
NOVEMBER

TACOMA RAIL

2013

**FINANCIAL
REPORT**



Public Utility Board

DAVID NELSON

Chair

WOODROW JONES

Vice-Chair

BRYAN FLINT

Secretary

MARK PATTERSON

Member

MONIQUE TRUDNOWSKI

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

TABLE OF CONTENTS

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.

| | |
|---|--------|
| STATEMENTS OF NET POSITION | 2 - 3 |
| STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION | 4 - 5 |
| SUMMARY OF SWITCHING REVENUES AND SWITCHING ACTIVITIES | 6 - 7 |
| SUPPLEMENTAL DATA | 9 - 13 |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF NET POSITION

| ASSETS | NOVEMBER 30, | |
|---|---------------------|---------------------|
| | 2013 | 2012 |
| CAPITAL ASSETS | | |
| Road and Equipment Property | \$30,682,676 | \$26,903,848 |
| Less Accumulated Depreciation | (15,172,039) | (14,763,089) |
| Total | 15,510,637 | 12,140,759 |
| Construction Work in Progress | 1,934,106 | 3,889,187 |
| Net Capital Assets | 17,444,743 | 16,029,946 |
| SPECIAL FUNDS | | |
| Cash and Equity in Pooled Investments: | | |
| Debt Service Funds | 43,403 | 347,475 |
| Total Special Funds | 43,403 | 347,475 |
| CURRENT ASSETS | | |
| Cash & Equity in Pooled Investments | 7,069,123 | 4,483,992 |
| Customer Accounts Receivable | 2,592,295 | 3,403,029 |
| Prepayments | 1,939,741 | 1,680,698 |
| Materials and Supplies Inventory..... | 822,993 | 617,637 |
| Total Current Assets | 12,424,152 | 10,185,356 |
| TOTAL ASSETS | \$29,912,298 | \$26,562,777 |

These statements should be read in conjunction with the Notes to Financial Statements contained in the 2012 Annual Report.

| NET POSITION AND LIABILITIES | November 30, | |
|--|---------------------|---------------------|
| | 2013 | 2012 |
| NET POSITION | | |
| Net Investment in Capital Assets..... | \$14,225,921 | \$13,175,621 |
| Restricted for: | | |
| Debt Service | 43,403 | 347,475 |
| Unrestricted | 8,944,988 | 6,736,455 |
| TOTAL NET POSITION | 23,214,312 | 20,259,551 |
| LONG-TERM DEBT, NET OF CURRENT MATURITIES | | |
| 2006 Senior Lien Revenue Bond | 548,332 | 771,620 |
| State Loans..... | 2,215,905 | 1,383,522 |
| Total Long-Term Liabilities | 2,764,237 | 2,155,142 |
| CURRENT LIABILITIES | | |
| Accounts Payable | 472,593 | 411,411 |
| Customer Deposits | 54,300 | 61,500 |
| Wages Payable | 298,366 | 260,142 |
| Unemployment and other Tax Payables | 211,026 | 226,205 |
| Volume Incentive Payable | 666,668 | 1,083,333 |
| Current Portion of Long Term Debt | 454,584 | 703,337 |
| Interest Payable | 6,932 | 9,488 |
| Current Portion of Compensated Absences | 83,098 | 70,978 |
| Total Current Liabilities | 2,247,567 | 2,826,394 |
| LONG-TERM LIABILITIES | | |
| On the Job Injury Reserve | 643,239 | 567,726 |
| Long Term Portion of Compensated Absences | 747,880 | 638,804 |
| Other Long-Term Liabilities | 295,063 | 115,160 |
| Total Long-Term Liabilities | 1,686,182 | 1,321,690 |
| TOTAL LIABILITIES | 6,697,986 | 6,303,226 |
| TOTAL NET POSITION AND LIABILITIES | \$29,912,298 | \$26,562,777 |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

| | NOVEMBER 2013 | NOVEMBER 2012 (As Restated) |
|---|------------------|-----------------------------------|
| OPERATING REVENUES | | |
| Switching Revenues | \$1,932,383 | \$1,926,286 |
| Demurrage and Other Operating Revenues | 142,587 | 166,220 |
| Total Operating Revenues | 2,074,970 | 2,092,506 |
| OPERATING EXPENSES | | |
| Maintenance of Way and Structures | | |
| Salaries and Wages | 52,314 | 61,960 |
| Supplies and Expense | 137,215 | 75,663 |
| Mechanical | | |
| Salaries and Wages | 73,368 | 72,129 |
| Supplies and Expense | 164,762 | 193,168 |
| Operations | | |
| Salaries and Wages | 479,326 | 458,381 |
| Supplies and Expense | 236,639 | 240,878 |
| Administration | | |
| Salaries and Wages | 104,636 | 110,884 |
| Supplies and Expense | 207,680 | 287,380 |
| Taxes - State | 30,260 | 36,558 |
| Depreciation | 84,060 | 62,936 |
| Total Operating Expenses | 1,570,260 | 1,599,937 |
| Net Operating Income | 504,710 | 492,569 |
| NON-OPERATING REVENUES (EXPENSES) | | |
| Interest Income | 4,736 | 4,329 |
| Miscellaneous | 74,012 | 73,019 |
| Interest Expense | (3,466) | (4,744) |
| Total Non-Operating Revenues | 75,282 | 72,604 |
| Contributions - Grants | - | - |
| Contributions - Others | - | - |
| Total Contributions | - | - |
| Transfers | | |
| City of Tacoma Gross Earnings Tax | 160,984 | 173,588 |
| Transfers to other funds | - | - |
| Total Transfers | 160,984 | 173,588 |
| CHANGE IN NET POSITION | \$419,008 | \$391,585 |
| 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 2013 Financial Report.

| YEAR TO DATE | | | |
|----------------------|---------------------------------------|-----------------------|-------------------|
| NOVEMBER 30, 2013 | NOVEMBER 30, 2012 (As Restated) | 2013/2012 VARIANCE | PERCENT CHANGE |
| \$22,536,484 | \$18,912,743 | \$3,623,741 | 19.2% |
| 2,236,561 | 2,047,770 | 188,791 | 9.2% |
| <u>24,773,045</u> | <u>20,960,513</u> | <u>3,812,532</u> | 18.2% |
| 631,741 | 697,039 | (65,298) | -9.4% |
| 1,500,903 | 1,530,763 | (29,860) | -2.0% |
| 861,008 | 824,947 | 36,061 | 4.4% |
| 2,358,506 | 2,464,109 | (105,603) | -4.3% |
| 5,632,868 | 4,838,577 | 794,291 | 16.4% |
| 3,158,038 | 2,634,343 | 523,695 | 19.9% |
| 1,275,290 | 1,228,625 | 46,665 | 3.8% |
| 3,952,434 | 2,879,254 | 1,073,180 | 37.3% |
| 404,886 | 367,235 | 37,651 | 10.3% |
| 883,502 | 701,363 | 182,139 | 26.0% |
| <u>20,659,176</u> | <u>18,166,255</u> | <u>2,492,921</u> | 13.7% |
| 4,113,869 | 2,794,258 | 1,319,611 | 47.2% |
| 16,248 | 35,418 | (19,170) | -54.1% |
| 822,139 | 843,850 | (21,711) | -2.6% |
| (42,475) | (57,345) | 14,870 | -25.9% |
| <u>795,912</u> | <u>821,923</u> | <u>(26,011)</u> | -3.2% |
| - | 165,410 | (165,410) | -100.0% |
| - | 80,897 | (80,897) | -100.0% |
| - | 246,307 | (246,307) | -100.0% |
| 2,045,439 | 1,749,767 | 295,672 | 16.9% |
| - | (31) | 31 | -100.0% |
| <u>2,045,439</u> | <u>1,749,736</u> | <u>295,703</u> | 16.9% |
| 2,864,342 | 2,112,752 | \$751,590 | 35.6% |
| <u>20,349,970</u> | <u>18,146,799</u> | | |
| <u>\$23,214,312</u> | <u>\$20,259,551</u> | | |

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

SUMMARY OF SWITCHING REVENUES AND SWITCHING ACTIVITIES

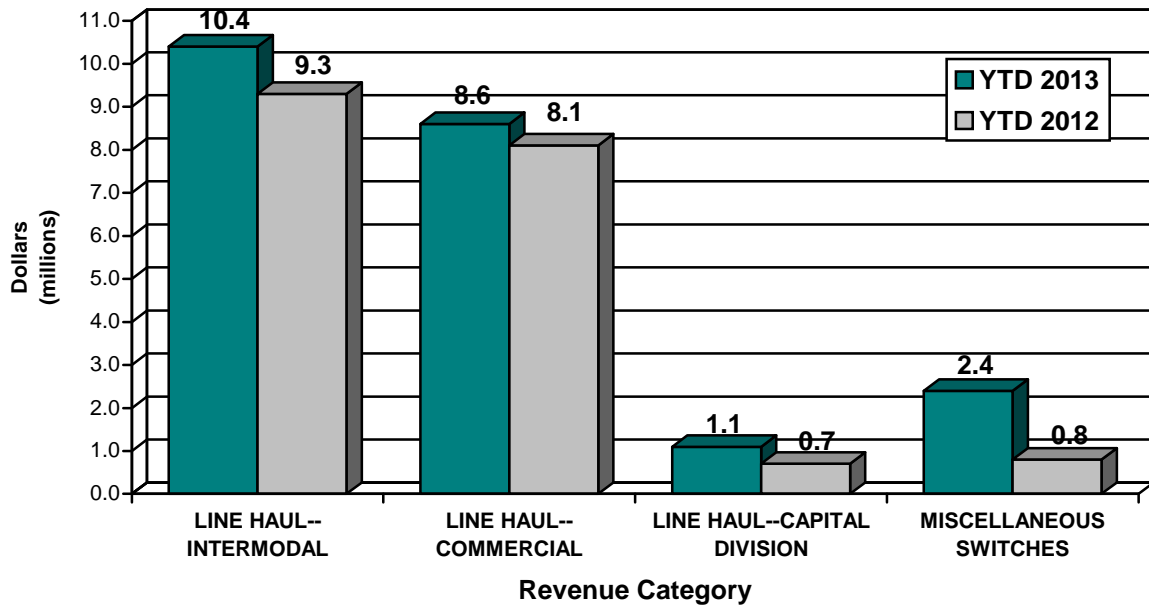
| | <u>NOVEMBER 2013</u> | <u>NOVEMBER 2012</u> |
|--|---------------------------|---------------------------|
| SWITCHING REVENUES | | |
| LINE HAULS--INTERMODAL | \$836,252 | \$951,429 |
| LINE HAULS--COMMERCIAL | 725,120 | 828,915 |
| LINE HAULS--CAPITAL DIVISION | 95,765 | 75,824 |
| MISCELLANEOUS SWITCHES | <u>275,246</u> | <u>70,118</u> |
| TOTAL SWITCHING REVENUES | <u><u>\$1,932,383</u></u> | <u><u>\$1,926,286</u></u> |
| SWITCHING ACTIVITIES (CARS) | | |
| LINE HAULS--INTERMODAL | 16,778 | 5,635 |
| LINE HAULS--COMMERCIAL | 2,336 | 2,576 |
| LINE HAULS--CAPITAL DIVISION | 213 | 173 |
| MISCELLANEOUS SWITCHES | <u>136</u> | <u>210</u> |
| TOTAL CARS SWITCHED | <u><u>19,463</u></u> | <u><u>8,594</u></u> |

| YEAR TO DATE | | | |
|----------------------------|----------------------------|---------------------------|-------------------|
| NOVEMBER 30, 2013 | NOVEMBER 30, 2012 | 2013/2012 VARIANCE | PERCENT CHANGE |
| \$10,442,370 | \$9,253,889 | \$1,188,481 | 12.8% |
| 8,576,165 | 8,107,530 | 468,635 | 5.8% |
| 1,071,885 | 745,651 | 326,234 | 43.8% |
| <u>2,446,064</u> | <u>805,673</u> | <u>1,640,391</u> | 203.6% |
| <u><u>\$22,536,484</u></u> | <u><u>\$18,912,743</u></u> | <u><u>\$3,623,741</u></u> | 19.2% |
| 99,053 | 53,928 | 45,125 | 83.7% |
| 27,083 | 25,680 | 1,403 | 5.5% |
| 2,384 | 1,706 | 678 | 39.7% |
| <u>1,695</u> | <u>2,369</u> | <u>(674)</u> | -28.5% |
| <u><u>130,215</u></u> | <u><u>83,683</u></u> | <u><u>46,532</u></u> | 55.6% |

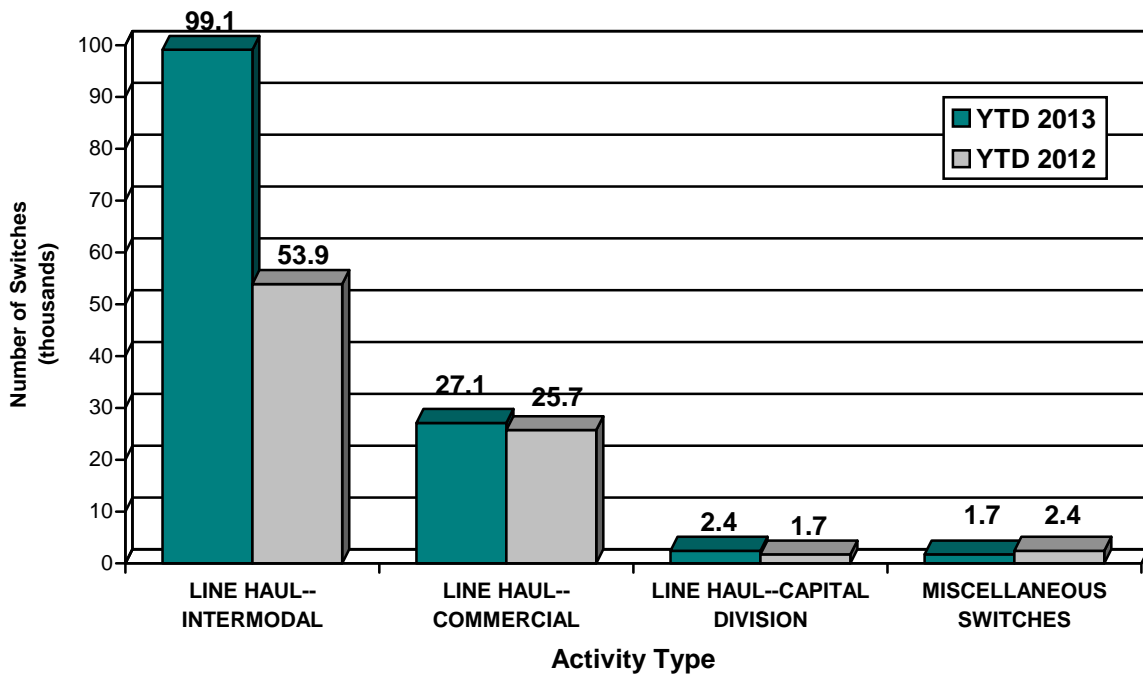
This page has been left blank intentionally.

Supplemental Data

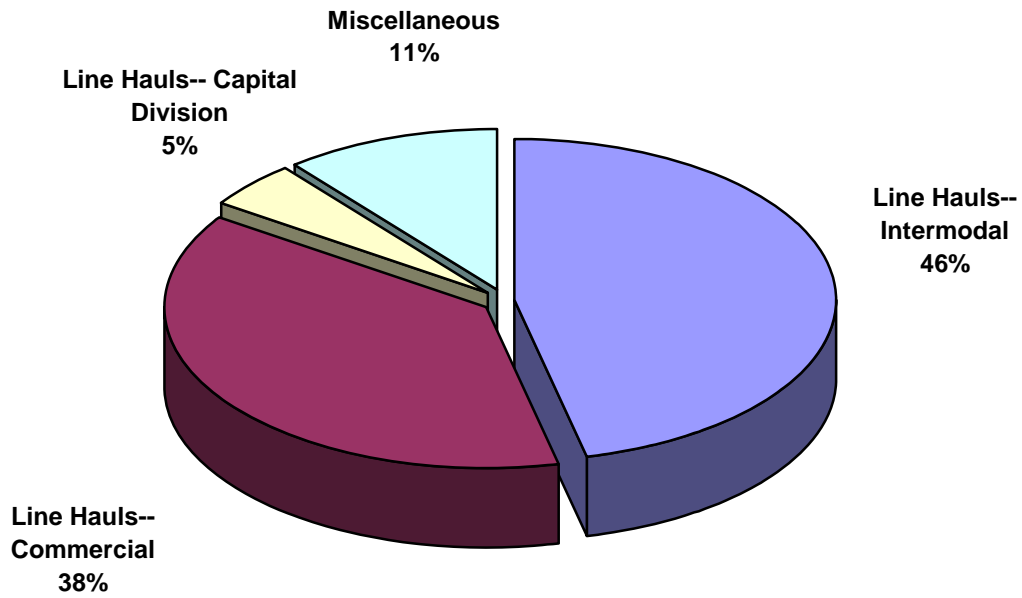
SWITCHING REVENUES
Year to Date - November 2013 & 2012



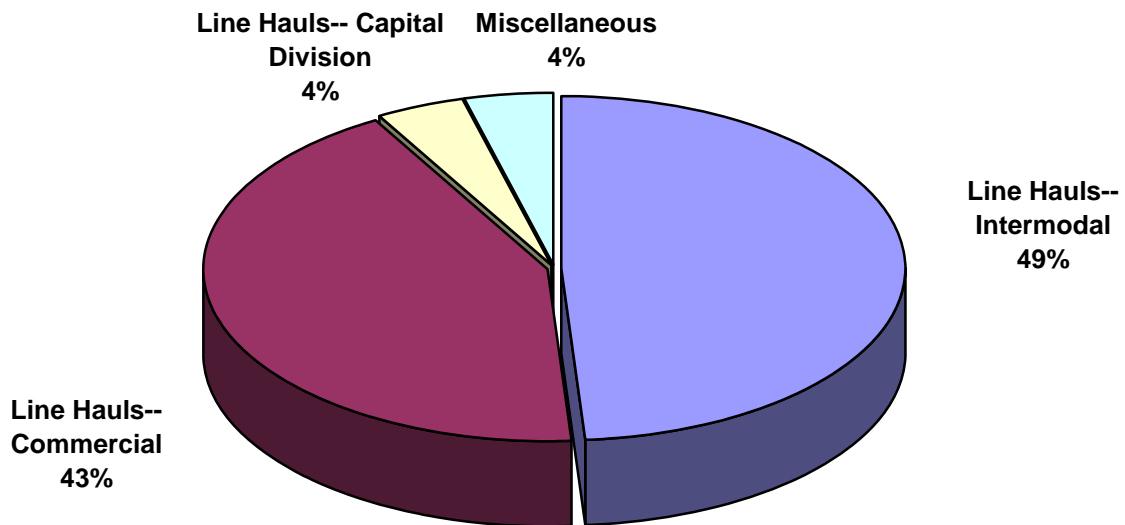
SWITCHING ACTIVITIES
Year to Date - November 2013 & 2012



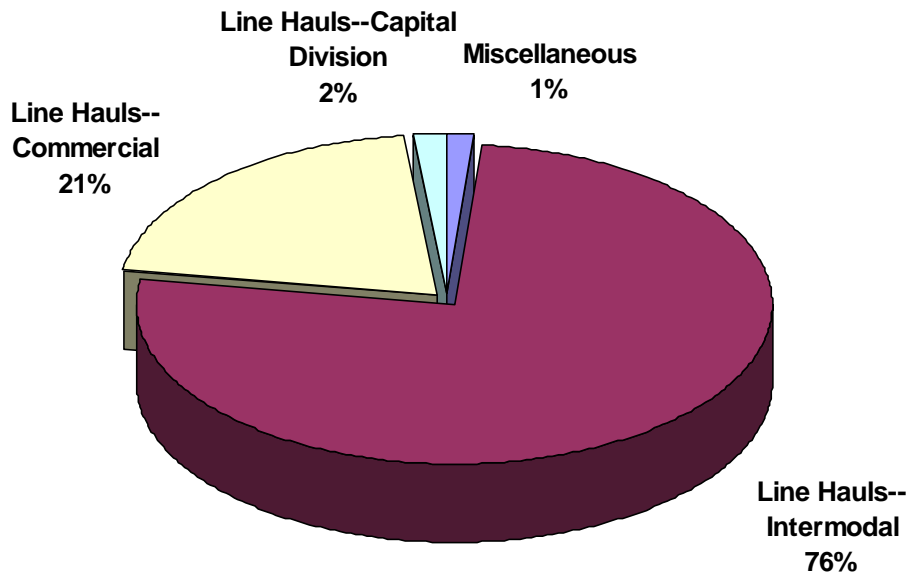
SWITCHING REVENUES
Year to Date - November 2013 (\$22,536,484)



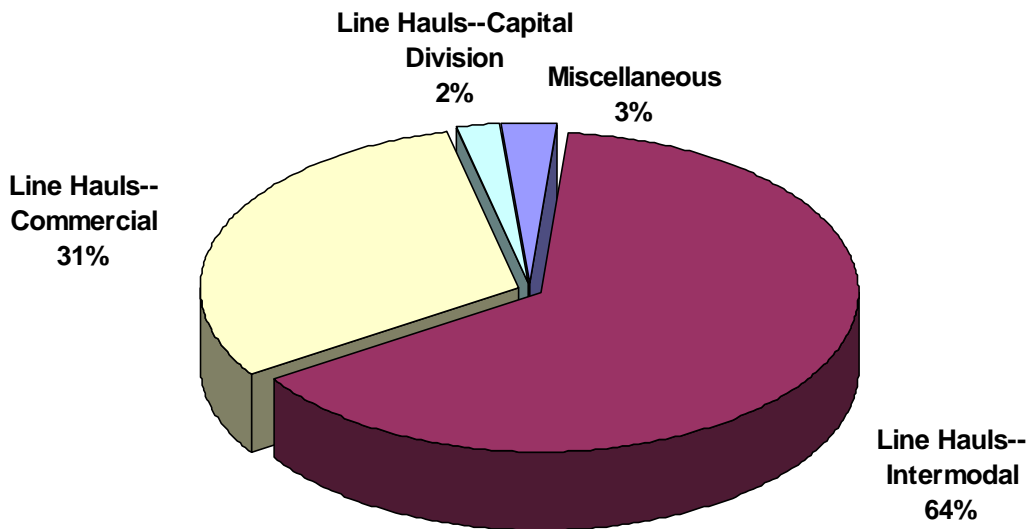
SWITCHING REVENUES
Year to Date - November 2012 (\$18,912,743)



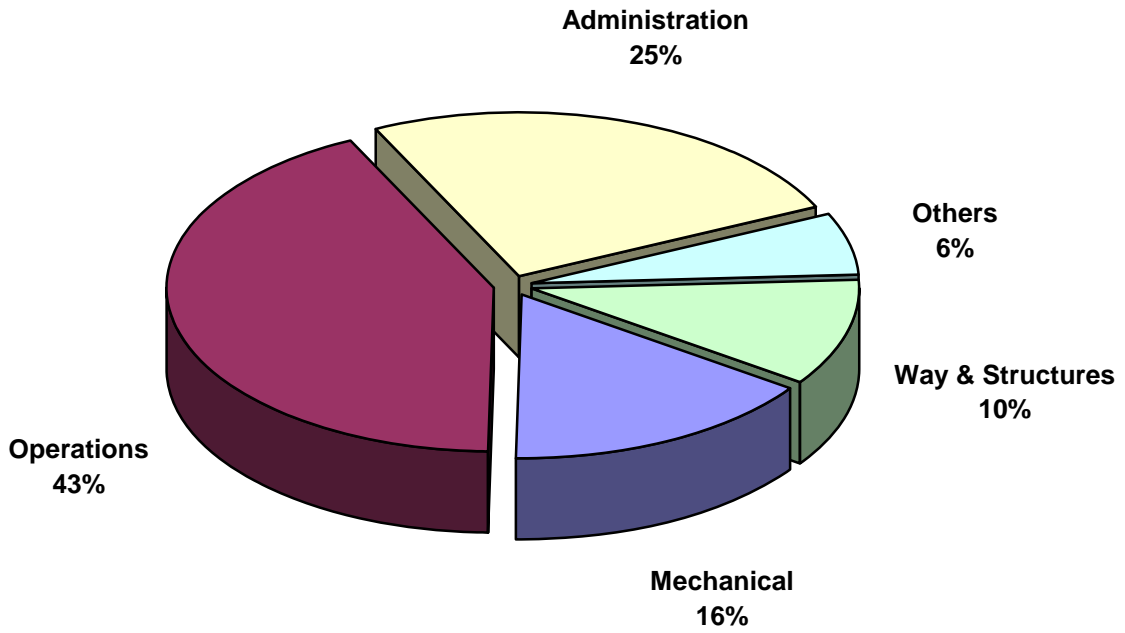
SWITCHING ACTIVITY
Year to Date - November 2013 (130,215 cars)



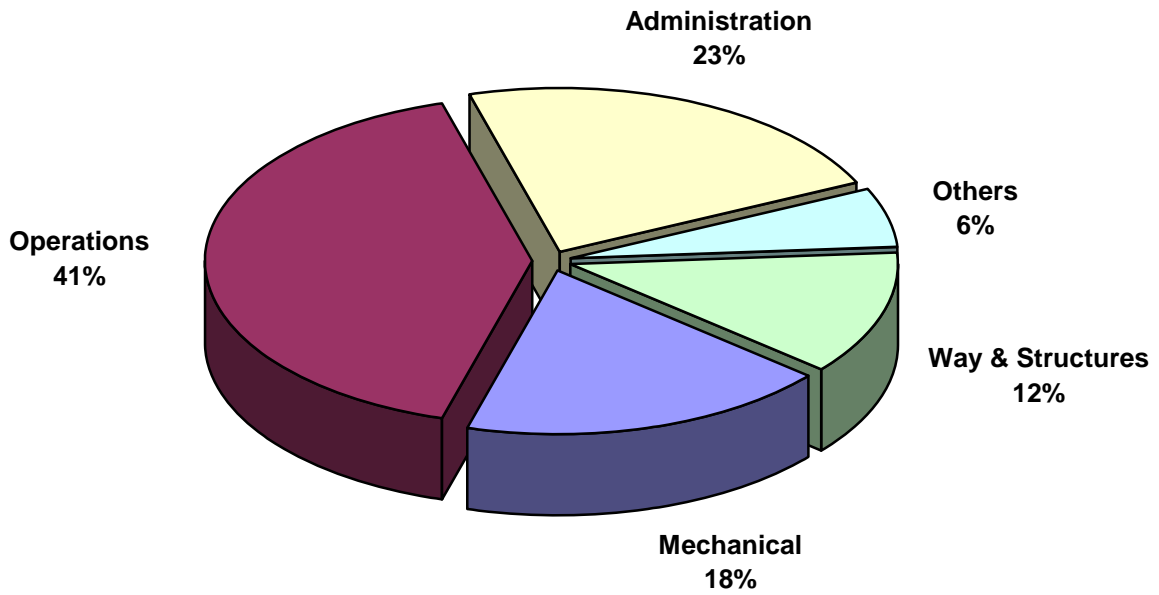
SWITCHING ACTIVITY
Year to Date - November 2012 (83,683 cars)



TOTAL OPERATING EXPENSES
Year to Date - November 2013 (\$20,659,176)



TOTAL OPERATING EXPENSES
Year to Date - November 2012 (\$18,166,255)





The City of Tacoma does not discriminate on the basis of disability in any of its programs, activities, or services. To request this information in an alternative format or to request a reasonable accommodation, please contact the City Clerk's Office at (253) 591-5505. TTY or speech to speech users please dial 711 to connect to Washington Relay Services.