



City of Tacoma

Government Performance and Finance Committee Minutes

747 Market Street, Tacoma, WA 98402, Conference Room 248
Dial: 253-215-8782 Meeting ID: 844 1669 0206
Webinar Link: www.zoom.us/j/84416690206 Passcode: 614650

April 18, 2023

10:00 AM

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

Call To Order

Chair Hines called the meeting to order at 10:01 a.m.

Roll Call

Present: 3 - Bushnell, Hines and Rumbaugh

Absent: 2 - Walker and Daniels

Council Member Daniels, alternate, arrived at 10:03 a.m.

Council Member Daniels participated virtually.

Public Comment

There was no Public Comment.

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Council Member Daniels arrived here, at 10:03 a.m.

Briefing Items

1. [23-0392](#) Tacoma Power KeyBank Note Purchase Agreement Proposed Amendment
[Michelle Brown, Principal Financial Planner, Tacoma Public Utilities]

At approximately 10:03 a.m., Michelle Brown, Lead Financial Planner, Tacoma Public Utilities, presented the proposed amendment to the Tacoma Power KeyBank Note Purchase Agreement (NPA), including background, terms of the KeyBank NPA amendment, and the 2023 KeyBank NPA amendment schedule.

Discussion ensued regarding the decision of using KeyBank over a local bank, if the amendment to the NPA would affect the City's credit limit, if the NPA is based off the value of the City's assets, the benefits of using an

NPA over a bond, the utilization of liquidity to pay down higher bonds, and the terms of the KeyBank NPA amendment.

MOTION: Vice Chair Bushnell moved to forward the Tacoma Power KeyBank Note Purchase Agreement proposed amendment to the full City Council for consideration.

SECONDED BY: Council Member Rumbaugh.

ACTION: Voice vote was taken and carried. The motion was declared adopted.

Ayes: 4 - Bushnell, Hines, Rumbaugh and Daniels

Absent: 1 - Walker

2. [23-0388](#)

Governmental Accounting Standards Board Update
[Susan Calderon, Assistant Director/Controller; Polly Wainaina, Financial Services Division Manager, Finance]

At approximately 10:15 a.m., Susan Calderon, Assistant Director, Finance, provided opening remarks and presented an update on the Governmental Accounting Standards Board (GASB), including an overview; background, noting standards and goals; issues; an overview of the standards that will be implemented, noting the definitions and financial statement impacts of GASB Statement Nos. 94, 96, 100, and 101; and next steps.

Discussion ensued throughout regarding examples of GASB Statement Nos. 94 and 96, the changes being based on how laws change, and the reasoning as to why the City has to follow GASB Statement Nos. 94 through 101.

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Topics for upcoming meetings was addressed before Item No. 3.

Topics for Upcoming Meetings

4. [23-0394](#)

May 2, 2023 - Review of Letters of Interest for “For” and “Against” Committees for the Tacoma Fire Levy Lid Lift; Sprint Telecommunications Franchise Agreement; SAP Now!

May 16, 2023 - Public Utility Board Interviews; Monthly Budget Update; Overview of Tacoma Water 2023 Refunding Bonds

June 6, 2023 - Audit Advisory Board Quarterly Meeting; Board of Ethics Interviews; Fiscal Sustainability Overview; Accessory Dwelling Unit Accelerator Phase 2 - Site Planning Assistance

Joe Franco, Committee Liaison, introduced D'Angelo Baker, the

new Committee Liaison for the Government Performance and Finance Committee. Baker continued by stating that the next meeting will be on May 2, 2023, and will include a review of letters of interest for "For" and "Against" Committees for the Tacoma Fire Department levy lid lift, and presentations on the Sprint telecommunications franchise agreement and SAP Now!; the May 16, 2023, meeting will include interviews for the Public Utility Board, and presentations on the monthly budget update and the Tacoma Water 2023 refunding bonds; and the June 6, 2023, meeting will include the Audit Advisory Board quarterly meeting, interviews for the Board of Ethics, and presentations on fiscal sustainability, and Accessory Dwelling Unit Accelerator Phase 2.

Council Member Rumbaugh inquired about the status of the Rainier Connect update.

Briefing Items (Continued)

3. [23-0393](#) Monthly Budget Update - Revenues
[Reid Bennion, Financial Services Manager, Office of Management and Budget]

At approximately 10:33 a.m., Katie Johnston, Budget Officer, Office of Management and Budget, provided opening remarks and presented the monthly budget update, including an agenda; 2022 General Fund revenue, noting the source and variance of actual versus budgeted amounts; the 2023 first quarter General Fund report, noting major revenue categories; Real Estate Excise Tax (REET) 1 and 2 projections and estimates; and future outlook, noting trends being monitored.

Discussion ensued throughout regarding the source of other revenue in the 2022 General Fund; if there is a breakdown of where the sales tax revenue is coming from based on industry; if the utility assistance included utility tax; how property taxes in the General Fund work; license and permit revenues in the General Fund; tracking business licenses in the City; business license requirements and notifications; the number of delinquent business licenses; REET 1 uses versus REET 2 uses; and inflation rates, noting the real estate market, the current rate, and the car market.

Topics for Upcoming Meetings

4. [23-0394](#) May 2, 2023 - Review of Letters of Interest for “For” and “Against” Committees for the Tacoma Fire Levy Lid Lift; Sprint Telecommunications Franchise Agreement; SAP Now!
- May 16, 2023 - Public Utility Board Interviews; Monthly Budget Update; Overview of Tacoma Water 2023 Refunding Bonds
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Topics for upcoming meetings was addressed earlier in the meeting.

Other Items of Interest

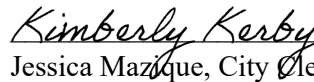
There were no other items of interest.

Adjournment

There being no further business, the meeting adjourned at 11:10 a.m.



John Hines, Chair

 for
Jessica Mazique, City Clerk's Office