
AUGUST

TACOMA RAIL

2016

**FINANCIAL
REPORT**



Public Utility Board

MARK PATTERSON

Chair

MONIQUE TRUDNOWSKI

Vice-Chair

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Member

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Director of Utilities/CEO

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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	AUGUST 31,	
	2016	2015
CAPITAL ASSETS		
Road and Equipment Property	\$41,312,878	\$36,611,980
Less Accumulated Depreciation	(18,356,815)	(16,967,376)
Total	22,956,063	19,644,604
Construction Work in Progress	3,597,157	3,605,418
Net Capital Assets	26,553,220	23,250,022
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	10,982,232	8,473,737
Customer Accounts Receivable	3,198,367	3,184,254
Grants Receivable	601,949	-
Prepayments	1,625,861	1,734,174
Materials and Supplies Inventory.....	994,189	942,267
Total Current Assets	17,402,598	14,334,432
TOTAL ASSETS	\$43,999,221	\$37,627,857

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

NET POSITION AND LIABILITIES	AUGUST 31,	AUGUST 31,
	2016	2015
NET POSITION		
Net Investment in Capital Assets.....	\$19,766,618	\$17,601,542
Restricted for:		
Debt Service	43,403	43,403
Unrestricted	9,661,987	9,278,534
TOTAL NET POSITION	29,472,008	26,923,479
LONG-TERM DEBT, NET OF CURRENT MATURITIES		
2006 Senior Lien Revenue Bond	471,437	312,763
State Loans.....	5,536,171	4,792,676
Total Long-Term Liabilities	6,007,608	5,105,439
CURRENT LIABILITIES		
Accounts Payable	2,952,682	936,215
Customer Deposits	-	45,900
Wages Payable	311,034	244,739
Unemployment and other Tax Payables	311,374	253,115
Volume Incentive Payable	416,667	541,667
Current Portion of Long Term Debt	778,996	543,041
Interest Payable	4,271	3,349
Current Portion of Compensated Absences	113,117	101,373
Total Current Liabilities	4,888,141	2,669,399
LONG-TERM LIABILITIES		
On the Job Injury Reserve	737,051	704,297
Long Term Portion of Compensated Absences	1,018,056	912,353
Other Long-Term Liabilities	1,876,357	1,312,890
Total Long-Term Liabilities	3,631,464	2,929,540
TOTAL LIABILITIES	14,527,213	10,704,378
TOTAL NET POSITION AND LIABILITIES	\$43,999,221	\$37,627,857

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

	<u>AUGUST</u> <u>2016</u>	<u>AUGUST</u> <u>2015</u>
OPERATING REVENUES		
Switching Revenues	\$2,473,388	\$2,515,626
Demurrage and Other Operating Revenues	<u>363,750</u>	<u>208,747</u>
Total Operating Revenues	2,837,138	2,724,373
OPERATING EXPENSES		
Maintenance of Way and Structures		
Salaries and Wages	92,155	82,068
Supplies and Expense	101,562	171,829
Mechanical		
Salaries and Wages	160,446	163,751
Supplies and Expense	269,017	221,138
Operations		
Salaries and Wages	823,854	847,278
Supplies and Expense	128,181	63,393
Administration		
Salaries and Wages	170,020	173,071
Supplies and Expense	407,001	440,893
Taxes - State	39,487	39,559
Depreciation	<u>122,580</u>	<u>101,740</u>
Total Operating Expenses	2,314,303	2,304,720
Net Operating Income	522,835	419,653
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	5,436	5,552
Miscellaneous	106,858	31,587
Interest Expense	<u>(854)</u>	<u>(1,675)</u>
Total Non-Operating Revenues	111,440	35,464
Contributions - Grants	801,949	-
Contributions - Others	<u>4,110</u>	<u>-</u>
Total Contributions	806,059	-
Transfers		
City of Tacoma Gross Earnings Tax	(235,997)	(226,589)
CHANGE IN NET POSITION	<u><u>\$1,204,337</u></u>	<u><u>\$228,528</u></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 2016 Financial Report.

YEAR TO DATE			
AUGUST 31, 2016	AUGUST 31, 2015	2016/2015 VARIANCE	PERCENT CHANGE
18,337,221	\$17,064,761	\$1,272,460	7.5%
<u>2,395,025</u>	<u>2,587,131</u>	<u>(192,106)</u>	-7.4%
20,732,246	19,651,892	1,080,354	5.5%
697,322	727,611	(30,289)	-4.2%
1,174,890	920,273	254,617	27.7%
1,339,296	1,355,710	(16,414)	-1.2%
1,802,206	1,819,477	(17,271)	-0.9%
6,274,386	6,695,449	(421,063)	-6.3%
944,386	827,762	116,624	14.1%
1,570,629	1,478,245	92,384	6.2%
3,247,989	1,300,205	1,947,784	149.8%
294,147	276,741	17,406	6.3%
<u>982,478</u>	<u>813,921</u>	<u>168,557</u>	20.7%
18,327,729	16,215,394	2,112,335	13.0%
2,404,517	3,436,498	(1,031,981)	-30.0%
81,457	46,164	35,293	76.5%
882,044	574,441	307,603	53.5%
<u>(10,227)</u>	<u>(15,787)</u>	<u>5,560</u>	-35.2%
953,274	604,818	348,456	57.6%
801,949	34,670	767,279	2213.1%
<u>4,110</u>	<u>216,000</u>	<u>(211,890)</u>	-98.1%
806,059	250,670	555,389	221.6%
(1,733,503)	(1,598,697)	(134,806)	8.4%
2,430,347	2,693,289	(\$262,942)	-9.8%
<u>27,041,661</u>	<u>24,230,190</u>		
<u>\$29,472,008</u>	<u>\$26,923,479</u>		

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

SUMMARY OF SWITCHING REVENUES AND SWITCHING ACTIVITIES

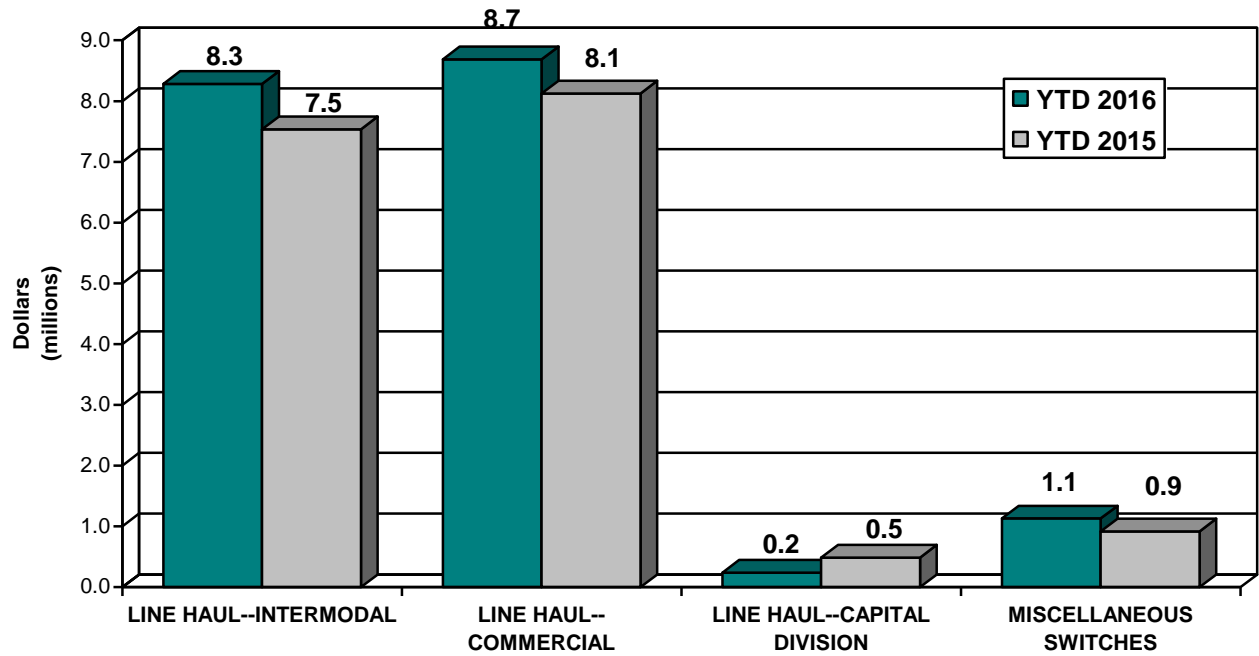
	<u>August 2016</u>	<u>August 2015</u>
SWITCHING REVENUES		
LINE HAULS--INTERMODAL	\$1,170,470	\$1,180,273
LINE HAULS--COMMERCIAL	1,055,235	1,163,618
LINE HAULS--CAPITAL DIVISION	19,217	70,147
MISCELLANEOUS SWITCHES	<u>228,466</u>	<u>101,588</u>
TOTAL SWITCHING REVENUES	<u><u>\$2,473,388</u></u>	<u><u>\$2,515,626</u></u>
 SWITCHING ACTIVITIES (CARS)		
LINE HAULS--INTERMODAL	7,072	6,728
LINE HAULS--COMMERCIAL	2,352	2,753
LINE HAULS--CAPITAL DIVISION	46	162
MISCELLANEOUS SWITCHES	<u>120</u>	<u>262</u>
TOTAL CARS SWITCHED	<u><u>9,590</u></u>	<u><u>9,905</u></u>

YEAR TO DATE			
August 31, 2016	August 31, 2015	2016/2015 VARIANCE	PERCENT CHANGE
\$8,282,494	\$7,536,461	\$746,033	9.9%
8,685,180	8,123,822	561,358	6.9%
238,556	488,538	(249,983)	-51.2%
<u>1,130,991</u>	<u>915,940</u>	<u>215,052</u>	<u>23.5%</u>
<u>\$18,337,221</u>	<u>\$17,064,761</u>	<u>\$1,272,460</u>	<u>7.5%</u>
63,339	45,526	17,813	39.1%
21,813	19,831	1,982	10.0%
451	1,130	(679)	-60.1%
<u>1,564</u>	<u>1,896</u>	<u>(332)</u>	<u>-17.5%</u>
<u>87,167</u>	<u>68,383</u>	<u>18,784</u>	<u>27.5%</u>

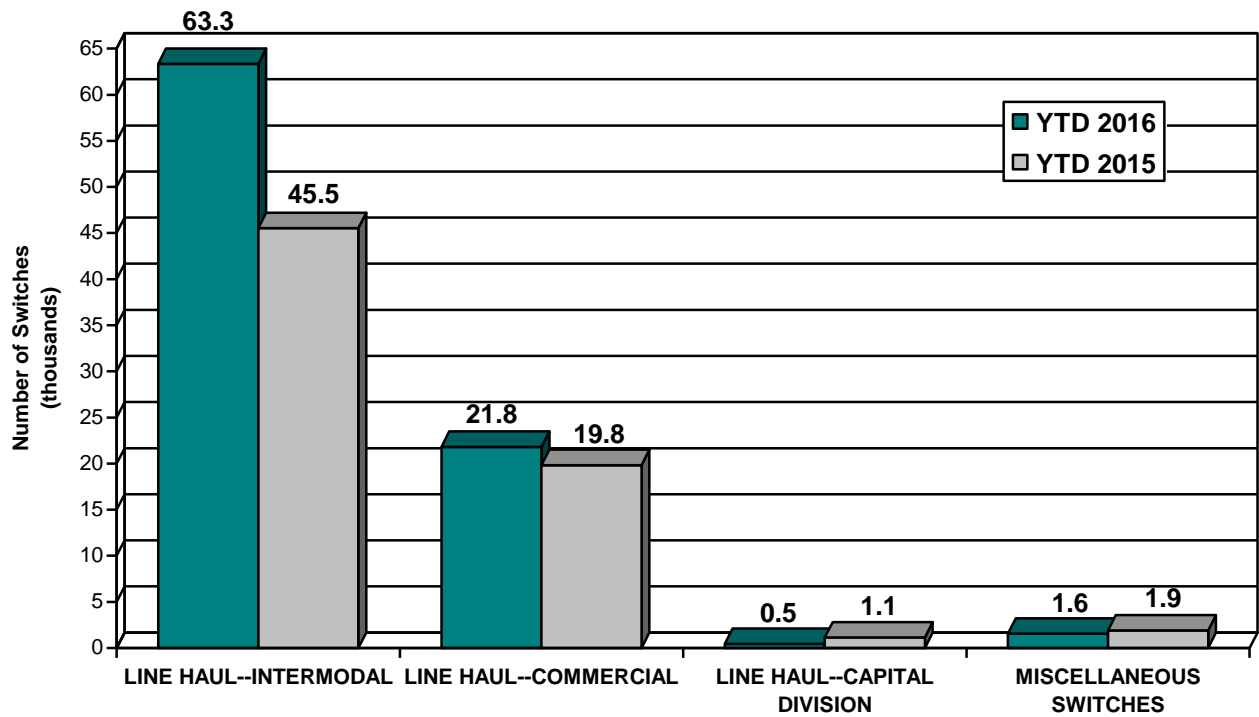
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Supplemental Data

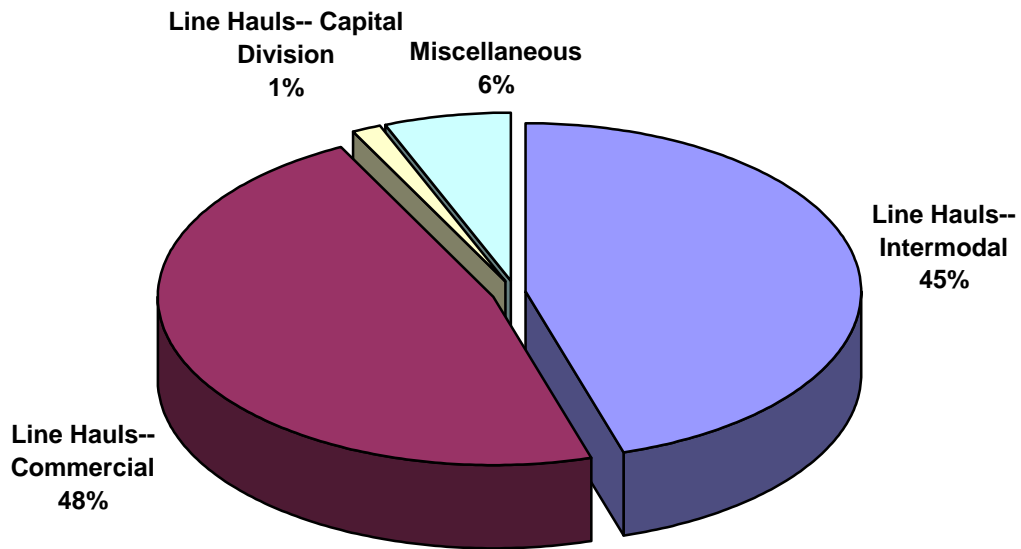
SWITCHING REVENUES
Year to Date - August 2016 & 2015



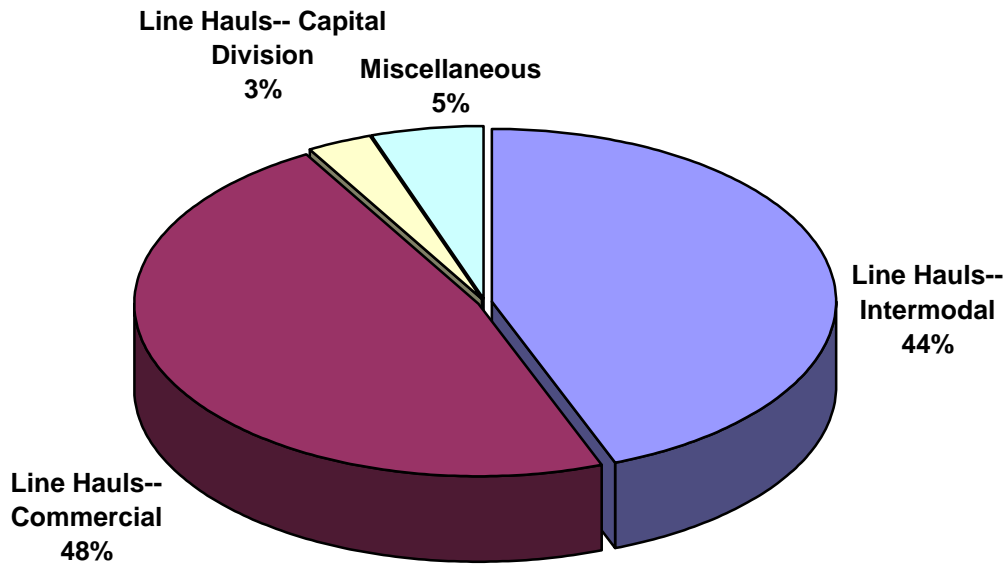
SWITCHING ACTIVITIES
Year to Date - August 2016 & 2015



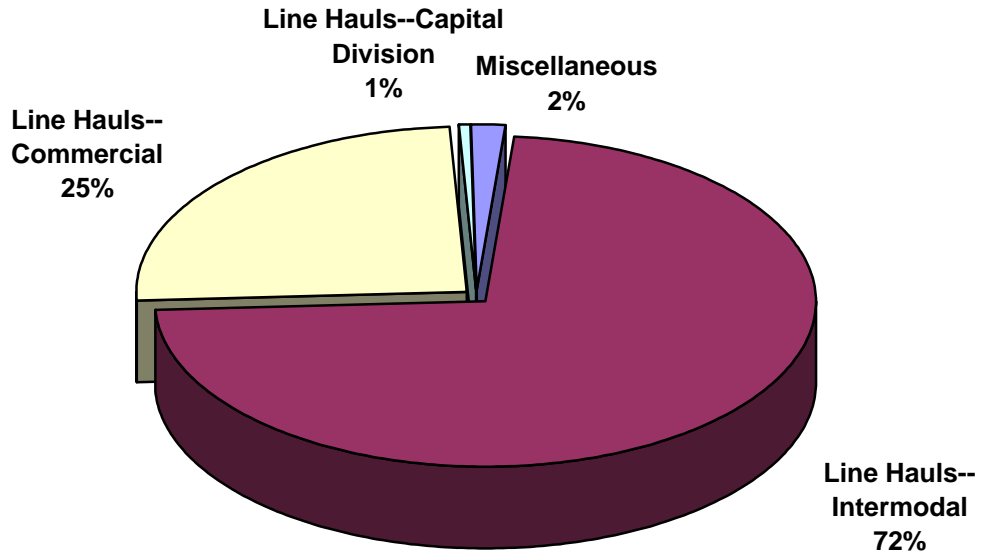
SWITCHING REVENUES
Year to Date - August 2016 (\$18,337,221)



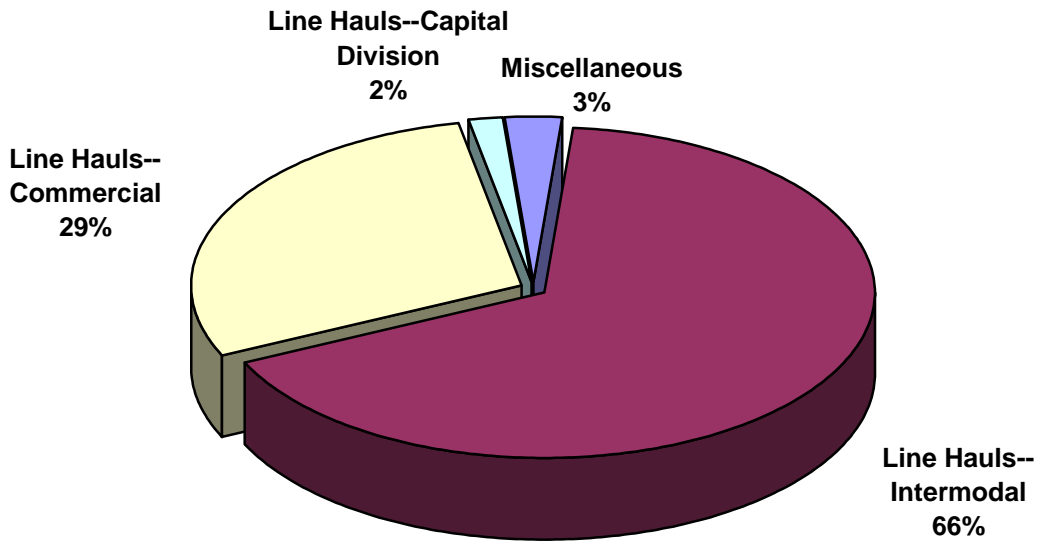
SWITCHING REVENUES
Year to Date - August 2015 (\$17,064,761)



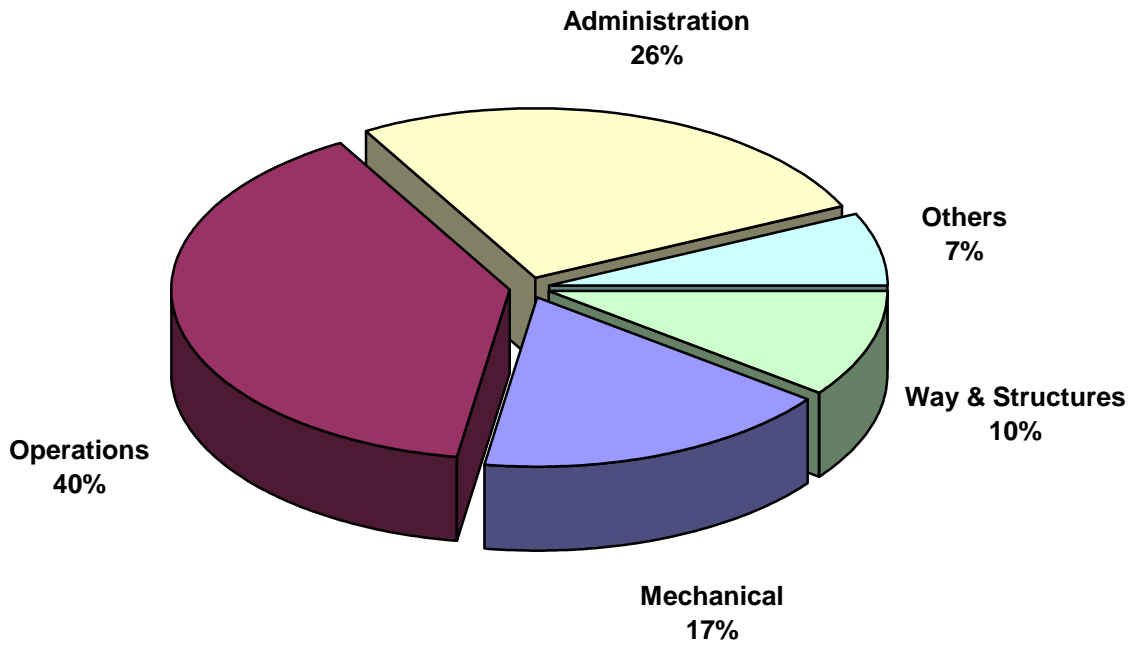
SWITCHING ACTIVITY
Year to Date - August 2016 (87,167 cars)



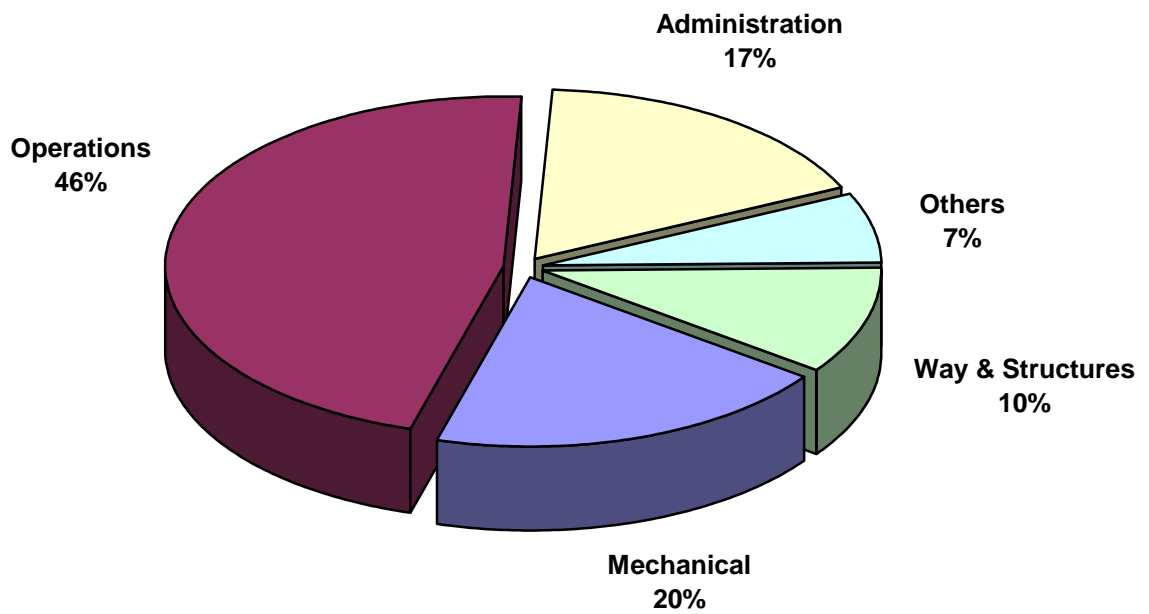
SWITCHING ACTIVITY
Year to Date - August 2015 (68,383 cars)



TOTAL OPERATING EXPENSES
Year to Date - August 2016 (\$18,327,729)



TOTAL OPERATING EXPENSES
Year to Date - August 2015 (\$16,215,394)





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