



*Fleet Services Division
Financial Report
August 2013*

**City of Tacoma
Fleet Services
Administrative Division
Public Works Department
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Notification

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.

Immaterial differences may occur due to rounding.

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Management's Discussion and Analysis

The Management Discussion and Analysis (MD&A) is provided on quarterly basis: March, June, September, and December. The statements should be read in conjunction with the MD&A in the most recent quarter.

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Financial Statements

City of Tacoma
Public Works Department
Fleet Services Division
Statements of Net Position (Unaudited)

	August 31,		Increase (Decrease)
	2013	2012	
ASSETS			
Current assets :			
Cash and equity in pooled investments:			
Operating Fund	\$ 1,298,851	\$ 962,937	\$ 335,914
Capital Outlay Non-General Fund	3,904,702	4,015,026	(110,324)
Capital Outlay General Fund	126,150	-	126,150
Total cash and equity in pooled investments	<u>5,329,703</u>	<u>4,977,963</u>	<u>351,740</u>
Accounts receivable	22,074	31,678	(9,604)
Inventories	396,118	397,596	(1,478)
Prepaid items	41,984	-	41,984
GASB 31 market rate adjustment	32,829	26,596	6,233
Total current assets	<u>5,822,708</u>	<u>5,433,833</u>	<u>388,875</u>
Noncurrent assets:			
Operating Fund capital assets:			
Buildings	3,471,693	3,471,693	-
Equipment	366,957	368,385	(1,428)
Less accumulated depreciation	<u>(1,287,707)</u>	<u>(1,152,152)</u>	<u>(135,555)</u>
Assets in service, net	<u>2,550,943</u>	<u>2,687,926</u>	<u>(136,983)</u>
Total Operating Fund capital assets	<u>2,550,943</u>	<u>2,687,926</u>	<u>(136,983)</u>
Capital assets leased to others:			
Equipment	43,654,659	43,251,887	402,772
EV charging stations	118,756	118,756	-
Purchased equipment not yet in service	1,814,884	2,069,008	(254,124)
Less accumulated depreciation	<u>(29,558,545)</u>	<u>(28,430,458)</u>	<u>(1,128,087)</u>
Total capital assets leased to others	<u>16,029,754</u>	<u>17,009,193</u>	<u>(979,439)</u>
Total noncurrent assets	<u>18,580,697</u>	<u>19,697,119</u>	<u>(1,116,422)</u>
Total assets	<u>\$ 24,403,405</u>	<u>\$ 25,130,952</u>	<u>\$ (727,547)</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 103,164	\$ 370,368	\$ (267,204)
Accrued wages and benefits payable	58,080	66,923	(8,843)
Compensated absences	22,596	12,384	10,212
Accrued taxes payable	8,980	2,793	6,187
Total current liabilities	<u>192,820</u>	<u>452,468</u>	<u>(259,648)</u>
Noncurrent liabilities:			
Compensated absences	<u>203,366</u>	<u>235,298</u>	<u>(31,932)</u>
Total noncurrent liabilities	<u>203,366</u>	<u>235,298</u>	<u>(31,932)</u>
Total liabilities	<u>396,186</u>	<u>687,766</u>	<u>(291,580)</u>
NET POSITION			
Invested in capital assets	18,580,697	19,697,119	(1,116,422)
Unrestricted	5,426,522	4,746,067	680,455
Total net position	<u>24,007,219</u>	<u>24,443,186</u>	<u>(435,967)</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 24,403,405</u>	<u>\$ 25,130,952</u>	<u>\$ (727,547)</u>

These statements should be read in conjunction with the Notes to the Financial Statements contained in the City of Tacoma's appropriate Comprehensive Annual Financial Report (CAFR).

City of Tacoma
Public Works Department
Fleet Services Division
Statements of Revenues, Expenses, and Changes in Net Position (Unaudited)

	Month of August		Year-to-Date August		Increase	% CHG
	2013	2012	2013	2012	(Decrease)	
OPERATING REVENUES						
Administrative revenue	\$ 118,685	\$ 88,275	\$ 940,874	\$ 713,079	\$ 227,795	32%
Lease revenue	78,965	74,633	618,297	594,084	24,213	4%
Fuel revenue	10,700	12,798	83,188	90,196	(7,008)	(8%)
Vendor repair revenue	7,476	6,898	51,327	40,635	10,692	26%
Services and repairs revenue	308,954	348,766	2,440,931	2,929,741	(488,810)	(17%)
Parts revenue	45,873	49,734	363,782	371,078	(7,296)	(2%)
Full service maintenance revenue	160,439	166,599	1,287,364	1,336,875	(49,511)	(4%)
Total operating revenues	<u>731,092</u>	<u>747,703</u>	<u>5,785,763</u>	<u>6,075,688</u>	<u>(289,925)</u>	<u>(5%)</u>
OPERATING EXPENSES						
Depreciation	254,095	255,690	2,013,373	2,026,470	(13,097)	(1%)
Shop operation expenses	452,407	549,538	3,517,652	4,233,345	(715,693)	(17%)
Parts sales expenses	49,121	61,033	371,315	382,671	(11,356)	(3%)
Fuel sales expenses	4,971	3,806	29,033	8,005	21,028	263%
General and administration expenses	131,696	96,021	970,651	698,027	272,624	39%
Total operating expenses	<u>892,290</u>	<u>966,088</u>	<u>6,902,024</u>	<u>7,348,518</u>	<u>(446,494)</u>	<u>(6%)</u>
Operating income (loss)	<u>(161,198)</u>	<u>(218,385)</u>	<u>(1,116,261)</u>	<u>(1,272,830)</u>	<u>156,569</u>	<u>(12%)</u>
NONOPERATING REVENUES (EXPENSES)						
Interest earned on pooled investments:						
- Operating Fund	850	1,836	7,393	9,074	(1,681)	(19%)
- Capital Outlay Funds	2,628	7,501	27,552	46,050	(18,498)	(40%)
Gain(loss) on disposal of capital assets	-	-	(6,826)	(1,196)	(5,630)	471%
Cash proceeds from sale of capital assets	28,200	3,500	200,625	33,450	167,175	500%
Miscellaneous nonoperating income (expense)	-	(173)	-	(1,373)	1,373	(100%)
Cash proceeds from miscellaneous sales	-	-	1,840	100	1,740	1,740%
Total nonoperating revenues	<u>31,678</u>	<u>12,664</u>	<u>230,584</u>	<u>86,105</u>	<u>144,479</u>	<u>168%</u>
CHANGE IN NET POSITION						
Income (loss) before contributions/transfers	(129,520)	(205,721)	(885,677)	(1,186,725)	301,048	(25%)
Contribution for purchase of capital assets	192,732	1,131,873	772,772	1,729,731	(956,959)	(55%)
Contribution from other funds	-	-	-	53,102	(53,102)	(100%)
Transfers from other funds - cash	-	-	10,681	-	10,681	N/A
Change in net position	<u>\$ 63,212</u>	<u>\$ 926,152</u>	<u>(102,224)</u>	<u>596,108</u>	<u>(698,332)</u>	<u>(117%)</u>
Total net position - beginning			<u>24,109,443</u>	<u>23,847,078</u>	<u>262,365</u>	<u>1%</u>
Total net position - ending			<u>\$ 24,007,219</u>	<u>\$ 24,443,186</u>	<u>\$ (435,967)</u>	<u>(2%)</u>

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**City of Tacoma
Public Works Department
Fleet Services Division
Statements of Cash Flows (Unaudited)**

	Year-to-Date August		Increase
	2013	2012	(Decrease)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 5,866,040	\$ 6,937,872	\$ (1,071,832)
Payments to suppliers	(2,169,337)	(2,153,860)	(15,477)
Payments to employees	(2,847,150)	(3,256,081)	408,931
Net cash provided (used) by operating activities	<u>849,553</u>	<u>1,527,931</u>	<u>(678,378)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(1,343,097)	(2,181,467)	838,370
Cash proceeds from sale of capital assets	200,625	33,550	167,075
Cash transferred from (to) other funds	10,681	-	10,681
Contribution in aid of capital assets	772,772	1,729,731	(956,959)
Contribution from other funds	-	53,102	(53,102)
Net cash provided (used) by capital and related financing activities	<u>(359,019)</u>	<u>(365,084)</u>	<u>6,065</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends received	34,945	55,124	(20,179)
GASB Market rate adjustment	(32,829)	(26,596)	(6,233)
Miscellaneous non-operating income	1,840	-	1,840
Net cash provided (used) by investing activities	<u>3,956</u>	<u>28,528</u>	<u>(24,572)</u>
Net increase (decrease) in cash and equity in pooled investments	494,490	1,191,375	(696,885)
Cash and equity in pooled investments - beginning	4,835,213	3,786,588	1,048,625
Cash and equity in pooled investments - ending	<u>\$ 5,329,703</u>	<u>\$ 4,977,963</u>	<u>\$ 351,740</u>

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**City of Tacoma
Public Works Department
Fleet Services Division
Statements of Cash Flows (Unaudited)**

	Year-to-Date August 2013	2012	Increase (Decrease)
Reconciliation of cash and equity in pooled investments to balance sheet:			
Cash and equity in pooled investments:			
Operating Fund	\$ 1,298,851	\$ 962,937	\$ 335,914
Capital Outlay Non-General Fund	3,904,702	4,015,026	(110,324)
Capital Outlay General Fund	126,150	-	126,150
	<u>\$ 5,329,703</u>	<u>\$ 4,977,963</u>	<u>\$ 351,740</u>
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (expense)	\$ (1,116,261)	\$ (1,272,830)	\$ 156,569
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	2,013,373	2,026,470	(13,097)
Change in assets and liabilities:			
Accounts receivable	35,268	23,355	11,913
Prepaid expenses	(18,393)	20,757	(39,150)
Supplies inventory	3,626	41,774	(38,148)
Due from other funds	39,591	839,900	(800,309)
Due to other funds	(66,042)	(76,535)	10,493
Accounts payable	13,010	1,537	11,473
Accrued wages and compensated absences	(60,037)	(75,426)	15,389
Accrued taxes payable	5,418	(1,071)	6,489
Total adjustments	<u>1,965,814</u>	<u>2,800,761</u>	<u>(834,947)</u>
Net cash provided (used) by operating activities	<u>\$ 849,553</u>	<u>\$ 1,527,931</u>	<u>\$ (678,378)</u>

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