



City of Tacoma

Government Performance and Finance Committee Minutes

Dial: 253-215-8782 Meeting ID: 844 1669 0206
Webinar Link: www.zoom.us/j/84416690206 Passcode: 614650

June 07, 2022
10:00 AM

Chair John Hines, Vice Chair Kristina Walker, Joe Bushnell,
Sarah Rumbaugh, Kiara Daniels (alternate), Mark Patterson (ex officio)

Call To Order

Chair Hines called the meeting to order at 10:00 a.m.

Roll Call

Present: 3 - Bushnell, Hines and Walker

Absent: 1 - Rumbaugh

Council Member Rumbaugh arrived at 10:02 a.m.

All Council Members participated virtually.

Ex Officio Member Mark Patterson was also in attendance.

Briefing Items

1. [22-0654](#)

Monthly Budget Update

[Hayley Falk, Lead Budget Analyst, Office of Management and Budget]

At approximately 10:04 a.m., Katie Johnston, Budget Officer, Office of Management and Budget, presented a long-range financial forecast, including General Fund financial forecasts; department General Fund budgets, noting the 2021-2022 adopted budget, 2023-2024 baseline budget; and major changes; ways to address the gap and reprioritize services; major needs related to City Council priorities; considerations on new or increased revenues, noting priority of expense or need, timing, and impact; and revenue options.

Council Member Rumbaugh arrived here, at 10:02 a.m.

Discussion ensued regarding the affordable housing sales tax and the gap reflected in the presentation, revenue options and how the City of Tacoma

compares to other cities, operational efficiencies, exploring other efficiencies with Tacoma Public Utilities (TPU) and General Government, the language used in the City Charter, what percent of the budget is for the General Fund, the limit that property taxes can go up every year, the process to determine whether the 1 percent limit has been met, and how the property tax levy has performed in the past ten years.

2. [22-0655](#) Tacoma Public Utilities Rate and Financial Policies/Strategic Directives
[Jim Sant, Deputy Director, Tacoma Public Utilities Management Services;
Jodi Collins, Assistant Division Manager, Tacoma Water;
Ying Hall, Power Section Manager, Tacoma Power;
Daniel McCabe, Chief Information/Financial Officer, Tacoma Rail]

At approximately 10:33 a.m., Jim Sant, Deputy Director, TPU, provided opening remarks on TPU's rates, financial policies, and strategic directives; and introduced Jodi Collins, Financial Stewardship Manager, Tacoma Water, Ying Hall, Rates, Planning, and Analysis Manager, Tacoma Power, and Daniel McCabe, Chief Information/Financial Officer, Tacoma Rail; together they presented TPU's strategic directives. Collins presented the Water Rate and Financial Policy, including purpose and guiding objectives, policy summary, how the policy is reviewed and tested, and recommended changes.

Discussion ensued regarding different definitions of short-term versus long-term used by the different utilities, the requirement that the City must maintain a AA-bond rating, the impact on the organization if the debt coverage is decreased, bonding concerns around liquidity and debt service related to water utilities; and finding a balance between long-term rates.

McCabe then presented the Tacoma Rail Rate Policy, including purpose and guiding objectives, policy summary, and recommended changes. Hall presented the Tacoma Power Electric Rate and Financial Policy, including the purpose and policy outline, policy summary, how the policy is reviewed and tested, and recommended changes.

Discussion continued regarding adoption of the proposed language, the proposed changes to the budget, the importance of these conversations and how they relate to the rate-making policy, and efforts TPU divisions are making to communicate with the public about rates.

3. [22-0657](#) Tacoma City Council as a Full-Time Council Discussion
[Joe Bushnell, Council Member]

At approximately 11:14 a.m., Council Member Bushnell presented on changing the current part-time Council Member positions into full-time positions, and including related rules and regulations, results from the

Adjournment

There being no further business, the meeting adjourned at 11:48 a.m.

John Hines, Chair

Kiara Thomas, City Clerk's Office