
OCTOBER

TACOMA RAIL

2016

**FINANCIAL
REPORT**



Public Utility Board

MARK PATTERSON

Chair

MONIQUE TRUDNOWSKI

Vice-Chair

WOODROW JONES

Secretary

BRYAN FLINT

Member

KAREN LARKIN

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

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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 RAIL

STATEMENTS OF NET POSITION

ASSETS	OCTOBER 31,	
	2016	2015
CAPITAL ASSETS		
Road and Equipment Property	\$41,313,215	\$39,109,390
Less Accumulated Depreciation	(18,601,988)	(17,170,857)
Total	22,711,227	21,938,533
Construction Work in Progress	3,757,671	1,848,011
Net Capital Assets	26,468,898	23,786,544
SPECIAL FUNDS		
Cash and Equity in Pooled Investments:		
Debt Service Funds	21,701	21,701
Total Special Funds	21,701	21,701
CURRENT ASSETS		
Cash & Equity in Pooled Investments	9,117,792	9,135,607
Customer Accounts Receivable	3,184,055	3,336,046
Prepayments	1,542,493	1,657,794
Materials and Supplies Inventory.....	1,022,705	949,881
Total Current Assets	14,867,045	15,079,328
TOTAL ASSETS	\$41,357,644	\$38,887,573

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

NET POSITION AND LIABILITIES	<u>OCTOBER 31,</u> 2016	<u>OCTOBER 31,</u> 2015
NET POSITION		
Net Investment in Capital Assets.....	\$20,163,383	\$17,419,379
Restricted for:		
Debt Service	21,701	21,701
Unrestricted	9,080,570	9,777,891
TOTAL NET POSITION	<u>29,265,654</u>	<u>27,218,971</u>
LONG-TERM DEBT, NET OF CURRENT MATURITIES		
2006 Senior Lien Revenue Bond	-	64,238
State Loans.....	5,525,665	5,460,934
Total Long-Term Liabilities	<u>5,525,665</u>	<u>5,525,172</u>
CURRENT LIABILITIES		
Accounts Payable	388,605	672,307
Customer Deposits	10,500	45,900
Wages Payable	460,788	393,971
Unemployment and other Tax Payables	328,643	234,969
Volume Incentive Payable	833,333	916,667
Current Portion of Long Term Debt	779,850	841,994
Interest Payable	3,978	1,405
Current Portion of Compensated Absences	113,117	101,373
Total Current Liabilities	<u>2,918,814</u>	<u>3,208,586</u>
LONG-TERM LIABILITIES		
On the Job Injury Reserve	753,098	709,601
Long Term Portion of Compensated Absences	1,018,056	912,353
Other Long-Term Liabilities	1,876,357	1,312,890
Total Long-Term Liabilities	<u>3,647,511</u>	<u>2,934,844</u>
TOTAL LIABILITIES	<u>12,091,990</u>	<u>11,668,602</u>
TOTAL NET POSITION AND LIABILITIES	<u><u>\$41,357,644</u></u>	<u><u>\$38,887,573</u></u>

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

	OCTOBER 2016	OCTOBER 2015
OPERATING REVENUES		
Switching Revenues	\$2,292,222	\$2,224,985
Demurrage and Other Operating Revenues	269,836	226,623
Total Operating Revenues	2,562,058	2,451,608
 OPERATING EXPENSES		
Maintenance of Way and Structures		
Salaries and Wages	79,650	77,771
Supplies and Expense	449,176	163,691
Mechanical		
Salaries and Wages	158,153	157,882
Supplies and Expense	188,181	222,243
Operations		
Salaries and Wages	854,359	767,226
Supplies and Expense	126,099	168,673
Administration		
Salaries and Wages	171,409	170,047
Supplies and Expense	415,475	359,373
Taxes - State	45,532	32,981
Depreciation	122,581	101,740
Total Operating Expenses	2,610,615	2,221,627
 Net Operating Income	(48,557)	229,981
 NON-OPERATING REVENUES (EXPENSES)		
Interest Income	7,695	7,403
Miscellaneous	98,989	83,135
Interest Expense	(573)	(1,407)
Total Non-Operating Revenues	106,111	89,131
 Contributions - Grants	-	-
Contributions - Others	-	-
Total Contributions	-	-
 Transfers		
City of Tacoma Gross Earnings Tax	(260,981)	(183,865)
Transfers to other funds	-	(36,972)
Total Transfers	(260,981)	(220,837)
 CHANGE IN NET POSITION	(\$203,427)	\$98,275
 TOTAL NET POSITION - JANUARY 1		
 TOTAL NET POSITION - OCTOBER 31		

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

YEAR TO DATE			
OCTOBER 31, 2016	OCTOBER 31, 2015	2016/2015 VARIANCE	PERCENT CHANGE
\$22,918,871	\$21,480,203	\$1,438,668	6.7%
<u>2,839,344</u>	<u>3,007,926</u>	<u>(168,582)</u>	-5.6%
25,758,215	24,488,129	1,270,086	5.2%
855,040	896,758	(41,718)	-4.7%
<u>1,718,860</u>	<u>1,182,978</u>	<u>535,882</u>	<u>45.3%</u>
1,653,019	1,677,856	(24,837)	-1.5%
<u>2,238,749</u>	<u>2,176,970</u>	<u>61,779</u>	<u>2.8%</u>
8,034,241	8,289,711	(255,470)	-3.1%
<u>1,220,005</u>	<u>1,104,789</u>	<u>115,216</u>	<u>10.4%</u>
1,908,293	1,826,291	82,002	4.5%
4,073,890	1,967,709	2,106,181	107.0%
375,830	348,996	26,834	7.7%
<u>1,227,651</u>	<u>1,017,402</u>	<u>210,249</u>	<u>20.7%</u>
23,305,578	20,489,460	2,816,118	13.7%
2,452,637	3,998,669	(1,546,032)	-38.7%
97,142	59,587	37,555	63.0%
1,079,959	739,235	340,724	46.1%
<u>(11,655)</u>	<u>(18,868)</u>	<u>(7,213)</u>	<u>-38.2%</u>
1,165,446	779,954	385,492	49.4%
801,949	34,670	767,279	2213.1%
<u>4,110</u>	<u>216,000</u>	<u>(211,890)</u>	<u>-98.1%</u>
806,059	250,670	555,389	221.6%
(2,200,149)	(2,003,540)	196,609	9.8%
<u>-</u>	<u>(36,972)</u>	<u>(36,972)</u>	<u>-100.0%</u>
(2,200,149)	(2,040,512)	159,637	7.8%
2,223,993	2,988,781	(\$764,788)	-25.6%
<u>27,041,661</u>	<u>24,230,190</u>		
<u>\$29,265,654</u>	<u>\$27,218,971</u>		

CITY OF TACOMA, WASHINGTON
DEPARTMENT OF PUBLIC UTILITIES
TACOMA RAIL

SUMMARY OF SWITCHING REVENUES AND SWITCHING ACTIVITIES

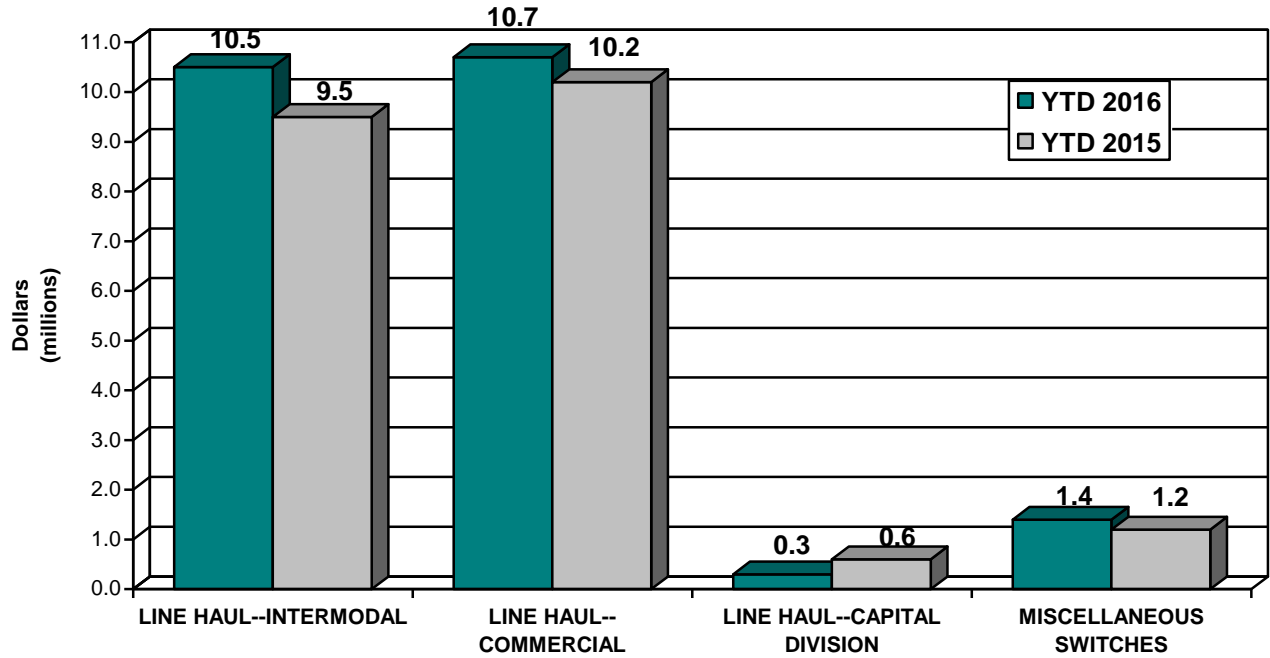
	<u>October 2016</u>	<u>October 2015</u>
SWITCHING REVENUES		
LINE HAULS--INTERMODAL	\$1,094,434	\$996,163
LINE HAULS--COMMERCIAL	1,029,675	1,053,655
LINE HAULS--CAPITAL DIVISION	20,889	52,559
MISCELLANEOUS SWITCHES	<u>147,224</u>	<u>122,608</u>
TOTAL SWITCHING REVENUES	<u><u>\$2,292,222</u></u>	<u><u>\$2,224,985</u></u>
 SWITCHING ACTIVITIES (CARS)		
LINE HAULS--INTERMODAL	6,471	5,817
LINE HAULS--COMMERCIAL	2,225	2,352
LINE HAULS--CAPITAL DIVISION	50	121
MISCELLANEOUS SWITCHES	<u>82</u>	<u>246</u>
TOTAL CARS SWITCHED	<u><u>8,828</u></u>	<u><u>8,536</u></u>

YEAR TO DATE			
October 31, 2016	October 31, 2015	2016/2015 VARIANCE	PERCENT CHANGE
\$10,529,503	\$9,539,294	\$990,209	10.4%
10,722,585	10,172,582	550,003	5.4%
282,422	604,722	(322,300)	-53.3%
<u>1,384,361</u>	<u>1,163,605</u>	<u>220,756</u>	<u>19.0%</u>
<u>\$22,918,871</u>	<u>\$21,480,203</u>	<u>\$1,438,668</u>	<u>6.7%</u>
76,718	57,216	19,502	34.1%
26,537	24,584	1,953	7.9%
556	1,398	(842)	-60.2%
<u>1,796</u>	<u>2,447</u>	<u>(651)</u>	<u>-26.6%</u>
<u>105,607</u>	<u>85,645</u>	<u>19,962</u>	<u>23.3%</u>

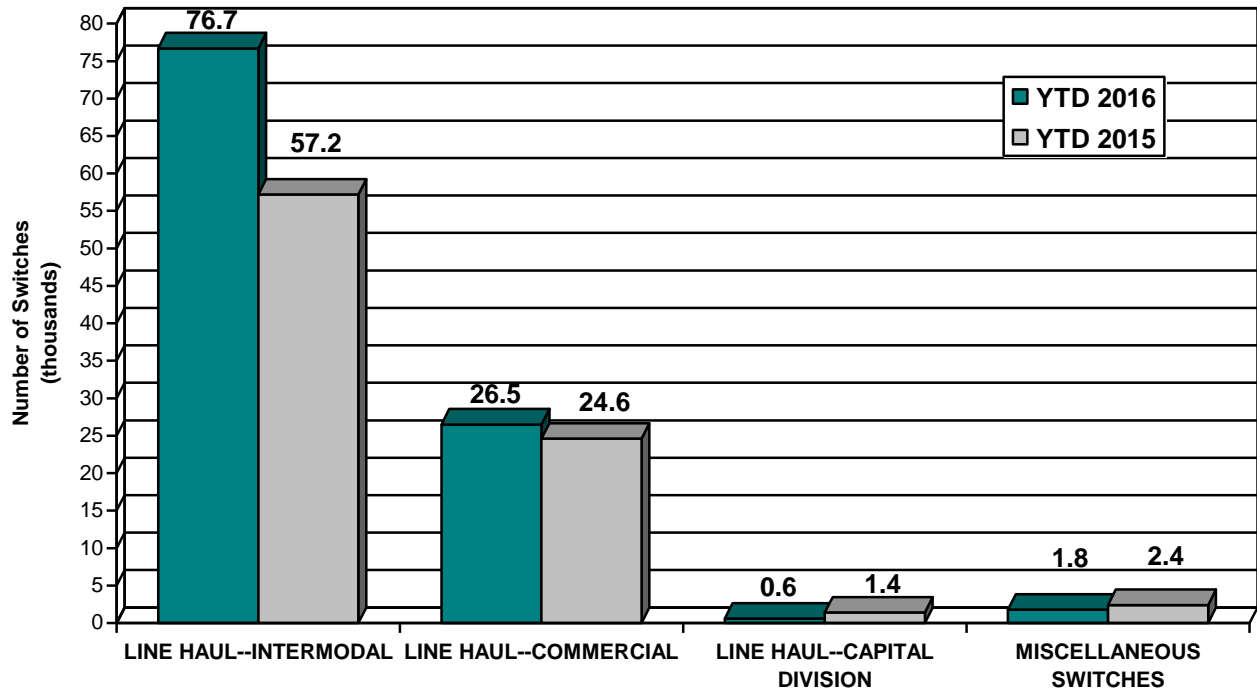
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Supplemental Data

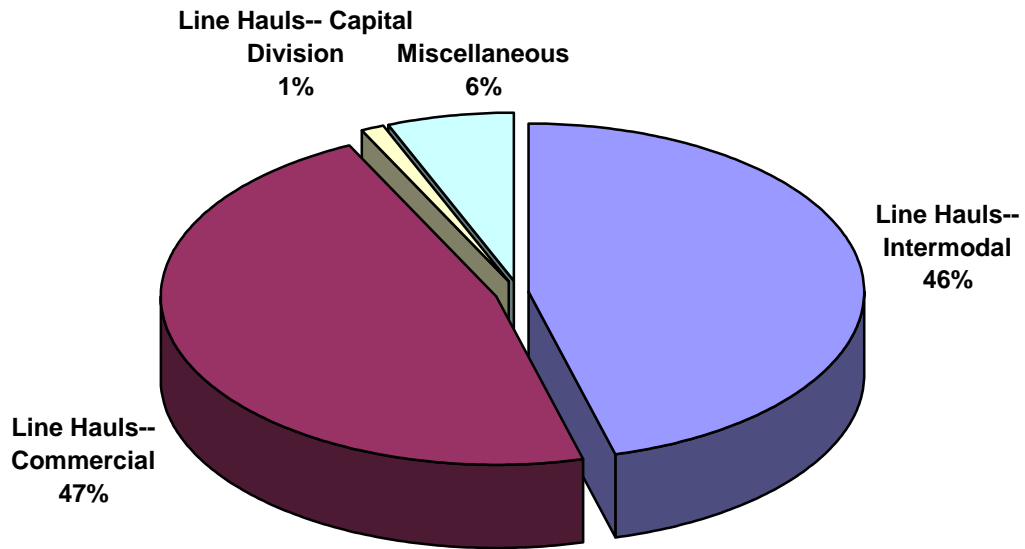
SWITCHING REVENUES
Year to Date - October 2016 & 2015



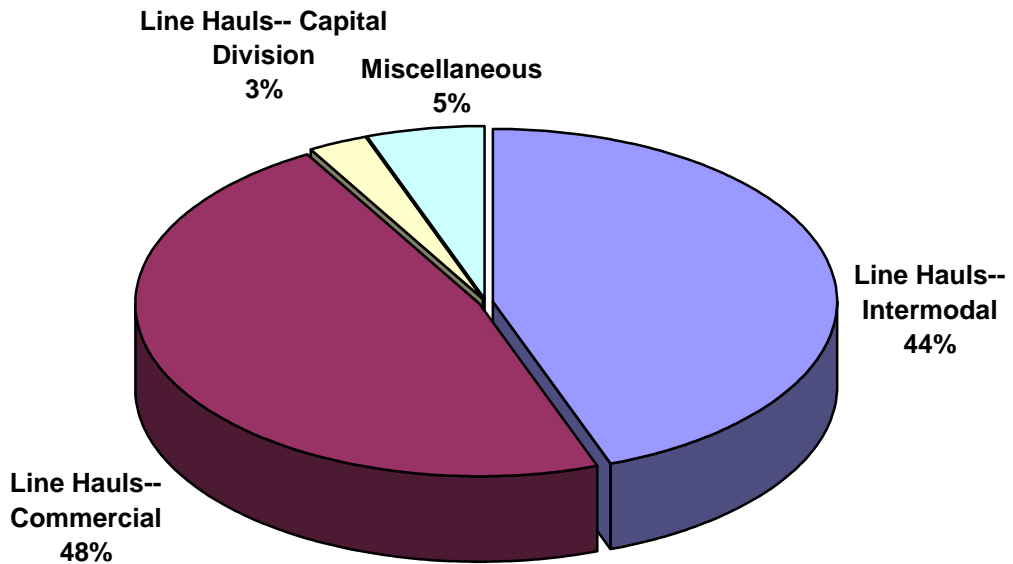
SWITCHING ACTIVITIES
Year to Date - October 2016 & 2015



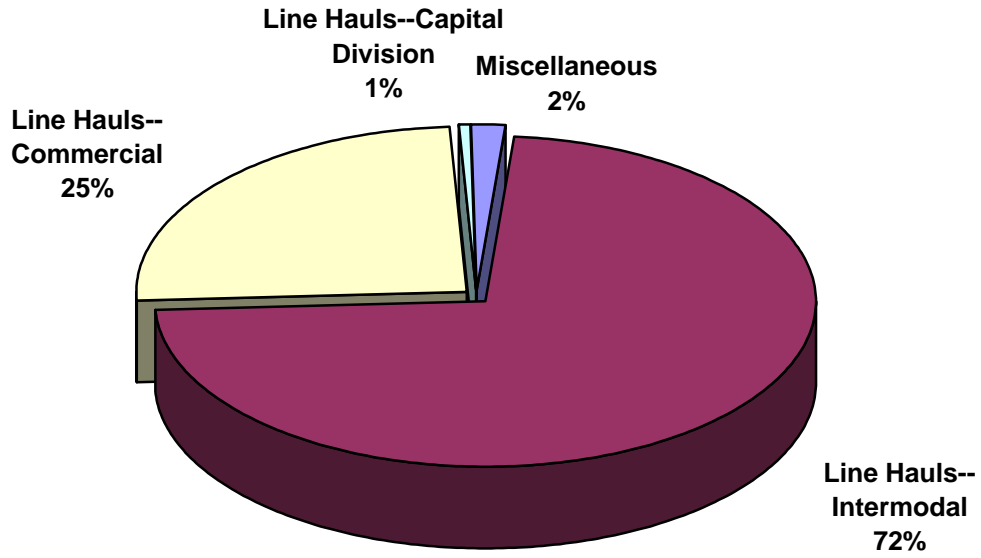
SWITCHING REVENUES
Year to Date - October 2016 (\$22,918,872)



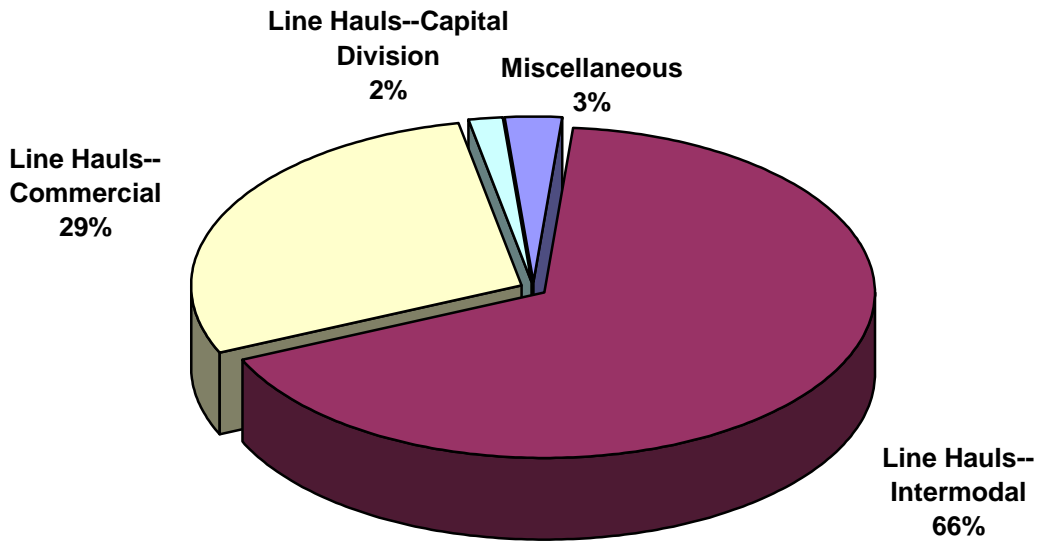
SWITCHING REVENUES
Year to Date - October 2015 (\$21,480,203)



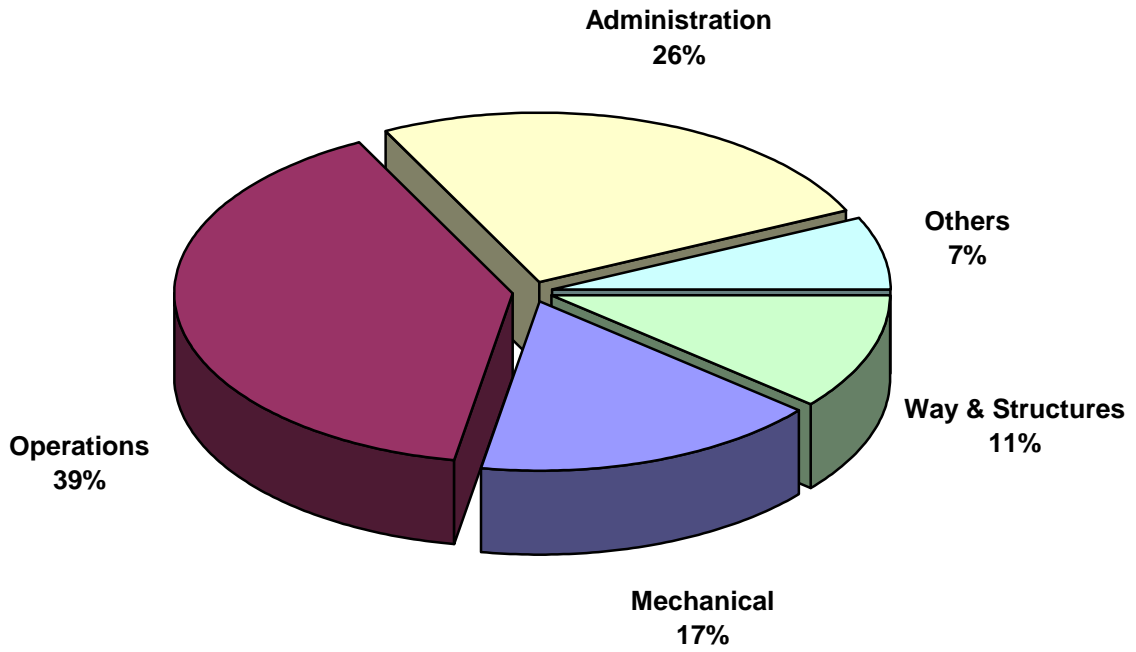
SWITCHING ACTIVITY
Year to Date - October 2016 (105,607 cars)



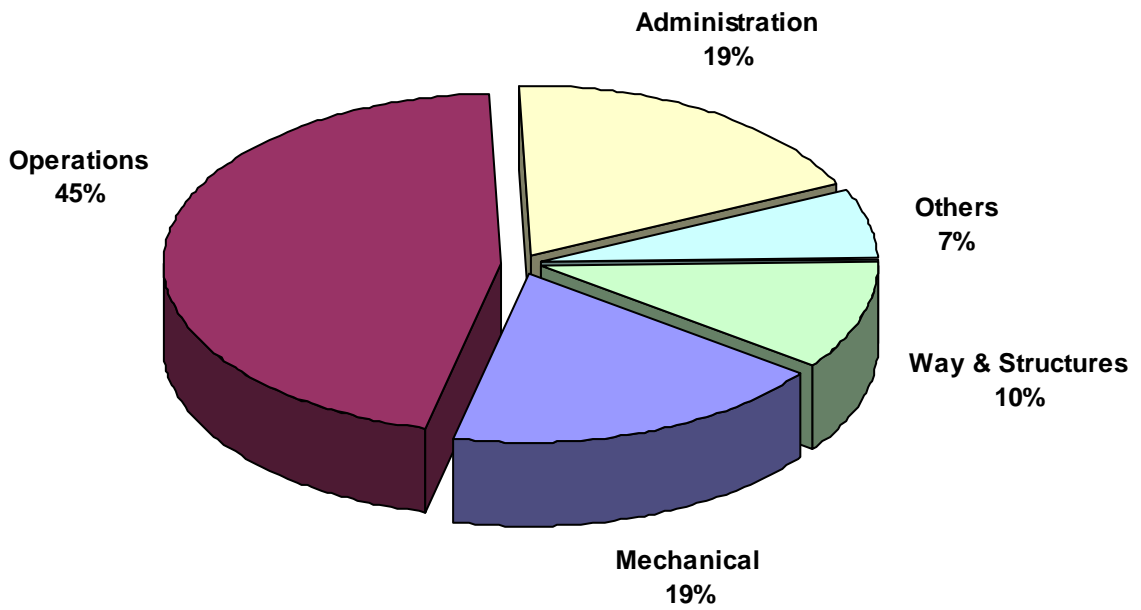
SWITCHING ACTIVITY
Year to Date - October 2015 (85,645 cars)



TOTAL OPERATING EXPENSES
Year to Date - October 2016 (\$23,305,578)



TOTAL OPERATING EXPENSES
Year to Date - October 2015 (\$20,489,460)





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.