
NOVEMBER

TACOMA RAIL

2016

**FINANCIAL
REPORT**



Public Utility Board

MARK PATTERSON

Chair

MONIQUE TRUDNOWSKI

Vice-Chair

WOODROW JONES

Secretary

BRYAN FLINT

Member

KAREN LARKIN

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

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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

ASSETS	NOVEMBER 30,	
	2016	2015
CAPITAL ASSETS		
Road and Equipment Property	\$44,235,597	\$40,411,166
Less Accumulated Depreciation	(18,724,700)	(17,272,597)
Total	25,510,897	23,138,569
Construction Work in Progress	2,193,011	944,142
Net Capital Assets	27,703,908	24,082,711
SPECIAL FUNDS		
Cash and Equity in Pooled Investments:		
Debt Service Funds	43,403	43,403
Total Special Funds	43,403	43,403
CURRENT ASSETS		
Cash & Equity in Pooled Investments	9,837,438	8,153,587
Customer Accounts Receivable	3,383,690	4,419,290
Contributions Receivable	133,576	-
Prepayments	1,500,810	1,619,603
Materials and Supplies Inventory.....	1,033,276	932,823
Total Current Assets	15,888,790	15,125,303
OTHER ASSETS		
Bond Issuance Costs	91,001	-
TOTAL ASSETS	\$43,727,102	\$39,251,417

These statements should be read in conjunction with the Notes to Financial

Statements contained in the 2015 Annual Report.

NET POSITION AND LIABILITIES	<u>NOVEMBER 30,</u> 2016	<u>NOVEMBER 30,</u> 2015
NET POSITION		
Net Investment in Capital Assets.....	\$21,589,393	\$17,580,680
Restricted for:		
Debt Service	43,403	43,403
Unrestricted	<u>8,667,326</u>	<u>9,598,202</u>
TOTAL NET POSITION	30,300,122	27,222,285
LONG-TERM DEBT, NET OF CURRENT MATURITIES		
2006 Senior Lien Revenue Bond	-	64,238
State Loans.....	<u>5,334,664</u>	<u>5,595,799</u>
Total Long-Term Liabilities	5,334,664	5,660,037
CURRENT LIABILITIES		
Accounts Payable	1,677,165	686,647
Customer Deposits	10,500	45,900
Wages Payable	496,750	408,408
Unemployment and other Tax Payables	222,040	263,295
Volume Incentive Payable	1,041,666	1,083,334
Current Portion of Long Term Debt	870,850	841,994
Interest Payable	4,552	2,810
Current Portion of Compensated Absences	<u>113,117</u>	<u>101,372</u>
Total Current Liabilities	4,436,640	3,433,760
LONG-TERM LIABILITIES		
On the Job Injury Reserve	761,263	710,092
Long Term Portion of Compensated Absences	1,018,056	912,353
Other Long-Term Liabilities	<u>1,876,357</u>	<u>1,312,890</u>
Total Long-Term Liabilities	3,655,676	2,935,335
 TOTAL LIABILITIES	 <u>13,426,980</u>	 <u>12,029,132</u>
 TOTAL NET POSITION AND LIABILITIES	 <u><u>\$43,727,102</u></u>	 <u><u>\$39,251,417</u></u>

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

	NOVEMBER 2016	NOVEMBER 2015
OPERATING REVENUES		
Switching Revenues	\$2,184,768	\$1,934,807
Demurrage and Other Operating Revenues	295,942	213,565
Total Operating Revenues	2,480,710	2,148,372
OPERATING EXPENSES		
Maintenance of Way and Structures		
Salaries and Wages	87,735	84,873
Supplies and Expense	80,304	111,522
Mechanical		
Salaries and Wages	160,365	149,189
Supplies and Expense	216,457	196,526
Operations		
Salaries and Wages	806,553	737,673
Supplies and Expense	117,087	128,901
Administration		
Salaries and Wages	162,150	157,746
Supplies and Expense	332,525	305,449
Taxes - State	26,634	38,867
Depreciation	122,712	101,740
Total Operating Expenses	2,112,522	2,012,486
Net Operating Income	368,188	135,886
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	7,774	6,729
Miscellaneous	102,462	87,951
Interest Expense	(573)	(1,405)
Total Non-Operating Revenues	109,663	93,275
Contributions - Grants	-	-
Contributions - Others	133,576	-
Total Contributions	133,576	-
Transfers		
City of Tacoma Gross Earnings Tax	(170,480)	(225,847)
Transfers to other funds	-	-
Total Transfers	(170,480)	(225,847)
CHANGE IN NET POSITION	\$440,947	\$3,314
TOTAL NET POSITION - JANUARY 1		
TOTAL NET POSITION - NOVEMBER 30		

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

YEAR TO DATE			
NOVEMBER 30, 2016	NOVEMBER 30, 2015	2015/2014 VARIANCE	PERCENT CHANGE
\$25,103,639	\$23,415,010	\$1,688,629	7.2%
<u>3,135,286</u>	<u>3,221,492</u>	<u>(86,206)</u>	-2.7%
28,238,925	26,636,502	1,602,423	6.0%
942,775	981,631	(38,856)	-4.0%
1,799,163	1,294,500	504,663	39.0%
1,813,384	1,827,045	(13,661)	-0.7%
2,455,206	2,373,496	81,710	3.4%
8,840,794	9,027,385	(186,591)	-2.1%
1,337,092	1,233,690	103,402	8.4%
2,070,444	1,984,037	86,407	4.4%
4,406,415	2,273,157	2,133,258	93.8%
402,465	387,863	14,602	3.8%
<u>1,350,364</u>	<u>1,119,142</u>	<u>231,222</u>	20.7%
25,418,102	22,501,946	2,916,156	13.0%
2,820,823	4,134,556	(1,313,733)	-31.8%
104,916	66,316	38,600	58.2%
1,182,422	827,185	355,237	42.9%
<u>(12,228)</u>	<u>(20,273)</u>	<u>8,045</u>	-39.7%
1,275,110	873,228	401,882	46.0%
801,949	34,670	767,279	2213.1%
<u>137,686</u>	<u>216,000</u>	<u>(78,314)</u>	-36.3%
939,635	250,670	688,965	274.8%
(2,370,629)	(2,229,387)	(141,242)	6.3%
<u>-</u>	<u>(36,972)</u>	<u>36,972</u>	-100.0%
(2,370,629)	(2,266,359)	(104,270)	4.6%
2,664,939	2,992,095	(\$327,156)	-10.9%
<u>27,041,661</u>	<u>24,230,190</u>		
<u><u>\$29,706,600</u></u>	<u><u>\$27,222,285</u></u>		

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

SUMMARY OF SWITCHING REVENUES AND SWITCHING ACTIVITIES

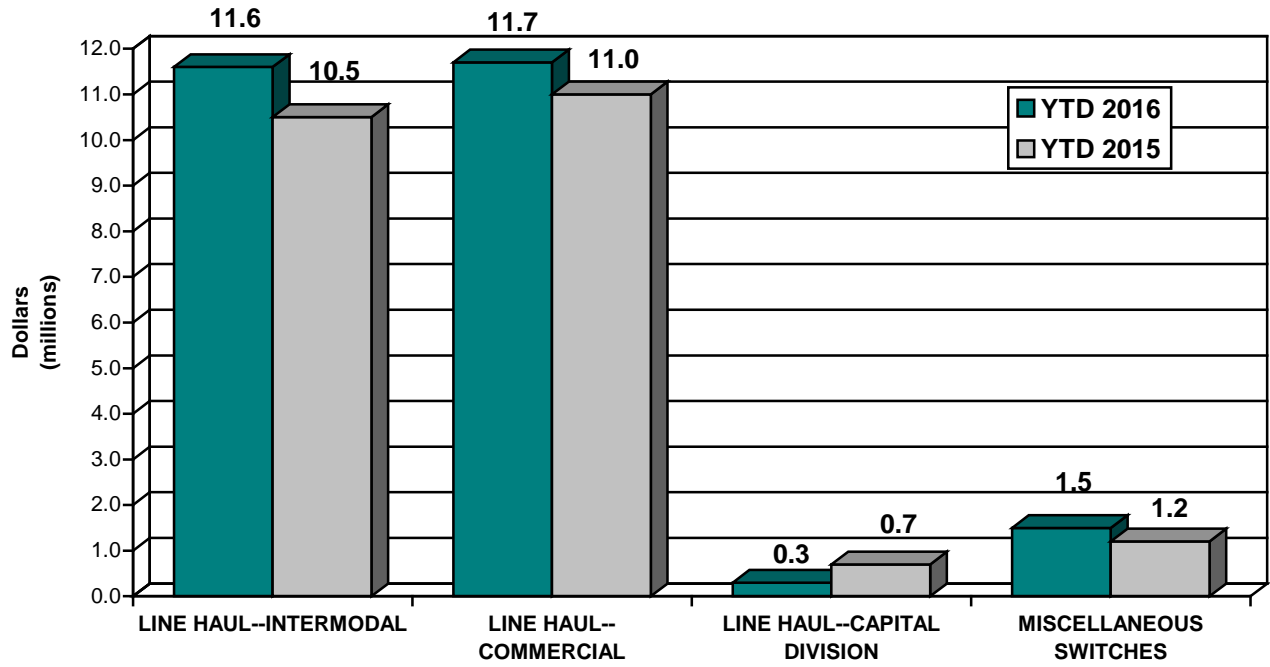
	<u>November 2016</u>	<u>November 2015</u>
SWITCHING REVENUES		
LINE HAULS--INTERMODAL	\$1,048,767	\$959,127
LINE HAULS--COMMERCIAL	954,720	851,600
LINE HAULS--CAPITAL DIVISION	25,066	77,976
MISCELLANEOUS SWITCHES	<u>156,215</u>	<u>46,104</u>
TOTAL SWITCHING REVENUES	<u><u>\$2,184,768</u></u>	<u><u>\$1,934,807</u></u>
 SWITCHING ACTIVITIES (CARS)		
LINE HAULS--INTERMODAL	6,651	5,526
LINE HAULS--COMMERCIAL	2,078	1,926
LINE HAULS--CAPITAL DIVISION	60	182
MISCELLANEOUS SWITCHES	<u>390</u>	<u>155</u>
TOTAL CARS SWITCHED	<u><u>9,179</u></u>	<u><u>7,789</u></u>

YEAR TO DATE			
November 30, 2016	November 30, 2015	2016/2015 VARIANCE	PERCENT CHANGE
\$11,578,270	\$10,498,421	\$1,079,849	10.3%
11,677,305	11,024,182	653,123	5.9%
307,488	682,698	(375,211)	-55.0%
<u>1,540,577</u>	<u>1,209,709</u>	<u>330,868</u>	<u>27.4%</u>
<u><u>\$25,103,639</u></u>	<u><u>\$23,415,010</u></u>	<u><u>\$1,688,629</u></u>	<u><u>7.2%</u></u>
83,369	62,742	20,627	32.9%
28,615	26,510	2,105	7.9%
616	1,580	(964)	-61.0%
<u>2,186</u>	<u>2,602</u>	<u>(416)</u>	<u>-16.0%</u>
<u><u>114,786</u></u>	<u><u>93,434</u></u>	<u><u>21,352</u></u>	<u><u>22.9%</u></u>

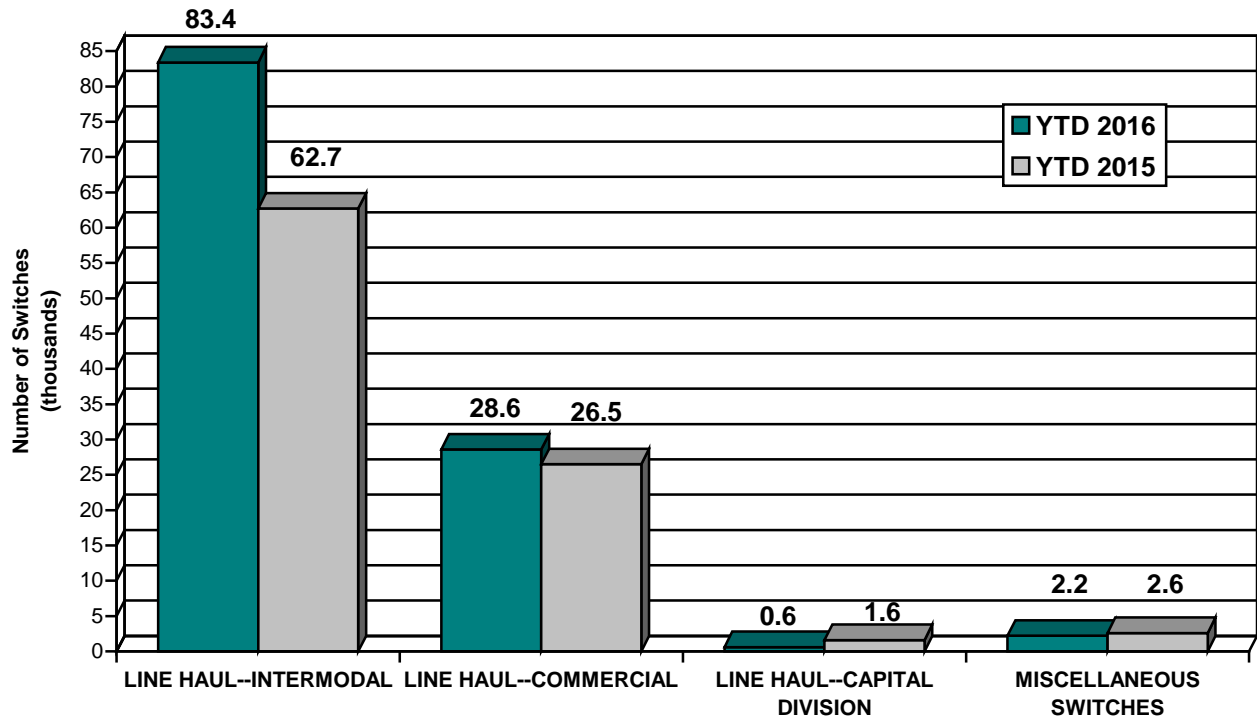
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Supplemental Data

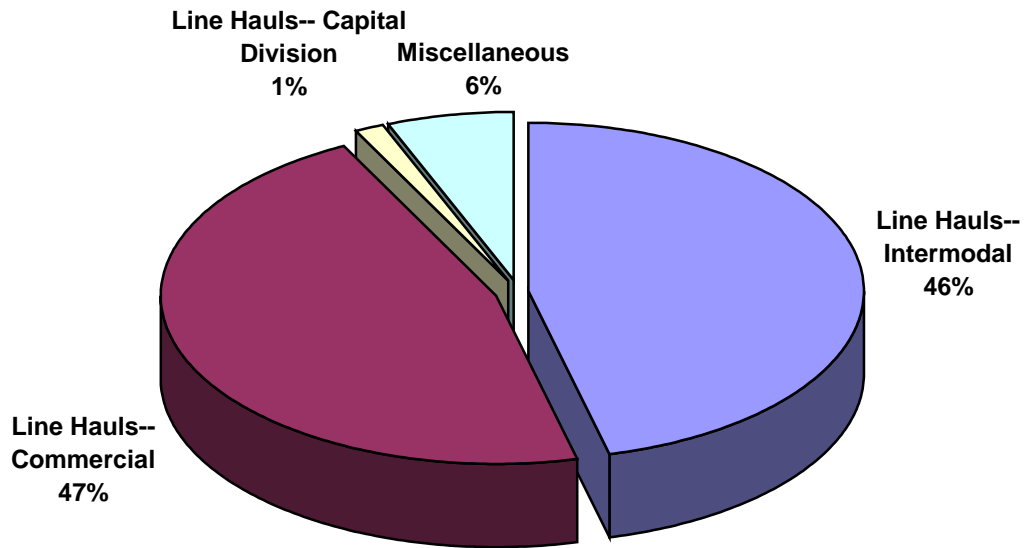
SWITCHING REVENUES
Year to Date - November 2016 & 2015



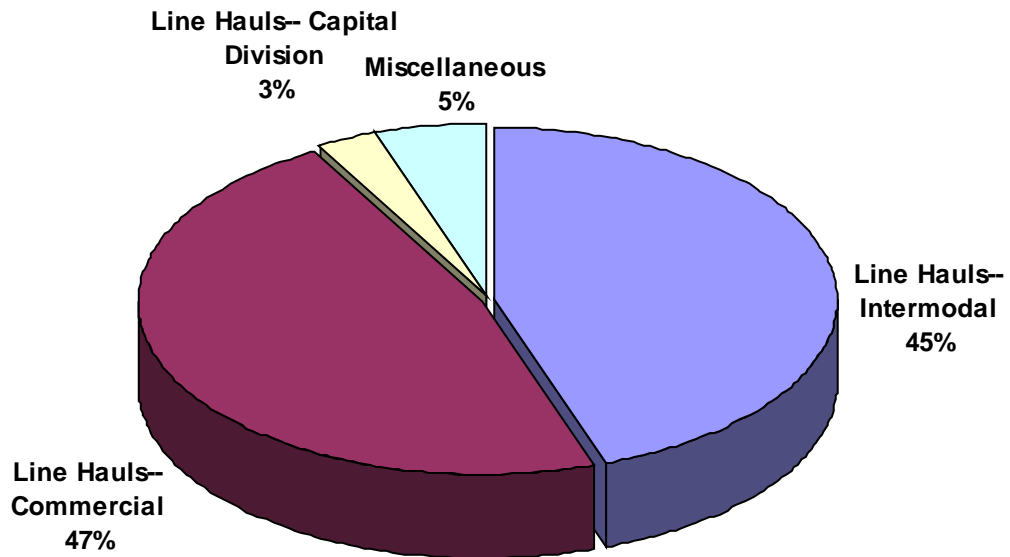
SWITCHING ACTIVITIES
Year to Date - November 2016 & 2015



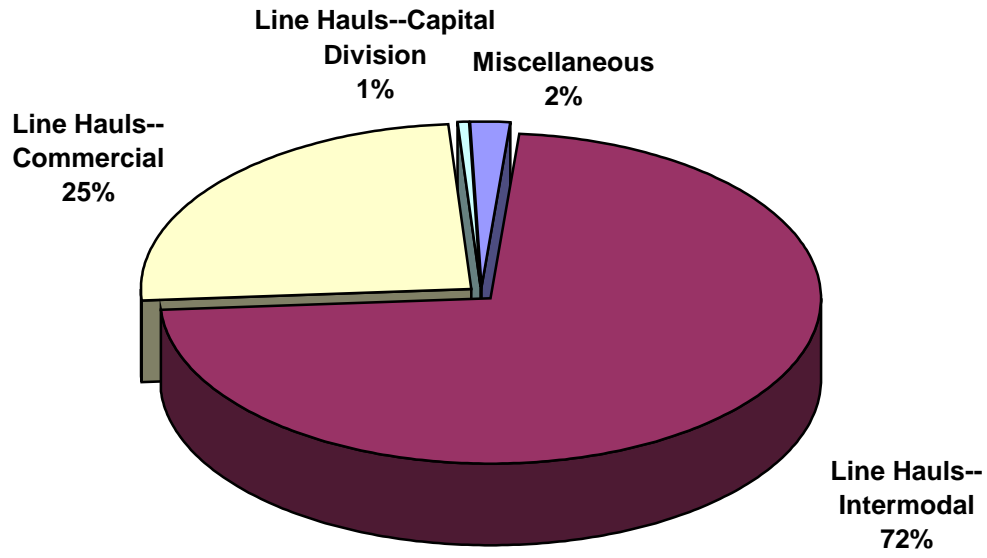
SWITCHING REVENUES
Year to Date - November 2016 (\$25,103,639)



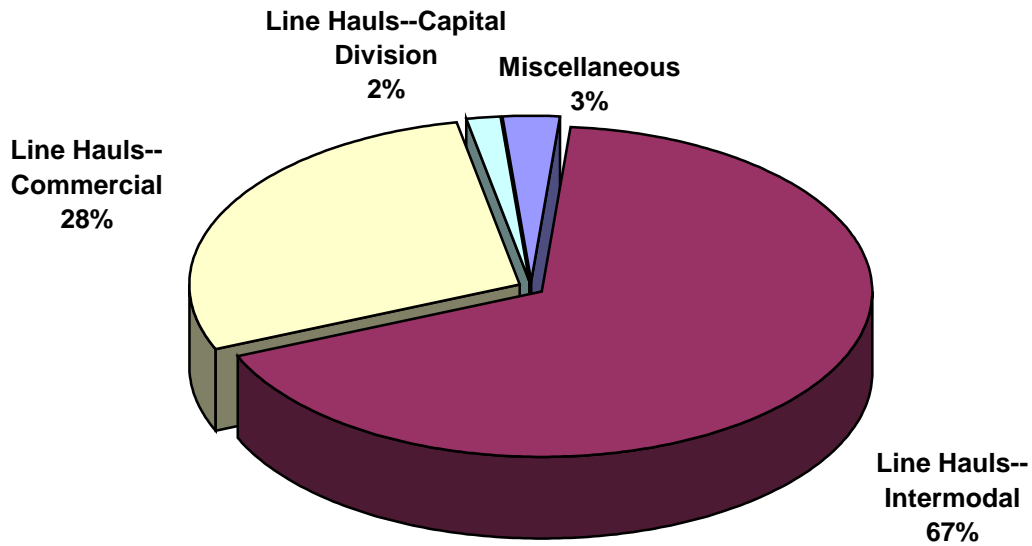
SWITCHING REVENUES
Year to Date - November 2015 (\$23,415,010)



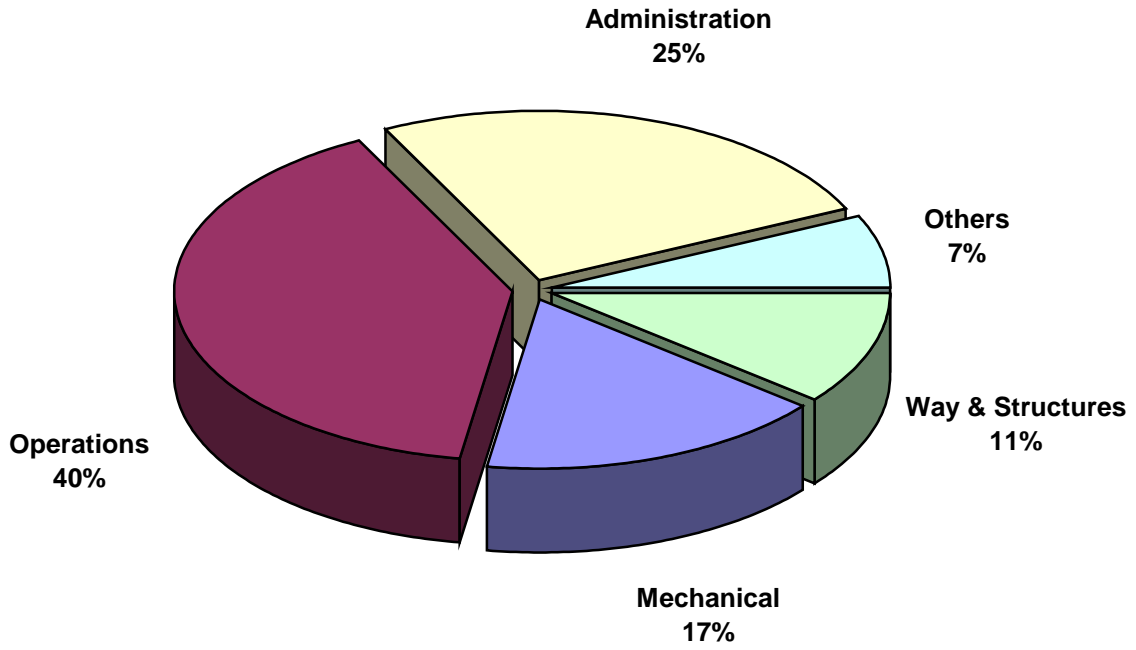
SWITCHING ACTIVITY
Year to Date - November 2016 (114,786 cars)



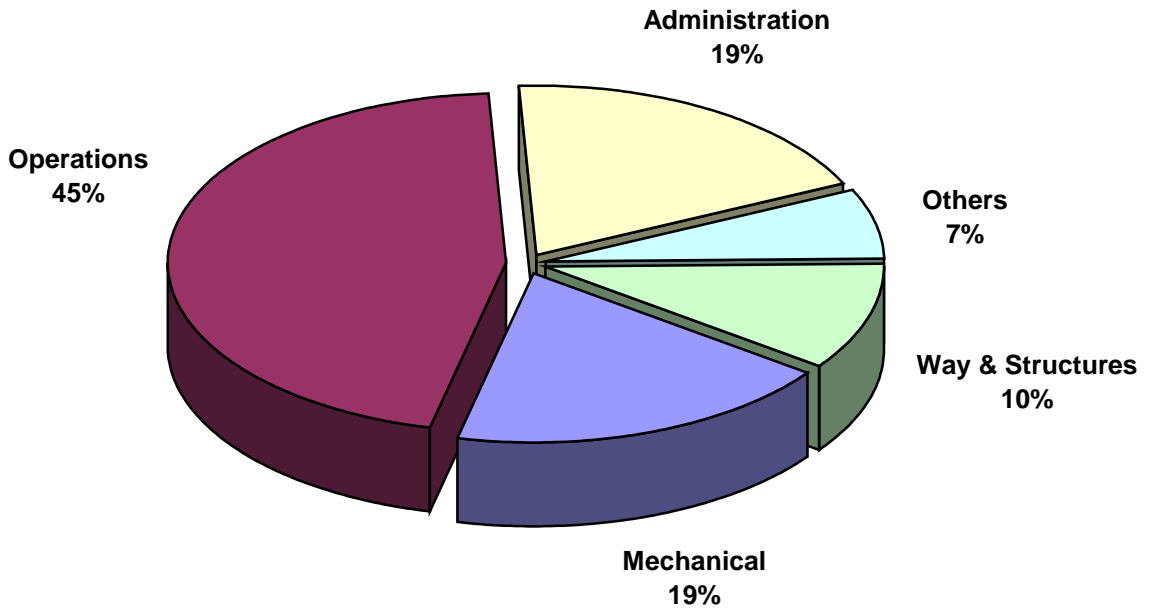
SWITCHING ACTIVITY
Year to Date - November 2015 (93,434 cars)



TOTAL OPERATING EXPENSES
Year to Date - November 2016 (\$25,418,102)



TOTAL OPERATING EXPENSES
Year to Date - November 2015 (\$22,501,946)





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