



The City Treasurer's Office

City of Tacoma | Finance Department

Government Performance & Finance Committee
April 2, 2024

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OVERVIEW



The **City Charter Article VII, Sections 7.6 - 7.9** mandates the City Treasurer is required to receive, retain and disburse all City revenue and to keep detailed records of these transactions. This means that the City Treasurer is responsible for:

Payroll - Managing the payroll for over 3500+ City employees

Investment Portfolio - Managing \$1.5 billion cash investment portfolio

Debt Issuance & Debt Service Payments - Managing bond issuances and debt service payments on the bonds

Payment Card Industry (PCI) Compliance - Oversees the (PCI) Compliance Program

Cash Management & Cash/Card Handling Training

- Managing all incoming and outgoing money (cash, checks, credit cards, etc.)
- Training and supporting all City departments on proper cash/card handling for receipt of payments

Contracts - Managing contracts for banking, collections, armored courier services, and lockbox receipting services

Billing & Payment Programs - Facilitating the following programs related to billing and payments:

- Local Improvement Districts (LIDs) (this also involves bonds and debt service)
- Business Improvement Areas (BIA)
- Sewer Loans
- Miscellaneous Receipts

Reconciliation - Reconciling all funds going in and out of the City

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PAYROLL



- Analyze data for 3500+ employees biweekly to ensure employees are paid accurately and timely
- In depth research on payroll related questions (i.e., social security, retirement contributions, etc.)
- Manage payments to outside vendors including IRS (quarterly/annual), DRS (police and fire), unions, voluntary deductions, etc.
- Recover funds from overpayments
- Train timekeepers and assist them with payroll entries/corrections
- Annually prepare W2's for all employees
- Ensure Worker's Comp payments from vendor are accurate and timely
- Reconciliation of payroll accounts

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INVESTMENT PORTFOLIO



The City Treasurer manages the City's \$1.5 Billion investment portfolio.

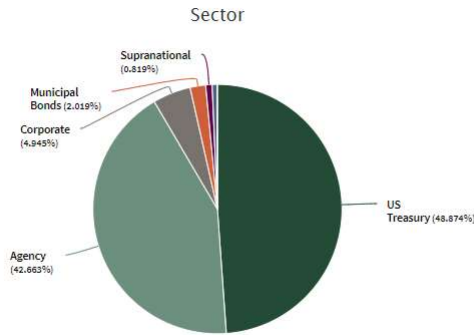
Rules for Government Investing

- **SAFETY**
Safety is the foremost objective for a government investment program
- **LIQUIDITY**
Second objective is to remain sufficiently liquid to be able to meet all cash flow requirements
- **YIELD**
Final objective is to design to portfolio to attain a market rate of return

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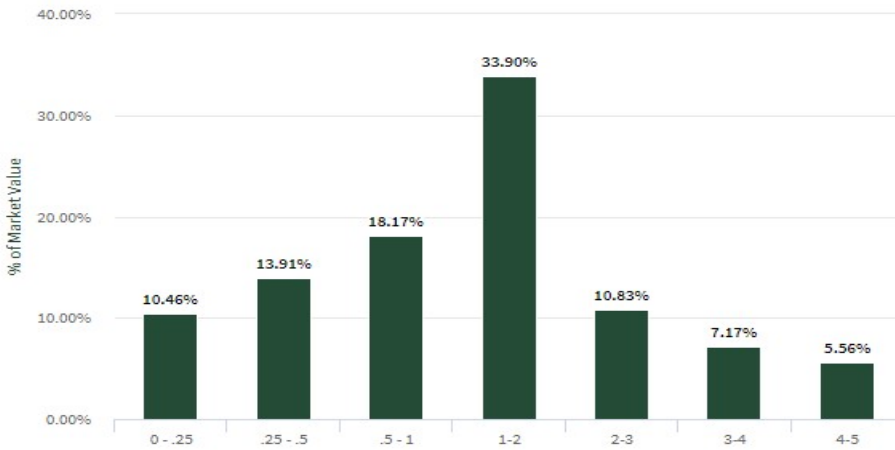
PORTFOLIO SAFETY



US Treasuries – securities issued by the US Treasury and one of the safest investments due to their backing by the US Government
US Agencies – low risk securities issued by government sponsored enterprises

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PORTFOLIO LIQUIDITY



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DEBT SERVICE

The City Treasurer pays all debt service for all City Departments (including utilities).

2024 Debt Service by Month

Month	Debt Service (\$)
March	0
April	5,000,000
May	0
June	20,000,000
July	15,000,000
August	0
September	0
October	5,000,000
November	0
December	55,000,000

2024 Portfolio Maturities by Month

Month	Maturities (\$)
March	15,000,000
April	35,000,000
May	60,000,000
June	40,000,000
July	40,000,000
August	60,000,000
September	70,000,000
October	35,000,000
November	75,000,000
December	40,000,000

- June and December are peak Debt Service months
- Portfolio maturities are set to ensure we have enough cash on hand for Debt Service payments

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DEBT SERVICE

Debt Service by Department

Department	Debt Service (\$)
Solid Waste	0
Wastewater	250,000,000
Stormwater	200,000,000
Rail	0
GO Debt	180,000,000
Parking	0
Conv Center	0
Water	500,000,000
Power	950,000,000
LID	0

Debt Service by Year

Year	Debt Service (\$)
2014	1,150,000,000
2015	1,100,000,000
2016	1,250,000,000
2017	1,100,000,000
2018	1,150,000,000
2019	1,200,000,000
2020	1,150,000,000
2021	1,100,000,000
2022	1,150,000,000
2023	1,100,000,000
2024	800,000,000
2025	750,000,000
2026	750,000,000
2027	750,000,000
2028	300,000,000
2029	300,000,000
2030	300,000,000
2031	200,000,000
2032	200,000,000
2033	200,000,000
2034	100,000,000
2035	100,000,000
2036	100,000,000
2037	100,000,000
2038	100,000,000
2039	100,000,000
2040	100,000,000
2041	100,000,000
2042	100,000,000
2043	100,000,000
2044	100,000,000
2045	100,000,000
2046	100,000,000
2047	100,000,000
2048	100,000,000
2049	100,000,000
2050	100,000,000
2051	100,000,000
2052	100,000,000
2053	100,000,000
2054	100,000,000

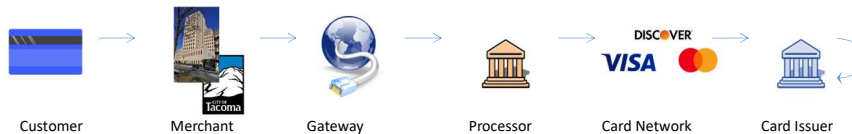
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PCI COMPLIANCE



The City Treasurer manages Payment Card Industry (PCI) compliance (the adherence to the PCI DSS security standards for protecting card holder data).



- Credit card fraud is a \$35B industry
- United States is #1 in cases of credit card fraud
- City of Tacoma has over 50 payment channels that each must be compliant
- Payment channels include terminals (in person), IVR (over the phone), websites, payboxes, handheld terminals in the field, parking meters, etc.
- Treasurer's office is responsible for coordinating with all vendors in all departments, with our PCI compliance auditors, and with our bank to make all this work

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CASH MANAGEMENT



The City Treasurer is responsible for managing all money the City receives or pays.

Cash Management

- Managing all incoming and outgoing money (cash, checks, credit cards, etc.)
- Overseeing the proper receipting and safety of all City funds.

Cash/Card Handling Training –

- Training and supporting all City departments on proper cash/card handling for receipt of payments. This is required for all employees handling cash/card and their supervisor:
 - Segregation of Duties
 - Counterfeit Money
 - Proper handling of checks
 - PCI Rules for handling cards
 - Processing transactions
 - Daily closing activities

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OTHER DUTIES



The City Treasurer is responsible for managing specialized contracts and other programs.

Contracts

- Managing contracts for banking, collections, armored courier services, and lockbox receipting services

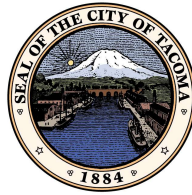
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