
JUNE

TACOMA POWER

2016

**FINANCIAL
REPORT**



Public Utility Board

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Chair

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Vice-Chair

WOODROW JONES
Secretary

BRYAN FLINT
Member

KAREN LARKIN
Member

WILLIAM A. GAINES
Director of Utilities/CEO

CHRIS ROBINSON
Power Superintendent/COO

ANDREW CHERULLO
Finance Director

DEPARTMENT OF PUBLIC UTILITIES
CITY OF TACOMA

MANAGEMENT DISCUSSION AND ANALYSIS

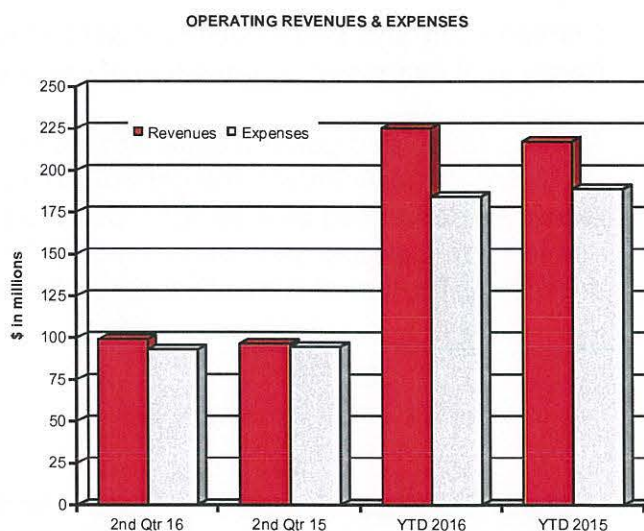
Overview of the Financial Statements

Summary

Tacoma Power's operating income at the end of the second quarter was \$40.9 million compared to \$28.5 million a year earlier. Operating revenues increased \$7.9 million (3.6%), and operating expenses decreased \$4.5 million (2.4%) compared to the prior year. Tacoma Power is reporting net income of \$24.5 million year-to-date in 2016 compared to \$8.6 million in 2015, an increase of \$15.9 million.

Revenues

Operating revenues were \$225.1 million at the end of the second quarter of 2016, compared to \$217.2 million a year earlier, an increase of \$7.9 million (3.6%). Total electric energy sales increased \$7.9 million (4.1%) year-to-date 2016, compared to the same period a year earlier. Sales to residential customers increased \$4.6 million (5.5%). Wholesale energy sales increased \$1.5 million (5.1%). Prices have decreased, but the decrease has been more than offset by an increase in volume. Streamflows in 2016 are 108% of average and 142% of 2015 inflows.



Expenses

Operating expenses decreased \$4.5 million (2.4%) at the end of the second quarter of 2016 compared to the same period in 2015.

Total purchased power expense decreased \$2.4 million (3.6%). Total BPA purchases decreased \$1.6 million. BPA Slice Contract Purchases increased \$1.8 million. That increase was offset by larger credits for the Energy Conservation Agreement (ECA). Credits of \$3.6 million have been received in 2016 compared to \$0.1 million in 2015. Purchases from Grand Coulee Project Hydroelectric Authority increased \$0.3 million. Other portfolio purchases decreased \$1.5 million. Volume is down due to increased generation reducing the need to purchase, with the majority of the decrease due to lower prices.

Transmission expense increased \$3.9 million and distribution expense increased \$4.2 million. Tacoma Power conducted a review of expenses in 2015 and determined that a large amount of costs that were assigned to administration and general expense should be reclassified to non-administrative groups. The increases in transmission and distribution expenses are primarily due to reclassifying these expenses effective January 1, 2016.

Hydraulic power production expenses increased \$0.9 million and other production expenses increased \$0.5 million primarily because of the reclassification of expenses previously mentioned.

Customer accounts expenses increased \$0.6 million. This is mostly due to an increase of \$0.5 million in customer records and collection expense.

Conservation and other customer assistance expense increased \$0.4 million primarily because of increased amortization of deferred conservation costs.

Administration and general expenses decreased \$11.6 million. The credit for capitalized administrative and general costs increased \$0.6 million. Plant maintenance expenses decreased \$0.4 million. Outside services employed and regulatory commission expense each decreased \$0.2 million. The remainder is primarily due to the reclassification of costs discussed above.



William A. Gaines
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

COMPARATIVE BALANCE SHEET - June 30, 2016 AND June 30, 2015

ASSETS AND DEFERRED OUTFLOWS	<u>2016</u>	<u>2015</u>
UTILITY PLANT		
Electric Plant in Service	\$1,906,467,713	\$1,825,752,110
Less Depreciation and Amortization	(971,853,011)	(921,268,406)
Total	<u>934,614,702</u>	<u>904,483,704</u>
Construction Work in Progress	77,323,590	73,099,150
Net Utility Plant	<u>1,011,938,292</u>	<u>977,582,854</u>
NON-UTILITY PROPERTY	<u>182,051</u>	<u>182,051</u>
RESTRICTED ASSETS		
Cash and Equity in Pooled Investments:		
2010B Construction Fund	1,369,288	12,053,581
2013 Construction Fund	33,639,296	32,399,157
2015 Construction Fund	223,943	250,243
Provision for Debt Service	15,877,907	19,906,909
Special Bond Reserves	4,997,639	4,997,639
Wynoochee Reserve--State of Washington	2,553,882	2,530,240
Total Restricted Assets	<u>58,661,955</u>	<u>72,137,769</u>
CURRENT ASSETS		
Cash and Equity in Pooled Investments:		
Current Fund	170,497,898	256,967,537
Customers' and Contractors' Deposits	2,932,577	3,015,803
Conservation Loan Fund	3,514,514	3,965,088
Rate Stabilization Fund	48,000,000	48,000,000
Receivables:		
Customers	15,716,271	15,711,086
Accrued Unbilled Revenue	29,427,771	28,750,681
Others	11,551,865	8,090,806
Provision for Uncollectibles	(1,580,951)	(1,264,576)
Materials and Supplies	6,290,896	5,784,890
Prepayments and Other	5,370,150	4,827,937
Total Current Assets	<u>291,720,991</u>	<u>373,849,252</u>
OTHER ASSETS		
Regulatory Asset - Conservation	46,554,413	43,972,872
Net Pension Asset	3,823,476	-
Conservation Loan Fund Receivables	1,397,052	1,267,992
Total Other Assets	<u>51,774,941</u>	<u>45,240,864</u>
Total Assets	<u>1,414,278,230</u>	<u>1,468,992,790</u>
DEFERRED OUTFLOWS		
Deferred Outflow for Pensions	9,077,586	-
Unamortized Loss on Refunding Bonds	949,968	6,740,879
Total Deferred Outflows	<u>10,027,554</u>	<u>6,740,879</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$1,424,305,784</u>	<u>\$1,475,733,669</u>

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

NET POSITION, LIABILITIES AND DEFERRED INFLOWS	2016	2015
NET POSITION		
Net Investment in Capital Assets	\$597,170,549	\$511,405,283
Restricted for:		
Wynoochee Reserve - State of Washington	2,553,882	2,530,240
Net Pension Asset	6,365,002	7,367,504
Debt Service	3,823,476	-
Unrestricted	240,506,269	310,134,229
 TOTAL NET POSITION	 850,419,178	 831,437,256
 LONG-TERM DEBT		
2005 Electric System Refunding Bonds, Series B ...	-	99,690,000
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	151,460,000	164,190,000
2013B Electric System Rev & Refunding Bonds	35,620,000	35,620,000
Total Bonded Indebtedness	358,335,000	470,755,000
Less: Unamortized Bond Premiums	19,814,928	21,736,565
Net Bonded Indebtedness	378,149,928	492,491,565
Line of Credit	65,250,000	250,000
Total Long-Term Debt	443,399,928	492,741,565
 CURRENT LIABILITIES		
Salaries and Wages Payable	4,923,438	4,413,481
Taxes and Other Payables	13,326,445	12,280,299
Purchases and Transmission of Power Accrued	11,366,725	11,252,522
Interest Payable	9,512,905	12,539,405
Customers' Deposits	2,884,790	3,043,874
Current Portion of Long-Term Debt	12,730,000	37,180,000
Current Accrued Compensated Absences	1,058,072	1,048,309
Total Current Liabilities	55,802,375	81,757,890
 LONG TERM LIABILITIES		
Long Term Accrued Compensated Absences	9,522,650	9,434,785
Other Long Term Liabilities	13,125,264	12,362,173
Total Long Term Liabilities	22,647,914	21,796,958
 TOTAL LIABILITIES	 521,850,217	 596,296,413
 DEFERRED INFLOWS		
Deferred Inflow for Pensions	4,036,389	-
Rate Stabilization	48,000,000	48,000,000
Total Deferred Inflows	52,036,389	48,000,000
 TOTAL NET POSITION, LIABILITIES AND DEFERRED INFLOWS	 \$1,424,305,784	 \$1,475,733,669

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
June 30, 2016 AND June 30, 2015

	June 2016	June 2015
OPERATING REVENUES		
Sales of Electric Energy	\$28,105,885	\$26,770,759
Other Operating Revenues	1,434,546	1,418,884
Click! Network Operating Revenues	2,142,124	2,232,350
Total Operating Revenue	31,682,555	30,421,993
OPERATING EXPENSES		
Production Expense		
Hydraulic Power Production	2,199,660	3,033,084
Other Production Expense	437,164	343,567
Total Expense Power Produced	2,636,824	3,376,651
Purchased Power	10,822,865	11,228,865
Total Production Expense	13,459,689	14,605,516
Transmission Expense	2,562,447	2,083,829
Distribution Expense	2,739,838	2,103,890
Click! Network Commercial Operations Expense .	2,196,306	1,805,119
Customer Accounts Expense (CIS)	1,200,001	1,139,131
Conservation and Other Customer Assistance ...	999,479	892,984
Taxes	1,965,345	1,970,388
Depreciation	4,623,642	4,743,378
Administrative and General	1,708,801	3,846,971
Total Operating Expenses	31,455,548	33,191,206
OPERATING INCOME (LOSS)	227,007	(2,769,213)
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	222,733	287,252
Contribution to Family Need	(40,000)	(40,000)
Other Net Non-Op Revenues and Deductions	270,441	(39,050)
Interest on Long-Term Debt	(1,621,218)	(2,103,790)
Amort. of Debt Related Costs	(25,294)	(62,735)
Interest Charged to Construction	274,109	269,460
Total Non-Operating Revenues (Expenses) ..	(919,229)	(1,688,863)
Net Income (Loss) Before Capital Contributions and Transfers	(692,222)	(4,458,076)
Capital Contributions		
Cash	470,213	562,807
Donated Fixed Assets	67,328	-
BABs and CREBs Interest Subsidies	195,096	185,209
Transfers		
City Gross Earnings Tax	(2,375,851)	(1,845,052)
Transfers from (to) Other Funds	-	-
CHANGE IN NET POSITION	(2,335,436)	(5,555,112)
TOTAL NET POSITION - January 1		
TOTAL NET POSITION - June 30		

YEAR TO DATE		2016 OVER (UNDER) 2015	PERCENT CHANGE
June 30, 2016	June 30, 2015		
\$202,640,107	\$194,705,828	\$7,934,279	4.1%
9,165,754	8,889,564	276,190	3.1%
13,304,357	13,639,492	(335,135)	-2.5%
<u>225,110,218</u>	<u>217,234,884</u>	<u>7,875,334</u>	3.6%
11,314,568	10,407,610	906,958	8.7%
2,629,302	2,129,534	499,768	23.5%
13,943,870	12,537,144	1,406,726	11.2%
63,389,172	65,750,645	(2,361,473)	-3.6%
77,333,042	78,287,789	(954,747)	-1.2%
15,824,920	11,965,446	3,859,474	32.3%
15,846,719	11,624,486	4,222,233	36.3%
12,840,730	12,449,332	391,398	3.1%
6,828,079	6,248,199	579,880	9.3%
5,897,892	5,520,275	377,617	6.8%
10,407,983	10,276,289	131,694	1.3%
27,784,110	29,326,635	(1,542,525)	-5.3%
11,458,543	23,025,556	(11,567,013)	-50.2%
184,222,018	188,724,007	(4,501,989)	-2.4%
40,888,200	28,510,877	12,377,323	43.4%
2,012,409	1,371,337	641,072	46.7%
(240,000)	(240,000)	-	0.0%
830,690	137,021	693,669	506.3%
(9,711,693)	(12,553,294)	2,841,601	-22.6%
(151,761)	(376,405)	224,644	-59.7%
2,076,986	1,410,573	666,413	47.2%
(5,183,369)	(10,250,768)	5,067,399	-49.4%
35,704,831	18,260,109	17,444,722	95.5%
2,694,122	2,267,288	426,834	18.8%
101,201	3,445	97,756	2837.6%
1,842,861	1,832,975	9,886	0.5%
(15,854,953)	(13,729,622)	(2,125,331)	15.5%
(2,181)	-	(2,181)	100.0%
24,485,881	8,634,195	15,851,686	183.6%
825,933,297	822,803,061	3,130,236	0.4%
<u>850,419,178</u>	<u>831,437,256</u>	<u>18,981,922</u>	

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

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

SUMMARY OF REVENUES AND BILLINGS
June 30, 2016 AND June 30, 2015

	<u>For the month of</u> <u>June 2016</u>	<u>For the month of</u> <u>June 2015</u>
OPERATING REVENUE		
Sales of Electric Energy		
Residential	\$10,283,491	\$10,176,672
Commercial	2,159,350	2,042,872
General	9,654,499	9,663,070
Contract Industrial	1,841,206	1,817,065
Public Street and Highway Lighting	181,043	32,486
Sales to Other Electric Utilities	22,303	22,264
Total Sales to Customers	<u>24,141,892</u>	<u>23,754,429</u>
Bulk Power Sales	3,963,993	3,016,330
Total Sales of Electric Energy	<u>28,105,885</u>	<u>26,770,759</u>
Other Operating Revenue		
Rentals and Leases from Elect. Property ...	209,502	205,244
Wheeling	803,578	800,973
Service Fees and Other	421,466	412,667
Telecommunications Revenue	2,142,124	2,232,350
Total Other Operating Revenues	<u>3,576,670</u>	<u>3,651,234</u>
 TOTAL OPERATING REVENUES	 <u><u>\$31,682,555</u></u>	 <u><u>\$30,421,993</u></u>
 BILLINGS (Number of Months Billed)		
Residential	162,698	154,779
Commercial	15,663	14,782
General	2,847	2,804
Contract Industrial	2	2
Public Streets and Highway Lighting	774	696
Sales to Other Utilities	1	1
 TOTAL BILLINGS	 <u><u>181,985</u></u>	 <u><u>173,064</u></u>

YEAR TO DATE		2016 OVER (UNDER) 2015	PERCENT CHANGE
June 30, 2016	June 30, 2015		
\$87,471,222	\$82,878,477	\$4,592,745	5.5%
14,595,229	13,815,177	780,052	5.6%
58,995,319	57,950,369	1,044,950	1.8%
10,447,550	10,470,310	(22,760)	-0.2%
745,335	669,617	75,718	11.3%
181,976	173,560	8,416	4.8%
172,436,631	165,957,510	6,479,121	3.9%
30,203,476	28,748,318	1,455,158	5.1%
202,640,107	194,705,828	7,934,279	4.1%
1,696,618	1,580,879	115,739	7.3%
4,973,499	4,883,266	90,233	1.8%
2,495,637	2,425,419	70,218	2.9%
13,304,357	13,639,492	(335,135)	-2.5%
22,470,111	22,529,056	(58,945)	-0.3%
\$225,110,218	\$217,234,884	\$7,875,334	3.6%
949,001	929,334	19,667	2.1%
94,470	92,642	1,828	2.0%
16,097	16,265	(168)	-1.0%
12	12	-	0.0%
5,500	5,360	140	2.6%
6	6	-	0.0%
1,065,086	1,043,619	21,467	2.1%

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

GROSS GENERATION REPORT - June 30, 2016 AND June 30, 2015

	For the month of Jun 2016	For the month of Jun 2015
KWH GENERATED, PURCHASED AND INTERCHANGED - Gross		
Generated - LaGrande	21,554,000	20,456,000
Generated - Alder	12,180,000	12,131,000
TOTAL NISQUALLY	33,734,000	32,587,000
Generated - Cushman No. 1	2,029,000	1,623,000
Generated - Cushman No. 2	1,815,000	1,424,000
TOTAL CUSHMAN	3,844,000	3,047,000
Generated - Mossyrock	88,438,000	53,117,000
Generated - Mayfield	50,941,000	29,110,000
TOTAL COWLITZ	139,379,000	82,227,000
Generated - Wynoochee	-	-
Generated - Hood Street	-	-
Tacoma's Share of Priest Rapids	2,469,000	1,853,000
Tacoma's Share of GCPHA	41,521,000	44,824,000
TOTAL KWH GENERATED - TACOMA SYSTEM	220,947,000	164,538,000
Purchased Power		
BPA Slice Contract	188,100,000	131,015,000
BPA Block Contract	104,412,000	109,820,000
Interchange Net	(166,097,000)	(52,724,000)
TOTAL KWH GENERATED, PURCHASED AND INTERCHANGED ..	347,362,000	352,649,000
Losses	4,250,832	2,917,311
Baldi Replacement	119,862	83,030
Ketron	14,744	15,772
NT PC Mutuals Schedules	(1,760,000)	(1,539,000)
PC Mutual Inadvertent	(188,936)	(281,166)
TACOMA SYSTEM FIRM LOAD	349,798,502	353,844,947
Maximum Kilowatts (System Firm Load)	637,164	673,635
Average Kilowatts (System Firm Load)	485,831	475,598
PIERCE COUNTY MUTUAL LOAD	93,572,000	95,615,000
KWH BILLED		
Residential Sales	115,804,602	116,444,243
Commercial Sales	24,344,781	23,156,972
General	161,270,144	159,020,449
Contract Industrial	44,031,540	43,537,800
Public Street and Highway Lighting	4,115,923	733,761
Sales to Other Electric Utilities	417,600	408,600
TOTAL FIRM	349,984,590	343,301,825
Bulk Power Sales	234,265,000	105,642,000
TOTAL KWH BILLED	584,249,590	448,943,825

YEAR TO DATE		2016 OVER (UNDER)	PERCENT CHANGE
Jun 30 2016	Jun 30 2015	2015	
217,630,000	179,983,000	37,647,000	20.9%
148,786,000	114,007,000	34,779,000	30.5%
366,416,000	293,990,000	72,426,000	24.6%
81,612,000	38,276,000	43,336,000	113.2%
137,865,000	52,906,000	84,959,000	160.6%
219,477,000	91,182,000	128,295,000	140.7%
727,118,000	466,540,000	260,578,000	55.9%
465,543,000	301,958,000	163,585,000	54.2%
1,192,661,000	768,498,000	424,163,000	55.2%
20,978,000	1,919,000	19,059,000	993.2%
1,339,600	1,303,500	36,100	2.8%
15,035,000	14,532,000	503,000	3.5%
129,235,000	125,403,000	3,832,000	3.1%
1,945,141,600	1,296,827,500	648,314,100	50.0%
1,253,352,000	1,188,991,000	64,361,000	5.4%
799,977,000	841,419,000	(41,442,000)	-4.9%
(1,575,870,000)	(934,047,000)	(641,823,000)	-68.7%
2,422,600,600	2,393,190,500	29,410,100	1.2%
25,581,293	17,991,182	7,590,111	42.2%
1,138,882	1,274,697	(135,815)	-10.7%
124,251	142,478	(18,227)	-12.8%
(15,180,000)	(14,741,000)	(439,000)	-3.0%
817,577	832,365	(14,788)	-1.8%
2,435,082,603	2,398,690,222	36,392,381	1.5%
729,846,000	711,433,000	18,413,000	2.6%
1,051,859,411	997,154,695	54,704,716	5.5%
168,613,892	160,112,381	8,501,511	5.3%
1,000,304,428	989,011,337	11,293,091	1.1%
218,072,850	248,228,953	(30,156,103)	-12.1%
16,912,505	15,630,478	1,282,027	8.2%
3,293,100	3,285,000	8,100	0.2%
2,459,056,186	2,413,422,844	45,633,342	1.9%
1,752,490,000	1,115,976,000	636,514,000	57.0%
4,211,546,186	3,529,398,844	682,147,342	19.3%

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

STATEMENTS OF CASH FLOWS

	YEAR TO DATE	
	June 30, 2016	June 30, 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash from Customers	\$230,091,020	\$229,907,716
Cash Paid to Suppliers	(92,039,635)	(106,046,658)
Cash Paid to Employees	(57,719,737)	(53,146,358)
Taxes Paid	(10,771,556)	(11,144,036)
Conservation Loans	25,985	609,477
Net Cash from Operating Activities	69,586,077	60,180,141
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfer Out for Gross Earnings Tax	(15,854,953)	(13,729,622)
Transfer to Fleet Services Fund	(2,181)	-
Transfer to Family Need Fund	(240,000)	(240,000)
Net Cash from Non-Capital Financing Activities ..	(16,097,134)	(13,969,622)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Expenditures	(34,733,341)	(26,610,196)
Proceeds from Long-Term Debt	15,000,000	250,000
Principal Payments on Long-Term Debt	(14,735,000)	(32,115,000)
Interest Paid	(10,079,418)	(13,327,094)
BABs and CREBs Interest Subsidies	1,842,861	1,832,975
Contributions in Aid of Construction	2,694,122	2,267,288
Net Cash from Capital and Related Financing Activities	(40,010,776)	(67,702,027)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	2,012,409	1,371,337
Other Net Non-Op Revenues and Deductions	830,690	137,022
Net Cash from Investing Activities	2,843,099	1,508,359
Net Increase Change in Cash and		
Equity in Pooled Investments	16,321,266	(19,983,149)
Cash and Equity in Pooled Investments at January 1 ..	267,285,678	404,069,346
Cash and Equity in Pooled Investments at June 30.....	283,606,944	\$384,086,197

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

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA POWER

STATEMENTS OF CASH FLOWS

	June 30, 2016	June 30, 2015
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities:		
Net Operating Income	\$40,888,200	\$28,510,877
Adjustments to reconcile net operating income to net cash provided by operating activities:		
Depreciation	27,784,110	29,326,635
Amortization of Regulatory Assets	3,246,170	2,783,124
Cash provided from changes in operating assets and liabilities:		
Accounts Receivable and Unbilled Revenue	4,980,802	12,672,833
Conservation Loans Receivable	25,985	609,477
Interfund Receivables	1,484,313	2,509,436
Inventory, Materials and Supplies, and Other	414,602	140,307
Taxes and Other Payables	(7,030,324)	(8,947,924)
Purchased Power Payable	(646,753)	(307,662)
Salaries and Wages Payable	3,494,091	(136,408)
Customers' Deposits	(224,018)	146,606
Regulatory Assets - Conservation	(3,506,660)	(4,156,750)
Interfund Payables	(1,324,441)	(2,970,410)
Total Adjustments	28,697,877	31,669,264
Net Cash from Operating Activities	\$69,586,077	\$60,180,141
 Reconciliation of Cash and Equity in Pooled Investments to Balance Sheet:		
Cash and Equity in Pooled Investments in Special Funds	\$58,661,955	\$72,137,769
Cash and Equity in Pooled Investments in Operating Funds.....	224,944,989	311,948,428
Cash and Equity in Pooled Investments at June 30	\$283,606,944	\$384,086,197

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

OPERATIONAL SUMMARY - JUNE 30, 2016

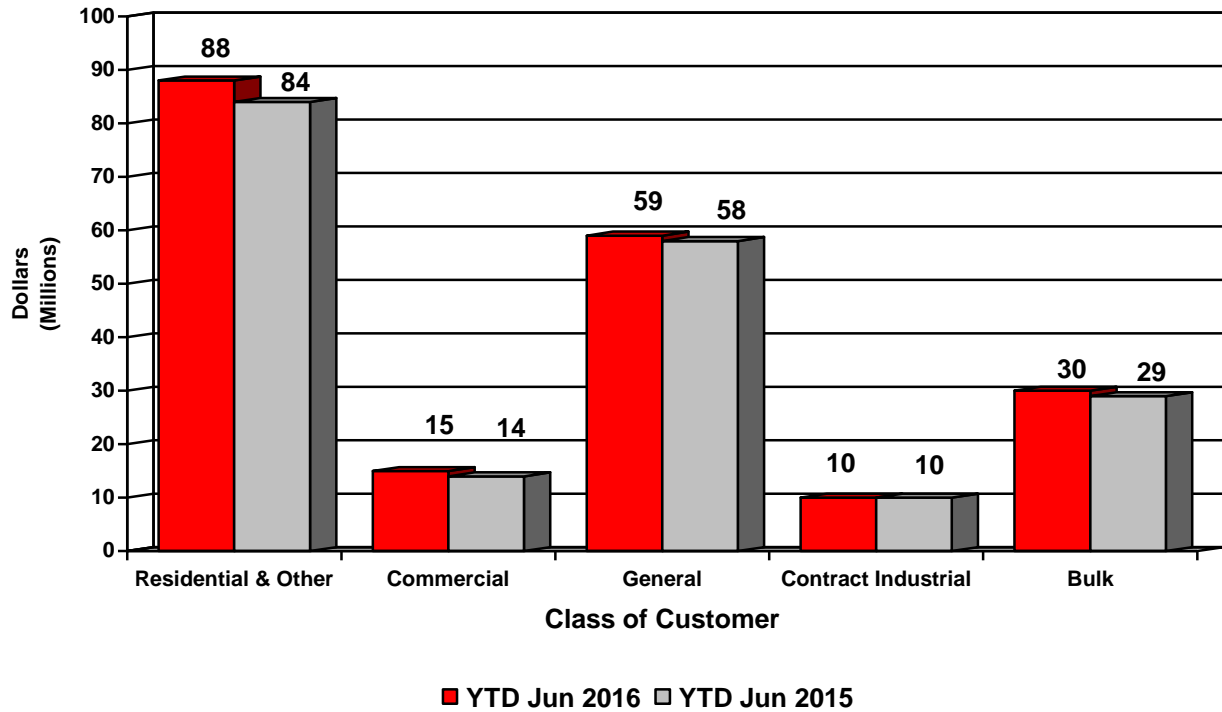
	<u>JUNE</u> <u>2016</u>	<u>JUNE</u> <u>2015</u>
TELECOMMUNICATIONS REVENUE		
CATV	\$1,435,571	\$1,575,125
Broadband	95,593	96,439
ISP	584,942	542,352
Interdepartmental	26,018	18,434
Total Operating Revenue	<u>2,142,124</u>	<u>2,232,350</u>
TELECOMMUNICATIONS EXPENSE-COMMERCIAL		
Administration & Sales Expense		
Salaries & Wages Expense	268,135	260,611
General Expense	50,794	46,934
Contract Services	1,231,044	798,157
IS & Intergovernmental Services	102,782	107,951
Fleet Services	137	257
Capitalized A & G Expense	(3,081)	(4,369)
Total Admin. & Sales Expense	<u>1,649,811</u>	<u>1,209,541</u>
Operations & Maintenance Expense ...		
Salaries & Wages Expense	428,642	475,534
General Expense	54,494	31,314
Contract Services	31,943	52,871
IS & Intergovernmental Services	3,012	3,795
Fleet Services	40,035	41,599
New Connect Capital	(11,631)	(9,535)
Total Oper. & Maint. Expense	<u>546,495</u>	<u>595,578</u>
Total Telecommunications Expense .	2,196,306	1,805,119
Net Revenues (Expenses) Before Taxes and Depreciation and Amortization	(54,182)	427,231
Taxes	296,245	308,012
Depreciation and Amortization	222,120	291,457
	<u>518,365</u>	<u>599,469</u>
NET OPERATING REVENUES (EXPENSES)	<u>(572,547)</u>	<u>(172,238)</u>

YEAR TO DATE			
JUNE 30 2016	JUNE 30 2015	2016/2015 VARIANCE	PERCENT CHANGE
\$9,065,375	\$9,745,593	(\$680,218)	-7.0%
588,749	566,545	22,204	3.9%
3,496,160	3,211,280	284,880	8.9%
154,073	116,074	37,999	32.7%
<u>13,304,357</u>	<u>13,639,492</u>	<u>(335,135)</u>	-2.5%
1,635,757	1,651,267	(15,510)	-0.9%
335,725	223,202	112,523	50.4%
6,730,236	6,510,374	219,862	3.4%
701,797	671,218	30,579	4.6%
1,778	2,325	(547)	-23.5%
(11,224)	(46,621)	35,397	-75.9%
<u>9,394,069</u>	<u>9,011,765</u>	<u>382,304</u>	4.2%
2,749,135	2,849,245	(100,110)	-3.5%
195,233	186,998	8,235	4.4%
334,463	214,068	120,395	56.2%
17,624	21,041	(3,417)	-16.2%
207,958	239,599	(31,641)	-13.2%
(57,752)	(73,384)	15,632	-21.3%
<u>3,446,661</u>	<u>3,437,567</u>	<u>9,094</u>	0.3%
12,840,730	12,449,332	391,398	3.1%
463,627	1,190,160	(726,533)	-61.0%
1,826,028	1,863,231	(37,203)	-2.0%
1,355,218	1,999,103	(643,885)	-32.2%
<u>3,181,246</u>	<u>3,862,334</u>	<u>(681,088)</u>	-17.6%
<u>(2,717,619)</u>	<u>(2,672,174)</u>	<u>(45,445)</u>	1.7%

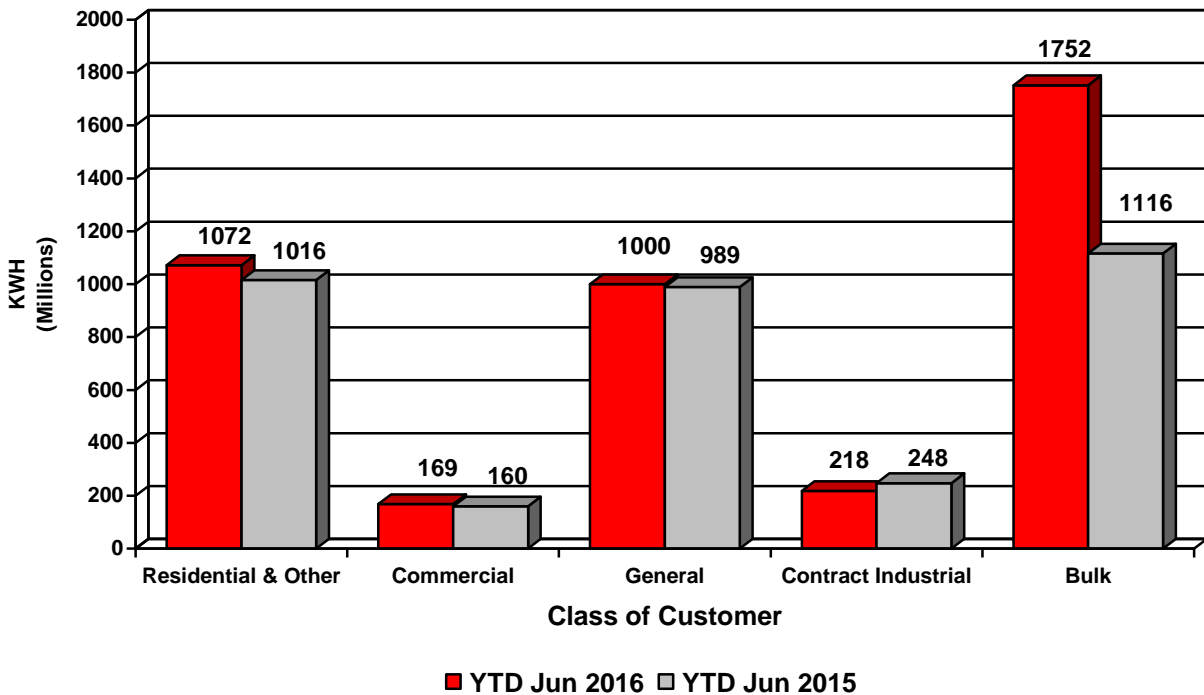
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Supplemental Data

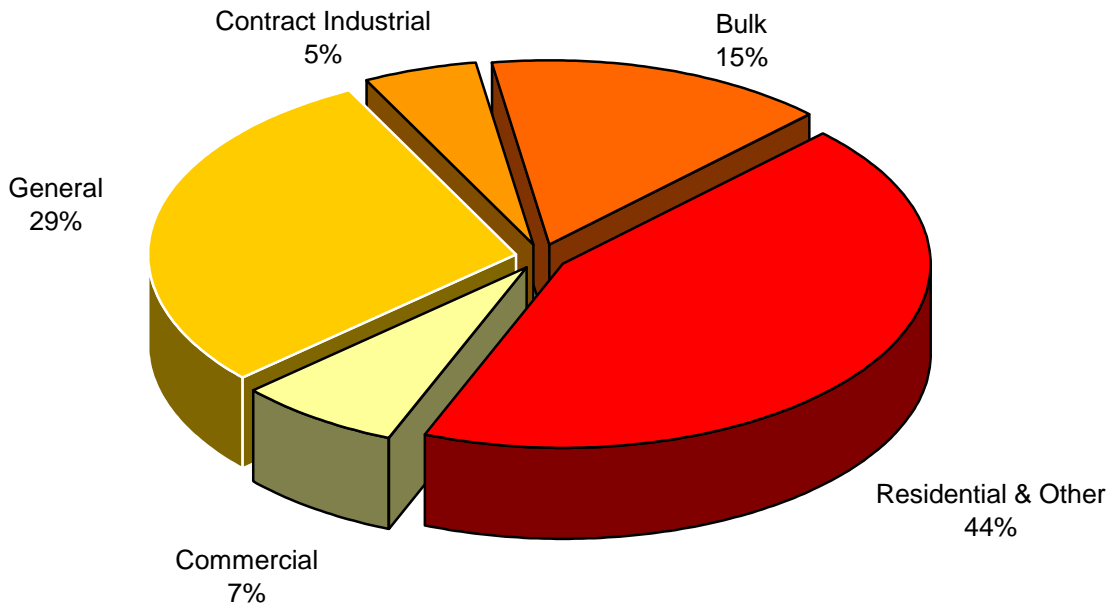
SALES OF ELECTRIC ENERGY
Year to Date - June 2016 & 2015



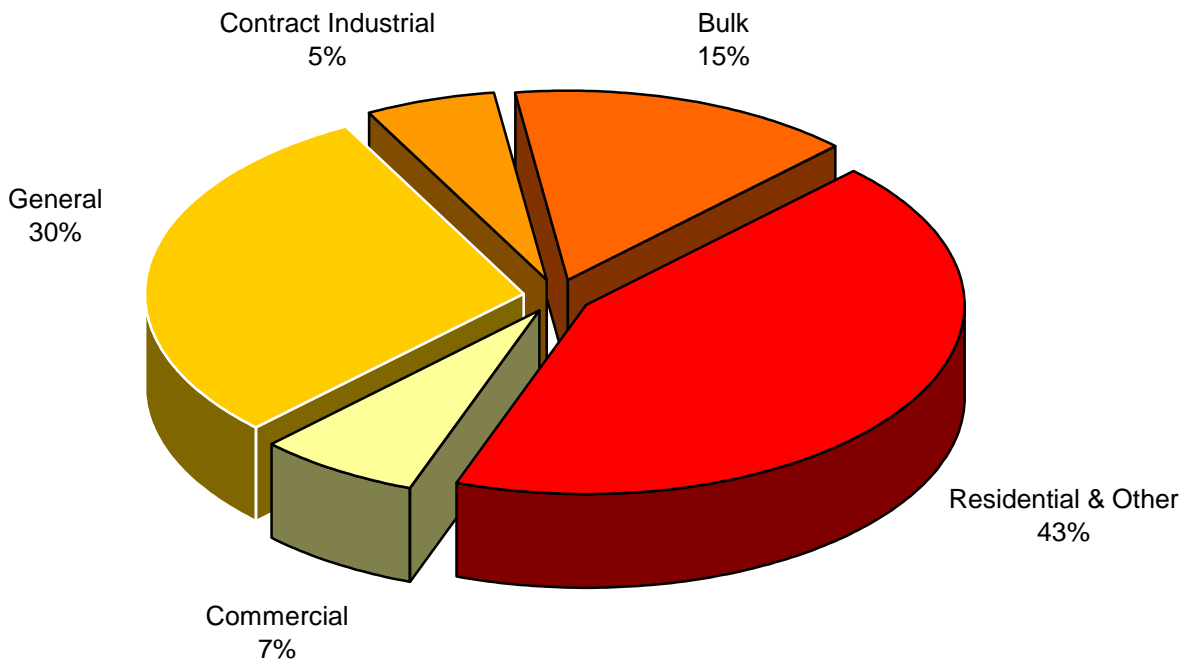
TOTAL POWER BILLED
Year to Date - June 2016 & 2015



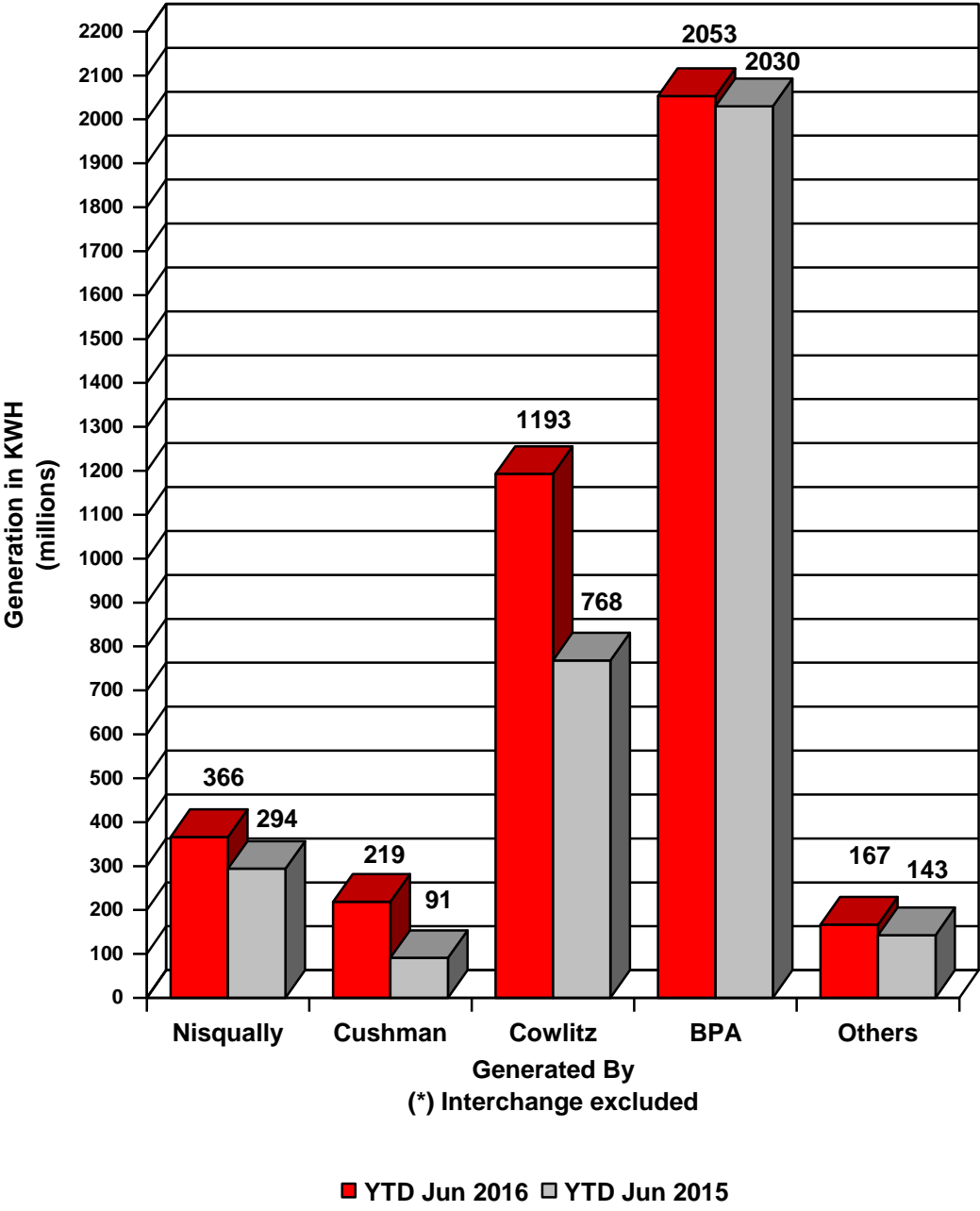
SALES OF ELECTRIC ENERGY
Year to Date - Jun 2016 (\$202,640,107)



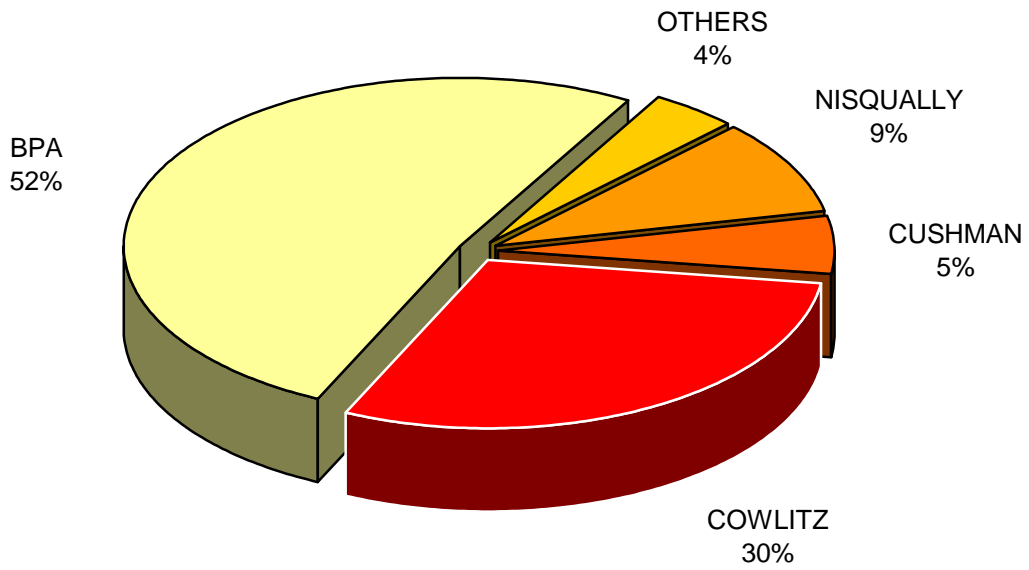
SALES OF ELECTRIC ENERGY
Year to Date - Jun 2015 (\$194,705,828)



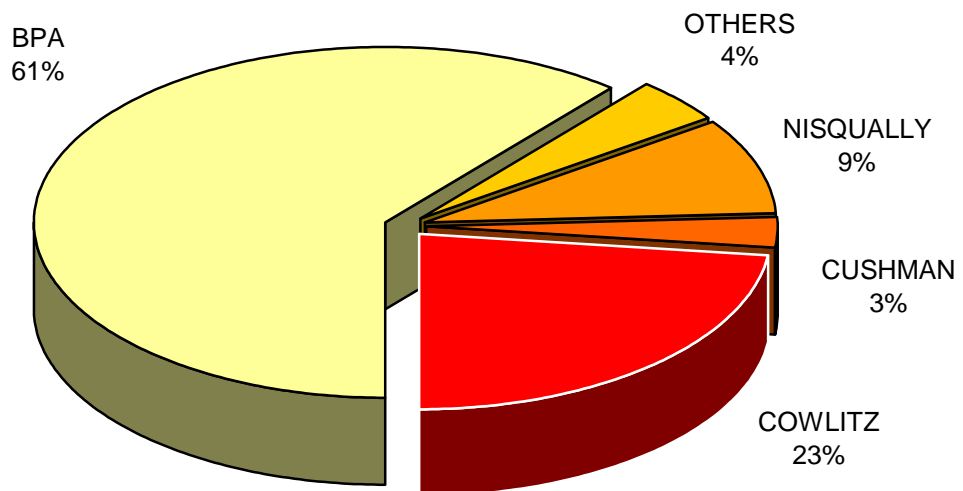
**POWER SOURCES (*)
Year to Date Jun 2016 & 2015**



POWER SOURCES (*)
Year to Date - Jun 2016

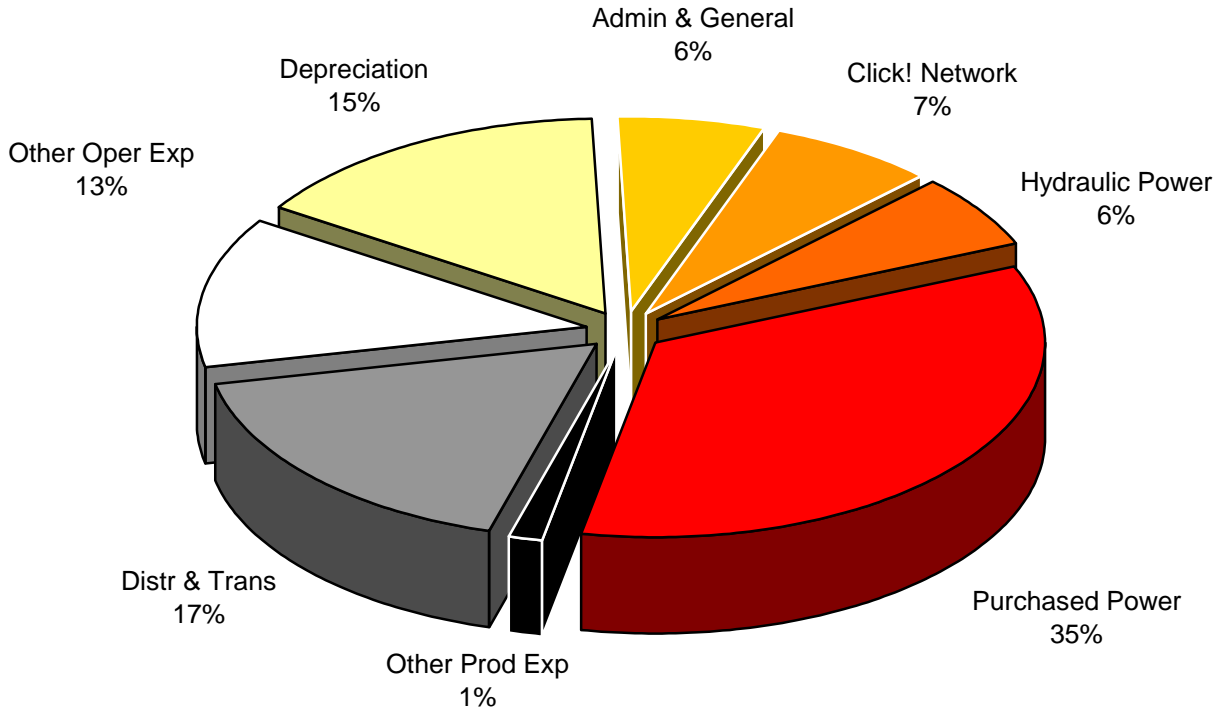


POWER SOURCES (*)
Year to Date - Jun 2015

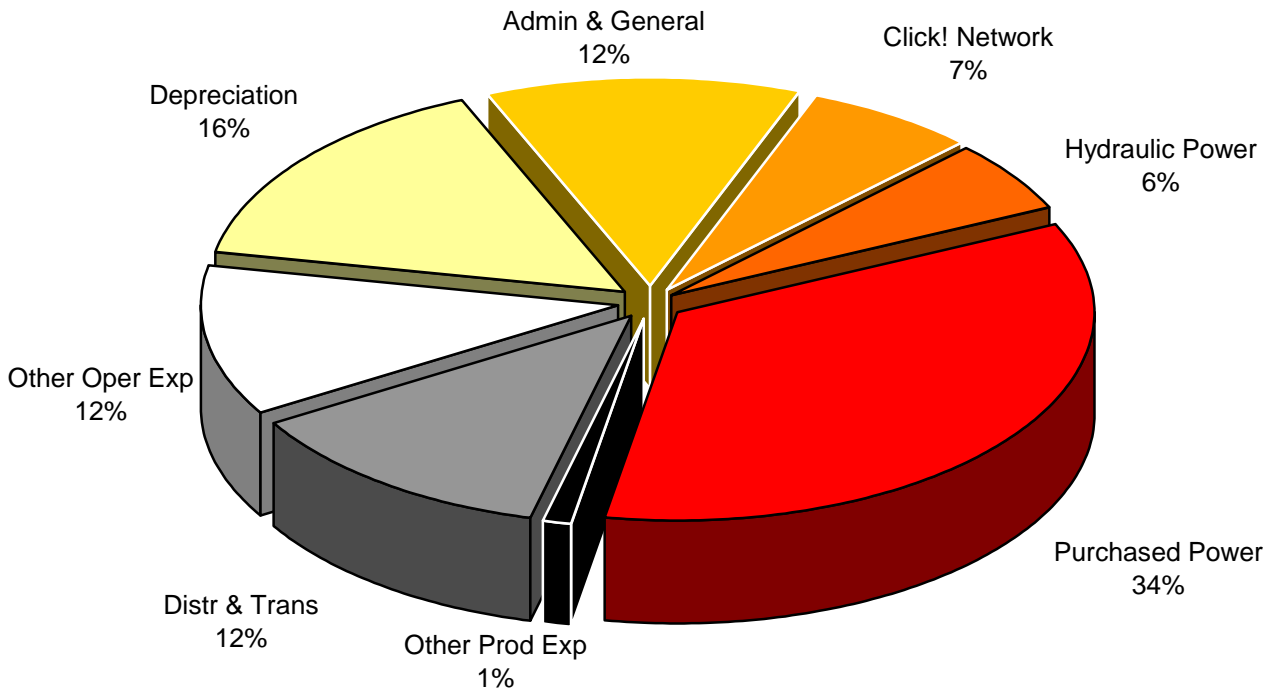


(*) Interchange excluded

TOTAL OPERATING EXPENSES *
Year to Date - Jun 2016 (\$184,222,018)



TOTAL OPERATING EXPENSES *
Year to Date - Jun 2015 (\$188,724,007)



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



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