



*Fleet Services Division
Financial Report
October 2013*

**City of Tacoma
Fleet Services
Administrative Division
Public Works Department
Prepared by: Michele Tuong**

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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)

	October 31,		Increase
	2013	2012	(Decrease)
ASSETS			
Current assets :			
Cash and equity in pooled investments:			
Operating Fund	\$ 1,456,408	\$ 1,084,185	\$ 372,223
Capital Outlay Non-General Fund	3,977,168	3,417,067	560,101
Capital Outlay General Fund	115,058	-	115,058
Total cash and equity in pooled investments	<u>5,548,634</u>	<u>4,501,252</u>	<u>1,047,382</u>
Accounts receivable	22,452	32,196	(9,744)
Inventories	396,826	398,826	(2,000)
Prepaid items	33,587	31,455	2,132
GASB 31 market rate adjustment	32,829	26,596	6,233
Total current assets	<u>6,034,328</u>	<u>4,990,325</u>	<u>1,044,003</u>
Noncurrent assets:			
Operating Fund capital assets:			
Buildings	3,471,693	3,471,693	-
Equipment	381,526	368,385	13,141
Less accumulated depreciation	<u>(1,311,765)</u>	<u>(1,176,003)</u>	<u>(135,762)</u>
Assets in service, net	<u>2,541,454</u>	<u>2,664,075</u>	<u>(122,621)</u>
Total Operating Fund capital assets	<u>2,541,454</u>	<u>2,664,075</u>	<u>(122,621)</u>
Capital assets leased to others:			
Equipment	44,101,635	43,135,461	966,174
EV charging stations	118,756	118,756	-
Purchased equipment not yet in service	1,484,448	2,377,708	(893,260)
Less accumulated depreciation	<u>(30,040,874)</u>	<u>(28,801,331)</u>	<u>(1,239,543)</u>
Total capital assets leased to others	<u>15,663,965</u>	<u>16,830,594</u>	<u>(1,166,629)</u>
Total noncurrent assets	<u>18,205,419</u>	<u>19,494,669</u>	<u>(1,289,250)</u>
Total assets	<u>\$ 24,239,747</u>	<u>\$ 24,484,994</u>	<u>\$ (245,247)</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 286,881	\$ 130,291	\$ 156,590
Accrued wages and benefits payable	110,887	104,730	6,157
Compensated absences	22,596	12,384	10,212
Accrued taxes payable	3,575	2,771	804
Total current liabilities	<u>423,939</u>	<u>250,176</u>	<u>173,763</u>
Noncurrent liabilities:			
Compensated absences	203,366	235,298	(31,932)
Total noncurrent liabilities	<u>203,366</u>	<u>235,298</u>	<u>(31,932)</u>
Total liabilities	<u>627,305</u>	<u>485,474</u>	<u>141,831</u>
NET POSITION			
Invested in capital assets	18,205,419	19,494,669	(1,289,250)
Unrestricted	5,407,023	4,504,851	902,172
Total net position	<u>23,612,442</u>	<u>23,999,520</u>	<u>(387,078)</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 24,239,747</u>	<u>\$ 24,484,994</u>	<u>\$ (245,247)</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 October		Year-to-Date October		Increase	
	2013	2012	2013	2012	(Decrease)	% CHG
OPERATING REVENUES						
Administrative revenue	\$ 118,275	\$ 88,237	\$ 1,177,484	\$ 889,513	\$ 287,971	32%
Lease revenue	81,051	74,135	780,185	742,852	37,333	5%
Fuel revenue	10,592	11,824	103,772	112,954	(9,182)	(8%)
Vendor repair revenue	10,975	6,183	69,851	50,918	18,933	37%
Services and repairs revenue	348,821	392,466	3,084,333	3,663,715	(579,382)	(16%)
Parts revenue	55,716	50,063	461,485	460,546	939	0%
Full service maintenance revenue	160,055	166,207	1,607,688	1,669,530	(61,842)	(4%)
Total operating revenues	<u>785,485</u>	<u>789,115</u>	<u>7,284,798</u>	<u>7,590,028</u>	<u>(305,230)</u>	<u>(4%)</u>
OPERATING EXPENSES						
Depreciation	252,260	255,404	2,519,759	2,537,800	(18,041)	(1%)
Shop operation expenses	530,884	521,283	4,489,959	5,204,469	(714,510)	(14%)
Parts sales expenses	46,960	45,394	460,958	476,064	(15,106)	(3%)
Fuel sales expenses	4,857	3,442	38,411	14,560	23,851	164%
General and administration expenses	128,819	92,530	1,208,805	878,048	330,757	38%
Total operating expenses	<u>963,780</u>	<u>918,053</u>	<u>8,717,892</u>	<u>9,110,941</u>	<u>(393,049)</u>	<u>(4%)</u>
Operating income (loss)	<u>(178,295)</u>	<u>(128,938)</u>	<u>(1,433,094)</u>	<u>(1,520,913)</u>	<u>87,819</u>	<u>(6%)</u>
NONOPERATING REVENUES (EXPENSES)						
Interest earned on pooled investments:						
- Operating Fund	921	1,057	9,148	11,339	(2,191)	(19%)
- Capital Outlay Funds	2,812	4,342	33,280	55,347	(22,067)	(40%)
Gain(loss) on disposal of capital assets	-	-	(6,826)	(1,196)	(5,630)	471%
Cash proceeds from sale of capital assets	-	9,075	200,625	42,625	158,000	371%
Miscellaneous nonoperating income (expense)	4,789	(25)	4,789	(1,397)	6,186	(443%)
Cash proceeds from miscellaneous sales	-	-	2,635	-	2,635	N/A
Total nonoperating revenues	<u>8,522</u>	<u>14,449</u>	<u>243,651</u>	<u>106,718</u>	<u>136,933</u>	<u>128%</u>
CHANGE IN NET POSITION						
Income (loss) before contributions/transfers	(169,773)	(114,489)	(1,189,443)	(1,414,195)	224,752	(16%)
Contribution for purchase of capital assets	1,654	(239,193)	774,424	1,505,827	(731,403)	(49%)
Contribution from (to) other funds	-	-	(7,708)	60,810	(68,518)	(113%)
Transfers from other funds - cash	-	-	10,681	-	10,681	N/A
Transfers from (to) other funds - vehicles	(84,955)	-	(84,955)	-	(84,955)	N/A
Change in net position	<u>\$ (253,074)</u>	<u>\$ (353,682)</u>	<u>(497,001)</u>	<u>152,442</u>	<u>(649,443)</u>	<u>(426%)</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>\$ 23,612,442</u>	<u>\$ 23,999,520</u>	<u>\$ (387,078)</u>	<u>(2%)</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 Cash Flows (Unaudited)

	Year-to-Date October 2013	2012	Increase (Decrease)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 7,359,292	\$ 8,451,672	\$ (1,092,380)
Payments to suppliers	(2,559,323)	(2,952,663)	393,340
Payments to employees	(3,522,433)	(3,943,326)	420,893
Net cash provided (used) by operating activities	<u>1,277,536</u>	<u>1,555,683</u>	<u>(278,147)</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Contribution from (to) other funds	(7,708)	60,810	(68,518)
Net cash provided (used) by noncapital and related financing activities	<u>(7,708)</u>	<u>60,810</u>	<u>(68,518)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(1,474,205)	(2,490,371)	1,016,166
Cash proceeds from sale of capital assets	200,625	42,625	158,000
Capital assets transferred from (to) other funds	(84,955)	-	(84,955)
Cash transferred from (to) other funds	10,681	-	10,681
Contribution in aid of capital assets	774,424	1,505,827	(731,403)
Net cash provided (used) by capital and related financing activities	<u>(573,430)</u>	<u>(941,919)</u>	<u>368,489</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends received	42,428	66,686	(24,258)
GASB Market rate adjustment	(32,829)	(26,596)	(6,233)
Miscellaneous non-operating income	7,424	-	7,424
Net cash provided (used) by investing activities	<u>17,023</u>	<u>40,090</u>	<u>(23,067)</u>
Net increase (decrease) in cash and equity in pooled investments	713,421	714,664	(1,243)
Cash and equity in pooled investments - beginning	4,835,213	3,786,588	1,048,625
Cash and equity in pooled investments - ending	<u>\$ 5,548,634</u>	<u>\$ 4,501,252</u>	<u>\$ 1,047,382</u>

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

	Year-to-Date October 2013	2012	Increase (Decrease)
Reconciliation of cash and equity in pooled investments to balance sheet:			
Cash and equity in pooled investments:			
Operating Fund	\$ 1,456,408	\$ 1,084,185	\$ 372,223
Capital Outlay Non-General Fund	3,977,168	3,417,067	560,101
Capital Outlay General Fund	115,058	-	115,058
	<u>\$ 5,548,634</u>	<u>\$ 4,501,252</u>	<u>\$ 1,047,382</u>
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (expense)	\$ (1,433,094)	\$ (1,520,913)	\$ 87,819
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	2,519,759	2,537,800	(18,041)
Change in assets and liabilities:			
Accounts receivable	34,890	22,837	12,053
Prepaid expenses	(9,996)	(10,698)	702
Supplies inventory	2,918	40,544	(37,626)
Due from other funds	39,591	839,900	(800,309)
Due to other funds	(66,042)	(76,535)	10,493
Accounts payable	196,727	(238,540)	435,267
Accrued wages and compensated absences	(7,230)	(37,619)	30,389
Accrued taxes payable	13	(1,093)	1,106
Total adjustments	<u>2,710,630</u>	<u>3,076,596</u>	<u>(365,966)</u>
Net cash provided (used) by operating activities	<u>\$ 1,277,536</u>	<u>\$ 1,555,683</u>	<u>\$ (278,147)</u>

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