



CITY OF TACOMA

BIENNIAL
BUDGET

2019 - 2020

CORE SERVICES
CONTINUOUS IMPROVEMENT
CREDIBILITY

2019 General Fund Update

General Fund balance approximately \$8.9 M favorable through Q2

- \$4.2 M more in revenues
 - Favorable trends in Sales and Utility Taxes and Miscellaneous revenues
 - Includes both one-time and ongoing
- \$4.7 M less in expenditures
 - Less expenditures than planned due to vacancies and delays in projects and initiatives
 - Includes both savings and delays

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General Fund Revenues

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General Fund Revenues (millions)

General Fund Revenues (millions)				
2019-2020 Budget	Q2 YTD Projection	Q2 YTD Actuals	Variance (Amount)	Variance (%)
\$494.3	\$127.9	\$132.1	\$4.2	3.3%

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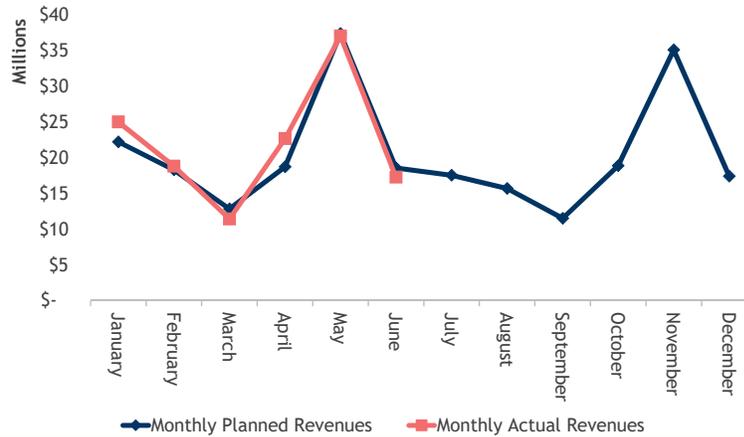
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General Fund Revenues – All Sources (millions)



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General Fund Revenue Variance (millions)

Revenue Source	Q2 2019 Plan	Q2 2019 Actual	Variance (Amount)	Variance (%)
Property Tax	\$32.5	\$32.8	\$0.3	0.9%
Business Tax	27.3	27.2	0.0	-0.1%
Utility Tax	24.1	24.9	0.8	3.4%
Sales Tax	27.4	28.9	1.4	5.1%
Other Revenue	16.6	18.3	1.7	10.2%
Total	\$127.9	\$132.1	\$4.2	3.3%

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General Fund Expenditures

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General Fund Expenditures (millions)

General Fund Expenses (millions)				
2019-2020 Budget	Q2 YTD Projection	Q2 YTD Actuals	Variance (Amount)	Variance (%)
\$528.1	\$132.7	\$127.9	\$4.7	3.6%

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General Fund Expenditure Variance (millions)

Department	Q2 2019 Plan	Q2 2019 Actual	Variance (Amount)	Variance (%)
Neigh & Comm Svcs	\$6.4	\$5.6	\$0.8	13.4%
Library	7.6	7.0	0.6	8.0%
Planning & Dev Svcs	1.3	0.8	0.5	36.0%
Non-Departmental	33.3	31.8	1.5	4.6%
Other Departments	84.1	82.7	1.3	1.5%
Total	\$132.7	\$127.9	\$4.7	3.6%

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Other Funds

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Other Funds (millions)

Fund		Q2 2019 Plan	Q2 2019 Actual	Variance (Amount)	Variance (%)
Street Operations & Engineering	Revenues	\$13.3	\$13.0	(\$0.3)	(2.5%)
	Expenditures	13.9	11.5	2.4	17.6%
Traffic Enforcement	Revenues	1.8	2.0	0.2	12.6%
	Expenditures	1.8	1.7	0.1	9.0%
Permit Services	Revenues	8.5	8.7	0.2	1.9%
	Expenditures	8.7	6.6	2.1	23.6%

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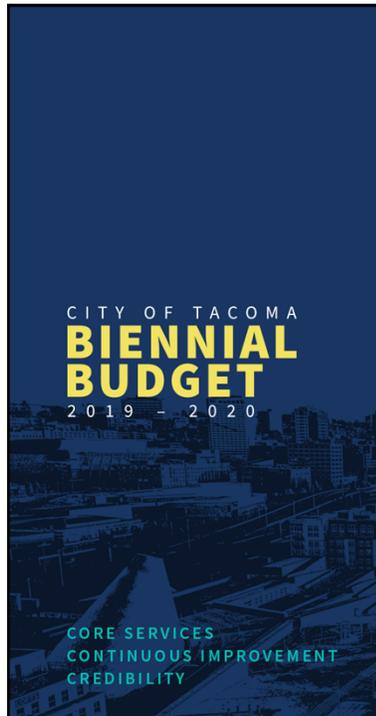
Other Funds (millions)

Fund		Q2 2019 Plan	Q2 2019 Actual	Variance (Amount)	Variance (%)
Convention Center	Revenues	\$6.2	\$6.2	0.0	0.3%
	Expenditures	4.1	3.7	0.4	9.9%
Cheney Stadium	Revenues	0.7	0.7	0.0	1.5%
	Expenditures	0.7	0.6	0.1	21%
Tacoma Dome	Revenues	6.9	7.8	0.9	12.8%
	Expenditures	6.4	5.4	1.0	15.8%

CORE SERVICES
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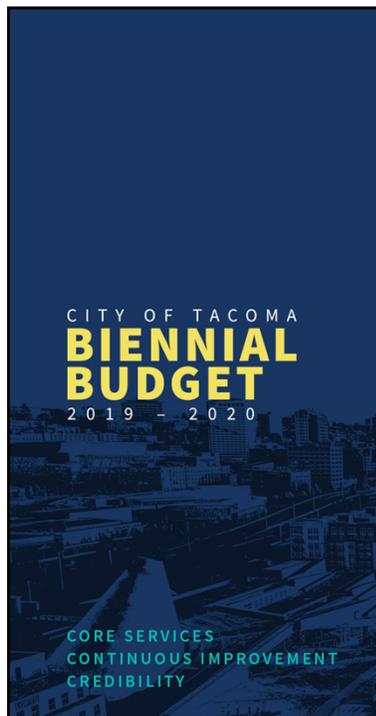
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Other Updates

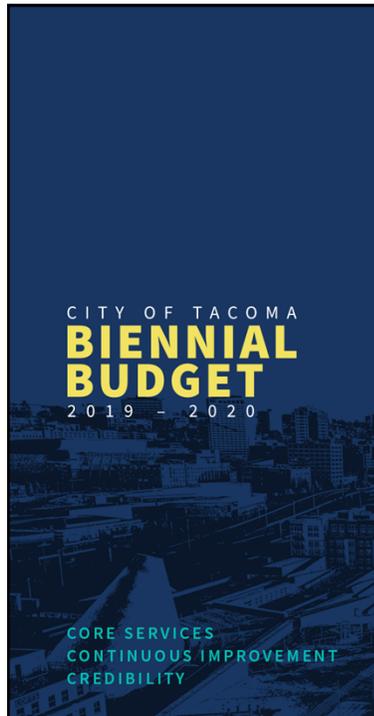
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Budget Initiatives & Results253

- FD Cares
- Project PEACE
- Concrete Crew
- New Street Lights

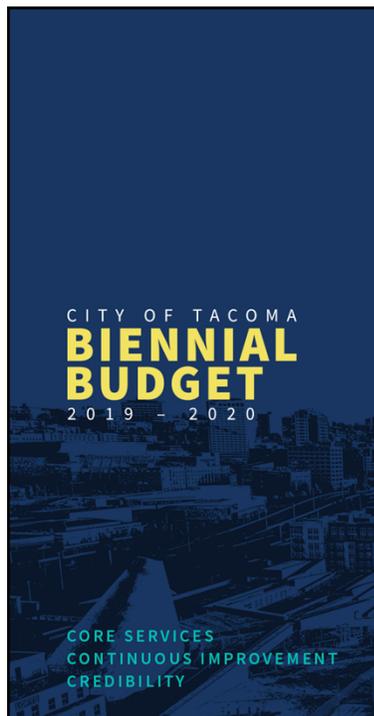
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Mid-Biennium Modification Schedule

- Departments will begin making proposals in September
- City Council proposals due September 16th
- City Manager will review proposals in October
- Presentation to City Council at Study Session November 5th

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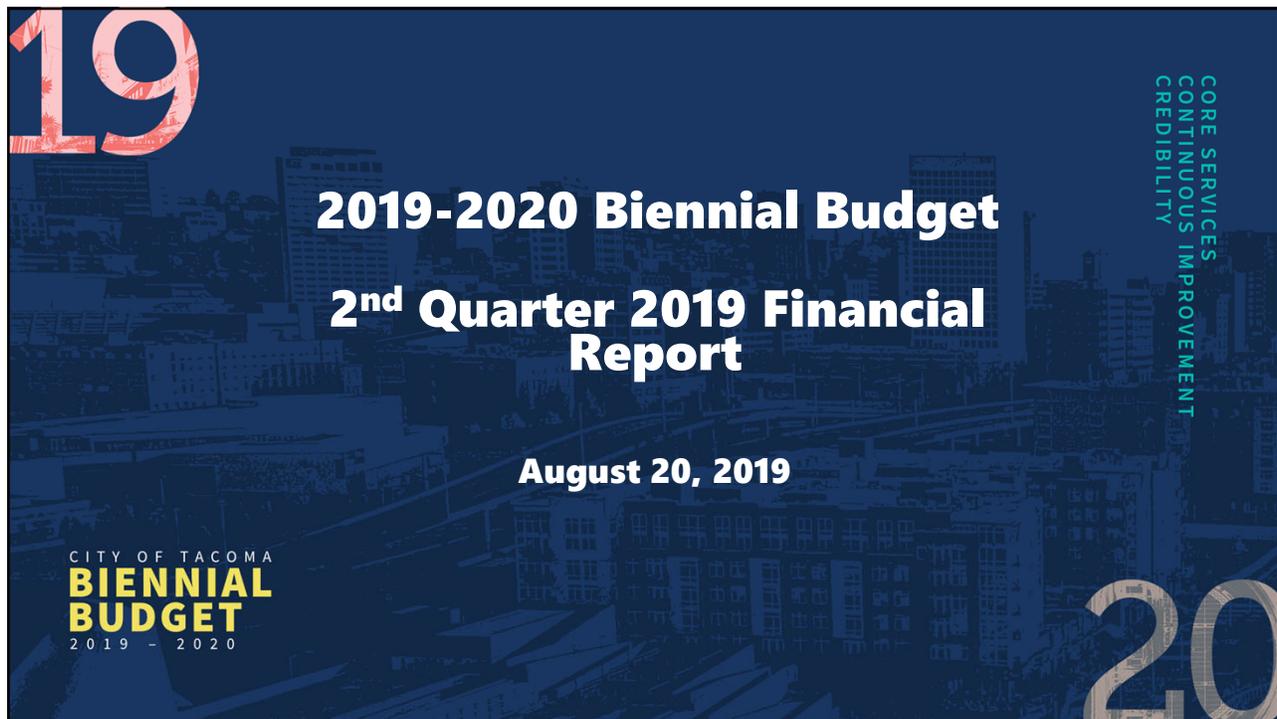


Summary

General Fund

- 2019 2nd Quarter Positive Position by \$8.9 million (includes delays and one-time revenues)
- Mid-Biennium Modification Proposals will begin in September
- Capital Budget Adjustments to Planning Commission in October

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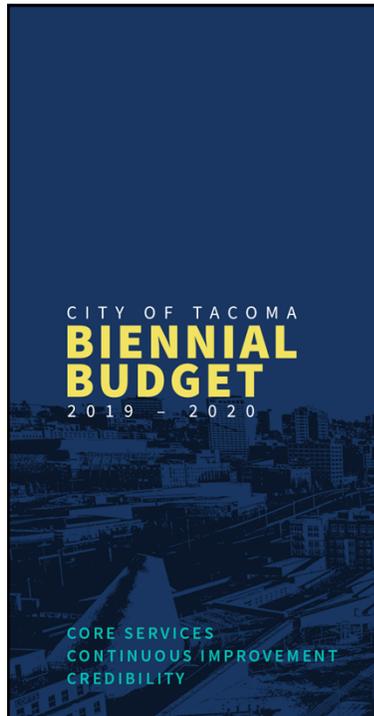
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Expenditure Variance Detail

\$4.7 M below budget plan:

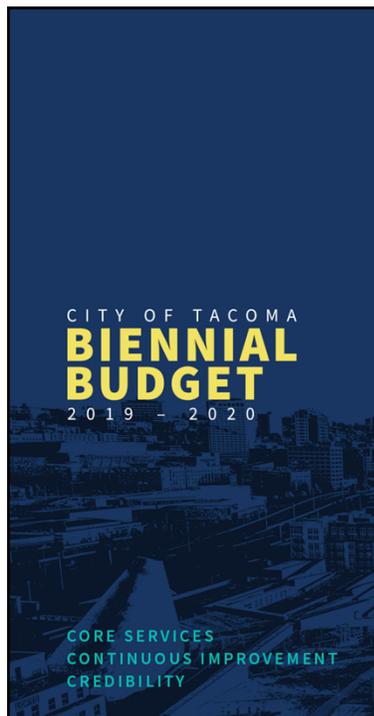
- \$1.5 M – Non-Departmental
 - Less than expected expenses in police and fire retirement funds and leave severance payouts
- \$0.9 M – Neighborhood & Community Services
 - Personnel savings and external contract delays
- \$0.6 M – Library
 - Delay in hiring, IT uplift project, and material purchases
- \$0.5 M – Planning & Development Services
 - Delay in implementation of Citywide initiatives and Tideflats Subarea Plan



Mid-Biennium Modification Guidance

- Align the budget with changes since development including:
 - Unanticipated Grants
 - Project Delays
- Requests for new personnel or programs should be reserved for the next biennial budget

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Capital Adjustments

- Capital Facilities Program update proposals planned to go to Planning Commission in October
 - Affordable Housing
 - Chinese Reconciliation Park Phase IV
- Capital Budget Adjustments to City Council in November with Mid-Biennium Modifications

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City Council Next Steps

November 5th

- Study Session Presentation on 2019–2020 Mid–Biennium Modifications

November 12th

- First Reading of Mid–Biennium Modification Ordinances

November 19th

- Second Reading of Ordinances

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Enterprise Funds (continued)

Department	Description	Amount (Millions)
4165 - Convention Center	Convention Center South Wall Repair	\$0.33
4300 - ES Wastewater	Data Server Licenses	0.23
4301 - ES Surface Water	Urban Forestry Management Plan	0.10



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Asset Management Council Workshop

- More time for Council Members to understand municipal finance and funding sources
- Need to cultivate a common understanding of needs/projects among councilmembers
- For items that are important to council, need to understand other partnerships that may be viable
- Emphasizes that the context and tradeoffs are important to see
- Community input process
- Site visits

2017-2018
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Special Revenue Funds (continued)

Department	Description	Amount (Millions)
1195 - CED Special Revenue	CDBG Carryover	\$0.50
1100 - PW Property Mgmt	Fireman's Park Sod, Water Walk Irrigation	0.38
1185 - HRHS Special Revenue	Urban Forestry Management Plan	0.19
1030 - Contingency Fund	Deportation Defense Fund	0.05
1070 - Transportation Benefit District	Updated Street Sales Tax Projections	(1.56)

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Internal Service Funds (\$8.26 M)

Department	Description	Amount (Millions)
5800 - General Government Internal Services	TMB Space Planning, Office 365 Migration	\$3.11
5400 - Equipment Rental	Fleet Replacement	1.85
1155 (not internal service)	Fire Fleet Adjustments, Next Generation Medic Unit	1.78
5700 - Muni Bldgs Acq & Ops	FAC Broadway LID	1.33
5540 - Comms Equip Res	Fire Suppression	0.18

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Special Revenue Funds (\$17.6 m)

Tacoma Creates
Affordable Housing Trust Fund
GEMT 2017 Managed Care Settlement
Ruston Way Sidewalks
Opioid Mobile Response Pilot
Fireman's Park
Deportation Defense Fund

Enterprise Funds (\$9.5 M)

Capital Purchases for Solid Waste,
Surface Water, Waste Water
Tacoma Dome Bond Transfers
Theater Project
Convention Center South Wall

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Enterprise Funds (\$9.51 M)

Department	Description	Amount (Millions)
4200 - ES Solid Waste	Capital Purchases, AmeriCorps labor	\$3.86
4140 - PWE Parking Operating	Parking Fund Revenue Correction	2.11
4180 - PAF Dome	Tacoma Dome Bond Transfer	1.23
4190 - PAF Performing Arts	Theaters Project REET Carryover	0.55

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Special Revenue Funds (\$17.64 M)

Department	Description	Amount (Millions)
1195 - TVE and CED	Tacoma Creates, Affordable Housing Trust Fund	\$9.70
1155 - TFD EMS	GEMT 2017 Managed Care Settlement, TFD CARES	3.39
1050 - Transportation Revs	Heavy Haul, Fee-in-lieu, Ruston Way Sidewalks	2.55
1065 - PW Street Fund	Bus Rapid Transit, Pacific Ave Subarea Planning Study, South Orchard Rock Wall, De-Icing, Slurry Seal	1.25
1090 - TFD Special Revenue	Opioid Mobile Response Pilot	0.66
1431 - IT Municipal CableTV	CityNet Phase 2, Franchise Negotiations	0.52

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2017-2018 General Fund Biennium-End Summary

2018 Positive Position	\$34.4M	Unassigned Fund Balance	\$84.2M
2018 Projected Expense Savings	5.4	Reserve (16.7%)	43.0
2018 Projected Revenue Variance	8.6	One-Time Cash Use in 2019-2020 Budget	20.8
Re-appropriation	13.5	Re-appropriation	13.5
Contribution to Reserves	6.9	Contribution to Reserves	6.9

2017-2018
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Revenue Source	2018 Plan	2018 Actual	Variance (Amount)	Variance (%)
Property Tax	\$58.9	\$59.1	\$0.2	0.3%
Business Tax	48.5	51.3	2.8	5.7%
Utility Tax	45.4	46.6	1.2	2.5%
Sales Tax	54.3	56.9	2.6	4.8%
Other Revenue	24.1	36.8	12.7	52.7%
Total	\$231.2	\$250.7	\$19.5	8.4%

2017-2018
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Description	2018 Plan	2018 Actual	Variance (Amount)	Variance (%)
Police	\$82.8	\$81.0	\$1.8	2.2%
Neighborhood & Community Services	14.5	12.9	1.6	10.6%
Non Departmental	61.7	54.9	6.8	11.1%
Other Departments	94.8	90.1	4.7	5.0%
Total	\$253.8	\$238.9	\$14.9	5.9%



2017-2018
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Sales Tax Revenue by Month (millions)



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Construction



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