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*APRIL*

*TACOMA RAIL*

2016

**FINANCIAL  
REPORT**





# Public Utility Board

BRYAN FLINT

Chair

MARK PATTERSON

Vice-Chair

MONIQUE TRUDNOWSKI

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WOODROW JONES

Member

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Member

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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

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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 RAIL

STATEMENTS OF NET POSITION

<b>ASSETS</b>	APRIL 30,	
	2016	2015
<b>CAPITAL ASSETS</b>		
Road and Equipment Property .....	\$41,309,366	\$36,422,719
Less Accumulated Depreciation .....	(17,866,438)	(16,761,545)
Total .....	23,442,928	19,661,174
Construction Work in Progress .....	1,065,283	2,566,510
Net Capital Assets .....	24,508,211	22,227,684
<b>SPECIAL FUNDS</b>		
Cash and Equity in Pooled Investments:		
Debt Service Funds .....	83,411	21,701
Total Special Funds .....	83,411	21,701
<b>CURRENT ASSETS</b>		
Cash & Equity in Pooled Investments .....	10,812,924	9,905,338
Customer Accounts Receivable .....	2,896,693	3,243,863
Prepayments .....	1,751,448	1,839,625
Materials and Supplies Inventory.....	984,340	910,258
Total Current Assets .....	16,445,405	15,899,084
<b>TOTAL ASSETS</b> .....	<b>\$41,037,027</b>	<b>\$38,148,469</b>

*These statements should be read in conjunction with the Notes to Financial Statements contained in the 2015 Annual Report.*

<b>NET POSITION AND LIABILITIES</b>	<u>APRIL 30,</u> 2016	<u>APRIL 30,</u> 2015
<b>NET POSITION</b>		
Net Investment in Capital Assets.....	\$18,181,629	\$16,780,138
Restricted for:		
Debt Service .....	21,701	21,701
Unrestricted .....	9,702,575	8,373,269
<b>TOTAL NET POSITION</b> .....	<u>27,905,905</u>	<u>25,175,108</u>
<b>LONG-TERM DEBT, NET OF CURRENT MATURITIES</b>		
2006 Senior Lien Revenue Bond .....	64,238	312,763
State Loans.....	5,451,952	4,697,986
<b>Total Long-Term Liabilities</b> .....	<u>5,516,190</u>	<u>5,010,749</u>
<b>CURRENT LIABILITIES</b>		
Accounts Payable .....	546,406	1,065,766
Customer Deposits .....	-	45,900
Wages Payable .....	404,011	334,044
Unemployment and other Tax Payables .....	249,359	308,762
Volume Incentive Payable .....	1,875,001	1,375,000
Current Portion of Long Term Debt .....	810,391	436,798
Interest Payable .....	4,248	1,941
Current Portion of Compensated Absences .....	113,117	101,372
<b>Total Current Liabilities</b> .....	<u>4,002,533</u>	<u>3,669,583</u>
<b>LONG-TERM LIABILITIES</b>		
On the Job Injury Reserve .....	717,986	710,899
Long Term Portion of Compensated Absences .....	1,018,056	912,353
Other Long-Term Liabilities .....	1,876,357	2,669,777
<b>Total Long-Term Liabilities</b> .....	<u>3,612,399</u>	<u>4,293,029</u>
<b>TOTAL LIABILITIES</b> .....	<u>13,131,122</u>	<u>12,973,361</u>
<b>TOTAL NET POSITION AND LIABILITIES</b> .....	<u>\$41,037,027</u>	<u>\$38,148,469</u>

CITY OF TACOMA, WASHINGTON  
DEPARTMENT OF PUBLIC UTILITIES  
TACOMA RAIL

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

	APRIL 2016	APRIL 2015
<b>OPERATING REVENUES</b>		
Switching Revenues .....	\$2,262,604	\$2,239,556
Demurrage and Other Operating Revenues .....	300,312	569,137
Total Operating Revenues .....	2,562,916	2,808,693
<b>OPERATING EXPENSES</b>		
Maintenance of Way and Structures .....		
Salaries and Wages .....	74,544	98,171
Supplies and Expense .....	370,409	146,278
Mechanical .....		
Salaries and Wages .....	161,030	164,189
Supplies and Expense .....	120,137	430,140
Operations .....		
Salaries and Wages .....	727,258	760,511
Supplies and Expense .....	124,898	108,536
Administration .....		
Salaries and Wages .....	178,977	180,402
Supplies and Expense .....	363,857	348,141
Taxes - State .....	33,857	37,623
Depreciation .....	122,608	101,740
Total Operating Expenses .....	2,277,575	2,375,731
Net Operating Income .....	285,341	432,962
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest Income .....	7,164	6,687
Miscellaneous .....	93,563	77,667
Interest Expense .....	(4,248)	(1,941)
Total Non-Operating Revenues .....	96,479	82,413
Contributions - Grants .....	-	-
Transfers		
City of Tacoma Gross Earnings Tax .....	(188,630)	(214,821)
<b>CHANGE IN NET POSITION</b> .....	<b>\$193,190</b>	<b>\$300,554</b>
<b>TOTAL NET POSITION - JANUARY 1</b> .....		
<b>TOTAL NET POSITION - APRIL 30</b> .....		

*These statements should be read in conjunction with the Management Discussion and Analysis in the March 2016 Financial Report.*



YEAR TO DATE

APRIL 30, 2016	APRIL 30, 2015	2016/2015 VARIANCE	PERCENT CHANGE
\$9,100,779	\$8,382,674	\$718,105	8.6%
<u>1,064,022</u>	<u>1,553,526</u>	<u>(489,504)</u>	-31.5%
10,164,801	9,936,200	228,601	2.3%
350,765	387,823	(37,058)	-9.6%
661,323	393,953	267,370	67.9%
661,048	684,751	(23,703)	-3.5%
799,716	1,103,852	(304,136)	-27.6%
3,106,717	3,083,019	23,698	0.8%
428,529	393,415	35,114	8.9%
778,647	753,617	25,030	3.3%
1,525,687	1,211,087	314,600	26.0%
147,999	135,693	12,306	9.1%
<u>492,101</u>	<u>406,961</u>	<u>85,140</u>	20.9%
8,952,532	8,554,171	398,361	4.7%
1,212,269	1,382,029	(169,760)	-12.3%
50,648	20,301	30,347	149.5%
433,770	309,885	123,885	40.0%
<u>(7,642)</u>	<u>(8,552)</u>	<u>910</u>	-10.6%
476,776	321,634	155,142	48.2%
-	34,670	(34,670)	-100.0%
(824,801)	(793,415)	(31,386)	4.0%
864,244	944,918	(\$80,674)	-8.5%
<u>27,041,661</u>	<u>24,230,190</u>		
<u>\$27,905,905</u>	<u>\$25,175,108</u>		

CITY OF TACOMA, WASHINGTON  
DEPARTMENT OF PUBLIC UTILITIES  
TACOMA RAIL

SUMMARY OF SWITCHING REVENUES AND SWITCHING ACTIVITIES

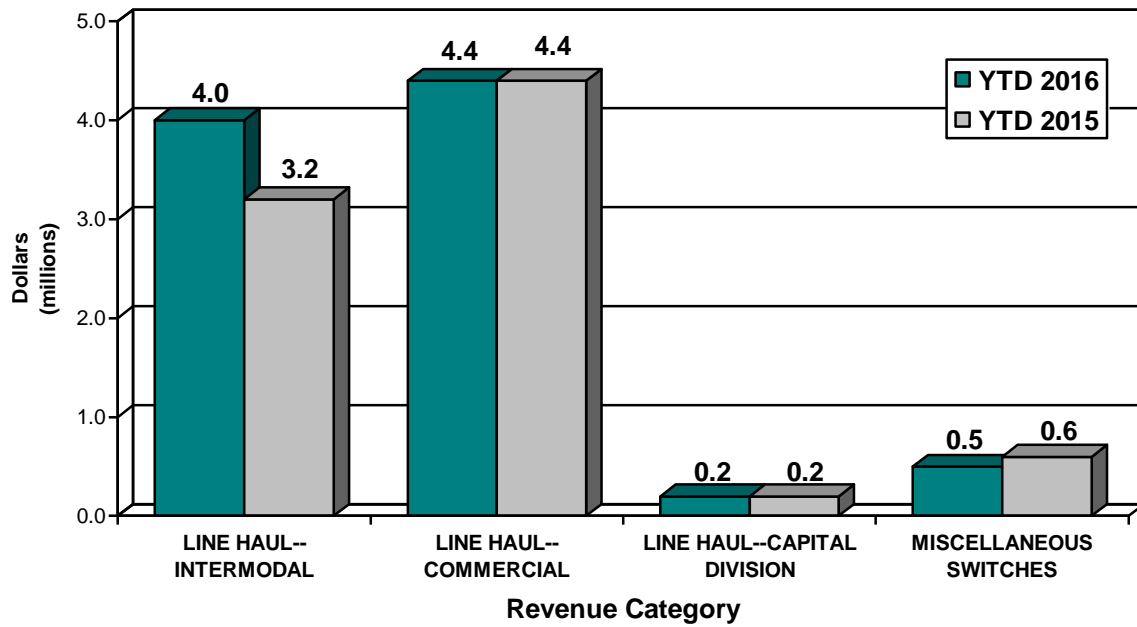
	<u>April 2016</u>	<u>April 2015</u>
<b>SWITCHING REVENUES</b>		
LINE HAULS--INTERMODAL .....	\$972,413	\$949,677
LINE HAULS--COMMERCIAL .....	1,217,665	1,087,285
LINE HAULS--CAPITAL DIVISION .....	20,889	63,311
MISCELLANEOUS SWITCHES .....	<u>51,638</u>	<u>139,283</u>
TOTAL SWITCHING REVENUES .....	<u><u>\$2,262,604</u></u>	<u><u>\$2,239,556</u></u>
 <b>SWITCHING ACTIVITIES (CARS)</b>		
LINE HAULS--INTERMODAL .....	5,830	5,859
LINE HAULS--COMMERCIAL .....	2,817	2,470
LINE HAULS--CAPITAL DIVISION .....	50	147
MISCELLANEOUS SWITCHES .....	<u>265</u>	<u>194</u>
TOTAL CARS SWITCHED .....	<u><u>8,962</u></u>	<u><u>8,670</u></u>

YEAR TO DATE			
<u>April 30,</u> <u>2016</u>	<u>April 30,</u> <u>2015</u>	<u>2016/2015</u> <u>VARIANCE</u>	<u>PERCENT</u> <u>CHANGE</u>
\$4,044,838	\$3,201,199	\$843,639	26.4%
\$4,371,120	\$4,370,064	1,056	0.0%
\$150,824	\$236,603	(85,779)	-36.3%
<u>\$533,997</u>	<u>\$574,808</u>	<u>(40,811)</u>	-7.1%
<u><u>\$9,100,779</u></u>	<u><u>\$8,382,674</u></u>	<u><u>\$718,105</u></u>	8.6%
24,511	19,596	4,915	25.1%
10,156	10,144	12	0.1%
241	549	(308)	-56.1%
<u>1,082</u>	<u>906</u>	<u>176</u>	19.4%
<u><u>35,990</u></u>	<u><u>31,195</u></u>	<u><u>4,795</u></u>	15.4%

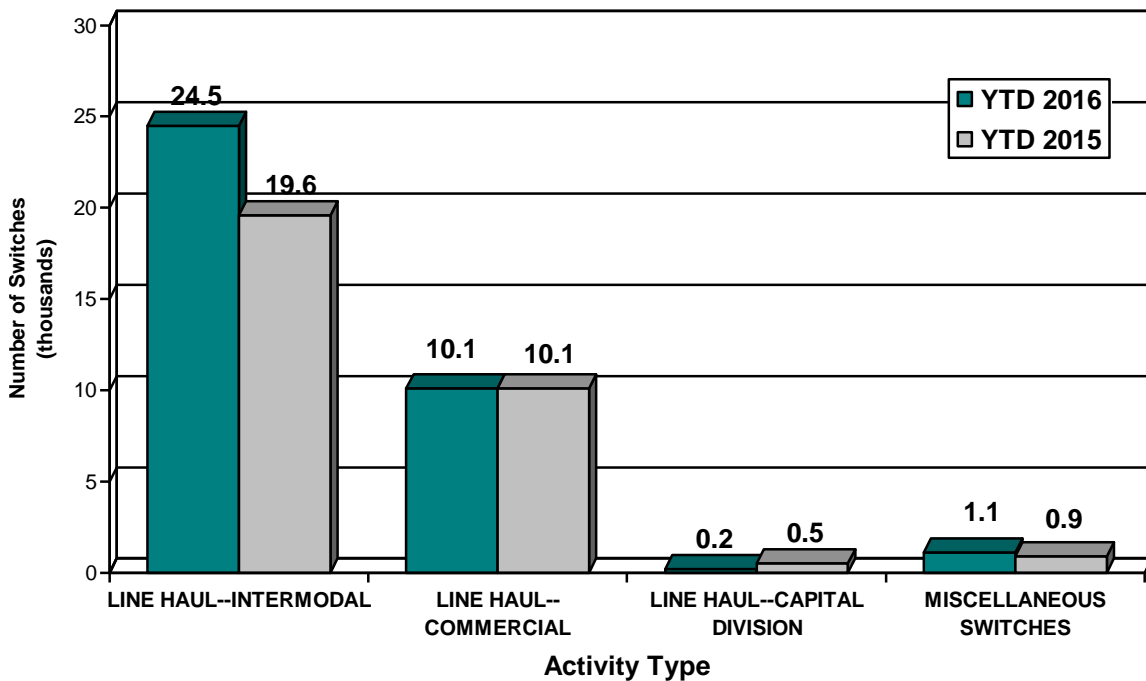
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# Supplemental Data

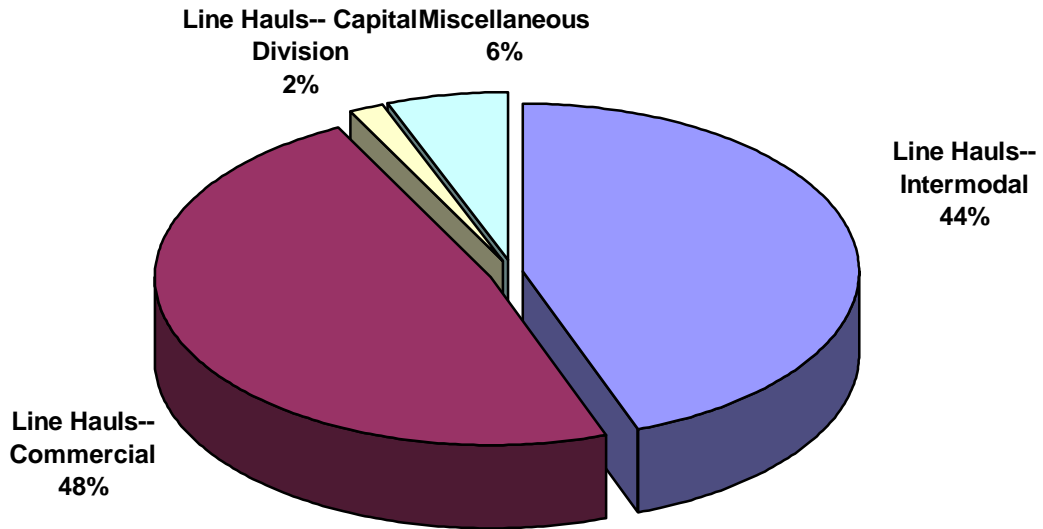
**SWITCHING REVENUES**  
Year to Date - April 2016 & 2015



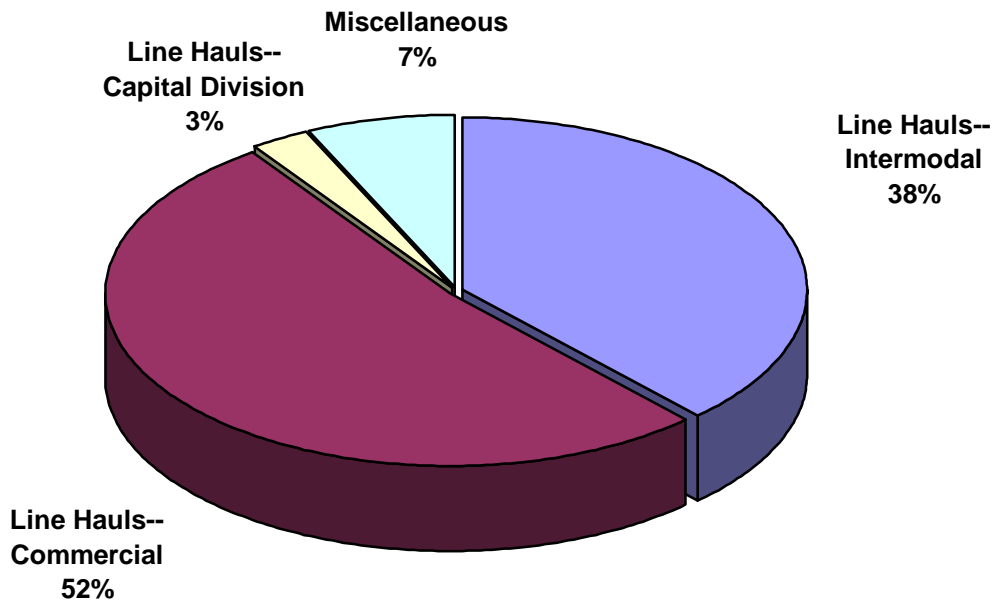
**SWITCHING ACTIVITIES**  
Year to Date - April 2016 & 2015



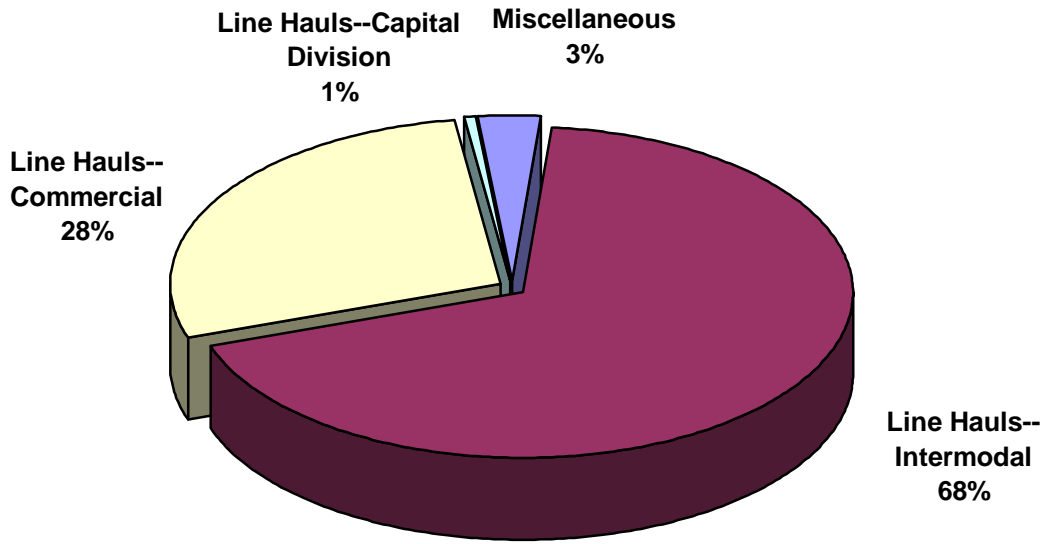
**SWITCHING REVENUES**  
Year to Date - April 2016 (\$9,100,799)



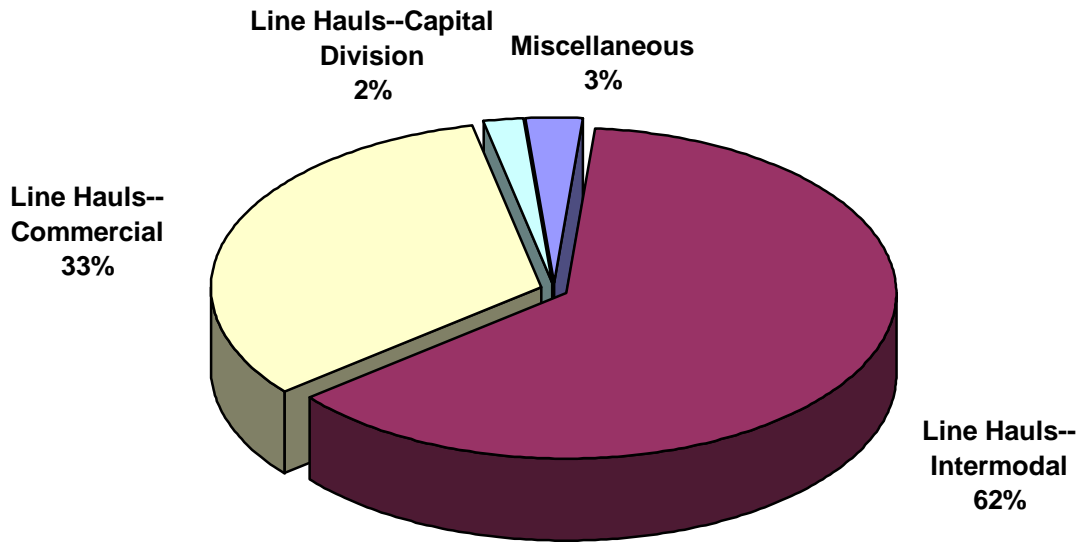
**SWITCHING REVENUES**  
Year to Date - April 2015 (\$8,382,674)



**SWITCHING ACTIVITY**  
**Year to Date - April 2016 (35,990 cars)**

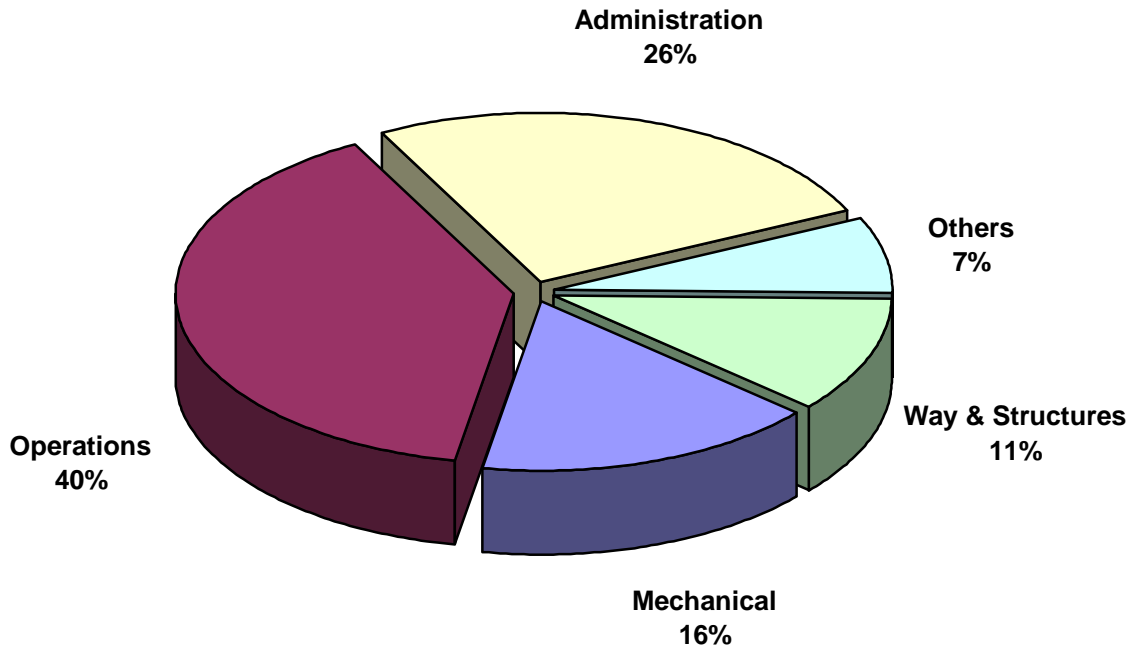


**SWITCHING ACTIVITY**  
**Year to Date - April 2015 (31,195 cars)**

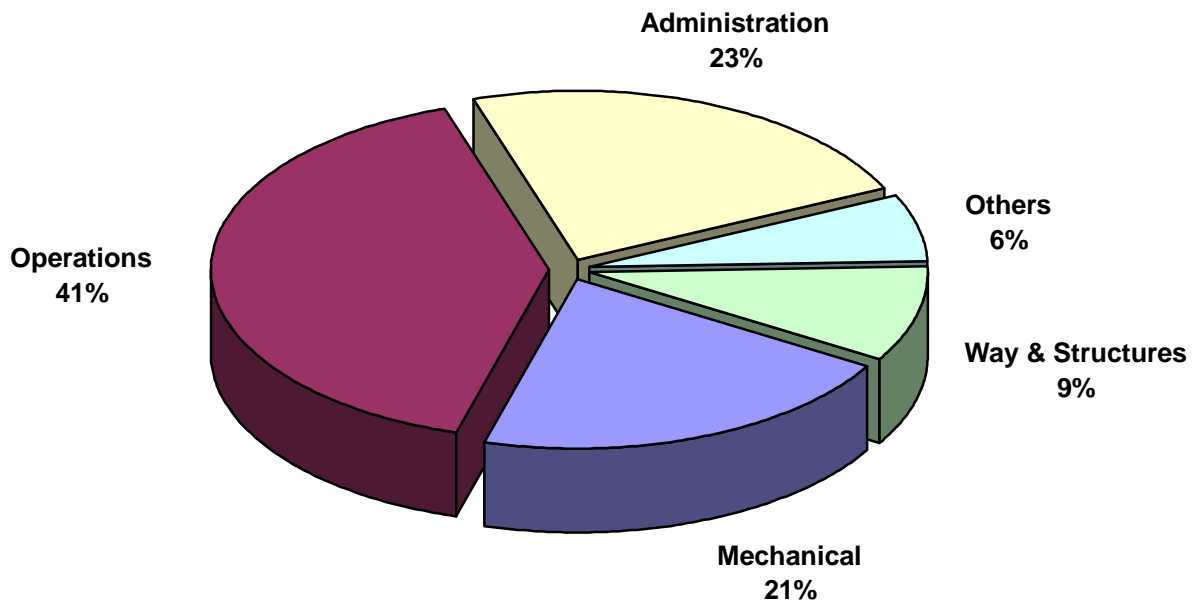




**TOTAL OPERATING EXPENSES**  
Year to Date - April 2016 (\$8,952,532)



**TOTAL OPERATING EXPENSES**  
Year to Date - April 2015 (\$8,554,171)





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