

Tacoma Water Financial Outlook

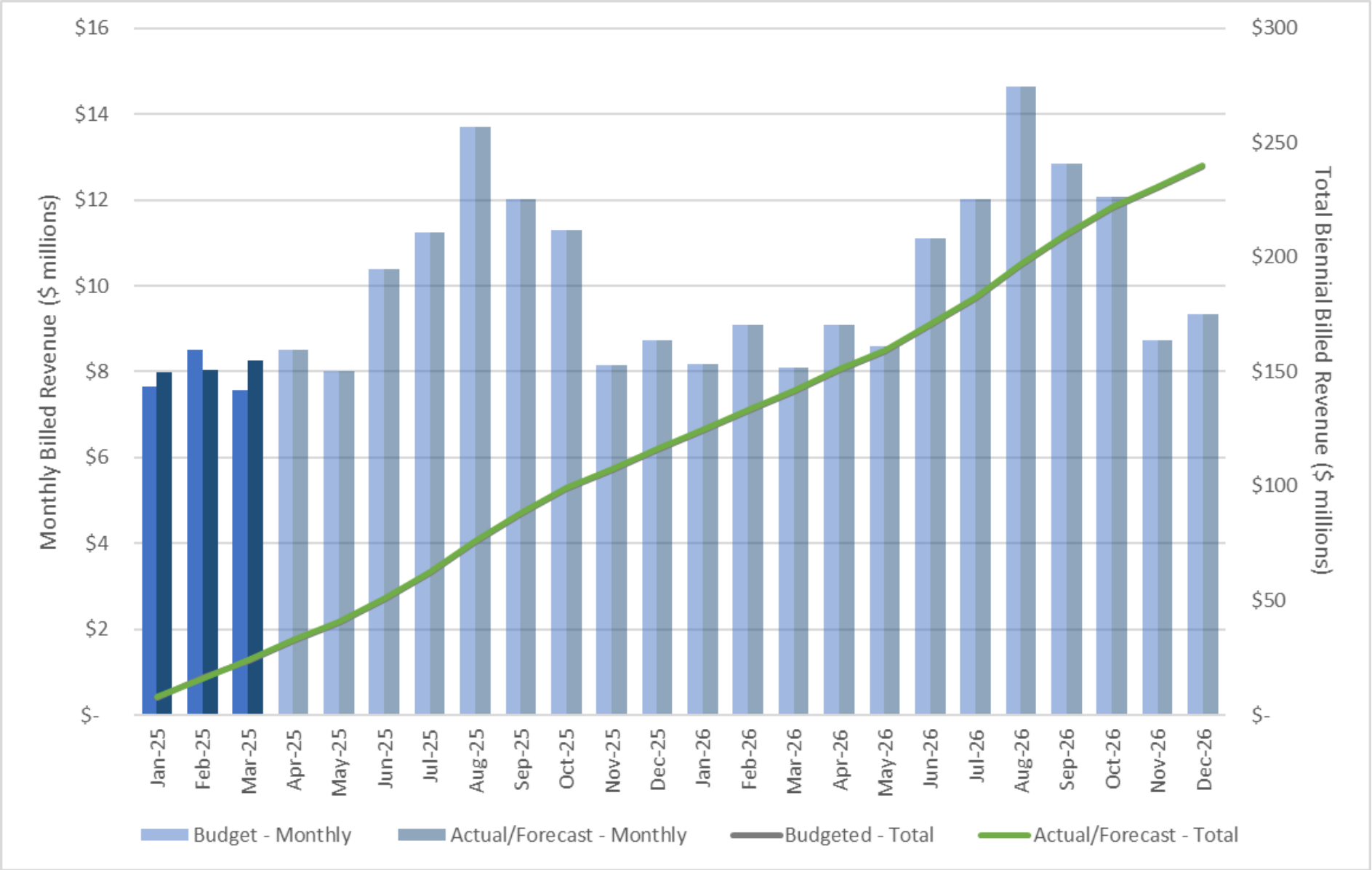
1st Quarter 2025

May 28, 2025

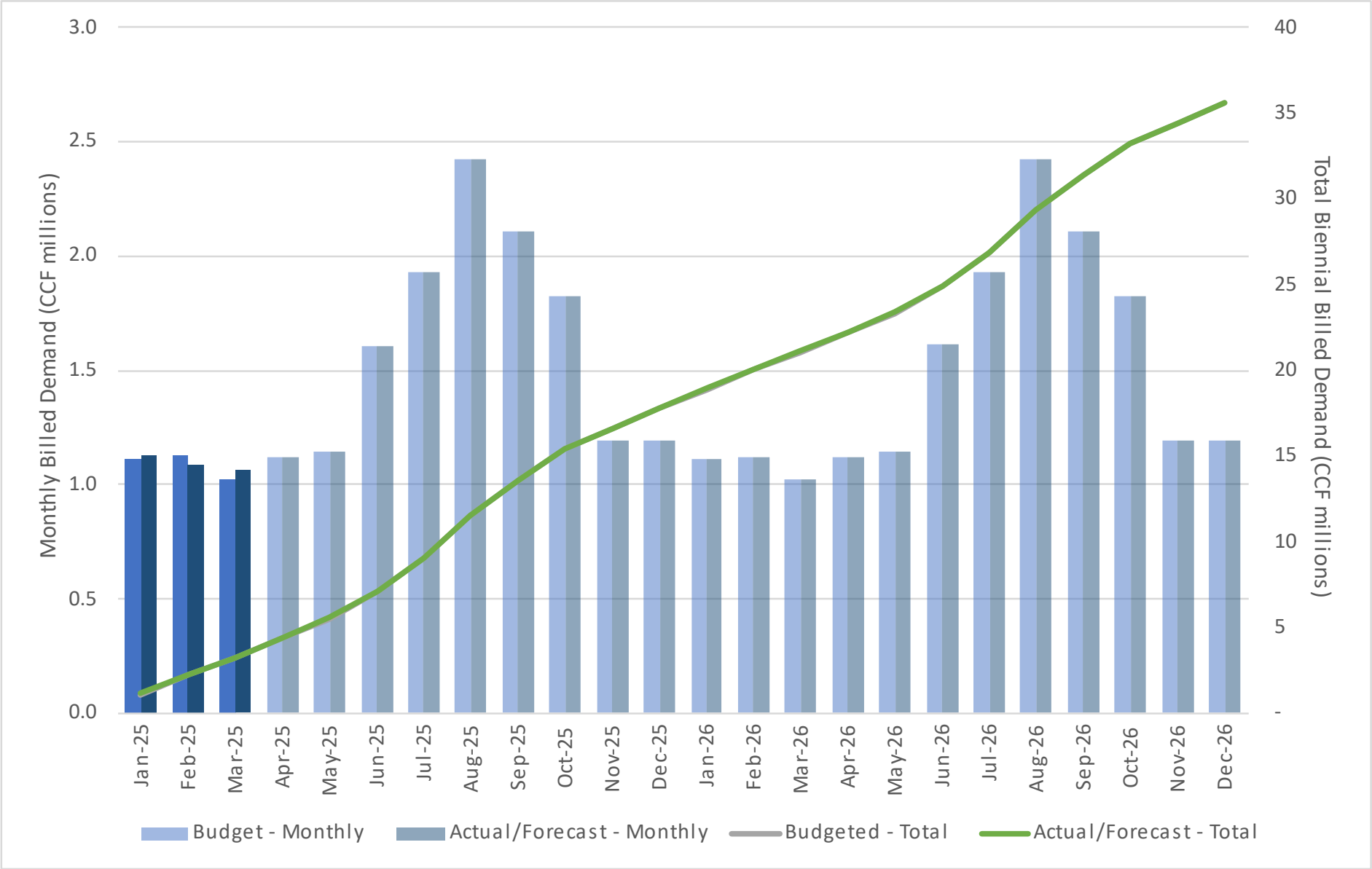


- *This report incorporates actual revenues and expenditures through March with projections for the remainder of the biennium*
- **Forecast for total revenue is \$1.3M or 1% over budget**
 - Q1 challenges: No significant challenges in the first quarter
 - Q1 strengths: Total demand slightly higher than budget each month
 - Q2 outlook: GET implementation revenue impact
- **Forecast for operating expenditures is \$1.8M under budget**
 - Q1 challenges: No significant challenges in the first quarter
 - Q1 strengths: Capital program moving forward as planned
 - Q2 outlook: May see personnel expenses over budget due to reclassifications, finalized labor contracts and filled vacancies. May begin to see impacts to supplies due to tariffs.

Billed Revenue



Billed Demand



2025/2026 Biennium Forecast vs. Budget

1. Total Revenue

- Billed Water Sales were about \$556,000 over budget or approximately 2% during the first quarter
- Non-Operating revenue is about \$638,000 over budget due to higher than planned interest earned on cash balances (plan is conservative)

2. Personnel Expenses

- \$554,000 under budget or about 1% biennium to date
- At the end of the first quarter there were 40 vacancies, or a 12% vacancy rate
- Expect an increase in personnel expense due to position reclassifications and a passed labor contract renewal

3. Supplies, Services and Other Charges

- This expense category is projected to be \$838,000 under budget in total
- Assessments are about \$545,000 under budget overall
- Anticipate 10% increase on caustic chemicals due to imposed tariffs
- These and other items that are slightly under budget are mostly offset by several other items, including operating supplies, that are slightly over budget

2025/2026 Biennium Forecast vs. Budget

4. Total Revenue less Total Expenditures

- Projected to be \$3.1 million over budget based on these updates

5. Capital Outlay

- The 2025/26 capital plan is funded from operating, capital reserves, and anticipated bond proceeds and includes a carryforward factor reduction to account for projects that span biennia
- We are monitoring the capital plan and several projects are forecast to be higher than budgeted, currently we expect that these increases will be offset by lower spending in other projects including contingency

6. Projected Cash Ending Cash Balance

- Operating reserve spend down is projected to be \$13.4 million this biennium
- The cash balance projection includes adjustments for working capital to date to reflect changes in accounts receivables, payables and accruals

2025/2026 Biennium Forecast vs. Budget

All \$'s in 1000's	2025 Budget	2025 Forecast	2025 Difference	2026 Budget	2026 Forecast	2026 Difference	Total Biennium Budget	Total Biennium Forecast	Biennium Difference \$	Biennium Difference %
Revenue										
Residential Water Sales	85,483	85,716	233	91,441	91,441	-	176,924	177,157	233	0%
Wholesale Water Sales	3,208	3,170	(38)	3,432	3,432	-	6,640	6,602	(38)	-1%
Other Water Sales	27,046	27,407	361	28,932	28,932	-	55,978	56,339	361	1%
Other Operating Revenue	3,665	3,768	103	3,609	3,609	-	7,274	7,377	103	1%
Total Operating Revenue	119,402	120,061	659	127,414	127,414	-	246,816	247,475	659	0%
Non-Operating Revenue (includes BAB's subsidy)	3,496	4,134	638	3,453	3,453	-	6,949	7,587	638	(1) 9%
Total Revenue	122,898	124,195	1,297	130,867	130,867	-	253,765	255,062	1,297	1%
Expenditures										
Personnel Costs	43,603	43,049	(554)	46,053	46,053	-	89,656	89,102	(554)	(2) -1%
Supplies, Other Services & Charges	44,763	43,925	(838)	43,917	43,917	-	88,680	87,842	(838)	(3) -1%
Debt Service	22,276	21,745	(531)	28,123	28,123	-	50,399	49,868	(531)	-1%
Taxes	16,854	17,011	157	17,915	17,915	-	34,769	34,926	157	0%
Total Expenditures	127,496	125,730	(1,766)	136,008	136,008	-	263,504	261,738	(1,766)	-1%
Total Revenue less Total Expenditures	(4,598)	(1,535)	3,063	(5,141)	(5,141)	-	(9,739)	(6,676)	3,063	(4)
Reconciling Cash Items		289			-					
Appropriation from Current Fund	(4,598)	(1,824)	3,063	(5,141)	(5,141)	-	(9,739)	(6,676)	3,063	
Capital Outlay Financing Detail										
Funded from Bond Funds	-	-	-	36,722	36,722	-	36,722	36,722	-	
Funded from Operating Reserve	4,070	6,048	1,978	2,930	930	(2,000)	7,000	6,978	(22)	0%
Funded from Capital Reserves	35,582	37,240	1,658	-	-	-	35,582	37,240	1,658	5%
Total Capital Outlay	39,652	43,288	3,636	39,652	37,652	(2,000)	79,304	80,940	1,636	(5) 2%
Debt Service Coverage Ratio		1.99x			1.57x			1.57x		
EOY Current Fund (Jan 2025 Beg Balance \$63,832)		56,539			50,468			50,468	(6)	

Capital Budget Spending Summary

Tacoma Water Capital Outlay Budget Approved	\$79,304,158
Add Capital Carryforward Factor Reduction	7,470,524
Add 2 nd Diversion RWSS – Tacoma	11,239,633
Add 2 nd Diversion RWSS – Other Partners	15,735,486
Total Capital Projects Planned for 2025/2026	\$113,749,801
Total Capital Spent to Date (Mar 2025)	\$5,038,227
Less 2 nd Diversion RWSS – Other Partners	445,755
Water Capital Budget Spent (6%)	4,592,472
Tacoma Water Spending Projections (Apr 2025 – Dec 2026)	80,744,242
Capital Budget Performance Projection (over)	\$6,032,556

- The 2025/26 capital plan is funded from operating, capital reserves, and anticipated bond proceeds.
- A carryforward factor reduction is included to account for projects that span biennia.
- Regional Water Supply System (RWSS) Projects are unique because they are funded by the RWSS Participants through a shared allocation. Although these expenditures are considered O&M Contract Resource Obligations (CRO), they can be paid with capital funding sources such as revenue bonds.
- We have spent about 6% of the capital budget at the end of Quarter 1 2025 and forecast to be \$13.4 million over budget by the end of the biennium.

Capital Budget Spending Summary

Summary of 25/26 Biennium Capital Spending (\$ and % of Total Spent)

Project or Program	Status	Capital \$ Spent	% of Total Spent
Distribution Renewal and Replacement	<i>Ongoing R&R</i>	\$1,084,153	22%
Headworks Remodel	<i>Construction</i>	1,033,649	21%
Muckleshoot Indian Tribe Agreement	<i>Contract</i>	600,000	12%
Fleet Purchases and Replacement	<i>Ongoing R&R</i>	582,010	12%
Main Replacement Program (+ Curran Rd)	<i>Program and Various Projects</i>	502,251	10%
SmartWater (AMI)	<i>Program</i>	374,985	7%
Ozone System Upgrade	<i>Planning</i>	250,186	5%
Pinnacle Ridge Tank and Pump Station	<i>Substantially Complete</i>	144,537	3%
Water Warehouse	<i>Design</i>	123,543	2%
Pipeline 1 Pressurization Program	<i>Various</i>	116,567	2%
Additional Water Storage Project	<i>Design</i>	110,517	2%
Other Capital Projects	<i>Various</i>	115,829	2%
Total		\$5,038,227	

Capital Projects Above \$5M

Active Projects	Current Phase	Life-to-Date* Budget	Life-to-Date Actuals	CIP Budget (2027-2034)
Water Warehouse¹	Design	25,492,749	916,292	4,000,000
Pipeline 1 Pressurization²	Design	13,678,050	1,394,617	74,250,000
Howard Hanson Additional Water Storage (RWSS Only)³	Design	13,328,690	2,367,207	1,456,000
<i>Tacoma Water</i>		<i>5,553,621</i>	<i>986,336</i>	<i>606,667</i>
<i>RWSS Partners Portion</i>		<i>7,775,069</i>	<i>1,380,871</i>	<i>849,333</i>
Curran Road System Acquisition⁴	Various	11,125,257	5,223,127	3,055,000
Ozone System Upgrades (RWSS Shared)	Design	7,268,853	404,040	1,000,000
<i>Tacoma Water Portion</i>		<i>4,873,160</i>	<i>270,875</i>	<i>670,417</i>
<i>RWSS Partners Portion</i>		<i>2,395,693</i>	<i>133,165</i>	<i>329,583</i>
Fish Habitat Mitigation & Restoration (RWSS Only)	Planning	5,438,266	111,065	15,419,991
<i>Tacoma Water</i>		<i>2,265,944</i>	<i>46,277</i>	<i>6,424,996</i>
<i>RWSS Partners Portion</i>		<i>3,172,322</i>	<i>64,788</i>	<i>8,994,995</i>

* Life-to-Date Budget = Previous biennia Actuals + current biennia appropriated budget

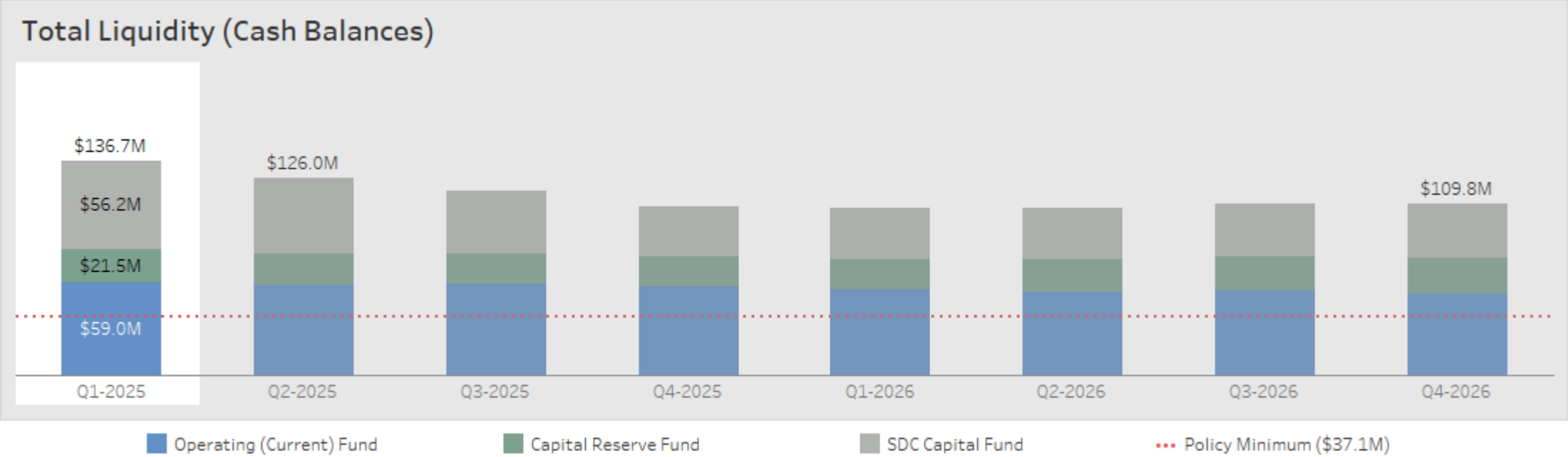
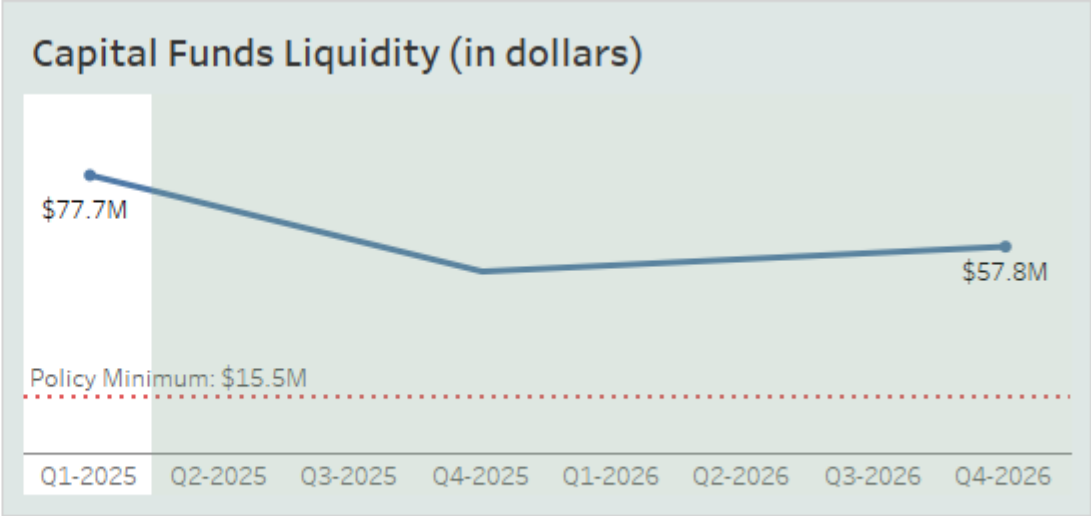
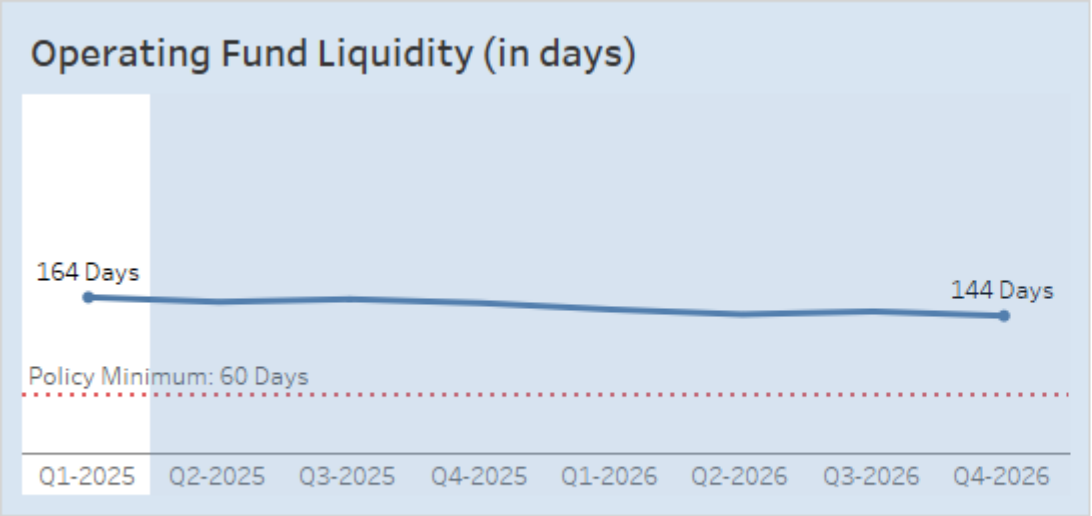
¹ PUB Study Session 03/12/25 - Tacoma Water: Warehouse and Shops Project Update

² PUB Study Session 02/26/25 - Tacoma Water: Canyon Falls Creek Pump Station - Pipeline One Pressurization Program

³ PUB Study Session 02/12/25 - Tacoma Water: Howard Hanson Dam Additional Water Storage

⁴ PUB Meeting 05/14/25 - Resolution U-11529, D-1.3 Award contract to Pape & Sons Construction for project Curran Road

2025/2026 Projected Liquidity Balance as of 3/31/2025



Tacoma Power Financial Outlook

1st Quarter 2025

May 28, 2025

Forecasting Practices



- March 2025 Actuals
- Adverse water conditions
- 2025/2026 budget load forecast
- Budgeted Personnel and O&M expenditures
- Project estimates of capital spending

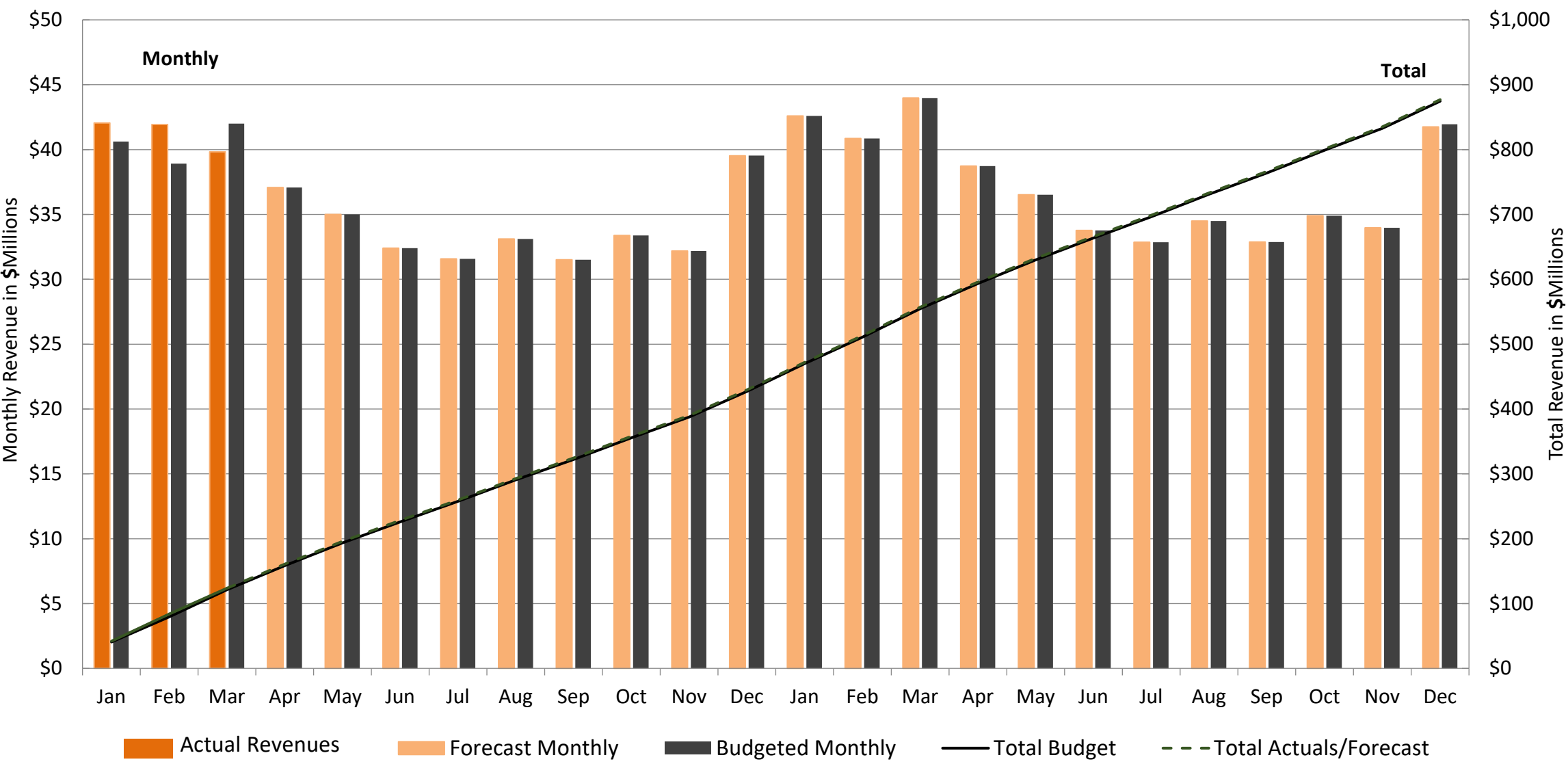
• **Forecast for total revenue is \$19.4 million less than budget**

- Q1 Strengths: Cooler than normal first quarter increased heating loads and retail revenues.
- Q1 Challenges: Inflows to our hydro projects were below average in Q1 2025 despite a strong March. Wholesale market prices were 31% below budget.
- Q2 2025 Outlook: Forecasts reflect lower wholesale sales vs. budget due to lower wholesale market prices.

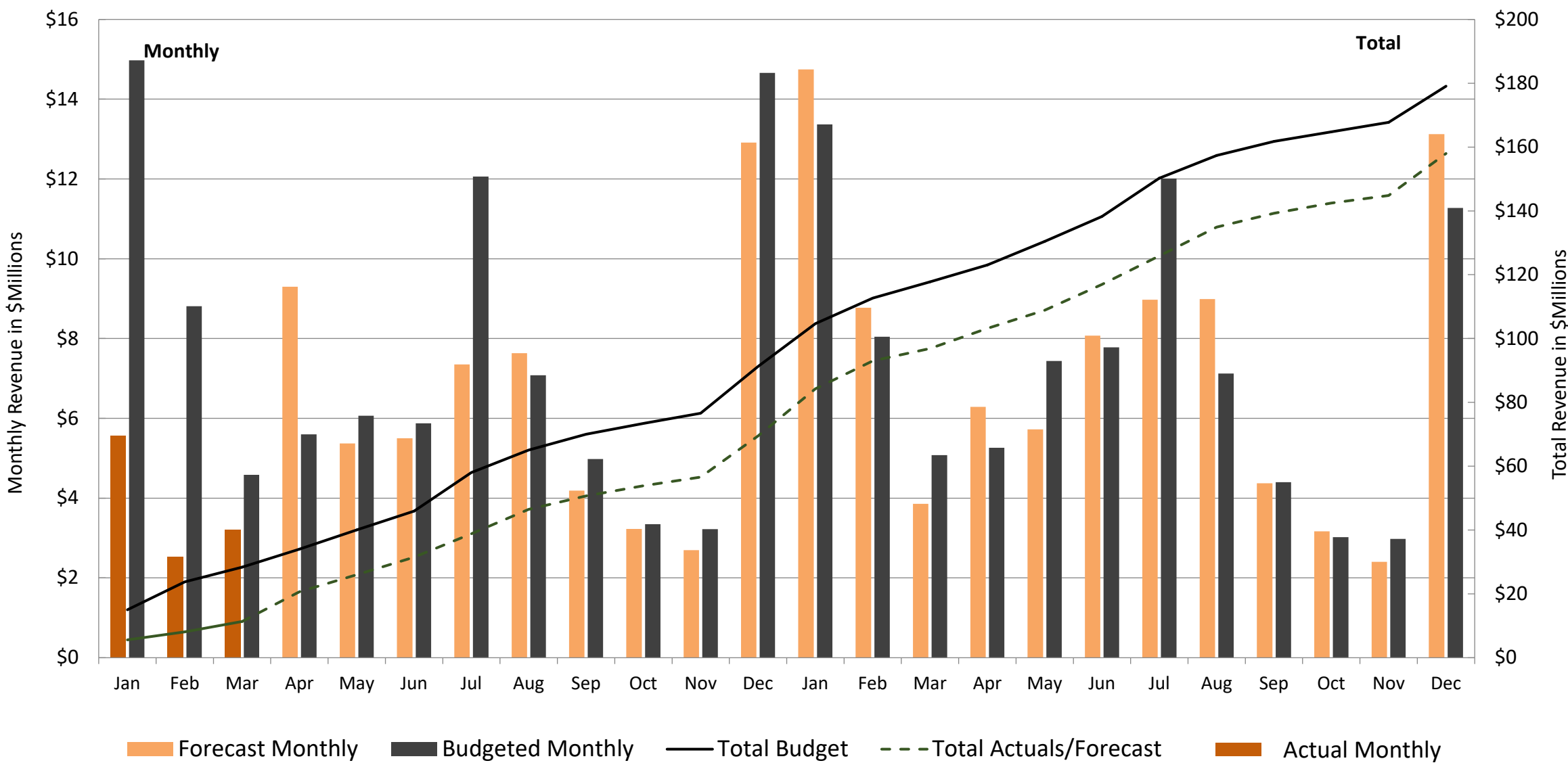
• **Forecast for total expenditures is \$29.1 million less than budget**

- Q1 Strengths: Most expenses are currently under budget through Q1 2025. Received lower rate increase from BPA than budgeted.
- Q1 Challenges: none.
- Q2 2025 Outlook: Forecasted decrease in debt service expenses.

2025/2026 Electric Retail Revenues



2025/2026 Gross Wholesale Revenues



2025/2026 Biennium Forecast vs. Budget

Notes listed on this slide correlate to the subsequent chart.

Forecast for Revenue Less Than Budget: -\$19.5 million -(1.7%)

1. Retail Revenues: forecast to be \$2.1 million more than budget (0.2%).
 - Actual retail revenues in first quarter of 2025 were \$2.3 million more than budgeted mostly due to colder than normal weather in January and February which resulted in higher than forecasted heating loads and electricity sales.
 - Future retail revenues are forecasted close to budget.
2. Gross Wholesale Revenues: forecast is \$21.1 million less than budget (-11.8%).
 - Gross biennium wholesale revenues in first quarter were \$17.1 million lower than budget.
 - Water inflows to our hydro projects were below average in Q1 2025 despite a strong March.
 - Wholesale power prices in Q1 2025 were approximately 31% lower than budgeted.
 - Forecasts reflect lower wholesale revenues vs. budget for the biennium due to:
 - Below-budget wholesale market prices
 - Below average water conditions in the near term followed by a return to average in 2026.

2025/2026 Biennium Forecast vs. Budget

Notes listed on this slide correlate to the subsequent chart.

Forecast for Expenditures Less Than Budget: -\$29.1 million (-2.5%)

3. Purchased power expenses: forecast is \$21.6 million less than budget (-6.2%)
 - BPA purchases are forecasted to be \$10.4 million below budget due to a lower rate increase compared to what was assumed in the budget.
 - Actual wholesale purchases are \$5.1 million below budget in Q1 2025.
 - Future wholesale purchase forecasts are also below budget due to lower wholesale market prices.
4. Personnel expenses: forecast is \$4.5 million less than budget (-1.4%)
 - Actual personnel expenses were below budget in Q1 2025 by \$4.5 million due to vacancies.
 - Future personnel expense forecasts reflect approved budget.
5. Supplies, Other Services, & Charges: forecast is \$7.1 million less than budget (-3.2%)
 - Biennium spending through Q1 2025 was below budget by \$5.7 million, primarily in external contracts and professional services, due to timing differences between planned spending and when actual costs occurred.

2025/2026 Biennium Forecast vs. Budget

Notes listed on this slide correlate to the subsequent chart.

Forecast for Expenditures, Less Than Budget: -\$29.1 million (cont.)

6. Revenue funded capital expenses: forecast to be \$17.9 million more than budget (21.2%)
 - Actual biennium revenue-funded capital spending is \$6.0 million less than budget through Q1 2025, with temporary funding of all 2025 project expenses from revenues.
7. Debt Service: forecast is \$14.8 million less than budget (18.3%)
 - Actual debt service expenses are close to budget through March 2025.
 - In the upcoming 2025 Bond issuance, the anticipated \$26 million pay-off of the 2010C bonds is more than the budgeted \$15 million, and therefore projected debt service is lower than budgeted.
8. Overall, we are forecasting total expenditures to be slightly less than budget.

Forecast for Net Revenues More Than Budget: \$9.7 million

Net Revenue forecast to be \$9.7 million more than budget, not including our bond-funded capital spending.

2025/2026 Biennium Forecast vs. Budget

Tacoma Power
2025/2026 Biennium Adjusted Estimates Comparison to Budget

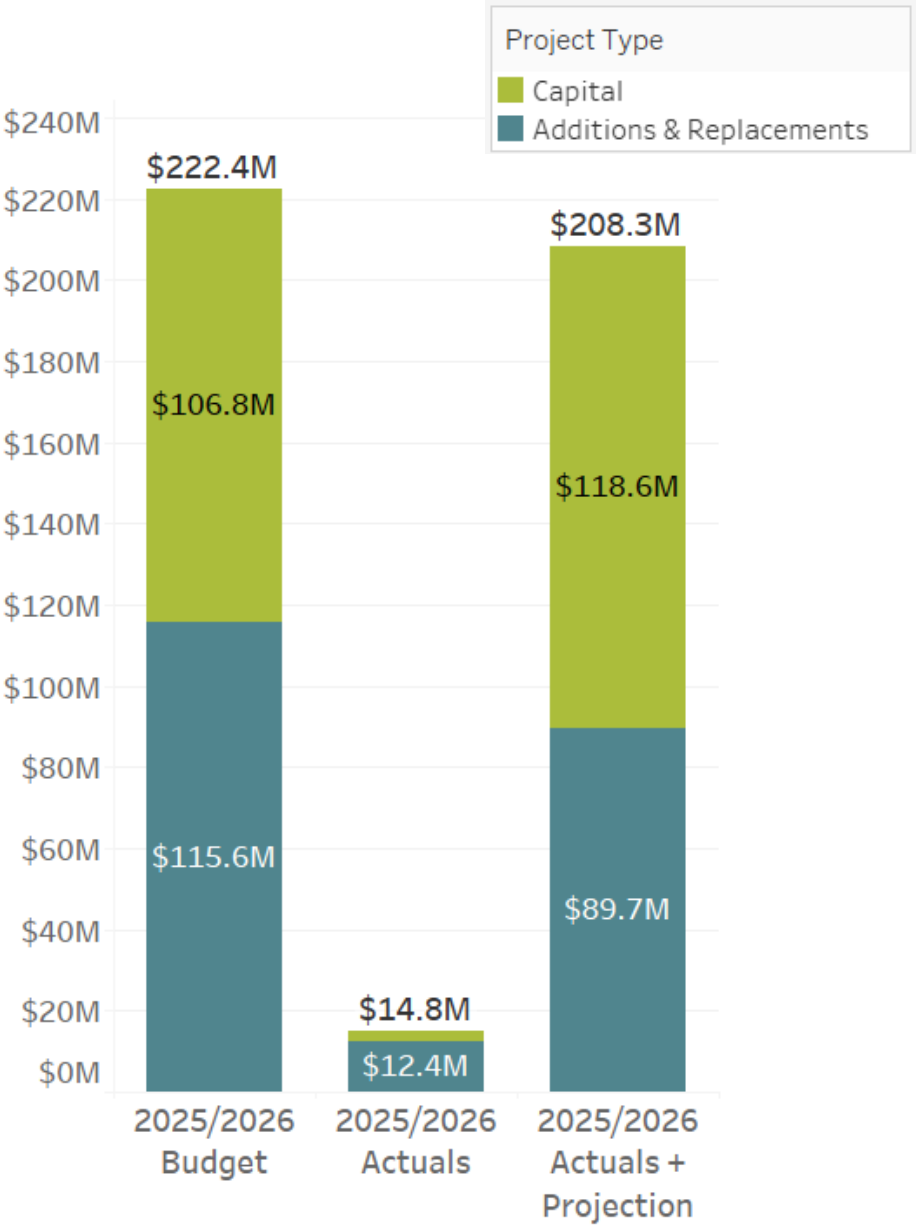
as of 3/31/2025

All \$'s in 1000's

	2025 Budget	2025 Actual / Forecast	2025 Difference	2026 Budget	2026 Forecast	2026 Difference	Total Biennium Budget	Total Biennium Forecast	Biennium Difference	Note	Biennium Diff. (%)
Revenue											
Retail Sales	\$427,302	\$429,580	\$2,277	\$447,489	\$447,293	(\$197)	\$874,792	\$876,872	\$2,080	(1)	0.2%
Bulk Power (wholesale) Sales	\$91,265	\$69,486	(\$21,779)	\$87,775	\$88,486	\$711	\$179,040	\$157,972	(\$21,068)	(2)	-11.8%
Other Electric Revenue	\$26,746	\$27,215	\$469	\$30,809	\$30,809	\$0	\$57,555	\$58,024	\$469		0.8%
Total Operating Revenue	\$545,314	\$526,281	(\$19,033)	\$566,073	\$566,588	\$514	\$1,111,387	\$1,092,869	(\$18,518)		-1.7%
Other Income	\$17,627	\$17,905	\$278	\$17,024	\$15,912	(\$1,112)	\$34,652	\$33,817	(\$835)		-2.4%
Total Revenue	\$562,941	\$544,186	(\$18,755)	\$583,098	\$582,500	(\$598)	\$1,146,039	\$1,126,686	(\$19,353)		-1.7%
Expenses											
Purchased Power & RECs	\$166,496	\$156,215	(\$10,280)	\$182,504	\$171,218	(\$11,286)	\$349,000	\$327,434	(\$21,566)	(3)	-6.2%
Personnel Costs	\$152,211	\$147,732	(\$4,478)	\$161,365	\$161,365	\$0	\$313,575	\$309,097	(\$4,478)	(4)	-1.4%
Supplies, Other Services & Charges	\$111,364	\$102,906	(\$8,458)	\$109,292	\$110,687	\$1,395	\$220,656	\$213,593	(\$7,063)	(5)	-3.2%
Revenue Funded Capital Outlay	\$42,327	\$66,444	\$24,117	\$42,327	\$36,157	(\$6,170)	\$84,654	\$102,601	\$17,947	(6)	21.2%
Debt Service	\$37,131	\$32,509	(\$4,622)	\$43,302	\$33,176	(\$10,126)	\$80,434	\$65,685	(\$14,749)	(7)	-18.3%
Taxes	\$64,858	\$64,398	(\$459)	\$67,175	\$68,478	\$1,303	\$132,032	\$132,876	\$843		0.6%
Total Expenses	\$574,386	\$570,205	(\$4,181)	\$605,966	\$581,081	(\$24,884)	\$1,180,352	\$1,151,286	(\$29,065)	(8)	-2.5%
Total Revenues less Expenses	(\$11,445)	(\$26,019)	(\$14,574)	(\$22,868)	\$1,419	\$24,287	(\$34,313)	(\$24,601)	\$9,712		
Capital Outlay Financing Detail											
Funded From Revenue Funds	\$42,327	\$66,444	\$24,117	\$42,327	\$36,157	(\$6,170)	\$84,654	\$102,601	\$17,947		21.2%
Funded From Bond Fund	\$68,894	\$40,331	(\$28,563)	\$68,894	\$65,368	(\$3,526)	\$137,788	\$105,699	(\$32,089)		-23.3%
Total Capital Outlay	\$111,221	\$106,775	(\$4,446)	\$111,221	\$101,525	(\$9,696)	\$222,442	\$208,300	(\$14,142)		-6.4%
Ratios	2025 Budget	2025 Actual	2025 Diff.	2026 Budget	2026 Actual / Forecast	2026 Diff.					
Debt Service Coverage Ratio	1.8	3.8	2.0	2.0	3.1	1.1					
Days Liquidity	339	412	73	322	392	69					
EOY Rate Stabilization Fund Balance	\$158,000	\$158,000	\$0	\$158,000	\$158,000	\$0					
EOY Current Fund Balance	\$297,888	\$242,699	(\$55,190)	\$260,020	\$244,117	(\$15,903)					
Total Liquidity	\$455,888	\$400,699		\$418,020	\$402,117						

2025/2026 Capital Budget

	2025/2026 Budget	2025/2026 Actuals
Additions & Replacements	\$115.6M	\$12.4M
Aging Infrastructure/ Reliability Upgrades	\$38.5M	\$2.8M
Facilities Replacements/Improvements	\$24.5M	\$0.2M
Technology	\$23.2M	\$1.1M
Relicensing/License Implementation	\$9.3M	\$0.1M
Other Capital	\$2.4M	(\$1.9M)
Grand Total	\$222.4M	\$14.8M

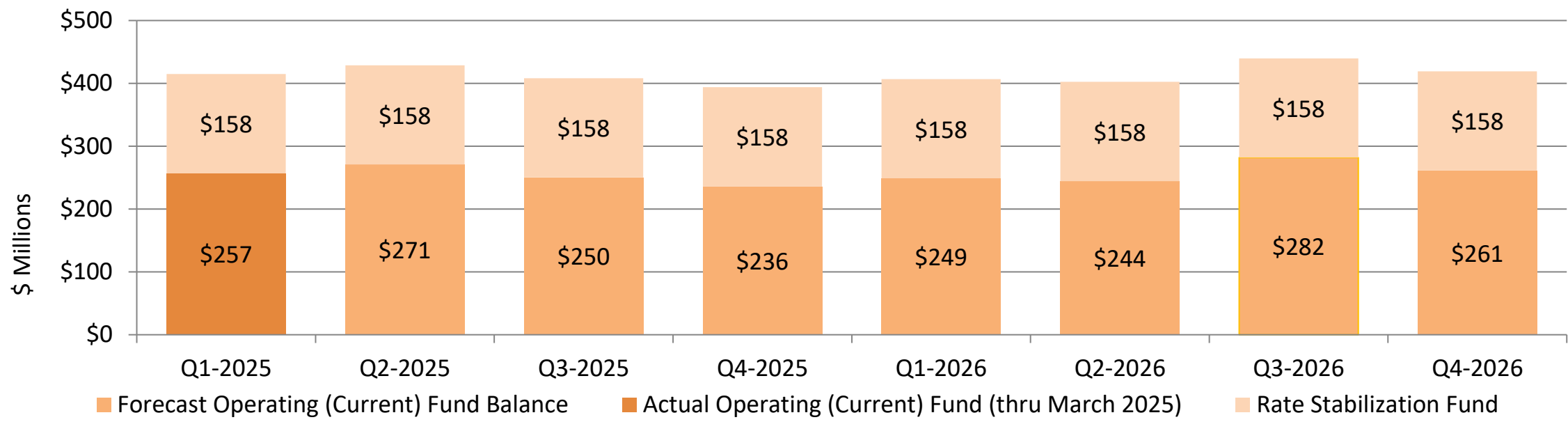
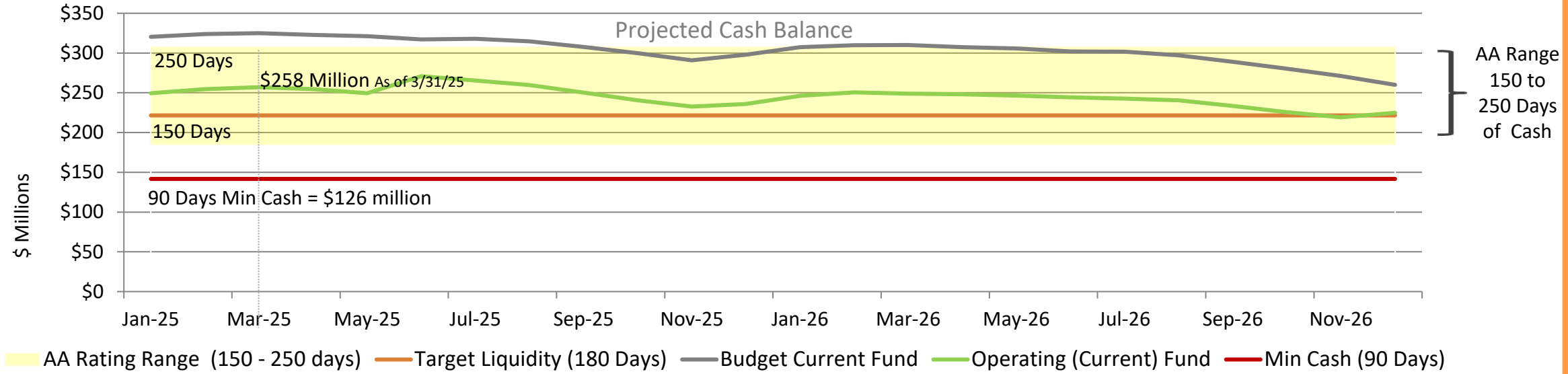


Capital Projects above \$5M

Active Projects	Current Phase	Life-to-Date* Budget	Life-to-Date Actuals
Cushman #2 U31, U32 Rebuild	Construction	\$21,622,000	\$13,067,000
TPU Admin Complex Storage & Parking Facility	Design/Procure	\$17,796,000	\$386,000
Automated Distribution Mgmt System (ADMS)	Design/Procure	\$10,758,000	\$1,303,000
South Service Center Storage	Design/Procure	\$6,462,000	\$116,000
Cowlitz Trout Hatchery Fish Rearing Revision	Design/Procure	\$6,098,000	\$2,922,000
Mayfield Fish Passage Modification	Design/Procure	\$5,423,000	\$1,703,000
Hydro Spillway Seismic Upgrade	Design/Procure	\$5,266,000	\$1,336,000
Nisqually Units 5 & 12 Turbine Generator Modernization	Design/Procure	\$5,000,000	\$1,000

*Life-to-Date (LTD) Budget refers to all funding to-date that has been appropriated for the project, independent of the biennium. A significant portion of Tacoma Power's project portfolio is considered multi-biennium due to the long duration of the projects.

2025/2026 Projected Liquidity Balance as of 3/31/25



Financial Outlook

1st Quarter 2025

May 28, 2025

Summary of Financial Outlook

- Incorporates actual revenues and expenditures through April 2025 with projections for the remainder of the biennium
- **Forecast for total revenues is \$385K or 0% above budget**
 - Q1 Challenges: Status of Federal funding.
 - Q1 Strengths: Intermodal volumes were very strong.
 - Q2 Outlook: Unknown at this time how the tariffs will affect traffic volumes.
- **Forecast for total expenditures is \$277K or 0% below budget**
 - Q1 Challenges: Status of Federal funding.
 - Q1 Strengths: Expenditures generally within budget.
 - Q2 Outlook: Balancing expenses with revenues.

Summary of Rail Volumes

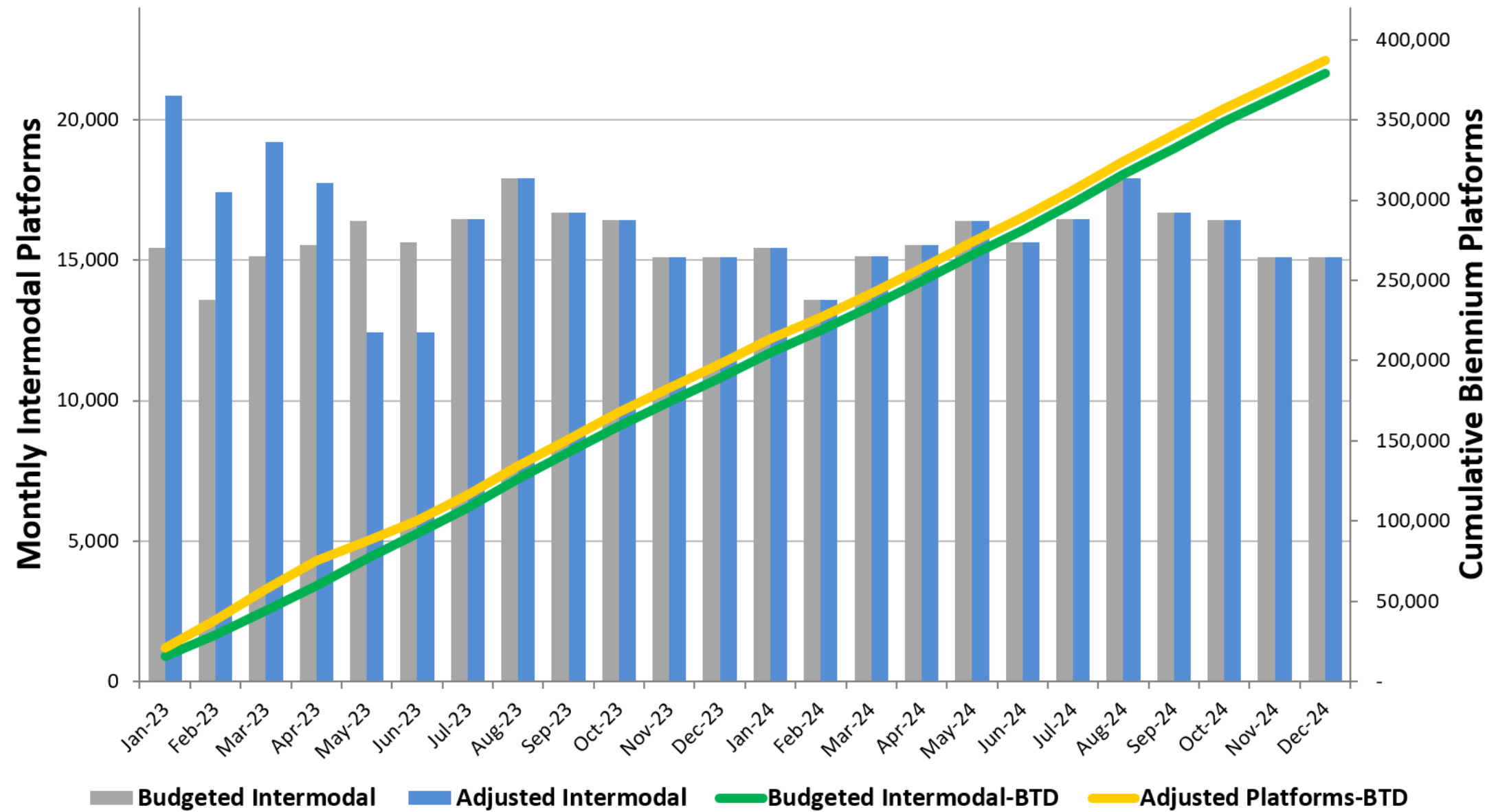
Quarter	2024		2025		%	
	Intermodal	Commercial	Intermodal	Commercial	Intermodal	Commercial
1	39,833	15,730	57,504	15,436	44%	-2%
2						
3						
4						
Total	39,833	15,730	57,504	15,436	44%	-2%

Quarter	2025 Budget		2025		%	
	Intermodal	Commercial	Intermodal	Commercial	Intermodal	Commercial
1	44,167	15,455	57,504	15,436	30%	0%
2						
3						
4						
Total	44,167	15,455	57,504	15,436	30%	0%
Biennium	44,167	15,455	57,504	15,436	30%	0%

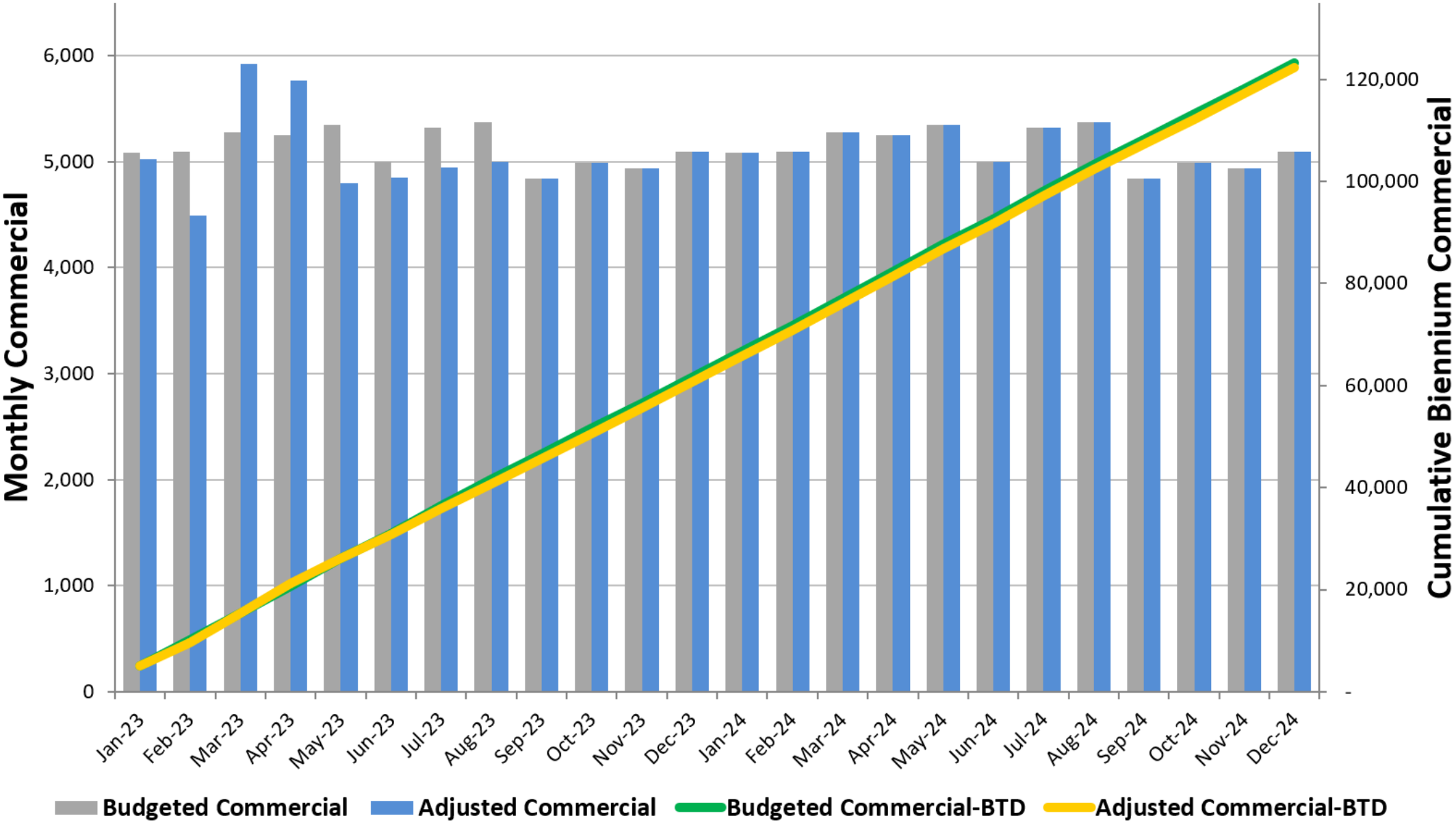
Customer Insights

- Intermodal:
 - NIM +166%
 - WUT +6%
 - SIM +11%
 - PCT -17%
- Commercial:
 - US Oil +16%
 - WWS -24%
 - AWC +12%
 - Seaport -22%

Intermodal Volumes



Commercial Volumes



2025/2026 Biennium Forecast vs. Budget

1. Intermodal volumes up in Q1, projected to be under budget for two of the three months in Q2.
2. Demurrage above budget due to customer railcar dwell.
3. Unfilled FTE's.
4. Adjusted capital project costs and projects spanning biennia.
5. Debt funding reimbursement spanning biennia.

2025/2026 Biennium Forecast vs. Budget

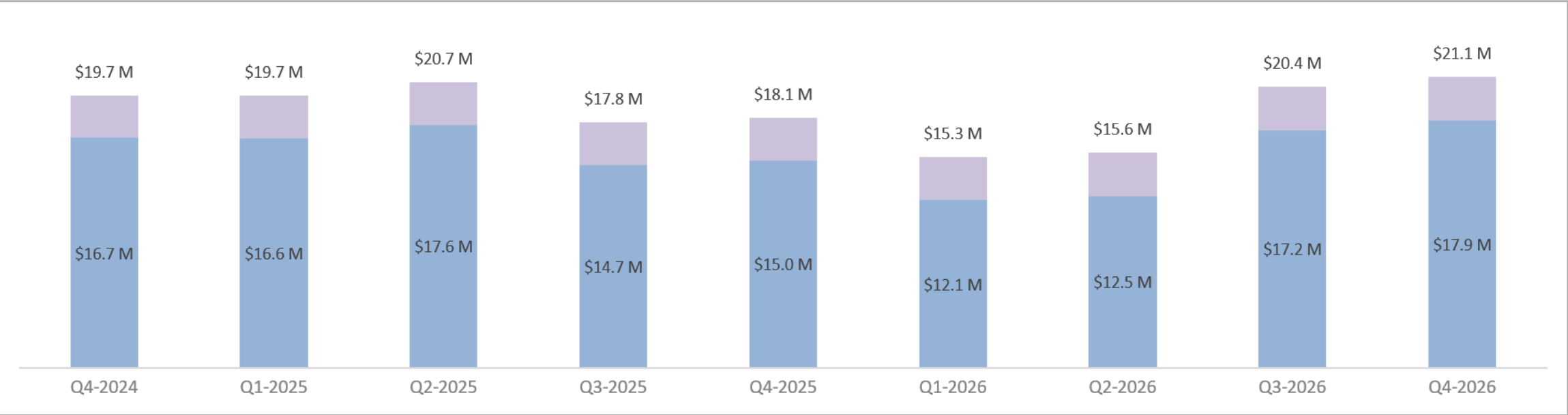
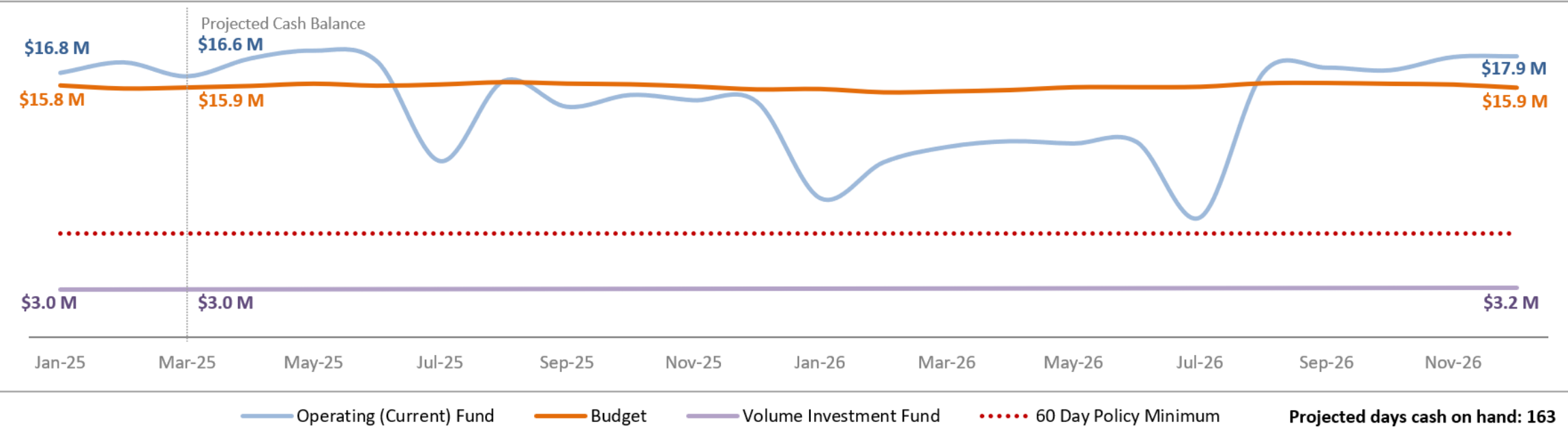
	2025 Budget	2025	2025 Difference	2026 Budget	2026 Forecast	2026 Difference	Budget Biennium	Adjusted Forecast	Biennium Difference	Biennium Diff. (%)	
Revenue											
Switching Revenue	\$ 35,221	\$ 35,382	\$ 161	\$ 36,167	\$ 35,978	\$ (189)	\$ 71,389	\$ 71,361	\$ (28)	0%	(1)
Demurrage Fees	1,620	1,804	184	1,620	1,620	-	3,240	3,424	184	6%	(2)
Locomotive Servicing	1,257	1,517	260	1,290	1,290	-	2,547	2,807	260	10%	
Other	213	258	45	213	213	-	427	472	45	11%	
Total Operating Revenue	\$ 38,312	\$ 38,961	\$ 650	\$ 39,291	\$ 39,102	\$ (189)	\$ 77,603	\$ 78,063	\$ 461	1%	
Interest	240	325	85	240	240	-	480	565	85	18%	
Rent & Misc Income	800	640	(160)	1,500	1,500	-	2,300	2,140	(160)	-7%	
Total Revenue & Avail Funds	\$ 39,352	\$ 39,926	574	\$ 41,031	\$ 40,842	\$ (189)	\$ 80,383	\$ 80,768	\$ 385	0%	
Expenditures											
Personnel Costs	\$ 20,362	\$ 20,346	\$ (15)	\$ 21,226	\$ 20,429	\$ (797)	\$ 41,588	\$ 40,775	\$ (812)	-2%	(3)
Supplies, Other Services	11,192	10,805	(387)	11,076	10,956	(120)	22,268	21,761	(507)	-2%	
Current Fund Capital Outlay	3,290	5,221	1,931	4,105	3,027	(1,078)	7,395	8,248	853	12%	(4)
Debt Service	892	892	-	625	625	-	1,517	1,517	-	0%	
Taxes	3,826	4,016	190	3,893	3,893	-	7,719	7,909	190	2%	
Total Expenditures	\$ 39,562	\$ 41,281	\$ 1,719	\$ 40,925	\$ 38,930	\$ (1,995)	\$ 80,487	\$ 80,211	\$ (277)	0%	
Total Revenues Less Expenditures	\$ (210)	\$ (1,355)	\$ (1,145)	\$ 106	\$ 1,912	\$ 1,807	\$ (105)	\$ 557	\$ 662		
Appropriation from Current Fund	\$ 210	\$ 1,640	\$ 1,429	\$ (106)	\$ (2,897)	\$ (2,792)	\$ 105	\$ (557)	\$ (662)		
Capital Outlay Financing Detail											
Funded from Current Fund	\$ 3,290	\$ 5,221	\$ 1,931	\$ 4,105	\$ 3,027	\$ (1,078)	\$ 7,395	\$ 8,248	\$ 853	12%	
Grants, Transfers & Pledges	11,445	6,300	(5,145)	8,450	12,290	3,840	19,895	18,590	(1,305)	-7%	
Funded from New Debt	640	2,230	1,590	1,200	1,200	-	1,840	3,430	1,590	86%	(5)
Total Capital Outlay	\$ 15,375	\$ 13,751	\$ (1,624)	\$ 13,755	\$ 16,517	\$ 2,762	\$ 29,130	\$ 30,268	\$ 1,138	4%	
Starting Cash Balance	\$ 16,000	\$ 16,660	660	\$ 15,790	\$ 15,020	(770)	\$ 16,000	\$ 16,660	4%	4%	
EOY Current Fund Balance	\$ 15,790	\$ 15,020	(770)	\$ 15,895	\$ 17,917	2,022	\$ 15,895	\$ 17,917	13%	13%	
Volume Investment Fund	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-	-	

Values in
thousands

Capital Budget Spending Summary

Capital Project	Q1	Projected Total	%
East Barn Fueling & Serv Upgrade	\$ 1,352	\$ 1,992	68%
Vehicles	-	700,000	0%
US Oil & Port of Tacoma Crossings	6,322	2,638,032	0%
Installation of BEL Charging Station	-	200,000	0%
TR Battery-Electric Loco Labor	9,382	20,300	46%
SandMaster Filter Upgrade Labor	248,030	318,072	78%
Annie Tracks Switch and Curve Upgrade	-	2,478,354	0%
Ballast Tamper	1,610,898	1,610,898	100%
Battery Electric Locomotives	312	19,000,312	0%
Bark Plant Crossing (Lincoln Ave)	-	250,000	0%
Milwaukee Crossing (Port Main/Pass)	-	150,000	0%
Consent Decree Locomotives	-	250,000	0%
Boom Truck MOE	-	600,000	0%
Taylor Way Yard Upgrades (MacPip)	-	1,600,000	0%
Locomotive Jacks	-	450,000	0%
	\$ 1,876,296	\$ 30,267,961	6%

2025/2026 Projected Liquidity Balance as of 3/31/25


















































Performance Metrics Update

1st Quarter 2025

May 28, 2025

Performance Metrics Summary

Quarter 1, 2025 Performance Metrics Report Tacoma Public Utilities		
 TACOMA POWER <small>TACOMA PUBLIC UTILITIES</small>	 TACOMA WATER <small>TACOMA PUBLIC UTILITIES</small>	 TACOMA RAIL <small>TACOMA PUBLIC UTILITIES</small>
Financial Performance - Supports Guiding Principle: 2 (Financial Sustainability)		
1 Debt Service Coverage 	1 Debt Service Coverage 	1 Debt Service Coverage 
2 Liquidity - Days Cash on Hand 	2 Liquidity - Days Cash on Hand 	2 Liquidity - Days Cash on Hand 
3 Budget Performance 	3 Budget Performance  	3 Budget Performance 
Operational Excellence - Supports Guiding Principle: 3 (Rates); 5 (Environmental Sustainability); 7 (Reliability & Resiliency)		
4 Residential Bill Comparison 	4 Residential Bill Comparison 	4 Railroad Tariffs Comparison 
5a Distribution O&M Cost per Customer 	5 O&M Cost per Account  	5 Operating Ratio 
5b Power Supply Expense per kWh Sold 	6 Unplanned Service Disruptions 	6 Locomotives Serviced 
6a Outage Duration 	7 Distribution System Leakage 	7 On-Time Switching 
6b Outage Frequency 	8 Water Conservation 	8 Storm Water Stewardship  
7 Non-Carbon Power Resources 		
8 Power Conservation 		
Commitment to Cust & Employees - Supports Guiding Principle: 5 (Environ. Sustainability); 7 (Reliability); 12 (Emp. Relations); 13 (Customer Svc)		
9 Customer Satisfaction 	9 Customer Satisfaction 	9 Customer Satisfaction 
10 Employee Satisfaction 	10 Employee Satisfaction 	10 Employee Satisfaction 
11 Employee Safety 	11 Employee Safety  	11 Employee Safety  
12 Call Center Responsiveness  	12 Call Center Responsiveness  	

Performance Metrics Highlights



Financial Performance

- Q1 performance favorable across all metrics

Operational Excellence

- Power outage duration times longer due to winter events
- Water's O&M cost/account experienced an uptick due to additional year-end expenses
- Water conservation progress continues to fluctuate through the 10-year plan
- Rail's stormwater testing (18) in full compliance

Commitment to Customers & Employees

- Water customer satisfaction on par with prior year results
- Safety program and recordable incident rate (RIR) benchmark reflect recent updates
- Call center response times impacted by telework, vacancies, disconnections, etc.