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*MARCH*

*TACOMA POWER*

2018

**FINANCIAL  
REPORT**





# Public Utility Board

MONIQUE TRUDNOWSKI  
Chair

WOODROW JONES  
Vice-Chair

KAREN LARKIN  
Secretary

BRYAN FLINT  
Member

MARK PATTERSON  
Member

LINDA MCCREA  
Interim Director of Utilities/CEO

CHRIS ROBINSON  
Power Superintendent/COO

ANDREW CHERULLO  
Finance Director

DEPARTMENT OF PUBLIC UTILITIES

CITY OF TACOMA

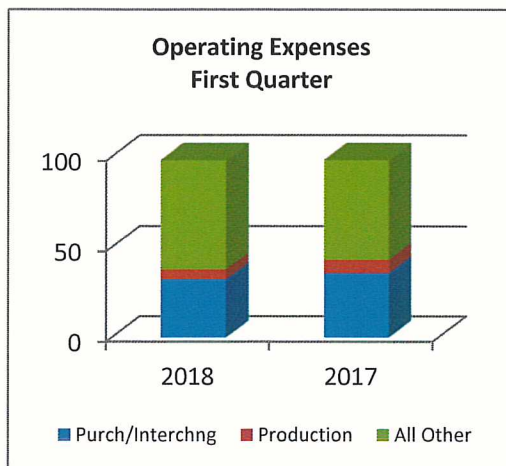
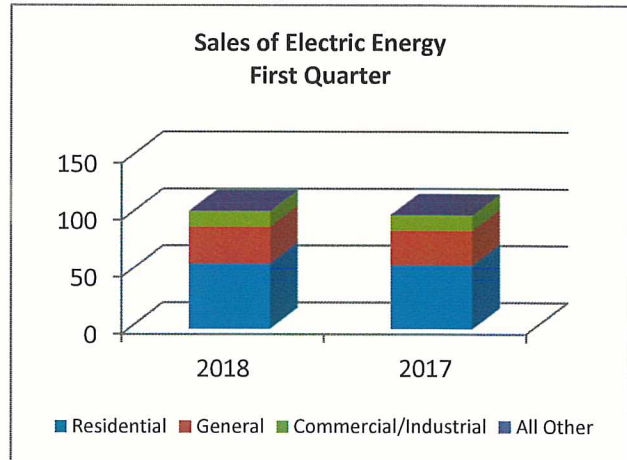


## Summary

Tacoma Power's operating income at the end of the first quarter of 2018 was \$35.8 million compared to \$28.5 million a year earlier. Operating revenues increased \$7.2 million (5.7%) compared to the prior year. Operating expenses decreased \$0.1 million (0.1%). Non-operating expenses decreased in total \$0.4 million (13.9%) resulting in net income of \$29.3 million in 2018 compared to \$22.4 million in 2017.

## Revenues

In the first quarter of 2018, total electric energy sales increased \$7.7 million compared with the same period a year earlier. Sales to residential customers increased \$1.3 million (2.4%). There was a 5.9% rate increase effective April 16, 2017 coupled with a decrease in consumption of 27,851 in MWh billed. Revenues from commercial, general, and industrial customers increased \$2.1 million primarily due to an increase in rates. Bulk Power Sales increased \$4.3 million due to an increase in consumption and rates.



## Expenses

First quarter 2018 operating expenses were \$98.1 million, down \$0.1 million (0.1%) from 2017.

Administrative and General expenses increased \$3.9 million. The increase is primarily due to 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 \$0.7 million, association dues and subscriptions increased \$0.5 million, and software license and maintenance fees increased \$0.4 million.

Purchased Power had a decrease of \$3.5 million. In 2017 Energy Conservation Agreement (ECA) credits were received in the amount of \$1.3 million. In 2018 \$4.3 million in credits were received resulting in a decrease of purchased power expense of \$3.0 million. The remaining decrease was related to other portfolio purchases.

Linda McCrea  
Interim Director of Utilities/CEO

Andrew Cherullo  
Finance Director



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 - March 31, 2018 AND March 31, 2017

<b>ASSETS AND DEFERRED OUTFLOWS</b>	<u>2018</u>	<u>2017</u>
<b>UTILITY PLANT</b>		
Electric Plant in Service .....	\$2,060,316,651	\$2,005,440,138
Less Depreciation and Amortization .....	(1,063,082,126)	(1,011,293,597)
Total .....	<u>997,234,525</u>	<u>994,146,541</u>
Construction Work in Progress .....	41,371,014	35,941,190
Net Utility Plant .....	<u>1,038,605,539</u>	<u>1,030,087,731</u>
<b>NON-UTILITY PROPERTY</b> .....	<u>182,051</u>	<u>182,051</u>
<b>RESTRICTED ASSETS</b>		
Cash and Equity in Pooled Investments:		
2013 Construction Fund .....	-	(320,726)
2015 Construction Fund .....	-	11,825,582
Provision for Debt Service .....	7,559,529	7,491,079
Special Bond Reserves .....	4,997,639	4,997,639
Wynoochee Reserve--State of Washington .....	2,603,760	2,572,438
Total Restricted Assets .....	<u>15,160,928</u>	<u>26,566,012</u>
<b>CURRENT ASSETS</b>		
Cash and Equity in Pooled Investments:		
Current Fund .....	158,281,250	168,263,907
Customers' and Contractors' Deposits .....	2,697,415	2,692,500
Conservation Loan Fund .....	3,534,171	3,575,630
Rate Stabilization Fund .....	48,000,000	48,000,000
Receivables:		
Customers .....	22,494,256	23,997,805
Accrued Unbilled Revenue .....	30,701,425	28,587,295
Others .....	12,300,914	13,229,697
Provision for Uncollectibles .....	(1,095,200)	(1,971,276)
Materials and Supplies .....	7,355,108	7,194,206
Prepayments and Other .....	6,580,790	6,070,798
Total Current Assets .....	<u>290,850,129</u>	<u>299,640,562</u>
<b>OTHER ASSETS</b>		
Regulatory Asset - Conservation .....	48,933,775	48,734,277
Conservation Loan Fund Receivables .....	2,716,807	2,621,663
Total Other Assets .....	<u>51,650,582</u>	<u>51,355,940</u>
 Total Assets .....	 <u>1,396,449,229</u>	 <u>1,407,832,296</u>
<b>DEFERRED OUTFLOWS</b>		
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>\$1,434,875,971</u>	 <u>\$1,447,301,750</u>

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



<b>NET POSITION, LIABILITIES AND DEFERRED INFLOWS</b>	2018	2017
<b>NET POSITION</b>		
Net Investment in Capital Assets .....	\$626,139,009	\$589,542,705
Restricted for:		
Wynoochee Reserve - State of Washington .....	2,603,760	2,572,438
Debt Service .....	2,523,750	2,893,753
Unrestricted .....	228,219,304	249,380,869
TOTAL NET POSITION .....	859,485,823	844,389,765
<b>LONG-TERM DEBT</b>		
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	-
Total Bonded Indebtedness .....	382,940,000	346,760,000
Less: Unamortized Bond Premiums .....	24,361,219	18,644,573
Net Bonded Indebtedness .....	407,301,219	365,404,573
Line of Credit .....	-	80,250,000
Total Long-Term Debt .....	407,301,219	445,654,573
<b>CURRENT LIABILITIES</b>		
Salaries and Wages Payable .....	3,851,658	3,807,173
Taxes and Other Payables .....	14,910,617	12,816,130
Purchases and Transmission of Power Accrued .....	13,018,291	12,451,464
Interest Payable .....	5,035,779	4,597,326
Customers' Deposits .....	2,749,515	2,753,544
Current Portion of Long-Term Debt .....	10,345,000	11,575,000
Current Accrued Compensated Absences .....	1,044,235	1,075,771
Total Current Liabilities .....	50,955,095	49,076,408
<b>LONG TERM LIABILITIES</b>		
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 .....	519,485,284	552,624,002
<b>DEFERRED INFLOWS</b>		
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	\$1,434,875,971	\$1,447,301,750

CITY OF TACOMA, WASHINGTON  
DEPARTMENT OF PUBLIC UTILITIES  
TACOMA POWER  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
March 31, 2018 AND March 31, 2017

	March 2018	March 2017
<b>OPERATING REVENUES</b>		
Sales of Electric Energy .....	\$40,007,060	\$40,928,441
Other Operating Revenues .....	1,346,323	1,384,576
Click! Network Operating Revenues .....	2,193,709	2,250,892
Total Operating Revenue .....	43,547,092	44,563,909
<b>OPERATING EXPENSES</b>		
Production Expense		
Hydraulic Power Production .....	2,938,871	3,094,988
Other Production Expense .....	480,569	616,955
Total Expense Power Produced .....	3,419,440	3,711,943
Purchased Power .....	10,147,314	11,801,115
Total Production Expense .....	13,566,754	15,513,058
Transmission Expense .....	2,995,439	2,507,946
Distribution Expense .....	3,338,121	2,503,744
Click! Network Commercial Operations Expense .	2,119,126	2,200,750
Customer Accounts Expense (CIS) .....	1,172,278	1,113,009
Conservation and Other Customer Assistance ...	1,253,191	1,193,048
Taxes .....	2,551,912	2,787,616
Depreciation .....	4,603,008	4,767,779
Administrative and General .....	4,221,531	1,766,447
Total Operating Expenses .....	35,821,360	34,353,397
<b>OPERATING INCOME (LOSS) .....</b>	<b>7,725,732</b>	<b>10,210,512</b>
NON-OPERATING REVENUES (EXPENSES)		
Interest Income .....	275,581	225,962
Contribution to Family Need .....	(8,333)	(8,333)
Other Net Non-Op Revenues and Deductions .....	51,160	207,223
Interest on Long-Term Debt .....	(1,678,936)	(1,588,368)
Amort. of Debt Related Costs .....	134,639	124,051
Interest Charged to Construction .....	-	-
Total Non-Operating Revenues (Expenses) ...	(1,225,889)	(1,039,465)
Net Income (Loss) Before Capital Contributions and Transfers .....	6,499,843	9,171,047
Capital Contributions		
Cash .....	612,369	984,990
Donated Fixed Assets .....	52,805	6,436
BABs and CREBs Interest Subsidies	329,553	329,553
Transfers		
City Gross Earnings Tax .....	(3,524,613)	(3,306,749)
<b>CHANGE IN NET POSITION .....</b>	<b>\$3,969,957</b>	<b>\$7,185,277</b>
TOTAL NET POSITION - January 1 .....		
TOTAL NET POSITION - March 31 .....		

YEAR TO DATE		2018 OVER	PERCENT CHANGE
March 31, 2018	March 31, 2017	(UNDER) 2017	
\$123,040,327	\$115,340,492	\$7,699,835	6.7%
4,397,551	4,854,517	(456,966)	-9.4%
6,477,955	6,511,689	(33,734)	-0.5%
<u>133,915,833</u>	<u>126,706,698</u>	<u>7,209,135</u>	
4,224,464	5,915,792	(1,691,328)	-28.6%
<u>1,329,482</u>	<u>1,480,691</u>	<u>(151,209)</u>	-10.2%
5,553,946	7,396,483	(1,842,537)	-24.9%
<u>32,364,970</u>	<u>35,886,953</u>	<u>(3,521,983)</u>	-9.8%
37,918,916	43,283,436	(5,364,520)	-12.4%
8,339,196	7,651,375	687,821	9.0%
8,757,837	7,657,123	1,100,714	14.4%
6,144,439	6,210,625	(66,186)	-1.1%
3,341,460	3,541,067	(199,607)	-5.6%
3,727,216	3,308,017	419,199	12.7%
5,686,672	5,780,041	(93,369)	-1.6%
13,970,237	14,413,710	(443,473)	-3.1%
<u>10,239,534</u>	<u>6,357,611</u>	<u>3,881,923</u>	61.1%
<u>98,125,507</u>	<u>98,203,005</u>	<u>(77,498)</u>	-0.1%
<u>35,790,326</u>	<u>28,503,693</u>	<u>7,286,633</u>	25.6%
2,203,962	1,440,428	763,534	53.0%
(25,000)	(25,000)	-	0.0%
233,101	152,787	80,314	52.6%
(5,081,387)	(4,723,089)	(358,298)	7.6%
403,918	372,153	31,765	-8.5%
-	150,633	(150,633)	-100.0%
<u>(2,265,406)</u>	<u>(2,632,088)</u>	<u>366,682</u>	-13.9%
33,524,920	25,871,605	7,653,315	29.6%
5,077,269	4,997,208	80,061	1.6%
52,805	6,436	46,369	720.5%
988,660	988,660	-	0.0%
<u>(10,328,504)</u>	<u>(9,469,837)</u>	<u>(858,667)</u>	9.1%
29,315,150	22,394,072	6,921,078	30.9%
<u>830,170,673</u>	<u>821,995,693</u>	<u>8,174,980</u>	1.0%
<u>\$859,485,823</u>	<u>\$844,389,765</u>	<u>15,096,058</u>	

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

CITY OF TACOMA, WASHINGTON  
DEPARTMENT OF PUBLIC UTILITIES  
TACOMA POWER

SUMMARY OF REVENUES AND BILLINGS  
March 31, 2018 AND March 31, 2017

	<u>For the month of</u> <u>March 2018</u>	<u>For the month of</u> <u>March 2017</u>
<b>OPERATING REVENUE</b>		
Sales of Electric Energy		
Residential .....	\$19,885,165	\$19,271,447
Commercial .....	3,089,284	3,124,336
General .....	11,206,636	10,481,694
Contract Industrial .....	1,360,712	1,642,581
Public Street and Highway Lighting .....	46,242	40,993
Sales to Other Electric Utilities .....	43,581	39,005
Total Sales to Customers .....	<u>35,631,620</u>	<u>34,600,056</u>
Bulk Power Sales .....	<u>4,375,440</u>	<u>6,328,385</u>
Total Sales of Electric Energy .....	<u>40,007,060</u>	<u>40,928,441</u>
Other Operating Revenue		
Rentals and Leases from Elect. Property ...	95,381	60,885
Wheeling .....	846,709	814,589
Service Fees and Other .....	404,233	509,102
Telecommunications Revenue .....	2,193,709	2,250,892
Total Other Operating Revenues .....	<u>3,540,032</u>	<u>3,635,468</u>
 TOTAL OPERATING REVENUES .....	 <u>\$43,547,092</u>	 <u>\$44,563,909</u>
 <b>BILLINGS (Number of Months Billed)</b>		
Residential .....	173,923	172,667
Commercial .....	18,261	18,107
General .....	2,745	2,868
Contract Industrial .....	2	2
Public Streets and Highway Lighting .....	1,173	1,171
Sales to Other Utilities .....	<u>1</u>	<u>1</u>
 TOTAL BILLINGS .....	 <u>196,105</u>	 <u>194,816</u>

YEAR TO DATE		2018 OVER (UNDER) 2017	PERCENT CHANGE
March 31, 2018	March 31, 2017		
\$57,506,181	\$56,171,198	\$1,334,983	2.4%
8,430,642	8,474,392	(43,750)	-0.5%
32,141,641	30,231,524	1,910,117	6.3%
5,231,042	4,930,101	300,941	6.1%
146,338	265,638	(119,300)	-44.9%
135,960	130,431	5,529	4.2%
<u>103,591,804</u>	<u>100,203,284</u>	<u>3,388,520</u>	<u>3.4%</u>
<u>19,448,523</u>	<u>15,137,208</u>	<u>4,311,315</u>	<u>28.5%</u>
<u>123,040,327</u>	<u>115,340,492</u>	<u>7,699,835</u>	<u>6.7%</u>
585,889	844,662	(258,773)	-30.6%
2,551,343	2,620,226	(68,883)	-2.6%
1,260,319	1,389,629	(129,310)	-9.3%
6,477,955	6,511,689	(33,734)	-0.5%
<u>10,875,506</u>	<u>11,366,206</u>	<u>(490,700)</u>	<u>-4.3%</u>
<u>\$133,915,833</u>	<u>\$126,706,698</u>	<u>\$7,209,135</u>	<u>5.7%</u>
478,992	468,545	10,447	2.2%
48,387	47,877	510	1.1%
7,613	7,524	89	1.2%
6	6	-	0.0%
2,959	2,916	43	1.5%
3	3	-	0.0%
<u>537,960</u>	<u>526,871</u>	<u>11,089</u>	<u>2.1%</u>

CITY OF TACOMA, WASHINGTON  
DEPARTMENT OF PUBLIC UTILITIES  
TACOMA POWER

GROSS GENERATION REPORT - March 31, 2018 AND March 31, 2017

	For the month of March 2018	For the month of March 2017
KWH GENERATED, PURCHASED AND INTERCHANGED - Gross		
Generated - LaGrande .....	33,091,000	48,201,000
Generated - Alder .....	19,925,000	25,303,000
TOTAL NISQUALLY .....	53,016,000	73,504,000
Generated - Cushman No. 1 .....	3,321,000	12,082,000
Generated - Cushman No. 2 .....	3,946,000	20,327,000
TOTAL CUSHMAN .....	7,267,000	32,409,000
Generated - Mossyrock .....	65,064,000	140,936,000
Generated - Mayfield .....	55,387,000	112,589,000
TOTAL COWLITZ .....	120,451,000	253,525,000
Generated - Wynoochee .....	1,091,000	6,353,000
Generated - Hood Street .....	-	382,771
Tacoma's Share of Priest Rapids .....	2,665,000	2,843,000
Tacoma's Share of GCPHA .....	6,578,000	1,293,000
TOTAL KWH GENERATED - TACOMA SYSTEM .....	191,068,000	370,309,771
Purchased Power		
BPA Slice Contract .....	243,684,000	277,274,000
BPA Block Contract .....	153,486,000	157,401,000
Interchange Net .....	(134,934,250)	(340,999,000)
TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED ..	453,303,750	463,985,771
Losses .....	4,761,599	3,973,989
Baldi Replacement .....	277,435	201,219
Ketron .....	35,411	28,718
NT PC Mutuals Schedules .....	(3,375,000)	(3,283,000)
PC Mutual Inadvertent .....	(3,040,539)	9,684,104
TACOMA SYSTEM FIRM LOAD .....	451,962,656	474,590,801
Maximum Kilowatts (System Firm Load) .....	795,100	810,150
Average Kilowatts (System Firm Load) .....	607,477	637,891
PIERCE COUNTY MUTUAL LOAD .....	144,806,000	146,225,000
KWH BILLED		
Residential Sales .....	229,614,818	236,997,984
Commercial Sales .....	35,078,550	36,381,940
General .....	176,697,415	174,780,456
Contract Industrial .....	26,084,700	37,661,820
Public Street and Highway Lighting .....	918,219	891,039
Sales to Other Electric Utilities .....	761,400	699,300
TOTAL FIRM .....	469,155,102	487,412,539
Bulk Power Sales .....	182,057,000	383,751,000
TOTAL KWH BILLED .....	651,212,102	871,163,539

YEAR TO DATE		2018 OVER	PERCENT CHANGE
March 31 2018	March 31 2017	(UNDER) 2017	
124,955,000	110,939,000	14,016,000	12.6%
83,550,000	65,266,000	18,284,000	28.0%
<u>208,505,000</u>	<u>176,205,000</u>	<u>32,300,000</u>	18.3%
34,313,000	28,652,000	5,661,000	19.8%
57,684,000	44,505,000	13,179,000	29.6%
<u>91,997,000</u>	<u>73,157,000</u>	<u>18,840,000</u>	25.8%
380,749,000	323,367,000	57,382,000	17.7%
274,623,000	261,075,000	13,548,000	5.2%
<u>655,372,000</u>	<u>584,442,000</u>	<u>70,930,000</u>	12.1%
<u>11,045,000</u>	<u>15,336,000</u>	<u>(4,291,000)</u>	-28.0%
<u>12,200</u>	<u>838,010</u>	<u>(825,810)</u>	-98.5%
<u>8,325,000</u>	<u>8,251,000</u>	<u>74,000</u>	0.9%
<u>6,579,000</u>	<u>1,293,000</u>	<u>5,286,000</u>	408.8%
981,835,200	859,522,010	122,313,190	14.2%
747,778,000	724,807,000	22,971,000	3.2%
443,741,000	455,059,000	(11,318,000)	-2.5%
<u>(789,388,500)</u>	<u>(585,747,000)</u>	<u>(203,641,500)</u>	34.8%
<u>1,383,965,700</u>	<u>1,453,641,010</u>	<u>(69,675,310)</u>	-4.8%
13,675,894	8,717,830	4,958,064	56.9%
493,376	367,439	125,937	34.3%
111,194	111,199	(5)	0.0%
(9,973,000)	(10,349,000)	376,000	-3.6%
<u>(9,205,496)</u>	<u>20,468,695</u>	<u>(29,674,191)</u>	-145.0%
<u>1,379,067,668</u>	<u>1,472,957,173</u>	<u>(93,889,505)</u>	-6.4%
452,851,000	483,266,000	(30,415,000)	-6.3%
667,986,945	695,837,570	(27,850,625)	-4.0%
95,603,727	98,817,299	(3,213,572)	-3.3%
517,242,371	515,762,908	1,479,463	0.3%
114,182,160	112,925,580	1,256,580	1.1%
2,965,596	6,001,649	(3,036,053)	-50.6%
<u>2,454,300</u>	<u>2,416,500</u>	<u>37,800</u>	1.6%
<u>1,400,435,099</u>	<u>1,431,761,506</u>	<u>(31,326,407)</u>	-2.2%
<u>860,307,000</u>	<u>732,508,000</u>	<u>127,799,000</u>	17.4%
<u>2,260,742,099</u>	<u>2,164,269,506</u>	<u>96,472,593</u>	4.5%

CITY OF TACOMA, WASHINGTON  
DEPARTMENT OF PUBLIC UTILITIES  
TACOMA POWER

STATEMENTS OF CASH FLOWS

	YEAR TO DATE	
	March 31, 2018	March 31, 2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash from Customers .....	\$135,208,937	\$121,471,899
Cash Paid to Suppliers .....	(56,522,367)	(58,019,146)
Cash Paid to Employees .....	(31,660,453)	(31,062,496)
Taxes Paid .....	(5,224,194)	(5,575,377)
Conservation Loans .....	(91,539)	(79,193)
Net Cash from Operating Activities .....	<u>41,710,384</u>	<u>26,735,687</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Transfer Out for Gross Earnings Tax .....	(10,328,504)	(9,469,837)
Transfer to Family Need Fund .....	(25,000)	(25,000)
Net Cash from Non-Capital Financing Activities ..	<u>(10,353,504)</u>	<u>(9,494,837)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital Expenditures .....	(14,746,944)	(10,935,308)
Principal Payments on Long-Term Debt .....	(11,575,000)	(12,730,000)
Interest Paid .....	(9,800,866)	(9,638,669)
BABs and CREBs Interest Subsidies .....	988,660	988,660
Contributions in Aid of Construction .....	5,077,269	4,997,208
Net Cash from Capital and Related Financing Activities .....	<u>(30,056,881)</u>	<u>(27,318,109)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received .....	2,203,962	1,440,428
Other Net Non-Op Revenues and Deductions .....	233,101	152,787
Net Cash from Investing Activities .....	<u>2,437,063</u>	<u>1,593,215</u>
Net Increase Change in Cash and		
Equity in Pooled Investments .....	3,737,062	(8,484,044)
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 March 31....	<u><u>227,673,764</u></u>	<u><u>\$249,098,049</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

	March 31, 2018	March 31, 2017
<b>Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities:</b>		
Net Operating Income .....	\$35,790,326	\$28,503,693
Adjustments to reconcile net operating income to net cash provided by operating activities:		
Depreciation .....	13,970,237	14,413,710
Amortization of Regulatory Assets .....	2,058,262	1,879,820
Cash provided from changes in operating assets and liabilities:		
Accounts Receivable and Unbilled Revenue .....	1,293,106	(5,234,798)
Conservation Loans Receivable .....	(91,539)	(79,193)
Interfund Receivables .....	1,820,401	2,226,220
Inventory, Materials and Supplies, and Other ....	(140,716)	588,086
Taxes and Other Payables .....	(13,236,800)	(14,641,552)
Purchased Power Payable .....	(200,785)	(187,678)
Salaries and Wages Payable .....	1,859,495	1,970,231
Customers' Deposits .....	(41,491)	(18,851)
Regulatory Assets - Conservation .....	(1,302,651)	(543,092)
Interfund Payables .....	(67,461)	(2,140,909)
Total Adjustments .....	5,920,058	(1,768,006)
Net Cash from Operating Activities .....	\$41,710,384	\$26,735,687
 Reconciliation of Cash and Equity in Pooled Investments to Balance Sheet:		
Cash and Equity in Pooled Investments in Special Funds .....	\$15,160,928	\$26,566,012
Cash and Equity in Pooled Investments in Operating Funds.....	212,512,836	222,532,037
Cash and Equity in Pooled Investments at March 31 .....	\$227,673,764	\$249,098,049

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

OPERATIONAL SUMMARY - March 31, 2018

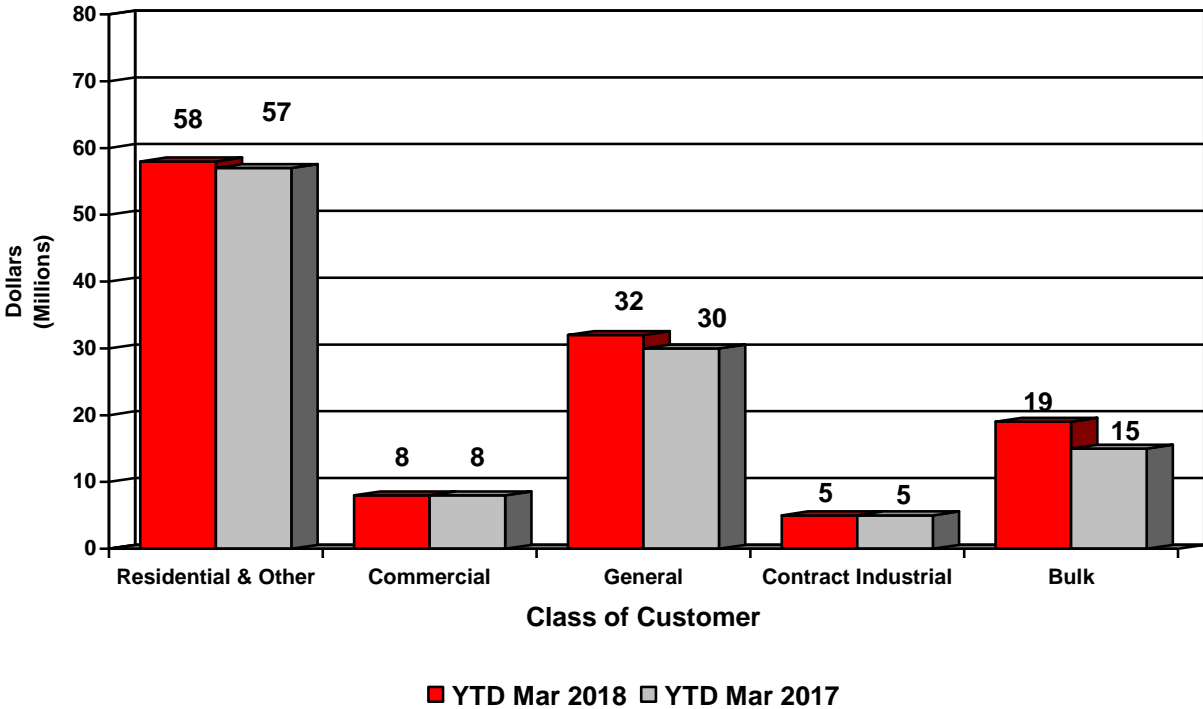
	<u>March 2018</u>	<u>March 2017</u>
<b>TELECOMMUNICATIONS REVENUE</b>		
CATV .....	\$1,466,957	\$1,543,202
Broadband .....	90,893	90,431
ISP .....	613,001	595,597
Interdepartmental .....	22,858	21,662
Total Operating Revenue .....	<u>2,193,709</u>	<u>2,250,892</u>
<b>TELECOMMUNICATIONS EXPENSE-COMMERCIAL</b>		
Administration & Sales Expense .....		
Salaries & Wages Expense .....	266,590	278,060
General Expense .....	55,711	11,103
Contract Services .....	1,190,750	1,188,743
IS & Intergovernmental Services .....	142,337	139,674
Fleet Services .....	779	523
Capitalized A & G Expense .....	(4,813)	(2,831)
Total Admin. & Sales Expense .....	<u>1,651,354</u>	<u>1,615,272</u>
Operations & Maintenance Expense ...		
Salaries & Wages Expense .....	378,739	454,687
General Expense .....	25,179	49,406
Contract Services .....	43,145	61,597
IS & Intergovernmental Services .....	3,446	7,852
Fleet Services .....	27,556	19,861
New Connect Capital .....	(10,293)	(7,925)
Total Oper. & Maint. Expense .....	<u>467,772</u>	<u>585,478</u>
Total Telecommunications Expense .	2,119,126	2,200,750
Net Revenues (Expenses) Before Taxes and Depreciation and Amortization ....	74,583	50,142
Taxes .....	302,445	312,230
Depreciation and Amortization .....	189,348	205,683
	<u>491,793</u>	<u>517,913</u>
NET OPERATING REVENUES (EXPENSES) ....	<u>(417,210)</u>	<u>(467,771)</u>

YEAR TO DATE			
March 31 2018	March 31 2017	2018/2017 VARIANCE	PERCENT CHANGE
\$4,308,896	\$4,352,656	(\$43,760)	-1.0%
264,952	271,695	(6,743)	-2.5%
1,836,000	1,822,220	13,780	0.8%
68,107	65,118	2,989	4.6%
<u>6,477,955</u>	<u>6,511,689</u>	<u>(33,734)</u>	-0.5%
774,251	810,843	(36,592)	-4.5%
116,050	97,762	18,288	18.7%
3,389,891	3,276,243	113,648	3.5%
411,639	390,568	21,071	5.4%
1,034	1,503	(469)	-31.2%
(6,358)	(15,403)	9,045	58.7%
<u>4,686,507</u>	<u>4,561,516</u>	<u>124,991</u>	2.7%
1,150,791	1,351,673	(200,882)	-14.9%
75,507	104,373	(28,866)	-27.7%
193,923	150,760	43,163	28.6%
8,024	14,921	(6,897)	-46.2%
55,621	54,475	1,146	2.1%
(25,934)	(27,093)	1,159	4.3%
<u>1,457,932</u>	<u>1,649,109</u>	<u>(191,177)</u>	-11.6%
6,144,439	6,210,625	(66,186)	-1.1%
333,516	301,064	32,452	10.8%
892,595	899,459	(6,864)	-0.8%
574,338	617,598	(43,260)	-7.0%
<u>1,466,933</u>	<u>1,517,057</u>	<u>(50,124)</u>	
<u>(1,133,417)</u>	<u>(1,215,993)</u>	<u>82,576</u>	6.8%

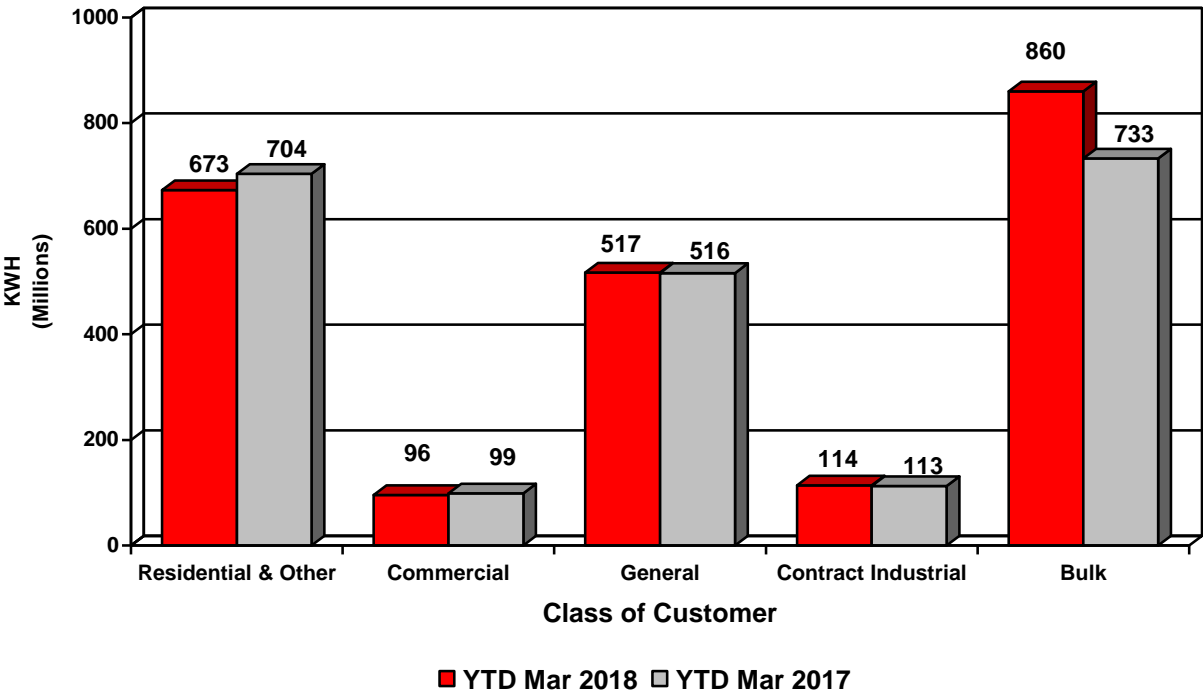
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# Supplemental Data

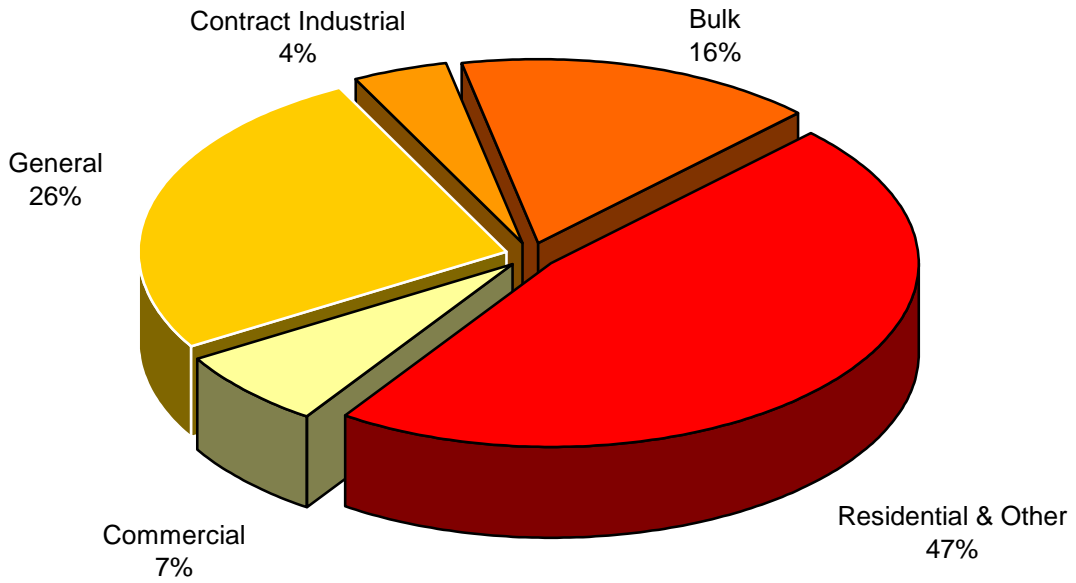
**SALES OF ELECTRIC ENERGY**  
**Year to Date - March 2018 & 2017**



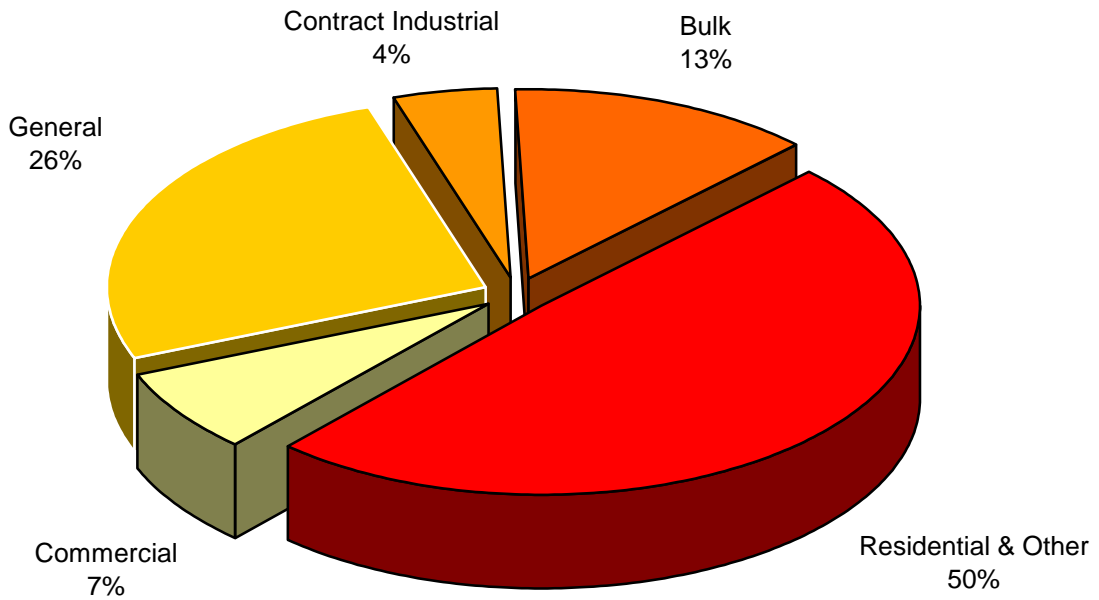
**TOTAL POWER BILLED**  
**Year to Date - March 2018 & 2017**



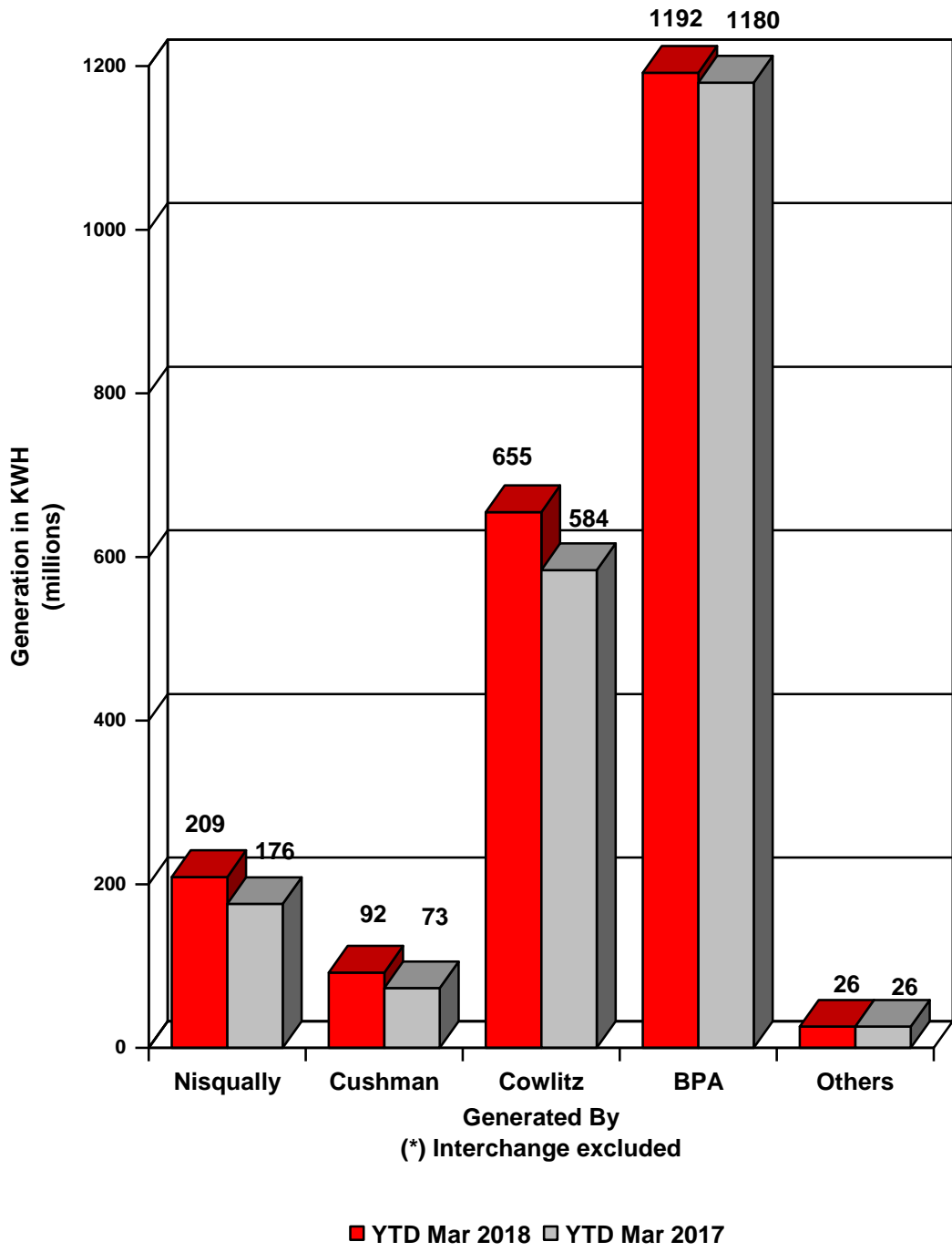
**SALES OF ELECTRIC ENERGY**  
**Year to Date - Mar 2018 (\$123,040,327)**



**SALES OF ELECTRIC ENERGY**  
**Year to Date - Mar 2017 (\$115,340,492)**

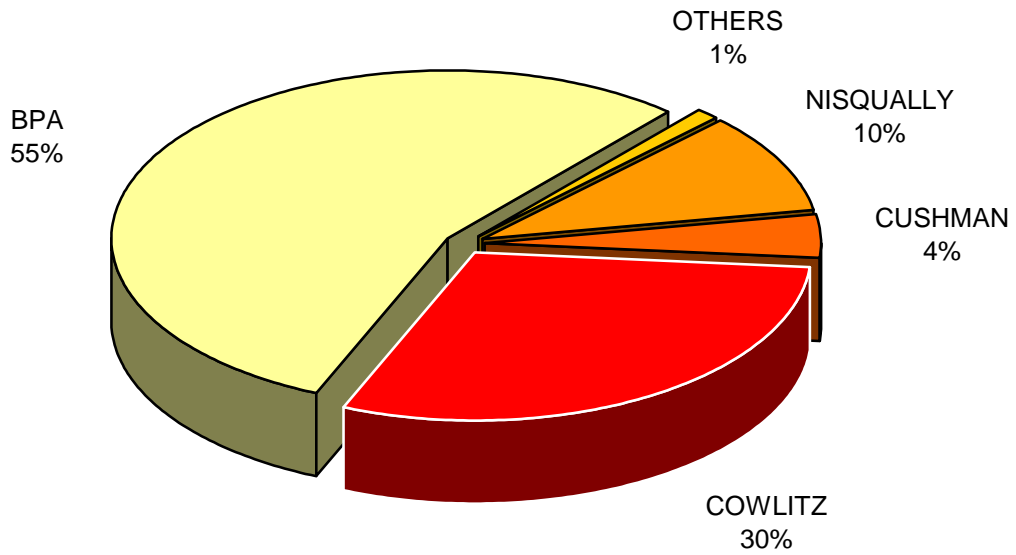


**POWER SOURCES (\*)**  
**Year to Date March 2018 & 2017**

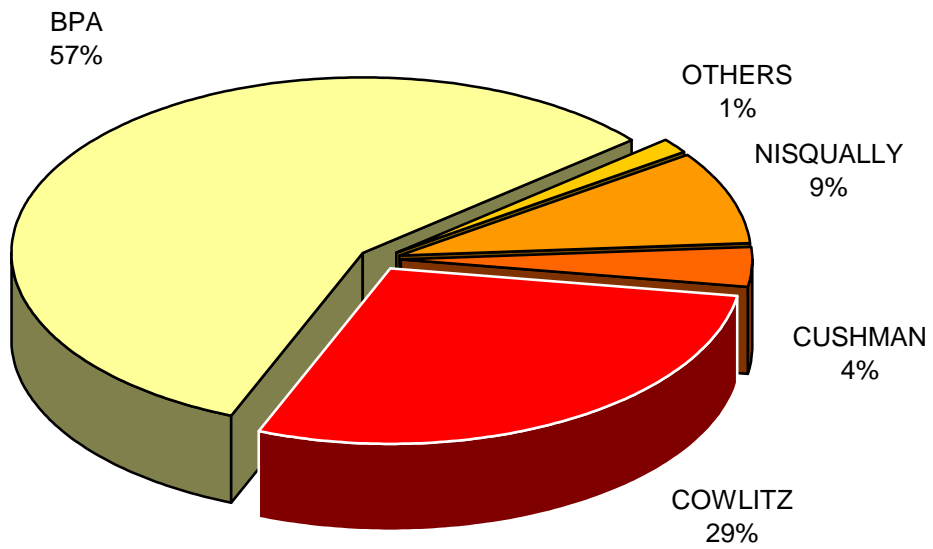




**POWER SOURCES (\*)**  
**Year to Date - March 2018**

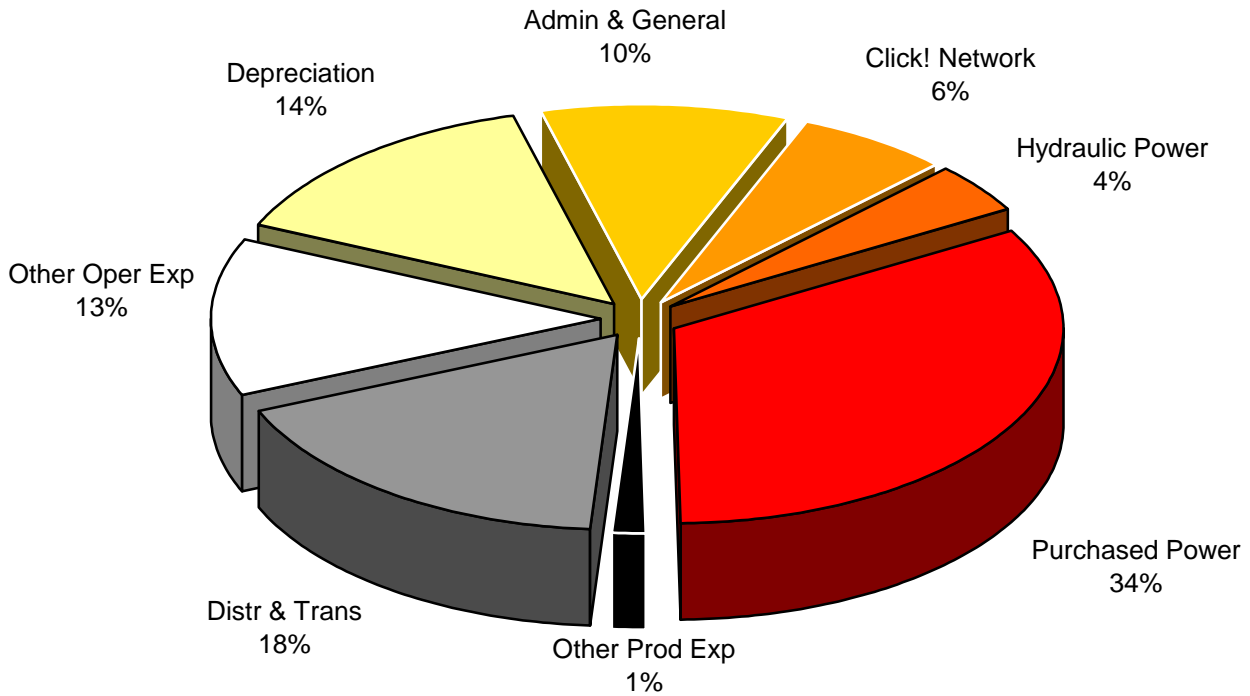


**POWER SOURCES (\*)**  
**Year to Date - March 2017**

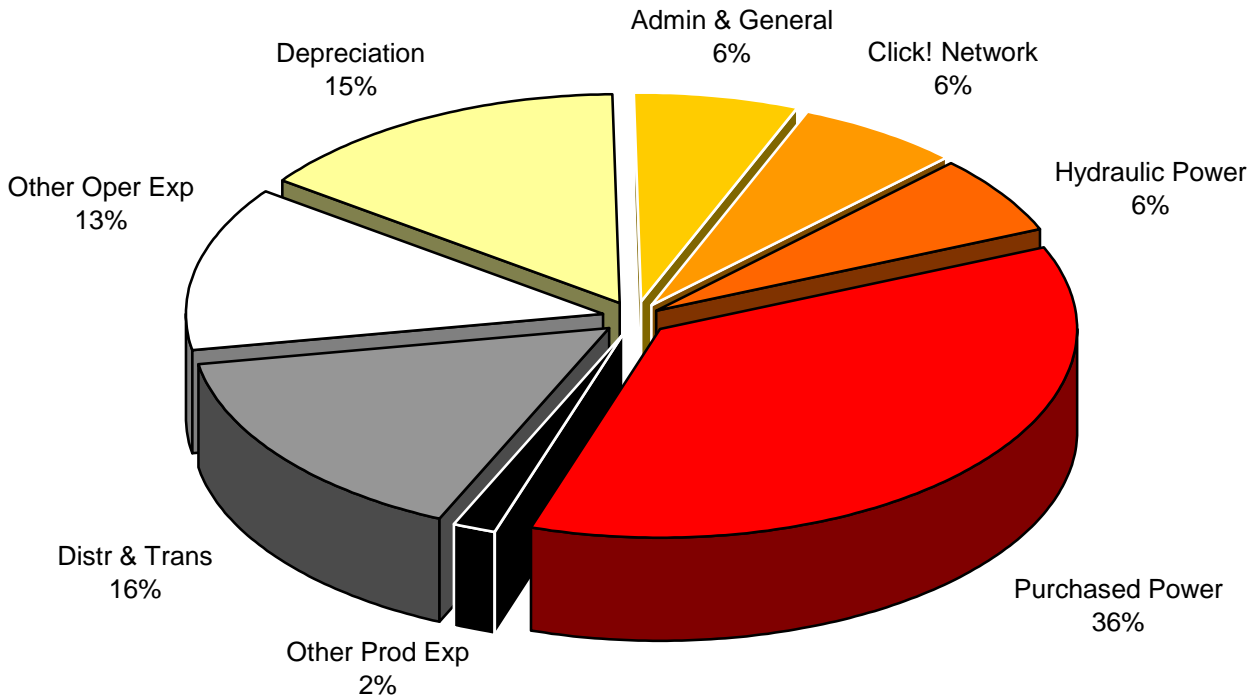


(\*) Interchange excluded

**TOTAL OPERATING EXPENSES \***  
**Year to Date - Mar 2018 (\$98,125,507)**



**TOTAL OPERATING EXPENSES \***  
**Year to Date - Mar 2017 (\$98,203,005)**



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



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