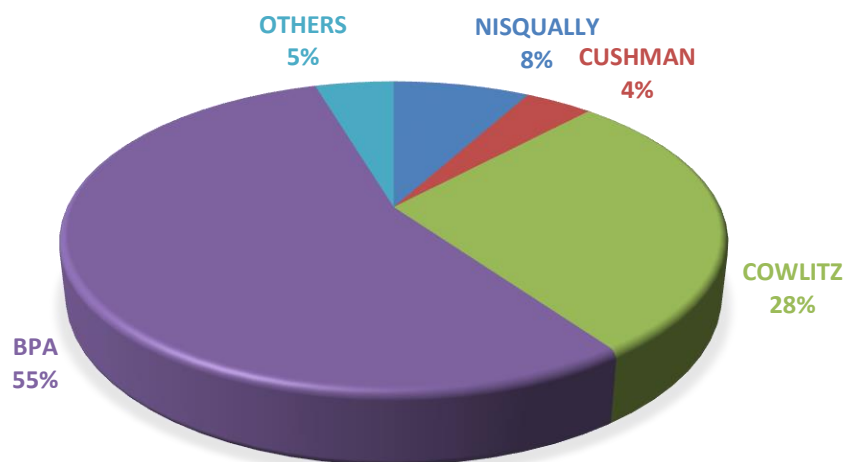
Power Sources (*) Year to Date September 2018 & 2017



POWER SOURCES (*)
YEAR TO DATE - SEPTEMBER 2018

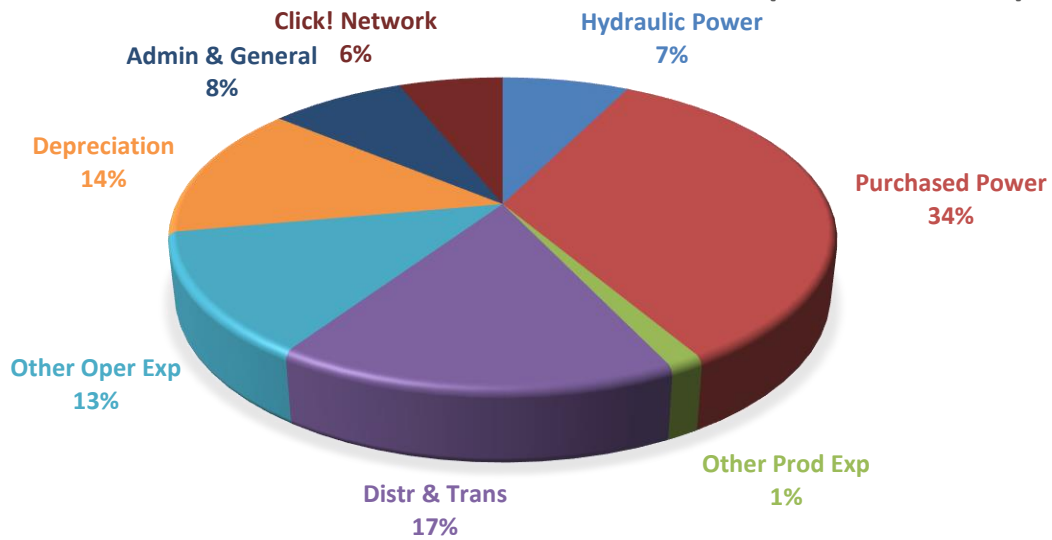


POWER SOURCES (*)
YEAR TO DATE - SEPTEMBER 2017

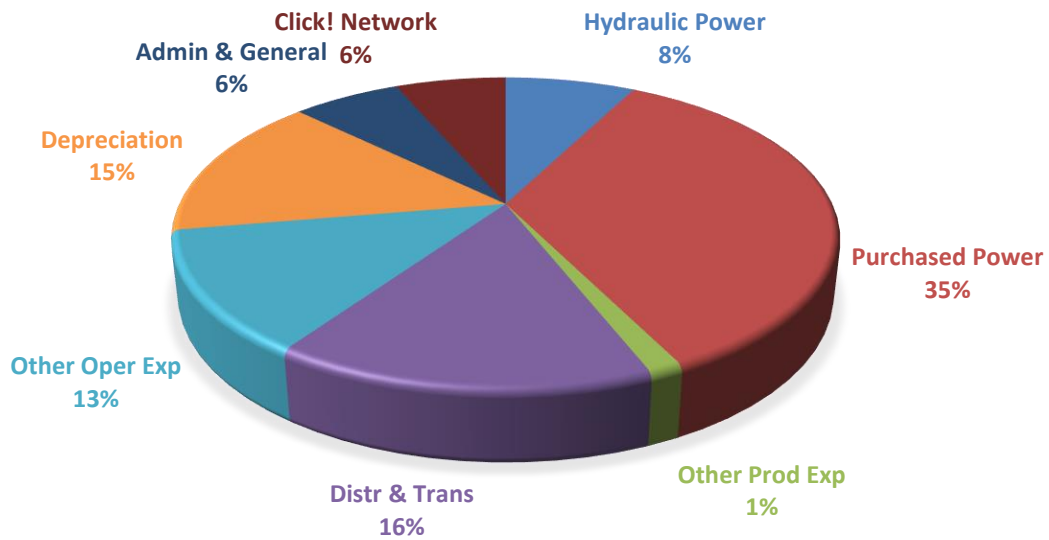


(*) Interchange excluded

TOTAL OPERATING EXPENSES *
YEAR TO DATE - SEPTEMBER 2018 (\$295,881,847)



TOTAL OPERATING EXPENSES *
YEAR TO DATE - SEPTEMBER 2017 (\$288,363,602)



* City Gross Earnings Taxes are not included in Total Operating Expenses.



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