

Government Performance & Finance Committee Budget Update

November 18, 2025

2025-2026 CITY OF TACOMA

BIENNIAL OPERATING & CAPITAL BUDGET

1

2025 Year-to-Date Revenue Collections

General Fund Revenue Jan-Oct 2025			
Revenue	Budget	Actual	Variaince
Business Tax	61,432,523	61,424,660	(7,863)
Property Tax	65,980,864	66,294,500	313,636
Sales Tax	60,229,944	59,233,313	(996,631)
Utility Tax	50,909,037	50,565,492	(343,545)
Charges for Services	2,395,268	2,479,110	83,842
Fines & Forfeits	762,573	1,138,381	375,808
Indirect Costs	-	-	-
Intergovernmental Revenues	14,383,817	14,396,144	12,327
Licenses & Permits	17,577,251	20,660,803	3,083,552
Miscellaneous Revenues	4,159,202	5,201,600	1,042,399
Other Taxes	1,970,369	2,028,726	58,357
Grand Total	279,800,849	283,422,729	3,621,880

2025-2026 CITY OF TACOMA

BIENNIAL OPERATING & CAPITAL BUDGET

2

Big Four General Fund Revenues – Variance 2025

2025						
Revenue Source	May Variance	June Variance	July Variance	Aug Variance	Sept Variance	Oct Variance
Business Tax	(712,111)	(867,146)	706,192	(804,110)	(828,798)	(7,863)
Property Tax	(385,229)	(757,045)	(299,766)	94,398	(352,368)	313,636
Sales Tax	(1,263,768)	(1,312,881)	(1,105,871)	(1,133,222)	(1,075,366)	(996,631)
Utility Tax	(761,170)	(524,352)	(528,236)	(283,115)	(692,849)	(343,545)
Total	(3,122,277)	(3,461,424)	(1,227,680)	(2,126,050)	(2,949,382)	(1,034,404)

2025-2026 CITY OF TACOMA
BIENNIAL OPERATING & CAPITAL BUDGET

3

2025 Year-to-Date Expenditures

General Fund Expenditures Jan -Oct 2025			
Dept	Budget	Actual	Variance
City Attorney's Office	2,607,507	2,504,897	102,610
City Manager's Office	2,659,756	2,175,105	484,651
Community & Economic Development	5,074,299	3,955,708	1,118,591
Finance	5,945,918	5,758,502	187,416
Fire	70,036,919	69,385,750	651,169
Library	16,821,136	14,279,793	2,541,343
Municipal Court	3,683,651	3,494,015	189,637
Neighborhood & Community Services	14,872,787	10,968,520	3,904,267
Non-Departmental	42,998,128	40,550,128	2,448,000
Planning & Development Services	2,162,268	1,613,643	548,626
Police	108,031,357	107,043,527	987,831
Public Works	1,404,788	1,390,190	14,598
Grand Total	276,298,514	263,119,778	13,178,737

2025-2026 CITY OF TACOMA
BIENNIAL OPERATING & CAPITAL BUDGET

4

Government Performance & Finance Committee Budget Update

November 18, 2025

2025-2026 CITY OF TACOMA

BIENNIAL OPERATING & CAPITAL BUDGET

5

Current Economic Conditions

- Labor Market – showing signs of weakness in latest data
 - Fewer new jobs being created
 - Fewer participants in the labor force (retirement wave, immigration, etc.)
- Inflation – Showing some tariff-related upward pressure
- Interest Rates – mortgage rates still above 6%
- Recent Tax Law Changes
- Risks
 - General Uncertainty
 - Independence of the Federal Reserve
 - On-again Off-Again On-Again Tariffs
 - Independence, accuracy and integrity of government collected data
 - Geopolitical conflicts
 - Federal Grants – eliminations, reductions, recovery of previous grants?
 - Unemployment and Inflation – both going up at same time (stagflation)?

2025-2026 CITY OF TACOMA

BIENNIAL OPERATING & CAPITAL BUDGET

6