



# **TACOMA PUBLIC UTILITIES**

## **UTILITY BOARD MEETING**

### **2019/2020 DRAFT PRELIMINARY BIENNIUM BUDGET**

**Wednesday October 10, 2018**



# Tacoma Public Utilities

## Public Utility Board

Woodrow Jones, Chair

Karen Larkin, Vice-Chair

Bryan Flint, Secretary

Mark Patterson, Member

Christine Cooley, Member

## Executive Team

Jackie Flowers –

Director of Utilities/Chief Executive Officer

Chris Robinson –

Tacoma Power Superintendent/Chief Operating Officer

Scott Dewhirst –

Tacoma Water Superintendent

Dale W. King –

Tacoma Rail Superintendent

Prepared by:

Management Services Office

Jim Sant

Barbara Ostrander

Michelle Rhubright

Maria Kossan



**City of Tacoma, Washington  
 Department of Public Utilities  
 2019/2020 Draft Preliminary Biennium Budget**

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**City of Tacoma, Washington  
 Department of Public Utilities  
 2019/2020 Draft Preliminary Biennium Budget**

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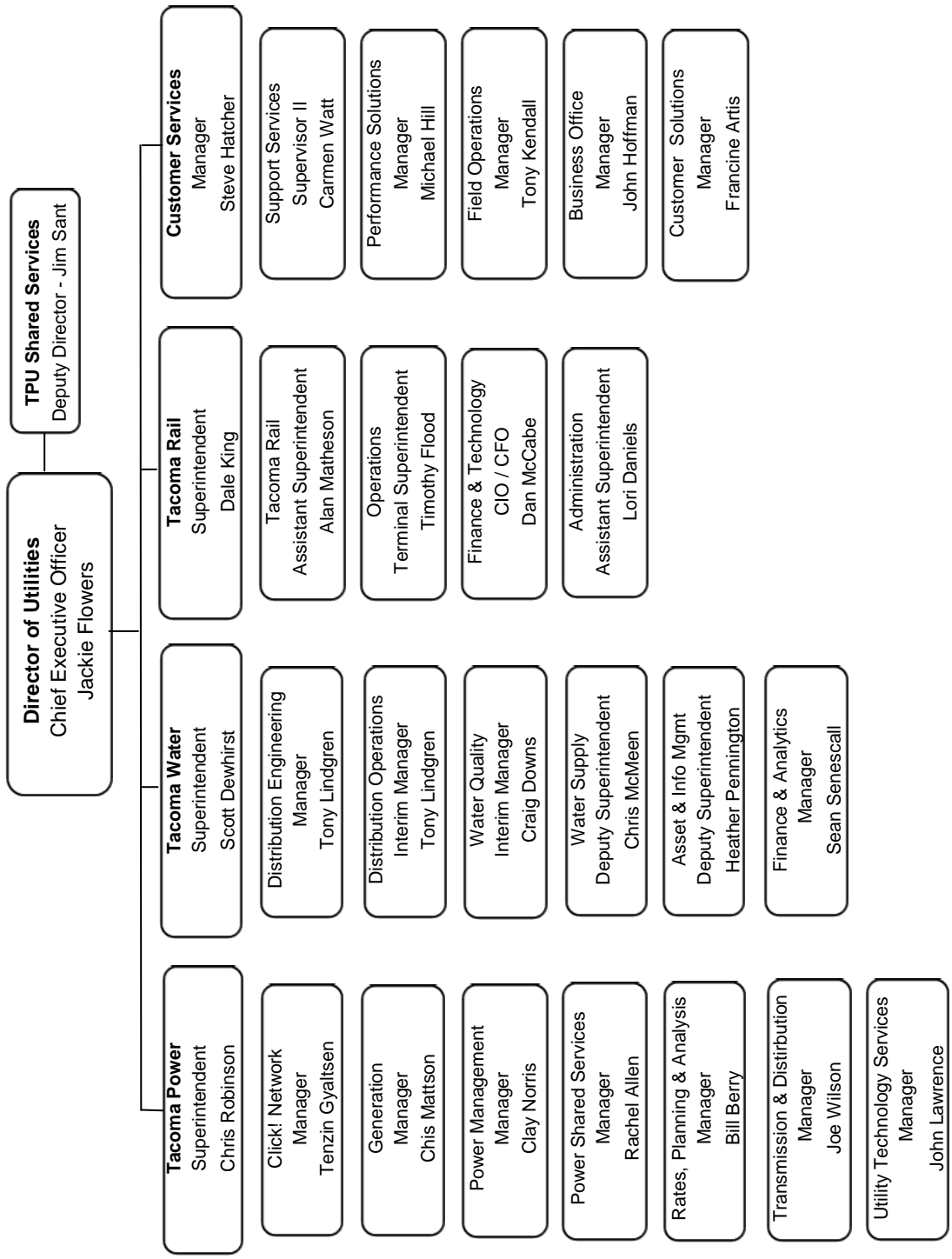
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# CITY OF TACOMA - DEPARTMENT OF PUBLIC UTILITIES

- Public Utility Board**  
 Member  
 Mark Patterson
- Public Utility Board**  
 Secretary  
 Bryan Flint
- Public Utility Board**  
 Chair  
 Woodrow Jones
- Public Utility Board**  
 Vice Chair  
 Karen Larikin
- Public Utility Board**  
 Member  
 Christine Cooley



# TACOMA PUBLIC UTILITIES

2019/2020

## Draft Preliminary Budget

### REVIEW CALENDAR

Utility Board Review – Rail Budget Preview	April 11, 2018
Utility Board Review – Customer Services Budget Preview	May 9, 2018
Utility Board Review – Water Budget Preview	May 23, 2018
Utility Board Review – Power Budget Preview	May 23, 2018
Director Review – Customer Services	August 14, 2018
Utility Board Review – Customer Services	August 22, 2018
Director Review – Water	August 22, 2018
Director Review – Rail	September 5, 2018
Utility Board Review – Water and Rail	September 12, 2018
Director Review – Power	September 17, 2018
Utility Board Review – Power	September 26, 2018

### REMAINING EVENTS

Public Utility Board/City Council Joint Study Session	October 16, 2018
Consideration of Preliminary Budget by Utility Board	October 24, 2018
Consideration of City of Tacoma Budget by City Council	November 2018



**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 Services Division, and Administrative and Support Services.

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.

**2017-2018 BUDGET**

	Personnel Costs	Supplies, Services & Other Charges	Taxes	Debt Service	Capital Outlay	2017-2018 Total
Tacoma Power Division	\$200,456,764	\$466,917,187	\$107,182,939	\$66,995,223	\$81,830,000	<b>\$923,382,113</b>
Tacoma Water Division	54,522,063	53,274,970	22,742,786	53,012,978	8,010,973	<b>191,563,770</b>
Tacoma Rail Division	31,543,815	22,705,310	6,295,643	1,799,885	4,298,543	<b>66,643,196</b>
<b>Operating Funds</b>	<b>286,522,642</b>	<b>542,897,467</b>	<b>136,221,368</b>	<b>121,808,086</b>	<b>94,139,516</b>	<b>1,181,589,079</b>
Fleet Services Fund	6,643,452	4,698,624	0	0	13,418,000	<b>24,760,076</b>
Family Need Fund	0	2,000,000	0	0	0	<b>2,000,000</b>
Self-Insurance Fund	0	3,762,254	0	0	0	<b>3,762,254</b>
<b>Other Funds</b>	<b>6,643,452</b>	<b>10,460,878</b>	<b>0</b>	<b>0</b>	<b>13,418,000</b>	<b>30,522,330</b>
<b>Total TPU 2017-2018</b>	<b>\$293,166,094</b>	<b>\$553,358,345</b>	<b>\$136,221,368</b>	<b>\$121,808,086</b>	<b>\$107,557,516</b>	<b>\$1,212,111,409</b>

**2019-2020 BUDGET**

	Personnel Costs	Supplies, Services & Other Charges	Taxes	Debt Service	Capital Outlay	2019-2020 Total
Tacoma Power Division	\$185,415,658	\$510,242,691	\$114,377,816	\$59,122,802	\$89,672,000	<b>\$958,830,967</b>
Tacoma Water Division	57,949,725	57,146,959	24,866,802	53,216,486	35,111,569	<b>228,291,541</b>
Tacoma Rail Division	33,984,306	21,179,656	6,382,314	1,640,486	4,466,084	<b>67,652,846</b>
<b>Operating Funds</b>	<b>277,349,689</b>	<b>588,569,306</b>	<b>145,626,932</b>	<b>113,979,774</b>	<b>129,249,653</b>	<b>1,254,775,354</b>
Fleet Services Fund	6,767,495	2,831,263	0	0	16,780,500	<b>26,379,258</b>
Family Need Fund	0	2,500,000	0	0	0	<b>2,500,000</b>
Self-Insurance Fund	0	6,712,450	0	0	0	<b>6,712,450</b>
<b>Other Funds</b>	<b>6,767,495</b>	<b>12,043,713</b>	<b>0</b>	<b>0</b>	<b>16,780,500</b>	<b>35,591,708</b>
<b>Total TPU 2019-2020</b>	<b>\$284,117,184</b>	<b>\$600,613,019</b>	<b>\$145,626,932</b>	<b>\$113,979,774</b>	<b>\$146,030,153</b>	<b>\$1,290,367,062</b>

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

Job Classifications and Salary Information:

Visit [www.cityoftacoma.org/empage.aspx](http://www.cityoftacoma.org/empage.aspx) for current job classification specs with salary data.

**CITY OF TACOMA  
DEPARTMENT OF PUBLIC UTILITIES**

**COMPARATIVE BUDGET**

<b>Fund</b>	<b>Biennial Budget 2017-2018</b>	<b>Biennial Budget 2019-2020</b>	<b>\$ Increase or Decrease</b>	<b>% Increase or Decrease</b>	<b>% 2019-2020 Total Dept.</b>
Tacoma Power	\$923,382,113	\$958,830,967	\$35,448,854	3.8%	74.3%
Tacoma Water	191,563,770	228,291,541	36,727,771	19.2%	17.8%
Tacoma Rail	66,643,196	67,652,846	1,009,650	1.5%	5.2%
Fleet Services	24,760,076	26,379,258	1,619,182	6.5%	2.0%
Family Need	2,000,000	2,500,000	500,000	25.0%	0.2%
Self-Insurance Claim	3,762,254	6,712,450	2,950,196	78.4%	0.5%
<b>Total Department</b>	<b>\$1,212,111,409</b>	<b>\$1,290,367,062</b>	<b>\$78,255,653</b>	<b>6.5%</b>	<b>100.0%</b>

<b>DEPARTMENT OF PUBLIC UTILITIES Taxes</b>	<b>2015-16 Biennium Actual</b>	<b>2017-18 Biennium Budget</b>	<b>2019-20 Biennium Budget</b>
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**TAX PAYMENTS**

City of Tacoma:			
Gross Earnings Tax	\$74,474,474	\$83,786,232	90,242,645
State of Washington:			
Utility & Business Tax	34,821,596	37,371,929	39,867,810
Other *	15,076,263	15,063,207	15,516,477
Subtotal	<b>124,372,333</b>	<b>136,221,368</b>	<b>145,626,932</b>
Federal Taxes (FICA)	14,493,112	15,385,561	16,440,940
Federal Railroad Taxes (RR)	4,238,342	4,051,175	4,438,438
Subtotal	<b>18,731,454</b>	<b>19,436,736</b>	<b>20,879,378</b>
<b>Total Taxes</b>	<b>\$143,103,787</b>	<b>\$155,658,104</b>	<b>\$166,506,310</b>

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.

<b>DEPARTMENT OF PUBLIC UTILITIES</b>	<b>2017-18</b>	<b>2019-20</b>
<b>General Government Expenses</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>



City Clerk	\$83,480	\$225,938
City Council	197,554	179,837
City Manager's Office	122,636	121,393
CMO Equity	145,086	527,858
Government Relations	103,754	92,119
Hearing Examiner	68,937	55,755
HUB	465,839	154,804
LEAP	355,818	162,171
TTEP	330,241	313,075
Office of Management and Budget	93,317	74,858
Continuous Improvement	30,857	387,984
TFD Emergency Management	0	119,252

<b>Total Miscellaneous General Government Expenses</b>	<b>1,997,519</b>	<b>2,415,044</b>
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Finance	6,996,448	7,769,410
Human Resources	4,702,409	7,123,207
IT	21,464,048	22,247,545
Legal	2,689,678	3,048,738

<b>Total TPU General Government Expenses</b>	<b>\$37,850,102</b>	<b>\$42,603,944</b>
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**TACOMA POWER**

**TACOMA PUBLIC UTILITIES**

**2019/2020**

**DRAFT PRELIMINARY BIENNIUM BUDGET**

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<b>TACOMA POWER</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Recapitulation of Biennial Budget</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **REVENUE**

Operating Revenue			
Sales of Electric Energy	\$740,512,345	\$732,280,506	\$825,769,355
Anticipated Additional Revenue	0	43,226,663	16,541,545
Other Electric Revenue	34,795,634	35,494,747	39,743,995
Telecommunications Revenue	53,993,196	61,299,566	54,732,255
<b>Total Operating Revenue</b>	<b>829,301,174</b>	<b>872,301,482</b>	<b>936,787,150</b>
Other Income	28,271,579	12,922,473	12,864,759
Appropriation from Fund Balance	0	38,158,158	9,179,057

<b>Total Revenue &amp; Available Funds</b>	<b>\$857,572,754</b>	<b>\$923,382,113</b>	<b>\$958,830,967</b>
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### **EXPENDITURES**

Personnel Costs	\$173,794,905	\$200,456,764	\$185,415,658
Supplies, Services & Other Charges	426,406,313	466,917,187	510,242,691
Taxes - Current Revenue Estimate	95,663,067	102,266,598	112,496,480
Taxes - Anticipated Additional Revenue	0	4,916,341	1,881,336
Debt Service	69,744,311	66,995,223	59,122,802
Capital Outlay	50,176,235	81,830,000	89,672,000
Cash Defeasance	122,135,000	0	0

<b>Total Expenditures</b>	<b>\$937,919,831</b>	<b>\$923,382,113</b>	<b>\$958,830,967</b>
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### **CAPITAL OUTLAY FINANCING DETAIL**

Funded From Operating Fund		\$81,830,000	\$89,672,000
Funded From New Bonds		108,644,000	60,051,000

<b>Total Capital Outlay</b>		<b>\$190,474,000</b>	<b>\$149,723,000</b>
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<b>PERSONNEL - Budgeted FTEs</b>	<b>856.21 / 854.21</b>	<b>857.27 / 860.02</b>	<b>838.28 / 838.28</b>
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Prior years may have been reclassified or restated to reflect organizational changes.

<b>TACOMA POWER</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Revenue</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **REVENUE SUMMARY**

Sales of Electric Energy	\$740,512,345	\$732,280,506	\$825,769,355
Anticipated Additional Revenue	0	43,226,663	16,541,545
Other Electric Revenue	34,795,634	35,494,747	39,743,995
Telecommunications Revenue	53,993,196	61,299,566	54,732,255
<b>Total Operating Revenue</b>	<b>829,301,174</b>	<b>872,301,482</b>	<b>936,787,150</b>
Other Income	28,271,579	12,922,473	12,864,759
Appropriation from Fund Balance	0	38,158,158	9,179,057

<b>Total Revenue &amp; Available Funds</b>	<b>\$857,572,754</b>	<b>\$923,382,113</b>	<b>\$958,830,967</b>
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### **REVENUE DETAIL**

#### **Sales of Electric Energy**

Residential	\$300,766,720	\$314,653,878	\$366,568,235
Private Off-Street Lighting	2,519,642	2,543,906	3,061,854
Small General	54,659,459	54,346,433	57,254,711
General	195,787,187	195,825,501	208,176,072
High Voltage General	36,520,280	36,485,717	45,607,004
Contract Industrial - Firm	42,819,622	42,637,365	47,244,762
Street Lighting & Traffic Signals	2,716,137	2,397,520	2,016,509
<b>Total Retail Sales</b>	<b>635,789,048</b>	<b>648,890,320</b>	<b>729,929,147</b>

#### **Other Sales**

Bulk Power Sales	104,886,683	83,390,186	95,840,208
Accrued Unbilled Revenue	(163,386)	0	0
<b>Total Other Sales</b>	<b>104,723,297</b>	<b>83,390,186</b>	<b>95,840,208</b>
Anticipated Additional Revenue	0	43,226,663	16,541,545
<b>Total Sales of Electric Energy</b>	<b>740,512,345</b>	<b>775,507,169</b>	<b>842,310,900</b>



<b>TACOMA POWER</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Revenue</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

**Other Electric Revenue**

Rent from Electric Property	2,687,255	2,824,560	2,704,477
Interdepartmental Rent	4,619,843	4,925,388	4,924,037
Service Connection Fees	1,953,794	2,273,080	2,451,276
Green Power	156,199	226,404	111,948
Overhead on Work for Others	238,737	226,345	573,785
Late Payment Fees	1,939,175	2,323,843	2,517,398
Income from Campgrounds	2,710,891	2,809,965	3,008,934
Wheeling	19,795,779	19,856,880	23,374,353
Miscellaneous	693,962	28,282	77,787
<b>Total Other Electric Revenue</b>	<b>34,795,634</b>	<b>35,494,747</b>	<b>39,743,995</b>

**Telecommunications Revenue**

CATV	31,726,756	38,786,871	32,758,843
Broadband	2,306,899	2,411,528	2,446,773
Internet	13,681,100	18,265,376	18,427,102
Miscellaneous	6,278,441	1,835,791	1,099,537
<b>Total Telecommunications</b>	<b>53,993,196</b>	<b>61,299,566</b>	<b>54,732,255</b>

**Other Income**

Interest	4,412,669	3,750,235	3,645,145
Federal Subsidy for BABS/CREBS interest	7,359,582	7,340,000	7,418,000
Miscellaneous	4,499,329	1,832,238	1,801,614
Transfer from Other Funds:			
Capital Reserve Fund	12,000,000	0	0
<b>Total Other Income</b>	<b>28,271,579</b>	<b>12,922,473</b>	<b>12,864,759</b>

**Other Available Funds**

Appropriation from Fund Balance	0	38,158,158	9,179,057
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<b>Total Revenue &amp; Available Funds</b>	<b>\$857,572,754</b>	<b>\$923,382,113</b>	<b>\$958,830,967</b>
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<b>TACOMA POWER</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Division Consolidation</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

**SUMMARY - Operation & Maintenance by Section**

Power Administration	\$123,471,480	\$136,330,792	\$139,993,579
Click!	60,157,829	69,749,612	54,455,682
Generation	74,933,147	83,976,592	88,768,243
Power Management	309,451,486	335,491,958	363,714,727
Power Shared Services	17,683,492	20,522,943	25,244,294
Rates, Planning & Analysis	5,938,870	8,157,979	10,053,019
Transmission & Distribution	85,999,506	97,539,340	92,145,737
Utility Technology Services	18,228,475	22,787,674	35,660,883

<b>Total for Division</b>	<b>\$695,864,285</b>	<b>\$774,556,890</b>	<b>\$810,036,165</b>
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**SUMMARY - Operation & Maintenance by Category**

Salaries & Wages	\$154,595,475	\$171,373,051	\$169,701,179
Employee Benefits	59,363,059	64,887,312	58,229,067
Capital Credit & Labor To/From Others	(40,163,629)	(35,803,599)	(42,514,588)
<b>Total Personnel Costs</b>	<b>173,794,905</b>	<b>200,456,764</b>	<b>185,415,658</b>
Supplies	261,489,710	284,010,964	298,920,868
Services	81,572,348	92,136,732	98,853,564
Other Charges	31,808,911	31,524,269	46,185,874
Assessments	51,535,344	59,245,222	66,282,385
Taxes	95,663,067	107,182,939	114,377,816

<b>Total for Division</b>	<b>\$695,864,285</b>	<b>\$774,556,890</b>	<b>\$810,036,165</b>
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<b>TACOMA POWER Taxes</b>	<b>2015-16 Biennium Actual</b>	<b>2017-18 Biennium Budget</b>	<b>2019-20 Biennium Budget</b>
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### **TAX PAYMENTS**

City of Tacoma:

Gross Earnings Tax (7.5%)	\$55,941,921	\$61,778,397	\$68,950,770
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State of Washington:

Utility & Business Tax	25,990,360	26,746,080	29,555,802
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Other\*

County/Schools/Fire Protection Dist.	4,044,205	4,243,300	4,188,800
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Franchise Administrative Fees	7,151,098	6,775,934	7,498,155
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Click! Franchise-Like Fees	2,535,483	2,722,887	2,302,953
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Subtotal	<b>95,663,067</b>	<b>102,266,598</b>	<b>112,496,480</b>
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Anticipated Additional Revenue\*\*

Gross Earnings Tax (7.5%)		3,242,000	1,240,616
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Utility & Business Tax		1,674,341	640,720
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		4,916,341	1,881,336
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Total City & Utility Tax	<b>95,663,067</b>	<b>107,182,939</b>	<b>114,377,816</b>
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Federal Taxes (FICA)	11,413,951	11,974,468	12,611,278
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<b>Total Tacoma Power Taxes</b>	<b>\$107,077,018</b>	<b>\$119,157,407</b>	<b>\$126,989,094</b>
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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.

<b>TACOMA POWER</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Debt Service</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **DEBT SERVICE SUMMARY**

Interest	\$42,279,311	\$45,325,223	\$42,287,802
Principal	149,600,000	21,670,000	16,835,000

<b>Total Debt Service</b>	<b>\$191,879,311</b>	<b>\$66,995,223</b>	<b>\$59,122,802</b>
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### **DEBT SERVICE DETAIL**

2005A Revenue Bonds	Interest	\$5,196	\$0	\$0
\$93,480,000	Principal	130,000	0	0
2005B Ref & Rev Bonds*	Interest	2,658,774	0	0
\$156,425,000	Principal	122,135,000	0	0
2010B Revenue Bonds	Interest	17,383,651	17,383,647	17,383,647
\$147,070,000	Principal	0	0	0
2010C Revenue Bonds	Interest	2,728,556	2,728,552	2,728,552
\$24,185,000	Principal	0	0	0
2013A Ref & Rev Bonds	Interest	15,437,446	12,971,200	8,990,450
\$181,610,000	Principal	27,335,000	21,670,000	16,835,000
2013B Ref & Rev Bonds	Interest	3,232,222	3,232,220	3,232,220
\$35,620,000	Principal	0	0	0
2015 Line of Credit	Interest	833,466	1,600,000	1,600,000
\$100,000,000	Principal	0	0	0
2017 Bonds	Interest	0	7,409,604	6,573,600
\$100,000,000 - Anticipated	Principal	0	0	0
2020 Bonds	Interest	0	0	1,779,333
\$80,000,000 - Anticipated	Principal	0	0	0

<b>Total Debt Service</b>	<b>\$191,879,311</b>	<b>\$66,995,223</b>	<b>\$59,122,802</b>
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TACOMA POWER	2017-18	2019-20
Capital Outlay	Biennium Budget	Biennium Budget

**SUMMARY**

**Click! Network**

Capital Projects:	\$0	\$0
Additions and Replacements:	18,229,000	1,797,000
<b>Click! Total</b>	<b>18,229,000</b>	<b>1,797,000</b>

**General Plant**

Capital Projects:	9,203,000	36,757,000
Additions and Replacements:	2,725,000	2,404,000
<b>General Plant Total</b>	<b>11,928,000</b>	<b>39,161,000</b>

**Generation**

Capital Projects:	44,228,000	17,950,000
Additions and Replacements:	2,896,000	4,622,000
<b>Generation Total</b>	<b>47,124,000</b>	<b>22,572,000</b>

**Power Management**

Capital Projects:	28,850,000	14,713,000
Additions and Replacements:	0	0
<b>Power Management Total</b>	<b>28,850,000</b>	<b>14,713,000</b>

**Transmission & Distribution**

Capital Projects:	19,131,000	9,587,000
Additions and Replacements:	33,260,000	41,492,000
<b>Transmission &amp; Distribution Total</b>	<b>52,391,000</b>	<b>51,079,000</b>

**Utility Technology Services**

Capital Projects:	29,508,000	16,729,000
Additions and Replacements:	2,444,000	3,672,000
<b>Utility Technology Services Total</b>	<b>31,952,000</b>	<b>20,401,000</b>

<b>Sub-Total</b>	<b>\$190,474,000</b>	<b>\$149,723,000</b>
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Projects Funded from New Bonds	(108,644,000)	(60,051,000)
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<b>Total Operating Fund Capital Outlay</b>	<b>\$81,830,000</b>	<b>\$89,672,000</b>
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<b>TACOMA POWER</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Capital Outlay</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **CLICK! Network A & R**

Broadband Services - Comm	\$619,000	\$150,000
Cable Modems - Comm	1,650,000	0
Click! Equipment	0	50,000
Customer Related Equip - Comm	1,718,000	694,000
Equipment - Comm	50,000	0
FTTH ONT/OLT & Cabinets	0	100,000
Headend Replace & Upgrades - Comm	614,000	150,000
HFC Network Infrastructure Enhancements - Power	138,000	80,000
Network Infill MDU - Comm	421,000	149,000
Network Security Enhancements - Power	80,000	0
Network Upgrade - Comm	11,100,000	0
Network Upgrades & Replacements - Power	1,250,000	164,000
New Service Drop Capitalization - Comm	326,000	200,000
Node Upgrades	0	60,000
Voice Gateway - Comm	263,000	0
<b>Click! Network Total</b>	<b>\$18,229,000</b>	<b>\$1,797,000</b>

### **General Plant Capital Projects**

Advanced Metering Infrastructure (AMI)	\$0	\$24,325,000
Tacoma Power Storage Facility	0	2,945,000
Service Division Capital-Customer Service	1,243,000	223,000
TPU ABN Main Floor Data Center Power System Upgrade	0	186,000
TPU ABN West Vault Electrical Equipment Replacement	0	170,000
TPU ABS Transfer Switch Replacement	0	230,000
2017/18 Capital Funding	6,300,000	0
2019/20 Capital Funding	0	8,678,000
Admin Complex Auditorium Upgrade	431,000	0
Facilities ABN Main Fan Modernization	389,000	0
Facilities ABN-ECC-Wynoochee Dam Elevator Controllers	840,000	0

### **General Plant A & R**

Facilities Critical Operations Power Systems	175,000	226,000
General Plant	750,000	901,000
Tacoma Power Security Upgrade	1,800,000	1,277,000
<b>General Plant Total</b>	<b>\$11,928,000</b>	<b>\$39,161,000</b>

### **Generation Capital Projects**

Alder Cooling Water Pipe Replacements (2" Pipe)	\$0	\$177,000
Cowlitz Falls Downstream Fish Passage - FERC	8,223,000	0
Cowlitz Falls Fish Facility Start-Up (Downstream Fish Passage)	0	927,000
Cowlitz Fish Release Site Development - Tilton & Upper Cowlitz	0	821,000
Cowlitz Off-site Fish Rearing - Satellite Ponds - FERC	1,274,000	0
Cowlitz Salmon Hatchery Filtration System	277,000	0
Cowlitz Salmon Hatchery Generator No 2 Replacement	200,000	0
Cowlitz Trout Hatchery Fish Rearing Revision	1,819,000	3,500,000

<b>TACOMA POWER</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Capital Outlay</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

Cowlitz Trout Hatchery Five Acre Ponds Liner Replacement	1,943,000	0
Cowlitz Trout Hatchery Water Treatment Modernization	4,300,000	0
Cushman #1 Dam ROV Replacement	0	2,867,000
Cushman #1 Units 21, 22 TIV Replacement	746,000	0
Cushman #2 Spillway Gate Remote Operation	0	237,000
Cushman #2 Unit 31, 32, 33 Generator Breaker Replacement	1,500,000	0
Cushman #2 Station Service Upgrades (EG, ATS & SWGR)	0	612,000
Cushman Fish Facilities Improvements - FERC	1,875,000	0
Cushman Fish Habitat Restoration - FERC	1,844,000	0
Cushman Powerhouse Cranes - Controls Upgrade	0	141,000
Fish Habitat & Land Acquisition (CRR Fund) - FERC	2,400,000	0
Hydro Exciter Replacement Program	2,332,000	0
Hydro Generator Life - Extension Program	2,210,000	0
Hydro Governor Replacement Program	2,698,000	0
LaGrande Units 1 - 4 Excitation AC Supply Replacement	0	266,000
LaGrande Units 1 - 4 Protection Relay Replacement	0	223,000
LaGrande Downstream Fish Barrier - FERC	500,000	527,000
LaGrande Shop Building	1,013,000	0
Mayfield Unit 41 Exciter Replacement	0	309,000
Mayfield Units 42, 43, 44 Generator Breaker Replacement	0	999,000
Mayfield Downstream Fish Passage Modification - FERC	1,899,000	0
Mayfield Penstocks Slope Tendon Replacement	6,487,000	0
Mayfield Plant Access Road Rebuild	368,000	0
Mayfield Fish Passage Modification	0	1,672,000
Mayfield Water System Replacements & Upgrades	0	920,000
Mossyrock Dam ROV & Guard Valve Upgrades	0	500,000
Mossyrock Units 51 & 52 Generator Breakers	0	2,495,000
Nisqually Hydro Project Relay Upgrades	320,000	0
Strong Motion Accelerometer (SMA) Replacement and Upgrade	0	200,000
Wynoochee Dam Electrical Power System Upgrade	0	557,000

### **Generation A & R**

ADA Improvements	47,000	50,000
Cowlitz Project Fish Facilities	200,000	0
Cowlitz Project Generation	185,000	208,000
Cowlitz Project Recreation	143,000	192,000
Cushman Project Fish Facilities	464,000	0
Cushman Project Generation	211,000	200,000
Fish Facilities	0	1,434,000
Generation Electrical	0	244,000
Generation Paving	210,000	100,000
Hydro Plant Automation	170,000	268,000
Hydro Plant Electrical Systems	230,000	0
Hydro Plant Mechanical	162,000	179,000
Hydro Plant Water and Sewer Systems	160,000	0
Hydro Wildlife	113,000	50,000
Natural Resources	50,000	50,000

<b>TACOMA POWER</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Capital Outlay</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

Nisqually Project Generation	200,000	200,000
Nisqually Project Recreation	110,000	110,000
Plant Engineering	120,000	115,000
TPU Facility Energy Conservation	0	907,000
Water and Sewer Systems	0	217,000
Wynoochee River Project Generation	121,000	98,000
<b>Generation Total</b>	<b>\$47,124,000</b>	<b>\$22,572,000</b>

#### **Power Management Capital Projects**

2019/20 Conservation Portfolio	\$0	\$14,713,000
2017/18 Energy Conservation	21,850,000	0
City of Tacoma LED Street Light Upgrade	7,000,000	0

#### **Power Management A & R**

Power Management Technology Upgrades	0	0
<b>Power Management Total</b>	<b>\$28,850,000</b>	<b>\$14,713,000</b>

#### **Transmission & Distribution Capital Projects**

#6 Copper Conductor Replacement	\$1,380,000	\$1,500,000
115 kV System Reliability Improvements (NE Bus Sectionalizing)	1,100,000	0
230 kV System Reliability Improvements Program	276,000	0
Distribution Efficiency Program	184,000	180,000
Distribution Substation Transformer Replacement Program	2,668,000	2,878,000
Distribution System Upgrades	0	1,488,000
Downtown Infrastructure Development Program	800,000	0
Henderson Bay Crossing Rehabilitation	4,070,000	0
Mayfield Bank 1 Transformer Replacement	0	3,267,000
Nisqually Substation Protection & SCADA Upgrade	434,000	0
Padmount Switchgear Replacement Program	460,000	0
Pearl - Cushman Line Upgrade Phase 2	4,716,000	0
South Service Area Feeder Enhancements	552,000	0
Transmission Line Auto Sectionalizing	0	274,000
Transmission Line Uprating	1,303,000	0
Vactor Truck Decant & Soil Containment	1,188,000	0

#### **Transmission & Distribution A & R**

Cable Replacement Program	3,800,000	0
Central Business District	800,000	2,726,000
Distribution Transformer Purchase	2,900,000	3,362,000
HFC Infill Construction	1,594,000	1,855,000
HFC Road Projects	498,000	1,029,000
Meters and Devices	1,250,000	919,000
NERC/WECC Compliance	200,000	0
New Services	2,000,000	4,823,000
Overhead Distribution	2,000,000	14,998,000
Pad-mount Switchgear Replacement	0	474,000
Pole Replacement Program	8,000,000	0



<b>TACOMA POWER</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Capital Outlay</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

Protection & Controls	1,303,000	776,000
Rental Light	870,000	841,000
Road Related (City, County & State)	4,000,000	4,000,000
Substation	2,115,000	2,268,000
T & D Tools and Equipment	180,000	135,000
Transmission	1,200,000	800,000
Underground Distribution	550,000	2,486,000
<b>Transmission &amp; Distribution Total</b>	<b>\$52,391,000</b>	<b>\$51,079,000</b>

#### **Utility Technology Services Capital Projects**

AMI	\$3,545,000	\$0
Asset Analytics	0	64,081
Automated Fuel System	0	443,168
Automated Testing	0	222,664
Avista Decision Support System Integration	0	500,310
Cybersecurity Managed Security Service Provider	464,000	0
Digital Microwave Modernization Loop 1	5,130,000	0
Digital Mobile Radio	2,422,500	0
Drawing Management Solution	278,000	0
EMS Replacement - Part 2 (Implementation)	6,630,000	0
ESRI GIS Data Replication	267,500	0
Facility/Comm Systems Monitoring	0	1,011,121
IT Asset Management	427,000	0
IT Service Management	670,000	0
ITSM/ITAM Tool Enhancements	0	346,701
IVR Ph 2A - Technical Upgrade & 2B - Functional Upgrade	793,000	0
Land Mobile Radio	0	2,045,241
Market Integration Tools	0	1,701,438
Mobile Workforce Mgmt Roadmap & Tech Solution	1,312,500	0
Natural Resources Operational Analytics	505,000	0
Power Generation Cybersecurity Controls Implementation	263,500	0
Power GIS Modernization	0	3,830,245
Power Management Technology Upgrades	1,820,000	0
Technology Contingency	2,253,000	0
TPU Auditorium TV Tacoma Upgrade	0	389,286
TPU Conference Rooms Tech Refresh	0	302,542
TPU Main Campus Data Center	1,615,000	0
TPU Network Backbone Modernization Phase 2	275,000	0
TPU Operations Center Ph2	0	817,470
TPU Voice Comm System Tech Refresh & Impr Ph 1	252,000	0
TPU Voice Comm System Tech Refresh & Impr Ph 2	119,000	0
TPU Voice Comm System Tech Refresh & Impr Ph 3	200,000	0
TPU Voice Comm System Tech Refresh & Impr Ph 4	24,000	0
TPU Voice Comm System Tech Refresh & Impr Ph 5	242,000	0
Wan Modernization	0	1,962,821
Workforce Connect	0	3,049,334
Workplace Giving Automation	0	42,578

<b>TACOMA POWER</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Capital Outlay</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

**Utility Technology Services A & R**

Communications	1,098,000	1,551,000
Cybersecurity	549,000	636,000
Energy Management System	304,000	0
System Management	493,000	1,244,000
Telephony	0	241,000
<b>Utility Technology Services Total</b>	<b>\$31,952,000</b>	<b>\$20,401,000</b>

<b>Total Capital Outlay</b>	<b>\$190,474,000</b>	<b>\$149,723,000</b>
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**TACOMA WATER**

**TACOMA PUBLIC UTILITIES**

**2019/2020**

**DRAFT PRELIMINARY BIENNIUM BUDGET**

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<b>TACOMA WATER</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Recapitulation of Biennial Budget</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **REVENUE**

Operating Revenue			
Water Sales	\$154,939,927	\$145,440,571	\$168,370,780
Anticipated Additional Revenue	0	7,872,671	6,363,724
Other Operating Revenue	13,913,066	14,145,816	7,992,092
<b>Total Operating Revenue</b>	<b>168,852,993</b>	<b>167,459,058</b>	<b>182,726,596</b>
Non-Operating Revenue			
Interest	1,373,688	600,000	600,000
BABS Interest Federal Subsidy	5,514,618	5,540,624	5,540,624
Miscellaneous	603,904	90,000	465,384
Transfers from other Funds:			
Capital Reserve Fund	2,299,390	8,010,973	22,002,893
Appropriation from Fund Balance	0	9,863,115	16,956,044
<b>Total Revenue &amp; Available Funds</b>	<b>\$178,644,592</b>	<b>\$191,563,770</b>	<b>\$228,291,541</b>

### **EXPENDITURES**

Personnel Costs	\$46,634,999	\$54,522,063	\$57,949,725
Supplies, Services & Other Charges	44,750,254	53,274,970	57,146,959
Taxes - Current Revenue Estimate	22,851,347	21,643,155	24,037,673
Taxes - Anticipated Additional Revenue	0	1,099,631	829,129
Debt Service	50,901,049	53,012,978	53,216,486
Capital Outlay	2,299,390	8,010,973	35,111,569
<b>Total Expenditures</b>	<b>\$167,437,039</b>	<b>\$191,563,770</b>	<b>\$228,291,541</b>

### **CAPITAL OUTLAY FINANCING DETAIL**

Funded from Operating Fund		\$0	\$13,108,676
Funded from Capital Reserve Fund		8,010,973	22,002,893
Funded from Existing Bonds		40,040,521	26,254,910
<b>Total Capital Outlay</b>		<b>\$48,051,494</b>	<b>\$61,366,479</b>

<b>PERSONNEL - Budgeted FTEs</b>	<b>256.2 / 256.2</b>	<b>272.5 / 274.5</b>	<b>287.8 / 290.8</b>
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Prior years may have been reclassified or restated to reflect organizational changes.

<b>TACOMA WATER</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Revenue</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **REVENUE SUMMARY**

Water Sales	\$154,939,927	\$145,440,571	\$168,370,780
Anticipated Additional Revenue	0	7,872,671	6,363,724
Other Operating Revenue	13,913,066	14,145,816	7,992,092
<b>Total Operating Revenue</b>	<b>168,852,993</b>	<b>167,459,058</b>	<b>182,726,596</b>
Non-Operating Revenue	9,791,599	14,241,597	28,608,901
Appropriation from Fund Balance	0	9,863,115	16,956,044
<b>Total Revenue &amp; Available Funds</b>	<b>\$178,644,592</b>	<b>\$191,563,770</b>	<b>\$228,291,541</b>

### **REVENUE DETAIL**

<b>Water Sales</b>			
Residential	\$98,887,838	\$94,234,074	\$111,573,358
Pulp Mill	11,797,065	12,562,228	13,305,108
Wholesale	9,163,986	4,228,737	5,674,463
Other Water Sales	35,091,038	34,415,532	37,817,851
	154,939,927	145,440,571	168,370,780
Anticipated Additional Revenue	0	7,872,671	6,363,724
<b>Total Water Sales</b>	<b>154,939,927</b>	<b>153,313,242</b>	<b>174,734,504</b>
Cascade Water Alliance	5,493,628	5,278,268	5,036,541
Public Fire Protection	5,717,536	6,442,965	0
Miscellaneous Water Revenue	2,701,902	2,424,583	2,955,551
<b>Total Other Operating Revenue</b>	<b>13,913,066</b>	<b>14,145,816</b>	<b>7,992,092</b>
<b>Total Operating Revenue</b>	<b>168,852,993</b>	<b>167,459,058</b>	<b>182,726,596</b>
<b>Other Income</b>			
Interest	1,373,688	600,000	600,000
BABS Interest Federal Subsidy	5,514,618	5,540,624	5,540,624
Miscellaneous	603,904	90,000	465,384
Transfers from Other Funds:			
Capital Reserve Fund	2,299,390	8,010,973	22,002,893
<b>Total Non-Operating Revenue</b>	<b>9,791,599</b>	<b>14,241,597</b>	<b>28,608,901</b>
Appropriation from Fund Balance	0	9,863,115	16,956,044
<b>Total Revenue &amp; Available Funds</b>	<b>\$178,644,592</b>	<b>\$191,563,770</b>	<b>\$228,291,541</b>

<b>TACOMA WATER</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Division Consolidation</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

**SUMMARY - Operation & Maintenance by Section**

Water Administration	\$54,439,339	\$54,140,281	\$59,436,902
Distribution Engineering	4,853,622	7,164,471	6,475,944
Distribution Operations	18,575,641	22,491,158	26,275,717
Quality	11,620,236	14,654,658	15,530,433
Supply	18,325,749	21,354,696	19,345,826
Asset and Information Management	4,761,775	8,158,758	8,264,560
Rates and Financial Planning	1,660,238	2,575,797	4,634,104

<b>Total for Division</b>	<b>\$114,236,600</b>	<b>\$130,539,819</b>	<b>\$139,963,486</b>
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**SUMMARY - Operation & Maintenance by Category**

Salaries & Wages	\$41,175,274	\$46,316,908	\$51,164,691
Employee Benefits	16,780,159	19,368,085	19,861,443
Capital Credit & Labor To/From Others	(11,320,435)	(11,162,930)	(13,076,408)
<b>Total Personnel Costs</b>	<b>46,634,999</b>	<b>54,522,063</b>	<b>57,949,725</b>
Supplies	13,694,248	13,970,211	16,204,628
Services	8,921,408	15,485,414	14,294,791
Other Charges	2,619,943	2,876,580	3,464,542
Assessments	19,514,656	20,942,765	23,182,998
Taxes	22,851,347	22,742,786	24,866,802

<b>Total for Division</b>	<b>\$114,236,600</b>	<b>\$130,539,819</b>	<b>\$139,963,486</b>
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<b>TACOMA WATER Taxes</b>	<b>2015-16 Biennium Actual</b>	<b>2017-18 Biennium Budget</b>	<b>2019-20 Biennium Budget</b>
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### **TAX PAYMENTS**

City of Tacoma:			
Gross Earnings Tax (8.0%)	\$13,531,202	\$12,759,190	\$14,132,161
State of Washington:			
Utility & Business Taxes	7,974,784	7,562,879	8,380,257
Other*	1,345,362	1,321,086	1,525,255
<b>Subtotal</b>	<b>22,851,347</b>	<b>21,643,155</b>	<b>24,037,673</b>
Anticipated Additional Revenue**			
Gross Earnings Tax (8.0%)		675,190	509,098
Utility & Business Taxes		424,441	320,031
Other*		0	0
		1,099,631	829,129
<b>Total City and Utility Tax</b>	<b>22,851,347</b>	<b>22,742,786</b>	<b>24,866,802</b>
Federal Taxes (FICA)	3,079,161	3,411,093	3,829,662
<b>Total Tacoma Water Taxes</b>	<b>\$25,930,508</b>	<b>\$26,153,879</b>	<b>\$28,696,464</b>

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.



<b>TACOMA WATER</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Debt Service</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **DEBT SERVICE SUMMARY**

Interest	\$29,761,597	\$30,078,523	\$27,890,452
Principal	21,139,452	22,934,455	25,326,034

<b>Total Debt Service</b>	<b>\$50,901,049</b>	<b>\$53,012,978</b>	<b>\$53,216,486</b>
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### **DEBT SERVICE DETAIL**

#### BONDS

2005 Bonds	Interest	\$2,558,912	\$500	\$500
\$5,000 remaining after refund	Principal	3,937,083	0	0

2009 Build America Bonds	Interest	8,830,661	8,830,661	8,830,661
\$76,775,000				

2010 Refunding of 2001 Bonds	Interest	2,413,575	2,349,300	1,853,400
\$26,395,000	Principal	1,111,250	4,505,000	8,360,000

2010 Build America Bonds	Interest	8,154,705	8,154,705	8,154,705
\$74,985,000				

2013 Refunding of 2003 Bonds	Interest	5,948,400	5,948,400	5,948,400
\$74,355,000	Principal	0	0	0

2015 Refunding Bonds	Interest		1,485,128	1,158,000
\$18,430,000	Principal	4,965,837	6,090,000	3,110,000

#### LOANS

Public Works Trust Fund Loans	Interest	59,041	240,564	186,629
	Principal	5,393,536	5,393,541	5,393,542

State Drinking Water Fund Loans	Interest	1,796,303	3,069,266	1,758,158
	Principal	5,731,746	6,945,914	8,462,492

<b>Total Debt Service</b>	<b>\$50,901,049</b>	<b>\$53,012,978</b>	<b>\$53,216,486</b>
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<b>TACOMA WATER</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Capital Outlay</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **SUMMARY**

General Plant	\$5,111,724	\$16,795,574
Water Distribution	27,935,816	32,067,914
Water Quality	5,301,255	4,173,620
Water Transmission/Storage/Supply	9,702,699	8,329,371

<b>Sub-Total</b>	<b>\$48,051,494</b>	<b>\$61,366,479</b>
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Projects Funded from Existing Bonds	(40,040,521)	(26,254,910)
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<b>Total Operating Fund Capital Outlay</b>	<b>\$8,010,973</b>	<b>\$35,111,569</b>
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### **General Plant**

UTS Projects	\$2,770,107	\$2,506,266
Advanced Meter Infrastructure (AMI)	1,181,617	13,108,675
Land Acquisition and Strategy	500,000	500,000
Unanticipated Capital & Plant/Equipment Failure Contingency	660,000	680,633

<b>General Plant Total</b>	<b>\$5,111,724</b>	<b>\$16,795,574</b>
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### **Water Distribution**

FRP: Franchise Required Projects	\$200,000	\$200,000
Projects of Opportunity (Prop 3 and Prop A)	200,000	200,000
WDP: Water Division Projects	716,602	1,867,250
MRP: Main Replacement Projects	9,755,190	9,333,398
MRP: Galvanized Main Replacement Projects	1,292,108	2,307,596
MRP: Sound Transit Light Rail Ext MLK	0	3,297,204
MRP: Curran Road Improvements	0	2,196,414
Main Retirements	155,638	100,000
LID/Contract Contributions	200,000	200,000
Lead Gooseneck Replacement Program	5,200,000	5,527,052
Hydrant Installation and Replacement	721,933	460,000
Water Service Renewal and Replacement	4,253,590	4,685,000
Valve Installation and Replacement	615,487	655,000
Capital Meter Replacements	700,000	650,000
Blowoff Installation and Replacement	346,985	335,000
Water bottle Refill Stations	0	54,000
TPU Decant Facility	1,162,287	0
WDP: Tehaleh Main Extension	1,038,996	0
Curran Road System Acquisition	1,000,000	0
Meter Upgrade Project	300,000	0
Leak Detection Equipment	59,000	0
Ground Penetrating Radar Equipment	18,000	0

<b>Water Distribution Total</b>	<b>\$27,935,816</b>	<b>\$32,067,914</b>
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<b>TACOMA WATER</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Capital Outlay</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **Water Quality**

Water Quality Tools and Equipment	\$200,000	\$200,000
Built Forestland Assets	75,000	75,000
Dedicated Distribution System Sample Stations	96,000	48,000
Muckleshoot Agreement	500,000	500,000
Palmer Area Improvements	200,000	50,000
Corrosion Control GPL Wells	2,000,000	2,000,000
MIT Kapowsin Remediation	600,000	594,902
Portable Sample Stations	50,000	0
Pipeline 4 Swan Creek Crossing	700,000	0
1st Diversion:		
Watershed Tools and Equipment	43,452	43,452
Watershed Betterments	94,292	86,905
Major Treatment and Equipment	108,631	123,839
North Fork Wells Control Valves	275,556	53,052
North Fork 7 Motor	133,333	15,916
HCP Culvert Replacement	37,778	24,444
Security Gates and Cameras	0	58,364
North Fork Wells Renewal and Replacement	0	299,746
Connection to USACE Early Warning System at HHD	16,946	0
Smay Creek Forest Road Crossing	170,267	0
<b>Water Quality Total</b>	<b>\$5,301,255</b>	<b>\$4,173,620</b>

### **Water Transmission/Storage/Supply**

Cathodic Protection	\$500,000	\$500,000
Welll Renewal and Replacement	650,000	400,000
Supply Tools	50,000	50,000
Supply System Improvements	450,000	702,825
Hood Street Facilities Seismic Improvements	414,180	1,047,600
Water Distribution Operations Building Seismic Improvement	175,500	4,129,800
Replace PL1 at Puyallup River	5,723,162	200,000
Seismic Improvement to Steel Reservoirs	0	304,146
Addition of Isolation Valve at Indian Hill Reservoir	0	100,000
Well 12A Pipe Supports	0	100,000
Add Seismic Valves to Alaska Street Reservoir	0	195,000
McMillin PS#1 and McMillin Gate House Genset Replacement	0	200,000
Re-Architecture of SCADA Network for connection to TPU Ops LAN	0	400,000
SCADA Systems - Intrusion Alarm Security Improvements	75,000	0
STPS Building Seismic Improvements	151,576	0
Replace/Improve Large Valves	300,000	0
Demo of McMillin Building/Standpipe	121,787	0
West McDonald Ridge Permanent Power	84,494	0

<b>TACOMA WATER</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Capital Outlay</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>
Meter Installation Project	237,000	0
Pipeline 1 at Deep Creek	670,000	0
Emergency Intertie with LUD at 356th Pump Station	100,000	0
<b>Transmission/Storage/Supply Total</b>	<b>\$9,702,699</b>	<b>\$8,329,371</b>
<b>Total Capital Outlay</b>	<b>\$48,051,494</b>	<b>\$61,366,479</b>

**TACOMA RAIL**

**TACOMA PUBLIC UTILITIES**

**2019/2020**

**DRAFT PRELIMINARY BIENNIUM BUDGET**

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<b>TACOMA RAIL</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Recapitulation of Biennial Budget</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **REVENUE**

Switching Revenue	\$55,308,525	\$60,027,884	\$59,490,512
Miscellaneous Revenue	4,683,716	4,251,312	5,498,000
<b>Total Operating Revenue</b>	<b>59,992,241</b>	<b>64,279,196</b>	<b>64,988,512</b>
Other Income	2,831,403	2,364,000	2,664,334

<b>Total Revenue &amp; Available Funds</b>	<b>\$62,823,643</b>	<b>\$66,643,196</b>	<b>\$67,652,846</b>
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### **EXPENDITURES**

Personnel Costs	\$30,452,253	\$31,543,815	\$33,984,306
Supplies, Services & Other Charges	20,609,120	22,705,310	21,179,656
Taxes	5,857,919	6,295,643	6,382,314
Debt Service	1,431,736	1,799,885	1,640,486
Capital Outlay	5,725,882	4,298,543	4,466,084

<b>Total Expenditures</b>	<b>\$64,076,911</b>	<b>\$66,643,196</b>	<b>\$67,652,846</b>
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### **CAPITAL OUTLAY FINANCING DETAIL**

Funded from Operating Fund		\$4,298,543	\$4,466,084
Funded from Anticipated Bank Loan Proceeds/Grants		1,361,457	1,450,000

<b>Total Capital Outlay</b>		<b>\$5,660,000</b>	<b>\$5,916,084</b>
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<b>PERSONNEL - Budgeted FTEs</b>	<b>121.0 / 122.0</b>	<b>118.0 / 118.0</b>	<b>126.0 / 126.0</b>
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<b>TACOMA RAIL</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Revenue</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **REVENUE SUMMARY**

Switching Revenue	\$55,308,525	\$60,027,884	\$59,490,512
Miscellaneous Revenue	4,683,716	4,251,312	5,498,000
<b>Total Operating Revenue</b>	<b>59,992,241</b>	<b>64,279,196</b>	<b>64,988,512</b>

Other Income	2,831,403	2,364,000	2,664,334
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<b>Total Revenue &amp; Available Funds</b>	<b>\$62,823,643</b>	<b>\$66,643,196</b>	<b>\$67,652,846</b>
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### **REVENUE DETAIL**

#### **Switching Revenue**

Line Hauls & Local	\$52,596,235	\$57,727,884	\$57,190,512
Demurrage	2,712,290	2,300,000	2,300,000
<b>Total Switching Revenue</b>	<b>55,308,525</b>	<b>60,027,884</b>	<b>59,490,512</b>

Locomotive Servicing	3,723,902	3,729,312	4,800,000
Miscellaneous Revenue	959,814	522,000	698,000
<b>Total Miscellaneous Revenue</b>	<b>4,683,716</b>	<b>4,251,312</b>	<b>5,498,000</b>

<b>Total Operating Revenue</b>	<b>59,992,241</b>	<b>64,279,196</b>	<b>64,988,512</b>
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#### **Other Income**

Rent & Other Income	2,663,812	2,160,000	2,220,000
Interest Income	167,591	204,000	225,000
<b>Total Non-Operating Revenue</b>	<b>2,831,403</b>	<b>2,364,000</b>	<b>2,445,000</b>

Appropriation from Fund Balance	0	0	219,334
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<b>Total Revenue &amp; Available Funds</b>	<b>\$62,823,643</b>	<b>\$66,643,196</b>	<b>\$67,652,846</b>
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<b>TACOMA RAIL</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Division Consolidation</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

**SUMMARY - Operation & Maintenance by Section**

Rail Administration	\$19,364,751	\$21,662,977	\$19,212,001
Operations	22,729,900	23,091,658	24,502,263
Mechanical	9,353,480	10,349,435	12,744,323
Construction	5,471,162	5,440,698	5,087,688

<b>Total for Division</b>	<b>\$56,919,293</b>	<b>\$60,544,768</b>	<b>\$61,546,276</b>
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**SUMMARY - Operation & Maintenance by Category**

Salaries & Wages	\$22,342,007	\$23,205,388	\$25,690,332
Employee Benefits	9,324,415	9,692,927	9,896,974
Capital Credit & Labor To/From Others	(1,214,168)	(1,354,500)	(1,603,000)
<b>Total Personnel Costs</b>	<b>30,452,253</b>	<b>31,543,815</b>	<b>33,984,306</b>
Supplies	2,491,508	2,873,441	2,899,812
Services	7,226,281	7,748,242	9,547,202
Other Charges	7,931,420	8,705,421	4,683,836
Assessments	2,959,911	3,378,206	4,048,806
Taxes	5,857,919	6,295,643	6,382,314

<b>Total for Division</b>	<b>\$56,919,293</b>	<b>\$60,544,768</b>	<b>\$61,546,276</b>
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<b>TACOMA RAIL Taxes</b>	<b>2015-16 Biennium Actual</b>	<b>2017-18 Biennium Budget</b>	<b>2019-20 Biennium Budget</b>
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### **TAX PAYMENTS**

City of Tacoma:

Gross Earnings Tax (8.0%)	\$5,001,352	\$5,331,455	\$5,410,000
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State of Washington:

Utility & Business Tax	856,453	964,188	971,000
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Other Taxes	115	0	1,314
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Subtotal	<b>5,857,919</b>	<b>6,295,643</b>	<b>6,382,314</b>
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Federal Railroad Taxes	4,238,342	4,051,175	4,438,438
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<b>Total Tacoma Rail Taxes</b>	<b>\$10,096,261</b>	<b>\$10,346,818</b>	<b>\$10,820,752</b>
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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 Debt Service	2015-16 Biennium Actual	2017-18 Biennium Budget	2019-20 Biennium Budget
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**DEBT SERVICE SUMMARY**

Interest	\$30,214	\$866	\$0
Principal	1,401,522	1,799,019	1,640,486

<b>Total Debt Service</b>	<b>\$1,431,736</b>	<b>\$1,799,885</b>	<b>\$1,640,486</b>
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**DEBT SERVICE DETAIL**

Revenue Bond - \$2,000,000	Interest	\$30,214	\$866	\$0
	Principal	490,617	64,238	0
Rail Bank Loans	Principal	910,905	1,734,781	1,640,486

<b>Total Debt Service</b>	<b>\$1,431,736</b>	<b>\$1,799,885</b>	<b>\$1,640,486</b>
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<b>TACOMA RAIL</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Capital Outlay</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **SUMMARY**

General Plant	\$0	\$41,084
Communications	235,000	150,000
Facility Upgrades	1,025,000	2,300,000
Rail Equipment/Vehicles	1,000,000	1,175,000
Track Improvements	3,400,000	2,250,000

<b>Sub-Total</b>	<b>\$5,660,000</b>	<b>\$5,916,084</b>
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Projects Funded from Grants	(\$400,000)	(\$1,000,000)
Projects Funded from Rail Bank Loan Proceeds	(311,457)	(450,000)
Projects Funded from Anticipated Bank Loan Proceeds	(650,000)	0

<b>Total Operating Fund Capital Outlay</b>	<b>\$4,298,543</b>	<b>\$4,466,084</b>
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### **General Plant**

TPU Auditorium TV Upgrade	\$0	\$41,084
<b>General Plant Total</b>	<b>\$0</b>	<b>\$41,084</b>

### **Communications**

Radio Repeater Upgrades	\$150,000	\$150,000
GPS and Cameras for Locomotives	85,000	0
<b>Communications Total</b>	<b>\$235,000</b>	<b>\$150,000</b>

### **Facility Upgrades**

Locomotive Load Box	\$0	\$50,000
ITS Project	300,000	300,000
Stormwater Treatment and Filtration	100,000	50,000
Secondary Fueling Upgrades	500,000	1,900,000
Admin Building Window Replacement	25,000	0
West End Track Pan Replacement	100,000	0
<b>Facility Upgrades Total</b>	<b>\$1,025,000</b>	<b>\$2,300,000</b>

<b>TACOMA RAIL</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Capital Outlay</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

**Rail Equipment/Vehicles**

Locomotive Repower	\$1,000,000	\$1,000,000
Lift Truck (Fork Lift)	0	25,000
Trucks	0	150,000
<b>Rail Equipment/Vehicles Total</b>	<b>\$1,000,000</b>	<b>\$1,175,000</b>

**Track Improvement Projects**

Tidelands Infrastructure Improvements	\$1,000,000	\$1,000,000
Marine View Drive Crossing Signals	0	1,000,000
Taylor Way Crossings	0	250,000
Taylor Way and Hylebos Creek Bridge Relay	525,000	0
Port Road Main Rail Relay	505,000	0
South Lead Rail Relay	200,000	0
Kia Siding Rail Relay	270,000	0
Buffelen Curve Rehabilitation	420,000	0
Switch Replacements	480,000	0
<b>Track Improvement Projects Total</b>	<b>\$3,400,000</b>	<b>\$2,250,000</b>

<b>Total Capital Outlay</b>	<b>\$5,660,000</b>	<b>\$5,916,084</b>
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**FLEET SERVICES FUND**

**TACOMA PUBLIC UTILITIES**

**2019/2020**

**DRAFT PRELIMINARY BIENNIUM BUDGET**

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<b>FLEET SERVICES</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2017-18</b>
<b>Recapitulation of Biennial Budget</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **REVENUE**

Replacement Fees	\$9,949,015	\$14,265,897	\$6,979,830
Administrative Overhead	1,681,250	2,745,393	2,827,007
Fees for Services	4,740,836	7,623,786	6,721,751
<b>Total Operating Revenue</b>	<b>16,371,101</b>	<b>24,635,076</b>	<b>16,528,588</b>
Other Income	577,746	125,000	50,000
Appropriation from Fund Balance	0	0	9,800,670

<b>Total Revenue &amp; Available Funds</b>	<b>\$16,948,847</b>	<b>\$24,760,076</b>	<b>\$26,379,258</b>
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### **EXPENDITURES**

Personnel Costs	\$5,819,193	\$6,643,452	\$6,767,495
Supplies	229,364	198,744	237,576
Services	881,114	704,178	506,928
Other Charges	552,723	2,426,589	738,193
Assessments	1,233,530	1,369,113	1,348,567
<b>Total Operations &amp; Maintenance</b>	<b>8,715,924</b>	<b>11,342,076</b>	<b>9,598,758</b>
<b>Capital Outlay</b>	<b>10,889,266</b>	<b>13,418,000</b>	<b>16,780,500</b>

<b>Total Expenditures</b>	<b>\$19,605,190</b>	<b>\$24,760,076</b>	<b>\$26,379,258</b>
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<b>PERSONNEL - Budgeted FTEs</b>	<b>29.5 / 29.5</b>	<b>29.0 / 29.0</b>	<b>30.0 / 30.0</b>
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**SELF-INSURANCE FUND**

**TACOMA PUBLIC UTILITIES**

**2019/2020**

**DRAFT PRELIMINARY BIENNIUM BUDGET**

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<b>SELF-INSURANCE CLAIM FUND</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Recapitulation of Biennial Budget</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **REVENUE**

Sources of Revenue

Transfers - Tacoma Power	\$1,800,000	\$1,400,000	\$2,000,000
Transfers - Tacoma Water	480,000	480,000	480,000
Transfers - Tacoma Rail	200,000	200,000	1,200,000
Interest	125,073	120,000	150,000
Appropriation from Fund Balance	0	1,562,254	2,882,450

<b>Total Revenue &amp; Available Funds</b>	<b>\$2,605,073</b>	<b>\$3,762,254</b>	<b>\$6,712,450</b>
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### **EXPENDITURES**

Secondary Labor Costs	\$6,013	\$0	\$0
Supplies	2,293	2,500	1,700
Services	351,874	1,500,000	1,506,500
Other Charges	522,399	2,003,100	5,012,250
Assessments	249,860	256,654	192,000

<b>Total Expenditures</b>	<b>\$1,132,439</b>	<b>\$3,762,254</b>	<b>\$6,712,450</b>
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**FAMILY NEED FUND**

**TACOMA PUBLIC UTILITIES**

**2019/2020**

**DRAFT PRELIMINARY BIENNIUM BUDGET**

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<b>FAMILY NEED FUND</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Recapitulation of Biennial Budget</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

**RECEIPTS**

Public Contributions	\$43,110	\$0	\$0
Tacoma Power Contribution	960,000	200,000	1,000,000
Interest	24,641	0	0
Appropriation from Fund Balance	0	1,800,000	1,500,000

<b>Total Receipts</b>	<b>\$1,027,751</b>	<b>\$2,000,000</b>	<b>\$2,500,000</b>
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**EXPENDITURES**

Family Need	\$717,335	\$2,000,000	\$2,500,000
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<b>Total Expenditures</b>	<b>\$717,335</b>	<b>\$2,000,000</b>	<b>\$2,500,000</b>
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Tacoma Water has their own program outside of this fund.

Additional Administrative expenses are paid by Tacoma Power and are included in Power's budget.

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**ADMINISTRATIVE OFFICES  
and  
TPU SUPPORT SERVICES**

**TACOMA PUBLIC UTILITIES**

**2019/2020**

**DRAFT PRELIMINARY BIENNIUM BUDGET**

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<b>TPU ADMINISTRATION</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Section Consolidation</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

**SUMMARY - Operation & Maintenance by Category**

Salaries & Wages	\$6,973,039	\$8,787,916	\$10,356,363
Employee Benefits	2,554,596	3,197,102	3,540,857
Capital Credit & Labor To/From Others	(1,128)	(195,000)	(210,050)
<b>Total Personnel Costs</b>	<b>9,526,507</b>	<b>11,790,018</b>	<b>13,687,170</b>
Supplies	324,541	348,434	391,530
Services	1,633,172	2,900,352	2,571,767
Other Charges	1,527,281	1,969,443	2,158,353
Assessments	491,440	657,989	725,376

<b>Total for TPU Administration</b>	<b>\$13,502,941</b>	<b>\$17,666,236</b>	<b>\$19,534,196</b>
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**Director & Board (575100)**

Salaries & Wages	\$964,332	\$1,070,149	\$1,166,200
Employee Benefits	296,710	339,126	296,604
Capital Credit & Labor To/From Others	29,016	35,000	40,000
<b>Total Personnel Costs</b>	<b>1,290,058</b>	<b>1,444,275</b>	<b>1,502,804</b>
Supplies	78,657	87,186	72,585
Services	316,537	503,000	354,000
Other Charges	402,506	621,686	581,149
Assessments	69,243	86,658	70,677
<b>Total</b>	<b>\$2,157,000</b>	<b>\$2,742,805</b>	<b>\$2,581,215</b>

**Management Services Office (575200)**

Salaries & Wages	\$1,775,862	\$2,094,841	\$2,210,036
Employee Benefits	659,822	785,958	773,326
Capital Credit & Labor To/From Others	182	0	12,000
<b>Total Personnel Costs</b>	<b>2,435,866</b>	<b>2,880,799</b>	<b>2,995,362</b>
Supplies	45,612	42,580	42,451
Services	72,093	197,500	144,000
Other Charges	148,807	184,346	184,102
Assessments	116,929	171,327	164,713
<b>Total</b>	<b>\$2,819,307</b>	<b>\$3,476,552</b>	<b>\$3,530,629</b>

<b>TPU ADMINISTRATION</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Section Consolidation</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

**Public Records Office (575201)**

Salaries & Wages			\$672,870
Employee Benefits			262,369
Capital Credit & Labor To/From Others			0
<b>Total Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>935,239</b>
Supplies			83,281
Services			81,200
Other Charges			121,048
Assessments			0
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,220,768</b>

**Public Affairs (575701)**

Salaries & Wages	\$1,060,487	\$1,835,502	\$2,025,678
Employee Benefits	327,129	575,118	695,234
Capital Credit & Labor To/From Others	7,725	0	0
<b>Total Personnel Costs</b>	<b>1,395,340</b>	<b>2,410,621</b>	<b>2,720,912</b>
Supplies	18,108	39,351	69,401
Services	415,335	586,500	531,650
Other Charges	151,043	204,129	247,809
Assessments	47,728	75,415	130,390
<b>Total</b>	<b>\$2,027,555</b>	<b>\$3,316,015</b>	<b>\$3,700,162</b>

**Market Development (572000)**

Salaries & Wages	\$760,835	\$1,748,133	\$1,485,110
Employee Benefits	247,283	594,610	485,549
Capital Credit & Labor To/From Others	(1,230)	0	0
<b>Total Personnel Costs</b>	<b>1,006,888</b>	<b>2,342,743</b>	<b>1,970,659</b>
Supplies	13,795	19,594	29,576
Services	221,095	851,000	426,000
Other Charges	101,490	211,559	183,257
Assessments	33,750	79,389	88,529
<b>Total</b>	<b>\$1,377,018</b>	<b>\$3,504,285</b>	<b>\$2,698,021</b>

<b>TPU ADMINISTRATION</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Section Consolidation</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

**Account Executives (572100)**

Salaries & Wages	\$483,887	\$601,470	\$676,267
Employee Benefits	188,418	233,382	239,806
Capital Credit & Labor To/From Others	3,361	0	0
<b>Total Personnel Costs</b>	<b>675,666</b>	<b>834,852</b>	<b>916,072</b>
Supplies	12,215	11,829	13,485
Services	36,812	98,408	48,973
Other Charges	45,957	48,170	45,357
Assessments	45,112	53,022	44,368
<b>Total</b>	<b>\$815,764</b>	<b>\$1,046,280</b>	<b>\$1,068,255</b>

**Communications (575700)**

Salaries & Wages	\$1,927,636	\$1,437,821	\$2,120,201
Employee Benefits	835,235	668,908	787,968
Capital Credit & Labor To/From Others	(40,182)	(230,000)	(262,050)
<b>Total Personnel Costs</b>	<b>2,722,688</b>	<b>1,876,729</b>	<b>2,646,120</b>
Supplies	156,154	147,894	80,751
Services	571,301	663,944	985,944
Other Charges	677,477	699,553	795,631
Assessments	178,678	192,178	226,700
<b>Total</b>	<b>\$4,306,298</b>	<b>\$3,580,298</b>	<b>\$4,735,146</b>

<b>Total for TPU Administration</b>	<b>\$13,502,941</b>	<b>\$17,666,236</b>	<b>\$19,534,196</b>
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<b>PERSONNEL - Budgeted FTEs</b>	<b>33.75 / 33.75</b>	<b>38.0 / 38.0</b>	<b>45.0 / 45.0</b>
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<b>TPU SUPPORT SERVICES</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Section Consolidation</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

### **SUMMARY - Operation & Maintenance by Category**

#### **TPU Safety (575800)**

Salaries & Wages			\$354,144
Employee Benefits			141,052
Capital Credit & Labor To/From Others			0
<b>Total Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>495,196</b>
Supplies			17,390
Services			500,000
Other Charges			16,000
Assessments			22,587
<b>Total for TPU Safety</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,051,173</b>

<b>PERSONNEL - Budgeted FTEs</b>	<b>0.0 / 0.0</b>	<b>0.0 / 0.0</b>	<b>2.0 / 2.0</b>
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#### **TPU Real Property Services (576800)**

Salaries & Wages	\$132,826	\$1,254,010	\$1,342,690
Employee Benefits	67,041	534,527	514,320
Capital Credit & Labor To/From Others	1,459,904	0	0
<b>Total Personnel Costs</b>	<b>1,659,771</b>	<b>1,788,537</b>	<b>1,857,010</b>
Supplies	17,156	22,901	30,889
Services	3,490	15,000	12,600
Other Charges	154,864	170,845	144,549
Assessments	55,097	78,711	114,432
<b>Total for TPU Real Property Services</b>	<b>\$1,890,379</b>	<b>\$2,075,994</b>	<b>\$2,159,480</b>

<b>PERSONNEL - Budgeted FTEs</b>	<b>7.12 / 7.12</b>	<b>7.12 / 7.12</b>	<b>7.25 / 7.25</b>
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#### **TPU UTS Software & Desktop Support (579800)**

Salaries & Wages	\$990,445	\$1,255,249	\$1,456,677
Employee Benefits	377,217	418,924	521,614
Capital Credit & Labor To/From Others	(230,143)	(106,200)	(282,219)
<b>Total Personnel Costs</b>	<b>1,137,518</b>	<b>1,567,973</b>	<b>1,696,072</b>
Supplies	227,700	29,665	32,772
Services	500,042	710,620	255,000
Other Charges	347,960	525,712	518,098
Assessments	171,157	0	0
<b>Total for TPU UTS Software &amp; Desktop Support</b>	<b>\$2,384,377</b>	<b>\$2,833,970</b>	<b>\$2,501,942</b>

<b>PERSONNEL - Budgeted FTEs</b>	<b>8.0 / 8.0</b>	<b>5.0 / 5.0</b>	<b>7.0 / 7.0</b>
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<b>TPU SUPPORT SERVICES Section Consolidation</b>	<b>2015-16 Biennium Actual</b>	<b>2017-18 Biennium Budget</b>	<b>2019-20 Biennium Budget</b>
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**SUMMARY - Operation & Maintenance by Category**

**Copier Services (577400)**

Salaries & Wages	\$25,187	\$0	\$0
Employee Benefits	16,557	0	0
Capital Credit & Labor To/From Others	(184)	60,000	60,000
<b>Total Personnel Costs</b>	<b>41,560</b>	<b>60,000</b>	<b>60,000</b>
Supplies	95,462	95,000	96,747
Services	209,279	276,000	288,000
Other Charges	550,024	462,770	442,770
Assessments	1,651	0	0
<b>Total for Copier Services</b>	<b>\$897,977</b>	<b>\$893,770</b>	<b>\$887,517</b>

<b>PERSONNEL - Budgeted FTEs</b>	<b>0.25 / 0.25</b>	<b>0.0 / 0.0</b>	<b>0.0 / 0.0</b>
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**TPU IT Dedicated Resources (575900)**

Salaries & Wages	\$1,720,945	\$2,063,560	
Employee Benefits	647,963	826,506	
Capital Credit & Labor To/From Others	0	0	
<b>Total Personnel Costs</b>	<b>2,368,908</b>	<b>2,890,066</b>	<b>0</b>
Supplies	16,674	16,809	
Services	0	0	
Other Charges	0	0	
Assessments	107,847	218,721	
<b>Total for TPU IT Dedicated Resources</b>	<b>\$2,493,429</b>	<b>\$3,125,597</b>	<b>\$0</b>

<b>PERSONNEL - Budgeted FTEs</b>	<b>9.0 / 9.0</b>	<b>11.0 / 11.0</b>	<b>0.0 / 0.0</b>
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**CUSTOMER SERVICES DIVISION**

**TACOMA PUBLIC UTILITIES**

**2019/2020**

**DRAFT PRELIMINARY BIENNIUM BUDGET**

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<b>CUSTOMER SERVICES</b>	<b>2015-16</b>	<b>2017-18</b>	<b>2019-20</b>
<b>Division Consolidation</b>	<b>Biennium Actual</b>	<b>Biennium Budget</b>	<b>Biennium Budget</b>

**SUMMARY - Operation & Maintenance by Category**

Salaries & Wages	\$19,614,884	\$20,917,991	\$23,538,872
Employee Benefits	8,992,992	9,549,165	9,981,044
Capital Credit & Labor To/From Others	(418,666)	(530,900)	(696,101)
<b>Total Personnel Costs</b>	<b>28,189,210</b>	<b>29,936,256</b>	<b>32,823,815</b>
Supplies	829,031	1,019,565	1,099,847
Services	1,633,343	1,779,767	2,353,154
Other Charges	3,436,010	3,862,015	4,958,880
Assessments	3,381,602	3,829,165	4,302,389
<b>Total Operation &amp; Maintenance</b>	<b>37,469,196</b>	<b>40,426,768</b>	<b>45,538,085</b>
<b>Capital Outlay</b>	<b>2,465,548</b>	<b>2,835,000</b>	<b>584,420</b>

<b>Total for Customer Services</b>	<b>\$39,934,744</b>	<b>\$43,261,768</b>	<b>\$46,122,505</b>
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**SUMMARY - Operation & Maintenance by Cost Center**

**Customer Services Administration**

579500 TPU CS Support Services	\$1,111,735	\$1,116,626	\$1,192,665
579600 TPU CS Switchboard	151,095	187,764	159,493
579700 TPU CS Administration	5,855,060	4,680,372	5,692,970

**Customer Services Performance Solutions**

578800 TPU CS Performance Solutions	0	1,963,214	2,866,501
577100 TPU CS Training	529,488	952,603	1,133,184

**Customer Services Operations**

578900 TPU CS Operations Admin	1,085,567	1,405,904	1,337,183
579100 TPU CS Mail Svcs	2,949,640	3,302,409	3,628,121
579200 TPU CS Field Investigation	4,107,027	4,259,012	4,135,498
579300 TPU TMB Mail Services	557,803	636,691	657,922
579400 TPU CS Meter Reading	3,731,524	3,570,666	3,883,741

**Customer Services Business Office**

572400 TPU CS PayGo	524,111	549,455	580,165
572500 TPU CS Customer Solutions	834,526	937,266	2,194,876
577200 TPU CS Phones	6,550,817	6,926,795	7,353,134
578100 TPU CS Lobby Svcs	1,997,549	1,988,804	2,299,093
578500 TPU CS Back Office	3,302,018	3,741,341	4,463,426
579000 TPU CS Business Solutions	1,309,111	1,181,935	1,226,458
579900 TPU CS Bus Office Admin	2,872,124	3,025,911	2,733,655

<b>Total Operation &amp; Maintenance</b>	<b>37,469,196</b>	<b>40,426,768</b>	<b>45,538,085</b>
<b>Capital Outlay</b>	<b>2,465,548</b>	<b>2,835,000</b>	<b>584,420</b>

<b>Total for Customer Services</b>	<b>\$39,934,744</b>	<b>\$43,261,768</b>	<b>\$46,122,505</b>
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<b>PERSONNEL - Budgeted FTEs</b>	<b>146.0 / 146.0</b>	<b>147.0 / 147.0</b>	<b>155.9 / 155.9</b>
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