

October 28, 2026

MOTION

I hereby move that the following motion be approved:

26-07. The Department of Public Utilities 2027-2028 Budget, as submitted and filed with the Clerk of the Board, be accepted and approved and the City Council is requested to approve the same as provided by Section 4.12 of the Charter of the City of Tacoma.



TACOMA PUBLIC UTILITIES
3628 South 35th Street
Tacoma, Washington 98409-3192

October 28, 2026

To the Mayor and Members of the Tacoma City Council:

In conformance with the provisions of section 4.12 of the Charter of the City of Tacoma and chapter 35.34.080 of the Revised Code of Washington, we are transmitting the Preliminary 2027-2028 Biennial Budget for the Department of Public Utilities.

The total department budget includes the budgets for Tacoma Power, Tacoma Water, Tacoma Rail, Fleet Services, Self-Insurance Claim and Family Need Funds.

Memorandum budgets are submitted for the TPU Administrative Offices, Customer Experience and External Affairs and Support Services. The expenditures of these supporting service divisions are allocated to the Tacoma Power, Tacoma Water, Tacoma Rail and Fleet Services Funds. Portions of Customer Experience and External Affairs expenditures are reimbursed by the City's Environment and Public Works department.

The budgets were developed in alignment with the mission and values of Tacoma Public Utilities. All expenditures were thoroughly reviewed, and capital outlay projects were examined fully and prioritized for possible deferral or elimination. Financing of these projects is consistent with the Board's established rate and financial policies.

The Tacoma Public Utilities 2027-2028 Operating biennial budget totals \$1.75 billion which compares to \$1.65 billion for the 2025-2026 biennium. The budget reflects additional revenue anticipated from rate increases by Tacoma Power, Tacoma Water and Tacoma Rail.

Transfers to General Government

General Government functions such as Finance, Information Technology, Human Resources, the City Attorney's Office, and others are shared by all city departments. The Department of Public Utilities portion totals \$74.7 million and is included in the proposed appropriations for the Tacoma Power, Tacoma Water, Tacoma Rail and Fleet Service funds.

The budgets of the operating divisions also include \$123.8 million for gross earnings tax payments to General Government during the biennium.





TACOMA PUBLIC UTILITIES
3628 South 35th Street
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The Budget Review Process to Date

The Director and Senior Management participated in discussions of the proposed budget at the Public Utility Board Study Sessions on September 9 and September 23, 2026. The budget was also discussed at a City Council Budget Work Session on October 13, 2026, and considered at Public Utility Board Meetings on October 14 and October 28, 2026. Public engagement has been an integral part of the budget process and included public meetings with franchise cities and neighborhood and community organizations as well as a dedicated web page, utility bill inserts and messages, multilingual fact sheets, newsletters, and social media posts.

The Public Utility Board has reviewed the preliminary budget with the Director, Senior Management and Staff during a considerable period of time and recommends approval by the City Council. Additional review will continue, as necessary, until time for final adoption. The Council will be informed of any changes that may be necessary or deemed desirable by the Board.

Sincerely,

Elly Claus-McGahan
Chair
Public Utility Board





TACOMA PUBLIC UTILITIES

UTILITY BOARD MEETING

2027-2028 PRELIMINARY BIENNIUM BUDGET

Wednesday, October 28, 2026

Tacoma Public Utilities

Public Utility Board

Elly Claus-McGahan, Chair

Anita Gallagher, Vice-Chair

Devin Hampton, Secretary

William Bridges, Member

John O'Loughlin, Member

Executive Team

Jackie Flowers –

Director of Utilities/Chief Executive Officer

Chris Robinson –

Tacoma Power Superintendent/Chief Operating Officer

Keri Burchard-Juarez –

Tacoma Water Superintendent

Alan Matheson –

Tacoma Rail Superintendent

LaTasha Wortham –

Deputy Director - Customer Experience & External Affairs

H. Alex Yoon –

Deputy Director - Administration

Lewis Griffith (interim) –

Director - Tacoma Enterprise Safety

Prepared by:

Management Services Office

Ebony Peebles

Jennifer Murray

Shannon Lee

City of Tacoma, Washington

Department of Public Utilities

2027-2028 Preliminary Biennium Budget

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**City of Tacoma, Washington
Department of Public Utilities
2027-2028 Preliminary Biennium Budget**

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TACOMA PUBLIC UTILITIES
3628 South 35th Street
Tacoma, Washington 98409-3192

October 28, 2026

To the Members of the Public Utility Board:

The preliminary draft of the Department of Public Utilities Budget for the 2027-2028 biennium is presented for your consideration and approval before transmittal to the City Clerk for distribution to the City Council. State law requires that the budget be filed at least 60 days before the beginning of the next fiscal year. The budget will be delivered to the City Clerk's office by October 30, 2026.

My office, staff within the various divisions, superintendents, and the Management Services Office have carefully reviewed these requested appropriations. The divisional budgets were discussed at the Public Utility Board Study Sessions held September 9th for Customer Services and Tacoma Rail and September 23rd for Tacoma Power and Tacoma Water. A budget overview was presented at the joint City Council/Public Utility Board Work Session on October 13, 2026, and the budget was also discussed at the Public Utility Board Meeting held October 14, 2026. Public engagement has been an integral part of the budget process and included public meetings with franchise cities and neighborhood and community organizations as well as a dedicated web page, utility bill inserts and messages, multilingual fact sheets, newsletters, and social media posts.

These budgets were developed without compromising the mission or values of Tacoma Public Utilities. All expenditures were thoroughly reviewed, and capital outlay budgets were examined fully and prioritized for possible deferral or elimination. Financing of these projects is consistent with the Board's established rate policies.

The Tacoma Public Utilities 2027-2028 Operating biennial budgets total \$1.75 billion which compares to \$1.65 billion for the 2025-2026 biennium. The budget reflects additional revenue anticipated from rate increases by Tacoma Power, Tacoma Water and Tacoma Rail, the details of which are noted in their subsections below.

Tacoma Power

This proposed budget continues to support Tacoma Power's strategy to maintain low rates while providing safe, reliable and environmentally responsible electric power.

Tacoma Power's proposed 2027-2028 operating budget is \$1.26 billion which represents a \$68.8 million increase over the current biennial budget.





TACOMA PUBLIC UTILITIES

3628 South 35th Street

Tacoma, Washington 98409-3192

Personnel costs are planned to increase by approximately \$57.8 million or eighteen point four percent (18.4%). This is primarily driven by benefit and contractual wage increases as the staffing level increases by one point nine (1.9) from 902.7 to 904.6 full-time equivalents (FTEs). Supplies, services and other charges will decrease by \$9.1 million or one point six percent (-1.6%). The total capital outlay proposed is \$229.8 million, of which \$104.5 million of this capital plan will be paid for from the operating fund while the rest will be funded from bond proceeds.

Taxes, primarily City of Tacoma gross earnings taxes of \$90.9 million, and State of Washington utilities and other business taxes of \$58.9 million, total \$149.8 million for the biennium, which is an increase of \$17.8 million or thirteen point five percent (13.5%) over the current biennium. Included in the tax figures are administrative fees for small surrounding cities where Tacoma Power operates.

Funding for the budget will be primarily from sales of electric energy and bulk power sales. Tacoma Power also receives other electric and miscellaneous revenues, such as interest earnings, rents, and wheeling revenues. Tacoma Power will maintain a minimum cash reserve of 90 days of current budgeted expenditures including capital paid from the operating fund to remain compliant with Electric Rate and Financial Policy. The budget includes anticipated additional revenue of \$81.8 million derived from a system average rate increase of approximately seven point eight percent (7.8%) in both 2027 and 2028.

Tacoma Water

In formulating its budget, Tacoma Water continues to focus on managing expenditures while maintaining responsible stewardship and long-term financial sustainability of the Utility.

Tacoma Water's proposed 2027-2028 operating budget is \$367.4 million which represents a \$24.6 million increase over the current biennial budget.

Personnel costs are planned to increase by \$10.4 million. This is primarily driven by benefit and contractual wage increases as the staffing level increases by two from 325.0 to 327.0 full-time equivalents (FTEs). Supplies, services and other charges will increase by \$1.7M or two percent (2.0%) to cover growing operational expenses to provide safe, clean water and to address other priorities.

Debt Service is planned to increase by \$2.3 million in the next biennium. Part of the debt service expense will be offset by the Build America Bonds subsidy which is recorded as non-operating revenue. The total capital outlay proposed is \$82.1 million, of which \$9.5 million of this capital plan will be paid for from the operating fund while the rest will be funded from capital and system development charge reserves, and anticipated bond proceeds.





TACOMA PUBLIC UTILITIES

3628 South 35th Street

Tacoma, Washington 98409-3192

Taxes, primarily City of Tacoma gross earnings taxes of \$26.2 million and State of Washington utilities and other business taxes of \$15.9 million, total \$42.1 million which is an increase of \$7.3 million or twenty-one percent (21.0%) over the current biennium. Included in the total tax figures are franchise, administrative, and other fees paid to other cities and entities.

Tacoma Water receives most of its revenue from water sales and other operating earnings. To balance its budget, an anticipated additional revenue amount of \$21.4 million is required, which would come from a system average rate increase of five and one half percent (5.5%) in both 2027 and 2028.

Tacoma Rail

Tacoma Rail's proposed 2027-2028 operating budget is \$90.8 million which represents a \$10.4 million increase over the current biennial budget.

Tacoma Rail's operations are greatly influenced by economic activity, particularly driven by the movement of goods and commodities around the Port of Tacoma area. Fluctuating rail volumes remain a major risk in planning for future expenditures.

Personnel costs are planned to increase by \$5.7 million, with staffing levels budgeted to remain flat at 120.0 FTE for the biennium. Supplies, services, and other charges are planned to decrease by (\$0.3) million or one point three (-1.3%). The total capital outlay proposed is \$37.8 million of which \$12.5 million of this capital plan will be paid for from the operating fund while \$25.3 million will be financed with either grants or special low (or no) interest loans.

Funding for the budget comes primarily from switching revenues. Tacoma Rail proposes system average rate increases of two percent (2.0%) in both 2027 and 2028.

Taxes, primarily City of Tacoma gross earnings taxes of \$6.7 million and State of Washington utilities and other business taxes of \$1.2 million, total \$7.9 million which is an increase of \$0.2 million or two point four percent (2.4%) over the current biennium.

Fleet Services Fund

The Fleet Services Fund's proposed 2027-2028 biennial budget is \$15.0 million which represents a \$1.7 million increase over the current biennial budget. Operation expenses are planned to increase by \$1.4 million and Capital outlay is planned to increase by \$0.3 million.





TACOMA PUBLIC UTILITIES
3628 South 35th Street
Tacoma, Washington 98409-3192

Other Funds

Self-Insurance Claim Fund, which is funded by contributions from Tacoma Power, Tacoma Water and Tacoma Rail plus appropriations from the cash reserves, totals \$3.5 million.

The Family Need Fund, which is a funding source for bill payment assistance to income qualifying Power customers, has an appropriation increase of \$2.1 million over the current biennium for a proposed 2027-2028 biennial budget of \$12.1 million.

Service Divisions

Expenditures for the service divisions are included for information only because their costs are included in the budgets of the operating divisions, and other funds within the department. Portions of Customer Experience and External Affairs costs are reimbursed by the City's Environment and Public Works department. Service division budgets include the Administrative Offices, Customer Experience and External Affairs, and Support Services (i.e., Utility Technology Services Software & Desktop Support, Business Enablement, Copiers, and Safety). The operating divisions reviewed these budgets during the budget process to ensure that only essential services are budgeted. The service divisions budget total \$113.1 million for the 2027-2028 biennium, up \$10.1 million from the current biennium.

Summary

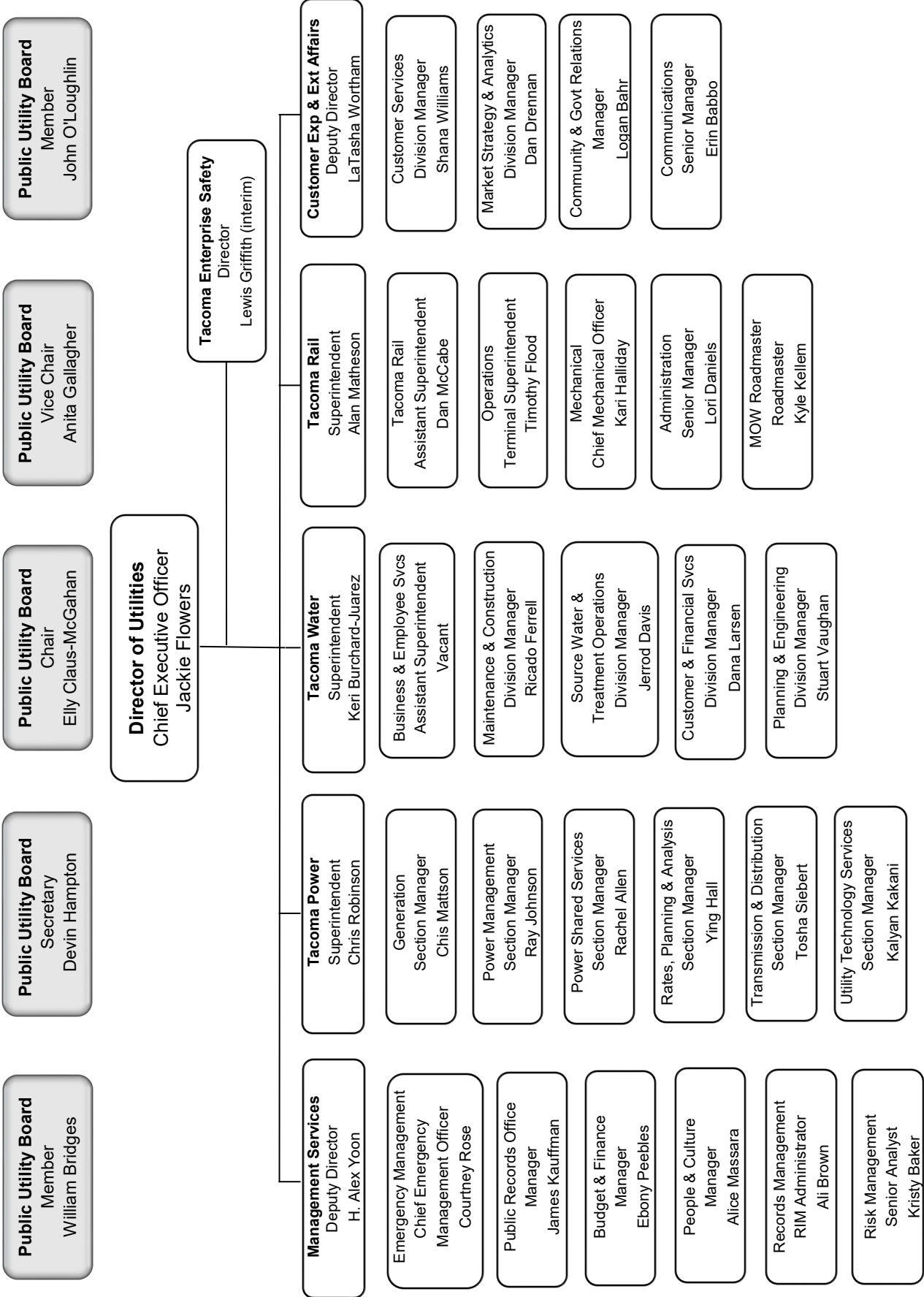
The revenues and expenditures contained in the Department of Public Utilities proposed 2027-2028 biennial budget requests were developed in accordance with the stated mission of the department and in conformance with the objectives of strategic plans. The proposed budget appropriations were reviewed extensively by my office, divisional management, the Management Services Office, and the Public Utility Board. TPU's budgets and rate proposals reflect strategies that are durable over the long run. The Utilities have considered the economy and market conditions and have properly aligned their budgets and their work forces for the 2027-2028 biennium and beyond.

Sincerely,

Jackie R. Flowers
Director of Utilities, CEO



CITY OF TACOMA - DEPARTMENT OF PUBLIC UTILITIES



CITY OF TACOMA

DEPARTMENT OF PUBLIC UTILITIES

DEPARTMENT SUMMARY

The Department of Public Utilities consists of the Tacoma Power, Tacoma Water, and Tacoma Rail Operating Divisions, Fleet Services, the Customer Experience and External Affairs Division, and Administrative and Support Services including Safety.

Memorandum budgets have been prepared for the Customer Services and Administrative/Support Services Divisions. Except for a portion of the Customer Services' budget, which is reimbursed by the City's Environmental Services, all planned Service Division expenses have been allocated to and are included in the three Operating Funds' budgets.

The following is a summary of the appropriations by fund.

2025-2026 BUDGET

	Personnel Costs	Supplies, Services & Other Charges	Taxes	Debt Service	Capital Outlay	2025-2026 Total
Tacoma Power Division	\$313,575,340	\$569,656,059	\$132,032,497	\$95,856,790	\$84,654,000	\$1,195,774,686
Tacoma Water Division	89,656,235	88,679,985	34,769,042	50,398,897	79,304,158	342,808,318
Tacoma Rail Division	41,587,733	22,214,066	7,721,521	1,568,763	7,395,000	80,487,083
Operating Funds	444,819,308	680,550,110	174,523,060	147,824,450	171,353,158	1,619,070,087
Fleet Services Fund	9,998,686	2,642,559	0	0	685,000	13,326,245
Family Need Fund	0	10,000,000	0	0	0	10,000,000
Self-Insurance Fund	0	5,653,200	0	0	0	5,653,200
Other Funds	9,998,686	18,295,759	0	0	685,000	28,979,445
Total TPU 2025-2026	\$454,817,994	\$698,845,869	\$174,523,060	\$147,824,450	\$172,038,158	\$1,648,049,531

2027-2028 BUDGET

	Personnel Costs	Supplies, Services & Other Charges	Taxes	Debt Service	Capital Outlay	2027-2028 Total
Tacoma Power Division	\$371,412,717	\$560,593,481	\$149,801,060	\$78,242,237	\$104,490,000	\$1,264,539,495
Tacoma Water Division	100,074,048	90,410,085	42,084,471	52,704,326	82,122,459	367,395,389
Tacoma Rail Division	47,302,187	21,933,500	7,910,225	1,205,580	12,495,000	90,846,492
Operating Funds	518,788,952	672,937,066	199,795,756	132,152,143	199,107,459	1,722,781,377
Fleet Services Fund	11,513,257	2,500,353	0	0	993,600	15,007,210
Family Need Fund	0	12,102,408	0	0	0	12,102,408
Self-Insurance Fund	0	3,517,300	0	0	0	3,517,300
Other Funds	11,513,257	18,120,061	0	0	993,600	30,626,918
Total TPU 2027-2028	\$530,302,209	\$691,057,127	\$199,795,756	\$132,152,143	\$200,101,059	\$1,753,408,295

Prior years may have been reclassified or restated to reflect organizational changes.

Job Classifications and Salary Information:

Visit www.governmentjobs.com/careers/tacoma/classspecs for current job classification specs with salary data.

**CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES**

COMPARATIVE BUDGET

Fund	Biennial Budget 2025-2026	Biennial Budget 2027-2028	\$ Increase or Decrease	% Increase or Decrease	% 2027-2028 Total Dept.
Tacoma Power	\$1,195,774,686	\$1,264,539,495	\$68,764,809	5.8%	72.1%
Tacoma Water	342,808,318	367,395,389	24,587,071	7.2%	21.1%
Tacoma Rail	80,487,083	90,846,492	10,359,409	12.9%	5.2%
Fleet Services	13,326,245	15,007,210	1,680,965	12.6%	0.9%
Family Need	10,000,000	12,102,408	2,102,408	21.0%	0.7%
Self-Insurance Claim	5,653,200	3,517,300	(2,135,900)	(37.8%)	0.2%
Total Department	\$1,648,049,531	\$1,753,408,295	\$105,358,764	6.4%	100.0%

DEPARTMENT OF PUBLIC UTILITIES Taxes	2023-2024 Biennium Actual	2025-2026 Biennium Budget	2027-2028 Biennium Budget
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TAX PAYMENTS

City of Tacoma:

Gross Earnings Tax	\$106,080,473	\$109,397,986	\$123,825,536
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State of Washington:

Utility & Business Tax	44,365,320	47,175,407	53,599,753
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Other *

20,417,137	17,949,667	22,370,467
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Subtotal

170,862,931	174,523,060	199,795,756
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Federal Taxes (FICA)

20,868,329	24,538,661	27,704,544
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Federal Railroad Taxes (RR)

4,877,373	5,256,493	5,900,114
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Subtotal

25,745,702	29,795,154	33,604,658
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Total Taxes

\$196,608,633	\$204,318,214	\$233,400,414
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Note: State Sales Tax is included in O & M Budget line items for materials.

FICA tax is included in O & M Budget line items for personnel costs/employee benefits.

* Other includes franchise, administrative and other fees paid to other Cities and entities and fire patrol assessments paid to WA State DNR.

DEPARTMENT OF PUBLIC UTILITIES	2025-2026	2027-2028
General Government Expenses	Biennium Budget	Biennium Budget

City Attorney's Office	\$4,620,936	\$6,668,810
CAO: City Clerk, Records, Committees	264,918	353,405
CAO: Civil Division	3,199,261	5,014,842
CAO: Labor Negotiations	1,156,757	1,300,564
City Council	269,102	310,300
City Manager's Office	3,265,742	614,281
CMO: Administration	192,197	159,346
CMO: EEO, Workforce Equity Dev, Equitable Service Delivery	948,227	375,940
CMO: Government Relations	106,097	78,995
CMO: Office of Health & Safety	2,019,222	0
Community & Economic Development	738,989	761,248
CED: Equity in Contracting	207,835	300,652
CED: Local Employment and Apprenticeship Training Program	105,280	132,910
CED: Tacoma Training & Employment Program	425,874	327,686
Finance	8,237,370	10,566,438
FIN: Admin, Auditing, Accounting, Procurement, Risk, Treasury, Bi	8,140,214	10,462,781
FIN: Office of Management & Budget	97,155	103,657
Hearing Examiner	126,450	50,806
Human Resources	8,224,215	8,399,706
HR: Admin, Benefits, Training, Wellness, Class/Comp, etc	7,450,317	7,672,207
HR: Continuous Improvement	773,899	727,500
Information Technology	41,403,253	43,489,449
IT: Active Directory	9,923,643	7,946,217
IT: Administration	639,668	1,475,221
IT: Analytics	2,528,742	2,145,569
IT: Business Applications & Enablement	827,258	770,609
IT: Cybersecurity	2,647,549	3,166,805
IT: Field Asset Management	1,498,485	1,721,926
IT: Geospatial Analytics & Applications	1,499,095	1,606,953
IT: Network Svcs, Database Admin, etc	707,768	651,884
IT: Permitting	1,117,112	1,165,883
IT: Private Cloud	1,375,750	1,565,682
IT: Project Management	773,791	676,091
IT: SAP Core ERP	9,898,615	6,522,647
IT: SAP Customer Care System	7,227,636	6,752,628
IT: Telecommunications	2,232	23,296
IT: Utility Asset Management	0	6,488,143
IT: Web Development & Support	735,908	809,896
Public Works Real Property Services	3,081,595	3,654,662
Tacoma Fire Emergency Management	193,444	206,879
Total TPU General Government Expenses	\$70,161,097	\$74,722,579

TACOMA POWER

TACOMA PUBLIC UTILITIES

2027-2028

PRELIMINARY BIENNIUM BUDGET

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TACOMA POWER	2023-2024	2025-2026	2027-2028
Recapitulation of Biennial Budget	Biennium Actual	Biennium Budget	Biennium Budget

REVENUE

Operating Revenue

Sales of Electric Energy	\$975,741,968	\$1,004,149,435	\$1,006,326,466
Rate Stabilization Fund	0	0	0
Anticipated Additional Revenue	0	49,682,245	81,811,933
Other Electric Revenue	56,067,244	57,555,273	61,285,124

Total Operating Revenue	1,031,809,212	1,111,386,953	1,149,423,523
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Other Income	44,088,672	34,651,588	31,767,601
Appropriation from Fund Balance	0	49,736,145	83,348,371

Total Revenue & Available Funds	\$1,075,897,884	\$1,195,774,686	\$1,264,539,495
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EXPENDITURES

Personnel Costs	\$243,480,861	\$313,575,340	\$371,412,717
Supplies, Services & Other Charges	476,623,694	569,656,059	560,593,481
Taxes - Current Revenue Estimate	130,089,850	126,443,636	140,536,084
Taxes - Anticipated Additional Revenue	0	5,588,861	9,264,976
Debt Service	67,154,357	80,856,790	69,592,237
Cash Defeasance - (debt service)	0	15,000,000	8,650,000
Capital Outlay	129,449,747	84,654,000	104,490,000

Total Expenditures	\$1,046,798,508	\$1,195,774,686	\$1,264,539,495
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CAPITAL OUTLAY FINANCING DETAIL

Funded From Operating Fund	\$84,654,000	\$104,490,000
Funded From New Bonds	137,788,000	125,330,000

Total Capital Outlay	\$222,442,000	\$229,820,000
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PERSONNEL - Budgeted FTEs	865.8 / 885.3	902.7 / 902.7	904.6 / 904.6
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Prior years may have been reclassified or restated to reflect organizational changes.

TACOMA POWER	2023-2024	2025-2026	2027-2028
Revenue	Biennium Actual	Biennium Budget	Biennium Budget

REVENUE SUMMARY

Sales of Electric Energy	\$975,741,968	\$1,004,149,435	\$1,006,326,466
Rate Stabilization Fund	0	0	0
Anticipated Additional Revenue	0	49,682,245	81,811,933
Other Electric Revenue	56,067,244	57,555,273	61,285,124
Total Operating Revenue	1,031,809,212	1,111,386,953	1,149,423,523
Other Income	44,088,672	34,651,588	31,767,601
Appropriation from Fund Balance	0	49,736,145	83,348,371
Total Revenue & Available Funds	\$1,075,897,884	\$1,195,774,686	\$1,264,539,495

REVENUE DETAIL

Sales of Electric Energy

Residential	\$418,254,693	\$402,795,366	\$469,697,068
Private Off-Street Lighting	2,981,566	2,431,718	3,819,081
Small General	64,159,358	68,764,411	72,754,220
General	241,423,413	271,327,154	267,070,037
High Voltage General	54,096,586	59,458,684	60,753,892
Contract Industrial - Firm	26,246,891	12,398,473	15,155,940
New Large Load	7,055,196	6,134,492	11,559,516
Street Lighting & Traffic Signals	2,286,174	1,799,092	2,086,063
Total Retail Sales	816,503,877	825,109,390	902,895,817

Other Sales

Bulk Power Sales	162,618,915	179,040,045	103,430,649
Rate Stabilization Fund	0	0	0
Accrued Unbilled Revenue	(3,380,824)	0	0
Total Other Sales	159,238,090	179,040,045	103,430,649
Anticipated Additional Revenue	0	49,682,245	81,811,933
Total Sales of Electric Energy	975,741,968	1,053,831,680	1,088,138,399

TACOMA POWER	2023-2024	2025-2026	2027-2028
Revenue	Biennium Actual	Biennium Budget	Biennium Budget

Other Electric Revenue

Rent from Electric Property	4,951,735	6,545,137	5,699,789
Lightcurve (Rainier Connect) IRU	5,812,500	6,457,500	6,400,000
BPA Efficiency Incentive	7,214,491	7,200,000	7,200,000
Interdepartmental Rent	6,115,152	5,763,518	6,418,889
Service Connection Fees	1,930,698	1,860,527	2,316,413
Green Power	153,192	162,777	181,978
Overhead on Work for Others	1,691,275	2,204,606	1,983,135
Late Payment Fees	3,123,258	3,638,481	3,508,197
Income from Campgrounds	4,505,899	5,700,000	5,959,065
Wheeling	20,094,182	17,488,936	21,000,000
Miscellaneous	474,863	533,791	617,658
Total Other Electric Revenue	56,067,244	57,555,273	61,285,124

Other Income

Interest	29,753,724	23,211,880	24,444,139
Federal Subsidy for BABS/CREBS interest	7,458,448	7,191,602	0
Miscellaneous	6,876,500	4,248,106	7,323,462
Total Other Income	44,088,672	34,651,588	31,767,601

Other Available Funds

Appropriation from Fund Balance	0	49,736,145	83,348,371
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Total Revenue & Available Funds	\$1,075,897,884	\$1,195,774,686	\$1,264,539,495
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TACOMA POWER	2023-2024	2025-2026	2027-2028
Division Consolidation	Biennium Actual	Biennium Budget	Biennium Budget

SUMMARY - Operation & Maintenance by Section

Power Administration	\$199,532,468	\$212,957,478	\$245,116,397
Generation	107,882,296	125,143,291	151,727,372
Power Management	328,260,021	404,278,065	377,017,198
Power Shared Services	35,248,869	43,315,763	48,087,582
Rates, Planning & Analysis	6,371,123	8,154,635	10,025,899
Transmission & Distribution	126,347,732	163,111,299	187,321,104
Utility Technology Services	46,551,895	58,303,365	62,511,706

Total for Division	\$850,194,405	\$1,015,263,896	\$1,081,807,258
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SUMMARY - Operation & Maintenance by Category

Salaries & Wages	\$225,861,768	\$278,159,078	\$317,800,778
Employee Benefits	76,363,836	96,243,802	116,558,928
Capital Credit & Labor To/From Others	(58,744,743)	(60,827,540)	(62,946,989)
Total Personnel Costs	243,480,861	313,575,340	371,412,717
Supplies	264,932,678	322,801,384	278,924,355
Services	79,636,468	92,917,725	108,182,579
Other Charges	54,761,005	57,370,095	68,645,968
Assessments	77,293,543	96,566,855	104,840,580
Taxes	130,089,850	132,032,497	149,801,060

Total for Division	\$850,194,405	\$1,015,263,896	\$1,081,807,258
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TACOMA POWER	2023-2024	2025-2026	2027-2028
Taxes	Biennium Actual	Biennium Budget	Biennium Budget

TAX PAYMENTS

City of Tacoma:

Gross Earnings Tax (7.5%)	\$80,820,430	\$79,371,547	\$84,799,077
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State of Washington:

Utility & Business Tax	32,111,576	31,992,731	36,344,243
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Other*

County/Schools/Fire Protection Dist.	5,161,628	5,934,069	5,844,179
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Franchise Administrative Fees	11,996,216	9,145,289	13,548,585
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Subtotal	130,089,850	126,443,636	140,536,084
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Anticipated Additional Revenue**

Gross Earnings Tax (7.5%)	0	3,687,243	6,117,478
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Utility & Business Tax	0	1,901,618	3,147,498
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	0	5,588,861	9,264,976
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Total City & Utility Tax	130,089,850	132,032,497	149,801,060
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Federal Taxes (FICA)	16,048,628	18,834,824	21,347,117
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Total Tacoma Power Taxes	\$146,138,477	\$150,867,321	\$171,148,177
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Note: State Sales Tax is included in O & M Budget line items for materials.

FICA tax is included in O & M Budget line items for personnel costs/employee benefits.

* Other includes franchise, administrative and other fees paid to other cities and entities and fire patrol assessments paid to WA State DNR.

** Taxes on anticipated additional revenue due to rate increase.

TACOMA POWER	2023-2024	2025-2026	2027-2028
Debt Service	Biennium Actuals	Biennium Budget	Biennium Budget

DEBT SERVICE SUMMARY

Interest	\$54,144,356	\$65,451,790	\$61,817,237
Principal	13,010,001	30,405,000	16,425,000
Cash Defeasance	0	(15,000,000)	(8,650,000)

Total Debt Service	\$67,154,357	\$80,856,790	\$69,592,237
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DEBT SERVICE DETAIL

2010B Revenue Bonds	Interest	\$17,383,647	\$17,383,647	\$0
\$147,070,000	Principal	0	0	0
2010C Revenue Bonds	Interest	2,728,552	2,728,552	0
\$24,185,000	Principal	0	24,185,000	0
2013A Ref & Rev Bonds	Interest	7,280,310	4,321,200	4,321,200
\$181,610,000	Principal	4,185,000	0	0
2017 Bonds	Interest	6,014,600	5,516,600	4,737,350
\$80,000,000	Principal	4,860,000	2,610,000	8,650,000
2021 Line of Credit - Wells Fargo	Interest	4,323,125	0	0
\$150,000,000	Principal	250,000	0	0
2021 Line of Credit - Key Bank	Interest	185,833	0	0
\$50,000,000	Principal	0	0	0
2021 Bonds	Interest	9,967,100	9,967,100	9,967,100
\$121,855,000	Principal	0	0	0
2024A Revenue Bonds	Interest	4,182,611	9,530,000	9,530,000
\$95,300,000	Principal	0	0	0
2024B Refunding Bonds	Interest	2,078,578	4,184,000	3,813,750
\$47,360,000	Principal	3,715,001	3,610,000	7,775,000
2025 Revenue Bonds	Interest	0	11,820,691	13,678,050
\$132,530,000	Principal	0	0	0
2025B Refunding Bonds	Interest	0	0	9,087,500
\$91,785,000	Principal	0	0	0
2027 Revenue Bonds	Interest	0	0	6,682,287
\$145,000,000 - Anticipated	Principal	0	0	0
Reduction due to Defeasance		0	(15,000,000)	(8,650,000)

Total Debt Service	\$67,154,357	\$80,856,790	\$69,592,237
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TACOMA POWER	2025-2026	2027-2028
Capital Outlay	Biennium Budget	Biennium Budget

SUMMARY

	Portfolio Budget Adjustment	\$0	(\$34,340,000)
General Plant			
	Capital Projects:	\$24,501,000	\$37,685,000
	Additions and Replacements:	21,960,000	23,039,000
	General Plant Total	46,461,000	60,724,000
Generation			
	Capital Projects:	39,416,000	45,237,000
	Additions and Replacements:	1,798,000	1,888,000
	Generation Total	41,214,000	47,125,000
Power Management			
	Capital Projects:	9,000,000	21,446,000
	Power Management Total	9,000,000	21,446,000
Transmission & Distribution			
	Capital Projects:	10,712,000	15,312,000
	Additions and Replacements:	86,086,000	87,626,000
	Transmission & Distribution Total	96,798,000	102,938,000
Utility Technology Services			
	Capital Projects:	23,170,000	29,054,000
	Additions and Replacements:	5,799,000	2,873,000
	Utility Technology Services Total	28,969,000	31,927,000
Sub-Total		\$222,442,000	\$229,820,000
Projects Funded from New Bonds		(137,788,000)	(125,330,000)
Total Operating Fund Capital Outlay		\$84,654,000	\$104,490,000

TACOMA POWER	2025-2026	2027-2028
Capital Outlay	Biennium Budget	Biennium Budget

Portfolio Budget Adjustments

Portfolio Budget Adjustment	\$0	(\$34,340,000)
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General Plant Capital Projects

ABN Atrium and Entry Replacement	\$1,201,000	\$0
Lot G Expansion	0	945,000
South Service Center Storage	6,350,000	18,000,000
TPU Admin Complex Storage and Parking Facility	16,950,000	12,240,000
TPU Admin Workplace Modernization	0	6,500,000

General Plant A & R

Fleet Replacement	20,000,000	16,947,000
General Plant	250,000	4,835,000
Tacoma Power Security Upgrade	1,500,000	1,050,000
TPU Critical Operations Power Supply	210,000	207,000
General Plant Total	\$46,461,000	\$60,724,000

Generation Capital Projects

Cowlitz Falls Downstream Fish Passage Improvements	\$200,000	\$445,000
Cowlitz Falls Debris Conveyor Replacement	0	101,000
Cowlitz FERC Relicensing	0	2,710,000
Cooling Water Piping & Valve Replacement	0	180,000
Cowlitz Mayfield Spillway Gate Controls Modernization	0	327,000
Cowlitz Mayfield Powerhouse GSU U41 Bank #2 Replacement	0	1,048,000
Cowlitz Mayfield Crane Controls Upgrade	2,000,000	0
Cowlitz Mayfield Downstream Collection	3,720,000	10,013,000
Cowlitz Mossyrock Dam Left Embankment Analysis & Upgrade	0	2,512,000
Cowlitz Mossyrock Dam Pier Interim Risk Reduction	0	506,000
Cowlitz Mossyrock Governor Controls Replacement	300,000	0
Cowlitz Mossyrock Physical Security Upgrade at Dam	0	271,000
Cowlitz Mossyrock PDS-6 Replacement	380,000	0
Cowlitz Mossyrock SpillGate Seismic Structural Remediation	761,000	618,000
Cowlitz Mossyrock U51, U52 Exciter Controls Retrofit	290,000	0
Cowlitz Off-Site Fish Rearing - Satellite Ponds	301,000	475,000
Cowlitz Trout Hatchery Remodel	3,820,000	2,710,000
Cushman EG 2 Replacement	0	839,000
Cushman #1 Debris Removal Ramp	80,000	0
Cushman #1 Right/Left Wing Wall Anchor	1,800,000	200,000
Cushman #1 Spillway Stop Logs	0	250,000
Cushman #2 U21, U22 Actuator & Bypass Valve	0	442,000
Cushman #2 Saltwater Park Hatchery Auxiliary Water Supply	1,000,000	182,000

TACOMA POWER	2025-2026	2027-2028
Capital Outlay	Biennium Budget	Biennium Budget
Cushman #2 U31, U32 Unit Rebuild	10,000,000	6,700,000
Cushman #2 U31, U32, U33 Protective Relay Upgrade	1,175,000	575,000
Cushman #2 U31, U32 Pressure Regulating Valve Refurbishment	1,585,000	856,000
Cushman #2 Valve House EG Upgrades & ATS	110,000	0
Generation Dam Deflection Survey Pedestal	302,000	280,000
Hydro Spillway Seismic Upgrades	4,000,000	2,070,000
Nisqually Alder & LaGrande Cooling Water Piping & Valve Replacement	144,000	0
Nisqually Alder Park Sewer Station EG & ATS Upgrade	132,000	0
Nisqually Alder Powerhouse 10" & 6" Skimmer/Motor Replacement	0	643,000
Nisqually Alder U11 Generator Rewind	300,000	0
Nisqually FERC Relicensing	0	1,000,000
Nisqually LaGrande Road Culvert Replacement	0	278,000
Nisqually LaGrande Downstream Fish Barrier - FERC	251,000	800,000
Nisqually LaGrande U1, U2, U3, U4 Excitation Upgrade	575,000	0
Nisqually LaGrande U1, U2, U3, U4 Protection Relay Upgrade	1,000,000	20,000
Nisqually LaGrande Tram Modifications & Access Improvements	0	6,231,000
Nisqually U5, U12 Turbine Generation Modernization	5,000,000	600,000
PCS Server Replacement	0	1,214,000
Taidnapam Day Use Playground Repl	0	141,000
Wynoochee Powerhouse Substation EG	190,000	0
<u>Generation A & R</u>		
Generation Engineering	110,000	0
Generation Hydro Project	1,322,000	1,192,000
Generation Natural Resources	366,000	696,000
Generation Total	\$41,214,000	\$47,125,000
<u>Power Management Capital Projects</u>		
Customer Energy Programs	\$9,000,000	\$8,500,000
SPP Markets Plus Implementation	0	12,946,000
Power Management Total	\$9,000,000	\$21,446,000
<u>Transmission & Distribution Capital Projects</u>		
#6 Copper Conductor Replacement	\$1,540,000	\$2,400,000
115 kV Sectionalizing MOD	400,000	0
Distribution Automation	1,983,000	1,057,000
Fawcett Ave Duct bank	1,473,000	2,916,000
MC Switchgear Replacement Pilot Project	2,670,000	1,200,000
Southwest Bank 1 Replacement	60,000	2,980,000
South Service Area West Distribution Substation	1,778,000	0
Spanaway Substation	0	1,738,000
Steel Pole Installs and Replacements	0	1,480,000
Substation Grounding Enhancements	520,000	205,000

TACOMA POWER	2025-2026	2027-2028
Capital Outlay	Biennium Budget	Biennium Budget

TPU Decant Facility Flock Tank Addition	0	375,000
Transmission Line Uprating	288,000	961,000

Transmission & Distribution A & R

Central Business District	\$2,595,000	\$3,131,000
Distribution Efficiency	280,000	102,000
Distribution Substation Transformer Replacement	3,319,000	4,309,000
Distribution System Upgrades	737,000	2,416,000
Distribution Transformer	16,640,000	14,228,000
Distribution UG/PM Switchgear Replacement	669,000	226,000
Energy Management System	3,520,000	1,171,000
HFC Fiber Projects	834,000	450,000
Joint Use	2,290,000	1,400,000
MC Switchgear Replacement	2,495,000	0
Meters and Devices	2,690,000	3,332,000
New Services	4,430,000	3,652,000
Overhead Distribution & Transmission	26,570,000	35,696,000
Protection & Controls	2,127,000	2,245,000
Rental Light	760,000	297,000
Roads / Public R/W	4,690,000	4,495,000
Substation	5,105,000	4,575,000
T&D Tools and Materials	540,000	525,000
Transmission	3,385,000	2,418,000
Underground	2,410,000	2,958,000
Transmission & Distribution Total	\$96,798,000	\$102,938,000

Utility Technology Services Capital Projects

Advanced Metering Infrastructure (AMI)	\$590,000	\$0
AI for Quality Assurance	97,000	0
Asset Management Data Digitization	0	300,000
Automated Distribution Management System	10,572,000	10,000,000
Aveva Pi - Generation	0	50,000
CIP-015 Procurement / Implementation	0	350,000
Distributed Antenna Systems	1,348,000	250,000
Data Governance Tool	0	462,000
EAP Notifications	45,000	250,000
Enterprise Work & Asset Management EWAM	0	1,216,000
Enterprise Service Bus (ESB) Modernization	0	668,000
ESRI ArcGIS Portal 12.1 Platform Upgrade	0	355,000
Facilities Management System	0	1,300,000
iVanti (Phase 1)	0	150,000
MyAccount Value Stream	704,000	0
Paging and Alert System Upgrade	1,095,000	0

TACOMA POWER	2025-2026	2027-2028
Capital Outlay	Biennium Budget	Biennium Budget
Paymentus	0	355,000
Power GIS Modernization	4,966,000	0
Power GIS Destination 2	0	650,000
Power GIS Destination 3	0	2,700,000
Property Manager	0	566,000
Qmatic Major Upgrade	0	95,000
RTU Replacements	1,470,000	900,000
SAP Training Environment	0	170,000
Shoreline Permitting	0	540,000
Telephony Modernization	2,283,000	0
Telephony Modernization (CCaaS)	0	2,500,000
Telephony Modernization (UCaaS)	0	977,000
VxRail Hardware Replacement	0	4,250,000
<u>Utility Technology Services A & R</u>		
Advanced Metering	\$1,846,000	\$1,062,000
Conference Room AV Upgrades	558,000	348,000
Cybersecurity and Resilience	228,000	69,000
Telephony	576,000	0
Unmanned Aircraft Systems Program	110,000	130,000
Utility/Grid Modernization	1,112,000	0
UTS Communications	1,369,000	1,264,000
Utility Technology Services Total	\$28,969,000	\$31,927,000
Total Capital Outlay	\$222,442,000	\$229,820,000

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TACOMA WATER

TACOMA PUBLIC UTILITIES

2027-2028

PRELIMINARY BIENNIUM BUDGET

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TACOMA WATER	2023-2024	2025-2026	2027-2028
Recapitulation of Biennial Budget	Biennium Actual	Biennium Budget	Biennium Budget

REVENUE

Operating Revenue

Water Sales	\$212,426,862	\$217,077,081	\$257,386,925
Anticipated Additional Revenue	0	21,714,921	21,409,099
Other Operating Revenue	8,472,804	8,023,736	8,256,943
Total Operating Revenue	220,899,666	246,815,738	287,052,967

Non-Operating Revenue

Interest	5,807,257	1,000,000	2,000,000
BABS Interest Federal Subsidy	5,603,040	5,487,131	5,194,991
Miscellaneous	1,604,868	462,158	491,633

Transfers from other Funds:

Capital Reserve Fund	10,402,515	9,402,723	2,093,757
System Development Charge Fund	33,530,153	26,179,628	10,551,457
(Anticipated) Revenue Bond Proceeds	0	36,721,807	60,000,000

Appropriation from Fund Balance	0	16,739,133	10,583
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Total Revenue & Available Funds	\$277,847,499	\$342,808,318	\$367,395,389
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EXPENDITURES

Personnel Costs	\$72,809,369	\$89,811,123	\$100,074,048
Supplies, Services & Other Charges	69,709,095	88,525,097	90,410,085
Taxes - Current Revenue Estimate	32,568,690	31,851,119	40,371,743
Taxes - Anticipated Additional Revenue	0	2,917,923	1,712,728
Debt Service	46,172,837	50,398,897	52,704,326
Capital Outlay	58,322,044	79,304,158	82,122,459

Total Expenditures	\$279,582,035	\$342,808,318	\$367,395,389
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CAPITAL OUTLAY FINANCING DETAIL

Funded from Operating Fund	\$7,000,000	\$9,477,245
Funded from Capital Reserve Fund	9,402,723	2,093,757
Funded from System Development Charge Fund	26,179,628	10,551,457
Funded from Anticipated Bond Fund	36,721,807	60,000,000

Total Capital Outlay	\$79,304,158	\$82,122,459
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PERSONNEL - Budgeted FTEs	325.0 / 325.0	325.0 / 325.0	326.0 / 327.0
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2025-26 has reclassified or restated to reflect organizational changes.

TACOMA WATER	2023-2024	2025-2026	2027-2028
Revenue	Biennium Actual	Biennium Budget	Biennium Budget

REVENUE SUMMARY

Water Sales	\$212,426,862	\$217,077,081	\$257,386,925
Anticipated Additional Revenue	0	21,714,921	21,409,099
Other Operating Revenue	8,472,804	8,023,736	8,256,943
Total Operating Revenue	220,899,666	246,815,738	287,052,967
Non-Operating Revenue	56,947,833	79,253,447	80,331,838
Appropriation from Fund Balance	0	16,739,133	10,583
Total Revenue & Available Funds	\$277,847,499	\$342,808,318	\$367,395,389

REVENUE DETAIL

Water Sales

Residential	\$150,210,238	\$161,223,006	\$178,506,898
Pulp Mill	7,982,751	0	0
Wholesale	5,040,121	5,676,295	8,098,882
Other Water Sales	49,193,752	50,177,780	70,781,145
	212,426,862	217,077,081	257,386,925
Anticipated Additional Revenue	0	21,714,921	21,409,099
Total Water Sales	212,426,862	238,792,002	278,796,024
Cascade Water Alliance	4,466,767	4,134,854	5,035,553
Public Fire Protection	1,032,545	749,923	0
Miscellaneous Water Revenue	2,973,491	3,138,959	3,221,390
Total Other Operating Revenue	8,472,804	8,023,736	8,256,943
Total Operating Revenue	220,899,666	246,815,738	287,052,967

Other Income

Interest	5,807,257	1,000,000	2,000,000
BABS Interest Federal Subsidy	5,603,040	5,487,131	5,194,991
Miscellaneous	1,604,868	462,158	491,633
Transfers from Other Funds:			
Capital Reserve Fund	10,402,515	9,402,723	2,093,757
System Development Charge	33,530,153	26,179,628	10,551,457
(Anticipated) Revenue Bond Proceeds	0	36,721,807	60,000,000
Total Non-Operating Revenue	56,947,833	79,253,447	80,331,838
Appropriation from Fund Balance	0	16,739,133	10,583
Total Revenue & Available Funds	\$277,847,499	\$342,808,318	\$367,395,389

TACOMA WATER	2023-2024	2025-2026	2027-2028
Division Consolidation	Biennium Actual	Biennium Budget	Biennium Budget

SUMMARY - Operation & Maintenance by Section

Water Administration	\$80,907,780	\$95,306,683	\$132,775,789
Maintenance & Construction	38,735,305	46,529,072	42,949,436
Business Services	13,224,584	18,835,270	0
Customer & Employee Experience	8,165,161	0	0
Customer & Financial Services	0	10,858,471	10,486,935
Planning & Engineering	15,189,131	20,385,560	17,113,886
Source Water & Treatment Ops	18,865,194	21,190,206	29,242,558

Total for Division	\$175,087,153	\$213,105,262	\$232,568,604
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SUMMARY - Operation & Maintenance by Category

Salaries & Wages	\$64,744,459	\$77,175,565	\$85,703,341
Employee Benefits	25,850,217	30,872,688	36,343,565
Capital Credit & Labor To/From Others	(17,785,307)	(18,237,130)	(21,972,858)
Total Personnel Costs	72,809,369	89,811,123	100,074,048
Supplies	20,081,583	22,687,688	22,962,424
Services	14,833,283	18,342,196	18,691,999
Other Charges	5,537,673	8,575,364	7,267,159
Assessments	29,256,555	38,919,849	41,488,503
Taxes	32,568,690	34,769,043	42,084,471

Total for Division	\$175,087,153	\$213,105,262	\$232,568,604
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TACOMA WATER	2023-2024	2025-2026	2027-2028
Taxes	Biennium Actual	Biennium Budget	Biennium Budget

TAX PAYMENTS

City of Tacoma:

Gross Earnings Tax (8.0%)	\$18,468,269	\$18,053,656	\$24,496,253
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State of Washington:

Utility & Business Taxes	10,842,430	11,018,390	12,898,012
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Other*	3,257,991	2,779,074	2,977,478
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Subtotal	32,568,690	31,851,119	40,371,743
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Anticipated Additional Revenue**

Gross Earnings Tax (8.0%)	0	1,737,194	1,712,728
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Utility & Business Taxes	0	1,092,044	0
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Other*	0	88,685	0
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	0	2,917,923	1,712,728
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Total City and Utility Tax	32,568,690	34,769,042	42,084,471
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Federal Taxes (FICA)	4,819,701	5,703,837	6,357,427
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Total Tacoma Water Taxes	\$37,388,391	\$40,472,879	\$48,441,898
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Note: State Sales Tax is included in O & M Budget line items for materials.

FICA tax is included in O & M Budget line items for personnel costs/employee benefits.

* Other includes franchise, administrative and other fees paid to other cities and entities and fire patrol assessments paid to WA State DNR.

** Taxes on anticipated additional revenue due to rate increase.

TACOMA WATER	2023-2024	2025-2026	2027-2028
Debt Service	Biennium Actual	Biennium Budget	Biennium Budget

DEBT SERVICE SUMMARY

Interest	\$25,046,065	\$28,699,715	\$29,001,198
Principal	21,126,772	21,699,182	23,703,128

Total Debt Service	\$46,172,837	\$50,398,897	\$52,704,326
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DEBT SERVICE DETAIL

BONDS

2005 Bonds	Interest	\$250	\$0	\$0
\$5,000 remaining after refund	Principal	0	0	0
2009 Build America Bonds	Interest	8,830,661	8,830,661	8,830,661
\$76,775,000				
2010 Build America Bonds	Interest	8,145,676	7,794,490	6,909,352
\$74,985,000	Principal	2,567,917	7,585,833	10,380,000
2013 Refunding of 2003 Bonds	Interest	2,974,200	0	0
\$74,355,000	Principal	0	0	0
2015 Refunding Bonds	Interest	472,500	92,812	0
\$18,430,000	Principal	3,795,000	1,856,250	0
2020 Bank Loan Refunding of 2010	Interest	52,865	0	0
\$17,466,514	Principal	3,776,064	0	0
2024 Bonds	Interest	2,977,333	6,380,000	6,374,875
\$63,800,000	Principal	0	0	1,427,083
2026 Bonds	Interest	0	4,511,122	0
\$83,000,000	Principal	0	1,357,977	0
2027 Revenue Bonds	Interest	0	0	6,045,529
\$60,000,000	Principal	0	0	1,879,519

LOANS

Public Works Trust Fund Loans	Interest	82,927	52,950	27,217
	Principal	3,024,071	2,758,735	1,929,917
State Drinking Water Fund Loans	Interest	1,261,783	1,037,680	813,565
	Principal	8,140,387	8,140,387	8,086,609

Total Debt Service	\$46,172,837	\$50,398,897	\$52,704,326
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TACOMA WATER	2025-2026	2027-2028
Capital Outlay	Biennium Budget	Biennium Budget

SUMMARY

	Portfolio Budget Adjustment	\$0	(\$20,530,615)
General Plant		\$9,722,236	\$16,733,524
Water Source		43,678,854	28,962,823
Water Treatment		7,498,314	11,461,267
Water Distribution		18,404,754	45,495,460

Sub-Total	\$79,304,158	\$82,122,459
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Projects Funded from Water Operating Reserve Fund	7,000,000	9,477,245
Projects Funded from Water Capital Reserve Fund	9,402,723	2,093,757
Projects Funded from System Development Charge Fund	26,179,628	10,551,457
Projects Funded from Anticipated Bond Fund	36,721,807	60,000,000

Total Operating Fund Capital Outlay	\$79,304,158	\$82,122,459
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Portfolio Budget Adjustments

Capital Completion Factor	\$0	(\$20,530,615)
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General Plant

Accela Expanded Services	\$0	\$932,640
AVEVA PI	0	566,276
Capital Carryforward Factor	(7,470,524)	0
Common Operating Picture	0	486,000
Cross Connection Software	0	380,000
Fleet Additions and Replacements	8,609,204	7,013,608
Land Purchases and Contingency	500,000	5,000,000
SmartWater Program	1,443,000	475,000
TW Project Management Information System	0	280,000
Unanticipated Capital Project/Plant or Equip Failure	1,300,000	0
UTS and Customer Service Projects	5,340,556	0
Water Capital Software	0	1,600,000
General Plant Total	\$9,722,236	\$16,733,524

Water Source

128 & Canyon Pump Station Upgrade	\$0	\$1,300,000
198th PS Buildout	0	150,000
214th PS MCC Replacement	0	270,000
27/28 Cathodic Protection Impressed Current Program	0	500,000
Cascadia Reservoir and PS	2,726,112	0
Cathodic Protection	300,000	0
Electrical and Communications Upgrades	956,627	0

TACOMA WATER	2025-2026	2027-2028
Capital Outlay	Biennium Budget	Biennium Budget
Fixed Ladder & Anchor Points	0	816,000
Groundwater Prioritization (Wells Master Plan)	1,074,000	0
Hood St Reservoir Overflow Check Valve	0	231,000
Hood Street Pump Station Renewal	0	150,000
McMillin Security Camera System Upgrade	0	62,000
North End Reservoir Standpipe Overflow Check Valve	0	174,823
P1 Projects (non-program)	532,258	0
Pipeline 1 Pressurization Program	12,400,000	4,970,000
Pipeline No. 1 Pressurization - Canyonfalls Creek Pump Station	0	12,070,000
Sunrise Standpipe Drainage, Coating and Corrosion Issues	0	97,000
Sunrise Standpipe: Monitoring Equipment Upgrade	0	21,000
Supply System Improvements	989,857	0
Trilogy Reservoir & Booster Pump Station (formally Cascadia Reservoir and PS)	0	8,100,000
UP Reliability Improvements	0	51,000
Water Operations Warehouse Building	24,700,000	0
Water Source Total	\$43,678,854	\$28,962,823

Water Treatment

Built Forestland Assets	\$180,000	\$60,000
Dedicated Distribution Sample Stations	30,000	30,000
Hood St Chlorination System Improvements	55,000	0
HSR Corrosion Control Facility Pipe and Appurtenance	0	126,000
Muckleshoot Agreement	600,000	600,000
South Tacoma PFAS Land Acquisition	0	2,660,000
South Tacoma Wells PFAS Treatment	1,250,000	2,000,000
West McDonald Genset & Batteries Replacement	48,000	0
1st Diversion Share of RWSS Projects:	0	0
1st Diversion: Backwash Tank Refill Flow Control	174,000	0
1st Diversion: Chemtreat Bldg Standby Generator Load Bank Testing	0	39,150
1st Diversion: Fish Passage Facility Upgrades	746,114	920,000
1st Diversion: Flash Mix Grid #2 Modifications	0	47,850
1st Diversion: Fluoride HMI/RTU Relocation & Profinet Conversion	34,800	0
1st Diversion: GRFF Chemical Feed Lines	151,761	0
1st Diversion: GRFF Critical Pump and Motor Spares	143,550	0
1st Diversion: GRFF Improvements	0	0
1st Diversion: GRFF Main Generator PLC Upgrade	0	108,750
1st Diversion: GRFF Visitor & Access Control Solution	174,000	0
1st Diversion: Headworks Gate Access Control & Security Improvements	0	124,008
1st Diversion: Ozone Standby Generator, Load Bank Connection Cam Lock P	0	39,150
1st Diversion: Ozone System Upgrades	3,095,025	1,996,650
1st Diversion: Raw Water Conduit (RWC) Bridge Seismic Improvements	0	321,900

TACOMA WATER	2025-2026	2027-2028
Capital Outlay	Biennium Budget	Biennium Budget
1st Diversion: RWSS Fleet Additions and Replacements	205,364	320,729
1st Diversion: RWSS Major Electrical and Control Equipment	87,000	87,000
1st Diversion: RWSS Major Treatment and Equipment	130,500	87,000
1st Diversion: RWSS North Fork Wells Renewal & Replacement	106,100	106,100
1st Diversion: RWSS Watershed Betterments	184,875	417,600
1st Diversion: RWSS Watershed Tools and Equipment	58,725	65,250
1st Diversion: SCADA Server Refresh	0	725,580
1st Diversion: Upgrade Zetasizer at GRFF	0	91,350
1st Diversion: Upper Green River Water Monitoring	43,500	43,500
1st Diversion: West McDonald Power Feeder	0	443,700
Water Treatment Total	\$7,498,314	\$11,461,267
<u>Water Distribution</u>		
Blowoff Installation and Replacement	\$300,000	\$1,000,000
Capital Meter Replacements	1,000,000	500,000
Curran Road - 136th St to 47th Ave (Phase 2)	0	3,790,000
Decant Facility 2nd Flocculation Tank	143,332	0
FRP: Franchise Required Projects	941,800	2,155,000
Furnishings for New Warehouse/Shops	0	1,315,000
High Cedars PRV Station Demolition	40,000	0
Hydrant Installation & Replacement	600,000	1,000,000
Lawrence St & 40th Valve Replacement	20,000	0
MRP: Curran Road Water System Improvements	4,310,421	0
MRP: Galvanized Pipe Replacement on A St South and East D St	0	1,100,000
MRP: Model Driven (Identified Projects) 23/24	6,369,201	0
MRP: Projects of Opportunity (Identified Projects)	30,000	0
MRP: Puyallup Ave Main Replacement, from SR 705 to Portland Ave	0	140,000
MRP: S 11th St. from MLK Jr Way to Yakima Ave	0	290,100
MRP: S 11th St. & S. Sprague Ave Intersection	0	310,000
New Shops Equipment Needs	0	350,000
Redundant Supply for 446 North Pressure Zone	0	158,000
Shirley St and N 31st Low Pressure Area	0	260,000
STPS Motor Protection Relay Upgrade	0	60,000
Valve Renewal and Replacement	450,000	1,000,000
Water Operation Building	0	25,945,000
Water Service Replacement & Renewals	4,000,000	6,000,000
WDP: Water Division Projects	200,000	0
Woodland Ave Capacity Improvements	0	122,359
Water Distribution Total	\$18,404,754	\$45,495,460
Total Capital Outlay	\$79,304,158	\$82,122,459

TACOMA RAIL

TACOMA PUBLIC UTILITIES

2027-2028

PRELIMINARY BIENNIUM BUDGET

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TACOMA RAIL	2023-2024	2025-2026	2027-2028
Recapitulation of Biennial Budget	Biennium Actual	Biennium Budget	Biennium Budget

REVENUE

Switching Revenue	\$77,534,425	\$74,628,536	\$77,194,076
Miscellaneous Revenue	5,871,643	2,974,020	3,199,800
Total Operating Revenue	83,406,068	77,602,556	80,393,876
Other Income	1,745,798	2,884,527	10,452,616

Total Revenue & Available Funds	\$85,151,865	\$80,487,083	\$90,846,492
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EXPENDITURES

Personnel Costs	\$35,817,400	\$41,587,733	\$47,302,187
Supplies, Services & Other Charges	22,467,462	22,214,066	21,933,500
Taxes	8,204,391	7,721,521	7,910,225
Debt Service	1,803,991	1,568,763	1,205,580
Capital Outlay	5,797,784	7,395,000	12,495,000

Total Expenditures	\$74,091,027	\$80,487,083	\$90,846,492
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CAPITAL OUTLAY FINANCING DETAIL

Funded from Operating Fund		\$7,395,000	\$12,495,000
Funded from Anticipated Bank Loan Proceeds/Grants		21,735,000	25,255,000

Total Capital Outlay		\$29,130,000	\$37,750,000
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PERSONNEL - Budgeted FTEs	114.0 / 114.0	120.0 / 120.0	120.0 / 120.0
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TACOMA RAIL	2023-2024	2025-2026	2027-2028
Revenue	Biennium Actual	Biennium Budget	Biennium Budget

REVENUE SUMMARY

Switching Revenue	\$77,534,425	\$74,628,536	\$77,194,076
Miscellaneous Revenue	5,871,643	2,974,020	3,199,800
Total Operating Revenue	83,406,068	77,602,556	80,393,876
Other Income	1,745,798	2,884,527	10,452,616

Total Revenue & Available Funds	\$85,151,865	\$80,487,083	\$90,846,492
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REVENUE DETAIL

Switching Revenue

Line Hauls & Local	\$73,428,830	\$71,388,536	\$73,834,076
Demurrage	4,105,595	3,240,000	3,360,000
Total Switching Revenue	77,534,425	74,628,536	77,194,076
Locomotive Servicing	4,257,557	2,547,420	2,773,200
Miscellaneous Revenue	1,614,086	426,600	426,600
Total Miscellaneous Revenue	5,871,643	2,974,020	3,199,800
Total Operating Revenue	83,406,068	77,602,556	80,393,876

Other Income

Rent & Other Income	919,457	2,300,000	3,192,000
Interest Income	826,340	480,000	768,000
Total Non-Operating Revenue	1,745,798	2,780,000	3,960,000
Appropriation from Fund Balance	0	104,527	6,492,616

Total Revenue & Available Funds	\$85,151,865	\$80,487,083	\$90,846,492
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TACOMA RAIL	2023-2024	2025-2026	2027-2028
Division Consolidation	Biennium Actual	Biennium Budget	Biennium Budget

SUMMARY - Operation & Maintenance by Section

Rail Administration	\$23,490,627	\$24,753,812	\$25,345,256
Operations	24,349,525	27,715,525	30,345,021
Mechanical	11,804,084	12,117,909	13,317,793
Construction	6,845,017	6,936,074	8,137,842

Total for Division	\$66,489,253	\$71,523,320	\$77,145,912
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SUMMARY - Operation & Maintenance by Category

Salaries & Wages	\$24,960,269	\$28,897,932	\$32,125,332
Employee Benefits	10,738,826	12,489,801	14,941,856
Capital Credit & Labor To/From Others	118,305	200,000	235,000
Total Personnel Costs	35,817,400	41,587,733	47,302,187
Supplies	3,349,500	3,608,082	3,850,579
Services	8,908,388	7,758,277	7,613,801
Other Charges	5,341,956	5,471,146	4,650,745
Assessments	4,867,619	5,376,561	5,818,375
Taxes	8,204,391	7,721,521	7,910,225

Total for Division	\$66,489,253	\$71,523,320	\$77,145,912
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TACOMA RAIL	2023-2024	2025-2026	2027-2028
Taxes	Biennium Actual	Biennium Budget	Biennium Budget

TAX PAYMENTS

City of Tacoma:

Gross Earnings Tax (8.0%)	\$6,791,774	\$6,548,346	\$6,700,000
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State of Washington:

Utility & Business Tax	1,411,315	1,170,625	1,210,000
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Other Taxes	1,302	2,550	225
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Subtotal	8,204,391	7,721,521	7,910,225
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Federal Railroad Taxes	4,877,373	5,256,493	5,900,114
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Total Tacoma Rail Taxes	\$13,081,764	\$12,978,014	\$13,810,339
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Note: State Sales Tax is included in O & M Budget line items for materials.

Federal Railroad Taxes are paid in lieu of FICA and Retirement and are included in personnel services.

TACOMA RAIL	2023-2024	2025-2026	2027-2028
Debt Service	Biennium Actual	Biennium Budget	Biennium Budget

DEBT SERVICE SUMMARY

Interest	\$0	\$0	\$0
Principal	1,803,991	1,568,763	1,205,580

Total Debt Service	\$1,803,991	\$1,568,763	\$1,205,580
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DEBT SERVICE DETAIL

Rail Bank Loans	Principal	\$1,803,991	\$1,568,763	\$1,205,580
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Total Debt Service	\$1,803,991	\$1,568,763	\$1,205,580
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TACOMA RAIL	2025-2026	2027-2028
Capital Outlay	Biennium Budget	Biennium Budget

SUMMARY

General Plant	\$0	\$0
Communications	0	0
Facility Upgrades	1,850,000	1,660,000
Rail Equipment/Vehicles	19,800,000	31,290,000
Track Improvements	7,480,000	4,800,000

Sub-Total	\$29,130,000	\$37,750,000
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Projects Funded from Rail Bank Loan	(\$640,000)	\$0
Projects Funded from Anticipated Bank Loan	(1,200,000)	(1,150,000)
Projects Funded from CIAC	(950,000)	0
Projects Funded from Grants	(18,945,000)	(24,105,000)

Total Operating Fund Capital Outlay	\$7,395,000	\$12,495,000
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Communications

Locomotive Health & Location Monitoring	\$0	\$0
Communications Total	\$0	\$0

Facility Upgrades

Installation of BEL Charging Station	\$1,400,000	\$1,000,000
Camera System Enhancement	0	50,000
Locomotive Jacks	450,000	0
Admin Building Retrofits	0	600,000
DEF Tank	0	10,000
Secondary Fueling Upgrades	0	0
Facility Upgrades Total	\$1,850,000	\$1,660,000

TACOMA RAIL	2025-2026	2027-2028
Capital Outlay	Biennium Budget	Biennium Budget

Rail Equipment/Vehicles

Locomotive Repower	\$16,650,000	\$30,100,000
2100 Consent Decree Upgrades	250,000	0
Track Ballast Tamper	1,400,000	0
Locomotive Truck Overhauls	200,000	0
Dump Truck - Bed Upfit	0	100,000
Boom Truck	600,000	0
Vehicles	700,000	1,090,000
Rail Equipment/Vehicles Total	\$19,800,000	\$31,290,000

Track Improvement Projects

Tidelands Infrastructure Improvements	\$1,000,000	\$3,000,000
Crossing Improvements	250,000	0
Milwaukee Crossover/Port Main/Port Pass	0	1,700,000
AEI Reader at Milwaukee	0	100,000
509 Crossing Removal	455,000	0
Taylor Way Yard Upgrades	1,600,000	0
Annie Tracks Switch and Curve Upgrade	950,000	0
US Oil Crossings Signalization	2,500,000	0
Six Switch Replacements	725,000	0
Switch Replacements - Blair Peninsula	0	0
Track Improvement Projects Total	\$7,480,000	\$4,800,000

Total Capital Outlay	\$29,130,000	\$37,750,000
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**CUSTOMER EXPERIENCE & EXTERNAL AFFAIRS
DIVISION**

TACOMA PUBLIC UTILITIES

2027-2028

PRELIMINARY BIENNIUM BUDGET

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CUSTOMER EXPERIENCE & EXTERNAL AFFAIRS (CXEA)	2023-2024	2025-2026	2027-2028
Division Consolidation	Biennium Actual	Biennium Budget	Biennium Budget

SUMMARY - Operation & Maintenance by Section

Customer Experience - (Customer Services)	\$47,846,967	\$58,601,663	\$54,035,639
External Affairs - (Public Affairs)	17,658,623	25,099,512	27,428,942
Total for Division	\$65,505,589	\$83,701,175	\$81,464,581

SUMMARY - Operation & Maintenance by Category

Salaries & Wages	\$33,184,020	\$43,047,094	\$42,413,141
Employee Benefits	14,099,586	18,190,451	19,564,698
Capital Credit & Labor To/From Others	(402,803)	(754,000)	0
Total Personnel Costs	46,880,803	60,483,545	61,977,839
Supplies	1,053,231	2,036,632	1,261,645
Services	5,103,271	5,626,991	4,104,754
Other Charges	6,720,282	8,604,905	7,941,695
Assessments	5,748,002	6,949,102	6,178,647
Total Operation & Maintenance	65,505,589	83,701,175	81,464,581
Capital Outlay	0	0	0
Total for Division	\$65,505,589	\$83,701,175	\$81,464,581

PERSONNEL - Budgeted FTEs	204.1 / 205.6	202.0 / 202.0	182.0 / 182.0
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CUSTOMER SERVICES	2023-2024	2025-2026	2027-2028
Section Consolidation	Biennium Actual	Biennium Budget	Biennium Budget

SUMMARY - Operation & Maintenance by Category

Salaries & Wages	\$23,357,889	\$28,876,787	\$26,996,169
Employee Benefits	10,447,957	12,853,842	13,297,838
Capital Credit & Labor To/From Others	(351,192)	(400,000)	0
Total Personnel Costs	33,454,654	41,330,629	40,294,008
Supplies	772,355	1,744,638	962,871
Services	3,396,149	3,158,591	2,180,370
Other Charges	5,050,422	6,582,891	5,443,069
Assessments	5,173,386	5,784,914	5,155,321
Total Operation & Maintenance	47,846,967	58,601,663	54,035,639
Capital Outlay	0	0	0

Total for Customer Services	\$47,846,967	\$58,601,663	\$54,035,639
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SUMMARY - Operation & Maintenance by Cost Center

Customer Services Manager			
578810 - TPU CS QA-WFM	\$0	\$0	\$1,786,136
579700 - TPU CS Manager	7,204,465	5,196,787	5,676,111
Customer Services Customer Solutions & Billing			
572500 - TPU CS Customer Solutions	3,085,451	4,785,988	4,069,797
572510 - TPU CS Escrow	0	0	934,338
578500 - TPU Customer Service Billing	3,043,967	4,279,445	5,143,653
Customer Services Business Enablement**			
578800 - TPU CS Business Enablement	3,323,788	4,327,658	0
Customer Services Financial & Administrative Operations			
579500 - TPU CS Administrative Operations	1,361,140	682,529	728,631
579510 - TPU CS Financial Operations	0	1,565,861	1,850,892
579600 - TPU CS Switchboard	289,400	257,034	295,320
Customer Services Business Office			
577200 - TPU CS Contact Center	10,062,886	15,745,607	12,843,087
578100 - TPU Customer Service Lobby Svcs	2,311,591	3,175,456	3,595,296
578110 - TPU CS Collections	0	0	1,841,380
579900 - TPU Customer Service Bus. Office Manag	2,565,538	3,299,774	2,673,435
Customer Services Field Operations			
578900 - TPU Customer Service Field Operations M	1,592,963	865,183	896,760
579100 - TPU Customer Service Mail & Print	3,381,124	4,073,735	4,389,455
579200 - TPU Customer Service Field Investigation	5,041,536	9,559,453	6,471,473
579300 - TPU Mail & Print TMB	719,872	787,154	839,877
579400 - TPU Customer Service Meter Reading	3,863,247	0	0
Total Operation & Maintenance	47,846,967	58,601,663	54,035,639
Capital Outlay	0	0	0

Total for Customer Services	\$47,846,967	\$58,601,663	\$54,035,639
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PERSONNEL - Budgeted FTEs	159.6 / 160.6	149.0 / 149.0	130.0 / 130.0
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**Business Enablement transferred to TPU Support Services beginning with the 2027-2028 biennium

EXTERNAL AFFAIRS	2023-2024	2025-2026	2027-2028
Division Consolidation	Biennium Actual	Biennium Budget	Biennium Budget

SUMMARY - Operation & Maintenance by Category

Salaries & Wages	\$9,826,131	\$14,170,307	\$15,416,972
Employee Benefits	3,651,629	5,336,609	6,266,860
Capital Credit & Labor To/From Others	(51,611)	(354,000)	0
Total Personnel Costs	13,426,149	19,152,916	21,683,831
Supplies	280,876	291,994	298,774
Services	1,707,122	2,468,400	1,924,384
Other Charges	1,669,860	2,022,014	2,498,626
Assessments	574,615	1,164,188	1,023,326
Total Operation & Maintenance	17,658,623	25,099,512	27,428,942

Total for External Affairs	\$17,658,623	\$25,099,512	\$27,428,942
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SUMMARY - Operation & Maintenance by Cost Center

External Affairs

572000 Market Development	3,095,879	6,026,232	6,752,172
572100 Account Executives	1,710,465	2,017,379	2,125,074
575700 Communications	5,603,783	6,905,138	7,484,889
575701 External Affairs	3,920,978	5,544,499	6,397,323
577100 Training	1,493,584	2,212,762	2,028,014
579000 Business Solutions	1,833,934	2,393,502	2,641,470
Total Operation & Maintenance	17,658,623	25,099,512	27,428,942

Total for External Affairs	\$17,658,623	\$25,099,512	\$27,428,942
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PERSONNEL - Budgeted FTEs	44.5 / 45.0	53.0 / 53.0	52.0 / 52.0
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**ADMINISTRATIVE OFFICES
and
TPU SUPPORT SERVICES**

TACOMA PUBLIC UTILITIES

2027-2028

PRELIMINARY BIENNIUM BUDGET

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TPU ADMINISTRATION	2023-2024	2025-2026	2027-2028
Section Consolidation	Biennium Actual	Biennium Budget	Biennium Budget

SUMMARY - Operation & Maintenance by Category

Salaries & Wages	\$5,899,601	\$7,159,736	\$9,239,850
Employee Benefits	2,003,316	2,713,103	3,584,378
Capital Credit & Labor To/From Others	48,209	50,000	50,000
Total Personnel Costs	7,951,126	9,922,839	12,874,228
Supplies	468,833	496,327	470,883
Services	518,793	1,158,801	503,814
Other Charges	916,599	1,090,807	1,339,970
Assessments	326,419	477,463	267,031

Total for TPU Administration	\$10,181,769	\$13,146,238	\$15,455,926
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Director & Board (575100)

Salaries & Wages	\$1,321,045	\$1,607,411	\$1,881,832
Employee Benefits	319,828	403,054	497,592
Capital Credit & Labor To/From Others	43,938	50,000	50,000
Total Personnel Costs	1,684,811	2,060,465	2,429,424
Supplies	107,708	162,842	99,583
Services	425,237	136,200	89,000
Other Charges	555,796	475,750	525,837
Assessments	73,184	90,832	70,128
Total	\$2,846,736	\$2,926,089	\$3,213,972

Management Services Office (575200)

Salaries & Wages	\$2,724,514	\$2,993,428	\$4,169,754
Employee Benefits	921,565	1,046,491	1,609,974
Capital Credit & Labor To/From Others	4,271	0	0
Total Personnel Costs	3,650,349	4,039,919	5,779,728
Supplies	72,719	93,290	109,789
Services	87,201	1,035,225	414,814
Other Charges	298,823	205,897	316,660
Assessments	182,823	216,108	73,919
Total	\$4,291,915	\$5,590,439	\$6,694,910

TPU ADMINISTRATION	2023-2024	2025-2026	2027-2028
Section Consolidation	Biennium Actual	Biennium Budget	Biennium Budget

Public Records Office (575201)

Salaries & Wages	\$1,186,368	\$1,224,791	\$2,164,478
Employee Benefits	485,349	739,820	991,250
Capital Credit & Labor To/From Others	0	0	0
Total Personnel Costs	1,671,718	1,964,611	3,155,728
Supplies	196,266	178,485	200,918
Services	5,565	(9,724)	0
Other Charges	27,428	349,186	438,350
Assessments	0	0	0
Total	\$1,900,977	\$2,482,558	\$3,794,996

Public Records - Body Worn Cams (575202)*

Salaries & Wages	\$667,673	\$1,334,106	\$1,023,786
Employee Benefits	276,574	523,738	485,562
Capital Credit & Labor To/From Others	0	0	0
Total Personnel Costs	944,247	1,857,844	1,509,348
Supplies	92,140	61,710	60,593
Services	790	(2,900)	0
Other Charges	34,552	59,974	59,123
Assessments	70,412	170,523	122,984
Total	\$1,142,140	\$2,147,151	\$1,752,048

*All costs assessed to General Government

Total for TPU Administration	\$10,181,769	\$13,146,238	\$15,455,926
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PERSONNEL - Budgeted FTEs	23.0 / 23.0	25.0 / 25.0	29.0 / 30.0
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Prior years may have been reclassified or restated to reflect organizational changes.

TPU SUPPORT SERVICES	2023-2024	2025-2026	2027-2028
Section Consolidation	Biennium Actuals	Biennium Budget	Biennium Budget

SUMMARY - Operation & Maintenance by Category

TPU UTS Software & Desktop Support (579800)

Salaries & Wages	\$1,351,137	\$1,486,584	\$1,549,140
Employee Benefits	482,116	518,283	619,483
Capital Credit & Labor To/From Others	679,844	(97,523)	0
Total Personnel Costs	2,513,097	1,907,344	2,168,623
Supplies	106,543	54,770	9,639
Services	343,314	2,324,801	4,778,236
Other Charges	745,108	1,002,914	0
Assessments	0	0	34,520
Total for TPU UTS Software & Desktop Support	\$3,708,063	\$5,289,829	\$6,991,018

PERSONNEL - Budgeted FTEs	5.0 / 5.0	5.0 / 5.0	5.0 / 5.0
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SUMMARY - Operation & Maintenance by Category

Copier Services (577400)

Salaries & Wages	\$0	\$0	\$0
Employee Benefits	0	0	0
Capital Credit & Labor To/From Others	3,719	50,000	50,000
Total Personnel Costs	3,719	50,000	50,000
Supplies	14,616	80,000	70,000
Services	493,487	700,000	635,000
Other Charges	2,816	10,000	10,000
Assessments	0	0	0
Total for Copier Services	\$514,637	\$840,000	\$765,000

PERSONNEL - Budgeted FTEs	0.0 / 0.0	0.0 / 0.0	0.0 / 0.0
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TPU SUPPORT SERVICES	2023-2024	2025-2026	2027-2028
Section Consolidation	Biennium Actuals	Biennium Budget	Biennium Budget

SUMMARY - Operation & Maintenance by Category

TPU Safety* (575800)

Salaries & Wages	\$0	\$0	\$3,501,777
Employee Benefits			1,452,606
Capital Credit & Labor To/From Others			0
Total Personnel Costs	0	0	4,954,384
Supplies			135,134
Services			103,801
Other Charges			412,320
Assessments			9,563
Total for TPU Safety	\$0	\$0	\$5,615,202

PERSONNEL - Budgeted FTEs	0.0 / 0.0	0.0 / 0.0	12.0 / 12.0
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* Safety transferred from the City Managers Office beginning with the 2027-2028 biennium

SUMMARY - Operation & Maintenance by Category

TPU CS Business Enablement (578800)**

Salaries & Wages	\$0	\$0	\$1,643,020
Employee Benefits			692,085
Capital Credit & Labor To/From Others			0
Total Personnel Costs	0	0	2,335,105
Supplies			20,567
Services			0
Other Charges			314,000
Assessments			133,782
Total of TPU CS Business Enablement	\$0	\$0	\$2,803,454

PERSONNEL - Budgeted FTEs	0.0 / 0.0	0.0 / 0.0	6.0 / 6.0
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**Business Enablement transferred from TPU Customer Services beginning with the 2027-2028 biennium

FLEET SERVICES FUND

TACOMA PUBLIC UTILITIES

2027-2028

PRELIMINARY BIENNIUM BUDGET

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FLEET SERVICES	2023-2024	2025-2026	2027-2028
Recapitulation of Biennial Budget	Biennium Actual	Biennium Budget	Biennium Budget

REVENUE

Replacement Fees	\$1,393,887	\$20,540	\$256,200
Administrative Overhead	2,056,006	3,287,058	3,677,081
Fees for Services	9,189,155	9,351,137	10,085,182
Total Operating Revenue	12,639,048	12,658,735	14,018,463
Other Income	170,066	0	0
Appropriation from Fund Balance	0	667,510	988,747

Total Revenue & Available Funds	\$12,809,114	\$13,326,245	\$15,007,210
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EXPENDITURES

Personnel Costs	\$7,721,362	\$9,998,686	\$11,513,257
Supplies	89,755	127,540	118,909
Services	1,238,667	704,676	469,059
Other Charges	669,095	938,544	990,766
Assessments	802,528	871,799	921,619
Total Operations & Maintenance	10,521,407	12,641,245	14,013,610
Capital Outlay	1,107,627	685,000	993,600
Total Expenditures	\$11,629,034	\$13,326,245	\$15,007,210

PERSONNEL - Budgeted FTEs	32.0 / 32.0	32.0 / 32.0	32.0 / 32.0
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SELF-INSURANCE FUND

TACOMA PUBLIC UTILITIES

2027-2028

PRELIMINARY BIENNIUM BUDGET

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SELF-INSURANCE CLAIM FUND	2023-2024	2025-2026	2027-2028
Recapitulation of Biennial Budget	Biennium Actual	Biennium Budget	Biennium Budget

REVENUE

Sources of Revenue

Transfers - Tacoma Power	\$1,000,000	\$0	\$0
Transfers - Tacoma Water	980,000	480,000	1,000,000
Transfers - Tacoma Rail	480,000	480,000	120,000
Interest	833,696	200,000	350,000
Appropriation from Fund Balance	0	4,493,200	2,047,300

Total Revenue & Available Funds	\$3,293,697	\$5,653,200	\$3,517,300
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EXPENDITURES

Secondary Labor Costs	\$935	\$0	\$0
Supplies	251	600	600
Services	61,581	1,506,500	806,500
Other Charges	2,523,957	4,012,100	2,520,200
Assessments	219,819	134,000	190,000

Total Expenditures	\$2,806,544	\$5,653,200	\$3,517,300
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Reductions in 2027-28 Biennium budget reflect a planned use of cash and increased internal services (i.e. legal)

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FAMILY NEED FUND

TACOMA PUBLIC UTILITIES

2027-2028

PRELIMINARY BIENNIUM BUDGET

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FAMILY NEED FUND	2023-2024	2025-2026	2027-2028
Recapitulation of Biennial Budget	Biennium Actual	Biennium Budget	Biennium Budget

RECEIPTS

Customer Donations	\$59,116	\$0	\$0
Tacoma Power Contribution	7,000,000	4,500,000	12,102,408
Interest	323,711	0	0
Appropriation from Fund Balance	0	5,500,000	0

Total Receipts	\$7,382,827	\$10,000,000	\$12,102,408
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EXPENDITURES

Family Need	\$7,382,827	\$10,000,000	\$12,102,408
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Total Expenditures	\$7,382,827	\$10,000,000	\$12,102,408
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Tacoma Water manages their utility assistance program within their separate enterprise fund.