



ORDINANCE NO. 29066

1 AN ORDINANCE relating to the Biennial Operating Budget; modifying the
2 Biennial Operating Budget of the City for fiscal years 2025-2026 for
3 recommended budget adjustments that were not identifiable before the
approval of the 2025-2026 adopted budget.

4 WHEREAS on December 10, 2024, the City Council passed Substitute
5 Ordinance No. 29002, adopting the 2025-2026 Biennial Operating Budget, and on
6 May 20, 2025, the City Council passed Ordinance No. 29035, amending the
7 Biennial Operating Budget, and

8 WHEREAS this ordinance will adjust the Biennial Operating Budget for
9 (1) obligations from 2025-2026 that are not complete; (2) transfers to the Capital
10 Budget for City Council-approved capital projects; and (3) other recommended
11 adjustments, and

12 WHEREAS the budget adjustment will increase the 2025-2026 Operating
13 Budget by the amount of \$52,784,546, which is funded by grants, existing fund
14 balances, and other miscellaneous revenue sources, and

15 WHEREAS the General Fund portion of the budget increase is \$10,169,261,
16 with balances reserved for encumbrances and an adjustment to the sales tax plan
17 offset this General Fund increase; Now, Therefore,

18 BE IT ORDAINED BY THE CITY OF TACOMA:

19 That the Biennial Operating Budget of the City for fiscal years 2025-2026
20 ("Biennial Budget") is hereby modified by adopting the proposed modifications
21 set forth in Exhibit "A," which provides the expenditures, revenues, and totals
22 by fund and category, and Exhibit "B," which provides narrative explanations of
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the modifications, which exhibits are attached hereto and incorporated as part
of this ordinance; and that the Biennial Operating Budget shall be deemed to be
and is hereby modified for recommended budget adjustments, 2025-2026
contract obligations, and transfers to the Capital Budget for Council-approved
capital projects with outstanding balances or budget adjustments.

Passed _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney

EXHIBIT A

**City of Tacoma, Washington
2025-2026 Biennial Operating Budget
Modification of 2025-2026 Contracts, Transfers, Other Obligations**

Fund No.	Fund Name	Reappropriation Ordinance	Modification Ordinance	Revised Budget
0010	General Fund	655,803,639	10,169,261	665,972,900
Special Revenue Funds				
1020	Courts Special Revenue	598,027	-	598,027
1030	Contingency Fund	823,778	-	823,778
1050	PWS Transportation Revenues	11,772,206	-	11,772,206
1065	PW Street Fund (Street Ops, Eng, Transp)	76,536,348	1,093,688	77,630,036
1085	Voted Streets Initiative	53,477,106	-	53,477,106
1090	TFD Special Revenue	2,939,957	750,000	3,689,957
1100	PWF Property Management	2,265,613	-	2,265,613
1110	Local Improvement Guaranty	97,309	-	97,309
1145	PWB Building & Land Use Services	950,376	-	950,376
1155	TFD EMS Special Revenue	102,047,824	1,094,174	103,141,998
1180	Tourism & Conventions	9,630,883	-	9,630,883
1185	Human Services Special Revenue	41,695,957	6,131,539	47,827,496
1195	CED Economic Development Grants	55,127,680	259,073	55,386,753
1200	Library Special Revenue	1,334,668	-	1,334,668
1236	CED Equity In Contracting	987,435	-	987,435
1267	TPD Special Revenue	5,628,686	575,669	6,204,355
1431	CMO Municipal Cable TV	1,604,928	-	1,604,928
1500	CED Local Employment Apprenticeship Program	1,177,934	(8,775)	1,169,159
1650	Traffic Enforcement, Engineering & Education	7,708,143	-	7,708,143
1700	American Rescue Plan	-	-	-
	Total Special Revenue Funds	376,404,858	9,895,368	386,300,226
Debt Service Funds				
2035	LTD GO Bonds 1997 A & B	1,552,428	-	1,552,428
2038	Public Works Trust Fund Loan	306,051	-	306,051
2040	LTGO 2009 Series A-F Bond Redemption	13,637,670	-	13,637,670
2041	2010 LTGO Bonds Series 2010B - 2010E	5,794,213	-	5,794,213
2043	LTGO Bond Issuances	4,448,623	-	4,448,623
	Total Debt Service Funds	25,738,985	-	25,738,985
Capital Project Funds				
3210	Real Estate Excise Tax	52,511,281	-	52,511,281
	Total Capital Project Funds	52,511,281	-	52,511,281

EXHIBIT A

**City of Tacoma, Washington
2025-2026 Biennial Operating Budget
Modification of 2025-2026 Contracts, Transfers, Other Obligations**

Fund No.	Fund Name	Reappropriation Ordinance	Modification Ordinance	Revised Budget
Enterprise Funds				
4110	Permit Services Fund	61,299,968	(550,000)	60,749,968
4120	PW Tacoma Rail Mountain Division	1,433,515	-	1,433,515
4140	PWE Parking Operating	13,252,636	-	13,252,636
4165	Convention Center	28,544,958	-	28,544,958
4170	Cheney Stadium	5,539,199	-	5,539,199
4180	Tacoma Dome	33,943,051	-	33,943,051
4190	Performing Arts	4,517,775	-	4,517,775
4200	Solid Waste	215,211,796	426,350	215,638,146
4300	Wastewater	293,693,252	8,910,537	302,603,789
4301	Surface Water	138,445,857	1,761,453	140,207,310
4450	Union Station	11,140	-	11,140
4500	Tacoma Rail	80,487,083	-	80,487,083
4600	Water Utility	342,808,318	-	342,808,318
4700	Power	1,333,562,686	-	1,333,562,686
4800	TPU Self Insurance Claims	5,653,200	-	5,653,200
4805	Low Income Assistance	10,000,000	-	10,000,000
Total Enterprise Funds		2,568,404,434	10,548,340	2,578,952,774
Internal Service Funds				
5050	TPU Fleet Service	13,326,245	-	13,326,245
5086	Tacoma Training & Employment Program	1,366,968	(12,250)	1,354,718
5400	PW Fleet Equipment Rental	37,046,695	2,000,000	39,046,695
5453	PWS Asphalt Plant	3,633,909	-	3,633,909
5540	Comms Equipment - Replacement Reserve	5,957,312	1,474,219	7,431,531
5550	Third Party Liability Claims	30,365,369	8,000,000	38,365,369
5560	Unemployment Compensation	1,338,085	-	4,438,085
5570	Worker's Compensation	14,639,164	3,100,000	14,639,164
5700	Municipal Building Acquisition & Oper	22,524,220	-	22,524,220
5800	General Governmental Internal Services	220,877,751	570,955	221,448,706
Total Internal Service Funds		351,075,718	15,132,924	366,208,642
Trust & Agency Funds				
6050	Deferred Compensation Trust	615,576	-	615,576
6100	Employees Retirement	503,117,545	-	503,117,545
6120	Relief & Pension Police	10,202,373	-	10,202,373
6150	Relief & Pension Firefighters	11,999,237	-	11,999,237
6430	Health Care Trust Labor Management	207,385,440	7,038,653	214,424,093
6440	Group Life Trust	2,108,727	-	2,108,727
6460	Dental Care Labor Management	14,037,214	-	14,037,214
6470	Health Care Trust Firefighters	7,510,000	-	7,510,000
6480	Health Care Trust Police	7,378,000	-	7,378,000
6795	Public Facilities Districts	12,414,002	-	12,414,002
Total Trust & Agency Funds		776,768,114	7,038,653	783,806,767
Total City of Tacoma Operating Budget		4,806,707,029	52,784,546	4,859,491,575

EXHIBIT B

City of Tacoma, Washington
2025-2026 Biennial Operating Budget
Modification of 2025-2026 Contracts, Transfers and Other Obligations

Narrative Explanation for the Budget Amendment Ordinance

Authorize an Increase in Revenues and Expenditures for 2025-2026 Appropriations:

General Fund

0010 - General Fund	Amount
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Revenues

Unclaimed Property Recovery	(700,000)
Beginning Cash	(9,469,261)
	<u>\$ (10,169,261)</u>

Expenditures

Encumbrances by Department

City Manager's Office.....	\$ 75,030
Community & Economic Development.....	\$ (213,548)
Finance.....	\$ (240,000)
Fire.....	\$ 4,727,694
Neighborhood & Community Services.....	\$ (446,000)
Non-Departmental.....	\$ 2,737,808
Planning & Development Services.....	\$ (100,000)
Police.....	\$ 3,768,277
Public Works.....	\$ (140,000)
<u>Total General Fund</u>	<u>\$ 10,169,261</u>

Special Revenue Funds

1065 - PW Street Fund	Amount
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Revenues

Beginning Cash	\$ (326,000)
Damage Revenues	\$ (667,688)
Transfer from Transportation Benefit District	\$ (100,000)
	<u>\$ (1,093,688)</u>

Expenditures

One-time Vacancy Savings	\$ (690,000)
Damage Revenues	\$ 667,688
Electrician	\$ 100,000
Signal and Streetlight Electricians Contract Increase	\$ 1,100,000
Ending Cash	\$ (84,000)
	<u>\$ 1,093,688</u>

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Authorize an Increase in Revenues and Expenditures for 2025-2026 Appropriations:

1090 - Fire Department Special Revenue	Amount
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Revenues

Beginning Cash	\$ (750,000)
	<u>\$ (750,000)</u>

Expenditures

Transfer to Fleet Services Fund for Stock Engine Purchases	\$ 750,000
	<u>\$ 750,000</u>

1155 - Fire Department EMS Special Revenue	Amount
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Revenues

Beginning Cash	\$ (1,094,174)
	<u>\$ (1,094,174)</u>

Expenditures

Fleet Budget Correction	\$ 1,094,174
	<u>\$ 1,094,174</u>

1185 - HRHS Mental Health	Amount
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Revenues

Beginning Cash	\$ (727,000)
General Fund Transfer for HOPE Team	\$ 655,696
Administrative Office of the Courts Therapeutic Court Grant	\$ (331,485)
Washington State Health Care Association Street Medicine Grant	\$ (895,000)
Washington State Department of Transportation Contract Revenue	\$ (333,750)
Washington State Department of Commerce Grant	\$ (4,500,000)
	<u>\$ (6,131,539)</u>

Expenditures

Private Graffiti Mitigation Pilot	\$ 100,000
Expand Public Litter Can Program	\$ 627,000
Recognize HOPE Team vacancies	\$ (655,696)
Grant and Contract Expenses	\$ 6,060,235
	<u>\$ 6,131,539</u>

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Authorize an Increase in Revenues and Expenditures for 2025-2026 Appropriations:

1195 - Affordable Housing Fund	Amount
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Revenues

1% for the Arts Contribution from Environmental Services Department	\$ (259,073)
	<u>\$ (259,073)</u>

Expenditures

1% for the Arts Contribution from Environmental Services Department	\$ 259,073
	<u>\$ 259,073</u>

1236 - CED Equity In Contracting	Amount
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Revenues	\$ -
	<u>\$ -</u>

Expenditures

Reduce CED Travel and Contract Expenses	\$ (25,429)
Ending Cash	\$ 25,429
	<u>\$ -</u>

1267 - TPD Special Revenue	Amount
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Revenues

Beginning Cash	\$ (575,669)
	<u>\$ (575,669)</u>

Expenditures

Peace Officer Lateral Incentives	\$ 233,100
Correct Police Small-Grant Budget	\$ 390,930
Ending Cash	\$ (48,361)
	<u>\$ 575,669</u>

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Authorize an Increase in Revenues and Expenditures for 2025-2026 Appropriations:

1500 - Local Employment Apprenticeship Program	Amount
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Revenues

Beginning Cash	\$ 8,775
	<u>\$ 8,775</u>

Expenditures

Reduce CED Travel and Contract Expenses	\$ (20,775)
Ending Cash	<u>\$ 12,000</u>
	<u>\$ (8,775)</u>

<u>Total Special Revenue Funds</u>	<u>\$ 9,895,368</u>
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Enterprise Funds

4110 - Permit Services	Amount
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Revenues

Beginning Cash	\$ 550,000
	<u>\$ 550,000</u>

Expenditures

DADU Pre-Approved Plan Expansion	\$ 200,000
One-time Vacancy Savings	<u>\$ (750,000)</u>
	<u>\$ (550,000)</u>

4200 - Solid Waste	Amount
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Revenues

Beginning Cash	\$ (426,350)
	<u>\$ (426,350)</u>

Expenditures

1% for the Arts Contribution from Environmental Services Department	\$ 25,488
Labor Projection Adjustment	\$ 18,629
Add Deputy City Attorney to Environmental Services Department	\$ 126,720
Worker's Compensation Adjustment	\$ 300,000
Consolidate Urban Forestry Staff	<u>\$ (44,487)</u>
	<u>\$ 426,350</u>

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Narrative Explanation for the Budget Amendment Ordinance

Authorize an Increase in Revenues and Expenditures for 2025-2026 Appropriations:

4300 - Wastewater		Amount
Revenues		
Beginning Cash	\$	(8,813,537)
Direct Gas Utilitization Consultant Payments	\$	(97,000)
	\$	(8,910,537)
Expenditures		
1% for the Arts Contribution from Environmental Services Department	\$	217,359
Direct Gas Utilitization Consultant Payments	\$	97,000
Expand Environmental Services External Legal Services Support	\$	3,315,000
Add Deputy City Attorney to Environmental Services Department	\$	130,560
Consolidate Urban Forestry Staff	\$	(41,882)
Wastewater Facilities Plan Development	\$	5,000,000
Central Treatment Plant Electric Fencing	\$	192,500
	\$	8,910,537
4301 - Surface Water		Amount
Revenues		
Washington State Department of Commerce Grant	\$	(999,100)
Washington State Department of Ecology Grant	\$	(195,481)
Beginning Cash	\$	(566,872)
	\$	(1,761,453)
Expenditures		
Washington State Department of Ecology Grant	\$	195,481
1% for the Arts Contribution from Environmental Services Department	\$	16,226
South Tacoma Tree Planting	\$	60,000
Densification Watershed Modeling	\$	1,000,000
Expand Environmental Services External Legal Services Support	\$	250,000
Add Deputy City Attorney to Environmental Services Department	\$	126,720
Consolidate Urban Forestry Staff	\$	113,026
	\$	1,761,453
Total Enterprise Funds		\$ 10,548,340

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City of Tacoma, Washington
2025-2026 Biennial Operating Budget
Modification of 2025-2026 Contracts, Transfers and Other Obligations

Narrative Explanation for the Budget Amendment Ordinance

Authorize an Increase in Revenues and Expenditures for 2025-2026 Appropriations:

Internal Service Funds

5086 - Tacoma Training & Employment Program **Amount**

Revenues

Beginning Cash	\$	12,250
	\$	12,250

Expenditures

Reduce Tacoma Training and Employment Program (TTEP)	\$	(30,000)
Ending Cash	\$	17,750
	\$	(12,250)

5400 - PW Fleet Equipment Rental **Amount**

Revenues

Stock Fire Engine Purchase General Fund Transfer	\$	(1,250,000)
Stock Fire Engine Purchase Transfer from Other Active Funds	\$	(750,000)
	\$	(2,000,000)

Expenditures

Stock Fire Engine Purchases	\$	2,000,000
	\$	2,000,000

5540 - Comms Equipment - Replacement Reserve **Amount**

Revenues

Beginning Cash	\$	(1,474,219)
	\$	(1,474,219)

Expenditures

Replace Radios	\$	1,489,219
Ending Cash	\$	(15,000)
	\$	1,474,219

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City of Tacoma, Washington
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Modification of 2025-2026 Contracts, Transfers and Other Obligations

Narrative Explanation for the Budget Amendment Ordinance

Authorize an Increase in Revenues and Expenditures for 2025-2026 Appropriations:

5550 - Third Party Liability Claims	Amount
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Revenues

General Fund Transfer	\$ (8,000,000)
	<u>\$ (8,000,000)</u>

Expenditures

Third Party Liability Adjustments	\$ 8,000,000
	<u>\$ 8,000,000</u>

5570 - Workers Compensation	Amount
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Revenues

General Fund Transfer	\$ (2,800,000)
Fund 4200 Solid Waste Transfer	\$ (300,000)
	<u>\$ (3,100,000)</u>

Expenditures

Workers Compensation Adjustments	\$ 3,100,000
	<u>\$ 3,100,000</u>

5800 - General Government Internal Services	Amount
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Revenues

Beginning Cash	\$ (570,955)
	<u>\$ (570,955)</u>

Expenditures

5800-CAO

Enhance City Prosecution and Police Legal Advisor Services	\$ 384,000
TPU Litigation and Legal Advice Enhancement	\$ 768,000
Staffing Enhancement in Clerks' Office	\$ 237,600
<i>Subtotal</i>	<u>\$ 1,389,600</u>

5800-HR

Training and Development Budget Adjustment	\$ (70,000)
<i>Subtotal</i>	<u>\$ (70,000)</u>

EXHIBIT B

**City of Tacoma, Washington
2025-2026 Biennial Operating Budget
Modification of 2025-2026 Contracts, Transfers and Other Obligations**

Narrative Explanation for the Budget Amendment Ordinance

Authorize an Increase in Revenues and Expenditures for 2025-2026 Appropriations:

5800-IT

Operational Cost Reduction - Telecom and PC Replacement	\$	(287,594)
Operational Cost Reduction - S/4 Analytics and Data Network	\$	(40,000)
Operational Cost Reduction - IT Permitting, Core ERP, Digital Office	\$	(119,653)
Labor Element Cost Reduction - Premium Pay, Temporary Labor, Training	\$	(86,476)
Subscription and Licensing Cost Reduction	\$	(174,450)
<i>Subtotal</i>	\$	<i>(708,173)</i>

5800-CMO

Corrections - Media and Communications and Center for Strategic Priorities	\$	193,833
Vacancy Savings in 2026	\$	(231,309)
Operational Cost Reduction	\$	(23,757)
External Communications Contract	\$	52,000
Ending Cash	\$	(30,000)
<i>Subtotal</i>	\$	<i>(39,233)</i>

5800-ES

Staffing Adjustment in Urban Forestry	\$	(8,826)
Operational Efficiencies Through Alignment	\$	(56,254)
Ending Cash	\$	40,080
<i>Subtotal</i>	\$	<i>(25,000)</i>

5800-FIN

Salary and Vacancy Savings	\$	(200,000)
<i>Subtotal</i>	\$	<i>(200,000)</i>

5800-FIRE

Fleet Correction	\$	31,958
Emergency Management Budget Correction	\$	191,803
<i>Subtotal</i>	\$	<i>223,761</i>

5800 Total	\$	570,955
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Total Internal Service Funds \$ 15,132,924

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City of Tacoma, Washington
2025-2026 Biennial Operating Budget
Modification of 2025-2026 Contracts, Transfers and Other Obligations

Narrative Explanation for the Budget Amendment Ordinance

Authorize an Increase in Revenues and Expenditures for 2025-2026 Appropriations:

Trust and Agency Funds

6430 - Health Care Trust Labor Management		Amount
Revenues		
Beginning Cash	\$	(4,274,957)
Employee Benefit Program Services	\$	(510,000)
Employer Self-Insurance Contribution	\$	(2,253,696)
	\$	(7,038,653)
Expenditures		
Health Care Rate Adjustments	\$	7,202,819
Ending Cash	\$	(164,166)
	\$	7,038,653
<u>Total Trust & Agency Funds</u>		\$ 7,038,653

Grand Total Expenditures - All Funds		\$ 52,784,546
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